

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2007, or

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

For the transition period from _____ to _____

Commission file number 0-19133

FIRST CASH FINANCIAL SERVICES, INC.

Exact name of registrant as specified in its charter)

Delaware
(state or other jurisdiction of incorporation or
organization)

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

75-2237318
(IRS Employer Identification No.)

76011
(Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer.

Large accelerated filer [] Accelerated filer [] Non-accelerated filer []

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of November 7, 2007 there were 30,722,754 shares of Common Stock outstanding.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**FIRST CASH FINANCIAL SERVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS**

	September 30,		December 31,	
	<u>2007</u>	<u>2006</u>	<u>2006</u>	<u>2006</u>
	(unaudited)			
	(in thousands, except per share data)			
ASSETS				
Cash and cash equivalents	\$ 11,811	\$ 20,789	\$ 15,535	
Finance and service charges receivable	6,769	5,203	4,966	
Customer receivables, net of allowances of \$7,969, \$5,812 and \$5,867, respectively	75,652	59,055	60,251	
Inventories	34,947	27,663	28,761	
Prepaid expenses and other current assets	10,301	7,026	5,901	
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Total current assets	139,480	119,736	115,414	
Customer receivables with long-term maturities, net of allowance of \$8,468, \$3,851 and \$3,895, respectively	30,090	12,365	14,013	
Property and equipment, net	42,608	29,119	30,643	
Goodwill and other intangible assets, net	72,400	72,631	72,544	
Other	1,384	1,208	1,228	
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Total assets	\$	<u>285,962</u>	\$	<u>235,059</u>	\$	<u>233,842</u>
LIABILITIES AND STOCKHOLDERS' EQUITY						
Current portion of notes payable	\$	2,250	\$	2,250	\$	2,250
Accounts payable		1,818		2,091		1,535
Accrued liabilities		12,793		13,601		17,976
		<hr/>		<hr/>		<hr/>
Total current liabilities		16,861		17,942		21,761
Revolving credit facility		46,800		31,000		8,000
Notes payable, net of current portion		5,500		7,750		7,188
Deferred income taxes payable		8,059		9,245		8,297
		<hr/>		<hr/>		<hr/>
Total liabilities		77,220		65,937		45,246
		<hr/>		<hr/>		<hr/>
Stockholders' equity:						
Preferred stock; \$.01 par value; 10,000,000 shares authorized		-		-		-
Common stock; \$.01 par value; 90,000,000 shares authorized		359		347		353
Additional paid-in capital		110,716		92,173		101,949
Retained earnings		164,116		124,875		134,567
Common stock held in treasury		(66,449)		(48,273)		(48,273)
		<hr/>		<hr/>		<hr/>
Total stockholders' equity		208,742		169,122		188,596
		<hr/>		<hr/>		<hr/>
Total liabilities and stockholders' equity	\$	<u>285,962</u>	\$	<u>235,059</u>	\$	<u>233,842</u>

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 September 30,		Nine Months Ended September 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	(unaudited)		(unaudited)	
	(in thousands, except per share amounts)			
Revenues:				
Merchandise sales	\$ 67,388	\$ 36,988	\$ 182,886	\$ 95,850
Finance and service charges	36,585	31,479	101,735	82,685
Other	990	1,005	3,222	3,012
	<hr/>	<hr/>	<hr/>	<hr/>
	104,963	69,472	287,843	181,547
	<hr/>	<hr/>	<hr/>	<hr/>
Cost of revenues:				
Cost of goods sold	36,027	20,781	97,091	55,314
Credit loss provision	16,034	6,789	37,628	11,328
Other	57	122	269	312
	<hr/>	<hr/>	<hr/>	<hr/>
	52,118	27,692	134,988	66,954
	<hr/>	<hr/>	<hr/>	<hr/>
Net revenues	52,845	41,780	152,855	114,593
	<hr/>	<hr/>	<hr/>	<hr/>
Expenses and other income:				
Store operating expenses	26,311	21,086	75,365	57,853
Administrative expenses	6,777	6,031	21,545	16,801
Depreciation	2,738	2,065	7,910	5,665
Amortization	59	25	144	25
Interest expense	778	219	1,487	219
Interest income	(18)	(141)	(56)	(691)
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	36,645	29,285	106,395	79,872
Income before income taxes	16,200	12,495	46,460	34,721
Provision for income taxes	5,815	4,560	16,911	12,669
Net income	<u>\$ 10,385</u>	<u>\$ 7,935</u>	<u>\$ 29,549</u>	<u>\$ 22,052</u>
Net income per share:				
Basic	<u>\$ 0.33</u>	<u>\$ 0.26</u>	<u>\$ 0.93</u>	<u>\$ 0.70</u>
Diluted	<u>\$ 0.32</u>	<u>\$ 0.25</u>	<u>\$ 0.89</u>	<u>\$ 0.67</u>

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

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

Nine Months Ended September 30,

	<u>2007</u>	<u>2006</u>
	(unaudited, in thousands)	
Cash flows from operating activities:		
Net income	\$ 29,549	\$ 22,052
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	8,054	5,690
Share-based compensation expense	184	560
Non-cash portion of credit loss provision	28,076	4,289
Changes in operating assets and liabilities:		
Buy-here/pay-here automotive customer receivables	(48,955)	(3,538)
Finance and service fees receivable	(1,803)	(1,027)
Inventories	(2,621)	(999)
Prepaid expenses and other assets	(4,805)	(294)
Accounts payable and accrued liabilities	(6,542)	(1,159)
Current and deferred income taxes	1,653	(1,293)
Net cash flows from operating activities	<u>2,790</u>	<u>24,281</u>
Cash flows from investing activities:		
Pawn customer receivables	(9,744)	(9,257)
Short-term loan customer receivables	(4,420)	(2,708)
Purchases of property and equipment	(19,875)	(10,928)
Acquisition of Auto Master buy-here/pay-here automotive division	-	(23,652)
Net cash flows from investing activities	<u>(34,039)</u>	<u>(46,545)</u>
Cash flows from financing activities:		
Proceeds from debt	64,375	31,000
Payments of debt	(27,263)	(14,490)
Purchase of treasury stock	(18,176)	(24,753)
Proceeds from exercise of stock options and warrants	6,393	5,582
Stock option and warrant income tax benefit	2,196	2,973
Net cash flows from financing activities	<u>27,525</u>	<u>312</u>
Change in cash and cash equivalents	(3,724)	(21,952)
Cash and cash equivalents at beginning of the period	15,535	42,741
Cash and cash equivalents at end of the period	<u>\$ 11,811</u>	<u>\$ 20,789</u>
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	<u>\$ 1,418</u>	<u>\$ 148</u>

Income taxes	\$ <u>4,328</u>	\$ <u>11,310</u>
Supplemental disclosure of non-cash operating activity:		
Inventory acquired in repossession	\$ <u>2,012</u>	\$ <u>255</u>
Supplemental disclosure of non-cash investing activity:		
Non-cash transactions in connection with pawn receivables settled through forfeitures of collateral transferred to inventories	\$ <u>42,157</u>	\$ <u>35,379</u>
Supplemental disclosure of non-cash financing activity:		
Notes payable issued in connection with the acquisition of Auto Master	\$ <u>-</u>	\$ <u>10,000</u>

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. In addition, the accompanying consolidated financial statements include the accounts of Cash & Go, Ltd., a Texas limited partnership that operates financial services kiosks inside convenience stores, in which the Company has a 50% ownership interest. All significant intercompany accounts and transactions have been eliminated.

On August 25, 2006, the Company acquired Guaranteed Auto Finance, Inc. and SHAC, Inc. (collectively doing business as "Auto Master"). Accordingly, the Consolidated Statements of Income for the three and nine month periods ended September 30, 2006 do not include the results of Auto Master prior to August 25, 2006. All significant intercompany accounts and transactions have been eliminated.

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, 2006 Annual Report on Form 10-K. The condensed consolidated financial statements as of September 30, 2007 and for the three and nine month periods ended September 30, 2007 and 2006 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 periods ended September 30, 2007 are not necessarily indicative of the results that may be expected for the full fiscal year.

Certain amounts in prior year comparative presentations have been reclassified in order to conform to the 2007 presentation.

Note 2 - Stock Split

In January 2006, the Company's Board of Directors approved a two-for-one stock split in the form of a stock dividend to shareholders of record on February 6, 2006. The additional shares were distributed on February 20, 2006. Common stock and all share and per share amounts (except authorized shares and par value) have been retroactively adjusted to reflect the split.

Note 3 - Earnings Per Share

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Numerator:				
Net income for calculating basic earnings per share	\$ 10,385	\$ 7,935	\$ 29,549	\$ 22,052
Interest on convertible note, net of taxes	11	4	34	4
	<u>10,396</u>	<u>7,939</u>	<u>29,583</u>	<u>22,056</u>
Net income for calculating dilutive earnings per share				
Denominator:				
Weighted-average common shares for calculating basic earnings per share	31,637	30,938	31,786	31,514
Effect of dilutive securities:				
Convertible notes payable	56	21	56	7
Stock options and warrants	1,187	1,348	1,318	1,362

Weighted-average common shares for calculating diluted earnings per share	<u>32,880</u>	<u>32,307</u>	<u>33,160</u>	<u>32,883</u>
Basic earnings per share	\$ <u>0.33</u>	\$ <u>0.26</u>	\$ <u>0.93</u>	\$ <u>0.70</u>
Diluted earnings per share	\$ <u>0.32</u>	\$ <u>0.25</u>	\$ <u>0.89</u>	\$ <u>0.67</u>

Note 4 - Guarantees

First Cash Credit, Ltd. ("FCC"), a wholly-owned subsidiary of the Company, offers a fee-based credit services program ("CSO program") to assist consumers in its Texas markets in obtaining credit. Under the CSO program, FCC assists customers in applying for a short-term loan from an independent, non-bank, consumer lending company (the "Independent Lender") and issues the Independent Lender a letter of credit to guarantee the repayment of the loan. The loans made by the Independent Lender to credit services customers of FCC range in amount from \$100 to \$1,000, have terms of 7 to 31 days and bear interest at a rate of less than 10% on an annualized basis.

These letters of credit constitute a guarantee for which the Company is required to recognize, at the inception of the guarantee, a liability for the fair value of the obligation undertaken by issuing the letters of credit. The Independent Lender may present the letter of credit to FCC for payment if the customer fails to repay the full amount of the loan and accrued interest after the due date of the loan. Each letter of credit expires within 60 days from the inception of the associated lending transaction. FCC's maximum loss exposure under all of the outstanding letters of credit issued on behalf of its customers to the Independent Lender as of September 30, 2007 was \$13,869,000 compared to \$12,823,000 at September 30, 2006. According to the letters of credit, if the borrower defaults on the loan, the Company will pay the Independent Lender the principal, accrued interest, insufficient funds fee, and late fees, all of which the Company records as a component of its credit loss provision. FCC is entitled to seek recovery, directly from its customers, any of the amounts it pays the Independent Lender in performing under the letters of credit. The Company records the estimated fair value of the liability under the letters of credit as a component of accrued liabilities.

Note 5 - Operating Segment Information

The Company manages its business on the basis of two reportable segments: the pawn and short-term loan segment and the buy-here/pay-here automotive segment. There are no intersegmental sales and each segment is managed separately. The following tables detail selected balance sheet information regarding the operating segments as of September 30, 2007 and September 30, 2006 (in thousands):

	Pawn and Short-Term Loan	Buy-Here/ Pay-Here Automotive	Consolidated
September 30, 2007			
Service fees receivable	\$ 6,476	\$ 293	\$ 6,769
Customer receivables, with current and long-term maturities, net of allowances	48,460	57,282	105,742
Inventories	27,460	7,487	34,947
Total assets	217,668	68,294	285,962
September 30, 2006			
Service fees receivable	\$ 5,128	\$ 75	\$ 5,203
Customer receivables, with current and long-term maturities, net of allowances	41,158	30,262	71,420
Inventories	24,912	2,751	27,663
Total assets	201,367	33,692	235,059

The following tables detail revenues, cost of revenues, net revenues and certain expenses by operating segment for the three months ended September 30, 2007 and September 30, 2006 (in thousands):

	Pawn and Short-Term Loan	Buy-Here/ Pay-Here Automotive	Total
Three Months Ended September 30, 2007			
Revenues:			
Merchandise sales	\$ 38,968	\$ 28,420	\$ 67,388
Finance and service charges	34,679	1,906	36,585
Other	960	30	990
	<u>74,607</u>	<u>30,356</u>	<u>104,963</u>
Cost of revenues:			
Cost of goods sold	23,326	12,701	36,027
Credit loss provision	6,156	9,878	16,034
Other	57	-	57
	<u>29,539</u>	<u>22,579</u>	<u>52,118</u>

	23,557	22,577	32,110
Net revenues	45,068	7,777	52,845
Expenses and other income:			
Store operating expenses	22,942	3,369	26,311
Store depreciation and amortization	2,360	55	2,415
	25,302	3,424	28,726
Net store contribution	\$ 19,766	\$ 4,353	\$ 24,119
Expenditures on property and equipment	\$ 3,586	\$ 2,772	\$ 6,358

Three Months Ended September 30, 2006

Revenues:			
Merchandise sales	\$ 30,620	\$ 6,368	\$ 36,988
Finance and service charges	31,150	329	31,479
Other	979	26	1,005
	62,749	6,723	69,472
Cost of revenues:			
Cost of goods sold	17,822	2,959	20,781
Credit loss provision	5,237	1,552	6,789
Other	122	-	122
	23,181	4,511	27,692
Net revenues	39,568	2,212	41,780
Expenses and other income:			
Store operating expenses	20,277	809	21,086
Store depreciation and amortization	1,867	4	1,871
	22,144	813	22,957
Net store contribution	\$ 17,424	\$ 1,399	\$ 18,823
Expenditures on property and equipment	\$ 3,877	\$ 303	\$ 4,180

The following tables detail revenues, cost of revenues, net revenues and certain expenses by operating segment for the nine months ended September 30, 2007 and September 30, 2006 (in thousands):

	Pawn and Short-Term Loan	Buy-Here/ Pay-Here Automotive	Total
<u>Nine Months Ended September 30, 2007</u>			
Revenues:			
Merchandise sales	\$ 107,416	\$ 75,470	\$ 182,886
Finance and service charges	96,686	5,049	101,735
Other	3,110	112	3,222
	207,212	80,631	287,843
Cost of revenues:			
Cost of goods sold	63,445	33,646	97,091
Credit loss provision	13,672	23,956	37,628

Other	269	-	269
	<u>77,386</u>	<u>57,602</u>	<u>134,988</u>
Net revenues	129,826	23,029	152,855
Expenses and other income:			
Store operating expenses	66,792	8,573	75,365
Store depreciation and amortization	6,968	91	7,059
	<u>73,760</u>	<u>8,664</u>	<u>82,424</u>
Net store contribution	<u>\$ 56,066</u>	<u>\$ 14,365</u>	<u>\$ 70,431</u>
Expenditures on property and equipment	<u>\$ 13,932</u>	<u>\$ 5,943</u>	<u>\$ 19,875</u>

Nine Months Ended September 30, 2006

Revenues:			
Merchandise sales	\$ 89,482	\$ 6,368	\$ 95,850
Finance and service charges	82,356	329	82,685
Other	2,986	26	3,012
	<u>174,824</u>	<u>6,723</u>	<u>181,547</u>
Cost of revenues:			
Cost of goods sold	52,355	2,959	55,314
Credit loss provision	9,776	1,552	11,328
Other	312	-	312
	<u>62,443</u>	<u>4,511</u>	<u>66,954</u>
Net revenues	112,381	2,212	114,593
Expenses and other income:			
Store operating expenses	57,044	809	57,853
Store depreciation and amortization	5,126	4	5,130
	<u>62,170</u>	<u>813</u>	<u>62,983</u>
Net store contribution	<u>\$ 50,211</u>	<u>\$ 1,399</u>	<u>\$ 51,610</u>
Expenditures on property and equipment	<u>\$ 10,916</u>	<u>\$ 303</u>	<u>\$ 11,219</u>

The following table reconciles net store contribution, as presented above, to income before income taxes for each period presented (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Total net store contribution for reportable segments	\$ 24,119	\$ 18,823	\$ 70,431	\$ 51,610
Administrative depreciation and amortization	(382)	(219)	(995)	(560)
Administrative expenses (1)	(6,777)	(6,031)	(21,545)	(16,801)
Interest expense	(778)	(219)	(1,487)	(219)
Interest income	18	141	56	691
Income before income taxes	<u>\$ 16,200</u>	<u>\$ 12,495</u>	<u>\$ 46,460</u>	<u>\$ 34,721</u>

(1) Administrative expenses are comprised of all operating expenses, except for interest, depreciation and amortization, incurred by the Company that are not allocable to specific stores. It is the Company's policy not to allocate such administrative expenses to specific stores or operating segments.

Note 6 - Income Taxes

Effective January 1, 2007, the Company adopted FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under FIN 48, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. FIN 48 also provides guidance on penalties and interest related to income taxes and requires increased disclosures. Interest and penalties related to income tax liabilities that could arise subsequent to the adoption of FIN 48 would be classified as interest expense in the Consolidated Statements of Income.

As of January 1, 2007 and September 30, 2007, the Company had no unrecognized tax benefits and therefore, the Company did not have a liability for accrued interest and penalties. The adoption of FIN 48 resulted in no adjustment to beginning retained earnings.

The Company files federal income tax returns in the United States and Mexico, as well as multiple state and local income tax returns in the United States. The Company's U.S. federal and state income tax returns are not subject to examination for the tax years prior to 2004 with the exception of two states. With respect to Mexico, the years prior to 2002 are closed to examination. The Company does not currently have any federal, foreign or state income tax returns under examination. The Company does not believe that its unrecognized tax benefits will significantly change over the next twelve months.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

The Company receives revenues from four primary products and services, which are (i) pawn revenues, (ii) short-term loan revenues, (iii) credit services fees and (iv) buy-here/pay-here automotive revenues.

The Company's pawn revenues are derived primarily from service fees on pawns and merchandise sales of forfeited pawn collateral and used goods purchased directly from the general public. The Company accrues pawn service charge revenue on a constant-yield basis over the life of the pawn for all pawns that the Company deems collection to be probable based on historical pawn redemption statistics. If a pawn is not repaid prior to the expiration of the automatic extension period, if applicable, the property is forfeited to the Company and transferred to inventory at a value equal to the principal amount of the loan, exclusive of accrued interest.

The Company's short-term loan revenues are derived primarily from fees on short-term loans and credit services fees. The Company recognizes service fee income on short-term loans on a constant-yield basis over the life of the short-term loan, which is generally thirty-one days or less. The net defaults on short-term loans and changes in the short-term loan valuation reserve are charged to the short-term loan loss provision. The credit loss provision is based primarily upon historical credit loss experience, with consideration given to recent credit loss trends, delinquency rates, economic conditions and management's expectations of future credit losses.

First Cash Credit, Ltd., ("FCC") a wholly-owned subsidiary of the Company, offers a fee-based credit services organization program ("CSO program") to assist customers in all of the Company's Texas locations in obtaining credit. Under the CSO program, FCC assists customers in applying for a short-term loan from an independent, non-bank, consumer lending company and issues the Independent Lender a letter of credit to guarantee the repayment of the loan. The Company recognizes credit services fees ratably over the life of the loan made by the Independent Lender. The loans made by the Independent Lender to credit services customers of FCC have terms of seven to thirty-one days. The Company records a liability for the estimated fair value of the liability under the letters of credit.

The Company's buy-here/pay-here automotive revenues are derived primarily from the sale of used vehicles and the finance charges from related vehicle financing contracts. Revenues from the sale of used vehicles are recognized when the sales contract and related finance agreement are signed and the customer has taken possession of the vehicle. Interest income is recognized on all active finance receivable accounts on a constant-yield basis. Late payment fees are recognized when collected and are included in revenue. The Company maintains an allowance for credit losses, on an aggregate basis, at a level it considers sufficient to cover estimated losses in the collection of its customer receivables. The credit loss provision is based primarily upon historical credit loss experience, with consideration given to recent credit loss trends, delinquency rates, economic conditions and management's expectations of future credit losses.

OPERATIONS AND LOCATIONS

As of September 30, 2007, the Company had 460 locations in thirteen U.S. states and ten states in Mexico, which represents a 16% increase over the 398 locations open at September 30, 2006. A total of 15 new retail locations were opened during the third quarter of 2007. The openings were a combination of pawn stores, short-term loan stores and Auto Master buy-here/pay-here dealerships. The following table details store counts for the three and nine-month periods ended September 30, 2007:

	U.S. Locations			Mexico	Total
	Pawn Stores	Short-Term Loan/Check-Cashing Stores	Buy-Here/Pay-Here Automotive Dealerships	Pawn/Short-Term Loan Stores	
<u>Three Months Ended September 30, 2007</u>					
Total locations, beginning of period	94	155	12	187	448
New locations opened	-	3	3	9	15
Locations closed or consolidated	-	(2)	-	(1)	(3)
Total locations, end of period	<u>94</u>	<u>156</u>	<u>15</u>	<u>195</u>	<u>460</u>

Nine Months Ended September 30, 2007

Total locations, beginning of period	95	145	10	157	407
New locations opened	-	13	5	40	58
Locations closed or consolidated	(1)	(2)	-	(2)	(5)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total locations, end of period	94	156	15	195	460

For the three and nine-month periods ended September 30, 2007, the Company's 50% owned joint venture, Cash & Go, Ltd., operated a total of 39 kiosks located inside convenience stores in the state of Texas, which are not included in the above table. During the nine months ended September 30, 2007, the Company closed one Cash & Go, Ltd., kiosk.

While the Company has had significant increases in revenues due to new store openings and acquisitions in 2007 and 2006, the Company has also incurred increases in operating expenses attributable to the additional locations. Operating expenses consist of all items directly related to the operation of the Company's stores and dealerships, including salaries and related payroll costs, rent, utilities, equipment, advertising, property taxes, licenses, supplies and security. Administrative expenses consist of items relating to the operation of the corporate office, including the compensation and benefit costs of corporate management, area supervisors and other operations management personnel, collections operations and personnel, accounting and administrative costs, information technology costs, liability and casualty insurance, outside legal and accounting fees and stockholder-related expenses.

Stores included in the same-store revenue calculations are those stores that were opened prior to the beginning of the prior year comparative fiscal period and are still open. Also included are stores that were relocated during the year within a specified distance serving the same market, where there is not a significant change in store size and where there is not a significant overlap or gap in timing between the opening of the new store and the closing of the existing store. During the third quarter of 2006, the Company relocated one store that involved a significant change in the size of its retail showroom, and accordingly, the expanded store has been excluded from the same-store calculations. Non-retail sales of scrap jewelry are included in same-store revenue calculations. The Auto Master buy-here/pay-here automotive dealerships acquired in August 2006 were not included in the same-store revenue calculations.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, related revenues and expenses, and disclosure of gain and loss contingencies at the date of the financial statements. Such estimates and assumptions are subject to a number of risks and uncertainties, which may cause actual results to differ materially from the Company's estimates. Both the significant accounting policies that management believes are the most critical to aid in fully understanding and evaluating the reported financial results and the effects of recent accounting pronouncements have been reported in the Company's 2006 Annual Report on Form 10-K.

In accordance with the provisions of FASB Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," the Company has determined that the letters of credit issued by FCC to the Independent Lender as part of the CSO program constitute a guarantee for which the Company is required to recognize, at the inception of the guarantee, a liability for the fair value of the obligation undertaken by issuing the letters of credit. Each letter of credit is issued at the time that a FCC credit services customer enters into a loan agreement with the Independent Lender. The Independent Lender may present the letter of credit to FCC for payment if the customer fails to repay the full amount of the loan and accrued interest after the due date of the loan. Each letter of credit expires within 60 days from the inception of the associated lending transaction. FCC is entitled to seek recovery directly from its customers for amounts it pays the Independent Lender in performing under the letters of credit. The Company records the estimated fair value of the liabilities under the letters of credit in accrued liabilities.

Recent accounting pronouncements - In June 2006, the FASB issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 requires that a more-likely-than-not threshold be met before the benefit of a tax position may be recognized in the financial statements and prescribes how such benefit should be measured. It requires that the new standard be applied to the balances of assets and liabilities as of the beginning of the period of adoption and that a corresponding adjustment be made to the opening balance of retained earnings. Effective January 1, 2007, the Company adopted FIN 48, as described in Note 6, "Income Taxes."

In June 2006, the FASB ratified the consensus reached on EITF Issue No. 06-3, "How Taxes Collected from Customers and Remitted to Governmental Authorities Should Be Presented in the Income Statement (That Is, Gross versus Net Presentation)" ("EITF 06-3"). EITF 06-3 requires disclosure of the method of accounting for the applicable assessed taxes and the amount of assessed taxes that are included in revenues if they are accounted for under the gross method. EITF 06-3 is effective for the first interim or annual reporting period beginning after December 15, 2006. No additional disclosures will be required since the Company presents revenues net of any taxes collected from customers.

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"). SFAS 157 defines fair value to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and emphasizes that fair value is a market-based measurement, not an entity-specific measurement. It establishes a fair value hierarchy and expands disclosures about fair value measurements in both interim and annual periods. SFAS 157 will be effective for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The Company does not expect SFAS 157 to have a material effect on the Company's consolidated financial position or results of operations.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" ("SFAS 159"). SFAS 159 permits entities to choose, at specified election dates, to measure eligible items at fair value (the "fair value option") and requires an entity to report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. Upfront costs and fees related to items for which the fair value option is elected shall be recognized in earnings as incurred and not deferred. SFAS 159 will be effective for fiscal years beginning after November 15, 2007. The Company does not expect SFAS 159 to have a material effect on the Company's consolidated financial position or results of operations.

RESULTS OF OPERATIONS

Three months ended September 30, 2007, compared to the three months ended September 30, 2006

The following table (in thousands) details the components of revenues for the three months ended September 30, 2007 (the "Third Quarter of 2007"), as compared to the three months ended September 30, 2006 (the "Third Quarter of 2006"):

Three Months Ended September 30,

	<u>2007</u>	<u>2006</u>	<u>Increase/(Decrease)</u>	
Domestic revenues:				
Pawn retail merchandise sales	\$ 14,906	\$ 13,864	\$ 1,042	8%
Pawn scrap jewelry sales	5,017	3,399	1,618	48%
Pawn service charges	8,191	7,523	668	9%
Short-term loan and credit services fees	19,307	18,244	1,063	6%
Buy-here/pay-here retail automobile sales	27,863	6,221	21,642	348%
Buy-here/pay-here wholesale automobile sales	557	147	410	279%
Buy-here/pay-here finance charges	1,906	329	1,577	479%
Other	990	1,005	(15)	(1)%
	<u>\$ 78,737</u>	<u>\$ 50,732</u>	<u>\$ 28,005</u>	<u>55%</u>
Foreign revenues:				
Pawn retail merchandise sales	\$ 12,019	\$ 8,223	\$ 3,796	46%
Pawn scrap jewelry sales	7,026	5,134	1,892	37%
Pawn service charges	7,181	5,383	1,798	33%
	<u>\$ 26,226</u>	<u>\$ 18,740</u>	<u>\$ 7,486</u>	<u>40%</u>
Total revenues:				
Pawn retail merchandise sales	\$ 26,925	\$ 22,087	\$ 4,838	22%
Pawn scrap jewelry sales	12,043	8,533	3,510	41%
Pawn service charges	15,372	12,906	2,466	19%
Short-term loan and credit services fees	19,307	18,244	1,063	6%
Buy-here/pay-here retail automobile sales	27,863	6,221	21,642	348%
Buy-here/pay-here wholesale automobile sales	557	147	410	279%
Buy-here/pay-here finance charges	1,906	329	1,577	479%
Other	990	1,005	(15)	(1)%
	<u>\$ 104,963</u>	<u>\$ 69,472</u>	<u>\$ 35,491</u>	<u>51%</u>

Year-over-year revenue increases for pawn retail merchandise sales, pawn service fees and short-term loan/credit services fees were due to a combination of same-store revenue growth and the opening of new stores. Same-store revenues (stores that were in operation during all of the Third Quarter of both 2007 and 2006) increased 14%, or \$8,756,000, for the Third Quarter of 2007 as compared to the same quarter last year. Revenues generated by the 29 new pawn stores and the 51 new short-term loan stores opened since July 1, 2006 increased by \$3,439,000, compared to the same quarter last year.

The consolidated increase in scrap jewelry sales during the Third Quarter of 2007 was primarily due to a 30% increase in the quantity of gold sold and a 9% increase in the weighted-average selling price of scrap gold.

The Company acquired Auto Master on August 25, 2006, and accordingly, the buy-here/pay-here automotive revenues for the Third Quarter of 2006 do not include the results of Auto Master prior to August 25, 2006. During this period, Auto Master sold approximately 2,700 vehicles to retail customers for an average selling price of \$10,400 per vehicle.

The following table (in thousands) details pawn receivables, short-term loan receivables, active CSO loans outstanding from an independent third-party lender and buy-here/pay-here automotive receivables as of September 30, 2007, as compared to September 30, 2006:

	Balance at September 30,			
	<u>2007</u>	<u>2006</u>	<u>Increase/(Decrease)</u>	
Domestic customer receivables & CSO loans outstanding:				
Pawn receivables	\$ 23,419	\$ 21,398	\$ 2,021	9%
Short-term loan receivables, net of allowance	7,810	6,459	1,351	21%
CSO loans held by independent third-party lender (1)	11,861	10,967	894	8%
Buy-here/pay-here receivables, with current and long-term maturities, net of allowance	57,282	30,262	27,020	89%
	<u>100,372</u>	<u>69,086</u>	<u>31,286</u>	<u>45%</u>
Foreign customer receivables:				
Pawn receivables	17,231	13,301	3,930	30%
Total customer receivables and CSO loans outstanding:				
Pawn receivables	40,650	34,699	5,951	17%

Short-term loan receivables, net of allowance	7,810	6,459	1,351	21%
CSO loans held by independent third-party lender (1)	11,861	10,967	894	8%
Buy-here/pay-here receivables, with current and long-term maturities, net of allowance	57,282	30,262	27,020	89%
	<u>\$ 117,603</u>	<u>\$ 82,387</u>	<u>\$ 35,216</u>	43%

(1) CSO loans outstanding are comprised of the principal portion of active CSO loans outstanding from an independent third-party lender, which are not included on the Company's balance sheet, net of the Company's estimated fair value of its liability under the letters of credit guaranteeing the loans.

The Company's loss reserve on short-term loan receivables increased from \$239,000 at September 30, 2006 to \$316,000 at September 30, 2007. The estimated fair value of liabilities under the CSO letters of credit, net of anticipated recoveries from customers, was \$555,000 at September 30, 2007, compared to \$490,000 at September 30, 2006, which is included as a component of the Company's accrued liabilities. The Company's loss reserve on buy-here/pay-here automotive receivables was \$16,121,000 at September 30, 2007, compared to \$9,424,000 at September 30, 2006.

The gross profit margin on total pawn merchandise sales was 40.1% during the Third Quarter of 2007, compared to 41.8% during the Third Quarter of 2006. The retail pawn merchandise margin, which excludes scrap jewelry sales, was 44.1% during the Third Quarter of 2007, compared to 44.4% in the Third Quarter of 2006. Gross margin on sales of scrap jewelry was 31.3% in the Third Quarter of 2007 compared to 35.1% in the Third Quarter of 2006. The decrease in scrap jewelry margins is due primarily to increased loan-to-value ratios on gold jewelry pawns compared to the same period last year. The margin on buy-here/pay-here retail automobile sales, net of credit losses, was 22.8% for the Third Quarter of 2007.

The Company's short-term loan and credit services loss provision increased from 28.7% of short-term loan and credit services fee revenues during the Third Quarter of 2006 to 31.9% during the Third Quarter of 2007. The increase was primarily related to higher loss rates in the Company's newer locations, which typically experience higher loss rates than the Company's more mature stores. The Company currently has disproportionately more of its short-term loan revenue being generated by its newer stores, as compared to the prior year. The buy-here/pay-here automotive credit loss provision was \$9,878,000 for the Third Quarter of 2007, or 35.5% of retail automobile sales. The increased credit loss provision for Auto Master was anticipated and was primarily attributable to the significant growth of Auto Master from 8 to 15 dealerships over the past twelve months. Newly opened lots, especially those in new markets, typically generate higher credit losses until they develop and isolate a stable core customer base. Starting in the third quarter, the Company began to further centralize and scale its collection operations to more efficiently serve the sales growth, more customer accounts and new store locations.

Pawn and short-term loan store operating expenses increased 13% to \$22,942,000 during the Third Quarter of 2007, compared to \$20,277,000 during the Third Quarter of 2006, primarily as a result of the net addition of 75 new pawn and check cashing/short-term loan stores since July 1, 2006, which is a 20% increase in the store count. Buy-here/pay-here automotive dealership operating expenses totaled \$3,369,000 for the Third Quarter of 2007. Administrative expenses increased 12% to \$6,777,000 during the Third Quarter of 2007 compared to \$6,031,000 during the Third Quarter of 2006, which is primarily attributable to increased management and supervisory compensation expense and to additional administrative expenses related to new store openings and the Auto Master acquisition. The Company incurred interest expense in the Third Quarter of 2007 of \$778,000, compared to \$219,000 for the Third Quarter of 2006 due primarily to higher amounts of interest-bearing debt related to the acquisition of Auto Master and stock repurchases. Interest income decreased from \$141,000 in the Third Quarter of 2006 to \$18,000 in the Third Quarter of 2007 due to lower levels of invested cash.

For the Third Quarter of 2007 and 2006, the Company's effective income tax rates of 35.9% and 36.5%, respectively, differed from the federal statutory tax rate of 35% primarily as a result of state income taxes.

Nine months ended September 30, 2007, compared to the nine months ended September 30, 2006

The following table (in thousands) details the components of revenues for the nine months ended September 30, 2007 (the "Nine-Month 2007 Period"), as compared to the nine months ended September 30, 2006 (the "Nine-Month 2006 Period"):

	Nine Months Ended September 30,			
	2007	2006	Increase/(Decrease)	
Domestic revenues:				
Pawn retail merchandise sales	\$ 46,039	\$ 43,242	\$ 2,797	6%
Pawn scrap jewelry sales	11,655	8,397	3,258	39%
Pawn service charges	23,026	20,650	2,376	12%
Short-term loan and credit services fees	53,969	47,050	6,919	15%
Buy-here/pay-here retail automobile sales	73,765	6,221	67,544	1086%
Buy-here/pay-here wholesale automobile sales	1,705	147	1,558	1060%
Buy-here/pay-here finance charges	5,049	329	4,720	1435%
Other	3,222	3,012	210	7%
	<u>\$ 218,430</u>	<u>\$ 129,048</u>	<u>\$ 89,382</u>	69%
Foreign revenues:				
Pawn retail merchandise sales	\$ 33,499	\$ 22,616	\$ 10,883	48%
Pawn scrap jewelry sales	16,223	15,227	996	7%
Pawn service charges	19,691	14,656	5,035	34%
	<u>\$ 69,413</u>	<u>\$ 52,499</u>	<u>\$ 16,914</u>	32%
Total revenues:				
Pawn retail merchandise sales	\$ 79,538	\$ 65,958	\$ 13,580	21%

Pawn retail merchandise sales	\$ 17,000	\$ 50,000	\$ 15,000	217%
Pawn scrap jewelry sales	27,878	23,624	4,254	18%
Pawn service charges	42,717	35,306	7,411	21%
Short-term loan and credit services fees	53,969	47,050	6,919	15%
Buy-here/pay-here retail automobile sales	73,765	6,221	67,544	1086%
Buy-here/pay-here wholesale automobile sales	1,705	147	1,558	1060%
Buy-here/pay-here finance charges	5,049	329	4,720	1435%
Other	3,222	3,012	210	7%
	<u>\$ 287,843</u>	<u>\$ 181,547</u>	<u>\$ 106,296</u>	59%

Year-over-year revenue increases for pawn retail merchandise sales, pawn scrap jewelry sales, pawn service fees, short-term loan/credit services fees and other revenues were due to a combination of same-store revenue growth and the opening of new stores. Same-store revenues (stores that were in operation during all of the first nine months of both 2006 and 2007) increased 10%, or \$17,038,000, for the Nine-Month 2007 Period as compared to the same period last year. Revenues generated by the 48 new pawn stores and the 75 new short-term loan stores opened since January 1, 2006 increased by \$15,985,000, compared to the same period last year.

The consolidated increase in scrap jewelry sales during the Nine-Month Period of 2007 was primarily due to an 11% increase in the weighted-average price of gold and a 5% increase in the quantity of gold sold.

The Company acquired Auto Master on August 25, 2006, and accordingly, the buy-here/pay-here automotive revenues for the Nine-Month 2006 Period do not include the results of Auto Master prior to August 25, 2006. During this period, Auto Master sold approximately 7,300 vehicles to retail customers for an average selling price of \$10,400 per vehicle.

The gross profit margin on total pawn merchandise sales was 40.9% during the Nine-Month 2007 Period, compared to 41.5% during the Nine-Month 2006 Period. The retail pawn merchandise margin, which excludes scrap jewelry sales, was 43.9% during the Nine-Month 2007 Period, compared to 44.4% in the Nine-Month 2006 Period. Gross margins on sales of scrap jewelry were 32.6% in the Nine-Month 2007 Period compared to 33.5% in the Nine-Month 2006 Period. The margin on buy-here/pay-here retail automobile sales, net of credit losses, was 25.6% for the Nine-Month 2007 Period.

The Company's short-term loan and credit services loss provision increased from 20.8% of short-term loan and credit services fee revenues during the Nine-Month 2006 Period to 25.3% during the Nine-Month 2007 Period. During the Nine-Month 2007 Period, the Company sold certain bad debt portfolios generated from short-term loan and credit services guarantees for an aggregate price of \$664,000, compared to proceeds of \$1,883,000 for similar transactions in the prior year period. The sales were recorded as reductions of the short-term loan and credit services loss provision. The decline in bad debt portfolio sales accounted for 270 basis points of the increase in the short-term loan and credit services loss provision ratio. The remainder of the increase in the provision was related to an increased proportion of new stores, which typically have greater early credit losses and higher charge-offs associated with new customers and employees. The buy-here/pay-here automotive credit loss provision was \$23,956,000 for the Nine-Month 2007 Period, or 32.5% of retail automobile sales.

Pawn and short-term loan store operating expenses increased 17% to \$66,792,000 during the Nine-Month 2007 Period, compared to \$57,044,000 during the Nine-Month 2006 Period, primarily as a result of the net addition of 117 pawn and check cashing/short-term loan stores since January 1, 2006, which is a 36% increase in the store count. Buy-here/pay-here automotive dealership operating expenses totaled \$8,573,000 for the Nine-Month 2007 Period. Administrative expenses increased 28% to \$21,545,000 during the Nine-Month 2007 Period compared to \$16,801,000 during the Nine-Month 2006 Period, which is primarily attributable to increased management and supervisory compensation expense and to additional administrative expenses related to new store openings and the Auto Master acquisition. The Company incurred interest expense in the Nine-Month 2007 Period of \$1,487,000 compared to \$219,000 during the Nine-Month 2006 Period due primarily to higher amounts of interest-bearing debt related to the acquisition of Auto Master and stock repurchases. Interest income decreased from \$691,000 in the Nine-Month 2006 Period to \$56,000 in the Nine-Month 2007 Period due primarily to lower levels of invested cash.

For the Nine-Month 2007 Period and Nine-Month 2006 Period, the Company's effective income tax rates of 36.4% and 36.5%, respectively, differed from the federal statutory tax rate of 35% primarily as a result of state income taxes.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2007, the Company's primary sources of liquidity were \$11,811,000 in cash and cash equivalents, \$112,511,000 in receivables, \$34,947,000 in inventories and \$43,200,000 of available and unused funds under the Company's long-term line of credit with two commercial lenders (the "Credit Facility"). The Company had working capital of \$122,619,000 as of September 30, 2007.

The Credit Facility was amended during the Third Quarter of 2007 to increase the amount available under the line of credit from \$50,000,000 to \$90,000,000 and to extend the term of the facility until April 2010. The Credit Facility bears interest at the prevailing LIBOR rate (which was approximately 5.1% at September 30, 2007) plus a fixed interest rate margin of 1.375%. Amounts available under the Credit Facility are limited to 300% of the Company's earnings before income taxes, interest, and depreciation for the trailing twelve months. At September 30, 2007, the Company had \$46,800,000 outstanding under the Credit Facility and \$43,200,000 available for borrowings. Under the terms of the Credit Facility, the Company is required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with the requirements and covenants of the Credit Facility as of September 30, 2007, and November 7, 2007. The Company is required to pay an annual commitment fee of 1/8 of 1% on the average daily unused portion of the Credit Facility commitment. The Company's Credit Facility contains provisions that allow the Company to repurchase stock and/or pay cash dividends within certain parameters. Substantially all of the unencumbered assets of the Company have been pledged as collateral against indebtedness under the Credit Facility.

At September 30, 2007, the Company has notes payable to individuals arising from the Auto Master acquisition that total \$7,750,000 in aggregate and bear interest at 7%, with quarterly payments of principal and interest. Of the \$7,750,000 in notes payable, \$2,250,000 is classified as a current liability, and \$5,500,000 is classified as long-term debt. One of the notes payable, in the principal amount of \$1,000,000, is convertible anytime after August 25, 2007 into 55,555 shares of the Company's common stock at a conversion price of \$18.00 per share.

The following table sets forth certain historical information with respect to the Company's statements of cash flows:

Nine Months Ended September 30,

<u>2007</u>	<u>2006</u>
(unaudited, in thousands)	

Cash flows from operating activities:			
Net income		\$ 29,549	\$ 22,052
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation and amortization		8,054	5,690
Share-based compensation expense		184	560
Non-cash portion of credit loss provision		28,076	4,289
Changes in operating assets and liabilities:			
Buy-here/pay-here automotive customer receivables		(48,955)	(3,538)
Finance and service fees receivable		(1,803)	(1,027)
Inventories		(2,621)	(999)
Prepaid expenses and other assets		(4,805)	(294)
Accounts payable and accrued liabilities		(6,542)	(1,159)
Current and deferred income taxes		1,653	(1,293)
		<hr/>	<hr/>
Net cash flows from operating activities		2,790	24,281
		<hr/>	<hr/>
Cash flows from investing activities:			
Pawn customer receivables		(9,744)	(9,257)
Short-term loan customer receivables		(4,420)	(2,708)
Purchases of property and equipment		(19,875)	(10,928)
Acquisition of Auto Master buy-here/pay-here automotive division		-	(23,652)
		<hr/>	<hr/>
Net cash flows from investing activities		(34,039)	(46,545)
		<hr/>	<hr/>
Cash flows from financing activities:			
Proceeds from debt		64,375	31,000
Payments of debt		(27,263)	(14,490)
Purchase of treasury stock		(18,176)	(24,753)
Proceeds from exercise of stock options and warrants		6,393	5,582
Stock option and warrant income tax benefit		2,196	2,973
		<hr/>	<hr/>
Net cash flows from financing activities		27,525	312
		<hr/>	<hr/>
Change in cash and cash equivalents		(3,724)	(21,952)
Cash and cash equivalents at beginning of the period		15,535	42,741
		<hr/>	<hr/>
Cash and cash equivalents at end of the period		<u>\$ 11,811</u>	<u>\$ 20,789</u>

During the third quarter of 2007, the Company repurchased approximately 823,000 shares of common stock for a total of \$18,176,000. During the second quarter of 2006, the Company repurchased approximately 1,262,000 shares of common stock for a total of \$24,753,000.

The profitability and liquidity of the Company is affected by the amount of customer receivables outstanding and related collections of such receivables. In general, revenue growth is dependent upon the Company's ability to fund growth of customer receivable balances and inventories and the ability to absorb related credit losses. In addition to these factors, merchandise sales and the pace of store expansions affect the Company's liquidity.

Management believes that the Credit Facility and cash generated from operations will be sufficient to accommodate the Company's current operations and store expansion plans for fiscal 2007 and 2008. Other than the Credit Facility, the Company currently has no written commitments for additional borrowings or future acquisitions; however, the Company intends to continue to grow and may seek additional capital to facilitate expansion.

The Company intends to continue expansion primarily through new store openings. The majority of capital expenditures, working capital requirements and start-up losses related to this expansion are expected to be funded through operating cash flows and the Credit Facility. While the Company continually looks for, and is presented with potential acquisition opportunities, the Company currently has no definitive plans or commitments for acquisitions. The Company will evaluate potential acquisitions, if any, based upon growth potential, purchase price, strategic fit and quality of management personnel, among other factors. If the Company encounters an attractive opportunity to acquire new stores in the near future, the Company may seek additional financing, the terms of which will be negotiated on a case-by-case basis.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") for the twelve month period ended September 30, 2007 totaled \$73,836,000, an increase of 38% compared to \$53,312,000 for the twelve month period ended September 30, 2006. The EBITDA margin (EBITDA as a percentage of revenues) for the twelve month period ended September 30, 2007 was 20%, compared to 22% for the comparable prior year period.

EBITDA is commonly used by investors to assess a company's leverage capacity, liquidity and financial performance. EBITDA is not considered a measure of financial performance under U.S. generally accepted accounting principles ("GAAP"), and the items excluded from EBITDA are significant components in understanding and assessing the Company's financial performance. Since EBITDA is not a measure determined in accordance with GAAP and is thus susceptible to varying calculations, EBITDA, as presented, may not be comparable to other similarly titled measures of other companies. EBITDA should not be considered as an alternative to net income, cash flows provided by or used in operating, investing or financing activities or other financial statement data presented in the Company's consolidated financial statements as an indicator of financial performance or liquidity. Non-GAAP measures should be evaluated in conjunction with, and are not a substitute for, GAAP financial measures.

The following table provides a reconciliation of net income to EBITDA (in thousands):

	<u>2007</u>	<u>2006</u>
Net income	\$ 39,241	\$ 29,773
Adjustments:		
Income taxes	22,098	16,812
Depreciation and amortization	10,405	7,299
Interest expense	2,184	219
Interest income	(92)	(791)
	<hr/>	<hr/>
Earnings before interest, income taxes, depreciation and amortization	\$ <u>73,836</u>	\$ <u>53,312</u>

CAUTIONARY STATEMENT REGARDING RISKS AND UNCERTAINTIES THAT MAY AFFECT FUTURE RESULTS

Forward-Looking Information

This quarterly report may contain forward-looking statements about the business, financial condition and prospects of 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 "believes," "projects," "expects," "may," "estimates," "should," "plans," "intends," "could," or "anticipates," or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy. Forward-looking statements can also be identified by the fact that these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends or results. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties. Forward-looking statements in this quarterly report include, without limitation, the Company's expectations of earnings per share, earnings growth, expansion strategies, store and dealership openings, future liquidity, cash flows, credit loss provisions, debt repayments, consumer demand for the Company's products and services, competition, and other performance results. These statements are made to provide the public with management's current 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 quarterly report speak only as of the date of this statement, and the Company expressly disclaims any obligation or undertaking to 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 circumstances 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 quarterly report. Such factors are difficult to predict and many are beyond the control of the Company and may include changes in regional, national or international economic conditions, changes in consumer borrowing and repayment behaviors, changes in credit markets, credit losses, changes or increases in competition, the ability to locate, open and staff new stores and dealerships, the availability or access to sources of inventory, inclement weather, the ability to successfully integrate acquisitions, the ability to retain key management personnel, the ability to operate with limited regulation as a credit services organization in Texas, new legislative initiatives or governmental regulations (or changes to existing laws and regulations) affecting short-term loan/payday advance businesses, credit services organizations, pawn businesses and buy-here /pay-here automotive businesses in both the U.S. and Mexico, unforeseen litigation, changes in interest rates, changes in tax rates or policies, changes in gold prices, changes in energy prices, changes in used-vehicle prices, cost of funds, changes in foreign currency exchange rates, future business decisions, and other uncertainties. These and other risks and uncertainties are further and more completely described in the Company's 2006 Annual Report on Form 10-K (see "Item 1A. Risk Factors").

Regulatory Developments

The Company is subject to extensive regulation of its pawnshop, short-term loan/payday advance lending, credit services and buy-here/pay-here automotive retailing operations in most jurisdictions in which it operates. These regulations are provided through numerous laws, ordinances and regulatory pronouncements from various federal, state and local governmental entities in the United States and Mexico. In many jurisdictions, the Company must obtain and maintain regulatory operating licenses. In addition, many statutes and regulations prescribe, among other things, the general terms of the Company's loan agreements and the maximum service fees and/or interest rates that may be charged. These regulatory agencies have broad discretionary authority. The Company is also subject to U.S. federal and state regulations relating to the reporting and recording of certain currency transactions. The Company's pawnshop operations in Mexico are also subject to, and must comply with pawnshop-specific regulations and other general business, tax, employment and consumer protection regulations from various federal, state and local governmental agencies in Mexico.

Existing regulations and regulatory developments are described in greater detail in the Company's Annual Report on Form 10-K for the year ended December 31, 2006. Subsequent regulatory developments are described herein.

During 2006, the United States Congress enacted legislation that caps the annual percentage rate charged on short-term advance/payday loans made to active military personnel at 36%; this legislation became effective in October 2007. The Company does not have any short-term/payday loan or credit services products bearing an effective interest rate of 36% per annum or less, nor does the Company intend to develop any such product, as the Company believes the losses and servicing costs associated with lending to the Company's traditional customer base would exceed the revenue produced at that rate. The Company does not expect this legislation will have a material adverse effect on the Company's financial condition or results of operations.

The State of Oregon enacted legislation that provided for significantly more restrictive regulation of the payday loan industry beginning in July 2007. The implementation of these more restrictive regulations, which capped payday advance service fees at a 36% annual percentage rate plus a \$10 application fee, had a significant negative effect on the Company's payday advance revenues in Oregon, beginning in July 2007. As a result, the Company has closed two of its seven locations in Oregon. The impact of this change reduced the Company's net income by approximately \$0.01 per share for the three-month period ended September 30, 2007, and could affect future quarters similarly. The Company may be able to offset a portion of this reduction through increased payday loan volumes under the new law and through the addition of pawn loans in this market.

In the District of Columbia, where the Company operates nine locations that offer short-term/payday advances, legislation was recently passed by the City Council to cap the maximum annual percentage rate charged on payday advances at a 24% annual percentage rate. This legislation must still be approved by the U.S. Congress before it can become effective. If enacted, the proposed rate restrictions in Washington, D.C. would make the payday loan product financially unviable and would likely cause the Company to discontinue the product in the Washington D.C. market. Such changes could become effective at some point in 2008 and, using a conservative estimate, could cause the Company to adjust earnings by approximately \$0.13 per share on an annualized basis, plus an additional \$0.02 per share one-time charge to close stores in the market, should this become necessary. Should these regulatory changes occur, the Company may be able to offset a portion of the reduced payday advance revenues by converting certain of the D.C. short-term loan stores to pawn stores and through increased pawn

revenues in the existing pawn stores in D.C. and the nearby surrounding markets. The potential impact of Washington D.C. regulations is seen as a one-time adjustment to the Company's earnings stream, as D.C. is a mature market where the Company has no plans to add additional stores.

There can be no assurance that additional local, state or federal statutes or regulations in either the United States or Mexico will not be enacted or that existing laws and regulations will not be amended at some future date that could inhibit the ability of the Company to offer pawn loans, short-term loans, payday advances, credit services and buy-here/pay-here automotive retailing/financing, significantly decrease the service fees for lending money, or prohibit or more stringently regulate the sale of certain goods, any of which could cause a significant, adverse effect on the Company's future results. If legislative or regulatory actions that had negative effects on the pawn, short-term loan, credit services or buy-here/pay-here automotive industries were taken at the federal level in the U.S. or Mexico, or in U.S. or Mexican states or municipalities where the Company has a significant number of stores, those actions could have a materially adverse effect on the Company's lending, credit services and retail activities and revenues. There can be no assurance that additional federal, state or local legislation in the U.S. or Mexico will not be enacted, or that existing laws and regulations will not be amended, which would have a materially adverse impact on the Company's operations and financial condition.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risks relating to the Company's operations result primarily from changes in interest rates, gold prices and foreign currency exchange rates and are described in detail in the Company's 2006 Annual Report on Form 10-K. The Company does not engage in speculative or leveraged transactions, nor does it hold or issue financial instruments for trading purposes. There have been no material changes to the Company's exposure to market risks since December 31, 2006.

ITEM 4. CONTROLS AND PROCEDURES

Under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, management of the Company has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of September 30, 2007 ("Evaluation Date"). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures are effective (i) to ensure that information required to be disclosed by us in reports that the Company files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms; and (ii) to ensure that information required to be disclosed in the reports that the Company files or submits under the Exchange Act is accumulated and communicated to our management, including the Company's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

There was no change in the Company's internal control over financial reporting during the quarter ended September 30, 2007, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

The Company's management, including its Chief Executive Officer and Chief Financial Officer, does not expect that the Company's disclosure controls and procedures or internal controls will prevent all possible error and fraud. The Company's disclosure controls and procedures are, however, designed to provide reasonable assurance of achieving their objectives, and the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's financial controls and procedures are effective at that reasonable assurance level.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material changes in the status of legal proceedings previously reported in the Company's 2006 Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

Except as described in the section of this report entitled "Regulatory Developments," there have been no material changes in the risk factors previously reported in the Company's 2006 Annual Report on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the period from January 1, 2007 through September 30, 2007, the Company issued 494,100 shares of common stock relating to the exercise of outstanding stock options for an aggregate exercise price of \$8,145,000 (including income tax benefit). During the period from January 1, 2007 through September 30, 2007, the Company issued 56,600 shares of common stock relating to the exercise of outstanding stock warrants for an aggregate exercise price of \$564,000 (including income tax benefit).

The transactions set forth in the above paragraph were completed pursuant to either Section 4(2) of the Securities Act or Rule 506 of Regulation D of the Securities Act. With respect to issuances made pursuant to Section 4(2) of the Securities Act, the transactions did not involve any public offering and were sold to a limited group of persons. Each recipient either received adequate information about the Company or had access, through employment or other relationships, to such information, and the Company determined that each recipient had such knowledge and experience in financial and business matters that they were able to evaluate the merits and risks of an investment in the Company. With respect to issuances made pursuant to Rule 506 of Regulation D of the Securities Act, the Company determined that each purchaser was an "accredited investor" as defined in Rule 501(a) under the Securities Act. All sales of the Company's securities were made by officers of the Company who received no commission or other remuneration for the solicitation of any person in connection with the respective sales of securities described above. The recipients of securities represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the share certificates and other instruments issued in such transactions.

In June 2006, the Company's Board of Directors authorized an open-ended stock repurchase plan, with no dollar limitation, to permit future repurchases of up to 2,000,000 shares of First Cash's outstanding common stock. During the second quarter of 2006, the Company repurchased a total of 461,000 common shares under this repurchase plan for an aggregate purchase price of \$8,848,000 or \$19.21 per share.

The following table provides the information with respect to purchases made by the Company of shares of its common stock during each month that the program was in effect during the Third Quarter of 2007:

Total Number Of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased As Part of Publicly Announced Plans	Maximum Number Of Shares that May Yet be Purchased Under the Plans
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July 1 through July 31, 2007	437,836	\$ 23.14	437,836	1,101,508
August 1 through August 31, 2007	385,000	20.90	385,000	716,508
September 1 through September 30, 2007	-	-	-	716,508
Total	822,836	\$ 22.09	822,836	

Subsequent to September 30, 2007, the Company repurchased approximately 717,000 shares to close out the 2006-authorized program. The repurchase price of the 2,000,000 shares repurchased under this plan was \$41 million, or a weighted-average of \$20.50 per share. In November 2007, the Company's Board of Directors authorized a repurchase program for up to 1,000,000 shares of First Cash's outstanding common stock. No shares were repurchased under the 2007-authorized program as of the report date.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

Exhibits:

- 10.1 Amended and Restated Employment Agreement - Rick L. Wessel
- 31.1 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act provided by Rick L. Wessel, Chief Executive Officer
- 31.2 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act provided by R. Douglas Orr, Chief Financial Officer
- 32.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 provided by Rick L. Wessel, Chief Executive Officer
- 32.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 provided by R. Douglas Orr, Chief Financial Officer

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: November 7, 2007

FIRST CASH FINANCIAL SERVICES, INC.
(Registrant)

/s/ RICK L. WESSEL
Rick L. Wessel
Chief Executive Officer
(Principal Executive Officer)

/s/ R. DOUGLAS ORR
R. Douglas Orr
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

INDEX TO EXHIBITS

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>
10.1	Amended and Restated Employment Agreement - Rick L. Wessel
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act provided by Rick L. Wessel, Chief Executive Officer
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FIRST AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

THIS AGREEMENT IS SUBJECT TO MANDATORY AND BINDING ARBITRATION

This First Amended and Restated Executive Employment Agreement (the "Agreement") is entered into as of October 16, 2007 (the "Effective Date"), by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and Rick L. Wessel (the "Executive").

WHEREAS, Executive was formerly employed by the Company pursuant to an employment agreement entered into as of September 30, 2000, between the parties (said agreement and all previous amendments and/or addenda hereinafter referred to as the "Old Employment Agreement"), and the parties terminated the Old Employment Agreement and entered into a new agreement as of December 31, 2004 (said agreement and all previous amendments and/or addenda hereinafter referred to as the "New Employment Agreement"). The parties desire to Amend and Restate the New Agreement, based on the terms and conditions set forth below.

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

1. TERMINATION OF OLD EMPLOYMENT AGREEMENT; AMENDMENT AND RESTATEMENT OF THE NEW EMPLOYMENT AGREEMENT.

The parties agree that the Old Employment Agreement remains terminated as of December 31, 2004, and the Old Agreement remains without force or effect. The parties hereto previously waived and released all rights they may have under the Old Employment Agreement as of December 21, 2004. The parties agree that the New Employment Agreement shall be amended and restated herein as of the Effective Date, and that this Agreement shall govern the relationship of the parties henceforth, subject to subsequent amendment and/or addenda entered into in accordance with the terms of this Agreement.

2. EMPLOYMENT.

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

3. DUTIES.

(a) The Company will continue to employ the Executive as President of the Company and Chief Executive Officer ("CEO").

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

(c) Under the direction of either the Board of Directors of the Company ("Board") or the Chairman of the Board, the Executive shall perform such duties, and have such powers, authority, functions, duties and responsibilities for the Company and corporations and other entities affiliated with the Company commensurate and consistent with his employment in the position of President and CEO. The Executive also shall have such additional powers, authority, functions, duties and responsibilities as may be assigned to him by the Board; provided that, without the Executive's written consent, those additional powers, authority, functions, duties and responsibilities shall not be materially inconsistent or interfere with, or detract from, those vested herein, or otherwise then being performed for the Company by the Executive. In the event of an increase in the Executive's duties, beyond the duties of President and CEO, the Board may review the Executive's compensation and benefits to determine if an adjustment in compensation and employee benefits commensurate with the Executive's new duties is warranted, in accordance with the Company's compensation policies.

4. TERM OF EMPLOYMENT.

The term of employment of Executive is through December 31, 2012. Subject to the provisions of Section 9, the term of the Executive's Employment hereunder shall commence on December 31, 2004. At the discretion of the Board, the term of employment may be extended for additional successive periods of 1 year, each year beginning on January 1, 2008, and each anniversary date thereafter, provided that during the previous year, the Executive met the stipulated performance criteria established by the Board. All such extensions, if any, must be in writing, approved by the Board, and signed by Executive and an authorized representative of the Company.

5. EXTENT OF SERVICES.

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

6. NO FORCED RELOCATION.

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

7. COMPENSATION.

(a) SALARY.

An annual base salary shall be payable to the Executive by the Company as a guaranteed minimum amount under this Agreement for each calendar year during the period from January 1, 2005 to the termination date of the Executive's Employment. That annual base salary shall (i) accrue daily on the basis of a 365-day year, (ii) be payable to the Executive in the intervals consistent with the Company's normal payroll schedules (but in no event less frequently than semi-monthly) and (iii) be payable beginning January 1, 2005 at an initial annual rate of \$550,000 through December 31, 2005, \$605,000 from January 1, 2006 to December 31, 2006, and \$700,000 beginning January 1, 2007. The Executive's annual base salary shall not be decreased. The compensation committee of the Board may determine such other adjustments, which are not inconsistent with the foregoing terms, as may be appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies.

(b) BONUS.

At the discretion of the Board's compensation committee, Executive shall be eligible to be paid an annual bonus by the Company for each calendar year during the period from January 1, 2005 to the termination date of the Executive's Employment. That annual bonus shall be payable at such rate and in such amount as is determined by the compensation committee of the Board. The Executive's annual bonus, if any, shall be adjusted annually in each December to reflect such adjustments, if any, as the Board's compensation committee determines appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies. A failure of the Company to pay Executive an annual bonus shall not constitute a breach or violation of this Agreement by the Company.

(c) OTHER COMPENSATION.

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

(d) EXPENSES.

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

8. OTHER BENEFITS.

(a) EMPLOYEE BENEFITS AND PROGRAMS.

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

(b) SUBSCRIPTIONS AND MEMBERSHIPS.

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

(c) VACATION.

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

(d) BOOKKEEPING AND ACCOUNTING.

The Executive shall be entitled to Company paid or reimbursed annual accounting services of up to \$700 per year.

(e) INSURANCE.

For the term of this Agreement, the Company will provide, at no cost to Executive, term life insurance benefits under two separate policies, the first of which, naming the Company as beneficiary, shall be at the Company's option. The first policy shall designate the Company as the beneficiary and loss payee. This policy shall be procured at the option of the Board and shall have an amount of coverage, which shall be at the discretion of the Board. The second policy shall be in the amount of not less than \$4 million with the beneficiary and loss payee designated by the Executive. In the discretion of the Board, during the term of this Agreement, the Company shall also provide, at no cost to Executive, disability insurance sufficient to provide, in the event Executive becomes disabled, payments that would be made to Executive equal or up to the amount equal to Executive's base salary, as of the date of disability, provided such coverage is reasonably available at reasonable cost. Executive may procure his own disability coverage and be reimbursed, if the Company does not provide the same.

(f) USE OF COMPANY AIRCRAFT.

During the term of this Agreement, the Executive shall be entitled to use of the Company Aircraft for personal use with such use considered compensation for purposes of this Agreement and income tax reporting purposes. Use of the Company Aircraft by the Executive shall not conflict with or override the use by the Company for its business needs.

In order to determine the amount of compensation arising from the use of the Company Aircraft for personal use, the Company shall calculate the amount of compensation attributable to such personal use in accordance with the guidance provided by the Internal Revenue Service under Treasury Regulation Section 1.61-21 (or such other regulation(s) that the IRS may issue from time to time that prescribes the valuation formula for the taxable fringe benefit).

Personal use of the Company Aircraft shall include use of the Company Aircraft by the Executive and family members or such other persons that accompany the Executive on a personal-use flight. Use of the Company Aircraft by family members or such other person as the Executive may designate shall be considered use by the Executive whether or not the Executive is actually present on the personal-use flight. All such use shall be treated as compensation to the Executive.

If the Executive combines, in one trip, personal and business flights on the Company Aircraft, the Company shall allocate the use of the Company Aircraft between personal and business in accordance with the aforementioned Treasury regulations taking into consideration the primary purpose of the trip and the number of other passengers traveling for business or personal, as the case may be.

9. TERMINATION.

The Executive's Employment hereunder may be terminated prior to the term provided for in Section 4 only under the following circumstances:

(a) DEATH.

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

(b) DISABILITY.

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

(c) VOLUNTARY TERMINATION.

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

(d) TERMINATION FOR GOOD CAUSE.

The Executive may terminate his Employment for Good Cause at any time within 180 days (90 days if the Good Cause is the occurrence of a Change of Control) after the Executive becomes consciously aware that the facts and circumstances constituting Good Cause exist are continuing and by giving the Company 30 days' prior written notice that the Executive intends to terminate his Employment for Good Cause, which notice will state with specificity the basis for Executive's contention that Good Cause exists; provided, however, that if Executive terminates for Good Cause due to a Change in Control, the Change in Control must actually occur. A Change in Control will not be deemed to have actually occurred merely because of a pending or possible event. The Executive shall not have Good Cause to terminate his Employment solely by reason of the occurrence of a Change in Control until one year after the date such Change in Control actually occurs. The Executive may not terminate for Good Cause if the facts and circumstances constituting Good Cause are substantially cured by the Company within 30 days following notice to the Company.

(e) INVOLUNTARY TERMINATION.

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

(f) INVOLUNTARY TERMINATION FOR CAUSE.

The Company reserves the right to terminate the Executive's Employment for Cause. In the event that the Company determines that Cause exists under Section 13(f)(i) for the termination of the Executive's Employment, the Company shall provide in writing (the "Notice of Cause"), the basis for that determination and the manner, if any, in which the breach or neglect can be cured. If either the Company has determined that the breach or neglect cannot be cured, as set forth in the Notice of Cause, or has advised the Executive in the Notice of Cause of the manner in which the breach or neglect can be cured, but the Executive fails to substantially effect that cure within 60 days after his receipt of the Notice of Cause, the Company shall be entitled to give the Executive written notice of the Company's intention to terminate Executive's Employment for Cause (the "Notice of Intent to Terminate"). Executive shall have the right to object to any Notice of Intent to Terminate Executive's Employment for Cause, by furnishing the Company within ten days of receipt by Executive of the Notice of Intent to Terminate Executive's Employment for Cause, written notice specifying the reasons Executive contends either (i) Cause under Section 13(f)(i) does not exist or has been timely cured or (ii) in the circumstance of a Notice of Intent to Terminate Executive's Employment for Cause under Section 13(f)(ii), that such Cause does not exist (the "Notice of Intent to Join Issue over Cause"). The failure of Executive to timely furnish the Company with a Notice of Intent to Join Issue over Cause shall serve to conclusively establish Cause hereunder, and the right of the Company to terminate the Executive's Employment for Cause. Within 30 days following its receipt of a timely Notice of Intent to Join Issue Over Cause, the Company must either rescind the Notice of Intent to Terminate the Executive's Employment for Cause, or file a demand for arbitration in accordance with Section 27, to determine whether the Company is entitled to terminate Executive's Employment for Cause. During the pendency of the arbitration proceeding, and until such time as Executive's Employment is terminated, Executive shall be entitled to receive Compensation under this Agreement. In the discretion of the Board, however, the Executive may be reassigned or suspended with pay, during not only the pendency of the arbitration proceeding, but during the period from the date the Company furnishes Executive with a Notice of Intent to Terminate the Executive's Employment for Cause until such date as the notice is rescinded, a determination that Cause does not exist is made in the arbitration proceeding or in the event of a determination that Cause does exist in the arbitration proceeding, the effective date of the termination of Executive's Employment for Cause. In the event that the Company determines that Cause exists under Section 13(f)(ii) for the termination of the Executive's Employment, it shall be entitled to immediately furnish Executive with a Notice of Intent to Terminate Executive's Employment without providing a Notice of Cause or any opportunity prior to that notice to contest that determination. Any termination of the Executive's Employment for Cause pursuant to this Section 9(f) shall be effective immediately upon the Executive's receipt of the Company's written notice of that termination and the Cause therefore.

(g) VOLUNTARY TERMINATION AT CONCLUSION OF TERM

At the expiration of the term of employment as stated in Section 4, either party may terminate this Agreement by giving the other party written notice at least six months before the expiration of the term of employment stated in Section 4.

10. SEVERANCE PAYMENTS.

Unless effected under Section 9(g), if the Executive's Employment is terminated during the term of this Agreement, the Executive shall be entitled to receive severance payments as follows:

(a) If the Executive's Employment is terminated under Section 9(a), (b), (d), (e) or (g), the Company will pay or cause to be paid to the Executive (or, in the case of a termination under Section 9(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to this Section 10(a) or, in the absence of such designation, the Executive's estate): (i) the Accrued Salary; (ii) the Other Earned Compensation; (iii) the Reimbursable Expenses; and (iv) the Severance Benefit.

(b) If the Executive's Employment is terminated under Section 9(c) or (f), the Company will pay or cause to be paid to the Executive: (i) the Accrued Salary determined as of and through the termination date of the Executive's Employment; (ii) the Other Earned Compensation; and (iii) the Reimbursable Expenses.

(c) Any payments to which the Executive (or his designated beneficiary or estate, if Section 9(a) applies) is entitled pursuant to paragraph (i) of subsection (a) of this Section 10 or paragraph (i) of subsection (b) of this Section 10, as applicable, will be paid in a single lump sum within thirty days after the termination date of the Executive's Employment. At the sole option and election of the Executive (or his designated beneficiary or estate, if Section 9(a) applies), which election

shall be made within 30 days of the termination of Executive's Employment, the Company shall pay the executive the Severance Benefit, if at all, (1) in a lump sum on a present value basis; (2) on a semi-monthly basis (as if Executive's employment had continued), or (3) on such other periodic basis reasonably requested by Executive (or his designated beneficiary or estate, if Section 9(a) applies), in which event, the payments will be discounted to the extent the periodic basis selected by Executive (or his designated beneficiary or estate, if Section 9(a) applies) results in an earlier payout to Executive (or his designated beneficiary or estate, if Section 9(a) applies) than if Executive were paid on a semi-monthly basis. The Company shall be given credit for all life or disability insurance proceeds paid to Executive (or his designated beneficiary or estate, if Section 9(a) applies) on any policy procured, paid for or reimbursed by the Company pursuant to this Agreement (up to \$4 million in the case of life insurance). Upon the failure of the Executive to timely make an election as provided herein, such option and election shall revert to the Company. However, if Section 9(a) applies and the Executive's designated beneficiary or estate is the beneficiary of one or more insurance policies purchased by the Company and then in effect the proceeds of which are payable to that beneficiary by reason of the Executive's death, then (i) the Company, at its option, may credit the amount of those proceeds, as and when paid by the insurer to that beneficiary, against the payment to which the Executive's designated beneficiary or estate is entitled pursuant to paragraph (iv) of subsection (a) of this Section 10 and, if it exercises that option, (ii) the payment otherwise due pursuant to that paragraph (iv) will bear interest on the outstanding balance thereof from and including the fifth day after that termination date to the date of payment by the insurer to that beneficiary at the rate of interest specified in Section 32; and provided, further, that if Section 10(b) applies and the Executive is the beneficiary of disability insurance purchased by the Company and then in effect, the Company, at its option, may credit the proceeds of that insurance which are payable to the Executive, valued at their present value as of that termination date using the interest rate specified in Section 32 and then in effect as the discount rate, against the payment to which the Executive is entitled pursuant to paragraph (iv) of subsection (a) of this Section 10. Any payments to which the Executive (or his designated beneficiary or estate, if Section 9(a) applies) is entitled pursuant to paragraphs (ii) and (iii) of subsection (a) or (b) of this Section 10, as applicable, will be paid in a single lump sum within five days after the termination date of the Executive's Employment or as soon thereafter as is administratively feasible, together with interest accrued thereon from and including the fifth day after that termination date to the date of payment at the rate of interest specified in Section 32.

(d) Except as provided in Sections 15, 25 and this Section, the Company will have no payment obligations under this Agreement to the Executive (or his designated beneficiary or estate, if Section 9(a) applies) after the termination date of the Executive's Employment.

11. RESIGNATIONS.

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

12. RETURN OF DOCUMENTS.

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

13. DEFINITION OF TERMS.

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

(a) ACCRUED SALARY.

"Accrued Salary" shall mean the salary that has accrued, and the salary that would accrue through and including the last day of the pay period in which the termination date of the Executive's Employment occurs, under Section 7(a), which has not been paid to the Executive as of that termination date.

(b) ACQUIRING PERSON.

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

(c) AFFILIATE.

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

(d) ASSOCIATE.

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

(e) BENEFICIAL OWNER.

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

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

(f) CAUSE.

"Cause" shall mean that the Executive has (i) willfully breached or habitually neglected (otherwise than by reason of injury, or physical or mental illness, or any disability as defined by the Americans with Disabilities Act of 1990, Public Law 101_336, 42 U.S.C.A. § 12101 *et seq.*) material duties which he was required to perform under the terms of this Agreement, or (ii) committed and been charged with act(s) of dishonesty or fraud.

(g) CHANGE OF CONTROL.

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

(h) COMPANY.

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

(i) COMPENSATION PLAN.

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

(j) DISABILITY.

"Disability" shall mean that the Executive, with reasonable accommodation, has been unable to perform his essential duties under this Agreement for a period of at least six consecutive months as a result of his incapacity due to injury or physical or mental illness, any disability as defined in a disability insurance policy which provides coverage for the Executive, or any disability as defined by the Americans with Disabilities Act of 1990, Public Law 101_336, 42 U.S.C.A. § 12101 *et seq.*

(k) EMPLOYMENT.

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

(l) EXECUTIVE OFFICER.

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

(m) EXEMPT PERSON.

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

(n) GOOD CAUSE.

"Good Cause" for the Executive's termination of his Employment shall mean: (i) any decrease in the annual base salary under Section 7(a) or any other violation hereof in any material respect by the Company; (ii) any material reduction in the Executive's compensation under Section 7; (iii) the assignment to the Executive of duties inconsistent in any material respect with the Executive's then current positions (including status, offices, titles and reporting requirements), authority, duties or responsibilities or any other action by the Company which results in a material diminution in those positions, authority, duties or responsibilities; (iv) any unapproved relocation of the Executive; or (v) the occurrence of a Change of Control. Good Cause shall not exist if the Company cures within the period prescribed herein.

(o) INCENTIVE PLAN.

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

(p) OTHER EARNED COMPENSATION.

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

(q) REIMBURSABLE EXPENSES.

"Reimbursable Expenses" shall mean the expenses incurred by the Executive on or prior to the termination date of his Employment which are to be reimbursed to the Executive under Section 7(c) and which have not been reimbursed to the Executive as of that date.

(r) SEVERANCE BENEFIT.

"Severance Benefit" shall mean all Compensation provided for under Section 7 through the remainder of the Executive's term of employment, it being the parties' intent that, except for a termination under Section 9(c), (f) or (g), the Executive shall receive all Compensation as if his term of employment continued as provided for under Section 4.

(s) COMPANY AIRCRAFT.

The term "Company Aircraft" shall mean any aircraft owned, leased or chartered by the Company in connection with its business.

14. COVENANTS NOT TO COMPETE

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

- (i) the Company is and will be engaged in the business of pawnshop services, payday loan services and check cashing services;
- (ii) Executive will occupy a position of trust and confidence with the Company prior to the date of this agreement and, during such period and Executive's employment under this agreement, Company's trade secrets and with other proprietary and confidential information concerning the Company;
- (iii) the agreements and covenants contained in this Section 14 are essential to protect the Company and the goodwill of the business; and
- (iv) Executive's employment with the Company has special, unique and extraordinary value to the Company and the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of the provisions of this agreement.

(b) Company's Acknowledgement. The Company hereby acknowledges that it will provide Executive with confidential and trade secret information relating to the operation of the Company's business, including but not limited to, customer lists, operating manuals, and financing operations.

(c) Competitive Activities. Executive hereby agrees that for a period commencing on the date hereof and ending one year following the later of (i) termination of Executive's employment with the Company for whatever reason, and (ii) the conclusion of the period, if any, during which the Company is making payments to Executive, he will not, directly or indirectly, as employee, agent, consultant, stockholder, director, co-partner or in any other individual or representative capacity, own, operate, manage, control, engage in, invest in or participate in any manner in, act as a consultant or advisor to, render services for (alone or in association with any person, firm, corporation or entity), or otherwise assist any person or entity (other than the Company) that engages in or owns, invests in, operates, manages or controls any venture or enterprise that directly or indirectly engages or proposes to engage in the business of pawnshops, check cashing services, payday loan services or proposes to engage in the business of the distribution or sale of (i) products distributed, sold or licensed by the Company or services provided by the Company at the time of termination or (ii) products or services proposed at the time of such termination to be distributed, sold, licensed or provided by the Company within 50 miles of any of the Company's locations (the "Territory"); provided, however, that nothing contained herein shall be construed to prevent Executive from investing in the stock of any competing corporation listed on a national securities exchange or traded in the over-the-counter market, but only if Executive is not involved in the business of said corporation and if Executive and his associates (as such term is defined in Regulation 14(A) promulgated under the Securities Exchange Act of 1934, as in effect on the date hereof), collectively, do not own more than an aggregate of two percent of the stock of such corporation. With respect to the Territory, Executive specifically acknowledges that the Company has conducted the business throughout those areas comprising the Territory and the Company intends to continue to expand the business throughout the Territory.

(d) Blue Pencil. If an arbitrator shall at any time deem the terms of this agreement or any restrictive covenant too lengthy or the Territory too extensive, the other provisions of this section 14 shall nevertheless stand, the restrictive period shall be deemed to be the longest period permissible by law under the circumstances and the Territory shall be deemed to comprise the largest territory permissible by law under the circumstances. The arbitrator in each case shall reduce the restricted period and/or the Territory to permissible duration or size.

(e) Non-Solicitation of Employees. Executive agrees that while employed by the Company and for 90 days after the cessation of the Executive's employment for whatever reason, the Executive will not recruit, hire or attempt to recruit or hire, directly or assisted by others, any other employee of the Company with whom the Executive had contact during the Executive's employment with the Company. For the purposes of this paragraph, "contact" means any interaction whatsoever between the Executive and the other employee.

(f) Non-Solicitation of Customers. Executive agrees that while employed by the Company and for 90 days after the cessation of the Executive's employment for whatever reason, the Executive will not directly or indirectly, for himself or on behalf of any other person, partnership, company, corporation or other entity, solicit or attempt to solicit, for the purpose of engaging in competition with the Company,

- (i) any person or entity whose account was serviced by Executive at the Company; or

(ii) any person or entity who is or has been a customer of the Company prior to Executive's termination; or

(iii) any person or entity the Company has targeted and contacted prior to Executive's termination for the purpose of establishing a customer relationship.

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

15. TAX INDEMNITY.

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

16. LOCATIONS OF PERFORMANCE.

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

17. PROPRIETARY INFORMATION.

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

(b) The Executive hereby sells, transfers and assigns to the Company all the entire right, title and interest of the Executive in and to all inventions, ideas, disclosures and improvements, whether patented or unpatented, and copyrightable material, to the extent made or conceived by the Executive solely or jointly with others during the term of this Agreement. The Executive shall communicate promptly and disclose to the Company, in such form as the Company requests, all information, details and data pertaining to the aforementioned and, whether during the term hereof or thereafter, the Executive shall execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be required of the Executive to permit the Company to file and prosecute any patent applications relating to same and, as to copyrightable material, to obtain copyright thereon.

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

18. ASSIGNMENT.

This Agreement may not be assigned by either party; provided that the Company may assign this Agreement (i) in connection with a merger or consolidation involving the Company or a sale of its business, properties and assets substantially as an entirety to the surviving corporation or purchaser as the case may be, so long as such assignee assumes the Company's obligations hereunder; and (ii) so long as the assignment in the reasonable discretion of Executive does not result in a materially increased risk of non-performance of the Company's obligations hereunder by the assignee. The Company shall require as a condition of such assignment any successor (direct or indirect (including, without limitation, by becoming the sole stockholder of the Company) and whether by purchase, merger, consolidation, share exchange or otherwise) to the business, properties and assets of the Company substantially as an entirety expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would have been required to perform it had no such succession taken place. This Agreement shall be binding upon all successors and assigns.

19. NOTICES.

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

20. FORCE MAJEURE.

Neither party shall be liable to the other for any delay or failure to perform hereunder, which delay or failure is due to causes beyond the control of said party, including, but not limited to: acts of God; acts of the public enemy; acts of the United States of America or any state, territory or political subdivision thereof or of the District of Columbia; fires; floods; epidemics; quarantine restrictions; strikes; or freight embargoes; provided, however, that this Section 20 will not relieve the Company of any of its payment obligations to the Executive under this Agreement. Notwithstanding the foregoing provisions of this Section 20, in every case the delay or failure to perform must be beyond the control and without the fault or negligence of the party claiming excusable delay.

21. INTEGRATION.

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

22. WAIVER.

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

23. SAVINGS CLAUSE.

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

24. AUTHORITY TO CONTRACT.

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

25. PAYMENT OF EXPENSES.

If at any time during the term hereof or afterwards: (a) there should exist a dispute or conflict between the Executive and the Company or another Person as to the validity, interpretation or application of any term or condition hereof, or as to the Executive's entitlement to any benefit intended to be bestowed hereby, which is not resolved to the satisfaction of the Executive, (b) the Executive must (i) defend the validity of this Agreement or (ii) contest any determination by the Company concerning the amounts payable (or reimbursable) by the Company to the Executive or (c) the Executive must prepare responses to an Internal Revenue Service ("IRS") audit of, or otherwise defend, his personal income tax return for any year the subject of any such audit, or an adverse determination, administrative proceedings or civil litigation arising there from, which is occasioned by or related to an audit by the IRS of the Company's income tax returns, then the Company hereby unconditionally agrees: (a) on written demand of the Company by the Executive, to provide sums sufficient to advance and pay on a current basis (either by paying directly or by reimbursing the Executive) not less than 30 days after a written request there from is submitted by the Executive, all the Executive's costs and expenses (including, without limitation, attorney's fees, expenses of investigation, travel, lodging, copying, delivery services and disbursements for the fees and expenses of experts, etc.) incurred by the Executive in connection with any such matter; (b) the Executive shall be entitled, on demand in accordance with Section 27, below, to the entry of a mandatory injunction without the necessity of posting any bond with respect thereto which compels the Company to pay or advance such costs and expenses on a current basis; and (c) the Company's obligations under this Section 25 will not be affected if the Executive is not the prevailing party in the final resolution of any such matter unless it is determined pursuant to Section 27 that, in the case of one or more of such matters, the Executive has acted in bad faith or without a reasonable basis for his position, in which event and, then only with respect to such matter or matters, the successful or prevailing party or parties shall be entitled to recover from the Executive reasonable attorneys' fees and other costs incurred in connection with that matter or matters (including the amounts paid by the Company in respect of that matter or matters pursuant to this Section 25), in addition to any other relief to which it or they may be entitled.

26. REMEDIES.

In the event of a breach by the Executive of Section 14 or 17 of this Agreement, in addition to other remedies provided by applicable law, the Company will be entitled to issuance of a temporary restraining order or preliminary injunction enforcing its rights under such Section.

27. ARBITRATION.

This Agreement Is Subject to Binding Arbitration. Any dispute or controversy arising under or in connection with this Agreement or in any manner associated with Employee's employment (other than those described in Section 26 - Remedies) shall be settled exclusively by arbitration in Arlington, Texas, in accordance with the rules of the American Arbitration Association then in effect. The parties agree to execute and be bound by the mutual agreement to arbitrate claims attached hereto as Attachment A. Should Executive revoke his signature under section (d) of paragraph 13 of the attachment, this agreement shall be void.

28. GOVERNING LAW.

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

29. WAIVER OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST

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

30. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

31. INDEMNIFICATION.

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

32. INTEREST.

If any amounts required to be paid or reimbursed to the Executive hereunder are not so paid or reimbursed at the times provided herein (including amounts required to be paid by the Company pursuant to Sections 7, 15 and 25), those amounts shall bear interest at the rate of 7%, from the date those amounts were required to have been paid or reimbursed to the Executive until those amounts are finally and fully paid or reimbursed; provided, however, that in no event shall the amount of interest contracted for, charged or received hereunder exceed the maximum non-usurious amount of interest allowed by applicable law.

33. TIME OF THE ESSENCE.

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

34. PRIOR INSTRUMENTS UNAFFECTED.

Except for the Old Employment Agreement, which is being terminated pursuant to this Agreement, and the New Employment Agreement, which shall henceforth define the employment relationship of the Executive and the Company, all prior instruments between the Company and Executive shall remain in full force and effect and the terms and conditions thereof shall not be affected by this Agreement.

FIRST CASH FINANCIAL SERVICES, INC.

EXECUTIVE

By: _____
Phillip E. Powell,
Chairman of the Board

Rick L. Wessel

ATTACHMENT "A"

MUTUAL AGREEMENT TO ARBITRATE

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

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

Claims Covered by the Agreement

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

Claims Not Covered by the Agreement

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

Arbitration

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

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

(c) The Arbitration shall take place at Arlington, Texas, or any other location mutually agreeable to us. At the request of either of us, arbitration proceedings will be conducted in the utmost secrecy; in such case all documents, testimony and records shall be received, heard and maintained by the Panel in secrecy, available for inspection only by the Company or me and our respective attorneys and our respective experts, who shall agree in advance and in writing to receive

all such information confidentially and to maintain such information in secrecy until such information shall become generally known. The Panel shall be able to award any and all relief, including relief of an equitable nature. The award rendered by the Panel may be enforceable in any court having jurisdiction thereof.

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

Requirements for Modification or Revocation

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

Sole and Entire Agreement

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

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

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

Construction

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

Consideration

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

Not an Employment Agreement

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

Voluntary

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

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

- a. I agree that this Agreement to arbitrate is valuable to me, because it permits a faster resolution of claims that I would receive in court.
- b. I have been advised to consult an attorney before signing this.
- c. I have 21 days to consider this Agreement. However, I may sign it sooner if I wish to do so.
- d. I have 7 days following my signing this Agreement to revoke my signature, and the Agreement will not be legally binding until the 7 day period has gone by.

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

FIRST CASH FINANCIAL SERVICES, INC.

EXECUTIVE

By: _____
Phillip E. Powell,
Chairman of the Board

Rick L. Wessel

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

I, Rick L. Wessel, certify that:

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

Date: November 7, 2007

/s/ Rick L. Wessel

Rick L. Wessel

Chief Executive Officer

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

I, R. Douglas Orr, certify that:

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

Date: November 7, 2007

/s/ R. Douglas Orr
R. Douglas Orr
Chief Financial Officer

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

In connection with the Quarterly Report of First Cash Financial Services, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Rick L. Wessel, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

Date: November 7, 2007

/s/ Rick L. Wessel

Rick L. Wessel

Chief Executive Officer

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

In connection with the Quarterly Report of First Cash Financial Services, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, R. Douglas Orr, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

Date: November 7, 2007

/s/ R. Douglas Orr

R. Douglas Orr
Chief Financial Officer