



## VOLTA FINANCE – AUGUST MONTHLY REPORT

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Guernsey, 23 September 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](http://www.voltafinance.com)).

### Gross Asset Value

	At 31.07.14	At 29.08.14
Gross Asset Value (GAV / € million)	274.0	277.8
GAV per share (€)	7.51	7.61

At the end of August 2014, the Gross Asset Value\* (the “GAV”) of Volta Finance Limited (the “Company”, “Volta Finance” or “Volta”) was €277.8 m or €7.61 per share, an increase of €0.10 per share from the end of July 2014.

This brings the performance for the first 8 months of 2014 to +7.5% including the April dividend payment.

The August mark-to-market variations\* of Volta’s asset classes have been: +0.9% for Synthetic Corporate Credit deals, +1.9% for CLO Equity tranches; +0.7% for CLO Debt tranches, -0.4% for Cash Corporate Credit deals and +3.8% for ABS. The positive performance of Volta in August is in line with positive credit markets in August and is also due to the depreciation of the Euro against USD and GBP.

Volta’s assets generated the equivalent of €1.7m cash flows in August 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 August, Volta made no new investment but the equivalent of €14.6m was settled from previous trades and commitments

At the end of August, Volta held €4.7m in cash excluding payments to be settled in the coming weeks.. Taking into account unsettled commitment (€4m committed in the CESL Fund), Volta can be considered very close to be fully invested. It can be mentioned, however, than one of the Bank Balance Sheet Transaction (Alpine Taurus; €2m principal) is going to be called at par and one of the Synthetic Corporate Credit debt (Dryden XVII; USD4m principal) is going to be reimbursed, both in September.

### MARKET ENVIRONMENT

In August 2014, credit markets spread tightened, reversing the widening observed in July both in Europe and in the US : the 5 year iTraxx European Main index and 5 year iTraxx European Crossover Index (series 21) spreads went respectively from 65 and 264 bps at the end of July 2014 to 60 and 242 bps at the end of August 2014. In the US, in the same vein, the 5y CDX main index (series 22) tightened from 64 to 57 bps. According to the CSFB Leverage Loan Index, the average price for US liquid first lien loans was roughly unchanged from 98.65% at the end of July 2014 to 98.59% at the end of August 2014. In Europe, the price of the S&P European Leveraged Loan Index increased from 95.12% to 95.28%. \*\*



## **VOLTA FINANCE PORTFOLIO**

In August 2014, no particular event materially impacted any of Volta's assets. The CLO warehouse we invested in during June has been fully drawn (USD20m) and is expected to lead to a pricing of the CLO in October and a following closing (terminating the warehouse) 4 weeks after.

We continue seeing 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](http://www.voltafinance.com))

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## **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 €553 billion in assets under management as of the end of December 2012. AXA IM employs approximately 2,450 people around the world and operates out of 21 countries.

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