



Rent-A-Center, Inc. Reports Record Third Quarter 2000 Results

October 30, 2000

Plano, Texas, October 30, 2000. - Rent-A-Center, Inc. (the "Company") (NASDAQ/NNM:RCII) announced today record revenues and record net earnings for the quarter ended September 30, 2000.

Net earnings for the quarter ended September 30, 2000 were \$23.9 million, representing a 53.0% increase from the comparable 1999 period net earnings of \$15.6 million. Diluted earnings per share rose to \$0.68 in the third quarter of 2000 from \$0.46 during the third quarter of 1999, an increase of 47.8%. Total revenue for the quarter ended September 30, 2000 totaled \$405.0 million as compared to \$350.4 million for the same quarter of the prior year, representing a 15.6% gain. The Company's quarterly growth in net earnings and revenues was primarily driven by strong growth in same store revenues. Same store revenues (revenues earned in stores operated for the entirety of both periods) during the third quarter of 2000 increased 14.0% above the comparable quarter of 1999.

Excluding the one-time gain discussed below, net earnings for the nine months ended September 30, 2000 were \$67.7 million compared with \$41.5 million for the nine months ended September 30, 1999, representing an increase of 63.0%. Diluted earnings per share, excluding the one-time gain, rose to \$1.95 for the nine months ended September 30, 2000 compared with net earnings of \$1.22 per diluted share for the nine months ended September 30, 1999, an increase of 59.8%. Total revenues for the nine months ended September 30, 2000 increased to \$1.190 billion from \$1.047 billion in 1999, representing an increase of 13.7%. Same store revenues for the nine month period ended September 30, 2000 were 13.6%.

During 2000, the Company received a reimbursement of \$22.4 million from the settlement fund related to three class action lawsuits in the state of New Jersey which it settled in December 1998. Accordingly, the Company recorded a one-time gain during the second quarter of 2000 of \$22.4 million to reflect this reimbursement. Including the reimbursement in the results for the nine months ended September 30, 2000 discussed above, the Company's net earnings would increase by \$11.8 million and its earnings per diluted share for the same period would increase by \$0.35 to \$2.30.

In the third quarter of 2000, the Company acquired 28 stores and opened an additional three new stores. The Company has acquired seven stores and opened an additional six new stores during the current quarter with 25-30 more stores scheduled to open by the end of 2000. The Company plans to add an additional 10% - 15% to its store base next year and believes its growth plans can be funded with internally generated cash flow. During the third quarter alone, the Company generated \$66.3 million in cash flow from operations.

"We have successfully embarked on our growth initiatives and are excited about the strong opportunities that lie ahead," commented J. Ernest Talley, the Company's Chairman and Chief Executive Officer. "We have broadened our management team to help fuel our growth plans and we are all working diligently and looking forward to meeting our objectives."

Rent-A-Center, Inc., headquartered in Plano, Texas, currently operates 2,128 rent-to-own stores in all 50 states, the District of Columbia 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 358 rent-to-own stores, 346 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," "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, the 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, 1999, its quarterly report on Form 10-Q for the three months ended March 31, 2000, its quarterly report on Form 10-Q for the six months ended June 30, 2000, and its quarterly report on Form 10-Q for the nine months ended September 30, 2000. 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 requested 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 report or to reflect the occurrence of unanticipated events.

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