

CVC Credit Partners European Opportunities Limited



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.

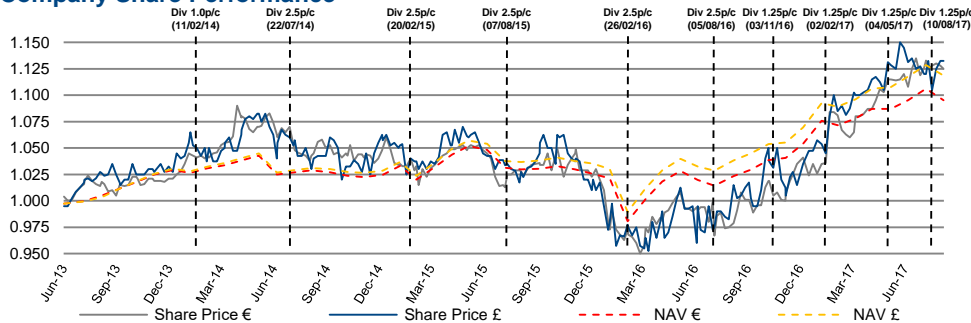
The Company invests through Compartment A of CVC European Credit Opportunities S.à r.l. (the "Investment Vehicle"), a European credit opportunities investment vehicle managed by CVC Credit Partners Investment Management Limited.

Company NAV Total Return Performance⁴ (since inception)

EUR Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	2.1%	0.8%	0.6%	0.9%	1.2%	0.8%	1.0%	0.2%					7.7%
2016	-0.4%	-1.6%	2.2%	1.6%	1.0%	-0.8%	1.9%	0.9%	0.6%	0.9%	1.4%	1.3%	9.3%
2015	0.8%	1.2%	1.2%	1.2%	0.8%	-0.4%	0.8%	-0.2%	0.1%	0.2%	-0.3%	-0.4%	5.1%
2014	0.7%	0.4%	0.3%	0.4%	0.4%	0.7%	0.2%	0.2%	-0.2%	-0.3%	-0.1%	0.2%	3.0%
2013							0.2%	0.5%	0.6%	0.7%	0.7%	0.4%	3.2%
GBP Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	2.2%	0.8%	0.6%	0.9%	1.3%	0.9%	1.0%	0.3%					8.3%
2016	-0.5%	-1.5%	2.3%	1.7%	1.0%	-0.7%	2.1%	0.9%	0.6%	0.9%	1.3%	1.4%	9.8%
2015	0.8%	1.2%	1.2%	1.2%	0.8%	-0.3%	0.8%	-0.1%	0.1%	0.3%	-0.3%	-0.2%	5.6%
2014	0.7%	0.4%	0.3%	0.5%	0.4%	0.6%	0.2%	0.2%	-0.1%	-0.3%	-0.1%	0.2%	3.3%
2013							0.2%	0.4%	0.8%	0.7%	0.7%	0.5%	3.3%

⁴NAV Total Return includes dividends reinvested

Company Share Performance



Investment Vehicle Manager Market & Portfolio Commentary

August is usually a quieter period for markets but was interrupted by heightened political risk, led by increased rhetoric on the Korean peninsula, and terrorist attacks in Europe. These events pushed some broader market returns into negative territory. However, against this, macroeconomic data remained positive, with growth exceeding expectations across Europe, Japan, and Brazil.

Economic reports from the Eurozone area were encouraging throughout August 2017. Q2'17 GDP grew at 2.2%, and consumer confidence and PMI figures are helping to drive the market's expectations for further growth throughout Q3'17. On the back of this the Euro strengthened against the US Dollar, peaking at €1:\$1.20. Eurozone inflation once again increased during the month, to 1.5%, but continued to remain below the ECB's 2.0% target, leaving the ECB maintaining quantitative easing through its Asset Purchase Programme in the near term.^a

US economic data continued to indicate robust growth, reducing the market's concerns of a deceleration. Q2'17 GDP growth statistics were revised up to 3.0%, and unemployment rates were recorded as falling. Retail sales picked up to 4.2% year on year, and the consumer sentiment index outstripped predictions and returned to its peak earlier in the year. In the absence of the Trump administration effectively implementing additional fiscal stimulus through public spending and tax cuts, market commentators still believe growth will remain at or around 2% for H2 2017.^a

Market activity slowed during August: high yield new issue dropped to just €275m during the month, while new institutional loan supply was down to €600m, versus €7.9bn and €11.2bn respectively in July 2017. As referred to in the July commentary, despite a quiet August, the pipeline of large buyout activity is scheduled to come to a head in September. Market activity seen through the month reflected a number of investors exiting weaker positions to make room for the planned new paper, creating a drag in the secondary markets and widening the average new-issue yields on TLBs to 4.14%, from 4.07% in July and 3.98% in June.^b

The Credit Suisse Western European HY Index hedged to Euro was up with a return of 0.41% for the month and up 5.37% for year to date. The Credit Suisse European Leveraged Loan Index was down with a return of -0.02% for the month, but remained up 2.53% year to date.

August was a quiet month of trading for the portfolio. Most activity in the month was to continue to add and trade around positions within the credit opportunities segment of the portfolio. Looking forward to the calendar for September, the Investment Vehicle Manager believes that the primary HY and loan markets will become very active. Across credit opportunities, dislocations continue to present opportunities in the healthcare, retail and energy sectors.

The current cash yield to the performing portfolio has remained in range at 4.5% in August. Performing credit closed the month at 58% of the portfolio, and credit opportunities at 42%.

The Investment Vehicle Manager remains cautious of HY fixed rate opportunities. At the end of August, floating rate instruments comprised 91.6% of the portfolio and the portfolio current yield 5.8% (gross) with a weighted average market price of the portfolio of 96.2. The cash position was 7%.

^a JP Morgan – 1 September 2017
^b S&P LCD – 4 September 2017

August 2017

Share Price & NAV at 31 August 2017

	EUR	GBP
Share Price ¹	1.1250	1.1325
NAV ²	1.0953	1.1187
Total Net Assets ³	137,723,338	304,297,791
Market Capitalisation	141,460,221	308,049,224

¹ Share price provided as at the closing month-end market mid-price

² Opening NAV was 0.997, after initial costs

³ Includes the impact of the utilisation of the Investment Vehicle's leverage facility and its currency hedging strategy in relation to the underlying portfolio

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	91.6%
Percentage of Portfolio in Fixed Rate Assets	8.4%
Weighted Average Price ⁵	96.2
Yield to Maturity ⁸	6.5%
Current Yield	5.8%
Weighted Average Fixed Rate Coupon ⁸	6.5%
Weighted Average Floating Rate plus Margin	5.0%

Note: All metrics exclude cash unless otherwise stated
⁵ Average market price of the portfolio weighted against the size of each position

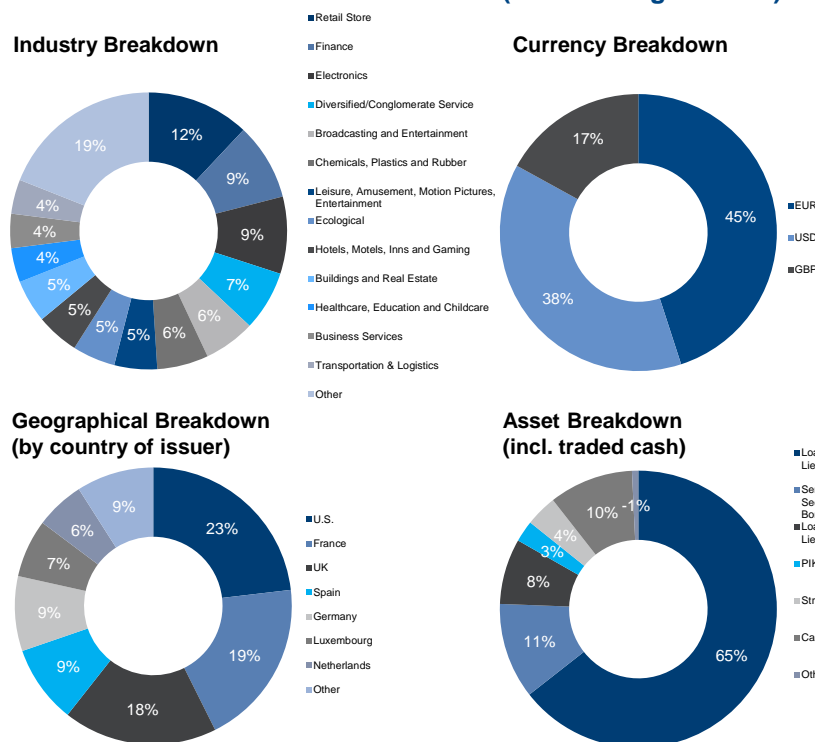
Contacts

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Note: Disclaimer overleaf

Investment Vehicle Portfolio Statistics (as at 31 August 2017)³



Investment Vehicle Portfolio Statistics³ (as at 31 August 2017)

5 Largest Issuers

Issuer	% of GAV	Industry	Country
Saur	4.6	Ecological	France
Ceva	3.3	Transport & Logistics	UK
Cortefiel	3.1	Retail	Spain
Ambac	3.0	Finance	U.S.
Numericable	2.6	Broadcasting & Entertainment	France

Look Through Reporting^{6,8} (as at 31 August 2017)

Spread Exposure

Rating	Average Spread Duration ⁷	Market Value (EUR)	Market Value (%)
BB	3.57	42,207,697	8%
B	4.98	305,590,663	57%
CCC	2.41	35,279,406	6%
NR	3.43	155,090,269	29%

FX Exposure

Currency	Market Value (EUR)	Market Value (%)
EUR	251,411,933	47%
GBP	88,211,323	16%
USD	198,544,779	37%

Interest Rate Exposure

Type	Duration	Market Value (EUR)	Market Value (%)
Floating	0.13	474,147,898	88%
Fixed	5.06	63,960,533	12%
Other	0.00	59,604	0%

Notes & Assumptions:

- The sum of the market values may be larger than the NAV due to the effect of the Investment Vehicle's leverage facility
- All duration and yield calculations are based on assets outstanding to maturity (no call or amortisation 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

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The Company is regulated by the Jersey Financial Services Commission.

The Credit Suisse Western European HY Index and The Credit Suisse European Leveraged Loan Index, are monthly return indices designed to be an objective proxy for the investable universe for the Western European High Yield and Leveraged Loan markets. These indices may not necessarily be indicative of the investment strategies for the funds advised by CVC Credit. Assets and securities contained within indices are different than the assets and securities contained in CVC Credit's investment vehicles and will therefore have different risk and reward profiles. The returns of the indices are provided solely as an illustration of the market and economic conditions generally prevailing during the periods shown. Indices are not investments, are not professionally managed and do not reflect deductions for fees or expenses.

⁶ Data excludes cash

⁷ Averages are weighted by market value

⁸ Excluding short positions