

New Day

www.newday.co.uk

Consumer finance

Acquired  
January 2017

HQ  
UK

How we create value

NewDay presented a compelling investment opportunity as a leading UK consumer finance company, specialising in the near-prime and cobrands sectors of the UK credit card market. NewDay is an FCA-authorised consumer credit firm and has developed innovative products and features to better meet the needs of both (i) its customers, by responsibly offering them the right credit services, and (ii) its partners, by providing innovative digital capabilities and data analytics. NewDay's proprietary credit models draw upon customer and market data that has been gathered over more than 15 years of lending through all phases of the credit cycle. Capitalising on its significant experience in the Financial Services sector, the Cinven team is working with NewDay's management team to further grow the near-prime and cobrand segments and to support the Group's expansion into adjacent consumer finance products.

Developments in 2017

NewDay performed well in 2017. New account volumes continued to grow significantly, particularly in the cobrands division. Group average receivables also increased; and impairment rates remained well controlled as a result of the steps taken by management.

Against a subdued UK consumer backdrop, management continues to increase the resilience of the business to any potential downturn by increasing the business's unfunded financing lines and introducing variable rate pricing to mitigate exposure to any interest rate rises. In addition, NewDay's liquidity profile was improved during 2017, and its investor base was further diversified.

Employees  
880  
(approximate)

