



September 15, 2008

Conn's, Inc. Reports on the Initial Impact of Hurricane Ike

BEAUMONT, Texas, Sep 15, 2008 (BUSINESS WIRE) -- Conn's, Inc. (NASDAQ/NM:CONN), a specialty retailer of home appliances, consumer electronics, computers, lawn and garden products, furniture and mattresses, today reported on the initial impact of Hurricane Ike.

In advance of the landfall of the hurricane, the Company closed 28 of its 73 stores (27 in Texas, primarily in Houston, and one in Louisiana), as well as its service and distribution operations in the affected markets, beginning in the afternoon of Thursday, September 11th. The Company reopened six stores on Sunday, September 14th, and expects to have a total of 21 of the 28 affected stores open today, giving it a total of 66 stores open across all markets. Any of the affected operations not reopened by today will be reopened as soon as conditions are safe for a return. Additionally, the Company successfully relocated certain essential corporate headquarters' personnel, including credit granting and collections, to its Dallas, Texas, business continuity site and the San Antonio, Texas collection center. The corporate headquarters in Beaumont, Texas, remains open and operational. There has not been any impact on the Company's other store, service or distribution operations, including the San Antonio, Texas, collection center, as a result of the hurricane or the Company's relocation of personnel from its corporate offices. Initial location visits do not indicate any significant damage to the Company's corporate headquarters, stores or distribution and service centers.

"The impact of this storm has been more significant than Hurricane Gustav to our customers and operations, and I am very proud of our employees' response to this disaster," commented Thomas J. Frank, Sr., the Company's Chairman and CEO. "As we did three years ago after Hurricane Rita, we will make every effort to help people in our market areas impacted by Hurricane Ike to provide them the products they need to get their homes back in order and assist them in maintaining their good credit history."

About Conn's, Inc.

The Company is a specialty retailer currently operating 73 retail locations in Texas, Louisiana and Oklahoma: 23 stores in the Houston area, 18 in the Dallas/Fort Worth Metroplex, 10 in San Antonio, five in Austin, five in Southeast Texas, one in Corpus Christi, four in South Texas, six in Louisiana and one in Oklahoma City. It sells home appliances, including refrigerators, freezers, washers, dryers, dishwashers and ranges, and a variety of consumer electronics, including LCD, plasma and DLP televisions, camcorders, digital cameras, computers and computer accessories, DVD players, video game equipment, portable audio, MP3 players, GPS devices and home theater products. The Company also sells lawn and garden products, furniture and mattresses, and continues to introduce additional product categories for the home to help respond to its customers' product needs and to increase same store sales.

Unlike many of its competitors, the Company provides flexible in-house credit options for its customers. In the last three years, the Company has financed, on average, approximately 59% of its retail sales. Customer receivables are financed substantially through an asset based loan facility and an asset-backed securitization facility, from which the Company derives interest income and servicing fees. Under the securitization facility, the Company transfers receivables, consisting of retail installment contracts and revolving accounts extended to its customers, to a qualifying special purpose entity (QSPE) in exchange for cash and subordinated securities. The QSPE funds its purchases of the receivables through the issuance of medium-term and variable funding notes issued to third parties and secured by the receivables, and subordinated securities issued to the Company. In August 2008, the Company entered into an asset based loan agreement to provide financing for a portion of its receivables. Receivables financed by this facility and amounts borrowed under the facility will be carried on the Company's balance sheet.

This press release contains forward-looking statements that involve risks and uncertainties. Such forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "could," "estimate," "should," "anticipate," or "believe," or the negative thereof or variations thereon or similar terminology. Although the Company believes that the expectations reflected in such forward-looking statements will prove to be correct, the Company can give no assurance that such expectations will prove to be correct. The actual future performance of the Company could differ materially from such statements. Factors that could cause or contribute to such differences include, but are not limited to: the Company's growth strategy and plans regarding opening new stores and entering new markets; the Company's intention to update, relocate or expand existing stores; the Company's estimated capital expenditures and costs related to the opening of new stores or the update, relocation or expansion of existing stores; the Company's ability to introduce additional product

categories; the Company's cash flow from operations, borrowings from its revolving lines of credit and proceeds from securitizations to fund operations, debt repayment and expansion; the ability of the Company and the QSPE to obtain additional funding for the purpose of funding the receivables generated by the Company, including limitations on the ability of the QSPE to obtain financing through its commercial paper-based funding sources and its ability to maintain the current credit ratings of its securities; the cost of any renewed or replacement credit facilities; growth trends and projected sales in the home appliance and consumer electronics industry and the Company's ability to capitalize on such growth; relationships with the Company's key suppliers; the results of the Company's litigation; interest rates; weather conditions in the Company's markets; delinquency and loss trends in the receivables portfolio; changes in the assumptions used in the calculation of the fair value of its interests in securitized assets; changes in the Company's stock price; and the actual number of shares of common stock outstanding. Further information on these risk factors is included in the Company's filings with the Securities and Exchange Commission, including the Company's annual report on Form 10-K filed on March 27, 2008. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except as required by law, the Company is not obligated to publicly release any revisions to these forward-looking statements to reflect the events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

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SOURCE: Conn's, Inc.

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