

MONTHLY REPORT

Volta Finance Ltd



Data as at 31 May 2016

Gross Asset Value	€317.0m
Estimated liabilities	€41.9m
Estimated NAV	€275.1m
Estimated NAV per share	€7.53
Outstanding Shares	36.5m
Share Price (Euronext)	€6.87
Share Price (LSE)	€6.85
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 ⁴	9.0%
Base currency	EUR
Assets types	Corporate Credit and ABS

Background and Investment Objective

AXA Investment Managers Paris ("AXA IM") 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, Volta 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, **Volta targets a 9-11% p.a. total return³** over a credit cycle.

Fund Performance

+11.4%
Annualised since inception¹

+22.3%
Annualised over 5 years¹

+1.3%
1 month²

€275.1m
Estimated NAV as of May-16

Returns ²	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016	-4.0%	-2.9%	4.2%	2.0%	1.3%								0.3%
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%

¹ Share (VTA.NA) performance (annualised figures with dividends re-invested). Source: Bloomberg (TRA function)

² Performance of published Estimated NAV (including dividend payments)

³ The target total return is indicative and provided for information purposes only. No representation is made by AXA IM or Volta that such target return will be achieved. Actual results may vary and the variations may be material

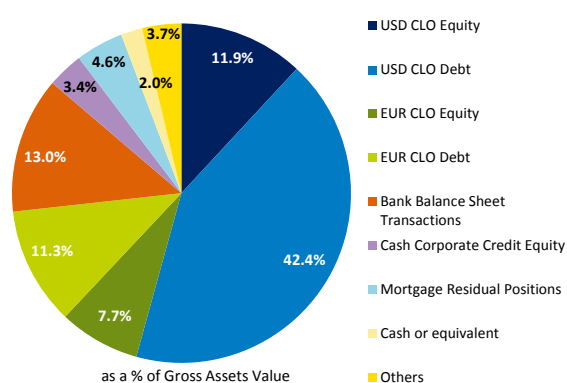
⁴ Calculated as the most recent annual dividend payments versus the month-end share price (VTA.NA)

Historical Performance



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

Asset Breakdown



Source: AXA IM, as of May-2016

Monthly Commentary

In May Volta's Estimated NAV performed 1.3% in line with broader credit and equity markets in which there were no particularly strong trends as some uncertainties were coming over a possible Brexit.

Volta sold three assets (2 Euro and 1 USD CLO debt tranches) for a total of €6.7m and purchased four assets (one Swiss bank balance sheet transaction, two USD CLO debt tranches, and one Euro ABS residual position) for a total of €14.9m. The average projected yield of the purchased assets was 9.3% using standard market assumptions.

In detail, at the end of May 2016, Volta's Estimated NAV* was €275.1m or €7.53 per share. The GAV stood at €317.0m at the end of May 2016.

In May, mark-to-market variations** of Volta's asset classes were: -0.4% for Synthetic Corporate Credit deals; +2.7% for CLO Equity tranches; -0.6% for CLO Debt tranches, +0.1% for Cash Corporate Credit deals; and, -0.1% for ABS.

In May, Volta generated 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 generated in terms of interest and coupons during the last six months to €18.8m.

Cash holdings or cash equivalent instruments at the end of May totaled €6.4m and therefore the Company was largely fully invested. AXA IM expects to continue to rotate the portfolio from its old positions to more recently issued deals in order to increase the projected yield of the portfolio.

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.

SHARE PRICE

The share price has seen a strong rally in recent months, reflecting both improving conditions in the credit markets and increasing investor awareness of the Company. This has seen the discount to NAV narrow to around 9% from nearly 20% just a few months ago.

There has also been a notable increase in trading volumes in recent weeks, combined with a shift in volume to the London listing from Euronext.

Portfolio Composition by Asset Type

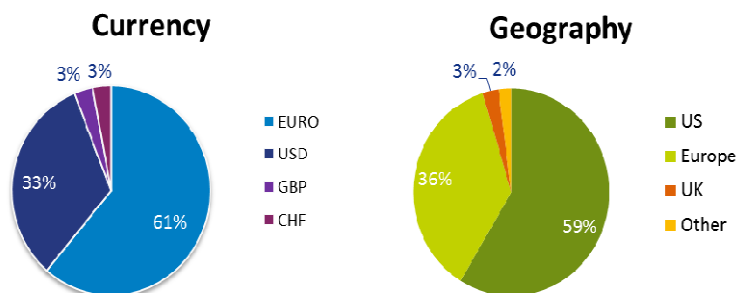
Market Value (€m)		Breakdown of Gross Asset Value (% GAV)	
CLO	232.3	USD CLO Equity	11.9%
		USD CLO Debt	42.4%
		EUR CLO Equity	7.7%
		EUR CLO Debt	11.3%
		CLO Warehouse	0.0%
Synthetic Corporate Credit	41.1	Synthetic Corporate Credit Equity	0.0%
		Bank Balance Sheet Transactions	13.0%
Cash Corporate Credit	14.8	Cash Corporate Credit Equity	3.4%
		Cash Corporate Credit Debt	1.2%
ABS	22.3	Mortgage Residual Positions	4.6%
		ABS Debt	2.5%
Cash or equivalent	6.5	Cash or equivalent	2.0%
GAV	317.0		
Liability	(40.6)	Debt from Repurchase Agreement	(12.8)%
Fees due	(1.3)	Fees due to Investment Manager	(0.4)%
Estimated NAV	275.1	Per Share	7.53

Source: AXA IM, as of May-2016

Top 10 Underlying Exposures

Issuer	%	Bloomberg Industry Group
First Data	1.13	Software
Ineos Group	0.94	Chemicals
Ziggo	0.93	Telecommunications
Community Health Systems	0.85	Healthcare-Services
Valeant Pharmaceuticals	0.81	Pharmaceuticals

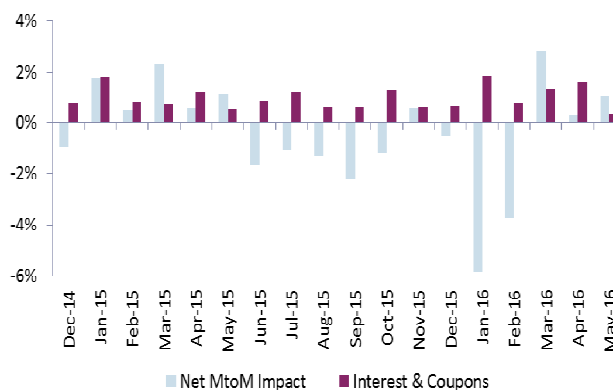
Currency and Geography exposures (%)



Source: AXA IM, as of May-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 May-2016

Issuer	%	Bloomberg Industry Group
Alice Financing	0.69	Media
Berry Plastics Group	0.59	Packaging & Containers
Charter Communications	0.58	Media
Aramark	0.56	Food Service
Cablevision Systems	0.56	Media

Source: Intex, Bloomberg, AXA IM Paris as of May 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 11.6% 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. The most recently available fund NAV was as at: 29 April 2016 for 9.2% of Volta's GAV and as at 31 March 2016 for 2.4% of Volta's GAV.

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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.

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