UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): January 31, 2006

ENCORE CAPITAL GROUP, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware	**000-26489**	**48-1090909**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

8875 Aero Drive, Suite 200, San Diego, California	**92123**
(Address of Principal Executive Offices)	**(Zip Code)**

(877) 445-4581
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure

A copy of a slide presentation given by J. Brandon Black, President and Chief Executive Officer, at the Brean Murray, Carret & Co. Small Cap Institutional Investor Conference '06 on January 31, 2006 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 and for income before taxes 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, and for income before taxes excluding one time benefits and charges to GAAP income before taxes.

Management believes that the non-GAAP financial measures for net income and income before taxes 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.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Slide presentation given by J. Brandon Black, President and Chief Executive Officer, at the Brean Murray, Carret & Co. Small Cap Institutional Investor Conference '06 on January 31, 2006 in New York, New York.
99.2	Reconciliation of non-GAAP information pursuant to Regulation G.

The information in this Current Report on Form 8-K, including the exhibits, 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 the Company 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. These statements include, among others, statements found under "Management's Discussion and Analysis of Financial Condition and Results of Operations." 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:

- Our quarterly operating results may fluctuate and cause our stock price to decrease;
- We may not be able to purchase receivables at sufficiently favorable prices or terms, or at all;
- We may not be successful at acquiring and collecting on portfolios consisting of new types of receivables;
- We may not be able to collect sufficient amounts on our receivable portfolios to recover our costs and fund our operations;
- The statistical model we use to project remaining cash flows from our receivable 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 compete successfully 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;
- A significant portion of our portfolio purchases during any period may be concentrated with a small number of sellers;
- We may be unable to meet our future liquidity requirements;
- We may require additional debt or equity financing to fund our portfolio purchases or business acquisitions;
- 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 are less than estimated;
- We may incur impairment charges as a result of the application of new American Institute of Certified Public Accountants Statement of Position 03-03;
- Government regulation may limit our ability to recover and enforce the collection of receivables;
- We are subject to ongoing risks of litigation, including individual or class actions under securities, consumer credit, collections, employment and other laws;

- Unfavorable interpretation of existing laws or adverse developments in ongoing litigation;
- The passage of new state or federal legislation restricting collection activities or increasing the cost of doing business;
- We may make acquisitions that prove unsuccessful or strain or divert our resources;
- We may not be able to manage our growth effectively;
- 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;
- Recent legislative actions and proposed regulations will require corporate governance initiatives, which may be difficult and expensive to implement and maintain;
- 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 results of operations may be materially affected if bankruptcy filings increase; and
- We have engaged in transactions with members of our Board of Directors, significant stockholders, and entities affiliated with them; future transactions with related parties could pose conflicts of interest.

Forward-looking statements speak only as of the date the statement was made. They inherently are 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, 2004 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: January 31, 2006

/s/ Paul Grinberg

Paul Grinberg
Executive Vice President, Chief Financial Officer and Treasurer

EXHIBIT INDEX

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Exhibit 99.1

Encore Capital Group, Inc.

Leveraging Intellectual Capital

CAUTIONARY NOTE ABOUT FORWARD-LOOKING STATEMENTS

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, 2004 and all other reports filed by the Company thereafter.

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.

Background

- Public company since 1999
- Leadership change in May 2000
  - Since then, we have invested over $450 million to acquire receivables with a face value of more than $15.7 billion
- Core business is the purchasing and collecting of charged-off consumer receivables at deep discounts
- Recently acquired the leading consumer bankruptcy services company
- Unique business model based on consumer level analytics

Industry leader in consumer debt management

Encore Capital Group, Inc.

Strategic Vision

- Leverage analytics to build the leading company in the distressed consumer space
  - Continuously improve our differentiated analytical capabilities utilized for both acquiring and managing portfolios
- Continue to grow the profitable core business of purchasing unsecured defaulted consumer receivables
  - Focus on larger transactions to mitigate competition
  - Improve liquidation and increase efficiency of our business processes
- Build new businesses with high barriers to entry and growth potential centered around the management of distressed consumers
  - Strategic acquisitions (e.g., Ascension Capital)
  - Organic growth (e.g., Healthcare business)

The Distressed Consumer Debt Industry

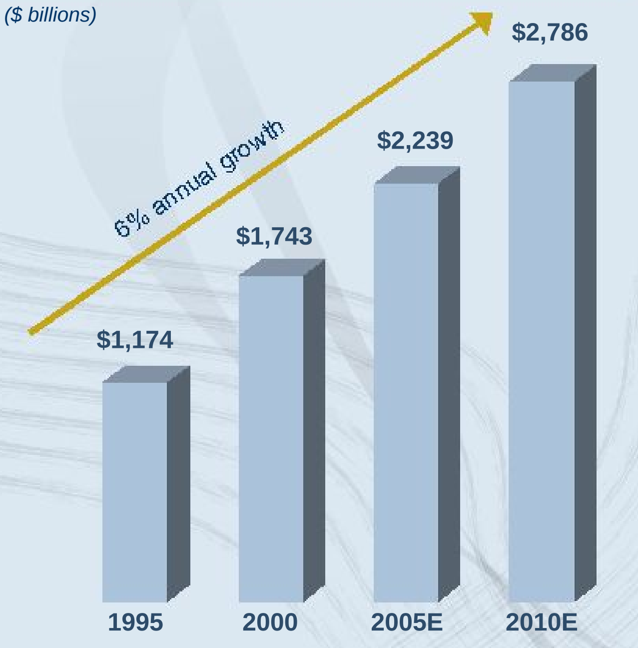
Encore Capital Group, Inc.

Industry Dynamics

- Highly fragmented industry with more than 6,500 players (95% of them have less than $8mm in revenue)
  - Few large, sophisticated competitors
  - Most buyers tend to specialize in a particular asset class, delinquency range and / or geographic location
  - Most buyers have limited analytical tools and narrow range of collection methods
- Credit originators have increasingly sought to outsource the management of their defaulted receivables
- Pricing has risen and at current levels some new entrants may not realize desired profits

Catalysts for Growth

Consumer Debt



Source: Historical data from Federal Reserve; forecasted data from Global Insight

Other Drivers

- Increase in the minimum payment to 4% from 2%
- Ripple effect after repricing of adjustable rate mortgages
- Increase in volume outside the traditional credit card portfolios
  - Auto deficiencies
  - Medical
  - Telecom
- Change in bankruptcy law driving more Chapter 13's

Encore Capital Group, Inc.

Our Company

Encore Capital Group, Inc.

Encore's Differentiated Approach to Business

Focus on innovation

Consumer level analytics

Strong management team

Multiple collection strategies

Goal is to Buy Right

Purchase distribution[1]

Months Since Charge-off	Face Value ($ billions)	% of Total Face Purchased
0 – 6	$2.3	15%
7 – 12	$1.7	10%
13 – 18	$2.1	14%
19 – 24	$0.9	6%
25 – 36	$4.9	31%
37+	$3.8	24%
Total	**$15.7**	**100%**

Balanced acquisition strategy

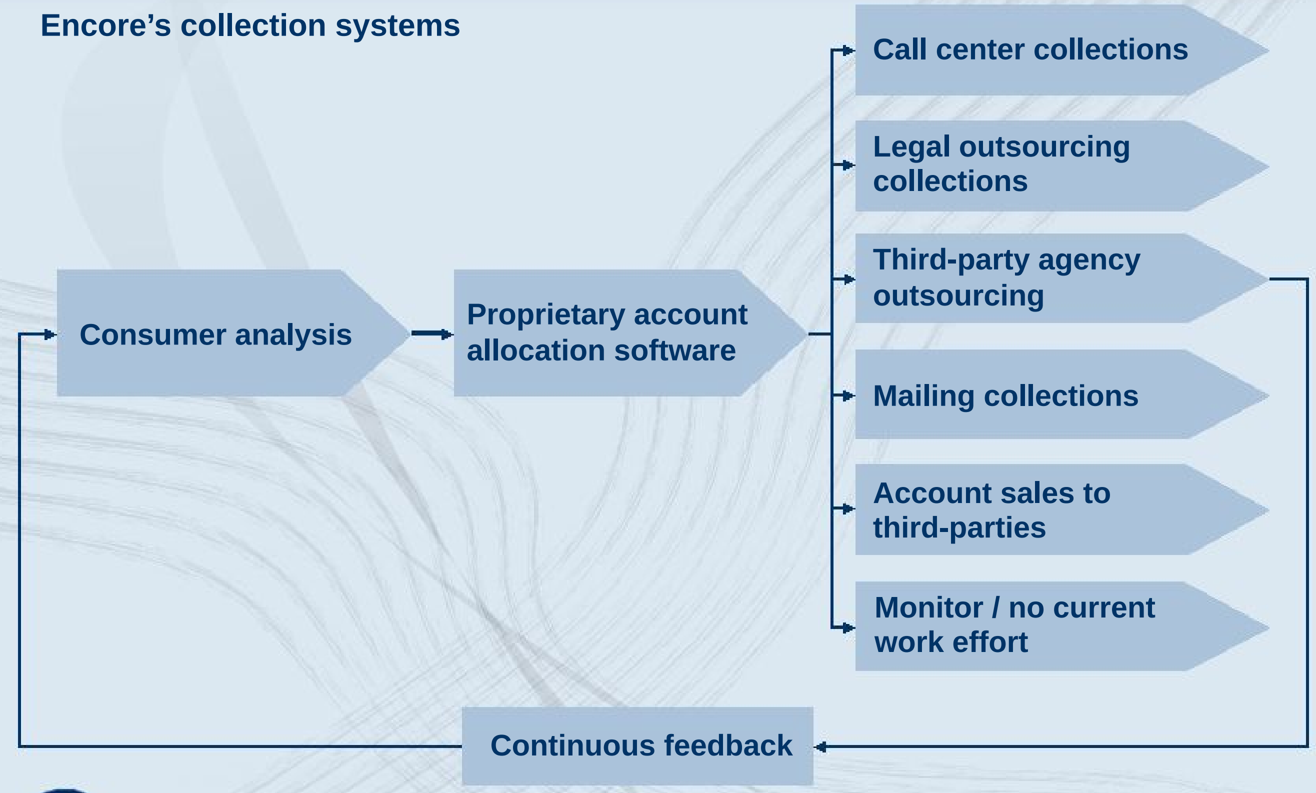
- Account level analytics allow us to effectively target broad purchase distribution
  - Provides ability to create positively selected deals
  - Enables us to buy accounts from competitors
  - Applies to alternative paper types
- Strong relationships with nation's largest credit grantors

[1] All purchases from mid-2000 through September 2005

Encore Capital Group, Inc.

Use Analytical Approach to Collections

Encore's collection systems



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Which Leads to Strong Collections Growth

Gross Collections

($ millions)

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Collection Growth Driven By Innovation, not Replication

Total Collections by Channel Type

(% of total collections)

Encore Capital Group, Inc.

Leads to Collections Efficiency

Growth fueled through innovation rather than headcount

[1] Excludes sale of portfolio of rewritten consumer notes for $4.0 million

Encore Capital Group, Inc.

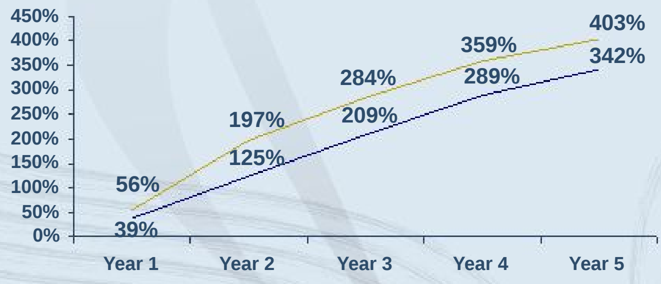
Versus our Peers, We Collect More

Cumulative Collections as a % of Purchase Price

Encore Capital

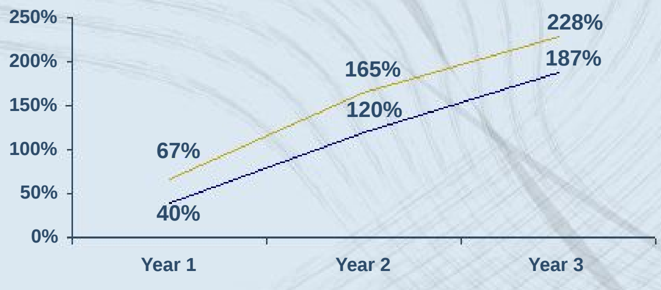
Peer 1

2001 Vintage

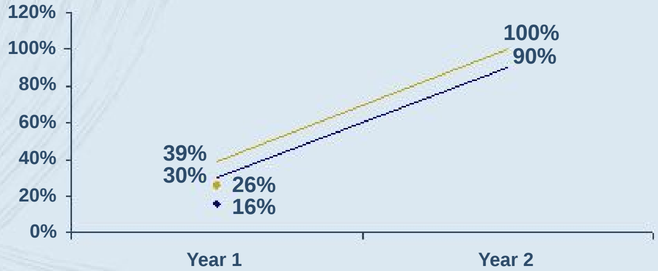


2002 Vintage

2003 Vintage



2004 and 2005 Vintages



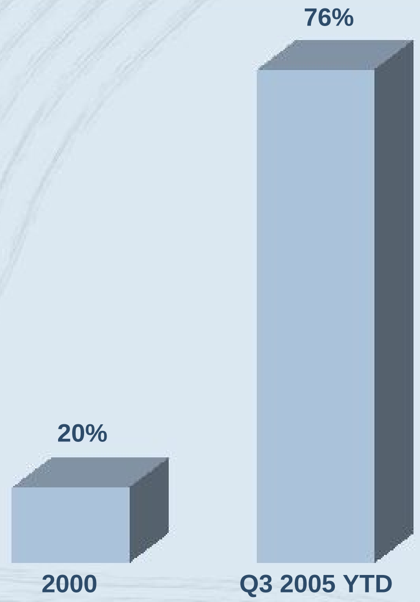
Promote Professional and Ethical Behavior

Significant focus is placed on hiring and retaining experienced collectors

Encore call center collector hiring and retention process

- Hiring
  – Behavioral test
  – Background checks
- Training
  – 6 months of concentrated development
- Compensation
  – Unlimited earnings potential
  – Reward consistency

Experienced collectors retention rate



Encore Capital Group, Inc.

Strategic Steps to Diversify in Complementary Areas and Enhance our Growth Potential

Active Approach to Broaden Business

- Penetration into secured bankruptcy servicing through Ascension acquisition
- Organic expansion into medical receivables

Strategic Rationale

- Builds upon core credit card charge-off business by expanding into higher growth areas
- Allows entry into growing niches within the consumer debt recovery business
- Affords significant cross-selling opportunities

Future Areas of Opportunity

- Auto
- Secured loans
- Student loans
- Telecom
- Utilities
- Other asset classes / consumer types

Encore Capital Group, Inc.

Ascension Provides Entry into Growing Bankruptcy Servicing Opportunity

- Acquired in August 2005
  - Located in Arlington, Texas
  - 197 employees
  - 2004 revenue of $12.3 million
- Leading position in the largely untapped bankruptcy servicing market
- Total estimated market size of $1.2-$1.4 billion in annual fees[1]
- Strong cross-selling opportunities with core business
- Since closing the acquisition, we have added 2 significant new clients

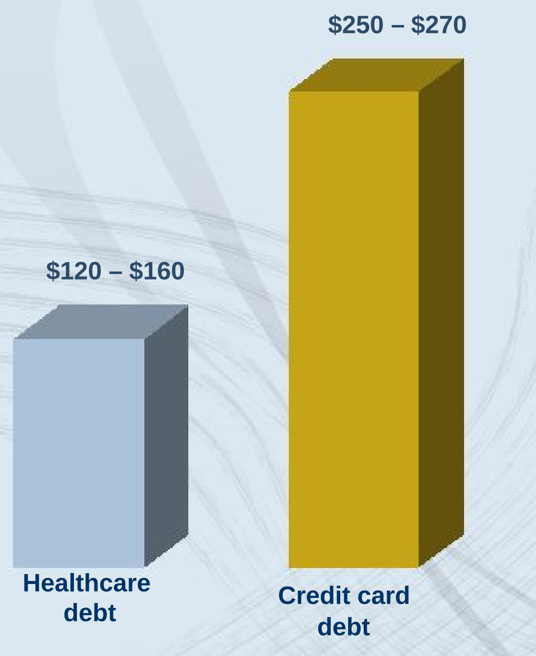
[1] Assuming all secured bankruptcy accounts are outsourced

Encore Capital Group, Inc.

Establishment of our Medical Debt Group Provides Entry into Growing Healthcare Opportunity

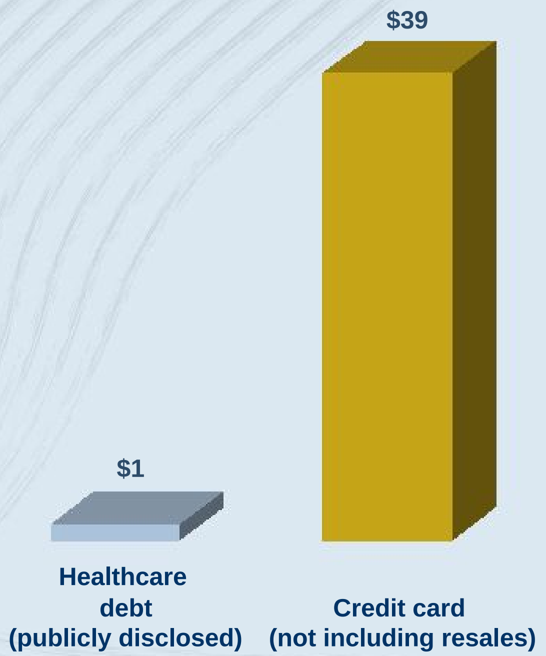
Bad debt in statute

($ billions, 2005E)



Bad debt sold - 2004

($ billions)



Source: Nilson reports, company websites, internal analysis, press releases

Encore Capital Group, Inc.

Financial Highlights

Encore Capital Group, Inc.

Strong Financial Results

* Excludes one-time items
[1] YTD through Q3 2005 annualized

Encore Capital Group, Inc.

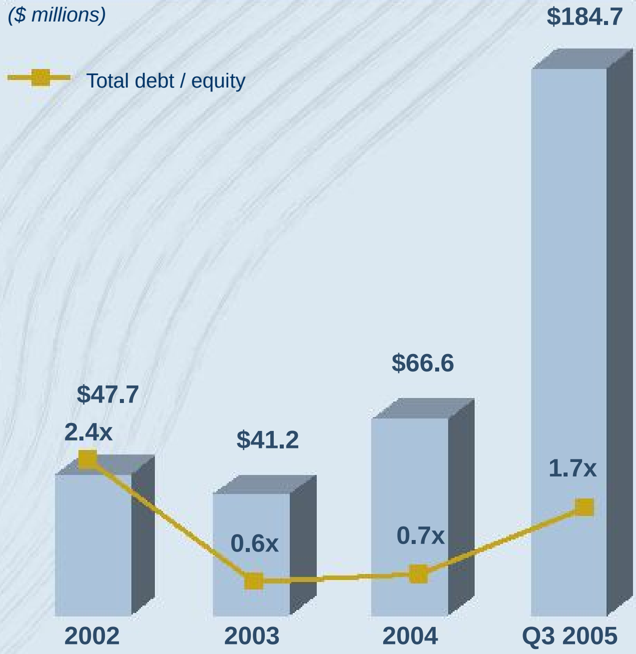
Strong Balance Sheet

Stockholders' Equity

($ millions)

Total Debt

($ millions)



Encore Capital Group, Inc.

Access to Capital

($ millions)

Previous Facility *Initiated: June 30, 2004*	
JPMorgan	$27.5
Guaranty Bank	12.5
Banco Popular	10.0
Bank of Scotland	10.0
California Bank & Trust	10.0
Bank Leumi	5.0
Total	**$75.0[1]**

Current Facility *Initiated: June 7, 2005*	
JPMorgan	$35.0
Bank of America	30.0
Bank of Scotland	30.0
California Bank & Trust	25.0
Guaranty Bank	20.0
Citibank	15.0
First Bank	15.0
Standard Federal Bank	15.0
Bank Leumi USA	10.0
Manufacturers Bank	5.0
Total	**$200.0[1]**

[1] Excludes accordion feature allowing for an additional $25mm`

Encore Capital Group, Inc.

Investment Highlights

- Experienced management team
- Recent acquisitions diversify asset and revenue base while enhancing growth
- Attractive business model in a changing industry dynamic
- Differentiated analytical acquisition and collections approach
- Track record of generating superior financial returns

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

	Quarter Ended June 30, 2003	Quarter Ended June 30, 2002
GAAP net income, as reported	$ 3,309	$ 692
Benefit from restoration of net deferred tax assets[2]	—	(143)
Net income, excluding one-time benefits	$ 3,309	$ 549

	Quarter Ended September 30, 2003	Quarter Ended September 30, 2002
GAAP net income, as reported	$ 3,104	$ 2,521
Benefit from restoration of net deferred tax assets[2]	—	(914)
Net income, excluding one-time benefits	$ 3,104	$ 1,607

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

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 a change in the valuation allowance associated with our net tax assets during 2002, which resulted in the recognition of a current tax benefit in the amount of $8.8 million, $0.9 million, and $.01 million for the quarters ended December 31, September 30 and June 30, respectively.

3 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.