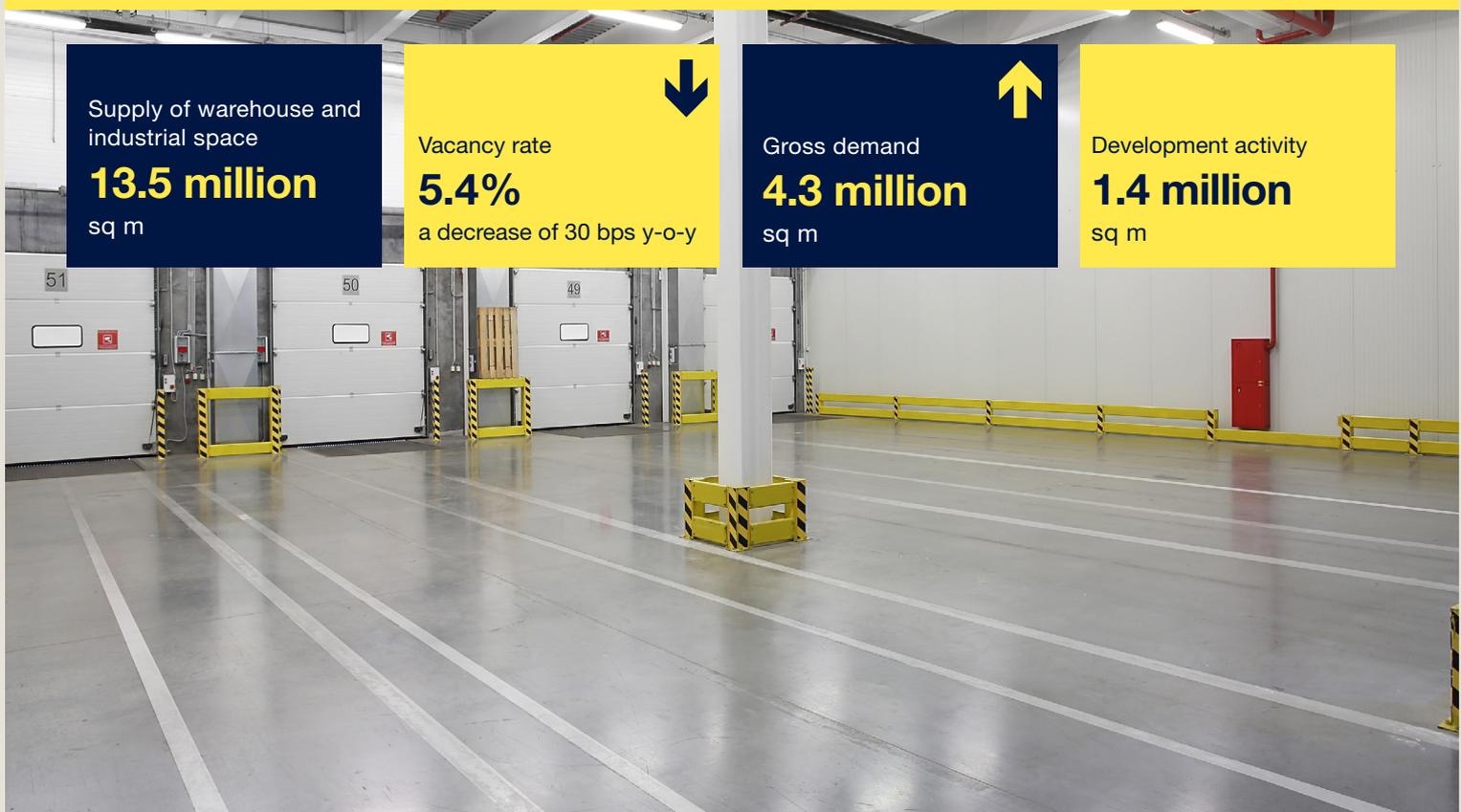


Market in Minutes

Warehouse and Industrial Market in Poland

February 2018



SUMMARY

2017

■ Total supply of modern warehouse and industrial space in Poland at the end of 2017 stood at nearly 13.5 million sq m.

■ The largest markets are: Warsaw (3.7 million sq m), Upper Silesia (2.4 million sq m), Poznań (1.9 million sq m), Central Poland (1.7 million sq m) and Wrocław (1.5 million sq m).

■ In 2017 almost 2.4 million sq m of modern space was delivered to the market, over twice the volume

observed in previous year.

■ Currently over 1.4 million sq m of space Poland wide is under construction, of which only 1/3 is being developed speculatively.

■ Gross demand in 2017 reached ca. 4.3 million sq m, an increase of nearly 33% year-on-year.

■ Net absorption in 2017 doubled when compared

with 2016 and reached 2.3 million sq m.

■ The vacancy rate decreased by 30 bps y-o-y to 5.4%. The highest rate was noted in Kraków (11.4%), whereas the lowest one in Central Poland and was close to 0%.

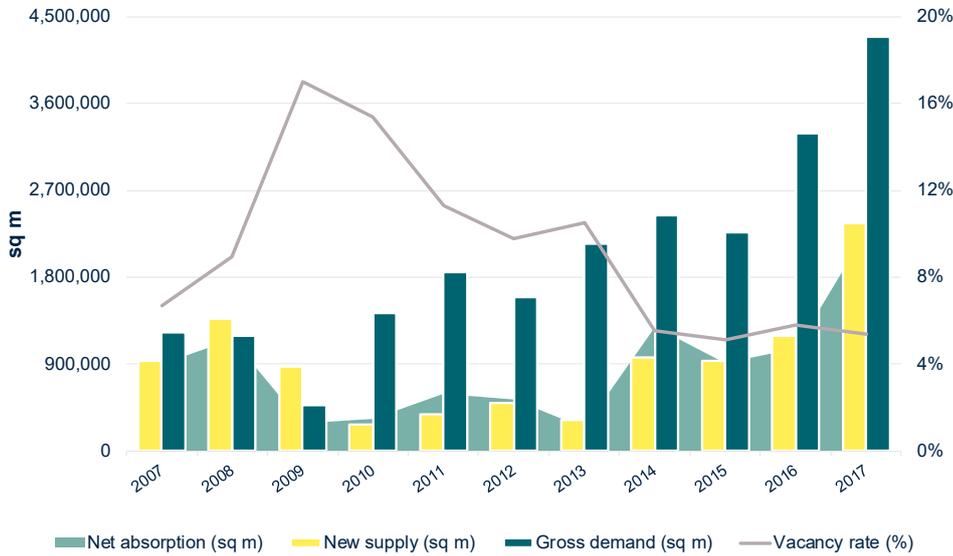
■ Third-party logistics and retail, both traditional and e-commerce, created ca. 60% of demand for warehouse and industrial space across the country.

■ Base rents range between EUR 2.60 sq m/month and EUR 4.00 sq m/month in case of BIG BOX units. Rents for SBU in Warsaw may reach even EUR 5.25 sq m/month.

■ Effective rents range between EUR 2.00 sq m/month and EUR 3.40 sq m/month in case of BIG BOX units and up to EUR 4.80 sq m/months for SBU.

Chart 1

New supply, gross demand, net absorption & vacancy rate in Poland



The largest market – Warsaw

3.7 million sq m

The highest development activity – Upper Silesia

373,200 sq m

↑ 11.4%

The highest vacancy rate – Kraków

Source: Savills

Sector which created the highest demand for warehouse space

3PL

The highest net absorption – Warsaw

467,000 sq m

The highest demand – Central Poland

1,080,100 sq m

↓ 0.2%

The lowest vacancy rate* – Central Poland

*Among established markets.

Chart 2

Existing stock by region, 2017

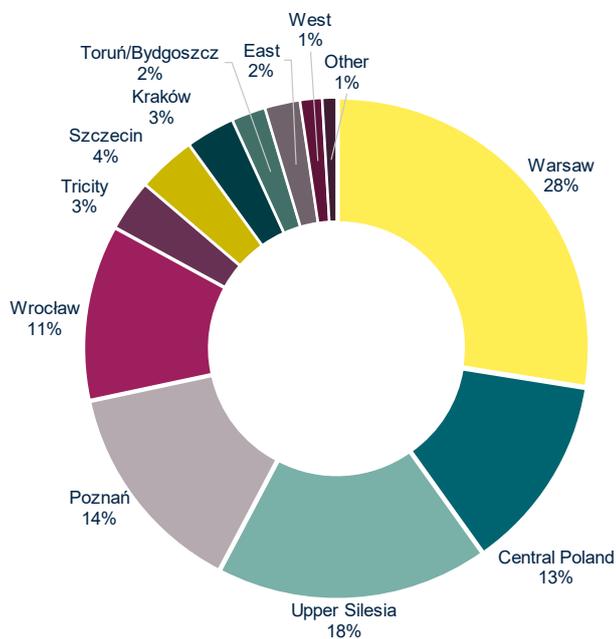
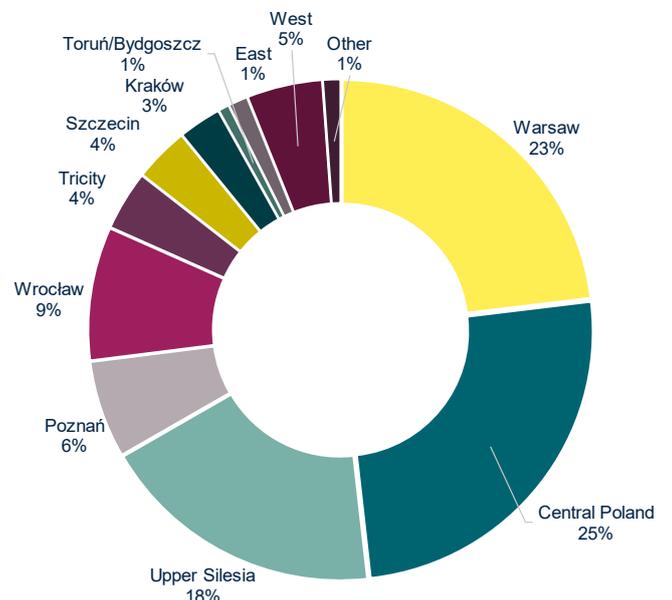


Chart 3

Gross demand by region, 2017



The largest lease transactions in 2017

Market	Project	Tenant	Area (sq m)
Upper Silesia	BTS Panattoni Gliwice	Confidential tenant from e-commerce	146,000
Upper Silesia	BTS Panattoni Sosnowiec	Amazon	135,000
Central Poland	BTS Goodman Głuchów	Zalando	130,000
Central Poland	BTS Panattoni Stryków	Castorama	101,700

Source: Savills

“ As expected, 2017 was the year of records. Annual new supply was close to 2.4 million sq m, gross take-up reached 4.3 million sq m, whereas net absorption (showing how much space was absorbed by the market) stood at 2.3 million sq m.

High demand for warehouse and industrial space is largely created by e-commerce sector. The three largest transactions in 2017 were concluded by companies from this, still growing, sector of economy.

Wojciech Zoń, Head of Industrial Agency, Savills

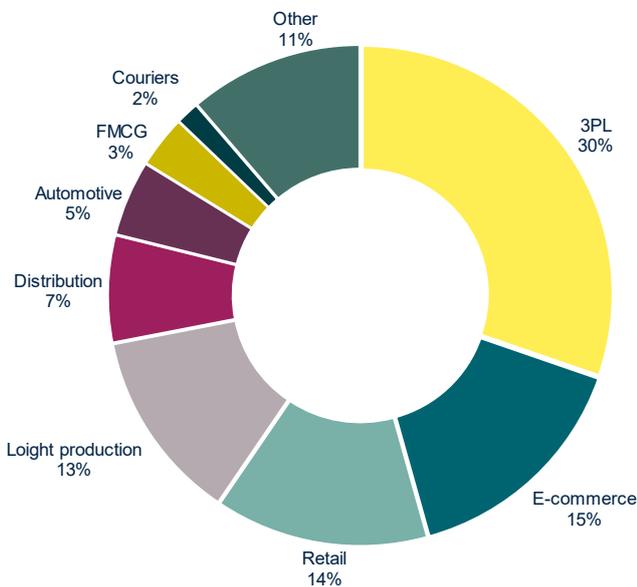
The largest projects under construction

Market	Project	Developer	Area (sq m)
Upper Silesia	BTS Panattoni Gliwice	Panattoni	146,000
Central Poland	Central European Logistic Hub	Panattoni	115,000
West	Hillwood Świecko	Hillwood	73,000
Central Poland	P3 Piotrków	GIC	60,200

Source: Savills

Chart 4

Gross demand by sector, 2017



Source: Savills

Chart 5

Effective rents on main markets, 2017



POLAND - KEY INFORMATION



Source: Oxford Economics, Central Statistical Office of Poland, Statista

Savills Contacts



Tomasz Buras
CEO & Managing
Director,
Head of Investment
+48 22 222 4000
tburas@savills.pl



Wojciech Zoń
Head of Industrial Agency
+48 603 089 414
wojciech.zon@savills.pl



Marek Paczuski
Director,
Investment
Department
+48 666 042 891
mpaczuski@savills.pl



Kamil Kowa
Head of Corporate
Finance & Valuation
+48 510 201 209
kkowa@savills.pl



Wioleta Wojtczak
Head of Research
+48 600 422 216
wwojtczak@savills.pl

Savills plc

Savills sp. z o.o. is a daughter company of Savills plc. Savills plc is a global real estate services provider listed on the London Stock Exchange. We have an international network of more than 600 offices and associates throughout the Americas, the UK, continental Europe, Asia Pacific, Africa and the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world.

All rights reserved to Savills sp. z o.o. The material was prepared by Savills sp. z o.o. This publication is for general informative purposes only. Our company accepts no liability for the content of this publication, nor for the consequences of any actions taken on the basis of the information provided, unless that information is subsequently confirmed in writing. It shall not be copied, modified or used in part or in whole, nor shall it be used as a basis for any contract, prospectus, agreement or other document without prior consent from Savills sp. z o.o. Whilst every effort has been made to ensure its accuracy, Savills sp. z o.o. accepts no liability whatsoever for any loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills sp. z o.o.