

Activity: operating since 1997, real estate investment company "INVL Baltic Real Estate" seeks to ensure the growth of leasing income and to profit on investments in commercial real estate.

Shares: listed on the Baltic Secondary List of Nasdaq Vilnius, AB stock exchange since 2014.

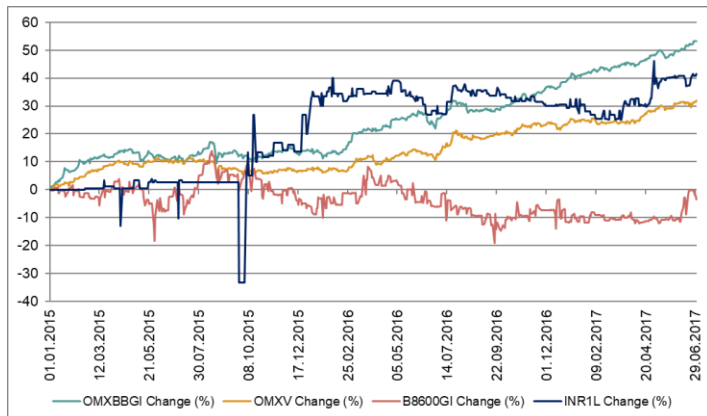
Assets under management: about 58,000 sq. m. of real estate in Vilnius and Riga – mostly business centres, manufacturing, warehouse properties and other commercial premises. These properties generate stable cash flows and most of them have high occupancy rates. In addition, some of them have further development potential.

Management of the Company: On 22 December 2016 the bank of Lithuania for INVL Baltic Real Estate issued the closed-ended type investment company operating license enabling to engage in the closed-ended type investment company's activities under the Republic of Lithuania Collective investment undertakings act. The special closed-ended type real estate investment company will work 30 years from receiving the special closed-ended real estate investment company license, the term of company's activity may be further extended for a period of no longer than 20 years. Upon receipt of the license, the company's management was transferred to the management company INVL Asset Management.

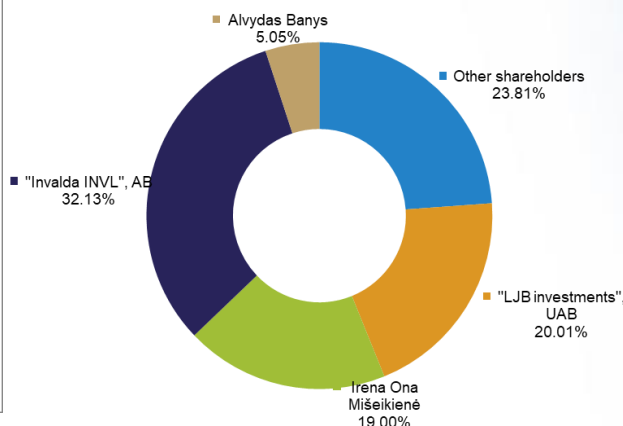
Main information	
ISIN code	LT0000127151
Share price 30.12.2016, EUR	0.424
Par value of share, EUR	0.48
Last paid out dividends (EUR per share)	0.012
Number of Shares	65,750,000
Consolidated equity, thousand EUR	31,812
Net asset value per share, EUR	0,4838

INR1L INVL Baltic Real Estate change of share price and indexes

Nasdaq Baltic Listed



Votes as of 31 March, 2017



Comment made by INVL Asset Management real estate fund manager Vytautas Bakšinskas



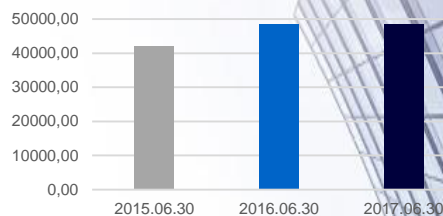
INVL Baltic Real Estate's consolidated net operating income from its property holdings in the first half of 2017 was EUR 1.2 million, or 2.7 per cent more than in the same period of 2016 when it was EUR 1.1 million. The company's consolidated revenue for the first half of 2017 was EUR 3.3 million, up 6.8 per cent from last year's first-half figure of EUR 3.1 million as consolidated leasing income from owned properties grew 6.8 per cent to EUR 1.9 million. INVL Baltic Real Estate's net profit for January-June increased more than 2.5 times on the year to EUR 1.5 million, largely due to a gain of nearly EUR 1 million from asset revaluation.

We're pleased that the active work and investments reconstructing the Vilnius Gates business centre have brought the expected results, leading to an increase of about 1 million euros in this property's value. In the second half of the year, once the Vilnius Gates renewal is complete, we'll see the final results of the work done over the past year and a half. We don't intend to stop and will continue working actively to boost the value and leasing income of property holdings.

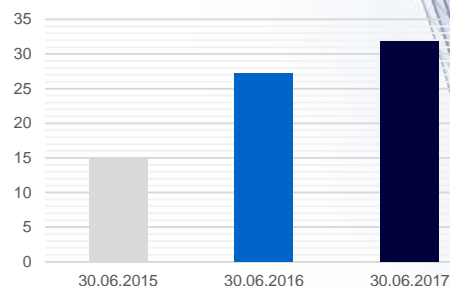
Six-month leasing income for the largest property the company owns – the 23,000 sq. m. IBC Business Centre on Šeimyniškių Street in the Lithuanian capital – grew 1.3 per cent from the same period last year to EUR 940 thousand.

The company's financial results show that active work with property holdings pays off and the chosen operating strategy is correct. Some of what was done in the first half of this year will be reflected in the results later, since most of the new leases and renewal agreements that were signed will take effect in the second half of the year. So the current half-year can be expected to be even more successful for INVL Baltic Real Estate.

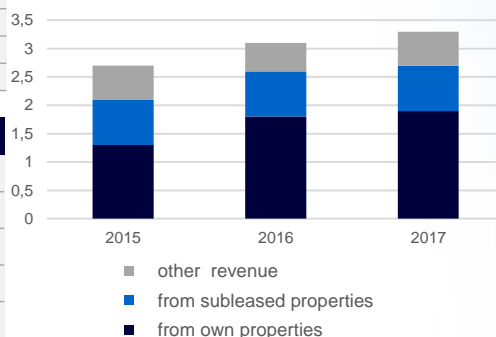
	2015	2016	2017
Operational Property investments	31,375	46,355	49,678
Property Investment redevelopment	2,473	1,720	350
Other investment properties	-	3,735	4,042
TOTAL PROPERTY VALUE	33,848	51,810	54,070
Rent Income from own properties during 6 months	1,316	1,772	1,893
NOI (Net Operating Income) from own properties during 6 months*	874	1,151	1,182
NLA (Net Leasable Area), m ²	42,076	48,476	48,476

NET LEASABLE AREA, m²


Balance sheet, million EUR	30.06.2015	30.06.2016	30.06.2017
Investment properties	33.9	51.8	54.1
Carrying amount of the loans granted for companies in Latvia	7.2	-	-
Cash	0.4	0.7	0.3
Other assets	1.5	2.1	1.7
TOTAL ASSETS	43.0	54.6	56.1
Borrowings from credit institutions	15.1	21.9	21.3
Borrowings from Invalda INVL	5.5	-	-
Other liabilities	7.5	5.5	3.0
TOTAL LIABILITIES	28.1	27.4	24.3
EQUITY	14.9	27.2	31.8

EQUITY, MILLION EUR


Profit (loss) statement, million EUR	01.01.2015-30.06.2015	01.01.2016-30.06.2016	01.01.2017-30.06.2017
Revenue	2.7	3.1	3.3
<i>from own properties</i>	1.3	1.8	1.9
<i>from subleased properties</i>	0.8	0.8	0.8
<i>other revenue</i>	0.6	0.5	0.6
Net profit	0.4	0.6	1.5
Earnings per share	EUR 0.01	EUR 0.01	EUR 0.02

REVENUE FOR 6 mnth, MILLION EUR


Borrowings	30.06.2015	30.06.2016	30.06.2017
Borrowings, thousand EUR	20,534	21,939	21,266
Borrowings to value of investment properties*	60.7	42.3	39.3
Gearing ratio*	0.57	0.44	0.4
Interest coverage ratio*	2.54	3.36	3.85
Bank's Debt Service Coverage Ratio*	2.05	1.83	1.56


IBC Class A Business centre
 Šeimyniškių str. 1, Šeimyniškių str. 3
 Vilnius

Acquired – 2003
 NLA 7,100 m²
 Property value – 11.9 million EUR
 Occupancy – 96%


IBC Class B Business centre
 A. Juozapavičiaus str. 6, Vilnius

Acquired – 2003
 NLA 10,600 m²
 Property value – 10.4 million EUR
 Occupancy – 96%


Office building
 Palangos str. 4/
 Vilniaus str. 33
 Vilnius

Acquired – 2006
 NLA 6,200 m²
 Property value – 7.7 million EUR
 Occupancy – 96%


Business centre Vilnius Gates
 Gynėjų str. 14
 Vilnius

Acquired 2015
 NLA 6,400 m²
 Property value – 12.1 million EUR
 Occupancy – 52%


Žygis Business centre
 Žygio str. 97
 Vilnius

Acquired – 2006
 NLA 2,600 m²
 Property value – 2.6 million EUR
 Occupancy – 95%


„Dommo business park“
 Rīga
 Latvia

Acquired – 2015
 NLA 12,800 m²
 Property value – 8.1 million EUR
 Occupancy – 88%


Office and warehouse premises in Kirtimai
 Kirtimų str. 33, Vilnius

Acquired – 2005
 NLA 2,500 m²
 Property value – 0.86 million EUR
 Occupancy – 94%

NLA – Net Leasable Area

Note: on 26 July 2017 the company has signed an agreement on the sale of the office and warehouse premises in Kirtimai.