



## Prodigy Finance Secures US\$1 Billion In Debt Financing Over Twelve Months

*Debt financing enables scale and expansion to fund the best students around the world. This includes additional U.S. universities, schools and programs, and a new loan refinance product.*

**London, 24 September 2018** – [Prodigy Finance](#), the pioneer in cross-border finance, announces that it has raised US\$1 billion in the last twelve months in available debt financing (“financing”). The financing, which includes a number of leading financial institutions, will allow the company to expand its innovative global credit model, which supports high potential students from across 150 countries.

Founder and CEO of Prodigy Finance, Cameron Stevens, said “the world is increasingly global and connected, yet the banking industry has not kept pace. Traditional lenders are bound by local legal constraints, local data, as well as local repayments and collections, which ties an applicant’s credit profile to their location. For example, if you’re born and live in the U.S. you will have greater choice and access to financial services and credit. However, if you’re born in Ghana and want to study abroad, you’re more likely to be unbanked. We’ve worked hard over the years to change this. Our global credit model has allowed us to help international students with limited or no funding options to gain access to life-changing opportunities and become the next generation of leaders around the world.”

The financing primarily consists of US\$900 million in institutional debt facilities from American, European and Asian lenders including Deutsche Bank, Goldman Sachs, M&G Investments and Sumitomo Mitsui Banking Corporation. Other investors include schools, family offices and high-net-worth individuals participating in Prodigy Finance’s international bond programme distributed by Credit Suisse.

Stevens added, “we set out to prove and grow our borderless platform and this capital contribution demonstrates its success. The financial services industry will become more global in its outlook and we are leading the charge as we scale our business. This could transform the lives of the 258 million<sup>1</sup> people living outside of their home country, as well as 3.2 billion<sup>2</sup> of the middle class population that want to access the opportunities that a world class education offers.”

### **Debt financing enables scale and expansion**

Prodigy Finance provides education loans to international students attending top universities around the world. Funding options are particularly limited for these students, even more so for those who live in emerging markets. The company’s unique global credit model is built to assess applicant loan affordability on numerous variables, including projected earnings and university acceptance, among others, rather than historical credit. While technology facilitates worldwide processing and securing online applications.

Prodigy Finance student borrower, Sharon Wandill, said “my life completely changed the moment I came across Prodigy Finance, as it was literally the difference between me going to pursue further studies or not”.

The company began by funding programmes at the top 100 business schools around the world, and over the years, expanded to other countries as well as disciplines including engineering, public policy, law and health sciences. Engineering has been identified as a key growth sector, especially among students from Brazil, Russia, India and China (BRICs), who are trending towards studying abroad and gaining international exposure. In 2016/17, the U.S. was host to 1.078 million international students, of which the most popular field of study was engineering, followed closely by business and management (engineering: 230,711 students; business and management: 200,754 students)<sup>3</sup>. Unlike their business peers, engineering students are generally younger, with less professional experience, and therefore have lower savings and a greater need for funding assistance.

Today’s financing allows the company to increase its offering, particularly in the field of engineering and at U.S. universities and colleges, including those ranked by the [U.S. News & World Report](#)<sup>3</sup>. The Prodigy Finance platform now supports 245 specific engineering schools and 2,222 courses<sup>4</sup>, including electrical and computer engineering, data analytics, information systems, and industrial, chemical and nuclear engineering, among others; with the option of 10, 15 or 20-year loans terms and without the need for collateral, co-signer or guarantor. The financing also demonstrates that a strong debt financing environment still exists for U.K. firms like Prodigy Finance.

Associate Director of Financial Aid at the London Business School, Helen Foley, said “access to Prodigy Finance funding is very important to London Business School, and to our students. With students from more than 100 countries, embracing diversity is at the heart of everything we do. We recruit top global talent to our programmes. Prodigy Finance's innovative and community-based approach to borderless student loans provides the financial support many of our students need to start their journeys”.

Financing also enables Prodigy Finance to offer a refinance product to international graduates from U.S. schools looking to reduce their financial costs. These alumni previously had limited options available to them, and Prodigy Finance's new refinance product provides them with the opportunity to reduce their interest rate, consolidate multiple student loans, release their co-signer and choose from flexible loan terms. The option to refinance is available to eligible international graduates who reside in the U.S. or U.K.

To date, Prodigy Finance has helped over 11,200 students, from 132 countries borrow more than US\$538 million; the majority (89%) of which had no alternative access to funds.

**-ENDS-**

<sup>1</sup> United Nations, Department of Economic and Social Affairs, Population Division. (2017). “International Migration Report 2017: Highlights”. Retrieved from <https://www.un.org/development/desa/publications/international-migration-report-2017.html>

<sup>2</sup> Brookings Institute. (2017). “The Unprecedented Expansion of the Global Middle Class: An Update”. Global Economy and Development Working Paper 100. Retrieved from [https://www.brookings.edu/wp-content/uploads/2017/02/global\\_20170228\\_global-middle-class.pdf](https://www.brookings.edu/wp-content/uploads/2017/02/global_20170228_global-middle-class.pdf)

<sup>3</sup> Institute of International Education. (2017). “International Students by Field of Study, 2015/2016 – 2016/2017”. Open Doors Report on International Educational Exchange. Retrieved from <http://www.iie.org/opendoors>

<sup>4</sup> Prodigy Finance works with the top 100 U.S. engineering universities and colleges, as ranked by the [U.S. News & World Report](#).

<sup>5</sup> Prodigy Finance supports engineering at specific engineering universities, as well as certain business schools with engineering as the course type (total of 123 universities).

**For more information, please contact:**

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**About Prodigy Finance:**

Prodigy Finance is revolutionising the way students and investors see student loans. Fueled by a community of funders, our student borrower base is given the chance to attend the world's top universities. Over the last decade, our investors have received both a financial and social return, while thousands of students have gained access to higher education through our loans. We are ranked 33<sup>rd</sup> in The Sunday Times Hiscox Tech Track 100, the league table which ranks Britain's fastest-growing private technology companies.

