

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K/A
(Amendment No. 1)

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the year ended December 31, 2003, or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-19133

FIRST CASH FINANCIAL SERVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware

75-2237318

(state or other jurisdiction of
incorporation or organization)

(IRS Employer Identification No.)

690 East Lamar Blvd., Suite 400
Arlington, Texas

76011

(Address of principal executive offices)

(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:
Common Stock, par value \$.01 per share

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 No

Indicate by check mark if disclosure of delinquent filers pursuant to
Item 405 of Regulation S-K is not contained herein, and will not be
contained, to the best of registrant's knowledge, in definitive proxy or
information statements incorporated by reference in Part III of this Form
10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer
(as defined in Rule 12b-2 of the Securities Exchange Act). Yes No

The aggregate market value of the voting stock held by non-affiliates
of the registrant, based upon the last reported sales price on the Nasdaq
National Market on June 30, 2003, the last trading date of registrant's most
recently completed second fiscal quarter is \$101,474,089.

As of March 8, 2004, there were 10,499,887 shares of Common Stock
outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

The Company's Proxy Statement in connection with its Annual Meeting of
Stockholders to be held on June 15, 2004 is incorporated by reference in
Part III, Items 10, 11, 12 and 13.

FIRST CASH FINANCIAL SERVICES, INC.
FORM 10-K/A
(Amendment No. 1)

For the Year Ended December 31, 2003

EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A (this "Amendment") amends the
Annual Report on Form 10-K for the year ended December 31, 2003 filed on
March 12, 2004 (the "Original Filing"). First Cash Financial Services, Inc.
(the "Company") has filed this Amendment to correct the classification of
certain transactions presented in the Statements of Cash Flows in the
Original Filing. The net effect of the corrections of these classifications
in each year presented is to increase operating cash flows, while decreasing

investing and financing cash flows. These changes were identified during the course of the Company preparing its response to a comment letter from the U.S. Securities and Exchange Commission regarding the Original Filing.

A description of these reclassifications and a summary showing their effect on the restated Statements of Cash Flows is provided in Note 17 to the Consolidated Financial Statements. This Amendment also includes corresponding textual changes in Item 7, Management's Discussion and Analysis of Results of Operations, Liquidity and Capital Resources and an addition to related information in Item 9a., Controls and Procedures. This Amendment has no effect on the Balance Sheets, Statements of Income, and Statements of Changes in Stockholders' Equity, and more specifically, does not affect net income, earnings per share, total cash flows, current assets, total assets, current liabilities, total stockholders' equity or other information as presented in the Original Filing.

Other information contained herein has not been updated. Therefore, this Amendment should be read together with other documents that the Company has filed with the Securities and Exchange Commission subsequent to the filing of the Original Filing. Information in such reports and documents updates and supersedes certain information contained in this Amendment. The filing of this Amendment shall not be deemed an admission that the Original Filing, when made, included any known, untrue statement of material fact or knowingly omitted to state a material fact necessary to make a statement not misleading.

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PART I

Forward Looking Information

This annual report may contain forward-looking statements about the business, financial condition and prospects of First Cash Financial Services, Inc. Forward-looking statements can be identified by the use of forward-looking terminology such as "believes," "projects," "expects," "may," "estimates," "will," "should," "plans," "intends," or "anticipates" or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy. Forward-looking statements in this annual report include, without limitation, the earnings per share discussion, the expectation of growth in the Company's pawn and short-term advance products and the expectation for additional store openings. These statements are made to provide the public with management's assessment of the Company's business. 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. Security holders are cautioned that such forward-looking statements involve risks and uncertainties. The forward-looking statements contained in 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. Certain factors may cause results to differ materially from those anticipated by some of the statements made in this report. Such factors are difficult to predict and many are beyond the control of the Company, but may include changes in regional, national or international economic conditions, the ability to open and integrate new stores, the ability to maintain favorable banking relationships as it relates to short-term lending products, changes in governmental regulations, unforeseen litigation, changes in interest rates, changes in foreign currency exchange rates, changes in tax rates or policies, changes in gold prices, future business decisions and other uncertainties.

Item 1. Business

General

First Cash Financial Services, Inc. (the "Company") is a leading provider of specialty consumer finance products. The Company has 243 locations in eleven U.S. states and Mexico and is the nation's third largest publicly traded pawnshop operator. The Company's pawn stores engage in both consumer finance and retail sales activities and are a convenient source for small consumer loans, advancing money against pledged tangible personal property such as jewelry, electronic equipment, tools, sporting goods and musical equipment. The pawn stores also retail previously owned merchandise acquired through collateral forfeitures and over-the-counter purchases from customers. Many of the Company's pawn stores offer short-term, unsecured advances ("short-term advances"), which are also known as payday loans.

The Company also operates stand-alone check cashing/short-term advance stores in several U.S. states. These stores provide a broad range of consumer financial services products, including check cashing, short-term advances, money order sales, money transfers and bill payment services. In addition, the Company is a 50% partner in Cash & Go, Ltd., a Texas limited partnership, which currently owns and operates 40 kiosks located inside convenience stores, which offer short-term advances and check cashing.

For the year ended December 31, 2003, the Company's revenues were derived as follows: 49% from pawn and short-term advance lending activities, 48% from merchandise sales, and 3% from other sources, primarily check cashing fees.

The Company was formed as a Texas corporation in July 1988 and in April 1991 the Company reincorporated as a Delaware corporation. Except as otherwise indicated, the term "Company" includes its wholly owned subsidiaries, American Loan & Jewelry, Inc., WR Financial, Inc., Famous Pawn, Inc., JB Pawn, Inc., Cash & Go, Inc., One Iron Ventures, Inc., Capital Pawnbrokers, Inc., Silver Hill Pawn, Inc., Elegant Floors, Inc., First Cash, S.A. de C.V., American Loan Employee Services, S.A. de C.V., First Cash, Ltd., First Cash Corp, First Cash Management, LLC, and First Cash, Inc.

The Company's principal executive offices are located at 690 East Lamar Blvd., Suite 400, Arlington, Texas 76011, and its telephone number is (817) 460-3947.

Industry

The pawnshop industry in the United States is an established industry, with the highest concentration of pawnshops being in the Southeast and Southwest. The operation of pawnshops is governed primarily by state laws, and accordingly, states that maintain pawn laws most conducive to profitable operations have historically seen the greatest development of pawnshops. Management believes the pawnshop industry is highly fragmented with approximately 15,000 stores in the United States. The three publicly traded pawnshop companies currently operate less than 1,000 of the pawnshops in the United States. The Company believes that individuals operating one to three

locations own the majority of pawnshops. Management further believes that the highly fragmented nature of the industry is due in part to the lack of qualified management personnel, the difficulty of developing adequate financial controls and reporting systems, and the lack of financial resources.

The short-term advance industry is a relatively new industry that is experiencing rapid growth. A leading industry analyst estimates that there are approximately 22,000 short-term advance locations throughout the United States. There are several privately held chains that operate from 100 to up approximately 2,000 stores each. The four largest publicly held operators of check cashing/short-term advance stores, which includes First Cash Financial Services, Inc., operate a combined total of approximately 2,500 stores. Some states have enacted formal check cashing laws which regulate the amount of fees that operators may charge for cashing checks, and in some cases states have regulated the amount of service charges that may be charged on small consumer advances, commonly referred to as "short-term advances."

Business Strategy

The Company's primary business plan is to significantly expand its operations by opening new pawnshops and check cashing/short-term advance stores. In addition, it will continue to remain focused on increasing the revenues and operating profits in its existing stores.

New Store Openings

The Company has opened 78 new pawn stores and 54 new check cashing/short-term advance stores since its inception and currently intends to open both additional pawn stores and check cashing/short-term advance stores in locations where management believes appropriate demand and other favorable conditions exist. During the years ended December 31, 2003, 2002 and 2001, the Company opened 31, 25 and 4 new pawn stores, respectively, and over the same three years, the Company opened 16, 13 and 14 new check cashing/short-term advance stores, respectively.

Management seeks to locate new stores where demographics are favorable and competition is limited. It is the Company's experience that after a suitable location has been identified and a lease and licenses are obtained, a new store can be open for business within six to eight weeks. The investment required to open a new pawn store includes store operating cash, inventory, funds available for pawns loans, leasehold improvements, store fixtures, security systems, computer equipment and start-up losses. Although the total investment varies and is difficult to predict for each location, it has been the Company's experience that between \$200,000 and \$300,000 is required to fund a new pawn store for the first six months of operation. The Company also estimates that between \$200,000 and \$300,000 is required to fund a new check cashing/short-term advance store for the first six months of operation, which includes investments for leasehold improvements, security and computer equipment, funds available for short-term advances, store operating cash, and start-up losses.

The Company currently plans to continue its expansion in existing markets, with the primary focus being in Texas and Mexico. The Company continues to evaluate new markets in other states with favorable demographics and regulatory environments. The Company has an organizational structure that it believes is capable of supporting a larger, multi-country and multi-state store base.

Enhance Productivity of Existing and Newly Opened Stores

The primary factors affecting the profitability of the Company's existing store base are the volume of retail sales, the gross profit on retail sales, the level of pawn loans outstanding, the level of short-term advances outstanding, the volume of check cashing and other consumer financial services, and the control of store expenses, including bad debt expenses related to short-term advances. To increase customer traffic, which management believes is a key determinant to increasing its stores' profitability, the Company has taken several steps to distinguish its stores from traditional pawn and check cashing/short-term advance stores and to make customers feel more comfortable. In addition to well-lit parking facilities, typically the stores' exteriors display an attractive and distinctive awning similar to those used by contemporary convenience and video rental stores. The Company also has upgraded or refurbished the interior of certain of its stores and improved merchandise presentation by categorizing items into departments, improving the lighting and installing better in-store signage.

The Company has implemented an employee training program for both store and corporate-level personnel that stresses productivity and professionalism. The Company utilizes a proprietary computer information system that provides fully integrated functionality to support point-of-sale retail operations, inventory management and loan processing. Each store is connected on a real-time basis to a secured off-site data center located in Allen, Texas that houses the centralized database and operating system. The system provides management the ability to continuously monitor store transactions and operating results. The Company maintains a well-trained internal audit staff that conducts regular store visits to test compliance with financial and operational controls. Management believes that the current operating and financial controls and systems are adequate for the Company's existing store base and can accommodate reasonably foreseeable growth in the near-term.

Acquisitions

Because of the highly fragmented nature of both the pawn industry and the check cashing/short-term advance industry, as well as the availability of "mom & pop" sole proprietors willing to sell their stores, the Company believes that certain acquisition opportunities may arise from time to time. The timing of any future acquisitions is based on identifying suitable stores and purchasing them on terms that are viewed as favorable to the Company. Before making an acquisition, management typically studies a demographic analysis of the surrounding area, considers the number and size of competing stores, and researches regulatory issues. Specific pawn store acquisition criteria include an evaluation of the volume of annual pawn transactions, outstanding receivable balances, historical redemption rates, the quality and quantity of inventory on hand, and location and condition of the facility, including lease terms. Factors involved in evaluating the acquisition of check cashing/short-term advance stores include the annual volume of transactions, location and condition of facilities, and a demographic evaluation of the surrounding area to determine the potential for the Company's short-term advance product.

Pawn Lending Activities

The Company's pawn stores advance money against the security of pledged goods. The pledged goods are tangible personal property generally consisting of jewelry, electronic equipment, tools, sporting goods and musical equipment. The pledged goods provide the only security to the Company for the repayment of the pawn, as pawns cannot result in personal liability to the borrower. Therefore, the Company does not investigate the creditworthiness of the borrower, relying instead on the marketability and sale value of pledged goods as a basis for its credit decision. Receivables from pawn loans at December 31, 2003 and 2002 were \$20,037,000 and \$16,624,000, respectively.

At the time a pawn transaction is entered into, an agreement, commonly referred to as a pawn ticket, is delivered to the borrower for signature that sets forth, among other items, the name and address of the pawnshop, borrower's name, borrower's identification number from his/her driver's license or other identification, date, identification and description of the pledged goods, including applicable serial numbers, amount financed, pawn service charge, maturity date, total amount that must be paid to redeem the pledged goods on the maturity date, and the annual percentage rate.

Pledged property is held through the term of the pawn, which is 30 days in Texas, South Carolina, Missouri, Virginia, and Oklahoma, with an automatic extension period of 15 to 60 days depending on state laws, unless the pawn is earlier paid or renewed. In Maryland, Washington, D.C. and Mexico, pledged property is held for 30 days. In the event the borrower does not pay or renew a pawn within 90 days in South Carolina and Missouri, 60 days in Texas and Oklahoma, 45 days in Virginia, and 30 days in Maryland, Washington, D.C. and Mexico, the unredeemed collateral is forfeited to the Company and becomes inventory available for general liquidation or sale in one of the Company's stores. If a pawn is not repaid prior to the expiration of the automatic extension period, if applicable, the property is forfeited to the Company and transferred to inventory at a value equal to the principal amount of the loan, exclusive of accrued interest.

The amount the Company is willing to finance typically is based on a percentage of the estimated sale value of the collateral. There are no minimum or maximum pawn to fair market value restrictions in connection with the Company's lending activities. The basis for the Company's determination of the sale value includes such sources as catalogs, blue books, and newspapers. The Company also utilizes its integrated computer information system to recall recent selling prices of similar merchandise in its own stores. These sources, together with the employees' experience in selling similar items of merchandise in particular stores, influence the determination of the estimated sale value of such items. The Company does not utilize a standard or mandated percentage of estimated sale value in determining the amount to be financed. Rather, the employee has the authority to set the percentage for a particular item and to determine the ratio of pawn amount to estimated sale value with the expectation that, if the item is forfeited to the pawnshop, its subsequent sale should yield a gross profit margin consistent with the Company's historical experience. It is the Company's policy to value merchandise on a conservative basis to avoid the risks associated with over-valuation. The recovery of the principal and realization of gross profit on sales of inventory is dependent on the Company's initial assessment of the property's estimated sale value. Improper assessment of the sale value of the collateral in the lending function can result in reduced marketability of the property and sale of the property for an amount less than the principal amount pawned.

The Company contracts for a pawn service charge in lieu of interest to compensate it for the pawn loan. The statutory service charges on pawns at its Texas stores range from 12% to 240% on an annualized basis depending on the size of the pawn, and from 39% to 240% on an annualized basis at the Company's Oklahoma stores. Pawns made in the Maryland stores bear service charges of 144% to 240% on an annualized basis with a \$6 minimum charge per month, while pawns in Virginia earn 120% to 144% annually with a \$5 minimum charge per month. In Washington D.C., a flat \$2 charge per month applies to all pawns up to \$40, and an 18% to 60% annualized service charge applies to pawns of greater than \$40. In Missouri, pawns bear a total service and storage charge of 180% to 240% on an annualized basis with a \$2.50 minimum charge per month, and South Carolina rates range from 100% to 300%. In Mexico, pawns bear an annualized rate of 240%. As of December 31, 2003, the Company's average pawn per pawn ticket was approximately \$61. Service

charge revenues for pawns during the fiscal years ended December 31, 2003, 2002 and 2001 were \$28,804,000, \$21,723,000 and \$19,714,000, respectively, and accounted for approximately 40%, 37% and 37%, respectively, of the Company's total service charge revenues. For the fiscal years ended December 31, 2003, 2002 and 2001, the Company's annualized yields on average pawn balances were 157%, 143% and 141%, respectively.

Short-term Advance Activities

The Company's check cashing/short-term advance stores and pawn stores, in selected markets, make unsecured, short-term advances for a term of thirty days or less. To qualify for a short-term advance, customers generally must have proof of steady income, a checking account with a minimum of returned items within a specified period, and valid identification. Upon completing an application and subsequent approval, the customer writes a check on their personal checking account for the amount of the advance, plus applicable fees. At maturity, the customer may either return to the store and pay off the advance with cash, in which case the check is returned to the customer, or the store can deposit the customer's check into its checking account. Receivables from short-term advances, net of bad debt valuation allowances, at December 31, 2003 and 2002 were \$13,759,000 and \$10,690,000, respectively.

Fees charged for short-term advances are generally regulated by state law and range from 13.9% to 40% of the amount advanced per transaction. Service charge revenues for short-term advances during the fiscal years ended December 31, 2003, 2002 and 2001 were \$42,939,000, \$36,473,000 and \$33,314,000, respectively, and accounted for approximately 60%, 63% and 63%, respectively, of the Company's total service charge revenues.

The bank returns a significant number of customer short-term advance checks deposited by the Company; however, the Company subsequently collects a large percentage of these bad debts. The profitability of the Company's short-term advance operations is dependent upon adequate collection of these returned items. The bad debt valuation allowances were \$462,000 and \$422,000 at December 31, 2003 and 2002, respectively. The net bad debt expenses associated with short-term advances during the fiscal years ended December 31, 2003, 2002 and 2001 were \$9,878,000, \$8,669,000 and \$8,684,000, respectively, which represented 23%, 24% and 26%, respectively, of service charge revenues from short-term advances.

Merchandise Sales

The Company's merchandise sales are primarily retail sales to the general public in its pawn stores. The items retailed are primarily used jewelry, consumer electronics, tools, musical instruments and sporting goods. The Company also melts down limited quantities of scrap gold jewelry and sells the gold at market commodity prices. Total merchandise sales during the years ended December 31, 2003, 2002 and 2001 accounted for approximately 48%, 48% and 49%, respectively, of the Company's total revenues for these periods. For the years ended December 31, 2003, 2002 and 2001 the Company realized gross profit margins on merchandise sales of 41%, 42% and 36%, respectively.

The Company acquires merchandise inventory primarily through forfeited pawns and purchases of used goods directly from the general public. Merchandise acquired by the Company through defaulted pawns is carried in inventory at the amount of the related pawn loan, exclusive of any accrued service charges. Management believes that this practice lessens the likelihood that the Company will incur significant, unexpected inventory devaluations.

The Company does not provide financing to purchasers of its merchandise nor does it provide the prospective buyer warranties on the merchandise purchased. Nevertheless, the Company may, at its discretion, refund purchases if merchandise is returned because it was damaged or not in good working order when purchased. The Company permits its customers to purchase inventory on a "layaway" plan. Should the customer fail to make a required payment, the item is returned to inventory and previous payments are forfeited to the Company.

Operations and Locations

As of March 8, 2004, the Company operated stores in the following markets:

	Pawn Stores	Check cashing/ Short-term advance Stores	Total Stores
District of Columbia (1).	2	7	9
Washington.....	-	3	3
Oregon.....	-	4	4
Illinois.....	-	10	10
California.....	-	15	15
Maryland.....	21	-	21
Missouri.....	3	-	3
Oklahoma (1).....	3	-	3
South Carolina (1).....	8	-	8
Texas (1).....	59	37	96
Virginia.....	2	-	2
Mexico (2).....	69	-	69
Total	167	76	243

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- (1) Pawn stores in these states also offer the short-term advance product.
 - (2) See Note 15 of the Consolidated Financial Statements regarding geographic areas.

In addition, at March 8, 2004, the Company's 50% owned joint venture, Cash & Go, Ltd. operated a total of 40 kiosks located inside convenience stores in the state of Texas.

The Company seeks to establish clusters of several stores in a specific geographic area in order to achieve certain economies of scale relative to supervision, purchasing and marketing. In Texas, such clusters have been established in the Dallas/Fort Worth metropolitan area, the greater Houston metropolitan area, the Rio Grande Valley area, the Corpus Christi area, the El Paso area, the central Texas area (Austin, San Antonio and surrounding cities) and the west Texas area. Store clusters have also been established in the St. Louis, Missouri area, the Oklahoma City, Oklahoma area, in Washington, D.C. and its surrounding Maryland suburbs, in Baltimore, Maryland, in northern California, in the Chicago, Illinois area, in South Carolina, in the Pacific Northwest, and in northern Mexico.

Pawn Store Operations

The typical Company pawn store is a freestanding building or part of a small retail strip shopping center with adequate, well-lit parking. Management has established a standard store design intended to distinguish the Company's stores from the competition. The design consists of a well-illuminated exterior with a distinctive awning and a layout similar to a contemporary convenience store or video rental store. The Company's stores are typically open six to seven days a week from 9:00 a.m. to between 6:00 p.m. and 9:00 p.m.

The Company's computer system permits a store manager or clerk to recall rapidly the cost of an item in inventory, the date it was purchased as well as the prior transaction history of a particular customer. It also facilitates the timely valuation of goods by showing values assigned to similar goods in the past. The Company has networked its stores to permit the Company's headquarters to more efficiently monitor each store's operations, including merchandise sales, service charge revenues, pawns written and redeemed, and changes in inventory.

The Company attempts to attract retail shoppers seeking bargain prices through the use of seasonal promotions, special discounts for regular customers, prominent display of impulse purchase items such as jewelry and tools, tent sales and sidewalk sales, and a layaway purchasing plan. The Company attempts to attract and retain pawn customers by lending a competitive percentage of the estimated sale value of items presented for pledge and by providing quick financing, renewal and redemption services in an appealing atmosphere.

Each pawnshop employs a manager, one or two assistant managers, and between one and eight sales personnel, depending upon the size, sales volume and location of the store. The store manager is responsible for supervising personnel and assuring that the store is managed in accordance with Company guidelines and established policies and procedures. Each manager reports to an area supervisor who typically oversees four to seven store managers. Each supervisor reports to one of three regional vice-presidents.

The Company believes that profitability of its pawnshops is dependent, among other factors, upon its employees' ability to make pawns that achieve optimum redemption rates, to be effective sales people and to provide prompt and courteous service. Therefore, the Company trains its employees through direct instruction and on-the-job pawn and sales experience. The new employee is introduced to the business through an orientation and training program that includes on-the-job training in lending practices, layaways, merchandise valuation and general administration of store operations. Certain experienced employees receive training and an introduction to the fundamentals of management to acquire the skills necessary to advance into management positions within the organization. Management training typically involves exposure to income maximization, recruitment, inventory control and cost efficiency. The Company maintains a performance-based compensation plan for all store employees, based, among other factors, on sales, gross profit and special promotional contests.

Check Cashing/Short-term Advance Operations

The Company's check cashing/short-term advance locations are typically part of a retail strip shopping center with adequate, well-lit parking. Management has established a standard store design intended to distinguish the Company's stores from the competition. The design consists of a well-illuminated exterior with a lighted sign, and distinctive, conservative window signage. The interiors typically feature an ample lobby, separated from employee work areas by floor-to-ceiling teller windows. The Company's stores are typically open six to seven days a week from 9:00 a.m. to between 6:00 p.m. and 9:00 p.m.

Computer operating systems in the Company's check cashing/short-term advance stores allow a store manager or clerk to recall rapidly customer check cashing histories, short-term advance histories, and other vital information. The Company attempts to attract customers primarily through television advertisements and yellow page advertisements.

Each check cashing/short-term loan store employs a manager, and between one and eight tellers, depending upon the size, sales volume and location of the store. The store manager is responsible for supervising personnel and assuring that the store is managed in accordance with Company guidelines and established policies and procedures. Each store manager reports to an area manager who typically oversees two to five store managers. Each supervisor reports to one of two regional vice-presidents.

The kiosks operated by the Cash & Go, Ltd. joint venture are located inside convenience stores. Each kiosk is a physically secured area with its own counter space within the convenience store. Each kiosk is typically staffed by one or two employees at any point in time.

Competition

The Company encounters significant competition in connection with all aspects of its business operations. These competitive conditions may adversely affect the Company's revenues, profitability and ability to expand.

The Company competes primarily with other pawn store operators and check cashing/short-term advance operators. There are two publicly held pawnshop operators and one publicly held check cashing/short-term advance operator, all of which have more locations than the Company. There are several privately held operators of check cashing/short-term advance stores, some of which are significantly larger than the Company. In addition, both the pawnshop and check cashing/short-term advance industries are characterized by a large number of independent owner-operators, some of whom own and operate multiple locations. The Company believes that the primary elements of competition in these businesses are store location, the ability to lend competitive amounts on pawns and short-term advances, customer service, and management of store employees. In addition, the Company competes with financial institutions, such as consumer finance companies, which generally lend on an unsecured as well as on a secured basis. Other lenders may and do lend money on terms more favorable than those offered by the Company. Many of these competitors have greater financial resources than the Company.

In its retail operations, the Company's competitors include numerous retail and wholesale stores, including jewelry stores, discount retail stores, consumer electronics stores and other pawnshops. Competitive factors in the Company's retail operations include the ability to provide the customer with a variety of merchandise items at attractive prices. Many retailers have significantly greater financial resources than the Company.

Governmental Regulation

General

The Company is subject to extensive regulation in most jurisdictions in which it operates, including jurisdictions that regulate pawn lending, short-term advance and check cashing. The Company's pawnshop and short-term advance operations in the United States are subject to, and must comply with, extensive regulation, supervision and licensing from various federal, state and local statutes, ordinances and regulations. These statutes prescribe, among other things, the general terms of the loans and the service charges and/or interest rates that may be charged. These regulatory agencies have broad discretionary authority. The Company is also subject to federal and state regulation relating to the reporting and recording of certain currency transactions. The Company's pawnshop operations in Mexico are also subject to, and must comply with, general business, tax and consumer protection regulations from various federal, state and local governmental agencies in Mexico. There can be no assurance that additional state or federal statutes or regulations in either the United States or Mexico will not be enacted or that existing laws and regulations will not be amended at some future date which could inhibit the ability of the Company to offer pawn loans and short-term advances, significantly decrease the service charges for lending money, or prohibit or more stringently regulate the sale of certain goods, any of which could cause a significant adverse effect on the Company's future prospects.

State and Local Regulations

The Company operates in seven states that have licensing and/or fee regulations on pawns, including Texas, Oklahoma, Maryland, Virginia, South Carolina, Washington, D.C., and Missouri. The Company is licensed in each of the states in which a license is currently required for it to operate as a pawnbroker. The Company's fee structures are at or below the applicable rate ceilings adopted by each of these states. In addition, the Company is in compliance with the net asset requirements in states where it is required to maintain certain levels of liquid assets for each pawn store it operates in the applicable state.

Under some county and municipal ordinances, pawn stores must provide local law enforcement agencies with copies of all daily transactions involving pawns and over-the-counter purchases. These daily transaction reports are designed to provide the local law enforcements officials with a detailed description of the goods involved, including serial numbers, if any, and the name and address of the owner obtained from a valid identification card. If these ordinances are applicable, a copy of the transaction ticket is provided to local law enforcement agencies for processing by the National Crime Investigative Computer to determine rightful ownership. Goods held to secure pawns or goods purchased which are determined to belong to an owner other than the borrower or seller are

subject to recovery by the rightful owners. Historically, the Company has not found these claims to have a material adverse effect upon results of operations. The Company does not maintain insurance to cover the costs of returning merchandise to its rightful owners.

The Company also operates in states that have licensing, and/or fee regulations on check cashing and short-term advances, including California, Washington, Oklahoma, South Carolina, Oregon, Illinois and Washington, D.C. The Company is licensed in each of the states in which a license is currently required for it to operate as a check casher and/or short-term lender. In addition, in some jurisdictions, check cashing companies or money transmission agents are required to meet minimum bonding or capital requirements and are subject to record-keeping requirements.

In Texas, which does not have favorable short-term lending service charge rates, the Company has entered into an agreement with County Bank of Rehoboth Beach, Delaware, a federally insured state of Delaware chartered financial institution, to act as a loan servicer within the state of Texas for County Bank. The Company is licensed as a regulated servicing agent by the State of Texas. As compensation for the Company acting as County Bank's loan servicer, the Company is entitled to purchase a participation in the loans made by County Bank. The Company's ability to continue to maintain its current relationship with County Bank and to continue to service County Bank loans within the state of Texas is subject to County Bank's ability to continue to export its loan product to the state of Texas. There can be no assurance that County Bank will be able to continue to export its loan product to the state of Texas, and the bank's failure to do so could have a materially adverse impact on the Company's operations and financial condition.

Federal Regulations

The U.S. Office of Comptroller of the Currency has significantly restricted the ability of nationally chartered banks to establish or maintain relationships with loan servicers in order to make out-of-state short-term advance loans. The Company does not currently maintain nor intend in the future to establish loan-servicing relationships with nationally chartered banks. In 2003, the Federal Deposit Insurance Corporation ("FDIC"), which regulates the ability of state chartered banks to enter into relationships with loan servicers, issued examiner guidelines under which such arrangements are permitted. Texas is the only state in which the Company functions as loan servicer through a relationship with a state chartered bank, County Bank of Rehoboth Beach, Delaware, that is subject to the FDIC examiner guidelines. The ultimate effect of the new guidelines, which are still being implemented, on the Company's ability to offer short-term advances in Texas under its current loan servicing arrangement with County Bank is unknown at this time. If the FDIC's new guidelines ultimately restrict the ability of state banks to maintain relationships with loans servicers, it could have a materially adverse impact on the Company's operations and financial condition.

Under the Bank Secrecy Act regulations of the U.S. Department of the Treasury (the "Treasury Department"), transactions involving currency in an amount greater than \$10,000 or the purchase of monetary instruments for cash in amounts from \$3,000 to \$10,000 must be recorded. In general, every financial institution, including the Company, must report each deposit, withdrawal, exchange of currency or other payment or transfer, whether by, through or to the financial institution, that involves currency in an amount greater than \$10,000. In addition, multiple currency transactions must be treated as single transactions if the financial institution has knowledge that the transactions are by, or on behalf of, any person and result in either cash in or cash out totaling more than \$10,000 during any one business day.

The Money Laundering Suppression Act of 1994 added a section to the Bank Secrecy Act requiring the registration of "money services businesses," like the Company, that engage in check cashing, currency exchange, money transmission, or the issuance or redemption of money orders, traveler's checks, and similar instruments. The purpose of the registration is to enable governmental authorities to better enforce laws prohibiting money laundering and other illegal activities. The regulations require money services businesses to register with the Treasury Department by filing a form, adopted by the Financial Crimes Enforcement Network of the Treasury Department ("FinCEN"), and to re-register at least every two years thereafter. The regulations also require that a money services business maintain a list of names and addresses of, and other information about, its agents and that the list be made available to any requesting law enforcement agency (through FinCEN). The agent list must be updated annually.

In March 2000, FinCEN adopted additional regulations, implementing the Bank Secrecy Act that is also addressed to money services businesses. These regulations require money services businesses, such as the Company, to report suspicious transactions involving at least \$2,000 to FinCEN. The regulations generally describe three classes of reportable suspicious transactions - one or more related transactions that the money services business knows, suspects, or has reason to suspect (1) involve funds derived from illegal activity or are intended to hide or disguise such funds, (2) are designed to evade the requirements of the Bank Secrecy Act, or (3) appear to serve no business or lawful purpose.

Under the USA PATRIOT Act passed by Congress in 2001, the Company is required to maintain an anti-money laundering compliance program. The program must include (1) the development of internal policies, procedures and controls; (2) the designation of a compliance officer; (3) an ongoing

employee training program; and (4) an independent audit function to test the program. The United States Department of Treasury is expected to issue regulations specifying the appropriate features and elements of the anti-money laundering compliance programs for the pawnbroking and short-term advance industries.

The Gramm-Leach-Bliley Act requires the Company to generally protect the confidentiality of its customers' nonpublic personal information and to disclose to its customers its privacy policy and practices, including those regarding sharing the customers' nonpublic personal information with third parties. Such disclosure must be made to customers at the time the customer relationship is established, at least annually thereafter, and if there is a change in the Company's privacy policy.

With respect to firearms sales, the Company must comply with the regulations promulgated by the Department of the Treasury-Bureau of Alcohol, Tobacco and Firearms, which requires firearms dealers to maintain a permanent written record of all firearms that it receives or sells. The Company does not currently sell firearms to the public.

Proposed Regulations

Governmental action to prohibit or restrict short-term advances has been advocated over the past few years by consumer advocacy groups and by media reports and stories. The consumer groups and media stories typically focus on the cost to a consumer for that type of short-term advance, which is higher than the interest generally charged by credit-card issuers to a more creditworthy consumer. The consumer groups and media stories often characterize short-term advance activities as abusive toward consumers. During the last few years, legislation has been introduced in the United States Congress and in certain state legislatures, and regulatory authorities have proposed or publicly addressed the possibility of proposing regulations, that would prohibit or restrict short-term advances.

Legislation and regulatory action at the state level that affects consumer lending has recently become effective in a few states and may be taken in other states. The Company intends to continue, with others in the short-term advance industry, to oppose legislative or regulatory action that would prohibit or restrict short-term advances. But if legislative or regulatory action with that effect were taken on the federal level or in states such as Texas, in which the Company has a significant number of stores, that action could have a material adverse effect on the Company's short-term advance-related activities and revenues. There can be no assurance that additional local, state, or federal legislation will not be enacted or that existing laws and regulations will not be amended, which would materially, adversely impact the Company's operations and financial condition.

Employees

The Company had approximately 1,531 employees as of March 8, 2004, including approximately 90 persons employed in executive, administrative and accounting functions. In addition, Cash & Go, Ltd. had approximately 88 employees as of March 8, 2004. None of the Company's employees are covered by collective bargaining agreements. The Company considers its employee relations to be satisfactory.

First Cash Website

The Company's primary website is at <http://www.firstcash.com>. The Company makes available, free of charge, at its corporate website its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities and Exchange Act of 1934, as amended, as soon as reasonably practicable after they are electronically filed with the SEC.

Insurance

The Company maintains fire, casualty, theft and public liability insurance for each of its pawn stores and check cashing/short-term advance locations in amounts management believes to be adequate. The Company maintains workers' compensation insurance in Maryland, Missouri, California, Virginia, Washington, Oregon, South Carolina, Illinois, Washington, D.C., Oklahoma, as well as excess employer's indemnification insurance in Texas and equivalent coverage in Mexico. The Company is a non-subscriber under the Texas Workers' Compensation Act.

Item 2. Properties

The Company currently owns the real estate and buildings for three of its pawn stores and leases 257 pawn stores and check cashing/short-term advance locations that are currently open or are in the process of opening. Leased facilities are generally leased for a term of two to eight years with one or more options to renew. The Company's existing leases expire on dates ranging between 2004 and 2016. All current store leases provide for specified periodic rental payments ranging from approximately \$800 to \$9,100 per month.

Most leases require the Company to maintain the property and pay the cost of insurance and property taxes. The Company believes that termination of any particular lease would not have a material adverse effect on the

Company's operations. The Company's strategy is generally to lease, rather than purchase, space for its pawnshop and check cashing locations unless the Company finds what it believes is a superior location at an attractive price. The Company believes that the facilities currently owned and leased by it as pawn stores and check cashing/short-term advance locations are suitable for such purpose. The Company considers its equipment, furniture and fixtures to be in good condition.

The Company currently leases approximately 14,000 square feet in Arlington, Texas for its executive offices. The lease, which expires March 31, 2005, currently provides for monthly rental payments of approximately \$24,000. The Company's 50% owned joint venture, Cash & Go, Ltd. leases its kiosk locations under operating leases generally with terms ranging from one to five years, with renewal options for certain locations. The joint venture's existing leases expire on dates ranging between 2004 and 2008. All current leases provide for specified periodic rental payments ranging from approximately \$1,000 to \$1,400 per month.

Item 3. Legal Proceedings

In May 2000, three plaintiffs filed a complaint against Famous Pawn, Inc., a wholly owned subsidiary of the Company, in the United States District Court for the District of Maryland (Northern Division). The allegations consisted of five counts: (1) violation of the federal Truth in Lending Act; (2) violation of the federal Racketeer Influenced and Corrupt Organizations Act; (3) violation of the Maryland Interest and Usury Statute; (4) violation of the Maryland Consumer Loan Law; and (5) violation of the Maryland Consumer Protection Act. In February 2003, the Company and plaintiffs reached a settlement of the complaint, which was subsequently approved by the District Court. Under the terms of the settlement as approved by the District Court, the plaintiffs agreed to dismiss all allegations and monetary claims made against the Company. The Company, in order to expedite the conclusion of this matter and avoid the expenses associated with a trial, agreed to pay the plaintiffs approximately \$1,100,000, including the plaintiffs' legal fees, and forgive all the outstanding debt of such customers in the amount of approximately \$800,000. The Company had previously reserved and expensed in prior years an amount equal to this settlement, and accordingly, the settlement has no impact on the Company's current operating results. The settlement was completed and funded in January 2004.

Additionally, the Company is from time to time a defendant (actual or threatened) in certain other lawsuits and arbitration claims encountered in the ordinary course of its business, the resolution of which, in the opinion of management, should not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

Item 4. Submission of Matters to a Vote of Security Holders

No matter was submitted to a vote of the Company's security holders during the fourth quarter of fiscal 2003.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The Company's Common Stock is quoted on the Nasdaq National Market under the symbol "FCFS". The following table sets forth the quarterly high and low closing sales prices per share for the Common Stock, as reported by the Nasdaq National Market.

	Common Stock Price Range	
	High	Low
Year Ended December 31, 2002:		
Quarter Ended March 31, 2002.....	\$ 8.30	\$ 7.10
Quarter Ended June 30, 2002.....	10.60	8.00
Quarter Ended September 30, 2002.....	9.57	6.99
Quarter Ended December 31, 2002.....	11.00	7.85
Year Ended December 31, 2003:		
Quarter Ended March 31, 2003.....	\$ 10.72	\$ 8.56
Quarter Ended June 30, 2003.....	15.14	9.95
Quarter Ended September 30, 2003.....	23.99	14.10
Quarter Ended December 31, 2003.....	27.05	20.04

On March 8, 2004, the closing sales price for the Common Stock as reported by the Nasdaq National Market was \$36.00 per share. On March 8, 2004, there were approximately 55 stockholders of record of the Common Stock.

No cash dividends have been paid by the Company on its Common Stock. The dividend and earning retention policies are reviewed by the Board of Directors of the Company from time to time in light of, among other things, the Company's earnings, cash flows and financial position.

Item 6. Selected Financial Data

The information below should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations included in Item 7 and the Company's Consolidated Financial Statements and related notes thereto required by Item 8.

	Year Ended December 31,				
	2003	2002	2001	2000	1999
	(in thousands, except per share amounts and certain operating data)				
Income Statement Data:					
Revenues:					
Merchandise sales	\$ 69,808	\$ 56,916	\$ 53,893	\$ 53,177	\$ 50,071
Service charges	71,743	58,196	53,028	46,597	40,630
Check cashing fees	2,749	2,659	2,264	2,216	2,184
Other	1,168	1,022	1,242	1,737	1,158
	145,468	118,793	110,427	103,727	94,043
Cost of goods sold and expenses:					
Cost of goods sold	41,110	32,890	34,619	34,366	35,157
Operating expenses	61,926	54,090	48,661	44,836	37,199
Interest expense	472	939	2,307	3,749	2,905
Interest income	(595)	(645)	(912)	(890)	(303)
Depreciation	3,019	2,548	2,283	2,612	1,527
Amortization	-	-	1,530	1,694	1,475
Administrative expenses	14,807	11,580	9,420	8,217	6,739
	120,739	101,402	97,908	94,584	84,699
Income before income taxes	24,729	17,391	12,519	9,143	9,344
Provision for income taxes	9,397	6,451	4,507	3,476	3,097
Income from continuing operations	15,332	10,940	8,012	5,667	6,247
Discontinued operations					
Income (loss) from discontinued operations, net of taxes	-	-	33	(765)	231
Loss on sale of subsidiary, net of tax	-	-	(175)	-	-
Income (loss) from discontinued operations	-	-	(142)	(765)	231
Cumulative effect of change					

in accounting principle, net of taxes	(357)	-	-	(2,287)	-
Net income	\$ 14,975	\$ 10,940	\$ 7,870	\$ 2,615	\$ 6,478
Net income per share:					
Basic					
Income from continuing operations	\$ 1.64	\$ 1.24	\$ 0.92	\$ 0.64	\$ 0.72
Income (loss) from discontinued operations	-	-	(0.02)	(0.08)	0.03
Cumulative effect of change in accounting principle	(0.03)	-	-	(0.26)	-
Net income	\$ 1.61	\$ 1.24	\$ 0.90	\$ 0.30	\$ 0.75
Diluted					
Income from continuing operations	\$ 1.46	\$ 1.14	\$ 0.87	\$ 0.63	\$ 0.67
Income (loss) from discontinued operations	-	-	(0.02)	(0.08)	0.03
Cumulative effect of change in accounting principle	(0.03)	-	-	(0.26)	-
Net income	\$ 1.43	\$ 1.14	\$ 0.85	\$ 0.29	\$ 0.70
Unaudited pro forma amounts assuming retroactive application of change in accounting principle:					
Revenues from continuing operations	\$ 152,162	\$ 125,886	\$ 117,260	\$ 107,239	\$ 89,439
Income from continuing operations	15,362	10,790	7,951	5,564	5,535
Basic earnings per share from continuing operations	1.65	1.22	0.91	0.63	0.64
Diluted earning per share from continuing operations	1.46	1.12	0.86	0.63	0.60
Operating Data:					
Company operated stores:					
Locations in operation:					
Beginning of the year	190	158	148	147	133
Acquisitions	-	-	7	2	4
Opened	47	38	11	2	10
Consolidated/closed	(2)	(6)	(8)	(3)	-
End of the year	235	190	158	148	147
End of year location counts:					
Pawn stores	160	131	112	116	114
Check cashing/short-term advance stores	75	59	46	32	33
Pawn receivables	\$ 20,037	\$ 16,624	\$ 13,849	\$ 14,142	\$ 18,326
Average pawn receivables balance per pawn store	\$ 125	\$ 127	\$ 124	\$ 122	\$ 161
Average inventory per pawn store	\$ 97	\$ 104	\$ 113	\$ 148	\$ 183
Annualized inventory turnover	2.8x	2.7x	2.3x	1.8x	1.8x
Gross profit percentage on merchandise sales	41.1%	42.2%	35.8%	35.4%	29.8%
Short-term advance receivables in pawn stores	\$ 3,414	\$ 3,550	\$ 4,200	\$ 3,911	\$ 2,193
Average short-term advance receivables in pawn stores offering short-term advances	47	51	57	51	29
Short-term advance receivables in check cashing/short-term advance stores (excluding Cash & Go, Ltd.)	\$ 8,609	\$ 7,140	\$ 5,507	\$ 3,990	\$ 3,933
Average short-term advance receivables in check cashing/short-term advance stores (excluding Cash & Go, Ltd.)	115	121	120	125	119
Cash & Go, Ltd. joint venture kiosks:					
End of year location counts	40	59	59	32	10
Short-term advance receivables	\$ 1,736	\$ 1,790	\$ 1,885	\$ 1,364	\$ 228
Average receivables balance per location	\$ 43	\$ 30	\$ 32	\$ 43	\$ 23
Balance Sheet Data:					
Working capital	\$ 60,840	\$ 47,187	\$ 8,540	\$ 41,835	\$ 54,333
Total assets	140,064	130,999	122,806	119,118	128,847
Long-term liabilities	11,955	33,525	5,277	44,833	55,560
Total liabilities	22,841	44,479	48,703	53,464	62,324
Stockholders' equity	117,223	86,520	74,103	65,654	66,523

Item 7. Management's Discussion and Analysis of Financial Condition and

Results of Operations

General

The Company's pawn store revenues are derived primarily from service charges on pawns, service charges from short-term, unsecured advances ("short-term advances") and the sale of unredeemed goods, or "merchandise sales." Pledged property is held through the term of the pawn, which is 30 days in Texas, South Carolina, Missouri, Virginia, and Oklahoma, with an automatic extension period of 15 to 60 days depending on state laws, unless the pawn is earlier paid or renewed. In Maryland, Washington, D.C. and Mexico, pledged property is held for 30 days. In the event the borrower does not pay or renew a pawn within 90 days in South Carolina and Missouri, 60 days in Texas and Oklahoma, 45 days in Virginia, and 30 days in Maryland, Washington, D.C. and Mexico, the unredeemed collateral is forfeited to the Company and becomes inventory available for general liquidation or sale in one of the Company's stores. The statutory service charges on pawns at its Texas stores range from 12% to 240% on an annualized basis depending on the size of the pawn, and from 39% to 240% on an annualized basis at the Company's Oklahoma stores. Pawns made in the Maryland stores bear service charges of 144% to 240% on an annualized basis with a \$6 minimum charge per month, while pawns in Virginia earn 120% to 144% annually with a \$5 minimum charge per month. In Washington D.C., a flat \$2 charge per month applies to all pawns up to \$40, and a, 18% to 60% annualized service charge applies to pawns of greater than \$40. In Missouri, pawns bear a total service and storage charge of 180% to 240% on an annualized basis with a \$2.50 minimum charge per month, and South Carolina rates range from 100% to 300%. In Mexico, pawns bear an annualized rate of 240%. The Company accrues pawn service charge revenue on a constant yield basis over the life of the pawn for all pawns that the Company deems collection to be probable based on historical pawn redemption statistics. If a pawn is not repaid prior to the expiration of the automatic extension period, if applicable, the property is forfeited to the Company and transferred to inventory at a value equal to the principal amount of the loan, exclusive of accrued interest.

The Company's check cashing and short-term advance revenues are derived primarily from check cashing fees, fees on short-term advances, and fees from the sale of money orders and wire transfers. Short-term advances carry a 13.9% to 40% service charge, which vary by state and life of the advance. The Company recognizes service charge income on short-term advances on a constant-yield basis over the life of the advance, which is generally 30 days or less. The net defaults on short-term advances and changes in the bad debt valuation reserve are charged to bad debt expense.

Although the Company has had significant increases in revenues due primarily 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, equipment depreciation, advertising, property taxes, licenses, supplies, security and bad debt and collection expenses for both check cashing and short-term advances. 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.

	Year Ended December 31,		
	2003	2002	2001
Income statement items as a percent of total revenues:			
Revenues:			
Merchandise sales	48.0%	47.9%	48.8%
Service charges	49.3	49.0	48.0
Check cashing fees	1.9	2.1	2.1
Other	0.8	1.0	1.1
Expenses:			
Operating expenses	42.6	45.5	44.1
Interest expense	0.3	0.8	1.3
Interest income	(0.4)	(0.6)	(0.1)
Depreciation	2.1	2.1	2.0
Amortization	-	-	1.4
Administrative expenses	10.2	9.7	8.5
Gross profit as a percent of merchandise sales	41.1	42.2	35.8

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and related revenues and expenses and

disclosure of gain and loss contingencies at the date of the financial statements. Such estimates and assumptions are subject to a number of risks and uncertainties, which may cause actual results to differ materially from the Company's estimates. The significant accounting policies which we believe are the most critical to aid in fully understanding and evaluating our reported financial results include the following:

Principles of consolidation - The accompanying consolidated financial statements of the Company include the accounts of its wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated. In addition, effective December 31, 2003, the accompanying consolidated financial statements also include the accounts of Cash & Go, Ltd., a Texas limited partnership, which owns financial services kiosks inside convenience stores. The Company presently has a 50% ownership interest in the partnership, which it has historically accounted for by the equity method of accounting as neither partner has control. Through December 31, 2003, the Company recorded its 50% share of the partnership's earnings or losses in its consolidated financial statements. Effective December 31, 2003, when the Company adopted FASB Interpretation No. 46(R) - Consolidation of Variable Interest Entities, the Company included the balance sheet accounts of Cash & Go, Ltd., in its consolidated financial statements. The Company recorded a non-recurring change in accounting principle charge of \$357,000 net of income tax benefit on December 31, 2003 in order to reflect the other partner's share of accumulated losses in the partnership.

Receivables and income recognition - Receivables on the balance sheet consist of pawn and short-term advances. Pawns are made on the pledge of tangible personal property. The Company accrues pawn service charge revenue on a constant-yield basis over the life of the pawn for all pawns that the Company deems collection to be probable based on historical pawn redemption statistics. If the pawn is not repaid, the principal amount pawned becomes the carrying value of the forfeited collateral (inventory), which is held for sale. Short-term advances are made for thirty days or less. The Company recognizes the service charges associated with short-term advances on a constant-yield basis over the term of the short-term advance.

Bad Debts - An allowance is provided for losses on active short-term advances and service charges receivable based upon expected default rates, net of estimated future recoveries of previously defaulted short-term advances and service charges receivable. The Company considers short-term advances to be in default if they are not repaid on the due date, and writes off the principal amount and service charges receivable as of the default date, leaving only active advances in the reported balance. Net defaults and changes in the short-term advance allowance are charged to bad debt expense, which is included in operating expenses.

Inventories - Inventories represent merchandise purchased directly from the public and merchandise acquired from forfeited pawns. Inventories purchased directly from customers are recorded at cost. Inventories from forfeited pawns are recorded at the amount of the pawn principal on the unredeemed goods. The cost of inventories is determined on the specific identification method. Inventories are stated at the lower of cost or market; accordingly, inventory valuation allowances are established when inventory carrying values are in excess of estimated selling prices, net of direct costs of disposal. Management has evaluated inventory and determined that a valuation allowance is not necessary.

Long-lived assets - Long-lived assets (i.e., property, plant and equipment and intangible assets) are reviewed for impairment whenever events or changes in circumstances indicate that the net book value of the asset may not be recoverable. An impairment loss is recognized if the sum of the expected future cash flows (undiscounted and before interest) from the use of the asset is less than the net book value of the asset. Generally, the amount of the impairment loss is measured as the difference between the net book value of the assets and the estimated fair value of the related assets. Management does not believe any assets have been impaired at December 31, 2003.

Goodwill - Goodwill consists of the excess of purchase price over net assets acquired. Excess purchase price over net assets acquired was amortized on a straight-line basis over an estimated useful life of forty years through December 31, 2001, in June 2001, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 142, Goodwill and Other Intangible Assets, which is effective as of January 1, 2002. The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 142, Goodwill and Other Intangible Assets, effective January 1, 2002. Under SFAS No. 142, goodwill is no longer amortized, but reviewed for impairment annually, or more frequently if certain indicators arise. The Company completed the transitional fair value impairment test and determined that no impairment of recorded goodwill existed at January 1, 2002. The Company has also determined that no impairment existed at December 31, 2002 and 2003. Subsequent impairment losses, if any will be reflected in operating income or loss in the consolidated statement of income for the period in which such loss is realized.

Results of Operations

Twelve Months Ended December 31, 2003 Compared to Twelve Months Ended December 31, 2002

Total revenues increased 22% to \$145,468,000 for the fiscal year ended December 31, 2003 ("Fiscal 2003") as compared to \$118,793,000 for the fiscal

year ended December 31, 2002 ("Fiscal 2002"). The change resulted from an increase in revenues of \$15,193,000 generated by the 85 pawn and check cashing/short-term advance stores which were opened during Fiscal 2002 and Fiscal 2003, an increase of \$13,121,000 at the 150 stores which were in operation during all of Fiscal 2002 and Fiscal 2003, net of a decrease in revenues of \$1,639,000 from the 8 stores closed or consolidated during Fiscal 2002 and Fiscal 2003. The Company attributes the increased revenues in its existing stores to the maturation of 18 stores opened in 2001 and to favorable economic and demographic trends that increased demand for the Company's products and services. Of the \$26,675,000 increase in total revenues, 48%, or \$12,892,000, was attributable to increased merchandise sales, 51%, or \$13,547,000 was attributable to a net increase in service charges on pawn and short-term advances, the remaining 1%, or \$236,000 was attributable to increased check cashing fees and other income. Service charges from short-term advances increased from \$36,473,000 in Fiscal 2002 to \$42,939,000 in Fiscal 2003, while service charges from pawns increased from \$21,723,000 in Fiscal 2002 to \$28,804,000 in Fiscal 2003. Of the \$13,547,000 net increase in service charges, an increase of \$6,466,000 was attributable to short-term advance service charges, while \$7,081,000 was attributable to an increase in pawn service charges. As a percentage of total revenues, merchandise sales remained unchanged at 48% during Fiscal 2003 and Fiscal 2002, service charges remained unchanged at 49% during Fiscal 2003 and Fiscal 2002, and check cashing fees and other income remained unchanged at 3% during Fiscal 2003 and Fiscal 2002.

The aggregate receivables balance increased 24% from \$27,314,000 at December 31, 2002 to \$33,796,000 at December 31, 2003. Of the \$6,482,000 increase, an increase of \$1,736,000 was attributable to the consolidation of Cash & Go, Ltd., the Company's 50% owned joint venture, an increase of \$1,803,000 was attributable to growth at the 47 pawn and check cashing/short-term advance stores opened since December 31, 2002, and an increase of \$2,943,000 was attributable to the 188 pawn stores and check cashing/short-term advance stores, which were in operation as of December 31, 2003 and 2002. The aggregate receivables balance at December 31, 2003 was comprised of \$20,037,000 of pawn loan receivables and \$13,759,000 of short-term advance receivables, compared to \$16,624,000 of pawn loan receivables and \$10,690,000 of short-term advance receivables at December 31, 2002. The annualized yield on the average pawn loan receivables balance was 157% during Fiscal 2003 compared to 143% during Fiscal 2002. The annualized yield, net of bad debt expense, on the average short-term advance receivables balance was 270% during Fiscal 2003 compared to 273% during Fiscal 2002.

Gross profit as a percentage of merchandise sales decreased from 42% during Fiscal 2002 to 41% during Fiscal 2003. Sales of scrap jewelry had a negative effect on gross profit margins during Fiscal 2002 and Fiscal 2003. Factoring out the negative impact of scrap jewelry sales, margins would have been 44% and 45% during Fiscal 2002 and Fiscal 2003, respectively.

Operating expenses increased 14% to \$61,926,000 during Fiscal 2003 compared to \$54,090,000 during Fiscal 2002, primarily as a result of the net addition of 45 pawn stores and check cashing/short-term advance stores in Fiscal 2003, which is a 24% increase in store count. The Company's net bad debt expense relating to short-term advances increased from \$8,669,000 in Fiscal 2002 to \$9,878,000 in Fiscal 2003 as a result of the increased short-term advance service charges. Administrative expenses increased 28% to \$14,807,000 during Fiscal 2003 compared to \$11,580,000 during Fiscal 2002 due primarily to additional employee costs necessary to support the growth in store counts. Interest expense decreased to \$472,000 in Fiscal 2003 compared to \$939,000 in Fiscal 2002 as a result of lower average outstanding debt balances and lower average interest rates during Fiscal 2003. Interest income decreased to \$595,000 in Fiscal 2003, compared to \$645,000 in Fiscal 2002.

For Fiscal 2003 and 2002, the Company's effective federal income tax rates of 38% and 37%, respectively, differed from the statutory tax rate of approximately 34% primarily as a result of state income taxes, utilization of tax net operating loss carry forwards from acquisitions, and amortization of non-deductible intangible assets.

Twelve Months Ended December 31, 2002 Compared to Twelve Months Ended December 31, 2001

Total revenues increased 8% to \$118,793,000 for the fiscal year ended December 31, 2002 ("Fiscal 2002") as compared to \$110,427,000 for the fiscal year ended December 31, 2001 ("Fiscal 2001"). The change resulted from an increase in revenues of \$7,266,000 generated by the 56 pawn and check cashing/short-term advance stores which were opened during Fiscal 2001 and Fiscal 2002, an increase of \$4,576,000 at the 134 stores which were in operation during all of Fiscal 2001 and Fiscal 2002, net of a decrease in revenues of \$3,476,000 from the 14 stores closed or consolidated during Fiscal 2001 and Fiscal 2002. The Company attributes the increased revenues in its existing stores to favorable economic and demographic trends that increased demand for the Company's products and services. Of the \$8,366,000 increase in total revenues, 36%, or \$3,023,000, was attributable to increased merchandise sales, 62%, or \$5,168,000 was attributable to a net increase in service charges on pawn and short-term advances, 5%, or \$395,000 was attributable to increased check cashing fees, and the remaining decrease of \$220,000, or 3%, was attributable to a decrease in other income. Service charges from short-term advances increased from \$33,314,000 in Fiscal 2001 to \$36,473,000 in Fiscal 2002, while service charges from pawns increased from \$19,714,000 in Fiscal 2001 to \$21,723,000 in Fiscal 2002. Of the \$5,168,000 net increase in service charges, an increase of \$3,159,000 was attributable to short-term advance service charges, while \$2,009,000 was

attributable to an increase in pawn service charges. As a percentage of total revenues, merchandise sales decreased from 49% to 48% during Fiscal 2002 as compared to Fiscal 2001, service charges increased from 48% to 49%, and check cashing fees and other income remained unchanged at 3% during Fiscal 2002 and Fiscal 2001.

The aggregate receivables balance increased 16% from \$23,556,000 at December 31, 2001 to \$27,314,000 at December 31, 2002. Of the \$3,758,000 increase, an increase of \$1,798,000 was attributable to growth at the 38 pawn and check cashing/short-term advance stores opened since December 31, 2001, and an increase of \$1,960,000 was attributable to the 152 pawn stores and check cashing/short-term advance stores, which were in operation as of December 31, 2002 and 2001. The aggregate receivables balance at December 31, 2002 was comprised of \$16,624,000 of pawn loan receivables and \$10,690,000 of short-term advance receivables, compared to \$13,849,000 of pawn loan receivables and \$9,707,000 of short-term advance receivables at December 31, 2001. The annualized yield on the average pawn loan receivables balance was 143% during Fiscal 2002 compared to 141% during Fiscal 2001. The annualized yield, net of bad debt expense, on the average short-term advance receivables balance was 273% during Fiscal 2002 compared to 280% during Fiscal 2001.

Gross profit as a percentage of merchandise sales increased from 36% during Fiscal 2001 to 42% during Fiscal 2002. Sales of scrap jewelry had a negative effect on gross profit margins during Fiscal 2001 and Fiscal 2002. Factoring out the negative impact of scrap jewelry sales, margins would have been 41% and 44% during Fiscal 2001 and Fiscal 2002, respectively.

Operating expenses increased 11% to \$54,090,000 during Fiscal 2002 compared to \$48,661,000 during Fiscal 2001, primarily as a result of the net addition of 32 pawn stores and check cashing/short-term advance stores in Fiscal 2002, which is a 20% increase in store count. The Company's net bad debt expense relating to short-term advances decreased from \$8,684,000 in Fiscal 2001 to \$8,669,000 in Fiscal 2002 as a result of increased focus on collection efforts. Administrative expenses increased 23% to \$11,580,000 during Fiscal 2002 compared to \$9,420,000 during Fiscal 2001 due primarily to additional employee costs necessary to support the growth in store counts. Interest expense decreased to \$939,000 in Fiscal 2002 compared to \$2,307,000 in Fiscal 2001 as a result of lower average outstanding debt balances and lower average interest rates during Fiscal 2002. Interest income decreased to \$645,000 in Fiscal 2002 compared to \$912,000 in Fiscal 2001. Amortization expense was not recorded in Fiscal 2002 due to the January 1, 2002 implementation of a new accounting pronouncement, SFAS 142, which eliminated the amortization of goodwill. Amortization expense in Fiscal 2001 was \$1,530,000.

For Fiscal 2002 and 2001, the Company's effective federal income tax rates of 37% and 36%, respectively, differed from the statutory tax rate of approximately 34% primarily as a result of state income taxes, utilization of tax net operating loss carry forwards from acquisitions, and amortization of non-deductible intangible assets.

Liquidity and Capital Resources

The Company's operations and growth have been financed with funds generated from operations and bank borrowings.

The Company maintains a combined long-term line of credit with two commercial lenders (the "Credit Facility"). The Credit Facility provides a \$25,000,000 long-term line of credit that matures on August 9, 2005 and bears interest at the prevailing LIBOR rate (which was approximately 1.1% at December 31, 2003) plus an applicable margin based on a defined leverage ratio for the Company. Based on the Company's existing leverage ratio, the margin is currently 1.375%, the most favorable rate provided under the terms of the agreement. Amounts available under the Credit Facility are limited to 300% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. At December 31, 2003, the Company had \$19,000,000 available for additional borrowings. 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 the requirements and covenants of the Credit Facility as of December 31, 2003 and March 8, 2004. The Company is required to pay an annual commitment fee of 1/5 of 1% on the average daily-unused portion of the Credit Facility commitment. The Company's Credit Facility contains provisions which will allow the Company to repurchase stock and/or pay cash dividends within certain parameters. Substantially all of the unencumbered assets of the Company have been pledged as collateral against indebtedness under the Credit Facility.

Subsequent to December 31, 2003, the Company renewed and extended its long-term line of credit. The Credit Facility now matures on April 15, 2006. In addition, certain terms in the agreement were modified. The interest rate margin added to the LIBOR rate is fixed at 1.375%. The annual commitment of the average daily-unused portion of Credit Facility commitment is reduced to 1/8 of 1%. As of March 8, 2004, the Company had repaid all amounts owed under the Credit Facility and had no interest-bearing debt outstanding.

As of December 31, 2003, the Company's primary sources of liquidity were \$15,847,000 in cash and cash equivalents, \$3,918,000 in service charges receivable, \$33,796,000 in receivables, \$15,588,000 in inventories and \$19,000,000 of available and unused funds under the Company's Credit Facility. The Company had working capital as of December 31, 2003 of \$60,840,000 and liabilities to equity ratio of 0.2 to 1.

Certain transactions presented in the restated Statements of Cash Flows for the years ended December 31, 2003, 2002 and 2001, respectively, have been reclassified between certain sections of the Statements of Cash Flows. A summary of these reclassifications showing their effect on the restated Statements of Cash Flows is provided in Note 17 to the Consolidated Financial Statements.

The Company utilized positive cash flows from operations in 2003 to fund investing and financing activities primarily related to opening new stores, to fund growth of receivables and inventory balances in existing stores and to reduce outstanding debt. Net cash provided by operating activities of the Company during the year ended December 31, 2003 was \$32,606,000, consisting primarily of income from continuing operations of \$15,332,000 and adjusted for non-cash depreciation of \$3,019,000, the tax benefit from exercise of employee stock options of \$5,408,000 and the non-cash short-term advance loss provision of \$9,878,000, less an increase in accrued service charges receivable, inventories, and current and deferred income taxes of \$553,000, \$718,000, and \$472,000, respectively, in addition to decreases in prepaid expenses, of \$167,000 and increases in accounts payable of \$545,000. Net cash used for investing activities during the year ended December 31, 2003 was \$16,312,000, which was primarily comprised of cash used to fund pawn receivables of \$4,635,000, cash used to fund short-term advance receivables of \$11,211,000, cash paid for fixed asset additions of \$5,202,000, net of a decrease in the Cash & Go, Ltd. joint venture receivable of \$2,633,000 and the cash from the consolidation of Cash & Go, Ltd. of \$2,103,000. The opening of 47 new stores in 2003 contributed significantly to the increase in receivables and the volume of fixed asset additions. Net cash used by financing activities was \$13,182,000 during the year ended December 31, 2003, which consisted of net repayments of the Company's debt of \$23,502,000, net of a decrease in notes receivable from officers of \$4,228,000 and proceeds from exercises of stock options and warrants of \$6,092,000. The non-recurring cash flows from the repayment of the notes receivable from officers and the proceeds from exercises of stock options and warrants were utilized to reduce the Company's debt.

For purposes of its internal liquidity assessments, the Company considers net cash changes in pawn receivables and short-term advance receivables to be closely related to operating cash flows, although in the Statements of Cash Flows these are classified as investing cash flows. For fiscal 2003, total cash flows from operations were \$32,606,000 while net cash outflows related to pawn receivables and short-term advance receivables were \$4,635,000 and \$11,211,000, respectively. The combined net cash flows from operations and pawn and short-term advance receivables totaled \$16,760,000 for fiscal 2003. For fiscal 2002, cash flows from operations were \$23,333,000 and net cash outflows related to pawn receivables and short-term advance receivables were \$3,413,000 and \$9,652,000, respectively. The combined net cash flows from operations and pawn and short-term advance receivables totaled \$10,268,000 for fiscal 2002. For fiscal 2001, cash flows from operations were \$25,096,000 and net cash flows related to pawn receivables and short-term advance receivables were a \$3,753,000 source of cash and \$10,266,000 use of cash, respectively. The combined net cash flows from operations and pawn and short-term advance receivables totaled \$18,583,000 for fiscal 2001.

The profitability and liquidity of the Company is affected by the amount of pawn loans outstanding, which is controlled in part by the Company's lending decisions. The Company is able to influence the frequency of pawn redemption by increasing or decreasing the amount pawned in relation to the resale value of the pledged property. Tighter credit decisions generally result in smaller pawns in relation to the estimated resale value of the pledged property and can thereby decrease the Company's aggregate pawn balance and, consequently, decrease pawn service charges. Additionally, small advances in relation to the pledged property's estimated resale value tend to increase pawn redemptions and improve the Company's liquidity. Conversely, providing larger pawns in relation to the estimated resale value of the pledged property can result in an increase in the Company's pawn service charge income. Also, larger average pawn balances can result in an increase in pawn forfeitures, which increases the quantity of goods on hand and, unless the Company increases inventory turnover, reduces the Company's liquidity. The Company's renewal policy allows customers to renew pawns by repaying all accrued interest on such pawns, effectively creating a new pawn transaction.

The amount of short-term advances outstanding and related potential bad debt expense also affect the profitability and liquidity of the Company. An allowance for losses is provided on active short-term advances and service charges receivable, based upon expected default rates, net of estimated future recoveries of previously defaulted short-term advances and service charges receivable. The Company considers short-term advances to be in default if they are not repaid on the due date, and writes off the principal amount and service charges receivable as of the default date, leaving only active receivables in the reported balances. Net defaults and changes in the short-term advance allowance are charged to bad debt expense, which is included in operating expenses.

In addition to these factors, merchandise sales and the pace of store expansions affect the Company's liquidity. Management believes that the Credit Facility and cash generated from operations will be sufficient to accommodate the Company's current operations for fiscal 2004. The Company has no significant capital commitments. The Company currently has no written commitments for additional borrowings or future acquisitions; however, the Company intends to continue to grow and may 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 currently intends to continue to engage in a plan of expansion primarily through new store openings. During fiscal 2004, the Company currently plans to open 50 new stores, comprised of both check cashing/short-term advance locations, primarily located in Texas, and pawnshops, primarily in Mexico. The majority of this expansion will be funded through operating cash flows. Management believes that the Company has the ability to obtain an increase to the Credit Facility if necessary to complete funding of the expansion plans. 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 new stores in the near future, the Company will seek additional financing, the terms of which will be negotiated on a case-by-case basis. Between January 1, 2004 and March 8, 2004, the Company opened 1 new check cashing/short-term advance location and 9 pawnshops, while 2 pawnshops located in the U.S. were closed.

Contractual Commitments.

A tabular disclosure of contractual obligations at December 31, 2003 including Cash & Go, Ltd. is as follows:

	Payments due by period				
	(in thousands)				
Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	
Long-term debt	\$ 6,000	\$ -	\$ 6,000	\$ -	\$ -
Operating leases	39,752	9,652	22,044	5,601	2,455
Total	\$45,752	\$ 9,652	\$28,044	\$ 5,601	\$ 2,455

Off-Balance Sheet Arrangements

As of December 31, 2003, the Company had no off-balance sheet arrangements.

Inflation

The Company does not believe that inflation has had a material effect on the amount of pawns and short-term advances made or unredeemed goods sold by the Company or its results of operation.

Seasonality

The Company's retail business is seasonal in nature with its highest volume of merchandise sales occurring during the first and fourth calendar quarters of each year. The Company's lending and short-term advance activities are also seasonal, with the highest volume of lending activity occurring during the third and fourth calendar quarters of each year.

Recent Accounting Pronouncements

In January 2003, the FASB issued Interpretation No. 46(R) ("FIN 46"), Consolidation of Variable Interest Entities. FIN 46 addresses consolidation by business enterprises of variable interest entities (formerly special purpose entities). In general, a variable interest entity is a corporation, partnership, trust or any other legal structure used for business purposes that either (a) does not have equity investors with voting rights or (b) has equity investors that do not provide sufficient financial resources for the entity to support its activities. The objective of FIN 46 is not to restrict the use of variable interest entities, but to improve financial reporting by companies involved with variable interest entities. FIN 46 requires a variable interest entity to be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns or both. The consolidation requirements are effective for the first period that ends after March 15, 2004, however, the Company has elected to adopt the requirements effective December 31, 2003.

Item 7a. Quantitative and Qualitative Disclosures About Market Risk

Market risks relating to the Company's operations result primarily from changes in interest rates, foreign exchange rates, and gold prices. The Company does not engage in speculative or leveraged transactions, nor does it hold or issue financial instruments for trading purposes.

Interest Rate Risk

The Company is exposed to market risk in the form of interest rate risk in regards to its long-term line of credit. As of March 8, 2004 the line of credit had no balance outstanding, therefore the Company's interest rate risk for 2004 is immaterial.

The Company's cash and cash equivalents are invested in money market accounts. Accordingly, the Company is subject to changes in market interest

rates. However, the Company does not believe a change in these rates would have a material adverse effect on the Company's operating results, financial condition, and cash flows.

Foreign Currency Risk

A majority of the Company's pawn loans in Mexico are currently contracted and settled in U.S. dollars and therefore the Company bears limited exchange risk from its operations in Mexico. The Company maintained certain Mexican peso denominated pawn loan balances at December 31, 2003, which converted to a U.S. dollar equivalent of \$879,000. The Company also maintained certain peso denominated bank balances at December 31, 2003, which converted to a U.S. dollar equivalent of \$122,000. A 10% increase in the peso to U.S. dollar exchange rate would increase the Company's foreign currency translation exposure by approximately \$100,000.

Gold Price Risk

A significant and sustained decline in the price of gold would negatively impact the value of jewelry inventories held by the Company and the value of jewelry pledged as collateral by pawn customers. As a result, the Company's profit margins on existing jewelry inventories would be negatively impacted, as would be the potential profit margins on jewelry currently pledged as collateral by pawn customers in the event it is forfeited by the pawn customer. In addition, a decline in gold prices could result in a lower balance of pawn loans outstanding for the Company, as customers would receive lower loan amounts for individual pieces of jewelry. The Company believes that many customers would be willing to add additional items of value to their pledge in order to obtain the desired loan amount, thus mitigating a portion of this risk.

Item 8. Financial Statements and Supplementary Data

The financial statements prepared in accordance with Regulation S-X are included in a separate section of this report. See the index to Financial Statements at Item 15(a)(1) and (2) of this report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There have been no disagreements concerning matters of accounting principles or financial statement disclosure between the Company and Deloitte & Touche LLP requiring disclosure hereunder.

Item 9a. Controls and Procedures

Subsequent to the filing of the Company's original Form 10-K for the period ended December 31, 2003, the Company discovered certain errors in the classification of certain transaction types presented in its Statements of Cash Flows, which are described in Note 17 to these Consolidated Financial Statements. As a result, the Company determined that a significant deficiency existed in its disclosure controls surrounding the preparation of the Statements of Cash Flows. The Company has taken steps to improve the control processes surrounding the preparation and review of the Statements of Cash Flows. Specifically, key personnel involved in the Company's financial reporting processes have undertaken research of both authoritative guidance and industry practices in order to improve their understanding of cash flow presentation issues relevant to the consumer finance industry. In addition, the Company has documented and implemented additional review procedures related to the preparation of the Statements of Cash Flows. There were no other significant deficiencies, and therefore there were no other corrective actions taken.

The Company considered the impact of the significant deficiency described above on its original evaluation of disclosure controls and procedures as of December 31, 2003, and in particular assessed the magnitude of any actual or potential misstatement resulting from the deficiency. The Company determined that the magnitude of any actual or potential misstatement was limited to the classification of certain transactions presented in the Statements of Cash Flows and did not affect the Company's general ledger account balances nor its prepared Balance Sheets, Statements of Income, Statements of Changes in Stockholders' Equity or Notes to the Consolidated Financial Statements. Accordingly, based on their evaluation as of December 31, 2003, the Company's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms. There has been no significant change in the Company's internal control over financial reporting that was identified in connection with management's evaluation, as described above, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART III

Item 10. Directors and Executive Officers of the Registrant

The information required by this item with respect to the directors, executive officers and compliance with Section 16(a) of the Exchange Act is incorporated by reference from the information provided under the headings "Election of Directors," "Executive Officers" and "Section 16(a) Beneficial Ownership Reporting Compliance," respectively, contained in the Company's Proxy Statement to be filed with the Securities and Exchange Commission in connection with the solicitation of proxies for the Company's Annual Meeting of Stockholders.

Item 11. Executive Compensation

The information required by this item is incorporated by reference from the information provided under the heading "Executive Compensation" of the Company's Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Equity Compensation Plan Information

The following table gives information about the Company's common stock that may be issued upon the exercise of options under its 1990 Stock Option Plan (approved by the shareholders) and 1999 Stock Option Plan (approved by the shareholders) as of December 31, 2003. Additionally, the Company issues warrants to purchase shares of common stock to certain key members of management, members of the Board of Directors that are not employees or officers, and to other third parties. The issuance of warrants is not approved by shareholders, and each issuance is generally negotiated between the Company and such recipients. The issuance of warrants to outside consultants is accounted for using the fair value method prescribed by FAS No. 123.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (A)	Weighted average exercise price of outstanding options, warrants and rights (B)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column A) (C)
-----	---	---	---
Equity Compensation Plans Approved by Security Holders	630,000	\$13.69	1,088,000
Equity Compensation Plans Not Approved by Security Holders	1,217,711	\$ 8.07	-
Total	1,847,711	\$ 9.98	1,088,000
	=====		=====

Other information required by this item is incorporated herein by reference from the information provided under the heading "Security Ownership of Certain Beneficial Owners and Management" of the Company's Proxy Statement.

Item 13. Certain Relationships and Related Transactions

The information required by this item is incorporated herein by reference from the information provided in the Company's Proxy Statement.

Item 14. Principal Accounting Fees and Services

The information required by this item is incorporated by reference from the information provided in the Company's proxy Statement under the discussion of the Company Audit Committee and under the item regarding shareholder ratification of the Company's independent accountants.

PART IV

Item 15. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a) The following documents are filed as a part of this report:

(1) Consolidated Financial Statements:	Page
Report of Independent Registered Public Accounting Firm.....	F-1
Consolidated Balance Sheets.....	F-2
Consolidated Statements of Income.....	F-3
Consolidated Statements of Cash Flows (as restated)	F-4
Consolidated Statements of Changes in Stockholders' Equity.....	F-5
Notes to Consolidated Financial Statements.....	F-6

(b) Reports on Form 8-K.
October 22, 2003 Item 12. Results of Operations and Financial Condition. The Company reported its financial results for its quarter ended September 30, 2003.

- (c) Exhibits:
- 3.1(4) Amended Certificate of Incorporation
 - 3.2(5) Amended Bylaws
 - 4.1(2) Common Stock Specimen
 - 10.1(1) First Cash, Inc. 1990 Stock Option Plan
 - 10.2(7) Employment Agreement -- Rick Powell
 - 10.3(7) Employment Agreement -- Rick L. Wessel
 - 10.4(11) Employment Agreement -- Alan Barron
 - 10.5(3) Acquisition Agreement -- Miraglia, Inc.
 - 10.6(4) Acquisition Agreement for Twelve Pawnshops in South Carolina
 - 10.7(4) Acquisition Agreement for One Iron Ventures, Inc.
 - 10.8(4) First Cash Financial Services, Inc. 1999 Stock Option Plan
 - 10.9(8) First Addendum to Executive Employment Agreement - Rick Powell
 - 10.10(8) First Addendum to Executive Employment Agreement - Rick Wessel
 - 10.11(9) Second Addendum to Executive Employment Agreement - Rick Powell
 - 10.12(9) Second Addendum to Executive Employment Agreement - Rick Wessel
 - 10.13(11) Third Addendum to Executive Employment Agreement - Rick Powell
 - 10.14(11) Third Addendum to Executive Employment Agreement - Rick Wessel
 - 10.15(11) First Addendum to Executive Employment Agreement - Alan Barron
 - 10.16(10) Executive Incentive Compensation Plan
 - 14.1(11) Code of Ethics
 - 21.1(11) Subsidiaries
 - 23.1(11) Consent of Independent Registered Public Accounting Firm, Deloitte & Touche LLP
 - 31.1(11) Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
 - 31.2(11) Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
 - 32.1(11) Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
 - 32.2(11) Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

- (1) Filed as an exhibit to the Company's Registration Statement on Form S-18 (No. 33-37760-FW) and incorporated herein by reference.
- (2) Filed as an exhibit to the Company's Registration Statement on Form S-1 (No. 33-48436) and incorporated herein by reference.
- (3) Filed as an exhibit to the Annual Report on Form 10-K for the fiscal year ended July 31, 1998 (File No. 0 - 19133) and incorporated herein by reference.
- (4) Filed as an exhibit to the Company's Registration Statement on Form S-3 dated January 22, 1999 (File No. 333-71077) and incorporated herein by reference.
- (5) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1999 (File No. 0 - 19133) and incorporated herein by reference.
- (6) Filed as an exhibit to the quarterly report on Form 10-Q for the quarter ended March 31, 2000 (File No. 0 - 19133) and incorporated herein by reference.
- (7) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 2000 (File No. 0 - 19133) and incorporated herein by reference.
- (8) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 2001 (File No. 0 - 19133) and incorporated herein by reference.
- (9) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 2002 (File No. 0 - 19133) and incorporated herein by reference.
- (10) Filed as Exhibit A to the Company's Definitive Proxy Statement filed on April 30, 2003.
- (11) Filed herewith.

(d) All schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

FIRST CASH FINANCIAL SERVICES, INC.

/s/PHILLIP E. POWELL

Phillip E. Powell, Chief Executive Officer
October 8, 2004

/s/R. DOUGLAS ORR

R. Douglas Orr, Principal Accounting Officer
October 8, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature -----	Capacity -----	Date ----
/s/PHILLIP E. POWELL ----- Phillip E. Powell	Chairman of the Board and Chief Executive Officer	October 8, 2004
/s/RICK L. WESSEL ----- Rick L. Wessel	Director, President, Secretary and Treasurer	October 8, 2004
/s/JOE R. LOVE ----- Joe R. Love	Director	October 8, 2004
/s/RICHARD T. BURKE ----- Richard T. Burke	Director	October 8, 2004
/s/TARA SCHUCHMANN ----- Tara Schuchmann	Director	October 8, 2004

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
First Cash Financial Services, Inc.

We have audited the accompanying consolidated balance sheets of First Cash Financial Services, Inc. and subsidiaries as of December 31, 2003 and 2002, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the consolidated financial position of First Cash Financial Services, Inc. and subsidiaries at December 31, 2003 and 2002, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2003 in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, effective January 1, 2002, in connection with the adoption of Statement of Financial Accounting Standards No. 142 Goodwill and Other Intangible Assets, the Company ceased amortization of goodwill. As described in Note 3, effective December 31, 2003, in connection with the adoption of Financial Accounting Standards Board Interpretation No. 46(R) Consolidation of Variable Interest Entities, the Company consolidated into its financial statements its 50% owned joint venture, Cash & Go, Ltd.

As described in Note 17, the statements of cash flows for the years ended December 31, 2003, 2002 and 2001 have been restated.

DELOITTE & TOUCHE LLP
Fort Worth, Texas
March 8, 2004 (October 8, 2004 as to the effects of the restatement described in Note 17)

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2003	December 31, 2002
	-----	-----
	(in thousands, except share data)	
ASSETS		
Cash and cash equivalents.....	\$ 15,847	\$ 12,735
Service charges receivable.....	3,918	3,174
Receivables.....	33,796	27,314
Inventories.....	15,588	13,648
Prepaid expenses and other current assets....	964	1,161
Income taxes receivable.....	1,613	109
	-----	-----
Total current assets	71,726	58,141
Property and equipment, net.....	14,418	11,750
Goodwill.....	53,237	53,194
Receivable from Cash & Go, Ltd.....	-	7,351
Other.....	683	563
	-----	-----
	\$140,064	\$130,999
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt.....	\$ -	\$ 900
Accounts payable	1,054	1,104
Accrued expenses.....	9,832	8,950
	-----	-----
Total current liabilities	10,886	10,954
Revolving credit facility.....	6,000	28,000
Long-term debt, net of current portion.....	-	602
Deferred income taxes.....	5,955	4,923
	-----	-----
	22,841	44,479
	-----	-----
Commitments and contingencies (see Note 11)		
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; 10,765,568 and 9,525,368 shares issued, respectively; 10,111,387 and 8,871,187 shares outstanding, respectively	109	96
Additional paid-in capital	63,395	51,908
Retained earnings	56,734	41,759
Notes receivable from officers	-	(4,228)
Common stock held in treasury, at cost, 654,181 shares	(3,015)	(3,015)
	-----	-----
	117,223	86,520
	-----	-----
	\$140,064	\$130,999
	=====	=====

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

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF INCOME

Year Ended December 31,

2003 2002 2001

(in thousands, except per share amounts)

Revenues:			
Merchandise sales	\$ 69,808	\$ 56,916	\$ 53,893
Service charges	71,743	58,196	53,028
Check cashing fees	2,749	2,659	2,264
Other	1,168	1,022	1,242
	-----	-----	-----
	145,468	118,793	110,427
	-----	-----	-----
Cost of goods sold and expenses:			
Cost of goods sold	41,110	32,890	34,619
Operating expenses	61,926	54,090	48,661
Interest expense	472	939	2,307
Interest income	(595)	(645)	(912)
Depreciation	3,019	2,548	2,283
Amortization	-	-	1,530
Administrative expenses	14,807	11,580	9,420
	-----	-----	-----
	120,739	101,402	97,908
	-----	-----	-----
Income before income taxes	24,729	17,391	12,519
Provision for income taxes	9,397	6,451	4,507
	-----	-----	-----
Income from continuing operations.....	15,332	10,940	8,012
	-----	-----	-----
Discontinued operations (see Note 14):			
Income from discontinued operations, net of tax.....	-	-	33
Loss on sale of subsidiary, net of tax.	-	-	(175)
	-----	-----	-----
Loss from discontinued operations, net of tax	-	-	(142)
	-----	-----	-----
Cumulative effect of change in accounting principle, net of tax (see Note 3)	(357)	-	-
	-----	-----	-----
Net income	\$ 14,975	\$ 10,940	\$ 7,870
	=====	=====	=====
Net income per share:			
Basic			
Income from continuing operations....	\$ 1.64	\$ 1.24	\$ 0.92
Loss from discontinued operations....	-	-	(0.02)
Cumulative effect of change in accounting principle	(0.03)	-	-
	-----	-----	-----
Net income.....	\$ 1.61	\$ 1.24	\$ 0.90
	=====	=====	=====
Diluted			
Income from continuing operations....	\$ 1.46	\$ 1.14	\$ 0.87
Loss from discontinued operations....	-	-	(0.02)
Cumulative effect of change in accounting principle	(0.03)	-	-
	-----	-----	-----
Net income.....	\$ 1.43	\$ 1.14	\$ 0.85
	=====	=====	=====

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

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2003	2002	2001
	(in thousands)		
	(as restated, see Note 17)		
Cash flows from operating activities:			
Income before discontinued operations and change in accounting principle	\$ 15,332	\$ 10,940	\$ 8,012
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation and amortization	3,019	2,548	3,813
Short-term advance loss provision	9,878	8,669	8,684
Tax benefit from exercise of employee stock options	5,408	229	22
Income from discontinued operations ...	-	-	592
Changes in operating assets and liabilities, net of effect of Cash & Go, Ltd., consolidation and acquisition:			
Service charges receivable	(553)	(357)	(89)
Inventories	(718)	(329)	1,406
Prepaid expenses and other assets	167	41	(746)
Accounts payable and accrued expenses..	545	13	3,509
Current and deferred income taxes	(472)	1,579	(107)
Net cash flows from operating activities	32,606	23,333	25,096
Cash flows from investing activities:			
Pawn receivables, net	(4,635)	(3,413)	3,753
Short-term advance receivables, net.....	(11,211)	(9,652)	(10,266)
Purchases of property and equipment.....	(5,202)	(4,264)	(1,891)
Acquisition of existing operations.....	-	-	(1,394)
Cash from consolidation of Cash & Go, Ltd.	2,103	-	-
Proceeds from sale of discontinued operations.....	-	-	230
(Increase) decrease in receivable from Cash & Go, Ltd.....	2,633	(278)	(2,775)
Net cash flows from investing activities..	(16,312)	(17,607)	(12,343)
Cash flows from financing activities:			
Proceeds from debt	-	7,000	14,200
Repayments of debt	(23,502)	(12,491)	(22,869)
Notes receivable from officers	4,228	823	775
Purchase of treasury stock	-	-	(500)
Proceeds from exercise of options and warrants.....	6,092	425	282
Net cash flows from financing activities	(13,182)	(4,243)	(8,112)
Change in cash and cash equivalents.....	3,112	1,483	4,641
Cash and cash equivalents at beginning of the year.....	12,735	11,252	6,611
Cash and cash equivalents at end of the year	\$ 15,847	\$ 12,735	\$ 11,252
Supplemental disclosure of cash flow information:			
Cash paid during the year for:			
Interest	\$ 498	\$ 964	\$ 2,394
Income taxes	\$ 4,256	\$ 4,907	\$ 4,533

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

Year Ended December 31,

2003 2002 2001

(in thousands)
(as restated, see Note 17)

Supplemental disclosure of non-cash investing and financing activities:			
Non-cash transactions in connection with acquisition:			
Fair market value of assets acquired and goodwill.....	\$ -	\$ -	\$ 2,302
Less assumption of liabilities and costs of acquisition.....	-	-	(908)
	-----	-----	-----
Net cash paid.....	\$ -	\$ -	\$ 1,394
	=====	=====	=====
Non-cash transactions in connection with consolidation of Cash & Go, Ltd.:			
Fair market value of assets consolidated	\$ 4,648	\$ -	\$ -
Less assumption of liabilities from consolidation.....	(5,791)	-	-
	-----	-----	-----
Net liabilities resulting from consolidation	\$ (1,143)	\$ -	\$ -
	=====	=====	=====
Non-cash transactions in connection with pawn receivables settled through forfeitures of collateral transferred to inventories			
	\$ 27,112	\$ 22,346	\$ 20,952
	=====	=====	=====

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

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-in Capital	Preferred Stock		Retained Earnings	Notes Receivable From Officers	Treasury Stock		Total
	Shares	Amount		Shares	Amount			Shares	Amount	
	(in thousands)									
Balance at December 31, 2000	9,321	\$ 93	\$ 50,953	-	-	\$ 22,949	\$ (5,826)	525	\$(2,515)	\$ 65,654
Exercise of stock options and warrants, including income tax benefit of \$22	97	2	302	-	-	-	-	-	-	304
Notes receivable from officers	-	-	-	-	-	-	775	-	-	775
Purchase of treasury stock	-	-	-	-	-	-	-	129	(500)	(500)
Net income	-	-	-	-	-	7,870	-	-	-	7,870
Balance at December 31, 2001	9,418	95	51,255	-	-	30,819	(5,051)	654	(3,015)	74,103
Exercise of stock options and warrants, including income tax benefit of \$229	107	1	653	-	-	-	-	-	-	654
Notes receivable from officers	-	-	-	-	-	-	823	-	-	823
Net income	-	-	-	-	-	10,940	-	-	-	10,940
Balance at December 31, 2002	9,525	96	51,908	-	-	41,759	(4,228)	654	(3,015)	86,520
Exercise of stock options and warrants, including income tax benefit of \$5,408	1,241	13	11,487	-	-	-	-	-	-	11,500
Notes receivable from officers	-	-	-	-	-	-	4,228	-	-	4,228
Net income	-	-	-	-	-	14,975	-	-	-	14,975
Balance at December 31, 2003	10,766	\$ 109	\$ 63,395	-	-	\$ 56,734	\$ -	654	\$(3,015)	\$117,223

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

FIRST CASH FINANCIAL SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND NATURE OF THE COMPANY

First Cash Financial Services, Inc. (the "Company") was incorporated in Texas on July 5, 1988 and was reincorporated in Delaware in April 1991. The Company is engaged in the operation of pawn stores which lend money on the collateral of pledged personal property, and which retail previously-owned merchandise acquired through pawn forfeitures. In addition to making short-term secured pawns, most of the Company's pawn stores offer short-term unsecured advances ("short-term advances"). The Company also operates check cashing/short-term advance stores that provide short-term advances, check cashing services, and other related financial services. As of December 31, 2003, the Company owned and operated 160 pawn stores and 75 check cashing/short-term advance stores. In addition the Company is a 50% owner of Cash & Go, Ltd., a Texas limited partnership that owns and operates 40 financial services kiosks inside convenience stores.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed in the preparation of these financial statements.

Principles of consolidation - The accompanying consolidated financial statements of the Company include the accounts of its wholly owned subsidiaries. In addition, effective December 31, 2003, the accompanying consolidated financial statements also include the balance sheet accounts of Cash & Go, Ltd., a Texas limited partnership, which owns financial services kiosks inside convenience stores. The operating results of the partnership will be included in the consolidated financial statements effective January 1, 2004. All significant intercompany accounts and transactions have been eliminated (See Note 3).

Cash and cash equivalents - The Company considers any highly liquid investments with an original maturity of three months or less at date of acquisition to be cash equivalents.

Receivables and income recognition - Receivables on the accompanying balance sheet consist of pawn and short-term advances. Pawns are made on the pledge of tangible personal property. The Company accrues pawn service charge revenue on a constant-yield basis over the life of the pawn for all pawns that the Company deems collection to be probable based on historical pawn redemption statistics. If the pawn is not repaid, the principal amount pawned becomes the carrying value of the forfeited collateral ("inventory"), which is recovered through sale. Short-term advances are made for thirty days or less. The Company recognizes the service charges associated with short-term advances on a constant-yield basis over the term of the short-term advance.

Bad Debts - An allowance is provided on current short-term advances and service charges receivable, based upon expected default rates, net of estimated future recoveries of previously defaulted short-term advances and service charges receivable. The Company considers short-term advances to be in default if they are not repaid on the due date, and writes off the principal amount and service charges receivable as of the default date. Net defaults and changes in the short-term advance allowance are charged to bad debt expense, which is included in operating expenses. Bad debt expense for the years ended December 31, 2003, 2002 and 2001 was \$9,878,000, \$8,669,000 and \$8,684,000, respectively.

Operating expenses - Costs incurred in operating the pawn stores and check cashing/short-term advance stores have been classified as operating expenses. Operating expenses include salary and benefit expense of store employees, rent and other occupancy costs, bank charges, security, net returned checks, utilities, cash shortages and other costs incurred by the stores.

Layaway and deferred revenue - Interim payments from customers on layaway sales are credited to deferred revenue and subsequently recorded as income during the period in which final payment is received.

Inventories - Inventories represent merchandise purchased directly from the public and merchandise acquired from forfeited pawns. Inventories purchased directly from customers are recorded at cost. Inventories from forfeited pawns are recorded at the amount of the pawn principal on the unredeemed goods. The cost of inventories is determined on the specific identification method. Inventories are stated at the lower of cost or market; accordingly, inventory valuation allowances are established when inventory carrying values are in excess of estimated selling prices, net of direct costs of disposal. Management has evaluated inventory and determined that a valuation allowance is not necessary.

Property and equipment - Property and equipment are recorded at cost. Depreciation is determined on the straight-line method based on estimated useful lives of thirty-one years for buildings and three to five years for equipment. The costs of improvements on leased stores are capitalized as leasehold improvements and are amortized on the straight-line method over the applicable lease period, or useful life if shorter.

Maintenance and repairs are charged to expense as incurred; renewals and betterments are charged to the appropriate property and equipment accounts. Upon sale or retirement of depreciable assets, the cost and related accumulated depreciation is removed from the accounts, and the resulting gain or loss is included in the results of operations in the period retired.

Goodwill - Goodwill consists of the excess of purchase price over net assets acquired. Excess purchase price over net assets acquired was amortized on a straight-line basis over an estimated useful life of forty years through December 31, 2001. In June 2001, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 142, Goodwill and Other Intangible Assets, which was effective as of January 1, 2002. The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 142, Goodwill and Other Intangible Assets, effective January 1, 2002. Under SFAS No. 142, goodwill is no longer amortized, but reviewed for impairment annually, or more frequently if certain indicators arise. The Company completed the transitional fair value impairment test and determined that no impairment of recorded goodwill existed at January 1, 2002. The Company has also determined that no impairment existed at December 31, 2002 and 2003. Subsequent impairment losses, if any, will be reflected in operating income or loss in the consolidated statement of income for the period in which such loss is realized. Had the Company been accounting for its goodwill under SFAS No. 142 for the years ended December 31, 2003, 2002 and 2001, the Company's net income would have been as follows (in thousands, except per share data):

	Year Ended December 31,		
	2003	2002	2001
Reported net income	\$ 14,975	\$ 10,940	\$ 7,870
Add: amortization of costs in excess of net assets acquired, net of tax	-	-	979
Adjusted net income	\$ 14,975	\$ 10,940	\$ 8,849
Basic earnings per share:			
Reported net income	\$ 1.61	\$ 1.24	\$ 0.90
Adjusted net income	\$ 1.61	\$ 1.24	\$ 1.01
Diluted earnings per share:			
Reported net income	\$ 1.43	\$ 1.14	\$ 0.85
Adjusted net income	\$ 1.43	\$ 1.14	\$ 0.96

Long-lived assets - Long-lived assets (i.e., property, plant and equipment and intangible assets with definite lives) are reviewed for impairment whenever events or changes in circumstances indicate that the net book value of the asset may not be recoverable. An impairment loss is recognized if the sum of the expected future cash flows (undiscounted and before interest) from the use of the asset is less than the net book value of the asset. Generally, the amount of the impairment loss is measured as the difference between the net book value of the assets and the estimated fair value of the related assets. Management does not believe that any impairments exist at December 31, 2003.

Fair value of financial instruments - The fair value of financial instruments is determined by reference to various market data and other valuation techniques, as appropriate. Unless otherwise disclosed, the fair values of financial instruments approximate their recorded values, due primarily to their short-term nature.

Income taxes - The Company uses the liability method of computing deferred income taxes on all material temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases.

Advertising - The Company expenses the costs of advertising the first time the advertising takes place. Advertising expense for the fiscal years ended December 31, 2003, 2002 and 2001, was \$1,567,000, \$1,332,000 and \$1,070,000, respectively.

Stock-Based Compensation - The Company's stock-based employee compensation plan is described in Note 12. The expense recognition and measurement principles of APB 25, Accounting for Stock Issued to Employees, and related interpretations are followed in accounting for this plan. No stock-based employee compensation has been charged to earnings because the exercise prices of all stock options granted under this plan have been equal to the market value of the Company's common stock at the date of the grant. The following presents information about net income and earnings per share as if the Company had applied the fair value expense recognition requirements of Statement of Financial Accounting Standards ("SFAS") 123, Accounting for Stock-Based Compensation, to all employee stock options granted under the plan (in thousands, except per share data).

	Year Ended December 31,		
	2003	2002	2001
Net income, as reported.....	\$ 14,975	\$ 10,940	\$ 7,870
Less: Stock-based employee compensation determined under the fair value			

requirements of SFAS 123, net of income tax benefits.....	2,261	1,252	899
	-----	-----	-----
Pro forma net income.....	\$ 12,714	\$ 9,688	\$ 6,971
	=====	=====	=====
Earnings per share:			
Basic, as reported.....	\$ 1.61	\$ 1.24	\$ 0.90
Basic, pro forma.....	\$ 1.36	\$ 1.10	\$ 0.80
Diluted, as reported.....	\$ 1.43	\$ 1.14	\$ 0.85
Diluted, pro forma.....	\$ 1.21	\$ 1.01	\$ 0.75

Pursuant to the requirements of SFAS 123, the weighted-average fair value of the individual employee stock options and warrants granted during 2003, 2002 and 2001 have been estimated as \$8.89, \$4.66 and \$2.90, respectively, on the date of the grant. The fair values were determined using a Black-Scholes option-pricing model using the following assumptions:

	Year Ended December 31,		
	-----	-----	-----
	2003	2002	2001
	-----	-----	-----
Dividend yield.....	-	-	-
Volatility.....	54.0%	58.0%	55.0%
Risk-free interest rate.....	3.5%	3.5%	3.8%
Expected life.....	7 years	7 years	7 years

Earnings per share - Basic net income per share is computed by dividing net income by the weighted average number of shares outstanding during the year. Diluted net income per share is calculated by giving effect to the potential dilution that could occur if securities or other contracts to issue common shares were exercised and converted into common shares during the year.

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

	Year Ended December 31,		
	-----	-----	-----
	2003	2002	2001
	-----	-----	-----
Numerator:			
Net income for calculating basic and diluted earnings per share	\$ 14,975	\$ 10,940	\$ 7,870
	=====	=====	=====
Denominator:			
Weighted-average common shares for calculating basic earnings per share	9,324	8,833	8,699
Effect of dilutive stock options and warrants	1,180	794	569
	-----	-----	-----
Weighted-average common shares for calculating diluted earnings per share	10,504	9,627	9,268
	=====	=====	=====
Basic earnings per share	\$ 1.61	\$ 1.24	\$ 0.90
Diluted earnings per share	\$ 1.43	\$ 1.14	\$ 0.85

Pervasiveness of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and related revenues and expenses and disclosure of gain and loss contingencies at the date of the financial statements. Such estimates and assumptions are subject to a number of risks and uncertainties, which may cause actual results to differ materially from the Company's estimates.

Reclassification - Certain amounts for the year ended December 31, 2002 have been reclassified in order to conform to the 2003 presentation.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLE

In December 2003, the FASB issued Interpretation No. 46(R) ("FIN 46"), Consolidation of Variable Interest Entities. FIN 46 addresses consolidation by business enterprises of variable interest entities (formerly special purpose entities). In general, a variable interest entity is a corporation, partnership, trust or any other legal structure used for business purposes that either (a) does not have equity investors with voting rights or (b) has equity investors that do not provide sufficient financial resources for the entity to support its activities. FIN 46 requires a variable interest entity to be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns or both.

The Company has a 50% ownership interest in a joint venture, Cash & Go, Ltd., a Texas limited partnership, which owns and operates 40 check cashing/short-term advance kiosks inside convenience stores. The Company has historically accounted for its share of the joint venture's operating results using the equity method of accounting, as neither joint venture

partner has control. Through December 31, 2003 the Company has recorded its 50% share of the partnership's earnings or losses in its consolidated financial statements. As defined in FIN 46, Cash & Go, Ltd. meets the requirements of a variable interest entity that must be consolidated by the Company. The Company implemented FIN 46 on December 31, 2003 at which time it recorded a change in accounting principle charge of \$357,000, net of income tax benefit, which was necessary to recognize the other joint venture partner's share of the Cash & Go, Ltd.'s accumulated operating losses as part of the initial consolidation accounting. As of December 31, 2003, the Company's consolidated balance sheet includes the assets and liabilities of Cash & Go, Ltd., net of intercompany accounts, including the loan described below, which have been eliminated. The operating results of Cash & Go, Ltd. will be included in the Company's consolidated operating results effective for accounting periods beginning January 1, 2004.

The Company funds substantially all of the working capital requirements of Cash & Go, Ltd. in the form of a loan to the joint venture. This loan is callable at any time by the Company, bears interest at the prime rate plus 5%, and is secured by substantially all of Cash & Go, Ltd.'s assets. Summarized financial information for Cash & Go, Ltd. as of December 31, 2003 and 2002 and for the years ended December 31, 2003, 2002 and 2001 are as follows:

	December 31, 2003	December 31, 2002
	-----	-----
	(in thousands)	
Current assets	\$ 4,120	\$ 6,191
Non-current assets	528	950
Current note payable to First Cash Financial Services, Inc.....	(5,504)	(7,972)
Other current liabilities	(287)	(411)
	-----	-----
Net liabilities	\$ (1,143)	\$ (1,242)
	=====	=====
Company's net receivable from Cash & Go, Ltd.:		
Note receivable from Cash & Go, Ltd..	\$ 5,504	\$ 7,972
Company's share of net liabilities ..	(572)	(621)
	-----	-----
	\$ 4,932	\$ 7,351
	=====	=====

	Year Ended December 31,		
	-----	-----	-----
	2003	2002	2001
	-----	-----	-----
	(in thousands)		
Revenues	\$ 6,694	\$ 7,093	\$ 6,788
Expenses	6,596	7,571	6,979
	-----	-----	-----
Income (loss) before taxes	\$ 98	\$ (478)	\$ (191)
	=====	=====	=====
Company's share of income (loss), as accounted for using the equity method through December 31, 2003	\$ 49	\$ (239)	\$ (96)
	=====	=====	=====

Had the Company been accounting for its investment in Cash & Go, Ltd. under FIN 46 for the years ended December 31, 2003, 2002 and 2001, the Company's net income would have been as follows (in thousands, except per share data):

	Year Ended December 31,		
	-----	-----	-----
	2003	2002	2001
	-----	-----	-----
Reported net income	\$ 14,975	\$ 10,940	\$ 7,870
Additional net income (loss) related to consolidation of Cash & Go, Ltd., net of tax	387	(150)	(61)
	-----	-----	-----
Adjusted net income	\$ 15,362	\$ 10,790	\$ 7,809
	=====	=====	=====
Basic earnings per share:			
Reported net income	\$ 1.61	\$ 1.24	\$ 0.90
Adjusted net income	\$ 1.65	\$ 1.22	\$ 0.90
Diluted earnings per share:			
Reported net income	\$ 1.43	\$ 1.14	\$ 0.85
Adjusted net income	\$ 1.46	\$ 1.12	\$ 0.84

NOTE 4 - BUSINESS ACQUISITIONS

In December 2001, the Company acquired 100% of the outstanding common stock of WR Financial, Inc., which operated seven stores in Texas, for a total purchase price of \$1,394,000, paid in cash. The Company financed substantially all of the cash purchase price for this acquisition through its Credit Facility. The purchase price for this acquisition was determined based upon the volume of annual pawn and sales transactions, outstanding

receivable balances, inventory on hand, location and condition of the facilities, and projected future operating results.

Acquisitions have been accounted for using the purchase method of accounting. Accordingly, the purchase price was allocated to assets and liabilities acquired based upon their estimated fair market values at the dates of acquisition. The excess purchase price over the fair market value of the net tangible assets acquired and identifiable intangible assets has been recorded as goodwill. Goodwill, net of accumulated amortization, resulting from acquisitions was \$53,237,000 and \$53,194,000 as of December 31, 2003 and 2002, respectively. The results of operations of the acquired companies are included in the consolidated financial statements from their respective dates of acquisition.

NOTE 5 - RELATED PARTY TRANSACTIONS

As of December 31, 2002, the Company had notes receivable outstanding from certain of its officers totaling \$4,228,000. Repayment of these notes was completed during Fiscal 2003. The notes bore interest at 3%.

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following (in thousands):

	December 31, 2003	December 31, 2002
Land	\$ 672	\$ 672
Buildings	1,002	1,002
Leasehold improvements	1,792	1,794
Furniture, fixtures and equipment	26,405	20,109
	-----	-----
	29,871	23,577
Less: accumulated depreciation..	(15,453)	(11,827)
	-----	-----
	\$ 14,418	\$ 11,750
	=====	=====

NOTE 7 - ACCRUED EXPENSES

Accrued expenses consist of the following (in thousands):

	December 31, 2003	December 31, 2002
Money orders and wire transfers payable	\$ 726	\$ 791
Accrued compensation	2,979	2,692
Layaway deposits	1,655	1,382
Sales and property taxes payable.....	1,144	959
Lending activity settlements payable	1,462	1,123
Other	1,866	2,003
	-----	-----
	\$ 9,832	\$ 8,950
	=====	=====

NOTE 8 - REVOLVING CREDIT FACILITY

The Company maintains a combined long-term line of credit with two commercial lenders (the "Credit Facility"). The Credit Facility provides a \$25,000,000 long-term line of credit that matures on August 9, 2005 and bears interest at the prevailing LIBOR rate (which was approximately 1.1% at December 31, 2003) plus an applicable margin based on a defined leverage ratio for the Company. Based on the Company's existing leverage ratio, the margin is currently 1.375%, the most favorable rate provided under the terms of the agreement. Amounts available under the Credit Facility are limited to 300% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. At December 31, 2003, the Company had \$19,000,000 available for additional borrowings. 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 the requirements and covenants of the Credit Facility as of December 31, 2003 and March 8, 2004. The Company is required to pay an annual commitment fee of 1/5th of 1% on the average daily-unused portion of the Credit Facility commitment. The Company's Credit Facility contains provisions which will allow the Company to repurchase stock and/or pay cash dividends within certain parameters. Substantially all of the unencumbered assets of the Company have been pledged as collateral against indebtedness under the Credit Facility.

Subsequent to December 31, 2003, the Company renewed and extended its long-term line of credit. The Credit Facility now matures on April 15, 2006. In addition, certain terms in the agreement were modified. The interest rate margin added to the LIBOR rate is fixed at 1.375%. The annual commitment fee on the average daily unused portion of Credit Facility commitment is reduced to 1/8th of 1%.

NOTE 9 - LONG-TERM DEBT

Long-term debt consists of the following (in thousands, except payment information):

	December 31, 2003	December 31, 2002
Note payable to a bank; bearing interest at LIBOR plus 2%; monthly principal and interest payments of \$5,257; retired in June 2003	\$ -	\$ 392
Note payable to a bank; bearing interest at LIBOR plus 2%; monthly principal and interest payments of \$5,518; retired in June 2003	-	310
Notes payable to five former shareholders of Miraglia, Inc.; bearing interest at 7%; quarterly principal payments of \$300,000 and quarterly interest payments based upon the unpaid balance; retired in July 2003.	-	800
	-	1,502
Less: current portion	-	(900)
	\$ -	\$ 602
	=====	=====

NOTE 10 - INCOME TAXES

Components of the provision for income taxes consist of the following (in thousands):

	Year Ended December 31,		
	2003	2002	2001
Current:			
Federal	\$ 7,495	\$ 4,437	\$ 2,609
State and foreign	870	760	1,042
	8,365	5,197	3,651
Deferred	1,032	1,254	856
	\$ 9,397	\$ 6,451	\$ 4,507
	=====	=====	=====

The principal current and non-current deferred tax liabilities consist of the following at December 31, 2003 and 2002 (in thousands):

	December 31, 2003	December 31, 2002
Deferred tax assets:		
Inventory tax-basis difference ...	\$ 1,520	\$ 1,288
Legal accruals	430	430
	1,950	1,718
Deferred tax liabilities:		
Intangible asset amortization	6,120	4,951
Depreciation	1,248	1,181
State income tax effect of deferred tax items.....	329	272
Other	208	237
	7,905	6,641
Net deferred tax liability	\$ 5,955	\$ 4,923
Reported as:	=====	=====
Non-current liabilities - deferred income taxes	\$ 5,955	\$ 4,923
	=====	=====

The provision for income taxes differs from the amounts determined by applying the expected federal statutory tax rate to income from continuing operations before income taxes. The following is a reconciliation of such differences (in thousands):

	Year Ended December 31,		
	2003	2002	2001
Tax at the federal statutory rate	\$ 8,408	\$ 5,913	\$ 4,256
State and foreign income taxes, net of federal tax benefit	558	400	646
Other, net	431	138	(395)
	\$ 9,397	\$ 6,451	\$ 4,507
	=====	=====	=====

NOTE 11 - COMMITMENTS AND CONTINGENCIES

The Company leases certain of its facilities and equipment under operating leases with terms generally ranging from three to ten years. Most facility leases contain renewal and/or purchase options. Remaining future minimum rentals due under non-cancelable operating leases are as follows (in thousands):

Fiscal	

2004	\$ 9,652
2005	8,668
2006	7,389
2007	5,987
2008	3,577
Thereafter	4,479

	\$ 39,752
	=====

Rent expense under such leases was \$8,664,000, \$7,251,000 and \$6,515,000 for the years ended December 31, 2003, 2002 and 2001, respectively.

In May 2000, three plaintiffs filed a complaint against Famous Pawn, Inc., a wholly owned subsidiary of the Company, in the United States District Court for the District of Maryland (Northern Division). The allegations consisted of five counts: (1) violation of the federal Truth in Lending Act; (2) violation of the federal Racketeer Influenced and Corrupt Organizations Act; (3) violation of the Maryland Interest and Usury Statute; (4) violation of the Maryland Consumer Loan Law; and (5) violation of the Maryland Consumer Protection Act. In February 2003, the Company and plaintiffs reached a settlement of the complaint, which was subsequently approved by the District Court. Under the terms of the settlement, the plaintiffs agreed to dismiss all allegations and monetary claims made against the Company. The Company, in order to expedite the conclusion of this matter and avoid the expenses associated with a trial, agreed to pay the plaintiffs approximately \$1,100,000, including the plaintiffs' legal fees, and forgive all the outstanding debt of such customers in the amount of approximately \$800,000. The Company had previously reserved and expensed in prior years an amount equal to this settlement, and accordingly, the settlement has no impact on the Company's 2003 operating results. The settlement was completed and funded in January 2004.

Additionally, the Company is from time to time a defendant (actual or threatened) in certain other lawsuits and arbitration claims encountered in the ordinary course of its business, the resolution of which, in the opinion of management, should not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

NOTE 12 - EMPLOYEE STOCK OPTION PLAN AND OUTSTANDING WARRANTS

On October 30, 1990, the Company's Board of Directors adopted the 1990 Stock Option Plan (the "1990 Plan"). The 1990 Plan provides for the issuance of incentive stock options and non-qualified stock options to key employees and directors of the Company. The total number of shares of Common Stock authorized and reserved for issuance under the 1990 Plan is 250,000 shares. The exercise price for each stock option granted under the 1990 Plan may not be less than the fair market value of the Common Stock on the date of the grant, unless, in the case of incentive stock options, the optionee owns greater than 10% of the total combined voting power of all classes of capital stock of the Company, in which case the exercise price may not be less than 110% of the fair market value of the Common Stock on the date of the grant. Unless otherwise determined by the Board, options granted under the 1990 Plan have a maximum duration of five years and vest in up to four equal installments, commencing on the first anniversary of the date of grant. As of December 31, 2003, no options to purchase shares of Common Stock were available for grant under the 1990 Plan. Options to purchase 1,000 shares were vested at December 31, 2003.

On January 14, 1999, the Company's shareholders adopted the 1999 Stock Option Plan (the "1999 Plan"). The 1999 Plan provides for the issuance of incentive stock options and non-qualified stock options to key employees and directors of the Company. The total number of shares of Common Stock authorized and reserved for issuance under the 1999 Plan is 2,500,000 shares. The exercise price for each stock option granted under the 1999 Plan may not be less than the fair market value of the Common Stock on the date of the grant, unless, in the case of incentive stock options, the optionee owns greater than 10% of the total combined voting power of all classes of capital stock of the Company, in which case the exercise price may not be less than 110% of the fair market value of the Common Stock on the date of the grant. Unless otherwise determined by the Board, options granted under the 1999 Plan have a maximum duration of ten years unless, in the case of incentive stock options, the optionee owns at least 10% of the total combined voting power of all classes of capital stock of the Company, in which case the maximum duration is five years. As of December 31, 2003, options to purchase 1,088,000 shares of Common Stock were available for grant under the 1999 Plan. Options to purchase 478,000 shares of common stock under the 1999 Plan were vested as of December 31, 2003.

The Company also issues warrants to purchase shares of Common Stock to certain key members of management, to members of the Board of Directors who are not employees or officers of the Company and to outside consultants and advisors in connection with various acquisitions, debt offerings and consulting engagements. In accordance with the provisions of FAS 123, the issuance of warrants to outside consultants and advisors is accounted for using the fair value method prescribed by FAS 123. Warrants granted to outside consultants and advisors prior to December 15, 1995 are accounted for using methods prescribed by APB 25.

Stock option and warrant activity for fiscal 2001, 2002 and 2003 is summarized in the accompanying chart (in thousands, except exercise price).

	Options	Warrants	Weighted Average Exercise Price	Exercisable Number	Weighted Average Exercise Price
December 31, 2000	1,051	1,261	\$ 6.92	1,816	\$ 6.28
Granted	270	65	4.48		
Exercised	(84)	(13)	3.12		
Cancelled	(57)	(310)	11.24		
December 31, 2001	1,180	1,003	5.99	1,689	5.30
Granted	130	522	8.00		
Exercised	(62)	(45)	4.13		
Cancelled	(137)	(90)	10.56		
December 31, 2002	1,111	1,390	6.18	2,186	6.01
Granted	335	270	15.27		
Exercised	(798)	(442)	4.91		
Cancelled	(18)	-	8.00		
December 31, 2003	630	1,218	\$ 9.98	1,642	\$ 9.67

Options and warrants outstanding as of December 31, 2003 are as follows (in thousands, except exercise price and life):

Exercise Price	Total Warrants and Options	Remaining Life	Currently Exercisable
\$2.00	14	2.4	14
2.00	50	7.0	50
4.00	9	2.4	9
4.00	5	7.1	-
4.63	17	2.4	17
4.63	202	7.1	202
8.00	14	1.3	14
8.00	16	4.2	16
8.00	436	8.3	340
8.00	10	8.8	-
8.00	260	9.2	260
10.00	14	2.4	14
10.00	195	5.3	195
10.00	40	9.1	20
10.00	230	9.3	230
12.00	11	2.4	11
13.00	40	9.4	40
20.05	285	9.8	210
	1,848		1,642

NOTE 13 - FIRST CASH 401(k) PLAN

The First Cash 401(k) Plan (the "Plan") is provided by the Company for all full-time employees who have been employed with the Company for one year. Under the Plan, a participant may contribute up to 15% of earnings, with the Company matching the first 3% at a rate of 50%. The employee and company contributions are paid to a corporate trustee and invested in various funds. Contributions made to participants' accounts become fully vested upon completion of five years of service. The total Company matching contributions to the Plan were \$213,000, \$220,000 and \$162,000 for the years ended December 31, 2003, 2002 and 2001, respectively.

NOTE 14 - DISCONTINUED OPERATIONS INFORMATION

On November 30, 2001, the Company sold all of its common stock of its subsidiary, Miraglia, Inc. to a former employee of the Company for approximately \$230,000 in cash. The sale resulted in a pretax loss of \$273,000. The disposal of the software company and, accordingly, its operating results are segregated and reported as discontinued operations in the accompanying Consolidated Statements of Income.

The condensed statements of operations relating to the discontinued software operations for the year ended December 31, 2001 is presented below:

Revenues	\$ 1,897
Costs and expenses	1,846

Income before income taxes	51
Income tax expense	18

Net income	\$ 33
	=====

NOTE 15 - GEOGRAPHIC AREAS

The Company manages its business on the basis of one reportable segment. See Note 1 for a brief description of the Company's business. Long-lived assets include all non-current assets except goodwill.

The following table shows revenues and long-lived assets by geographic area (in thousands):

	Year Ended December 31,		
	2003	2002	2001
Revenues:			
United States	\$126,707	\$112,720	\$107,400
Mexico	18,761	6,073	3,027
Total	\$145,468	\$118,793	\$110,427
Long-lived assets:			
United States	\$ 11,391	\$ 16,706	\$ 17,432
Mexico	3,710	2,958	214
Total	\$ 15,101	\$ 19,664	\$ 17,646

NOTE 16 - QUARTERLY FINANCIAL DATA (UNAUDITED)

Summarized quarterly financial data (in thousands, except per share data) for the fiscal years ended December 31, 2003 and 2002 are set forth below. The Company's operations are subject to seasonal fluctuations.

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2003				
Total revenues	\$ 34,244	\$ 33,418	\$ 37,241	\$ 40,565
Total expenses	28,653	28,511	30,760	32,815
Income before change in accounting principle	3,498	3,001	4,016	4,817
Cumulative effect of change in accounting principle	-	-	-	(357)
Net income	3,498	3,001	4,016	4,460
Diluted earnings per share from continuing operations	0.36	0.30	0.37	0.43
Diluted earnings per share from cumulative effect of change in accounting principle	-	-	-	(0.03)
Diluted earnings per share from net income	0.36	0.30	0.37	0.40
Diluted weighted average shares	9,789	10,106	10,905	11,182
2002				
Total revenues	\$ 28,451	\$ 26,867	\$ 29,755	\$ 33,720
Total expenses	24,086	23,337	25,727	28,252
Net income	2,794	2,259	2,578	3,309
Diluted earnings per share from net income	0.30	0.23	0.27	0.34
Diluted weighted average shares	9,457	9,742	9,570	9,741

NOTE 17 - RESTATEMENT OF THE STATEMENTS OF CASH FLOWS

The Statements of Cash Flows for the years ended December 31, 2003, 2002 and 2001 have been restated to correct the classification of certain transactions between sections of the Statements of Cash Flows. The Company determined that it had incorrectly classified cash flows arising from tax benefits associated with the exercise of stock options and warrants. The effect of the adjustment to correct the misclassification is to increase cash flows from operating activities and to decrease cash flows from financing activities in the amounts of \$5,408,000, \$229,000 and \$22,000 for years ended December 31, 2003, 2002 and 2001, respectively. The Company also determined that it had incorrectly classified the short-term advance loss provision as an investing activity rather than an operating activity. The effect of the adjustment to correct the misclassification is to increase cash flows from operating activities and to decrease cash flows from investing activities in the amounts of \$9,878,000, \$8,669,000 and \$8,684,000 for the years ended December 31, 2003, 2002 and 2001, respectively. In addition, the Company has reviewed its recording and classification of cash flows arising from the forfeiture and subsequent sale of pawn collateral and determined that investing cash flows representing a return of pawn receivables were incorrectly recorded on the dates of forfeiture rather than on the dates that the forfeited collateral was sold. Accordingly, the previously reported cash flows related to forfeited collateral have been corrected to remove the non-cash impact of increases and decreases in on-hand inventories. The effect of the adjustment to correct the misclassification is to increase cash flows from operating activities and to decrease cash flows from investing activities in the amounts of \$1,222,000 and \$638,000 for the years ended December 31, 2003 and 2002, respectively,

and to decrease cash flows from operating activities and to increase cash flows from investing activities in the amount of \$3,281,000 for the year ended December 31, 2001.

A summary of the effects of these corrections are as follows:

	Year Ended December 31, 2003		

	As		As
	Previously	Adjustments	Restated
	Reported		

		(in thousands)	
Net cash flows from operating activities	\$ 16,098	\$ 16,508	\$ 32,606
Net cash flows from investing activities	(5,212)	(11,100)	(16,312)
Net cash flows from financing activities	(7,774)	(5,408)	(13,182)

Change in cash and cash equivalents	3,112	-	3,112
Cash and cash equivalents at beginning of the year	12,735	-	12,735

Cash and cash equivalents at end of the year	\$ 15,847	\$ -	\$ 15,847
	=====	=====	=====

	Year Ended December 31, 2002		

	As		As
	Previously	Adjustments	Restated
	Reported		

		(in thousands)	
Net cash flows from operating activities	\$ 13,797	\$ 9,536	\$ 23,333
Net cash flows from investing activities	(8,300)	(9,307)	(17,607)
Net cash flows from financing activities	(4,014)	(229)	(4,243)

Change in cash and cash equivalents	1,483	-	1,483
Cash and cash equivalents at beginning of the year	11,252	-	11,252

Cash and cash equivalents at end of the year	\$ 12,735	\$ -	\$ 12,735
	=====	=====	=====

	Year Ended December 31, 2001		

	As		As
	Previously	Adjustments	Restated
	Reported		

		(in thousands)	
Net cash flows from operating activities	\$ 19,671	\$ 5,425	\$ 25,096
Net cash flows from investing activities	(6,940)	(5,403)	(12,343)
Net cash flows from financing activities	(8,090)	(22)	(8,112)

Change in cash and cash equivalents	4,641	-	4,641
Cash and cash equivalents at beginning of the year	6,611	-	6,611

Cash and cash equivalents at end of the year	\$ 11,252	\$ -	\$ 11,252
	=====	=====	=====

EXECUTIVE EMPLOYMENT AGREEMENT
THIS AGREEMENT IS SUBJECT TO MANDATORY AND BINDING ARBITRATION

This Employment Agreement (the "Agreement") is entered into as of January 1, 2003 (the "Effective Date"), by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and J. Alan Barron (the "Executive").

NOW, THEREFORE, in consideration of the mutual covenants and obligations hereinafter set forth, the parties agree as follows:

1. EMPLOYMENT.

The Company desires to continue to employ the Executive, and the Executive agrees to continue to work in the employ of the Company, according to the following terms and conditions.

2. DUTIES.

(a) The Company will continue to employ the Executive as Chief Operating Officer ("COO") of the Company.

(b) The Executive will serve in the Company's employ in that position.

(c) Under the direction of the Chief Executive Officer and President of the Company, the Executive shall have such powers, functions, duties, responsibilities and authority as are customarily required of and given to a COO and such other duties and responsibilities commensurate with such position. Such powers, functions, authority, duties and responsibilities shall include, but not be limited to: the day-to-day management of the Company's stores and kiosks; management, promotion, acquisition, retention and termination of operational personnel; marketing of the Company's products and services; increasing the financial performance of the Company's stores and kiosks; selection of locations for and development of new stores and kiosks; identification and assessment of new geographic markets; maintaining, safe guarding, and maximizing the Company's assets; and ensuring that all operations are in compliance with laws and regulations applicable to the Company and its affiliates. The Executive also shall have such additional powers, authority, functions, duties and responsibilities as may be assigned to him by the Chief Executive Officer or President. Executive shall use his best efforts to achieve all performance goals and criteria established by the Chief Executive Officer or President. Executive shall exercise such powers and authority and perform all such functions, duties and responsibilities consistent with Company practices and policies.

3. TERM OF EMPLOYMENT.

The term of employment of Executive is through December 31, 2005. Subject to the provisions of Section 8, the term of the Executive's Employment hereunder shall commence on January 1, 2003. At the discretion of the Board, the term of employment shall be extended for additional successive periods of one year, each year beginning on January 1, 2004, and each anniversary date thereafter, provided that during the previous year, the Executive met the stipulated performance criteria established by the Board.

4. EXTENT OF SERVICES.

The Executive shall not at any time during his Employment engage in any other business related activities unless those activities do not interfere materially with the Executive's duties and responsibilities to the Company at that time. The foregoing, however, shall not preclude the Executive from engaging in appropriate civic, charitable, professional or trade association activities or from serving on one or more other boards of directors of public or private companies, as long as such activities and services do not conflict with his responsibilities to the Company.

5. NO FORCED RELOCATION.

The Executive shall not be required to move his principal place of residence from the Dallas/Fort Worth, Texas metropolitan area or to perform regular duties that could reasonably be expected to require either such move against his wish or to spend amounts of time each week outside the Dallas/Fort Worth, Texas metropolitan area which are unreasonable in relation to the duties and responsibilities of the Executive hereunder, and the Company agrees that, if it requests the Executive to make such a move and the Executive declines that request, (a) that declination shall not constitute any basis for a termination of the Executive's Employment and (b) no animosity or prejudice will be held against Executive. Executive agrees that future travel in amounts reasonably consistent with Executive's previous amount of travel shall not be deemed unreasonable.

6. COMPENSATION.

(a) SALARY.

An annual base salary shall be payable to the Executive by the Company as a guaranteed minimum amount under this Agreement for each calendar year during the period from January 1, 2003 to the termination date of the Executive's Employment. That annual base salary shall (i) accrue daily on the basis of a 365-day year, (ii) be payable to the Executive in the

intervals consistent with the Company's normal payroll schedules (but in no event less frequently than semi-monthly) and (iii) be payable beginning January 1, 2003 at an initial annual rate of \$350,000. The Executive's annual base salary shall not be decreased, but shall be adjusted annually in each December to reflect such adjustments, if any, as the compensation committee of the Board determines appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies. A failure of the Company to increase the Executive's annual base salary shall not constitute a breach or violation of this Agreement by the Company.

(b) BONUS.

At the discretion of the Board's compensation committee, Executive shall be eligible to be paid an annual bonus by the Company for each calendar year during the period from January 1, 2003 to the termination date of the Executive's Employment. That annual bonus shall be payable at such rate and in such amount as is determined by the compensation committee of the board of directors. The Executive's annual bonus, if any, shall be adjusted annually in each December to reflect such adjustments, if any, as the Board's compensation committee determines appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies. A failure of the Company to pay Executive an annual bonus shall not constitute a breach or violation of this Agreement by the Company.

(c) OTHER COMPENSATION.

The Executive shall be entitled to participate in all Compensation Plans from time to time in effect while in the Employment of the Company, regardless of whether the Executive is an Executive Officer. All awards to the Executive under all Incentive Plans shall take into account the Executive's positions with and duties and responsibilities to the Company and its subsidiaries and affiliates. The Company shall supply Executive with an automobile allowance, the make and model of which is subject to the approval of the compensation committee of the Board, and be responsible for all expenses related thereto throughout the term of this Agreement. Executive may select an automobile of his own choosing which is reasonable in cost, appearance and function, taking into account the powers, authority, functions, duties and responsibilities of Executive, and the financial position and condition of the Company. In consideration and in support of Executive's duties under this Agreement, which include fostering the goodwill, growth and earnings of the Company, the Company shall pay for a private club membership for Executive, for such amount as is reasonable taking into account the powers, authority, functions, duties and responsibilities of Executive, subject to approval of the compensation committee of the Board.

(d) EXPENSES.

The Executive shall be entitled to prompt reimbursement of all reasonable business expenses incurred by him in the performance of his duties during the term of this Agreement, subject to the presenting of appropriate vouchers and receipts in accordance with the Company's policies.

7. OTHER BENEFITS.

(a) EMPLOYEE BENEFITS AND PROGRAMS.

During the term of this Agreement, the Executive and the members of his immediate family shall be entitled to participate in any employee benefit plans or programs of the Company to the extent that his position, tenure, salary, age, health and other qualifications make him or them, as the case may be, eligible to participate, subject to the rules and regulations applicable thereto.

(b) SUBSCRIPTIONS AND MEMBERSHIPS.

The Company shall pay periodical subscription costs and membership fees and dues for the Executive to join professional organizations appropriate for the Executive, and which further the interests of the Company. The Company shall also pay or reimburse Executive for Executive's membership in such additional clubs and organizations as may be agreed upon as reasonable and appropriate between Executive and the Company.

(c) VACATION.

The Executive shall be entitled to four weeks of vacation leave with full pay during each year of this Agreement (each such year being a 12-month period ending on the one year anniversary date of the commencement of the Executive's employment.) The times for such vacations shall be selected by the Executive, provided the dates selected do not interfere materially with the performance of Executive's duties and responsibilities under this agreement. The Executive may accrue up to four weeks of vacation time from year to year, but vacation time otherwise shall not accrue from year to year.

(d) ACCOUNTING

The Executive shall be entitled to Company paid or reimbursed annual accounting services of up to \$500 per year.

(e) INSURANCE

For the term of this Agreement, the Company will provide, at no cost to Executive, term life insurance benefits. The policy shall be in the amount of \$500,000 with the loss payee designated by the Executive. In the discretion of the Board, during the term of this Agreement, the Company shall also provide, at no cost to Executive, disability insurance sufficient to provide, in the event Executive becomes disabled, payments that would be made to Executive equal or up to the amount equal to Executive's base salary, as of the date of disability, provided such coverage is reasonably available at reasonable cost. Executive may procure his own disability coverage and at the discretion of the Board the cost of such disability coverage may be reimbursed, if the same is not provided by the Company.

8. TERMINATION.

The Executive's Employment hereunder may be terminated prior to the term provided for in Section 3 only under the following circumstances:

(a) DEATH.

The Executive's Employment shall terminate automatically on the date of his death.

(b) DISABILITY.

If a Disability occurs and is continuing, the Executive's Employment shall terminate 180 days after the Company gives the Executive written notice that it intends to terminate his Employment on account of that Disability, or on such later date as the Company specifies in such notice. If the Executive resumes the performance of substantially all of his duties under this Agreement before the termination becomes effective, the notice of intent to terminate shall be deemed to have been revoked. Disability of Executive shall not prevent the Company from making necessary changes during the period of Executive's Disability to conduct its affairs.

(c) VOLUNTARY TERMINATION.

The Executive may terminate his Employment at any time and without Good Cause with 90 days' prior written notice to the Company.

(d) TERMINATION FOR GOOD CAUSE.

The Executive may terminate his Employment for Good Cause at any time within 180 days (one year if the Good Cause is the occurrence of a Change of Control) after the Executive becomes consciously aware that the facts and circumstances constituting Good Cause exist and are continuing and by giving the Company 30 days' prior written notice that the Executive intends to terminate his Employment for Good Cause, which notice will state with specificity the basis for Executive's contention that Good Cause exists; provided, however, that if Executive terminates for Good Cause due to a Change in Control, the Change in Control must actually occur. A Change in Control will not be deemed to have actually occurred merely because of a pending or possible event. The Executive shall not have Good Cause to terminate his Employment solely by reason of the occurrence of a Change in Control until one year after the date such Change in Control actually occurs. The Executive may not terminate for Good Cause if the facts and circumstances constituting Good Cause are substantially cured by the Company within 30 days following notice to the Company.

(e) INVOLUNTARY TERMINATION.

The Executive's Employment is at will. The Company reserves the right to terminate the Executive's Employment at anytime whatsoever, without cause, with 30 days' prior written notice to the Executive.

(f) INVOLUNTARY TERMINATION FOR CAUSE.

The Company reserves the right to terminate the Executive's Employment for Cause. In the event that the Company determines that Cause exists under Section 12(f)(i) for the termination of the Executive's Employment, the Company shall provide in writing (the "Notice of Cause"), the basis for that determination and the manner, if any, in which the breach or neglect can be cured. If either the Company has determined that the breach or neglect cannot be cured, as set forth in the Notice of Cause, or has advised the Executive in the Notice of Cause of the manner in which the breach or neglect can be cured, but the Executive fails to substantially effect that cure within 30 days after his receipt of the Notice of Cause, the Company shall be entitled to give the Executive written notice of the Company's intention to terminate Executive's Employment for Cause (the "Notice of Intent to Terminate"). Executive shall have the right to object to any Notice of Intent to Terminate Executive's Employment for Cause, by furnishing the Company within ten days of receipt by Executive of the Notice of Intent to Terminate Executive's Employment for Cause, written notice specifying the reasons Executive contends either (i) Cause under Section 12(f)(i) does not exist or has been timely cured or (ii) in the circumstance of a Notice of Intent to Terminate Executive's Employment for Cause under Section 12(f)(ii), that such Cause does not exist (the "Notice of Intent to Join Issue over Cause"). The failure of Executive to timely furnish the Company with a Notice of Intent to Join Issue over Cause shall serve to conclusively establish Cause hereunder, and the right of the Company to terminate the Executive's Employment for Cause. Within 30 days following its receipt of a timely Notice of Intent to Join Issue Over Cause, the Company must either rescind the Notice of Intent to Terminate the Executive's Employment for Cause, or file a demand for arbitration in accordance with Section 26, to determine whether the Company is entitled to

terminate Executive's Employment for Cause. During the pendency of the arbitration proceeding, and until such time as Executive's Employment is terminated, Executive shall be entitled to receive Compensation under this Agreement. In the discretion of the Board, however, the Executive may be reassigned or suspended with pay, during not only the pendency of the arbitration proceeding, but during the period from the date the Company furnishes Executive with a Notice of Intent to Terminate the Executive's Employment for Cause until such date as the notice is rescinded, a determination that Cause does not exist is made in the arbitration proceeding or in the event of a determination that Cause does exist in the arbitration proceeding, the effective date of the termination of Executive's Employment for Cause. In the event that the Company determines that Cause exists under Section 12(f)(ii) for the termination of the Executive's Employment, it shall be entitled to immediately furnish Executive with a Notice of Intent to Terminate Executive's Employment without providing a Notice of Cause or any opportunity prior to that notice to contest that determination. Any termination of the Executive's Employment for Cause pursuant to this Section 8(f) shall be effective immediately upon the Executive's receipt of the Company's written notice of that termination and the Cause therefore.

(g) VOLUNTARY TERMINATION AT CONCLUSION OF TERM

At the expiration of the term of employment as stated in Section 3, either party may terminate this Agreement by giving the other party written notice at least 90 days for the Executive and 30 days for the Company before the expiration of the term of employment stated in Section 3.

9. SEVERANCE PAYMENTS.

Unless effected under Section 8(g), if the Executive's Employment is terminated during the term of this Agreement, the Executive shall be entitled to receive severance payments as follows:

(a) If the Executive's Employment is terminated under Section 8(a), (b), (d), (e) or (g), the Company will pay or cause to be paid to the Executive (or, in the case of a termination under Section 8(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to this Section 9(a) or, in the absence of such designation, the Executive's estate): (i) the Accrued Salary; (ii) the Other Earned Compensation; (iii) the Reimbursable Expenses; and (iv) the Severance Benefit.

(b) If the Executive's Employment is terminated under Section 8(c) or (f), the Company will pay or cause to be paid to the Executive: (i) the Accrued Salary determined as of and through the termination date of the Executive's Employment; (ii) the Other Earned Compensation; and (iii) the Reimbursable Expenses.

(c) Any payments to which the Executive (or his designated beneficiary or estate, if Section 8(a) applies) is entitled pursuant to paragraph (i) of subsection (a) of this Section 9 or paragraph (i) of subsection (b) of this Section 9, as applicable, will be paid in a single lump sum within thirty days after the termination date of the Executive's Employment. At the sole option and election of the Executive (or his designated beneficiary or estate, if Section 8(a) applies), which election shall be made within 30 days of the termination of Executive's Employment, the Company shall pay the executive the Severance Benefit, if at all, (1) in a lump sum on a present value basis; (2) on a semi-monthly basis (as if Executive's employment had continued), or (3) on such other periodic basis reasonably requested by Executive (or his designated beneficiary or estate, if Section 8(a) applies), in which event, the payments will be discounted to the extent the periodic basis selected by Executive (or his designated beneficiary or estate, if Section 8(a) applies) results in an earlier payout to Executive (or his designated beneficiary or estate, if Section 8(a) applies) than if Executive were paid on a semi-monthly basis. The Company shall be given credit for all life or disability insurance proceeds paid to Executive (or his designated beneficiary or estate, if Section 8(a) applies) on any policy procured, paid for or reimbursed by the Company pursuant to this Agreement (up to \$2 million in the case of life insurance). Upon the failure of the Executive to timely make an election as provided herein, such option and election shall revert to the Company. However, if Section 8(a) applies and the Executive's designated beneficiary or estate is the beneficiary of one or more insurance policies purchased by the Company and then in effect the proceeds of which are payable to that beneficiary by reason of the Executive's death, then (i) the Company, at its option, may credit the amount of those proceeds, as and when paid by the insurer to that beneficiary, against the payment to which the Executive's designated beneficiary or estate is entitled pursuant to paragraph (iv) of subsection (a) of this Section 9 and, if it exercises that option, (ii) the payment otherwise due pursuant to that paragraph (iv) will bear interest on the outstanding balance thereof from and including the fifth day after that termination date to the date of payment by the insurer to that beneficiary at the rate of interest specified in Section 31; and provided, further, that if Section 9(b) applies and the Executive is the beneficiary of disability insurance purchased by the Company and then in effect, the Company, at its option, may credit the proceeds of that insurance which are payable to the Executive, valued at their present value as of that termination date using the interest rate specified in Section 31 and then in effect as the discount rate, against the payment to which the Executive is entitled pursuant to paragraph (iv) of subsection (a) of this Section 9. Any payments to which the Executive (or his designated beneficiary or estate, if Section 8(a) applies) is entitled pursuant to paragraphs (ii) and (iii) of subsection (a) or (b) of this Section 9, as applicable, will be paid in a single lump sum

within five days after the termination date of the Executive's Employment or as soon thereafter as is administratively feasible, together with interest accrued thereon from and including the fifth day after that termination date to the date of payment at the rate of interest specified in Section 31.

(d) Except as provided in Sections 14, 24 and this Section, the Company will have no payment obligations under this Agreement to the Executive (or his designated beneficiary or estate, if Section 8(a) applies) after the termination date of the Executive's Employment.

10. RESIGNATIONS.

Upon termination of Executive's employment with or without cause, Executive shall resign as an officer and director of the Company and will thereafter refuse election as an officer or director of the Company.

11. RETURN OF DOCUMENTS.

Upon termination of Executive's employment with or without cause, Executive shall immediately return and deliver to the Company and shall not retain any originals or copies of any books, papers, price lists, customer contracts, bids, customer lists, files, notebooks or any other documents containing any of the Confidential information or otherwise relating to Executive's performance of duties under this Agreement. Executive further acknowledges and agrees that all such documents are the Company's sole and exclusive property.

12. DEFINITION OF TERMS.

The following terms used in this Agreement when capitalized shall have the following meanings:

(a) ACCRUED SALARY.

"Accrued Salary" shall mean the salary that has accrued, and the salary that would accrue through and including the last day of the pay period in which the termination date of the Executive's Employment occurs, under Section 6(a), which has not been paid to the Executive as of that termination date.

(b) ACQUIRING PERSON.

"Acquiring Person" shall mean any person who or which, together with all Affiliates and Associates of such person, is or are the Beneficial Owner of 50 percent or more of the shares of Common Stock then outstanding, but does not include any Exempt Person; provided, however, that a person shall not be or become an Acquiring Person if such person, together with its Affiliates and Associates, shall become the Beneficial Owner of 50 percent or more of the shares of Common Stock then outstanding solely as a result of a reduction in the number of shares of Common Stock outstanding due to the repurchase of Common Stock by the Company, unless and until such time as such person or any Affiliate or Associate of such person shall purchase or otherwise become the Beneficial Owner of additional shares of Common Stock constituting 1% or more of the then outstanding shares of Common Stock or any other person (or persons) who is (or collectively are) the Beneficial Owner of shares of Common Stock constituting 1% or more of the then outstanding shares of Common Stock shall become an Affiliate or Associate of such person, unless, in either such case, such person, together with all Affiliates and Associates of such person, is not then the Beneficial Owner of 50% or more of the shares of Common Stock then outstanding.

(c) AFFILIATE.

"Affiliate" has the meaning ascribed to that term in Rule 405 of Regulation C.

(d) ASSOCIATE.

"Associate" shall mean, with reference to any person, (i) any corporation, firm, partnership, association, unincorporated organization or other entity (other than the Company or a subsidiary of the Company) of which that person is an officer or general partner (or officer or general partner of a general partner) or is, directly or indirectly, the Beneficial Owner of 10% or more of any class of its equity securities, (ii) any trust or other estate in which that person has a substantial beneficial interest or for or of which that person serves as trustee or in a similar fiduciary capacity and (iii) any relative or spouse of that person, or any relative of that spouse, who has the same home as that person.

(e) BENEFICIAL OWNER.

A specified person shall be deemed the "Beneficial Owner" of, and shall be deemed to "beneficially own," any securities: (i) of which that person or any of that person's Affiliates or Associates, directly or indirectly, is the "beneficial owner" (as determined pursuant to Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise has the right to vote or dispose of, including pursuant to any agreement, arrangement or understanding (whether or not in writing); provided, however, that a person shall not be deemed the "Beneficial Owner" of, or to "beneficially own," any security under this subparagraph (i) as a result of an agreement, arrangement or understanding to vote that security if that agreement, arrangement or understanding: (A) arises solely from a revocable proxy or consent given in response to a public (that is, not including a solicitation exempted by Exchange Act Rule 14a-2(b)(2)) proxy or

consent solicitation made pursuant to, and in accordance with, the applicable provisions of the Exchange Act; and (B) is not then reportable by such person on Exchange Act Schedule 13D (or any comparable or successor report); (ii) which that person or any of that person's Affiliates or Associates, directly or indirectly, has the right or obligation to acquire (whether that right or obligation is exercisable or effective immediately or only after the passage of time or the occurrence of an event) pursuant to any agreement, arrangement or understanding (whether or not in writing) or on the exercise of conversion rights, exchange rights, other rights, warrants or options, or otherwise; provided, however, that a person shall not be deemed the "Beneficial Owner" of, or to "beneficially own," securities tendered pursuant to a tender or exchange offer made by that person or any of that person's Affiliates or Associates until those tendered securities are accepted for purchase or exchange; or (iii) which are beneficially owned, directly or indirectly, by (A) any other person (or any Affiliate or Associate thereof) with which the specified person or any of the specified person's Affiliates or Associates has any agreement, arrangement or understanding (whether or not in writing) for the purpose of acquiring, holding, voting (except pursuant to a revocable proxy or consent as described in the proviso to subparagraph (i) of this definition) or disposing of any voting securities of the Company or (B) any group (as that term is used in Exchange Act Rule 13d-5(b)) of which that specified person is a member; provided, however, that nothing in this definition shall cause a person engaged in business as an underwriter of securities to be the "Beneficial Owner" of, or to "beneficially own," any securities acquired through that person's participation in good faith in a firm commitment underwriting until the expiration of 40 days after the date of that acquisition. For purposes of this Agreement, "voting" a security shall include voting, granting a proxy, acting by consent making a request or demand relating to corporate action (including, without limitation, calling a stockholder meeting) or otherwise giving an authorization (within the meaning of Section 14(a) of the Exchange Act) in respect of such security.

(f) CAUSE.

"Cause" shall mean that the Executive has (i) willfully breached or habitually neglected (otherwise than by reason of injury, or physical or mental illness, or any disability as defined by the Americans with Disabilities Act of 1990, Public Law 101-336, 42 U.S.C.A. S 12101 et seq.) material duties which he was required to perform under the terms of this Agreement, or (ii) committed and been charged with act(s) of dishonesty or fraud.

(g) CHANGE OF CONTROL.

"Change of Control" shall mean the occurrence of the following events: (i) any person or entity becomes an Acquiring Person, or (ii) a merger of the Company with or into, or a sale by the Company of its properties and assets substantially as an entirety to, another person or entity; (iii) a majority of the incumbent board of directors cease for any reason to constitute at least a majority of the Board; and (iv) immediately after the occurrence of (i), (ii) or (iii) above, any person or entity, other than an Exempt Person, together with all Affiliates and Associates of such person or entity, shall be the Beneficial Owner of 50% or more of the total voting power of the then outstanding Voting Shares of the person or entity surviving that transaction (in the case of a merger or consolidation), or the person or entity acquiring those properties and assets substantially as an entirety.

(h) COMPANY.

"Company" shall mean (i) First Cash Financial Services, Inc., a Delaware corporation, and (ii) any person or entity that assumes the obligations of "the Company" hereunder, by operation of law, pursuant to Section 18 or otherwise.

(i) COMPENSATION PLAN.

"Compensation Plan" shall mean any compensation arrangement, plan, policy, practice or program established, maintained or sponsored by the Company or any subsidiary of the Company, or to which the Company or any subsidiary of the Company contributes, on behalf of any Executive Officer or any member of the immediate family of any Executive Officer by reason of his status as such, (i) including (A) any "employee pension benefit plan" (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) or other "employee benefit plan" (as defined in Section 3(3) of ERISA), (B) any other retirement or savings plan, including any supplemental benefit arrangement relating to any plan intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), or whose benefits are limited by the Code or ERISA, (C) any "employee welfare plan" (as defined in Section 3(1) of ERISA), (D) any arrangement, plan, policy, practice or program providing for severance pay, deferred compensation or insurance benefit, (E) any Incentive Plan and (F) any arrangement, plan, policy, practice or program (1) authorizing and providing for the payment or reimbursement of expenses attributable to air travel and hotel occupancy while traveling on business for the Company or (2) providing for the payment of business luncheon and country club dues, long-distance charges, mobile phone monthly air time or other recurring monthly charges or any other fringe benefit, allowance or accommodation of employment, but (ii) excluding any compensation arrangement, plan, policy, practice or program to the extent it provides for annual base salary.

(j) DISABILITY.

"Disability" shall mean that the Executive, with reasonable accommodation, has been unable to perform his essential duties under this Agreement for a period of at least six consecutive months as a result of his incapacity due to injury or physical or mental illness, any disability as defined in a disability insurance policy which provides coverage for the Executive, or any disability as defined by the Americans with Disabilities Act of 1990, Public Law 101-336, 42 U.S.C.A. S 12101 et seq.

(k) EMPLOYMENT.

"Employment" shall mean the salaried employment of the Executive by the Company or a subsidiary of the Company hereunder.

(l) EXECUTIVE OFFICER.

"Executive Officer" shall mean any of the chief executive officer, the chief operating officer, the chief financial officer, the president, any executive, regional or other group or senior vice president or any vice president of the Company.

(m) EXEMPT PERSON.

"Exempt Person" shall mean: (i)(A) the Company, any subsidiary of the Company, any employee benefit plan of the Company or any subsidiary of the Company and (B) any person organized, appointed or established by the Company for or pursuant to the terms of any such plan or for the purpose of funding any such plan or funding other employee benefits for employees of the Company or any subsidiary of the Company; (ii) the Executive, any Affiliate of the Executive which the Executive controls or any group (as that term is used in Exchange Act Rule 13d-5(b)) of which the Executive or any such Affiliate is a member.

(n) GOOD CAUSE.

"Good Cause" for the Executive's termination of his Employment shall mean: (i) any decrease in the annual base salary under Section 6(a) or any other violation hereof in any material respect by the Company; (ii) any material reduction in the Executive's compensation under Section 6; (iii) the assignment to the Executive of duties inconsistent in any material respect with the Executive's then current positions (including status, offices, titles and reporting requirements), authority, duties or responsibilities or any other action by the Company which results in a material diminution in those positions, authority, duties or responsibilities; (iv) any unapproved relocation of the Executive; or (v) the occurrence of a Change of Control. Good Cause shall not exist if the Company cures within the period prescribed herein.

(o) INCENTIVE PLAN.

"Incentive Plan" shall mean any compensation arrangement, plan, policy, practice or program established, maintained or sponsored by the Company or any subsidiary of the Company, or to which the Company or any subsidiary of the Company contributes, on behalf of any Executive Officer and which provides for incentive, bonus or other performance-based awards of cash, securities, the phantom equivalent of securities or other property, including any stock option, stock appreciation right and restricted stock plan, but excluding any plan intended to qualify as a plan under any one or more of Sections 401(a), 401(k) or 423 of the Code.

(p) OTHER EARNED COMPENSATION.

"Other Earned Compensation" shall mean all the compensation earned by the Executive prior to the termination date of his Employment as a result of his Employment (including compensation the payment of which has been deferred by the Executive, but excluding Accrued Salary and compensation to be paid to the Executive in accordance with the terms of any Compensation Plan), together with all accrued interest or earnings, if any, thereon, which has not been paid to the Executive as of that date.

(q) REIMBURSABLE EXPENSES.

"Reimbursable Expenses" shall mean the expenses incurred by the Executive on or prior to the termination date of his Employment which are to be reimbursed to the Executive under Section 6(c) and which have not been reimbursed to the Executive as of that date.

(r) SEVERANCE BENEFIT.

"Severance Benefit" shall mean all Compensation provided for under Section 6 through the remainder of the Executive's term of employment, it being the parties' intent that, except for a termination under Section 8(c), (f) or (g), the Executive shall receive all Compensation as if his term of employment continued as provided for under Section 3.

13. COVENANTS NOT TO COMPETE

(a) Executive's Acknowledgment. Executive agrees and acknowledges that in order to assure the Company that it will retain its value as a going concern, it is necessary that Executive undertake not to utilize his special knowledge of the business and his relationships with customers and vendors to compete with the Company. Executive further acknowledges that:

(i) the Company is and will be engaged in the business of pawn

shop services, deferred presentment transactions, small loan business, short-term loan business, pay day loan services and check cashing services;

- (ii) Executive will occupy a position of trust and confidence with the Company prior to the date of this agreement and, during such period and Executive's employment under this agreement, Executive will become familiar with the Company's trade secrets and with other proprietary and confidential information concerning the Company;
 - (iii) the agreements and covenants contained in this Section 13 are essential to protect the Company and the goodwill of the business; and
 - (iv) Executive's employment with the Company has special, unique and extraordinary value to the Company and the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of the provisions of this agreement.
- (b) Company's Acknowledgement. The Company hereby acknowledges that it will provide Executive with confidential and trade secret information relating to the operation of the Company's business, including but not limited to, customer lists, operating manuals, internal controls, computer systems, computer controls, day-to-day operating procedures, management of personnel, hiring and firing of personnel, promoting personnel, marketing of the company's products, new store site selection, selection of new geographic markets, and details of the industries' laws and regulation.
- (c) Competitive Activities. Executive hereby agrees that for a period commencing on the date hereof and ending two years following the later of (i) termination of Executive's employment with the Company for whatever reason, and (ii) the conclusion of the period, if any, during which the Company is making payments to Executive, he will not, directly or indirectly, as employee, agent, consultant, stockholder, director, co-partner or in any other individual or representative capacity, own, operate, manage, control, engage in, invest in or participate in any manner in, act as a consultant or advisor to, render services for (alone or in association with any person, firm, corporation or entity), or otherwise assist any person or entity (other than the Company) that engages in or owns, invests in, operates, manages or controls any venture or enterprise that directly or indirectly engages or proposes to engage in the business of pawnshops, check cashing services, payday loan services or proposes to engage in the business of the distribution or sale of (i) products distributed, sold or licensed by the Company or services provided by the Company at the time of termination or (ii) products or services proposed at the time of such termination to be distributed, sold, licensed or provided by the Company within 50 miles of any of the Company's locations (the "Territory"); provided, however, that nothing contained herein shall be construed to prevent Executive from investing in the stock of any competing corporation listed on a national securities exchange or traded in the over-the-counter market, but only if Executive is not involved in the business of said corporation and if Executive and his associates (as such term is defined in Regulation 14(A) promulgated under the Securities Exchange Act of 1934, as in effect on the date hereof), collectively, do not own more than an aggregate of two percent of the stock of such corporation. With respect to the Territory, Executive specifically acknowledges that the Company has conducted the business throughout those areas comprising the Territory and the Company intends to continue to expand the business throughout the Territory.
- (d) Blue Pencil. If an arbitrator shall at any time deem the terms of this agreement or any restrictive covenant too lengthy or the Territory too extensive, the other provisions of this section 13 shall nevertheless stand, the restrictive period shall be deemed to be the longest period permissible by law under the circumstances and the Territory shall be deemed to comprise the largest territory permissible by law under the circumstances. The arbitrator in each case shall reduce the restricted period and/or the Territory to permissible duration or size.
- (e) Non-Solicitation of Employees. Executive agrees that while employed by the Company and for two (2) years after the termination of the Executive's employment for whatever reason, the Executive will not recruit, hire or attempt to recruit or hire, directly or assisted by others, any other employee of the Company with whom the Executive had contact during the Executive's employment with the Company. For the purposes of this paragraph, a contact means any interaction whatsoever between the Executive and the other employee.
- (f) Non-Solicitation of Customers. Executive agrees that while employed by the Company and for two (2) years after the termination of the Executive's employment for whatever reason, the Executive will not directly or indirectly, for himself or on behalf of any other person, partnership, company, corporation or other entity, solicit or attempt to solicit, for the purpose of engaging in competition with the Company,

- (i) any person or entity whose account was serviced by Executive at the Company; or
- (ii) any person or entity who is or has been a customer of the Company prior to Executive's termination; or
- (iii) any person or entity the Company has targeted and contacted prior to Executive's termination for the purpose of establishing a customer relationship.

Executive agrees that these restrictions are necessary to protect Executive's legitimate business interests, and Executive agrees that these restrictions will not prevent Executive from earning a livelihood.

14. TAX INDEMNITY.

Should any of the payments of salary, other incentive or supplemental compensation, benefits, allowances, awards, payments, reimbursements or other perquisites, or any other payment in the nature of compensation, singularly, in any combination or in the aggregate, that are provided for hereunder to be paid to or for the benefit of the Executive be determined or alleged to be subject to an excise or similar purpose tax pursuant to Section 4999 of the Code, or any successor or other comparable federal, state or local tax law by reason of being a "parachute payment" (within the meaning of Section 280G of the Code), the parties agree to negotiate in good faith changes to this Agreement necessary to avoid such excise or similar purpose tax, without diminishing Executive's salary, other incentive or supplemental compensation, benefits, allowances, awards, payments, reimbursements or other perquisites, or any other payment in the nature of compensation. Alternatively, the Company shall pay to the Executive such additional compensation as is necessary (after taking into account all federal, state and local taxes payable by the Executive as a result of the receipt of such additional compensation) to place the Executive in the same after-tax position (including federal, state and local taxes) he would have been in had no such excise or similar purpose tax (or interest or penalties thereon) been paid or incurred. The Company hereby agrees to pay such additional compensation within the earlier to occur of (i) five business days after the Executive notifies the Company that the Executive intends to file a tax return taking the position that such excise or similar purpose tax is due and payable in reliance on a written opinion of the Executive's tax counsel (such tax counsel to be chosen solely by the Executive) that it is more likely than not that such excise tax is due and payable or (ii) 24 hours of any notice of or action by the Company that it intends to take the position that such excise tax is due and payable. The costs of obtaining the tax counsel opinion referred to in clause (i) of the preceding sentence shall be borne by the Company, and as long as such tax counsel was chosen by the Executive in good faith, the conclusions reached in such opinion shall not be challenged or disputed by the Company. If the Executive intends to make any payment with respect to any such excise or similar purpose tax as a result of an adjustment to the Executive's tax liability by any federal, state or local tax authority, the Company will pay such additional compensation by delivering its cashier's check payable in such amount to the Executive within five business days after the Executive notifies the Company of his intention to make such payment. Without limiting the obligation of the Company hereunder, the Executive agrees, in the event the Executive makes any payment pursuant to the preceding sentence, to negotiate with the Company in good faith with respect to procedures reasonably requested by the Company which would afford the Company the ability to contest the imposition of such excise or similar purpose tax; provided, however, that the Executive will not be required to afford the Company any right to contest the applicability of any such excise or similar purpose tax to the extent that the Executive reasonably determines (based upon the opinion of his tax counsel) that such contest is inconsistent with the overall tax interests of the Executive.

15. LOCATIONS OF PERFORMANCE.

The Executive's services shall be performed primarily in the vicinity of Arlington, Texas. The parties acknowledge, however, that the Executive will be required to travel in connection with the performance of his duties.

16. PROPRIETARY INFORMATION.

(a) The Executive agrees to comply fully with the Company's policies relating to non-disclosure of the Company's trade secrets and proprietary information and processes. Without limiting the generality of the foregoing, the Executive will not, during the term of his Employment, disclose any such secrets, information or processes to any person, firm, corporation, association or other entity for any reason or purpose whatsoever except as may be required by law or governmental agency or legal process, nor shall the Executive make use of any such property for his own purposes or for the benefit of any person, firm, corporation or other entity (except the Company or any of its subsidiaries) under any circumstances during or after the term of his Employment, provided that after the term of his Employment this provision shall not apply to secrets, information and processes that are then in the public domain (provided that the Executive was not responsible, directly or indirectly, for such secrets, information or processes entering the public domain without the Company's consent).

(b) The Executive hereby sells, transfers and assigns to the Company all the entire right, title and interest of the Executive in and to all inventions, ideas, disclosures and improvements, whether patented or unpatented, and copyrightable material, to the extent made or conceived by

the Executive solely or jointly with others during the term of this Agreement, which relates to the competitive businesses (pawn, payday, retail sales or lending) of the Company. The Executive shall communicate promptly and disclose to the Company, in such form as the Company requests, all information, details and data pertaining to the aforementioned and, whether during the term hereof or thereafter, the Executive shall execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be required of the Executive to permit the Company to file and prosecute any patent applications relating to same and, as to copyrightable material, to obtain copyright thereon.

(c) Trade secrets, proprietary information and processes shall not be deemed to include information which is: (i) known to the Executive at the time it is disclosed to him; (ii) publicly known (or becomes publicly known) without the fault or negligence of Executive; (iii) received from a third party without restriction and without breach of this Agreement; (iv) approved for release by written authorization of the Company; or (v) required to be disclosed by law or legal process; provided, however, that in the event of a proposed disclosure pursuant to this subsection (c)(v), the Executive shall give the Company prior written notice before such disclosure is made in a time and manner which will best provide the Company with the ability to oppose such disclosure.

17. ASSIGNMENT.

This Agreement may not be assigned by either party; provided that the Company may assign this Agreement (i) in connection with a merger or consolidation involving the Company or a sale of its business, properties and assets substantially as an entirety to the surviving corporation or purchaser as the case may be, so long as such assignee assumes the Company's obligations hereunder; and (ii) so long as the assignment in the reasonable discretion of Executive does not result in a materially increased risk of non-performance of the Company's obligations hereunder by the assignee. The Company shall require as a condition of such assignment any successor (direct or indirect (including, without limitation, by becoming the sole stockholder of the Company) and whether by purchase, merger, consolidation, share exchange or otherwise) to the business, properties and assets of the Company substantially as an entirety expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would have been required to perform it had no such succession taken place. This Agreement shall be binding upon all successors and assigns. In the event of a Change of Control, and regardless of whether the Executive's employment is thereafter terminated, and return to Executive (or, in the case of termination under Section 8(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to Section 8(a) or in the absence of such designation, the Executive's estate) within ten days, all property securing the payment thereof. Any taxes due by Executive as a result of the forgiveness under this provision of the Executive's debt to the Company will be the sole obligation of the Company.

18. NOTICES.

Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by registered or certified mail to the Executive at his residence maintained on the Company's records, or to the Company at its address at 690 E. Lamar Blvd. Suite 400, Arlington, Texas 76011, Attention: Corporate Secretary, or such other addresses as either party shall notify the other in accordance with the above procedure.

19. FORCE MAJEURE.

Neither party shall be liable to the other for any delay or failure to perform hereunder, which delay or failure is due to causes beyond the control of said party, including, but not limited to: acts of God; acts of the public enemy; acts of the United States of America or any state, territory or political subdivision thereof or of the District of Columbia; fires; floods; epidemics; quarantine restrictions; strikes; or freight embargoes; provided, however, that this Section 19 will not relieve the Company of any of its payment obligations to the Executive under this Agreement. Notwithstanding the foregoing provisions of this Section 19, in every case the delay or failure to perform must be beyond the control and without the fault or negligence of the party claiming excusable delay.

20. INTEGRATION.

This Agreement represents the entire agreement and understanding between the parties as to the subject matter hereof and supersedes all prior or contemporaneous agreements whether written or oral. No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the parties hereto.

21. WAIVER.

Failure or delay on the part of either party hereto to enforce any right, power or privilege hereunder shall not be deemed to constitute a waiver thereof. Additionally, a waiver by either party of a breach of any promise herein by the other party shall not operate as or be construed to constitute a waiver of any subsequent breach by such other party.

22. SAVINGS CLAUSE.

If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or

unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforced to the fullest extent permitted by law.

23. AUTHORITY TO CONTRACT.

The Company warrants and represents to the Executive that the Company has full authority to enter into this Agreement and to consummate the transactions contemplated hereby and that this Agreement is not in conflict with any other agreement to which the Company is a party or by which it may be bound. The Company further warrants and represents to the Executive that the individual executing this Agreement on behalf of the Company has the full power and authority to bind the Company to the terms hereof and has been authorized to do so in accordance with the Company's articles or certificate of incorporation and bylaws.

24. PAYMENT OF EXPENSES.

If at any time during the term hereof or afterwards: (a) there should exist a dispute or conflict between the Executive and the Company or another Person as to the validity, interpretation or application of any term or condition hereof, or as to the Executive's entitlement to any benefit intended to be bestowed hereby, which is not resolved to the satisfaction of the Executive, (b) the Executive must (i) defend the validity of this Agreement or (ii) contest any determination by the Company concerning the amounts payable (or reimbursable) by the Company to the Executive or (c) the Executive must prepare responses to an Internal Revenue Service ("IRS") audit of, or otherwise defend, his personal income tax return for any year the subject of any such audit, or an adverse determination, administrative proceedings or civil litigation arising therefrom, which is occasioned by or related to an audit by the IRS of the Company's income tax returns, then the Company hereby unconditionally agrees: (a) on written demand of the Company by the Executive, to provide sums sufficient to advance and pay on a current basis (either by paying directly or by reimbursing the Executive) not less than 30 days after a written request therefor is submitted by the Executive, all the Executive's costs and expenses (including, without limitation, attorney's fees, expenses of investigation, travel, lodging, copying, delivery services and disbursements for the fees and expenses of experts, etc.) incurred by the Executive in connection with any such matter; (b) the Executive shall be entitled, on demand in accordance with Section 26, below, to the entry of a mandatory injunction without the necessity of posting any bond with respect thereto which compels the Company to pay or advance such costs and expenses on a current basis; and (c) the Company's obligations under this Section 24 will not be affected if the Executive is not the prevailing party in the final resolution of any such matter unless it is determined pursuant to Section 26 that, in the case of one or more of such matters, the Executive has acted in bad faith or without a reasonable basis for his position, in which event and, then only with respect to such matter or matters, the successful or prevailing party or parties shall be entitled to recover from the Executive reasonable attorneys' fees and other costs incurred in connection with that matter or matters (including the amounts paid by the Company in respect of that matter or matters pursuant to this Section 24), in addition to any other relief to which it or they may be entitled.

25. REMEDIES.

In the event of a breach by the Executive of Section 13 or 16 of this Agreement, in addition to other remedies provided by applicable law, the Company will be entitled to issuance of a temporary restraining order or preliminary injunction enforcing its rights under such Section.

26. ARBITRATION.

This Agreement Is Subject to Binding Arbitration. Any dispute or controversy arising under or in connection with this Agreement or in any manner associated with Employee's employment (other than those described in Section 25 - Remedies) shall be settled exclusively by arbitration in Arlington, Texas, in accordance with the rules of the American Arbitration Association then in effect. The parties agree to execute and be bound by the mutual agreement to arbitrate claims attached hereto as Attachment A.

27. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

28. WAIVER OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST

Should it become necessary for Executive to seek to enforce the terms of this Agreement, the Company consents to Executive's use of counsel which either then or may have in the past represented the Company, provided that counsel agrees to undertake Executive's representation, and such representation and waiver of actual or potential conflicts of interest is in accordance with the Texas State Bar Rules, including the Texas Disciplinary Rules of Professional Conduct. To the extent permitted by the Rules, the Company waives any such actual or potential conflict of interest arising thereby.

29. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall be

deemed an original, but all of which together shall constitute one and the same instrument.

30. INDEMNIFICATION.

The Executive shall be indemnified by the Company to the maximum permitted by the law of the state of the Company's incorporation, and by the law of the state of incorporation of any subsidiary of the Company of which the Executive is a director or an officer or employee, as the same may be in effect from time to time.

31. INTEREST.

If any amounts required to be paid or reimbursed to the Executive hereunder are not so paid or reimbursed at the times provided herein (including amounts required to be paid by the Company pursuant to Sections 6, 14 and 24), those amounts shall bear interest at the rate of 7%, from the date those amounts were required to have been paid or reimbursed to the Executive until those amounts are finally and fully paid or reimbursed; provided, however, that in no event shall the amount of interest contracted for, charged or received hereunder exceed the maximum non-usurious amount of interest allowed by applicable law.

32. TIME OF THE ESSENCE.

Time is of the essence with respect to any act required to be performed by this Agreement.

33. PRIOR INSTRUMENTS UNAFFECTED.

All prior instruments between the Company and Executive shall remain in full force and effect and the terms and conditions thereof shall not be affected by this Agreement.

FIRST CASH FINANCIAL SERVICES, INC.

EXECUTIVE

By: /s/ Rick L. Wessel

By: /s/ J. Alan Barron

Rick L. Wessel
President

J. Alan Barron
Chief Operating Officer

ATTACHMENT "A"
MUTUAL AGREEMENT TO ARBITRATE

1. I, J. Alan Barron, recognize that differences could arise between First Cash Financial Services, Inc. ("the Company") and me during or following my employment with the Company. I understand and agree that by entering into this Mutual Agreement to Arbitrate ("Agreement"), I gain the benefits of a speedy, impartial dispute-resolution procedure.

2. I understand that any reference in this Agreement to the Company will be a reference also to all stockholders, directors, officers, employees, parents, subsidiaries and affiliated entities, all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, and all successors and assigns of any of them.

Claims Covered by the Agreement

3. The Company and I mutually agree to the resolution by arbitration of all claims or controversies ("claims"), whether or not arising out of my employment (or its termination), that the Company may have against me or that I may have against the Company. The claims covered by this Agreement include, but are not limited to, claims under my Employment Agreement, claims for wages or other compensation due; for breach of any contract or covenant (express or implied); tort claims; claims for discrimination (including, but not limited to, race sex, color, religion, national origin, age (state or federal Age Discrimination in Employment Act), marital status, veterans status, sexual preference, medical condition, handicap or disability); claims for benefits (except where an employee benefit or pension plan specifies that its claims procedure shall culminate in an arbitration procedure different from this one); and claims for violation of any federal, state, or other law, statute, regulation, or ordinance, except claims excluded in the following paragraphs.

Claims Not Covered by the Agreement

4. Claims I may have for workers' compensation or unemployment compensation benefits are not covered by this Agreement.

Arbitration

5. (a) Procedure for Injunctive Relief. In the event either the Company or myself seeks injunctive relief, the claim shall be administratively expedited by the American Arbitration Association ("AAA"), which shall appoint a single, neutral arbitrator for the limited purpose of deciding

such claim. Such arbitrator shall be a qualified member of the State Bar of Texas in good standing, and preferably shall be a retired state or federal district judge. The single arbitrator shall decide the claim for injunctive relief immediately on hearing or receiving the parties' submissions (unless, in the interests of justice, he must rule ex parte); provided, however, that the single arbitrator shall rule on such claims within 24 hours of submission of the claim to the AAA. The single arbitrator's ruling shall not extend beyond 14 calendar days and on application by the claimant, up to an additional 14 days following which, after a hearing on the claim for injunctive relief, a temporary injunction may issue pending the award. Any relief granted under this procedure for injunctive relief shall be specifically enforceable in Tarrant County District Court on an expedited, ex parte basis and shall not be the subject of any evidentiary hearing or further submission by either party, but the court, on application to enforce a temporary order, shall issue such orders as necessary to its enforcement.

(b) Procedure after a Claim for Injunctive Relief or where no Claim for Injunctive Relief Is Made. The arbitrator shall be selected as follows: in the event the Company and I agree on one arbitrator, the arbitration shall be conducted by such arbitrator. In the event the Company and I do not agree, the Company and I shall each select one independent, qualified arbitrator, and the two arbitrators so selected shall select the third arbitrator. The arbitrator(s) are herein referred to as the "Panel." The Company reserves the right to object to any individual arbitrator who shall be employed by or affiliated with a competing organization.

(c) The Arbitration shall take place at Arlington, Texas, or any other location mutually agreeable to us. At the request of either of us, arbitration proceedings will be conducted in the utmost secrecy; in such case all documents, testimony and records shall be received, heard and maintained by the Panel in secrecy, available for inspection only by the Company or me and our respective attorneys and our respective experts, who shall agree in advance and in writing to receive all such information confidentially and to maintain such information in secrecy until such information shall become generally known. The Panel shall be able to award any and all relief, including relief of an equitable nature. The award rendered by the Panel may be enforceable in any court having jurisdiction thereof.

(d) The Company will pay all the fees and out-of-pocket expenses of each arbitrator selected pursuant to this Section 5 and the AAA. In addition, the Company will pay my reasonable attorneys' fees, unless the arbitration is the result of a termination for cause as defined in Section 13(f)(ii) of the Executive Employment Agreement to which this Attachment is appended.

Requirements for Modification or Revocation

6. This Agreement to arbitrate shall survive the termination of my employment. It can only be revoked or modified by a writing signed by the Company and I, which specifically states a mutual intent to revoke or modify this Agreement.

Sole and Entire Agreement

7. This is the complete agreement of us on the subject of arbitration of disputes [except for any arbitration agreement in connection with any pension or benefit plan].

This Agreement supersedes any prior or contemporaneous oral or written understanding on the subject.

8. Neither of us is relying on any representations, oral or written, on the subject of the effect, enforceability or meaning of this Agreement, except as specifically set forth in this Agreement.

Construction

9. If any provision of this Agreement is found to be void or otherwise unenforceable, in whole or in part, such adjudication shall not affect the validity of the remainder of the Agreement.

Consideration

10. The promises by the Company and by me to arbitrate differences, rather than litigate them before courts or other bodies, provide consideration for each other. In addition, I have entered into an Employment Agreement as further consideration for entering into this Agreement.

Not an Employment Agreement

11. This Arbitration Agreement is purely procedural. It does not provide any substantive rights in addition to those provided by applicable law or my Employment Agreement.

Voluntary

12. I acknowledge that I have carefully read this agreement, that I

understand its terms, that all understandings and agreements between the company and me relating to the subjects covered in the agreement are contained in it, and that I have entered into the agreement voluntarily and not in reliance on any promises or representations by the company other than those contained in this agreement itself.

13. The Age Discrimination in Employment Act protects individuals over 40 years of age from age discrimination. The ADEA contains some special requirements before an employee can give up the right to file a lawsuit in court. The following provisions are designed to comply with those requirements.

a. I agree that this Agreement to arbitrate is valuable to me, because it permits a faster resolution of claims that I would receive in court.

b. I have been advised to consult an attorney before signing this.

c. I have 21 days to consider this Agreement. However, I may sign it sooner if I wish to do so.

d. I have 7 days following my signing this Agreement to revoke my signature, and the Agreement will not be legally binding until the 7 day period has gone by.

33. I FURTHER ACKNOWLEDGE THAT I HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH MY PRIVATE LEGAL COUNSEL AND HAVE AVAILED MYSELF TO THAT OPPORTUNITY TO THE EXTENT I WISH TO DO SO.

FIRST CASH FINANCIAL SERVICES, INC.

EXECUTIVE

By: /s/ Rick L. Wessel

By: /s/ J. Alan Barron

Rick L. Wessel
President

J. Alan Barron
Chief Operating Officer

THIRD ADDENDUM TO
EXECUTIVE EMPLOYMENT AGREEMENT

This Third Addendum to Executive Employment Agreement (the "Addendum") is made this 21st day of October 2003, by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and Phillip Eric Powell (the "Executive"). The Company and Executive may be hereinafter collectively referred to as the "Parties."

RECITALS

- A. Executive is employed by the Company pursuant to an Executive Employment Agreement dated as of September 30, 2000 (the "Original Agreement"), as amended by the First Addendum to Executive Employment Agreement dated March 21, 2002 and the Second Addendum to Executive Employment Agreement dated October 24, 2002.
- B. The Parties jointly wish to make additions to the Original Agreement.
- C. The additions to the Original Agreement are set forth in this Addendum.

AGREEMENT:

NOW, THEREFORE, in consideration of the promises, terms, covenants and conditions set forth herein and in the Original Agreement, and for other good and valuable consideration, the receipt of which is undisputed and hereby acknowledged, the Parties agree as follows:

1. Extension of Term. Executive has met the stipulated performance criteria established by the Board. Accordingly, pursuant to the Original Agreement, Executive's term of Employment has been extended through December 31, 2008.

2. Base Salary. As a result of Executive meeting the stipulated performance criteria established by the Board for 2001, the Executive's annual base salary was increased to \$500,000 for the period from January 1, 2002 until December 31, 2002. Again as a result of Executive meeting the stipulated performance criteria for 2002, the Executive's annual base salary for the period from January 1, 2003 until December 31, 2003 was increased to \$600,000. Again as a result of Executive meeting the stipulated performance criteria for 2003, the Executive's annual base salary for the period from January 1, 2004 until December 31, 2004 was increased to \$660,000. During the remaining term of Executive's employment, Executive's annual base salary shall not be decreased, but shall be adjusted annually in each December at a rate of no less than 10% of the current year's base salary. In addition, the compensation committee of the Board may determine such other adjustments as may be appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies.

3. Interpretation.

a. No Other Additions. Sections 1 and 2 of this Addendum constitute the only additions to the Original Agreement, all other terms and conditions therein shall remain unaltered.

b. Definitions. All capitalized terms used herein and not otherwise defined shall have the same meaning assigned to them in the Original Agreement.

c. Severability. Should any one or more of the provisions of this Addendum be determined to be illegal or unenforceable, all other provisions of this Addendum shall be given effect separately from the provision or provisions determined to be illegal or unenforceable and shall not be effected thereby.

d. Choice of Law. This Addendum shall be governed by, and construed in accordance with, the laws of the State of Texas.

f. Headings. The headings of sections and paragraphs of this Addendum have been inserted for convenience of reference only and do not constitute a part of this Addendum.

g. Counterparts. This Addendum may be executed in multiple counterparts with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed and delivered as of the day first above written.

FIRST CASH FINANCIAL SERVICES, INC.

By: /s/ Richard T. Burke

Richard T. Burke
Director

EXECUTIVE

/s/ Phillip Eric Powell

Phillip Eric Powell

THIRD ADDENDUM TO
EXECUTIVE EMPLOYMENT AGREEMENT

This Third Addendum to Executive Employment Agreement (the "Addendum") is made this 21st day of October 2003, by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and Rick L. Wessel (the "Executive"). The Company and Executive may be hereinafter collectively referred to as the "Parties."

RECITALS

- A. Executive is employed by the Company pursuant to an Executive Employment Agreement dated as of September 30, 2000 (the "Original Agreement"), as amended by the First Addendum to Executive Employment Agreement dated March 21, 2002 and the Second Addendum to Executive Employment Agreement dated October 24, 2002.
- B. The Parties jointly wish to make additions to the Original Agreement.
- C. The additions to the Original Agreement are set forth in this Addendum.

AGREEMENT:

NOW, THEREFORE, in consideration of the promises, terms, covenants and conditions set forth herein and in the Original Agreement, and for other good and valuable consideration, the receipt of which is undisputed and hereby acknowledged, the Parties agree as follows:

1. Extension of Term. Executive has met the stipulated performance criteria established by the Board. Accordingly, pursuant to the Original Agreement, Executive's term of Employment has been extended through December 31, 2008.

2. Base Salary. As a result of Executive meeting the stipulated performance criteria established by the Board for 2001, the Executive's annual base salary was increased to \$350,000 for the period from January 1, 2002 until December 31, 2002. Again as a result of Executive meeting the stipulated performance criteria for 2002, the Executive's annual base salary for the period from January 1, 2003 until December 31, 2003 was increased to \$450,000. Again as a result of Executive meeting the stipulated performance criteria for 2003, the Executive's annual base salary for the period from January 1, 2004 until December 31, 2004 was increased to \$495,000. During the remaining term of Executive's employment, Executive's annual base salary shall not be decreased, but shall be adjusted annually in each December at a rate of no less than 10% of the current year's base salary. In addition, the compensation committee of the Board may determine such other adjustments as may be appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies.

3. Interpretation.

a. No Other Additions. Sections 1 and 2 of this Addendum constitute the only additions to the Original Agreement, all other terms and conditions therein shall remain unaltered.

b. Definitions. All capitalized terms used herein and not otherwise defined shall have the same meaning assigned to them in the Original Agreement.

c. Severability. Should any one or more of the provisions of this Addendum be determined to be illegal or unenforceable, all other provisions of this Addendum shall be given effect separately from the provision or provisions determined to be illegal or unenforceable and shall not be effected thereby.

d. Choice of Law. This Addendum shall be governed by, and construed in accordance with, the laws of the State of Texas.

f. Headings. The headings of sections and paragraphs of this Addendum have been inserted for convenience of reference only and do not constitute a part of this Addendum.

g. Counterparts. This Addendum may be executed in multiple counterparts with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed and delivered as of the day first above written.

FIRST CASH FINANCIAL SERVICES, INC.

By: /s/ Phillip E. Powell

Phillip E. Powell
Chief Executive Officer

EXECUTIVE

/s/ Rick L. Wessel

Rick L. Wessel

FIRST ADDENDUM TO
EXECUTIVE EMPLOYMENT AGREEMENT

This First Addendum to Executive Employment Agreement (the "Addendum") is made this 21st day of October 2003, by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and J. Alan Barron (the "Executive"). The Company and Executive may be hereinafter collectively referred to as the "Parties."

RECITALS

- A. Executive is employed by the Company pursuant to an Executive Employment Agreement dated as of January 1, 2003 (the "Original Agreement").
- B. The Parties jointly wish to make additions to the Original Agreement.
- C. The additions to the Original Agreement are set forth in this Addendum.

AGREEMENT:

NOW, THEREFORE, in consideration of the promises, terms, covenants and conditions set forth herein and in the Original Agreement, and for other good and valuable consideration, the receipt of which is undisputed and hereby acknowledged, the Parties agree as follows:

1. Extension of Term. Executive has met the stipulated performance criteria established by the Board. Accordingly, pursuant to the Original Agreement, Executive's term of Employment has been extended through December 31, 2006.

2. Base Salary. As a result of Executive meeting the stipulated performance criteria established by the Board for 2003, the Executive's annual base salary was increased to \$385,000 for the period from January 1, 2004 until December 31, 2004. During the remaining term of Executive's employment, Executive's annual base salary shall not be decreased, but shall be adjusted annually in each December at a rate of no less than 10% of the current year's base salary. In addition, the compensation committee of the Board may determine such other adjustments as may be appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies.

3. Interpretation.

a. No Other Additions. Sections 1 and 2 of this Addendum constitute the only additions to the Original Agreement, all other terms and conditions therein shall remain unaltered.

b. Definitions. All capitalized terms used herein and not otherwise defined shall have the same meaning assigned to them in the Original Agreement.

c. Severability. Should any one or more of the provisions of this Addendum be determined to be illegal or unenforceable, all other provisions of this Addendum shall be given effect separately from the provision or provisions determined to be illegal or unenforceable and shall not be effected thereby.

d. Choice of Law. This Addendum shall be governed by, and construed in accordance with, the laws of the State of Texas.

f. Headings. The headings of sections and paragraphs of this Addendum have been inserted for convenience of reference only and do not constitute a part of this Addendum.

g. Counterparts. This Addendum may be executed in multiple counterparts with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed and delivered as of the day first above written.

FIRST CASH FINANCIAL SERVICES, INC.

By: /s/ Rick L. Wessel

Rick L. Wessel
President

EXECUTIVE

/s/ J. Alan Barron

J. Alan Barron

FIRST CASH FINANCIAL SERVICES, INC.
CODE OF ETHICS

This Code of Ethics is designed to promote honest and ethical conduct, full, fair, accurate, timely and understandable disclosure of financial information in the periodic reports of First Cash Financial Services, Inc. (the "Company"), and compliance with applicable laws, rules, and regulations.

APPLICABILITY OF THE CODE

This Code of Ethics (the "Code") applies to the Company's chief executive officer, president, chief operating officer, chief financial officer, controller, and such other operations, finance, accounting, or internal audit personnel as the chief executive officer, president or chief financial officer may from time to time designate. The persons listed in the preceding paragraph are referred to as the "Covered Persons."

HONEST AND ETHICAL CONDUCT

In performing his or her duties, each of the Covered Persons will act in accordance with high standards of honest and ethical conduct including taking appropriate actions to permit and facilitate the ethical handling and resolution of actual or apparent conflicts of interest between personal and professional relationships.

In addition, each of the Covered Persons will promote high standards of honest and ethical conduct among employees who have responsibilities in the areas of accounting, audit, tax, and financial reporting and other employees throughout the Company.

FULL, FAIR, ACCURATE, TIMELY, AND UNDERSTANDABLE DISCLOSURE

In performing his or her duties, each of the Covered Persons will endeavor to promote, and will take appropriate action within his or her areas of responsibility to cause the Company to provide, full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with or submits to the Securities and Exchange Commission and in other public communications.

In performing his or her duties, each of the Covered Persons will, within his or her areas of responsibility, engage in, and seek to promote, full, fair and accurate disclosure of financial and other information to, and open and honest discussions with, the Company's outside auditors.

COMPLIANCE WITH APPLICABLE GOVERNMENTAL LAWS, RULES, AND REGULATIONS

In performing his or her duties, each of the Covered Persons will endeavor to comply, and take appropriate action within his or her areas of responsibility to cause the Company to comply, with applicable governmental laws, rules, and regulations and applicable rules and regulations of self-regulatory organizations.

Each of the Covered Persons will promptly provide the Company's general counsel or the Company's audit committee with information concerning conduct the Covered Person reasonably believes to constitute a material violation by the Company, or its directors or officers, of the securities laws, rules or regulations or other laws, rules, or regulations applicable to the Company.

REPORTING VIOLATIONS OF THE CODE

Each of the Covered Persons will promptly report any violation of this Code to the Company's general counsel or to the Company's audit committee, as applicable.

WAIVER AND AMENDMENT OF THE CODE

The Company's audit committee, as well as the Company's board of directors, will have the authority to approve a waiver from any provision of this Code. The Company will publicly disclose information concerning any waiver or an implicit waiver of this Code as required by applicable law. A waiver means the approval of a material departure from a provision of this Code. The Company will publicly disclose any substantive amendment of this Code as required by applicable law.

ACCOUNTABILITY FOR ADHERENCE TO THE CODE

The Company's audit committee will assess compliance with this Code, report violations of this Code to the Board of Directors, and, based upon the relevant facts and circumstances, recommend to the Board appropriate action. A violation of this Code may result in disciplinary action including termination of employment.

FIRST CASH FINANCIAL SERVICES, INC.
SUBSIDIARIES

Exhibit 21.1

Subsidiary Name	Country/State of Incorporation	Percentage Owned by Registrant
-----	-----	-----
American Loan and Jewelry, Inc.	Texas	100%
WR Financial, Inc.	Texas	100%
Famous Pawn, Inc.	Maryland	100%
JB Pawn, Inc.	Texas	100%
Cash & Go, Inc.	California	100%
Capital Pawnbrokers, Inc.	Maryland	100%
Silver Hill Pawn, Inc.	Maryland	100%
Elegant Floors, Inc.	Maryland	100%
One Iron Ventures, Inc.	Illinois	100%
First Cash, S.A. de C.V.	Mexico	100%
American Loan Employee Services, S.A. de C.V.	Mexico	100%
First Cash, Ltd.	Texas	100%
First Cash Corp	Delaware	100%
First Cash Management, LLC	Delaware	100%
First Cash, Inc.	Nevada	100%
Cash & Go, Ltd.	Texas	49.5%
Cash & Go Management, LLC	Texas	50%

CONSENT OF INDEPENDENT REGISTERED ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-71077 on Form S-3, Registration Statement No. 333-106878 on Form S-3, Registration Statement No. 333-73391 on Form S-8, and Registration Statement No. 333-106880 on Form S-8 of First Cash Financial Services, Inc. of our report dated March 8, 2004 (October 8, 2004 as to the effect of the restatement described in Note 17) (which report expresses an unqualified opinion and includes explanatory paragraphs relating to the Company's adoption of Financial Accounting Standards Board Interpretation No. 46(R) Consolidation of Variable Interest Entities, effective December 31, 2003, the Company's adoption of Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets, effective January 1, 2002, and the restatement of the statements of cash flows for the years ended December 31, 2003, 2002 and 2001 described in Note 17) appearing in this Annual Report on Form 10-K/A of First Cash Financial Services, Inc. for the year ended December 31, 2003.

DELOITTE & TOUCHE LLP
Fort Worth, Texas
October 8, 2004

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Phillip E. Powell certify that:

1. I have reviewed this annual report on Form 10-K/A of First Cash Financial Services, Inc. (the "registrant");
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15 and 15d-15e) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and
 - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal controls which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control.

Date: October 8, 2004

/s/PHILLIP E. POWELL

Phillip E. Powell
Chief Executive Officer

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, R. Douglas Orr certify that:

1. I have reviewed this annual report on Form 10-K/A of First Cash Financial Services, Inc. (the "registrant");
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15 and 15d-15e) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and
 - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal controls which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control.

Date: October 8, 2004

/s/ R. DOUGLAS ORR

R. Douglas Orr
Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SABARNES-OXLEY ACT OF 2002

In connection with the Annual Report of First Cash Financial Services, Inc. (the "Company") on Form 10-K/A for the year ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Phillip E. Powell certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 8, 2004

/s/ PHILLIP E. POWELL

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

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SABARNES-OXLEY ACT OF 2002

In connection with the Annual Report of First Cash Financial Services, Inc. (the "Company") on Form 10-K/A for the year ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, R. Douglas Orr certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 8, 2004

/s/ R. DOUGLAS ORR

R. Douglas Orr
Chief Financial Officer