

Focused Forward.



America's Leader in Partnership Corrections

2013 Highlights

REIT Conversion

CCA successfully converted to a Real Estate Investment Trust (REIT) and began operating as a REIT effective January 1, 2013. We believe operating as a REIT creates shareholder value, helps lower our cost of capital, draws a larger base of potential investors, provides greater flexibility to pursue growth opportunities and creates a more efficient operating structure.

Refinancing Completed

CCA expanded its revolving credit facility and completed the refinancing of its Senior Notes, extending our debt maturities, reducing our overall interest rate and providing flexibility to operate as a REIT.



Acquired CAI

CCA acquired Correctional Alternatives, Inc. (CAI), a private owner-operator of community corrections facilities in California, for \$36 million. This acquisition enables us to expand the range of solutions we provide our government partners from incarceration through release and supports our goal of helping inmates transition successfully to society.

Leased 2 facilities

CCA leased two of its existing owned facilities totaling 2,504 beds to other operators.



CCA, a publicly traded real estate investment trust (REIT), is the nation's largest owner of partnership correction and detention facilities and one of the largest prison operators in the United States, behind only the federal government and three states. We currently own or control 52 correctional and detention facilities and manage 13 additional facilities owned by our government partners, with a total design capacity of approximately 86,000 beds in 20 states and the District of Columbia. CCA specializes in owning, operating and managing prisons and other correctional facilities and providing inmate residential, community re-entry and prisoner transportation services for governmental agencies. In addition to providing residential services relating to inmates, our facilities offer a variety of rehabilitation and educational programs, including basic education, faith-based programs and services, life skills and employment training and substance abuse treatment.

CCA at a Glance



* Pro Forma Normalized FFO and Pro Forma Diluted EPS are calculated as if the shares issued in connection with the special dividend in 2013 were issued as of the beginning of the periods presented and are measures calculated and presented on the basis of methodologies other than GAAP. Please refer to page A-1 in the Form 10-K insert accompanying the Annual Letter to Shareholders for a reconciliation to Pro Forma Normalized FFO and Pro Forma Diluted EPS.

Dear Shareholders:

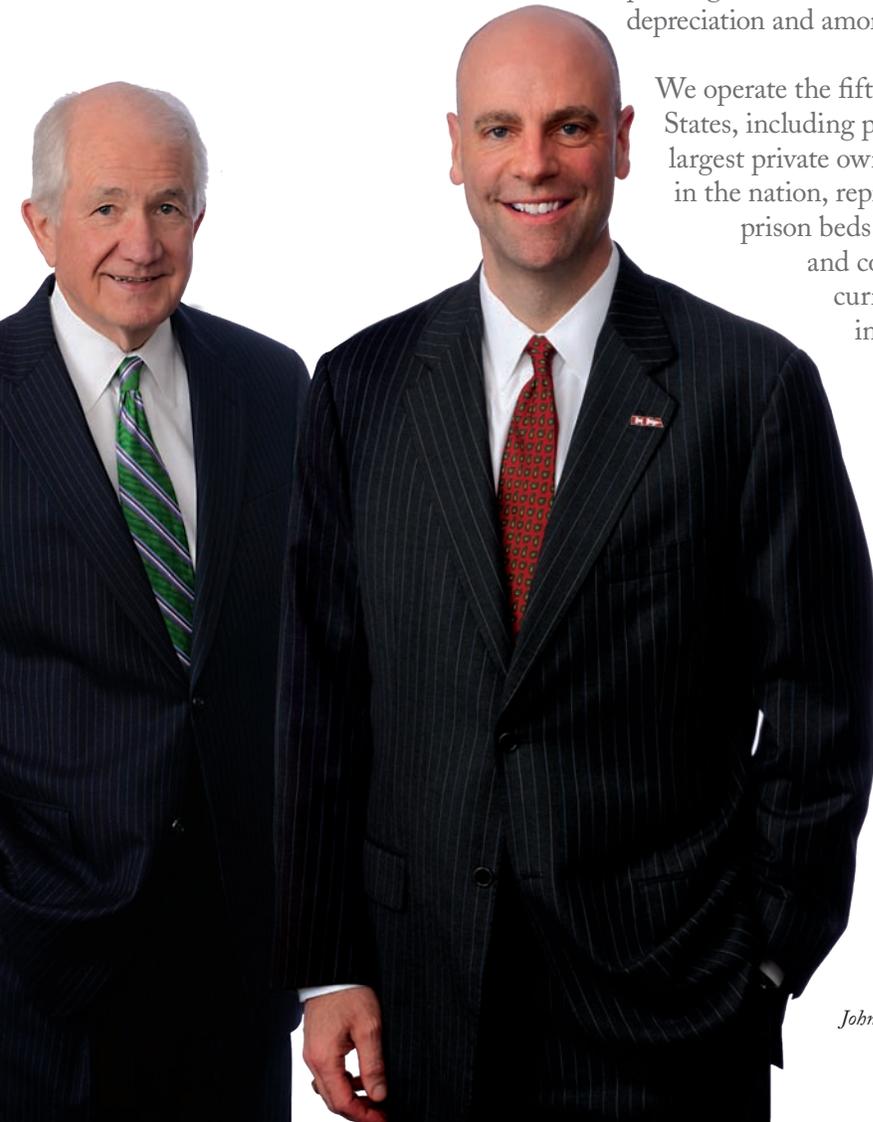
2013 was a transformative year with CCA having completed its conversion to a Real Estate Investment Trust (REIT) effective January 1, 2013, as part of our strategy to build long-term shareholder value. After our REIT conversion, we more than doubled our cash dividend paid to shareholders during the year, refinanced a significant portion of our debt on favorable terms, and created a more efficient financial and operating structure to pursue future growth opportunities. The combination of lower interest costs and corporate income taxes contributed to CCA reporting significant growth in net income and net income per share, as well as Funds From Operations (FFO) and FFO per share, in 2013 compared with the prior year.

CCA's Real Estate is an Essential Core of Our Business

Real estate is an essential core of our business, with the gross book value of land and buildings representing about 97% of our fixed assets, including over 14 million square feet in 52 owned /controlled facilities. During 2013, these facilities generated over 94% of our net operating income, or our operating income before general and administration expenses, depreciation and amortization and asset impairments.

We operate the fifth largest corrections system in the United States, including public and private operators. CCA is the largest private owner and operator of correctional facilities in the nation, representing more than 40% of all private prison beds in the U.S. and nearly 60% of all owned and controlled private beds in the U.S. We currently have approximately 86,000 beds in 65 facilities located in 20 states and the District of Columbia.

CCA increased its total annual cash dividends by more than 200%, from \$0.60 per share in 2012 to \$1.97 per share in 2013, and further increased the regular quarterly dividend to \$0.51 per share during the first quarter of 2014, or an annual rate of \$2.04.



John D. Ferguson and Damon T. Hininger

Our real estate portfolio has many positive attributes that set us apart from the typical REIT. Our revenue is primarily from government entities at the local, state and federal level that have investment grade credit ratings. Our contracts are typically for three to five years, have multiple long-term renewal options and staggered expiration dates. CCA enjoys over a 90% contract renewal rate on company-owned facilities.

CCA's owned facilities have been a key driver in winning and retaining long-term contracts.

CCA's owned facilities provide enhanced marketing opportunities to grow future earnings. We had approximately 14,000 bought-and-paid-for available beds in inventory as we entered 2014, providing us with significant opportunities for earnings and cash flow growth. As governments continue to face the challenge of rising inmate populations and overcrowded conditions, we believe this

inventory of available capacity positions us well to provide current and potential customers with immediate space given new prison construction by local, state and federal agencies has been very limited in recent years due to economic and political constraints.

CCA's owned facilities have been a key driver in winning and retaining long-term contracts. Our just-in-time inventory represents capacity that can be quickly tapped to meet the needs of our partners. For example, CCA leased its 2,304-bed California City Correctional Center to the California Department of Corrections and Rehabilitation (CDCR) beginning December 1, 2013, providing the state an immediate solution to address its prison overcrowding. The initial lease with the CDCR is for three years and has unlimited two-year renewal options. By comparison, it

2,773

Additions treatment program completions



could take the CDCR three to seven years to construct a facility of this size, not taking into account the difficulty in funding, permitting and staffing such a large prison.

We believe our facilities provide a solid foundation for our future. They have a median age of 17 years and an estimated 75-year economic life. We compare very favorably to some public sector prisons that are over 100 years old. Replacing old public prisons provides our governmental partners with operational cost savings and improves safety and living conditions.

Our new facilities are designed to improve security while reducing operating costs. We are also an industry leader in adopting technologies that conserve resources, such as computerized water controls that have reduced water usage by more than 50% at some facilities. One of our newest facilities, a 1,492-bed prison in Otay Mesa, California, will be one of the industry's first LEED certified (Leadership in Energy and Environmental Design) corrections facilities. It is due for completion in the second half of 2015, and highlights our approach to using progressive technology that increases the quality and value of the services we provide to our governmental partners.

CCA Increases Cash Dividend

CCA's conversion to a REIT resulted in reduced income tax expense in 2013 compared with prior years. A REIT has certain tax advantages compared with a traditional "C" Corporation. As a REIT, CCA generally is not subject to federal income taxes on its REIT taxable income and gains that are distributed to its shareholders as taxable dividends. CCA increased its total annual cash dividends by more than 200%, from \$0.60 per share in 2012 to \$1.97 per share in 2013, and further increased the regular quarterly dividend to \$0.51 per share during the first quarter of 2014, or an annual rate of \$2.04.



3,236
GED certificates

CCA Programs Focus on Preparing Inmates for Re-entering Society

During 2013, CCA enhanced its already strong corrections programs, placing a heavier emphasis on classes and resources that prepare offenders to live a productive life outside the correctional system. We recognize that in addition to securing the safe operation of our facilities, we can help change the lives of offenders by providing activities and recidivism-reducing programs that engage inmates in the process of re-entry from the moment they enter a CCA facility.



19,500+
Daily enrollment in education, vocation and drug treatment programs



CCA Closes on CAI Acquisition

Expanding the range of solutions we can provide to our government partners

CCA believes that providing offenders continued support through release by helping inmates transition successfully into society is a key factor in reducing the rate of recidivism. In 2013, building on that belief, CCA broadened the scope of services we are able to provide with the acquisition of Correctional Alternatives, Inc. (CAI), a private owner-operator of community corrections facilities in California.

Focus on the Future

We are pleased to complete our first year as a REIT and to reward CCA shareholders with a significant increase in our cash dividend. We also remain excited about CCA's future as the leader in the private corrections industry. We believe we have significant opportunities to build shareholder value based on our just-in-time inventory of available beds, an improving economy that should ease some of the budget challenges governments have faced in funding corrections, and opportunities for strategic acquisitions of complementary businesses and publicly owned prisons.

The market share for the private corrections industry continues to grow, but still is relatively small representing about 10% of the overall market. This provides CCA with significant opportunities for growth as governments look for solutions to their corrections challenges. Key factors driving the need for solutions include facility overcrowding, aging public facilities, and reducing operating costs for our governmental partners, including long-term pension obligations.

Almost half the states and the Federal Bureau of Prisons (BOP) have facilities that are operating at over 100% of rated capacity. The BOP operated at about 136% of stated capacity last year while California's prisons were at approximately 145%. We believe the wide

extent of overcrowded public facilities provides CCA with future opportunities to deploy our just-in-time inventory of beds in many of these market sectors.

Aging public prisons are inefficient to operate and provide a lower quality of life for inmates compared with newer facilities. Approximately 95,000 of beds in operation throughout the United States' prison systems were in prisons that were over 100 years old and about 200,000 beds were in prisons at least 75 years old. Some states have begun to close older facilities while not replacing them with new construction. We believe the economics of replacing these older facilities will provide increased demand for CCA's beds in the future.

In 2013, we broadened the scope of services we are able to provide with the acquisition of Correctional Alternatives, Inc. (CAI), a private owner-operator of community corrections facilities in California that currently serves San Diego County and the BOP. CAI provides cost-effective solutions for housing and rehabilitation through programs that include work furloughs, residential reentry and home confinement. This complementary business enables us to expand the range of solutions we provide our government partners from incarceration through release and supports our goal of helping inmates transition successfully to society. It also builds on the wide range

After our REIT conversion, we more than doubled our cash dividend paid to shareholders during the year, refinanced a significant portion of our debt on favorable terms, and created a more efficient financial and operating structure to pursue future growth opportunities.



Our Defined Values:

Professionalism, Respect, Integrity, Duty and Excellence. PRIDE stretches throughout the fabric of CCA and is exemplified every day by the exceptional work we do and the values we strive to uphold.



California City Correctional Center Lease Signed

California Department of Corrections and Rehabilitation to use 2,304-beds

In 2013, CCA leased its California City Correctional Center to the California Department of Corrections and Rehabilitation, providing immediate capacity and relief to the State's overcrowded prison system as well as eliminating the need, cost or time of developing a facility. The lease was effective December 1, 2013, providing CCA lease revenue with limited operational costs.



of rehabilitation and reentry opportunities we currently provide in our facilities, such as educational, vocational and faith-based programming. We are excited about the potential for this market and the opportunity to use existing facilities to expand in this market segment.

We believe CCA has additional growth opportunities to expand our real estate portfolio by purchasing correctional and detention facilities from state governments. We offer a compelling value proposition to states by paying cash for the facility, providing ongoing operational cost savings, stemming the growth of long-term pension obligations and freeing up budget dollars for much needed funding for other state programs and services.

We want to thank our team of more than 15,000 CCA professionals for their continued contributions in making CCA the leader in the partnership corrections industry. We also thank you, our shareholders, for your investment in CCA and look forward to reporting on our continued progress in 2014.

John D. Ferguson
Chairman of the Board

Damon T. Hininger
President and Chief Executive Officer

Directors

John D. Ferguson
Chairman of the Board

Damon T. Hininger
President and CEO

Donna M. Alvarado
Founder and President –
Aguila International
Audit Committee

William F. Andrews
Former Chairman – Corrections
Corporation of America
Principal – Kohlberg & Company

John D. Correnti
Chairman and Executive Officer –
Big River Steel, LLC
Compensation Committee

Dennis W. DeConcini
Former U.S. Senator
Nominating and Governance Committee

Robert J. Dennis
Chairman, President and
Chief Executive Officer –
Genesco Inc.
Compensation Committee

John R. Horne
Former Chairman – Navistar
International Corporation
Compensation Committee

C. Michael Jacobi
Owner and President –
Stable House, LLC
Audit Committee Chair

Anne L. Mariucci
Private Investor
Audit Committee

Thurgood Marshall, Jr.
Partner – Bingham McCutchen LLP
Nominating and Governance Committee

Charles L. Overby
Former Chairman and Chief Executive
Officer – The Freedom Forum
Nominating and Governance
Committee Chair
Audit Committee

John R. Prann, Jr.
Former President and Chief Executive
Officer – Katy Industries, Inc.
Compensation Committee

Joseph V. Russell
Co-Chairman and Co-Chief Executive
Officer – Elan-Polo, Inc.
Compensation Committee Chair
Nominating and Governance Committee

Executive Officers

Damon T. Hininger
President and CEO

Anthony L. Grande
Executive Vice President and
Chief Development Officer

Steven E. Groom
Executive Vice President and
General Counsel

Harley G. Lappin
Executive Vice President and
Chief Corrections Officer

Lucibeth Mayberry
Senior Vice President, Real Estate

Todd J Mullenger
Executive Vice President and
Chief Financial Officer

Kim White
Senior Vice President, Human Resources

Shareholder Information

Corporate Office
Corrections Corporation of America
10 Burton Hills Boulevard
Nashville, TN 37215
(615) 263-3000
Website: www.cca.com

Stock Information
Our Common Stock is listed on the
New York Stock Exchange, under the
symbol CXW.

Stock Transfer Agent and Registrar
American Stock Transfer and
Trust Company
59 Maiden Lane
New York, NY 10038
800-937-5449

Inquiries regarding stock transfers, lost
certificates or address changes should be
directed to the registrar and transfer agent
at the address above.

Form 10-K and NYSE Certifications
Upon written request, we will provide
without charge a copy of our Form 10-K
for the fiscal year ended December 31,
2013 to our shareholders. Requests should
be directed to:

Investor Relations
Corrections Corporation of America
10 Burton Hills Boulevard
Nashville, TN 37215

Our Form 10-K is also available on our
website at www.cca.com.



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