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Overland Park, Kansas 66210  
OTC PINK Symbol: QCCO

## **NEWS RELEASE**

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### **QC Holdings, Inc. Reports 2015 Results**

OVERLAND PARK, KS (March 31, 2016) – QC Holdings, Inc. (OTC PINK: QCCO) reported a loss from continuing operations of \$1.0 million and revenues of \$135.5 million for the year ended December 31, 2015. The year ended December 31, 2015 includes \$1.5 million (approximately \$900,000 net of income taxes) in accrued costs associated with a tentative settlement of an outstanding legal matter.

For the year ended December 31, 2014, income from continuing operations totaled \$5.1 million and revenues were \$153.1 million. The year ended December 31, 2014 includes discontinued operations relating to branches that were closed during the year.

The revenue decline during 2015 compared to 2014 reflects lower interest and fees from the company's consumer loan products, indicative of competitive pressures as customers explore alternative loan products and distribution channels. Loan loss rates were slightly lower in 2015 versus 2014, indicative of similar branch level experience year-to-year and improvements in installment loan performance. The reduction in revenues exceeded the improved losses, resulting in a gross profit decline in \$10.8 million year-to-year.

During 2016, QC will continue its efforts to expand the suite of products available to customers across its network, as well as to develop an online capability that will complement the branches by providing customers an alternative method for accessing lending products.

**About QC Holdings, Inc.**

Headquartered in Overland Park, Kansas, QC Holdings, Inc. is a leading provider of consumer loans in the United States and Canada. In the United States, QC offers various products, including single-pay, installment and title loans, check cashing, debit cards and money transfer services, through 394 branches in 22 states at December 31, 2015. In Canada, the company, through its subsidiary Direct Credit Holdings Inc., is engaged in short-term, consumer Internet lending in various provinces.

*Forward Looking Statement Disclaimer: This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on the company's current expectations and are subject to a number of risks and uncertainties, which could cause actual results to differ materially from those forward-looking statements. These risks include (1) changes in laws or regulations or governmental interpretations of existing laws and regulations governing consumer protection or short-term lending practices, (2) uncertainties relating to the interpretation, application and promulgation of regulations under the Dodd-Frank Wall Street Reform and Consumer Protection Act, including the impact of proposed rulemaking by the Consumer Financial Protection Bureau (CFPB), (3) ballot referendum initiatives by industry opponents to cap the rates and fees that can be charged to customers, (4) uncertainties related to the examination process by the CFPB and indirect rulemaking through the examination process, (5) litigation or regulatory action directed towards us or the short-term consumer loan industry, (6) volatility in our earnings, primarily as a result of fluctuations in loan loss experience and closures of branches, (7) risks associated with our dependence on cash management banking services and the Automated Clearing House for loan collections, (8) negative media reports and public perception of the short-term consumer loan industry and the impact on federal and state legislatures and federal and state regulators, (9) changes in our key management personnel, (10) risks associated with owning and managing non-U.S. businesses, and (11) other various risks. QC will not update any forward-looking statements made in this press release to reflect future events or developments.*

***(Financial and Statistical Information Follows)***

**QC Holdings, Inc.**  
**Consolidated Condensed Statements of Operations**  
*(in thousands, except per share amounts)*  
*(Unaudited)*

	<u>Year Ended</u> <u>December 31,</u>	
	<u>2014</u>	<u>2015</u>
<b>Revenues</b>		
Consumer loan interest and fees	\$ 142,910	\$ 126,318
Other	<u>10,155</u>	<u>9,183</u>
Total revenues	153,065	135,501
Provision for losses	44,887	39,190
Operating expenses	<u>67,666</u>	<u>66,629</u>
<b>Gross profit</b>	40,512	29,682
Corporate and Regional expenses	26,863	28,042
Other expense, net	<u>5,219</u>	<u>2,777</u>
Income (loss) from continuing operations before income taxes	8,430	(1,137)
Provision (benefit) for income taxes	<u>3,351</u>	<u>(94)</u>
<b>Income (loss) from continuing operations</b>	5,079	(1,043)
Gain from discontinued operations, net of income tax	<u>266</u>	<u>          </u>
<b>Net income (loss)</b>	<u>\$ 5,345</u>	<u>\$ (1,043)</u>
<b>Earnings (loss) per share:</b>		
<i>Basic</i>		
Net income (loss)	<u>\$ 0.30</u>	<u>\$ (0.06)</u>
<i>Diluted</i>		
Net income (loss)	<u>\$ 0.30</u>	<u>\$ (0.06)</u>
<b>Weighted average number of common shares outstanding:</b>		
Basic	17,484	17,351
Diluted	17,512	17,351

**QC Holdings, Inc.**  
**Consolidated Condensed Balance Sheets**  
*(in thousands)*

	<b>December 31, <u>2014</u></b>	<b>December 31, <u>2015</u></b> <i>(Unaudited)</i>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 14,220	\$ 16,115
Restricted cash	950	950
Loans receivable, less allowance for losses of \$6,794 at December 31, 2014 and \$6,395 at December 31, 2015	55,744	50,555
Other current assets	<u>6,828</u>	<u>6,286</u>
Total current assets	77,742	73,906
Non-current loans receivable, less allowance for losses of \$2,133 at December 31, 2014 and \$1,556 at December 31, 2015	5,603	3,802
Property and equipment, net	5,013	4,797
Other assets, net	<u>13,141</u>	<u>11,486</u>
Total assets	<u>\$ 101,499</u>	<u>\$ 93,991</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable and other current liabilities	\$ 10,247	\$ 11,407
Revolving credit facility	12,000	6,250
Subordinated debt	<u>          </u>	<u>3,553</u>
Total current liabilities	22,247	21,210
Non-current liabilities	5,482	4,967
Subordinated debt	<u>3,415</u>	<u>          </u>
Total liabilities	31,144	26,177
Stockholders' equity	<u>70,355</u>	<u>67,814</u>
Total liabilities and stockholders' equity	<u>\$ 101,499</u>	<u>\$ 93,991</u>

**QC Holdings, Inc.**  
**Consolidated Condensed Statements of Cash Flows**  
*(in thousands)*  
*(Unaudited)*

	<b>December 31,</b> <b><u>2014</u></b>	<b>December 31,</b> <b><u>2015</u></b>
Operating activities:		
Net income (loss)	\$ 5,345	\$ (1,043)
Adjustments to reconcile net income (loss) to net cash	51,390	42,806
Changes in assets and liabilities	<u>(43,376)</u>	<u>(31,131)</u>
Net operating	<u>13,359</u>	<u>10,632</u>
Investing activities:		
Capital expenditures	(2,379)	(2,220)
Other	<u>1,242</u>	<u>1,195</u>
Net investing	<u>(1,137)</u>	<u>(1,025)</u>
Financing activities:		
Net repayment of borrowings	(8,800)	(5,750)
Other	<u>(1,712)</u>	<u>(1,535)</u>
Net financing	<u>(10,512)</u>	<u>(7,285)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(175)</u>	<u>(427)</u>
Net increase in cash and cash equivalents	1,535	1,895
Cash and cash equivalents at beginning of year	<u>12,685</u>	<u>14,220</u>
Cash and cash equivalents at end of year	<u>\$ 14,220</u>	<u>\$ 16,115</u>