



Rent-A-Center, Inc. Reports April Key Operating Metrics

May 15, 2017

PLANO, Texas--(BUSINESS WIRE)--May 15, 2017-- Rent-A-Center, Inc. (the "Company") (NASDAQ/NGS:RCII) today announced the following key operating metrics for its Core U.S. and Acceptance NOW ("ANow") businesses for April 2017:

Core U.S.

- Same Store Sales: (13.0%)
- Delinquencies: 6.5% and 40 basis points unfavorable versus prior month
- Average Monthly Rate of New Agreements: 3.8% unfavorable versus prior year
- Co-worker Turnover: 83.4% and 15.9 percentage points favorable versus prior year

Acceptance NOW

- Same Store Sales: 5.5%
- Delinquencies: 7.9% and 90 basis points favorable versus prior month

In the Core U.S. segment, April same store sales declined sequentially due to lower rental and fees revenues caused primarily by one less business day year-over-year. The impact of the business day reduced same store sales by approximately 4 percentage points, offsetting the positive impact seen year-to-date on improving the quality of the portfolio and recapturing the portfolio that was lost. The quality of the rental portfolio remains strong coming out of the tax season and is 140 basis points ahead of the prior year delinquency rate. In addition, the Company is beginning to see the value proposition changes and stronger assortment positively impact the average monthly rate as the year-over-year gap improved by 280 basis points sequentially. During April, the Company implemented a new profit sharing compensation program, which is expected to improve accountability and execution at the store level. The turnover number remained essentially flat sequentially; however, the gap versus last year improved. The Company is well-positioned to carry forward the positive momentum through the summer months and is encouraged by the meaningful improvements across key metrics year-to-date.

In Acceptance NOW, April same store sales continued to be positively impacted by the delay in tax refunds as merchandise sales remained close to double digits, while rental and fees was just under 5 percent. The overall comp in Acceptance NOW was not impacted from a business day perspective as they are open seven days a week in most retail partner locations. Delinquencies improved sequentially for the second month in a row due to the focus on quality sales and higher seasonality. The Acceptance NOW team has only 6.8 percent delinquencies in partners excluding Conn's and HHGregg, down significantly from earlier in the year.

Metric Definitions

Core U.S.

- Same Store Sales – year-over-year revenue performance on comparable stores
- Delinquencies – percent of customer agreements greater than 7 days past due
- Average Monthly Rate of New Agreements – average monthly rental rate for agreements originated in the period
- Co-worker Turnover - annualized year-to-date store co-worker turnover

Acceptance NOW

- Same Store Sales – year-over-year revenue performance on comparable stores
- Delinquencies – percent of customer agreements, in staffed locations, greater than 32 days past due

About Rent-A-Center, Inc.

A rent-to-own industry leader, Plano, Texas-based, Rent-A-Center, Inc., is focused on improving the quality of life for its customers by providing them the opportunity to obtain ownership of high-quality, durable products such as consumer electronics, appliances, computers, furniture and accessories, under flexible rental purchase agreements with no long-term obligation. The Company owns and operates stores in the United States, Mexico, Canada and Puerto Rico, and Acceptance NOW kiosk locations in the United States and Puerto Rico. Rent-A-Center Franchising International, Inc., a wholly owned subsidiary of the Company, is a national franchiser of rent-to-own stores operating under the trade names of "Rent-A-Center", "ColorTyme", and "RimTyme". For additional information about the Company, please visit our website at www.rentacenter.com.

Forward-Looking Statements

This press release and the guidance above contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "could," "estimate," "should," "anticipate," "believe," or "confident," or the negative thereof or variations thereon or similar terminology. The Company believes that the expectations reflected in such forward-looking statements are accurate. However, there can be no assurance that such expectations will occur. The Company's actual future performance could differ materially from such statements. Factors that could cause or contribute to such differences include, but are not limited to: the general strength of the economy and other economic conditions affecting consumer preferences and spending; factors affecting the disposable income available to the Company's current and potential customers; changes in the unemployment rate; difficulties encountered in improving the financial and operational performance of the Company's business segments; the Company's chief executive officer and chief financial officer transitions, including the Company's ability to effectively operate and execute its strategies during the interim period and difficulties or delays in identifying and/or attracting a permanent chief financial officer with the required level of experience and expertise; failure to manage the Company's store labor and other store expenses; the Company's ability to develop and successfully execute strategic initiatives; disruptions, including capacity-related outages, caused by the implementation and operation of the Company's new store information management system, and its transition to more-readily scalable, "cloud-based" solutions; the Company's ability to develop and successfully implement digital or E-commerce capabilities, including mobile applications; disruptions in the Company's supply chain; limitations of, or disruptions in, the Company's distribution network; rapid inflation or deflation in the prices of the Company's products; the Company's ability to execute and the effectiveness of a store consolidation, including the Company's ability to retain the revenue from customer accounts merged into another store location as a result of a store consolidation; the Company's available cash flow; the Company's ability to identify and successfully market products and services that appeal to its customer demographic; consumer preferences and perceptions of the Company's brand; uncertainties regarding the ability to open new locations; the Company's ability to acquire additional stores or customer accounts on favorable terms; the Company's ability to control costs and increase profitability; the Company's ability to retain the revenue associated with acquired customer accounts and enhance the performance of acquired stores; the Company's ability to enter into new and collect on its rental or lease purchase agreements; the passage of legislation adversely affecting the Rent-to-Own industry; the Company's compliance with applicable statutes or regulations governing its transactions; changes in interest rates; adverse changes in the economic conditions of the industries, countries or markets that the Company serves; information technology and data security costs; the impact of any breaches in data security or other disturbances to the Company's information technology and other networks and the Company's ability to protect the integrity and security of individually identifiable data of its customers and employees; changes in the Company's stock price, the number of shares of common stock that it may or may not repurchase, and future dividends, if any; changes in estimates relating to self-insurance liabilities and income tax and litigation reserves; changes in the Company's effective tax rate; fluctuations in foreign currency exchange rates; the Company's ability to maintain an effective system of internal controls; the resolution of the Company's litigation; and the other risks detailed from time to time in the Company's SEC reports, including but not limited to, its Annual Report on Form 10-K for the year ended December 31, 2016, and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2017. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except as required by law, the Company is not obligated to publicly release any revisions to these forward-looking statements to reflect the events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Additional Information and Where to Find It

The Company intends to file a proxy statement with the U.S. Securities and Exchange Commission (the "SEC") with respect to its 2017 Annual Meeting. **The Company stockholders are strongly encouraged to read any such proxy statement, the accompanying white proxy card and other documents filed with the SEC carefully in their entirety when they become available because they will contain important information.** Stockholders will be able to obtain any proxy statement, any amendments or supplements to the proxy statement and other documents filed by the Company with the SEC free of charge at the SEC's website at www.sec.gov. Copies also will be available free of charge at the Company's website at www.rentacenter.com or by contacting the Company's Investor Relations at 972-801-1100. The Company, its directors, executive officers and other employees may be deemed to be participants in the solicitation of proxies from the Company's stockholders in connection with the matters to be considered at Rent-A-Center's 2017 Annual Meeting. Information about certain current directors and executive officers of the Company is available in the Company's proxy statement, dated April 18, 2016, for its 2016 Annual Meeting. To the extent holdings of the Company's securities by such directors or executive officers have changed since the amounts printed in the 2016 proxy statements, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with Rent-A-Center's 2017 Annual Meeting.

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