



VOLTA FINANCE – JANUARY MONTHLY REPORT

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Guernsey, 23 February 2015 – 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 Finance Limited’s financial website (www.voltafinance.com).

Gross Asset Value

	At 30.01.15	At 31.12.14
Gross Asset Value (GAV / € million)	289.1	280.0
GAV per share (€)	7.92	7.67

PERFORMANCE

At the end of January 2015, the Gross Asset Value* (the “GAV”) of Volta Finance Limited (the “Company”, “Volta Finance” or “Volta”) was €289.1 m or €7.92 per share, an increase of €0.25 per share or 3.3% since the end of December 2014 GAV. This is an encouraging start to the year following a gain of 12.4% for 2014 (including the April & December dividends).

The January mark-to-market variations* of Volta’s asset classes were: -0.9% for Synthetic Corporate Credit deals, -0.4% for CLO Equity tranches; +0.8% for CLO Debt tranches, +1.6% for Cash Corporate Credit deals and +0.2% for ABS. The positive performance of Volta in January is in line with stable credit markets and with the significant appreciation of the USD against Euro. At 31st January 2015 Volta had 43.5% net exposure to the US Dollar, accounting for the impact of currency hedging.

Volta’s assets generated the equivalent of €5.7m cash flows in January 2015 (non-Euro amounts converted to Euro using end-of-month cross currency rates and excluding principal payments from debt assets) bringing the total cash generated during the last six months to €18.1m.

The significant increase in the 6-month rolling cash flows is due to:

- a one-off payment of interest from the warehouse that closed in January
- the fact that the most recent purchases made in the first half of 2014 have now started paying their cash flow
- continued strong cash flows from the CLO 1.0 equity positions as prepayment rates have slowed down during the last 3 to 4 months especially in the US loan market.

In January, Volta invested the equivalent of €6.5m in 2 tranches: the B and the equity tranche of a new USD CLO. Altogether, these two positions have an expected performance circa 10%.

During the month, Volta received the final payments (interest and principal) of the CLO warehouse priced in December and closed in January, as well as the equivalent of €2m for two CLO debt tranches that were called.

At the end of January, Volta held €14.1m in cash, excluding €6.0m pledged as margin under its currency hedging facilities and the €6.5m invested in January but not yet settled as of the end of the month. Presently, taking into account unsettled commitments, Volta can be considered as almost fully invested. As a result of the last 6 month’s performance, an estimated €3.2m performance fee is provisioned in the GAV.



MARKET ENVIRONMENT

In January 2015, credit market spreads lacked any clear direction although European markets slightly outperformed the US thanks to the announcement of Quantitative Easing from the ECB. The 5 year iTraxx European Main index and 5 year iTraxx European Crossover Index (series 22) spreads decreased modestly from 63 and 345 bps at the end of December 2014 to 60 and 323 bps at the end of January 2015. In the US, in the opposite vein, the 5y CDX main index (series 23) widened from 66 to 70 bps. According to the CSFB Leverage Loan Index, the average price for US liquid first lien loans decreased modestly from 96.28% at the end of December 2014 to 96.12% at the end of January 2015. In Europe, the price of the S&P European Leveraged Loan Index increased modestly from 96.38% to 96.54%. **

VOLTA FINANCE PORTFOLIO

In January 2015, no particular event materially impacted any of Volta's assets.

We continue to see opportunities in several structured credit sectors including mezzanine or equity tranches of CLOs, RMBS tranches as well as tranches of Cash or Synthetic Corporate Credit portfolios.

SHARE PRICE PERFORMANCE

Recent share price performance has been encouraging, with the shares rallying from around €6.25 to around €6.90 by late February. Strong buying interest has been seen from a range of existing and new investors. As a result, the share price discount has narrowed to approximately 12% relative to GAV. However, the discount remains markedly wider than the Company's London listed peers.

As recently announced, the Company's listing on the London Stock Exchange is anticipated to occur in May 2015.

** "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.*

*** Index data source: Markit, Bloomberg.*

(Full monthly report in attachment or on www.voltafinance.com)

ABOUT VOLTA FINANCE LIMITED

Volta Finance Limited is incorporated in Guernsey under The Companies (Guernsey) Law, 2008 (as amended) and listed on NYSE Euronext Amsterdam. Its investment objectives are to preserve capital and to provide a stable stream of income to its shareholders through dividends. For this purpose, it pursues a multi-asset investment strategy targeting various underlying 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; automobile loans. Volta Finance Limited's basic approach to its underlying assets is through vehicles and arrangements that provide leveraged exposure to some of those underlying assets.

Volta Finance Limited 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 €607 billion in assets under management as of the end of September 2014. AXA IM employs approximately 2,300 people around the world and operates out of 21 countries.

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