

Industrial Q2 2024

391.6K
Overall Take-up*
(sq.m)

YoY
Chg



12-Mo.
Forecast



€5.10
Prime Rent (€/sq.m/month)



* January to June

ECONOMIC INDICATORS 2024

1.7%
GDP Growth

YoY Chg: 12-Mo. Forecast:

5.1%
Exports Growth

YoY Chg: 12-Mo. Forecast:

98.8
Industrial Production Index

YoY Chg: 12-Mo. Forecast:

-7.3
Manufacturing Industry's Confidence Indicator

YoY Chg: 12-Mo. Forecast:

Source: Moody's Analytics; INE

ECONOMY: GDP annual growth forecasted to stabilize at circa 2,0% figures between 2024 and 2026

According to Moody's Analytics, despite the slowdown in 2024 Portugal will remain a top performer in the euro zone, with GDP growing by 1,7%, followed by slight increases over the next two years (1,8% in 2025 and 2,0% in 2026).

Private consumption is projected to stabilize at 1,6% until 2025, dropping to 0,5% in 2026. The inflation rate is anticipated to continue decreasing, reaching 2.2% in 2024 and falling below the 2,0% target in 2025 (1,3% in 2025 and 1,4% in 2026). After an upward trend in 2023, unemployment should decrease to 6,4% this year, reaching 5,8% in 2025 and 5,3% in 2026 – a 25-year historical low.

DEMAND: first semester take-up of 415,560 sq.m near annual 2023 volume

During the second quarter of 2024, the Industrial & Logistics sector recorded 20 new occupancy deals totalling 249,640 sq.m, doubling the year-on-year (YoY) amount. The accumulated take-up volume for the first semester reached 415,560 sq.m, near annual 2023 volume, and representing an YoY increase of 35%. Consequently, the average deal size reached 8,480 sq.m during this period.

Half of the second quarter's activity was concentrated in the Greater Lisbon area, influenced by two leases closed in the Benavente Logistics Park, totalling 72,990 sq.m. Still, the largest deal of the quarter involved a future 56,000 sq.m factory in Felgueiras to be occupied by a confidential entity.

In Greater Lisbon, the vacancy rate increased slightly by 0.4 percentage points compared to the previous quarter, reaching 4.8%. During the second quarter, 139,820 sq.m in the logistics segment were completed, distributed over seven projects, the vast majority of which located in Greater Lisbon.

Regarding the pipeline, 726,840 sq.m in logistics are forecasted to be concluded over the next three years, of which 450,080 sq.m are currently under construction. Of these, 72% are already pre-occupied, with half located in Greater Lisbon. Notable projects in this region include Lidl's future Loures Logistics Warehouse and the Castanheira do Ribatejo Logistics Platform by Montepino. Additionally, Greater Porto is expected to witness the completion of Panattoni Park Valongo and the Gandra North Green Logistics Park by Aquila Capital.

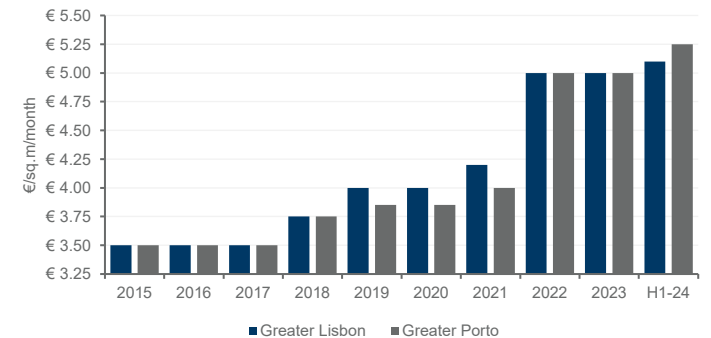
PRICING: increases only in the prime zones of Lisbon and Porto

Compared to the previous quarter, most rents remained stable, with increases observed only in the prime zones of Lisbon and Porto.

INDUSTRIAL & LOGISTICS DEMAND



PRIME RENTS



MARKET STATISTICS

| SUBMARKET | QUARTER TAKE-UP (SQ.M) | YTD TAKE-UP (SQ.M) | PRIME RENT (€/SQ.M/MONTH) | PRIME YIELD (%) |
|------------------------|------------------------|--------------------|---------------------------|-----------------|
| Greater Lisbon | 110,400 | 162,830 | €5.10 | 5.75% |
| Greater Porto | 24,840 | 83,320 | €5.25 | 6.00% |
| PORTUGAL TOTALS | 225,640 | 391,560 | | |

MAIN OCCUPANCY TRANSACTIONS Q2 2024

| PROPERTY | SUBMARKET | TENANT | AREA (SQ.M) | TYPE |
|------------------------------------|----------------|----------------|-------------|---------------|
| Felgueiras Factory | North | Confidential | 56.000 | Built-to-Suit |
| Benavente Logistic Park | Greater Lisbon | Torrestir | 43.500 | Lease |
| Benavente Logistic Park | Greater Lisbon | CTT | 29.490 | Lease |
| Albergaria-a-Velha Industrial Zone | Centre | Confidential | 22.660 | Built-to-Suit |
| Setúbal Logistics Warehouse | Greater Lisbon | Atlantic-Cargo | 20.000 | Lease |

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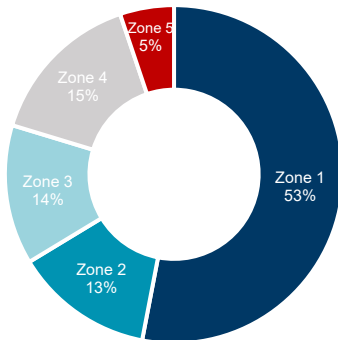
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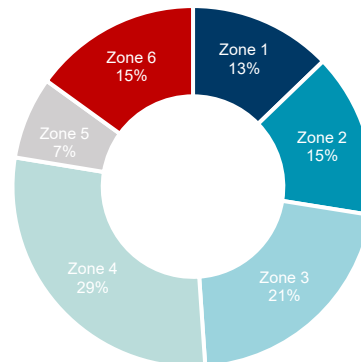
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I&L STOCK DISTRIBUTION – GREATER PORTO



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