



RAYMOND JAMES 35TH ANNUAL INSTITUTIONAL INVESTORS CONFERENCE

March 4, 2014



CAUTIONARY NOTE ABOUT FORWARD-LOOKING STATEMENTS

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, earnings per share, 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 the most recent reports on Forms 10-K and 10-Q, as they may be amended from time to time. The Company disclaims any intent or obligation to update these forward-looking statements.

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

We deploy capital to acquire delinquent consumer receivables...

1 in 5 American consumers have accounts with us

3.4 million consumers have satisfied their obligations

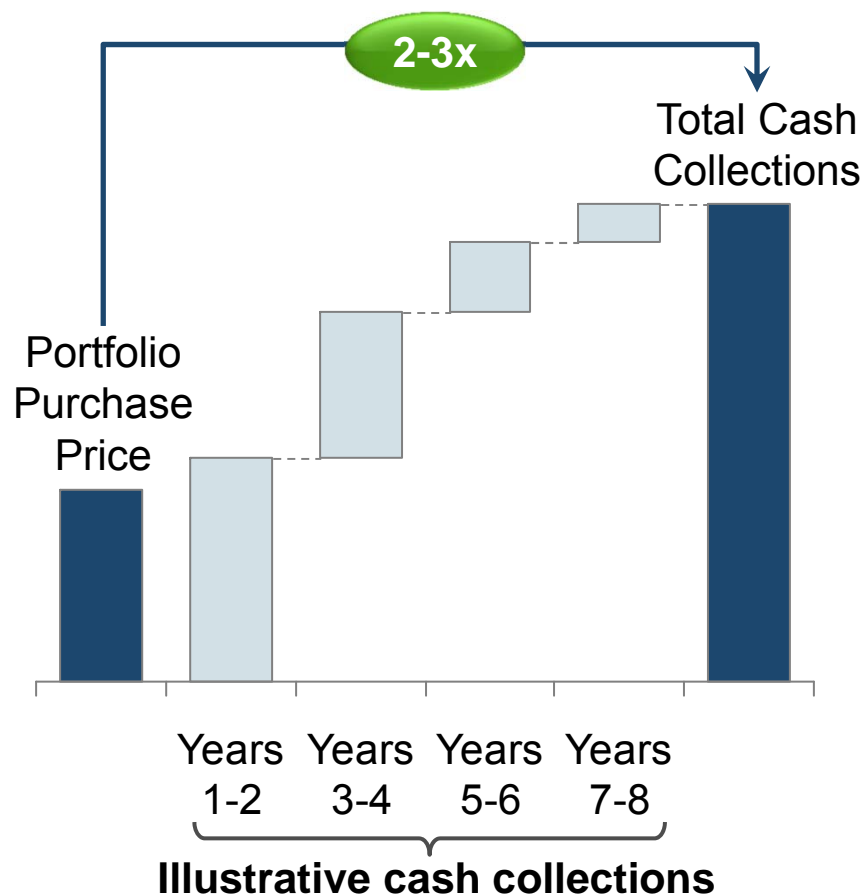
\$1.28 billion collected in the last twelve months

\$4.0 billion in estimated remaining collections

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

5,250 employees worldwide

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



[†]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.

WITH OUR GROWTH HAS COME SIGNIFICANT GEOGRAPHIC DIVERSIFICATION



ENCORE PROVIDES A PRINCIPLED AND ESSENTIAL SERVICE

Original creditor



Relationship is transactional

- Attempt to collect during initial delinquency cycle
- Consumer is “charged-off” by issuer on day 181 of cycle
- No longer considered a “customer” by creditor

Contingency collection agency



vs.



Collection time frame

- 4-6 months

- 84 months to recover financially

Consumer experience

Pressure

- Artificial deadlines
- Multiple exchanges of sensitive data
- Counterproductive incentives

Partnership

- Create partnership strategy and set goals
- Tailor solutions to individuals
- Single point of contact

Outcome

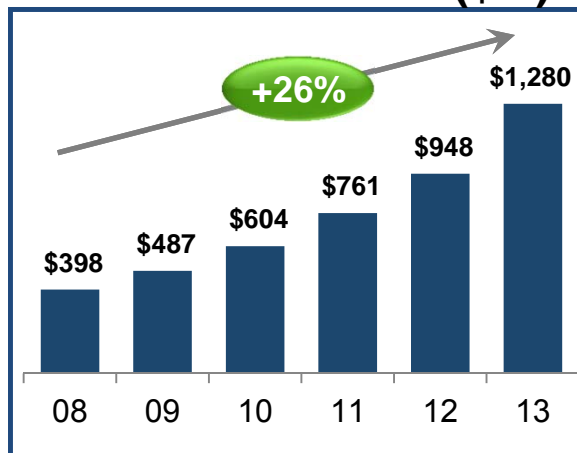
- Consumer is confused and frustrated

- Maximizes repayment likelihood and ensures fair treatment

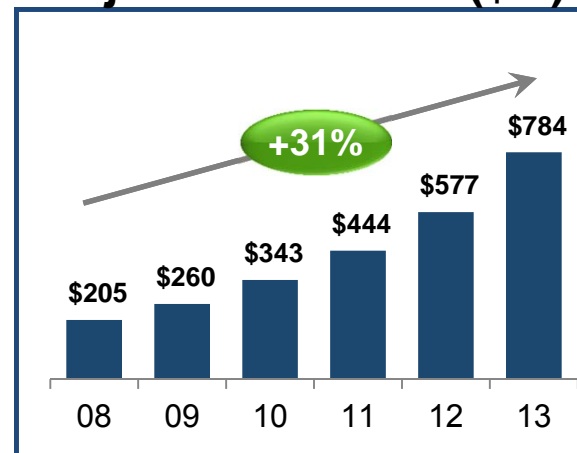
ENCORE HAS DELIVERED A TRACK RECORD OF STRONG, SUSTAINABLE FINANCIAL RESULTS

Strong business fundamentals...

Cash Collections (\$M)

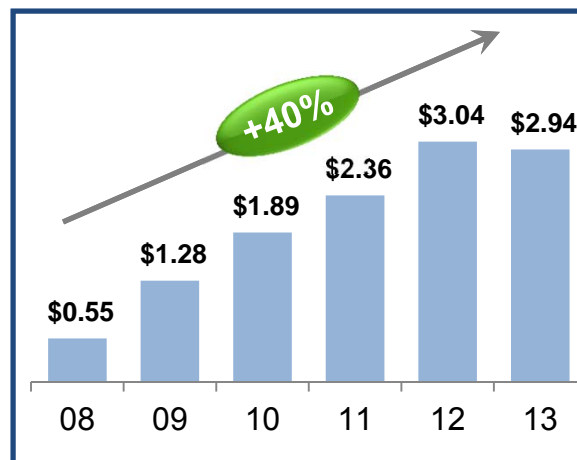


Adjusted EBITDA¹ (\$M)

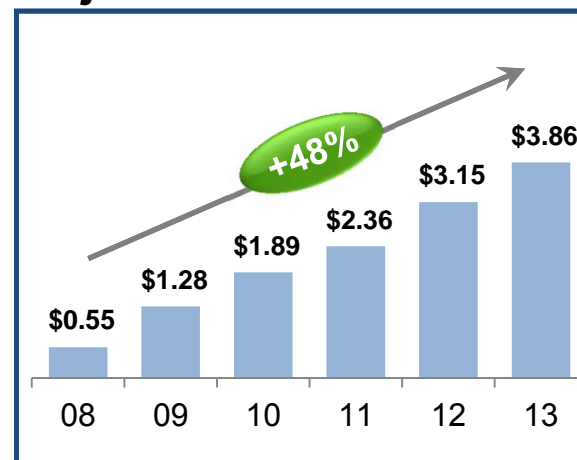


...driving profitable growth

GAAP EPS²



Adjusted Economic EPS³

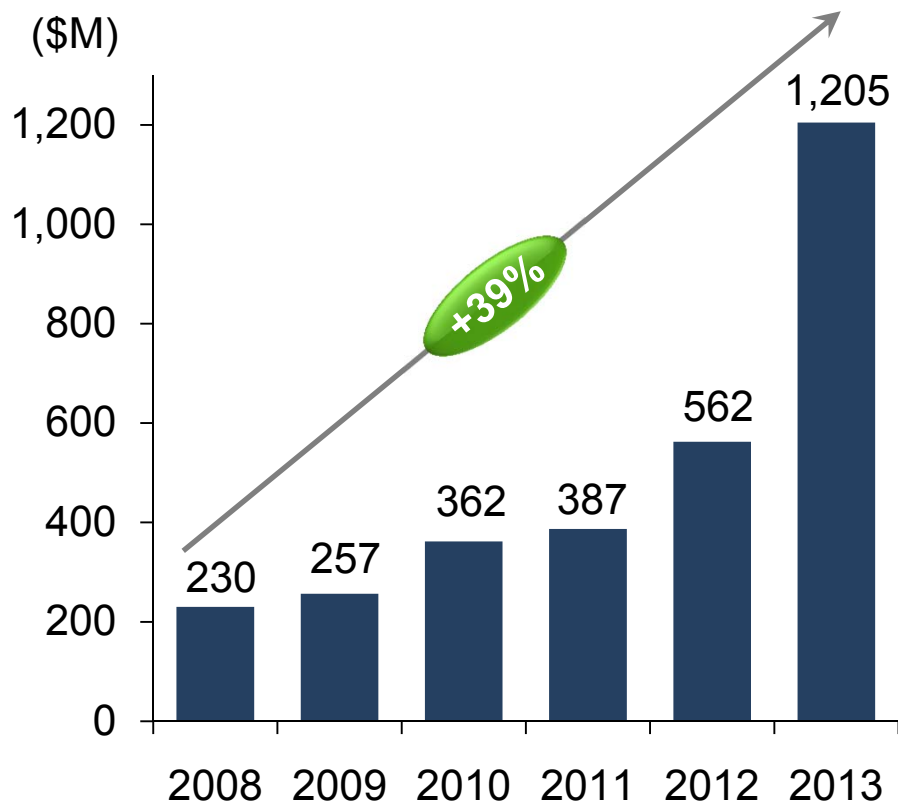


1. Adjusted EBITDA is a non-GAAP number which the company considers to be and utilizes as a meaningful indicator of operating performance. See Reconciliation of Adjusted EBITDA to GAAP Net Income at the end of this presentation. 2. Per fully diluted share from continuing operations. 3. Per fully diluted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

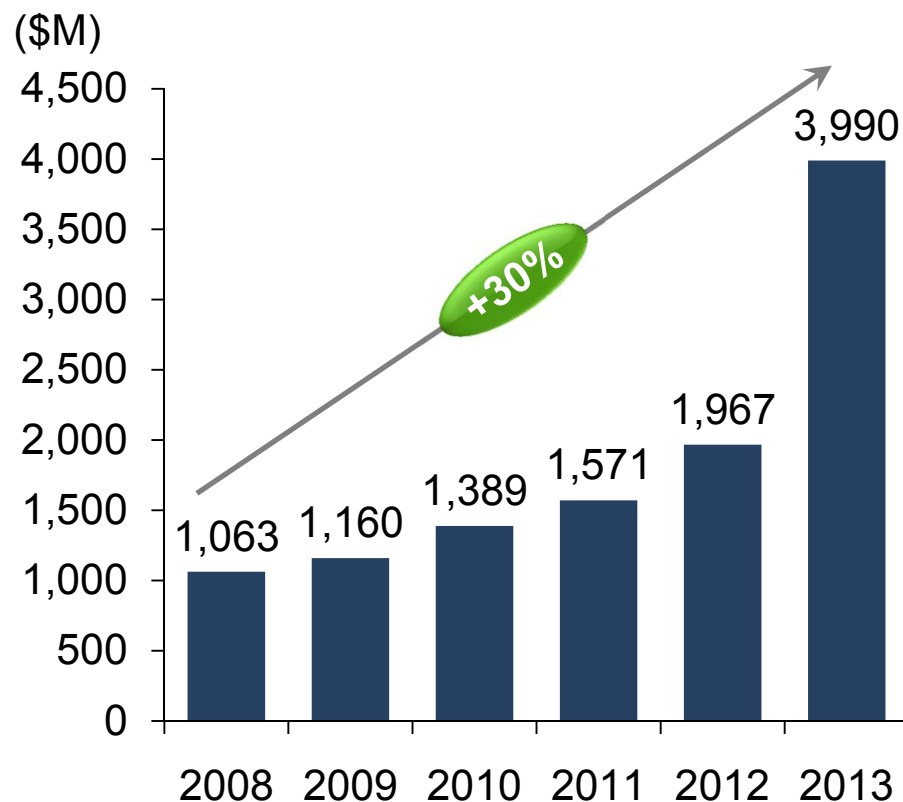
Note: Growth rate percentages for cash collections, Adjusted EBITDA, and EPS signify compounded annual growth rate from 2007 - 2012

MARKET LEADING INVESTMENTS HAVE ENABLED US TO GAIN SCALE AND POSITION OURSELVES FOR SUSTAINED GROWTH

Capital deployed in core receivables

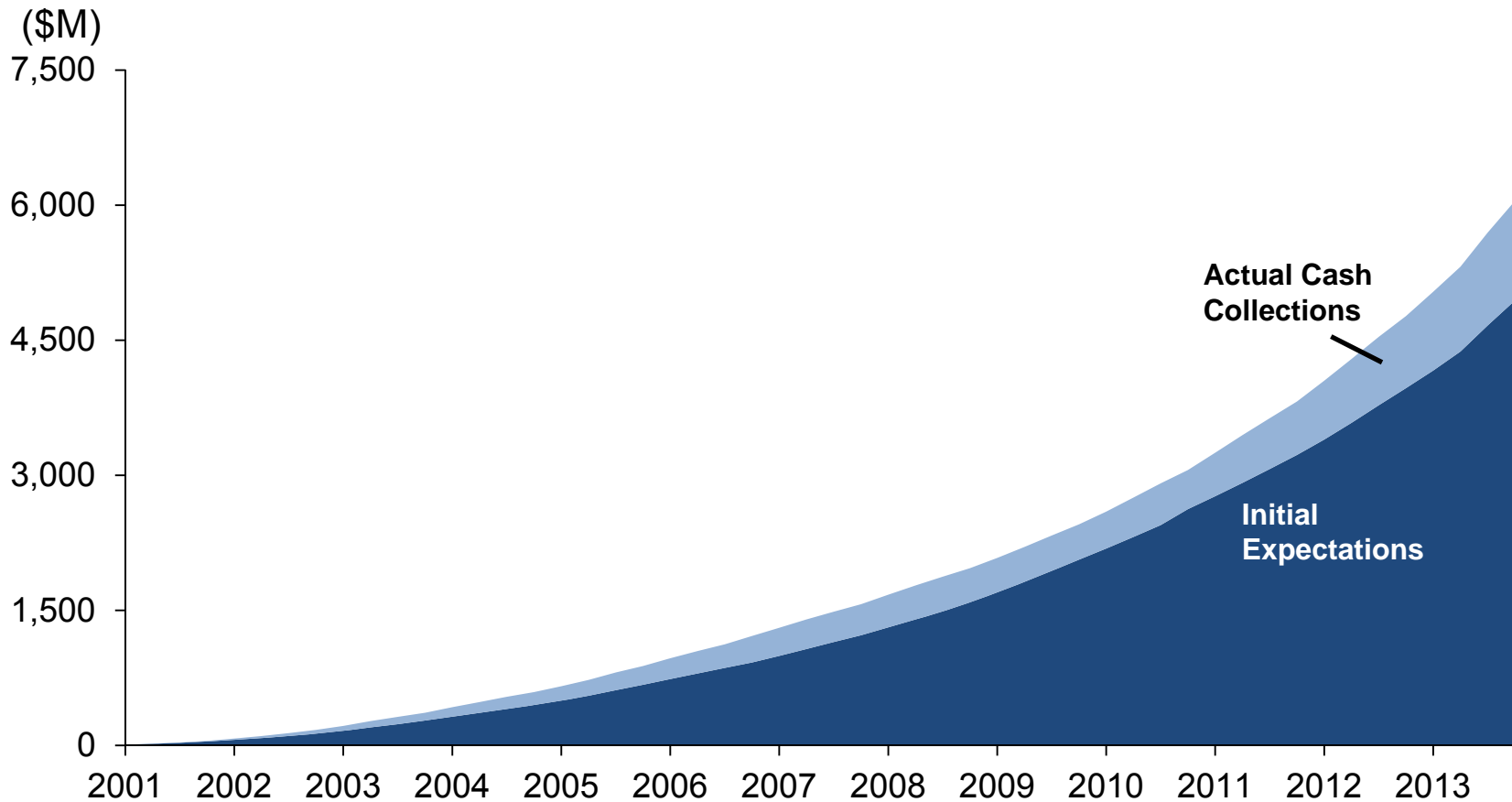


Estimated Remaining Collections in core receivables



WE BELIEVE THAT OUR CURRENT ESTIMATE OF REMAINING COLLECTIONS IS CONSERVATIVE

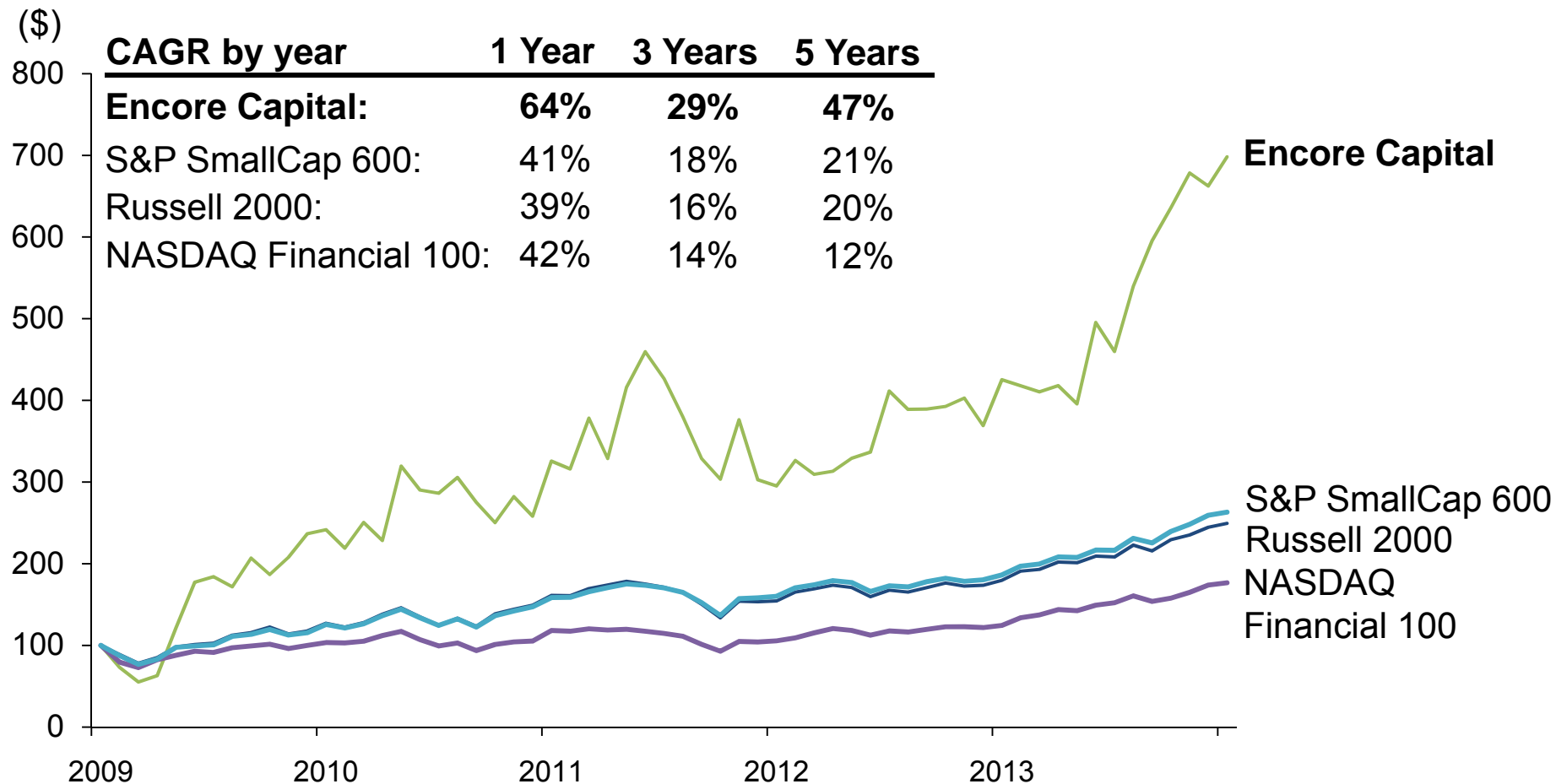
Cumulative Collections - initial expectations vs. actual



Note: Cabot collections are excluded

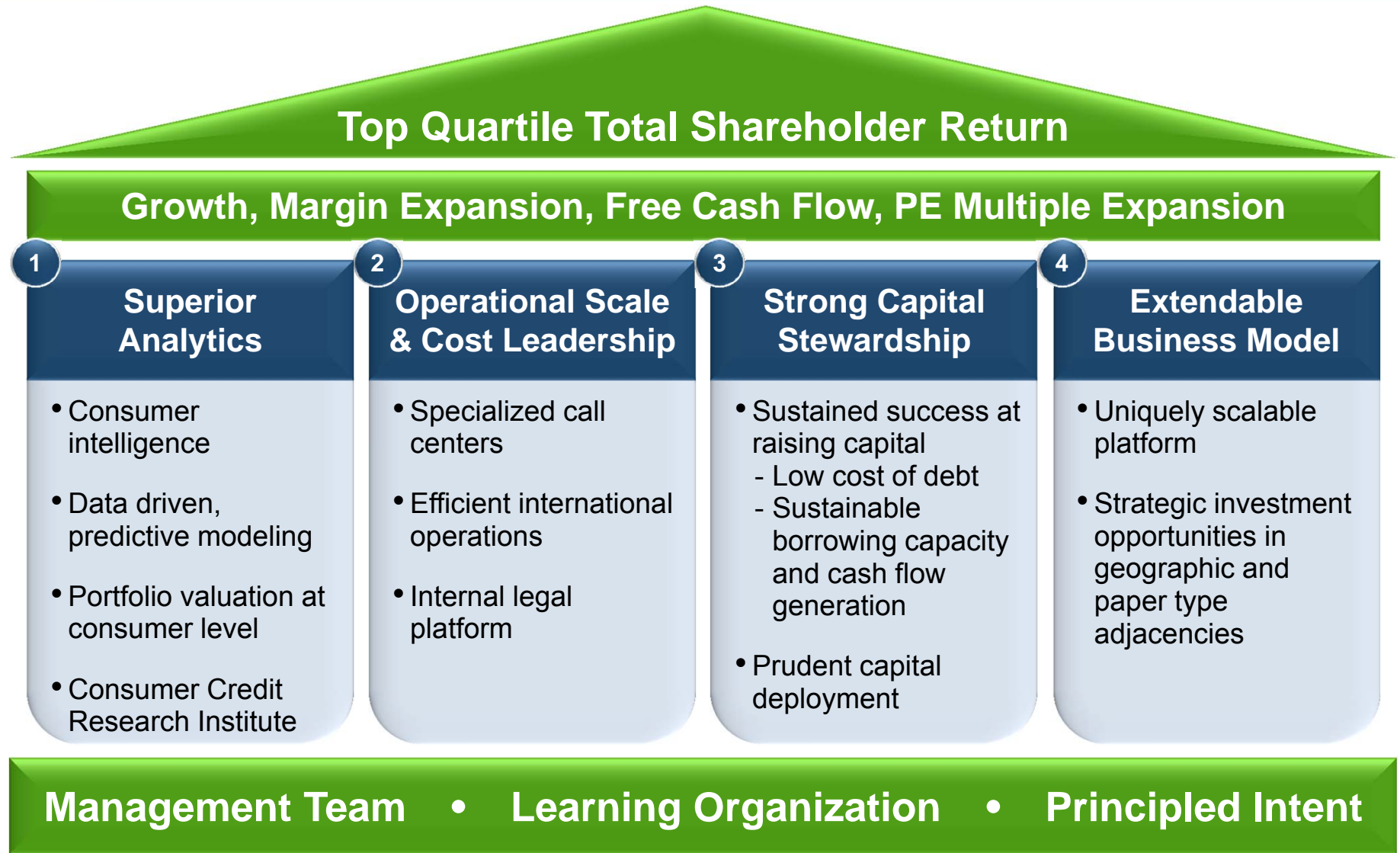
WE HAVE DELIVERED INDUSTRY LEADING TOTAL SHAREHOLDER RETURN OVER THE PAST FIVE YEARS

Total Shareholder Return (Dec. 2008 – Dec. 2013)¹



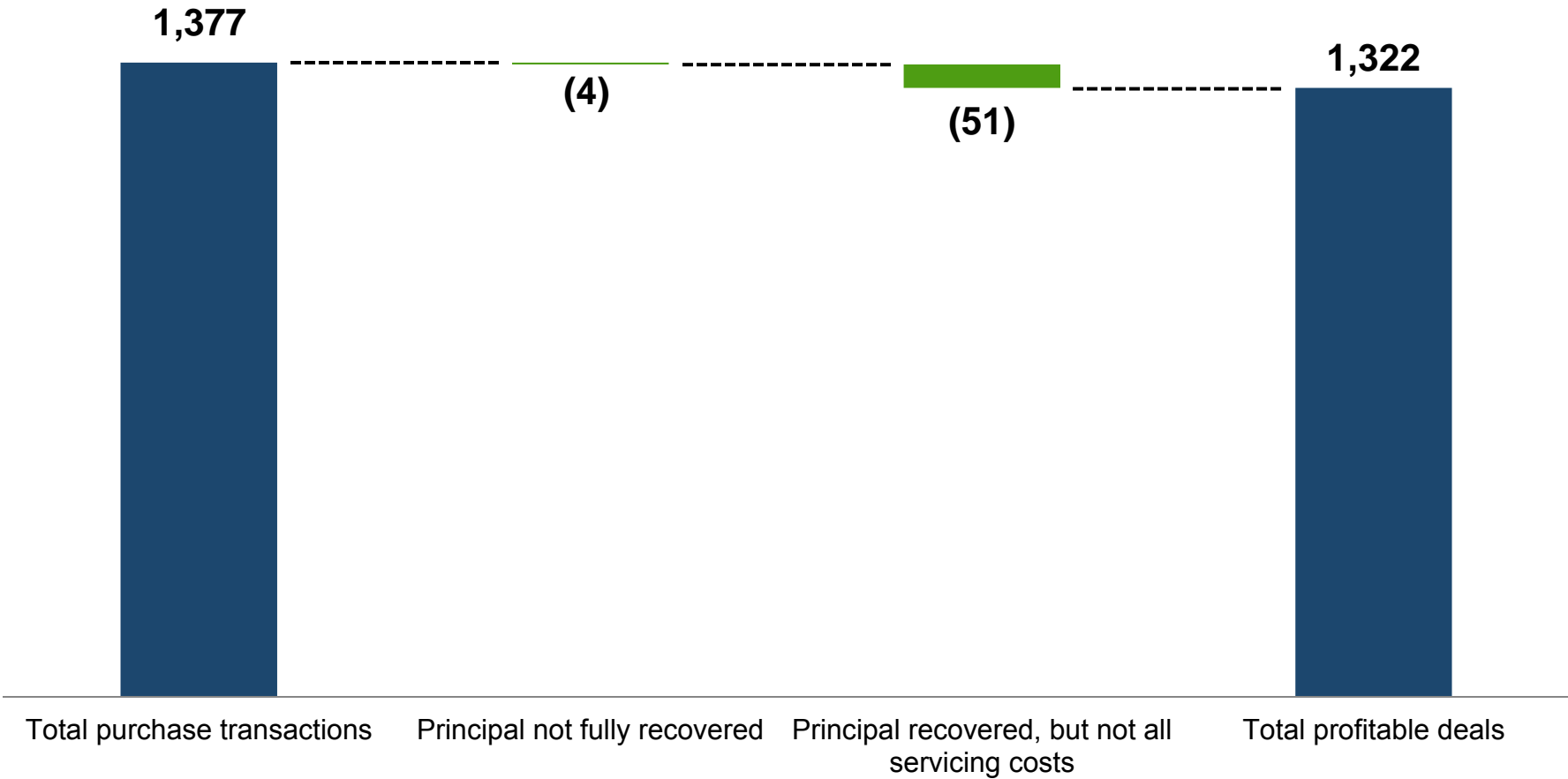
¹Assumes \$100 is invested at the beginning of calendar year 2009.

WE ARE WELL POSITIONED TO MAINTAIN OUR MOMENTUM AND CONTINUE DELIVERING TOP QUARTILE TSR



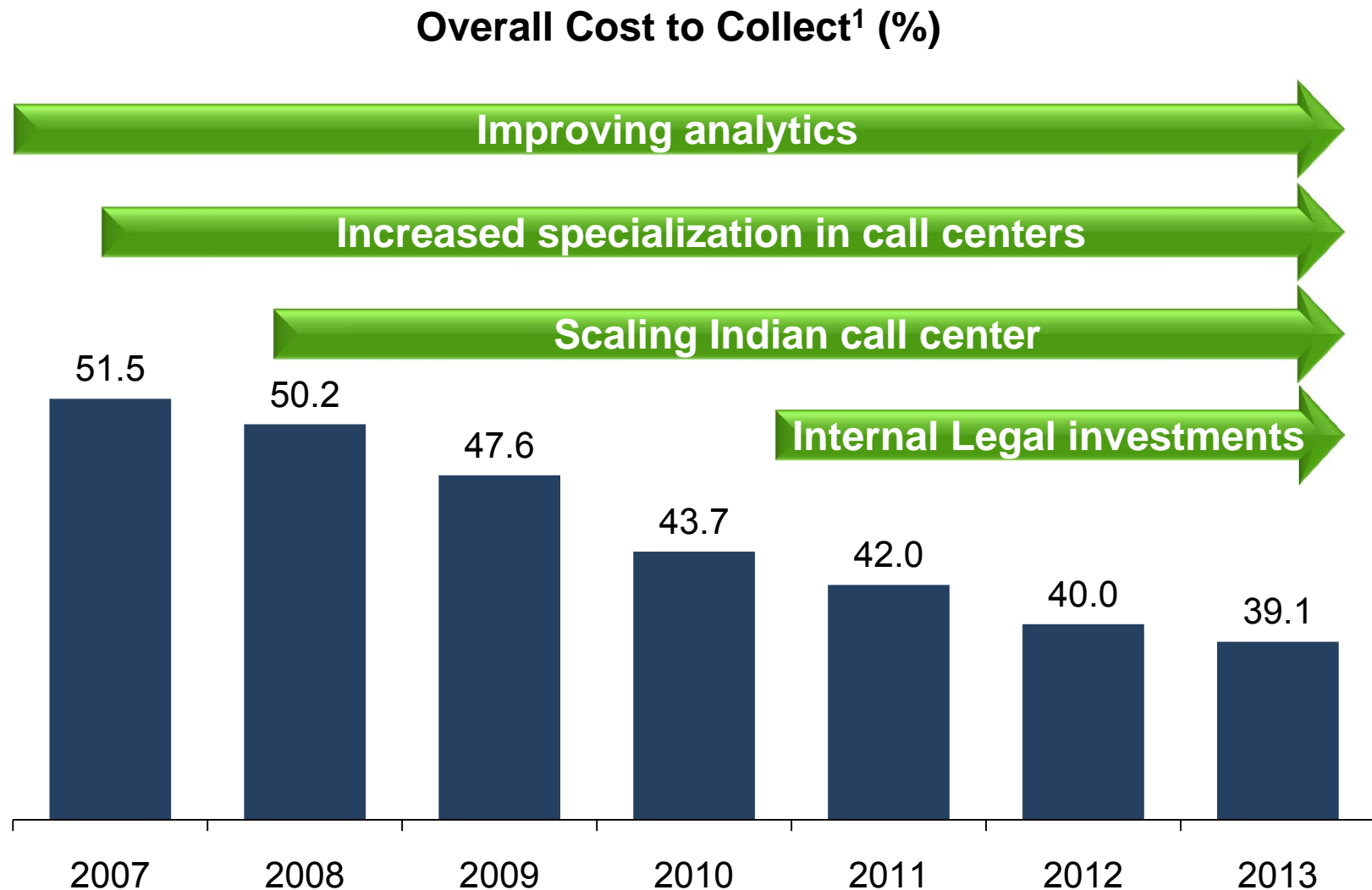
OUR SUPERIOR, ACCOUNT LEVEL ANALYTICS ENABLES US TO ACCURATELY PREDICT COLLECTIONS AND COSTS

Deal Accuracy Since 2000



Note: Count based on actual results plus forecast

WE HAVE THE INDUSTRY LEADING COST PLATFORM, DRIVEN BY CONTINUING OPERATIONAL IMPROVEMENTS



1. Cost to collect is Adjusted Operating Cost / dollar collected. See Reconciliation of Adjusted Operating Cost to GAAP Total Operating Expenses at the end of this presentation.

EFFICIENT CAPITAL STEWARDSHIP IS CRITICAL TO ENCORE'S SUCCESS

Deployment priorities

Reinvestments in core
receivables business

Investments in
adjacent spaces

Return of capital
to shareholders

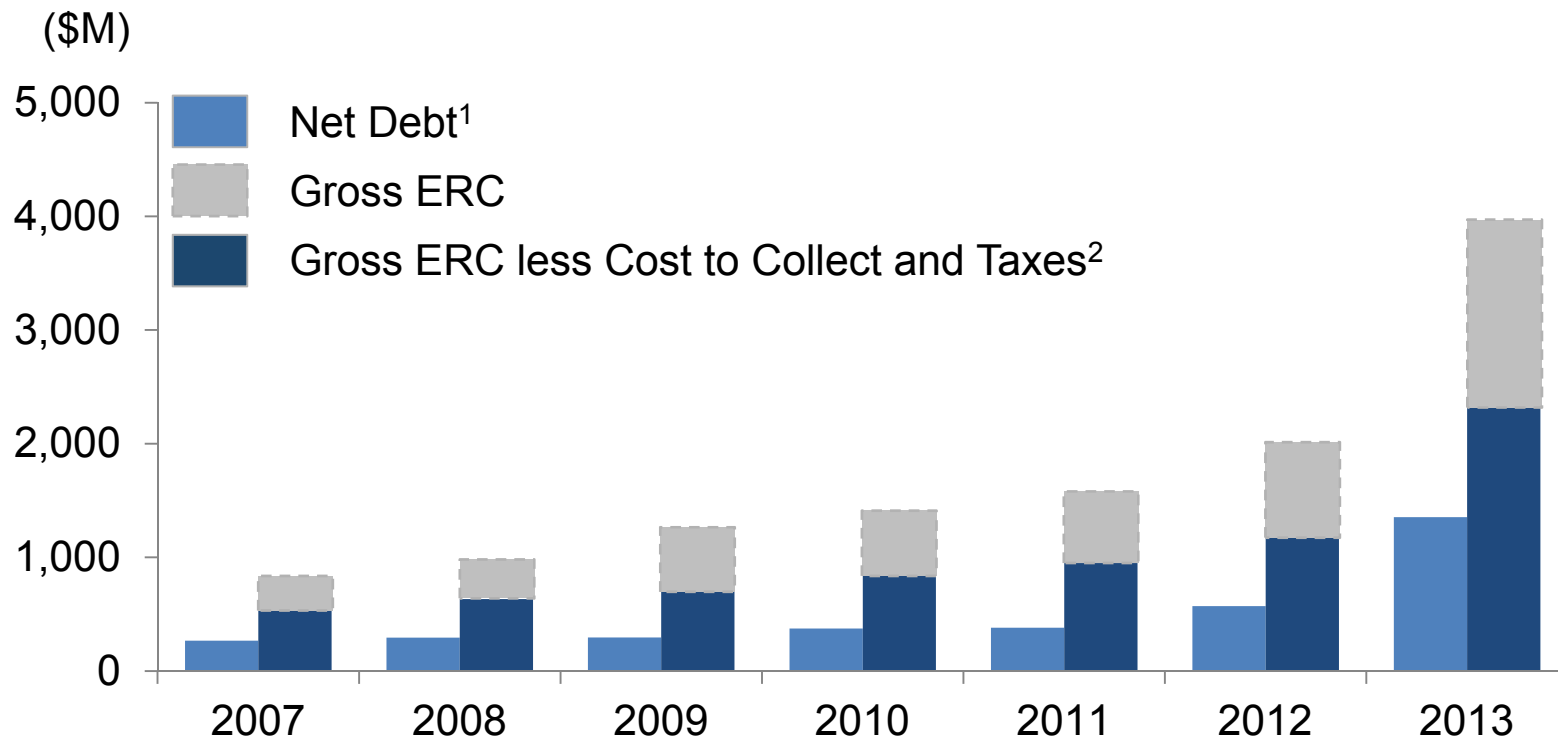
Principles for capital deployment

- All investments bound by IRR guidelines
 - Maintain operational flexibility with a range of core asset classes
-
- Prudent investment in adjacent spaces which leverage our core competencies
-
- Recognize there are times when best investment is to return cash

**All investments viewed through lens of
Total Shareholder Return**

WE HAVE A STRONG ABILITY TO QUICKLY RAISE CAPITAL WHICH IS SUPPORTED BY OUR ESTIMATED REMAINING COLLECTIONS

Estimated Remaining Collections (ERC) vs. Net Debt



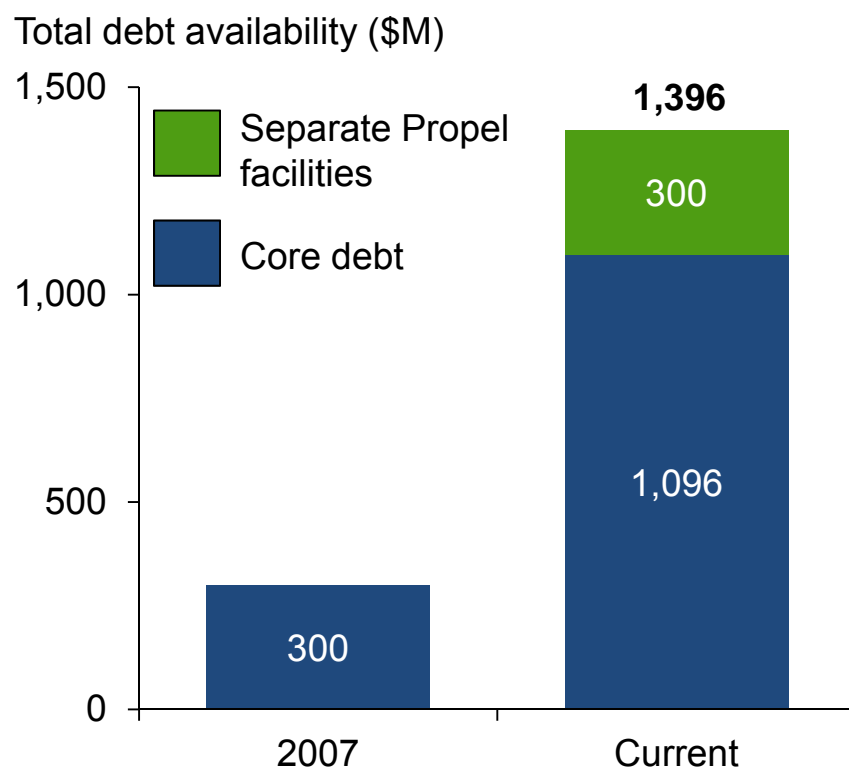
1. Includes revolver, term loan, senior, and net convertible debt less cash (includes Cabot debt except for preferred equity certificates and excludes Propel debt)

2. Assumes liquidation cost to collect of 30% and a tax rate of 39.2%.

OUR ABILITY TO RAISE ADDITIONAL CAPITAL ALLOWS US TO PURSUE SUPPLEMENTAL GROWTH IN ADJACENT SPACES

We have the debt markets expertise to fund new opportunities...

...and structure our debt to maximize flexibility for future growth



- **Propel facilities are incremental to, and separate from, our core debt facilities**

– No impact on ability to purchase core US receivables

- **We will continue to pursue and deploy separate pools of capital**

Note: Core debt includes the credit facility plus accordion

OUR FOCUS ON TSR DRIVES OUR GROWTH STRATEGY

Grow our core business and our subsidiaries

- ▶ Domestic core business
 - ▶ EAF - 2012
 - ▶ AACC – 2013
- ▶ Propel
 - ▶ TX competitor - 2013
- ▶ Cabot
 - ▶ Marlin – 2014
- ▶ Refinancia

Geographic expansion

- ▶ Cabot - 2013 - and Marlin - 2014 (UK)
- ▶ Grove (UK) - 2014
- ▶ Refinancia (Latin America) - 2013

Diversify into new asset classes

- ▶ Propel - 2012
- ▶ Refinancia (Credit cards, point-of-purchase guarantees) - 2013
- ▶ Grove (IVA) - 2014

This strategy positions us to deploy capital wherever we see the highest returns and continue to achieve earnings growth

WHEN WE ACQUIRE FROM OUR COMPETITORS, WE BELIEVE WE CAN LEVERAGE OUR PLATFORM TO REALIZE SUBSTANTIAL SYNERGY VALUE

Sources of value

1

Deeper consumer insight and analytics: More focused segmentation and targeting, resulting in better collections

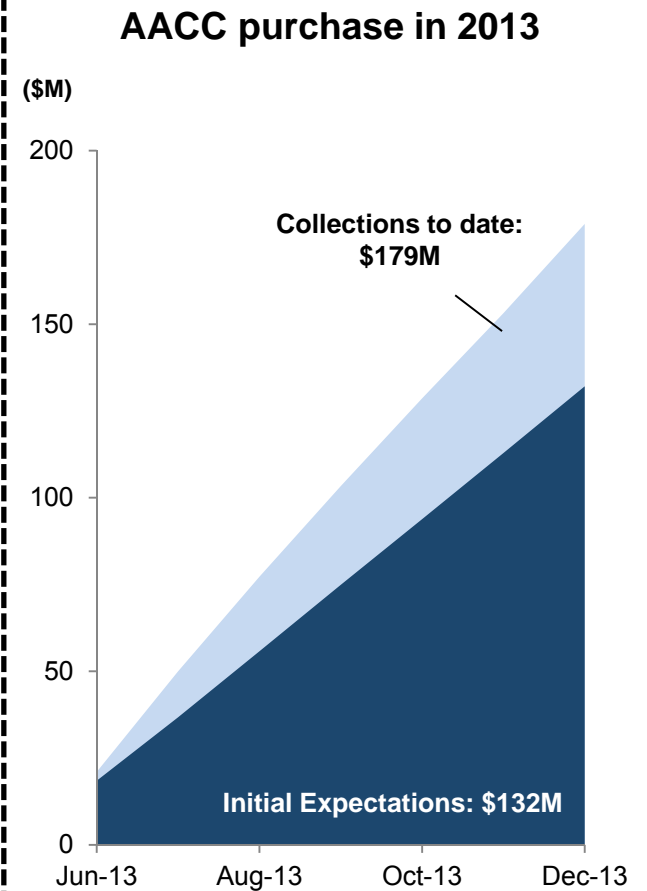
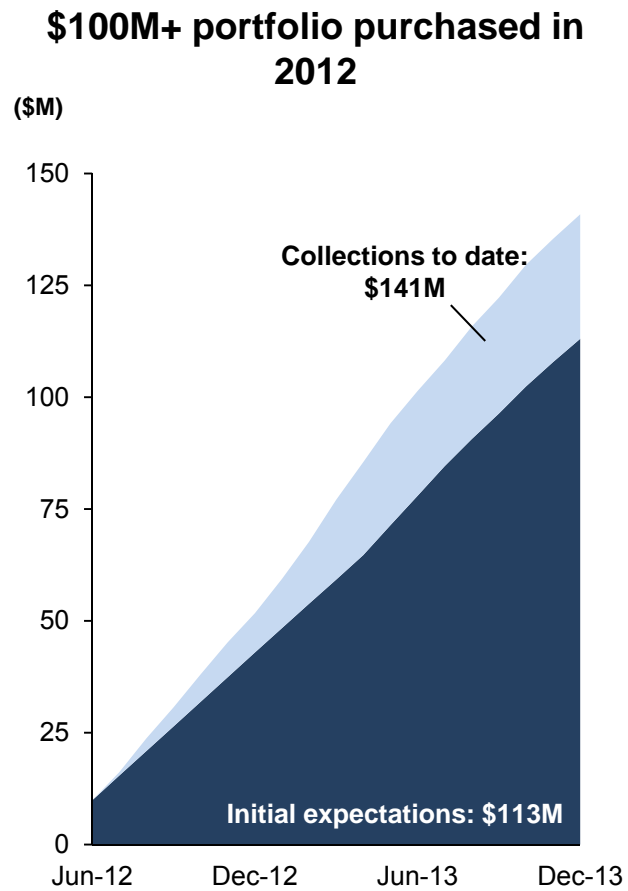
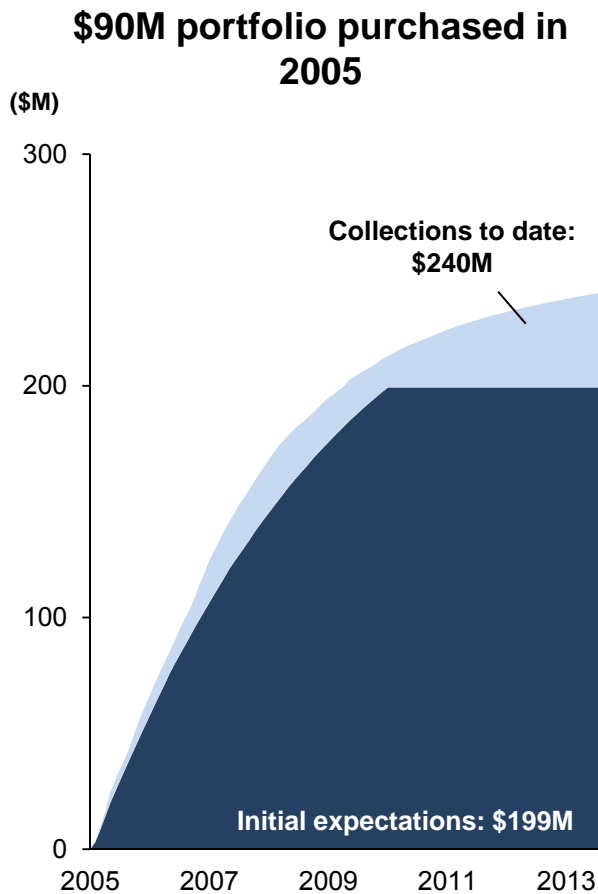
2

Lower cost structure: Leverage Encore's lower cost platform to expand margins on cash collections

3

Industry consolidation: Increased market share reduces competition and stabilizes purchase prices and returns

WE HAVE A STRONG TRACK RECORD ACQUIRING LARGE PORTFOLIOS FROM OTHER DEBT PURCHASERS



WE HAVE MADE SIGNIFICANT PROGRESS EXECUTING OUR PLANS FOR PROPEL

Our plan

What we've delivered



- Working to penetrate the 80% of the Texas market that doesn't use tax lien transfers



- Developed & implemented model for direct mailing
- Started outbound calling with existing Encore facilities
- Acquired large competitor and expect to continue market consolidation



- Lobbying to introduce legislation in other states that will create new markets



- Successfully worked with Nevada to pass legislation
- Advancing legislative push to other states



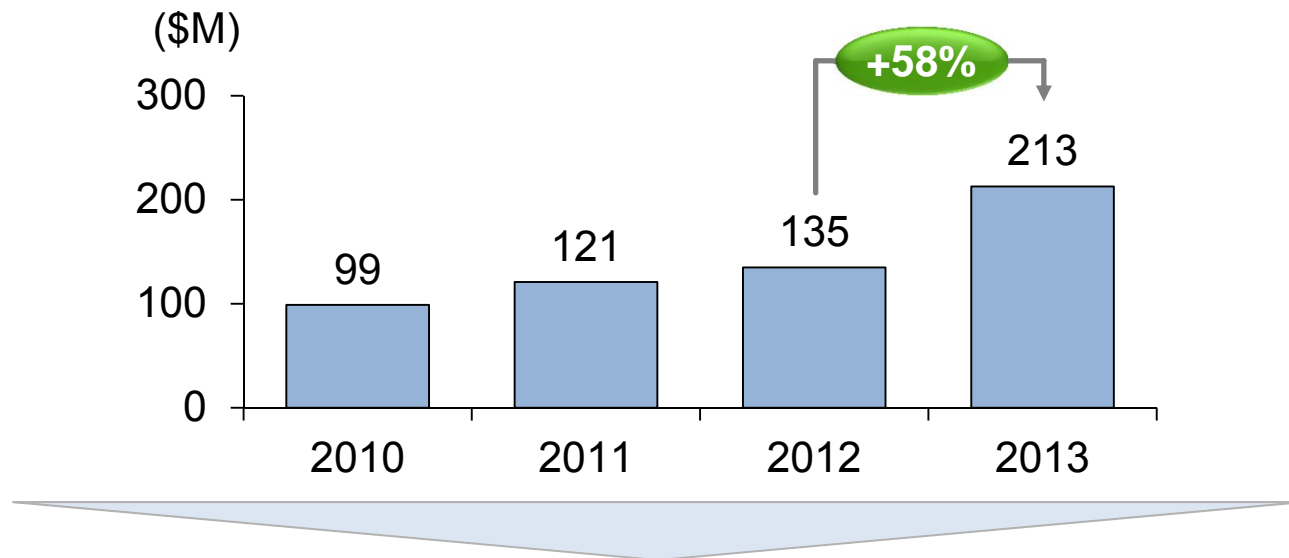
- Exploring alternative tax lien models that will allow us to expand into new markets



- Purchased tax lien in ten states

RESULTING IN GROWTH IN THE SIZE OF OUR PORTFOLIO WHILE MAINTAINING AN EXCEPTIONALLY LOW RISK PROFILE

Propel portfolio size



Texas portfolio characteristics

- \$8,600 average balance
- 8-year term
- 6-year weighted average life
- 13-15% typical interest rate
- \$227,000 average property value
- 3.9% average LTV at origination
- Less than 1% foreclosure rate
- Zero losses

LAST YEAR, WE BEGAN OUR GEOGRAPHIC DIVERSIFICATION WITH CABOT, A LEADING PURCHASER OF DEBT IN THE U.K.



Market leader in U.K. debt management

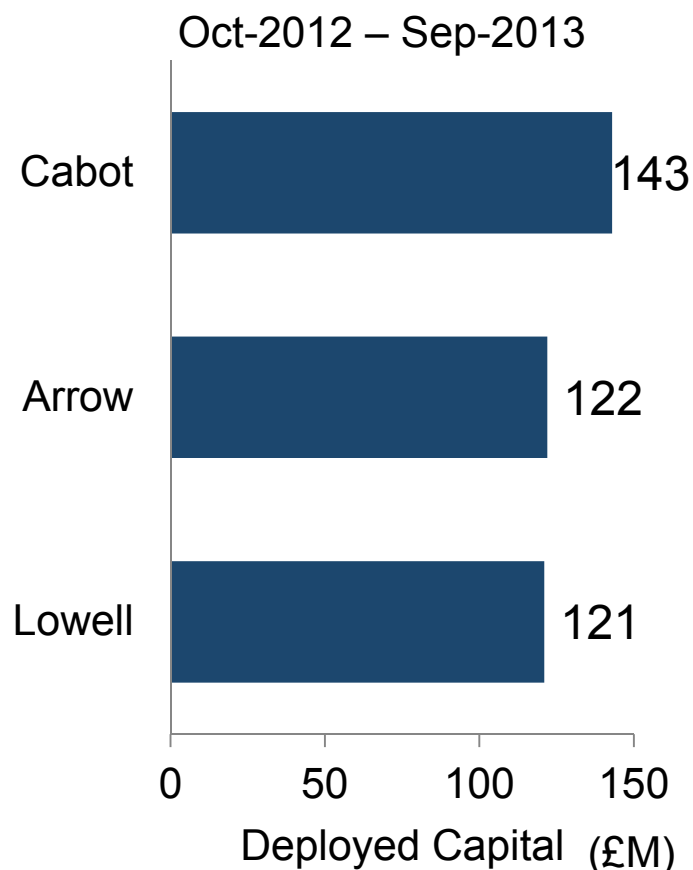
- Over 14 years of collections growth
- Operations in Great Britain and Ireland

Key statistics as of September 30, 2013:

- £8.6B face-value of debt acquired for £779M
- Statutory ERC of £1,050M
- 3.8M customer accounts
- Collections of £124.4M (2013)
- Capital deployment of £102M (2013)

Cabot contributed \$0.36 to Encore's economic EPS in 2H2013

Cabot was the leading purchaser of debt in the U.K. in 2012



CABOT AND ENCORE HAVE SEVERAL OPPORTUNITIES FOR SYNERGIES

Area	Comments
Institute specialized collections teams	<ul style="list-style-type: none"> Operations currently are undifferentiated (service payers, late stage paper, inbound/outbound) through one platform and generally, the same agents (including comp structure)
Leveraging analytics and technology to improve operational effectiveness	<ul style="list-style-type: none"> Dialer strategy and team can be revamped to improve operational efficiency and collector productivity There is an opportunity to improve account segmentation and collection strategies by leveraging insights from credit bureau and speech analytics tool
Expand litigation as a collection channel	<ul style="list-style-type: none"> Litigation use is emerging with a few players developing good understanding of value Should provide upside over the long term
Offshoring of back office and call center	<ul style="list-style-type: none"> While vendor management guidelines (including onsite visits) are becoming a reality, the issuers are comfortable with this approach, if executed well Late stage (post 18 months) accounts, which are currently placed with agencies, could be worked in India
Investment in secondary and tertiary asset classes	<ul style="list-style-type: none"> Strong competency of other UK players such as Lowell (proving it can be done) and also a strength of Encore Should be a meaningful opportunity to deploy capital profitably
Financing sources	<ul style="list-style-type: none"> Can leverage Encore's relationships to facilitate large purchases with securitizations or other off-balance sheet financing

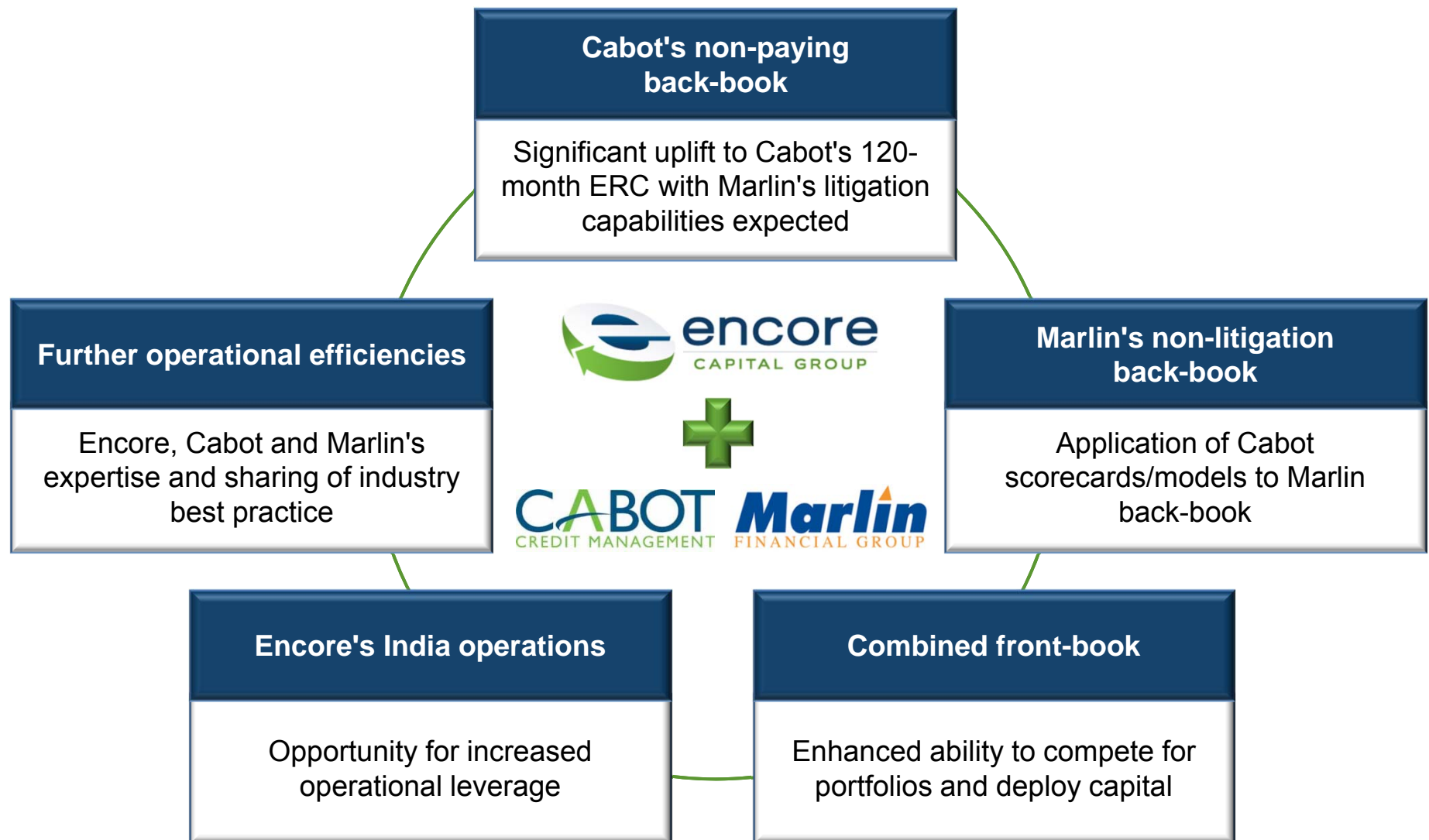
WE ENHANCED THIS INVESTMENT THROUGH THE ACQUISITION OF MARLIN



Marlin Financial Group is a UK debt buyer with a focus on litigation

Company Portfolio	Transaction Rationale	Financing	Status
<ul style="list-style-type: none">▶ To date, portfolio purchases have totaled £264M with a total face value of approx. £2.2B and an average account balance of £4,800▶ As of September 30, 2013, Marlin had ERC of £352M	<ul style="list-style-type: none">▶ Expected ERC lift attributed to Cabot's back book from utilizing Marlin's litigation platform for non-paying accounts▶ Valuable talent pool▶ Cabot + Marlin can leverage full extent of UK market growth with complementary niches	<ul style="list-style-type: none">▶ Fully financed by Cabot based on the combined companies' balance sheets▶ No additional investment is required from Encore	<ul style="list-style-type: none">▶ Cabot has just closed the transaction and integration has begun

THE TRANSACTION PRESENTS SUBSTANTIAL SYNERGY OPPORTUNITIES



WE HAVE AGREED TO ACQUIRE A 68% INTEREST IN GROVE CAPITAL



Grove specializes in the purchasing and servicing of insolvencies, consisting primarily of individual voluntary arrangements (“IVAs”) and bankruptcy receivables in the UK

IVAs

- ▶ Roughly equivalent to a chapter 13 bankruptcy in the U.S.
- ▶ Constitutes a formal repayment proposal presented to a debtor's creditors

Grove

- ▶ An asset manager supplying business development, account level portfolio analytics, bidding management and master servicing
- ▶ Successfully deployed ~£100 million in over 50 transactions in the U.K. insolvency market since its formation

Capital Deployment Strategy

- ▶ Investment will facilitate Encore's capital deployment strategy in the IVA asset class with an annual target of more than \$50 million
- ▶ Further opportunities as Grove expands in Spain and other European countries

IN LATE Q4, WE CLOSED THE ACQUISITION OF A 51% INTEREST IN REFINANCIA, EXPANDING OUR PRESENCE TO COLOMBIA AND PERU

With 1,000 employees, Refinancia is a leading buyer of non-performing loans in:



2013 Capital Deployed*	2013 Refinancia Market Share**
\$100 million	39%



2013 Capital Deployed*	2013 Refinancia Market Share**
\$13 million	64%

Investment Benefits

- ▶ New Market Opportunities
- ▶ Higher Returns
- ▶ Platform for Latin American expansion

Refinancia has deep relationships with leading financial services providers in the region

- ▶ International banks expanding their global footprint
- ▶ Local banks growing their consumer banking operations
- ▶ Specialty financial services companies

Refinancia's drivers

**Data-driven
Decision-making**

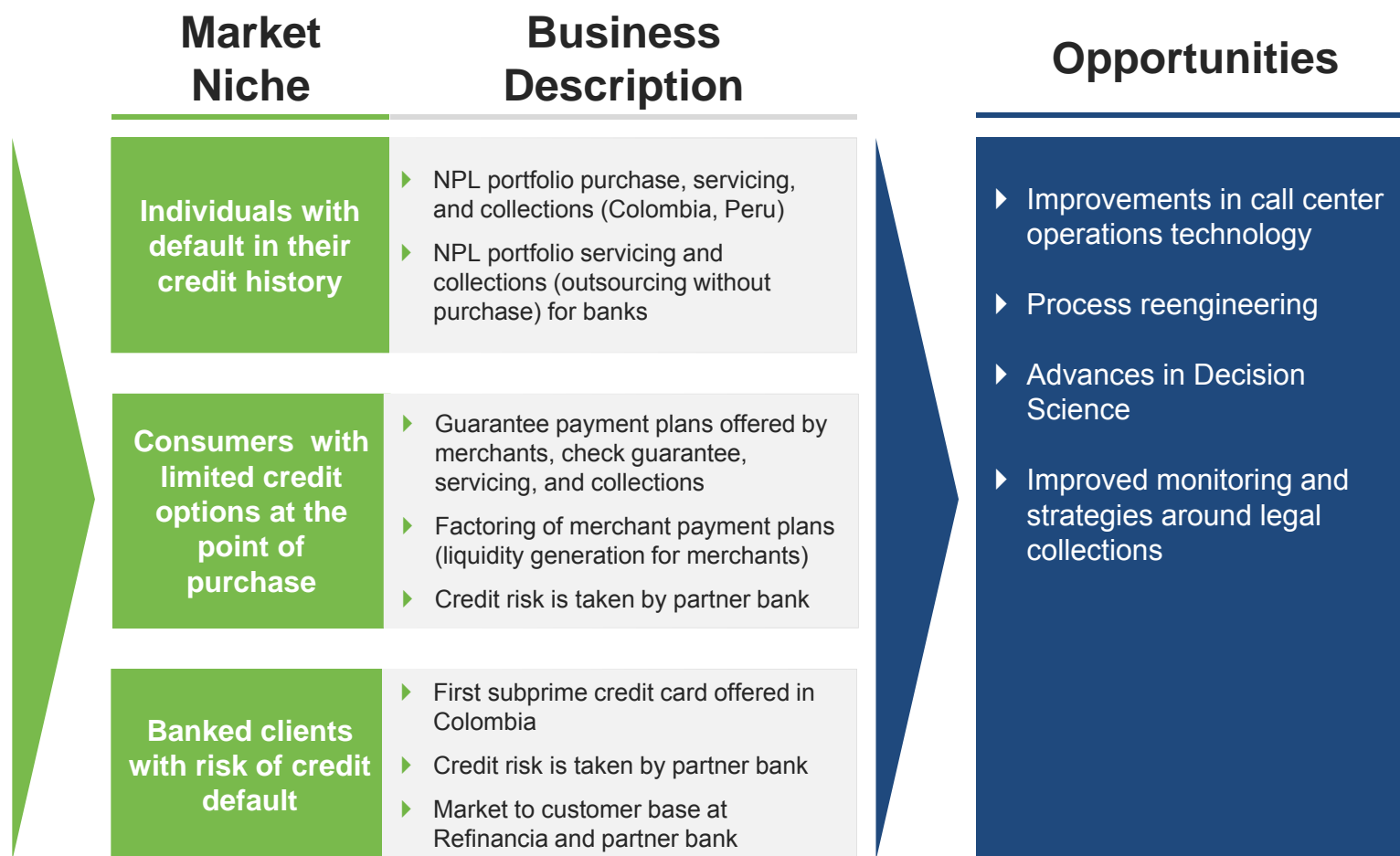
**Commitment To
Consumer Rights**

**Extendable Business
Model**

* All buyers

** Refinancia estimates

REFINANCIA IS ENCORE'S ENTRY INTO LATIN AMERICAN MARKETS



ENCORE'S LONG-TERM PROSPECTS CONTINUE TO BE FAVORABLE

Operating Results & Deployment

A culture of constant improvement drives improved results

Liquidity & Capital Access

Strong liquidity and access to capital enhance our ability to take advantage of consolidating markets and new opportunities

Solid Cash Flows

Additional asset classes and geographies continue to enhance ERC and collections

Geographic & Asset Class Diversification

We are an international company in several asset classes, positioned for strong earnings growth going forward

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
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
(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
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
Depreciation and amortization	958	1,054	1,165	1,240	1,420	1,533	1,647	1,846	2,158	4,523	5,020
Amount applied to principal on receivable portfolios	83,939	73,187	69,462	104,603	101,813	105,283	90,895	128,481	127,370	154,283	124,520
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
Acquisition related expense	-	-	-	489	3,774	-	-	1,276	12,848	7,752	4,260
Adjusted EBITDA	116,317	106,965	104,988	143,881	147,877	150,928	134,694	173,477	173,501	231,371	205,959

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 NET INCOME AND ADJUSTED EPS

Reconciliation of Adjusted Net Income and Adjusted 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 Encore²	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 net 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

RECONCILIATION OF ADJUSTED OPERATING EXPENSES

Reconciliation of Adjusted Operating Cost to GAAP Operating Expenses (Unaudited, In Thousands)

	2007	2008	2009	2010	2011	2012	2013
GAAP total operating expenses, as reported	201,849	216,900	249,782	269,952	328,566	401,696	575,005
Adjustments:							
Ascension Operating Costs	(14,801)	(13,369)	(13,218)	-	-	-	
Stock-based compensation expense	(4,287)	(3,564)	(4,384)	(6,010)	(7,709)	(8,794)	(12,649)
Operating expenses related to non-portfolio purchasing and recovery business	-	-	-	-	(986)	(9,291)	(36,511)
Acquisition related legal and advisory fees	-	-	-	-	-	(4,263)	(20,236)
Acquisition related integration and severance costs, and consulting fees	-	-	-	-	-	-	(5,455)
Adjusted operating expenses	182,761	199,967	232,180	263,942	319,871	379,348	500,154