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## Aaron Rents, Inc. Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

Thank you, we will now begin the question and answer session. (Operator's instruction)

Our first question comes from Dennis Telzrow from Stephens Inc. Please go ahead.

**Dennis Telzrow – Stephens Inc.**

Good morning, gentlemen, excellent quarter.

**Charles Loudermilk**

Thank you.

**Dennis Telzrow – Stephens Inc.**

I know Florida has been one of the weaker geographic areas, I am going to assume that given that you are seeing strength sequentially from the first quarter, that market improved somewhat too?

**Ken Butler**

I'd say it is still somewhat neutral. This is Ken, I am sorry. But we are still having issues down there that although if you look at it by itself, operating it, it is not bad. Florida has been one of our strength that still haven't rebounded and we still have negative store comps. Dennis if we pull the Florida market, primarily Florida market out, our same store revenue growth for the quarter would have been 4.9% revenue growth. That was in Florida Mall.

**Dennis Telzrow – Stephens Inc.**

Okay, that is all I have. Thank you.

**Operator**

Our next question comes from Arvind Bhatia from Sterne, Agee. Please go ahead.

**Arvind Bhatia – Sterne, Agee & Leach**

Thank you, good morning, my congratulations as well. I wanted to first of all just talk about the new store drag which you are modeling in the next two quarters. I know it is going to be down from the second quarter but if you can help us to understand what you are building in your guidance and can

you tell us how many stores are in your company as of right now and how many will come in I guess we cannot comment on that but just how many are in the Comp base today?

**Ken Butler**

Well, addressing new store drag first, it was \$0.06 in the second quarter. I think it will trim down a little bit in the third and fourth quarter. Historically, we have always had new store drag in each quarter from I would say \$0.02 to \$0.04 GPS in any quarter so I think it is still probably be a little higher in than in the third quarter and we get in the fourth quarter and in the first quarter of '09. We will get back to a more normalized levels.

As far as the stores in the Comp base, company-operated stores are about a thousand stores is 771 stores were in the company..

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