UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)
[x] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2006, or

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

For the transition period from __________ to ___________

Commission file number 0-19133

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

Delaware	75-2237318
(state or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

690 East Lamar Blvd., Suite 400 Arlington, Texas	76011
(Address of principal executive offices)	(Zip Code)

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

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

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 [X] 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 X

As of May 8, 2006 there were 32,065,172 shares of Common Stock outstanding.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FIRST CASH FINANCIAL SERVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31,		December 31,
	2006	2005	2005
	(unaudited) (in thousands, except share data)		
ASSETS			
Cash and cash equivalents................	$ 56,367	$ 38,883	$ 42,741
Service fees receivable..................	3,934	3,968	4,176
Pawn receivables.........................	26,743	22,435	27,314
Short-term advance receivables, net of allowance of $171, $416 and $242, respectively.................	4,599	11,575	6,488
Inventories..............................	20,701	16,104	21,987
Prepaid expenses and other current assets	4,487	2,582	5,430
Total current assets	116,831	95,547	108,136
Property and equipment, net..............	25,380	18,516	23,565
Goodwill.................................	53,237	53,237	53,237

Other	1,090	2,599	1,016
Total assets	$ 196,538	$ 169,899	$ 185,954
LIABILITIES AND STOCKHOLDERS' EQUITY			
Accounts payable	$ 1,211	$ 693	$ 908
Accrued liabilities	10,443	8,680	13,722
Total current liabilities	11,654	9,373	14,630
Deferred income taxes payable	8,826	9,055	8,616
Total liabilities	20,480	18,428	23,246
Stockholders' equity:			
Preferred stock; $.01 par value; 10,000,000 shares authorized	-	-	-
Common stock; $.01 par value; 90,000,000 shares authorized	345	334	340
Additional paid-in capital	88,788	79,744	83,065
Retained earnings	110,445	83,509	102,823
Common stock held in treasury	(23,520)	(12,116)	(23,520)
Total stockholders' equity	176,058	151,471	162,708
Total liabilities and stockholders' equity	$ 196,538	$ 169,899	$ 185,954

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 March 31, 2006	Three Months Ended March 31, 2005
	(unaudited, in thousands, except per share amounts)	
Revenues:		
Merchandise sales	$ 29,509	$ 24,237
Pawn service fees	11,066	8,954
Short-term advance and credit services fees	14,040	12,669
Check cashing fees	886	826
Other	199	313
	55,700	46,999
Cost of revenues:		
Cost of goods sold	17,516	14,590
Short-term advance and credit services loss provision	784	1,581
Check cashing returned items expense	94	86
	18,394	16,257
Gross profit	37,306	30,742
Expenses and other income:		
Store operating expenses	18,119	15,761
Administrative expenses	5,706	4,216
Depreciation	1,705	1,292
Interest income	(221)	(84)
	25,309	21,185
Income before income taxes	11,997	9,557
Provision for income taxes	4,375	3,488
Net income	$ 7,622	$ 6,069
Net income per share:		
Basic	$ 0.24	$ 0.19
Diluted	$ 0.23	$ 0.18

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

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

	Three Months Ended March 31, 2006	Three Months Ended March 31, 2005
	(unaudited, in thousands)	
Cash flows from operating activities:		
Net income	$ 7,622	$ 6,069
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation	1,705	1,292
Share-based compensation	506	-
Short-term advance loss provision	416	1,581
Stock option and warrant income tax benefit	-	598
Changes in operating assets and liabilities:		
Service fees receivable	242	544
Inventories	450	554
Prepaid expenses and other assets	1,053	(1,600)
Accounts payable and accrued liabilities	(3,912)	(1,552)
Current and deferred income taxes	962	2,550
Net cash flows from operating activities	9,044	10,036
Cash flows from investing activities:		
Pawn receivables, net	1,407	1,980
Short-term advance receivables, net	1,473	2,309
Purchases of property and equipment	(3,520)	(2,432)
Net cash flows from investing activities	(640)	1,857
Cash flows from financing activities:		
Proceeds from exercise of stock options and warrants	3,110	758
Stock option and warrant income tax benefit	2,112	-
Net cash flows from financing activities	5,222	758
Change in cash and cash equivalents	13,626	12,651
Cash and cash equivalents at beginning of the period	42,741	26,232
Cash and cash equivalents at end of the period	$ 56,367	$ 38,883
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Income taxes	$ 1,232	$ 341
Supplemental disclosure of non-cash investing activity:		
Non-cash transactions in connection with pawn receivables settled through forfeitures of collateral transferred to inventories	$ 10,550	$ 8,483

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.

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, 2005 Annual Report on Form 10-K. The condensed consolidated financial statements as of March 31, 2006 and for the three month periods ended March 31, 2006 and 2005, are unaudited, but in management's opinion, include all adjustments (consisting of only normal recurring adjustments) considered necessary to present fairly the financial position, results of operations and cash flows for such interim periods. Operating results for the period ended March 31, 2006 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 2006 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 - Revolving Credit Facility

The Company maintains a long-term line of credit with two commercial lenders (the "Credit Facility"). The Credit Facility provides a $25,000,000 long-term line of credit that matures on April 15, 2007, and bears interest at the prevailing LIBOR rate (which was approximately 4.8% at March 31, 2006) 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 March 31, 2006, no amounts were outstanding under the Credit Facility and the Company had $25,000,000 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 March 31, 2006, and May 8, 2006. 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.

Note 4 - Earnings Per Share

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

	Three Months Ended March 31,	
	2006	2005
Numerator:		
Net income for calculating basic and diluted earnings per share	$ 7,622	$ 6,069

Denominator:		
Weighted-average common shares for calculating basic earnings per share	31,846	32,125
Effect of dilutive securities:		
Stock options and warrants	1,951	1,900
Weighted-average common shares for calculating diluted earnings per share	33,797	34,025
Basic earnings per share	$ 0.24	$ 0.19
Diluted earnings per share	$ 0.23	$ 0.18

Note 5 - Share-Based Compensation Expense

Under the Company's equity compensation plans, including the board-approved 1990 Stock Option Plan, the shareholder-approved 1999 Stock Option Plan and the shareholder-approved 2004 Long-Term Incentive Plan (collectively described as the "Plans"), it has granted qualified and non-qualified stock options to officers, directors and other key employees. At March 31, 2006, 214,000 shares of unissued common stock of the Company were available for granting under the Plans. In addition, the Company has issued warrants to purchase shares of common stock to certain key members of management, directors and other third parties.

Prior to January 1, 2006, the Company applied the recognition and measurement principles of APB 25, Accounting for Stock Issued to Employees, and related interpretations in accounting for awards of stock options and warrants, whereby at the date of grant, no compensation expense was reflected in income, as all stock options and warrants granted had an exercise price equal to or greater than the market value of the underlying common stock on the date of grant. Pro forma information regarding net income and earnings per share was provided in accordance with Statement of Financial Accounting Standards ("SFAS") 148, Accounting for Stock-Based Compensation - Transition and Disclosure, as if the fair value method defined by SFAS 123, Accounting for Stock-Based Compensation had been applied to stock-based compensation. For purposes of the pro forma disclosures, the estimated fair value of stock options was amortized to expense over the options' vesting period.

Effective January 1, 2006, the Company adopted SFAS No. 123(R), Share-Based Payments, which replaces SFAS 123 and supersedes APB 25. SFAS 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The Company adopted SFAS 123(R) using the modified-prospective transition method, which requires the Company, beginning January 1, 2006 and thereafter, to expense the grant-date fair value of all share-based awards over their remaining vesting periods to the extent the awards were not fully vested as of the date of adoption and to expense the fair value of all share-based awards granted subsequent to December 31, 2005 over their requisite service periods. Stock-based compensation expense for all share-based payment awards granted after January 1, 2006 is based on the grant-date fair value estimated in accordance with the provisions of SFAS 123(R). The Company recognizes compensation cost net of a forfeiture rate and recognizes the compensation cost for only those awards expected to vest on a straight-line basis over the requisite service period of the award, which is generally the vesting term. The Company estimated the forfeiture rate based on its historical experience and its expectations about future forfeitures. As required under the modified-prospective transition method, prior periods have not been restated. In March 2005, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin ("SAB") 107 regarding the SEC's interpretation of SFAS 123(R) and the valuation of share-based payments for public companies. The Company has applied the provisions of SAB 107 in its adoption of SFAS 123(R). The Company records share-based compensation cost as an administrative expense.

For purposes of the pro forma information required to be disclosed by SFAS 123, the Company recognized compensation expense over the vesting period. Under SFAS 123(R), compensation expense is recognized over the period through the date that the employee first becomes eligible to retire and is no longer required to provide service to earn the award. For grants prior to January 1, 2006, compensation expense continues to be recognized under the prior method; compensation expense for awards granted after December 31, 2005 is recognized over the period to the date the employee first becomes eligible for retirement.

Historically, stock options and warrants have been granted to purchase the Company's common stock at an exercise price equal to or greater than the fair market value at the date of grant and generally have a maximum duration of ten years. Stock options and warrants granted prior to January 1, 2005 were either fully vested and exercisable on the date grant, or vested and become exercisable ratably over a five year period beginning five years from the date of grant. In addition, certain of the options with vesting provisions granted prior to January 1, 2005 included accelerated vesting provisions tied to increases in the market value of Company's stock. All stock options granted during fiscal 2005 were fully vested on the date of grant, of which 594,000 options were granted with an exercise price equal to the market price of the stock on the date of grant and 5,264,000 options were granted with an exercise price that exceeded the market price on the date of grant ("premium-priced options"). The options granted in fiscal 2005 at market price had a weighted-average exercise price of $12.50 and a weighted-average fair value of $3.46. The premium-priced options granted in fiscal 2005 had a weighted-average exercise price of $19.89 and a weighted-average fair value price of $3.75. No options or warrants were granted during the three month period ended March 31, 2006.

As a result of adopting SFAS 123(R) on January 1, 2006 the Company's income before income taxes and net income for the three months ended March 31, 2006 were $506,000 and $321,000, respectively, less than if it had continued to account for share-based compensation under the recognition and measurement provisions of APB 25, and related Interpretations, as permitted by SFAS 123. Basic and diluted net income per share for the three months ended March 31, 2006 would have each increased by $0.01, to $0.25 and $0.24, respectively, if the Company had not adopted SFAS 123(R). SFAS 123(R) requires that cash flows from tax benefits resulting from tax deductions in excess of the compensation cost recognized for stock-based awards (excess tax benefits) be classified as financing cash flows prospectively from January 1, 2006. Prior to the adoption of SFAS 123(R), such excess tax benefits were presented as operating cash flows. Accordingly, $2,112,000 of excess tax benefits has been classified as a financing cash inflow in the 2006 first quarter Consolidated Statement of Cash Flows. For the quarter ended March 31, 2005, such excess tax benefits amounted to $598,000.

Of the total share-based compensation expense (before tax benefit) of $506,000 for the three months ended March 31, 2006, approximately $490,000 related to accelerated vesting of previously issued options as a result of an increase in the market value of the Company's common stock during the three months ended March 31, 2006. As of March 31, 2006, there are no outstanding, unvested options with accelerated vesting features. The Company anticipates that it will record an additional $16,000 of share-based compensation expense in each remaining quarter of fiscal 2006. Total share-based compensation expense, before tax benefit, for fiscal 2006 is anticipated to be $556,000. As of March 31, 2006, total future unrecognized share-based compensation cost related to stock options and warrants of $250,000, before tax benefit, is expected to be recognized over a weighted-average period of 1.9 years.

A summary of stock option and warrant activity during the three-months ended March 31, 2006 is presented below:

	Underlying Shares (thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (thousands)
Outstanding at December 31, 2005	6,631	$12.04	8.5	$ 26,099
Granted	-	-	-	-
Exercised	(550)	5.66	7.4	6,154
Canceled or forfeited	-	-	-	-
Outstanding at March 31, 2006	6,081	12.62	8.3	44,806
Vested and expected to vest at March 31, 2006	6,081	12.62	8.3	44,806
Exercisable at March 31, 2006	5,904	12.91	8.4	41,780

The aggregate intrinsic value in the above table reflects the total pretax intrinsic value (the difference between the Company's closing stock price on the last trading day of the period and the exercise price of the options and warrants, multiplied by the number of in-the-money options and warrants) that would have been received by the option and warrants holders had all option and warrant holders exercised their options and warrants on March 31, 2006. The intrinsic value of the stock options and warrants exercised are based on the closing price of the Company's stock on the date of exercise. The total intrinsic value of options and warrants exercised for the three months ended March 31, 2005 was $1,794,000. The Company typically issues new shares of common stock to satisfy option and warrant exercises.

Prior to the adoption of SFAS 123(R), the Company accounted for share-based compensation plans under the provisions of APB 25, Accounting for Stock Issued to Employees, and related interpretations. If compensation cost for our stock-based compensation plans had been determined based on the fair value method (estimated using the Black-Scholes option pricing model) at the grant dates in accordance with SFAS 123, pro forma net income and earnings per share for the three months ended March 31, 2005, would have been as follows:

	Three Months Ended March 31, 2005
Net income, as reported	$ 6,069
Less: Pro forma stock-based employee compensation determined under the fair value requirements of SFAS 123, net of income tax benefits	7,392
Adjusted net income (loss)	$(1,323)
Earnings (loss) per share:	
Basic, as reported	$ 0.19
Basic, adjusted	$ (0.04)
Diluted, as reported	$ 0.18
Diluted, adjusted	$ (0.04)

The estimated per share weighted-average grant-date fair value of stock options granted during the three months ended 2005, was $15.13, as determined using the Black-Scholes option pricing model based on the following assumptions:

Dividend yield	-
Volatility	45.0%
Risk-free interest rate	3.5%
Expected life	5.0 years

On November 10, 2005, the Financial Accounting Standards Board ("FASB") issued FASB Staff Position No. SFAS 123(R)-3, Transition Election Related to Accounting for Tax Effects of Share-Based Payment Awards ("FSP 123(R)-3"). The alternative transition method includes simplified methods to establish the beginning balance of the additional paid-in capital pool ("APIC pool") related to the tax effects of employee stock-based compensation, and to determine the subsequent impact on the APIC pool and Consolidated Statements of Cash Flows of the tax effects of employee stock-based compensation awards that are outstanding upon adoption of SFAS 123(R). The Company has until January 1, 2007 to make a one-time election to adopt the transition method described in FSP 123(R)-3. The Company is currently evaluating FSP 123(R)-3; however, if the Company were to make the one-time election, it is not expected to affect operating income or net income.

Note 6 - Guarantees

Effective July 1, 2005, First Cash Credit, Ltd. ("FCC"), a wholly-owned subsidiary of the Company, began offering 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 March 31, 2006 was $8,535,000. There were no outstanding letters of credit at March 31, 2005. According to the letter 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 bad debt in the short-term advance and credit services loss provision. 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 liability under the letters of credit in accrued liabilities.

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

GENERAL

The Company's pawn store revenues are derived primarily from service fees on pawns, service fees from short-term advances, also known as payday loans, credit services fees and the sale of unredeemed goods (merchandise sales). 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 payday advance store revenues are derived primarily from fees on short-term/payday advances, credit services fees, check cashing fees and fees from the sale of money orders, money transfers and prepaid card products. The Company recognizes service fee income on short-term advances on a constant-yield basis over the life of the advance, which is generally thirty-one days or less. The net defaults on short-term advances and changes in the short-term advance valuation reserve are charged to the short-term advance loss provision.

Effective July 1, 2005, First Cash Credit, Ltd., a wholly-owned subsidiary of the Company, began offering a fee-based credit services organization 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 and issues the Independent Lender a letter of credit to guarantee the repayment of the loan. The Company recognizes credit services fees, which are collected from the customer at the inception, 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 collected, but unearned, credit services fees received from its customers.

OPERATIONS AND LOCATIONS

As of March 31, 2006, the Company had 348 locations in eleven U.S. states and seven states in Mexico. Included in this total, the Company has 235 pawn shops of which 96 are located in the U.S. and 139 are located in Mexico. In addition, the Company has 113 payday advance stores, all of which are located in the U.S. Approximately 69 of the U.S. pawn stores also offer the payday advance or credit services products in addition to pawn loans and retail sales. The following table details store counts for the three month period ended March 31, 2006:

	Three Months Ended March 31, 2006		
	Pawn Stores	Payday Advance Stores	Total Stores
Beginning of period count	226	102	328
New stores opened	9	11	20
Stores closed or consolidated	-	-	-
End of period count	235	113	348

For the three months ended March 31, 2006, all of the new pawn stores opened were located in Mexico, while all of the new payday stores opened were located in the U.S. The Company's 50% owned joint venture, Cash & Go, Ltd., operates a total of 40 kiosks located inside convenience stores in the state of Texas, which are not included in the above table. No kiosks were opened or closed during the three months ended March 31, 2006.

While the Company has had significant increases in revenues due to new store openings in 2005 and 2006, the Company has also incurred increases in operating expenses attributable to the additional stores. Operating expenses consist of all items directly related to the operation of the Company's stores, including salaries and related payroll costs, rent, utilities, equipment, 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, 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 periods reported, the Company has not had store expansions that involved a significant change in the size of retail showrooms, and accordingly, no expanded stores have been excluded from the same-store calculations. Non-retail sales of scrap jewelry are included in 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 2005 Annual Report on Form 10-K.

Effective January 1, 2006, the Company adopted Financial Accounting Standards Board Statement No. 123(R), Share-Based Payments ("SFAS 123(R)"). SFAS 123(R) establishes the accounting required for share-based compensation, and requires companies to measure and recognize compensation expense for all share-based payments at the grant date based on the fair value of the award, as defined in SFAS 123(R), and include such costs as an expense in their statements of operations over the requisite service (vesting) period. The Company elected to adopt SFAS 123(R) using a modified-prospective application, whereby the provisions of the statement will apply going forward only from the date of adoption to new stock option awards (issued subsequent to December 31, 2005) and for the portion of any previously issued and outstanding stock option awards for which the requisite service is rendered after the date of adoption. Thus, the Company recognizes as expense the fair value of stock options issued prior to January 1, 2006, but vesting after January 1, 2006, over the remaining vesting period. In addition, compensation expense must be recognized for any awards modified, repurchased, or canceled after the date of adoption. Under the modified-prospective application, no restatement of previously issued results is required. The Black-Scholes option pricing model is used to measure fair value, which is the same method used in prior years for disclosure purposes.

Effective July 1, 2005, First Cash Credit, Ltd. ("FCC"), a wholly-owned subsidiary of the Company, began offering 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.

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.

RESULTS OF OPERATIONS

Three months ended March 31, 2006, compared to the three months ended March 31, 2005

The following table (amounts shown in thousands) details the components of revenues for the three months ended March 31, 2006 (the "First Quarter of 2006"), as compared to the three months ended March 31, 2005 (the "First Quarter of 2005"):

	Three Months Ended March 31,			
	2006	2005	Increase/Decrease	
Domestic revenues:				
Retail merchandise sales	$ 15,816	$ 14,559	$ 1,257	9%
Scrap jewelry sales	2,320	1,857	463	25%
Pawn service fees	6,746	6,053	693	11%
Short-term advance and credit services fees	14,040	12,669	1,371	11%
Check cashing fees	886	826	60	7%
Other	199	313	(114)	(36%)
	40,007	36,277	3,730	10%
Foreign revenues:				
Retail merchandise sales	6,786	4,409	2,377	54%
Scrap jewelry sales	4,587	3,412	1,175	34%
Pawn service fees	4,320	2,901	1,419	49%
	15,693	10,722	4,971	46%
Total revenues:				
Retail merchandise sales	22,602	18,968	3,634	19%
Scrap jewelry sales	6,907	5,269	1,638	31%
Pawn service fees	11,066	8,954	2,112	24%
Short-term advance and credit services fees	14,040	12,669	1,371	11%
Check cashing fees	886	826	60	7%
Other	199	313	(114)	(36%)
	$ 55,700	$ 46,999	$ 8,701	19%

Year-over-year revenue increases for retail merchandise sales, pawn service fees and short-term advance/credit service fees were due to a combination of same-store revenue growth and the addition of new stores. Same-store revenues (stores that were in operation during all of the First Quarter of both 2005 and 2006) increased 13% or $5,860,000 for the First Quarter of 2006 as compared to the same quarter last year. Revenues generated by the 44 new pawn stores located in Mexico and the 26 new payday advance stores located in the U.S. which have opened since January 1, 2005 increased by $3,128,000, compared to the same quarter last year.

The increase in scrap jewelry sales during the First Quarter of 2006, as compared to the First Quarter of 2005, was due primarily to higher selling prices of gold. The volume-weight of scrap jewelry sold in the First Quarter of 2006 was essentially flat compared to the prior-year quarter.

Aggregate short-term advance and credit services fees increased 11% over the same period, although revenues in the Company's ten Illinois locations decreased due to new payday advance regulations in that state.

Excluding the Illinois locations, revenues from short-term advances and credit services increased by 19% compared to the prior year quarter. The Company introduced its credit services program in its Texas locations in July 2005. Credit services fees, which are included in reported short-term advance and credit services fees, totaled $9,037,000 for the First Quarter of 2006.

The following table (amounts shown in thousands) details pawn receivables, short-term advance receivables and active CSO loans outstanding from an independent third-party lender as of March 31, 2006, as compared to March 31, 2005:

	Balance at March 31,			
	2006	2005	Increase/Decrease	
Domestic receivables & CSO loans outstanding:				
Pawn receivables	$16,355	$14,886	$ 1,469	10%
Short-term advance receivables	4,599	11,575	(6,976)	(60%)
CSO loans held by independent third-party lender (1)	7,623	-	7,623	-
	28,577	26,461	2,116	8%
Foreign receivables:				
Pawn receivables	10,388	7,549	2,839	38%
Total receivables & CSO loans outstanding:				
Pawn receivables	26,743	22,435	4,308	19%
Short-term advance receivables	4,599	11,575	(6,976)	(60%)
CSO loans held by independent third-party lender (1)	7,623	-	7,623	-
	$38,965	$34,010	$ 4,955	15%

(1) CSO loans outstanding are comprised of the principal portion of active CSO loans outstanding from an independent third-party lender, the balance of which is not included on the Company's balance sheet.

Of the $4,308,000 total increase in pawn receivables, $2,921,000 was attributable to growth at stores that were in operation as of March 31, 2006 and 2005, and $1,387,000 was attributable to the 55 new stores opened since March 31, 2005. The decrease in short-term advance receivables was due primarily to the introduction of the credit services program in the Company's Texas locations in July 2005. As a result, the Company had no short-term advance receivables in its Texas locations, including the Cash & Go, Ltd, joint venture kiosks, at March 31, 2006, compared to $6,287,000 at March 31, 2005. Short-term advance receivables in the Company's non-Texas locations decreased from $5,288,000 at March 31, 2005, to $4,599,000 at March 31, 2006, primarily due to the introduction of more restrictive payday advance regulations in the State of Illinois, which negatively affected short-term receivables in the Company's ten Illinois locations. The Company's loss reserve on short-term advance receivables decreased from $416,000 at March 31, 2005, to $171,000 at March 31, 2006 as a result of the decrease in outstanding short-term advance receivables. The estimated fair value of the liabilities under the letters of credit, net of anticipated recoveries from customers, was $324,000 at March 31, 2006, which is included as a component of the Company's accrued liabilities. There were no outstanding letters of credit or related liabilities at March 31, 2005.

Gross profit margin on total merchandise sales was 41% during the First Quarter of 2006, compared to 40% during the First Quarter of 2005, primarily due to increased margin on scrap jewelry sales. Retail merchandise margin, which excludes scrap jewelry sales, was 43% during the First Quarter of 2006, compared to 44% during the First Quarter of 2005. Gross margin on sales of scrap jewelry increased from 25% in the First Quarter of 2005 to 32% in the First Quarter of 2006 due to increased selling prices of gold.

The Company's payday advance and credit services loss provision decreased from 12% of short-term advance and credit services fee revenues during the First Quarter of 2005 to 6% during the First Quarter of 2006. During the First Quarter of 2006, the Company sold certain bad debt portfolios generated from short-term advances and credit services agreements. The sales were recorded as a credit to the short-term advance and credit services loss provision, as are all recoveries of previously written-off short-term advance and credit services bad debt portfolios. It is anticipated that the regular sale of additional 2005 and 2006 bad debt portfolios will continue into future periods in 2006 and beyond for the purpose of ongoing reduction of the payday advance and credit services loss provision. Excluding the benefit of all such sales, the current quarter loss provision would have been 13%.

Store operating expenses increased 15% to $18,119,000 during the First Quarter of 2006, compared to $15,761,000 during the First Quarter of 2005, primarily as a result of the net addition of 64 pawn and check cashing/short-term advance stores since January 1, 2005, which is a 23% increase in the store count. Administrative expenses increased 35% to $5,706,000 during the First Quarter of 2006 compared to $4,216,000 during the First Quarter of 2005, which is primarily attributable to increased costs related to variable management and supervisory compensation expense and a non-cash charge of approximately $506,000 for share-based compensation expense as a result of the adoption of SFAS 123(R), effective January 1, 2006. Interest income increased from $84,000 in the First Quarter of 2005 to $221,000 in the First Quarter of 2006, due primarily to interest income earned on increased levels of invested cash and cash equivalents.

For both the First Quarter of 2006 and 2005, the Company's effective federal income tax rate of 36.5% differed from the federal statutory tax rate of 35%, primarily as a result of state income taxes.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2006, the Company's primary sources of liquidity were $56,367,000 in cash and cash equivalents, $35,276,000 in receivables, $20,701,000 in inventories and $25,000,000 of available and unused funds under the Company's Credit Facility. The Company had working capital of $105,177,000 as of March 31, 2006, and total equity exceeded total liabilities by a ratio of 9 to 1. The Company's operations and store openings have been financed with funds generated primarily from operations.

The Company maintains a long-term line of credit with two commercial lenders (the "Credit Facility"). The Credit Facility provides a $25,000,000 long-term line of credit that matures on April 15, 2007, and bears interest at the prevailing LIBOR rate (which was approximately 4.8% at March 31, 2006) 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, depreciation and amortization for the trailing twelve months. At March 31, 2006, the Company had no amounts outstanding under the Credit Facility and $25,000,000 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 March 31, 2006, and May 8, 2006. 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.

Net cash provided by operating activities of the Company during the First Quarter of 2006, was $9,044,000, consisting primarily of net income of $7,622,000 plus non-cash adjustments for depreciation, share-based compensation, and the short-term advance loss provision of $1,705,000, $506,000, and $416,000 respectively. Net changes in operating assets and liabilities reduced cash used by operating activities in the amount of $1,205,000. Net cash used by investing activities during the three months ended March 31, 2006, was $640,000, which was primarily comprised of net cash inflows from pawn receivables and short-term advance receivables activity of $1,407,000 and $1,473,000, respectively, net of cash paid for fixed asset additions of $3,520,000. Net inflows from short-term advance activity were due to the reduction in outstanding short-term advances in the Company's Texas locations resulting from the introduction of the credit services program in July 2005. The opening of 20 new stores during the First Quarter of 2006 contributed significantly to the volume of fixed asset additions. Net cash provided by financing activities was $5,222,000 during the First Quarter of 2006, which consisted of proceeds from exercises of stock options and warrants and the tax benefit from the exercise of employee stock options of $3,110,000 and $2,112,000, respectively.

For purposes of its internal liquidity assessments, the Company considers net cash changes in pawn receivables and short-term advance receivables to be closely related to operating cash flows. For the First Quarter of 2006, net cash flows from operations were $9,044,000, while net cash inflows related to pawn receivables and short-term advance receivables activity was $1,407,000 and $1,473,000. The combined net cash flows from operations and pawn and short-term advance receivables totaled $11,924,000 for the First Quarter of 2006. For the comparable prior year period, net cash flows from operations were $10,036,000, and net cash inflows related to pawn receivables and short-term advance receivables were $1,980,000 and $2,309,000, respectively. The combined net cash flows from operations and pawn and short-term advance receivables totaled $14,325,000 for the First Quarter of 2005.

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

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

In addition to these factors, merchandise sales and the pace of store expansions affect the Company's liquidity. Management believes that the Credit Facility and cash generated from operations will be sufficient to accommodate the Company's current operations for fiscal 2006. The Company has no significant capital commitments. The Company currently has no written commitments for additional borrowings or future acquisitions; however, the Company intends to continue to grow and may seek additional capital to facilitate expansion. The Company will evaluate acquisitions, if any, based upon opportunities, acceptable financing, purchase price, strategic fit and qualified management personnel.

The Company currently intends to continue to engage in a plan of expansion primarily through new store openings. During fiscal 2006, the Company currently plans to open approximately 60 to 70 new stores, comprised of both payday advance locations, located primarily in Texas and Michigan, and pawn shops, located primarily in Mexico. All capital expenditures, working capital requirements and start-up losses related to this expansion are expected to be funded entirely through operating cash flows. 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 trailing twelve month period ended March 31, 2006 totaled $47,881,000, an increase of 24% compared to $38,682,000 for the trailing twelve month period ended March 31, 2005. The EBITDA margin, which is EBITDA as a percentage of revenues, for the trailing twelve month period ended March 31, 2006 was 22%, compared to 21% 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 (amounts in thousands):

	Trailing Twelve Months Ended March 31,	
	2006	2005
Net income	$ 26,936	$ 21,597
Adjustments:		
Interest income, net of interest expense	(454)	(107)
Depreciation	6,217	4,544
Income taxes	15,182	12,648
Earnings before interest, income taxes, depreciation and amortization	$ 47,881	$ 38,682

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 First Cash Financial Services, Inc. ("First Cash" or 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, expansion strategy, store openings, loss provisions, future liquidity, option-based compensation expense and cash flows. 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 or increases in competition, the ability to locate, open and integrate new stores, the ability to operate as a credit services organization in Texas, the ability to successfully refer credit services customers to an independent lender who can provide credit to these customers, new legislative initiatives or governmental regulations, or changes to existing laws and regulations affecting payday advance businesses, credit services organizations and pawn 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 foreign currency exchange rates, future business decisions, and other uncertainties. These and other risks and uncertainties are indicated in the Company's 2005 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 advance/payday lending, credit services and check-cashing 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 and credit services 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 and other general business, tax, employment and consumer protection regulations from various federal, state and local governmental agencies in Mexico.

Existing regulations and recent regulatory developments are described in greater detail in the Company's Annual Report of Form 10-K for the year ended December 31, 2005. Subsequent to the filing of the 2005 Form 10-K, the State of Oregon has enacted legislation that provides for significantly more restrictive regulation of the payday advance industry beginning in July 2007. The implementation of these more restrictive regulations, as currently enacted, is expected to have a significant negative effect on the revenues and profitably of the Company's operations in Oregon, beginning in July 2007. The Company currently has seven payday advance stores located in Oregon.

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 advances and credit services, 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, payday advance or credit services industries were taken at a federal level in the United States 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 2005 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, 2005.

ITEM 4. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

The Company's Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act) as of the end of our first fiscal quarter of 2006. Based on such evaluation, such officers have concluded that the Company's disclosure controls and procedures are effective.

(b) Changes in Internal Control Over Financial Reporting

There has been no significant change in the Company's internal control over financial reporting that was identified in connection with our evaluation that occurred during the quarter ended March 31, 2006, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material developments in the litigation previously reported in the Company's 2005 Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

There have been no material changes in the risk factors previously reported in the Company's 2005 Annual Report on Form 10-K.

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

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 and stock began trading at the split-adjusted price on February 22, 2006. All share and per share amounts (except authorized shares and par value) have been retroactively adjusted to reflect the split.

During the period from January 1, 2006, through March 31, 2006, the Company issued 228,000 shares of common stock relating to the exercise of outstanding stock options for an aggregate exercise price of $2,733,000 (including income tax benefit). During the period from January 1, 2006, through March 31, 2006, the Company issued 322,000 shares of common stock relating to the exercise of outstanding stock warrants for an aggregate exercise price of $2,490,000 (including income tax benefit).

The transactions set forth in the above paragraphs 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 July 2004, the Company's Board of Directors authorized an open-ended stock repurchase plan, with no dollar limitation, to permit future repurchases of up to 3,200,000 shares of the Company's outstanding common stock. During 2004, the Company repurchased a total of 1,245,000 common shares under the stock repurchase plan for an aggregate purchase price of $12,116,000 or $9.73 per share. During 2005, the Company repurchased a total of 1,153,000 common shares under the stock repurchase plan for an aggregate purchase price of $11,404,000 or $9.89 per share. There were no repurchases of the Company's common shares during the three months ended March 31, 2006.

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:

31.1 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act provided by J. Alan Barron, 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 J. Alan Barron, Chief Executive Officer and 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: May 8, 2006

FIRST CASH FINANCIAL SERVICES, INC.
(Registrant)

/s/ J. ALAN BARRON

J. Alan Barron
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

EXHIBIT NUMBER	DESCRIPTION
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act provided by J. Alan Barron, 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 J. Alan Barron, Chief Executive Officer and R. Douglas Orr, Chief Financial Officer

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT

I, J. Alan Barron, 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: May 8, 2006

/s/ J. Alan Barron

J. Alan Barron
Chief Executive Officer

EXHIBIT 31.2

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: May 8, 2006

/s/ R. Douglas Orr

R. Douglas Orr
Chief Financial Officer

EXHIBIT 32.1

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 March 31, 2006, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, J. Alan Barron and R. Douglas Orr each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to our 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: May 8, 2006

/s/ J. Alan Barron

J. Alan Barron
Chief Executive Officer

/s/ R. Douglas Orr

R. Douglas Orr
Chief Financial Officer