



ROMANIA – THE BEST CHOICE FOR OUTSOURCING



SEPTEMBER 2016

Why Romania



POPULATION
19.5 M



GRADUATES/YEAR
433 K

- the highest in Eastern Europe

Percent of students proficient in (% of total):



24
LANGUAGES

90%



26%



17%



8%



5%



FULL RANGE OF
OUTSOURCING
SERVICES OFFERED



INTERNATIONAL
ACCESIBILITY



EUROPEAN
CULTURE



LOWEST TARRIFS
FOR DATA IN EU

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

11.2 mn. Internet Users in Romania (2016*)

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

58% Share of Romania Population

EASILY ACCESSIBLE

130 direct flights

4 international airports

76 destinations

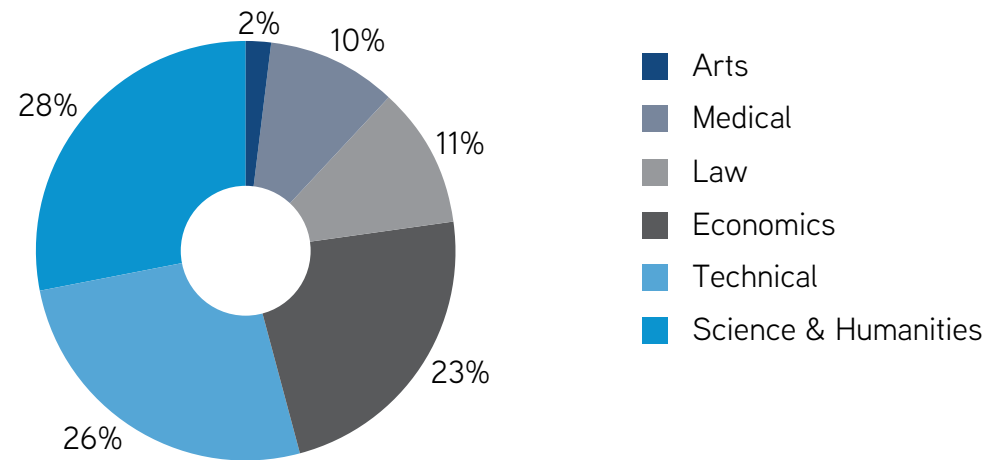
31 destination countries worldwide



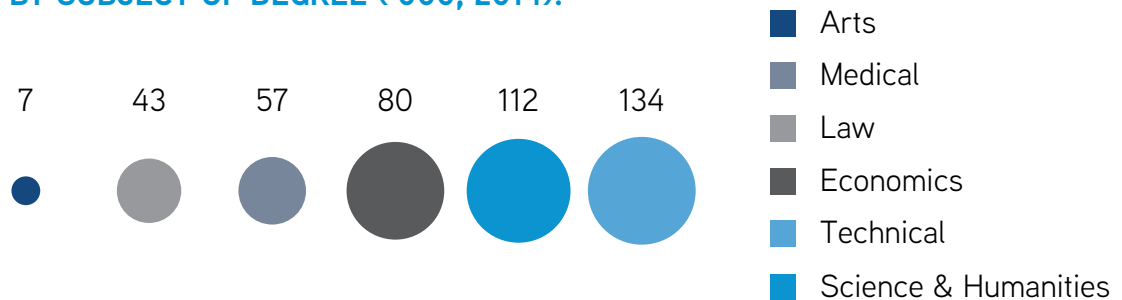
Source: InvestRomania

- **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

PERCENTAGE OF UNIVERSITY GRADUATES BY SUBJECT OF DEGREE (2014):



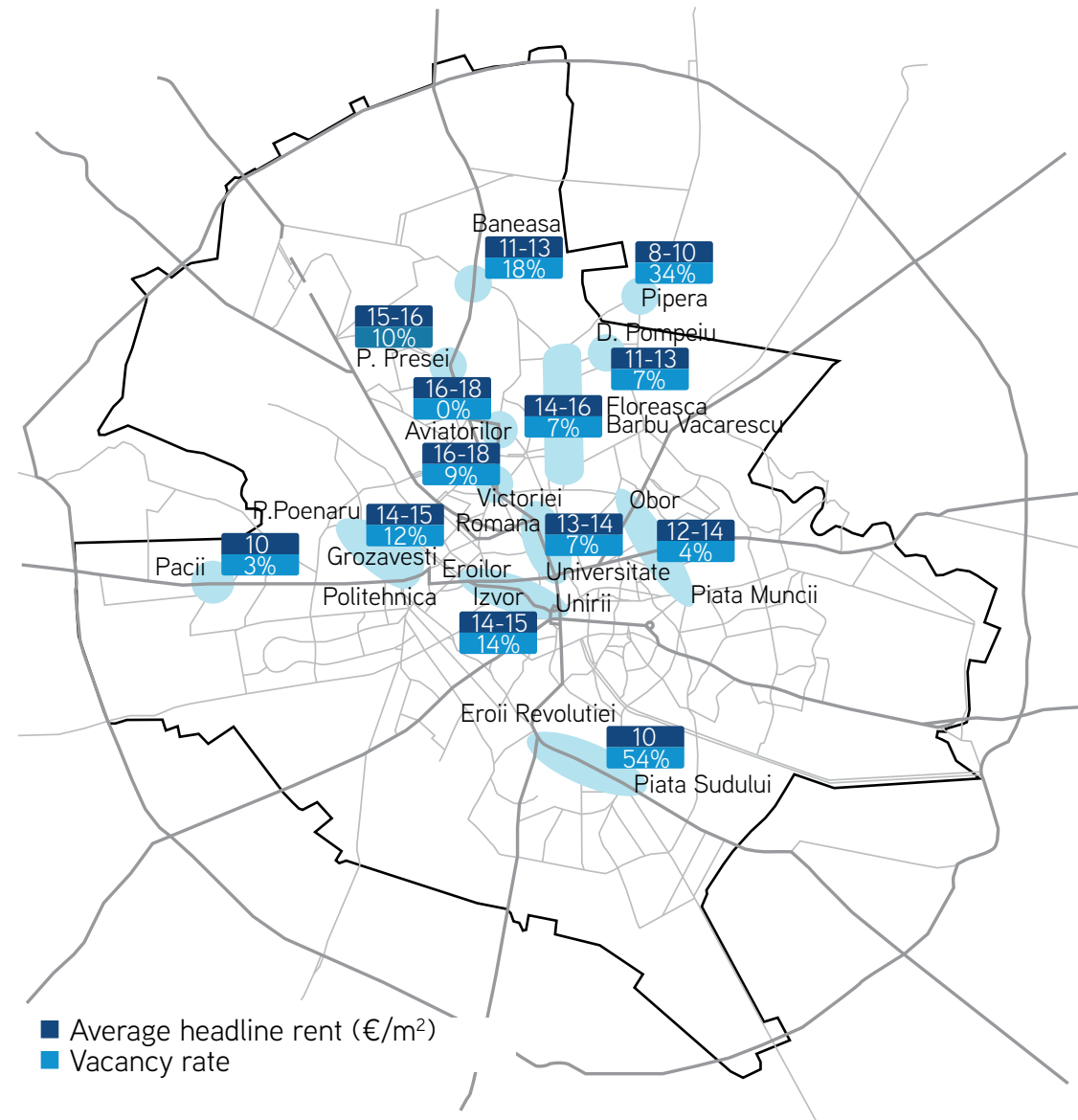
NUMBER OF STUDENTS BY SUBJECT OF DEGREE ('000, 2014):



Real Estate Bucharest

KEY INDICATORS

BUCHAREST	2015	2016
Stock	1,835,000m ²	↗
Net Take-up	113,000 m ²	↗
Vacancy Rate	14%	→
Prime Yields	7.5%	→



Real Estate - Country side

KEY INDICATORS

CLUJ-NAPOCA

Stock 150,000 m²

Headline office rents (€/ sqm/ month) 12-14

Vacancy Rate 30%

IASI

Stock 120,000 m²

Headline office rents (€/ sqm/ month) 12-14

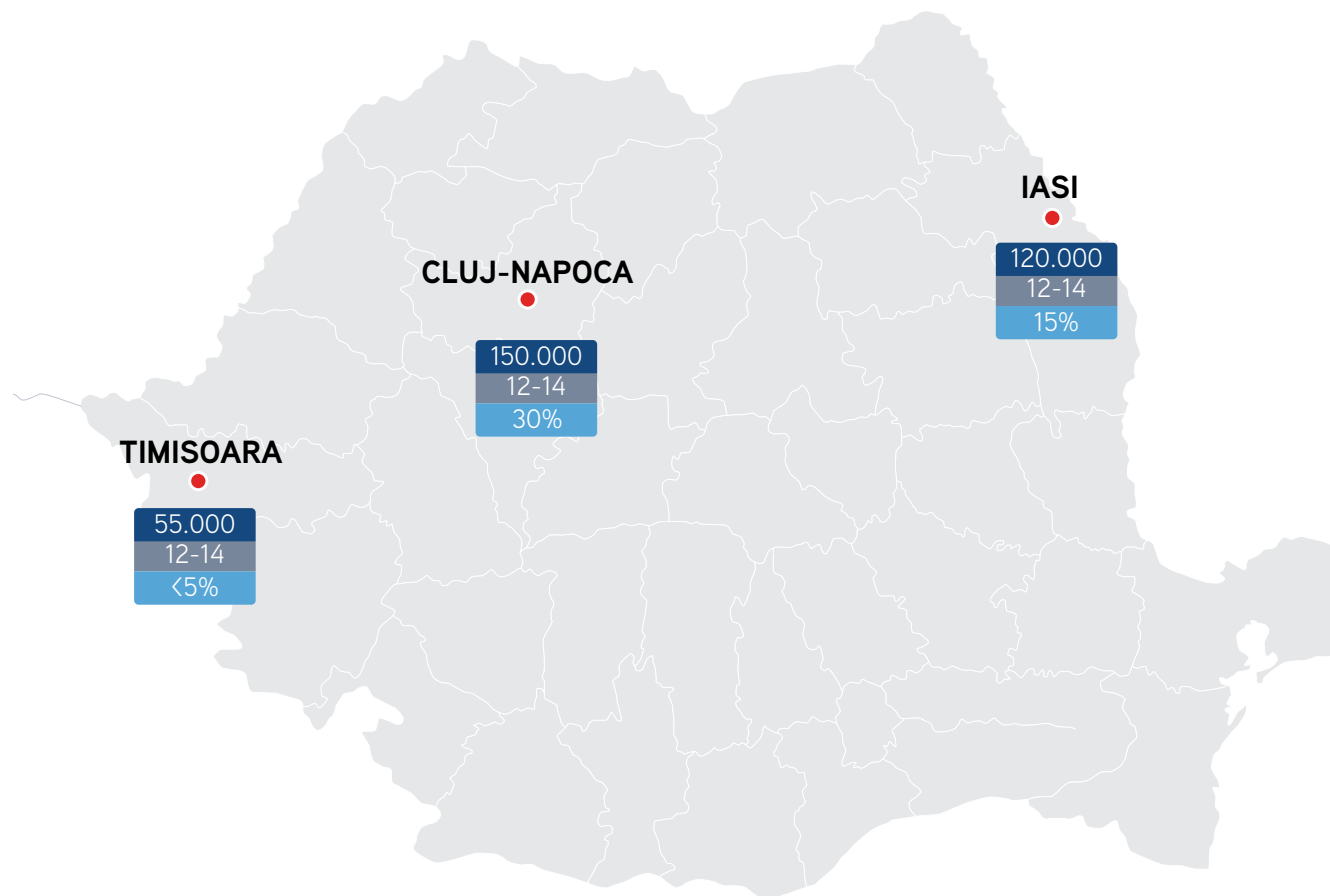
Vacancy Rate 15%

TIMISOARA

Stock 55,000 m²

Headline office rents (€/ sqm/ month) 12-14

Vacancy Rate <5%



- Stock
- Headline office rents
- Vacancy rate

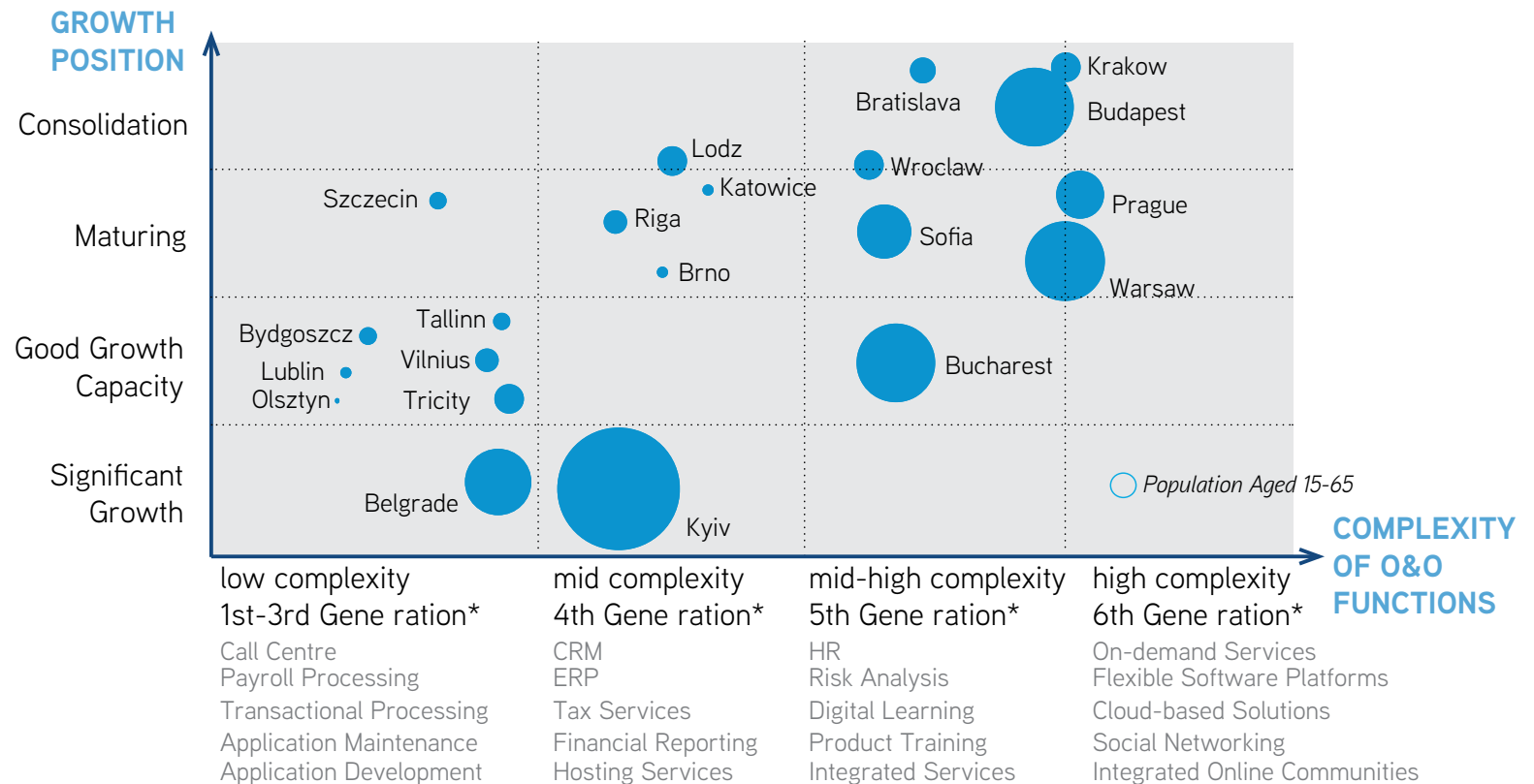
* with an important pipeline for the following years

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



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

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

TEAM

Office Agency Team

STATISTICS

6,000 sqm.

Relocation and Expansion

Bucharest

NATURE OF RELATIONSHIP

Colliers Local Client

SERVICES PROVIDED

Office Leasing

www.colliers.com

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 to 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: CIG; 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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Ramona Marusac
Associate Director
Office Agency | Romania
E-mail: Ramona.Marusac@colliers.com

Colliers International «Romania»
Floreasca Business Park
169A Calea Floreasca, Building A, 7th floor
014459 Bucharest, Romania
Phone: (40-21) 319 77 77
Fax: (40-21) 319 77 78

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Accelerating success.