



Rent-A-Center, Plaintiff's Attorneys Announce Preliminary Court Approval of the Settlement of Griego/Carrillo Litigation

January 14, 2005

PLANO, Texas, Jan 14, 2005 (BUSINESS WIRE) -- Rent-A-Center, Inc. (the "Company") (Nasdaq/NNM:RCII), and the attorneys for the plaintiffs in the Benjamin Griego, et al. v. Rent-A-Center, Inc., et al/Arthur Carrillo, et al. v. Rent-A-Center, Inc., et al coordinated litigation, announced today that the state court in California on Wednesday January 12, 2005, preliminarily approved the proposed class settlement between the plaintiffs and the Company in such matter. The settlement will resolve pending claims under various consumer protection laws in California against the Company challenging certain of the Company's business practices in that state. In connection with the settlement, the Company is not admitting any wrongdoing for its past business practices in California.

Under the terms of the proposed settlement preliminarily approved by the court, the Company agreed to pay an aggregate of \$37.5 million in cash, to be distributed to the class of eligible Company customers who entered into rental-purchase agreements with the Company anytime from February 1, 1999 through October 31, 2004. Additionally, the Company will issue vouchers to eligible class members for two weeks free rent on a new rental agreement for merchandise of their choice. Under the terms of the settlement, the Company would be entitled to any undistributed monies in the settlement fund up to an aggregate of \$8.0 million, with any additional undistributed funds being contributed by the Company to non-profit organizations in California. In addition to the \$37.5 million settlement fund, the Company agreed to pay the plaintiffs' attorneys' fees as well as settlement administration and other costs. As previously reported, the Company recorded a pre-tax charge of \$47.0 million in the third quarter of 2004 to account for the settlement, as well as the Company's attorneys' fees.

Rent-A-Center, Inc., headquartered in Plano, Texas currently operates 2,878 company-owned stores nationwide and in Canada and Puerto Rico. The stores generally offer durable goods such as home electronics, appliances, computers, and furniture and accessories to consumers under flexible rental purchase agreements that generally 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 308 rent-to-own stores, 296 of which operate under the trade name of "ColorTyme," and the remaining 12 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," "could," "estimate," "should," "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: one or more parties filing an objection to the settlement; the court hearing the Griego/Carrillo matters could refuse to approve the final settlement or could require changes to the final settlement that are unacceptable to the Company or the plaintiffs; and the other risks detailed from time to time in the Company's SEC filings, including but not limited to, its annual report on Form 10-K/A for the year ended December 31, 2003, and its quarterly reports on Form 10-Q/A for the three month period ended March 31, 2004, the Form 10-Q for the six month period ended June 30, 2004 and the Form 10-Q for the nine month period ended September 30, 2004. 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 of this press release or to reflect the occurrence of unanticipated events.

SOURCE: Rent-A-Center, Inc.

Rent-A-Center, Inc., Plano
Dave Carpenter, 972-801-1214
dcarpenter@racenter.com