



Volta Finance Limited (VTA) – August 2016 monthly report

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Guernsey, 22 September 2016

Volta Finance Limited (the “Company” or “Volta Finance” or “Volta”) has published its monthly report. The full report is attached to this release and is available on Volta’s website (www.voltafinance.com).

PERFORMANCE and PORTFOLIO ACTIVITY

In August, Volta’s Estimated NAV gained 2.8% in line with the modest positive performance in most credit and equity markets.

As at the end of August, the YTD NAV performance is 7.4%, including the April dividend payment. Volta expects to produce a performance in the area of 10% for this year, after 10.0% in 2015 and 12.4% in 2014.

In August, Volta purchased one USD CLO Equity in the secondary market and signed for a new European CLO warehouse. A total of the equivalent of €5.2m was invested in these two positions (only one third of the total commitment for the warehouse was drawn). On average and based on standard market assumptions, these purchases have an expected yield of close to 11.5%. During the month no position was sold or amortised.

At the end of August 2016, Volta’s Estimated NAV* was €295.6m or €8.09 per share. The GAV stood at €338.4m.

In August, mark-to-market variations** of Volta’s asset classes were: +1.6% for Synthetic Corporate Credit deals; +2.4% for CLO Equity tranches; +3.1% for CLO Debt tranches, +4.4% for Cash Corporate Credit deals; and, +3.3% for ABS.

In August, Volta generated the equivalent of €1.4m in interest and coupons (non-euro amounts translated into euro using end-of-month cross currency rates), bringing the total cash amount generated in terms of interest and coupons during the last six months to €17.3m.

Cash holdings or cash equivalent instruments at the end of August totaled €3.4m (after reductions for some trades unsettled at the end of August) and therefore the Company can be considered as fully invested. Considering the significant rally that occurred on CLO debt tranches during the summer, AXA IM expects to sell some of its old positions and buy more recently issued deals in order to increase the projected yield of the portfolio. As at the end of August, the weighted average life (WAL) of Volta assets is close to 3.5 years. Volta still has some room to extend both the WAL and the yield of our portfolio.

AXA IM continues to see opportunities in several structured credit sectors including mezzanine and equity tranches of CLOs, RMBS tranches and tranches of Cash Corporate Credit and Synthetic Corporate Credit portfolios.

DIVIDEND CURRENCY ELECTION – CURRENCY CONVERSION RATE

Regarding the dividend of €0.15 per share payable on 27 September 2016, the currency conversion rate for those Shareholders who elected to receive pounds sterling will be 0.85121 pounds sterling per euro, based on the foreign currency exchange rate as at 18:00 (UK time) on 13 September 2016. Consequently, the applicable pounds sterling dividend rate is £0.1276815 per share.



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** It should be noted that approximately 10.9% of Volta's GAV comprises investments in funds for which the relevant NAVs as at the month-end date are normally available only after Volta's NAV has already been published. Volta's policy is to publish its own NAV on as timely a basis as possible in order to provide shareholders with Volta's appropriately up-to-date NAV information. Consequently, such investments in funds are valued using the most recently available NAV for each fund. The most recently available fund NAV was as at: 31 July 2016 for 10.1% of Volta's GAV and as at 30 June 2016 for 0.8% of Volta's GAV.*

*** "Mark-to-market variation" is calculated as the Dietz-performance of the assets in each bucket, taking into account the Mark-to-Market of the assets at month-end, payments received from the assets over the period, and ignoring changes in cross currency rates. Nevertheless, some residual currency effects could impact the aggregate value of the portfolio when aggregating each bucket.*

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ABOUT VOLTA FINANCE LIMITED

Volta Finance Limited is incorporated in Guernsey under The Companies (Guernsey) Law, 2008 (as amended) and listed on Euronext Amsterdam and the London Stock Exchange's Main Market for listed securities. Volta's home member state for the purposes of the EU Transparency Directive is the Netherlands. As such, Volta is subject to regulation and supervision by the AFM, being the regulator for financial markets in the Netherlands.

Volta's investment objectives are to preserve capital across the credit cycle and to provide a stable stream of income to its shareholders through dividends. Volta seeks to attain its investment objectives predominantly through diversified investments in structured finance assets. The assets that the Company may invest in either directly or indirectly include, but are not limited to: corporate credits; sovereign and quasi-sovereign debt; residential mortgage loans; and, automobile loans. The Company's approach to investment is through vehicles and arrangements that essentially provide leveraged exposure to portfolios of such underlying assets. The Company has appointed AXA Investment Managers Paris an investment management company with a division specialised in structured credit, for the investment management of all its assets.

ABOUT AXA INVESTMENT MANAGERS

AXA Investment Managers (AXA IM) is a multi-expert asset management company within the AXA Group, a global leader in financial protection and wealth management. AXA IM is one of the largest European-based asset managers with €694 billion in assets under management as of the end of June 2015. AXA IM employs approximately 2,360 people around the world.

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Any target information is based on certain assumptions as to future events which may not prove to be realised. Due to the uncertainty surrounding these future events, the targets are not intended to be and should not be regarded as profits or earnings or any other type of forecasts. There can be no assurance that any of these targets will be achieved. In addition, no assurance can be given that the investment objective will be achieved.
