Why Romania

**POPULATION**
19.5 M

**GRADUATES/YEAR**
433 K
- the highest in Eastern Europe

**LANGUAGES**
24

**Procent of students proficient in (% of total):**
- **90%** English
- **26%** French
- **17%** Spanish
- **8%** German
- **5%** Italian

**INTERNATIONAL ACCESIBILITY**

**EUROPEAN CULTURE**

**LOWEST TARRIFS FOR DATA IN EU**

**FULL RANGE OF OUTSOURCING SERVICES OFFERED**
Macroeconomics

One of the LARGEST MARKETS in Central and Eastern Europe (ranked 7th in EU, with 19.5 million inhabitants)

STABILITY FACTOR in the area: Romania has been a member of EU since 2007 and a member of NATO since 2004

ECONOMIC GROWTH in Romania is among the highest in the EU and is forecast to remain similar in 2016 and 2017

2016 GDP: 160 Bn Euro

Sources: European Commission, National Institute for Statistics

Infrastructure & Access

INTERNET CONNECTIVITY

1st in the EU for maximum speed of internet connectivity

2nd in the EU for high speed broadband adoption

9 cities in Romania are among the top 15 cities in the world with the highest download speed of fixed broadband internet connections

Internet Users in Romania (2016*)

Share of Romania Population

EASILY ACCESSIBLE

130 direct flights

4 international airports

76 destinations

31 destination countries worldwide

Source: InvestRomania
- Highly skilled labor force at competitive prices – solid knowledge in foreign languages (providing multilingual support services/24 languages), technology, IT, engineering, etc

- The focus on technical subjects is significant, with the number of engineers/capita – higher than the US, India, China or Russia

- 99% of Romanian students learn two or more languages in upper secondary education

- Available – number of engineers/capita higher than the US, India, China or Russia

- 2nd in terms of lowest EU labor costs ranking
Real Estate Bucharest

KEY INDICATORS

<table>
<thead>
<tr>
<th>BUCHAREST</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock</td>
<td>1,835,000m²</td>
<td></td>
</tr>
<tr>
<td>Net Take-up</td>
<td>113,000 m²</td>
<td></td>
</tr>
<tr>
<td>Vacancy Rate</td>
<td>14%</td>
<td></td>
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<tr>
<td>Prime Yields</td>
<td>7.5%</td>
<td></td>
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</tbody>
</table>

Average headline rent (€/m²)
Vacancy rate
### Real Estate - Country side

#### KEY INDICATORS

<table>
<thead>
<tr>
<th>Location</th>
<th>Stock (m²)</th>
<th>Headline office rents (€/ sqm/ month)</th>
<th>Vacancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLUJ-NAPOCA</td>
<td>150,000</td>
<td>12-14</td>
<td>30%</td>
</tr>
<tr>
<td>IASI</td>
<td>120,000</td>
<td>12-14</td>
<td>15%</td>
</tr>
<tr>
<td>TIMISOARA</td>
<td>55,000</td>
<td>12-14</td>
<td>&lt;5%</td>
</tr>
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* with an important pipeline for the following years
Outsourcing in Romania

Romania is 1ST IN EUROPE and 6TH IN THE WORLD, in terms of number of certified IT specialists.

Over 75,000 EMPLOYEES in the sector, with an estimated 150,000 in 2020.

Romania is moving up the complexity spectrum in terms of outsourcing processes. The local talent pool has been a main decision factor for evolving from a cost driven approach to a value driven one, Romanians proving to be very resourceful in operating many complex tasks.
# Outsourcing in Romania

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>MAIN SERVICES OFFERED</th>
</tr>
</thead>
<tbody>
<tr>
<td>HP (Global E-Business Operations Center)</td>
<td>SSC for finance &amp; accounting, procurement, order administration, IT, customer support, call center, logistics</td>
</tr>
<tr>
<td>Genpact</td>
<td>BPO for financial services, procurement, order administration, human resources, IT, customer support, logistics and research &amp; analytics</td>
</tr>
<tr>
<td>Oracle EMEA</td>
<td>BPO for IT services and customer support</td>
</tr>
<tr>
<td>Stefanini</td>
<td>BPO for customer support and IT related services and SSC for finance &amp; accounting</td>
</tr>
<tr>
<td>S&amp;T</td>
<td>BPO for customer support and IT related services</td>
</tr>
<tr>
<td>Microsoft (GTSC)</td>
<td>SSC and BPO for customer support and IT services</td>
</tr>
<tr>
<td>WNS Global Services</td>
<td>BPO for finance &amp; accounting, procurement, order administration, IT, call center, logistics and customer support services</td>
</tr>
<tr>
<td>WIPRO</td>
<td>BPO for finance &amp; accounting, procurement, order administration, human resources, IT, customer support &amp; logistics</td>
</tr>
<tr>
<td>Procter &amp; Gamble GBS Global Procurement Center</td>
<td>Procurement SSC</td>
</tr>
<tr>
<td>Petrom (part of OMV Group)</td>
<td>SSC for IT, finance and Business Support</td>
</tr>
<tr>
<td>Accenture</td>
<td>BPO for finance &amp; accounting, procurement, human resources, legal, customer support, call center, etc.</td>
</tr>
</tbody>
</table>

Source: “Romania as the destination for SSC and BPO” Published by KPMG Romania
Case study Telus

TELUS INTERNATIONAL PLANS ITS FUTURE EXPANSION AROUND A TOP PROPERTY, AFI BUSINESS PARK

CHALLENGE

TELUS appointed Colliers International as real-estate consultant, with the mission to find the most suitable location for their ambitious expansion plans, which meant going from 150 employees to a few thousands in just a few short years.

The existing Pipera lease was still on-going at the moment when the client made the decision to relocate, and there were still almost 4 years remaining until the expiry date.

The new employees were GEN Y representatives, individuals who really value the work environment and depend on it for their overall satisfaction, at work and beyond, so the new office had to respond to their needs.
Case study Telus

STRATEGY

As a first step Colliers developed together with the client a set of attributes that the new location should have in order be highly attractive and become a hook for new hires. Afterwards, we conducted a rigorous study of the available options, scanning properties that on all levels would have provided the future TELUS employees all the desired services and amenities. The extensive analysis of the market took more than 24 months before the final decision was taken.

Multiple visits over a period of 18 months were organised, with the involvement of the entire TELUS management team in this process, both at national and international level.

After an extremely rigorous assessment, AFI Park emerged as the top choice for our client, having scored higher than its competitors in most analysed categories.

RESULTS

An agreement was signed mid-2014, with the full help and participation of Colliers International.

AFI Park is not considered a cheap solution among available options, but we managed to obtain a creative frame that accommodated all the important points requested by the client.

Being a very long process, a key component was represented by the financial, quality and efficiency reports which were provided regularly to the client, with high involvement from our research & analytics department.
554 offices in 66 countries on 6 continents

United States: 153
Canada: 34
Latin America: 24
Asia Pacific: 231
EMEA: 112

$2.5 billion in annual revenue

2 billion square feet under management

16,000 professionals and staff

About Colliers International Group Inc.

Colliers International Group Inc. (NASDAQ: CIGI; TSX: CIG) is a global leader in commercial real estate services with more than 16,000 professionals operating from 554 offices in 66 countries. With an enterprising culture and significant insider ownership, Colliers professionals provide a full range of services to real estate occupiers, owners and investors worldwide. Services include brokerage, global corporate solutions, investment sales and capital markets, project management and workplace solutions, property and asset management, consulting, valuation and appraisal services, and customized research and thought leadership. Colliers International has been ranked among the top 100 outsourcing firms by the International Association of Outsourcing Professionals’ Global Outsourcing for 10 consecutive years, more than any other real estate services firm.

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