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NewDay to be acquired by Cinven and CVC to support further growth

NewDay, a leading consumer finance provider specialising in the UK credit card market, announced today that funds advised by private equity firms Cinven and CVC Capital Partners have agreed to acquire NewDay from its present owners, Värde Partners. Cinven and CVC will work with NewDay to support the company's ongoing growth.

NewDay is one of the UK's fastest growing speciality finance companies, providing credit to more than five million customers. The company operates in two segments: Near-Prime, which provides aqua and marbles branded credit cards to customers who are new to credit or wish to rebuild their credit history; and Co-brand, which provides credit cards in partnership with established retailers such as Debenhams, House of Fraser, Laura Ashley and Arcadia Group.

The UK is the largest credit card market in Europe and NewDay has generated strong growth over the past five years. In 2015 the company welcomed one million new customers. Receivables have grown to £1.6bn. NewDay is well-positioned for significant future growth, given continued demand for its products, strong brand recognition and distribution channels, as well as the launch of additional innovative credit products.

NewDay has strong underwriting capabilities, with its credit risk management systems using proprietary analytics and insights refined over the past 14 years, and delivers industry leading customer service.

The management team will continue to be led by James Corcoran, Chief Executive, who joined NewDay in 2009. The Company has offices in London and Leeds and employs over 800 people.

James Corcoran, Chief Executive Officer of NewDay, said: "We are delighted to be working with Cinven and CVC going forward – both have an excellent track record of supporting growing businesses and as responsible investors in the financial services sector. They are both fully aligned with NewDay's objectives of continuing to grow by offering compelling products and services to our customers alongside the highest standards of risk management."

Caspar Berendsen, Partner at Cinven said: "NewDay is an extremely well-managed, strongly-performing company. It has a strong track record of organic and acquisitive growth and we look forward to supporting this growth."

Peter Rutland, Partner at CVC added: "There is a significant opportunity for specialised lenders like NewDay to help customers build their credit histories. We look forward to working with management to help support their continued growth by delivering products that are aligned to customers' needs."

NewDay was founded in 2001 as SAV Credit. It was acquired by Värde Partners in 2011 and was rebranded from SAV Credit to NewDay in 2014.

The transaction is subject to customary regulatory and anti-trust approvals.

The management of NewDay was advised by EY and Jones Day.

For more information:

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About Cinven and CVC

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Cinven and CVC Capital Partners are leading global private equity firms with €[x] billion and \$33 billion of assets under management respectively and a strong track record of investing in and successfully growing financial services businesses. Cinven's financial services investments have included: Avolon, Premium Credit, JRP Group (formerly Partnership Assurance), Viridium (formerly Heidelberger Leben), Ergo Italia, and Guardian Financial Services. CVC's financial services investments have included: Avolon, Brit Insurance, Domestic & General, the RAC and Skril.