



September 26, 2005

Conn's Inc. Reports on Effect of Hurricane Rita

BEAUMONT, Texas--Sept. 26, 2005--Hurricane Rita came ashore at approximately 3 AM CDT just east of Beaumont, Texas on Saturday, September 24, 2005. Conn's (Nasdaq:CONN) facilities in the area sustained minimal damage. Fifty of its fifty-five stores are operational as of Sunday, September 25, 2005. All of its distribution centers and service facilities, except for the Beaumont location, are operational. All facilities in the affected areas will become operational when city services are restored. The corporate headquarters building sustained minimal damage but no damage to its computer and telecommunications facilities.

On the Thursday evening prior to the storm, Conn's switched to its backup computer and telecommunications system in Dallas to provide uninterrupted service to all stores and other information technology functions. In addition, all store operations, merchandising, distribution and other corporate functions were transferred to Conn's facilities in the Dallas area. As a result, there has been no significant disruption in operations.

Relative to its credit operations, credit underwriting has been transferred to Dallas and is providing the same essential services as before the storm. In addition, a call center has been brought online in Austin, Texas for credit collections. Additional capacity will be added in the next several days. This emergency call center will permit Conn's to continue its collection efforts but at less than normal effectiveness. Personnel have been temporarily relocated to the Houston, Dallas and the Austin markets to provide these essential operational and support services.

An emergency generator has continuously supplied power to the corporate headquarters building in Beaumont including air conditioning to the computer and telecommunications equipment. This maintains the functionality of the corporate office even though it is currently not being used. It will be returned to full service as soon as essential city services in Beaumont are restored.

Under these unusual circumstances, Conn's released the following partial sales data. The month of August, which is the first month of Conn's third fiscal quarter, finished with 25% increase in net sales compared with the same period of the previous year. Same store sales for the month increased 12%. Through Saturday, September 24, 2005, net sales for September was approximately \$40 million. The figure already exceeds sales for the month of September, 2004.

Thomas J. Frank, Conn's Chairman and CEO, said, "We expect, that once all stores in the storm-affected area are fully operational, we will experience a positive sales impact resulting from the consequences of the storm."

Conn's is a specialty retailer of home appliances, consumer electronics, lawn and garden equipment and mattresses operating 55 stores in Texas and Louisiana.