



VOLTA FINANCE – DECEMBER MONTHLY REPORT

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Guernsey, 17 January 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 31.12.13	At 29.11.13
Gross Asset Value (GAV / € million)	266.8	270.0
GAV per share (€)	7.36	7.57

At the end of December 2013, the Gross Asset Value* (the “GAV”) of Volta Finance Limited (the “Company”, “Volta Finance” or “Volta”) was €266.8 m or €7.36 per share, a decrease of €0.21 per share from the end of November 2013 after the payment of €0.31 per share in December. Including the dividend payment it reflects a +1.2% monthly performance.

For 2013, the performance is +25.3%.

The December mark-to-market variations* of Volta’s asset classes have been: +0.8% for Synthetic Corporate Credit deals, +2.9% for CLO Equity tranches; +0.7% for CLO Debt tranches, -2.1% for Cash Corporate Credit deals and +2.0% for ABS. The positive performance of assets in December is explained by positive credit markets as well as by ongoing payments from the assets.

Volta’s assets generated the equivalent of €1.8m cash flows in December 2013 (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 €15.2m compared with €16.0m for the previous six-month period ended in June 2013.

In December, the Company purchased 3 assets for the equivalent of €14.1m from which €10.5m will be settled in February 2014 (1 equity CLO position and 2 debts of CLOs) and unwound one synthetic position for €4.8m. Under standard assumptions the average projected IRR of these purchases was 9.1%, the projected IRR on the unwound position was 2.3%.

At the end of December, Volta held €19.1m in cash, including €0.3m in relation to the Liquidity Enhancement Contract and excluding €0.4m paid in relation to its currency hedge and T-Notes positions. Volta could be considered to have €7m available to invest when considering the need to finance the already known €10.5 late settlement.

MARKET ENVIRONMENT

In December 2013, credit spreads pursued their tightening in Europe and in the US. The 5 year iTraxx European Main index and 5 year iTraxx European Crossover Index (series 20) spreads went respectively, from 79 and 320 bps at the end of November 2013 to 70 and 286 bps at the end of December 2013. During the same period, credit spreads in the US, as illustrated by the 5y CDX main index (series 21) went from 70 to 62 bps. According to the CSFB Leverage Loan Index, the average price for USA liquid first lien loans increased from 98.44% at the end of November 2013 to 98.54% at the end of December 2013. In Europe, the price of the S&P European Leveraged Loan Index increased from 95.15% to 95.27% at the end of December 2013.**



VOLTA FINANCE PORTFOLIO

In December 2013, no particular event materially affected the situation of the Synthetic Corporate Credit deals.

Regarding the Cash Corporate Credit Deals, no particular event or information materially affected the situation of the positions in this bucket during the month.

Regarding the Company's investments in Equity or Debt tranches of CLOs, in December 2013, no particular event materially affected the situation of the positions in this bucket. All the positions are currently paying coupons.

Regarding the Company's ABS investments, no particular event affected the situation of these investments.

The Company considers that opportunities could arise in several structured credit sectors in the current market environment. Amongst others, mezzanine or equity tranches of CLOs, RMBS tranches as well as tranches of Cash or Synthetic Corporate Credit portfolios could be considered for investment.

The Company took the opportunity of this summer's increases in US government rates to put in place a long position on US December T-notes futures generating a USD1m gain. A more modest position was put in place on the March contract as opportunities to enter into a fixed rate position have been considered weak in November and December. At the end of December the P&L of this position was slightly positive and this position was comparable to a long USD10m position on the US T-notes.

** "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 €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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