



## Rent-A-Center Provides Business Updates

March 7, 2018

- **Reducing corporate headcount by approximately 250 positions along with related G&A expected to generate approximately \$28 Million in annual cost savings as part of previously announced plan that identified approximately \$65 - \$85 million in annualized cost savings opportunities**
- **Review of strategic and financial alternatives remains ongoing; Evaluating proposals**

PLANO, Texas--(BUSINESS WIRE)--Mar. 7, 2018-- Rent-A-Center, Inc. (the "Company") (NASDAQ/NGS: RCII) today announced a significant reduction in headcount and provided a number of business updates pertaining to its recently announced strategic plan and its Board of Directors' ongoing review of strategic and financial alternatives.

### Implementing Cost Cutting Initiatives to Drive Profitability

The Company's strategic plan is focused on driving growth and profitability by reducing costs and enhancing the customer value proposition. Accordingly, Rent-A-Center announced it is reducing its headcount by approximately 250 positions, representing approximately 25% of its corporate office workforce in Plano, Texas, effective today. This initiative is intended to better align the Company's organizational structure with its operations under its strategic plan to drive \$65 million to \$85 million of annualized cost savings opportunities. The headcount reduction, along with related G&A, is expected to generate approximately \$28 million in annual run-rate cost savings with approximately \$20 million realized in 2018. The Company expects to incur employee severance charges and other one-time costs relating to these workforce reductions of approximately \$3 million in the first quarter of 2018.

The headcount reduction follows the recent elimination of Rent-A-Center's Chief Operating Officer position, as disclosed on February 28, 2018. The elimination of that position is intended to bring the overall operations of the Company under the direct control of Mitch Fadel, Rent-A-Center's Chief Executive Officer. As the Company realizes cost-savings opportunities, Rent-A-Center remains focused on driving revenue through a more targeted value proposition and customer focus and has recently rehired Ann Davids in the Chief Marketing Officer role. With respect to 2018 efforts to date, Company same store sales continued to improve sequentially, with January and February same store sales representing the strongest months since February of 2016. In addition, Core U.S. pricing changes, a key part of the Company's growth strategy, are set to take effect tomorrow.

"As we outlined just two weeks ago, Rent-A-Center is implementing initiatives to reduce costs and improve performance. While major reductions in work force are difficult, we are confident that Rent-A-Center will be better positioned for long-term growth and profitability," said Mitch Fadel, Chief Executive Officer of Rent-A-Center. "Additionally, we remain focused on delivering a more targeted value proposition and look forward to building on our momentum from our January and February performance."

### Strategic & Financial Alternatives Update

Finally, in order to clarify incorrect information in the marketplace, the Company reconfirmed that its Board is continuing its review of strategic and financial alternatives to maximize stockholder value, including evaluating a sale of the Company. The Company has received proposals from bidders interested in acquiring the Company and the Board and its advisors remain actively engaged with these parties. The Board currently expects to reach a determination with respect to whether to pursue a sale of the Company during the second quarter 2018, and does not intend to provide further updates on that part of its strategic review.

There can be no assurance that the Board's exploration of strategic and financial alternatives will result in any particular action or any transaction being pursued, entered into or consummated, or the timing of any action or transaction.

### 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 approximately 2,500 stores in the United States, Mexico, Canada and Puerto Rico, and approximately 1,300 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 approximately 230 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](http://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; uncertainties concerning the outcome, impact, effects and results of the Company's exploration of its strategic and financial alternatives; difficulties encountered in improving the financial and operational performance of the Company's business segments; the Company's ability to refinance its senior credit facility on favorable terms, if at all; the Company's ability to realize any benefits from its initiatives regarding cost-savings and other EBITDA enhancements, efficiencies and working capital improvements; the Company's chief executive officer transition, including the Company's ability to effectively operate and execute its strategies during the interim period; the Company's ability to execute its franchise strategy; failure to manage the Company's store labor and other store expenses; the Company's ability to develop and successfully execute strategic initiatives; disruptions caused by the operation of the Company's 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 the Company's dividend policy and any changes thereto, 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, 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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