



Rent-A-Center, Inc. Declares Quarterly Cash Dividend of \$0.29 for the Third Quarter of 2020 and Announces Full Repayment of ABL Credit Facility

June 29, 2020

PLANO, Texas--(BUSINESS WIRE)--Jun. 29, 2020-- Rent-A-Center, Inc. (the "Company") (NASDAQ/NGS: RCII) today announced that its Board of Directors has approved a quarterly cash dividend of \$0.29 per share for the third quarter of 2020. The dividend will be paid on July 28, 2020 to the Company's common stockholders of record as of the close of business on July 10, 2020.

Additionally, as of June 5, 2020, the Company has repaid all borrowings under its ABL Credit Facility. As previously disclosed, in March 2020, as a precautionary measure given the uncertainty from the COVID-19 pandemic, the Company drew approximately \$118 million against its ABL Credit Facility to enhance financial flexibility and increase available cash on hand. The Company has now repaid all funds drawn on the facility for a total debt paydown of \$163 million.

Following the repayment of the ABL Credit Facility, the Company is projected to end the second quarter with approximately \$195 million in cash on hand and total liquidity of approximately \$405 million. Total debt at the end of the period is expected to include our existing term loan of \$199 million resulting in net debt of approximately \$5 million as of June 30, 2020.

"Our sales trends and recurring revenue portfolio performance remains stronger than we expected at the beginning of the pandemic. Over the recent months, we have once again seen the strength of our recession resilient business model, tremendous growth in our ecommerce business and the emerging benefit of having essentially all of our Rent-A-Center and retail partner stores fully opened. We are pleased to have been able to fully repay our revolver while maintaining our strategy to return cash to shareholders. We will continue to stay laser focused on adapting, innovating and executing. We look forward to providing our more detailed quarterly earnings update when we release our second quarter earnings after the market closes on August 5th," said Mitch Fadel, Chief Executive Officer, Rent-A-Center, Inc.

About Rent-A-Center, Inc.

Rent-A-Center, Inc. (NASDAQ: RCII) is an industry leading omni-channel lease-to-own provider for the credit constrained customer. The Company's mission is to improve the quality of life for its customers by providing access and the opportunity to obtain ownership of high-quality, durable products under a flexible lease-purchase agreement with no long-term debt obligation and the convenience of product delivery, returns and repairs. Preferred Lease provides virtual and staffed lease-to-own solutions to retail partners in stores and online enabling our partners to grow sales by expanding their customer base utilizing our differentiated lease offering. The Rent-A-Center Business provides lease-to-own options on essential products such as furniture, appliances, consumer electronics, and computers in approximately 2,100 Rent-A-Center stores in the United States, Mexico, and Puerto Rico and on its e-commerce platform, [Rentacenter.com](https://www.rentacenter.com). The franchising segment is a national franchisor of approximately 370 franchise locations in the United States. Rent-A-Center is headquartered in Plano, Texas. For additional information about the Company, please visit our website at [Rentacenter.com](https://www.rentacenter.com) or investor.rentacenter.com.

Forward Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. Such forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "could," "estimate," "predict," "continue," "should," "anticipate," "believe," or "confident," or the negative thereof or variations thereon or similar terminology and including, among others, statements concerning the Company's projected cash on hand, available liquidity and net debt, sales trends, future growth strategies, profitability and long-term success. 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 and adversely from such statements. Factors that could cause or contribute to such differences include, but are not limited to: the impact of COVID-19 pandemic and related federal, state, and local government restrictions, including adverse changes in such restrictions further limiting our ability to operate or prolonging their duration, and the potential for a recession resulting from such matters; 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; capital market conditions, including availability of funding sources for the Company; changes in the Company's credit ratings; difficulties encountered in improving the financial and operational performance of the Company's business segments; risks associated with pricing changes and strategies being deployed in the Company's businesses; the Company's ability to continue to realize benefits from its initiatives regarding cost-savings and other EBITDA enhancements, efficiencies and working capital improvements; the Company's ability to continue to effectively execute its strategic initiatives; failure to manage the Company's store labor and other store expenses; disruptions caused by the operation of the Company's store information management systems; risks related to the Company's virtual lease-to-own business; including the Company's ability to continue to develop and successfully implement the necessary technologies; the Company's ability to achieve the benefits expected from its recently announced integrated retail preferred offering, Preferred Lease, including its ability to integrate its historic retail partner business (Acceptance Now) and the Merchants Preferred business under the Preferred Lease offering; the Company's transition to more-readily scalable, "cloud-based" solutions; the Company's ability to develop and successfully implement digital or E-commerce capabilities, including mobile applications; disruptions in the

Company's supply chain; limitations of, or disruptions in, the Company's distribution network; rapid inflation or deflation in the prices of the Company's products; the Company's ability to execute and the effectiveness of a store consolidation, including the Company's ability to retain the revenue from customer accounts merged into another store location as a result of a store consolidation; the Company's available cash flow and its ability to generate sufficient cash flow to continue paying dividends; the Company's ability to identify and successfully market products and services that appeal to its customer demographic; consumer preferences and perceptions of the Company's brands; 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; changes in the enforcement of existing laws and regulations and the enactment of new laws and regulations adversely affecting the Company's businesses; the Company's compliance with applicable statutes or regulations governing its businesses; changes in interest rates; changes in tariff policies; adverse changes in the economic conditions of the industries, countries or markets that the Company serves; information technology and data security costs; the impact of any breaches in data security or other disturbances to the Company's information technology and other networks and the Company's ability to protect the integrity and security of individually identifiable data of its customers and employees; changes in estimates relating to self-insurance liabilities and income tax and litigation reserves; changes in the Company's effective tax rate; fluctuations in foreign currency exchange rates; the Company's ability to maintain an effective system of internal controls; litigation or administrative proceedings to which the Company is or may be a party to from time to time; and the other risks detailed from time to time in the Company's SEC reports, including but not limited to, its Annual Report on Form 10-K for the year ended December 31, 2019 and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2020. 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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Source: Rent-A-Center, Inc.