



Consumer Portfolio Services, Inc. Reports 2007 First Quarter Earnings

IRVINE, Calif.--(BUSINESS WIRE)--April 17, 2007--Consumer Portfolio Services, Inc. (Nasdaq:CPSS) today announced earnings for its first quarter ended March 31, 2007.

Pretax income for the first quarter of 2007 increased to \$5.4 million, compared to pretax income of \$1.8 million for the comparable quarter ended March 31, 2006. Net income for the quarter ended March 31, 2007 was \$3.2 million, or \$0.14 per diluted share, compared to net income of \$1.8 million, or \$0.07 per diluted share, for the quarter ended March 31, 2006. Net income for the first quarter of 2006 did not include a provision for income tax expense.

For the three months ended March 31, 2007 total revenues increased approximately \$28.5 million, or 49.1%, to \$86.5 million, compared to \$58.0 million for the three months ended March 31, 2006. Total expenses for the three months ended March 31, 2007 were \$81.1 million, an increase of \$24.9 million, or 44.2%, as compared to \$56.2 million for the three months ended March 31, 2006.

During the first quarter of 2007, Consumer Portfolio Services purchased \$330.3 million of contracts from dealers as compared to \$241.4 million during the fourth quarter of 2006 and \$254.5 million during the first quarter of 2006. First quarter 2007 contract purchases represent an increase of 29.8% vs. the same period in 2006. The Company's managed receivables totaled \$1,726.7 million as of March 31, 2007, an increase of \$486.7 million from \$1,240.0 million as of March 31, 2006, as follows (\$ in millions):

	March 31, 2007	March 31, 2006
Owned by Consolidated Subsidiaries*	\$1,702.4	\$1,144.3
Owned by Non-Consolidated Subsidiaries	22.1	83.2
As Third Party Servicer for SeaWest Financial	2.2	12.5
Total	\$1,726.7	\$1,240.0

* Before \$132.9 million and \$93.5 million of allowance for credit losses, deferred acquisition fees and repossessed vehicles for 2007 and 2006, respectively.

The Company continued its regular quarterly securitization program with the March sale of \$258.1 million of AAA/Aaa rated asset backed notes.

Annualized net charge-offs during the March 2007 quarter were 5.12% of the average owned portfolio as compared to 4.83% in the March 2006 quarter. Delinquencies greater than 30 days (including repossession inventory) were 3.55% of the total owned portfolio as of March 31, 2007 as compared to 2.73% as of March 31, 2006.

"We are pleased once again with a solid quarter both financially and operationally," said Charles E. Bradley, Jr., President and Chief Executive Officer of Consumer Portfolio Services. "Year-over-year pretax income growth was significant as we continue to successfully execute our business plan of controlled growth with further leveraging of our operating infrastructure. We achieved our second largest quarter of new contract originations in the history of the company by continuing to expand our base of marketing representatives and dealer penetration. With respect to asset performance, we experienced typical seasonal improvements vs. the fourth quarter with levels of delinquencies and net charge-offs consistent with our expectations and well within the range of the last few years."

Conference Call

CPS announced that it will hold a conference call tomorrow, April 18, 2007, at 1:30 p.m. ET to discuss its quarterly earnings. Those wishing to participate by telephone may dial-in at 973-582-2717 approximately 10 minutes prior to the scheduled time.

A replay will be available between April 18, 2007 and April 25, 2007, beginning one hour after conclusion of the call, by dialing 877-519-4471 or 973-341-3080 for international participants, with pin number 8691099. A broadcast of the conference call will

also be available live and for 30 days after the call via the Company's web site at www.consumerportfolio.com and at www.streetevents.com.

About Consumer Portfolio Services, Inc.

Consumer Portfolio Services, Inc. is a specialty finance company engaged in purchasing and servicing new and used retail automobile contracts originated primarily by franchised automobile dealerships and to a lesser extent by select independent dealers of used automobiles in the United States. We serve as an alternative source of financing for dealers, facilitating sales to sub-prime customers, who have limited credit history, low income or past credit problems and who otherwise might not be able to obtain financing from traditional sources.

Forward-looking statements in this news release include the Company's recorded revenue, expense and provision for credit losses, because these items are dependent on the Company's estimates of future losses, and also include the statement that continued earnings are expected. The accuracy of such estimates may be adversely affected by various factors, which include (in addition to risks relating to the economy generally) the following: possible increased delinquencies; repossessions and losses on retail installment contracts; incorrect prepayment speed and/or discount rate assumptions; possible unavailability of qualified personnel, which could adversely affect the Company's ability to service its portfolio; possible increases in the rate of consumer bankruptcy filings or the effects of recent changes in bankruptcy law, which could adversely affect the Company's rights to collect payments from its portfolio; other changes in government regulations affecting consumer credit; possible declines in the market price for used vehicles, which could adversely affect the Company's realization upon repossessed vehicles; and economic conditions in geographic areas in which the Company's business is concentrated. All of such factors also may affect the Company's future earnings, as to which there can be no assurance.

Any implication that the results of the most recently completed quarter are indicative of future results is disclaimed, and the reader should draw no such inference. Factors such as those identified above in relation to provision for credit losses may affect future performance.

Consumer Portfolio Services, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(In thousands, except per share data)
(Unaudited)

	Three months ended March 31,	
	2007	2006
Revenues:		
Interest income	\$80,490	\$54,527
Servicing fees	282	1,005
Other income	5,723	2,492
	86,495	58,024
Expenses:		
Employee costs	10,804	9,357
General and administrative	5,969	5,111
Interest	29,505	18,035
Provision for credit losses	29,489	19,099
Other expenses	5,318	4,632
	81,085	56,234
Income before income taxes	5,410	1,790
Income taxes	2,179	-
Net income	\$3,231	\$1,790
Earnings per share:		
Basic	\$0.15	\$0.08
Diluted	0.14	0.07

Number of shares used in computing earnings per share:

Basic	21,526	21,732
Diluted	23,718	24,188

Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	March 31, 2007	December 31, 2006
	-----	-----
Cash	\$10,396	\$14,215
Restricted cash	236,216	193,001
	-----	-----
Total Cash	246,612	207,216
Finance receivables	1,652,987	1,480,794
Allowance for finance credit losses	(83,536)	(79,380)
	-----	-----
Finance receivables, net	1,569,451	1,401,414
Residual interest in securitizations	10,579	13,795
Other assets	104,133	105,916
	-----	-----
	\$1,930,775	\$1,728,341
	=====	=====
Accounts payable and other liabilities	\$29,838	\$30,932
Warehouse lines of credit	128,184	72,950
Residual interest financing	28,164	31,378
Securitization trust debt	1,587,657	1,442,995
Senior secured debt	25,000	25,000
Subordinated debt	17,736	13,574
	-----	-----
	1,816,579	1,616,829
	-----	-----
Shareholders' equity	114,196	111,512
	-----	-----
	\$1,930,775	\$1,728,341
	=====	=====

Operating and Performance Data (\$ in thousands)

	At and for the Three months ended March 31,	
	-----	-----
	2007	2006
	-----	-----
Contract purchases	330,273	254,462
Total managed portfolio	1,726,744	1,239,960
Average managed portfolio	1,665,891	1,191,132
Net interest margin (1)	50,985	36,492
Risk adjusted margin (2)	21,496	17,393
Core operating expenses (3)	22,091	19,100

as % of average managed portfolio	5.30%	6.41%
Annualized return on managed assets (4)	1.30%	0.60%
Allowance as % of finance receivables	5.05%	5.36%
Delinquencies		
31+ Days	2.10%	1.78%
Repossession Inventory	1.44%	0.95%
Total Delinquencies and Repossession Inventory	3.55%	2.73%
Annualized net charge-offs as % of average owned portfolio	5.12%	4.83%

(1) Interest income less interest expense.

(2) Net interest margin less provision for credit losses.

(3) Total expenses less interest and provision for credit losses.

(4) Pretax income divided by average managed portfolio.

CONTACT: Consumer Portfolio Services
Investor Relations Contact
Robert E. Riedl, 949-753-6800

SOURCE: Consumer Portfolio Services, Inc.