Encore Capital Group, Inc.

Q2 2020 EARNINGS CALL

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, growth and impacts of COVID-19. 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, as they may be amended from time to time. The Company disclaims any intent or obligation to update these forward-looking statements.

SECOND QUARTER 2020 KEY FINANCIAL MEASURES

Global Collections	Global Revenues	Estimated Remaining Collections (ERC)
$508M down 1%	$426M up 23% Record	$8.4B up 13%

GAAP EPS[1]	GAAP Net Income[1]	Economic EPS[2]	Adjusted Income[2]
$4.13	$130M	$4.34	$137M
Record	Record	Record	Record

Record earnings driven by stronger than expected collections as well as reduced expenses in the legal collections channel, due to the impact of COVID-19

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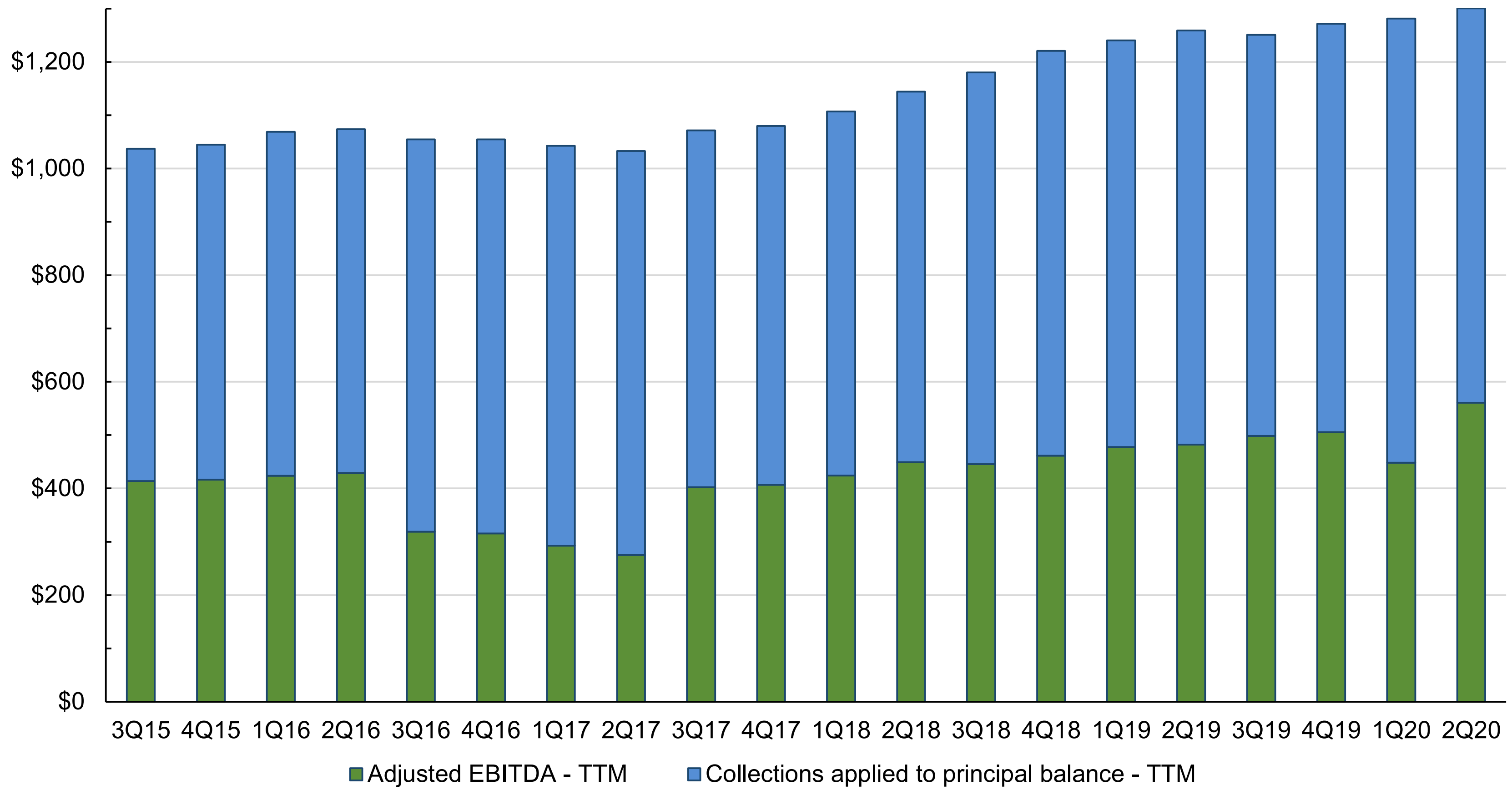
1) Attributable to Encore
2) Please refer to Appendix for reconciliation of Economic EPS and Adjusted Income to GAAP

OUR ADJUSTED EBITDA REFLECTS RECORD CASH GENERATION

Adjusted EBITDA + Collections applied to principal balance
(Trailing 12-Months, in $M)



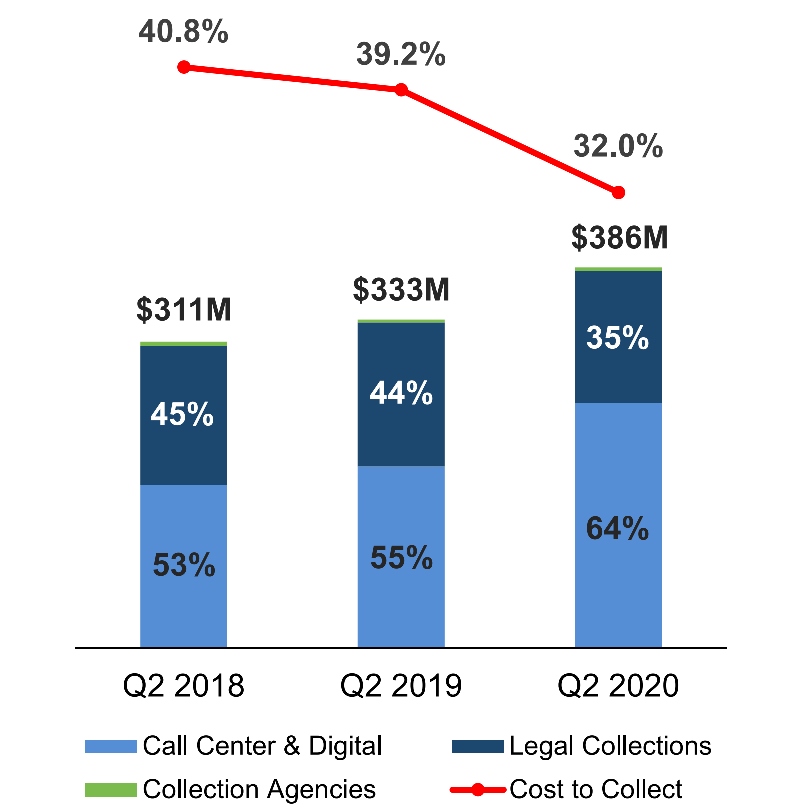
Note: See appendix for reconciliation of Adjusted EBITDA to GAAP net income.

RECORD MCM COLLECTIONS OF $386M IN Q2 REFLECT STRONG GROWTH IN CALL CENTER & DIGITAL COLLECTIONS CHANNEL

MCM (U.S.) Business

- MCM business remains fully operational
- MCM collections grew 16% to a record $386M with Call Center & Digital collections up 35%
- MCM collections in the second quarter were 29% higher than our Q2 expected collection curves
- Deployed $125M in the U.S. at a purchase price multiple of 2.5x
- Reduced planned Q2 legal collections expenses by $27M due to COVID
- MCM cost-to-collect continues to improve
- MCM's collections trend in Q2 has continued into July

MCM Collections by Channel and CTC



OUR OUTLOOK FOR THE U.K. AND EUROPE HAS IMPROVED AS Q2 COLLECTIONS EXCEEDED OUR EXPECTED CURVES

Cabot (Europe) Business

- Through a combination of work-from-home and social distancing, we are fully operational in all markets
- Cabot's collections in the second quarter were 17% higher than our Q2 expected collection curves
- Collections performance in each country reflected continued improvement in May and June
- Cabot's cost management has enabled strong profitability despite the COVID-19 pandemic's impact on the timing of collections
- COVID has caused banks to pause much of their portfolio sales activity, and we expect the lower level of supply coming to market to persist throughout most of 2020
- We anticipate an increase in opportunities at attractive returns as charge-offs are expected to rise meaningfully in 2021 and beyond
- Cabot's collections trend in Q2 has continued into July

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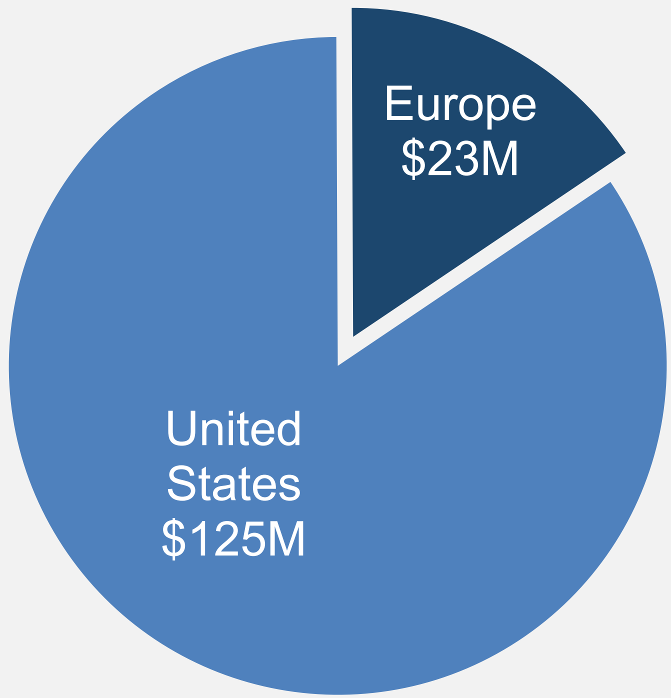
1) Financial Conduct Authority

Detailed Financial Discussion

Q2 PORTFOLIO PURCHASES REFLECT BETTER SUPPLY IN THE U.S. THAN IN EUROPE AND OUR CONTINUED FOCUS ON RETURNS

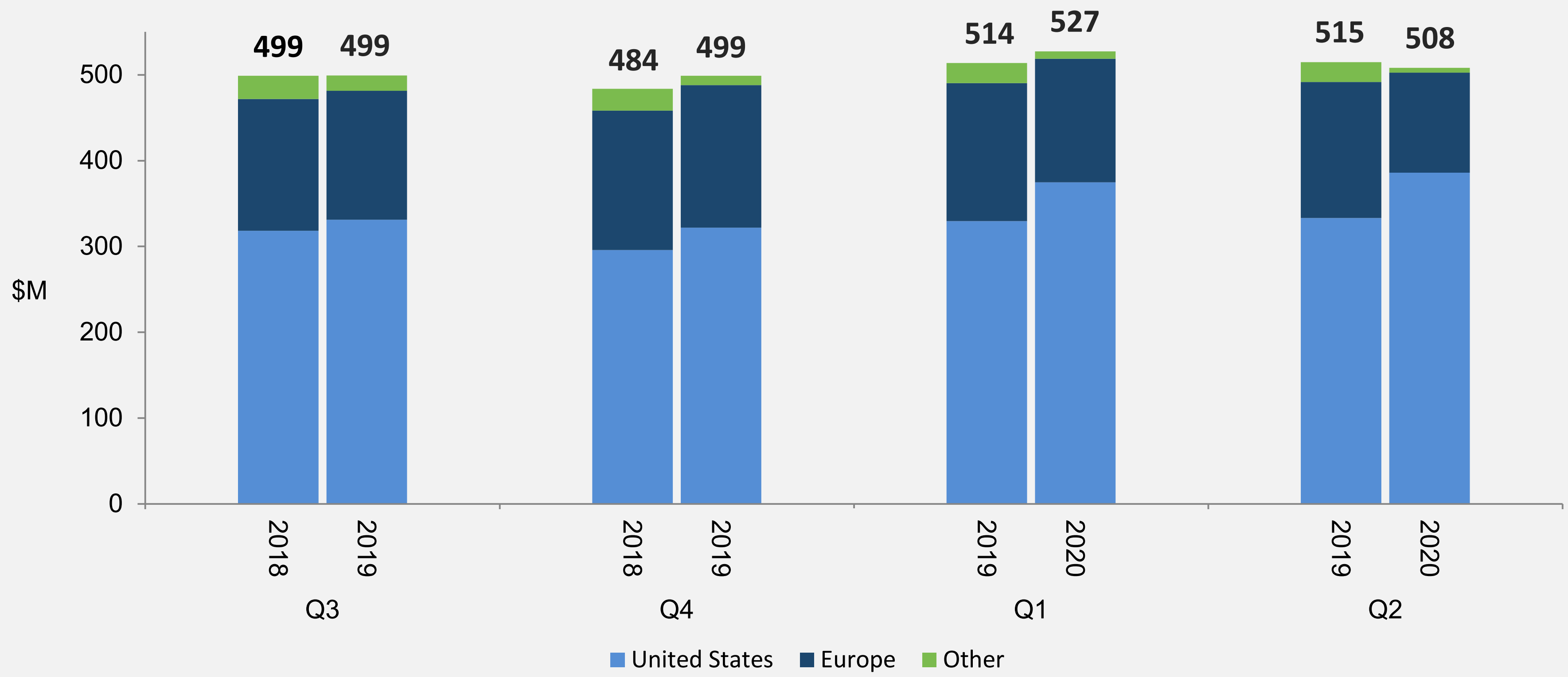
Q2 2020 Deployments



Total $148M

$508M IN COLLECTIONS WERE DOWN 1% AS REPORTED, BUT GREW 2% AFTER ADJUSTING FOR CONSTANT CURRENCY AND THE SALE OF BAYCORP

Collections by Geographic Location



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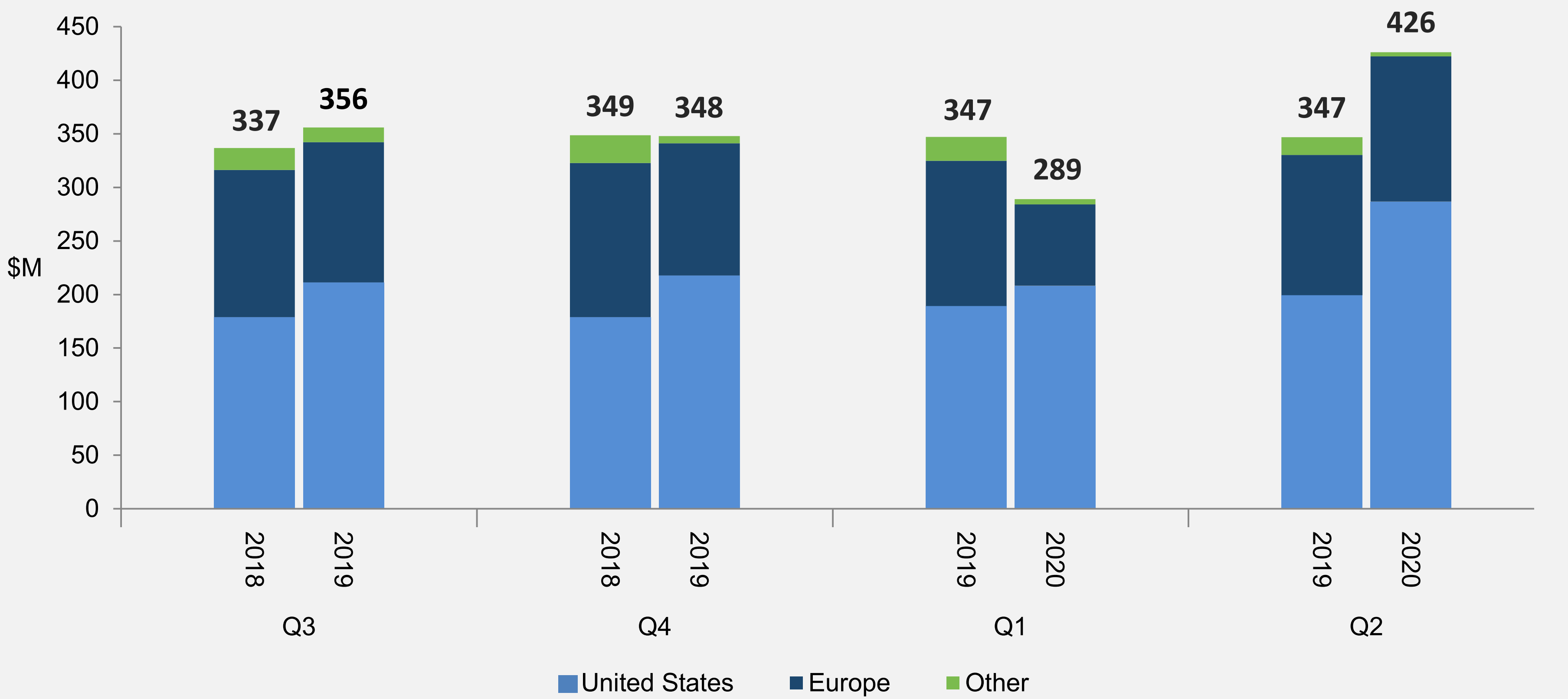
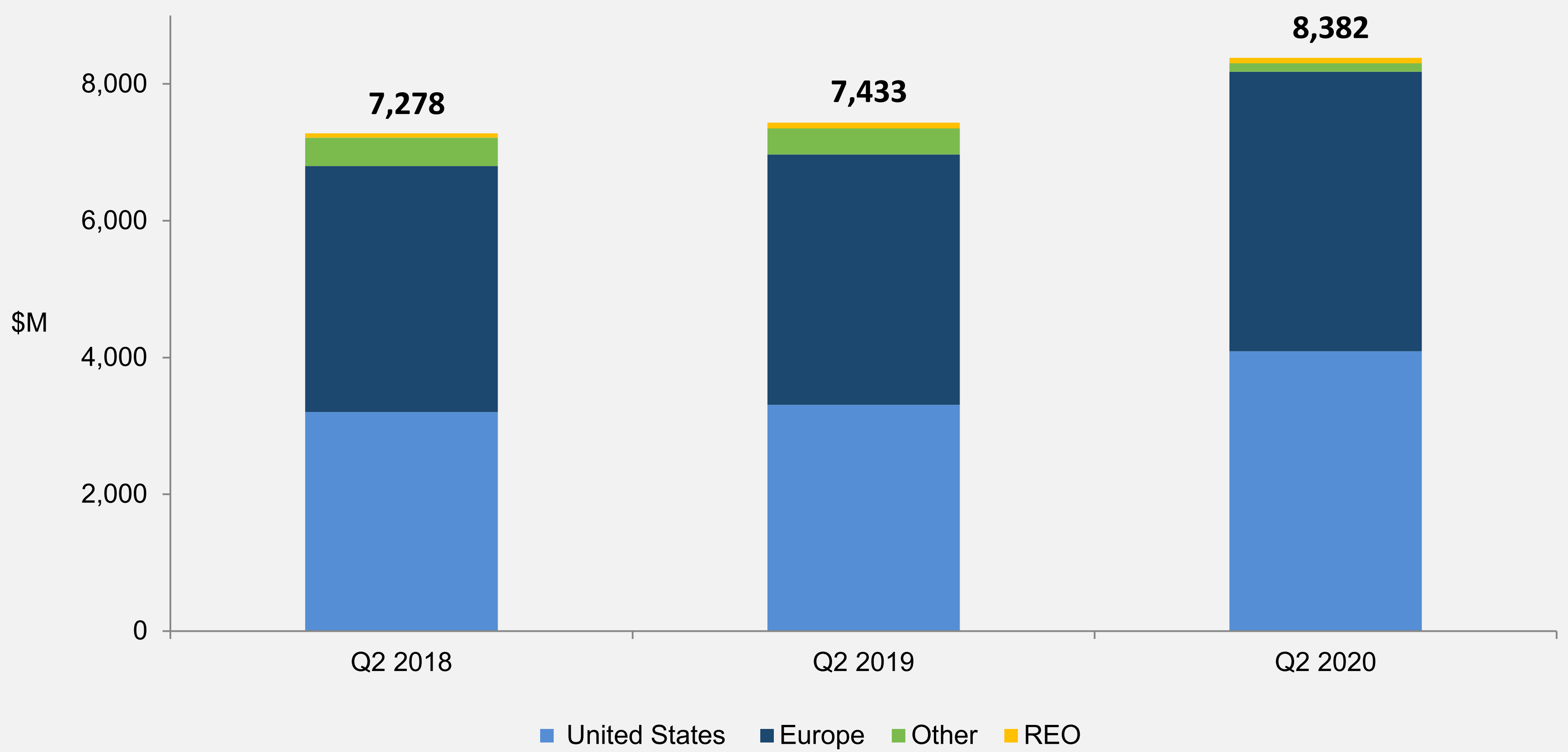
SIGNIFICANTLY HIGHER THAN EXPECTED COLLECTIONS DROVE REVENUE INCREASE IN Q2

Revenues by Geographic Location



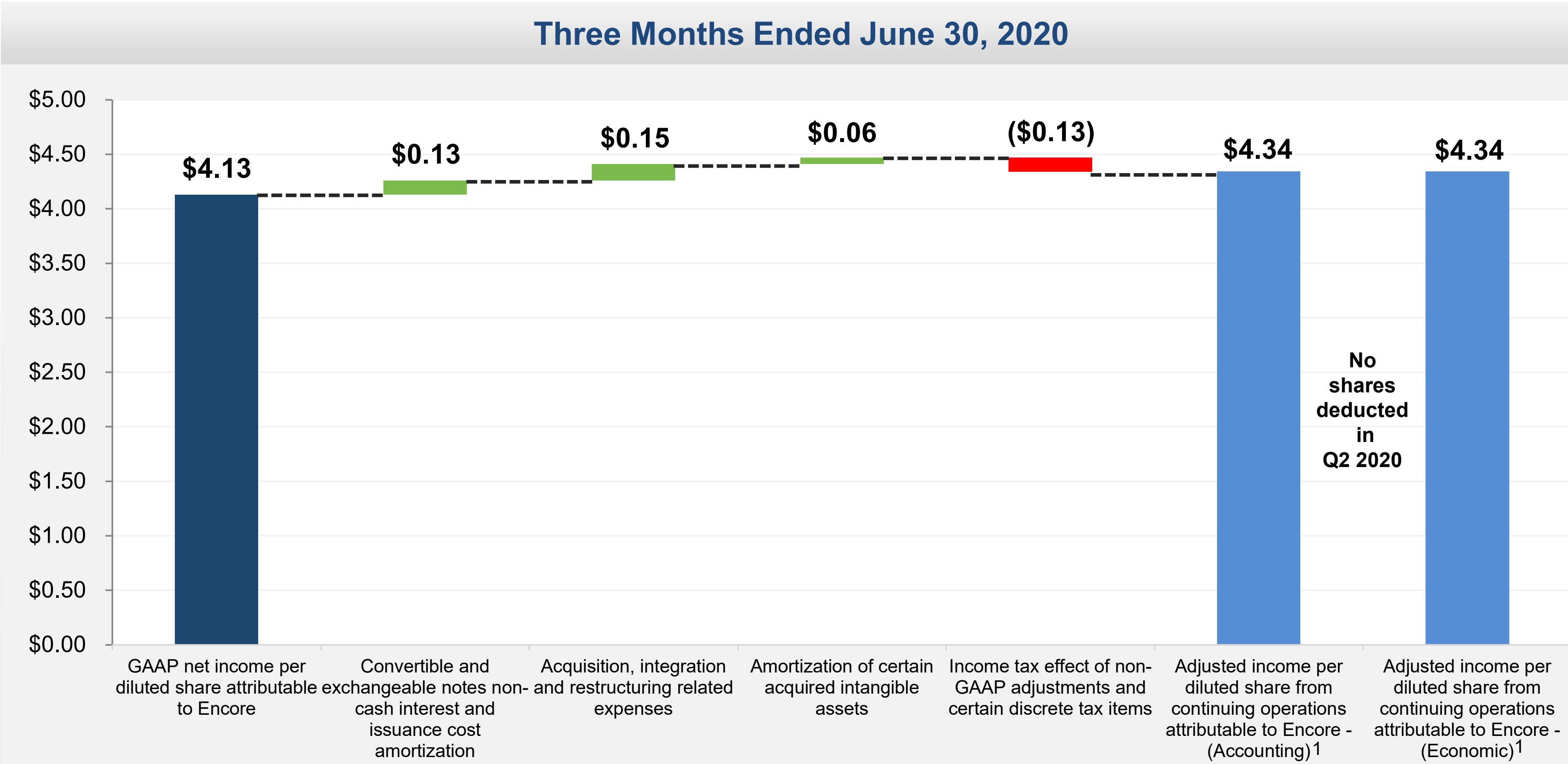
ERC OF $8.4B UP $949M COMPARED TO Q2 LAST YEAR AND UP 14% AFTER ADJUSTING FOR CURRENCY

Total Estimated Remaining Collections[1]



1) Q2 2018 ERC of $7,216M and Q2 2019 ERC of $7,350 as reported did not include $61M and $83M, respectively, of ERC related to Encore's real estate-owned (REO) business.

ENCORE REPORTED RECORD GAAP EPS OF $4.13 AND RECORD ECONOMIC EPS OF $4.34 IN THE SECOND QUARTER OF 2020



1) Please refer to Appendix for reconciliation of Adjusted EPS / Economic EPS measurements to GAAP.

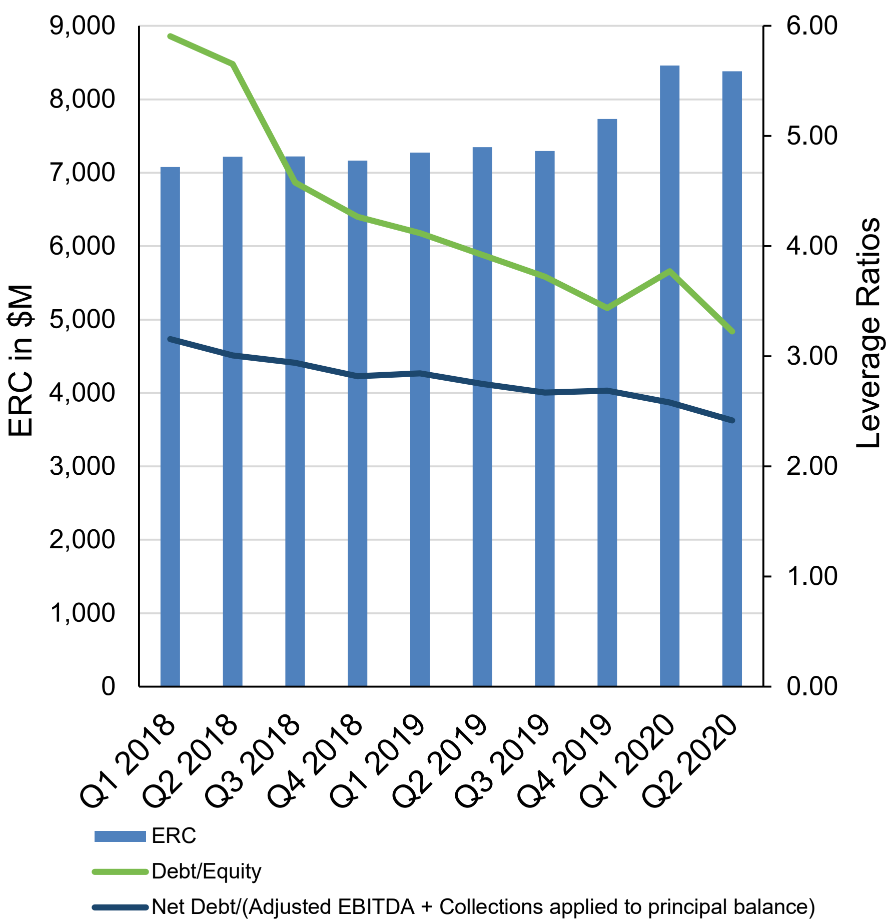
AFTER TWO+ YEARS OF STEADY IMPROVEMENT, OUR STRONG BALANCE SHEET AND LIQUIDITY PROVIDE FINANCIAL FLEXIBILITY

Over the past 2+ years:

- Debt/Equity ratio reduced from 5.9x to 3.2x
- Uptick in Q1 2020 primarily due to CECL implementation and foreign currency effects
- Net Debt/(Adjusted EBITDA + Collections applied to principal balance)[1] ratio reduced from 3.2x to 2.4x

- As of June 30, liquidity was at an all-time high level with available capacity under Encore U.S. RCF and Cabot RCF of $618M, in addition to cash and cash equivalents of $273M[2]
- In July, retired $89M of 2020 converts and amended and extended our revolving credit and term loan facilities in the U.S.

ERC versus Leverage



1) See appendix for reconciliation of Net Debt to GAAP Borrowings and Adjusted EBITDA to GAAP net income.
2) Excludes cash held for clients of $21M.

OUR STEADY FOCUS ON OUR THREE STRATEGIC PRIORITIES HAS POSITIONED US WELL FOR THE FUTURE

Market Focus

Concentrating on the valuable U.S. and U.K. markets

- Our returns in the U.S. continue to rise; expect significant increase in charge-off supply
- Expecting meaningful increase in supply in the U.K. for both servicing and purchasing when delinquencies rise
- Sale of Brazilian portfolios completed in April

Competitive Advantage

Innovating to enhance our competitive advantages in our core markets

- Innovation and technology investments (e.g., digital collections, speech analytics) enable quick adaption to varying operating conditions
- Our leadership in underwriting and collections allow us to deliver differentiated purchase price multiples and returns

Balance Sheet Strength

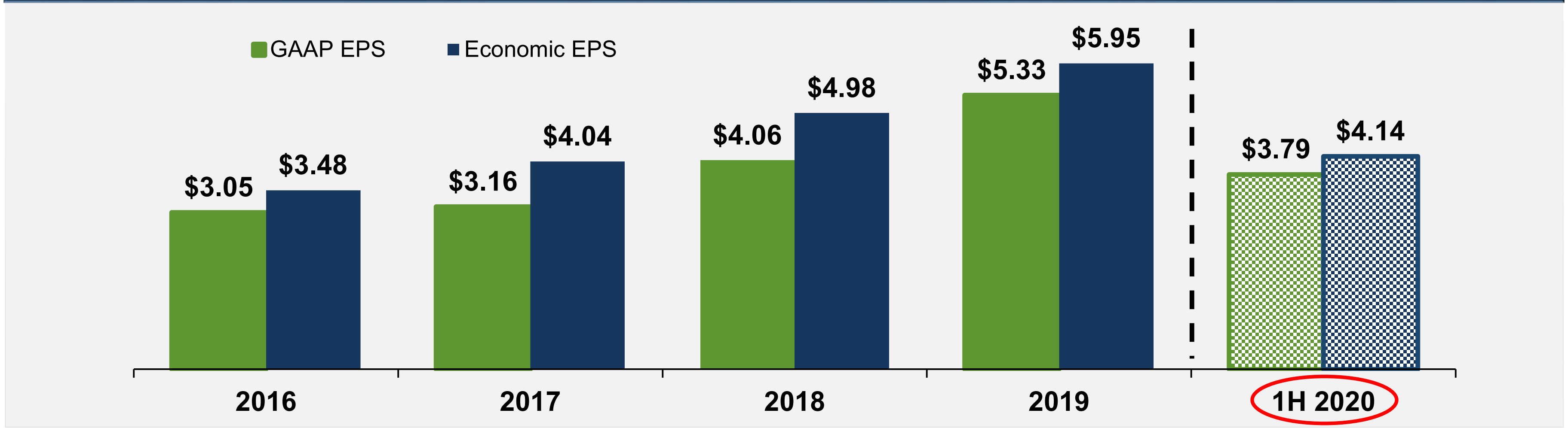
Strengthening our balance sheet while delivering strong results

- Strong balance sheet and liquidity positions us well for current uncertainty and substantial expected future opportunity

SECOND QUARTER 2020 SUMMARY

- Q2 was an outstanding operating period for Encore with record revenues, profits and cash generation
- Our investments in training, compliance and technology have enabled us to put health and safety first while remaining fully operational in each of our markets
- Our strong balance sheet and liquidity have positioned us well to capitalize on the substantial increase in charge-offs expected in 2021 and beyond
- Encore's 2020 year-to-date results reflect a strong continued earnings growth trajectory

Encore GAAP and Economic Earnings Per Share



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 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 information concerning Adjusted Operating Expenses in order to facilitate a comparison of approximate cash costs to cash collections for the portfolio purchasing and recovery business in the periods presented. 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. The Company has included impacts from foreign currency exchange rates to facilitate a comparison of operating metrics that are unburdened by variations in foreign currency exchange rates over time.

Adjusted EBITDA, Adjusted Operating Expenses, Adjusted Income Attributable to Encore, Adjusted Income Attributable to Encore per Share/Economic EPS, and impacts from foreign currency exchange rates 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 INCOME AND ECONOMIC EPS

Reconciliation of Adjusted Income and Economic / Adjusted EPS to GAAP EPS
(Unaudited, In Thousands, except per share amounts), Three Months Ended

	June 30, 2020		June 30, 2019	
	$	Per Diluted Share – Accounting & Economic	$	Per Diluted Share – Accounting & Economic
GAAP net (loss) income attributable to Encore, as reported	**$ 130,332**	**$ 4.13**	**$ 36,661**	**$ 1.17**
Convertible and exchangeable notes non-cash interest and issuance cost amortization	4,048	0.13	4,038	0.13
Acquisition, integration and restructuring related expenses[1]	4,776	0.15	1,318	0.04
Amortization of certain acquired intangible assets[2]	1,791	0.06	1,837	0.06
Net gain on fair value adjustments to contingent consideration[3]	---	---	(2,199)	(0.07)
Income tax effect of non-GAAP adjustments and certain discrete tax items[4]	(4,097)	(0.13)	(1,388)	(0.05)
Adjusted net (loss) income attributable to Encore	**$ 136,850**	**$ 4.34**	**$ 40,267**	**$ 1.28**

1) Amount represents acquisition, integration and restructuring related expenses. We adjust for this amount because we believe these expenses are not indicative of ongoing operations; therefore, adjusting for these expenses enhances comparability to prior periods, anticipated future periods, and our competitors' results.
2) We have acquired intangible assets, such as trade names and customer relationships, as a result of our acquisition of debt solution service providers. These intangible assets are valued at the time of the acquisition and amortized over their estimated lives. We believe that amortization of acquisition-related intangible assets, especially the amortization of an acquired company's trade names and customer relationships, is the result of pre-acquisition activities. In addition, the amortization of these acquired intangibles is a non-cash static expense that is not affected by operations during any reporting period. As a result, the amortization of certain acquired intangible assets is excluded from our adjusted income attributable to Encore and adjusted earnings per share.
3) Amount represents the net gain recognized as a result of fair value adjustments to contingent considerations that were established for our acquisitions of debt solution service providers in Europe. We have adjusted for this amount because we do not believe this is indicative of ongoing operations.
4) Amount represents the total income tax effect of the adjustments, which is generally calculated based on the applicable marginal tax rate of the jurisdiction in which the portion of the adjustment occurred. Additionally, we adjust for certain discrete tax items that are not indicative of our ongoing operations.

RECONCILIATION OF ADJUSTED EBITDA

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

	12/31/14	03/31/15	06/30/15	09/30/15	12/31/15	03/31/16	06/30/16	09/30/16
GAAP net income (loss), as reported	**$ 27,957**	**$ 29,967**	**$ 25,185**	**$ (9,364)**	**$ 1,596**	**$ 26,607**	**$ 30,833**	**$ (51,946)**
(Income) loss from discontinued operations, net of tax	(958)	(1,880)	(1,661)	(2,286)	29,214	3,182	-	-
Interest expense	42,264	42,303	46,250	47,816	50,187	50,691	50,597	48,632
Interest income[1]	(298)	(414)	(370)	(407)	(473)	(499)	(620)	(694)
Provision (Benefit) for income taxes	15,558	14,614	14,921	(6,361)	3,988	10,148	13,451	(13,768)
Depreciation and amortization	7,860	8,137	7,878	8,043	9,102	9,861	8,235	8,032
Stock-based compensation expense	3,621	5,905	6,198	5,156	4,749	3,718	5,151	633
Acquisition, integration and restructuring related expenses[2]	2,212	2,766	7,892	2,235	2,635	2,141	3,271	3,843
Loss on Baycorp Transaction[3]	-	-	-	-	-	-	-	-
Goodwill impairment[3]	-	-	-	-	-	-	-	-
Settlement fees and related administrative expenses[4]	-	-	-	63,019	-	2,988	698	2,613
Net gain on fair value adjustments to contingent consideration[5]	-	-	-	-	-	-	-	-
Expenses related to withdrawn Cabot IPO[6]	-	-	-	-	-	-	-	-
Loss on derivatives in connection with Cabot Transaction[7]	-	-	-	-	-	-	-	-
Adjusted EBITDA	**$ 98,216**	**$ 101,398**	**$ 106,293**	**$ 107,851**	**$ 100,998**	**$ 108,837**	**$ 111,616**	**$ (2,655)**
Collections applied to principal balance[8]	$ 139,076	$ 160,961	$ 167,024	$ 156,229	$ 144,075	$ 177,711	$ 166,648	$ 247,427

See notes on Page 22

RECONCILIATION OF ADJUSTED EBITDA (continued)

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

	12/31/16	03/31/17	06/30/17	09/30/17	12/31/17	03/31/18	06/30/18	09/30/18
GAAP net income (loss), as reported	**$ 11,323**	**$ 14,979**	**$ 19,076**	**$ 42,144**	**$ 2,779**	**$ 23,713**	**$ 26,974**	**$ 13,016**
(Income) loss from discontinued operations, net of tax	(829)	199	-	-	-	-	-	-
Interest expense	48,447	49,198	50,516	52,755	51,692	57,462	60,536	65,094
Interest income[1]	(725)	(779)	(919)	(943)	(994)	(1,017)	(1,082)	(747)
Provision (Benefit) for income taxes	28,374	12,067	13,531	17,844	8,607	9,470	11,308	16,879
Depreciation and amortization	8,740	8,625	8,672	8,522	14,158	10,436	10,923	9,873
Stock-based compensation expense	3,125	750	2,760	3,531	3,358	2,276	3,169	5,007
Acquisition, integration and restructuring related expenses[2]	7,457	855	3,520	342	7,245	572	3,655	8,475
Loss on Baycorp Transaction[3]	-	-	-	-	-	-	-	-
Goodwill impairment[3]	-	-	-	-	-	-	-	-
Settlement fees and related administrative expenses[4]	-	-	-	-	-	-	-	-
Net gain on fair value adjustments to contingent consideration[5]	(8,111)	-	(2,773)	-	(49)	(2,274)	(2,378)	-
Expenses related to withdrawn Cabot IPO[6]	-	-	-	-	15,339	2,984	-	-
Loss on derivatives in connection with Cabot Transaction[7]	-	-	-	-	-	-	6,578	2,737
Adjusted EBITDA	**$ 97,801**	**$ 85,894**	**$ 94,383**	**$ 124,195**	**$ 102,135**	**$ 103,622**	**$ 119,683**	**$ 120,334**
Collections applied to principal balance[8]	$ 147,203	$ 188,893	$ 173,946	$ 159,408	$ 150,788	$ 198,282	$ 185,799	$ 199,457

See notes on Page 22

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RECONCILIATION OF ADJUSTED EBITDA (continued)

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

	12/31/18	03/31/19	06/30/19	09/30/19	12/31/19	03/31/20	06/30/20
GAAP net income (loss), as reported	**$ 46,033**	**$ 49,442**	**$ 36,822**	**$ 39,413**	**$ 43,232**	**$ (10,579)**	**$ 130,784**
(Income) loss from discontinued operations, net of tax	-	-	-	-	-	-	-
Interest expense	56,956	54,967	63,913	54,365	53,515	54,662	50,327
Interest income[1]	(499)	(1,022)	(1,238)	(590)	(843)	(1,000)	(559)
Provision (Benefit) for income taxes	9,095	3,673	11,753	3,021	13,886	4,558	35,570
Depreciation and amortization	9,996	9,995	9,741	10,000	11,293	10,285	10,542
Stock-based compensation expense	2,528	1,826	3,581	4,005	3,145	4,527	4,778
Acquisition, integration and restructuring related expenses[2]	(5,179)	1,208	1,318	3,819	704	187	4,776
Loss on Baycorp Transaction[3]	-	-	-	12,489	-	-	-
Goodwill impairment[3]	-	-	-	10,718	-	-	-
Settlement fees and related administrative expenses[4]	-	-	-	-	-	-	-
Net gain on fair value adjustments to contingent consideration[5]	(1,012)	-	(2,199)	(101)	-	-	-
Expenses related to withdrawn Cabot IPO[6]	-	-	-	-	-	-	-
Loss on derivatives in connection with Cabot Transaction[7]	-	-	-	-	-	-	-
Adjusted EBITDA	**$ 117,918**	**$ 120,089**	**$ 123,691**	**$ 137,139**	**$ 124,932**	**$ 62,640**	**$ 236,218**
Collections applied to principal balance[8]	$ 175,476	$ 201,328	$ 200,323	$ 174,663	$ 189,434	$ 268,575	$ 106,921

See notes on Page 22

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RECONCILIATION OF ADJUSTED EBITDA (continued)

Reconciliation of Adjusted EBITDA to GAAP Net Income

1) In the fourth quarter of 2016, we made a change to our presentation of adjusted EBITDA to adjust for interest income. In previous years we did not include interest income as an adjustment because it was immaterial. We have updated prior periods for comparability.
2) Amount represents acquisition, integration and restructuring related expenses. We adjust for this amount because we believe these expenses are not indicative of ongoing operations; therefore adjusting for these expenses enhances comparability to prior periods, anticipated future periods, and our competitors' results.
3) The Baycorp Transaction resulted in a goodwill impairment charge of $10.7 million and a loss on sale of $12.5 million during the three months ended September 30, 2019. We believe the goodwill impairment charge and the loss on sale are not indicative of ongoing operations, therefore adjusting for these expenses enhances comparability to prior periods, anticipated future periods, and our competitors' results.
4) Amount represents litigation and government settlement fees and related administrative expenses for certain TCPA and CFPB settlements. We believe these fees and expenses are not indicative of ongoing operations, therefore, adjusting for these expenses enhances comparability to prior periods, anticipated future periods, and our competitors' results.
5) Amount represents the gain recognized as a result of fair value adjustments to contingent considerations that were established for our acquisitions of debt solution service providers in Europe. We have adjusted for this amount because we do not believe this is indicative of ongoing operations.
6) Amount represents expenses related to the proposed and later withdrawn initial public offering by CCM. We adjust for this amount because we believe these expenses are not indicative of ongoing operations; therefore adjusting for these expenses enhances comparability to prior periods, anticipated future periods, and our competitors' results.
7) Amount represents the loss recognized on the forward contract we entered into in anticipation of the completion of the Cabot Transaction. We adjust for this amount because we believe the loss is not indicative of ongoing operations; therefore adjusting for this loss enhances comparability to prior periods, anticipated future periods, and our competitors' results.
8) For periods subsequent to January 1, 2020 amount represents (a) gross collections from receivable portfolios less the sum of (b) revenue from receivable portfolios and (c) changes in expected recoveries. For periods prior to January 1, 2020, amount represents (a) gross collections from receivable portfolios less the sum of (b) revenue from receivable portfolios and (c) allowance charges or allowance reversals on receivable portfolios.

RECONCILIATION OF ADJUSTED OPERATING EXPENSES RELATED TO PORTFOLIO PURCHASING AND RECOVERY BUSINESS

Reconciliation of Adjusted Operating Expenses to GAAP Operating Expenses (Unaudited, In $ Thousands) Three Months Ended

	9/30/18	12/31/18	03/31/19	06/30/19	09/30/19	12/31/19	03/31/20	06/30/20
GAAP total operating expenses, as reported	**$ 239,246**	**$ 232,834**	**$ 236,019**	**$ 233,142**	**$ 247,591**	**$ 234,584**	**$ 241,879**	**$ 206,341**
Operating expenses related to non-portfolio purchasing and recovery business[1]	(45,980)	(45,069)	(46,082)	(42,232)	(42,503)	(42,373)	(41,489)	(42,386)
Stock-based compensation expense	(5,007)	(2,528)	(1,826)	(3,581)	(4,005)	(3,145)	(4,527)	(4,778)
Acquisition, integration and restructuring related expenses[2]	(8,475)	5,179	(1,208)	(1,318)	(3,819)	(704)	(187)	32
Goodwill impairment	---	---	---	---	(10,718)	---	---	---
Net gain on fair value adjustments to contingent considerations[3]	---	1,012	---	2,199	101	---	---	---
Adjusted operating expenses related to portfolio purchasing and recovery business	**$ 179,784**	**$ 191,428**	**$ 186,903**	**$ 188,210**	**$ 186,647**	**$ 188,362**	**$ 195,676**	**$ 159,209**

1) Operating expenses related to non-portfolio purchasing and recovery business include operating expenses from other operating segments that primarily engage in fee-based business, as well as corporate overhead not related to our portfolio purchasing and recovery business.
2) Amount represents acquisition, integration and restructuring related operating expenses. We adjust for this amount because we believe these expenses are not indicative of ongoing operations; therefore, adjusting for these expenses enhances comparability to prior periods, anticipated future periods, and our competitors' results.
3) Amount represents the net gain recognized as a result of fair value adjustments to contingent considerations that were established for our acquisitions of debt solution service providers in Europe. We have adjusted for this amount because we do not believe this is indicative of ongoing operations.

IMPACT OF FLUCTUATIONS IN FOREIGN CURRENCY EXCHANGE RATES

(Unaudited, In Millions, except per share amounts)

Three Months Ended 06/30/20	As Reported	Constant Currency
Encore Consolidated		
Revenues	$426	$431
Operating expenses	$206	$210
Net income[1]	$130	$130
Adjusted income[1]	$137	$138
GAAP EPS[1]	$4.13	$4.13
Economic EPS[1]	$4.34	$4.36
Collections	$508	$513
ERC[2]	$8,382	$8,505
Debt[2]	$3,354	$3,395
Cabot (Europe)		
Revenue	$135	$140
Collections	$116	$121
ERC[2]	$4,167	$4,267

Note: Constant Currency figures are calculated by employing Q2 2019 foreign currency exchange rates to recalculate Q2 2020 results. All constant currency values are calculated based on the average exchange rates during the respective periods, except for ERC and debt, which are calculated using the changes in the period-ending exchange rates. Management refers to operating results on a constant currency basis so that the operating results can be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons of the company's operating performance. Constant currency financial results are calculated by translating current period financial results in local currency using the prior period's respective currency conversion rate. Certain foreign subsidiaries' local currency financial results in our calculation include the translation effect from their foreign operating results.

1. Attributable to Encore.
2. At June 30, 2020.

ENCORE'S LEVERAGE RATIOS

Leverage Ratios

Encore Consolidated	at 03/31/20	at 06/30/20
Debt / Equity	3.77x	3.23x
Net Debt / (TTM Adjusted EBITDA + TTM Collections applied to principal balance)[1]	2.58x	2.42x

Encore Consolidated	at 03/31/19	at 06/30/19	at 09/30/19	at 12/31/19
Debt / Equity	4.12x	3.92x	3.72x	3.44x
Net Debt / (TTM Adjusted EBITDA + TTM Collections applied to principal balance)[1]	2.85x	2.75x	2.67x	2.69x

Encore Consolidated	at 03/31/18	at 06/30/18	at 09/30/18	at 12/31/18
Debt / Equity	5.91x	5.65x	4.58x	4.27x
Net Debt / (TTM Adjusted EBITDA + TTM Collections applied to principal balance)[1]	3.16x	3.01x	2.94x	2.82x

1) See appendix for reconciliation of Adjusted EBITDA to GAAP net income and for reconciliation of Net Debt to GAAP Borrowings.

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RECONCILIATION OF NET DEBT

Reconciliation of Net Debt
(Unaudited, in millions) Three Months Ended

	03/31/20	06/30/20
GAAP Borrowings, as reported	**$ 3,404**	**$ 3,354**
Debt issuance costs and debt discounts	69	63
Cash & cash equivalents	(188)	(294)
Client cash[1]	19	21
Net Debt	**$ 3,304**	**$ 3,144**

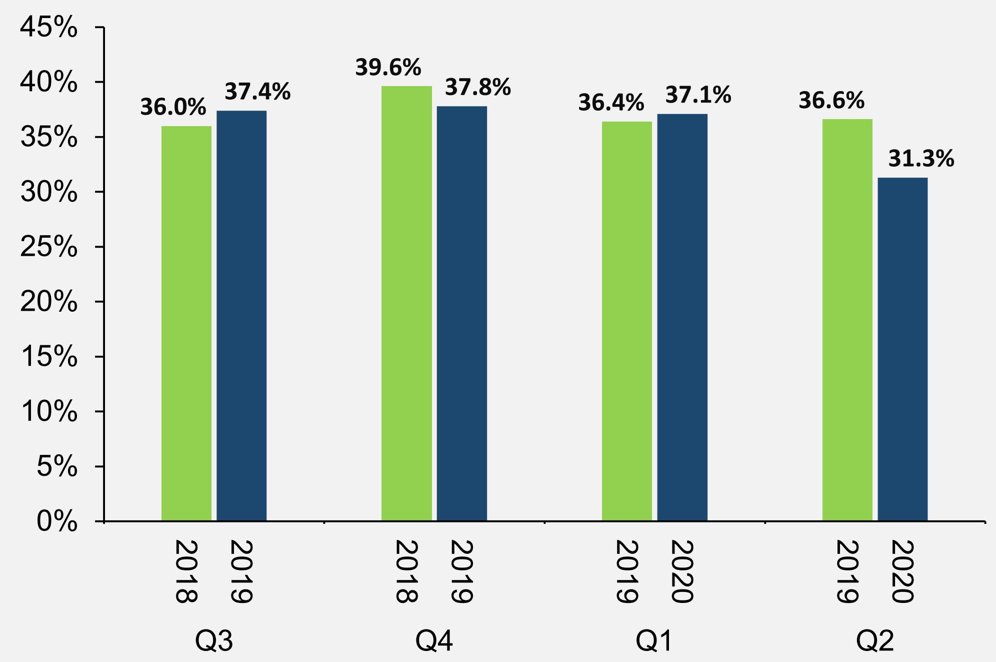
	03/31/19	06/30/19	09/30/19	12/31/19
GAAP Borrowings, as reported	**$ 3,593**	**$ 3,530**	**$ 3,429**	**$ 3,513**
Debt issuance costs and debt discounts	79	73	75	73
Cash & cash equivalents	(167)	(169)	(187)	(192)
Client cash[1]	25	24	22	25
Net Debt	**$ 3,530**	**$ 3,459**	**$ 3,340**	**$ 3,419**

	03/31/18	06/30/18	09/30/18	12/31/18
GAAP Borrowings, as reported	**$ 3,607**	**$ 3,530**	**$ 3,561**	**$ 3,491**
Debt issuance costs and debt discounts	77	70	89	85
Cash & cash equivalents	(217)	(182)	(205)	(157)
Client cash[1]	26	23	26	22
Net Debt	**$ 3,493**	**$ 3,442**	**$ 3,472**	**$ 3,440**

1) Client cash is cash that was collected on behalf of, and remains payable to, third party clients.

BEGINNING IN Q1 2020, COST-TO-COLLECT INCLUDES 100% OF COURT COSTS, BRINGING ENCORE INTO ALIGNMENT WITH THE INDUSTRY

Overall Cost-to-Collect[1]



Location	Q2 2019 CTC	Q2 2020 CTC
United States	39.2%	32.0%
Europe	28.8%	27.7%
Other	51.2%	59.7%
Encore total	36.6%	31.3%

1) Cost-to-Collect = Adjusted operating expenses / collections. See appendix for reconciliation of Adjusted operating expenses to GAAP.