

Investor Day 2010

November 10, 2010



David Carpenter

VP - INVESTOR RELATIONS

“We work to achieve a fair RCII stock value by educating investors regarding the benefits of our business model.”



Agenda

David Carpenter

Introduction

Mark Speese

Strategic Overview

Mitch Fadel

Ted DeMarino

Today's Operations

Chris Korst

Mark, Mitch, Ted, Chris

Question and Answer

BREAK

Virtual store tour video

Joel Mussat

Strategic Initiatives

Agustin Viola-Prioli

Mark, Mitch, Joel, Agustin

Question and Answer

BREAK

Robert Davis

Financial Strategy

Mark, Mitch, Robert

Question and Answer

Mark Speese

Summary



Safe Harbor Statement and Non-GAAP Measures

Safe Harbor Statement

This presentation 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: uncertainties regarding the ability to open new rent-to-own stores; the Company’s ability to acquire additional rent-to-own stores or customer accounts on favorable terms; the Company’s ability to control costs and increase profitability; the Company’s ability to identify and successfully enter new lines of business offering products and services that appeal to its customer demographic; the Company’s ability to enhance the performance of acquired stores; the Company’s ability to retain the revenue associated with acquired customer accounts; the Company’s ability to identify and successfully market products and services that appeal to its customer demographic; the Company’s ability to enter into new and collect on its rental purchase agreements; the Company’s ability to enter into new and collect on its short term loans; the passage of legislation adversely affecting the rent-to-own or financial services industries; the Company’s failure to comply with statutes or regulations governing the rent-to-own or financial services industries; interest rates; increases in the unemployment rate; economic pressures, such as high fuel and utility costs, affecting the disposable income available to the Company’s targeted consumers; changes in the Company’s stock price and the number of shares of common stock that it may or may not repurchase; future dividends; changes in estimates relating to self-insurance liabilities and income tax and litigation reserves; changes in the Company’s effective tax rate; the Company’s ability to maintain an effective system of internal controls; changes in the number of share-based compensation grants, methods used to value future share-based payments and changes in estimated forfeiture rates with respect to share-based compensation; conditions affecting consumer spending and the impact, depth and duration of current economic conditions; the resolution of material litigation; our ability and the results therefrom to successfully manage the strategic alternatives process with respect to our financial services business and the results therefrom; 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, 2009, and its quarterly reports on Form 10-Q for the quarters ended March 31, 2010, June 30, 2010 and September 30, 2010. 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.

Non-GAAP Measures

Certain measures contained in this presentation are not measures calculated in accordance with generally accepted accounting principles (GAAP). They should not be considered a replacement for GAAP results. Non-GAAP financial measures appearing in these slides are identified in the footnotes. A reconciliation of these non-GAAP measures to the most directly comparable GAAP financial measures is available at the end of the Presentation.





Mark Speese

CHAIRMAN & CEO

*“We make life manageable
for everyday people.”*





Looking back...

- The 60's
 - Get it without credit or cash



Today – people want it now



Our customer's demographics

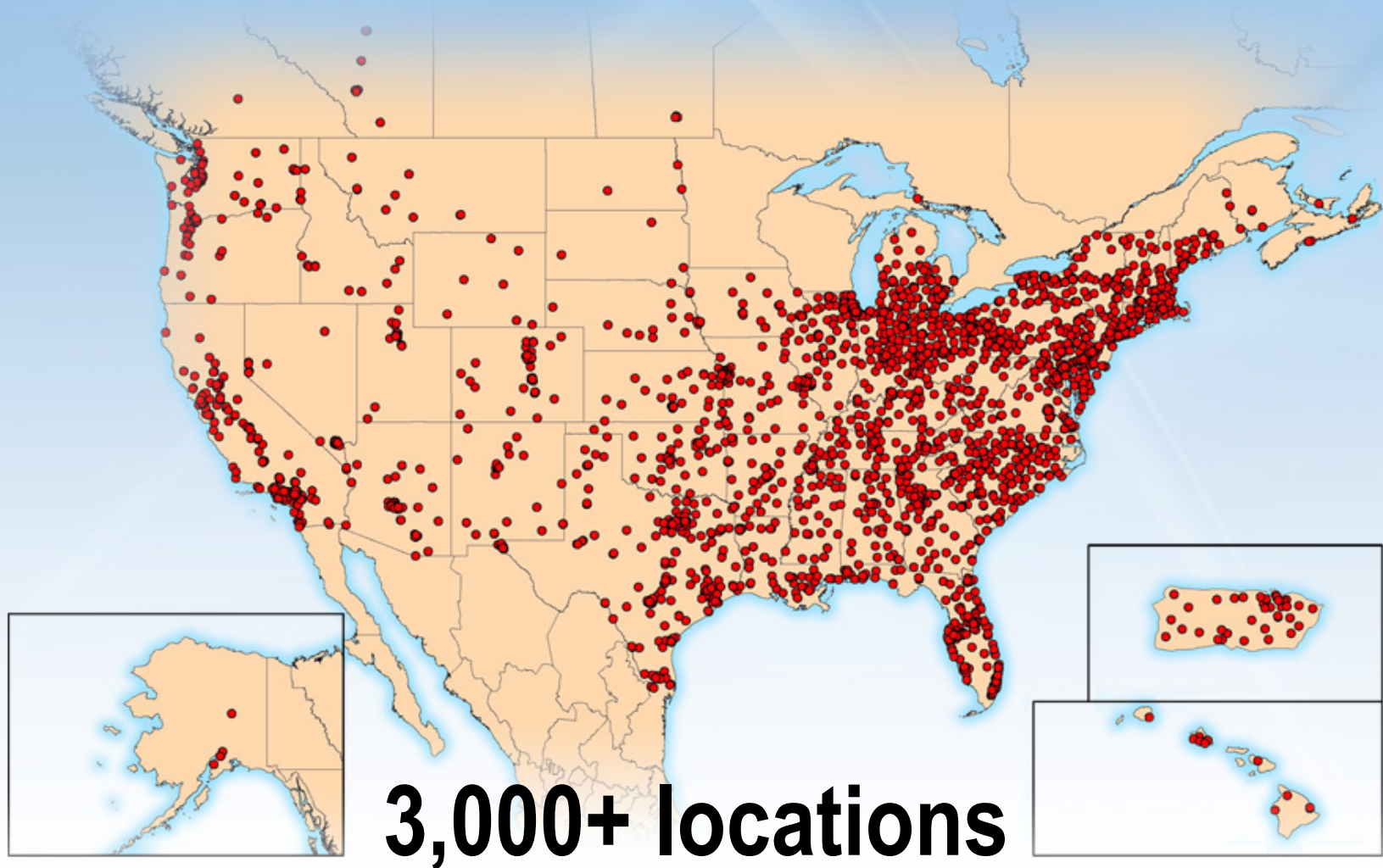
- 57% Female
- 48.5% Married
- HHI – 52% > \$35K
- Race
 - Caucasian ~ 68%
 - African-American ~ 18%
 - Other ~ 14%
 - Ethnicity ~ 15% Hispanic



Leaders in the business since 1986



Leaders in the business since 1986



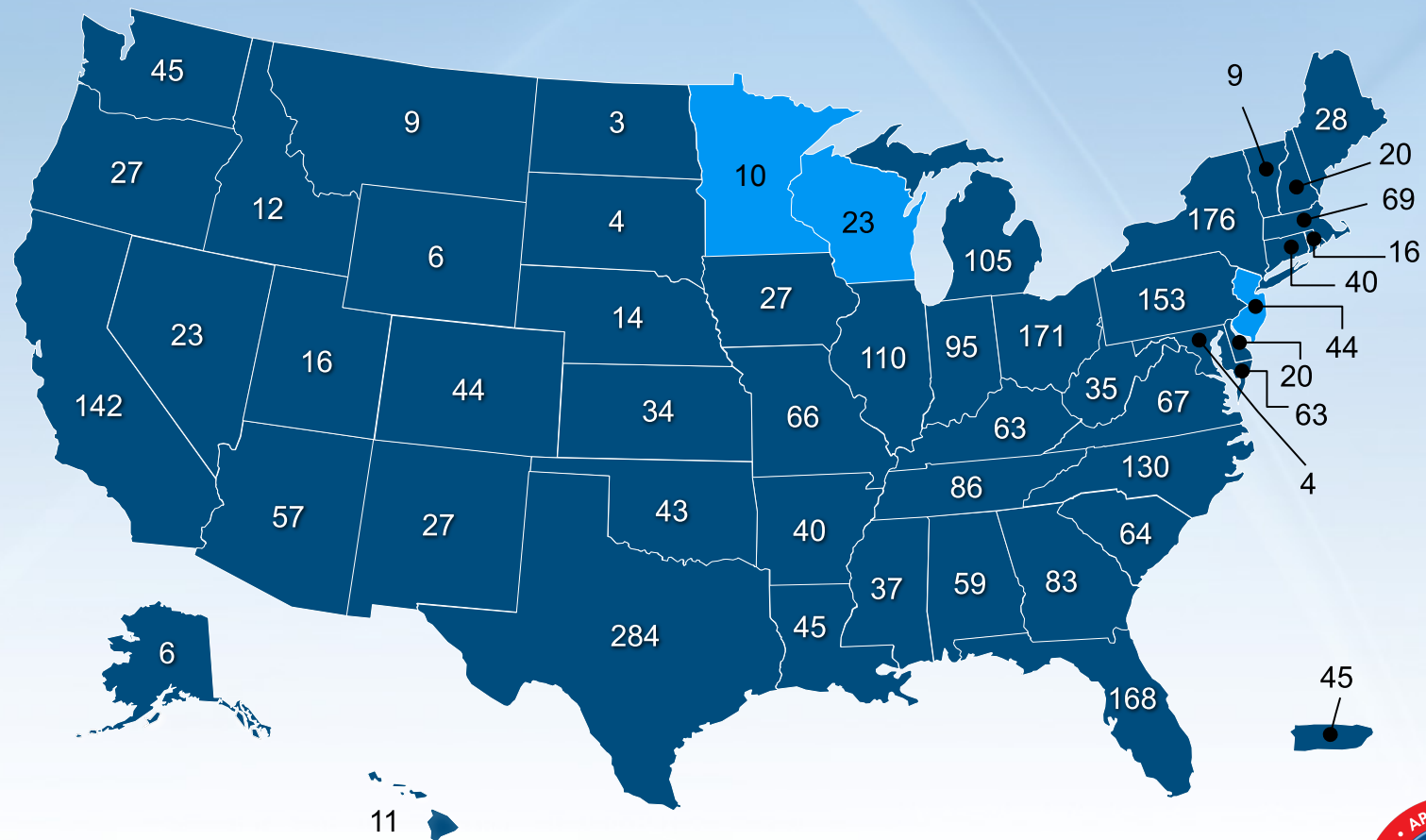
Furnishing customer's lives with quality products

- Electronics
 - Appliances
 - Furniture
 - Computers
-
- Flexible terms
 - Ownership between 18-21 months
 - Non-binding agreements



State Rent-To-Own regulation

3,000 domestic company-owned stores



Favorable State Regulation
 Developing/Unfavorable State Regulation



Our Mission

*“To Improve the Quality of Life
for Our Coworkers and Our Customers”*



Our Core Values

“The Rent-A-Center way is a serving culture which includes Having a Winning Spirit, Acting with a Servant’s Heart”



Our forward focus

- **Grow revenue and profitability of core stores**
- **Open and acquire more stores in America**
- **Expand abroad**
- **Develop complementary lines of business**



New footprints

- RAC Limited
- RAC Acceptance
- Home Choice



Technology to improve results

- Centralized Purchasing System
- E-Procurement
- Core POS System
- Customer Relationship Management



Maintain a sound balance sheet ...and return shareholder value



One Company, One Vision





Mitch Fadel

PRESIDENT & CHIEF OPERATING OFFICER

*“We do the right things
today to maximize
tomorrow’s results.”*



How are we weathering this economy?



We are on track and on top

\$2.7B

LTM revenue

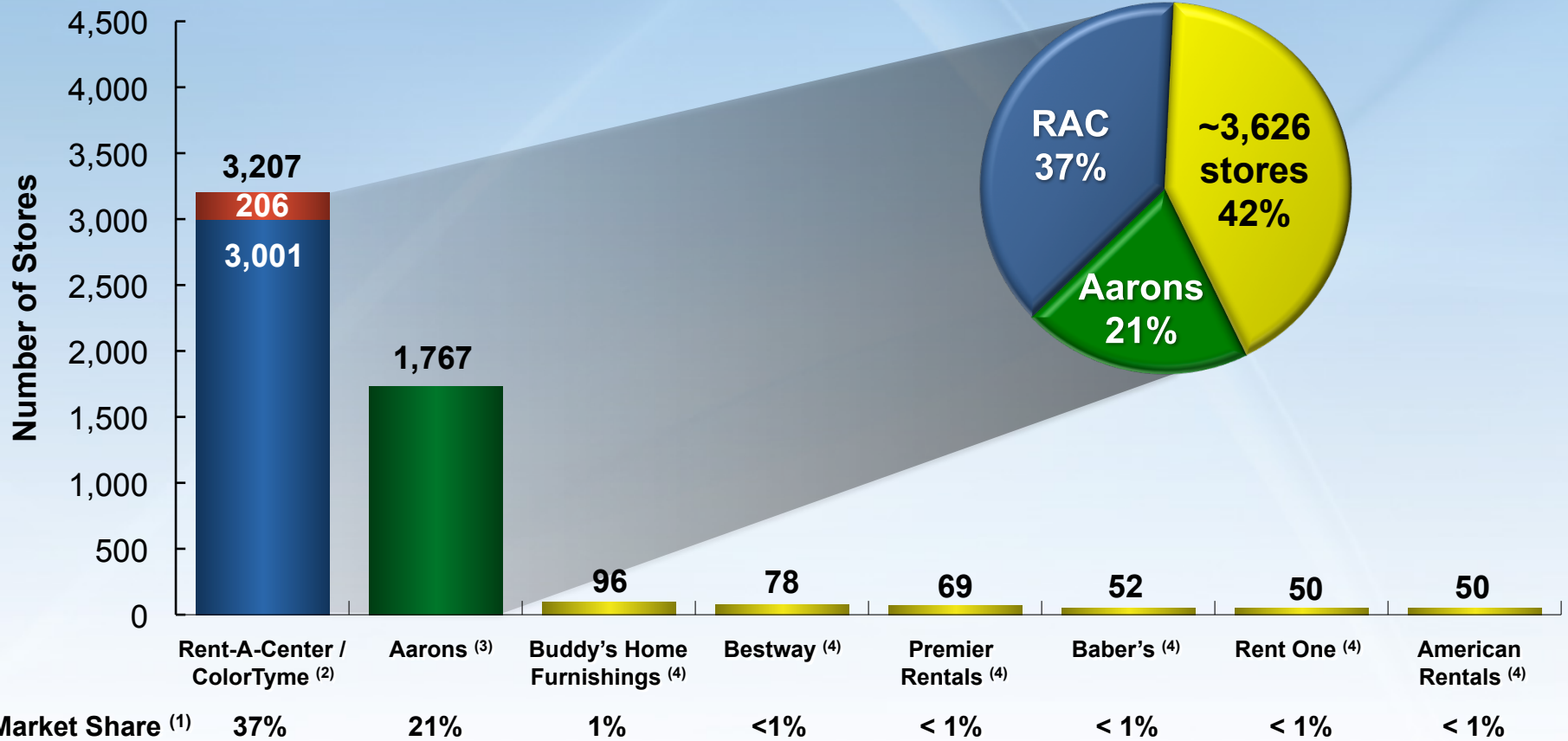
\$382MM

LTM adjusted EBITDA



Leading in a fragmented market

8,600 Stores ⁽¹⁾



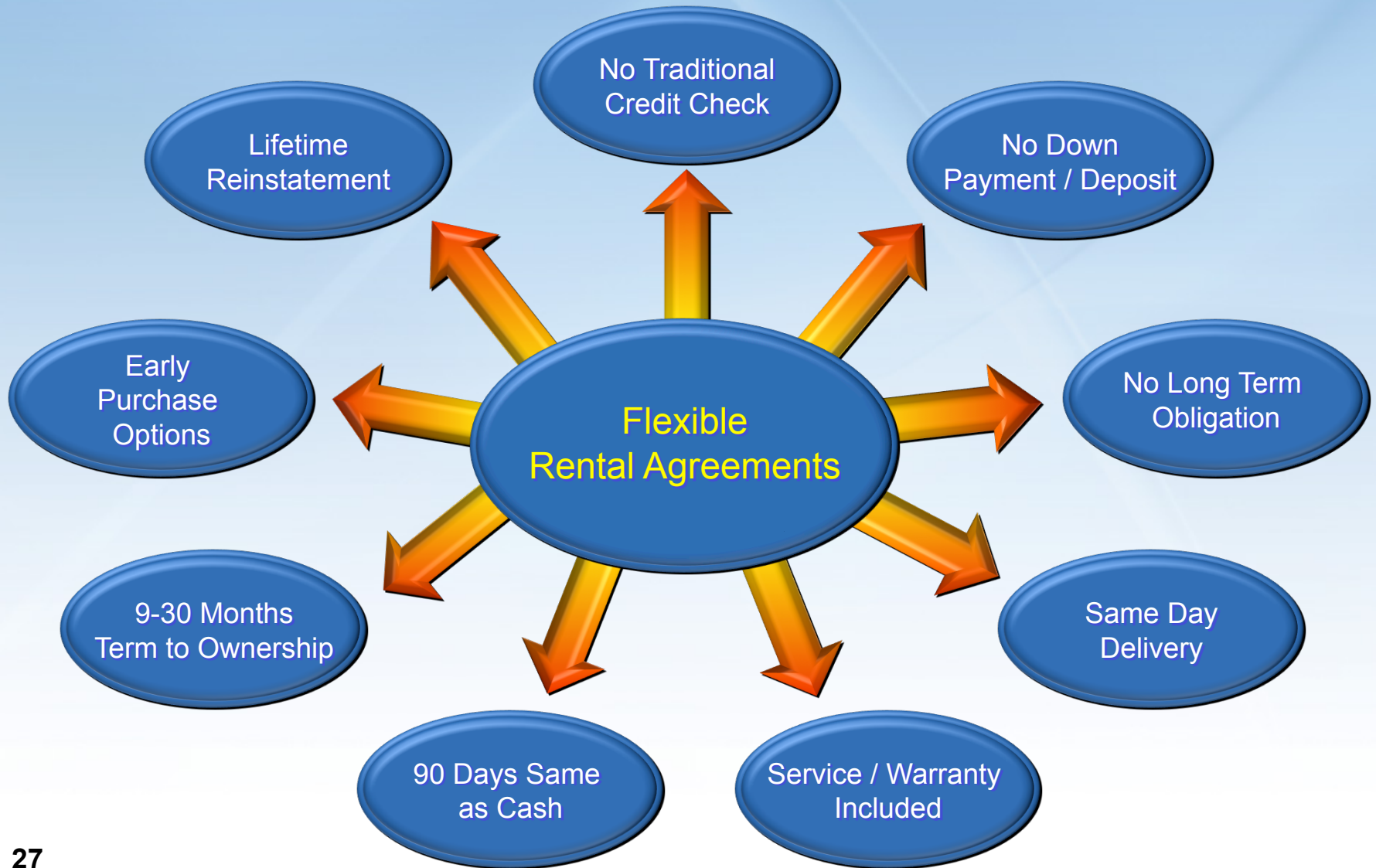
1) APRO (Association of Progressive Rental Organizations) website dated August 31, 2010

2) Company data as of September 30, 2010

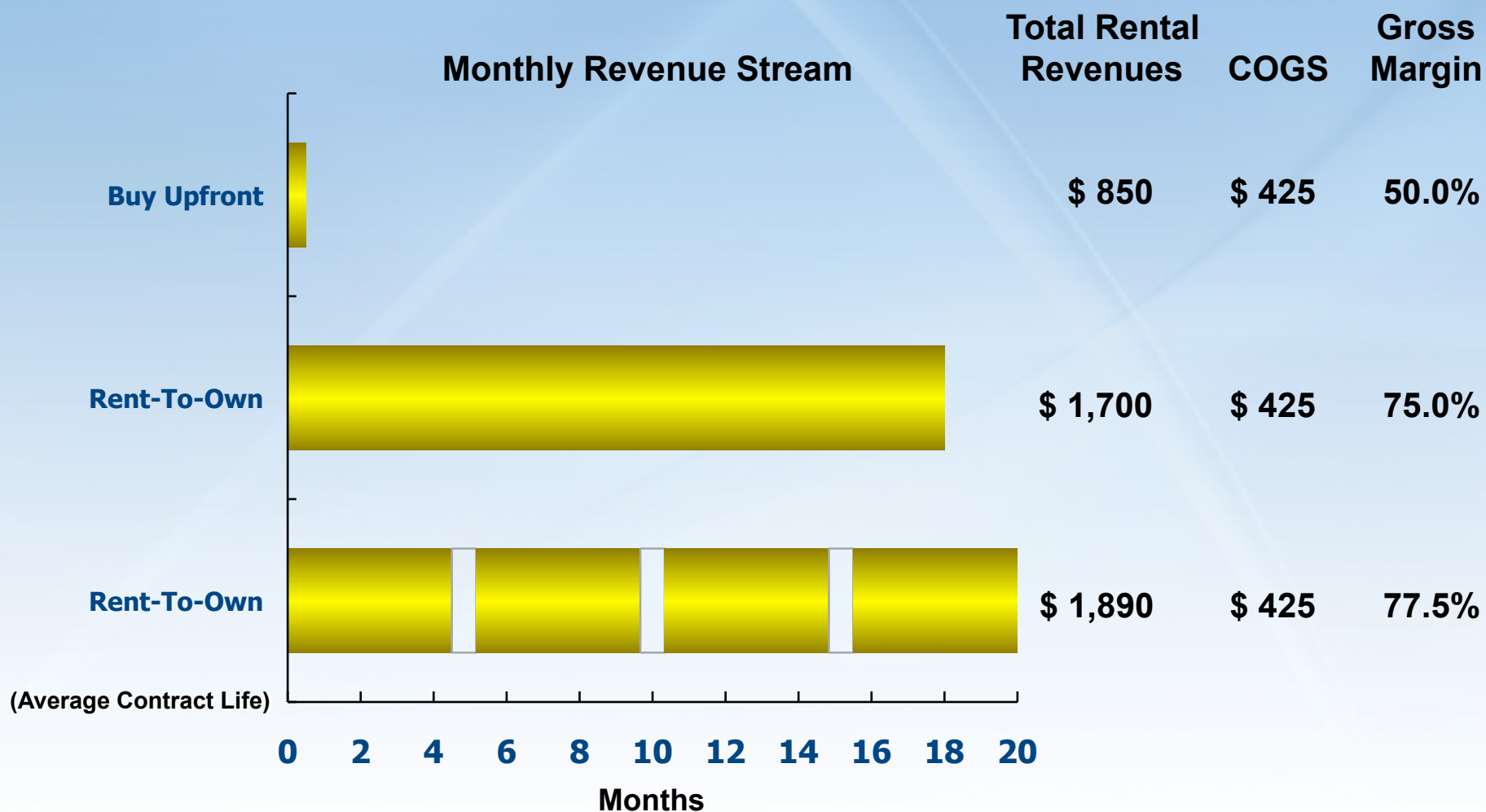
3) Company press release dated October 25, 2010

4) Company website estimate as of October 18, 2010

Rent-to-Own is an appealing transaction...



...With attractive economics



* The rental purchase transaction is a flexible alternative for consumers with features that include no long-term obligation and the right to terminate the transaction without penalty. For 75% of our initial rental purchase agreements, the customer returns the merchandise before acquiring ownership and the average term of the agreement is 4 to 5 months.

Easily accessible... highly visible sites



Leased sites only

No warehouses

Vendors ship directly to the stores

High quality, brand-name merchandise

Electronics
*34% of
Rental Revenue*

SONY®



TOSHIBA

JVC®

PHILIPS

Furniture
*31% of
Rental Revenue*



Appliances
*18% of
Rental Revenue*



Computers
*17% of
Rental Revenue*

COMPAQ



SONY®

TOSHIBA

Represents a rolling 12 months of actual data

RTO untapped market is big

44 Million households have average income =
\$15K - \$50K⁽¹⁾



Rent-to-Own serves
only 4.1 Million
Households⁽²⁾

(1) U.S. Census Bureau – 2010 CPS Survey

(2) APRO (Association of Progressive Rental Organizations)
web site dated October 26, 2010



The 'underbanked' working family faces denied credit

REJECTED

FINANCIAL TIMES

BLOATING
SUB PRIME
MARKET



2010 financials to date

- **Steady revenue**
- **Expense discipline**
- **Expanding margins**
- **Consumer demand remains strong**
- **Double-digit earnings growth**

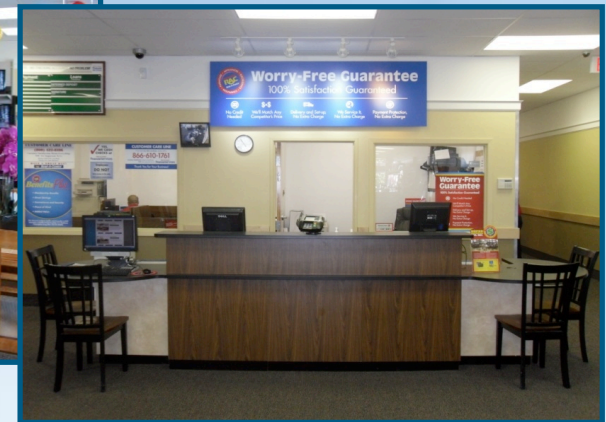


Driving revenue and profit

- New store design
- Centralized purchasing system
- Margin expansion initiatives
- Growth opportunities

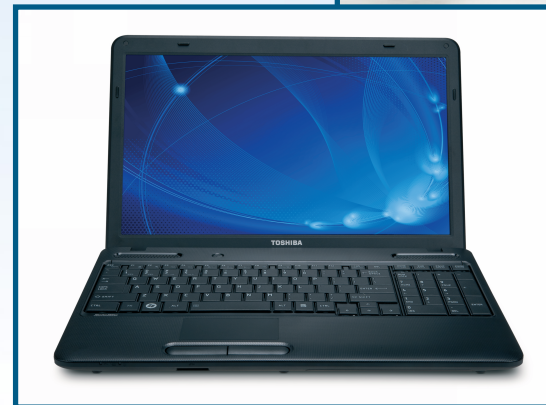


New attractive store design



Centralized purchasing system

- Right products
- Right places
- Right time



Margin expansion

Deflation and
inventory costs

Terming matrix

Focus on cost
control



Into the future



Core RTO



Extend U.S.
Reach



International



The ideal economic climate

Lower unemployment

Increase in consumer confidence

Continuation of tighter credit



Ted DeMarino

EXECUTIVE VICE PRESIDENT
OPERATIONS

*“People work for people,
they don't work for
companies.”*



Keep the core business strong

Our coworkers
and customers

Sales programs
and customer retention

Collections



Why would anyone rent?



*Why would anyone rent
from Rent-A Center?*





*Mr. Ditaniel Lee
Philadelphia, PA
Store Manager*



RAC Careers – District Managers



District Manager Academy – August 2010





*Ms. Elba Pabon
Reading, PA*





*Hector Rivera
and Sherry O'Brian*

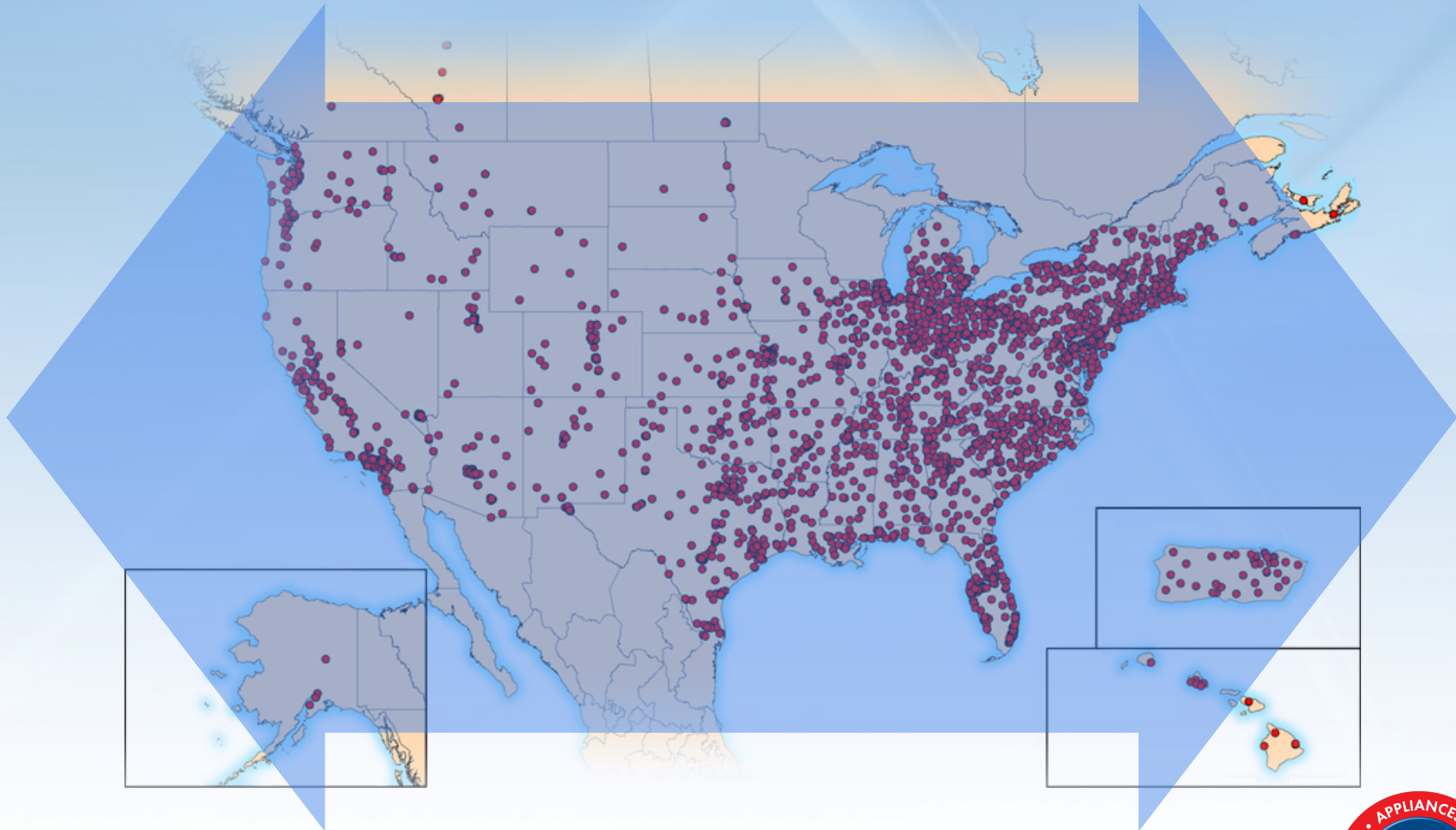




**Our customers
and coworkers
connect like a
family.**



We are 3,000 neighborhood stores



Our business is unique

No long-term obligation

**We have to sell them every single week,
and our results say - they really like us!**



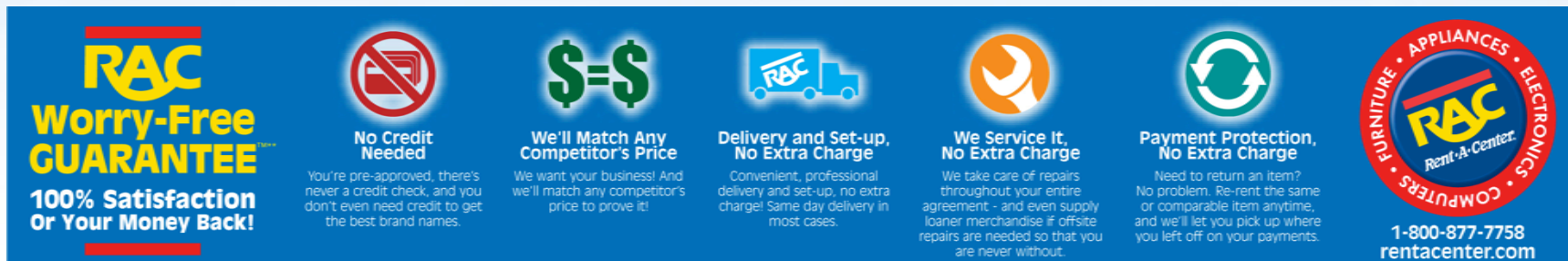
Sales Program and Customer Retention

**Targeted marketing campaigns
balanced between hot promotional
buys and our value proposition**





Value Proposition


1. No credit check
2. Match competitor's price
3. Delivery and set up are included
4. No extra charge for service and repair
5. Payment protection





RAC
Worry-Free GUARANTEE™
100% Satisfaction Or Your Money Back!



No Credit Needed
You're pre-approved, there's never a credit check, and you don't even need credit to get the best brand names.


We'll Match Any Competitor's Price
We want your business! And we'll match any competitor's price to prove it!


Delivery and Set-up, No Extra Charge
Convenient, professional delivery and set-up, no extra charge! Same day delivery in most cases.


We Service It, No Extra Charge
We take care of repairs throughout your entire agreement - and even supply loaner merchandise if offsite repairs are needed so that you are never without.


Payment Protection, No Extra Charge
Need to return an item? No problem. Re-rent the same or comparable item anytime, and we'll let you pick up where you left off on your payments.


1-800-877-7758
rentacenter.com

Targeting our demographic

- Daytime viewers
 - Soap operas
- Some syndicated shows
 - Seinfeld, King of the Hill
- Cable
 - WWE Smackdown
 - ESPN SportsCenter





Marketing and Promotions

NEW LED

less than 2" deep

Hulk Hogan
Pro Wrestler

Troy Aikman
Hall of Fame
Quarterback

40"
1080p
FULL HD
LED
120Hz

NO CREDIT NEEDED

Get This 40" LED HDTV OR
Touch Screen Computer
Your Choice
only
\$24.99
per week*

TOSHIBA

acer
touch screen

18.5"
ALL-IN ONE

Intel Atom

**Why Wait for the Holiday Rush?
Start Saving Now!**

Obtén este HDTV LED de 40" o una computadora de pantalla táctil – tu elección por sólo \$24.99 semanales.
No te esperes a las prisas de las festividades, ¡Empieza a ahorrar ya! Mira adentro para los detalles.

See
Inside
for Details





Store training to execute our sales programs

Greet

Ask

Show

Close



Telephone shops and game films



Customer retention

We “re-sell” every week

Each additional week an agreement
stays on rent at \$25/week

=

\$37,500,000



The cornerstone of our business model

**Account Management
(collections)**

**Keeping past due
accounts under control**



Collecting from constrained customers – we provide options

- Catch up next week by paying 2 weeks
- Partial payments
- Return with no future obligation
- Payment protection plan



**Our business model
is resilient**



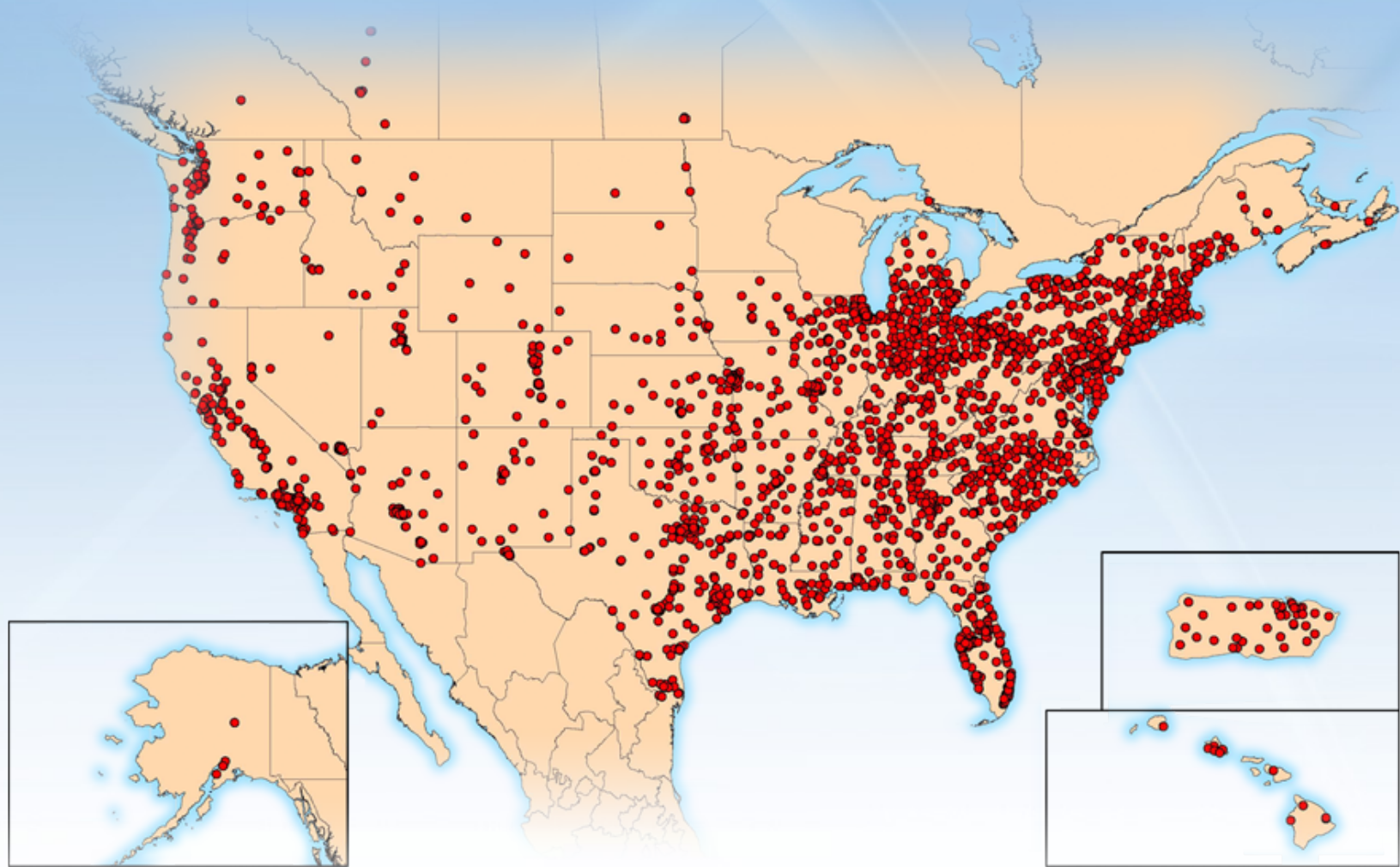
Chris Korst

EXECUTIVE VICE PRESIDENT
OPERATIONS

*“We’re in the quality
of life business.”*



We're a national company...



... Operating in a neighborhood business



Customers in our neighborhood

- 3,000 locations, national presence, but small footprints
- 70% of our customers live within 5 miles of their Rent-A-Center
- Customers visit us in person 1 to 4 times per month
- Small store staffs locally-sourced



We can't cookie-cutter relationships

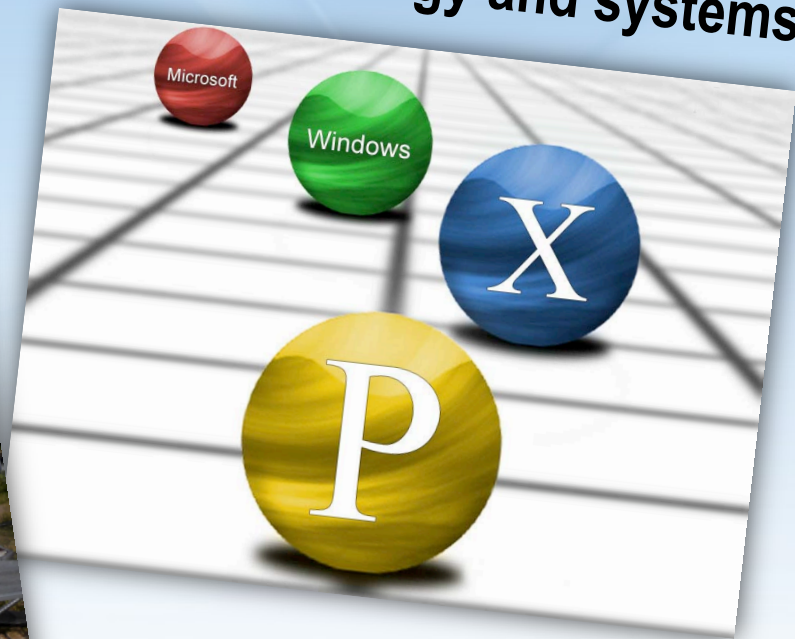


We use systems to help our people customize relationships

We are entrepreneurs



With technology and systems



Investing in people and technology

- Investing in our coworkers is foundational
- Technology is a key competitive advantage:
 - Centralized Purchasing System (CPS)
 - Store Information Management System (SIMS)
 - Customer Relationship Management System (CRM)
 - Price and Promotion Software (P&P)



Centralized system

Right products,
right prices,
right stores,
right time

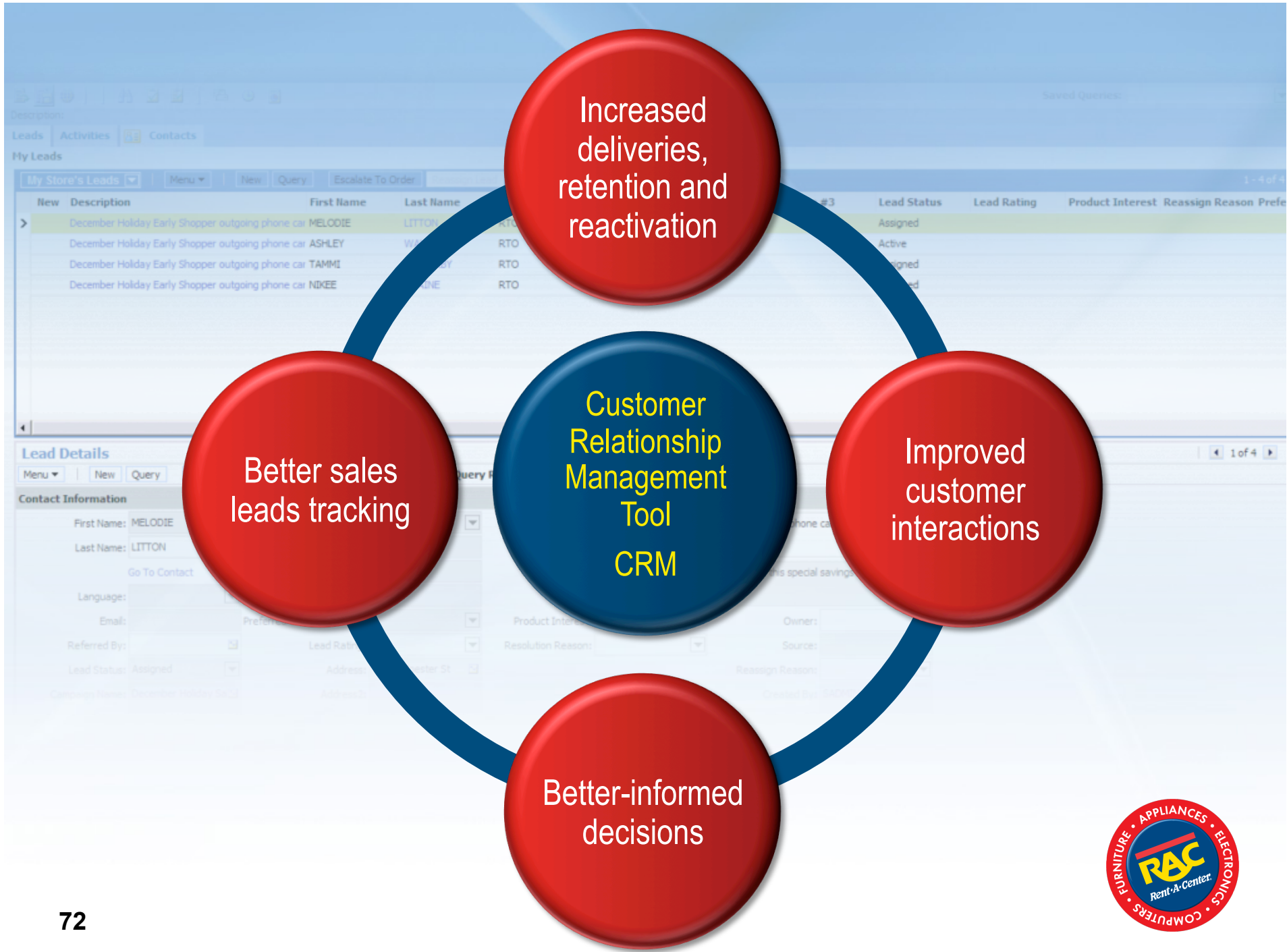
Centralized
Purchasing
System
CPS

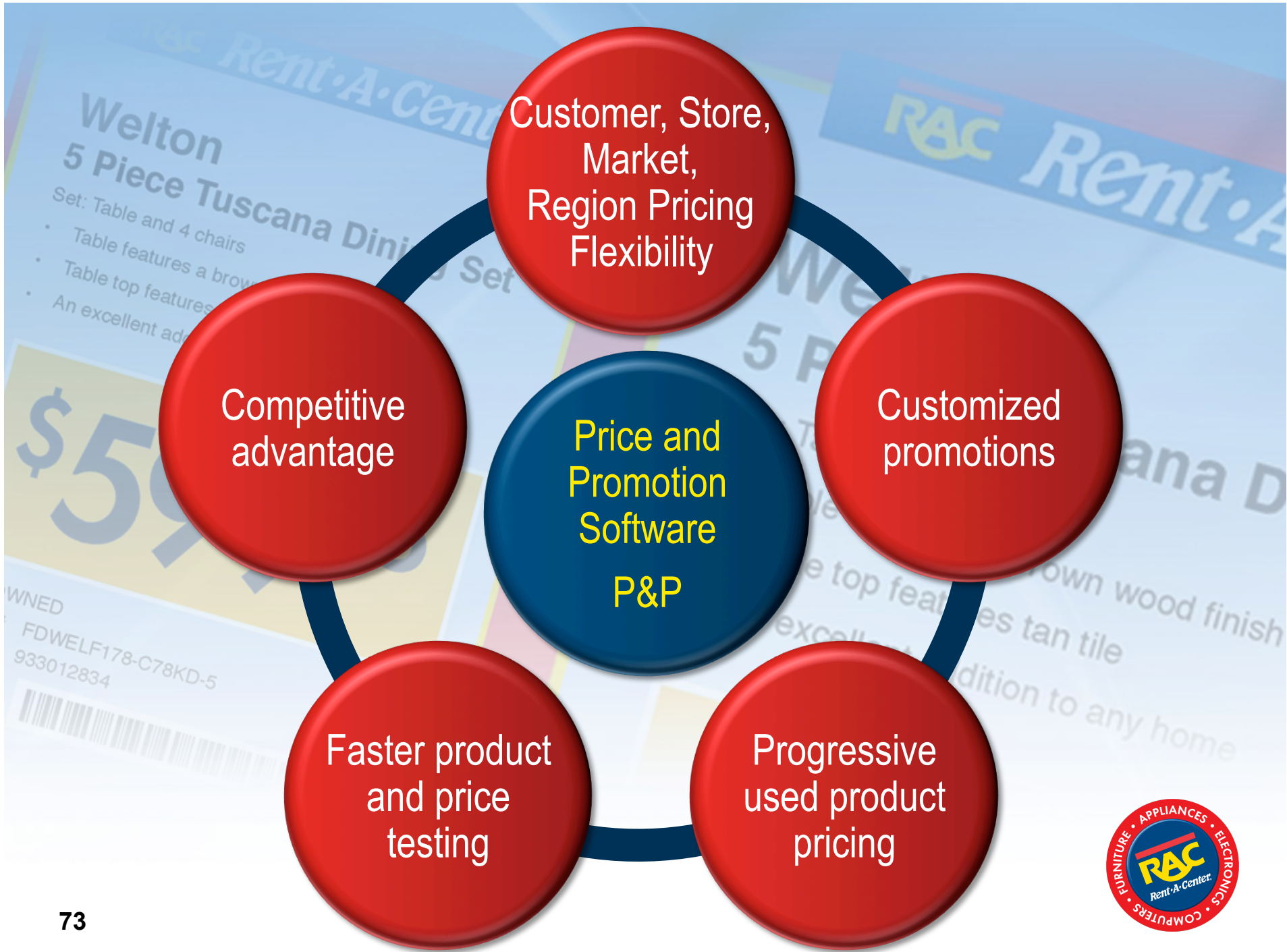
Store-based process

Just-in-time
replenishment









CPS
Implementation
Complete

CRM
Q1 2011

P & P
Q2 2011

SIMS
Q3 – Q4 2011

Software Development Roll Out



**Growing by
meeting our
customer's
needs**





Q & A

