
**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): November 2, 2011

ENCORE CAPITAL GROUP, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
**(State or Other Jurisdiction
of Incorporation)**

000-26489
**(Commission
File Number)**

48-1090909
**(IRS Employer
Identification No.)**

**3111 Camino Del Rio North, Suite 1300,
San Diego, California**
(Address of Principal Executive Offices)

92108
(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))
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Item 8.01. Other Events.

A copy of a slide presentation of Encore Capital Group, Inc., which was made available on November 2, 2011, is filed as Exhibit 99.1 to this Current Report.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Slide presentation of Encore Capital Group, Inc. dated November 2, 2011.

SIGNATURE

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 hereunto duly authorized.

ENCORE CAPITAL GROUP, INC.

Date: November 2, 2011

/s/ PAUL GRINBERG

Paul Grinberg
Executive Vice President, Chief Financial Officer and Treasurer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
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ENCORE CAPITAL GROUP

November 2, 2011

FORWARD-LOOKING STATEMENTS

The statements in this presentation that are not historical facts, including, most importantly, those statements preceded by, or that include, the words “may,” “believe,” “projects,” “expects,” “anticipates” or the negation thereof, or similar expressions, constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”). These statements may include, but are not limited to, statements regarding our future operating results and growth. For all “forward-looking statements,” the Company claims the protection of the safe harbor for forward-looking statements contained in the Reform Act. Such forward-looking statements involve risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company and its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in the reports filed by the Company with the Securities and Exchange Commission, including the most recent reports on Forms 10-K, 10-Q and 8-K, each as it may be amended from time to time. The Company disclaims any intent or obligation to update these forward-looking statements.

INVESTMENT HIGHLIGHTS

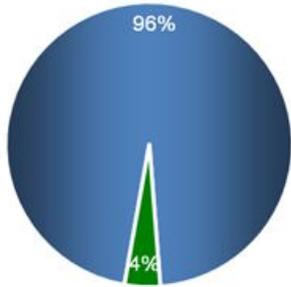
- Demonstrated ability to raise and profitably deploy capital in favorable and unfavorable business cycles
- Analytic insights that inform our valuation and operating strategies allow for a closer partnership with consumers
- Investments made over the past few years have driven significant improvements in collections, cash flow and earnings
- Operational and financial leverage is improving, largely due to the success of our operating center in India and new strategic initiatives
- Difficult regulatory environment being managed proactively

ENCORE IS A LEADING PLAYER IN THE CONSUMER DEBT BUYING AND RECOVERY INDUSTRY

Revenue Composition

As of September 30, 2011

Debt Purchasing & Collections



- Purchase and collection of charged-off unsecured consumer receivables (primarily credit card)
- Robust business model emphasizing consumer intelligence and operational specialization
- Invested ~\$2.1 billion to acquire receivables with a face value of ~\$63 billion
- Acquired ~38 million consumer accounts since inception

Bankruptcy Servicing

- Process secured consumer bankruptcy accounts for leading auto lenders and other financial institutions
- Proprietary software dedicated to bankruptcy servicing
- Operational platform that integrates lenders, trustees, and consumers

Global Capabilities

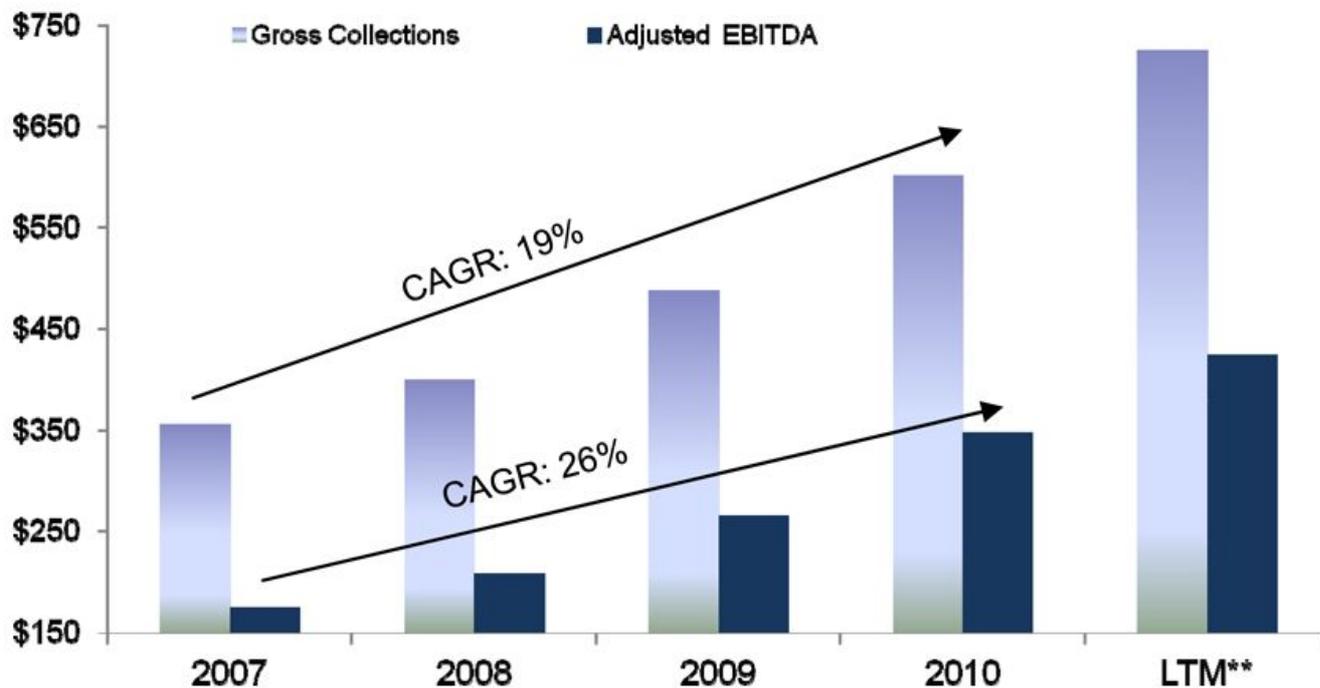
- Debt Purchasing & Collections
- Bankruptcy Servicing



ENCORE HAS GENERATED STRONG RESULTS DESPITE THE MACROECONOMIC DOWNTURN

Adjusted EBITDA* and Gross Collections by year

(\$ millions)



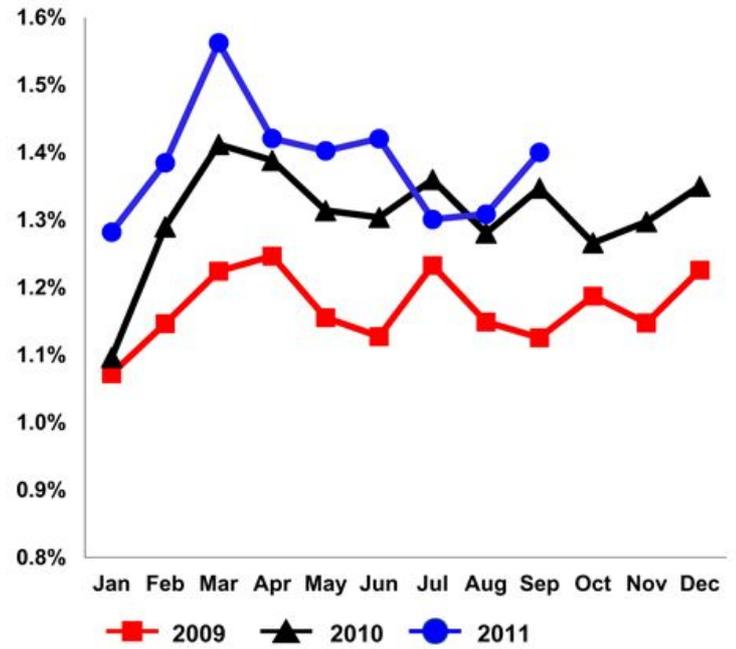
* Adjusted EBITDA is a non-GAAP number. The Company considers Adjusted EBITDA to be a meaningful indicator of operating performance and uses it as a measure to assess the operating performance of the Company. See Reconciliation of Adjusted EBITDA to GAAP Net Income in Appendix B to this presentation

** LTM data as of 09/30/2011

OUR CONSUMERS HAVE SHOWN THAT THEY ARE RESILIENT AS EVIDENCED BY THE INCREASE OF PAYER RATES

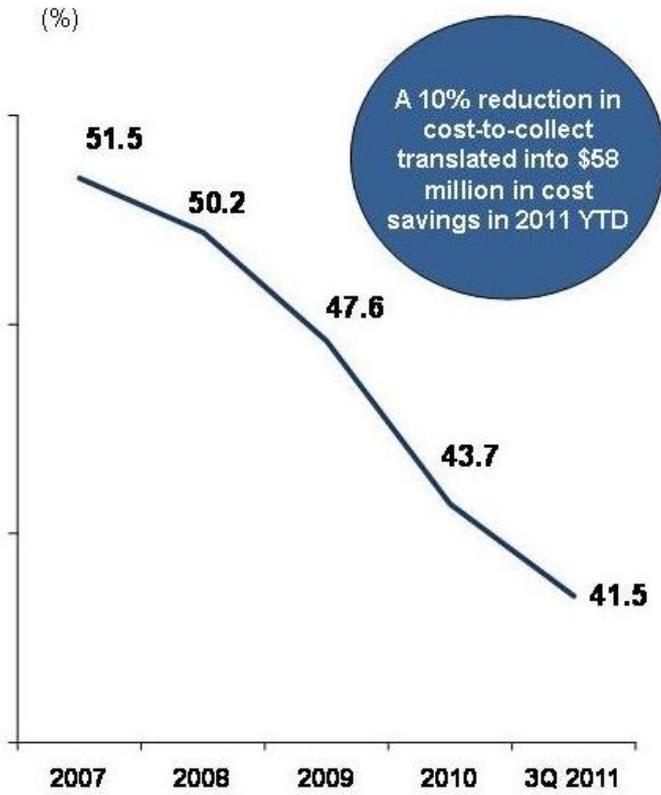
<i>Metric</i>	<i>Recent trend</i>
<ul style="list-style-type: none"> • Payer rates 	<ul style="list-style-type: none"> • Modestly upward
<ul style="list-style-type: none"> • Average payment size 	<ul style="list-style-type: none"> • Stable
<ul style="list-style-type: none"> • Payment style 	<ul style="list-style-type: none"> • More payment plans
<ul style="list-style-type: none"> • Broken payer rates 	<ul style="list-style-type: none"> • Mild improvement
<ul style="list-style-type: none"> • Settlement rates 	<ul style="list-style-type: none"> • Stable

Overall Payer Rate for All Active Inventory

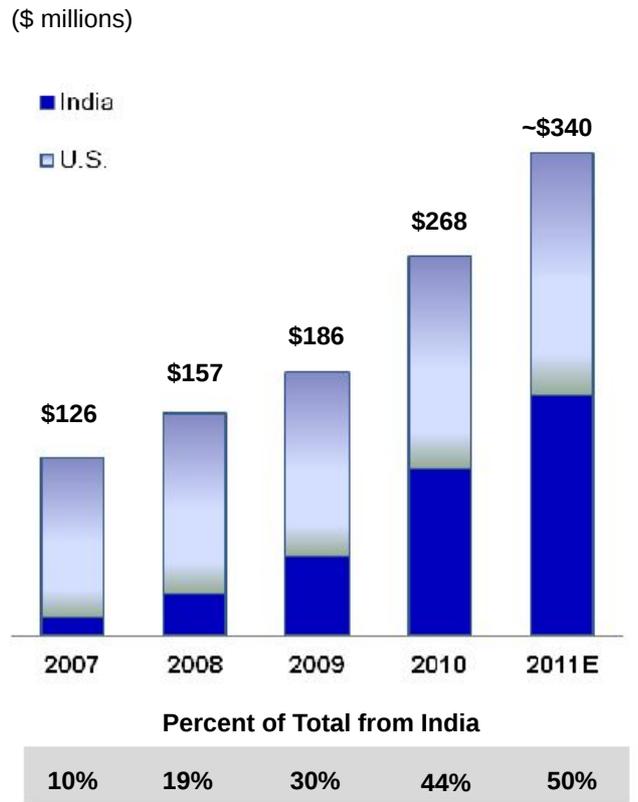


WE HAVE FUNDAMENTALLY CHANGED THE COST STRUCTURE OF THE COMPANY OVER THE PAST FOUR YEARS, LED BY OUR INDIA CENTER

Overall Cost-to-Collect

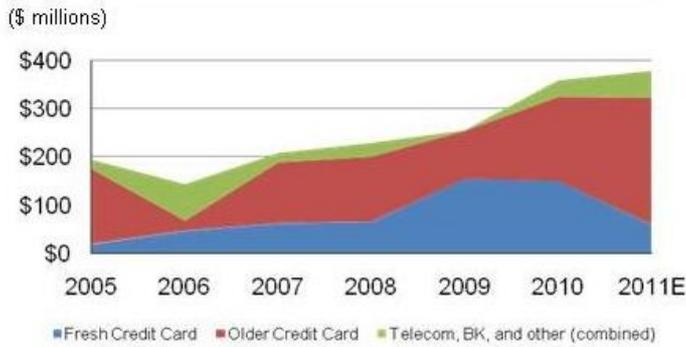


Collections from all Call Centers

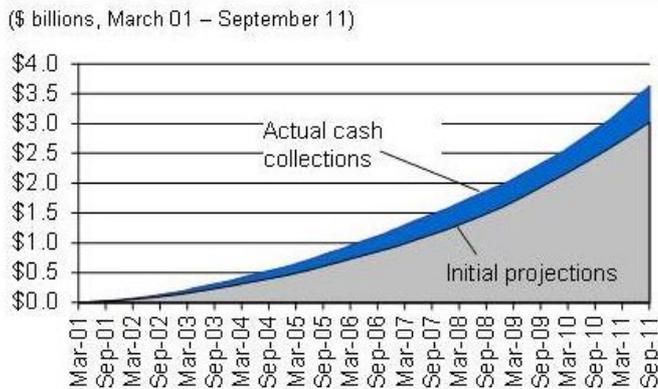


DIVERSIFIED PURCHASE ACTIVITY AND CONSERVATIVE PROJECTIONS HAVE RESULTED IN A RESERVOIR OF FUTURE COLLECTIONS

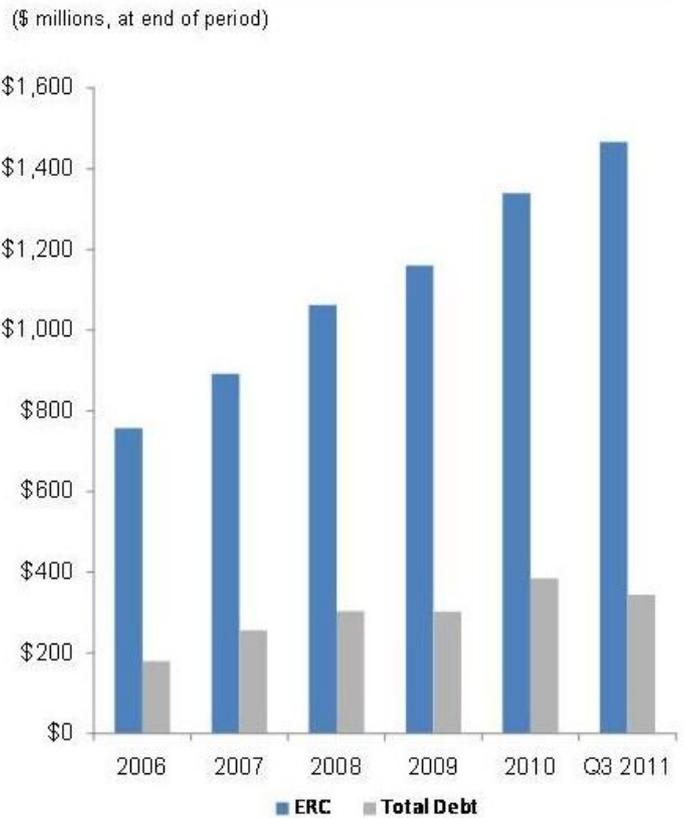
Historical Purchase Mix by Year, 2011 Estimate



Cumulative Collections (Initial Expectation vs. Actual)



Annual Estimated Remaining Gross Collection (ERC) and Total Debt



OUR BUSINESS MODEL IS CRITICALLY IMPORTANT, AS IT PROVIDES THE CONSUMER WITH TIME TO RECOVER

Timeframe

Process and relationship with consumers

Outcome

ORIGINAL CREDITOR

- Charge-off threshold extends a maximum of 6 months

Transactional

- Attempt immediate resolution during delinquency cycle (days 30 – 180)
- Consumer is “charged-off” by issuer on day 181

- Issuer offers to sell unsecured, charged-off debt or service through 3rd party agencies

CONTINGENCY COLLECTION AGENCY

- Four-to-six month collection cycle

Pressured

- Artificial deadlines
- Multiple collection companies
- Counterproductive incentive structure

- Consumer is confused and frustrated



- Consumer has 84 months to recover financially

Partnership

- Create partnership strategy and set goals
- Tailor work strategies to individual circumstances, giving them time for a consumer to recover

- Maximizes likelihood of repayment, creates consistency, and ensures that consumers are treated fairly

WE HAVE TAKEN A LEADERSHIP STANCE BY OUTLINING OUR CORE PRINCIPLES IN AN INDUSTRY-FIRST CONSUMER BILL OF RIGHTS

- Clearly states what our consumers should expect during the collection process
- Gives consumers concrete assurances about our conduct
 - No interest once payments are established, if maintained
 - No systematic messages left
 - Cessation of collections under certain circumstances
- Positions Encore as a company that governmental entities should consult with prior to enacting regulations that impact the industry

ENCORE
CAPITAL GROUP


MANAGED CREDIT MANAGEMENT, LLC

CONSUMER BILL OF RIGHTS

In all that we do, we strive to treat consumers with respect and integrity. We are committed to engaging in dialogue that is respectful and constructive, creating solutions for our consumers that resolve their debt, and ensuring that those who work on our behalf adhere to these same standards. We operate in compliance with the laws that regulate our industry, and we hope to play an important and productive role in people's lives.

Article 1: Contacting Consumers in a Timely and Effective Manner

- a. At the outset of collection activity, we will send a debt validation notice informing the consumer that their account has been purchased, identifying the creditor that held the debt at default, clearly stating the balance owed, and giving the consumer an opportunity to both request further information and resolve the debt.
- b. Before sending the debt validation notice, we will use reasonable efforts to verify the consumer's current address.
- c. If any debt validation notice to a consumer is returned, we will disable that address, use reasonable efforts to verify the consumer's current address, and, if found, send another validation letter to the new address.
- d. All collection letters we mail to a consumer will identify the creditor that held the debt at default, the creditor's account number, and the current balance owed, along with other identifying information, as appropriate.

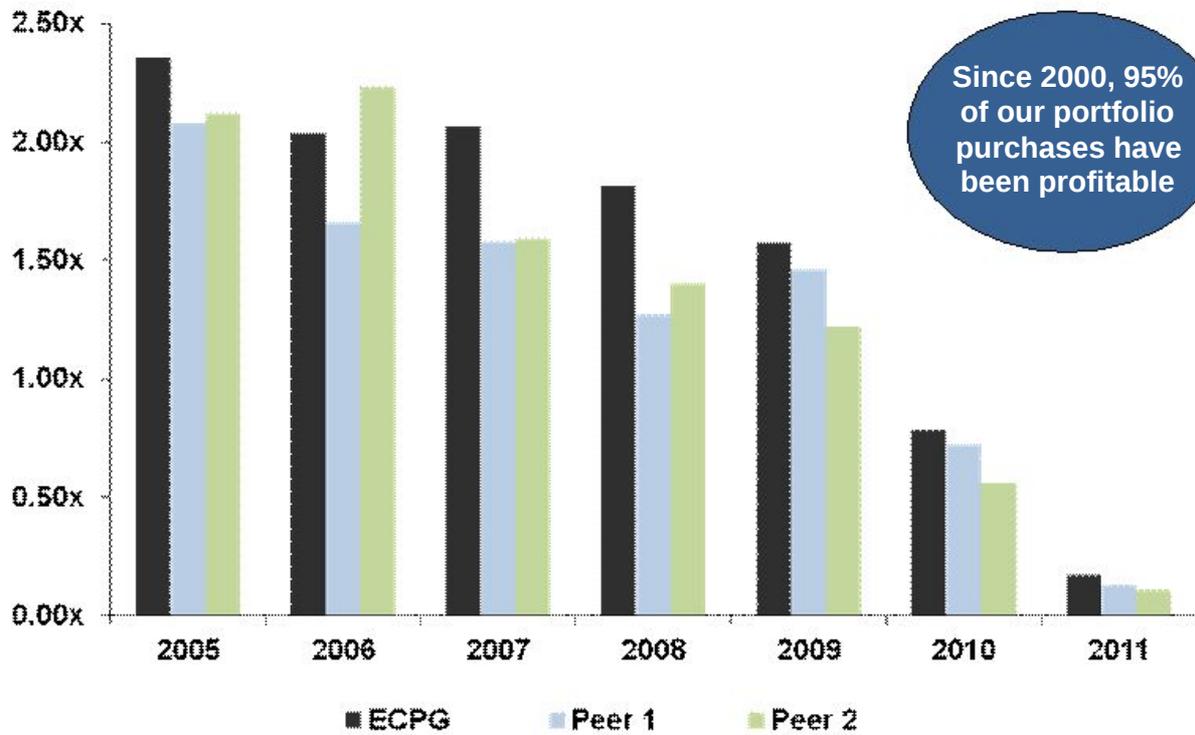
Article 2: Resolving Accounts Quickly and Honestly

- a. Our employees who interact with consumers will be trained on, and expected to comply with, applicable federal, state and local laws and regulations concerning fair and ethical collection practices. Employees' conduct in this regard will be monitored for compliance.
- b. When interacting with consumers, our employees will listen and work hard to understand their consumers' needs.
- c. Our employees will strive to develop and present innovative payment options that allow for the effective repayment of the obligation and accommodate the consumer's financial situation. Payment options will be discussed with the consumer in plain and simple language.

PURCHASING ACCURACY AND OUR ANALYTIC OPERATING MODEL HAVE LED US TO CONSISTENTLY OUTPERFORM OUR PEERS

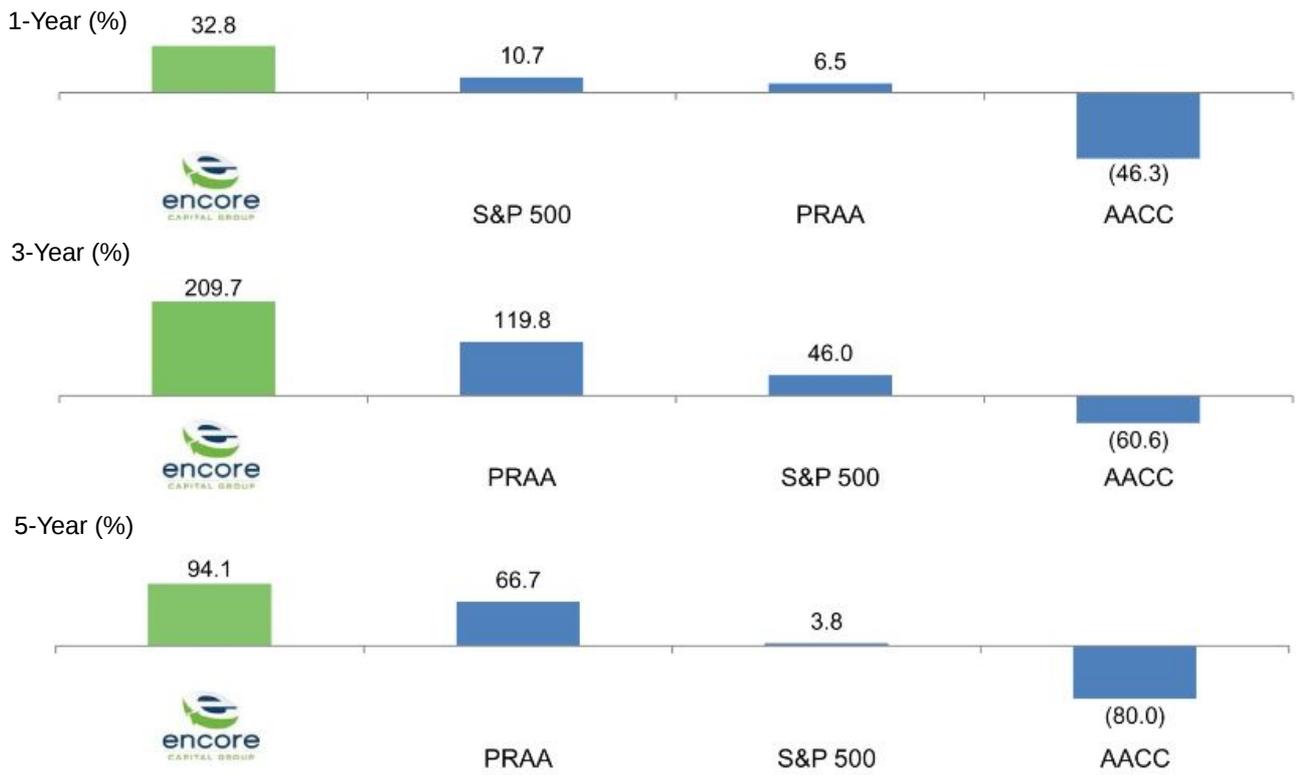
Cumulative Actual Collection Multiples by Vintage Year as of June 30, 2011

(Total Collections / Purchase Price)



Source: SEC Filings, Encore Capital Group Inc.

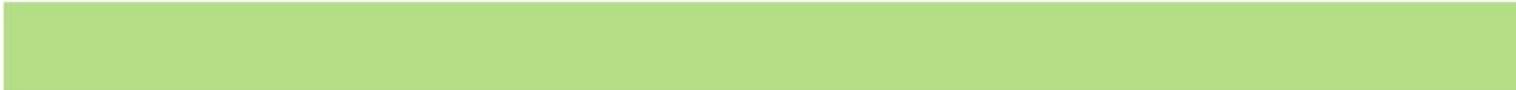
Total Return



Source: FactSet (10/28/2011)

- **Diversified purchase model**
 - Ability to increase purchases is a result of having capabilities across asset classes, age and balance
- **Robust consumer-level underwriting**
 - Continue to develop new insights about our consumers while addressing a growing population of Spanish-speaking consumers
- **Lower-cost collection platform**
 - Capture incremental value through increased low-cost collection activities in India and Costa Rica
- **New operational initiatives**
 - Insourcing of legal function over time will drive increasing margin contributions in the future

APPENDIX



APPENDIX A: CUMULATIVE COLLECTIONS BY PORTFOLIO VINTAGE

Cumulative Collections through September 30, 2011 (000's)

Year of Purchase	Purchase Price	<2005	2005	2006	2007	2008	2009	2010	2011	Total	CCM
<2005	\$385,474	\$749,791	\$224,620	\$164,211	\$85,333	\$45,893	\$27,708	\$19,986	\$12,084	\$1,329,626	3.4
2005	192,585		66,491	129,809	109,078	67,346	42,387	27,210	14,850	457,171	2.4
2006	141,028			42,354	92,265	70,743	44,553	26,201	14,567	290,683	2.1
2007	204,099				68,048	145,272	111,117	70,572	35,566	430,575	2.1
2008	227,867					69,049	165,164	127,799	70,604	432,616	1.9
2009	253,401						96,529	206,773	131,861	435,163	1.7
2010	358,989							125,853	225,530	351,383	1.0
2011	249,284								70,036	70,036	0.3
Total	\$2,012,727	\$749,791	\$291,111	\$336,374	\$354,724	\$398,303	\$487,458	\$604,394	\$575,098	\$3,797,253	1.9

APPENDIX B: RECONCILIATION OF ADJUSTED EBITDA

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

	3/31/07	6/30/07	9/30/07	12/31/07	3/31/08	6/30/08	9/30/08	12/31/08	3/31/09	6/30/09	9/30/09	12/31/09
GAAP net income, as reported	4,991	(1,515)	4,568	4,187	6,751	6,162	3,028	(2,095)	8,997	6,641	9,004	8,405
Interest expense	4,042	4,506	4,840	5,260	5,200	4,831	5,140	5,401	4,273	3,958	3,970	3,959
Contingent interest expense	3,235	888	-	-	-	-	-	-	-	-	-	-
Pay-off of future contingent interest	-	11,733	-	-	-	-	-	-	-	-	-	-
Provision for income taxes	3,437	(1,031)	1,315	2,777	4,509	4,225	2,408	(1,442)	5,973	4,166	5,948	4,609
Depreciation and amortization	869	840	833	810	722	766	674	652	623	620	652	697
Amount applied to principal on receivable portfolios	28,259	29,452	26,114	29,498	40,212	35,785	35,140	46,364	42,851	48,303	49,188	47,384
Stock-based compensation expense	801	1,204	1,281	1,001	1,094	1,228	860	382	1,080	994	1,261	1,049
Adjusted EBITDA	45,634	46,077	38,951	43,533	58,488	52,997	47,250	49,262	63,797	64,682	70,023	66,103

	3/31/10	6/30/10	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11
GAAP net income, as reported	10,861	11,730	12,290	14,171	13,679	14,775	15,370
Interest expense	4,538	4,880	4,928	5,003	5,593	5,369	5,175
Contingent interest expense	-	-	-	-	-	-	-
Pay-off of future contingent interest	-	-	-	-	-	-	-
Provision for income taxes	6,490	6,749	6,632	9,075	8,601	9,486	9,868
Depreciation and amortization	673	752	816	958	1,053	1,105	1,194
Amount applied to principal on receivable portfolios	58,265	64,901	63,507	53,427	85,709	83,939	73,187
Stock-based compensation expense	1,761	1,446	1,549	1,254	1,765	1,810	2,405
Adjusted EBITDA	82,588	90,458	89,722	83,888	116,400	116,484	107,199

Note: The periods 3/31/07 through 12/31/08 have been adjusted to reflect the retrospective application of ASC 470-20

APPENDIX C: THE COMPANY'S FINANCIAL RESULTS OVER THE PAST TWO YEARS HAVE BEEN STRONG

YOY Growth

(\$M, except EPS and ratios)

	YTD 9/30/10	YTD 9/30/11	2009	2010	Annual Variance	
Collections	455.4	575.2	487.8	604.6	116.8	24%
Revenue	281.5	346.7	316.4	381.3	64.9	21%
Adjusted EBITDA*	262.8	340.1	264.6	346.7	82.1	31%
Diluted EPS	1.39	1.71	1.37	1.95	0.58	42%
Purchases	242.9	250.1	256.6	362.0	105.3	41%

*Adjusted EBITDA is a non-GAAP number. The Company considers Adjusted EBITDA to be a meaningful indicator of operating performance and uses it as a measure to assess the operating performance of the Company. See Reconciliation of Adjusted EBITDA to GAAP Net Income in Appendix B to this presentation.