UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.3

Date of Report:

(Date of earliest event reported)

May 1, 2017

Rent-A-Center, Inc.

(Exact name of registrant as specified in its charter)

Delaware	0-25370	45-0491516
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)

5501 Headquarters Drive

Plano, Texas 75024

(Address of principal executive offices and zip code)

(972) 801-1100

(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425).

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12).

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)).

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).

Item 1.01 Entry into a Material Definitive Agreement.

On May 1, 2017, Rent-A-Center, Inc. (the “Company”) entered into a Third Amendment and Waiver (the "Waiver") with JPMorgan Chase Bank, N.A., as administrative agent (“JPMorgan”) and the other lenders party thereto pursuant to which the lenders agreed to waive compliance with certain provisions in the Credit Agreement, dated March 19, 2014, among the Company, the lenders party thereto and JPMorgan, as administrative agent, permitting the Company to exceed the required fixed charge coverage ratio and total leverage ratio covenants, in each case for the quarter ending March 31, 2017. The foregoing description of the Waiver is qualified in its entirety by reference to the full text of the Waiver, a copy of which is filed as Exhibit 10.1 hereto and incorporated herein by reference.

Item 2.02 Results of Operations and Financial Condition.

Attached hereto as Exhibit 99.1 is the Registrant's press release reflecting earnings information for the quarter ended March 31, 2017.

The press release contains information regarding EBITDA (earnings before interest, taxes, depreciation and amortization), which is a non-GAAP financial measure as defined in Item 10(e) of Regulation S-K. The press release also contains a reconciliation of EBITDA to the Registrant's reported earnings before income taxes. The Company's management believes that presentation of EBITDA is useful to investors, as among other things, this information impacts certain financial covenants under the Company's senior credit facilities and the indentures governing its 6.625% senior unsecured notes due November 2020 and its 4.75% senior unsecured notes due May 2021. While management believes this non-GAAP financial measure is useful in evaluating the Company, this information should be considered as supplemental in nature and not as a substitute for or superior to the related financial information prepared in accordance with GAAP. Further, the non-GAAP financial measure may differ from similar measures presented by other companies.

Pursuant to General Instruction B.2. of Form 8-K, all of the information contained in Item 2.02 of this Form 8-K and the accompanying Exhibit 99.1 shall be deemed to be "furnished" and not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and, therefore, shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit 10.1 Third Amendment and Waiver, dated May 1, 2017, among Rent-A-Center, Inc., as borrower, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.

Exhibit 99.1 Press Release, dated May 1, 2017.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RENT-A-CENTER, INC.

Date:	May 1, 2017	By:	/s/ Maureen B. Short
			Maureen B. Short
			Interim Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
10.1	Third Amendment and Waiver, dated May 1, 2017, among Rent-A-Center, Inc., as borrower, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.
99.1	Press release, dated May 1, 2017

Exhibit 10.1

THIRD AMENDMENT AND WAIVER

THIRD AMENDMENT AND WAIVER, dated as of May 1, 2017 (this "Amendment"), to the Credit Agreement, dated as of March 19, 2014, among RENT-A-CENTER, INC., a Delaware corporation (the "Borrower"), the lenders party thereto (the "Lenders"), JPMORGAN CHASE BANK, N.A., as administrative agent (in such capacity, the "Administrative Agent"), and the other agents party thereto (as amended by the First Amendment dated as of February 1, 2016, the Second Amendment effective as of September 30, 2016, and as may be further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"). Terms defined in the Credit Agreement shall be used in this Amendment with their defined meanings unless otherwise defined herein.

W I T N E S S E T H :

WHEREAS, the Borrower, the Lenders and the Administrative Agent are parties to the Credit Agreement; and

WHEREAS, the Borrower has requested a temporary waiver of the financial covenants,

WHEREAS, subject to the terms and conditions of this Amendment, the Lenders are willing to agree to amend and waive the terms of the Credit Agreement as herein provided;

NOW, THEREFORE, the parties hereto hereby agree as follows:

SECTION 1. Waiver. The Lenders hereby temporarily waive compliance with Section 7.1(a) and (c) of the Credit Agreement, in each case for the Reference Quarter ending March 31, 2017, which waiver shall terminate as of June 30, 2017.

SECTION 2. Amendment to Section 1.1 (Defined Terms). Section 1.1 of the Credit Agreement is hereby amended by deleting the reference to ""Notes Payments": as defined in Section 7.9(a)."

SECTION 3. Amendment to Section 6.2(b) (Certificates; Other Information). The parties hereto hereby agree that the certificates required to be delivered pursuant to Section 6.2(b) of the Credit Agreement concurrently with the delivery of financial statements for the fiscal quarter ended March 31, 2017 shall instead be required to be delivered on or prior to June 30, 2017.

SECTION 4. Amendments to Section 7.1 (Financial Condition Covenants).

(a) Section 7.1(b) of the Credit Agreement is hereby deleted in its entirety and replaced by the following:

"(b) Consolidated Senior Secured Leverage Ratio. (i) Prior to December 31, 2016, permit, as of the last day of any Reference Quarter, the Consolidated Senior Secured Leverage Ratio as of the last day of the period of four consecutive fiscal quarters of the Borrower ending on such Reference Quarter to exceed 2.75 to 1.00, (ii) permit, as of December 31, 2016, the Consolidated Senior Secured Leverage Ratio as of the last day of the period of four consecutive fiscal quarters of the Borrower ending on such date to exceed 2.50 to 1.00, and (iii) commencing on March 31, 2017 and thereafter, permit, as of the last day of any Reference Quarter, the Consolidated Senior Secured Leverage Ratio as of the last day of the period of four consecutive fiscal quarters of the Borrower ending on such Reference Quarter to exceed 2.00 to 1.00."

(b) The grid set forth in Section 7.1(c) of the Credit agreement is hereby amended by deleting the reference to "; provided that, at any time during a Reference Quarter, the Borrower may, at its election, upon written notice to the Administrative Agent (which the Administrative Agent shall promptly provide to each Lender), irrevocably raise the Consolidated Fixed Charge Coverage Ratio covenant level to 1.75 to 1.00, effective as of the last day of such Reference Quarter and each Reference Quarter thereafter."

SECTION 5. Amendment to Section 7.2 (Indebtedness). Section 7.2(h) of the Credit Agreement is hereby amended by deleting the reference to "$100,000,000" and substituting in lieu thereof "$25,000,000".

SECTION 6. Amendment to Section 7.3 (Liens). Section 7.3(m) of the Credit Agreement is hereby amended by deleting the reference to "$60,000,000" and substituting in lieu thereof "$10,000,000".

SECTION 7. Amendments to Section 7.5 (Disposition of Property).

(a) Section 7.5(e) of the Credit Agreement is hereby amended by inserting the text "(other than the Borrower's corporate headquarters in Plano, Texas)" immediately following the text "the Disposition in any fiscal year of other property";

(b) Section 7.5(k) of the Credit Agreement is hereby deleted in its entirety and replaced by the following:

"(k) [Reserved]."

SECTION 8. Amendments to Section 7.6 (Restricted Payments).

(a) Section 7.6(b) of the Credit Agreement is hereby deleted in its entirety and replaced by the following:

"(b) so long as no Default or Event of Default shall have occurred and be continuing or would immediately result therefrom, the Borrower may declare and make regularly scheduled dividends ("dividends") with respect to its Capital Stock as follows: if, after giving pro forma effect to such dividends, the Consolidated Senior Leverage Ratio as of the last day of the most recent fiscal quarter for which the relevant financial information available is:

(i) less than or equal to 2.50 to 1.00, then such dividends shall not exceed $25,000,000 in the aggregate in any fiscal year of the Borrower;

(ii) less than or equal to 3.75 to 1.00 and is greater than 2.50 to 1.00, then such dividends shall not exceed $20,000,000 in the aggregate in any fiscal year of the Borrower; and

(iii) greater than 3.75 to 1.00, then such dividends shall not exceed $15,000,000 in the aggregate in any fiscal year of the Borrower, when taken together with the dividends made pursuant to Section 7.6(b)(ii);"

(b) Section 7.6(c) of the Credit Agreement is hereby deleted in its entirety and replaced by the following:

"(c) [Reserved];"

SECTION 9. Amendment to Section 7.8 (Investments). Section 7.8(l) of the Credit Agreement is hereby amended by deleting the reference to "$100,000,000" and substituting in lieu thereof "$25,000,000".

SECTION 10. Amendment to Section 7.9 (Payments and Modifications of Certain Debt Instruments and Qualified Preferred Stock). Section 7.9(a) of the Credit Agreement is hereby deleted in its entirety and replaced by the following:

"(a) Make or offer to make any payment, prepayment, repurchase or redemption of or otherwise defease or segregate funds with respect to the Senior Subordinated Notes or the Senior Unsecured Notes, other than interest payments expressly required by the terms thereof and other than pursuant to prepayments or repayments thereof with the proceeds of Senior Subordinated Notes or, in the case of the Senior Unsecured Notes, with the proceeds of other Senior Unsecured Notes."

SECTION 11. Revolving Loans Availability; Use of Proceeds.

(a) From the Third Amendment Effective Date (as defined below) through June 30, 2017 (the "Waiver Period"), the agreement of each Lender to make any extension of credit under the Revolving Facility (including any issuance, increase or extension of a Letter of Credit) requested to be made by it on any date shall be subject to such extension of credit not resulting in the aggregate Revolving Extensions of Credit outstanding at such time exceeding $225,000,000.

(b) The Borrower covenants and agrees that it shall use the proceeds of any extension of credit made under the Credit Agreement (including any Incremental Term Loan and any issuance, increase or extension of a Letter of Credit) during the Waiver Period solely for working capital purposes, and as of the date of any such extension of credit it shall be deemed to represent that the proceeds of such Loan or Letter of Credit shall be used for working capital purposes.

SECTION 12. Conditions to Effectiveness. This Amendment shall become fully effective on the date on which the Administrative Agent receives this Amendment executed and delivered by a duly authorized officer of the Borrower, the Required Lenders and the Majority Facility Lenders in respect of the Revolving Facility (the "Third Amendment Effective Date").

SECTION 13. Representations and Warranties. The Borrower hereby represents and warrants to the Administrative Agent and each Lender that (immediately before and after giving effect to this Amendment) the representations and warranties set forth in Section 4 of the Credit Agreement are true and correct in all material respects on and as of the Third Amendment Effective Date with the same effect as though made on and as of the Third Amendment Effective Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties were true and correct in all material respects on and as of such earlier date).

SECTION 14. **GOVERNING LAW; WAIVER OF JURY TRIAL; MISCELLANEOUS**:

(a) No Change. Except as expressly provided herein, no term or provision of the Credit Agreement shall be amended, modified or supplemented, and each term and provision of the Credit Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects, in each case as amended by this Amendment. This Amendment shall constitute a Loan Document.

(b) Counterparts. This Amendment may be executed by the parties hereto in any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall be effective as delivery of a manually executed counterpart hereof.

(c) Payment of Fees and Expenses. The Borrower agrees to pay or reimburse the Administrative Agent for all reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable fees, disbursements and other charges of counsel for the Administrative Agent.

(d) **GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

(e) **WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AMENDMENT AND FOR ANY COUNTERCLAIM THEREIN**.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

RENT-A-CENTER, INC.

By: /s/ Mark E. Speese
Mark E. Speese
Chief Executive Officer

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and a Lender

By: /s/ Maria Riaz
Maria Riaz
Vice President

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ David McCauley
David McCauley
Senior Vice President

COMPASS BANK,
as a Lender

By: /s/ Khoa Duong
Khoa Duong
Vice President

SunTrust Bank,
as a Lender

By: /s/ Justin Lien
Justin Lien
Director

FIFTH THIRD BANK,
as a Lender

By: /s/ Brian Anderson
Brian Anderson
Vice President

COMERICA BANK,
as a Lender

By: /s/ Chris Reed
Chris Reed
Vice President

Branch Banking and Trust Company,
as a Lender

By: /s/ Janet Wheeler
Janet Wheeler
Vice President

INTRUST Bank, N.A.,
as a Lender

By: /s/ Marlon E. King
Marlon E. King
Division Director

For Immediate Release:

RENT-A-CENTER, INC. REPORTS
FIRST QUARTER 2017 RESULTS

Plano, Texas, May 1, 2017 - Rent-A-Center, Inc. (the "Company") (NASDAQ/NGS: RCII) today announced results for the quarter ended March 31, 2017.

“During the first quarter, Rent-A-Center delivered solid progress on our near-term strategies to strengthen the Core U.S. business, as demonstrated by our sequential improvement in our key operating metrics and financial results,” said Mark Speese, Chairman of the Rent-A-Center Board and Chief Executive Officer.

“While we are encouraged by our recent efforts, we recognize there is still work to be done and we remain focused on executing our comprehensive strategic plan to restore growth and improve profitability over the long-term. Given the portfolio nature of the business, it will take time for the actions we are implementing to be fully realized in our results; however, the Rent-A-Center Board and management are confident that we are taking the right steps to deliver enhanced value for all Rent-A-Center stockholders,” Mr. Speese concluded.

Progress on Strategic Plan

During the first quarter of 2017, the Company took a number of actions to strengthen the Core U.S. business. A new competitive value proposition was implemented that is intended to increase demand and retention, and improve the customer experience. The Company also identified and began to execute on a new assortment strategy aimed at shifting towards more higher-end aspirational products. There was also a continued heightened focus on improving the quality of the portfolio through best practices and better execution in account management. Lastly, the Company developed and deployed a more focused approach to training and development enabling consistent execution, strengthening of customer relationships, and reducing co-worker turnover.

Key Highlights

- Sequential reduction in delinquencies for March of 140 basis points, to 6.1 percent, in the Core U.S. segment
- Sequential reduction in delinquencies for March of 40 basis points, to 8.8 percent, in the Acceptance Now segment
- Annualized co-worker turnover, as of March, of 83.7 percent, a 10.4 percentage point improvement versus prior year
- Core U.S. same store sales for the quarter improved sequentially by 140 basis points
- Acceptance Now same stores sales for the quarter improved sequentially by 120 basis points
- On a GAAP basis, consolidated loss before income taxes improved $160.6 million sequentially and diluted loss per share improved by $2.63 sequentially
- Diluted earnings per share excluding special items improved by $0.27 sequentially
- Consolidated adjusted EBITDA improved by $23.4 million sequentially
- Debt was reduced by $71.6 million in the first quarter
- Core U.S. held for rent inventory of $174.5 million declined 9.5 percent sequentially

Consolidated Overview

Explanations of performance are excluding special items and compared to the prior year unless otherwise noted.

On a consolidated basis, total revenues were $742.0 million versus $835.7 million in the first quarter of last year. Consolidated same store sales improved 150 basis points versus the fourth quarter of 2016 due to the progress made on executing the Company’s initiatives. Diluted loss per share, on a GAAP basis, was $0.13 compared to earnings of $0.47 in the first quarter of last year.

Excluding special items, the Company’s diluted earnings per share was $0.04, a $0.27 increase from the fourth quarter of 2016. The Company generated $33.3 million in adjusted EBITDA in the first quarter, a significant improvement of $23.4 million versus the fourth quarter of 2016. In addition, adjusted EBITDA as a percent of revenue increased 300 basis points versus the fourth quarter to 4.5 percent.

The Company generated $59.1 million of cash from operations and ended the first quarter with $58.1 million of cash and cash equivalents. The Company paid on April 20, 2017, a quarterly dividend for the second quarter of 2017 in the amount of $0.08 per share and also reduced its outstanding debt balance by $71.6 million in the first quarter. The Company's current bank group has waived compliance with certain covenants for the first quarter and the Company is in the process of obtaining an amendment to the existing credit facility.

Segment Operating Performance

CORE U.S. first quarter revenues of $490.9 million decreased 16.0 percent primarily due to lower same store sales and the continued rationalization of the Core U.S. store base. Core U.S. same store sales improved 140 basis points sequentially. Gross profit as a percent of total revenue decreased 170 basis points due to targeted pricing actions implemented to right size the inventory mix. However, the held for rent inventory declined 9.5 percent sequentially demonstrating the Company's progress on moving the older, promotional inventory through the system faster and upgrading the inventory assortment. Labor decreased $17.0 million, however, as a percent of store revenue, increased primarily due to sales deleverage. Other store expenses decreased $16.4 million, however, as a percent of store revenue, increased primarily due to sales deleverage.

ACCEPTANCE NOW first quarter revenues of $234.5 million increased 1.8 percent primarily due to the same store sales increase of 2.9 percent. Gross profit as a percent of total revenue versus prior year improved 60 basis points driven by favorable revenue mix. Labor, as a percent of store revenue, improved versus prior year by 30 basis points. Other store expenses, as a percent of store revenue, increased 70 basis points primarily driven by higher skip/stolen losses which increased by 40 basis points.

MEXICO first quarter revenues decreased 19.3 percent driven by currency fluctuations and store closures. Same store sales were down 6.0 percent. Gross profit as a percent of total revenue versus prior year improved 270 basis points driven by higher merchandise sales gross margin due to pricing initiatives. Operating profit improved by $0.4 million.

FRANCHISING first quarter revenues decreased 23.8 percent due to a lower amount of merchandise sold to the Company's franchise partners and operating profit was flat year over year at $1.4 million.

CORPORATE operating expenses remained flat at $42.0 million compared to prior year as lower general and administrative expenses, due to the recent reductions at our Field Support Center, were offset by higher depreciation brought about by the implementation of the new point of sale system in 2016.

SAME STORE SALES
(Unaudited)

Table 1

Period	Core U.S.	Acceptance Now	Mexico	Total
Three Months Ended March 31, 2017	(12.5)%	2.9%	(6.0)%	(7.8)%
Three Months Ended December 31, 2016	(13.9)%	1.7%	(1.4)%	(9.3)%
Three Months Ended March 31, 2016	(3.2)%	0.6%	9.7 %	(1.9)%

Note: Revised Same Store Sales Methodology - Same store sales generally represents revenue earned in stores that were operated by us for 13 months or more and are reported on a constant currency basis. Under the revised methodology, the Company will exclude from same store sales base any store that receives a certain level of customer accounts from another store (acquisition or merger). The receiving store will be eligible for inclusion in the same store sales base in the twenty-fourth full month following the account transfer. The Company believes these modifications better align its same store sales calculation with the methods used by other rent-to-own companies.

KEY OPERATING METRICS
(Unaudited)

Table 2

Segment	Same Store Sales Change vs 2016 (%)	Delinquencies 2017	Delinquencies Sequential Change (BPS)	Annualized Co-worker Turnover 2017	Annualized Co-worker Turnover Change vs 2016 (PPT)	Average Monthly Rate of New Agreements Change vs 2016 (%)
Core U.S.						
January	(11.5)%	9.3%	(30)	76.1%	(4.5)	(4.7)%
February	(16.0)%	7.5%	(180)	75.6%	(14.7)	(4.1)%
March	(9.6)%	6.1%	(140)	83.7%	(10.4)	(6.6)%
Acceptance Now						
January	2.5 %	9.0%	60			
February	(3.8)%	9.2%	20			
March	12.4 %	8.8%	(40)			

Note: In the Core U.S. segment delinquencies represent the percent of customer agreements greater than 7 days past due. In the Acceptance Now segment delinquencies represent the percent of customer agreements greater than 32 days past due.

Non-GAAP Reconciliation

To supplement the Company's financial results presented on a GAAP basis, Rent-A-Center uses the non-GAAP measures ("special items") indicated in Table 3 below, which excludes charges in 2017 for the closure of Acceptance Now locations, reductions in our field support center, litigation claims settlement, incremental legal and advisory fees, and discrete income tax items. Gains or charges related to sales of stores, store closures, and discrete adjustments to tax reserves will generally recur with the occurrence of these events in the future. The presentation of these financial measures is not in accordance with, or an alternative for, accounting principles generally accepted in the United States and should be read in conjunction with the Company's consolidated financial statements prepared in accordance with GAAP. Rent-A-Center management believes that excluding special items from the GAAP financial results provides investors a clearer perspective of the Company's ongoing operating performance and a more relevant comparison to prior period results.

Please see the Company's earnings press release dated February 13, 2017 for additional information related to non-GAAP diluted loss per share excluding special items used to calculate the sequential improvements contained in this press release.

Reconciliation of net (loss) earnings to net earnings excluding special items:

Table 3

(in thousands, except per share data)	Three Months Ended March 31, 2017 Amount	Three Months Ended March 31, 2017 Per Share	Three Months Ended March 31, 2016 Amount	Three Months Ended March 31, 2016 Per Share
Net (loss) earnings	$ (6,679)	$ (0.13)	$ 25,061	$ 0.47
Special items, net of taxes:				
Other charges [1]	8,687	0.17	1,576	0.03
Discrete income tax items	123	—	(981)	(0.02)
Net earnings excluding special items	$ 2,131	$ 0.04	$ 25,656	$ 0.48

[1] Other charges for the three months ended March 31, 2017 and 2016 primarily includes charges, net of tax, related to the closure of Acceptance Now locations, reductions in our field support center, litigation claims settlement, incremental legal and advisory fees, and the closure of Mexico stores in the prior year. Charges related to store closures are primarily comprised of losses on rental merchandise, lease obligation costs, employee severance, asset disposals, and miscellaneous costs incurred as a result of the closure.

2017 Outlook

The Company is not providing annual guidance as it relates to revenue or diluted earnings per share for 2017. In an effort to enhance transparency regarding the Company's results and turnaround efforts, the Company has shifted to a monthly report of key operating metrics (Table 2). The Company believes these changes will provide the investment community meaningful insight into the progress the Company is making on its turnaround.

Webcast Information

Rent-A-Center, Inc. will host a conference call to discuss the first quarter results, guidance and other operational matters on Tuesday morning, May 2, 2017, at 8:30 a.m. ET. For a live webcast of the call, visit http://investor.rentacenter.com. Certain financial and other statistical information that will be discussed during the conference call will also be provided on the same website. Residents of the United States and Canada can listen to the call by dialing (800) 399-0012. International participants can access the call by dialing (404) 665-9632.

About Rent-A-Center, Inc.

A rent-to-own industry leader, Plano, Texas-based, Rent-A-Center, Inc., is focused on improving the quality of life for its customers by providing them the opportunity to obtain ownership of high-quality, durable products such as consumer electronics, appliances, computers, furniture and accessories, under flexible rental purchase agreements with no long-term obligation. The Company owns and operates approximately 2,600 stores in the United States, Mexico, Canada and Puerto Rico, and approximately 1,500 Acceptance Now kiosk locations in the United States and Puerto Rico. Rent-A-Center Franchising International, Inc., a wholly owned subsidiary of the Company, is a national franchiser of approximately 230 rent-to-own stores operating under the trade names of "Rent-A-Center", "ColorTyme", and "RimTyme". For additional information about the Company, please visit our website at www.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," "should," "anticipate," "believe," or “confident,” or the negative thereof or variations thereon or similar terminology. 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 from such statements. Factors that could cause or contribute to such differences include, but are not limited to: 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; difficulties encountered in improving the financial and operational performance of the Company's business segments; our chief executive officer and chief financial officer transitions, including our ability to effectively operate and execute our strategies during the interim period and difficulties or delays in identifying and/or attracting a permanent chief financial officer with the required level of experience and expertise; failure to manage the Company's store labor and other store expenses; the Company’s ability to develop and successfully execute strategic initiatives; disruptions, including capacity-related outages, caused by the implementation and operation of the Company's new store information management system, and its transition to more-readily scalable, “cloud-based” solutions; the Company’s ability to successfully market smartphones and related services to its customers; the Company's ability to develop and successfully implement virtual 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; 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 brand; uncertainties regarding the ability to open new locations; the Company's ability to acquire additional stores or customer accounts on favorable terms; the Company's ability to control costs and increase profitability; 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; the passage of legislation adversely affecting the Rent-to-Own industry; the Company's compliance with applicable statutes or regulations governing its transactions; changes in interest rates; 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 the Company's stock price, the number of shares of common stock that it may or may not repurchase, and future dividends, if any; 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; the resolution of the Company's litigation; 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, 2016. 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.*

Additional Information and Where to Find It

The Company, its directors, executive officers and other employees may be deemed to be participants in the solicitation of proxies from the Company's stockholders in connection with the matters to be considered at Rent-A-Center's 2017 Annual Meeting. On April 27, 2017, the Company filed its definitive proxy statement (as it may be amended from time to time, the "Proxy Statement") and definitive form of **WHITE** proxy card with the U.S. Securities and Exchange Commission (the "SEC") with respect to its 2017 Annual Meeting. **The Company's stockholders are strongly encouraged to read the Proxy Statement, the accompanying WHITE proxy card and other documents filed with the SEC carefully and in their entirety when they become available because they will contain important information.** Additional information regarding the identity of participants, and their direct or indirect interests (by security holdings or otherwise) is set forth in the Proxy Statement. Stockholders can obtain the Proxy Statement, any amendments or supplements to the Proxy Statement and other documents filed by the Company with the SEC free of charge at the SEC's website at www.sec.gov. Copies also will be available free of charge at the Company's website at www.rentacenter.com, by contacting the Company's Investor Relations at 972-801-1100 or by contacting the Company's proxy solicitor, Okapi Partners LLC, toll free at 1-877-259-6290.

Investors:

Rent-A-Center, Inc.

Maureen Short

Interim Chief Financial Officer

972-801-1899

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or

Media:

Joele Frank, Wilkinson Brimmer Katcher

Kelly Sullivan / James Golden / Matt Gross / Aura Reinhard

212-355-4449

Rent-A-Center, Inc. and Subsidiaries

Please see the Company's earnings press release dated February 13, 2017 for the non-GAAP reconciliation of consolidated adjusted EBITDA in the prior quarterly period which was used to calculate the sequential improvements contained in this press release.

STATEMENT OF EARNINGS HIGHLIGHTS - UNAUDITED

Table 4

(In thousands, except per share data)	Three Months Ended March 31, 2017 *Before Special Items (Non-GAAP Earnings)*		2017 *After Special Items (GAAP Earnings)*	2016 *Before Special Items (Non-GAAP Earnings)*		2016 *After Special Items (GAAP Earnings)*
Total revenues	$ 741,986		$ 741,986	$ 835,652		$ 835,652
Operating profit	14,803	(1)	1,152	50,865	(3)	48,430
Net earnings (loss)	2,131	(1)(2)	(6,679)	25,656	(3)(4)	25,061
Diluted earnings (loss) per common share	$ 0.04	(1)(2)	$ (0.13)	$ 0.48	(3)(4)	$ 0.47
Adjusted EBITDA	$ 33,344		$ 33,344	$ 70,689		$ 70,689
Reconciliation to Adjusted EBITDA:						
Earnings (loss) before income taxes	$ 3,329	(1)	$ (10,322)	$ 38,985	(3)	$ 36,550
Add back:						
Other charges	—		13,651	—		2,435
Interest expense, net	11,474		11,474	11,880		11,880
Depreciation, amortization and impairment of intangibles	18,541		18,541	19,824		19,824
Adjusted EBITDA	$ 33,344		$ 33,344	$ 70,689		$ 70,689

(1) Excludes the effects of approximately $13.7 million of pre-tax charges primarily related to the closure of Acceptance Now locations, reductions in our field support center, litigation claims settlement, and incremental legal and advisory fees. These charges reduced net earnings and net earnings per diluted share for the three months ended March 31, 2017, by approximately $8.7 million and $0.17, respectively.
(2) Excludes the effects of $0.1 million of discrete income tax adjustments.
(3) Excludes the effects of $2.4 million of pre-tax charges related to the closure of Mexico stores. These charges reduced net earnings and net earnings per diluted share for the three months ended March 31, 2016, by approximately $1.6 million and $0.03, respectively.
(4) Excludes the effects of $1.0 million of discrete income tax adjustments that increased net earnings per diluted share by $0.02.

SELECTED BALANCE SHEET HIGHLIGHTS - UNAUDITED

Table 5

(In thousands)	March 31, 2017	2016	
Cash and cash equivalents	$ 58,128	$ 46,362	
Receivables, net	66,606	67,926	
Prepaid expenses and other assets	52,159	62,147	
Rental merchandise, net			
On rent	754,824	822,821	
Held for rent	190,629	251,329	
Goodwill	55,308	207,130	
Total assets	1,494,974	1,795,421	
Senior debt, net	$ 115,625	$ 207,971	
Senior notes, net	537,799	536,509	
Total liabilities	1,236,538	1,386,570	(1)
Stockholders' equity	258,436	408,851	(1)

(1) Total liabilities and stockholders' equity for the first quarter of fiscal year 2016 are revised for the correction of a deferred tax error associated with our goodwill impairment reported in the fourth quarter of 2015 as discussed in our Annual Report on Form 10-K for the year ended December 31, 2016.

Rent-A-Center, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF EARNINGS - UNAUDITED

Table 6	Three Months Ended March 31,	
(In thousands, except per share data)	**2017**	**2016**
Revenues		
Store		
Rentals and fees	$ 595,414	$ 674,295
Merchandise sales	121,722	131,707
Installment sales	16,757	18,420
Other	2,652	4,088
Total store revenues	736,545	828,510
Franchise		
Merchandise sales	3,321	4,947
Royalty income and fees	2,120	2,195
Total revenues	741,986	835,652
Cost of revenues		
Store		
Cost of rentals and fees	162,033	176,241
Cost of merchandise sold	109,124	113,886
Cost of installment sales	5,184	6,025
Total cost of store revenues	276,341	296,152
Franchise cost of merchandise sold	2,982	4,556
Total cost of revenues	279,323	300,708
Gross profit	462,663	534,944
Operating expenses		
Store expenses		
Labor	192,107	209,387
Other store expenses	197,440	211,807
General and administrative expenses	39,772	43,061
Depreciation, amortization and impairment of intangibles	18,541	19,824
Other charges	13,651 (1)	2,435 (3)
Total operating expenses	461,511	486,514
Operating profit	1,152	48,430
Interest expense	11,630	11,977
Interest income	(156)	(97)
(Loss) earnings before income taxes	(10,322)	36,550
Income tax (benefit) expense	(3,643) (2)	11,489 (4)
Net (loss) earnings	$ (6,679)	$ 25,061
Basic weighted average shares	53,217	53,085
Basic (loss) earnings per common share	$ (0.13)	$ 0.47
Diluted weighted average shares	53,217	53,342
Diluted (loss) earnings per common share	$ (0.13)	$ 0.47

(1) Includes approximately $13.7 million of pre-tax charges primarily related to the closure of Acceptance Now locations, reductions in our field support center, litigation claims settlement, and incremental legal and advisory fees.
(2) Includes $0.1 million of discrete income tax adjustments.
(3) Includes $2.4 million of pre-tax charges related to the closure of Mexico stores.
(4) Includes $1.0 million of discrete income tax adjustments.

Rent-A-Center, Inc. and Subsidiaries

SEGMENT INFORMATION HIGHLIGHTS - UNAUDITED

Table 7	Three Months Ended March 31,	
(In thousands)	2017	2016
Revenues		
Core U.S.	$ 490,899	$ 584,365
Acceptance Now	234,546	230,396
Mexico	11,100	13,749
Franchising	5,441	7,142
Total revenues	$ 741,986	$ 835,652

Table 8	Three Months Ended March 31,	
(In thousands)	2017	2016
Gross profit		
Core U.S.	$ 337,954	$ 411,889
Acceptance Now	114,429	111,142
Mexico	7,821	9,327
Franchising	2,459	2,586
Total gross profit	$ 462,663	$ 534,944

Table 9	Three Months Ended March 31,	
(In thousands)	2017	2016
Operating profit		
Core U.S.	$ 24,402 (1)	$ 62,236
Acceptance Now	20,619 (2)	29,369
Mexico	161	(2,610) (4)
Franchising	1,441	1,413
Total segments	46,623	90,408
Corporate	(45,471) (3)	(41,978)
Total operating profit	$ 1,152	$ 48,430

(1) Includes approximately $0.6 million of pre-tax charges related to a litigation claims settlement
(2) Includes approximately $9.6 million of pre-tax charges related to the closure of Acceptance Now locations
(3) Includes approximately $2.5 million of pre-tax charges related to reductions in our field support center, and approximately $1.0 million of pretax incremental legal and advisory fees
(4) Includes $2.4 million of restructuring charges related to the closure of Mexico stores.

Table 10	Three Months Ended March 31,	
(In thousands)	2017	2016
Depreciation, amortization and impairment of intangibles		
Core U.S.	$ 8,108	$ 10,892
Acceptance Now	786 (1)	837
Mexico	527	939
Franchising	44	45
Total segments	9,465	12,713
Corporate	9,076	7,111
Total depreciation, amortization and impairment of intangibles	$ 18,541	$ 19,824

(1) The Company recorded an impairment of intangibles of $3.9 million in the Acceptance Now segment during the first quarter of 2017 that is not included in the table above.

Table 11	Three Months Ended March 31,	
(In thousands)	2017	2016
Capital expenditures		
Core U.S.	$ 6,108	$ 3,771
Acceptance Now	483	292
Mexico	23	147
Total segments	6,614	4,210
Corporate	15,434	10,230
Total capital expenditures	$ 22,048	$ 14,440

Table 12	On Rent at March 31,		Held for Rent at March 31,	
(In thousands)	2017	2016	2017	2016
Rental merchandise, net				
Core U.S.	$ 388,871	$ 481,434	$ 174,453	$ 239,272
Acceptance Now	351,672	325,476	9,447	5,827
Mexico	14,281	15,911	6,729	6,230
Total rental merchandise, net	$ 754,824	$ 822,821	$ 190,629	$ 251,329

Table 13	March 31,	
(In thousands)	2017	2016
Assets		
Core U.S.	$ 785,800	$ 1,111,298
Acceptance Now	427,541	402,168
Mexico	32,641	34,005
Franchising	2,237	3,197
Total segments	1,248,219	1,550,668
Corporate	246,755	244,753
Total assets	$ 1,494,974	$ 1,795,421

Rent-A-Center, Inc. and Subsidiaries

LOCATION ACTIVITY - UNAUDITED

Table 14

	Three Months Ended March 31, 2017					
	Core U.S.	Acceptance Now Staffed	Acceptance Now Direct	Mexico	Franchising	Total
Locations at beginning of period	2,463	1,431	478	130	229	4,731
New location openings	—	63	2	1	—	66
Acquired locations remaining open	—	—	—	—	3	3
Conversions	—	3	(3)	—	—	—
Closed locations						
Merged with existing locations	(7)	(108)	(381)	—	—	(496)
Sold or closed with no surviving location	(3)	—	—	—	(3)	(6)
Locations at end of period	2,453	1,389	96	131	229	4,298
Acquired locations closed and accounts merged with existing locations	—	—	—	—	—	—

Table 15

	Three Months Ended March 31, 2016					
	Core U.S.	Acceptance Now Staffed	Acceptance Now Direct	Mexico	Franchising	Total
Locations at beginning of period	2,672	1,444	532	143	227	5,018
New location openings	—	16	5	—	—	21
Acquired locations remaining open	—	—	—	—	—	—
Conversions	—	1	(1)		—	—
Closed locations						
Merged with existing locations	(6)	(25)	(10)	(4)	—	(45)
Sold or closed with no surviving location	(4)	—	—	(10)	—	(14)
Locations at end of period	2,662	1,436	526	129	227	4,980
Acquired locations closed and accounts merged with existing locations	2	—	—	—	—	2