FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

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

For the Quarter Ended June 30, 2002

Commission File Number: 0-19133

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

Delaware
(State of Incorporation)

75-2237318
(IRS Employers Identification Number)

690 East Lamar, Suite 400
Arlington, Texas
(Address of principal executive offices)

76011
(Zip Code)

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

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

Yes x No ___

As of August 12, 2002, there were 8,871,187 shares of Company common stock, par value $.01 per share ("Common Stock"), issued and outstanding.

Part I. Financial Information
Item 1. Financial Statements

FIRST CASH FINANCIAL SERVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2002 (unaudited)	December 31, 2001
	(in thousands, except share data)	
ASSETS		
Cash and cash equivalents	$ 12,177	$ 11,252
Service charges receivable	2,636	2,817
Receivables	22,620	23,556
Inventories	11,301	12,681
Prepaid expenses and other current assets	1,600	1,226
Income taxes receivable	780	434
Total current assets	51,114	51,966
Property and equipment, net	10,330	10,034
Intangible assets, net	53,194	53,194
Receivable from Cash & Go, Ltd	6,271	7,455
Other	173	157
	$121,082	$122,806
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt and notes payable	$ 1,606	$ 1,385
Accounts payable and accrued expenses	10,190	10,041
Revolving credit facility	-	32,000
Total current liabilities	11,796	43,426
Revolving credit facility	24,500	-

Long-term debt and notes payable, net of current portion	653	1,608
Deferred income taxes	4,389	3,669
	41,338	48,703
Stockholders' equity:		
Preferred stock; $.01 par value; 10,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock; $.01 par value; 20,000,000 shares authorized; 9,525,368 and 9,417,868 shares issued, respectively; 8,871,187 and 8,763,687 shares outstanding, respectively	96	95
Additional paid-in capital	51,908	51,255
Retained earnings	35,872	30,819
Common stock receivables from officers	(5,117)	(5,051)
Common stock held in treasury, at cost, 654,181 and 654,181 shares, respectively	(3,015)	(3,015)
	79,744	74,103
	$121,082	$122,806

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

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

	Three Months Ended		Six Months Ended	
	June 30, 2002	June 30, 2001	June 30, 2002	June 30, 2001
	(unaudited, in thousands, except per share amounts)			
Revenues:				
Merchandise sales	$ 12,578	$ 12,793	$ 27,333	$ 27,289
Service charges	13,368	12,678	26,113	25,377
Check cashing fees	653	555	1,384	1,180
Other	268	373	488	697
	26,867	26,399	55,318	54,543
Cost of goods sold and expenses:				
Cost of goods sold	7,082	8,921	15,992	18,316
Operating expenses	12,733	11,993	24,768	23,120
Interest expense	88	339	194	828
Depreciation	586	549	1,141	1,091
Amortization	-	382	-	764
Administrative expenses	2,848	1,834	5,328	4,670
	23,337	24,018	47,423	48,789
Income before income taxes	3,530	2,381	7,895	5,754
Provision for income taxes	1,271	857	2,842	2,071
Income from continuing operations	2,259	1,524	5,053	3,683
Gain (loss) from discontinued operations, net of taxes	-	26	-	(7)
Net income	$ 2,259	$ 1,550	$ 5,053	$ 3,676
Net income per share:				
Basic				
Income from continuing operations	$ 0.26	$ 0.18	$ 0.57	$ 0.42
Gain (loss) from discontinued operations	-	-	-	-
Net income	$ 0.26	$ 0.18	$ 0.57	$ 0.42
Diluted				
Income from continuing operations	$ 0.23	$ 0.17	$ 0.53	$ 0.40
Gain (loss) from discontinued operations	-	-	-	-
Net income	$ 0.23	$ 0.17	$ 0.53	$ 0.40

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

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

	Six-Month Period Ended June 30, 2002	2001
	(unaudited, in thousands)	
Cash flows from operating activities:		
Net income from continuing operations	$ 5,053	$ 3,683
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization................	1,141	1,855
Discontinued operations......................	-	286
Changes in operating assets and liabilities:		
(Increase) decrease in service charges receivable	181	(16)
Decrease in inventories	1,380	5,122
Increase in prepaid expenses and other assets..	(390)	(521)
Increase in accounts payable and accrued expenses	149	909
Increase (decrease) in income taxes payable	374	(14)
Net cash flows from operating activities.....	7,888	11,304
Cash flows from investing activities:		
Net decrease in receivables	936	55
Purchases of property and equipment	(1,437)	(669)
(Increase) decrease in receivable from Cash & Go, Ltd	1,184	(2,252)
Net cash flows from investing activities	683	(2,866)
Cash flows from financing activities:		
Proceeds from debt	2,500	8,700
Repayments of debt	(10,734)	(13,536)
Common stock receivables from officers	(66)	(46)
Proceeds from options exercised	654	-
Purchase of treasury stock	-	(500)
Net cash flows from financing activities.....	(7,646)	(5,382)
Increase in cash and cash equivalents............	925	3,056
Cash and cash equivalents at beginning of the period	11,252	6,611
Cash and cash equivalents at end of the period....	$ 12,177	$ 9,667
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 484	$ 1,422
Income taxes	$ 2,355	$ 2,081

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

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

Note 1 - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements, including the notes thereto, include the accounts of First Cash Financial Services, Inc. (the "Company") and its wholly owned subsidiaries. Such unaudited consolidated financial statements are condensed and do not include all disclosures and footnotes required by generally accepted accounting principles in the United States of America for complete financial statements. Such interim period financial statements should be read in conjunction with the Company's consolidated financial statements which are included in the Company's December 31, 2001 Annual Report on Form 10-K. All significant inter-company accounts and transactions have been eliminated in consolidation. The consolidated financial statements as of June 30, 2002 and for the periods ended June 30, 2002 and 2001 are unaudited, but in management's opinion, include all adjustments (consisting of only normal recurring adjustments) considered necessary to present fairly the financial position, results of operations and cash flows for such interim periods. Operating results for the period ended June 30, 2002 are not necessarily indicative of the results that may be expected for the full fiscal year.

Note 2 - Revolving Credit Facility

The Company maintains a long-term line of credit with a group of commercial lenders. Subsequent to June 30, 2002, the Company renewed and extended this long-term line of credit (the "New Credit Facility"). The New Credit Facility provides a $30,000,000 long-term line of credit that matures on September 1, 2005 and bears interest at the prevailing LIBOR rate (which was approximately 1.8% at June 30, 2002) 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 New Credit Facility will be limited to 300% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. Under the terms of the New Credit Facility, the Company will be required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with these requirements and covenants of the previous credit facility as of June 30, 2002 and of the New Credit Facility as of August 12, 2002.

Note 3 - Costs in Excess of Net Assets Acquired

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 has completed the initial step of a transitional fair value impairment test and determined that no impairment of recorded goodwill existed at January 1, 2002 or June 30, 2002.

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 three months and six months ended June 30, 2001, the Company's net income would have been as follows:

	Three Months Ended		Six Months Ended	
	June 30, 2002	June 30, 2001	June 30, 2002	June 30, 2001
Reported net income	$ 2,259	$ 1,550	$ 5,053	$ 3,676
Add: amortization of costs in excess of net assets acquired, net of tax	-	245	-	489
Pro forma adjusted net income	$ 2,259	$ 1,795	$ 5,053	$ 4,165

Note 4 - Earnings Per Share

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

	Three Months Ended		Six Months Ended	
	June 30, 2002	June 30, 2001	June 30, 2002	June 30, 2001
Numerator:				
Income from continuing operations for calculating basic and diluted earnings per share	$ 2,259	$1,524	$ 5,053	$ 3,683
Gain (loss) from discontinued operations for calculating basic and diluted earnings per share	-	26	-	(7)
Net income for calculating basic and diluted earnings per share	$ 2,259	$ 1,550	$ 5,053	$ 3,676
Denominator:				
Weighted-average common shares for calculating basic earnings per share	8,825	8,667	8,794	8,701
Effect of dilutive securities:				
Stock options and warrants	917	617	805	426
Weighted-average common shares for calculating diluted earnings per share	9,742	9,284	9,599	9,127

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

GENERAL

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

The Company also currently owns check cashing and short-term advance stores in Texas, California, Washington, Oregon, Illinois, and Washington, D.C. These stores provide a broad range of consumer financial services, including check cashing, money order sales, wire transfers, bill payment services and short-term advances. In addition, the Company is a 50% partner in Cash & Go, Ltd., a Texas limited partnership, which currently owns and operates 59 financial services kiosks located inside convenience stores.

For the quarter ended June 30, 2002 the Company's revenues were derived 47% from retail activities, 50% from lending activities, and 3% from other sources, including check-cashing fees. The Company's primary business plan is to significantly expand its short-term advance operations by opening new stores in Texas and other states, by accelerating the growth of its pawn operations in Mexico, and by expanding its short-term advance operations in its existing pawn stores.

Although the Company has had significant increases in revenues due primarily to new store openings, and secondarily to acquisitions, 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 net returned checks (net bad debts) 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.

RESULTS OF OPERATIONS

Three months ended June 30, 2002 compared to the three months ended June 30, 2001

Total revenues increased 1.8% to $26,867,000 for the three months ended June 30, 2002 ("the Second Quarter of 2002") as compared to revenues of $26,399,000 for the three months ended June 30, 2001 ("the Second Quarter of 2001"). Of the $468,000 increase in total revenues, $780,000 was attributable to increased retail merchandise sales, $690,000 was attributable to increased service charges, while other income and check cashing fees decreased $7,000 and jewelry scrap sales decreased $995,000. Excluding the impact of jewelry scrap sales, the Company's revenues increased 5.9% in the Second Quarter of 2002 compared to the same period of 2001. As a percentage of total revenues, merchandise sales decreased from 49% to 47%, service charges increased from 48% to 50%, check cashing fees and other income remained unchanged at 3% of total revenues during both the Second Quarter of 2001 and the Second Quarter of 2002.

Gross profit as a percentage of merchandise sales increased to 44% during the Second Quarter of 2002 compared to 30% during the Second Quarter of 2001. Excluding jewelry scrap sales, the Company's margins increased from 41% during the Second Quarter of 2001 to 43% in the Second Quarter of 2002. This increase in retail margin is a result of the Company's ongoing initiatives to control expenses, including the strategic decision beginning in 2000 to lower loan-to-value ratios used to calculate pawn loan amounts. The reduction in the loan-to-value ratios has served to reduce the cost of inventory acquired through pawn forfeitures and has been implemented without a significant impact on the volume of pawn loans written.

The aggregate receivables balance (pawn loans plus payday advances) increased 3% from $21,988,000 as of June 30, 2001 to $22,620,000 as of June 30, 2002. Of the $632,000 increase, $862,000 was attributable to the net addition of 28 stores acquired or opened subsequent to June 30, 2001. The remaining decrease of $230,000 was derived from the decrease in aggregate receivable balances at the 142 stores in operation at both June 30, 2001 and June 30, 2002.

Operating expenses increased 6% to $12,733,000 during the Second Quarter of 2002 compared to $11,993,000 during the Second Quarter of 2001 primarily due to the net addition of 26 stores since April 1, 2001, which is an 18% increase in the total store count. Administrative expenses increased $1,014,000 to $2,848,000 during the Second Quarter of 2002 compared to $1,834,000 during the Second Quarter of 2001. This variance relates to increased store management commissions and bonus accruals during the Second Quarter 2002, which are reflective of the Company's increased profitability. Interest expense decreased 74% from $339,000 in the Second Quarter of 2001 to $88,000 in the Second Quarter of 2002, due to lower interest rates and an overall lower level of debt during the Second Quarter of 2002 compared to the Second Quarter of 2001.

For the Second Quarter of 2002 and the Second Quarter of 2001, the Company's tax provision of 36% of income before income taxes differed from the statutory federal rate of 34% primarily due to state income taxes, net of the federal tax benefit.

Six months ended June 30, 2002 compared to six months ended June 30, 2001

Total revenues increased 1.4% to $55,318,000 for the six months ended June 30, 2002 (the "Six-Month 2002 Period") as compared to $54,543,000 for the six months ended June 30, 2001 (the "Six-Month 2001 Period"). Of the $775,000 increase in total revenues, $1,842,000 was attributable to an increase in retail merchandise sales, $736,000 was attributable to increased service charges, while check cashing fees and other income decreased $5,000 and jewelry scrap sales decreased $1,798,000. Excluding the impact of jewelry scrap sales, the Company's revenues increased 5.0% in the first half of 2002 compared to the same period of 2001. As a percentage of total revenues, merchandise sales decreased from 50% to 49% during the Six-Month 2002 Period compared to the Six-Month 2001 Period, while service charges remained flat at 47%. Check cashing fees and other income increased from 3% to 4% of total revenues in the Six-Month 2002 Period compared to the Six-Month 2001 Period.

Gross profit as a percentage of merchandise sales, the retail margin, increased from 33% in the Six-Month 2001 Period to 41% in the Six-Month 2002 Period. Excluding jewelry scrap sales, the Company's margins increased from 41% in 2001 to 43% in 2002. This increase in retail margin is a result of the Company's ongoing initiatives to control expenses, including the strategic decision beginning in 2000 to lower loan-to-value ratios used to calculate pawn loan amounts. The reduction in the loan-to-value ratios has served to reduce the cost of inventory acquired through pawn forfeitures and has been implemented without a significant impact on the volume of pawn loans written.

The aggregate receivables balance (pawn loans plus payday advances) increased 3% from $21,988,000 as of June 30, 2001 to $22,620,000 as of June 30, 2002. Of the $632,000 increase, $862,000 was attributable to the net addition of 28 stores acquired or opened subsequent to June 30, 2001. The remaining decrease of $230,000 was derived from the decrease in aggregate receivable balances at the 142 stores in operation at both June 30, 2001 and June 30, 2002.

Operating expenses increased 7% to $24,768,000 during the Six-Month 2002 Period compared to $23,120,000 during the Six-Month 2001 Period primarily due to the net addition of 22 stores since January 1, 2001, which is a 16% increase in the total store count. Administrative expenses increased $658,000 to $5,328,000 during the Six-Month 2002 Period compared to $4,670,000 during the Six-Month 2001 Period, primarily due to increased store management commissions and bonus accruals, which are reflective of the Company's increased profitability. Interest expense decreased to $194,000 in the Six-Month 2002 Period compared to $828,000 in the Six-Month 2001 Period, primarily due to significantly lower interest rates and lower overall level of debt.

For both the Six-Month 2002 and 2001 Periods, the Company's tax provision of 36% of income before income taxes differed from the statutory rate of 34% primarily due to state income taxes, net of the federal tax benefit.

LIQUIDITY AND CAPITAL RESOURCES

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

The Company maintains a long-term line of credit with a group of commercial lenders. Subsequent to June 30, 2002, the Company renewed and extended this long-term line of credit (the "New Credit Facility"). The New Credit Facility provides a $30,000,000 long-term line of credit that matures on September 1, 2005 and bears interest at the prevailing LIBOR rate (which was approximately 1.8% at June 30, 2002) 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 New Credit Facility will be limited to 300% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. Under the terms of the New Credit Facility, the Company will be required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with the requirements and covenants of the previous credit facility as of June 30, 2002 and of the New Credit Facility as of August 12, 2002. The Company is required to pay an annual commitment fee of 1/5 of 1% on the average daily-unused portion of the New Credit Facility commitment. The Company's New 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 New Credit Facility.

As of June 30, 2002, the Company's primary sources of liquidity were $12,177,000 in cash and cash equivalents, $2,636,000 in service charges receivable, $22,620,000 in receivables, $11,301,000 in inventories and $5,500,000 of available and unused funds under the Company's New Credit Facility. The Company had working capital as of June 30, 2002 of $39,318,000 and a total-liabilities-to-equity ratio of 0.52 to 1.

Net cash provided by operating activities for the Company during the Six-Month 2002 Period was $7,888,000 as compared with $11,304,000 provided by operating activities during the Six-Month 2001 Period, primarily due to the decrease in inventory levels during the Six-Month 2001 period. Net cash flows from investing activities during the Six-Month 2002 Period were $683,000 as compared with $2,866,000 used by investing activities during the Six-Month 2001 Period, primarily due to a decrease in the receivable from Cash & Go, Ltd during the Six-Month 2002 period compared to an increase in the comparable 2001 period. Net cash used for financing activities during the Six-Month 2002 Period was $7,646,000 as compared to $5,382,000 during the Six-Month 2001 Period.

The profitability and liquidity of the Company is affected by the amount of pawns 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. In addition to these factors, merchandise sales and the pace of store expansions affect the Company's liquidity.

Management believes that the New Credit Facility and cash generated from operations will be sufficient to accommodate the Company's current operations for fiscal 2002. The Company has no significant capital commitments. The Company currently has no written commitments for additional borrowings, future acquisitions or additional capital. The Company will evaluate acquisitions, if any, based upon opportunities, acceptable financing, purchase price, strategic fit and qualified management personnel.

The Company continues to add stores in accordance with its growth strategy and targeted locations in the U.S. and Mexico. During the second quarter, six new stores were opened, bringing the total of new stores added during the first six months to 14. During the remainder of fiscal 2002, the Company currently plans to open approximately 25 stores in markets previously identified for strategic expansion. Secondarily, the Company plans to increase its short-term advance operations in its existing pawn stores. This expansion will be funded through the Company's New Credit Facility. While the Company continually looks for, and is presented with potential acquisition candidates, the Company has no definitive plans or commitments for further acquisitions. If the Company encounters an attractive opportunity to acquire or open a new store in the near future, the Company will seek additional financing, the terms of which will be negotiated on a case-by-case basis.

FORWARD LOOKING INFORMATION

Factors impacting 2002 will include the continued success of the Company's short-term cash advance product and the continued growth in pawn loan demand. Management will continue to pursue marketing and development activities to enhance loan balances and promote short-term loans in 2002. The continued impact in 2002 of still higher loan balances, improved bad debt collection efforts, improved margins on retail sales, lower interest rates on outstanding debt, new store openings and the further maturation of those already in place should lead to continued growth in the Company's earnings per share. Fiscal 2002's net income has been positively impacted by the new accounting pronouncement dealing with the Company's treatment of the amortization of goodwill and intangibles. Other factors that will determine the level of earnings in 2002 include the direction of loan balances, bad debt collections, retail sales, margins on retail sales, interest rates on the Company's outstanding debt and the number of new store openings. These factors lead management to an estimated range for earnings per share from continuing operations for fiscal 2002 of between $1.04 and $1.11 per share.

This release 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," "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 release include, without limitation, the earnings per share discussion above, the expectation of increased loan growth, the expectation for additional store openings, and the expectation of growth in the Company's short-term advance products. 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 or national economic conditions, the ability to integrate new stores, changes in governmental regulations, unforeseen litigation, changes in interest rates or tax rates, future business decisions and other uncertainties.

PART II. OTHER INFORMATION

ITEM 2. Changes in securities

During the six months ended June 30, 2002, the Company granted 616,000 stock purchase options and warrants with an exercise price of $8.00 per share to various employees and directors of the Company.

During the six months ended June 30, 2002, the Company issued 107,500 shares of common stock relating to the exercise of outstanding stock warrants and options for an aggregate exercise price of $654,000 (including income tax benefit).

The above referenced issuances were exempt from registration pursuant to Section 4(2) of the Securities Act of 1933 and no underwriters were utilized, or sales commissions paid in these transactions.

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

On July 18, 2002, the Company held its annual meeting of stockholders and its stockholders voted for (or ratified) the following proxy proposals as a result of a majority of the Company's outstanding capital stock voting in favor of the proposals. The proposals ratified at the July 18, 2002 annual stockholders' meeting are as follows:

1. The stockholders ratified the re-election of Phillip E. Powell as director.
2. The stockholders ratified the selection of Deloitte & Touche LLP as independent auditors of the Company for the year ended December 31, 2002.
3. The stockholders approved an increase in the number of shares available for issuance in the Company's 1999 Stock Option Plan from 1,200,000 shares of common stock to 2,500,000 shares of common stock.

ITEM 6. Exhibits and reports on Form 8-K

CERTIFICATION

Each of the undersigned hereby certifies in his capacity as an officer of First Cash Financial Services, Inc. (the "Company") that the Quarterly Report of the Company on Form 10-Q for the period ended June 30, 2002 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such a report fairly presents, in all material respects, the financial condition of the Company at the end of such period and the results of operations of the Company for such period.

SIGNATURES

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

Dated: August 12, 2002	FIRST CASH FINANCIAL SERVICES, INC.
	(Registrant)
/s/ Phillip E. Powell	/s/ Rick L. Wessel
Phillip E. Powell Chairman of the Board and Chief Executive Officer	Rick L. Wessel Chief Accounting Officer