

## Summary

CVC Credit Partners European Opportunities Limited (the "Company") is a Jersey closed-ended investment company limited by shares. The Company's shares are traded on the Main Market of the London Stock Exchange (LSE).

The Company's investment policy is to invest predominantly in companies domiciled, or with material operations, in Western Europe across various industries. The Company's investments are focused on Senior Secured Obligations of such companies, but investments are also made across the capital structure of such borrowers.

The Company invests through Compartment A of CVC European Credit Opportunities S.à r.l. (the "Investment Vehicle"), a European credit opportunities investment vehicle managed by CVC Credit Partners Investment Management Limited.

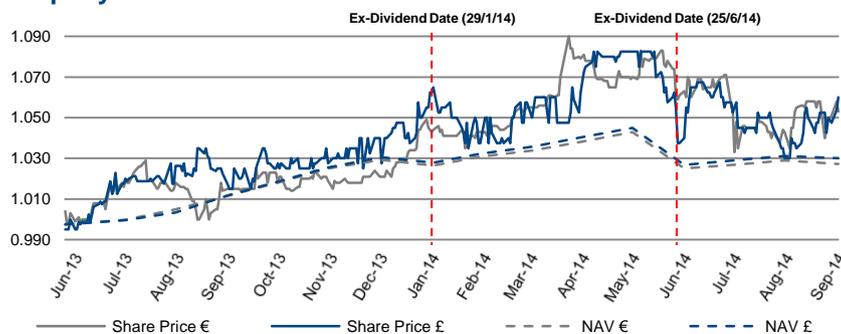
## Company NAV Total Return Performance<sup>3</sup> (since inception)

EUR Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013							0.2%	0.5%	0.6%	0.7%	0.7%	0.4%	3.2%
2014	0.7%	0.4%	0.3%	0.4%	0.4%	0.7%	0.2%	0.2%	-0.2%				3.2%

GBP Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013							0.2%	0.4%	0.8%	0.7%	0.7%	0.5%	3.3%
2014	0.7%	0.4%	0.3%	0.5%	0.4%	0.6%	0.2%	0.2%	-0.1%				3.4%

<sup>3</sup> NAV Total Return includes dividends reinvested

## Company Share Performance



## Investment Vehicle Manager Market & Portfolio Commentary

Performance across markets in the third quarter of 2014 was driven by economic data that showed an uneven global macroeconomic recovery. Market sentiment in the U.S. continues to be driven by the debate over the timing of the first interest rate rise, reflected in a strengthening U.S. dollar and volatile Treasury yields. Meanwhile, the Eurozone economy has stalled, forcing the ECB to announce additional stimulus measures. The ECB has already cut the policy rate to 0.05%, pushing the deposit rate into negative territory, but markets wanted details on a bond-buying scheme. In the end, the ECB underwhelmed expectations by failing to state a targeted size for the stimulus, however, the pipeline of measures – including targeted long-term refinancing operations, a covered bond programme and the purchase of asset-backed securities – is expected to be substantial.

Q3 European leveraged loan primary volume fell to €20.2bn, down 33% from the €30.2bn in Q2. July accounted for 70% of the quarter by volume, with the remaining launching in September after a typically quiet August. European primary leveraged loans have contributed €65.1bn for the year (€67.2bn for full-year 2013). M&A related financings were the main driver in the quarter, with refinancing volume falling to €2.7bn, which is the lowest level in two years.

The European high-yield market had its most difficult period for a couple of years in Q3, as a flood of poorly received deals in July led to a sell-off in August with tentative stabilisation through early September and heightened volatility into quarter-end. 2014 is still expected to deliver the highest annual volume in the market's history, surpassing 2013's €70.1bn, as Q3 recorded a volume of €16.4bn, taking the year-to-date total to €67.7bn.

The results of the AQR and European bank stress tests are expected in Q4. BWIC activity through Q3 remained buoyant as a number of institutions pre-empt capital short falls and actively continue to dispose of assets as well as consider equity capital raising.

In performing loans, there are good reasons to believe demand will remain robust, coming from a strong CLO bid, the introduction of pension/insurance funds and some participation from European banks. In HY, price movements of 5-10 points on the back of poor results from marginal issuers is exacerbated by limited secondary market liquidity. In addition, fund flows have remained negative for a number of weeks, which has brought a cautious approach to adding risk.

The Credit Suisse Western European High Yield Index (hedged, in euro) was down with a return of -1.42% for the month and 4.33% year to date. The average price fell to 103.33, a 2.16-point decrease. The Credit Suisse Western European Leveraged Loan Index (hedged, in euro) was down with a return of -0.07% for the month and 2.18% year to date. The average price fell to 95.85, a 0.42-point decrease.

Through September, we continued to manage market volatility by trimming higher beta assets, remaining light in European HY as well as maintaining cash balances as we expect the market volatility to persist allowing for attractive entry prices to both the secondary and primary new issue markets.

In the structured finance space, we were able to secure a CLO equity position in a leading European/Global manager. A number of credit opportunities and deep value situations were assessed in the period given the increase in BWIC, which is a trend that we expect to continue to support the investment thesis that AQR is forcing an early sale of mis-priced legacy assets still held on European bank balance sheets.

As discussed on recent update calls, the Investment Vehicle signed a moderate leverage facility with a global banking institution for €103m (c. 15% of AUM) at attractive rates with flexible terms.

As of the end of September, the portfolio was 94.5% invested. Floating rate instruments comprised 81.5% of the portfolio. Current yield at month-end was 5.9%.

## September 2014

Share Price & NAV at 30 September 2014		
	EUR	GBP
Share Price <sup>1</sup>	1.0530	1.0600
NAV <sup>2</sup>	1.0272	1.0301
Total Net Assets	229,645,976	232,441,185
Market Capitalisation	235,406,899	239,182,638

<sup>1</sup> Share price provided as at the closing month-end market mid-price  
<sup>2</sup> Opening NAV was 0.997, after initial costs

## Company Information

Vehicle Type	Closed-ended investment company
Domicile	Jersey
Inception Date	25 June 2013
Market	London Stock Exchange
LSE Identifier	EUR CCPE GBP CCPG
ISIN Code	EUR JE00B9G79F59 GBP JE00B9MRHZ51
Website	www.ccpeol.com

## Investment Vehicle Key Portfolio Statistics

Percentage of Portfolio in Floating Rate Assets	81.5%
Percentage of Portfolio in Fixed Rate Assets	18.5%
Weighted Average Price <sup>4</sup>	95.6
Yield to Maturity	7.2%
Current Yield	5.9%
Weighted Average Fixed Rate Coupon	7.1%
Weighted Average Floating Rate plus Margin	5.3%

Note: All metrics exclude cash unless otherwise stated  
<sup>4</sup> Average market price of the portfolio weighted against the size of each position

## Assets Classification by Pricing Category (as of Q3 2014)

Market Pricing Service	70%
Broker Quotes	30%
Model Price	0%

## Contacts

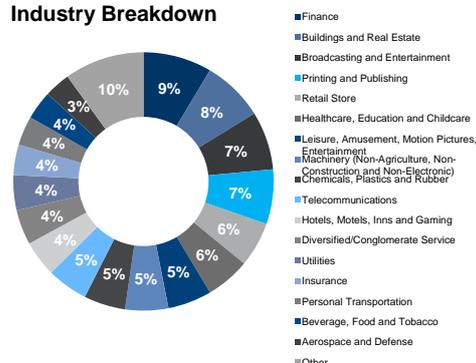
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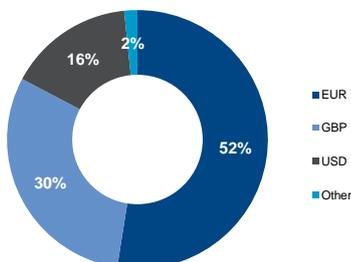
Note: Disclaimer overleaf

## Investment Vehicle Portfolio Statistics (as at 30 September 2014)

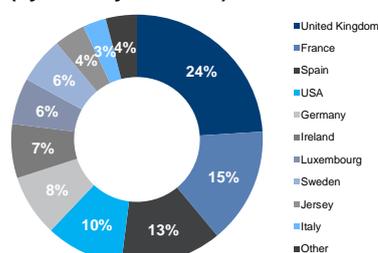
### Industry Breakdown



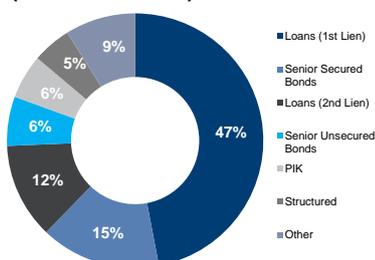
### Currency Breakdown



### Geographical Breakdown (by country of issuer)



### Asset Breakdown (incl. traded cash)



## Investment Vehicle Portfolio Statistics

### 5 Largest Issuers

Issuer	% of NAV	Industry	Country
Delachaux	4.1	Machinery	France
FCC	4.0	Buildings/Real Estate	Spain
Viridian	3.9	Utilities	Ireland
Firth Rixson	2.9	Aerospace/Defense	UK
Lee Enterprises	2.9	Printing/Publishing	USA

## Look Through Reporting<sup>5</sup>

### Spread Exposure

Rating	Average Spread Duration <sup>6</sup>	Market Value (EUR)	Market Value (%)
BB	5.73	37,923,922	8%
B	5.06	290,080,061	58%
CCC	3.71	7,785,057	2%
NR	4.15	161,015,971	32%

### FX Exposure

Currency	Market Value (EUR)	Market Value (%)
EUR	259,617,260	52%
GBP	151,387,489	30%
USD	77,633,065	16%
Other	8,167,197	2%

### Interest Rate Exposure

Type	Duration	Market Value (EUR)	Market Value (%)
Floating	0.27	404,567,176	81%
Fixed	6.01	92,128,662	19%
Warrants	0.00	109,173	0%

#### Notes & Assumptions:

- All duration and yield calculations are based on assets outstanding to maturity (no call or amortization assumptions)
- Duration is calculated using DURATION function in Excel, and includes approximations for floating rate assets using comparable fixed rate assets
- Rating is based on the average corporate rating from S&P and Moody's
- Certain assets such as CLO equity tranches are assumed to have zero spread and interest rate duration
- The duration for non-equity CLO tranches is based on a WAL of 5 years after the end of the reinvestment period

#### Disclaimer

This Report is directed only at: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005; or (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and persons who receive this document who do not fall within (i) or (ii) above should not rely on or act upon this document.

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The Company is regulated by the Jersey Financial Services Commission.

<sup>5</sup> Data excludes cash

<sup>6</sup> Averages are weighted by market value