

Onshore, Nearshore, Offshore: Unsure?

A 2010 Polish Perspective >



Poland has proven to be a leading European BPO and shoring destination. Increasingly more advanced processes and functions are being outsourced to Poland.

Introduction

2009 marked a significant quality change on the Business Process Outsourcing (BPO) and Shared Service Centre (SSC) market in Poland. The change concerned the BPO sector itself as well as its business partners such as local municipal authorities and developers/landlords of office buildings. Whilst the first started to appreciate the strategic role that the sector plays locally and for the national economy, the latter are now increasingly aware as to how to satisfy the spatial needs of the sector. In addition, general knowledge about the industry supports a maturing recruitment process.

The 2009 transformation within the BPO/SSC sector manifested itself in a number of aspects. These include:

- Increasingly complex and advanced processes are being operated from Poland e.g. research and development (R&D), consultancy, often requiring contact with clients;
- Polish BPO/SSCs are gaining increased independence and are proactively sourcing their own business opportunities at home and abroad;
- Consolidation within the sector with the formation in Poland of two important institutions (ABSL and Outsourcing Institute) supporting BPO/SSC companies.

With the outsourcing and shoring market maturing, Poland strengthened its reputation as a major destination for BPO and SSC activities. In addition to the major destinations, also Polish secondary cities over 180,000 people with a significant pool of talent are now being considered by newcomers to Poland.

Executive Summary

- Poland as a emerging Knowledge Process Outsourcing (KPO) destination;
- New organizations supporting the outsourcing sector in Poland founded in 2009;
- Labour market well equipped to meet the sector's requirements. Monthly gross salaries in Research and Development (R&D) centres averaging PLN 4,200 (€ 1,000) for QA engineers, PLN 6,400 (€ 1,500) for software developers and PLN 9,500 (€ 2,300) for project managers;
- State aid for BPO/SSC/R&D companies available from a number of sources including EU Structural Funds and Polish budget. Maximum level of support between 30% and 50% of either investment costs of two-year employment costs;
- Modern, flexible and high spec office space available from € 11-12/ m²/ month. Experienced developers who understand the needs of the BPO/SSC occupiers and deliver turn-key solutions.

Knowledge Process Outsourcing (KPO) in Poland

In Poland, the success of BPO firms and Poland's vast pool of highly-skilled labour has given birth to a new sector called Knowledge Process Outsourcing (KPO). KPO involves higher-end analysts and analysis, providing organizations with strategic and tactical decision-making tools. According to estimations, the KPO industry is expected to grow at 45% a year and to top \$17 billion by 2010.

In Poland, the most prominent developments will appear in the following areas:

- Data Search and Analysis;
- Market Research;
- Financial Research & Analysis;
- Healthcare & Life Science Research;
- Engineering and Design.

Until recently, Poland attracted KPO centers belonging to such companies as Irevna and McKinsey (both located in Wrocław), however, due to very low entry barriers, this sector is expected to grow substantially over the course of the next years. Lower infrastructure and set-up costs in comparison to the rest of Europe are likely to encourage small companies with a domain expertise to set up their own KPO providers. In addition, the industry has attracted entrepreneurial analysts, accountants, lawyers, scientists, engineers and medical experts to become offshore providers with or without specific domain expertise. While India has been the focal point of the KPO space, countries such as China, Poland, Ireland, Israel and the Czech Republic are emerging as KPO destinations. The issues that typically impact upon the ultimate investors' decision regarding location include: availability of qualified labour; political stability; infrastructure; communication and technology support; and alleviation of intellectual property and data concerns. Poland can offer all of these.

So what exactly is to be expected in Poland by the BPO/SSC sector and knowledge-driven R&D centres in particular?

Pool of Talented Staff for Knowledge-Driven R&D Centres

Poland has proven to be one of the best locations for service centres requiring high-level qualifications and expert knowledge, most notably research and development centres (R&D) with emphasis on science and commercialization of research.

Core skills required by the R&D centres are advanced technical skills and to a lesser extent language skills which are of fundamental importance for other types of BPO and SSCs. Nevertheless, Poland is often chosen by investors for its excellent command of languages other than English. 43% of BPO/SSC candidates held in the Grafton database can speak good German in addition to at least intermediate English, 20% - French and 16% - Russian. Other second languages spoken by candidates include Spanish, Italian, Dutch and Swedish.

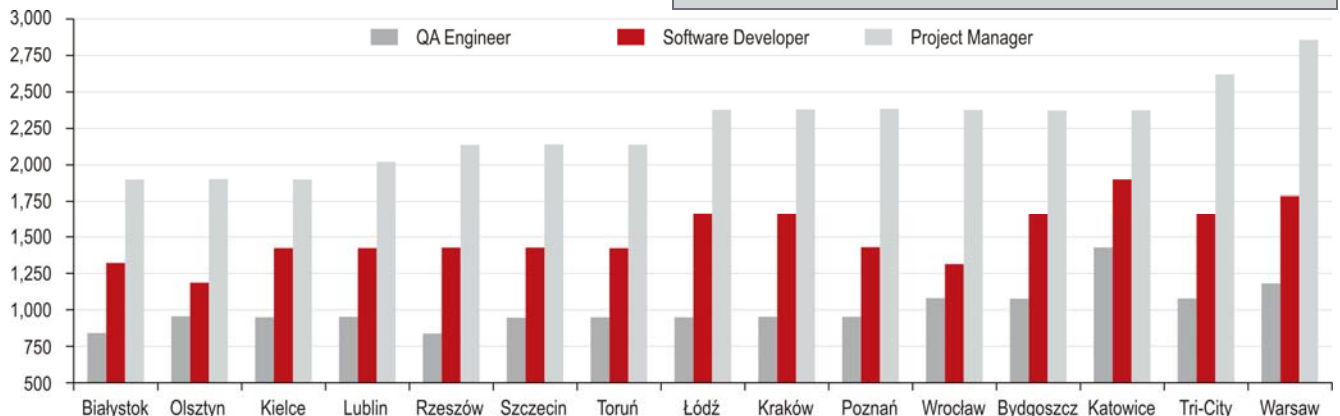
The Programme for International Student Assessment, coordinated by the OECD, currently ranks Poland's education 23rd worldwide, being neither significantly higher nor lower than the OECD average. Poland is known for quality technical universities which provide engineers for R&D centres amongst other.

ABB, Delphi, GlaxoSmithKline, Google, IBM, Intel, LG Electronics and Microsoft have all set up R&D centers in Poland. Motorola in Kraków, Siemens in Wrocław and Samsung in Warsaw are one of the largest owned by those companies. R&D centres are located not only in established R&D hubs such as Wrocław, Kraków or Warsaw. The economic zones of Szczecin, Łódź, Bydgoszcz amongst several others also attract interest from investors in this respect. Most of them have good technological infrastructure, highly qualified workforce and friendly generic climate for investors.

Average monthly gross salaries in R&D centres in Poland range from PLN 3,500-4,500 (€ 833-1,071) for QA engineers, to PLN 4,000-7,000 (€ 952-1,667) for software developers and up to PLN 12,000-15,000 (€ 2,857-3,571) for department managers.

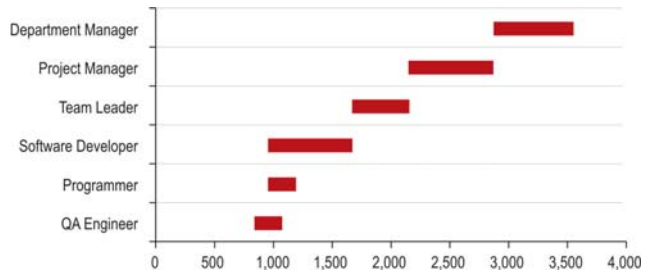
Unsurprisingly, there are differences in salaries across the country. For example, a project manager's gross monthly remuneration is PLN 8,000 (€ 1,905) in Olsztyn, Kielce and Białystok versus PLN 12,000 (€ 2,857) in Warsaw. Similarly, a QA engineer is paid PLN 3,500 (€ 833) in Rzeszów and Białystok compared to PLN 6,000 (€ 1,429) in Katowice.

Average monthly gross salary in R&D centres (€)



Source: Grafton, January 2010
Note: Exchange rate of 4.2 PLN/€ was used to calculate salaries in €.

Average monthly gross salary in R&D centres (€)



Source: Grafton, January 2010
Note: Exchange rate of 4.2 PLN/€ was used to calculate salaries in €.

HR at Alcatel-Lucent in Poland

About the Polish Operations

- Alcatel-Lucent is one of the largest providers of communication solutions and services in the world. In Poland their Bydgoszcz-based Centers of Excellence employ over 650 people and are continuously growing.
- Centers of Excellence in Bydgoszcz provide end-to-end networking services to external customers: major telecom operators, multinational enterprises and government agencies worldwide.
- Software R&D Center in Bydgoszcz consists of three units: Applications Software Group R&D (the fourth biggest R&D location within Alcatel-Lucent), Network Operations Systems and Services Tools. There are nearly 300 engineers - software developers in all groups developing and supporting products for customers.

HR at Alcatel Lucent

- The HR strategy includes implementation of programs and processes to improve employee's creativity and engagement, enhance their change management and project management skills, boost teamwork and target-oriented approach.
- The recruitment strategy includes employee referral and internal mobility programs, an extensive cooperation with universities and career offices, internship programs for students & graduates. In order to maximize staffing effectiveness, HR regularly uses Internet job portals, social networking tools as well as third party agencies.

Alcatel-Lucent Contact
HR Business Partner – Małgorzata Ciechanowska
ul. Piłicka 6, 85-776 Bydgoszcz
Phone: +48 52 349 10 00
Email: malgorzata.ciechanowska@alcatel-lucent.com

Incentives Available for BPO, SSC and R&D Investments

When assessing site selection process for BPO/SSC and R&D industry, public aid is always one of the most important points on the agenda. Most popular available sources of state aid for that type of investments in Poland are:

- Cash grants from the EU Structural Funds;
- Cash grant for employment from domestic budget (within Multi-Annual Support Programme).

The maximum levels of support for large companies differs from region to region as illustrated in the following regional aid intensity map. From 2007 until the end of 2010 the level of aid access all Polish regions will be as follows:

Maximum support level (of either investment's costs or two-year employment costs)



For the years 2011-2013 regional aid will differ in intensity for the Mazowieckie region (Warsaw wider metropolitan area). Starting from January 1st, 2011 it will be 30% instead of 40% applicable for the years 2007-2010.

Cash grants from the EU Structural Funds

The key qualification conditions for such grants are:

- creation of SSC, BPO, IT or R&D center, **and**
- creating **at least 100 new jobs**, except for
- R&D centers, where it is required to create at least **10 new jobs** and invest minimum **PLN 2 million** (approx. € 476,200).

The maximum value of state aid is up to **30%** (in the case of R&D centers – up to **50%**) of either investment's costs **or** two-year employment costs.

Example

Type of the investment: **BPO**
 Level of new employment: **250 new jobs**
 Average gross monthly remuneration: **PLN 4,500/person** (€ 1,071)
 Maximum level of support within EU funds:
30% x (250 jobs x PLN 4,500 x 24 months) = PLN 8.1 million
 (approx. € 1.93 million)

The investment must fulfil all entry criteria and score at least 52 out of 100 points in the content evaluation to qualify for support (55 points in case of projects related to creation of R&D centers). We outlined the full evaluation criteria in the table below.

Evaluation criteria for EU Structural Funds

Optional content-related evaluation criteria	Points
Type of the investment: <ul style="list-style-type: none"> • R&D • IT Centers • Shared Services Centers 	35 25 15
Number of new jobs created	Up to 15
Planned percentage of new employees with higher education exceeds 50%: <ul style="list-style-type: none"> • from 50% to 70% of employees • more than 70% of employees 	5 10
The Company has the ability to conduct research	3
The Company has the ability to commercialize the results of the research	2
Investment is located in the areas preferential due to the level of unemployment (according to NUTS 3)	Up to 9
Results of the project will be competitive to the products and technologies available on the market taking into account: <ul style="list-style-type: none"> • price criteria • quality criteria 	3 12
The project has a positive impact on the EU horizontal policies: <ul style="list-style-type: none"> • sustainable development • policy of equal chances. 	3 3
As a result of the project completion, the cooperation with entities from SME sector will be established	5
Total	100
Minimum number of points required to be recommended for support (BPO, SSC, IT centers / R&D centers)	52 / 55

Multi-Annual Support Programme

Another source of aid for investors establishing BPO centers is a cash grant financed from the Polish budget within a framework of Multi-Annual Support Programme (MASP). Maximum aid intensity within MASP is determined by the location of the new investment:

- within Special Economic Zones – up to 15%,
- outside the SEZs – up to 30 % of eligible costs.

Support may be based on either two-year employment costs of newly created jobs, **or** investment eligible costs.

The level of support based on newly created jobs ranges from **PLN 3,200 to PLN 18,700** (approx. € 762–4,452) per each job, depending on specific set of criteria.

The key qualification conditions for such grants are:

- Services sector – creating at least **250 new jobs**,
- For R&D sector: incurring investment costs of at least **PLN 3 million** (approx. € 714,300) and creating at least **35 new jobs** (for employees with university degrees).

The investor negotiates support package with the Ministry of Economy and the Polish Information and Foreign Investment Agency.

Other examples of BPO, SSC, IT and R&D incentives

- Income tax (CIT) exemption related to business activities within Special Economic Zones (SEZs)
- Measures 1.4-4.1 OPIE Support for goal-oriented projects and for implementation of R&D results
- R&D incentives under Polish tax regulations.

Real Estate Infrastructure – Blazed Trail

When the first BPO/SSC/R&D investors arrived on the Polish market approximately 6 years ago, they were breaking new ground for the sector. The real estate market at that point in time was characterized by a very limited availability of office space, most notably outside of Warsaw and for larger space requirements. In addition, developers, typically national companies were uneducated about the specific real-estate related needs of the sector. The situation has changed fundamentally since that time. Set out below are what BPO/SSC/R&D occupiers can now expect in Poland in the process of search for accommodation:

1. Experienced developers/ landlords as partners

Both international and increasingly national developers in Poland are now well aware of the specific space requirements of BPO/SSC occupiers. This is demonstrated in a pro-active approach and the flexibility of developers who are open for a dialogue with tenants at the late business planning/ early building construction phase. Importantly, office developers have now started to realize that there are also wide opportunities for the sector in Poland's major and secondary cities driven by the unexplored labour markets, most notably in Polish 2nd tier cities such as Szczecin, Lublin, Bydgoszcz/ Toruń, Białystok, Rzeszów, Olsztyn, Kielce amongst other.

2. Comprehensive market practice

Market practice differs between the three core groups of markets i.e. Warsaw, major Polish regional markets (gradually shifting in this respect towards Warsaw) and the secondary markets. Market practice in the latter group of cities is difficult to define as the number of lease transactions in the BPO/SSC sector is limited, however, with these markets maturing, we expect market practice to mature and standardise.

3. High quality office space

Most of new office buildings are developed with A Class standards (multiple power supply, energy efficient air conditioning and heating systems, minimum two telecom operators - see Modern Building Standards table overleaf) and with flexible layouts and effective floor plates suitable for BPOs/SSCs. In line with the requirements of occupiers, premises are usually delivered turn-key or a fit-out contribution can be negotiated.

Market practice

	Non-Central Warsaw	Regional Markets: Kraków, Wrocław, Poznań, Katowice, Tri-City, Łódź, Lublin, Szczecin	Start-up space in Rzeszów, Olsztyn, Bydgoszcz, Toruń, Białystok and Kielce
Average headline rents	€14-15/ m ² / month	€11-14/m ² / month	€9-11/m ² / month settled in PLN
Service charges	approx. €4-5/ m ² / month; typically settled in PLN	approx. € 3.5 - 4/ m ² / month; typically settled in PLN	approx. €2.5/ m ² / month; settled in PLN
Rental basis	paid monthly in advance with rents denominated in € but paid in PLN; full rent is typically payable for common areas	paid monthly in advance with a balance between €-denominated rents and PLN-denominated rents	paid monthly in advance with rents denominated in PLN
Lease length	typically 5-year leases, 3-year rare and usually not applicable in new buildings	typically 5-year leases, occasionally shorter leases	typically short leases or signed for undefined period of time
Security of the lease	bank guarantee or cash deposit equivalent of 3 months rent, service charges, and car parking fees, all increased by VAT		
Rental increase	annually according to Consumer Price Index (CPI) European for €-denominated leases or GUS for PLN-denominated leases		annually according Consumer Price Index by GUS
Repairs	internal (tenant); external/structural and common areas (landlord) although recovered through service charge		
Insurance	landlord covers costs of building insurance (recovered through service charge), tenant covers insurance of own premises, contents and civil liability		
Reinstatement	not common practice		
Other incentives	rent-free period depending upon the size of the leased area and lease length, additional fit-out contribution		very limited incentives, no common practice on the markets

Source: Jones Lang LaSalle, January 2010

Real Estate at Capgemini

About the Polish Operations

- Capgemini in Poland has offices in Warsaw, Wrocław, Kraków and Katowice;
- The centres currently provide employment to 2,000 people in Business Process Outsourcing and 1,370 people in IT Outsourcing;
- Capgemini centres in Kraków and Katowice serve 21 BPO clients headquartered in US (10), Switzerland (5), Sweden, Denmark, France, Netherlands and Germany. Key BPO accounts include: International Paper, Syngenta, Coca Cola Enterprises, Zurich Financial Services, StoraEnso, Danfoss, Dell, DHL, Tetra Pak. The key ITO clients are the following: DHL, International Paper, Lilly, Coty, SigmaKalon, Lloyd's Register, Schneider Electric, Aviva Investors, Sun Microsystems, Dalkia, PwC and Smith&Nephew

Generic requirements towards real estate

- Prime locations in respect of communication (public transport provision, airport) and access to amenities (canteen, café bars, retail);
- Effective floor plans.

Technical requirements

- Effective and energy efficient systems of heating and air conditioning with humidity control (green buildings);
- BMS including building monitoring and access control;
- Central fire control including DSO complying with European standards;
- At least two telecommunication operators;
- High-tech structural cabling;
- Multiple power supply;
- Modern high speed lifts;
- Openable windows;
- Good daily lighting of the space.

Expectations towards landlords

- Flexibility in approach and good understanding of Capgemini expectations and technical requirements;
- Pro-active approach, ability to learn fast and work together with Capgemini to find best possible way to deliver the space.

Modern Building Standards

Standard	
• air conditioning	• BMS
• suspended ceiling	• telecommunication lines with the switch board
• carpeting	• fire detection system
• lighting	• electrical cabling
• access control	• gypsum-cardboard walls
• finished toilets and kitchens	• standard doors
• CCTV to common areas	
Non Standard	
• structural cabling (sometimes covered by the landlord for anchor tenants)	• raised floors (standard in Warsaw only)

Source: Jones Lang LaSalle, January 2010

Tenant-favourable Market Conditions Hold in 2010

2010 is arguably the best time to make lease commitments compared to the past 3 years. The facts underlying this situation are as follows:

1. Rents are bottoming out

Rents for quality office space across Poland have approached the bottom of the rental cycle and are unlikely to decline further in respect of prime properties. Headline rates vary depending upon the size of the office market and availability of accommodation and range between € 11-12.5/ m²/ month in Łódź to € 15/ m²/ month in Poznań. Rents in more emerging office markets in Poland average € 9-11/ m²/ month.

2. Relatively large availability of options to lease

Compared to a couple of years ago, Polish major and secondary office markets now feature a number of immediate lease options as illustrated in the chart below.

More importantly, the options concern larger space requirements (over 2,000 m²) typically sought after by the BPO/SSC sector. The availability of quality office space (larger modules) varies between the Polish cities with a variety of options in Non-Central Warsaw, more than 3 options in Polish major regional markets and two or less opportunities in the 2nd tier cities. To illustrate the current availability of office space, a total of 266,000 m² corresponding to 69% of office supply planned for delivery this year in all major Polish office markets, is still available.

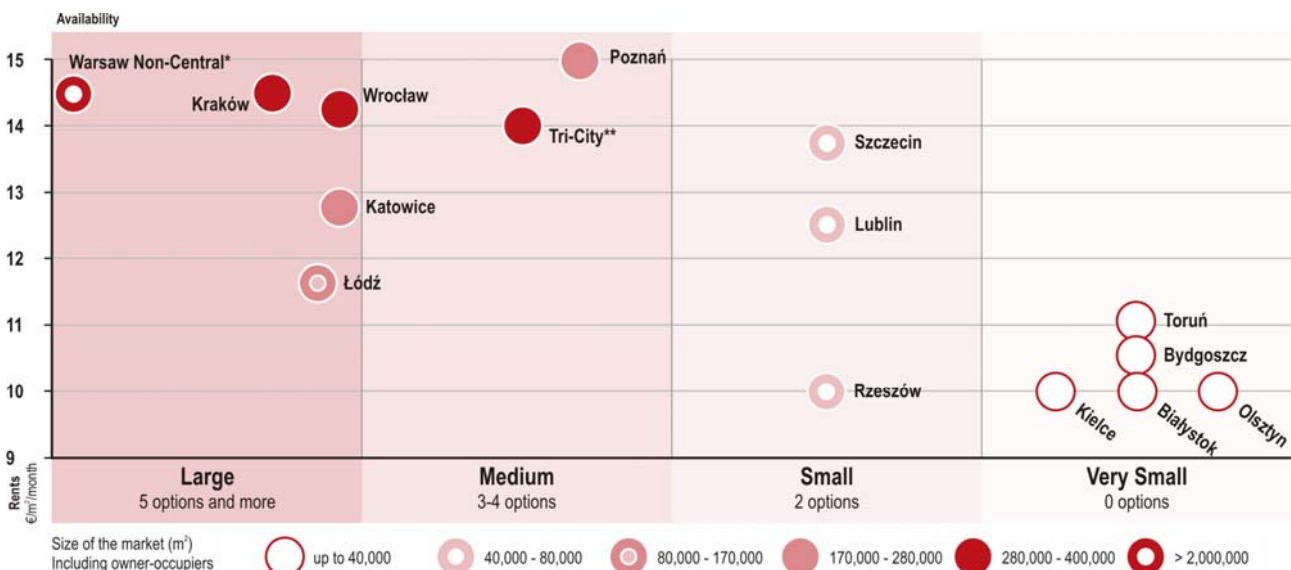
Marek Grodziński, Centre Director Capgemini BPO

“One of key aspects, while choosing a location for an outsourcing centre, is the access to the right infrastructure. The situation in Poland has now been changing dramatically to the benefit of the occupier. Firstly, there are a number of developers specialising in delivering office space for this sector. They have in-depth knowledge about service providers’ needs which they gained over years, and are now able to provide turn-key solutions. Proper floor plan, air-conditioning and ventilation systems, lighting or IT infrastructure are all taken into account at an early building design stage, driving the efficiency of office space for occupiers. Secondly, market conditions have changed in favour for tenants; more space is now available for lease or due to be delivered shortly, construction costs fell due to the global crisis, hence more competitive rents can be negotiated.”

3. Vacancy rate in existing office blocks is stabilising

The recent increase in vacancy rates across Poland can be attributed to new completions on the market. Our forecasts of vacancy rates for 2010 show that it is unlikely that the availability rate grows significantly by end of 2010 although some increase is possible (2-3% on average excluding Łódź and Kraków where vacancy rates are likely to increase further).

Availability of office space (over 2,000 m² including office blocks due for completion in 2010) and rents in Poland



Source: Jones Lang LaSalle, January 2010

Note: * The number of options available in Non-Central Warsaw is significantly greater than in other regional cities in Poland

**Gdańsk, Gdynia, Sopot

Support from Professional Organizations: ABSL - Sector Leaders Speak With One Voice

Poland has experienced a rapid growth of the business process sector over the last few years. Such dynamic development is certainly a reason for satisfaction, but at the same time, several companies saw common challenges and decided to officially mark their presence on the Polish market. This has led 16 major companies in the sector to start working together to enhance industry dialogue and collaboration. Therefore the Association of Business Service Leaders (ABSL) was established in May 2009 to represent the interests of this expanding sector. Among the members are corporations such as Hewlett-Packard, Capgemini, IBM, Thomson Reuters, UBS, Shell, Franklin Templeton, Geoban, Infosys and others – centers that deliver services internally to their own companies (SSC) or provide similar services for external clients (BPO). The mission of ABSL is to enable the sector to anchor and expand in Poland through industry collaboration and by engaging authorities and interest groups in shaping key operational and development aspects.

Another important target of ABSL is to strengthen the positive image of the sector and to broaden the understanding of the important role this sector plays for the Polish economy. Most companies in ABSL plan to develop by deepening their service lines (end-to-end processes), expanding their portfolio of services and moving from transaction services to decision support. To achieve these ambitious goals the companies need to attract top talent from the market. Therefore it is critical to proactively share this vision in a public forum by working with national media and regularly providing it with an update on the sector status and its development.

The initial feedback to the creation of ABSL is very positive. The Polish government, as well as local authorities, are starting to understand better the importance of this business service sector, and they are happy to collaborate in order to further develop this branch of the economy. In November 2009 the declaration of cooperation between Ministry of Economy, Polish Information and Foreign Investment Agency (PAIiZ) and ABSL was signed. In addition, the Polish cities have started listening carefully to the voice of investors, hoping to support the growth of existing centers and to invite new players to the local markets. The dialogue with authorities aims to reduce business barriers and covers, among others, aspects such as a mutual investment support, legislative improvement opportunities or an adaptation of the education system to industry needs.

Poland is already a very good place for investment, offering access to a great pool of talented resources and good infrastructure as well as a stable economic and political environment. ABSL members believe that by working together and cooperating with external stakeholders everyone can benefit from significant growth of the business processes sector in Poland.

Patrick den Bult, General Manager & Centre Finance Lead Kraków Shell

"We decided to open a SSC in **Kraków** because of the high availability of well educated staff with good foreign language capabilities. The workforce is relatively stable which allows us to further develop in more complex processes requiring business knowledge. Besides that, factors like proximity, cultural similarity, knowledge of EU regulations, low business discontinuity risk and a supportive government influenced our decision positively."

Krystian Bistry, AVP & Centre Head Infosys BPO Poland

"We decided to open a BPO centre in **Łódź** due to the following:

- Very high number and high qualifications of university graduates (Łódź 127,000 students, 26,000 graduates, approx. 40% with economic and admin background);
- Strong base of mid-management staff (presence of big 4 companies, international banks etc);
- Reasonably easy access to different foreign languages (recruitment typically takes 20-30 working days even in respect of unique requirements such as good command of 3 languages);
- Availability of office space meeting requirements (A/ B+ class buildings with e.g. backup electricity/ utility connections) at reasonably low rents and in city centre location;
- Very supportive and flexible local universities providing support at every stage of recruitment and training."

Anna Sienko, Country General Manager IBM Poland

"We believe that the business environment in **Poland** is favourable to companies offering tangible opportunities to others to create efficiencies, cut costs, and help drive transformation towards more innovative business practices. The economic environment in 2009 has reminded all of us of the importance of real innovation and the need for solutions which bring real business or societal value. We believe that IBM is offering exactly that to our clients in Poland and around the world."

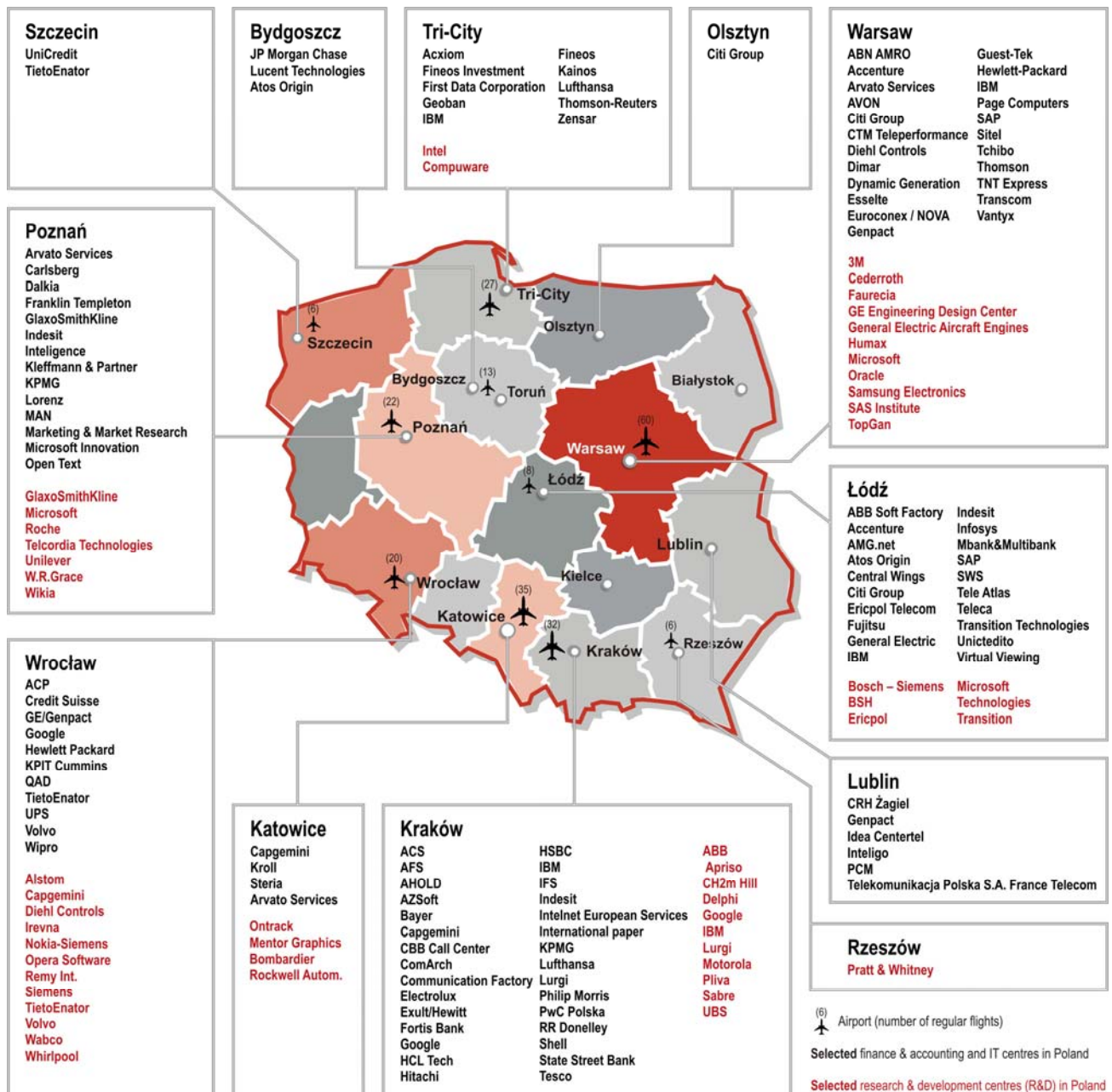
Jerry Czarzasty, Senior Site Officer, Thomson Reuters office in Gdynia

"The **Tri-City** area was selected as a location for our operational centre for its deep pool of university educated people, their language skills and high level of technical knowledge as well as the overall attractiveness of the region's operating environment including general costs, telecommunications and logistics."

Witold Płotka, Vice President, Compuware office in Gdańsk

"We decided to expand our BPO centre in **Gdańsk** because we were able to recruit skilled, experienced and ambitious employees. Compuware has recently increased its employment 3 times in the R&D centre. We have been operating in Gdańsk for a long time and have experienced that IT companies are supported by the local authorities".

Selected R&D, F&A and IT centres in Poland



Source: PALiZ, January 2010

Selected major and secondary Polish cities: number of students and population

	Warsaw	Kraków	Łódź	Tri-City	Wrocław	Bydgoszcz/ Toruń	Poznań	Szczecin	Lublin	Katowice	Białystok	Kielce	Olsztyn	Rzeszów
Population	1,711,500	754,900	744,500	743,700	632,200	563,900	556,000	406,400	350,400	308,700	294,400	204,900	176,400	172,800
Number of students	344,300	211,000	142,500	104,800	173,000	84,200	174,000	78,200	105,700	192,200	52,900	49,600	54,500	75,500

Source: National Statistics, data as of 2008
 Note: Data concerning students refers to wider regions (voivodships).

Conclusion

Our objective with the Onshore, Nearshore, Offshore – Unsure? report was to enable greater understanding of the trends in the BPO/SSC sector and to present a set of facts and figures necessary to make an informed decision regarding a shoring location. We therefore provided details of grants available in Poland to the outsourcing sector as well as costs of real estate infrastructure and headcount costs.

Poland becomes increasingly a global destination for a BPO/SSC sector due to a blend of critical factors. These include:

- cultural and geographical proximity to Western Europe;
- high quality labour pool with a high level of education and foreign language capabilities (English, German, French amongst others);
- low risk profile including EU data protection;
- cost advantages through a combination of labour market, real estate and government/ EU incentives.

Increasingly advanced research, analysis and consultancy processes are being relocated to Poland, which strategically support decision making processes. This gives rise to a new sub-market called Knowledge Process Outsourcing. Poland is, therefore, likely to see an increasing surge in corporate investment during the next 5 years as global corporations seek to achieve cost savings but aligned to quality of service provision to internal and external clients.

Information on content providers

Jones Lang LaSalle (NYSE:JLL) is a financial and professional services firm specialising in real estate present in 60 countries, including 180 corporate offices. Located in 3 cities across Poland (Warsaw, Tri-City and Kraków) and employing over 100 professionals Jones Lang LaSalle addresses the needs of real estate occupiers providing a full range of transaction and technical services. This provides clients with the optimal solution taking into account both commercial and technical aspects covering all stages from initial review of options and scenarios, lease negotiations through to the finalisation of legal documentation. The firm is an industry leader in property and corporate facility management services, with a portfolio of over 130 million square metres worldwide. LaSalle Investment Management, the company's investment management business, is one of the world's largest and most diverse in real estate with more than \$37 billion of assets under management.

The Polish Information and Foreign Investment Agency (PAIIZ), the governmental agency responsible for promotion of Poland as a business partner abroad, assists foreign companies considering direct investment in Poland, firms trading with Poland and Polish exporters. We guide investors through all the essential administrative and legal procedures at every stage of the investment process; we also support firms that are already active in Poland. We provide quick access to complex information relating to legal and business matters regarding the business activity in Poland. The Agency helps in finding the appropriate partners and suppliers or new locations.

The Grafton Group was established in 1982 and we have 81 offices in 19 countries. We have placed candidates in over 70 Countries. Our two primary brands are Grafton Recruitment and SpenglerFox. Grafton focuses on a 'success fee' basis and temporary workers. SpenglerFox is our executive search brand. The case studies and commentary in this set of reports are just a short selection of the staffing work we have done with our client partners across Central and Eastern Europe. Our consultants are experts in their field and client references are available by request.

Association of Business Service Leaders (ABSL) was established in May 2009 to represent the interests of the expanding business process outsourcing sector in Poland. The mission of ABSL is to enable the sector to anchor and expand in Poland through industry collaboration and by engaging authorities and interest groups in shaping key operational and development aspects.

Ernst & Young, one of the leading international corporations rendering professional advisory services, points companies to development opportunities and helps them take advantage of those possibilities. Over 135,000 specialists from various fields employed in 140 countries combine their knowledge and international experience with their understanding of local conditions. We render assurance, business, tax, transaction, investment grants and incentives, financial markets and accounting advisory services, and provide training. We help our Clients anywhere in the world by establishing a competent and multidisciplinary team, using consistent and proven methodologies and global tools.

Jones Lang LaSalle**John Duckworth**
Managing Director CEE

Jones Lang LaSalle
Saski Crescent
ul. Królewska 16
00-103 Warsaw, Poland
+48 22 318 0000
John.Duckworth@eu.jll.com
www.joneslanglasalle.pl

Anna Bartoszewicz-Wnuk
Head of Research Poland

Jones Lang LaSalle
ul. Królewska 16
00-103 Warszawa, Poland
+48 22 318 0000
Anna.Bartoszewicz-Wnuk@eu.jll.com
www.joneslanglasalle.pl

Julita Spsychalska
Head of Tenant Representation

Jones Lang LaSalle
ul. Królewska 16
00-103 Warszawa, Poland
+48 22 318 0000
Julita.Spsychalska@eu.jll.com
www.joneslanglasalle.pl

Content Partners**Polish Information and
Foreign Investment Agency**

ul. Bagatela 12
00-585 Warsaw, Poland
+48 22 334 9800
Post@paiz.gov.pl
www.paiz.gov.pl

Aleksandra Iwicka
Country Manager

Grafton Recruitment Polska
ul. Sienna 39
00-121 Warsaw, Poland
+48 22 654 4646
Aleksandra.Iwicka@grifton.pl
www.grifton.pl

**Association of Business Service
Leaders in Poland**

Rondo ONZ 1
00-124 Warsaw, Poland
+ 48 22 544 9258
Absl@absl.pl
www.absl.pl

Paweł Tynel
**Head of Grants and
Incentives Advisory Services**

Ernst & Young
Rondo ONZ 1
00-124 Warsaw, Poland
+ 48 22 557 7564
Pawel.Tynel@pl.ey.com
www.ey.pl



January 2010

www.joneslanglasalle.com