2014 ANNUAL MEETING & INVESTOR DAY

June 5, 2014

New York, NY

SAFE HARBOR

The statements in this presentation 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, shareholder return, capital deployment and growth. For all “forward-looking statements,” the Company 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 the Company 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 the Company with the Securities and Exchange Commission, including its most recent report on Form 10-K, and its subsequent reports on Form 10-Q, as they may be amended from time to time. The Company disclaims any intent or obligation to update these forward-looking statements.

PRESENTING TODAY

Ken Vecchione
CEO, Encore Capital

Paul Grinberg
CFO, Encore Capital

Ken Stannard
CEO, Cabot Credit Management

Kevin Fuller
CEO, Grove Capital Management

Kenneth Mendiwelson
CEO, Refinancia

Manu Rikhye
Managing Director, Encore India

Ken Vecchione

President and CEO

ENCORE IS A LEADING PLAYER IN THE CONSUMER DEBT PURCHASING AND RECOVERY INDUSTRY

We deploy capital to acquire delinquent consumer receivables...

1 in 5 U.S. consumers have accounts with us

3.6 million U.S. consumers have satisfied their obligations

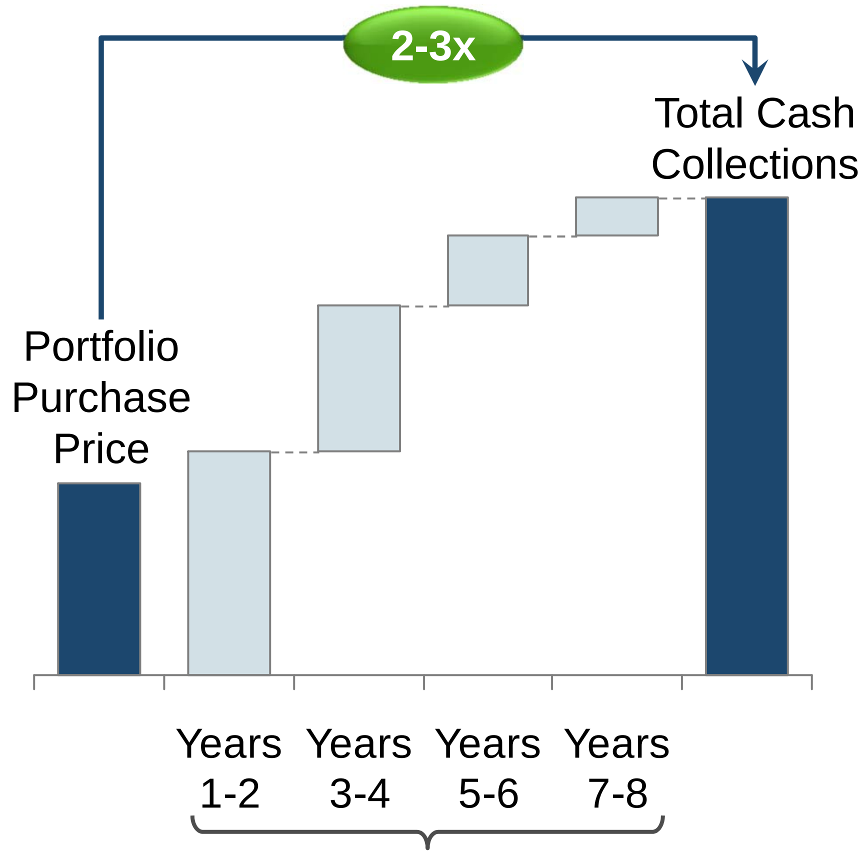
$1.4 billion collected globally over the last twelve months

$4.8 billion in estimated remaining collections

31% Adjusted EBITDA[1] 5-year compound annual growth rate

5,326 employees worldwide

... and generate predictable cash flows over a multi-year time horizon



Illustrative cash collections

1. Adjusted EBITDA is a non-GAAP number which the company considers to be and utilizes as a meaningful indicator of operating performance. See Reconciliation of Adjusted EBITDA to GAAP Net Income at the end of this presentation.

WE ARE PART OF A DEBT COLLECTION INDUSTRY WHICH CREATES VALUE BENEFITING STAKEHOLDERS IN MULTIPLE INDUSTRIES

Role in financial industry

- Reduces creditor losses from delinquent debt, contributing to profitability and solvency
- Enables creditors to serve a large consumer base at lower prices

Consumer benefit

- Enhances access to credit at lower prices
- Supports consumers in rehabilitating their credit history
- Increases number and variety of lenders available to consumers

Socio-economic benefit

- Enhances resilience of financial system by helping enforce contracts
- Contributes to economic growth by servicing healthcare providers, utilities, retailers, etc.
- Reduces need for fiscal austerity by supporting local governments

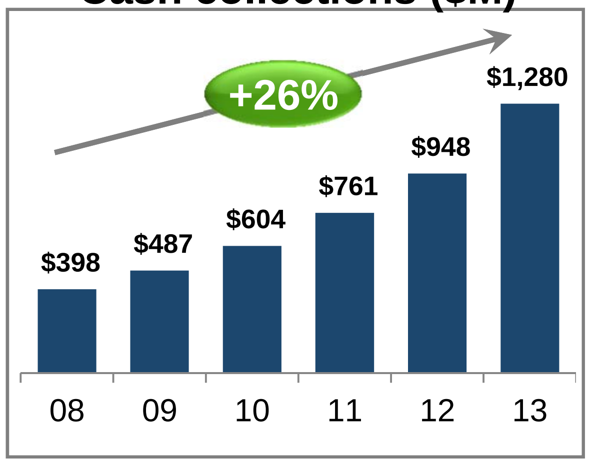
Debt Collection Industry re-injected $47B into the U.S. financial system in 2013

Source: Company reports

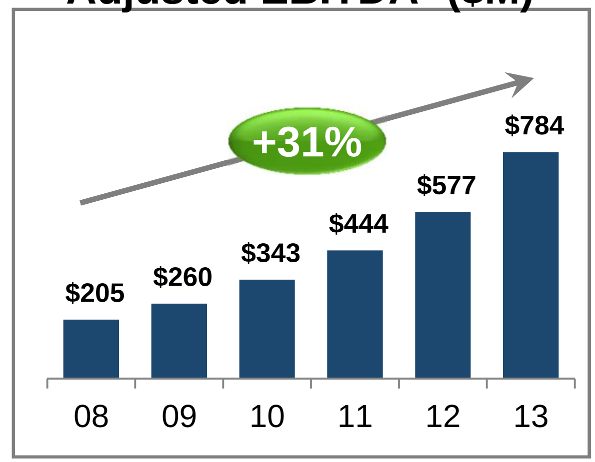
ENCORE HAS DELIVERED A TRACK RECORD OF STRONG, SUSTAINABLE FINANCIAL RESULTS ...

Strong business fundamentals...

Cash collections ($M)

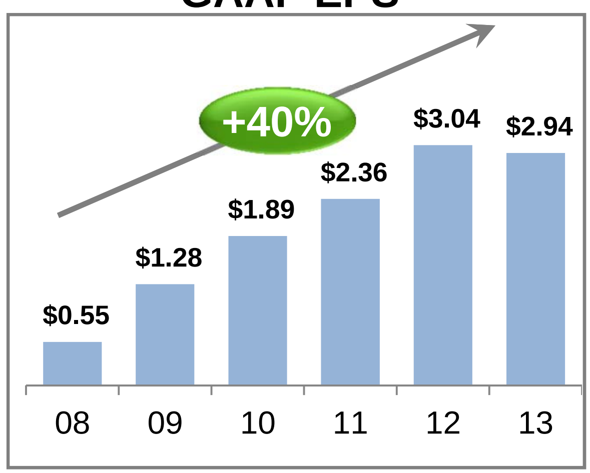


Adjusted EBITDA[1] ($M)

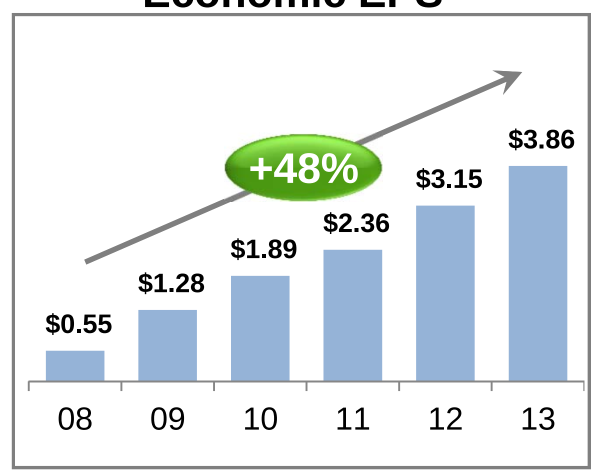


...driving profitable growth

GAAP EPS[2]



Economic EPS[3]



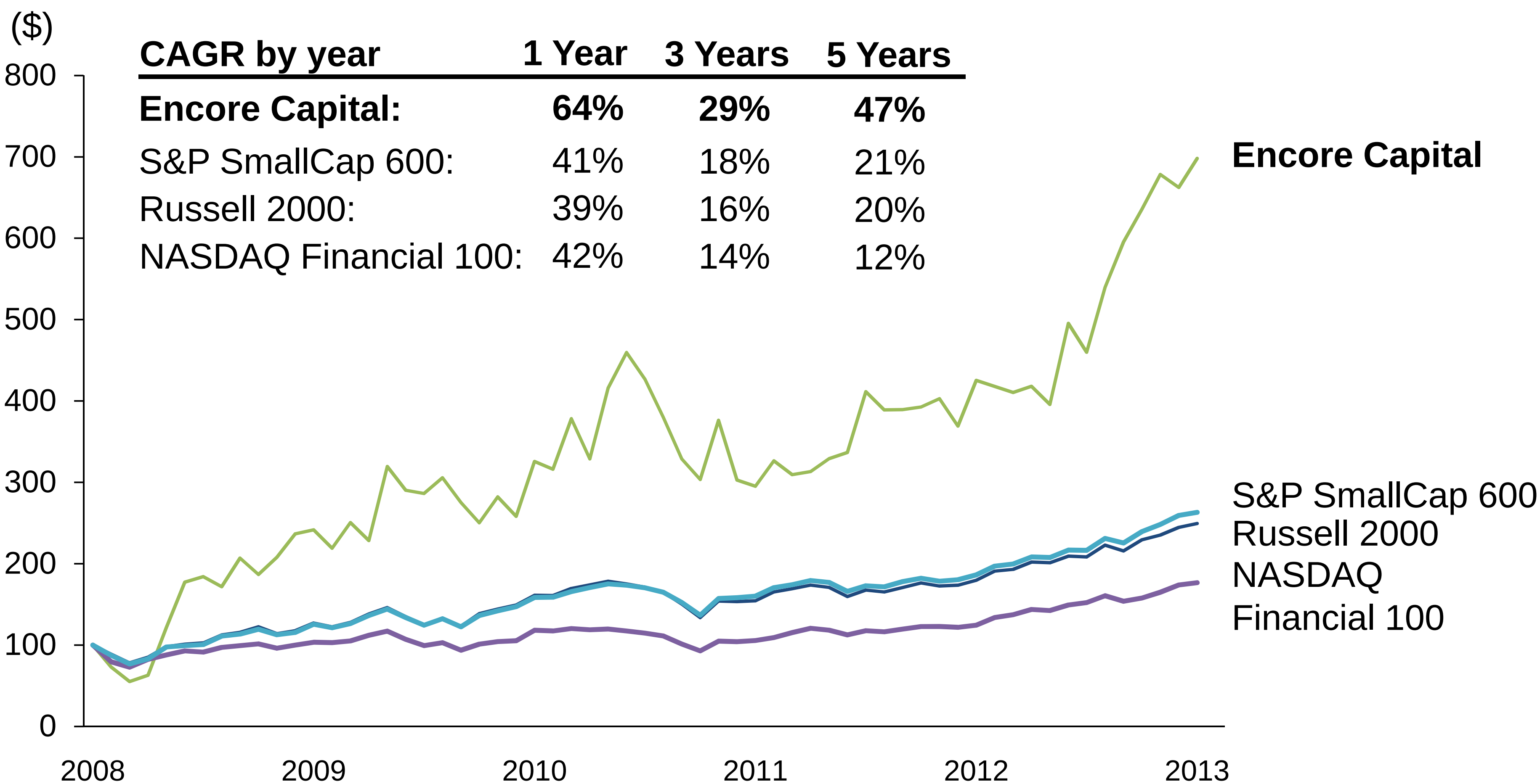
1. Adjusted EBITDA is a non-GAAP number which the company considers to be and utilizes as a meaningful indicator of operating performance. See Reconciliation of Adjusted EBITDA to GAAP Net Income at the end of this presentation. 2. Per fully diluted share from continuing operations. 3. Per fully diluted economic share from continuing operations. See Reconciliation of Economic EPS to GAAP EPS at the end of this presentation. EPS prior to 2012 were not affected by adjustments.

Note: Growth rate percentages for cash collections, Adjusted EBITDA, and EPS signify compounded annual growth rate from 2008 - 2013

... AND HAS DELIVERED MARKET LEADING TOTAL SHAREHOLDER RETURN OVER THE PAST FIVE YEARS

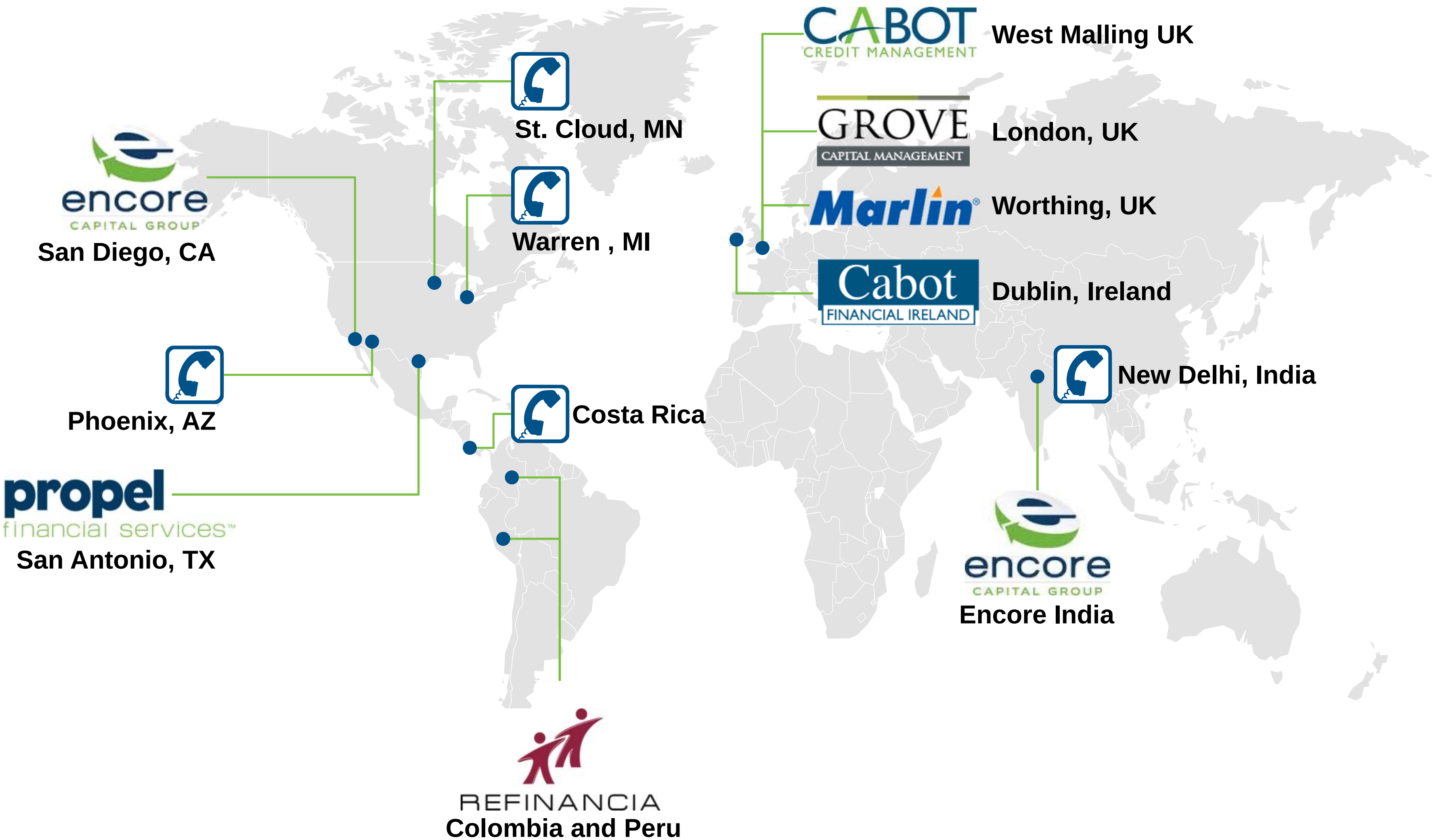
Total Shareholder Return (Dec. 2008 – Dec. 2013)

CAGR by year	1 Year	3 Years	5 Years
Encore Capital:	**64%**	**29%**	**47%**
S&P SmallCap 600:	41%	18%	21%
Russell 2000:	39%	16%	20%
NASDAQ Financial 100:	42%	14%	12%



Note: Assumes $100 was invested in December 2008
Source: Bloomberg

WITH OUR GROWTH HAS COME SIGNIFICANT GEOGRAPHIC DIVERSIFICATION



THE U.S. DEBT BUYING INDUSTRY HAS CHANGED OVER THE PAST FEW YEARS

- **U.S. banks are decreasing their credit card books and market default rates are decreasing**
  - *Less supply coming to market*
- **Debt buyers in our core market are consolidating**
  - *Fewer opportunities for portfolio purchases through resale*
- **Regulatory agencies (such as CFPB) are increasing scrutiny on financial institutions and debt collectors**
  - *Continued emphasis on compliance*

Necessary to pursue multifaceted strategy outside of our core market while continuing our focus on compliance

REGULATORY ACTIVITY REMAINS HIGH, REINFORCING THE IMPORTANCE OF OUR SIGNIFICANT INVESTMENTS IN COMPLIANCE

CFPB Rulemaking, Supervision & Enforcement

- Rulemaking likely to result in new standards in 2015
- Activity in aggressive enforcement and supervision already driving change in credit issuer and recovery spaces

Potential Impacts of Regulatory Activity

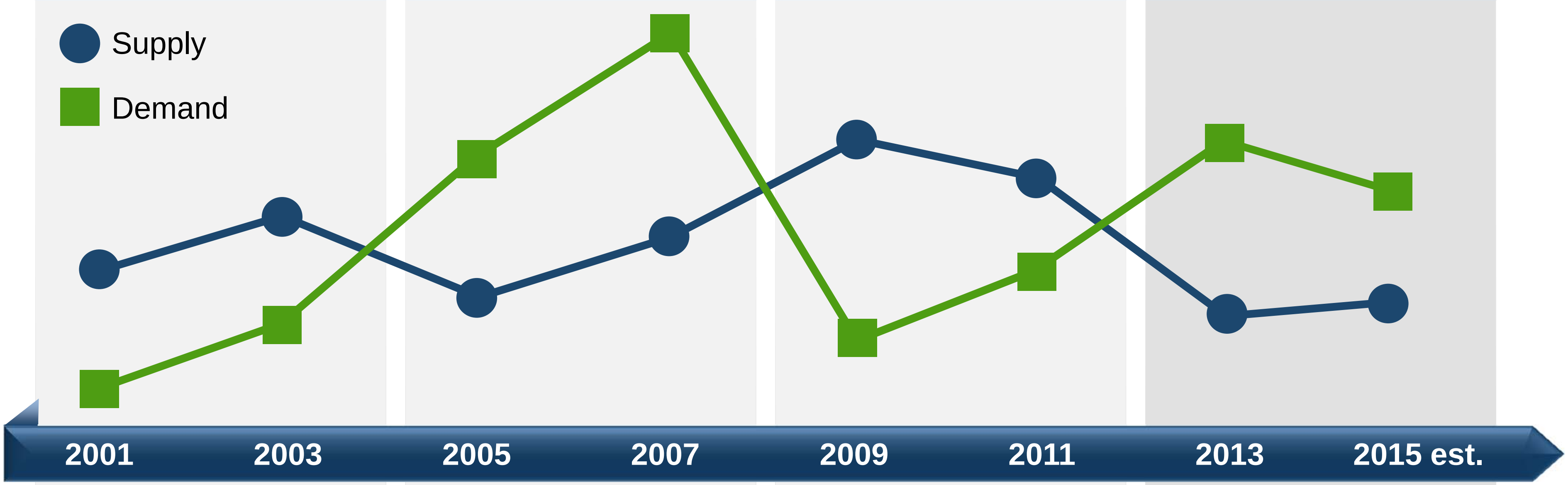
- Standardized and increased access to documentation for debt sales
- Heightened consumer disclosures and standards for underlying issuer documentation
- Continuing investments in improved compliance infrastructure

Encore Aligned with Current Emphasis

- Introduced *Consumer Bill of Rights* in 2011
- Established Consumer Credit Research Institute to better understand the financially distressed consumer
- Founded Consumer Experience Council
- Provided comments to CFPB on ANPR

HISTORICALLY WE HAVE ANTICIPATED AND ADAPTED TO MARKET CHANGES WITH STRATEGIC DECISIONS – THIS TIME IS NO DIFFERENT

An Emerging Market	Overconfidence & Irrational Pricing	Attractive Opportunities	Lower Volume & Regulatory Pressure



An Emerging Market

- Created first generation consumer-level underwriting models

Overconfidence & Irrational Pricing

- Established our center in India
- Activity-level cost database
- First known ability-to-pay (capability) model

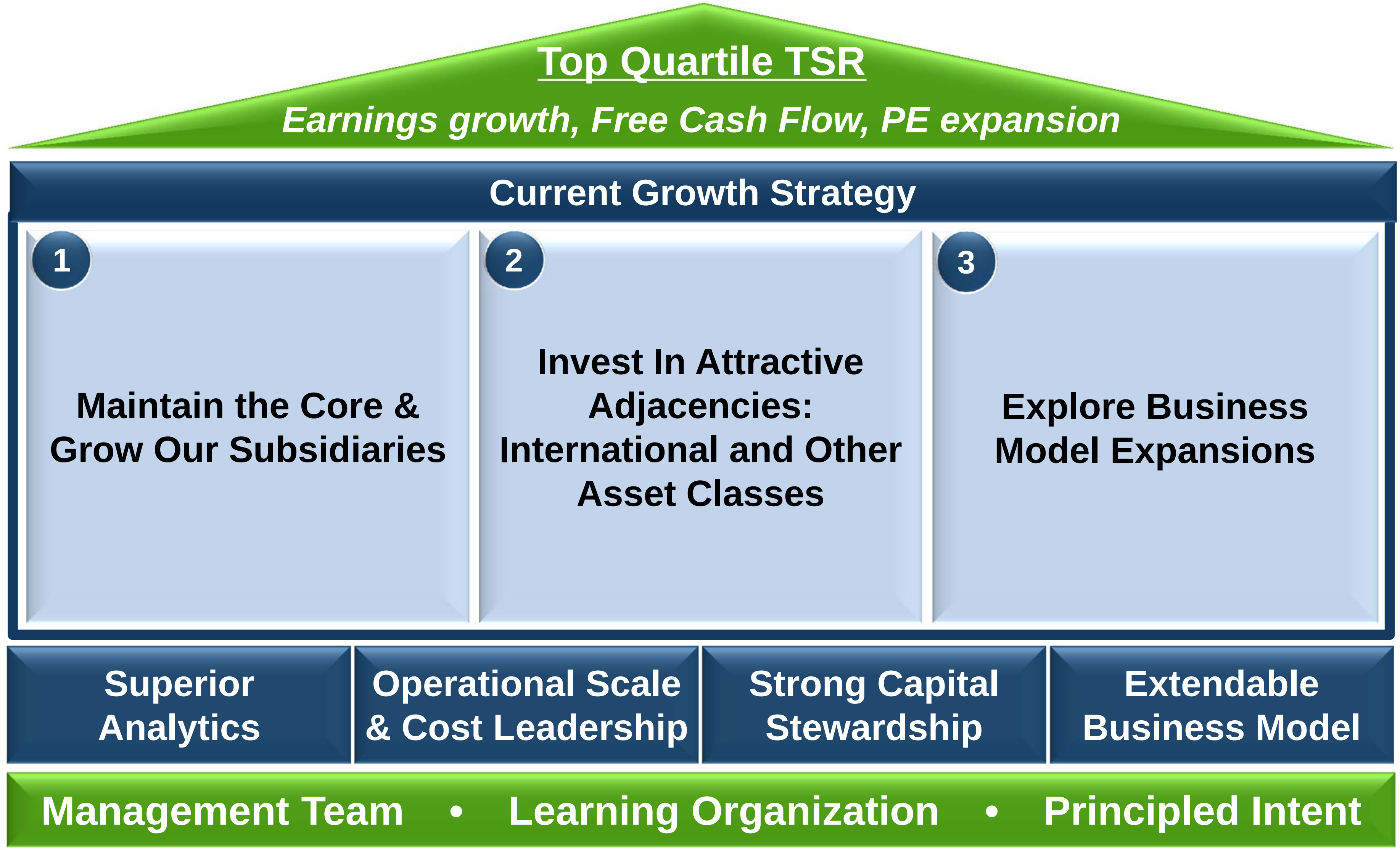
Attractive Opportunities

- Increased capital deployment
- Expanded collections capacity

Lower Volume & Regulatory Pressure

- Strategic acquisitions
- Enhanced innovation
- Intense focus on compliance
- Expansion into international and adjacencies

ENCORE IS WELL POSITIONED TO ADAPT TO MARKET CHANGES AND CONTINUE TO DELIVER TOP QUARTILE TSR



OUR CURRENT GROWTH STRATEGY IS TAILORED TO ADDRESS OUR MARKET'S EVOLVING DYNAMICS

Current Growth Strategy

1 Maintain the Core and Grow Our Subsidiaries

- **Core**
  - Core cards direct
  - Resale
  - Bankruptcy
- **Subsidiaries**
  - Cabot
  - Propel
  - Grove
  - Refinancia

2 Invest In Attractive Adjacencies: International and Other Asset Classes

- **International**
  - India
  - Europe
  - Latin America
  - Australia
  - Others
- **New debt verticals**
  - Government
  - Medical
  - Others

3 Explore Business Model Expansions

- **M&A opportunities in related spaces**
  - Tax Liens
  - Debt Servicing
  - Others
- **Monetization of existing data and capabilities**
- **Funding & incubation of new businesses**

ACQUISITIONS HAVE BEEN KEY TO CARRYING OUT THIS STRATEGY

	2012	2013	2014
1 Maintain the Core and Grow Our Subsidiaries	Large Competitor Portfolio	AACC Asset Acceptance Capital Corp.	Marlin®
2 Invest In Attractive Adjacencies		CABOT CREDIT MANAGEMENT	GROVE CAPITAL MANAGEMENT
3 Explore Business Model Expansions	propel financial services™		REFINANCIA

Note: Encore ownership in Refinancia was purchased on Dec. 13, 2013

EACH TRANSACTION HAS BEEN ALIGNED WITH OUR M&A PLAYBOOK

Successful Acquisition

Strong Growth Companies

- Profitable, growing companies with leading market share, or niche market dominance
- Strong compliance controls and principled intent

Attractive Markets

- Focus on markets with attractive economics
  - Strong growth
  - Consolidation opportunities
  - Untapped

Strategic Direction

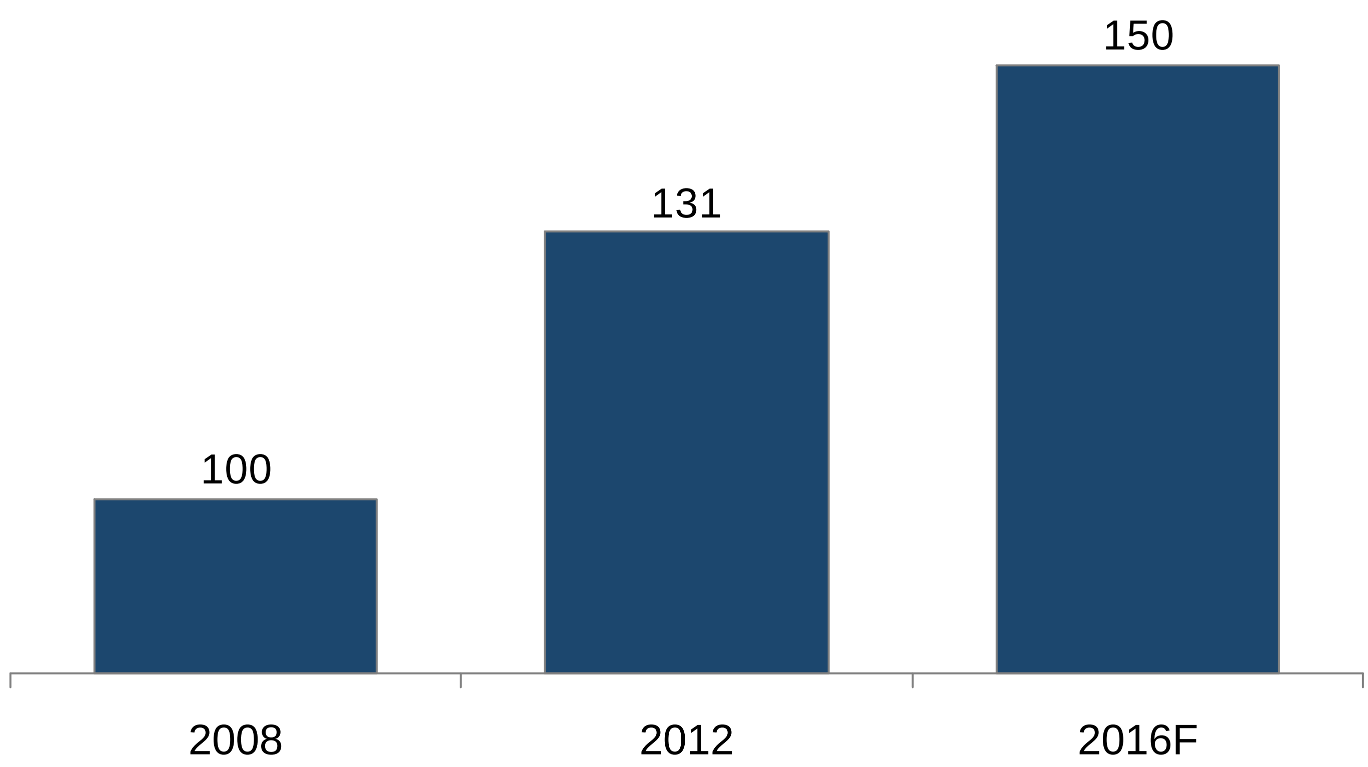
- Companies/markets must fit with Encore strategic direction
- Must be able to drive meaningful synergies

Operational Improvements

- Companies must provide opportunity to improve operations to increase operating margins

WE ARE ALWAYS INNOVATING IN OUR ANALYTICAL APPROACH TO IMPROVE PORTFOLIO LIQUIDATIONS

Indexed vintage year liquidation rate[1]

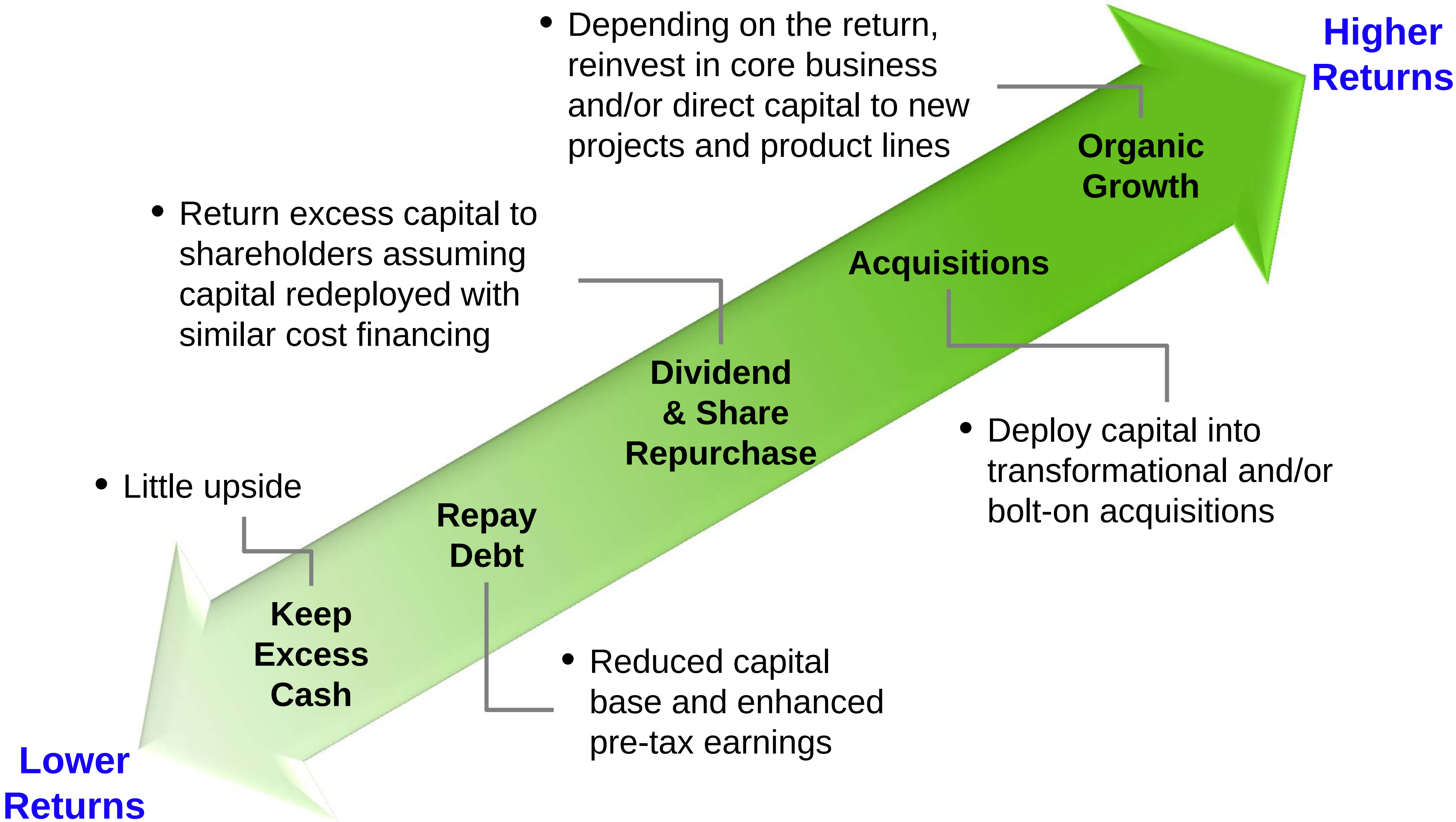


1. Of like portfolios and time periods

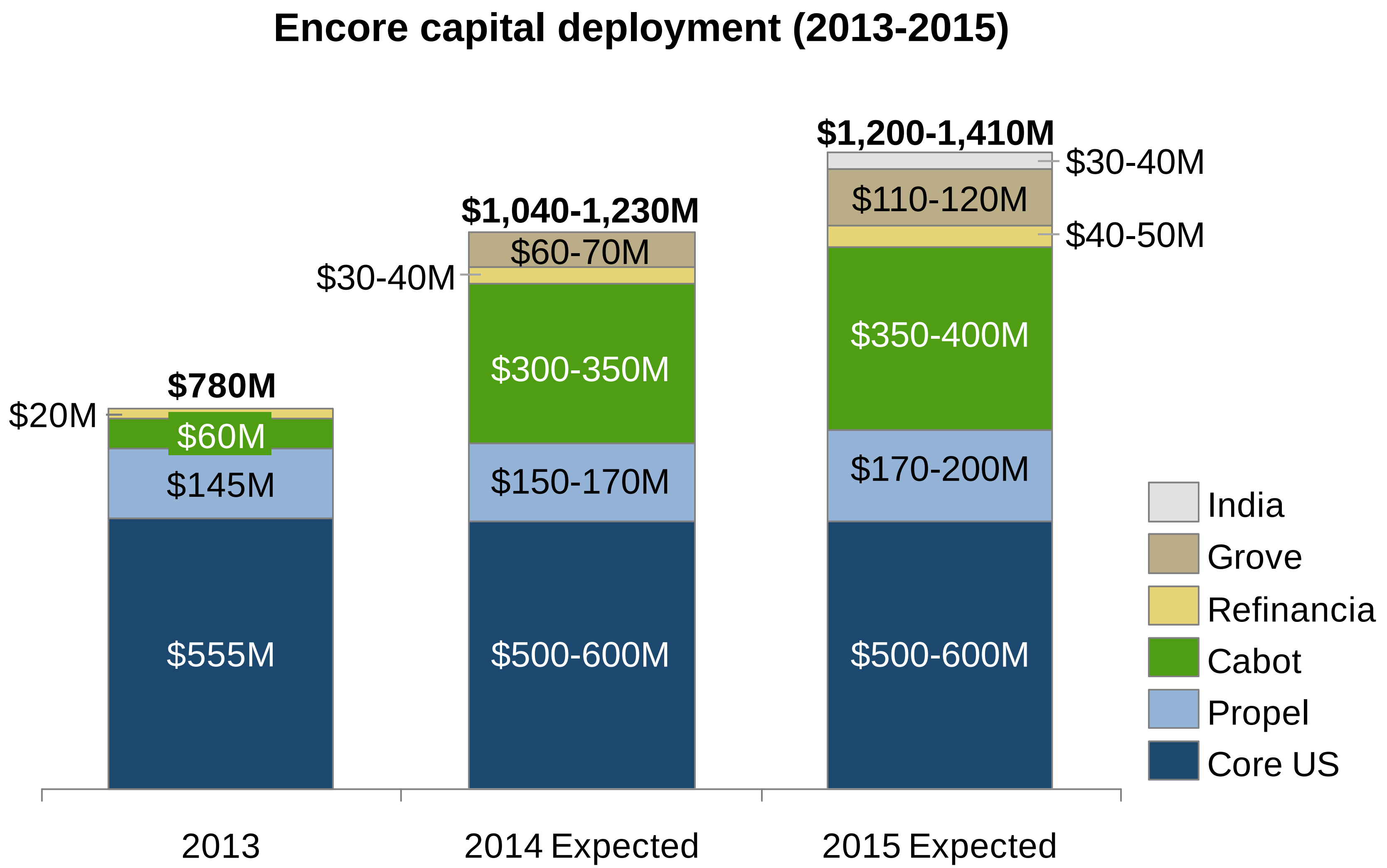
Paul Grinberg

CFO, Encore Capital

THERE ARE MANY ALTERNATIVES FOR DEPLOYING OUR CAPITAL

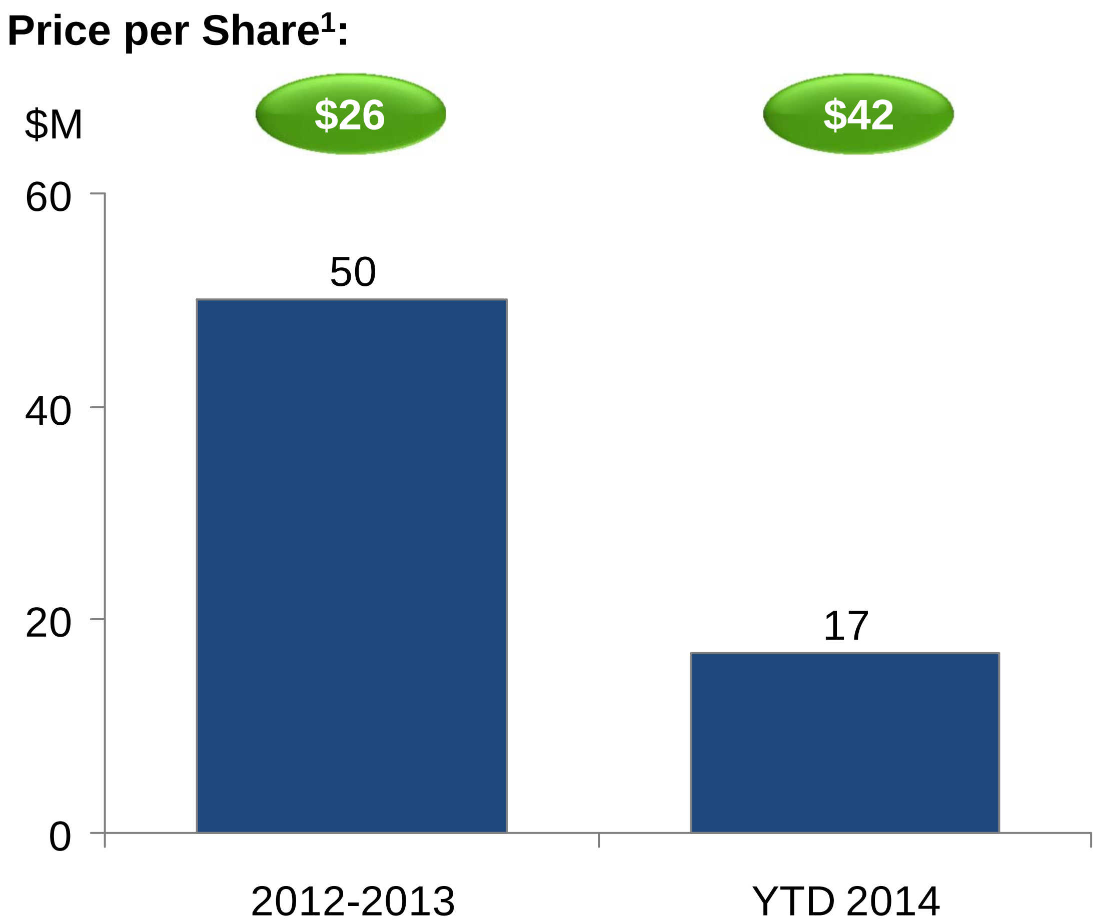


WE ARE GROWING AND DIVERSIFYING OUR CAPITAL DEPLOYMENT ACROSS OUR DIFFERENT BUSINESSES



WE HAVE ALSO FOUND OPPORTUNITIES TO RETURN CAPITAL TO SHAREHOLDERS VIA SHARE REPURCHASES

Encore share repurchases 2012-2014

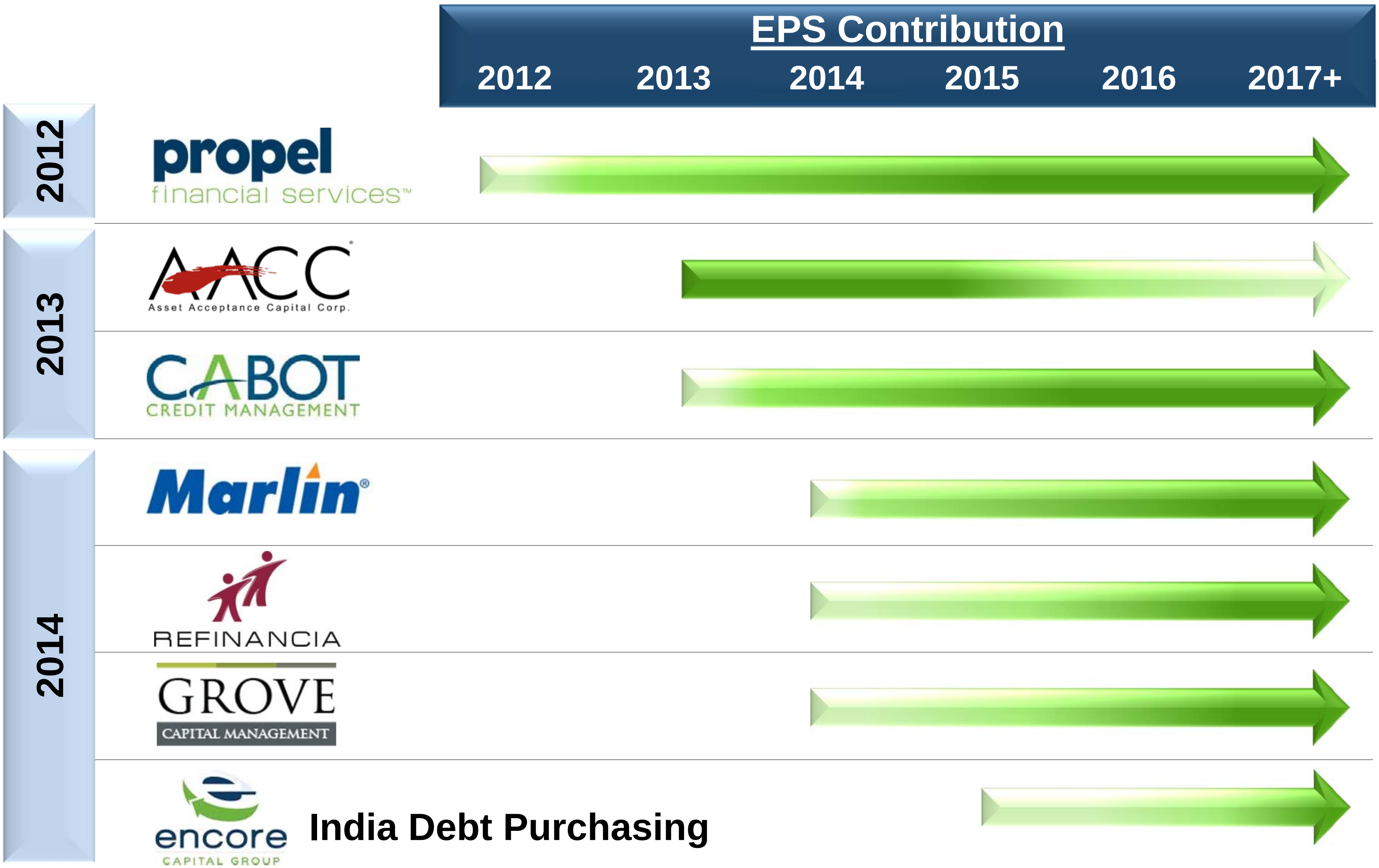


2015 and beyond

- Repurchases to cover employee equity grant dilution
- Opportunistic repurchases

1. Weighted average repurchase price for the period

WE EXPECT THAT OUR ACQUISITIONS WILL GENERATE IMMEDIATE AND GROWING EARNINGS



PROPEL IS A GOOD EXAMPLE OF HOW WE ARE ABLE TO SPOT AN EXCELLENT ACQUISITION OPPORTUNITY ...

Strong Growth Company

- Leading market share in Texas with platform to gain share
- Niche market dominance

Attractive Market

- Large, national market
- 80% of Texas market underpenetrated

propel financial services™

Strategic Direction

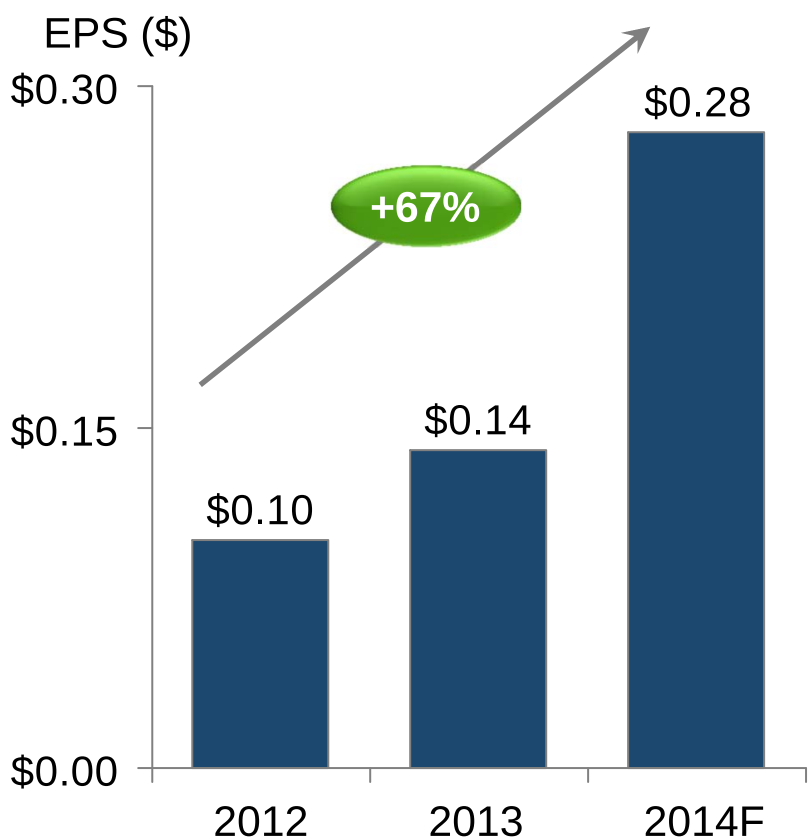
- Propel represented business model expansion for Encore as well as growth platform to deploy capital at attractive returns

Operational Improvements

- Propel had potential to leverage Encore analytics and cost platform to improve operations

... AND EXECUTE A GROWTH PLAN TO GENERATE SUBSTANTIAL RESULTS

Propel EPS[1] impact



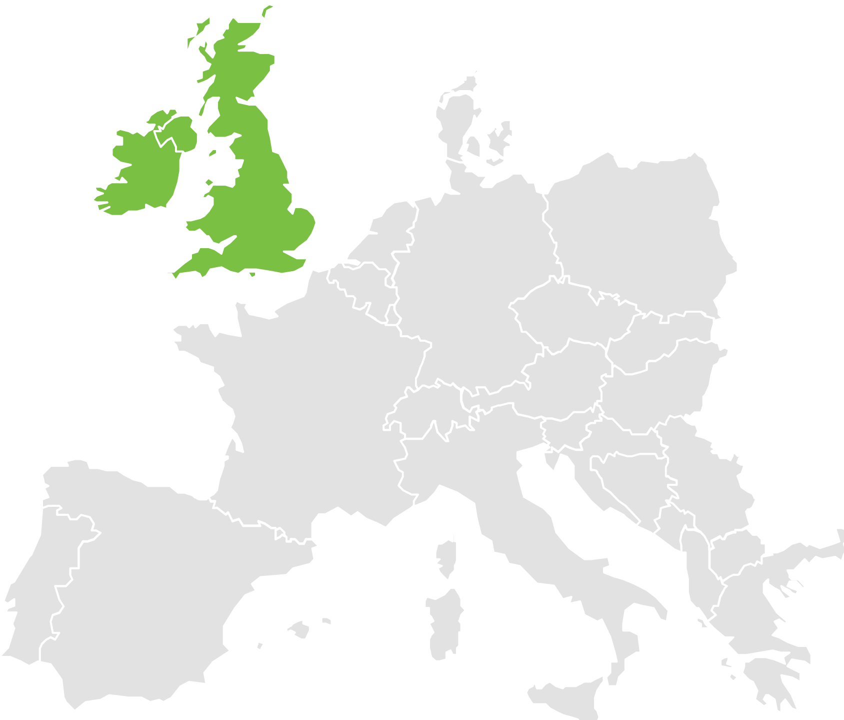
- Leading market consolidation by acquiring ~$80M in competitor portfolios
- Expanded Tax Lien deployments to 18 new states; now operating in 22 states
- Leveraged Encore's lower-cost outbound calling facilities to improve margins and market penetration

1. EPS figures based on total economic shares.
Note: 2012 and 2013 adjusted for timing of purchase price adjustments

Ken Stannard

CEO, Cabot Credit Management

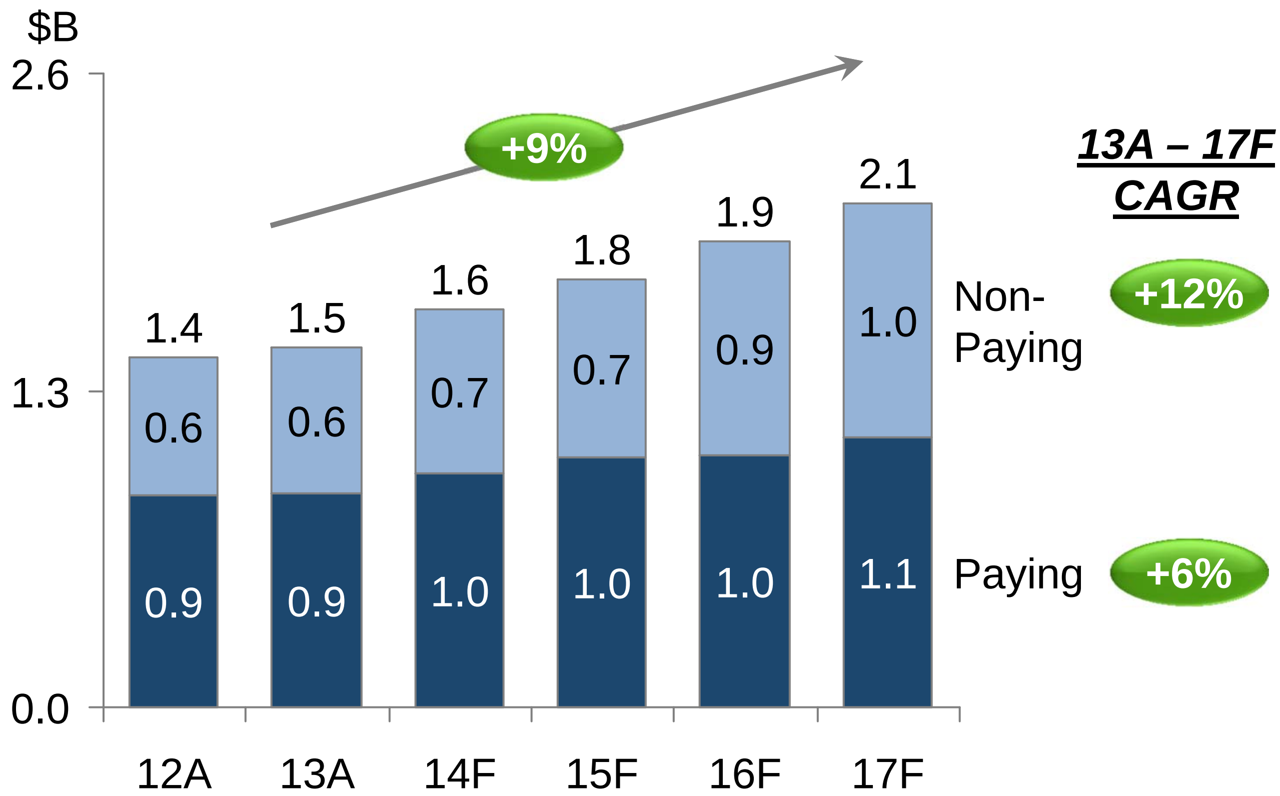
CABOT CREDIT MANAGEMENT LEADS THE UK DEBT PURCHASING MARKET



- Purchases charged off consumer receivables in UK
- UK leader with $2.3B in ERC
- Invested $1.7B to acquire $18B in face value of debt since inception
- Acquired more than 1,035 portfolios since inception, representing more than 4.4 million accounts
- 950 employees

THE MARKET IS GROWING STRONGLY WITH CABOT WELL POSITIONED TO CAPITALIZE ON THIS GROWTH

Capital Deployment



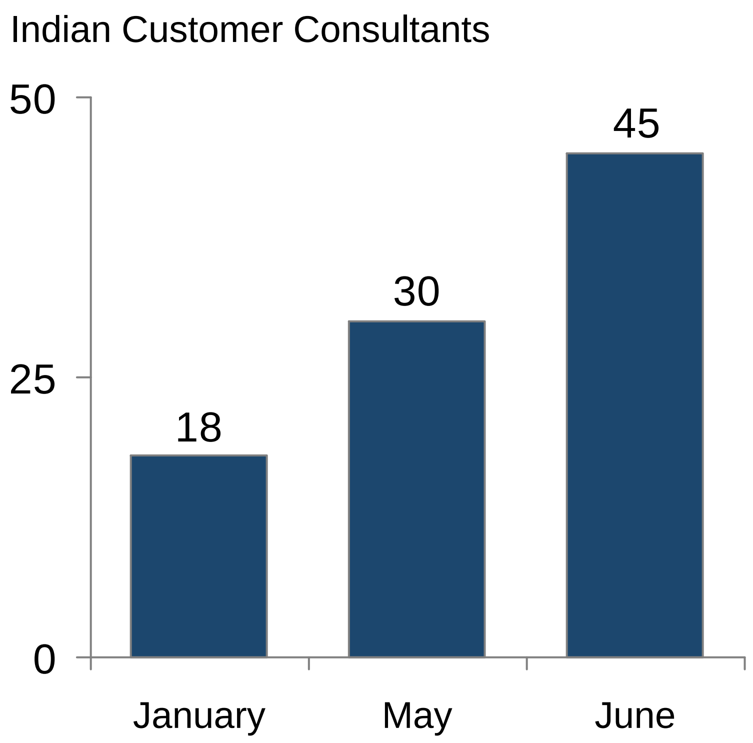
Drivers of success

- Vendor panel membership
- Competitive funding and cost
- Investments in data and analytics
- Compliance with regulation
- Achieving scale

Source: OC&C industry analysis

INTEGRATION INTO ENCORE'S INDIAN OPERATING SITE IS WELL UNDERWAY AND SHOWING STRONG RESULTS

India headcount ramp up



- Commenced operations in India ahead of schedule in January 2014 with 18 Customer Consultants
- Initial team spent 10 weeks in the UK for their induction to aid their cultural learning
- Initial performance results have been encouraging with excellent call quality results

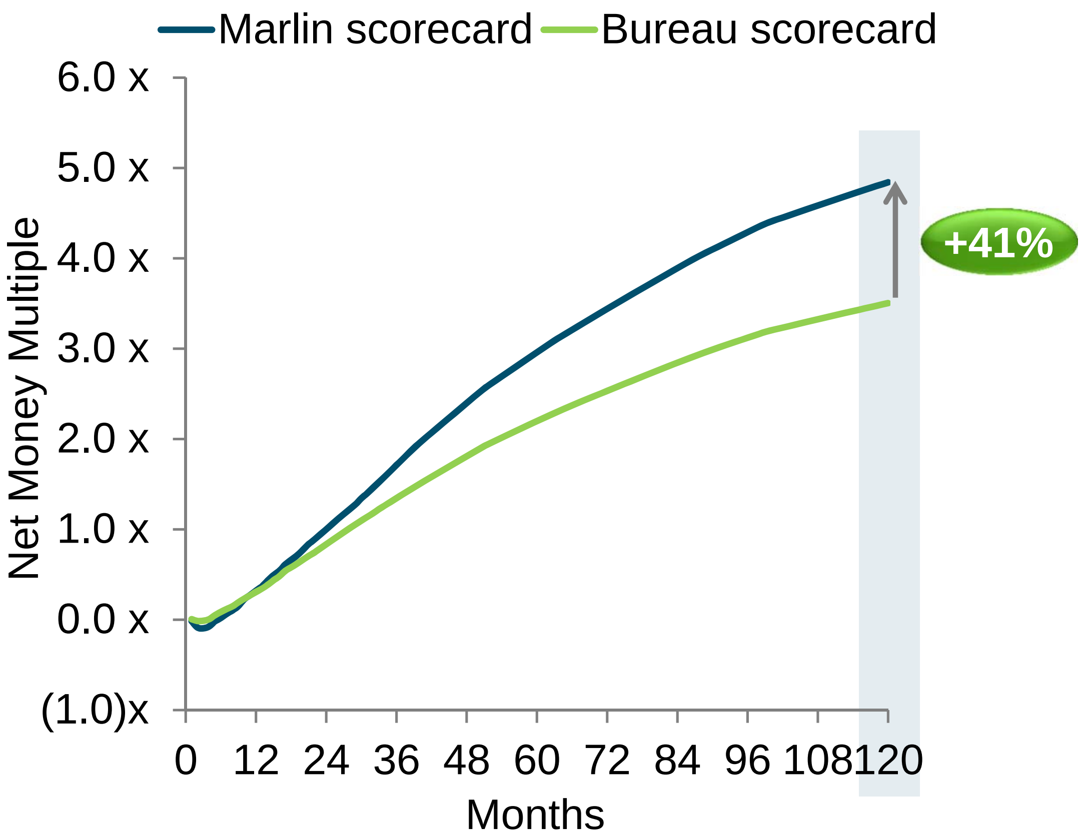
THE MARLIN ACQUISITION PROVIDES ADDITIONAL GROWTH AND SYNERGY OPPORTUNITIES

	CABOT CREDIT MANAGEMENT	Marlin
Portfolio Focus & Expertise	• Semi performing debt • Focus on management of average payment	• Large balance, non-paying debt • Focus on scoring accounts that are suitable for litigation

Uplift in ERC	• Apply Cabot payment management strategies to Marlin accounts • Apply Marlin proprietary scorecard to Cabot back-book
Enhance Growth Profile	• Complementary niches help capture entire UK market growth • Provides sustainable IRRs even as competition increases
Improve Operations	• Opportunity to further leverage Encore's Indian operations • Sharing of best practices among Encore, Cabot, and Marlin

MARLIN'S SCORECARD IS PROVIDING UPLIFT TO CABOT'S ERC

Expected returns: Marlin scorecard vs. Bureau scorecard[1]



- Marlin scorecard predicted to enhance recoveries by 41% on eligible portfolios
- Cabot has already identified uplift in ERC using Marlin scorecard
- Marlin scorecard will enhance potential value on portfolio purchases going forward

1. Based on a sample of approximately 300,000 customers, assumes all accounts non-paying and follow the 10-year non-paying recovery profile used in pricing, also assumes a purchase cost of $0.08 per $1.00 face value for each account

WITH MARLIN NOW ABOARD, CABOT'S STRATEGIC DIRECTION IS DESIGNED TO LEVERAGE THE FULL EXTENT OF UK MARKET GROWTH

- Capitalize on leading UK market position
- Leverage Marlin acquisition to gain front- and back-book advantage
- Maintain disciplined acquisition process
- Continue to integrate into Encore's low-cost Indian platform
- Evaluate significant UK portfolio acquisition opportunities

Kevin Fuller

CEO, Grove Capital Management

GROVE IS A SPECIALIST DEBT PURCHASE MANAGEMENT PLATFORM

GROVE
CAPITAL MANAGEMENT

- Started in UK in 2010, entered Spain in 2013
- Structured as an investment manager purchasing through SPVs and servicing through servicing partners
- Current portfolio is largely UK insolvency and Spanish telecom assets
  - $2.5B portfolio
  - 2 million accounts
  - $170M capital deployed (90% in UK)
- Significant growth opportunities in both core and emerging asset classes leveraging core platform

INDIVIDUAL VOLUNTARY ARRANGEMENTS (IVAs) ARE THE MAIN OPPORTUNITY WITHIN THE UK INSOLVENCY MARKET

IVAs are restructured payment plans

- Chapter 13 equivalent
- Consumer unable to repay creditor - works with a regulated Insolvency Practitioner to set up payment plan
  - Voluntary, avoids bankruptcy
  - Applies to all unsecured debts
- 35-40% of balance repaid over 5 years

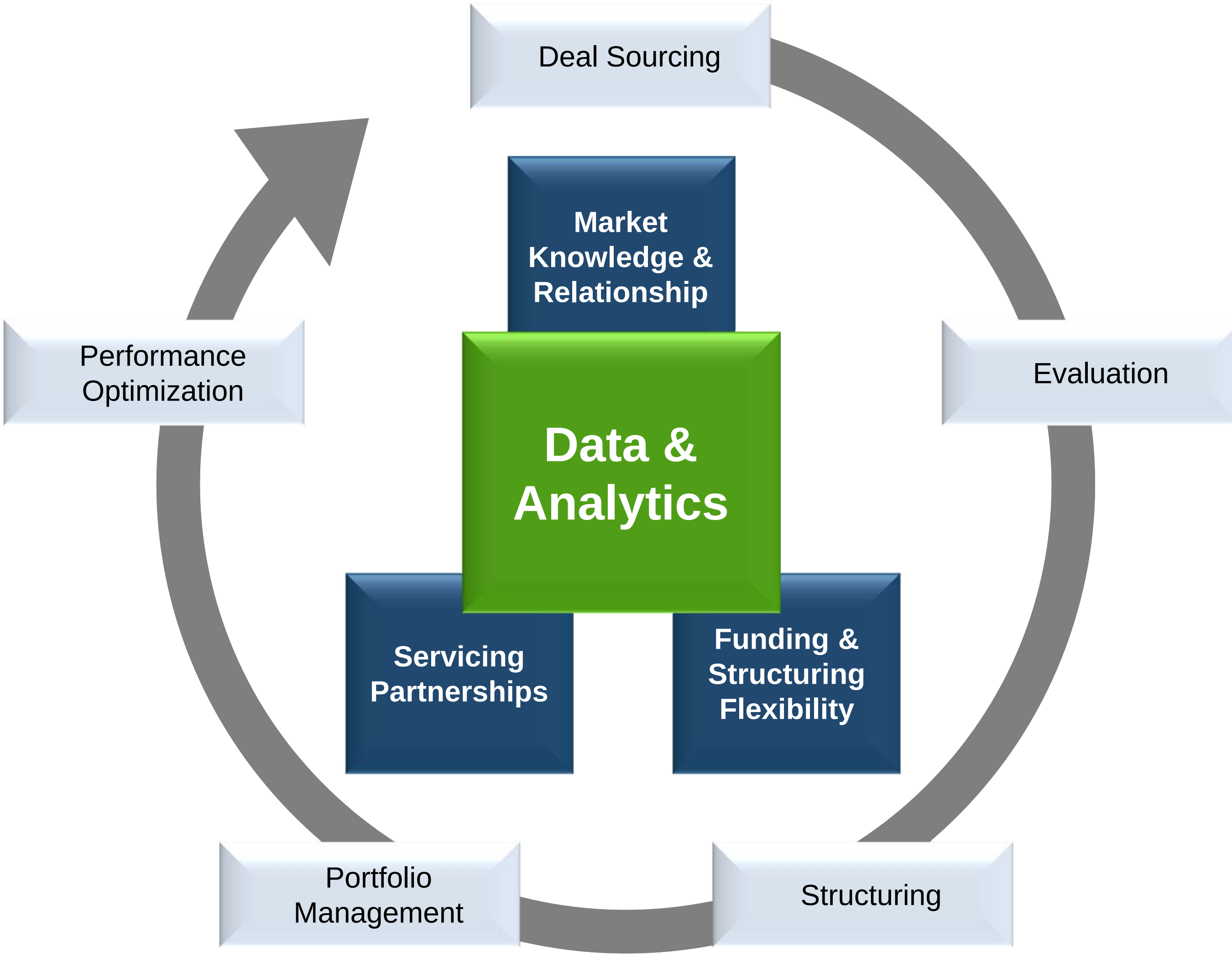
$3 billion of accounts enter IVAs each year worth $350M if sold

IVA sales market is large and growing

- Creditors are willing sellers
- Attractive characteristics for buyers with debt forgiveness only on plan completion
- Regulation likely to drive future growth
- Specialist nature limits competition
  - 3 active participants: Grove, JP Morgan, Pamplona

$160M per year traded today with significant growth potential as more creditors sell

GROVE HAS BUILT A SCALABLE DATA-BASED PURCHASING PLATFORM THAT SUPPORTS GROWTH INTO NEW ASSET CLASSES



LEVERAGING OUR PLATFORM AND SERVICER RELATIONSHIPS WE ENTERED SPAIN IN 2013 AND ARE NOW READY TO START SCALING

2013-14: Establish Base

- Started in telecom debt where competition is lower
- Large and growing dataset – 1.7 million consumer accounts
- Actively managing debt with 10 collection agencies

2014-15: Scale Portfolio

- Maintain focus on telecom, media and utilities is an initial $70 million annual deployment opportunity
- Make test investments in bank debt

2016: Move Into Financial Services

- $400 million annual deployment opportunity
- Leverage data and servicing platform
- Actively seek retrade opportunities

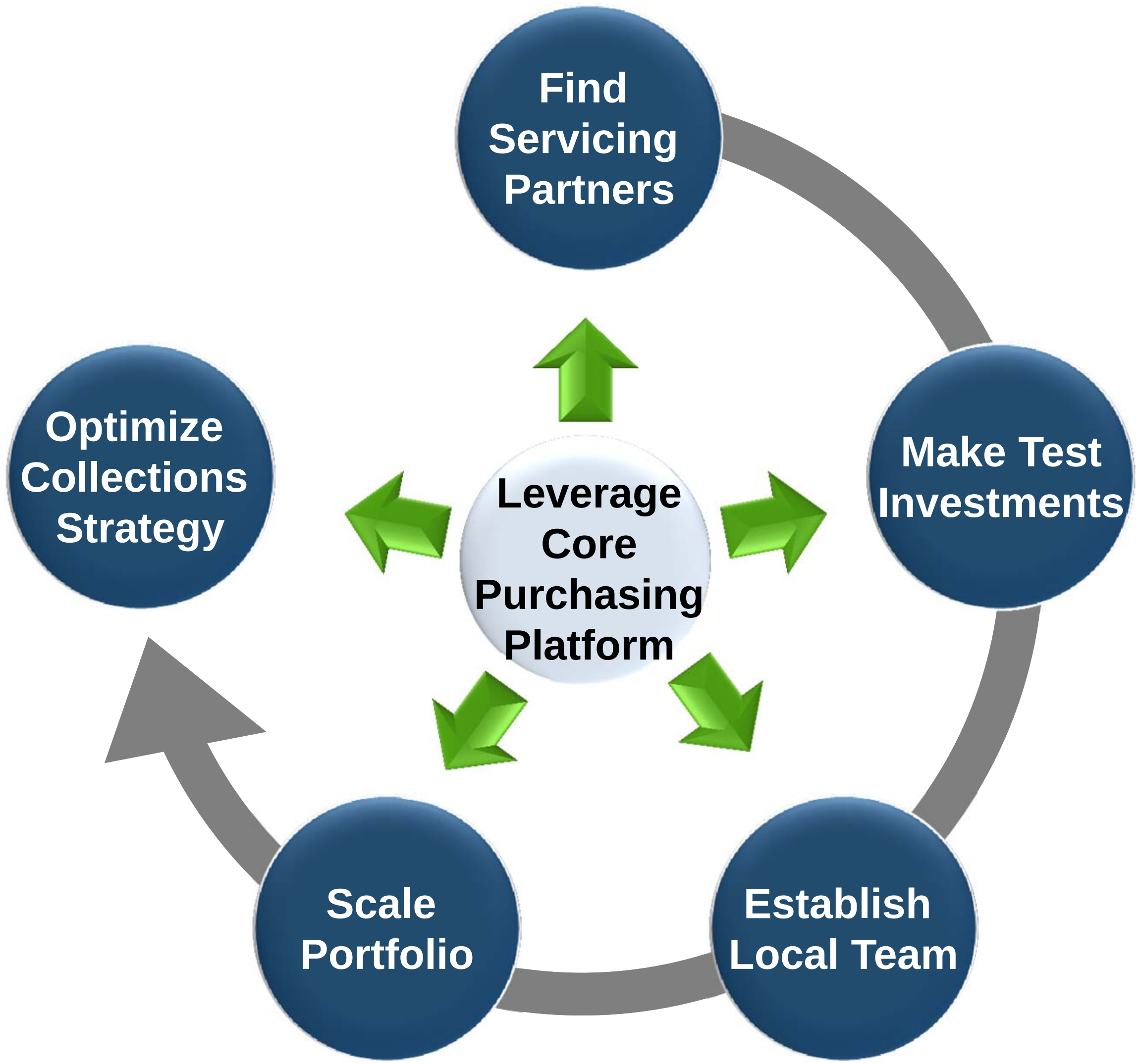
SPAIN ALLOWED US TO REFINE OUR MARKET ENTRY MODEL WHICH WILL DRIVE GROWTH INTO NEW SEGMENTS

Leveraging the core platform capabilities

- SPVs/licensing
- Commercial structures
- Technology
- Processes

Active evaluation of markets with annual spend opportunities in excess of $400 million

- Italy
- Portugal
- Ireland



GROWTH OPPORTUNITIES EXPECTED TO INCREASE ANNUAL SPEND FROM $50M TO $160M BY 2016

1 UK Insolvency

- Opportunity is $600M in existing issuer unsold inventory + annual volume worth $350M
- Creditors shifting towards flow sales

$80M target annual spend by 2016

2 Spain

- Continued delevering of banks & other creditors
- $400M+ annual capital deployment opportunity
- Significant opportunities for servicing optimization

$50M

3 New Markets

- Significant opportunities across Europe
- Experience in Spain established market entry model

$30M

GROVE AND ENCORE ARE ALIGNED STRATEGIC PARTNERS

- Combines Encore's capital resources with Grove's established market positions
- Leverages Encore’s deep collections experience and operational performance best practices to continue to improve performance
- Enhances Grove's ability to rapidly enter new markets

Kenneth Mendiwelson

CEO, Refinancia

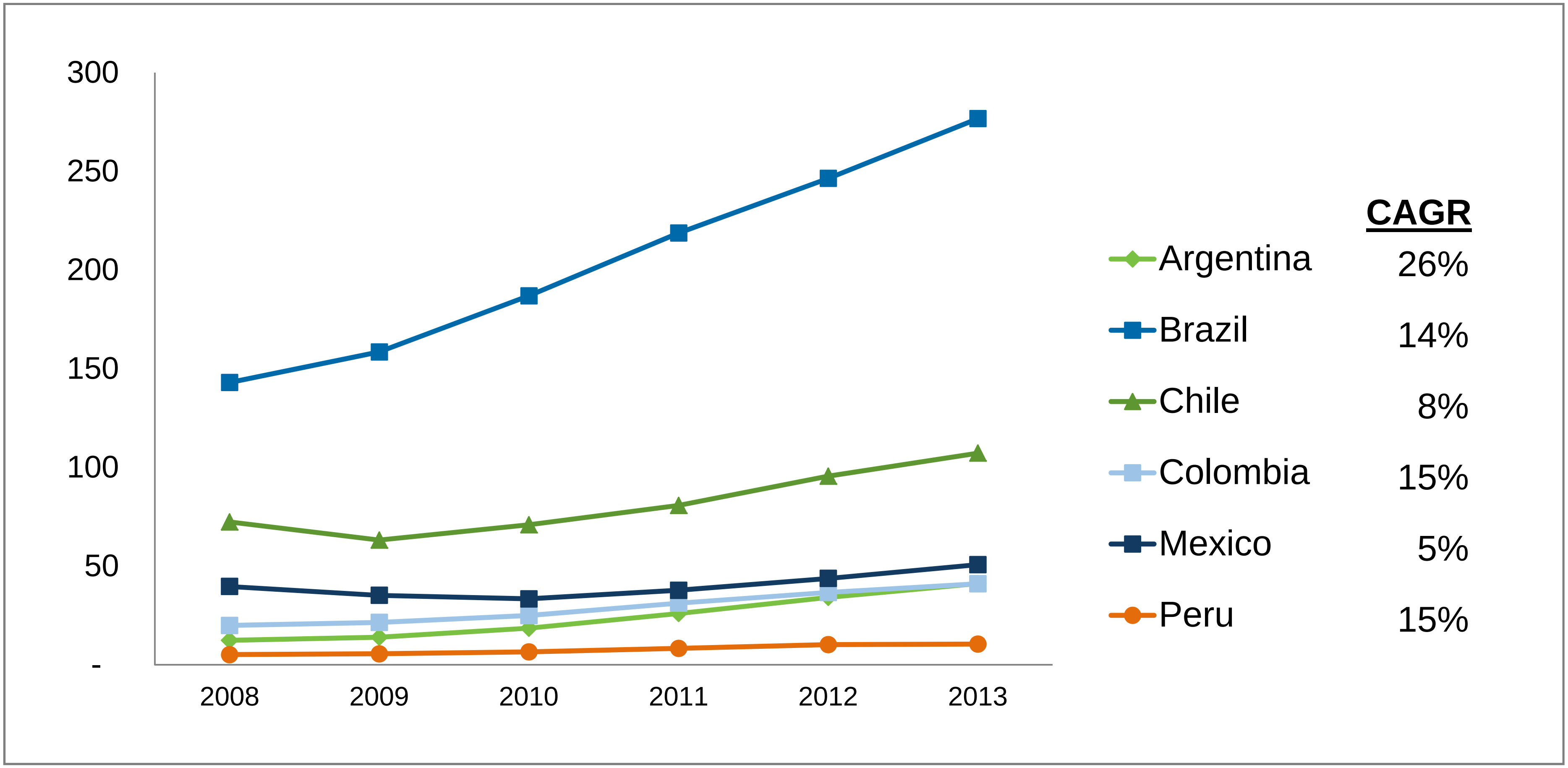
REFINANCIA PROVIDES SOLUTIONS TO INDIVIDUALS WHO SEEK SPECIALIZED CREDIT ALTERNATIVES

REFINANCIA

- Founded in 2005
- Purchases and services charged off bank portfolios
- Distributes and manages credit cards offered to Refinancia customers
- Distributes and manages guaranteed payment plans offered through consolidated merchant network
- $200M deployed in NPL purchases to date
- 1.3 million consumers
- 900 employees

THE CONSUMER CREDIT MARKET IN LATIN AMERICA HAS EXPERIENCED SOLID GROWTH

Consumer Credit: Outstanding Balance ($B)



Source: Euromonitor: Consumer Lending in Argentina (Feb 2014), Brazil (Mar 2014), Chile (Jan 2014) and Mexico (Apr 2014); Superintendencia de Banca y Seguros y AFP for Peru information; Superintendencia Financiera de Colombia for Colombia information

REFINANCIA MANAGES FOUR BUSINESSES WHERE COLLECTIONS AND ANALYTICS PLAY A FUNDAMENTAL ROLE

NPL Purchase and Recovery	• Purchase and collection of charged-off portfolios from large banks
Collection Outsourcing	• Management and collection of charged-off pools from banks • In many cases leads to portfolio purchase
Credit Card Pilot	• Management of credit cards offered to Refinancia consumers who have settled their debt • Credit risk is taken by partner bank
Guarantee Services for Merchants	• Management of guaranteed payment plans • Collection of defaulted payment plans

EACH BUSINESS IS GROWING

		2013A	2014F	Growth
NPL Purchase and Recovery	Deployed ($M)	19	40	109%
Collection Outsourcing	Unpaid balance managed ($M)[1]	330	445	35%
Credit Card Pilot	Outstanding balance managed ($M)	0.8	4.1	410%
Guarantee Services for Merchants	Guaranteed/Year ($M)	306	320	5%

1. Cumulative figures

THE PARTNERSHIP WITH ENCORE IS EXPECTED TO ACCELERATE REFINANCIA'S GROWTH

Market Creation	Optimization of Core Capabilities	Expansion in Latin America
2005 - 2013	**2014 - 2015**	**2016 - Onward**

Market Creation — 2005 - 2013

- Built initial business model, refined analytics
- Diversified into new geographies and lines of business
- Established reputation as a market leader

Optimization of Core Capabilities — 2014 - 2015

- Leverage partnership with Encore
- Transfer and implement best practices in
  - Call Center
  - Collections
  - Analytics

Expansion in Latin America — 2016 - Onward

- Continue geographic diversification
- Roll-up M&A strategy in the region
- Further diversification into specialty finance, leveraging current expertise

REFINANCIA AND ENCORE ARE ALIGNED STRATEGIC PARTNERS

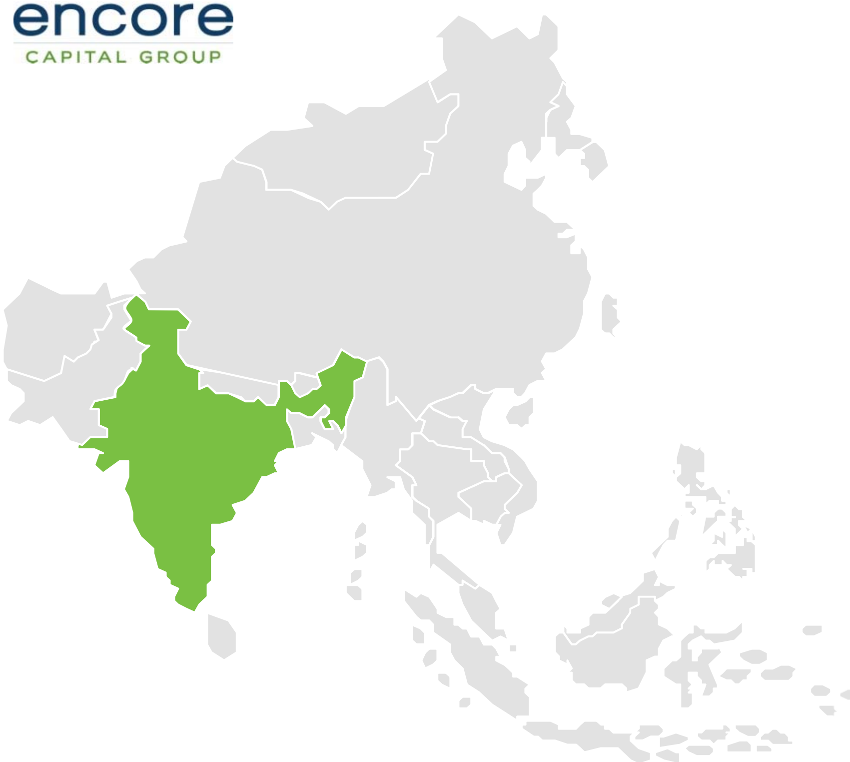
- Combines Encore's capital resources with Refinancia's growing markets
- Improvements in call center operational processes and technology
- Applying best-in-class Decision Science methodologies
- Provides testing ground for specialty finance

Manu Rikhye

Managing Director,

Encore India

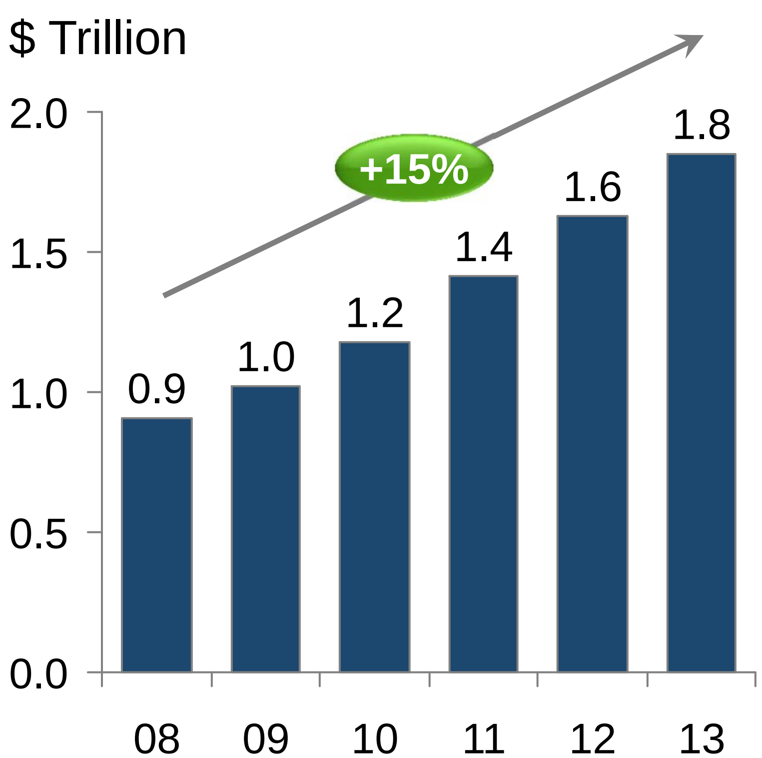
ENCORE INDIA



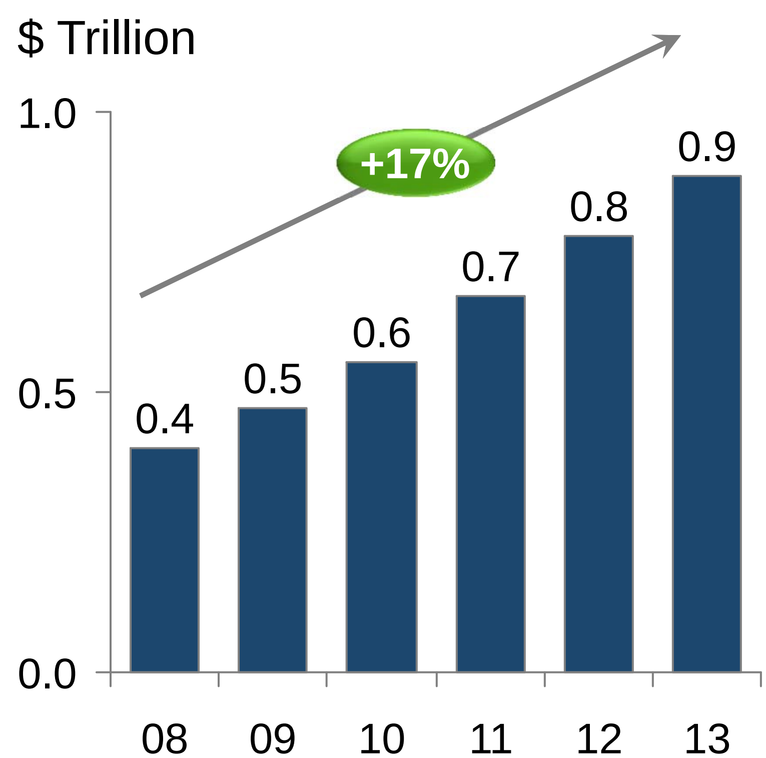
- Established in 2005, today a key driver of Encore's competitive advantage
- Evolved as a strategic partner and diversified business with significant depth and broad service offerings
- Contributed ~50% of global call center collections in 2013
- Named in the Top 50 GPTW in India for '11, '12 & '13
- Replicating similar success in other business operations like Cabot
- 2,000 employees

THE INDIAN ECONOMY HAS STRONG GROWTH FUNDAMENTALS, ESPECIALLY IN THE FINANCIAL SECTOR

GDP Growth



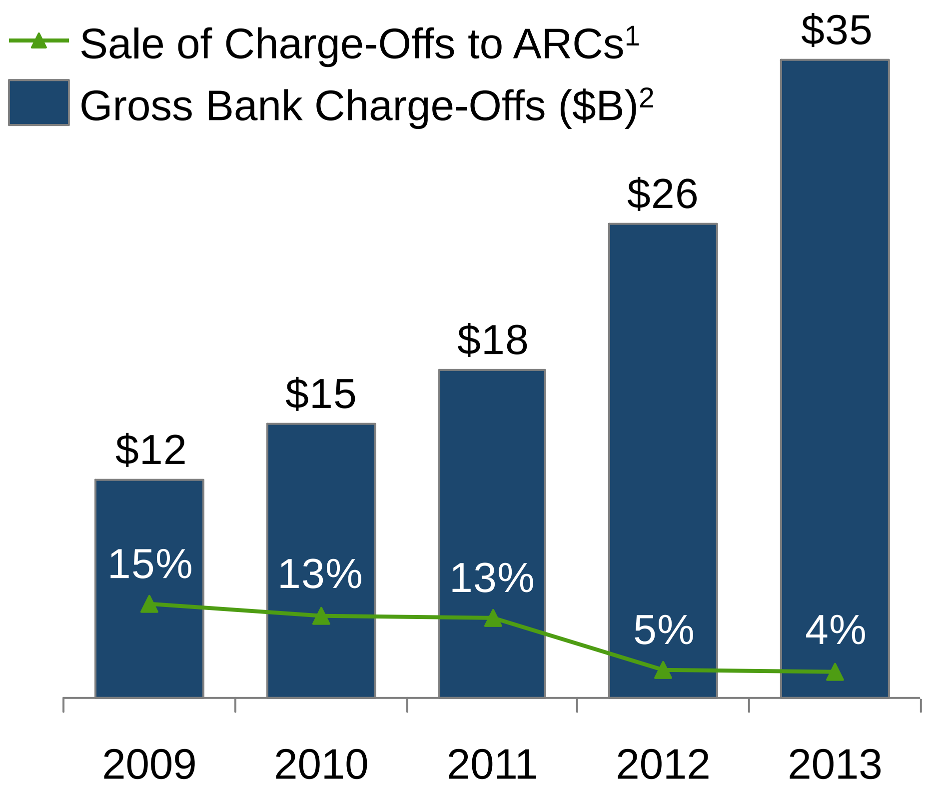
Gross credit growth in India - Commercial banks



Note: Figures calculated using current exchange rates.
Source: Planning commissions, RBI

THERE IS A LARGE GAP BETWEEN SUPPLY AND DEMAND, THOUGH SEVERAL FACTORS ARE LIKELY TO INCREASE CHARGE-OFF SALES

Market supply and demand for bank charge-offs



- Most banks lack skill set for optimal resolution of charge-offs
- Favorable regulatory amendments (such as easier debt aggregation, revised norms of asset sale) are expected to continue
- Implementation of Basel III should drive banks to sell their charge-off portfolios

1. Asset Reconstruction Company 2. Gross charge-offs at the end of the year = Gross charge-offs at the beginning of the year + incremental charge-offs added during the year - resolution done by banks internally and sale of assets by them during the year

ENCORE WILL PURCHASE DOMESTIC CHARGE-OFFS IN INDIA THROUGH AN ASSET RECONSTRUCTION COMPANY STRUCTURE

Potential ARC funding structure

Equity

50%
Encore U.S.

50%
Other Investors

→ **Encore Asset Reconstruction Company** ←

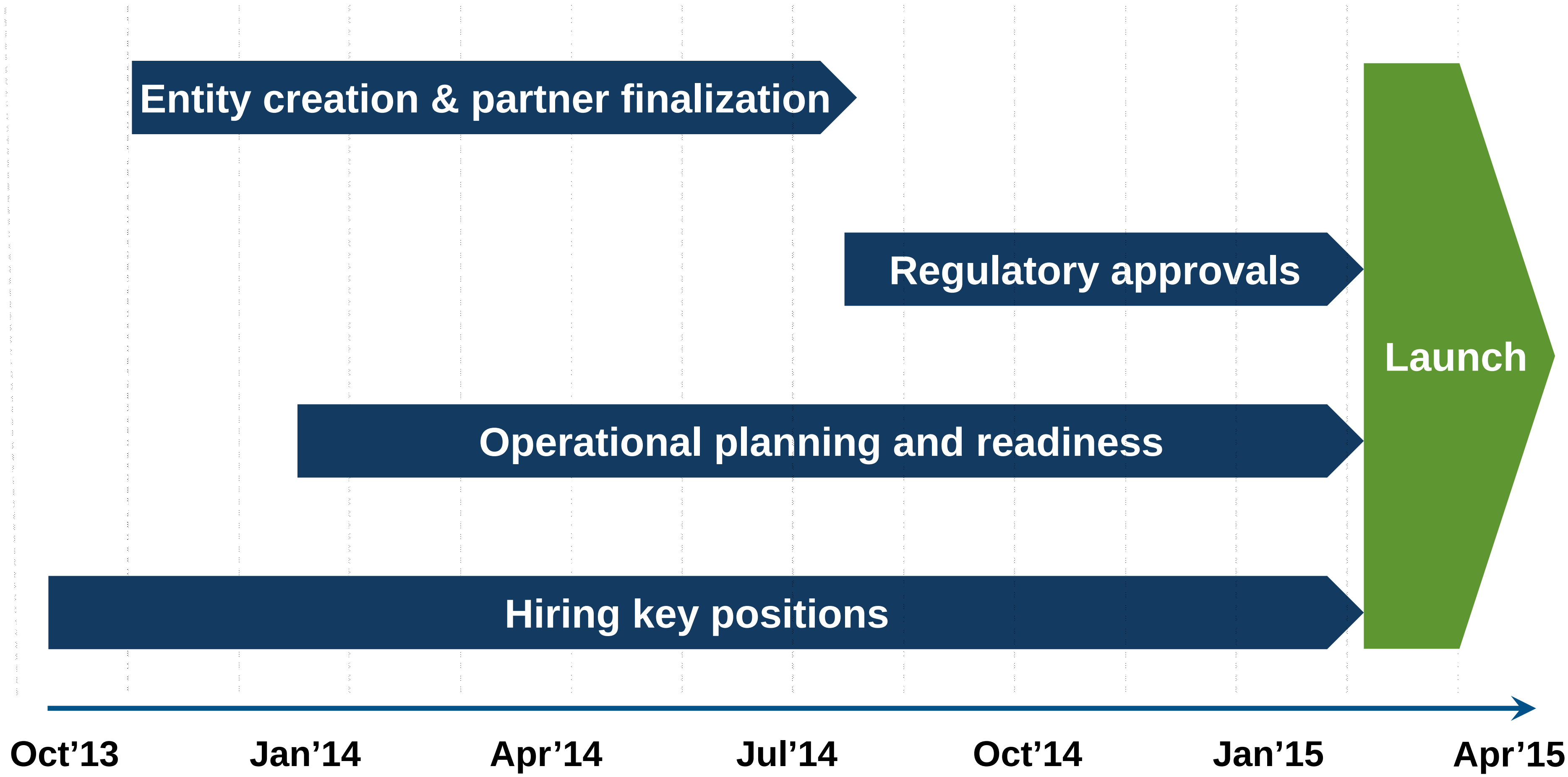
Debt

Banks/FIs

Encore Capital Group & its affiliates

Other equity partners

WE ARE WORKING EXPEDITIOUSLY TO ACHIEVE OUR LAUNCH IN EARLY 2015



THE INDIAN DEBT BUYING OPPORTUNITY IS STRONGLY ALIGNED WITH ENCORE’S GLOBAL DIVERSIFICATION STRATEGY

encore
CAPITAL GROUP

- Provides opportunity to capture leading position in an untapped, strongly growing market
- Aligns with Encore’s core strengths in the charged-off financial receivables market
- Takes advantage of Encore’s existing human and physical infrastructure in India
- Develops consumer database for future products and services

Ken Vecchione

President and CEO

Q&A

APPENDIX

RECONCILIATION OF ADJUSTED EBITDA

Reconciliation of Adjusted EBITDA to GAAP Net Income (Unaudited, In Thousands) Three Months Ended

	6/30/08	9/30/08	12/31/08	3/31/09	6/30/09	9/30/09	12/31/09	3/31/10	6/30/10	9/30/10	12/31/10	3/31/11
GAAP net income, as reported	6,162	3,028	(2,095)	8,997	6,641	9,004	8,405	10,861	11,730	12,290	14,171	13,679
(Gain) loss from discontinued operations, net of tax	(89)	46	(483)	(457)	(365)	(410)	(901)	(687)	(684)	(315)	28	(397)
Interest expense	4,831	5,140	5,401	4,273	3,958	3,970	3,959	4,538	4,880	4,928	5,003	5,593
Provision for income taxes	4,161	2,429	(1,781)	5,670	3,936	5,676	4,078	6,080	6,356	6,474	9,057	8,349
Depreciation and amortization	482	396	391	410	402	443	516	522	591	650	789	904
Amount applied to principal on receivable portfolios	35,785	35,140	46,364	42,851	48,303	49,188	47,384	58,265	64,901	63,507	53,427	85,709
Stock-based compensation expense	1,288	860	382	1,080	994	1,261	1,049	1,761	1,446	1,549	1,254	1,765
Adjusted EBITDA	**52,560**	**47,039**	**48,179**	**62,824**	**63,869**	**69,132**	**64,490**	**81,340**	**89,220**	**89,083**	**83,729**	**115,602**

	6/30/11	9/30/11	12/31/11	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	6/30/13	9/30/13	12/31/13	3/31/14
GAAP net income, as reported	14,775	15,370	17,134	11,406	16,596	21,308	20,167	19,448	11,012	21,064	22,216	18,830
(Gain) loss from discontinued operations, net of tax	(9)	(60)	101	6,702	2,392	-	-	-	-	308	1,432	-
Interest expense	5,369	5,175	4,979	5,515	6,497	7,012	6,540	6,854	7,482	29,186	29,747	37,962
Provision for income taxes	9,475	9,834	10,418	11,660	12,846	13,887	13,361	12,571	7,267	10,272	15,278	11,742
Depreciation and amortization	958	1,054	1,165	1,240	1,420	1,533	1,647	1,846	2,158	4,523	5,020	6,117
Amount applied to principal on receivable portfolios	83,939	73,187	69,462	104,603	101,813	105,283	90,895	129,487	127,370	154,283	124,520	159,106
Severance and Stock-based compensation expense	1,810	2,405	1,729	2,266	2,539	1,905	2,084	3,001	5,364	3,983	3,486	4,836
Acquisition related expense	-	-	-	489	3,774	-	-	1,276	12,848	7,752	4,260	11,081
Adjusted EBITDA	**116,317**	**106,965**	**104,988**	**143,881**	**147,877**	**150,928**	**134,694**	**174,483**	**173,501**	**231,371**	**205,959**	**249,674**

Note: The periods 6/30/08 through 12/31/08 have been adjusted to reflect the retrospective application of ASC 470-20. All periods have been adjusted to show discontinued ACG operations.

RECONCILIATION OF ADJUSTED INCOME AND ADJUSTED/ECONOMIC EPS

Reconciliation of Adjusted Income and Adjusted/Economic EPS to GAAP EPS (Unaudited, in thousands, except per share amounts), Full Year

	2013			2012		
	$	Per Diluted Share – Accounting	Per Diluted Share – Economic[1]	$	Per Diluted Share – Accounting	Per Diluted Share – Economic
Net income from continuing operations attributable to Encore[2]	77,039	$2.94	$3.01	78,571	$3.04	$3.04
Adjustments:						
Net non-cash interest and issuance cost amortization, net of tax	3,274	$0.12	$0.13	191	$0.01	$0.01
Acquisition related legal and advisory fees, net of tax	12,981	$0.50	$0.51	2,567	$0.10	$0.10
Acquisition related integration and consulting fees, net of tax	3,304	$0.13	$0.13	-	-	-
Acquisition related other expenses, net of tax	2,198	$0.08	$0.08	-	-	-
Adjusted income from continuing operations attributable to Encore	98,796	$3.77	$3.86	$81,329	$3.15	$3.15

1. Excludes approximately 595,000 shares issuable upon the conversion of the company's convertible senior notes due 2017 that are included for accounting purposes but will not be issued due to certain hedge and warrant transactions 2. Excludes net loss attributable to non-controlling interest of $1,559 in 2013

Encore Capital Group, Inc.

2014 Investor Day
New York, NY
June 5, 2014