

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.

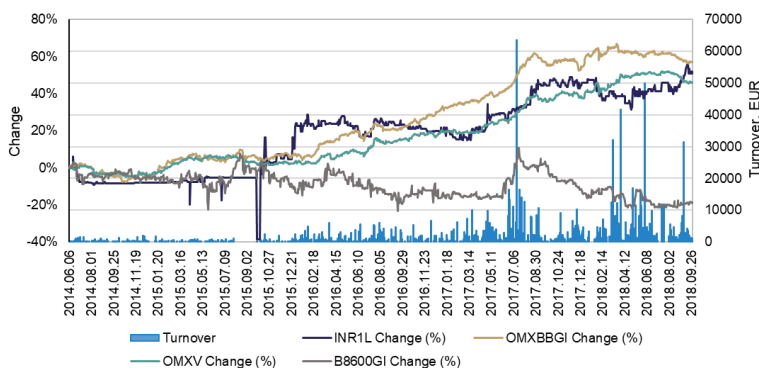
Assets under management: about 57,000 sq. m. of real estate in Vilnius and Riga – mostly business centres, manufacturing, warehouse properties and other commercial premises. These properties generate stable cash flows and most of them have high occupancy rates. In addition, some of them have further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

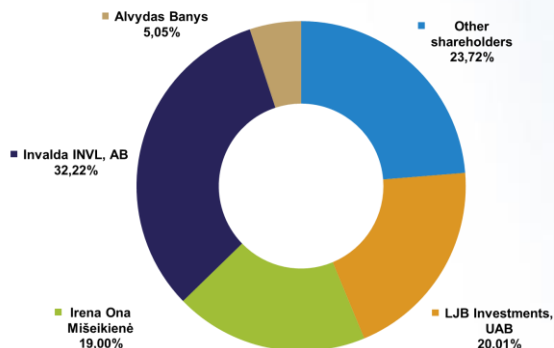
Main information about securities of the Company	
ISIN code	LT0000127151
Amount of shares, units	13,150,000
Nominal value per share, EUR	1.45
Share price, EUR (as of 30.09.2018)	2.48
Last approved dividends, EUR per share	0.13
Consolidated equity, thousand EUR	34,383
Net asset value per share, EUR	2.6147

INR1L
Nasdaq Baltic Listed

INVL Baltic Real Estate change of share price and indexes



Votes as of 30 September 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 three quarters of 2018 was EUR 2.3 million and was 21 per cent more than in the same period of 2017 (EUR 1.9 million).

The company's consolidated revenue in nine months of this year, at EUR 4.3 million, decreased by a tenth from the same period of 2017 (EUR 4.8 million). Of that, consolidated leasing income from properties increased 17 per cent to EUR 3.4 million. The company had a net profit of EUR 2.23 million for three quarters of this year, or 6.7 per cent more than in the same period last year (EUR 2.09 million).

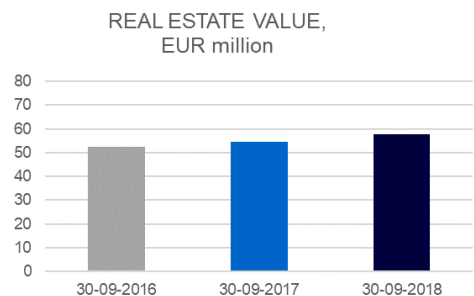
We consider this nine-month period successful. Net operating income grew due to both the groundwork done until now and effective asset management. The reconstruction of the Vilnius Gates business centre which was completed last year is continuing to give the expected results: net operating income from that property alone increased 4.8 times in January-September to EUR 0.66 million.

The IBC Business Centre, which is the largest of the properties that INVL Baltic Real Estate owns, continued to maintain a high level of occupancy and grow its leasing income, which amounted to EUR 1.44 million and increased 1.7 per cent compared with the same period of 2017. During the third quarter, we completed planned works on the building at Žygio str. 97 and in September VŠĮ Mokykla Vaikams moved in there.

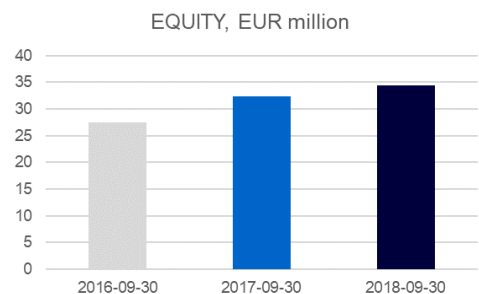
Continually improving results have had a positive impact on the value of the company's property holdings, which year-to-date through September increased EUR 1.3 million (including EUR 0.85 million due to revaluation) to EUR 57.7 million. We are pleased with the company's good performance and will strive to continue increasing the value of its property holdings.

A public offering of the company's shares is continuing: the third and final stage of the share offering will start on 2 November and continue until 13 December. In total, investors are being offered 22 per cent or 2.893 million of the company's shares until now owned by Invalda INVL.

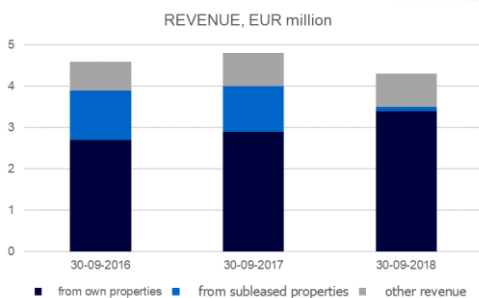
Portfolio, thousand EUR	30.09.2016	30.09.2017	30.09.2018
Operational Property investments	46,785	50,114	52,945
Property Investment redevelopment	1,720	350	350
Other investment properties	3,735	4,042	4,376
TOTAL PROPERTY VALUE	52,240	54,506	57,671
Rent Income from own properties during 9 months period	2,690	2,889	3,376
NOI (Net Operating Income) from own properties during 9 months period	1,788	1,880	2,272
NLA (Net Leasable Area), sq.m.	48,476	45,676	46,876



Balance sheet, million EUR	30.09.2016	30.09.2017	30.09.2018
Investment properties	52.2	54.5	57.7
Cash	0.4	0.7	0.6
Other assets	2.3	1.5	0.9
TOTAL ASSETS	54.9	56.7	59.2
Borrowings from credit institutions	21.8	21.1	22.8
Other liabilities	5.6	3.2	2.0
TOTAL LIABILITIES	27.4	24.3	24.8
EQUITY	27.5	32.4	34.4
Equity per share*	EUR 2.09	EUR 2.46	EUR 2.61



Profit (loss) statement, million EUR	01.01.2016-30.09.2016	01.01.2017-30.09.2017	01.01.2018-30.09.2018
Revenue	4.6	4.8	4.3
<i>from own properties</i>	2.7	2.9	3.4
<i>from subleased properties</i>	1.2	1.1	0.1
<i>other revenue</i>	0.7	0.8	0.8
Investment property revaluation	-	1.1	0.85
Net profit	0.9	2.1	2.2
<i>Earnings per share*</i>	<i>EUR 0.08</i>	<i>EUR 0.16</i>	<i>EUR 0.17</i>



Borrowings	30.09.2016	30.09.2017	30.09.2018
Borrowings, thousand EUR	21,771	21,097	22,828
Borrowings to value of investment properties**	41.7	38.7	39.6
Gearing ratio**	0.44	0.39	0.39
Interest coverage ratio**	3.59	4.10	5.01
Bank's Debt Service Coverage Ratio**	1.81	1.67	1.63



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



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



Business centre Vilnius Gates
Gynėjų str. 14
Vilnius



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



Žygis Business centre
Žygio str. 97
Vilnius



„Dommo business park“
Riga
Latvia

Acquired	2003	2003	2015	2006	2006	2015
Net leasable area	7,100 sq.m	10,300 sq.m	7,100 sq.m	6,500 sq.m	2,600 sq.m	12,800 sq.m
Property value	EUR 12.1 million	EUR 10.5 million	EUR 14.5 million	EUR 8.9 million	EUR 3.0 million	EUR 8.2 million
Occupancy	94%	94%	91%	75%	69%	98%

*The nominal value per share amounted to EUR 1.45

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