Consumer Portfolio Services, Inc.

Nasdaq: CPSS

Investor Presentation
As of September 30, 2018

Company Overview

- Consumer finance company focused on sub-prime auto market
- Established in 1991. IPO in 1992
- Through September 30, 2018, approximately $14.9 billion in contracts originated
- From 2002 – 2011, four mergers and acquisitions aggregating $822.3 million
- Irvine, California operating headquarters; Branches in Nevada, Illinois, Virginia and Florida
- Approximately 1,011 employees
- $859.1 million contract originations in 2017; $650.6 million contract originations in nine months ended September 30, 2018
- $2.3 billion outstanding managed portfolio at September 30, 2018

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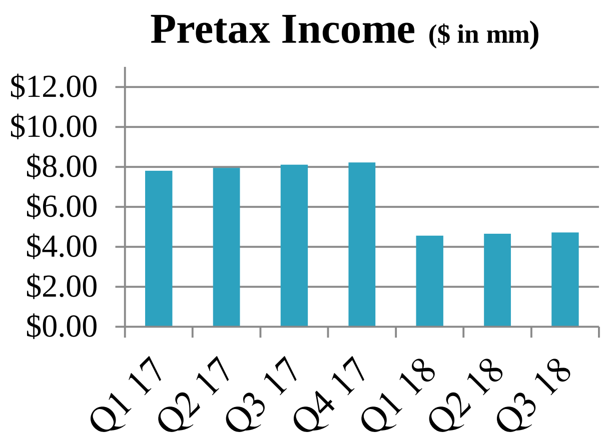
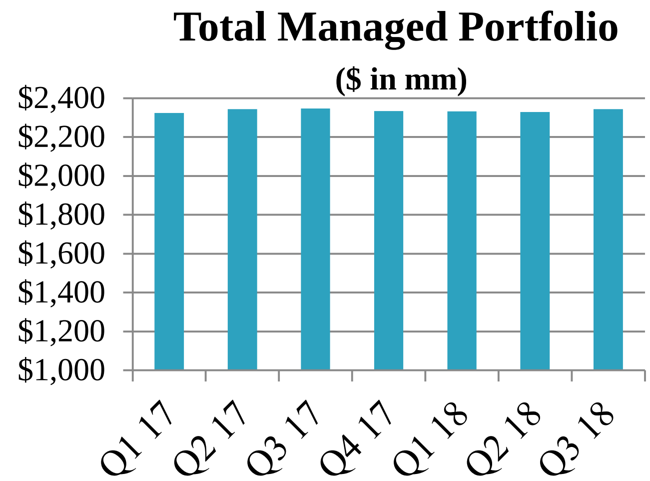
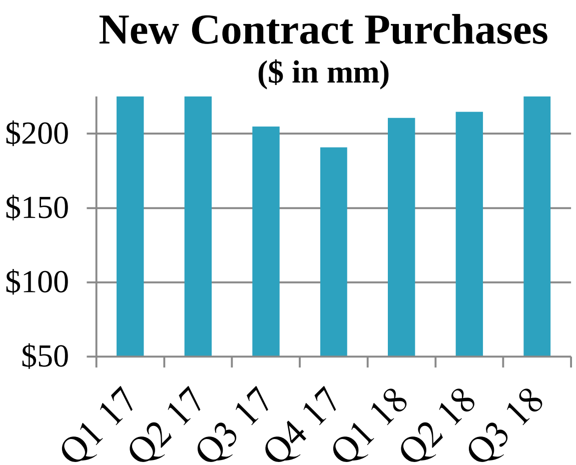
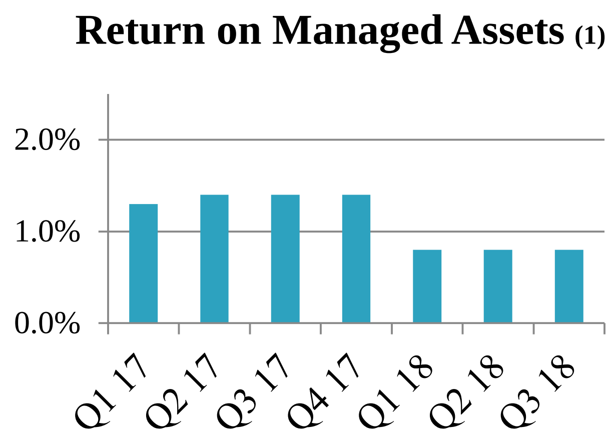
Recent Financial and Operating Performance









(1) Equal to annualized pretax income as a percentage of the average managed portfolio.

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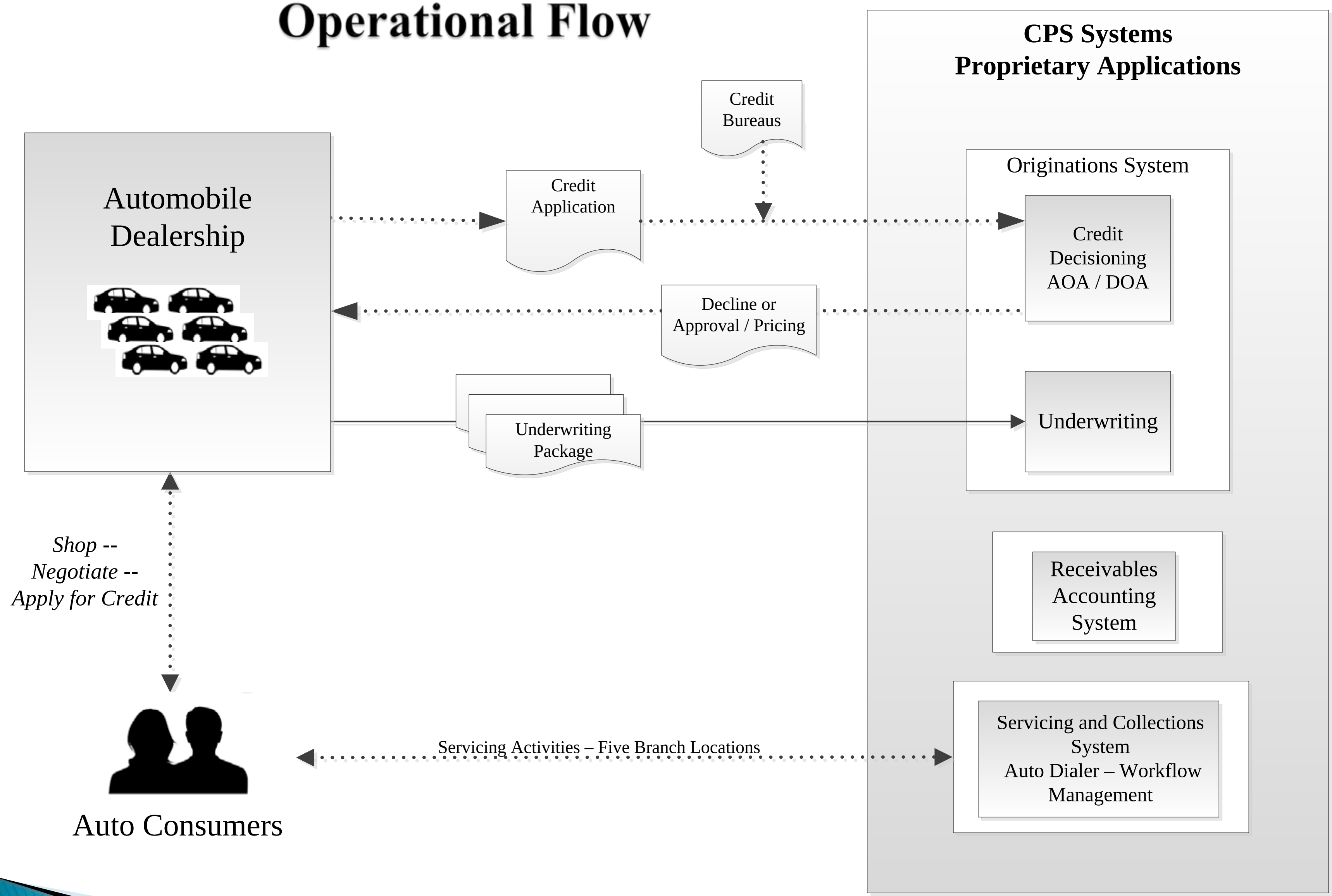
Operational Flow



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Economic Model

- Recent results reflect upward tick in cost of funds due to rising interest rate environment.

	Quarter Ended		Twelve Months Ended	
	September 30, 2018	September 30, 2017	December 31, 2017	December 31, 2016
Interest Income	16.0%	18.3%	18.2%	18.4%
Servicing and Other Income	0.3%	0.4%	0.4%	0.6%
Interest Expense	(4.4%)	(4.0%)	(4.0%)	(3.6%)
Net Interest Margin	12.0%	14.7%	14.7%	15.4%
Provision for Credit Losses	(5.5%)	(8.1%)	(8.0%)	(8.0%)
Core Operating Expenses	(5.7%)	(5.2%)	(5.3%)	(5.1%)
Pretax Return on Assets	0.8%	1.4%	1.4%	2.2%

(1) As a percentage of the average managed portfolio. Percentages may not add due to rounding.

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U.S. Auto Finance Market

U.S. Auto Finance Market

$1.1 trillion in auto loans outstanding as of Q2 2018 (1)

Approximately $151.7 billion in new auto loans in Q2 2108 (2)

Approximately 41% of Q2 2018 auto loans originated were below “prime” (credit score less than 660) (1)

Historically fragmented market

Few dominant long-term players

Significant barriers to entry

Other National Industry Players

Santander Consumer USA

GM Financial/AmeriCredit

Capital One

Chase Custom

Wells Fargo

Westlake Financial

Credit Acceptance Corp.

Exeter Finance Corp.

(1) According to Experian Automotive.

(2) According to Consumer Financial Protection Bureau

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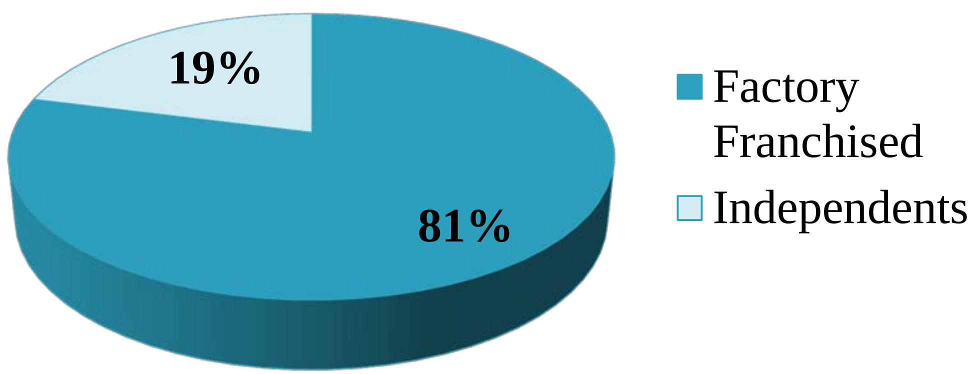
Marketing

- Purchasing contracts from dealers in 48 states across the U.S.
- As of September 30, 2018 had 82 employee marketing representatives
- Primarily factory franchised dealers

Contract Purchases (1)



(1) Under the CPS programs for contracts purchased during first nine months of 2018.

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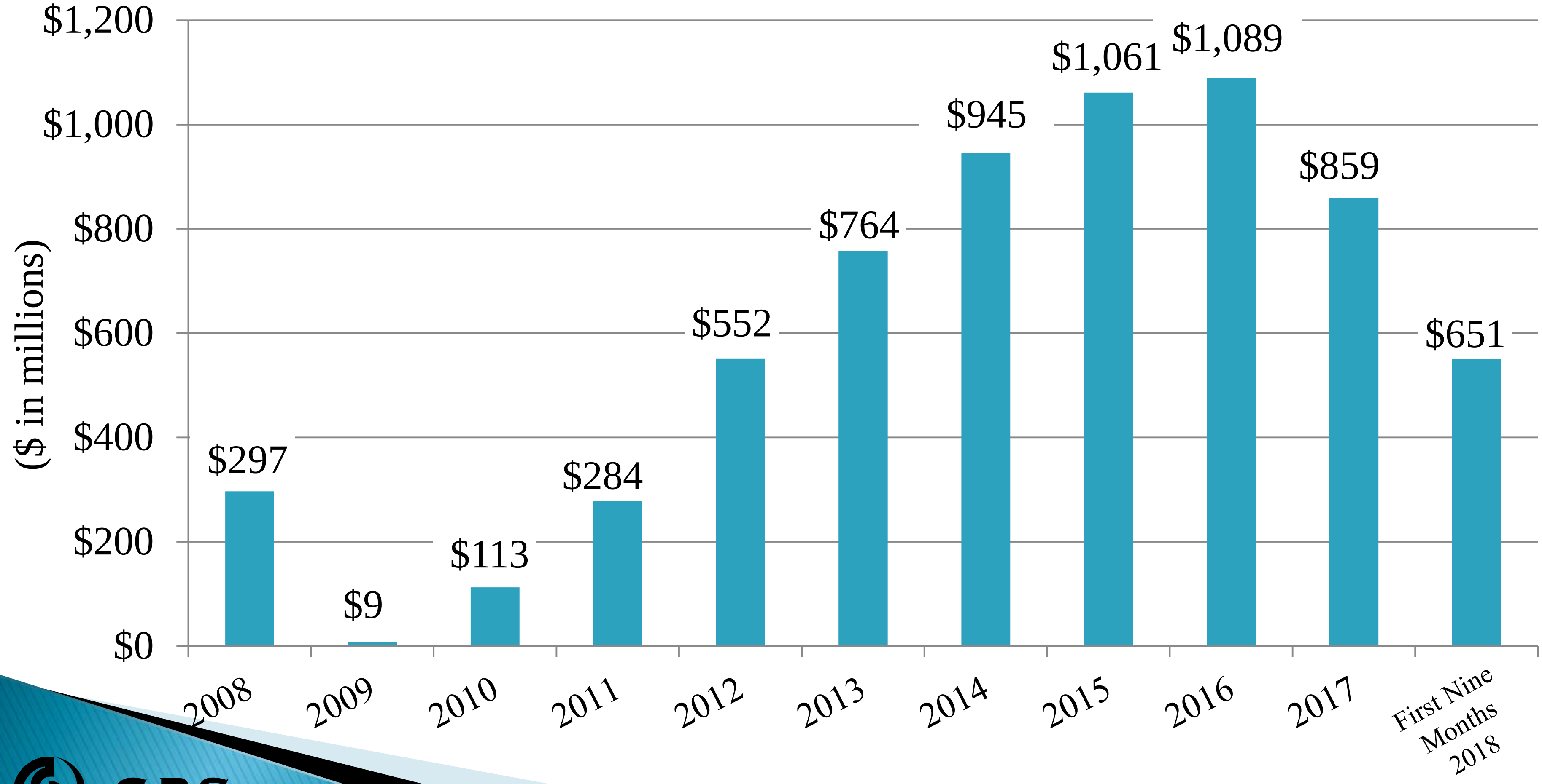
Historical Origination Volume

- Since inception through September 30, 2018 the Company has originated approximately $14.9 billion in contracts



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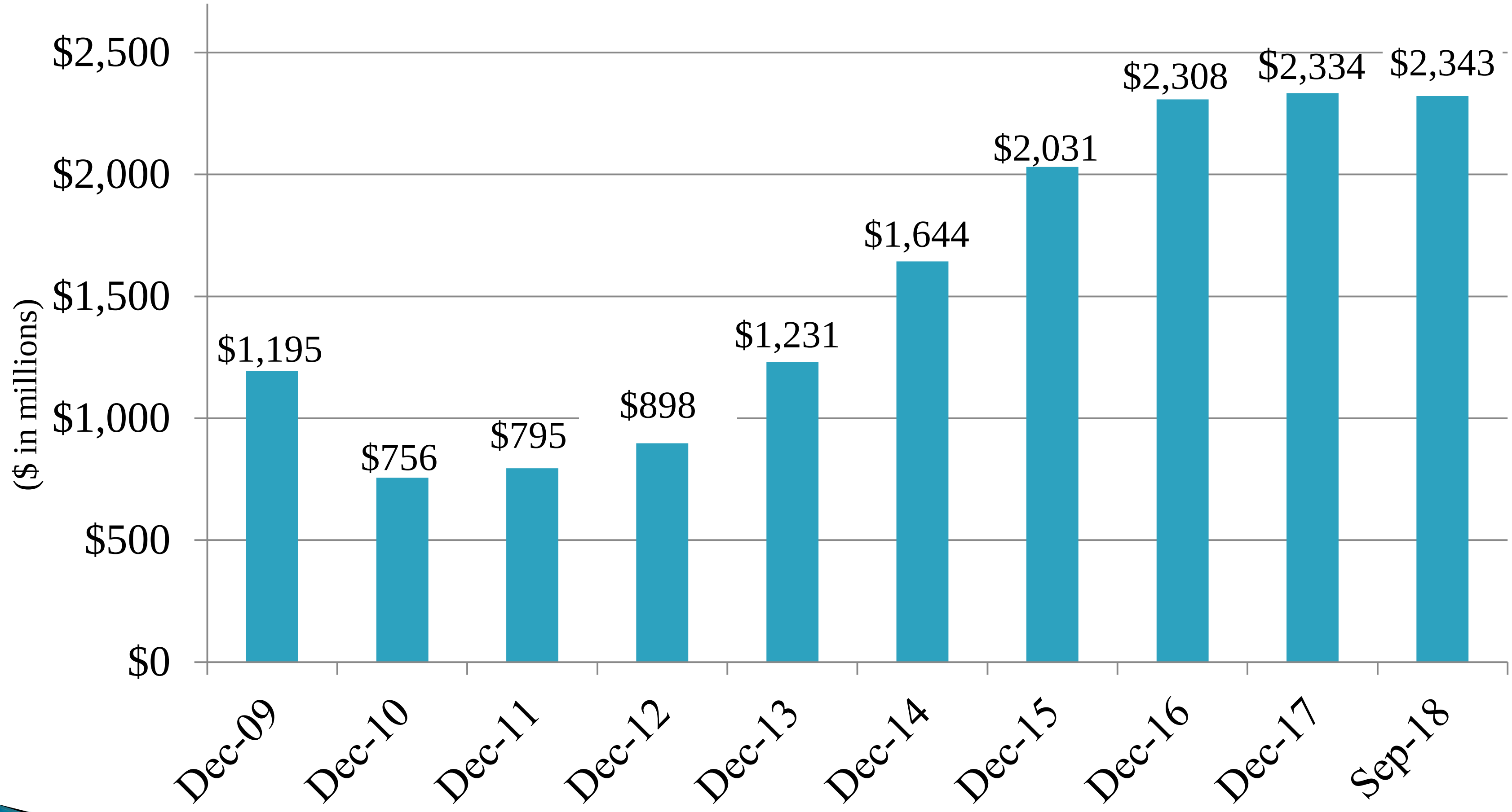
Total Managed Portfolio

- Decline through 2010 was the result of the financial crisis



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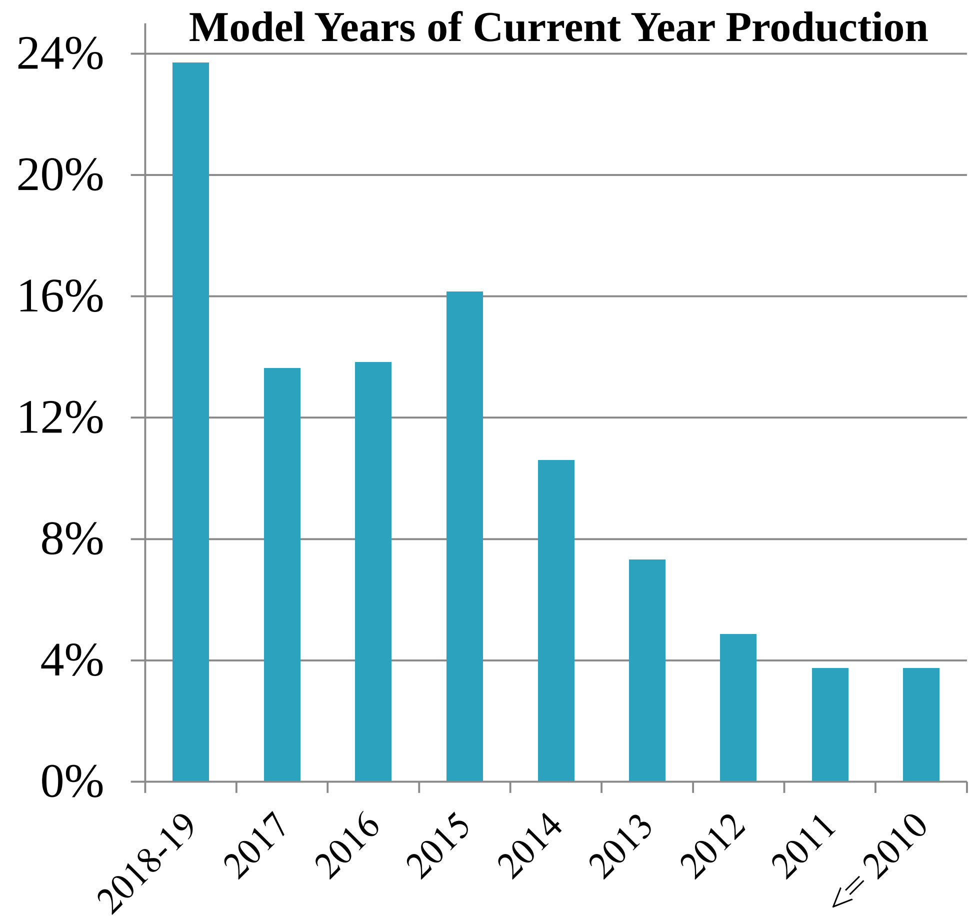
Collateral Description (1)

Primarily late model, pre-owned vehicles

- 26% New
- 74% Pre-owned
- 45% Domestic
- 55% Imports



(1) Under the CPS programs for contracts purchased during first nine months of 2018

Overview of Lending Programs

- CPS's proprietary scoring models and risk-adjusted pricing result in program offerings covering a wide band of the sub-prime credit spectrum

Program (1)	Avg. Yield (2)	Avg. Amount Financed	Avg. Annual Household Income	Avg. Time on Job (years)	Avg. FICO	% of Purchases
Preferred	12.17%	$20,144	$80,055	8.2	602	5%
Super Alpha	14.55%	$20,413	$72,743	7.7	581	9%
Alpha Plus	16.46%	$18,980	$61,756	5.9	573	21%
Alpha	18.72%	$17,117	$52,775	5.2	568	42%
Standard	21.52%	$13,877	$46,961	3.7	568	12%
Mercury / Delta	22.47%	$13,199	$43,993	3.2	558	7%
First Time Buyer	21.57%	$12,161	$36,763	2.2	552	3%
Bravo	22.07%	$12,392	$43,637	3.0	545	1%
Overall	18.22%	$16,790	$54,778	5.1	570	100%

(1) Under the CPS programs for contracts purchased during first nine months of 2018.
(2) Contract APR as adjusted for fees charged (or paid) to dealer.

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Borrower and Contract Profile[1]

Borrower:

• Average age	43 years
• Average time in job	5 years
• Average time in residence	6 years
• Average credit history	12 years
• Average household income	$54,778 per year
• Percentage of homeowners	22%

Contract:

• Average amount financed	$16,790
• Weighted average monthly payment	$452
• Weighted average term	69 months
• Weighted average APR	18.6 %
• Average LTV	112.4 %

(1) Under the CPS programs for contracts purchased during first nine months of 2018.

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Operations

Contract Originations

- Centralized contract originations at Irvine HQ
  - Maximizes control and efficiencies
  - Certain functions performed at Florida and Nevada offices
- Proprietary auto-decisioning system
  - Makes initial credit decision on over 99% of incoming applications
  - Uses both criteria and proprietary scorecards in credit and pricing decisions
- Pre-funding verification of employment, income and residency
  - Protects against potential fraud

Servicing

- Geographically dispersed servicing centers enhance coverage and staffing flexibility and drive portfolio performance
- Early contact on past due accounts; commencing as early as first day after due date
- Early stage workload supplemented by automated intelligent predictive dialer, text message reminders and two-way text message communications.
- Workloads allocated based on specialization and behavioral scorecards, which enhances efficiencies

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Portfolio Financing

- $300 million in interim funding capacity through three credit facilities
  - $100 million with Fortress; revolves to April 2019, due in April 2021
  - $100 million with Citibank; revolves to August 2020, due in August 2021
  - $100 million with Ares / Credit-Suisse; revolves to November 2019, due in November 2021

- Regular issuer of asset-backed securities, providing long-term matched funding
  - $13.1 billion in 80 deals from 1994 through October 2018.
  - Completed 29 senior subordinated securitizations since the beginning of 2011.
  - In October 2018 transaction, sold five tranches of rated bonds from triple “A” down to double “B” with a blended coupon of 4.25%.

- At September 30, 2018, total corporate debt of $16.9 million in subordinated unsecured retail notes.

- May 2018, $40 million residual financing.

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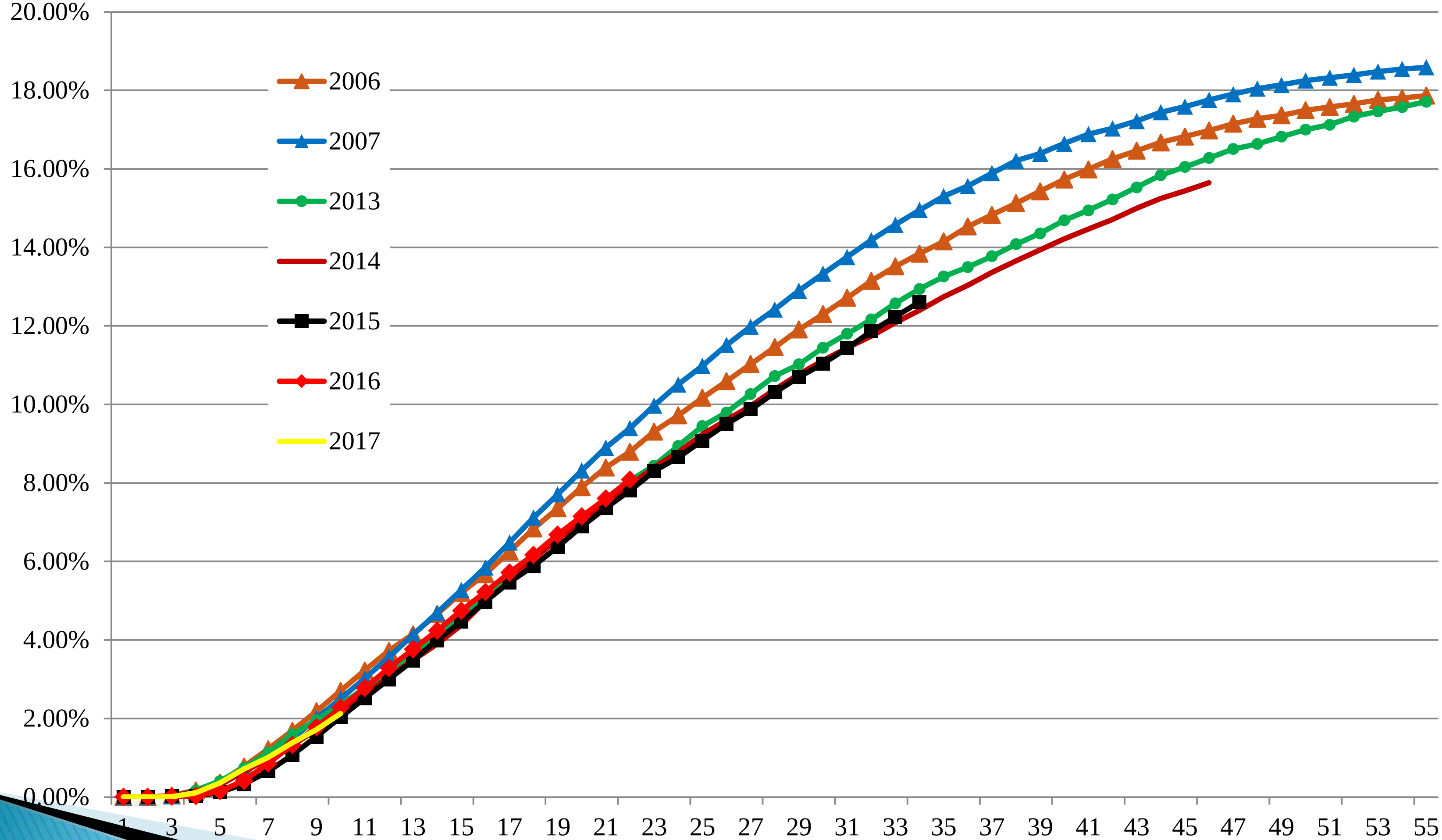
Static Pool Performance

- Average of quarterly vintage cumulative net losses as of September 30, 2018
- Recent pool performance in line with business model economics



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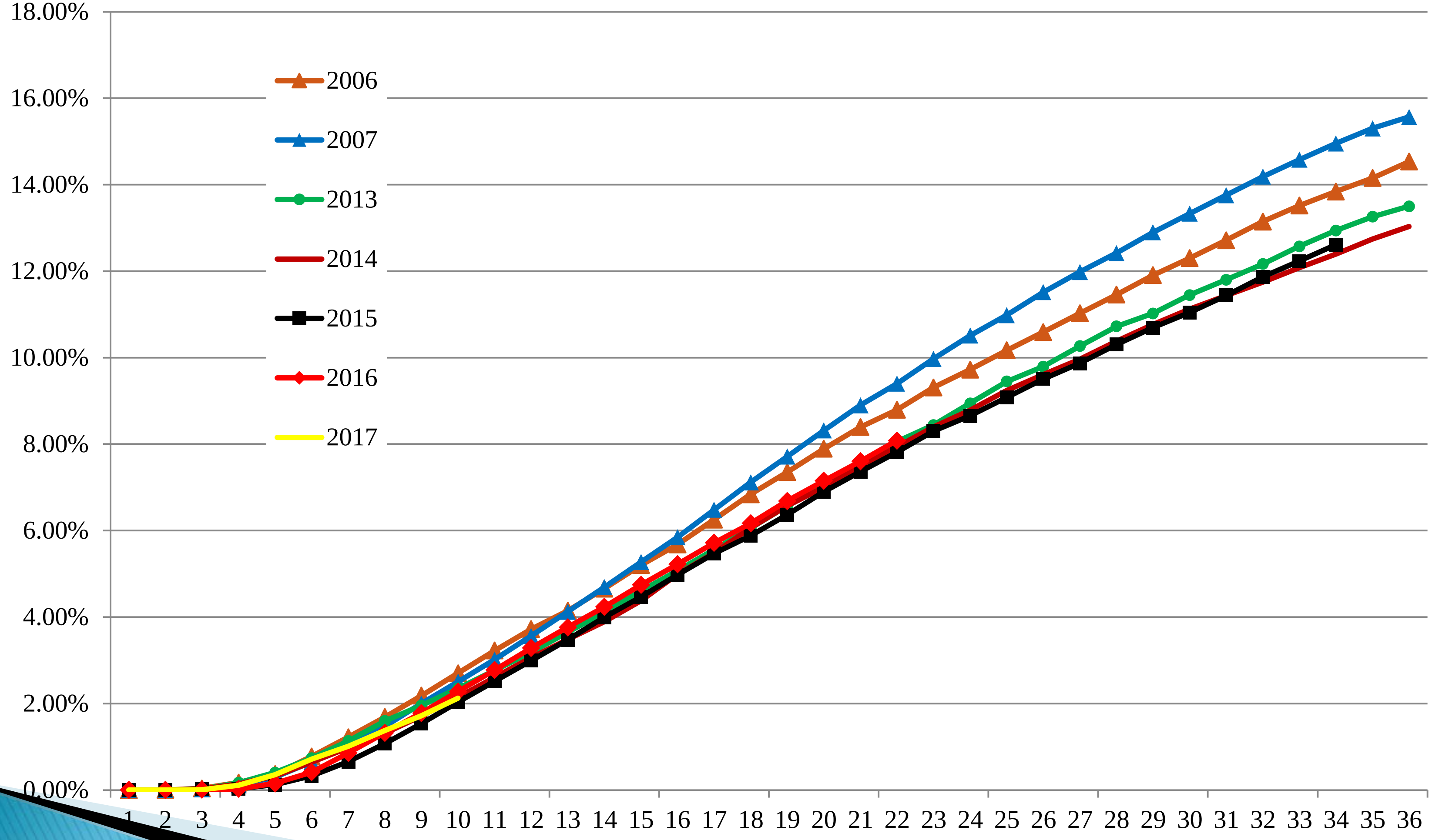

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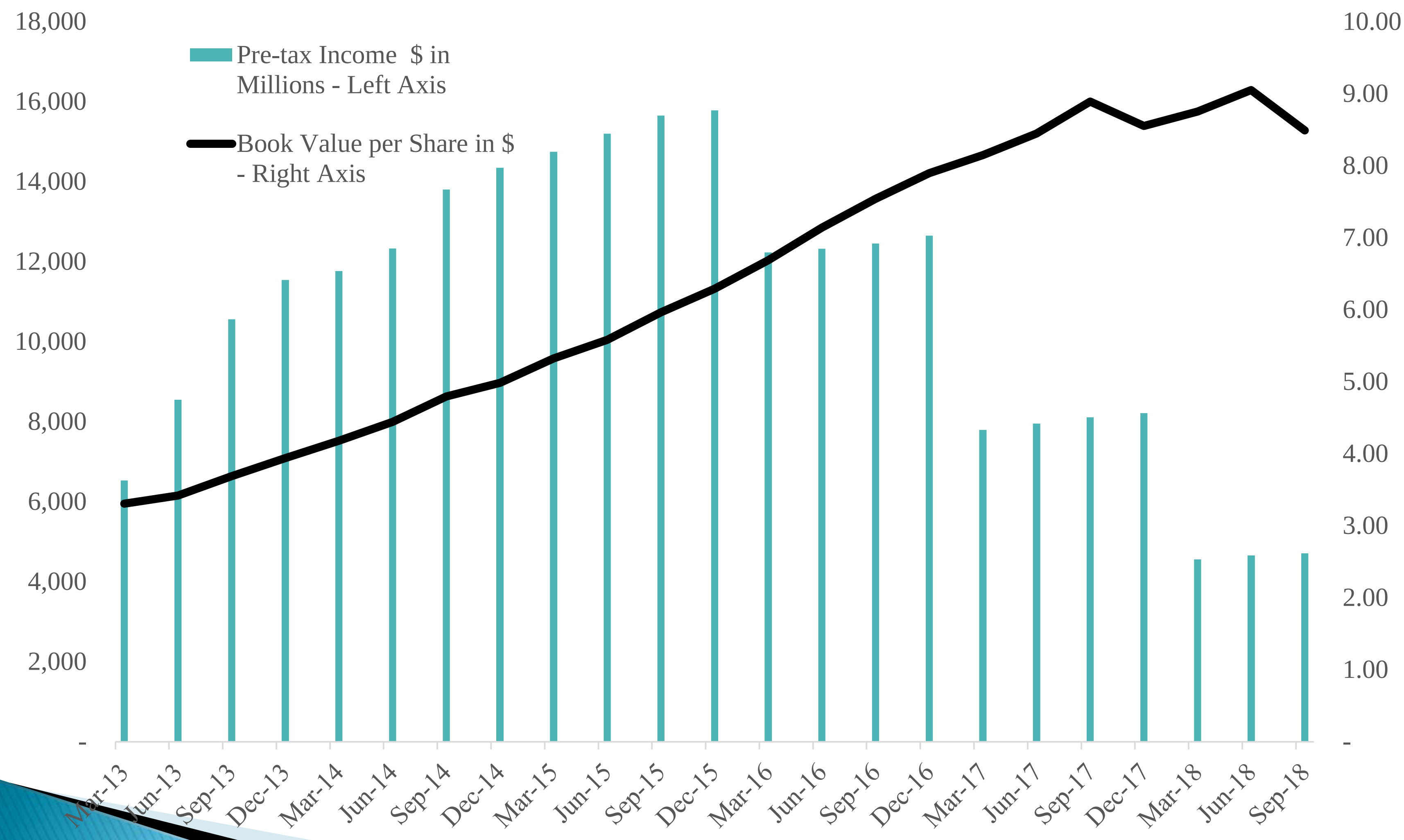
Consumer Portfolio Services, Inc.
Creating Shareholder Value



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Summary Balance Sheets (1)

($ in millions)	September 30, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Assets				
Cash	$ 10.5	$ 12.7	$ 13.9	$ 19.3
Restricted cash	110.5	112.0	112.8	106.1
Finance receivables, net of allowance	1,615.4	2,195.8	2,172.4	1,909.5
Finance receivables, measured at fair value	614.8	-	-	-
Deferred tax assets, net	28.7	32.4	42.8	37.6
Other assets	63.7	71.9	68.5	56.4
	$ 2,443.6	$ 2,424.8	$ 2,410.4	$ 2,128.9
Liabilities				
Accounts payable and accrued expenses	$ 33.3	$ 28.7	$ 25.0	$ 29.5
Warehouse lines of credit	127.7	112.4	103.4	194.1
Residual interest financing	39.0	-	-	9.0
Securitization trust debt	2,034.3	2,083.2	2,080.9	1,720.0
Subordinated renewable notes	17.0	16.6	14.9	15.1
	2,251.3	2,240.9	2,224.2	1,967.7
Shareholders' equity	192.3	183.9	186.2	161.2
	$ 2,443.6	$ 2,424.8	$ 2,410.4	$ 2,128.9

(1) Numbers may not add due to rounding.

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Summary Statements of Operations (1)

($ in millions)	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017	Years Ended December 31, 2017	Years Ended December 31, 2016	Years Ended December 31, 2015
Revenues					
Interest income	$ 93.6	$ 107.0	$ 424.2	$ 409.0	$ 350.0
Other income	2.0	2.5	10.2	13.3	13.7
	95.6	109.5	434.4	422.3	363.7
Expenses					
Employee costs	18.8	18.5	73.0	65.5	59.6
General and administrative	14.4	12.3	50.3	48.7	42.4
Interest	25.8	23.3	92.3	79.9	57.7
Provision for credit losses	31.9	47.3	186.7	178.5	142.6
	90.9	101.4	402.3	372.6	302.3
Pretax income	4.7	8.1	32.1	49.7	61.4
Income tax expense (2)	1.5	3.4	28.3	20.4	26.7
Net income	$ 3.2	$ 4.7	$ 3.8	$ 29.3	$ 34.7
EPS (fully diluted)	$ 0.13	$ 0.17	$ 0.14	$ 1.01	$ 1.10

(1) Numbers may not add due to rounding.

(2) Includes $15.1 million non-cash charge in 2017 related to tax rate change

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Selected Financial Data

($ in millions)	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017	Years Ended December 31, 2017	Years Ended December 31, 2016	Years Ended December 31, 2015
Auto contract purchases	$ 225.2	$ 204.7	$ 859.1	$ 1,088.8	$ 1,060.5
Total managed portfolio	$ 2,342.9	$ 2,346.0	$ 2,333.5	$ 2,308.1	$ 2,031.1
Risk-adjusted margin (1)	$ 37.9	$ 38.8	$ 155.3	$ 163.8	$ 163.3
Core operating expenses (2)					
$ amount	$ 33.2	$ 30.7	$ 123.2	$ 114.2	$ 101.9
% of avg. managed portfolio	5.7%	5.2%	5.3%	5.1%	5.5%
Pretax return on managed assets (3)	0.8%	1.4%	1.4%	2.2%	3.3%
Total delinquencies and repo inventory					
(30+ days past due)					
As a % of total owned portfolio	11.6%	10.3%	11.2%	11.0%	9.5%
Annualized net charge-offs					
As a % of total owned portfolio	8.0%	8.0%	7.7%	7.0%	6.4%

(1) Revenues less interest expense and provision for credit losses.
(2) Total expenses less provision for credit losses and interest expense.
(3) Equal to annualized pretax income as a percentage of the average managed portfolio.

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Investment Considerations

- CPS has weathered two industry cycles to remain one of the few independent public auto finance companies
- Twenty-seven consecutive quarters of profitability (measured on a pre-tax basis)
- Attractive industry fundamentals with fewer large competitors than last cycle
- Consistent credit performance
- Growing portfolio enhances operating leverage through economies of scale
- Opportunistic, successful acquisitions
- Stable senior management team averaging 20 years of experience owns significant equity
- CPSS currently trading at a discount to book value

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Reference to Public Reports

- Any person considering an investment in securities issued by CPS is urged to review the materials filed by CPS with the U.S. Securities and Exchange Commission ("Commission"). Such materials may be found by inquiring of the Commission's EDGAR search page (http://www.sec.gov/edgar/searchedgar/companysearch.html) using CPS's ticker symbol, which is "CPSS." Risk factors that should be considered are described in Item 1A, "Risk Factors," of CPS's annual report on Form 10-K, which report is on file with the Commission and available for review at the Commission's website. Such description of risk factors is incorporated herein by reference.

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Safe Harbor Statement

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