



## VOLTA FINANCE – MARCH MONTHLY REPORT

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Guernsey, 21 April 2015 – 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 31.03.15	At 27.02.15
Gross Asset Value (GAV / € million)	336.9	293.9
Liabilities (€ million)	34.0	Not reported
Estimated NAV (€ million)	302.9	293.9
Estimated NAV per share (€)	8.30	8.05

### PERFORMANCE

At the end of March 2015, the Estimated NAV of Volta Finance Limited (the “Company”, “Volta Finance” or “Volta”) was €302.9m or €8.30 per share, an increase of €0.25 per share or 3.0% since the end of February 2015.

The YTD performance for 2015 stands at +8.2% as at the end of March.

### REPURCHASE TRANSACTION

As previously announced, the Company entered into a Repurchase Agreement with Societe Generale towards the end of March. \$30m was received against USD CLO debt tranches. The proceeds have begun to be invested and \$6m was invested into two debt tranches of a USD CLO in early April. The balance of the proceeds will be invested as opportunities arise in the coming weeks and months, most likely principally through the primary market.

As Volta now has leverage at a Company level, the Board has agreed to provide investors with additional reporting metrics. Henceforth, the Company will report a Gross Asset Value (“GAV”) and an Estimated Net Asset Value (“NAV”) on a monthly basis, with an audited Net Asset Value for 31<sup>st</sup> July and 31<sup>st</sup> January.

As at the end of March, the GAV of Volta was €336.9m from which €27.9m of debt (in relation with the repurchase agreement signed in March) and €6.1m of accrued fees (management fees and performance fees not yet settled) have to be subtracted to reach the NAV. The reporting of the breakdown of assets later in this report are in % of the GAV.

### DIVIDEND

On 7<sup>th</sup> April, the Company paid a dividend of 31 cents per share to shareholders on the register on 2<sup>nd</sup> of April. The €8.30 per share NAV is before dividend payment.

### PORTFOLIO REVIEW



In March, Volta made no new investments but €1.8m was drawn down on existing commitments. No assets were sold during the month.

At the end of March, reflecting the Repurchase Transaction, Volta held €35.5m in cash, excluding an amount of €2.4m which is pledged as margin under its currency hedging facilities. €11.3m was paid to shareholders in the dividend in April.

Volta's assets generated the equivalent of €2.2m cash flows in March 2015 (non-Euro amounts translated 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 €16.6m.

The March mark-to-market variations\* of Volta's asset classes were: -1.2% for Synthetic Corporate Credit deals, +1.8% for CLO Equity tranches; +1.0% for CLO Debt tranches, -1.8% for Cash Corporate Credit deals and +2.4% for ABS. The positive performance of Volta in March reflects the very calm credit markets during the month and the further appreciation of the USD against Euro. At 31<sup>st</sup> March 2015 Volta had 44.3% net exposure to the US Dollar, after accounting for the impact of currency hedging.

In March 2015, no particular event materially impacted any of Volta's assets.

We continue to see 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.

## **SHARE PRICE PERFORMANCE**

Buying interest has continued to be seen from a range of existing and new investors during the last month, although the volume of shares traded has been lower at 0.8m (based on Bloomberg, including volume across brokers). Based on the end of March 2015 NAV (adjusted for the 31 cents per share dividend payment), the shares are trading at a discount of 14% to NAV (as at 21<sup>st</sup> April 2015). As noted previously, the discount remains markedly wider than the Company's London listed peers.

## **LONDON STOCK EXCHANGE LISTING**

As recently announced, an EGM will be held on 6<sup>th</sup> May 2015 at which certain resolutions are put to shareholders. The Directors strongly recommend that shareholders vote in favour of the resolutions. If all resolutions are approved, it is expected that the Company will list on the Main Market of the London Stock Exchange before the end of May.

*\* "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 €607 billion in assets under management as of the end of September 2014. AXA IM employs approximately 2,300 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**



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