



Rent-A-Center, Inc. Announces Settlement in Principle of Gender Litigation

November 1, 2001

Plano, Texas, November 1, 2001 Rent-A-Center, Inc. (Nasdaq: RCII) announced today that it has reached an agreement in principle for the settlement of Margaret Bunch, et al. v. Rent-A-Center, Inc., a lawsuit pending in federal court in Kansas City, Missouri, asserting various claims of gender discrimination and other gender based claims on behalf of a nationwide class.

Under the terms of the proposed settlement, the Company, while not admitting liability, would pay an aggregate of \$12,250,000 to approximately 4,600 female employees and certain female applicants who were employed by or applied for employment with the Company between April 19, 1998 and October 1, 2001. The settlement amount does not include attorneys' fees, which will be awarded by the court, or costs to administer the settlement process.

The settlement fund will be allocated between a portion to be paid to class members generally and a portion available to compensate class members who can establish specific damages pursuant to an agreed upon claims procedure, subject to pre-negotiated caps on such claims. Any funds remaining upon completion of the claims procedure would be distributed to class members on a pro rated basis. Any member of the proposed class who does not wish to participate in the settlement may elect to opt out of the settlement, subject to the Company's right to terminate the settlement in the event that more than ninety-two class members elect to do so. The terms of the proposed settlement are subject to court approval. As a result of the settlement, the Company anticipates recording a one-time charge in the fourth quarter of this year.

Mitchell E. Fadel, President of the Company, commented, "While our track record in providing a nondiscriminatory workplace is strong, we believe the proposed settlement is in the best interests of Rent-A-Center given the costs and uncertainty of litigation. We are pleased to be moving toward a resolution of the matter."

As a part of the settlement, the Company has also agreed that it will commit to significant on-going policies and practices designed to assure gender equity in the workplace. In that regard, the Company announced that it will take the following steps, among others:

- Adopt a comprehensive nationwide policy against gender discrimination and communicate its commitment throughout the organization.
- Institute Company-wide employee training on gender discrimination issues.
- Post internal promotion opportunities for review by all employees in applicable market areas.
- Eliminate specific weight lifting qualifications as a condition of employment, though the requirement of repetitive heavy lifting remains a business necessity of store-level job performance.
- Modify existing internal procedures for reporting, documenting, and processing claims of gender discrimination, and encourage reporting to a co-worker relations professional via an "800" telephone number.
- Institute more comprehensive recordkeeping procedures pertaining to employment applications and promotions.

"We have taken this opportunity to improve our existing practices and procedures as reflected by this announcement today," said Mark E. Speese, Chairman and Chief Executive Officer of the Company. "Let there be no doubt as to management's commitment to a discrimination-free workplace," Mr. Speese stated.

Gene Graham, a partner in the firm of White, Allinder, Graham, Buckley & Compton, L.L.C., counsel representing the class members in the litigation, stated, "The settlement announced today is a fair and favorable resolution of claims that have been vigorously contested and provides substantial monetary and programmatic benefits to the class."

The Company is also a defendant in a similar case, Wilfong, et. al. v. Rent-A-Center, Inc., pending in federal court in East St. Louis, Illinois. The suit involves a purported class and claims that are substantially similar to those in the Bunch case. To the extent that the claims of a purported class member in Wilfong are covered by the terms of the Bunch settlement and such class member does not opt out of the settlement, that class member would be entitled to her applicable portion of the settlement proceeds in Bunch and would accordingly not be entitled to any additional recovery for those claims in the Wilfong case.

Rent-A-Center, headquartered in Plano, Texas, currently operates 2,294 rent-to-own stores in 50 states, Washington, D.C., and Puerto Rico, offering high-quality, durable goods such as consumer electronics, appliances, computers, furniture and accessories to consumers under flexible rental purchase arrangements that 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 351 rent-to-own stores, 338 of which operate under the trade name of "ColorTyme", and the remaining 13 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," "estimate," "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) one or more parties filing an objection to the settlement, (ii) more than 92 members of the class opt out of the settlement, (iii) the court hearing the case could refuse to approve the settlements or could require changes to the settlement that are unacceptable to the Company or the plaintiffs, and (iv) the other risks detailed from time to time in the Company's SEC reports, including its annual report Form 10-K for the year ended December 31, 2000 and its Quarterly Reports on Form 10-Q for the three months and six months ended March 31, 2001, and June 30, 2001. You are cautioned not to place 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 events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

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