



**Fourth Quarter FY2017
Earnings Presentation**

April 4, 2017

Forward Looking Statements & Other Disclosure Matters

Forward-Looking Statements - This presentation contains forward-looking statements within the meaning of the federal securities laws, including but not limited to, the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Such forward-looking statements include information concerning the Company's future financial performance, business strategy, plans, goals and objectives. Statements containing the words "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "project," "should," or the negative of such terms or other similar expressions are generally forward-looking in nature and not historical facts. We can give no assurance that such statements will prove to be correct, and actual results may differ materially. A wide variety of potential risks, uncertainties, and other factors could materially affect the Company's ability to achieve the results either expressed or implied by the Company's forward-looking statements including, but not limited to: general economic conditions impacting the Company's customers or potential customers; the Company's ability to execute periodic securitizations of future originated customer loans including the sale of any remaining residual equity on favorable terms; the Company's ability to continue existing customer financing programs or to offer new customer financing programs; changes in the delinquency status of the Company's credit portfolio; unfavorable developments in ongoing litigation; increased regulatory oversight; higher than anticipated net charge-offs in the credit portfolio; the success of the Company's planned opening of new stores; technological and market developments and sales trends for the Company's major product offerings; the Company's ability to protect against cyber-attacks or data security breaches and to protect the integrity and security of individually identifiable data of the Company's customers and employees; the Company's ability to fund its operations, capital expenditures, debt repayment and expansion from cash flows from operations, borrowings from the Company's revolving credit facility, and proceeds from accessing debt or equity markets; the ability to continue the repurchase program; and the other risks detailed in the Company's most recent reports filed with the Securities and Exchange Commission, including but not limited to, the Company's Annual Report on Form 10-K, the Company's Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. If one or more of these or other risks or uncertainties materialize (or the consequences of such a development changes), or should our underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. We disclaim any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise. All forward-looking statements attributable to us, or to persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.

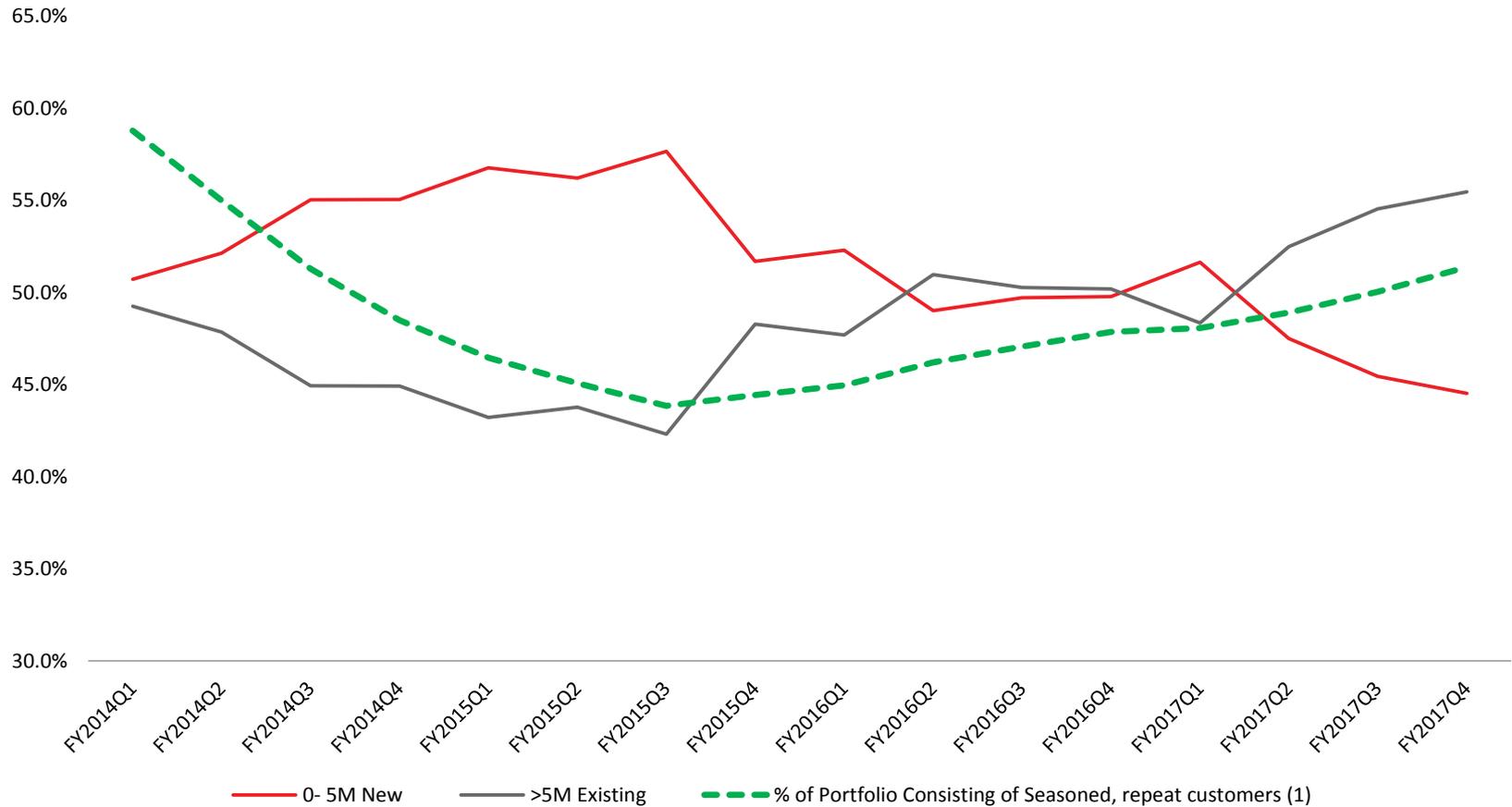
Non-GAAP Measures - To supplement financial measures that are prepared and presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"), we may also provide adjusted non-GAAP financial measures. These non-GAAP financial measures are not meant to be considered as a substitute for comparable GAAP measures but should be considered in addition to results presented in accordance with GAAP, and are intended to provide additional insight into our operations and the factors and trends affecting the business. Management believes these non-GAAP financial measures are useful to financial statement readers because (1) they allow for additional transparency with respect to key metrics we use in our financial and operational decision making and (2) they are used by some of our institutional investors and the analyst community to help them analyze our operating results.

Overview

Key takeaways from our fourth quarter FY17 reflect notable improvements year-over-year

- Fourth quarter retail gross margin at 38.9% was a historic best and improved 280 bps from Q4 FY16 and 140 bps from Q3 FY17
- SG&A expenses reflect disciplined cost management and overall reduction of \$8.6 million from prior year
- Positive improvements are being seen in first pay default balances and early delinquency buckets as a result of underwriting changes made
- Implementation of the direct loan program and increased interest rates in additional states now includes over 80% of current originations and is expected to increase overall yield in total by 600 to 900 basis points on new originations by the end of FY18
- New senior leadership team with proven credit and retail business experience
 - CR Gaines, President & COO Retail
 - George Bchara, Chief Accounting Officer
 - Casey Chung, VP Logistics
 - David Hutchinson, VP Service

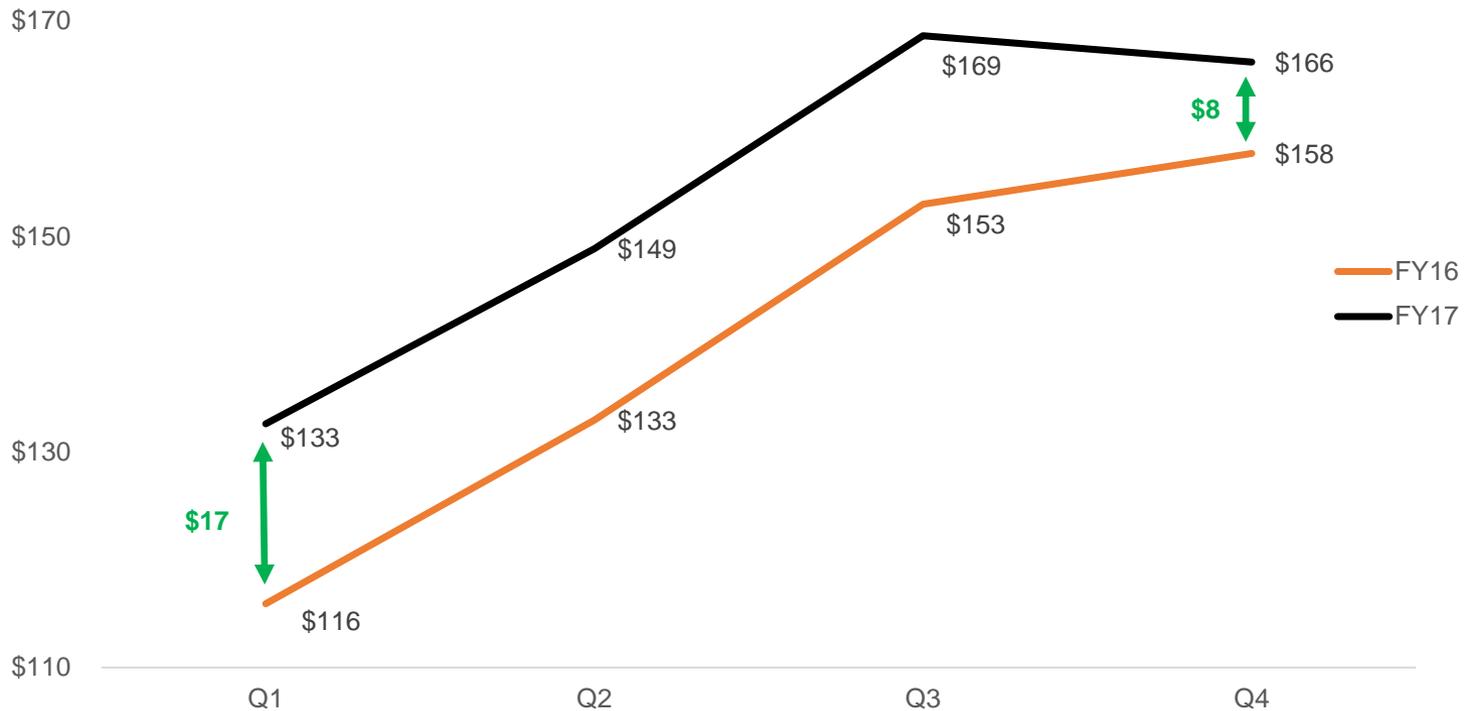
Percentage of Originations - by Time on Books (1)



(1) Time on books is number of months since first credit transaction with Conn's

60 Day+ Delinquency Balance

(\$ in millions)



Year over year 60+ delinquency balance gap is narrowing

Static Pool - Balances Remaining

	Balance Remaining		Expected Static Pool Loss Rate
	As of 1/31/17	Comparable PY	Estimated Range
FY 2017	77.6%	76.3%	Mid 13%
FY 2016	26.5%	26.7%	Upper 13%
FY 2015	5.2%	5.5%	Mid 14%
FY 2014	0.5%	0.4%	Approximately 14%

The periods reflect the year of loan origination

Product Sales Mix and Margin Mix

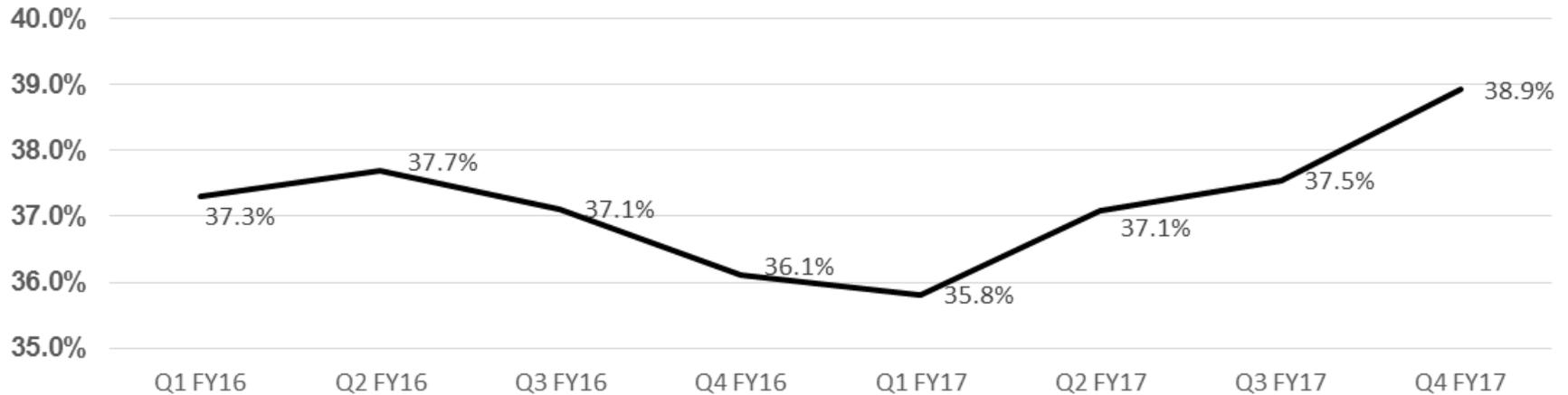
	Same Store Sales ⁽¹⁾		Total Sales		Q4 Product Mix		Q4 Gross Profit Mix	
	Q4	Q4	FY17	FY16	FY17	FY16	FY17	FY16
Furniture and Mattress	-9.2%	-3.8%	34.6%	34.0%	49.1%	48.6%		
Home Appliance	-9.7%	-5.8%	26.0%	26.1%	21.0%	21.8%		
Consumer Electronics	-6.4%	-4.2%	29.9%	29.5%	24.8%	23.8%		
Home Office	-18.4%	-16.0%	7.9%	8.9%	4.2%	4.5%		
Other ⁽²⁾	-8.5%	-3.0%	1.6%	1.5%	0.9%	1.3%		
Product sales	-9.3%	-5.5%	100.0%	100.0%	100.0%	100.0%		
Repair Service Agreement commissions	-6.0%	-4.3%						
Service		-14.4%						
Total net sales	-8.9%	-5.5%						

1) Same store sales include stores operating in both comparative full periods

2) Other category includes delivery, installation and outdoor product revenues

Retail Gross Margin

Q4 FY17 Retail Margin – a historic best



- Retail gross margin was 38.9% in Q4 FY17, increasing 280 bps from Q4 FY16 rate of 36.1% and 140 bps from Q3 FY17 rate of 37.5%
- Driven by reductions in warehouse, delivery and transportation costs along with improved product margins and product mix

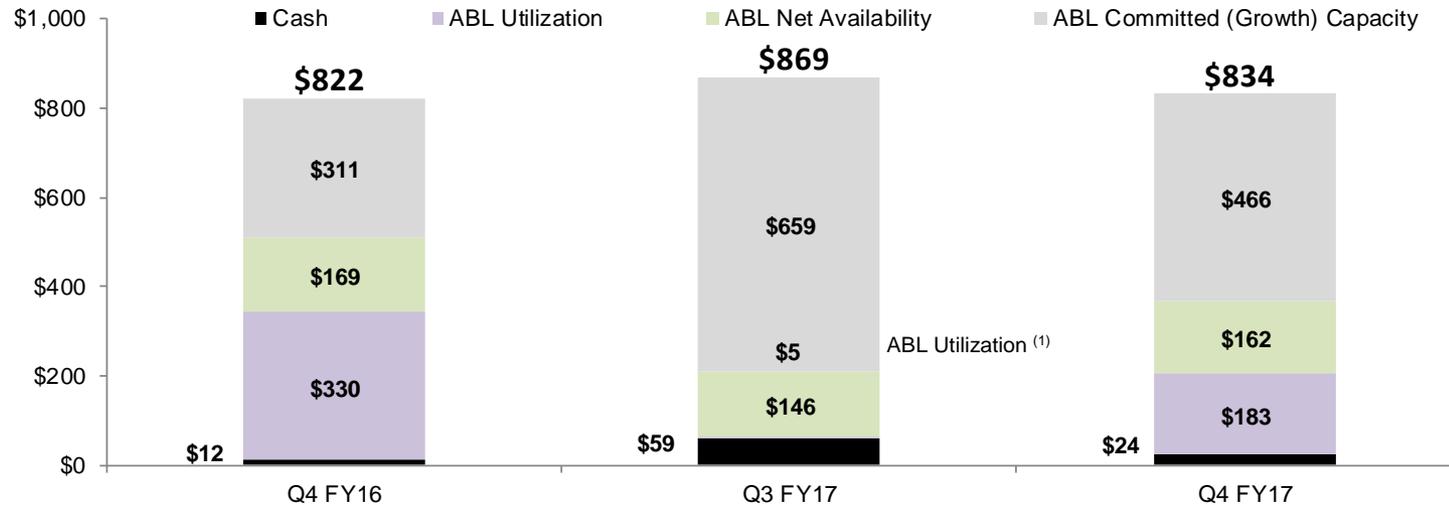
Cost of Goods and SG&A - Retail Segment

	Q4 FY17	Q4 FY16	FY17	FY16	FY15	FY14	FY13	FY12
Percent of Total Retail Net Sales:								
Cost of Goods Sold	61.1%	63.9%	62.6%	63.0%	63.6%	63.5%	67.7%	73.6%
Percent of Total Retail Revenue:								
Advertising	7.2%	7.2%	7.1%	6.8%	6.9%	5.1%	4.8%	4.5%
Compensation and benefits	8.6%	9.6%	9.6%	10.1%	10.4%	11.2%	12.4%	11.9%
Occupancy	6.7%	5.9%	7.3%	6.2%	5.6%	5.4%	6.2%	7.1%
All Other	0.4%	0.5%	0.8%	0.6%	0.6%	1.1%	1.0%	1.1%
Total SG&A	22.9%	23.2%	24.8%	23.7%	23.5%	22.8%	24.4%	24.6%

- Fourth quarter SG&A was \$5.8 million below prior year even with 10 additional stores
- Retail SG&A as a percent of sales was 30 bps favorable to prior year

Available Liquidity

(\$ in millions)



Debt (Net of Cash) to Stockholder's Equity	2.3X	2.3X	2.2X
Avg Debt (Net of Cash) as % of Avg Portfolio Balance	70%	77%	75%
Accounts Payable as % of Inventory	43%	57%	62%

We were able to successfully close an amendment to our Asset Based Loan Facility

- Extended the maturity of the facility by one year to October 30, 2019
- Reduction of the facility to \$750 million that still provides Conn's an appropriate level of liquidity and financial flexibility

(1) Letters of credit

Conn's
HomePlus®