FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended June 30, 2000	Commission File Number: 0-19133

FIRST CASH FINANCIAL SERVICES, INC.
(Exact name of registrant as specified in its charter)

Delaware (State of Incorporation)	75-2237318 (IRS Employers Identification Number)
690 East Lamar, Suite 400 Arlington, Texas (Address of principal executive offices)	76011 (Zip Code)

(817)460-3947
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes x No

As of August 11, 2000, there were 8,796,027 shares of Company common stock, par value $.01 per share ("Common Stock"), issued and outstanding.

Part I. Financial Information
Item 1. Financial Statements

FIRST CASH FINANCIAL SERVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2000	December 31, 1999
	(unaudited, amounts in thousands except share amounts)	
ASSETS		
Cash and cash equivalents	$ 6,930	$ 10,717
Service charges receivable	2,732	3,826
Receivables	21,295	23,568
Inventories	17,960	21,091
Prepaid expenses and other current assets	3,012	4,487
Total current assets	51,929	63,689
Property and equipment, net	11,212	10,954
Intangible assets, net	53,846	54,600
Other	4,078	2,196
	$121,065	$131,439
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt and notes payable	$ 1,689	$ 1,689
Accounts payable and accrued expenses	5,094	4,892
Income taxes payable	132	183
Total current liabilities	6,915	6,764

Revolving credit facility	43,000	47,000
Long-term debt and notes payable, net of current portion	4,178	5,020
Deferred income taxes	2,627	3,540
	56,720	62,324
Stockholders' equity:		
Preferred stock; $.01 par value; 10,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock; $.01 par value; 20,000,000 shares authorized; 9,320,868 and 9,320,868 shares issued, respectively; 8,796,027 and 8,849,909 shares outstanding, respectively	93	93
Additional paid-in capital	50,953	50,953
Retained earnings	20,382	20,334
Common stock receivable from officers	(4,570)	-
Common stock held in treasury, at cost, 524,841 and 470,959 shares, respectively	(2,513)	(2,265)
	64,345	69,115
	$121,065	$131,439

The accompanying notes are an integral part of these condensed consolidated financial statements.

FIRST CASH FINANCIAL SERVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Six Months Ended	
	June 30, 2000	June 30, 1999	June 30, 2000	June 30, 1999
	(unaudited, in thousands, except per share amounts)			
Revenues:				
Merchandise sales	$ 12,726	$ 12,173	$ 28,001	$ 25,928
Service charges	10,912	9,298	21,971	18,257
Check cashing fees	543	548	1,151	1,109
Other	575	501	1,198	1,032
	24,756	22,520	52,321	46,326
Cost of goods sold and expenses:				
Cost of goods sold	8,112	8,223	18,411	17,339
Operating expenses	11,967	9,291	23,307	18,310
Interest expense	701	604	1,464	1,184
Depreciation	542	375	1,054	716
Amortization	379	374	758	744
Administrative expenses	1,830	1,367	3,575	2,758
	23,531	20,234	48,569	41,051
Income before income taxes	1,225	2,286	3,752	5,275
Provision for income taxes	469	830	1,417	1,981
Income before cumulative effect of change in accounting principle	756	1,456	2,335	3,294
Cumulative effect on prior years of change in accounting principle	-	-	(2,287)	-
Net income	$ 756	$ 1,456	$ 48	$ 3,294
Net income per share:				
Basic				
Income before cumulative effect of change in accounting principle	$ 0.09	$ 0.17	$ 0.27	$ 0.38
Cumulative effect of change in				

Accounting principle.............	-	-	(0.26)	-
Net income........................	$ 0.09	$ 0.17	$ 0.01	$ 0.38
Diluted				
Income before cumulative effect of change in accounting principle....	$ 0.09	$ 0.16	$ 0.26	$ 0.35
Cumulative effect of change in accounting principle.............	-	-	(0.25)	-
Net income........................	$ 0.09	$ 0.16	$ 0.01	$ 0.35
Unaudited pro forma amounts assuming Retroactive application of change in accounting principle:				
Revenues..........................	$ 24,756	$ 21,330	$ 52,321	$ 44,019
Net income........................	756	1,221	2,335	2,981
Basic earnings per share...........	0.09	0.14	0.27	0.35
Diluted earnings per share.........	0.09	0.13	0.26	0.32

The accompanying notes are an integral part of these condensed consolidated financial statements.

FIRST CASH FINANCIAL SERVICES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six-Month Period Ended June 30,	
	2000	1999
	(unaudited, in thousands)	
Cash flows from operating activities:		
Net income..	$ 48	$ 3,294
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization...................	1,812	1,460
Cumulative effect of change in accounting principle....................................	2,287	-
(Increase) decrease in:		
Service charges receivable......................	218	(134)
Inventories.....................................	602	(765)
Prepaid expenses and other assets...............	(4,977)	(1,092)
Increase (decrease) in:		
Accounts payable and accrued expenses...........	202	(79)
Income taxes payable............................	408	157
Net cash flows from operating activities......	600	2,841
Cash flows from investing activities:		
Net (increase) decrease in receivables..............	2,019	(907)
Purchases of property and equipment.................	(1,316)	(1,396)
Acquisition of existing stores......................	-	(524)
Net cash flows from investing activities......	703	(2,827)
Cash flows from financing activities:		
Proceeds from debt..................................	3,777	9,700
Repayments of debt..................................	(8,619)	(8,719)
Purchase of treasury stock..........................	(248)	-
Registration fees...................................	-	(13)
Proceeds from exercise of stock options.............	-	26
Net cash flows from financing activities......	(5,090)	994
Change in cash and cash equivalents.....................	(3,787)	1,008
Cash and cash equivalents at beginning of the period....	10,717	4,458
Cash and cash equivalents at end of the period..........	$ 6,930	$ 5,466
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest...	$ 1,450	$ 1,293

Income taxes	$ 1,008	$ 739

The accompanying notes are an integral part of these condensed consolidated financial statements.

FIRST CASH FINANCIAL SERVICES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1 - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements, including the notes thereto, include the accounts of First Cash Financial Services, Inc. (the "Company") and its wholly-owned subsidiaries. Such unaudited consolidated financial statements are condensed and do not include all disclosures and footnotes required by generally accepted accounting principles for complete financial statements. Such interim period financial statements should be read in conjunction with the Company's consolidated financial statements which are included in the Company's December 31, 1999 Annual Report on Form 10-K. All significant intercompany accounts and transactions have been eliminated in consolidation. The consolidated financial statements as of June 30, 2000 and December 31, 1999 and for the periods ended June 30, 2000 and 1999 are unaudited, but in management's opinion, include all adjustments (consisting of only normal recurring adjustments) considered necessary to present fairly the financial position, results of operations and cash flows for such interim periods. Operating results for the period ended June 30, 2000 are not necessarily indicative of the results that may be expected for the full fiscal year.

Note 2 - Revolving Credit Facility

The Company currently maintains a $55,000,000 long-term line of credit with a group of commercial lenders (the "Credit Facility"). At June 30, 2000, $43,000,000 was outstanding under this Credit Facility and an additional $5,505,000 was available to the Company pursuant to the available borrowing base. The Credit Facility bears interest at the prevailing LIBOR rate (which was approximately 6.6% at June 30, 2000) plus one percent, and matures on September 1, 2002. Amounts available under the Credit Facility are limited to 325% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. Under the terms of the Credit Facility, the Company is required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with these requirements and covenants during the six months ended June 30, 2000 and as of August 11, 2000.

Note 3 - Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share data):

	Three Months Ended		Six Months Ended	
	June 30, 2000	June 30, 1999	June 30, 2000	June 30, 1999
Numerator:				
Income before cumulative effect of change in accounting principle for calculating basic and diluted earnings per share	$ 756	$ 1,456	$ 2,335	$ 3,294
Cumulative effect on prior years of change in accounting principle for calculating basic and diluted earnings per share	-	-	(2,287)	-
Net income for calculating basic and diluted earnings per share	$ 756	$ 1,456	$ 48	$ 3,294

Pro forma net income assuming retroactive application of change in accounting principle	$ 756	$ 1,221	$ 2,335	$ 2,981
Denominator:				
Weighted-average common shares for calculating basic earnings per share	8,811	8,624	8,830	8,621
Effect of dilutive securities:				
Stock options and warrants	-	474	106	516
Contingently issuable shares due to acquisitions	-	227	-	212
Weighted-average common shares for calculating diluted earnings per share	8,811	9,325	8,936	9,349
Basic earnings per share:				
Income before cumulative effect of change in accounting principle	$ 0.09	$ 0.17	$ 0.27	$ 0.38
Cumulative effect of change in accounting principle	-	-	(0.26)	-
Net income	$ 0.09	$ 0.17	$ 0.01	$ 0.38
Pro forma net income	$ 0.09	$ 0.14	$ 0.27	$ 0.35
Diluted earnings per share:				
Income before cumulative effect of change in accounting principle	$ 0.09	$ 0.16	$ 0.26	$ 0.35
Cumulative effect of change in accounting principle	-	-	(0.25)	-
Net income	$ 0.09	$ 0.16	$ 0.01	$ 0.35
Pro forma net income	$ 0.09	$ 0.13	$ 0.26	$ 0.32

Note 4 - Change in Accounting Principle

Effective January 1, 2000, the Company changed its method of income recognition on pawn loans. The Company accrues pawn service charge revenue on a constant yield basis for all pawn loans that the Company deems collection to be probable based on historical loan redemption statistics. For loans not repaid, the cost of forfeited collateral (inventory) is stated at the lower of cost (cash amount loaned) or market. Prior to 2000, the Company recognized service charge income on a constant yield basis over the initial loan period for all pawn loans written. Service charges applicable to the extension periods or additional loan periods were not recognized as income until the loan was repaid or renewed. If the loan was not repaid, the carrying value of the forfeited collateral (inventory) was stated at the lower of cost (the principal amount loaned plus accrued service charges) or market. The Company believes the accounting change provides a more timely matching of revenues and expenses with which to measure results of operations. The cumulative effect of the accounting method change on all periods since inception of the Company through December 31, 1999 is $2,287,000 (after an income tax benefit of $1,373,000) and is included as a one-time reduction to net income for the six months ended June 30, 2000. Operating results for the three and six months ended June 30, 2000 have been calculated using the new accounting method. The unaudited pro forma amounts shown in the statements of income reflect the effect of retroactive application on pawn service charges, cost of sales and related income taxes.

Note 5 - Operating Segment Information

The Company has three reportable operating segments: pawn lending stores, check cashing/payday advance stores, and a software and hardware provider. The Company's pawn stores offer non-recourse loans on the collateral of pledged tangible personal property. The Company's check cashing and payday advance stores provide check cashing services, short-term unsecured consumer loans, bill payment services, money transfer services and money order sales. The Company's computer software subsidiary, Answers, etc., provides turnkey point of sale operating systems to other check cashing and payday advance operators unaffiliated with the Company.

Management of the Company evaluates performance based on the operating income of each segment. There are no intersegmental sales. Each of the segments are supervised separately. Information concerning the segments is set forth below (in thousands):

	Pawn Stores	Check Cashing/ Payday Advance Stores	Software	Consolidated
Three Months Ended June 30, 2000				
Total revenues	$ 20,247	$ 4,039	$ 470	$ 24,756
Depreciation and amortization	681	195	45	921
Income before interest and income taxes	1,425	942	(441)	1,926
Total assets at June 30, 2000	86,631	32,011	2,423	121,065
Capital expenditures	401	86	46	533
Three Months Ended June 30, 1999				
Total revenues (pro forma)	16,914	3,461	955	21,330
Depreciation and amortization	554	176	19	749
Income before interest and income taxes (pro forma)	1,448	968	105	2,521
Total assets at June 30, 1999	84,868	31,304	2,050	118,222
Capital expenditures	526	64	45	635
Six Months Ended June 30, 2000				
Total revenues	43,216	7,965	1,140	52,321
Depreciation and amortization	1,344	384	84	1,812
Income before interest and income taxes	3,524	2,293	(601)	5,216
Total assets at June 30, 2000	86,631	32,011	2,423	121,065
Capital expenditures	906	253	155	1,314
Six Months Ended June 30, 1999				
Total revenues (pro forma)	35,911	6,455	1,653	44,019
Depreciation and amortization	1,079	349	32	1,460
Income before interest and income taxes (pro forma)	4,092	1,711	161	5,964
Total assets at June 30, 1999	84,868	31,304	2,050	118,222
Capital expenditures	1,034	200	163	1,397

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

First Cash Financial Services, Inc. is the nation's third largest publicly traded pawnshop operator and currently owns and operates pawn stores in Texas, Oklahoma, Washington, D.C., Maryland, Missouri, South Carolina, Virginia and Mexico. The Company's pawn stores engage in both consumer finance and retail sales activities. The Company's pawn stores provide a convenient source for consumer loans, lending money against pledged tangible personal property such as jewelry, electronic equipment, tools, sporting goods and musical equipment. These pawn stores also function as retailers of previously-owned merchandise acquired in forfeited pawn transactions and over-the-counter purchases from customers. The Company's pawn stores also offer short-term, unsecured advances ("payday advances").

The Company also currently owns check cashing and payday advance stores in California, Washington, Oregon, Illinois and Washington D.C. These stores provide a broad range of consumer financial services, including check cashing, money order sales, wire transfers, bill payment services and payday advances. The Company also owns Answers, etc., a company which provides computer hardware and software to over 1,900 third party check cashing and payday advance operators throughout the country, as well as ongoing technical support. In addition, the Company is a 50% partner in Cash & Go, Ltd., a joint venture which owns financial service kiosks located inside convenience stores.

Although the Company has had significant increases in revenues due primarily to acquisitions and secondarily to new store openings, the Company has also incurred increases in operating expenses attributable to the additional stores and increases in administrative expenses attributable to building a management team and the support personnel required by the Company's growth. Operating expenses consist of all items directly related to the operation of the Company's stores, including salaries and related payroll costs, rent, utilities, advertising, property taxes, licenses, supplies, security and net returned checks. Administrative expenses consist of items relating to the operation of the corporate office, including the salaries of corporate officers, area supervisors and other management, accounting and administrative costs, liability and casualty insurance, outside legal and accounting fees and stockholder related expenses.

Effective January 1, 2000, the Company changed its method of income recognition on pawn loans. The Company accrues pawn service charge revenue on a constant yield basis for all pawn loans that the Company deems collection to be probable based on historical loan redemption statistics. For loans not repaid, the cost of forfeited collateral (inventory) is stated at the lower of cost (cash amount loaned) or market. Prior to 2000, the Company recognized service charge income on a constant yield basis over the initial loan period for all pawn loans written. Service charges applicable to the extension periods or additional loan periods were not recognized as income until the loan was repaid or renewed. If the loan was not repaid, the carrying value of the forfeited collateral (inventory) was stated at the lower of cost (the principal amount loaned plus accrued service charges) or market. The Company believes the accounting change provides a more timely matching of revenues and expenses with which to measure results of operations. The cumulative effect of the accounting method change on all periods since inception of the Company through December 31, 1999 is $2,287,000 (after an income tax benefit of $1,373,000) and is included as a one-time reduction to net income for the six months ended June 30, 2000.

For purposes of comparison and discussion of the financial results, the following analysis compares the three and six months ended June 30, 2000 to the three and six months ended June 30, 1999 based on an unaudited pro forma retroactive application using the changed accounting principle for the three and six months ended June 30, 1999.

RESULTS OF OPERATIONS

Three months ended June 30, 2000 compared to the three months ended June 30, 1999

Total revenues increased 16% to $24,756,000 for the three months ended June 30, 2000 ("the Second Quarter of 2000") as compared to revenues of $21,330,000 for the three months ended June 30, 1999 ("the Second Quarter of 1999"). Of the $3,426,000 increase in total revenues, $1,061,000 relates to revenues generated by the 13 stores acquired or opened subsequent to April 1, 1999. The remaining increase of $2,365,000 relates to the 12% same store revenue increase at the 134 stores which were in operation during all of the Second Quarter of 1999 and the Second Quarter of 2000. Of the $3,426,000 increase in total revenues, 16%, or $553,000 was attributable to increased merchandise sales, 82%, or $2,804,000 was attributable to increased service charges, 2%, or $74,000 was attributable to increased other income, and the remaining decrease of $5,000, was attributable to a decrease in check cashing fees. As a percentage of total revenues, merchandise sales decreased from 57% to 52%, service charges increased from 38% to 44%, check cashing fees decreased from 3% to 2%, and other income was 2% of total revenues during both the Second Quarter of 1999 and the Second Quarter of 2000. The gross profit as a percentage of merchandise sales decreased to 36% during the Second Quarter of 2000 compared to 40% during the Second Quarter of 1999.

The aggregate receivables balance (pawn loans plus payday advances) increased 2% from $20,843,000 as of June 30, 1999 to $21,295,000 as of June 30, 2000. Of the $452,000 increase, $1,049,000 was attributable to the addition of 12 stores acquired subsequent to June 30, 1999. The remaining decrease was attributable to the 3%, or $597,000, decrease in aggregate receivable balances at the 135 stores in operation at both June 30, 1999 and June 30, 2000.

Operating expenses increased 28% to $11,967,000 during the Second Quarter of 2000 compared to $9,344,000 during the Second Quarter of 1999, primarily as a result of increased bad debt related to the introduction of payday advances in most of the Company's pawn stores subsequent to the Second Quarter of 1999. Administrative expenses increased 34% to $1,830,000 during the Second Quarter of 2000 compared to $1,367,000 during the Second Quarter of 1999, primarily due to the addition of supervisory staff and other overhead related to the introduction of payday advances in the Company's pawn stores. Interest expense increased 16% from $604,000 in the Second Quarter of 1999 to $701,000 in the Second Quarter of 2000, primarily due to the overall higher level of debt during the Second Quarter of 2000 compared to the Second Quarter of 1999.

For the Second Quarter of 2000 and the Second Quarter of 1999, the Company's tax provisions of 38% and 36%, respectively, of income before income taxes differed from the statutory federal rate of 34% primarily due to state income taxes, net of the federal tax benefit.

Six months ended June 30, 2000 compared to six months ended June 30, 1999

Total revenues increased 19% to $52,321,000 for the six months ended June 30, 2000 (the "Six-Month 2000 Period") as compared to $44,019,000 for the six months ended June 30, 1999 (the "Six-Month 1999 Period"). Of the $8,302,000 increase in total revenues, $5,979,000 relates to the 14% same store increase at the 131 stores which were in operation throughout both the Six-Month 1999 Period and the Six-Month 2000 Period. The remaining increase of $2,323,000 resulted from revenues generated by 16 stores which were acquired or opened subsequent to January 1, 1999. In addition, 25% of the increase in total revenues, or $2,073,000, was attributable to increased merchandise sales, 73%, or $6,021,000, was attributable to increased service charges, $42,000 was attributable to increased check cashing fees, and the remaining increase of $166,000, or 2%, was attributable to the increase in other income. As a percentage of total revenues, merchandise sales decreased from 59% to 54% during the Six-Month 2000 Period compared to the Six-Month 1999 Period, while service charges increased from 36% to 42%. Check cashing fees and other income decreased from a combined 5% of total revenues in the Six-Month 1999 Period to a combined 4% in the Six Month 2000 Period. The gross profit as a percentage of merchandise sales decreased from 40% in the Six-Month 1999 Period to 34% in the Six-Month 2000 Period.

The aggregate receivables balance (pawn loans plus payday advances) increased 2% from $20,843,000 as of June 30, 1999 to $21,295,000 as of June 30, 2000. Of the $452,000 increase, $1,049,000 was attributable to the addition of 12 stores acquired subsequent to June 30, 1999. The remaining decrease was attributable to the 3%, or $597,000, decrease in aggregate receivable balances at the 135 stores in operation at both June 30, 1999 and June 30, 2000.

Operating expenses increased 27% to $23,307,000 during the Six-Month 2000 Period compared to $18,363,000 during the Six-Month 1999 Period, primarily as a result of increased bad debt related to the introduction of payday advances in most of the Company's pawn stores subsequent to January 1, 1999. Administrative expenses increased 30% to $3,575,000 during the Six-Month 2000 Period compared to $2,758,000 during the Six-Month 1999 Period. Interest expense increased to $1,464,000 in the Six-Month 2000 Period compared to $1,184,000 in the Six-Month 1999 Period.

For both the Six-Month 2000 and 1999 Periods, the Company's tax provisions of 38% of income before income taxes differed from the statutory rate of 34% primarily due to state income taxes, net of the federal tax benefit.

LIQUIDITY AND CAPITAL RESOURCES

The Company's operations and acquisitions have been financed with funds generated from operations, bank and other borrowings, and the issuance of the Company's securities.

The Company currently maintains a $55,000,000 long-term line of credit with a group of commercial lenders (the "Credit Facility"). At June 30, 2000, $43,000,000 was outstanding under this Credit Facility and an additional $5,505,000 was available to the Company pursuant to the available borrowing base. The Credit Facility bears interest at the prevailing LIBOR rate (which was approximately 6.6% at June 30, 2000) plus one percent, and matures on September 1, 2002. Amounts available under the Credit Facility are limited to 325% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. Under the terms of the Credit Facility, the Company is required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with these requirements and covenants during the six months ended June 30, 2000 and as of August 11, 2000. The Company is required to pay an annual commitment fee of 1/8 of 1% on the average daily unused portion of the Credit Facility commitment. The Company is prohibited from paying dividends to its stockholders. Substantially all of the unencumbered assets of the Company have been pledged as collateral against indebtedness under the Credit Facility.

As of June 30, 2000, the Company's primary sources of liquidity were $6,930,000 in cash and cash equivalents, $2,732,000 in service charges receivable, $21,295,000 in receivables, $17,960,000 in inventories and $5,505,000 of available and unused funds under the Company's Credit Facility. The Company had working capital as of June 30, 2000 of $45,014,000 and a total liabilities to equity ratio of 0.88 to 1.

Net cash provided by operating activities for the Company during the Six Month 2000 Period was $600,000 as compared with $2,841,000 provided by operating activities during the Six-Month 1999 Period. Net cash provided by investing activities during the Six-Month 2000 Period was $703,000 as compared with $2,827,000 used by investing activities during the Six-Month 1999 Period. Net cash used for financing activities of $5,090,000 during the Six-Month 2000 Period compares to net cash provided by financing activities of $994,000 during the Six-Month 1999 Period.

The profitability and liquidity of the Company are affected by the amount of pawn loans outstanding, which is controlled in part by the Company's pawn lending decisions. The Company is able to influence the frequency of forfeiture of collateral by increasing or decreasing the amount loaned in relation to the resale value of the pledged property. Tighter credit decisions generally result in smaller loans in relation to the estimated resale value of the pledged property and can thereby decrease the Company's aggregate loan balance and, consequently, decrease pawn service charges. Additionally, small loans in relation to the pledged property's estimated sale value tend to increase loan redemptions and improve the Company's liquidity. Conversely, providing larger loans in relation to the estimated sale value of the pledged property can result in an increase in the Company's pawn service charge income. Also larger average loan balances can result in an increase in loan forfeitures, which increases the quantity of goods on hand and, unless the Company increases inventory turnover, reduces the Company's liquidity. In each of the Company's last three fiscal years, at least 70% of the amounts loaned were either paid in full or renewed. The Company's renewal policy allows customers to renew pawn loans by repaying all accrued interest on such pawn loans. In addition to these factors, the Company's liquidity is affected by merchandise sales and the pace of store expansions.

Management believes that the Credit Facility, current assets and cash generated from operations will be sufficient to accommodate the Company's current operations for at least the next twelve months. The Company has no significant capital commitments as of August 11, 2000. The Company currently has no written commitments for additional borrowings or future acquisitions; however, the Company intends to continue to grow and will likely seek additional capital to facilitate expansion. The Company will evaluate acquisitions, if any, based upon opportunities, acceptable financing, purchase price, strategic fit and qualified management personnel.

The Company intends to continue to engage in a plan of expansion through existing store acquisitions and new store openings. While the Company continually looks for, and is presented with, potential acquisition candidates, the Company has no definitive plans or commitments for further acquisitions. If the Company encounters an attractive opportunity to acquire or open a new store in the near future, the Company will seek additional financing, the terms of which will be negotiated on a case-by-case basis. Between July 1, 2000 and August 11, 2000, the Company did not open or acquire any new stores. All store openings and acquisitions during the six months ended June 30, 2000 were financed with proceeds from the Company's Credit Facility and with cash generated from operations.

FORWARD LOOKING INFORMATION

This report contains certain statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "estimates," "will," "should," "plans," or "anticipates" or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy. Such statements include, but are not limited to, the discussions of the Company's operations, liquidity, and capital resources. Forward-looking statements are included in the "Liquidity and Capital Resources" section of this annual report. Although the Company believes that the expectations reflected in forward-looking statements are reasonable, there can be no assurances that such expectations will prove to be accurate. Generally, these statements relate to business plans, strategies, anticipated strategies, levels of capital expenditures, liquidity and anticipated capital funding needed to effect the business plan. All phases of the Company's operations are subject to a number of uncertainties, risks and other influences, many of which are outside the control of the Company and cannot be predicted with any degree of accuracy. Factors such as changes in regional or national economic conditions, changes in governmental regulations, unforeseen litigation, changes in interest rates or tax rates, significant changes in the prevailing market price of gold, future business decisions and other uncertainties may cause results to differ materially from those anticipated by some of the statements made in this report. In light of the significant uncertainties inherent in the forward-looking statements made in this report, the inclusion of such statements should not be regarded as a representation by the Company or any other person that the objectives and plans of the Company will be achieved. Security holders are cautioned that such forward-looking statements involve risks and uncertainties. The forward-looking statements contained this report speak only as of the date of this report and the Company expressly disclaims any obligation or undertaking to release any updates or revisions to any such statement to reflect any change in the Company's expectations or any change in events, conditions or circumstance on which any such statement is based.

PART II. OTHER INFORMATION

ITEM 2. Changes in securities

b. During the six months ended June 30, 2000, the Company repurchased 53,882 shares of common stock for an aggregate purchase price of $250,000.

ITEM 4. Submission of matters to a vote of security holders

On June 29, 2000, the Company held its annual meeting of stockholders and its stockholders voted for (or ratified) the following proxy proposals as a result of a majority of the Company's outstanding capital stock voting in favor of the proposals. The proposals ratified at the June 29, 2000 annual stockholders' meeting are as follows:

1. The stockholders re-elected Rick L. Wessel, Richard T. Burke and Joe R. Love as directors of First Cash Financial Services, Inc.

2. The stockholders ratified the selection of Deloitte & Touche LLP as independent auditors of the Company for the year ended December 31, 2000.

ITEM 6. Exhibits and reports on Form 8-K

a. Exhibits

27.0 Financial Data Schedules (Edgar version only).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: August 11, 2000

FIRST CASH FINANCIAL SERVICES, INC.
(Registrant)

/s/ Phillip E. Powell
Phillip E. Powell
Chairman of the Board and
Chief Executive Officer

/s/ Rick L. Wessel
Rick L. Wessel
Chief Accounting Officer

5
1,000

3-MOS
DEC-31-2000
JUN-30-2000
6,930
0
24,027
0
17,960
51,929
11,212
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121,065
6,915
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64,252
121,065
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8,112
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1,225
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756
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0
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756
0.09
0.09