

years 

**10 years of
the company**
through the eyes
of employees

**The warehouse
market** is setting
new records

Warehouses
are becoming
**smarter and
smarter**

Innovative urban warehouses



We are at your doorstep

7R City Flex facilities are designed for companies which require smaller warehouses close to city centres. Attractive location allows significant reduction of shipping to the final customer time or personal collection by individuals

We are flexible

Any 7R City Flex can be used as a typical warehouse, service, commercial, exhibition, office or light production space.

We support e-commerce

7R City Flex facilities are situated in key locations across Poland which enables higher efficiency of the Last Mile Logistics and optimised supply-chain.

FROM THE EDITORS

10 years of 7R – time to recollect, summarise and plan for the future

10 years is a lot of time. For example, this is enough to go a long way and evolve from a small developer into one of the most important players on the Polish commercial real estate market. This was the story of 7R SA in its 10 years of operation.

The 10th anniversary is a great time for summaries, recollections and,

obviously, plans for the future. In this issue, we will hear from those who helped build and are still building 7R's success – our employees. The world is constantly changing. Changes are an important part of life and determine development. As the company develops, so does our flagship trade magazine. From now on, it will be called "7R News." The new name is also

a new challenge, but one thing stays the same – good selection of high-quality information and content, which our Readers will hopefully continue to appreciate.

We hope that "7R News," the trade magazine published by 7R, is to your liking.

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The warehouse market

IS SETTING NEW RECORDS



The first half of 2018 ended with three records on the modern warehouse space market in Poland. Recorded were the highest number of lease transactions, the lowest vacancy rate in history and the highest amount of warehouse space under construction. Actually, the market is just gaining momentum. Almost 2 million m² of warehouse space is underway.

AUTHOR: Justyna Sobolak

The warehouse market is experiencing a real boom as new records are being set. In the first half of 2018 there were three. Developers completed 734,000 m² of space, and the total warehouse stock exceeded 14.3 million m². This marks a 21% increase y/y – according to the “Marketbeat. Poland’s warehouse market” report by Cushman & Wakefield Polska.

Market data continues to be optimistic. The third quarter of 2018 showed that there is no stopping of the warehouse market in

Spain (at 15.5 million m²). The neighbouring Czech Republic and Slovakia are trailing far behind us, with approx. 7.6 million and 2.4 million m² of warehouse space, respectively.

CBRE consulting company’s data shows that in the initial three quarters of 2018, the demand for warehouse space increased by 13% compared to the same period last year and reached 3.1 million m². The highest demand was recorded in central Poland, the Warsaw area and Upper Silesia. Businesses from



According to reports, demand for warehouse space [...] is constantly growing, and the economic situation confirms this trend is here to stay.

the e-commerce and logistics sectors constitute the majority of the tenants. It is also in these sectors that the biggest transactions were concluded in Q3 2018.

“Economic growth in our country – increasing demand, rising purchases, and development of e-commerce – have a direct impact on the warehouse market. The number of foreign investments is also significant. We are currently at the peak of this boom. We do not expect any major changes on the market in 2019. Market expansion will continue, and 2018 was record-breaking in terms of activity of the developers and investors, as well as demand from

tenants,” says Beata Hryniewska, Head of Industrial & Logistic Department at CBRE.

Experts agree that the growing demand for warehouse space will largely result from the dynamic growth of sales in the e-commerce industry.

WAREHOUSES FOR THE E-COMMERCE – SECTOR CLOSER TO THE CITY CENTRES

The dynamic development of the e-commerce market makes the so-called urban logistics more and more important. Developers see potential in smaller storage facilities located near major cities. This type of space allows to quickly execute orders, which is particularly important for the growing e-commerce sector. Such facilities are being constructed in Warsaw, Wrocław, Szczecin and Gdansk.

For example, 7R SA, has been building a countrywide network consisting of several Small Business Unit (SBU) warehouses as part of its City Flex Last Mile Logistics initiative. The structures offering between 8,000 and 15,000 m² will be constructed in various locations, including: Szczecin, Gdansk, Lodz, Warsaw, Krakow, Gliwice and Katowice. Other developers operating on the market have similar plans.

PROGRESSING AUTOMATION

Another trend that all new warehouses are gravitating towards is automation. Businesses started investing in it for the same reasons why more and more automatic production lines started being installed in production plants. On one hand, the costs of labour are rising and

it is increasingly difficult to acquire new employees. On the other, advanced technological solutions are getting cheaper.

Amica, a manufacturer of home appliances, has one of the most automated warehouses in Poland. The warehouse is the height of a building of over ten storeys, and offers 26,000 pallet places that can be used to store 230,000 large home appliances. The fully automated control system is operated by only one person. Goods are transported by five 44-metre movable arms. There are no traditional forklifts in the facility, and the light is off, as robots do not need lighting.

Modern automation solutions are also used in warehouses constructed by 7R SA, among all in 7R Park Gdansk. One of the facilities located there is equipped with an automatic internal transport line as well as a handling system. All modern 7R warehouses are equipped with a range of solutions that streamline warehouse operations and allow to coordinate work better, reducing operating costs at the same time. Ciech, one of the largest chemical companies in Poland, also launched an automated warehouse. 6-storey high shelves, operated by an automatic satel-

lite racking system, can fit up to 13,000 pallets. Each of them has a unique number, allowing to quickly locate it and control traffic. TIR semi-trailers can be loaded in under half an hour. Thanks to this, the warehouse can handle over 100 loaded trucks per day.

THE MARKET IS GAINING MOMENTUM

According to reports, demand for warehouse space, especially high-bay warehouse, is constantly growing, and the economic situation confirms this trend is here to stay. Investments on the real estate market in the initial three quarters of 2018 amounted to EUR 1.1 billion, almost the same as in 2017. 2018 saw the most transactions involving warehouse space in history

"Excellent results on the demand side and optimistic forecasts remain the main drivers on the Polish warehouse market. The growing demand for warehouse space and specialized logistics services is primarily due to the good condition of the economy, growth of consumption, and dynamic development of the e-commerce industry," says Joanna Sinkiewicz, partner and

Head of Industrial & Logistics Agency at Cushman & Wakefield.

The expert explains that Poland is becoming the most important logistics centre in Central Europe in view of its strategic central location that enables efficient international distribution.

"Despite the challenges, that include rising costs of projects' execution and restrictions on the labour market, especially in the main warehouse locations, stable situation on the supply side and high interest of the investors in the Polish market offer an optimistic outlook for the next few months," adds Joanna Sinkiewicz.

FOREIGN INVESTORS DRIVE DEMAND

According to the latest report by the international consultancy firm Savills, industrial and warehouse real estate in Poland is becoming more and more attractive to foreign investors. This is evidenced by the increase in the total volume of transactions in this sector by an average of 20% in the past three years. In accordance with the 'Think outside the Big Box: Investment market in the warehouse and industrial real



estate sector in Poland' report, in 2017 investors invested a record EUR 41 billion in the logistics real estate sector. In Poland, the previous year was the third consecutive year of a steady growth of sales revenue for the industrial and warehouse real estate sector. In late June 2018, the volume of transactions totalled EUR 337.8 million. The H1 result

was the best ever for this sector in Poland.

"The logistics real estate market is developing dynamically, mainly due to double-digit expansion of the e-commerce sector and the necessity to offer the shortest delivery time. This stimulates demand for modern space and contributes greatly to the growing popularity of warehouse and industrial

properties on the investment market," says Tomasz Buras, Managing Director and Head of Investment at Savills.

Investors are interested in warehouse and industrial properties in Poland possibly also due to the fact that Poland is the first country in almost a decade that has advanced to become a developed market in the FTSE Russell index. This means that since September 2018, Poland is one of the 25 best-developed economies in the world, including among others: the United States, United Kingdom, Germany, France, Japan, and Australia. Poland effectively takes over a large part of production from Western Europe. In the first half of 2018, exports amounted to EUR 107.2 million in value (up by 5% year-on-year).

Experts agree that the market for large warehouses in Poland is at its peak and has never performed better. The good condition of the economy and high demand are the driving force behind new investments in this sector and there is nothing that would suggest this trend may change in the near future. New records set on the modern warehouse space market are the most reliable confirmation of the stable and dynamic development of this sector in Poland.





Warehouses

ARE BECOMING SMARTER AND SMARTER

We live in times when robots can perform as much as 70% of work in warehouses¹. In the e-commerce era, the more and more demanding customers make us strive for maximum efficiency, as well as flawless and express delivery of goods. The mechanisation and automation trends are gaining momentum, and this is just the beginning.

AUTHOR: Elwira Charyga

The fourth industrial revolution is in full swing. Machines are becoming smarter and smarter. It is predicted that they will soon be able to create 'social networks' of their own to communicate with each other and use shared data². A huge amount of orders placed online and rapid delivery expected by customers bring about changes in how work is done and make robotics more and more common in warehouses. Automated solutions are also becoming more and more popular.

QUICKER, CHEAPER, MORE PRECISE

An automated warehouse can work with 100% efficiency for 24 hours, which is a big competitive advantage in the e-commerce era.



To optimize the picking processes, automatic storage systems [...] are often used in logistic facilities, allowing to transport goods, and store or retrieve them from the racks.

Thanks to warehouse automation solutions, we can improve process efficiency and reduce delivery time, while also reducing costs. To

optimize the picking processes, automatic storage systems, such as racking shelves, are often used in logistic facilities, allowing to transport goods, and store or retrieve them from the racks. Other systems that facilitate the storage of goods include dense storage systems with a radio-controlled shuttle. Mezzanines with belt conveyors and sorters are also used to optimize and facilitate packing.

"Mezzanines are a big improvement and a way to make better use of the cubic capacity of the warehouse. That is why more and more of our customers decide to implement such solutions in the facilities developed by us. The advantage of implementing warehouse automation mechanisms is saving time, eliminating human errors,

and cutting costs by reducing the number of employees. This is particularly important nowadays, as companies struggle to find people to work,” comments Maciej Krawiecki, Leasing Director at 7R.

Automation is often supported by artificial intelligence, which makes it easier to plan delivery processes. For example, this year PSI Polska deployed innovative software in LPP’s distribution centre, namely Warehouse Advanced Planning (WAP), which allows to schedule simultaneous delivery of the new collection to all of the chain’s stores at the same time³. The last mile is important both for retail chains as well as individual customers, especially in the e-commerce era.

“From the moment the order is placed, customers expect to have their products delivered in the shortest time possible.

”

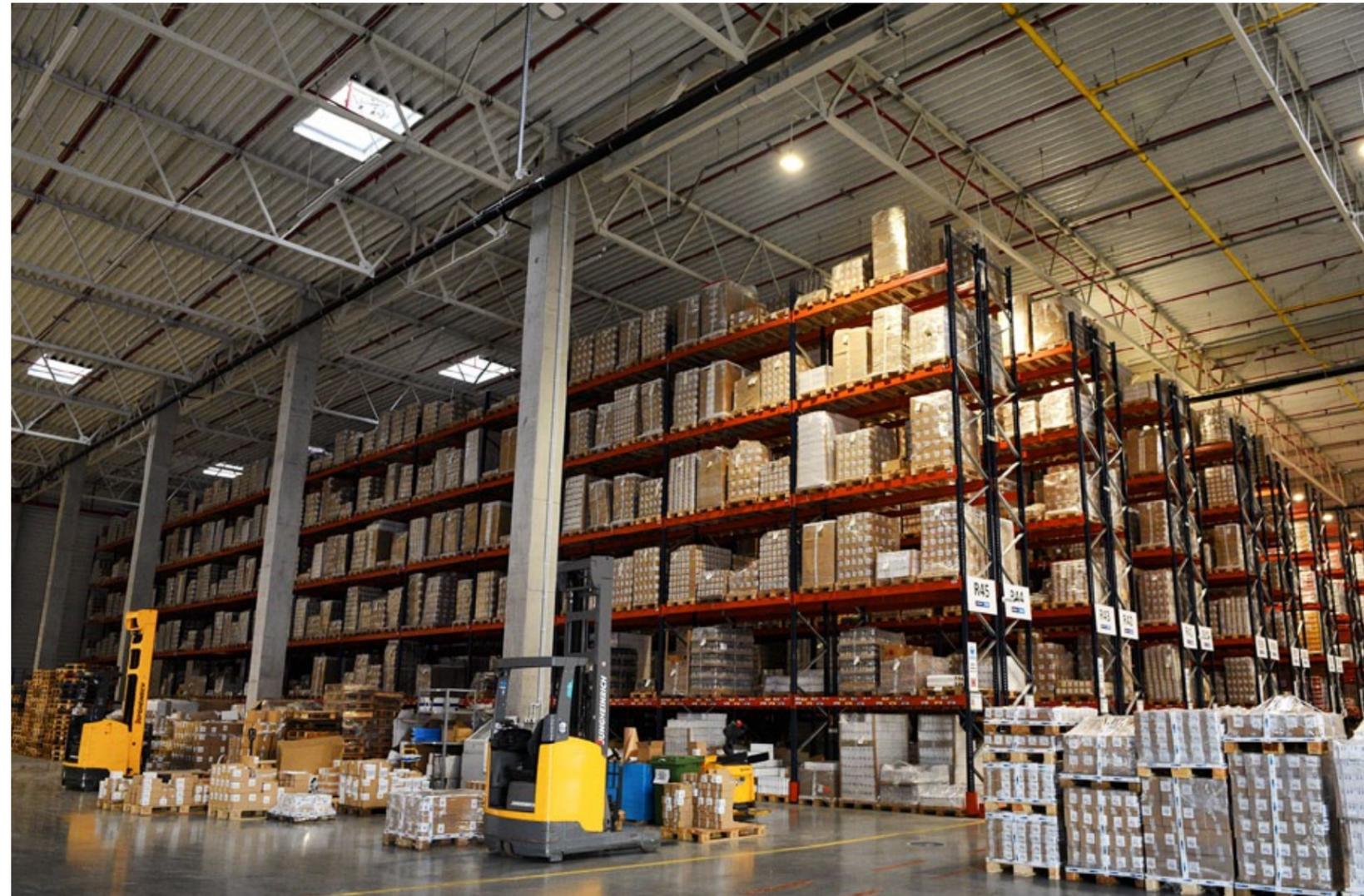
The use of robots in the warehouse industry helps streamline processes that once were more labour-intensive and prone to human error. [...] With the current technological progress, the demand for labour will soon decrease.

Proper organisation of the supply chain is an important factor that gives the company a competitive advantage. That is why it is important to ensure one has the right automation solutions in place. Each case is different,

which is why it is so important to pay attention to the needs of the given tenant and meet their expectation by choosing solutions that will work best in the given situation,” adds Maciej Krawiecki.

THE ERA OF ROBOTS

The use of robots in the warehouse industry helps streamline the monotonous processes that once were more labour-intensive and prone to human error. It seems that with the current technological progress, the demand for labour will soon decrease. More than 260 robots already work in one of the warehouses in Wrocław. Thanks to an advanced IT system, they choose the shortest way to reach the rack and picking station, raise the shelves where the products they are looking for are stored and transport them to the appropriate picking station. They are able to lift shelves that weigh 1.3 tonnes⁴. In southern China, in Huiyang, Zhu Que’s robots lend a helping hand and search for goods for the employees. The machines can work for 8 hours without interruption, travel at speeds of up to 1.5 m per second and carry goods weighing 500 kg. Before the expansion of robotics, during one shift in an Asian warehouse, an employee would sort 1,500 products, which required making 27,924 steps. Currently, thanks to machines, this employee is able to sort 3,000 products, which requires only 2,563 steps⁵. In the German city of Schweig,



Puma together with Magazino, Gigaton and ITG plan to open the first fully automated warehouse, where the TORU robot will be responsible for transporting goods. The robot will make decisions based on data captured by numerous cameras, sensors and artificial intelligence⁶. Are robots an actual threat to our jobs, and can they

really replace humans? According to the ABI Research report, by 2025, one-third of the traditional workforce will be replaced by digital workers⁷.

–“It is true that technology is advanced, but it is not sufficient to eliminate humans and replace them with machines entirely. First of all, there must

be someone to manage the processes and oversee the workflow. It is important to remember that automation and robotics not only reduce the number of jobs, but also create new ones. Advanced automated solutions are, most of all, an improvement on a dynamically developing market,” summarizes Maciej Krawiecki.

1 <https://polskiprzemysl.com.pl/wiadomosci-ze-swiata/inteligentny-magazyn-alibaba>
2 https://www.soselectronic.pl/articles/no-name/przemysl-4-0-czesc-1-co-oznacza-pojecie-quot-czwarta-rewolucja-przemyslowa-quot-2060?gclid=Cj0KCQjw9ZDeBRD9ARIsAMbAmoYezZJhVgZONJb-VLzW3s3iCUkuNUqN2hxksRmBntDmnJ48nR3nFUsaAokYEALw_wcB
3 <https://magazyny.pl/blog/baza-wiedzy/przemysl-40-w-magazynach>
4 <https://trans.info/pl/polskie-krolestwo-robotow-amazon-automatow-wiecej-niz-74437>
5 <https://polskiprzemysl.com.pl/wiadomosci-ze-swiata/inteligentny-magazyn-alibaba>
6 <http://www.portalspozywczy.pl/technologie/wiadomosci/w-niemczech-powstaje-pierwszy-inteligentny-magazyn,147097.html>
7 <https://www.forbes.pl/biznes/roboty-do-2020-roku-zabiora-5-mln-miejsc-pracy-na-swiecie/smlz1z38>



JAS FBG (7R Park Krakow)

Perfect cross-dock recipe

It is all about proper organisation of storage space, solutions optimising handling and distribution processes, as well as WMS software individually tailored to the tenant's needs. Representatives of the leading players on the logistics market, DSV, JAS-FBG, Raben and DPD, talk about the factors that make warehouse space high quality and how to adapt it to streamline handling operations.

AUTHOR: Elwira Charyga

The demand for cross-dock warehouses is growing, among others due to the extremely competitive

market that logistics operators are a part of, dynamic development of the e-commerce industry

and pressure on shortening the delivery time, particularly in the so-called last mile, as well as the

”

The perfect cross-dock warehouse is one with as many docks as possible occupying a small area. Warehouses of this type are small, their depth is kept to a minimum but they are wide.

chosen solutions are ergonomic and cost-efficient, and install additional equipment, such as hydraulic ramps, loading ramps, loading bridges and comprehensive handling systems. Moreover, manoeuvring areas in such warehouses need to be of suitable size, much larger than in the case of a standard logistics facility. A large

and is typically brighter (at least 5% of daylight). Other important features include control and monitoring systems, and signals, which all have a direct impact on how smoothly work is carried out, how safe the warehouse is and whether the temperature inside is optimal. However, a sufficient number of loading and unloading gates is a priority in cross-docking warehouses.

“The perfect cross-dock warehouse is one with as many docks as possible occupying a small area. Warehouses of this type are small, their depth is kept to a minimum but they are wide, which makes it possible to fit a high number of docks on opposite sides. This makes handling operations highly efficient by reducing the time spent on moving goods,” comments Łukasz Piekarczyk, Regional Director for Domestic Forwarding at JAS-FBG S.A. Apart from the appropriate number and size of loading gates,

rising costs of warehouse operations caused by the growing pressure on salaries. Cross-dock warehouses are often built to accommodate the increasing number of shipments that need to be handled by the logistics operators within increasingly shorter time frames. Having accurately calculated the space needed for handling, larger and more expensive traditional warehouses become unnecessary.

MEET THE CHALLENGE

To create a perfect facility for a logistics operator, the developer should pay attention to a few important things. The location is obviously crucial, as proximity to the city centre or the main transport routes is desirable. When constructing warehouses used for cross-docking operations, the developer should make sure the



Raben (7R Park Beskid)

number of parking spaces and staging areas is also required. A typical cross-dock warehouse is a facility of a depth of 42 to 48 metres that is well-suited for logistics operations,

other features that improve the synchronization of logistics and transport processes are also important from the perspective of a logistics expert. The pace of



DPD (7R Park Beskid)

work is high at such facilities, so it is important to implement appropriate solutions that improve efficiency.

“A cross-dock warehouse should be equipped with forklift trucks suitable for unloading, transporting, and loading pallets. The number of trucks should be sufficient for both warehouse employees as well as drivers, who often also unload trucks on their own. Appropriate software should be available in such warehouses, as it makes it easier to integrate shipments,” adds Paweł Duda, Warehouse Coordinator at Raben Logistics Polska.

PAY ATTENTION TO THE TENANT'S NEEDS

For 7R SA, proprietary solutions and additional amenities for tenants from the logistics sector are the key to success. Modern warehouse space, excellent location and a developer providing tailor-made solutions turn out to be the magnets that attract the leaders of the logistics sector.

“Creating a cross-dock facility is certainly a big challenge and it is important to remember that every project is different. It is impossible

to have just one universal warehouse that would satisfy the needs of every client. A flexible developer must be prepared to meet the tenant’s individual requirements. 7R SA paid attention to that when developing warehouse space for such demanding logistics operators as DSV, JAS-FBG, Raben, and DPD. We chose different amenities in each of these projects. Every project required great commitment and attention to the clients’ needs. I think this is the recipe for success: listen carefully and respond to the individual needs of the tenants,” comments Maciej Krawiecki, Leasing Director at 7R SA.

DSV Road, the global provider of transport and logistics services, expected tailored solutions. Due to their rapid growth and large scale of operations, DSV needed modern cross-dock space and an IT system in place. There was an additional requirement: the cross-dock was to be connected with a high-bay warehouse. This was important for the final design of the DSV Road building in Wrocław, located in the 7R Park Wrocław logistics centre.

“Convenient location, the number of ramps and the building

ergonomics were of key importance to us when choosing warehouse space. Delivering a wide range of additional amenities was not a problem for 7R,” comments Maciej Trójnara, Transport Director at DSV Road.

DPD, that delivers around 3 million parcels worldwide every day, required something completely different. What the operator needed the most were systems for optimising packaging and delivery of parcels. It turned out that the 7R Park Beskid warehouse, located in Czechowice-Dziedzice, was the perfect facility that meets all the needs of JAS-FBG, one of the leaders in the logistics sector in Poland. The developer provided custom solutions also in this case.

“Out of all of the solutions prepared by 7R, we especially appreciated the concept of an internal corridor used for unloading and loading trucks. This solution helps keep our processes orderly and effective. The warehouse in question will be our branch, where courier parcels will be sorted,” comments Krzysztof Suchenia, Property Manager at DPD.

“The most important thing for us was to have the facility adapted

to our individual needs. I am talking about an L-shaped layout of the docks. Although this is not typical for cross-dock warehouses, it has additional operational advantages. In addition to traditional cross-docking operations, the warehouse leased by us also allows for storage of goods, which expands our services portfolio,” comments Łukasz Piekarczyk, Head of Domestic Forwarding at JAS FBG.

Raben Group, which offers comprehensive logistics and transport services, paid particular attention



Creating a cross-dock facility is certainly a big challenge. It is important to remember that every project is different. It is impossible to have just one universal warehouse that would satisfy the needs of every client.

to energy-efficient and environmentally friendly solutions apart from the cross-dock system and the additional parking spaces ensured by 7R.

“We are pleased that, just like Raben, 7R is committed to ecology. The warehouse has LED lighting and skylights allowing daylight inside (which is extremely important for the comfort of our employees), and eco-friendly gas radiators are used for heating. Thanks to such solutions, we will not only be able to provide our clients with high quality services at the new facility, includ-

ing timely pick-up and delivery, but also considerably reduce the operating costs of the warehouse. The warehouse developed by 7R in Czechowice-Dziedzice is one of the strategic handling facilities in the Raben Logistics Polska distribution network in southwestern Poland,” says Małgorzata Kacyrz, Branch Manager at Raben Logistics Polska.

“To ensure the best possible solutions, we here at 7R SA strive to adapt the buildings to the individual needs of our tenants in each project. Thanks to our many years of experience, we understand business. That is why we are looking for and introducing innovative solutions that allow our clients to optimize their processes. We are also aware of the importance of protecting the natural environment. Therefore, all new warehouses will be BREEAM-certified. The projects we are currently working on include both large-area warehouses and City Flex warehouses. We will deliver total warehouse space of over 400,000 m² throughout Poland. It is a big challenge to meet the different requirements of our tenants across so many projects, but their satisfaction and recommendations are the greatest reward and motivation for us to keep going,” concludes Maciej Krawiecki, Leasing Director at 7R SA.



DSV (7R Park Wrocław)

A market full of challenges

The dynamic development of the warehouse sector forces developers and general contractors to rethink how they plan and execute projects.

AUTHOR: Marta Białowąs

The past few months have been a good time for the construction market. The long-awaited infrastructural projects have accelerated, more and more flats and offices are under construction, and warehouse halls spring up like mushrooms. The Central Statistical Office reports that activity in the construction and assembly sector has continued to increase rapidly since the beginning of the year. In September 2018, it was almost 20% higher than in the same period in 2017.

"In the past few quarters we have received far more requests for proposal than two or three years ago. Demand for production and storage space is constantly growing in Europe, and Poland is a very attractive location in this respect. The boom we are currently witnessing is strictly related to the transport opportunities that the region offers. More and more fast road connections are available in Poland and a lot of infrastructural projects are underway. The still relatively low costs of labour are another factor that supports the project development process. If we add to this the attractive geographic location, moving production and logistics services to Poland is simply very cost-effective," assesses Maciej Runkiewicz, a Member of the Management Board of Kajima Poland.

CONSTRUCTION SITES ARE BUSY

According to Cushman & Wakefield, at the end of the first half of 2018 there were over 2.25 million m² of modern warehouse space under construction in 66 projects throughout the country. This is the best result in the history of the Polish market. 75% of this space has already been leased, which confirms that the demand is still very high. Forecasts for the coming months are also optimistic, which means even more work for the developers and general contractors. Such a good condition of the warehouse sector is undoubtedly a source of satisfaction, but at the same time it is also a big challenge that all market participants need to face. The consequences of such a huge demand for construction services include rising prices of building materials and general contracting costs, and a shortage of labour.

COSTS OF MATERIALS INCLUDED IN THE PRICE

At the end of September, prices of building materials increased by 20% to even 30% compared to the same period of the previous year.



Maciej Runkiewicz
Kajima Poland

The waiting time for certain materials also increased. According to Maciej Runkiewicz, a Member of the Management Board of Kajima Poland, price increases and delays in deliveries mostly concern prefabricated parts, steel structures and mineral wool used, for example, to insulate warehouse halls. These are true bottlenecks for the entire construction market.



Łukasz Waliszewski
Trasko-Inwest

ANY WORKERS OUT THERE?

The highest ever number of projects in all sectors of the real estate market also drives demand for labour. The unemployment rate, which according to the estimates of the Central Statistical Office amounted to 5.7% for entire Poland at the end of September, dropped to the all-time low. This certainly does not help in the current situation.

"Unfortunately, the construction sector is affected by the shortage of labour, pretty much as every other industry in Poland. There is a shortage of both highly qualified employees as well as young people who could be trained in the profession. Naturally limited endurance and regulations prevent working for extended periods of time, so working after hours, two shifts or on weekends is now almost impossible. Foreigners employed by our subcontractors have become a common sight on construction sites. For sake of maximum safety, we have decided to increase control in this area so that all of our staff are legally employed, have work permits, valid health certificates and have received proper health and safety training," says

Łukasz Waliszewski, Management Board Member and Head of Acquisitions and Production Preparation at Trasko-Inwest.

All these factors, including the rising costs of building materials, as well as pressure on salaries, increase the cost of general contractor services. However, the contractors explain that this is inevitable given the current market situation, and does not inflate the profit margins of construction companies, but rather ensures that the



Good condition of the warehouse sector is undoubtedly a source of satisfaction, but at the same time it is also a big challenge that all market participants need to face.

contracts are executed seamlessly. "The rising cost of construction services is a natural development, especially during the market boom, when the costs of materials, employees, services and fuel are also increasing. The market enforces these adjustments. Yet, the growing production costs do not affect the profit margins of general contractors," argues Michał Skowron, Vice-President of the Management Board of Dekpol S.A.

General contractors need to face many challenges, and so do developers that the projects are executed for. Nevertheless, the stable situation on the warehouse market, both in terms of supply and demand, and the greater attention that is paid to one another by all parties involved in the investment process, offer a positive outlook on the future.



Michał Skowron
Dekpol

Built-to-suit projects

7R SA entered the market with its first signed lease agreement for 5,000 m² of space in a new warehouse in Kowale near Gdansk.

AUTHOR: Aleksandra Wojdyła



The first transaction and a satisfied customer secured more projects, and the company kept expanding its warehouse portfolio each year. This is how the story began for one of the biggest Polish developers specialising in warehouse and logistics space.

The first warehouse project was completed in 2009 to satisfy the company's own needs. One of the companies owned by 7R's founder imported food products from abroad by sea, which were stored in warehouses in Gdansk before being dispatched to recipients all over the country. The choice of modern storage facilities on the Tricity market was very limited at that time and

they did not meet the company's expectations. This gave rise to the idea to build a facility that would meet the company's needs, and at the same time allow to offer modern warehouse space to other businesses struggling with the same problem. This is how the 7R Park Gdansk I was constructed. Clients interested in leasing space in the new facility were lining up while it was still being built. 7R's first tenant was BBK S.A., the leading importer and distributor of interior furnishings, owner of the Home&You, Essex and àTab brands. In 2010, in response to its growing business, the company started looking for a new facility that would meet its needs.

IT'S ALL ABOUT FLEXIBILITY

– "I used to pass the first 7R Park Gdansk building under construction every day as I was driving to work down the Gdansk ring road. At that time, our company was struggling with the problem of insufficient warehouse space, which was scattered around Gdynia and Gdansk. The company's management decided to look for something that would allow us to concentrate both warehouse and office operations in a single location. We wanted our employees, commuting from all over the Tricity, to have easy and quick access to the new facility. The location of the

Park, or actually still the first and only warehouse constructed by 7R at that point, seemed optimal to us. We started negotiations with the Vice President of 7R, Mr. Ryszard Gretkowski. The building was nearly complete, but 7R was very flexible and adapted the building to our needs," says Izabela Matysiak, Head of Administration, Investments and Settlements at BBK S.A.

The contract concerned the lease of 5,000 m² of warehouse space and approx. 1,200 m² of office space. Continuing to expand rapidly, BBK S.A. successively increased the amount of space occupied in 7R Park Gdansk. In 2012, negotiations started regarding the construction of a new dedicated warehouse to meet the growing needs of BBK S.A. The 20,000 m² facility tailored to meet the individual expectations of BKK S.A. was completed two years later.

"The warehouse in Gdansk is still the only BBK distribution facility. This is our main central warehouse, which currently serves all Home&You stores in Poland and Europe, and is also a warehouse for Essex brand products offered in supermarkets. The new BTS facility serves not only our brick-and-mortar stores but also our online business. Over 1.75 million items leave the warehouse each month, which is over 20 million annually," adds Izabela Matysiak.

GROWING TOGETHER

Years of cooperation between BBK S.A. and 7R SA showed how the growth of the tenant supports the growth of the developer. During this time, the number of Home&You stores in Poland increased over five-fold from 30 to 160. The space leased by BBK in Park 7R Gdansk has increased over four times.

"The developer's flexibility and partnership approach to business convinced us to continue cooperating with 7R. Over the past few years we have been developing very dyna-

mically. Today, our dedicated facility slowly ceases to suffice and we are again talking to 7R about adding space. I believe that our growth has also contributed to 7R's ongoing expansion. In my opinion, the 7R SA group has now become one of the largest players on the Polish market," sums up Izabela Matysiak.

SUBSEQUENT AMBITIOUS PROJECTS

Since 7R SA constructed its first warehouse in Gdansk, the company has been constantly adding more and more space for lease. In 2012 and 2013, 7R delivered two modern and functional office and service facilities, developed for MAN Truck & Bus Polska. The developer was chosen in a demanding selection



The first prestigious projects executed by 7R secured new ambitious tasks for the company.

Ten years later, the company's philosophy is the same: clients and their needs are the most important. This is 7R's key to success.

process that attracted the best offers on the Polish market, which took several months to complete. "We analysed a lot of offers when looking for a developer specialising in space for long-term lease. Due to the specific requirements for our projects, we could not find a suitable company for a long time that would fully meet our needs. 7R was

more flexible than the other developers, which was an important argument for us. 7R offered to adapt the building to our needs, which was quite a challenge," says Bartłomiej Ciemiński, Aftersales Director at MAN Truck & Bus Polska.

Flexibility, timeliness and high quality of the delivered projects was what the investor was looking for. MAN Office and Service Centres were established in Małopole near Warsaw and in Modlnica near Krakow. The facilities have service stations and sales offices for new and used trucks and buses.

"Taking into account our previous experience, we were surprised, in a positive sense, by how quickly the developer obtained all necessary permits and started construction. 7R's experience and knowledge helped quickly resolve all legal issues concerning construction in this location. This is an extremely valuable competence on the market, and individual approach to the customer's needs is certainly another advantage of 7R," adds Bartłomiej Ciemiński.

MAN Truck & Bus Polska operates all around Poland. The company's headquarters is located in Wolica near Warsaw, where one of the seven main branches, the so-called Truck & Bus Centres, is located. A total of over 3,200 vehicle maintenance and repairs and about 840 transactions are made annually at the Małopole and Modlnica facilities alone.

The first prestigious projects executed by 7R were a great distinction and secured new transactions and ambitious tasks for the company. Ten years later, the company's philosophy is the same: clients and their needs are the most important. This is 7R's key to success. The company started with single clients requesting small warehouses, and now offers modern warehouse space throughout Poland, reaching hundreds of thousands of square meters, occupied by dozens of satisfied tenants.

7R soaring high above the clouds

- 10 QUESTIONS

FOR THE 10TH ANNIVERSARY OF 7R



From the left: Monika Mazur, Ryszard Gretkowski, Bartłomiej Krawiecki, Tomasz Lubowiecki

INTERVIEW BY: Elwira Charyga

In 10 years, 7R has become an important player on the market. It is people that make the company what it is. In the case of 7R, they are all full of energy, smile a lot and like not only their work, but also one another. They are aware of how rapidly the business is growing, yet they are all clear and vocal about one thing: “We do not want to become a corporation.” Sharing their thoughts on the beginnings, breakthroughs and plans for the future, they say:



Tomasz Lubowiecki
Founder and President of the Management Board of 7R



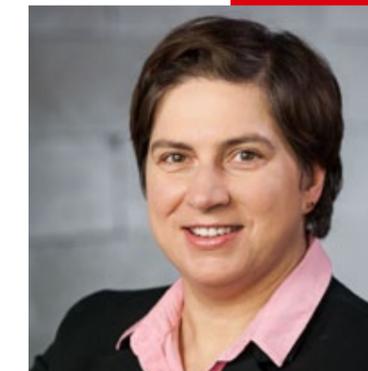
Ryszard Gretkowski
Co-founder and Vice President of the Management Board of 7R



Monika Mazur
Member of the 7R Management Board, Financial Director



Bartłomiej Krawiecki
Member of the 7R Management Board, Head of Development



Izabela Gajek
Property Management Director, on the 7R team since 2010



Waldemar Paszko
Project Management Director, on the 7R team since 2010



Filip Piekarski
Project Manager, on the 7R team since 2012



Katarzyna Litwin
Leasing Manager, on the 7R team since 2018

Let's go back in time. It's 2008. How was 7R created and what was it like at the beginning?

Tomasz Lubowiecki: The desire to create was the strongest motivation and incentive to start a development business. I don't necessarily mean building as such, but rather the whole process, starting with the acquisition of a site and coming up with an idea what to build there. What certainly helped was the imagination, passion and commitment of the people we started our journey with. We

were not an organization that was founded on the back of in-depth analyses. We started out as a very small business, with Ryszard and Monika, and continued to learn from our mistakes. We operated rather spontaneously, which paid off in the end. Sometimes you just need that pinch of extravaganza. 10 years later, looking at what we managed to accomplish, I recollect our beginnings with a tear in my eye. At the very start, mutual understanding and allowing others to make their own choices and decisions was essential. This was

a process of breaking in, if you like, getting to know and understanding one another's needs, which was not easy among people who have extremely strong characters.

Izabela Gajek: I started in 2010. We moved from Emaus to Ludwinowska Street. 7R's entire team occupied one room. Waldek (Paszko - ed.) was in charge of designing and construction, I was responsible for commercialisation, and there were only 2 more people working at the office: one doing facility management and



Launch of the 7R Park Beskid project. From the left: Ryszard Gretkowski, Tomasz Lubowiecki

one engineer. We also had an office in Gdansk, where three people worked together with Ryszard Gretkowski, the Vice-President of the Management Board. We started organising ourselves internally. We had to learn how to coordinate our branch offices. There was more and more cooperation and trust. We built our first warehouse, then the second one... Our first contracts brought us great joy and motivation.

Waldemar Paszko: In 2010, when I started working at 7R, I was aware that I was joining a fledgling company in the development sector: inexperienced, with limited staff, and without established procedures, standards, etc. This motivated me greatly, especially the fact that I was

able to co-create the company from the very beginning, using my previous experience and knowledge.

Why did you decide to work at 7R?

Izabela Gajek: It was a challenge for me and, in fact, my work had so many different aspects. I was captivated by the openness, energy and passion of our CEOs. I remember that just before I joined 7R, the first warehouse in Gdansk was being handed over, the tenants were moving in, and I was offered a trip there to see how 7R works. I liked the fact that the company was just starting to develop, and the employees had a great opportunity to take initiative. In 2010 I was to be in charge of leasing, but I was asked to do a property manager's license

to take over management of the buildings in the future. The Board trusted me and let me grow.

Bartłomiej Krawiecki: First of all, the people, Tomek's openness, his approach to business and what he is like as a person. What I find to be the single most important thing at work is being on good terms with other people, as they are what 7R is made of. What I also appreciate about our company is that we're not turning into a corporation, and our focus isn't solely on 'doing business'. Quick decision-making is a huge added value that makes everyday work easier.

Katarzyna Litwin: For me it was the team. I this was the place for me, because I had already known some

of the people. I also liked the idea behind the City Flex network and I was very eager to be a part of this project. I remember that during the interview, what caught my attention was the non-standard approach to technical specification, different from most developers, and the emphasis on quality that 7R wants to stand out with.

Do you remember your first day at work?

Katarzyna Litwin: On the first day I travelled with Maciek (Maciej Krawiecki - Leasing Director - ed.) and Gosia (Małgorzata Czepel - Leasing Manager - ed.) to Wrocław. I was also away on the second day, this time in Szczecin. I spent the first two days in cars and on planes, and only on the third day I got to know the team.

Monika Mazur: I remember that on my first day we had a meeting with a large bank regarding the financing for a facility. I was thrown in at the deep end.

Izabela Gajek: The first day at work is important and always memorable. Of course I remember mine. Our head office was still at Emaus Street. I met with Monika Mazur. We laughed at the fact that I was the second girl at 7R. Things have changed since then and there are many more women at our company.

Ten years later, you can clearly see the results of our growth. Can you sum up all these years?

Tomasz Lubowiecki: I can compare 7R to a plane. We spent the first 6 years on internal education, running through safety checklists and preparing ourselves for the take-off. At the start, we were not experts in this business, and we learned everything by ourselves. Our first sale of a facility gave us

great momentum and let us lift off the ground. Now we are soaring above the clouds, and reaching cruising altitude.s

Izabela Gajek: I've worked at 7R for 8 years and I've seen the company grow. I saw how the

market viewed us and how it has changed. It's something that gives a lot of satisfaction. It's been a bit like going from Earth to the Moon. From an unknown developer, we have become a recognizable and reputable market player.



Launch of the 7R Park Beskid project. From the left: Zuzanna Sołtysik (Project Coordinator), Rafał Żurawik (Project Manager), Maria Bryk (architect).

”
The 7R plane has lifted off the ground: there is a lot of noise and turbulence, but at some point, when it reaches the right cruising altitude, there will be more peace... and stewardesses will start serving drinks on board..

Bartłomiej Krawiecki: You can say we've travelled light years in just a few years of development. Numbers illustrate best where we are today: in 10 years we constructed 320,000 m² of space, and only this year we have 400,000 m² underway. We have new locations, the City Flex program, an office in Warsaw, an ever-growing team. It's a completely different company. We are moving forward with our new strategy and the results are already visible also outside our organization. We are now considered one of the three most dynamically developing players on the warehouse market in Poland.



Eurobuild Awards 2016, Warehouse Manager of the Year, from the left: Michał Skorupski, Izabela Gajek

What is currently the biggest challenge and motivation for you?

Tomasz Lubowiecki: Motivation? I simply like this job. I like the pace, the changes, be it in projects we execute or in the organization. I also enjoy the fact that it will never get boring, as each project is different. Now, at the current stage of development, the biggest challenge for me is structuring internal communication, so that we can stay as far away from corporate structure as possible, regardless of our growth. I want 7R to always have a family business character.

Ryszard Gretkowski: It's the market which currently has enormous potential that motivates me. It's a challenge to respond to its needs and move forward instead of standing still. This is also a source of motivation. As the

market develops, our competition also grows. It is important to stay ahead of them.

Izabela Gajek: The company has grown, we now work in teams, so we are motivated to keep developing in them, cooperate with other units and take advantage of the lessons learned from the operation of the buildings in order to eliminate errors. I can tell you one thing. 7R is made up of people that you can face any challenge with.

Waldemar Paszko: The greatest motivation is the satisfaction from completing our projects. The greater the challenge, the bigger the satisfaction. And there are plenty of challenges, like organisation, investments, people... At the moment, the biggest challenge for me is refining the organisational pro-



New challenges that the growing market throws our way, new requests for proposals, not only regarding warehouses but also industrial and pharmaceutical space. We're still gaining experience. The work is interesting and diverse.



Project Management Team

cedures to be able to complete goals together with my team as efficiently as possible, and to ensure that everyone has the time and willingness to pursue their interests.

Bartłomiej Krawiecki: I do not need any additional motivation. I love this job and I wake up every morning saying: "What planet will we conquer today?". Keeping pace with this rapid development and delivering top-quality products is the real challenge.

Monika Mazur: I feel responsible for the company. I do not even know how to express my motivation. It's not just about delivering a new warehouse or accomplishing something. I've simply become a part of this company. I treat it as my own child, so I don't need any additional mo-

tivation. Working at 7R is a one big challenge. The appetite for investments is huge, the capabilities are immense, and so is the interest in our company of the investors and contractors. Capital, on the other hand, is limited, yet it is necessary to handle all that. The process itself also presents a challenge, by which I mean the thing we do, that is delivering a ready, fully commercialized, and top-quality product onto the market.

What about work-life balance at 7R?

Tomasz Lubowiecki: We are currently striving to achieve it. This is a very satisfying, motivating, yet at the same time extremely difficult period for us. The way this affects me is I have no time for sport, which has always been one of my priorities.

Monika Mazur: Life's all about choices. In general, if we are growing extremely fast, we are all in this together. When you say A, you say B and keep on going, enjoying our little successes on the way. The company has made great progress and has done a great job over the years. We owe these accomplishments not only to our Board or the people you see in the media accepting awards, but actually to every single eager beaver at our company. I think that it is getting harder and harder for everyone to find that balance between professional and private life.

What are the greatest advantages of working at 7R?

Ryszard Gretkowski: New challenges that the growing market throws our way, new requests for proposals, not only regarding warehouses but also industrial and pharmaceutical space. We're still gaining experience. The work is interesting and diverse.

Izabela Gajek: The team. 7R is made up of people who are passionate about what they do. There are also many different challenges and a lot of interesting projects.

Bartłomiej Krawiecki: Autonomy. The ability to make your own decisions and create. To have real and tangible influence on the company's development.

Filip Piekarski: Development opportunities. Speaking from my own experience, I have grown a lot during my time at 7R.

Monika Mazur: Cooperation with Tomek Lubowiecki. A great open-minded guy, very forgiving and trusting others. Is there anything better than your boss trusting you?



Opening of 7R Park Krakow in 2017. From the left: Tomasz Lubowiecki, Monika Mazur, Ryszard Gretkowski.

Katarzyna Litwin: It's the confidence that there's nothing we can't do. Nothing is impossible for us. We always try to find the best solutions for our clients. Well, there's also the great atmosphere!

Any drawbacks?

Tomasz Lubowiecki: Success comes at a price and we've come to experience that. Especially in the recent busy period we need to devote a lot of time to work, which leads to even more stress. I strongly believe that we are heading in the right direction and will successfully reduce it. For now, the 7R plane has lifted off the ground: there is a lot of noise and turbulence, but at some point, when it reaches the right cruising altitude, there will be more peace... and stewardesses will start serving drinks on board.

Ryszard Gretkowski: There is no time to reconcile work, passions and family life.

Izabela Gajek: The pace of work. But it seems the whole world is accelerating.

Waldemar Paszko: Time passes too fast and there's still not enough of it...

Monika Mazur: If you want to look at pros and cons, our company is full of fantastic people who are doing a brilliant job. What bothers us all the time is that we have more ideas and capabilities than capital.

Katarzyna Litwin: Nothing comes to my mind at the moment.

Has 7R had a breakthrough moment?

Tomasz Lubowiecki: The World Youth Day was an exceptional experience for me. Although we did not take part directly, I must say that it was amazing for us. We have participated in an event that logistics companies are rarely involved in, and this will never happen again

in similar circumstances. Another important event, which was definitely ground-breaking for me, was the first sale. It marked the end of a certain development process, and kick-started us to go further. It gave us the funds for further investments, and we were able to move up a gear.

Ryszard Gretkowski: The moment when we started executing more than 3 or 4 projects a year, and we have become a nationwide developer. This changes the way you think, how you act and how you manage your business.

Izabela Gajek: It was at the beginning of our journey. I remember the joy when MAN decided to cooperate with us. Later, another important breakthrough was the contract with BBK concerning building 3 in Gdansk. This was the first big BTS project for a well-known customer, who was satisfied. Obviously I remember our first transaction. It was a very

important moment for the whole team. This kept us going. Another important event was the opening of the new office in Warsaw. Awards as well. Especially those for the buildings and for property management, awarded by Eurobuild.

Waldemar Paszko: Selection of Kokotów-Brzegi (7R Park Krakow - ed.) for the World Youth Day. I was involved in it very much. I was aware that this decision could open up huge investment opportunities and become a big leap in the development of our company. It turned out I was right.

Filip Piekarski think that it was our cooperation with Hillwood, which made us a recognisable developer in Poland. For such a big investment fund, we were given a considerable benefit of the doubt.

What will 7R look like in 10 years, in 2029?

Katarzyna Litwin: I think that we will continue to grow at this pace. In fact, we have already ventured beyond the markets we know so well, like Gdansk or Krakow. We've already conquered Szczecin, we're present in Wroclaw, we're about to start construction in Poznan and I have the impression that... sky is the limit!

Izabela Gajek: In the next 3 years we will be visible all around Poland. I think that in 10 years we will be entering foreign markets.

Filip Piekarski: Considering how rapidly we are growing, in 10 years 7R can only look better!

Ryszard Gretkowski: We will continue to be a company doing a lot of business all around Poland, and maybe even abroad, but I would like to avoid turn-

ing into a corporation. At 7R, we always try to get to know the client's history and treat them individually, instead of just mechanically executing one project after another. We care about good atmosphere and deriving satisfac-

tion from work. We don't want to lose this.

Monika Mazur: I know where I would like 7R to be in 2019, but let that be my little secret. I think that if we knew where



A meeting with Pope Francis during the World Youth Day in 2016.



The World Youth Day was an exceptional experience for me. Although we did not take part directly, I must say that it was amazing for us. We have participated in an event that logistics companies are rarely involved in, and this will never happen again in similar circumstances.

the company would be in 10 years, it would be easier for us to make certain decisions. However, there are so many variables and different factors to take into account that it's impossible to predict our future with certainty.

Bartłomiej Krawiecki: I believe that in 10 years the company will be one of the top 3 developers in Poland, and will expand to other markets in Europe.

Tomasz Lubowiecki: In 10 years, we will be a large and stable company. I think that we will be doing business not only in Poland, but also abroad. We will have the experience and capital, which is a natural direction for us.

Thank you.

Yellow fleet

FOR SPECIAL TASKS

Nowadays, it is hard to imagine any warehouse, be it for books, electronic equipment or sweets, without a forklift truck driving around. If such a forklift has a characteristic yellow colour, then it is almost certainly a Jungheinrich.

AUTHOR: Marta Białowas

Jungheinrich is a world-famous manufacturer and supplier of forklifts and warehouse systems. The company has been operating on the Polish market since 1994, and has been present in the south of the country from the very beginning.

"Next year, we will celebrate our 25th anniversary, a period throughout which we have been directly supporting our clients in this part of Poland. We have been doing business in Katowice since 2013. The current location is our fourth site in the Silesian agglomeration and the second one in the Katowice area," says Radosław Steczko, Southern Poland Director at Jungheinrich Poland.

The facility occupied by Jungheinrich proved to be too small for their dynamically growing business. That is why the company, slightly ahead of its anticipated celebrations of

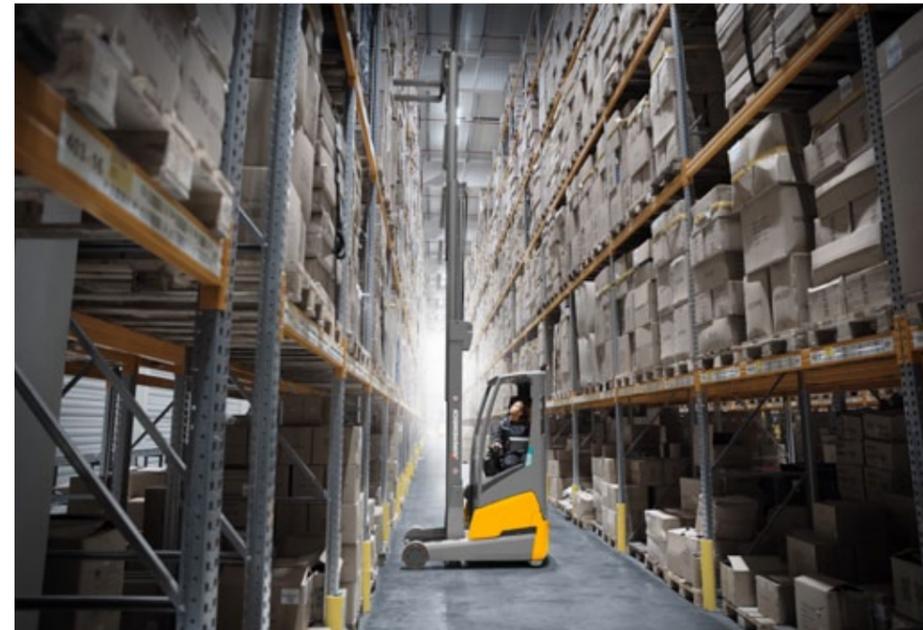


a quarter of a century on the Polish market, got itself a gift and moved their Katowice branch to a modern facility in 7R Park Siemianowice Śląskie.

"7R Park Siemianowice Śląskie is a class A warehouse, offering 12,500 m² of space. It is located directly at national road No. 94, with excellent access to the A1 motorway and express roads S86 and S1. We installed energy-efficient LED lighting in the building, and its fire load was in-

creased to over 4000 MJ per m²," says Maciej Krawiecki, Leasing Director at 7R SA.

"The location of the facility ensures comfortable access, and is undoubtedly its advantage. Our decision on the selection of the location was also influenced by the developer's flexibility and the possibility of adding more warehouse and office space in the future. We find this very important in view of the company's rapid



development in Poland and the region," emphasises Radosław Steczko.

FROM ONE CUSTOMER TO ANOTHER

Jungheinrich has leased over 3,000 m² in the modern storage facility developed by 7R SA. The warehouse occupies almost 2,280 m², out of which 400 m² is reserved for the workshop, and offices take up the remaining 740 m². The branch in Siemianowice both sells and rents forklifts. 600 forklifts are parked in the part of the facility rented by Jungheinrich. These include, among others: ETV electric reach trucks, EFG electric forklifts, EJC electric stackers, and EJE electric pallet trucks. The most popular models are the company's staple products, which are supplemented by other models, for example tow tractors, and even order pickers or system forklift trucks. The latest ETV216i reach truck, which has only been released this year, is also available in Siemianowice. It is the world's first reach truck with a built-in lithium-ion bat-

tery. The truck can lift loads up to 1600 kg to a maximum height of 10.7 metres.

One of the reasons for the change of location by Jungheinrich was increasing the output of the workshop where trucks are repaired. The space occupied by it doubled after relocation from 200 to 400 m². A professional forklift washing station was installed at the workshop, and other notable areas include a large battery room, new work stations and a special lithium-ion battery repair zone. The trucks that are returned to the Siemianowice facility after rental undergo strict quality control and the used components are replaced. This allows to quickly find new customers interested in rental.

"The facility developed by 7R allowed us to change the organisation of work at the warehouse. Trucks enter the warehouse through just one entrance and leave it on the opposite side. This structure reflects the linearity of the process that the forklifts pass after the end of rental, and before

they are shipped to the next customer. We first evaluate the current condition of the truck, then perform the necessary repairs and refurbish it at the workshop, and finally perform quality control," explains Radosław Steczko.

"We always try to pay attention to the needs of our customers, regardless of the industry they are in and what amenities they expect. Planning space for Jungheinrich was an interesting challenge that required us to adopt a non-standard approach, and which I think we managed to tackle successfully," emphasises Maciej Krawiecki.

TEST DRIVE

Customers from south-eastern Poland not only rent trucks in Siemianowice Śląskie, but can also buy new and used Jungheinrich forklifts, which are shipped to them via the Katowice branch straight from factories in Germany. Used trucks undergo comprehensive refurbishment at the Used Trucks Refurbishment Centre in Dresden, where they are subsequently shipped from to recipients all over Europe. The Siemianowice facility has a showroom where customers can view the trucks and inspect their quality.

The yellow Jungheinrich trucks are used in warehouses and production facilities in virtually every industry, like food, chemical, pharmaceutical, automotive, furniture, clothing, as well as in many distribution centres.

"Jungheinrich products are used by companies with large warehouses, and also those that do not have them at all, but need forklifts occasionally, for example for an event," adds Radosław Steczko.

The first warehouse WITH A CROSS-DOCK FUNCTION IN MAŁOPOLSKA

ROHLIG SUUS Logistics has launched the first facility in Małopolska, combining under one roof the function of a logistics warehouse and a modern cross-dock terminal for handling contract logistics operations. The new project is located in 7R Park Krakow in the Wieliczka Economic Activity Zone.



"Integration of the handling terminal and logistics warehouse functions allows to reduce the number of handling operations, which ensures shipping security and speeds up order execution," says Artur Malarski, Contract Logistics Director at ROHLIG SUUS Logistics. "Furthermore, we can now manage human resources more effectively, which makes us more flexible for our clients," adds the expert.

The new project has an area of 15,000 m² and is the first ROHLIG SUUS Logistics facility

of a height of 11.5 metres. Modern architectural solutions and the use of VNA system forklift trucks, dedicated to high-bay warehouses, have allowed for optimum use of the available space.

"We have been operating in Małopolska for 18 years. The facility currently occupied by us is over twice as large as the previous one, which is an opportunity for us to handle completely new projects. The upgrade was necessary to increase the satisfaction of our clients," says Łukasz Kuliński, Krakow Branch Director at ROHLIG SUUS Logistics.

The excellent location near the A4 motorway facilitates the distribution of products to various parts of Poland, as well as to the neighbouring countries. This is a strategic location, particularly for businesses cooperating with partners from the Czech Republic, Slovakia and Southern Europe. The proximity of the eastern ring road of Krakow is

also very important, as it makes the city accessible quickly.

"7R Park Krakow has been developing dynamically. In 3 years we have built six modern warehouses in this location. Two more are underway. The logistics park near Krakow will ultimately offer around 180,000 m² of space and may become the largest logistics hub in Małopolska," says Tomasz Lubowiecki, President of the Management Board of 7R.

Contract logistics is the most dynamically developing business area for ROHLIG SUUS Logistics. In 2018, the operator's warehouse space grew at a pace of over 30%, reaching over 200,000 m². As much as 29,800 m² of space is located in Małopolska. The operator's other facility in Krakow is a modern warehouse dedicated to serving a leading manufacturer from the automotive industry.

Over one hundred jobs were created in the new ROHLIG SUUS Logistics warehouse.

Special award FOR TOMASZ LUBOWIECKI



Source: Press Office of the Małopolskie Province Marshal's Office, www.malopolska.pl

On 4 October 2018, already for the tenth time, the Marshal of the Małopolska Province presented awards to the best entrepreneurs in Małopolska. Tomasz Lubowiecki, CEO of the Management Board of 7R SA, received a special recognition award.

The Małopolska Province Economic Award has been awarded each year since 2009. In the jubilee edition of the event, the jury of the competition presented the special recognition award to Tomasz Lubowiecki, the Founder and CEO of the

Management Board of 7R, for outstanding economic achievements in the region. In addition to the special recognition distinction, awards are presented in three categories: small, medium and large enterprise. This year, the awards

were received by Noble Group, Fabryka Kart Trefl-Kraków, and Amplus, respectively. The purpose of the award is to promote the best entrepreneurs, inspire them to continue developing, and promote investment-oriented mindsets.

AMONG THE EXPERTS

The 8th edition of Property Forum, a conference that has been attracting the real estate professionals for years, is over. More than 130 panellists and 1,000 guests took part in the event.



The two-day meeting, organised in Warsaw on 17-18 September 2018, offered ample opportunities for presentations and discussions among the leading players from all sectors of the

commercial real estate market. Experts discussed not only the new records set by developers and tenants of warehouse space, but also the future of the market. During the 'Warehouses for e-commerce. One-Day Delivery is the Future' panel, Tomasz Lubowiecki, CEO of the Management Board of 7R SA, shared his insights with other experts. He admitted that given the rapid development of e-commerce, the market will need to adapt to embrace the changing expectations of the customers, who want to receive the ordered products as soon as possible. This requires not only

large warehouses outside cities, but also smaller facilities located within their administrative boundaries, as close to the city centre as possible.

"Deliveries of products and handling their returns are a very important part of the shopping culture, which is why more and more enterprises are realising the importance of having warehouses close to the potential customer. This is also very important for logistics companies, which may be potentially interested in leasing space in our City Flex warehouses," explains Tomasz Lubowiecki.

Summary of the CST 7R MTB TEAM

The 2018 season was very long and exhausting, yet the championship title defended by Dariusz Batek, and many other successes of the CST 7R team members really made it all worthwhile.



The CST cycling team ended the second season, yet this time as CST 7R MTB Team, in a new format. 7R SA, a developer operating on the commercial real estate market, became the title sponsor of the team, which was crucial for the team's development. It was a huge step forward,

which strengthened the position of the CST 7R MTB Team among the top MTB teams in Poland.

TITLE DEFENDED!!

18 August 2018 was the most important event day of the season.

It was the Bike Marathon organised in Wisła, during which the Polish MTB marathon champions in the Elite category were to be announced. The defender of the title, Dariusz Batek, proved his worth! His rivals stood no chance as Dariusz beat Krzysztof Łukasik, who was the second to cross the



finish line, by over 4.5 minutes. He became the champion second time in a row and for the fourth time in his career in this category. "I achieved what I waited and aimed for, having worked so hard recently and despite many difficulties. I defended last year's title of the Polish champion in the MTB marathon! This is another champion's jersey that I'm proudly wearing, and I enjoy it the same as the first one. I've been under a lot of pressure because it's definitely harder to defend the title than to win it," Darek commented on his success.

OUR MARATHON

Another important date in the event calendar was the second weekend of September, when the 13th 7R CST MTB Gdynia Marathon took place. As of this year, one of the most important cycling races in the Pomerania region is 'our' marathon. 7R and CST Poland joined the city of Gdynia and together organised an event with our team as the host. Although we were the hosts, the CST 7R MTB Team stood their ground against the guests, as Rita Malinkiewicz and Darek Batek outpaced their opponents,

winning the competition in the longest distance competition.

THE SEASON IN A NUTSHELL

These two events definitely made the 2018 season a successful one. But is that all? Obviously not. There were countless successful runs, victories and medals, which the CST 7R cyclists won.

Dariusz Batek, Rita Malinkiewicz, Michał Neumann, Jakub Najs, Michał Kucewicz, Karol Kucięba, Maciej Pitach, and Michał Kwiatek are all of the team members who proved their worth in the 2018 season on many occasions. One could write a lot about the successes of each of them. However, let us also not forget that team's mechanic, Alek Kwiatek, also contributed to the team's excellent performance.

The CST 7R team competed in all major marathons in Poland: Vienna Life Lang Team Maratony Rowerowe, Bike Atelier MTB Maraton, Bike Maraton, Cyklokarpaty, Maratony Kresowe, Kaczmarek Electric MTB, Beskidy MTB Trophy, performing at their best in each of them.

This was truly a very successful year, so we are optimistic about the future. We are already starting to make plans for the next season, full of ambitious goals. The 2019 season will put our assumptions to the test, but we are certain that the CST 7R MTB Team will continue to grow, going further and further.

"This was an excellent season. I would like to thank the team for the whole year. Given that there were different moments, obstacles, etc., everyone did a great job, and not only sports-wise. Now it's time to rest and slowly start planning for the next season. You can already see the energy and enthusiasm, so we are optimistic about the future," sums up Dariusz Batek, CST 7R team leader.

Let us note that taking part and winning would not have been possible without the support of many companies, to whom many thanks go to in order: CST Poland, 7R, Merida Polska, Miasto Ustroń, Uvex Polska, Viking, hotel Kolejarski Best For You, Lemonbike.eu - Stan's NoTubes, Optimum BORN, Brunox, KMC, SIDI, Spider Suspensions, Bike Atelier, Bikehelp, BatekLife, and Velonews.pl.



7R PARK KIELCE – A NEW PROJECT BY 7R SA

7R SA plans to execute a project worth over PLN 150 million, which will be located on a plot in Chęciny of over 15 ha. 7R Park Kielce will be built next to the S7 expressway, right next to the Chęciny node.

About 200-300 jobs will be created in the class A+ warehouse complex. Thanks to the planned green solutions, including solutions that increase energy efficiency, the project will be environmentally friendly and BREEAM-certified.

Development of the Park is perfectly in line with the development strategy of the Chęciny municipality, and will enhance the attractiveness of the area. The project will attract new companies, support the development of business in this area, and create many new jobs. Kajima Poland was chosen as the general contractor. The ceremonial signing of the contract with Kajima took place on 14 November 2018 at the Kielce Technology Park, during the World Entrepreneurship Week.

7R CONTINUES ITS EXPANSION IN POMERANIA

7R Park Tczew is another project of the company in the north of Poland. It is here that the company's history began 10 years ago with the construction of the 7R Park Gdansk. Many years of experience and in-depth knowledge of the local market contributed to the dynamic development of the company in Pomerania.

Among the projects executed in this region are facilities that are part of the 7R City Flex Last Mile Logistics network of urban warehouses, as well as large logistics parks, 7R Park Tczew being one of them. The park is located only 40 km away from the centre of Gdansk, directly at the Swarożyn node on the A1 motorway, connecting the north of the country with the Czech border in Gorzyczki.

Class A facilities offering a total of 46,700 m² will be constructed in 7R Park Tczew. The first of them, of a total of 26,000 m², has been fully commercialised



even before construction started. The main tenant in this facility is DOVISTA Polska, the largest producer and exporter of wooden windows and doors in Poland, which has leased 20,500 m² of warehouse space. This is the biggest warehouse lease transaction in terms of space in the Pomorskie Province this year.

"The decision to lease warehouse space in 7R Park Tczew was made based on its excellent location (only 5 km from our production plant), access to highly qualified employees and attractive terms offered to us by the developer. We hope that this is just the beginning of a long-term cooperation," comments Wojciech Baszkowski,

Managing Director at DOVISTA Polska.

"The development and potential of the Pomerania region has driven the interest of tenants in warehouse space in this area for many years. That is why we have decided to continue developing 7R projects in the north of Poland. Later this year, we are planning to execute large area warehouses and develop the new 7R City Flex Last Mile Logistics facility concept in the Pomorskie Province," comments Ryszard Gretkowski, Vice President of the Management Board of 7R SA. The second warehouse under construction is a speculative project. The facilities are scheduled for completion in Q1 2019.



CONSTRUCTION OF 7R PARK WROCLAW HAS STARTED

The works will be carried out in stages. In the first, that has already started, approximately 10,000 m² of modern warehouse space will be delivered. This stage is planned to end in February 2019. 7R SA entrusted this project to Kajima. The next stage will commence once all necessary permits have been obtained, and will be executed by the same contractor.

The warehouse has already found its first tenant. DSV Road

will occupy 5,000 m² of space in the logistics park. A class A warehouse offering 23,000 m² will be constructed in 7R Park Wrocław. Kajima was approached by the developer to handle construction and provision of the entire infrastructure. This is the first project in which the companies have the opportunity to cooperate.

7R Park Wrocław is located in Biskupice Podgórne near Wrocław, near the Wrocław Południe node connecting the A4 and

A8 motorways. This strategic location and additional amenities, which the investor has planned for the tenants, attract clients from various industries. Space has already been leased by a global provider of transport and logistics services, DSV Road, which will take up half of the space constructed in the first stage of the project. The new warehouse space in 7R Park Wrocław will be adapted to the needs of DSV Road's cross-dock operations.

7R IS A 'RELIABLE PARTNER FOR BUSINESS



7R SA received the Reliable Partner for Business award during the Leader and Brand of the Polish Economy gala, organised on 23 November 2018 in Warsaw. The award and diploma was accep-

ted on behalf of the company by Ryszard Gretkowski, Vice President of the Management Board.

We have won this award together, that's why I would like to thank the entire 7R team, whose brilliant work has been noticed and appreciated by the market," said Ryszard Gretkowski.

The goal of the Nationwide Initiative for the Promotion of Reliability, as part of which the awards are presented, is to build strong and positive associations with the laureate's brand.





7r PARK
Kraków



7r PARK
Beskid



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Wrocław



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Kielce



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