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Portfolio Recovery Associates, Inc. Announces Closing of Public Offering and Exercise of Over-Allotment Option

Portfolio Recovery Associates, Inc. Announces Closing of Public Offering and Exercise of Over-Allotment Option NORFOLK, VA, Feb 22, 2010 (MARKETWIRE via COMTEX) -- Portfolio Recovery Associates, Inc. (NASDAQ: PRAA) ("Portfolio Recovery Associates" or the "Company") today announced that it has closed its previously announced public offering of 1,250,000 newly issued shares of its common stock. Prior to closing, the underwriters exercised in full their option to purchase an additional 187,500 shares of common stock to cover over-allotments. As a result, Portfolio Recovery Associates sold a total of 1,437,500 shares of its common stock at a price to the public of \$52.50 per share.

Portfolio Recovery Associates received net proceeds from the offering of approximately \$71.6 million, after deducting the underwriting discounts and commissions and estimated offering expenses. Portfolio Recovery Associates intends to use the net proceeds of the offering primarily to repay a portion of the debt outstanding under its \$365 million revolving credit facility. Repaying a portion of the debt outstanding under its revolving credit facility will increase Portfolio Recovery Associates' gross availability under the facility which, in turn, will allow the Company to draw down on the line of credit available thereunder for portfolio acquisitions and/or business acquisitions and for general corporate purposes including, but not limited to, organic growth, working capital and capital expenditures.

The offering was conducted as a public offering pursuant to the Company's effective shelf registration statement under the Securities Act of 1933, as amended. William Blair & Company, L.L.C. acted as sole book-running lead manager for the offering, and JMP Securities LLC acted as co-lead manager.

The offering was made solely by means of a prospectus supplement and the accompanying prospectus, which have been filed with the Securities and Exchange Commission (the "SEC") and may be obtained from William Blair & Company, L.L.C., Attention: Prospectus Department, 222 West Adams Street, Chicago, Illinois 60606, or by calling toll-free 800-621-0687. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, these securities, nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale is not permitted.

About Portfolio Recovery Associates, Inc.

Portfolio Recovery Associates' business revolves around the detection, collection, and processing of both unpaid and normal-course accounts receivable originally owed to credit grantors, governments, retailers and others. The Company's primary business is the purchase, collection and management of portfolios of defaulted consumer receivables. These are the unpaid obligations of individuals to credit originators, which include banks, credit unions, consumer and auto finance companies, and retail merchants. Portfolio Recovery Associates also provides fee-based services, including collateral-location services for credit originators via its IGS subsidiary and revenue administration, audit and debt discovery/recovery services for government entities through both its RDS and MuniServices businesses.

Cautionary Note Regarding Forward Looking Statements

Statements herein which are not historical, including Portfolio Recovery Associates' or management's intentions, hopes, beliefs, expectations, representations, projections, plans or predictions of the future, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements involve risks and uncertainties, some of which are not currently known to us. Actual events or results may differ from those expressed or implied in any such forward-looking statements as a result of various factors, including the risk factors and other risks that are described from time to time in Portfolio Recovery Associates' filings with the SEC including but not limited to its annual reports on Form 10-K, its quarterly reports on Form 10-Q and its current reports on Form 8-K, filed with the SEC and available through Portfolio Recovery Associates' website, which contain a more detailed discussion of Portfolio Recovery Associates' business, including risks and uncertainties that may affect future results. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Information in this press release may be superseded by more recent information or statements, which may be disclosed in later press releases, subsequent filings with the SEC or otherwise. Portfolio Recovery Associates expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or to reflect any change in events, conditions or circumstances on which any such forward-looking statements are based, in whole or in part.

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