Rent-A-Center

August 8, 2019

Safe Harbor

Forward-Looking Statements

This presentation and the guidance herein 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," "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: 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; difficulties encountered in improving the financial and operational performance of the Company's business segments, including its ability to execute its franchise strategy; risks associated with pricing changes and strategies being deployed in the Company's businesses; the Company's ability to continue to realize benefits from its initiatives regarding cost-savings and other EBITDA enhancements, efficiencies and working capital improvements; the Company's ability to continue to effectively operate and execute its strategic initiatives; failure to manage the Company's store labor and other store expenses; disruptions caused by the operation of the Company's store information management system; the Company's ability to satisfy all conditions required to successfully complete the acquisition of substantially all the assets and assumption of certain liabilities of C/C Financial Corp., a Delaware Corporation d/b/a Merchants Preferred ("Merchants Preferred" and the acquisition thereof, the "Merchants Preferred Acquisition"); the Company's ability to realize the strategic benefits from the Merchants Preferred Acquisition, including achieving expected growth rates, synergies and operating efficiencies from the Company's acquisition; the Company's ability to successfully integrate Merchants Preferred's operations which may be more difficult, time-consuming or costly than expected; operating costs, loss of retail partners and business disruption arising from the Merchants Preferred Acquisition; the ability to retain certain key employees at Merchants Preferred; risks related to Merchants Preferred's virtual rent-to-own business; the Company's 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 and its ability to generate sufficient cash flow to pay dividends; 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; 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; capital market conditions, including availability of funding sources for the Company; changes in the Company's credit ratings; changes in tariff policies; 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 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; litigation or administrative proceedings to which the Company is or may be a party to from time to time; 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, 2018, and its quarterly report on form 10-Q for the quarter ended March 31, 2019. 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.

Use of Non-GAAP Financial Measures

This presentation refers to EBITDA (earnings before interest, taxes, depreciation and amortization), and free cash flow (net cash provided by operating activities less purchase of property assets), which are non-GAAP financial measures as defined in Item 10(e) of Regulation S-K. Management believes that presentation of these non-GAAP financial measures in this presentation are useful to investors in their analysis of the Company’s projected performance in future periods. This non-GAAP financial information should be considered as supplemental in nature and not as a substitute for or superior to the historical financial information prepared in accordance with GAAP. Further, these non-GAAP financial measures may differ from similar measures presented by other companies.

Please see the Company’s earnings press release, dated May 6, 2019, and August 7, 2019 for non-GAAP reconciliation of diluted earnings per share excluding special items and consolidated adjusted EBITDA in the applicable quarterly periods of 2019. The Company has not quantitatively reconciled differences between EBITDA or free cash flow and their corresponding GAAP measures for future periods due to the inherent uncertainty regarding variables affecting the comparison of these measures.

Consolidated Highlights

Strategy Progress

Cost Saving Initiatives

- Executed on $140+ million in annualized cost savings and $40+ million in working capital efficiencies
  - Identified $20 million of overhead and other store expense cost savings in 2019
  - Lower annualized interest expense of $15-$20 million due to refinancing

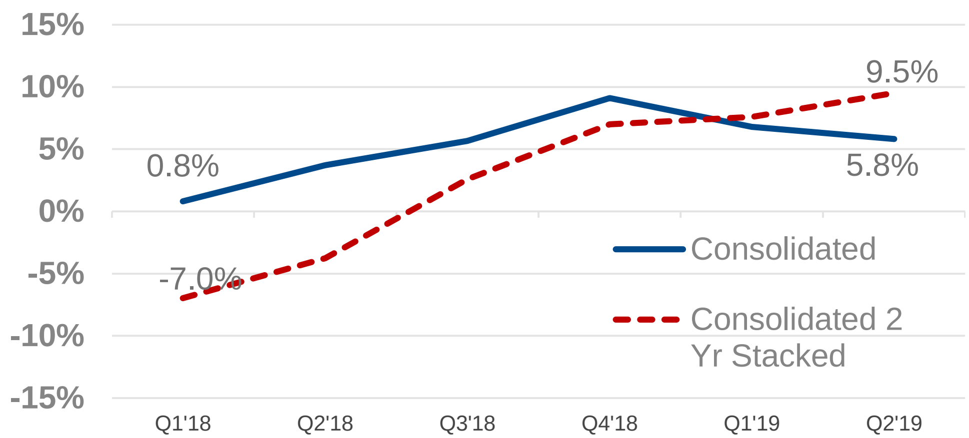
Enhance Value Proposition

- Q2’19 same store sales +5.8%
- Invest in core store labor to improve customer experience
- Pending acquisition of Merchants Preferred

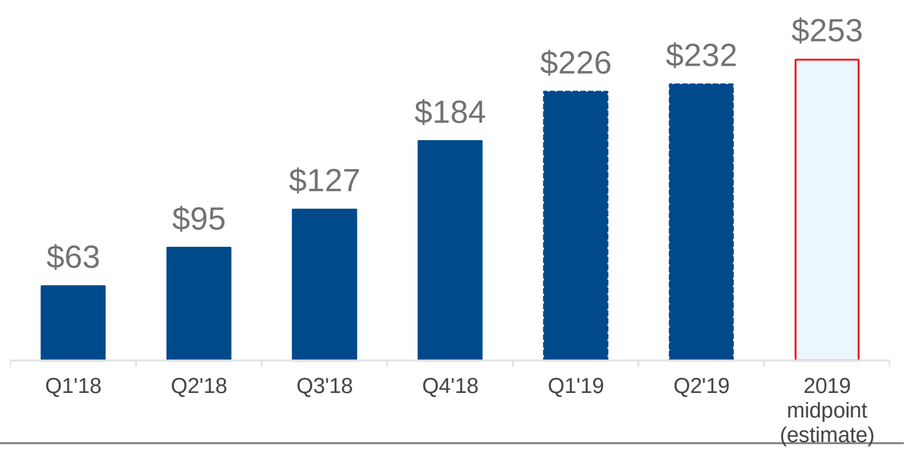
Franchising

- 100+ locations refranchised within the last 18 months
- 20 locations refranchised during Q2

Same Store Sales (1)



Trailing Twelve Months - EBITDA



(1) Two year stacked cumulates same store sales for two comparable periods.

Core U.S.

Highlights

Q2 2019

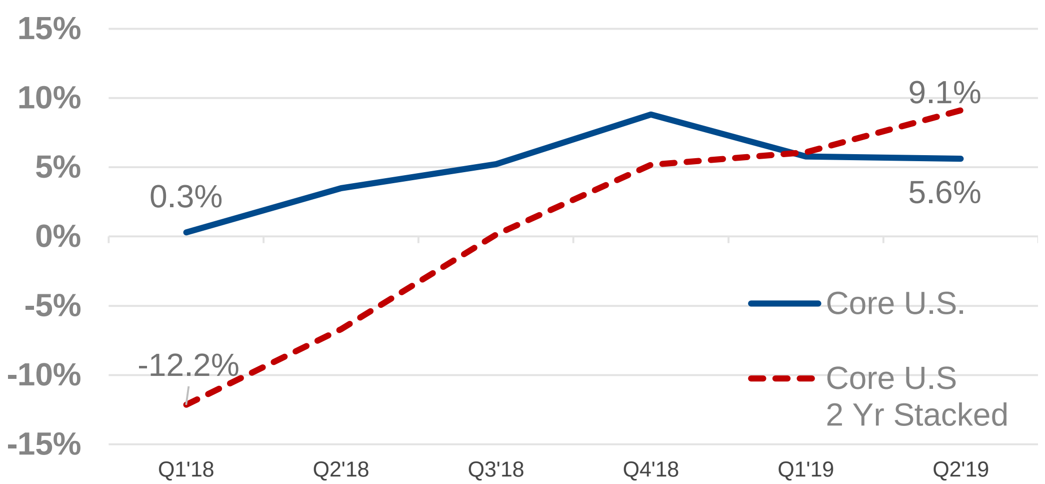
Same store sales increase of 5.6%

- Core U.S. portfolio finished Q2 up approximately 4.0% year over year on a same store basis
- Online traffic increased 30% year over year; Online agreements increased 38% year over year
  - Agreements originating online represent approximately 12.5% of all Core rent to own agreements and approximately 15% of Core revenue

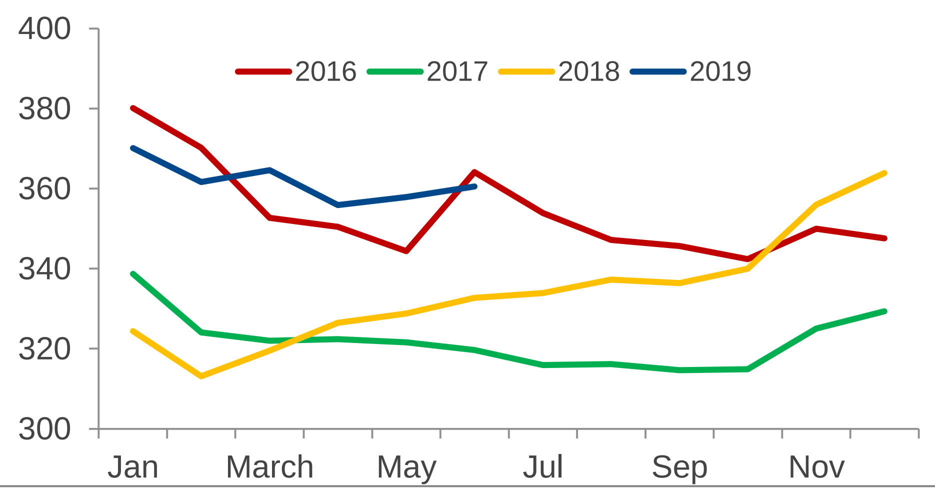
Adjusted EBITDA was $73 million, $12 million higher than Q2 2018

- EBITDA margin was 280 basis points higher than Q2 2018
- Driven by same store sales growth, cost savings initiatives and store rationalization
- Initiative savings partially reinvested in store labor to serve the customer

Same Store Sales [1]



Customers (Per Store Average)



(1) Two year stacked cumulates same store sales for two comparable periods.

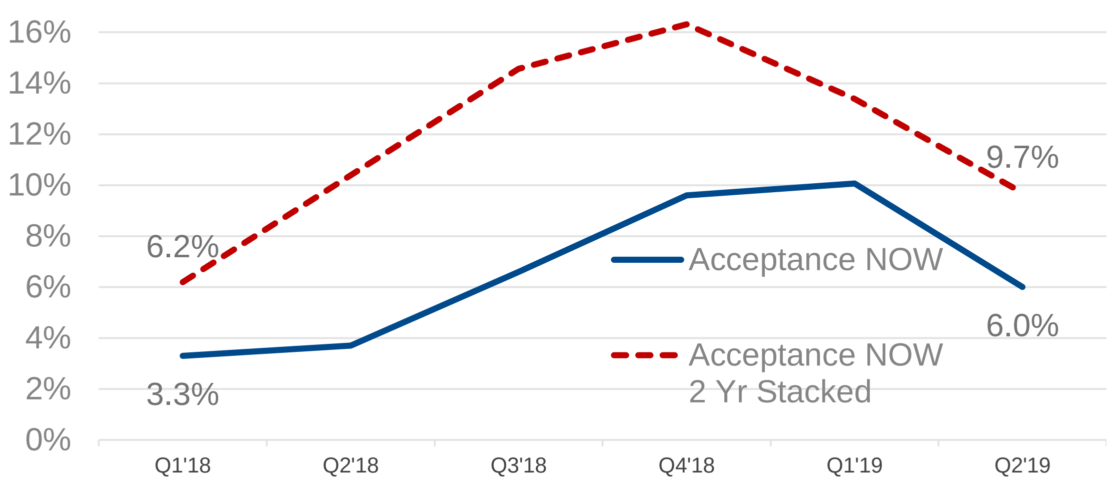
Acceptance NOW

Highlights

<u>Q2 2019</u>

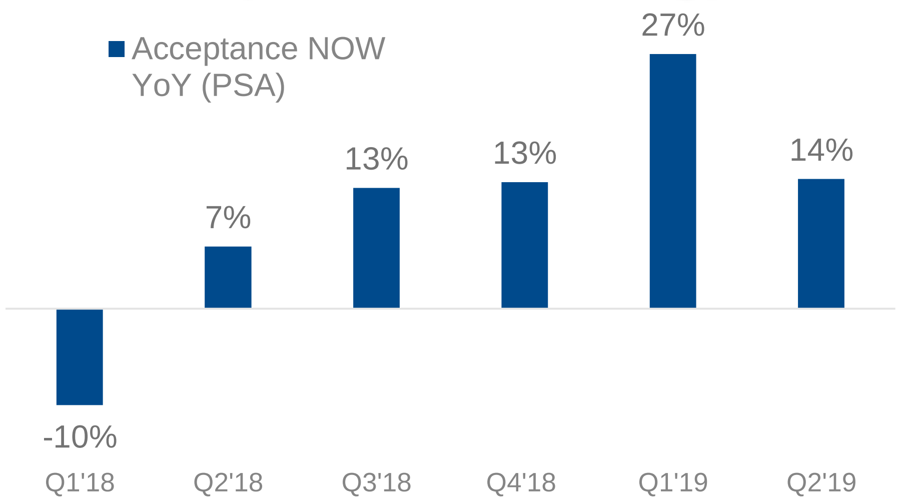
- Same store sales increase of 6.0%
- Portfolio invoice volume was $113M, 7.5% above last year
- Adjusted EBITDA was $23 million, 13.1% EBITDA margin

Same Store Sales (1)



Invoice Volume

(Same Store Sales Per Store Average)



(1) Two year stacked cumulates same store sales for two comparable periods.

Merchants Preferred Acquisition

Transaction Overview

- RCII will acquire Merchants Preferred ("MP") for $28 million in net cash and ~700k shares (valued as of August 7, 2019 at $17.5 million)
- Merchants Preferred provides virtual RTO services for non-prime customers
- Creates best offer in the virtual RTO industry by combining MP's proven virtual model with the Acceptance NOW manned offer
- Closing expected in mid-August subject to customary conditions

Merchants Preferred Overview

- Founded in 2012 and based in Atlanta, GA
- Revenues of approximately $80 million TTM
- Growth strategy based on leveraging highly automated origination & processes platform, distributing additional products and expanding origination
- Targets independent furniture, bedding, appliance, tires and other retail partners
- Limited concentration risk due to diverse selection of retail partnerships
- Experienced management team with 145+ years

Strategic Rationale

Benefits to Rent-A-Center

- Upgrades to technology platform
- Scalable infrastructure
- Accelerates virtual RTO expansion
- Combine MP's unique technology expertise with Acceptance NOW's RTO experience
- Portfolio diversification from new relationships
- Gain nation-wide sales team and call center

Benefits to Retail Partners

- New customer growth
- Flexible virtual RTO options; staffed, virtual or hybrid model
- Integration of e-Commerce platforms with virtual RTO options
- Strong retail partner service through centralized support team and online portal

Source: Company information

Merchants Preferred Capability Enhancements & Growth Opportunity

Existing Capabilities

	ANOW	MP
Management and Sales Teams	◑	●
Proven Virtual Decision Engine	◔	●
Technology Enabled Call Center	◔	●
Advanced Retailer Facing Technology	◔	●
Ability to Integrate with E-Commerce Platforms	◑	◕
Consumer Facing Technology	◑	◕
Waterfall Integration	●	●

Capability Enhancements

- Management team experienced in virtual rent to own and technology innovation
- Nationwide sales team of over 40 people

- Advanced virtual decision engine technology

- Highly scalable, technology enabled call center
- Provides service to both customers and retail partners

- Multi-faceted retailer facing portal provides real time reporting, sales management capabilities, and live chat with the call center

- Acquisition accelerates the ability to integrate with online only retail partners

- Proven customer friendly application process

- Technology enabled integrated customer approval process with retail partners

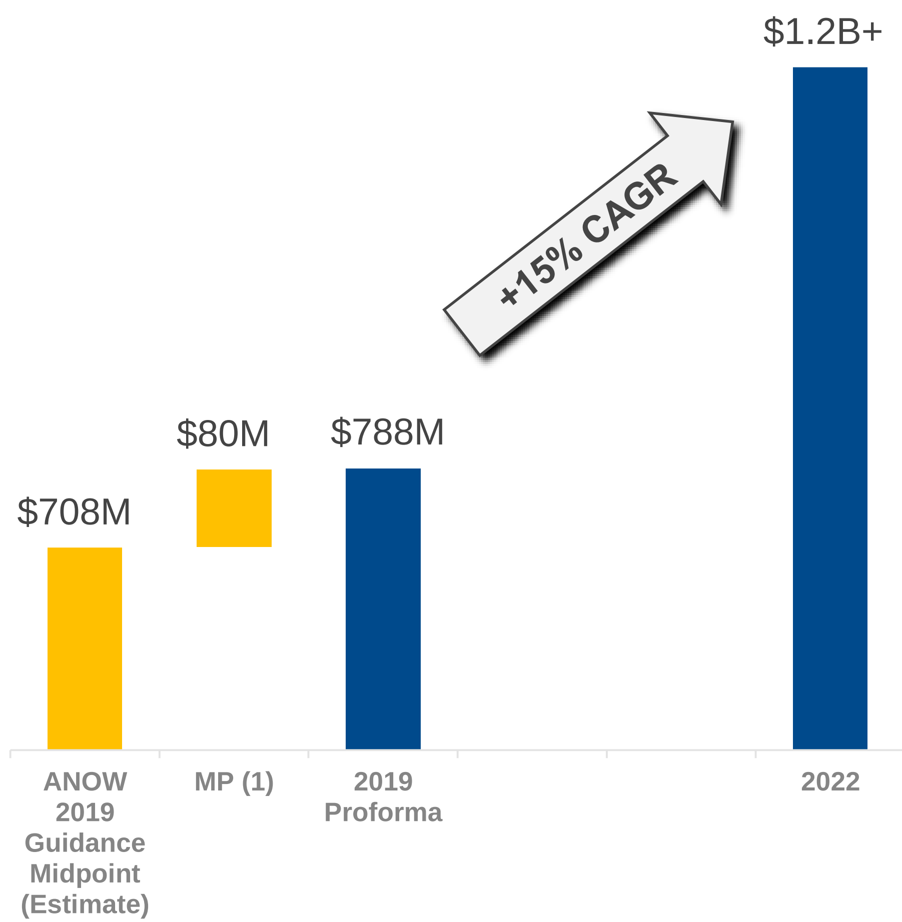
Source: Company information

Acceptance NOW and Merchants Preferred Growth Opportunity

3 Year Growth Goals

- Grow annual revenues to $1.2B
- Drive invoice volume through:
  - Increased location count
  - Leverage nationwide sales team
  - Hybrid model
  - New product verticals
  - National retail partnerships
  - Improved capital position
- With the integration of virtual, operating margins are expected to initially dip slightly and be higher once virtual is a meaningful part of our business

Revenue



(1) Based on trailing twelve month performance

FINANCIAL HIGHLIGHTS

Profit and Loss Statement by Segment (Non-GAAP)

Q2 2019

($ in millions, except EPS)	Actual	%	Better (worse) versus 2018 Q2 $	Better (worse) versus 2018 Q2 %
Core U.S.	$451	68.8%	($5)	*(1.0%)*
Acceptance NOW	176	26.9%	(3)	*(1.5%)*
Mexico	14	2.1%	1	*10.1%*
Franchising	15	2.3%	6	*71.3%*
Total Revenue	**$656**	**100.0%**	**$0**	***0.0%***
Core U.S.	$73	16.2%	$12	*280*
Acceptance NOW	23	13.1%	(7)	*(350)*
Mexico	2	11.7%	0	*250*
Franchising	2	12.2%	(0)	*(1030)*
Corporate	(32)	(4.9%)	1	*10*
Adjusted EBITDA	**$67**	**10.3%**	**$6**	***100 bps***
EPS	**$0.60**		**$0.13**	

Comments

$656M in Revenues

- Flat versus prior year primarily driven by refranchising and closures of certain Core U.S. stores offset by consolidated same store sales growth of 5.8%
- Same store sales driven by portfolio growth

$67M Adjusted EBITDA

- 10.3% of revenues; 100 bps improvement YoY primarily due to cost savings initiatives

$0.60 EPS

- $0.13 improvement YoY

Source: Company information

Balance Sheet and Cash Flow

Highlights

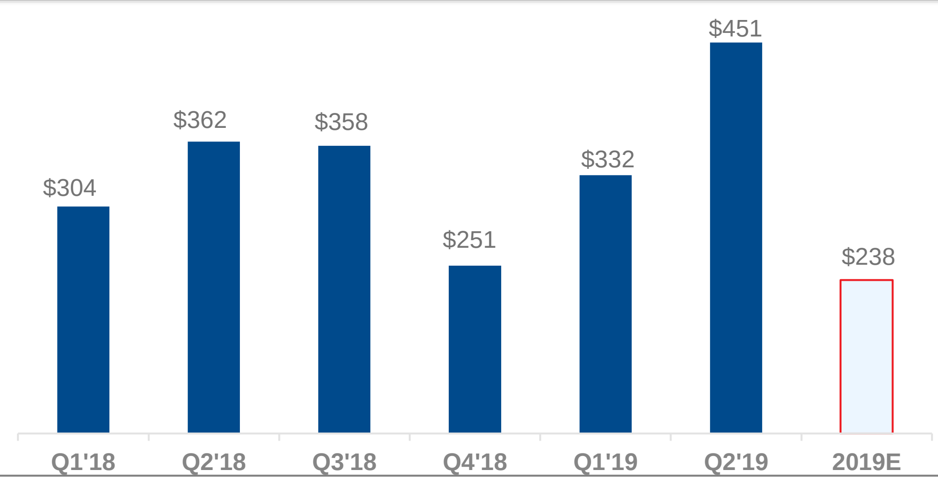
Balance Sheet
- Aggressively deleveraged the balance sheet through refinancing
- Improved capital allocation flexibility

Cash Flow
- Cash flow from operations of $110M in Q2 2019
- Cash on balance sheet of $353M at end of Q2 2019
- Total liquidity of approximately $450M as of Q2 2019
  - Approximately $80M pre-tax in Q2 from the Vintage settlement; $60M net of tax full year

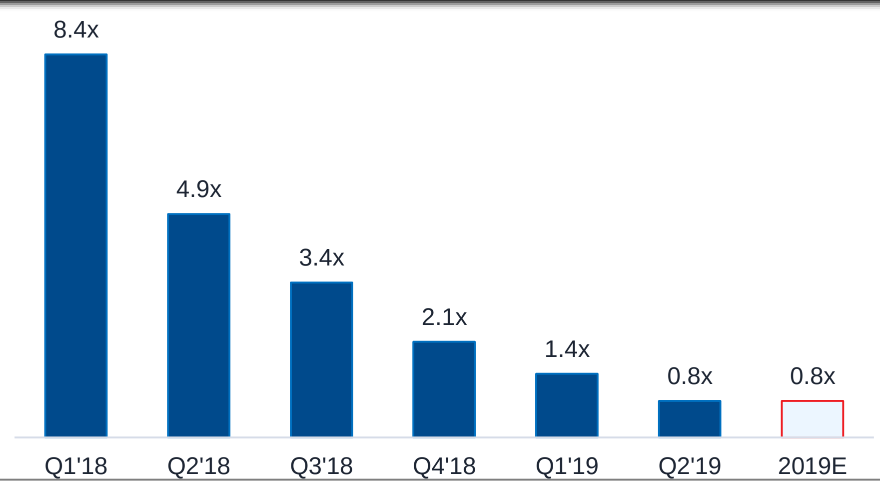
Net Debt / Adjusted EBITDA Metrics

	2018	Q219	As of August 5, 2019
Cash	$155	$353	$102
Debt	543	543	280
Net Debt	$387	$190	$178
TTM Adjusted EBITDA	$184	$232	$232
Net Debt to Adjusted EBITDA	2.1x	0.8x	0.8x

Liquidity ($m) (1)



Net Debt / Adjusted EBITDA



(1) Liquidity defined as cash on hand plus availability on ABL

Strong Balance Sheet and Capital Allocation Framework

Refinancing Overview

New Facility (1)

- New five-year $300 million asset based revolving credit facility
- New seven-year $200 million Term Loan B
- Debt reduced by approximately $260 million by eliminating $543 million in senior notes
- Expected annualized interest savings of $15-$20 million

Capital Allocation

Invest in the Business

- Continue to invest in virtual rent to own growth
- Take advantage of strategic opportunities as they arise

Maintain Conservative Balance Sheet

- Significant debt reduction and conservative long-term leverage target not to exceed 1.5x following the refinancing
- Strong liquidity position with revolver availability and cash on hand

Return Value to Shareholders

- Initiation of regular quarterly cash dividend of $0.25 per share ($1.00 annually), beginning in Q3 2019
- Share repurchase authorization with $255 million available

(1) Interest rates: ABL 150 bps + L (based on leverage), Term Loan B 450 bps + L

Fiscal Year 2019 Guidance

Target Ranges ($m)

	2019 Guidance [1]		Change vs. Previous Guidance on 5/6/19	
	Low	High	Low	High
Consolidated Revenues	**$2,595**	**$2,640**	**$10**	**$10**
Core	$1,800	$1,825	$10	$10
ANOW	$700	$715	-	-
Same store sales	Mid single digits		Low to mid single digits	
Adjusted EBITDA	**$240**	**$265**	**$10**	**$5**
Adjusted EBITDA %	9.2%	10.0%		
Tax Rate	24.5%	23.5%	1.5%	1.5%
Non-GAAP Diluted EPS	**$2.05**	**$2.40**	**$0.20**	**$0.15**
Free Cash Flow [2]	**$200**	**$225**	**$5**	**$0**
Net Debt (debt less cash) [3]	$195	$165	$5	$10
Net Debt to adjusted EBITDA	0.90x	0.60x	0.05	0.10

(1) Guidance includes the impact of refinancing and the settlement payment associated with the termination of the Vintage merger agreement. Guidance excludes the impact of refranchise transactions beyond the transactions completed in Q2 2019 and the pending Merchants Preferred acquisition
(2) Free cash flow defined as net cash provided by operating activities less purchase of property assets
(3) Impacted by the initiation of regular quarterly cash dividend of $0.25 per share ($1.00 annually), beginning in Q3 2019

Source: Company information

Question and Answer