



Rent-A-Center, Inc. Provides Update in Response to COVID-19

March 26, 2020

PLANO, Texas--(BUSINESS WIRE)--Mar. 26, 2020-- Rent-A-Center, Inc. (the "Company") (NASDAQ/NGS:RCII), a leader in the lease-to-own industry, today provided a business update in response to the COVID-19 pandemic.

"The current crisis is unprecedented and fluid, and our hearts and prayers are with the many that are being impacted," said Mitch Fadel, Chief Executive Officer. "We are committed to remaining a lifeline for products in need by our customers and the communities we serve. While following the guidelines of local, state and federal authorities, the majority of Rent-A-Center stores remain open as an essential business providing household necessities such as refrigerators, ranges, computers and smartphones. In our Preferred Lease business, we are continuing to serve customers in our retail partner locations that remain open and are broadening our offering for certain partners to enable ecommerce solutions."

Operational Update

The Company has implemented operational changes to improve the health and safety of our coworkers and customers, such as providing the option for curbside services for order processing and payments, by delivering merchandise to the customer's front door without entering the household, and enabling virtual payment and collections activities for our coworkers. Customers continue to be able to shop online, complete a rental agreement, and make online payments from home. The full range of steps are outlined more fully in the attached link to [rentacenter.com](https://www.rentacenter.com):

<https://www.rentacenter.com/the-latest-on-rentacenters-response-to-the-coronavirus>

Financial Update

Mr. Fadel continued, "Rent-A-Center is a financially strong organization with a conservative balance sheet and we are also taking a number of precautionary steps given the uncertainty from COVID-19."

These steps include having proactively drawn an additional \$118 million on the Company's revolving credit facility, which increased cash on the balance sheet to approximately \$175 million. The Company has an additional \$48 million available on its asset based revolver, and with the agreement of any lender who chooses to participate and the satisfaction of certain other conditions, its revolving credit facility may be increased by up to \$100 million and its term loan facility may be increased by up to \$150 million. All non-essential operating expenses are being evaluated and 2020 planned capital expenditures have been reduced. During the first quarter, Rent-A-Center repurchased \$26 million in shares of its common stock, but given the uncertainty around the impact of COVID-19, has suspended the repurchase of any additional shares.

"The actions we're taking are designed to help our customers as we all navigate safely through this period. Prior to COVID-19 impacting our business beginning in March, our business was running ahead of our expectations in January and February. Given the current uncertainty, we are withdrawing our guidance for 2020 and discontinuing providing guidance for 2020 until further notice. With the drawdown under our revolving credit facility, we have ample liquidity to serve our customers and will continue to serve our communities with essential products. We look forward to updating you on our progress during the first quarter earnings call."

About Rent-A-Center, Inc.

A lease-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 lease purchase agreements with no long-term obligation. The Company owns and operates approximately 2,100 stores in the United States, Mexico, and Puerto Rico, approximately 1,000 Preferred Lease staffed 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 370 lease-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 contains 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," "predict," "continue," "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, continued developments with respect to the COVID-19 pandemic and the governmental responses thereto, including their impact on our revenue and overall financial performance and the manner in which we are able to conduct our operations; increases in lease merchandise write-offs and the provision for returns and uncollectible renewal payments in light of the impact of the COVID-19 pandemic; and the COVID-19 pandemic and government responses' continuing for a prolonged period of time; and the willingness of our lenders to agree to the upsizing of our revolving credit

and/or term loan facilities or our ability to satisfy related conditions. 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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