SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-Q

(MARK ONE)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2001

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

FOR THE TRANSITION PERIOD FROM ______________ TO _____________

COMMISSION FILE NUMBER 0-19424

EZCORP, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	74-2540145
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION	(IRS EMPLOYER IDENTIFICATION NO.)

1901 CAPITAL PARKWAY
AUSTIN, TEXAS 78746
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)
(ZIP CODE)

(512) 314-3400
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

NA
(FORMER NAME, FORMER ADDRESS AND FORMER FISCAL YEAR, IF CHANGED SINCE LAST REPORT)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

APPLICABLE ONLY TO CORPORATE ISSUERS:

The only class of voting securities of the registrant issued and outstanding is the Class B Voting Common Stock, par value $.01 per share, 100% of which is owned by one record holder who is an affiliate of the registrant. There is no trading market for the Class B Voting Common Stock.

As of June 30, 2001, 10,937,841 shares of the registrant's Class A Non-voting Common Stock, par value $.01 per share and 1,190,057 shares of the registrant's Class B Voting Common Stock, par value $.01 per share were outstanding.

EZCORP, INC.
INDEX TO FORM 10-Q

PART I

ITEM 1. FINANCIAL STATEMENTS

Condensed Consolidated Balance Sheets

	June 30, 2001	June 30, 2000	September 30, 2000
	(In thousands)		
	(Unaudited)		(Note A)
Assets:			
Current assets:			
Cash and cash equivalents	$ 2,626	$ 1,229	$ 3,126
Pawn loans	47,199	45,770	46,916
Short-term loans and finance charges receivable, net	1,039	38	40
Pawn service charges receivable	7,838	8,575	8,629
Inventory, net	33,711	39,976	35,660
Deferred tax asset	7,081	8,023	9,636
Federal income tax receivable	--	1,949	5,045
Prepaid expenses and other current assets	2,622	2,868	1,525
Total current assets	102,116	108,428	110,577
Investment in unconsolidated affiliate	13,716	14,488	14,021
Property and equipment, net	52,384	65,265	61,130
Other assets, net	18,436	20,999	18,065
Total assets	$ 186,652	$ 209,180	$ 203,793
Liabilities and stockholders' equity:			
Current liabilities:			
Current maturities of long-term debt	$ 67,671	$ 76,012	$ 22,087
Accounts payable and other accrued expenses	9,346	9,596	12,011
Restructuring reserve	481	--	1,649
Customer layaway deposits	2,045	2,245	2,332
Total current liabilities	79,543	87,853	38,079
Long-term debt, less current maturities	91	103	59,025
Deferred tax liability	990	1,696	3,639
Other long-term liabilities	2,897	387	379
Total long-term liabilities	3,978	2,186	63,043
Commitments and contingencies			
Stockholders' equity:			
Preferred Stock, par value $.01 per share; Authorized 5,000,000 shares; none issued and outstanding	--	--	--
Class A Non-voting Common Stock, par value $.01 per share; Authorized 40,000,000 shares; 10,946,874 issued and 10,937,841 outstanding at June 30, 2001 and September 30, 2000; 10,831,043 issued and 10,822,010 outstanding at June 30, 2000	109	108	109
Class B Voting Common Stock, convertible, par value $.01 per share; Authorized 1,198,990 shares; 1,190,057 issued and outstanding at June 30, 2001, September 30, 2000 and June 30, 2000	12	12	12
Additional paid-in capital	114,663	114,501	114,569
Retained earnings (deficit)	(10,515)	4,905	(11,159)
	104,269	119,526	103,531
Treasury stock (9,033 shares)	(35)	(35)	(35)
Receivable from stockholder	(729)	(729)	(729)
Accumulated other comprehensive income	(374)	379	(96)
Total stockholders' equity	103,131	119,141	102,671
Total liabilities and stockholders' equity	$ 186,652	$ 209,180	$ 203,793

See Notes to Condensed Consolidated Financial Statements (unaudited).

Condensed Consolidated Statements of Operations (Unaudited)

	Three Months Ended June 30, 2001	Three Months Ended June 30, 2000	Nine Months Ended June 30, 2001	Nine Months Ended June 30, 2000
	(In thousands, except per share amounts)			
Revenues:				
Sales	$ 29,628	$ 28,448	$ 97,554	$ 105,973
Pawn service charges	12,704	13,511	40,399	43,086
Short-term loan finance charges	612	44	732	122
Other	156	235	475	694
	43,100	42,238	139,160	149,875
Cost of goods sold	18,427	16,085	57,960	63,455
Net revenues	24,673	26,153	81,200	86,420
Operating expenses:				
Operations	18,345	20,669	56,061	64,446
Administrative	3,010	4,817	10,523	14,314
Depreciation and amortization	2,870	2,492	8,118	7,575
Restructuring expense (reversal)	(696)	0	(696)	0
	23,529	27,978	74,006	86,335
Operating income (loss)	1,144	(1,825)	7,194	85
Interest expense, net	2,028	1,196	6,548	3,728
Equity in net income of unconsolidated affiliate	(71)	(69)	(208)	(216)
(Gain)/loss on sale of assets	166	208	162	(242)
Income (loss) before income taxes	(979)	(3,160)	692	(3,185)
Income tax expense (benefit)	(537)	(1,010)	48	(1,019)
Income (loss) before cumulative effect of a change in accounting principle	$ (442)	$ (2,150)	$ 644	$ (2,166)
Cumulative effect on prior years (to September 30, 1999) of change in method of revenue recognition, net of tax	--	--	--	(14,344)
Net income (loss)	$ (442)	$ (2,150)	$ 644	$ (16,510)
Amounts per common share (basic and fully diluted):				
Income (loss) before cumulative effect of a change in accounting principle	$ (0.04)	$ (0.18)	$ 0.05	$ (0.18)
Cumulative effect on prior years (to September 30, 1999) of change in method of revenue recognition, net of tax	$ --	$ --	$ --	$ (1.19)
Net income (loss)	$ (0.04)	$ (0.18)	$ 0.05	$ (1.37)
Weighted average shares outstanding:				
Basic	12,113	12,012	12,094	12,012
Fully diluted	12,113	12,012	12,094	12,012
Cash dividends per common share	$ --	$ --	$ --	$ 0.025

See Notes to Condensed Consolidated Financial Statements (unaudited).

Condensed Consolidated Statements of Cash Flows (Unaudited)

	Nine Months Ended June 30, 2001	Nine Months Ended June 30, 2000
	(In thousands)	
Operating Activities:		
Net income (loss)	$ 644	$ (16,510)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Cumulative effect of a change in accounting principle	--	14,344
Depreciation and amortization	8,118	7,575
Deferred income taxes	(94)	1,489
Restructuring expenses	(696)	--
Net gain (loss) on sale or disposal of assets	162	(242)
Income from investment in unconsolidated affiliate	(208)	(216)
Changes in operating assets and liabilities:		
Service charges receivable	791	927
Short term loan finance charges receivable	(169)	--
Inventory	1,949	3,575
Notes receivable from related parties	40	(220)
Prepaid expenses, other current assets, and other assets, net	(1,873)	1,141
Accounts payable and accrued expenses	(2,288)	(1,307)
Restructuring reserve	(1,623)	--
Customer layaway deposits	(287)	(176)
Other long-term liabilities	(18)	(121)
Federal income taxes receivable	5,045	(428)
Net cash provided by operating activities	9,493	9,831
Investing Activities:		
Pawn loans forfeited and transferred to inventory	51,249	53,688
Pawn loans made	(137,784)	(138,316)
Pawn loans repaid	86,252	92,798
Net decrease (increase) in loans	(283)	8,170
Short-term loans	(830)	(38)
Additions to property, plant, and equipment	(3,952)	(14,956)
Additions to intangible assets	--	(621)
Investment in unconsolidated affiliate	236	(841)
Proceeds from sale of assets	8,186	4,093
Net cash provided by (used in) investing activities	3,357	(4,193)
Financing Activities:		
Proceeds from bank borrowings	30,650	31,500
Payments on borrowings	(44,000)	(38,508)
Payment of dividends	--	(300)
Net cash used in financing activities	(13,350)	(7,308)
Change in cash and cash equivalents	(500)	(1,670)
Cash and cash equivalents at beginning of period	3,126	2,899
Cash and cash equivalents at end of period	$ 2,626	$ 1,229
Non-cash Investing and Financing Activities:		
Foreign currency translation adjustment	$ 278	$ 235
Deferred gain on sale-leaseback	$ 2,763	$ --
Issuance of stock options	$ --	$ 31
Issuance of stock to 401k plan	$ 89	$ --

See Notes to Condensed Consolidated Financial Statements (unaudited).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
JUNE 30, 2001

NOTE A: BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring entries) considered necessary for a fair presentation have been included. The accompanying financial statements should be read with the Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended September 30, 2000.

The Company's business is subject to seasonal variations, and operating results for the nine-month period ended June 30, 2001 are not necessarily indicative of the results of operations for the full fiscal year.

The balance sheet at September 30, 2000 has been derived from the audited financial statements at that date but do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

NOTE B: CHANGE IN ACCOUNTING PRINCIPLE

During the second quarter of fiscal 2000, the Company changed its method of revenue recognition on pawn loans by reducing the accrual of pawn service charge revenue to the estimated amount which will be realized through loan collection and recording forfeited collateral at the lower of cost (the principal amount of the loan) or market. Previously, pawn service charges were accrued on all loans, and the carrying value of the forfeited collateral was the lower of cost (principal amount of loan plus accrued pawn service charges) or market.

The Company believes the new method of revenue recognition is preferable in that it better aligns reported net revenues and earnings with current economic trends in its business and the management of the Company. In addition, the Company believes the new method improves comparability of its operating results and financial position with similar companies.

The effect of the accounting change on the three months ended June 30, 2000 was to increase net loss by $0.6 million ($0.05 per share). The effect of the change on the nine months ended June 30, 2000, excluding the cumulative effect of $14.3 million, was to decrease the net loss by $3.5 million ($0.29 per share).

NOTE C: RESTRUCTURING CHARGE

As more fully described in Note C to the Company's audited financial statements for the year ended September 30, 2000, the Company reviewed its store portfolio to determine whether closing certain stores would improve the Company's profitability and to determine whether certain stores were strategically viable. As a result of this review and the continuing evaluation of such assets for impairment, the Company decided to close 54 stores and recorded a pretax charge of $11.8 million ($7.8 million net of tax) during the fourth quarter of Fiscal 2000. Of the 54 stores, 47 were closed as of June 30, 2001, resulting in 148 employee terminations.

In June 2001, the Company re-evaluated the seven remaining stores and decided to continue their operation, based on improved performance and future outlook for these stores. Accordingly, the Company reversed the $1.3 million restructure accrual related to these seven stores. The Company recorded an additional $0.3 million restructure expense for the 47 stores previously closed, primarily to account for lease obligations costing more than originally estimated, resulting in a net credit to restructuring expense of $1.0 million in the period ended June 30, 2001.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
JUNE 30, 2001

Of the $1.0 million net credit, $0.7 million is for the anticipated administrative costs and loss from disposing of the seven stores' fixed and intangible assets and is recorded as a credit to restructuring expense, where the charge was recorded in September 2000. The remaining $0.3 million was originally charged to cost of goods sold to write these stores' inventory down to liquidation value, and was credited to cost of goods sold in June 2001, as the Company no longer expects to sell this inventory at liquidation prices.

The results of operations from the 47 closed stores were as follows (in thousands):

	Three Months Ended June 30, 2001	Three Months Ended June 30, 2000	Nine Months Ended June 30, 2001	Nine Months Ended June 30, 2000
Total revenues	$ --	$ 3,453	$ 939	$ 12,588
Operating loss	$ (4)	$ (796)	$ (462)	$ (2,029)

At June 30, 2001, the Company had a remaining restructuring reserve of $0.5 million. It is anticipated that all remaining material cash outlays required for these store closings and related restructuring costs will be made during fiscal 2001. The following is a summary of the types and amounts recognized as accrued expenses together with adjustments and cash payments made against such accruals (in thousands):

	Lease Settlement Costs	Workforce Severance	Write-off of Long-Lived and Intangible Assets	Administrative and Other Exit Costs	Net Book Value of Assets Sold	Proceeds from Sale of Assets	Total Reserve
Reserve balance at September 30, 2000	$ 582	$ 908	$ --	$ 456	$ 430	$ (727)	$ 1,649
Reserve utilized	(617)	(569)	--	(391)	(46)	--	(1,623)
Adjustments	167	(18)	(1,151)	(22)	(399)	727	(696)
Reverse the utilization of the long-lived assets reserve	--	--	1,151	--	--	--	1,151
Reserve balance at June 30, 2001	$ 132	$ 321	$ --	$ 43	$ (15)	$ --	$ 481

In conjunction with the restructuring in fiscal 2000, the Company recorded an additional $1.2 million inventory reserve for anticipated losses on sales at stores to be closed. This amount was charged to cost of goods sold in fiscal 2000 and is excluded from the table above. Of this inventory reserve, $0.1 million was utilized by September 30, 2000, $0.6 million was utilized in the first quarter of fiscal 2001, $0.2 million was utilized in the second quarter of fiscal 2001, and $0.3 million was reversed in the third quarter of fiscal 2001, as described above, leaving no balance at June 30, 2001.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
JUNE 30, 2001

NOTE D: ACCOUNTING PRINCIPLES AND PRACTICES

The provision for federal income taxes has been calculated based on the Company's estimate of its effective tax rate for the full fiscal year.

The Company provides inventory reserves for shrinkage and cost in excess of market value. The Company estimates these reserves using analysis of sales trends, inventory aging, sales margins and shrinkage on inventory. At June 30, 2001, June 30, 2000, and September 30, 2000, inventory reserves were $1.0 million, $1.2 million, and $2.2 million, respectively.

Property and equipment is shown net of accumulated depreciation of $47.6 million, $65.3 million and $47.2 million at June 30, 2001, June 30, 2000, and September 30, 2000, respectively.

Certain prior year balances have been reclassified to conform with the fiscal 2001 presentation.

NOTE E: EARNINGS PER SHARE

For purposes of calculating earnings (loss) per share, the numerator is net income (loss) for the applicable period. Dilutive warrants and employee stock options for all periods presented are minimal and thus have no dilutive effect on earnings per share.

The following table presents the weighted average shares subject to options outstanding during the periods indicated. Anti-dilutive options have been excluded from the computation of diluted earnings per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be anti-dilutive. Options outstanding at June 30, 2001 were excluded from the computation of loss per share because the Company incurred a loss in the three-month period.

	Three Months Ended June 30		Nine Months Ended June 30	
	2001	2000	2001	2000
Total options outstanding				
Weighted average shares subject to options	1,352,594	1,600,854	1,377,412	1,598,515
Average exercise price per share	$ 8.21	$ 11.06	$ 8.18	$ 11.15
Anti-dilutive options outstanding				
Weighted average shares subject to options	949,102	1,600,854	1,377,412	1,598,515
Average exercise price per share	$ 10.85	$ 11.06	$ 8.18	$ 11.15

NOTE F: INVESTMENT IN UNCONSOLIDATED AFFILIATE

The Company owns 13,276,666 common shares of Albemarle & Bond Holdings, plc ("A&B"), representing 29.47% of A&B's outstanding shares. The Company accounts for its investment in A&B using the equity method. Since A&B's fiscal year ends three months prior to the Company's fiscal year, the income reported by the Company for its investment in A&B is on a three month lag. The income reported for the Company's nine-month period ended June 30, 2001 represents its percentage interest in the results of A&B's operations from July through March 2001, reduced by the amortization of the excess purchase price over fair market value. A&B's shares are listed on the Alternative Investment Market of the London Stock Exchange and at June 30, 2001, the market value of this investment was approximately $9.4 million, based on the closing market price on that date.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
JUNE 30, 2001

NOTE G: CONTINGENCIES

From time to time, the Company is involved in litigation relating to claims arising from its normal business operations. Currently, the Company is a defendant in several lawsuits. Some of these lawsuits involve claims for substantial amounts. While the ultimate outcome of these lawsuits cannot be ascertained, after consultation with counsel, the Company believes the resolution of these suits will not have a material adverse effect on the Company's financial condition or results of operations. However, there can be no assurance as to the ultimate outcome of these matters.

NOTE H: COMPREHENSIVE INCOME

Comprehensive income includes net income and other revenues, expenses, gains and losses that are excluded from net income but are included as a component of total shareholders' equity. Comprehensive income (loss) for the three and nine months ended June 30, 2001 was approximately $(0.7) million and $0.4 million, and the comprehensive loss for the three and nine months ended June 30, 2000 was approximately $(2.2) million and ($16.3) million, respectively. The difference between comprehensive income and net income results primarily from the effect of foreign currency translation adjustments in accordance with Statement of Financial Accounting Standards No. 52, "Foreign Currency Translation." The accumulated balance of foreign currency activity excluded from net income is presented in the Condensed Consolidated Balance Sheets as "Accumulated other comprehensive income."

NOTE I: LONG-TERM DEBT

The Company's $85 million credit agreement, maturing December 3, 2001, provides for a $45 million revolving credit facility and two term loan facilities totaling $40 million which are secured by substantially all of the Company's assets. Remaining availability under the revolving credit facility was $1.2 million at June 30, 2001, based on pawn loan and inventory balances. The term facilities require principal payments of $22.1 million during fiscal 2001, $15.1 million of which has been paid. The remaining principal payments will be made from operating cash flow and the sale of assets, primarily sale-leaseback transactions of various owned properties. Interest on the facility is at the agent bank's prime rate plus 250 to 350 basis points. The Company pays a commitment fee of 25 basis points on the unused amount of the revolving facility.

The Company's credit agreement requires, among other provisions, that the Company meet certain financial covenants. Specifically, the Company must operate within specified levels of consolidated net worth, leverage ratio, capital expenditures, inventory turnover, fixed charge coverage ratio, and EBITDA (earnings before interest, taxes, depreciation and amortization). The Company has complied with these covenants throughout Fiscal 2001. Based upon management's fiscal 2001 operating plan, including the sale-leaseback of certain assets and the availability under the revolving credit facility, the Company believes that there is adequate liquidity to fund the Company's working capital requirements, planned capital expenditures, and make the required principal payments under the credit agreement. However, material shortfalls or variances from anticipated performance or delays in the sale of certain of its assets could require the Company to seek a further amendment to its credit agreement or alternate sources of financing, or to limit capital expenditures to an amount less than currently anticipated or permitted under the credit agreement.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The discussion in this section of this report contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those discussed herein. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in this section and those discussed elsewhere in this report.

Third Quarter Ended June 30, 2001 vs. Third Quarter Ended June 30, 2000

The following table sets forth selected, unaudited, consolidated financial data with respect to the Company for the three months ended June 30, 2001 and 2000.

	Three Months Ended June 30,(a)		% or Point
	2001	2000	Change(b)
Net revenues:			
Sales	$ 29,628	$ 28,448	4.2%
Pawn service charges	12,704	13,511	(6.0)%
Short-term loan finance charges	612	44	1,290.9%
Other	235		(33.6)%
			156
Total revenues	43,100	42,238	2.0%
Cost of goods sold	18,427	16,085	14.6%
Net revenues	$ 24,673	$ 26,153	(5.7)%
Other data:			
Gross profit as a percent of sales	37.8%	43.5%	(5.7) pts.
Average annual inventory turnover	2.2x	1.6x	0.6x
Inventory per store at end of the period	$ 117	$ 119	(1.7)%
Pawn loan balance per store at end of period	$ 163	$ 136	19.9%
Average annualized yield on loan portfolio	116%	128%	(12.0) pts.
Expenses as a percent of total revenues:			
Operating	42.6%	48.9%	(6.3) pts.
Administrative	7.0%	11.4%	(4.4) pts.
Depreciation and amortization	6.7%	5.9%	0.8 pt.
Interest, net	4.7%	2.8%	1.9 pts.
Locations in operation:			
Beginning of period	289	336	
Acquired	--	--	
Established	--	--	
Sold, combined or closed			
End of period	289	336	
Average locations in operation during the period(c)	289	336	

(a) In thousands, except percentages, inventory turnover and store count.

(b) In comparing the period differences between dollar amounts or per store counts, a percentage change is used. In comparing the period differences between two percentages, a percentage point (pt.) change is used.

(c) Average locations in operation during the period are calculated based on the average of the locations operating at the beginning and end of such period.

Nine Months Ended June 30, 2001 vs. Nine Months Ended June 30, 2000

The following table sets forth selected, unaudited, consolidated financial data with respect to the Company for the nine months ended June 30, 2001 and 2000.

	Nine Months Ended June 30,(a) 2001	2000	% or Point Change(b)
Net revenues:			
Sales	$ 97,554	$ 105,973	(7.9)%
Pawn service charges	40,399	43,086	(6.2)%
Short-term loan finance charges	732	122	500.0%
Other	475	694	(31.6)%
Total revenues	139,160	149,875	(7.2)%
Cost of goods sold	57,960	63,455	(8.7)%
Net revenues	$ 81,200	$ 86,420	(6.0)%
Other data:			
Gross profit as a percent of sales	40.6%	40.1%	0.5 pt.
Average annual inventory turnover	2.1x	2.0x	0.1x
Inventory per store at end of the period	$ 117	$ 119	(1.7)%
Pawn loan balance per store at end of period	$ 163	$ 136	19.9%
Average annualized yield on loan portfolio	121%	126%	(5.0) pts.
Expenses as a percent of total revenues:			
Operating	40.3%	43.0%	(2.7) pts.
Administrative	7.6%	9.6%	(2.0) pts.
Depreciation and amortization	5.8%	5.1%	0.7 pt.
Interest, net	4.7%	2.5%	2.2 pts.
Locations in operation:			
Beginning of period	313	331	
Acquired	--	--	
Established	--	5	
Sold, combined or closed	24	--	
End of period	289	336	
Average locations in operation during the period(c)	294.1	334.7	

(a) In thousands, except percentages, inventory turnover and store count.

(b) In comparing the period differences between dollar amounts or per store counts, a percentage change is used. In comparing the period differences between two percentages, a percentage point (pt.) change is used.

(c) Average locations in operation during the period are calculated based on the average of the locations operating at the beginning and end of such period.

RESULTS OF OPERATIONS

The following discussion compares results for the three and nine-month periods ended June 30, 2001 ("Fiscal 2001 Periods") to the three and nine-month periods ended June 30, 2000 ("Fiscal 2000 Periods"). The discussion should be read in conjunction with the accompanying financial statements and related notes.

During the Company's fourth fiscal 2000 quarter, the Company made the decision to close up to 54 stores. As of June 30, 2001, 47 of the 54 stores have closed. For the three-month Fiscal 2000 Period, these 47 stores had net revenues of $2.1 million, store operating expenses of $2.6 million, and depreciation and amortization of $0.3 million, for an operating loss of $0.8 million. For the nine-month Fiscal 2000 Period, these 47 stores had net revenues of $7.0 million, store operating expenses of $8.2 million, and depreciation and amortization of $0.8 million, for an operating loss of $2.0 million.

In June 2001, the Company re-evaluated the seven remaining stores and decided to continue their operation, based on improved performance and future outlook for these stores. Accordingly, the Company reversed the $1.3 million restructure accrual related to these seven stores. The Company recorded an additional $0.3 million restructure expense for the 47 stores previously closed, primarily to account for lease obligations costing more than originally estimated, resulting in a net credit to restructuring expense of $1.0 million in the period ended June 30, 2001.

Of the $1.0 million net credit, $0.7 million is for the anticipated administrative costs and loss from disposing of the seven stores' fixed and intangible assets and is recorded as a credit to restructuring expense, where the charge was recorded in September 2000. The remaining $0.3 million was originally charged to cost of goods sold to write these stores' inventory down to liquidation value, and was credited to cost of goods sold in June 2001, as the Company no longer expects to sell this inventory at liquidation prices.

The Company's primary activity is the making of small, non-recourse loans secured by tangible personal property. The income earned on this activity is pawn service charge revenue. For the three-month Fiscal 2001 Period, pawn service charge revenue decreased $0.8 million from the three-month Fiscal 2000 Period to $12.7 million. The decrease primarily results from closed stores ($0.9 million) offset by same store increases in pawn service charge revenues ($0.1 million). For the nine-month Fiscal 2001 Period, pawn service charge revenue decreased $2.7 million from the nine-month Fiscal 2000 Period to $40.4 million due to closed stores.

Same store pawn service charge revenues vary due to changes in average loan balances and changes in the average yield on these balances. Average yields vary due to changes in expected loan forfeitures and mix shifts in the loan portfolio between loans with different yields. For the three-month period, same store loan balances increased 11 percent, while average yields declined 13 percentage points to 116 percent. For the nine-month period, same store loan balances increased 3 percent, while average yields declined 6 percentage points to 121 percent. The decrease in average yields is primarily due to the higher level of expected pawn loan forfeitures.

A secondary, but related activity of the Company is the sale of merchandise, primarily collateral forfeited from its lending activity. For the three-month Fiscal 2001 Period, sales increased $1.2 million from the three-month Fiscal 2000 Period to approximately $29.6 million. This increase was the result of higher levels of jewelry scrapping ($2.8 million and higher same store sales ($1.0 million) offset by closed stores ($2.6 million). Annualized inventory turnover for the three-month Fiscal 2001 Period was 2.2 times compared to 1.6 times for the same period last year.

For the nine-month Fiscal 2001 Period, sales decreased $8.4 million from the nine-month Fiscal 2000 Period to approximately $97.6 million. This decrease was the result of closed stores ($8.9 million) and lower same store sales ($4.0 million) offset by higher levels of jewelry scrapping ($4.5 million). Annualized inventory turnover was 2.1 times compared to 1.9 times for the same period last year.

For the three-month Fiscal 2001 Period, gross profits as a percentage of sales decreased 5.7 percentage points from the three-month Fiscal 2000 Period to 37.8 percent. Higher jewelry scrapping (9.6 percentage points) and inventory shrinkage (0.2 of a percentage point) reduced this margin, offset by improved margins on merchandise sales (4.1

percentage points, including 1.1 percentage point from the $0.3 million credit to cost of goods sold discussed above).

For the nine-month Fiscal 2001 Period, gross profits as a percentage of sales improved 0.5 percentage points from the nine-month Fiscal 2000 Period to 40.6 percent. Improved margins on merchandise sales (5.4 percentage points), higher levels of jewelry scrapping (5.0 percentage points) and higher inventory shrinkage (0.1 of a percentage point) account for the margin improvement.

In the three-month Fiscal 2001 Period, operating expenses as a percentage of total revenues decreased 6.3 percentage points from the three-month Fiscal 2000 Period to 42.6 percent. This decrease results from greater operating efficiencies at stores open both periods (3.8 percentage points) as well as the benefit from store closures (2.5 percentage points). Administrative expenses decreased 4.4 percentage points to 7.0 percent, primarily due to lower professional fees and services and compensation expense.

In the nine-month Fiscal 2001 Period, operating expenses as a percentage of total revenues decreased 2.7 percentage points from the nine-month Fiscal 2000 Period to 40.3 percent. This decrease results from greater operating efficiencies at stores open both periods (0.6 percentage points) as well as the benefit from store closures (2.1 percentage points). Administrative expenses decreased 2.0 percentage points to 7.6 percent, primarily due to lower professional fees and services and compensation expense.

In the three-month Fiscal 2001 Period, depreciation and amortization as a percent of total revenues increased 0.8 of a percentage point from the Fiscal 2000 Period to 6.7 percent. This resulted from depreciation and amortization of assets placed in service in the last twelve months. Interest expense as a percent of total revenue increased 1.9 percentage points from the Fiscal 2000 Period to 4.7 percent. The interest expense increase was due to higher interest rates and average debt balances.

In the nine-month Fiscal 2001 Period, depreciation and amortization as a percent of total revenue increased 0.7 of a percentage point from the Fiscal 2000 Period to 5.8 percent. This resulted from depreciation and amortization of assets placed in service in the last twelve months and the lower level of total revenue. Interest expense as a percent of total revenue increased 2.2 percentage points from the Fiscal 2000 Period to 4.7 percent. The interest expense increase was due to higher interest rates and average debt balances.

Operating income increased $3.0 million over the three-month Fiscal 2000 Period due to lower total operating expenses ($3.8 million) and the credit to restructuring expense ($0.7 million), partially offset by lower net revenues ($1.5 million), mainly a result of store closures. After higher interest expenses in the Fiscal 2001 Period, net loss improved $1.7 million over the Fiscal 2000 Period.

Operating income increased $7.1 million over the nine-month Fiscal 2000 Period due to lower total operating expenses ($11.6 million) and the credit to restructuring expense ($0.7 million), partially offset by lower net revenues ($5.2 million), mainly a result of store closures. After higher interest expenses in the Fiscal 2001 Period, income before the cumulative effect of an accounting change improved $2.8 million.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities for the nine-month Fiscal 2001 Period was $9.5 million compared to $9.8 million provided in the Fiscal 2000 Period, a decrease of $0.3 million. Improved operating performance in the Fiscal 2001 Period increased income before the cumulative effect of a change in accounting principle by $2.8 million, and the Company received a $3.0 million larger income tax refund in Fiscal 2001 than in the prior year. These increases in operating cash flow were more than offset by a $1.6 million smaller year over year decrease in inventory, $1.6 million spent on restructuring related payments in the current period, and changes in other working capital components. Net cash provided by investing activities was $3.4 million for the Fiscal 2001 Period compared to a use of cash of $4.2 million in the Fiscal 2000 Period. The change is due mostly to lower levels of capital expenditures and higher proceeds from sale-leasebacks of owned properties, offset by smaller decreases in pawn loan balances than seen in the prior year.

The Company's credit agreement requires, among other provisions, that the Company meet certain financial covenants. Specifically, the Company must operate within specified levels of consolidated net worth, leverage ratio, capital expenditures, inventory turnover, fixed charge coverage ratio, and EBITDA (earnings before interest, taxes, depreciation and amortization). The Company has complied with these covenants throughout Fiscal 2001. Based upon management's fiscal 2001 operating plan, including the sale-leaseback of certain assets and the availability under the revolving credit facility, the Company believes that there is adequate liquidity to fund the Company's working capital requirements, planned capital expenditures, and make the required principal payments under the credit agreement. However, material shortfalls or variances from anticipated performance or delays in the sale of certain of its assets could require the Company to seek a further amendment to its credit agreement or alternate sources of financing, or to limit capital expenditures to an amount less than currently anticipated or permitted under the credit agreement.

The outstanding balance under the credit agreement bears interest at the agent bank's prime rate plus 250 to 350 basis points, payable monthly. In addition, the Company pays a commitment fee of 25 basis points of the unused amount of the total commitment. At June 30, 2001, the Company had $67.7 million outstanding under the credit agreement.

ACCOUNTING CHANGE

During the second quarter of fiscal 2000, the Company changed its method of revenue recognition on pawn loans by reducing the accrual of pawn service charge revenues to the estimated amount that will be realized through loan collection, and recording forfeited collateral at the lower of the principal balance of the loan or estimated market value. Previously, pawn service charges were accrued on all loans, and the carrying value of the forfeited collateral was the lower of cost (principal amount of loan plus accrued pawn service charges) or market.

The Company believes the new method of revenue recognition is preferable in that it better aligns reported net revenues and earnings with current economic trends in its business and the management of the Company. In addition, the Company believes the new method improves comparability of its operating results and financial position with similar companies.

The effect of the accounting change on the three months ended June 30, 2000 was to increase net loss by $0.6 million ($0.05 per share). The effect of the change on the nine months ended June 30, 2000, excluding the cumulative effect of $14.3 million, was to decrease the net loss by $3.5 million ($0.29 per share).

SEASONALITY

Historically, pawn service charge revenues are highest in the fourth fiscal quarter (July, August and September) due to higher loan demand during the summer months and merchandise sales are highest in the first and second fiscal quarters (October through March) due to the holiday season and tax refunds.

QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

The following discussion about the Company's market risk disclosures involves forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. The Company is exposed to market risk related to changes in interest rates and foreign currency exchange rates. The Company does not use derivative financial instruments.

The Company's earnings are affected by changes in interest rates due to the impact those changes have on its variable-rate debt instruments. The majority of the Company's long-term debt at June 30, 2001 is comprised of variable-rate debt instruments. If interest rates average 25 basis points more during the remainder of fiscal 2001, the Company's interest expense for the year would increase by $42,000. This amount is determined by considering the impact of the hypothetical interest rate increase on the Company's variable rate long-term debt at June 30, 2001.

The Company's earnings and financial position are affected by foreign exchange rate fluctuations related to the equity investment in Albemarle & Bond Holdings, plc ("A&B"). A&B's functional currency is the U.K. pound. The U.K. pound exchange rate can directly and indirectly impact the Company's results of operations and financial position in several ways, including potential economic recession in the U.K. resulting from a devalued pound. The impact on the Company's financial position and results of operations of a hypothetical change in the exchange rate between the U.S. dollar and the U.K. pound cannot be reasonably estimated. The translation adjustment representing the weakening in the U.K. pound during the quarter ended March 31, 2001 (included in the Company's June 30, 2001 results on a three-month lag as described above) was approximately $0.2 million. On March 31, 2001, the U.K. pound closed at 0.7061 to 1.00 U.S. dollar, an increase from 0.6699 at December 31, 2000. At June 30, 2001, the U.K. pound closed at 0.7066 to 1.00 U.S. dollar. No assurance can be given as to the future valuation of the U.K. pound and how further movements in the pound could effect future earnings or the financial position of the Company.

FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statement of historical information provided herein are forward-looking and may contain information about financial results, economic conditions, trends and known uncertainties. The Company cautions the reader that actual results could differ materially from those expected by the Company depending on the outcome of certain factors, including without limitation (i) fluctuations in the Company's inventory and loan balances, inventory turnover, average yield on loan portfolios, redemption rates, labor and employment matters, competition, operating risk, charges related to store closings, acquisition and expansion risk, liquidity, capital requirements, and the effect of government and environmental regulations and (ii) adverse changes in the market for the Company's services. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligations to release publicly the results of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date hereon, including without limitation, changes in the Company's business strategy or planned capital expenditures, or to reflect the occurrence of unanticipated events.

PART II

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company is involved in litigation relating to claims arising from its normal business operations. Currently, the Company is a defendant in several lawsuits. Some of these lawsuits involve claims for substantial amounts. While the ultimate outcome of these lawsuits cannot be ascertained, after consultation with counsel, the Company believes the resolution of these suits will not have a material adverse effect on the Company's financial condition or results of operations. However, there can be no assurance as to the ultimate outcome of these matters.

ITEM 2. CHANGES IN SECURITIES

Not Applicable

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable

ITEM 5. OTHER INFORMATION

Not Applicable

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a)

Exhibit Number	Description	Incorporated by Reference to
10.82	Waivers of Selected Sections of Credit Agreement between the Company and Wells Fargo Bank, N.A., as Agent and Issuing Bank, re: $85 million Credit Facility	N/A
10.83	First Amendment to Amended and Restated Credit Agreement between the Company and Wells Fargo Bank, N.A., as Agent and Issuing Bank, re: $85 million Credit Facility	N/A

(b) Reports on Form 8-K

The Company has not filed any reports on Form 8-K for the quarter ended June 30, 2001.

SIGNATURE

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

EZCORP, INC.
(Registrant)

Date: August 14, 2001

By: /s/ DAN N. TONISSEN

(Signature)

Daniel N. Tonissen
Senior Vice President,
Chief Financial Officer &
Director

INDEX TO EXHIBITS

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EXHIBIT 10.82

As of April 30, 2001

EZCORP, INC.
1901 Capital Parkway
Austin, Texas 78746

Re: Requested Waivers of Sections 2.13(b), 4.3(e) and 4.2 of the Credit Agreement

Gentlemen:

Reference is hereby made to that certain Amended and Restated Credit Agreement dated as of December 15, 2000 (as the same has been amended, supplemented or modified from time to time, the "Credit Agreement"), among EZCORP, INC., a Delaware corporation (the "Borrower"), each of the Lenders and Wells Fargo Bank Texas, National Association, as Agent for itself and the other Lenders and as the Issuing Bank. All capitalized terms used and not otherwise defined herein shall have their respective meanings as set forth in the Credit Agreement.

The Borrower has notified the Agent and the Lenders that on March 30, 2001, Net Proceeds from the sale of certain computer equipment in the amount of $828,883.66 (the "Computer Sales Net Proceeds") were applied to the reduction of the Tranche B Loan notwithstanding the provisions of Section 2.13(b) of the Credit Agreement (such application of computer sales of the Net Proceeds to the Tranche B Loan is hereinafter referred to as the "Computer Sales Tranche B Application"). The Borrower has requested of the Agent and the Lenders that they agree with the Borrower (i) to waive the application of Section 2.13(b) of the Credit Agreement to the Computer Sales Net Proceeds, and (ii) that such Computer Sales Tranche B Application be permitted to remain (the hereinabove requested waiver is hereinafter referred to as the "Computer Sales Waiver").

The Borrower has further notified the Agent and the Lenders it was able to comply with the provisions of Section 4.3(f)(i) of the Credit Agreement to reduce the outstanding principal balance of the Tranche B Loan to $20,500,000 by virtue of a drawing of the Tranche A Loan to the extent of $3,289,542.15 thereof. The Borrower has further notified the Agent and the Lenders that during the month of April, 2001 it closed sales or other dispositions of (i) Real Property, all the Net Proceeds of which, were applied to the reduction of the Tranche B Loan as required by the provisions of Section 4.3(e) of the Credit Agreement in the amount of $1,846,910.15 (the "Realty Net Proceeds") and (ii) computer equipment, all the Net Proceeds of which were also applied to the reduction of the Tranche B Loan, notwithstanding the provisions of Section 2.13(b) of the Credit Agreement, in the amount of $1,008,372.41 (the "Computer Net Proceeds") (the Realty Net Proceeds and the Computer Net Proceeds aggregating $2,855,282.56 are referred to collectively as the "April Net Proceeds").

The Borrower has requested of the Agent and the Lenders, notwithstanding the requirements of Sections 4.3(e) and 2.13(b) of the Credit Agreement, that the amount of April Net Proceeds be reversed out from having been applied to the reduction of the Tranche B Loan and instead be applied to the reduction of the principal balance of the Tranche A Loan (without reducing the Tranche A Commitment). The Borrower has further requested a waiver of the requirements of Section 4.2 of the Credit Agreement for the sole purpose of allowing the voluntary prepayment of the Tranche A Loan requested above by the amount of April Net Proceeds, notwithstanding such section requiring prepayments to be in an amount of $1,000,000 or an integral multiple thereof. The hereinabove requested waivers together with the Computer Sales Waiver are hereinafter referred to collectively as the "Requested Waivers".

The Agent and the Lenders hereby grant the Requested Waivers.

The Requested Waivers are effective only to the extent specifically stated above and are limited as specified herein. Except as expressly stated herein, the Requested Waivers shall not be construed as a consent to or waiver of any Default which may now exist or hereafter occur or any violation of any term, covenant or provision of the Credit Agreement or any other Loan Document. All rights and remedies of the Lenders and the Agent are hereby expressly reserved with respect to any Default. The Requested Waivers do not affect or diminish the right of the Agent and the Lenders to require strict performance by the Borrower and each Guarantor of each provision of any Loan Document to which it is a party, except as expressly provided herein. All terms and provisions of, and all rights and remedies of the Agent and the Lenders under, the Loan Documents shall continue in full force and effect and are hereby confirmed and ratified in all respects.

IN ADDITION, TO INDUCE THE AGENT, THE LENDERS AND THE ISSUING BANK TO AGREE TO THE REQUESTED WAIVERS, BORROWER AND EACH GUARANTOR REPRESENT AND WARRANT THAT AS OF THE DATE OF THEIR EXECUTION OF THIS LETTER AGREEMENT THERE ARE NO CLAIMS OR OFFSETS AGAINST OR DEFENSES OR COUNTERCLAIMS TO THEIR OBLIGATIONS UNDER THE LOAN DOCUMENTS AND IN ACCORDANCE THEREWITH EACH OF THEM:

(a) WAIVER. WAIVES ANY AND ALL SUCH CLAIMS, OFFSETS, DEFENSES OR COUNTERCLAIMS, WHETHER KNOWN OR UNKNOWN, ARISING PRIOR TO THE DATE OF ITS EXECUTION OF THIS LETTER AGREEMENT, AND

(b) RELEASE. RELEASES AND DISCHARGES THE AGENT, THE LENDERS AND THE ISSUING BANK, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SHAREHOLDERS, AFFILIATES AND ATTORNEYS (COLLECTIVELY, THE "RELEASED PARTIES") FROM ANY AND ALL OBLIGATIONS, INDEBTEDNESS, LIABILITIES, CLAIMS, RIGHTS, CAUSES OF ACTION OR DEMANDS WHATSOEVER, WHETHER KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, IN LAW OR EQUITY, WHICH THE BORROWER OR ANY GUARANTOR EVER HAD, NOW HAS, CLAIMS TO HAVE OR MAY HAVE AGAINST ANY RELEASED PARTY ARISING PRIOR TO THE DATE HEREOF AND FROM OR IN CONNECTION WITH THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND HEREBY.

THIS LETTER AGREEMENT EMBODIES THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO RELATING TO THE REQUESTED WAIVERS SET FORTH HEREIN AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE LIMITED WAIVER SET FORTH HEREIN AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF

THE PARTIES HERETO. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES HERETO.

THIS LETTER AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. This letter agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same letter agreement. This letter agreement shall not be effective unless and until the Agent, the Lenders, the Issuing Bank, the Borrower and the Guarantors each have executed and delivered a counterpart hereof, whereupon this letter agreement shall be effective as of the date first above written. Signatures transmitted by facsimile shall be effective as originals.

By executing this letter agreement in the spaces provided below, (a) the Agent, the Lenders and the Issuing Bank agree to the terms, conditions and provisions hereof, (b) the Borrower agrees to the terms, conditions and provisions hereof, and (c) the Guarantors (i) consent and agree to the Requested Waivers and the other terms, conditions and provisions hereof, and (ii) agree that the Guaranties and all other Loan Documents to which the Guarantors, respectively, are a party are, and shall continue to be, in full force and effect and are hereby confirmed and ratified in all respects.

AGENT AND LENDERS AND ISSUING BANK:

WELLS FARGO BANK TEXAS, NATIONAL ASSOCIATION, as Agent and as a Lender and as Issuing Bank

By: --

Name: -----------------------------------

Title: -----------------------------------

BANK ONE, NA (successor by merger to Bank
One, Texas, National Association)

By:

Name:

Title:

GUARANTY BANK (formerly known as Guaranty
Federal Bank, F.S.B.)

By:

Name:

Title:

COMERICA BANK-TEXAS

By:

Name:

Title:

THE CHASE MANHATTAN BANK
(successor by merger to Chase Bank of Texas,
National Association)

By:

Name:

Title:

ACCEPTED AND AGREED TO
as of the date first above written:

BORROWER:

EZCORP, INC.

By:

Name:

Title:

GUARANTORS:

EZPAWN ALABAMA, INC.
EZPAWN ARKANSAS, INC.
EZPAWN COLORADO, INC.
EZPAWN FLORIDA, INC.
EZPAWN GEORGIA, INC.
EZPAWN HOLDINGS, INC.
EZPAWN INDIANA, INC.
EZPAWN LOUISIANA, INC.
EZPAWN NEVADA, INC.
EZPAWN NORTH CAROLINA, INC.
EZPAWN OKLAHOMA, INC.
EZPAWN TENNESSEE, INC.
TEXAS EZPAWN MANAGEMENT, INC.
EZ CAR SALES, INC.
EZPAWN CONSTRUCTION, INC.
EZPAWN KANSAS, INC.
EZPAWN KENTUCKY, INC.
EZPAWN MISSOURI, INC.
EZPAWN SOUTH CAROLINA, INC.
EZCORP INTERNATIONAL, INC.
EZ MONEY NORTH CAROLINA, INC.

By:

Name:

Title:

TEXAS EZPAWN L.P.

By: TEXAS EZPAWN MANAGEMENT, INC.,
its sole general partner

By:

Name:

Title:

EXHIBIT 10.83

FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT (the "Amendment"), dated as of May 1, 2001 is among EZCORP, INC., a Delaware corporation ("Borrower"), each of the Lenders party to the Agreement referred to below, and WELLS FARGO BANK TEXAS, NATIONAL ASSOCIATION, a national banking association, as Agent for itself and the other Lenders (in such capacity, together with its successors in such capacity the "Agent") and as the Issuing Bank.

RECITALS:

Borrower, Agent, Lenders and Issuing Bank have previously entered into that certain Amended and Restated Credit Agreement dated as of December 15, 2000 (the "Agreement").

Borrower, Agent, Lenders and Issuing Bank now desire to amend the Agreement to provide that the Net Proceeds from the sales of computer equipment be applied pursuant to Section 4.3(e) of the Agreement as hereinafter more specifically provided.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

Definitions

1.1 Definitions. All capitalized terms not otherwise defined herein, shall have the same meanings as in the Agreement, as amended hereby.

ARTICLE II

Amendment

2.1 Amendment to Section 4.3(e). Effective as of the date hereof, Section 4.3(e) of the Agreement is amended and restated to read in its entirety as follows:

> "(e) Upon (i) the sale, sale/lease back, liquidation or other disposition of any Real Property or computer equipment by the Borrower or any Subsidiary, (ii) the receipt by the Borrower or any Subsidiary of any federal or state income tax refunds, (iii) the collection of notes receivable by the Borrower or any Subsidiary, (iv) the sale or other disposition of certain store locations (including sales of Real Property and operating business, but excluding liquidating sales of Inventory and pawn loans and Pay-Day Advance Loans of the Borrower or any Subsidiary) by the Borrower or any Subsidiary permitted by Section 9.8(e), or the sale, transfer or other disposition of the Borrower's or any Subsidiary's stock or other equity interest in Albemarle & Bond Holdings PLC, the Borrower shall promptly prepay the Advances by an amount equal to the Net Proceeds of any such sales or dispositions, the amount of such tax refund or the amount of such collection or notes, as applicable. Any such mandatory prepayments shall be

applied first to the Tranche B Loan, then to the Tranche C Loan, then to the Swing Loan Advances, then to Letter of Credit Disbursements for which the Issuing Bank has not been reimbursed by the Borrower, then to Tranche A Advances, and then to the remaining Letter of Credit Liabilities. Any prepayments hereunder shall be accompanied with accrued and unpaid interest on the amount prepaid to the date of prepayment."

ARTICLE III

Ratifications, Representations and Warranties

3.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Agreement and except as expressly modified and superseded by this Amendment, the terms and provisions of the Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. Borrower, Lenders, Issuing Bank and Agent agree that the Agreement as amended hereby and the other Loan Documents shall continue to be legal, valid, binding and enforceable in accordance with their respective terms.

3.2 Representations and Warranties. Borrower hereby represents and warrants to the Lenders, Agent and Issuing Bank that (i) the execution, delivery and performance of this Amendment and any and all other Loan Documents executed and/or delivered in connection herewith have been authorized by all requisite corporate action on the part of Borrower and will not violate the articles of incorporation or bylaws of Borrower, (ii) the representations and warranties contained in the Agreement, as amended hereby, and any other Loan Document are true and correct on and as of the date hereof as though made on and as of the date hereof, except to the extent such representations and warranties speak to a specific date, (iii) no Default has occurred and is continuing, and (iv) Borrower is in full compliance with all covenants and agreements contained in the Agreement as amended hereby.

ARTICLE IV

Miscellaneous

4.1 Survival of Representations and Warranties. All representations and warranties made in this Amendment or any other Loan Document including any Loan Document furnished in connection with this Amendment shall survive the execution and delivery of this Amendment and the other Loan Documents, and no investigation by the Lenders, Agent or Issuing Bank or any closing shall affect the representations and warranties or the right of the Lenders, Agent or Issuing Bank to rely upon them.

4.2 Reference to Agreement. Each of the Loan Documents, including the Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Agreement as amended hereby, are hereby amended so that any reference in such Loan Documents to the Agreement shall mean a reference to the Agreement as amended hereby.

4.3 Severability. Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

4.4 Applicable Law. This Amendment and all other Loan Documents executed pursuant hereto shall be deemed to have been made and to be performable in Travis County, Texas and shall be governed by and construed in accordance with the laws of the State of Texas.

4.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Lenders, Agent, Issuing Bank and Borrower and their respective successors and assigns, except Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Lenders.

4.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

4.7 ENTIRE AGREEMENT. THIS AMENDMENT AND ALL OTHER INSTRUMENTS, DOCUMENTS AND AGREEMENTS EXECUTED AND DELIVERED IN CONNECTION WITH THIS AMENDMENT REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

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Executed as of the date first written above.

BORROWER:

EZCORP, INC.

By:

Name:

Title:

AGENT, ISSUING BANK AND LENDER:

WELLS FARGO BANK TEXAS, NATIONAL
ASSOCIATION

By:

Larry Clayton
Vice President

OTHER LENDERS:

BANK ONE, NA (successor by merger to Bank One, Texas, National Association)

By:

Name:

Title:

GUARANTY BANK (formerly known as Guaranty
Federal Bank, F.S.B.)

By:

Name:

Title:

COMERICA BANK-TEXAS

By:

Name:

Title:

THE CHASE MANHATTAN BANK (successor by
merger to Chase Bank of Texas, National
Association)

By:

Name:

Title:

Obligated Parties Consent

Each of the undersigned Obligated Parties (i) consent and agree to this Amendment; and (ii) agree that the Loan Documents to which it is a party shall remain in full force and effect and shall continue to be the legal, valid and binding obligation of such Obligated Party enforceable against it in accordance with their respective terms.

OBLIGATED PARTIES:

EZPAWN ALABAMA, INC.
EZPAWN ARKANSAS, INC.
EZPAWN COLORADO, INC.
EZPAWN FLORIDA, INC.
EZPAWN GEORGIA, INC.
EZPAWN HOLDINGS, INC.
EZPAWN INDIANA, INC.
EZPAWN LOUISIANA, INC.
EZPAWN NEVADA, INC.
EZPAWN NORTH CAROLINA, INC.
EZPAWN OKLAHOMA, INC.
EZPAWN TENNESSEE, INC.
TEXAS EZPAWN MANAGEMENT, INC.
EZ CAR SALES, INC.
EZPAWN CONSTRUCTION, INC.
EZPAWN KANSAS, INC.
EZPAWN KENTUCKY, INC.
EZPAWN MISSOURI, INC.
EZPAWN SOUTH CAROLINA, INC.
EZCORP INTERNATIONAL, INC.
EZ MONEY NORTH CAROLINA, INC.

By: -----------------------------------
Name: ----------------------------
Title: ----------------------------

TEXAS EZPAWN L.P.

By: TEXAS EZPAWN MANAGEMENT, INC.,
its sole general partner

By: -----------------------------------
Name: ----------------------------
Title: ----------------------------