



Aaron Rents, Inc. Reports Third Quarter Results; Announces Sale Of Convention Furnishings Division

October 27, 1998

ATLANTA, Oct. 27 /PRNewswire/ -- Aaron Rents, Inc. (NYSE: RNT), one of the nation's leading furniture rental and sales companies, today announced record third quarter results. Revenues increased 26% for the third quarter and 23% for the first nine months of 1998, and net earnings were up 2% for the quarter and 15% for the nine months. The Company also announced today the sale of substantially all of the assets of its convention furnishings division to Cort Business Services Corporation.

For the three months ended September 30, Aaron Rents reported that revenues increased to \$95.9 million compared to \$76.2 million for the same quarter a year ago. Net earnings were \$4.9 million compared to \$4.8 million, and both earnings per share and earnings per share assuming dilution were \$.23 compared to \$.25 for the third quarter of 1997.

For the first nine months, revenues rose to \$282.5 million compared to \$230.2 million for the corresponding period of 1997. Net earnings increased to \$15.7 million, compared to \$13.8 million, and earnings per share were \$.78 versus \$.71 per share (\$.76 versus \$.70 assuming dilution) for the first nine months of 1997.

Revenues of the Aaron's Rental Purchase division increased 43% for the quarter to \$50.5 million compared to \$35.2 million last year, and increased 41% for the nine months to \$146.6 million versus \$104.2 million for the 1997 period. Systemwide revenues for the Company, which include revenues of franchised rental purchase stores, were up 30% for the quarter to \$117.3 million and up 28% for the nine months to \$343.3 million.

"The revenue growth from all aspects of our business is strong," said R. Charles Loudermilk, Sr., Chairman and Chief Executive Officer. "As we previously indicated, we were somewhat disappointed in our earnings growth for the quarter. The biggest disappointment was the lack of profitability from our convention furnishings division which we are selling to Cort Business Services Corporation. We expect to recognize a small loss on this sale.

"Combining the Aaron Rents and Cort trade show operations should result in an excellent business for Cort. The divestiture of the convention business will enable us to better focus our management efforts on our core rent-to-rent and rental purchase divisions. We continue to be very optimistic about the long-term outlook for Aaron Rents."

Aaron Rents, Inc., based in Atlanta, has a total of 421 stores in 32 states for the rental and sale of residential and office furniture and accessories, consumer electronics, and household appliances. The Company manufactures furniture at five plants in Georgia and Florida.

Aaron Rents, Inc.
Period Ended September 30, 1998
(In thousands, except per share amounts)

	Three Months		Nine Months	
	1998	1997	1998	1997
Revenues	\$95,882	\$76,238	\$282,523	\$230,183
Net Earnings	4,906	4,805	15,746	13,750
Earnings Per Share	.23	.25	.78	.71
Earnings Per Share Assuming Dilution	\$.23	\$.25	\$.76	\$.70
Weighted Average Shares Outstanding	21,091	18,963	20,159	19,238
Weighted Average Shares Outstanding Assuming Dilution	21,508	19,548	20,619	19,659

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