

CCA Awarded a New Federal Bureau of Prisons Contract for the Continued Management and Expansion of McRae Correctional Facility

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NASHVILLE, TN, Oct 28, 2011 (MARKETWIRE via COMTEX) --

CCA (Corrections Corporation of America) (NYSE: CXW), the nation's largest partnership corrections provider to government agencies, announced today that pursuant to a competitive re-bid it has received a new contract from the Federal Bureau of Prisons (BOP) for the expansion and continued management of CCA's McRae Correctional Facility in McRae, Georgia. Under the new contract CCA will have the ability to house up to 2,275 male inmates for the BOP after completing a 454-bed expansion of the McRae facility.

The contract, awarded as part of the Criminal Alien Requirement XII Solicitation ("CAR 12"), becomes effective December 1, 2012, and has an initial four-year term with three two-year renewal options or up to 10 years if all renewal options are executed. Under the new CAR 12 contract, following a 90-day ramp period for the incremental population, CCA will receive a fixed monthly payment based on a guaranteed population equal to 90% of the expanded rated capacity and a per diem payment for each additional inmate thereafter. Under the provisions of the award, the Company could earn revenues of up to approximately \$152.0 million during the initial four-year term of the contract, or up to \$401.0 million if all renewal options are executed. All other terms of the contract remain essentially the same as the current contract. CCA has managed populations for the BOP at the McRae facility since 2002.

CCA will begin the 454-bed expansion of the McRae facility in the fourth quarter of 2011 and expects construction to be complete in the fourth quarter of 2012. The total cost of the expansion is estimated to be \$17.1 million. CCA expects to receive a Notice to Proceed on or about December 1, 2012 and to begin receiving additional inmate populations shortly thereafter.

Damon Hininger, president and CEO, stated, "We are pleased to continue our relationship with the Federal Bureau of Prisons, a long-standing and valued partner. We believe our value proposition and track record of outstanding quality correctional services have contributed to our continued partnership with the BOP."

About CCA

CCA is the nation's largest owner and operator 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 operate 66 facilities, including 45 company-owned facilities, with a total design capacity of approximately 90,000 beds in 20 states and the District of Columbia. We specialize in owning, operating and managing prisons and other correctional facilities and providing inmate residential and prisoner transportation services for governmental agencies. In addition to providing the fundamental residential services relating to inmates, our facilities offer a variety of rehabilitation and educational programs, including basic education, religious services, life skills and employment training and substance abuse treatment. These services are intended to reduce recidivism and to prepare inmates for their successful re-entry into society upon their release. We also provide health care (including medical, dental and psychiatric services), food services and work and recreational programs.

Forward-Looking Statements

This press release contains statements as to our beliefs and expectations of the outcome of future events that are forward-looking statements as defined within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made. These include, but are not limited to, the risks and uncertainties associated with: (i) general economic and market conditions, including the impact governmental budgets can have on our per diem rates, occupancy, and overall utilization; (ii) fluctuations in our operating results because of, among other things, changes in occupancy levels, competition, increases in cost of operations, fluctuations in interest rates and risks of operations; (iii) our ability to obtain and maintain correctional facility management contracts, including as a result of sufficient governmental appropriations and as a result of inmate disturbances; (iv) changes in the privatization of the corrections and detention industry, the public acceptance of our services, the timing of the opening of and demand for new prison facilities and the commencement of new management contracts; (v) the outcome of California's realignment program and its utilization of out of state private correctional capacity; and (vi) increases in costs to construct or

expand correctional facilities that exceed original estimates, or the inability to complete such projects on schedule as a result of various factors, many of which are beyond our control, such as weather, labor conditions and material shortages, resulting in increased construction costs. Other factors that could cause operating and financial results to differ are described in the filings made from time to time by us with the Securities and Exchange Commission.

CCA takes no responsibility for updating the information contained in this press release following the date hereof to reflect events or circumstances occurring after the date hereof or the occurrence of unanticipated events or for any changes or modifications made to this press release.

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