

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) October 30, 2003

CONSUMER PORTFOLIO SERVICES, INC.  
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(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  
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(Address of Principal Executive Offices) (Zip Code)

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

Not Applicable  
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(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 October 30, 2003

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 October 30, 2003, the registrant issued a news release announcing its financial results for the quarter ended September 30, 2003. 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 \$752.3 million at September 30, 2003. 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 September 30, 2003:

	September 30, 2003 (in millions)
Net finance receivables per balance sheet	\$ 228.1
Allowance for finance receivables credit losses	38.0
Unearned origination fees	5.2
Finance receivables held by unconsolidated subsidiaries	477.2
Repossessed vehicles included in other assets on balance sheet	1.7
Other	2.1
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	\$ 752.3
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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.

#### 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: November 3, 2003

By: /s/ Charles E. Bradley, Jr.  
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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	Earnings Release dated October 30, 2003

[CPS Logo Here]

NEWS RELEASE

CONSUMER PORTFOLIO SERVICES, INC.  
REPORTS 2003 THIRD QUARTER EARNINGS

IRVINE, CALIFORNIA, OCTOBER 30, 2003 -- Consumer Portfolio Services, Inc. (Nasdaq: CPSS) today announced earnings for its third quarter ended September 30, 2003.

For the three months ended September 30, 2003 total revenues decreased approximately \$553,000, or 2.1%, to \$25.5 million, compared to \$26.0 million for the three months ended September 30, 2002. Pretax loss for the third quarter of 2003 was \$(2.9) million, compared to pretax income of \$2.2 million for the comparable 2002 period. Included in third quarter 2003 results was a \$4.2 million provision for credit loss expense resulting from the change in securitization structure implemented for the first time during this quarter. Net loss for the quarter ended September 30, 2003 was \$(2.9) million, or \$(0.14) per diluted share, compared to net income of \$1.3 million, or \$0.06 per diluted share, for the quarter ended September 30, 2002. Diluted shares outstanding were 20.2 million and 21.0 million for the quarters ended September 30, 2003 and 2002, respectively.

Revenues for the nine months ended September 30, 2003 totaled \$71.7 million, an increase of \$5.3 million, or 8.1%, compared to \$66.4 million in the 2002 period. For the nine months ended September 30, 2003 net income was \$6.1 million, or \$0.28 per diluted share. For the nine months ended September 30, 2002 income prior to extraordinary item was \$1.1 million, or \$0.05 per diluted share. Diluted shares outstanding were 21.7 million and 21.0 million for the nine-month periods ended September 30, 2003 and 2002, respectively.

"This quarter was our first under the new securitization structure and our performance using this new recognition method is tracking as expected. Overall, the third quarter was successful as we were able to continue our cautious acquisition of quality loans and further solidify our financial standing," said Charles E. Bradley, President and Chief Executive Officer. "In addition, we completed the integration of TFC into our operations and we are pleased that its performance continues to meet our expectations."

Consumer Portfolio Services' managed receivables totaled \$752.3 million at September 30, 2003. During the third quarter of 2003, the Company purchased \$92.4 million of contracts and completed the \$87.5 million CPS Auto Receivables Trust 2003-C securitization. The managed receivables include \$477.2 million held by non-consolidated subsidiaries, which do not appear directly on the Company's balance sheet, as well as \$266.1 million (\$228.1 million net of allowance for credit losses) of receivables that are held directly by the Company and its consolidated subsidiaries.

As reported last quarter, 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 staying 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 will be recorded in part upon acquisition of the receivables. The accounting treatment of such transactions is equivalent to that currently used with respect to 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 or nominally positive for approximately the next year. 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 cause of the Company's net loss in the third quarter of 2003.

#### CONFERENCE CALL

Consumer Portfolio Services announced that it will hold a conference call Friday, October 31, 2003, 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 October 31, 2003 and November 7, 2003, beginning one hour after conclusion of the call, by dialing 877 519-4471. The reservation number is 4276379. 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](http://www.consumerportfolio.com) and at [www.streetevents.com](http://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.

CONTACTS

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~ OR ~

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Sloane & Company  
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Media:  
Whit Clay  
Sloane & Company  
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CONSUMER PORTFOLIO SERVICES, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(IN THOUSANDS, EXCEPT PER SHARE DATA)  
(UNAUDITED)

	Three months ended September 30,		Nine months ended September 30,	
	2003	2002	2003	2002
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<b>REVENUES:</b>				
Net gain on sale of contracts	\$ --	\$ 5,303	\$ 8,664	\$ 12,170
Interest income	15,835	13,218	36,605	35,708
Servicing fees	4,295	3,619	13,361	10,385
Other income	5,357	3,900	13,119	8,129
	25,487	26,040	71,749	66,392
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<b>EXPENSES:</b>				
Employee costs	9,491	9,174	27,380	28,608
General and administrative	6,050	5,829	14,131	15,354
Interest	6,427	6,334	17,044	17,982
Provision for credit losses	4,190	--	4,190	--
Other expenses	2,181	2,463	6,370	7,704
	28,339	23,800	69,115	69,648
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Income (loss) before income tax expense (benefit) and extraordinary item	(2,852)	2,240	2,634	(3,256)
Income tax expense (benefit)	--	940	(3,434)	(4,314)
	(2,852)	1,300	6,068	1,058
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Income (loss) before extraordinary item Extraordinary item, unallocated negative goodwill	--	--	--	17,412
	(2,852)	1,300	6,068	18,470
	=====	=====	=====	=====
<b>Net income (loss)</b>				
Earnings (loss) per share before extraordinary item:				
Basic	\$ (0.14)	\$ 0.07	\$ 0.30	\$ 0.05
Diluted	(0.14)	0.06	0.28	0.05
Earnings (loss) per share after extraordinary item:				
Basic	\$ (0.14)	\$ 0.07	\$ 0.30	\$ 0.94
Diluted	(0.14)	0.06	0.28	0.88
Number of shares used in computing earnings (loss) per share:				
Basic	20,200	19,683	20,226	19,693
Diluted	20,200	21,012	21,711	21,030

CONDENSED CONSOLIDATED BALANCE SHEETS  
(IN THOUSANDS)  
(UNAUDITED)

	September 30, 2003	December 31, 2002
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Cash and restricted cash	\$ 87,805	\$ 51,859
Finance receivables, net	228,075	84,592
Residual interest in securitizations	119,240	127,170
Other assets	13,728	21,827
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	\$448,848	\$285,448
	=====	=====
Accounts payable and other liabilities	\$ 30,405	\$ 27,672
Warehouse lines of credit	24,255	--
Securitization trust debt	202,096	71,630
Senior secured debt	50,136	50,072
Subordinated debt	53,466	53,500
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	360,358	202,874
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Shareholders' equity	88,490	82,574
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	\$448,848	\$285,448
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