

SPOTLIGHT

OFFICE MARKET

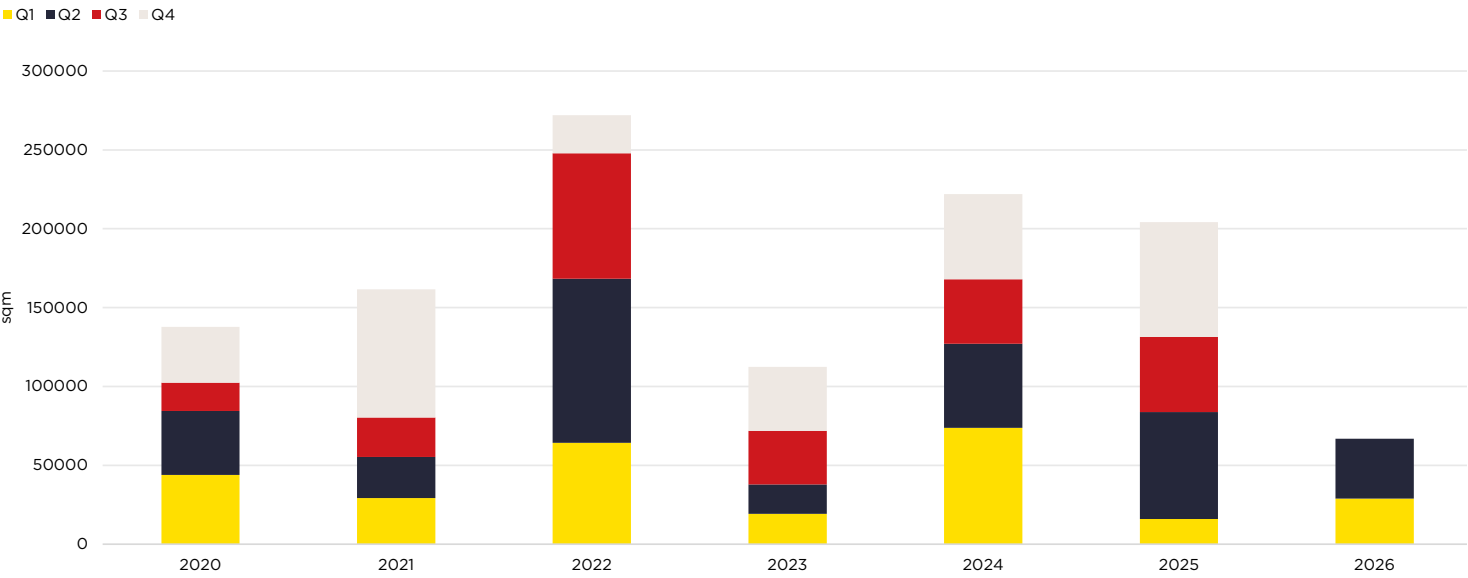
WHAT'S GOING ON
IN LISBON AND PORTO?

OFFICE MARKET - PORTUGAL - H1 2026

Lisbon Office Market

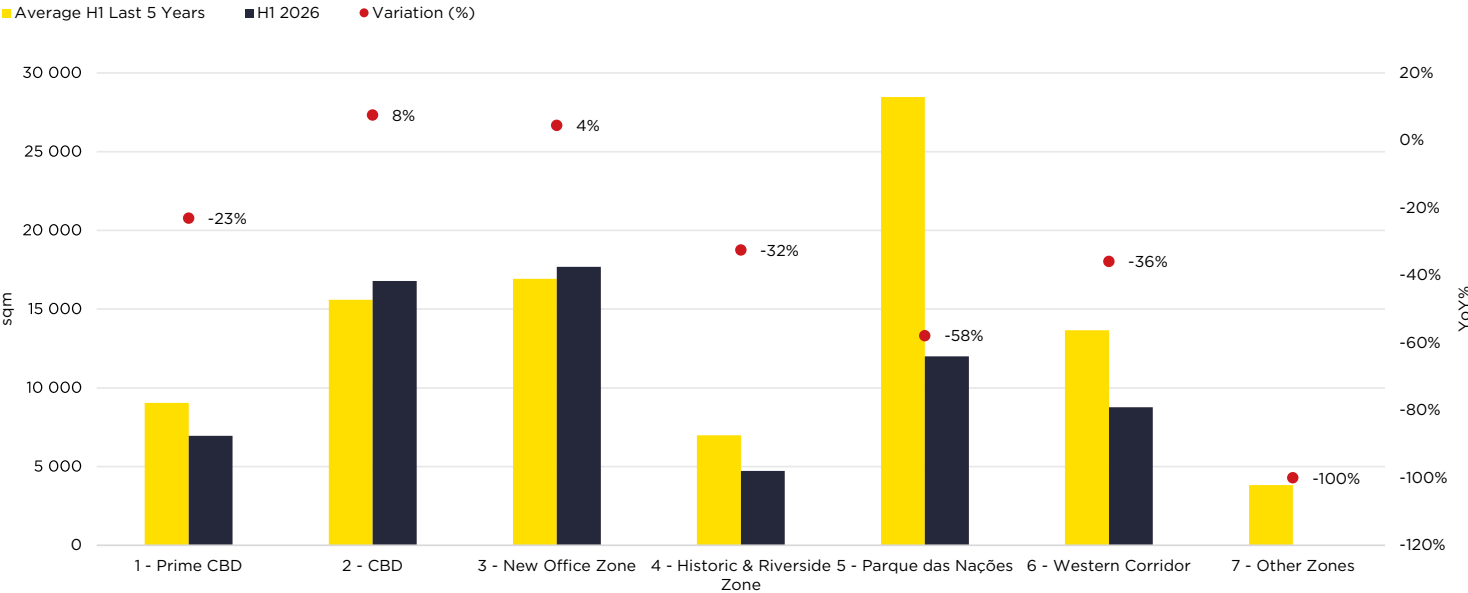
The Lisbon office market entered H1 2026 facing a tale of two halves: a solid recovery in Q1 collided with a demanding Q2 comparable that leaves the semester sitting 20% below the prior-year level.

EVOLUTION OF TAKE-UP



Source: Savills Research

TAKE-UP PERFORMANCE BY MARKET ZONE



Source: Savills Research

FLIGHT TO QUALITY HAS MADE LISBON A TWO-SPEED MARKET

66,906

TAKE-UP (SQ.M)

-20% Y-O-Y

80

OCCUPATIONAL DEALS

+11% Y-O-Y

€30.00

PRIME RENT (SQ.M/MONTH)

+3.4% Y-O-Y

9.21%

VACANCY RATE

+0.9 P.P.

Did you know?

The CBD and New Office Zone each outperformed their five-year half-year averages but the Western Corridor, by contrast, sits at 17.3 % vacancy.

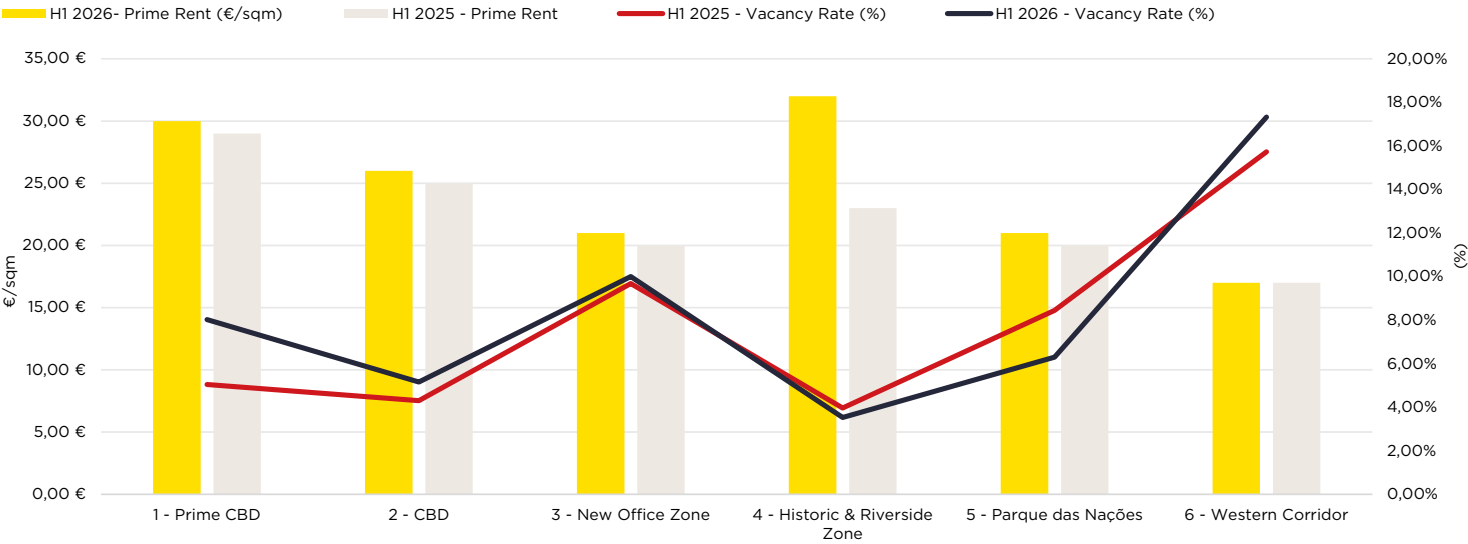


INVESTOR TAKEAWAYS

- Prime rents sustain their upward trajectory;
- New supply remains largely pre-let ahead of completion;
- Vacancy growth is confined to secondary assets and peripheral submarkets;
- Prime assets continue to outperform obsolete stock, widening the two-tier gap;
- ESG remain the differentiator in occupier decision-making.

EXPECTED RENTS BY GRADE	GRADE A	GRADE B	GRADE C
1 - Prime CBD	€28 - €37	€20 - €26	-
2 - CBD	€27 - €35	€17 - €25	€16.5 - €22
3 - New Offices Zones	€24 - 25	€18 - €20	-
4 - Historic & Riverside Zone	€27 - €35	€12 - €24	-
5 - Parque das Nações	€22 - €24	€18.75 - €21	-
6 - Western Corridor	€16 - €19	€10 - €16	€9 - €12

PRIME RENT VS VACANCY RATE



Source: Savills Research



Market Dynamics: Expansion Replaces Relocation

The most significant shift in Lisbon's H1 2026 market is the near-tripling of expansion-driven demand, which in H1 2026 accounted for 43% of take-up - up from 13% a year prior. Companies are growing in place rather than simply relocating, a pattern that reflects confidence in the Lisbon market's ability to meet medium-to-long-term growth trajectories.

Relocations, though still the largest component at 52 per cent, have halved to 34,858 sq.m, but conversely, they also highlight the shortage of new stock able to absorb these expansion plans.

New-build delivered in 2026 (88% of announced pipeline) is substantially pre-let or owner-occupied, demonstrating the market's ability to absorb institutional supply at prime locations before completion.

TAKE-UP
(H1 2026)

43%

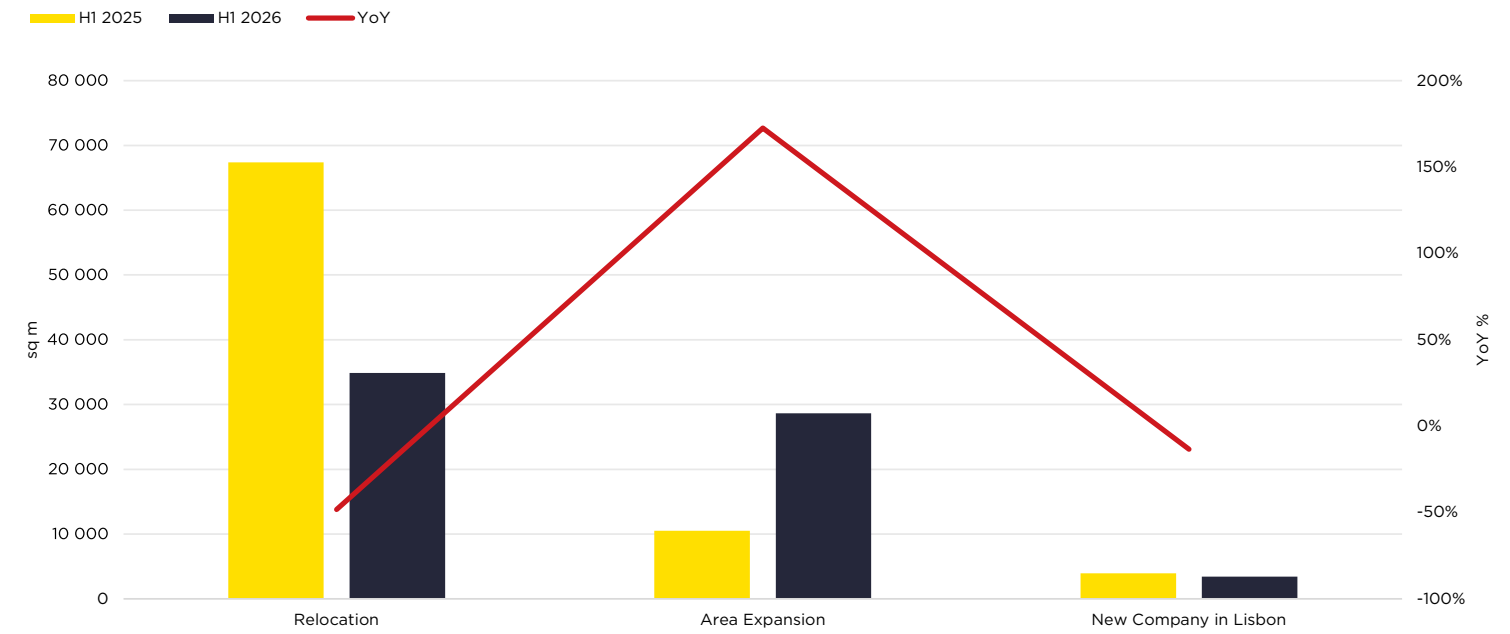
+13% VS 2025

NEW-BUILD
DELIVERED

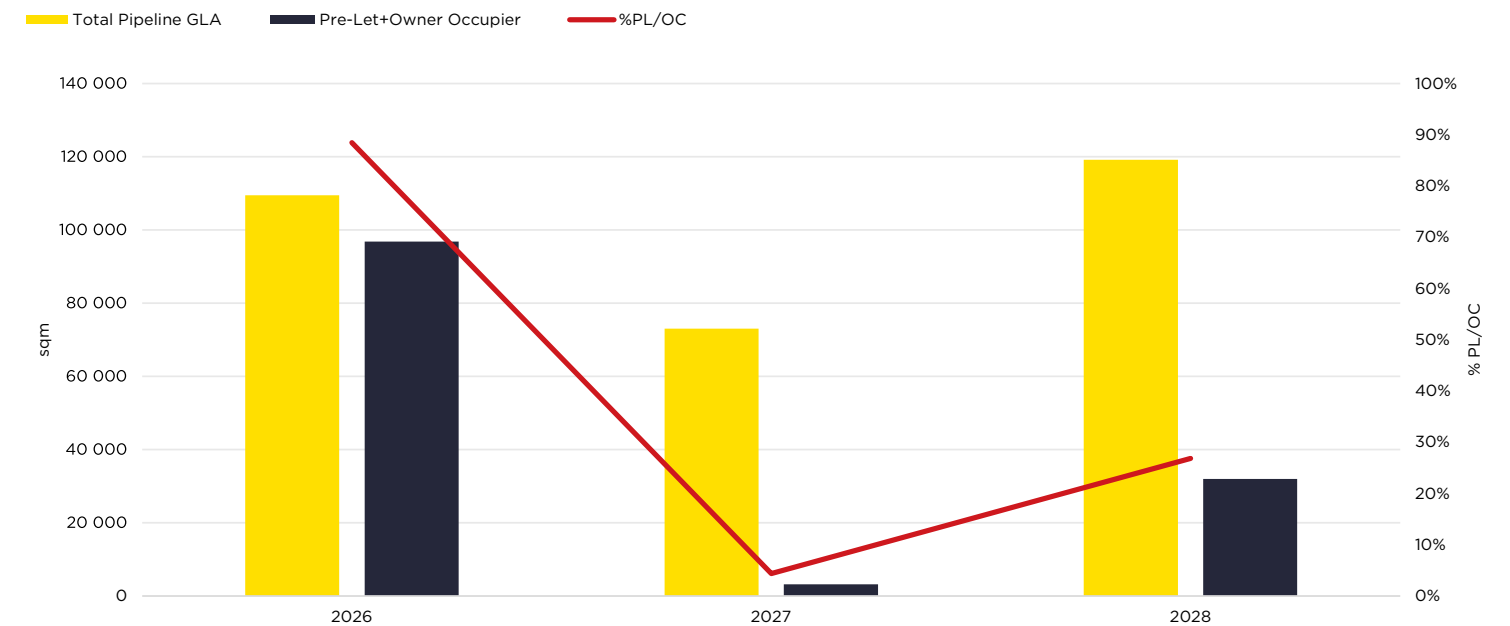
88%

of announced
pipeline

DEMAND MOTIVATION



PIPELINE COMPOSITION



Sector Composition and Delivery Pipeline

TMTs and utilities remain the dominant occupier group, representing 38% of H1 2026 take-up at 25,223 sq.m. Consultants and lawyers, business services, pharmaceuticals and health, and financial services each account for 11-12% of volumes, indicating a diversified tenant base that is resilient to sectoral downturns.

From a supply perspective, Lisbon's vacancy rose to 9.21% (up 0.9 percentage points), a metric that obscures the fact that available supply is increasingly concentrated in secondary and aging stock. Prime and central supply remains constrained, sustaining rental resilience in the city's two highest-performing zones.

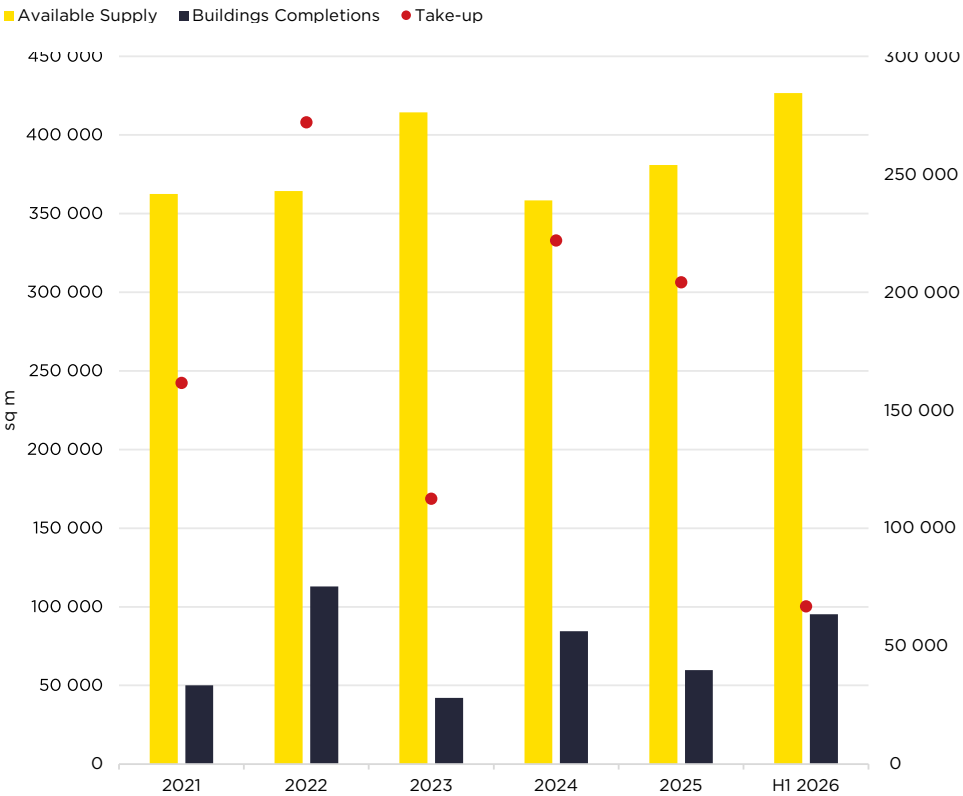
By the end of 2026, approximately 12,300 sq.m are expected to be delivered, adding to the more than 95,000 sq.m already completed this year. For 2027, six projects totalling around 73,000 sq.m are currently scheduled, with Colombo Tower 3 - located in Zone 3, Lisbon's New Office Zone - standing as the largest scheme.

Across the combined 2026-2027 pipeline, the market already records a pre commitment level above 50%.

In early 2028, the Entrecampos Project, set to become Lisbon's largest office development, is expected to add over 100,000 sq.m of new prime office space. This landmark delivery will redefine the city's Prime CBD and establish a new benchmark for quality, ESG compliance and sustainability performance in the Lisbon office market.



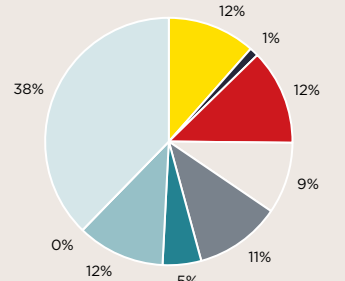
MARKET DYNAMICS



Source: Savills Research

DISTRIBUTION OF TAKE-UP BY BUSINESS SECTOR | H1 2026

- Business Services
- Consultants & Lawyers
- Financial Services
- Pharmaceuticals & Health
- Construction & Real State
- Consumption Products
- Other Services
- State, Europe & Associations



Source: FAO Stat & INC, 2025 Report



Flex Offices: Bigger Tickets, Central Zones, Tech-Led Scaling

A total of 1,002 workstations were contracted in H1 2026, representing 8% growth versus the full-year 2025 total of 928 workstations.

This volume was achieved across only 16 deals, yielding an average ticket size of 67 workstations per deal, 2.4 times increase from the 2025 average

The Prime CBD and CBD zones absorbed 85% of H1 2026 workstations, up from 47% in 2025.

Flex demand is converging on the city's highest-quality, most accessible locations. The Western Corridor, which captured 11% of workstations in 2025, recorded zero flex demand in the half. Parque das Nações holds its role as the principal hub outside the centre, absorbing 14% of H1 2026 workstations. All remaining zones recorded residual volumes. By occupier composition, TMTs and utilities drive 63% of H1 2026 workstations, up from 39% in 2024. Since 2024, new companies account for 22% of all flex deals.

One-third of deals remain in the small-ticket segment (10 workstations or fewer), indicating a bifurcated market where both large corporate entries and small professional-services firms coexist.



CONTRACTED (H1 2026)

1,002

+8% VS 2025 Full Year

FLEX DEALS (H1 2026)

16

67 on average

CENTRAL ZONES

87%

vs 47% in 2025

TMTS & UTILITIES

63%

vs 39% in 2024

European Office Market

European take-up of c. 3.7m sq m was 6% below h1 2025, with 13 of 21 markets trading below their own five-year averages

European take-up reached c. 3.65m sq m in H1 2026, 6% below H1 2025 and c. 3% below the five-year first-half average — a plateau rather than a downturn;

Q2 volumes (1.89m sq m) improved 7% on Q1, as in four of the past five years, confirming that the half-year comparison is the meaningful one;

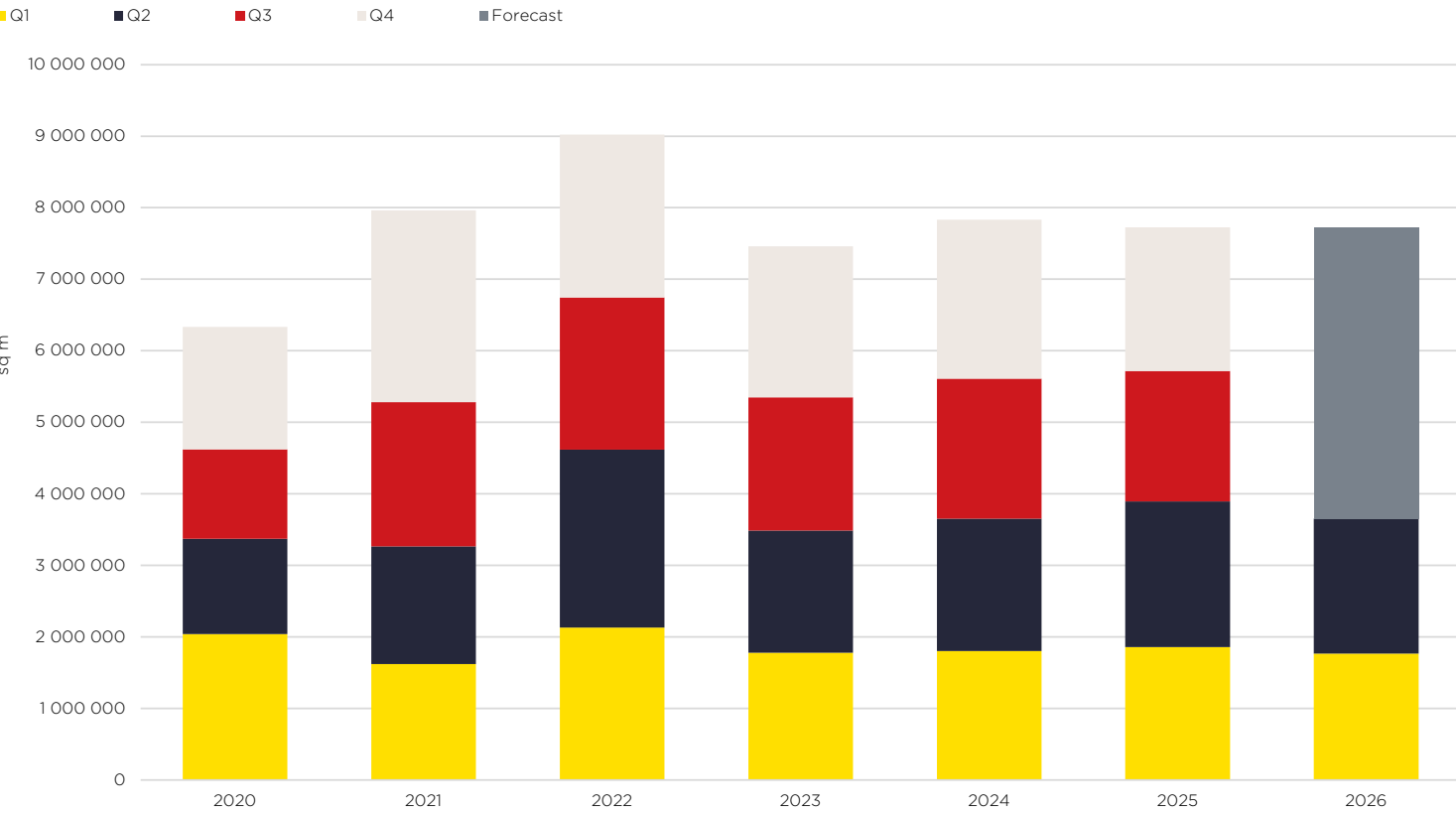
The full-year forecast of c. 7.7m sq m implies volumes flat on 2025 and c. 3% below the five-year average, stabilising well below the 2022 peak of 9.0m sq m;

Lisbon's decline should be read inside this frame: the European market is not expanding, so relative positioning against

comparable cities matters more than absolute volume;

Against a flat continental backdrop, the differentiator is deliverable Grade A product rather than cyclical momentum — the frame in which Lisbon should be assessed.

EUROPEAN OFFICE TAKE UP



Source: Savills Research



Did you know?
Supply-led, not demand-led:
Lisbon sits mid-table on
availability while absorbing its
largest delivery wave.

At 9.21%, Lisbon sits mid-table among its European comparables — below Budapest (12.0%), Barcelona (10.2%) and Milan (9.3%), above Madrid and Warsaw (both 8.5%) and Prague (5.8%);

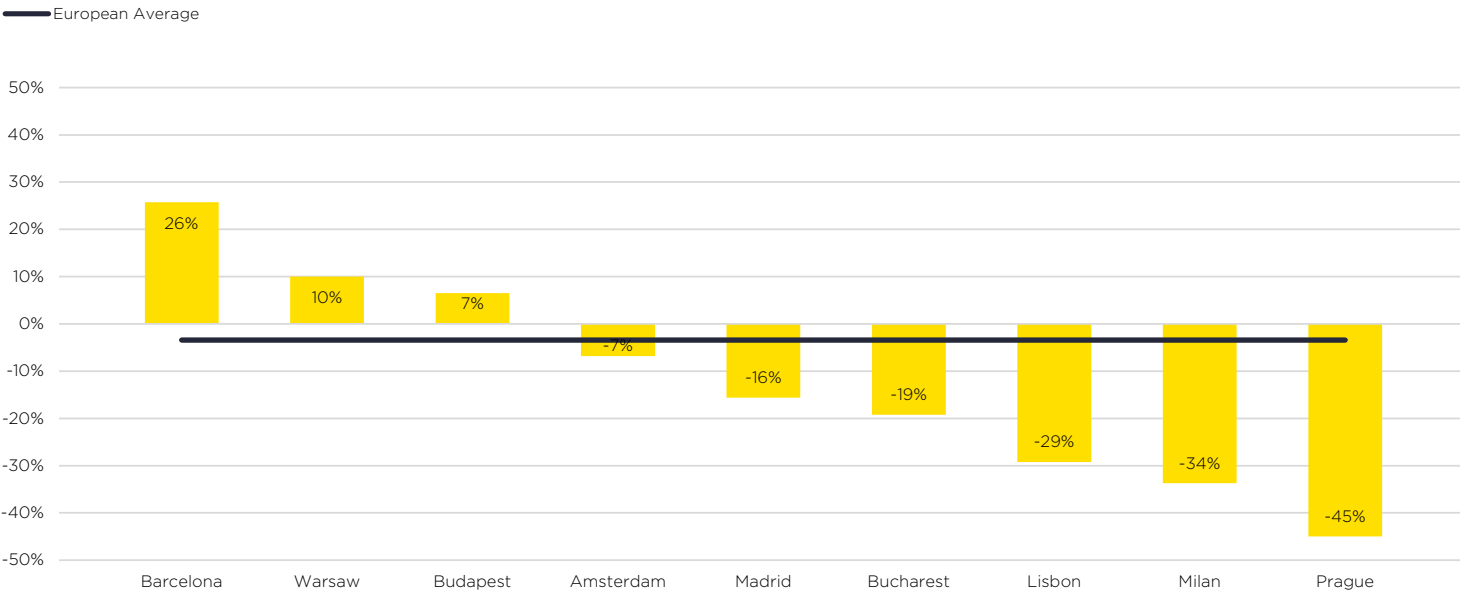
Direction differs from level: Lisbon and Milan were the only two of the eight markets where vacancy rose over the half, against a peer group that averaged a 0.15 p.p. decline;

The cause is supply, not demand — record H1 deliveries of 95,234 sq m reached the market and c. 88% of the 2026 wave is pre-let or owner-occupied, so headline availability overstates what occupiers can actually take;

Take-up dispersion is wide: Barcelona (+26% versus its five-year average) and Warsaw (+10%) outperformed, while six of the nine markets fell below the European average of -3%, Lisbon (-29%) alongside Milan (-34%) and Prague (-45%);

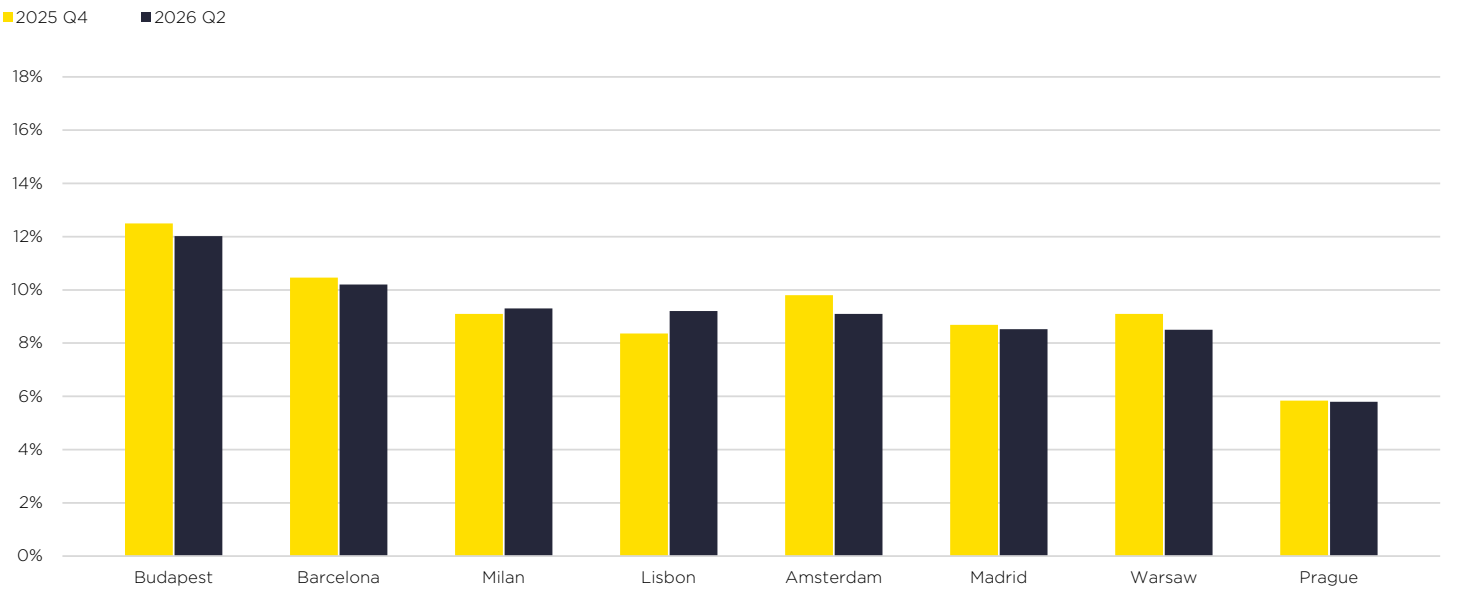
Read together, the two charts place Lisbon in the mid-range on availability while absorbing the largest delivery wave in its series — a supply-side adjustment, not a demand-side retreat

EUROPEAN OFFICE TAKE UP H1 2026 VS 5 YEAR AVERAGE



Source: Savills Research

EUROPEAN OFFICE VACANCY RATES (%)



Source: Savills Research



Lisbon rents advanced
In Five Of The Six Zones
While Take-up Fell 20%
- Pricing Power In Scarce
Grade A

Lisbon prime rents rose 3.4% year-on-year to €30.00/sq m/month, sixth of the nine comparable markets and below the peer average of 4.7%;

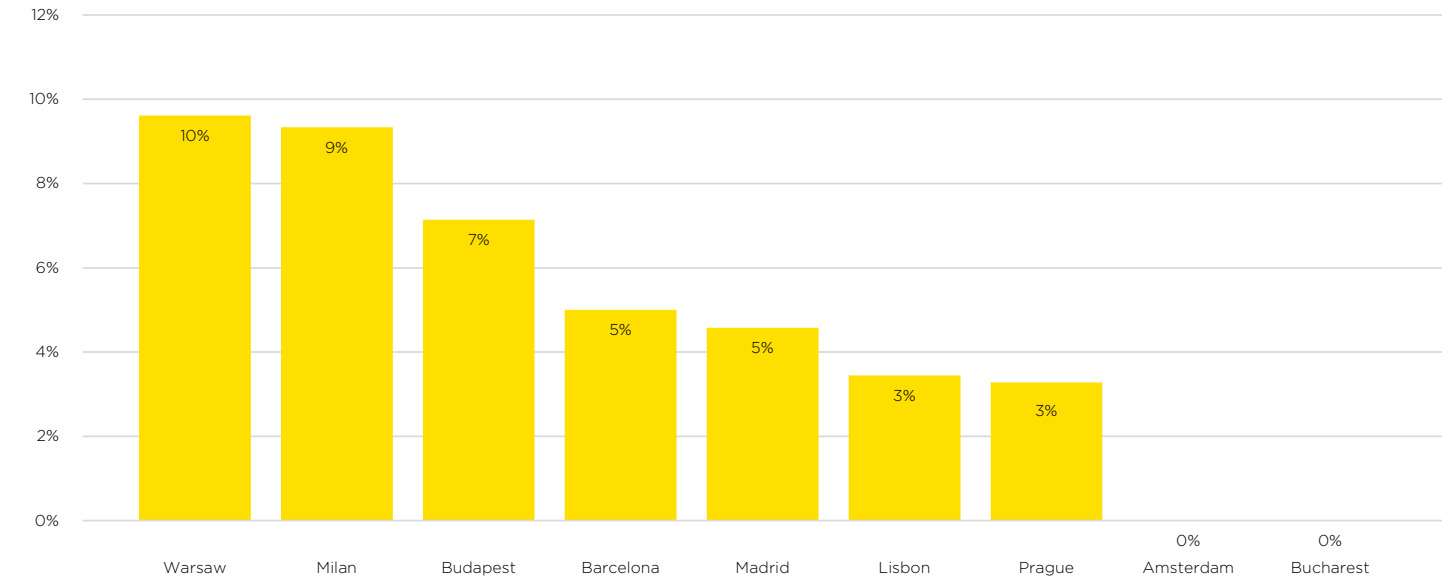
The ranking alone is misleading: the markets ahead of Lisbon are led by CEE, where Warsaw (+9.6%) and Budapest (+7.1%) sit alongside Prague (+3.3%) and a flat Bucharest — growth there is neither uniform nor euro-denominated;

Iberia moved as a bloc — Barcelona +5.0%, Madrid +4.6% and Lisbon +3.4% — with all three ahead of Amsterdam, which recorded no growth at all;

Lisbon’s growth is broad rather than concentrated: rents advanced in five of the six zones even as take-up fell 20%, evidence of pricing power in scarce Grade A rather than a single trophy letting;

Two of the nine markets recorded no rental growth at all. Lisbon’s advance, achieved against falling volumes, is the clearest read on a supply-constrained prime segment.

PRIME OFFICE RENTAL GROWTH, YOY, Q2 2026

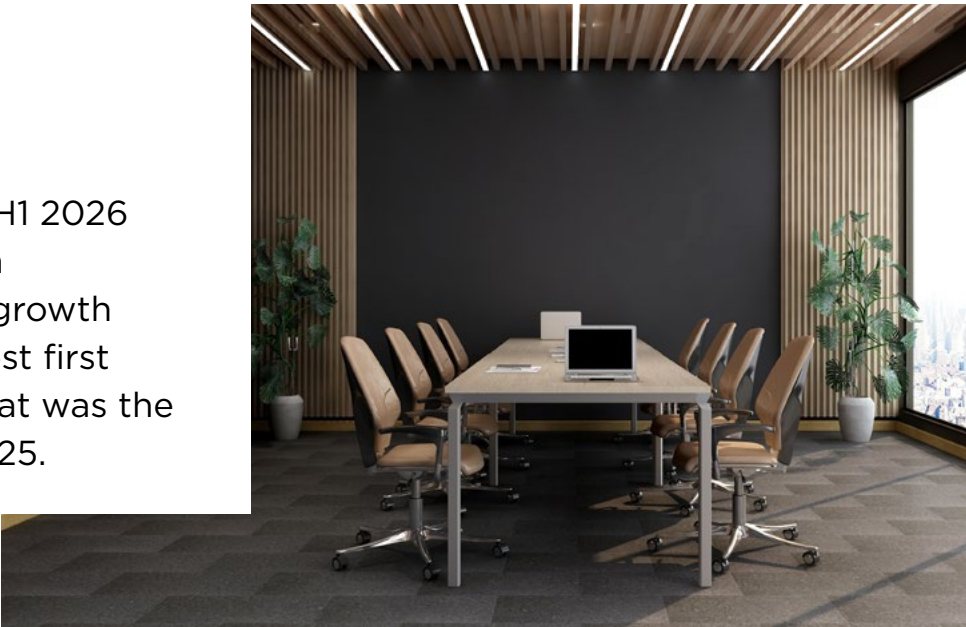


Source: Savills Research

Porto
Office Market

Porto’s office market closed H1 2026 with a take-up of 19,516 sq.m representing an 80 per cent growth year-on-year and the strongest first half since 2024, reversing what was the weakest year on record in 2025.

Whilst volumes still sit approximately 9 per cent below the five-year H1 average, the trajectory of travel is unmistakable:



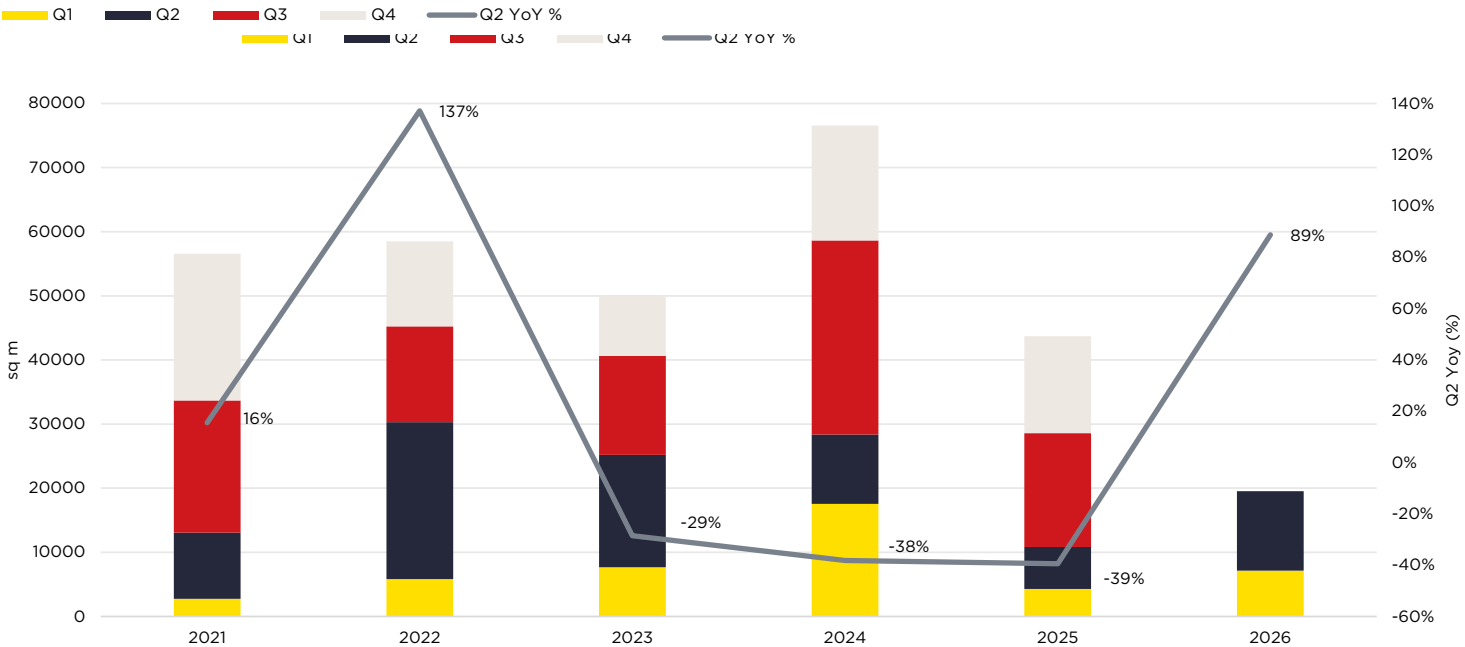
MOMENTUM IS
REBUILDING

Q2 particularly demonstrated traction, with 12,366 sq.m - 89 per cent above the prior-year quarter.

TAKE-UP
(SQ.M)
19,516
+80% Y-O-Y

Q2 TAKE-UP
(SQ.M)
12,366
+89% Y-O-Y

TOTAL TAKE-UP



Source: Savills Research

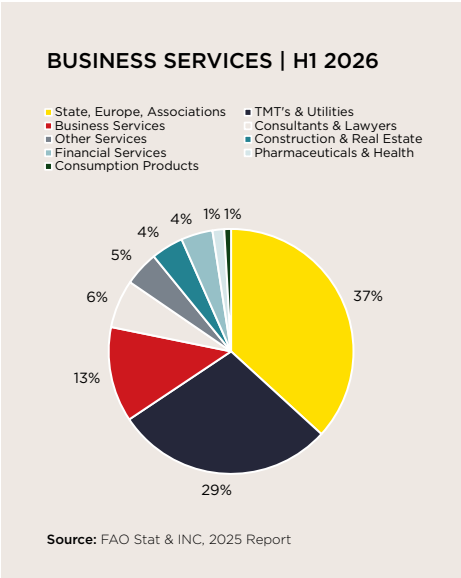
Porto's recovery is anchored by state and institutional demand. The 6,149 sq.m SNS transaction - the single largest deal of the market's recent cycle - proves the emergence of government occupiers as an important source of demand.



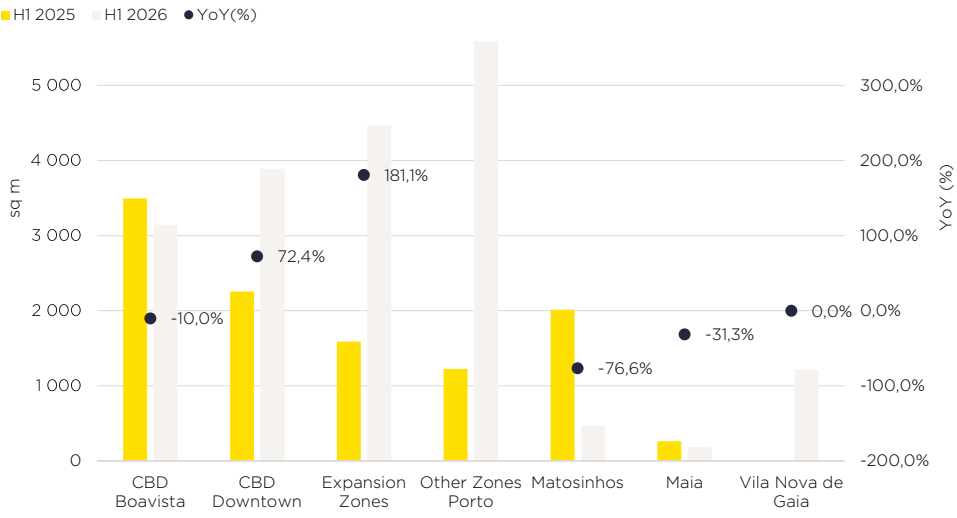
Market Dynamics

The most striking development in H1 2026 is the emergence of public-sector and European institutional occupiers as the dominant demand source. State, Europe and Associations accounted for 7,128 sq.m - 37 per cent of total take-up - driven almost entirely by the SNS transaction.

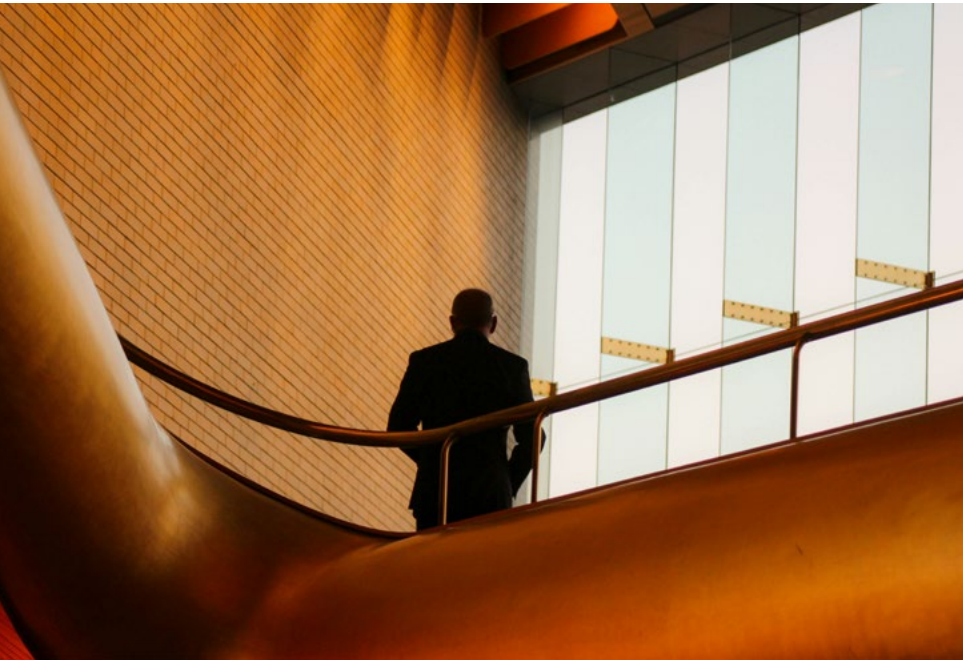
Also, TMTs and utilities showed strong growth of 66 per cent year-on-year to 5,589 sq.m. Business services and consultants and lawyers each posted strong gains. Expansion-driven demand accounted for three of the four largest transactions in the half, confirming that occupiers are committing to medium-term growth within Porto.



HALF-YEAR TAKE-UP



Source: Savills Research

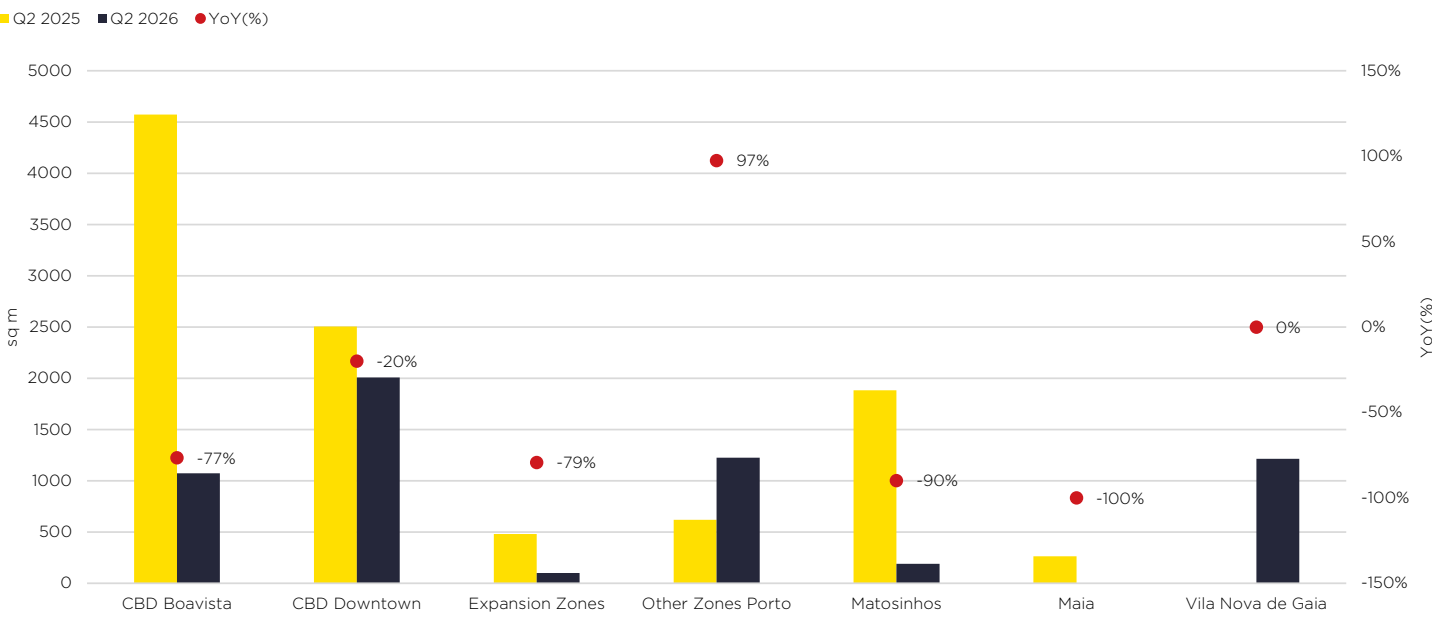


Geography and Rental Stability

Downtown CBD led the half with 3,287 sq.m in Q2, representing 89 per cent growth above its five-year quarterly average and showcasing a reorientation of demand toward Porto's highest-quality, most accessible locations.

Boavista Prime CBD held firm at €21.00 per sq.m per month - unchanged from H1 2025.

QUARTER TAKE-UP



Source: Savills Research

Did you know?

The rental stability observed across all seven market zones in H1 2026, despite the year-on-year take-up growth, reflects a market in equilibrium.

No zone experienced rental pressure, nor did any face acute oversupply. With Boavista Prime CBD containing merely 600 sq.m of new supply over the entire H2 2026 - 2028 horizon and no speculative pipeline, scarcity in the prime zone is set to sustain stability for the medium term.

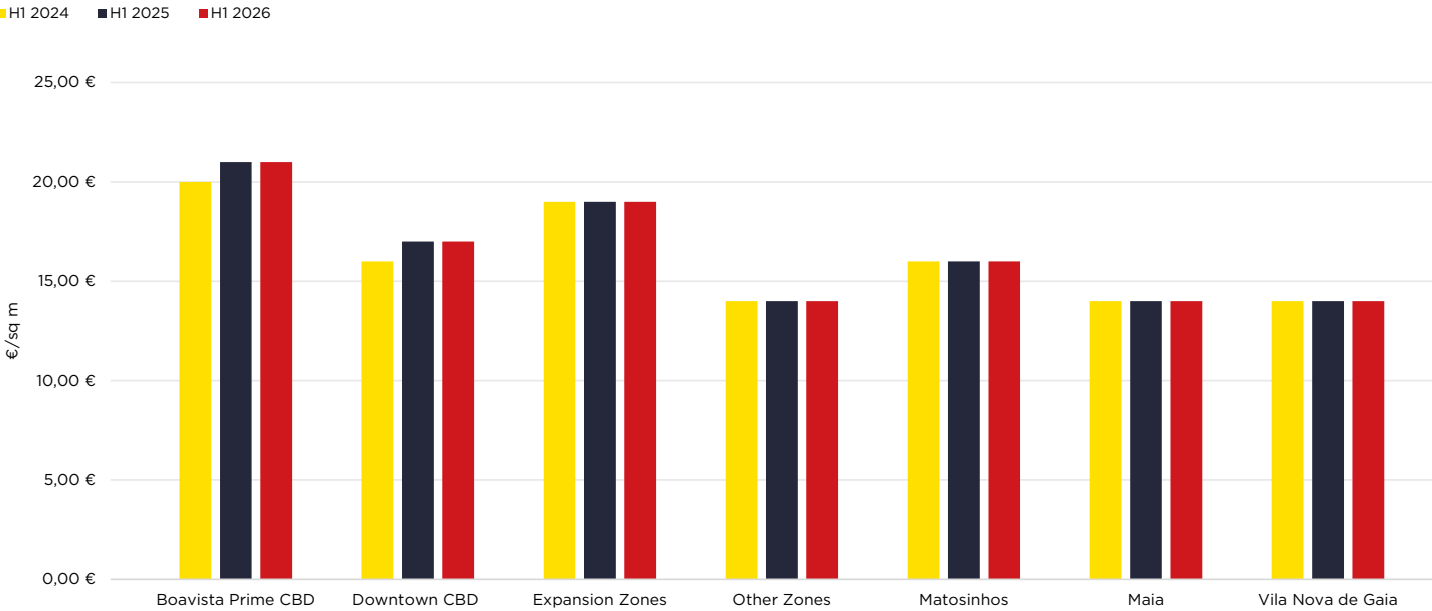
PRIME RENT (SQ.M/MONTH)

€21.00

STABLE Y-O-Y



PRIME RENT BY OFFICE MARKET ZONE



Source: Savills Research

Pipeline

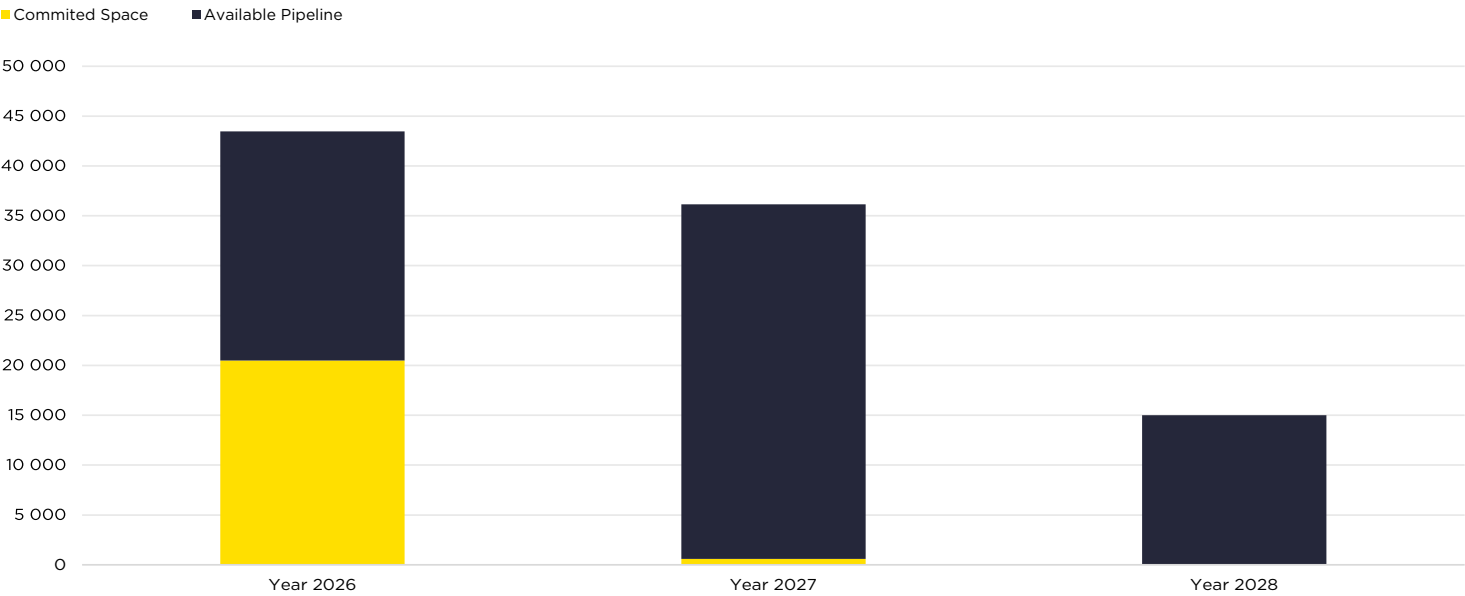
By the end of 2026, the Porto office market is expected to deliver 46,377 sq.m of new supply across several sub markets, with an estimated pre commitment level of around 44%.

Looking ahead, close to 51,000 sq.m are scheduled for completion in 2027 and 2028, distributed across five schemes, most of which are new developments, with only 600 sq.m currently pre let. In terms of scale, key projects include Fernão Magalhães by Avenue, totalling 17,377 sq.m in the CBD Downtown and expected to complete in late 2027; HOP by Quest Capital, with 15,707 sq.m also in the CBD Downtown and due for delivery later this year; HilCrown, adding 15,000 sq.m in 2028; and Lionesa Business Hub, comprising two buildings totalling 18,000 sq.m in Matosinhos.

PIPELINE H2
2026-28 (SQ M)

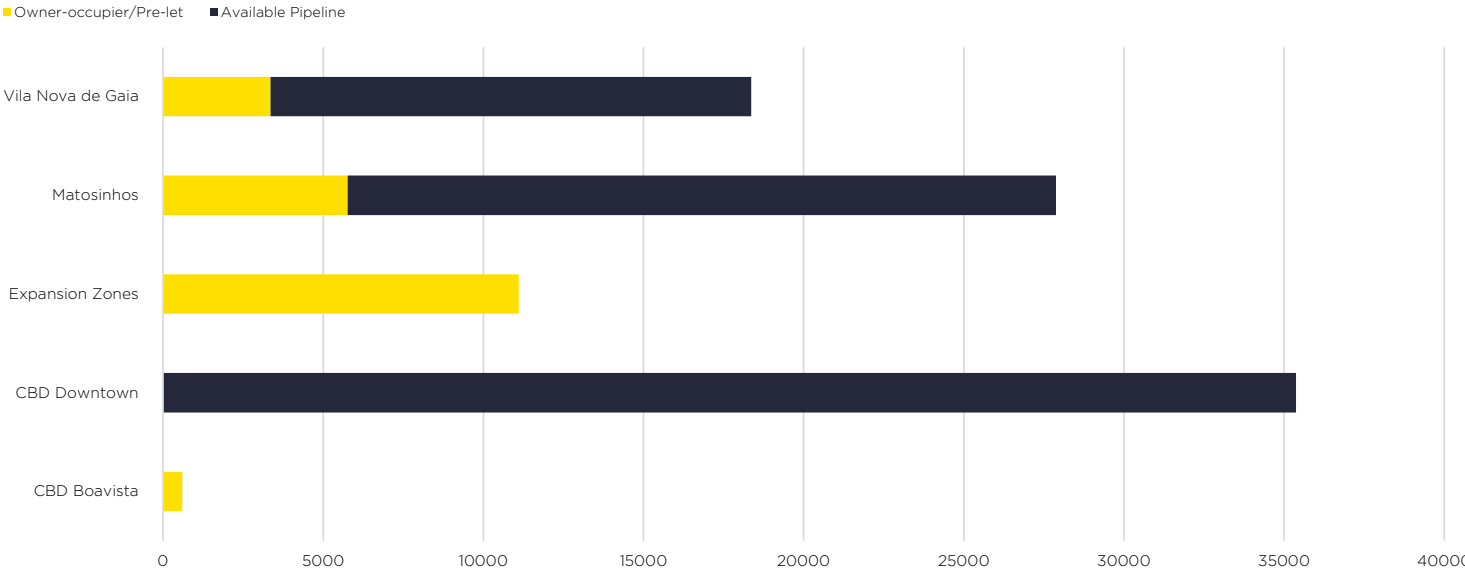
96,054
c. 22% committed

PIPELINE COMPOSITION BY YEAR



Source: Savills Research

PIPELINE COMPOSTION BY MARKET ZONE



Source: Savills Research

Flex Offices: Centralisation & Corporate Entries Accelerate

Since 2025, the market has recorded 957 workstations across 24 deals; H1 2026 alone contributed 264 workstations across five deals, indicating that both supply and occupier demand are gaining momentum.

The average ticket size rose approximately 1.4 times to 53 workstations in H1 2026, reflecting a shift toward larger corporate commitments rather than fractional SME space.

Geographic concentration is pronounced: the two CBDs - Boavista and Downtown - captured 89% of H1 2026 workstations (up from 71 per cent in 2025). CBD Downtown was the busiest hub, recording 181 workstations across three of the five deals completed in the half, whilst Boavista anchors the largest individual commitments of the series.

By occupier profile, TMTs and utilities lead the segment with approximately 44% of workstations, reflecting the technology sector's comfort with flexible arrangements and its orientation toward modern, well-equipped space. The composition and growth rate suggest that the flex market is maturing beyond its initial phase and beginning to function as a credible alternative to conventional lettings for certain occupier types and deal structures. Matosinhos remains the principal alternative pole, capturing 197 workstations in 2025, although H1 2026 activity there was marginal.

WORKSTATIONS
(SINCE 2025)

957

264 IN H1 2026

FLEX DEALS
(SINCE 2025)

24

5 IN H1 2026

AVERAGE TICKET
H1 2026

53

1.4x the 2025 average

CBDS SHARE
H1 2026

89%

vs 71% in 2025





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