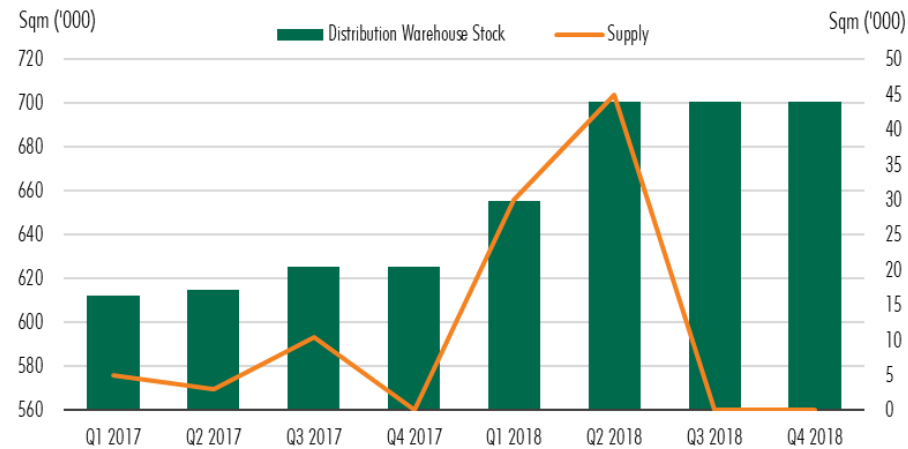


Automotive sector driving development growth

- Development activity in the final quarter of the year was mostly driven by production companies. Numerous companies have opened their manufacturing facilities throughout the country, while many other companies announced further investments and expansions of their existing facilities.
- Recent notable completions on the market include Baby Food Factory in Dobanovci and the Moja mama production facility in Šimanovci. Furthermore, local company Bankom expanded its capacities with a new soybeans processing facility in Obrenovac. Other major deliveries include the Zumtobel's factory in Niš, Essex Europe's facility in Zrenjanin, Amphenol Automotive Technology's factory in Trstenik, AMM Manufacturing's facility within Mind Park Kragujevac and Aptiv Packard's production facility in Leskovac.
- Increasing levels of construction activity are expected in wider Belgrade, such as the construction of Konstruktor Konsalting's speculative scheme in Šimanovci, currently in progress. Furthermore, phase 4 of Industrial Park Belgrade is also in progress, expected for completion shortly, while the company started the construction of phase 5 and announced the construction commencement of phase 6 as well. Additionally, CTP announced the construction of a logistics centre in Šimanovci, and acquired land for a new industrial park in Novi Sad, while the construction of Nelt's fifth logistics building is in progress. Several other light industrial facilities are also in the pipeline.
- Market activity during the final quarter of the year was mostly driven by production companies. The most active segment was the automotive sector however, with the intense development of various retail formats throughout the country, it is expected the retail market will become an additional driver of industrial growth.

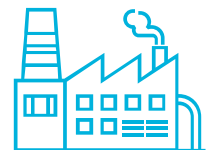
BELGRADE AND GREATER BELGRADE DISTRIBUTION WAREHOUSE STOCK Q4 2018



Distribution warehouse stock
700,000 sqm
+11.9% yony



Prime rent
Monthly
€4.5 psqm



Industrial production index
October 2017 = 100
+3.2% yony



Prime yields
Distribution warehouse
9.25%

▼ Arrows indicate change from the previous quarter

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