



## Rent-A-Center, Inc. Reports Record First Quarter 2000 Results

May 1, 2000

**Same Store Sales Exceed 12%**

**Diluted Earnings Per Share Increase by 61%**

**Store Growth Plan Unveiled**

**Mitchell E. Fadel Named President of Rent-A-Center, Inc.**

Plano, Texas, May 01 2000. - Rent-A-Center, Inc. (the "Company") (Nasdaq/NNM: RCII), announced today record revenues and net earnings for the quarter ended March 31, 2000.

The Company, the nation's largest rent-to-own firm, had total revenues for the quarter ended March 31, 2000 of \$392.5 million, a \$47.8 million increase from \$344.7 million for the same period in the prior year. This increase of 13.9% was largely a result of better than expected same store sales of 14.1%.

Net earnings for the quarter ended March 31, 2000 were \$20.9 million, or \$0.61 per diluted share, representing an increase of 73.7% over the net earnings of \$12.0 million, or \$0.35 per diluted share, reported for the same period in the prior year. The increase in net earnings and earnings per diluted share are directly attributable to the aforementioned increase in revenues, resulting from the Company's near singular focus of ensuring a successful integration of the stores acquired from Central Rents and Thorn Americas.

"We could not be more pleased with the results we have achieved during the quarter ended March 31, 2000," commented J.E. Talley, the Company's Chairman and Chief Executive Officer. Mr. Talley added, "The dedication and commitment exhibited by our employees in maintaining the focus on our core business allowed us to achieve these record results. We are pleased with our continued ability to recruit and train high caliber personnel which bodes very well for our initiatives to grow the business."

Earlier this year, the Company announced a store expansion plan that would begin with the addition of approximately 100-150 stores, through a combination of acquisitions and store openings, in the latter half of fiscal 2000. During the last several weeks, the Company has purchased 14 stores through four transactions and expects to continue to pursue opportunistic acquisitions. In addition, the Company has been working to target specific markets and sites for new stores and plans to begin opening stores later this summer. The Company believes it can fund the growth in new stores with internally generated cash flow. During the quarter ended March 31, 2000, the Company generated cash flow from operations of \$45.6 million, of which \$43.2 million was used to repay our senior debt.

Mr. Talley noted, "We are very optimistic about our ability to grow our presence in the industry as well as achieve continued improvements in our existing stores. The growth prospects in the rent-to-own industry are significant and we are excited about being in a solid position operationally and financially to allow us to capitalize on these opportunities."

On April 25, 2000, the Company announced that in June, 2000 it would begin providing Internet service through "rentacenter.com" on a "Pay As You Go" basis for a price of \$5.99 per week with no long-term obligation. The product will target customers who may prefer weekly Internet access to a monthly service, or customers who are unable to obtain service through traditional providers due to the lack of a credit card or a checking account. Mr. Talley commented, "We are excited about the quality Internet service we will be offering to our customers. This program should create additional traffic in our stores and is an example of the way in which we can leverage our customer base."

Rent-A-Center, headquartered in Plano, Texas, currently operates 2,080 company-owned rent-to-own stores in 49 states, Washington D.C. and Puerto Rico. The stores offer high-quality, durable goods such as home electronics, appliances, computers, and furniture and accessories to consumers under flexible rental purchase agreements 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 362 rent-to-own stores, 334 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 for the year ended December 31, 1999 and the Company's ability to find locations that meet the Company's criteria for new store locations, and the Company's ability to locate existing stores that the Company could acquire under acceptable terms. There is no assurance that the Company will be able to find such locations or existing stores, or that it would be able to open or acquire such stores. 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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