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

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# FORM 8-K

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

**Date of Report (Date of earliest event reported): April 29, 2015**

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

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

| **621 NW 53rd Street, Suite 700, Boca Raton, Florida** | **33487** |
|---|---|
| **(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)**

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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))

**Section 2 Financial Information**

**Item 2.02. Results of Operations and Financial Condition.**

On April 30, 2015, 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, 2015, updating its financial guidance for full year 2015 and issuing its financial guidance for the second quarter 2015. A copy of the Earnings Press Release is furnished hereto as Exhibit 99.1. GEO also held a conference call on April 30, 2015 to discuss these matters, a transcript of which is furnished hereto as Exhibit 99.3.

In the Earnings Press Release, GEO provided Net Operating Income, EBITDA, Adjusted EBITDA, Funds From Operations, Normalized Funds From Operations, Adjusted Funds From Operations and Adjusted Net Income for the quarter ended March 31, 2015 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 and real estate related operating lease expense. Net Operating Income is calculated as net income attributable to GEO adjusted by subtracting equity in earnings of affiliates, net of income tax provision, and by adding income tax (benefit) provision, interest expense, net of interest income, depreciation and amortization expense, general and administrative expenses, and real estate related operating lease expense.

EBITDA is defined as Net Operating Income adjusted by subtracting general and administrative expenses and real estate related operating lease expense, and by adding equity in earnings of affiliates, pre-tax. Adjusted EBITDA is defined as EBITDA adjusted for net loss/income attributable to non-controlling interests, stock-based compensation expenses, pre-tax, and certain other adjustments as defined from time to time. Given the nature of GEO’s business as a real estate owner and operator, GEO believes that EBITDA and Adjusted EBITDA 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, EBITDA and Adjusted EBITDA 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 income from continuing operations. The adjustments GEO makes to derive the non-GAAP measures of EBITDA and Adjusted EBITDA 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. EBITDA and Adjusted EBITDA 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 M&A related expenses, net of tax.

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, the amortization of debt costs and other non-cash interest, and non-cash mark-to-market adjustments for derivative instruments and by subtracting recurring consolidated maintenance capital expenditures.

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 M&A related expenses, net of tax.

Because of the unique design, structure and use of GEO's correctional facilities, it believes that assessing the performance of its correctional facilities 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 income from continuing operations but have no impact on GEO's cash flows, or it 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 income from continuing operations. 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, EBITDA and Adjusted EBITDA, 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, Net Operating Income, Adjusted EBITDA and Adjusted Funds from Operations. The determination of the amounts that are 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 2015, 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 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 5 Corporate Governance and Management**

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

At the 2015 Annual Meeting of Shareholders of GEO held on April 29, 2015, the shareholders of the Company approved The GEO Group, Inc. Senior Management Performance Award Plan, which we refer to as the Performance Award Plan. This Performance Award Plan is substantially similar to the senior executive bonus plan the Company had in place since 2010, and was submitted for shareholder approval in order to secure ongoing tax deductions under the Internal Revenue Code. The Compensation Committee and Board of Directors approved the Performance Award Plan in March 2015, subject to shareholder approval. The Performance Award Plan was submitted for shareholder approval to preserve the tax deductibility of cash incentive awards to executive officers under Section 162(m) of the Internal Revenue Code. Section 162(m) limits to $1 million per year the deductibility of compensation to the Chief Executive Officer and the next three most highly compensated executive officers other than the Chief Financial Officer. This limit does not apply to compensation defined in Section 162(m) as "qualified performance-based compensation." In order for awards under the Performance Award Plan to constitute "qualified performance-based compensation," shareholders must approve the Performance Award Plan every five years.

The following is a brief description of the key features of the Performance Award Plan:

**Eligible Employees/Performance Awards**

All of our named executive officers as well as our Senior Vice Presidents who are not named executive officers, are eligible to participate in the Performance Award Plan. Under the plan, each of GEO's named executive officers is eligible to receive annual cash incentive compensation based on GEO's budgeted revenue and net income after tax for the fiscal year. For purposes of the plan, net income after tax means GEO's net income after all federal, state and local taxes. Extraordinary items and changes in accounting principles, as defined by U.S. generally accepted accounting principles, may be disregarded in determining GEO's net income after tax. Non-recurring and unusual items not included or planned for in GEO's annual budget may also be excluded from net income after tax in the sole and absolute discretion of the Compensation Committee. In determining the amount of annual incentive cash compensation awarded, net income after tax is weighted 65% and revenue is weighted 35% (collectively, the "Target Weighting of Revenue and Net-Income-After-Tax").

The following table shows, for each named executive officer, the annual incentive target amount as a percentage of salary that the respective officer is eligible to receive under the Performance Award Plan.

| Named Executive Officer: | Annual Incentive Target Amount (As a Percentage of Salary): |
|---|---|
| Chief Executive Officer | 100% |
| Chief Financial Officer | 50% |
| Senior Vice Presidents | 45% |

Under the terms of the Performance Award Plan, each named executive officer's annual incentive cash compensation award is calculated by applying the following percentage adjustment methodology separately to the respective Target Weighting of Revenue and Net-Income-After-Tax results in accordance with the following table:

| Percentage of Budgeted Fiscal Year Targets Achieved for Revenue and for Net-Income-After-Tax | Percentage by which the Target Weighting of Revenue and Net-Income-After-Tax is Reduced/Increased |
|---|---|
| Less than 80% | No Performance Award |
| 80% — 100% | 2.5 times the percentage (negative) difference between the actual achieved percentages of budgeted Revenue and Net-Income-After-Tax targets and 100% of the Revenue and Net-Income-After-Tax targets |
| 100% | No Adjustment to Target Weighting |
| 101% — 120% | (Amounts over 120% shall not be considered for purposes of this calculation) 2.5 times the percentage (positive) difference between the actual achieved percentages of budgeted Revenue (up to 120%) and Net-Income-After-Tax targets and 100% of the Revenue and Net-Income-After-Tax targets |

In addition to the amounts above, if the budgeted goals for revenue and net income after tax are exceeded, the annual incentive target amounts for the Chief Financial Officer and the other Senior Vice Presidents may be increased up to an additional 50% of the executive's annual incentive target amount upon the recommendation of the Chief Executive Officer subject to the approval of the Compensation Committee. The Chief Executive Officer is not eligible for discretionary adjustments. The 50% discretionary adjustment is by definition not based on any objective criteria and is based solely on the CEO's and Compensation Committee's judgment. Factors typically considered by the Compensation Committee and the Chief Executive Officer in determining whether to grant the discretionary award include the contribution of the particular individual during the fiscal year and the overall performance of GEO during the fiscal year. GEO does not set performance targets under the Performance Award Plan in advance, the achievement of which would require payment of the discretionary adjustment under the Performance Award Plan.

**Payment of Performance Awards**

Performance Awards will be paid in cash as soon as practicable after the award amounts are approved and certified in writing by the Compensation Committee.

**Amendment and Termination**

The board may, in its sole discretion, amend, modify, suspend, discontinue or terminate the Performance Award Plan or adopt a new plan in place of the Performance Award Plan at any time. However, no amendment, suspension or termination may, without the consent of the participant, alter or impair a participant's right to receive payment of a Performance Award for any fiscal year that is payable under the Performance Award Plan.

Under the terms of the Performance Award Plan, no amendment to the Performance Award Plan may alter the performance goals, increase the maximum amount which can be awarded to any participant, change the class of eligible employees or the target performance awards (% of salary) or make any other change that would require shareholder approval under the exemption for performance-based compensation under Section 162(m) of the Internal Revenue Code, in each case, without the prior approval of GEO's shareholders (to the extent required under the performance-based compensation exception of Section 162(m) of the Internal Revenue Code).

**Termination of Employment**

Under the terms of the Performance Award Plan, if an executive is terminated for cause, the executive will automatically forfeit any annual incentive cash compensation with respect to the fiscal year during which such termination occurs. If an executive voluntarily terminates employment prior to the end of any fiscal year (other than as a result of the retirement of the executive or, in the case of the Chief Executive Officer or Chief Financial Officer, as a result of a termination of employment by any of them for good reason (as defined in their respective employment agreements)), the executive will automatically forfeit any award for such fiscal year unless the Chief Executive Officer, in his sole and absolute discretion, grants a prorated annual incentive cash compensation award in an amount not to exceed the amount the executive would have received if the executive had remained employed for the entire fiscal year, based on the actual financial results of GEO as determined following the end of such fiscal year.

In the event (i) an executive is terminated by GEO without cause, (ii) an executive's employment is terminated due to death or disability, (iii) in the case of the Chief Executive Officer or Chief Financial Officer, any of them terminates their employment for good reason (as defined in their respective employment agreements), or (iv) in the case of the retirement of an executive which occurs effective as of a date following the 90th day of the applicable fiscal year of GEO, then the executive is entitled to receive a prorated portion of the annual incentive cash compensation award the executive would have received under the Performance Award Plan if the executive had remained employed by GEO for the entire fiscal year, based on the actual financial results of GEO as determined following the end of such fiscal year.

A copy of the Performance Award Plan is attached as Exhibit 10.1 to this report and is incorporated herein by reference.

**Item 5.07. Submission of Matters to a Vote of Security Holders.**

The GEO 2015 Annual Meeting of Shareholders was held on April 29, 2015. The following matters were voted on at the meeting: (1) the election of six directors for a term of one year and until their successors are duly elected and qualified, (2) the ratification of the appointment of Grant Thornton LLP to serve as GEO's independent registered public accountants for the 2015 fiscal year, (3) the approval, in a non-binding advisory vote, of the compensation paid to GEO's named executive officers, as disclosed in GEO's Proxy Statement for the 2015 Annual Meeting of Shareholders, pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion and (4) the approval of the Performance Award Plan. The final voting results for each matter submitted to a vote of shareholders at the meeting are set forth below.

1. All of the Board's director nominees were elected for a term of one year and until their successors are duly elected and qualified, by the votes set forth in the table below:

| | Votes For | Votes Withheld | Broker Non-Votes |
|---|---|---|---|
| Clarence E. Anthony | 60,775,108 | 1,201,252 | 4,839,971 |
| Anne N. Foreman | 60,230,294 | 1,746,066 | 4,839,971 |
| Richard H. Glanton | 60,353,122 | 1,623,238 | 4,839,971 |
| Christopher C. Wheeler | 55,858,295 | 6,118,065 | 4,839,971 |
| Julie Myers Wood | 55,404,193 | 6,572,167 | 4,839,971 |
| George C. Zoley | 59,391,367 | 2,584,993 | 4,839,971 |

2. The appointment of Grant Thornton LLP as GEO's independent registered public accountants for the 2015 fiscal year was ratified by the shareholders, by the votes set forth in the table below:

| | |
|---|---|
| For: | 65,997,095 |
| Against: | 330,283 |
| Abstain: | 488,953 |
| Broker Non-Votes: | — |

3. The shareholders approved, in a non-binding advisory vote, the compensation of GEO's named executive officers, by the votes set forth in the table below:

| | |
|---|---|
| For: | 61,098,001 |
| Against: | 382,296 |
| Abstain: | 488,953 |
| Broker Non-Votes: | 4,839,971 |

4. The shareholders approved the Performance Award Plan, by the votes set forth in the table below:

| | |
|---|---|
| For: | 60,829,655 |
| Against: | 642,090 |
| Abstain: | 504,615 |
| Broker Non-Votes: | 4,839,971 |

**Section 8 Other Events**

**Item 8.01. Other Events.**

On April 30, 2015, GEO issued a press release (the "Dividend Press Release") announcing that its Board of Directors declared a quarterly cash dividend of $0.62 per share which will be paid on May 21, 2015 to shareholders of record as of the close of business on May 11, 2015. A copy of the Dividend Press Release is attached as Exhibit 99.2.

**Section 9 Financial Statements and Exhibits**

**Item 9.01. Financial Statements and Exhibits.**

(d) *Exhibits*

| Exhibit No. | Description |
|---|---|
| 10.1 | The GEO Group, Inc. Senior Management Performance Award Plan. |
| 99.1 | Press Release, dated April 30, 2015, announcing GEO's financial results for the first quarter ended March 31, 2015. |
| 99.2 | Press Release, dated April 30, 2015, announcing GEO's declaration of a quarterly cash dividend. |
| 99.3 | Transcript of Conference Call discussing GEO's financial results for the first quarter ended March 31, 2015. |

## 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 4, 2015 | By: /s/ Brian R. Evans |
| Date | Brian R. Evans<br>Senior Vice President and Chief Financial Officer<br>(Principal Financial Officer) |

## EXHIBIT INDEX

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| 99.3 | Transcript of Conference Call discussing GEO's financial results for the first quarter ended March 31, 2015. |

**Exhibit 10.1**

**THE GEO GROUP, INC.**
**SENIOR MANAGEMENT PERFORMANCE AWARD PLAN**

**AS AMENDED AND RESTATED ON APRIL 29, 2015**

1. PURPOSE

The purpose of this Plan is to attract, retain, and motivate designated key employees of the Company by providing performance-based cash awards. The Company believes such awards create a strong incentive for the key employees participating in the Plan to expend maximum effort for the growth and success of the Company. This Plan is effective for fiscal years of the Company commencing on or after January 1, 2016.

2. DEFINITIONS

Unless the context otherwise requires, for purposes of this Plan, the terms below shall have the following meanings:

(a) ***"Board"*** shall mean the Board of Directors of the Company.

(b) ***"Code"*** shall mean the Internal Revenue Code of 1986, as amended and any successor thereto.

(c) ***"Code Section 162(m) Exception"*** shall mean the exception for performance-based compensation under Section 162(m) of the Code or any successor section and the Treasury regulations promulgated thereunder.

(d) ***"Code Section 409A"*** shall mean Section 409A of the Code, and its implementing regulations and guidance.

(e) ***"Company"*** shall mean The GEO Group, Inc. and any successor by merger, consolidation or otherwise.

(f) ***"Committee"*** shall mean the Compensation Committee of the Board or such other Committee of the Board that is appointed by the Board to administer this Plan; it is intended that all of the members of any such Committee shall satisfy the requirements to be outside directors, as defined under Code Section 162(m).

(g) ***"Discretionary Adjustment"*** shall have the meaning set forth in Section 5.3.

(h) ***"Net-Income-After-Tax"*** means net income of the Company, after all federal, state and local taxes. For purposes of determining Net-Income-After-Tax, extraordinary items and changes in accounting principles, as defined by United States generally accepted accounting principles, shall be disregarded. Extraordinary items shall include, but are not limited to, items of unusual and infrequent nature (i.e., loss incurred in the early extinguishment of debt). Changes in accounting principles shall include, but are not limited to, those that occur as a result of new pronouncements or requirements issued by accounting authorities including, but not limited to, the Securities Exchange Commission and the Financial Accounting Standards Board. To the extent compliant with the Code Section 162(m) Exception, non-recurring and unusual items not included or planned for in the Company's annual budget may be excluded from Net-Income-After-Tax in the sole and absolute discretion of the Committee.

(i) ***"Participant"*** shall mean an executive employee of the Company eligible to receive a Performance Award in accordance with this Plan. The executive employees of the Company eligible to participate in the Plan are listed in Section 4 hereof.

(j) ***"Performance Award"*** shall mean the amount paid or payable under Section 5.2 hereof.

(k) ***"Performance Goals"*** shall mean the objective performance goals, formulas and standards described in Section 5.1 hereof.

(l) ***"Plan"*** shall mean this Senior Management Performance Award Plan of the Company.

(m) ***"Plan Year"*** shall mean a fiscal year of the Company.

(n) ***"Pro Rata"*** shall mean a portion of a Performance Award based on the number of days worked during a Plan Year as compared to the total number of days in the Plan Year.

(o) ***"Revenue"*** shall mean gross revenues of the Company.

(p) "***Salary***" shall mean the Participant's base salary in effect on the earlier of (i) the last day of the Plan Year or (ii) December 31st of such Plan Year, not taking into account any deferrals of base salary that such Participant may make to a 401(k) plan, a Section 125 plan or any other deferred compensation plan; provided, however, that the term "Salary" shall not, in any event, with respect to any Participant, exceed $2,000.000.

(q) ***"Target Performance Award"*** shall mean the targeted Performance Award, expressed as a percentage of Salary as set forth in Section 4 hereof.

## 3. GOVERNANCE

The Plan shall be governed by the Committee. The Committee shall have the exclusive authority and responsibility to: (a) interpret the Plan; (b) determine amounts to be paid out under the Plan and the conditions for payment thereof; (c) certify attainment of Performance Goals and other material terms; (d) adjust Performance Awards as provided herein; (e) authorize the payment of all benefits and expenses of the Plan as they become payable under the Plan; (f) adopt, amend and rescind rules and regulations relating to the Plan; and (g) make all other determinations and take all other actions necessary or desirable for the Plan's administration, including, without limitation, correcting any defect, supplying any omission or reconciling any inconsistency in this Plan in the manner and to the extent it shall deem necessary to carry this Plan into effect. Notwithstanding anything to the contrary, the Plan shall be administered on a day-to-day basis by the Chief Executive Officer and the Senior Vice President of Human Resources of the Company.

Decisions of the Committee shall be made by a majority of its members. All decisions of the Committee on any question concerning the interpretation and administration of the Plan shall be final, conclusive, and binding upon all parties. The Committee may rely on information and consider recommendations provided by the Board or the executive officers of the Company.

## 4. ELIGIBLE PARTICIPANTS; TARGET PERFORMANCE AWARD

The eligible Participants and the Target Performance Awards for such Participants are as follows:

| **Positions** | **Target Performance Awards (% of Salary)** |
|---|---|
| Chief Executive Officer | 100% |
| Chief Financial Officer | 50% |
| Sr. Vice Presidents | 45% |

5. PERFORMANCE GOALS AND PERFORMANCE AWARDS

5.1 ***Performance Goals***. The Performance Goals shall be the budgeted Revenue and Net-Income-After-Tax for the subject Plan Year, which shall be weighted as follows (collectively, the "Target Weighting of Revenue and Net-Income-After-Tax"):

| | |
|---|---|
| Revenue | 35% |
| Net-Income-After-Tax | 65% |

5.2 ***Performance Awards***. Subject to compliance with Section 5.4 herein, each Participant shall be eligible to receive a Performance Award based on the Company's financial performance for Revenue and Net-Income-After-Tax during the Plan Year.

Participants' Annual Performance Awards will be calculated by applying the following percentage adjustment methodology separately to the respective Target Weighting of Revenue and Net-Income-After-Tax results in accordance with the following chart:

| Percentage of Budgeted Fiscal Year Targets Achieved for Revenue and for Net-Income-After-Tax | Percentage by which the Target Weighting of Revenue and Net-Income-After-Tax is Reduced/Increased |
|---|---|
| Less than 80% | No Performance Award |
| 80% - 100% | 2.5 times the percentage (negative) difference between the actual achieved percentages of budgeted Revenue and Net-Income-After-Tax targets and 100% of the Revenue and Net-Income-After-Tax targets |
| 100% | No Adjustment to Target Weighting |
| 101% - 120% | (Amounts over 120% shall not be considered for purposes of this calculation)<br>2.5 times the percentage (positive) difference between the actual achieved percentages of budgeted Revenue (up to 120%) and Net-Income-After-Tax targets and 100% of the Revenue and Net-Income-After-Tax targets |

**Example A — Budget Performance (100% Target Payout)**

| Performance Goals | Budget | Actual | Percentage Difference between Actual and Budget | Factor | Percentage Adjustment to Target Weighting | Target Weighting | Actual Weighting |
|---|---|---|---|---|---|---|---|
| Revenue | $100.00 | $100.00 | 0% | n/a | 0% | 35% | 35% |
| Net Income | $ 10.00 | $ 10.00 | 0% | n/a | 0% | 65% | 65% |
| **Total percentage applied to individual target performance awards** | | | | | | | **100%** |

**Example B — 105% Target Payout**

| Performance Goals | Budget | Actual | Percentage Difference between Actual and Budget | Factor | Percentage Adjustment to Target Weighting | Target Weighting | Actual Weighting |
|---|---|---|---|---|---|---|---|
| Revenue | $100.00 | $102.00 | +2% | 2.5 | +5% | 35% | 36.75% |
| Net Income | $ 10.00 | $ 10.20 | +2% | 2.5 | +5% | 65% | 68.25% |
| **Total percentage applied to individual target performance awards** | | | | | | | **105%** |

**Example C — 95% Target Payout**

| Performance Goals | Budget | Actual | Percentage Difference between Actual and Budget | Factor | Percentage Adjustment to Target Weighting | Target Weighting | Actual Weighting |
|---|---|---|---|---|---|---|---|
| Revenue | $100.00 | $98.00 | -2% | 2.5 | -5% | 35% | 33.25% |
| Net Income | $ 10.00 | $ 9.80 | -2% | 2.5 | -5% | 65% | 61.75% |
| **Total percentage applied to individual target performance awards** | | | | | | | **95%** |

**Example D — 98.5% Target Payout**

| Performance Goals | Budget | Actual | Percentage Difference between Actual and Budget | Factor | Percentage Adjustment to Target Weighting | Target Weighting | Actual Weighting |
|---|---|---|---|---|---|---|---|
| Revenue | $100.00 | $102.00 | +2% | 2.5 | +5% | 35% | 36.75% |
| Net Income | $ 10.00 | $ 9.80 | -2% | 2.5 | -5% | 65% | 61.75% |
| **Total percentage applied to individual target performance awards** | | | | | | | **98.5%** |

Following final calculations of the Company's financial performance during the relevant Plan Year, data shall be presented to the Chief Executive Officer which shall set forth the Participants' Performance Awards calculated in accordance with the Plan. The Chief Executive Officer shall review the data for all Participants, apply any Discretionary Adjustments applicable pursuant to Section 5.3, and then prepare final recommendations for the Committee.

5.3 ***Discretionary Adjustment.*** For Participants other than the Chief Executive Officer, the Chief Executive Officer may recommend a discretionary increase (the "Discretionary Adjustment") to a Participant's Performance Award of up to 50% of the Participant's Target Performance Award calculated in accordance with the provisions of Sections 5.1 and 5.2, subject to review and approval by the Committee. The Chief Executive Officer shall not be eligible to receive a discretionary Performance Award adjustment pursuant to this Section 5.3.

5.4 ***Form and Timing of Payment; Committee Certification.*** The Performance Awards will be paid in cash to the Participants who are to receive such payments as soon as practicable after the award amounts are approved and certified in writing by the Committee; provided, however, that the Performance Awards shall be paid no later than March 15th following the end of the Plan Year to which such Performance Awards relate.

6. CHANGE IN STATUS

In the event that a Participant remains employed with the Company but is no longer eligible to receive a Performance Award during the Plan Year, whether due to a promotion, demotion or lateral move, the Participant shall be entitled to a Pro Rata portion of the Performance Award for which he/she was eligible under this Plan, subject to the terms of Section 5.4, based upon the length of time the Participant served in the eligible position, in which case such Performance Award (a) shall be determined after the end of the Plan Year during which the change in eligibility status occurs based solely on the actual results of the Company for such full Plan Year, and (b) shall not exceed a Pro Rata portion of the actual Performance Award which the Participant would otherwise have been eligible to receive under this Plan with respect to the Plan Year in which the change in eligibility status occurs had the Participant remained eligible to receive a Performance Award for the full Plan Year.

7. TERMINATION OF EMPLOYMENT. Notwithstanding anything herein to the contrary, subject to Sections 5.4 and 14 of this Plan, the provisions of this Section 7 shall apply in the event of the termination of employment of a Participant.

7.1 ***Termination by the Company for Cause.*** In the event that a Participant's employment is terminated by the Company for Cause (as such term is defined under such Participant's employment agreement with the Company), any Performance Award for the Plan Year in which the termination occurs will be automatically forfeited by the Participant.

7.2 ***Resignation or Voluntary Termination by the Participant Other Than for Good Reason.*** In the event that a Participant resigns or otherwise voluntarily terminates employment with the Company for any reason (other than by reason of retirement from the Company in accordance with Company policy and/or any agreement between the Company and the Participant, which is addressed in paragraph 7.4 below, or as a result of the Chief Executive Officer or Chief Financial Officer terminating his/her employment for Good Reason (as such term is defined in their employment agreements with the Company)), any Performance Award for the Plan Year in which the termination occurs will be automatically forfeited by the Participant unless the Chief Executive Officer, in his sole and absolute discretion, decides to grant a Performance Award for such Plan Year to such Participant, in which case such Performance Award (a) shall be determined after the end of the Plan Year during which the termination occurs based solely on the actual results of the Company for such full Plan Year, and (b) shall not exceed a Pro Rata portion of the actual Performance Award which the Participant would otherwise have been eligible to receive under this Plan with respect to the Plan Year in which the termination occurs had the Participant remained employed with the Company for the full Plan Year.

7.3 ***Termination by the Company without Cause, by the Participant for Good reason, or as a Result of the Death or Disability of the Participant.*** In the event that a Participant's employment is terminated (a) by the Company without Cause (as such term is defined under such Participant's employment agreement with the Company), (b) by the Participant, but only in the case of the Chief Executive Officer or Chief Financial Officer, for Good Reason (as such term is defined in their employment agreements with the Company)), or (c) as a result of the death or disability (as such term is defined under such Participant's employment agreement with the Company) of the Participant, then such Participant (or such Participant's estate, as applicable), shall be entitled to receive a Pro Rata portion of the actual Performance Award which the Participant would otherwise have been eligible to receive under this Plan with respect to the Plan Year in which the termination occurs had the Participant remained employed with the Company for the full Plan Year; provided, however, that such Performance Award shall not be determined until after the end of the Plan Year during which the termination occurs and shall be based solely on the actual results of the Company for such full Plan Year.

7.4 ***Termination as a Result of the Retirement of the Participant.*** In the event that a Participant's employment is terminated as a result of the retirement of the Participant in accordance with Company policy on a date following the 90th day of then current Company fiscal year, the Participant shall be entitled to receive a Pro Rata portion of the actual Performance Award which the Participant would otherwise have been eligible to receive under this Plan with respect to the Plan Year in which the termination occurs had the Participant remained employed with the Company for the full Plan Year; provided, however, that such Performance Award shall not be determined until after the end of the Plan Year during which the termination occurs and shall be based solely on the actual the results of the Company for such full Plan Year. No Performance Award or Pro Rata portion thereof shall be due or payable to a Participant whose employment is terminated as a result of a retirement that is effective prior to the 90th day of the then current Company fiscal year.

8. NON-ASSIGNABILITY

No Performance Award under this Plan or payment thereof, nor any right or benefit under this Plan, shall be subject to anticipation, alienation, sale, assignment, pledge, encumbrance, garnishment, execution or levy of any kind or charge, and any attempt to anticipate, alienate, sell, assign, pledge, encumber and to the extent permitted by applicable law, charge, garnish, execute upon or levy upon the same shall be void and shall not be recognized or given effect by the Company.

9. NO RIGHT TO EMPLOYMENT

Nothing in the Plan or in any notice of award pursuant to the Plan shall confer upon any person the right to continue in the employment of the Company or one of its subsidiaries or affiliates nor affect the right of the Company or any of its subsidiaries or affiliates to terminate the employment of any Participant.

10. AMENDMENT OR TERMINATION

The Board reserves the right, in its sole discretion, to amend, modify, suspend, discontinue, or terminate the Plan or to adopt a new plan in place of this Plan at any time; provided, however, that:

i. no such amendment shall, without the prior approval of the stockholders of the Company in accordance with applicable law to the extent required under Code Section 162(m),

  - alter the Performance Goals as set forth in Section 5.1;

- increase the maximum amounts set forth in Section 5.2 and Section 5.3;
- change the class of eligible employees or the Target Performance Awards (% of Salary) set forth in Section 4; or
- implement any change to a provision of the Plan requiring stockholder approval in order for the Plan to continue to comply with the requirements of the Code Section 162(m) Exception;

ii. no amendment, suspension, or termination shall, without the consent of the Participant, alter or impair a Participant's right to receive payment of a Performance Award for a Plan Year otherwise payable hereunder; and

iii. in the event of any conflict between the terms of this Plan and the terms of any employment, compensation or similar agreement between the Company and a Participant, the terms of the employment, compensation or similar agreement between the Company and the Participant shall prevail.

11. SEVERABILITY

In the event that any one or more of the provisions contained in the Plan shall, for any reason, be held to be invalid, illegal or unenforceable, in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of the Plan and the Plan shall be construed as if such invalid, illegal or unenforceable provisions had never been contained therein.

12. WITHHOLDING

The Company shall have the right to make such provisions as it deems necessary or appropriate to satisfy any obligations it may have to withhold federal, state, or local income or other taxes incurred by reason of payments pursuant to the Plan.

13. GOVERNING LAW

This Plan and any amendments thereto shall be construed, administered, and governed in all respects in accordance with the laws of the State of Florida (regardless of the law that might otherwise govern under applicable principles of conflict of laws).

14. REGULATORY PROVISIONS

This Plan is not intended to provide for deferral of compensation for purposes of Code Section 409A, by means of complying with Section 1.409A-1(b)(4) of the final Treasury regulations issued under Code Section 409A. The provisions of this Plan shall be interpreted in a manner that satisfies the requirements of Section 1.409A-1(b)(4) of the final Treasury regulations issued under Code Section 409A and the Plan shall be operated accordingly. If any provision of this Plan or any term or condition of any Performance Award would otherwise frustrate or conflict with this intent, the provision, term or condition will be interpreted and deemed amended so as to avoid this conflict.

In the event that following the application of the immediately preceding paragraph, any Performance Award is subject to Code Section 409A, the provisions of Code Section 409A are hereby incorporated herein by reference to the extent necessary for any Performance Award that is subject to Code Section 409A to comply therewith. In such event, the provisions of this Plan shall be interpreted in a manner that satisfies the requirements of Code Section 409A and the Plan shall be operated accordingly. If any provision of this Plan or any term or condition of any Performance Award would otherwise frustrate or conflict with this intent, the provision, term or condition will be interpreted and deemed amended so as to avoid this conflict.

Notwithstanding any other provision of this Plan, if a Participant is not employed by the Company on the last day of the Plan Year to which a Performance Award relates, the maximum Performance Award payable to such Participant shall not exceed the “Pro-Rata Performance Award.” For this purpose, the term “Pro-Rata Performance Award” shall mean the Performance Award, if any, that would have been payable by the Company to such Participant for the Plan Year if and to the extent that the performance goals for such Plan Year have been met, if the Participant had been employed by the Company throughout the entire Plan Year, multiplied by a fraction, the numerator of which shall be the number of days from the first day of the Plan Year through and including the date of termination of employment and the denominator of which shall be the total number of days in the Plan Year.

15. REGULATORY PROVISIONS

A Performance Award (or any part thereof) may be forfeited and the Executive may be required to repay the Company such Performance Award (or any part thereof) upon such terms and conditions as may be determined by the Board in accordance with The GEO Group, Inc. Executive Adjustment and Recapture of Incentive Compensation Policy, as may be amended from time to time, or any successor policy or otherwise.

Exhibit 99.1

The GEO Group, Inc.

**NEWS RELEASE**

One Park Place, Suite 700 n 621 Northwest 53rd Street n Boca Raton, Florida 33487 n www.geogroup.com

# THE GEO GROUP REPORTS FIRST QUARTER 2015 RESULTS

- **1Q15 Normalized FFO of $0.60 per Diluted Share**
- **1Q15 AFFO of $0.72 per Diluted Share**
- **Updated 2015 AFFO Guidance of $3.30 to $3.39 per Diluted Share**
- **Updated 2015 Guidance Reflects Additional 2Q15 Start-Up Expenses, Negative Fluctuation in Foreign Exchange Rates, and More Gradual Seasonal Increase in Federal Populations**

**Boca Raton, Fla. – April 30, 2015 — The GEO Group, Inc. (NYSE: GEO)** ("GEO"), the first fully integrated equity real estate investment trust ("REIT") specializing in the design, financing, development, and operation of correctional, detention, and community reentry facilities around the globe, reported today its financial results for the first quarter 2015. The information presented herein and in GEO's supplemental disclosure reflects the name change of GEO's Community Service division to GEO Care effective January 1, 2015.

## First Quarter 2015 Highlights

- **Net Income Attributable to GEO of $0.39 per Diluted Share**
- **Adjusted Net Income of $0.41 per Diluted Share; Adjusted for LCS Corrections Services, Inc. Acquisition Related Expenses**
- **Net Operating Income of $116.0 million**
- **Normalized FFO of $0.60 per Diluted Share**
- **AFFO of $0.72 per Diluted Share**

For the first quarter 2015, Normalized Funds From Operations ("Normalized FFO") increased to $44.2 million, or $0.60 per diluted share, from $41.4 million, or $0.58 per diluted share, for the first quarter 2014. First quarter 2015 Adjusted Funds From Operations ("AFFO") increased to $52.9 million, or $0.72 per diluted share, from $51.4 million, or $0.71 per diluted share, for the first quarter 2014. For the first quarter 2015, Net Operating Income ("NOI") increased to $116.0 million from $107.5 million for the first quarter 2014.

George C. Zoley, Chairman and Chief Executive Officer of GEO, said, "We are pleased with our first quarter results, which continue to reflect robust operational and financial performance from our diversified business units. We have updated our guidance for the balance of 2015 to reflect several factors affecting primarily our second quarter, including additional start-up expenses, negative fluctuations in foreign exchange rates, and a more gradual seasonal increase in federal populations. Notwithstanding these near-term challenges, we have achieved significant milestones so far this year. With our recently announced mobilization of the North Lake Correctional Facility in Michigan, we expect to reactivate more than 4,000 previously idle beds in inventory in 2015. Together with the reactivation of 1,400 beds in 2014, these important steps will have reduced our beds in inventory from approximately 8,000 beds to 2,000 beds. We have also integrated 6,500 owned beds from the acquisition of LCS Corrections last quarter. We expect all of these milestones will continue to increase value for our shareholders."

**--More--**

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Vice President, Corporate Relations

GEO reported total revenues for the first quarter 2015 of $427.4 million up from total revenues of $393.1 million for the first quarter 2014. First quarter 2015 revenues reflect $21.8 million in construction revenues associated with GEO's contract for the development and operation of the new 1,300-bed Ravenhall Prison Facility in Australia.

GEO reported first quarter 2015 net income attributable to GEO of $28.8 million, or $0.39 per diluted share, compared to $28.0 million, or $0.39 per diluted share, for the first quarter 2014. GEO's first quarter 2015 results reflect approximately $1.6 million, net of tax, in acquisition related expenses in connection with GEO's recent acquisition of eight correctional and detention facilities from LCS Corrections Services, Inc. Excluding acquisition related expenses, GEO reported first quarter 2015 adjusted net income of $0.41 per diluted share. First quarter 2015 results, including construction revenues, were impacted by the strengthening of the U.S. dollar.

NOI, Funds From Operations ("FFO"), Normalized FFO, and AFFO are widely used non-GAAP supplemental financial measures of REIT performance. Please see the section of this press release 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 as well as Adjusted Net Income.

**2015 Financial Guidance**

GEO updated its financial guidance for 2015 to reflect several factors affecting primarily the second quarter 2015. As previously announced, GEO is scheduled to activate the company-owned, 1,940-bed Great Plains Correctional Facility in Hinton, Oklahoma and a 640-bed expansion at the company-owned Adelanto Detention Facility in Adelanto, California in the second quarter 2015 and early third quarter 2015, respectively.

In addition, earlier this week GEO announced the mobilization of the company-owned, 1,740-bed North Lake Correctional Facility in Baldwin, Michigan (the "North Lake Facility") during the second quarter 2015. The decision to mobilize the North Lake Facility was made as a result of the current demand for out-of-state correctional bed space. The mobilization effort will entail hiring staff and purchasing supplies in order to prepare the previously idle North Lake Facility to receive inmates. GEO does not currently have a contract to house inmates at the North Lake Facility, but GEO believes that it may secure one or more contracts in the near future and expects that it may need to activate the North Lake Facility in the next 60 to 90 days.

These expected activations will result in significant start-up activity during the second quarter 2015, which along with a slightly slower ramp up schedule at the company-owned, 400-bed Mesa Verde Detention Facility, which opened in March 2015, have resulted in higher than expected start-up expenses during the second quarter 2015.

Additionally, GEO's international operations for the balance of 2015 are expected to continue to be impacted by the strengthened U.S. dollar.

**--More--**

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Finally, as GEO has previously discussed, federal populations tend to experience seasonal fluctuations primarily during the first quarter and part of the second quarter of each year. GEO believes that the uncertainty related to the fiscal year 2015 budget for the Department of Homeland Security during the first few months of 2015 may have also contributed to additional softness in federal populations. GEO's guidance now assumes a more gradual seasonal increase in federal populations, which primarily impacts the second quarter.

As a result of these factors, GEO expects its full-year 2015 AFFO to be in a range of $3.30 to $3.39 per diluted share. Excluding acquisition related expenses, GEO expects adjusted earnings for the full year 2015 to be in a range of $1.90 to $1.97 per diluted share.

Additionally, GEO expects construction revenue associated with GEO's contract for the development and operation of the new 1,300-bed Ravenhall Prison Facility in Australia to be approximately $120.0 million for the full year 2015 versus the $137.0 million previously expected primarily as a result of the strengthening of the U.S. dollar. GEO expects full-year 2015 total revenues to be in a range of $1.87 billion to $1.89 billion. GEO's full-year 2015 NOI is expected to be in a range of $512.5 million to $519.5 million and full-year 2015 Adjusted EBITDA to be in a range of $372.5 million to $379.5 million.

For the second quarter 2015, GEO expects AFFO to be in a range of $0.76 to $0.80 per diluted share. GEO expects second quarter 2015 earnings per diluted share to be in a range of $0.40 to $0.43 and second quarter 2015 revenues to be in a range of $445.0 million to $450.0 million, including approximately $14.0 million in construction revenue associated with GEO's contract for the development and operation of the new 1,300-bed Ravenhall Prison Facility in Australia.

**Quarterly Dividend**

On April 29, 2015, GEO's Board of Directors declared a quarterly cash dividend of $0.62 per share. The quarterly cash dividend will be paid on May 21, 2015 to shareholders of record as of the close of business on May 11, 2015. The declaration of future quarterly cash dividends is subject to approval by GEO's Board of Directors and to meeting the requirements of all applicable laws and regulations. GEO's Board of Directors retains the power to modify its dividend policy as it may deem necessary or appropriate in the future.

**Reconciliation Tables and Supplemental Disclosure**

GEO has made available a Supplemental Disclosure which contains reconciliation tables of Net Income Attributable to GEO to Adjusted Net Income, Net Income Attributable to GEO to Net Operating Income, EBITDA, and Adjusted EBITDA, and Net Income Attributable to GEO to FFO, Normalized FFO and AFFO along with supplemental financial and operational information on GEO's business segments and other important operating metrics. Please see the section of this press release 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 Disclosure which is available on GEO's Investor Relations webpage at www.geogroup.com.

**--More--**

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Vice President, Corporate Relations

**Conference Call Information**

GEO has scheduled a conference call and simultaneous webcast for today at 11:00 AM (Eastern Time) to discuss GEO's first quarter 2015 financial results as well as its progress and 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 Conference Calls/Webcasts section of GEO's investor relations webpage at www.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 7, 2015 at 1-877-344-7529 (U.S.) and 1-412-317-0088 (International). The participant passcode for the telephonic replay is 10064837.

**About The GEO Group**

The GEO Group, Inc. (NYSE: GEO) is the first fully integrated equity real estate investment trust specializing in the design, financing, development, and operation of correctional, detention, and community reentry facilities around the globe. GEO is the world's leading provider of diversified correctional, detention, community reentry, and electronic monitoring services to government agencies worldwide with operations in the United States, Australia, South Africa, and the United Kingdom. GEO's worldwide operations include the ownership and/or management of 106 facilities totaling approximately 85,500 beds, including projects under development, with a growing workforce of approximately 19,000 professionals.

**Note to Reconciliation Tables and Supplemental Disclosure –**

**Important Information on GEO's Non-GAAP Financial Measures**

Net Operating Income, EBITDA, Adjusted EBITDA, Funds from Operations, Normalized Funds from Operations and 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, Net Operating Income, EBITDA, Adjusted EBITDA, FFO, Normalized FFO, and AFFO. The determination of the amounts that are 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 2015, 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 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, and real estate related operating lease expense. Net Operating Income is calculated as net income attributable to GEO adjusted by subtracting equity in earnings of affiliates, net of income tax provision, and by adding income tax (benefit) provision, interest expense, net of interest income, depreciation and amortization expense, general and administrative expenses, and real estate related operating lease expense.

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EBITDA is defined as Net Operating Income adjusted by subtracting general and administrative expenses and real estate related operating lease expense, and by adding equity in earnings of affiliates, pre-tax. Adjusted EBITDA is defined as EBITDA adjusted for net loss/income attributable to non-controlling interests, stock-based compensation expenses, pre-tax, and certain other adjustments as defined from time to time. Given the nature of our business as a real estate owner and operator, we believe that EBITDA and Adjusted EBITDA 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, EBITDA and Adjusted EBITDA 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 income from continuing operations. The adjustments we make to derive the non-GAAP measures of EBITDA and Adjusted EBITDA 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. EBITDA and Adjusted EBITDA 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.

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 M&A related expenses, net of tax.

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 costs and other non-cash interest, and non-cash mark-to-market adjustments for derivative instruments and by subtracting recurring consolidated maintenance capital expenditures.

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 M&A related expenses, net of tax.

**--More--**

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Because of the unique design, structure and use of our correctional facilities, we believe that assessing the performance of our correctional facilities 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 income from continuing operations 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. 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 income from continuing operations. 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 financial guidance for the second quarter of 2015 and full year 2015 and the assumptions underlying such guidance, and growth opportunities. 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 meet its financial guidance for 2015 given the various risks to which its business is exposed; (2) GEO's ability to declare future quarterly cash dividends and the timing and amount of such future cash dividends; (3) GEO's ability to successfully pursue further growth and continue to create shareholder value; (4) risks associated with GEO's ability to control operating costs associated with contract start-ups; (5) 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; (6) GEO's ability to win management contracts for which it has submitted proposals and to retain existing management contracts; (7) GEO's ability to obtain future financing on acceptable terms; (8) GEO's ability to sustain company-wide occupancy rates at its facilities, achieve substantial improvements in the occupancy rates at the eight LCS Corrections Facilities, and reactivate more than 4,000 previously idle beds; (9) GEO's ability to access the capital markets in the future on satisfactory terms or at all; (10) GEO's ability to remain qualified as a REIT; (11) the incurrence of REIT related expenses; and (12) other factors contained in GEO's Securities and Exchange Commission periodic filings, including its Form 10-K, 10-Q and 8-K reports.*

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Vice President, Corporate Relations

**First quarter 2015 financial tables to follow:**

**Condensed Consolidated Statements of Operations**
(In thousands, except per share data)
(Unaudited)

| | Q1 2015 | Q1 2014 |
|---|---|---|
| **Revenues** | $427,369 | $393,137 |
| **Operating expenses** | 317,909 | 291,923 |
| **Depreciation and amortization** | 24,940 | 24,142 |
| **General and administrative expenses** | 31,848 | 28,502 |
| **Operating income** | 52,672 | 48,570 |
| **Interest income** | 2,073 | 732 |
| **Interest expense** | (24,646) | (20,652) |
| **Income before income taxes and equity in earnings of affiliates** | 30,099 | 28,650 |
| **Provision for income taxes** | 2,828 | 2,138 |
| **Equity in earnings of affiliates, net of income tax provision** | 1,485 | 1,484 |
| **Net income** | 28,756 | 27,996 |
| **Less: Net loss/(income) attributable to noncontrolling interests** | 21 | (6) |
| **Net income attributable to The GEO Group, Inc.** | $ 28,777 | $ 27,990 |
| ***Weighted Average Common Shares Outstanding:*** | | |
| Basic | 73,549 | 71,449 |
| Diluted | 73,884 | 71,895 |
| ***Income per Common Share Attributable to The GEO Group, Inc. :*** | | |
| ***Basic:*** | | |
| Net income per share — basic | $ 0.39 | $ 0.39 |
| ***Diluted:*** | | |
| Net income per share — diluted | $ 0.39 | $ 0.39 |

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

| | Q1 2015 | Q1 2014 |
|---|---|---|
| **Net Income attributable to GEO** | $28,777 | $27,990 |
| Add: M&A related expense, net of tax | $ 1,559 | — |
| **Adjusted Net Income** | $30,336 | $27,990 |
| **Income Per Diluted Common Share Attributable to GEO** | $ 0.39 | $ 0.39 |
| Add: M&A related expense, net of tax, per Diluted Common Share | $ 0.02 | — |
| **Adjusted Net Income Per Diluted Common Share** | $ 0.41 | $ 0.39 |

**-- More --**

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Vice President, Corporate Relations

**Condensed Consolidated Balance Sheets**
(In thousands)
(Unaudited)

| | As of March 31, 2015 | As of December 31, 2014 |
|---|---|---|
| **ASSETS** | | |
| ***Current Assets*** | | |
| Cash and cash equivalents | $ 68,981 | $ 41,337 |
| Restricted cash and investments | 8,489 | 4,341 |
| Accounts receivable, less allowance for doubtful accounts | 261,280 | 269,038 |
| Current deferred income tax assets | 25,884 | 25,884 |
| Prepaid expenses and other current assets | 48,901 | 36,806 |
| **Total current assets** | **413,535** | **377,406** |
| ***Restricted Cash and Investments*** | 23,217 | 19,578 |
| ***Property and Equipment, Net*** | 1,907,063 | 1,772,166 |
| ***Contract Receivable*** | 87,042 | 66,229 |
| ***Direct Finance Lease Receivable*** | 7,077 | 9,256 |
| ***Non-Current Deferred Income Tax Assets*** | 5,873 | 5,873 |
| ***Intangible Assets, Net (including goodwill)*** | 825,376 | 649,165 |
| ***Other Non-Current Assets*** | 98,738 | 102,535 |
| **Total Assets** | **$ 3,367,921** | **$ 3,002,208** |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| ***Current Liabilities*** | | |
| Accounts payable | $ 60,535 | $ 58,155 |
| Accrued payroll and related taxes | 55,851 | 38,556 |
| Accrued expenses and other current liabilities | 135,821 | 140,612 |
| Current portion of capital lease obligations, long-term debt, and non-recourse debt | 16,648 | 16,752 |
| **Total current liabilities** | **268,855** | **254,075** |
| ***Non-Current Deferred Income Tax Liabilities*** | 10,068 | 10,068 |
| ***Other Non-Current Liabilities*** | 99,666 | 87,429 |
| ***Capital Lease Obligations*** | 9,574 | 9,856 |
| ***Long-Term Debt*** | 1,795,267 | 1,462,819 |
| ***Non-Recourse Debt*** | 158,060 | 131,968 |
| ***Shareholders' Equity*** | 1,026,431 | 1,045,993 |
| **Total Liabilities and Shareholders' Equity** | **$ 3,367,921** | **$ 3,002,208** |

**-- More --**

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

**Reconciliation of Net Income Attributable to GEO to FFO, Normalized FFO, and AFFO**
(In thousands, except per share data)
(Unaudited)

| | Q1 2015 | Q1 2014 |
|---|---|---|
| **Net Income attributable to GEO** | $28,777 | $27,990 |
| Add: | | |
| Real Estate Related Depreciation and Amortization | 13,885 | 13,381 |
| **Equals: NAREIT defined FFO** | **$42,662** | **$41,371** |
| Add: | | |
| M&A related expenses, net of tax | 1,559 | — |
| **Equals: FFO, normalized** | **$44,221** | **$41,371** |
| Add: | | |
| Non-Real Estate Related Depreciation & Amortization | 11,055 | 10,761 |
| Consolidated Maintenance Capital Expenditures | (6,661) | (4,420) |
| Stock Based Compensation Expenses | 2,621 | 2,466 |
| Amortization of Debt Costs and Other Non-Cash Interest | 1,506 | 1,224 |
| Non-Cash Mark-to-Market Adjustment - Derivative Instruments | 189 | — |
| **Equals: AFFO** | **$52,931** | **$51,402** |
| Weighted average common shares outstanding - Diluted | 73,884 | 71,895 |
| **FFO/AFFO per Share - Diluted** | | |
| **Normalized FFO Per Diluted Share** | **$ 0.60** | **$ 0.58** |
| **AFFO Per Diluted Share** | **$ 0.72** | **$ 0.71** |

**-- More --**

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

**Reconciliation of Net Income Attributable to GEO to Net Operating Income and Adjusted EBITDA**
(In thousands)
(Unaudited)

| | Q1 2015 | Q1 2014 |
|---|---|---|
| Net income attributable to GEO | $ 28,777 | $ 27,990 |
| Less | | |
| Net loss/(income) attributable to noncontrolling interests | 21 | (6) |
| Net Income | $ 28,756 | $ 27,996 |
| Add | | |
| Equity in earnings of affiliates, net of income tax provision | (1,485) | (1,484) |
| Income tax (benefit)/provision | 2,828 | 2,138 |
| Interest expense, net of interest income | 22,573 | 19,920 |
| Depreciation and amortization | 24,940 | 24,142 |
| General and administrative expenses | 31,848 | 28,502 |
| **Net Operating Income, net of operating lease obligations** | **$109,460** | **$101,214** |
| Add: Operating lease expense, real estate | 6,566 | 6,295 |
| **Net Operating Income (NOI)** | **$116,026** | **$107,509** |
| Less: | | |
| General and administrative expenses | 31,848 | 28,502 |
| Operating lease expense, real estate | 6,566 | 6,295 |
| Equity in earnings of affiliates, pre-tax | (2,098) | (2,033) |
| **EBITDA** | **$ 79,710** | **$ 74,745** |
| Adjustments | | |
| Net loss/(income) attributable to noncontrolling interests | 21 | (6) |
| Stock based compensation expenses, pre-tax | 2,621 | 2,466 |
| **Adjusted EBITDA** | **$ 82,352** | **$ 77,205** |

**-- More --**

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

**2015 Outlook/Reconciliation**
(In thousands, except per share data)
(Unaudited)

| | Full Year 2015 | | |
|---|---|---|---|
| **Net Income** | $141,000 | to | $147,000 |
| **Real Estate Related Depreciation and Amortization** | 59,000 | | 59,000 |
| **Funds from Operations (FFO)** | $200,000 | to | $206,000 |
| **Adjustments** | | | |
| **M&A Related Expenses, Net of Tax** | 1,500 | | 1,500 |
| **Normalized Funds from Operations** | $201,500 | to | $207,500 |
| **Non-Real Estate Related Depreciation and Amortization** | 49,000 | | 50,000 |
| **Consolidated Maintenance Capex** | (22,000) | | (22,000) |
| **Non-Cash Stock Based Compensation and Non-Cash Interest Expense** | 17,000 | | 17,000 |
| **Adjusted Funds From Operations (AFFO)** | $245,500 | to | $252,500 |
| **Net Cash Interest Expense** | 90,000 | | 90,000 |
| **Consolidated Maintenance Capex** | 22,000 | | 22,000 |
| **Income Taxes** | 15,000 | | 15,000 |
| **Adjusted EBITDA** | $372,500 | to | $379,500 |
| **G&A Expenses** | 125,000 | | 125,000 |
| **Non-Cash Stock Based Compensation** | (10,000) | | (10,000) |
| **Real Estate Related Operating Lease Expense** | 25,000 | | 25,000 |
| **Net Operating Income** | $512,500 | to | $519,500 |
| **FFO Per Share (Normalized)** | $ 2.71 | to | $ 2.79 |
| **AFFO Per Share** | $ 3.30 | to | $ 3.39 |
| **Weighted Average Common Shares Outstanding-Diluted** | 74,300 | to | 74,400 |

**- End -**

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

Exhibit 99.2

The GEO Group, Inc.

**NEWS RELEASE**

One Park Place, Suite 700 n 621 Northwest 53rd Street n Boca Raton, Florida 33487 n www.geogroup.com

**THE GEO GROUP DECLARES QUARTERLY**
**CASH DIVIDEND OF $0.62 PER SHARE**

**Boca Raton, Fla. – April 30, 2015 — The GEO Group, Inc. (NYSE: GEO)** (“GEO”) announced that on April 29, 2015, its Board of Directors declared a quarterly cash dividend of $0.62 per share. The quarterly cash dividend will be paid on May 21, 2015 to shareholders of record as of the close of business on May 11, 2015.

George C. Zoley, Chairman and Chief Executive Officer of GEO, said: “We are pleased to declare our quarterly cash dividend of $0.62 per share, or $2.48 per share annualized, which is indicative of our continued commitment to return value to our shareholders.”

The GEO Group, Inc. (NYSE: GEO) is the first fully integrated equity real estate investment trust specializing in the design, financing, development, and operation of correctional, detention, and community reentry facilities around the globe. GEO is the world’s leading provider of diversified correctional, detention, community reentry, and electronic monitoring services to government agencies worldwide with operations in the United States, Australia, South Africa, and the United Kingdom. GEO’s worldwide operations include the ownership and/or management of 106 facilities totaling approximately 85,500 beds, including projects under development, with a growing workforce of approximately 19,000 professionals.

*This press release contains forward-looking statements regarding future events and the future performance of GEO that involve risks and uncertainties that could materially affect actual results, including statements regarding the timing and amount of dividends. 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 declare future quarterly cash dividends and the timing and amount of such future dividends; (2) GEO’s ability to successfully pursue further growth and continue to enhance shareholder value; (3) GEO’s ability to access the capital markets in the future on satisfactory terms or at all; (4) risks associated with GEO’s ability to control operating costs associated with contract start-ups; (5) 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; (6) GEO’s ability to win management contracts for which it has submitted proposals and to retain existing management contracts; (7) GEO’s ability to obtain future financing on acceptable terms; (8) GEO’s ability to sustain company-wide occupancy rates at its facilities; and (9) other factors contained in GEO’s Securities and Exchange Commission filings, including its Form 10-K, 10-Q and 8-K reports.*

**-End-**

**Contact:** Pablo E. Paez 1-866-301-4436
Vice President, Corporate Relations

Exhibit 99.3

The GEO Group, Inc. (GEO)
Q1 2015 Earnings Call

**CORPORATE PARTICIPANTS**

Pablo E. Paez
*Vice President-Corporate Relations*

George C. Zoley
*Chairman & Chief Executive Officer*

Brian R. Evans
*Chief Financial Officer & Senior Vice President*

John M. Hurley
*Senior VP, President-GEO Corrections & Detention*

Ann M. Schlarb
*Senior Vice President and President, GEO Care*

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**OTHER PARTICIPANTS**

Kevin D. McVeigh
*Macquarie Capital (USA), Inc.*

Tobey Sommer
*SunTrust Robinson Humphrey, Inc.*

Brian Hoffman
*Avondale Partners LLC*

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**MANAGEMENT DISCUSSION SECTION**

**Operator**: Good morning, and welcome to The GEO Group's First Quarter 2015 Earnings Call. All participants will be in 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, Vice President of Corporate Relations. Sir, please go ahead.

---

Pablo E. Paez
*Vice President-Corporate Relations*

Thank you, operator. Good morning, everyone, and thank you for joining us for today's discussion of The GEO Group's first quarter 2015 earnings results. With us today is George Zoley, Chairman and Chief Executive Officer; Brian Evans, Chief Financial Officer; John Hurley, President of GEO Corrections & Detention; and Ann Schlarb, President of GEO Care.

This morning, we will discuss our first quarter performance and current business development activities. We will conclude the call with a question-and-answer session. This conference call is also being webcast live on our website at www.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*

Thanks, Pablo, and good morning to everyone. Thanks for joining us as we review our first quarter results and provide an update of our efforts to pursue quality growth opportunities and create value for our shareholders.

As we disclosed in our earnings announcement this morning, we reported $0.72 per share in adjusted funds from operations for the first quarter 2015, which is at the top end of our previously issued guidance. This represents a year-over-year increase despite the impact from the strengthening of the U.S. dollar on our international operations and the higher interest expense in share count compared to a year ago. We are pleased with our strong first quarter results and we continue to be optimistic regarding the outlook for our company and for several reasons.

First, as we've previously announced we are scheduled to activate our 1,940-bed Great Plains Facility in Oklahoma. This company-owned facility was awarded a 10-year contract with the Federal Bureau of Prisons and we expect to start intake in June. We are also scheduled to complete our $45 million expansion of our company- owned Adelanto California ICE Detention facility. This expansion will provide 640 additional beds and a new capacity of 1,940 beds with intake scheduled to begin in July. In addition, earlier this week we announced the mobilization of our company-owned North Lake Correctional Facility in Michigan during the second quarter. The decision to mobilize this facility was made as a result of the current demand for out of state correctional bed space. The mobilization will entail hiring staff and purchasing supplies in order to prepare the previously idle facility to receive inmates. While we do not currently have a contract to house inmates at the facility, we believe that we may secure one or more contracts in the near future and expect we may need to activate the facilities in the next 60 days to 90 days.

Our $36 million expansion of the Karnes Texas Residential Center is scheduled for completion by the end of the fourth quarter. The expansion will add 626 beds at this company-owned facility and achieve a new capacity of 1,158 beds. In Australia, we've begun construction of the $700 million Ravenhall Correctional Facility for the state of Victoria. GEO's Consortium is the developer of the facility, which will include a $100 million investment by GEO. The 1,300 bed facility is on schedule for completion in the fourth quarter of 2017. Subsequently GEO would begin a 25-year contract providing secure residential care and state-of-the-art offender rehabilitation services during custody as well as post-release.

We are also pleased with our recent announcement regarding the State of Victoria's 19-year extension of our 947 bed Fulham Correctional Center, which GEO developed, financed, and has been operating for almost 18 years. This important contract extension is indicative of the stable nature of our unique business. While these are all very positive developments, these activations will result in significant start up activity during the second quarter, which coupled with slightly lower and slower ramp up schedule at our Mesa Verde Detention Facility, which opened in March have resulted in higher than expected start up costs during the second quarter. Second, our international operations for the balance of the year are expected to continue to be impacted by the strengthened U.S. dollar. And finally, we have historically discussed federal populations tend to experience seasonal fluctuations primarily during the first quarter and part of the second quarter of each year.

During the first few months of the year, we have experienced additional softness in immigration populations at three of our 11 ICE facilities. But as we have discussed before our federal contracts typically include contractual guarantees that ensure the delivery of high quality services for our customers and to assist and underpin our financial performance. Our guidance now assumes a more gradual seasonal adjustment, which primarily impacts the second quarter as populations return to more normalized levels during the second half of the year. Both the budget that was enacted by Congress in March for fiscal year 2015 and the President's budget request for fiscal year 2016 provides funding for 34,000 detention beds as in previous years. These different factors primarily impacting our second quarter have resulted in slight adjustment of approximately $0.05 per share of our AFFO guidance for the year. We do not expect this will have a negative impact on our dividend program, which is presently between 73% and 75% of our projected AFFO guidance range.

Despite these near-term challenges, our company has accomplished several significant milestones so far this year. With the potential reactivation of our North Lake Michigan Facility we will have successfully reactivated more than 4,000 beds in inventory so far this year. Additionally, we have integrated approximately 6,500 additional beds from the LCS acquisition last quarter, which involved eight facilities in three states and approximately 700 employees.

With the LCS acquisition, GEO now has 106 facilities with a total capacity of 85,500 beds including our projects under development. Prospectively we will have approximately 2,000 beds in idle facilities and have several active efforts to redeploy this available capacity. There are a number of publicly known opportunities in the U.S. and overseas we are currently pursuing totaling several thousand beds. We are also exploring a number of non-public opportunities that relate to both new project development and potential asset purchases. We are also enthusiastic about the opportunity to expand our delivery of offender rehabilitation services as we announced last quarter we are beginning this year and making additional annual investment of $5 million to expand our GEO Continuum of Care platform.

As a REIT, GEO is obviously focused on providing infrastructure to service government agencies in the fields of detention, corrections and post-release facilities. But additionally, as a service provider our commitment is to be the world's leader in the delivery of offender rehabilitation and community reentry programs, which is in line with the increased emphasis on rehabilitation around the world. As the world's largest provider of detention and correctional services, we are pleased to have been successful in combining investments in government infrastructure with best-in-class social services.

At this time, I would like to turn the call over to Brian Evans.

---

Brian R. Evans
*Chief Financial Officer & Senior Vice President*

Thank you, George and good morning to everyone. Before addressing our quarterly results, for those investors new to GEO, I'd like to briefly touch upon our company's attractive investment characteristics, which are underpinned by our robust real estate portfolio of company-owned and leased facilities. Our total real estate portfolio encompasses more than 17 million square feet in owned, leased and managed facilities, and we own more than 4,000 acres of land across the United States.

We currently own or lease approximately 70% of our facilities worldwide and approximately 70% of our net operating income is generated by our company-owned and company leased facilities. We have stable and sustainable income through increasingly longer term contract arrangements. We have a diversified base of investment-grade government customers with multiple individual contracts, with no single customer contract representing more than 5% of our revenues. We have historically enjoyed solid occupancy rates in the mid to high-90%s and strong customer retention rates in excess of 90%. Our long-term assets have a physical useful life of as long as 75 years or longer and require relatively low levels of maintenance CapEx, estimated at approximately 5% of our net operating income.

Moving to our financial results, we are pleased with our first quarter results. As disclosed in our press release today, our adjusted funds from operations for the first quarter 2015 increased to $0.72 per share from $0.71 per share for the first quarter 2014. Our adjusted EPS for the first quarter was $0.41, which reflects an adjustment for $1.6 million net of tax and one time transaction expenses related to our previously disclosed LCS acquisition. On a GAAP basis we reported first quarter 2015 net income attributable to GEO of $0.39 per share in line with the first quarter a year ago.

Our revenues for the first quarter 2015 increased to approximately $427 million from $393 million a year ago. Our quarterly revenues include approximately $22 million in construction revenue associated with our contract for the development and operation of our Ravenhall Prison project in Australia.

For the first quarter 2015, we reported NOI of approximately $116 million, up from $108 million from the first quarter of 2014. Compared to first quarter of 2014, our first quarter 2015 results reflect the reactivation of 300 - bed company-owned McFarland Community Reentry Facility in California during August of 2014, the opening of the 400-bed company-owned Alexandria Transfer Center in Louisiana in November 2014; approximately $22 million in construction revenue related to our Ravenhall Prison project in Australia and the opening of approximately a dozen new day reporting centers in Pennsylvania, California, and Virginia during 2014.

Moving to our outlook for the balance of the year, as George mentioned, we have updated our guidance to reflect several factors impacting primarily the second quarter. Additionally, as disclosed in our press release, our construction revenue from the Ravenhall Australia project is impacted by the strengthening of the U.S. dollar and is now expected to be approximately $120 million for the full year versus the $137 million previously anticipated. Therefore, our total revenue for the year is expected to be in a range of $1.87 billion to $1.89 billion. Our 2015 AFFO per share is expected to be in a range of $3.30 to $3.39. We expect 2015 adjusted EPS to be between $1.90 to $1.97 per share.

For the second quarter of 2015, we expect revenues to be in a range of $445 million to $450 million including $14 million in construction revenue related to the Ravenhall Australia project. The second quarter AFFO is expected to be in a range of $0.76 to $0.80 per share. EPS for the second quarter is expected to be between $0.40 and $0.43 per share. With respect to our liquidity position, we continue to add ample borrowing capacity of approximately $240 million under our revolving credit facility, in addition to an accordion feature of $350 million under the credit facility and approximately $70 million in cash on hand. With respect to our other uses of cash, we expect our project and growth CapEx to be approximately $55 million in 2015 and we have approximately $20 million in scheduled annual principal payments of debt.

With respect to our dividend payments as we announced this morning, we had declared a quarterly cash dividend of $0.62 per share consistent with our commitment to return value to our shareholders. As we have previously guided, we expect to maintain a dividend payout ratio of at least 75% to 80% of our AFFO and our Board remains committed to reviewing our dividend policy at least once a year in November to coincide with the release of our third quarter earnings.

With that, I will turn the call to John Hurley for a review of our market opportunities. John?

---

John M. Hurley
*Senior VP, President-GEO Corrections & Detention*

Thanks, Brian, and good morning to everyone. I'd like to address select publicly-known business development opportunities in our key segments, starting with the federal market and the three federal government agencies that we serve.

As we have previously reported, GEO has a long-standing partnership with the Federal Bureau of Prisons, the United States Marshals Service and the U.S. Immigration & Customs Enforcement, or ICE, and we provide cost-effective solutions for them at a number of facilities across the country. We continue to see meaningful opportunities for us to partner with all three of these federal agencies, particularly as increased emphasis is placed on offender rehabilitation programs and community reentry services.

With respect to our 2015 scheduled project activations, in March of this year, we began the intake process at our 400-bed company-owned Mesa Verde Detention Facility in California under an agreement with ICE. We have previously completed a $10 million renovation of the Mesa Verde Facility, which is expected to generate approximately $17 million in annualized revenues. During the second quarter, we expect to begin intake at our 1,940-bed company-owned Great Plains Correctional Facility in Oklahoma under a new 10-year contract with the Federal Bureau of Prisons, which is expected to generate approximately $35 million in annualized revenues.

In California, we are scheduled to complete the development of a $45 million expansion of our company-owned Adelanto ICE Detention Facility in July 2015. This important expansion will increase the facility's capacity from 1,300 beds to 1,940 beds, and is expected to generate approximately $21 million in additional annual revenues. Finally in Texas, we are developing a $36 million expansion to our company-owned Karnes ICE Residential Center, which will add 626 beds, bringing the Center's capacity to 1,158 beds. The 626-bed expansion is expected to be completed by year-end 2015 and is expected to generate approximately $20 million in annualized revenues. In addition to these projects under development, ICE has issued request for information for several company-owned and operated detention facilities, ranging from 800 to 2,000 beds in different locations around the country.

Turning to our state market segment, several states continue to face capacity constraints and inmate population growth and many of our state customers require additional beds as aging, inefficient prisons need to be replaced with new, more cost-efficient facilities. As previously reported, in the states where we currently operate the average age of the state prisons ranges from approximately 30 to 60 years old.

With respect to known opportunities the states of Vermont and Washington have pending procurements for the housing of approximately 700 and 1,100 inmates respectively in out-of-state facilities. We have submitted our proposals to both states and are awaiting a contract decision.

In Oklahoma, the state had previously issued a request for proposal for up to 2,000 beds at in-state facilities. While this particular procurement did not move forward, we believe that the state of Oklahoma continues to have a need for correctional beds and we are continuing to monitor this opportunity. Additionally, there are several states including Arizona, Ohio and others, which are considering public-private partnerships for the housing of inmates as well as the development and operation of new and replacement correctional facilities.

With respect to our international markets, our GEO Australia subsidiary recently signed a contract with the State of Victoria for the continued management and operations of the 947 bed Fulham Correctional Center. The contract will have a term of approximately 19 years and three months effective July 1, and is expected to generate approximately A$58 million in annualized revenues.

GEO Australia is also continuing to work in our project for the development and operation of the new 1,300-bed Ravenhall Prison near Melbourne. This large scale project is expected to be completed in late 2017 and will provide an unprecedented level of in-prison and post-release rehabilitation programs. The Ravenhall facility will have a unified commitment to providing innovative approaches to reducing reoffending including the establishment of the world’s first fully integrated Good Lives Model delivered through the GEO Continuum of Care.

The project is being developed under a public-private partnership structure with GEO making an investment of A$115 million with expected returns on investment consistent with our company-owned facilities. The contract is expected to generate in excess of A$100 million in annualized revenues for GEO under a 25-year contract with the State of Victoria.

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

---

Ann M. Schlarb
*Senior Vice President and President, GEO Care*

Thank you, John, and good morning, everyone. Turning to our GEO Care segment, each of our divisions continue to pursue several new growth opportunities. Our reentry services division continues to work with existing and prospective local and state correctional customers to leverage new opportunities in the provision of community-based reentry services in both residential facilities and non-residential day reporting centers. We activated two new day reporting centers in the first quarter. These were at Baton Rouge Louisiana and Chatham, Illinois. We were also awarded four new Louisiana day reporting center contracts in the first quarter, which are scheduled for activation in the second quarter. These six new contracts are expected to generate more than $3 million in annualized revenue.

With respect to our residential reentry centers late last year we activated a new company leased 240-bed residential reentry center in Newark under a contract with the state of New Jersey, which is expected to generate approximately $5.5 million in annualized revenues. Our youth services division continues to work towards maximizing the utilization of our existing asset base and has continued to undertake several marketing and consolidation initiatives to increase the overall utilization of our existing youth services facilities. Our Ohio and Texas facilities have continued to experience a strong census consistent with the higher occupancy rates experienced last year.

Finally, our BI subsidiary continues to market its supervision and electronic monitoring services to local, state and federal correctional agencies nationwide. Overall, BI continues to grow its market share of the electronic monetary market in the United States and during the first quarter of 2015, BI’s revenues increased 11% year-over-year.

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

---

George C. Zoley
*Chairman & Chief Executive Officer*

Thank you, Ann. In closing, we are pleased with our first quarter results. We remain optimistic about the outlook for our company. We have updated our guidance for the balance of the year to reflect several factors primarily affecting our second quarter. However, despite these near-term challenges we are looking forward to several imminent drivers of growth. In the next 60 to 90 days, we expect to activate approximately 4,300 beds at three facilities located in California, Oklahoma, and Michigan.

In the fourth quarter, we will activate a 626 bed expansion at the Karnes Texas Residential Center. In Victoria, Australia we are developing a $700 million 1,300 bed facility that will have the most expansive offender rehabilitation program in the world. This new organic growth activity is the most significant that we have experienced in sometime.

Additionally, we have successfully integrated 6,500 new beds from the LCS acquisition and are working diligently to improve the operational and financial performance of these new assets as we've done in the past. We are pursuing several publicly known opportunities and also exploring a number of other non-public opportunities for the development of new projects and the potential purchase of additional assets.

We believe that our diversified growth and investment strategies have positioned GEO as the world's leading provider of corrections, detention and offender rehabilitation services. We expect all these efforts will continue to drive growth for our company and we remain focused on effectively allocating capital to enhance value for our shareholders.

This concludes our presentation. I would now like to open the call to your questions.

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**QUESTION AND ANSWER SECTION**

**Operator**: Our first question comes from Kevin McVeigh from Macquarie. Please go ahead.

---

Kevin D. McVeigh
*Macquarie Capital (USA), Inc.*

Great. Thanks, and thanks for the update. Hey, George, I wanted to focus more – or Brian – on LCS, the integration on that, and where you see the incremental upside relative to initial expectations, and how we should think about flow through in terms of filling some of that incremental capacity if we could?

---

George C. Zoley
*Chairman & Chief Executive Officer*

Well, I think to summarize, we have assigned the eight facilities to our eastern and central region. Our people have met with the new clients. We've made some changes in the management at those facilities. We are doing some physical plant improvement. We are further strengthening our operations and letting the clients know that those facilities are under new management and ready for more responsibilities and the responses we've gotten so far from the clients have been very positive and we are optimistic that in over some period of time, we will be able to improve the operational and financial performance of those facilities as we've done with past acquisitions.

---

Kevin D. McVeigh
*Macquarie Capital (USA), Inc.*

Okay. And then in terms of California, it seems like you have spent a concerted effort obviously to add capacity there. Is there anything you are seeing? Is it more of positioning more for a state opportunity, counties? Or how are we thinking about the opportunity in California just relative to – obviously the state continues to bump up and not really be able to address the overcrowding issues that they are under order to meet?

---

George C. Zoley
*Chairman & Chief Executive Officer*

Well, we see California as an important location for both our federal clients as well as the State of California. I think it's known that California has met their latest objectives this year for achieving capacity milestones. But as they approach next year's milestones, they will be considering other options because of facilities and capacities just doesn't appear overnight. These things have to planned and will take several months. I'm not aware of any significant existing available capacity by anybody or any new capacity in that state will have to be constructed by somebody. All of our previously idle facilities have now been re-commissioned either for California or for federal clients. [indiscernible] facilities in the State of California, but we do have additional opportunities to additional capacity, but it will take new construction to do so.

---

Kevin D. McVeigh
*Macquarie Capital (USA), Inc.*

Got it. And then George if I could, any updates on Florida in terms of potential opportunities there?

---

George C. Zoley
*Chairman & Chief Executive Officer*

Well, the session is I think, abruptly stopped and will reconvene in the near future. So as most of the other states around the country they're in session and you really don't know the outcome of any new opportunity so until the sessions are completed, which is usually late June.

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Kevin D. McVeigh
*Macquarie Capital (USA), Inc.*

Okay. Thank you very much.

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**Operator**: [Operator Instructions] The next question comes from Tobey Sommer from SunTrust. Please go ahead.

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Tobey Sommer
*SunTrust Robinson Humphrey, Inc.*

Thank you. Wanted to ask a question in the context of your activity with the Michigan facility. Is there a slight change in tone, or a broad change in tone, in the urgency and just-in-time nature of the demand that you are hearing you may get from clients? Or is this a more specific and isolated instance, where there are a couple of clients that may need beds in a short timeframe? Thanks.

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George C. Zoley
*Chairman & Chief Executive Officer*

Well in considering the opening of that facility, we've been focused on the timelines necessary to do an effective recruitment and training of people for an opening and that requires approximately eight weeks. So that has been the focus of our planning that since we concluded we need that minimal time period and when we begin recruitment and training. Those are public actions. We felt obligated to give a public notice of what we're doing with that facility, because we are hopeful that we can reactivate that facility over the next 60 to 90 days and we need to begin our preparations, which will become very quickly publicly apparent to a number of parties.

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Tobey Sommer
*SunTrust Robinson Humphrey, Inc.*

Do you have prospects; do you think to occupy the facility fully?

George C. Zoley
*Chairman & Chief Executive Officer*

Well, we are hoping to activate the entire facility.

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Tobey Sommer
*SunTrust Robinson Humphrey, Inc.*

Okay. Given how idle beds are declining pretty rapidly, I'm curious if you think that changes the way your customers that are experiencing some inmate population growth engage with you and think about their planning. Does that increase their desire to lock something up ahead of time, for example? Thanks.

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George C. Zoley
*Chairman & Chief Executive Officer*

Well there certainly are some states on the state-by-state basis that are continuing to experience overcrowding and need of capacity and we've had conversations with them about what we have available, but as you point out it's a declining supply at least on our side and in some locations the only solution would be new construction. While we have, as I've said previously, approximately 2,000 idle beds. I think there is much more need than that around the country and we expect to see continued growth notwithstanding any present discussions for judicial reform that may affect prison population.

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Tobey Sommer
*SunTrust Robinson Humphrey, Inc.*

If so, is it fair to say that looking out into 2016 or 2017, you're more likely to be engaged in new construction and utilizing some capital as you look out a little farther?

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George C. Zoley
*Chairman & Chief Executive Officer*

Yeah, I would think by 2017 we hopefully will not have any idle facilities and we will be looking at all new greenfield construction projects.

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Tobey Sommer
*SunTrust Robinson Humphrey, Inc.*

Thank you very much for your time.

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**Operator**: The next question comes from Brian Hoffman from Avondale Partners. Please go ahead.

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Brian Hoffman
*Avondale Partners LLC*

Hey, good morning and thank you for taking the questions. First, can you give us a range of how much the Michigan opportunity contributes to your 2015 revenue guidance?

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Brian R. Evans
*Chief Financial Officer & Senior Vice President*

Right now what we put into the guidance for Michigan is the startup cost and the start up related activity that George discussed. We haven't included any revenue or associated profit with a potential activation of the facility.

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Brian Hoffman
*Avondale Partners LLC*

Got it. Okay. Thank you. And then can you give us any details on how much foreign exchange rates impacted the first quarter? And then specifically, how much of that shows through the Australian construction revenues, if any, versus operating revenues?

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Brian R. Evans
*Chief Financial Officer & Senior Vice President*

FX in the first quarter was probably about $6 to $7 million and about half of that is related to construction.

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Brian Hoffman
*Avondale Partners LLC*

Got it. Thank you. Got it. And then, with respect to ICE, we're starting to see in the news that there's expectations of another surge in immigration this summer. And given the reallocation of funding for ICE that we've seen and new facilities that have opened over the past year, in your view, is ICE prepared to deal with another surge this summer? Or is there a possibility or potential that we see another round of increased funding or facilities there? Thanks.

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George C. Zoley
*Chairman & Chief Executive Officer*

I really can't speak for ICE, but I'm sure they've had plenty of sessions on how to deal with different situations over the years and so we don't know exactly what those scenarios are, but as we've indicated several of our new expansions are on behalf of ICE.

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Brian Hoffman
*Avondale Partners LLC*

Got it. Okay. Thank you. Then my last question for you, just going back to the LCS acquisition, when it was acquired you had previously talked about a normalized run rate within 12 to 24 months. Has that timeline changed, or is that still where you are looking at?

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George C. Zoley
*Chairman & Chief Executive Officer*

I think we're still looking at that timeline.

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Brian Hoffman
*Avondale Partners LLC*

Okay great, that's all from me. Thank you.

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George C. Zoley
*Chairman & Chief Executive Officer*

Operator? Operator? Operator?

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**Operator**: [Operator Instructions]. The next question comes from Ryan Meliker from MLV & Company. Please go ahead.

George C. Zoley
*Chairman & Chief Executive Officer*

Operator?

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**Operator**: [Operator Instructions]. The next question comes from Ryan Meliker from MLV & Company. Please go ahead.

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George C. Zoley
*Chairman & Chief Executive Officer*

We can’t hear the caller’s voice.

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George C. Zoley
*Chairman & Chief Executive Officer*

Operator? Operator?

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**Operator**: Hello, is Ryan there?

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Brian R. Evans
*Chief Financial Officer & Senior Vice President*

Can move to the next question? We will see if we can come back to him if there is another question in the queue. Doesn’t seem like we can hear him?

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**Operator**: Okay, I’m sorry about that. Okay, this concludes our question-and-answer session. I would now like to turn the conference back over to George Zoley for any closing remarks.

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George C. Zoley
*Chairman & Chief Executive Officer*

Okay. Thank you, all for joining us today. We look forward to addressing you in the next quarterly conference call.

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**Operator**: This concludes this conference. Thank you for attending today’s presentation. You may now disconnect.