

Encore Capital Group Takes Controlling Stake in Refinancia

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- Acquisition Provides Platform for Latin American Expansion -

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SAN DIEGO, Feb. 25, 2014 /PRNewswire/ -- Encore Capital Group, Inc. (Encore), an international specialty finance company (NASDAQ: ECPG), today announced that it has taken a controlling stake in Refinancia, a leading debt purchaser in Colombia and Peru. Encore purchased 51 percent of the company in December 2013.



Encore's acquisition of Refinancia establishes Encore's presence in the high-growth Colombian and Peruvian markets, which together have nearly 80 million residents. Refinancia services distressed consumer debt, which it either purchases or services on behalf of others. It also offers merchant guarantee services, factoring arrangements, and a small credit card business in Colombia.

According to Ken Vecchione, Chief Executive Officer of Encore, the acquisition continues Encore's purposeful expansion designed to capitalize on growth and consolidation opportunities both domestically and internationally. "This transaction opens up two new markets in which Encore can deploy capital at higher returns than are available in the U.S.," he said. "In addition, Encore now has a beachhead in Latin America from which to expand, both geographically and into new specialty financial products designed for underserved consumers."

Encore will bring to Refinancia its analytic strength, operational sophistication and deep knowledge of distressed consumers, creating opportunities for Refinancia to increase operating efficiencies and strengthen performance. Refinancia also shares Encore's commitment to fair and ethical treatment of consumers.

Kenneth Mendiwelson, Chief Executive Officer of Refinancia, said, "We are excited to join Encore and gain the financial and operational support of a world leader. In turn, Refinancia provides Encore with immediate access to emerging markets in Peru and Colombia, and positions Encore for growth throughout the Latin American region. We look forward to working together to reach new levels of success."

According to Vecchione, Encore has been deploying capital through Refinancia since late 2012 and plans to continue this activity. "We are taking the same approach with Refinancia that we took with Cabot, in which we acquire a controlling interest in the company with the expectation of increasing our ownership interest over time. In the meantime, the majority of the capital we invest is staying within the business to fund future growth."

About Refinancia

Refinancia is a specialty loan servicer in Colombia and Peru that provides alternatives to consumers who seek specialized credit solutions. Through refinancing options, credit cards, guarantees for bank and merchant loans, the company's products are tailor-made to fit the needs of its customers. Refinancia's solutions integrate the financial sector, merchant sector, and individuals to contribute to financial re-entry and access to credit.

Refinancia specializes in offering solutions to underserved niches. Its core capabilities are loan collections and payment behavior analytics. Additionally, it seeks brand recognition and loyalty to create long-term customer relationships.

About Encore Capital Group, Inc.

Encore Capital Group, an international specialty finance company with operations spanning seven countries, provides debt recovery solutions for consumers and property owners across a broad range of assets. Through its subsidiaries, the Company purchases portfolios of consumer receivables from major banks, credit unions, and utility providers, and partners with individuals as they repay their obligations and work toward financial recovery. Through its Propel Financial Services subsidiary, the Company assists property owners who are delinquent on their property taxes by structuring affordable monthly payment plans and purchases delinquent tax liens directly from select taxing authorities. Through its United Kingdom-based subsidiaries, including Cabot Credit Management and Marlin Financial Services, the Company is a market-leading acquirer and manager of consumer debt in the United Kingdom and Ireland. Through its Refinancia subsidiary, the Company services distressed consumer debt in Colombia and Peru. Encore's success and future growth are driven by its sophisticated and widespread use of analytics, its broad investments in data and behavioral science, the significant cost advantages provided by its highly efficient operating model and proven investment strategy, and the Company's demonstrated commitment to conducting business ethically and in ways that support its consumers' financial recovery.

Headquartered in San Diego, Encore is a publicly traded NASDAQ Global Select company (ticker symbol: ECPG) and a component stock of the Russell 2000, the S&P SmallCap 600, and the Wilshire 4500. More information about the Company can be found at www.encorecapital.com. Encore Capital Group's website and the information contained therein, is not incorporated into and is not a part of this press release.

Forward Looking Statements

The statements in this press release that are not historical facts, including, most importantly, those statements preceded by, or that include, the words "may," "believe," "projects," "expects," "anticipates" or the negation thereof, or similar expressions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"). These statements may include, but are not limited to, statements regarding our future operating results, performance, business plans or prospects. 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, each as it may be amended from time to time. The Company disclaims any intent or obligation to update these forward-looking statements.

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