EZCORP INC
Form 10-Q
August 09, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2013
or
¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission File No. 0-19424

EZCORP, INC.
(Exact name of registrant as specified in its charter)

Delaware	74-2540145
(State or other jurisdiction of incorporation or organization)	(I.R.S. 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:

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 ¨
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	¨
Non-accelerated filer	¨ (Do not check if a smaller reporting company)	Smaller reporting company	¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x
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, all of which is owned by an affiliate of the registrant. There is no trading market for the Class B Voting Common Stock.

As of June 30, 2013, 51,230,843 shares of the registrant’s Class A Non-voting Common Stock, par value $.01 per share, and 2,970,171 shares of the registrant’s Class B Voting Common Stock, par value $.01 per share, were outstanding.

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PART I — FINANCIAL INFORMATION
Item 1. Financial Statements and Supplementary Data (unaudited)

EZCORP, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2013	June 30, 2012	September 30, 2012
	(in thousands)		
Assets:			
Current assets:			
Cash and cash equivalents	$45,955	$50,774	$48,477
Restricted cash	3,132	1,051	1,145
Pawn loans	154,095	147,477	157,648
Consumer loans, net	42,717	28,764	34,152
Pawn service charges receivable, net	28,590	26,092	29,401
Consumer loan fees receivable, net	35,610	25,729	30,416
Inventory, net	122,503	94,421	109,214
Deferred tax asset	15,716	18,226	14,984
Income tax receivable	12,937	9,383	10,511
Prepaid expenses and other assets	37,377	40,268	45,451
Total current assets	498,632	442,185	481,399
Investments in unconsolidated affiliates	146,707	125,309	126,066
Property and equipment, net	110,312	100,242	108,131
Restricted cash, non-current	2,182	—	4,337
Goodwill	426,148	366,286	374,663
Intangible assets, net	64,533	37,166	45,185
Non-current consumer loans, net	82,631	54,479	61,997
Other assets, net	23,056	10,108	16,229
Total assets (1)	$1,354,201	$1,135,775	$1,218,007
Liabilities and stockholders’ equity:			
Current liabilities:			
Current maturities of long-term debt	$33,525	$31,126	$21,085
Current capital lease obligations	533	395	594
Accounts payable and other accrued expenses	68,960	54,487	64,104
Other current liabilities	22,640	14,848	14,821
Customer layaway deposits	7,912	6,740	7,238
Total current liabilities	133,570	107,596	107,842
Long-term debt, less current maturities	198,374	175,740	198,836
Long-term capital lease obligations	521	764	995
Deferred tax liability	8,948	7,788	7,922
Deferred gains and other long-term liabilities	16,451	13,250	13,903
Total liabilities (2)	357,864	305,138	329,498
Commitments and contingencies			
Temporary equity:			
Redeemable noncontrolling interest	56,837	44,864	53,681
Stockholders’ equity:			

Class A Non-voting Common Stock, par value $.01 per share; authorized 54 million shares; issued and outstanding: 51,230,843 at June 30, 2013, 48,223,698 at June 30, 2012; and 48,255,536 at September 30, 2012	512	482	482
Class B Voting Common Stock, convertible, par value $.01 per share; 3 million shares authorized; issued and outstanding: 2,970,171	30	30	30
Additional paid-in capital	317,258	266,653	268,626
Retained earnings	624,620	527,231	565,803
Accumulated other comprehensive loss	(2,920)	(8,623)	(113)
EZCORP, Inc. stockholders' equity	939,500	785,773	834,828
Total liabilities and stockholders' equity	$1,354,201	$1,135,775	$1,218,007

Assets and Liabilities of Grupo Finmart Securitization Trust

(1) Our consolidated assets as of June 30, 2013 and September 30, 2012 include the following assets of Grupo Finmart's securitization trust that can only be used to settle its liabilities: Restricted cash, non-current, $2.2 million as of June 30, 2013 and $4.3 million as of September 30, 2012; Consumer loans, net, $34.3 million as of June 30, 2013 and $33.6 million as of September 30, 2012; Consumer loan fees receivable, net, $7.4 million as of June 30, 2013 and $7.7 million as of September 30, 2012; Intangible assets, net, $2.2 million as of June 30, 2013 and $2.6 million as of September 30, 2012; and total assets, $46.1 million as of June 30, 2013 and $48.2 million as of September 30, 2012.

(2) Our consolidated liabilities as of June 30, 2013 and September 30, 2012 include $32.3 million and $32.7 million, respectively, of long-term debt for which the creditors of Grupo Finmart's securitization trust do not have recourse to EZCORP, Inc.

See accompanying notes to interim condensed consolidated financial statements.

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EZCORP, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2013	2012	2013	2012
	(in thousands, except per share amounts)			
Revenues:				
Merchandise sales	$86,576	$75,286	$281,262	$256,271
Jewelry scrapping sales	26,288	40,530	113,579	147,066
Pawn service charges	60,397	55,656	187,812	170,880
Consumer loan fees	59,234	51,753	183,119	143,594
Other revenues	2,671	1,348	10,169	3,351
Total revenues	235,166	224,573	775,941	721,162
Merchandise cost of goods sold	51,050	43,842	164,711	147,621
Jewelry scrapping cost of goods sold	20,377	27,116	80,993	92,807
Consumer loan bad debt	12,518	10,689	34,496	27,269
Net revenues	151,221	142,926	495,741	453,465
Operating expenses:				
Operations	104,230	85,200	309,346	248,014
Administrative	12,644	9,857	34,918	33,509
Depreciation and amortization	8,968	7,019	24,629	18,965
Loss on sale or disposal of assets	178	313	220	108
Total operating expenses	126,020	102,389	369,113	300,596
Operating income	25,201	40,537	126,628	152,869
Interest income	(471)	(133)	(787)	(486)
Interest expense	4,108	1,030	11,814	4,180
Equity in net income of unconsolidated affiliates	(4,328)	(4,197)	(13,491)	(12,935)
Other expense (income)	96	160	—	(157)
Income from continuing operations before income taxes	25,796	43,677	129,092	162,267
Income tax expense	9,139	12,718	42,084	52,664
Income from continuing operations, net of tax	16,657	30,959	87,008	109,603
Loss from discontinued operations, net of tax	(21,497)	(1,248)	(24,813)	(3,167)
Net (loss) income	(4,840)	29,711	62,195	106,436
Net income from continuing operations attributable to redeemable noncontrolling interest	1,041	1,188	3,378	1,300
Net (loss) income attributable to EZCORP, Inc.	$(5,881)	$28,523	$58,817	$105,136
Basic (loss) earnings per share attributable to EZCORP, Inc.:				
Continuing operations	$0.29	$0.58	$1.56	$2.13
Discontinued operations	$(0.40)	$(0.02)	$(0.46)	$(0.06)
Basic (loss) earnings per share	$(0.11)	$0.56	$1.10	$2.07
Diluted (loss) earnings per share attributable to EZCORP, Inc.:				
Continuing operations	$0.29	$0.58	$1.56	$2.12
Discontinued operations	$(0.40)	$(0.02)	$(0.46)	$(0.06)
Diluted (loss) earnings per share	$(0.11)	$0.56	$1.10	$2.06
Weighted average shares outstanding:				
Basic	54,196	51,162	53,465	50,769

Diluted	54,255	51,340	53,540	51,042
Net income from continuing operations attributable to EZCORP, Inc.	$15,616	$29,771	$83,630	$108,303
Loss from discontinued operations attributable to EZCORP, Inc.	(21,497)	(1,248)	(24,813)	(3,167)
Net (loss) income attributable to EZCORP, Inc.	$(5,881)	$28,523	$58,817	$105,136

See accompanying notes to interim condensed consolidated financial statements.

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EZCORP, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2013	2012	2013	2012
	(in thousands)			
Net (loss) income	$(4,840)	$29,711	$62,195	$106,436
Other comprehensive income (loss):				
Foreign currency translation loss	(15,529)	(8,513)	(950)	(10,887)
Effective portion of cash flow hedge	500	—	500	—
Unrealized holding loss arising during period	(1,457)	(108)	(1,721)	(846)
Income tax benefit (provision)	1,189	(948)	(1,848)	1,563
Other comprehensive loss, net of tax	(15,297)	(9,569)	(4,019)	(10,170)
Comprehensive (loss) income	$(20,137)	$20,142	$58,176	$96,266
Attributable to redeemable noncontrolling interest:				
Net income	1,041	1,188	3,378	1,300
Foreign currency translation loss	(3,321)	(2,789)	(1,212)	(2,293)
Comprehensive (loss) income attributable to redeemable noncontrolling interest	(2,280)	(1,601)	2,166	(993)
Comprehensive (loss) income attributable to EZCORP, Inc.	$(17,857)	$21,743	$56,010	$97,259

See accompanying notes to interim condensed consolidated financial statements.

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EZCORP, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended June 30, 2013	2012
	(in thousands)	
Operating Activities:		
Net income	$62,195	$106,436
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	25,732	19,891
Consumer loan loss provision	19,982	12,136
Deferred income taxes	245	(644)
Other adjustments	73	—
Loss on sale or disposal of assets	6,060	138
Stock compensation	5,202	5,191
Income from investments in unconsolidated affiliates	(13,491)	(12,935)
Changes in operating assets and liabilities, net of business acquisitions:		
Service charges and fees receivable, net	(4,203)	1,150
Inventory, net	(51)	(874)
Prepaid expenses, other current assets, and other assets, net	(13,119)	(4,845)
Accounts payable and accrued expenses	7,330	(12,100)
Customer layaway deposits	588	(182)
Deferred gains and other long-term liabilities	439	722
Excess tax benefit from stock compensation	(321)	(1,582)
Income taxes receivable/payable	(5,664)	(8,370)
Dividends from unconsolidated affiliates	8,418	5,560
Net cash provided by operating activities	99,415	109,692
Investing Activities:		
Loans made	(682,184)	(571,683)
Loans repaid	451,182	382,854
Recovery of pawn loan principal through sale of forfeited collateral	181,461	179,681
Additions to property and equipment	(33,351)	(33,193)
Acquisitions, net of cash acquired	(14,940)	(125,249)
Investments in unconsolidated affiliates	(11,018)	—
Net cash used in investing activities	(108,850)	(167,590)
Financing Activities:		
Proceeds from exercise of stock options	45	647
Excess tax benefit from stock compensation	321	1,582
Taxes paid related to net share settlement of equity awards	(3,596)	(1,153)
Change in restricted cash	96	(1,085)
Proceeds from revolving line of credit	403,131	594,809
Payments on revolving line of credit	(385,964)	(502,575)
Proceeds from bank borrowings	21,637	343
Payments on bank borrowings and capital lease obligations	(28,001)	(8,164)
Net cash provided by used in financing activities	7,669	84,404
Effect of exchange rate changes on cash and cash equivalents	(756)	299
Net increase (decrease) in cash and cash equivalents	(2,522)	26,805
Cash and cash equivalents at beginning of period	48,477	23,969
Cash and cash equivalents at end of period	$45,955	$50,774
Non-cash Investing and Financing Activities:		

Pawn loans forfeited and transferred to inventory	$192,150	$177,490
Issuance of common stock due to acquisitions	$38,705	$17,984
Deferred consideration	$25,872	$916
Contingent consideration	$248	$23,000
Accrued additions to property and equipment	$107	$177

See accompanying notes to interim condensed consolidated financial statements.

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EZCORP, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock Shares	Common Stock Par Value	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	EZCORP, Inc. Stockholders' Equity
	(in thousands)					
Balances at September 30, 2011	50,199	$ 501	$ 242,398	$ 422,095	$ (746)	$ 664,248
Stock compensation	—	—	5,191	—	—	5,191
Stock options exercised	201	2	645	—	—	647
Issuance of common stock due to acquisitions	635	7	17,992	—	—	17,999
Release of restricted stock	159	2	—	—	—	2
Excess tax benefit from stock compensation	—	—	1,580	—	—	1,580
Taxes paid related to net share settlement of equity awards	—	—	(1,153)	—	—	(1,153)
Unrealized loss on available-for-sale securities	—	—	—	—	(550)	(550)
Foreign currency translation adjustment	—	—	—	—	(7,327)	(7,327)
Net income attributable to EZCORP, Inc.	—	—	—	105,136	—	105,136
Balances at June 30, 2012	51,194	$ 512	$ 266,653	$ 527,231	$ (8,623)	$ 785,773
Balances at September 30, 2012	51,226	$ 512	$ 268,626	$ 565,803	$ (113)	$ 834,828
Stock compensation	—	—	5,202	—	—	5,202
Stock options exercised	18	—	45	—	—	45
Issuance of common stock due to acquisitions	1,965	20	38,685	—	—	38,705
Issuance of common stock due to purchase of subsidiary shares from noncontrolling interest	592	6	10,398	—	—	10,404
Purchase of subsidiary shares from noncontrolling interest	—	—	(2,423)	—	85	(2,338)
Release of restricted stock	400	4	—	—	—	4
Excess tax benefit from stock compensation	—	—	321	—	—	321
Taxes paid related to net share settlement of equity awards	—	—	(3,596)	—	—	(3,596)
Effective portion of cash flow hedge	—	—	—	—	500	500
Unrealized loss on available-for-sale securities	—	—	—	—	(1,120)	(1,120)
Foreign currency translation adjustment	—	—	—	—	(2,272)	(2,272)
Net income attributable to EZCORP, Inc.	—	—	—	58,817	—	58,817
Balances at June 30, 2013	54,201	$ 542	$ 317,258	$ 624,620	$ (2,920)	$ 939,500

See accompanying notes to interim condensed consolidated financial statements.

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EZCORP, INC.
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)
June 30, 2013

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited interim 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 the information and footnotes required by generally accepted accounting principles for complete financial statements. Our management has included all adjustments it considers necessary for a fair presentation. These adjustments are of a normal, recurring nature except for those related to discontinued operations (described in Note 2) and acquired businesses (described in Note 3). The accompanying financial statements should be read with the Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended September 30, 2012. The balance sheet at September 30, 2012 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Our business is subject to seasonal variations, and operating results for the three and nine months ended June 30, 2013 (the “current quarter” and "current nine-month period") are not necessarily indicative of the results of operations for the full fiscal year. Certain prior period balances have been reclassified to conform to the current presentation and to reflect adjustments to purchase price allocations that were updated as additional information became available.

The consolidated financial statements include the accounts of EZCORP, Inc. ("EZCORP") and its consolidated subsidiaries. All inter-company accounts and transactions have been eliminated in consolidation. As of June 30, 2013, we own 60% of the outstanding equity interests in Prestaciones Finmart, S.A. de C.V., SOFOM, E.N.R. (“Grupo Finmart"), doing business under the brands "Crediamigo" and "Adex," 95% of Ariste Holding Limited and its affiliates ("Cash Genie"), and 51% of Renueva Comercial S.A. de C.V. ("TUYO"), and therefore, include their results in our consolidated financial statements. We account for our investments in Albemarle & Bond Holdings, PLC and Cash Converters International Limited using the equity method.

Significant Accounting Policies

With the exception of the policies described below, there have been no changes in significant accounting policies as described in our Annual Report on Form 10-K for the year ended September 30, 2012.

On November 20, 2012, we entered into a definitive agreement with Go Cash, LLC and certain of its affiliates ("Go Cash") to acquire substantially all the assets of Go Cash's online lending business. This acquisition was completed on December 20, 2012 and accounted for as an asset purchase. Since the acquisition, Go Cash (now EZCORP Online) has modified the following consumer loan policies:

Unsecured Consumer Loan Revenue and Bad Debt — Consumer loans made by EZCORP Online are considered delinquent if they are not repaid or renewed by the maturity date. We do not accrue additional revenues on delinquent loans. All outstanding principal balances and fee receivables greater than 60 days past due are considered defaulted. Upon default, we charge consumer loan principal to consumer loan bad debt and reverse accrued unsecured consumer loan fee revenue.

Derivative Instruments and Hedging Activities — We recognize all derivative instruments as either assets or liabilities in the balance sheet at their respective fair values. For derivatives designated in hedging relationships, changes in the fair value are either offset through earnings against the change in fair value of the hedged item attributable to the risk being hedged or recognized in accumulated other comprehensive income, to the extent the derivative is effective at offsetting the changes in cash flows being hedged until the hedged item affects earnings.

We enter into derivative contracts that we intend to designate as a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). For all hedging relationships, we formally document the hedging relationship and its risk management objective and strategy for undertaking the hedge, the hedging instrument, the hedged transaction, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed prospectively and retrospectively, and a description of the method used to measure ineffectiveness. We also formally assess, both at the inception of the hedging relationship and on an ongoing basis, whether the derivatives that are used in hedging relationships are highly effective in offsetting changes in cash flows of hedged transactions. For derivative instruments that are designated and qualify as part of a cash flow hedging relationship, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Gains and losses on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings.

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We discontinue hedge accounting prospectively when it is determined that the derivative is no longer effective in offsetting cash flows attributable to the hedged risk, the derivative expires or is sold, terminated, or exercised, the cash flow hedge is redesignated because a forecasted transaction is not probable of occurring, or management determines to remove the designation of the cash flow hedge.

In all situations in which hedge accounting is discontinued and the derivative remains outstanding, we continue to carry the derivative at its fair value on the balance sheet and recognize any subsequent changes in its fair value in earnings. When it is probable that a forecasted transaction will not occur, we discontinue hedge accounting and recognize immediately in earnings gains and losses that were accumulated in other comprehensive income related to the hedging relationship.

Recently Adopted Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011-11, Disclosures about Offsetting Assets and Liabilities. This update, which amends FASB ASC 210 (Balance Sheet), requires entities to disclose information about offsetting and related arrangements and the effect of those arrangements on its financial position. The amendments in ASU 2011-11 enhance disclosures required by FASB ASC 210 by requiring improved information about financial instruments and derivative instruments that are either offset in accordance with FASB ASC 210-20-45 or 815-10-45 or are subject to an enforceable master netting arrangement or similar agreement. ASU 2011-11 is effective for interim and annual periods beginning on or after January 1, 2013. Disclosures are required retrospectively for all comparative periods presented. Currently, we do not enter into any right of offset arrangements and the adoption of ASU 2011-11 did not have a material effect on our financial position, results of operations or cash flows.

In February 2013, the FASB issued ASU 2013-01, Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities. This update addresses implementation issues about the scope of ASU 2011-11. The amendments in this ASU clarify that the scope of the disclosures under U.S. GAAP is limited to derivatives, including bifurcated embedded derivatives, repurchase agreements, reverse purchase agreements, securities borrowing and securities lending transactions that are offset in accordance with FASB ASC 210-20-45 Balance Sheet—Offsetting—Other Presentation Matters, or FASB ASC 815-10-45 Derivatives and Hedging — Overall — Other Presentation Matters, or subject to a master netting arrangement or similar agreement. Entities with other types of financial assets and financial liabilities subject to a master netting arrangement or similar agreement are no longer subject to the disclosure requirements in ASU 2011-11. This update requires entities to apply the amendments for annual reporting periods beginning on or after January 1, 2013 and interim periods within those annual periods and to provide the required disclosures retrospectively for all comparative periods presented. Currently, we do not enter into any right of offset arrangements and the early adoption of ASU 2013-01 did not have a material effect on our financial position, results of operations or cash flows.

Recently Issued Accounting Pronouncements

In July 2013, the FASB issued ASU 2013-11, Income Taxes (Topic 740)—Presentation of an Unrecognized Tax Benefit when a Net Operating Loss Carryforward or Tax Credit Carryforward Exists. This update provides that an entity's unrecognized tax benefit, or a portion of its unrecognized tax benefit, should be presented in its financial statements as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward, with one exception. That exception states that, to the extent a net operating loss carryforward, a similar tax loss, or a tax credit carryforward is not available at the reporting date under the tax law of the applicable jurisdiction to settle any additional income taxes that would result from the disallowance of a tax position, or the tax law of the applicable jurisdiction does not require the entity to use, and the entity does not intend to use, the deferred tax asset for such purpose, the unrecognized tax benefit should be presented in the financial statements as a liability and should not be combined with deferred tax assets. This update applies prospectively to all entities that have unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists at the reporting date. Retrospective application is also permitted. This update is effective for annual periods, and interim periods within those years, beginning after December 15, 2013. We do not anticipate the adoption of ASU 2013-03 will have a material effect on our financial position, results of operations or cash flows.

In October 2012, the FASB issued ASU 2012-04, Technical Corrections and Improvements. This update clarifies the Codification or corrects unintended application of guidance and includes amendments identifying when the use of fair value should be linked to the definition of fair value in Topic 820, Fair Value Measurement. Amendments to the Codification without transition guidance are effective upon issuance for both public and nonpublic entities. For public entities, amendments subject to transition guidance will be effective for fiscal periods beginning after December 15, 2012. We do not anticipate that the adoption of ASU 2012-04 will have a material effect on our financial position, results of operations or cash flows.

In February 2013, the FASB issued ASU 2013-02, Comprehensive Income (Topic 220) — Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income. This update, requires an entity to report the effect of significant

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reclassifications out of accumulated other comprehensive income on the respective line items in net income if the amount being reclassified is required under U.S. GAAP to be reclassified in its entirety to net income. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income in the same reporting period, an entity is required to cross-reference other disclosures required under U.S. GAAP that provide additional detail about those amounts. This update requires entities to apply the amendments for periods beginning after December 15, 2012 and interim periods within those annual periods and to provide the required disclosures for all reporting periods presented. We do not anticipate the adoption of ASU 2013-03 will have a material effect on our financial position, results of operations or cash flows.

In February 2013, the FASB issued ASU 2013-04, Liabilities (Topic 405)—Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date (a consensus of the FASB Emerging Issues Task Force). This update provides guidance for the recognition, measurement and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation within the scope of this guidance is fixed at the reporting date (except for obligations addressed within existing guidance in U.S. GAAP). Examples of obligations within the scope of ASU 2013-04 include debt arrangements, other contractual obligations and settled litigation and judicial rulings. ASU 2013-04 is effective prospectively for fiscal years, and interim periods within those years, beginning after December 15, 2013. We do not anticipate that the adoption of ASU 2013-04 will have a material effect on our financial position, results of operations or cash flows.

In March 2013, the FASB issued ASU 2013-05, Foreign Currency Matters (Topic 830) — Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity (a consensus of the FASB Emerging Issues Task Force). This update applies to the release of the cumulative translation adjustment into net income when a parent either sells a part or all of its investment in a foreign entity, or no longer holds a controlling financial interest in a subsidiary or group of assets that is a business (other than a sale of in substance real estate or conveyance of oil and gas mineral rights) within a foreign entity. ASU 2013-05 is effective prospectively for fiscal years, and interim periods within those years, beginning after December 15, 2013. We do not anticipate that the adoption of ASU 2013-05 will have a material effect on our financial position, results of operations or cash flows.

NOTE 2: DISCONTINUED OPERATIONS

During the third quarter of fiscal 2013, our Board of Directors approved a plan to close 107 legacy stores in a variety of locations (the "Reorganization"). These stores are generally older, smaller stores that do not fit our future growth profile. We will continue to execute our growth plan by adding approximately 15 new stores during our fourth fiscal quarter, broadening our online selling and lending channels, and adding numerous new products across the portfolio of companies in order to better serve our customers in the formats they desire and with the products and services they want.

The Reorganization includes:

57 stores in Mexico, 52 of which are small, jewelry-only asset group formats. We will continue to operate 235 full-service SWS stores under the Empeño Fácil brand, and expect to continue our rapid storefront growth in Mexico, ending fiscal year 2013 with approximately 245 locations. Neither Empeño Fácil, TUYO, nor Grupo Finmart are gold dependent and together they make up Latin America, our fastest growing segment.

29 stores in Canada, where we are in the process of transitioning to an integrated buy/sell and financial services model under the Cash Converters brand. The affected asset group consists of stores that are not optimal for that model because of location or size. We will continue to operate 46 full-service buy/sell and financial services center stores under the Cash Converters brand in Canada and the United States.

20 financial services stores in Dallas, Texas and the State of Florida, where we are exiting both locations primarily to onerous regulatory requirements. After the Reorganization we will continue to operate 472 financial services stores in the United States. In addition, one jewelry-only concept store will be closed, which was our only jewelry-only store in the United States.

In connection with the Reorganization, we incurred charges for lease termination costs, asset and inventory write-down to net realizable liquidation value, uncollectible receivables, and employee severance costs. We recognized $23.8 million of pre-tax charges related to the Reorganization during the third quarter ended June 30, 2013. These exit costs have been recorded as part of loss from discontinued operations in our condensed consolidated statements of operations.

The following table summarizes the termination costs recognized in our third quarter ended June 30, 2013 financial statements related to the Reorganization:

	Three Months Ended June 30, 2013
	(in thousands)
Lease termination costs	$9,099
Employee severance	1,023
Inventory write-down to liquidation value	7,801
Fixed asset write-down to liquidation value	5,840
Total termination costs related to the reorganization	$23,763

As of June 30, 2013, no cash payments had been made with regard to the recorded termination costs.

The accrued Reorganization charges are included in “Accounts payable and accrued liabilities” in our consolidated balance sheets and in “Loss from discontinued operations, net of tax” in the condensed consolidated statements of operations.

Discontinued operations in the three-month periods ended June 30, 2013 and 2012 include $3.2 million and $4.4 million of revenues and $1.8 million and $1.4 million pre-tax operating losses from stores being closed respectively. The nine-month periods ended June 30, 2013 and 2012 include $11.6 million and $12.9 million of revenues and $5.5 million and $3.2 of pre-tax operating losses from stores being closed.

The table below summarizes the pre-tax operating losses by operating segment:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2013	2012	2013	2012
	(in thousands)			
U.S. & Canada				
Net revenues	$1,495	$1,510	$4,519	$4,667
Operating expenses	2,942	2,576	8,980	7,334
Operating loss from discontinued operations before taxes	(1,447)	(1,066)	(4,461)	(2,667)
Total termination costs related to the reorganization	13,427	—	13,427	—
Loss from discontinued operations before taxes	(14,874)	(1,066)	(17,888)	(2,667)
Income tax benefit (provision)	839	33	1,010	(107)
Loss from discontinued operations, net of tax	$(14,035)	$(1,033)	$(16,878)	$(2,774)
Latin America				
Net revenues	$752	$821	$2,483	$2,775
Operating expenses	1,076	1,128	3,482	3,337
Operating loss from discontinued operations before taxes	(324)	(307)	(999)	(562)
Total termination costs related to the reorganization	10,336	—	10,336	—
Loss from discontinued operations before taxes	(10,660)	(307)	(11,335)	(562)
Income tax benefit	3,198	92	3,400	169
Loss from discontinued operations, net of tax	$(7,462)	$(215)	$(7,935)	$(393)
Consolidated				
Net revenues	$2,247	$2,331	$7,002	$7,442
Operating expenses	4,018	3,704	12,462	10,671
Operating loss from discontinued operations before taxes	(1,771)	(1,373)	(5,460)	(3,229)
Total termination costs related to the reorganization	23,763	—	23,763	—
Loss from discontinued operations before taxes	(25,534)	(1,373)	(29,223)	(3,229)
Income tax benefit	4,037	125	4,410	62
Loss from discontinued operations, net of tax	$(21,497)	$(1,248)	$(24,813)	$(3,167)

NOTE 3: ACQUISITIONS

Go Cash

On November 20, 2012, we entered into a definitive agreement with Go Cash, LLC and certain of its affiliates ("Go Cash") to acquire substantially all the assets of Go Cash's online lending business. This acquisition of assets was completed on December 20, 2012 and accounted for as a business combination. No liabilities were assumed other than trade payables and accounts payable incurred prior to closing in the ordinary course of business, which were approximately $0.2 million.

The assets acquired include a proprietary software platform, including a loan management system and a lending decision science engine, that will enable geographic expansion both within the U.S. and internationally; an internal customer service and collections call center; a portion of the existing Go Cash multi-state loan portfolio; and related assets, including customer lists, customer data and customer transaction information. We hired substantially all of Go Cash's employees, including the management team, an internal underwriting and customer experience analytics team, and an experienced customer service and collections call center team.

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The total purchase price is performance-based and will be determined over a period of four years following the closing. A minimum of $50.8 million will be paid, of which $27.8 million was paid at closing, $11.0 million will be paid on November 10, 2013, $6.0 million will be paid on November 10, 2014, and $6.0 million will be paid on November 10, 2015. The performance consideration element will be based on the net income generated by the "Post-Closing Business Unit" (which will include all of our online consumer lending business). Within a specified period after the end of each of the first four years following the closing, we will make a contingent supplemental payment equal to the difference between (a) the adjusted net income for such year, multiplied by 6.0, and (b) all consideration payments previously paid. Each payment may be made, in our sole discretion, in cash or in the form of shares of EZCORP Class A Non-Voting Common Stock. The initial payment was made in the form of 1,400,198 shares of EZCORP Class A Non-Voting Common Stock.

The contingent consideration element of the purchase price, which is the amount in excess of the guaranteed $50.8 million, has been preliminarily valued at zero as of June 30, 2013. The three and nine month periods ended June 30, 2013 include $2.3 million and $3.9 million in total revenues and $2.4 million and $5.6 million in operating losses related to EZCORP Online.

TUYO

On November 1, 2012, we acquired a 51% interest in Renueva Comercial S.A. de C.V., a company headquartered in Mexico City and doing business under the name “TUYO”, for approximately $1.1 million. As of June 30, 2013, TUYO owned and operated 19 stores in Mexico City and the surrounding metropolitan area. In these stores, TUYO buys quality used merchandise from customers and then resells that merchandise to other customers. TUYO also sells refurbished or other merchandise acquired in bulk from wholesalers. As this acquisition was individually immaterial, we present its related information, other than information related to the redeemable noncontrolling interest, on a consolidated basis.

Pursuant to the acquisition agreement, the sellers have a put option with respect to their remaining shares of TUYO. The sellers have the right to sell their TUYO shares to EZCORP during a specified exercise period, with specified limitations on the number of shares that may be sold within a consecutive 12-month period. Under the guidance in ASC 480-10-S99, securities that are redeemable for cash or other assets are to be classified outside of permanent equity; therefore, we have included the redeemable noncontrolling interest related to TUYO in temporary equity.

The fair value of the TUYO redeemable noncontrolling interest was estimated by applying an income and market approach. This fair value measurement is based on significant inputs that are not observable in the market and thus represents a Level 3 measurement. Key assumptions include discount rates of 10% and 18% representing discounts for lack of control and lack of marketability respectively that market participants would consider when estimating the fair value of the noncontrolling interest. The fair market value of TUYO was determined using a multiple of future earnings. We expect the recorded values related to the noncontrolling interest at June 30, 2013 to approximate fair value.

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Other

On April 26, 2013, Grupo Finmart, our 60% owned subsidiary, purchased 100% of the outstanding shares of Fondo ACH, S.A. de C.V., a specialty consumer finance company. The total purchase price is performance-based and will be determined over a period of four years. A minimum of $3.5 million will be paid, of which $2.7 million was paid at closing with the remaining due on January 2, 2017. The performance consideration element will be based on interest income generated by the acquired portfolios and new loans made through Fondo ACH's contractual relationships. The contingent consideration element of the purchase price, which is the amount in excess of the guaranteed $3.5 million, has been preliminarily valued at zero as of June 30, 2013. As this acquisition was individually immaterial, we present its related information on a consolidated basis.

On June 30, 2013, Grupo Finmart, purchased a consumer loan portfolio for total consideration of approximately $1.3 million. The total purchase price is performance-based and will be determined over the life of the loan portfolio. As this acquisition was individually immaterial, we present its related information on a consolidated basis.

The nine-month period ended June 30, 2013, includes the December 2012 acquisition of 12 pawn locations in Arizona, which was a new state of operation for EZCORP. As this acquisition was individually immaterial, we present its related information on a consolidated basis.

The following tables provide information related to the acquisitions of domestic and foreign retail and financial services locations during the nine months ended June 30, 2013:

	Nine Months Ended June 30, 2013	
	Go Cash	Other Acquisitions
Number of asset purchase acquisitions	1	1
Number of stock purchase acquisitions	—	3
U.S. stores acquired	—	12
Foreign stores acquired	—	26
Total stores acquired	—	38

	Nine Months Ended June 30, 2013	
	Go Cash	Other Acquisitions
	(in thousands)	
Consideration:		
Cash	$—	$17,980
Equity instruments	27,776	10,929
Contingent consideration	—	248
Deferred consideration	23,000	2,872
Fair value of total consideration transferred	50,776	32,029
Cash acquired	—	(3,040)
Total purchase price	$50,776	$28,989

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	Nine Months Ended June 30, 2013	
	Go Cash	Other Acquisitions
	(in thousands)	
Current assets:		
Pawn loans	$—	$5,714
Consumer loans, net	—	902
Service charges and fees receivable, net	23	714
Inventory, net	—	2,441
Prepaid expenses and other assets	120	508
Total current assets	143	10,279
Property and equipment, net	268	1,078
Goodwill	38,128	17,187
Intangible assets	12,315	619
Non-current consumer loans, net	—	3,011
Other assets	124	314
Total assets	50,978	32,488
Current liabilities:		
Accounts payable and other accrued expenses	202	560
Customer layaway deposits	—	103
Total current liabilities	202	663
Total liabilities	202	663
Redeemable noncontrolling interest	—	2,836
Net assets acquired	$50,776	$28,989
Goodwill deductible for tax purposes	$38,128	$—
Indefinite-lived intangible assets acquired:		
Domain name	$215	$—
Definite-lived intangible assets acquired (1):		
Non-compete agreements	$—	$30
Internally developed software	$12,100	$66
Contractual relationship	$—	$523

(1) The weighted average useful life of definite-lived intangible assets acquired is five years.

All acquisitions were made as part of our continuing strategy to enhance and diversify our earnings over the long-term. The factors contributing to the recognition of goodwill were based on several strategic and synergistic benefits we expect to realize from the acquisitions. These benefits include our initial entry into several markets and a greater presence in others, as well as the ability to further leverage our expense structure through increased scale. The purchase price allocation of assets acquired in the most recent twelve month period is preliminary as we continue to receive information regarding the acquired assets. Transaction related expenses for the nine-month periods ended June 30, 2013 and 2012 of approximately $0.5 million and $1.7 million, respectively, were expensed as incurred and recorded as administrative expenses. These amounts exclude costs related to transactions that did not close and future acquisitions. The results of all acquisitions have been consolidated with our results since their respective closing. Pro forma results of operations have not been presented because it is impracticable to do so, as historical audited financial statements in U.S. GAAP are not readily available.

Grupo Finmart

On January 30, 2012, we acquired a 60% interest in Grupo Finmart (formerly known as Crediamigo), a specialty consumer finance company headquartered in Mexico City, with 45 loan servicing locations throughout the country, for total consideration of $60.1 million, net of cash acquired. This amount includes contingent consideration related to two earn out payments. If certain financial performance targets are achieved, during calendar years 2012 and 2013, we will make a payment to the sellers of $12.0 million, each year, for a total amount of $24.0 million. The Grupo Finmart purchase price allocation presented below includes a fair value amount of $23.0 million attributable to the contingent consideration payments. The first contingent consideration payment of approximately $12.0 million was paid in April 2013.

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Pursuant to the Master Transaction Agreement, the sellers have a put option with respect to their remaining shares of Grupo Finmart. Under the guidance in ASC 480-10-S99, securities that are redeemable for cash or other assets are to be classified outside of permanent equity; therefore, we have included the redeemable noncontrolling interest related to Grupo Finmart in temporary equity. The fair value of the Grupo Finmart redeemable noncontrolling interest was estimated by applying an income and market approach. This fair value measurement at acquisition was based on significant inputs that are not observable in the market and thus represents a Level 3 measurement. We expect the recorded values related to the noncontrolling interest at June 30, 2013 to approximate fair value.

Cash Genie

On April 14, 2012, we acquired a 72% interest in Ariste Holding Limited and its affiliates, which provides online loans in the U.K. under the name "Cash Genie." As this acquisition was individually immaterial, we present its related information, other than information related to the redeemable noncontrolling interest, on a combined basis.

Pursuant to the acquisition agreement, the sellers have a put option with respect to their remaining shares of Cash Genie. Each seller has the right to sell their Cash Genie shares to EZCORP during the exercise period. Under the guidance in ASC 480-10-S99, securities that are redeemable for cash or other assets are to be classified outside of permanent equity; therefore, we have included the redeemable noncontrolling interest related to Cash Genie in temporary equity.

On November 14, 2012, a seller exercised his option with respect to his remaining shares. This transaction increased our ownership percentage to 95%, and was treated as an equity transaction and not an adjustment to the purchase price of our initial controlling interest acquisition of Cash Genie. The details of the transaction are described further in Note 9.

On August 1, 2013, a seller exercised his option with respect to his remaining shares. As of August 1, 2013, we own 100% of Cash Genie's ordinary shares. The details of the transaction are described further in Note 18.

Other

In fiscal 2012, we acquired 50 locations in the U.S. and one in Canada. As these acquisitions were individually immaterial, we present their related information on a consolidated basis.

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The following table provides information related to the acquisitions of domestic and foreign retail and financial services locations in fiscal 2012:

	Fiscal Year Ended September 30, 2012	
	Grupo Finmart	Other Acquisitions
	(in thousands)	
Current assets:		
Pawn loans	$—	$ 6,781
Consumer loans, net	8,935	3,641
Service charges and fees receivable, net	18,844	1,940
Inventory, net	—	5,911
Deferred tax asset	—	238
Prepaid expenses and other assets	3,543	204
Total current assets	31,322	18,715
Property and equipment, net	2,326	4,061
Goodwill	99,486	99,747
Non-current consumer loans, net	56,120	—
Intangible assets	16,400	3,980
Other assets	7,497	294
Total assets	213,151	126,797
Current liabilities:		
Accounts payable and other accrued expenses	6,853	5,496
Customer layaway deposits	—	808
Current maturities of long-term debt	22,810	—
Other current liabilities	—	257
Total current liabilities	29,663	6,561
Long-term debt, less current maturities	86,872	—
Deferred tax liability	171	113
Total liabilities	116,706	6,674
Redeemable noncontrolling interest	36,300	9,557
Net assets acquired	$60,145	$ 110,566

Per FASB ASC 805-10-25, adjustments to provisional purchase price allocation amounts made during the measurement period, shall be recorded as if the accounting for the business combination had been completed at the acquisition date. Thus, the acquirer shall revise comparative information for prior periods presented in financial statements. The amounts above and our consolidated balance sheet as of June 30, 2012 reflect all measurement period adjustments recorded since the acquisition date. These adjustments include a $0.3 million decrease in current assets, a $47.0 million decrease in other assets, a $1.4 million decrease in current liabilities, and a $1.0 million decrease in long-term liabilities, for a net change in goodwill of $44.9 million.

NOTE 4: EARNINGS PER SHARE

We compute basic earnings per share on the basis of the weighted average number of shares of common stock outstanding during the period. We compute diluted earnings per share on the basis of the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Dilutive potential common shares include outstanding stock options and restricted stock awards.

Potential common shares are required to be excluded from the computation of diluted earnings per share if the assumed proceeds upon exercise or vest, as defined by FASB ASC 718-10-25, are greater than the cost to re-acquire the same number of shares at the average market price, and therefore the effect would be anti-dilutive.

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Components of basic and diluted earnings per share and excluded anti-dilutive potential common shares are as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2013	2012	2013	2012
	(in thousands, except per share amounts)			
Net income from continuing operations attributable to EZCORP, Inc.	$15,616	$29,771	$83,630	$108,303
Loss from discontinued operations, net of tax	(21,497)	(1,248)	(24,813)	(3,167)
Net (loss) income attributable to EZCORP (A)	(5,881)	28,523	58,817	105,136
Weighted average outstanding shares of common stock (B)	54,196	51,162	53,465	50,769
Dilutive effect of stock options and restricted stock	59	178	75	273
Weighted average common stock and common stock equivalents (C)	54,255	51,340	53,540	51,042
Basic (loss) earnings per share attributable to EZCORP, Inc.:				
Continuing operations attributable to EZCORP, Inc.	$0.29	$0.58	$1.56	$2.13
Discontinued operations	(0.40)	(0.02)	(0.46)	(0.06)
Basic (loss) earnings per share	$(0.11)	$0.56	$1.10	$2.07
Diluted earnings per share attributable to EZCORP, Inc.:				
Continuing operations attributable to EZCORP, Inc.	$0.29	$0.58	$1.56	$2.12
Discontinued operations	(0.40)	(0.02)	(0.46)	(0.06)
Diluted (loss) earnings per share	$(0.11)	$0.56	$1.10	$2.06
Potential common shares excluded from the calculation of diluted earnings per share	—	117	—	36

NOTE 5: STRATEGIC INVESTMENTS

At June 30, 2013, we owned 16,644,640 ordinary shares of Albemarle & Bond Holdings, PLC ("Albemarle & Bond"), representing almost 30% of its total outstanding shares. Our total cost for those shares was approximately $27.6 million. Albemarle & Bond is primarily engaged in pawnbroking, retail jewelry sales, check cashing and lending in the United Kingdom. We account for the investment using the equity method. Since Albemarle & Bond’s fiscal year ends three months prior to ours, we report the income from this investment on a three-month lag. Albemarle & Bond files semi-annual financial reports for its fiscal periods ending December 31 and June 30. Due to the three-month lag, income reported for our nine-month periods ended June 30, 2013 and 2012 represents our percentage interest in the results of Albemarle & Bond’s operations from July 1, 2012 to March 31, 2013 and July 1, 2011 to March 31, 2012, respectively.

Conversion of Albemarle & Bond’s financial statements into U.S. GAAP resulted in no material differences from those reported by Albemarle & Bond following IFRS.

In its functional currency of British pounds, Albemarle & Bond’s total assets increased 13% from December 31, 2011 to December 31, 2012 and its net income decreased 31% for the six months ended December 31, 2012. The following table presents summary financial information for Albemarle & Bond’s most recently reported results after translation to U.S. dollars (using the exchange rate as of December 31 of each year for balance sheet items and average exchange rates for the income statement items for the periods indicated):

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	As of December 31,	
	2012	2011
	(in thousands)	
Current assets	$162,078	$134,387
Non-current assets	74,711	65,354
Total assets	$236,789	$199,741
Current liabilities	$22,267	$21,021
Non-current liabilities	83,332	62,169
Shareholders' equity	131,190	116,551
Total liabilities and shareholders' equity	$236,789	$199,741

	Six Months Ended December 31,	
	2012	2011
	(in thousands)	
Gross revenues	$93,793	$99,804
Gross profit	53,612	58,165
Profit for the year (net income)	9,796	14,208

At June 30, 2013, we owned 136,848,000 shares, or approximately 33%, of Cash Converters International Limited ("Cash Converters International"), a publicly traded company headquartered in Perth, Australia. Cash Converters International franchises and operates a worldwide network of over 700 specialty financial services and retail stores that provide pawn loans, short-term unsecured loans and other consumer finance products, and buy and sell second-hand goods, with significant store concentrations in Australia and the United Kingdom. Those shares include 12,430,000 shares that we acquired in November 2012 for approximately $11.0 million in cash as part of a share placement. Our total investment in Cash Converters International was acquired between November 2009 and November 2012 for approximately $68.8 million.

We account for our investment in Cash Converters International using the equity method. Since Cash Converters International's fiscal year ends three months prior to ours, we report the income from this investment on a three-month lag. Cash Converters International files semi-annual financial reports for its fiscal periods ending December 31 and June 30. Due to the three-month lag, income reported for our nine-month periods ended June 30, 2013 and 2012 represents our percentage interest in the results of Cash Converters International's operations from July 1, 2012 to March 31, 2013 and July 1, 2011 to March 31, 2012, respectively.

Conversion of Cash Converters International's financial statements into U.S. GAAP resulted in no material differences from those reported by Cash Converters following IFRS.

In its functional currency of Australian dollars, Cash Converters International's total assets increased 22% from December 31, 2011 to December 31, 2012 and its net income improved 39% for the six months ended December 31, 2012. The following table presents summary financial information for Cash Converters International's most recently reported results after translation to U.S. dollars (using the exchange rate as of December 31 of each year for balance sheet items and average exchange rates for the income statement items for the periods indicated):

	As of December 31,	
	2012	2011
	(in thousands)	
Current assets	$169,739	$128,289
Non-current assets	141,258	121,835
Total assets	$310,997	$250,124
Current liabilities	$38,735	$33,290
Non-current liabilities	31,591	37,797
Shareholders' equity	240,671	179,037

Total liabilities and shareholders’ equity	$310,997	$250,124

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	Six Months Ended December 31,	
	2012	2011
	(in thousands)	
Gross revenues	$140,123	$115,256
Gross profit	95,149	76,405
Profit for the year (net income)	19,143	13,668

The table below summarizes the recorded value and fair value of each of these strategic investments at the dates indicated. These fair values are considered Level 1 estimates within the fair value hierarchy of FASB ASC 820-10-50, and were calculated as (a) the quoted stock price on each company's principal market multiplied by (b) the number of shares we owned multiplied by (c) the applicable foreign currency exchange rate at the dates indicated.

	June 30,		September 30,
	2013	2012	2012
	(in thousands of U.S. dollars)		
Albemarle & Bond:			
Recorded value	$52,252	$51,156	$51,812
Fair value	33,920	63,677	65,109
Cash Converters International:			
Recorded value	$94,455	$74,153	$74,254
Fair value	133,732	80,894	100,705

On April 19, 2013, Albemarle & Bond announced that it expected profits for their full fiscal year (ending June 30, 2013) to be materially below market expectations, citing reduction in gold buying profit and pressures on its pawn loan business due to the challenging gold environment and increased competition. In addition Albemarle & Bond's Board of Directors announced that their CEO would step down earlier than planned and their former CEO and non-executive Chairman would assume the CEO role until a permanent replacement is found.

At June 30, 2013, the fair value of our investment in Albemarle & Bond Holdings, PLC was less than our recorded value. We currently believe that the fair value decline is temporary due to the recent global gold environment challenges and the absence of a permanent CEO.

NOTE 6: GOODWILL AND OTHER INTANGIBLE ASSETS

The following table presents the balance of each major class of indefinite-lived intangible assets at the specified dates:

	June 30,		September 30,
	2013	2012	2012
	(in thousands)		
Pawn licenses	$8,836	$8,836	$8,836
Trade name	9,654	9,621	9,845
Domain name	215	—	—
Goodwill	426,148	366,286	374,663
Total	$444,853	$384,743	$393,344

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The following tables present the changes in the carrying value of goodwill, by segment, over the periods presented:

	U.S. & Canada	Latin America	Other International	Consolidated
	(in thousands)			
Balances at September 30, 2012	$224,306	$110,401	$39,956	$374,663
Acquisitions	53,033	2,282	—	55,315
Goodwill impairment	(29)	—	—	(29)
Effect of foreign currency translation changes	(2)	(1,446)	(2,353)	(3,801)
Balances at June 30, 2013	$277,308	$111,237	$37,603	$426,148

	U.S. & Canada	Latin America	Other International	Consolidated
	(in thousands)			
Balances at September 30, 2011	$163,897	$9,309	$—	$173,206
Acquisitions	57,750	99,486	39,338	196,574
Effect of foreign currency translation changes	(1)	(2,752)	(741)	(3,494)
Balances at June 30, 2012	$221,646	$106,043	$38,597	$366,286

The following table presents the gross carrying amount and accumulated amortization for each major class of definite-lived intangible asset at the specified dates:

	June 30, 2013			2012			September 30, 2012		
	Carrying Amount	Accumulated Amortization	Net Book Value	Carrying Amount	Accumulated Amortization	Net Book Value	Carrying Amount	Accumulated Amortization	Net Book Value
	(in thousands)								
Real estate finders' fees	$1,518	$ (578)	$940	$1,373	$ (553)	$820	$1,457	$ (590)	$867
Non-compete agreements	4,079	(3,290)	789	4,356	(2,993)	1,363	4,504	(3,290)	1,214
Favorable lease	1,001	(361)	640	1,159	(409)	750	1,159	(436)	723
Franchise rights	1,519	(143)	1,376	1,559	(82)	1,477	1,625	(102)	1,523
Deferred financing costs	11,647	(5,868)	5,779	9,441	(4,874)	4,567	10,584	(3,459)	7,125
Contractual relationship	14,818	(2,217)	12,601	11,726	(2,299)	9,427	14,517	(1,075)	13,442
Internally developed software	25,399	(1,934)	23,465	—	—	—	1,344	(19)	1,325
Other	280	(42)	238	333	(28)	305	321	(36)	285
Total	$60,261	$ (14,433)	$45,828	$29,947	$ (11,238)	$18,709	$35,511	$ (9,007)	$26,504

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The amortization of most definite-lived intangible assets is recorded as amortization expense. The favorable lease asset and other intangibles are amortized to operations expense (rent expense) over the related lease terms. The deferred financing costs are amortized to interest expense over the life of the related debt instruments. The following table presents the amount and classification of amortization recognized as expense in each of the periods presented:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2013	2012	2013	2012
	(in thousands)			
Amortization expense	$1,598	$1,162	$3,643	$3,086
Operations expense	64	49	131	103
Interest expense	820	569	2,344	1,164
Total expense from the amortization of definite-lived intangible assets	$2,482	$1,780	$6,118	$4,353

The following table presents our estimate of future amortization expense for definite-lived intangible assets:

Fiscal Years Ended September 30,	Amortization expense	Operations expense	Interest expense
	(in thousands)		
2013	$1,754	$31	$867
2014	6,887	121	2,485
2015	6,213	109	1,425
2016	6,157	106	559
2017	5,874	106	443

As acquisitions and dispositions occur in the future, amortization expense may vary from these estimates.

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NOTE 7: LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS

The following table presents our long-term debt instruments and balances under capital lease obligations outstanding at June 30, 2013 and 2012 and September 30, 2012:

	June 30, 2013		June 30, 2012		September 30, 2012	
	Carrying Amount	Debt Premium	Carrying Amount	Debt Premium	Carrying Amount	Debt Premium
	(in thousands)					
Recourse to EZCORP:						
Domestic line of credit up to $200,000 due 2015	$122,500	$ —	$114,700	$—	$130,000	$—
Capital lease obligations	1,054	—	1,159	—	1,589	—
Non-recourse to EZCORP:						
Secured foreign currency line of credit up to $3,840 due 2014	1,562	124	2,803	210	2,629	199
Secured foreign currency line of credit up to $19,200 due 2015	8,929	—	58,455	9,004	16,073	—
Secured foreign currency line of credit up to $23,035 due 2017	23,035	—	6,903	—	11,263	—
Consumer loans facility due 2017	32,251	—	—	—	32,679	—
10% unsecured notes due 2013	508	—	1,570	—	1,766	—
15% unsecured notes due 2013	13,272	514	—	—	14,262	1,334
16% unsecured notes due 2013	—	—	5,013	174	5,248	108
20% unsecured notes due 2013	—	—	11,725	1,511	—	—
10% unsecured notes due 2014	9,008	—	906	—	963	—
11% unsecured notes due 2014	111	—	—	—	—	—
8.5 % unsecured notes due 2015	15,905	—	—	—	—	—
10% unsecured notes due 2015	421	—	402	—	427	—
15% secured notes due 2015	4,275	436	—	—	4,488	597
18% secured notes due 2015	—	—	4,273	611	—	—
10% unsecured notes due 2016	122	—	116	—	123	—
Total long-term obligations	232,953	1,074	208,025	11,510	221,510	2,238
Less current portion	34,058	815	31,521	—	21,679	1,497
Total long-term and capital lease obligations	$198,895	$ 259	$176,504	$11,510	$199,831	$741

On May 10, 2011, we entered into a new senior secured credit agreement with a syndicate of five banks, replacing our previous credit agreement. Among other things, the new credit agreement provides for a four-year $175 million revolving credit facility that we may, under the terms of the agreement, request to be increased to a total of $225 million. Upon entering the new credit agreement, we repaid and retired our $17.5 million outstanding debt. On May 31, 2013, we amended the senior secured credit agreement to increase our revolving credit facility from $175 million to $200 million. The new credit facility increases our available credit and provides greater flexibility to make investments and acquisitions both domestically and internationally. No other terms of our senior secured credit agreement were modified.

Pursuant to the credit agreement, we may choose to pay interest to the lenders for outstanding borrowings at LIBOR plus 200 to 275 basis points or the banks' base rate plus 100 to 175 basis points, depending on our leverage ratio computed at the end of each calendar quarter. On the unused amount of the credit facility, we pay a commitment fee of 37.5 to 50 basis points depending on our leverage ratio calculated at the end of each quarter. Terms of the credit agreement require, among other things, that we meet certain financial covenants, restrict dividend payments and limit other and non-recourse debt. At June 30, 2013, we were in compliance with all covenants. We expect the recorded value of our debt to approximate its fair value, as it is all variable rate debt and carries no pre-payment penalty, and would be considered a Level 2 estimate within the fair value hierarchy.

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At June 30, 2013, $122.5 million was outstanding under our revolving credit agreement. We also issued a $1.8 million letter of credit, leaving $75.7 million available on our revolving credit facility. The outstanding bank letters of credit were required under our workers' compensation insurance program and for our international office in Miami, Florida. Deferred financing costs related to our credit agreement are included in intangible assets, net on the balance sheet and are being amortized to interest expense over the term of the agreement.

On January 30, 2012, we acquired a 60% ownership interest in Grupo Finmart. Non-recourse debt amounts in the table above represent Grupo Finmart’s third party debt. All lines of credit are guaranteed by Grupo Finmart's loan portfolio. Interest on lines of credit due 2014 and 2015 is charged at the Mexican Interbank Equilibrium ("TIIE") plus a margin varying from 6% to 9%. The line of credit due 2014 requires monthly payments of $0.1 million with remaining principal due at maturity. The line of credit due 2015 requires monthly payments of $0.9 million with the remaining principal due at maturity. The 15% secured notes require monthly payments of $0.1 million with remaining principal due at maturity.

At acquisition, we performed a valuation to determine the fair value of Grupo Finmart's debt. As a result, we recorded a debt premium on Grupo Finmart’s debt. This debt premium is being amortized as a reduction of interest expense over the life of the debt. The fair value was determined by using an income approach, specifically the discounted cash flows method based on the contractual terms of the debt and risk adjusted discount rates. The significant inputs used for the valuation are not observable in the market and thus this fair value measurement represents a Level 3 measurement within the fair value hierarchy. We expect the recorded value of our debt at June 30, 2013 to approximate its fair value and to be considered a Level 3 estimate within the fair value hierarchy.

On July 10, 2012, Grupo Finmart entered into a securitization transaction to transfer the collection rights of certain eligible consumer loans to a bankruptcy remote trust in exchange for cash on a non-recourse basis. The trust received financing as a result of the issuance of debt securities and delivered the proceeds of the financing to Grupo Finmart. The securitization agreement calls for a two-year revolving period in which the trust will use principal collections of the consumer loan portfolio to acquire additional collection rights up to $115.2 million in eligible loans from Grupo Finmart. Upon the termination of the revolving period, the collection received by the trust will be used to repay the debt. Grupo Finmart will continue to service the underlying loans in the trust.

Grupo Finmart is the primary beneficiary of the securitization trust because Grupo Finmart has the power to direct the most significant activities of the trust through its role as servicer of all the receivables held by the trust and through its obligation to absorb losses or receive benefits that could potentially be significant to the trust. Consequently, we consolidate the trust.

As of June 30, 2013, borrowings under the securitization borrowing facility amounted to $32.3 million. Interest is charged at TIIE plus a 2.5% margin, or a total of 6.8% as of June 30, 2013. The debt issued by the trust will be paid solely from the collections of the consumer loans transferred to the trust, and therefore there is no recourse to Grupo Finmart or EZCORP.

On May 15, 2013, Grupo Finmart issued and sold $30.0 million of 8.5% Global Registered Notes due November 16, 2015. Notes with an aggregate principal amount of $14.0 million were purchased by EZCORP and therefore eliminated in consolidation. Grupo Finmart used a portion of the net proceeds of the offering to repay existing indebtedness, and used the remaining portion for general operating purposes.

NOTE 8: COMMON STOCK, OPTIONS AND STOCK COMPENSATION

Our net income includes the following compensation costs related to our stock compensation arrangements:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2013	2012	2013	2012
	(in thousands)			
Gross compensation costs	$2,148	$1,953	$5,202	$5,191
Income tax benefits	(727)	(650)	(1,746)	(1,666)
Net compensation expense	$1,421	$1,303	$3,456	$3,525

In the current three-month period ended June 30, 2013, stock option exercises resulted in the issuance of 15,000 shares for nominal proceeds. In the current nine-month period ended June 30, 2013, stock option exercises resulted in the issuance of 18,000 shares for nominal proceeds. In the prior year three-month period ended June 30, 2012, stock option exercises resulted in the issuance of 5,400 shares for nominal proceeds. In the prior year nine-month period ended June 30, 2012, stock option

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exercises resulted in the issuance of 201,298 shares for total proceeds of $0.6 million. All options and restricted stock are related to our Class A Non-voting Common Stock.

NOTE 9: REDEEMABLE NONCONTROLLING INTEREST

The following table provides a summary of the activities in our redeemable noncontrolling interests as of June 30, 2013 and 2012:

	Redeemable Noncontrolling Interests (in thousands)
Balance as of September 30, 2011	$—
Acquisition of redeemable noncontrolling interest	45,857
Net income attributable to redeemable noncontrolling interests	1,300
Foreign currency translation adjustment attributable to noncontrolling interests	(2,293)
Balance as of June 30, 2012	$44,864
Balance as of September 30, 2012	$53,681
Acquisition of redeemable noncontrolling interest	2,836
Sale of additional shares to parent	(7,981)
Net income attributable to redeemable noncontrolling interests	3,378
Contribution to maintain ownership percentage	6,135
Foreign currency translation adjustment attributable to noncontrolling interests	(1,212)
Balance as of June 30, 2013	$56,837

On November 1, 2012, we acquired a 51% interest in TUYO (see Note 3 for details).

On November 14, 2012, we acquired an additional 23% of the ordinary shares outstanding of Cash Genie, our U.K. online lending business, for $10.4 million, increasing our ownership percentage from 72% to 95%, with the remaining 5% held by local management. The consideration paid to the selling shareholder was paid in the form of 592,461 shares of EZCORP Class A Non-Voting Common Stock. This transaction was treated as an equity transaction and not an adjustment to the purchase price of the initial controlling interest acquisition of Cash Genie. On August 1, 2013, we acquired the remaining ordinary shares that were held by local management for $0.6 million. As of August 1, 2013, we own 100% of Cash Genie's ordinary shares.

On April 1, 2013, Grupo Finmart completed a $15.3 million equity offering to its existing shareholders for the purpose of strengthening its balance sheet as it continues to seek additional debt to fund loan originations. EZCORP invested $9.2 million with the noncontrolling interest shareholders investing the remaining $6.1 million, which maintained our ownership at 60% and the noncontrolling shareholders' ownership at 40%.

NOTE 10: INCOME TAXES

Income tax expense is provided at the U.S. tax rate on financial statement earnings, adjusted for the difference between the U.S. tax rate and the rate of tax in effect for non-U.S. earnings deemed to be permanently reinvested in our non-U.S. operations. Deferred income taxes have not been provided for the potential remittance of non-U.S. undistributed earnings to the extent those earnings are deemed to be permanently reinvested, or to the extent such recognition would result in a deferred tax asset.

The current quarter’s effective tax rate from continuing operations is 35.4% of pretax income compared to 29.1% for the prior year quarter. The effective rate for the quarter ended June 30, 2012 was lower due to the decision in that quarter to treat foreign earnings as being permanently reinvested, with a resultant reversal of prior period deferred tax liabilities in that quarter. The current quarter's effective tax rate for the tax benefit from discontinued operations is 15.8% compared to 9.1% for the prior year quarter.

For the current nine-month period, the effective tax rate from continuing operations is 32.6% compared to 32.5% in the prior year nine-month period. For the current nine-month period, the effective tax rate for the tax benefit from discontinued operations is 15.1% compared to 1.9% for the prior year nine-month period.

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The effective tax rate for discontinued operations is lower than the effective tax rate from continuing operations due to the inclusion of discontinued operations in Canada for which a valuation allowance has previously been recognized, resulting in no current benefit.

The effective tax rate for the three-month period ended June 30, 2013 was higher due to a reduction in foreign taxable income which is taxed at a lower rate than the U.S. rate. The effective tax rate from continuing operations for the nine-month period ended June 30, 2013 was lowered by a recognition of a tax benefit from tax credits not previously reported.

NOTE 11: CONTINGENCIES

Currently and from time to time, we are defendants in various legal and regulatory actions. While we cannot determine the ultimate outcome of these actions, we believe their resolution will not have a material adverse effect on our financial condition, results of operations or liquidity.

NOTE 12: OPERATING SEGMENT INFORMATION

Segment information is prepared on the same basis that our management reviews financial information for operational decision-making purposes. Our business consists of three reportable segments:

- U.S. & Canada – Includes all business activities in the United States and Canada
- Latin America – Includes all business activities in Mexico and other parts of Latin America
- Other International – Includes all business activities in the rest of the world (currently consisting of consumer loans online in the U.K. and our equity interests in the net income of Albemarle & Bond and Cash Converters International)

In connection with our decentralization strategy, we have changed the accountability for, and reporting of, certain items in administrative expenses, depreciation and amortization. When directly related to a segment, these items have been included in segment contribution.When shared by multiple segments, these items are being allocated to the segment and included in their segment contribution. Prior year figures have been reclassified to conform to this presentation.

There are no inter-segment revenues, and the amounts below were determined in accordance with the same accounting principles used in our consolidated financial statements. The following tables present operating segment information for the three and nine-month periods ending June 30, 2013 and 2012:

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	Three Months Ended June 30, 2013			
	U.S. & Canada	Latin America	Other International	Consolidated
	(in thousands)			
Revenues:				
Merchandise sales	$71,464	$15,112	$—	$ 86,576
Jewelry scrapping sales	26,288	—	—	26,288
Pawn service charges	52,505	7,892	—	60,397
Consumer loan fees	40,279	12,864	6,091	59,234
Other revenues	1,058	1,034	579	2,671
Total revenues	191,594	36,902	6,670	235,166
Merchandise cost of goods sold	41,795	9,255	—	51,050
Jewelry scrapping cost of goods sold	20,285	92	—	20,377
Consumer loan bad debt	9,994	685	1,839	12,518
Net revenues	119,520	26,870	4,831	151,221
Segment expenses:				
Operations	84,194	16,513	3,523	104,230
Depreciation and amortization	4,905	1,854	118	6,877
Loss on sale or disposal of assets	174	4	—	178
Interest (income) expense, net	(25)	2,790	—	2,765
Equity in net income of unconsolidated affiliates	—	—	(4,328)	(4,328)
Other expense	—	57	—	57
Segment contribution	$30,272	$5,652	$ 5,518	$ 41,442
Corporate expenses:				
Administrative				12,644
Depreciation and amortization				2,091
Interest expense, net				872
Other expense				39
Income from continuing operations before income taxes				25,796
Income tax expense				9,139
Income from continuing operations, net of tax				16,657
Loss from discontinued operations, net of tax				(21,497)
Net loss				(4,840)
Net income from continuing operations attributable to redeemable noncontrolling interest				1,041
Net loss attributable to EZCORP, Inc.				$ (5,881)

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	Three Months Ended June 30, 2012			
	U.S. & Canada	Latin America	Other International	Consolidated
	(in thousands)			
Revenues:				
Merchandise sales	$65,221	$10,065	$—	$ 75,286
Jewelry scrapping sales	37,298	3,232	—	40,530
Pawn service charges	49,969	5,687	—	55,656
Consumer loan fees	37,492	10,381	3,880	51,753
Other revenues	643	547	158	1,348
Total revenues	190,623	29,912	4,038	224,573
Merchandise cost of goods sold	38,174	5,668	—	43,842
Jewelry scrapping cost of goods sold	24,337	2,779	—	27,116
Consumer loan bad debt	8,806	632	1,251	10,689
Net revenues	119,306	20,833	2,787	142,926
Segment expenses:				
Operations	70,666	11,722	2,812	85,200
Depreciation and amortization	3,608	1,942	94	5,644
Loss (gain) on sale or disposal of assets	93	(3)	223	313
Interest expense (income), net	16	22	(1)	37
Equity in net income of unconsolidated affiliates	—	—	(4,197)	(4,197)
Other expense (income)	497	(14)	(441)	42
Segment contribution	$44,426	$7,164	$ 4,297	$ 55,887
Corporate expenses:				
Administrative				9,857
Depreciation and amortization				1,375
Interest expense, net				860
Other expense				118
Income from continuing operations before income taxes				43,677
Income tax expense				12,718
Income from continuing operations, net of tax				30,959
Loss from discontinued operations, net of tax				(1,248)
Net income				29,711
Net income from continuing operations attributable to redeemable noncontrolling interest				1,188
Net income attributable to EZCORP, Inc.				$ 28,523

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	Nine Months Ended June 30, 2013			
	U.S. & Canada	Latin America	Other International	Consolidated
	(in thousands)			
Revenues:				
Merchandise sales	$237,577	$43,685	$—	$ 281,262
Jewelry scrapping sales	108,777	4,802	—	113,579
Pawn service charges	165,202	22,610	—	187,812
Consumer loan fees	126,873	36,583	19,663	183,119
Other revenues	5,469	2,880	1,820	10,169
Total revenues	643,898	110,560	21,483	775,941
Merchandise cost of goods sold	138,936	25,775	—	164,711
Jewelry scrapping cost of goods sold	76,922	4,071	—	80,993
Consumer loan bad debt	27,363	(1,024)	8,157	34,496
Net revenues	400,677	81,738	13,326	495,741
Segment expenses:				
Operations	251,593	46,483	11,270	309,346
Depreciation and amortization	13,395	5,067	337	18,799
Loss on sale or disposal of assets	202	18	—	220
Interest expense (income), net	7	8,205	(1)	8,211
Equity in net income of unconsolidated affiliates	—	—	(13,491)	(13,491)
Other income	(5)	(238)	(69)	(312)
Segment contribution	$135,485	$22,203	$ 15,280	$ 172,968
Corporate expenses:				
Administrative				34,918
Depreciation and amortization				5,830
Interest expense, net				2,816
Other expense				312
Income from continuing operations before taxes				129,092
Income tax expense				42,084
Income from continuing operations, net of tax				87,008
Loss from discontinued operations, net of tax				(24,813)
Net income				62,195
Net income from continuing operations attributable to redeemable noncontrolling interest				3,378
Net income attributable to EZCORP, Inc.				$ 58,817

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	Nine Months Ended June 30, 2012			
	U.S. & Canada	Latin America	Other International	Consolidated
	(in thousands)			
Revenues:				
Merchandise sales	$226,507	$29,764	$—	$ 256,271
Jewelry scrapping sales	139,252	7,814	—	147,066
Pawn service charges	154,823	16,057	—	170,880
Consumer loan fees	121,744	17,764	4,086	143,594
Other revenues	2,430	763	158	3,351
Total revenues	644,756	72,162	4,244	721,162
Merchandise cost of goods sold	131,682	15,939	—	147,621
Jewelry scrapping cost of goods sold	86,848	5,959	—	92,807
Consumer loan bad debt	24,663	1,140	1,466	27,269
Net revenues	401,563	49,124	2,778	453,465
Segment expenses:				
Operations	216,653	27,781	3,580	248,014
Depreciation and amortization	9,862	4,907	130	14,899
(Gain) loss on sale or disposal of assets	(113)	(2)	223	108
Interest expense (income), net	20	1,755	(1)	1,774
Equity in net income of unconsolidated affiliates	—	—	(12,935)	(12,935)
Other expense (income)	346	2	(505)	(157)
Segment contribution	$174,795	$14,681	$ 12,286	$ 201,762
Corporate expenses:				
Administrative				33,509
Depreciation and amortization				4,066
Interest expense, net				1,920
Income from continuing operations before taxes				162,267
Income tax expense				52,664
Income from continuing operations, net of tax				109,603
Loss from discontinued operations, net of tax				(3,167)
Net income				106,436
Net income from continuing operations attributable to redeemable noncontrolling interest				1,300
Net income attributable to EZCORP, Inc.				$ 105,136

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The following table presents separately identified segment assets:

	U.S. & Canada	Latin America	Other International	Consolidated
	(in thousands)			
Assets at June 30, 2013				
Cash and cash equivalents	$11,245	$29,494	$2,434	$43,173
Restricted cash	—	3,132	—	3,132
Pawn loans	137,237	16,858	—	154,095
Consumer loans, net	22,155	98,224	4,969	125,348
Service charges and fees receivable, net	33,974	28,535	1,691	64,200
Inventory, net	102,411	20,092	—	122,503
Property and equipment, net	64,356	27,669	1,507	93,532
Restricted cash, non-current	—	2,182	—	2,182
Goodwill	277,308	111,237	37,603	426,148
Intangibles, net	28,027	20,067	2,704	50,798
Total separately identified recorded segment assets	$676,713	$357,490	$50,908	$1,085,111
Consumer loans outstanding from unaffiliated lenders	$25,302	$—	$—	$25,302
Assets at June 30, 2012				
Cash and cash equivalents	$18,789	$15,963	$1,638	$36,390
Restricted cash	—	1,051	—	1,051
Pawn loans	134,038	13,439	—	147,477
Consumer loans, net	17,247	64,158	1,838	83,243
Service charges and fees receivable, net	30,555	20,721	545	51,821
Inventory, net	82,631	11,790	—	94,421
Property and equipment, net	56,951	20,164	1,446	