



## Aaron Rents, Inc. Reports Record Results For Third Quarter and First Nine Months

October 25, 2000

ATLANTA, Oct. 25 /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 third quarter and the first nine months of its fiscal year. The third quarter was the 35th consecutive quarter of record revenues and earnings for the Company.

For the three months ended September 30, revenues increased to \$124.9 million compared to \$109.4 million for the third quarter of 1999, up 14%. Net earnings for the third quarter this year advanced to \$6.7 million versus \$6.1 million for the third quarter last year. Earnings per share for the third quarter of 2000 rose to \$.34 compared to \$.30 for the third quarter of 1999, an increase of 13%.

For the nine months, revenues advanced 16% to \$372.1 million compared to \$321.0 million for the corresponding period last year. Net earnings this year advanced to \$20.9 million compared to \$19.4 million with earnings per share increasing to \$1.05 compared to \$.96 per share (\$1.05 versus \$.94 per share assuming dilution) for the first nine months of 1999, a 12% increase in diluted earnings per share.

Aaron's Rental Purchase division increased its revenues 22% to a record \$79.8 million for the third quarter this year compared to \$65.4 million last year. Systemwide revenues, which includes revenues of franchised stores, gained 19% to \$163.7 million for the quarter compared to \$137.0 million last year. For the first nine months, rental purchase revenues grew 25% to \$236.7 million compared to \$188.8 million for the period last year, while systemwide revenues increased 21% to \$484.3 million versus \$400.4 million last year.

Revenues from Company-operated rental purchase stores open in comparable quarters grew 10.3% during the third 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 9.1% during the quarter compared to the same quarter last year.

During the first nine months of this year, the Company has added 66 rental purchase stores, including 10 stores acquired in Puerto Rico in September, and plans to have an over 20% increase in rental purchase stores open by the end of 2000 compared to the previous year. At September 30 the Company had 99 rent-to-rent stores, 248 Company-operated rental purchase stores, and 186 franchised stores open, for a total of 533 stores in 39 states and Puerto Rico.

"This strong performance reflects the continuing success of the Aaron's concept throughout America and the outstanding service provided by our people," said R. Charles Loudermilk, Sr., Chairman and Chief Executive Officer of Aaron Rents. "We look forward to another record year."

Aaron Rents, Inc., based in Atlanta, currently has more than 535 Company-operated and franchised stores in 39 states and Puerto Rico for the rental and sale of residential and office furniture, accessories, consumer electronics and household appliances. The Company 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		Nine Months Ended	
	September 30,		September 30,	
	2000	1999	2000	1999
	(unaudited)		(unaudited)	
Revenues:				
Rentals and Fees	\$89,460	\$79,963	\$266,231	\$237,204
Retail Sales	16,466	16,160	48,301	47,240
Non-Retail Sales	15,237	10,334	46,459	28,639
Other	3,687	2,922	11,141	7,963
Total	124,850	109,379	372,132	321,046

Costs and Expenses:				
Retail Cost of Sales	11,516	11,675	33,940	33,893
Non-Retail Cost of Sales	14,219	9,886	43,124	26,865
Operating Expenses	56,293	51,349	168,302	150,272
Depreciation of Rental Merchandise	30,610	25,556	89,092	76,033
Interest	1,413	1,053	3,957	2,729
Total	114,051	99,519	338,415	289,792
Earnings Before Taxes	10,799	9,860	33,717	31,254
Income Taxes	4,093	3,752	12,804	11,892
Net Earnings	\$6,706	\$6,108	\$20,913	\$19,362
Earnings Per Share	\$.34	\$.30	\$1.05	\$.96
Earnings Per Share Assuming Dilution	\$.34	\$.30	\$1.05	\$.94
Weighted Average Shares Outstanding	19,834	20,078	19,841	20,111
Weighted Average Shares Outstanding Assuming Dilution	19,938	20,393	19,980	20,495

SOURCE Aaron Rents, Inc.

CONTACT: Gilbert L. Danielson, Executive Vice President and Chief Financial Officer of Aaron Rents, Inc., 404-231-001/