

MONTHLY REPORT

Volta Finance Ltd



August 2016

Data as at 31 August 2016

Gross Asset Value	€338.4m
Estimated liabilities	€42.8m
Estimated NAV	€295.6m
Estimated NAV per share	€8.09
Outstanding Shares	36.5m
Share Price (Euronext)	€7.08
Share Price (LSE)	€7.05
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 ³	8.8%
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).

Fund Performance

+11.4%	27.1%
Annualised since inception ¹	Annualised over 5 years ¹
2.8%	€295.6m
1 month ²	Estimated NAV as of August-16

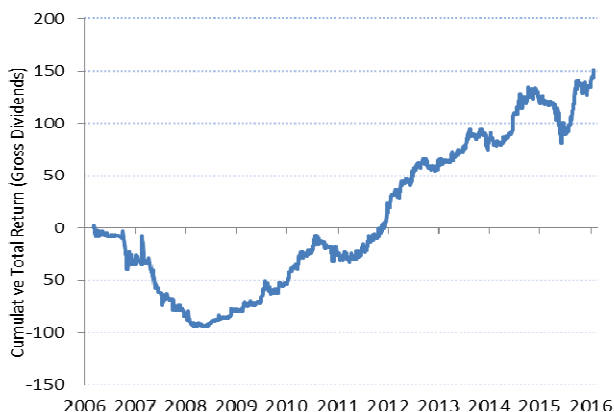
Returns ²	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016	-4.0%	-2.9%	4.2%	2.0%	1.3%	-0.9%	5.5%	2.8%					7.4%
2015	3.7%	1.3%	3.1%	1.7%	1.6%	-0.7%	0.1%	-0.6%	-1.7%	0.1%	1.1%	0.1%	10.0%
2014	2.7%	-1.6%	0.8%	0.7%	1.5%	0.7%	1.3%	1.3%	2.4%	0.4%	1.7%	0.3%	12.4%
2013	3.6%	1.5%	2.5%	0.1%	4.1%	-0.7%	3.1%	2.0%	0.7%	2.4%	2.9%	1.3%	25.3%
2012	5.1%	6.0%	11.9%	-2.1%	5.4%	0.0%	4.2%	6.7%	5.4%	4.2%	2.0%	0.5%	56.8%

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

² Performance of published Estimated NAV (including dividend payments)

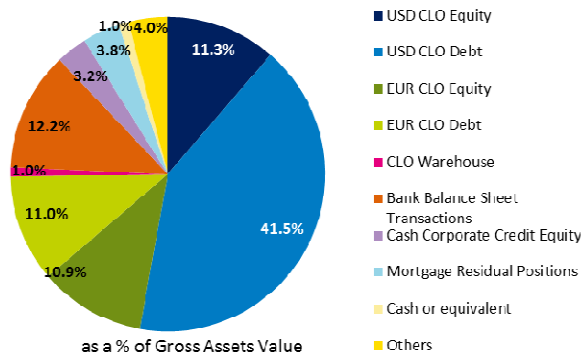
³ Calculated as the most recent annual dividend payments versus the month-end share price (VTA.NA)

Historical Performance



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

Asset Breakdown



Source: AXA IM, as of August-2016

Monthly Commentary

In August, Volta's Estimated NAV gained 2.8% in line with the modest positive performance in most credit and equity markets.

As at the end of August, the YTD NAV performance is 7.4%, including the April dividend payment. Volta expects to produce a performance in the area of 10% for this year, after 10.0% in 2015 and 12.4% in 2014.

In August, Volta purchased one USD CLO Equity in the secondary market and signed for a new European CLO warehouse. A total of the equivalent of €5.2m was invested in these two positions (only one third of the total commitment for the warehouse was drawn). On average and based on standard market assumptions, these purchases have an expected yield of close to 11.5%. During the month no position was sold or amortised.

At the end of August 2016, Volta's Estimated NAV* was €295.6m or €8.09 per share. The GAV stood at €338.4m.

In August, mark-to-market variations** of Volta's asset classes were: +1.6% for Synthetic Corporate Credit deals; +2.4% for CLO Equity tranches; +3.1% for CLO Debt tranches, +4.4% for Cash Corporate Credit deals; and, +3.3% for ABS.

In August, Volta generated the equivalent of €1.4m 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 €17.3m.

Cash holdings or cash equivalent instruments at the end of August totaled €3.4m (after reductions for some trades unsettled at the end of August) and therefore the Company can be considered as fully invested. Considering the significant rally that occurred on CLO debt tranches during the summer, AXA IM expects to sell some of its old positions and buy more recently issued deals in order to increase the projected yield of the portfolio. As at the end of August, the weighted average life (WAL) of Volta assets is close to 3.5 years. Volta still has some room to extend both the WAL and the yield of our portfolio.

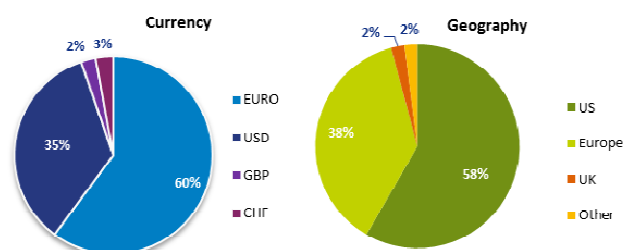
AXA IM continues to see opportunities in several structured credit sectors including mezzanine and equity tranches of CLOs, RMBS tranches and tranches of Cash Corporate Credit and Synthetic Corporate Credit portfolios.

DIVIDEND CURRENCY ELECTION – CURRENCY CONVERSION RATE

Regarding the dividend of €0.15 per share payable on 27 September 2016, the currency conversion rate for those Shareholders who elected to receive pounds sterling will be 0.85121 pounds sterling per euro, based on the foreign currency exchange rate as at 18:00 (UK time) on 13 September 2016. Consequently, the applicable pounds sterling dividend rate is £0.1276815 per share.

** "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.

Currency and Geography exposures (%)



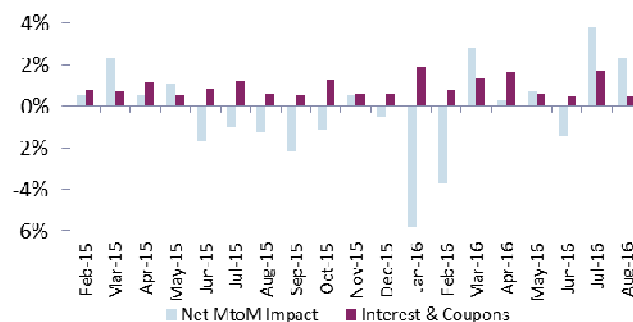
Source: AXA IM, as of August-2016 (% of NAV for ccy / % of GAV for geography)

Portfolio Composition by Asset Type

Market Value (€m)		Breakdown of Gross Asset Value (% GAV)	
CLO	256.2	USD CLO Equity	11.3%
		USD CLO Debt	41.5%
		EUR CLO Equity	10.9%
		EUR CLO Debt	11.0%
		CLO Warehouse	1.0%
Synthetic Corporate Credit	41.4	Synthetic Corporate Credit Equity	0.0%
		Bank Balance Sheet Transactions	12.2%
Cash Corporate Credit	15.0	Cash Corporate Credit Equity	3.2%
		Cash Corporate Credit Debt	1.2%
ABS	22.4	Mortgage Residual Positions	3.8%
		ABS Debt	2.8%
Cash or equivalent	3.4	Cash or equivalent	1.0%
GAV	338.4		
Liability	(40.5)	Debt from Repurchase Agreement	(12.0)%
Fees due	(2.3)	Fees due to Investment Manager	(0.7)%
Estimated NAV	295.6	Per Share	8.09

Source: AXA IM, as of August-2016

Last Eighteen Months Performance Attribution



Source: AXA IM, as of August-2016

Top 10 Underlying Exposures

Issuer	%	Bloomberg Industry Group
First Data	0.81	Software
Ineos Group	0.77	Chemicals
Ziggo	0.71	Telecommunications
Community Health Systems	0.68	Healthcare-Services
Valeant Pharmaceuticals	0.55	Pharmaceuticals

Issuer	%	Bloomberg Industry Group
Altice Financing	0.51	Telecommunications
TransDigm	0.50	Aerospace/Defense
Dell International	0.48	Household Products
Calpine	0.39	Utilities
Springer Science & Business	0.39	Media

Source: Intex, Bloomberg, AXA IM Paris as of August 2016 – unaudited figures - not accounting for unsettled trades Figures expressed in % of the Estimated NAV

Important Information

- It should be noted that approximately 10.9% 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: 31 July 2016 for 10.1% of Volta's GAV and as at 30 June 2016 for 0.8% 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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