Slide #	Commentary
	Bruce Thomas
1	Thank you, Operator. Good morning and welcome to Encore Capital Group's second 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, Ashish Masih, Executive Vice President, US Debt Purchasing & Operations, and Paul Grinberg, Group Executive, International and Corporate Development. 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 second quarter of 2015 and the second 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 morning. I appreciate everyone joining us today. This morning we posted our second quarter 2015 financial results and we are pleased with our performance. We established new records for total collections, revenues, adjusted EBITDA, adjusted income, Estimated Remaining Collections and non-GAAP Economic EPS. Additionally, we deployed over $500 million dollars in the quarter, including the portfolio we acquired through the dlc transaction that we announced on Investor Day. Our success in the quarter was driven primarily by two of our strategic initiatives within the company: First, our international platform is delivering strong growth in collections, revenues, and earnings. And second, we are successfully sustaining our core US business through sizable capital deployments and commitments for forward flows. Turning to our results: • Encore's first quarter GAAP EPS rose to one dollar and 3 cents per share, compared to 86 cents per share in the second quarter of 2014, an increase of 20%. • Excluding one-time items and convertible non-cash interest, Non-GAAP Economic EPS reached a record one dollar and 27 cents per share, compared to one dollar and 10 cents per share, an increase of 15% from the second quarter of 2014.

3 (Intro and Overview) Continued	• GAAP Net income grew 17% in the quarter, to $28 million dollars, and Adjusted income grew 14% to $33 million dollars compared to the same quarter last year. • Cash collections increased 7 percent to a record $437 million dollars. • Adjusted EBITDA, one of our most important measures of underlying performance, grew to a record $277 million dollars, an increase of 8 percent. • On a trailing twelve months basis, Adjusted EBITDA grew 10% to $1 billion, 36 million dollars, compared to $943 million dollars a year ago. • Our overall cost-to-collect this quarter was 37.6 percent, down slightly from 37.9 percent a year ago, reflecting a greater percentage of our collections coming from our lower-cost international business. • Our Estimated Remaining Collections, or ERC, at June 30th was approximately $5.7 billion dollars, an increase of 16%, or $785 million dollars, compared to the end of the second quarter of 2014.

4 (Q2 Deployments – the Big Picture)	We deployed more capital in the second quarter than we have in any single quarter since we acquired Cabot in the third quarter of 2013. Over 50% of the purchasing occurred outside of the United States. Especially significant this quarter was the diversification of our capital deployment. As part of an acquisition, Cabot purchased the largely non-performing portfolio of dlc, and also deployed capital in the semi-performing arena. In the US, the majority of our deployments represented charged-off credit card paper, mostly comprised of fresh accounts, but also including seasoned paper from our traditional issuer partners. Our subsidiary Propel also purchased tax liens during the second quarter. We deployed only a small amount of capital in Latin America during Q2 as banks there are targeting to sell charged off accounts in the second half of the year. This business will exhibit uneven purchasing characteristics over the near term as banks in Latin America are just beginning to conduct regular auctions.

5 (Full-Year US Core Deployments)	At Encore's Investor Day in June, we affirmed our expectation that we will deploy between $500 and 600 million dollars within the US core market, consistent with previous year deployments as well as with our target. Now that we are half way through the year, we have made further incremental progress toward our goal and we are already closing in on the lower threshold of the range when considering capital deployed and forward flows. We expect total deployments will be consistent with prior years. It's important to note that our expected range assumes that the large sidelined issuers do not return in 2015. We are poised to benefit as supply increases and as regulation deepens and widens the moat around our business, enhancing the barriers to entry within our markets.

6 (Collections Growth Driven By International)	The primary driver for our collections performance in Q2 was the continued growth of our international business. Over the past two years, our acquisitions in the UK and in Latin America 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 Q2, collections from our international business grew 22% compared to last year, reflecting our continued growth outside of the United States. Collections in the UK grew 23% in the second quarter, while collections from our business in Latin America, although still small, grew 17% compared to last year.
7 (Cash Flows)	Our improving collections performance in the second quarter led to strong cash flows. We generated a record $277 million dollars of Adjusted EBITDA, an increase of 8 percent over the second 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 10 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 second quarter. Cabot's revenues grew 15% year over year, while Cabot generated $114 million dollars of collections in the second quarter of 2015, reflecting more than 17% growth over the second quarter of 2014. Cabot deployed $283 million dollars in Q2, including the portfolio purchased as part of the dlc acquisition. Cabot's Economic EPS contribution to Encore's results rose to 29 cents in the second quarter of 2015, up 53% compared to the 19 cent contribution from the same quarter a year ago. Cabot continues to enhance their collections through Marlin's litigation-focused capabilities.
9 (dlc)	At our Investor Day in June, we announced that Cabot had just completed the acquisition of dlc, an experienced debt buyer and debt collection agency in the UK. With a long history of buying portfolios that dates back 20 years, dlc has a very attractive portfolio, with roughly $437 million dollars of ERC. dlc is a profitable, debt-free business and - prior to their acquisition - was one of the last mid-sized debt buyers in the UK market. This transaction eliminated a competitor in the UK and satisfies Cabot's purchasing goals for 2015. Cabot will continue to purchase paper as they integrate the dlc acquisition. With that, I will turn it over to Jon, who will go through the financial results in more detail. Jon…

	Jonathan Clark
10 (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.
11 (Deployments)	In total, we deployed $505 million dollars in the second quarter. Of that total, we purchased $419 million dollars of credit card receivables, including $128 million dollars in the US and $290 million dollars in Europe. The European deployment included $216 million dollars for the purchase of dlc's portfolio in the UK. An additional $86 million dollars was deployed by Propel for tax liens. Our ability to deploy capital at solid returns - in multiple markets – allows us to allocate capital to the areas with the highest returns and insulates us from the pricing and volume volatility that reliance on one market can cause.

12 (Collections Detail)	Ken covered some of the information about our second quarter collections during his remarks. Worldwide collections grew 7 percent to $437 million dollars, compared to $409 million dollars in the second quarter of 2014. For the quarter, our call centers contributed 45 percent of total collections, increasing to $197 million dollars, compared to 47 percent of total collections, or $192 million dollars, in the same quarter a year ago. Legal channel collections accounted for 43 percent of total collections and grew to $189 million dollars in the second quarter, compared to $168 million dollars, and 41 percent of collections a year ago. Agency collections in the second quarter remained at 12% 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 Q2 this impact was offset by the growth of Grove's business in the UK, which employs agencies for collections.

13 (Revenues)	Revenue in the quarter was a record $290 million dollars, an increase of 8 percent over the $269 million dollars in the second quarter of 2014. This was the 10th consecutive quarter of revenue growth for Encore. Revenues grew in the US, Europe and Latin America, with Latin America and Europe posting increases of 85 percent and 19 percent respectively. Our revenue recognition rate, excluding the effects of allowance reversals, was 60.8 percent, compared to 59.8 percent in the second quarter of 2014. For the quarter, we had $4 million dollars of allowance reversals, compared to $3 million dollars of allowance reversals in the second quarter of 2014. For the 26th quarter in a row, we had no portfolio allowances in the quarter. 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 second quarter, primarily in the 2011 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 second quarter was 37.6 percent, reflecting a higher concentration of collections occurring within our lower-cost international business. Breaking the overall cost-to-collect into its components, Cabot's cost-to-collect continues to trend lower than our overall cost-to-collect. Cabot's portfolio includes many consumers who are already on payment plans, and historically involves very little litigation. Marlin has marginally increased Cabot's cost-to-collect due to its litigation focus. As more of Cabot's accounts are serviced through Marlin's legal channel, we expect to see incremental net collections and a higher overall return. Within our U.S. business, direct cost-per-dollar collected in our call centers was 7.4 percent in the first quarter, compared to 6.4% last year. Direct cost-per-dollar collected in the domestic legal channel was 34.3 percent, a 150 basis point improvement from 35.8 percent in the second quarter of 2014. 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. In some instances, it makes sense to spend more to collect more.

15 (US Legal Outsourcing & Internal Legal)	Our legal channel in the United States, which includes both legal outsourcing and our internal legal operations, generated $168 million dollars in collections in the second quarter, growing 8% compared to $156 million dollars a year ago. Our legal outsourcing channel in the US collected $136 million dollars in the second quarter, up 9% over the $126 million dollars collected in Q2 of 2014. This increase was the result of our decision to invest more heavily in legal collection opportunities. Cost-to-collect for our legal outsourcing channel was 33.7 percent, representing a 100 basis point improvement over the 34.7 percent cost-to-collect in Q2 of 2014. Our internal legal channel in the US collected $31 million dollars in the second quarter, at a cost-to-collect of 37.1 percent, representing a 320 basis point improvement over the 40.3 percent cost-to-collect in Q2 of 2014. Even though we expect that our internal legal cost-to-collect will continue to improve over time, as we place more volume in this channel, it's important to understand that our primary financial goal is to maximize the net present value of each collection opportunity. 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.

16 (ERC)	Our Estimated Remaining Collections, or ERC, at the end of the second quarter was $5.7 billion dollars, an increase of 16 percent over last year. This increase was driven 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.
17 (Q2 Cabot EPS)	In the second quarter, Cabot contributed $7.5 million dollars of income to Encore's Q2 results, which equates to 29 cents of economic earnings per share. This compares to 19 cents of economic EPS contribution in the second quarter a year ago, an increase of 53%. 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.

18 (Q2 EPS Walk)	For Encore as a whole, there were certain one-time and non-cash items that affected our results this quarter. 6 cents were related to the non-cash interest and issuance costs associated with our convertible notes and 14 cents were related to one-time acquisition, integration and restructuring costs. After these adjustments, we end up with one dollar and 23 cents per fully diluted share, and one dollar and 27 cents on a non-GAAP Economic basis. While delivering $1.27 in earnings during the second quarter, we earned through 4 cents of foreign exchange headwinds. 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 second quarter, we excluded approximately eight hundred thousand shares from the calculation as a result of the call spread.
19 (ECPG Share Buyback)	We remain committed to repurchasing our shares when it provides value to Encore's shareholders. As we mentioned on Investor Day, during Q2 we bought back $33 million dollars of our stock at an average share price under $40 dollars. Over the last year, we repurchased $50 million dollars' worth of stock, representing 5% of shares outstanding. This utilized the balance of our most recent authorization. With that, I'd like to turn it back over to Ken.

	Ken Vecchione
20 (Encore's Prospects)	Thanks, Jon. Before we wrap up our prepared comments, I'd like to summarize our second quarter progress and provide our outlook going forward: • First, we grew Economic EPS by 15% in Q2. • Our competitive position in the U.S. is excellent. We made strong progress during Q2 in securing our domestic deployments for the full year and are on track to satisfy our full-year purchasing goal in the U.S. • We're also on track to deploy capital globally within the $1.2 to $1.4 billion dollar target range for the full year of 2015. • Cabot's recent purchase of dlc has strengthened our market position in the UK and we continue to pursue new opportunities to improve and expand our business internationally. • And finally, we bought back shares of Encore stock in Q2, completing the most recently authorized share buyback program.

21 (Closing)	Now we'd be happy to answer any questions that you may have. Operator, please open up the lines for questions.
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 third quarter results in November.