SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 14, 2004

Encore Capital Group, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**000-26489**	**48-1090909**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S Employer (Identification No.)

5775 Roscoe Court
San Diego, California 92123
(Address of Principal Executive Offices) (Zip Code)

(877) 445-4581
(Registrant's Telephone Number, Including Area Code)

Item 1.01 Entry into a Material Definitive Agreement

The Company entered into an amendment, dated as of September 15, 2004, to its $75 million syndicated, three-year revolving credit facility to increase the volume of non-credit card portfolios that the Company may purchase during 2004. There is no limit on the volume of the Company's purchases of non-credit card portfolios after December 31, 2004, provided that the Company is in compliance with the terms of the Credit Agreement. A copy of the amendment to the Credit Agreement is being filed as an exhibit hereto.

Item 7.01 Regulation FD Disclosure

A copy of a slide presentation given by Carl C. Gregory, III, President and Chief Executive Officer, and Barry R. Barkley, Executive Vice President and Chief Financial Officer, at the Roth Capital Partners Conference on September 14, 2004 in New York, New York, is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein solely for purposes of this Item 7.01.

The slide presentation attached to this Current Report on Form 8-K as Exhibit 99.1 contains financial measures for net income excluding one-time benefits and charges that are not calculated in accordance with generally accepted accounting principles in the United States ("GAAP"). The Company has provided a reconciliation in Exhibit 99.2 to this Current Report on Form 8-K of the non-GAAP financial measures for net income excluding one-time benefits and charges to GAAP net income.

Management believes that the non-GAAP financial measures for net income provide useful information to investors about the Company's results of operations because the elimination of one-time benefits and charges that are included in the GAAP financial measures results in enhanced comparability of certain key financial results between the periods presented.

The information in this Current Report on Form 8-K, including the exhibits, is furnished pursuant to Item 7.01 and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities under that Section. Furthermore, the information in this Current Report on Form 8-K, including the exhibits, shall not be deemed to be incorporated by reference into the filings of Encore Capital Group, Inc. under the Securities Act of 1933.

Risk Factors

The slide presentation attached to this report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"). The words "believe," "expect," "anticipate," "estimate," "project," or the negation thereof or similar expressions constitute forward-looking statements within the meaning of the Reform Act. These statements may include, but are not limited to, projections of revenues, income or loss, estimates of capital expenditures, plans for future operations, products or services, and financing needs or plans, as well as assumptions relating to these matters. For all forward-looking statements, the Company claims the protection of the safe-harbor for forward-looking statements contained in the Reform Act.

The Company's actual results could differ materially from those contained in the forward-looking statements due to a number of factors, some of which are beyond our control. Factors that could affect our results of operations or financial condition and cause them to differ from those contained in the forward-looking statements include:

- We may not be able to purchase receivables at sufficiently favorable prices, terms, or quantities for us to be successful;
- We rely on our forward flow arrangements and a significant seller to provide sizable quantities of receivables for our purchase;
- We may not be successful at acquiring portfolios consisting of new types of receivables;
- We may not be able to collect sufficient amounts on our receivables to recover our costs and fund our operations;
- The statistical model we use to project remaining cash flows from our receivables portfolios may prove to be inaccurate, which could result in reduced revenues if we do not achieve the collections forecasted by our model;
- Our industry is highly competitive, and we may be unable to continue to successfully compete with businesses that may have greater resources than we have;
- Our failure to purchase sufficient quantities of receivable portfolios may necessitate workforce reductions, which may harm our business;
- High financing costs currently have an adverse effect on our earnings;
- We may be unable to meet our future liquidity requirements;
- We may not be able to continue to satisfy the restrictive covenants in our debt agreements;
- We use estimates in our accounting and our earnings will be reduced if actual results were less than estimated;
- We will be required to change how we account for under performing receivable portfolios, which would have an adverse effect on our earnings;
- The estimates we use to calculate our tax liabilities may be challenged and result in our paying more income taxes;
- We have begun to pay substantial amounts in income taxes in 2004 after fully utilizing our federal and Arizona net operating loss carry-forwards in 2003;
- Government regulation may limit our ability to recover and enforce the collection of receivables;
- We are subject to ongoing risks of litigation, including potential class actions under securities, consumer credit, collections, employment and other laws;
- We may make acquisitions that prove unsuccessful or strain or divert our resources;
- Recent legislative actions, and proposed regulations will require corporate governance initiatives, which may be difficult and expensive to implement;
- We may not be able to manage our growth or effectively obtain the resources necessary to achieve additional growth;
- We may not be able to hire and retain enough sufficiently trained employees to support our operations, and/or we may experience high rates of personnel turnover;
- We depend on our key personnel, the loss of any of whom would adversely affect our operations;
- The failure of our technology and phone systems could have an adverse effect on our operations;
- We may not be able to successfully anticipate, invest in or adopt technological advances within our industry;
- We may not be able to adequately protect the intellectual property rights upon which we rely;
- Our quarterly operating results may fluctuate and cause our stock price to decrease;

Forward-looking statements speak only as of the date the statement was made. They are inherently subject to risks and uncertainties, some of which we cannot predict or quantify. Future events and actual results could differ materially from the forward-looking statements. When considering each forward-looking statement, you should keep in mind the risk factors and cautionary statements found throughout the Company's annual report on Form 10-K as of and for the year ended December 31, 2003 filed with the Securities and Exchange Commission. We do not undertake and specifically decline any obligation to publicly release the result of any revisions to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events, whether as a result of new information, future events, or for any other reason.

In addition, it is our policy generally not to make any specific projections as to future earnings and we do not endorse projections regarding future performance that may be made by third parties.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	ENCORE CAPITAL GROUP, INC.
Date: September 16, 2004	By /s/ Barry R. Barkley
	Barry R. Barkley Executive Vice President, Chief Financial Officer and Treasurer

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EXHIBIT INDEX

Exhibit	Description

10.1	Amendment No. 1 dated as of September 15, 2004 to Credit Agreement dated as of June 30, 2004 among Encore Capital Group, Inc., the Lenders from time to time parties thereto and Bank One, NA as Administrative Agent
99.1	Slide presentation given by Carl C. Gregory, III, President and Chief Executive Officer, and Barry R. Barkley, Executive Vice President and Chief Financial Officer,at the Roth Capital Partners Conference on September 14, 2004 in New York, New York.
99.2	Reconciliation of non-GAAP information pursuant to Regulation G.

ENCORE CAPITAL GROUP, INC.

Supplemental Financial Information
Reconciliation of GAAP Net Income to
Net Income Excluding One-Time Benefits and Charges
(In Thousands)

	Quarter Ended March 31,			
	2004	2003	2002	2001
GAAP net income (loss), as reported	$ 6,016	$ 8,166	$ 233	$ (3,743)
Gain on settlement of litigation[1]	-	(4,376)	-	-
Net income (loss), excluding one-time benefits	$ 6,016	$ 3,790	$ 233	$ (3,743)

	Quarter Ended June 30,			
	2004	2003	2002	2001
GAAP net income (loss), as reported	$ 5,595	$ 3,309	$ 692	$ (3,880)

	Quarter Ended September 30,		
	2003	2002	2001
GAAP net income (loss), as reported	$ 3,104	$ 2,521	$ (1,045)

	Quarter Ended December 31,		
	2003	2002	2001
GAAP net income (loss), as reported	$ 3,841	$ 10,343	$ (2,197)
Write off of deferred costs[2]	528	-	-
Benefit from restoration of net deferred tax assets[3]	-	(8,830)	-
Net income (loss), excluding one-time benefits	$ 4,369	$ 1,513	$ (2,197)

[1] This is the result of a net after-tax gain of $4.4 million associated with a litigation settlement during the first quarter of 2003.

[2]This is the result of the after-tax write-off of $0.5 million in deferred loans costs and a debt discount associated with the early retirement of our Senior Notes during the fourth quarter of 2003.

[3] This is the result of a change in the valuation allowance associated with our net tax assets during the fourth quarter of 2002, which resulted in the recognition of a current tax benefit in the amount of $8.8 million.

Exhibit 99.1

Encore Capital Group, Inc.

NASDAQ: ECPG

September 14, 2004
Presentation to Roth Capital Partners'
New York Conference

Forward-Looking Statements

Certain Statements in This Presentation Constitute “Forward-looking Statements” Within the Meaning of the Private Securities Litigation Reform Act of 1995. Such 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. For a Discussion of These Factors, We Refer You to the Company’s Annual Report on Form 10-K As of and for the Year Ended December 31, 2003.

In Light of the Significant Uncertainties Inherent in the Forward-looking Statements Included Herein, the Inclusion of Such Information Should Not Be Regarded As a Representation by the Company or by Any Other Person or Entity That the Objectives and Plans of the Company Will Be Achieved.

Encore Capital Group, Inc

- 50 Year Old Purchaser of Consumer Debt
- Present Management Team Took Over in Mid-2000
- Unique Business Model
- Excellent Results
- Strong Drivers for Growth

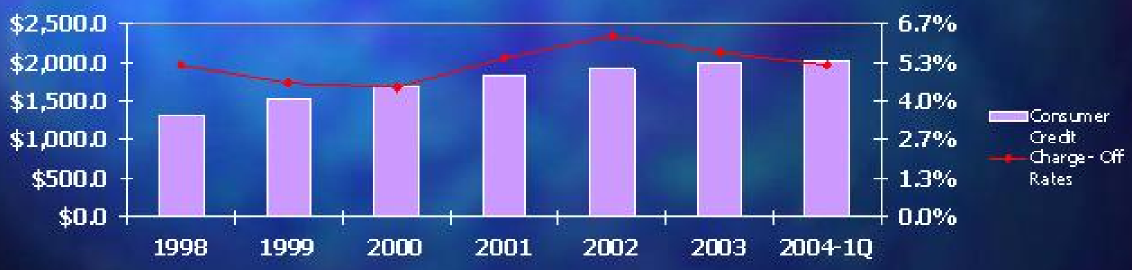
Compelling Fundamentals

"America's Appetite for Borrowing Money Bloats U.S. Consumer Debt to a Record High Almost Every Month. As of September, the Tab Stood at $2 Trillion and Was Spurting at an Annual Rate of 10 Percent. Through Good Times and Bad, Spending Tomorrow's Dollars Today Never Goes Out of Fashion."

Source: *Credit and Collections Daily* – November 24, 2003

$ in billions

Non-Mortgage Consumer Debt and Charge-off Rates



Source: Federal Reserve Board, July 8, 2004

Competitive Advantage

- Account Level Analytics
- Multiple Collection Strategies
- Sophisticated Account Management System

Business Drivers
Buy Right
Collect Well
Manage Expenses
Challenge Everything
Demand Professional and Ethical Behavior
6

Basic Business Model

- This Is How We Make Money

Years	0	1	2	3	>3	Total
Investment	($100)					
Collections		$114	$74	$51	$31	$270
Cumulative Multiple Of Costs Collected		1.1x	1.9x	2.4x	2.7x	
Total Operating Expense	@40%	($46)	($30)	($20)	($12)	($108)
Net Cash Flow Stream	($100)	$68	$44	$31	$19	$162
Net IRR	29%					

Representative Data Only; Not Actual Portfolio Results

Portfolio Purchases = Raw Material

Account Level Valuation Provides Several Competitive Advantages

- Increases Our Flexibility to Buy Throughout the Universe of Defaulted Receivables

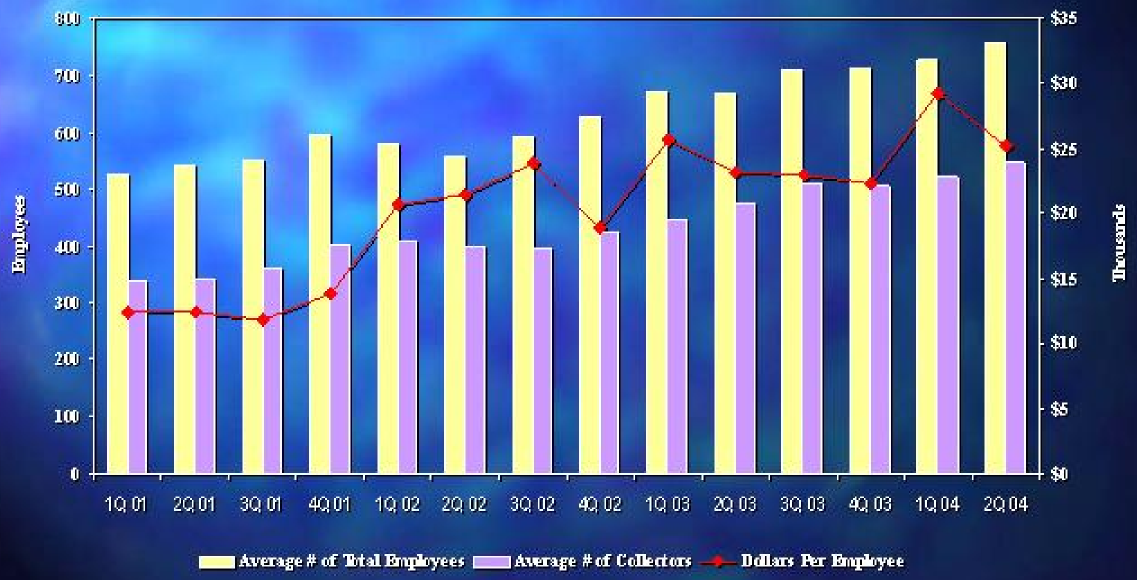
Month Since Charge -off	Face Value ($ in Billions)	% of Total Face Purch.
0 -6	$ 2.0	22%
7 -12	$ 1.0	11%
13 -18	$ 2.0	22%
19 -24	$ 0.8	9%
25 -36	$ 1.8	19%
37+	$ 1.6	17%
Total	$ 9.2	100%

Note: All Purchases Since Mid-2000 Through 6/30/04.

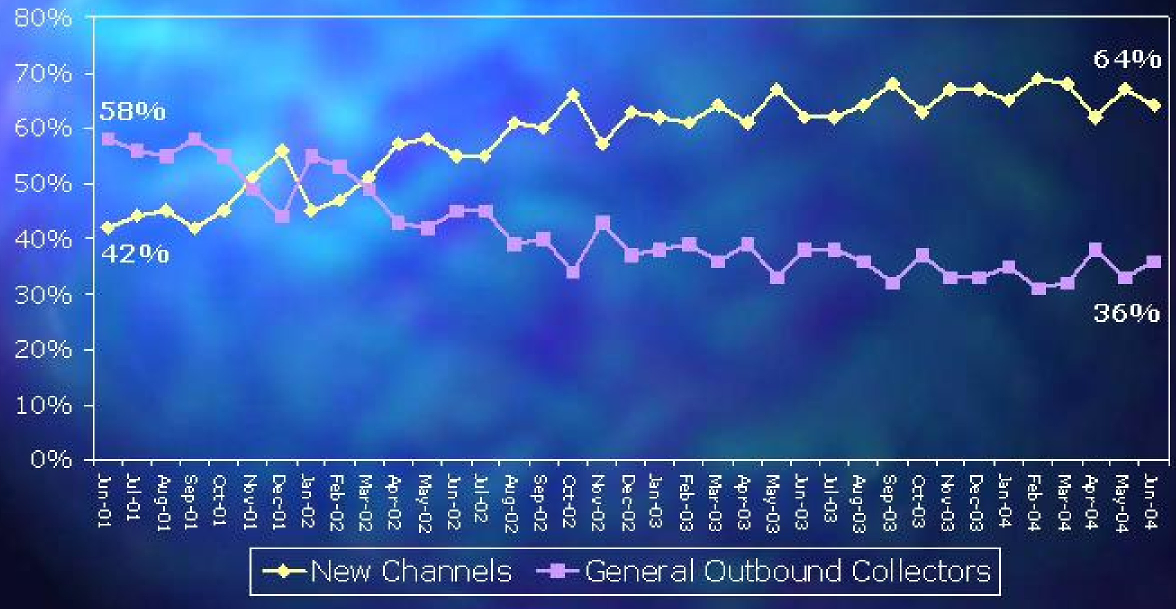
- Provides Ability to Create Positively Selected Deals
- Expands Universe of Sources to Include Our Competition
- Applies to Alternative Paper Types

Strong Collection Growth

Collection Innovation Drives Our Performance Improvement



Innovation Yields Multiple Strengths



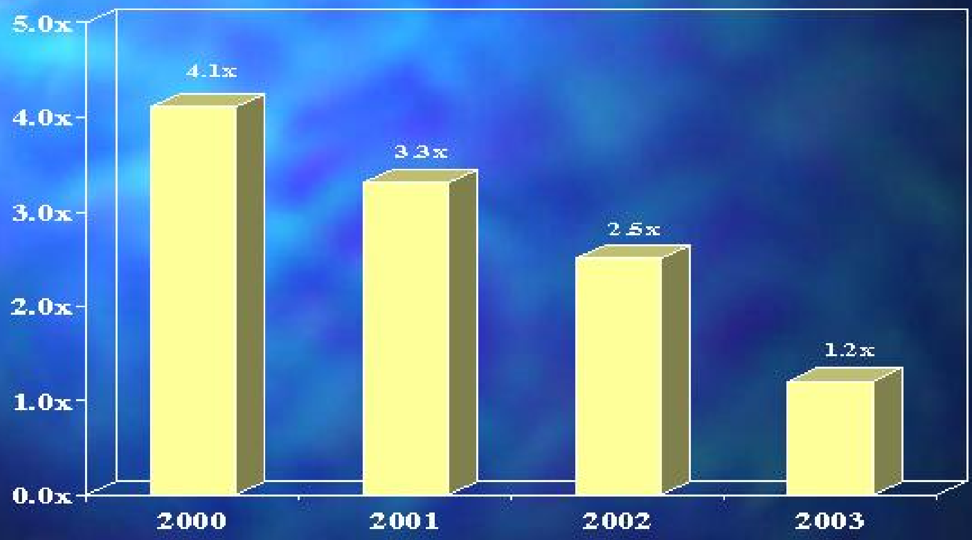
Portfolio Performance

Multiple of Purchase Price Collected*

	6 months	12 months	24 months	36 months
Total Face Value	$ 7.6 Billion	$6.2 Billion	$2.8 Billion	$0.7 Billion
# of Portfolios	189	143	84	29

*Actual Data Represents the Average Multiple for All Portfolios at 6 Months, 12 Months, 24 Months and 36 Months As Of June 30, 2004

Portfolio Performance – Another View



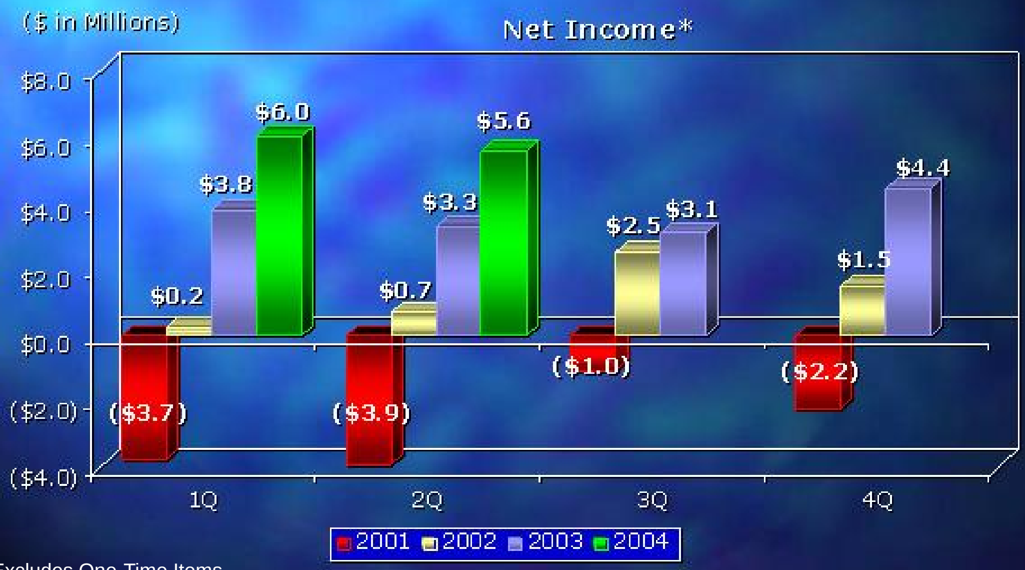
Multiple of Purchase Price Collected by Year of Purchase

Expense Management

Cost Per Dollar Collected Has Decreased by 27% While Monthly Collections Have Grown 325% Since the Beginning of 2001

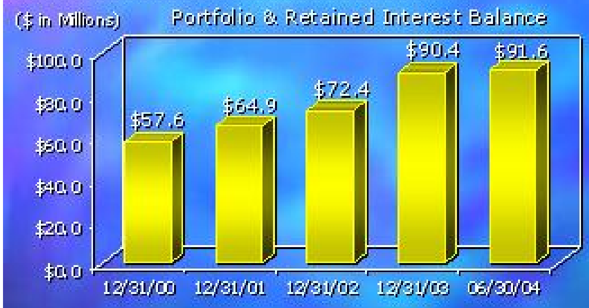
Strong Financial Performance

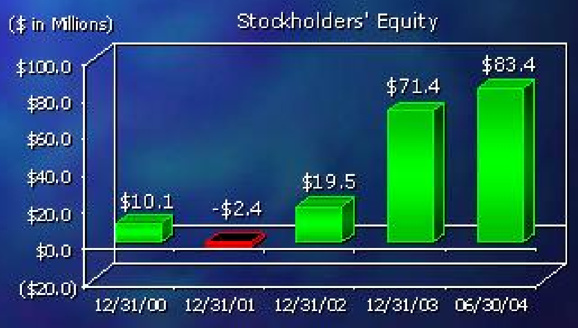
- Resulting in a Return to Profitability



*Excludes One-Time Items.

Strong Financial Performance





Drivers for Growth

- Core Business Growth
  - Innovations and Analysis
- New Financing
- Profitable Investment of Cash

Experienced Management Team

Name/Position	*Experience*
Carl C. Gregory, III President & CEO	President and CEO*; Former Chairman, President and CEO of West Capital; Former Chairman, President and CEO of MIP Properties, Inc., a publicly traded REIT
Barry R. Barkley EVP & CFO	EVP & CFO*; Former CFO of West Capital; Former CFO and Board Member of Bank One, Texas, N.A; Former Controller of Great Western Financial Corp.
J. Brandon Black EVP & COO	EVP & COO*; Former SVP of Operations of West Capital and First Data Resources; Former VP/Risk Operations of Capital One
Anna Hansen SVP	SVP, Collections Operations since April 2004; Former Director of Service Strategy at Gateway, Inc.
Alison James SVP	SVP, Human Resources since April 2003; Former Director of Human Resources at Gateway, Inc.
Robin R. Pruitt SVP	SVP, General Counsel and Secretary since September 2001; Former VP and General Counsel of West Capital and ComStream Corp.
John Treiman SVP & CIO	SVP & CIO*; Former VP & CIO of West Capital; Former VP & CIO for Frederick's of Hollywood and The Welk Group
Eric Von Dohlen VP	VP and Chief Credit Risk Officer since February 2001; Former VP of Decision Science for Associates Home Equity Division

* Since May 2000.

Encore Capital Group, Inc.

NASDAQ: ECPG

September 14, 2004
Presentation to Roth Capital Partners'
New York Conference

Exhibit 10.1

EXECUTION COPY

AMENDMENT NO. 1

Dated as of September 15, 2004

to

CREDIT AGREEMENT

Dated as of June 30, 2004

THIS AMENDMENT NO. 1 (“Amendment”) is made as of September 15, 2004 by and among Encore Capital Group, Inc. (the “Borrower”), the financial institutions listed on the signature pages hereof (the “Lenders”) and Bank One, NA (Main Office Chicago), as Administrative Agent (the “Agent”), under that certain Credit Agreement dated as of June 30, 2004 by and among the Borrower, the Lenders and the Agent (the “Credit Agreement”). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement.

WHEREAS, the Borrower has requested that certain modifications be made to the Credit Agreement;

WHEREAS, the Borrower, the Lenders party hereto and the Agent have agreed to amend the Credit Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Lenders party hereto and the Agent hereby agree to the following amendments to the Credit Agreement.

1. <u>Amendments to Credit Agreement.</u> Effective as of September 15, 2004 (the “Effective Date”) but subject to the satisfaction of the conditions precedent set forth in Section 2 below, Schedule 6.31 of the Credit Agreement is amended by deleting the original Schedule 6.31 in its entirety and replacing it with the amended Schedule 6.31 attached hereto.

2. <u>Conditions of Effectiveness.</u> The effectiveness of this Amendment is subject to the conditions precedent that the Agent shall have received (i) counterparts of this Amendment duly executed by the Borrower, the Required Lenders and the Agent and the Consent and Reaffirmation attached hereto duly executed by the Guarantors, (ii) for the account of each Lender signatory hereto by such time as is requested by the Agent, a $5,000 closing fee for each such Lender and (iii) such other instruments and documents as are reasonably requested by the Agent.

3. <u>Representations and Warranties of the Borrower.</u> The Borrower hereby represents and warrants as follows:

(a) This Amendment and the Credit Agreement as amended hereby constitute legal, valid and binding obligations of the Borrower and are enforceable against the Borrower in accordance with their terms.

(b) As of the date hereof and giving effect to the terms of this Amendment, (i) there exists no Default or Unmatured Default and (ii) the representations and warranties contained in Article V of the Credit Agreement, as amended hereby, are true and correct, except for representations and warranties made with reference solely to an earlier date.

4. <u>Reference to and Effect on the Credit Agreement.</u>

(a) Upon the effectiveness hereof, each reference to the Credit Agreement in the Credit Agreement or any other Loan Document shall mean and be a reference to the Credit Agreement as amended hereby.

(b) Except as specifically amended above, the Credit Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement or any other documents, instruments and agreements executed and/or delivered in connection therewith.

5. <u>Governing Law.</u> This Amendment shall be governed by and construed in accordance with the internal laws of the State of New York, but giving effect to federal laws applicable to national banks.

6. <u>Headings.</u> Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7. <u>Counterparts</u>. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

ENCORE CAPITAL GROUP, INC.,

as the Borrower

By: /s/ Carl C. Gregory, III

Name: Carl C. Gregory, III
Title: President & CEO

BANK ONE, NA (MAIN OFFICE CHICAGO),
as Administrative Agent, as LC Issuer and as a Lender

By:

Name:
Title:

GUARANTY BANK,
as a Lender

By:

Name:
Title:

BANK OF SCOTLAND,
as a Lender

By:

Name:
Title:

BANCO POPULAR NORTH AMERICA,
as a Lender

By:

Name:
Title:

CALIFORNIA BANK & TRUST,
as a Lender

By:

Name:
Title:

BANK LEUMI,
as a Lender

By:

Name:
Title:

SCHEDULE 6.31

(amended effective September 15, 2004)

MAXIMUM NON-CREDIT CARD RECEIVABLES AMOUNT

Maximum Non-Credit Card Receivables Amount means (i) $50,000,000 during the period commencing on January 1, 2004 and ending on September 30, 2004 and (ii) $75,000,000 during the period commencing on January 1, 2004 and ending on December 31, 2004.

CONSENT AND REAFFIRMATION

Each of the undersigned hereby acknowledges receipt of a copy of the foregoing Amendment No. 1 to the Credit Agreement dated as of June 30, 2004 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") by and among Encore Capital Group, Inc. (the "Borrower"), the financial institutions from time to time party thereto (the "Lenders") and Bank One, NA (Main Office Chicago), in its individual capacity as a Lender and in its capacity as contractual representative (the "Agent"), which Amendment No. 1 is dated as of September 15, 2004 (the "Amendment"). Capitalized terms used in this Consent and Reaffirmation and not defined herein shall have the meanings given to them in the Credit Agreement. Without in any way establishing a course of dealing by the Agent or any Lender, each of the undersigned consents to the Amendment and reaffirms the terms and conditions of the Guaranty Agreement, the Pledge and Security Agreement and any other Loan Document executed by it and acknowledges and agrees that such agreement and each and every such Loan Document executed by the undersigned in connection with the Credit Agreement remains in full force and effect and is hereby reaffirmed, ratified and confirmed. All references to the Credit Agreement contained in the above-referenced documents shall be a reference to the Credit Agreement as so modified by the Amendment and as the same may from time to time hereafter be amended, modified or restated.

Dated: September 15, 2004

MIDLAND CREDIT MANAGEMENT, INC.

By: /s/ Carl C. Gregory, III
Name: Carl C. Gregory, III
Title: President & CEO

MIDLAND FUNDING NCC-2 CORPORATION

By: /s/ Carl C. Gregory, III
Name: Carl C. Gregory, III
Title: President

MIDLAND ACQUISITION CORPORATION

By: /s/ Carl C. Gregory, III
Name: Carl C. Gregory, III
Title: President
