

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

Current Report  
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

February 11, 2020  
(Date of Report - Date of Earliest Event Reported)



**FIRSTCASH, INC.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-10960**  
(Commission  
File Number)

**75-2237318**  
(IRS Employer  
Identification No.)

**1600 West 7th Street Fort Worth Texas 76126**  
(Address of principal executive offices, including zip code)

**(817) 335-1100**  
(Registrant's telephone number, including area code)

**NONE**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$.01 per share	FCFS	The Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01 Regulation FD Disclosure.**

FirstCash, Inc. has made available on its corporate website (investors.firstcash.com) its most recent investor presentation. This presentation is included as Exhibit 99.1.

The information provided in this Item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by the specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits:

99.1	<a href="#">FirstCash, Inc. Investor Presentation</a>
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document contained in Exhibit 101)

**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: February 11, 2020

FIRSTCASH, INC.

(Registrant)

/s/ R. DOUGLAS ORR

R. Douglas Orr

Executive Vice President and Chief Financial Officer

(As Principal Financial and Accounting Officer)

**EXHIBIT 99.1**



***FirstCash***<sup>®</sup>

# **INVESTOR PRESENTATION**

**FEBRUARY 2020**



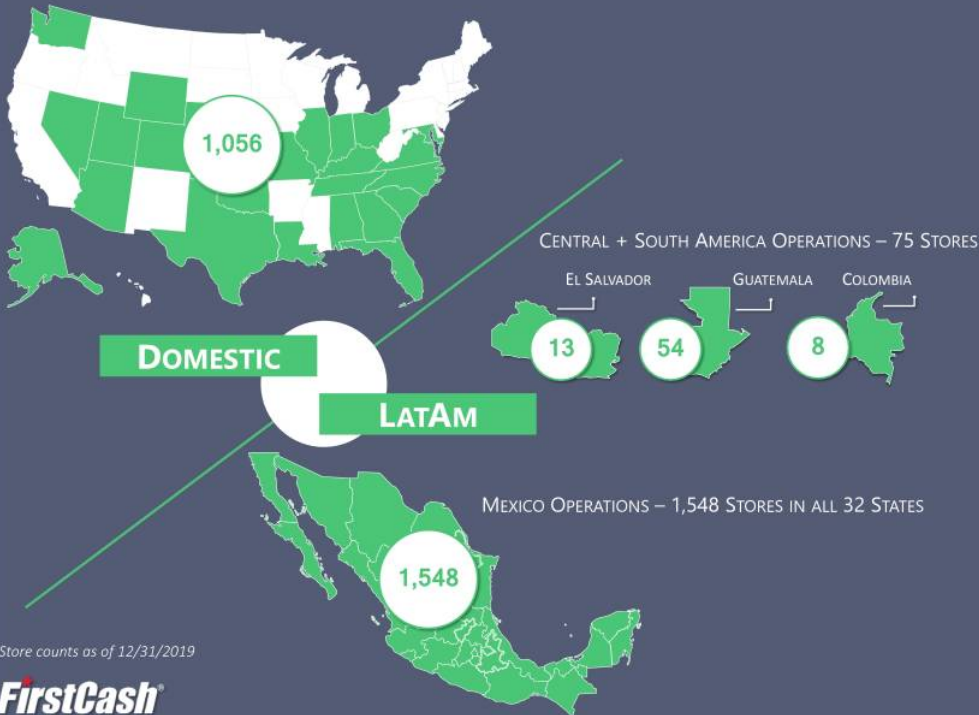
# FORWARD-LOOKING STATEMENTS

THIS PRESENTATION CONTAINS FORWARD-LOOKING STATEMENTS ABOUT THE BUSINESS, FINANCIAL CONDITION AND PROSPECTS OF FIRSTCASH, INC. AND ITS WHOLLY OWNED SUBSIDIARIES (TOGETHER, THE "COMPANY"). FORWARD-LOOKING STATEMENTS, AS THAT TERM IS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "OUTLOOK," "BELIEVES," "PROJECTS," "EXPECTS," "MAY," "ESTIMATES," "SHOULD," "PLANS," "TARGETS," "INTEND," "COULD," "WOULD," "ANTICIPATES," "POTENTIAL," "CONFIDENT," "OPTIMISTIC," OR THE NEGATIVE THEREOF, OR OTHER VARIATIONS THEREON, OR COMPARABLE TERMINOLOGY, OR BY DISCUSSIONS OF STRATEGY, OBJECTIVES, ESTIMATES, GUIDANCE, EXPECTATIONS AND FUTURE PLANS. FORWARD-LOOKING STATEMENTS CAN ALSO BE IDENTIFIED BY THE FACT THAT THE STATEMENTS DO NOT RELATE STRICTLY TO HISTORICAL OR CURRENT MATTERS. RATHER, FORWARD-LOOKING STATEMENTS RELATE TO ANTICIPATED OR EXPECTED EVENTS, ACTIVITIES, TF OR RESULTS. BECAUSE FORWARD-LOOKING STATEMENTS RELATE TO MATTERS THAT HAVE NOT YET OCCURRED, THESE STATEMENTS ARE INHERENTLY SUBJECT TO RISKS AND UNCERTAIN

WHILE THE COMPANY BELIEVES THE EXPECTATIONS REFLECTED IN FORWARD-LOOKING STATEMENTS ARE REASONABLE, THERE CAN BE NO ASSURANCES SUCH EXPECTATIONS WILL PRO BE ACCURATE. SECURITY HOLDERS ARE CAUTIONED SUCH FORWARD-LOOKING STATEMENTS INVOLVE RISKS AND UNCERTAINTIES. CERTAIN FACTORS MAY CAUSE RESULTS TO DIFFER MATERIALLY FROM THOSE ANTICIPATED BY THE FORWARD-LOOKING STATEMENTS MADE IN THIS PRESENTATION. SUCH FACTORS MAY INCLUDE, WITHOUT LIMITATION, THE RISKS, UNCERTAINTIES AND REGULATORY DEVELOPMENTS DISCUSSED AND DESCRIBED IN THE COMPANY'S 2019 ANNUAL REPORT ON FORM 10-K FILED WITH THE SECURITIES AND EXCHAN COMMISSION (THE "SEC") ON FEBRUARY 3, 2020, INCLUDING THE RISKS DESCRIBED IN PART 1, ITEM 1A, "RISK FACTORS" THEREOF, AND OTHER REPORTS FILED BY THE COMPANY \ THE SEC. MANY OF THESE RISKS AND UNCERTAINTIES ARE BEYOND THE ABILITY OF THE COMPANY TO CONTROL, NOR CAN THE COMPANY PREDICT, IN MANY CASES, ALL OF THE RISK AND UNCERTAINTIES THAT COULD CAUSE ITS ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED BY THE FORWARD-LOOKING STATEMENTS. THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PRESENTATION SPEAK ONLY AS OF THE DATE OF THIS PRESENTATION, AND THE COMPANY EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING REPORT ANY UPDATES OR REVISIONS TO ANY SUCH STATEMENT TO REFLECT ANY CHANGE IN THE COMPANY'S EXPECTATIONS OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMST ON WHICH ANY SUCH STATEMENT IS BASED, EXCEPT AS REQUIRED BY LAW.



U.S. OPERATIONS – 1,056 STORES IN 24 STATES AND THE DISTRICT OF COLUMBIA



## WHO WE ARE

LEADING INTERNATIONAL PAWN OPERATOR WITH MORE THAN 2,600 RETAIL PAWN LOCATIONS AND 27,000 EMPLOYEES IN 5 COUNTRIES



## PAWN-FOCUSED BUSINESS MODEL

SMALL SECURED PAWN LOANS TO UNBANKED AND UNDERBANKED CONSUMERS – FULL SERVICE LENDING AND RETAIL WITH STRONG MARGINS AND CASH FLOW – REcession-RESISTANT BUSINESS MODEL



## GROWTH STRATEGY

PROVEN MULTI-COUNTRY GROWTH STRATEGY WITH A MATURE U.S. BUSINESS AND A LONG RUNWAY FOR FURTHER GROWTH IN LATIN AMERICA



## SHAREHOLDER VALUE

STRONG BALANCE SHEET TO FUND FUTURE GROWTH THROUGH ACQUISITIONS, SHARE BUYBACKS AND PAY DIVIDENDS



# WHY FIRSTCASH?

**1 ATTRACTIVE INDUSTRY DYNAMICS**

- STEADY DEMAND ACROSS ECONOMIC CYCLES - RECESSION RESISTANT
- CUSTOMER BASE IS UNDERSERVED - MOST LENDERS DO NOT OFFER LOANS OF \$150 OR LESS
- STABLE REGULATORY ENVIRONMENT

**2 STRONG GROWTH METRICS**

- STORE LOCATIONS
- NET INCOME AND EPS
- STRONG CASH FLOW TO FUEL GROWTH

**3 SHAREHOLDER RETURNS & STOCK REPURCHASES**

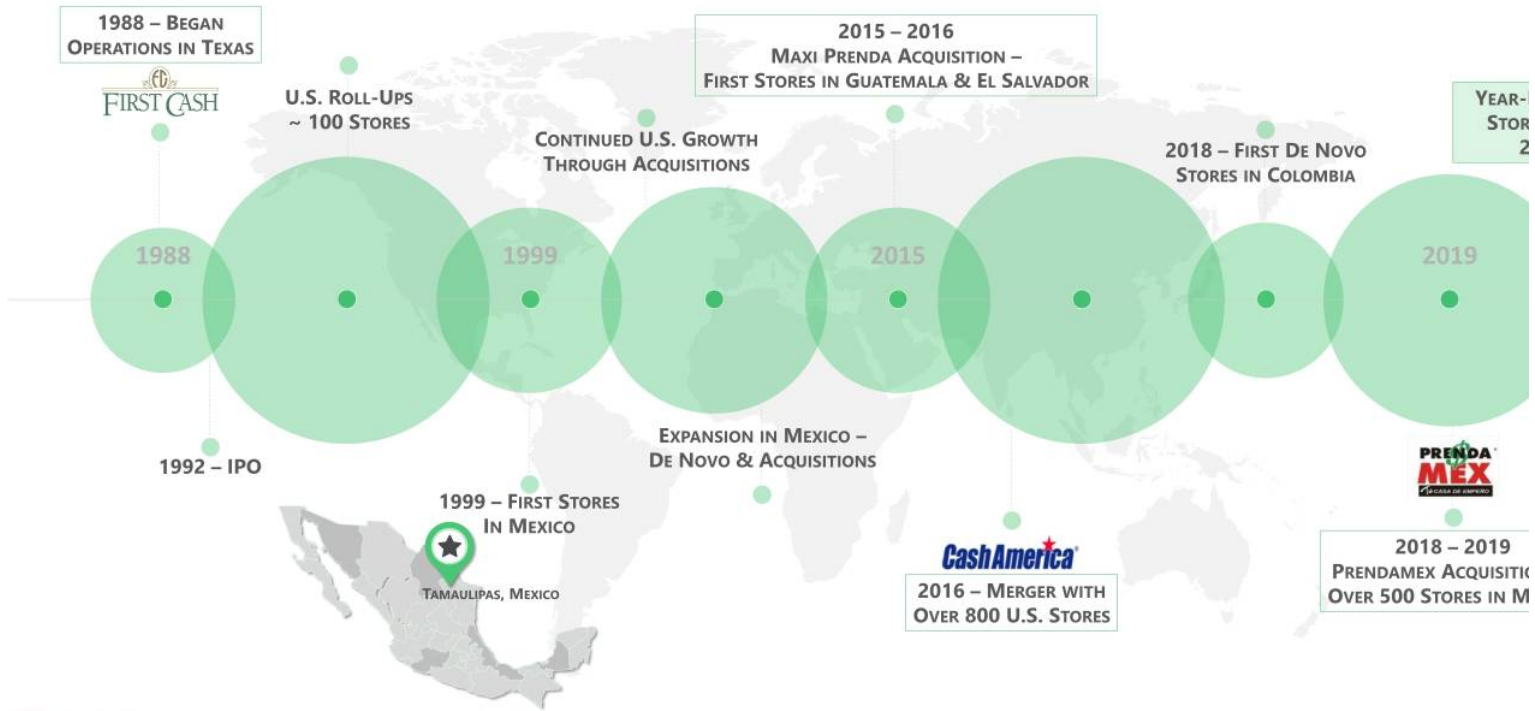
- RISING DIVIDEND
- ACTIVE SHARE REPURCHASE PROGRAM



■ 2017 ■ 2018 ■ 2019 ■ 2020 Guidance

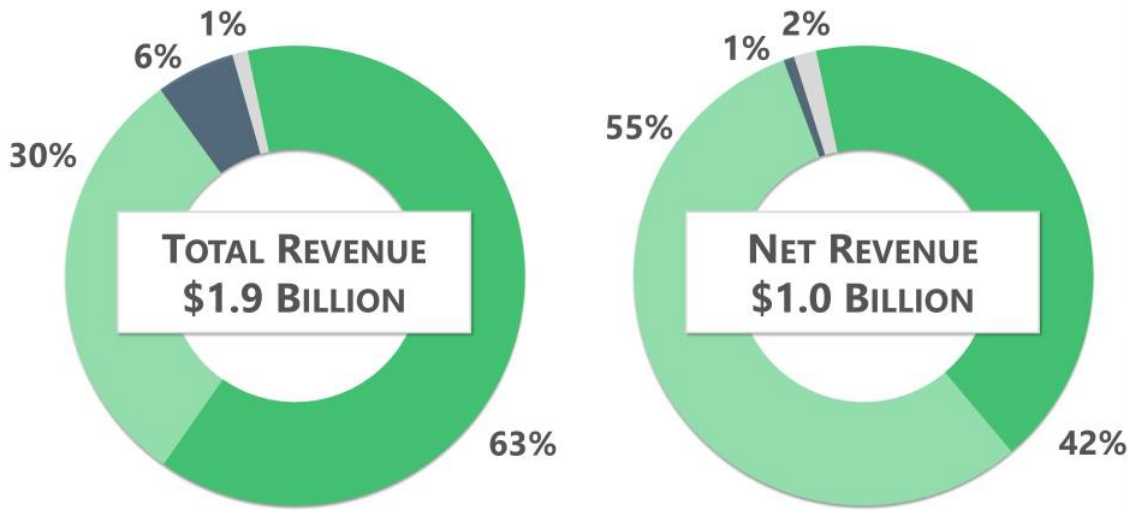


# FIRSTCASH TIMELINE



# LARGEST PAWN OPERATOR IN THE AMERICAS

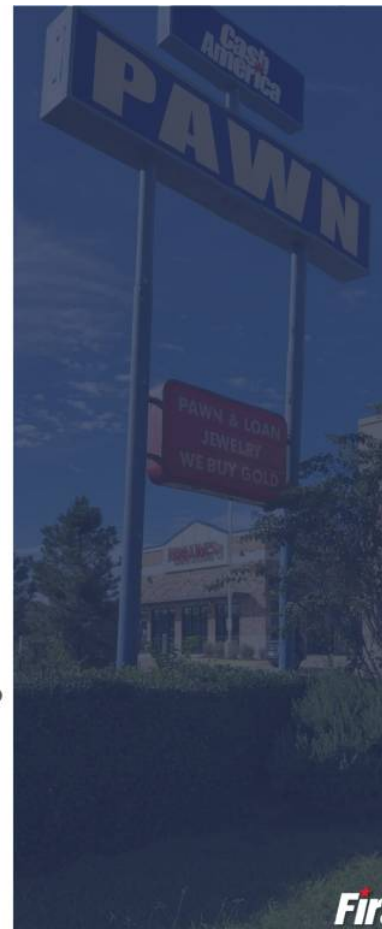
- PAWN OPERATIONS REPRESENT 99% OF REVENUE
- ALMOST \$2 BILLION IN REVENUE



■ RETAIL SALES ■ PAWN FEES ■ SCRAP JEWELRY SALES ■ CONSUMER LOAN/SERVICE FEES<sup>1</sup>

<sup>1</sup>Consumer lending operations are expected to account for approximately one quarter of one percent, or 0.25%, of total revenues in 2020

TTM results as of 12/31/2019



Fit

# PAWN LOANS ARE SMALL, AFFORDABLE AND WITH NO CREDIT RISK

## ✓ PAWN LOANS ARE SMALL AND AFFORDABLE WITH A SHORT DURATION

- TYPICALLY 30 TO 60 DAY TERM
- AVERAGE LOAN SIZE



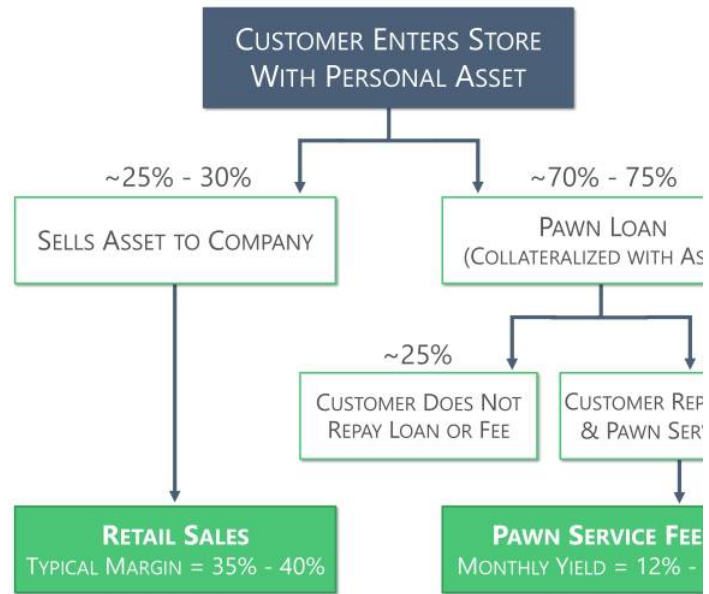
## ✓ FULLY COLLATERALIZED WITH PERSONAL PROPERTY

- COLLATERAL HELD IN SECURE BACKROOM OF STORE
- RAPID LIQUIDATION OF FORFEITED COLLATERAL THROUGH PAWN SHOP RETAIL OPERATIONS
- TYPICAL RETAIL MARGIN OF 35% TO 40% ON SALE OF FORFEITED COLLATERAL



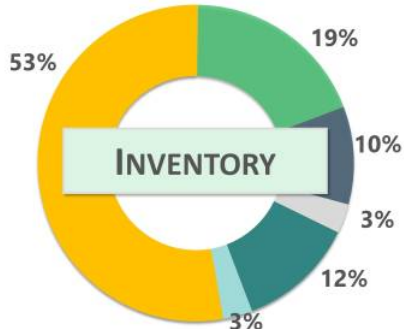
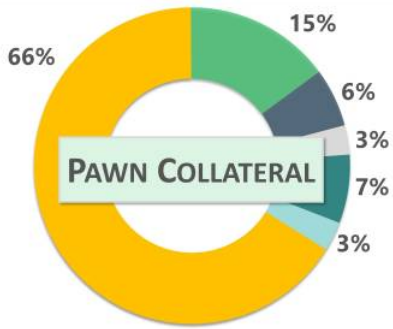
## ✓ TYPICAL PAWN TRANSACTION CYCLE

— TOTAL TRANSACTION TIME LESS THAN 15 MINUTES

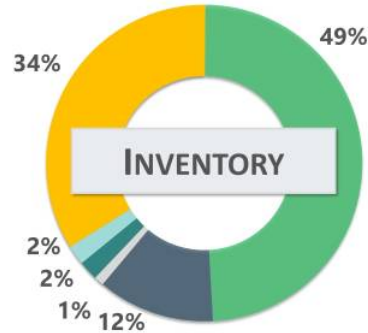
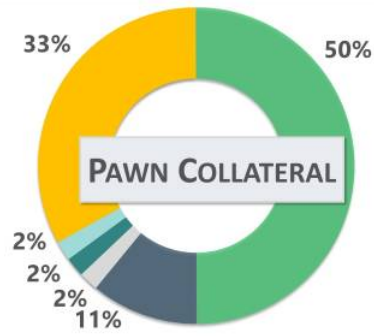


# PAWN COLLATERAL AND INVENTORY COMPOSITION

## U.S. SEGMENT

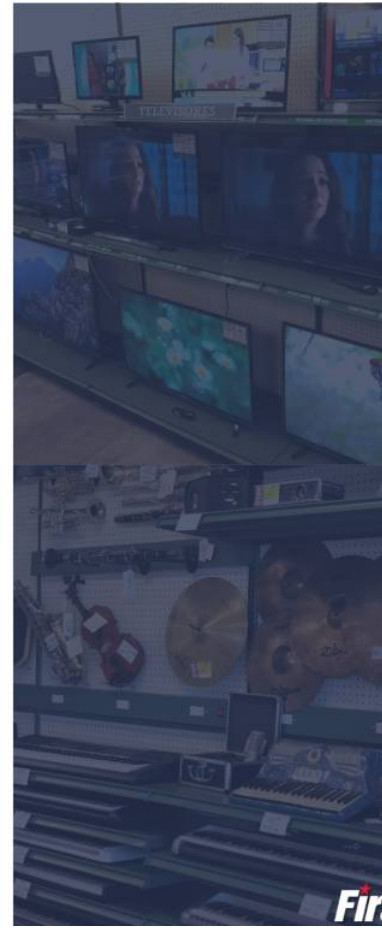


## LATAM SEGMENT



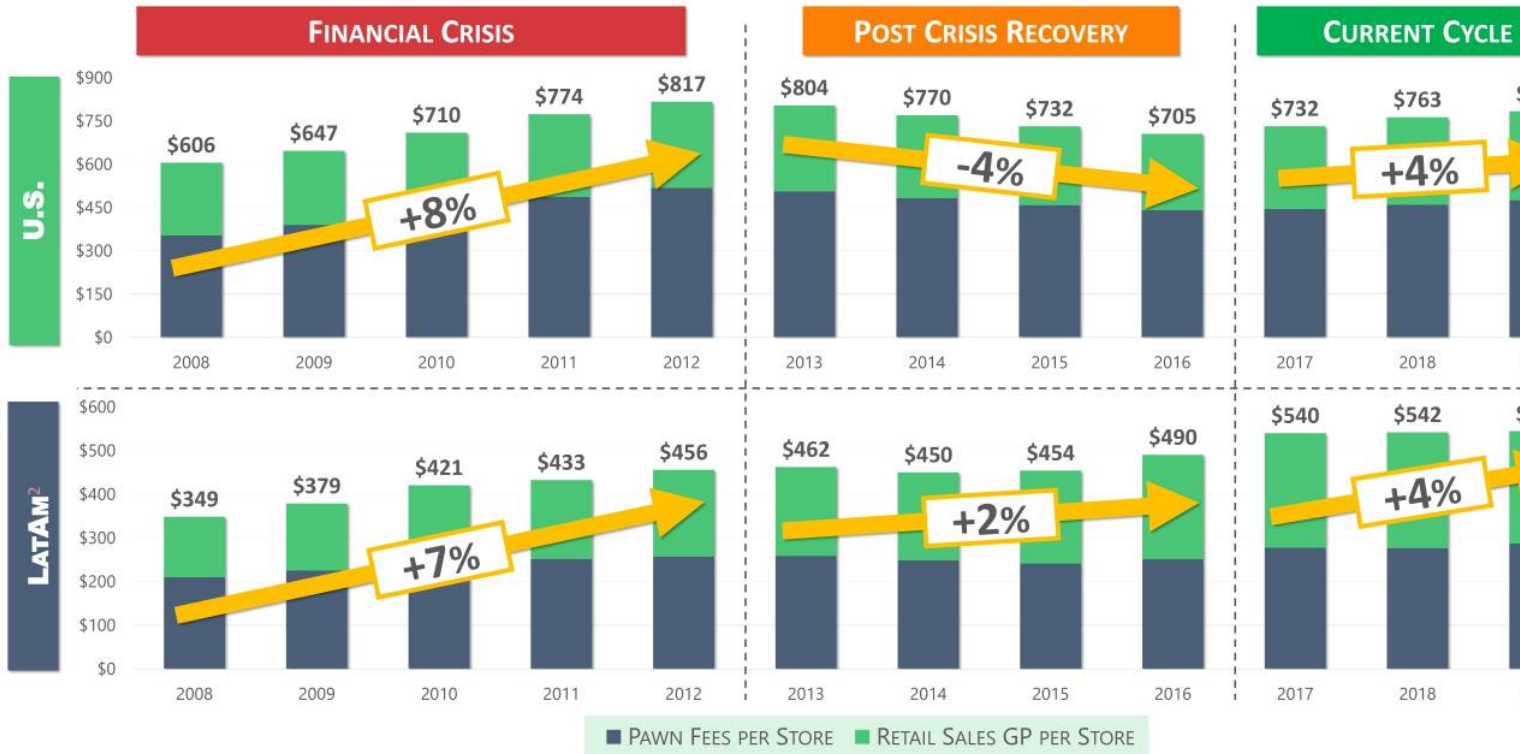
■ JEWELRY 
 ■ ELECTRONICS 
 ■ TOOLS 
 ■ SPORTING GOODS 
 ■ MUSICAL INSTRUMENTS 
 ■ OTHER

Results as of 12/31/2019



# PAWN REVENUE GROWTH ACROSS ECONOMIC CYCLES

LEGACY FIRST CASH U.S. AND LATAM CORE GROSS PROFIT<sup>1</sup> PER STORE



<sup>1</sup>Core pawn GP from legacy LatAm stores in operation since 2006 <sup>2</sup>CC Revenue, 2008 MXN @ 11.16 – Constant currency results are non-GAAP financial measures and are calculated by translating 2009 – 2019 amounts using the Avg. Ex rate rate for the year ended December 31, 2008.

## PAWNSHOPS SERVE UNBANKED AND UNDERBANKED CONSUMERS

- ✓ PAWN LOANS CAN BE EASILY ACCESSED BY CUSTOMERS WITH LIMITED ACCESS TO TRADITIONAL CREDIT PRODUCTS
  - NO BANK ACCOUNT OR CREDIT HISTORY NECESSARY
  - ONLY A VALID GOVERNMENT ISSUED ID AND COLLATERAL REQUIRED
- ✓ TRUE MICROFINANCE PRODUCT
  - SMALL, AFFORDABLE AND LOWER COST ALTERNATIVE TO PAYDAY LOANS
- ✓ PAWNS ARE CUSTOMER FRIENDLY
  - NON-RECOURSE LOANS
  - NO LATE FEES
  - NO COLLECTIONS
  - NO NEGATIVE EXTERNAL CREDIT REPORTING



*"About 53 million U.S. adults don't have credit scores. Another roughly 56 million have subprime scores. Some have a checkered borrowing history or high debt loads. But others, banks point out, just don't have traditional borrowing backgrounds, often because they are new to the U.S. or pay for most expenses with cash"*

*— The Wall Street Journal*



**FirstCash**



# ENVIRONMENTAL SUSTAINABILITY



## CIRCULAR ECONOMY

NEIGHBORHOOD-BASED STORES WHICH CONTRIBUTE TO THE MODERN "CIRCULAR ECONOMY" – **BUY** → **USE** → **RETURN**



## NO SUPPLY CHAIN

LOCAL SOURCING OF PRE-OWNED GOODS ELIMINATES NEED FOR MANUFACTURING FACILITIES, DISTRIBUTION CENTERS AND TRANSPORTATION SERVICES



## SAFE ENVIRONMENT

BUY AND RESELL POPULAR CONSUMER PRODUCTS IN A SAFE AND SECURE ENVIRONMENT FOR EMPLOYEES AND CUSTOMERS



## RECYCLE

INVENTORY IS PRE-OWNED MERCHANDISE WHICH IS SOURCED AND THEN RECYCLED WITHIN EACH STORES GEOGRAPHIC NEIGHBORHOOD

*With over 14 million individual pre-owned items sold annually, we believe we are one of the largest resellers of recycled consumer products in the Americas...*

**FirstCash**

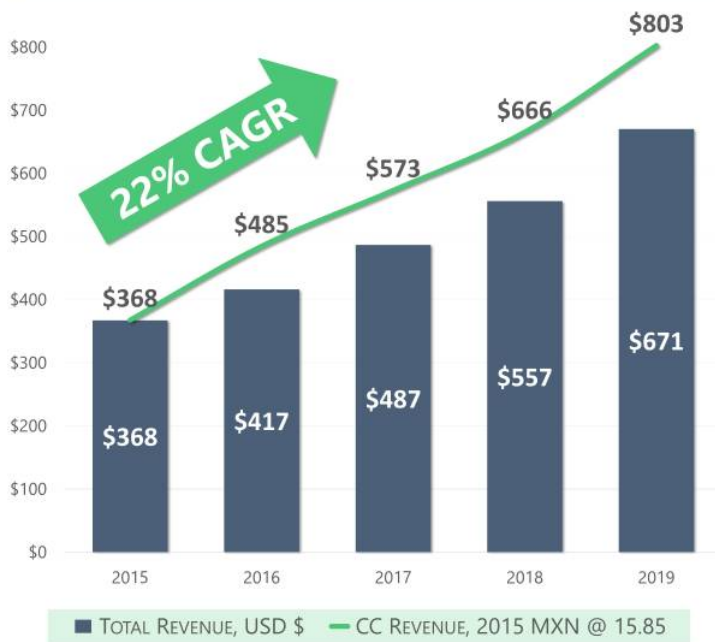
# LATIN AMERICA OVERVIEW





# FIRSTCASH LATAM GROWTH – REVENUE AND STORE COUNT

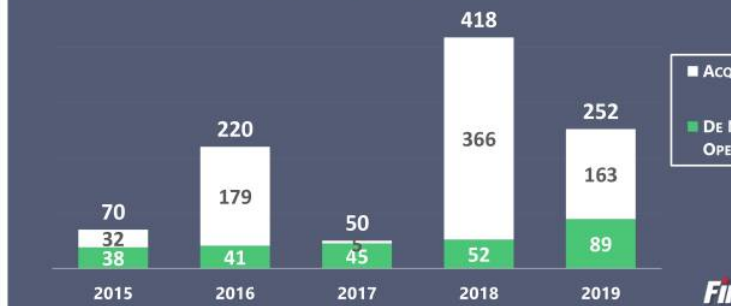
## REVENUE GROWTH



## STORE COUNT



## STORE ADDITIONS BY YEAR

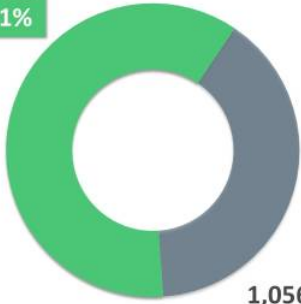


Presented constant currency results are non-GAAP financial measures and are calculated by translating 2016, 2017, 2018 and 2019 amounts using the average exchange rate for the year ended December 31, 2015

# MAJORITY OF STORES & EMPLOYEES BASED IN LATAM

■ LATAM ■ U.S.

1,623  
61%

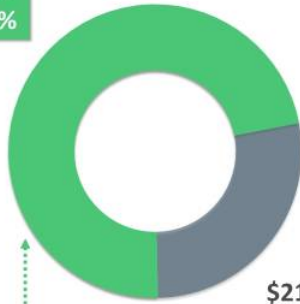


## STORES

TOTAL COUNT: 2,679

1,056  
39%

\$55  
72%

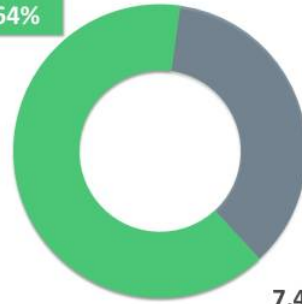


## STORE ADDITION INVESTMENT

TOTAL AMOUNT: \$76 MILLION

\$21  
28%

13,363  
64%



## EMPLOYEES

TOTAL COUNT: 20,851

7,488  
36%

\$145  
37%



## SEGMENT CONTRIBUTION

TOTAL AMOUNT: \$387 MILLION

OVER 70% OF STORE INVESTMENTS IN LATAM

# GROWING SEGMENT CONTRIBUTION FROM LATAM

## % OF TOTAL SEGMENT CONTRIBUTIONS



 2020 PROJECTION

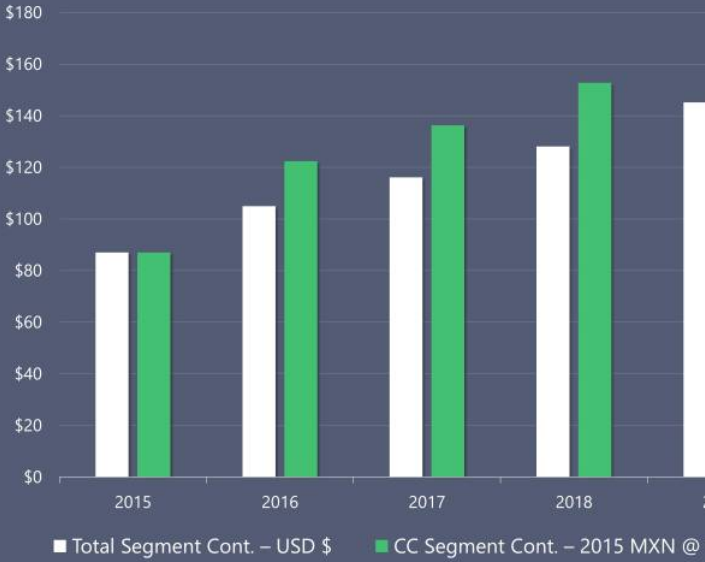


 2018 ACTUAL



 2019 ACTUAL

## LATAM SEGMENT CONTRIBUTION GROWTH

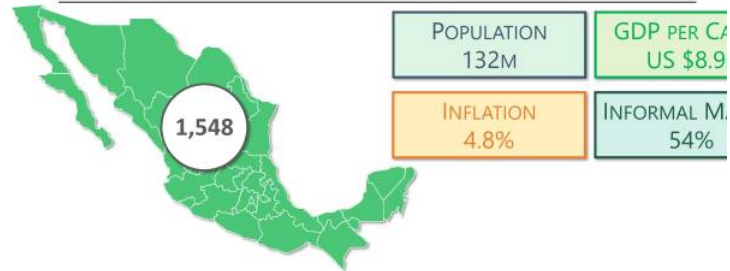


# OVER 1,600 LATAM LOCATIONS IN 4 COUNTRIES

LATIN AMERICA CONTINUES TO BE THE PRIMARY STORE GROWTH VEHICLE - SIGNIFICANT UNTAPPED POTENTIAL IN THE REGION

- ✓ SUBSTANTIAL INFRASTRUCTURE AND CASH FLOWS TO ACCOMPLISH NEW ACQUISITIONS AND DE NOVO EXPANSION
- ✓ SIGNIFICANT RUNWAY FOR CONTINUED STORE OPENINGS AND STRATEGIC ACQUISITIONS IN MEXICO; UP TO 2,000 STORES
- ✓ FOUR STORES OPENED IN COLOMBIA IN 2018 AND FOUR MORE OPENED IN 2019. COLOMBIA IS A SIGNIFICANT MARKET WITH A POPULATION OF ALMOST 50 MILLION
- ✓ SIX NEW STORES OPENED IN GUATEMALA IN 2018 AND 15 MORE OPENED IN 2019. THEY MARK THE INTRODUCTION OF THE COMPANY'S LARGE FORMAT FIRST CASH BRANDED STORES IN THE COUNTRY
- ✓ LOOK STRATEGICALLY FOR ADDITIONAL EXPANSION AND ACQUISITION OPPORTUNITIES IN OTHER LATIN AMERICAN MARKETS

## MEXICO OPERATIONS – 1,548 STORES IN 32 STATES



## CENTRAL AND SOUTH AMERICA OPERATIONS – 75 STORES



Store counts as of 12/31/2019; Economic data sourced from World Bank, Forbes and Federal Reserve Bank of Boston





## PRENDAMEX ACQUISITIONS

- ✔ **529 ACQUIRED PRENDAMEX STORES**
  - MOSTLY SMALLER FORMAT LOCATIONS (TYPICALLY LESS THAN 2,500 FT<sup>2</sup>) IN HIGH TRAFFIC AREAS
  - FOCUSED ON JEWELRY AND SMALL ELECTRONICS
- ✔ **MANY SIMILARITIES TO THE SUCCESSFUL MAXI PRENDA ACQUISITION IN MEXICO IN EARLY 2016**
  - POTENTIAL TO INCREASE RETAIL SALES AND MARGINS
  - PAIRS WITH LARGE FORMAT FIRSTCASH STORES TO ACCESS MORE URB. NEIGHBORHOODS
- ✔ **PRENDAMEX STORES ACQUIRED OVER THE PAST TWO YEARS ARE PERFORMING WELL**
  - CONSTANT CURRENCY SAME-STORE CORE REVENUES UP 31% IN THE FOURTH QUARTER; 46% INCREASE IN RETAIL SALES
  - REALIZATION OF EXPENSE SYNERGIES, WHICH CONTRIBUTED TO THE SEQUENTIAL DECLINE IN ADMIN EXPENSES IN THE FOURTH QUARTER

# PROVEN NEW STORE OPENING PROCESS AND RAPID PAYBACK MODEL

NEW STORE INVESTMENT (USD \$)	
<b>CAP EX</b>	<b>\$181,000</b>
- LEASEHOLD IMPROVEMENTS & FIXTURES	
- COMPUTER & SECURITY EQUIPMENT	
<b>START-UP LOSSES</b>	<b>\$26,000</b>
- PRE-OPENING	
- FIRST SIX MONTHS OF OPERATION	
<b>TOTAL STORE INVESTMENT</b>	<b>\$207,000</b>
WORKING CAPITAL (USD \$)	
<b>FIRST YEAR FOR NEW STORE</b>	<b>\$93,000</b>
- OPERATING CASH	
- LOAN FUNDING	
- INVENTORY	

## TYPICAL MEXICO NEW STORE RAMP



<sup>1</sup> Store-level operating profit (excluding pre-opening cost); Data is based on NSO 2010-2018

## UNDEVELOPED SITE



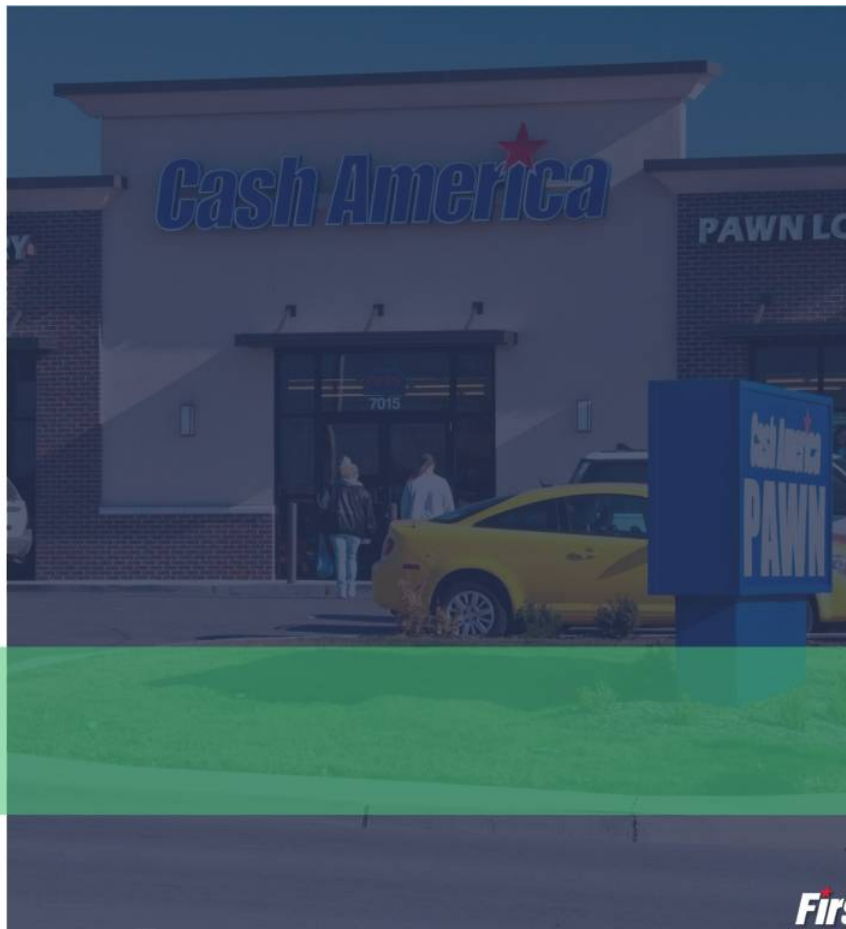
- OPENED FIRST STORES IN MEXICO IN 1999
- EXPERIENCED REAL ESTATE DEVELOPMENT TEAM
- PROVEN SITE SELECTION STRATEGY

## SAME SITE AFTER REDEVELOPMENT



- STANDARDIZED STORE LAYOUTS, FIXTURES AND EQUIPMENT
- STATE OF THE ART SECURITY TECHNOLOGY
- CONSISTENT PROCESS ENSURES THE NEW STORES ARE DELIVERED ON TIME AND WITHIN BUDGET

# UNITED STATES OVERVIEW



# OVER 1,000 U.S. LOCATIONS IN 24 STATES AND THE DISTRICT OF COLUMBIA

## ✓ OPERATIONS FOCUSED IN STATES WITH:

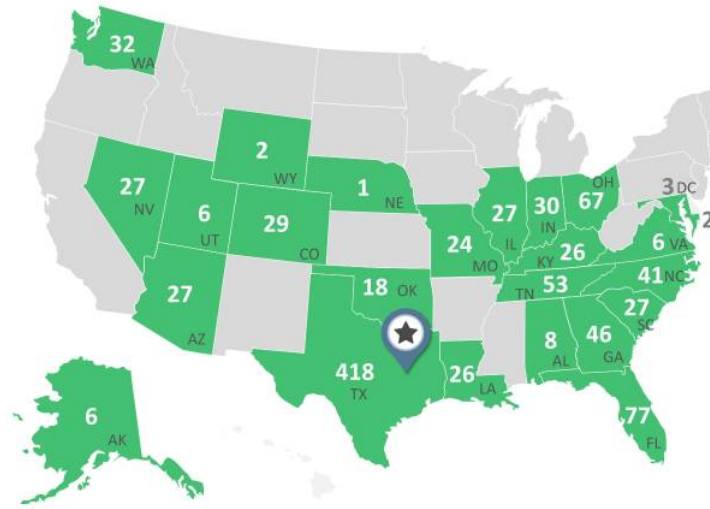
- GROWING POPULATIONS
- STABLE AND FAVORABLE REGULATIONS

## ✓ SIGNIFICANT UNDERBANKED DEMOGRAPHICS

## ✓ CONTINUE SCOUTING SMALL ACQUISITIONS IN EXISTING MARKETS

- HIGHLY FRAGMENTED INDUSTRY
- OPPORTUNITY FOR CONTINUED ROLLUPS OF SMALL INDEPENDENT OPERATORS (1 TO 20 STORES)

## ✓ RECENT ACQUISITIONS BY YEAR



★ FirstCash headquarters located in Fort Worth, Texas — Store counts as of 12/31/2019



# U.S. OPERATING TRENDS: Q4-2019

- **RETAIL AND OPERATIONS MARGINS CONTINUE TO IMPROVE DUE TO OPTIMIZATION OF LENDING AND RETAILING STRATEGIES IN CASH AMERICA LOCATIONS**

- **DESPITE CONSUMER LENDING WIND-DOWN, U.S. SEGMENT PRE-TAX OPERATING INCOME FLAT TO PRIOR-YEAR:**

- EXCLUDING CONSUMER LENDING, UP 6% ON AN ADJUSTED NON-GAAP BASIS COMPARED TO PRIOR-YEAR
- DRIVEN PRIMARILY BY IMPROVED RETAIL MARGINS, PAWN LOAN YIELDS AND OPERATING EXPENSE REDUCTIONS

- **RETAIL MARGIN IMPROVEMENTS:**

- 2019 MARGIN OF 38% COMPARED TO 37% IN THE PRIOR-YEAR
- IMPROVED MARGIN AND TOP-LINE RETAIL SALES INCREASED GROSS PROFIT FROM RETAIL OPERATIONS 6% FOR THE YEAR

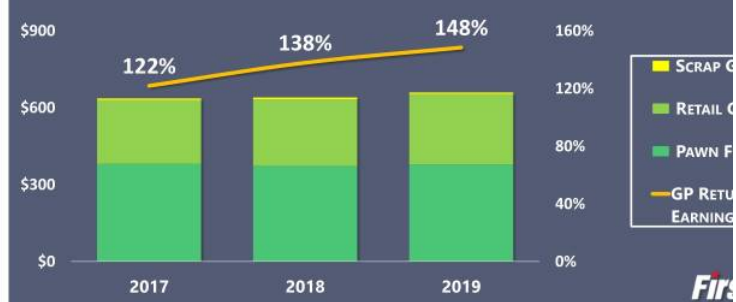
- **PAWN FEES INCREASE ON IMPROVED YIELDS:**

- FEES UP 2% TO THE PRIOR-YEAR DESPITE SLIGHTLY LOWER LEVELS OF PAWN RECEIVABLES
- PAWN YIELDS IMPROVED BY 2% FOR THE YEAR

## RETAIL MARGIN AND SEGMENT OPERATING MARGINS



## RETURN ON EARNING ASSETS



See appendix for reconciliation to segment pre-tax operating income.

## STABLE REGULATORY CLIMATE FOR PAWN

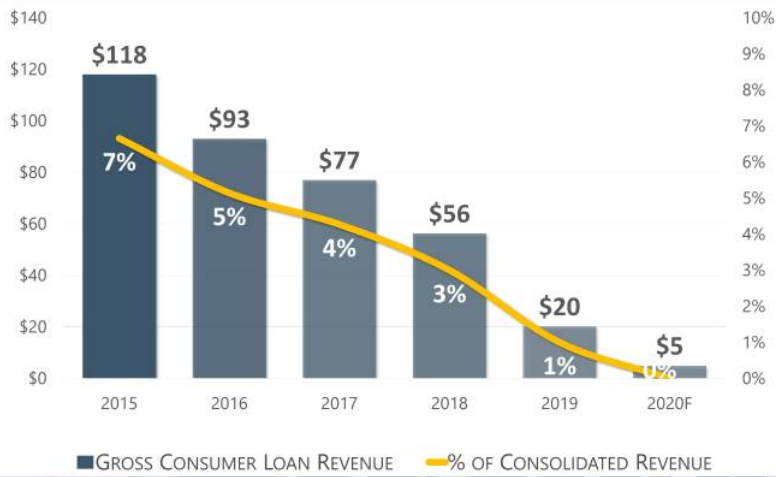
- ✓ **PAWN LOANS ARE DIFFERENT FROM TRADITIONAL CONSUMER LOAN PRODUCTS AND NOT SUBJECT TO THE CFPB SMALL DOLLAR LOAN RULES BECAUSE THEY:**
  - ARE NON-RECOURSE LOANS
  - HAVE SIGNIFICANTLY SMALLER AVERAGE LOAN SIZES
  - DO NOT INVOLVE CREDIT CHECKS, COLLECTION ACTIVITIES, ACH TRANSACTIONS OR NEGATIVE CREDIT REPORTING
- ✓ **REGULATIONS ARE PRIMARILY AT THE STATE LEVEL IN THE U.S. AND THE FEDERAL LEVEL IN LATIN AMERICA.**
  - NO SIGNIFICANT NEGATIVE REGULATORY CHANGES IN THE LAST 25 YEARS
  - STATES WITH A POSITIVE RATE CHANGE INCLUDE:
    - OHIO: ENACTED MARCH 28, 2017
    - WASHINGTON: ENACTED JULY 24, 2015
    - ARIZONA: ENACTED JULY 24, 2014
    - NEVADA: ENACTED OCTOBER 1, 2011



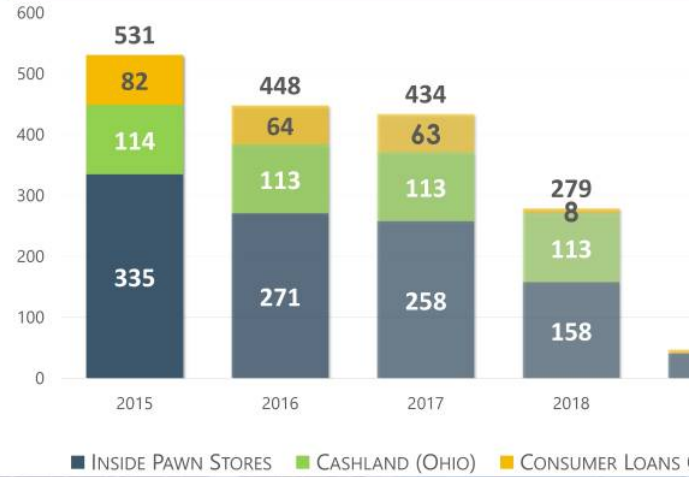
# WIND-DOWN OF NON-CORE CONSUMER LENDING PRODUCTS AND STORES

PRO FORMA INCLUDING CASH AMERICA

## CONSUMER LOAN REVENUE



## CONSUMER LOAN LOCATIONS



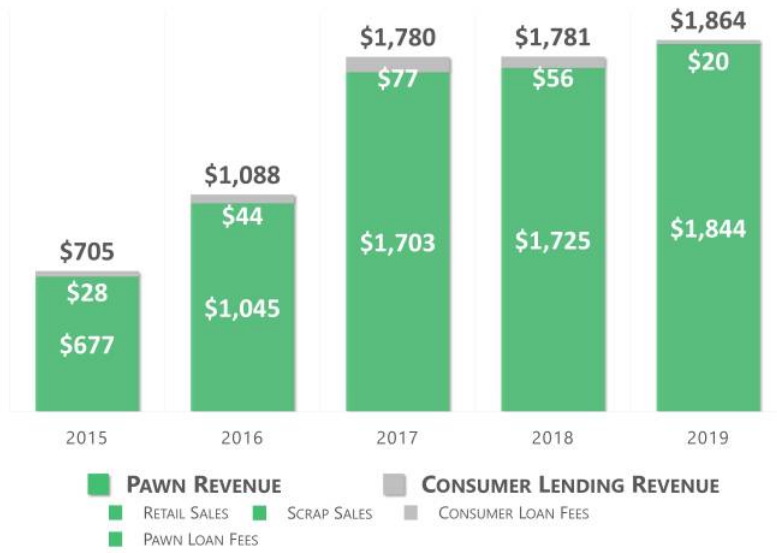
# FINANCIAL HIGHLIGHTS



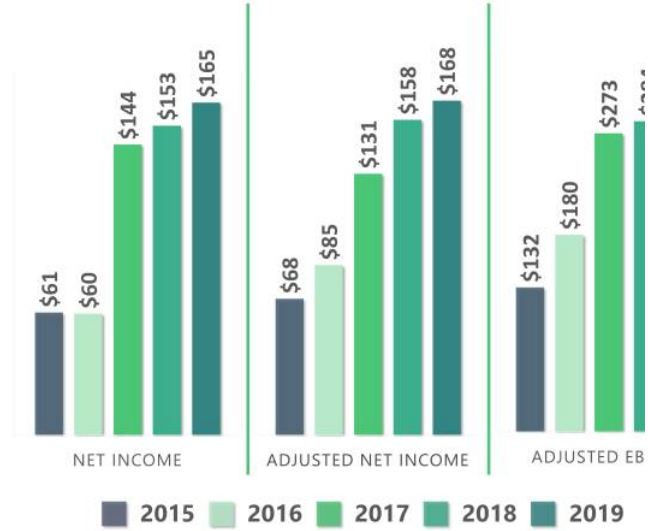
# REVENUE AND EARNINGS GROWTH

(\$ IN MILLIONS)

## REVENUE



## PROFITABILITY



# EARNINGS PER SHARE



Guidance as of press release 01/29/2020

<sup>1</sup>Adjusted earnings per share excludes certain non-recurring tax benefits as a result of the Tax Cuts and Jobs Act, merger and acquisition expenses, consumer lending impairment expenses, Ohio wind-down costs and debt extinguishment costs, which are further described in the detailed reconciliations of non-GAAP financial measures elsewhere in this presentation.

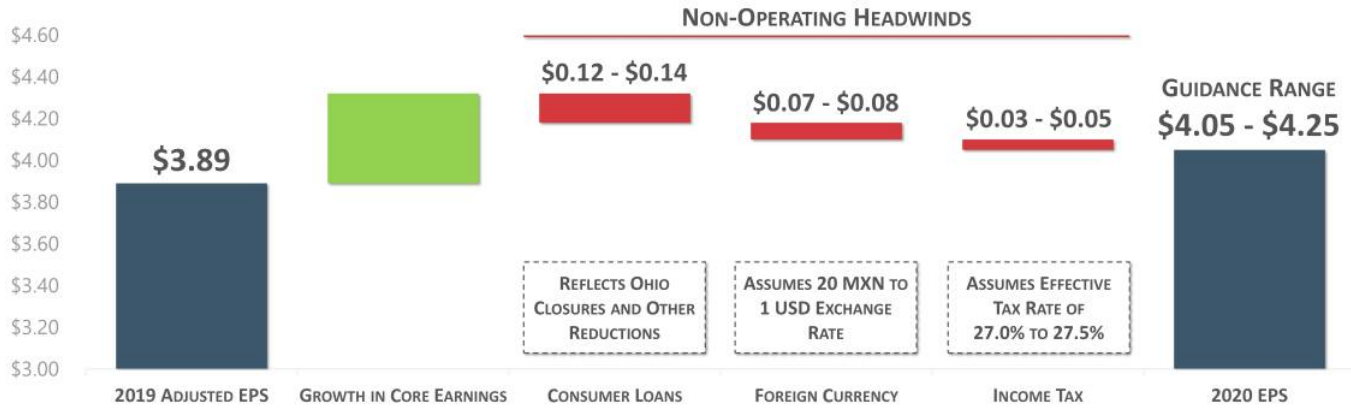


# FISCAL 2020 OUTLOOK



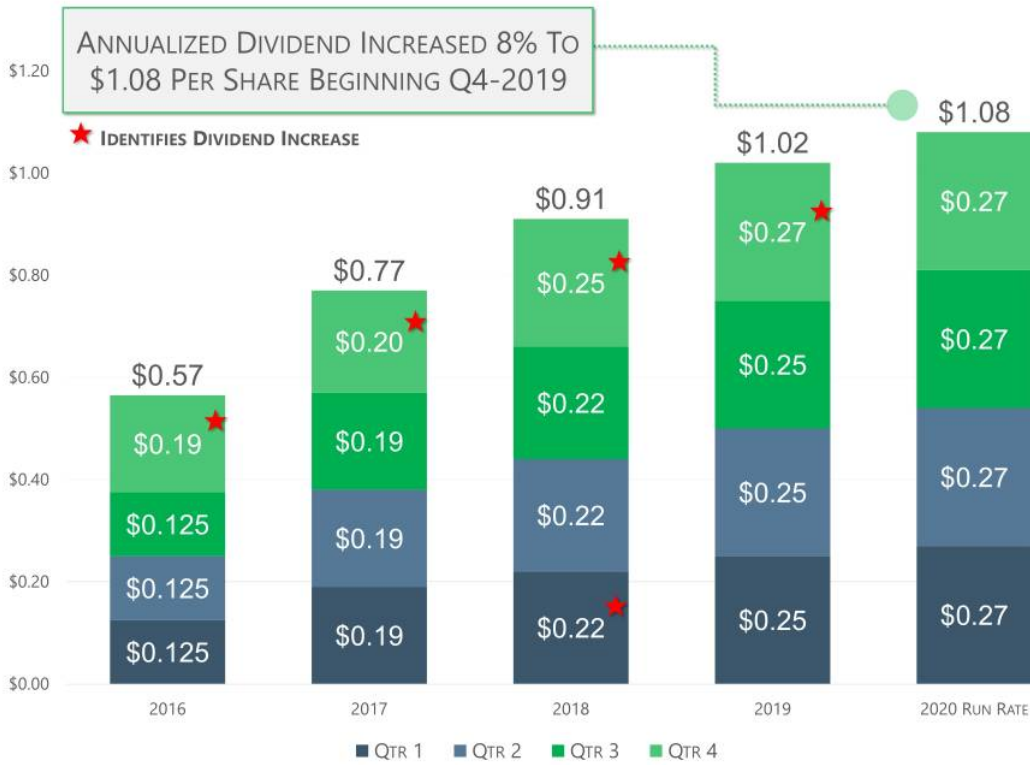
**INITIAL FULL-YEAR 2020 GUIDANCE FOR ADJUSTED DILUTED EARNINGS PER SHARE EXPECTED TO IN THE RANGE OF \$4.05 TO \$4.25**

- GUIDANCE REPRESENTS ADJUSTED EARNINGS PER SHARE GROWTH TO BE IN A RANGE OF 6% TO 12% OVER THE PRIOR-YEAR GAAP BASIS DILUTED EARNINGS PER SHARE OF \$3.81
- EXCLUDING EXPECTED HEADWINDS OUTLINED BELOW, EARNINGS FROM CORE PAWN OPERATIONS EXPECTED TO BE UP 11% TO 16% COMPARED TO 2019 ADJUSTED EARNINGS PER SHARE OF \$3.89



As of Press Release 01/29/2020

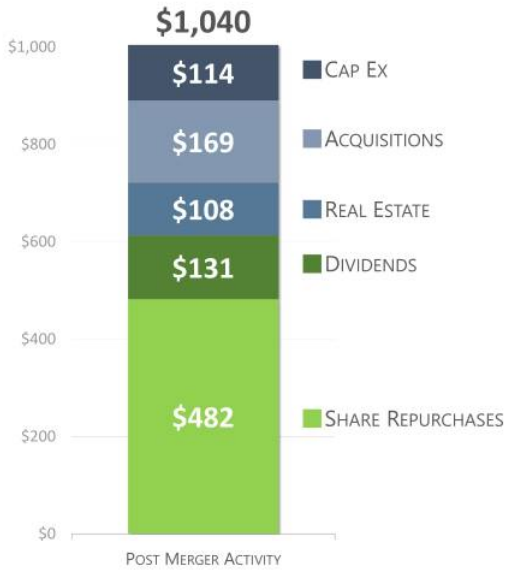
# DIVIDENDS CONTINUES TO GROW



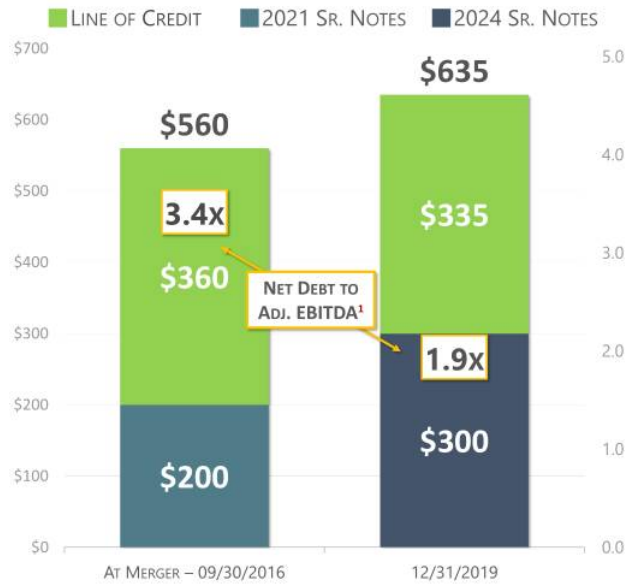


# POST-MERGER CASH FLOWS SUPPORT INVESTMENTS AND SHAREHOLDER RETURNS WITH MINIMAL ADDED LEVERAGE

**CAPITAL ALLOCATION POST MERGER ACTIVITY**  
10/01/2016 - 12/31/2019



**OUTSTANDING DEBT**  
AT MERGER – 09/30/2016 TO 12/31/2019



<sup>1</sup>Adjusted EBITDA, which is a component used in the calculation of the Net Debt Ratio, is a non-GAAP number; See Company's 01/29/2020 press release for a calculation of the Net Debt Ratio.



# \$1.8 BILLION IN GROWTH INVESTMENTS & SHAREHOLDER PAYOUTS

THE LAST 10 YEARS (SINCE 2009)

(\$ IN MILLIONS)



As of 12/31/2019



# INVESTMENT RECAP

## ✔ PAWN-FOCUSED BUSINESS MODEL

- SMALL SECURED PAWN LOANS TO UNBANKED AND UNDERBANKED CONSUMERS WITH LIMITED ACCESS TO TRADITIONAL CREDIT PRODUCTS
- FULL-SERVICE LENDING AND RETAIL MODEL IS A SIGNIFICANT COMPETITIVE ADVANTAGE WITH STRONG MARGINS AND CASH FLOWS
- RECESSION-RESISTANT BUSINESS MODEL

## ✔ PROVEN MULTI-COUNTRY GROWTH STRATEGY

- MATURE U.S. BUSINESS GENERATES SIGNIFICANT CASH FLOW
- LONG RUNWAY FOR GROWTH IN LATIN AMERICA WHERE CUSTOMER DEMOGRAPHICS ARE FAVORABLE AND COMPETITION IS LIMITED

## ✔ STRONG BALANCE SHEET TO FUND FUTURE GROWTH, ACQUISITIONS, SHARE BUYBACKS AND PAY DIVIDENDS

# APPENDIX



# Non-GAAP Financial Information

THE COMPANY USES CERTAIN FINANCIAL CALCULATIONS SUCH AS ADJUSTED NET INCOME, ADJUSTED DILUTED EARNINGS PER SHARE, EBITDA, ADJUSTED EBITDA, FREE CASH FLOW, ADJUSTED CASH FLOW, CONSTANT CURRENCY RESULTS AND ADJUSTED SEGMENT PRE-TAX OPERATING INCOME AS FACTORS IN THE MEASUREMENT AND EVALUATION OF THE COMPANY'S OPERATING PERFORMANCE AND PERIOD-OVER-PERIOD GROWTH. THE COMPANY DERIVES THESE FINANCIAL CALCULATIONS ON THE BASIS OF METHODOLOGIES OTHER THAN GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ("GAAP"), PRIMARILY BY EXCLUDING FROM A COMPARABLE GAAP MEASURE CERTAIN ITEMS THE COMPANY DOES NOT CONSIDER TO BE REPRESENTATIVE OF ITS ACTUAL OPERATING PERFORMANCE. THESE FINANCIAL CALCULATIONS ARE "NON-GAAP FINANCIAL MEASURES" AS DEFINED IN SEC RULES. THE COMPANY USES THESE NON-GAAP FINANCIAL MEASURES IN CONDUCTING ITS BUSINESS BECAUSE MANAGEMENT BELIEVES THEY ARE LESS SUSCEPTIBLE TO VARIANCES IN ACTUAL OPERATING PERFORMANCE THAT CAN RESULT FROM THE EXCLUDED ITEMS, OTHER INFLUENCING FACTORS, CHARGES AND CURRENCY FLUCTUATIONS. THE COMPANY PRESENTS THESE FINANCIAL MEASURES TO INVESTORS BECAUSE MANAGEMENT BELIEVES THEY ARE USEFUL TO INVESTORS IN EVALUATING THE COMPANY'S PERFORMANCE. THESE FINANCIAL MEASURES ARE ONE OF THE PRIMARY FACTORS THAT DRIVE THE COMPANY'S CORE OPERATING PERFORMANCE AND BECAUSE MANAGEMENT BELIEVES THEY PROVIDE GREATER TRANSPARENCY INTO THE COMPANY'S RESULTS AND OPERATIONS. HOWEVER, ITEMS THAT ARE EXCLUDED AND OTHER ADJUSTMENTS AND ASSUMPTIONS THAT ARE MADE IN CALCULATING THESE NON-GAAP FINANCIAL MEASURES ARE SIGNIFICANT COMPONENTS IN UNDERSTANDING AND ASSESSING THE COMPANY'S FINANCIAL PERFORMANCE. THESE NON-GAAP FINANCIAL MEASURES SHOULD BE EVALUATED IN CONJUNCTION WITH, BUT NOT A SUBSTITUTE FOR, THE COMPANY'S GAAP FINANCIAL MEASURES. FURTHER, BECAUSE THESE NON-GAAP FINANCIAL MEASURES ARE NOT DETERMINED IN ACCORDANCE WITH GAAP AND ARE THEREBY MORE SUSCEPTIBLE TO VARYING CALCULATIONS, THE NON-GAAP FINANCIAL MEASURES, AS PRESENTED, MAY NOT BE COMPARABLE TO OTHER SIMILARLY TITLED MEASURES OF OTHER COMPANIES.

WHILE ACQUISITIONS ARE AN IMPORTANT PART OF THE COMPANY'S OVERALL STRATEGY, THE COMPANY HAS ADJUSTED THE APPLICABLE FINANCIAL CALCULATIONS TO EXCLUDE MERGER AND ACQUISITION EXPENSES TO ALLOW MORE ACCURATE COMPARISONS OF THE FINANCIAL RESULTS TO PRIOR PERIODS AND BECAUSE THE COMPANY DOES NOT CONSIDER THESE MERGER AND ACQUISITION EXPENSES TO BE RELATED TO THE ORGANIC OPERATIONS OF THE ACQUIRED BUSINESSES OR ITS CONTINUING OPERATIONS AND SUCH EXPENSES ARE GENERALLY NOT RELEVANT TO THE COMPANY'S LONG-TERM PERFORMANCE. THE COMPANY BELIEVES THAT PROVIDING ADJUSTED NON-GAAP MEASURES, WHICH EXCLUDE MERGER AND ACQUISITION EXPENSES, ALLOWS MANAGEMENT AND INVESTORS TO CONSIDER THE ONGOING OPERATIONS OF THE BUSINESS BOTH WITH, AND WITHOUT, SUCH EXPENSES. MERGER AND OTHER ACQUISITION EXPENSES INCLUDE INCREMENTAL COSTS DIRECTLY ASSOCIATED WITH MERGER AND ACQUISITION ACTIVITIES, INCLUDING PROFESSIONAL FEES, LEGAL EXPENSES, SEVERANCE, RETENTION AND EMPLOYEE-RELATED COSTS, CONTRACT BREAKAGE COSTS AND COSTS RELATED TO THE CONSOLIDATION OF TECHNOLOGY SYSTEMS AND CORPORATE FACILITIES, AMONG OTHERS.

## RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME

(\$ IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	YEAR ENDED DECEMBER 31,					
	2017		2018		2019	
	IN THOUSANDS	PER SHARE	IN THOUSANDS	PER SHARE	IN THOUSANDS	PER SHARE
NET INCOME	\$143,892	\$3.00	\$153,206	\$3.41	\$164,618	\$3.30
ADJUSTMENTS, NET OF TAX:						
MERGER AND OTHER ACQUISITION EXPENSES	5,710	0.12	5,412	0.12	1,276	0.03
OHIO CONSUMER LENDING WIND-DOWN COSTS AND ASSET IMPAIRMENTS	-	-	1,166	0.03	2,659	0.06
NET TAX BENEFIT FROM TAX ACT	(27,269)	(0.57)	(1,494)	(0.03)	-	-
NON-CASH FOREIGN CURRENCY GAIN RELATED TO LEASE LIABILITY	-	-	-	-	(653)	(0.02)
LOSS ON EXTINGUISHMENT OF DEBT	8,892	0.19	-	-	-	-
ADJUSTED NET INCOME	\$131,225	\$2.74	\$158,290	\$3.53	\$167,900	\$3.36

A reconciliation of net income and earnings per share to adjusted net income and adjusted earnings per share for the years ended December 31, 2015 and 2016 can be found in the Company's 10-K filed with the SEC on March 1, 2017.



## RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA

(\$ IN THOUSANDS)	YEAR ENDED DECEMBER 31,		
	2017	2018	2019
NET INCOME	\$143,892	\$153,206	\$164,618
INCOME TAXES	28,420	52,103	59,993
DEPRECIATION AND AMORTIZATION	55,233	42,961	41,904
INTEREST EXPENSE	24,035	29,173	34,035
INTEREST INCOME	(1,597)	(2,444)	(1,055)
<b>EBITDA</b>	<b>249,983</b>	<b>274,999</b>	<b>299,495</b>
ADJUSTMENTS:			
MERGER AND OTHER ACQUISITION EXPENSES	9,062	7,643	1,766
NON-CASH FOREIGN CURRENCY GAIN RELATED TO LEASE LIABILITY	-	-	(933)
OHIO CONSUMER LENDING WIND-DOWN COSTS AND ASSET IMPAIRMENTS	-	1,514	3,454
LOSS ON EXTINGUISHMENT OF DEBT	14,114	-	-
<b>ADJUSTED EBITDA</b>	<b>\$273,159</b>	<b>\$284,156</b>	<b>\$303,782</b>

A reconciliation of net income and earnings per share to adjusted net income and adjusted earnings per share for the years ended December 31, 2015 and 2016 can be found in the Company's 10-K filed with the SEC on March 1, 2017



## RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES TO FREE CASH FLOW & ADJUSTED FREE CASH FLOW

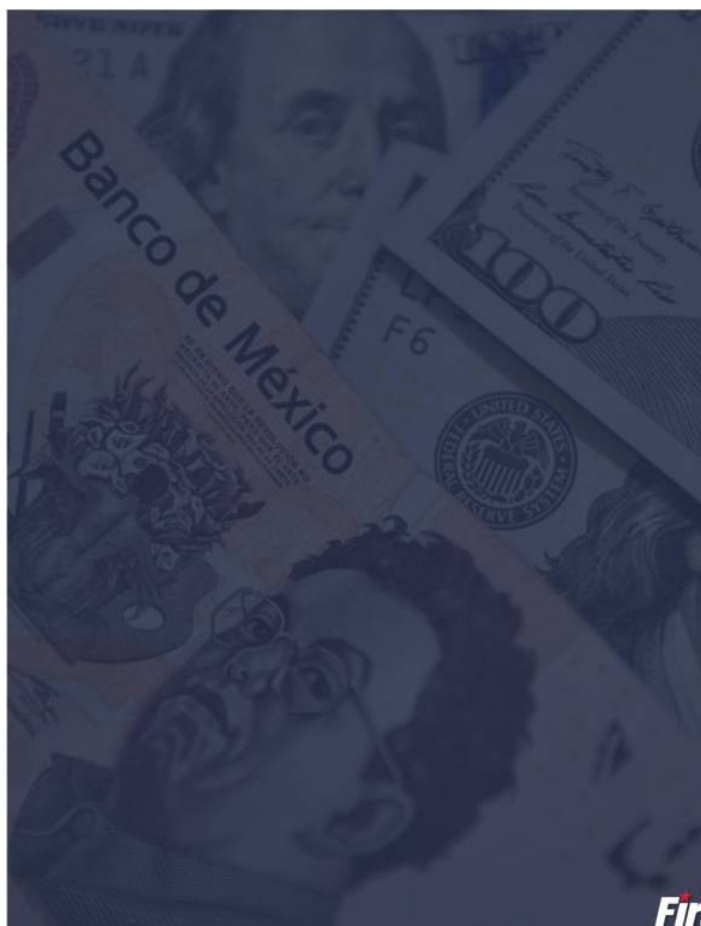
(\$ IN THOUSANDS)	YEAR ENDED DECEMBER 31,		
	2017	2018	2019
CASH FLOW FROM OPERATING ACTIVITIES	\$220,357	\$243,429	\$250,000
CASH FLOW FROM INVESTING ACTIVITIES:			
LOAN RECEIVABLES, NET OF CASH REPAYMENTS	40,735	10,125	10,125
PURCHASES OF FURNITURE, FIXTURES, EQUIPMENT AND IMPROVEMENTS	(25,971)	(35,677)	(35,677)
<b>FREE CASH FLOW</b>	<b>235,121</b>	<b>217,877</b>	<b>214,448</b>
MERGER AND OTHER ACQUISITION EXPENSES PAID, NET OF TAX BENEFIT	6,659	7,072	7,072
<b>ADJUSTED FREE CASH FLOW</b>	<b>\$241,780</b>	<b>\$224,949</b>	<b>\$221,520</b>

## RECONCILIATION OF SEGMENT PRE-TAX OPERATING INCOME TO ADJUSTED SEGMENT PRE-TAX OPERATING INCOME

(\$ IN THOUSANDS)	YEAR ENDED DECEMBER 31,		
	2018	2019	INCL (DE)
<b>U.S. OPERATIONS SEGMENT</b>			
SEGMENT PRE-TAX OPERATING INCOME	\$242,970	\$242,134	
CONTRIBUTION FROM CONSUMER LENDING OPERATIONS AND OHIO WIND-DOWN COSTS	23,640	10,025	
<b>ADJUSTED SEGMENT PRE-TAX OPERATING INCOME</b>	<b>219,330</b>	<b>232,109</b>	

# CONSTANT CURRENCY

CERTAIN PERFORMANCE METRICS DISCUSSED IN THIS PRESENTATION ARE PRESENTED ON A "CONSTANT CURRENCY" BASIS, WHICH IS CONSIDERED A NON-GAAP FINANCIAL MEASURE. THE COMPANY'S MANAGEMENT USES CONSTANT CURRENCY RESULTS TO EVALUATE OPERATING RESULTS OF BUSINESS OPERATIONS IN LATIN AMERICA, WHICH ARE PRIMARILY TRANSACTED IN LOCAL CURRENCIES. THE COMPANY BELIEVES CONSTANT CURRENCY RESULTS PROVIDE INVESTORS WITH VALUABLE SUPPLEMENTAL INFORMATION REGARDING THE UNDERLYING PERFORMANCE OF ITS BUSINESS OPERATIONS IN LATIN AMERICA, CONSISTENT WITH HOW THE COMPANY'S MANAGEMENT EVALUATES SUCH PERFORMANCE AND OPERATING RESULTS. CONSTANT CURRENCY RESULTS REPORTED HEREIN ARE CALCULATED BY TRANSLATING CERTAIN BALANCE SHEET AND INCOME STATEMENT ITEMS DENOMINATED IN LOCAL CURRENCIES USING THE EXCHANGE RATE FROM THE RESPECTIVE COMPARABLE PERIOD, AS OPPOSED TO THE CURRENT COMPARABLE PERIOD, IN ORDER TO EXCLUDE THE EFFECTS OF FOREIGN CURRENCY RATE FLUCTUATIONS FOR PURPOSES OF EVALUATING PERIOD-OVER-PERIOD COMPARISONS. BUSINESS OPERATIONS IN MEXICO, GUATEMALA AND COLOMBIA ARE TRANSACTED IN MEXICAN PESOS, GUATEMALAN QUETZALES AND COLOMBIAN PESOS, RESPECTIVELY. THE COMPANY ALSO HAS OPERATIONS IN EL SALVADOR WHERE THE REPORTING AND FUNCTIONAL CURRENCY IS THE U.S. DOLLAR.







## GET IN TOUCH WITH US

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