UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2003

Commission File Number 0-25370

RENT-A-CENTER, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	45-0491516
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5700 Tennyson Parkway, Third Floor
Plano, Texas 75024
(972) 801-1100
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

NONE
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES [X] NO [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

YES [X] NO [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of November 3, 2003:

Class	Outstanding
Common stock, $.01 par value per share	80,894,580

TABLE OF CONTENTS

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(IN THOUSANDS OF DOLLARS, EXCEPT SHARE DATA)	SEPTEMBER 30, 2003	DECEMBER 31, 2002
	UNAUDITED	
ASSETS		
Cash and cash equivalents	$ 155,974	$ 85,723
Accounts receivable - trade	11,704	5,922
Prepaid expenses and other assets	29,880	42,882
Rental merchandise, net		
On rent	508,183	510,184
Held for rent	135,435	121,540
Property assets, net	117,626	105,949
Intangible assets, net	789,919	743,852
	$ 1,748,721	$ 1,616,052
LIABILITIES		
Accounts payable - trade	$ 58,854	$ 43,461
Accrued liabilities	133,333	122,717
Deferred income taxes	95,059	86,142
Senior debt	399,000	249,500
Subordinated notes payable, net of discount	300,000	271,830
Redeemable convertible voting preferred stock	2	2
	986,248	773,652
COMMITMENTS AND CONTINGENCIES	--	--
STOCKHOLDERS' EQUITY		
Common stock, $.01 par value; 125,000,000 shares authorized; 100,768,580 and 98,845,105 shares issued in 2003 and 2002, respectively	1,008	988
Additional paid-in capital	564,978	532,082
Accumulated comprehensive loss	--	(3,726)
Retained earnings	558,432	428,621
Treasury stock, 20,190,691 and 11,498,173 shares at cost in 2003 and 2002, respectively	(361,945)	(115,565)
	762,473	842,400
	$ 1,748,721	$ 1,616,052

See accompanying notes to consolidated financial statements.

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

(IN THOUSANDS, EXCEPT PER SHARE DATA)	NINE MONTHS ENDED SEPTEMBER 30, 2003	2002
	UNAUDITED	
Revenues		
Store		
Rentals and fees	$ 1,495,652	$ 1,356,062
Merchandise sales	119,645	88,309
Installment sales	15,423	--
Other	2,224	1,742
Franchise		
Merchandise sales	32,087	37,305
Royalty income and fees	4,460	4,413
	1,669,491	1,487,831
Operating expenses		
Direct store expenses		
Depreciation of rental merchandise	323,778	282,085
Cost of merchandise sold	86,684	62,950
Cost of installment sales	7,441	--
Salaries and other expenses	880,649	795,649
Franchise cost of merchandise sold	30,795	35,598
	1,329,347	1,176,282
General and administrative expenses	49,761	47,727
Amortization of intangibles	9,352	3,199
Total operating expenses	1,388,460	1,227,208
Operating profit	281,031	260,623
Non-recurring finance charges	35,260	--
Interest expense	38,158	49,565
Interest income	(3,284)	(2,016)
Earnings before income taxes	210,897	213,074
Income tax expense	80,900	86,119
NET EARNINGS	129,997	126,955
Preferred dividends	--	10,211
Net earnings allocable to common stockholders	$ 129,997	$ 116,744
Basic earnings per common share	$ 1.52	$ 1.70
Diluted earnings per common share	$ 1.47	$ 1.39

See accompanying notes to consolidated financial statements

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

(IN THOUSANDS, EXCEPT PER SHARE DATA)	THREE MONTHS ENDED SEPTEMBER 30, 2003	2002
	UNAUDITED	
Revenues		
Store		
Rentals and fees	$ 497,881	$ 456,208
Merchandise sales	34,453	24,710
Installment sales	4,633	--
Other	697	561
Franchise		
Merchandise sales	10,754	11,566
Royalty income and fees	1,407	1,516
	549,825	494,561
Operating expenses		
Direct store expenses		
Depreciation of rental merchandise	107,777	95,508
Cost of merchandise sold	25,901	18,471
Cost of installment sales	2,120	--
Salaries and other expenses	296,427	268,552
Franchise cost of merchandise sold	10,298	11,061
	442,523	393,592
General and administrative expenses	16,617	15,325
Amortization of intangibles	3,183	1,557
Total operating expenses	462,323	410,474
Operating profit	87,502	84,087
Non-recurring finance charges	7,512	--
Interest expense	11,565	15,301
Interest income	(1,305)	(588)
Earnings before income taxes	69,730	69,374
Income tax expense	25,992	27,925
NET EARNINGS	43,738	41,449
Preferred dividends	--	1,321
Net earnings allocable to common stockholders	$ 43,738	$ 40,128
Basic earnings per common share	$ 0.54	$ 0.50
Diluted earnings per common share	$ 0.52	$ 0.46

See accompanying notes to consolidated financial statements.

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(IN THOUSANDS OF DOLLARS)	NINE MONTHS ENDED SEPTEMBER 30, 2003	2002
	UNAUDITED	
Cash flows from operating activities		
Net earnings	$ 129,997	$ 126,955
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation of rental merchandise	323,778	282,085
Depreciation of property assets	32,068	28,525
Amortization of intangibles	9,352	3,199
Amortization of financing fees	631	5,451
Deferred income taxes	9,356	28,460
Non-recurring financing charges	23,329	--
Changes in operating assets and liabilities, net of effects of acquisitions		
Rental merchandise	(281,684)	(238,606)
Accounts receivable - trade	(5,781)	(1,221)
Prepaid expenses and other assets	22,093	(6,327)
Accounts payable - trade	15,393	968
Accrued liabilities	22,050	36,194
Net cash provided by operating activities	300,582	265,683
Cash flows from investing activities		
Purchase of property assets	(40,200)	(27,606)
Proceeds from sale of property assets	619	216
Acquisitions of businesses, net of cash acquired	(110,900)	(43,322)
Net cash used in investing activities	(150,481)	(70,712)
Cash flows from financing activities		
Purchase of treasury stock	(246,380)	(46,603)
Exercise of stock options	25,035	23,185
Issuance of subordinated notes	300,000	--
Payment of refinancing charges	(17,049)	--
Proceeds from debt	400,000	--
Repurchase of subordinated notes, including premium paid	(290,956)	(1,250)
Repayments of debt	(250,500)	(168,000)
Net cash used in financing activities	(79,850)	(192,668)
NET INCREASE IN CASH AND CASH EQUIVALENTS	70,251	2,303
Cash and cash equivalents at beginning of period	85,723	107,958
Cash and cash equivalents at end of period	$ 155,974	$ 110,261

See accompanying notes to consolidated financial statements.

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED

(IN THOUSANDS OF DOLLARS)	NINE MONTHS ENDED SEPTEMBER 30, 2003	2002
	UNAUDITED	
Supplemental cash flow information		
Cash paid during the year for:		
Interest	$ 40,936	$ 47,468
Income taxes	$ 45,800	$ 29,225
Supplemental schedule of non-cash investing and financing activities		
Fair value of assets acquired	$ 110,900	$ 43,322
Cash paid	$ 110,900	$ 43,322
Liabilities assumed	$ --	$ --

During the first nine months of 2003, the Company paid dividends on its preferred stock of approximately $56 in cash. During the first nine months of 2002, the Company paid dividends on its preferred stock of approximately $10.2 million by issuing 7,371 shares of preferred stock.

See accompanying notes to consolidated financial statements.

RENT-A-CENTER, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. The interim financial statements of Rent-A-Center, Inc. included herein have been prepared by us pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to the Commission's rules and regulations, although we believe that the disclosures are adequate to make the information presented not misleading. We suggest that these financial statements be read in conjunction with the financial statements and notes included in our Annual Report on Form 10-K for the year ended December 31, 2002, our Quarterly Report on Form 10-Q for the three months ended March 31, 2003, and our Quarterly Report on Form 10-Q for the six months ended June 30, 2003. In our opinion, the accompanying unaudited interim financial statements contain all adjustments, consisting only of those of a normal recurring nature, necessary to present fairly our results of operations and cash flows for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

2. Stock Split. On July 28, 2003, we announced that our Board of Directors had approved a 5 for 2 stock split on our common stock to be paid in the form of a stock dividend. Each common stockholder of record on August 15, 2003 received 1.5 additional shares of common stock for each share of common stock held on that date. No fractional shares were issued in connection with the stock dividend. Each stockholder who would otherwise have received a fractional share received an additional share of common stock. The distribution date for the stock dividend was August 29, 2003. The effect of the stock split has been recognized retroactively in the stockholder's equity accounts and in all share data in the consolidated statements of earnings, notes to the consolidated financial statements and management's discussion and analysis, unless otherwise noted.

3. New Accounting Pronouncement. In May 2003, the Financial Accounting Standards Board issued SFAS No.150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." SFAS No.150 revised the accounting for certain financial instruments that, under previous guidance, issuers could account for as equity. The new statement requires that those instruments be classified as liabilities in statements of financial condition. SFAS No.150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is generally effective at the beginning of the first interim period beginning after June 15, 2003. We adopted this standard for the quarter ended September 30, 2003 and reclassified $2,000 of redeemable convertible voting preferred stock to liabilities. The adoption of SFAS No.150 did not have a material impact on our results of operations, financial condition or cash flows.

4. Principles of Consolidation and Nature of Operations. Unless the context indicates otherwise, references to "Rent-A-Center" refer only to Rent-A-Center, Inc., the parent, and references to "we," "us" and "our" refer to the consolidated business operations of Rent-A-Center and all of its direct and indirect subsidiaries. These financial statements include the accounts of Rent-A-Center and its direct and indirect wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

At September 30, 2003, we operated 2,600 company-owned stores nationwide and in Puerto Rico, including 23 stores in Wisconsin operated by a subsidiary, Get It Now, LLC, under the name "Get It Now." Rent-A-Center's primary operating segment consists of leasing household durable goods to customers on a rent-to-own basis. Get It Now offers merchandise on an installment sales basis in Wisconsin.

ColorTyme, Inc., an indirect wholly-owned subsidiary of Rent-A-Center, is a nationwide franchisor of rent-to-own stores. At September 30, 2003, ColorTyme had 326 franchised stores operating in 40 states. ColorTyme's primary source of revenues is the sale of rental merchandise to its franchisees, who, in turn, offer the merchandise to the general public for rent or purchase under a rent-to-own program. The balance of ColorTyme's revenues is generated primarily from royalties based on franchisees' monthly gross revenues.

5. Reconciliation of Rental Merchandise.

(IN THOUSANDS)	NINE MONTHS ENDED SEPTEMBER 30, 2003	NINE MONTHS ENDED SEPTEMBER 30, 2002
Beginning merchandise value	$ 631,724	$ 653,701
Inventory additions through acquisitions	53,988	14,372
Purchases	424,021	354,431
Depreciation of rental merchandise	(323,778)	(282,085)
Cost of goods sold	(94,125)	(62,950)
Skips and stolens	(36,527)	(34,651)
Other inventory deletions(1)	(11,685)	(18,224)
Ending merchandise value	$ 643,618	$ 624,594

	THREE MONTHS ENDED SEPTEMBER 30, 2003	THREE MONTHS ENDED SEPTEMBER 30, 2002
Beginning merchandise value	$ 676,330	$ 649,205
Inventory additions through acquisitions	1,730	6,746
Purchases	118,891	102,111
Depreciation of rental merchandise	(107,777)	(95,508)
Cost of goods sold	(28,021)	(18,471)
Skips and stolens	(14,224)	(11,272)
Other inventory deletions(1)	(3,311)	(8,217)
Ending merchandise value	$ 643,618	$ 624,594

- ----------
(1) Other inventory deletions include loss/damage waiver claims and unrepairable and missing merchandise, as well as acquisition write-offs.

6. Intangibles.

Amortization of intangibles consists primarily of the amortization of customer relationships and non-compete agreements. Effective January 1, 2002, under SFAS 142 all goodwill and intangible assets with indefinite lives are no longer subject to amortization. We conducted the required transition test, which showed no impairment of our goodwill.

Intangibles consist of the following (in thousands):

		SEPTEMBER 30, 2003		DECEMBER 31, 2002	
	AVG. LIFE (YEARS)	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION
Amortizable intangible assets					
Franchise network	10	$ 3,000	$ 2,175	$ 3,000	$ 1,950
Non-compete agreements	5	5,260	1,504	1,510	1,444
Customer relationships	1.5	19,594	12,760	12,706	6,365
Intangible assets not subject to amortization					
Goodwill		877,666	99,162	835,557	99,162
Total intangibles		$905,520	$115,601	$852,773	$108,921

6. Intangibles - (continued)

The estimated remaining amortization expense, assuming current intangible balances and no new acquisitions, for each of the years ending December 31, is as follows:

	ESTIMATED AMORTIZATION EXPENSE (IN THOUSANDS)
2003.....	$ 3,003
2004.....	5,585
2005.....	1,458
2006.....	1,275
2007.....	94
Total....	$11,415

Changes in the net carrying amount of goodwill for the nine months ended September 30, 2003 are as follows (in thousands):

Balance as of January 1, 2003	$736,395
Additions during first nine months	42,109
Balance as of September 30, 2003	$778,504

7. Stock Based Compensation.

Rent-A-Center's Amended and Restated Long-Term Incentive Plan (the "Plan") for the benefit of certain key employees, consultants and directors provides the Board of Directors broad discretion in creating equity incentives. Under the Plan, 14,562,865 shares of Rent-A-Center's common stock have been reserved for issuance under stock options, stock appreciation rights or restricted stock grants. Options granted to our employees under the Plan generally become exercisable over a period of one to four years from the date of grant and may be exercised up to a maximum of 10 years from the date of grant. Options granted to directors are immediately exercisable. There have been no grants of stock appreciation rights and all options have been granted with fixed prices. At September 30, 2003, there were 11,108,951 shares available for issuance under the Plan, of which 6,845,149 shares were allocated to options currently outstanding. However, pursuant to the terms of the Plan, when an optionee leaves our employ, unvested options granted to that employee terminate and become available for re-issuance under the Plan. Vested options not exercised within 90 days from the date the optionee leaves the Company's employ terminate and become available for re-issuance under the Plan.

Rent-A-Center accounts for the Plan under the recognition and measurement principles of APB Opinion No. 25, Accounting for Stock Issued to Employees, and related Interpretations. No stock-based employee compensation cost is reflected in net earnings, as all options granted under those plans had an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net earnings and earnings per share if Rent-A-Center had applied the fair value recognition provisions of FASB Statement No. 123, Accounting for Stock-Based Compensation, to stock-based employee compensation.

7. Stock Based Compensation - (continued)

	NINE MONTHS ENDED SEPTEMBER 30,	
	2003	2002
	(IN THOUSANDS, EXCEPT PER SHARE DATA)	
Net earnings allocable to common stockholders		
As reported	$ 129,997	$ 116,744
Deduct: Total stock-based employee compensation under fair value based method for all awards, net of related tax expense	11,808	8,468
Pro forma	$ 118,189	$ 108,276
Basic earnings per common share		
As reported	$ 1.52	$ 1.70
Pro forma	$ 1.39	$ 1.57
Diluted earnings per common share		
As reported	$ 1.47	$ 1.39
Pro forma	$ 1.34	$ 1.30

	THREE MONTHS ENDED SEPTEMBER 30,	
	2003	2002
	(IN THOUSANDS, EXCEPT PER SHARE DATA)	
Net earnings allocable to common stockholders		
As reported	$ 43,738	$ 40,128
Deduct: Total stock-based employee compensation under fair value based method for all awards, net of related tax expense	4,190	2,689
Pro forma	$ 39,548	$ 37,439
Basic earnings per common share		
As reported	$ 0.54	$ 0.50
Pro forma	$ 0.49	$ 0.46
Diluted earnings per common share		
As reported	$ 0.52	$ 0.46
Pro forma	$ 0.47	$ 0.43

The fair value of these options was estimated at the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions: expected volatility of 53.5% to 55.2% and 56.4% to 57.3% and risk-free interest rates of 3.2% to 3.7% and 4.7% to 5.5% in 2003 and 2002, respectively, no dividend yield and expected lives of seven years.

8. Earnings Per Share.

Basic and diluted earnings per common share is computed based on the following information:

(IN THOUSANDS, EXCEPT PER SHARE DATA)	NINE MONTHS ENDED SEPTEMBER 30, 2003 NET EARNINGS	SHARES	PER SHARE
Basic earnings per common share	$129,997	85,331	$ 1.52
Effect of dilutive stock options	--	3,006	
Diluted earnings per common share	$129,997	88,337	$ 1.47

	NINE MONTHS ENDED SEPTEMBER 30, 2002 NET EARNINGS	SHARES	PER SHARE
Basic earnings per common share	$116,744	68,815	$ 1.70
Effect of dilutive stock options	--	3,558	
Assumed conversion of convertible preferred stock	10,211	18,850	
Diluted earnings per common share	$126,955	91,223	$ 1.39

(IN THOUSANDS, EXCEPT PER SHARE DATA)	THREE MONTHS ENDED SEPTEMBER 30, 2003 NET EARNINGS	SHARES	PER SHARE
Basic earnings per common share	$43,738	81,253	$ 0.54
Effect of dilutive stock options	--	3,153	
Diluted earnings per common share	$43,738	84,406	$ 0.52

	THREE MONTHS ENDED SEPTEMBER 30, 2002 NET EARNINGS	SHARES	PER SHARE
Basic earnings per common share	$40,128	80,888	$ 0.50
Effect of dilutive stock options	--	3,360	
Assumed conversion of convertible preferred stock	1,321	6,830	
Diluted earnings per common share	$41,449	91,078	$ 0.46

For the nine months ended September 30, 2003 and 2002, the number of stock options that were outstanding but not included in the computation of diluted earnings per common share because their exercise price was greater than the average market price of our common stock, and therefore anti-dilutive, was 276,125 and 787,500, respectively. For the three months ended September 30, 2003 and 2002, the number of stock options that were outstanding but not included in the computation of diluted earnings per common share because their exercise price was greater than the average market price of our common stock, and therefore anti-dilutive, was 12,500 and 750,000, respectively.

Dividends on our preferred stock are payable quarterly at an annual rate of 3.75%. We accounted for shares of preferred stock distributed as dividends in-kind in 2002 at the greater of the stated value or the value of the common stock obtainable upon conversion on the payment date. In 2002, we began paying dividends on our preferred stock in cash and paid approximately $17 in the third quarter of 2003.

9. Subsidiary Guarantors.

11% Notes. At July 1, 2003, Rent-A-Center East, Inc., one of our subsidiaries, had $84.5 million, net of discount, of 11% senior subordinated notes outstanding, maturing on August 15, 2008. The notes required semi-annual interest-only payments at 11%, and were guaranteed by Rent-A-Center and certain of Rent-A-Center East's direct and indirect wholly-owned subsidiaries, consisting of ColorTyme, Rent-A-Center West, Inc., Get It Now, Rent-A-Center Texas, L.L.C. and Rent-A-Center Texas, L.P. (collectively, the "2001 Subsidiary Guarantors").

On August 15, 2003, we redeemed all of our remaining outstanding 11% notes in accordance with the terms of the indenture governing the 11% notes, at the applicable redemption price of 105.5% of the principal amount thereof, plus accrued and unpaid interest. The total aggregate redemption price for the 11% notes was approximately $93.75 million, including $4.65 million in accrued interest and $4.65 million in redemption premium. As of September 30, 2003, the 11% notes were no longer outstanding.

7 1/2% Notes. On May 6, 2003, Rent-A-Center issued $300.0 million aggregate principal amount of 7 1/2% senior subordinated notes, maturing on May 1, 2010. The notes require semi-annual interest-only payments at 7 1/2%, and are guaranteed by certain of Rent-A-Center's direct and indirect wholly-owned subsidiaries, consisting of ColorTyme, Rent-A-Center East, Get It Now, Rent-A-Center Texas, L.L.C., Rent-A-Center Texas, L.P. and Rent-A-Center West, Inc. (collectively, the "2003 Subsidiary Guarantors" and together with the 2001 Subsidiary Guarantors, the "Subsidiary Guarantors"). The notes are redeemable at Rent-A-Center's option, at any time on or after May 1, 2006, at a set redemption price that varies depending upon the proximity of the redemption date to final maturity. Upon a change of control, the holders of the 7 1/2% notes have the right to require Rent-A-Center to redeem the notes.

The notes contain restrictive covenants, as defined therein, including a consolidated coverage ratio and limitations on incurring additional indebtedness, selling assets of the 2003 Subsidiary Guarantors, granting liens to third parties, making restricted payments and engaging in a merger or selling substantially all of Rent-A-Center's assets.

The 2003 Subsidiary Guarantors have fully, jointly and severally, and unconditionally guaranteed the obligations of Rent-A-Center with respect to these notes. The only direct or indirect subsidiaries of Rent-A-Center that are not Subsidiary Guarantors are minor subsidiaries.

Set forth below is certain condensed consolidating financial information as of September 30, 2003 and December 31, 2002 and for the three and nine months ended September 30, 2003 and 2002. The financial information includes the Subsidiary Guarantors from the dates they were acquired or formed by Rent-A-Center and Rent-A-Center East and is presented using the push-down basis of accounting.

8. Subsidiary Guarantors - (continued)

CONDENSED CONSOLIDATING BALANCE SHEETS

	PARENT COMPANY	SUBSIDIARY GUARANTORS	CONSOLIDATING ADJUSTMENTS	TOTALS
		(IN THOUSANDS)		
SEPTEMBER 30, 2003 (UNAUDITED)				
Rental merchandise, net	$ --	$ 643,618	$ --	$ 643,618
Intangible assets, net	--	789,919	--	789,919
Other assets	902,954	236,108	(823,878)	315,184
Total assets	$ 902,954	$ 1,669,645	$ (823,878)	$ 1,748,721
Senior debt	$ 399,000	$ --	$ --	$ 399,000
Other liabilities	300,000	769,382	(482,136)	587,246
Preferred stock	2	--	--	2
Stockholders' equity	203,952	900,263	(341,742)	762,473
Total liabilities and equity	$ 902,954	$ 1,669,645	$ (823,878)	$ 1,748,721

	PARENT COMPANY	RENT-A-CENTER EAST	SUBSIDIARY GUARANTORS	CONSOLIDATING ADJUSTMENTS	TOTALS
			(IN THOUSANDS)		
DECEMBER 31, 2002					
Rental merchandise, net	$ --	$ 630,256	$ 1,468	$ --	$ 631,724
Intangible assets, net	--	400,327	343,525	--	743,852
Other assets	417,507	121,758	42,953	(341,742)	240,476
Total assets	$ 417,507	$ 1,152,341	$ 387,946	$ (341,742)	$ 1,616,052
Senior debt	$ --	$ 249,500	$ --	$ --	$ 249,500
Other liabilities	--	495,511	28,639	--	524,150
Preferred stock	2	--	--	--	2
Stockholders' equity	417,505	407,330	359,307	(341,742)	842,400
Total liabilities and equity	$ 417,507	$ 1,152,341	$ 387,946	$ (341,742)	$ 1,616,052

8. Subsidiary Guarantors - (continued)

CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS

	PARENT COMPANY	SUBSIDIARY GUARANTORS	TOTAL
		(IN THOUSANDS)	
NINE MONTHS ENDED SEPTEMBER 30, 2003 (UNAUDITED)			
Total revenues	$ --	$ 1,669,491	$ 1,669,491
Direct store expenses	--	1,298,552	1,298,552
Other expenses	--	240,942	240,942
Net earnings	$ --	$ 129,997	$ 129,997
NINE MONTHS ENDED SEPTEMBER 30, 2002 (UNAUDITED)			
Total revenues	$ 1,446,113	$ 41,718	$ 1,487,831
Direct store expenses	1,140,684	--	1,140,684
Other expenses	181,088	39,104	220,192
Net earnings	$ 124,341	$ 2,614	$ 126,955

	PARENT COMPANY	SUBSIDIARY GUARANTORS	TOTAL
		(IN THOUSANDS)	
THREE MONTHS ENDED SEPTEMBER 30, 2003 (UNAUDITED)			
Total revenues	$ --	$ 549,825	$ 549,825
Direct store expenses	--	432,225	432,225
Other expenses	--	73,862	73,862
Net earnings	$ --	$ 43,738	$ 43,738
THREE MONTHS ENDED SEPTEMBER 30, 2002 (UNAUDITED)			
Total revenues	$ 481,479	$ 13,082	$ 494,561
Direct store expenses	382,531	--	382,531
Other expenses	58,431	12,150	70,581
Net earnings	$ 40,517	$ 932	$ 41,449

8. Subsidiary Guarantors - (continued)

CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

	PARENT COMPANY	SUBSIDIARY GUARANTORS	TOTAL
NINE MONTHS ENDED SEPTEMBER 30, 2003 (UNAUDITED)		(IN THOUSANDS)	
Net cash provided by operating activities	$ --	$ 300,582	$ 300,582
Cash flows from investing activities			
Purchase of property assets	--	(40,200)	(40,200)
Acquisitions of businesses, net of cash acquired	--	(110,900)	(110,900)
Proceeds from sale of property assets	--	619	619
Net cash used in investing activities	--	(150,481)	(150,481)
Cash flows from financing activities			
Purchase of treasury stock	(246,380)	--	(246,380)
Exercise of stock options	25,035	--	25,035
Issuance of subordinated notes	300,000	--	300,000
Payment of refinancing charges	(17,049)	--	(17,049)
Proceeds from debt	400,000	--	400,000
Repurchase of subordinated notes, including premium paid	--	(290,956)	(290,956)
Repayments of debt	(1,000)	(249,500)	(250,500)
Intercompany advances	(394,414)	394,414	--
Net cash provided by (used in) financing activities	66,192	(146,042)	(79,850)
Net increase (decrease) in cash and cash equivalents	66,192	4,059	70,251
Cash and cash equivalents at beginning of period	--	85,723	85,723
Cash and cash equivalents at end of period	$ 66,192	$ 89,782	$ 155,974
NINE MONTHS ENDED SEPTEMBER 30, 2002 (UNAUDITED)			
Net cash provided by operating activities	$ 262,273	$ 3,410	$ 265,683
Cash flows from investing activities			
Purchase of property assets	(28,317)	711	(27,606)
Acquisitions of businesses, net of cash acquired	(43,322)	--	(43,322)
Proceeds from sale of property assets	216	--	216
Net cash provided by (used in) investing activities	(71,423)	711	(70,712)
Cash flows from financing activities			
Purchase of treasury stock	(46,603)	--	(46,603)
Exercise of stock options	23,185	--	23,185
Repurchase of subordinated notes	(1,250)	--	(1,250)
Repayments of debt	(168,000)	--	(168,000)
Intercompany advances	4,121	(4,121)	--
Net cash used in financing activities	(188,547)	(4,121)	(192,668)
Net increase in cash and cash equivalents	2,303	--	2,303
Cash and cash equivalents at beginning of period	107,958	--	107,958
Cash and cash equivalents at end of period	$ 110,261	$ --	$ 110,261

10. Comprehensive Income.

Comprehensive income includes net earnings and items of other comprehensive income or loss. The following table provides information regarding comprehensive income, net of tax:

	NINE MONTHS ENDED SEPTEMBER 30,		THREE MONTHS ENDED SEPTEMBER 30,	
	(IN THOUSANDS)			
	2003	2002	2003	2002
Net earnings	$ 129,997	$ 126,955	$ 43,738	$ 41,449
Other comprehensive (loss) income:				
Unrealized gain on derivatives held as cash flow hedges:				
Change in unrealized gain during period	4,480	7,757	--	2,541
Reclassification adjustment for loss included in net earnings	(4,480)	(6,947)	--	(2,395)
Other comprehensive income	--	810	--	146
Comprehensive income	$ 129,997	$ 127,765	$ 43,738	$ 41,595

There are no components to other comprehensive income for the three months ended September 30, 2003 as we have not entered into any interest rate swap agreements with respect to term loans under our senior credit facilities.

11. Common and Preferred Stock Transactions.

In connection with the retirement of J. Ernest Talley, our former Chairman of the Board and Chief Executive Officer, we entered into an agreement to repurchase $25.0 million worth of shares of our common stock beneficially held by Mr. Talley at a purchase price equal to the average closing price of our common stock over the 10 trading days beginning October 9, 2001, subject to a maximum of $27.00 per share (on a pre-split basis) and a minimum of $20.00 per share (on a pre-split basis). Under this formula, the purchase price for the repurchase was calculated at $20.258 per share (on a pre-split basis). Accordingly, on October 23, 2001 we repurchased 493,632 shares of our common stock (on a pre-split basis) beneficially held by Mr. Talley at $20.258 per share (on a pre-split basis) for a total purchase price of $10.0 million, and on November 30, 2001, we repurchased an additional 740,448 shares of our common stock (on a pre-split basis) beneficially held by Mr. Talley at $20.258 per share (on a pre-split basis), for a total purchase price of an additional $15.0 million. On January 25, 2002, we exercised the option to repurchase all of the remaining 1,714,086 shares of common stock (on a pre-split basis) beneficially held by Mr. Talley at $20.258 per share (on a pre-split basis). We repurchased those remaining shares on January 30, 2002.

On April 25, 2003, we announced that we entered into an agreement with Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. which provided for the repurchase of a number of shares of our common stock sufficient to reduce Apollo's aggregate record ownership to 19.00% after consummation of our planned tender offer at the price per share paid in the tender offer. On April 28, 2003, we commenced a tender offer to purchase up to 2.2 million shares of our common stock (on a pre-split basis) pursuant to a modified "Dutch Auction." On June 25, 2003, we closed the tender offer and purchased 1,769,960 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis) for approximately $129.2 million. On July 11, 2003, we closed the Apollo transaction and purchased 774,547 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis) for approximately $56.5 million. As contemplated by the Apollo agreement, Apollo also exchanged their shares of Series A preferred stock for shares of Series C preferred stock. As a result, no shares of Series A preferred stock remain outstanding. The terms of the Series A preferred stock and Series C preferred stock are substantially similar, except the Series C preferred stock does not have the right to directly elect any members of our Board of Directors.

In April 2000, we announced that our Board of Directors had authorized a program to repurchase in the open market and in privately negotiated transactions up to an aggregate of $25.0 million of our common stock. In October 2002, our Board of Directors increased the amount of repurchases authorized under our common stock repurchase program from $25.0 million to $50.0 million. In March 2003, our Board of Directors again increased such amount from $50.0 million to $100.0 million. On August 1, 2003, we agreed to purchase an aggregate of 440,000 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis), 200,000 of which were repurchased from Mark E. Speese, our Chairman of the Board and Chief Executive Officer, 200,000 of which were repurchased from Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P., and 40,000 of which were repurchased from Mitchell E. Fadel, our President and Chief Operating Officer. Through September 30, 2003, we repurchased approximately 1.6 million

shares of our common stock (on a pre-split basis) under this program for approximately $91.5 million, of which 216,500 shares (on a pre-split basis) were purchased during the third quarter of 2003 for approximately $15.1 million.

12. Rent-Way Acquisition.

On February 8, 2003, we completed the acquisition of substantially all of the assets of 295 rent-to-own stores from Rent-Way, Inc. for an aggregate purchase price of $100.4 million in cash. Of the aggregate purchase price, we held back $10.0 million to pay for various indemnified liabilities and expenses, if any, of which $5.0 million was remitted in the second quarter of 2003 and the remaining amount, up to $5.0 million, will be remitted in August 2004. We funded the acquisition entirely from cash on hand. Of the 295 stores, 176 were subsequently merged with our existing store locations. We entered into this transaction seeing it as an opportunistic acquisition that would allow us to expand our store base in conjunction with our strategic growth plans. The acquisition price was determined by evaluating the average monthly rental income of the acquired stores and applying a multiple to the total. We utilized a third party to review the valuation of certain intangible assets, which resulted in a $4.0 million decrease in the value assigned to customer relationships and a $4.0 increase in the value placed on the non-compete agreement as compared to our original estimates as disclosed in our 2002 annual report on Form 10-K. The table below summarizes the allocation of the purchase price based on the fair values of the assets acquired:

	FAIR VALUES (IN THOUSANDS)
Inventory	$ 50,100
Property assets	4,300
Customer relationships	7,900
Non-compete agreement	4,500
Goodwill	33,600
Total assets acquired	$ 100,400

Customer relationships are amortized over an 18 month period. The non-compete agreement is for four years and, in accordance with SFAS 142, the goodwill associated with the acquisition will not be amortized.

13. Guarantees.

In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirement for Guarantees, Including Guarantees of Indebtedness of Others." FIN 45 requires a liability be recorded on the guarantor's balance sheet upon issuance of a guarantee. In addition, FIN 45 requires disclosures about the guarantees that an entity has issued. We have applied the recognition provisions of FIN 45 prospectively to guarantees issued after December 31, 2002, and have adopted the quarterly disclosure provisions of FIN 45 for the quarter ended September 30, 2003. The adoption of FIN 45 did not have a material impact on our results of operations, financial condition or cash flows.

During the third quarter 2003, ColorTyme was a party to an agreement with Textron Financial Corporation, who provided $40.0 million in financing to qualifying franchisees of ColorTyme. On October 1, 2003, ColorTyme refinanced its existing franchisee financing facility with Textron Financial Corporation by entering into a new $50.0 million credit facility, provided by Wells Fargo Foothill, Inc., which provides financing to qualifying franchisees of ColorTyme of up to five times their average monthly revenues. Under the Wells Fargo agreement, upon an event of default by the franchisee under agreements governing this financing and upon the occurrence of certain other events, Wells Fargo can assign the loans and the collateral securing such loans to ColorTyme, with ColorTyme then succeeding to the rights of Wells Fargo under the debt agreements, including the right to foreclose on the collateral. An additional $15.0 million of financing is provided by Texas Capital Bank, National Association under an agreement similar to the Wells Fargo financing. Rent-A-Center East guarantees the obligations of ColorTyme under each of these agreements, excluding the effects of any amounts that could be recovered under collateralization provisions, up to a maximum amount of $65.0 million, of which $29.5 million was outstanding as of September 30, 2003. Mark E. Speese, Rent-A-Center's Chairman of the Board and Chief Executive Officer, is a passive investor in Texas Capital Bank, owning less than 1% of its outstanding equity.

We also provide assurance to our insurance providers that if they are not able to draw funds from us for claims paid, they have the ability to draw against our letters of credit. One of our letters of credit is renewed automatically every year unless we notify the institution not to renew. The other letter of credit expires in August 2004.

At September 30, 2003, we had $108.8 million in outstanding letters of credit. Of the $108.8 million, $80.0 million is supported by our

additional term loan facility. Under this additional term loan facility, in the event that a letter of credit is drawn upon, we have the right to either repay the additional term loan facility lenders the

amount withdrawn or request a loan in that amount. Interest on any requested additional term loan facility accrues at the adjusted prime rate plus 1.25% or, at our option, at the Eurodollar Rate plus 2.25%, with the entire amount of the additional term loan facility due on May 28, 2008. The remaining $28.8 million reduces the amount available under our $120.0 million revolving facility.

14. Recapitalization.

In April 2003, we commenced a program to recapitalize a portion of our financial structure in a series of transactions. The recapitalization consisted of the tender offer for all of our $272.25 million principal amount of 11% notes, the redemption of the remaining 11% notes, the issuance of $300.0 million principal amount of 7 1/2% notes, the refinancing of our senior debt and the repurchase of shares of our common stock.

On April 23, 2003, we announced a tender offer for all of our $272.25 million principal amount of 11% notes. On May 6, 2003, we repurchased approximately $183.0 million principal amount of 11% notes pursuant to the debt tender offer. On August 15, 2003, we redeemed all of the remaining outstanding 11% notes in accordance with the terms of the indenture governing the 11% notes, at the applicable redemption price of 105.5% of the principal amount thereof, plus accrued and unpaid interest to that date. The total aggregate redemption price for the 11% notes was approximately $93.75 million, including $4.65 million in accrued interest and $4.65 million in redemption premium. Proceeds from the offering of $300 million in 7 1/2% senior subordinated notes due 2010 (discussed below) were used to fund the redemption.

On April 25, 2003, we announced that we entered into an agreement with Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. which provided for the repurchase of a number of shares of our common stock sufficient to reduce Apollo's aggregate record ownership to 19.00% after consummation of our planned tender offer at the price per share paid in the tender offer. On April 28, 2003, we commenced a tender offer to purchase up to 2.2 million shares of our common stock (on a pre-split basis) pursuant to a modified "Dutch Auction." On June 25, 2003, we closed the tender offer and purchased 1,769,960 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis) for approximately $129.2 million. On July 11, 2003, we closed the Apollo transaction and purchased 774,547 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis) for approximately $56.5 million. As contemplated by the Apollo agreement, Apollo also exchanged their shares of Series A preferred stock for shares of Series C preferred stock. As a result, no shares of Series A preferred stock remain outstanding. The terms of the Series A preferred stock and Series C preferred stock are substantially similar, except the Series C preferred stock does not have the right to directly elect any members of our Board of Directors.

On May 6, 2003, we issued $300.0 million in senior subordinated notes due 2010, bearing interest at 7 1/2%, the proceeds of which were used, in part, to fund the repurchase and redemption of the 11% notes.

On May 28, 2003, we refinanced our then existing senior debt by entering into a new $600.0 million senior credit facility, consisting of a $400.0 million term loan, a $120.0 million revolving credit facility and an $80.0 million additional term loan.

During the second and third quarter of 2003, we recorded $35.3 million in non-recurring financing charges in connection with the foregoing recapitalization, of which $7.5 million was recorded in the third quarter.

15. Subsequent Events.

New Common Stock Repurchase Program. On October 27, 2003, we announced that our Board of Directors had authorized a new $100 million common stock repurchase program. Our new common stock repurchase program permits us to repurchase shares of our common stock, from time to time, in open market and privately negotiated transactions. In connection with authorizing our new common stock repurchase program, our Board of Directors rescinded the authority to repurchase shares under our previous common stock repurchase program.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

The statements, other than statements of historical facts, included in this report are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "would," "expect," "intend," "could," "estimate," "should," "anticipate" or "believe." We believe that the expectations reflected in such forward-looking statements are accurate. However, we cannot assure you that these expectations will occur. Our actual future performance could differ materially from such statements. Factors that could cause or contribute to these differences include, but are not limited to:

- - uncertainties regarding the ability to open new stores;

- - our ability to acquire additional rent-to-own stores on favorable terms;

- - our ability to enhance the performance of these acquired stores, including the stores acquired in the Rent-Way acquisition;

- - our ability to control store level costs;

- - our ability to realize benefits from our margin enhancement initiatives;

- - the results of our litigation;

- - the passage of legislation adversely affecting the rent-to-own industry;

- - interest rates;

- - our ability to collect on our rental purchase agreements;

- - changes in our effective tax rate;

- - changes in our stock price and the number of shares of common stock that we may or may not repurchase; and

- - the other risks detailed from time to time in our SEC reports.

Additional important factors that could cause our actual results to differ materially from our expectations are discussed under Risk Factors in our Annual Report on Form 10-K for our fiscal year ended December 31, 2002. You should not unduly rely on these forward-looking statements, which speak only as of the date of this report. Except as required by law, we are not obligated to publicly release any revisions to these forward-looking statements to reflect events or circumstances occurring after the date of this report or to reflect the occurrence of unanticipated events.

OUR BUSINESS

We are the largest rent-to-own operator in the United States with an approximate 31% market share based on store count. At September 30, 2003, we operated 2,600 company-owned stores nationwide and in Puerto Rico, including 23 stores located in Wisconsin and operated by our subsidiary Get It Now, LLC under the name "Get It Now." Another of our subsidiaries, ColorTyme, is a national franchisor of rent-to-own stores. At September 30, 2003, ColorTyme had 326 franchised stores in 40 states, 314 of which operated under the ColorTyme name and 12 stores of which operated under the Rent-A-Center name. Our stores generally offer high quality durable products such as home electronics, appliances, computers, and furniture and accessories 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. These rental purchase agreements are designed to appeal to a wide variety of customers by allowing them to obtain merchandise that they might otherwise be unable to obtain due to insufficient cash resources or a lack of access to credit. These agreements also cater to customers who only have a temporary need or who simply desire to rent rather than purchase the merchandise.

We have pursued an aggressive growth strategy since 1989. We have sought to acquire underperforming stores to which we could apply our operating model as well as open new stores. As a result, acquired stores have generally experienced more significant revenue growth during the initial periods following their acquisition than in subsequent periods. Because of significant growth since our formation, our historical results of operations and period-to-period comparisons of such results and other financial data, including the rate of earnings growth, may not be meaningful or indicative of future results.

We plan to accomplish our future growth through selective and opportunistic acquisitions. Typically, a newly opened store is profitable on a monthly basis in the ninth to twelfth month after its initial opening. Historically, a typical store has achieved cumulative break-even profitability in 18 to 24 months after its initial opening. Total financing requirements of a typical new store approximate $450,000, with roughly 70% of that amount relating to the purchase of rental merchandise inventory. A newly opened store historically has achieved results consistent with other stores that have been operating within the system for greater than two years by the end of its third year of operation. As a result, our quarterly earnings are impacted by how many new stores we opened during a particular quarter and the quarters preceding it. There can be no assurance that we will open any new stores in the future or as to the number, location or profitability thereof.

In addition, to provide any additional funds necessary for the continued pursuit of our operating and growth strategies, we may incur, from time to time, additional short or long-term bank indebtedness and may issue, in public or private transactions, equity and debt securities. The availability and attractiveness of any outside sources of financing will depend on a number of factors, some of which will relate to our financial condition and performance, and some of which are beyond our control, such as prevailing interest rates and general economic conditions. There can be no assurance additional financing will be available, or if available, will be on terms acceptable to us.

RECENT DEVELOPMENTS

Store Growth. We are actively seeking to increase our store base and annual revenues and profits through opportunistic acquisitions and new store openings. On February 8, 2003, we acquired substantially all of the assets of 295 stores located throughout the United States from Rent-Way, Inc. and certain of its subsidiaries for approximately $100.4 million in cash. Of the 295 stores, 176 were merged with existing locations. Furthermore, during the first nine months of 2003, we acquired 24 additional stores, accounts from 23 additional locations, opened 65 new stores, and closed 15 stores. All of the closed stores were merged with existing store locations. The additional stores and acquired accounts were the result of 26 separate transactions for an aggregate price of approximately $10.5 million in cash. As of November 3, 2003, we have acquired 13 additional stores, accounts from 15 additional locations and opened 12 new stores during the fourth quarter of 2003. It is our intention to increase the number of stores we operate by an average of approximately 5 to 10% per year over the next several years.

Recapitalization. In April 2003, we commenced a program to recapitalize a portion of our financial structure in a series of transactions. The recapitalization consisted of the tender offer for all of our $272.25 million principal amount of 11% notes, the redemption of the remaining 11% notes, the issuance of $300.0 million principal amount of 7 1/2% notes, the refinancing of our senior debt and the repurchase of shares of our common stock.

On April 23, 2003, we announced a tender offer for all of our $272.25 million principal amount of 11% notes. On May 6, 2003, we repurchased approximately $183.0 million principal amount of 11% notes pursuant to the debt tender offer. On August 15, 2003, we redeemed all of the remaining outstanding 11% notes in accordance with the terms of the indenture governing the 11% notes, at the applicable redemption price of 105.5% of the principal amount thereof, plus accrued and unpaid interest to that date. The total aggregate redemption price for the remaining 11% notes was approximately $93.75 million, including $4.65 million in accrued interest and $4.65 million in redemption premium. Proceeds from the offering of $300 million in 7 1/2% senior subordinated notes due 2010 were used to pay for the redemption.

During the second and third quarter of 2003, we recorded $35.3 million in non-recurring financing charges in connection with the foregoing recapitalization, of which $7.5 million was recorded in the third quarter.

Repurchase of Common Stock. On July 11, 2003, we repurchased a total of 774,547 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis) pursuant to the previously announced agreement with Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. As contemplated by the Apollo agreement, Apollo also exchanged their shares of Series A preferred stock for shares of Series C preferred stock. As a result, no shares of Series A preferred stock remain outstanding. The terms of the Series A preferred stock and Series C preferred stock are substantially similar, except the Series C preferred stock does not have the right to directly elect any members of our Board of Directors. We funded this transaction with the proceeds of our senior credit financing.

On August 1, 2003, we agreed to purchase an aggregate of 440,000 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis) pursuant to our previous common stock repurchase program, 200,000 of which were repurchased from Mark E. Speese, our Chairman of the Board and Chief Executive Officer, 200,000 of which were repurchased from Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P., and 40,000 of which were repurchased from Mitchell E. Fadel, our President and Chief Operating Officer. We repurchased an additional 216,500 shares of our common stock (on a pre-split basis) under this program for approximately $15.1 million during the third quarter of 2003.

Stock Split. On July 28, 2003, we announced that our Board of Directors had approved a 5 for 2 stock split on our common stock to be paid in the form of a stock dividend. Each common stockholder of record on August 15, 2003 received 1.5 additional shares of common stock for each share of common stock held on that date. No fractional shares were issued in connection with the stock dividend. Each stockholder who would otherwise have received a fractional share received an additional share of common stock. The distribution date for the stock dividend was August 29, 2003. The effect of the stock split has been recognized retroactively in the stockholder's equity accounts and in all share data in the consolidated statements of earnings, notes to the consolidated financial statements and management's discussion and analysis, unless otherwise noted.

New Common Stock Repurchase Program. On October 27, 2003, we announced that our Board of Directors had authorized a new $100 million common stock repurchase program. Our new common stock repurchase program permits us to repurchase shares of our common stock, from time to time, in open market and privately negotiated transactions. In connection with authorizing our new common stock repurchase program, our Board of Directors rescinded the authority to repurchase shares under our previous common stock repurchase program.

CRITICAL ACCOUNTING POLICIES INVOLVING CRITICAL ESTIMATES, UNCERTAINTIES OR ASSESSMENTS IN OUR FINANCIAL STATEMENTS

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. In applying accounting principles, we must often make individual estimates and assumptions regarding expected outcomes or uncertainties. As you might expect, the actual results or outcomes are generally different than the estimated or assumed amounts. These differences are usually minor and are included in our consolidated financial statements as soon as they are known. Our estimates, judgments and assumptions are continually evaluated based on available information and experience. Because of the use of estimates inherent in the financial reporting process, actual results could differ from those estimates.

Actual results related to the estimates and assumptions made by us in preparing our consolidated financial statements will emerge over periods of time, such as estimates and assumptions underlying the determination of our self-insurance liabilities. These estimates and assumptions are closely monitored by us and periodically adjusted as circumstances warrant. For instance, our liability for our self-insured retentions related to our workers compensation, general liability, medical and auto liability may be adjusted based on higher or lower actual loss experience. Although there is greater risk with respect to the accuracy of these estimates and assumptions because of the period over which actual results may emerge, such risk is mitigated by our ability to make changes to these estimates and assumptions over the same period.

In preparing our financial statements at any point in time, we are also periodically faced with uncertainties, the outcomes of which are not within our control and will not be known for prolonged periods of time. As discussed in Part II, Item 1 "Legal Proceedings" and the notes to our consolidated financial statements included in our Annual Report on Form 10-K, we are involved in actions relating to claims that our rental purchase agreements constitute installment sales contracts, violate state usury laws or violate other state laws enacted to protect consumers, claims asserting violations of wage and hour laws in our employment practices, as well as claims we violated the federal securities laws. We, together with our counsel, make estimates, if determinable, of our probable liabilities and record such amounts in our consolidated financial statements. These estimates represent our best estimate, or may be the minimum range of probable loss when no single best estimate is determinable. We, together with our counsel, monitor developments related to these legal matters and, when appropriate, adjustments are made to liabilities to reflect current facts and circumstances.

We periodically review the carrying value of our goodwill and other intangible assets when events and circumstances warrant such a review. One of the methods used for this review is performed using estimates of future cash flows. If the carrying value of our goodwill or other intangible assets is considered impaired, an impairment charge is recorded for the amount by which the carrying value of the goodwill or intangible assets exceeds its fair value. We believe that the estimates of future cash flows and fair value are reasonable. Changes in estimates of such cash flows and fair value, however, could affect the evaluation.

Based on an assessment of our accounting policies and the underlying judgments and uncertainties affecting the application of those policies, we believe that our consolidated financial statements provide a meaningful and fair perspective of our company. However, we do not suggest that other general risk factors, such as those discussed in our Annual Report on Form 10-K as well as changes in our growth objectives or performance of new or acquired stores, could not adversely impact our consolidated financial position, results of operations and cash flows in future periods.

OTHER SIGNIFICANT ACCOUNTING POLICIES

Our significant accounting policies are summarized below and in Note A to our consolidated financial statements included in our Annual Report on Form 10-K.

Revenue. We collect non-refundable rental payments and fees in advance, generally on a weekly or monthly basis. This revenue is recognized over the term of the agreement. Rental purchase agreements generally include a discounted early purchase option. Upon exercise of this option, and upon sale of used merchandise, revenue is recognized as these payments are received.

Franchise Revenue. Revenue from the sale of rental merchandise is recognized upon shipment of the merchandise to the franchisee. Franchise fee revenue is recognized upon completion of substantially all services and satisfaction of all material conditions required under the terms of the franchise agreement.

Depreciation of Rental Merchandise. We depreciate our rental merchandise using the income forecasting method. The income forecasting method of depreciation we use does not consider salvage value and generally does not allow the depreciation of rental merchandise during periods when it is not generating rental revenue. The objective of this method of depreciation is to provide for consistent depreciation expense while the merchandise is on rent. On July 1, 2002, we began accelerating the depreciation on computers that are 21 months old or older and which have become idle using the straight-line method for a period of at least six months. The purpose for this change is to better reflect the depreciable life of a computer in our stores and to encourage the sale of older computers.

Cost of Merchandise Sold. Cost of merchandise sold represents the book value net of accumulated depreciation of rental merchandise at time of sale.

Salaries and Other Expenses. Salaries and other expenses include all salaries and wages paid to store level employees, together with market managers' salaries, travel and occupancy, including any related benefits and taxes, as well as all store level general and administrative expenses and selling, advertising, insurance, occupancy, fixed asset depreciation and other operating expenses.

General and Administrative Expenses. General and administrative expenses include all corporate overhead expenses related to our headquarters such as salaries, taxes and benefits, occupancy, administrative and other operating expenses, as well as regional directors' salaries, travel and office expenses.

Amortization of Intangibles. Amortization of intangibles consists primarily of the amortization of customer relationships and non-compete agreements resulting from acquisitions. Effective January 1, 2002, under SFAS 142 all goodwill and intangible assets with indefinite lives are no longer subject to amortization.

RESULTS OF OPERATIONS

NINE MONTHS ENDED SEPTEMBER 30, 2003 COMPARED TO NINE MONTHS ENDED SEPTEMBER 30, 2002

Store Revenue. Total store revenue increased by $186.8 million, or 12.9%, to $1,632.9 million for the nine months ended September 30, 2003 as compared to $1,446.1 million for the nine months ended September 30, 2002. The increase in total store revenue is primarily attributable to growth in same store revenues, an increase in cash sales and early purchase options, new stores, incremental revenues related to acquisitions, including 295 Rent-Way stores acquired in February 2003, as well as installment sales in our Get It Now stores.

Same store revenues represent those revenues earned in stores that were operated by us for each of the entire nine month periods ending September 30, 2003 and 2002. Same store revenues increased by $47.2 million, or 3.9%, to $1,260.5 million for the nine months ended September 30, 2003 from $1,213.3 million in 2002. The increase in same store revenues was primarily attributable to an increase in the total revenue earned per customer including all rentals, fees and cash sales (approximately $1,660 per customer for the nine months ending September 30, 2003 versus approximately $1,590 per customer for the nine months ending September 30, 2002) partially offset by a decrease in customer count. Merchandise sales for all stores increased $31.3 million, or 35.5%, to $119.6 million for 2003 from $88.3 million in 2002. The increase in merchandise sales was primarily attributable to an increase in the number of items sold in the first nine months of 2003 (approximately 860,000) from the number of items sold in 2002 (approximately 652,000). This increase in the number of items sold in 2003 versus the same period in 2002 was primarily the result of an increase in the number of customers exercising early purchase options.

Franchise Revenue. Total franchise revenue decreased by $5.2 million, or 12.4%, to $36.5 million for the nine months ended September 30, 2003 as compared to $41.7 million in 2002. This decrease was primarily attributable to a decrease in merchandise sales to franchise locations as a result of fewer franchised locations, many of which were acquired by us, during the first nine months of 2003 as compared to the first nine months of 2002.

Depreciation of Rental Merchandise. Depreciation of rental merchandise increased by $41.7 million, or 14.8%, to $323.8 million for the nine months ended September 30, 2003 from $282.1 million in 2002. Depreciation of rental merchandise expressed as a percentage of store rentals and fees revenue increased to 21.6% in 2003 from 20.8% for the same period in 2002. These increases were primarily attributable to an increase in rental and fee revenue, a different pricing strategy in 2003 versus 2002 and higher depreciation associated with the Rent-Way inventory acquired in February 2003.

Cost of Merchandise Sold. Cost of merchandise sold increased by $23.7 million, or 37.7%, to $86.7 million for the nine months ended September 30, 2003 as compared to $63.0 million in 2002. This increase was primarily a result of an increase in the number of items sold during the first nine months of 2003 as compared to the first nine months of 2002, as well as the additional sales of inventory gained through the acquisition of 295 Rent-Way stores. The gross margin percentage of merchandise sales decreased to 27.5% in 2003 from 28.7% in 2002. This percentage decrease was primarily attributable to the sale of merchandise acquired from Rent-Way in February 2003.

Salaries and Other Expenses. Salaries and other expenses expressed as a percentage of total store revenue decreased to 53.9% for the nine months ended September 30, 2003 from 55.0% for the nine months ended September 30, 2002. This decrease was primarily attributable to an increase in store revenues in the first nine months of 2003 as compared to 2002 coupled with the continued realization of our margin enhancement initiatives and reductions in store level costs.

Franchise Cost of Merchandise Sold. Franchise cost of merchandise sold decreased by $4.8 million, or 13.5%, to $30.8 million for the nine months ended September 30, 2003 as compared to $35.6 million in 2002. This decrease was primarily attributable to a decrease in merchandise sales to franchise locations as a result of fewer franchised locations, many of which were acquired by us, in the first nine months of 2003 as compared to the first nine months of 2002.

General and Administrative Expenses. General and administrative expenses expressed as a percentage of total revenue decreased to 3.0% for the nine months ending September 30, 2003 as compared to 3.2% for the nine months ending September 30, 2002. This decrease is primarily attributable to the effect of a $2.0 million legal charge associated with the settlement of class action gender discrimination lawsuits in the second quarter of 2002.

Amortization of Intangibles. Amortization of intangibles increased by $6.2 million, or 192.3%, to $9.4 million for the nine months ended September 30, 2003 as compared to $3.2 for the nine months ended September 30, 2002. This increase was primarily attributable to the Rent-Way acquisition and the number of acquisitions made during the later part of 2002 versus 2001. As a result of these acquisitions, amortization of intangibles is higher in the first nine months of 2003 versus 2002.

Operating Profit. Operating profit increased by $20.4 million, or 7.8%, to $281.0 million for the nine months ended September 30, 2003 as compared to $260.6 million in 2002. This increase was primarily attributable to growth in total revenues and the improvements in salaries and other expenses under our cost control programs. Operating profit as a percentage of total revenue decreased to 16.8% for the nine months ended September 30, 2003, from 17.5% in 2002. This percentage decrease was primarily attributable to the increase in amortization of intangibles during the first nine months of 2003 versus 2002, as well as the effect of the Rent-Way acquisition.

Net Earnings. Net earnings increased by $3.0 million, or 2.4%, to $130.0 million for the nine months ended September 30, 2003 as compared to $127.0 million in 2002. Before the after-tax effect of the $35.3 million non-recurring recapitalization charges recorded in the first nine months of 2003, net earnings increased by $24.8 million, or 19.5%, to $151.7 million for the nine months ended September 30, 2003 as compared to $127.0 million in 2002. This increase is primarily attributable to growth in total revenues, a decrease in interest expense, a lower effective tax rate and the improvements in salaries and other expenses under our cost control programs offset by an increase in amortization of intangibles.

Preferred Dividends. Dividends on our preferred stock are payable quarterly at an annual rate of 3.75%. Preferred dividends decreased by $10.2 million, or 100% for the nine months ended September 30, 2003, due to the conversion of all but two shares of outstanding preferred stock in August 2002.

THREE MONTHS ENDED SEPTEMBER 30, 2003 COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 2002

Store Revenue. Total store revenue increased by $56.2 million, or 11.7%, to $537.7 million for the three months ended September 30, 2003 as compared to $481.5 million for the three months ended September 30, 2002. The increase in total store revenue is primarily attributable to growth in same store revenues, an increase in cash sales and early purchase options, new stores, incremental revenues related to acquisitions, including 295 Rent-Way stores acquired in February 2003, as well as installment sales in our Get It Now stores.

Same store revenues represent those revenues earned in stores that were operated by us for each of the entire three month periods ending September 30, 2003 and 2002. Same store revenues increased by $14.3 million, or 3.4%, to $432.2 million for the three months ended September 30, 2003 as compared to $417.9 million in 2002. The increase in same store revenues was primarily attributable to an increase in the total revenue earned per customer including all rentals, fees and cash sales (approximately $551 per customer for the quarter ending September 30, 2003 versus approximately $525 per customer for the quarter ending September 30, 2002) partially offset by a decrease in customer count. Merchandise sales for all stores increased $9.7 million, or 39.4%, to $34.4 million for the three months ended September 30, 2003 as compared to $24.7 million in 2002. The increase in merchandise sales was primarily attributable to an increase in the number of items sold in the third quarter of 2003 (approximately 290,000) from the number of items sold in 2002 (approximately 206,000). This increase in the number of items sold in 2003 versus the same period in 2002 was primarily the result of an increase in the number of customers exercising early purchase options.

Franchise Revenue. Total franchise revenue decreased by $921,000, or 7.0%, to $12.2 million for the three months ended September 30, 2003 as compared to $13.1 million in 2002. This decrease was primarily attributable to a decrease in merchandise sales to franchise locations as a result of a decrease in the number of franchised locations, many of which were acquired by us, in the third quarter of 2003 as compared to the third quarter of 2002.

Depreciation of Rental Merchandise. Depreciation of rental merchandise increased by $12.3 million, or 12.8%, to $107.8 million for the three months ended September 30, 2003 as compared to $95.5 million in 2002. Depreciation of rental merchandise expressed as a percentage of store rentals and fees revenue increased to 21.6% in 2003 from 20.9% for the same period in 2002. These increases were primarily attributable to an increase in rental and fee revenue, a different pricing strategy in 2003 versus 2002 and higher depreciation associated with the Rent-Way inventory acquired in February 2003.

Cost of Merchandise Sold. Cost of merchandise sold increased by $7.4 million, or 40.2%, to $25.9 million for the three months ended September 30, 2003 as compared to $18.5 million in 2002. This increase was primarily a result of an increase in the number of items sold during the third quarter of 2003 as compared to the third quarter 2002, as well as the additional sales of inventory gained through the acquisition of 295 Rent-Way stores. The gross margin percent of merchandise sales decreased to 24.8% in 2003 from 25.3% in 2002. This percentage decrease was primarily attributable to the sale of merchandise acquired from Rent-Way in February 2003.

Salaries and Other Expenses. Salaries and other expenses expressed as a percentage of total store revenue decreased to 55.1% for the three months ended September 30, 2003 from 55.8% for the three months ended September 30, 2002.

This decrease was primarily attributable to an increase in store revenues in the third quarter of 2003 as compared to 2002 coupled with the continued realization of our margin enhancement initiatives and reductions in store level costs.

Franchise Cost of Merchandise Sold. Franchise cost of merchandise sold decreased by $763,000, or 6.9%, to $10.3 million or the three months ended September 30, 2003 as compared to $11.1 million in 2002. This decrease was primarily attributable to a decrease in merchandise sales to franchise locations as a result of fewer franchised locations, many of which were acquired by us, in the third quarter of 2003 as compared to the third quarter of 2002.

General and Administrative Expenses. General and administrative expenses expressed as a percentage of total revenue decreased to 3.0% for the three months ending September 30, 2003 as compared to 3.1% for the three months ending September 30, 2002.

Amortization of Intangibles. Amortization of intangibles increased by $1.6 million, or 104.4%, to $3.2 million for the three months ended September 30, 2003 as compared to $1.6 million for the three months ended September 30, 2002. This increase was primarily attributable to the Rent-Way acquisition.

Operating Profit. Operating profit increased by $3.4 million, or 4.1%, to $87.5 million for the three months ended September 30, 2003 as compared to $84.1 million in 2002. This increase was primarily attributable to growth in total revenues and the improvements in salaries and other expenses under our cost control programs. Operating profit as a percentage of total revenue decreased to 15.9% for the three months ended September 30, 2003, from 17.0% in 2002. This percentage decrease was primarily attributable to the increase in amortization of intangibles during the third quarter of 2003 versus 2002, as well as the effect of the Rent-Way acquisition.

Net Earnings. Net earnings increased by $2.3 million, or 5.5%, to $43.7 million for the three months ended September 30, 2003 as compared to $41.4 million in 2002. Before the after-tax effect of the $7.5 million non-recurring recapitalization charges recorded in the third quarter of 2003, net earnings increased by $7.0 million, or 16.9%, to $48.4 million for the three months ended September 30, 2003 as compared to $41.4 million in 2002. This increase is primarily attributable to growth in total revenues, a decrease in interest expense, a lower effective tax rate and the improvements in salaries and other expenses under our cost control programs offset by an increase in amortization of intangibles.

Preferred Dividends. Dividends on our preferred stock are payable quarterly at an annual rate of 3.75%. Preferred dividends decreased by $1.3 million, or 100% for the three months ended September 30, 2003, due to the conversion of all but two shares of outstanding preferred stock in August 2002.

LIQUIDITY AND CAPITAL RESOURCES

Cash provided by operating activities increased by $34.9 million to $300.6 million for the nine months ending September 30, 2003 as compared to $265.7 million in 2002. This increase resulted primarily from an increase in non-cash depreciation expense and prepaid expenses as well as the non-recurring finance charges in the second and third quarter of 2003 offset by increased inventory purchases during the first nine months of 2003 as compared to 2002.

Cash used in investing activities increased by $79.8 million to $150.5 million during the nine month period ending September 30, 2003 as compared to $70.7 million in 2002. This increase is primarily attributable to the acquisition of 295 stores from Rent-Way in February 2003.

Cash used in financing activities decreased by $112.8 million to $79.9 million during the nine month period ending September 30, 2003 as compared to $192.7 million in 2002. This decrease is a result of the $300.0 million received from our issuance of the 7 1/2% notes as well as the new $400.0 million term loan under our senior credit facilities entered into in May 2003, offset by our repurchase of $291.0 million of our 11% notes, the repayment of $250.5 million on our senior credit facilities and repurchase of $246.4 million of our common stock.

Liquidity Requirements. Our primary liquidity requirements are for debt service, rental merchandise purchases, capital expenditures and our store expansion program. Our primary sources of liquidity have been cash provided by operations, borrowings and sales of debt and equity securities. In the future, we may incur additional debt, or may issue debt or equity securities to finance our operating and growth strategies. The availability and attractiveness of any outside sources of financing will depend on a number of factors, some of which relate to our financial condition and performance, and some of which are beyond our control, such as prevailing interest rates and general economic conditions. There can be no assurance that additional financing will be available, or if available, that it will be on terms we find acceptable.

We believe that the cash flow generated from operations, together with amounts available under our senior credit facilities, will be sufficient to fund our debt service requirements, rental merchandise purchases, capital expenditures and our store expansion programs into 2004. Our existing revolving credit facilities provide us with revolving loans in an aggregate principal amount not exceeding $130.0 million, of which $101.2 million was available at November 5, 2003. At November 3, 2003, we had approximately $115.0 million in cash. To the extent we have available cash that is not necessary for store openings or acquisitions, we intend to repurchase additional shares of our common stock as well as make payments to service our existing debt. While our operating cash flow has been strong and we expect this strength to continue, our liquidity could be negatively impacted if we do not remain as profitable as we expect.

Our senior credit facilities and the indenture governing our 7 1/2% notes contain certain change in control provisions. A change in control would result in an event of default under our senior credit facilities, and, pursuant to the underlying indenture would also require us to offer to repurchase all of our 7 1/2% notes at 101% of their principal amount, plus accrued interest to the date of repurchase. Provisions of our senior credit facilities restrict the repurchase of all of our 7 1/2% notes. In the event a change in control occurs, we cannot be sure that we would have enough funds to immediately pay our accelerated senior credit facility obligations and all of the 7 1/2% notes, or that we would be able to obtain financing to do so on favorable terms, if at all.

Deferred Taxes. On March 9, 2002, President Bush signed into law the Job Creation and Worker Assistance Act of 2002, which provides for accelerated tax depreciation deductions for qualifying assets placed in service between September 11, 2001 and September 10, 2004. Under these provisions, 30 percent of the basis of qualifying property is deductible in the year the property is placed in service, with the remaining 70 percent of the basis depreciated under the normal tax depreciation rules. For assets placed in service between May 6, 2003 and December 31, 2004, the Jobs and Growth Tax Relief Reconciliation Act of 2003 increased the percent of the basis of qualifying property deductible in the year the property is placed in service from 30% to 50%. Accordingly, our cash flow will benefit from having a lower current cash tax obligation, which in turn will provide additional cash flows from operations until the deferred tax liabilities begin to reverse. We estimate that our operating cash flow will have increased by approximately $103.1 million through 2004 before the deferred tax liabilities begin to reverse over a three year period beginning in 2005.

Rental Merchandise Purchases. We purchased $424.0 million and $354.4 million of rental merchandise during the nine month periods ending September 30, 2003 and 2002, respectively.

Capital Expenditures. We make capital expenditures in order to maintain our existing operations as well as for new capital assets in new and acquired stores. We spent $40.2 million and $27.6 million on capital expenditures during the nine month periods ending September 30, 2003 and 2002, respectively, and expect to spend approximately $10.0 million for the remainder of 2003.

Acquisitions and New Store Openings. For the first nine months of 2003, we spent approximately $110.9 million on acquiring stores and accounts, of which $100.4 million was for the Rent-Way acquisition. For the entire year ending December 31, 2003, we intend to add approximately 10% to our store base by opening approximately 90 new store locations as well as continuing to pursue opportunistic acquisitions.

The profitability of our stores tends to grow at a slower rate approximately five years from the time we open or acquire them. As a result, in order for us to show improvements in our profitability, it is important for us to continue to open stores in new locations or acquire under-performing stores on favorable terms. There can be no assurance that we will be able to acquire or open new stores at the rates we expect, or at all. Additionally, we cannot assure that the stores we do acquire or open will be profitable at the same levels that our current stores are, or at all.

Borrowings. The table below shows the scheduled maturity dates of our senior debt outstanding at September 30, 2003.

YEAR ENDING DECEMBER 31,	(IN THOUSANDS)
2003.....	$ 1,000
2004.....	4,000
2005.....	4,000
2006.....	4,000
2007.....	4,000
Thereafter.....	382,000
	$399,000

Senior Credit Facilities. On May 28, 2003, we entered into a new senior credit facility provided by a syndicate of banks and other financial institutions led by Lehman Commercial Paper, Inc., as administrative agent. At September 30, 2003, we had a total of $399.0 million outstanding under our senior credit facilities related to our term loans and $91.2 million of availability under the revolving credit line portion of our senior credit facilities.

The senior credit facility also includes an $80.0 million additional term loan facility. This facility is currently held to support our outstanding letters of credit. In the event that a letter of credit is drawn upon, we have the right to either repay the additional term loan facility lenders the amount withdrawn or request a loan in that amount. Interest on any requested additional term loan facility loan accrues at an adjusted prime rate plus 1.25% or, at our option, at the Eurodollar base rate plus 2.25%, with the entire amount of the additional term loan facility due on May 28, 2008.

Borrowings under our senior credit facilities bear interest at varying rates equal to 2.25% over the Eurodollar rate, which was 1.12% at September 30, 2003. We also have a prime rate option under the facilities, but have not exercised it to date. We have not entered into any interest rate protection agreements with respect to term loans under our senior credit facilities.

Our senior credit facilities are secured by a security interest in substantially all of our tangible and intangible assets, including intellectual property. Our senior credit facilities are also secured by a pledge of the capital stock of our subsidiaries.

Our senior credit facilities contain covenants, including without limitation, covenants that generally limit our ability to:

- incur additional debt (including subordinated debt) in excess of $35 million at any one time outstanding;
- repurchase our capital stock and 7 1/2% notes;
- incur liens or other encumbrances;
- merge, consolidate or sell substantially all our property or business;
- sell assets, other than inventory in the ordinary course of business;
- make investments or acquisitions unless we meet financial tests and other requirements;
- make capital expenditures; or
- enter into a new line of business.

Our senior credit facilities require us to comply with several financial covenants, including a maximum consolidated leverage ratio, a minimum consolidated interest coverage ratio and a minimum fixed charge coverage ratio. At September 30, 2003, the maximum consolidated leverage ratio was 2.75:1, the minimum consolidated interest coverage ratio was 3.50:1, and the minimum fixed charge coverage ratio was 1.50:1. On that date, our actual ratios were 1.53:1, 6.02:1 and 2.51:1, respectively. In addition, we are generally required to use 25% of the net proceeds from equity offerings to repay our term loans.

Events of default under our senior credit facilities include customary events, such as a cross-acceleration provision in the event that we default on other debt. In addition, an event of default under the senior credit facilities would occur if there is a change of control. This is defined to include the case where a third party becomes the beneficial owner of 35% or more of our voting stock or certain changes in our Board of Directors occurs.

7 1/2% Senior Subordinated Notes. On May 6, 2003, we issued $300.0 million in senior subordinated notes due 2010, bearing interest at 7 1/2%, pursuant to an indenture dated May 6, 2003, among Rent-A-Center, Inc., its subsidiary guarantors and The Bank of New York, as trustee. The proceeds of this offering were used to fund the repurchase and redemption of the 11% senior subordinated notes.

The 2003 indenture contains covenants that limit Rent-A-Center's ability to:

- - incur additional debt;
- - sell assets or our subsidiaries;
- - grant liens to third parties;

- - pay dividends or repurchase stock; and

- - engage in a merger or sell substantially all of its assets.

Events of default under the 2003 indenture include customary events, such as a cross-acceleration provision in the event that we default in the payment of other debt due at maturity or upon acceleration for default in an amount exceeding $50.0 million.

The 7 1/2% notes may be redeemed on or after May 1, 2006, at our option, in whole or in part, at a premium declining from 103.75%. The 7 1/2% subordinated notes also require that upon the occurrence of a change of control (as defined in the 2003 indenture), the holders of the notes have the right to require us to repurchase the notes at a price equal to 101% of the original aggregate principal amount, together with accrued and unpaid interest, if any, to the date of repurchase. If we do not comply with this repurchase obligation, this would trigger an event of default under our senior credit facilities.

Store Leases. We lease space for all of our stores as well as our corporate and regional offices under operating leases expiring at various times through 2010.

ColorTyme Guarantee. During the third quarter 2003, ColorTyme was a party to an agreement with Textron Financial Corporation, who provided $40.0 million in financing to qualifying franchisees of ColorTyme. On October 1, 2003, ColorTyme refinanced its existing franchisee financing facility with Textron Financial Corporation by entering into a new $50.0 million credit facility, provided by Wells Fargo Foothill, Inc., which provides financing to qualifying franchisees of ColorTyme of up to five times their average monthly revenues. Under the Wells Fargo agreement, upon an event of default by the franchisee under agreements governing this financing and upon the occurrence of certain other events, Wells Fargo can assign the loans and the collateral securing such loans to ColorTyme, with ColorTyme then succeeding to the rights of Wells Fargo under the debt agreements, including the right to foreclose on the collateral. An additional $15.0 million of financing is provided by Texas Capital Bank, National Association under an agreement similar to the Wells Fargo financing. Rent-A-Center East guarantees the obligations of ColorTyme under each of these agreements, excluding the effects of any amounts that could be recovered under collateralization provisions, up to a maximum amount of $65.0 million, of which $29.5 million was outstanding as of September 30, 2003. Mark E. Speese, Rent-A-Center's Chairman of the Board and Chief Executive Officer, is a passive investor in Texas Capital Bank, owning less than 1% of its outstanding equity.

Litigation. In 1998, we recorded an accrual of approximately $125.0 million for estimated probable losses on litigation assumed in connection with the Thorn Americas acquisition. As of September 30, 2003, we have paid approximately $124.5 million of this accrual in settlement of most of these matters and legal fees. These settlements were funded primarily from amounts available under our senior credit facilities, as well as from cash flow from operations.

On November 12, 2002, we signed a settlement agreement settling the Wisconsin Attorney General matter, which was approved by the court on the same day. Under the terms of the settlement, we created a restitution fund in the amount of $7.0 million for our eligible Wisconsin customers who had either completed or active transactions with us as of September 30, 2002. In addition, we paid $1.4 million to the State of Wisconsin for fines, penalties, costs and fees. A portion of the restitution fund was allocated for customers with completed transactions as of September 30, 2002, and the balance was allocated for restitution on active transactions as of September 30, 2002, all of which have now terminated according to their terms when customers either acquired or returned the merchandise. Restitution will be offered on all such active transactions with funds in the restitution fund. We believe the amount in the restitution fund will be sufficient to pay the required amount of restitution on all eligible active transactions. Any unclaimed restitution funds at the conclusion of the restitution period will be returned to us.

Additional settlements or judgments against us on our existing litigation could affect our liquidity. Please refer to Note J of our consolidated financial statements included in our Annual Report on Form 10-K.

Sales of Equity Securities. During 1998, we issued 260,000 shares of our preferred stock at $1,000 per share, resulting in aggregate proceeds of $260.0 million. Dividends on our preferred stock accrue on a quarterly basis at the rate of 3.75%, or $37.50 per annum. Prior to the conversion of all but two shares of our preferred stock in August 2002, we paid these dividends in additional shares of preferred stock because of restrictive provisions in our senior credit facilities. We have the ability to pay the dividends in cash and may do so under our senior credit facilities so long as we are not in default.

In connection with the issuance of our preferred stock in August 1998, we entered into a registration rights agreement with Apollo which, among other things, granted them two rights to request that their shares be registered, and a registration rights agreement with an affiliate of Bear Stearns, which granted them the right to participate in any company-initiated registration of shares, subject to certain exceptions. In May 2002, Apollo exercised one of their two

rights to request that their shares be registered and an affiliate of Bear Stearns elected to participate in such registration. In connection therewith, Apollo and an affiliate of Bear Stearns converted 97,197 shares of our preferred stock held by them into 3,500,000 shares of our common stock, which they sold in the May 2002 public offering that was the subject of Apollo's request. We did not receive any of the proceeds from this offering.

On August 5, 2002, the first date on which we had the right to optionally redeem the shares of preferred stock, the holders of our preferred stock converted all but two shares of our preferred stock held by them into 7,281,548 shares of our common stock (on a pre-split basis). As a result, the dividend on our preferred stock was substantially eliminated for future periods. In connection with Apollo's conversion of all but two of the shares of preferred stock held by them on August 5, 2002, we granted Apollo an additional right to effect a demand registration under the existing registration rights agreement we entered into with them in 1998, such that Apollo now has two demand rights. In connection with the repurchase of 774,547 shares of our common stock (on a pre-split basis) from Apollo in July 2003, Apollo exchanged their shares of Series A preferred stock for shares of Series C preferred stock. As a result, no shares of Series A preferred stock remain outstanding. The terms of the Series A preferred stock and Series C preferred stock are substantially similar, except the Series C preferred stock does not have the right to directly elect any members of our Board of Directors.

Contractual Cash Commitments. The table below summarizes debt, lease and other minimum cash obligations outstanding as of September 30, 2003:

		PAYMENTS DUE BY YEAR END					
Contractual Cash Obligations	TOTAL	2003	2004	2005	2006	2007	2008 AND THEREAFTER
			(IN THOUSANDS)				
Senior Credit Facilities (including current portion)..	$ 399,000	$ 1,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 382,000
7 1/2% Senior Subordinated Notes(1).....	457,188	10,938	22,500	22,500	22,500	22,500	356,250
Operating Leases.....	427,350	33,943	124,791	98,927	63,539	35,444	70,706
Total	$1,283,538	$ 45,881	$ 151,291	$ 125,427	$ 90,039	$ 61,944	$ 808,956

(1) Includes interest payments of $11.25 million on each of May 1 and November 1 of each year after 2003.

Repurchases of Outstanding Securities. In connection with the retirement of J. Ernest Talley, our former Chairman of the Board and Chief Executive Officer, we entered into an agreement to repurchase $25.0 million worth of shares of our common stock beneficially held by Mr. Talley at a purchase price equal to the average closing price of our common stock over the 10 trading days beginning October 9, 2001, subject to a maximum of $27.00 per share (on a pre-split basis) and a minimum of $20.00 per share (on a pre-split basis). Under this formula, the purchase price for the repurchase was calculated at $20.258 per share (on a pre-split basis). Accordingly, on October 23, 2001 we repurchased 493,632 shares of our common stock (on a pre-split basis) beneficially held by Mr. Talley at $20.258 per share (on a pre-split basis) for a total purchase price of $10.0 million, and on November 30, 2001, we repurchased an additional 740,448 shares of our common stock (on a pre-split basis) beneficially held by Mr. Talley at $20.258 per share (on a pre-split basis), for a total purchase price of an additional $15.0 million. On January 25, 2002, we exercised the option to repurchase all of the remaining 1,714,086 shares of common stock (on a pre-split basis) beneficially held by Mr. Talley at $20.258 per share (on a pre-split basis). We repurchased those remaining shares on January 30, 2002.

On April 25, 2003, we announced that we entered into an agreement with Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. which provided for the repurchase of a number of shares of our common stock sufficient to reduce Apollo's aggregate record ownership to 19.00% after consummation of our planned tender offer at the price per share paid in the tender offer. On April 28, 2003, we commenced a tender offer to purchase up to 2.2 million shares of our common stock (on a pre-split basis) pursuant to a modified "Dutch Auction." On June 25, 2003, we closed the tender offer and purchased 1,769,960 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis) for approximately $129.2 million. On July 11, 2003, we closed the Apollo transaction and purchased 774,547 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis) for approximately $56.5 million. As contemplated by the Apollo agreement, Apollo also exchanged their shares of Series A preferred stock for shares of Series C preferred stock. As a result, no shares of Series A preferred stock remain outstanding. The terms of the Series A preferred stock and Series C preferred stock are substantially similar, except the Series C preferred stock does not have the right to directly elect any members of our Board of Directors.

In April 2000, we announced that our Board of Directors had authorized a program to repurchase in the open market and in privately negotiated transactions up to an aggregate of $25.0 million of our common stock. In October 2002, our Board of

Directors increased the amount of repurchases authorized under our common stock repurchase program from $25.0 million to $50.0 million. In March 2003, our Board of Directors again increased such amount from $50.0 million to $100.0 million. On August 1, 2003, we agreed to purchase an aggregate of 440,000 shares of our common stock (on a pre-split basis) at $73 per share (on a pre-split basis), 200,000 of which were repurchased from Mark E. Speese, our Chairman of the Board and Chief Executive Officer, 200,000 of which were repurchased from Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P., and 40,000 of which were repurchased from Mitchell E. Fadel, our President and Chief Operating Officer. Through September 30, 2003, we repurchased approximately 1.6 million shares of our common stock (on a pre-split basis) under this program for approximately $91.5 million, of which 216,500 shares (on a pre-split basis) were purchased during the third quarter of 2003 for approximately $15.1 million.

On October 27, 2003, we announced that our Board of Directors had authorized a new $100 million common stock repurchase program. Our new common stock repurchase program permits us to repurchase shares of our common stock, from time to time, in open market and privately negotiated transactions. In connection with authorizing our new common stock repurchase program, our Board of Directors rescinded the authority to repurchase shares under our previous common stock repurchase program.

Stock Split. On July 28, 2003, we announced that our Board of Directors had approved a 5 for 2 stock split on our common stock to be paid in the form of a stock dividend. Each common stockholder of record on August 15, 2003 received 1.5 additional shares of common stock for each share of common stock held on that date. No fractional shares were issued in connection with the stock dividend. Each stockholder who would otherwise have received a fractional share received an additional share of common stock. The distribution date for the stock dividend was August 29, 2003.

Economic Conditions. Although our performance has not suffered in previous economic downturns, we cannot assure you that demand for our products, particularly in higher price ranges, will not significantly decrease in the event of a prolonged recession.

Seasonality. Our revenue mix is moderately seasonal, with the first quarter of each fiscal year generally providing higher merchandise sales than any other quarter during a fiscal year, primarily related to federal income tax refunds. Generally, our customers will more frequently exercise their early purchase option on their existing rental purchase agreements or purchase pre-leased merchandise off the showroom floor during the first quarter of each fiscal year. We expect this trend to continue in future periods. Furthermore, we tend to experience slower growth in the number of rental purchase agreements on rent in the third quarter of each fiscal year when compared to other quarters throughout the year. As a result, we would expect revenues for the third quarter of each fiscal year to remain relatively flat or slightly below the prior quarter. We expect this trend to continue in future periods unless we add significantly to our store base during the third quarter of future fiscal years as a result of new store openings or opportunistic acquisitions.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

INTEREST RATE SENSITIVITY

As of September 30, 2003, we had $300.0 million in subordinated notes outstanding at a fixed interest rate of 7 1/2% and $399.0 million in term loans outstanding at interest rates indexed to the Eurodollar rate. The fair value of the subordinated notes is estimated based on discounted cash flow analysis using interest rates currently offered for loans with similar terms to borrowers of similar credit quality. The fair value of the 7 1/2% subordinated notes at September 30, 2003 was $317.3 million which is $17.3 million above their carrying value. Unlike the subordinated notes, the $399.0 million in term loans have variable interest rates indexed to current Eurodollar rates. As of September 30, 2003, we have not entered into any interest rate swap agreements with respect to term loans under our senior credit facilities.

MARKET RISK

Market risk is the potential change in an instrument's value caused by fluctuations in interest rates. Our primary market risk exposure is fluctuations in interest rates. Monitoring and managing this risk is a continual process carried out by our Board of Directors and senior management. We manage our market risk based on an ongoing assessment of trends in interest rates and economic developments, giving consideration to possible effects on both total return and reported earnings.

INTEREST RATE RISK

We hold long-term debt with variable interest rates indexed to prime or the Eurodollar rate that exposes us to the risk of increased interest costs if interest rates rise.

ITEM 4. CONTROLS AND PROCEDURES

An evaluation was performed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this quarterly report. Based on that evaluation, our management, including our Chief Executive Officer and our Chief Financial Officer, concluded that our disclosure controls and procedures were effective. There have been no significant changes in our internal controls or in other factors that have materially affected, or are reasonably likely to materially affect, our internal controls.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we, along with our subsidiaries, are party to various legal proceedings arising in the ordinary course of business. Except as described below, we are not currently a party to any material litigation.

Colon v. Thorn Americas, Inc. The plaintiff filed this class action in November 1997 in New York state court. This matter was assumed by us in connection with the Thorn Americas acquisition, and appropriate purchase accounting adjustments were made for such contingent liabilities. The plaintiff acknowledges that rent-to-own transactions in New York are subject to the provisions of New York's Rental Purchase Statute but contends the Rental Purchase Statute does not provide Thorn Americas immunity from suit for other statutory violations. The plaintiff alleges Thorn Americas has a duty to disclose effective interest under New York consumer protection laws, and seek damages and injunctive relief for Thorn Americas' failure to do so. This suit also alleges violations relating to excessive and unconscionable pricing, late fees, harassment, undisclosed charges, and the ease of use and accuracy of its payment records. In the prayer for relief, the plaintiff requested class certification, injunctive relief requiring Thorn Americas to cease certain marketing practices and price their rental purchase contracts in certain ways, unspecified compensatory and punitive damages, rescission of the class members contracts, an order placing in trust all moneys received by Thorn Americas in connection with the rental of merchandise during the class period, treble damages, attorney's fees, filing fees and costs of suit, pre- and post-judgment interest, and any further relief granted by the court. The plaintiff has not alleged a specific monetary amount with respect to the request for damages.

The proposed class includes all New York residents who were party to our rent-to-own contracts from November 26, 1994. In November 2000, following interlocutory appeal by both parties from the denial of cross-motions for summary judgment, we obtained a favorable ruling from the Appellate Division of the State of New York, dismissing the plaintiff's claims based on the alleged failure to disclose an effective interest rate. The plaintiff's other claims were not dismissed. The plaintiff moved to certify a state-wide class in December 2000. The plaintiff's class certification motion was heard by the court on November 7, 2001 and, on September 12, 2002, the court issued an opinion denying in part and granting in part the plaintiff's requested certification. The opinion grants certification as to all of the plaintiff's claims except the plaintiff's pricing claims pursuant to the Rental Purchase Statute, as to which certification was denied. The parties have differing views as to the effect of the court's opinion, and accordingly, the court granted the parties permission to submit competing orders as to the effect of the opinion on the plaintiff's specific claims. Both proposed orders were submitted to the court on March 27, 2003, and on May 30, 2003, the court held a hearing regarding such orders. No order has yet been entered by the court. Regardless of the determination of the final certification order by the court, we intend to pursue an interlocutory appeal of the court's certification order.

We believe these claims are without merit and will continue to vigorously defend ourselves in this case. However, we cannot assure you that we will be found to have no liability in this matter.

Wisconsin Attorney General Proceeding. On August 4, 1999, the Wisconsin Attorney General filed suit against us and our subsidiary ColorTyme in the Circuit Court of Milwaukee County, Wisconsin, alleging that our rent-to-rent transaction, coupled with the opportunity afforded our rental customers to purchase the rented merchandise under what we believed was a separate transaction, was a disguised credit sale subject to the Wisconsin Consumer Act. Accordingly, the Attorney General alleged that we failed to disclose credit terms, misrepresented the terms of the transaction and engaged in unconscionable practices. The Attorney General sought injunctive relief, restoration of any losses suffered by any Wisconsin consumer harmed and civil forfeitures and penalties in amounts ranging from $50 to $10,000 per violation.

On October 1, 2002, in anticipation of the settlement of this matter, we changed our business practices in Wisconsin to a retail sale model. Accordingly, our 23 Wisconsin stores now offer credit sale transactions and operate under our subsidiary Get It Now, which is subject to regulation under the Wisconsin Consumer Act.

On November 12, 2002, we signed a settlement agreement for this suit with the Attorney General, which was approved by the court on the same day. Under the terms of the settlement, we created a restitution fund in the amount of $7.0 million for our eligible Wisconsin customers who had either completed or active transactions with us as of September 30, 2002. In addition, we paid $1.4 million to the State of Wisconsin for fines, penalties, costs and fees. A portion of the restitution fund was allocated for customers with completed transactions as of September 30, 2002, and the balance was allocated for restitution on active transactions as of September 30, 2002, all of which have now terminated according to their terms when customers either acquired or returned the merchandise. Restitution will be offered on all such active transactions with funds in the restitution fund. We believe the amount in the restitution fund will be sufficient to pay the required amount of restitution on all eligible active transactions. Any unclaimed restitution funds at the conclusion of the restitution period will be returned to us. Any customer accepting a restitution check will be required to release us and our subsidiary ColorTyme from all claims related to their transaction or transactions with us. We, together with ColorTyme, entered into an injunction requiring each of us to comply with the Wisconsin Consumer Act in any transaction in Wisconsin in which the customer can become the owner of merchandise other than through a single lump sum payment.

Terry Walker, et. al. v. Rent-A-Center, Inc., et. al. On January 4, 2002, a putative class action was filed against us and certain of our current and former officers and directors by Terry Walker in federal court in Texarkana, Texas. The complaint alleged that the defendants violated Sections 10(b) and/or Section 20(a) of the Securities Exchange Act and Rule 10b-5 promulgated thereunder by issuing false and misleading statements and omitting material facts regarding our financial performance and prospects for the third and fourth quarters of 2001. The complaint purported to be brought on behalf of all purchasers of our common stock from April 25, 2001 through October 8, 2001 and sought damages in unspecified amounts. Similar complaints were consolidated by the court with the Walker matter in October 2002.

On November 25, 2002, the lead plaintiffs in the Walker matter filed an amended consolidated complaint which added certain of our outside directors as defendants to the Exchange Act claims. The amended complaint also added additional claims that we, and certain of our current and former officers and directors, violated various provisions of the Securities Act as a result of alleged misrepresentations and omissions in connection with an offering in May 2001 and also added the managing underwriters in that offering as defendants.

On February 7, 2003, we, along with certain officer and director defendants, filed a motion to dismiss the matter as well as a motion to transfer venue. In addition, our outside directors named in the matter separately filed a motion to dismiss the Securities Act claims on statute of limitations grounds. On February 19, 2003, the underwriter defendants also filed a motion to dismiss the matter. The plaintiffs filed response briefs to these motions, and our response to these response briefs was filed on May 21, 2003. A hearing was held by the Court on June 26, 2003 to hear each of these motions.

On September 30, 2003, the Court granted our motion to dismiss without prejudice, dismissed without prejudice the outside directors' and underwriters' separate motions to dismiss and denied our motion to transfer venue. In its order on the motions to dismiss, the Court granted the lead plaintiffs leave to replead the case within certain parameters. The lead plaintiffs have until December 1, 2003 to replead, should they elect to do so. On October 9, 2003, the lead plaintiffs filed a motion for reconsideration with the Court with respect to the Securities Act claims. In that motion, they indicated they intend to replead their claims. We filed our response to this motion on October 24, 2003. No decision on the lead plaintiffs' motion has been entered by the Court.

We believe the plaintiff's claims in this matter are without merit and intend to vigorously defend ourselves. However, we cannot assure you that we will be found to have no liability in this matter.

Gregory Griffin, et. al. v. Rent-A-Center, Inc. On June 25, 2002, a suit originally filed by Gregory Griffin in state court in Philadelphia, Pennsylvania was amended to seek relief both individually and on behalf of a class of customers in Pennsylvania, alleging that we violated the Pennsylvania Goods and Services Installment Sales Act and the Pennsylvania Unfair Trade Practices and Consumer Protection Law. The amended complaint asserts that our rental purchase transactions are, in fact, retail installment sales transactions, and as such, are not governed by the Pennsylvania Rental-Purchase Agreement Act, which was enacted after the adoption of the Pennsylvania Goods and Services Installment Sales Act and the Pennsylvania Unfair Trade Practices Act. Griffin's suit seeks class-wide remedies, including injunctive relief, unspecified statutory, actual and treble damages, as well as attorney's fees and costs.

In July 2002, we filed preliminary objections to the complaint in Griffin. On December 13, 2002, the court granted our preliminary objections and dismissed the plaintiffs' claims. On January 6, 2003, the plaintiffs filed a notice of appeal. The plaintiffs' appeal brief was filed on May 9, 2003 and we subsequently filed our response brief. Oral argument on the appeal was held on July 30, 2003 in the Superior Court of Pennsylvania. No decision has yet been entered by the Court. We believe

the plaintiffs' claims in this matter are without merit and intend to vigorously defend ourselves. However, we cannot assure you that we will be found to have no liability in this matter.

State Wage and Hour Class Actions. On August 20, 2001, a putative class action was filed against us in state court in Multnomah County, Oregon entitled Rob Pucci, et. al. v. Rent-A-Center, Inc. alleging violations of Oregon state law regarding overtime, lunch and work breaks and failure to timely pay all wages due our Oregon employees, as well as contract claims that we promised but failed to pay overtime. Pucci seeks to represent a class of all present and former executive assistants, inside/outside managers and account managers employed by us within the six year period prior to the filing of the complaint as to the contract claims, and three years as to the statutory claims, and seeks class certification, payments for all unpaid wages under Oregon law, statutory and civil penalties, costs and disbursements, pre- and post-judgment interest in the amount of 9% per annum and attorneys fees. As of September 30, 2003, we operated 23 stores in Oregon. On July 25, 2002, the plaintiffs filed a motion for class certification and on July 31, 2002, we filed our motion for summary judgment. On January 15, 2003, the court orally granted our motion for summary judgment in part, ruling that the plaintiffs were prevented from recovering overtime payments at the rate of "time and a half," but stated that the plaintiffs may recover "straight-time" to the extent plaintiffs could prove purported class members worked in excess of forty hours in a work week but were not paid for such time worked. The court denied our motion for summary judgment on the remaining claims and granted plaintiff's motion for class certification with respect to the remaining claims. We strongly disagree with the court's rulings against our positions and requested that the court grant us interlocutory appeal on those matters. The plaintiffs filed a motion for summary judgment seeking to resolve certain factual issues related to the purported class, which was denied on July 1, 2003. On October 10, 2003, the Court issued an opinion letter stating that it would certify a class and not permit an interlocutory appeal. The Court has not yet entered an order on these matters. We intend to challenge the appropriateness of the Court's class certification. Although we believe the Court's certification ruling is inappropriate and that the claims remaining in this case are without merit, we cannot assure you we will be found to have no liability in this matter.

We are subject to a similar suit pending in Clark County, Washington entitled Kevin Rose, et al. v. Rent-A-Center, Inc., et al. and two similar suits pending in Los Angeles, California entitled Jeremy Burdusis, et al. v. Rent-A-Center, Inc., et al. and Israel French, et al. v. Rent-A-Center, Inc., each of which allege similar violations of the wage and hour laws of those respective states. As of September 30, 2003, we operated 41 stores in Washington and 152 stores in California. The same law firm seeking to represent the purported class in Pucci is seeking to represent the purported class in two of the three similar suits. On March 24, 2003, the Burdusis court denied the plaintiffs' motion for class certification in that case, which we view as a favorable development in that proceeding. On April 25, 2003, the plaintiffs in Burdusis filed a notice of appeal of that ruling, and on May 8, 2003, the Burdusis court, at our request, stayed further proceedings in Burdusis and French pending the resolution on appeal of the court's denial of class certification in Burdusis. The Burdusis and French proceedings are pending before the same judge in California. On May 14, 2003, the Rose court denied the plaintiffs' motion for class certification in that case, which we view as a favorable development in that proceeding. On June 3, 2003, the plaintiffs in Rose filed a notice of appeal. On September 8, 2003, the Commissioner appointed by the Court of Appeals denied review of the Rose court decision. On October 10, 2003, the Rose plaintiffs filed a motion seeking to modify the Commissioner's ruling, to which we responded on October 30, 2003. No decision on the plaintiffs' motion has been entered by the Court of Appeals. Although the wage and hour laws and class certification procedures of Oregon, Washington and California contain certain differences that could cause differences in the outcome of the pending litigation in these states, we believe the claims of the purported classes involved in each are without merit. We cannot assure you, however, that we will be found to have no liability in these matters.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On July 31, 2003, the Series C preferred stockholders approved the repurchase of 200,000 shares of common stock (on a pre-split basis) from Mark E. Speese, Rent-A-Center's Chairman of the Board and Chief Executive Officer, by unanimous written consent in lieu of a special meeting.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

CURRENT REPORTS ON FORM 8-K

Form 8-K, dated August 15, 2003, on Item 5 relating to our stock split.

EXHIBITS

The exhibits required to be furnished pursuant to Item 6 are listed in the Exhibit Index filed herewith, which Exhibit Index is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Report to be signed on its behalf by the undersigned duly authorized officer.

RENT-A-CENTER, INC.

By: /s/ Robert D. Davis

Robert D. Davis
Senior Vice President-Finance,
Chief Financial Officer and Treasurer

Date: November 5, 2003

RENT-A-CENTER, INC. AND SUBSIDIARIES

INDEX TO EXHIBITS

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
2.2(1)	-- Asset Purchase Agreement, dated as of December 17, 2002, by and among Rent-A-Center East, Inc. and Rent-Way, Inc., Rent-Way of Michigan, Inc. and Rent-Way of TTIG, L.P. (Pursuant to the rules of the SEC, the schedules and exhibits have been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such schedules and exhibits to the SEC.)
2.2(2)	-- Letter Agreement, dated December 31, 2002
2.3(3)	-- Letter Agreement, dated January 7, 2003
2.4(4)	-- Letter Agreement, dated February 7, 2003
2.5(5)	-- Letter Agreement, dated February 10, 2003 (Pursuant to the rules of the SEC, the exhibit has been omitted. Upon the request of the SEC, Rent-A-Center will supplementally supply such exhibit to the SEC.)
2.6(6)	-- Letter Agreement, dated March 10, 2003 (Pursuant to the rules of the SEC, the exhibit has been omitted. Upon the request of the SEC, Rent-A-Center will supplementally supply such exhibit to the SEC.)
3.1(7)	-- Certificate of Incorporation of Rent-A-Center, Inc., as amended
3.2(8)	-- Amended and Restated Bylaws of Rent-A-Center, Inc.
4.1(9)	-- Form of Certificate evidencing Common Stock
4.2*	-- Certificate of Elimination of Series A Preferred Stock
4.3(10)	-- Certificate of Designations, Preferences and relative Rights and Limitations of Series C Preferred Stock of Rent-A-Center, Inc.
4.4(11)	-- Form of Certificate evidencing Series C Preferred Stock
4.5(12)	-- Indenture, dated as of May 6, 2003, by and among Rent-A-Center, Inc., as Issuer, Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P. and Rent-A-Center Texas, L.L.C., as Guarantors, and The Bank of New York, as Trustee
4.6(13)	-- Form of 2003 Exchange Note
10.1*	-- Amended and Restated Rent-A-Center, Inc. Long-Term Incentive Plan
10.2(14)	-- Amended and Restated Credit Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, among Rent-A-Center, Inc., Rent-A-Center East, Inc., Comerica Bank, as Documentation Agent, Bank of America NA, as Syndication Agent, and JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent
10.3(15)	-- First Amendment, dated as of April 22, 2003, to the Amended and Restated Credit Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, among Rent-A-Center, Inc., Rent-A-Center East, Inc., Comerica Bank, as Documentation Agent, Bank of America NA, as Syndication Agent, and JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent
10.4(16)	-- Credit Agreement, dated as of May 28, 2003, among Rent-A-Center, Inc., Morgan Stanley Senior Funding Inc., as Documentation Agent, JPMorgan Chase Bank and Bear, Stearns & Co. Inc., each as Syndication Agent, and Lehman Commercial Paper Inc., as Administrative Agent
10.5(17)	-- Guarantee and Collateral Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, made by Rent-A-Center, Inc., Rent-A-Center East, Inc. and certain of its Subsidiaries in favor of JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent
10.6(18)	-- Guarantee and Collateral Agreement, dated as of May 28, 2003, made by Rent-A-Center, Inc., Rent-A-Center East, Inc. and certain of its Subsidiaries in favor of Lehman Commercial Paper Inc., as Administrative Agent
10.7(19)	-- Second Amended and Restated Stockholders Agreement, dated as of August 5, 2002, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center, Inc., and certain other persons
10.8(20)	-- Third Amended and Restated Stockholders Agreement, dated as of December 31, 2002, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center, Inc., and certain other persons
10.9(21)	-- Fourth Amended and Restated Stockholders Agreement, dated as of July 11, 2003, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center,

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
	Inc., and certain other persons
10.10(22)	-- Registration Rights Agreement, dated August 5, 1998, by and between Renters Choice, Inc., Apollo Investment Fund IV, L.P., and Apollo Overseas Partners IV, L.P., related to the Series A Convertible Preferred Stock
10.11(23)	-- Second Amendment to Registration Rights Agreement, dated as of August 5, 2002, by and among Rent-A-Center, Inc., Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P.
10.12(24)	-- Third Amendment to Registration Rights Agreement, dated as of December 31, 2002, by and among Rent-A-Center, Inc., Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P.
10.13(25)	-- Fourth Amendment to Registration Rights Agreement, dated as of July 11, 2003, by and between Rent-A-Center, Inc., Apollo Investment Fund IV, L.P., and Apollo Overseas Partners IV, L.P., related to the Series C Convertible Preferred Stock
10.14(26)	-- Registration Rights Agreement, dated as of May 6, 2003, by and among Rent-A-Center, Inc., as Issuer, Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P. and Rent-A-Center Texas, L.L.C., as Guarantors, and Lehman Commercial Paper Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., UBS Warburg LLC and Wachovia Securities, Inc., as Initial Purchasers
10.15(27)	-- Exchange and Registration Rights Agreement, dated December 19, 2001, by and among Rent-A-Center, Inc., ColorTyme, Inc., Advantage Companies, Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., and Lehman Brothers, Inc.
10.16(28)	-- Amended and Restated Franchisee Financing Agreement, dated March 27, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.
10.17(29)	-- Franchisee Financing Agreement, dated April 30, 2002, but effective as of June 28, 2002, by and between Texas Capital Bank, National Association, ColorTyme, Inc. and Rent-A-Center, Inc.
10.18(30)	-- First Amendment to Franchisee Financing Agreement, dated July 23, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.
10.19(31)	-- Second Amendment to Franchisee Financing Agreement, dated September 30, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.
10.20(32)	-- Third Amendment to Franchisee Financing Agreement, dated March 24, 2003, but effective as of December 31, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.
10.21(33)	-- Supplemental Letter Agreement to Franchisee Financing Amendment, dated May 26, 2003, by and between Texas Capital Bank, National Association, ColorTyme, Inc. and Rent-A-Center, Inc.
10.22*	-- Amended and Restated Franchise Financing Agreement, dated October 1, 2003, by and among Wells Fargo Foothill, Inc., ColorTyme, Inc. and Rent-A-Center East, Inc.
10.23(34)	-- Purchase Agreement, dated May 1, 2003, among Rent-A-Center, Inc., Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P., Rent-A-Center Texas, L.L.C., Lehman Brothers Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., UBS Warburg LLC and Wachovia Securities, Inc.
10.24(35)	-- Stock Purchase and Exchange Agreement, dated April 25, 2003, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P. and Rent-A-Center, Inc.
21.1(36)	-- Subsidiaries of Rent-A-Center, Inc.
31.1*	-- Certification pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 implementing Section 302 of the Sarbanes-Oxley Act of 2002 by Mark E. Speese
31.2*	-- Certification pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 implementing Section 302 of the Sarbanes-Oxley Act of 2002 by Robert D. Davis
32.1*	-- Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by Mark E. Speese
32.2*	-- Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by Robert D. Davis

- ------------

* Filed herewith.

(1) Incorporated herein by reference to Exhibit 2.2 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(2) Incorporated herein by reference to Exhibit 2.3 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(3) Incorporated herein by reference to Exhibit 2.4 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(4) Incorporated herein by reference to Exhibit 2.5 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(5) Incorporated herein by reference to Exhibit 2.6 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(6) Incorporated herein by reference to Exhibit 2.7 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(7) Incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(8) Incorporated herein by reference to Exhibit 3.2 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(9) Incorporated herein by reference to Exhibit 4.1 to the registrant's Registration Statement on Form S-4 filed on January 11, 1999

(10) Incorporated herein by reference to Exhibit 4.4 to the registrant's Registration Statement on Form S-4 filed July 11, 2003

(11) Incorporated herein by reference to Exhibit 4.5 to the registrant's Registration Statement on Form S-4 filed July 11, 2003

(12) Incorporated herein by reference to Exhibit 4.9 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(13) Incorporated herein by reference to Exhibit 4.11 to the registrant's Registration Statement on Form S-4 filed July 11, 2003

(14) Incorporated herein by reference to Exhibit 10.2 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(15) Incorporated herein by reference to Exhibit 10.3 to the registrant's Quarterly Report on form 10-Q for the quarter ended March 31, 2003

(16) Incorporated herein by reference to Exhibit 10.4 to the registrant's Registration Statement on Form S-4 filed July 11, 2003

(17) Incorporated herein by reference to Exhibit 10.3 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(18) Incorporated herein by reference to Exhibit 10.6 to the registrant's Registration Statement on Form S-4 filed July 11, 2003

(19) Incorporated herein by reference to Exhibit 10.8 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(20) Incorporated herein by reference to Exhibit 10.6 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(21) Incorporated herein by reference to Exhibit 10.15 to the registrant's Registration Statement on Form S-4 filed July 11, 2003

(22) Incorporated herein by reference to Exhibit 10.22 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998

(23) Incorporated herein by reference to Exhibit 10.10 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(24) Incorporated herein by reference to Exhibit 10.9 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(25) Incorporated herein by reference to Exhibit 10.10 to the registrant's Registration Statement on Form S-4 filed July 11, 2003

(26) Incorporated herein by reference to Exhibit 10.19 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(27) Incorporated herein by reference to Exhibit 10.9 to the registrant's Registration Statement on Form S-4 filed on January 22, 2002

(28) Incorporated herein by reference to Exhibit 10.13 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(29) Incorporated herein by reference to Exhibit 10.14 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(30) Incorporated herein by reference to Exhibit 10.15 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(31) Incorporated herein by reference to Exhibit 10.14 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002

(32) Incorporated herein by reference to Exhibit 10.16 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(33) Incorporated herein by reference to Exhibit 10.23 to the registrant's Registration Statement on Form S-4 filed July 11, 2003

(34) Incorporated herein by reference to Exhibit 10.18 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(35) Incorporated herein by reference to Exhibit 99(d)(1) to the registrant's Schedule TO filed on April 28, 2003

(36) Incorporated herein by reference to Exhibit 21.1 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

EXHIBIT 4.2

CERTIFICATE OF ELIMINATION
OF
THE SERIES A PREFERRED STOCK
OF
RENT-A-CENTER, INC.

Pursuant to Section 151(g) of the Delaware General Corporation Law (the "DGCL"), Rent-A-Center, Inc., a corporation organized and existing under and by virtue of the DGCL (the "CORPORATION"), does hereby certify that:

FIRST: At a meeting of the Board of Directors of the Corporation (the "BOARD") held on September 17, 2003, the Board adopted the resolutions attached hereto as Exhibit "A", which resolutions have not been amended or rescinded and are now in full force and effect, approving the elimination of the Series A Preferred Stock, par value $0.01 per share, of the Corporation (the "SERIES A PREFERRED STOCK").

SECOND: The certificate of designations (the "CERTIFICATE OF DESIGNATIONS") with respect to the Series A Preferred Stock was filed in the office of the Secretary of State of Delaware on November 26, 2002. None of the authorized shares of the Series A Preferred Stock are outstanding and none will be issued.

THIRD: In accordance with the provisions of Section 151(g) of the DGCL, the Corporation's Certificate of Incorporation, as amended, is hereby amended so as to eliminate all matters set forth in the Certificate of Designations with respect to the Series A Preferred Stock.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Elimination to be executed this 22nd day of September, 2003.

RENT-A-CENTER, INC.

By: /s/ Mark E. Speese

Mark E. Speese
Chairman of the Board and
Chief Executive Officer

EXHIBIT "A"

ELIMINATION OF SERIES A PREFERRED STOCK

WHEREAS, pursuant to the Company's Certificate of Incorporation, as amended (the "CERTIFICATE OF INCORPORATION"), the Certificate of Designations, Preferences and Relative Rights and Limitations of the Series A Convertible Preferred Stock (the "SERIES A CERTIFICATE OF DESIGNATIONS") and the Certificate of Designations, Preferences and Relative Rights and Limitations of the Series C Convertible Preferred Stock (the "SERIES C CERTIFICATE OF DESIGNATIONS"), each of which is on file with the Secretary of State of Delaware, as of the date hereof, the Company's authorized preferred stock consists of 5,000,000 shares of preferred stock, par value $.01 per share, of which, (i) 400,000 shares have been designated as Series A Convertible Preferred Stock (the "SERIES A PREFERRED STOCK"), of which no shares are issued and outstanding; (ii) 100 shares have been designated as the Series C Convertible Preferred Stock (the "SERIES C PREFERRED STOCK"), of which two shares are issued and outstanding; and (iii) 4,599,900 shares are undesignated; and

WHEREAS, pursuant to Section 151 of the Delaware General Corporation Law (the "DGCL"), when no shares of a series of stock are outstanding, either because none were issued or, if issued, none remain outstanding, a corporation may file a certificate setting forth a resolution or resolutions adopted by the board of directors that none of the authorized shares of such series are outstanding, and that none will be issued subject to the certificate of designations previously filed with respect to such series, and when such certificate becomes effective, it shall have the effect of amending the certificate of incorporation so as to eliminate from the certificate of incorporation all matters set forth in the certificate of designations with respect to such series of stock; and

WHEREAS, the Board has determined it to be in the best interest of the Company to file a certificate pursuant to Section 151 of the DGCL with the Secretary of State of Delaware to eliminate from the Certificate of Incorporation all matters set forth in the Series A Certificate of Designations with respect to the Series A Preferred Stock; and

WHEREAS, the Board has been presented with and reviewed a draft of a certificate of elimination (the "CERTIFICATE OF ELIMINATION"), necessary to eliminate from the Certificate of Incorporation all matters set forth in the Series A Certificate of Designations with respect to the Series A Preferred Stock.

NOW, THEREFORE, BE IT RESOLVED, that none of the authorized shares of Series A Preferred Stock are outstanding and none will be issued subject to the Series A Certificate of Designations previously filed with the Secretary of State of Delaware with respect to the Series A Preferred Stock; and

FURTHER RESOLVED, that the Certificate of Elimination, in substantially the form presented to the Board (with such changes as are authorized herein) be, and it hereby is, approved, and that the Chief Executive Officer, President and Chief Financial Officer of the Company (each, an "AUTHORIZED OFFICER" and together, the "AUTHORIZED OFFICERS") be, and each of them with full authority to act without the others hereby is, authorized, empowered, and

directed to (i) execute the Certificate of Elimination, with such changes as the Authorized Officer so acting shall deem necessary, advisable or appropriate and in the best interest of the Company in order to carry out the transactions contemplated by these resolutions; (ii) file the Certificate of Elimination with the Secretary of State of Delaware; and (iii) take such other actions as in the judgment of such Authorized Officer shall be necessary, advisable or appropriate and in the best interest of the Company to effect the elimination of the Series A Preferred Stock, with the taking of any such action by such Authorized Officer being conclusive evidence that the same did meet such standard.

EXHIBIT 10.1

AMENDED AND RESTATED

RENT-A-CENTER, INC.

LONG-TERM INCENTIVE PLAN

1. Objectives. The Amended and Restated Rent-A-Center, Inc. Long-Term Incentive Plan (formerly known as the 1994 Renters Choice, Inc. Long-Term Incentive Plan) is designed to retain selected employees, non-employee directors and Independent Contractors (as hereinafter defined) of Rent-A-Center, Inc., a Delaware holding company (the "Company"), and reward them for making significant contributions to the success of the Company and its Subsidiaries (as hereinafter defined). These objectives are to be accomplished by making awards under the Plan and thereby providing Participants (as hereinafter defined) with a proprietary interest in the growth and performance of the Company and its Subsidiaries.

2. Definitions. As used herein, the terms set forth below shall have the following respective meanings:

"Agreement" means a written agreement between the Company and a Participant that sets forth the terms, conditions and limitations applicable to an Employee Award, a Director Option or an Independent Contractor Option.

"Board" means the Board of Directors of the Company.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Committee" means such committee of the Board as is designated by the Board to administer the Plan. The Committee shall be constituted to permit the Plan to comply with Rule 16b-3.

"Common Stock" means the Common Stock, par value $0.01 per share, of the Company.

"Director" means an individual serving as a member of the Board who is not an employee of the Company or any Subsidiary of the Company.

"Director Option" means a nonqualified stock option granted to a Director under the terms of this Plan.

"Employee Award" means the grant of any form of Employee Stock Option, stock appreciation right, stock award or cash award, whether granted singly, in combination or in tandem, to an employee of the Company or any Subsidiary pursuant to any applicable terms, conditions and limitations as the Committee may establish in order to fulfill the objectives of the Plan.

"Employee Stock Option" means an incentive stock option or a nonqualified stock option granted to an employee of the Company or any of its Subsidiaries under this Plan by the Committee.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Fair Market Value" means, as of a particular date, (a) if the shares of Common Stock are listed on a national securities exchange, the mean between the highest and lowest sales price per share of Common Stock on the consolidated transaction reporting system for the principal such national securities exchange on that date, or, if there shall have been no such sale so reported on that date, on the last preceding date on which such a sale was so reported, (b) if the shares of Common Stock are not so listed but are quoted on the Nasdaq National Market, the mean between the highest and lowest sales price per share of Common Stock on the Nasdaq National Market on that date, or, if there shall have been no such sale so reported on that date, on the last preceding date on which such a sale was so reported or (c) if the Common Stock is not so listed or quoted, the mean between the closing bid and asked price on that date, or, if there are no quotations available for such date, on the last preceding date on which such quotations shall be available, as reported by the Nasdaq Stock Market, Inc., or, if not reported by the Nasdaq Stock Market, Inc., by the National Quotation Bureau, Inc.

"Independent Contractor" means any individual, partnership, limited liability company, corporation, joint stock company, trust, estate, joint venture, association or unincorporated organization or any other form of business organization who or which is engaged by the Company or any Subsidiary to render consulting, advisory or other independent contractor services, as defined by the Board.

"Independent Contractor Option" means a nonqualified stock option granted to an Independent Contractor under the terms of this Plan.

"Participant" means an employee of the Company or any of its Subsidiaries to whom an Employee Award has been made, a Director to whom a Director Option has been made or an Independent Contractor to whom an Independent Contractor Option has been made under the terms of the Plan.

"Rule 16b-3" means Rule 16b-3 promulgated under the Exchange Act, or any successor rule.

"Subsidiary" means any corporation, partnership, limited liability company or other entity of which the Company directly or indirectly owns shares of stock or other ownership interests having ordinary voting power representing more than 50% of the voting power of such entity to vote on matters submitted to a vote of the stockholders, partners or members of such entity.

3. Eligibility.

(a) Employee Awards. All employees of the Company and its Subsidiaries are eligible for Employee Awards under this Plan. The Committee shall select the employees who shall become Participants in the Plan from time to time by the grant of Employee Awards under the Plan.

(b) Director Options. Recipients of Director Options shall include all persons who, as of the time Director Options are awarded, are serving as Directors of the Company.

(c) Independent Contractor Options. The Committee, in its discretion, shall determine which Independent Contractors are eligible to become Participants in the Plan from time to time by the grant of Independent Contractor Options under the Plan.

4. Common Stock Available Under the Plan. There shall be available for Employee Awards, Director Options and Independent Contractor Options, any of which may be granted wholly or partly in Common Stock (including rights or options which may be exercised for or settled in Common Stock) during the term of this Plan an aggregate of 14,562,865 shares of Common Stock, subject to adjustment as provided in Paragraph 15, 439,500 of which shall be set aside for issuance pursuant to Director Options and 78,125 of which shall be set aside for stock awards, as described in subparagraph 6(iii) hereof. The Board and the appropriate officers of the Company shall from time to time take whatever actions are necessary to file required documents with governmental authorities and stock exchanges and transaction reporting systems to make shares of Common Stock available for issuance pursuant to Employee Awards, Director Options and Independent Contractor Options. Common Stock related to Employee Awards, Director Options or Independent Contractor Options that are forfeited or terminated, expire unexercised, are settled in cash in lieu of Common Stock or in a manner such that all or some of the shares covered by an Employee Award, a Director Option or an Independent Contractor Option are not issued to a Participant, or are exchanged for Employee Awards that do not involve Common Stock, shall immediately become available for Employee Awards, Director Options and Independent Contractor Options hereunder. The Committee may from time to time adopt and observe such procedures concerning the counting of shares against the Plan maximum as it may deem appropriate under Rule 16b-3.

5. Administration. This Plan shall be administered by the Committee, which shall have full and exclusive power to interpret this Plan and to adopt such rules, regulations and guidelines for carrying out this Plan as it may deem necessary or proper, all of which powers shall be exercised in the best interests of the Company and in keeping with the objectives of this Plan. The Committee may, in its discretion, provide for the extension of the exercisability of an Employee Award, a Director Option or an Independent Contractor Option, accelerate the vesting or exercisability of an Employee Award, a Director Option or an Independent Contractor Option, eliminate or make less restrictive any restrictions contained in an Employee Award, a Director Option or an Independent Contractor Option, waive any restriction or other provision of an Employee Award, a Director Option or an Independent Contractor Option or otherwise amend or modify an Employee Award, a Director Option or an Independent Contractor Option in any manner that is either (a) not adverse to the Participant holding such Employee Award, Director Option or Independent Contractor Option or

(b) consented to by such Participant. The Committee may correct any defect or supply any omission or reconcile any inconsistency in this Plan or in any Employee Award, Director Option or Independent Contractor Option in the manner and to the extent the Committee deems necessary or desirable to carry it into effect. Any decision of the Committee in the interpretation and administration of this Plan shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned. No member of the Committee or officer of the Company to whom it has delegated authority in accordance with the provisions of this Plan shall be liable for anything done or omitted to be done by him or her, by any member of the Committee or by any officer of the Company in connection with the performance of any duties under this Plan, except for his or her own willful misconduct or as expressly provided by statute. The Committee may delegate to the Chief Executive Officer of the Company and to other senior officers of the Company its duties under this Plan pursuant to such conditions or limitations as the Committee may establish, except that the Committee may not delegate to any person the authority to grant Employee Awards, Director Options or Independent Contractor Options to, or take other action with respect to, Participants who are subject to Section 16 of the Exchange Act.

6. Employee Awards. The Committee shall determine the type or types of awards to be made to each Participant under this Plan. Each Employee Award made hereunder shall be embodied in an Agreement, which shall contain such terms, conditions and limitations as shall be determined by the Committee in its sole discretion and shall be signed by the Participant and by the Chief Executive Officer, the Chief Operating Officer or any Vice President of the Company for and on behalf of the Company. Employee Awards may consist of those listed in this Paragraph 6 and may be granted singly, in combination or in tandem. Employee Awards may also be made in combination or in tandem with, in replacement of, or as alternatives to grants or rights (a) under this Plan or any other employee plan of the Company or any of its Subsidiaries, including the plan of any acquired entity, or (b) made to any Company or Subsidiary employee by the Company or any Subsidiary. An Employee Award may provide for the granting or issuance of additional, replacement or alternative Employee Awards upon the occurrence of specified events, including the exercise of the original Employee Award. Notwithstanding anything herein to the contrary, no Participant may be granted Employee Awards consisting of stock options or stock appreciation rights exercisable for more than 20% of the shares of Common Stock originally authorized for Employee Awards under this Plan, subject to adjustment as provided in Paragraph 15. In the event of an increase in the number of shares authorized under the Plan, the 20% limitation will apply to the number of shares authorized.

(i) Employee Stock Option. An Employee Award may consist of a right to purchase a specified number of shares of Common Stock at a price specified by the Committee in the Agreement or otherwise. An Employee Stock Option may be in the form of an incentive stock option ("ISO") which, in addition to being subject to applicable terms, conditions and limitations established by the Committee, complies with Section 422 of the Code. Notwithstanding the foregoing, no ISO can be granted under the Plan more than ten years following the Effective Date of the Plan.

(ii) Stock Appreciation Right. An Employee Award may consist of a right to receive a payment, in cash or Common Stock, equal to the excess of the Fair Market Value or other specified valuation of a specified number of shares of

Common Stock on the date the stock appreciation right ("SAR") is exercised over a specified strike price as set forth in the applicable Agreement.

(iii) Stock Award. An Employee Award may consist of Common Stock or may be denominated in units of Common Stock. All or part of any stock Employee Award may be subject to conditions established by the Committee and set forth in the Agreement, which conditions may include, but are not limited to, continuous service with the Company and its Subsidiaries, achievement of specific business objectives, increases in specified indices, attaining specified growth rates and other comparable measurements of performance. Such Employee Awards may be based on Fair Market Value or other specified valuations. The certificates evidencing shares of Common Stock issued in connection with a stock Employee Award shall contain appropriate legends and restrictions describing the terms and conditions of the restrictions applicable thereto.

(iv) Cash Award. An Employee Award may be denominated in cash with the amount of the eventual payment subject to future service and such other restrictions and conditions as may be established by the Committee and set forth in the Agreement, including, but not limited to, continuous service with the Company and its Subsidiaries, achievement of specific business objectives, increases in specified indices, attaining specified growth rates and other comparable measurements of performance.

7. Director Stock Options. Director Options shall be granted to each eligible Director as of the date of consummation of the initial public offering of the Common Stock providing for the purchase of 9,000 shares of Common Stock. Commencing on January 1, 1996 and continuing through January 2, 2001, automatic annual awards of Director Options shall be made to each eligible Director on the first business day of the Company's fiscal year, providing for the purchase of 3,000 shares of Common Stock. Commencing on January 2, 2002, automatic annual awards of Director Options shall be made to each eligible Director on the first business day of the Company's fiscal year, providing for the purchase of 5,000 shares of Common Stock. Notwithstanding the foregoing, such Director Options shall provide for the purchase of 9,000 shares of Common Stock if the recipient of such Director Option had not previously received a grant of a Director Option pursuant to this Plan. The purchase price of each share of Common Stock placed under a Director Option shall be equal to the Fair Market Value of such shares on the date the Director Option is granted; provided, that the purchase price of each share of Common Stock placed under a Director Option on the date of consummation of the initial public offering of the Common Stock shall be equal to the initial public offering price of the Common Stock. Director Options shall terminate and be of no force or effect with respect to any shares not previously purchased by the Director Optionee upon the expiration of ten years from the date of granting of each Director Option, notwithstanding any earlier termination of the Director Optionee's status as a Director of the Company. All Director Options shall be exercisable immediately on the date of grant. Notwithstanding the foregoing, no grant of Director Options shall be made unless the number of shares available under the Plan is sufficient to make all automatic grants of Director Options on the grant date. All Director Options shall be evidenced by a written Agreement conforming with the terms of this Plan.

8. Independent Contractor Options. Independent Contractor Options shall be granted to each eligible Independent Contractor (as selected by the Board or the Committee) pursuant to the terms of an Agreement. Independent Contractor Options granted under this Plan will contain such terms and conditions with respect to the death or disability of the Independent Contractor or termination of the Independent Contractor's relationship with the Company or a Subsidiary as the Committee or Board deems necessary and/or appropriate.

9. Payment of Employee Awards.

(a) General. Payment of Employee Awards may be made in the form of cash or Common Stock or combinations thereof and may include such restrictions as the Committee shall determine including, in the case of Common Stock, restrictions on transfer and forfeiture provisions. As used herein, "Restricted Stock" means Common Stock that is restricted or subject to forfeiture provisions.

(b) Deferral. The Committee may, in its discretion, (i) permit selected Participants to elect to defer payments of some or all types of Employee Awards in accordance with procedures established by the Committee or (ii) provide for the deferral of an Employee Award in an Agreement or otherwise. Any such deferral may be in the form of installment payments or a future lump sum payment. Any deferred payment, whether elected by the Participant or specified by the Agreement or by the Committee, may be forfeited if and to the extent that the Agreement so provides.

(c) Dividends and Interest. Dividends or dividend equivalent rights may be extended to and made part of any Employee Award denominated in Common Stock or units of Common Stock, subject to such terms, conditions and restrictions as the Committee may establish. The Committee may also establish rules and procedures for the crediting of interest on deferred cash payments and dividend equivalents for deferred payment denominated in Common Stock or units of Common Stock.

(d) Substitution of Employee Awards. At the discretion of the Committee, a Participant may be offered an election to substitute an Employee Award for another Employee Award of the same or different type.

10. Stock Option Exercise. The price at which shares of Common Stock may be purchased under a stock option (whether pursuant to an Employee Award, a Director Option or an Independent Contractor Option) shall be paid in full at the time of exercise in cash or, if permitted by the Committee, by means of tendering Common Stock or surrendering all or part of that or any other Employee Award, including Restricted Stock, valued at Fair Market Value on the date of exercise, or any combination thereof. The Committee shall determine acceptable methods for tendering Common Stock or Employee Awards to exercise a stock option as it deems appropriate. If permitted by the Committee, payment may be made by successive exercises by the Participant. The Committee may provide for procedures to permit the exercise or purchase of Employee Awards, Director Options or Independent Contractor Options by (a) loans from the Company or (b) use of the proceeds

to be received from the sale of Common Stock issuable pursuant to an Employee Award, a Director Option or an Independent Contractor Option. Unless otherwise provided in the applicable Agreement, in the event shares of Restricted Stock are tendered as consideration for the exercise of a stock option, a number of the shares issued upon the exercise of the stock option, equal to the number of shares of Restricted Stock used as consideration therefor, shall be subject to the same restrictions as the Restricted Stock so submitted as well as any additional restrictions that may be imposed by the Committee.

11. Tax Withholding. The Company shall have the right to deduct applicable taxes from any Employee Award, Director Option or Independent Contractor Option payment and withhold, as applicable, at the time of delivery or vesting of cash or shares of Common Stock under this Plan, an appropriate amount of cash or number of shares of Common Stock or a combination thereof for payment of taxes required by law or to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for withholding of such taxes. The Committee may also permit withholding to be satisfied by the transfer to the Company of shares of Common Stock theretofore owned by the holder of the Employee Award, Director Option or Independent Contractor Option with respect to which withholding is required. If shares of Common Stock are used to satisfy tax withholding, such shares shall be valued based on the Fair Market Value when the tax withholding is required to be made.

12. Amendment, Modification, Suspension or Termination. The Board may amend, modify, suspend or terminate this Plan for the purpose of meeting or addressing any changes in legal requirements or for any other purpose permitted by law except that (a) no amendment or alteration that would impair the rights of any Participant under any Employee Award, Director Option or Independent Contractor Option previously granted to such Participant shall be made without such Participant's consent, and (b) no amendment or alteration shall be effective prior to approval by the Company's stockholders to the extent such approval is then required pursuant to Rule 16b-3 in order to preserve the applicability of any exemption provided by such rule to any Employee Award, Director Option or Independent Contractor Option then outstanding (unless the Participant consents) or to the extent stockholder approval is otherwise required by applicable legal requirements.

13. Termination of Employment or Provision of Service. Upon the termination of employment or provision of service by a Participant, any unexercised, deferred or unpaid Employee Awards, Director Options or Independent Contractor Options shall be treated as provided in the specific Agreement evidencing the Employee Award, Director Option or Independent Contractor Option. In the event of such a termination, the Committee may, in its discretion, provide for the extension of the exercisability of an Employee Award, a Director Option or an Independent Contractor Option, accelerate the vesting or exercisability of an Employee Award, a Director Option or an Independent Contractor Option, eliminate or make less restrictive any restrictions contained in an Employee Award, a Director Option or an Independent Contractor Option, waive any restriction or other provision of this Plan or an Employee Award, a Director Option or an Independent Contractor Option or otherwise amend or modify the Employee Award, Director Option or Independent Contractor Option in any manner that is either (a) not adverse to such Participant or (b) consented to by such Participant.

14. Assignability. Unless otherwise determined by the Committee and provided in the Agreement, no Employee Award, Director Option, Independent Contractor Option or any other benefit under this Plan constituting a derivative security within the meaning of Rule 16a-l(c) under the Exchange Act shall be assignable or otherwise transferable except by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder. The Committee may prescribe and include in applicable Agreements other restrictions on transfer. Any attempted assignment of an Employee Award, a Director Option, an Independent Contractor Option or any other benefit under this Plan in violation of this Paragraph 14 shall be null and void.

15. Adjustments.

(a) The existence of outstanding Employee Awards, Director Options or Independent Contractor Options shall not affect in any manner the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the capital stock of the Company or its business or any merger or consolidation of the Company, or any issue of bonds, debentures, preferred or prior preference stock (whether or not such issue is prior to, on a parity with or junior to the Common Stock) or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding of any kind, whether or not of a character similar to that of the acts or proceedings enumerated above.

(b) In the event of any subdivision or consolidation of outstanding shares of Common Stock or declaration of a dividend payable in shares of Common Stock or capital reorganization or reclassification or other transaction involving an increase or reduction in the number of outstanding shares of Common Stock, the Committee may adjust proportionally (i) the number of shares of Common Stock reserved under this Plan and covered by outstanding Employee Awards, Director Options and Independent Contractor Options denominated in Common Stock or units of Common Stock; (ii) the exercise or other price in respect of such Employee Awards, Director Options and Independent Contractor Options; and (iii) the appropriate Fair Market Value and other price determinations for such Employee Awards, Director Options and Independent Contractor Options. In the event of any consolidation or merger of the Company with another corporation or entity or the adoption by the Company of a plan of exchange affecting the Common Stock or any distribution to holders of Common Stock of securities or property (other than normal cash dividends or dividends payable in Common Stock), the Committee shall make such adjustments or other provisions as it may deem equitable, including adjustments to avoid fractional shares, to give proper effect to such event. In the event of a corporate merger, consolidation, acquisition of property or stock, separation, reorganization or liquidation, the Committee shall be authorized to issue or assume stock options, regardless of whether in a transaction to which Section 424(a) of the Code applies, by means of substitution of new options for previously issued options or an assumption of previously issued options, or to make provision for the acceleration of the exercisability of, or lapse of restrictions with respect to, Employee Awards, Director Options or Independent Contractor Options and the termination of unexercised options in connection with such transaction.

16. Restrictions. No Common Stock or other form of payment shall be issued with respect to any Employee Award, Director Option or Independent Contractor Option unless the Company shall be satisfied based on the advice of its counsel that such issuance will be in compliance with applicable federal and state securities laws. It is the intent of the Company that this Plan comply with Rule 16b-3 with respect to persons subject to Section 16 of the Exchange Act unless otherwise provided herein or in an Agreement, that any ambiguities or inconsistencies in the construction of this Plan be interpreted to give effect to such intention and that, if any provision of this Plan is found not to be in compliance with Rule 16b-3, such provision shall be null and void to the extent required to permit this Plan to comply with Rule 16b-3. Certificates evidencing shares of Common Stock delivered under this Plan may be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any securities exchange or transaction reporting system upon which the Common Stock is then listed and any applicable federal and state securities law. The Committee may cause a legend or legends to be placed upon any such certificates to make appropriate reference to such restrictions.

17. Unfunded Plan. Insofar as it provides for Employee Awards of cash, and Employee Awards, Director Options and Independent Contractor Options covering Common Stock or rights thereto, this Plan shall be unfunded. Although bookkeeping accounts may be established with respect to Participants who are entitled to cash, Common Stock or rights thereto under this Plan, any such accounts shall be used merely as a bookkeeping convenience. The Company shall not be required to segregate any assets that may at any time be represented by cash, Common Stock or rights thereto, nor shall this Plan be construed as providing for such segregation, nor shall the Company, the Board or the Committee be deemed to be a trustee of any cash, Common Stock or rights thereto to be granted under this Plan. Any liability or obligation of the Company to any Participant with respect to a grant of cash, Common Stock or rights thereto under this Plan shall be based solely upon any contractual obligations that may be created by this Plan and any Agreement, and no such liability or obligation of the Company shall be deemed to be secured by any pledge or other encumbrance on any property of the Company. None of the Company, the Board or the Committee shall be required to give any security or bond for the performance of any obligation that may be created by this Plan.

18. Governing Law. This Plan and all determinations made and actions taken pursuant hereto, to the extent not otherwise governed by mandatory provisions of the Code or the securities laws of the United States, shall be governed by and construed in accordance with the laws of the State of Texas.

19. Effective Date of Plan.

(a) This Plan was approved by the Board of Directors of the Company as of December 5, 1994, and by the unanimous written consent dated as of December 21, 1994, of the holders of all of the shares of Common Stock outstanding and entitled to vote thereon.

(b) The Plan was amended effective May 20, 1996 for the purpose of increasing the number of shares reserved for issuance under the Plan from 1,500,000 (on a pre-split basis) to 2,000,000 (on a pre-split basis). The amendments to the Plan were approved by the Board of Directors of the Company as of March 18, 1996, and by the holders of a majority of the issued and outstanding shares of Common Stock of the Company as of May 20, 1996.

(c) The Plan was again amended effective May 21, 1998 for the purpose of increasing the number of shares reserved for issuance under the Plan from 2,000,000 (on a pre-split basis) to 3,000,000 (on a pre-split basis). The amendment to the Plan was approved by the Board of Directors of the Company on March 16, 1998, and by the holders of a majority of the issued and outstanding shares of Common Stock of the Company on May 18, 1998. For purposes of ease of administration and clarity of reference, the Plan was amended and restated to incorporate the 1996 and the 1998 amendments.

(d) The Plan was again amended on September 14, 1998 for the purpose of increasing the number of shares reserved for issuance under the Plan from 3,000,000 (on a pre-split basis) to 4,500,000 (on a pre-split basis). The amendment to the Plan was approved by the Board of Directors of the Company on September 14, 1998 and by the holders of a majority of the issued and outstanding shares of Common Stock of the Company on October 20, 1998. For purposes of ease of administration and clarity of reference, the Plan was amended and restated to incorporate all amendments.

(e) The Plan was amended by the Board of Directors of the Company on January 28, 2000 for the purpose of adding independent contractors as participants under the Plan. On March 21, 2000, the Plan was amended by the Board of Directors of the Company to increase the number of shares reserved for issuance under the Plan from 4,500,000 (on a pre-split basis) to 6,200,000 (on a pre-split basis). These amendments were approved by the holders of a majority of the issued and outstanding shares of Common Stock and Preferred Stock of the Company entitled to vote thereon on May 16, 2000. For purposes of ease of administration and clarity of reference, the Plan was amended and restated to incorporate all amendments.

(f) The Plan was again amended by the Board of Directors of the Company on March 20, 2001 for purposes of increasing the number of shares reserved for issuance under the Plan from 6,200,000 (on a pre-split basis) to 7,900,000 (on a pre-split basis), reducing the number of shares reserved for issuance under the Plan for director options from 496,000 (on a pre-split basis) to 210,000 (on a pre-split basis) and reducing the number of shares reserved for issuance under the Plan for employee stock awards from 310,000 (on a pre-split basis) to 31,250 (on a pre-split basis). The amendment to the Plan was approved by the Board of Directors of the Company on March 20, 2001 and by the holders of a majority of the issued and outstanding shares of Common Stock of the Company on May 15, 2001. For purposes of ease of administration and clarity of reference, the Plan was amended and restated to incorporate all amendments.

(g) The Plan was again amended by the Compensation Committee of the Board of Directors of the Company on December 13, 2001 for purposes of increasing the annual awards of Director Options for the purchase of 3,000 shares of Common Stock to annual awards of Director Options for the purchase of 5,000 shares of Common Stock. The amendment to the Plan was approved by the Compensation Committee of the Board of Directors of the Company on December 13, 2001. For purposes of ease of administration and clarity of reference, the Plan was amended and restated to incorporate all amendments.

(h) The Plan was amended by the Board of Directors of the Company on September 18, 2002 for purposes of changing the definition of Subsidiary to include limited liability companies within the definition. For purposes of ease of administration and clarity of reference, the Plan was amended and restated to incorporate all amendments.

(i) The Plan was again amended by the Board of Directors of the Company effective December 31, 2002 for purposes of changing the definition of Company in Section 1 of the Plan to "Rent-A-Center, Inc., a Delaware holding company." The amendment to the Plan was approved by the Board of Directors of the Company on December 12, 2002. For purposes of ease of administration and clarity of reference, the Plan was amended and restated to incorporate all amendments.

(j) The Plan was again amended by the Compensation Committee of the Board of Directors of the Company on August 29, 2003 for purposes of reflecting the effects of the five (5) for two (2) split of the Company's Common Stock. The amendment to the Plan was approved by the Compensation Committee of the Board of Directors of the Company on July 25, 2003. For purposes of ease of administration and clarity of reference, the Plan was amended and restated to incorporate all amendments.

RENT-A-CENTER, INC.

EXHIBIT 10.22

AMENDED AND RESTATED
FRANCHISEE FINANCING AGREEMENT

This Amended and Restated Franchisee Financing Agreement ("Agreement") is made and entered into by and among Wells Fargo Foothill, Inc., a Delaware corporation ("Lender"), ColorTyme, Inc., a Texas corporation ("ColorTyme"), and Rent-A-Center East, Inc., a Delaware corporation formerly known as Rent-A-Center, Inc., which was formerly known as Renters Choice, Inc. ("RAC").

RECITALS

A. ColorTyme is a franchisor of "rent-to-own" stores (each, a "Store") operated by franchisees licensed by ColorTyme (each, a "Franchisee"), offering various home entertainment equipment, household equipment, and consumer products and parts, accessories, and other goods used in connection therewith (collectively, "Inventory").

B. Textron Financial Corporation ("TFC"), ColorTyme and RAC are parties to that certain Amended and Restated Franchisee Financing Agreement, dated March 27, 2002, as amended July 23, 2002, September 30, 2002, and March 24, 2003 (as previously amended, the "Original Agreement").

C. Effective as of the date hereof, TFC is assigning to Lender all of TFC's right, title and interest in and to the Original Agreement, and Lender, ColorTyme and RAC desire to amend and restate the Original Agreement.

AGREEMENT

In consideration of the premises and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, Lender, ColorTyme and RAC agree to amend and restate the Original Agreement as follows:

ARTICLE I
CREDIT FACILITY

1.1 Credit Facility. Lender shall provide a credit facility for Franchisees on the terms and subject to the conditions set forth in this Agreement. The amount of the credit facility shall be up to, but not in excess of, fifty million and no/100 dollars ($50,000,000.00).

1.2 Financing Procedures. The following procedures shall be employed in determining the availability of financing for Franchisees under this Agreement:

(a) In the event a Franchisee shall indicate an interest in obtaining financing for any of the purposes described in Section 1.6, ColorTyme shall provide the Franchisee with a credit application and other credit documentation, in form and substance acceptable to Lender and ColorTyme, and ColorTyme shall assist the Franchisee in completing such credit application and other credit documents.

(b) After the Franchisee has completed the credit application and provided the other credit documents specified by Lender, if such credit application and other credit documents are acceptable to ColorTyme, ColorTyme shall promptly forward the executed credit application and other credit documents to Lender at its office in Dallas, Texas.

(c) If, following completion of its review of such credit application and other credit documents and its credit investigation, Lender determines that it will provide the financing requested, it shall so notify the Franchisee and ColorTyme and, upon receipt of such additional closing documents as Lender reasonably determines to be necessary for the approval of the credit, Lender shall either (i) establish a revolving line of credit for the Franchisee in accordance with the terms of this Agreement (each such line of credit is referred to herein as a "Line of Credit"), or (ii) provided Lender has previously or contemporaneously established a Line of Credit for the Franchisee, make a term loan to the Franchisee in accordance with the terms of this Agreement (each such term loan is referred to herein as a "Term Loan"). For purposes of this Agreement, the obligations of a Franchisee to Lender under a Line of Credit and/or a Term Loan are collectively referred to as a "Receivable."

1.3 Interest Rates. The interest rate on each Receivable shall be determined in accordance with this Section 1.3.

(a) Unless otherwise agreed by Lender and ColorTyme and except as otherwise provided in paragraphs (b) or (c) of this Section 1.3, the interest rate on each Receivable shall be the rate established by the following schedule: (i) for each Line of Credit with a Credit Limit (as that term is hereinafter defined) of $1,000,000 or less, the rate will be the Prime Rate plus 4.75%; (ii) for each Line of Credit with a Credit Limit of more than $1,000,000, the rate will be the Prime Rate plus 3.75%; and (iii) for each Term Loan, the rate will be the same as the rate applicable to the Franchisee's Line of Credit on the date of such Term Loan. For purposes of this section, "Prime Rate" shall mean the rate of interest announced within Wells Fargo Bank, N.A., at its principal office in San Francisco as its "prime rate," with the understanding that the "prime rate" is one of Wells Fargo Bank's base rates (not necessarily the lowest of such rates) and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto and is evidenced by the recording thereof after its announcement in such internal publication or publications as Wells Fargo Bank, N.A. may designate. The applicable interest rate will be a floating rate; changes in such interest rate will be established monthly, effective as of the last business day of the preceding month. Interest will be calculated on the basis of a 360-day year.

(b) The interest rates specified in Section 1.3(a) of this Agreement shall apply to all Receivables originated on or after the date hereof from Franchisees not currently borrowing pursuant to this Agreement and to all Receivables outstanding on such date, for which the Franchisees obligated to Lender thereunder consent to the change in the interest rates on such Receivables to those established by this Section 1.3; the interest rates on all Receivables outstanding on such date, for which the Franchisees obligated to Lender thereunder do not consent to the change in the interest rates on such Receivables

to those established by this Section 1.3 will continue at the existing rates, subject to the right of Lender to terminate such Franchisee's line of credit, in accordance with the terms of its governing agreements. ColorTyme and RAC agree to assist Lender in obtaining the consent of all Franchisees to the modifications of Receivables to conform to the interest rates specified in Section 1.3(a) of this Agreement.

1.4 Credit Limits. When a Line of Credit is established for a Franchisee pursuant to this Agreement, Lender shall fix a credit limit for the Franchisee of (i) two hundred fifty thousand dollars ($250,000) if such Franchisee is not designated by ColorTyme as having prior "rent-to-own" experience; (ii) three hundred thousand dollars ($300,000) if such Franchisee is designated by ColorTyme as having prior "rent-to-own" experience; or (iii) such other amount as may be agreed upon from time to time by Lender and ColorTyme (the credit limit established for each Franchisee is referred to herein as the "Credit Limit"). The amount of the Credit Limit may be adjusted from time to time upon agreement by Lender and ColorTyme. When a Term Loan is made to a Franchisee pursuant to this Agreement, the principal amount of the Term Loan and the interest thereon shall not be included in or subject to the Credit Limit.

1.5 Advance Limits. The amount of credit available under each Receivable (notwithstanding the amount of a Franchisee's Credit Limit, in the case of a Line of Credit) shall be limited to the product of the Franchisee's Average Monthly Revenue multiplied by five (the advance limit established for each Franchisee is referred to herein as the "Total Advance Limit"). For purposes of this Agreement, a Franchisee's "Average Monthly Revenue" shall mean the average monthly total revenue of the Franchisee (exclusive of sales tax) from the sale, lease or rental of Inventory and other customary fees, calculated in accordance with generally accepted accounting principles applied on a consistent basis, for the three calendar months preceding the most recent periodic review of such Franchisee's Receivable(s). Notwithstanding anything in this section to the contrary, if the Total Advance Limit established pursuant to this section would otherwise be an amount that is less than the then outstanding balance of such Receivable (each such Receivable is referred to herein as an "Overline Receivable"), the Total Advance Limit for such Overline Receivable will be set at the then outstanding balance thereof, and such Overline Receivable will continue to be administered as provided herein, unless Lender and ColorTyme agree otherwise. The provisions of this section shall not apply to any Receivable until all the Stores for which the financing was provided under the Receivable have been open for business for one (1) year.

1.6 Use of Proceeds. Lender will advance funds pursuant to a Franchisee's Line of Credit or Term Loans only for the following purposes: (i) the Franchisee's acquisition of Inventory; (ii) the Franchisee's acquisition or conversion of a Store; (iii) the buyout of an ownership interest in the Franchisee; and/or (iv) the Franchisee's working capital.

(a) Inventory. Advances to a Franchisee for inventory will be limited to the lesser of (i) the cost of the Inventory acquired by such Franchisee; (ii) the amount of such Franchisee's Credit Limit; or (iii) the amount of the Franchisee's Total Advance Limit after deducting the outstanding balance of all Term Loans to such Franchisee.

(b) Store Acquisitions and Conversions. Advances to a Franchisee for Store acquisitions and/or conversions (i.e., the acquisition of existing ColorTyme Stores and/or

the acquisition of other "rent-to-own" stores for conversion to ColorTyme Stores) will be limited to the lesser of (i) in the case of a Store that has been open for business (either as a ColorTyme Store or as another "rent-to-own" store) for one (1) year or more, the product of the Average Monthly Revenue of the individual Store multiplied by nine (9); and (ii) the amount that, when added to the Credit Limit and other Term Loans to such Franchisee, would cause the Debt-to-Revenue Ratio for the Franchisee to equal or exceed 5:1. For purposes of this paragraph, "Debt-to-Revenue Ratio" shall mean the ratio of (x) Funded Debt to (y) the Average Monthly Revenue of the Franchisee (calculated on an aggregate basis for all Stores owned and/or operated, including such Stores to be acquired, by such Franchisee and any and all affiliates of such Franchisee); and "Funded Debt" shall mean, as of any date, the total amount of liabilities (including the advance contemplated by this paragraph) that would be reflected on the consolidated balance sheet of Franchisee and its parent and any and all subsidiaries and affiliates, if any, in accordance with generally accepted accounting principles applied on a consistent basis. All Advances for Store acquisitions and/or conversions will be subject to the approval of ColorTyme, but shall otherwise be at the sole discretion of Lender.

(c) Franchisee Owner Buyouts. Advances for the buyout of an ownership interest in a Franchisee, either by the Franchisee or by one (1) or more other owners of interests in the Franchisee, will be limited to the amount of the Franchisee's Total Advance Limit minus the Franchisee's Credit Limit and minus the outstanding balance of all other Term Loans to such Franchisee and owners. All Advances for Franchisee owner buyouts will be subject to the approval of ColorTyme, but shall otherwise be at the sole discretion of Lender.

(d) Working Capital. Advances to a Franchisee for working capital will be limited to the lesser of (i) the amount by which ColorTyme's minimum working capital requirement exceeds such Franchisee's working capital available from other sources; (ii) sixty thousand and no/100 dollars ($60,000.00); (iii) the amount of such Franchisee's Total Advance Limit minus such Franchisee's Credit Limit and minus the outstanding balance of all other Term Loans to such Franchisee. Financing for working capital will be made available only to Franchisees designated by ColorTyme as having prior "rent-to-own" experience and approved by ColorTyme for such financing in connection with the opening of a Store, but shall otherwise be at the sole discretion of Lender.

For purposes of this section, Lender may rely fully on the representations and/or agreements of the Franchisee with respect to the use of funds, with no obligation to independently verify such information. The use of any such funds by a Franchisee for any purpose not permitted by this section will not affect the obligations of ColorTyme or RAC under this Agreement.

1.7 Payment Terms. Each Receivable will be repayable as follows:

(a) In the case of a Line of Credit, (i) accrued and unpaid interest shall be payable monthly, and (ii) principal shall be payable in monthly installments equal to 1/21 of the initial principal amount of each advance made by Lender under such Line of Credit. Both interest and principal shall generally be due and payable on the 26th day of each month.

(b) In the case of a Term Loan, (i) accrued and unpaid interest shall be payable monthly, and (ii) principal shall be payable in equal monthly installments over the term of the Term Loan, with the amount of the monthly installments calculated by dividing the original principal amount of the Term Loan by the number of months in the term thereof. Both interest and principal shall generally be due and payable on the 26th day of each month. The term of any Term Loan shall not exceed sixty (60) months.

1.8 Suspension of Advances. Advances to a Franchisee under any Line of Credit may, at Lender's sole discretion, be suspended or limited at any time that the unpaid balance of all Advances under such Line of Credit, when added to the outstanding principal balance of all Term Loans made to such Franchisee exceeds the product of the Franchisee's Average Monthly Revenue multiplied by four (4) where (i) the ratio of cash expenses (total annual expenses, less depreciation directly related to the operation of the Franchisee's Store(s), calculated in accordance with generally accepted accounting principles applied on a consistent basis) to total revenue (calculated in accordance with generally accepted accounting principles applied on a consistent basis, excluding extraordinary items, based on a three (3) month rolling average) exceeds 64%; (ii) the Franchisee fails to maintain the number of rental contracts that are seven (7) or more days past due (calculated on a three (3) month rolling average) at 8% or less of its total outstanding rental contracts; (iii) expenses of a Store that has been open for business for less than twelve (12) months cause the ratio of actual expenses to actual revenue to exceed the ratio of expenses to revenue reflected in the proforma cash flow projections for that Store; (iv) payments (principal and/or interest) under any Receivable of the Franchisee are more than fifteen (15) days past due; (v) the idle inventory percentage (the quotient of the idle inventory divided by the total inventory, calculated on a three (3) month rolling average and based on the idle inventory and total inventory figures reflected on the Franchisee's monthly royalty reports) exceeds twenty-five percent (25%); or (vi) in Lender's determination, the Receivable is otherwise in default.

1.9 Financing Terms and Credit Standards. The specific terms of any financing provided by Lender to Franchisees under this Agreement shall be determined from time to time by Lender in accordance with its ordinary and customary business practices. The credit standards for approval of any financing provided by Lender to Franchisees under this Agreement shall be determined from time to time by Lender and ColorTyme; provided however, the application of such credit standards to particular transactions shall be at Lender's sole discretion.

1.10 Credit Approval. Nothing herein shall obligate Lender to accept or approve any application for financing submitted by or on behalf of any Franchisee. Lender may, in its sole discretion, reject or decline any application for financing submitted by or on behalf of any Franchisee; provided, if Lender rejects or declines any such application, it shall inform ColorTyme and the Franchisee of the reasons therefor.

1.11 Leased Stores. In connection with financing for Stores that are leased by Franchisees, Lender may, at its sole discretion, approve any such Franchisee's application for financing without any requirement that the Franchisee provide (i) a copy of the ground or building lease; (ii) the landlord's consent to the collateral assignment of such lease, (iii) a disclaimer of the landlord's interest in the fixtures, equipment, inventory or other goods in which Lender may obtain a security interest; or (iv) any other consent, waiver or other matter related to

such lease. Any approval by Lender of a Franchisee's application for financing that does not require any such items related to the lease shall not in any way affect the obligations of ColorTyme or RAC under this Agreement.

1.12 Collection Procedures. Lender may use its ordinary and customary practices and procedures to collect outstanding Receivables, subject to the provisions of this Agreement, which practices and procedures may or may not be consistent with those used in the past by TFC.

1.13 Modification of Receivables. Notwithstanding anything in this Agreement to the contrary, Lender reserves the right to make such modifications, adjustments and/or revisions to any Receivables, including the Credit Limits, payment terms and conditions for advances thereunder, as it deems necessary or appropriate under the circumstances, provided Lender may not make any modifications, adjustments or revisions to the extent such modifications, adjustments and/or revisions have not been approved by ColorTyme. Lender may at any time, at its sole discretion, amend payment schedules, defer payments or otherwise modify the terms of any such Receivable, without in any way affecting the obligations of ColorTyme or RAC under this Agreement, except to the extent such amendment, deferral or other modification shall cause such Receivable to exceed the Advance Limit for such Receivable determined in accordance with Section 1.5 on the basis of information provided to the Lender on or before the effective date of such amendment, deferral or other modification.

1.14 Periodic Review of Receivables. Lender may periodically review any Receivable, at such times or intervals and taking into consideration such matters (including without limitation the Average Monthly Revenue of the Franchisee named in such Receivable) as may be agreed upon from time to time by Lender and ColorTyme. Lender shall prepare a written report of each such periodic review, and promptly provide ColorTyme with a copy of such report.

1.15 Payments to ColorTyme. Lender shall pay to ColorTyme, from the interest portion of each payment received by Lender on account of each Receivable (whether a Line of Credit or a Term Loan), an amount calculated by multiplying the amount of each such interest payment by a fraction, the denominator of which is the rate of interest applicable to such Receivable and the numerator of which is determined on the following scale: (i) 2.00% if the Franchisee's Credit Limit is $1,000,000 or less; or (ii) 1.50% if the Franchisee's Credit Limit is greater than $1,000,000. The amounts payable pursuant to this section shall be payable on a monthly basis within 20 days after the end of the month in which an interest payment is received by Lender.

1.16 Franchisee Credit Facility Fee. Lender shall use commercially reasonable efforts to amend the credit agreements with the Franchisees to require the Franchisees to pay, directly to ColorTyme, a non-refundable credit facility fee equal to eight-tenths of one percent (0.80%) of the Credit Limit established for the Franchisee by Lender pursuant to such credit agreements, such credit facility fee to be due and payable upon execution of such amendment. The form and substance of the amendment to the credit agreements shall be subject to ColorTyme's approval. ColorTyme shall be solely responsible for collecting the credit facility fee from the Franchisees; Lender shall have no obligation or responsibility to collect the credit facility fee from the Franchisees. In the event any Franchisee fails to amend its applicable credit agreement as described pursuant to this Section 1.16, then, at the request of ColorTyme, Lender shall terminate such Franchisee's line of credit in accordance with the terms of its governing agreements.

ARTICLE II
REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 Representations and Warranties of ColorTyme and RAC. ColorTyme and RAC, jointly and severally, represent and warrant to Lender that:

(a) ColorTyme. ColorTyme is a corporation duly organized, validly existing and in good standing under and pursuant to the laws of the State of Texas. ColorTyme has duly qualified and is authorized to conduct business and is in good standing as a foreign corporation in all jurisdictions where such qualification is necessary. ColorTyme has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions herein contemplated, ColorTyme has taken all corporate action necessary to duly authorize the execution of this Agreement and the consummation of all transactions herein contemplated.

(b) RAC. RAC is a corporation duly organized, validly existing and in good standing under and pursuant to the laws of the State of Delaware. RAC has duly qualified and is authorized to conduct business and is in good standing as a foreign corporation in all jurisdictions where such qualification is necessary. RAC has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions herein contemplated. RAC has taken all corporate action necessary to duly authorize the execution of this Agreement and the consummation of all transactions herein contemplated.

(c) Enforceable Agreement. This Agreement has been duly executed and delivered by ColorTyme and RAC and is a legal, valid and binding obligation of ColorTyme and RAC, fully enforceable in accordance with its terms.

(d) The Receivables. The credit applications and other credit documents provided to Lender by ColorTyme pursuant to Section 1.2. in connection with each application by a Franchisee for financing pursuant to this Agreement will in each case be all the documents received or acquired by ColorTyme or RAC in connection with such application; to the best of ColorTyme's and RAC's knowledge, each such document will have been duly executed by the persons whose signatures purport to appear thereon; to the best of ColorTyme's and RAC's knowledge, none of such documents or any other materials submitted therewith will contain any false or misleading statements or information; and at the time such documents are provided to Lender and, if the application for financing is approved by Lender, at the time the resulting Receivable is funded by Lender, neither ColorTyme nor RAC will have any knowledge of any fact or circumstance that would materially adversely affect the enforceability or collectability of the Receivable or Lender's rights thereunder or in the collateral securing such Receivable.

(e) Accurate Information. Neither ColorTyme nor RAC has made any misstatement of material fact to Lender or provided Lender with any false or misleading information relevant to this Agreement or withheld from Lender any information known to ColorTyme or RAC which would be material to Lender's decision to enter into this Agreement.

2.2 Covenants of ColorTyme and RAC. At all times during which any of the Receivables are outstanding or during which ColorTyme and/or RAC have any obligations, including contingent obligations, to Lender under this Agreement, unless Lender shall otherwise consent in writing:

(a) Consolidated Leverage Ratio. ColorTyme and RAC shall not permit the Consolidated Leverage Ratio (as that term is defined in the Credit Agreement among Rent-A-Center, Inc., as borrower, the several lenders from time to time parties thereto, Morgan Stanley Senior Funding Inc., as Documentation Agent, JPMorgan Chase Bank and Bear, Stearns & Co., Inc., as Syndication Agents, Wachovia Bank, National Association, UBS Warburg LLC, United Overseas Bank and Credit Lyonnais, as Managing Agents, and Lehman Commercial Paper Inc., as Administrative Agent, dated as of May 28, 2003 (as the same has been or may be amended, restated or modified from time to time, the "Senior Credit Agreement"), as of the last day of any period of four (4) consecutive fiscal quarters to exceed 2.75 to 1.00.

(b) Consolidated Fixed Charge Coverage Ratio. ColorTyme and RAC shall not permit the Consolidated Fixed Charge Coverage Ratio (as that term is defined in the Senior Credit Agreement), for any period of four (4) consecutive fiscal quarters of Rent-A-Center, Inc, to be less than the ratio of 1.50 to 1.00.

(c) Receipt of Funds. If ColorTyme or RAC receive any money or property as payment on any of the Receivables, they shall receive and hold such money or property in trust for Lender and immediately deliver such money or property to Lender with any necessary endorsements.

(d) The Receivables. Neither ColorTyme nor RAC shall take any action, or fail to take any action, which could adversely affect Lender's rights with respect to any of the Receivables. Neither ColorTyme nor RAC will make any misstatement of material fact to Lender or provide Lender with any false or misleading information relevant to any credit application or other credit documents submitted pursuant to this Agreement or any Receivable or omit to provide Lender with any information known to ColorTyme or RAC which would be material to Lender's decision regarding any such credit application or Receivable.

(e) Confidentiality; Proprietary Rights. During the term of this Agreement, Lender shall provide to ColorTyme various forms, documents, procedures manuals and other information and materials for use in connection with the financing contemplated by this Agreement. ColorTyme and RAC acknowledge and agree that all such information and materials are proprietary to Lender and constitute private business information intended for Lender's exclusive benefit. Neither ColorTyme nor RAC shall use, and neither shall permit its employees or agents to use, any such materials or information for any purpose other than as expressly contemplated by this Agreement. ColorTyme and RAC shall maintain the confidentiality of all such materials and information with the same degree of diligence as they use to protect their own proprietary information and trade secrets from disclosure to other parties.

(f) Indemnity. ColorTyme and RAC, jointly and severally, shall indemnify Lender and its successors, assigns and participants, and their respective officers, directors, employees, attorneys and agents, from, and shall hold each of them harmless against, any and all losses, liabilities, claims, damages, costs and expenses (including reasonable attorneys' fees) to which any of them may become subject (INCLUDING LOSSES, LIABILITIES, CLAIMS, DAMAGES, COSTS AND EXPENSES WHICH ARISE IN WHOLE OR IN PART OUT OF THE NEGLIGENCE OF LENDER) which directly or indirectly arise from or relate to (i) this Agreement or any of the transactions contemplated hereby, (ii) the sale of franchises by ColorTyme or any dealings between ColorTyme and Franchisees; (iii) the enforcement by Lender of its rights hereunder, or (iv) any investigation, litigation or other proceeding, including, without limitation, any threatened investigation, litigation or other proceeding, relating to any of the foregoing, excluding, however, (x) any losses, liabilities, claims, damages, costs and expenses which arise exclusively from the willful misconduct or gross negligence of Lender, and (y) expenses incurred by Lender pursuant to Section 3.2. The obligations of ColorTyme and RAC under this section shall survive the termination of this Agreement.

(g) Financial Statements and Reports. RAC shall provide to Lender a copy of each Form l0-K, Form 10-Q and Form 8-K of Rent-A-Center, Inc., filed with the U.S. Securities and Exchange Commission, within two (2) business days after the filing thereof. ColorTyme shall provide to Lender (i) a copy of its audited individual and consolidated year-end financial statements within ninety (90) days following the end of each fiscal year; (ii) a copy of its monthly financial statements within thirty (30) days following the end of each month; (iii) a copy of its Uniform Franchise Offering Circular and all amendments thereto, within one hundred twenty (120) days following the end of each fiscal year; and (iv) royalty reports and financial statements for each Franchisee, promptly upon request by Lender. RAC and ColorTyme shall provide to Lender a quarterly compliance certificate in the form of Exhibit A attached hereto within thirty (30) days following the end of each calendar quarter.

(h) Notification of Senior Credit Agreement Modification. Each of ColorTyme and RAC agrees to provide, or cause to be provided, to Lender a copy of each modification of the Senior Credit Agreement within ten (10) business days after such modification has been duly executed by all required parties and is deemed effective.

(i) Further Assurances. ColorTyme and RAC shall, upon request of Lender, execute and deliver such additional documents and instruments as may be reasonably required by Lender for carrying out the purposes of this Agreement.

ARTICLE XII

RECEIVABLE DEFAULTS

3.1 Notice of Default. In the event any payments due under any of the Receivables are delinquent by more than ninety (90) days or Lender otherwise declares a default under any of the Receivables, Lender shall give notice thereof to ColorTyme.

3.2 Foreclosure. Following notice of a default under a Receivable pursuant to Section 3.1, in the exercise of its sole and absolute discretion, Lender shall attempt to collect the outstanding obligations under the Receivable and, if necessary, commence appropriate legal actions to recover the collateral securing such Receivable and to collect the accounts owing by the account debtor(s) and other persons, if any, in connection with such collateral. The costs incurred by Lender in connection with such actions shall be shared by Lender and ColorTyme in accordance with subpart (z) of Section 3.4 and sub-part (a) of Section 6.1 (i.e., the first one thousand dollars ($1,000.00) is to be paid by ColorTyme, and all costs in excess of that amount are to be paid by Lender). Lender may take collection actions consistent with those taken in the past by TFC.

3.3 Letter of Credit. Within five (5) business days following notice of a default under a Receivable pursuant to Section 3.1, RAC shall cause a standby letter of credit to be issued to Lender in an amount equal to one hundred fifteen percent (115%) of the outstanding balance of the defaulted Receivable. The letter of credit shall secure the obligations of ColorTyme under Section 3.4 with respect to such defaulted Receivable. Upon payment by ColorTyme of the Recourse Amount (as that term is hereinafter defined) with respect to the defaulted Receivable, such letter of credit shall be promptly returned to RAC for cancellation. The letter of credit shall provide for a term of one (1) year; shall be payable upon presentation to the issuing bank of a certificate of Lender stating that ColorTyme has failed to pay all amounts due under Section 3.4 with respect to the Receivable for which the letter of credit was issued; shall be issued by a bank located in the United States that is included in the bank group party to the Senior Credit Agreement (or such other bank as may be approved by Lender in its sole discretion), but excluding any bank that has a participation interest in any of the Receivables or this Agreement, which bank must have a senior unsecured issuer rating of Aa or above as determined by Moody's Investors Service or a short-term issue credit rating of Al or above as determined by Standard & Poors; and shall otherwise be acceptable to Lender in all respects.

3.4 ColorTyme's Recourse Obligation; Assignment to ColorTyme. ColorTyme shall pay to Lender an amount (the "Recourse Amount") equal to the sum of (x) the outstanding principal balance of a defaulted Receivable, (y) all accrued and unpaid interest thereon and (z) all reasonable expenses incurred by Lender, including the fees and expenses of its legal counsel, in connection with the enforcement of such Receivable, up to a maximum of one thousand and no/100 dollars ($1,000.00) per Receivable, upon the earliest to occur of (a) repossession and/or foreclosure of the collateral securing the defaulted Receivable, (b) the entry by a court of competent jurisdiction of an order staying or barring such actions or adjudicating the rights of Lender with respect to such collateral, (c) eleven (11) months following the issuance of the letter of credit with respect to the defaulted Receivable pursuant to Section 3.3, or (d) thirty (30) days after Lender sends notice of a default in accordance with Section 3.1 if, but only if, Lender has not received a letter of credit issued in accordance with Section 3.3, whereupon Lender shall contemporaneously assign to ColorTyme Lender's interest in the defaulted Receivable and the collateral securing such defaulted Receivable, WITHOUT RECOURSE OR WARRANTY OF ANY KIND WHATSOEVER.

IV.
DEFAULT UNDER THIS AGREEMENT

4.1 Events of Default. An "Event of Default" shall exist if any one or more of the following events (herein collectively called "Events of Default") shall occur and be continuing:

(a) ColorTyme or RAC shall fail to pay any amount due under the terms of this Agreement within ten (10) business days following demand therefor.

(b) ColorTyme or RAC shall fail to perform, observe or comply with any of their covenants, agreements or obligations contained in this Agreement, and such failure shall remain uncured thirty (30) days following notice thereof.

(c) Any representation or warranty made by ColorTyme or RAC in this Agreement or any of the documents delivered to Lender pursuant to this Agreement shall prove to be untrue, misleading or inaccurate in any material respect.

(d) ColorTyme, RAC or any of their affiliates shall default in their respective obligations to Lender under any other agreement to which they, or any of them, are parties.

(e) ColorTyme, RAC or any of their affiliates shall default in their respective obligations under agreements with their primary lenders or any other agreement involving indebtedness in excess of fifty thousand and no/100 dollars ($50,000.00).

(f) ColorTyme, RAC or any of their affiliates shall (i) apply for or consent to the appointment of a receiver, custodian, trustee, liquidator, or similar official for themselves or all or a substantial part of their property, (ii) admit in writing that they are unable to pay their debts generally as they become due, (iii) make a general assignment for the benefit of creditors, (iv) file a petition or answer seeking liquidation, reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization or insolvency laws, (v) file an answer admitting the material allegations of or consent to or default in answering a petition filed against them in any bankruptcy, reorganization or insolvency proceeding, (vi) become the subject of an order for relief under any bankruptcy, reorganization or insolvency proceeding which shall continue unstayed and in effect for thirty (30) days, or (vii) an order, judgment or decree shall be entered by any court of competent jurisdiction or other competent authority approving a petition appointing a receiver, custodian, trustee, liquidator or similar official for them or of all or a substantial part of their property and such other, judgment or decree shall continue unstayed and in effect for a period of thirty (30) days.

(g) ColorTyme or RAC shall cease doing business as a going concern.

(h) This Agreement or any other documents delivered to Lender pursuant to this Agreement or in connection herewith shall for any reason cease to be in full force and effect, or shall be declared null or unenforceable in whole or in material part, or the validity or enforceability thereof shall be challenged or denied by any party thereto excluding Lender.

4.2 Remedies Upon Default. If an Event of Default shall occur and be continuing, Lender at its sole discretion may, without notice (i) terminate this Agreement, (ii) elect to have ColorTyme repurchase all Receivables then held by Lender (without recourse or warranty by Lender), whereupon ColorTyme shall so repurchase such Receivables for an amount equal to the outstanding principal balance thereof plus all accrued and unpaid interest thereon, (iii) reduce any claim to judgment, (iv) set off and apply against the obligation of ColorTyme, without notice to ColorTyme or RAC, any and all deposits or other sums at any time credited or held by Lender or owing from Lender to ColorTyme, RAC or any of their affiliates, whether or not said obligations are then due, and (v) without further notice of default or demand, pursue and enforce any of Lender's rights and remedies under this Agreement and any of the other documents delivered to Lender pursuant to this Agreement or otherwise provided under or pursuant to any applicable law or any other agreement.

V.
GUARANTY

5.1 Guaranty. RAC hereby guaranties the full and prompt payment and performance of all debts, liabilities and obligations of ColorTyme to Lender arising out of or in any way related to this Agreement (as amended, restated or otherwise modified), whether for principal, interest (including any interest which, but for the application of the provisions of the Bankruptcy Code, would have accrued on such amounts), premium, reimbursement obligations, fees, costs, expenses, recourse or indemnity obligations (collectively, the "Obligations"). RAC represents and warrants to Lender that it will receive a substantial economic benefit from the financing provided by Lender pursuant to this Agreement, and acknowledges that Lender would not provide such financing if it did not receive this guaranty. RAC hereby waives promptness, diligence, notice of acceptance and any other notice with respect to the Obligations or this guaranty, and any requirement that Lender protect, secure, perfect or insure any security interest or lien or any property subject thereto, or exhaust any right or take any action against ColorTyme or any other person or entity or any collateral. The liability of RAC under this guaranty shall be absolute, unconditional, irrevocable and continuing, irrespective of any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to departure from the terms of the Obligations. RAC hereby consents to any and all extensions or other indulgences granted by Lender to ColorTyme and consents to the release or substitution of any or all collateral securing the Obligations. RAC hereby irrevocably waives any and all rights it may now or hereafter have under any agreement or at law or in equity (including, without limitation, any law subrogating it to the rights of Lender) to assert any claim or seek contribution, indemnification or any other form of reimbursement from ColorTyme for any payment made by RAC under or in connection with this guaranty. This guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by Lender upon the insolvency, bankruptcy or reorganization of ColorTyme or otherwise, all as though such payment had not been made. RAC agrees that in light of the immediately foregoing waivers, the execution of this Guaranty shall not be deemed to make RAC a "creditor" of ColorTyme, and that for purposes of Sections 547 and 550 of the Bankruptcy Code, RAC shall not be deemed a "creditor" of ColorTyme.

To the maximum extent permitted by law, RAC hereby waives: (1) any rights to assert against Lender any defense (legal or equitable), set-off, counterclaim, or claim which RAC may now or at any time hereafter have against ColorTyme or any other party liable to Lender; (2) any defense RAC has to performance hereunder, except the defense of discharge by payment in full of the Obligations and any right RAC has to be exonerated, provided by statute or otherwise, arising by reason of any claim or defense based upon an election of remedies by Lender including any defense based upon an election of remedies by Lender; (3) the benefit of any statute of limitations affecting RAC's liability hereunder or the enforcement thereof, and any act which shall defer or delay the operation of any statute of limitations applicable to the Obligations shall similarly operate to defer or delay the operation of such statute of limitations applicable to RAC's liability hereunder; and (4) any discharge of ColorTyme's obligations to Lender by operation of law as a result of Lender's intervention or omission; or the acceptance by Lender of anything in partial satisfaction of the Obligations. RAC consents and agrees that Lender shall be under no obligation to marshal any assets of ColorTyme or any Franchisee or other guarantor in favor of RAC, or against or in payment of any or all of the Obligations.

RAC hereby waives any and all benefits or defenses arising directly or indirectly under any state statutes pertaining to "anti-deficiency" or "one action" statutes such as California's Code of Civil Procedure Sections 580a, 580d and 726, or any other similar statutes or judicial opinions concerning the subject matter connected therewith. RAC understands that the effect of the foregoing waivers may be that RAC may have liability hereunder for amounts with respect to which RAC may be left without rights of subrogation, reimbursement, contribution or indemnity against ColorTyme or other guarantors or sureties.

Lender shall have the right to seek recourse against RAC to the fullest extent provided for herein, and no election by Lender to proceed in one form of action or proceeding, or against any party, or on any obligation, shall constitute a waiver of Lender's right to proceed in any other form of action or proceeding or against other parties unless Lender has expressly waived such right in writing. Specifically, but without limiting the generality of the foregoing, no action or proceeding by Lender under any document or instrument evidencing the Obligations shall serve to diminish the liability of RAC under this Guaranty except to the extent that Lender finally and unconditionally shall have realized indefeasible payment by such action or proceeding.

RAC hereby agrees that any and all present and future indebtedness of ColorTyme owing to RAC is postponed in favor of and subordinated to payment, in full, in cash, of the Obligations. In this regard, following notice from Lender under Section 3.1, no payment of any kind whatsoever shall be made with respect to such indebtedness until the Obligations have been indefeasibly paid in full.

ARTICLE VI

MISCELLANEOUS

6.1 Expenses. Each party hereto shall pay and be responsible for its own expenses incurred in connection with this Agreement and the transactions herein contemplated; provided, however, ColorTyme and RAC shall reimburse Lender (and any participant in this Agreement or any of the Receivables) for all of its reasonable out-of-pocket expenses, including the reasonable fees and expenses of its legal counsel, incurred in connection with (a) the preparation,

negotiation and execution of this Agreement and each amendment hereto, (b) the enforcement and collection of Receivables that default, up to a maximum of one thousand and no/100 dollars ($1,000.00) for each such default; and (c) the enforcement or preservation of Lender's rights under this Agreement following an Event of Default. All such expenses shall be paid promptly upon request by Lender.

6.2 Relationship of the Parties. The parties are not engaged in a partnership or joint venture, and nothing herein shall confer on any party hereto the authority to act for or on behalf of the other party, except as expressly provided herein. Lender has no fiduciary or other special relationship with ColorTyme, the guarantor or any of their affiliates.

6.3 Compliance with Laws. Throughout the term of this Agreement, ColorTyme, RAC and Lender shall each comply with all laws, regulations, rules and orders applicable to them.

6.4 No Waiver; Cumulative Remedies. No failure to exercise, and no delay in exercising, on the part of Lender, any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided for in this Agreement and the other documents executed in connection herewith are cumulative and not exclusive of any other rights or remedies provided by law.

6.5 Notices. All notices or other communications hereunder shall be given in writing by either overnight courier service or pre-paid registered or certified mail, to the respective addresses of the parties following their names on the signature page of this Agreement. Such notice or other communication shall be deemed to have been given upon actual delivery or one (1) business day after depositing it with an overnight courier service or three (3) business days after depositing it with the United States Postal Service.

6.6 Severability. If at any time any provision, or the application of any provision, of this Agreement shall be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision, or the application thereof, shall be of no force or effect, but the illegality or unenforceability of such provision, or the application thereof, shall have no effect upon and shall not impair the enforceability of any other provision of this Agreement.

6.7 Entire Agreement; Amendments. This Agreement embodies the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, conditions and understandings, and may be amended only by an instrument executed in writing by an authorized officer of the party against whom such amendment is sought to be enforced.

6.8 Survival. All agreements, representations and warranties contained herein or made in writing by or on behalf of the ColorTyme or RAC in connection with the transactions contemplated hereby shall survive the execution and delivery of this Agreement, and any investigation at any time made by Lender, and the delivery of any documents to Lender pursuant to this Agreement and payment of the obligations of ColorTyme hereunder and any sale or assignment or other disposition by Lender of this Agreement, the Receivables or any other

documents delivered to Lender pursuant to this Agreement. All statements contained in any certificate or other instrument delivered by or on behalf of the ColorTyme or RAC pursuant hereto or in connection with the transactions contemplated hereby shall be deemed representations and warranties by such parties hereunder.

6.9 Binding Effect; No Third Party Beneficiaries. This Agreement shall inure to the benefit of, and the obligations created hereby shall be binding upon, the parties and their permitted successors and assigns. This Agreement is solely for the benefit of the parties hereto (and their successors and permitted assigns); nothing herein shall be construed to give any other person any right or claim with respect to this Agreement.

6.10 Assignment; Participations. Neither ColorTyme nor RAC may assign any of their rights or obligations under this Agreement without the prior written consent of Lender. Lender may at any time assign or sell this Agreement, or any rights hereunder or interest herein, and the Receivables, without the consent of ColorTyme or RAC; provided, that in the event Lender assigns or sells all or substantially all of Lender's rights in this Agreement and the Receivables, Lender (or its assignee or transferee) shall send, within at most thirty (30) days after such assignment or sale, written notice to ColorTyme and RAC of such assignment or sale (such notice is herein referred to as "Lender's Assignment Notice"). After receipt of the Lender's Assignment Notice, ColorTyme and RAC shall have the right, upon ninety (90) days' prior written notice to Lender's assignee or transferee, to terminate this Agreement and arrange for the payment in full of all Receivables (such notice is herein referred to as "ColorTyme's Termination Notice" and the date specified in such notice for termination and payment in full of all Receivables is herein referred to as the "Early Termination Date"). Notwithstanding ColorTyme's Termination Notice and termination of this Agreement, all rights of Lender (and its assignee or transferee) and all duties and obligations of ColorTyme and RAC under this Agreement with respect to outstanding Receivables and all advances made to Franchisees pursuant to Lines of Credit prior to such termination shall continue until all such Receivables are fully paid in accordance with their terms and all such Lines of Credit are terminated. After receipt of ColorTyme's Termination Notice, Lender, its assignee or transferee, may notify any or all Franchisees obligated on outstanding Receivables that no advances will be made and all Lines of Credit shall be terminated on the Early Termination Date, and Lender, its assignee or transferee, shall have no obligation to make any advances to any Franchisee from and after the Early Termination Date; provided however, so long as no event of default has occurred and is continuing under the Receivables of any Franchisee, Lender's assignee or transferee, as the case may be, shall continue to make advances available under the applicable Line of Credit and/or Term Loans to such Franchisee in accordance with such Franchisee's applicable credit agreement and other credit documentation at all times prior to the Early Termination Date. Lender may at any time sell to one or more persons participating interests in any Receivables and this Agreement without the prior consent of ColorTyme or RAC.

6.11 Audit. Lender shall have the right to inspect the books and records of ColorTyme relating to Franchisees that are obligated to Lender under Receivables, including the obligations of such Franchisees to ColorTyme. Lender shall keep the information obtained from such books and records confidential; nothing herein, however, shall limit (a) Lender's rights to use such information in administering the Receivables or in enforcing its rights under the Receivables or under this Agreement, or (b) Lender's rights to use such information in connection with any

prospective sale or assignment of any or all of the Receivables or this Agreement, or any interest therein or herein, provided the prospective purchaser, assignee or participant enters into a written agreement to maintain the confidentiality of such information.

6.12 Term; Termination. This Agreement shall be effective on and as of the date of its execution, and shall continue in effect until September 30, 2006; provided, that in the event the Senior Credit Agreement is modified and such modification changes the definition of Consolidated Leverage Ratio or Consolidated Fixed Charge Coverage Ratio in a manner that is not acceptable to Lender, in its sole discretion, then Lender may terminate this Agreement by sending to ColorTyme and RAC at least one hundred twenty days' prior written notice. Notwithstanding the termination of this Agreement, all rights of Lender and all duties and obligations of ColorTyme and RAC under this Agreement with respect to outstanding Receivables and additional advances made to Franchisees pursuant to Lines of Credit shall continue until all such Receivables are fully paid in accordance with their terms and all such Lines of Credit are terminated.

6.13 Construction. Each of the parties to this Agreement acknowledges that it has had the benefit of legal counsel of its own choice and has been afforded an opportunity to review this Agreement and all the other documents and instruments executed in connection herewith with its respective legal counsel and that this Agreement and all other documents and instruments executed in connection herewith shall be construed as if jointly drafted by all the parties hereto.

6.14 Amendment and Restatement. This Agreement amends and restates in its entirety the Original Agreement. The terms and provisions of the Original Agreement are hereby superseded by this Agreement. This Agreement is given in substitution for the Original Agreement. Each reference to the Original Agreement in any other document, instrument or agreement executed and/or delivered in connection therewith shall mean and be a reference to this Agreement. This Agreement amends, restates and supersedes only the Original Agreement. This Agreement is not a novation. Nothing contained herein, unless expressly herein to the contrary, is intended to amend, modify or otherwise affect any other instrument, document or agreement executed and/or delivered in connection with the Original Agreement. This Agreement shall govern the rights and obligations of the parties hereto with respect to all existing Receivables arising out of the Original Agreement, as well as all future Receivables. All obligations of ColorTyme under the Original Agreement and all obligations of RAC under the Original Agreement shall hereafter be deemed obligations of such parties under this Agreement.

6.15 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW).

6.16 Acknowledgments by ColorTyme and RAC. Each of ColorTyme and RAC acknowledges, represents, warrants and agrees that (a) as of the date hereof and after giving effect to this Agreement, no Event of Default or condition, or event which would with notice or the lapse of time, or both, result in an Event of Default, has occurred and is continuing, and it is not aware of the occurrence or continuance of any default with respect to the Original Agreement on the date hereof, (b) it does not have any grounds and hereby agrees not to challenge (or to allege or to pursue any matter, cause or claim arising under or with respect to the Original

Agreement or any of the existing Receivables, the existing Recourse Amount or the existing Obligations or the status of any thereof as legal, valid and binding obligations enforceable in accordance with their respective terms; and, to the best of its knowledge, it does not possess (and hereby forever waives, remises, releases, discharges and holds harmless the Lender, and its parents, subsidiaries, affiliates, stockholders, directors, officers, employees, attorneys, agents and representatives and each of their respective heirs, executors, administrators, successors and assigns (collectively, the "Lender Parties") from and against, and agree not to allege or pursue) any action, cause of action, suit, debt, claim, counterclaim, cross-claim, demand, defense, offset, opposition, demand and other right of action whatsoever, whether in law, equity or otherwise (which it, all those claiming by, through or under it, or its successors or assigns, have or may have) against the Lender Parties, or any of them, prior to or as of the date of this Agreement for, upon, or by reason of, any matter, cause or thing whatsoever, arising out of, or relating to, the Original Agreement, the existing Receivables, the Recourse Amount, the Obligations or any other document, instrument or agreement relating to any of the foregoing (including, without limitation, any payment, performance, validity or enforceability of any or all of the indebtedness, covenants, promises, agreements, provisions, rights, remedies, obligations, duties and liabilities thereunder) or any transaction relating to any of the foregoing, or any or all actions, courses of conduct or other matters in any manner whatsoever relating to or otherwise connected with any of the foregoing, provided, that the foregoing agreement shall not affect any action, cause of action, suit, debt, claim, counterclaim, cross-claim, demand, defense, offset, opposition, demand or other right of action whatsoever, whether in law, equity or otherwise that ColorTyme or RAC may have with respect to TFC, provided, further, that none of the foregoing rights with respect to TFC shall offset or be the basis of a counterclaim or otherwise affect the obligations of ColorTyme or RAC under this Agreement, and (c) it is obligated to pay to Lender on the effective date of this Agreement a fee in the amount set forth in a fee letter agreement between Lender, ColorTyme and RAC.

6.17 Receivables Purchase Obligation. In connection with the assignment by TFC to Lender of TFC's interest in the Original Agreement, and in accordance with Section 1.3(b) hereof, ColorTyme and RAC agree to use commercially reasonable efforts in assisting Lender in obtaining from each Franchisee executed amendments and restatements or modifications of each loan document evidencing each Receivable transferred by TFC to Lender (each, a "Receivable Modification"), the form of such Receivable Modification to be in form and substance reasonably acceptable to each of ColorTyme and Lender.

IN WITNESS WHEREOF, the parties have executed this Agreement on this 1st day of October, 2003.

COLORTYME, INC.
5700 Tennyson Parkway, Suite 180
Plano, Texas 75024

By: /s/ Steve Arendt

Title: President and Chief Executive Officer

RENT-A-CENTER EAST, INC.
5700 Tennyson Parkway, 3rd Floor
Plano, Texas 75024

By: /s/ Mitchell E. Fadel

Title: Vice President

WELLS FARGO FOOTHILL, INC.
2450 Colorado Avenue, Suite 3000 West
Santa Monica, California 90404

By: /s/ David B. Fricke

Title: Vice President

EXHIBIT A

COMPLIANCE CERTIFICATE

This Compliance Certificate is executed and delivered to Wells Fargo Foothill, Inc. ("Lender") by Rent-A-Center East, Inc. ("RAC") and ColorTyme, Inc. ("ColorTyme") this _____ day of _____, 20___, pursuant to Section ___ of that certain Amended and Restated Franchisee Financing Agreement (the "Franchisee Financing Agreement") dated September _____, 2003 among Lender, ColorTyme and RAC. All capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Franchisee Financing Agreement. The undersigned hereby certify to Lender as follows:

1. The undersigned are the duly elected, qualified and acting _____ of ColorTyme and _____ of RAC, and as such officers, are authorized to make and deliver this Compliance Certificate.

2. The undersigned have reviewed the provisions of the Franchisee Financing Agreement and confirm that, as of the date hereof:

   a. The representations and warranties contained in the Franchisee Financing Agreement are true and correct in all material respects on and as of the date hereof with the same force and effect as though made on the date hereof;

   b. ColorTyme and RAC have complied with all the terms, covenants and conditions set forth in the Franchisee Financing Agreement;

   c. No Event of Default, and no event that with notice or the passage of time or both will constitute an Event of Default, has occurred and is continuing; and

   d. Attached hereto as Schedule A is a report prepared by the undersigned setting forth information and calculations that demonstrate compliance (or noncompliance) with each of the covenants set forth in Section 2.2 of the Franchisee Financing Agreement.

The foregoing certificate is given in our respective capacities as officers of ColorTyme and RAC, and not in our individual capacities.

COLORTYME, INC.

By:_____
Name:_____
Its:_____

RENT-A-CENTER EAST, INC.

By:_____
Name:_____
Its:_____

SCHEDULE A
TO
COMPLIANCE CERTIFICATE

Consolidated Leverage Ratio

ColorTyme and RAC shall not permit the Consolidated Leverage Ratio, as of the last day of any period of four (4) consecutive fiscal quarters of Rent-A-Center, Inc., to exceed 2.75 to 1.00.

Covenant Satisfied: _____
Covenant Not Satisfied: _____

Consolidated Fixed Charge Coverage Ratio

ColorTyme and RAC shall not permit the Consolidated Fixed Charge Coverage Ratio, for any period of four (4) consecutive fiscal quarters of Rent-A-Center, Inc., to be less than the ratio of 1.50 to 1.00.

Covenant Satisfied: _____
Covenant Not Satisfied: _____

Exhibit 31.1

I, Mark E. Speese, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rent-A-Center, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2003

/s/ Mark E. Speese

Mark E. Speese
Chairman of the Board
and Chief Executive Officer

Exhibit 31.2

I, Robert D. Davis, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rent-A-Center, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2003

/s/ Robert D. Davis

Robert D. Davis
Senior Vice President-Finance, Treasurer
and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Rent-A-Center, Inc. (the "COMPANY") on Form 10-Q for the period ended September 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "REPORT"), I, Mark E. Speese, Chairman of the Board and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark E. Speese

Mark E. Speese
Chairman of the Board and
Chief Executive Officer

Dated: November 5, 2003

A signed original of this written statement required by Section 906 has been provided to Rent-A-Center, Inc. and will be retained by Rent-A-Center, Inc. and furnished to the Securities and Exchange Commission or its staff upon request. The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Rent-A-Center, Inc. (the "COMPANY") on Form 10-Q for the period ended September 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "REPORT"), I, Robert D. Davis, Senior Vice President - Finance, Treasurer and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert D. Davis

Robert D. Davis
Senior Vice President - Finance,
Treasurer and Chief Financial Officer

Dated: November 5, 2003

A signed original of this written statement required by Section 906 has been provided to Rent-A-Center, Inc. and will be retained by Rent-A-Center, Inc. and furnished to the Securities and Exchange Commission or its staff upon request. The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.