Conn's, Inc.

Provision for Bad Debts and Vendor Rebates Presentation Change

(dollars in thousands)

	Three Months Ended												Fiscal Year Ended		
	April 30, 2011			July 31, 2011			October 31, 2011			January 31, 2012			January 31, 2012		
	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted
Product sales	$ 144,279	$ -	$ 144,279	$ 138,231	$ -	$ 138,231	$ 140,404	$ -	$ 140,404	$ 173,446	$ -	$ 173,446	$ 596,360	$ -	$ 596,360
Repair service agreement commissions	7,522	1,380	8,902	8,589	1,356	9,945	5,613	4,989	10,602	12,629	-	12,629	34,353	7,725	42,078
Service revenues	3,889	-	3,889	3,811	-	3,811	3,950	-	3,950	3,596	-	3,596	15,246	-	15,246
Net sales	155,690	1,380	157,070	150,631	1,356	151,987	149,967	4,989	154,956	189,671	-	189,671	645,959	7,725	653,684
Finance charges and other	34,249	663	34,912	34,253	786	35,039	29,578	2,089	31,667	37,000	-	37,000	135,080	3,538	138,618
Total revenues	189,939	2,043	191,982	184,884	2,142	187,026	179,545	7,078	186,623	226,671	-	226,671	781,039	11,263	792,302
Cost of goods sold	109,710	(3,257)	106,453	105,399	78	105,477	113,022	(178)	112,844	130,719	-	130,719	458,850	(3,357)	455,493
Cost of parts sold	1,730	-	1,730	1,596	-	1,596	1,647	-	1,647	1,554	-	1,554	6,527	-	6,527
Selling, general and administrative expense	56,188	3,257	59,445	56,252	(78)	56,174	59,623	178	59,801	62,491	-	62,491	234,554	3,357	237,911
Costs related to store closings	-	-	-	3,658	-	3,658	(313)	-	(313)	3,751	-	3,751	7,096	-	7,096
Impairment of long-lived assets	-	-	-	-	-	-	688	-	688	1,331	-	1,331	2,019	-	2,019
Provision for bad debts	7,521	2,043	9,564	5,009	2,142	7,151	19,322	7,078	26,400	10,440	-	10,440	42,292	11,263	53,555
Total cost and expenses	175,149	2,043	177,192	171,914	2,142	174,056	193,989	7,078	201,067	210,286	-	210,286	751,338	11,263	762,601
Operating income (loss)	14,790	-	14,790	12,970	-	12,970	(14,444)	-	(14,444)	16,385	-	16,385	29,701	-	29,701
Interest expense, net	7,556	-	7,556	7,004	-	7,004	3,919	-	3,919	3,978	-	3,978	22,457	-	22,457
Loss from early extinguishment of debt	-	-	-	11,056	-	11,056	-	-	-	-	-	-	11,056	-	11,056
Other (income) expense, net	52	-	52	34	-	34	(5)	-	(5)	(11)	-	(11)	70	-	70
Income (loss) before income taxes	7,182	-	7,182	(5,124)	-	(5,124)	(18,358)	-	(18,358)	12,418	-	12,418	(3,882)	-	(3,882)
Provision (benefit) for income taxes	2,781	-	2,781	(2,022)	-	(2,022)	(5,635)	-	(5,635)	4,717	-	4,717	(159)	-	(159)
Net income (loss)	$ 4,401	$ -	$ 4,401	$ (3,102)	$ -	$ (3,102)	$ (12,723)	$ -	$ (12,723)	$ 7,701	$ -	$ 7,701	$ (3,723)	$ -	$ (3,723)
Net margin	2.3%		2.3%	-1.7%		-1.7%	-7.1%		-6.8%	3.4%		3.4%	-0.5%		-0.5%
Net charge-off	$ 8,514	$ 2,494	$ 11,008	$ 11,646	$ 4,314	$ 15,960	$ 5,396	$ 2,071	$ 7,467	$ 12,504		$ 12,504	$ 38,060	$ 8,879	$ 46,939
Average portfolio balance	$ 647,761		$ 647,761	$ 613,355		$ 613,355	$ 603,975		$ 603,975	$ 628,548		$ 628,548	$ 626,437		$ 626,437
Net charge-off rate	**5.3%**		**6.8%**	**7.6%**		**10.4%**	**3.6%**		**4.9%**	**8.0%**		**8.0%**	**6.1%**		**7.5%**
Product Margin	24.0%		26.2%	23.8%		23.7%	19.5%		19.6%	24.6%		24.6%	23.1%		23.6%
Retail Margin	27.7%		30.5%	28.2%		28.8%	22.6%		25.3%	29.7%		29.7%	27.2%		28.7%
SG&A % of revenue	29.6%		31.0%	30.4%		30.0%	33.2%		32.0%	27.6%		27.6%	30.0%		30.0%
Operating margin	7.8%		7.7%	7.0%		6.9%	-8.0%		-7.7%	7.2%		7.2%	3.8%		3.7%

Conn's, Inc.

Provision for Bad Debts and Vendor Rebates Presentation Change

(dollars in thousands)

	Three Months Ended												Fiscal Year Ended		
	April 30, 2010			July 31, 2010			October 31, 2010			January 31, 2011			January 31, 2011		
	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted
Product sales	$ 149,015	$ -	$ 149,015	$ 164,660	$ -	$ 164,660	$ 125,817	$ -	$ 125,817	$ 168,951	$ -	$ 168,951	$ 608,443	$ -	$ 608,443
Repair service agreement commissions	8,061	1,790	9,851	8,368	2,122	10,490	6,064	2,211	8,275	6,575	2,604	9,179	29,068	8,727	37,795
Service revenues	4,757	-	4,757	4,183	-	4,183	3,769	-	3,769	3,778	-	3,778	16,487	-	16,487
Net sales	161,833	1,790	163,623	177,211	2,122	179,333	135,650	2,211	137,861	179,304	2,604	181,908	653,998	8,727	662,725
Finance charges and other	36,215	792	37,007	35,589	887	36,476	34,915	904	35,819	35,722	1,026	36,748	142,441	3,609	146,050
Total revenues	198,048	2,582	200,630	212,800	3,009	215,809	170,565	3,115	173,680	215,026	3,630	218,656	796,439	12,336	808,775
Cost of goods sold	114,216	(3,569)	110,647	130,217	(438)	129,779	99,546	(308)	99,238	135,423	(391)	135,032	479,402	(4,706)	474,696
Cost of parts sold	2,376	-	2,376	2,116	-	2,116	1,642	-	1,642	1,645	-	1,645	7,779	-	7,779
Selling, general and administrative expense	58,332	3,569	61,901	60,969	438	61,407	55,288	308	55,596	60,511	391	60,902	235,100	4,706	239,806
Impairment of long-lived assets	-	-	-	-	-	-	-	-	-	2,321	-	2,321	2,321	-	2,321
Provision for bad debts	7,634	2,582	10,216	10,339	3,009	13,348	10,813	3,115	13,928	10,282	3,630	13,912	39,068	12,336	51,404
Total Cost and Expenses	182,558	2,582	185,140	203,641	3,009	206,650	167,289	3,115	170,404	210,182	3,630	213,812	763,670	12,336	776,006
Operating income	15,490	-	15,490	9,159	-	9,159	3,276	-	3,276	4,844	-	4,844	32,769	-	32,769
Interest expense, net	5,783	-	5,783	6,729	-	6,729	7,722	-	7,722	7,846	-	7,846	28,080	-	28,080
Costs related to financing facilities terminated and transactions not completed	-	-	-	-	-	-	2,896	-	2,896	1,387	-	1,387	4,283	-	4,283
Other (income) expense, net	171	-	171	12	-	12	(16)	-	(16)	173	-	173	340	-	340
Income (loss) before income taxes	9,536	-	9,536	2,418	-	2,418	(7,326)	-	(7,326)	(4,562)	-	(4,562)	66	-	66
Provision (benefit) for income taxes	3,653	-	3,653	1,017	-	1,017	(2,548)	-	(2,548)	(984)	-	(984)	1,138	-	1,138
Net income (loss)	$ 5,883	$ -	$ 5,883	$ 1,401	$ -	$ 1,401	$ (4,778)	$ -	$ (4,778)	$ (3,578)	$ -	$ (3,578)	$ (1,072)	$ -	$ (1,072)
Net margin	3.0%		2.9%	0.7%		0.6%	-2.8%		-2.8%	-1.7%		-1.6%	-0.1%		-0.1%
Net charge-off	$ 9,146	$ 2,898	$ 12,044	$ 9,295	$ 2,774	$ 12,069	$ 10,682	$ 3,247	$ 13,929	$ 9,977	$ 3,098	$ 13,075	$ 39,100	$ 12,017	$ 51,117
Average portfolio balance	$ 715,838		$ 715,838	$ 702,597		$ 702,597	$ 695,327		$ 695,327	$ 679,869		$ 679,869	$ 699,284		$ 699,284
Net charge-off rate	**5.1%**		**6.7%**	**5.3%**		**6.9%**	**6.1%**		**8.0%**	**5.9%**		**7.7%**	**5.6%**		**7.3%**
Product Margin	23.4%		25.7%	20.9%		21.2%	20.9%		21.1%	19.8%		20.1%	21.2%		22.0%
Retail Margin	27.3%		30.4%	24.7%		25.9%	24.5%		26.0%	22.8%		24.2%	24.8%		26.5%
SG&A % of revenue	29.5%		30.9%	28.7%		28.5%	32.4%		32.0%	28.1%		27.9%	29.5%		29.7%
Operating margin	7.8%		7.7%	4.3%		4.2%	1.9%		1.9%	2.3%		2.2%	4.1%		4.1%

Conn's, Inc.

Provision for Bad Debts and Vendor Rebates Presentation Change

(dollars in thousands)

	Three Months Ended												Fiscal Year Ended		
	April 30, 2009			July 31, 2009			October 31, 2009			January 31, 2010			January 31, 2010		
	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted
Product sales	$ 184,817	$ -	$ 184,817	$ 175,116	$ -	$ 175,116	$ 148,207	$ -	$ 148,207	$ 158,241	$ -	$ 158,241	$ 666,381	$ -	$ 666,381
Repair service agreement commissions	9,790	1,552	11,342	8,858	1,823	10,681	7,319	1,932	9,251	7,305	2,094	9,399	33,272	7,401	40,673
Service revenues	5,544	-	5,544	6,052	-	6,052	5,600	-	5,600	4,919	-	4,919	22,115	-	22,115
Net sales	200,151	1,552	201,703	190,026	1,823	191,849	161,126	1,932	163,058	170,465	2,094	172,559	721,768	7,401	729,169
Finance charges and other	40,432	301	40,733	40,401	581	40,982	37,009	760	37,769	37,591	845	38,436	155,433	2,487	157,920
Total revenues	240,583	1,853	242,436	230,427	2,404	232,831	198,135	2,692	200,827	208,056	2,939	210,995	877,201	9,888	887,089
Cost of goods sold	145,870	(3,681)	142,189	140,761	(641)	140,120	120,964	(376)	120,588	126,704	(374)	126,330	534,299	(5,072)	529,227
Cost of parts sold	2,587	-	2,587	2,797	-	2,797	2,672	-	2,672	2,345	-	2,345	10,401	-	10,401
Selling, general and administrative expense	62,388	3,681	66,069	64,358	641	64,999	65,050	376	65,426	61,711	374	62,085	253,507	5,072	258,579
Goodwill impairment	-	-	-	-	-	-	9,617	-	9,617	-	-	-	9,617	-	9,617
Provision for bad debts	6,041	1,853	7,894	8,677	2,404	11,081	13,370	2,692	16,062	10,803	2,939	13,742	38,891	9,888	48,779
Total cost and expenses	216,886	1,853	218,739	216,593	2,404	218,997	211,673	2,692	214,365	201,563	2,939	204,502	846,715	9,888	856,603
Operating income (loss)	23,697	-	23,697	13,834	-	13,834	(13,538)	-	(13,538)	6,493	-	6,493	30,486		30,486
Interest expense, net	5,354	-	5,354	5,690	-	5,690	5,649	-	5,649	5,293	-	5,293	21,986	-	21,986
Other (income) expense, net	(8)	-	(8)	(13)	-	(13)	(34)	-	(34)	(68)	-	(68)	(123)	-	(123)
Income (loss) before income taxes	18,351	-	18,351	8,157	-	8,157	(19,153)	-	(19,153)	1,268	-	1,268	8,623	-	8,623
Provision (benefit) for income taxes	6,778	-	6,778	3,178	-	3,178	(4,893)	-	(4,893)	(744)	-	(744)	4,319	-	4,319
Net income (loss)	$ 11,573	$ -	$ 11,573	$ 4,979	$ -	$ 4,979	$ (14,260)	$ -	$ (14,260)	$ 2,012	$ -	$ 2,012	$ 4,304	$ -	$ 4,304
Net margin	4.8%		4.8%	2.2%		2.1%	-7.2%		-7.1%	1.0%		1.0%	0.5%		0.5%
Net charge-off	$ 5,605	$ 1,682	$ 7,287	$ 6,400	$ 1,840	$ 8,240	$ 8,096	$ 2,351	$ 10,447	$ 8,841	$ 2,600	$ 11,441	$ 28,942	$ 8,474	$ 37,416
Average portfolio balance	$ 742,540		$ 742,540	$ 742,077		$ 742,077	$ 745,526		$ 745,526	$ 741,686		$ 741,686	$ 743,756		$ 743,756
Net charge-off rate	**3.0%**		**3.9%**	**3.4%**		**4.4%**	**4.3%**		**5.6%**	**4.8%**		**6.2%**	**3.9%**		**5.0%**
Product Margin	21.1%		30.0%	19.6%		25.0%	18.4%		22.9%	19.9%		25.3%	19.8%		25.9%
Retail Margin	25.0%		27.5%	23.5%		24.6%	22.2%		23.4%	23.5%		24.6%	23.6%		25.2%
SG&A % of revenue	25.9%		27.3%	27.9%		27.9%	32.8%		32.6%	29.7%		29.4%	28.9%		29.1%
Operating margin	9.8%		9.8%	6.0%		5.9%	-6.8%		-6.7%	3.1%		3.1%	3.5%		3.4%