

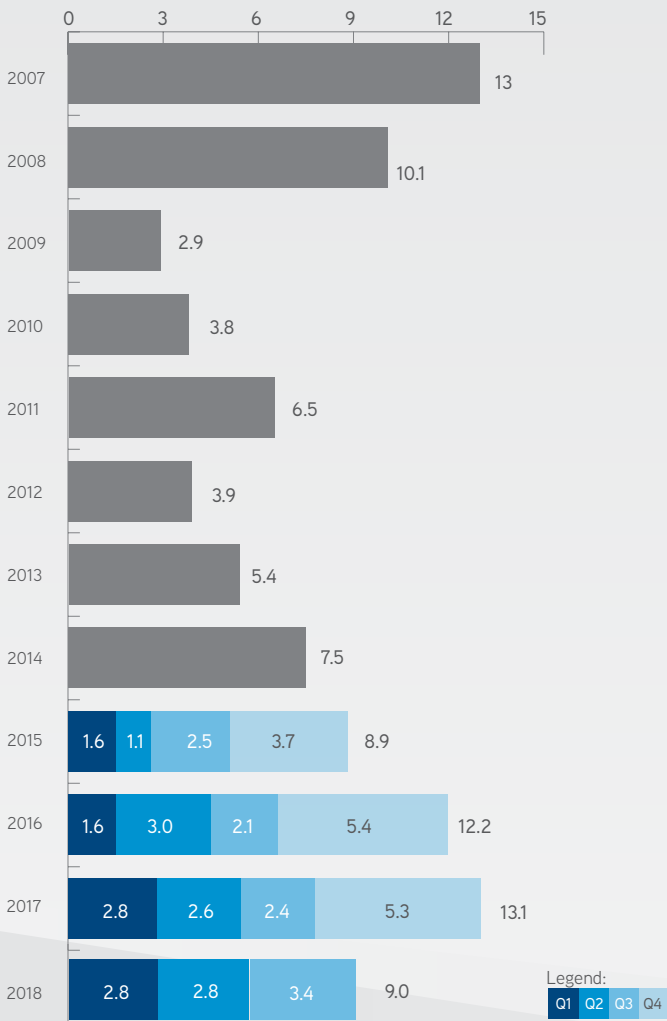
The CEE Investment scene – Q3 2018 CEE flows and drivers



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HISTORICAL CEE INVESTMENT VOLUMES (EUR BN, ANNUAL/ QUARTERLY)

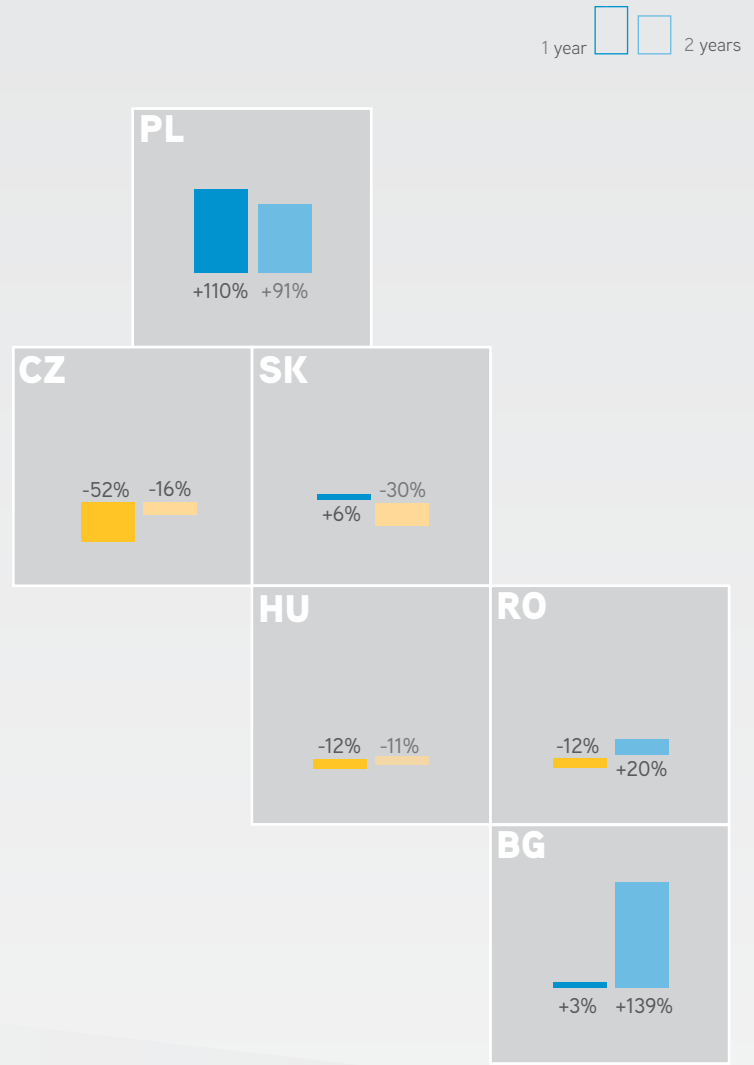
Impressive investment flow of EUR 3.4bn into the CEE-6 countries in Q3 2018 puts 2017's calendar year record in sight. Total CEE-6 volumes to 9M 2018 stand at EUR 9.0bn.



Source: Colliers International

CEE-6 COUNTRY INVESTMENT VOLUME GROWTH RATES (Q1-Q3 2018 VS. Q1-Q3 2017 & Q1-Q3 2016)

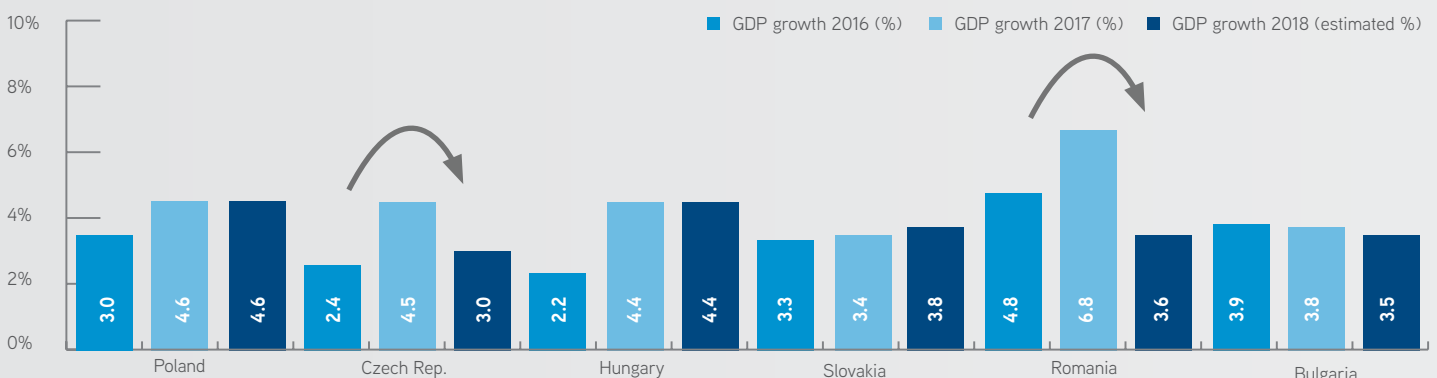
Polish volumes are driving the region: 2018 is set to be a record year there.



Source: Colliers International

KEY DRIVER: GDP GROWTH DIFFERENTIALS EXPLAINING FLOW PERFORMANCE.

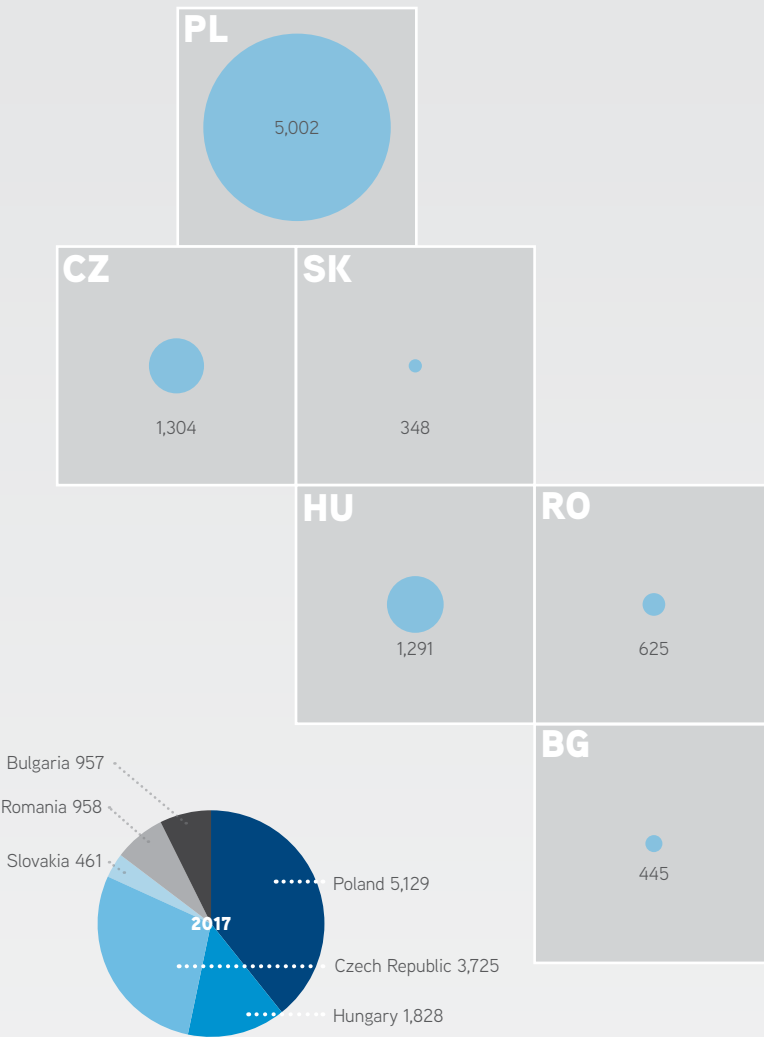
Polish GDP growth sustaining at high levels, Hungary's and Bulgaria's are robust. Czech and Romanian slowdowns evident in lower flows into commercial real estate



Source: Oxford Economics, Colliers International

FLOWS BY COUNTRY (9M 2018 | EUR MN)

Wide geographic spread of deals within Poland, over EUR 3.7bn of YTD volume outside of Warsaw. Czech dipping due to a lack of product and absence of foreign buyers (EUR 379mn only in 9M 2018).

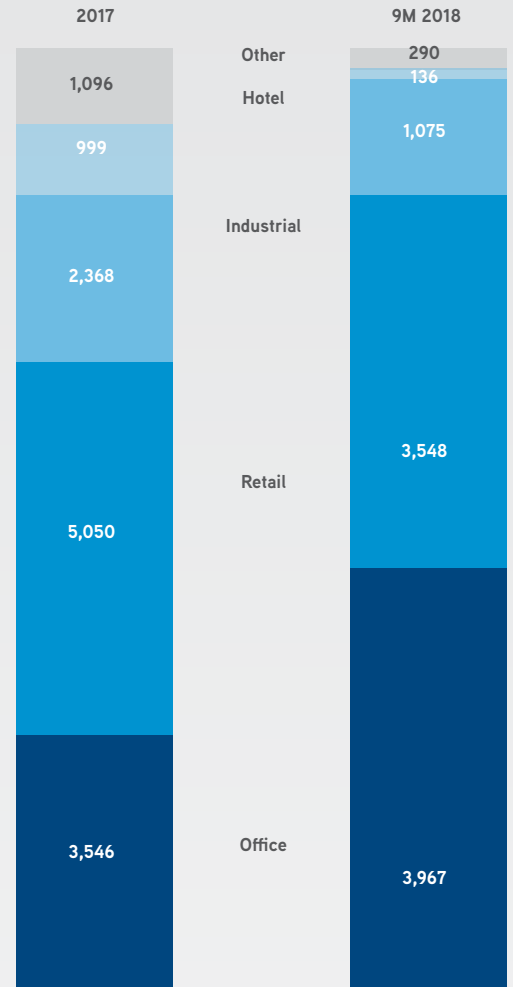


Source: Colliers International

FLOWS BY SECTOR (EUR MN)

As we predicted, 9M 2018 office volumes in the CEE-6 countries overhauled those of the retail sector.

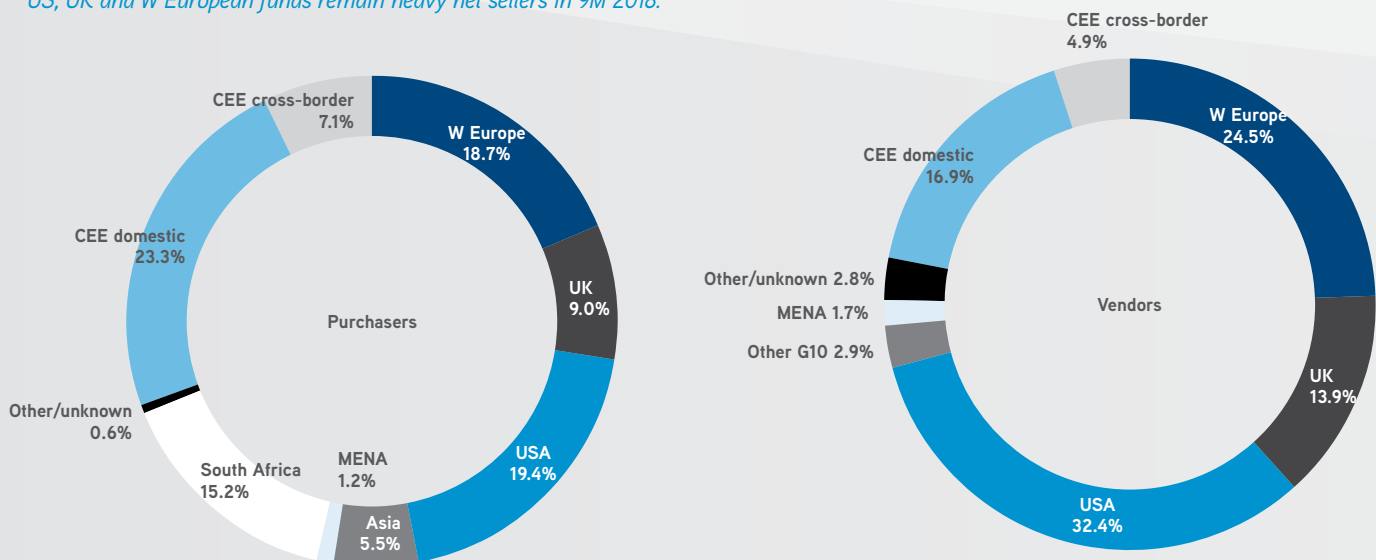
Hotel and industrial volumes are somewhat lagging 2017's levels.



Source: Colliers International

FLOWS BY ORIGIN OF PURCHASER AND ORIGIN OF VENDOR, 9M 2018 (%)

W European, UK and CEE domestic purchase flows noticeable in Q3 2018 especially. US, UK and W European funds remain heavy net sellers in 9M 2018.



Source: Colliers International