**Volta Finance Limited (VTA / VTAS) – October 2018 monthly report**

**NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES**

**\*\*\*\*\***

*Guernsey, 20 November 2018*

AXA IM has published the Volta Finance Limited (the “Company” or “Volta Finance” or “Volta”) monthly report for October. The full report is attached to this release and will be available on Volta’s website shortly (www.voltafinance.com).

**PERFORMANCE and PORTFOLIO ACTIVITY**

In October, Volta’s Estimated NAV\* total return performance was +1.3%, a strongly positive performance in a context of volatile credit and equity markets. A significant portion of this positive monthly performance (0.8%) was due to USD appreciation in October.

In October, almost all buckets contributed to performance as shown by the mark-to-market performances of Volta’s asset classes. In local currencies: +1.3% for Bank Balance Sheet Transactions; +1.0% for CLO Equity tranches; +0.6% for CLO Debt tranches; -2.7% for Cash Corporate Credit deals; and +1.1% for ABS.

In September, Volta converted a USD CLO warehouse facility into a CLO Equity position (USD13m was purchased) which settled in October. The holding period performance realised on this warehouse was 26.6%.

In October, another warehouse was converted into a CLO Equity position (€6.4m was purchased). It is too early to finalise the performance of this warehouse but it is expected to be in the 20% area again.

A new USD CLO warehouse was opened in October with an initial contribution of USD4m.

Overall, during the month the equivalent of €24.0m was amortized or reimbursed from previous deals and the equivalent of €17.3m was invested (representing various contributions to the existing warehouses and the purchase in the primary market of a USD5m position on a USD Middle Market CLO Equity position). On average and under market standard assumptions, the projected average IRR of all purchases was in the area of 14.5%.

We continue to pursue our investment strategy that consists in increasing the allocation to CLO Equity tranches in order to benefit from the structural optionality embedded with such positions (contrary to CLO debt positions). At the end of October, Volta’s CLO Equities represented 32.5% of GAV with a further 2.3% invested in CLO warehouses that will be converted into CLO Equity positions. Depending on the market situation, a target allocation in the area of 40% into CLO Equity positions seems reasonable for Volta.

In October, Volta generated the equivalent of €7.1m in interest and coupons net of repo costs (non-Euro amounts translated into Euro using end-of-month cross currency rates). This brings the total cash amount generated during the last six months in terms of interests and coupons to €19.3m.

As at the end of October 2018, Volta’s Estimated NAV was €306.7m or €8.39 per share. The GAV stood at €354.5m.

*\*It should be noted that approximately 9.2% of Volta’s GAV comprises investments 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 are valued using the most recently available NAV for each fund. The most recently available fund NAV was for 5.6% as at 30 September 2018 and for 3.6% as at 30 June 2018.*

*\*\* “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.*

**This announcement contains information that is inside information for the purposes of the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via Regulatory Information Service this inside information is now considered to be in the public domain.**

**CONTACTS**

**For the Investment Manager**

AXA Investment Managers Paris

Serge Demay

serge.demay@axa-im.com

+33 (0) 1 44 45 84 47

**Company Secretary and Administrator**

BNP Paribas Securities Services S.C.A, Guernsey Branch
[guernsey.bp2s.volta.cosec@bnpparibas.com](https://www.globenewswire.com/Tracker?data=8TYqe1zzDqrQV8m8k-fbuFfCPWcNVqXrTTQMy3Vw8CpoBFOGhqpPpexeVMzzK3ctUViX81WWkeuOxG9NHYG9jpMG8R0hD_N6-LtgNWE1arDUTmA3IXFWi7YN-Tx87SohQjtqLRvKjC0Xt9Uez6CGwy7YMZBDTJNaoPfIdb0fq48=" \t "_blank)
+44 (0) 1481 750 853

**Corporate Broker**
Cenkos Securities plc
Andrew Worne

Oliver Packard

Sapna Shah

+44 (0) 20 7397 8900

**\*\*\*\*\***

**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 766 investment professionals and €759 billion in assets under management as of the end of June 2018.

**\*\*\*\*\***

**This press release is distributed and published by AXA Investment Managers Paris (“AXA IM”), in its capacity as alternative investment fund manager (within the meaning of Directive 2011/61/EU, the “AIFM Directive”) of Volta Finance Limited (the "Volta Finance") whose portfolio is managed by AXA IM.**

**This press release is for information only and does not constitute an invitation or inducement to acquire shares in Volta Finance. Its circulation may be prohibited in certain jurisdictions and no recipient may circulate copies of this document in breach of such limitations or restrictions. This document is not an offer for sale of the securities referred to herein in the United States or to persons who are “U.S. persons” for purposes of Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or otherwise in circumstances where such offer would be restricted by applicable law. Such securities may not be sold in the United States absent registration or an exemption from registration from the Securities Act. Volta Finance does not intend to register any portion of the offer of such securities in the United States or to conduct a public offering of such securities in the United States.**

**\*\*\*\*\***

**This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The securities referred to herein are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents. Past performance cannot be relied on as a guide to future performance.**

**\*\*\*\*\***

**This press release contains statements that are, or may deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "anticipated", "expects", "intends", "is/are expected", "may", "will" or "should". They include the statements regarding the level of the dividend, the current market context and its impact on the long-term return of Volta Finance's investments. By their nature, forward-looking statements involve risks and uncertainties and readers are cautioned that any such forward-looking statements are not guarantees of future performance. Volta Finance's actual results, portfolio composition and performance may differ materially from the impression created by the forward-looking statements. AXA IM does not undertake any obligation to publicly update or revise forward-looking statements.**

**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.**

**The figures provided that relate to past months or years and past performance cannot be relied on as a guide to future performance or construed as a reliable indicator as to future performance. Throughout this review, the citation of specific trades or strategies is intended to illustrate some of the investment methodologies and philosophies of Volta Finance, as implemented by AXA IM. The historical success or AXA IM’s belief in the future success, of any of these trades or strategies is not indicative of, and has no bearing on, future results.**

**The valuation of financial assets can vary significantly from the prices that the AXA IM could obtain if it sought to liquidate the positions on behalf of the Volta Finance due to market conditions and general economic environment. Such valuations do not constitute a fairness or similar opinion and should not be regarded as such.**

 **Editor: AXA INVESTMENT MANAGERS PARIS, a company incorporated under the laws of France, having its registered office located at Tour Majunga, 6, Place de la Pyramide - 92800 Puteaux. AXA IMP is authorized by the *Autorité des Marchés Financiers* under registration number GP92008 as an alternative investment fund manager within the meaning of the AIFM Directive.**

**\*\*\*\*\***