

**CERTAIN OTHER FINANCIAL AND STATISTICAL INFORMATION
DISCUSSED DURING THE THIRD QUARTER 2020 EARNINGS
CONFERENCE CALL ON THURSDAY, OCTOBER 29, 2020
QUARTER ENDED SEPTEMBER 30, 2020**

Reconciliation to Adjusted EBITDA	THREE MONTHS ENDED SEP 30	
	2020	2019
Revenues	\$712,015	\$649,371
Reported (Loss) Earnings Before Income Taxes	\$75,133	\$35,058
Add back:		
Interest Expense, net	3,198	6,648
Depreciation, amortization and write-down of intangibles	13,810	14,894
Adjusted EBITDA	\$92,141	\$56,600
EBITDA Margin	12.9%	8.7%

RENT-A-CENTER BUSINESS

- Rent-A-Center same store sales increased 12.9 percent versus last year, and 16.6 percent on a two year basis
- E-commerce sales increased 71 percent, and its 21 percent penetration rate helped contribute to a 12.9 percent increase in same store sales, our 11th consecutive quarterly positive increase
- The Rent-A-Center portfolio ended the quarter up 8.8 percent over last year
- Skip/stolen losses for the Rent-A-Center business were 2 percent, down 210 basis points versus last year and a sequential improvement over the second quarter of 2020
- For the full year, we now expect skip/stolen losses for the Rent-A-Center business to be approximately 3 percent of revenue, 70 basis points lower versus last year despite growth in e-commerce
- Adding functionality to improve the customer experience at the point of sale. That includes a multi-store e-commerce test using the Preferred Lease decision engine, expanding electronic payment, which is driving fewer merchandise returns and better customer payment activity, and incorporating digital features to improve the communication process

PREFERRED LEASE

- Invoice volume grew 34 percent, 16 points over the second quarter, as we on boarded new partners across hundreds of locations and achieved broader diversification across product categories
- Skip/stolen losses were 11.3 percent of revenue, down 710 basis points sequentially and 240 basis points higher than last year. Skip/stolen losses benefited from improved customer payment activity and increased efficiency from our centralized collections team

- For the full year, we expect skip/stolen losses to be approximately 13 percent of revenue.
- Adjusted EBITDA margin for Preferred Lease was lower than last year primarily due to a higher mix of merchandise sales driven by an increase in early payout activity
- In addition, we continue to make significant investments to support growth
- The Preferred Lease portfolio is expected to end the year up approximately 9 percent versus 2019, and we expect full year 2020 invoice volume to be up approximately 25 percent year-over-year
- Preferred Dynamix is an operating structure to accelerate the pace of innovation and provide a more effective way to onboard new talent and digital expertise as we fast track our virtual strategy
- Our multi-phase 2-year strategic plan supports a broad set of digital initiatives included in our initial provisional patent suite, which is already filed, to improve the customer interface, reduce friction and support better functionality for retail partners

CASH FLOW AND BALANCE SHEET

- Free cash flow was \$34 million, which benefitted from favorable financial performance and included working capital investments to fund future growth. This brings us to \$274 million in free cash flow year to date and We ended the quarter with zero net debt

GUIDANCE

- Guidance reflects the refranchising of 99 California Rent-A-Center locations and while it will lower topline revenue, we expect the transaction to be essentially flat to earnings going forward as the foregone profit from the California locations will be offset by franchise royalty payments and infrastructure efficiencies
- On a consolidated basis, we expect revenues in the range of \$2.795 to \$2.825 billion
- Adjusted EBITDA in the range of \$308 to \$323 million
- Non-GAAP diluted earnings per share of \$3.35 cents to \$3.50 cents
- Free cash flow is expected to be between \$200 and \$215 million for 2020
- Rent-A-Center revenues are expected to be in the range of \$1.825 to \$1.840 billion with Adjusted EBITDA of \$352 to \$362 million
- Our overall portfolio balances for both businesses are expected to end the year well positioned for growth in 2021
- We expect to end 2020 with over \$360 million in liquidity and we're prioritizing investment in high return projects to support profitable growth

This press release and the guidance above and the Company's related conference call 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," "predict," "continue," "should," "anticipate," "believe," or "confident," or the negative thereof or variations thereon or similar terminology and including, among others, statements concerning (i) the expected impact of the COVID-19 pandemic on the Company's business, financial condition and results of operations, (ii) the Company's guidance for 2020 and future periods and (iii) the Company's digital strategy and other future growth opportunities. 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: (1) the impact of the COVID-19 pandemic and related government and regulatory restrictions issued to combat the pandemic, including adverse changes in such restrictions, and impacts on (i) demand for the Company's lease-to-own products offered in the Company's operating segments, (ii) the Company's Preferred Lease retail partners, (iii) the Company's customers and their willingness and ability to satisfy their lease obligations, (iv) the Company's suppliers' ability to satisfy merchandise needs, (v) the Company's coworkers, including the ability to adequately staff operating locations, (vi) the Company's financial and operational performance, and (vii) the Company's liquidity; (2) the general strength of the economy and other economic conditions affecting consumer preferences and spending; (3) factors affecting the disposable income available to the Company's current and potential customers; (4) changes in the unemployment rate; (5) capital market conditions, including availability of funding sources for the Company; (6) changes in the Company's credit ratings; (7) difficulties encountered in improving the financial and operational performance of the Company's business segments; (8) risks associated with pricing changes and strategies being deployed in the Company's businesses; (9) the Company's ability to continue to realize benefits from its initiatives regarding cost-savings and other EBITDA enhancements, efficiencies and working capital improvements; (10) the Company's ability to continue to effectively execute its strategic initiatives, including mitigating risks associated with any potential mergers and acquisitions, or refranchising opportunities; (11) failure to manage the Company's store labor and other store expenses, including merchandise losses; (12) disruptions caused by the operation of the Company's store information management systems; (13) 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; (14) the Company's ability to achieve the benefits expected from its integrated retail partner 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 and to successfully grow this business segment; (15) exposure to potential operating margin degradation due to the higher cost of merchandise in our Preferred Lease offering and potential for higher merchandise losses; (16) the Company's transition to more-readily scalable, "cloud-based" solutions; (17) the Company's ability to develop and successfully implement digital or E-commerce capabilities, including mobile applications; (18) the Company's ability to protect its proprietary intellectual property; (19) disruptions in the Company's supply chain; (20) limitations of, or disruptions in, the Company's distribution network; (21) rapid inflation or deflation in the prices of the Company's products; (22) the Company's ability to execute and the effectiveness of store consolidations, including the Company's ability to retain the revenue from customer accounts merged into another store location as a result of a store consolidation; (23) the Company's available cash flow and its ability to generate sufficient cash flow to continue paying dividends; (24) increased competition from traditional competitors, virtual lease-to-own competitors, online retailers and other competitors, including subprime lenders; (25) the Company's ability to identify and successfully market products and services that appeal to its current and future targeted customer segments; (26) consumer preferences and perceptions of the Company's brands; (27) the Company's ability to retain the revenue associated with acquired customer accounts and enhance the performance of acquired stores; (28) the Company's ability to enter into new, and collect on, its rental or lease purchase agreements; (29) changes in the enforcement of existing laws and regulations and the enactment of new laws and regulations adversely affecting the Company's business, including any legislative or regulatory enforcement efforts that seek to re-characterize store-based or virtual lease-to-own transactions as credit sales and to apply consumer credit laws and regulations to the Company's business; (30) the Company's compliance with applicable statutes or regulations governing its businesses; (31) the impact of any additional social unrest such as that experienced in 2020 or otherwise, and resulting damage to the Company's inventory or other assets and potential lost revenues; (32) changes in interest rates; (33) changes in tariff policies; (34) adverse changes in the economic conditions of the industries, countries or markets that the Company serves; (35) information technology and data security costs; (36) 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; (37) changes in estimates relating to self-insurance liabilities and

income tax and litigation reserves; (38) changes in the Company's effective tax rate; (39) fluctuations in foreign currency exchange rates; (40) the Company's ability to maintain an effective system of internal controls; (41) litigation or administrative proceedings to which the Company is or may be a party to from time to time; and (42) 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 in its subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. 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.