Encore Capital Group, Inc.

European Debt Investor Meetings Presentation

CAUTIONARY NOTE ABOUT FORWARD-LOOKING STATEMENTS

This presentation has been prepared by Encore Capital Group, Inc. (“Encore” or the “Company") solely for informational purposes. For the purposes of this disclaimer, the presentation that follows shall mean and include the slides that follow, the oral presentation of the slides by the Company or any person on its behalf, any question-and-answer session that follows the oral presentation, hard copies of this document and any materials distributed in connection with the presentation. The Company has included non-GAAP financial measures in this presentation. These measurements may not be comparable to those of other companies. Reference to these non-GAAP financial measures should be considered in addition to GAAP financial measures, but should not be considered a substitute for results that are presented in accordance with GAAP. The information contained in this presentation has not been subject to any independent audit or review. No representation, warranty or undertaking, express or implied, is made to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions herein. No responsibility or liability (including in respect of direct, indirect or consequential loss or damage) is assumed by any person for such information or opinions or for any errors or omissions. A significant portion of the information contained in this document, including all market data and trend information, is based on estimates or expectations of the Company, and there can be no assurance that these estimates or expectations are or will prove to be accurate. Our internal estimates have not been verified by an external expert, and we cannot guarantee that a third party using different methods to assemble, analyze or compute market information and data would obtain or generate the same results. We have not verified the accuracy of such information, data or predictions contained in this report that were taken or derived from industry publications, public documents of our competitors or other external sources. Further, our competitors may define our and their markets differently than we do. In addition, past performance of the Company is not indicative of future performance. The future performance of the Company will depend on numerous factors which are subject to uncertainty.

Certain statements contained in this document that are not statements of historical fact, including, without limitation, any statements preceded by, followed by or including the words "targets," "believes," "expects," "aims," "intends," "may," "anticipates," "would," "could" or similar expressions or the negative thereof, constitute forward-looking statements, notwithstanding that such statements are not specifically identified. In addition, certain statements may be contained in press releases, and in oral and written statements made by or with the approval of the Company that are not statements of historical fact and constitute forward-looking statements. Examples of forward-looking statements include, but are not limited to: (i) statements about future financial and operating results; (ii) statements of strategic objectives, business prospects, future financial condition, budgets, potential synergies to be derived from acquisitions, projected levels of production, projected costs and projected levels of revenues and profits of the Company or its management or board of directors, (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict and outside of the control of the management of the Company. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. We have based these assumptions on information currently available to us, if any one or more of these assumptions turn out to be incorrect, actual market results may differ from those predicted. While we do not know what impact any such differences may have on our business, if there are such differences, our future results of operations and financial condition, and the market price of the notes, could be materially adversely affected. You should not place undue reliance on these forward-looking statements. All subsequent written and oral forward-looking statements attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements referenced above. Forward-looking statements speak only as of the date on which such statements are made. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

The presentation does not constitute or form part of, and should not be construed as, an offer to sell or issue, or the solicitation of an offer to purchase, subscribe to or acquire the Company or the Company's securities, or an inducement to enter into investment activity. No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This presentation is not for publication, release or distribution.

TODAY'S PRESENTERS

President & CEO, Encore

Ashish Masih

CEO, Cabot

Ken Stannard

EVP & CFO, Encore

Jonathan Clark

CFO, Cabot

Craig Buick

Managing VP, Corporate Development & Treasury, Encore

Scott Goverman

Director of Strategy & Corporate Finance, Cabot

Tomas Hernanz

1. Introduction

ENCORE AT A GLANCE

Business Overview

- Based in San Diego, CA, Encore Capital Group, Inc. ("Encore" or the "Company") provides debt recovery solutions for consumers across a broad range of assets
- In the business of purchasing debt for over 25 years, the Company operates internationally with over 7,900 employees[1] and has over 110 million accounts and over 64 million unique consumers in the U.S. and U.K.
  - MCM is the largest debt buyer in the United States
  - Cabot is one of the largest credit management services providers in Europe and the market leader in the UK and Ireland by ERC
- Publicly traded NASDAQ Global Select company (ticker: ECPG) with a market capitalization of ~$1.1bn
- Purchases portfolios of defaulted consumer receivables from credit originators, including banks, credit unions, consumer finance companies and commercial retailers
- Partners with individuals as they repay their debt obligations, helping them towards financial recovery and improving their economic well-being

Main trading brands

encore CAPITAL GROUP

Parent company at Group level

Americas

MCM Midland Credit Management™ — an encore capital group company

Operating in the United States

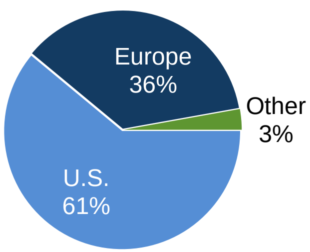
Europe

CABOT CREDIT MANAGEMENT — an encore capital group company

Operating predominantly in the United Kingdom

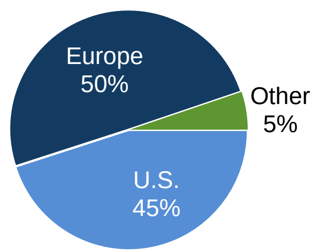
Capital Deployed

2019Q2 LTM Capital Deployments Total $1.0bn



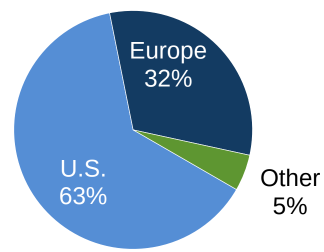
ERC[2]

2019Q2 180m ERC Total $7.4bn



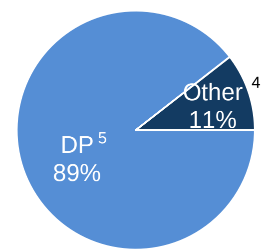
Collections

2019Q2 LTM Collections Total $2.0bn



Revenues[3]

2019Q2 LTM Revenues Total $1.4bn



Source: Company filings. Market data as of 6 September 2019.
1) Number of employees as of Q2 2019.
2) ERC represents estimated remaining gross collections for purchased receivables.
3) Represents total revenues adjusted for allowance reversals on receivable portfolios, net.
4) Represents third party collections and other revenues.
5) DP (debt purchasing) represents revenues from owned receivable portfolios.

ENCORE IS A LEADER IN THE GLOBAL DEBT PURCHASING & RECOVERY SECTOR

Note: Data as of most recent reported quarter - Q2'19 for all; non-USD figures translated at spot rate as of most recent reported quarter end.

1) ERC as reported – for Encore: 180 months; Intrum: total; PRA Group: total; Lowell: 180 months; Hoist Finance: 180 months; and Arrow Global: 120 months.

RECENT INDUSTRY CONSOLIDATION HAS RESULTED IN A SMALLER NUMBER OF SCALED PLAYERS

United States

2011	Today
MCM Midland Credit Management™ an encore capital group company; AACC Asset Acceptance Capital Corp.; Atlantic Credit & Finance Incorporated; EAF Equable Ascent Financial	MCM Midland Credit Management™ an encore capital group company
PRA Group; RMS; NCM	PRA Group™
S; square two financial; B-Line LLC	S
JH Capital Group; Cavalry; Jefferson Capital Systems, LLC; uniFund; Galaxy; Credigy	JH Capital Group; Cavalry; Jefferson Capital Systems, LLC; uniFund; Galaxy; Credigy

United Kingdom

2011	Today
Cabot Credit Management an encore capital group company; dlc; Grove Capital Management; Orbit; Marlin Financial Group; Wescot	Cabot Credit Management an encore capital group company
Lowell; Interlaken Group	Lowell
ak Aktiv Kapital	PRA Group™
Arrow Global; capquest; Mars Capital; drydensfairfax solicitors	Arrow Global
Robinson Way Part of Hoist Finance; compello group; Lewis Group	Hoist Finance
1st Credit®	intrum
idem capital; LINK	idem capital; LINK

Source: Company and peer websites, annual filings and press releases.

LED BY A BROAD MANAGEMENT TEAM WITH DECADES OF EXPERIENCE

Ashish Masih
President & CEO, Encore
29 / 10
Capital One · McKinsey & Company · KPMG

Business Leaders with P&L Responsibility

Ken Stannard
CEO, Cabot
31 / 7
Lloyds Banking Group · Capital One · American Express · Nedcor

Ryan Bell
EVP & COO, MCM
15 / 7
Capital One

Amy Anuk
SVP,
Business Development, MCM
16 / 16
encore capital group

John Yung
SVP, Group Executive for Latin America and Asia Pacific
30 / 4
BAYCORP · Zenbanx · ING DIRECT

Senior Management

Jonathan Clark
EVP & CFO, Encore
33 / 4
SallieMae · Credit Suisse

Greg Call
EVP, General Counsel &
Chief Administrative Officer
24 / 8
Gateway

Monique Dumais
SVP,
Chief Information Officer
21 / 1
Bank of America

Doris Hektor
Managing VP,
Chief Risk Officer
17 / 3
J.P.Morgan · American Express · AXA Investment Managers

Scott Goverman
Managing VP, Corporate
Development & Treasury
33 / 8
SAIC · Lehman Brothers

Craig Buick
CFO, Cabot
30 / 3
GE Capital · pwc

Tomas Hernanz
Director of Strategy &
Corporate Finance, Cabot
18 / 3
Goldman Sachs · hbk · ONDRA

Years of experience (blue)
Years at Encore / Cabot (green)

2. Credit highlights

ENCORE – A HIGHLY ATTRACTIVE CREDIT STORY

Encore attributes

Scale & efficiency	Regulatory & compliance excellence	Consumer focus	Data and analytical leadership	Disciplined capital allocation

Unsecured consumer finance market attributes

- Large market size
- High degree of market sophistication
- Consistency of front-book opportunities
- Granular, diversified portfolios
- Back-book resilience

These factors make Encore what it is today ...

A. We are the leading operator in our core U.S. and U.K. markets with attractive long term growth prospects and high barriers to entry

B. Our scale, operational differentiation and compliance excellence drive strong risk adjusted returns

C. 20+ years of experience have created a large, diversified back-book generating resilient cash flows

D. Strong operating performance and capital allocation discipline support Encore's healthy financial profile

A. Leading operator in our core U.S. and U.K. markets with attractive long term growth prospects and high barriers to entry

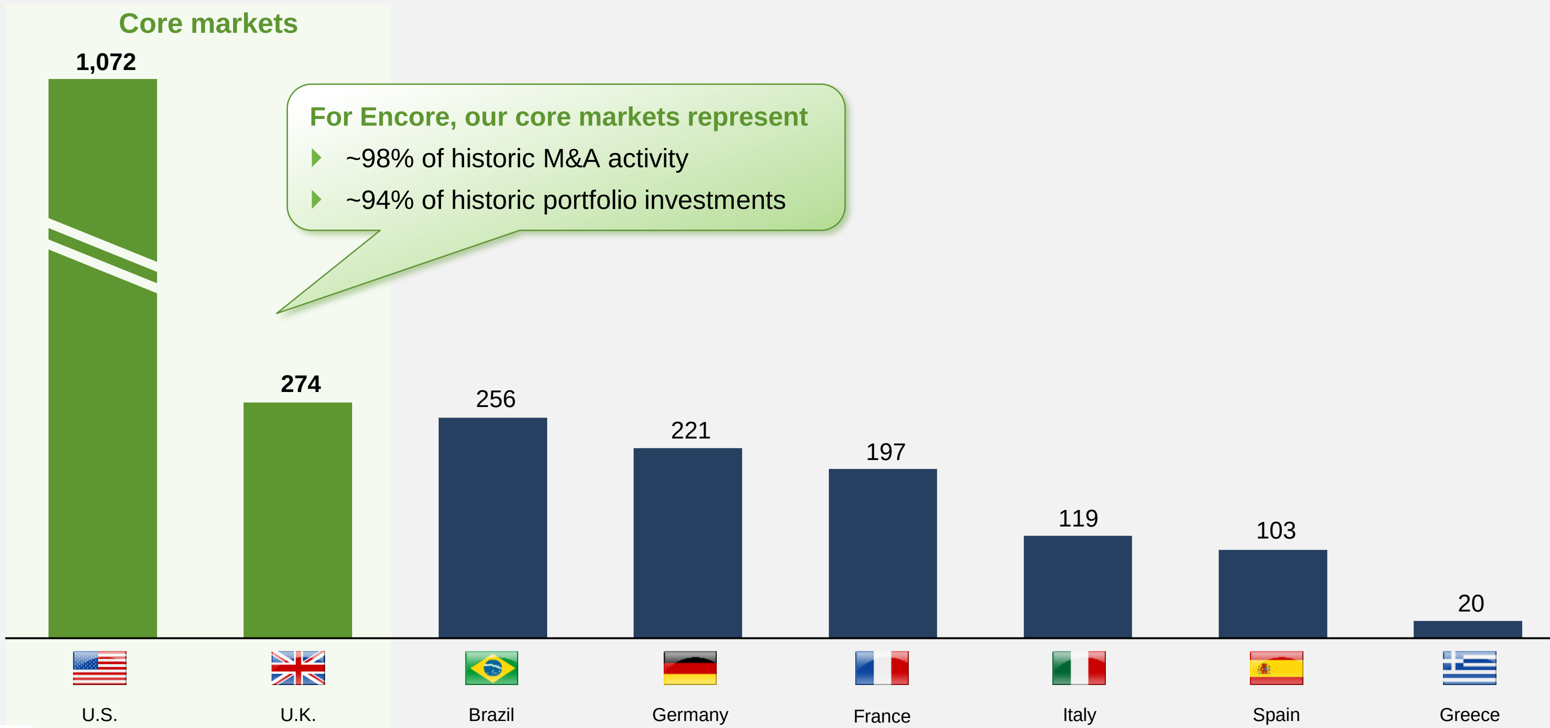
FOCUS ON MARKETS WITH ATTRACTIVE STRUCTURAL CHARACTERISTICS

	Attributes that we believe make a market attractive
1 **Large, consistent opportunity**	▸ Ability to develop sustainable scale ▸ Consistent, long term flow of front-book opportunities as a result of debt sales being an embedded part of the financial ecosystem ▸ Fresh, early bucket delinquent debt sales
2 **Regulatory framework**	▸ Strong regulatory framework with barriers to entry that supports banks to outsource or sell ▸ Mature legal framework providing enhanced risk management
3 **High degree of sophistication and data availability**	▸ Availability of data to enable informed investment decisions ▸ Sophisticated sellers who recognize the benefits of credit management services ▸ Operations and data analytics that drive outperformance and competitive advantage
4 **Low through-the-cycle risk profile**	▸ Low volatility of long term returns ▸ Provide risk diversification – granular, diversified portfolios that diversify risk ▸ Resilience in the event of macroeconomic shocks

OUR CORE MARKETS ARE UNDERPINNED BY LARGE, ESTABLISHED CONSUMER SECTORS

Key markets in the Americas & Europe

(Unsecured outstanding consumer credit, $ in billions).



	U.S.	U.K.	Brazil	Germany	France	Italy	Spain	Greece
1. Consistent opportunity…	✓	✓	✗	~	~	✗	✓	✗
2. Regulatory framework…	✓	✓	~	~	~	~	~	✗
3. Sophistication & data…	✓	✓	~	~	~	✗	✗	✗
4. Low risk profile…	✓	✓	✗	✓	✓	✗	~	✗

Source: U.S. Federal Reserve as of May 2019, European Central Bank as of May 2019, Bank of England as of May 2019, and Central Bank of Brazil as of July 2019. Management insights.

Note: Consumer credit converted to US$ at FX rate prevailing on 31 May 2019.
U.S. unsecured outstanding consumer credit defined as total revolving debt outstanding, excluding student loans.

THE MARKET OPPORTUNITY IS SIGNIFICANT…

Population: 329m

Total Revolving Debt Outstanding $1.1tn[1]

Credit Card Net Charge-Off Rate 3.8%[1]

Approximate revolving debt charged-off annually $48bn[2]

Investment value of ~$2bn

We estimate approximately $18bn of Face Value was sold in 2018

Population: 67m

Total Unsecured Consumer Credit Outstanding $274bn[3]

Unsecured Credit Net Charge-Off Rate 1.9%[3]

Approximate debt charged-off annually $6.1bn[2]

Investment value of ~$1bn

We estimate approximately $6bn of Face Value was sold in 2018

Source: Federal Reserve, Bank of England, U.S. Bureau of the Census, U.K. Office for National Statistics, Encore management estimates.
Note: Dollar denominated data in United Kingdom funnel converted from GBP to US$ at exchange rate of 1.3031 prevailing on 31-May-2019.
1) Federal Reserve update from Q1 2019 for Q4 2018, not seasonally adjusted and excludes loans secured by real estate.
2) Assumes 17% Recovery Rate to Estimate Gross Charge-Offs.
3) Bank of England consumer credit data as of May 2019. Unsecured consumer credit excluding student loans.

encore CAPITAL GROUP

… TAILWINDS CONTINUE TO DRIVE NPL SUPPLY…

Key global factors driving NPL supply

Fresh paper supply now dominates the US market

(99% of deployments[1] by MCM in U.S. in fresh paper)

Potential return of large issuers

(issuers not currently selling produce ~40% of charge-offs)

Consumers have accumulated record indebtedness

Banks have fewer qualified debt buyers and servicers

Increasing regulatory pressure on banks to reduce NPL stockpiles

(Unsecured NPLs to be written off after 3 years[2])

Banks choosing to outsource credit management

(Front-end processes prioritised over back-end[3])

IFRS9 calls for accelerated recognition of impairment losses

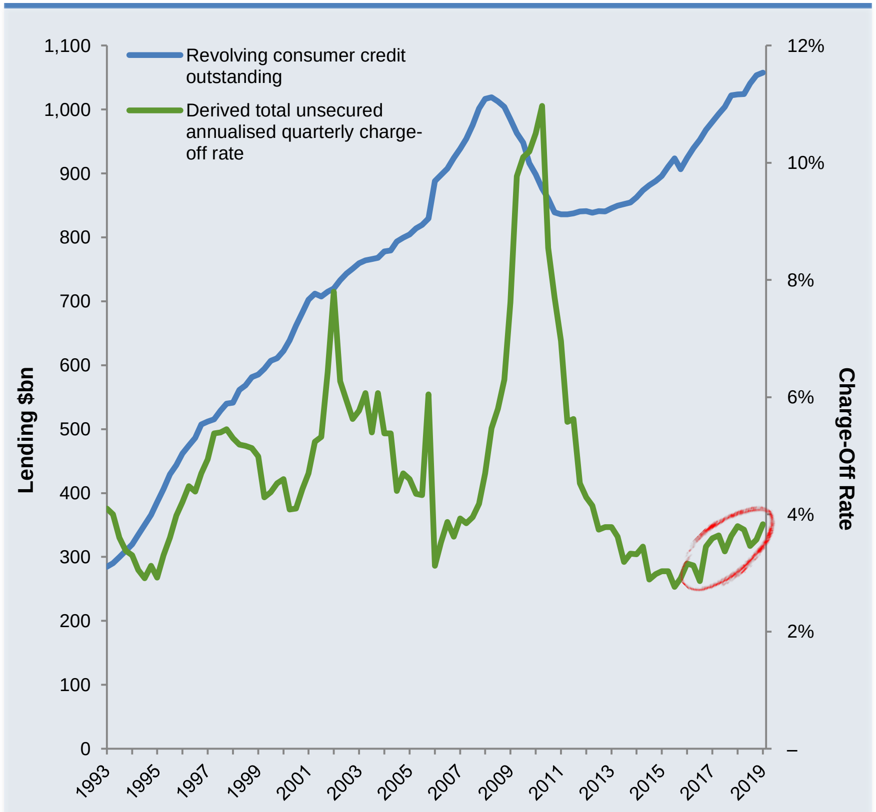
(~9% increase in provisions[4])

1) Deployments in 2018.
2) European Central Bank implementing tougher rules on NPL inventory.
3) Banks facing constraints on compliance expertise, IT capex and operations headcount, deemphasizing in-house credit management.
4) As a result of accelerated impairment recognition under IFRS 9, provisions are estimated to increase by 9% with a day-one impact on CET1 of 51bps. European Banking Authority quantitative impact analysis, 20-Dec-2018.

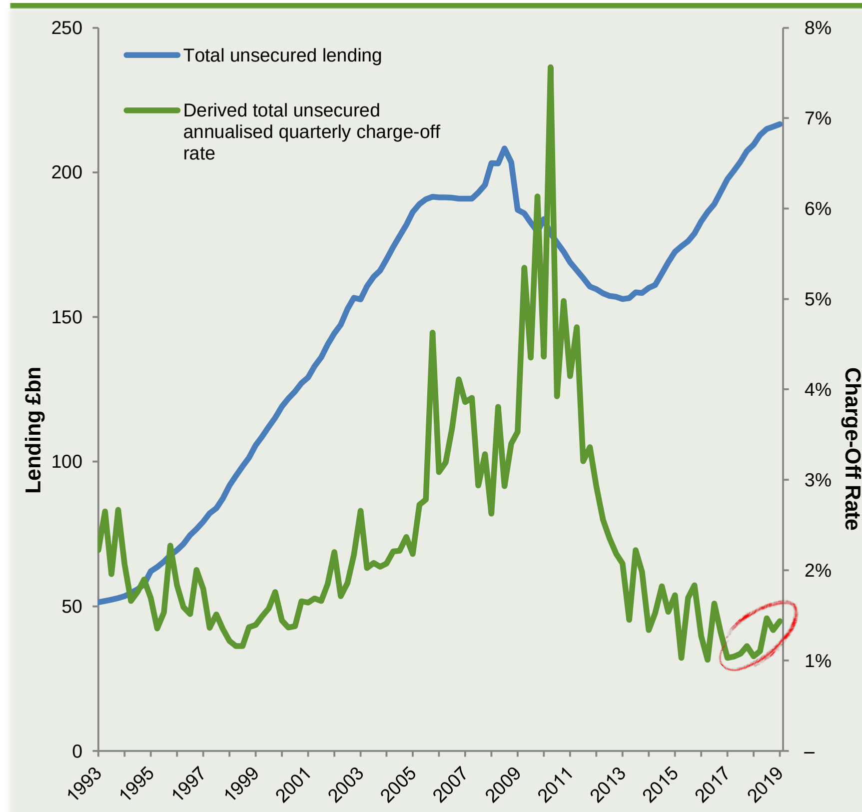
… WITH NEW NPL GENERATION LIKELY TO GROW SIGNIFICANTLY

Unsecured consumer lending and total charge-off rate

- Federal Reserve reports revolving credit in the U.S. achieved an all-time high in May 2019
- Banks' charge-off rates and loan loss allowances at highest level in the last six years



- Rapid consumer credit growth in the U.K. will drive meaningful supply growth
- Early signs of increasing default rates visible – potential further acceleration due to Brexit implications



Source: For U.S. - U.S. Federal Reserve revolving consumer credit, seasonally adjusted & credit card net charge-off rate.
For U.K. - Bank of England – May 2019 – excludes student loans.

WE BENEFIT FROM INCREASING BARRIERS TO ENTRY

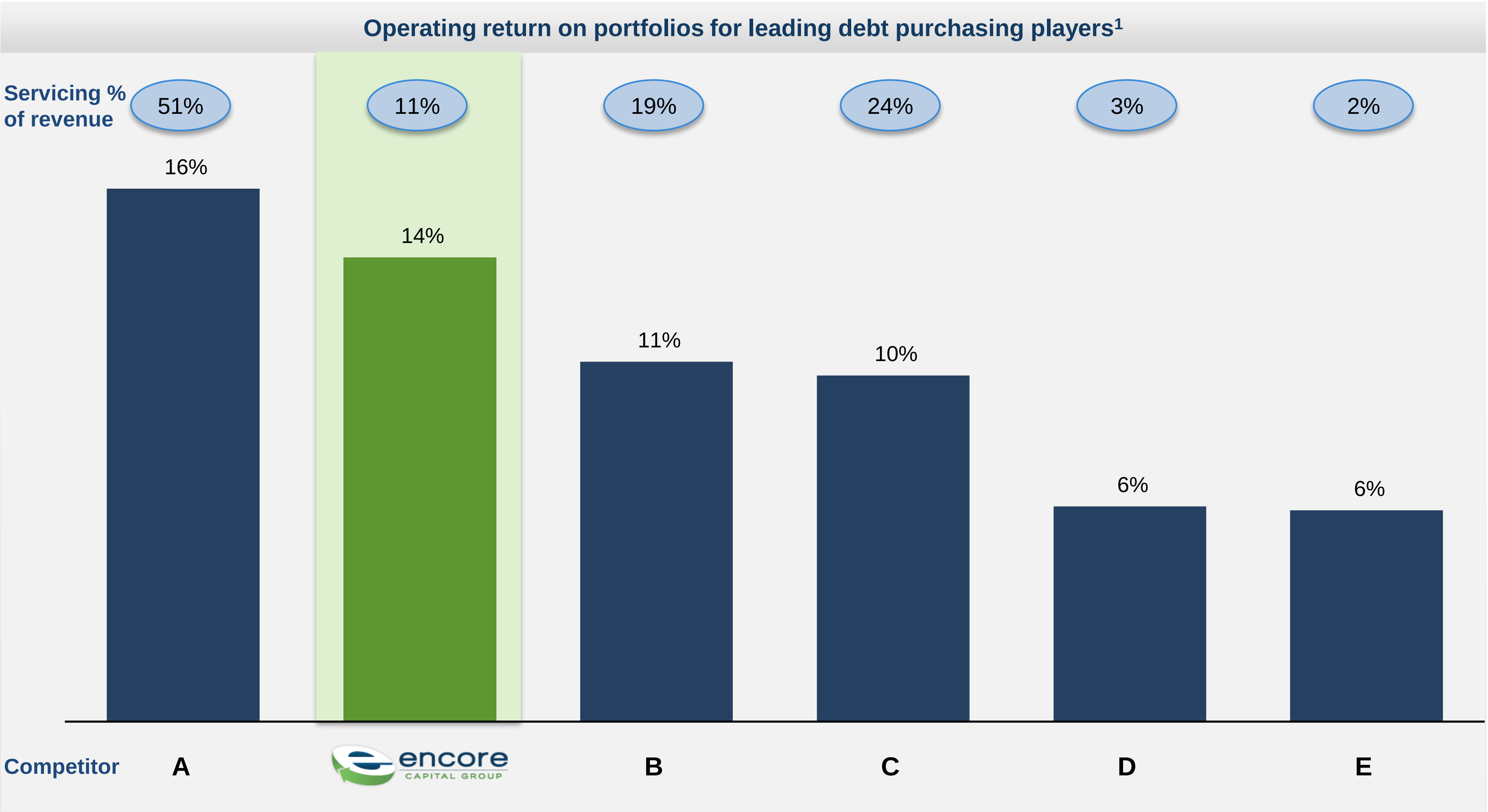
		U.S.	U.K.
Regulation	• Mature markets entail high legal, regulatory and compliance obligations • Replicating Encore's compliance infrastructure would entail prohibitive time, cost & licensing requirements	▸ State-by-state regulation – often demands licensing ▸ Significant prescriptive regulation – proposed CFPB rules 500+ pages	▸ FCA authorization required for servicing / SRA for litigation ▸ Principles based – intense focus on consumer treatment
Client relationships	• Banks reduce number of servicers to handful of trusted key partners • Comprehensive and regular client audits	▸ Nimbleness towards quick bilateral transactions ▸ Bank restrictions on resale of debt	▸ Deeper relationships from BPO and debt servicing history leads to proprietary purchase opportunities
Proprietary data	• High frequency of consumer interaction enables consumer centric outcomes • Large data warehouse leads to improved pricing, collections efficiency and fair consumer treatment	▸ Over 2,800 portfolios acquired / 25+ years of data ▸ Relationship with 1/5 U.S. consumers	▸ Over 1,800 portfolios acquired / 20+ years of data ▸ Relationship with 1/9 U.K. consumers
Scale	• Scale of operations allows investment in infrastructure and compliance • Diversified access to capital markets lowers cost of funding and facilitates liquidity management	▸ Ability to operate in all 50 states with licenses in every state where required, with approximately 4,100 employees[1]	▸ Largest U.K. financial services ERC with approximately 2,500 employees

1) Total global employees contributing to the U.S. business.

encore CAPITAL GROUP

B. Our scale, operational differentiation and compliance excellence drive strong risk adjusted returns

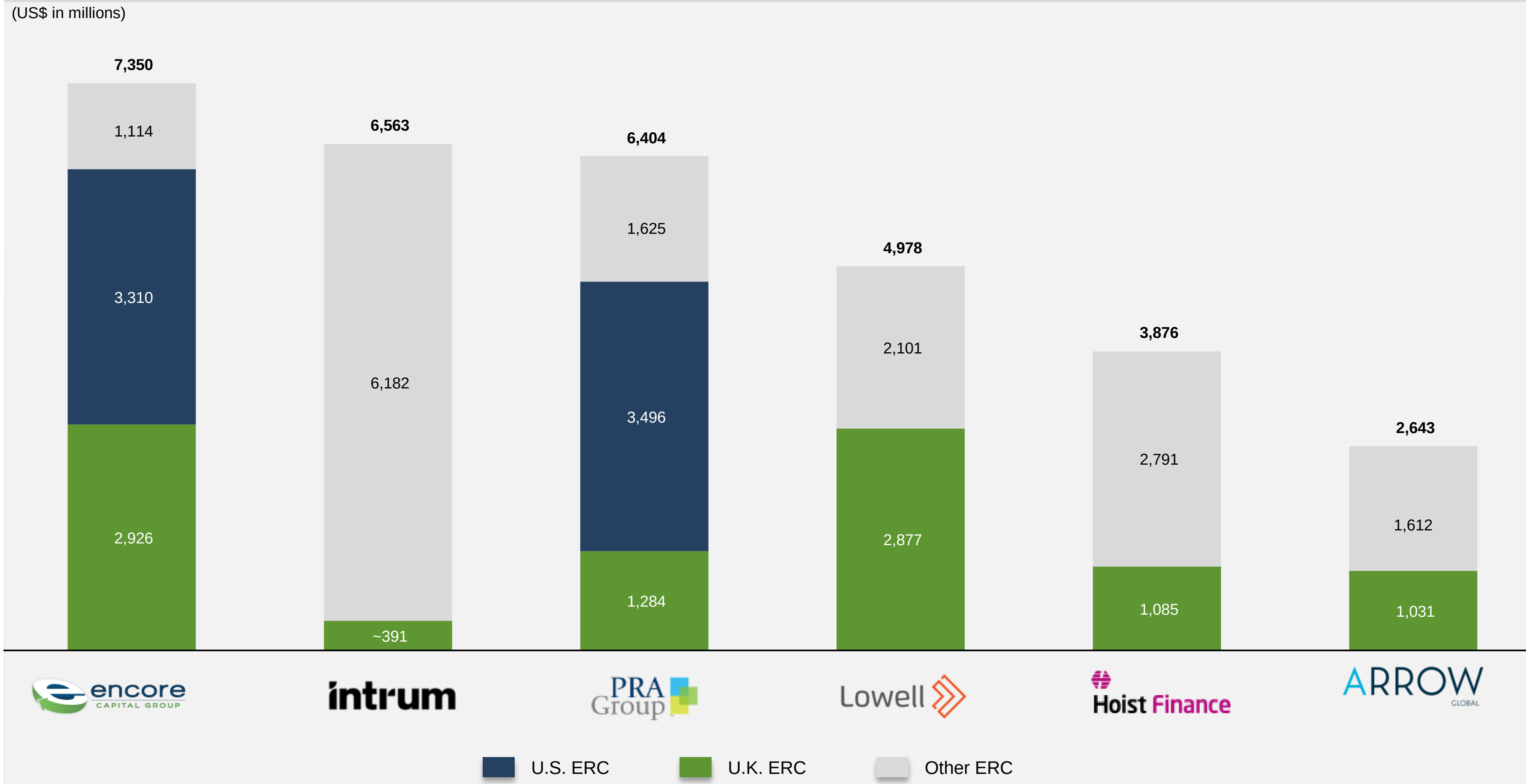
OUR SCALE AND OPERATIONAL DIFFERENTIATION DELIVER MARKET LEADING RETURNS



Source: Company filings for relevant peers as of LTM Q2'19.
1) Calculated as operating profit divided by average book value of portfolios.

WE HAVE MARKET-LEADING SCALE IN OUR CORE MARKETS

Leading ERC across U.S. and U.K.[1]



Note: Data as of most recent quarter – Q2'19; Non-USD figures translated at spot rate as of most recent reported quarter end.

1) ERC as reported – for Encore: 180 months; Intrum: total; PRA Group: total; Lowell: 180 months, geographic split of 120 months ERC applied to 180 months; Hoist Finance: 180 months, U.K. share of ERC calculated by applying U.K. net carrying value of NPL portfolios as of Dec-2018 to total ERC; and Arrow Global: 120 months.

SUPERIOR DATA ANALYTICS DRIVES OUR ENHANCED CONSUMER CENTRIC APPROACH

Data assets

- ~110 million accounts
- ~60 million consumers
- ~600 thousand hours of call recordings per year
- On average, we have an existing relationship with ~40% of consumers in each new portfolio

- ~10 million accounts
- ~1.5 billion transaction records
- ~150 million financial transactions
- ~670 million dialler records
- ~14 million litigation records

Advanced analytics

- Sophisticated use of speech analytics
  - Real-time analytics
  - Call library for training
- Speech analytics underpins valuation and pricing rigor
- Substantial experience & expertise: more than 20 years of data, insights, modelling and operational integration
- Market leading set of litigation scorecard models
- Proprietary scorecards for legal placement, direct mail, call center effort

Consumer centric execution

- Real-time sentiment analysis informing approach to next interaction with consumer
- Insights from data and analytics integrated across business processes
- Automated process to update consumer profile and treatment based on real time internal and external data
- Post call consumer feedback
- Proprietary data, advanced analytics, supporting appropriate consumer-level engagement

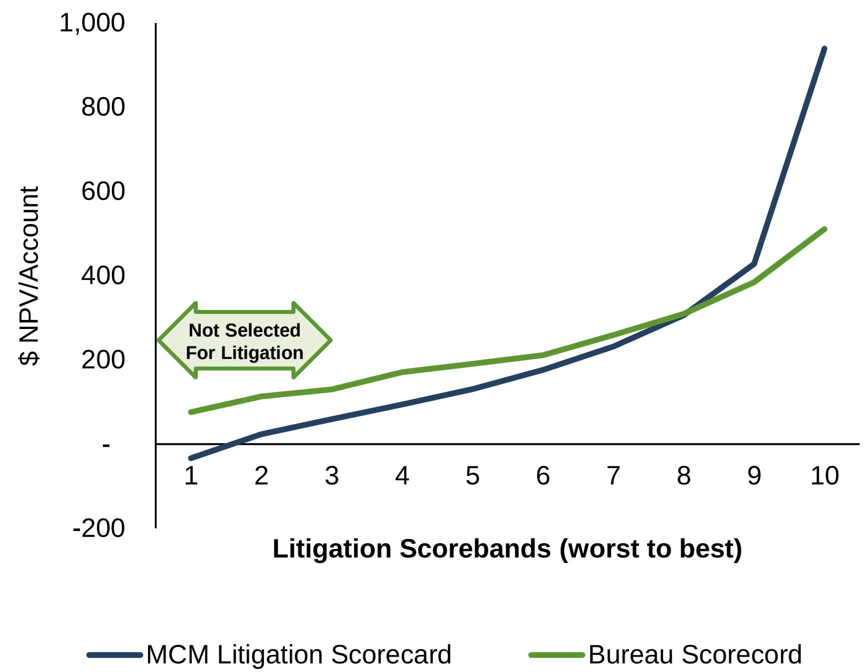
STRONG ANALYTICS AND ROBUST OPERATIONS ENABLE LITIGATION AS AN EFFECTIVE COLLECTION CHANNEL

Legal collections

Experience	Network	Scorecard
14+ years of litigation experience	Largest legal network in the industry	10+ years refining scorecard
Deep local knowledge enables strong performance in litigation channel	Internal legal operations complemented by external partners	MCM proprietary scorecard superior in segmenting accounts

Better performance of proprietary scorecard[1]

Collection by scorecards ranked by decile (10 = best)



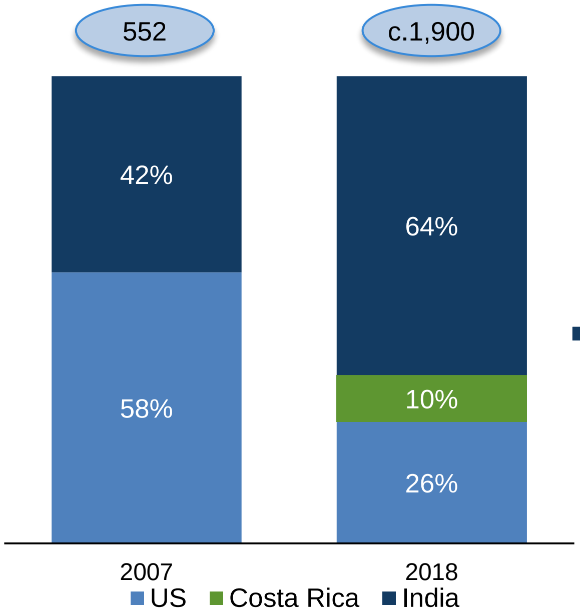
Leverage proprietary scorecards to allocate accounts to the most appropriate channel to drive superior collection performance

1) Performance of proprietary scorecard benchmarked against generic bureau scorecard.

BUSINESS MODEL TRANSFORMATION HAS ENABLED A 1,300BPS REDUCTION IN U.S. COST TO COLLECT FROM 2007 TO PRESENT

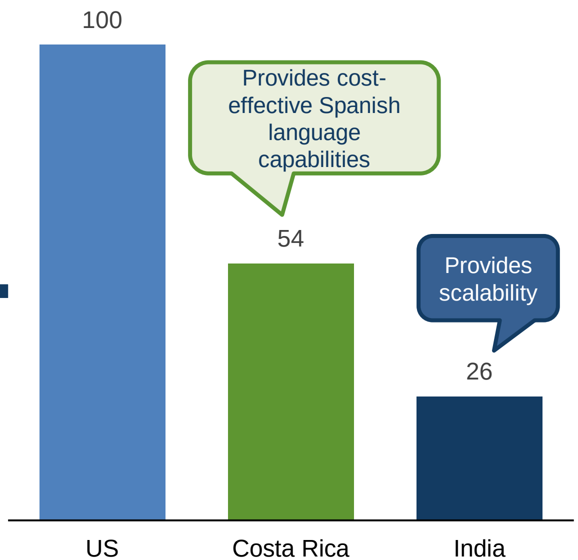
Distribution of account managers

Distribution of production headcount for MCM, by location

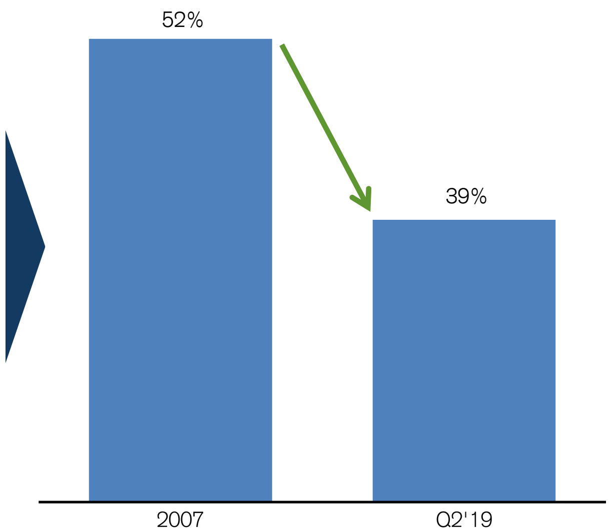


Relative cost of account managers

Expenses per FTE headcount (indexed), by location



Improving U.S. cost-to-collect



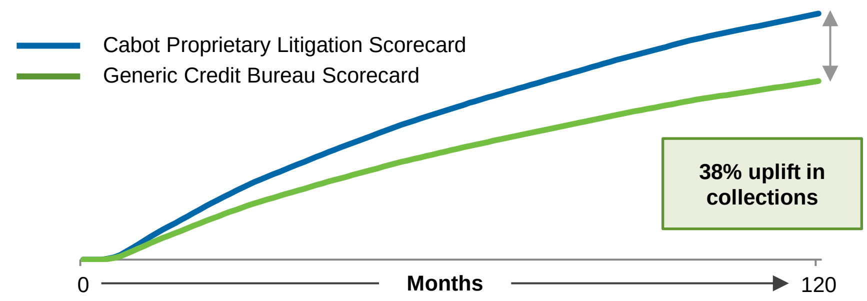
- Considerable cost advantages stemming from our operations in India and Costa Rica that allow Encore to more efficiently work a high percentage of the accounts within any given portfolio
- Cost advantage allows us to pursue lower value accounts than peers
- Only company in our industry with successful, late stage collection platform in India
- Cost savings and first-mover advantage helps to reduce our variable cost-to-collect

NON-PAYING ACCOUNTS – DRIVING COMPETITIVE ADVANTAGE THROUGH PROVEN LITIGATION SCORECARD

Depth of data	Leading litigation volumes	Continuous improvement
>1 billion[1] data points generated from performance history	c. 840,000 judgments obtained since 2006	11 Scorecard version updates over the last 10 years

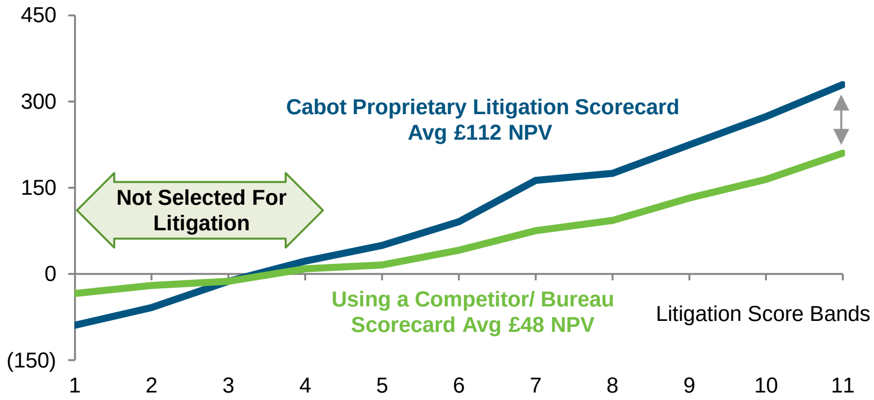
Driving competitive advantage at pricing - illustrative

Increase in cumulative cash flows for litigation-eligible accounts due to litigation scorecard[2]



Scorecard shows strong ability to rank profitability[3]

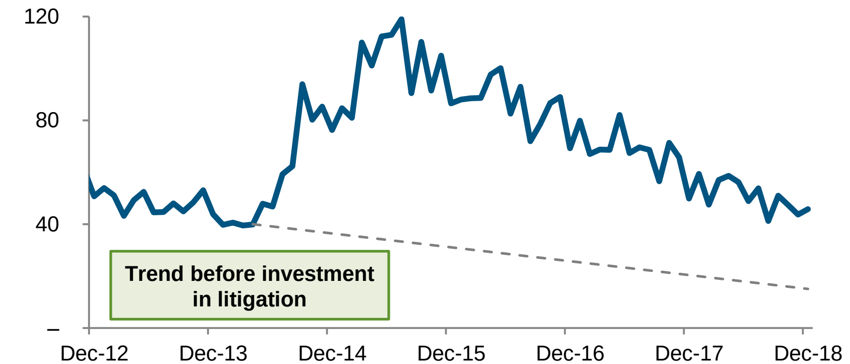
£ Per Acct



Proven benefits of litigation expertise

Collections uplift after applying litigation scorecard to Cabot's back-book (Sample portfolio)

£ per month collections ('000)



Source: Company information; Equifax Credit Bureau scorecard.
1) U.K. solicitor data points that have been generated from internal litigation and on behalf of the Company.
2) Cumulative gross collections over a 120 month period for accounts eligible to litigation only. A 27% discount is applied to gross litigation collections when using the Credit Bureau Scorecard. Discount factor derived from historical trend data for litigation accounts using a CRA litigation scorecard.
3) Attachment of Earnings Net Present Value @ 24 Months.

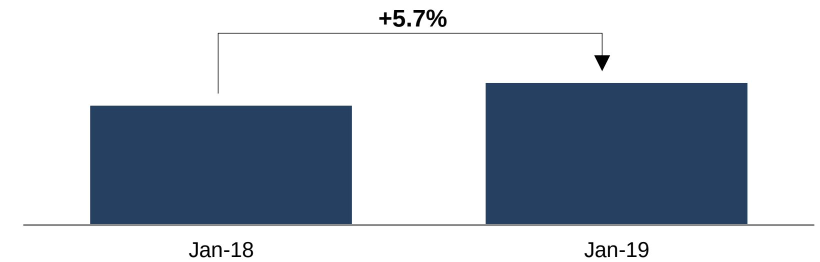
encore CAPITAL GROUP

PAYING PORTFOLIO – OPTIMIZATION OF PAYING ACCOUNTS

Data	People	Targeting
Data Enhanced Affordability Assessments	Application of Behavioural Science	Leading Edge Decision Engine

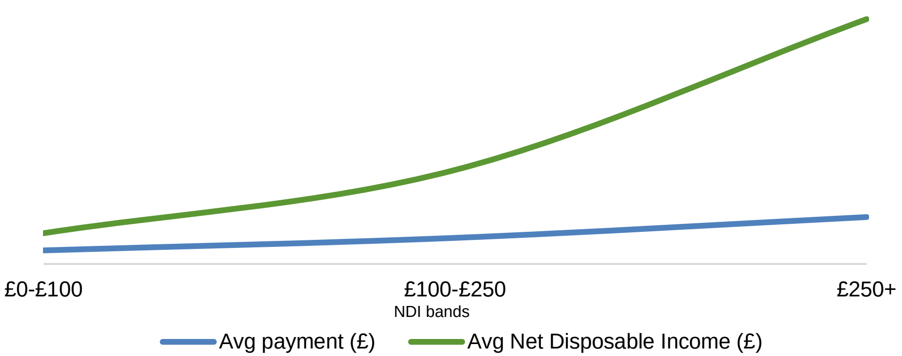
Driving increase in average payments...

Average Payment Uplift[1]



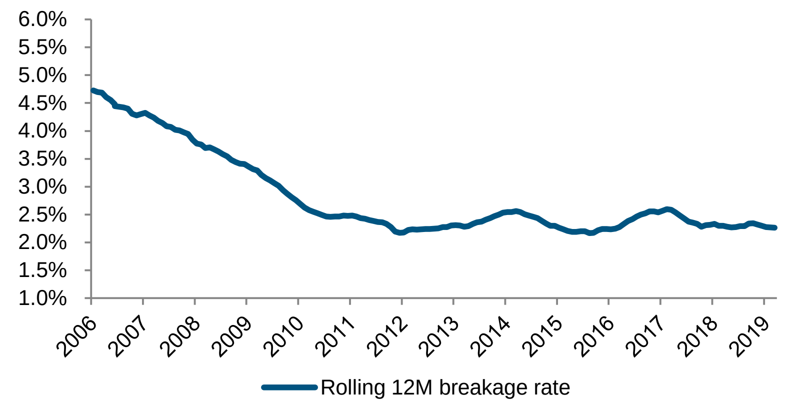
… whilst focused on consumer affordability

Comparison of average monthly payment to average net disposable income (NDI), by NDI bands[2]



…and minimizing payers break rates

Rolling 12M Break Rate Evolution[3]



Source: Company information, U.K. portfolios.
1) Accounts across the full base that paid in Jan-18 to Jan-19.
2) Jan-18 to Jul-18 plan data.
3) Defined as percentage of accounts not paying in the last 90 days.

CONSUMER FOCUS AND OPERATIONAL ENHANCEMENTS HAVE IMPROVED LIQUIDATION EFFECTIVENESS

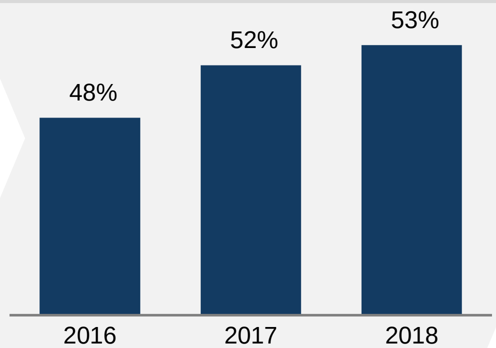
Past

Maximize collections with large scale, high speed approach

Quick discount focused call

Limited interaction channels and payment flexibility

% Collections by call center and digital channel



Today

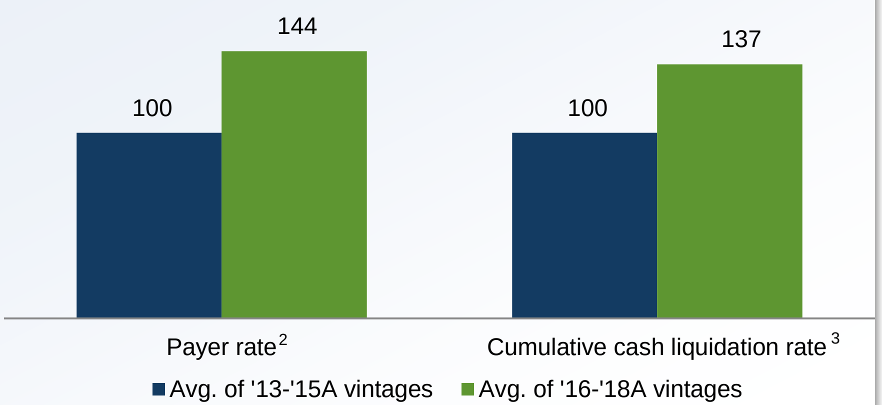
Optimize lifetime liquidation with high touch, focused approach

Connect with consumer through longer conversations

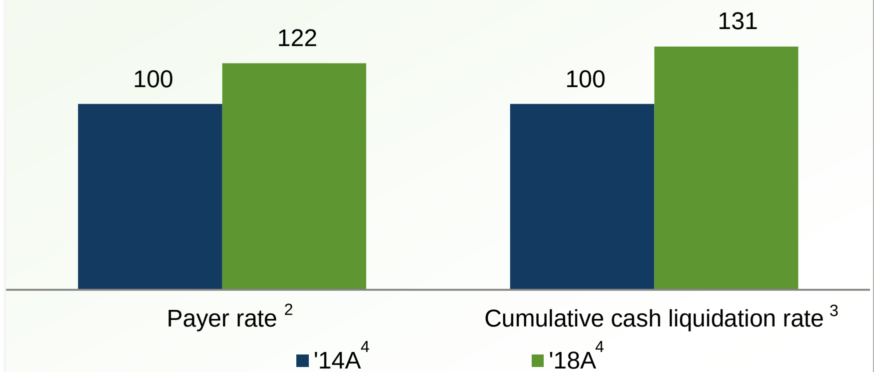
Offer expanded interaction and payment options to consumers

Improved collection efficiency

(Indexed performance in first 12 months)[1]



(Indexed performance in first 12 months)



1) Average payer rate and cumulative cash liquidation rate on 2013 to 2015 vintages indexed to 100 and benchmarked against vintages raised in 2016 to 2018.
2) Payer rate represents percentage of accounts paying in the first 12 months.
3) Cumulative cash liquidation rate represents percentage of face value collected in the first 12 months.
4) Comparable portfolios for 2014 and 2018 sold by the same vendor.

encore CAPITAL GROUP

OUR FOCUS ON RISK MANAGEMENT AND COMPLIANCE IS A COMPETITIVE ADVANTAGE AND BARRIER TO ENTRY

Encore is highly focused on regulatory compliance

Principled treatment of consumers

- MCM Consumer Bill of Rights

MCM Midland Credit Management™
an encore capital group company
Consumer Bill of Rights

Compliance capabilities

- Encore has heavily invested in both personnel and processes to support the changing regulatory landscape
- Team of 28 specialists ensuring regulatory compliance

Collaborative relationship with regulators

cfpb Consumer Financial Protection Bureau

FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

Encore's issuer certification program is a key differentiator

MCM averages roughly 35 issuer audits and due diligence exercises per year

- The certifications received through these audits are a prerequisite for purchasing debt from issuers
- Encore has achieved certification from all major domestic issuers who sell their charged-off accounts

<u>Issuer Review / Audit Process</u>

Cycle I: Request for information → Cycle II: On-Site Audit → Cycle III: Post On-Site Follow-Up Requests → Cycle IV: Audit Report Received → Approval / Certification

"Encore by far is the most transparent, prepared, and buttoned up of any debt buyer we've audited. You have raised and set a new bar in the industry."

- Top 5 Credit Card Issuer

HIGHLY EXPERIENCED OPERATOR IN TIGHTLY REGULATED ENVIRONMENT

Leading track record of regulatory approval

- First large U.K. CMS company to receive full FCA authorization
- In-house legal expertise regulated by the Solicitor Regulation Authority (SRA)

FCA

Solicitors Regulation Authority

Recognized industry leadership

Credit Excellence Awards 2018 in association with QUALCO

Best law firm
WINNER

CCS AWARDS 2018 Best Legal Services Provider. Mortimer Clarke Solicitors part of the Cabot Credit Management Group

Best legal service provider
WINNER

2020 CREDIT AWARDS 2019 experian

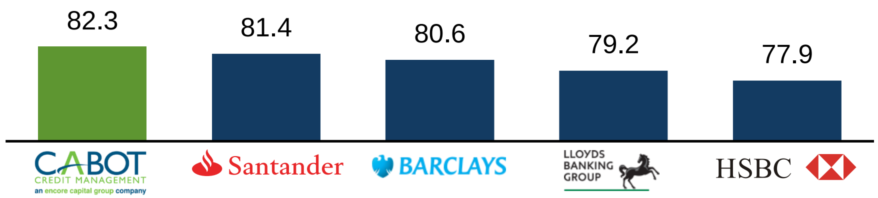
Best vulnerable consumer strategy
WINNER

The Institute of Customer Service

UK Customer Satisfaction Awards 2019
WINNER

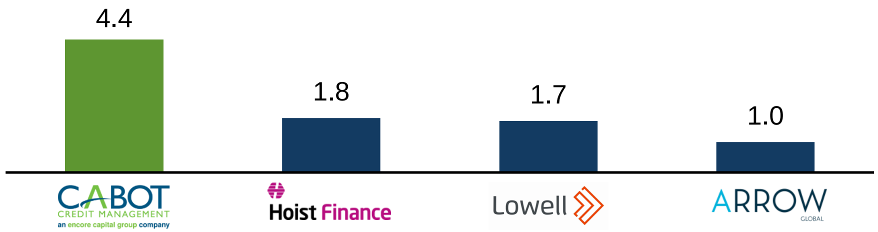
U.K. consumer satisfaction index[1]

(Comparison with selected banks)



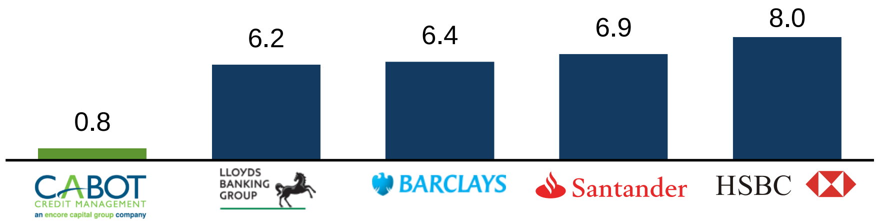
Google reviews[2]

(Google rating out of 5 stars, selection of peers that management believes are key competitors for comparison purposes)



Self-reported complaints[3]

(# of complaints received per 1,000 accounts, comparison with selected banks)



encore CAPITAL GROUP

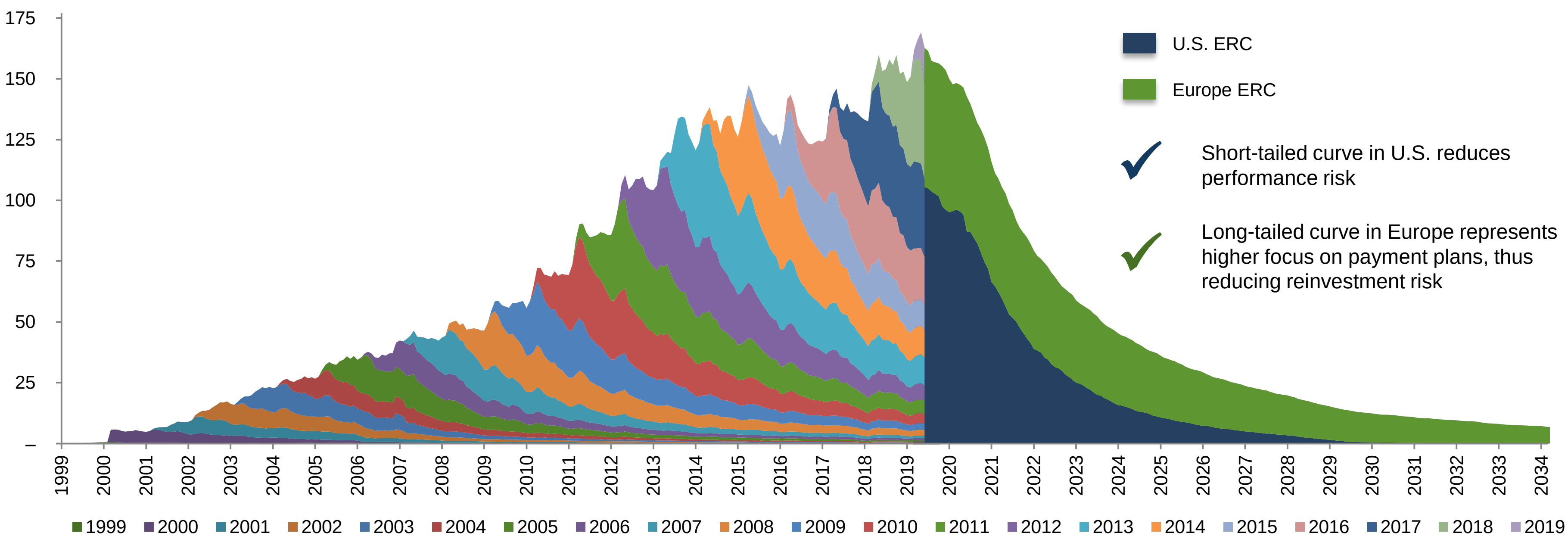
Source: Company information.
1) Consumer satisfaction survey run by the Institute of consumer Service. Respondents are asked to rate their experience of individual organizations they have dealt with in the previous three months, using a scale of 1 – 10. These scores are then multiplied by ten so that the index scores are expressed as a number out of 100.
2) Data collected from Google reviews web page as of 6 September 2019. Cabot rating represents Cabot Financial, our UK debt purchase subsidiary.
3) Data for the period H2 2018.

C. 20+ years of experience have created a large, diversified back-book generating resilient cash flows

BACK-BOOK CONSISTS OF GRANULAR, RELIABLE CASH FLOWS FROM 20+ YEARS OF EXPERIENCE

Historical and future estimated remaining collections

Actual and estimated remaining collections[1], $m



✓ Short-tailed curve in U.S. reduces performance risk

✓ Long-tailed curve in Europe represents higher focus on payment plans, thus reducing reinvestment risk

Note: Financials and back-book granularity as of Q2 2019.

1) Represents, for MCM and Cabot, actual collections through Q2 2019 and estimated collections going forward. Actual collections and future expected remaining collections reflect monthly collections presented on a rolling three month average basis.

DEMONSTRATED BACK-BOOK RESILIENCE DURING PERIODS OF ECONOMIC STRESS

Unprecedented stress during financial crisis

Extract from Encore 2008 10-K:

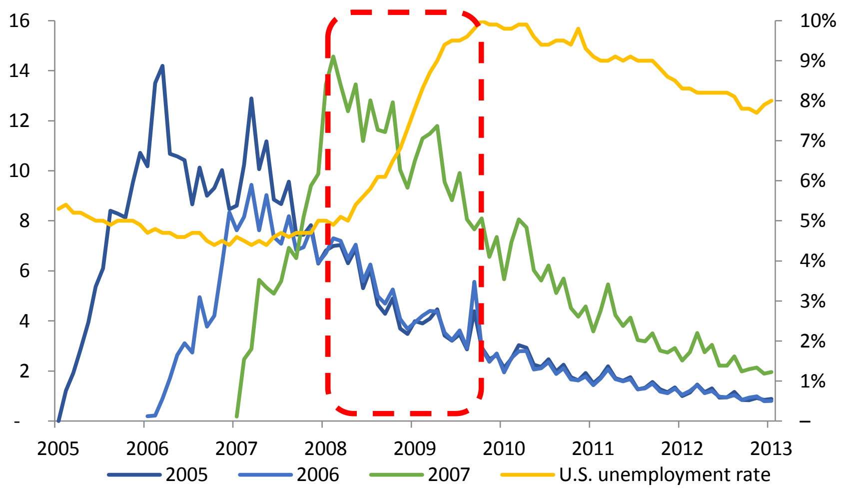
"The United States and global economies are currently in turmoil. In the U.S., the availability of credit is limited, unemployment rates are at 25-year highs as more layoffs are announced weekly, credit card charge-offs and deliquencies have increased more than 33% in the last year, home foreclosures hace dramatically increased and the housing market is experiencing a significant downturn…

… As a result of the deteriorating economic conditions, … we have seen a shift in payments from consumers from single payment settlements to payment plans…

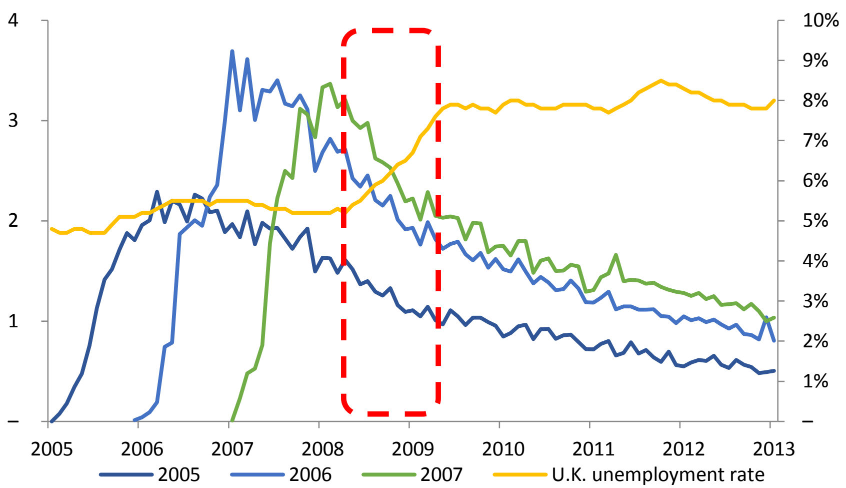
… prices for fresh charge-offs (receivables that are sold immediately after charge-off) have declined from 8% – 13% of face value in early 2008 to 6% – 10% of face value in late 2008."

Limited impact on back-book collections

Monthly collections (US$ in millions) **U.S. unemployment rate**



Monthly collections (£ in millions) **U.K. unemployment rate**



Source: Company information, United Kingdom Office of National Statistics, Federal Reserve.

Period of rising unemployment

THE FINANCIAL CRISIS PROVIDED SIGNIFICANT OPPORTUNITIES FOR MCM

MCM increased its level of investment at attractive returns…

Purchases and life-time money multiples, US$ millions

… and significantly improved its collection efficiency

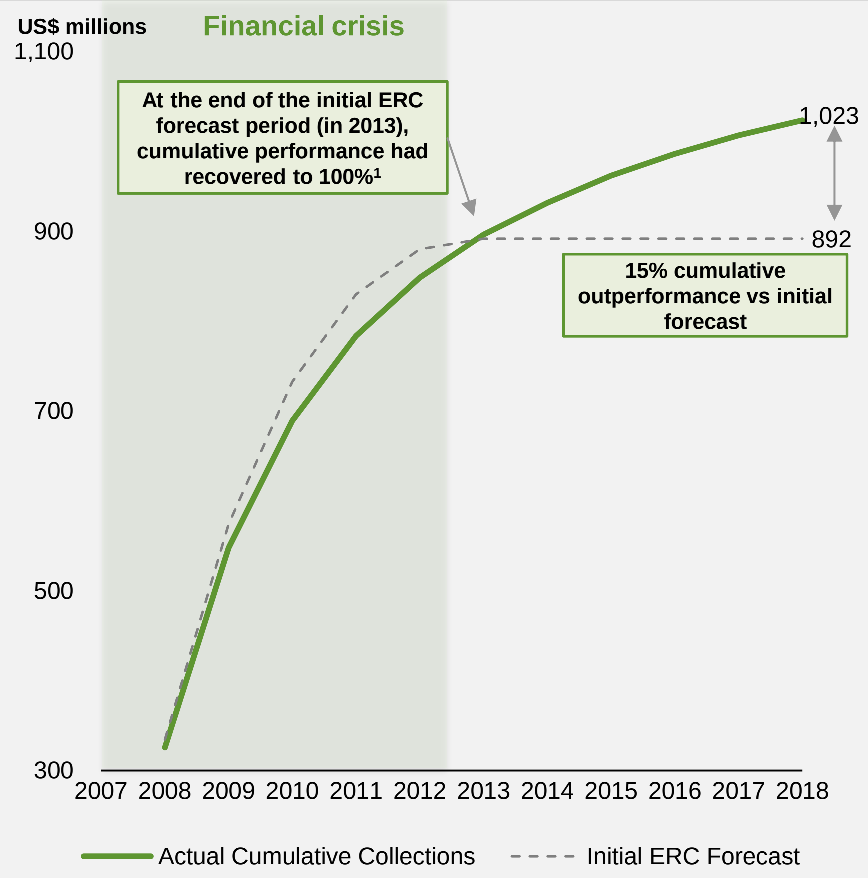
Collections and cost-to-collect, US$ millions

Note: As of Q2 2019. Life-time money multiples: actual collections plus estimated remaining collections for a given vintage as a multiple of original purchase price. Management utilizes adjusted operating expenses in order to facilitate a comparison of approximate costs to cash collections for our portfolio purchasing and recovery business (cost-to-collect). Adjusted operating expenses for our portfolio purchasing and recovery business are calculated by starting with GAAP total operating expenses and backing out operating expenses related to non-portfolio purchasing and recovery business, acquisition, integration and restructuring related operating expenses, stock-based compensation expense, settlement fees and related administrative expenses and other charges or gains that are not indicative of ongoing operations

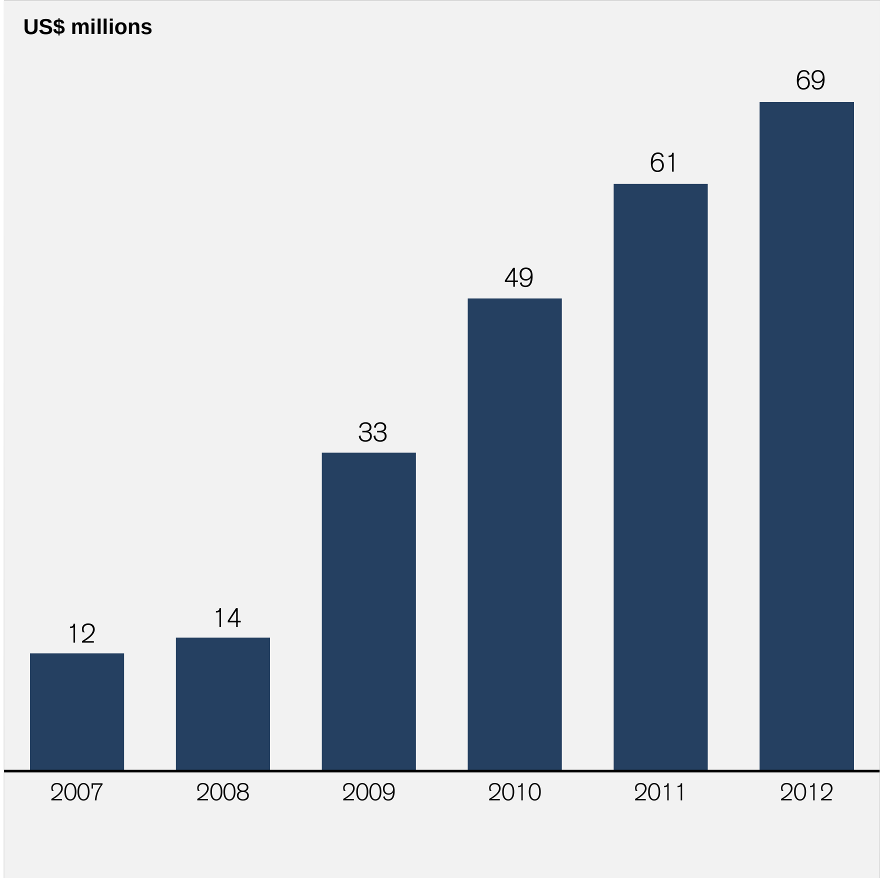
encore CAPITAL GROUP

STRENGTH OF BACK-BOOK COLLECTIONS UNDERPINNED PROFITABILITY THROUGH THE CRISIS

Cumulative collections vs. original 2007 ERC forecast[1]



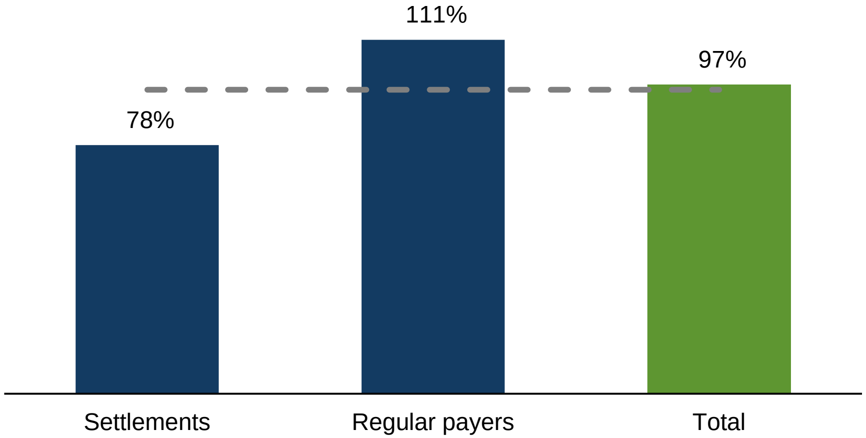
Net income through the crisis



Source: Company information.
1) In 2007, ERC forecast was through 2013 only.

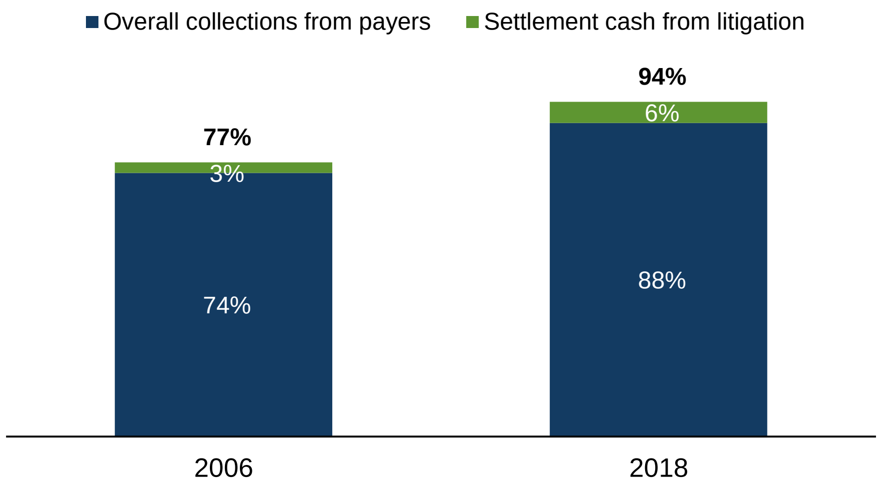
U.K. PAYERS ARE RESILIENT – PAYING ACCOUNTS COMPRISE MORE OF OUR U.K. COLLECTIONS POST CRISIS

Cumulative performance of 2005 vintage vs IC[1] estimates



- Overall cumulative performance at 97% of initial pricing curve
- Cash flow tail still generates incremental value – 4.6% of investment value in past 12 months
- Demonstrates resilience of regular payers during financial crisis

Greater proportion of collections from resilient sources



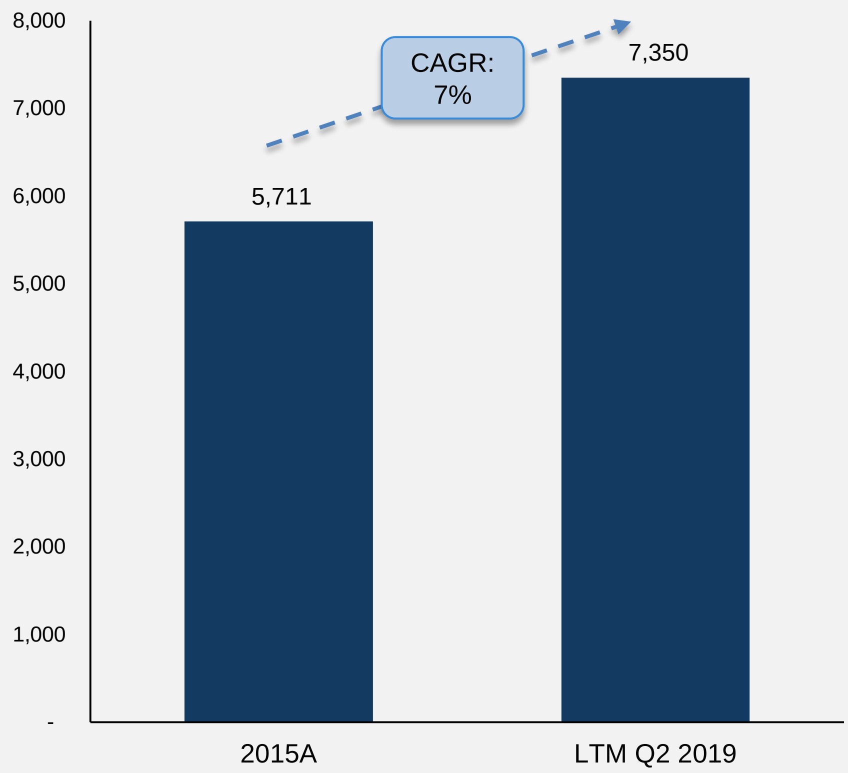
- Greater proportion of collections from payers (payment plans and settlements), who demonstrated resilience during the financial crisis
- Increase in collections from litigation activity (including security over property)
- Significant reduction in collections expected to be at risk in the event of macro economic stress (down from 23% to 6%)

Note: Cabot + Marlin U.K. portfolios originated in 2005.
1) Cumulative performance up until Mar-19. IC estimates refer to initial estimates approved by the investment committee.

D. Strong operating performance and discipline support Encore's healthy financial profile

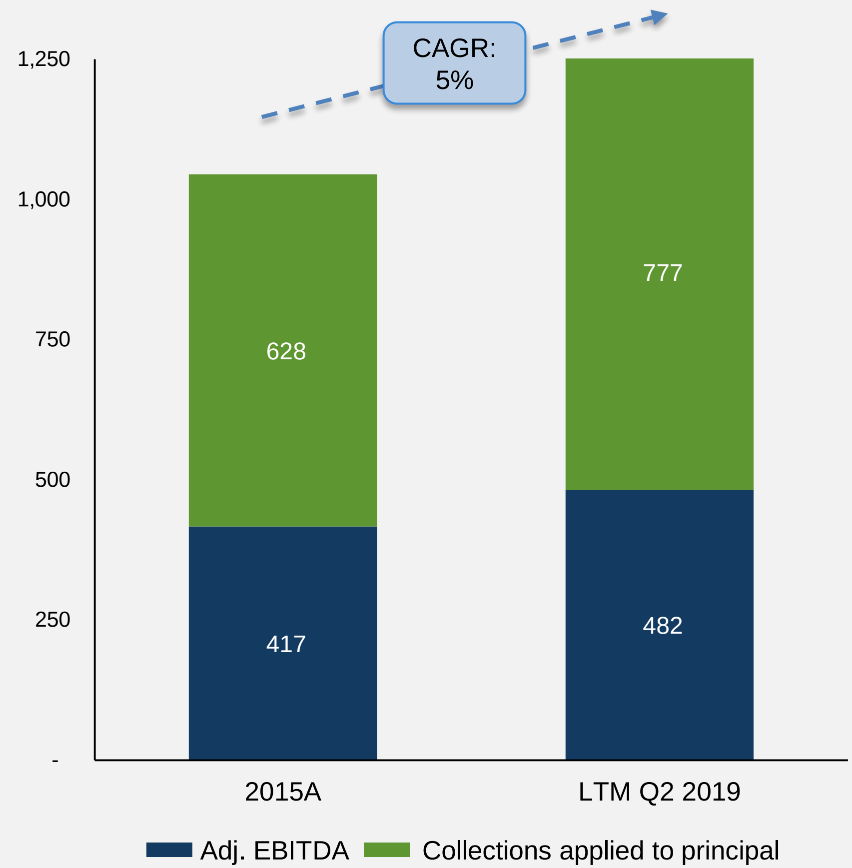
SOLID GROWTH IN VOLUMES AND CASH PROFITABILITY

ERC[1]



($ millions)

LTM Adjusted EBITDA + Collections applied to principal balance[2]

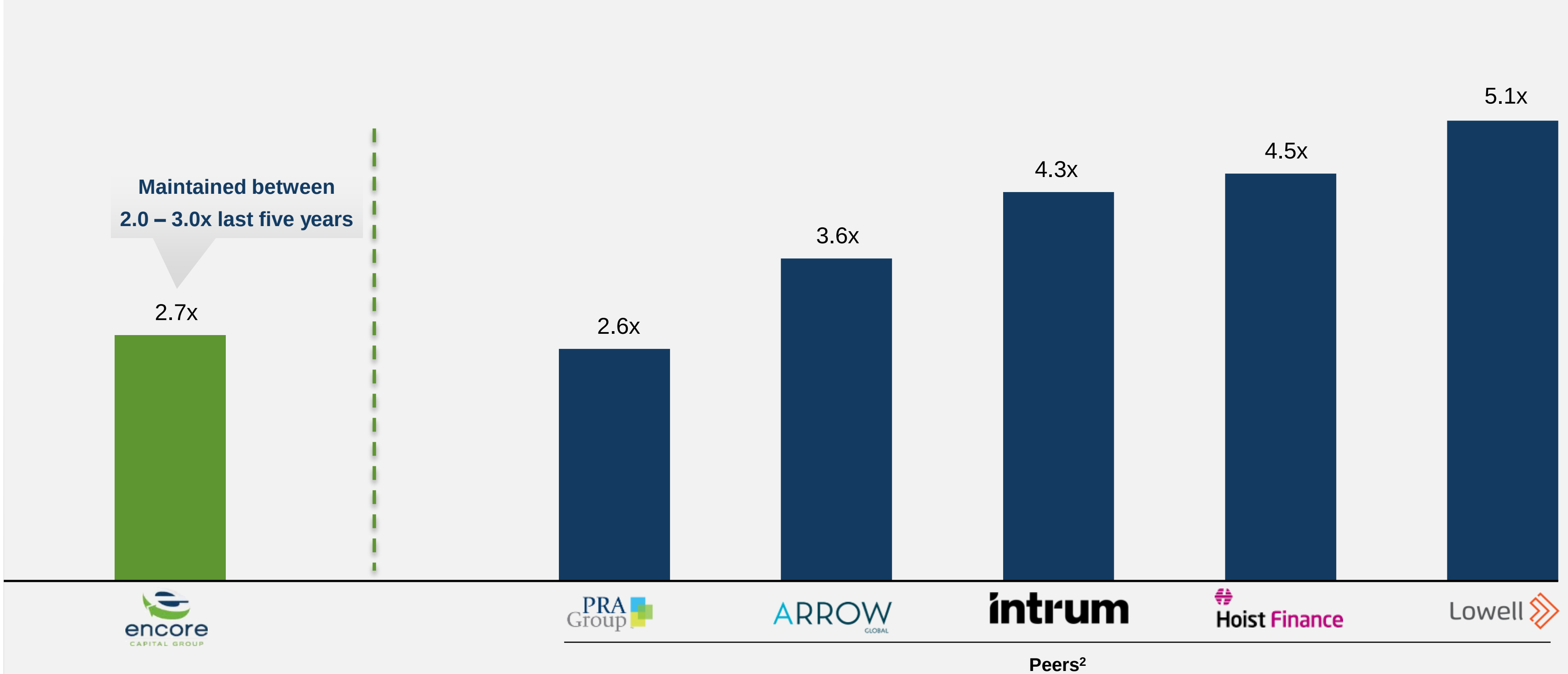


($ millions)

Note: As of 30-Jun-2019.
1) Represents 180 month ERC.
2) See appendix for a reconciliation of Adjusted EBITDA to GAAP net income.

ENCORE'S LEVERAGE IS LOW COMPARED TO PEERS

Net Debt / Adjusted EBITDA plus Collections Applied to Principal Balance[1]



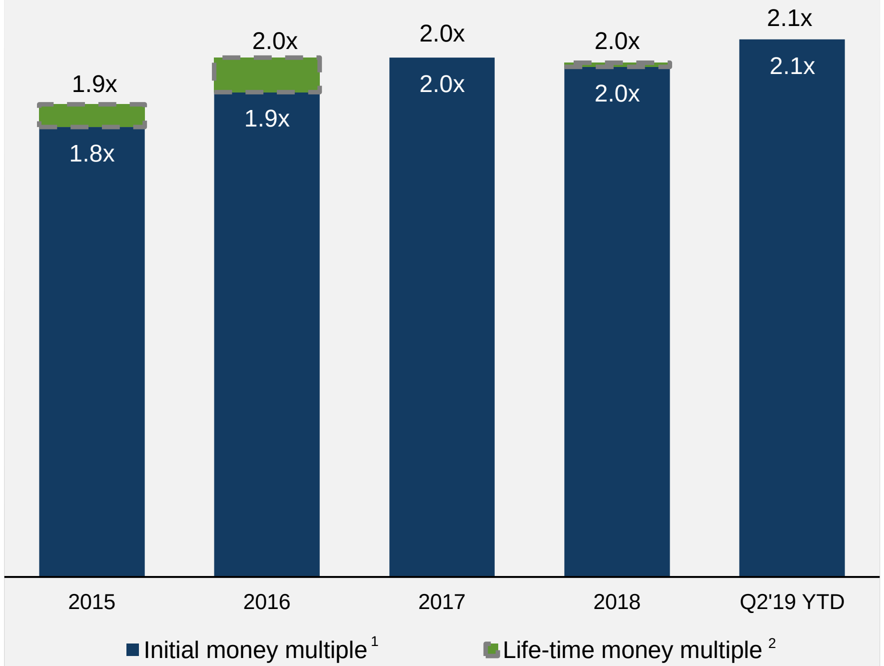
Rating: S&P | Moody's					
	NR[3] | NR[3]	BB- | Ba3	BB+ | Ba2	NR[3] | Baa3	B+ | B2

Note: Net debt represents debt less unrestricted cash and cash equivalents excluding client cash. See Appendix for a reconciliation of Net Debt to GAAP Debt.
1) See appendix for a reconciliation of Adjusted EBITDA to GAAP net income.
2) Peers leverage sourced from public filings. Data as of Q2'19, except for Hoist (Q4'18).
3) NR: Not rated.

DEPLOYING CAPITAL AT STRONGER MONEY MULTIPLES AND ACHIEVING GREATER OPERATIONAL EFFICIENCY…

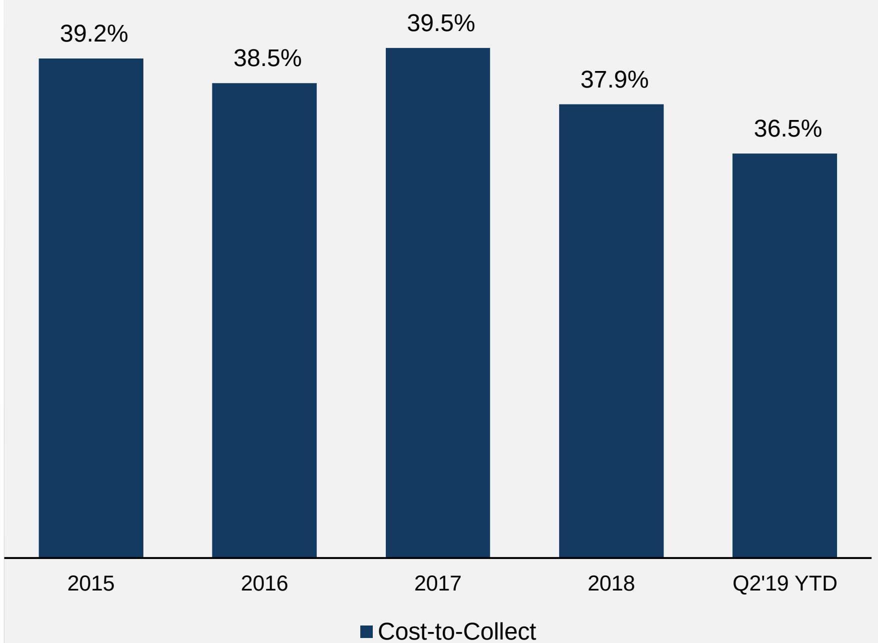
Global collections multiples

- 17% improvement in our initial money multiple
- MCM deployments at consistently improving multiples since 2015 as market conditions have improved
- Cabot deployments at improving returns, albeit with a shift in 2017 and 2018 to paying portfolios (lower multiples, lower cost to collect)



Overall cost-to-collect[3]

- 7% reduction in cost-to-collect leveraging scale to drive improvements
- MCM driving cost efficiencies through channel optimization and effective growth in lower cost locations
- Cabot delivering margin improvements through on-going program of cost efficiencies, and recent focus on paying portfolios

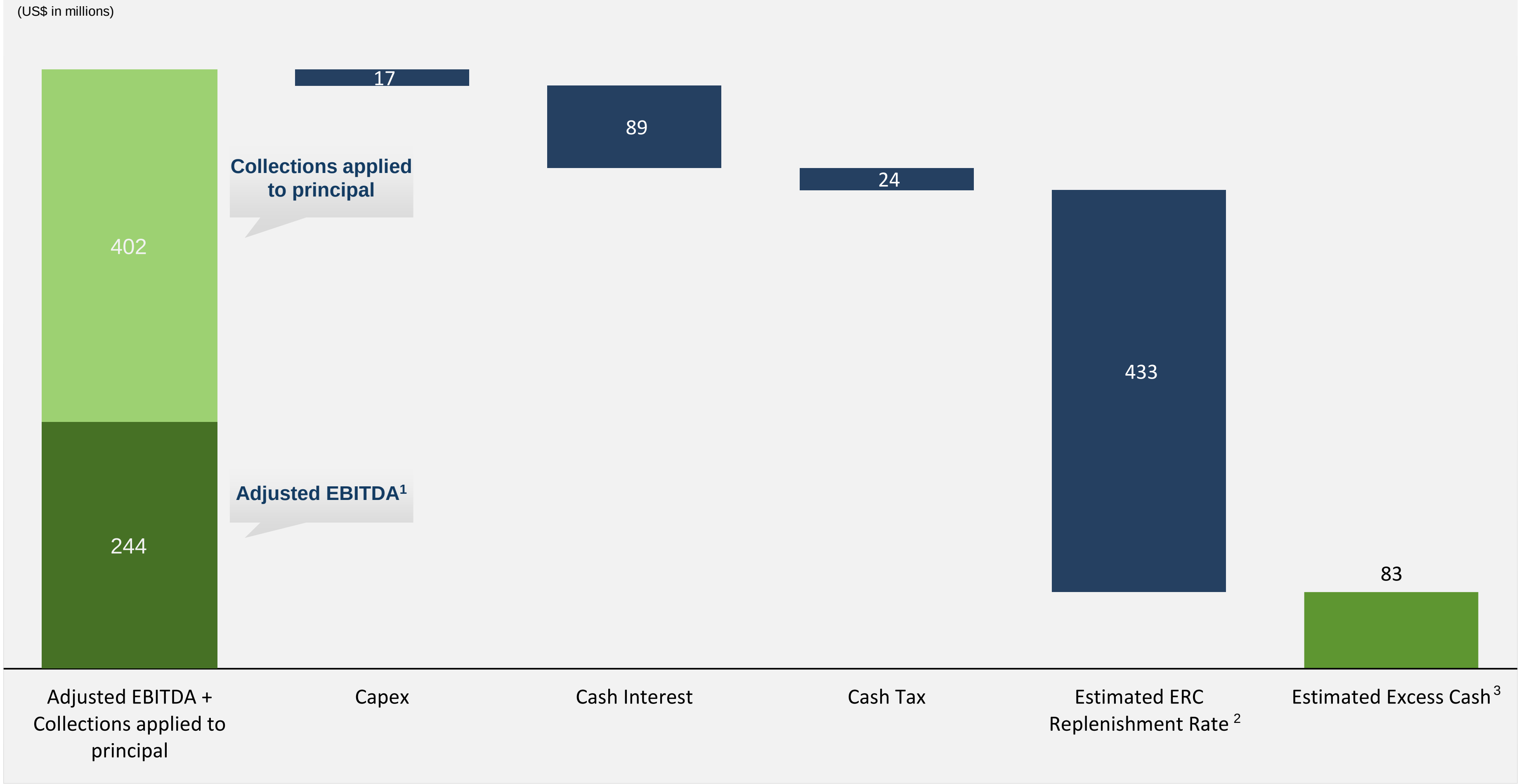


1) Based on expected cumulative collections at the time of portfolio acquisition.
2) Calculated as (collections to date plus ERC) / purchase price.
3) Cost-to-collect presented on a reported basis for portfolio purchasing and recovery.

… TO ENABLE STRONG CASH FLOW GENERATION

Illustrative estimated excess cash flow generation waterfall

For the **six months** ended June 30, 2019



1) See Appendix for a definition and reconciliation of Adjusted EBITDA to GAAP net income.
2) Estimated ERC Replenishment Rate represents management's estimate of the amount of purchases that were needed to replenish ERC in order to maintain a steady state ERC balance. The Estimated ERC Replenishment Rate is an illustrative calculation based on management's estimates and assumptions with respect to money multiples and the amount of ERC to be replenished. The Estimated ERC Replenishment Rate may be determined or calculated differently by other companies. Actual purchases made during the period were $505 million. See Appendix for the calculation the Estimated ERC Replenishment Rate.
3) Estimated Excess Cash represents management's calculated sum of the amounts and estimates set forth on this page. It is provided for illustrative purposes only and does not represent actual cash flows during any period or amount of cash available at any time.

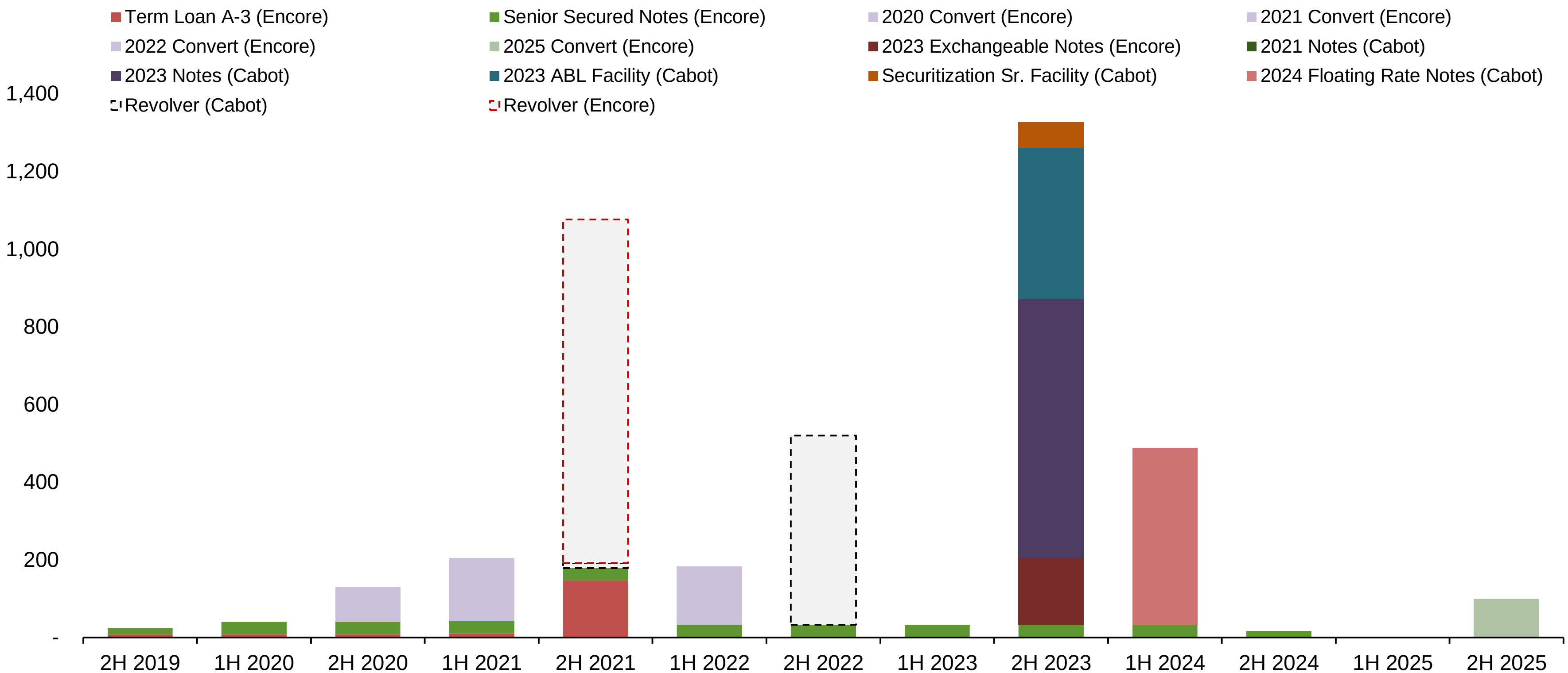
ENCORE – A HIGHLY ATTRACTIVE CREDIT STORY

- **A** A leading operator in our core U.S. and U.K. markets with attractive long term growth prospects and high barriers to entry
- **B** Our scale, operational differentiation and compliance excellence drive strong risk adjusted returns
- **C** 20+ years of experience have created a large, diversified back-book generating resilient cash flows
- **D** Strong operating performance and capital allocation discipline support Encore's healthy financial profile

Appendix

LIMITED NEAR TERM DEBT MATURITIES

Disciplined construction of capital stack with well spread debt maturities
As at June 30 2019



Average life of debt **3.5 years**

Average life of back book ERC **3.2 years**

Note: Pro Forma for the September 2019 issuance of $100.0m of the 2025 Convert (Encore) and the repurchase of $83.1m of the 2020 Convert (Encore).
Average life of back-book ERC defined as the number of years that pass from now (Q2 2019) until half the time-weighted ERC is collected.

ESTIMATED ERC REPLENISHMENT RATE CALCULATION

ERC Replenishment Rate Calculation
For the six-month period ending 30 Jun 2019

12 month ERC at 30-Jun-19	1,822	a
12 month ERC at 31-Dec-18	1,783	b
Average 12 month ERC[1]	**1,805**	(a+b)/2=c
Estimated initial money multiple[2]	2.1x	d
Estimated 6M ERC Replenishment Rate[3]	**433**	c/d/2

In line with:
- ***Average initial money multiple over the past ten years***
- ***Q2 2019 YTD initial money multiple***

Footnotes and definitions

1) Average 12-month ERC represents management's estimate of the amount of ERC that would need to be replenished in order to maintain a steady state ERC balance. Utilizing the Average 12-month ERC to estimate the ERC Replenishment Rate may result in understating the ERC Replenishment Rate as the method assumes that all purchases are made at period end. Management utilizes Average 12-month ERC to estimate the ERC Replenishment Rate to enable comparability amongst competitors, many of whom utilize this same method.

2) Money multiples represent total expected gross cash collections divided by portfolio acquisition price. Initial money multiple represents the money multiple reported at the end of the year of acquisition.

3) Estimated ERC Replenishment Rate represents management's estimate of the amount of purchases that were needed to replenish ERC in order to maintain a steady state ERC balance. The Estimated ERC Replenishment Rate is an illustrative calculation based on management's estimates and assumptions with respect to money multiples and the amount of ERC to be replenished. The Estimated ERC Replenishment Rate may be determined or calculated differently by other companies. The Estimated 6 month ERC Replenishment Rate is equal to the estimated annual ERC Replenishment Rate divided by 2. Actual purchases during the period were $505 million.

RECONCILIATION OF ADJUSTED EBITDA

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

	09/30/15	12/31/15	03/31/16	06/30/16	09/30/16	12/31/16	03/31/17	06/30/17
GAAP net income (loss), as reported	$ (9,364)	$ 1,596	$ 26,607	$ 30,833	$ (51,946)	$ 11,323	$ 14,979	$ 19,076
(Income) loss from discontinued operations, net of tax	(2,286)	29,214	3,182	-	-	(829)	199	-
Interest expense	47,816	50,187	50,691	50,597	48,632	48,447	49,198	50,516
Interest income[1]	(407)	(473)	(499)	(620)	(694)	(725)	(779)	(919)
Provision (Benefit) for income taxes	(6,361)	3,988	10,148	13,451	(13,768)	28,374	12,067	13,531
Depreciation and amortization	8,043	9,102	9,861	8,235	8,032	8,740	8,625	8,672
Stock-based compensation expense	5,156	4,749	3,718	5,151	633	3,125	750	2,760
Acquisition, integration and resructuing related expenses[2]	2,235	2,635	2,141	3,271	3,843	7,457	855	3,520
Settlement fees and related administrative expenses[3]	63,019	-	2,988	698	2,613	-	-	-
Gain on fair value adjustments ot contingent considerations[4]	-	-	-	-	-	(8,111)	-	(2,773)
Expenses related to Cabot IPO[5]	-	-	-	-	-	-	-	-
Loss on derivatives in connection with Cabot Transaction[6]	-	-	-	-	-	-	-	-
Adjusted EBITDA	$ 107,851	$ 100,998	$ 108,837	$ 111,616	$ (2,655)	$ 97,801	$ 85,894	$ 94,383
Collections applied to prinicpal balance[7]	156,229	144,075	177,711	166,648	247,427	147,203	188,893	173,946

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) Amount represents litigation and government settlement fees and related administrative expenses. For the year ended December 31, 2016, amount consists of settlement and administrative fees related to certain TCPA settlements. For the year ended December 31, 2015, amount relates to the consent order with the CFPB that we entered into in September 2015. 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.
4) Amounts represent the gain recognized as a result of fair value adjustments to contingent considerations that were established for our acquisitions of debt solutions service providers in Europe. We have adjusted for these amounts because we do not believe these are indicative of ongoing operations.
5) Amount represents expenses related to the proposed and later withdrawn initial public offering by Cabot in 2017. 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.
6) 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.
7) Collections applied to principal balance represents (a) gross collections from receivable portfolios less (b) revenue from receivable portfolios and (c) allowance charges or allowance reversals on receivable portfolios.

RECONCILIATION OF ADJUSTED EBITDA (CONT'D)

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

	09/30/17	12/31/17	03/31/18	06/30/18	09/30/18	12/31/18	03/31/19	06/30/19
GAAP net income (loss), as reported	$ 42,144	$ 2,779	$ 23,713	$ 26,974	$ 13,016	$ 46,033	$ 49,442	$ 36,822
(Income) loss from discontinued operations, net of tax	-	-	-	-	-	-	-	-
Interest expense	52,755	51,692	57,462	60,536	65,094	56,956	54,967	63,913
Interest income[1]	(943)	(994)	(1,017)	(1,082)	(747)	(499)	(1,022)	(1,238)
Provision (Benefit) for income taxes	17,844	8,607	9,470	11,308	16,879	9,095	3,673	11,753
Depreciation and amortization	8,522	14,158	10,436	10,923	9,873	9,996	9,995	9,741
Stock-based compensation expense	3,531	3,358	2,276	3,169	5,007	2,528	1,826	3,581
Acquisition, integration and resructuing related expenses[2]	342	7,245	572	3,655	8,475	(5,179)	1,208	1,318
Settlement fees and related administrative expenses[3]	-	-	-	-	-	-	-	-
Gain on fair value adjustments ot contingent considerations[4]	-	(49)	(2,274)	(2,378)	-	(1,012)	-	(2,199)
Expenses related to Cabot IPO[5]	-	15,339	2,984	-	-	-	-	-
Loss on derivatives in connection with Cabot Transaction[6]	-	-	-	6,578	2,737	-	-	-
Adjusted EBITDA	$ 124,195	$ 102,135	$ 103,622	$ 119,683	$ 120,334	$ 117,918	$ 120,089	$ 123,691
Collections applied to prinicpal balance[7]	159,408	150,788	198,282	185,799	199,457	175,476	201,328	200,323

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) Amount represents litigation and government settlement fees and related administrative expenses. For the year ended December 31, 2016, amount consists of settlement and administrative fees related to certain TCPA settlements. For the year ended December 31, 2015, amount relates to the consent order with the CFPB that we entered into in September 2015. 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.
4) Amounts represent the gain recognized as a result of fair value adjustments to contingent considerations that were established for our acquisitions of debt solutions service providers in Europe. We have adjusted for these amounts because we do not believe these are indicative of ongoing operations.
5) Amount represents expenses related to the proposed and later withdrawn initial public offering by Cabot in 2017. 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.
6) 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.
7) Collections applied to principal balance represents (a) gross collections from receivable portfolios less (b) revenue from receivable portfolios and (c) allowance charges or allowance reversals on receivable portfolios.

RECONCILIATION OF NET DEBT

Reconciliation of Net Debt
(Unaudited, In $ Thousands)

	31-Dec-18	30-Jun-19
GAAP debt	3,490,633	3,529,717
Add back: Debt issuance costs and debt discounts	85,147	73,248
Less: Finance lease liabilities	(7,563)	(8,429)
Less: Cash and cash equivalents	(157,418)	(168,565)
Add back: Client cash[1]	21,800	24,200
Net debt	**3,432,599**	**3,450,171**

	31-Dec-18	30-Jun-19
Encore revolving credit facility	429,000	496,000
Encore term loan facility	195,056	179,320
Encore senior secured notes	325,000	325,000
Encore convertible notes and exchangeable notes	656,000	656,000
Less: Debt discount	(36,361)	(29,994)
Cabot senior secured notes	1,111,399	1,106,031
Less: Debt discount	(1,477)	–
Cabot senior revolving credit facility	298,005	291,435
Cabot securitisation senior facilities	445,837	444,455
Other credit facilities	43,354	41,088
Other	64,566	55,207
Finance lease liabilities	7,563	8,429
Gross debt	**3,537,942**	**3,572,971**
Less: Debt issuance costs, net of amortization	(47,309)	(43,254)
GAAP debt	**3,490,633**	**3,529,717**

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