



## Aaron's, Inc. Provides Shareholder Update

February 21, 2014

ATLANTA, Feb. 21, 2014 /PRNewswire/ -- Aaron's, Inc. (NYSE: AAN), a leader in the sales and lease ownership and specialty retailing of residential furniture, consumer electronics, home appliances and accessories, today provided a shareholder update with respect to the publicly filed letter to the Aaron's Board of Directors from Mr. Brian Kahn, the Managing Member of Vintage Capital Management, LLC ("Vintage").

The Company notes that Mr. Kahn, a former franchisee of Aaron's, and Vintage, which is a controlling person of Buddy's Home Furnishings, a small rent-to-own business that competes with Aaron's, have over the years made unfunded and unspecific non-binding proposals to acquire Aaron's. Members of the Aaron's Board and management team have met with Mr. Kahn on a number of occasions to listen to his proposals. A Transaction Committee of the Company's Board of Directors, consisting of independent outside directors, with the aid of its professional advisors, will carefully review and evaluate the letter from Vintage and will provide its recommendation to the Board in due course.

The Board is highly confident that the continued execution of the Company's strategy will enhance long-term shareholder value and has recently approved management's 2014 Business Plan. Aaron's remains firmly committed to creating value for its shareholders, as evidenced by recent actions authorized by the Board of Directors and executed by management:

### **Commitment to Returning Capital to Shareholders**

- Completed the repurchase of \$125 million of the Company's common stock at an average price of \$27.76 per share under an accelerated share repurchase program during the first quarter of 2014
- Increased the dividend rate for eight consecutive years, including the November 2013 increase of the Company's quarterly dividend by 23.5%

### **Investing in Aaron's Growth Potential**

- Opened 44 Company-operated and 45 franchised stores during 2013, positioning the Company for revenue and earnings growth
- Strengthened the Company's management team in key areas during 2013, including operations, marketing, legal and strategic planning
- Installed new operating systems in over 75% of stores that enhance customer service efficiency and enable better targeted sales and marketing initiatives

### **Improved Operational Efficiency and Effectiveness**

- Consolidated or sold six stores that were not meeting performance goals in 2013
- Divested all of the assets of the Company's RIMCO operations in January 2014, enabling Aaron's to further focus efforts on improving the financial performance of Aaron's and HomeSmart stores
- Reached agreements in principle to settle investigations by the Federal Trade Commission and the California Attorney General

Aaron's today filed a Form 8-K with the Securities and Exchange Commission disclosing certain amendments to the Company's bylaws that Aaron's believes are appropriate and in the best interests of the Company's shareholders.

Greenberg Traurig, LLP is serving as lead legal advisor and The Blackstone Group is serving as financial advisor to Aaron's.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this news release regarding Aaron's, Inc.'s business that are not historical facts are "forward-looking statements" that involve risks and uncertainties which could cause actual results to differ materially from those contained in the forward-looking statements. These risks and uncertainties include factors such as changes in general economic conditions, competition, pricing, litigation, customer privacy, information security, customer demand and other issues, and the risks and uncertainties discussed under "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2013. Statements in this release that are "forward-looking" include without limitation statements regarding Aaron's 2014 business plan."

Contact:

Gilbert L. Danielson  
Executive Vice President, Chief Financial Officer  
404-231-0011

Steve Frankel / Tim Lynch  
Joele Frank, Wilkinson Brimmer Katcher  
212-355-4449

SOURCE Aaron's, Inc.