

RAC

Rent-A-Center[®]

*Investor Presentation
First Quarter 2005*



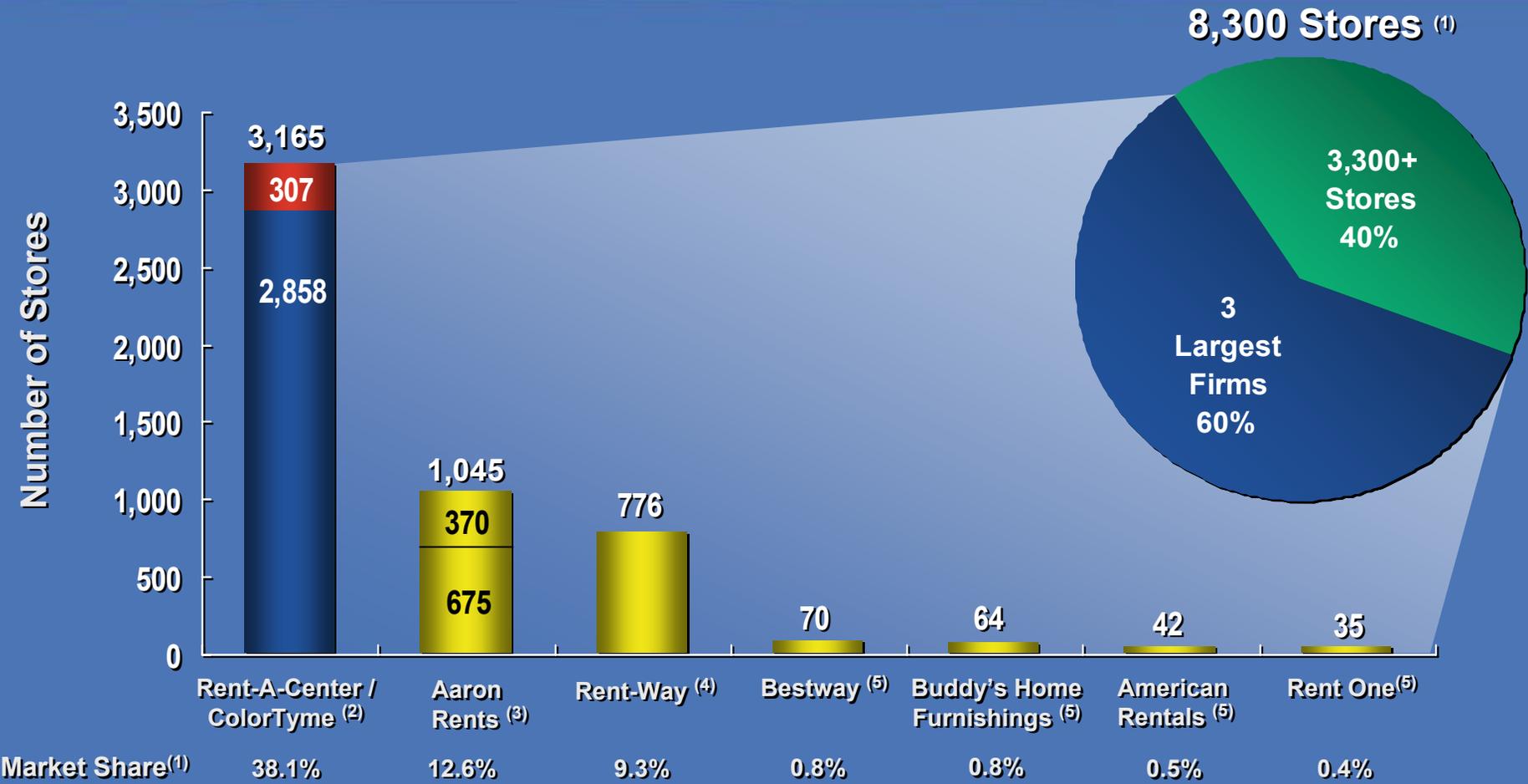
Key Investment Rationale

- Leading rent-to-own operator in the U.S.
- Proven business model
- Multiple growth drivers
- Predictable revenue stream
- Strong cash flow generation
- Strong internal controls and governance
- Experienced management team

Leading RTO Operator in U.S.

- Largest rent-to-own operator in the U.S.
 - 34% market share based on 2,858 domestic store count as of 3/31/05
 - ColorTyme subsidiary represents an additional 4% market share
- Broad selection of high quality goods through flexible rental agreements
 - Home electronics – 35% of rental revenue
 - Furniture and home accessories - 38% of rental revenue
 - Appliances - 15% of rental revenue
 - Personal computers – 12% of rental revenue
- Primarily serves the “underbanked” consumer
- Generated \$2.33 billion in LTM revenue and \$376.5 million in LTM EBITDA as of March 31, 2005

Leading Player in Fragmented Marketplace

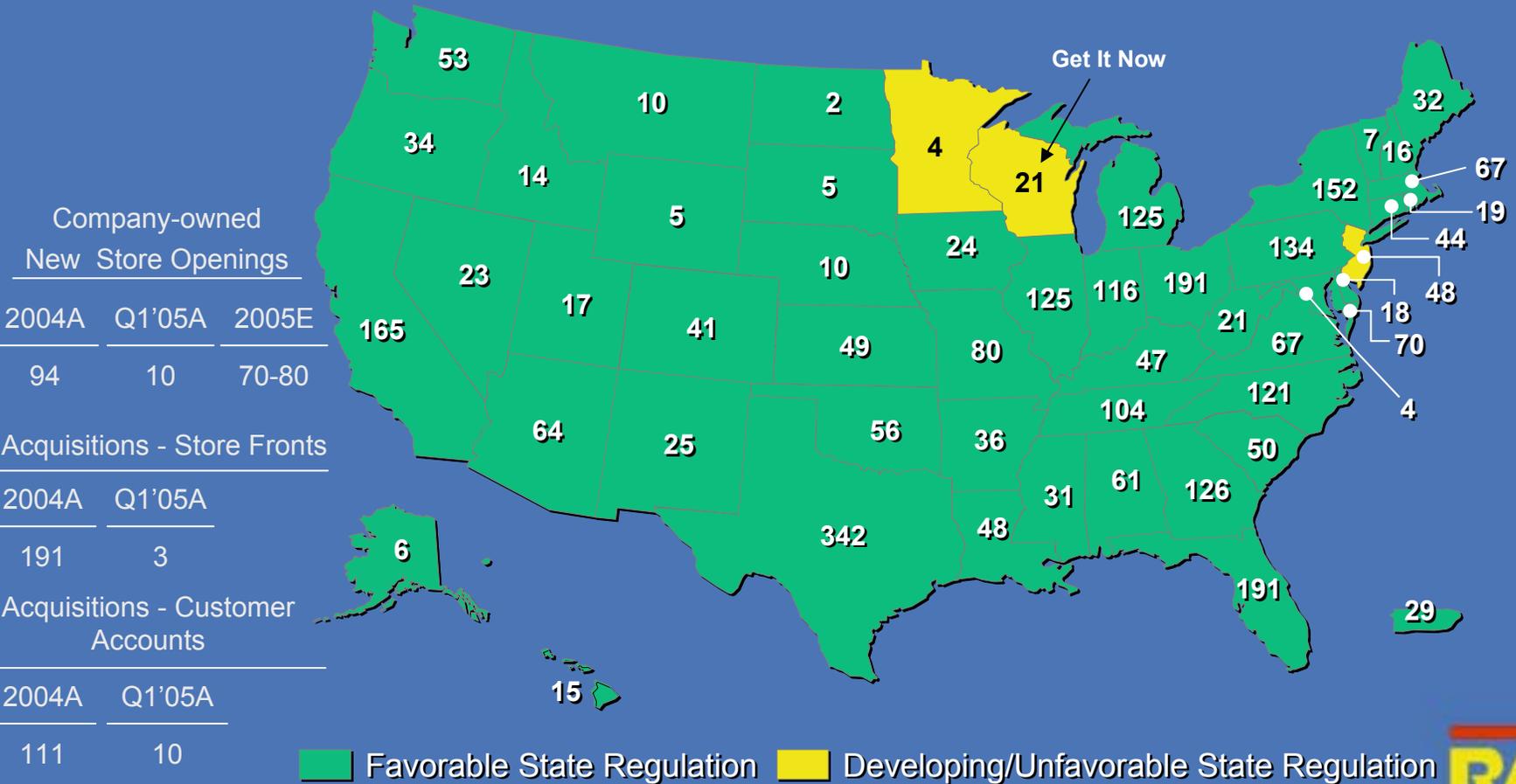


Notes: (1) Based on Association of Progressive Rental Organization (APRO) estimates in 2004 Industry Survey of 8,300 total stores
 (2) Company data as of March 31, 2005
 (3) Company's estimates based on Aaron Rents press release of March 1, 2005
 (4) Company press release of March 23, 2005
 (5) Company website estimates as of April 14, 2005

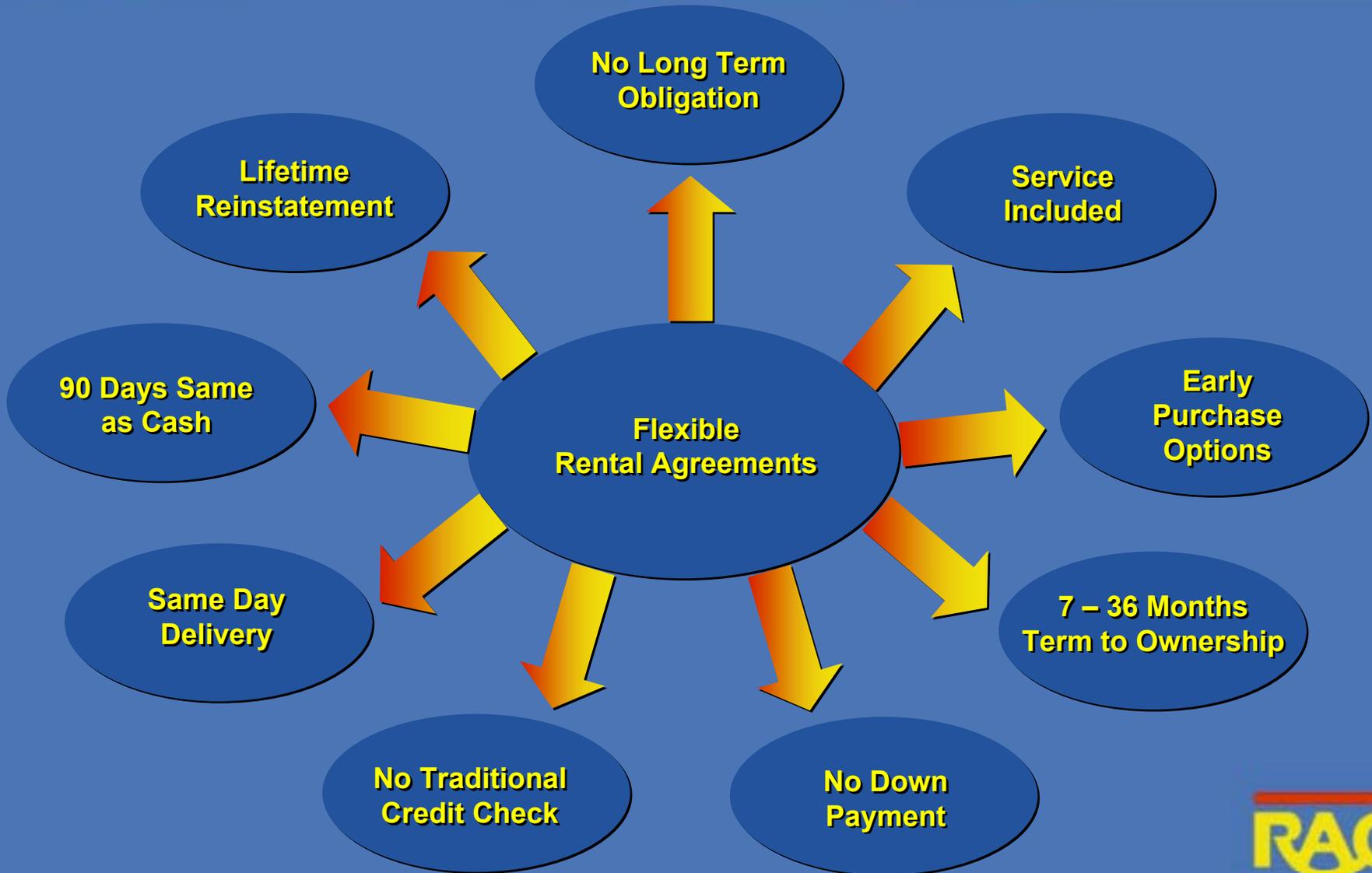


Leading National Footprint

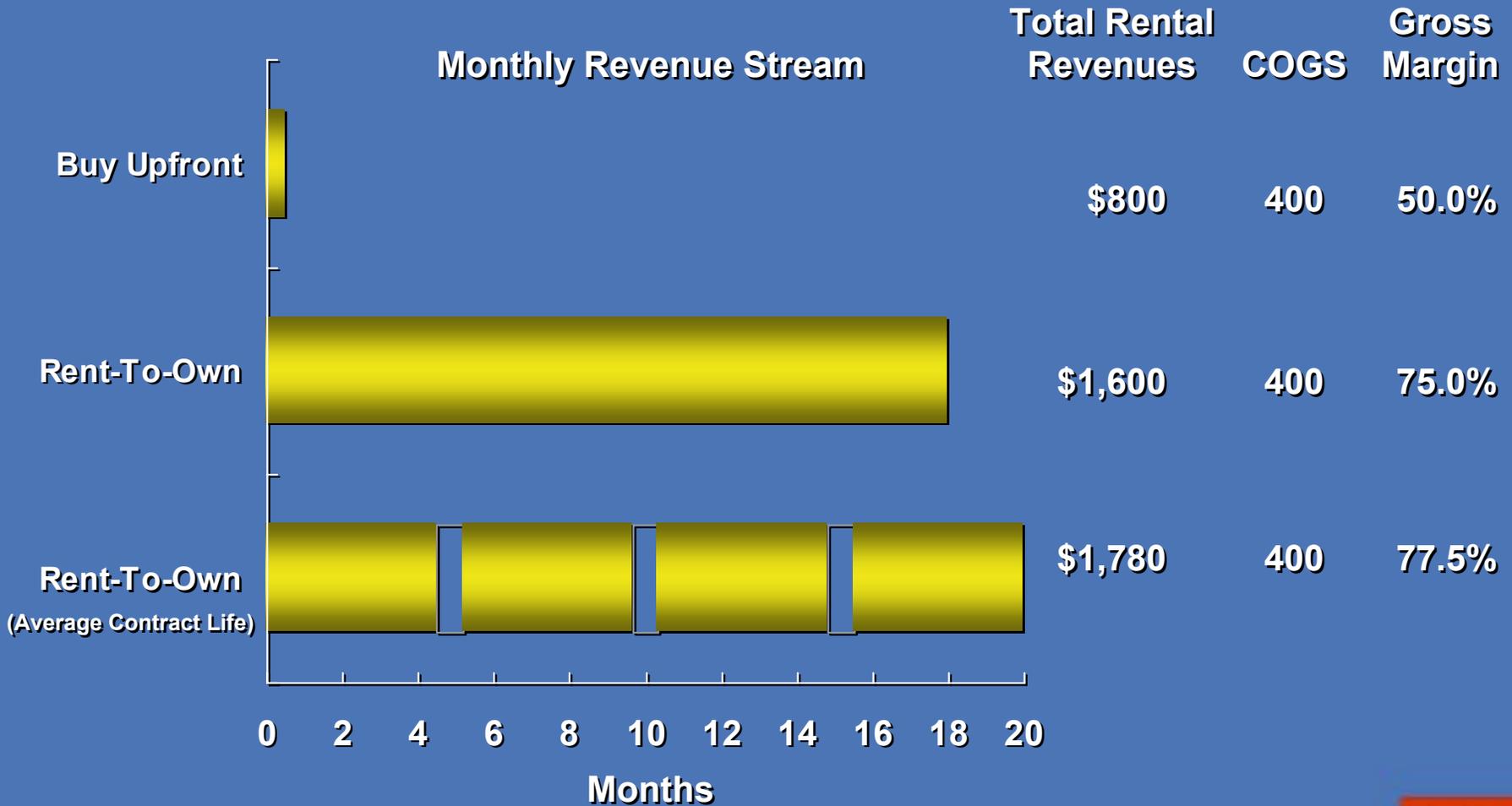
2,858 domestic company-owned stores and 307 franchised stores
 5 company-owned stores in Canada



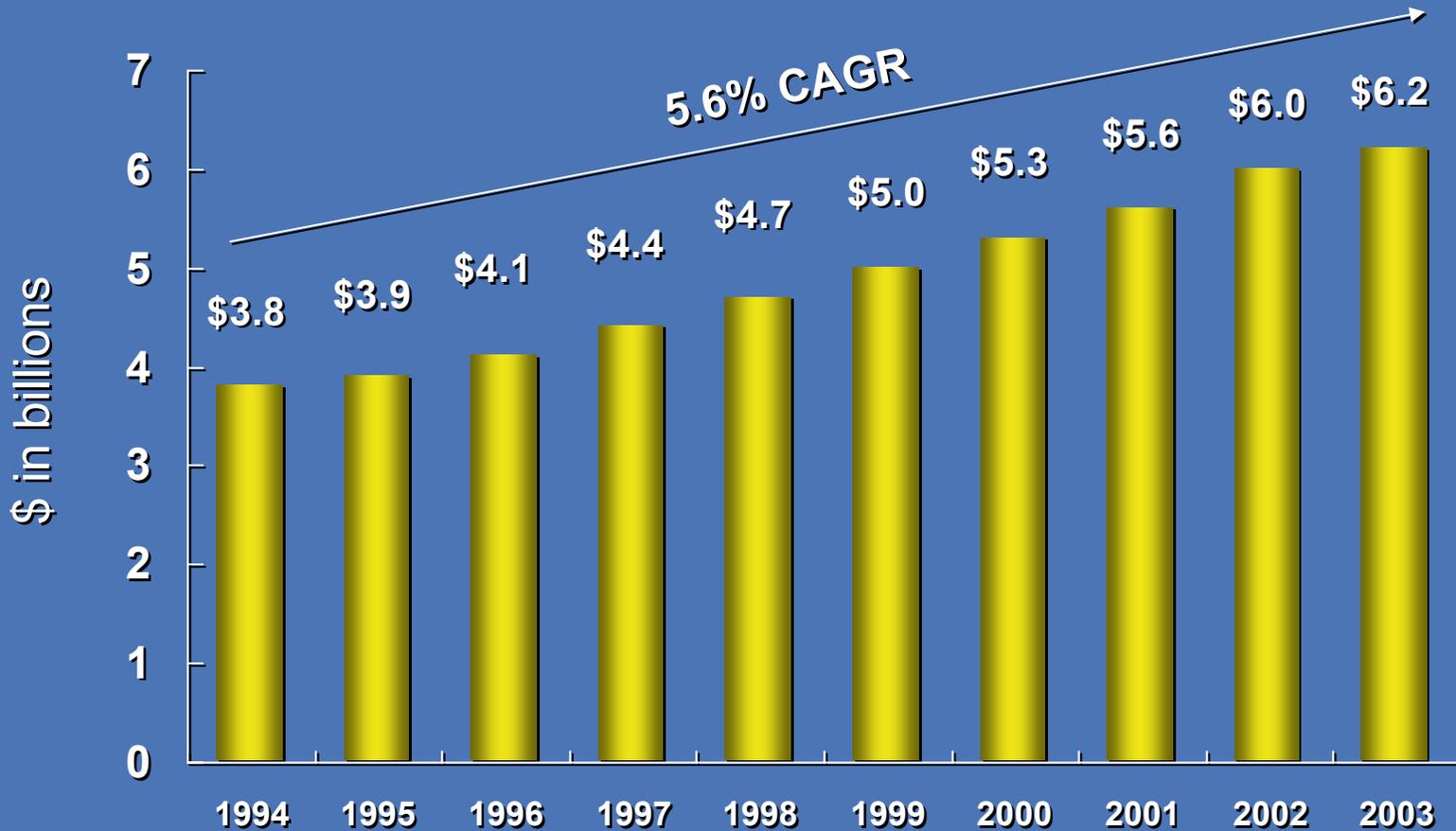
Rent-to-Own is an Appealing Transaction...



...With Attractive Economics ...



...Consistent Industry Growth...



Source: APRO 2004 Industry Survey

Levers of Growth for Rent-to-Own

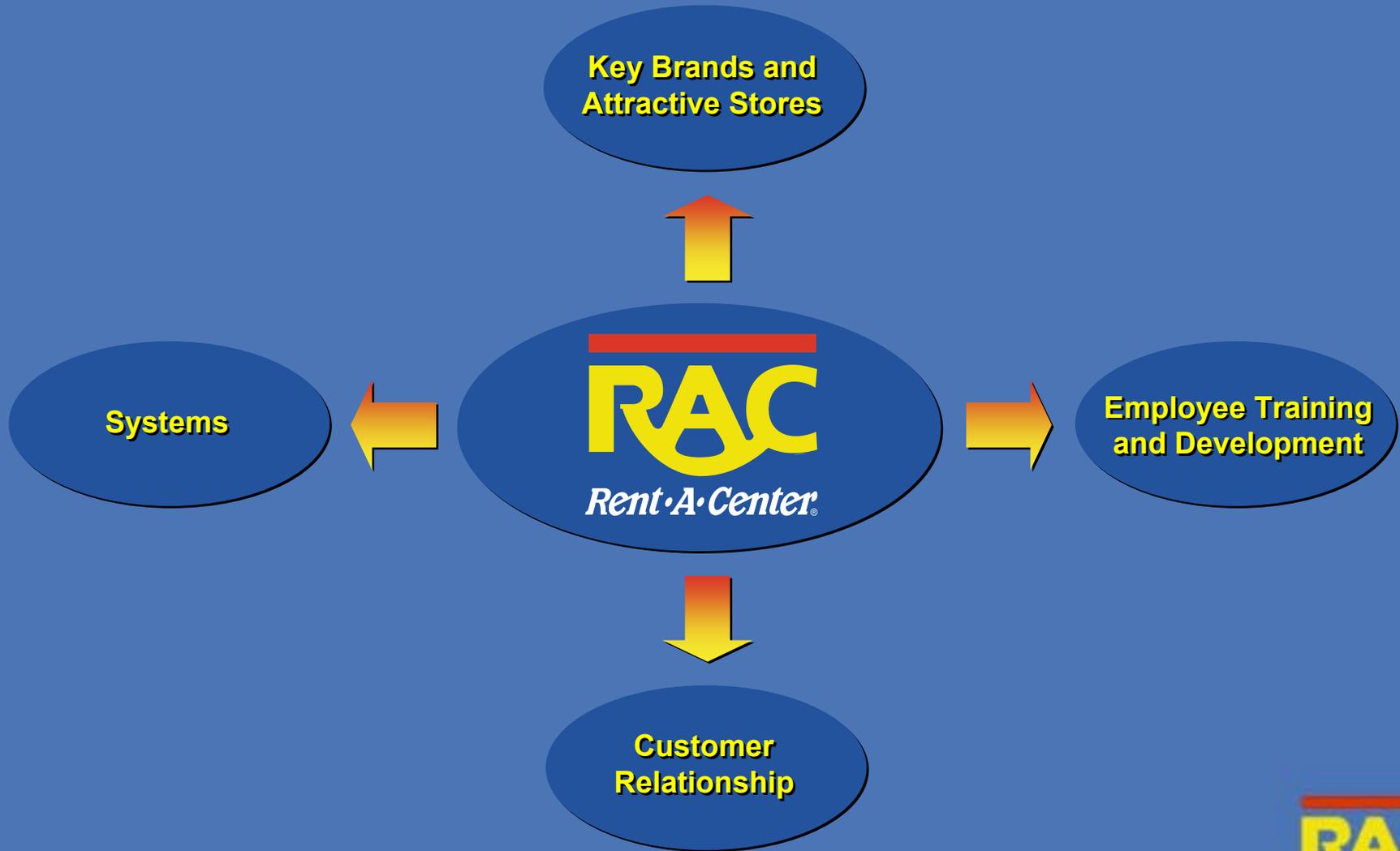
- Open New Rent-to-Own Stores
- Acquire Existing Rent-to-Own Stores
 - Storefronts
 - Customer Accounts
- Grow Same Store Sales
 - Merchandise Mix
 - Agreements per Customer
 - Customer Growth

Serves the “Underbanked Working Family”

- 75% of Customers in the Industry have Household Incomes between \$15,000 and \$50,000⁽¹⁾
- 45 million Households with Household Incomes between \$15,000 and \$50,000⁽²⁾
- Industry is Serving only 2.7 million of these Households⁽³⁾
- Great Market Opportunity

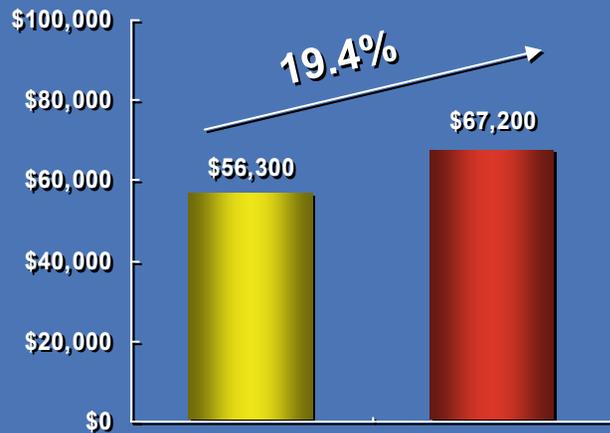
Note: (1) America's Research Group, August 2004
(2) U.S. Census Bureau - 2001
(3) APRO 2004 Industry Survey

Proven Business Model

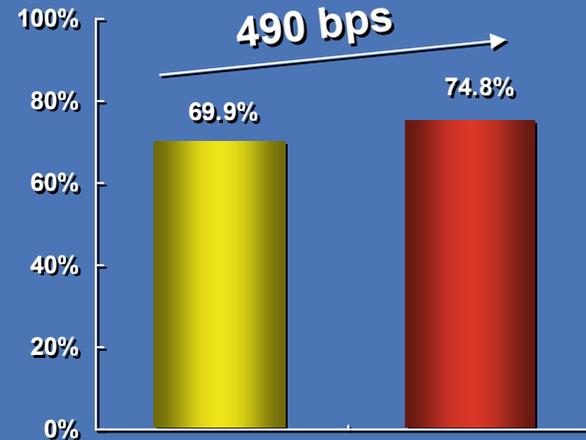


Rent-A-Center Store Profitability vs. Peers

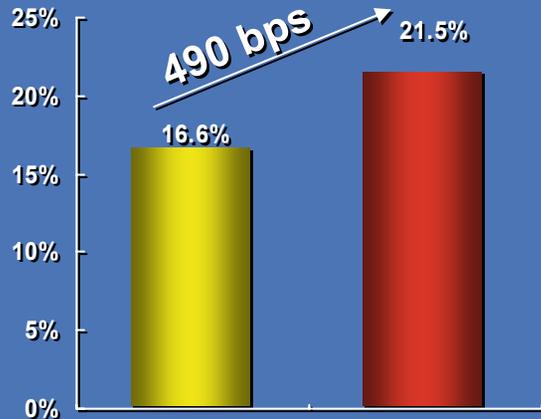
Monthly Revenue



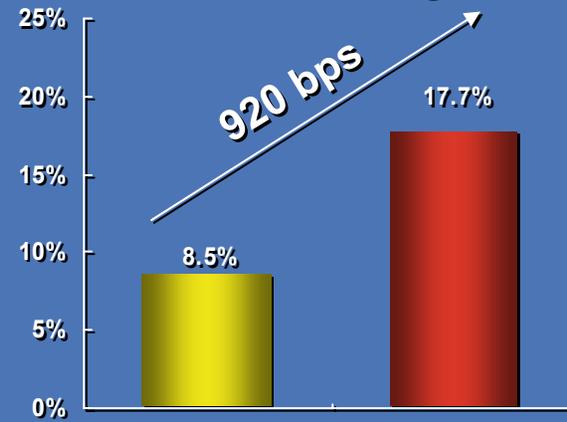
Gross Profit Margin



Store Operating Margin



EBITDA Margin



■ Industry Average ⁽¹⁾

■ Average RCI Store ⁽²⁾

Notes: (1) Source: APRO 2004 Industry Survey.

(2) Per LTM data for the period ended March 31, 2005 for Rent-A-Center stores (excludes Rainbow & Rent Rite storefronts, Get It Now, ColorTyme, and Canada)

(3) Store Operating Margin is before overhead allocation, EBITDA Margin is after overhead allocation



Easily Accessible, Highly Visible Sites



Leased Sites Only

Spacious Showroom Interior



No Warehouses - Vendors Ship Directly to the Stores

High Quality, Brand-name Merchandise

Electronics
35% of Rental
Revenue

SONY®

JVC®

HITACHI

 **MITSUBISHI**

TOSHIBA

Furniture
38% of Rental
Revenue

 **ASHLEY**

 **Simmons**®

 **England**™

 **BERKLINE**®

Appliances
15% of Rental
Revenue

 **Whirlpool**



Computers
12% of Rental
Revenue



COMPAQ

DELL™

IBM®

State-of-the-Art Systems Capabilities

Inventory Analysis

RETAIL HOUSEHOLD VENDOR INVENTORY ANALYSIS

ITEM	QTY	UNIT	PRICE	AMOUNT	DATE	DESCRIPTION
1001	100	EA	1.00	100.00	12/15/01	1001
1002	200	EA	2.00	400.00	12/15/01	1002
1003	300	EA	3.00	900.00	12/15/01	1003
1004	400	EA	4.00	1600.00	12/15/01	1004
1005	500	EA	5.00	2500.00	12/15/01	1005
1006	600	EA	6.00	3600.00	12/15/01	1006
1007	700	EA	7.00	4900.00	12/15/01	1007
1008	800	EA	8.00	6400.00	12/15/01	1008
1009	900	EA	9.00	8100.00	12/15/01	1009
1010	1000	EA	10.00	10000.00	12/15/01	1010

BOR & Credit Analysis

DEBIT FROM

ITEM	QTY	UNIT	PRICE	AMOUNT	DATE	DESCRIPTION
1011	100	EA	1.00	100.00	12/15/01	1011
1012	200	EA	2.00	400.00	12/15/01	1012
1013	300	EA	3.00	900.00	12/15/01	1013
1014	400	EA	4.00	1600.00	12/15/01	1014
1015	500	EA	5.00	2500.00	12/15/01	1015
1016	600	EA	6.00	3600.00	12/15/01	1016
1017	700	EA	7.00	4900.00	12/15/01	1017
1018	800	EA	8.00	6400.00	12/15/01	1018
1019	900	EA	9.00	8100.00	12/15/01	1019
1020	1000	EA	10.00	10000.00	12/15/01	1020

Store Income Analysis

INCOME SUMMARY

ITEM	TODAY	MO	QTD	YTD	%	REV	MO
1021	100	1000	3000	10000	100%	10000	10000
1022	200	2000	6000	20000	200%	20000	20000
1023	300	3000	9000	30000	300%	30000	30000
1024	400	4000	12000	40000	400%	40000	40000
1025	500	5000	15000	50000	500%	50000	50000
1026	600	6000	18000	60000	600%	60000	60000
1027	700	7000	21000	70000	700%	70000	70000
1028	800	8000	24000	80000	800%	80000	80000
1029	900	9000	27000	90000	900%	90000	90000
1030	1000	10000	30000	100000	1000%	100000	100000

Exceptions Report

EXCEPTIONS REPORT

DESCRIPTION	OPERATOR
Doc value correction on RA 00244500	00244500
Receipt Invoice RA 00244501	00244501
Receipt Invoice RA 00244502	00244502
Receipt Invoice RA 00244503	00244503
Receipt Invoice RA 00244504	00244504
Receipt Invoice RA 00244505	00244505
Receipt Invoice RA 00244506	00244506
Receipt Invoice RA 00244507	00244507
Receipt Invoice RA 00244508	00244508
Receipt Invoice RA 00244509	00244509
Receipt Invoice RA 00244510	00244510
Receipt Invoice RA 00244511	00244511
Receipt Invoice RA 00244512	00244512
Receipt Invoice RA 00244513	00244513
Receipt Invoice RA 00244514	00244514
Receipt Invoice RA 00244515	00244515
Receipt Invoice RA 00244516	00244516
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Receipt Invoice RA 00244518	00244518
Receipt Invoice RA 00244519	00244519
Receipt Invoice RA 00244520	00244520

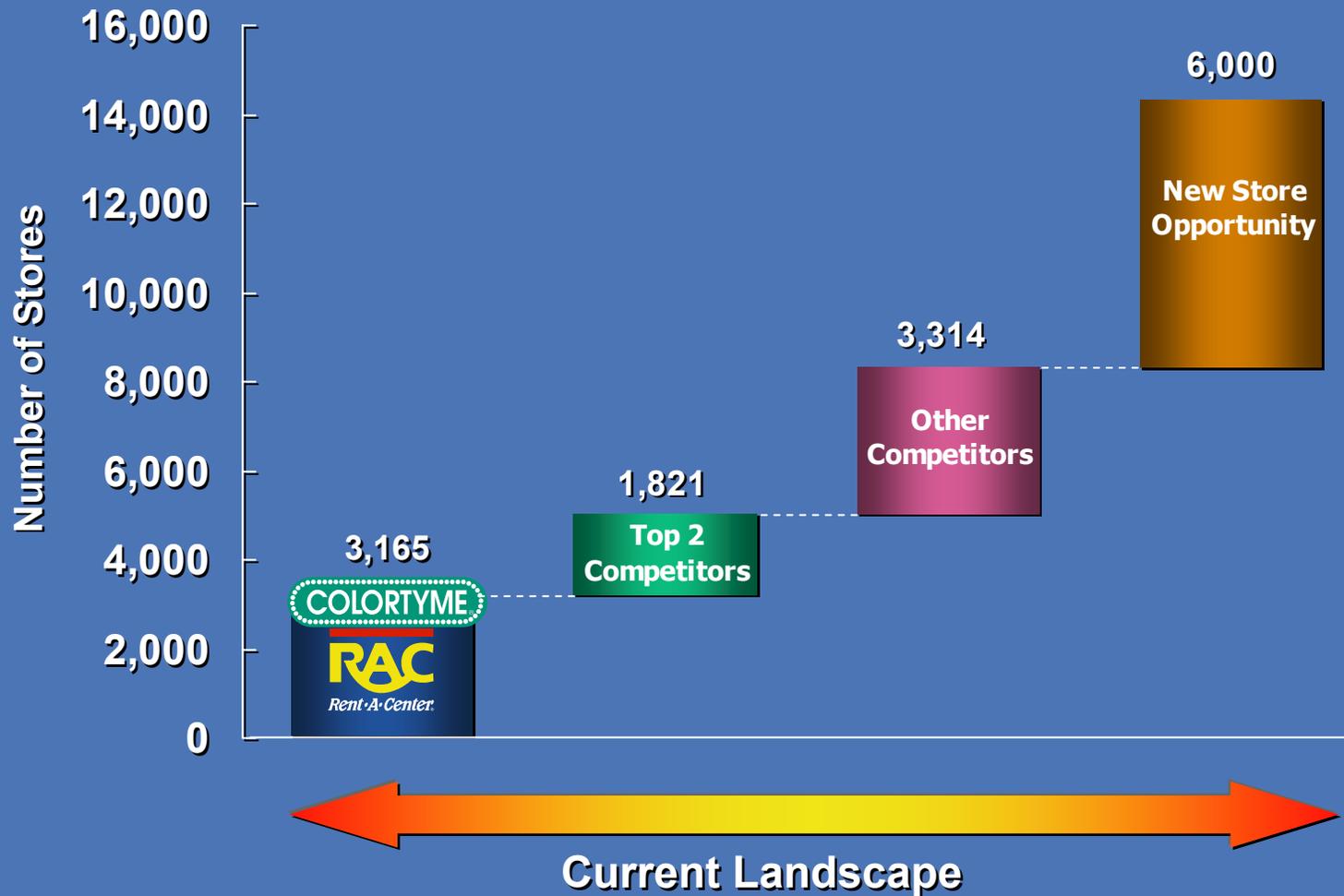
- Daily reports at all levels of organization from store manager to Chairman/CEO
- Manage by exception philosophy
- Systems help enforce strict inventory/cost control



Strategic Objectives

- Enhance Store Level Operations and Profitability
- Open New Stores
- Acquire Existing Rent-to-Own Stores
- Enhance National Brand
- Expand into New Businesses that serve our Customer Demographic

Significant Domestic Market Opportunity



Strong New Store Economics

- Start-up investment of approximately \$500,000 (3/4 for inventory)
- Begin turning a monthly profit in approximately nine months
- Cumulative break even within 18–24 months
- Internal Rate of Return of approximately 50%⁽¹⁾

	Year 1	Year 2	Year 3	Year 4
Revenues	\$425,000	\$675,000	\$750,000	\$800,000
EBITDA	(\$50,000)	\$110,000	\$140,000	\$160,000
EBITDA Margin	(12%)	16%	19%	20%

Note: (1) Before market and corporate allocation and income tax expense, terminal value of 6.5 X EBITDA in Year 4

Enhancing National Brand

WANT IT. GET IT. OWN IT.

NEW! ASBESTOS REMOVAL SERVICE

NO UPFRONT PAYMENTS! GET UP TO 7 DAYS FREE!

Benefits Plus

Rent-A-Center CALL 1-800-877-7758

Donate \$1 And Help Make A Difference.

Big Brothers Big Sisters

Open For More From The Best Name Brands!

Rent-A-Center CALL 1-800-877-7758

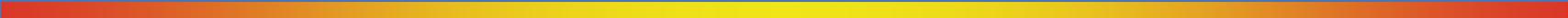
SONY. Panasonic. PHILIPS. iBERKLINE. **rent-a-center** **rent-a-center** **rent-a-center** **rent-a-center** **rent-a-center** **rent-a-center** **rent-a-center** **rent-a-center** **rent-a-center** **rent-a-center**



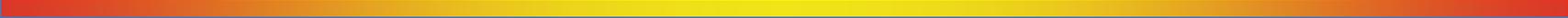
- National and spot media
- Loyalty program
- NASCAR sponsorship with Ford Motor Company and the U.S. Air Force
- Strategic Business Relationships

Experienced Management Team

- Senior management team is the most experienced in RTO industry
 - CEO Mark Speese has over 26 years RTO experience
 - President Mitch Fadel has over 22 years of RTO experience
 - Senior executives average over 10 years of RTO experience
- Attracting the best personnel with industry-leading salary and incentive plans

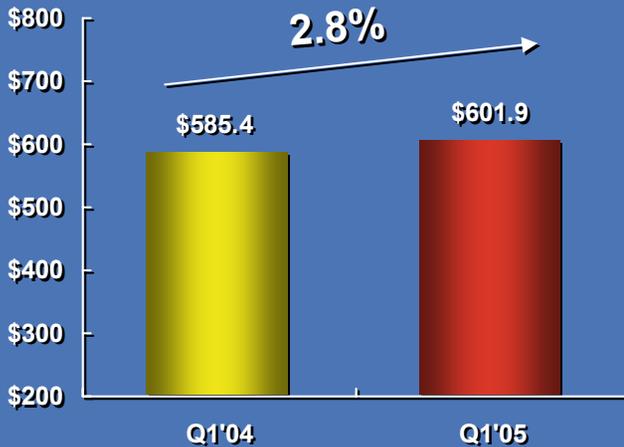


Financial Overview



1Q'05 Review

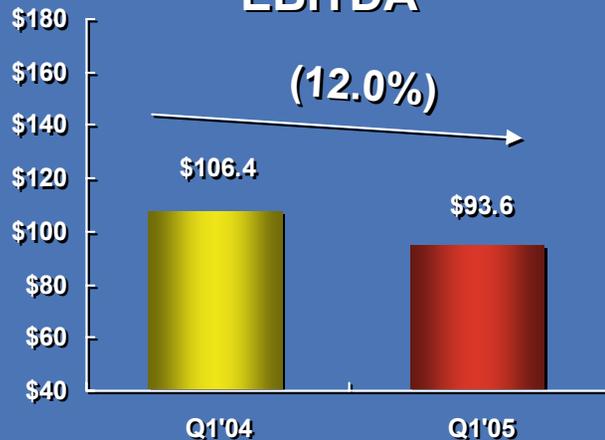
Revenue



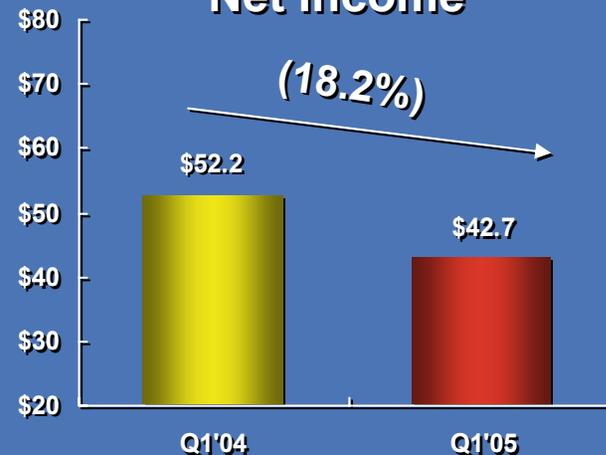
Gross Profit



EBITDA



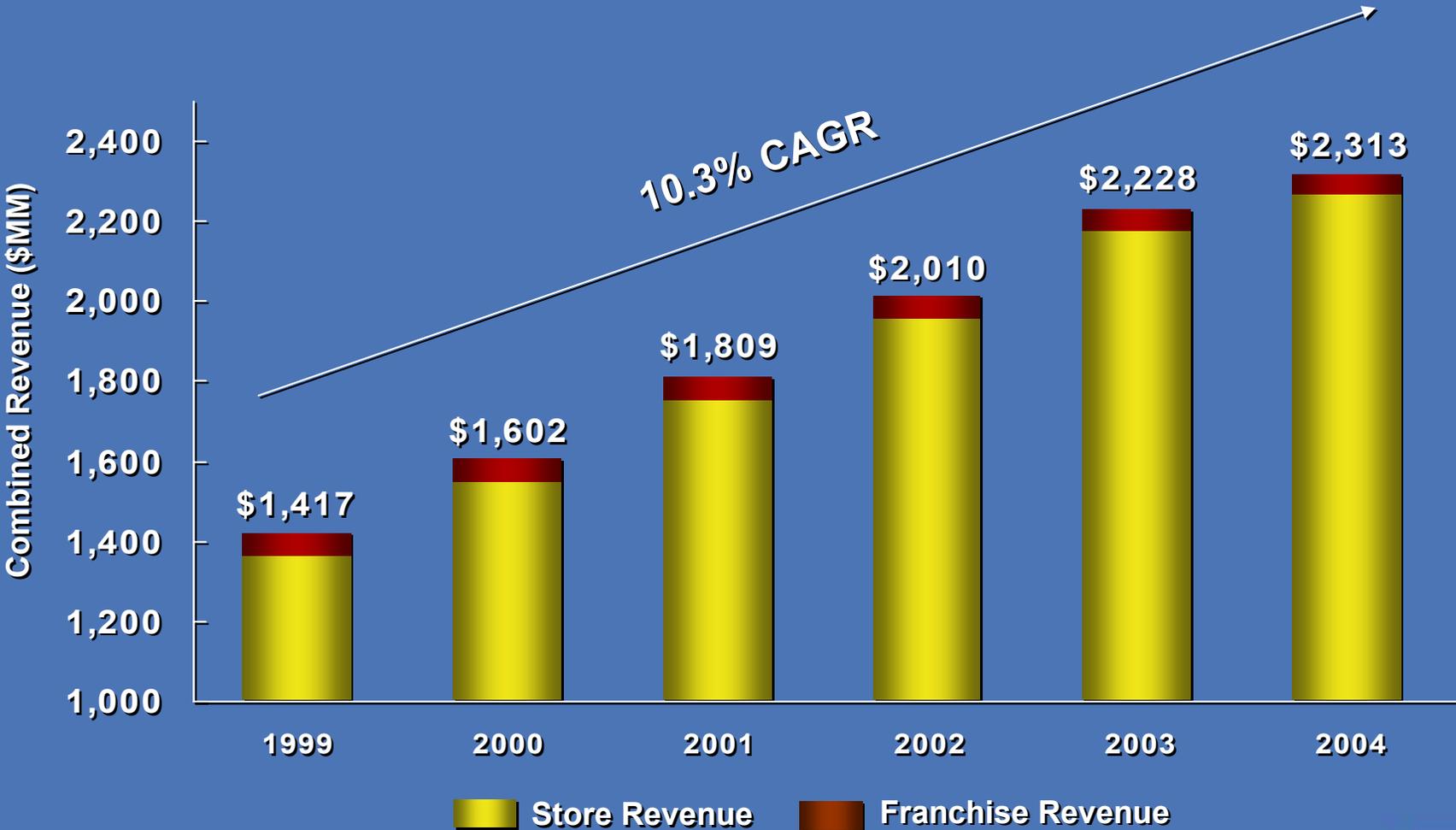
Net Income



EBITDA Margin	Q1'04	Q1'05
	18.2%	15.6%

Net Income Margin	Q1'04	Q1'05
	8.9%	7.1%

Strong, Consistent Sales Growth



Current Capital Structure

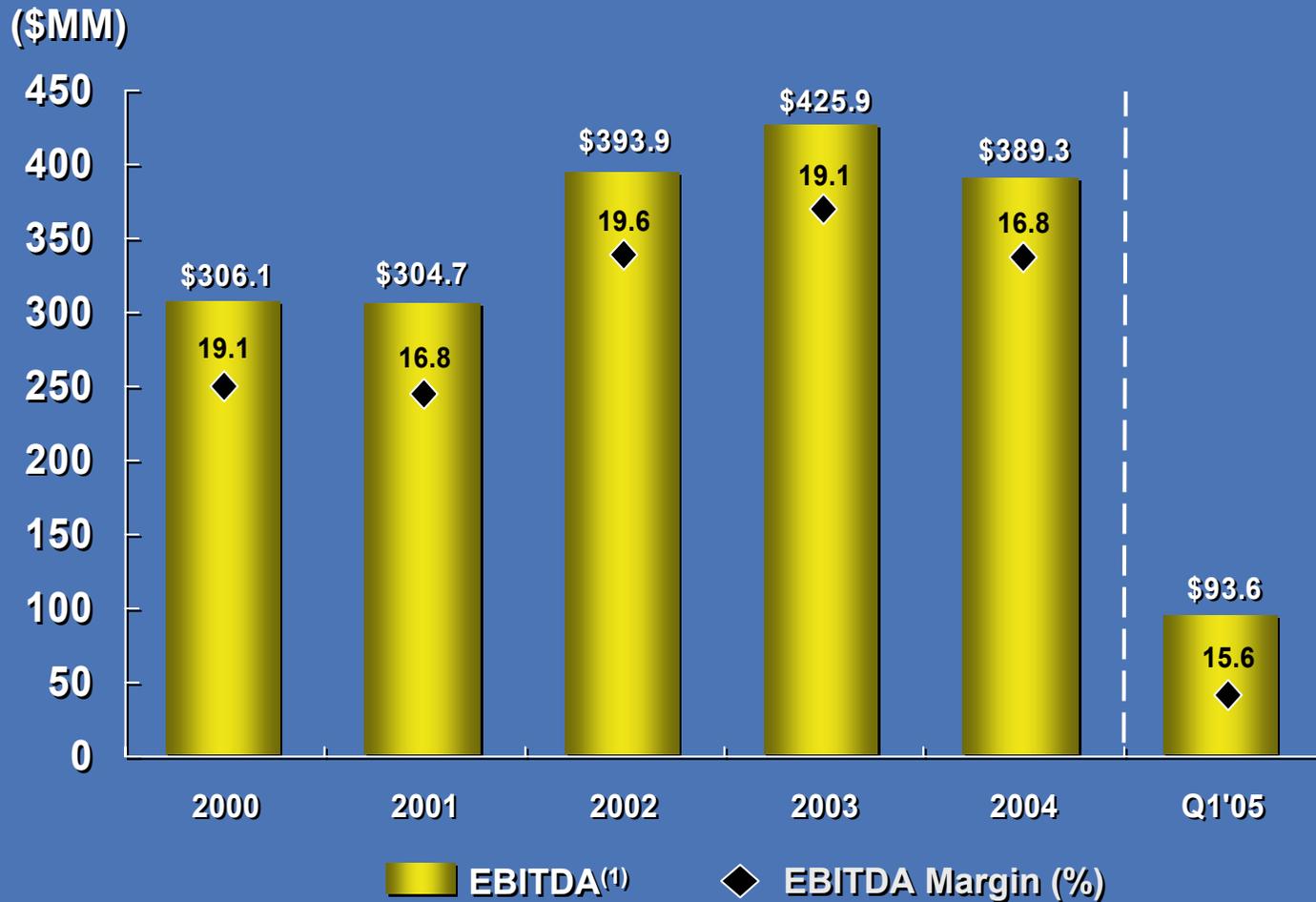
<i>(in millions of dollars)</i>	Mar 31 2004	% of Book Capital	Mar 31 2005	% of Book Capital
Cash & Equivalents	\$273.4	N/A	\$75.2	N/A
Senior Credit Facilities	397.0	25.7%	347.4	23.2%
Subordinated Notes	300.0	19.5%	300.0	20.1%
Total Debt	697.0	45.2%	647.4	43.3%
Shareholder's Equity	844.4	54.8%	846.8	56.7%
Total Capitalization	\$1,541.4	100.0%	\$1,494.2	100.0%

Consolidated Leverage Ratio 1.54x (Q1'05)

Consolidated Interest Coverage Ratio 9.83x (Q1'05)



EBITDA and EBITDA Margin



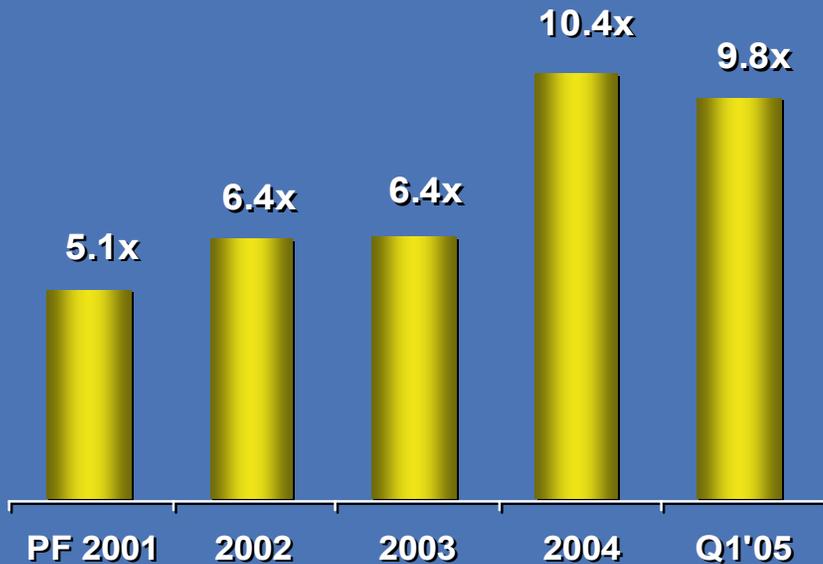
Notes: (1) Excludes nonrecurring charges and credits

Operating Cash Flow

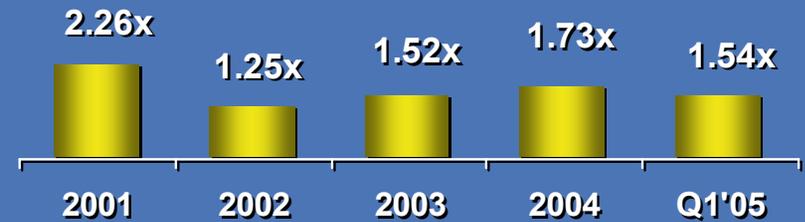


Key Credit Ratios

Consolidated Interest Coverage ⁽¹⁾



Consolidated Leverage Ratio ⁽²⁾



Notes: (1) LTM EBITDA divided by LTM Net Interest Expense
(2) Total Debt minus cash divided by LTM EBITDA



Schedule of Free Cash Flow

2005 Estimate

EBITDA	\$365MM - \$385MM
Net Cash Interest	(\$40MM)
CapEx	(\$60MM)
Net Investment in Rental Merchandise	(\$10MM)
Taxes	(\$130MM)
Free Cash Flow	\$125MM - \$145MM

Free Cash Flow Yield of Approximately 7%

Guidance

QUARTERLY

Q2'04A

Q2'05P

Total Revenue

\$573.0 MM

\$576.0-\$584.0 MM

Diluted EPS

\$0.62

\$0.51 - \$0.55

ANNUAL

2004A

2005P

Total Revenue

\$2.31 BN

\$2.37-\$2.40 BN

Diluted EPS

*\$2.28**

\$2.20-\$2.30

* Excludes the effects of \$47.0 million in pre-tax charges associated with the Griego/Carrillo litigation and \$4.2 million in pre-tax charges associated with refinancing of the Company's senior credit facility. It also excludes the effects of \$7.9 million in one-time other income associated with the sale of charged-off accounts.

Key Investment Rationale

- Leading rent-to-own operator in the U.S.
- Proven business model
- Multiple growth drivers
- Predictable revenue stream
- Strong cash flow generation
- Strong internal controls and governance
- Experienced management team

Safe Harbor Statement

This presentation, which includes guidance, 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 stores; the Company’s ability to acquire additional rent-to-own stores on favorable terms; the Company’s ability to enhance the performance of these acquired stores; the Company’s ability to control store level costs; the Company’s ability to realize benefits from our margin enhancement initiatives; the Company’s ability to identify and successfully market products and services that appeal to our customer demographic; the Company’s ability to identify and successfully enter new lines of business offering products and services that appeal to our customer demographic; the results of the Company’s litigation; the passage of legislation adversely affecting the rent-to-own industry; interest rates; the Company’s ability to collect on its rental purchase agreements; the Company’s ability to enter into new rental purchase agreements; economic pressures affecting the disposable income available to our targeted consumers, such as high fuel and utility costs; changes in the Company’s effective tax rate; the Company’s ability to maintain an effective system of internal controls; changes in the Company’s stock price and the number of shares of common stock that the Company may or may not repurchase; and the other risks detailed from time to time in the Company’s SEC filings, including but not limited to, its annual report on Form 10-K for the year ended December 31, 2004. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the earnings press release of April 25, 2005. 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.