



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

September 20, 2017

PLANO, Texas--(BUSINESS WIRE)--Sep. 20, 2017-- Rent-A-Center, Inc. (the "Company") (NASDAQ/NGS: RCII) today announced the following preliminary key operating metrics for its Core U.S. and Acceptance NOW ("ANow") businesses for August 2017:

Core U.S.

- Same Store Sales: (5.3%)
- Delinquencies: 7.2%, 30 basis points favorable versus prior month, 310 basis points favorable versus prior year
- Average Monthly Rate of New Agreements: 13.0% favorable versus prior year
- Co-worker Turnover: 87.9% and 21.5 percentage points favorable versus prior year

Acceptance NOW

- Same Store Sales: 8.6%
- Delinquencies: 10.3%, 130 basis points unfavorable versus prior month, 190 basis points unfavorable versus prior year

In the Core U.S. segment, August same store sales improved sequentially by another 40 basis points, and since December 2016 the comp has improved by 740 basis points. The primary driver of the improvement to date has been the consistent execution of improved account management processes and the subsequent impact on the amount of revenue collected. Delinquencies continue to run in the low 7 percent range which is typical during the summer season, but which represents significant performance improvement over last year. This has been followed by the growing impact to pricing and retention that the enhanced value proposition and new product assortment are driving. The current average monthly rate for all agreements in the portfolio is just over \$113 or up approximately 3.5 percent versus prior year. The monthly rate of new agreements was at \$115.75 in August or up 13 percent from prior year. When looking at year over year performance, in the back half of 2016 the Company was heavily promotional in an effort to retain and acquire customers. This promotional activity occurred through lower rates on new agreements, low or limited upfront payments, and more of a focus on retaining or acquiring customers following the POS system issues instead of quality rental agreements.

In Acceptance NOW, same store sales continue to show positive results. However, total revenue in the segment remains down just over 4 percent driven by the exit of partner locations in both Conn's and HH Gregg. The delinquencies in the Acceptance NOW segment have increased both sequentially and versus last year; however, the Company has not lowered approval standards and is working to optimize the decision engine. A significant portion of the increased delinquencies have been caused by inconsistent execution of account management practices after the previously noted partner exits.

The Company is focused on the safety of coworkers and customers impacted by the recent hurricanes, and it is committed to helping rebuild the impacted communities. The Company's top line results for August were slightly impacted by Hurricane Harvey given the business disruption in the coastal Texas markets. The Company is assessing damage and impact and expects to have more information at its next quarterly earnings call.

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 June 30, 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.

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