

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) February 14, 2007

CONSUMER PORTFOLIO SERVICES, INC.

(Exact Name of Registrant as Specified in Charter)

CALIFORNIA

(State or Other Jurisdiction
of Incorporation)

(Commission
File Number)

33-0459135

(IRS Employer
Identification No.)

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)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

As of February 14, 2007, the registrant, Consumer Portfolio Services, Inc. ("CPS"), its wholly owned subsidiary Page Funding LLC ("Borrower") and UBS Real Estate Securities Inc. ("Senior Lender") amended and restated certain agreements governing an existing \$200 million revolving warehouse credit facility, and entered into additional related agreements. Under this facility, CPS sells eligible receivables to the Borrower, which in turn pledges the receivables as collateral for borrowings from Senior Lender, represented by a variable funding note (the "Class A Note"). The amendments are similar to those effective January 12, 2007, with respect to the registrant's other revolving warehouse credit facility, which amendments were reported in a current report on Form 8-K filed on January 17, 2007.

The material terms of the February 14 amendments and the additional agreements are these: (i) the Borrower has issued subordinated variable funding notes, Class B (the "Class B Notes") payable to The Patriot Group, LLC and Waterfall Eden Fund, LP, (ii) the Borrower may borrow up to an additional amount of \$25 million in the aggregate on a revolving basis, represented by the Class B Notes, (iii) the Class B Notes are secured by a subordinated security interest in the receivables sold to the Borrower, (iv) the Class B Notes bear interest at the rate of 30-day LIBOR plus 5.50% per annum, (v) the maximum advance rate under the credit facility has increased to 93% of the aggregate principal amount of the pledged receivables, comprising 83% to the Senior Lender, and 10% to the additional lenders, and (vi) the indebtedness represented by the Class A Note and Class B Notes is due not later than 364 days after it is incurred. The \$25 million maximum amount of Class B Notes is an aggregate maximum, applicable to each of the two revolving warehouse credit facilities and to both taken together.

CPS disclaims any implication that the agreements so amended are other than agreements entered into in the ordinary course of CPS's business.

ITEM 7.01 REGULATION FD DISCLOSURE

CPS is today making available one presentation consisting of 31 slides. A copy is attached as an exhibit. Although the exhibit is an update of a similar presentation that was made available, updated and corrected on August 7, 2006, August 30, 2006 and September 13, 2006, respectively (each as an exhibit to a current report on Form 8-K). CPS is not undertaking to update further any information contained in this presentation.

The information furnished in this report shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1933, as amended.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

Neither financial statements nor pro forma financial information are filed with this report.

One exhibit is attached:

<u>Exhibit Number</u>	<u>Description</u>
99.1	Company Summary

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: February 20, 2007

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

<u>Exhibit Number</u>	<u>Description</u>
99.1	Company Summary.

Consumer Portfolio Services, Inc.

Nasdaq: CPSS

As of December 31, 2006

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Safe Harbor Statement

Information included in the following slides is believed to be accurate, but is not necessarily complete. Such information should be reviewed in its appropriate context. The implication that historical trends will continue in the future, or that past performance is indicative of future results, is disclaimed. To the extent that one reading the following material nevertheless makes such an inference, such inference would be a forward-looking statement, and would be subject to risks and uncertainties that could cause actual results to vary. Such risks include variable economic conditions, adverse portfolio performance (resulting, for example, from increased defaults by the underlying obligors), volatile wholesale values of collateral underlying CPS assets, reliance on warehouse financing and on the capital markets, fluctuating interest rates, increased competition, regulatory changes, the risk of obligor default inherent sub-prime financing, and exposure to litigation.



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 under the caption "Forward-looking Statements" in Item 7 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.



Company Overview

- ✓ Specialty finance company focused on sub-prime auto market
- ✓ Established in 1991; IPO in 1992
- ✓ Irvine, California headquarters and three servicing branches in Virginia, Florida and Illinois



Company Overview

- ✓ Through December 31, 2006, approximately \$7.1 billion in contract purchases from auto dealers
- ✓ As of December 31, 2006, managed portfolio of approximately \$1.57 billion
- ✓ Approximately 780 employees



U.S. Auto Finance Market

- ✓ 2005 U.S. auto financing = \$407 billion⁽¹⁾
 - \$211 billion new; \$196 billion used
- ✓ Company estimates 20%, or \$81 billion is “sub-prime”
- ✓ Historically fragmented market with few long-term dominant players
- ✓ Significant barriers to entry



Major Market Participants

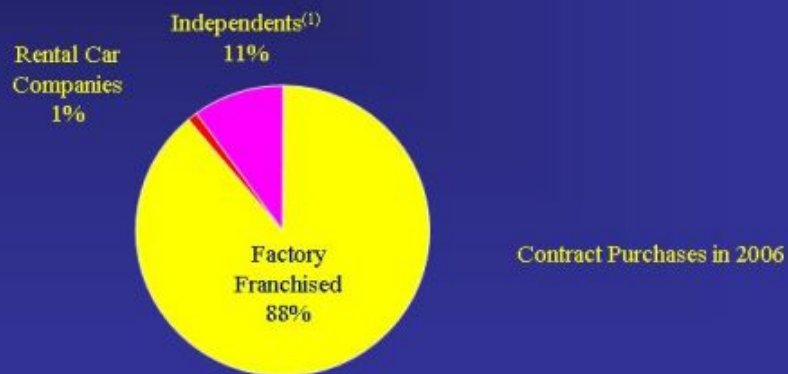
- ✓ AmeriCredit
- ✓ Wells Fargo
- ✓ Capital One
- ✓ CitiFinancial
- ✓ Triad
- ✓ Chase Custom
- ✓ HSBC/Household
- ✓ Manufacturers' Captives



The CPS Landscape

as of December 31, 2006

- ✓ Contracts with over 7,700 dealers in 47 states
- ✓ 89 employee marketing reps in the field and 6 in-house
- ✓ West coast headquarters and three strategically located servicing branches
- ✓ Primarily factory franchise dealers

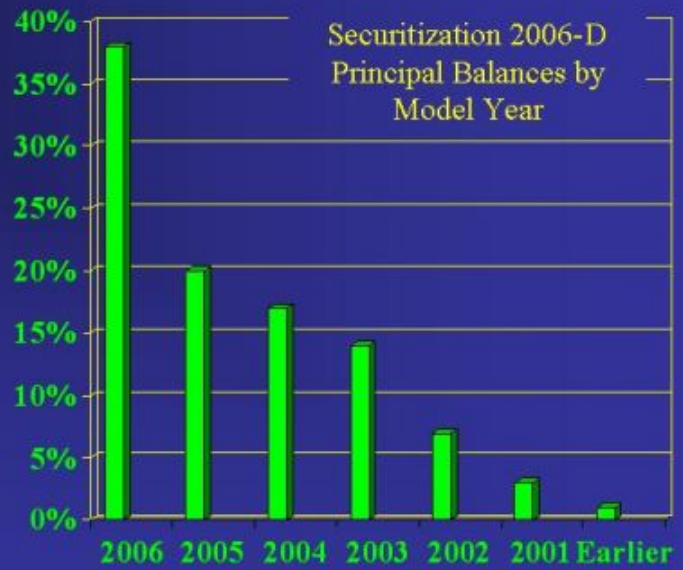


(1) Includes contract purchases of TFC, a subsidiary that targets enlisted members of U.S. Armed Forces.

Collateral Description

✓ Primarily late model pre-owned vehicles

- 15% New
- 85% Pre-owned
- 72% Domestic
- 28% Foreign



Program Overview

CPS's risk-adjusted pricing results in program offerings covering a wide band of the credit spectrum

New contract acquisitions in 2006

Program	Avg Yield ⁽¹⁾	Avg Amount Financed	Avg FICO	% of Purchases ⁽²⁾
Preferred	12.4%	\$19,756	592	3%
Super Alpha	15.2%	\$19,617	518	12%
Alpha Plus	17.1 %	\$17,670	523	18%
Alpha	19.2 %	\$15,403	513	45%
Standard	22.8 %	\$13,150	520	9%
Mercury / Delta	26.2 %	\$11,678	519	8%
First Time Buyer	27.0 %	\$11,449	544	5%



(1) Contract APR as adjusted for fees charged (or paid) to dealer.
(2) Under the CPS programs.

Borrower and Contract Profile

An emphasis on *stable* borrowers with the ability to rehabilitate their credit profile

Borrower:

Average age	37 years
Average time in job	5 years
Average time in residence	5 years
Average credit history	9 years
Average household income	\$40,440 per year
Percentage of homeowners	18%

Contract:

Average amount financed	\$15,381
Average monthly payment	\$391
Average term	63 months
Weighted average APR	18.5%



Contract Originations

- ✓ Centralized contract originations at Irvine HQ
 - Maximizes control and efficiencies

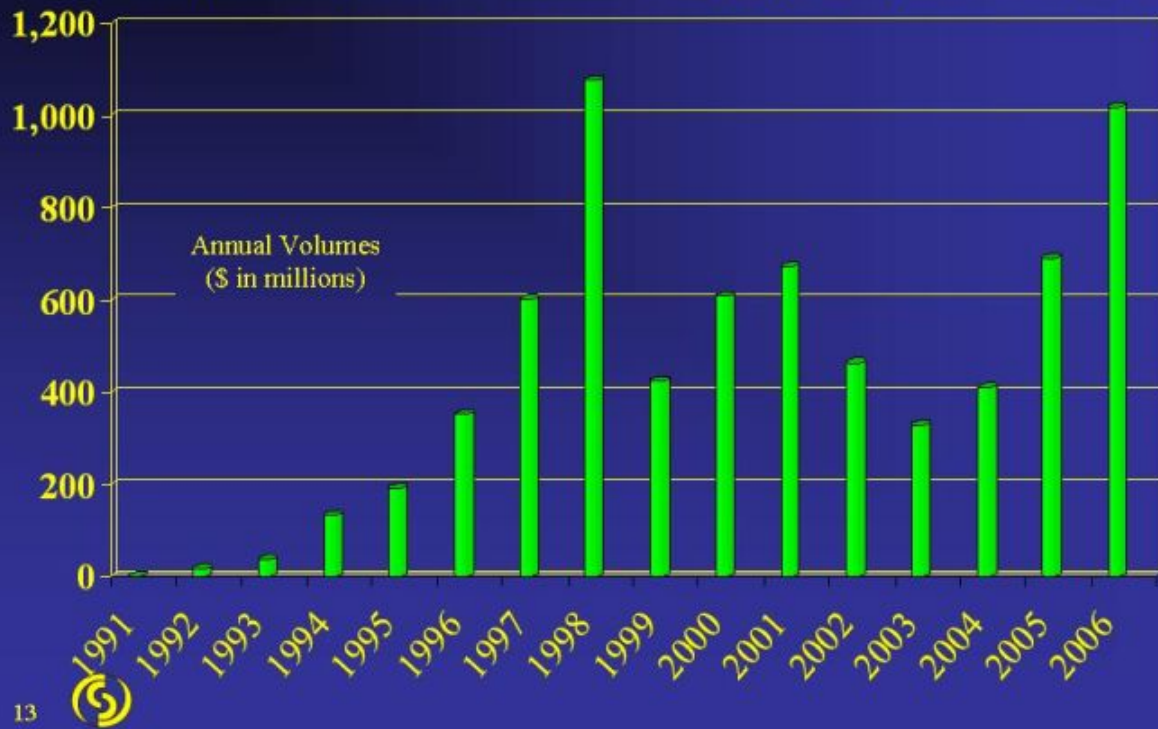
- ✓ Proprietary auto-decisioning system
 - Makes initial credit decision on approximately 90% of incoming applications
 - Enhances dealer service by shortening response time

- ✓ Pre-funding verification of employment, income and residency
 - Protects against dealer and obligor fraud



Historical Origination Volume

Since inception through December 31, 2006 the Company has originated over \$7.0 billion



Contract Servicing

- ✓ Geographically dispersed servicing centers enhance coverage and staffing flexibility and drive portfolio performance
- ✓ Offices are tied into the central database and paperless collection system
- ✓ Early contact on past due accounts; commencing as early as first day after due date
- ✓ Early stage workload supplemented by automated intelligent predictive dialer
- ✓ Workloads allocated based on specialization and behavioral scorecards, which enhances efficiencies



Successful Acquisitions

<u>Entity</u>	<u>Date and Purchase Price</u>	<u>Comments</u>
MFN Financial Corp.	March 2002 \$123.2 million	✓ \$380 million portfolio ✓ \$17.4 million negative goodwill
The Finance Company	May 2003 \$23.7 million	✓ \$150 million portfolio ✓ CPS maintains presence in TFC military niche
SeaWest Financial Corp. (Purchase of certain assets only)	April 2004 \$63.2 million	✓ \$75 million portfolio acquired ✓ Servicing for additional \$100 million



Strategies for Future Growth

- ✓ Increase dealer penetration and expand dealer network
 - Expansion of marketing rep network
 - Continue high level of dealer contact with improved service levels
 - Expansion of risk-based pricing model
 - Expansion of the independent dealer program
 - Retention of existing customers



Portfolio Financing

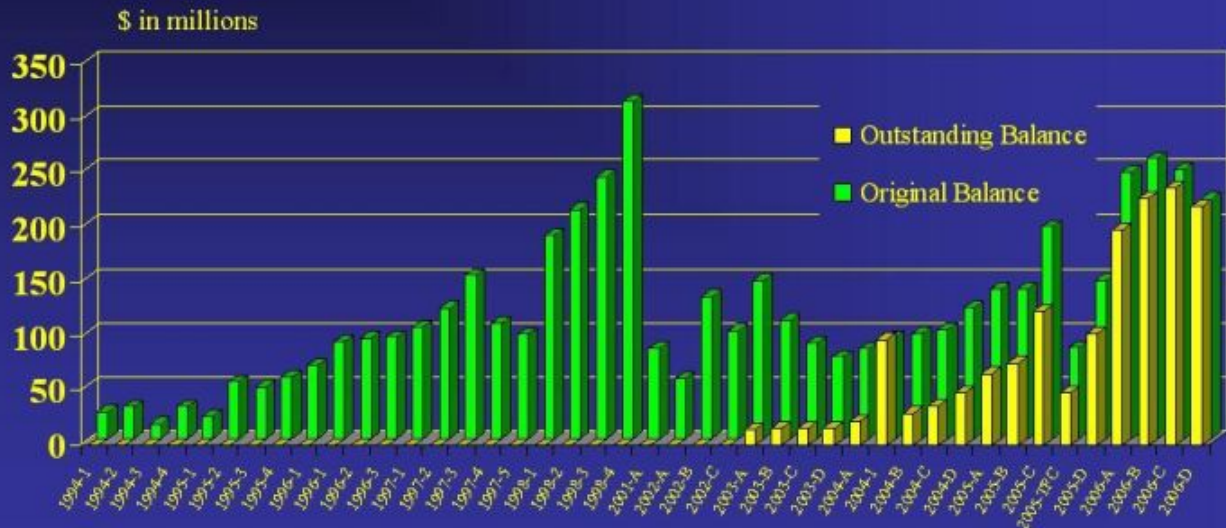
- ✓ Two senior warehouse facilities aggregating \$400 million
- ✓ \$25 million subordinated warehouse facility allows advance rates up to 93% across both senior lines
- ✓ Quarterly “AAA” rated asset-backed securities provide long-term matched funding
- ✓ Use of multiple bond insurers enhances liquidity and structural flexibility
- ✓ Sale of subordinated tranches increases liquidity
- ✓ Revolving and term residual interest financings reduce cost of capital



Portfolio Financing

The Company has been a regular issuer of rated ABS since 1994

Through Q4 2006: 43 deals aggregating over \$5.1 billion



Other Financing

(\$ in thousands)

<u>Outstanding at December 31, 2006</u>	<u>Source</u>	<u>Terms</u>	<u>Comments</u>
\$19,178	Residual Interest Term Financing	8.36% Amortizing with related ABS	2 nd rated "NIM" transaction by CPS
\$12,200	Residual Interest Warehouse Facility	LIBOR plus 6.125%	\$35 mm two-year revolver
\$25,000	Senior Debt – Affiliate of Levine Leichtman	11.75% 2007 maturities	A lender to CPS since 1998
\$13,619	Sub. Debt – Renewable Notes	Wtd rate 9.84% Wtd orig term 27 months	Shelf registration effective May 2005



Total Managed Portfolio

Composition by Source (\$ in millions)

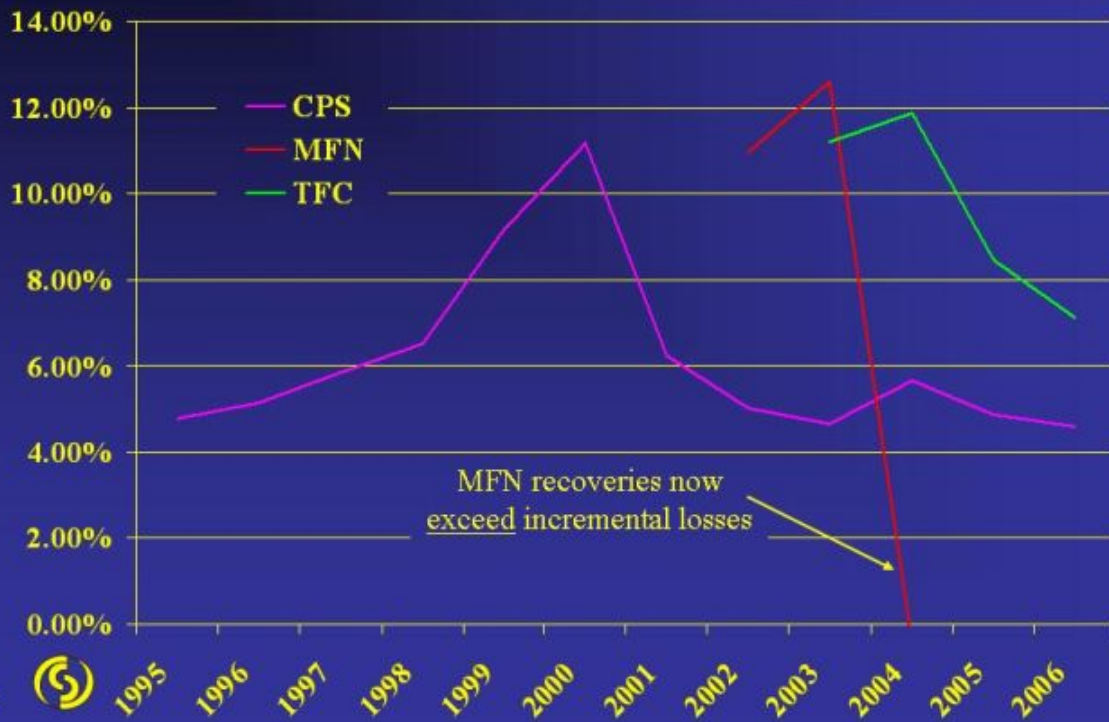


*Primary Driver of Growth is CPS "Organic" Contract Purchases
with over 95% now On Balance Sheet*



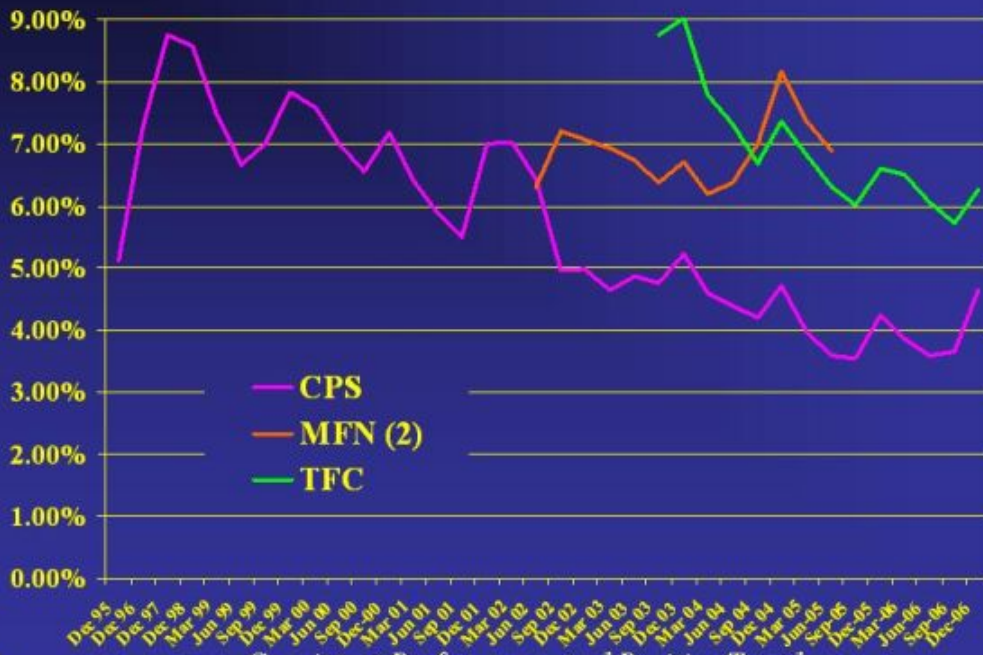
Average Annual Net Credit Losses

Consistent Performance and Positive Trends



Delinquencies and Repo Inventory (1)

Three quarter rolling averages



Consistent Performance and Positive Trends

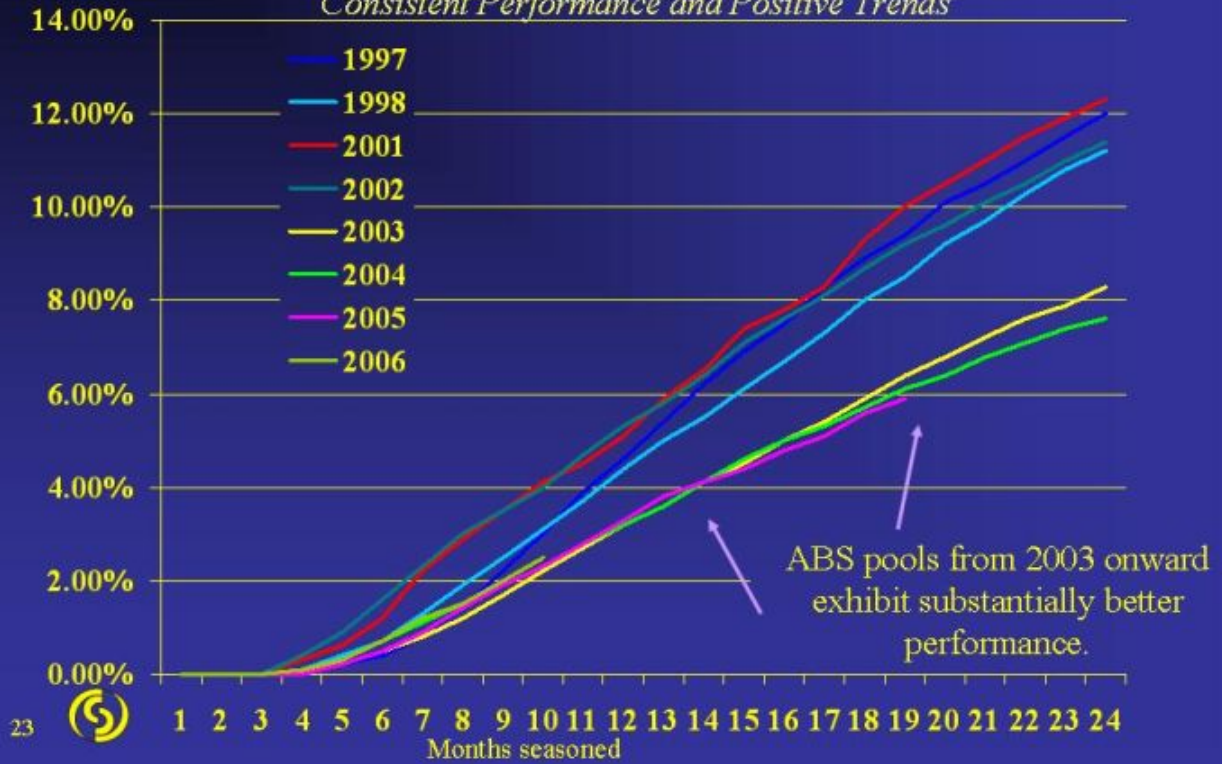


(1) 30 or more days past due.
 (2) MFN transactions called in August 2005.

Static Pool Performance

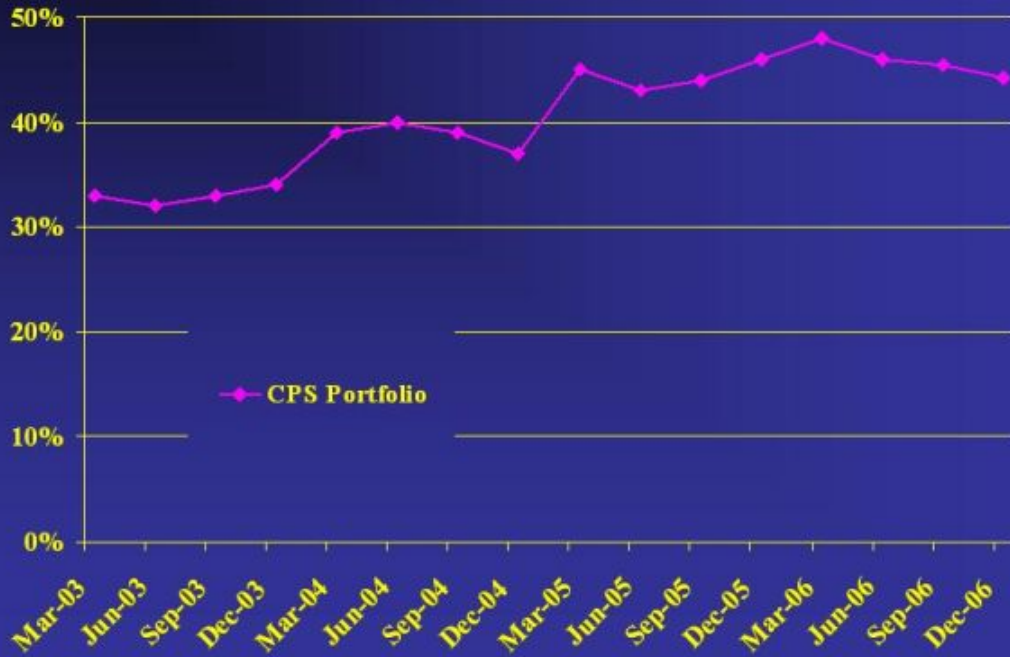
Average ABS Pool Cumulative Net Losses as of December 31, 2006

Consistent Performance and Positive Trends



Auction Values

Liquidation Values for Repo Sales Have Increased from 2003 (1)



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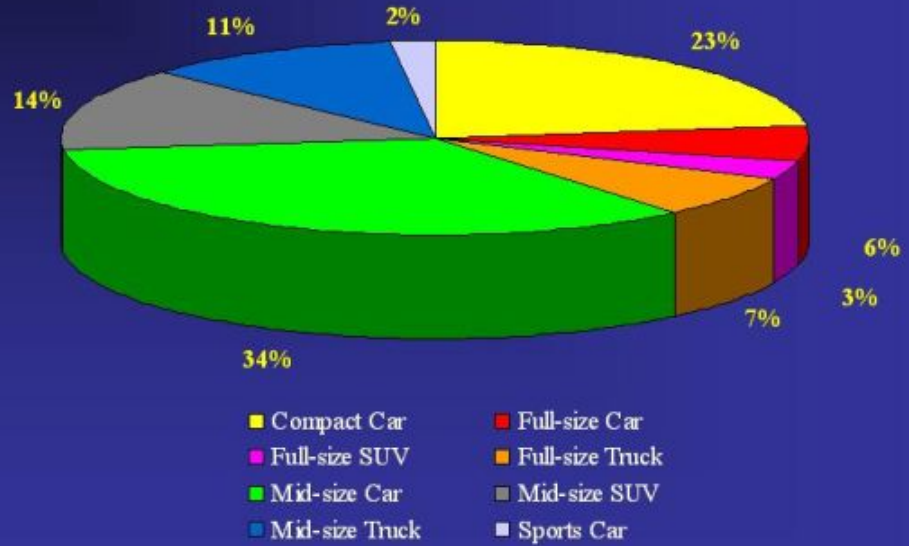


(1) Net liquidation proceeds as a percentage of the net balance at the time of sale of the vehicle.

Repossession Sales in Q4 2006 (1)

✓ Least fuel efficient vehicles comprised less than 10% of all vehicles sold

✓ Full-size SUV's and trucks sold for 50% of contract balance vs. 43% for other vehicles



Summary Balance Sheets

(\$ in millions)

	December 31, 2006	December 31, 2005	December 31, 2004
<u>Assets</u>			
Cash	14.2	\$ 17.8	\$ 14.4
Restricted Cash	193.0	157.7	125.1
Finance receivables, net of allowance	1,401.4	913.6	550.2
Residual interest in securitizations	13.8	25.2	50.4
Other Assets	94.6	40.9	26.5
	<u>\$1,717.0</u>	<u>\$ 1,155.1</u>	<u>\$ 766.6</u>
<u>Liabilities</u>			
Accounts payable and other liabilities	\$ 17.8	\$ 19.8	\$ 22.6
Warehouse lines of credit	73.0	35.4	34.3
Residual interest financing	31.4	43.7	22.2
Securitization trust debt	1,443.0	924.0	542.8
Other debt	38.6	58.7	74.8
	<u>1,603.7</u>	<u>1,081.6</u>	<u>696.7</u>
Shareholders' equity	113.3	73.6	69.9
	<u>\$1,717.0</u>	<u>\$ 1,155.1</u>	<u>\$ 766.6</u>



Summary Statements of Operations

(\$ in millions)	Years Ended		
	December 31, 2006	December 31, 2005	December 31, 2004
<u>Revenues</u>			
Interest income	\$ 263.6	\$ 171.8	\$ 105.8
Servicing fees	2.9	6.6	12.5
Other income	12.4	15.2	14.4
	<u>278.9</u>	<u>193.7</u>	<u>132.7</u>
<u>Expenses</u>			
Employee costs	38.5	40.4	38.2
General and administrative	42.0	39.3	33.9
Interest	93.1	51.7	32.1
Impairment on residual	0	0	11.8
Provision for credit losses	92.1	59.0	32.6
	<u>265.7</u>	<u>190.3</u>	<u>148.6</u>
Pretax income (loss)	13.2	3.4	(15.9)
Income tax expense (gain)	(26.4)	0	0
Net income (loss)	<u>\$ 39.6</u>	<u>\$ 3.4</u>	<u>\$ (15.9)</u>
EPS (fully diluted)	\$1.64	\$0.14	\$(0.75)
EPS (fully diluted) without tax gain	\$0.55	\$0.14	\$(0.75)



Selected Financial Data

(\$ in millions)

	Years Ended		
	December 31, 2006	December 31, 2005	December 31, 2004
Auto contract purchases	\$1,019.0	\$691.3	\$447.2
Total managed portfolio	\$1,565.9	\$1,121.7	\$906.9
Risk-adjusted margin (1)	\$78.4	\$61.2	\$41.1
Core operating expenses (2)			
\$ amount	\$80.5	\$79.7	\$72.1
% of average managed portfolio	5.9%	8.0%	8.4%
Return on managed assets (3)	0.96%	0.34%	NMF
Total delinquencies and repo inventory (30+ days)			
(% of total owned portfolio)	5.5%	5.0%	5.6%
Annualized net charge-offs			
(% of average owned portfolio)	4.5%	5.3%	7.8%



- (1) Interest income less interest expense and provision for credit losses.
- (2) Total expenses less provision for credit losses less interest expense and impairment loss on residual asset.
- (3) Pretax income divided by average managed portfolio.

Investment Merits

- ✓ CPS has weathered industry turbulence to remain one of the few independent public auto finance companies
- ✓ Attractive industry fundamentals
- ✓ Disciplined approach to credit quality and servicing
- ✓ Demonstrated growth in new contract acquisitions and total managed portfolio



Investment Merits

- ✓ Recurring revenue model and sound quality of earnings
- ✓ Operating leverage through economies of scale
- ✓ Opportunistic, successful acquisitions
- ✓ Stable senior management team with significant equity ownership – senior management, including vice presidents, average 12 years of service with the Company



Consumer Portfolio Services, Inc.

Nasdaq: CPSS

