The GEO Group Closes Acquisition of 1,287-Bed Joe Corley Detention Center in Montgomery County, Texas

June 7, 2013 12:30 PM EDT

BOCA RATON, Fla.--(BUSINESS WIRE)-- **The GEO Group (NYSE:GEO)** ("GEO") announced today the closing of its previously announced acquisition of the 1,287-bed Joe Corley Detention Center (the "Center") in Montgomery County, Texas for approximately $65 million. The Center was bought from Montgomery County. GEO financed the acquisition of the Center with free cash flow and borrowings available under its senior revolving credit facility.

The Center houses federal detainees for U.S. Immigration and Customs Enforcement and the U.S. Marshals Service under an Intergovernmental Service Agreement. GEO has been managing the Center since 2008 under a contract with Montgomery County. The Center is expected to generate approximately $27 million in total annual revenues. The acquisition of the Center is expected to generate returns consistent with GEO's owned facilities.

George C. Zoley, Chairman and CEO of GEO, said, "We are pleased with this important facility acquisition in Montgomery County and look forward to our continued partnership."

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, and community reentry 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 95 facilities totaling approximately 72,000 beds 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, Inc.
Pablo E. Paez, 866-301-4436
Vice President, Corporate Relations

Source: The GEO Group, Inc.