

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) March 24, 2005

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 2.02 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 March 24, 2005, the registrant issued a news release announcing its financial results for the quarter and year ended December 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 \$906.9 million at December 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, (ii) finance receivables serviced by the Company without any ownership interest, and (iii) 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 December 31, 2004:

December 31, 2004
(in millions)

Net finance receivables per balance sheet	\$ 550.2
Allowance for finance receivables credit losses	42.6
Unearned origination fees	15.1
Finance receivables held by unconsolidated subsidiaries	233.6
Finance receivables serviced without ownership interest	53.5
Adjustment for discount and Rule of 78s	3.5
Repossessed vehicles included in other assets on balance sheet	8.1
Other	0.3

	\$ 906.9
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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.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits.

EXHIBIT NUMBER	DESCRIPTION
99.1	News Release dated March 24, 2005

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: March 29, 2005

By: /s/ ROBERT E. RIEDL

Robert E. Riedl
Sr. Vice President and
chief financial officer

Signing on behalf of the registrant
and as principal financial officer

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
99.1	News Release dated March 24, 2005

CONSUMER PORTFOLIO SERVICES, INC. REPORTS
2004 FOURTH QUARTER AND FULL-YEAR RESULTS

IRVINE, CALIFORNIA, MARCH 24, 2005(BUSINESS WIRE)-- Consumer Portfolio Services, Inc. (Nasdaq: CPSS) today announced results for its fourth quarter and year ended December 31, 2004.

For the three months ended December 31, 2004 total revenues increased approximately \$7.1 million, or 23.3%, to \$37.6 million, compared to \$30.5 million for the three months ended December 31, 2003. Net loss for the quarter ended December 31, 2004 was \$(12.2) million, or \$(0.57) per diluted share, compared to net loss of \$(5.7) million, or \$(0.28) per diluted share, for the quarter ended December 31, 2003. Diluted shares outstanding were 21.4 million and 20.4 million for the quarters ended December 31, 2004 and 2003, respectively. Results for the fourth quarter 2004 include two significant non-cash charges: a \$9.1 million impairment loss on the residual interest in securitizations; and a \$4.5 million provision for credit losses related to the portfolio of receivables purchased from Seawest Financial Corporation in April 2004 as part of the \$12.0 million provision for the quarter.

Revenues for the year ended December 31, 2004 totaled \$132.7 million, an increase of \$27.7 million, or 26.4%, compared to \$105.0 million for 2003. Full-year 2004 net loss was \$(15.9) million, or \$(0.75) per diluted share. For the year ended December 31, 2003 net income was \$395,000, or \$0.02 per diluted share, including an income tax benefit of \$3.4 million. The income tax benefit was primarily the result of the resolution of certain IRS examinations of tax returns filed by MFN Financial Corporation prior to its acquisition by Consumer Portfolio Services, resulting in a tax benefit of \$4.9 million, which was offset in part by an income tax provision of \$1.5 million. Diluted shares outstanding were 21.1 million and 21.6 million for the years 2004 and 2003, respectively.

"While the financial results for the fourth quarter were not what we had anticipated because of the two non-cash charges, we thought it was the correct, conservative course of action to position the company for a profitable future," said Charles E. Bradley, President and Chief Executive Officer of Consumer Portfolio Services. "Operationally, our initiatives from 2004 are showing meaningful results. Purchases of new receivables for the fourth quarter were once again the highest they have been in more than two years, despite the fourth quarter being the weakest time of year. In addition, we are experiencing continued originations growth during the first quarter this year."

"Another significant event was on the litigation front," said Bradley. "Subsequent to year end, we settled the Stanwich case in California, which is great to have behind us."

During the fourth quarter of 2004, Consumer Portfolio Services purchased \$127.1 million of contracts from dealers as compared to \$119.3 million during the third quarter 2004 and \$82.9 million during the fourth quarter 2003. In addition, the Company continued its regular quarterly securitization program with the December sale of \$109.2 million of AAA/Aaa rated asset backed notes. As of December 31, 2004, the Company's managed receivables totaled \$906.9 million, as follows (\$ in millions):

Owned by Consolidated Subsidiaries*	\$619.8
Owned by Non-Consolidated Subsidiaries	233.6
As Third Party Servicer for SeaWest Financial	53.5

Total	\$906.9
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* Before \$69.6 million of allowance for credit losses and deferred acquisition fees.

As previously reported, 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 receivables and associated debt remaining on the balance sheet, and without recognition of a gain on sale. Accordingly, net earnings are 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 effect is to accelerate recognition of expenses and defer recognition of revenue. As a result, reported earnings have been less than what they would have been had the Company continued to structure its securitizations to record a gain on sale.

CONFERENCE CALL

CONSUMER PORTFOLIO SERVICES ANNOUNCED THAT IT WILL HOLD A CONFERENCE CALL TOMORROW, MARCH 25, 2005, AT 1:30 P.M. EST TO DISCUSS ITS QUARTERLY AND FULL-YEAR 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 March 25, 2005 and April 1, 2005, beginning one hour after conclusion of the call, by dialing 877-519-4471 or 973-341-3080 for international participants, with pin number 5859610. 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 revenue 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.

INVESTOR RELATIONS CONTACT

Charles E. Bradley
Consumer Portfolio Services
949-753-6800

CONSUMER PORTFOLIO SERVICES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three months ended December 31,		Twelve months ended December 31,	
	2004	2003	2004	2003
REVENUES:				
Net gain on sale of contracts	--	--	--	\$ 10,421
Interest income	31,709	21,559	105,818	58,164
Servicing fees	2,616	3,697	12,480	17,058
Other income	3,243	5,223	14,394	19,343
	<u>37,568</u>	<u>30,479</u>	<u>132,692</u>	<u>104,986</u>
EXPENSES:				
Employee costs	8,822	9,760	38,173	37,141
General and administrative	6,074	6,140	21,293	21,271
Interest	10,347	6,817	32,147	23,861
Provision for credit losses	11,964	7,200	32,574	11,390
Impairment loss on residual asset	9,100	2,295	11,750	4,052
Other expenses	3,507	3,941	12,643	10,310
	<u>49,814</u>	<u>36,153</u>	<u>148,580</u>	<u>108,025</u>
Income (loss) before income tax benefit	(12,246)	(5,674)	(15,888)	(3,039)
Income tax benefit	--	--	--	(3,434)
Net income (loss)	<u>\$ (12,246)</u>	<u>\$ (5,674)</u>	<u>\$ (15,888)</u>	<u>\$ 395</u>
Earnings (loss) per share:				
Basic	\$ (0.57)	\$ (0.28)	\$ (0.75)	\$ 0.02
Diluted	(0.57)	(0.28)	(0.75)	0.02
Number of shares used in computing earnings (loss) per share:				
Basic	21,438	20,371	21,111	20,263
Diluted	21,438	20,371	21,111	21,578

CONDENSED CONSOLIDATED
BALANCE SHEETS
(IN THOUSANDS)
(UNAUDITED)

	December 31, 2004	December 31, 2003
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Cash and restricted cash	\$ 139,479	\$ 100,486
Finance receivables, net	550,191	266,189
Residual interest in securitizations	50,430	111,702
Other assets	26,499	14,093
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	\$ 766,599	\$ 492,470
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Accounts payable and other liabilities	\$ 22,552	\$ 29,018
Warehouse lines of credit	34,279	33,709
Residual interest financing	22,204	--
Securitization trust debt	542,815	245,118
Senior secured debt	59,829	49,965
Subordinated debt	15,000	52,500
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	696,679	410,310
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Shareholders Equity	69,920	82,160
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	\$ 766,599	\$ 492,470
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