



## Rent-A-Center, Inc. Reports Record Fourth Quarter And Year End 1999 Results

February 11, 2000

Plano, Texas, February 9, 2000 — Rent-A-Center, Inc. (the "Company") (NASDAQ/NNM:RCII) today announced record revenues and net earnings for the quarter and year ended December 31, 1999. Total revenues for the quarter ended December 31, 1999 were \$370.6 million as compared to \$350.3 million for the same quarter of the prior year. Same store revenues during the fourth quarter of 1999 increased 7.8% above the comparable quarter of 1998. This increase was driven by the growth in the Central Rents and Thorn Americas stores, which contributed same store revenue increases of 15.8% and 8.2%, respectively. Net earnings for the quarter ended December 31, 1999 were \$17.8 million as compared to \$9.7 million for the fourth quarter of 1998, representing an increase of 84.8%. Diluted earnings per share increased a robust 79.3% in the fourth quarter of 1999 to \$0.52, compared with \$0.29 for the quarter ended December 31, 1998. Diluted earnings per share would have been \$0.70 before goodwill amortization of \$0.18 per share for the quarter ended December 31, 1999. Total revenues for the year ended December 31, 1999 were \$1,417.2 million, a \$607.5 million increase from \$809.7 million for the same period of the prior year. This 75.0% increase was primarily attributable to the inclusion of stores acquired in 1998 from Central Rents and Thorn Americas for an entire year, contributing \$92.4 and \$906.3 million, respectively. The Company's original core Company owned stores remained strong during the year, contributing same store sales growth of 7.7% for 1999. Net earnings for the year ended December 31, 1999 were \$59.4 million compared with \$35.1 million in the year ended December 31, 1998, representing an increase of 68.9%. Diluted earnings per share for the year ended December 31, 1999 were \$1.74 compared with \$1.24 for 1998, a gain of 40.3%. Diluted earnings per share would have been \$2.42 before goodwill amortization of \$0.68 per share for the year ended December 31, 1999. The Company's growth in revenues and profits for 1999 resulted from the success of its margin enhancement strategy. For the quarter ended December 31, 1999, excluding the lower margin franchise division ColorTyme, Inc., the Company increased operating profit margins by 230 basis points when compared to the 1998 comparable quarter, from 12.5% to 14.8%. This increase translates to an additional \$10.5 million in operating income for the fourth quarter of 1999, a growth of 25.0%. "The operating results we achieved in the fourth quarter of 1999, as well as for the entire year, confirm that our approach to integrating the Central Rents and Thorn Americas stores into the Renters Choice operating model, and focusing on realizing immediate margin enhancement opportunities, created significant earnings growth and value for the Company," stated J.E. Talley, the Company's Chairman and Chief Executive Officer. "We are more confident than ever about the strength of our business and look forward to 2000 being an exciting year for our Company. We are developing a plan to begin to expand our store base within the next six to nine months through both strategic acquisitions and new store openings, which should accelerate our revenue growth in the future." All comparisons to prior year historical financial information set forth in this press release are stated before the effects of acquisition related, pre-tax non-recurring charges of \$7.5 million in the third quarter of 1998, and a non-recurring legal charge of \$11.5 million in the fourth quarter of 1998. Rent-A-Center, Inc., headquartered in Plano, Texas, currently operates 2,071 rent-to-own stores in 49 states, the District of Columbia and Puerto Rico, offering high-quality, durable goods such as consumer electronics, appliances, computers, and furniture and accessories to customers under flexible rental purchase arrangements that allow the customer to obtain ownership of the merchandise at the conclusion of an agreed-upon rental period. ColorTyme, Inc., a wholly owned subsidiary of the Company, is a national franchisor of 365 rent-to-own stores, 337 of which operate under the trade name of "ColorTyme," and the remaining 28 of which operate under the "Rent-A-Center" name. 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," "estimate," "anticipate," or "believe," or the negative thereof or variations thereon or similar terminology. Although the Company believes that the expectations reflected in such forward looking statements will prove to be correct, the Company can give no assurance that such expectations will prove to have been correct. The actual future performance of the Company could differ materially from such statements. Factors that could cause or contribute to such differences include, but are not limited to, the risks detailed from time to time in the Company's SEC reports, including its annual report Form 10-K/A for the year ended December 31, 1998, its quarterly report on Form 10-Q for the three months ended March 31, 1999, its quarterly report on Form 10-Q for the six months ended June 30, 1999, and its quarterly report on Form 10-Q for the nine months ended September 30, 1999. 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 requested 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 of this report or to reflect the occurrence of unanticipated events.

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