

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.

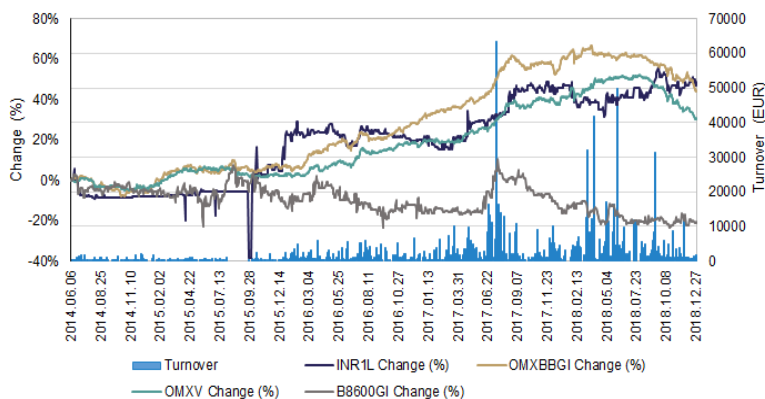
Assets under management: about 57,000 sq. m. of real estate in Vilnius and Riga – mostly business centres, manufacturing, warehouse properties and other commercial premises. These properties generate stable cash flows and most of them have high occupancy rates. In addition, some of them have further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

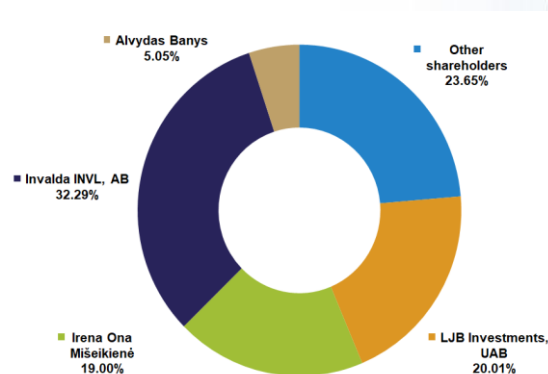
Main information about securities of the Company	
ISIN code	LT0000127151
Amount of shares, units	13,150,000
Nominal value per share, EUR	1.45
Share price, EUR (as of 31.12.2018)	2.42
Last approved dividends, EUR per share	0.13
Consolidated equity, thousand EUR	35,320
Net asset value per share, EUR	2.6859

INR1L
Nasdaq Baltic Listed

INVL Baltic Real Estate change of share price and indexes



Votes as of 31 December 2018



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



The consolidated net operating income of INVL Baltic Real Estate from own objects amounted to EUR 3 million in 2018 or 13 percent more than in 2017 (EUR 2.68 million). The consolidated income of INVL Baltic Real Estate in 2018 amounted to EUR 5.8 million or 6 percent less than in 2017 (EUR 6.20 million), including consolidated operating income from own objects, which grew by 13.5 percent to EUR 4.5 million.

The past year was a year of further successful growth of the company, as it managed to ensure stable growth of operating income and the value of assets under management. Vilniaus vartai business centre generated the expected results – the annual income from its lease amounted to EUR 1.1 million or 1.6 times more than in 2017. Last year, we not only managed to successfully renew all planned lease agreements, but also paid a lot of attention to renovation of assets under management (the premises underwent improvement, upgrade and repair works), which will enable to ensure further improvement of the results of the company.

The net profit of the company amounted to EUR 3.17 million in 2018, the value of assets under management increased by EUR 1.95 million in 2018 (including EUR 1.5 million revaluation) and was EUR 58.3 million at the end of the year, whereas the value of equity was EUR 35.3 million, while equity per share was EUR 2.69 and increased 9.7% from a year earlier (also taking dividend payments into account).

Last year, IBC verslo centras, which is the largest object managed by INVL Baltic Real Estate, continued to have a high occupation level and increased income from its lease, which, compared to 2017, grew by 2.1 percent and amounted to EUR 1.92 million. Other objects managed by INVL Baltic Real Estate in 2018 also had a high level of occupation of premises and showed improving operating results.

We are glad that our clients remain loyal and trust INVL Baltic Real Estate as a reliable and long-term partner. Over the coming year we'll seek to continue meeting clients' expectations and increasing value for investors.

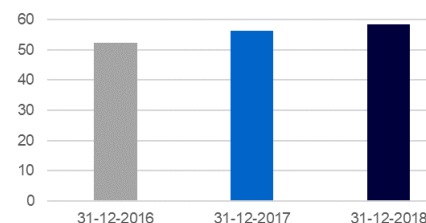
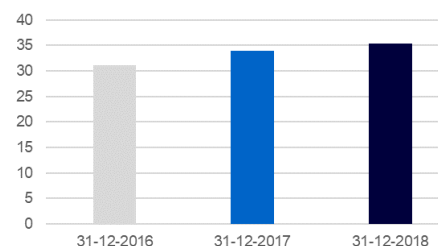
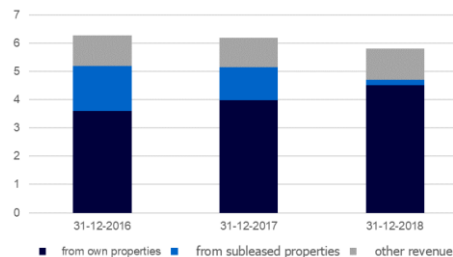
During the public offering of shares of the Company in 2018, 22,465 shares of the Company were sold in total for EUR 57,2 thousand. This share offering was carried out in three stages from 2 May 2018 to 13 December 2018. During the offering, investors were offered to acquire up to 22 percent or 2.893 million shares of the Company owned by Invalda INVL. We believe in the future of a managed real estate portfolio and strive to make our company attractive to investors.

Portfolio, thousand EUR	31.12.2016	31.12.2017	31.12.2018
Operational Property investments	48,043	51,918	53,455
Property Investment redevelopment	350	350	350
Other investment properties	4,017	4,073	4,490
TOTAL PROPERTY VALUE	52,410	56,341	58,295
Rent Income from own properties during 12 months period	3,595	3,978	4,514
NOI (Net Operating Income) from own properties during 12 months period	2,349	2,678	3,027
NLA (Net Leasable Area), sq.m.	48,476	46,276	46,876

Balance sheet, million EUR	31.12.2016	31.12.2017	31.12.2018
Investment properties	52.41	56.34	58.30
Cash	0.75	0.41	0.73
Other assets	2.05	1.24	0.87
TOTAL ASSETS	55.21	57.99	59.90
Borrowings from credit institutions	21.60	20.88	22.63
Borrowings from Invalda INVL group	-	0.80	-
Other liabilities	2.54	2.45	1.95
TOTAL LIABILITIES	24.14	24.13	24.58
EQUITY	31.07	33.86	35.32

Profit (loss) statement, million EUR	01.01.2016-31.12.2016	01.01.2017-31.12.2017	01.01.2018-31.12.2018
Revenue	6.29	6.20	5.82
<i>from own properties</i>	3.60	3.98	4.51
<i>from subleased properties</i>	1.59	1.17	0.20
<i>other revenue</i>	1.10	1.05	1.11
Investment property revaluation	0.15	2.33	1.47
Net profit	4.51	3.58	3.17
Earnings per share*	EUR 0.37	EUR 0.27	EUR 0.24

Borrowings	31.12.2016	31.12.2017	31.12.2018
Borrowings, thousand EUR	21,607	21,681	22,625
Borrowings to value of investment properties**	41.2	38.5	38.80
Gearing ratio**	0.40	0.39	0.38
Interest coverage ratio**	3.11	4.34	4.75
Bank's Debt Service Coverage Ratio**	1.50	1.71	1.59

REAL ESTATE VALUE, EUR million

EQUITY, EUR million

REVENUE, EUR million

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	2,800 sq.m	12,800 sq.m
Property value	EUR 12.2 million	EUR 10.5 million	EUR 14.7 million	EUR 9.3 million	EUR 3.0 million	EUR 8.2 million
Occupancy	92%	95%	91%	76%	67%	98%

*The nominal value per share amounted to EUR 1.45

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