



VOLTA FINANCE – NOVEMBER MONTHLY REPORT

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Guernsey, 19 December 2014 – 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 28.11.14	At 31.10.14
Gross Asset Value (GAV / € million)	290.2	285.4
GAV per share (€)	7.95	7.82

At the end of November 2014, the Gross Asset Value* (the “GAV”) of Volta Finance Limited (the “Company”, “Volta Finance” or “Volta”) was €290.2 m or €7.95 per share, an increase of €0.13 per share from the end of October 2014.

This brings the performance for the first 11 months of 2014 to +12.1% including the April dividend payment.

It is worth noting that, at the date of publishing this report, Volta shares trade post dividend payment. A post-dividend-payment GAV would have been €7.65 per share (€30 cents dividend was paid the 9th of December).

The November mark-to-market variations* of Volta’s asset classes were: 0.0% for Synthetic Corporate Credit deals, -0.1% for CLO Equity tranches; +0.8% for CLO Debt tranches, +5.6% for Cash Corporate Credit deals and +0.7% for ABS. The positive performance of Volta in November is in line with the tightening of credit market spreads during the month. However it should be noticed that credit markets suffered during the first 3 weeks of December.

Volta’s assets generated the equivalent of €1.9m cash flows in November 2014 (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 €15.6m.

In November, Volta made two investments (a BB tranche of a new USD CLO and a European CLO Warehouse) for the equivalent of €11.5m (€7.125m was settled in relation with the new warehouse from a total commitment of €19m). Under standard assumptions the CLO debt tranche is expected to have an IRR close to 9%, the warehouse is expected to have an IRR between 13 and 17%. During the month, Volta sold 4 debt tranches of CLO (2 in USD, 2 in Euro) for the equivalent of €12.8m. These asset were sold with projected IRR near to 4%.

At the end of November, Volta held €13.0m in cash. Taking account of unsettled commitments as well as the dividend payment to be made in December, Volta can be considered as being fully invested as of the end of November.

MARKET ENVIRONMENT

In November 2014, credit market spreads tightened both in Europe and in the US : the 5 year iTraxx European Main index and 5 year iTraxx European Crossover Index (series 22) spreads went respectively from 65 and 354 bps at the end of October 2014 to 58 and 319 bps at the end of November 2014. In the US, in the same vein, the 5y CDX main index (series 23) tightened from 64 to



61 bps. According to the CSFB Leverage Loan Index, the average price for US liquid first lien loans was as well increasing from 97.61% at the end of October 2014 to 97.78% at the end of November 2014. In Europe, the price of the S&P European Leveraged Loan Index increased from 97.35% to 97.51%. **

During the first 3 weeks of December all the spread compression/price increase detailed above reverted and at the time of writing this report spread are wider than what they were at the end of October.

VOLTA FINANCE PORTFOLIO

In November 2014, no particular event materially impacted any of Volta's assets.

Regarding the CLO warehouse Volta invested in during June, it is worth mentioning that the CLO priced the 18th of December with an expected closing the 21st of January.

However, at a point in time at which most of people investing in credit markets are questioning their exposure to the Oil and Gas sub-sectors it worth mentioning the following points :

- Energy sector (most of it is Oil&Gas producers or servicers) represents 4 to 4.5% of the loan market outstanding (depending on which index you looked at). The same sector represents 13 to 15% of the High Yield Bond market;
- Looking through all the USD CLO positions owned by Volta, the underlying exposures to Oil&Gas is in the area of 2.4%, considering the latest trustee reports available at the end of November.

When purchasing CLO tranches for Volta we do expect default to occur in the underlying loan portfolios. Considering the weight of the Oil&Gas sub-sector in the CLOs held by Volta an increase of the default rate for this sub-sector shouldn't have direct material consequences.

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.

** "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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