



Aaron Rents, Inc. Confirms Earnings Guidance For Fourth Quarter; Same Store Revenues Up Over 20

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ATLANTA, Jan. 27 /PRNewswire-FirstCall/ -- Aaron Rents, Inc. (NYSE: RNT), the nation's leader in the rental, sales and lease ownership, and specialty retailing of residential and office furniture, consumer electronics and home appliances and accessories, today announced that revenues and earnings were on plan for the fourth quarter of 2002.

Fourth quarter revenues for the Company will be up 25% compared to the same period last year. The fourth quarter revenues of the Company's Aaron's Sales & Lease Ownership division increased 37% from the same period a year ago and the division's same store revenue growth for the quarter, which represents revenues from stores open during the entirety of both quarters, increased 20%. This significant increase in same store revenues is primarily the result of the continued building of volume in stores opened by the Company over the past several years.

"We are very pleased with the expected results for 2002 and look forward to 2003 with optimism," said R. Charles Loudermilk, Sr., Chairman and Chief Executive Officer of Aaron Rents, Inc. "The performance of our Aaron's Sales & Lease Ownership division continues to be excellent. Also 2002 was a record year for the granting of new franchise locations, as both existing and new franchisees signed up to open a substantial number of additional stores over the next several years."

During the fourth quarter the Company awarded area development agreements to various independent operators to open 95 new Aaron's Sales & Lease Ownership franchise stores. For the full fiscal year the Company awarded area development agreements for the opening of 151 more franchise stores. The backlog of franchise stores to open over the next three to four years was 213 stores at the end of 2002, an all-time high for the Company. This increased franchise activity in the fourth quarter was partially aided by the Company's decision to increase its royalty fee from 5% to 6% on all new franchise agreements entered into after January 1, 2003.

"Our new Sight & Sound stores experienced declining retail sales during the quarter in a difficult environment, and will negatively effect earnings slightly more than expected. However, all the Sight & Sound stores are now offering our sales and lease ownership option and the transaction has been favorably received by customers. We are rapidly building lease volume in the stores and feel that the results from these stores will improve in 2003."

The Aaron's Sales & Lease Ownership division increased its store count during the fourth quarter by 20 stores, comprising of 13 Company-operated and seven franchised stores, bringing the total of Aaron's Sales & Lease Ownership stores open at December 31 to 619. At the end of December the Company also had 25 Sight & Sound stores and 70 rent-to-rent stores open.

"We are confirming our earnings guidance for the fourth quarter of 2002, and expect diluted earnings per share to be in the range of \$.35 to \$.37 per share. Our guidance for the first quarter of 2003 is achieving diluted earnings per share in the range of \$.38 to \$.40 per share and for the full year of 2003 between \$1.55 to \$1.65 per diluted share. Reported revenues for 2003 are anticipated to exceed \$740 million with systemwide revenues, which include revenues of franchise stores, exceeding \$1 billion," Mr. Loudermilk added.

The Company will announce its fourth quarter and full year results for 2002 on February 26.

Aaron Rents, Inc., based in Atlanta, currently has more than 715 Company- operated and franchised stores across the United 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 1995: 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 and 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 Prospectus filed with the Securities and Exchange Commission on June 7, 2002, which discussion is incorporated herein by this reference. SOURCE Aaron Rents, Inc.

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