

Cornell Companies, Inc.

Non-GAAP Financial Measures and Reconciliations

Earnings before interest, taxes, depreciation and amortization (EBITDA)

(in thousands)



	FY 2010		FY 2009								FY 2008	FY 2007	FY 2006	FY 2005	FY 2004
	YTD 3/31/2010	QTD 3/31/2010	YTD 12/31/2009	QTD 12/31/2009	YTD 9/30/2009	QTD 9/30/2009	YTD 6/30/2009	QTD 6/30/2009	YTD 3/31/2009	QTD 3/31/2009	YTD 12/31/2008	YTD 12/31/2007	YTD 12/31/2006	YTD 12/31/2005	YTD 12/31/2004
EBITDA															
GAAP income from operations	12,865	12,865	69,701	15,729	53,972	18,594	35,376	19,590	15,788	15,788	62,197	45,009	44,798	27,866	14,459
Plus:															
Depreciation and amortization	4,699	4,699	18,833	4,740	14,093	4,460	9,633	4,740	4,893	4,893	17,943	15,986	16,285	15,200	13,187
EBITDA	17,564	17,564	88,534	20,469	68,065	23,054	45,009	24,330	20,681	20,681	80,140	60,995	61,083	43,066	27,646
Pre-opening and start-up expenses, net of start-up revenue	-	-	2,847	2,847	-	-	-	-	-	-	-	-	2,657	9,017	8,803
EBITDA, as adjusted	17,564	17,564	91,381	23,316	68,065	23,054	45,009	24,330	20,681	20,681	80,140	60,995	63,740	52,083	36,449