



INVL Baltic Real Estate – an attractive investment opportunity

JANUARY 2016





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Summary

- PUBLIC OFFERING OF NEW SHARES
- OFFERING SCHEDULE AND ACTIONS FORESEEN IN 2016

Public offering of new shares

The INVL Baltic Real Estate model



1. Professional management and team



EGIDIJUS DAMULIS

CEO of AB INVL Baltic Real Estate

Operational management, real estate portfolio development and sales, identification of potential deals

15+ years

Direct experience in the Baltic real estate market



ANDRIUS DAUKŠAS

Deputy CEO of AB INVL Baltic Real Estate and investment manager at AB Invalda INVL

Investment management, financial planning, cost control, relations with banks

3+ years

Direct experience in the Baltic real estate market



DARIUS ŠULNIS

President of AB Invalda INVL and CEO of UAB INVL Asset Management

Identification of potential deals, negotiations, raising capital, decisions on property acquisitions, development and sale

20+ years

Direct experience in the Baltic real estate market



ALVYDAS BANYS

Chairman of the Board of AB INVL Baltic Real Estate

Strategic portfolio management, decisions on property acquisitions, development and sale

20+ years

Direct experience in the Baltic real estate market



INDRĖ MIŠEIKYTĖ

Member of the Board of AB INVL Baltic Real Estate

Strategic portfolio management, decisions on property acquisitions, development and sale

15+ years

Direct experience in the Baltic real estate market

2. Portfolio of quality properties (a)



IBC Class A Business Centre:
GBA
11 400 m²



IBC Class B Business Centre:
GBA
11 300 m²



Office building in centre of Vilnius on Vilniaus St:
GBA 9 700 m²



Vilnius Gates:
GBA
6 400 m²



Žygis Business Centre:
GBA
3 200 m²



Dommo Business Park:
GBA
12 800 m²



Office and warehouse premises in Kirtimai:
GBA 3 000 m²

EUR 52 mln
Value of investment properties

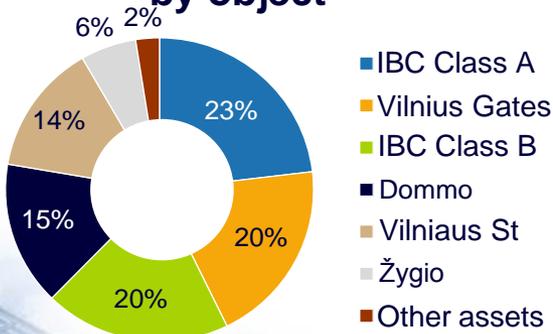
58 000 m²
GBA

48 000 m²
GLA

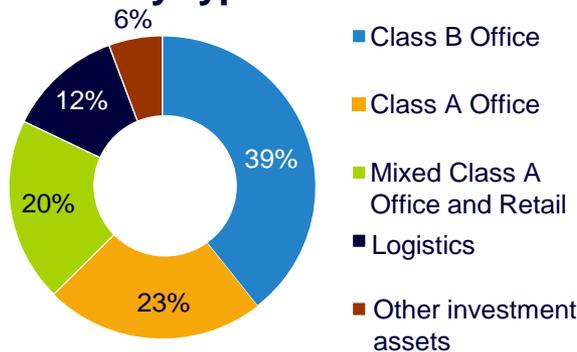
42 000 m²
Leased area

>150
tenants

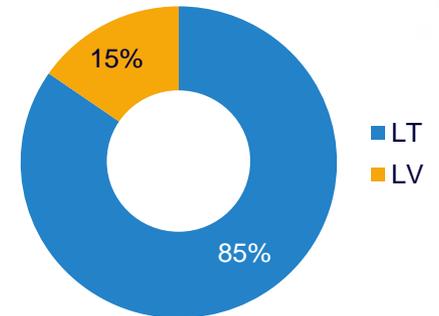
Property value by object



Property value by type

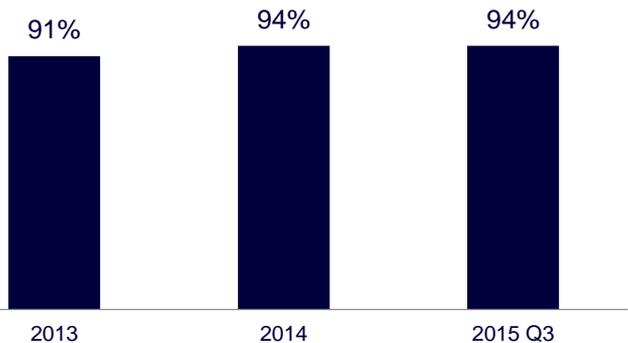


Property value by geography

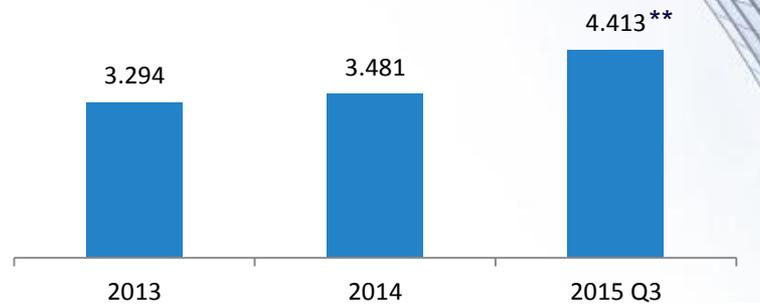


2. Portfolio of quality properties (b)

High occupancy rates



Stable income from owned properties, EUR '000



Diversified tenant structure

Moderate portfolio valuation

L'ORÉAL

IBM

teo

nielsen

ŠIAULIŲ BANKAS

OBER HAUS
NEKILNOJAMASIS TURTAS

- IBC A
- Vilnius Gates
- IBC B
- Dommo
- Palangos
- Žygio
- Kirtimai
- Rovelija

Valuation
Q4 2015, EUR

Valuation Q4 2015
EUR / m²

12 080 000	1 058
10 279 124	1 606
10 220 000	901
8 027 000	627
7 300 000	749
3 060 000	946
780 000	260
520 000	1 882

* Target annual return from existing portfolio

** Including income from Latvian property for 9 months of 2015

As per information held by the issuer.



IBC Class A Business Centre

TOTAL AREA

11 400 m²

LEASABLE AREA

7 100 m²

SIZE OF LAND PLOT

1.47 ha
total area of IBC Complex

MARKET VALUE OF PROPERTY
AT END-2015

**€ 12.1
mln**

OCCUPANCY AT END-2015

96 %

PRINCIPAL TENANTS

IBM Lietuva UAB

Šiaulių bankas

Omnicom Media Group UAB

Amber Food UAB

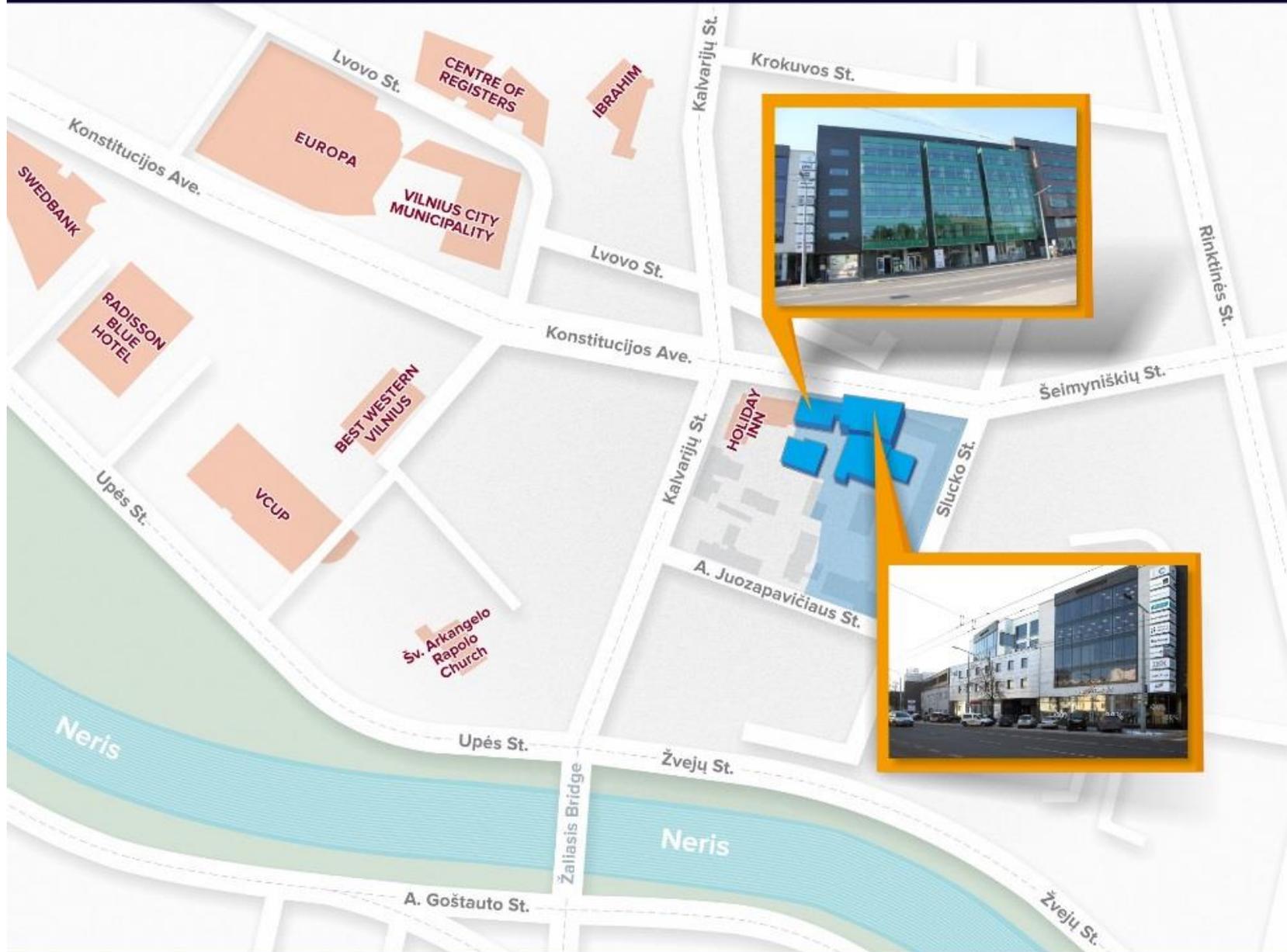
Drogas UAB

ADDRESS

**Šeimyniškių St. 1a,
Šeimyniškių St. 3,
Juozapavičiaus St. 6.**

LOCATION

**Central Vilnius business district
by Konstitucijos Ave.
Neighbours of IBC include key
state and financial institutions.**





IBC Class B Business Centre

TOTAL AREA

11 300 m²

LEASABLE AREA

10 600 m²

SIZE OF LAND PLOT

1.47 ha
total area of IBC Complex

MARKET VALUE OF PROPERTY
AT END-2015

**€ 10.2
mln**

OCCUPANCY AT END-2015

92 %

PRINCIPAL TENANTS

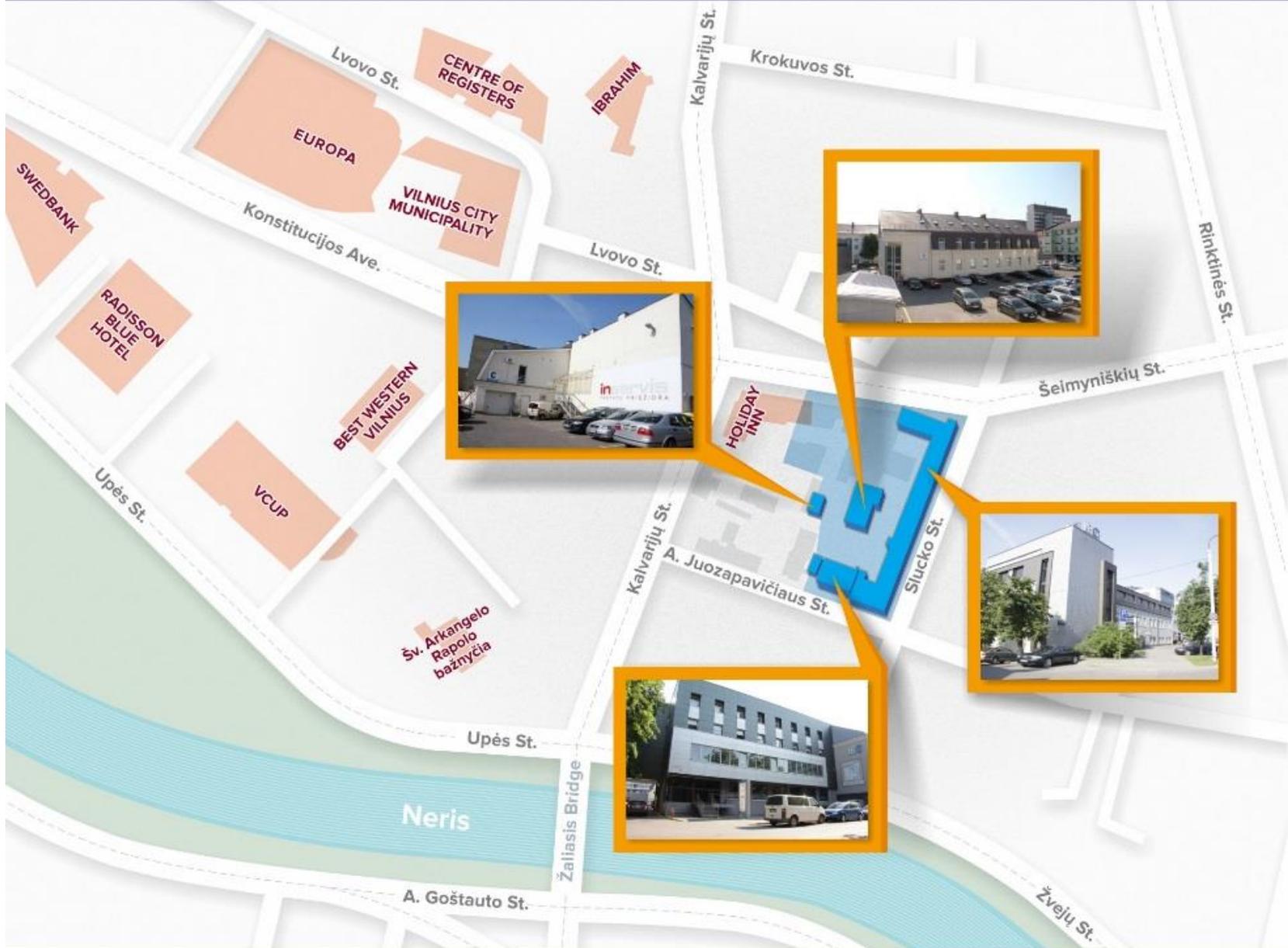
Sanofi-aventis Lietuva
ACNielsen Baltics UAB
BAIP UAB
**State Data Protection
Inspectorate**
Sandoz Pharmaceuticals

ADDRESS

**Šeimyniškių St. 3,
Šeimyniškių St. 3a,
Juozapavičiaus St. 6,
Slucko St. 2.**

LOCATION

**Central Vilnius business district
by Konstitucijos Ave.
Neighbours of IBC include key
state and financial institutions.**





Vilnius Gates Business Centre

TOTAL AREA

6 400 m²

MARKET VALUE OF PROPERTY
AT END-2015

**€ 10.28
mln**

PRINCIPAL TENANTS

**INVL Asset
Management**

LEASABLE AREA

6 400 m²

ADDRESS

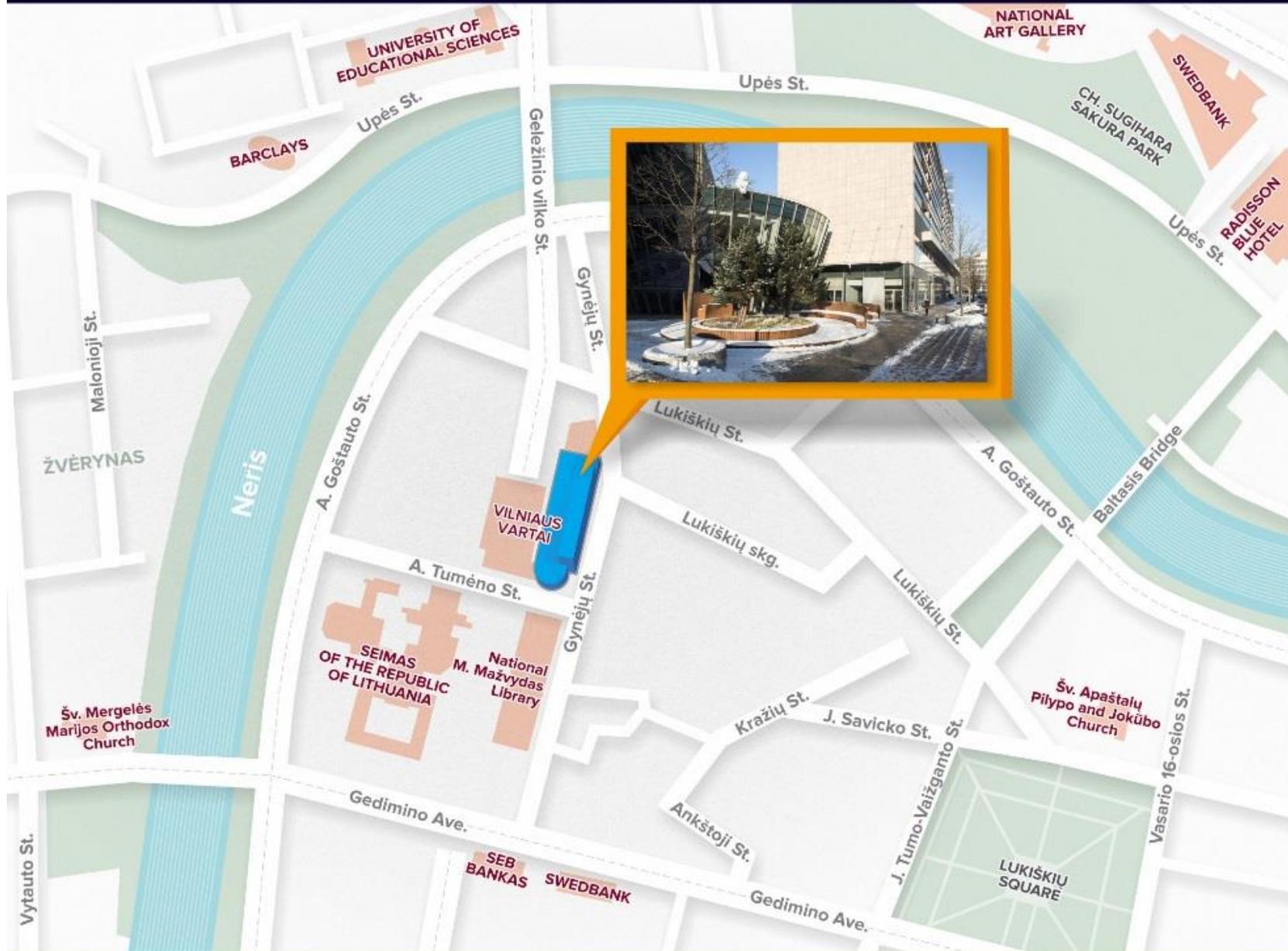
Gynėjų St. 14, Vilnius

OCCUPANCY AT END-2015

37 %

LOCATION

**Prestigious area of
Vilnius alongside the
Lithuanian parliament.**





Office building in the centre of Vilnius

TOTAL AREA

9 700 m²

LEASABLE AREA

6 200 m²

SIZE OF LAND PLOT

0.49 ha
total area of Complex

MARKET VALUE OF PROPERTY
AT END-2015

**€ 7.3
mln**

OCCUPANCY AT END-2015

94 %

PRINCIPAL TENANTS

VIP 311 UAB

Ministry of Health

Alsita UAB

TEO LT AB

Wine 12 UAB

ADDRESS

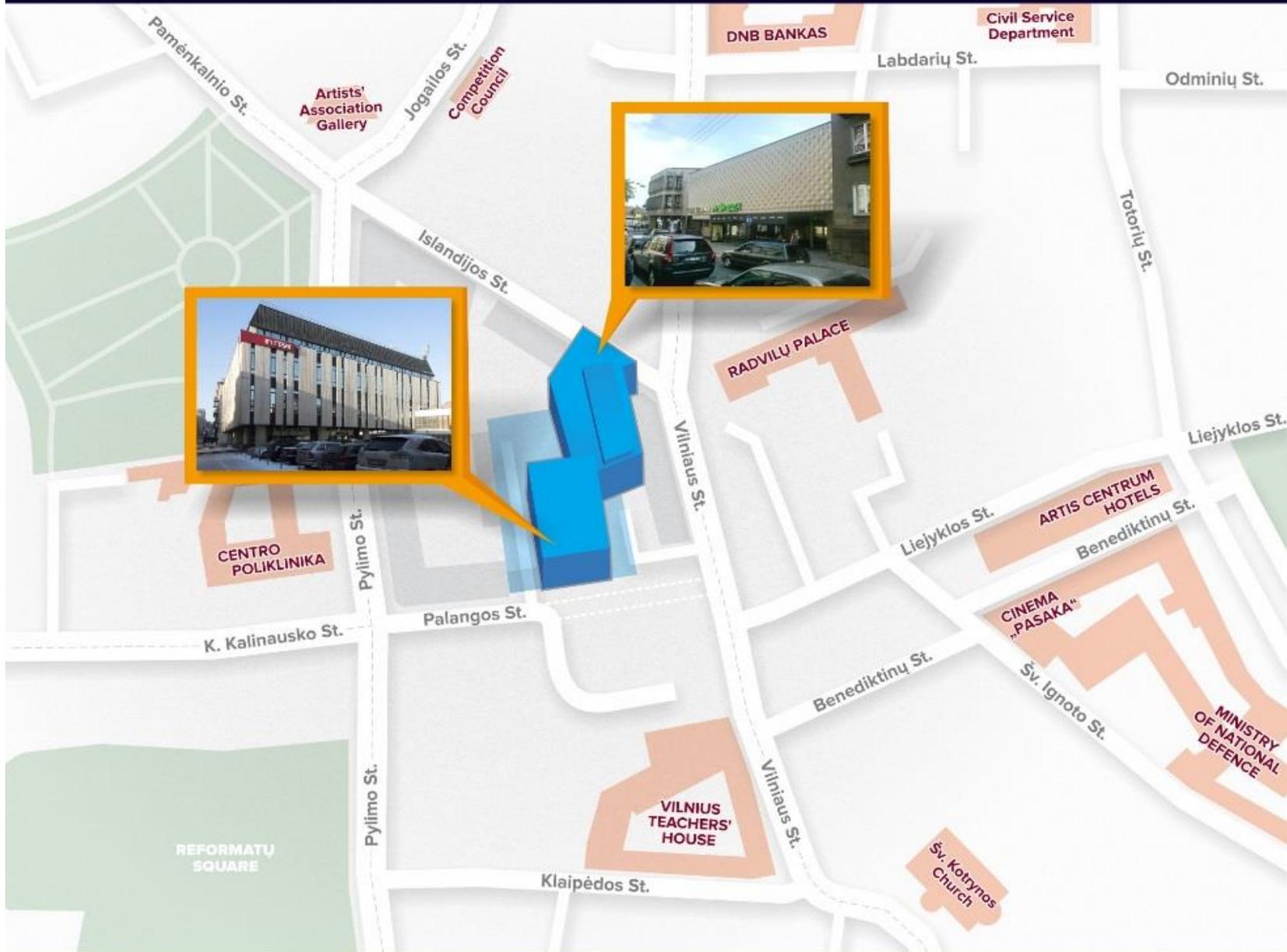
**Palangos St. 4 /
Vilniaus St. 33, Vilniuje**

LOCATION

Vilnius Old Town

OFFICE BUILDING IN THE CENTRE OF VILNIUS

AREA: 9 700 SQ. M.





Žygis Business Centre

TOTAL AREA

3 200 m²

LEASABLE AREA

2 600 m²

SIZE OF LAND PLOT

0.6 ha

MARKET VALUE OF PROPERTY
AT END-2015

**€ 3.06
mln**

OCCUPANCY AT END-2015

100 %

PRINCIPAL TENANTS

**National
Paying Agency**

Innoforce UAB

Nova Media LT UAB

Famille UAB

ADDRESS

**J. Galvydžio St. 7 /
Žygio St. 97, Vilnius**

LOCATION

**Business centre in
a modern commercial and
residential neighbourhood.**





Dommo Business Park manufacturing, warehouse and office complex

TOTAL AREA

12 800 m²

LEASABLE AREA

12 600 m²

SIZE OF LAND PLOT

58.21 ha

MARKET VALUE OF PROPERTY
AT END-2015

**€ 8.03
mln**

OCCUPANCY AT END-2015

98 %

PRINCIPAL TENANTS

L'Oreal Baltic SIA

Starco Eastern Group SIA

Tente SIA

Rewico Baltikum SIA

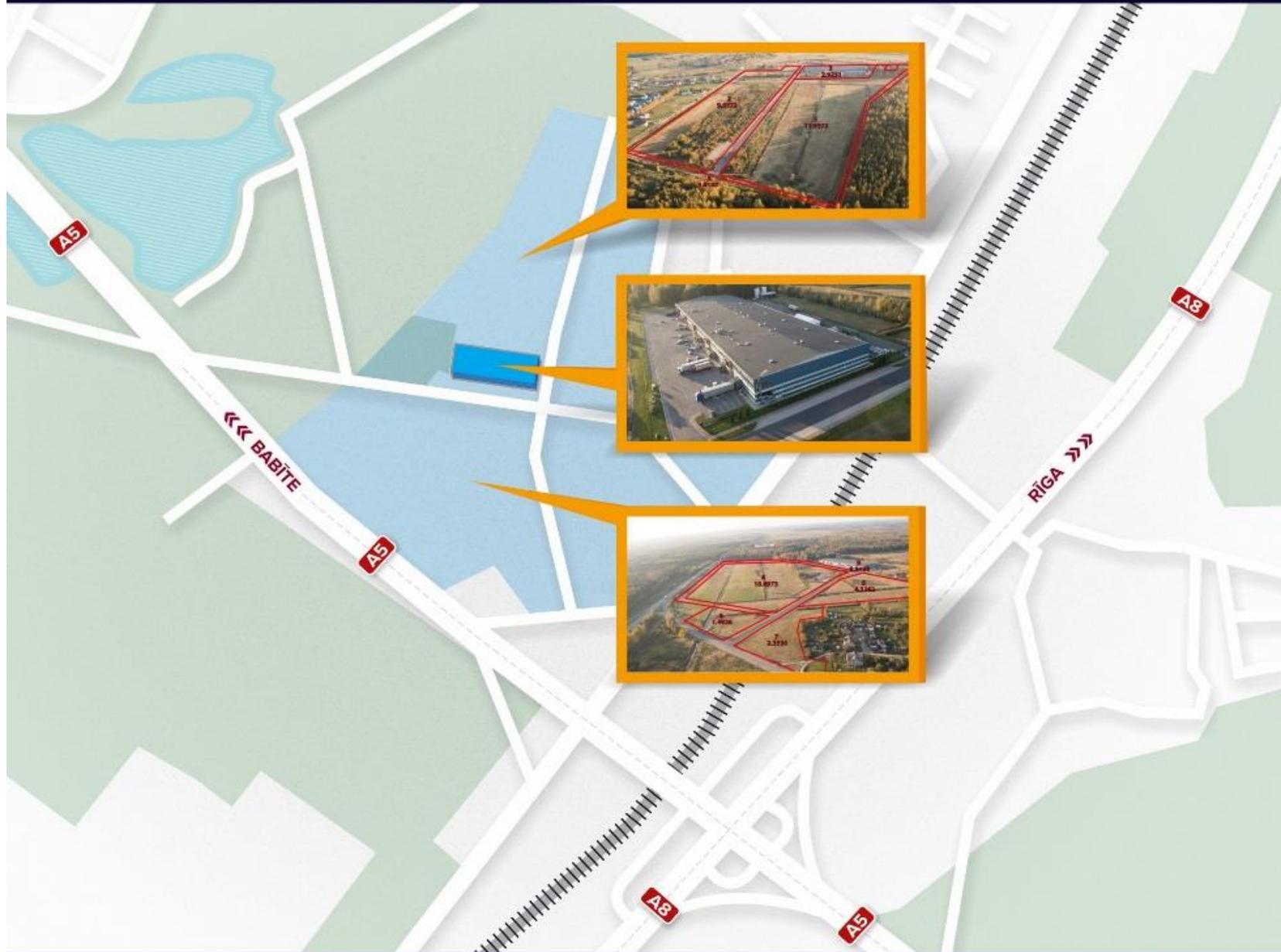
DLW Latvija SIA

ADDRESS

**Stūnyši,
Olaines district,
Latvija**

LOCATION

**Strategically important
site for logistics activity
alongside the Riga bypass.**





Office and warehouse premises in Kirtimai

TOTAL AREA

3 000 m²

MARKET VALUE OF PROPERTY
AT END-2015

**€ 0.78
mln**

PRINCIPAL TENANTS

Utu UAB

Daltra UAB

Retieji metalai UAB

TEO LT AB

Bardra UAB

LEASABLE AREA

2 500 m²

ADDRESS

Kirtimų St. 33, Vilnius

SIZE OF LAND PLOT

0.67 ha

OCCUPANCY AT END-2015

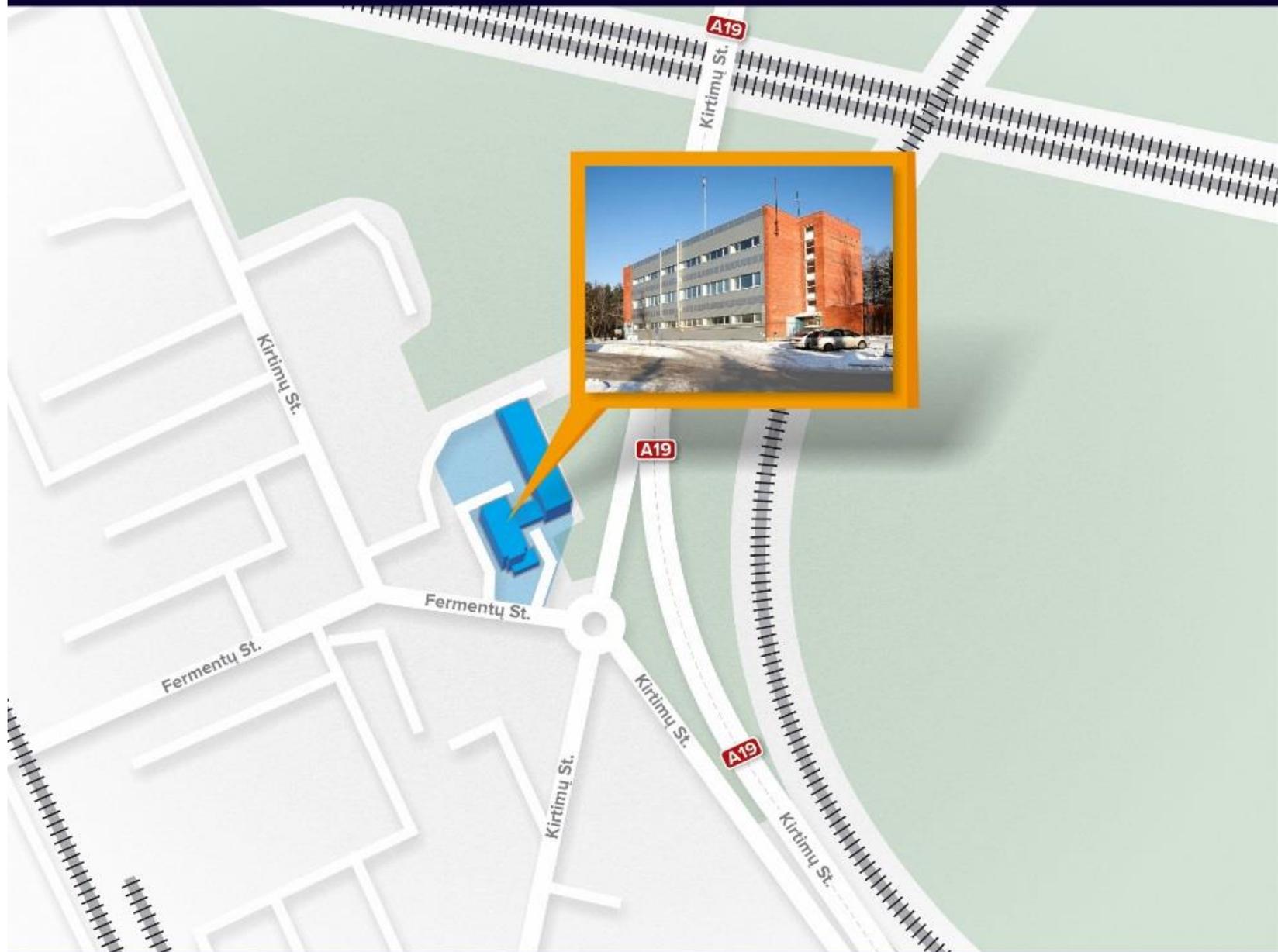
96 %

LOCATION

**Convenient site for
logistics activity alongside
the Vilnius bypass.**

OFFICE AND WAREHOUSE PREMISES IN KIRTIMAI

AREA: 3 000 SQ. M.



3. Development and value-creating acquisitions (a)

Gradual portfolio development

Development of the Vilnius Gates complex

Sale/development of properties not generating cash flow

Decisions on development of other portfolio properties

2015

2016

2017

2018

2,0+ %*

Acquisitions

Flexible portfolio acquisition & divestment strategy

Access to capital markets and bank financing

Experienced team, broad real estate contacts network

* Target additional annual return from portfolio development

3. Development and value-creating acquisitions (b)



Dommo Business Park lots

- More than 50 ha of land plots under development at a strategically important location alongside the Riga bypass
- Possible expansion of logistics premises on free plots or their split up and sale



Vilniaus St. offices

- Strategic location (0.5 ha) in the centre of Vilnius Old Town
- Possibility of the building's enlargement or full reconstruction



IBC complex

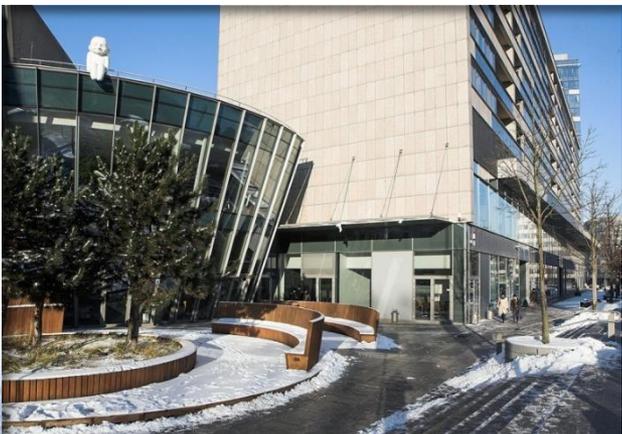
- Strategic location (1.5 ha) in the central Vilnius business district by Konstitucijos Ave.
- Development of a new office complex from current 11 000 m² up to 33 000 m² of GBA

3. Development and value-creating acquisitions (c)



Dommo Business Park

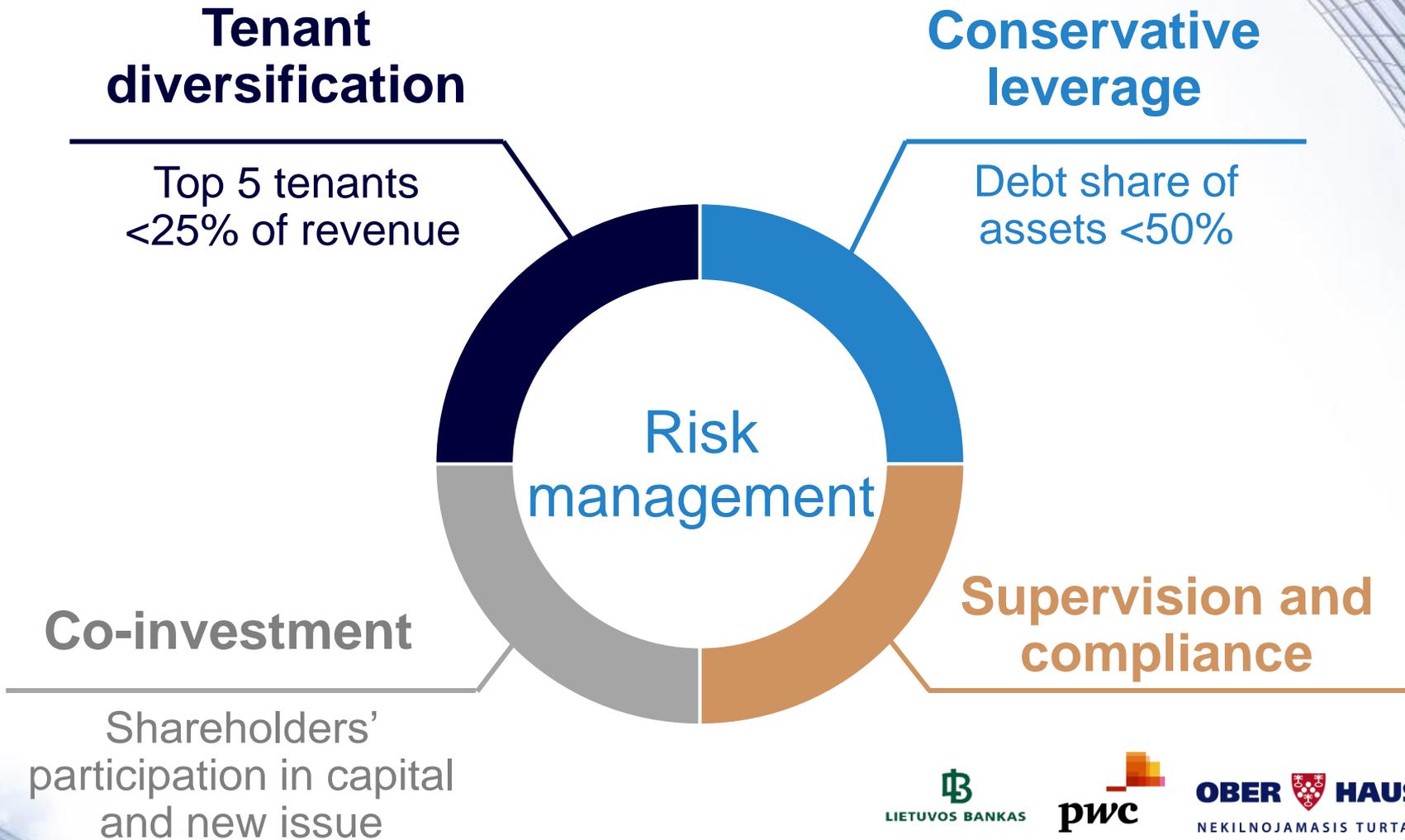
- Acquisition completed: 2 July 2015
- Total acquisition price: EUR 7.4 mln
- Total area: 12 800 m²
- Land plot: 58.21 ha
- Value at end-2015: EUR 8 mln



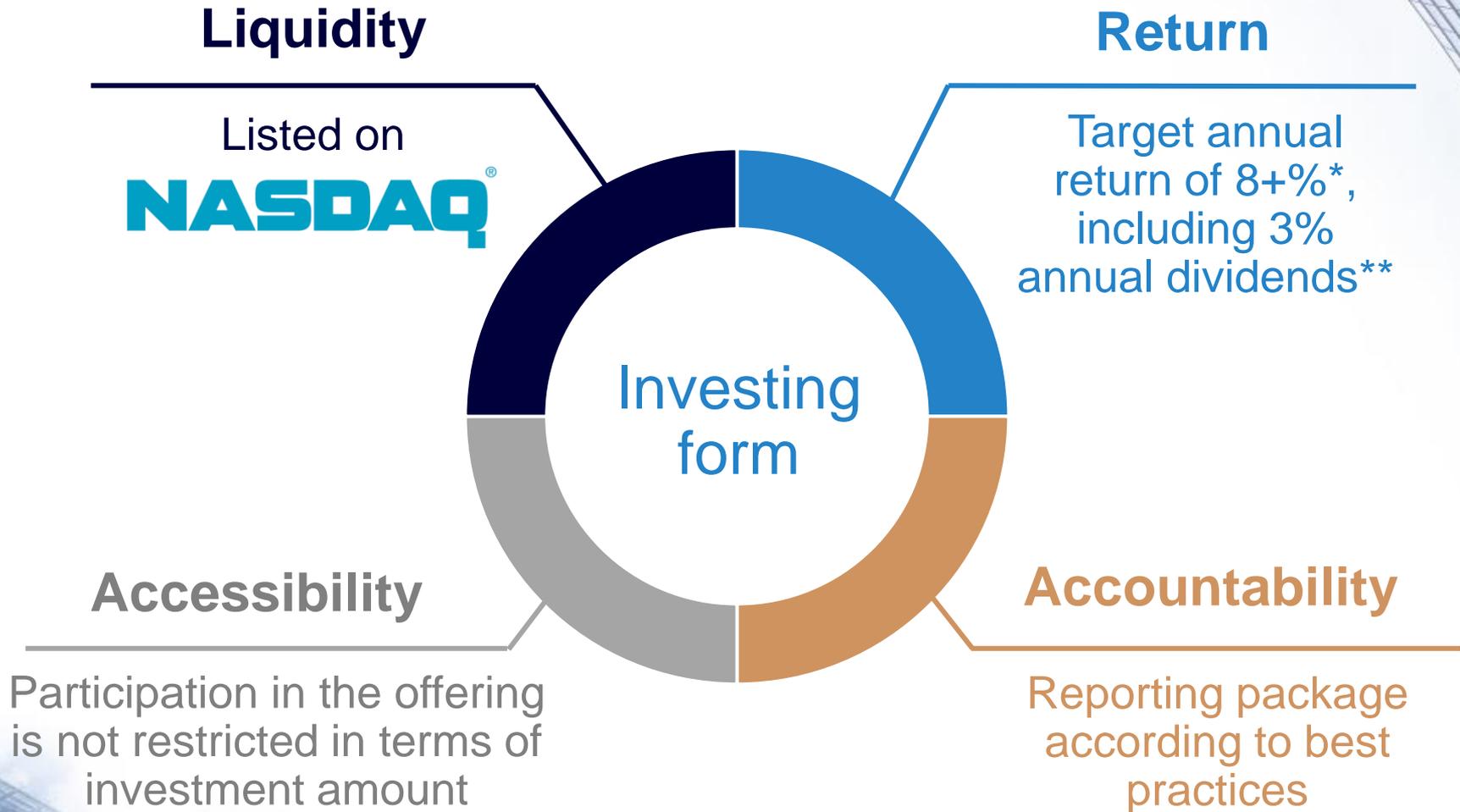
Vilniaus Gates complex

- Acquisition date: 1 October 2015
- Total acquisition price: EUR 7.75 mln
- Total area: 6 400 m²
- Land plot: 0.26 ha
- Value at end-2015: EUR 10 mln

4. Integrated risk management



5. Convenient and efficient investing form



* These forecasts are not reliable indicators of future results

** According to the dividend policy for approval on 15 January 2016



Equity offering terms

Price

EUR 0.40 / share

Offering size

Up to EUR 11.5 mln

Issue

Timing

Applications accepted from
4 January to 4 March

Offering Brokers



FINASTA

ŠIAULIŲ



BANKAS

Value created for investors

Offering price: EUR 0.40 / share

At 2015 09 30 equity capital was EUR 0.375 / share

Impact of property valuation in Q4 2015: + EUR 0.047 / share**

Additional positive impact of ongoing activity in Q4

Equity capital per share at
end-2015 > EUR 0.42

5%*

* Planned discount of the offering price relative to the equity capital attributable to one share

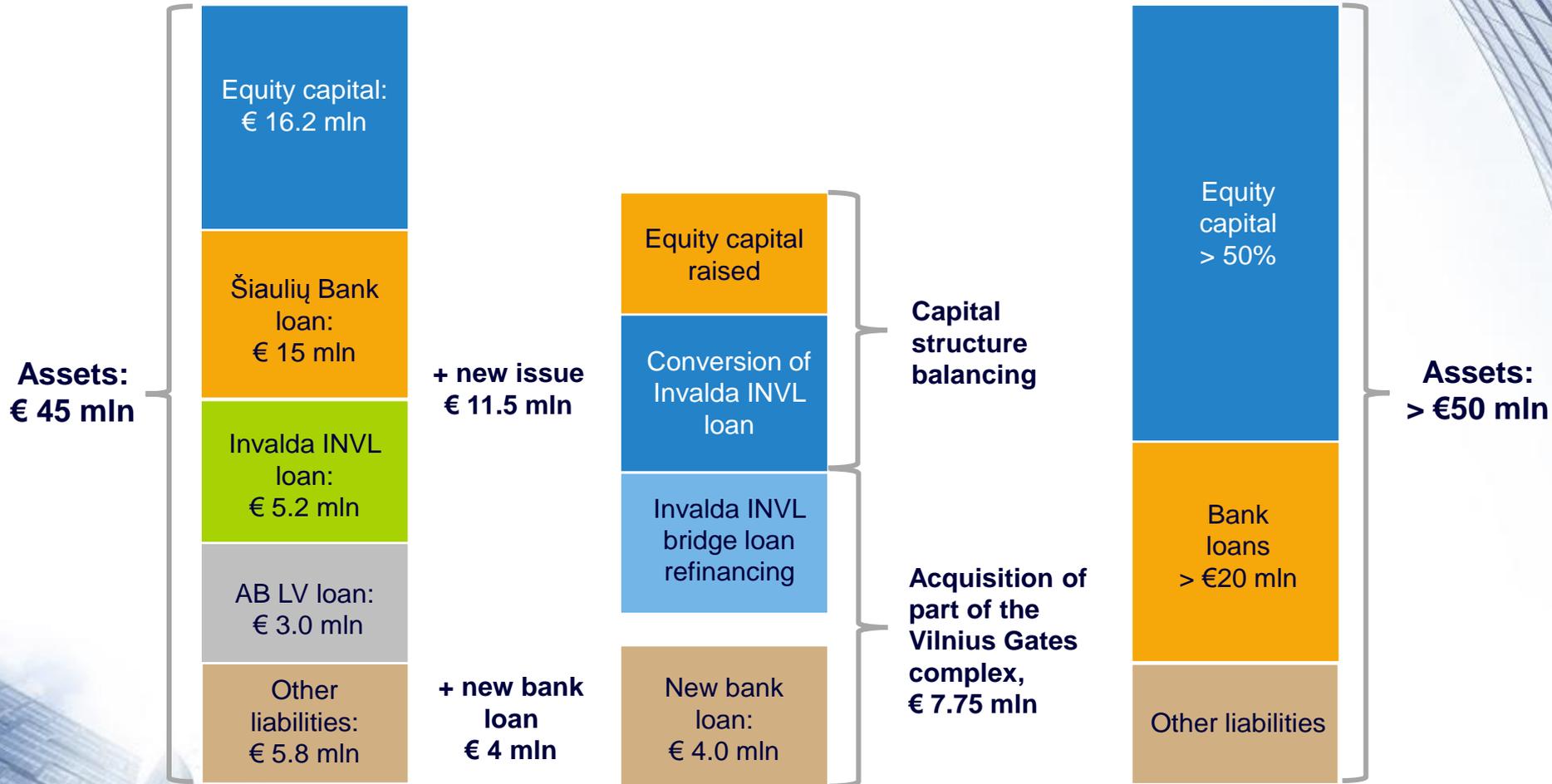
** Calculated on the basis of the preliminary change of investment property value published in a material event announcement on 22 December 2015.

Strengthening of the capital structure

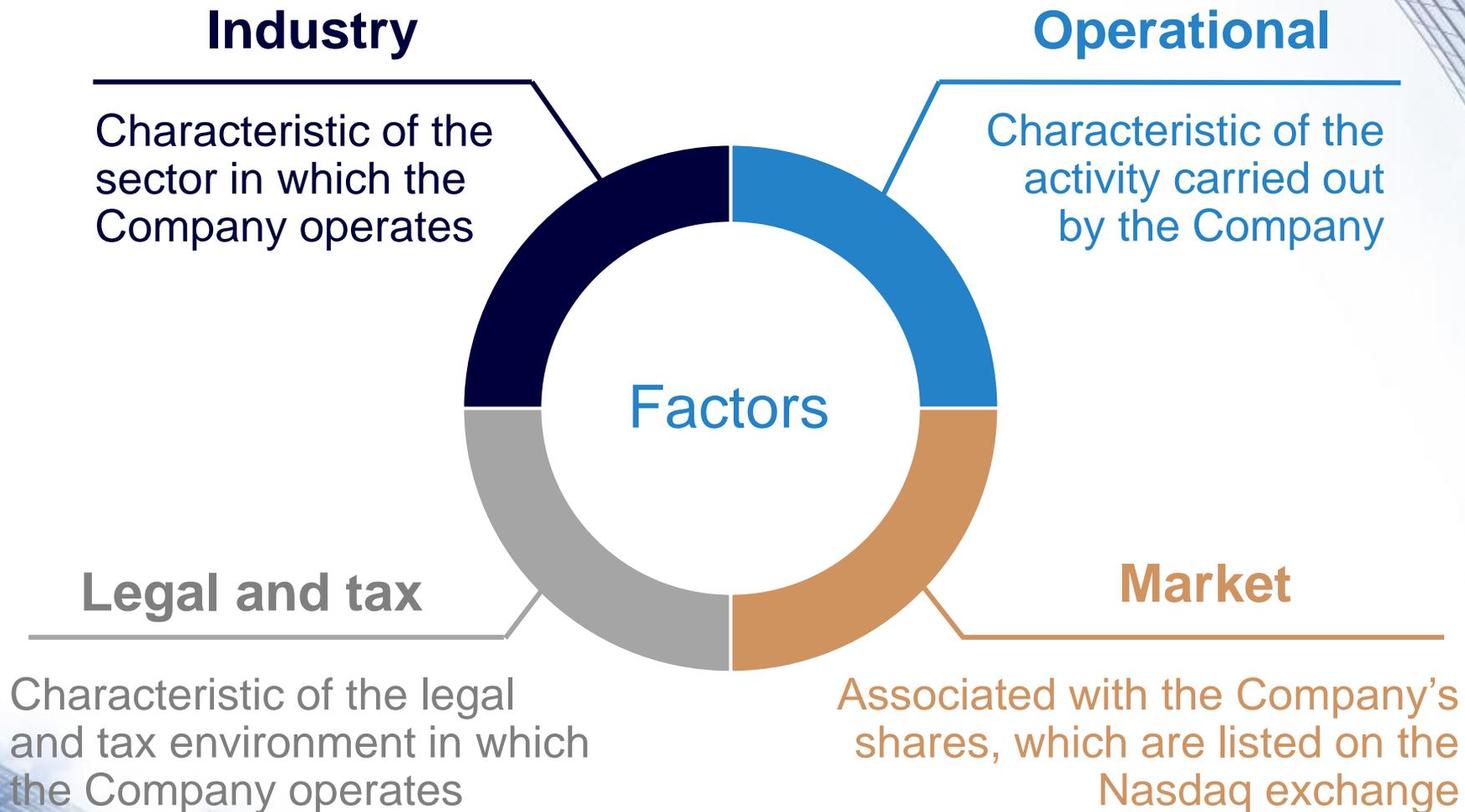
Consolidated capital structure at 2015 09 30

New share issue

Target capital structure after completion of equity offering



Risk factors



General risk factors, characteristic of the sector in which the Group operates:

Possible fluctuations in the value of investment property.

The cyclical nature of the real estate sector.

Risk associated with business operations in the Baltic countries.

Competition.

Catastrophes, terrorist attacks, actions of war, riots, civil unrest, pandemics and other unforeseen events could have a material negative impact on the Group.

Risk factors characteristic of the Group:

Dependence on external financing.

Transactions with related parties.

The Group faces various risks arising from the long duration of real estate development projects.

Dependence on several large projects.

Risk associated with lease agreements.

Dependence on the Company's property administrator.

Liquidity of the Group.

Interest rate risk.

Risk of losing the right of ownership over the investment property at Gynėjų St. 14, Vilnius.

Risk of illiquidity of investments.

Leverage risk.

Dependence on tenants.

Sublease agreement risk.

Legal and tax risk factors:

The legal requirements and rules of the markets in which the Group operates may be changed.

Possible change of the Company's legal status. The Company intends to apply to the Bank of Lithuania for a closed-end investment company license. Issuance of the license would mean a change of the protection of the Company's shareholders and certain restrictions on activities, as foreseen in the Law on Collective Investment Undertakings; for example, the Company's shares will be replaced with investment units, the Company will have the right to invest funds it manages and certain restrictions foreseen in applicable legislation will apply to the Company's investment activity, diversification of investments, etc. The Company's operating expenses may also increase due to requirements to conduct periodic valuation of assets, to keep the Company's assets in a depository, etc.

Risk factors associated with the Company's shares:

The price of the Company's shares may fluctuate significantly.

The value of the shares may decrease due to turmoil in emerging markets.

There is no guarantee that the Company will in the future pay dividends.

The liquidity of the issuer's shares is not guaranteed.

The offering may be delayed, halted or cancelled; investors are not guaranteed that they will be allocated the full or partial number of the offered shares to which they have subscribed.

Large shareholders risk.

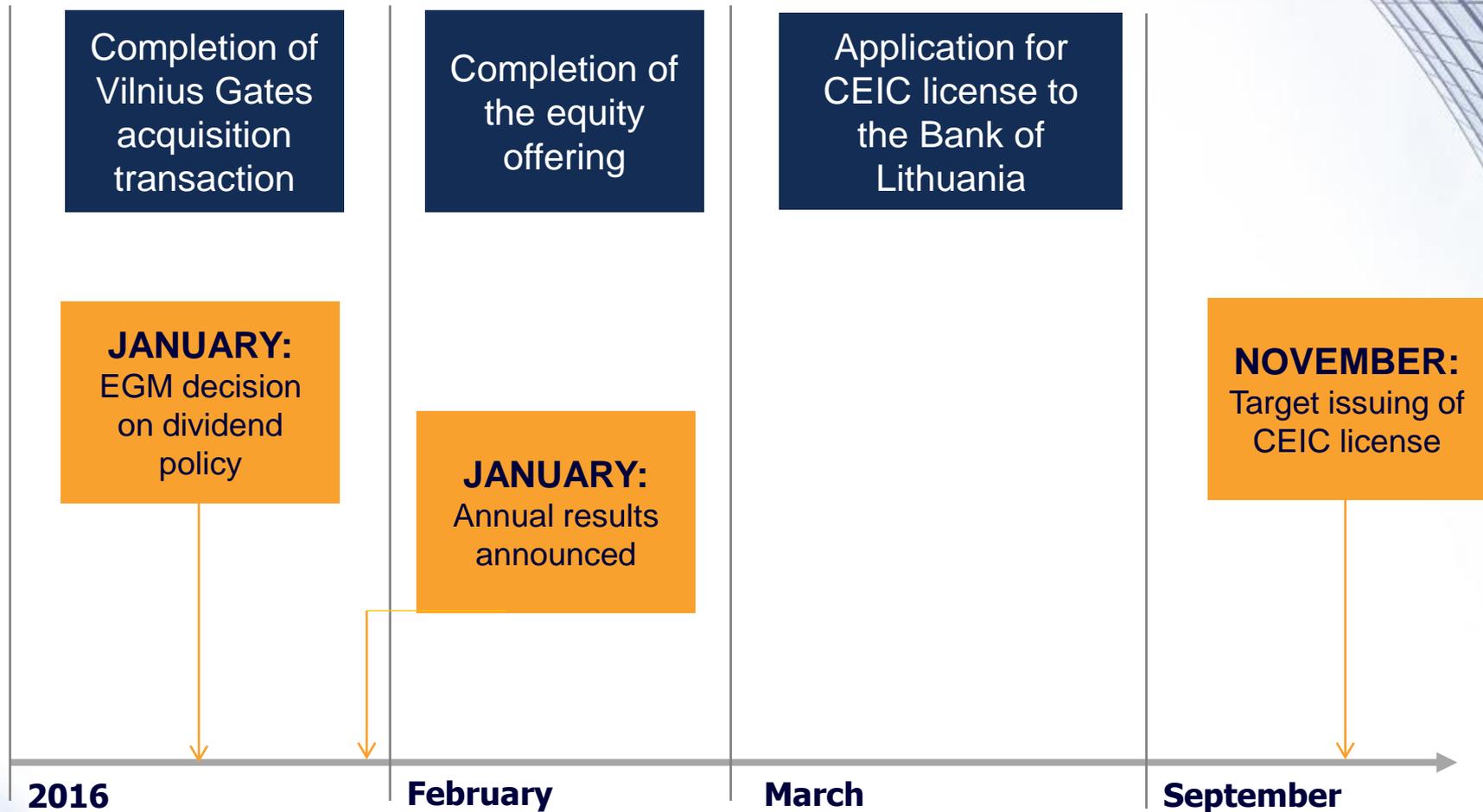
The comprehensive description of risk factors can be reviewed in the Prospectus, which is published on the website of the Company www.invlbalticrealestate.lt and on the website of the manager of the offering www.invlfinasta.com.



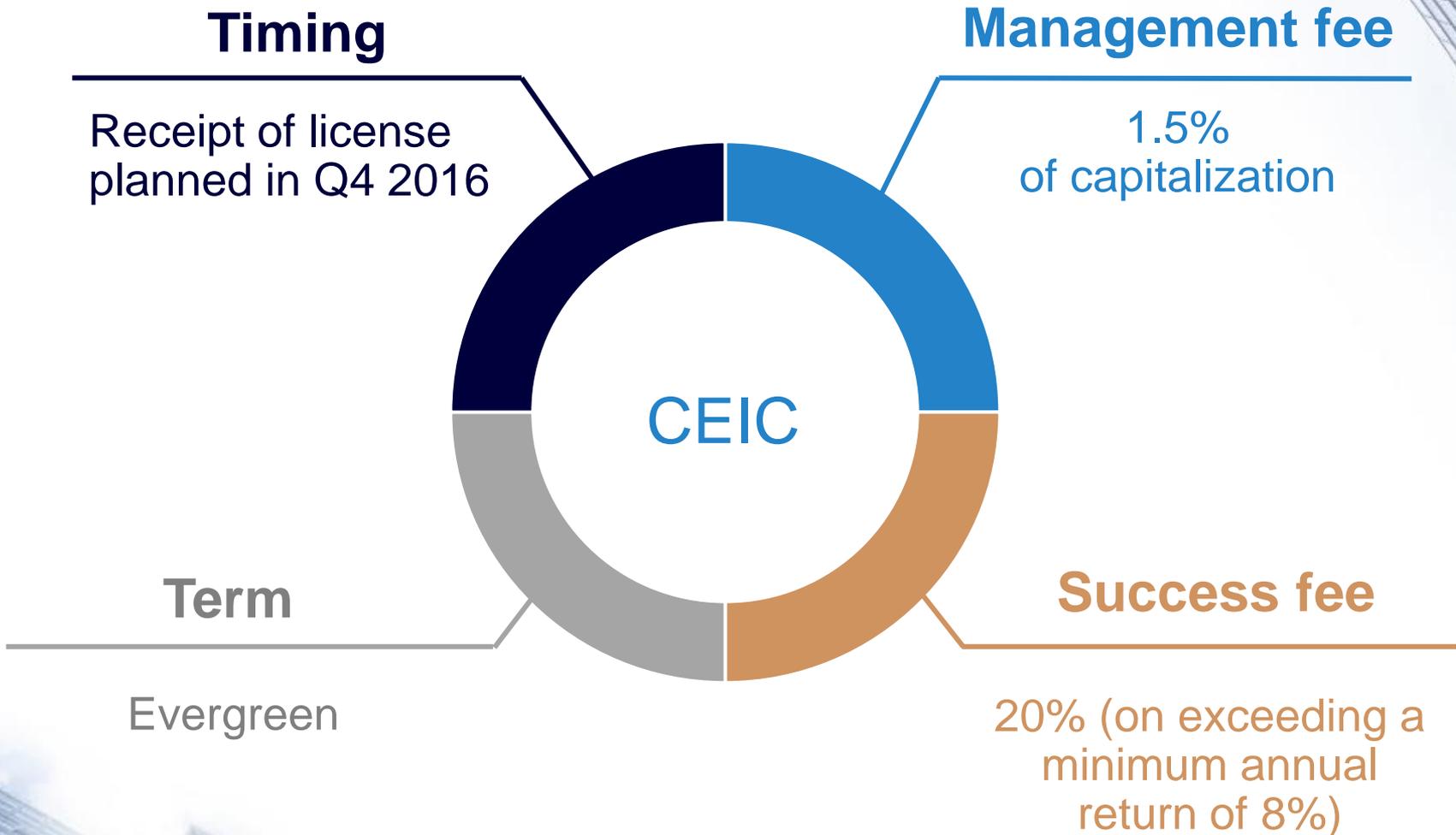
Offering schedule and actions foreseen in 2016



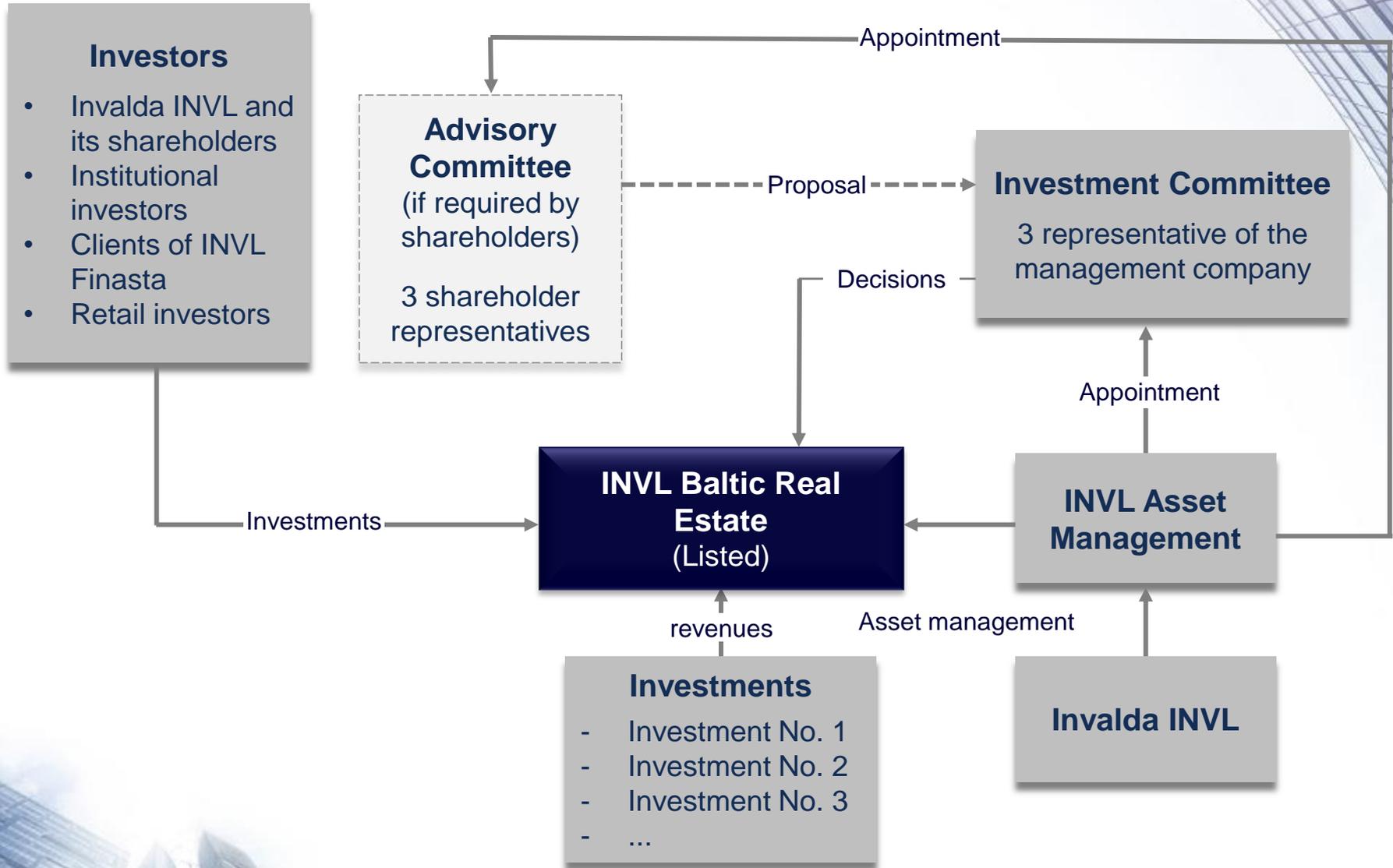
Main events during 2016



Becoming a closed-end investment company (CEIC)



Target CEIC management structure



Management company

COMPANY:	UAB INVL Asset Management, established in 2003
ACTIVITY:	Diversified investment manager operating in the Baltic countries
LICENSES:	Licensed asset management company supervised by the Bank of Lithuania
AuM:	Over EUR 250 million
MAIN PRODUCTS:	5 mutual funds (market share in Lithuania: 48%*) 8 pension funds (2 nd and 3 rd pillar) Wealth management: portfolios for ~250 individuals with high net income
AUDITORS:	The management company and all its funds are audited by Big 4 auditors (currently PwC).

* According to the most recent Bank of Lithuania review:

https://www.lb.lt/ii_ir_iii_pakopos_pensiju_fondu_bei_kolektyvinio_investavimo_subjektu_rinkos_apzvalgos_2015_m_i_pusm_1

Summary

TEAM:

A team with strong experience developing real estate projects that is able to control the situation and take advantage of opportunities in the market.

ASSETS:

AB INVL Baltic Real Estate represents an opportunity invest in a company that manages a diversified portfolio of real estate in strategically important locations in Lithuania and Latvia.

RETURN:

The target annual return is 8+% including 3% annual dividends paid out once a year after publication of the audited financial statements.

RELIABILITY:

The Company's current shareholders are co-investing.
The Company is listed on the Nasdaq Baltic exchange.

FORM:

The Company plans to apply to the Bank of Lithuania for a CEIC license. That would make it possible to achieve even greater management efficiency by transferring management to UAB INVL Asset Management, which is supervised by the Bank of Lithuania.



Contacts



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**Thanks
for your
attention**