

## 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 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>2</sup> (since inception)

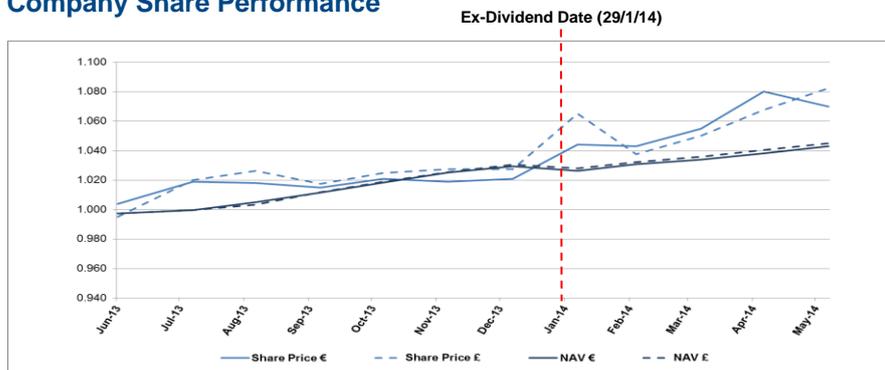
EUR Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013							0.2%	0.5%	0.6%	0.7%	0.7%	0.4%	3.2%
2014	0.7%	0.4%	0.3%	0.4%	0.4%								2.3%

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%								2.4%

<sup>2</sup> NAV Total Return includes dividends reinvested

## Company Share Performance



## Investment Vehicle Manager Market & Portfolio Commentary

Through May, global markets continued to perform well with volatility across many asset classes at their lowest levels seen in recent months. Concerns of a repeat of 2013's summer market fallout did not happen, as economic data releases have largely met or exceeded expectations, with some geopolitical risks faded and, crucially, monetary policy looks to remain very accommodative in the near future.

The ECB took further action at its June meeting to stave off deflationary pressures, with a cut to the official policy rate and a negative deposit rate. The economic recovery remains weak, with first-quarter growth disappointing at 0.2% quarter-on-quarter. Nevertheless, European survey data, such as the composite PMI and Consumer Confidence Index, are supportive of a continued pick up in economic growth over the rest of the year. In May, eurozone consumer confidence reached its highest level since 2007.

Data from the U.S. remains mixed. The U.S. economy shrank by 1.0% in the first 3-months of the year; weaker Q1'14 growth was largely due to the drawdown in inventories, as companies chose not to restock in the face of extreme weather. Meanwhile, May's PMI for manufacturing increased at its fastest pace in nearly 3-years and suggests that economic growth should rebound over Q2'14.

The institutional European loan market volume was lower than in previous months with May, coming in at €2.0bn vs. €8.3bn in April and €4.6bn in March. New issue did come at wider spreads, pushing the 3-months to May all-in yield wider 22bps to 4.61%. The marginal increase in pricing has been driven by a push back by the U.S. loan market where institutional fund flows turned negative ensuring that cross boarder transactions priced at the wider end of talk as well as European investors holding firm on domestic transactions. Although yields have widened slightly from March levels, they are still a lot tighter to the 5.2% seen in H2'13. Credit Suisse reported that the Western European Leveraged Loan Index (Hedged to Euros) delivered 1.39% for the year-to-date.

The HY bond market saw continued inflows, with €7.6bn coming to market, but lower than the previous months of April and March, which saw inflows of €12.8bn and €9.3bn respectively. This brings the year-to-date issuance to €39.4bn – a 7.8% increase year-on-year, and ahead of any comparable period since 2006. FRN volume has seen issuance increase, with over 30% of this year's sponsored volume, compared to 16% through 2013, driven by strong equity markets giving sponsors an attractive exit option with shorter non-call structures.

With lower primary volume in both HY bond and leveraged loan markets, investment activity has been focused on special situations and credit opportunities investments to drive underlying total return. In addition, the portfolio exited lower yielding performing names trading at a premium to issue price, to raise cash for what the Investment Manager anticipates to be better primary opportunities in the coming months.

As of the end of May, the portfolio was 98.1% invested. Floating rate instruments comprised 83.2% of the portfolio. Current yield at month-end was 5.9%.

## May 2014

### Share Price & NAV at 31 May 2014

	EUR	GBP
Share Price	1.0700	1.0825
NAV <sup>1</sup>	1.0429	1.0450
Total Net Assets	190,736,252	168,563,931
Market Capitalisation	195,688,245	174,612,483

<sup>1</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	83.2%
Percentage of Portfolio in Fixed Rate Assets	16.8%
Weighted Average Price <sup>3</sup>	98.7
Yield to Maturity	6.5%
Current Yield	5.9%
Weighted Average Fixed Rate Coupon	7.8%
Weighted Average Floating Rate plus Margin	5.2%

Note: All metrics exclude cash unless otherwise stated

<sup>3</sup> Average market price of the portfolio weighted against the size of each position

## Contacts

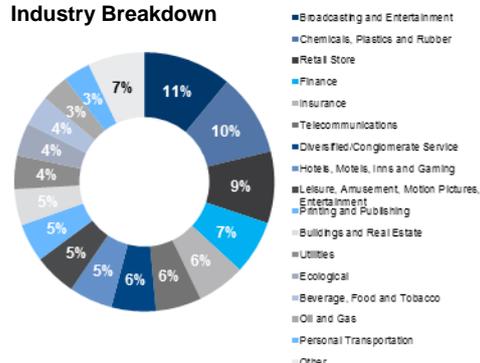
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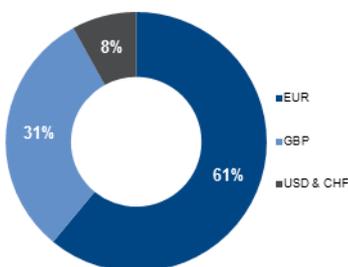
Note: Disclaimer overleaf

## Investment Vehicle Portfolio Statistics (as at 31 May 2014)

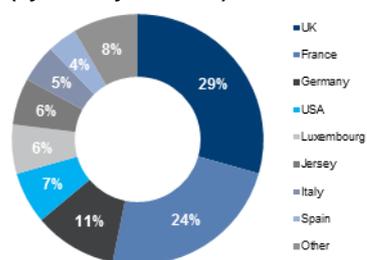
### Industry Breakdown



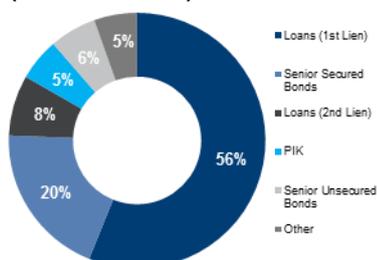
### Currency Breakdown



### Geographical Breakdown (by country of issuer)



### Asset Breakdown (incl. traded cash)



## Investment Vehicle Portfolio Statistics

### 5 Largest Issuers

Issuer	% of NAV	Industry	Country
Boots (AB Acquisitions)	5.2	Retail Store	UK
Matris	4.1	Buildings	France
Viridian Group	3.9	Utilities	Ireland
OGF	3.8	Ecological	France
Flint	3.8	Chemicals	Germany

## Look Through Reporting<sup>4</sup>

### Spread Exposure

Rating	Average Spread Duration <sup>5</sup>	Market Value (EUR)	Market Value (%)
BB	4.88	52,330,529	14%
B	4.49	253,540,480	66%
CCC	2.84	7,280,470	2%
NR	3.29	73,142,902	19%

### FX Exposure

Currency	Market Value (EUR)	Market Value (%)
EUR	237,057,395	61%
GBP	119,132,576	31%
USD & CHF	30,104,410	8%

### Interest Rate Exposure

Type	Duration	Market Value (EUR)	Market Value (%)
Floating	0.14	321,591,251	83%
Fixed	5.33	64,703,130	17%

#### 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 5y 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>4</sup> Data excludes cash

<sup>5</sup> Averages are weighted by market value