ROMANIA
RETAIL REGIONAL CITIES

November 2015

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Welcome to DTZ Echinox 2nd edition of ‘Romania Regional Cities Retail Market 2015’.

This guide provides an overview of the retail market outside Bucharest, offering a better understanding of the economic and demographic situation on each region analyzed, having as main focus to reveal information on dominant retail schemes and major retailers present on Romanian market.

In the 2nd edition of ‘Romania Regional Cities Retail Market 2015’ we have analyzed all 7 administrative regions outside Bucharest. We have used the same information for all regions, in order to facilitate comparison.

This guide is a perfect tool for all market players, allowing them to get a better understanding of the retail market in Romania.

The guide includes, but is not limited to:

✓ Statistics for each region analyzed such as population, unemployment rate, income and retail purchasing power;

✓ Information such as modern retail stock, major retailers and dominant retail schemes;

✓ Information on prime rents.

We hope you find the publication interesting and we encourage you to access the wide variety of DTZ publications.

DTZ Echinox Research
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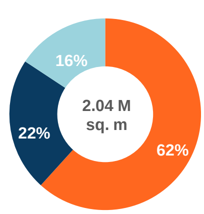
At the end of Q3 2015, the modern retail stock outside Bucharest is of 2.04 million sq. m. Shopping centers account for 62%, while retail parks and commercial galleries represent 22% and 16% from total retail stock. Most of the retail space outside Bucharest – approximately 60% - was delivered between 2006 – 2008.

In 2015 one shopping center was delivered outside Bucharest – Coresi Shopping Center in Brasov, having a GLA of 45,000 sq. m. Currently there are two shopping centers under construction outside Bucharest. Shopping City Timisoara, with 56,000 sq. m GLA is expected to be delivered next year. The 2nd shopping center under construction is Mercur Commercial Center located in Craiova, which upon completion in 2016 will offer 20,000 sq. m of rentable area.

Headline rents achieved for units of 100 sq. m in dominant shopping centres outside Bucharest range in average between € 20 – 25 / sq. m/ month. In dominant cities such Cluj Napoca, Timisoara, Iasi or Constanta the prime headline rents are with 25% - 35% higher. For tertiary cities the prime headline rents are between € 12 – 18 / sq. m/ month.

2015 Structure of modern retail stock outside Bucharest



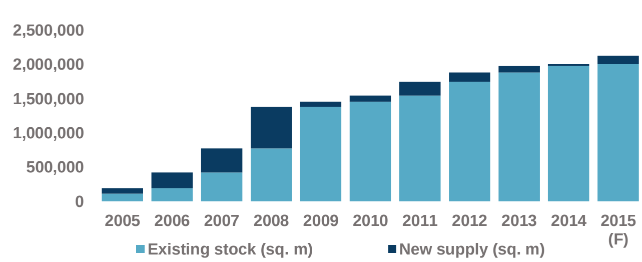
Source: DTZ Research November 2015

Headline rents achieved for units of 100 sq. m

Dominant SC located in dominant cities	Dominant SC located in secondary cities	Dominant SC located in tertiary cities
€ 30 – 35 / sq. m/ month	€ 20 – 25 / sq. m/ month	€ 12 – 18 / sq. m/ month

Source: DTZ Research November 2015

Evolution of the modern retail stock outside Bucharest



Source: DTZ Research November 2015

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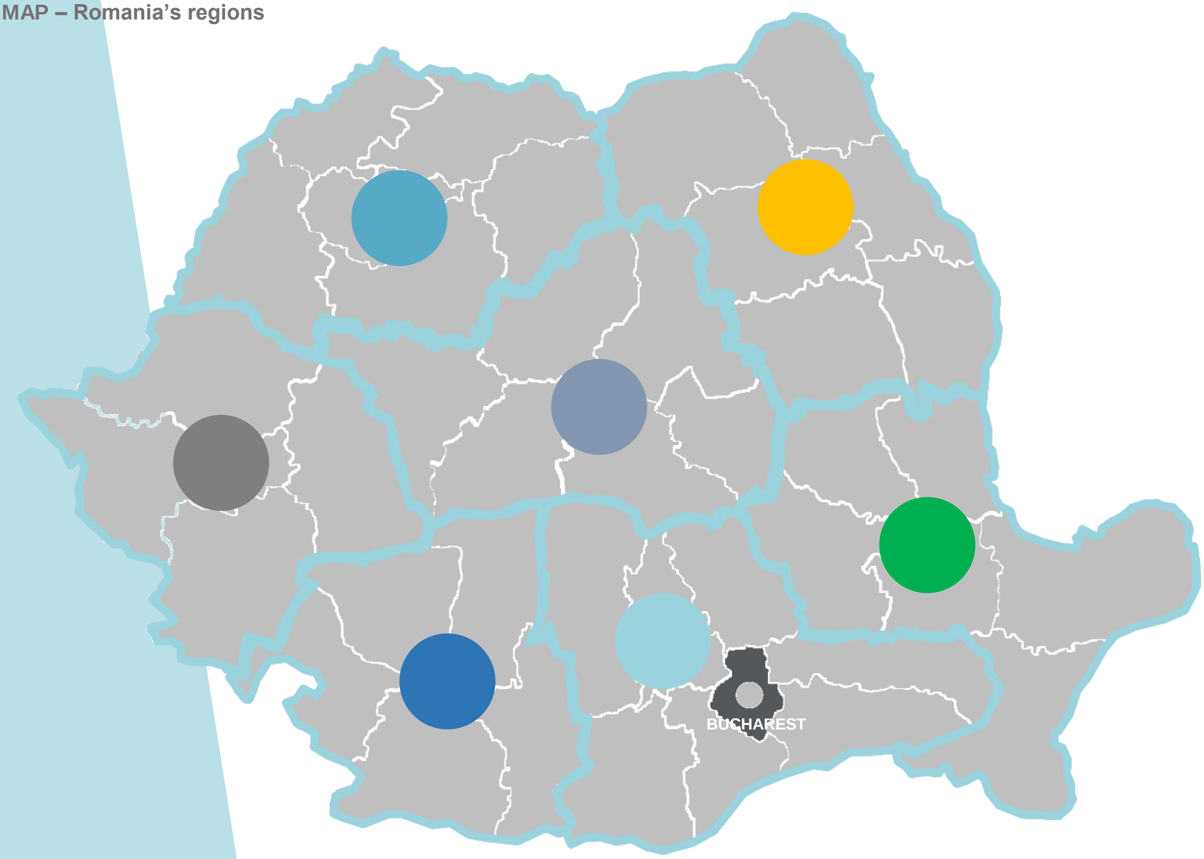
MAP – Romania's regions

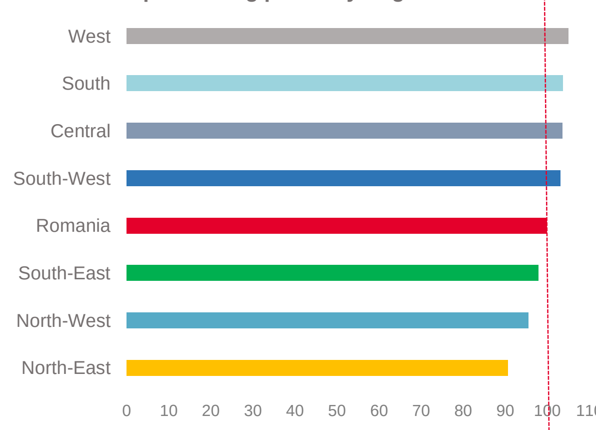


Modern retail stock outside Bucharest by Region

N-W	357,000 sq. m
W	247,000 sq. m
CENTRAL	294,000 sq. m
N-E	423,000 sq. m
S-E	376,000 sq. m
S	224,000 sq. m
S-W	119,000 sq. m

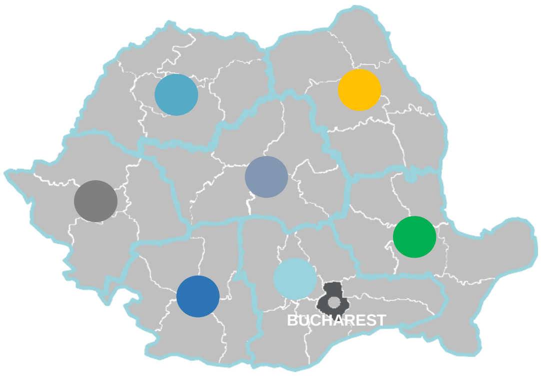
Source: DTZ Research November 2015

Retail purchasing power by Region



Source: DTZ Research November 2015

ROMANIA RETAIL REGIONAL CITIES 2015 CONCLUSIONS

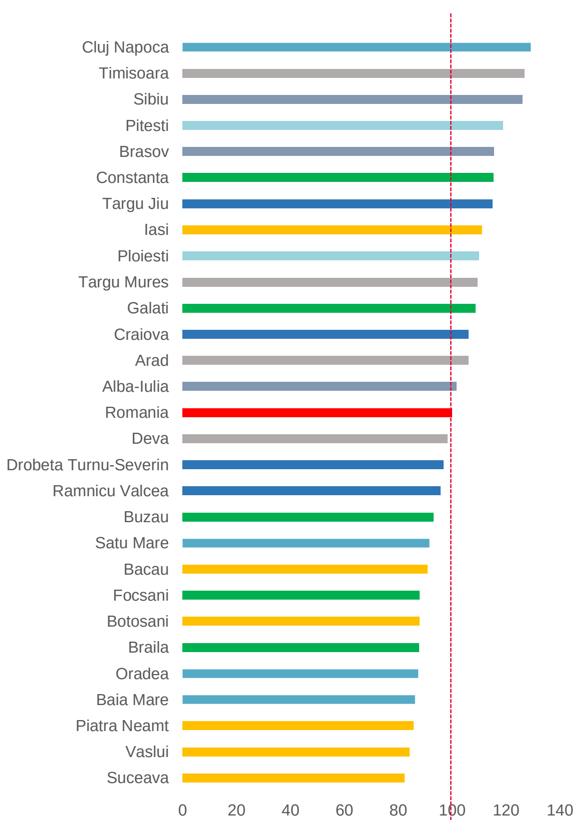


2015 Major indicators

Region	Population	Average monthly net salary (€)	Modern retail stock (sq. m)	Modern retail stock density (sq. m) / 1,000 inhabitants	No. of cities with existing modern retail spaces
N-W	2,587,738	318	357,000	138	4
W	1,814,657	359	247,000	136	3
CENTRAL	2,352,737	344	294,000	125	4
N-E	3,270,354	301	423,000	129	6
S-E	2,570,628	319	376,000	146	5
S	3,073,115	333	224,000	73	2
S-W	2,024,554	347	119,000	59	4

*Source: *National Institute of Statistics ; DTZ Research November 2015*

Retail purchasing power by City



Source: DTZ Research November 2015

2015 Major retailers – No. of Stores

	N-W	W	CENTRAL	N-E	S-E	S	S-W	TOTAL
Kaufland	15	13	17	17	11	14	7	94
Auchan	6	4	4	3	3	3	2	25
Carrefour	3	1	2	4	5	2	2	19
Cora	2	0	0	1	2	1	1	7
Metro	5	4	4	3	5	3	1	22
Selgros	2	2	2	3	4	1	1	15
Real	1	1	0	1	1	0	0	4

	N-W	W	CENTRAL	N-E	S-E	S	S-W	TOTAL
Dedeman	3	5	5	9	7	3	5	37
Praktiker	4	4	2	5	5	3	2	25
Leroy Merlin	2	1	3	3	1	3	2	15
Brico Depot	1	1	1	1	4	2	1	11
Hornbach	0	1	2	0	0	1	0	4
Mr. Bricolaje	0	0	0	1	0	1	0	2

	N-W	W	CENTRAL	N-E	S-E	S	S-W	TOTAL
INDITEX	13	10	11	15	11	8	4	72
H&M	4	3	4	5	6	4	3	29
C&A	3	3	2	5	6	3	3	25
New Yorker	3	2	3	5	5	2	3	23
LPP	2	0	3	1	1	5	0	12

Source: DTZ Research November 2015

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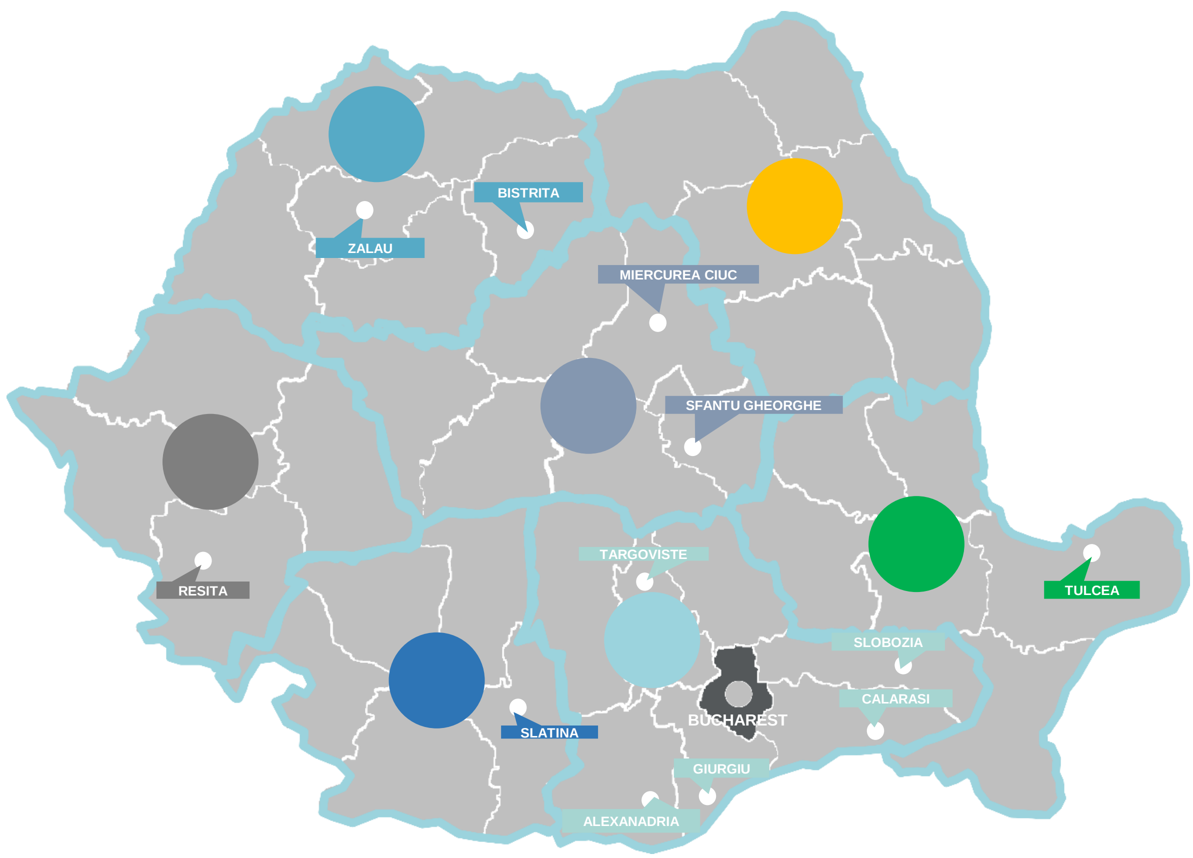
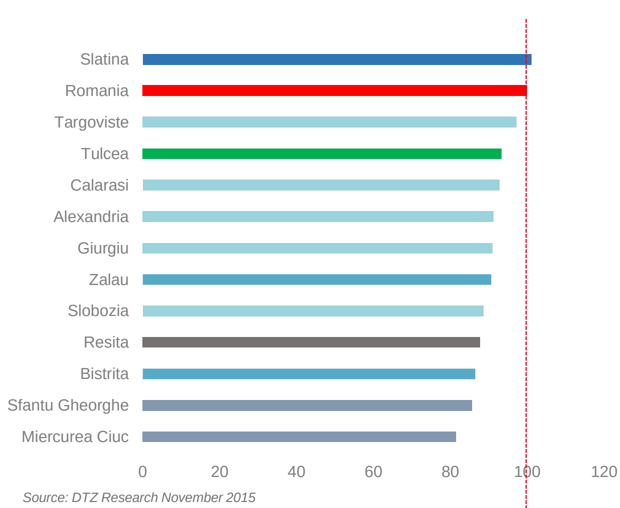
COUNTY MUNICIPALITIES WITHOUT MODERN RETAIL SPACES



Retail purchasing power by City



Source: DTZ Research November 2015

ROMANIA RETAIL REGIONAL CITIES 2015 DEFINITIONS

Modern retail stock	Total completed space of modern shopping premises (shopping center, retail park, commercial gallery) completed since 1999.
New supply	Completed newly built modern retail schemes that obtained a use permit in the given period.
Commercial gallery	Modern retail scheme with minimum 5,000 sq. m of GLA, anchored by a hypermarket with a rentable area that exceeds the total rentable area of the retail scheme.
Shopping center	Modern retail scheme with a commercial gallery of minimum 5,000 sq. m GLA that has a rentable area exceeding the hypermarket / supermarket's rentable area
Retail park	Modern retail scheme with over 5,000 sq. m of GLA representing other than shopping center or commercial gallery retail formats
Prime headline rent	Headline rent level achieved in the most attractive shopping centres for units of approximately 100 sq. m leased to a fashion operator

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