December 1, 2010

Conn's, Inc. Announces Completion of Refinancing Plan

BEAUMONT, Texas--(BUSINESS WIRE)-- Conn's, Inc. (NASDAQ/NM:CONN), a specialty retailer of consumer electronics, home appliances, furniture, mattresses, computers and lawn and garden products today reported the completion of its previously announced refinancing plan.

The Company successfully completed the refinancing of its debt facilities, which includes an expanded asset-based loan facility of $375 million, and a new $100 million senior secured second lien term loan, with maturity dates in 2013 and 2014, respectively. Borrowings under the new facilities will be governed by borrowing base calculations and will have fixed charge coverage and leverage ratio covenants similar to the existing asset-based loan facility, among other covenants. The asset-based loan facility will typically bear interest at LIBOR plus a spread, based on the leverage ratio. The term loan will bear interest at the greater of 3.0% or LIBOR, plus approximately 1360 basis points, including the amortization of the original issue discount. In conjunction with the debt facilities, the Company completed a $25 million common stock rights offering. The completion of the rights offering resulted in the issuance of approximately 9.3 million shares of its common stock, based on the exercise of approximately 20.8 million basic subscription privileges, which is approximately 92% of the rights issued, and the issuance of approximately 0.7 million shares under the oversubscription privilege. The Company used a portion of the net proceeds from the borrowing facilities and the rights offering to repay the outstanding debt balances under the Company's existing asset-backed securitization program. Stephens Inc. acted as the Company's financial advisor in connection with the transactions and Robert W. Baird & Co. Incorporated acted as financial advisor to a committee of the Company's board of directors formed in connection with the rights offering.

"We are very pleased with our ability to complete this critical refinancing transaction, despite the challenging financial market conditions," commented Tim Frank, the Company's President and CEO. "We are very fortunate to have the continued support of our long-term financial relationships and are very appreciative of the new relationships we are beginning with these transactions."

Bank of America Merrill Lynch and JPMorgan Chase acted as joint book runners and co-lead arrangers for the asset-based loan facility. Bank of America Merrill Lynch will act as the administrative agent and collateral agent for the facility. JPMorgan Chase and Wells Fargo Preferred Capital, Inc., will act as co-syndication agents. Capital One, N.A. and Regions Business Capital will act as co-documentation agents. The other participants in the facility include Amegy Bank, BBVA Compass, CommunityBank of Texas, N.A., First Tennessee Bank National Association and Union Bank, N.A.

GA Capital, LLC, a subsidiary of Great American Group®, Inc. (OTCBB: GAMR), will act as the administrative agent and collateral agent for the term loan facility. The lenders include funds managed by Tennenbaum Capital Partners™, a multi-strategy alternative investment management firm; GB Merchant Partners' Debt Investment Group, an affiliate of Gordon Brothers Group; and the Retail Junior Capital division of Wells Fargo Capital Finance.

About Conn's, Inc.

The Company is a specialty retailer currently operating 76 retail locations in Texas, Louisiana and Oklahoma: with 23 stores in the Houston area, 20 in the Dallas/Fort Worth Metroplex, nine in San Antonio, five in Austin, five in Southeast Texas, one in Corpus Christi, four in South Texas, six in Louisiana and three in Oklahoma. It sells home appliances, including refrigerators, freezers, washers, dryers, dishwashers and ranges, and a variety of consumer electronics, including LCD, LED, 3-D, plasma and DLP televisions, camcorders, digital cameras, computers and computer accessories, Blu-ray and 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 financed, on average, approximately 61% of its retail sales.

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 ability to amend, renew or replace its existing credit facilities before the maturity dates of the facilities;*
- *the Company's ability to fund operations, debt repayment and expansion from cash flow from operations, borrowings on its revolving lines of credit and proceeds from securitizations and from accessing debt or equity markets;*
- *the ability of the Company to obtain additional funding for the purpose of funding the receivables generated by the Company;*
- *the ability of the Company to maintain compliance with the covenants in its financing facilities or obtain amendments or waivers of the covenants to avoid violations or potential violations of the covenants;*
- *reduced availability under the Company's credit facilities as a result of borrowing base requirements and the impact on the borrowing base calculation of changes in the performance or eligibility of the customer receivables financed by that facility;*
- *delinquency and loss trends in the receivables portfolio;*
- *the Company's ability to offer flexible financing programs;*
- *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 effect of closing or reducing the hours of operation of 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 ability of the financial institutions providing lending facilities to the Company to fund their commitments;*
- *the effect on borrowing costs of downgrades by rating agencies or changes in laws or regulations on the Company's financing providers;*
- *the cost of any amended, renewed or replacement credit facilities;*
- *growth trends and projected sales in the home appliance, consumer electronics and furniture and mattresses industries and the Company's ability to capitalize on such growth;*
- *the pricing actions and promotional activities of competitors;*
- *relationships with the Company's key suppliers;*
- *interest rates;*
- *general economic and financial market conditions;*
- *weather conditions in the Company's markets;*
- *the outcome of litigation or government investigations;*
- *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/A filed on April 12, 2010 and the Company's quarterly report on Form 10-Q filed on August 26, 2010. 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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Conn's, Inc., Beaumont
Chief Financial Officer
Michael J. Poppe, 409-832-1696 Ext. 3294

Source: Conn's, Inc.