

## **Encore Capital Group, Inc. Announces Public Offering of Exchangeable Notes**

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SAN DIEGO, July 16, 2018 (GLOBE NEWSWIRE) -- Encore Capital Group, Inc. (NASDAQ:ECPG) (“Encore Capital” and together with its subsidiaries, “Encore”) announced today that it has commenced an underwritten public offering of exchangeable notes.

Encore Capital Europe Finance Limited (“Encore Finance”), a 100% owned subsidiary of Encore Capital, intends to offer, subject to market and other conditions, \$150,000,000 aggregate principal amount of its exchangeable senior notes due 2023 (the “notes”) in an underwritten registered public offering. The notes will be senior, unsecured obligations of Encore Finance and will be fully and unconditionally guaranteed, on a senior, unsecured basis, by Encore Capital. In connection with this offering, Encore Finance expects to grant the underwriters a 30-day option to purchase up to an additional \$22,500,000 aggregate principal amount of such notes solely to cover over-allotments on the same terms and conditions. The notes will be exchangeable, subject to satisfaction of certain conditions and during certain periods, into cash, shares of Encore Capital’s common stock, or a combination of cash and shares of Encore Capital’s common stock, at Encore Finance’s election. Interest will be payable semiannually in arrears. The interest rate, exchange rate and other terms of the notes are to be determined upon pricing of the notes offering.

In connection with the pricing of the notes, Encore Capital expects to enter into privately negotiated capped call transactions with one or more of the underwriters of the offering and/or their respective affiliates and/or other financial institutions (the “option counterparties”). The capped call transactions are expected generally to reduce potential dilution to Encore Capital’s common stock upon any exchange of notes and/or offset any potential cash payments Encore Finance is required to make in excess of the principal amount of exchanged notes, as the case may be, with such reduction and/or offset subject to a cap. If the underwriters of the offering exercise their option to purchase additional notes, Encore Capital expects to enter into additional capped call transactions with the option counterparties.

Encore Capital expects that, in connection with establishing their initial hedges of the capped call transactions, the option counterparties or their respective affiliates will enter into various derivative transactions with respect to Encore Capital’s common stock concurrently with, and/or purchase Encore Capital’s common stock shortly after, the pricing of the relevant notes. This activity could increase (or reduce the size of any decrease in) the market price of Encore Capital’s common stock or the notes concurrently with, or shortly after, the pricing of the notes. In addition, the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to Encore Capital’s common stock and/or purchasing or selling Encore Capital’s common stock or other securities of Encore’s in secondary market transactions following the pricing of the notes and prior to the maturity of the notes (and are likely to do so during any observation period related to an exchange of notes). This activity could also cause or avoid an increase or a decrease in the market price of Encore Capital’s common stock or the notes, which could affect holders’ ability to exchange their notes and, to the extent the activity occurs during any observation period related to an exchange of notes, it could affect the number of shares and value of the consideration that holders will receive upon exchange of the notes.

Encore intends to use the net proceeds of the offering to partially fund the acquisition of all the outstanding equity interests of Janus Holdings Luxembourg S.à r.L. (“Janus”), not currently held directly or indirectly by Encore, and, immediately following the consummation of such acquisition, the purchase by Janus of all the outstanding equity interests of Cabot Holdings S.à r.L., not currently held directly or indirectly by Encore, as announced by Encore on May 8, 2018.

SunTrust Robinson Humphrey and Credit Suisse are acting as joint book-running managers for the offering.

The offering is subject to market and other conditions, and there can be no assurance as to whether or when the offering may be completed, or as to the actual size or terms of the offering.

The notes are being offered pursuant to an effective shelf registration statement that Encore Capital and Encore Finance have filed with the Securities and Exchange Commission (“SEC”). Before you invest, you should read the prospectus in that registration statement and other documents Encore has filed with the SEC for more complete information about Encore and this offering. The offering is being made only by means of a prospectus supplement relating to the offering and the accompanying prospectus. Copies of the prospectus supplement and accompanying prospectus for the offering may be obtained from SunTrust Robinson Humphrey, Inc., 3333 Peachtree Road NE, 9th Floor, Atlanta, GA 30326, Attention: Prospectus Department, or by telephone at 1-404-926-5744, by fax at 1-404-926-5464 or by email at [strh.prospectus@suntrust.com](mailto:strh.prospectus@suntrust.com); or from Credit Suisse Securities (USA) LLC, Attention: Prospectus Department, One Madison Avenue, New York, New York, 10010, or by telephone at 1-800-221-1037, or by email at [newyork.prospectus@credit-suisse.com](mailto:newyork.prospectus@credit-suisse.com). You may also obtain these documents free of charge when they are available by visiting EDGAR on the SEC’s website at [www.sec.gov](http://www.sec.gov).

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities, nor will there be any sales of these securities, in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any state or jurisdiction.

### **About Encore**

Encore is an international specialty finance company that provides debt recovery solutions and other related services for consumers across a broad range of financial assets. Through its subsidiaries around the globe, Encore purchases portfolios of consumer receivables from major banks, credit unions, and utility providers.

Encore partners with individuals as they repay their debt obligations, helping them on the road to financial recovery and ultimately improving their economic well-being. Encore is the first and only company of its kind to operate with a *Consumer Bill of Rights* that provides industry-leading commitments to consumers.

Headquartered in San Diego, Encore is a publicly traded NASDAQ Global Select company (ticker symbol: “ECPG”) and a component stock of the Russell 2000, the S&P Small Cap 600 and the Wilshire 4500.

### **Forward Looking Statements**

The statements in this press release that are not historical facts, including, most importantly, those statements preceded by, or that include, the words “will,” “may,” “believe,” “projects,” “expects,” “anticipates” or the negation thereof, or similar expressions, constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”). These statements may include, but are not limited to, statements regarding our future operating results, performance, business plans, prospects, the offering, the use of any proceeds from the offering, the terms of the notes, the capped call transactions and whether the capped call transactions will become effective. For all “forward-looking statements,” Encore claims the protection of the safe harbor for forward-looking statements contained in the Reform Act. Such forward-looking statements involve risks, uncertainties and other factors which may cause actual results, performance or achievements of Encore and its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in the reports filed by Encore with the Securities and Exchange Commission, including the most recent reports on Forms 10-K, 10-Q and 8-K, as they may be amended from time to time. Encore disclaims any intent or obligation to update these forward-looking statements.

### **Contacts**

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