



Rent-A-Center, Inc. to Terminate Acceptance Now Agreement with Conn Appliances, Inc.

March 30, 2017

PLANO, Texas--(BUSINESS WIRE)--Mar. 30, 2017-- Rent-A-Center, Inc. (NASDAQ/NGS:RCII) ("Rent-A-Center" or the "Company"), the nation's largest rent-to-own operator, today announced that the Acceptance Now division ("ANow") of the Company has informed Conn Appliances, Inc. ("Conns") of its intent not to renew the referral agreement between the parties (the "Referral Agreement") upon its expiration on June 6, 2017.

The Company determined not to renew the Referral Agreement with Conns due to the quality and performance of ANow customer accounts originating from Conns stores, which consistently underperformed compared to the rest of its ANow portfolio in terms of delinquencies, losses and product returns. These accounts were cash flow negative and produced higher-than-average volume of returns, which were generally absorbed by Rent-A-Center's Core stores located in those associated areas, additionally resulting in an adverse impact of inventory levels in these Core stores. Conns' credit policies, applied through its company-owned secondary financing operation, which is unique as compared to our other retail partners, impacted the underperformance and quality of ANow customer accounts originating from Conns stores.

Interim Chief Executive Officer Mark Speese commented, "We recently announced a number of strategic initiatives to move our business forward and reposition Rent-A-Center and Acceptance Now for long-term growth and profitability. This decision advances our goal as we determined it was no longer in the best interests of the Company and our stakeholders to renew the agreement as we focus on optimizing and growing the Acceptance Now business. We expect these closures will result in an immediate improvement in cash flow in the ANow business beginning in June, and an improvement in ANow's return on investment for the remainder of 2017. We thank Conns for their partnership and wish them well in the future."

Under the Referral Agreement, ANow operates kiosk locations inside certain Conns stores. As a result of the non-renewal of the Referral Agreement, all 115 ANow kiosks located inside Conns stores will cease operations at the close of business on June 6, 2017. The ANow accounts that are currently under the Conns agreement will be merged into and managed by existing ANow or Core U.S. locations.

Speese continued, "Our Acceptance Now stores have consistently delivered best-in-class volume per unit, with our manned model driving five to ten times the volume of approvals than any other model in this space. We remain committed to working with our current and future partners where the ANow RTO alternative provides a win for the customers, our partners and for the Company."

The Company remains focused on optimizing and growing the ANow business and does not expect to terminate any other existing retail partnerships.

About Rent-A-Center, Inc.

A rent-to-own industry leader, Plano, Texas-based, Rent-A-Center, Inc., is focused on improving the quality of life for its customers by providing them the opportunity to obtain ownership of high-quality, durable products such as consumer electronics, appliances, computers, furniture and accessories, under flexible rental purchase agreements with no long-term obligation. The Company owns and operates approximately 2,600 stores in the United States, Mexico, Canada and Puerto Rico, and approximately 1,870 Acceptance Now kiosk locations in the United States and Puerto Rico. Rent-A-Center Franchising International, Inc., a wholly owned subsidiary of the Company, is a national franchiser of approximately 230 rent-to-own stores operating under the trade names of "Rent-A-Center," "ColorTyme," and "RimTyme."

Additional Information and Where to Find It

The Company intends to file a proxy statement with the SEC with respect to its 2017 Annual Meeting. **The Company's stockholders are strongly encouraged to read any such proxy statement, the accompanying white proxy card and other documents filed with the SEC carefully in their entirety when they become available because they will contain important information.** Stockholders will be able to obtain any proxy statement, any amendments or supplements to the proxy statement and other documents filed by the Company with the SEC free of charge at the SEC's website at www.sec.gov. Copies also will be available free of charge at the Company's website at www.rentacenter.com or by contacting the Company's Investor Relations at 972-801-1100. The Company, its directors, executive officers and other employees may be deemed to be participants in the solicitation of proxies from the Company's stockholders in connection with the matters to be considered at Rent-A-Center's 2017 Annual Meeting. Information about certain of the Company's current directors and executive officers is available in the Company's proxy statement, dated April 18, 2016, for its 2016 Annual Meeting. To the extent holdings of the Company's securities by such directors or executive officers have changed since the amounts printed in the 2016 proxy statements, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with Rent-A-Center's 2017 Annual Meeting.

Forward-Looking Statements

This press release and the guidance above contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "could," "estimate," "should," "anticipate,"

or "believe," or the negative thereof or variations thereon or similar terminology. The Company believes that the expectations reflected in such forward-looking statements are accurate. However, there can be no assurance that such expectations will occur. The Company's actual future performance could differ materially from such statements. Factors that could cause or contribute to such differences include, but are not limited to: the general strength of the economy and other economic conditions affecting consumer preferences and spending; factors affecting the disposable income available to the Company's current and potential customers; changes in the unemployment rate; difficulties encountered in improving the financial and operational performance of the Company's business segments; our chief executive officer and chief financial officer transitions, including our ability to effectively operate and execute our strategies during the interim period and difficulties or delays in identifying and attracting a permanent chief executive officer and chief financial officer, each with the required level of experience and expertise; failure to manage the Company's store labor and other store expenses; the Company's ability to identify, develop and successfully execute strategic initiatives; disruptions caused by the implementation and operation of the Company's new store information management system, including capacity-related outages; the Company's ability to successfully market smartphones and related services to its customers; the Company's ability to develop and successfully implement virtual or e-commerce capabilities; disruptions in the Company's supply chain; limitations of, or disruptions in, the Company's distribution network; rapid inflation or deflation in the prices of the Company's products; the Company's ability to execute and the effectiveness of a store consolidation, including the Company's ability to retain the revenue from customer accounts merged into another store location as a result of a store consolidation; the Company's available cash flow; the Company's ability to identify and successfully market products and services that appeal to its customer demographic; consumer preferences and perceptions of the Company's brand; uncertainties regarding the ability to open new locations; the Company's ability to acquire additional stores or customer accounts on favorable terms; the Company's ability to control costs and increase profitability; the Company's ability to retain the revenue associated with acquired customer accounts and enhance the performance of acquired stores; the Company's ability to enter into new and collect on its rental or lease purchase agreements; the passage of legislation adversely affecting the rent-to-own industry; the Company's compliance with applicable statutes or regulations governing its transactions; changes in interest rates; adverse changes in the economic conditions of the industries, countries or markets that the Company serves; information technology and data security costs; the impact of any breaches in data security or other disturbances to the Company's information technology and other networks and the Company's ability to protect the integrity and security of individually identifiable data of its customers and employees; changes in the Company's stock price, the number of shares of common stock that it may or may not repurchase, and future dividends, if any; changes in estimates relating to self-insurance liabilities and income tax and litigation reserves; changes in the Company's effective tax rate; fluctuations in foreign currency exchange rates; the Company's ability to maintain an effective system of internal controls; the resolution of the Company's litigation; and the other risks detailed from time to time in the Company's SEC reports, including but not limited to, its Annual Report on Form 10-K for the year ended December 31, 2016. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except as required by law, the Company is not obligated to publicly release any revisions to these forward-looking statements to reflect the events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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