



## Corrections Corporation of America Commences Construction of New Correctional Facility in Arizona

February 1, 2005

NASHVILLE, Tenn.--(BUSINESS WIRE)--Feb. 1, 2005--Corrections Corporation of America (NYSE:CXW), the nation's largest provider of corrections management services to government, has commenced construction of the Red Rock Correctional Center, a new 1,596-bed, medium-security correctional facility. The new facility will be owned and managed by CCA and is expected to cost approximately \$75 million. The project is currently slated for completion during the first quarter of 2006.

The facility will be located on CCA-owned land adjacent to the Company's Eloy Detention Center, a 1,500-bed facility housing inmates for the Federal Bureau of Prisons and the Bureau of Immigration and Customs Enforcement. CCA has operated the Eloy facility since 1995.

CCA management has indicated that capacity at the new facility is intended primarily for existing CCA customers, including approximately 750 inmates from the state of Alaska that are currently being held at the Company's Florence Correctional Center, as well as inmates from other jurisdictions that are being held at various other CCA facilities. The Company expects that the capacity being made available at the Florence facility as a result of relocating Alaskan inmates will be offered to federal customers currently occupying both the Florence and Central Arizona facilities including the U.S. Marshals Service and the Bureau of Immigration and Customs Enforcement.

CCA's Red Rock Correctional Center is the first facility to feature the Company's new facility design prototype, which has been under development since 2003. In addition to new design concepts, the facility will employ state-of-the art technology, including CCA's new IMS2 inmate management system, currently being deployed in CCA facilities across the country.

The Red Rock Correctional Center is the latest in a series of capital projects undertaken by CCA to meet increasing customer demands. During 2004, the Company undertook expansion projects at six facilities that will result in the addition of approximately 1,650 beds. In addition, the Company expects to complete the construction of its Stewart County, Georgia facility in early 2005 which will add an additional 1,500 beds to the Company's capacity.

"The construction of our Red Rock Correctional Center is a positive step for CCA," said President and CEO John Ferguson. "Our Company is pursuing a path of carefully planned growth, as dictated by the needs of our public sector partners. This new facility will enable us to better meet the needs of several of our customers requiring bed space in Arizona and is reflective of CCA's commitment to assist our customers in dealing with the ongoing tight supply of prison beds nationwide."

### About the Company

CCA is the nation's largest owner and operator of privatized correctional and detention facilities and one of the largest prison operators in the United States, behind only the federal government and three states. The Company currently operates 63 facilities, including 38 company-owned facilities, with a total design capacity of approximately 69,000 beds in 19 states and the District of Columbia. The Company specializes 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, the Company's 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. The Company also provides 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 the Company's 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) fluctuations in the Company's 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; (ii) changes in the privatization of the corrections and detention industry, the public acceptance of the Company's services and the timing of the opening of and demand for new prison facilities; (iii) the Company's ability to obtain and maintain correctional facility management contracts, including as the result of sufficient governmental appropriations and as the result of inmate disturbances; (iv) 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 the Company's control, such as weather, labor conditions and material shortages, resulting in increased construction costs; and (v) general economic and market conditions. Other factors that could cause operating and financial results to differ are described in the filings made from time to time by the Company with the Securities and Exchange Commission.

The Company 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 or the information contained herein by any third-parties, including, but not limited to, any wire or internet services.

CONTACT: Corrections Corporation of America  
Louise Chickering, 615-263-3106  
(Marketing and Communications)

Karin Demler, 615-263-3005 (Investor Relations)

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