VOLTA FINANCE LIMITED - SUPPLEMENTAL INFORMATION REGARDING THE EXTRAORINARY GENERAL MEETING TO BE HELD ON 3 July 2013

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Guernsey, 20 May 2013 – In connection with the circulation of the notice of the EGM that will be held at the Company's registered office, First Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 6HJ, Channel Islands, at 3:30pm (London time) on 3 July 2013, the Company is offering additional information regarding the Resolutions from the agenda through this announcement.

The current performance fee measure (the "Current Formula") is based on the Distribution Income ("DI"), detailed information on which may be found in the Company's Annual Reports and Interim Reports. The DI calculation is based on the Company's published Income Statement, with modifications to measure the Investment Manager's performance on a basis that is normally expected to be less volatile than the profitability as reported in such Income Statement.

However the DI does have disadvantages for the Company: In the opinion of the Board and the Investment Manager the DI:

- **Is an excessively complex methodology for performance measurement**
- **Is difficult for shareholders to predict for any specific period**
- **Is not a market standard approach for performance measurement**
- **Requires the maintenance of complex accounting records that would not otherwise be required**

The Board and the Investment Manager have concluded that a performance fee based on NAV would overcome these issues and has the advantage of being more transparent and more in line with market practice. If performance fees were to be based on NAV rather than DI, market participants would be able to anticipate such performance fees as the GAV of the Company, from which an approximate NAV could be estimated, is published on a monthly basis.

After consultation with the Company's professional advisers and service providers, the Board therefore proposes a new Investment Manager performance measurement basis based on the NAV (the "Proposed Formula").

The Proposed Formula is to pay performance fees equal to the lesser of A and B below:

- **A: X% of the amount by which the NAV* increase, if any, over the latest semi-annual period exceeds Threshold A**
- **B: X% of the cumulative amount over the most recent six semi-annual periods by which the NAV* increase, if any, exceeds Threshold B (minus any performance fees already paid for the first five semi-annual periods)**

X% is defined as 15% if the NAV plus cumulative dividends paid since the IPO as at the beginning of the period is below cumulative capital raised since the IPO, or 20% if the NAV plus cumulative dividends paid as at the beginning of the period is above cumulative capital raised.

Threshold A is defined as the greater of (i) 8% of the cumulative capital raised, and (ii) 10%** of the NAV*** at the beginning of the semi-annual period**

Threshold B is defined as the greater of (i) 8% of the cumulative capital raised, and (ii) 8%** of the average NAV*** as at the beginning of each of the most recent six semi-annual periods.**

The Proposed Formula will generate a performance fee payable to the Investment Manager based solely on the NAV performance of a single semi-annual period only if the cumulative performance over three years is greater than Threshold B.

As a reminder, the Current Formula is to pay performance fees equal to the lesser of A and B below:
A: 25% of the amount by which the DI over the latest semi-annual period exceeds 8%** (or the 6 month Euribor rate plus 1.5%, if higher) of the weighted average cumulative capital raised
B: 25% of the amount by which the cumulative DI over the latest four semi-annual periods exceeds 8%** (or the 6 month Euribor rate plus 1.5%, if higher) of the weighted average cumulative capital raised (minus any performance fees already paid for the first three semi-annual periods)

The Board believes

- **the proposed increase in the look-back period from four semi-annual periods to six semi-annual periods,**
- **the proposed decrease of the participation rate from the current rate of 25% to 15% or 20% (see "X%"),**
- **and the proposed change in the individual semi-annual period hurdle rate from the current rate of 8%** to 8% or 10%** (see "Threshold A"),**

as described above under the Proposed Formula, to be fair and reasonable means to compensate the risk that an NAV basis performance measure might result in increased volatility in the performance measure relative to the Current Formula, which is based on the DI.

The Company has analysed the possible effects of the Proposed Formula on performance measurement and performance fees on both a historical basis and a forward looking basis. In the Board's opinion, under the majority of projected future scenarios that could reasonably be foreseen, the Proposed Formula should not be detrimental to shareholders compared with maintaining the Current Formula. Indeed, in the Board's opinion, the proposal is more likely to be beneficial to shareholders than detrimental, not least as the Proposed Formula will be less time consuming to calculate and performance fees will be easier to anticipate.

Consequently, the Board recommends that shareholders should agree to this proposal.

If shareholders accept this proposal, the new formula will be applicable commencing with the semi-annual period ending 31 January 2014.

In addition, considering regulatory restrictions regarding the way the Investment Manager is authorised to invest its own funds, the Investment Manager proposes that any future performance fees earned should be paid entirely in cash, rather than 50% in cash and 50% in the form of class C shares as at present. To avoid any conflict of interest when selling the position, the Investment Manager is supposed to sell any class C shares that it might receive as soon as possible after the two year retention period. This may create a share overhang, thereby depressing the Company's share price at this time. If this proposition to receive any future performance fees in cash is approved by shareholders, the Investment Manager has agreed to reduce its Management Fee entitlement to a single rate of 1.5%. As a reminder, the current management fee is charged at 1.5% on NAV up to €200 million and 1.75% on NAV above €200 million.

**As adjusted for: dividends paid in cash; new shares issued for cash; and, expenses paid by issuance of shares over the period*
***Calculated on an annualised basis (currently on an ACT/360 basis, proposed basis to be ACT/ACT)*
****As adjusted for dividends paid in cash and new shares issued for cash*

ABOUT VOLTA FINANCE LIMITED

Volta Finance Limited is registered in Guernsey under The Companies (Guernsey) Law, 2008 and listed on 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 nearly €554 billion in assets under management as of the end of December 2012. AXA IM employs approximately 2,434 people around the world and operates out of 21 countries.

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Any target information is based on certain assumptions as to future events, which may not prove to be realised. Due to the uncertainty surrounding these future events, the targets are not intended to be and should not be regarded as profits or earnings or any other type of forecasts. There can be no assurance that any of these targets will be achieved. In addition, no assurance can be given that the investment objective will be achieved.

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