

**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.

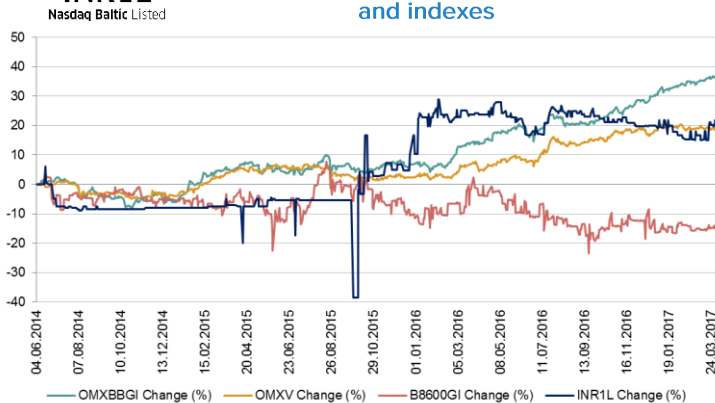
**Shares:** listed on the Baltic Secondary List of Nasdaq Vilnius, AB stock exchange since 2014.

**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.

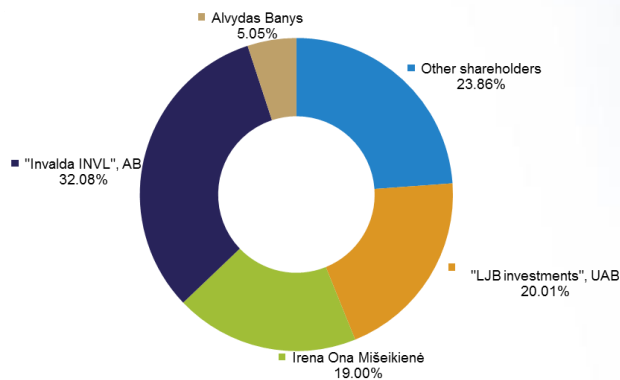
**Management of the Company:** On 22 December 2016 the bank of Lithuania for INVL Baltic Real Estate issued the closed-ended type investment company operating license enabling to engage in the closed-ended type investment company's activities under the Republic of Lithuania Collective investment undertakings 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	0.397
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	31,433

**INR1L INVL Baltic Real Estate change of share price and indexes**



**Votes as of 31 March, 2017**



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



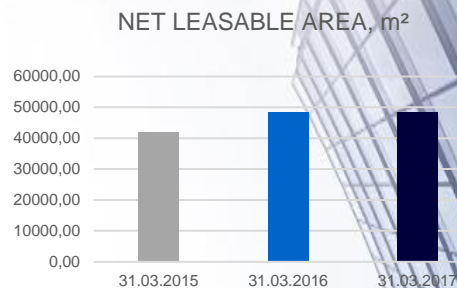
We're pleased with the company's results for three months of this year. Compared with the same period last year, the company's consolidated revenue of leasing income from owned properties grew 3.78 per cent and amounted to EUR 934 thousand, net operating income from properties it owns was EUR 586 thousand, which decreased 10.9 per cent due to investments in the renovation of properties and the company's consolidated net profit was higher by 5.57 per cent and amounted to EUR 360 thousand.

At the end of the first quarter, average occupancy of the company's property holdings was 85 per cent (versus 78 per cent at the end of the first quarter of 2016).

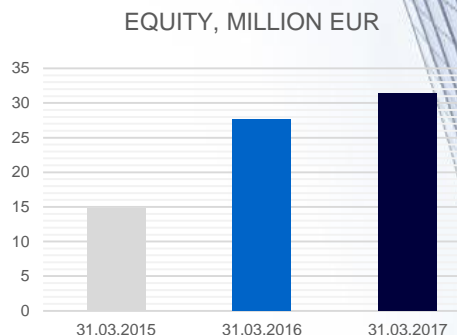
Three-month leasing income for the largest property the company owns – the 23,000 sq. m. IBC Business Centre on Šeimyniškiu Street in the Lithuanian capital – remained stable and totaled EUR 461 thousand.

We continued reconstruction works at the Vilnius Gates property and signed a lease agreement with Xcelsior Vilnius for 600 sq. m. of premises in March. This company represents well-known modern furniture designers and manufacturers. We believe that Xcelsior Vilnius will be a great complement for the Vilnius Gates business centre. With the signing of this lease agreement, occupancy at Vilnius Gates, based on all signed lease agreements, exceeds 90 per cent.

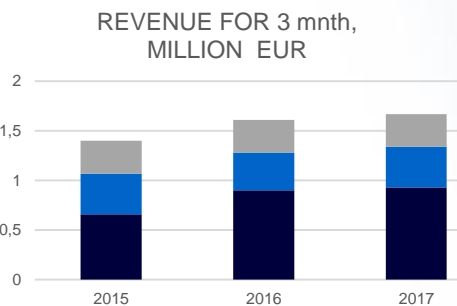
Portfolio, thousand EUR	31.03.2015	31.03.2016	31.03.2017
Operational Property investments	31,375	46,293	48,282
Property Investment redevelopment	2,473	1,720	350
Other investment properties	-	3,735	4,017
<b>TOTAL PROPERTY VALUE</b>	<b>33,848</b>	<b>51,748</b>	<b>52,649</b>
Rent Income from own properties during 3 months	659	900	934
NOI (Net Operating Income) from own properties during 3 months*	471	658	586
NLA (Net Leasable Area), m <sup>2</sup>	42,076	48,476	48,476



Balance sheet, million EUR	31.03.2015	31.03.2016	31.03.2017
Investment properties	33.85	51.75	52.65
Other non-current assets	5.04	0.85	0.22
Cash	0.43	1.62	0.57
Other current assets	0.52	1.31	1.49
<b>TOTAL ASSETS</b>	<b>39.84</b>	<b>55.53</b>	<b>54.93</b>
Borrowings from credit institutions	15.19	22.10	21.43
Borrowings from Invalda INVL	5.27	-	-
Other liabilities	4.61	5.73	2.07
<b>TOTAL LIABILITIES</b>	<b>25.07</b>	<b>27.83</b>	<b>23.50</b>
<b>EQUITY</b>	<b>14.77</b>	<b>27.70</b>	<b>31.43</b>
Equity per share, EUR	0.34	0.42	0.48



Profit (loss) statement, million EUR	01.01.2015-31.03.2015	01.01.2016-31.03.2016	01.01.2017-31.03.2017
Revenue	1.40	1.61	1.67
<i>from own properties</i>	0.66	0.90	0.93
<i>from subleased properties</i>	0.41	0.38	0.41
<i>other revenue</i>	0.33	0.33	0.33
Net profit	0.28	0.34	0.36
Earnings per share, EUR	0.01	0.01	0.01



Borrowings	31.03.2015	31.03.2016	31.03.2017
Borrowings, thousand EUR	24,616	22,108	21,435
Borrowings to value of investment properties*	72.7	42.7	40.7
Gearing ratio*	0.58	0.43	0.40
Interest coverage ratio*	2.82	3.23	4.14
Bank's Debt Service Coverage Ratio*	2.27	2.20	1.51



**IBC Class A  
Business centre**  
Šeimyniškių str. 1,  
Šeimyniškių str. 3  
Vilnius  
Acquired – 2003  
NLA 7,100 m<sup>2</sup>  
Property value – 12  
million EUR  
Occupancy – 96%



**IBC Class B  
Business centre**  
A. Juozapavičiaus  
str. 6, Slucko str. 2  
Vilnius  
Acquired – 2003  
NLA 10,600 m<sup>2</sup>  
Property value –  
10.2 million EUR  
Occupancy – 96%



**Office building**  
Palangos str. 4/  
Vilniaus str. 33  
Vilnius  
Acquired – 2006  
NLA 6,200 m<sup>2</sup>  
Property value –  
7.6 million EUR  
Occupancy – 95%



**Business centre  
Vilnius Gates**  
Gynėjų str. 14  
Vilnius  
Acquired 2015  
NLA 6,400 m<sup>2</sup>  
Property value –  
11.1 million EUR  
Occupancy – 50%



**Žygis Business  
centre**  
Žygio str. 97  
Vilnius  
Acquired – 2006  
NLA 2,600 m<sup>2</sup>  
Property value – 2.5  
million EUR  
Occupancy – 94%



**„Dommo  
business park“**  
Rīga  
Latvia  
Acquired – 2015  
NLA 12,600 m<sup>2</sup>  
Property value –  
8.05 million EUR  
Occupancy – 80%



**Office and  
warehouse premises  
in Kirtimai**  
Kirtimų str. 33, Vilnius  
Acquired – 2005  
NLA 2,500 m<sup>2</sup>  
Property value – 0.8  
million EUR  
Occupancy – 94%

NLA – Net Leasable Area