RAC

Rent·A·Center®

Investor Presentation

Fourth Quarter & Year End 2006

February 6, 2007

Key Investment Rationale

- Leading rent-to-own operator in the U.S.
- Proven business model
- Experienced management team
- Financially solid
  - Strong cash flow generation
  - Sound balance sheet & strong credit statistics
- Continue execution in our core rent-to-own business and recent RentWay acquisition
- Growth opportunity adding financial services within our existing store locations

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Leading RTO Operator in U.S.

- Largest rent-to-own operator in the U.S.
  - 41% market share based on 3,399 domestic store count as of December 31, 2006
  - ColorTyme subsidiary represents an additional 3% market share
- Broad selection of high quality, brand-name merchandise through flexible rental agreements
  - Furniture and home accessories - 37% of rental revenue
  - Major consumer electronics – 33% of rental revenue
  - Appliances - 16% of rental revenue
  - Personal computers – 14% of rental revenue
- Primarily serves the “underbanked” consumer
- Generated $2.43 billion in LTM revenue and $356.5 million in LTM adjusted EBITDA as of December 31, 2006

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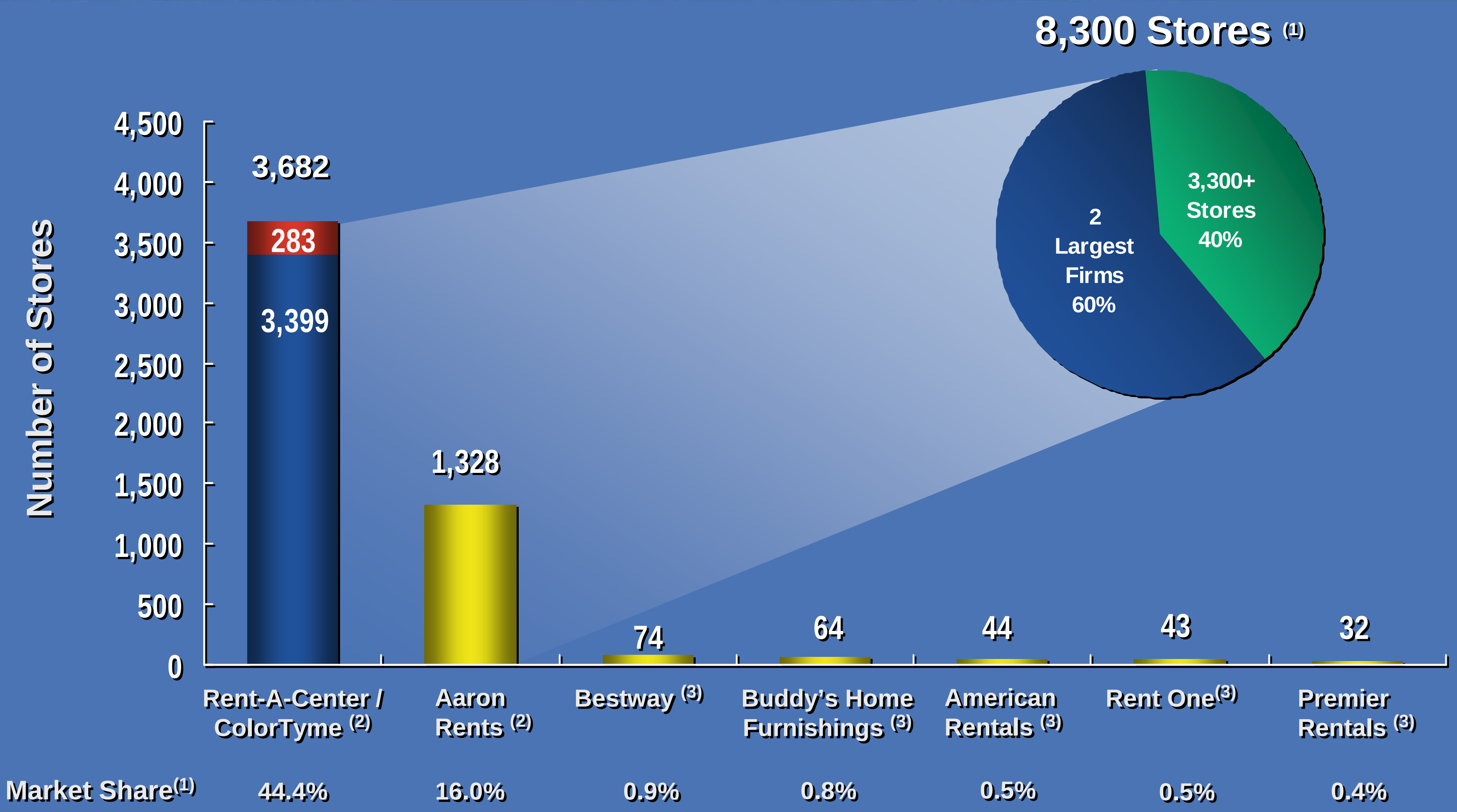
Leading Player in Fragmented Marketplace



Notes: (1) Based on Association of Progressive Rental Organization (APRO) estimates in 2006 Industry Survey (based on 2005 results) of 8,300 total stores
(2) Company data as of December 31, 2006
(3) Company website estimates as of February 6, 2007

Leading National Footprint

3,399 domestic company-owned stores and 283 franchised stores

7 company-owned stores in Canada

Company-owned New Store Openings

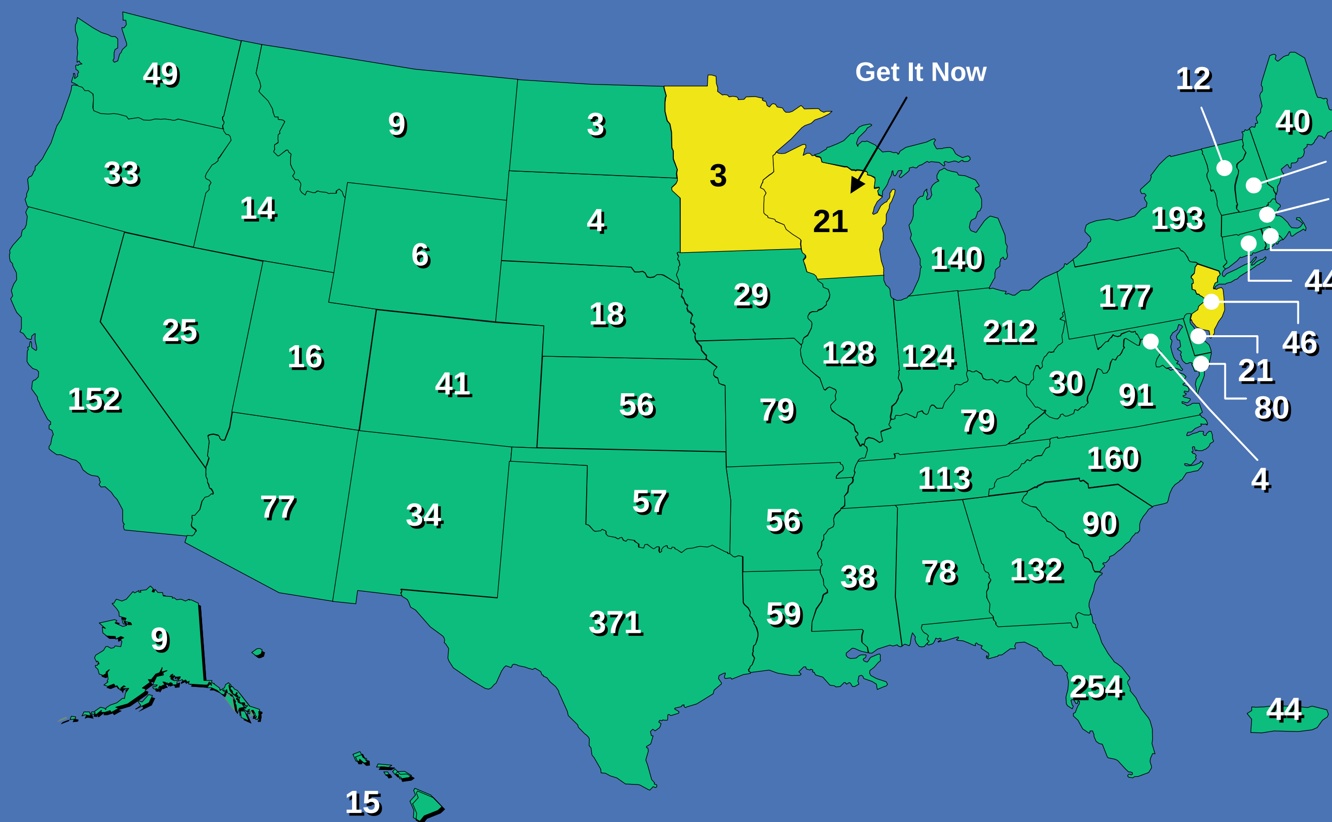
2005A	2006A	2007E
67	40	25-35

Acquisitions - Store Fronts

2005A	2006A
44	810

Acquisitions Customer Accounts

2005A	2006A
39	37



Favorable State Regulation   Developing/Unfavorable State Regulation

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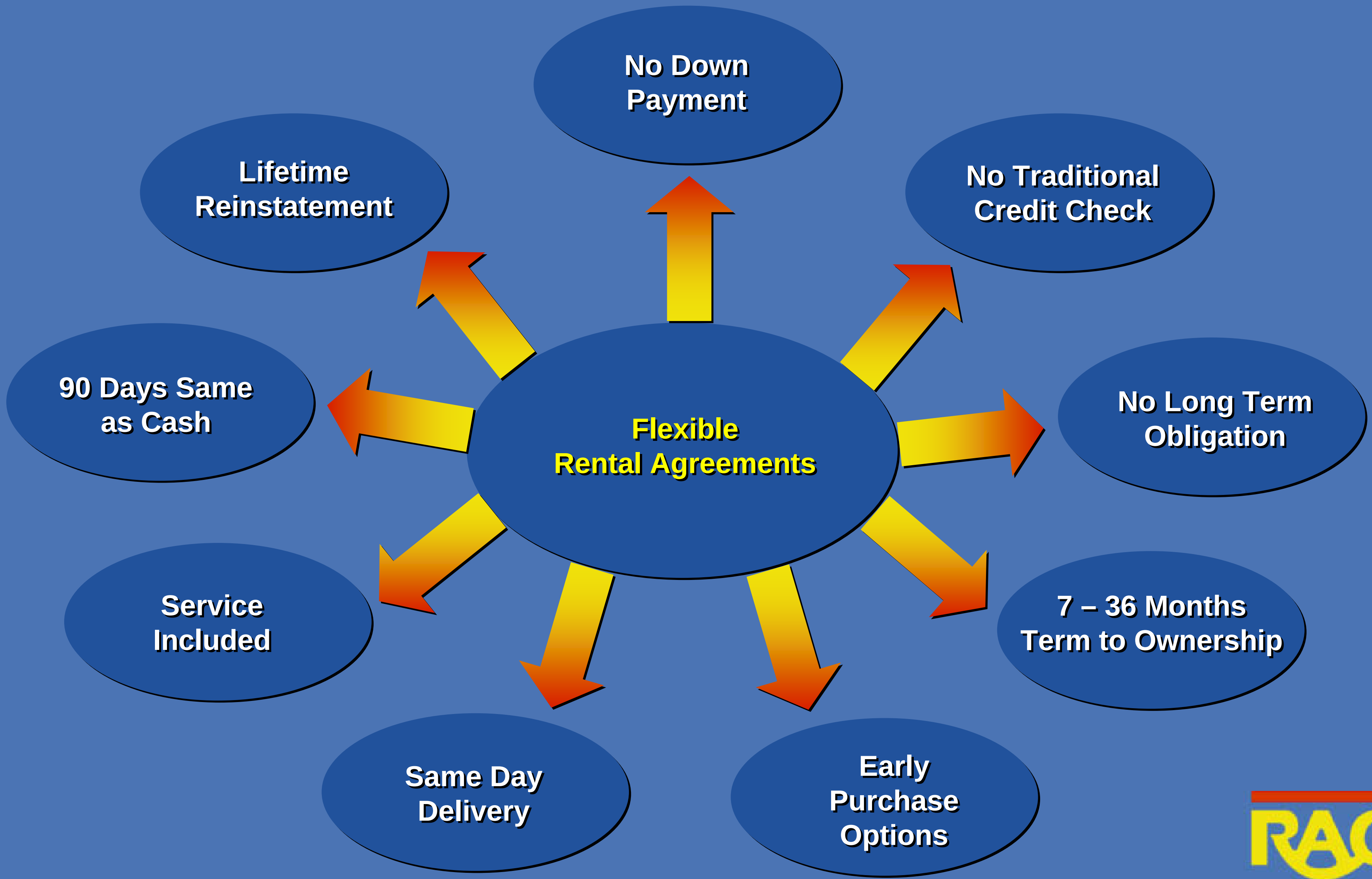
Rent-to-Own is an Appealing Transaction...



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...Serving 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 2.8 million of these households(3)
- Great market opportunity

Note: (1) America's Research Group, August 2004
(2) U.S. Census Bureau - 2001
(3) APRO 2006 Industry Survey (based on 2005 results)

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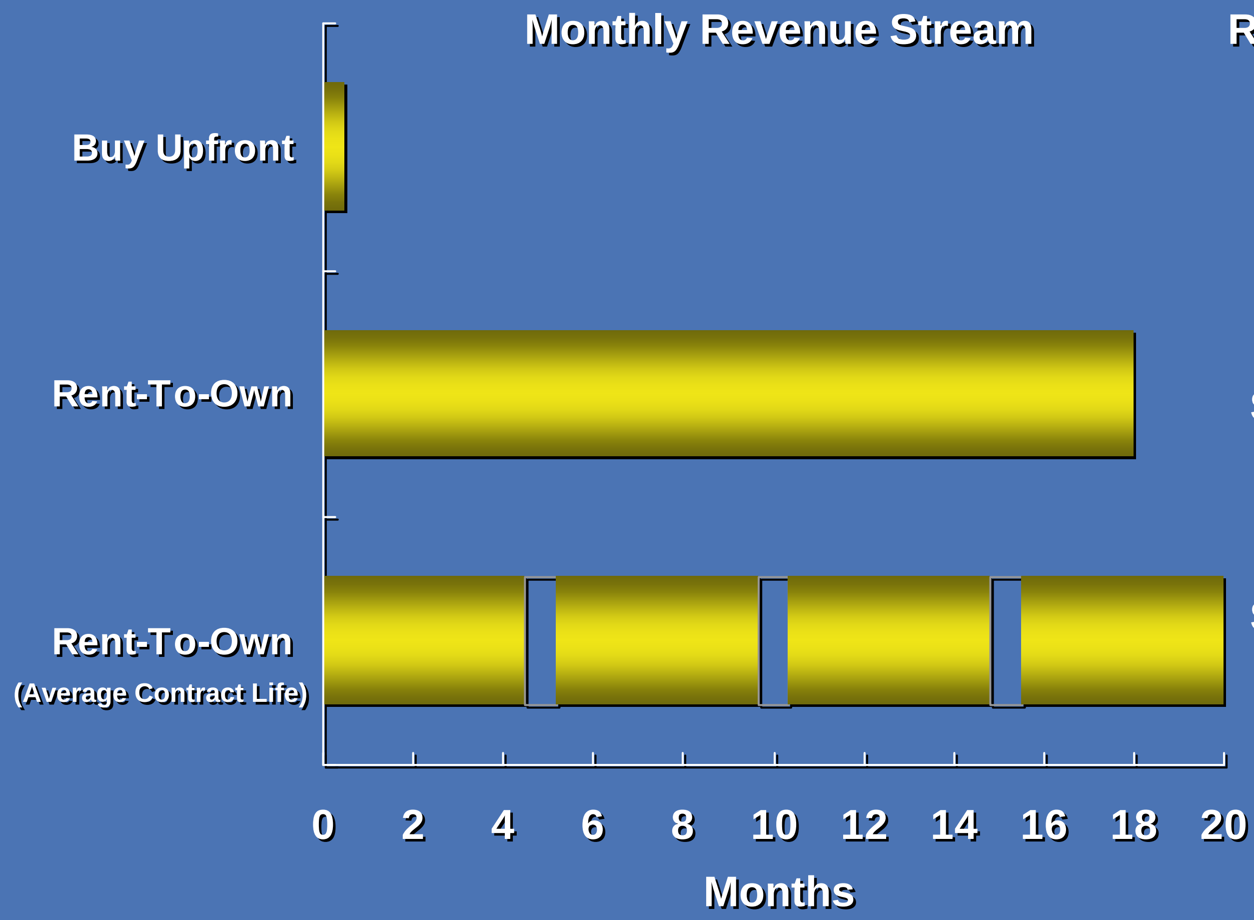
...With Attractive Economics ...



Total Rental Revenues	COGS	Gross Margin
$ 900	$ 450	50.0%
$ 1,800	$ 450	75.0%
$ 2,000	$ 450	77.5%

...Attractive Industry Fundamentals...

Highly Fragmented Industry
~40% market share held by Mom & Pops [(1)]

Rational Competitive Environment
2 large rational competitors
Many Mom & Pops
Traditional retail options

Minimal Wal-Mart Type Threat
RTO is very different from traditional retail

Low Supplier Dependence
No dependence on key brand suppliers

Attractive Industry Dynamics

Stable Customer Base, with Few Substitutes
85% pay cash in the store

Large Market
Current market size of $6.7 billion [(1)]

Stable, Profitable and Recurring Revenue Stream that is Recession Resistant

Note: (1) Association of Progressive Rental Organizations.

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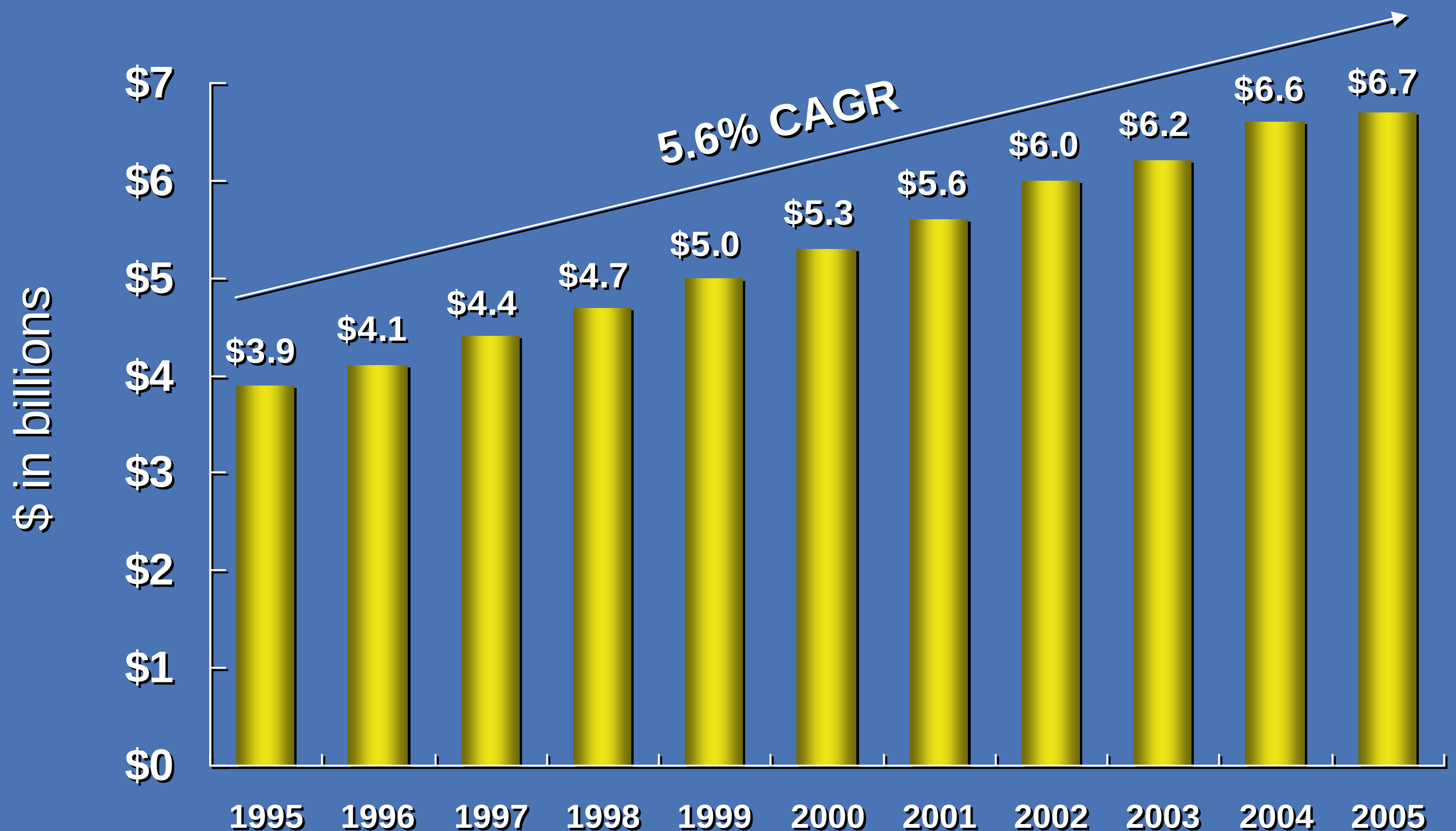
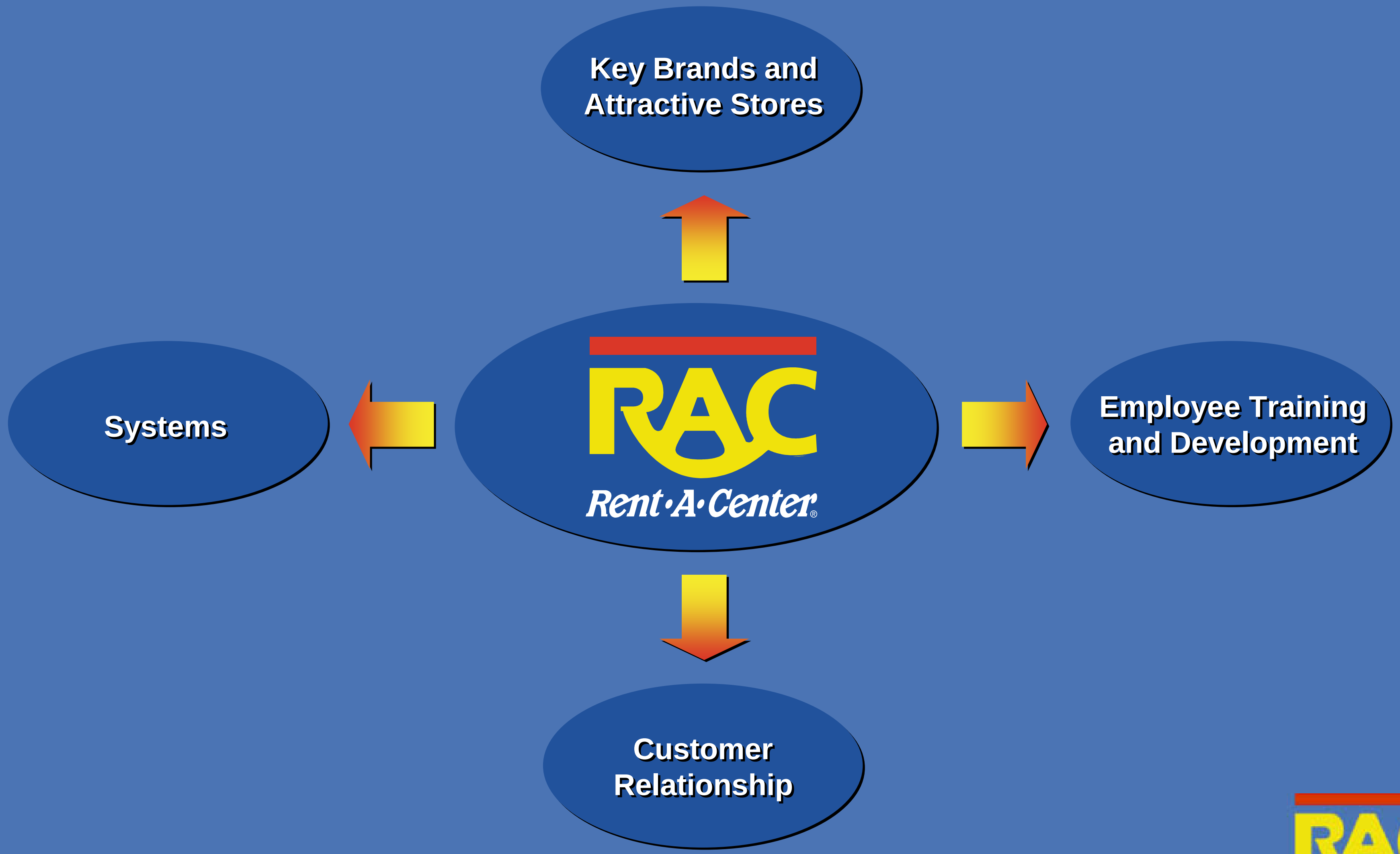
and Consistent Industry Growth



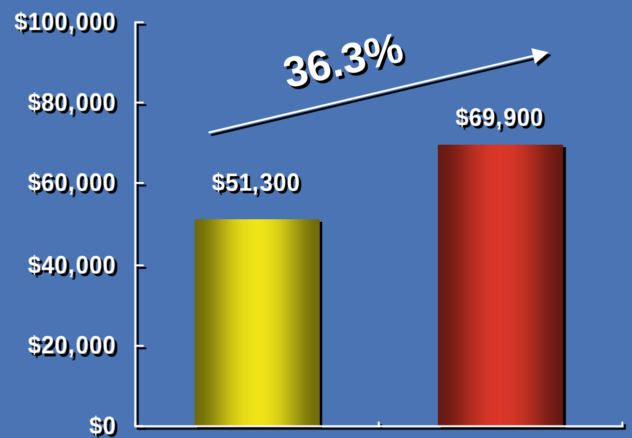
Source: APRO 2006 Industry Survey (based on 2005 results)

Proven Business Model

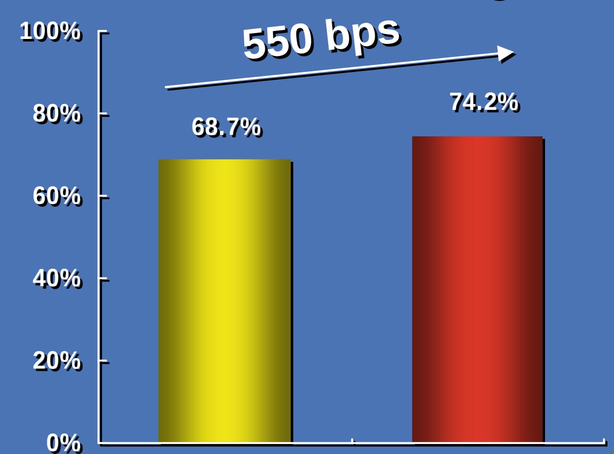


Rent-A-Center Store Profitability vs. Peers

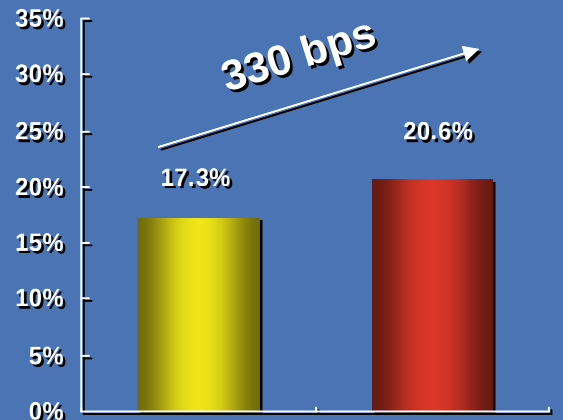
Monthly Revenue



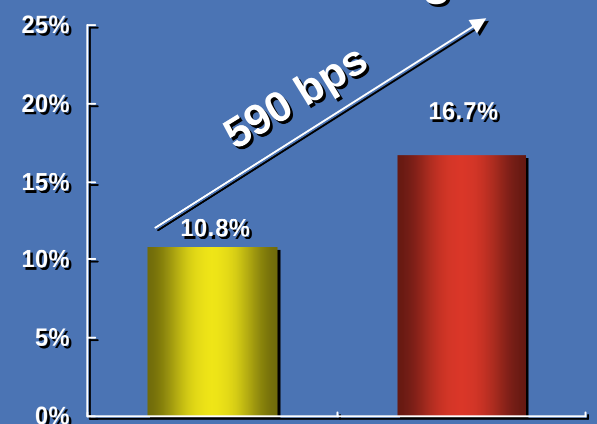
Gross Profit Margin



Store Operating Margin



EBITDA Margin



Industry Average (1)   Average RCII Store (2)

Notes: (1) Source: APRO 2006 Industry Survey of 65 companies with 790 stores (based on 2005 results)
(2) Per LTM data for the period ended December 31, 2006 for Rent-A-Center stores (excludes Get It Now, ColorTyme, and Canada)
(3) Store Operating Margin is before overhead allocation, EBITDA Margin is after overhead allocation

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Easily Accessible, Highly Visible Sites

Leased Sites Only

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Spacious Showroom Interior

No Warehouses - Vendors Ship Directly to the Stores

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High Quality, Brand-Name Merchandise

Furniture *37% of Rental Revenue*	Electronics *33% of Rental Revenue*	Appliances *16% of Rental Revenue*	Computers *14% of Rental Revenue*
ASHLEY	SONY®	Whirlpool	hp
Simmons®	MAGNAVOX		COMPAQ
S	PHILIPS		DELL™
BERKLINE®	TOSHIBA		TOSHIBA
	zenith		
	MITSUBISHI		

Actual data for the twelve months ended December 31, 2006

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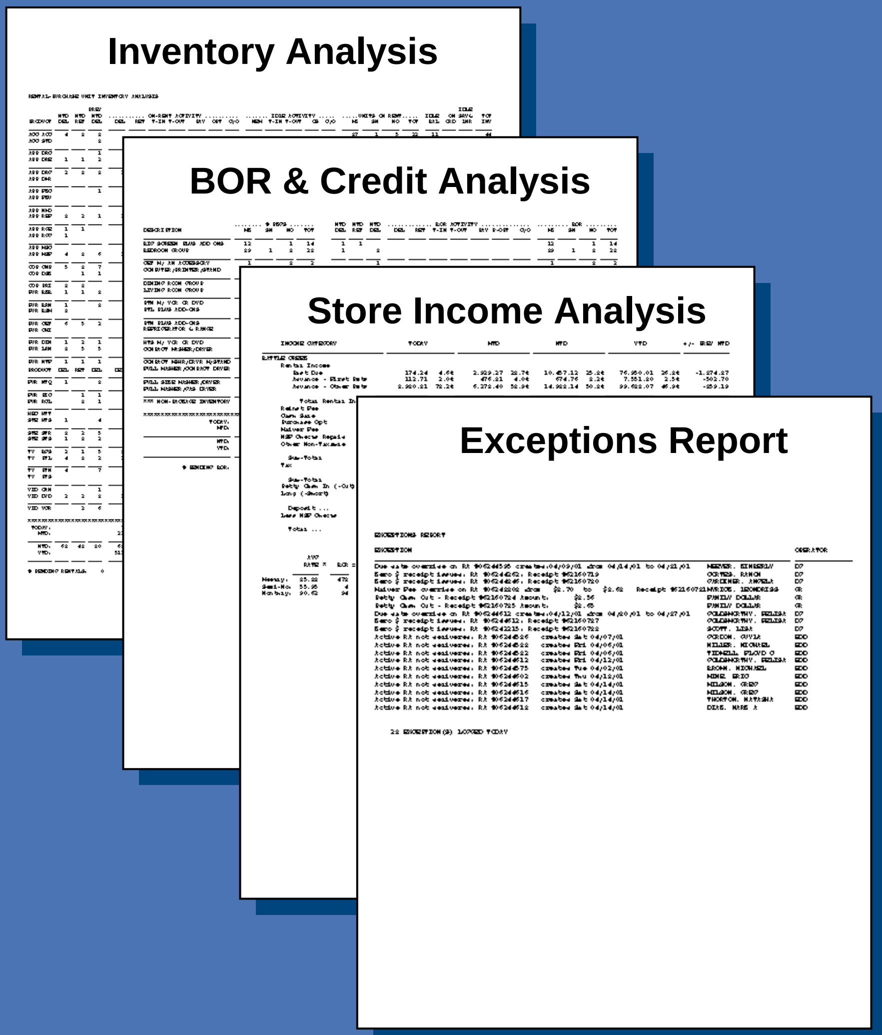
State-of-the-Art Systems Capabilities



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

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Experienced Management Team

- Senior management team is the most experienced in RTO industry
  - CEO Mark Speese has over 28 years of RTO experience
  - President Mitch Fadel has over 24 years of RTO experience
  - Senior executives average over 15 years of RTO experience
- Attracting the best personnel with industry-leading salary and incentive plans

Strategic Objectives

- Enhance store level operations and profitability
  - Grow same store sales
  - Maintain expense control
- Integration of RentWay acquisition
- Open new stores
- Acquire existing rent-to-own stores
  - Storefronts
  - Customer account
- Growth opportunity adding financial services within our existing store locations
- De-lever balance sheet

RentWay Acquisition Rationale

- Strategic Benefits
  - Few large acquisition targets in traditional rent-to-own space
  - Increases market share
  - Enhances customer awareness and recognition of Rent-A-Center brand
- Operational Benefits
  - Expands penetration in key markets
  - Leverages service delivery model in markets creating operational efficiencies
  - Marketing and advertising synergies
  - Ability to close underperforming RentWay stores and more efficiently serve customers through existing Rent-A-Center stores
- Financial Benefits
  - Implementation of Rent-A-Center's business model to drive higher store revenue and operating margins
  - Cost synergies at corporate level
  - Ability to use RentWay's NOL over time
  - Attractive use of Rent-A-Center's excess debt capacity

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RentWay Integration Status

- November 15, 2006 – Closed RentWay acquisition of 782 stores and senior debt refinancing. Increased Term Loan B of senior credit facility by $600 million to finance acquisition
- Integration actions taken
  - All key back office functions are now operating out of our Plano office
  - Small staff of approximately 20 remains in Erie, PA and the majority will remain thru the first quarter
  - Of 782 stores acquired, approximately 145 have been consolidated into an existing store
  - Approximately 640 remaining stores
    - All have been converted to our IT systems
    - Management re-alignment is complete
    - Name change is in progress and will continue through the first quarter
- Financial guidance
  - Diluted earnings per share accretion
    - 2007 - $0.01 to $0.02
    - 2008 - $0.20
  - On track to realize annual synergies of approximately $25 million in G&A, advertising, and merchandise purchase

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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 (1)	($50,000)	$110,000	$140,000	$160,000
EBITDA Margin (1)	(12%)	16%	19%	20%

Note: (1) Before market and corporate allocation and income tax expense, terminal value of 6.5 x EBITDA in Year 5

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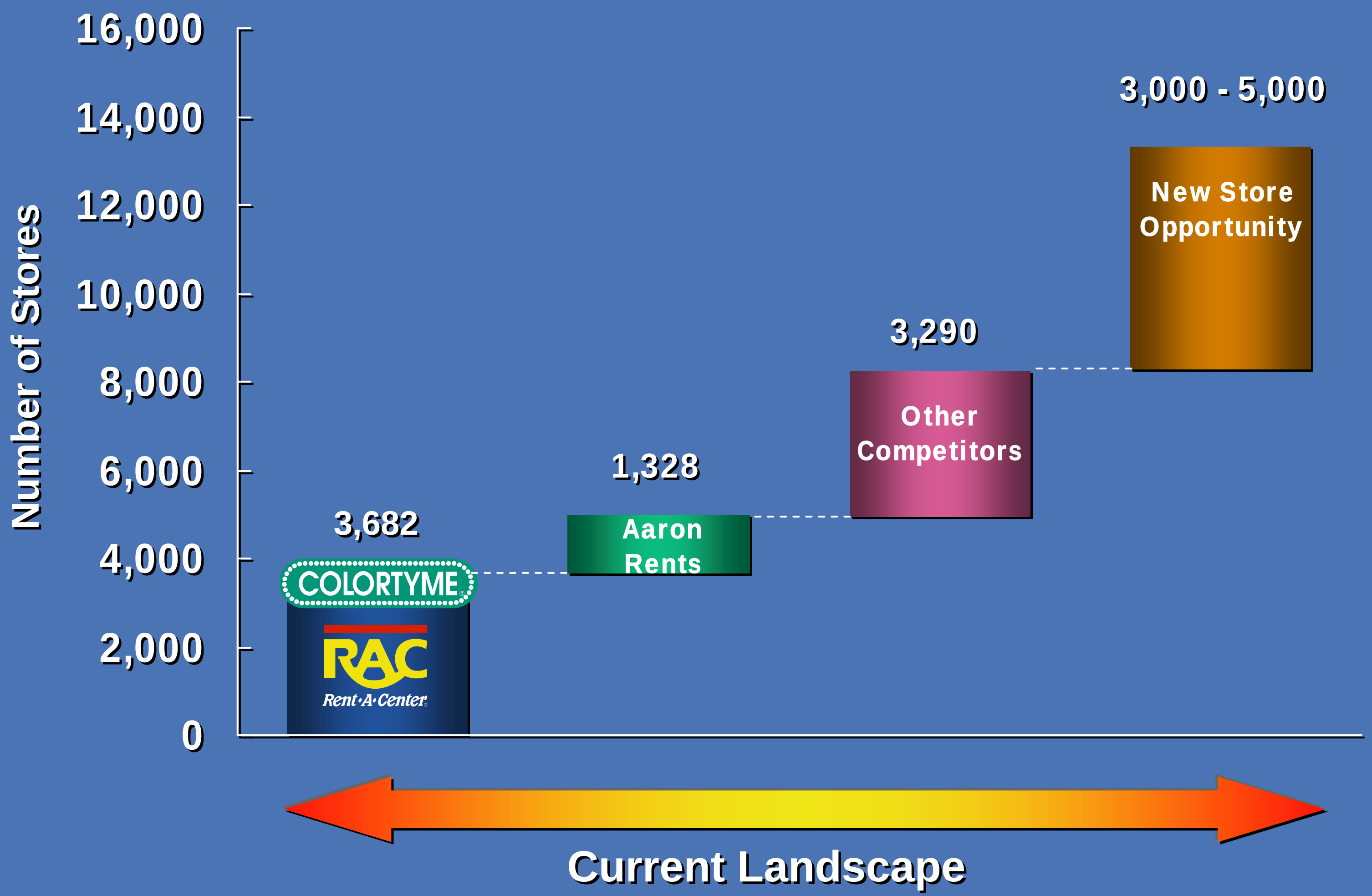
Domestic Market Opportunity



Financial Services – Business Rationale

- Financial Services Industry
  - High growth – analyst estimate of double digit growth
  - Fragmented – similar to rent-to-own 25 years ago
  - Customer within RAC's national footprint

- RAC's Strengths
  - Developing ongoing and lasting relationships with customers
  - Leveraging our real estate
  - Operating cash flow to support growth
  - Legislative expertise

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Financial Services – Measured Approach Implementation

- Acquired 27 stores from ColorTyme franchisee in June 2005 that offered financial services
  - Easy, relatively inexpensive way to get into industry
  - Use as a platform to offer services in RAC stores
- Product offerings – primarily include deferred deposit and unsecured loans, check cashing, money transfer, bill paying and debit cards
- Focusing on states that have enabling legislation
- Offer in RAC stores that fit the demographic profile or have real estate available – "in store" and "box in box" models
- Continue to fine-tune processes
  - Approval and collection
  - Cash control and cash management
  - Measure and manage losses
- Build scale
  - Technology
  - Infrastructure
  - Management

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Financial Services – Cash AdvantEdge

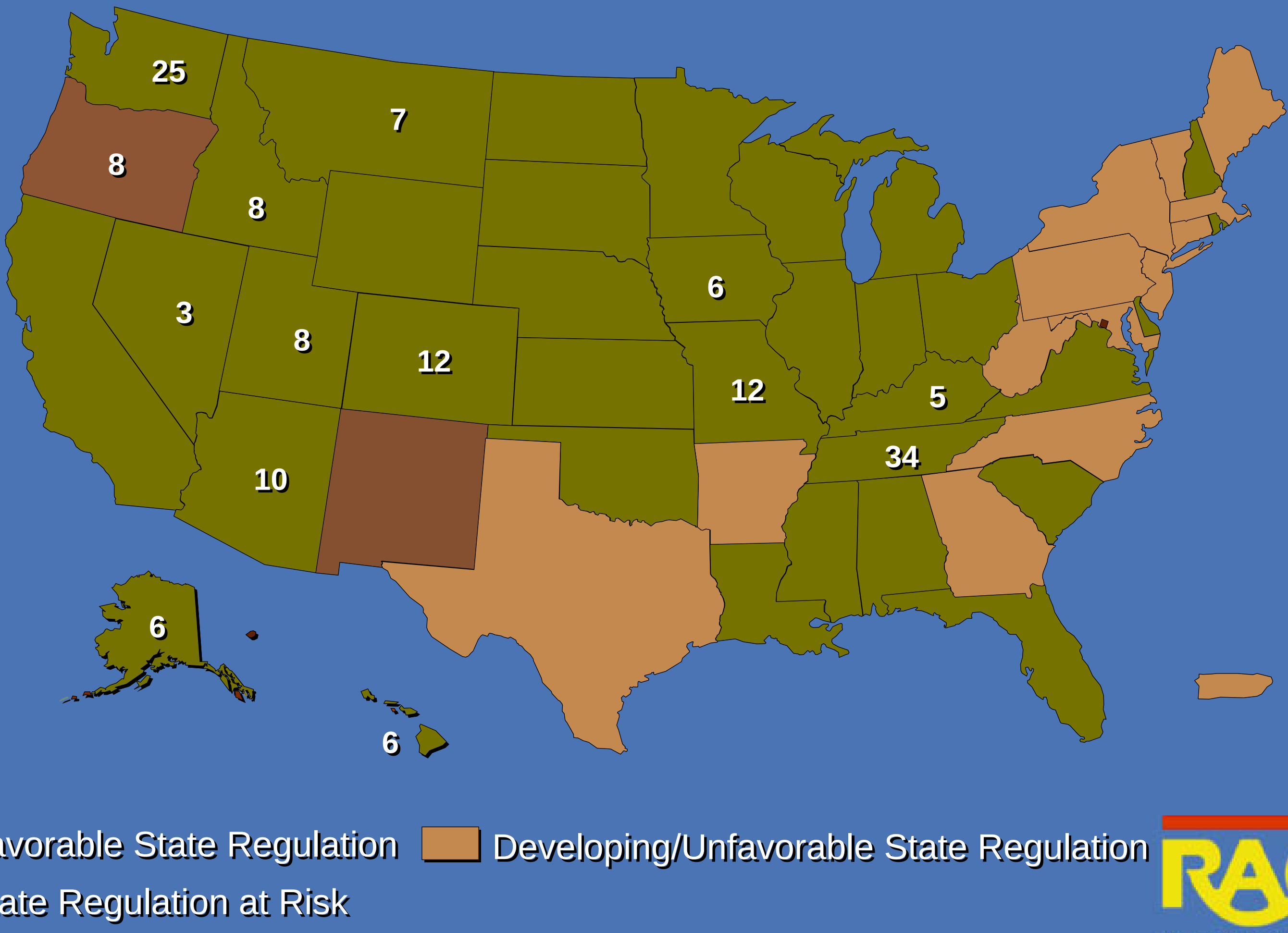
150 domestic financial services stores within existing Rent-A-Center stores

Financial Services New Store Openings

2005A	2006A	2007E
13	113	200-250

Acquisitions - Store Fronts

2005A
27



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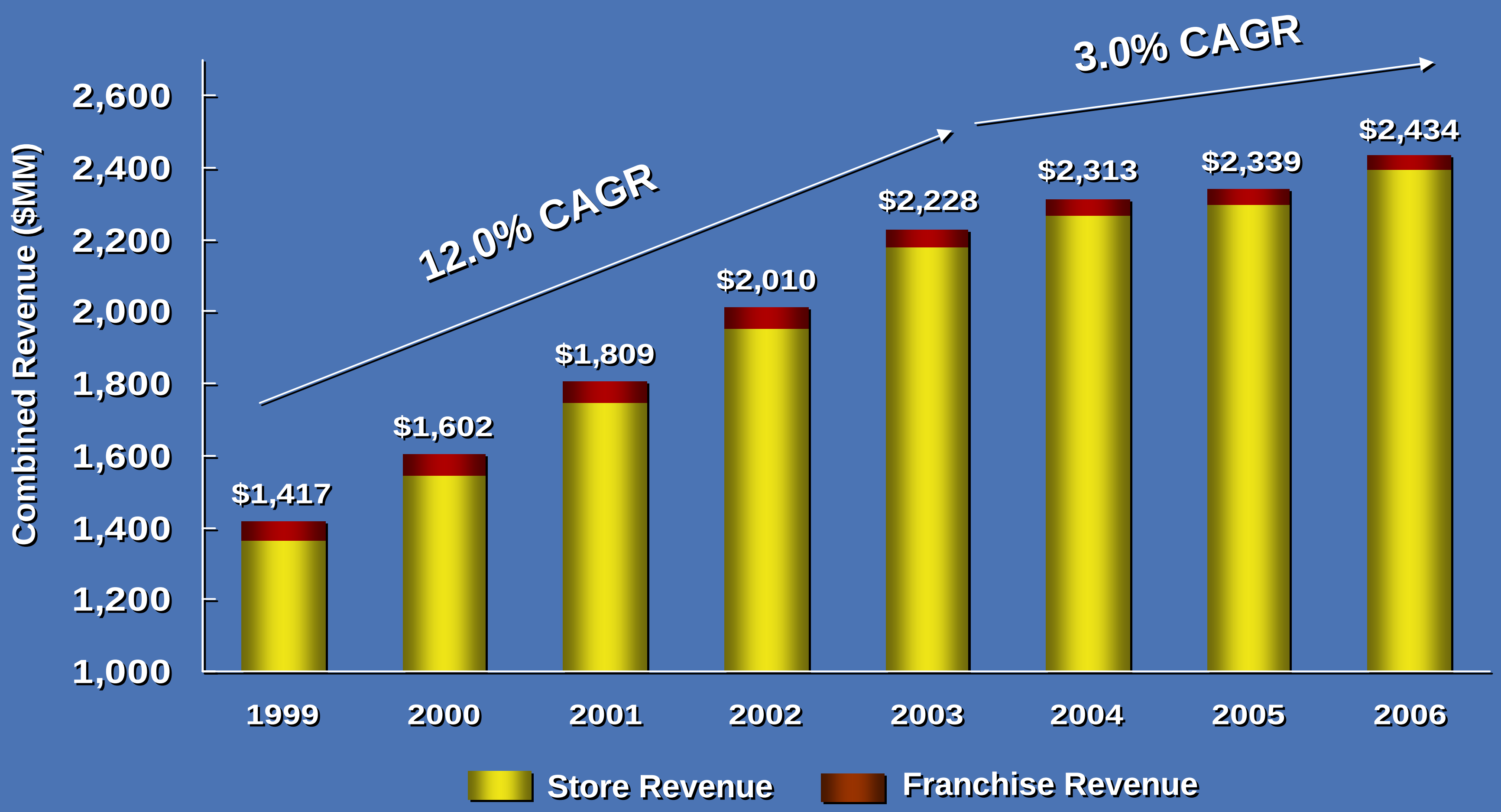
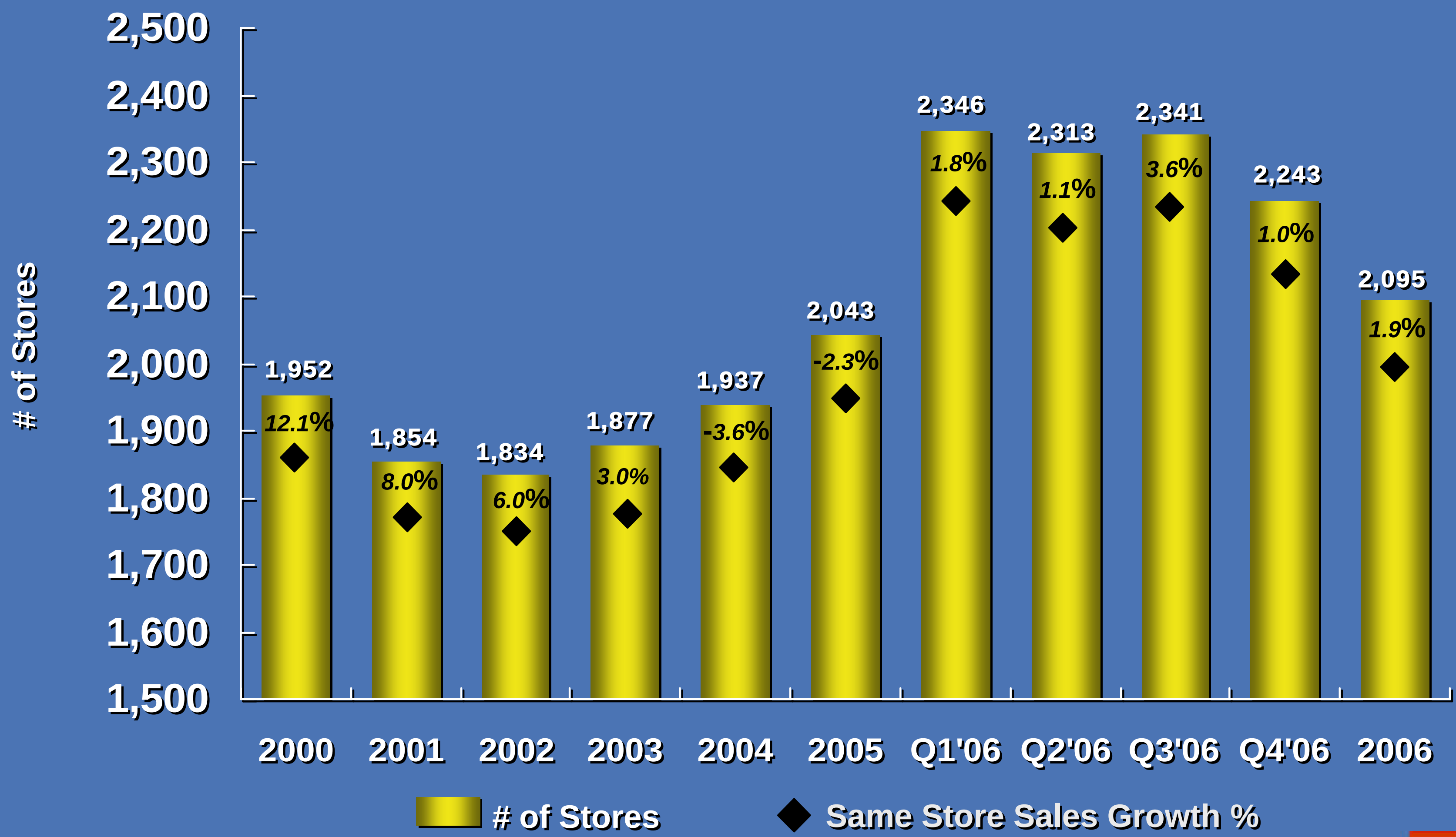
Financial Overview

Mature Sales Growth in Core Rent-to-Own



Same Store Sales Growth



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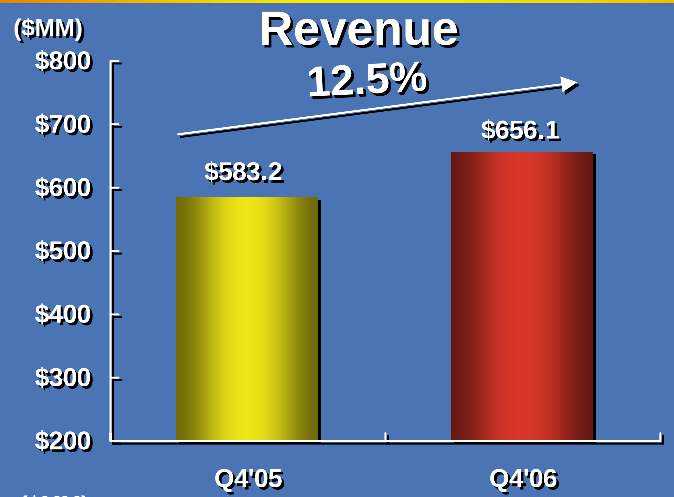
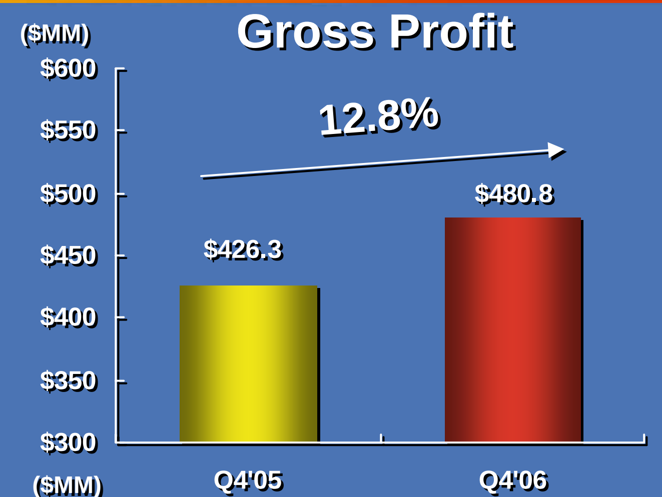
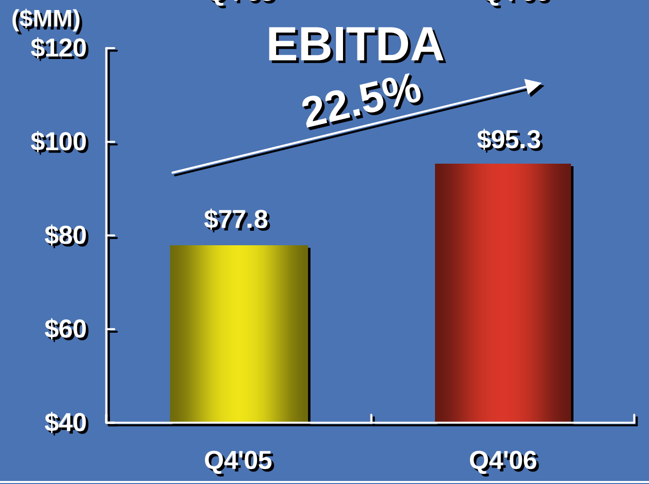
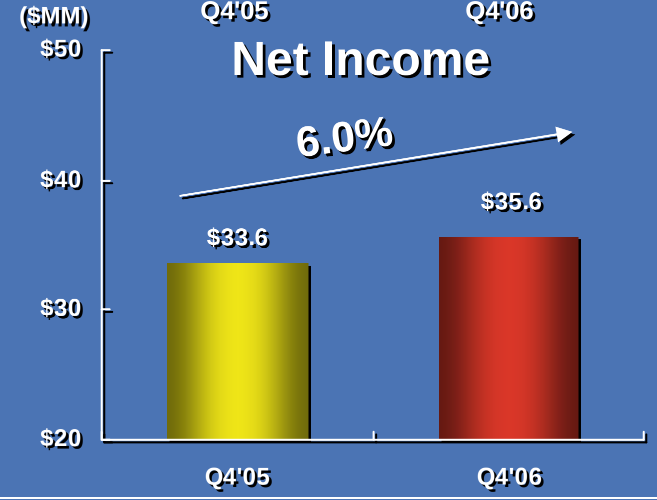
Q4'06 Review









EBITDA Margin	13.3%	14.5%

Net Income Margin	5.8%	5.4%

1. Q4'06 Excludes the effects of a $2.6 million pre-tax expense in the fourth quarter of 2006 for the refinancing of the Company's senior credit facility; $58.0 million pre-tax expense associated with the litigation expense with respect to the Hilda Perez case.

2. Q4'05 excludes the effects of a $2.1 million pre-tax restructuring expense as part of the store consolidation plan announced September 6; 2005, $1.1 million in pre-tax expenses related to the damage caused by Hurricanes Katrina, Rita and Wilma; and a $3.7 million state tax reserve credit for a reserve adjustment.

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Current Capital Structure

(in millions of dollars)	Dec 31 2005	% of Book Capital	Dec 31 2006	% of Book Capital
Cash & Equivalents	$57.6	N/A	$92.3	N/A
Senior Credit Facilities	424.1	27.4%	993.3	44.4%
Subordinated Notes	300.0	19.4%	300.0	13.4%
Total Debt	724.1	46.8%	1,293.3	57.8%
Shareholder's Equity	823.4	53.2%	943.0	42.2%
Total Capitalization	$1,547.5	100.0%	$2,236.3	100.0%

Consolidated Leverage Ratio 3.04x (Q4'06)

Consolidated Interest Coverage Ratio 6.26x (Q4'06)

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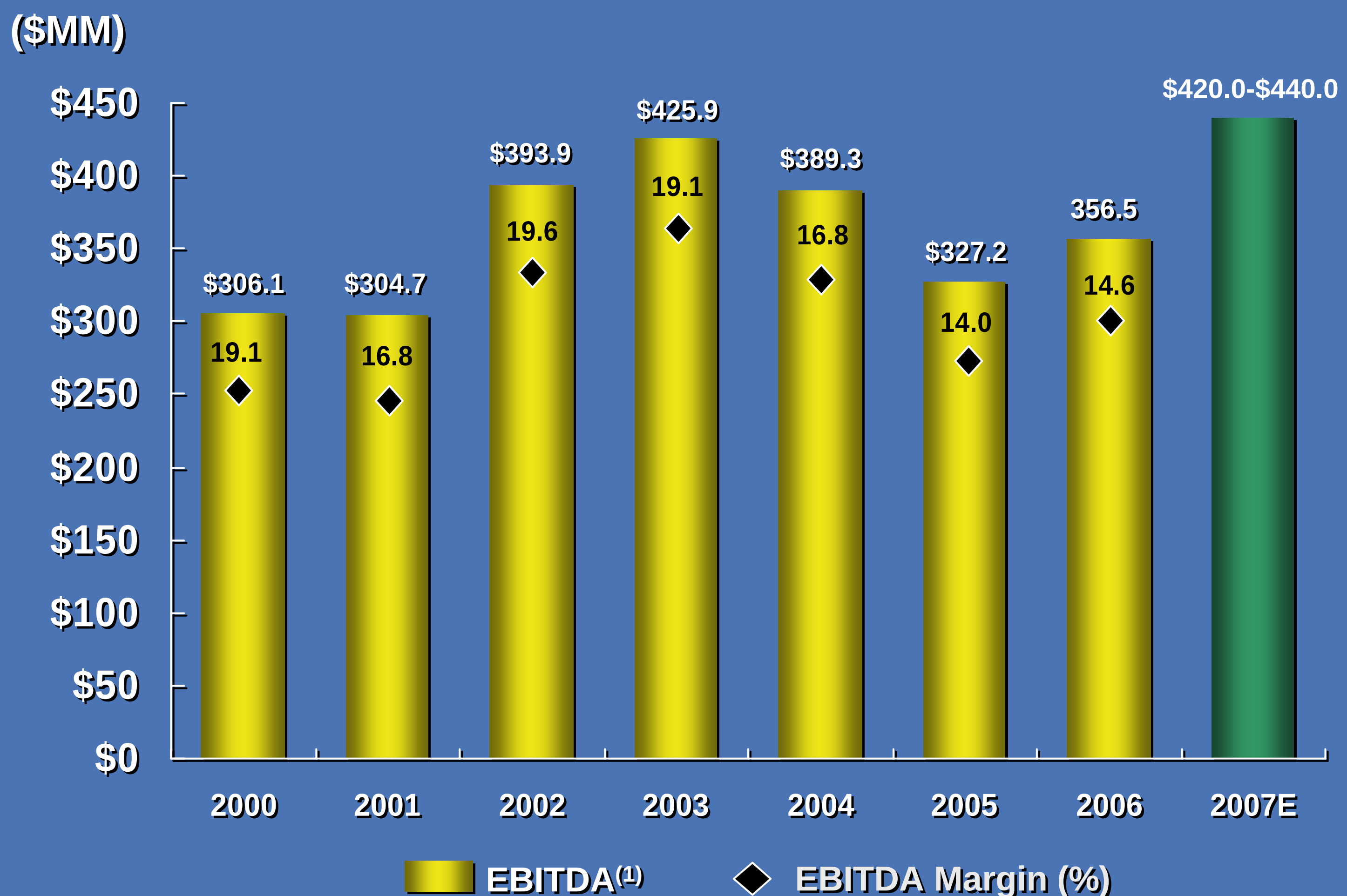
Operating Cash Flow

Schedule of Free Cash Flow
2007 Estimate ($ MM)

EBITDA	$420 - $440
Net Cash Interest	($90)
CapEx	($75)
Working Capital	($60)
Taxes	($65)
Free Cash Flow	$130 - $150

EBITDA and EBITDA Margin



Notes: (1) Excludes nonrecurring charges and credits

Guidance (per February 5, 2007 press release)

QUARTERLY	Q1'06A	Q1'07P
Total Revenue	*$607.0 MM*	*$749.0-$764.0 MM*
Diluted EPS	*$0.57*	*$0.62 - $0.68*

ANNUAL	2006A	2007P
Total Revenue	*$2.434 BN*	*$2.935-$2.985 BN*
Diluted EPS	*$2.15* (1)	*$2.24-$2.32*

(1) Excludes the effects of a $58.0 million pre-tax expense associated with the litigation expense with respect to the Hilda Perez case; a $4.95 million pre-tax expense associated with the settlement of the *Burdusis/French/Corso* litigation; a $4.8 million pre-tax expense for the refinancing of the Company's senior credit facility; a $10.4 million pre-tax expense associated with the settlement with the California Attorney General. Excluding these expenses increased diluted earnings per share by approximately $0.69 for the twelve month period ended December 31, 2006.

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Key Investment Rationale

- Leading rent-to-own operator in the U.S.
- Proven business model
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- Financially solid
  - Strong cash flow generation
  - Sound balance sheet & strong credit statistics
- Continue execution in our core rent-to-own business and recent RentWay acquisition
- Growth opportunity adding financial services within our existing store locations

Safe Harbor Statement

This press release and the guidance above 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," "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 Company's ability to open new rent-to-own 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 identify and successfully market products and services that appeal to the Company's customer demographic; the Company's ability to identify and successfully enter into new lines of business offering products and services that appeal to the Company's customer demographic, including the Company's financial services products; the resolution of the Company's litigation including without limitation Perez; the passage of legislation adversely affecting the rent-to-own or financial services industries; interest rates; the Company's ability to enter into new and collect on the Company's rental purchase agreements; the Company's ability to enter into new and collect on the Company's short term loans; economic pressures affecting the disposable income available to the Company's targeted consumers, such as high fuel and utility costs; changes in estimates with respect 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; changes in the Company's stock price and the number of shares of common stock that we may or may not repurchase; changes in our debt ratings; the negotiation of and entry into definitive settlement documentation with respect to the Burdusis/French/Corso settlement; one or more parties filing an objection to the Burdusis/French/Corso settlement; the court could refuse to approve the Burdusis/French/Corso settlement or could require changes to the settlement that are unacceptable to the Company or the plaintiffs; the ability of the Company to successfully integrate the RentWay stores into the Company's operating system; the Company's ability to enhance the performance of the acquired RentWay stores; the Company's ability to realize the cost savings anticipated in connection with the RentWay acquisition; and other risks detailed from time to time in the Company's SEC reports, including but not limited to, the Company's annual report on Form 10-K for the year ended December 31, 2005 and its quarterly reports on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006 and September 30, 2006. 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.

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