



ROMANIA MARKET UPDATE

2025



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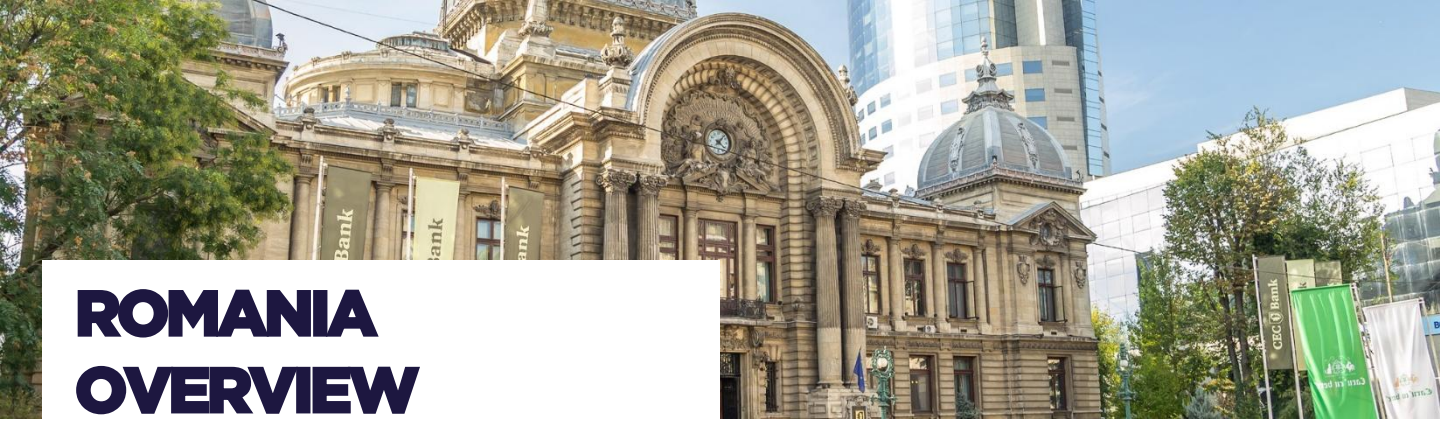
TAX REGIME



01

ROMANIA OVERVIEW

*CEC Palace
Bucharest*



ROMANIA OVERVIEW



2nd largest country in the CEE
by area



17 operational international airports
with 26.0 million passengers in
2024



Total FDI stock of more than €125
billion (+102% compared with
2014)



Constantly developing highway
infrastructure, with more than 1,300
km of high-speed roads
(+210% compared with 2011)



6th largest population among the
EU member states with 19 million
inhabitants



Romania became a full member of
the Schengen Area on January 1,
2025



LOCATION: CEE Region
AREA: 238,397 sq. km
POPULATION: 19,036,031 inhabitants*
UNEMPLOYMENT RATE: 3.3%*
AVERAGE NET MONTHLY INCOME: €1,049*
GDP/ CAPITA: €19,800*
EXPORTS: €95.7 billion*
LABOUR FORCE: 5.49 million*

Source: National Commission for Strategy and Prognosis, National Institute of Statistics

** 2025 data and forecast*



ROMANIA OVERVIEW

SLOWER GROWTH PACE, GENERALLY POSITIVE FORECAST

Romania has benefitted from a strong economic growth in the last decade, significantly reducing the gap in relation with the European Union average (especially after joining NATO and the EU in 2004 and 2007 respectively).

Moreover, in terms of purchasing power parity, this evolution has been even more impressive, as Romania has seen a growth from a GDP per capita level which represented 52% of the EU average (when adjusting for market prices) in 2011 to 79% in 2024, a level which is now higher than in Hungary, Croatia, Greece or Slovakia.

However, inflation remains high (especially after the elimination of the electricity price caps in July 2025), with a level of 9.9% being recorded in September, an issue which, combined with the ongoing fiscal reform required to decrease the budget deficit, also puts significant pressure on the projected 2025 GDP growth (only 0.6%). The monetary policy rate (6.5%) has not seen any cuts since August 2024 and there is no expectation for further movements until Q1 2026.

COUNTRY	GDP CAGR 2007 – 2024 (%)
Poland	3.5
Romania	2.8
Slovakia	2.5
Bulgaria	2.3
Hungary	1.7
Czechia	1.6
Euro Zone	1.1

GDP	€ 377.4 billion (2025 F)
GDP growth	0.6% (2025 F)
Monetary Policy Rate	6.5% (October 2025)
Inflation rate	9.9% (September 2025)
Average net salary (€/ month) Romania	1,049*
Average net salary (€/ month) Bucharest	1,462*
Unemployment rate Romania	3.2%*
Unemployment rate Bucharest	0.6%*

** 2025 average forecast
Source: National Institute of Statistics, National Commission for Prognosis, Eurostat*



ROMANIA OVERVIEW

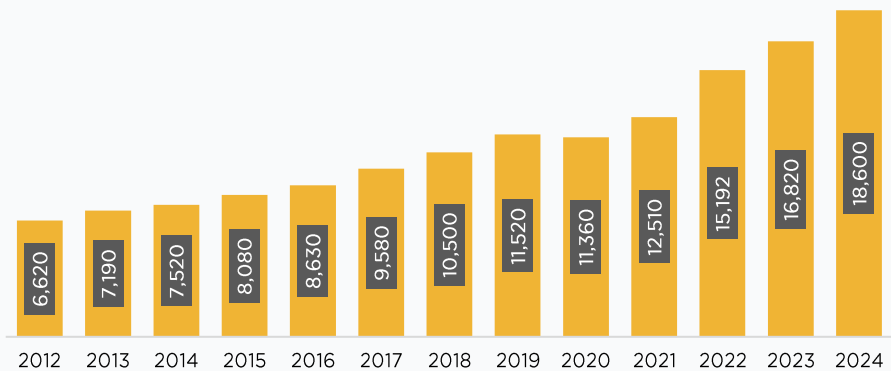
SINGLE - DIGIT INFLATION & SLOW, BUT A SLOWER GDP GROWTH IN 2024

A GDP per capita of €18,600 has been recorded in 2024 (corresponding to a gross total of almost €354 billion), an increase of 181% compared with 2012.

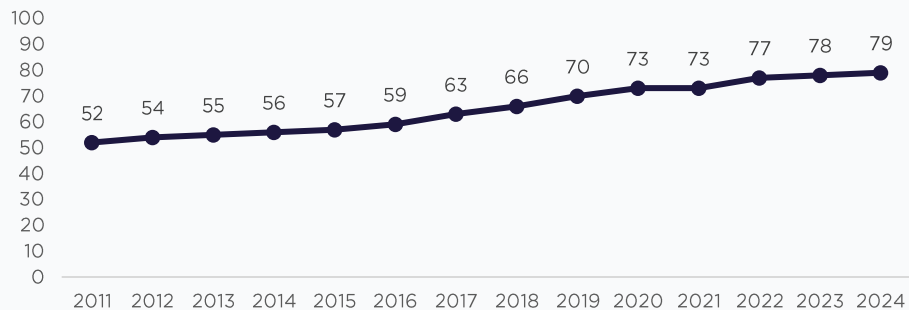
The GDP per capita at national level is forecasted to continue increasing at a good pace (being due to reach €23,500 in 2028) even during the present uncertain period caused by high inflation and a complex geo-political climate.

This evolution will come as a result of a consistent economic growth which is forecasted to average around 1.7% per year during the 2025 - 2028 period.

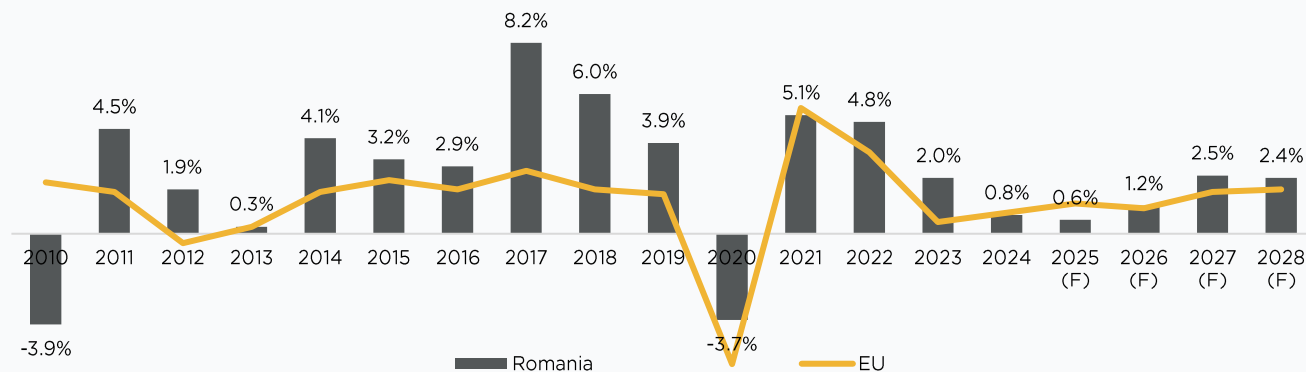
NOMINAL GDP PER CAPITA EVOLUTION IN ROMANIA (€) (2010 - 2024)



GDP PER CAPITA EVOLUTION IN ROMANIA IN TERMS OF PURCHASING POWER STANDARD (EU AVERAGE = 100)



ECONOMIC GROWTH AND FORECAST IN ROMANIA (2010 - 2028 F)





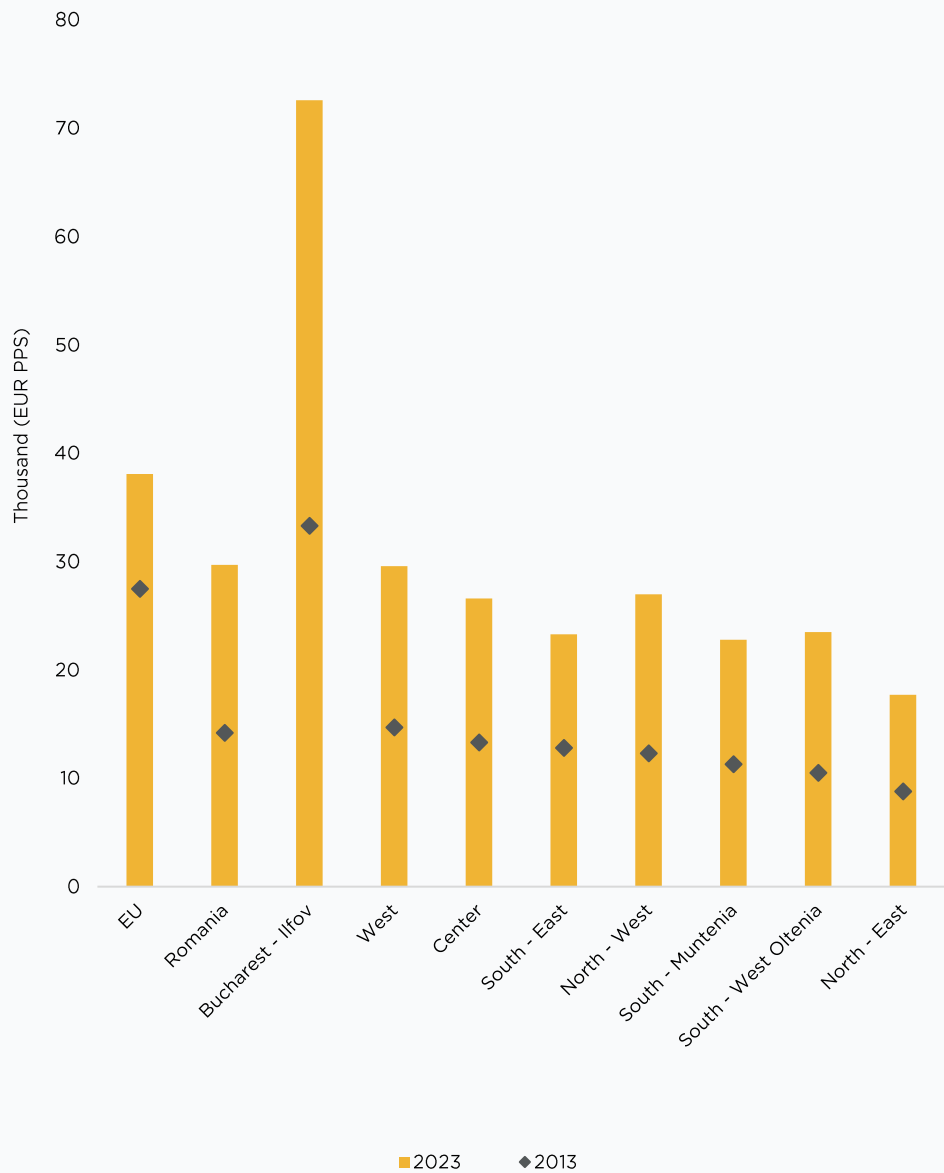
ROMANIA OVERVIEW

BUCHAREST - ILFOV IS ROMANIA'S FASTEST-GROWING REGION, WITH GDP PER CAPITA ABOVE THE EU AVERAGE

Romania has eight NUTS 2* statistical regions having different economic profiles, demographics and industrial structures. The Bucharest - Ilfov region, which includes the capital city and the surrounding Ilfov county, has the largest economic output, the most highly educated labor force and also the smallest geographical area (1,823 km²). There are major economic differences within the country, as the GDP per capita in Bucharest - Ilfov is more than double than in any other region and almost four times higher than in the North - East for example. West region has the second-highest GDP per capita, followed by North - West and Center. The GDP per capita levels of all Romanian regions, except Bucharest - Ilfov, are smaller when compared with the EU average.

*NUTS (Nomenclature of territorial units for statistics) is a hierarchical system for dividing up the economic territory of the EU and the United Kingdom. NUTS 2 statistical regions are basic regions for the application of regional policies.

GDP PER CAPITA (PPS) IN ROMANIAN REGIONS 2013 - 2023



Source: Eurostat



ROMANIA OVERVIEW

MAJOR ECONOMIC REGIONS

REGION	POPULATION	STUDENTS	LABOR FORCE	SHARE IN GDP (%)	NOMINAL GDP PER CAPITA (€)	SHARE IN FDI (%)	UNEMPLOYMENT RATE (%)
Bucharest - Ilfov	2,313,519	181,000	1,232,300	29.2	47,200	65.4	0.6
West	1,670,355	61,500	543,100	8.7	19,700	7.0	2.2
Center	2,290,237	62,000	692,600	10.8	17,800	8.3	3.5
North - West	2,542,793	97,800	750,700	12.1	18,000	6.3	2.9
South - East	2,330,116	41,000	578,600	9.6	15,600	3.3	4.0
South - Muntenia	2,824,068	20,300	613,800	11.6	15,600	5.4	4.4
South - West Oltenia	1,846,904	30,400	426,000	7.6	15,900	1.9	6.4
North - East	3,217,989	74,600	628,000	10.4	12,100	2.3	4.8

Source: Eurostat, National Institute of Statistics, National Commission for Prognosis, National Bank of Romania

After 2022, when Romania's foreign direct investment (FDI) net flows reached a record high of €10 billion, up by 12.3% from 2021, the 2023 and 2024 non-residents' direct investment in Romania totaled €6.7 billion and €5.6 billion, respectively. As such, the FDI position reached an all-time high of €125.0 billion at the end of 2024.

Moreover, the FDI stock was predominantly concentrated in the Bucharest - Ilfov development region (65.4% of the total stock), followed by the Center (8.3%) and the West regions (7.0%). By contrast, the lowest levels of foreign investments were recorded in the North - East (2.3%) and South - West Oltenia (1.9%) regions.



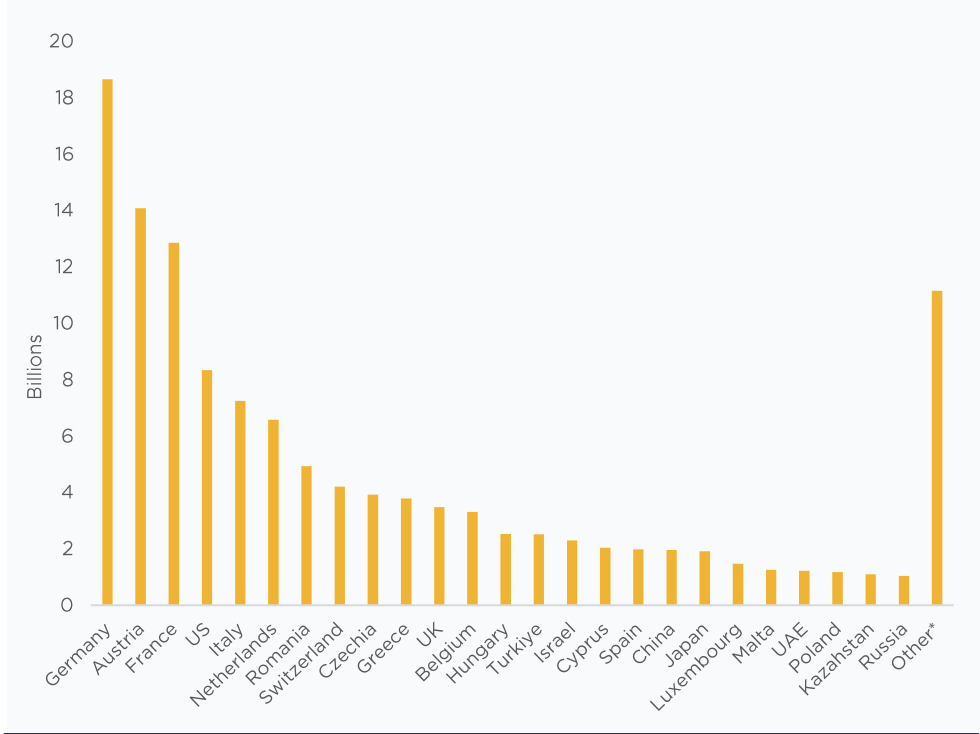
ROMANIA OVERVIEW

FDI POSITION

In terms of economic activity, 86% of the FDI stock was largely found in four business sectors: industry (37.1%) – primarily in manufacturing (29.3%) - construction and real estate transactions (17.5%), trade (17.2%), and also financial intermediation and insurance (14.0%).

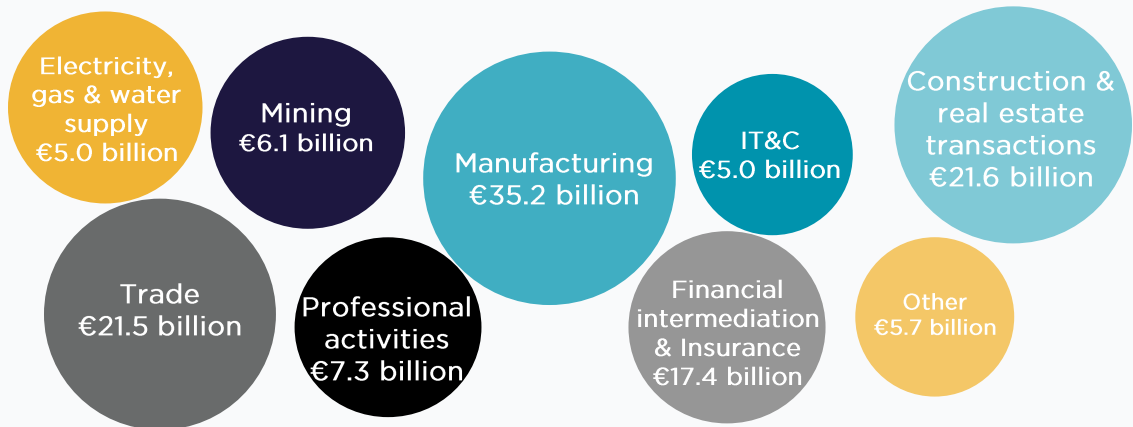
Germany was Romania’s main foreign investor, maintaining its dominant position from the past decade. Entities based in Germany held investment totaling €18.6 billion (14.9%), either directly or through subsidiaries and branches of German companies located in intermediate countries. Next in rank of ultimate investing countries came Austria (11.3%), France (10.0%), US (6.0%), Italy (5.7%) and Netherlands (5.2%).

FDI POSITION BY COUNTRY OF ORIGIN AS AT 31st DECEMBER 2024



**countries of origin whose FDI position was less than €1 billion, as well as countries for which data are confidential*
Source: National Bank of Romania

FDI POSITION BY MAIN ECONOMIC ACTIVITY AS AT 31st DECEMBER 2024



Source: National Bank of Romania



02

CAPITAL MARKETS



CAPITAL MARKETS

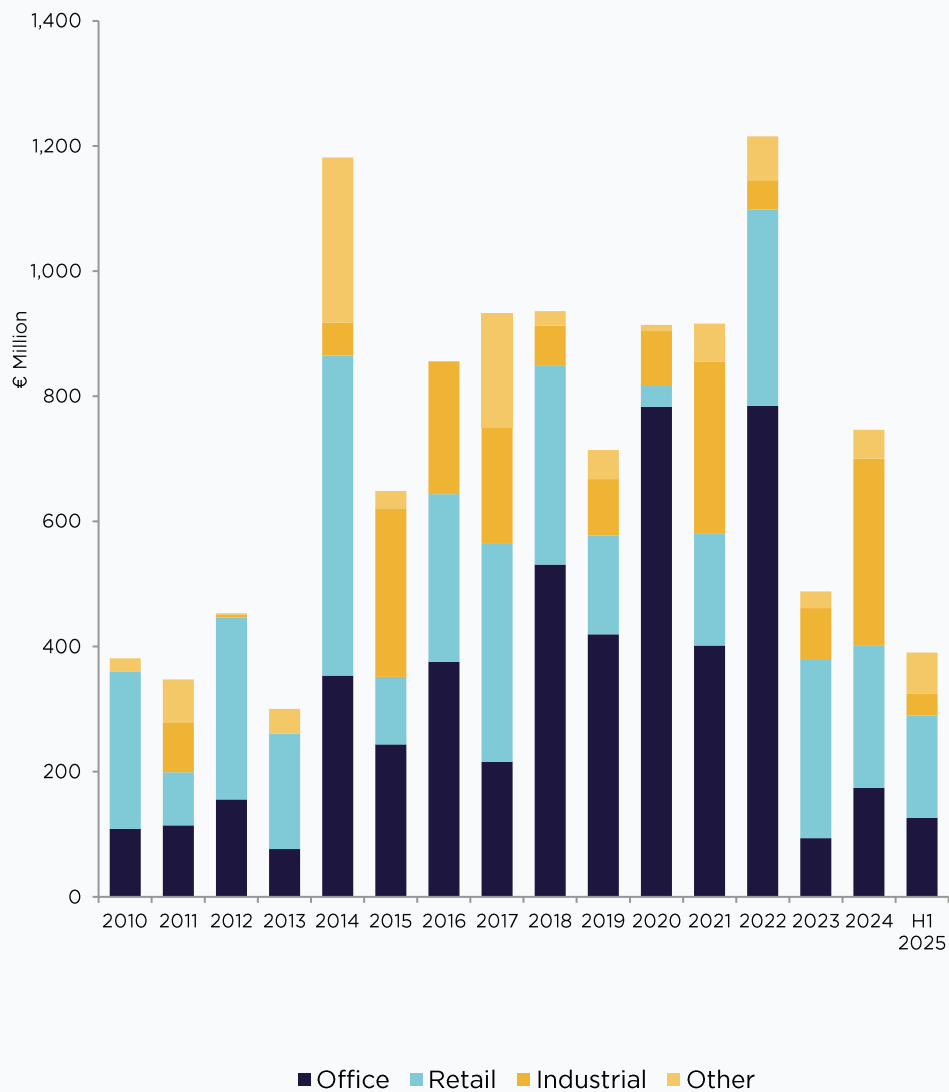
ROBUST TRANSACTIONAL ACTIVITY IN H1 2025

The real estate investment market registered a transactional volume of €391 million in H1, marking a slight decrease of 6% compared with H1 2024, while still being one of the best-performing first semesters in the last decade, with a volume 30% above the overall H1 average in the analyzed timeframe.

Retail had the highest share (42%) in H1, the top 3 being completed by Office (32%) and Mixed-use projects (14%)

M Core was the most active investor, with the acquisition of 2 retail parks in Focsani and Suceava and of a series of strip malls across the country (-€150 million in total), followed by Alfa Group, who purchased part of IRIDE Business Park (60,000 sq. m of office and warehouse spaces) in Bucharest. The outlook for the rest of the year is positive, with a total investment volume exceeding €800 million expected in 2025.

INVESTMENT VOLUME EVOLUTION



Source: Cushman & Wakefield Echinox Research



CAPITAL MARKETS

STABLE YIELDS ACROSS ALL SEGMENTS

The prime yields have been very stable across all segments in H1, with no relevant movements. As interest rates are still relatively high, the upward trend on exit yields persists. However, Romania is still an attractive market for real estate investors, as the spread between the local prime yields (7.25% for office & retail and 7.50% for industrial spaces) and the references from most CEE countries, is generally high on all market segments (~100 – 200 basis points).

ANTICIPATING RECOVERY AND STRATEGIC GROWTH

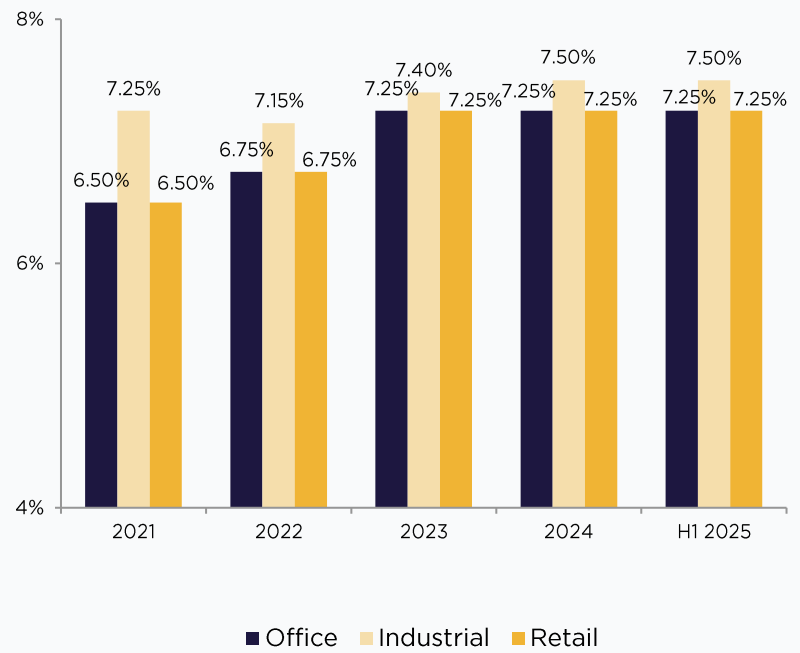
The CEE investment market trajectory remains decidedly positive for the remainder of 2025, supported by yield stabilization, regional economic resilience, and the continued return of institutional capital. The region's structural advantages, including EU membership, economic convergence potential, and attractive risk-adjusted returns, position it well for sustained investment flows.

Risks to the outlook include potential geopolitical developments, changes in global monetary policy, and sector-specific challenges. However, the region's diversified economic base, EU integration, and attractive fundamentals provide resilience against external shocks.

PRIME YIELDS IN CEE (END OF H1 2025)

CITY	OFFICE	RETAIL	INDUSTRIAL
Bucharest	7.25	7.25	7.50
Warsaw	5.75	6.45	6.50
Prague	5.25	5.75	5.00
Bratislava	6.25	6.50	6.00
Budapest	6.25	7.25	6.75

PRIME YIELDS TREND IN ROMANIA





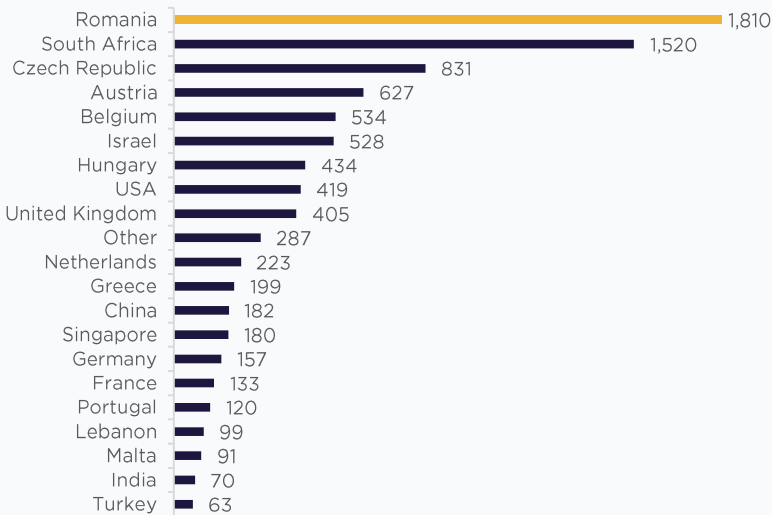
CAPITAL MARKETS

€8.9 billion assets transacted in Romania between 2015 – H1 2025 out of which €1.81 billion acquired by Romanian investors

MAJOR REAL ESTATE INVESTORS

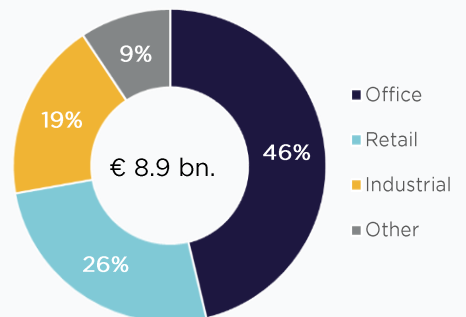
COMPANY	PORTFOLIO VALUE (billion)	COUNTRY OF ORIGIN	PROFILE	SECTORS
 NEPI ROCKCASTLE	€ 2.7	South Africa	Investor & Developer	Retail Residential
	€ 2.4	Netherlands	Investor & Developer	Industrial
	€ 1.5	Czechia	Investor & Developer	Office Retail Hospitality
	€ 1.5	Israel	Investor & Developer	Office Retail Residential
 Prime Kapital	€ 1.3	South Africa	Investor & Developer	Office Retail Residential
 IULIUS 	€ 1.3	Romania, South Africa	Investor & Developer	Office Retail Residential

INVESTORS' ORIGIN (2015 – H1 2025)



€ Million

MARKET SECTORS (2015 – H1 2025)



Source: Cushman & Wakefield Echinox Research



03

OFFICE



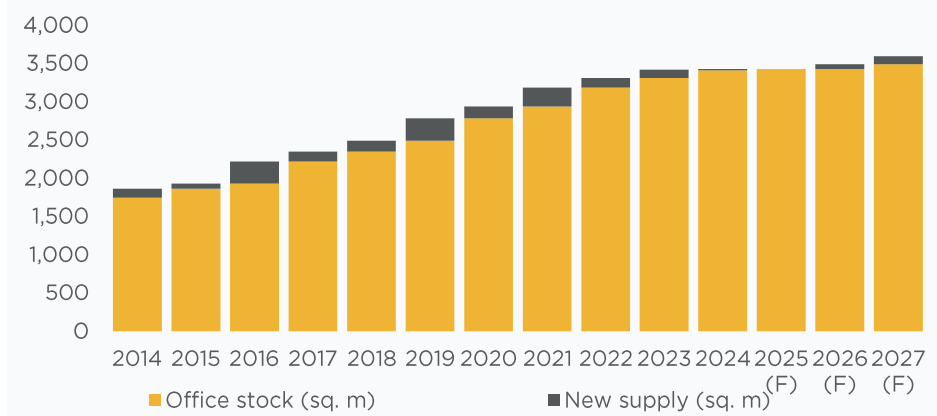
OFFICE

SUPPLY & DEMAND

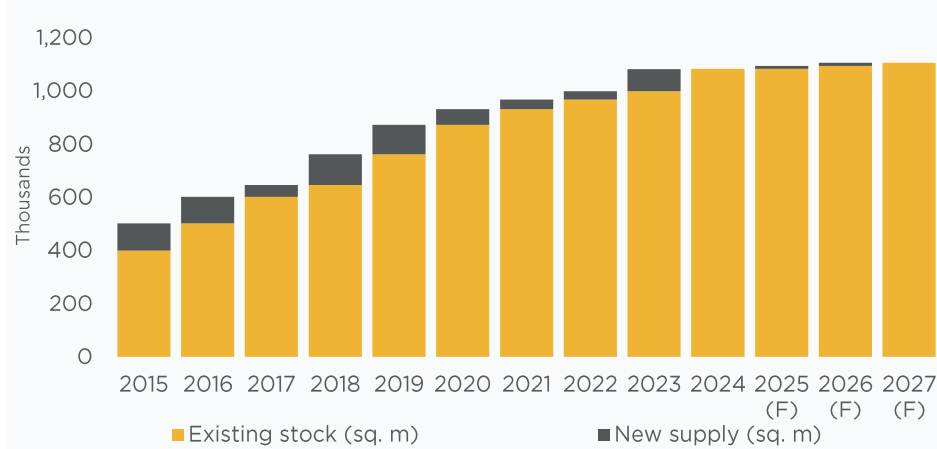
The Bucharest office stock stands at 3.43 million sq. m, with the pipeline being relatively low, amounting to 169,500 sq. m GLA, as a direct consequence of the ongoing urbanistic/permitting issues. Moreover, only one 15,000 sq. m building was completed in 2024 (AFI Loft), with both the supply and the pipeline being at an all-time low in the city.

In terms of demand, approximately 490,000 sq. m were transacted in Bucharest during the 2024 – H1 2025 period. After a slower Q1 2025 with a transactional volume of only 51,300 sq. m, demand started to accelerate in Q2 (70,100 sq. m). The net take-up had a robust share of 53% in the overall H1 demand, while the vacancy rate in Bucharest continued its downward trend, reaching 13.4% (the lowest level since Q2 2021).

BUCHAREST OFFICE STOCK EVOLUTION



REGIONAL OFFICE STOCK EVOLUTION



	BUCHAREST	REGIONAL CITIES
TOTAL STOCK (SQ. M)	3,429,500	1,082,300
TOTAL TAKE-UP 2024 – H1 2025 (SQ. M)	489,900	89,600
NEW SUPPLY 2024 – H1 2025 (SQ. M)	15,000	-
UNDER CONSTRUCTION (SQ. M)	169,500	23,000
HEADLINE RENT (SQ. M/ MONTH)	€ 21	€ 13 – 17
VACANCY (%)	13.4	11.9



OFFICE

MAJOR OFFICE OWNERS

COMPANY	COUNTRY OF ORIGIN	PORTFOLIO (SQ. M)
 globalworth	LSE listed	450,000
 Paval Holding	Romania	355,000
 AFI EUROPE	Israel	273,000
 IULIUS  ATTERBURY EUROPE	Romania, South Africa	242,000
 CPI Property Group	Czechia	239,000
 GENESIS PROPERTY	Romania	150,000

RENTS

No significant rental movements were recorded in H1 in Bucharest, as levels between €20.00 – 21.00/ sq. m/ month were the norm in CBD, while the benchmarks for other submarkets ranged between €15.00 – 18.00/ sq. m/ month and €9.00 – 13.50/ sq. m/ month in central/ semi – central and peripheral locations.

The prime headline rents in the regional cities have seen only marginal increases, ranging between €13 – 14/ sq. m/ month in Brasov, while also reaching levels between €13.5 – 17/ sq. m/ month in Cluj - Napoca, Iasi and Timisoara.

CEE COMPARISON

CITY	STOCK (SQ. M)	PRIME YIELD (%)	PRIME RENT (€/ SQ. M/ MONTH)
Bucharest	3,429,500	7.25	21.00
Budapest	4,426,000	6.25	25.00
Prague	3,938,900	5.25	30.00
Warsaw	6,329,300	5.75	25.25
Bratislava	1,764,500	6.25	20.50



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RETAIL



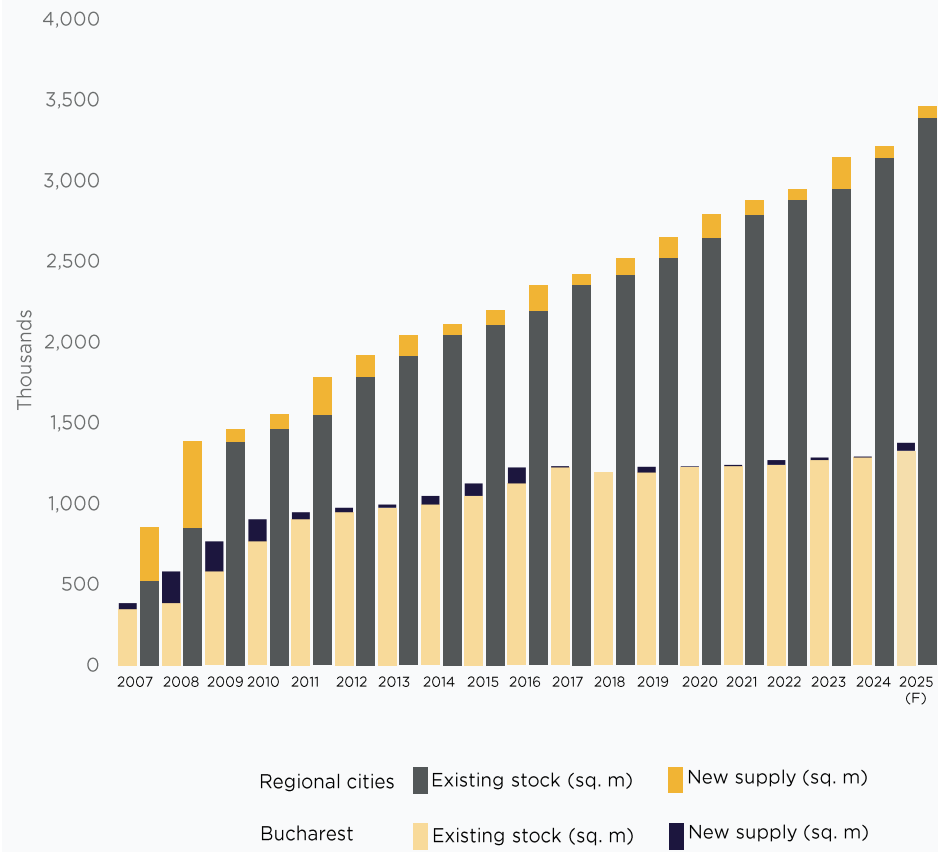
RETAIL

SUPPLY & DEMAND

Developers completed 18 retail projects in 2024 and 2025, totaling approximately 342,000 sq. m, with cities such Bucharest, Ploiesti, Pitesti, Iasi, Suceava, Giurgiu, Ramnicu Valcea benefiting from such investments. The plans for the next 5 years are also consistent, given that almost 700,000 sq. m GLA of retail spaces are currently under construction or in different planning stages. The modern retail stock in Romania was of 4.72 million sq. m, out of which 55% consists of shopping centers, while retail parks and commercial galleries account for the other 45%.

New retail schemes or major extensions will be added mainly outside Bucharest in Cluj - Napoca, Bacau or Resita, with MAS RE - Prime Kapital, NEPI Rockcastle and Iulius Group having the largest pipelines on the short and medium term.

ROMANIA - MODERN RETAIL STOCK EVOLUTION (SQ. M)



	BUCHAREST	REGIONAL CITIES
TOTAL STOCK (SQ. M)	1,328,000	3,390,000
NEW SUPPLY 2024 - H1 2025 (SQ. M)	5,700	336,300
UNDER CONSTRUCTION (SQ. M)	46,000	108,000
HEADLINE RENT SHOPPING CENTER (SQ. M/ MONTH)	€ 80 - 90	€ 30 - 65



RETAIL

MAJOR RETAIL OWNERS

COMPANY	COUNTRY OF ORIGIN	PORTFOLIO (SQ. M)
 NEPI ROCKCASTLE	South Africa	939,000
 MAS Prime Kapital	South Africa	435,000
 IULIUS ATTERBURY EUROPE	Romania, South Africa	310,000
 MI Core	United Kingdom	255,000
 CPI Property Group	Czechia	245,000

RENTS

The only significant Q2 2025 upward rental movements were related to the prime high street spaces on Calea Victoriei in Bucharest, which are now quoted at a level of €70/ sq. m/ month and further increases are expected in the coming quarters, while the corresponding figures for shopping centers in Bucharest and in the main secondary locations remained stable, ranging between €50 - 90/ sq. m/ month.

CEE COMPARISON

COUNTRY	STOCK (SQ. M)	PRIME YIELD SHOPPING CENTER (%)	PRIME RENT SHOPPING CENTER (€ / SQ. M / MONTH)	DENSITY (SQ. M / 1,000 INHABITANTS)
Romania	4,720,000	7.25	90	248
Hungary	3,123,000	7.25	95	325
Czechia	3,957,000	5.75	148	363
Poland	13,698,000	6.45	170	356
Slovakia	2,337,000	6.50	65	432



05

**INDUSTRIAL &
LOGISTICS**



INDUSTRIAL & LOGISTICS

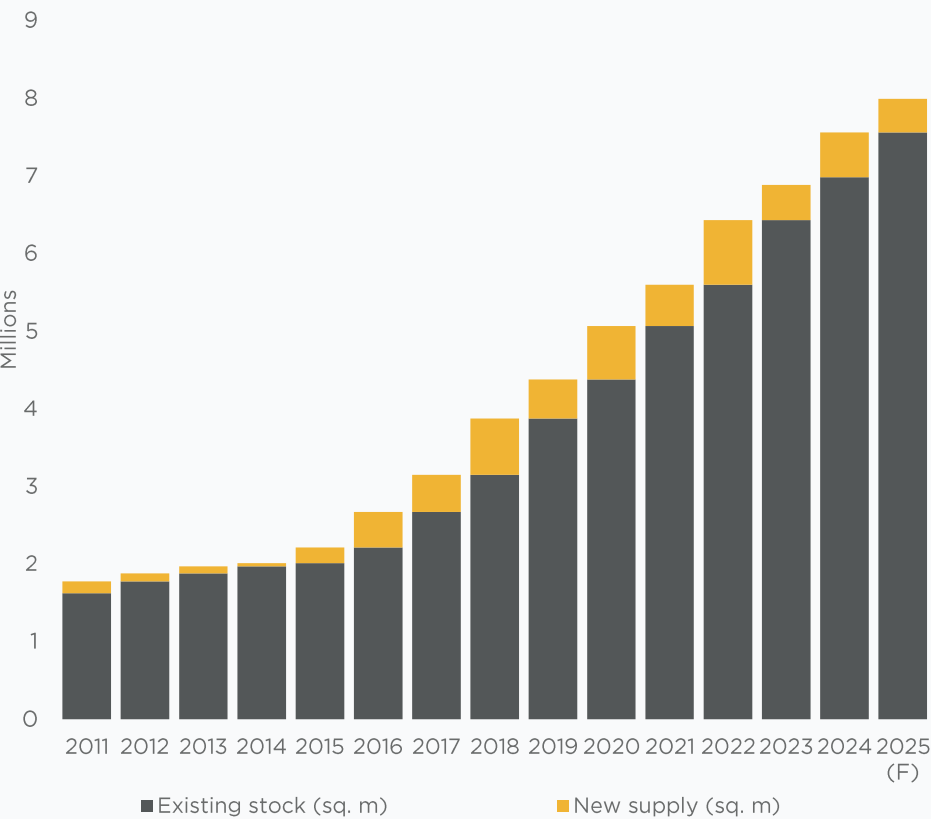
SUPPLY & DEMAND

The last 18 months were very consistent for the industrial market, as the segment registered a robust activity both in terms of supply and demand. The total take-up during the 2024 – H1 2025 period exceeded 1.3 million sq. m, while the modern stock at national level reached almost 7.75 million sq. m at the end of H1 2025.

Developers completed new projects with a total leasable area of ~756,000 sq. m across the country in the analyzed period, while the currently under construction pipeline is of approximately 438,000 sq. m (84% in the areas surrounding Bucharest)

The nationwide vacancy rate increased to a level of 5.8%, but a downward movement is expected in the coming quarters due to the relatively low number of speculative projects under construction.

ROMANIA INDUSTRIAL & LOGISTICS STOCK EVOLUTION (SQ. M)



	BUCHAREST	OUTSIDE BUCHAREST
TOTAL STOCK (SQ. M)	3,674,600	4,078,100
NEW SUPPLY 2024 – H1 2025 (SQ. M)	205,600	558,500
UNDER CONSTRUCTION (SQ. M)	367,100	71,000
HEADLINE RENT (SQ. M/ MONTH)	€ 4.70	€ 4.65
TOTAL TAKE-UP 2024 – H1 2025 (SQ. M)	848,300	509,000
VACANCY (%)	6.0	5.5



INDUSTRIAL & LOGISTICS

MAJOR INDUSTRIAL OWNERS

COMPANY	COUNTRY OF ORIGIN	PORTFOLIO (SQ. M)
	Czechia	3,055,000
	Belgium	1,886,000
	Belgium	420,000
	Singapore	380,000
	China	325,000

RENTS

The prime headline rent in Bucharest remained flat, but a series of spikes were recorded in other major hubs such as Timisoara or Brasov, with the asking rents in top projects across the country ranging between €4.30 - 4.70/ sq. m/ month. These levels could see minor upward adjustments by the end of the year, against a backdrop of increasing construction costs and land acquisition prices.

Speculative development is due to slow down, partly as a result of the developers' cautious approach aimed at preventing market oversupply following the new demand deceleration.

CEE COMPARISON

COUNTRY	STOCK (SQ. M)	PRIME YIELD (%)	PRIME RENT (€ / SQ. M / MONTH)
Romania	7,753,000	7.50	4.70
Hungary	5,845,000	6.75	5.70
Czechia	12,681,000	5.00	7.50
Poland	36,032,000	6.50	5.75
Slovakia	4,635,000	6.00	5.50



06

RESIDENTIAL



RESIDENTIAL

SUPPLY OVERVIEW

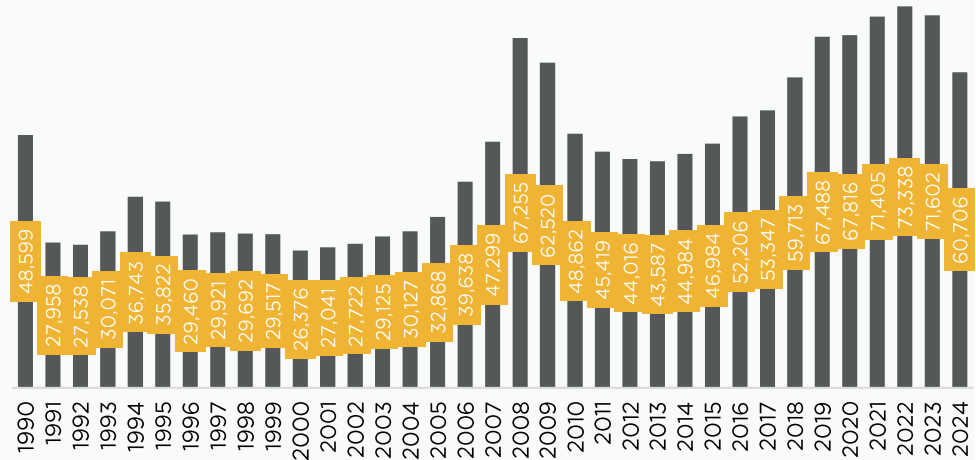
1.56 million new dwellings were delivered in Romania in the 1990 – 2024 period, with an average of around 44,000 per year. This total pertains to only 15% of the existing stock in Romania at the end of 2024, thus leaving significant room for a consistent pace of further new deliveries in the next decade, in order to gradually replace the older stock.

Moreover, around 803,000 units were completed in the 2011 – 2024 period and therefore around 50% of the post-communism deliveries were finalized after the financial crisis of 2009 – 2010.

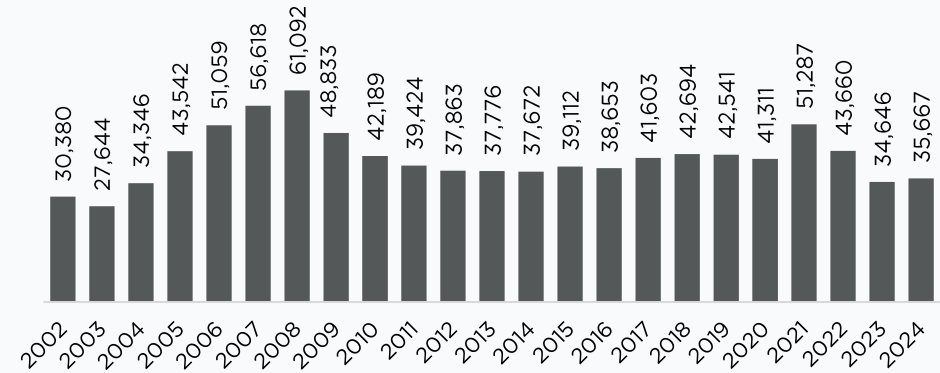
The housing stock in Romania was of 9,722,223 at the end of 2023, a rate of 510 dwellings per 1,000 inhabitants taking into account the effectively resident population at the beginning of the same year.

On average, around 40,300 building permits were issued annually in Romania in the 2011 – 2024 period, as the peak total of 61,092 (14.95 million sq. m in total) in 2008 has not been reached afterwards, while less than 36,000 permits totaling 9 million sq. m were issued in 2024, a lower total which may result in fewer residential completions in the coming years, thus potentially putting pressure on this market segment mainly in terms of pricing.

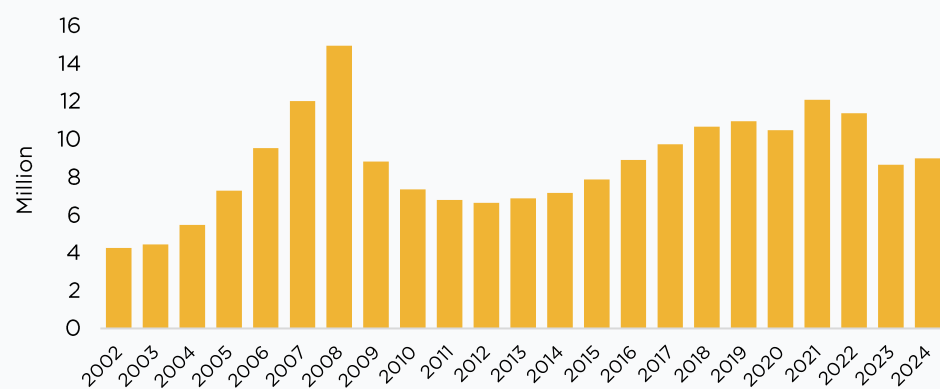
NEW DWELLINGS DELIVERIES IN ROMANIA (1990 – 2024)



BUILDING PERMITS ISSUED ROMANIA – BY NUMBER



BUILDING PERMITS ISSUED IN ROMANIA – TOTAL SQM USABLE AREA



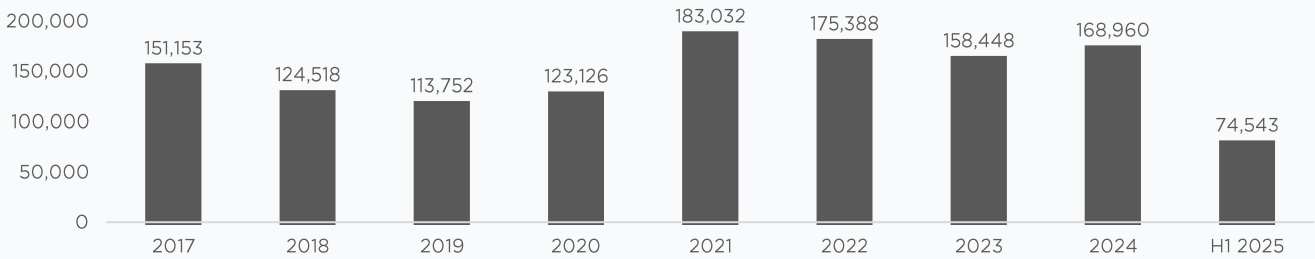


RESIDENTIAL

DEMAND OVERVIEW

Almost 1.2 million real estate transactions involving individual units (apartments or houses) were closed in Romania in the 2017 – 2024 period. The residential market had also seen the initial effects of the Covid-19 pandemic during Q2 2020, but it quickly rebounded in the second part of that year. This positive trend went forward in 2021 and 2022 as well, thus illustrating the housing market's overall appeal which is the direct result of a relatively high affordability when compared with other CEE countries. However, this positive outlook has been impacted by the interest rate increases which had dominated the market in 2023. The gradual interest rates' downward movements eased the pressure on homebuyers in 2024, but the increase of VAT in Romania starting with August 2025 (from 19 to 21%) has significantly reduced housing sales and put upward pressure on property prices.

NUMBER OF REAL ESTATE TRANSACTIONS WITH INDIVIDUAL UNITS IN ROMANIA



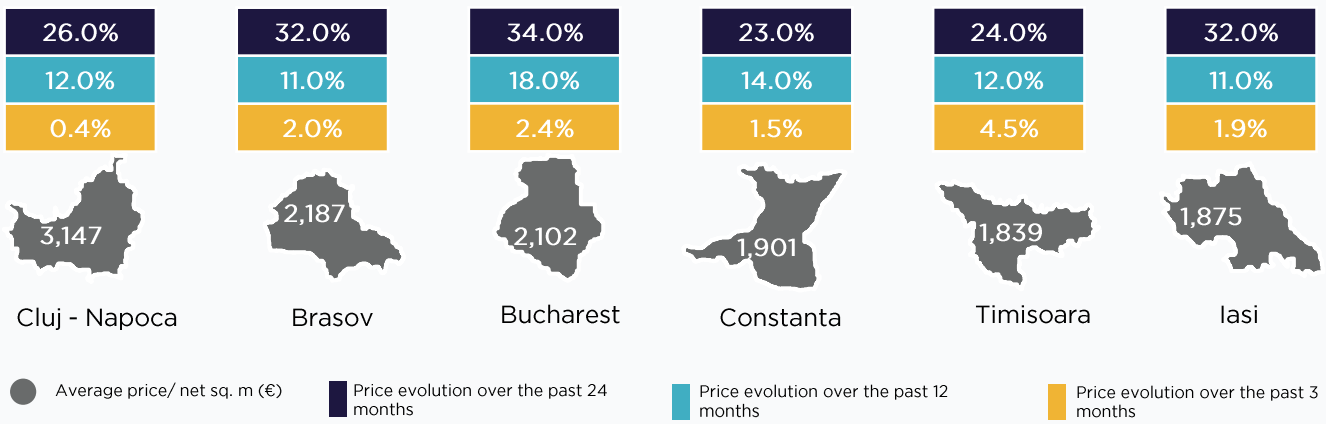
Source: ANCP

PRICE

The residential prices have been constantly increasing during the last couple of years due to the general population purchasing power growth and to the low interest rates before 2022, with demand remaining relatively consistent in the past decade or so.

The average asking price for apartments in Romania was of €1,886 / net (usable) sq. m at the end of August 2025, according to imobiliare.ro, a level which reflects a 16% y-o-y increase. Cluj - Napoca has a significant lead in the ranking of the most expensive cities in this regard, while Bucharest occupies only the 3rd place in the country, with average asking prices 33% and 4% lower than in Cluj - Napoca and Brasov respectively.

PRICE TRENDS IN THE MAJOR CITIES (APARTMENTS FOR SALE)



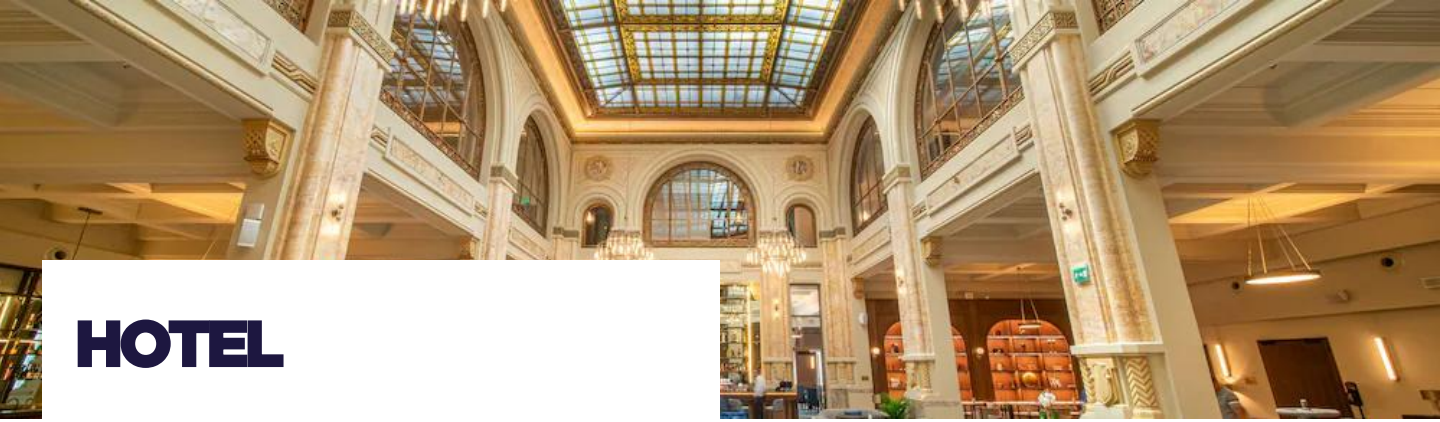
Source: imobiliare.ro



07

HOTEL

*The Marmorosch
Bucharest*



HOTEL

SUPPLY OVERVIEW

The latest data from the Romanian Ministry of Tourism shows that there were 1,794 registered hotels in the country in October 2025, totaling 107,912 keys. In terms of classification, premium hotels (4 and 5-star) have a share of 31% (534 out of 1,794), with Constanta, Brasov, Prahova, Sibiu and Timis counties and also Bucharest (the major touristic hubs in the country) accommodating more than half of the existing 4 and 5-star hotels (274 out of 534). Moreover, less than 5% of the existing hotels in Romania are affiliated to an international brand, the lowest level in the region, with a significant number of affiliations being expected in the coming years.

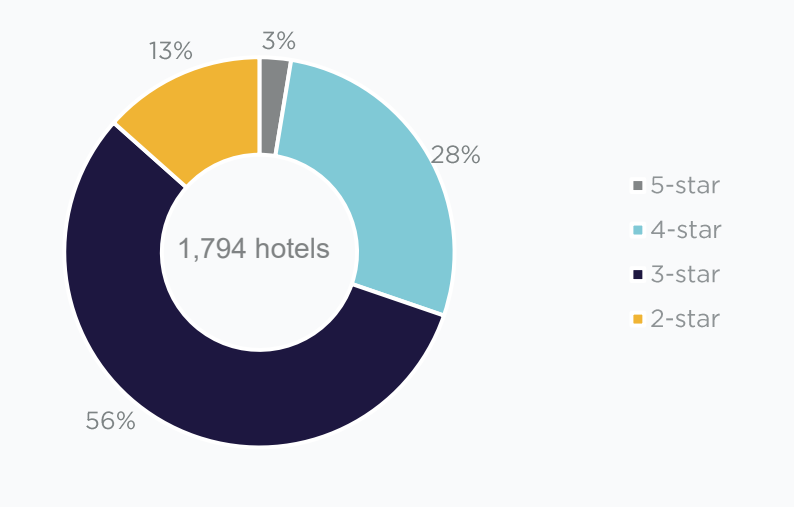
The demand on the Bucharest hotel market experienced an increase of 3% in H1 2025 VS H1 2024, but it still remained below the 2019 level.

The hotel market in Bucharest will continue its positive development, attracting more attention from both investors and international hotel operators, as the supply is expected to grow at a 3% CAGR over 2025 - 2027.

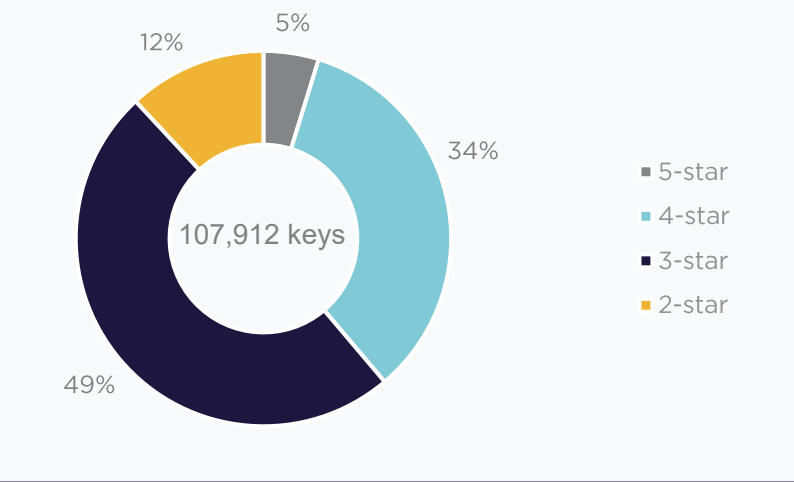
In H1 2025, 20 hotels and serviced apartments with approximately 1,600 rooms opened across the CEE-6 capitals (Bucharest, Warsaw, Prague, Bratislava, Budapest and Sofia). These included landmark branded properties such as the Fairmont Golden Prague and the Corinthia Grand Hotel in Bucharest. Overall, room supply in the region increased by 1.7% y-o-y, primarily driven by developments in Warsaw (+3.8%), Prague (+1.8%) and Bucharest (+1.7%).

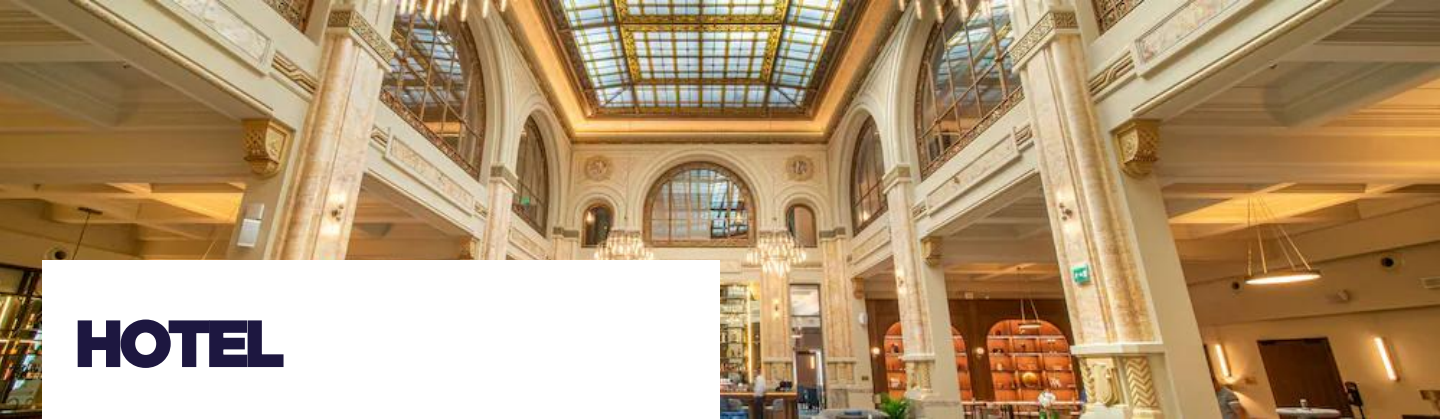
In the coming years, Bucharest will experience a CAGR of 5.8% in terms of room supply, adding around 2,400 rooms, a growth rhythm which outpaces the CEE-6 capitals' average growth of 3.2%.

DISTRIBUTION OF HOTELS BY CLASSIFICATION ROMANIA



PERCENTAGE OF HOTEL CAPACITY BY CLASSIFICATION ROMANIA





HOTEL

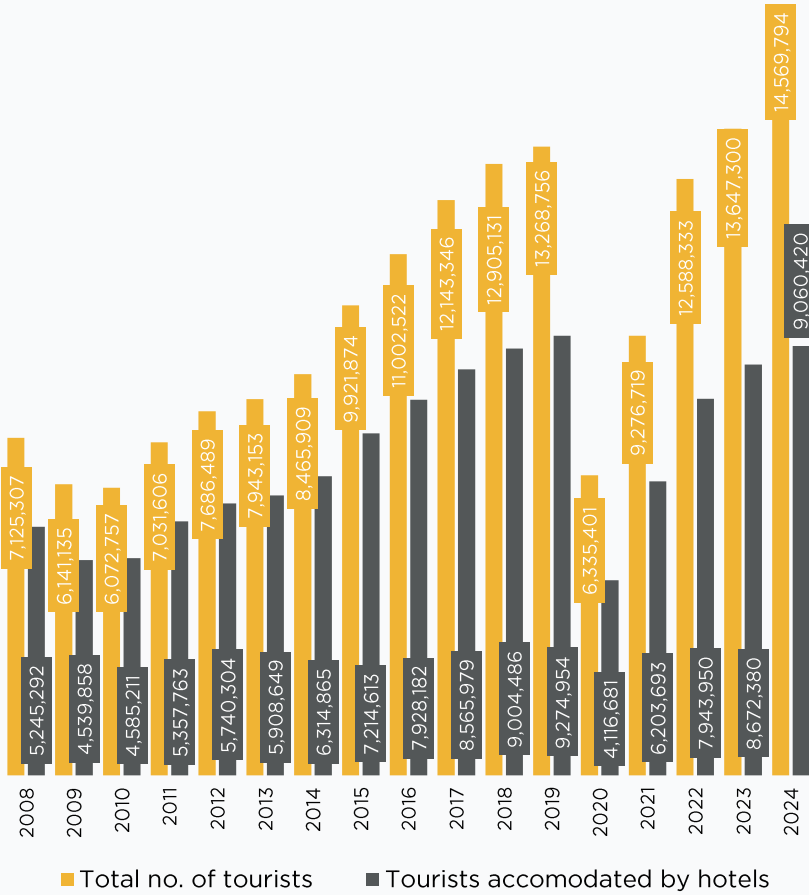
DEMAND OVERVIEW

An analysis covering the period since 2008 shows that the number of tourists who spent at least one night in the tourist accommodation units in Romania more than doubled from 2009 (6.14 million) to 2019 (13.27 million). Although the economic crisis that peaked in 2009 - 2010 caused a significant decrease (one million fewer tourists in 2009 and 2010 than in 2008), the Romanian tourism had afterwards witnessed an important development, mainly due to the increasing purchasing power of the Romanian citizens, while also being able to attract a larger number of foreign tourists.

The number of tourists who preferred to stay in hotels had also doubled in the same period from 4.54 million in 2009 to 9.27 million in 2019. However, the Covid-19 pandemic resulted in a drastic 56% decrease in the number of tourists accommodated by hotels in Romania in 2020 and also in an overall decrease of 52% in terms of total tourists.

In 2022, there have been strong signs of recovery, as increases of 28% and 93% in the number of hotel tourists have been recorded compared with 2020 and 2021, an upward trend which continued until 2024, when a peak total of 14.57 million tourists was reached, out of which 9.06 million (62.2%) chose hotels as their preferred accommodation unit.

THE NUMBER OF TOURISTS ARRIVING AT ACCOMMODATION UNITS IN ROMANIA 2008 - 2024



Source: National Institute of Statistics



08

INFRASTRUCTURE

CBD
Bucharest



INFRASTRUCTURE

HIGHWAY DEVELOPMENT IN ROMANIA (2009 - 2025)

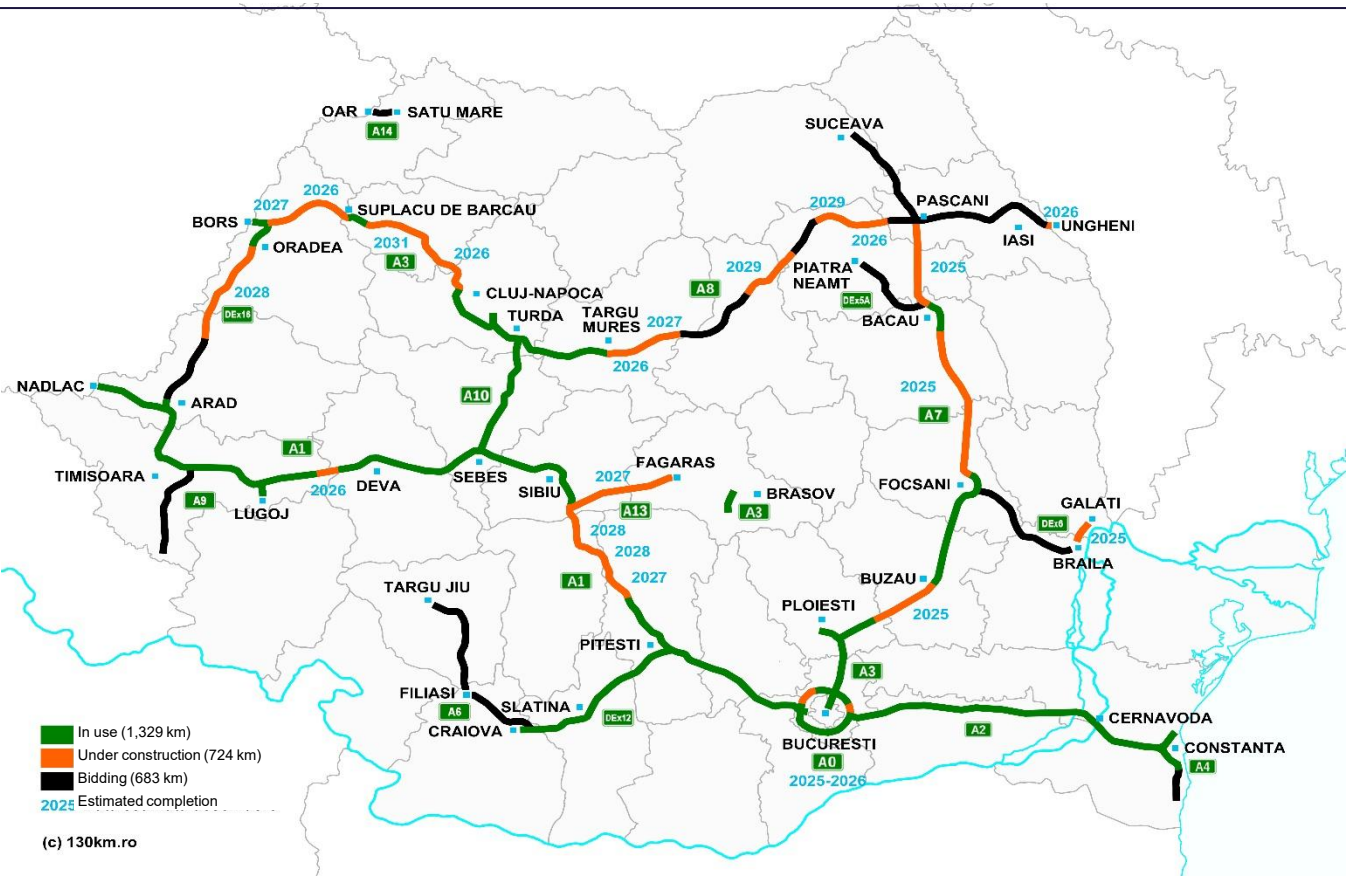
Highway system (km)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	321	332	350	550	644	683	747	747	763	823	866	920	931	949	1,074	1,137	1,329

ROAD INFRASTRUCTURE

At the end of 2024, the public roads in Romania totaled 86,847 km: 17,994 km (20.7%) national roads, 35,091 km (40.4%) county roads and 33,762 km (38.9%) local roads.

1,329 km of highways are in operation at the moment, with other 724 km also being under construction and expected to be completed by the end of this decade.

The highway system has developed significantly since joining the European Union in 2007 (from 228 km at the end of 2006 to 1,329 km at the end of August 2025), a trend expected to continue going forward taking into account the highway projects under construction or in different tendering processes.



Source: Eurostat, National Institute of Statistics, National Commission for Prognosis, © 130 km.ro



INFRASTRUCTURE

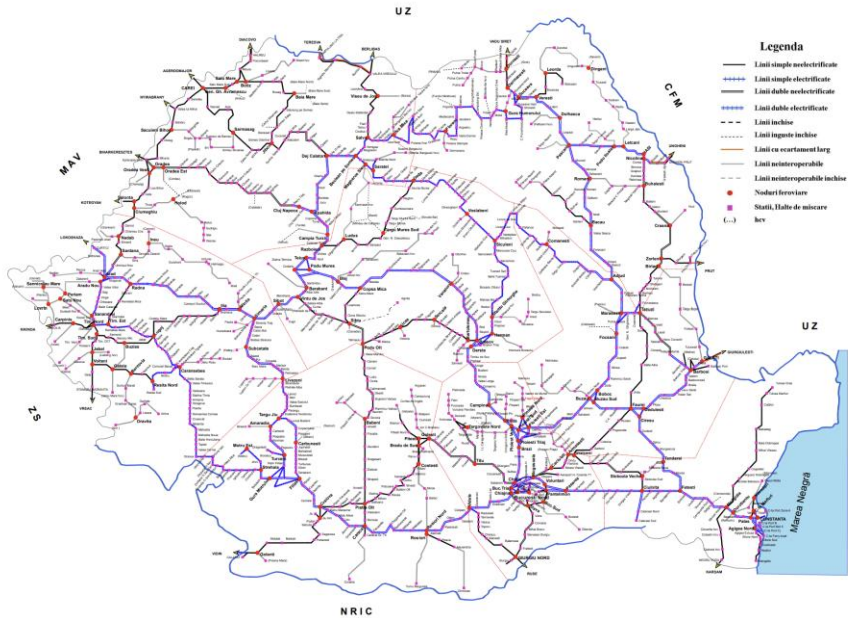
RAILWAY SYSTEM DEVELOPMENT BY REGION

REGION	TOTAL RAILWAY SYSTEM (KM)	ELECTRIFIED RAILWAYS (KM)	ELECTRIFIED RAILWAYS %
North - West	1,632	316	19.4
Center	1,438	649	45.1
North – East	1,458	604	41.4
South – East	1,274	545	42.8
South - Muntenia	1,511	490	32.4
Bucharest - Ilfov	372	227	61.0
West	1,922	670	34.9
South – West Oltenia	1,004	531	52.9

RAILWAY INFRASTRUCTURE

The railway system in Romania consists of 10,611 km out of which 4,032 (38%) were electrified at the end of 2024. There are 9 major railway routes in the country and Romania has railway connections with each of its neighbors (Hungary, Bulgaria, Serbia, Ukraine and Moldova).

MAP OF THE ROMANIAN RAILWAY NETWORK

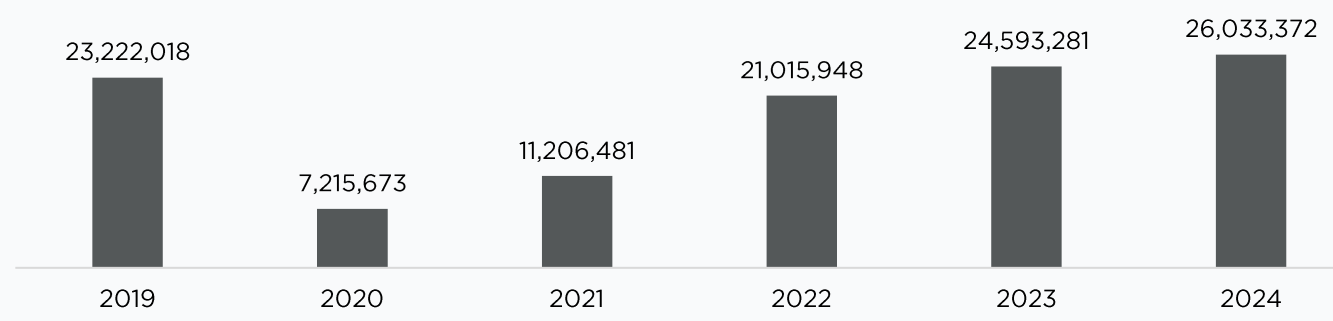


Source: Eurostat, National Institute of Statistics, National Commission for Prognosis



INFRASTRUCTURE

AIRPORT PASSENGER TRAFFIC 2019 – 2024 IN ROMANIA



AIRPORT INFRASTRUCTURE

Romania has a well-developed airport infrastructure when compared with other countries in Eastern Europe, which however still lags behind the Western European standards. There are 17 commercial airports in service today, all of them opened for international traffic. The number of passengers increased by 185% from 2009 to 2024, when 26.0 million passengers transited the Romanian airports, 11% more than in 2019 and also an all-time record.

MAP OF ROMANIAN AIRPORTS



Source: The Romania Airport Association



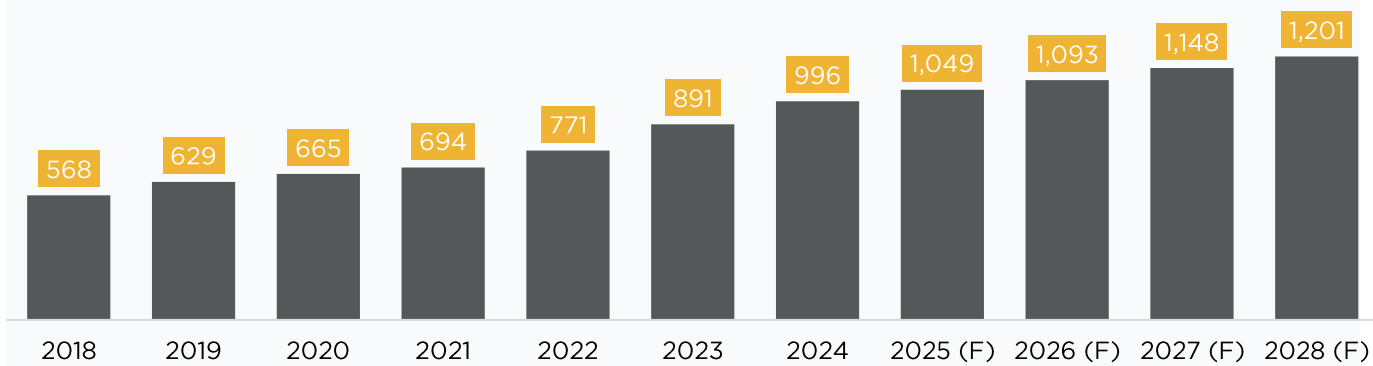
09

LABOUR MARKET



LABOUR MARKET

YEARLY EVOLUTION AND FORECAST OF THE NET MONTHLY AVERAGE WAGE (2018 – 2028 F) (€)



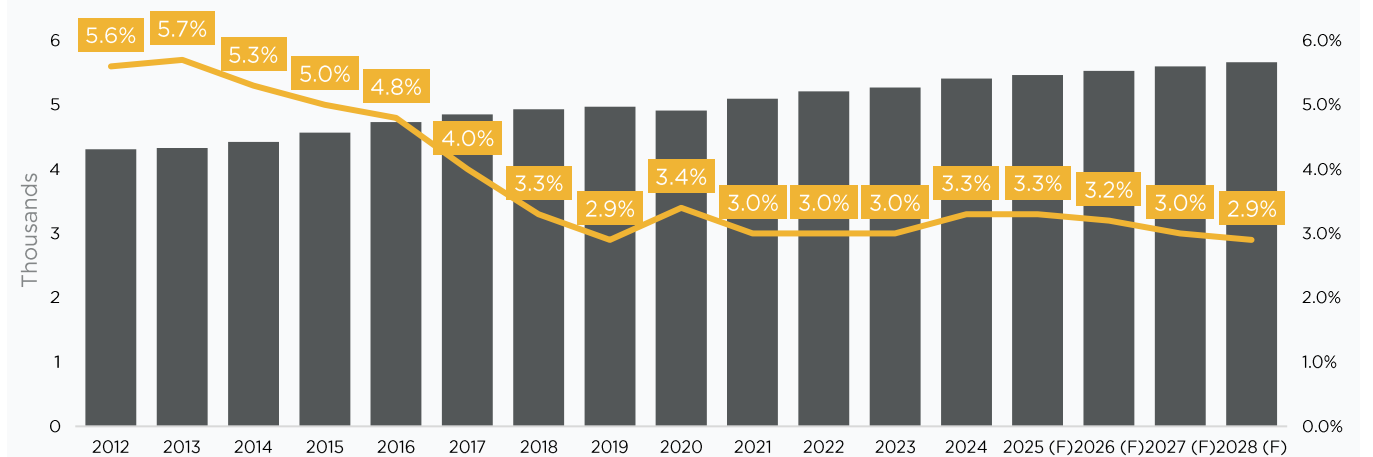
THE NUMBER OF EMPLOYEES IN ROMANIA HAS BEEN ON AN UPWARD TREND SINCE THE 2009 - 2010 FINANCIAL CRISIS

The monthly net average wage recorded an impressive growth of 75% between 2018 and 2024 during a period when the corresponding total inflation was of 48%. Furthermore, an increase of 21% is expected until 2028, a level still a bit higher than the forecasted total inflation of 20% during the same analyzed timeframe.

The total number of employees in Romania, has been on an upward trend since the 2009 - 2010 economic crisis. Therefore, the total workforce in the country recorded a 26% increase in 2024 vs 2012. The 5-million employees' threshold has been reached once again and around 250,000 new employees could be absorbed by the market by 2028 according the National Commission for Strategy and Prognosis.

As a consequence, the overall unemployment rate has decreased significantly from 5.7% in 2013 to 3.3% at the end of 2024. Moreover, this trend is forecasted to remain constant, albeit a slower downward pace, as a level of 2.9% is expected in 2028.

YEARLY EVOLUTION AND FORECAST OF THE NUMBER OF EMPLOYEES (000'S) AND UNEMPLOYMENT RATE (%) IN ROMANIA (2012 – 2028 F)



Source: National Commission for Prognosis, National Institute of Statistics



*The Triumphal Arch
Romania*

10

**GRANTS &
INCENTIVES**

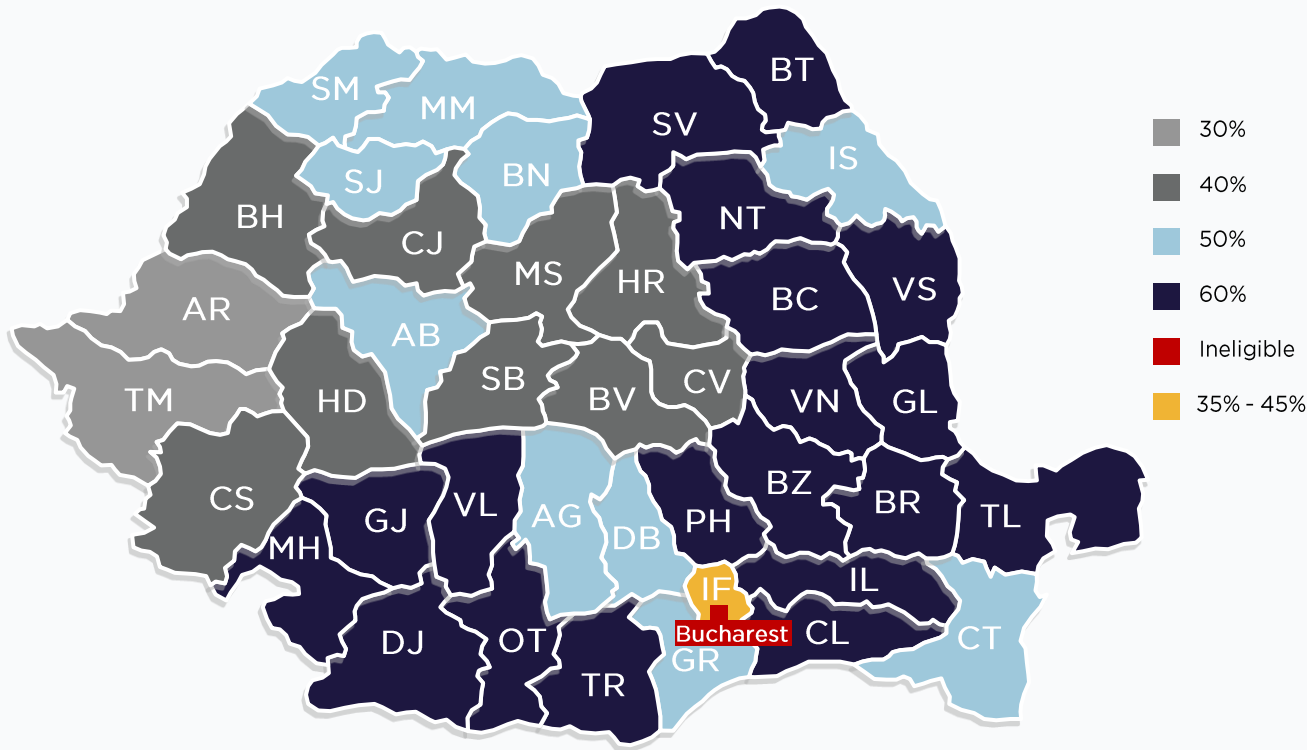


GRANTS & INCENTIVES

THE STATE AID BUDGET FOR THE 2023 - 2027 PERIOD ESTIMATED AT €300 MILLION

Investment of minimum €1 million (GD 807/ 2014) Construction of new buildings Renting costs for existing buildings CAPEX aimed at technical installations and tools Acquisition of intellectual property	Creation of minimum 100 jobs* regardless of the investment location (GD 332 / 2014): Salary costs for a consecutive 2-year period resulted as a direct consequence of the investment Salary costs are comprised of the gross average annual salary plus benefits *in different locations of the investment	Supporting investments in the manufacturing industry of minimum €3 million (GD 959 / 2022) Starting a new unit Expanding the capacity of an existing unit Diversifying the production of a unit through products that were not previously manufactured in the unit Fundamental change of the general production process of an existing unit Creating new jobs
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THE MAXIMUM STATE AID INTENSITY DIFFERS FROM ONE DEVELOPMENT REGION TO ANOTHER



Source: Ministry of Finance



11

TAX REGIME

*Palace of Justice
Bucharest*



TAX REGIME

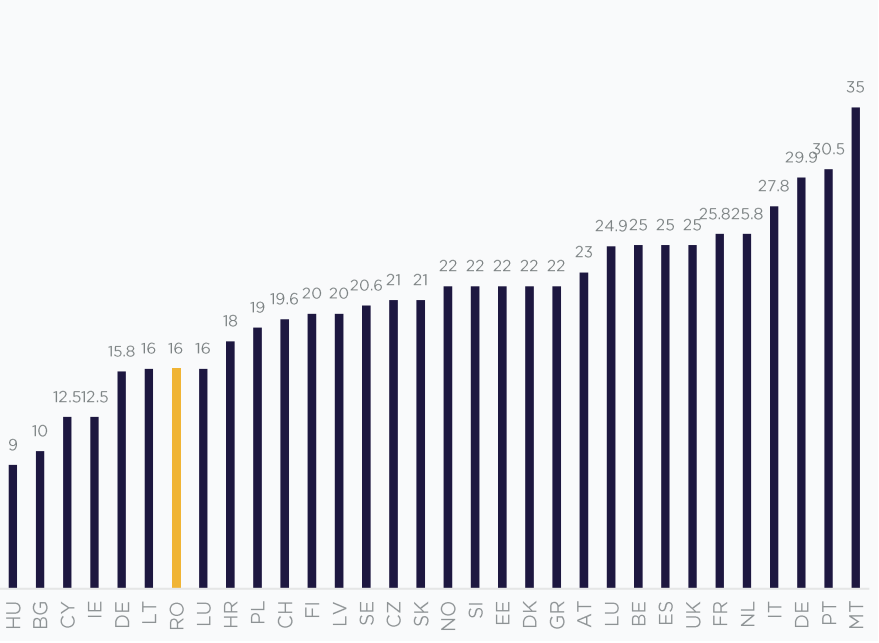
ROMANIA HAS ONE OF THE LOWEST TAXATION LEVELS IN THE EUROPEAN UNION

CORPORATE INCOME TAX

The standard corporate income tax rate of 16% has remained constant over the last 17 years, being one of the lowest in Europe, well below the EU 27 average of 20.7%.

However, as of January 1, 2025, the withholding tax rate on dividends was increased from 8 % to 10 %, regardless of whether beneficiaries are residents or nonresidents (subject to any applicable DTT reductions). Nonresidents may still qualify for reduced WHT rates under relevant double tax treaties. Moreover, the withholding tax is due another increase (to 16%) starting from January 1, 2026, being part of the measures applied by the government to tackle the high budget deficit.

CORPORATE TAX RATES IN EUROPE (%)



Source: Country official data

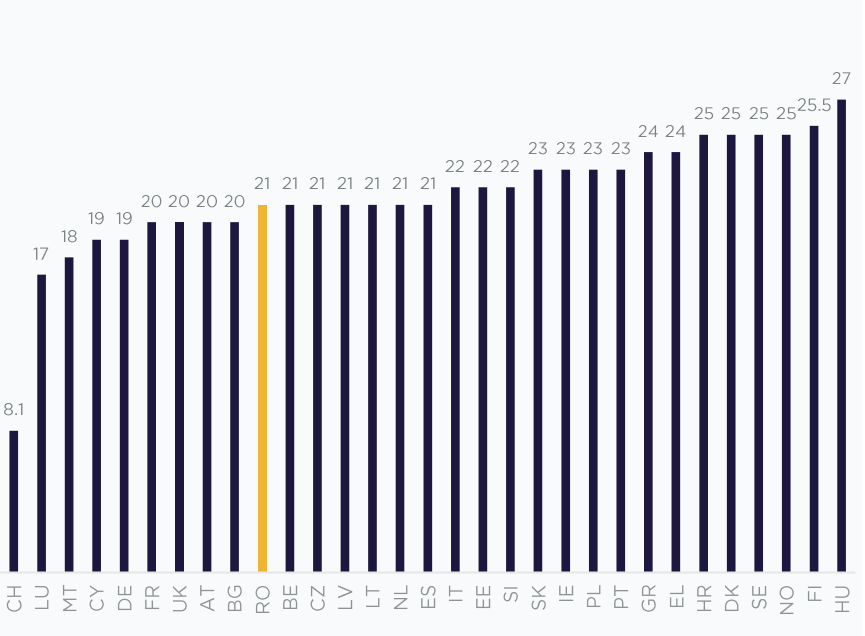
VAT

As of August 1, 2025, the standard VAT rate in Romania increased from 19% to 21%, marking the first change in eight years.

The previous reduced VAT rates of 5% and 9% were replaced by a single reduced rate of 11%, applicable to most goods and services that had previously benefited from those lower rates. The new 11% reduced VAT rate applies to food and non-alcoholic beverages (with exceptions for products with high sugar content), water supply and sewerage services, irrigation water, fertilizers, pesticides, and seeds used in agriculture, medicines for human and veterinary use, medical equipment for persons with disabilities, as well as books, newspapers, magazines, and admission to cultural sites and events such as museums, theatres, and exhibitions.

A temporary 9% VAT rate continues to apply to certain residential housing transactions under specific conditions, but only until July 31, 2026.

STANDARD VAT IN EUROPE (%)



Source: Country official data



TAX REGIME

TURNOVER TAX RATES FOR MICRO – ENTERPRISES

The turnover tax rates used for micro - enterprises are:

- 1% of revenues for those with receipts of less than €60,000/ year
- 3% for those with receipts of more than €60,000/ year (up to €250,000/ year in 2025 and €100,000/ year starting from 2026) or operating in certain sectors (IT, HoReCa, a series of legal activities, medical assistance, or dentistry, etc.).

PERSONAL INCOME TAX

The standard personal income tax rate is 10% (with few variations and exceptions). It has been reduced twice during the last 20 years, from 40% to 16% in 2005 and then to 10% in 2018.

EU MEMBER STATES TAX RATES IN 2025

COUNTRY	CORPORATE TAX RATES (%)	STANDARD VAT RATE (%)	SOCIAL SECURITY (EMPLOYER) TAX RATES (%)	TOP INDIVIDUAL TAX RATES (%)	SOCIAL SECURITY (EMPLOYEE) TAX RATES (%)	TOP DIVIDEND TAX (%)
Austria	23.0	20.0	21.38	55.0	18.12	27.5
Belgium	25.0	21.0	25.0	53.5	13.07	30.0
Bulgaria	10.0	20.0	19.02	10.0	13.78	5.0
Croatia	18.0	25.0	16.5	35.4	20	12.0
Cyprus	12.5	19.0	8.3	35.0	8.3	17.0
Czechia	21.0	21.0	33.8	23.0	11	23.0
Denmark	22.0	25.0	0	55.9	0	42.0
Estonia	22.0	22.0	33.8	22.0	3.6	0.0
Finland	20.0	25.5	20.66	51.8	10.89	28.9
France	25.8	20.0	45.0	55.4	23	34.0
Germany	29.9	19.0	19.98	47.5	20.23	26.38
Greece	22.0	24.0	22.54	44.0	14.12	5.0
Hungary	9.0	27.0	17.0	15.0	18.5	15.0
Ireland	12.5	23.0	11.05	48.0	4	51.0
Italy	27.8	22.0	30.0	47.2	9.5	26.0
Latvia	20.0	21.0	23.59	36.0	10.5	0.0
Lithuania	16.0	21.0	1.77	32.0	19.5	15.0
Luxembourg	24.9	17.0	15.17	45.8	12.5	21.0
Malta	35.0	18.0	10.0	35.0	10.0	0.0
Netherlands	25.8	21.0	23.59	49.5	27.65	33.0
Poland	19.0	23.0	22.14	36.0	13.7	19.0
Portugal	30.5	23.0	23.75	53.0	11	28.0
Romania	16.0	21.0	2.25	10.0	35.0	10.0
Slovakia	21.0	23.0	35.2	25.0	13.4	10.0
Slovenia	22.0	22.0	16.1	50.0	22.1	25.0
Spain	25.0	21.0	29.9	54.0	6.35	28.0
Sweden	20.6	25.0	31.42	52.93	7.0	30.0

Source: Adecco Romania, taxfoundation.org

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