



Rent-A-Center Announces Agreement to Acquire the Assets of 295 Rent-Way Stores

December 18, 2002

PLANO, Texas, Dec. 18 /PRNewswire-FirstCall/ -- Rent-A-Center, Inc. (Nasdaq: RCII) (the "Company"), the leading rent-to-own operator in the United States, announced today that it has entered into a definitive agreement with Rent-Way, Inc., an operator of rent-to-own stores ("Rent-Way"), and certain of Rent-Way's operating subsidiaries pursuant to which the Company will acquire substantially all of the assets of 295 rent-to-own stores from Rent-Way and its subsidiaries for an aggregate purchase price of \$101.5 million in cash. The average monthly revenue for such stores for the three-month period ended October 31, 2002 was approximately \$10.1 million per month.

"We are excited about this opportunity to add a significant number of stores to our store base," commented Mark E. Speese, the Company's Chairman of the Board and Chief Executive Officer. "The anticipated enhancements and improvements represented by the integration of these stores into our system through the application of our proven business model constitutes a promising opportunity to create additional value for our stockholders. We believe this transaction, following an initial transition period, will be accretive to our 2003 earnings per share," Mr. Speese said.

The Company intends to fund the acquisition primarily with cash on hand, as well as availability under its senior credit facility. The acquisition, which is expected to be completed in the first quarter of 2003, is conditioned upon customary closing conditions for a transaction of this nature, including the receipt of requisite regulatory approval.

Rent-A-Center, Inc., headquartered in Plano, Texas, currently operates 2,404 company-owned stores nationwide and in Puerto Rico. The stores generally offer high-quality, durable goods such as home electronics, appliances, computers, and furniture and accessories to consumers under flexible rental purchase arrangements that generally allow the customer to obtain ownership of the merchandise at the conclusion of an agreed-upon rental period. ColorTyme, Inc., a wholly owned subsidiary of the Company, is a national franchiser of 319 rent-to-own stores, 307 of which operate under the trade name of "ColorTyme," and the remaining 12 of which operate under the "Rent-A-Center" name.

This press release contains forward-looking statements that involve risks and uncertainties. Such forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "could," "estimate," "should," "anticipate," or "believe," or the negative thereof or variations thereon or similar terminology. Although the Company believes that the expectations reflected in such forward-looking statements will prove to be correct, the Company can give no assurance that such expectations will prove to have been correct. The actual future performance of the Company could differ materially from such statements. Factors that could cause or contribute to such differences include, but are not limited to: (i) the parties' ability to receive regulatory approval on terms acceptable to them, (ii) the ability of the Company to successfully integrate the acquired stores into the Company's operating system, (iii) the Company's ability to enhance the performance of the acquired stores, (iv) the ability of the parties to close the transaction in the time period currently anticipated, (v) the receipt by Rent-Way of third party consents, (vi) the satisfaction of the closing conditions to the transaction and (vii) the other risks detailed from time to time in the Company's SEC filings, including but not limited to, its annual report on Form 10-K for the year ended December 31, 2001 and its quarterly reports on Form 10-Q for the three month periods ending March 31, 2002, June 30, 2002 and September 30, 2002. 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 of this press release or to reflect the occurrence of unanticipated events.

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