



Volta Finance Limited (VTA) – September 2015 monthly report

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

Guernsey, 22 October 2015

PERFORMANCE

At the end of September 2015, the Estimated NAV of Volta Finance Limited (the “Company”, “Volta Finance” or “Volta”) was €293.0m or €8.02 per share, a decrease of €0.14 per share, or -1.7%, since the end of August 2015.

The YTD NAV performance for the 2015 calendar year, including the April dividend paid, stands at +8.6% as at the end of September.

The GAV stood at €337.4m at the end of September. The GAV has increased by €9.5m since the end of August, despite the decrease in Estimated NAV during the month, as Volta has borrowed a further USD15m under the repurchase agreement it has with Societe Generale. The total amount of debt raised by Volta through this repurchase agreement reached, at the end of September, USD45m (€40.3m). This additional sum enabled Volta to take advantage of some spread widening in September to purchase new assets.

MARKET REVIEW AND PORTFOLIO ACTIVITY

In September, credit markets were still digesting the spike in volatility that occurred amongst most equity markets in August. Credit spreads continued to widen and structured finance assets were not immune.

That said, the impact on structured finance markets in which Volta invests is still relatively modest as illustrated by the monthly performances that were observed: September mark-to-market variations* of Volta’s asset classes were: -0.7% for Synthetic Corporate Credit deals; -2.3% for CLO Equity tranches; -1.2% for CLO Debt tranches; -0.9% for Cash Corporate Credit deals; and, +1.5% for ABS.

In September, Volta purchased 3 assets: a Bank Balance Sheet transaction (Start 10), a USD equity piece of CLO (ACAS 2014-2 Sub) and the BB rated debt tranche of a USD CLO (ACAS 2015-2 E) for a total of €9.3m. Under reasonable hypotheses, the average projected yield for these 3 assets was close to 9.5%.

At the end of September, Volta could be considered as having approximately €10m to deploy.

In September, Volta received the equivalent of €1.7m in interest and coupons (non-Euro amounts translated into Euro using end-of-month cross currency rates) bringing the total cash amount received in terms of interest and coupons during the last six months to €14.7m.

In September 2015, no particular event materially impacted any of Volta’s assets. In Volta’s portfolio there are still some short-term instruments (some old debt tranches of CLOs mainly) that are very insensitive to the kind of volatility that was observed in August and September. This kind of situation is likely to be an opportunity to accelerate the rotation of the portfolio from these old debt assets into more sensitive assets that could be purchased at a lower price/ higher discount margin.

We continue to see opportunities in several structured credit sectors including mezzanine or equity tranches of CLOs, CMVs (Capitalized Manager Vehicles: structures that permit issuing CLOs satisfying the retention rule), RMBS tranches as well as tranches of Cash or Synthetic Corporate



Credit portfolios.

** "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.*

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 Portfolio Administrator

Sanne Group (Guernsey) Limited

voltafinance@sannegroup.com

+44 (0) 1481 739810

Liberum Capital Limited

Richard Bootle

Jonathan Wilkes-Green

+44 (0) 20 3100 2222

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 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.

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. The company 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.



VOLTA FINANCE

Limited

This press release contains statements that are, or may be 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'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. Volta Finance 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.
