Slide #	Commentary
	Bruce Thomas
1	Thank you, Operator. Good afternoon and welcome to Encore Capital Group's third quarter 2015 earnings call. With me on the call today are Ken Vecchione, our President and Chief Executive Officer, Jonathan Clark, Executive Vice President and Chief Financial Officer, and Ashish Masih, Executive Vice President, US Debt Purchasing & Operations. Ken and Jon will make prepared remarks today, and then we will be happy to take your questions.
2 (Safe Harbor)	Before we begin, we have a few housekeeping items. Unless otherwise noted, all comparisons made on this conference call will be between the third quarter of 2015 and the third quarter of 2014. Today's discussion will include forward-looking statements subject to risks and uncertainties. Actual results could differ materially from these forward-looking statements. Please refer to our SEC filings for a detailed discussion of potential risks and uncertainties. During this call, we will use rounding and abbreviations for the sake of brevity. We will also be discussing non-GAAP financial measures. Reconciliations to the most directly comparable GAAP financial measures are included in our earnings release, which was filed on Form 8-K earlier today. As a reminder, this conference call will also be made available for replay on the Investors section of our website, where we will also post our prepared remarks following the conclusion of this call. With that, let me turn the call over to Ken Vecchione, our President and Chief Executive Officer.

	Ken Vecchione
3 (Intro and Overview)	Thank you, Bruce, and good afternoon. I appreciate everyone joining us today. After the market closed, we posted our third quarter 2015 financial results and we are pleased with our performance. We once again established new records for adjusted income, non-GAAP Economic EPS and Adjusted EBITDA on a trailing twelve months basis. Our progress in the third quarter was driven primarily by three of our strategic initiatives within the company: • First, our international platform is delivering strong growth in collections, revenues, and earnings. • Second, we continue to expand our global footprint by entering new markets and by strengthening and widening our presence in geographies where we are already established. • And third, we are successfully sustaining our core US business through sizable capital deployments and commitments for 2016 forward flows. Turning to our results: • In the third quarter, Encore recorded a GAAP loss of 43 cents per share, driven primarily by a one-time after-tax charge of $43 million dollars related to our settlement with the CFPB. The corresponding net loss was $11 million dollars.

3 (Intro and Overview) Continued	• Non-GAAP Economic EPS reached a record one dollar and 34 cents per share, compared to one dollar and 17 cents per share, an increase of 15 percent from the third quarter of 2014. This is the ninth consecutive quarter that we've delivered double digit Economic EPS growth on a percentage basis. • Adjusted income grew 12 percent over last year, to a record $34 million dollars. • Cash collections increased 4 percent to $422 million dollars. • Adjusted EBITDA, one of our most important measures of underlying performance, grew to $268 million dollars, an increase of 7 percent. • On a trailing twelve months basis, Adjusted EBITDA grew 9 percent to one billion, 53 million dollars, compared to $963 million dollars a year ago. • Our overall cost-to-collect this quarter was 39.2 percent, up slightly from 38.9 percent a year ago, reflecting a higher concentration of legal collections compared to a year ago. • Our Estimated Remaining Collections, or ERC, at September 30th was approximately $5.7 billion dollars, an increase of 10 percent, or $526 million dollars, compared to the end of the third quarter of 2014.

4 (Q3 Deployments – the Big Picture)	Deployments totaled $215 million dollars in the third quarter. In the U.S., the majority of our deployments represented charged-off credit card paper, mostly comprised of fresh accounts. This purchasing level reflects our substantial domestic market share and reinforces the fact that the U.S. core market still provides us with solid opportunities to deploy capital. Our Propel subsidiary also purchased $28 million dollars in tax liens during the third quarter. Our operations in Cabot and Grove deployed $42 million dollars in Europe during the quarter. In Latin America, we deployed $13 million dollars.
5 (Full-Year US Core Deployments)	Approaching year-end, we expect to deploy capital in 2015 at a level that is consistent with previous year deployments in the U.S. and we remain on track to deploy capital globally within the $1.2 to $1.4 billion dollar target range for the full year. As we take a view toward 2016, committed contractual flows have positioned us well for the upcoming year. Issuers have become more comfortable lengthening their forward flow contracts with us as the ambiguity surrounding the regulatory environment has been resolved. We are now more convinced than ever, that as the increased emphasis on compliance and risk management is felt by others in the industry, the moat around our business built upon best practices will only get wider and deeper, enhancing the barriers to entry and competition within the U.S. market.

6 (Collections Growth Driven By International)	The primary driver for our collections performance in Q3 was the continued growth of our international business. Over the past two years, our acquisitions around the world have expanded our footprint and provided Encore with greater optionality when we make capital allocation decisions. Establishing leadership positions in markets outside the United States has been a primary goal of Encore's overall growth strategy. In the third quarter, collections from our international business grew 23 percent compared to last year, and now comprise 33 percent of our total collections, reflecting our continued growth outside of the United States. Most notably, collections in Europe grew 26 percent in the third quarter compared to last year.
7 (Cash Flows)	Our collections performance in the third quarter led to strong cash flows. We generated $268 million dollars of Adjusted EBITDA, an increase of 7 percent over the third quarter of 2014. Adjusted EBITDA is one of the most important ways that we measure our company's operating performance. It helps us determine amounts available for future purchases, capital expenditures, debt service, and taxes - and it gives investors a clear picture of the strong cash flow generated by our business. On a trailing 12 months basis, adjusted EBITDA grew 9 percent to over $1 billion dollars.

8 (Cabot)	Cabot continues to improve its position in the growing UK debt market and delivered solid performance in the third quarter. Cabot's revenues grew 22 percent year over year, while Cabot generated $123 million dollars of collections in the third quarter, reflecting more than 20 percent growth in collections compared to the same period a year ago. Through the end of the third quarter, Cabot has deployed approximately $335 million dollars in 2015, including the portfolio purchased as part of the dlc acquisition. Cabot's Economic EPS contribution to Encore's results rose to 30 cents in the third quarter of 2015, up 43 percent compared to the 21 cent contribution from the same quarter a year ago. Cabot continues to enhance their collections through Marlin's litigation-focused capabilities.
9 (Baycorp)	In October, we completed the acquisition of a controlling interest in Baycorp, a leader in debt recovery solutions throughout Australia and New Zealand. Baycorp is well-recognized by consumers in the region and is well-respected by issuers there. Baycorp holds a top four market position in Australia and is the clear number one in New Zealand. These are two new markets for Encore that are showing solid growth and possess promising opportunities to continue to diversify geographically while growing and consolidating market share. Approximately one-third of Baycorp's current business is in contingency collections. We expect to leverage Encore resources in India and the U.S. to support Baycorp becoming the leading debt specialist in their markets.

10 (CFPB Settlement)	In September, we announced a settlement agreement with the CFPB that removes uncertainty that was associated with the Bureau's investigation of the debt buying industry. Importantly, through our settlement, the industry received much needed clarity regarding the Bureau's operational expectations in advance of their anticipated rulemaking due in 2016. In our discussions with the CFPB, we provided many detailed examples of our current collection practices, believing that they should become the industry's new standards. Indications are that issuers are adopting some of these same standards, and will require mid-tier competitors to comply with these enhanced expectations. This is what we wanted – and what we have worked toward for the past several years as the market's leader in driving initiatives that protect consumers' rights in the debt recovery space. We introduced our Consumer Bill of Rights in 2011, and since then we have grown our business and improved our procedures with the ultimate goal of providing economic relief and empowerment to consumers so that they can restore their personal financial health. This "principled intent" remains an important footing upon which we've built our company. I want to take a moment to address the events of the past couple of days. First, we welcome and fully support the FTC and their new initiative to crack down on abusive debt collectors, who continue to give our important industry a poor reputation. We also applaud the FTC and their partners' efforts in establishing a clearer reasonable basis to collect. This is a cause that we have also worked diligently toward so that we can assure that the consumer really owes what we're trying to collect.

10 (CFPB Settlement) Continued	While announcements like the one made Tuesday can cause a temporary dislocation of our stock price, we want to emphasize that we continue to differentiate ourselves within our industry by the level of investment that we've made in compliance and risk management. Alongside our strong data analytics, these investments represent a true competitive advantage. The stark truth is that companies who want to compete with us going forward must also invest heavily in their own compliance capabilities. We have made it an intense area of focus for ourselves. The issuers appreciate our diligent approach and have begun to require it from our competitors – and the regulators now demand it. This is the standard that we've set in the industry, cemented in place by our settlement with the CFPB. I'll now turn it over to Jon, who will go through the financial results in more detail. Jon…

	Jonathan Clark
11 (Detailed Financial Discussion)	Thank you, Ken. Before I go into our financial results in detail, I would like to remind you that, as required by US GAAP, we are showing 100 percent of Cabot, Grove and Refinancia's results in our financial statements. Where indicated, we will adjust the numbers to account for non-controlling interests.

12 (Collections by Channel)	Ken covered some of the information about our third quarter collections during his remarks. Worldwide collections grew 4 percent to $422 million dollars, compared to $407 million dollars in the third quarter of 2014. For the quarter, our call centers contributed 44 percent of total collections, or approximately $188 million dollars, compared to 46 percent of total collections, or $189 million dollars, in the same quarter a year ago. Legal channel collections accounted for 42 percent of total collections and grew to $179 million dollars in the third quarter, compared to $166 million dollars, and 41 percent of collections a year ago. Agency collections in the third quarter remained at 13 percent of total collections, the same percentage as last year. In the past, as we have transitioned accounts away from collection agencies and onto our own platform, the portion of collections from agencies has declined. However, in Q3 this impact was offset by the growth of Grove’s business, which employs agencies for collections.

13 (Revenues)	Revenue in the quarter was $288 million dollars, an increase of 5 percent over the $273 million dollars in the third quarter of 2014. Excluding the allowance charge related to the CFPB, revenues would have grown 8 percent in the quarter. International revenues grew 30 percent in Q3 driven by European revenues, which grew 26 percent, and Latin American revenues, which nearly doubled when compared to the same quarter a year ago. Once again this quarter, we had no performance-related portfolio allowances. But as Ken mentioned earlier, as part of the one-time charge related to the CFPB settlement, we did take an allowance of $8 million dollars in Q3 reflecting the impact to revenues related to the consent order. Our overall revenue recognition rate, excluding the effects of allowances and allowance reversals, was 63.7 percent, compared to 60.4 percent in the third quarter of 2014. We recorded $3 million dollars of net portfolio allowances in the quarter, compared to $6 million dollars of allowance reversals in the third quarter of 2014. Excluding the allowance related to the settlement, we recorded $5 million dollars of net allowance reversals in Q3. As many of you know, once we have evidence of sustained over-performance in a pool, we will increase that pool's yield. Consistent with this practice, and as a result of continued over-performance, we increased yields in the third quarter, primarily in the 2010 through 2014 vintages.

14 (Cost-to-Collect)	Turning to cost-to-collect, excluding acquisition-related and other one-time costs, our overall cost-to-collect for the third quarter was 39.2 percent, compared to 38.9 percent in the same quarter a year ago, reflecting a higher concentration of legal collections occurring within our international business. While cost-to-collect is an important metric, we don't focus on it in isolation. Overall, financial success in our business is driven by generating the greatest net return per dollar invested. In some instances, it makes sense to spend more to collect more. I'd also like to reiterate that our long-stated preference is to work with our consumers to negotiate a mutually acceptable payment plan, tailored to their personal financial situation. These plans almost always involve substantial discounts from what the consumer owes. We not only believe that this is the right thing to do for our consumers, but the right thing to do for our business. For Encore, legal action is always a last resort and is pursued only after numerous attempts to communicate and reach an acceptable agreement with a consumer.

15 (ERC)	Our Estimated Remaining Collections, or ERC, at the end of the third quarter was $5.7 billion dollars, an increase of 10 percent over last year. ERC related to our international business has grown 27 percent over the last year, driven primarily by the acquisition of dlc and the further application of Marlin's scorecard to Cabot's back book. We believe that our ERC, which reflects the value of portfolios that we have already acquired, is conservatively stated, because of our cautious approach to setting initial curves and our practice of only increasing future expectations after a sustained period of overperformance.

16 (Q3 Cabot EPS)	In the third quarter, Cabot contributed $7.8 million dollars of income to Encore's Q3 results, which equates to 30 cents of economic earnings per share. This compares to 21 cents of economic EPS contribution in the third quarter a year ago, an increase of 43 percent. Because we own our interest in Cabot together with our partner JC Flowers, Cabot's contribution to Encore's profit is calculated by backing out JC Flowers' interest and managements' interest, along with the Preferred Equity Certificates attributable to Encore, which eliminate in consolidation.
17 (Q3 EPS Walk)	For Encore as a whole, there were certain one-time and non-cash items that affected our results this quarter. In particular, the one-time $42.6 million dollar charge related to our settlement with the CFPB and other state regulatory matters equates to one dollar and 61 cents per share. Seven cents were related to the non-cash interest and issuance costs associated with our convertible notes and four cents were related to one-time acquisition, integration and restructuring costs. Additionally, one cent is related to excluding diluted potential shares from the GAAP loss per share calculation due to their anti-dilutive effect. After these adjustments, we end up with one dollar and 30 cents per fully diluted share, and one dollar and 34 cents on a non-GAAP Economic basis. In calculating our EPS on a non-GAAP Economic basis, we exclude those shares associated with our convertible debt that are reflected in our EPS denominator from an accounting perspective, but which will not be issued as a result of the call spread we entered into at the time we issued the convert. For the third quarter, we excluded approximately eight hundred thousand shares from the calculation as a result of the call spread. With that, I'd like to turn it back over to Ken.

	Ken Vecchione
18 (Encore's Prospects)	Thanks, Jon. Before we wrap up our prepared comments, I'd like to summarize our third quarter progress and provide our outlook going forward: • First, we grew Economic EPS by 15 percent in Q3. • Our competitive position in the U.S. is excellent. We made solid progress during Q3 regarding our domestic deployments and are on track to satisfy our full-year purchasing goal in the U.S. In addition, we've already secured significant commitments toward our U.S. deployments for 2016. • We also remain on track to deploy capital globally within the $1.2 to $1.4 billion dollar target range for the full year of 2015. • Our recent purchase of Baycorp has provided us with access to Australia and New Zealand, two new attractive growth markets for us with promising opportunities for growth, market consolidation and asset diversification. • And lastly, as we look at our roster of companies, our brands, our top market share positions, and the growing list of countries in which we operate, we sense a growing momentum as we head into 2016.

18 (Closing)	Now we'd be happy to answer any questions that you may have. Operator, please open up the lines for questions.
19 (Q&A Session)	
(Sign Off)	That concludes the call for today. Thanks for taking the time to join us and we look forward to providing our fourth quarter and full-year 2015 results in February.