UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 10, 2021

THE GEO GROUP, INC.
(Exact Name of Registrant as Specified in its Charter)

Florida	**1-14260**	**65-0043078**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

4955 Technology Way, Boca Raton, Florida	**33431**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's telephone number, including area code (561) 893-0101

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instructions A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.01 Par Value	**GEO**	**New York Stock Exchange**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Section 2 Financial Information

Item 2.02. Results of Operations and Financial Condition.

On May 10, 2021, The GEO Group, Inc. ("GEO" or the "Company") issued a press release (the "Earnings Press Release") announcing its financial results for the quarter ended March 31, 2021, updating its financial guidance for the full year 2021 and issuing its financial guidance for the second quarter 2021. A copy of the Earnings Press Release is furnished hereto as Exhibit 99.1. GEO also held a conference call on May 10, 2021 to discuss these matters, a transcript of which is furnished hereto as Exhibit 99.2.

In the Earnings Press Release, GEO provided Net Operating Income, EBITDAre, Adjusted EBITDAre, Funds From Operations, Normalized Funds From Operations, Adjusted Funds From Operations and Adjusted Net Income for the quarter ended March 31, 2021 and the comparable prior-year period that were not calculated in accordance with Generally Accepted Accounting Principles (the "Non-GAAP Information") and are presented as supplemental disclosures. Generally, for purposes of Regulation G under the Securities Exchange Act of 1934, Non-GAAP Information is any numerical measure of a company's performance, financial position, or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. The Earnings Press Release presents the financial measure calculated and presented in accordance with GAAP, which is the most directly comparable to the Non-GAAP Information, with a prominence equal to or greater than its presentation of the Non-GAAP Information. The Earnings Press Release also contains a reconciliation of the Non-GAAP Information to the financial measure calculated and presented in accordance with GAAP which is the most directly comparable to the Non-GAAP Information.

Net Operating Income is defined as revenues less operating expenses, excluding depreciation and amortization expense, general and administrative expenses, real estate related operating lease expense, and start-up expenses, pre-tax. Net Operating Income is calculated as net income adjusted by subtracting equity in earnings of affiliates, net of income tax provision, and by adding income tax provision, interest expense, net of interest income, gain/loss on extinguishment of debt, depreciation and amortization expense, general and administrative expenses, real estate related operating lease expense, gain on real estate assets, pre-tax, and start-up expenses, pre-tax.

EBITDAre (EBITDA for real estate) is defined as net income adjusted by adding provisions for income tax, interest expense, net of interest income, depreciation and amortization, and gain on real estate assets, pre-tax. Adjusted EBITDAre (Adjusted EBITDA for real estate) is defined as EBITDAre adjusted for net loss attributable to non-controlling interests, stock-based compensation expenses, pre-tax, and certain other adjustments as defined from time to time, including for the periods presented start-up expenses, pre-tax, COVID-19 expenses, pre-tax, close-out expenses, pre-tax, and other non-cash revenue and expense, pre-tax.

Given the nature of GEO's business as a real estate owner and operator, GEO believes that EBITDAre and Adjusted EBITDAre are helpful to investors as measures of its operational performance because they provide an indication of its ability to incur and service debt, to satisfy general operating expenses, to make capital expenditures and to fund other cash needs or reinvest cash into its business. GEO believes that by removing the impact of its asset base (primarily depreciation and amortization) and excluding certain non-cash charges, amounts spent on interest and taxes, and certain other charges that are highly variable from year to year, EBITDAre and Adjusted EBITDAre provide its investors with performance measures that reflect the impact to operations from trends in occupancy rates, per diem rates and operating costs, providing a perspective not immediately apparent from net income attributable to GEO. The adjustments GEO makes to derive the non-GAAP measures of EBITDAre and Adjusted EBITDAre exclude items which may cause short-term fluctuations in income from continuing operations and which GEO does not consider to be the fundamental attributes or primary drivers of its business plan and they do not affect GEO's overall long-term operating performance. EBITDAre and Adjusted EBITDAre provide disclosure on the same basis as that used by GEO's management and provide consistency in its financial reporting, facilitate internal and external comparisons of its historical operating performance and its business units and provide continuity to investors for comparability purposes.

Funds From Operations, or FFO, is defined in accordance with standards established by the National Association of Real Estate Investment Trusts, or NAREIT, which defines FFO as net income/loss attributable to common shareholders (computed in accordance with United States Generally Accepted Accounting Principles), excluding real estate related depreciation and amortization, excluding gains and losses from the cumulative effects of accounting changes, extraordinary items and sales of properties, and including adjustments for unconsolidated partnerships and joint ventures. Normalized Funds from Operations, or Normalized FFO, is defined as FFO adjusted for certain items which by their nature are not comparable from period to period or that tend to obscure GEO's actual operating performance, including for the periods presented gain on the extinguishment of debt, pre-tax, start-up expenses, pre-tax, COVID-19 expenses, pre-tax, close-out expenses, pre-tax, and tax effect of adjustments to FFO. Adjusted Funds From Operations, or AFFO, is defined as Normalized FFO adjusted by adding non-cash expenses such as non-real estate related depreciation and amortization, stock based compensation expense, the amortization of debt issuance costs, discount and/or premium and other non-cash interest, and by subtracting recurring consolidated maintenance capital expenditures and other non-cash revenue and expenses.

Adjusted Net Income is defined as Net Income Attributable to GEO adjusted for certain items which by their nature are not comparable from period to period or that tend to obscure GEO's actual operating performance, including for the periods presented gain on real estate assets, pre-tax, gain on the extinguishment of debt, pretax, start-up expenses, pre-tax, COVID-19 expenses, pre-tax, close-out expenses, pre-tax, and tax effect of adjustments to Net Income Attributable to GEO.

Because of the unique design, structure and use of its GEO Secure Services and GEO Care facilities, the Company believes that assessing the performance of its secure facilities, processing centers, and reentry centers without the impact of depreciation or amortization is useful and meaningful to investors. Although NAREIT has published its definition of FFO, companies often modify this definition as they seek to provide financial measures that meaningfully reflect their distinctive operations. GEO has modified FFO to derive Normalized FFO and AFFO that meaningfully reflect its operations.

GEO's assessment of its operations is focused on long-term sustainability. The adjustments GEO makes to derive the non-GAAP measures of Normalized FFO and AFFO exclude items which may cause short-term fluctuations in net income attributable to GEO but have no impact on GEO's cash flows, or the Company does not consider them to be fundamental attributes or the primary drivers of GEO's business plan and they do not affect GEO's overall long-term operating performance. GEO may make adjustments to FFO from time to time for certain other income and expenses that do not reflect a necessary component of GEO's operational performance on the basis discussed above, even though such items may require cash settlement. Because FFO, Normalized FFO and AFFO exclude depreciation and amortization unique to real estate as well as non-operational items and certain other charges that are highly variable from year to year, they provide GEO's investors with performance measures that reflect the impact to operations from trends in occupancy rates, per diem rates, operating costs and interest costs, providing a perspective not immediately apparent from Net Income Attributable to GEO.

GEO believes the presentation of FFO, Normalized FFO and AFFO provide useful information to investors as they provide an indication of GEO's ability to fund capital expenditures and expand its business. FFO, Normalized FFO and AFFO provide disclosure on the same basis as that used by GEO's management and provide consistency in its financial reporting, facilitate internal and external comparisons of its historical operating performance and its business units and provide continuity to investors for comparability purposes. Additionally, FFO, Normalized FFO and AFFO are widely recognized measures in GEO's industry as a real estate investment trust.

The Earnings Press Release contains reconciliation tables for Net Operating Income, EBITDAre, Adjusted EBITDAre, Funds from Operations, Normalized Funds from Operations, Adjusted Funds from Operations and Adjusted Net Income.

GEO has presented in the Earnings Press Release certain forward-looking statements about GEO's future financial performance that include non-GAAP financial measures, including Adjusted EBITDAre, Net Operating Income, Funds from Operations, Normalized Funds from Operations, and Adjusted Funds from Operations. The determination of the amounts that are included or excluded from these non-GAAP financial measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts recognized in a given period. While GEO has provided a high level reconciliation for the guidance ranges for full year 2021, it is unable to present a more detailed quantitative reconciliation of the forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures because management cannot reliably predict all of the necessary components of such GAAP measures. The quantitative reconciliation of the forward-looking non-GAAP financial measures will be provided for completed annual and quarterly periods, as applicable, calculated in a consistent manner with the quantitative reconciliation of non-GAAP financial measures previously reported for completed annual and quarterly periods.

The Non-GAAP Information should be considered in addition to results that are prepared under current accounting standards but should not be considered a consolidated substitute for, or superior to, financial information prepared in accordance with GAAP. The Non-GAAP Information may differ from similarly titled measures presented by other companies. The Non-GAAP Information, as well as other information in the Earnings Press Release, should be read in conjunction with GEO's financial statements filed with the Securities and Exchange Commission.

The information set forth in Item 2.02 in this Form 8-K is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information set forth in Item 2.02 in this Form 8-K shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Section 9 Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit No.	Description
99.1	Press Release, dated May 10, 2021, announcing GEO's financial results for the quarter ended March 31, 2021.
99.2	Transcript of Conference Call discussing GEO's financial results for the quarter ended March 31, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE GEO GROUP, INC.

May 14, 2021	By:	/s/ Brian R. Evans
Date		Brian R. Evans Senior Vice President and Chief Financial Officer (Principal Financial Officer)

The GEO Group, Inc.

4955 Technology Way ∎ Boca Raton, Florida 33431 ∎ www.geogroup.com

NEWS RELEASE

THE GEO GROUP REPORTS FIRST QUARTER 2021 RESULTS AND UPDATES FULL YEAR 2021 GUIDANCE

Boca Raton, Fla. – May 10, 2021 — The GEO Group, Inc. (NYSE: GEO) ("GEO"), a fully integrated equity real estate investment trust ("REIT") and a leading provider of enhanced in-custody rehabilitation, post-release support, and community-based programs, reported today its financial results for the first quarter 2021 and updated its financial guidance for the full-year 2021.

First Quarter 2021 Highlights

- **Total revenues of $576.4 million**
- **Net Income Attributable to GEO of $50.5 million or $0.41 per diluted share**
- **1Q21 results reflect $13.3 million pre-tax gain on real estate assets and $3.0 million pre-tax gain on the extinguishment of debt**
- **Adjusted Net Income of $0.28 per diluted share**
- **Net Operating Income of $152.3 million**
- **Normalized FFO of $0.44 per diluted share**
- **AFFO of $0.60 per diluted share**

We reported first quarter 2021 net income attributable to GEO of $50.5 million, or $0.41 per diluted share, compared to $25.2 million, or $0.21 per diluted share, for the first quarter 2020. We reported total revenues for the first quarter 2021 of $576.4 million compared to $605.0 million for the first quarter 2020. First quarter 2021 results reflect a $13.3 million gain on real estate assets, pre-tax, a $3.0 million gain on the extinguishment of debt, pre-tax, and a $0.1 million benefit in the tax effect of adjustments to net income attributable to GEO. Excluding these items, we reported first quarter 2021 Adjusted Net Income of $34.1 million, or $0.28 per diluted share, compared to $28.8 million, or $0.24 per diluted share, for the first quarter 2020.

We reported first quarter 2021 Normalized Funds From Operations ("Normalized FFO") of $53.1 million, or $0.44 per diluted share, compared to $47.2 million, or $0.39 per diluted share, for the first quarter 2020. We reported first quarter 2021 Adjusted Funds From Operations ("AFFO") of $72.2 million, or $0.60 per diluted share, compared to $66.6 million, or $0.55 per diluted share, for the first quarter 2020.

George C. Zoley, Chairman and Chief Executive Officer of GEO, said, "While we continue to face operational and financial challenges associated with COVID-19, we remain pleased with the performance of our diversified business units. We believe that our company remains resilient and is supported by long-term real estate assets and contracts entailing essential government services. We recognize that heightened political rhetoric has created concerns regarding our future access to financing, and recent federal policy actions have resulted in the non-renewal of some of our contracts. To address these challenges, we are focused on debt reduction, deleveraging, and internally funding growth, which we believe is in the best interests of our shareholders as we focus on addressing our debt maturities and enhancing long-term shareholder value."

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Contact: Pablo E. Paez (866) 301 4436
Executive Vice President, Corporate Relations

Recent Developments

On January 26, 2021, President Biden signed an executive order directing the United States Attorney General not to renew U.S. Department of Justice ("DOJ") contracts with privately operated criminal detention facilities, as consistent with applicable law (the "Executive Order"). Two agencies of the DOJ, the Federal Bureau of Prisons ("BOP") and U.S. Marshals Service ("USMS"), utilize our services. The BOP houses inmates who have been convicted of federal crimes, and the USMS is generally responsible for detainees who are awaiting trial or sentencing in U.S. federal courts.

As we have previously disclosed, prior to the signing of the Executive Order, the BOP had already decided to not renew contracts for three of our secure services facilities, one of which expired at the end of January 2021 and two of which expired at the end of March 2021. During the first quarter 2021, we were notified by the BOP that the contract for our company-owned Great Plains Correctional Facility in Oklahoma will not be renewed when the current contract period expires on May 31, 2021. We were also notified that the BOP has decided to end its contract with the county-owned and managed Reeves County Detention Center I & II effective May 10, 2021, and as a result, our management consulting contract with Reeves County, Texas for this facility has also ended. We expect that our remaining secure services contracts with the BOP will not be renewed when the current contract periods expire between the end of November 2021 and the end of September 2022. For the three months ended March 31, 2021, our secure services contracts with the BOP accounted for approximately 12% of our total revenues.

Unlike the BOP, the USMS does not own and operate its detention facilities. The USMS contracts for the use of facilities, which are generally located in areas near federal courthouses, primarily through intergovernmental service agreements, and to a lesser extent, direct contracts. We are cooperating with the USMS in assessing various alternatives on how to comply with the Executive Order. During the first quarter 2021, we were notified by the USMS that it would not renew the contract for our company-owned Queens Detention Facility in New York, which ended on March 31, 2021. We currently operate four additional detention facilities that are under direct contracts and eight detention facilities that are under intergovernmental agreements with the USMS. The four direct contracts are up for renewal at various times over the next few years, including two in late 2021. For the three months ended March 31, 2021, the direct contracts and intergovernmental agreements with the USMS accounted for approximately 15% of our total revenues.

President Biden's Administration may implement additional executive orders or directives relating to federal criminal justice policies and immigration policies which may impact the federal government's use of public-private partnerships with respect to correctional and detention needs, including with respect to our contracts, and/or may impact the budget and spending priorities of federal agencies, including the BOP, USMS, and U.S. Immigration and Customs Enforcement.

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Executive Vice President, Corporate Relations

Updated 2021 Financial Guidance

- **FY21 Revenues of $2.23-$2.25 Billion**
- **FY21 Net Income Attributable to GEO of $141-$150 Million**
- **FY21 Adjusted EBITDAre of $395-$406 Million**
- **FY21 AFFO of $2.23-$2.31 per diluted share**

We have updated our financial guidance for the full year 2021 and have issued our financial guidance for the second quarter 2021. Our updated guidance continues to assume a slow recovery from the COVID-19 pandemic throughout 2021. Our updated guidance reflects the previously announced expiration of three of our secure services contracts with the BOP during the first quarter 2021 and the discontinuation of our management consulting contract with Reeves County, Texas. Our guidance also reflects our previously announced expectation that three additional secure services contracts with the BOP will not be renewed when their current contract option periods expire during 2021.

With respect to the USMS, our 2021 guidance reflects only the previously announced non-renewal of the contract for our Queens Detention Facility in New York, which expired on March 31, 2021, and we will continue to monitor the scope and implementation timeline of President Biden's Executive Order. These contract non-renewals are offset in part by the activation in late 2020 of our three ICE Annex facilities in California and our Eagle Pass Detention Facility in Texas, which we expect to achieve normalized operations over the course of 2021.

For the full year 2021, we expect Net Income Attributable to GEO to be in a range of $141 million to $150 million. We expect full year 2021 revenues to be in a range of approximately $2.23 billion to $2.25 billion. We expect full year 2021 Adjusted EBITDAre to be in a range of approximately $395 million to $406 million. We expect full year 2021 Adjusted Net Income per diluted share to be in a range of $1.02 to $1.10 and full year 2021 AFFO per diluted share to be in a range of $2.23 to $2.31.

For the second quarter 2021, we expect Net Income Attributable to GEO to be in a range of $35 million to $38 million. We expect second quarter 2021 revenues to be in a range of $558 million to $563 million. We expect second quarter 2021 AFFO to be in a range of $0.57 to $0.59 per diluted share.

Balance Sheet and Liquidity

During the fourth quarter 2020, we drew down $250 million under our revolving credit facility. At the end of the first quarter 2021, we had approximately $290 million in cash on hand. During the second quarter 2021, to preserve liquidity, maintain financial flexibility, and for general corporate purposes, we drew down an additional $170 million under our revolving credit facility, increasing our cash on hand to approximately $460 million and leaving approximately $14 million in additional borrowing capacity under our revolving credit facility, subject to the satisfaction of the applicable conditions precedent to any such borrowings.

—More—

Contact: Pablo E. Paez (866) 301 4436
Executive Vice President, Corporate Relations

During the first quarter 2021, we reduced our total net debt by approximately $57 million, which represents substantial progress toward our previously articulated objective of reducing net debt by $125 million to $150 million in 2021. Based on our progress to date, we continue to target net debt reductions of no less than $125 million to $150 million. In the first quarter 2021, we also sold our interest in the Talbot Hall reentry center in New Jersey, resulting in net proceeds to GEO of $13.2 million. We are evaluating the potential sale of additional company-owned assets.

Dividend Suspension

On April 7, 2021, we announced that GEO's Board of Directors (the "Board") immediately suspended our quarterly dividend payments with the goal of maximizing the use of cash flows to repay debt, deleverage, and internally fund growth. GEO currently intends to maintain its corporate tax structure as a Real Estate Investment Trust ("REIT"), but the Board has determined to undertake an evaluation of GEO's structure as a REIT.

The Board's evaluation of our current corporate tax structure and our REIT status is expected to take into consideration, among other factors, potential changes to our financial operating performance, as well as, potential changes to the Internal Revenue Code of 1986, as amended (the "Code") applicable to U.S. corporations and REITs. The Board expects to conclude its evaluation in the fourth quarter 2021, and should the Board determine not to change its current intent to maintain GEO's REIT status, an additional dividend payment may be required before year-end in order to meet the minimum REIT distribution requirements under the Code.

COVID-19 Information

As the COVID-19 pandemic has impacted communities across the United States and around the world, our employees and facilities have also been impacted by the spread of COVID-19. Ensuring the health and safety of our employees and all those in our care has always been our number one priority. From the start of the pandemic, we implemented mitigation initiatives to address the risks of COVID-19, consistent with the guidance issued for correctional and detention facilities by the Centers for Disease Control and Prevention ("CDC"). We will continue to evaluate and refine the steps we have taken as appropriate and necessary based on updated guidance by the CDC and best practices, including the efficacy and distribution of COVID-19 vaccines. We are grateful for our frontline employees who continue to make daily sacrifices to care for all those in our facilities.Information on the COVID-19 mitigation initiatives implemented by GEO can be found at www.geogroup.com/COVID19.

Conference Call Information

We have scheduled a conference call and simultaneous webcast for today at 11:00 AM (Eastern Time) to discuss our first quarter 2021 financial results as well as our outlook. The call-in number for the U.S. is 1-877-250-1553 and the international call-in number is 1-412-542-4145. In addition, a live audio webcast of the conference call may be accessed on the Webcasts section under the News, Events and Reports tab of GEO's investor relations webpage at investors.geogroup.com. A replay of the webcast will be available on the website for one year. A telephonic replay of the conference call will be available until May 24, 2021 at 1-877-344-7529 (U.S.) and 1-412-317-0088 (International). The participant passcode for the telephonic replay is 10155375.

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Contact: Pablo E. Paez (866) 301 4436
Executive Vice President, Corporate Relations

About The GEO Group

The GEO Group (NYSE: GEO) is a fully integrated equity real estate investment trust specializing in the design, financing, development, and operation of secure facilities, processing centers, and community reentry centers in the United States, Australia, South Africa, and the United Kingdom. GEO is a leading provider of enhanced in-custody rehabilitation, post-release support, electronic monitoring, and community-based programs. GEO's worldwide operations include the ownership and/or management of 116 facilities totaling approximately 92,000 beds, including idle facilities and projects under development, with a workforce of up to approximately 21,000 professionals.

Reconciliation Tables and Supplemental Information

GEO has made available Supplemental Information which contains reconciliation tables of Net Income Attributable to GEO to Net Operating Income, Net Income to EBITDAre (EBITDA for real estate) and Adjusted EBITDAre (Adjusted EBITDA for real estate), and Net Income Attributable to GEO to FFO, Normalized FFO and Adjusted FFO, along with supplemental financial and operational information on GEO's business and other important operating metrics, and in this press release, Net Income Attributable to GEO to Adjusted Net Income. The reconciliation tables are also presented herein. Please see the section below titled "Note to Reconciliation Tables and Supplemental Disclosure—Important Information on GEO's Non-GAAP Financial Measures" for information on how GEO defines these supplemental Non-GAAP financial measures and reconciles them to the most directly comparable GAAP measures. GEO's Reconciliation Tables can be found herein and in GEO's Supplemental Information available on GEO's investor webpage at investors.geogroup.com.

Note to Reconciliation Tables and Supplemental Disclosure –

Important Information on GEO's Non-GAAP Financial Measures

Net Operating Income, EBITDAre, Adjusted EBITDAre, Funds from Operations, Normalized Funds from Operations, Adjusted Funds from Operations, and Adjusted Net Income are non-GAAP financial measures that are presented as supplemental disclosures. GEO has presented herein certain forward-looking statements about GEO's future financial performance that include non-GAAP financial measures, including Adjusted EBITDAre, Net Operating Income, FFO, Normalized FFO, and AFFO. The determination of the amounts that are included or excluded from these non-GAAP financial measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts recognized in a given period. While we have provided a high level reconciliation for the guidance ranges for full year 2021, we are unable to present a more detailed quantitative reconciliation of the forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures because management cannot reliably predict all of the necessary components of such GAAP measures. The quantitative reconciliation of the forward-looking non-GAAP financial measures will be provided for completed annual and quarterly periods, as applicable, calculated in a consistent manner with the quantitative reconciliation of non-GAAP financial measures previously reported for completed annual and quarterly periods.

Net Operating Income is defined as revenues less operating expenses, excluding depreciation and amortization expense, general and administrative expenses, real estate related operating lease expense, and start-up expenses, pre-tax. Net Operating Income is calculated as net income adjusted by subtracting equity in earnings of affiliates, net of income tax provision, and by adding income tax provision, interest expense, net of interest income, gain/loss on extinguishment of debt, depreciation and amortization expense, general and administrative expenses, real estate related operating lease expense, gain on real estate assets, pre-tax, and start-up expenses, pre-tax.

EBITDAre (EBITDA for real estate) is defined as net income adjusted by adding provisions for income tax, interest expense, net of interest income, depreciation and amortization, and gain on real estate assets, pre-tax. Adjusted EBITDAre (Adjusted EBITDA for real estate) is defined as EBITDAre adjusted for net loss attributable to non-controlling interests, stock-based compensation expenses, pre-tax, and certain other adjustments as defined from time to time, including for the periods presented start-up expenses, pre-tax, COVID-19 expenses, pre-tax, close-out expenses, pre-tax, and other non-cash revenue and expense, pre-tax.

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Contact: Pablo E. Paez (866) 301 4436
Executive Vice President, Corporate Relations

Given the nature of our business as a real estate owner and operator, we believe that EBITDAre and Adjusted EBITDAre are helpful to investors as measures of our operational performance because they provide an indication of our ability to incur and service debt, to satisfy general operating expenses, to make capital expenditures and to fund other cash needs or reinvest cash into our business. We believe that by removing the impact of our asset base (primarily depreciation and amortization) and excluding certain non-cash charges, amounts spent on interest and taxes, and certain other charges that are highly variable from year to year, EBITDAre and Adjusted EBITDAre provide our investors with performance measures that reflect the impact to operations from trends in occupancy rates, per diem rates and operating costs, providing a perspective not immediately apparent from net income attributable to GEO. The adjustments we make to derive the non-GAAP measures of EBITDAre and Adjusted EBITDAre exclude items which may cause short-term fluctuations in income from continuing operations and which we do not consider to be the fundamental attributes or primary drivers of our business plan and they do not affect our overall long-term operating performance. EBITDAre and Adjusted EBITDAre provide disclosure on the same basis as that used by our management and provide consistency in our financial reporting, facilitate internal and external comparisons of our historical operating performance and our business units and provide continuity to investors for comparability purposes.

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Adjusted Net Income is defined as Net Income Attributable to GEO adjusted for certain items which by their nature are not comparable from period to period or that tend to obscure GEO’s actual operating performance, including for the periods presented gain on real estate assets, pre-tax, gain on the extinguishment of debt, pre-tax, start-up expenses, pre-tax, COVID-19 expenses, pre-tax, close-out expenses, pre-tax, and tax effect of adjustments to Net Income Attributable to GEO.

Because of the unique design, structure and use of our GEO Secure Services and GEO Care facilities, we believe that assessing the performance of our secure facilities, processing centers, and reentry centers without the impact of depreciation or amortization is useful and meaningful to investors. Although NAREIT has published its definition of FFO, companies often modify this definition as they seek to provide financial measures that meaningfully reflect their distinctive operations. We have modified FFO to derive Normalized FFO and AFFO that meaningfully reflect our operations. Our assessment of our operations is focused on long-term sustainability. The adjustments we make to derive the non-GAAP measures of Normalized FFO and AFFO exclude items which may cause short-term fluctuations in net income attributable to GEO but have no impact on our cash flows, or we do not consider them to be fundamental attributes or the primary drivers of our business plan and they do not affect our overall long-term operating performance. We may make adjustments to FFO from time to time for certain other income and expenses that do not reflect a necessary component of our operational performance on the basis discussed above, even though such items may require cash settlement.

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Contact: Pablo E. Paez (866) 301 4436
Executive Vice President, Corporate Relations

Because FFO, Normalized FFO and AFFO exclude depreciation and amortization unique to real estate as well as non-operational items and certain other charges that are highly variable from year to year, they provide our investors with performance measures that reflect the impact to operations from trends in occupancy rates, per diem rates, operating costs and interest costs, providing a perspective not immediately apparent from Net Income Attributable to GEO. We believe the presentation of FFO, Normalized FFO and AFFO provide useful information to investors as they provide an indication of our ability to fund capital expenditures and expand our business. FFO, Normalized FFO and AFFO provide disclosure on the same basis as that used by our management and provide consistency in our financial reporting, facilitate internal and external comparisons of our historical operating performance and our business units and provide continuity to investors for comparability purposes. Additionally, FFO, Normalized FFO and AFFO are widely recognized measures in our industry as a real estate investment trust.

Safe-Harbor Statement

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 GEO's financial guidance for the full-year and second quarter 2021, the Board's decision to suspend GEO's quarterly dividend payments with the goal of maximizing the use of cash flows to repay debt, deleverage, and internally fund growth, and the Board's evaluation of GEO's current corporate tax structure and REIT status. Risks and uncertainties 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 meet its financial guidance for 2021 given the various risks to which its business is exposed; (2) the Board's ability to evaluate and conclude its evaluation regarding GEO's corporate tax structure and REIT status by the fourth quarter 2021; (3) GEO's ability to cancel capital expenditures previously planned for 2021 and its ability to deleverage and repay, refinance or otherwise address its debt maturities in an amount or on the timeline it expects, or at all; (4) the timing and scope of potential changes to the Code applicable to U.S. corporations and REITs; (5) changes in federal and state government policy, orders, directives, legislation and regulations that affect public-private partnerships with respect to secure, correctional and detention facilities, processing centers and reentry centers, including the timing and scope of implementation of President Biden's Executive Order directing the U.S. Attorney General not to renew the U.S. Department of Justice contracts with privately operated criminal detention facilities; (6) changes in federal immigration policy; (7) public and political opposition to the use of public-private partnerships with respect to secure correctional and detention facilities, processing centers and reentry centers; (8) the magnitude, severity, and duration of the current COVID-19 global pandemic, its impact on GEO, GEO's ability to mitigate the risks associated with COVID-19, and the efficacy and distribution of COVID-19 vaccines; (9) GEO's ability to sustain or improve company-wide occupancy rates at its facilities in light of the COVID-19 global pandemic and policy and contract announcements impacting GEO's federal facilities in the United States; (10) fluctuations in our operating results, including as a result of contract terminations, contract renegotiations, changes in occupancy levels and increases in our operating costs, (11) general economic and market conditions, including changes to governmental budgets and its impact on new contract terms, contract renewals, renegotiations, per diem rates, fixed payment provisions, and occupancy levels (12) 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; (13) GEO's ability to win management contracts for which it has submitted proposals and to retain existing management contracts; (14) risks associated with GEO's ability to control operating costs associated with contract start-ups; (15) GEO's ability to successfully pursue growth and continue to create shareholder value; (16) GEO's ability to obtain financing or access the capital markets in the future on acceptable terms or at all; (17) GEO's ability to remain qualified as a REIT, including its ability to declare future dividend payments, should the Board determine not to change its current intent to maintain GEO's REIT status; and (18) other factors contained in GEO's Securities and Exchange Commission periodic filings, including its Form 10-K, 10-Q and 8-K reports.

First quarter 2021 financial tables to follow:

Contact: Pablo E. Paez (866) 301 4436
Executive Vice President, Corporate Relations

Condensed Consolidated Balance Sheets*
(Unaudited)

	As of March 31, 2021 (unaudited)	As of December 31, 2020 (unaudited)
ASSETS		
Cash and cash equivalents	$ 289,391	$ 283,524
Restricted cash and cash equivalents	29,317	26,740
Accounts receivable, less allowance for doubtful accounts	346,817	362,668
Contract receivable, current portion	6,357	6,283
Prepaid expenses and other current assets	29,081	32,108
Total current assets	**$ 700,963**	**$ 711,323**
Restricted Cash and Investments	39,924	37,338
Property and Equipment, Net	2,114,058	2,122,195
Contract Receivable	389,713	396,647
Operating Lease Right-of-Use Assets, Net	125,269	124,727
Assets Held for Sale	6,926	9,108
Deferred Income Tax Assets	36,604	36,604
Intangible Assets, Net (including goodwill)	937,725	942,997
Other Non-Current Assets	76,265	79,187
Total Assets	**$ 4,427,447**	**$ 4,460,126**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 84,469	$ 85,861
Accrued payroll and related taxes	87,466	67,797
Accrued expenses and other current liabilities	195,763	202,378
Operating lease liabilities, current portion	28,223	29,080
Current portion of finance lease obligations, long-term debt, and non-recourse debt	27,135	26,180
Total current liabilities	**$ 423,056**	**$ 411,296**
Deferred Income Tax Liabilities	30,726	30,726
Other Non-Current Liabilities	114,521	115,555
Operating Lease Liabilities	103,491	101,375
Finance Lease Liabilities	2,890	2,988
Long-Term Debt	2,494,987	2,561,881
Non-Recourse Debt	317,603	324,223
Total Shareholders' Equity	940,173	912,082
Total Liabilities and Shareholders' Equity	**$ 4,427,447**	**$ 4,460,126**

* all figures in '000s

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Executive Vice President, Corporate Relations

Condensed Consolidated Statements of Operations*
(Unaudited)

	Q1 2021 (unaudited)	Q1 2020 (unaudited)
Revenues	$576,377	$605,017
Operating expenses	428,151	461,746
Depreciation and amortization	34,117	33,327
General and administrative expenses	48,479	53,782
Operating income	**65,630**	**56,162**
Interest income	6,202	5,438
Interest expense	(31,844)	(34,180)
Gain on extinguishment of debt	3,038	1,563
Gain on sales of real estate	13,329	424
Income before income taxes and equity in earnings of affiliates	**56,355**	**29,407**
Provision for income taxes	7,936	6,546
Equity in earnings of affiliates, net of income tax provision	2,064	2,260
Net income	**50,483**	**25,121**
Less: Net loss attributable to noncontrolling interests	61	60
Net income attributable to The GEO Group, Inc.	**$ 50,544**	**$ 25,181**
Weighted Average Common Shares Outstanding:		
Basic	120,022	119,394
Diluted	120,417	119,933
Net income per Common Share Attributable to The GEO Group, Inc. :		
Basic:		
Net income per share — basic	**$ 0.41**	**$ 0.21**
Diluted:		
Net income per share — diluted	**$ 0.41**	**$ 0.21**
Regular Dividends Declared per Common Share	**$ 0.25**	**$ 0.48**

* all figures in ‘000s, except per share data

—More—

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Reconciliation of Net Income Attributable to GEO to Adjusted Net Income
(In thousands, except per share data)(Unaudited)

	Q1 2021	*Q1 2020*
Net Income attributable to GEO	$ 50,544	$ 25,181
Add:		
(Gain)/Loss on real estate assets, pre-tax	(13,329)	(424)
(Gain)/Loss on extinguishment of debt, pre-tax	(3,038)	(1,563)
Start-up expenses, pre-tax	—	1,953
COVID-19 expenses, pre-tax	—	892
Close-out expenses, pre-tax	—	1,936
Tax effect of adjustments to Net Income attributable to GEO	(92)	837
Adjusted Net Income	**$ 34,085**	**$ 28,812**
Weighted average common shares outstanding—Diluted	120,417	119,933
Adjusted Net Income Per Diluted Share (1)	**$ 0.28**	**$ 0.24**

(1) Diluted earnings per share attributable to GEO available to common stockholders was calculated and presented in GEO's unaudited financial statements under the two-class method for the three months ended March 31, 2021 due to the issuance of GEO's 6.50% exchangeable senior notes due 2026 as the exchangeable senior notes are considered to be participating securities.

—More—

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Reconciliation of Net Income Attributable to GEO to FFO, Normalized FFO, and AFFO*
(Unaudited)

	Q1 2021 (unaudited)	Q1 2020 (unaudited)
Net Income attributable to GEO	$ 50,544	$ 25,181
Add (Subtract):		
Real Estate Related Depreciation and Amortization	18,972	18,395
(Gain) on real estate assets, pre-tax	(13,329)	(424)
Equals: NAREIT defined FFO	**$ 56,187**	**$ 43,152**
Add (Subtract):		
(Gain)/loss on extinguishment of debt, pre-tax	(3,038)	(1,563)
Start-up expenses, pre-tax	—	1,953
COVID-19 expenses, pre-tax	—	892
Close-out expenses, pre-tax	—	1,936
Tax effect of adjustments to funds from operations **	(92)	837
Equals: FFO, normalized	**$ 53,057**	**$ 47,207**
Add (Subtract):		
Non-Real Estate Related Depreciation & Amortization	15,145	14,932
Consolidated Maintenance Capital Expenditures	(3,939)	(7,027)
Stock Based Compensation Expenses	7,402	9,768
Other non-cash revenue & expenses	(1,102)	—
Amortization of debt issuance costs, discount and/or premium and other non-cash interest	1,683	1,670
Equals: AFFO	**$ 72,246**	**$ 66,550**
Weighted average common shares outstanding—Diluted	120,417	119,933
FFO/AFFO per Share—Diluted		
Normalized FFO Per Diluted Share	**$ 0.44**	**$ 0.39**
AFFO Per Diluted Share	**$ 0.60**	**$ 0.55**
Regular Common Stock Dividends per common share	**$ 0.25**	**$ 0.48**

* all figures in '000s, except per share data
** tax adjustments related to gain on real estate assets, Gain on extinguishment of debt, Start-up expenses, COVID-19 expenses, Close-out expenses and Other non-cash revenue & expenses.

—More—

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Executive Vice President, Corporate Relations

Reconciliation of Net Income Attributable to GEO to Net Operating Income, EBITDAre and Adjusted EBITDAre*
(Unaudited)

	Q1 2021 *(unaudited)*	*Q1 2020* *(unaudited)*
Net Income attributable to GEO	**$ 50,544**	**$ 25,181**
Less		
Net loss attributable to noncontrolling interests	61	60
Net Income	**$ 50,483**	**$ 25,121**
Add (Subtract):		
Equity in earnings of affiliates, net of income tax provision	(2,064)	(2,260)
Income tax provision	7,936	6,546
Interest expense, net of interest income	25,641	28,742
Gain on extinguishment of debt	(3,037)	(1,563)
Depreciation and amortization	34,117	33,327
General and administrative expenses	48,479	53,782
Net Operating Income, net of operating lease obligations	**$ 161,555**	**$ 143,695**
Add:		
Operating lease expense, real estate	4,084	4,953
Gain on real estate assets, pre-tax	(13,329)	(424)
Start-up expenses, pre-tax	—	1,953
Net Operating Income (NOI)	**$ 152,310**	**$ 150,177**

	Q1 2021 *(unaudited)*	*Q1 2020* *(unaudited)*
Net Income	**$ 50,483**	**$ 25,121**
Add (Subtract):		
Income tax provision **	8,276	6,989
Interest expense, net of interest income ***	22,603	27,179
Depreciation and amortization	34,117	33,327
Gain on real estate assets, pre-tax	(13,329)	(424)
EBITDA*re*	**$ 102,150**	**$ 92,192**
Add (Subtract):		
Net loss attributable to noncontrolling interests	61	60
Stock based compensation expenses, pre-tax	7,402	9,768
Start-up expenses, pre-tax	—	1,953
COVID-19 expenses, pre-tax	—	892
Close-out expenses, pre-tax	—	1,936
Other non-cash revenue & expenses, pre-tax	(1,102)	—
Adjusted EBITDA*re*	**$ 108,511**	**$ 106,801**

* all figures in '000s
** including income tax provision on equity in earnings of affiliates
*** includes (gain)/loss on extinguishment of debt

—More—

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Executive Vice President, Corporate Relations

2021 Outlook/Reconciliation
(In thousands, except per share data)
(Unaudited)

	FY 2021		
Net Income Attributable to GEO	$ 140,500	to	$ 150,000
Real Estate Related Depreciation and Amortization	76,000		76,000
Gain/Loss on Real Estate	(13,500)		(13,500)
Funds from Operations (FFO)	**$ 203,000**	to	**$ 212,500**
Loss on Extinguishment of Debt	(3,000)		(3,000)
Normalized Funds from Operations	**$ 200,000**	to	**$ 209,500**
Non-Real Estate Related Depreciation and Amortization	61,000		61,000
Consolidated Maintenance Capex	(14,000)		(14,000)
Non-Cash Stock Based Compensation	19,000		19,000
Non-Cash Interest Expense	7,500		7,500
Other Non-Cash Revenue & Expenses	(4,000)		(4,000)
Adjusted Funds From Operations (AFFO)	**$ 269,500**	to	**$ 279,000**
Net Interest Expense	99,000		100,000
Non-Cash Interest Expense	(7,500)		(7,500)
Consolidated Maintenance Capex	14,000		14,000
Income Taxes *(including income tax provision on equity in earnings of affiliates)*	20,000		20,000
Adjusted EBITDAre	**$ 395,000**	to	**$ 405,500**
G&A Expenses	182,000		182,000
Non-Cash Stock Based Compensation	(19,000)		(19,000)
Equity in Earnings of Affiliates	(8,000)		(8,000)
Real Estate Related Operating Lease Expense	19,000		19,000
Net Operating Income	**$ 569,000**	to	**$ 579,500**
Adjusted Net Income Per Diluted Share (2)	$ 1.02		$ 1.10
AFFO Per Diluted Share	$ 2.23	to	$ 2.31
Weighted Average Common Shares Outstanding-Diluted	121,000	to	121,000

(2) In accordance with GAAP, diluted earnings per share attributable to GEO available to common stockholders is calculated under the if-converted method or the two-class method, whichever calculation results in the lowest diluted earnings per share amount, which may be lower than Adjusted Net Income Attributable to GEO Per Diluted Share.

—End—

Contact: Pablo E. Paez (866) 301 4436
Executive Vice President, Corporate Relations

Participants

CORPORATE PARTICIPANTS

Pablo E. Paez
Executive Vice President-Corporate Relations, The GEO Group, Inc.

George C. Zoley
Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Brian R. Evans
Chief Financial Officer & Senior Vice President, The GEO Group, Inc.

Blake Davis
Senior Vice President and President-GEO Secure Services, The GEO Group, Inc.

Ann M. Schlarb
President-GEO Care & Senior Vice President, The GEO Group, Inc.

OTHER PARTICIPANTS

Joe Gomes
Analyst, Noble Capital Markets, Inc.

Mitra Ramgopal
Analyst, Sidoti & Co. LLC

Frederick Harvey Taylor
Analyst, MJX Asset Management

John G. Barnes
Analyst, Samlyn Capital LLC

Management Discussion Section

Operator

Good day and welcome to The GEO Group First Quarter 2021 Earnings Conference Call. All participants will be in a listen-only mode. [Operator Instructions] After today's presentation, there will be an opportunity to ask questions. [Operator Instructions] Please note this event is being recorded.

I would now like to turn the conference over to Pablo Paez, Executive Vice President of Corporate Relations. Please go ahead.

Pablo E. Paez

Executive Vice President-Corporate Relations, The GEO Group, Inc.

Thank you, operator. Good morning, everyone, and thank you for joining us for today's discussion of The GEO Group's first quarter 2021 earnings results. With us today are George Zoley, Chairman, Chief Executive Officer and Founder; Brian Evans, Chief Financial Officer; Ann Schlarb, President of GEO Care; and Blake Davis, President of GEO Secure Services.

This morning, we will discuss our first quarter results and our outlook. And we will conclude the call with a question-and-answer session. This conference call is also being webcast live on our investor website at investors.geogroup.com.

Today, we will discuss non-GAAP basis information. A reconciliation from non-GAAP basis information to GAAP basis results is included in the press release and supplemental disclosure we issued this morning. Additionally, much of the information we will discuss today, including the answers we give in response to your questions, may include forward-looking statements regarding our beliefs and current expectations with respect to various matters. These forward-looking statements are intended to fall within the Safe Harbor provisions of the securities laws. Our actual results may differ materially from those in the forward-looking statements as a result of various factors contained in our Securities and Exchange Commission filings, including the Form 10-K, 10-Q, and 8-K reports.

With that, please allow me to turn this call over to our Chairman and CEO, George Zoley. George?

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Thank you, Pablo, and good morning to everyone. This morning, we reported our first quarter 2021 results and updated our financial guidance for the year. While we continue to face operational and financial challenges associated with COVID-19, we remain pleased with the performance of our diversified business units. During the first quarter, we experienced favorable cost trends, which resulted in better than expected financial performance. We also completed the transition of our D. Ray James, Moshannon Valley, and Rivers Correctional facilities to an idle status. As we had previously disclosed, these three facilities had contracts that were not renewed by the Federal Bureau of Prisons and thus closed at the end of January and March, respectively.

As we highlighted last quarter, the President issued an Executive Order in January of this year, directing the US Attorney General to not renew Department of Justice contracts with privately operated criminal detention facilities. Our financial guidance assumes that our remaining BOP contracts will also not be renewed, resulting in three additional BOP facilities closing during 2021. With respect to the U.S. Marshals Service, unlike the Bureau of Prisons, the agency does not own and operate its facilities. The U.S. Marshals contract for facilities which are generally located near federal courthouses, primarily through intergovernmental service agreements and to a lesser extent through our contracts. We are cooperating with the U.S. Marshals Service in assessing various alternatives as to how to comply with the Executive Order.

During the first quarter, we were notified by the U.S. Marshals that it would not renew the contract for the Queens Detention Facility in New York, which expired on March 31. We currently operate four additional detention facilities that are under direct contracts, and eight detention facilities that are under intergovernmental agreements with U.S. Marshals. The four direct contracts are up for renewal at various times over the next few years, including two in late 2021.

Presently, our 2021 guidance reflects only the non-renewal of our Queens contract, and we will continue to moderate the scope and implementation timeline of the President's Executive Order. As noted earlier, the Executive Order applies only to the Department of Justice. The processing centers we manage on behalf of U.S. Immigration and Customs Enforcement are not covered by the Executive Order, since ICE is an agency of the Department of Homeland Security. Our ICE Processing Centers are highly rated by national accreditation organizations and have provided high quality and culturally responsive services for over 30 years under both Democratic and Republican administrations.

Our ICE Processing Centers have been operating at reduced capacity throughout the pandemic, as ICE has reduced operational capacity across all facilities to promote social distancing practices. The federal government has also put in place Title 42 public health restrictions at the Southwest border, which result in the immediate removal of single adults apprehended by Border Patrol. Notwithstanding these challenges associated with COVID-19, our employees have demonstrated significant strength and dedication. They have continued to provide humane and compassionate care to all those entrusted to our facilities and programs.

From the beginning of the public health crisis, our company and our staff took steps to mitigate the risks of the novel coronavirus. These mitigation initiatives have included a focus on increasing testing capabilities, including investing approximately $2 million to acquire 45 Abbott Rapid COVID-19 devices and testing kits. We also installed Bi-Polar Ionization Air Purification System at select secure service facilities, representing a company investment of approximately $3.7 million. We have provided continuing access to facemasks and personal hygiene products. We have implemented social distancing pursuant to directives from our government agency partners. We have been working closely with our government agency partners and local health departments to make COVID-19 vaccinations available at all of our facilities.

We recognize that in addition to the challenges that I've just discussed, there have been concerns regarding our future access to financing. We have adopted a proactive and multifaceted approach to address these challenges. We are focused on debt reduction and deleveraging. In 2020, we reduced our net debt by approximately $100 million. During the first quarter, we reduced net debt by approximately $57 million, and we've set a goal of paying down between $125 million and $150 million in net debt in 2021.

This past month, our board suspended our quarterly dividend with the goal of maximizing our debt reduction, deleveraging, and internally funding growth. While GEO currently intends to maintain our corporate tax structure as a REIT, our board has determined to undertake a review of our current corporate tax structure, which is expected to be completed by the fourth quarter of this year. We have also implemented ongoing review of assets for potential sale.

In the first quarter, we sold our interests in Talbot Hall New Jersey reentry center, with net proceeds of over $13 million. In February of 2021, we issued $230 million in 6.5% exchangeable senior notes due 2026 in a private offering. We used a portion of the net proceeds to redeem the outstanding amount of $194 million of senior notes due 2022 and used the remaining net proceeds to pay related transaction fees and expenses for general corporate purposes.

With the 2022 maturity having been successfully addressed, we also intend to consider alternatives in due course to address our subsequent maturities. We believe these initiatives are in the best interest of our shareholders and other stakeholders as we work to address our debt maturities [ph] and hence (09:35) our long-term shareholder value.

At this time, I'll turn the call over to Brian Evans to review our results, guidance, and liquidity position.

Brian R. Evans

Chief Financial Officer & Senior Vice President, The GEO Group, Inc.

Thank you, George. Good morning, everyone. Today we reported first quarter revenues of approximately $576 million, and net income attributable to GEO of $50.5 million. Our first quarter results include a $13 million pre-tax gain on real estate assets and a $3 million pre-tax gain on the extinguishment of debt. Excluding these gains, we reported first quarter adjusted net income of $0.28 per diluted share. We also reported first quarter AFFO of $0.60 per diluted share. Our first quarter results reflect better than expected operating cost trends across our business units, which resulted in better than expected performance.

Moving to our outlook, we have updated our full year 2021 financial guidance to reflect the better than expected cost trends in the first quarter of the year and lower expected maintenance CapEx for the year. We expect full year 2021 net income attributable to GEO to be in a range of $141 million to $150 million on a full year 2021 revenues of approximately $2.23 billion to $2.25 billion. We expect full year 2021 adjusted net income to be in a range of $1.02 to $1.10 per diluted share. We also expect full year 2021 AFFO to be in a range of $2.23 to $2.31 per diluted share. We expect full year 2021 adjusted EBITDA to be in a range of $395 million to $406 million. Our updated guidance continues to assume slow recovery from the COVID-19 pandemic throughout this year.

As we had previously guided, our 2021 projections account for the non-renewal of three additional BOP contracts that have option periods expiring in 2021: the Great Plains Correctional Facility in Oklahoma, which expires on May 31 and for which we have already received notice of non-renewal from the BOP; and the Big Spring and Flightline Correctional Facilities in Texas, which are set to expire at the end of November. Additionally, the BOP has decided to discontinue its contract for the county-owned and managed Reeves County Detention Center I & II effective this month. And thus, our management consulting contract with Reeves County for that facility has ended as well.

With respect to the U.S. Marshals, our 2021 guidance reflects only the previously announced non-renewal of our Queens facility contract on March 31. We will continue to monitor the scope and the implementation timeline of the President's Executive Order. These contract non-renewals are offset by the activation late last year of our three ICE Annex facilities in California and our U.S. Marshals facility in Eagle Pass, Texas, which we expect to achieve normalized operations over the course of 2021.

For the second quarter of 2021, we expect net income attributable to GEO to be in a range of $35 million to $38 million [ph] on (12:58) quarterly revenues of $558 million to $563 million. We expect second quarter 2021 AFFO to be between $0.57 and $0.59 per diluted share. As a reminder, our second quarter results reflect lower payroll tax expenses than our first quarter results, because payroll taxes are front-loaded, resulting in higher expenses during the first quarter of each year, compared to all subsequent quarters.

Moving to our capital structure, at the end of the first quarter, we had approximately $290 million in cash on hand. More recently, we drew down an additional $170 million on our revolving credit facility, resulting in approximately $460 million in cash on hand, and leaving approximately $14 million in additional borrowing capacity under our revolver. As with our prior drawdown, our decision to further draw on our revolver is a prudent and precautionary step to preserve liquidity, maintain financial flexibility, and obtain additional funds for general corporate purposes. We will continue to proactively examine our options to address our funded indebtedness, including our near-term maturities.

As part of this effort, we refinanced the outstanding amount of $194 million of our senior unsecured notes due 2022 earlier this year by issuing $230 million in new 6.5% exchangeable senior unsecured notes due in 2026. With the 2022 maturity having been successfully addressed, we also intend to consider alternatives in due course to address our subsequent debt maturities. As a prudent part of this effort, we intend to review various capital structure alternatives, and we have engaged Lazard as financial advisors and Skadden Arps as legal advisors to assist in that process alongside our existing corporate counsel, Akerman.

With respect to our capital expenditures, as we had previously announced, we have canceled approximately $35 million in CapEx previously planned for 2021. We now expect total CapEx in 2021 to be $69 million, including $14 million for maintenance CapEx.

With the goal of maximizing the use of cash flows to pay down debt, deleverage and internally fund growth, our board suspended our quarterly dividend payments last month. We have been focused on paying down debt and deleveraging for over a year. In 2020, we paid down approximately $100 million in debt. During the first quarter of the year, we paid down approximately $57 million in net debt, which represent substantial progress towards our previously articulated objective of reducing net debt by $125 million to $150 million in 2021.

We are also continuing to evaluate potential cost-saving opportunities, as well as the potential sale of several company-owned assets. During the first quarter, we sold our interest in the Talbot Hall reentry facility in New Jersey, which resulted in net proceeds to GEO of approximately $13 million.

At this time, I will turn the call over to Blake Davis for a review of our GEO Secure Services segment.

Blake Davis

Senior Vice President and President-GEO Secure Services, The GEO Group, Inc.

Thanks, Brian, and good morning, everyone. I'd like to provide you a brief update on our GEO Secure Services business unit. During the first quarter of 2021, our staff continued to address the challenges associated with the COVID-19 pandemic. From the start of the pandemic, we have implemented several mitigation initiatives. We've put in place policy and controls consistent with guidance issued by the Centers for Disease Control and Prevention, including practices and procedures related to quarantine, cohorting, and medical isolation. We have continuously exercised paid leave and paid time off policies to allow our employees to remain home as needed. We have made face masks and cleaning supplies available at all of our facilities.

We have focused on increasing testing capabilities at all of our Secure Services facilities, including the deployment of Abbott rapid test devices that allow us to screen new arrivals—[ph] rivals that intake (17:28), so that positive COVID-19 cases can be properly quarantined and isolated. To date, we have administered over 100,000 COVID tests to those in our care across our Secure Services facilities. We have also made a significant company investment to install Bi-Polar Ionization Systems at select Secure Services sites. These air purification systems can reduce the spread of airborne bacteria and viruses.

More recently, we have been working closely with our government agency partners and local health departments to make vaccinations available at our facilities, allowing each jurisdiction's vaccine guidelines. To date, over 18,000 vaccinations have been administered at our Secure Services facilities. We continuously evaluate our mitigation steps and we'll make adjustments based on updated guidance by the CDC and other best practices.

Moving to our recent operational activity, as we had previously announced, the contracts at our D. Ray James, Moshannon Valley, and Rivers Correctional facilities were not renewed by the Federal Bureau of Prisons and ended at the end of January and March, respectively. Our facility and regional staff worked closely with the BOP during the first quarter to complete the ramp down and deactivation of these three facilities.

As we have discussed in January of this year, the President issued an Executive Order directing the US Attorney General to not renew Department of Justice contracts with privately operated criminal detention facilities. As a result, we have been comparing operationally with the expectation that our remaining contracts with the BOP will not be renewed when their current option periods expire. We have already received notice from the BOP that the contract for our Great Plains Correctional Facility in Oklahoma will not be renewed when the current option period expires on May 31.

The BOP has also decided to discontinue its contract for the county-owned and managed Reeves County Detention Center I & II effective this month and therefore, our management consulting agreement with Reeves County for that facility has also ended. Additionally, the current option period for our Big Spring and Flightline facilities in Texas expire at the end of November 2021 and our current expectation is that those two contracts will not be renewed by the BOP.

With respect to the U.S. Marshals' services, unlike the BOP, the U.S. Marshals do not own and operate their facilities. The U.S. Marshals contract for bed capacity, which is generally located in areas near federal courthouses, to house pre-trial offenders who have been charged with federal crimes. The U.S. Marshals contract for these facilities primarily through intergovernmental service agreements and to a lesser extent, through direct contracts. We were notified by the U.S. Marshals that the agency would not renew the contract in our company-owned Queens Detention Facility in New York, which expired on March 31. We currently operate four additional detention facilities that are under direct contracts and eight detention facilities that are under intergovernmental agreements with the U.S. Marshals. The four direct contracts are up for renewal at various times over the next few years, including two in late 2021.

With respect to our ICE Processing Centers, the Executive Order does not cover agencies outside the Department of Justice. Our ICE Processing Centers are highly rated by national accreditation organizations and provide high-quality, culturally responsive services in a safe and humane environment. Typical amenities at our processing centers include flat screen TVs in the housing units, multipurpose rooms, outdoor covered pavilions and artificial turf soccer fields. All those entrusted in our care provide a culturally sensitive meals approved by a registered dietician, clothing, 24/7 access to health care services, and full access to telephone and legal services.

Health care staffing at our ICE Processing Centers is approximately more than double that of our state correctional facilities which is needed to provide appropriate treatment for individuals who have numerous and diverse health and mental health needs. We have provided these high-quality professional services for over 30 years under Democratic and Republican administrations, and we welcome the opportunity to find ways to further improve the delivery of services and accountability at ICE Processing Centers.

At this time, I will turn the call over to Ann for a review of GEO Care.

Ann M. Schlarb

President-GEO Care & Senior Vice President, The GEO Group, Inc.

Thank you, Blake, and good morning, everyone. I'd like to briefly update you on our GEO Care business unit. Consistent with the efforts undertaken by our GEO Secure Services facilities, our company and our employees have remained focused on implementing COVID-19 mitigation strategies. All of our residential facilities in GEO Reentry and GEO youth services have put in place quarantine and cohorting policies and additional entry screening measures.

We have also focused our efforts on increased sanitation, testing and deploying face masks. We have allowed our employees to exercise paid leave and paid time off to remain home as needed. We will continue to evaluate our mitigation steps and we'll make adjustments as appropriate and necessary based on updated guidance by the CDC and other best practices.

Despite the challenging operational environment, our employees have continued to deliver high-quality rehabilitation and reentry programming to those in our care, often in innovative ways including through virtual technologies. We recently published our 2020 GEO Continuum of Care Annual Report, which highlights the accomplishment of our employees and our programs. Among the innovative initiatives implemented by our Continuum of Care team during the pandemic was the creation of the GEO Academy, which allowed us to transition our academic programs to technology-based programming. We also launched GEO Academy [ph] Career Services (23:57) in an effort to partner with community employers under our vocational programs to increase employment opportunities for our post-release participants.

Our recently released Continuum of Care Annual Report also highlights the accreditation that our Florida facilities received in 2020 from the Commission on Accreditation of Rehabilitation Facilities based on the quality and strength of our substance abuse treatment programs. The Continuum of Care Annual Report also emphasizes the importance of our post-release support services. During 2020, GEO allocated $1.7 million to address basic community needs of post-release participants such as transitional housing, treatment, transportation, clothing, food, education, and job placement assistance.

Throughout the year, our post-release support team helped more than 3,600 individuals returning to their communities. Furthermore, the statistics disclosed in our Continuum of Care Annual Report show that released individuals who received our post-release support services experienced significantly lower recidivism rates over one and two-year periods than those who did not participate in our post-release support program.

Our GEO Continuum of Care program is part of GEO's contribution to criminal justice reform. We believe that it provides a proven successful model on how the 2.2 million people in the criminal justice system can be better served and changing how they live their lives. Our award-winning program is not in competition or in conflict with other national initiatives regarding offender-sentencing reforms. In fact, we applaud these efforts. Our efforts seek to draw national attention to the many still incarcerated in need of a more structured and comprehensive approach to rehabilitation. We believe that the success of our Continuum of Care also positions GEO to pursue quality growth opportunities.

During the first quarter of 2021, we were awarded a new contract with the Federal Bureau of Prisons for a 118-bed residential reentry center in the Tampa, Florida area, which we expect to activate in the second half of 2021. Additionally, during the first quarter, we activated two new day reporting center sites and were awarded a contract for a third additional day reporting center in California, bringing our nationwide total to 80 day reporting centers. We believe that these important contract wins are representative of the quality of our rehabilitation and reentry services.

At this time, I'll turn the call back to George for his closing remarks.

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Thank you, Ann. While we continue to face operational and financial challenges associated with COVID-19, we remain pleased with the performance of our diversified business units. We believe our company remains resilient and is supported by real estate assets and contracts entailing essential government services. We've provided high-quality professional services for over 30 years under both Democratic and Republican administrations and under legislative branches controlled by both parties.

We recognize that there have been concerns regarding our future access to financing and the recent federal policy actions have resulted in the non-renewal of some of our contracts. To address these challenges, we've established a focus on debt reduction and our board has suspended our quarterly dividend. Our board has also begun a review of our current corporate tax structure as REIT to be completed by the fourth quarter. We recently completed the refinancing of our senior notes due 2022 and we are evaluating the potential sale of company-owned assets. We believe these initiatives are in the best interest of our shareholders as we work to address our debt maturities and enhance long-term shareholder value.

Finally, I want to thank Blake Davis for his eight years with GEO and congratulate him on his retirement. On May 15, Blake will be succeeded by James Black who has 23 years of service with GEO.

That completes our remarks and we'd be glad to take questions.

Question And Answer Section

Operator

Thank you. We will now begin the question-and-answer session. [Operator Instructions] The first question today will come from Joe Gomes of Noble Capital. Please go ahead.

Joe Gomes

Analyst, Noble Capital Markets, Inc.

Good morning. Thanks for taking the call and questions, and nice quarter.

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Thank you.

Joe Gomes

Analyst, Noble Capital Markets, Inc.

So I wanted, George, to start off with some of your thoughts, commentary possibly here on the U.S. Marshals Service. You mentioned that they don't own any of their beds so where are they putting people? I mean, how far away from the courthouses are they? How are they transporting these people? It just seems to me the kind of [ph] be (29:38) a policy that from the top, they think this sounds good but it seems to have some difficulty being implemented reasonably and rationally on the ground. Kind of wanted to get your thoughts on that and also, on the facilities, not just the U.S. Marshal but the – also the BOP facilities, I mean, I understand that you would look to go to other – repurpose those facilities for other government agency use but if we weren't successful in that, I mean, what other uses could there be for your facilities if they were not being used as a secure facility or detention center? Thank you.

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Well, on the first question, I think it is a complex challenge for the U.S. Marshals Service to identify alternative locations for their prisoners that are being held predominantly in urban areas near federal courthouses. We don't have access to the details of what they're doing or how they're doing it, but we surmise it's quite a challenge for them.

As to alternative uses of our facilities, we are hopeful of repurposing them with other governmental agencies as time moves on. But some of our smaller facilities have apparently lent themselves interest by developers for alternative purposes other than secure facilities. So, we expect several sales of that nature as non-secured facilities for non-secured purposes.

Joe Gomes

Analyst, Noble Capital Markets, Inc.

Okay. Thanks. And just kind of a follow-up on that, on the U.S. Marshals, I understand you don't have access to their detailed plans but as being someone that's been in the industry for such a long time, I mean, are you aware of thousands of beds that in secure facilities are just being going unused, setting aside yours and your competitor facilities for a second here, that would make it easy for the U.S. Marshals to just transfer people?

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Yeah. There may be some extra empty beds this year because of COVID, but because the court systems have closed for all essential purposes. But as the COVID pandemic is ended, we would think the court system will reactivate in due course and there will be a greater flow of people going into jails and prisons.

Joe Gomes

Analyst, Noble Capital Markets, Inc.

Okay. And on ICE, if I can switch gears for a moment here, your competitor was mentioning how their ICE populations had increased significantly since the beginning of this year. Was wondering if you guys were kind of seeing the same trends there.

Then also a little bit on the Title 42, I understand it's being used to – against single people to put them back across the border. But as – my understanding and correct me if I'm wrong, please, it's a health emergency so I don't quite understand. What is the difference between someone that is single and someone that's part of a family? Wouldn't the health be the same?

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Well, with regard to the first question, we have seen an uptick in our ICE populations, particularly on the Southern border. Title 42, to my understanding, is a temporary situation because of COVID pandemic and once that's resolved, I would think Title 42 will be amended to allow the detention of individuals inside the US rather than immediately deporting them to their country of origin.

Joe Gomes

Analyst, Noble Capital Markets, Inc.

Okay. One final – thank you for that. One final one for me and I'll get back in queue. So you talk a lot about obviously the difficulties here due to the President's Executive Order in renewing contracts. Can you speak to efforts on potential new business out there and where you might be looking for some new business, maybe in some of your – the state – your state partners?

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Well, I think we've seen growth in our reentry business and our day reporting business in particular as described by Ann Schlarb. There's been more of a focus and interest in the rehabilitation programs post-release of the nature requiring reentry facilities. Ann, could you comment on that?

Ann M. Schlarb

President-GEO Care & Senior Vice President, The GEO Group, Inc.

Yeah. We've seen – as I discussed, residential reentry center with the Bureau of Prisons that we were awarded earlier this year that will be activated in September. State of Tennessee, the state of Idaho in the past year have started new day reporting centers that we've implemented and are looking at potential expansions in. And we're continuing to look at other opportunities across all of our reentry services areas.

Joe Gomes

Analyst, Noble Capital Markets, Inc.

Okay. Thank you for that. I'll get back in queue.

Operator

The next question will come from Mitra Ramgopal from Sidoti. Please go ahead.

Mitra Ramgopal

Analyst, Sidoti & Co. LLC

Yes, good morning. Thanks for taking the questions. First, just wanted to maybe get a little more color on the favorable cost trends that you saw in the first quarter and how sustainable or how comfortable you feel that you'll be able to carry that forward.

Brian R. Evans

Chief Financial Officer & Senior Vice President, The GEO Group, Inc.

This is Brian. So the cost trends really are driven by, I think, some of the lower occupancy levels in the facilities. You're seeing less resident-related costs as a result of that and then also, I think due to lower occupancy levels, there's less off-site medical, there's less hospital runs so there's better overtime or better labor management going on as well.

So I think as long as these trends continue with the occupancies being lower, we'll continue to manage the costs that way. And then obviously as occupancies pick up, we'll see some of those costs increase but we'll also see revenues start to increase to offset that. So I think even when the occupancies start to improve, we should be on equal footing or even better.

Mitra Ramgopal

Analyst, Sidoti & Co. LLC

Okay. No, that's great. And speaking of occupancy, any sense – I mean we see a lot of states are increasing lifting COVID-related restrictions and with the vaccine rollout well underway, curious if you're [audio gap] (37:39) anything in terms of when you might be able to get back to a more or increased capacity from the 75% maybe at ICE Centers, etcetera.

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

We only have a guess and our guess would be towards the fall, we would think that things could get back to a more normalized state. But that's just our guess.

Mitra Ramgopal

Analyst, Sidoti & Co. LLC

Okay. Thanks. And then recently in the news, seeing some states indicating that, again, sort of following all the federal policies as it relates to maybe not engaging in private prison contracts when those expire, et cetera, I'm just curious if there is anything you can do in terms of whether from a lobbying perspective, et cetera, given the political climate there, to maybe stem some of the negativity coming out of the space right now.

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Well, we are essentially a service provider and we stand ready to provide services when our clients need them, and those needs can fluctuate seasonally and periodically through new administrations and implementing new policies. And I think we said in the first quarter, we expect this year to be a transition period in which different policies will be brought forth and tested and implemented and revised and revised as the situations on the fields require it, and we stand ready to work with all the agencies to make those accommodations as time goes on.

Mitra Ramgopal

Analyst, Sidoti & Co. LLC

Okay. Thanks. And then finally again on the investments you're making on, for example, the growth CapEx, is there – given the political climate here in the US, is it more likely that you might be looking to explore more international opportunities, or again, the focus is still pretty much going to be here?

Brian R. Evans

Chief Financial Officer & Senior Vice President, The GEO Group, Inc.

Well, the CapEx, I mean, we've reduced some of the CapEx that was related to improvements at existing facilities, and I think – so what we have forecasted for the balance of this year and next year is pretty minimal, for the most part, in our correctional facilities and our reentry facilities. And then the bulk of the CapEx is in the BI business, where we're seeing growth, and we also have to transition technology to a newer generation cellular technology.

Mitra Ramgopal

Analyst, Sidoti & Co. LLC

Okay. Thanks again for taking the questions.

Operator

The next question will come from Fred Taylor with MJX Asset Management. Please go ahead.

Frederick Harvey Taylor

Analyst, MJX Asset Management

Yeah, thanks for the call. And reading a press release from February 19 on the new bond issue, congratulations, but I noticed it was issued at a subsidiary. Is that where the other two bond issues are issued from?

Brian R. Evans

Chief Financial Officer & Senior Vice President, The GEO Group, Inc.

I'd have to look at that. I'm not sure exactly which ones are all issued from.

Frederick Harvey Taylor

Analyst, MJX Asset Management

Okay. And it would be great if – I don't know if there's an offering memorandum or if you 8-K-ed it. It would be nice to see the full prospectus. The other question I had was you mentioned...

Brian R. Evans

Chief Financial Officer & Senior Vice President, The GEO Group, Inc.

It was a private – it was a private placement so I don't think there's a public offering prospectus now.

Frederick Harvey Taylor

Analyst, MJX Asset Management

But as a public company, would you look to put that in 8-K?

Brian Robert Evans

Chief Financial Officer & Senior Vice President, The GEO Group, Inc.

Some of it is.

Frederick Harvey Taylor

Analyst, MJX Asset Management

Okay. The other question was you mentioned the goal was to pay down $150 million in debt. How would you think of allocating that between the revolving credit, the term loan and bonds, or I think you actually said reduce net debt, would you just allow cash to accumulate?

Brian R. Evans

Chief Financial Officer & Senior Vice President, The GEO Group, Inc.

Well, as I said during the call, we're working with some financial advisors so I think that that will all be part of that process evaluating how to apply the cash flows to the business and the timing of when we do that.

Frederick Harvey Taylor

Analyst, MJX Asset Management

Okay. Thank you.

Operator

The next question will come from Jack Barnes from Samlyn Capital. Please go ahead.

John G. Barnes

Analyst, Samlyn Capital LLC

Hey, good morning, guys. Thanks for the time. Just a quick follow-up on the Marshals Service relationship, could you just clarify how you're thinking about the difference, if there is any, between the direct contracts and the ISGAs (sic) [IGSAs] (42:53) and whether you think it's possible that the ISGA (sic) [IGSA] (42:58) contracts will remain even if the direct contracts are canceled?

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Well, currently our discussions with the Marshals Service have only been on the direct contracts.

John G. Barnes

Analyst, Samlyn Capital LLC

Do you expect the Executive Order to apply to all contracts, or is there a reason to think that the way that it was worded would allow them only to apply to the direct contracts?

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Well, we're responding to the discussions and concerns of the Marshals Service as they identify it. I mean, right now, those discussions are exclusively on the direct contracts. Yeah.

John G. Barnes

Analyst, Samlyn Capital LLC

Okay, great. Thank you.

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

We don't have the ability to speculate as to the entirety of their concerns, but as they've expressed them thus far, the discussions have been just on direct contracts.

John G. Barnes

Analyst, Samlyn Capital LLC

Okay, great. And the one other one if I may, on the ICE relationship, how are you thinking about – I understand that the Executive Order didn't apply to the ICE in the Homeland Security. But as you just think about the populations in your facilities and the occupancy levels, how do you expect ICE to address, I guess, what is currently excess capacity in the system [ph] might be made (44:47) from the White House? Will there be a rationalization [indiscernible] (44:51) to keep the footprint intact until there's more visibility on the populations longer term?

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Well, again, we don't have [indiscernible] (45:07) of what the White House planning is, but we are aware that there is excess capacity, and that's in part due to the large number of locations that ICE has, I think it may be a couple of hundred locations, and many of those are small jails around the country that don't actually meet the latest ICE standards that were promulgated by the Obama administration. So, that may be one of the issues that they confront when deciding which facilities to retain and which to close, whether facilities meet the standards that were developed by the Obama administration.

Operator

This will conclude today's question-and-answer session. I would now like to turn the conference back over to George Zoley for any closing remarks.

George C. Zoley

Chairman, Chief Executive Officer & Founder, The GEO Group, Inc.

Okay. Thank you all for your questions, and we look forward to addressing you in the next quarterly call.

Operator

The conference has now concluded. Thank you for attending today's presentation, and you may now disconnect.