



NEWS RELEASE

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CR-10-41

THE GEO GROUP ANNOUNCES 500-BED EXPANSION OF NEW CASTLE CORRECTIONAL FACILITY IN INDIANA

Boca Raton, Fla. – December 15, 2010 -- The GEO Group (NYSE: GEO) (“GEO”) announced today a 500-bed expansion of the 2,524-bed New Castle Correctional Facility (the “Facility”) in New Castle, Indiana managed by GEO under a contract with the Indiana Department of Correction (the “Department”). GEO will fund and develop the high-security expansion, which is estimated to cost approximately \$23.0 million, under a development agreement with the Indiana Finance Authority and will manage the expansion under an amendment to its existing management contract with the Department. The amendment extends the management contract term, previously due to expire in September 2015, through June 30, 2030, including all renewal option periods. GEO expects that the 500-bed expansion will generate approximately \$8.3 million in additional annualized revenues, while meeting GEO’s targeted returns on invested capital.

George C. Zoley, Chairman and Chief Executive Officer of GEO, said, “We appreciate the confidence placed in our company by the State of Indiana. We look forward to strengthening our existing public-private partnership with the Indiana Department of Correction through this important expansion of the New Castle Correctional Facility, which will help meet the need for additional cost-effective high-security correctional bed space in Indiana and bring additional jobs to the local New Castle economy.”

The GEO Group is a world leader in the delivery of correctional, detention, and residential treatment services to federal, state, and local government agencies around the globe. GEO offers a turnkey approach that includes design, construction, financing, and operations. GEO represents government clients in the United States, Australia, South Africa, and the United Kingdom. GEO’s worldwide operations include the management and/or ownership of approximately 81,000 beds at 118 correctional, detention and residential treatment facilities, including projects under development.

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.

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