FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

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

For the Transition Period from November 1, 1998 to December 31, 1998

Commission File Number: 0-19133

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

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

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

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

Yes x No

As of February 15, 1999, there were 8,618,346 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

	December 31, 1998 (unaudited)	July 31, 1998
	(amounts in thousands)	
ASSETS		
Cash and cash equivalents	$ 4,458	$ 1,582
Service charges receivable	2,707	2,436
Receivables	20,392	17,054
Inventories	17,403	13,254
Income taxes receivable	1,471	1,471
Prepaid expenses and other current assets	2,908	1,268
Total current assets	49,339	37,065
Property and equipment, net	9,146	7,890
Intangible assets, net	54,494	45,873
Other	346	300
	$113,325	$ 91,128
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt and notes payable	$ 2,177	$ 1,587
Accounts payable and accrued expenses	6,752	3,283
Income taxes payable	989	208
Total current liabilities	9,918	5,078

Revolving credit facility	33,450	25,450
Long-term debt and notes payable, net of current portion	6,283	6,367
Deferred income taxes	2,966	2,716
	52,617	39,611
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; 9,089,305 and 8,334,305 shares issued, respectively; 8,618,346 and 7,863,346 shares outstanding, respectively	91	83
Additional paid-in capital	49,026	42,412
Retained earnings	13,856	11,287
Common stock held in treasury, at cost, 470,959 shares	(2,265)	(2,265)
	60,708	51,517
	$113,325	$ 91,128

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

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

	Two Months Ended		Five Months Ended	
	December 31, 1998	December 31, 1997	December 31, 1998	December 31, 1997
	(amounts in thousands, except per share amounts)			
Revenues:				
Merchandise sales	$ 9,830	$ 6,814	$ 20,418	$ 15,287
Service charges	5,254	3,106	12,434	7,737
Check cashing fees	323	-	754	-
Other	222	61	472	136
	15,629	9,981	34,078	23,160
Cost of goods sold and expenses:				
Cost of goods sold	6,300	4,605	13,157	10,444
Operating expenses	5,342	2,974	12,335	7,213
Interest expense	453	358	1,122	904
Depreciation	205	140	475	337
Amortization	237	111	563	277
Administrative expenses	1,040	662	2,249	1,622
	13,577	8,850	29,901	20,797
Income before income taxes	2,052	1,131	4,177	2,363
Provision for income taxes	822	435	1,608	910
Net income	$ 1,230	$ 696	$ 2,569	$ 1,453
Basic earnings per share	$ .15	$ .16	$ .32	$ .33
Diluted earnings per share	$ .14	$ .11	$ .29	$ .24

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

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

	Five-Month Period Ended December 31, 1998	1997
	(amounts in thousands)	
Cash flows from operating activities:		
Net income	$ 2,569	$ 1,453
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	1,038	614
(Increase) decrease in:		
Service charges receivable	10	8
Inventories	(2,551)	(958)
Prepaid expenses and other assets	(1,302)	(1,333)
Increase (decrease) in:		
Accounts payable and accrued expenses	773	8
Income taxes payable	985	654
Net cash flows from operating activities	1,522	446
Cash flows from investing activities:		
Net increase in receivables	(1,130)	(122)
Purchases of property and equipment	(997)	(286)
Acquisition of existing stores	(4,734)	(1,494)
Net cash flows from investing activities	(6,861)	(1,902)
Cash flows from financing activities:		
Proceeds from debt	12,250	2,525
Repayments of debt	(4,856)	(641)
Exercise of stock options and warrants	821	21
Net cash flows from financing activities	8,215	1,905
Increase in cash and cash equivalents	2,876	449
Cash and cash equivalents at beginning of the period	1,582	1,139
Cash and cash equivalents at end of the period	$ 4,458	$ 1,588
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 1,061	$ 973
Income taxes	$ -	$ 258
Supplemental disclosure of noncash investing and financing activities:		
Noncash transactions in connection with various acquisitions:		
Fair market value of assets acquired and goodwill	$ 13,164	$ 1,500
Less issuance of common stock	(4,622)	-
Less amounts payable in cash or common stock	(2,331)	-
Less issuance of debt	(1,070)	-
Less assumption of liabilities and costs of acquisition	(407)	(6)
Net cash paid	$ 4,734	$ 1,494

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 consolidated financial statements, including the notes thereto, include the accounts of First Cash Financial Services, Inc. (the "Company") and its wholly-owned subsidiaries. Such unaudited consolidated financial statements are condensed and do not include all disclosures and footnotes required by generally accepted accounting principles for complete financial statements. Effective December 7, 1998, the Company changed its fiscal year from July 31 to December 31. The interim period financial statements for the two and five months ended December 31, 1998 should be read in conjunction with the Company's consolidated financial statements which are included in the Company's July 31, 1998 Annual Report to Stockholders. All significant intercompany accounts and transactions have been eliminated in consolidation. The consolidated financial statements 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 December 31, 1998 are not necessarily indicative of the results that may be expected for a full fiscal year.

Note 2 - Revolving Credit Facility

The Company currently maintains a $40,000,000 long-term line of credit with its senior commercial lender (the "Credit Facility"). At December 31, 1998, $33,450,000 was outstanding under this Credit Facility and an additional $5,985,000 was available to the Company pursuant to the available borrowing base. The Credit Facility bears interest at the prevailing LIBOR rate plus one percent, and matures on November 1, 2000. Amounts available under the Credit Facility are limited to 325% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. Under the terms of the Credit Facility, the Company is required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with these requirements and covenants during the five months ended December 31, 1998 and as of February 15, 1999.

Note 3 - Business Acquisitions

During the five months ended December 31, 1998, the Company acquired or opened twenty pawnshops and sixteen check cashing stores. The Company acquired five pawnshops in El Paso, Texas, twelve pawnshops in South Carolina, and eleven check cashing stores in Chicago, Illinois, all of which were new geographic markets for the Company. The remaining pawnshop and check cashing additions were in regions where the Company already operated. These acquisitions and openings brought the Company's total number of stores owned to 133 as of December 31, 1998. The acquisition of eleven check cashing stores in Chicago was made in exchange for the issuance of 430,000 shares of the Company's common stock issued to the seller and valued at $10.75 per share. All remaining acquisitions were financed primarily with proceeds from the Company's Credit Facility, and seller-financed debt.

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):

	Two Months Ended		Five Months Ended	
	December 31, 1998	December 31, 1997	December 31, 1998	December 31, 1997
Numerator:				
Net income for calculating basic earnings per share.........	$ 1,230	$ 696	$ 2,569	$ 1,453
Plus interest expense, net of taxes, relating to convertible debentures...........	-	79	-	200
Net income for calculating diluted earnings per share.......	$ 1,230	$ 775	$ 2,569	$ 1,653
Denominator:				
Weighted-average common shares for calculating basic				

earnings per share..............	8,274	4,466	8,030	4,463
Effect of dilutive securities:				
Stock options and warrants.....	557	977	667	908
Contingently issuable shares due to acquisitions..........	167	-	71	-
Convertible debentures.........	-	1,402	-	1,402
Weighted-average common shares for calculating diluted earnings per share..............	8,998	6,845	8,768	6,773
Basic earnings per share.............	$ .15	$ .16	$ .32	$ .33
Diluted earnings per share...........	$ .14	$ .11	$ .29	$ .24

Note 5 - Warrant Exercises

During the five months ending December 31, 1998, the Company issued 325,000 shares of common stock relating to the exercise of outstanding stock warrants and options for an aggregate exercise price of $2,000,000 (including income tax benefit).

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

GENERAL

The Company's pawnshop revenues are derived primarily from service charges on pawn loans, and the sale of unredeemed goods, or "merchandise sales". Pawn loans are made for a 30-day term with an automatic extension of 60 days in Texas, South Carolina and Missouri, 30 days in Oklahoma and 15 days in Maryland and Virginia. Pawn loans made in Washington, D.C. are made for a 30 day term with no automatic extension. All pawn loans are collateralized by tangible personal property placed in the custody of the Company. The annualized service charge rates on pawn loans are set by state laws and range between 12% and 240% in Texas and 36% and 240% in Oklahoma, depending on the size of the loan. Service charge rates are 144% to 240% on an annualized basis in Maryland, with a $6 monthly minimum charge. In Washington, D.C., loans up to $40 bear a flat $2 charge per month, while loans over $40 bear a 48% to 60% annualized rate. Missouri pawn loans bear service and storage charges totaling 240% per year, Virginia rates range from 120% to 180% annually, and South Carolina rates range from 60% to 300%. In its Texas stores, the Company recognizes service charges at the inception of the pawn loan at the lesser of the amount allowed by the state law for the initial 30-day term or $15, in accordance with state law. In Oklahoma, Maryland, Virginia, South Carolina, Missouri and Washington, D.C., the Company recognizes service charges at the inception of the loan at the amount allowed by law for the first 30 days. Pawn service charge income applicable to the remaining term and/or extension period is not recognized until the loan is repaid or renewed. If a loan is not repaid prior to the expiration of the automatic extension period, if applicable, the property is forfeited to the Company and held for resale.

As a result of the Company's policy of accruing pawn service charges only for the initial 30-day term, unredeemed merchandise is transferred to inventory at a value equal to the loan principal plus one-month's accrued interest. The Company's accounting policy defers recognition of an amount of income equal to the amount of pawn service charges relating to the extension period until the loan is repaid or renewed, or until the merchandise is resold. This policy, in the Company's opinion, lessens the risk that the inventory's cost will exceed its realizable value when sold.

Revenues at the Company's check cashing stores are derived primarily from check cashing fees, fees on payday advances, and fees from the sale of money orders and wire transfers. Payday advances have a term of thirty days or less, and carry a 15% service charge in both California and Washington, and a 10% service charge in Illinois. The Company recognizes service charge income on payday advances at the inception of the advance. Bad debts on payday advances are charged to operating expense in the month that the items are returned by the bank, and are credited to operating expense in the period the items are subsequently collected.

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

RESULTS OF OPERATIONS

Five months ended December 31, 1998 compared to five months ended December 31, 1997

Total revenues increased 47% to $34,078,000 for the five months ended December 31, 1998 (the "Five-Month 1998 Period") as compared to $23,160,000 for the five months ended December 31, 1997 (the "Five-Month 1997 Period"). Of the $10,918,000 increase in total revenues, $11,565,000 relates to revenues generated by the 75 stores acquired or opened subsequent to August 1, 1997. The remaining decrease of $647,000 relates to the 3% same store revenue decline at the 58 stores which were in operation throughout both the Five-Month 1997 Period and the Five-Month 1998 Period. In addition, 47% of the increase in total revenues, or $5,131,000, was attributable to increased merchandise sales, 43%, or $4,697,000, was attributable to increased service charges, 7%, or $754,000 was attributable of increased check cashing fees, and the remaining increase of $336,000, or 3%, was attributable to the increase in other income. As a percentage of total revenues, merchandise sales decreased from 66% to 60%, service charges increased from 33% to 37%, check cashing fees increased from zero to 2%, and other income remained at 1% during both the Five-Month 1997 Period and the Five-Month 1998 Period. Gross profit as a percentage of merchandise sales increased from 32% during the Five-Month 1997 Period to 36% during the Five-Month 1998 Period.

The aggregate receivables balance (pawn loans plus payday advances) increased 52% from $13,444,000 at December 31, 1997 to $20,392,000 at December 31, 1998. Of the $6,948,000 increase, $6,213,000 was attributable to the addition of 67 stores since December 31, 1997. The remaining increase of $735,000 was due to the 6% increase in same-store receivable balances at the 66 stores in operation at both December 31, 1997 and December 31, 1998. The annualized yield on the average aggregate receivable balance was 159% during the Five-Month 1998 Period compared to 141% during the Five-Month 1997 Period. The Company's average receivable balance per store decreased from $204,000 as of December 31, 1997 to $153,000 as of December 31, 1998, primarily due to the large number of stores less than a year old as of December 31, 1998.

Operating expenses increased 71% to $12,335,000 during the Five-Month 1998 Period compared to $7,213,000 during the Five-Month 1997 Period, primarily as a result of the addition of 75 stores subsequent to August 1, 1997. Administrative expenses increased 39% to $2,249,000 during the Five-Month 1998 Period compared to $1,622,000 during the Five-Month 1997 Period, primarily due to the addition of corporate personnel to support the increased number of stores. Interest expense increased to $1,122,000 in the Five-Month 1998 Period compared to $904,000 in the Five-Month 1997 Period as a result of borrowings associated with the Company's acquisitions since August 1, 1997.

For the Five-Month 1998 and 1997 Periods, the Company's tax provisions of 38.5% of income before income taxes differed from the statutory rate of 34% primarily due to state income taxes, net of the federal tax benefit.

Two months ended December 31, 1998 compared to the two months ended December 31, 1997

Total revenues increased 57% to $15,629,000 for the two month period ended December 31, 1998 ("the Two-Month 1998 Period") as compared to $9,981,000 for the two month period ended December 31, 1997 ("the Two-Month 1997 Period"). Of the $5,648,000 increase in total revenues, $139,000 relates to the 1% same-store revenue increase at the 64 stores which were in operation throughout both the Two-Month 1997 Period and the Two-Month 1998 Period. The remaining increase of $5,509,000 resulted from revenues generated by 69 stores which were acquired or opened subsequent to November 1, 1997. In addition, 53% or $3,016,000 of the increase in total revenues was attributable to increased merchandise sales, 38% or $2,148,000 was attributable to increased service charges, 6%, or $323,000 was attributable to increased check cashing fees, and the remaining 3%, or $161,000 increase was attributable to the increase in other income. As a percentage of total revenues, merchandise sales decreased from 68% to 63%, service charges increased from 31% to 34%, check cashing fees increased from zero to 2%, and other income remained 1% during the Two-Month 1998 Period as compared to the Two-Month 1997 Period. Gross profit as a percentage of merchandise sales increased from 32% during the Two-Month 1997 Period to 36% during the Two-Month 1998 Period.

The aggregate receivables balance (pawn loans plus payday advances) increased 52% from $13,444,000 at December 31, 1997 to $20,392,000 at December 31, 1998. Of the $6,948,000 increase, $6,213,000 was attributable to the addition of 67 stores since December 31, 1997. The remaining increase of $735,000 was due to the 6% increase in same-store receivable balances at the 66 stores in operation at both December 31, 1997 and December 31, 1998. The annualized yield on the average aggregate receivable balance was 163% during the Two-Month 1998 Period compared to 138% during the Two-Month 1997 Period. The Company's average receivable balance per store decreased from $204,000 as of December 31, 1997 to $153,000 as of December 31, 1998, primarily due to the large number of stores less than a year old as of December 31, 1998.

Operating expenses increased 80% to $5,342,000 during the Two-Month 1998 Period compared to $2,974,000 during the Two-Month 1997 Period, primarily as a result of the 69 stores added subsequent to November 1, 1997. Administrative expenses increased 57% to $1,040,000 during the Two-Month 1998 Period compared to $662,000 during the Two-Month 1997 Period, primarily due to the addition of corporate personnel to support the increased number of stores. Interest expense increased to $453,000 in the Two-Month 1998 Period compared to $358,000 in the Two-Month 1997 Period, primarily due to borrowings associated with the Company's acquisitions since November 1, 1997.

For the Two-Month 1998 Period and the Two-Month 1997 Period, the Company's tax provision of 40% and 38%, respectively, 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 borrowings, and seller-financed indebtedness.

The Company currently maintains a $40,000,000 long-term line of credit with its senior commercial lender (the "Credit Facility"). At December 31, 1998, $33,450,000 was outstanding under this Credit Facility and an additional $5,985,000 was available to the Company pursuant to the available borrowing base. The Credit Facility bears interest at the prevailing LIBOR rate plus one percent, and matures on November 1, 2000. Amounts available under the Credit Facility are limited to 325% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. Under the terms of the Credit Facility, the Company is required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with these requirements and covenants during the five months ended December 31, 1998 and as of February 15, 1999.

During the five months ended December 31, 1998, the Company acquired or opened twenty pawnshops and sixteen check cashing stores. The Company acquired five pawnshops in El Paso, Texas, twelve pawnshops in South Carolina, and eleven check cashing stores in Chicago, Illinois, all of which were new geographic markets for the Company. The remaining pawnshop and check cashing additions were in regions where the Company already operated. These acquisitions and openings brought the Company's total number of stores owned to 133 as of December 31, 1998. All acquisitions were financed primarily with proceeds from the Company's Credit Facility, and seller-financed debt.

As of December 31, 1998, the Company's primary sources of liquidity were $4,458,000 in cash and cash equivalents, $2,707,000 in service charges receivable, $20,392,000 in receivables, $17,403,000 in inventories and $5,985,000 of available and unused funds under the Company's Credit Facility. The Company had working capital as of December 31, 1998 of $39,470,000 and a total liabilities to equity ratio of 0.87 to 1. During the Five-Month 1998 Period, the Company received cash proceeds of $821,000 (including income tax benefit) from the issuance of 325,000 shares of common stock relating to the exercise of outstanding stock warrants and options.

Net cash provided by operating activities for the Company during the Five Month 1998 Period was $1,522,000 as compared with $446,000 during the Five-Month 1997 Period. Net cash used for investing activities during the Five-Month 1998 Period was $6,861,000 as compared with $1,902,000 during the Five-Month 1997 Period. Net cash provided by financing activities of $8,215,000 during the Five-Month 1998 Period compares to net cash provided by financing activities of $1,905,000 during the Five-Month 1997 Period.

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

Management believes that the Credit Facility, current assets and cash generated from operations will be sufficient to accommodate the Company's current operations for at least the next twelve months. The Company has no significant capital commitments as of February 15, 1999, except for the Company's letter of intent to acquire 22 check cashing stores in Mississippi, subject to the completion of due diligence procedures by the Company. The Company currently has no written commitments for additional borrowings or future acquisitions; however, the Company intends to continue to grow and will likely seek additional capital to facilitate expansion. The Company will evaluate acquisitions, if any, based upon opportunities, acceptable financing, purchase price, strategic fit and qualified management personnel.

The Company intends to continue to engage in a plan of expansion through existing store acquisitions and new store openings. While the Company continually looks for, and is presented with, potential acquisition candidates, the Company has no definitive plans or commitments for further acquisitions. If the Company encounters an attractive opportunity to acquire or open a new store in the near future, the Company will seek additional financing, the terms of which will be negotiated on a case-by-case basis. Between August 1, 1998 and February 15, 1999, the Company has acquired 36 stores in various regions. These acquisitions were financed with proceeds from the Company's Credit Facility, with seller-financed debt, and with the issuance of the Company's common stock.

YEAR 2000 ISSUE

The "Year 2000 Issue" is the result of computer programs that use two digits instead of four to record the applicable year. Computer programs that have date-sensitive software might recognize a date using "00" as the Year 1900 instead of the Year 2000. This could result in a system failure or miscalculations causing disruptions of operations, including among other events, a temporary inability to process transactions or engage in similar normal business activities. The Year 2000 is a leap year, which may also lead to incorrect calculations, functions or system failure. The Company has established a committee to gather, test, and produce information about the Company's operations systems impacted by the Year 2000 transition. The Company has utilized both internal and external resources to identify, correct or reprogram, and test systems for Year 2000 compliance.

Management currently believes that the Company has acquired all of the hardware and software necessary to be able to bring the Company's own internally developed point-of-sale operating system into Year 2000 compliance. The Company is currently in the process of installing such hardware and software, and believes that its own point-of-sale system will be fully compliant by the end of August 1999. Although the Company's Year 2000 remediation has not been completed, management currently believes, based on available information, that the completion of these matters will not require any additional material expenditures, and that it will not have a material adverse impact on the Company's financial position or it's results of operations. In addition, the Company has contacted its significant vendors and suppliers to determine the extent to which the Company may be vulnerable to those parties' failure to remediate their own Year 2000 issues. While there can be no guarantee that the systems of other companies with which the Company's systems interface will be timely converted, or that a failure to convert by another company, or a conversion that is incompatible with the Company's systems would not require the Company to spend more time or money than anticipated, or even have a material adverse effect on the Company, management currently believes that all of its significant vendors and suppliers have achieved Year 2000 compliance.

FORWARD LOOKING INFORMATION

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

PART II. OTHER INFORMATION

ITEM 2. Changes in securities

b. In connection with the purchase of three stores in El Paso, Texas on October 20, 1998, the Company has an outstanding payable to the seller in the amount of $320,000. In connection with the purchase of two stores in El Paso, Texas on October 20, 1998, the Company has an outstanding payable to the seller in the amount of $311,000. In connection with the purchase of twelve stores in South Carolina on November 14, 1998, the Company has an outstanding payable to the seller in the amount of $1,700,000. All of the above-referenced amounts due to the sellers in these three acquisitions are payable by the Company one year from the respective dates of acquisition either in cash, or by the issuance of the Company's common stock valued at the average of the closing price of the Company's common stock for the thirty days immediately preceding the respective due date, at the option of the Company.

In connection with the purchase of eleven stores in Chicago, Illinois in December 1998, the Company issued the seller 430,000 shares of the Company's common stock valued at $10.75 per share as sole consideration for the acquisition.

During the five months ended December 31, 1998, the Company granted 374,000 stock purchase warrants with a exercise price of $12.00 per share to various employees and directors of the Company.

During the five months ending December 31, 1998, the Company issued 325,000 shares of common stock relating to the exercise of outstanding stock warrants and options for an aggregate exercise price of $2,000,000 (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 transaction.

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

On January 14, 1999, 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 January 14, 1999 annual stockholders' meeting are as follows:

1. The stockholders re-elected Phillip E. Powell as a director of First

Cash Financial Services, Inc.

2. The stockholders ratified the selection of Deloitte & Touche LLP as independent auditors of the Company for the five months ending December 31, 1998 and for the year ending December 31, 1999.

3. The stockholders ratified the change in the Company's name from "First Cash, Inc." to "First Cash Financial Services, Inc."

4. The stockholders ratified the 1999 Stock Option Plan.

ITEM 6. Exhibits and reports on Form 8-K

a. Exhibits

27.0 Financial Data Schedules (Edgar version only).

b. On December 11, 1998, the Company filed a Form 8-K to report a change in the Company's fiscal year-end from July 31 to December 31. On January 20, 1999, the Company filed a Form 8-K to report a change in the Company's name from "First Cash, Inc." to "First Cash Financial Services, Inc."

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 15, 1999	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

This schedule contains summary financial information extracted from the condensed consolidated balance sheets and condensed consolidated statements of income found in the company's Form 10-Q for the year to date, and is qualified in its entirety by reference to such financial statements.

5-MOS
DEC-31-1998
DEC-31-1998
4,458
0
23,099
0
17,403
49,339
13,255
4,109
113,325
9,918
0
0
0
91
60,617
113,325
20,418
34,078
13,157
13,157
15,622
0
1,122
4,177
1,608
2,569
0
0
0
2,569
.32
.29