



 INVL Baltic Real Estate

Presentation of INVL Baltic Real Estate

Vilnius, 2 June 2014

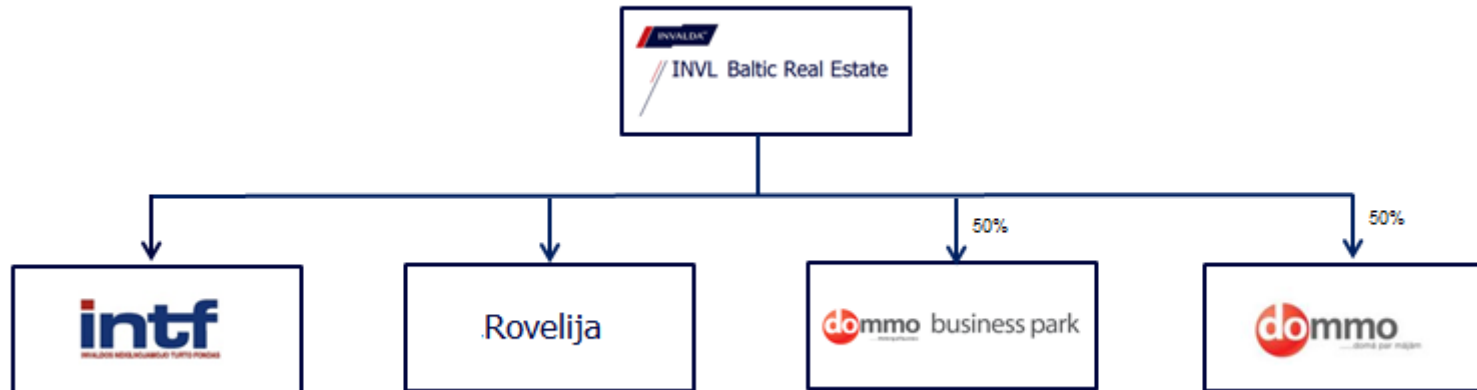


INVL Baltic Real Estate, AB

- Invalda LT group, AB has been investing into real estate since 1992.
- Companies of INVL Baltic Real Estate group owns 12 real estate properties in Vilnius and Riga.
- The majority of objects generate funds from rent and have development potential.
- Company was established in 2014 separating a part of assets from investment company Invalda LT, AB.
- Group companies have about 51 700 sq. m. of the real estate space (more information is available on company`s website www.invlBalticRealEstate.lt).



Simplified Group structure



INVL Baltic Real Estate owns 50% of creditors' claims in both the Dommo Biznesa Parks, SIA, and Dommo Grupa, SIA (corporate debts exceeds the market value of assets held). Real estate is mortgaged to INVL Baltic Real Estate for granted loans.



Companies and their objects

Objects in Vilnius



1st object

Invalidos Nekilnojamojo Turto Fondas, AB

IBC class B business centre, block A
A. Juozapaviciaus st. 6, Vilnius

Total area: 2 100 sq. m

Rented area: 1 700 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value in 2013: LTL 6.5 mln.



2nd object **Invalidos Nekilnojamojo Turto Fondas, AB**

IBC class B business centre, block B

A. Juozapaviciaus st. 6 / Slucko st. 2, Vilnius

Total area: 7 300 sq. m

Rented area: 6 900 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value in 2013: LTL 22.6 mln.



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3rd object

Invalidos Nekilnojamojo Turto Fondas, AB

IBC class B business centre, block C
A. Juozapaviciaus st. 6, Vilnius

Total area: 200 sq. m

Rented area: 100 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value in 2013: LTL 0.7 mln.



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INVL Baltic Real Estate

4th object

Invalidos Nekilnojamojo Turto Fondas, AB

IBC class B business centre, block D
A. Juozapaviciaus st. 6, Vilnius

Total area: 1 600 sq. m

Rented area: 1 200 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value in 2013: LTL 3.8 mln.



5th object

Invalidos Nekilnojamojo Turto Fondas, AB

IBC class A business centre, block F
Seimyniskiu st. 3, Vilnius

Total area: 4 500 sq. m
Rented area: 3 400 sq. m
Land area: 1.47 ha (total area of the IBC complex)
Property market value in 2013: LTL 22.5 mln.



6th object

Invalidos Nekilnojamojo Turto Fondas, AB

IBC class A business centre, block G
Seimyniskiu st. 1a, Vilnius

Total area: 6 900 sq. m

Rented area: 3 300 sq. m

Land area: 1.47 ha (total area of the IBC complex)

Property market value in 2013: LTL 20.9 mln.



7th object

Invalidos Nekilnojamojo Turto Fondas, AB

Office building, block A

Palangos st. 4 / Vilniaus st. 33, Vilnius

Total area: 5 100 sq. m

Rented area: 3 800 sq. m

Land area: 0.49 ha (total area of the complex)

Property market value in 2013: LTL 14.9 mln.



8th object

Invalidos Nekilnojamojo Turto Fondas, AB

Office building, block B,
Palangos st. 4/Vilniaus st. 33, Vilnius

Total area: 4 700 sq. m
Rented area: 2 400 sq. m
Land area: 0.49 ha (total area of the complex)
Property market value in 2013: LTL 10.1 mln.



9th object

Invalidos Nekilnojamojo Turto Fondas, AB

Zygio business centre – office building
J. Galvydzio st. 7 / Zygio st. 97, Vilnius

Total area: 3 200 sq. m
Rented area: 2 600 sq. m
Land area: 0.60 ha
Property market value in 2013: LTL 10.2 mln.



10th object
Invalidos Nekilnojamojo Turto Fondas, AB

Office and warehouse buildings
Kirtimu st. 33, Vilnius

Total area: 3 000 sq. m
Rented area: 2 500 sq. m
Land area: 0.67 ha
Property market value in 2013: LTL 2.6 mln.



Balance sheet of Invalidos Nekilnojamojo Turto Fondas, AB

	LTL mln.	31.03.2014
The real estate value*		114.8
Loans granted to INVL Baltic Real Estate		4.6
Long-term prepayment under the sublease agreement		2.8
Cash		0.3
Other assets		2.2
ASSETS		124.7
Equity		38.2
Loans from credit institutions		56.8
Loans from Invalda LT (subordinated to the bank)		15.0
Deferred tax liability		12.2
Other payables		2.5
TOTAL EQUITY AND LIABILITIES		124.7

*Value estimated based on appraisers assessment at the end 2013.

Income of Invalidos Nekilnojamojo Turto Fondas, AB

	LTL mln.	1st quarter of 2014
Income		4.9
	<i>rental income from own objects</i>	<i>2.2</i>
	<i>rental income from property owned by clients</i>	<i>1.4</i>
	<i>other income</i>	<i>1.3</i>
Profit before tax		0.3

Sublease agreement

- In 2007, Invalda LT, group companies sold three office buildings and two logistics centres in Vilnius and Kaunas, and committed to sublease them.
- Sublease commitment is held by Invaldos Nekilnojamojo Turto Fondas, AB, and is valid until 30.09.2017.
- Currently the company is experiencing about LTL 90 000 loss per month due to the agreement.
- Loss rate may increase or decrease depending on the collected rental income and spending levels on objects' maintenance facilities.
- Sublease fee is annually indexed by the inflation rate.

11th object

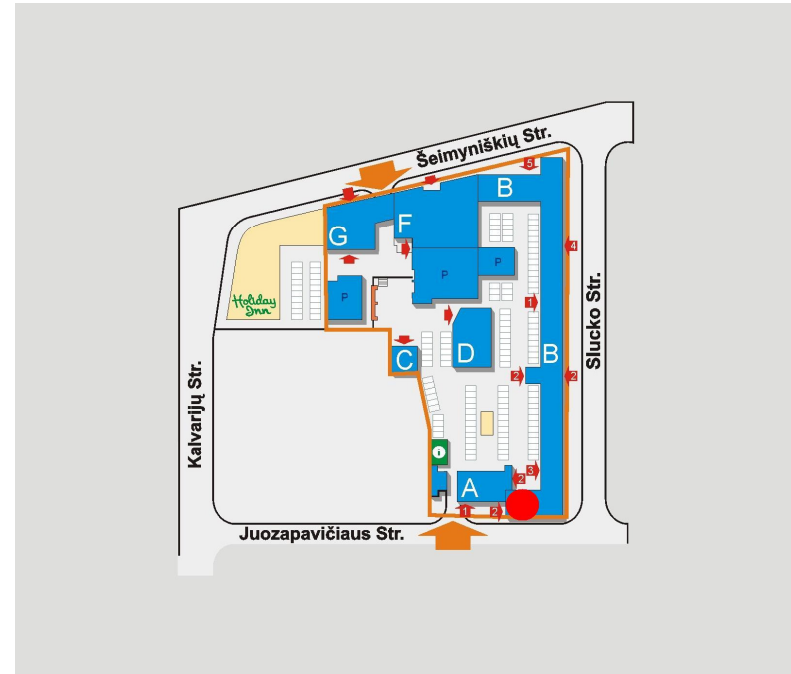
Rovelija, UAB

Dwelling house
Kalvariju st. 11a, Vilnius

Total area: 276 sq. m
Property market value: LTL 1.6 mln.
In April 2014, the company acquired last apartment in the building, now it owns all 6 apartments.



IBC business centres and Kalvarijų st. 11a



Balance sheet of Rovelija, UAB

	LTL mln.	31.03.2014
The real estate value*		1.6
ASSETS		1.6
Equity		0.7
Loans from INVL Baltic Real Estate		0.9
TOTAL EQUITY AND LIABILITIES		1.6

* Value as of 31 March 2014, determined in accordance with management's assessment.

12th object **Dommo Business Park**

Dommo Business Park manufacturing, warehousing and office space complex in Latvia.

Assets are owned by DOMMO Grupa, SIA, and DOMMO Biznesa Parks, SIA, property is mortgaged to INVL Baltic Real Estate for the granted loans. INVL Baltic Real Estate, AB, owns 50 percent of creditors' claims in these companies.

Total area: 12 800 sq. m

Rented area: 12 600 sq. m

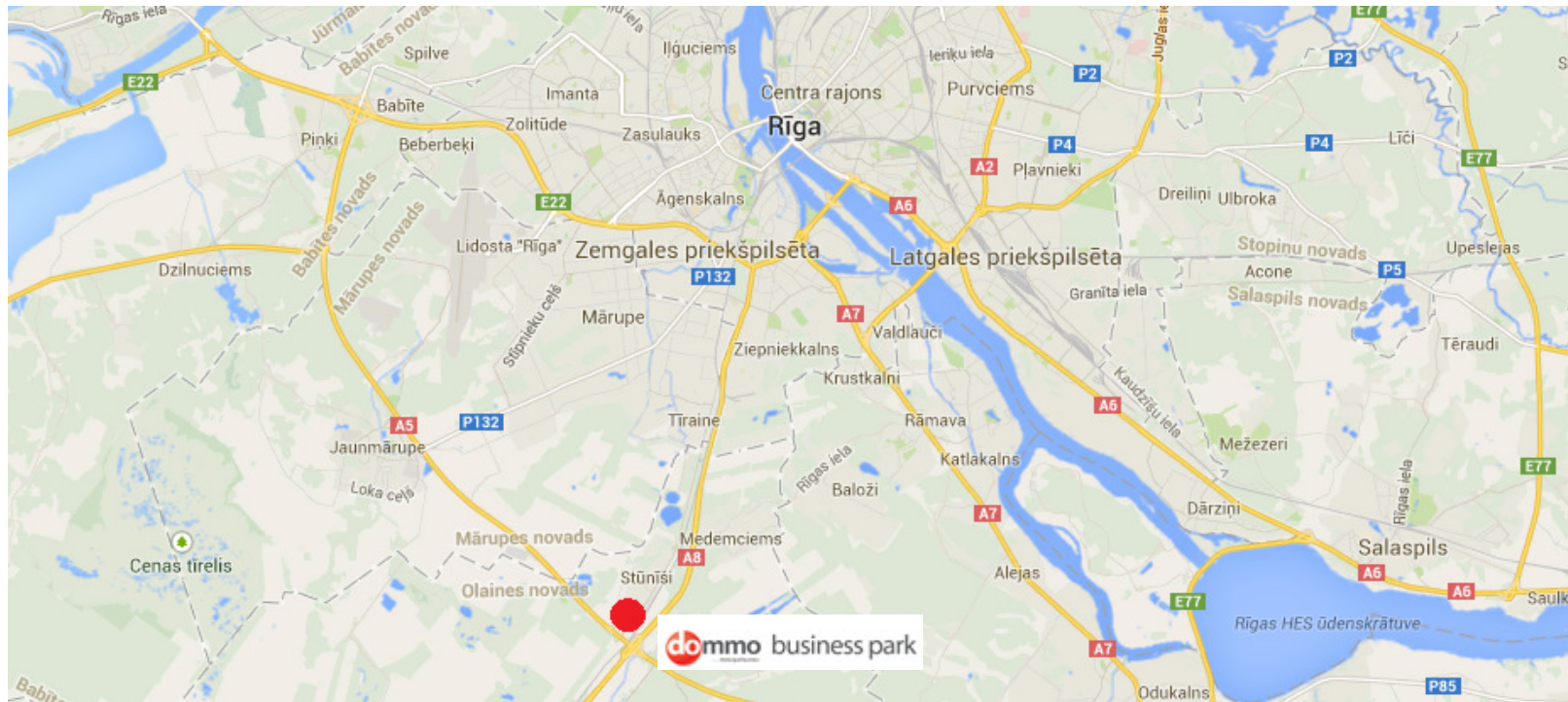
Land area: 58.21 ha

Property market value in 2013: LTL 27.6 mln.

Rental income in 1st quarter of 2014: LTL 0.5 mln.



Dommo Business Park location





About INVL Baltic Real Estate, AB



Equity of INVL Baltic Real Estate, AB

	LTL mln.	31.03.2014
Invalidos Nekilnojamojo Turto Fondas, AB*		33.6
Loans to companies in Latvia		13.8
Rovelija, UAB		1.6
Equity		49.0
Book value of one share		LTL 6.96

* Equity value minus the loan granted to INVL Baltic Real Estate.

Security information

Amount of shares, units	7,044,365
Total number of voting rights granted by shares, units	7,044,365
Nominal value of one share, LTL	1
Total nominal value of shares, LTL	7,044,365
ISIN code	LT0000128746
Ticker	INR1L
Exchange	NASDAQ OMX Vilnius
Trading list	Baltic Secondary List
Date of listing	4 June 2014

The Board

Company intends to pursue closed-end investment company status. It is planned that after the license is granted, INVL Baltic Real Estate will be managed by Invalda LT Investments – company controlled by Invalda LT and consisting of professionals in various fields. Therefore, the current management structure of INVL Baltic Real Estate is temporary.



Alvydas Banys – Chairman of the Board

After graduation from the Vilnius Gediminas Technical University, Alvydas Banys worked for two years in the Lithuanian Academy of Science as a junior research fellow of the Institute of Economics. In 1996-2006 he served as a vice president of the company, in 1996-2000 – member of the Board, 2001-2007 – Chairman of the Board. Alvydas Banys took part in real estate, hotels management, production companies Management Boards' activities. Currently Alvydas Banys is a Chairman of Invalda LT Board, also a member of the BAIP Group Board, INVL Baltic Farmland, AB, INVL Baltic Real Estate, AB, INVL Technology, AB, and Invalda LT Investments, UAB, Chairman of the Board.



Indre Miseikyte – Member of the Board

Indre Miseikyte acquired architect degree at the Vilnius Gediminas Technical University. In 1994-1996 she worked in Vilniaus Baldai, AB, later in real estate and investment companies Gildeta, UAB, and Kremlis, UAB. Since 2002 she works as an architect in Inreal Valdymas, AB. Since April 2012 – a member of Invalda LT Board. Indre Miseikyte is also a member of INVL Baltic Farmland, AB, INVL Baltic Real Estate, AB, and INVL Technology, AB, Boards. Since 2013 – a Member of the Board of Invalda Privatus Kapitalas, AB.



Darius Sulnis – Member of the Board, director

Darius Sulnis graduated from the Vilnius University acquiring accounting and audit Master degree. In 2013 completed business administration studies at the Duke University (USA). He worked as a manager of the broker company Finasta for eight years, then four more years as a manager of the real estate company Inreal valdymas, AB, also took part in activities of Polish, Latvian and Lithuanian companies' Management and Supervisory Boards. Currently Darius Sulnis is a member of the Board and president of Invalda LT, AB, also takes part in activities of Invaldos Nekilnojamojo Turto Fondas, AB, Litagra, UAB, Inservis, UAB, BAIP Group, UAB, Invalda LT Investments, UAB, also INVL Baltic Farmland, AB, INVL Baltic Real Estate, AB, INVL Technology, AB, Boards and is a director of the last three companies.



Further plans

- INVL Baltic Real Estate, AB, shares will be listing on NASDAQ OMX Vilnius Stock Exchange since June 4.
- Company plans to apply to the Bank of Lithuania for closed-end investment company license and in its activities will become similar to investment fund.
- It is planned to apply for the strictest, retail investors oriented, regulatory regime.
- After the license is granted, management of the company will be transferred to Invalda LT Investments, a company owned by Invalda LT.

Disclaimer

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