



The GEO Group Announces 626-Bed Expansion of the Karnes County Residential Center in Texas

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BOCA RATON, Fla.--(BUSINESS WIRE)-- **The GEO Group (NYSE: GEO)** ("GEO") announced today the development of a 626-bed expansion to the company-owned, 532-bed Karnes County Residential Center in Texas under an amendment to GEO's existing contract with Karnes County, Texas and the existing intergovernmental service agreement between Karnes County and U.S. Immigration and Customs Enforcement. GEO will finance, develop, and manage the \$36 million expansion, which will increase the Facility's total capacity to 1,158 beds. The expansion is expected to generate approximately \$20 million in additional annualized revenues for GEO and returns on investment consistent with GEO's company-owned facilities. GEO expects to complete the 626-bed expansion and begin intake in the fourth quarter of 2015.

George C. Zoley, Chairman and Chief Executive Officer of GEO, said, "We appreciate the confidence placed in our company by U.S. Immigration and Customs Enforcement, which has been tasked with helping our nation respond to an unprecedented humanitarian crisis by providing appropriate residential care for families. The expansion of our long-standing public-private partnership with ICE will provide a long-term solution to the expected ongoing need for residential care for families."

The GEO Group, Inc. (NYSE: GEO) is the first fully integrated equity real estate investment trust specializing in the design, financing, development, and operation of correctional, detention, and community reentry facilities around the globe. GEO is the world's leading provider of diversified correctional, detention, community reentry, and electronic monitoring services to government agencies worldwide with operations in the United States, Australia, South Africa, and the United Kingdom. GEO's worldwide operations include the ownership and/or management of 98 facilities totaling approximately 79,000 beds, including projects under development, with a growing workforce of approximately 18,000 professionals.

This press release contains forward-looking statements regarding future events and future performance of GEO that involve risks and uncertainties that could materially affect actual results, including statements regarding estimated earnings, revenues and costs and our ability to maintain growth and strengthen contract relationships. Factors that could cause actual results to vary from current expectations and forward-looking statements contained in this press release include, but are not limited to: (1) GEO's ability to successfully pursue further growth and continue to enhance shareholder value; (2) GEO's ability to access the capital markets in the future on satisfactory terms or at all; (3) risks associated with GEO's ability to control operating costs associated with contract start-ups; (4) GEO's ability to timely open facilities as planned, profitably manage such facilities and successfully integrate such facilities into GEO's operations without substantial costs; (5) GEO's ability to win management contracts for which it has submitted proposals and to retain existing management contracts; (6) GEO's ability to obtain future financing on acceptable terms; (7) GEO's ability to sustain company-wide occupancy rates at its facilities; and (8) other factors contained in GEO's Securities and Exchange Commission filings, including the forms 10-K, 10-Q and 8-K reports.

The GEO Group
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Source: The GEO Group