Slide Number	Commentary
	Adam Sragovicz
1	Thank you, [Operator]. Good afternoon and welcome to Encore Capital Group's fourth quarter and full-year 2013 earnings call. With me on the call today are Ken Vecchione, our President and Chief Executive Officer, and Paul Grinberg, our Executive Vice President and Chief Financial Officer. Ken and Paul will make prepared remarks, and then we will be happy to take your questions.
2	Before we begin, we have a few housekeeping items. Unless otherwise noted, all comparisons made on this conference call will be between the full year of 2013 and the full year of 2012. 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. 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)	Thank you Adam, and good afternoon. I appreciate everyone joining us for a discussion of our fourth quarter and full-year results. For those of you who have been following our strong growth in 2013 and our activities in 2014, you know that we've been very busy. The fourth quarter concluded an outstanding year for Encore as our financial results for 2013 reflect the strength of our emerging global investments and servicing platform. This has been a time of significant change in our industry, and today, we will share with you how we are capitalizing on this change. We are building a diversified platform that will enable us to achieve our 15% earnings growth target. We will drive growth organically through our existing businesses, and with new asset classes and geographies through strategic acquisitions. This approach positions us as one of the leading, global specialty finance companies in the world. Now I'd like to take a few minutes to highlight some significant achievements for the quarter and the year.

3 (quarter results)	• As you can see, Encore had a record quarter. Our GAAP EPS from continuing operations was 87 cents per share, compared to 79 cents per share in 2012. • EPS on an economic basis and excluding one-time expenses and convertible non-cash interest was $1.05 per share compared to 80 cents in 2012, and increase of 31%. • Cash collections increased 52 percent to 351 million dollars. This significant increase was driven by our acquisitions of Asset Acceptance and Cabot, both of which we will address in more detail as we move through the presentation. Adjusted EBITDA was 206 million dollars, an increase of 53 percent. • Our overall cost-to-collect decreased by 70 basis points from 2012, to 42.1 percent. With the acquisitions of Cabot and Asset Acceptance, our Estimated Remaining Collections, or ERC, at December 31st was approximately 4 billion dollars.
4 (full year highlights)	On a full-year basis, GAAP EPS from continuing operations was 2 dollars and 94 cents and, after adjusting for one-time and certain non-cash items, Economic EPS was 3 dollars and 86 cents. And we're very proud and excited to report that we exceeded one billion dollars in annual collections for the first time in our company's history, and we did it by more than 200 million dollars. Our Adjusted EBITDA was 784 million dollars and our cost to collect was 39.1 percent, down 90 basis points from last year. These results reflect the disciplined and deliberate approach we've taken to deploying capital and building a very efficient operating platform, as well as the exceptional work of the people of Encore. Today our global workforce is more than 5,000 strong. We couldn't have come this far or be so well positioned for the future without their drive and determination.

5 (acquisition summary)	Of late, we've made a number of strategic acquisitions that we expect to form the foundation of our long-term sustainable growth. Before I discuss these transactions, I would like to share the operating formula we use to purchase and manage these acquisitions. One – Encore focuses on markets with attractive economic characteristics. Two – Encore intelligently levers the acquired company as appropriate. Three – We increase margins through lower operating expenses or improving cash collections. Four – The companies we acquire are platforms which can create organic growth or grow through consolidation. Five – Each acquisition needs to be accompanied by strong, talented management. With Refinancia, a Colombian company operating in the fast-growing markets of Peru and Colombia, we gained a foothold in Latin America and a platform for further expansion into that region. Marlin Financial Services, which we spoke about at length two weeks ago, has been combined with Cabot, creating the market leader in the attractive UK debt buying market. Grove Capital is a leader in the deployment and management of IVAs, or individual voluntary arrangements, which are roughly equivalent to Chapter 13 bankruptcies. All of these companies are in markets with solid opportunities to deploy capital at good returns. They also give us optionality, which is another major advantage for our business going forward. Optionality insulates Encore from temporary pricing pressures in one asset class or geography, as we are now able to allocate capital in multiple asset classes and in multiple geographies, to bring our shareholders the best returns.

6 (Value creation/ TSR house)	Before we get into the specifics of these acquisitions, I want to put them in the context of our value creation model. When we look at expansion and diversification, we look for opportunities that align with our four pillars of value creation. The most recent acquisitions of Refinancia, Marlin and Grove, along with our earlier acquisitions of Propel, Asset Acceptance, and Cabot do just that. These acquisitions allow us to leverage our analytic strength, operational scale and cost leadership to increase liquidation and operate more efficiently. They allow us to be strong stewards of capital, giving us the ability to deploy capital globally in search of the best returns. And they allow us to capitalize on what we do well and leverage our strengths in other geographies and asset classes. The ultimate goal of these acquisitions – and quite frankly, everything else we do – is to drive growth, margin expansion, free cash flow, and PE expansion, and ultimately, deliver top quartile shareholder returns. The acquisitions of Cabot, Marlin, Refinancia, Grove, and Propel all have several similarities – they all are respected brand names and growing companies, and they occupy the number 1 or 2 position in their markets. These are “investments with involvement” – upon acquisition, we secure a sizable majority interest, board control, direct influence over management and operations, and the right to increase our ownership stake over time.

7 Growth strategy	This value creation model is also the lens we look through when we develop and execute our corporate growth strategy. We are focused on three key areas: growing our existing businesses, including our subsidiaries; expanding our geographic footprint; and diversifying into new asset classes. As you can see, this corporate strategy aligns with our value creation model, and is demonstrated in the acquisitions we've made. Now, I'd like to spend a little time talking in more detail about the most recent additions to the Encore family.

8 (Refinancia)	In December, we closed on our acquisition of a controlling stake in Refinancia, a leading debt purchaser in Colombia and Peru. These two markets are growing quickly, with the expansion of the middle class and significant increases in consumer credit. While we will initially focus on working with the Refinancia team to transfer our knowledge of the financially distressed consumer to their market and to help put in place operational efficiencies, over time, Refinancia will serve as our platform for expansion throughout Latin America. When we first began discussions with Refinancia's Founder and CEO nearly two years ago, we were attracted to the quality of its management team and its shared vision around using data to make decisions. We were also aligned culturally in our focus on operating ethically and treating consumers with the respect they deserve. As we learned more about the Latin American credit markets and did our due diligence, we realized that this would be an exciting market to invest in. With a combined market size of almost 80 million consumers, these fast-growing economies provide great opportunities for growth. And importantly, the investment returns in both of these markets are strong, at levels in excess of what we are experiencing in the U.S. and U.K. The deal structure with Refinancia was similar to Cabot's and one that we expect to replicate in other geographies. We acquired a controlling interest in Refinancia, initially at just over 50% and expect, over time, to acquire a larger stake in the business. Unlike Cabot, the majority of the capital we invested in Refinancia was issued as primary equity and will remain in the business to fund future growth. The founders of Refinancia and the current management team took no money off the table in connection with our investment. For all of our purchases in Colombia and Peru, Encore deploys 100 percent of the capital directly through Latin American special purpose vehicles and then places the accounts with Refinancia for servicing.

9 (Refinancia)	Refinancia's core business is to service distressed consumer debt, including debt that Encore purchases and debt that it services on behalf of large financial institutions and others on a contingency basis. It also provides us with a level of diversification, by providing merchant guarantee services, factoring, as well as a small credit card product in Colombia. The credit card product extends our relationship with consumers as they recover, and enables them to reenter the financial system. As we spend more time with Refinancia and learn its business, we expect that there will be a number of opportunities to implement some of these lending products across other parts of our organization. Refinancia will not be a large contributor to EPS in 2014. Initially, we expect annual capital deployment opportunities to be in the 40 million dollar range. Over time, as we build up our book and implement some of the synergies we've identified, we expect Refinancia to represent a more meaningful part of our earnings.

10 (Grove)	Last week, we entered into an agreement to acquire 68% of Grove Capital Management in the UK, a purchaser and servicer of insolvencies, consisting primarily of individual voluntary arrangements, or IVAs. An IVA is roughly equivalent to a Chapter 13 bankruptcy in the US. As with Refinancia, we will deploy capital in a separate vehicle and place the accounts with Grove to service. We began discussions with Grove more than a year ago, but put those discussions on hold so that we could focus on Cabot and then Marlin acquisitions. Once those were completed, we were able to reengage with Grove and its shareholders to finalize our deal. Grove allows us to expand our footprint in the UK through another asset class and bring a full suite of offerings to issuers in the UK market. We are very optimistic about the pipeline for insolvency assets in the UK, and expect to be able to deploy 50 million dollars in IVAs on an annual basis. As with Refinancia, EPS related to Grove should be modest in 2014, but we expect this to grow in 2015, as more and more capital is deployed. Although we expect to close the acquisition of Grove later this quarter or early next quarter pending regulatory approval, we will begin deploying capital immediately.

11 (Marlin)	We also recently announced Cabot's acquisition of Marlin Financial Services. Marlin brings to Cabot estimated remaining collections, or ERC, of more than 350 million pounds, or approximately 570 million dollars. Marlin specializes in litigation enhanced collections, similar to Encore's legal collection capabilities in the U.S. With this platform, Marlin has a high rate of success in collecting on non-performing debt and complements Cabot's strength in semi-performing debt. Marlin also provides the necessary legal collection capabilities that would otherwise be time-consuming and costly to develop internally.
12 (Marlin)	We expect these capabilities to increase liquidation on Cabot's current and future portfolios, and enable us to expand our capital deployment to non-performing debt. The acquisition establishes Cabot's presence in the secondary and tertiary markets, where we see additional opportunity for growth. Cabot will also add value to Marlin's business and ERC, with its expertise in the recovery of semi-performing debt. We expect the combined company to be much more competitive in the market than either would have been on a stand-alone basis. And finally, Marlin adds valuable management depth with extensive industry experience. The combination of these two businesses gives us a great platform to be a leader in what we believe will be upcoming industry consolidation in the UK debt purchase market.

13 (World map)	Encore's global footprint represents our deliberate and thoughtful approach to exploring new markets to deploy capital. The state of the debt buying industry and its future in the United States is a topic of much discussion and debate these days. On the one hand, we are seeing a period of industry consolidation, which is a product of intense regulatory pressure and the need to have significant scale to compete effectively. We believe we will not only survive this consolidation, but emerge strong and as one of the clear industry leaders. On the other hand, we are in a period of lower supply, as charge-offs are at record lows, and a couple of issuers have temporarily pulled back from the market. This has resulted in elevated pricing despite the market consolidation. With our ability to deploy capital in multiple geographies - the US, Latin America, the UK, and later this year India– we can channel our capital to those markets with the greatest returns to help us achieve our 15 percent annual EPS growth target. At our Investor Day on Thursday June 5th in New York we will introduce you to the new management teams, and share more details with you about each of our new businesses and the opportunities they present for Encore.
14 (Confidence in Acquisition execution – Asset Acceptance)	We are confident in our ability to execute on these acquisitions following the success of our two large acquisitions in 2013. We have now collected over 175 million dollars from our Asset Acceptance acquisition, ahead of our plan, and are nearing the full rationalization of support functions and call centers. The complexities of moving over 2 million accounts were handled skillfully by our dedicated integration team, and this acquisition allowed us to be more flexible and selective throughout 2013 in our portfolio purchasing.

15 (Acquisition execution – Cabot	We are also proud of the performance of our acquisition of Cabot, which added 100 million dollars of Adjusted EBITDA, ERC of 1.5 billion dollars, and Economic EPS of 36 cents to Encore in 2013. I would like to mention Cabot India went live on January 20th, nearly two months earlier than our expectations. We are collecting and servicing accounts in India while we continue to learn and modify our collection approaches to fit the nuances of the UK market. In order to ensure our success in executing on these transactions, we've made some changes within our executive management, and promoted three new Executive Vice Presidents. Ashish Masih, who had previously run our legal collections channel, will now be responsible for all U.S. based collections. Ashish has done a great job applying analytical rigor to our legal collections, which has significantly lowered our cost to collect in that channel. He also has been instrumental in building our internal legal channel. Jim Syran, who has been responsible for all of our call centers, our marketing channel and operational analytics over the last few years, will now take on responsibility for integrating our international acquisitions, as well as new domestic business opportunities. His initial focus will be to work with the leaders of Cabot, Refinancia and Grove to ensure that the synergies are implemented. With his intimate knowledge of Encore's analytics and operations, he will ensure that we leverage Encore's best practices throughout all of our international operations and bring the appropriate resources to bear as needed. And lastly, Manu Rikhye, who has built our India operations from a handful of people to nearly 2,000 strong today, will now take on the responsibility to develop and grow the Indian debt purchasing business which is scheduled to launch at the end of this year. I'm excited to see Ashish, Jim, and Manu in these roles and proud of the breadth and depth of our leadership team.

16 (CFPB)	Turning to the regulatory environment, I'd like to provide a quick update on the CFPB Advanced Notice of Proposed Rulemaking that began last November. We are just now wrapping up the first phase, filing comments with the CFPB later this week. This begins what we expect to be a year-long process, with an anticipated final rule in late 2014 or early 2015, with a subsequent effective date. Overall, we are pleased that the CFPB has initiated this rulemaking, as it will give much needed guidance to the collections industry. We believe, however, that until it completes its rulemaking over the next 18-month period, the Bureau will continue to shape industry standards through supervision and enforcement. Before I pass it to Paul, who will review the numbers with you in more detail, I would like to take this opportunity to publicly thank our outgoing Executive Chairman, George Lund, for his many years of service. George has been very supportive of Encore's vision and strategy over the years, and we all benefited in countless ways from his counsel. I am also pleased that the Board has chosen long-time member Will Mesdag to become Chairman, and we look forward to his guidance and leadership. Finally, we are pleased to welcome to our board Laura Olle, Capital One's former Chief Enterprise Risk Officer and former Senior Vice President of IT at Freddie Mac, and Rich Srednicki, the former CEO of Chase Card Services and former president of AT&T Universal Card Services and Citi Credit Cards. Laura and Rich have already been through extensive sessions with Encore management on our current business environment and future plans, and we are eager to work with them. These are extraordinarily talented and experienced leaders, and the management team and our shareholders are very fortunate to have them on the Board. The management changes and Board additions are designed to reflect the growing global footprint of Encore Capital. Now, over to you, Paul.

	Paul Grinberg
17	Thank you, Ken. As Ken discussed, we had a very strong fourth quarter and year, reflecting strong performance from our core business and our recent acquisitions. Before I go into our financial results in detail, I would just like to remind you that, as required by US GAAP, we are showing 100% of Cabot's results in our financial statements. Where indicated, we will adjust the numbers to account for our non-controlling interest.

18	The Asset and Cabot acquisitions led to strong capital deployment in 2013. We invested 1.4 billion dollars across all geographies and asset classes, with 380 million associated with the Asset deal and 621 million attributable to Cabot. In the fourth quarter, we deployed 150 million dollars across all business lines, with 97 million in the U.S., 35 million in the UK and Ireland, and 18 million in Latin America. As we mentioned earlier this year, the Asset acquisition provided us with nearly one billion dollars in ERC at returns much higher than we would have achieved had we been purchasing directly from issuers. This allowed us to be more strategic in our domestic purchases for the rest of 2013 and will allow us similar flexibility in 2014. That said, we expect a solid purchasing year in 2014. While we anticipate that most issuers will return to the market this year, we also expect elevated pricing will continue. One of the reasons we've invested so heavily in other geographies and asset classes is to have the flexibility to deploy our capital where we see the best returns or, when warranted, to buy strategically in the U.S. With elevated pricing, we also anticipate that 2014 will be a year of further industry consolidation, as smaller players are unable to make the compliance and regulatory investments required by leading issuers. It is our belief that smaller buyers, without the same operational cost advantages as leaders in the industry, will be unable to effectively compete and will ultimately decide to sell their portfolios and exit the business. As these players exit the market, the supply/demand equation will be more favorable for purchasers and pricing will not be under as much pressure. Propel had a very strong quarter for capital deployment, with 45 million dollars invested in tax liens. In December of last year, Propel acquired one of its competitors in Texas, for 35 million dollars. Like in our core business, companies with a lower cost of capital, an analytical approach to understanding the consumer and a cost efficient platform will generate the best returns. Propel has all of these, and, as such, we expect Propel to grow its business both organically, and through industry consolidation.

19	We generated nearly 1.3 billion dollars of collections in 2013, and just over 350 million dollars in the seasonally slow fourth quarter. 67 million dollars of collections in the quarter came from Cabot. For the year, our call centers contributed 41 percent of total US collections, or 466 million dollars, compared to 442 million dollars in 2012. Legal channel collections grew to 565 million dollars in 2013, compared to 448 million dollars, and accounted for 49 percent of total US collections. Finally, 10 percent of US collections came from third-party collection agencies. As a result of the Asset acquisition, we expected to see an increase in third-party collections, as many of those accounts had already been placed with third-party agencies at the time of acquisition. We continue to shift much of this work to our internal channels over time as part of our integration efforts. Also, for some of Cabot's purchases, we are contractually required to keep accounts with certain agencies for a period of time after purchase.

20	For the quarter, revenue from receivable portfolios was 227 million dollars, an increase of 62 percent over the 140 million dollars in the fourth quarter of 2012. As a percentage of collections, and excluding the effects of allowances, our revenue recognition rate was 63.3 percent, compared to 59.4 percent in 2012. For the quarter, we had 4.5 million dollars of allowance reversals, compared to 2.7 million dollars of net reversals in 2012. Looking at the breakdown by year, we had 218 thousand dollars of allowance reversals in the 2006 vintage, 1.4 million dollars in the 2007 vintage and 2.9 million dollars in ZBA allowance reversals. We had no allowance charges for the 2009 through 2013 vintages, as has been the case since we acquired these portfolios. As many of you know, we account for the business on a quarterly pool basis, rather than overall. When pools under-perform, we take allowance charges, which are reflected as an immediate reduction in revenue. We measure under-performance against the current yield that is assigned to a pool, not its original expectation. This pool-by-pool accounting treatment may lead to non-cash allowance charges in certain periods, even when we are over-performing a pool's initial expectations. In contrast, when pools over-perform, that over-performance is not reflected immediately. 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 primarily in the 2009, 2010, 2011 and 2012 vintages, we increased yields in those pool groups this quarter.

21	Turning to cost to collect, excluding acquisition-related and other one-time costs, our overall cost-to-collect for the year decreased 90 basis points to 39.1 percent. Breaking the overall cost to collect into its components, Cabot's cost to collect is comparatively low, in the mid- to high-20's, due to the fact that Cabot's portfolio primarily consists of consumers who are already on payment plans and involves very little litigation. With the Marlin acquisition and its new litigation platform, Cabot's cost to collect may increase, but with that increase will come incremental net collections and a higher overall return For our U.S. business, direct cost per dollar collected in our call centers rose to 7.2 percent in 2013, versus 6.2 percent in 2012. This was the result of the increased costs associated with the Asset business. Our business also exhibits some seasonality, with lower collections in the fourth quarter leading to a higher cost to collect. As we mentioned when we acquired Asset, we expected our call center cost to collect to remain elevated for three to four quarters as we adjusted our combined workforce to the appropriate levels. Direct cost per dollar collected in the legal channel was 37.8 percent, down from 39.8 percent in 2012. While cost to collect is an important metric, we don't focus on it in isolation. Overall, success in our business is driven by generating the greatest net return per dollar invested. We accomplish that by generating more gross dollars collected per investment dollar at what we believe to be the lowest cost per dollar collected in the industry.

22	Our legal channel, which includes both legal outsourcing and our internal legal operation in the United States, continues to be a strong contributor to the business, both in terms of dollars collected and cost to collect. Total dollars collected in our legal outsourcing channel was 469 million, at a cost to collect of 35.9%, down from 37.8%. This decrease was primarily related to improvements in our ability to more accurately and consistently identify those consumers with the financial means to repay their obligations. Total dollars collected in our internal legal channel were 96 million, at a cost to collect of 47.3%. In 2011, our cost-to-collect in internal legal was over 200 percent, as we were investing in our technology platform, hiring staff, and opening new sites. As our volume in the channel increased, our cost to collect came down. In 2012, our cost to collect was over 80 percent and this year, it dropped significantly. In our 10K, which we filed earlier today, we've broken out our legal cost to collect between our external and internal legal channels. This provides you with more visibility to our progress in reducing cost to collect in our Internal Legal channel. I'd 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 is owed to us. 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.

23	As mentioned earlier, collections reached an all-time high for a quarter, and continued investments in our operating platform expanded the operating leverage in the quarter. This growth in collections and cost improvement led to improved cash flows, with 2013 Adjusted EBITDA increasing 36 percent over last year to 784 million dollars. As investors who are familiar with Encore know, 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 gives investors a clear picture of the strong cash flow generated by our business.

24	Our Estimated Remaining Collections, or ERC, at year-end doubled compared with the fourth quarter of 2012, driven by the acquisitions of Asset Acceptance and Cabot. 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.
25	Turning to Cabot, for the year, the business contributed 9 million dollars to Encore's 2013 results, which is the equivalent of 36 cents of economic earnings per share. Remember that 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' and managements' interests and the preferred equity certificates attributable to Encore, which eliminate in consolidation.

26	Propel continues to grow and mature as a business. As I mentioned earlier, Propel completed a 35 million dollar acquisition of a competitor in Texas. Like Encore, we believe that Propel will be a consolidator in its market. The other competitors in the Texas tax lien space are privately held, and so precise numbers are not available, but we estimate that, after this acquisition, Propel has just under a 50 percent market share in the Texas tax lien market. Propel continues to deploy capital in other states acquiring tax liens and, at the end of the year, Propel was deploying capital in 10 states. As you can see, Propel is an increasingly more important contributor to Encore, and we expect this trend to continue in 2014.

27	To fully understand our overall results, there were certain one-time and non-cash items which affected our results this quarter. We had 4 cents related to the non-cash interest costs associated with our convertible notes and 10 cents of one-time acquisition related and advisory fees, which amounted to 14 cents per share. After adjusting for these, we end up with $1.01 per fully diluted share on a GAAP basis, and $1.05 on a non-GAAP economic basis. As you recall, in 2012, we issued 115 million dollars in convertible notes at 3 percent with a conversion premium of $31.56. At the time of this issuance, we entered into a call spread transaction which increased that conversion premium to $44.19. For accounting purposes, if our share price exceeds $31.56, we are required to include the shares that would be issued pursuant to the convert in our diluted share count. But since we entered into the call spread, we will only issue shares when our stock price exceeds $44.19. Our average stock price during the quarter was $47.57, which resulted in one million forty one-thousand shares used to calculate EPS that, together with the repricing of the call spread, which I will discuss in a minute, will never be issued. As such, in calculating Economic EPS, we have not included those shares in our calculations, which increases EPS by four cents to one dollar and 5 cents per share for the quarter. We paid 11.6 million dollars for the call spread, which protected us from economic dilution from $31.56 to $44.19. This represents about one million shares that we would have had to issue had we not entered into the call spread. Late last year, recognizing that our stock price was in excess of the $44.19 and expecting it to increase beyond that prior to the maturity of the convertible note, we evaluated alternatives to protect our shareholders from dilution at stock prices above $44.19. We concluded that the best alternative was to enter into equity derivative transactions that effectively protect us from dilution up to 60 dollars per share. We completed these transactions a couple of weeks ago at a total cost of 28 million dollars. That investment would save almost 700,000 additional shares (in the value of shares that would not be outstanding) at a stock price of 60 dollars per

	share. As stewards of your capital and with our strong views about the strength of our business and our future share price, we thought it prudent to protect from the dilution of the convert, so we entered into the amended call spread, resulting in savings significantly greater than the cost. I want to remind you that with our 2013 convert of 172.5 million dollars, we entered into a capped call transaction, which increased the economic conversion from 45.72 to 61.55.
28	There were also similar one-time and non-cash items that affected our results for the full year. We had 12 cents related to the non-cash interest costs associated with our convertible notes and 71 cents of one-time acquisition related and advisory fees, which together amounted to 83 cents per share. After adjusting for these, we ended up the year with $3.77 cents per share on a GAAP basis, and $3.86 on an economic non-GAAP basis. I would also like to note that during 2013, we saw the resolution of outstanding items, in our discontinued operations of Ascension Capital Group. We recognized costs of 7 cents per share, to resolve some legacy contractual claims, and for costs related to the Ascension lease.

29	In order to support our future growth, we made a number of important modifications to our credit agreement. We increased our commitments by approximately 100 million dollars, which brings our facility to more than 840 million dollars, with the ability to add another 250 million dollars through an accordion feature. We extended the term of the facility to February 2019, replenished our ability to issue junior debt and increased many of our baskets to reflect our recent growth. Specifically, we increased our ability to raise debt at Propel to 400 million dollars, so that we can continue the strong growth we are experiencing there, and increased our ability to acquire foreign portfolios to two hundred million dollars, which will enable us to capitalize on the opportunities we are seeing at Refinancia and Grove. We value the trust that our banking partners have placed in our company and our growth strategy, and could not continue to grow without their support. At this time, I would like to turn the call over to Ken for some closing comments.

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<tr><th></th><th>Ken Vecchione</th></tr>
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Thanks, Paul. As you can see, 2013 and the first part of 2014 have been very busy times at our Company. We are positioning Encore to be successful on a go forward basis.
Looking ahead, we are confident in Encore’s long-term prospects:

Our culture of continuous improvement, which drives ever-improving performance is demonstrated by our strong operating results and capital deployment.
We continue to enhance our ability to take advantage of new opportunities as a result of our strong liquidity and solid access to capital.
This quarter and the full year’s results demonstrate that our acquisition activities continue to drive strong growth in cash flow, ERC and profit. .
Lastly, with our recent geographic and asset diversification, we are now truly a global company with investments in several asset classes and geographies, which positions us for strong earnings growth in 2014 and beyond.

With that, we would be happy to answer any questions you may have.
Operator, please open up the line for questions.
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