

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON DC 20549

FORM 8-K

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

Date of Report (Date of earliest event reported) May 3, 2004

CONSUMER PORTFOLIO SERVICES, INC.

(Exact Name of Registrant as Specified in Charter)

CALIFORNIA ----- (State or Other Jurisdiction of Incorporation)	001-14116 ----- (Commission File Number)	33-0459135 ----- (IRS Employer Identification No.)
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16355 Laguna Canyon Road, Irvine, CA 92618

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (949) 753-6800

Not Applicable

(Former name or former address, if changed since last report)

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) Exhibits.

EXHIBIT NUMBER	DESCRIPTION
99.1	News Release dated May 3, 2004

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

The information in this Current Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

On May 3, 2004, the registrant issued a news release announcing its financial results for the quarter ended March 31, 2004. A copy of the release is attached as Exhibit 99.1.

Exhibit 99.1 to the report may contain a "non-GAAP financial measure" as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended. The possible non-GAAP financial measure is "managed receivables." This possible non-GAAP financial measure is discussed below, including the most directly comparable financial measure calculated and presented in accordance with Generally Accepted Accounting Principles in the United States ("GAAP"), a reconciliation of managed receivables to the most directly comparable GAAP financial measure, and the reasons why the Company believes the presentation of managed receivables provides useful information to management and to investors. Managed receivables should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

On page 1 of the earnings release included in Exhibit 99.1, the Company stated that managed receivables were \$736.3 million at March 31, 2004. The most directly comparable financial measure calculated and presented in accordance with GAAP to the managed receivables measure is finance receivables on the consolidated balance sheet. The managed receivables measure also includes (i) the finance receivables held by unconsolidated subsidiaries off balance sheet pursuant to statement on financial accounting standards No. 140 and (ii) repossessed vehicles included in other assets in the Company's balance sheet. In addition, the managed receivables measure includes allowance for credit losses, unearned origination fees, and certain other less significant adjustments.

The following table reconciles the Company's finance receivables, prepared on the basis of GAAP, to managed receivables as of March 31, 2004:

March 31, 2004
(in millions)

Net finance receivables per balance sheet	\$ 312.3
Allowance for finance receivables credit losses	36.6
Unearned origination fees	12.7
Finance receivables held by unconsolidated subsidiaries	370.7
Repossessed vehicles included in other assets on balance sheet	3.2
Other	0.8

	\$ 736.3
	=====

The managed receivables measure is useful to management and investors because it provides a basis for estimating (i) the Company's servicing fee revenue and (ii) the Company's servicing personnel requirements. The managed receivables measure is primarily used by investors and analysts, for those purposes.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CONSUMER PORTFOLIO SERVICES, INC.

Dated: May 10, 2004

By: /s/ Charles E. Bradley, Jr.

Charles E. Bradley, Jr.
President and chief
executive officer

Signing on behalf of the registrant
and as principal executive officer

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
99.1	News Release dated May 3, 2004

[CPS Logo Here]

NEWS RELEASE

CONSUMER PORTFOLIO SERVICES, INC.
REPORTS 2004 FIRST QUARTER RESULTS

IRVINE, CALIFORNIA, MAY 3, 2004--Consumer Portfolio Services, Inc. (Nasdaq: CPSS) today announced results for its first quarter ended March 31, 2004.

For the three months ended March 31, 2004 total revenues increased approximately \$5.0 million, or 22%, to \$27.5 million, compared to \$22.5 million for the three months ended March 31, 2003. Pretax loss for the first quarter of 2004 was \$1.4 million, compared to pretax income of \$2.4 million for the comparable 2003 period. Included in first quarter 2004 results was a \$6.8 million provision for credit loss expense resulting from the change in securitization structure implemented during the third quarter of 2003. Net loss for the quarter ended March 31, 2004 was \$1.4 million, or \$(0.07) per diluted share, compared to net income of \$6.3 million, or \$0.29 per diluted share, for the quarter ended March 31, 2003. Net income during the 2003 period included a net tax benefit of \$3.9 million. The income tax benefit in the prior period was primarily the result of the resolution of certain IRS examinations of tax returns filed by MFN Financial Corporation prior to its having been acquired in 2002 by Consumer Portfolio Services. The resulting tax benefit of \$4.9 million was offset in part by an income tax provision of \$1.0 million. Diluted shares outstanding were 20.6 million and 21.9 million for the quarters ended March 31, 2004 and 2003, respectively.

"2004 has been an active period for us," said Charles E. Bradley, President and Chief Executive Officer. "We are pleased that our growth initiatives, specifically the hiring of additional sales representatives and the initiation of originations through DealerTrack, are beginning to show results. In addition, since quarter-end we have completed our third acquisition in recent years with the acquisition of receivables and certain other assets of SeaWest Financial Corporation on April 2, 2004. With the SeaWest acquisition, we have grown our portfolio and our ability to further leverage our operating structure. The servicing transfer and data conversion have gone smoothly. In this, the third quarter under our new securitization structure, our financial results continued to track in line with expectations."

Consumer Portfolio Services' managed receivables totaled \$736.3 million at March 31, 2004. The managed receivables include \$370.7 million held by non-consolidated subsidiaries, which do not appear directly on the Company's balance sheet, as well as \$365.6 million (\$312.3 million net of allowance for credit losses and deferred acquisition fees) of receivables that are held directly by the Company and its consolidated subsidiaries. During the first quarter of 2004, the Company purchased \$93.4 million of contracts and completed several refinancings, including the sale of \$44.0 million of investment grade notes issued by CPS Auto Receivables Trust 2004-R. This transaction was a securitization of the Company's retained interest in eight term securitizations sponsored by the Company or its affiliates, and allowed the Company to refinance long-term debt at decreased interest rates.

As reported for the last three quarters, in order to increase transparency of the Company's financial reports, in the third quarter of 2003 Consumer Portfolio Services began structuring its securitization transactions as secured financings, with the loan receivables and associated debt remaining on the balance sheet, and without recognition of a gain on sale. Accordingly, net earnings will be recognized over the life of the receivables as interest income and fee income, less related funding costs and a provision for losses. Such loan loss provisions are recorded upon acquisition and during the life of the receivables. The accounting treatment of such transactions is equivalent to that currently used with respect to the majority of the receivables acquired in the acquisitions. The effect is to accelerate recognition of expenses and defer recognition of revenue. As a result, reported earnings initially will be less than they would be had the Company continued to structure its securitizations to record a gain on sale and therefore, reported net earnings may be negative for the remainder of 2004. Growth in the Company's portfolio of loan receivables in excess of current expectations would delay reporting positive net earnings. This change in securitization structure was the principal cause of the Company's net loss in the third and fourth quarters of 2003 and the first quarter of 2004.

Conference Call

Consumer Portfolio Services announced that it will hold a conference call Tuesday, May 4, 2004, at 1:30 p.m. EST to discuss its quarterly results. Those wishing to participate by telephone may dial in at 973 409-9261 approximately 10 minutes prior to the scheduled time.

A replay will be available between May 4, 2004 and May 11, 2004, beginning one hour after conclusion of the call, by dialing 877 519-4471. The reservation number is 4751645. 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 consumer finance company that specializes in purchasing, selling and servicing retail automobile installment sale contracts originated by automobile dealers located throughout the United States. The Company is currently active in 38 states. Through its purchase of contracts, the Company provides indirect financing to car dealer customers with limited credit histories, low incomes or past credit problems, who generally would not be expected to qualify for financing provided by banks or by automobile manufacturers' captive finance companies.

Forward-looking statements in this news release include the Company's recorded revenue, expense, gain on sale and provision for credit losses because these items are dependent on the Company's estimates of future losses. 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 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.

The statements concerning the intended structure of future securitizations and the effects of such structures on financial items are forward-looking statements. If the Company were to change the structure of future transactions, that could cause such forward-looking statements not to be accurate.

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 gain on sale and 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,	
	2004	2003
Revenues:		
Net gain (loss) on sale of contracts	\$ -	\$ 4,555
Interest income	20,423	9,328
Servicing fees	3,324	4,602
Other income	3,775	4,062
	27,522	22,547
Expenses:		
Employee costs	9,653	8,447
General and administrative	3,966	4,033
Interest	5,912	5,530
Provision for credit losses	6,750	-
Other expenses	2,648	2,183
	28,929	20,193
Income (loss) before income tax benefit	(1,407)	2,354
Income tax benefit	-	(3,924)
Net income (loss)	\$ (1,407)	\$ 6,278
Earnings (loss) per share:		
Basic	\$ (0.07)	\$ 0.31
Diluted	(0.07)	0.29
Number of shares used in computing earnings (loss) per share:		
Basic	20,638	20,270
Diluted	20,638	21,860

Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	March 31, 2004	Dec. 31, 2003
	-----	-----
Cash and restricted cash	\$ 98,241	\$100,486
Finance receivables, net	312,314	266,189
Residual interest in securitizations	100,790	111,702
Other assets	16,064	14,093
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	\$527,409	\$492,470
	=====	=====
Accounts payable and other liabilities	\$ 29,833	\$ 29,018
Warehouse lines of credit	75,976	33,709
Residual interest financing	42,158	-
Securitization trust debt	211,183	245,118
Senior secured debt	34,829	49,965
Subordinated debt	52,500	52,500
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	446,479	410,310
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Shareholders' equity	80,930	82,160
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	\$527,409	\$492,470
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Contacts

Investors:

Consumer Portfolio Services
Charles E. Bradley, 949-753-6800
or
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Monica Huang, 212-446-1874

Media:

Sloane & Company
Whit Clay, 212-446-1864