

**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 stock exchange since 2014.

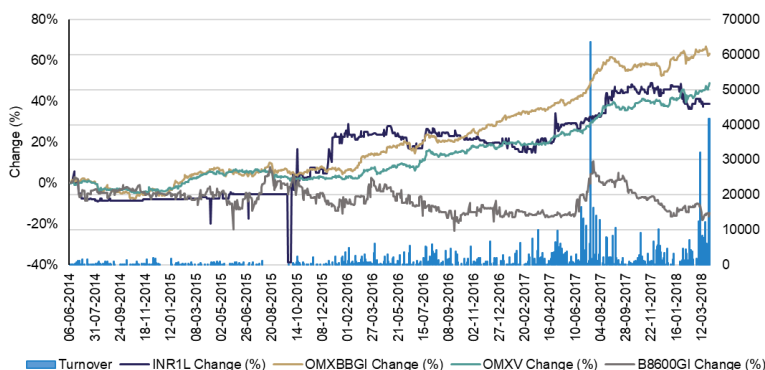
**Assets under management:** about 57,000 sq. m. of real estate in Vilnius and Riga – mostly business centres, manufacturing, warehouse properties and other commercial premises. These properties generate stable cash flows and most of them have high occupancy rates. In addition, some of them have further development potential.

**Management of the Company:** On 22 December 2016 the Bank of Lithuania issued the closed-ended type investment company operating license for INVL Baltic Real Estate 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.

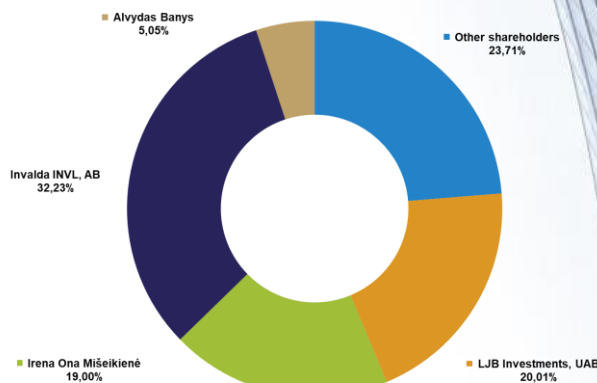
Main information about securities of the Company	
ISIN code	LT0000127151
Amount of shares, units	13,150,000
Nominal value per share, EUR	1.45
Share price, EUR (as of 31.03.2018)	2.26
Last approved dividends, EUR per share	0.13
Consolidated equity, thousand EUR	32,854
Net asset value per share, EUR	2.4984

**INR1L**  
Nasdaq Baltic Listed

**INVL Baltic Real Estate change of share price and indexes**



**Votes as of 31 March 2018**



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



INVL Baltic Real Estate's consolidated net operating income from its properties in the first quarter of 2018 was EUR 0.9 million, or 51% more than in the same period last year. The company's consolidated revenue in the quarter was EUR 1.5 million, or 11% less than in the same period of 2017 (EUR 1.7 million), of which the consolidated rental income received from own property increased by 17,9% up to EUR 1.1 million.

First-quarter leasing income this year for the company's largest property – the 23 000 sq. m. IBC Business Centre on Šeimyniškių Street in the Lithuanian capital – increased by 3.9% compared to the same period last year and amounted to EUR 0.48 million. First quarter net operating income for the property increased by 28.6%.

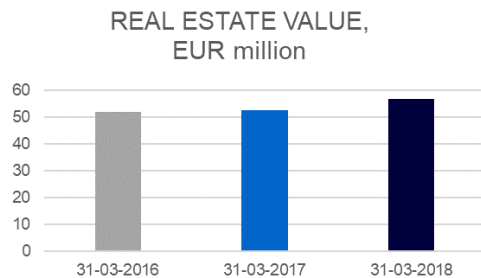
The start of 2018 was extremely successful for the company. After Algoritimų Sistemos moved into the Vilnius Gates business centre on Gynėjų Street, that property's occupancy reached 95%, and in early February we also successfully completed a project to move the office of TransferGo to the building at Palangos Street 4. We signed a new long-term contract with Mokykla Vaikams VŠĮ on the lease of a thousand square metres of space in the building at Žygio Street 97. This lease agreement not only ensures long-term ties with the tenant, now the building's largest, but after reorganization of the premises will also permit an increase of the leasable area.

We are pleased that active work to reorganize properties is bringing the expected results. We intend to continue steadily working to reorganize our property holdings, to increase the value of the assets and the return to investors.

The company's general meeting of shareholders in late March 2018 approved dividends of EUR 0.13 per share for 2017. We are happy the company's shareholders can feel the real return on their investment.

After the Bank of Lithuania in April 2018 approved the prospectus for a public offering of INVL Baltic Real Estate shares, the company's largest shareholder, Invalda INVL AB, announced that it was selling up to 22% of the company's shares. The public share offering will start on 2 May and run through 13 December. Purchase orders may be submitted at the customer consulting offices of INVL Asset Management UAB, which is INVL Baltic Real Estate's management company.

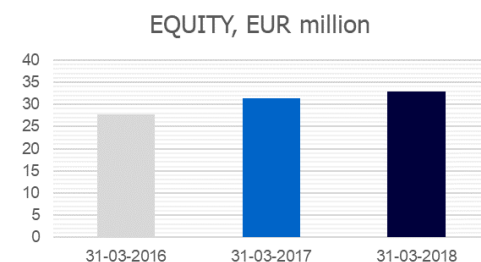
Portfolio, thousand EUR	31.03.2016	31.03.2017	31.03.2018
Operational Property investments	46,293	48,282	52,198
Property Investment redevelopment	1,720	350	350
Other investment properties	3,735	4,017	4,073
<b>TOTAL PROPERTY VALUE</b>	<b>51,748</b>	<b>52,649</b>	<b>56,621</b>
Rent Income from own properties during 3 months period	900	934	1,101
NOI (Net Operating Income) from own properties during 3 months period	658	586	885
NLA (Net Leasable Area), sq.m.	48,476	48,476	46,476



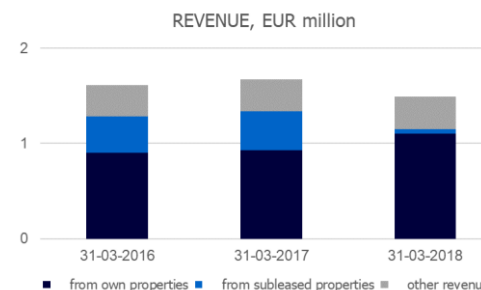
Balance sheet, million EUR	31.03.2016	31.03.2017	31.03.2018
Investment properties	51.75	52.65	56.62
Cash	1.62	0.57	0.50
Other assets	2.16	1.71	1.28
<b>TOTAL ASSETS</b>	<b>55.53</b>	<b>54.93</b>	<b>58.40</b>
Borrowings from credit institutions	22.10	21.43	20.58
Borrowings from Invalda INVL group	-	-	0.81
Other liabilities	5.73	2.07	4.16
<b>TOTAL LIABILITIES</b>	<b>27.83</b>	<b>23.50</b>	<b>25.55</b>
<b>EQUITY</b>	<b>27.70</b>	<b>31.43</b>	<b>32.85</b>
Equity per share*	EUR 2.11	EUR 2.39	EUR 2.50

Profit (loss) statement, million EUR	01.01.2016-31.03.2016	01.01.2017-31.03.2017	01.01.2018-31.03.2018
Revenue	1.61	1.67	1.49
<i>from own properties</i>	0.90	0.93	1.10
<i>from subleased properties</i>	0.38	0.41	0.05
<i>other revenue</i>	0.33	0.33	0.34
Net profit	0.34	0.36	0.70
Earnings per share*	EUR 0.03	EUR 0.03	EUR 0.05



Borrowings	31.03.2016	31.03.2017	31.03.2018
Borrowings, thousand EUR	22,108	21,435	21,392
Borrowings to value of investment properties**	42.7	40.7	37.8
Gearing ratio**	0.43	0.40	0.39
Interest coverage ratio**	3.23	3.77	6.40
Bank's Debt Service Coverage Ratio**	2.20	1,51	1.84



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

Acquired – 2003  
NLA 7,100 sq.m.  
Property value –  
EUR 12.1 million  
Occupancy – 96%



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

Acquired – 2003  
NLA 10,300 sq.m.  
Property value –  
EUR 10.5 million  
Occupancy – 90%



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

Acquired – 2006  
NLA 6,400 sq.m.  
Property value –  
EUR 8.8 million  
Occupancy – 77%



**Business centre Vilnius Gates**  
Gynėjų str. 14  
Vilnius

Acquired 2015  
NLA 7,000 sq.m.  
Property value –  
EUR 14.1 million  
Occupancy – 95%



**Žygis Business centre**  
Žygio str. 97  
Vilnius

Acquired – 2006  
NLA 2,600 sq.m.  
Property value –  
EUR 2.6 million  
Occupancy – 100%



**„Dommo business park“**  
Rīga  
Latvia

Acquired – 2015  
NLA 12,800 sq.m.  
Property value –  
EUR 8.1 million  
Occupancy – 98%

NLA – Net Leasable Area

\*The nominal value per share amounted to EUR 1.45

\*\*<https://bre.invl.com/lit/en/for-investors/reports/formulas-of-performance-indicators>

More information: [www.invlbalticrealstate.com](http://www.invlbalticrealstate.com)