COMPANY UPDATE

March 2016

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.

Overview

ENCORE IS A TOP-TIER, GLOBAL PLAYER IN THE CONSUMER DEBT PURCHASING AND RECOVERY INDUSTRY

Scale

- **~100M** Consumer Accounts
- **$1.7B** 2015 Collections
- **$5.7B** Estimated Remaining Collections

Global Reach

- **14** Countries
- **1/5** US Consumers
- **1/8** UK Consumers
- **1/10** Colombian Consumers

Trajectory

- **25%** Adjusted EBITDA[1] 5-year CAGR
- **22%** Economic EPS[2] 5-year CAGR

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 in the Appendix. 2. Reflects full-year 2009 to 2014. Economic EPS is a non-GAAP number which the company considers to be and utilizes as a meaningful indicator of operating performance. See Reconciliation of Economic EPS to GAAP earnings per share in Encore's Form 10-K and Form 10-Q filings.

ENCORE PLAYS AN IMPORTANT ROLE IN SUPPORTING ACCESS TO CONSUMER CREDIT GLOBALLY

United States

As the economy recovers, consumer indebtedness increases

- Total debt up 2% since 2014
- Unsecured debt up 5.6% since 2014

United Kingdom

Steady rise in consumer credit and indebtedness

- Total debt up 2% since 2014
- Consumer credit up 6.4% since 2014

Latin America

Markets experiencing a massive surge in consumer credit

- Consumer credit with a double-digit five-year CAGR in key markets

We enable creditors to better serve consumers

- Reduce losses from delinquent debt
- Contribute to profitability and solvency of financial system
- Enhance resilience of financial system

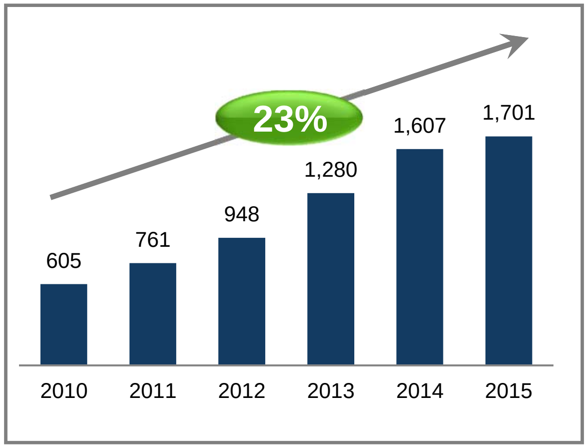
We enable consumers to increase their access to credit

- Help consumers to rehabilitate their credit history
- Increase the number and variety of lenders available

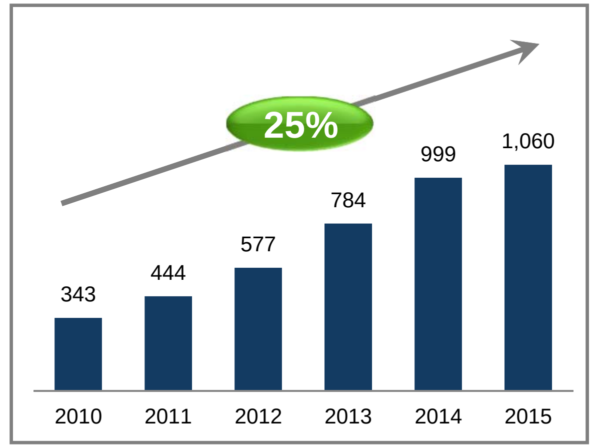
ENCORE HAS DELIVERED A TRACK-RECORD OF STRONG, SUSTAINABLE FINANCIAL RESULTS

Strong business fundamentals…

Cash Collections ($MM)

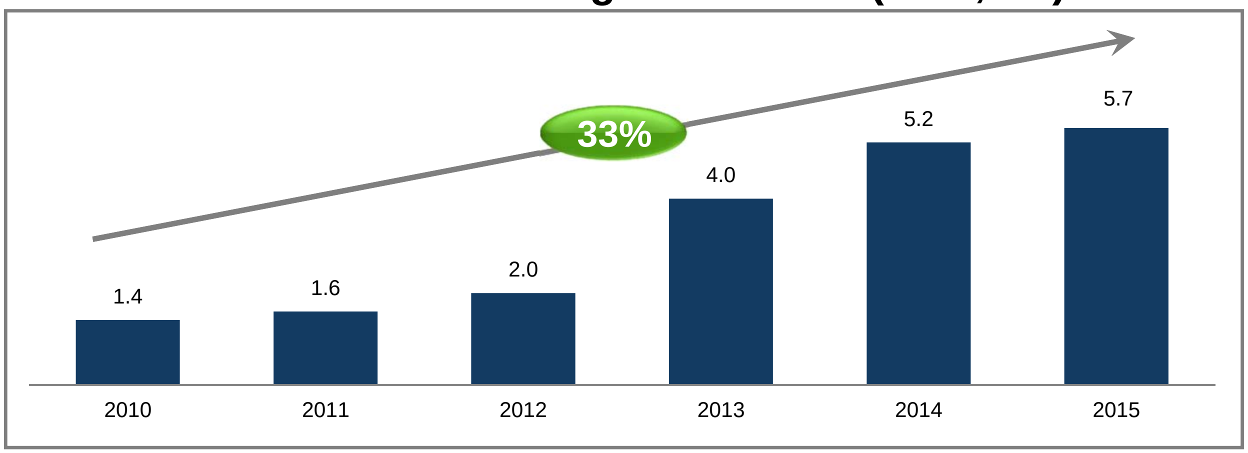


Adjusted EBITDA[1] ($MM)



…with a growing future collection base

Estimated Remaining Collections (ERC, $B)



encore CAPITAL GROUP

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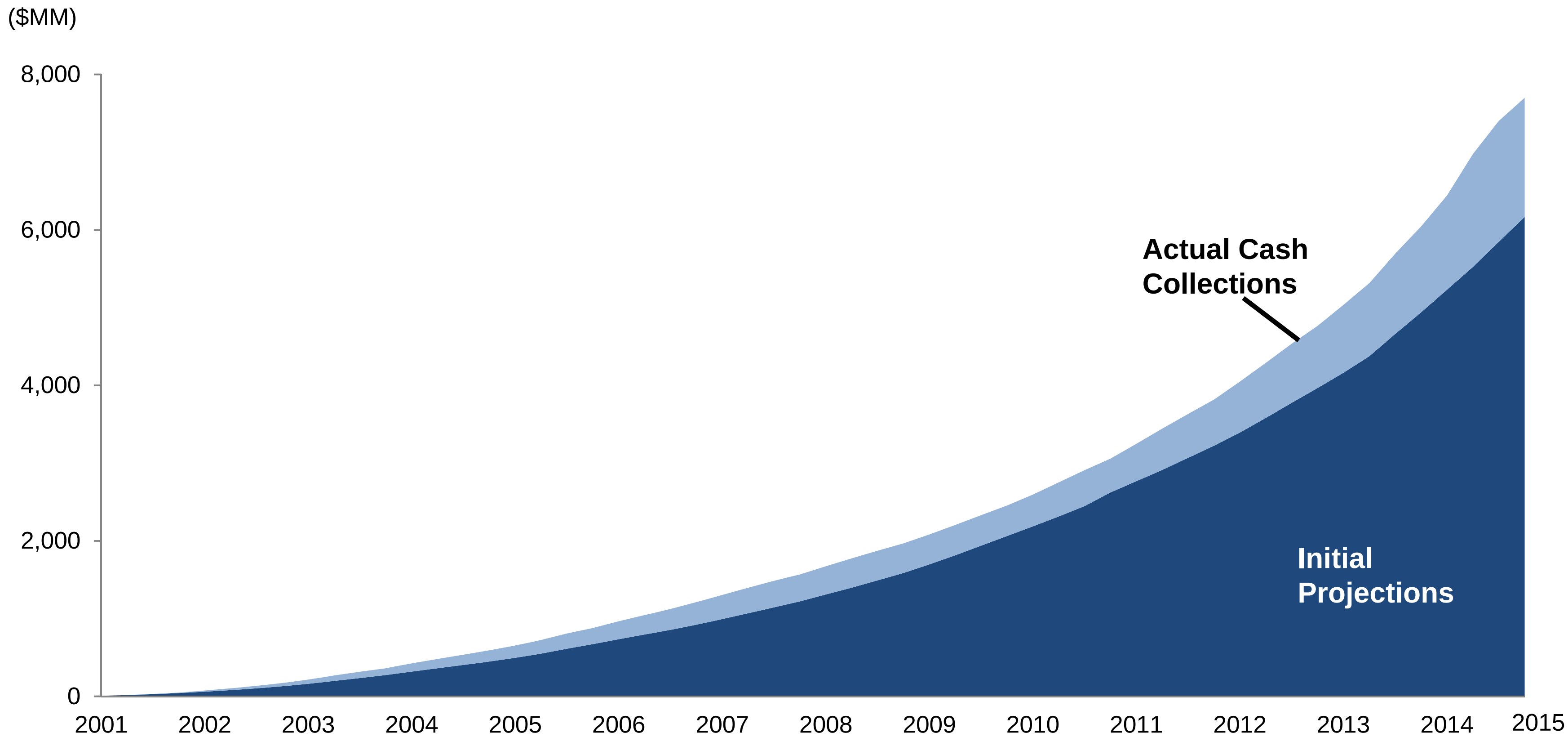
OUR ERC HAS BEEN CONSISTENTLY CONSERVATIVE, PROVIDING LENDERS WITH COMFORT TO LEND TO US AGAINST THESE PORTFOLIOS

Cumulative Collections



ENCORE UPDATE

- Revenues, profits and deployments have all grown substantially over the past three years
- While earnings growth over the period has been strong, compression in ROIC has occurred
- Going forward, we will focus less on large platform acquisitions
- EPS and ROIC should rise in tandem
- We are divesting Propel as we see more opportunities for higher returns in the U.S. and around the world
- Propel sale expected to provide liquidity, debt reduction, lower leverage and ROIC improvement

U.S. Core Business

RECENT DEVELOPMENTS IN THE US DEBT MARKET ARE POSITIVE

Where market stands today

Encore and another large debt buyer settled legal disputes with the Consumer Financial Protection Bureau in September 2015

– Settlements cleared the way for long-awaited rule-making process to resume

– Cost of compliance will make it difficult for sub-scale players to remain competitive

Withdrawn suppliers are preparing to re-enter the market

– Supply is expected to improve in the next 12–18 months

Purchase inventory is increasingly focused on fresh paper

Historically low charge-off rates expected to improve in 2016

Encore's solid start to 2016

We have already secured $270 million in forward flow commitments for the U.S. market in 2016

– Committed U.S. forward flows are expected to generate investment returns 15% higher than in 2015

WE EXPECT WITHDRAWN SUPPLIERS TO RETURN TO THE MARKET AS THEY COMPLETE THEIR INTERNAL COMPLIANCE UPDATES

Issuers were very clear about why they withdrew

"We used to be completely focused on revenue, now all of the focus is on the risk of compliance incidents."

"We want to see our vendors have strong compliance, risk and oversight processes."

"Data quality and sharing is my number one concern"

"Debt buyers must understand the consumer experience issuers want to create."

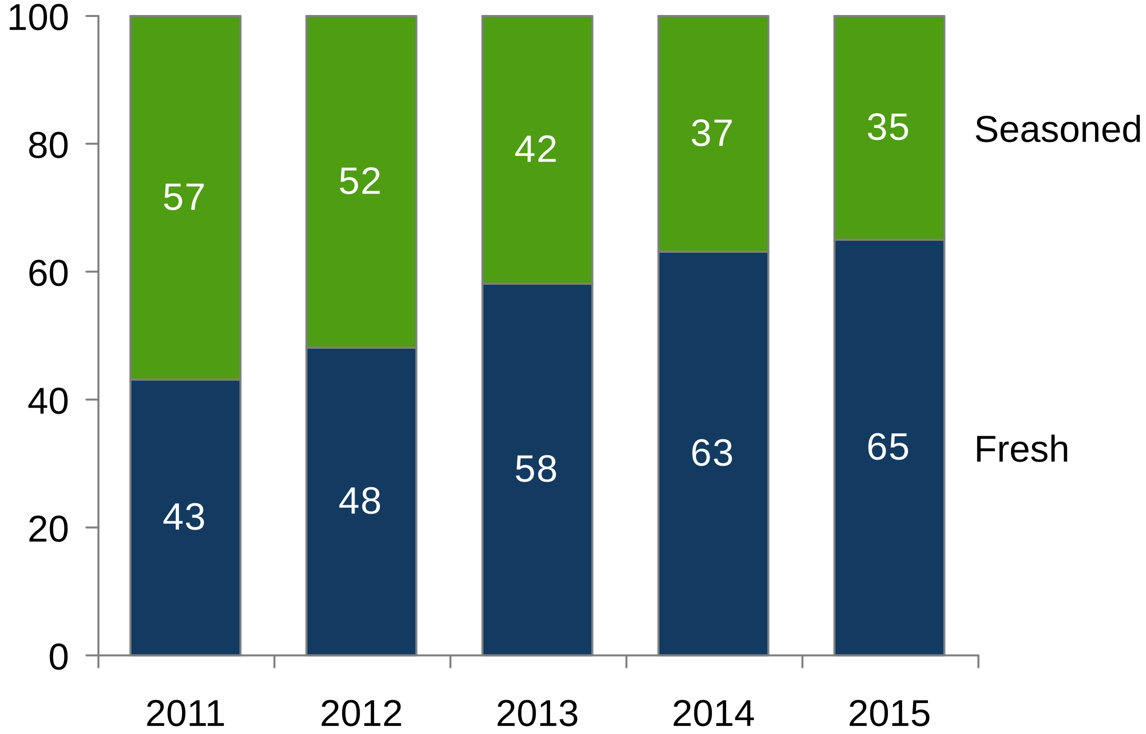
… and when they return we will be well positioned

- ✓ Outstanding performance in issuer certifications
- ✓ Substantial, proactive investments in compliance
- ✓ Best in class capabilities in data security and quality management
- ✓ Development of consumer-centric collections processes

THE US CORE MARKET IS INCREASINGLY FOCUSED ON FRESH PAPER

5 Year Shift in U.S. Core Market Supply

% of Supply Available (direct from issuer)



Our response

- **Acquired ACF to benefit from their expertise in fresh paper**
- **Increased our purchase volume of fresh paper**
- **Launched Consumer-Focused programs to improve liquidations, emphasis on fresh paper**

Note: US Core represents all non BK direct from issuer unsecured credit card and personal installment loans; Fresh is defined as <6 months from charge off
Seasoned is defined as >6 months from charge off

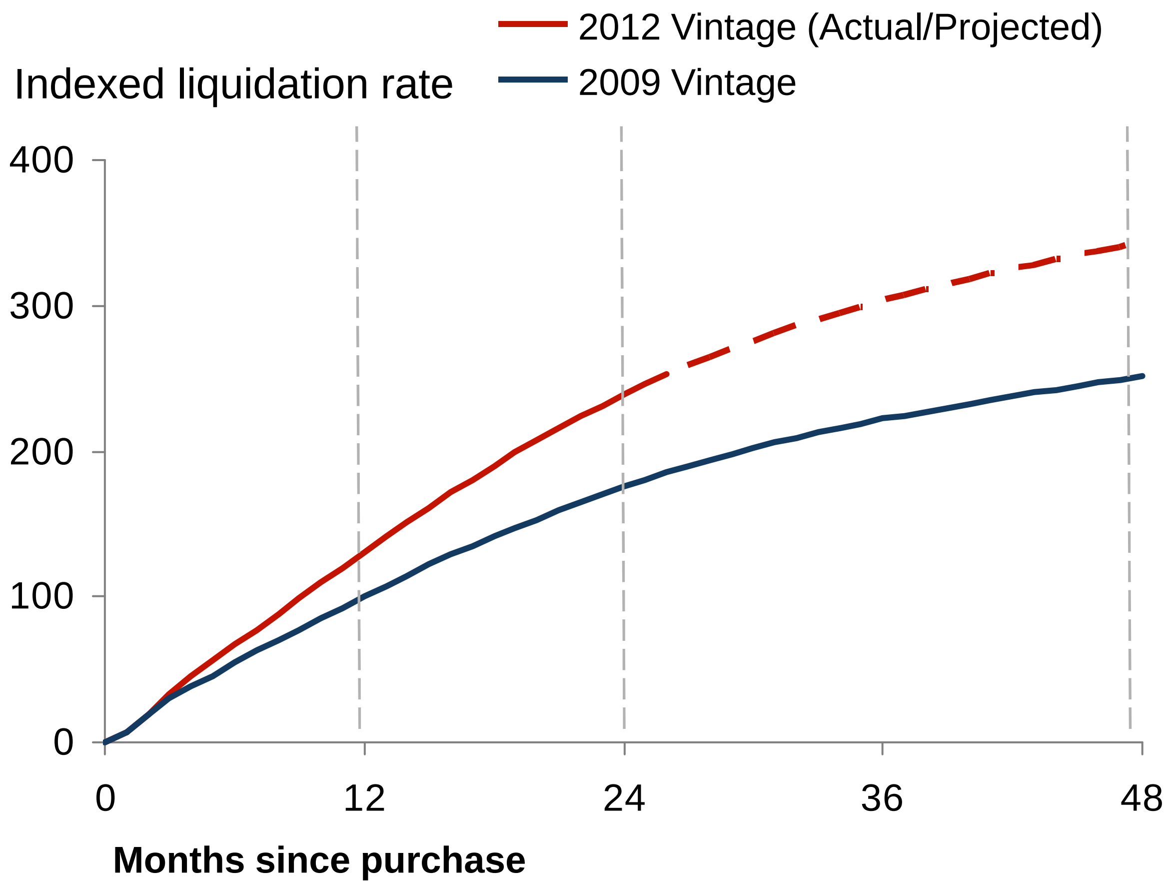
CONSUMER-FOCUSED PROGRAMS ARE CRITICAL TO DRIVING STRONG RETURNS ON FRESH PAPER

Prior Model	Enhanced Model
One size fits all servicing approach within call centers	**Custom servicing approaches for different consumers**
Efficient: Find the consumer who is capable of paying	**Effective: Enable the consumer to be able to pay**
Transaction Focused: Quick and efficient	**Relationship focused: Connect, listen, understand**
Limited interaction channels and payment flexibility	**Expanded interaction channels and payment flexibility**

We have maintained our low cost-to-collect through this transformation

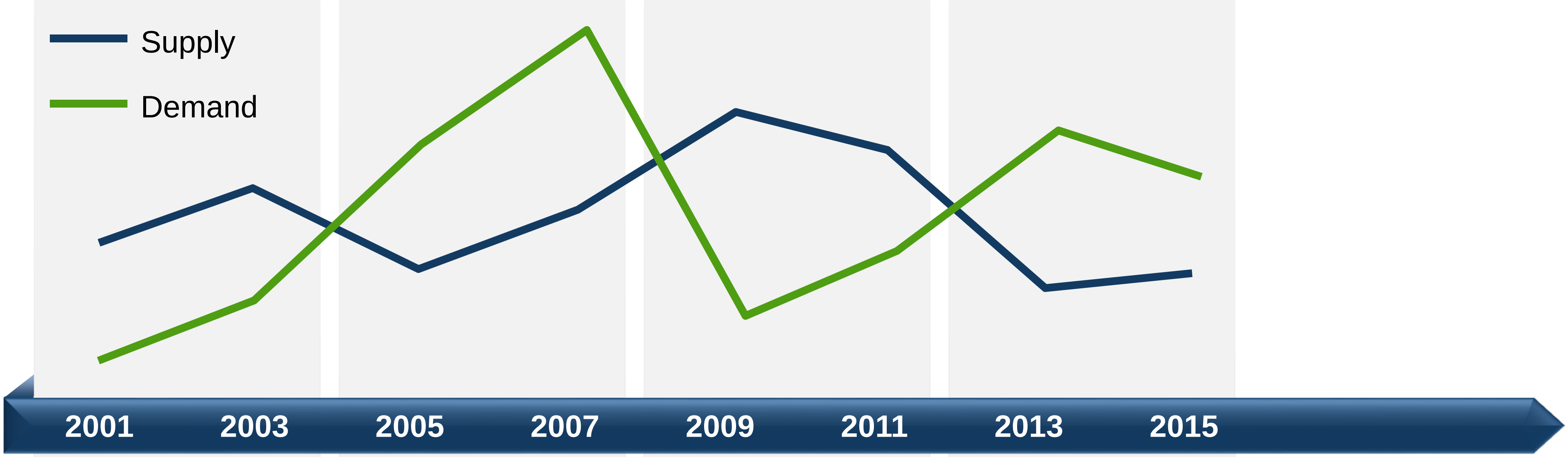
THE ROLLOUT OF CONSUMER-FOCUSED PROGRAMS HAS EXCEEDED OUR EXPECTATIONS

Liquidation performance of similar portfolios



- **Improved liquidations directly attributable to changes in our operations**
- **Improved liquidations will enhance returns in future deployments and current book**
- **We believe learnings will improve seasoned paper liquidations**

OUR STRATEGY ADAPTS TO INDUSTRY FLUCTUATIONS IN SUPPLY AND DEMAND…



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 model

Attractive Opportunities

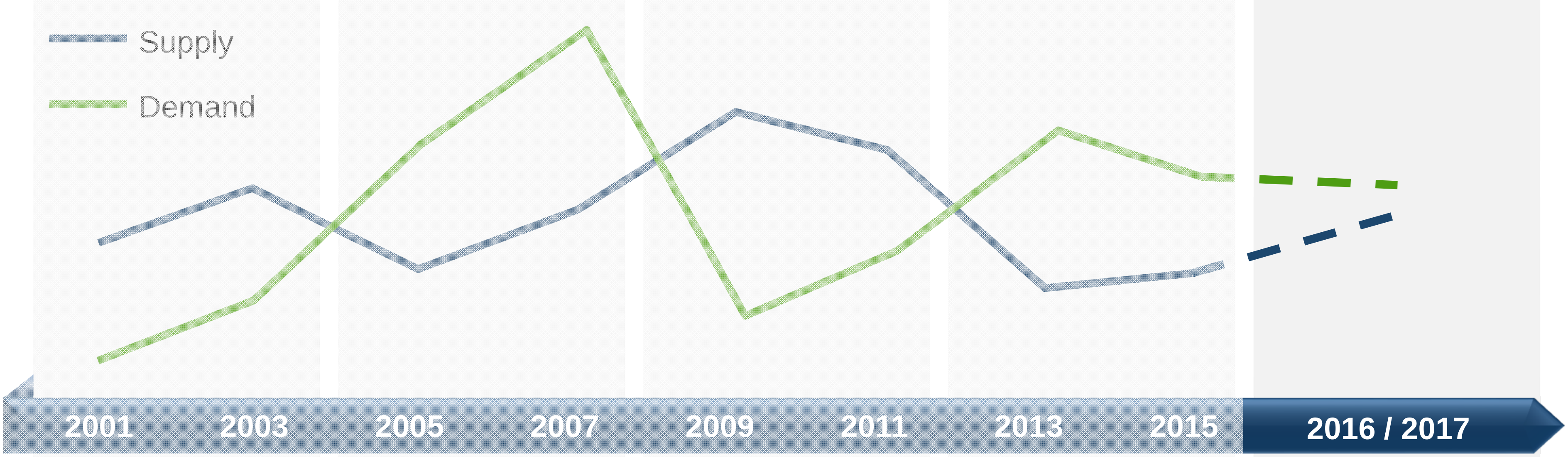
- Increased capital deployment
- Expanded collections capacity

Lower Volume & Regulatory Pressure

- Strategic acquisitions
- Focus on consumer enablement
- Intense focus on compliance

…AND WE ARE POISED TO TAKE ADVANTAGE OF IMPROVING MARKET DYNAMICS

An Emerging Market	Overconfidence & Irrational Pricing	Attractive Opportunities	Lower Volume & Regulatory Pressure	Industry consolidation and supplier reentry



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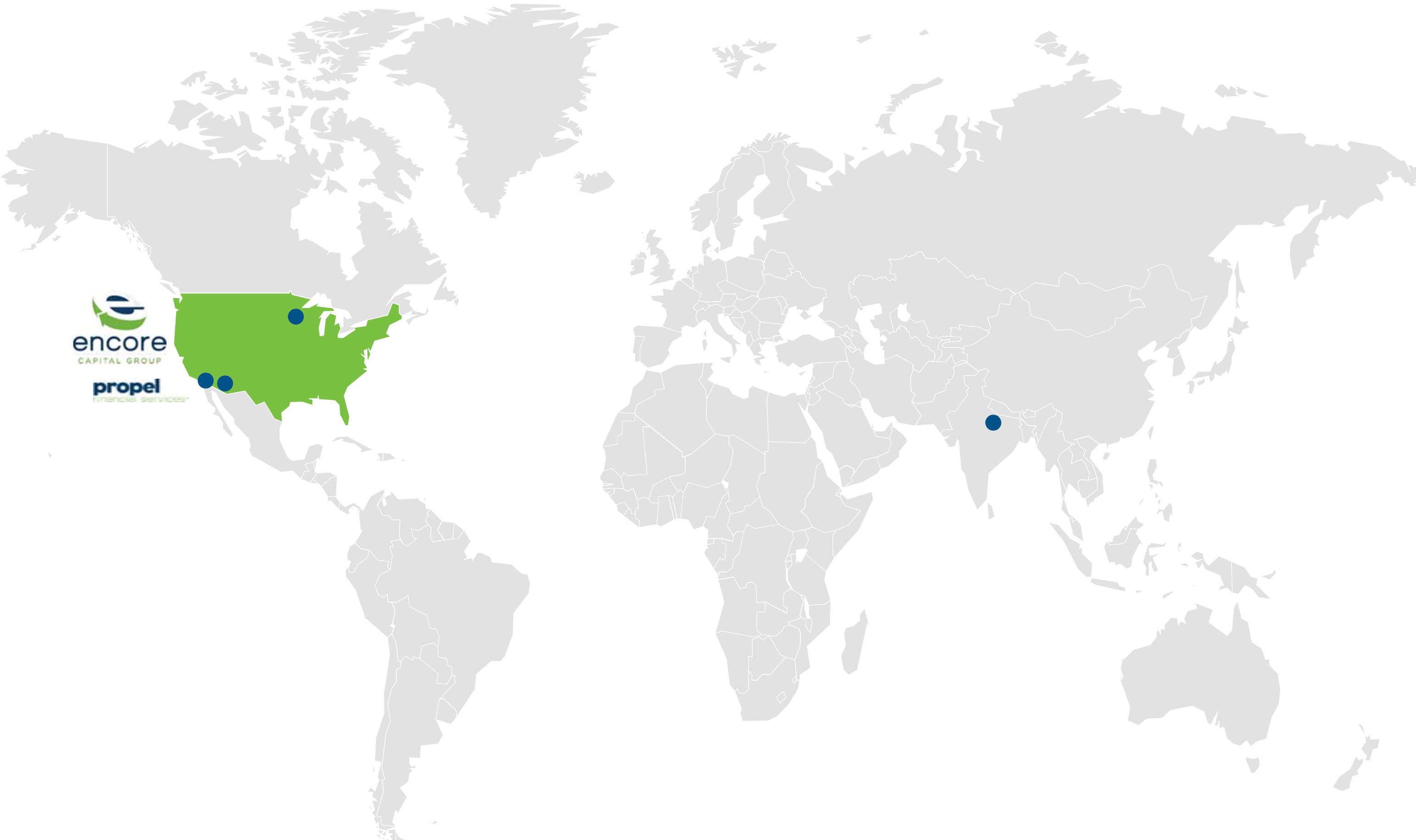
Industry consolidation and supplier reentry

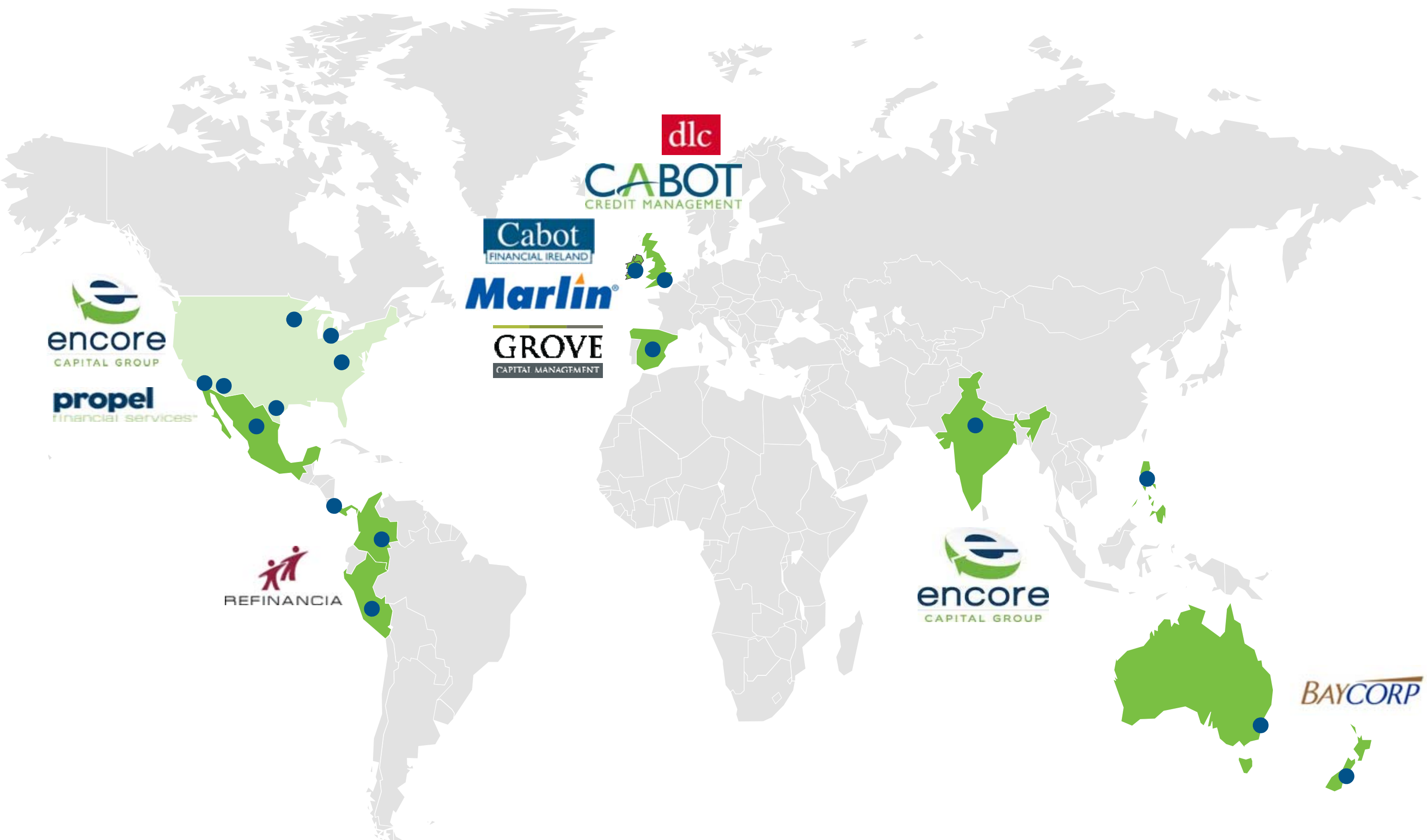
- Opportunistic deployment following return of large issuers
- Improving charge-off rates
- Organic growth

International Business

IN 2012, ENCORE WAS A DEBT RECOVERY SPECIALIST WITH GLOBAL ASPIRATIONS

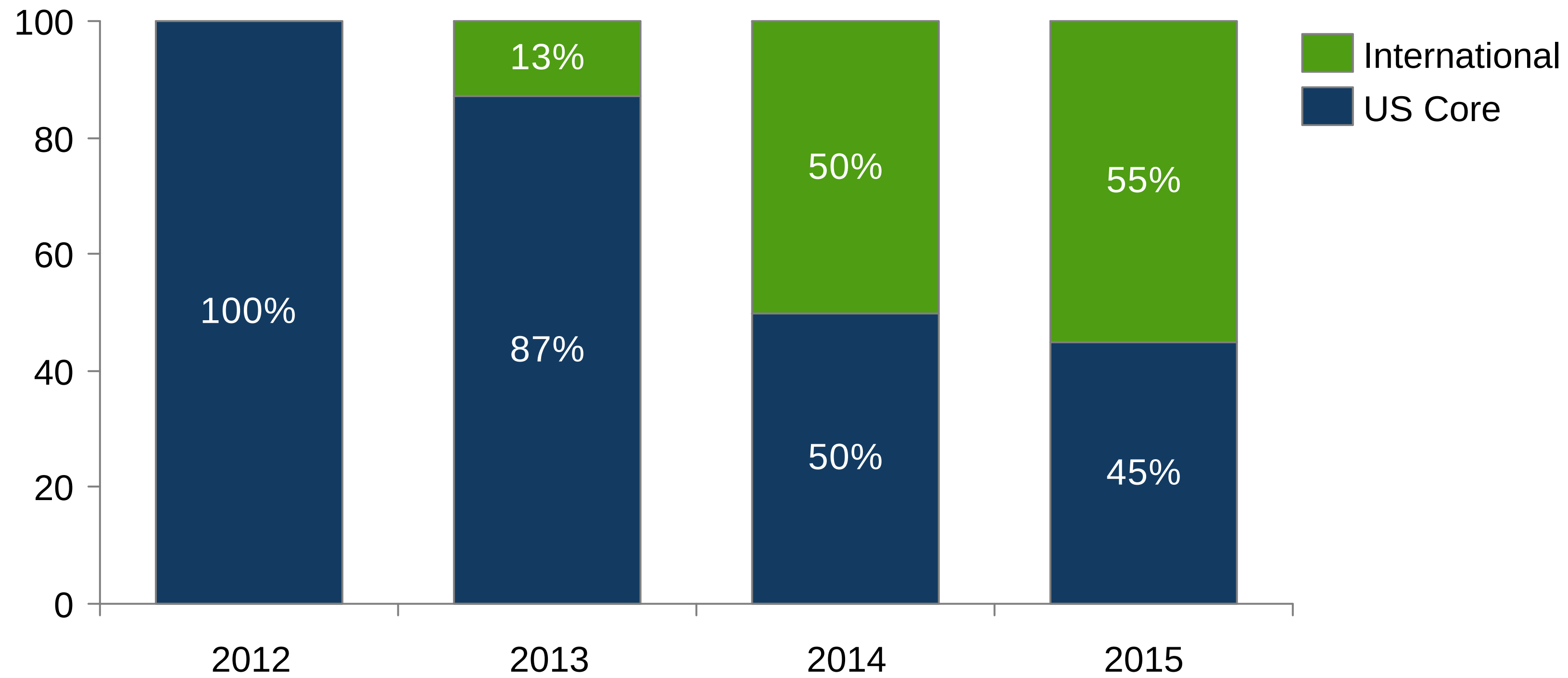


WE HAVE MADE MULTIPLE STRATEGIC INVESTMENTS OUTSIDE THE U.S. OVER THE PAST THREE YEARS



WITH THAT HAS COME A MEANINGFUL SHIFT IN OUR CAPITAL DEPLOYED TO OUTSIDE OF THE UNITED STATES

Encore capital deployment (2012-2015)[1]



Geographic expansion provides growth opportunities and diversifies our business

1. Excludes portfolio purchases in Cabot, Refinancia acquisitions, Propel tax liens

INTERNATIONAL EXPANSION IS AN IMPORTANT PART OF OUR GROWTH STRATEGY

Fits with our capabilities and infrastructure	✓ Our business capabilities and expertise are key to performance within all markets ✓ Many opportunities to acquire unsophisticated players and create value ✓ Much of our infrastructure is globally scalable
Diversifies our portfolio	✓ As we grow globally, single-country market dynamics become less likely to impact overall performance
Supports our earnings growth	✓ Many countries with no market leader; multiple opportunities to consolidate share ✓ Consumer credit in developing economies is expanding rapidly, driving increased NPL volumes

OUR DIVERSIFIED GEOGRAPHIC BUSINESS MODEL HAS A HISTORY OF AND ABILITY TO SCALE INTO NEW MARKETS AND ASSET CLASSES

	2013	2014	2015+
Europe	CABOT CREDIT MANAGEMENT • Top Tier Player in U.K.: \$2.8Bn in ERC • Beachhead in Europe	GROVE CAPITAL MANAGEMENT • Top-tier player in IVA • Entry into Continental Europe Marlin • U.K. Consolidation • New asset type: Large balance, non-paying debt	dlc • Mid-tier player in legal collections • Ensures Cabot's 2015 deployments on-target **Spain** • Acquired servicing capabilities in Spain
Latin America	REFINANCIA • Top Tier Player in Colombia and Peru: >\$200MM deployed • Exploratory for Latin America	**Mexico** • \$57M deployment initiates Mexico opportunity • Multiples similar to U.S. market 5-6 years ago	**Mexico & Brazil** • Expect further expansion in Mexico and Brazil
Asia-Pacific		**India** • Taking steps toward debt purchase with signed LOIs • Building on operations established in 2009	BAYCORP • Entered Australia and New Zealand through our Q4 2015 acquisition

OUR APPROACH HAS BEEN TO ENTER NEW MARKETS THROUGH ACQUISITION

Target Requirements

Market position

- ✓ Top tier player in space
- ✓ Strong issuer relationships
- ✓ Market influencer
- ✓ Beachhead to market consolidation

Capabilities

- ✓ Management with deep market knowledge
- ✓ History of strong asset returns
- ✓ Opportunities to improve processes & operations

Culture

- ✓ Values analytics and data science
- ✓ Prioritizes ethical code
- ✓ Compliance-focused culture

Encore Oversight Model

Governance

- ✓ Control the board, including chairmanship
- ✓ Approve all capital deployments
- ✓ Ensure local management teams have long-term incentives to drive value

Business management

- ✓ Conduct quarterly operating reviews, monthly business reviews, and weekly CEO calls
- ✓ Relocate seasoned Encore managers into senior roles in subsidiaries
- ✓ Hold regular meetings between subsidiary leadership on key topics

WE ENHANCE THE VALUE OF OUR SUBSIDIARIES BY BRINGING BEST IN CLASS CAPABILITIES ACROSS MULTIPLE FRONTS

Capital Investment

- Technology & infrastructure
- Strategic acquisition
- Capital deployment

Operations Improvement

- Call center
- Collections and payment
- Analytics & data science

Results

✓ Greater capital deployment
✓ Higher returns
✓ Improved operational productivity
✓ Reduced headcount costs
✓ Increased consumer satisfaction
✓ Best practices in compliance
✓ …

Management & HR

- Leadership transfer
- Organizational efficiencies
- Training and onboarding

Knowledge Sharing

- Growth strategy
- Knowledge of consumer
- Regulatory expertise

OUTSIDE OF THE US, SERVICING ON BEHALF OF ISSUERS WILL BE AN IMPORTANT COMPONENT OF OUR STRATEGY

Fits with our capabilities

- ✓ Managing collections and payments is fundamental to Encore's existing business operations
- ✓ Leverages our deep understanding of the financially stressed consumer and our focus on compliance

Diversifies our portfolio

- ✓ Long-term contracts with high switching costs
- ✓ EBITDA buffer in markets with lumpy sales
- ✓ Expands and deepens our relationship with issuers

Supports our earnings growth

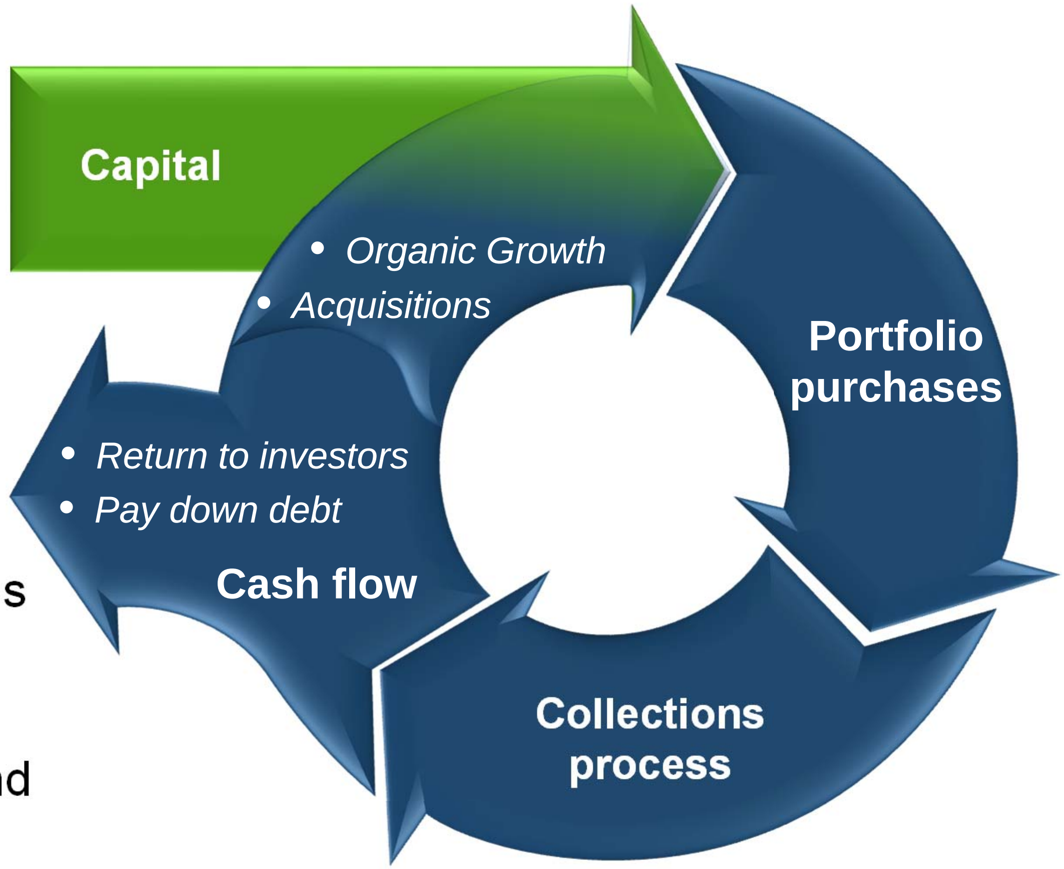
- ✓ Steady stream of recurring cash flows, less sensitive to market environment
- ✓ Supports entry into new geographies where NPL repurchase is undeveloped

Capital Stewardship

EFFICIENT CAPITAL STEWARDSHIP IS CRITICAL TO ENCORE'S SUCCESS

- **Capital drives our growth engine**

- **Strong cash flow allows for value creating investments**
  - Reinvest in range of receivables
  - Prudent investment in acquisitions and adjacencies to support sustainable growth
  - Return capital to shareholders and pay down debt



WE MAINTAIN RIGOROUS CONTROLS AND STRUCTURE ACROSS ALL INVESTMENTS GLOBALLY

Business Development
- Identifies opportunities
- Leads deals and conducts due diligence

Decision Science
- Values portfolio
- Analyzes loan-level data
- Evaluates regulatory impact

Operations
- Monitors performance of prior investments
- Validates valuation

Legal & Compliance
- Ensures contracts & deal structure complies with regulation

Investment Committee
- **Evaluates pricing**
- **Evaluates market intelligence**
- **Approves all deals**
- **Oversees investment processes**

SALE OF PROPEL IMPROVES OVERALL RETURNS, ELIMINATES DEBT, IMPROVES LEVERAGE AND GENERATES CASH

Propel Sale Transaction

propel
financial services™

- Propel is a good business that has grown assets, revenues and profits as part of Encore
- With our expansion into new global markets and improving returns in the U.S., Encore now has more attractive opportunities to deploy capital at higher returns to improve overall ROIC
- Achieving adequate returns on tax lien investments requires high levels of leverage, which is not consistent with our longer term goal of deleveraging our balance sheet
- Propel sale expected to eliminate $230M+ of debt from Encore’s balance sheet and improve debt ratios
- After-tax cash proceeds expected to be in excess of $150M
- Non-cash goodwill impairment charge of $49M taken by Encore in Q4

THE DIVESTITURE OF PROPEL REDUCES ENCORE'S LEVERAGE

Debt and Debt Ratios[1] at December 31, 2015

Encore	With Cabot, With Propel	With Cabot, Without Propel	Without Cabot, Without Propel
Total Debt	$2.995 B	$2.614 B[2]	$1.148 B[2]
Total Debt / Adjusted EBITDA	2.83x	2.50x	1.57x
Total Debt / Equity	5.02x	4.38x	1.92x

1) Preferred equity certificates treated as equity.
2) Assumes $150M in Propel sale proceeds used to retire additional debt.

Although we fully consolidate Cabot's debt on our balance sheet, their debt is non-recourse to Encore, despite our 43% economic interest

SUMMARY AND OUTLOOK

Solid Start to 2016

- We have already secured $270 million in forward flow commitments for the U.S. market in 2016

Higher U.S. Investment IRR's

- Committed U.S. forward flows are expected to generate investment returns 15% higher than in 2015

Expansion Markets Are Healthy

- Our businesses in our expansion markets, especially in Latin America, are demonstrating attractive after-tax IRR's

ROIC to Increase

- Our overall return on invested capital for the company is expected to rise
- We will focus less on large platform acquisitions going forward
- Propel divestiture allows us to deploy more capital at higher returns

Appendix

NON-GAAP FINANCIAL MEASURES

This presentation includes certain financial measures that exclude the impact of certain items and therefore have not been calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). The Company has included information concerning Adjusted EBITDA because management utilizes this information, which is materially similar to a financial measure contained in covenants used in the Company's revolving credit facility, in the evaluation of its operations and believes that this measure is a useful indicator of the Company's ability to generate cash collections in excess of operating expenses through the liquidation of its receivable portfolios. The Company has included Adjusted Income Attributable to Encore and Adjusted Income Attributable to Encore per Share (also referred to as Economic EPS when adjusted for certain shares associated with our convertible notes that will not be issued but are reflected in the fully diluted share count for accounting purposes) because management uses these measures to assess operating performance, in order to highlight trends in the Company's business that may not otherwise be apparent when relying on financial measures calculated in accordance with GAAP. Adjusted EBITDA, Adjusted Income Attributable to Encore and Adjusted Income Attributable to Encore per Share/Economic EPS have not been prepared in accordance with GAAP. These non-GAAP financial measures should not be considered as alternatives to, or more meaningful than, net income, net income per share, and total operating expenses as indicators of the Company's operating performance. Further, these non-GAAP financial measures, as presented by the Company, may not be comparable to similarly titled measures reported by other companies. The Company has attached to this presentation a reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures.

RECONCILIATION OF ADJUSTED EBITDA

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

	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14	12/31/15
GAAP net income, as reported	$ 49,052	$ 60,958	$ 69,477	$ 73,740	$ 98,278	$ 47,348
(Income) loss from discontinued operations, net of tax	(1,658)	(365)	9,094	1,740	1,612	---
Interest expense	19,349	21,116	25,564	73,269	166,942	186,556
Provision for income taxes	27,967	38,076	51,754	45,388	52,725	13,597
Depreciation and amortization	2,552	4,081	5,840	13,547	27,949	33,945
Amount applied to principal on receivable portfolios	240,100	312,297	402,594	534,654	614,665	628,289
Stock-based compensation expense	6,010	7,709	8,794	12,649	17,181	22,008
Acquisition, integration and restructuring related expenses	---	---	4,263	29,321	19,299	15,553
CFPB / regulatory one-time charges	---	---	---	---	---	63,019
Goodwill impairment	---	---	---	---	---	49,277
Adjusted EBITDA	**$ 343,372**	**$ 443,872**	**$ 577,380**	**$ 784,308**	**$ 998,651**	**$1,059,628**

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