

MONTHLY REPORT

Volta Finance Ltd



February 2016

Data as at 29 February 2016

Gross Asset Value	€310.3m
Estimated liabilities	€44.1m
Estimated NAV	€266.2m
Estimated NAV per share	€7.29
Outstanding Shares	36.5m
Share Price (Euronext)	€5.81
Share Price (LSE)	€5.87
Tickers	VTA.NA VTA.LN
ISIN	GG00B1GHHH78

Fund Facts

Launch Date	Dec-2006
Fund Domicile	Guernsey
Listing and Trading	AEX LSE
Type of Fund	Closed-ended
Dividend	Semi-annual
Trailing 12m Div. Yield	10.7%
Base currency	EUR
Assets types	Corporate Credit and ABS

Background and Investment Objective

AXA Investment Managers Paris has been the Investment Manager of Volta Finance Limited ("Volta") since inception. 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. For this purpose, it pursues a multi-asset investment strategy on deals, vehicles and arrangements that provide leveraged exposure to target Underlying Assets (including corporate credit, residential and commercial mortgages, auto and student loans, credit card and lease receivables). Based on this strategy, **it targets a 9-11% p.a. total return***** over a credit cycle.

Fund Performance

+9.1%
Annualised since inception*

+19.7%
Annualised over 5 years*

-2.9%
1 month**

€266.2m
Estimated NAV as of Feb-16

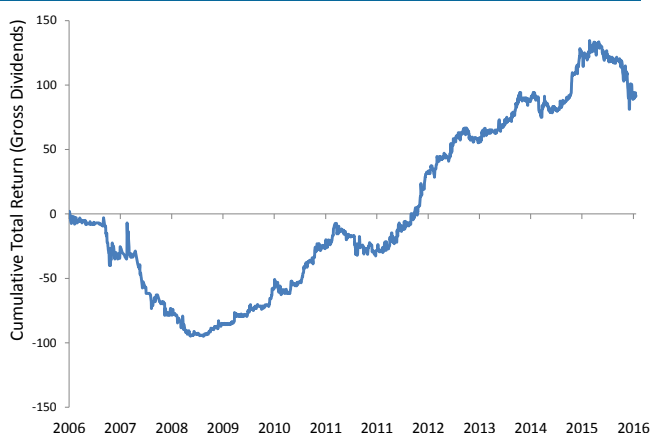
Returns**	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016	-4.0%	-2.9%											-6.8%
2015	3.7%	1.3%	3.1%	1.7%	1.6%	-0.7%	0.1%	-0.6%	-1.7%	0.1%	1.1%	0.2%	10.1%
2014	2.7%	-1.6%	0.8%	0.7%	1.5%	0.7%	1.3%	1.3%	2.4%	0.4%	1.7%	0.3%	12.4%
2013	3.6%	1.5%	2.5%	0.1%	4.1%	-0.7%	3.1%	2.0%	0.7%	2.4%	2.9%	1.3%	25.3%
2012	0.2%	6.0%	11.9%	-2.1%	5.4%	0.0%	4.2%	6.7%	5.4%	4.2%	2.0%	0.5%	51.9%

*Share(VTA.NA) performance (annualised figures with dividends re-invested). Source: Bloomberg (TRA function)

** Performance of published Estimated NAV

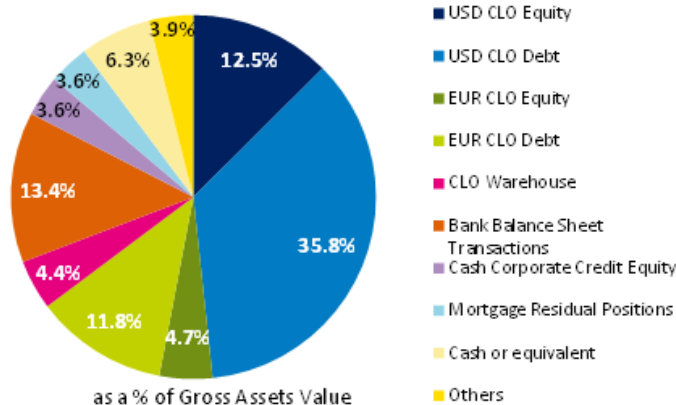
***The target total return is indicative and provided for information purposes only. No representation is made by AXA IM or Volta Finance Limited that such target return will be achieved. Actual results may vary and the variations may be material

Historical Performance



Source: Bloomberg (TRA function) as of February-2016

Asset Breakdown



Source: AXA IM, as of February-2016

Monthly Commentary

In the very last days of February 2016, credit markets rebounded significantly after several months of negative performance, although this was not reflected in the market values of many of our assets as at 29 February 2016. It is worth mentioning that at the end of February, the sole warehouse position held by Volta was negatively impacted by the February drop in European loan prices. However, the CLO priced successfully on 17 March 2016 (the first European CLO to be priced for several weeks) and will close at the end of March with the warehoused loan portfolio being transferred to the CLO at acquisition cost, far above the end of February market prices. This should contribute a positive impact of 1.4% to the end of March Estimated NAV.

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.

Performance

At the end of February 2016, the Estimated NAV of Volta Finance Limited (the "Company", "Volta Finance" or "Volta") was €266.2m or €7.29 per share, a decrease of €0.22 (or -2.9%) per share from the Estimated NAV as at 31 January 2016.

This negative performance for February was mainly caused by the decline in prices of CLO debt and equity tranches.

In February, mark-to-market variations* of Volta's asset classes were: +0.0% for Synthetic Corporate Credit deals; -3.3% for CLO Equity tranches; -4.0% for CLO Debt tranches, -0.6% for Cash Corporate Credit deals; and, -0.1% for ABS.

Portfolio Activity

In February, Volta received the equivalent of €2.0m 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 €16.1m.

In February, Volta sold one European debt tranche of CLO for €1.8m and purchased four USD CLO debt tranches for a total of €11.2m. All these tranches were BB tranches of recent CLO deals and were purchased with an average projected yield of 12.0%, under reasonable and standard assumptions.

Portfolio Composition by Asset Type

Market Value (€m)		Breakdown of Gross Asset Value (% GAV)	
CLO	214.7	USD CLO Equity	12.5%
		USD CLO Debt	35.8%
		EUR CLO Equity	4.7%
		EUR CLO Debt	11.8%
		CLO Warehouse	4.4%
Synthetic Corporate Credit	41.5	Synthetic Corporate Credit Equity	0.0%
		Bank Balance Sheet Transactions	13.4%
Cash Corporate Credit	15.3	Cash Corporate Credit Equity	3.6%
		Cash Corporate Credit Debt	1.3%
ABS	19.3	Mortgage Residual Positions	3.6%
		ABS Debt	2.6%
Cash or equivalent	19.5	Cash or equivalent	6.3%
GAV	310.3		
Liability	(41.6)	Debt from Repurchase Agreement	(13.4)%
Fees due	(2.5)	Fees due to Investment Manager	(0.8)%
Estimated NAV	266.2	Per Share	7.29

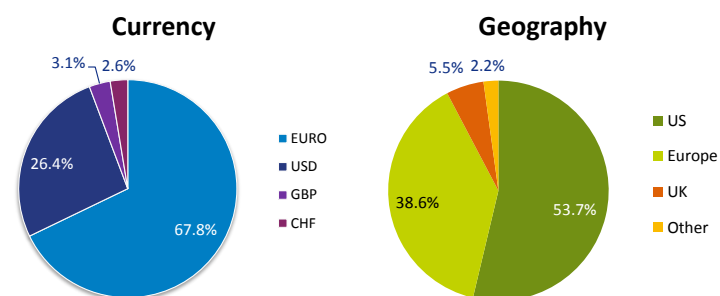
Source: AXA IM, as of February-2016

Top 10 Underlying Exposures

Issuer	%	Bloomberg Industry Group
First Data	0.98	Software
Altice Financing	0.95	Media
Ineos Group	0.71	Chemicals
Ziggo	0.70	Telecommunications
Valeant Pharmaceuticals	0.61	Pharmaceuticals

Cash or cash equivalent instruments at the end of January totalled €19.5m. The cash flows received from our assets have increased in the recent months and should continue to do so as we start seeing the benefit of the rotation that took place and will continue to take place from old and low-spread debt assets into recent and higher-spread debt assets.

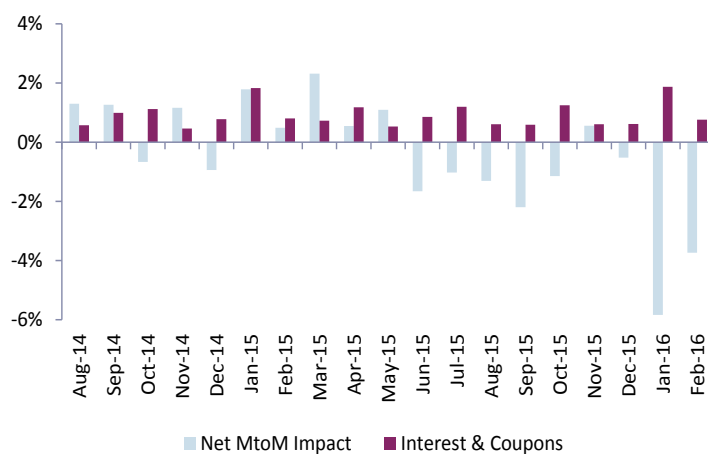
Currency and Geography exposures (%)



Source: AXA IM, as of February-2016 (% of NAV for ccy / % of GAV for geography)

* "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.

Last Eighteen Months Performance Attribution



Source: AXA IM, as of February-2016

Source: Intex, Bloomberg, AXA IM Paris as of March 24 2016 – unaudited figures - not accounting for unsettled trades nor warehouses. Figures expressed in % of the Estimated NAV

Important Information

It should be noted that approximately 9.6% 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. As at 29 February 2016, the most recently available fund NAV was as at: 31 January 2016 for 4.3% of Volta's GAV; 31 December 2015 for 4.8% of Volta's GAV; and as at 30 September 2015 for 0.5% of Volta's GAV.

This monthly report is distributed and published by Volta Finance Limited (the "Company") and is intended only for the person to whom it has been delivered. By obtaining access to and reviewing this monthly report, you acknowledge and agree to be bound by the following: No part of this document may be reproduced in any manner without the prior written permission of the Company. This monthly report does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares or other securities of the Company whose portfolio is managed by AXA Investment Managers Paris (the "Investment Manager"), or securities of any other entity (together, the "Securities"). The Securities described in this monthly report may not be eligible for sale in some states or countries and may not be suitable for all types of investors. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. Securities in the Company may not be offered or sold directly or indirectly into the United States or to U.S. Persons. Nor shall this monthly report or any part of it nor the fact of its distribution or publication (on the Company's website or otherwise) form the basis of, or be relied on in connection with, any contract or investment decision in relation to the Securities. This monthly report does not constitute a recommendation to buy, sell or hold the Securities. The information contained herein is for information purposes only, does not purport to contain all the information that may be required to evaluate the Company or any other entity or their respective financial positions. This monthly report speaks only as of its date and neither the Company nor the Investment Manager is under any obligation to update the information contained herein. Certain information and estimates contained herein are originated by or derived from third parties and the accuracy and completeness of such information and estimates has not been verified. It should also be noted that the financial information contained herein has not been audited. No representation or warranty whatsoever, whether express or implied, is given by or on behalf of the Company, the Investment Manager, their affiliates, or their respective directors, officers or employees or any other person as to (a) the accuracy or completeness of the information or (b) the opinions contained in this monthly report. None of the Company, the Investment Manager, any of their affiliates, or their respective directors, officers or employees or any other person accepts any liability whatsoever for any such information or opinions. Nothing contained herein shall be relied upon as a promise or representation whether as to past or future performance of the Company, any other entity, any Securities or any asset class in the Company's portfolio. No statement in this monthly report is intended to be nor may be construed as a profit forecast and there can be no assurance that the assumptions described herein, the returns and targets (including without limitation target portfolio composition) indicated herein will be achieved. The views and opinions expressed herein include forward-looking statements which may or may not be accurate. Forward-looking statements can be identified by words like "believe", "expect", "anticipate", or similar expressions. You should not place undue reliance on forward-looking statements, which are current as of the date of this report. We disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. The valuation of financial assets can vary significantly from the prices that the Company could obtain if it sought to liquidate the positions 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. They follow the valuation policy of the Company as adapted from time to time in the best interests of the shareholders, taking into account the conditions of financial markets at that time.

Volta qualifies as an investment institution within the meaning of the Alternative Investment Fund Managers Directive and is notified as such under the licence held by AXA IM with the Autorité des Marchés Financiers (the "AMF") in France.

Contact:

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