

Market in Minutes

Warehouse and Industrial Market in Poland

November 2017

Supply of warehouse and industrial space

12.8 million
sq m



Vacancy rate

5.5%

a decrease of 100 bps y-o-y



Gross demand

19% increase y-o-y

Development activity

1.1 million
sq m



Designed by welcomia / Freepik

SUMMARY

Q1 - Q3 2017

■ Total supply of modern warehouse and industrial space in Poland at the end of Q3 2017 stood at 12.8 million sq m.

■ The largest markets are: Warsaw (3.6 million sq m), Upper Silesia (2.2 million sq m), Poznań (1.9 million sq m), Central Poland (1.6 sq m) and Wrocław (1.6 million sq m).

■ In Q1 - Q3 2017 over 1.7 million sq m of modern space was delivered to the market, 72%

more than in the corresponding period of the previous year.

■ Currently almost 1.1 million sq m of space across 43 projects is under construction in Poland, of which over 3/4 is already committed to.

■ Gross demand in Q1 - Q3 2017 reached over 2.6 million sq m, 19% increase year-on-year.

■ Net absorption in Q1 - Q3

2017 stood at ca. 1.7 million sq m, over 100% more than during the same period last year.

■ The vacancy rate stood at 5.5% - a decrease of 100 bps y-o-y. The highest rates were noted in Warsaw (7.5%), Poznań (7.4%), Kraków (7.4%) and Toruń and Bydgoszcz (7.0%).

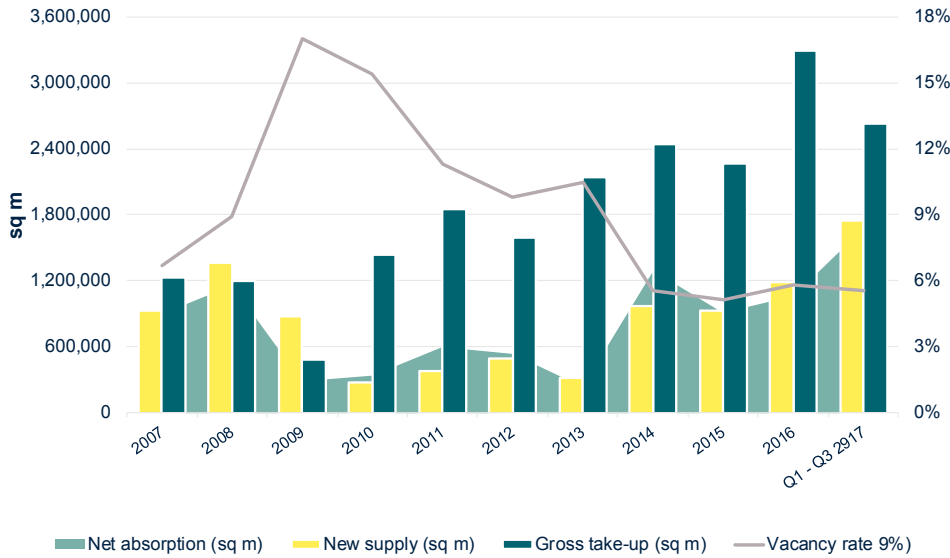
■ Base rents are stable and range between EUR 2.60 sq m/month and EUR 4.10 sq m/month in case of BIG BOX units. Rents for SBU

in Warsaw may reach even EUR 5.25 sq m/month.

■ Effective rents increased slightly and 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

Stock, under construction & vacancy rate in Q3 2017



The largest market – Warsaw

3.6 million sq m

The highest development activity – Central Poland

340,400 sq m

↑ 7.5%

The highest vacancy rate – Warsaw

Source: Savills

The highest share of space under construction among developers – Panattoni

53%

The highest net absorption – Warsaw

342,400 sq m

The highest demand – Central Poland

605,200 sq m

↓ 0.7%

The lowest vacancy rate* – Szczecin

*Among established markets.

Chart 2

Existing stock by region

Σ12.8 million sq m

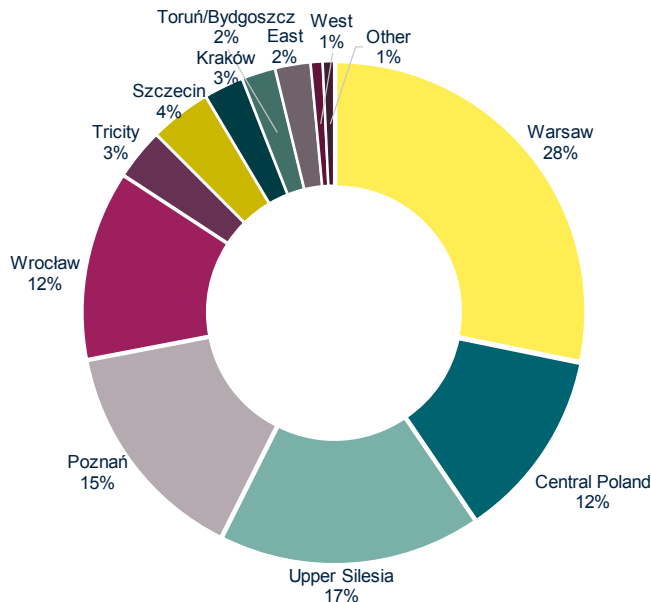
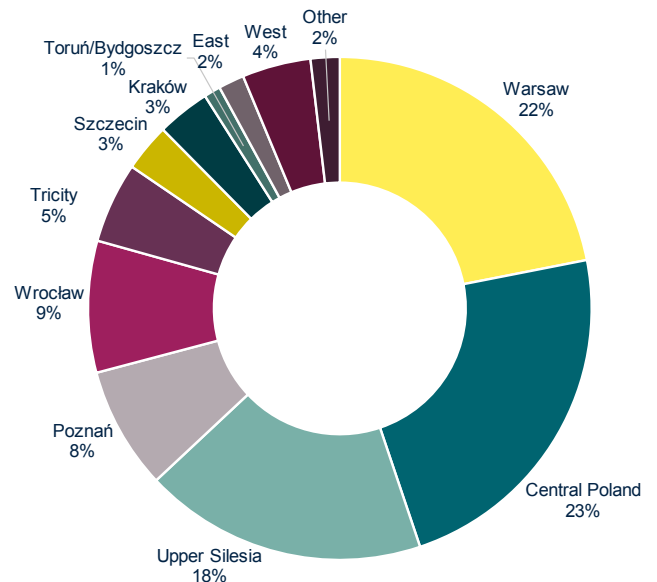


Chart 3

Gross demand by region

Σ2.6 million sq m



The largest lease transactions in Q3 2017

Market	Project	Tenant	Area (sq m)
Upper Silesia	Prologis Park Chorzów	Raben	36,900
Warsaw II	P3 Błonie	eMAG	33,100
Szczecin	Panattoni Park Szczecin I	DHL	31,000
Other	Panattoni Park Kielce	Vive Transport	26,200
Wrocław	Goodman Wrocław Logistics Centre	Whirpool	25,900

Source: Savills

“ Another quarter of dynamic development observed in the warehouse and industrial market in Poland. 2017 is expected to be the best year ever. A new supply record has already been broken and demand is almost 20% above last year's result. It is likely 2017 will be a record year. It is worth noting that the boom is observed not only in the largest markets but also in new emerging locations.

Expectation of bright future is strengthened by the autumn upward revision of Polish GDP by the European Commission, World Bank, IMF, EBRD, Morgan Stanley and S&P.

Wojciech Zoń, Head of Industrial Agency, Savills

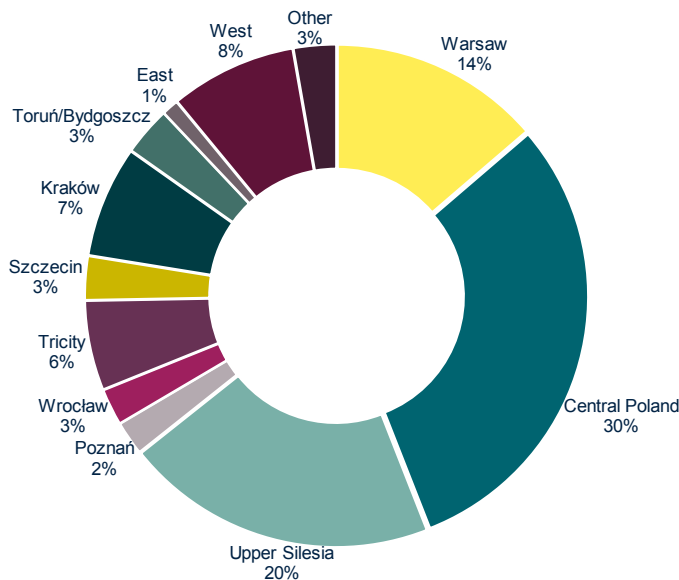
The largest projects under construction in Q3 2017

Market	Project	Developer	Area (sq m)
Upper Silesia	Panattoni BTS Amazon Sosnowiec	Panattoni	135,000
Central Poland	Panattoni BTS BSH	Panattoni	79,000
Central Poland	P3 Piotrków	GIC	61,100
West	Panattoni BTS H&M	Panattoni	60,000
Central Poland	Panattoni BTS OBI	Panattoni	50,700
Central Poland	Panattoni BTS Castorama	Panattoni	50,000

Source: Savills

Chart 4

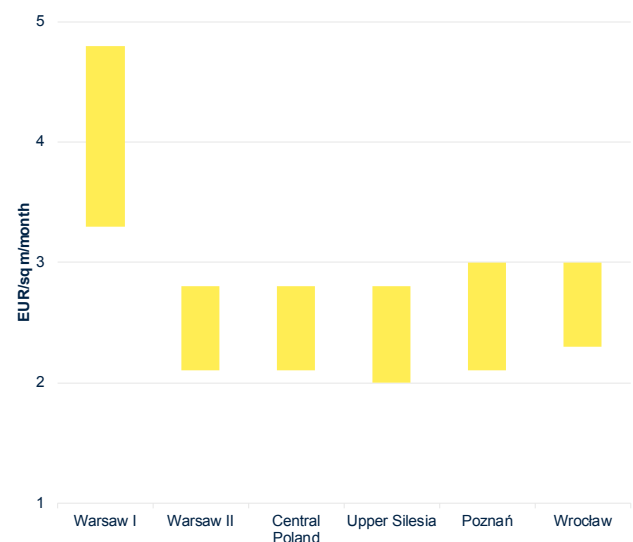
Under construction by region Σ1.1 million sq m



Source: Savills

Chart 5

Effective rents in Q3 2017



POLAND - KEY INFORMATION



Source: Oxford Economics, Central Statistical Office of Poland

Savills Contacts



Tomasz Buras
Managing Director
Head of Poland
+48 22 222 4000
tburas@savills.pl



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



Marek Paczuski
Acting Head of
Investment
+48 666 042 891
mpaczuski@savills.pl



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



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

Savills plc

Savills is a leading global real estate service provider listed on the London Stock Exchange. The company established in 1855, has a rich heritage with unrivalled growth. It is a company that leads rather than follows, and now has over 700 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

This report is for general informative purposes only. It may not be

published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. Whilst every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential 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 Research.