



## Aaron Rents, Inc. Reports Record Results for Fourth Quarter and Year 2000

February 22, 2001

ATLANTA, Feb. 21 /PRNewswire/ -- Aaron Rents, Inc. (NYSE: RNT), the nation's leader in the rental, rental purchase and specialty retailing of residential and office furniture, consumer electronics and home appliances, today announced record revenues and earnings for the fourth quarter and the year ended December 31, 2000. It was the Company's ninth consecutive year of record revenues and earnings.

For the three months ended December 31, revenues advanced 12% to \$130.8 million compared to \$116.3 million for the fourth quarter of 1999. Net earnings for the fourth quarter of 2000 increased to \$6.3 million versus \$6.2 million for the fourth quarter of 1999. Diluted earnings per share for the fourth quarter of 2000 were \$.32 compared to \$.31 per share for the fourth quarter of 1999.

The quarter was the Company's 36th consecutive quarter of record revenues and earnings.

Revenues for the year ended December 31, 2000 increased 15% to \$502.9 million compared to \$437.4 million for 1999. Net earnings for 2000 were \$27.3 million compared to \$25.6 million for 1999. Diluted earnings per share increased to \$1.37 compared to \$1.26 per share for 1999.

Aaron's Rental Purchase division increased its revenues 22% to a record \$89.1 million for the fourth quarter compared to \$72.8 million for fourth quarter 1999. For the year 2000, rental purchase revenues increased 25% to \$325.8 million compared to \$261.6 million for 1999. Systemwide revenues for the Company, which includes revenues of rental purchase franchised stores, advanced 17% to \$171.8 million for the quarter and increased 20% to \$656.0 million for the year.

Revenues from Company-operated rental purchase stores open in comparable quarters grew 8.9% during the fourth quarter compared to the same period a year ago. In addition, revenues from the Company's rent-to-rent stores open in comparable quarters grew 3.2% during the quarter compared to the same quarter last year.

Rental purchase stores, including Company-operated and franchised, increased to 456 at year-end, a gain of 88 stores or a 24% increase in store count for the year. At December 31, 2000 the Company had 263 Company-operated and 193 franchise stores open. The backlog of franchised stores to open in future periods was 146 at year-end.

"We are pleased with the record growth in 2000, our Company's best year ever," said R. Charles Loudermilk, Sr., Chairman and Chief Executive Officer. "As expected, the rapid expansion of new store openings during the year, combined with the costs incurred in the very timely and strategic acquisition of 27 Heilig-Meyers locations in the fourth quarter, affected our earnings growth for the quarter."

"Also, as expected we saw strong growth in the fourth quarter for Aaron's Sales and Leasing, our rental purchase division, as revenues increased by more than 22% compared to the same quarter of 1999. The acquisition of the former Heilig-Meyers locations together with the acquisition of 10 stores in Puerto Rico last year and nine stores in Louisiana and Texas in February 2001 significantly accelerated our expansion plan for the 2001 year. We are looking forward to continuing strong expansion of our Company."

Aaron Rents, Inc., based in Atlanta, currently has more than 570 Company-operated and franchised stores in 42 states and Puerto Rico for the rental and sale of residential and office furniture, accessories, consumer electronics and household appliances. The Company also manufactures furniture, bedding and accessories at 10 facilities in four states.

**Note:** Forward-looking statements in this news release are based on current expectations and are subject to risks and uncertainties, and actual results may vary materially from the expectations due to such factors as changes in general economic conditions, competition, pricing, customer demand and other issues.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1993: Statements in this news release regarding Aaron Rents, Inc.'s business which are not historical facts are "forward-looking statements" that involve risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements. For a discussion of such risks and uncertainties, see "Risk Factors" in the Company's Annual Report on Form 10-K for fiscal 1999, which discussion is incorporated herein by this reference.

Aaron Rents, Inc. and Subsidiaries  
Consolidated Statements of Earnings  
(In thousands, except per share amounts)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2000	1999	2000	1999
Revenues:				
Rentals and Fees	\$93,649	\$80,950	\$359,880	\$318,154

Retail Sales	14,116	15,055	62,417	62,296
Non-Retail Sales	19,039	16,755	65,498	45,394
Other	3,984	3,552	15,125	11,515
Total	130,788	116,312	502,920	437,359
Costs and Expenses:				
Retail Cost of Sales	10,216	11,361	44,156	45,254
Non-Retail Cost of Sales	17,872	15,586	60,996	42,451
Operating Expenses	59,285	51,651	227,587	201,923
Depreciation of Rental				
Merchandise	31,558	26,291	120,650	102,324
Interest	1,668	1,375	5,625	4,105
Total	120,599	106,264	459,014	396,057
Earnings Before Taxes	10,189	10,048	43,906	41,302
Income Taxes	3,841	3,808	16,645	15,700
Net Earnings	\$6,348	\$6,240	\$27,261	\$25,602
Earnings Per Share	\$.32	\$.31	\$1.38	\$1.28
Earnings Per Share				
Assuming Dilution	\$.32	\$.31	\$1.37	\$1.26
Weighted Average				
Shares Outstanding	19,816	19,916	19,825	20,062
Weighted Average				
Shares Outstanding				
Assuming Dilution	19,962	20,171	19,967	20,335

SOURCE Aaron Rents, Inc.

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