



# 2022 HALF YEAR RESULTS

28 JULY 2022



# CLEAR & CONSISTENT STRATEGY CONTINUES TO DELIVER

Portfolio valuation	+7.2%
ERV growth	+5.9%
Net investment	£548m

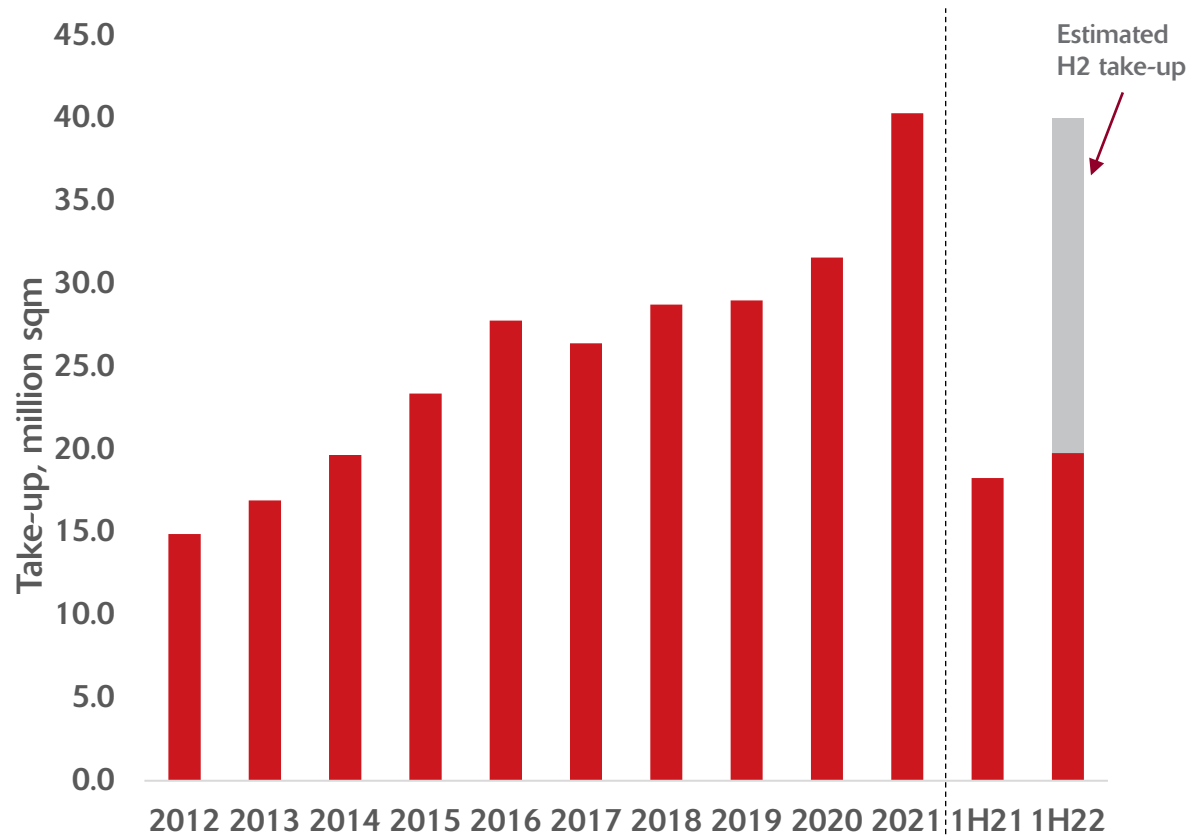


Like-for-like rental growth	+7.1%
Uplift on rent reviews and renewals	+24%
Occupancy	97%

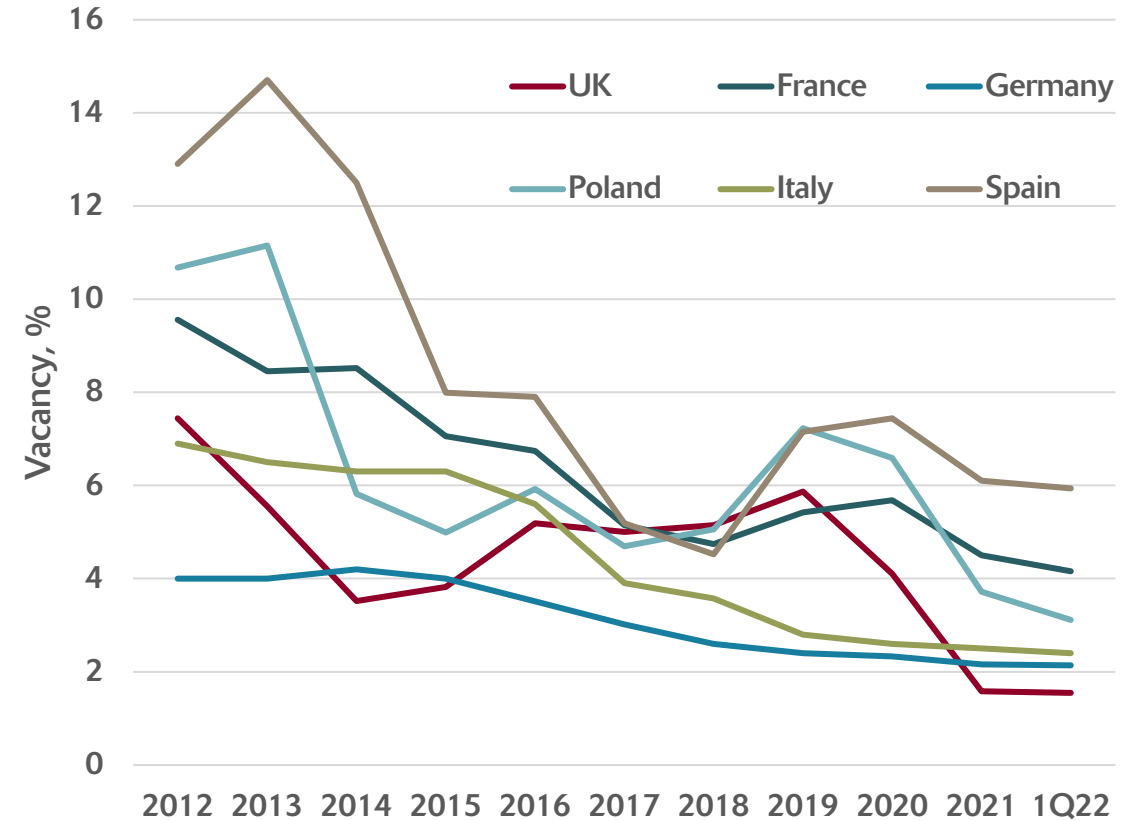
LTV ratio	23%
Cost of Debt <sup>1</sup>	1.8%
Debt Maturity <sup>1</sup>	8.7 years

# OCCUPIER OUTLOOK REMAINS VERY POSITIVE

European 1H22 take-up 8% higher than 1H21<sup>1</sup>

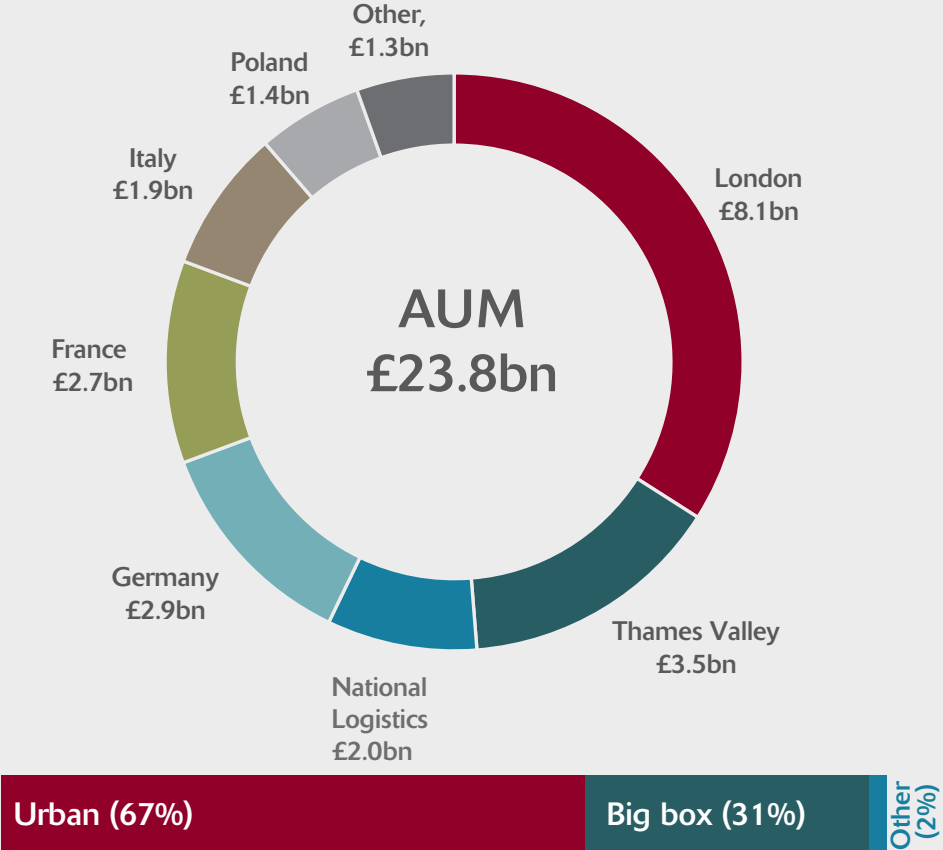


Low vacancy rate across all European markets<sup>2</sup>



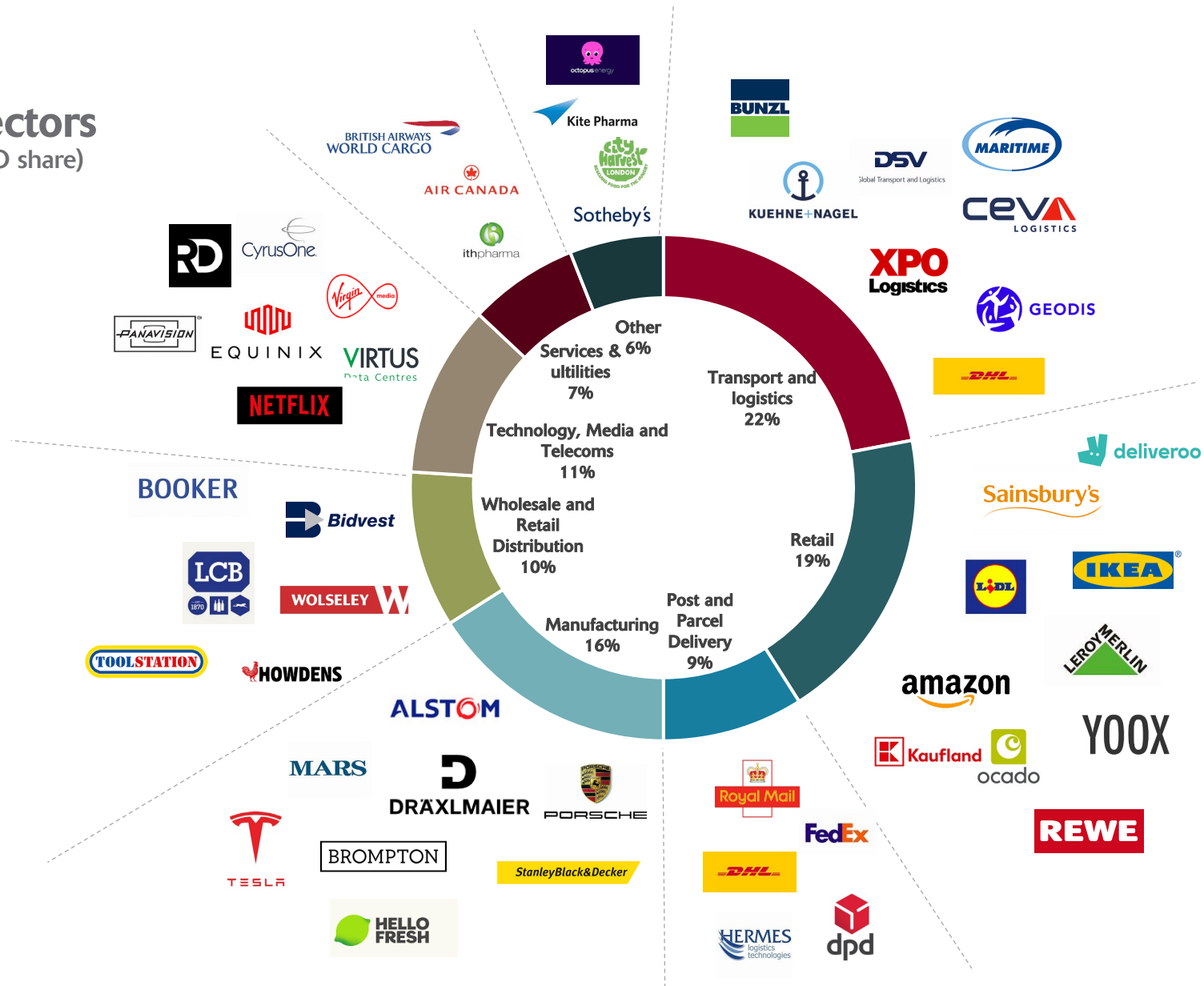
# PRIME MODERN PORTFOLIO HEAVILY WEIGHTED TO URBAN MARKETS

Portfolio split by geography and asset type  
(at 30 June 2022)



# A VERY DIVERSIFIED AND GROWING CUSTOMER BASE

Customer sectors  
(headline rent, SEGRO share)



1,462 customers

Top 20 customers = 32% of total group headline rent

No single customer > 7% of total group headline rent

# RESPONSIBLE SEGRO INCREASINGLY INTEGRATED THROUGHOUT THE BUSINESS

CHAMPIONING  
LOW-CARBON  
GROWTH

INVESTING IN  
OUR LOCAL  
COMMUNITIES  
AND  
ENVIRONMENTS

NURTURING  
TALENT



Retrofitting solar panels



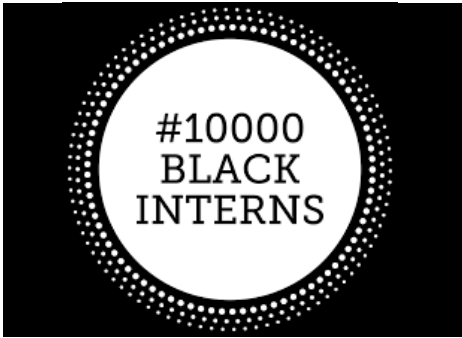
Use of low-carbon concrete



SEGRO Day of Giving



Slough Community Investment Plan





# WE CREATE THE SPACE THAT ENABLES EXTRAORDINARY THINGS TO HAPPEN

**Inflation-  
beating  
earnings  
growth**

**Delivering  
strong  
operational  
metrics**

**Disciplined  
approach to  
capital  
allocation**

**Confident  
outlook**



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# STRONG FINANCIAL RESULTS

**£216m**

Adjusted profit before tax  
+28.6%

**16.9p**

Adjusted earnings per share  
+22.5%  
Excl SELP fee: 15.6p, +13.0%

**8.1p**

Interim dividend per share  
+9.5%

**£20.5bn**

Portfolio valuation (at share)  
+7.2%

**1,249p**

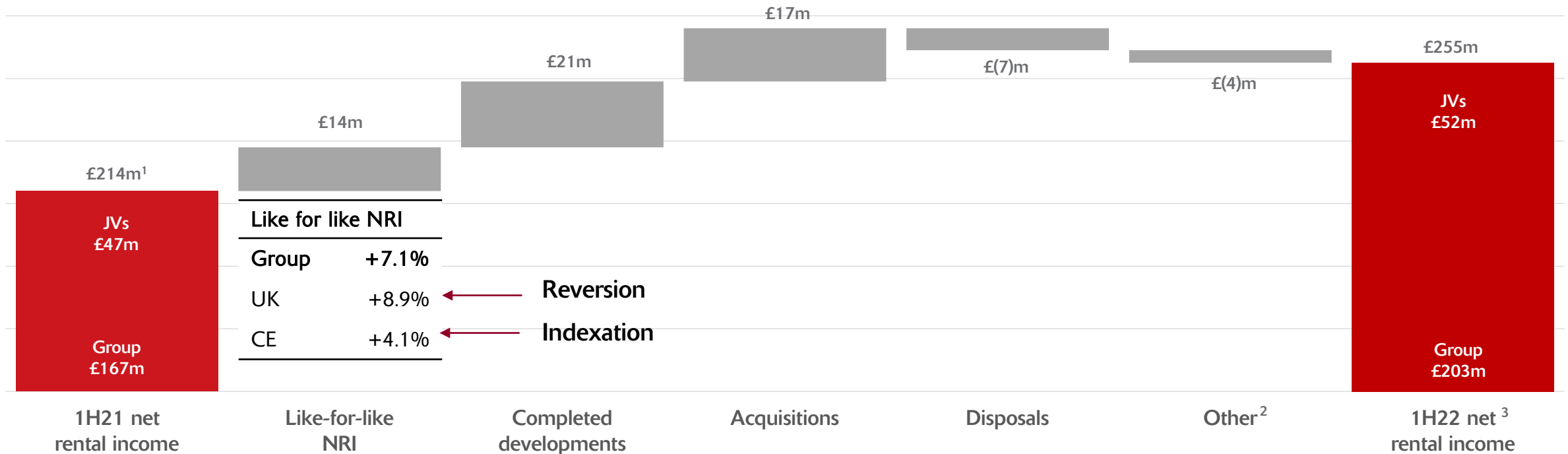
Adjusted NAV per share  
+9.8%

**23%**

Loan to value

# 19% GROWTH IN NET RENTAL INCOME

Proportionally consolidated net rental income (excluding joint venture fees), H1 2021-22, £ million



<sup>1</sup> H1 2021 comparables have been restated to reflect a change in the composition of net rental income to give a better measure of the underlying rental income in the property portfolio Management and development fee income, service charge income and expense and solar energy income and expense are now presented outside of the gross and net rental income

<sup>2</sup> Other primarily includes properties taken back for development (-£2m) and impact of exchange rate (-£3m)

<sup>3</sup> Proforma H1 22 net rental income can be found on slide 39

# 29% INCREASE IN ADJUSTED PBT

Adjusted income statement	H1 2022 £m	H1 2021 £m	Change
Gross rental income	239	195 <sup>1</sup>	
Property operating expenses	(36)	(28) <sup>1</sup>	
<b>Net rental income</b>	<b>203</b>	<b>167<sup>1</sup></b>	<b>+22%</b>
Joint venture fee income	57	12	
Other income	3	4 <sup>1</sup>	
Administration expenses	(31)	(27)	
Share of joint ventures' adjusted profit after tax <sup>2</sup>	16	32	
<b>Adjusted operating profit</b>	<b>248</b>	<b>188</b>	<b>+32%</b>
Net finance costs	(32)	(20)	
<b>Adjusted profit before tax</b>	<b>216</b>	<b>168</b>	<b>+29%</b>
Adjusted EPS	16.9	13.8	<b>+22%</b>
Average share count	1,204.2	1,194.1	

#### SELP performance fee:

- Recognised net £21 million in the period before tax related to the 10-year performance fee - 1.3p impact on EPS
- Excluding that EPS would have been 15.6p (+13%)
- See slide 39 for further information

#### Total cost ratio

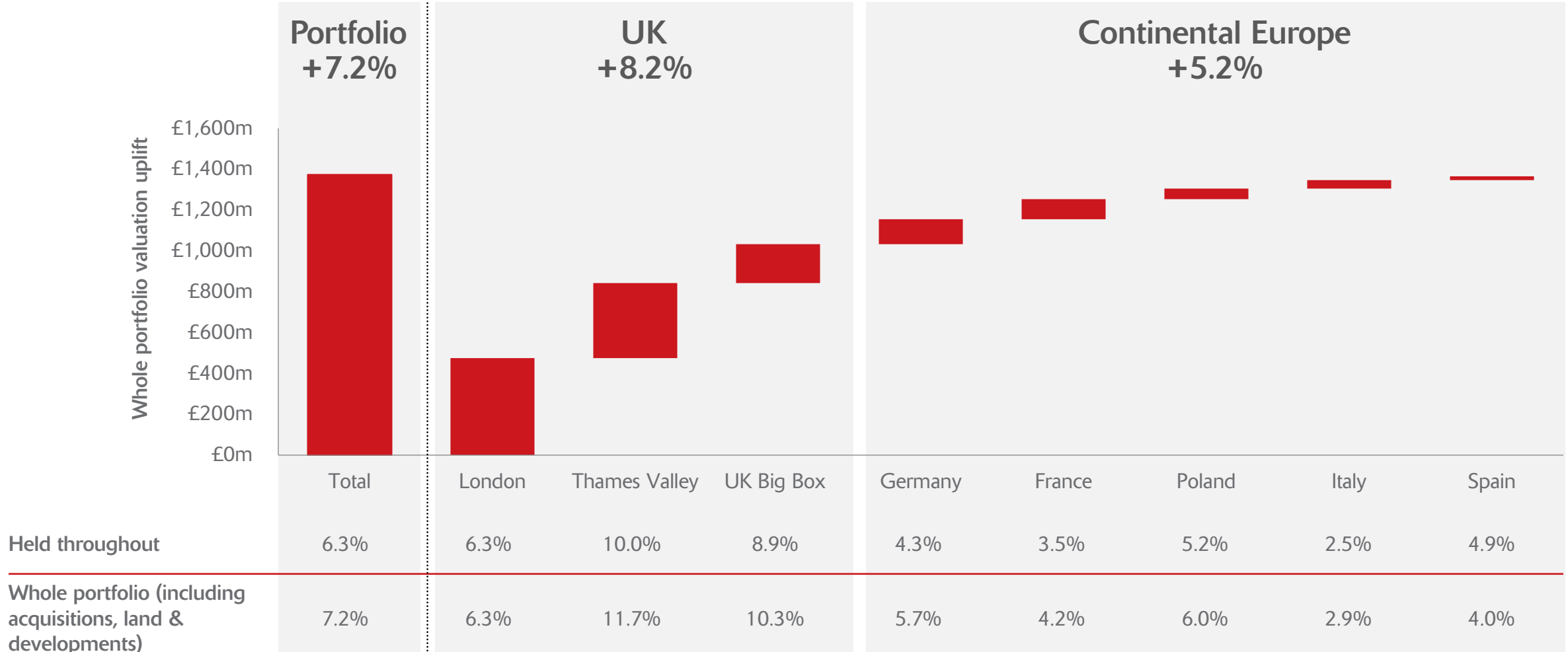
- Slightly higher at 20.5% (H1 2021: 19.8%)
- 18.7% excl share based payments (H1 2021: 17.4%)

<sup>1</sup> H1 2021 comparables have been restated to reflect a change in the composition of net rental income to give a better measure of the underlying rental income in the property portfolio Management and development fee income, service charge income and expense and solar energy income and expense are now presented outside of the gross and net rental income. See Note 4 and 5 of the Financial Statements for further information

<sup>2</sup> Net property rental income less administrative expenses, net interest expenses and taxation

# £1.4BN VALUATION SURPLUS DRIVES INCREASE IN NAV

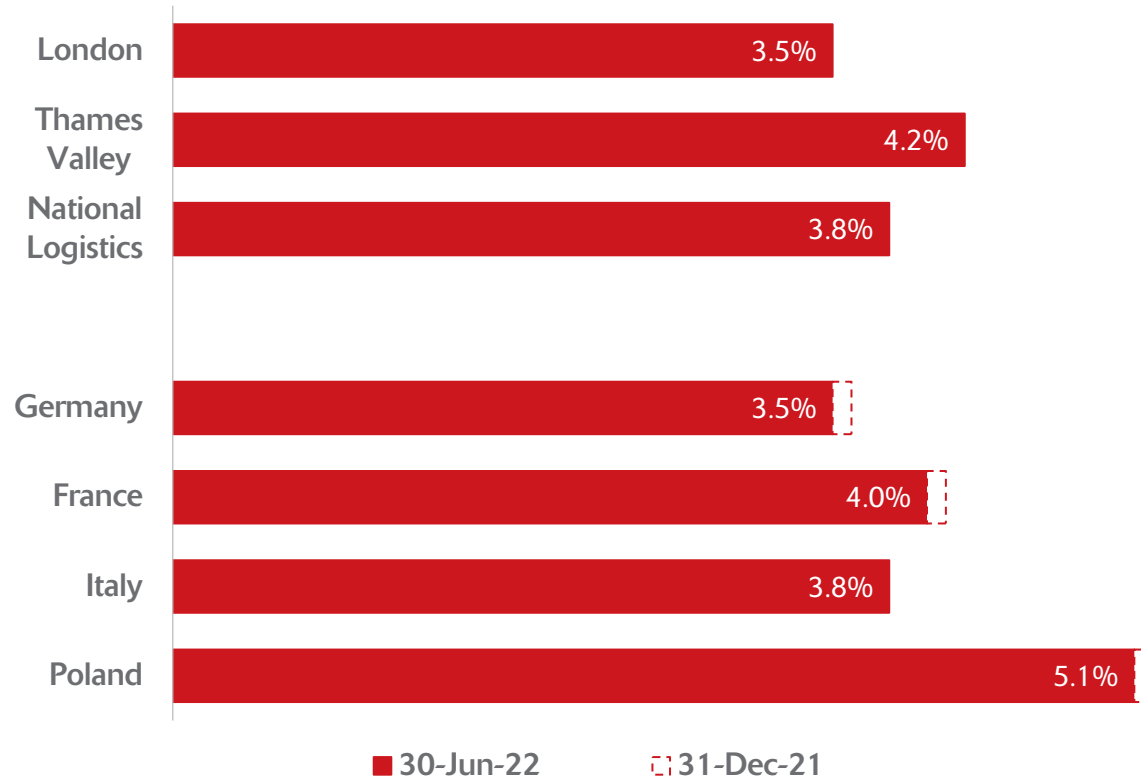
Portfolio value at 30 June 2022: £20.5bn



# DRIVEN BY RENTAL GROWTH AND ASSET MANAGEMENT

## Property yield<sup>2</sup>: 3.8%

31 December 2021: 3.8%



## 6 month ERV growth: 5.9%

H1 2021: 2.8%

+6.3%	<b>UK:</b> <b>+7.3%</b>
+9.8%	
+7.0%	
H1 2021: +3.6%	
<hr/>	
+3.8%	<b>Cont. Eur:</b> <b>+3.6%</b>
+3.2%	
+1.8%	
+4.6%	
H1 2021: +1.5%	

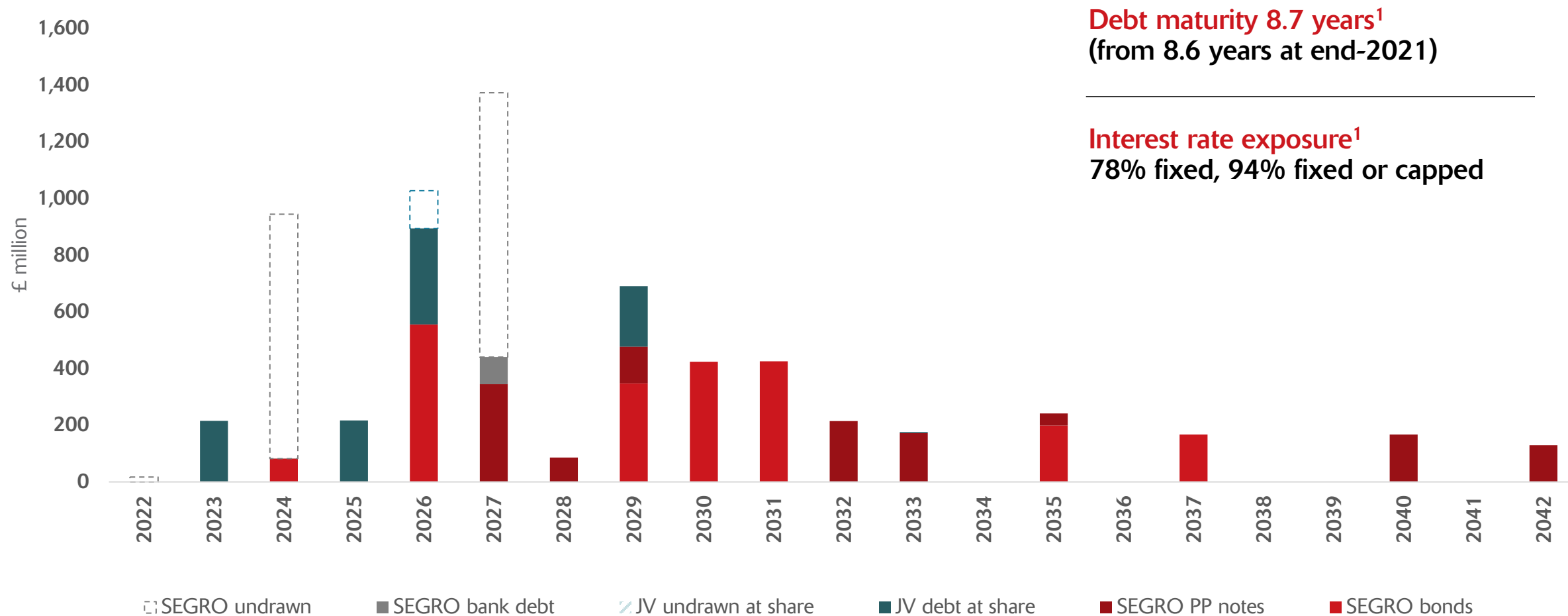
# £2.1BN<sup>1</sup> OF NEW FINANCING FROM DIVERSE SOURCES

<b>SEGRO EMTN programme</b> €1.15bn green notes issued	€650m 1.250% fixed coupon, due 2026 €500m 1.875% fixed coupon, due 2030
<b>SEGRO US private placement</b> €225m of new long-term debt arranged	€50m 3.87% fixed coupon, due 2037 €175m 4.14% fixed coupon, due 2042
<b>SEGRO Term Loan Facility</b> €1.0bn multicurrency facility	2-year facility to provide additional liquidity to support SEGRO's acquisition pipeline
<b>SELP bilateral RCFs</b> €100m additional committed facility	New bilateral facility conformed to existing syndicated RCF Total SELP RCF €600m, maturity 2026
<b>SEGRO bank facilities extended</b> €1.2bn facilities	SEGRO RCF extended, maturity 2027

<sup>1</sup> Sterling equivalent, including JVs at share

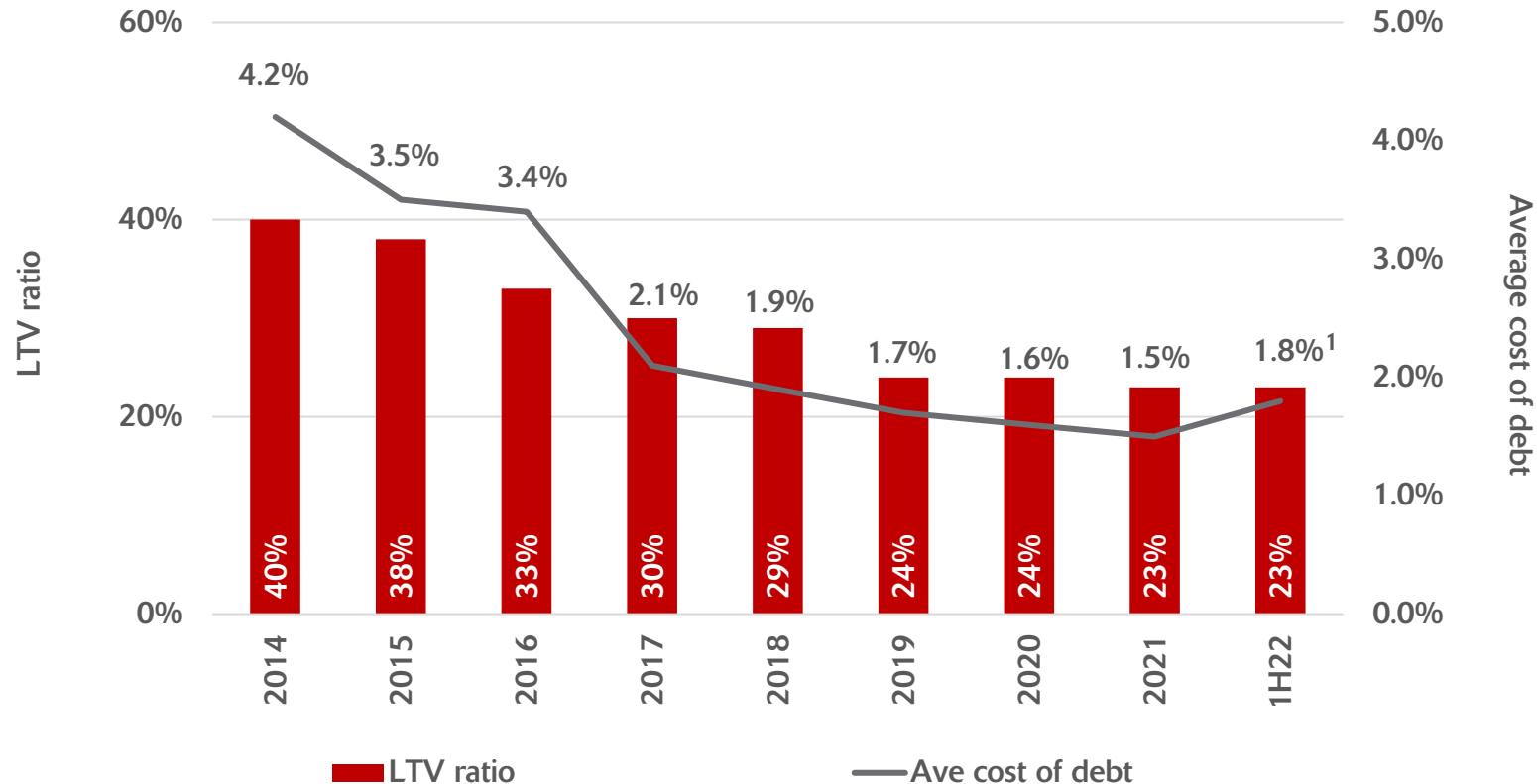
# NO SIGNIFICANT REFINANCING UNTIL 2026

Debt maturity by type and year, £ million  
(as at 30 June 2022)



# LOW AVERAGE COST OF DEBT AND LEVERAGE

LTV ratio and average cost of debt  
(incl share of joint ventures), 2014-22



**Credit rating**  
A (Fitch senior unsecured)

**Net debt £4.8bn**  
(FY 2021: £4.2bn)

**£2.1bn liquidity<sup>1</sup>**  
cash and available bank facilities

**Estimated development capex:**  
2022: >£700 million  
**Disposals:**  
1-2% of GAV per annum



# INFLATION-BEATING EARNINGS GROWTH

13% earnings growth (ex SELP fee) driven by lettings, capture of reversion and development

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Significant rental growth

- 7.1% like-for-like (vs H1 21)
  - 5.9% ERV growth (vs Dec 21)
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Low leverage and attractive debt profile

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2022 interim dividend increased by 9.5%





# WE CREATE THE SPACE THAT ENABLES EXTRAORDINARY THINGS TO HAPPEN

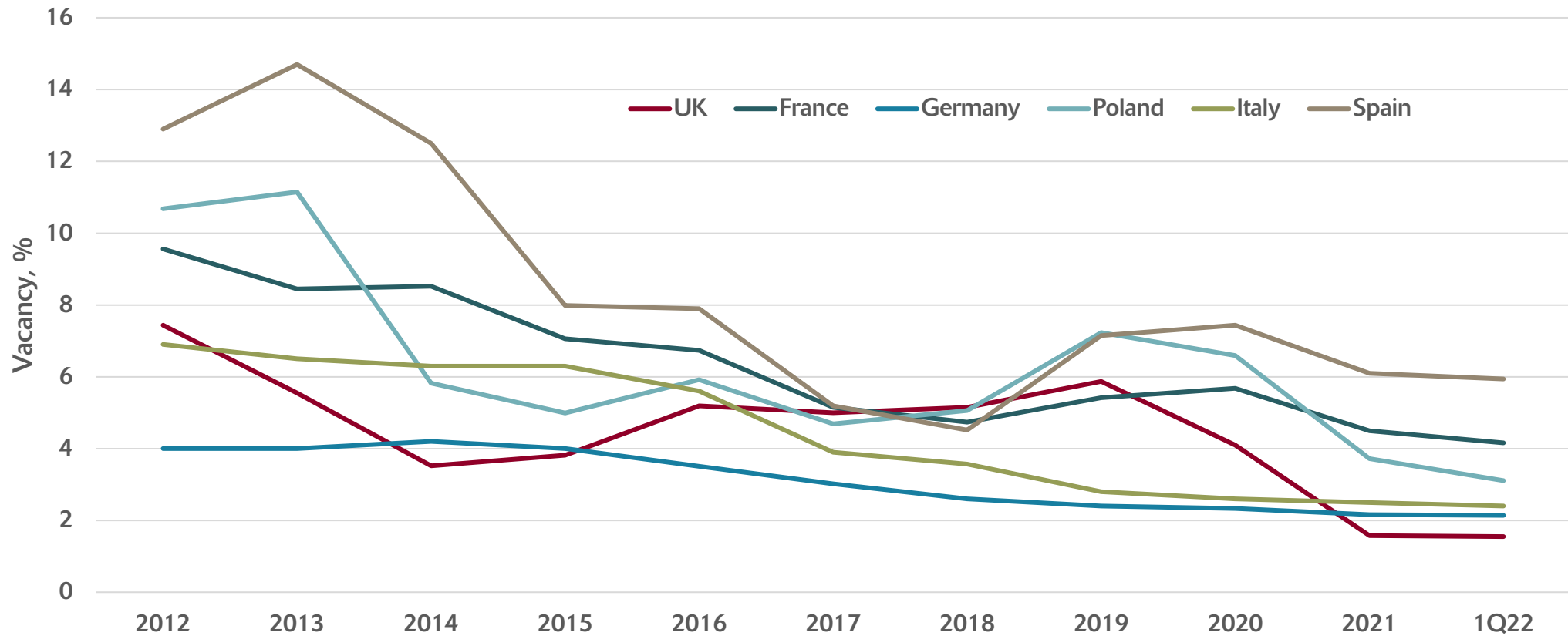
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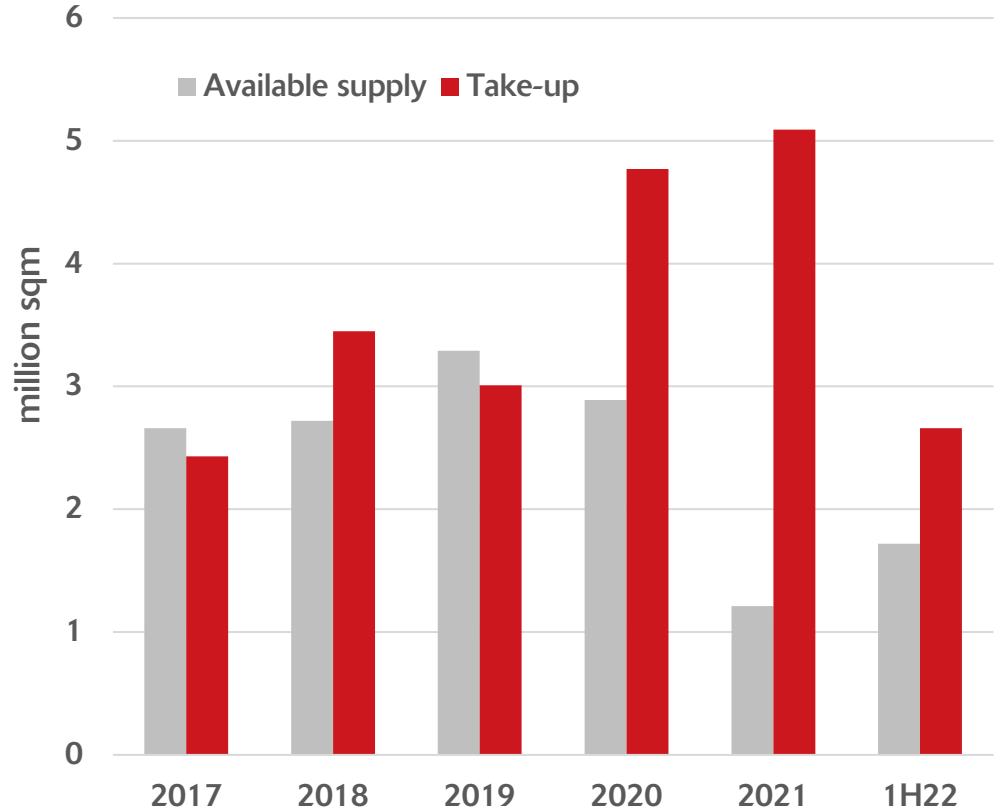
**Confident  
outlook**

# EUROPEAN VACANCY AT HISTORIC LOWS

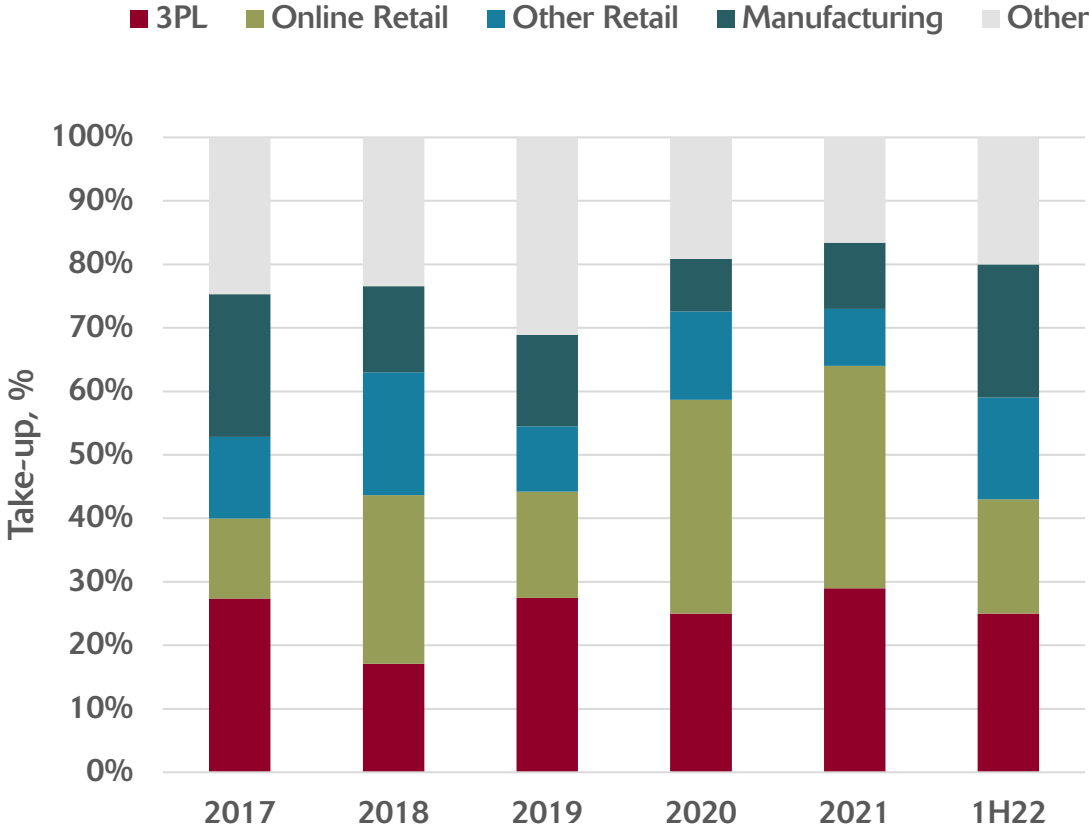


# SUPPLY-DEMAND DYNAMICS POINT TO FURTHER RENTAL GROWTH

Take-up continues to outpace supply in the UK

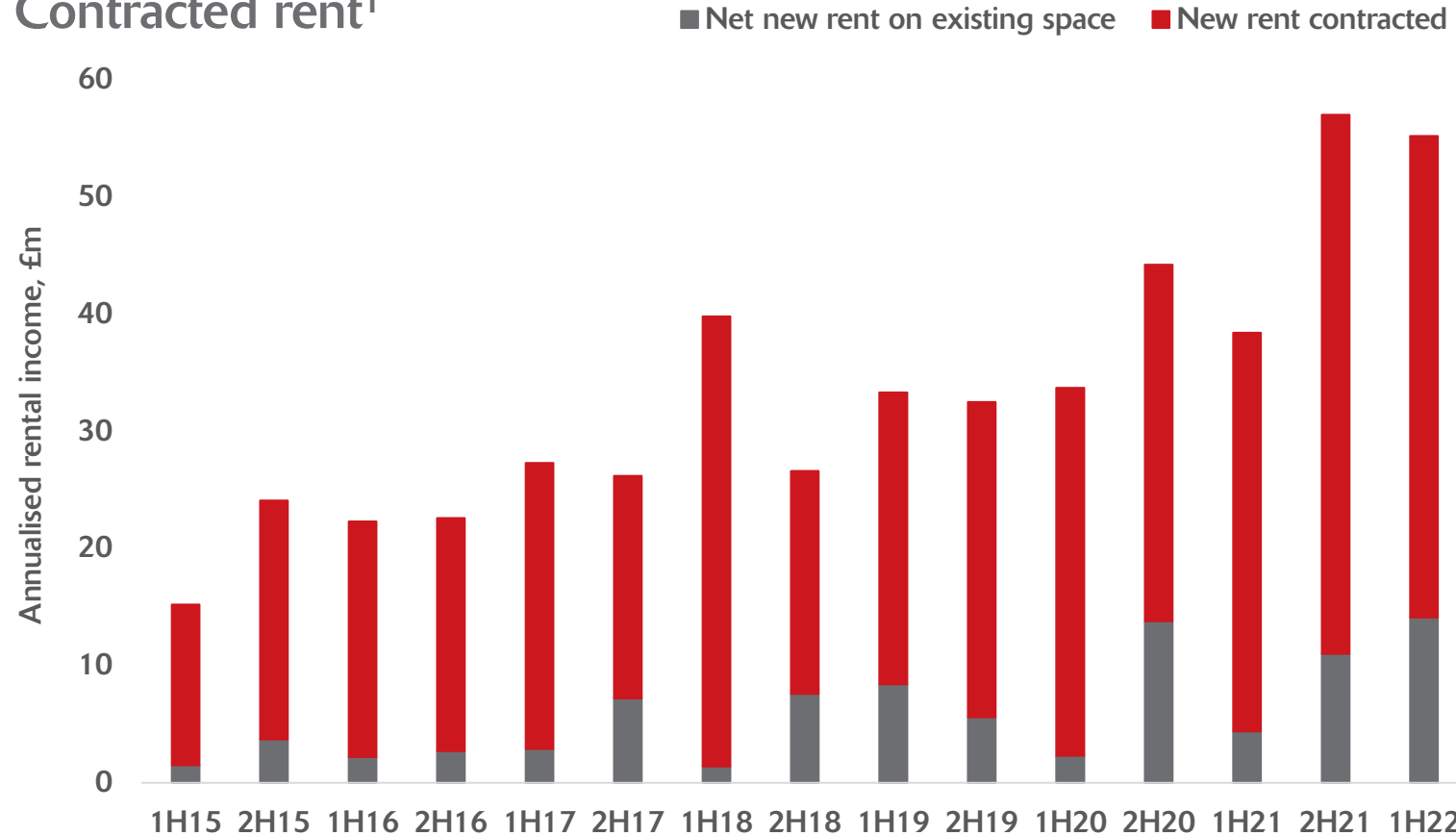


Breakdown of UK take-up by sector



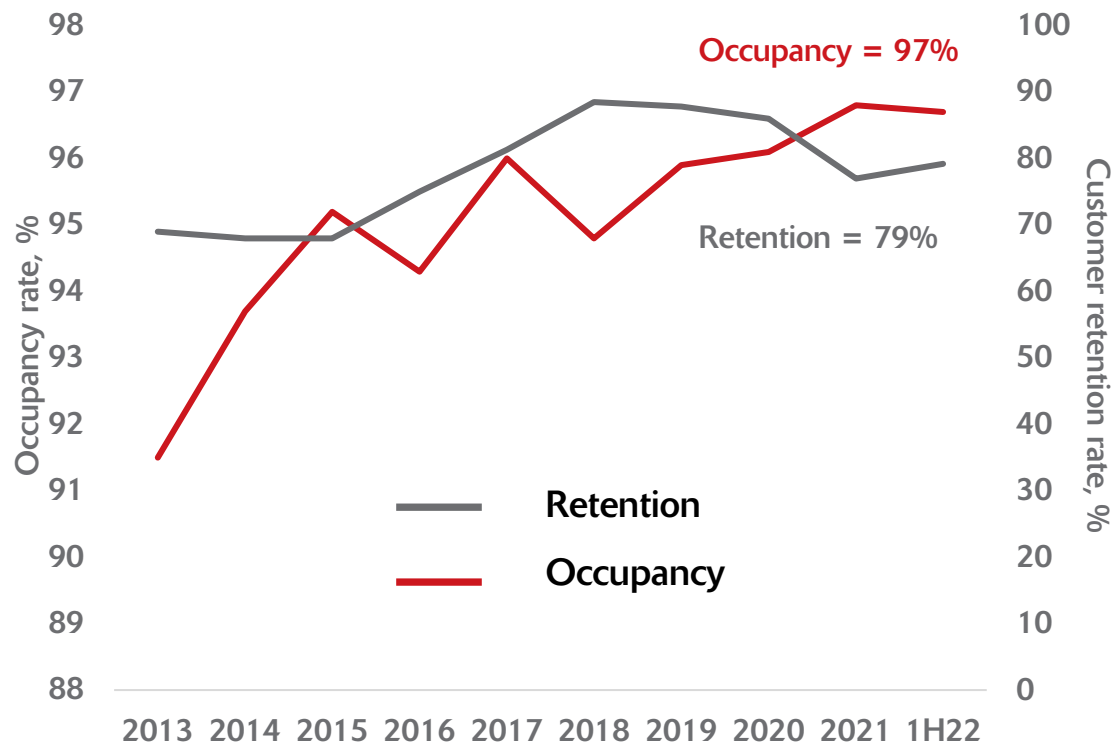
# STRONG, DEEP AND DIVERSE OCCUPIER DEMAND

## Contracted rent<sup>1</sup>

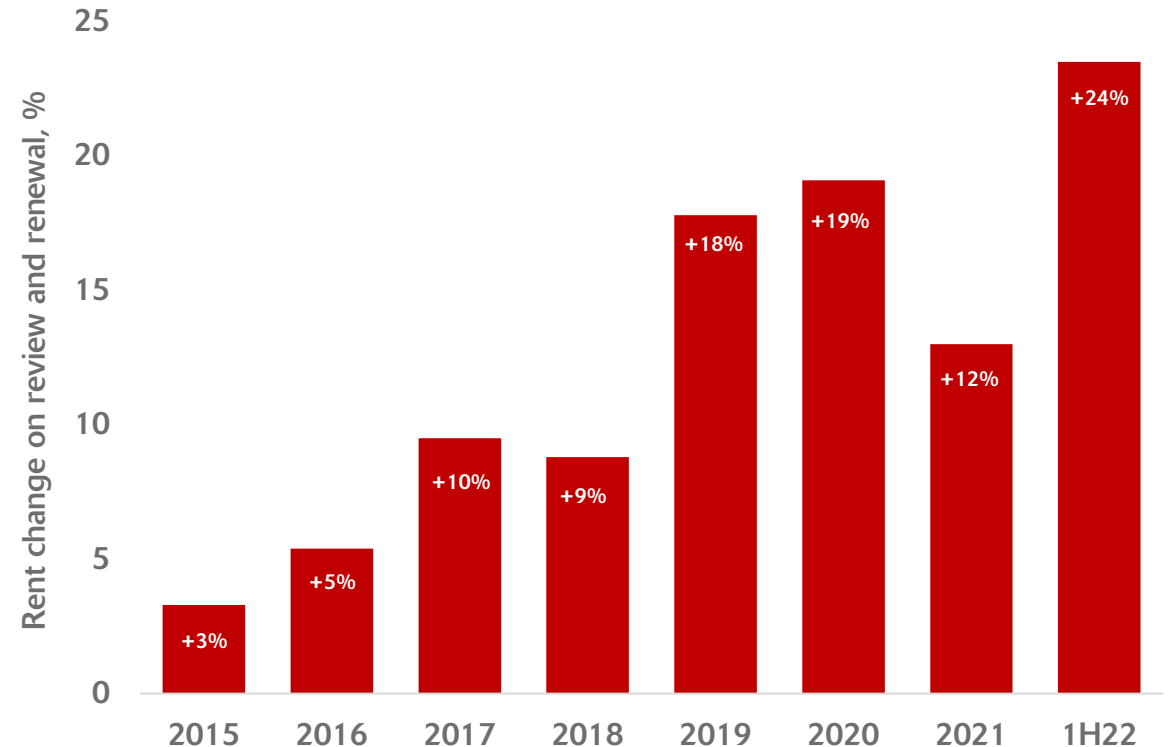


# PORTFOLIO DELIVERING STRONG OPERATING METRICS

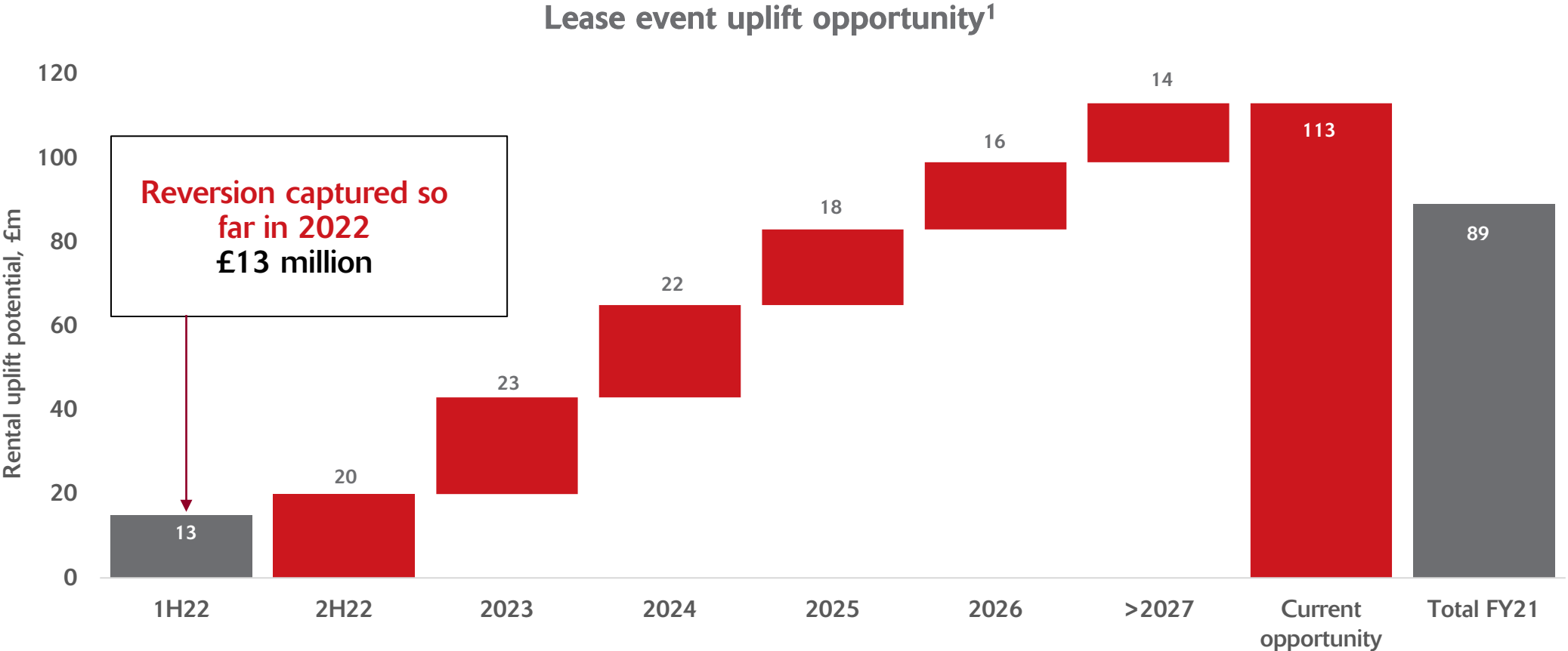
High levels of customer retention and occupancy



Consistently capturing reversion from renewals and reviews<sup>2</sup>



# SIGNIFICANT REVERSIONARY POTENTIAL ALREADY BEING CAPTURED



<sup>1</sup> Reversion on let space only, excludes vacancy  
<sup>2</sup> Includes UK rent reviews, and UK and CE rent subject to break/ expiry – see p.14 of the Half Year 2022 Property Analysis Report for further detail .

# £15 MILLION OF NEW RENT FROM DEVELOPMENT

**Space completed**

329,900 sq m

**Number of projects**

15

**Potential rent**

£15 million (87% leased)

**Yield on Cost**

7.3%



SmartParc SEGRO Derby



Slough Trading Estate



SEGRO CityPark Frankfurt

We target at least BREEAM 'Excellent' (or local equivalent) on all of our developments.





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# CONTINUING TO BE DISCIPLINED IN OUR CAPITAL ALLOCATION

## DEVELOPMENT

- £284m of construction spend
- £80m of infrastructure spend



**£364m**

## ACQUISITIONS

- £145m of asset acquisitions
- £220m of land acquisitions



**£365m**

## DISPOSALS

- Big box warehouses in Italy
- Asset swap to unlock redevelopment potential on the Slough Trading Estate
- SEGRO sales to SELP



**£181m**



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# SUPPORTIVE LONG-TERM STRUCTURAL DRIVERS



**DIGITALISATION  
OF OUR  
ECONOMIES**



**URBANISATION**



**SUPPLY CHAIN  
EFFICIENCY &  
RESILIENCE**



**SUSTAINABILITY**

# DEMAND-SUPPLY CONDITIONS REMAIN SUPPORTIVE OF FURTHER RENTAL GROWTH

Property Type	Region	% of portfolio <sup>1</sup>	Demand conditions	Supply conditions	1H22 ERV growth	ERV growth expectations
Urban warehouses	UK	55%	STRONG	ACUTE	7.4%	3-6% pa
	Continental Europe	12%	STRONG	LIMITED	2.6%	
Big box warehouses	UK	9% <sup>2</sup>	STRONG	LIMITED	6.6%	2-4% pa
	Continental Europe	22%	STRONG	LIMITED	4.5%	

...£139m of reversionary potential to capture (including £26m of vacant space)

# >£500 MILLION OF POTENTIAL RENTAL INCOME FROM FUTURE DEVELOPMENT

SEGRO land bank (30 June 2022)



Potential annualised gross rent from current, near-term and future pipeline<sup>5</sup>, by asset type (£334 million at 30 June 2022)

Other (2%)

Big box (52%)

Urban (46%)

Development pipeline	Area (sq m)	Estimated cost to complete (£m)	Potential gross rent (£m)	Development yield <sup>3</sup>	Proportion pre-let	Expected delivery
Current	886,521	518 <sup>2</sup>	84	6.4%	63%	1-12 months
Near-term pre-lets <sup>1</sup>	457,680	390	34	6.0%	85%	12-18 months
Future <sup>1</sup>	2.8m	2,080	216	6.4%	-	1-7 years
<b>Total</b>	<b>4.1m</b>	<b>2,988</b>	<b>334</b>	<b>6.4%</b>	<b>-</b>	<b>1-10 years</b>
Optioned land <sup>4</sup>	c1.7m		c170		-	1-10 years

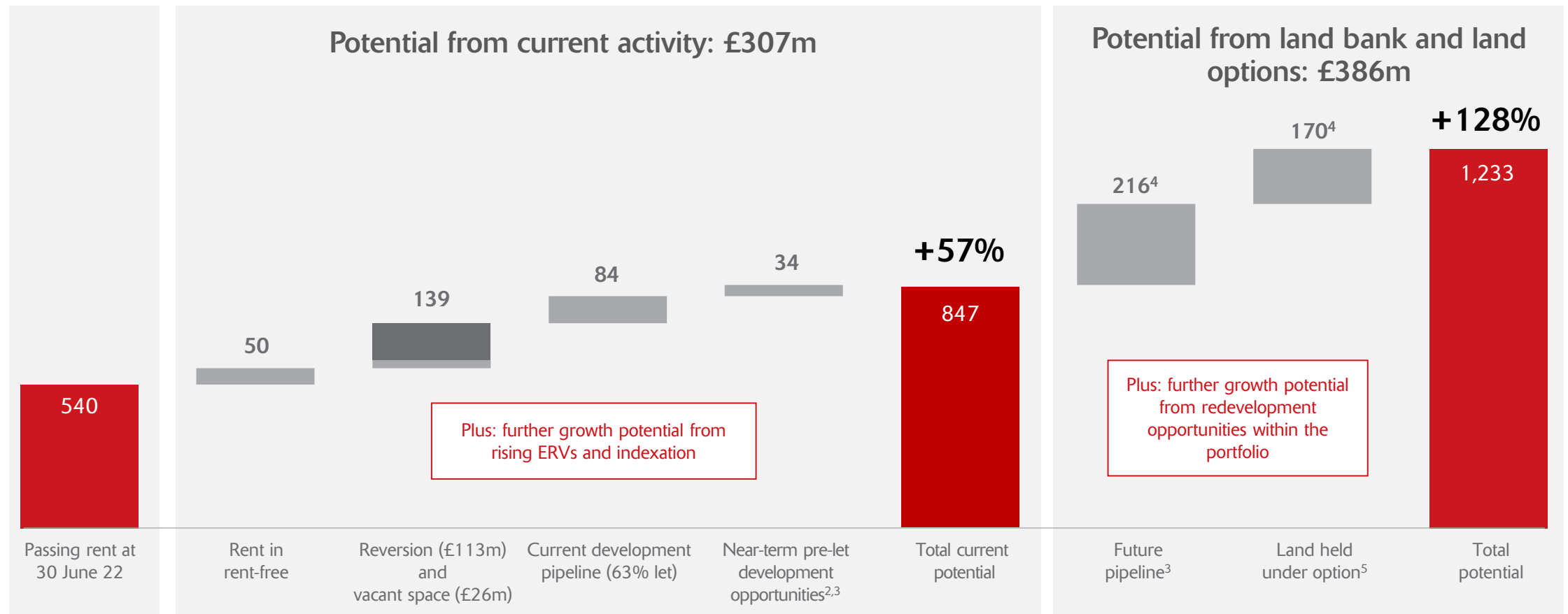
Potential annualised gross rent from current, near-term and future pipeline<sup>5</sup>, by region (£334 million at 30 June 2022)

UK (66%)

Continental Europe (34%)

# POTENTIAL >£1.2 BILLION RENTAL INCOME

Annualised gross cash passing rent<sup>1</sup>, £ million  
(as at 30 June 2022)



# CONFIDENT OUTLOOK







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# Q&A

2022 Half Year Results

# APPENDIX 1

Portfolio and Financial Data

# POSITIONING SEGRO TO DELIVER ON ITS PURPOSE

	Championing Low-carbon growth	Investing in our local communities and environments	Nurturing talent
Context	Segro recognises that the world faces a climate emergency and we are committed to playing our part in tackling climate change, by limiting global temperature rise to less than 1.5 degrees, in tandem with growth in our business and the wider economy.	SEGRO is an integral part of the communities in which it operates, and we are committed to contributing to their long-term vitality.	SEGRO's people are vital to and inseparable from its success, and we are committed to attracting, enhancing and retaining a diverse range of talented individuals in our business.
Targets	<b>We will be net-zero carbon by 2030</b>	<b>We will create and implement Community Investment Plans for every key market in our portfolio by 2025</b>	<b>We will increase the overall diversity of our own workforce throughout the organisation</b>
Actions	<p>We will aim to reduce carbon emissions from our development activity and the operation of our existing buildings, and eliminate them where possible.</p> <p>We will implement plans to absorb any residual carbon</p>	<p>We will work with our customers and suppliers to support our local businesses and economies.</p> <p>We will help improve the skills of local people to enhance their career and employment opportunities, by investing in local training programmes.</p> <p>Equally, we will enhance the spaces around our buildings, working with local partners to ensure we meet the needs of our communities.</p>	<p>We will provide a healthy and supportive working environment, develop fulfilling and rewarding careers, foster an inclusive culture and build diverse workforce.</p>

# ADJUSTED INCOME STATEMENT (JVS PROPORTIONALLY CONSOLIDATED)

	H1 2022			H1 2021		
	Group £m	JVs £m	Total £m	Group £m	JVs £m	Total £m
Gross rental income <sup>1</sup>	239	56	295	195	51	246
Property operating expenses	(36)	(4)	(40)	(28)	(4)	(32)
<b>Net rental income</b>	<b>203</b>	<b>52</b>	<b>255</b>	<b>167</b>	<b>47</b>	<b>214</b>
JV management fee income <sup>2</sup>	57	(27)	30	12	(5)	7
Other income	3	1	4	4	1	5
Administration expenses	(31)	(1)	(32)	(27)	(1)	(28)
<b>Adjusted operating profit</b>	<b>232</b>	<b>25</b>	<b>257</b>	<b>156</b>	<b>42</b>	<b>198</b>
Net finance costs	(32)	(7)	(39)	(20)	(6)	(26)
<b>Adjusted profit before tax</b>	<b>200</b>	<b>18</b>	<b>218</b>	<b>136</b>	<b>36</b>	<b>172</b>
Tax and non-controlling interests	(12)	(2)	(14)	(3)	(4)	(7)
<b>Adjusted profit after tax</b>	<b>188</b>	<b>16</b>	<b>204</b>	<b>133</b>	<b>32</b>	<b>165</b>

<sup>1</sup> The composition of gross and net rental income has changed in 2022 to give a better measure of the underlying rental income from the property portfolio. Management and development fee income; service charge income and expense; and solar energy income and expense are now presented outside of gross and net rental income. Details of the change is disclosed further in Note 4, 5 and 6 of the financial statements

<sup>2</sup> The management fees earned from joint ventures are recorded at 100% in SEGRO's income statement (H1 2022: £15 million; H1 2021 £12 million). As a 50% owner of the joint ventures, SEGRO's share of JV income includes approximately half the cost of these fees in JV property operating expenses (H1 2022: £6 million; H1 2021 £5 million)

# IMPACT OF SELP 10-YEAR PERFORMANCE FEE

Adjusted income statement	H1 2022 £m	Impact of SELP performance fee £m	H1 2022 excl SELP performance fee £m
Gross rental income	239		239
Property operating expenses	(36)		(36)
<b>Net rental income</b>	<b>203</b>		<b>203</b>
Joint venture fee income	57	(42)	15
Other income	3		3
Administration expenses	(31)		(31)
Share of joint ventures' adjusted profit after tax <sup>1</sup>	16	21 <sup>2</sup>	37
<b>Adjusted operating profit</b>	<b>248</b>		<b>227</b>
Net finance costs	(32)		(32)
<b>Adjusted profit before tax</b>	<b>216</b>	<b>(21)</b>	<b>195</b>
Tax	(12)	5	(7)
Adjusted profit after tax	204	(16)	188
<b>Adjusted EPS</b>	<b>16.9p</b>	<b>(1.3)p</b>	<b>15.6p</b>

SELP 10-year performance fee is potentially payable October 2023

Calculated based on 10-year IRR versus hurdle rate

Based on valuations at 30 June 2022 performance fee would be c€370 million (€185 million net as SEGRO owns 50 per cent of SELP)

€79 million has been recognised to date: €29 million in FY21 and €50 million in 1H22

In 1H22 this has a net impact of £21 million before tax (1.3 pence per share)

Remainder could be recognised in 2H22 and 2023

# PRO FORMA H1 2022 ACCOUNTING NET RENTAL INCOME

	Group £m	JVs £m	Total £m
<b>H1 2022 net rental income</b>	<b>203</b>	<b>52</b>	<b>255</b>
<b>Half year impact of:</b>			
Disposals since 1 January 2022	(3)	-	(3)
Acquisitions since 1 January 2021	1	1	2
Developments completed and let since 1 January 2021	3	1	4
One-off items	(7)	-	(7)
<b>Pro forma H1 2022 net rental income</b>	<b>197</b>	<b>54</b>	<b>251</b>

- Pro forma H1 2022 net rental income assuming disposals, acquisitions and let developments completed as at 1 January 2022

- One-off items (e.g. rates refunds) removed

- Share of JV fee costs removed from JV net rental income (see slide 37)

- Net rental income would have been £4 million lower on this basis

# TOTAL COST RATIO

## Total cost ratio, Half year 2021-22 (proportionally consolidated)

Incl. joint ventures at share	Half year to 30 June 2022 £m	Half year to 30 June 2021 <sup>1</sup> £m
<b>Gross rental income (less reimbursed costs)</b>	294	245
Property operating expenses	36	28
Administration expenses	31	27
JV operating expenses	11	10
Less reimbursed costs: JV management fees, management and other fees <sup>2</sup>	(18)	(16)
<b>Total costs<sup>3</sup></b>	<b>60</b>	<b>49</b>
Of which share based payments	(5)	(6)
Total costs excluding share based payments	55	43
<b>Total cost ratio<sup>4</sup></b>	<b>20.5%</b>	<b>19.8%</b>
Total cost ratio excluding share based payments <sup>3</sup>	18.7%	17.4%

<sup>1</sup> As detailed in Note 4 and 5, the composition of Gross rental income and Property operating expenses have changed in 2022. The prior-period comparatives have been represented in the table above to reflect the impact on the cost ratio calculation

<sup>2</sup> Includes JV property management fee income of £15 million and management and other fees of £3 million (H1 2021: £12 million and £4 million respectively)

<sup>3</sup> Total cost includes wholly-owned vacancy property costs of £4 million (H1 2021: £3 million) and share of JV vacant property costs of £nil million (H1 2021: £1 million)

<sup>4</sup> Cost ratio percentages have been calculated using the figures presented in the table above in millions to one decimal place



# BALANCE SHEET

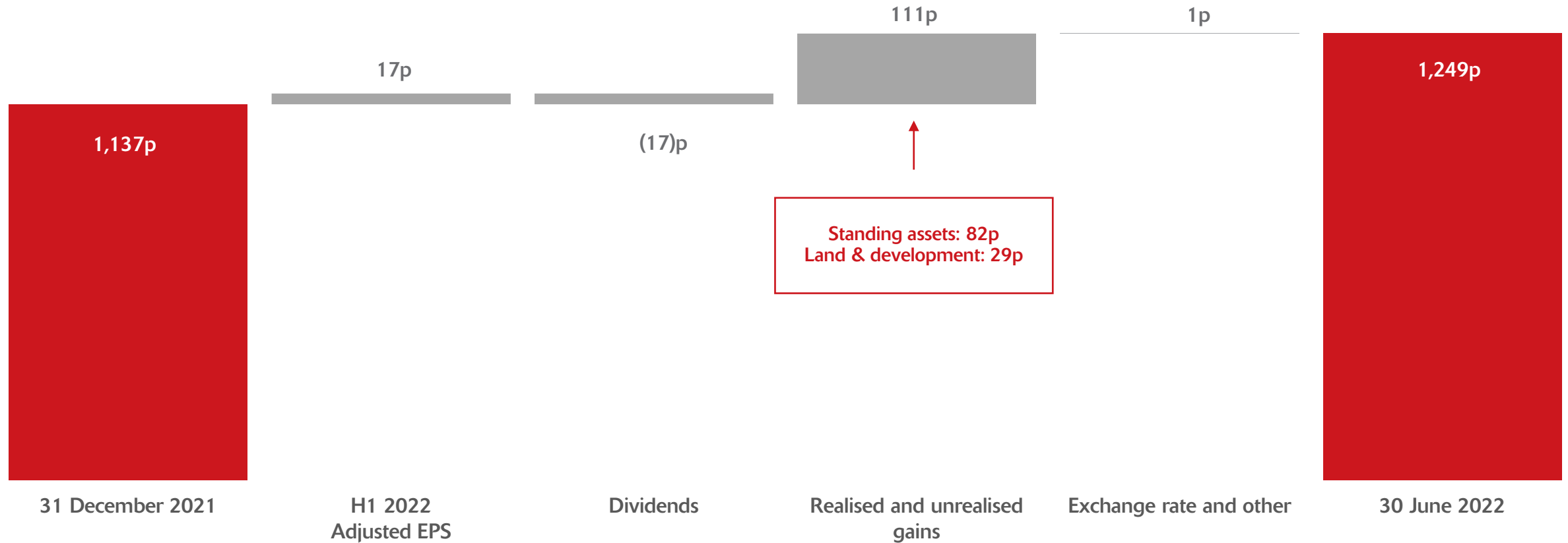
## (JVS PROPORTIONALLY CONSOLIDATED)

	30 June 2022			30 June 2021		
	Group £m	JVs £m	Total £m	Group £m	JVs £m	Total £m
Investment properties	17,209	3,276	20,485	11,850	2,624	14,474
Trading properties	57	-	57	47	-	47
<b>Total properties</b>	17,266	3,276	20,542	11,897	2,624	14,521
Investment in joint ventures	2,022	(2,022)	-	1,620	(1,620)	-
Other net liabilities	(761)	(322)	(1,083)	(459)	(187)	(646)
Net debt	(3,832)	(932)	(4,764)	(2,275)	(817)	(3,092)
<b>Net asset value<sup>1</sup></b>	<b>14,695</b>	<b>-</b>	<b>14,695</b>	<b>10,783</b>	<b>-</b>	<b>10,783</b>
EPRA adjustments			444			146
<b>Adjusted NAV</b>			<b>15,139</b>			<b>10,929</b>

<sup>1</sup> After minority interests

# 10% INCREASE IN ADJUSTED NAV<sup>1</sup>

Components of Adjusted NAV change, 31 December 2021 to 30 June 2022



# EPRA PERFORMANCE MEASURES

	Half year to 30 June 2022		Half year to 30 June 2021	
	£m	£p per share	£m	£p per share
EPRA Earnings	204	16.9	165	13.8
EPRA NTA (Adjusted NAV)	15,139	1,249	10,929	909
EPRA NRV	16,520	1,363	11,868	987
EPRA NDA	15,257	1,259	10,432	868
EPRA LTV		25.1%		23.9%
EPRA net initial yield		2.9%		3.5%
EPRA topped-up net initial yield		3.2%		3.8%
EPRA vacancy rate		3.3%		4.3%
EPRA cost ratio (including vacant property costs)		20.5%		19.8%
EPRA cost ratio (excluding vacant property costs)		19.0%		18.4%

# EPRA CAPITAL EXPENDITURE ANALYSIS

	Six months to 30 June 2022			Six months to 30 June 2021		
	Group £m	JVs £m	Total £m	Group £m	JVs £m	Total £m
Acquisitions	328	37	365	90	2	92
Development <sup>1</sup>	330	34	364	327	37	364
Completed properties <sup>2</sup>	17	4	21	16	5	21
Other <sup>3</sup>	16	5	21	8	5	13
<b>Total</b>	<b>691</b>	<b>80</b>	<b>771</b>	<b>441</b>	<b>49</b>	<b>490</b>

- Just over 50% of completed properties capex was for major refurbishment, infrastructure and fit-out costs prior to re-letting which is expected to be value-enhancing rather than simply maintenance capex

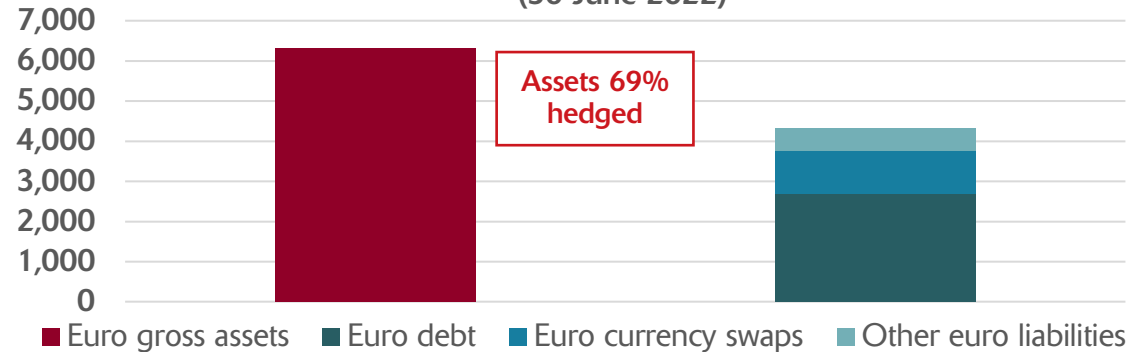
1 Includes wholly-owned capitalised interest of £6 million (H1 21: £4 million) and share of JV capitalised interest of £nil (H1 21: £nil)

2 Completed properties are those not deemed under development during the year

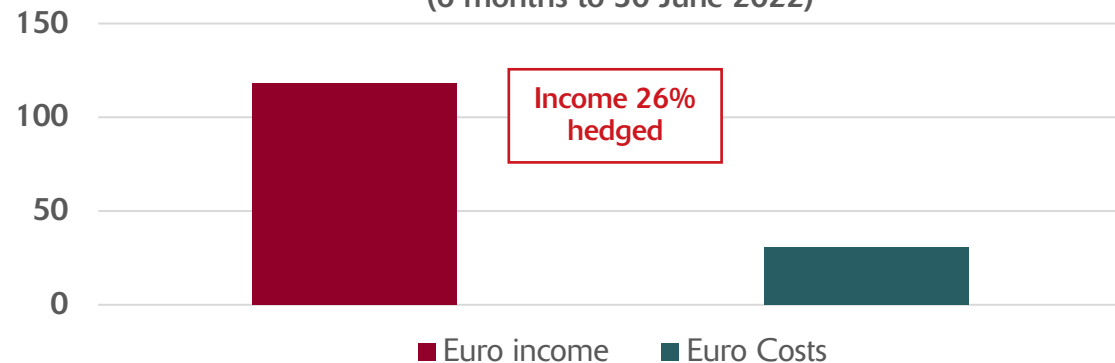
3 Tenant incentives, letting fees and rental guarantees

# EURO CURRENCY EXPOSURE AND HEDGING

Balance sheet, £m  
(30 June 2022)



Income Statement, £m  
(6 months to 30 June 2022)



- €1.16:£1 as at 30 June 2022
- € assets 69% hedged by € liabilities
- €2,298m (£1,981m) of residual exposure – 13% of Group NAV
- Illustrative NAV sensitivity vs €1.16:
  - +5% (€1.22) = -£94m (-c7.8p per share)
  - -5% (€1.10) = +£104m (+c.8.6p per share)

- Loan to Value (on look-through basis) at €1.16:£1 is 23%,
- Sensitivity vs €1.16:
  - +5% (€1.21) LTV -0.6%
  - -5% (€1.10) LTV +0.6%

- Average rate for 6 months to 30 June 2022 €1.19:£1
- € income 26% hedged by € expenditure (including interest)
- Net € income for the period €104m (£88m) – 42% of Group
- Illustrative annualised net income sensitivity versus €1.19
  - +5% (€1.25) = -£4.2m (c.0.3p per share)
  - -5% (€1.13) = +4.6m (c.0.4p per share)

# LOOK-THROUGH LOAN-TO-VALUE RATIO AND COST OF DEBT

	30 June 2022 £m	Weighted average cost of debt, % <sup>1</sup>		Fixed Interest Cover % <sup>1</sup>	
		Gross debt, excluding commitment fees and non-cash interest	Net debt, including commitment fees and non-cash interest	Fixed Cover of Net debt	Fixed and Capped cover of net debt
Group gross borrowings	3,923	1.9			
Group cash & equivalents	(91)				
<b>Group net borrowings</b>	<b>3,832</b>		<b>2.3</b>	<b>74%</b>	<b>95%</b>
Joint venture gross borrowings	987	1.3			
Joint venture cash & equivalents	(55)				
<b>Joint venture net borrowings</b>	<b>932</b>		<b>1.7</b>	<b>92%</b>	
<b>'Look-through' gross borrowings</b>	<b>4,910</b>	<b>1.8</b>			
<b>'Look-through' net borrowings</b>	<b>4,764</b>		<b>2.2</b>	<b>78%</b>	<b>94%</b>
<b>Total properties (including SEGRO share of joint ventures)</b>	<b>20,470</b>				
<b>'Look-through' loan to value ratio</b>	<b>23%</b>				

# URBAN AND BIG BOX WAREHOUSES – COMPLEMENTARY ASSET TYPES

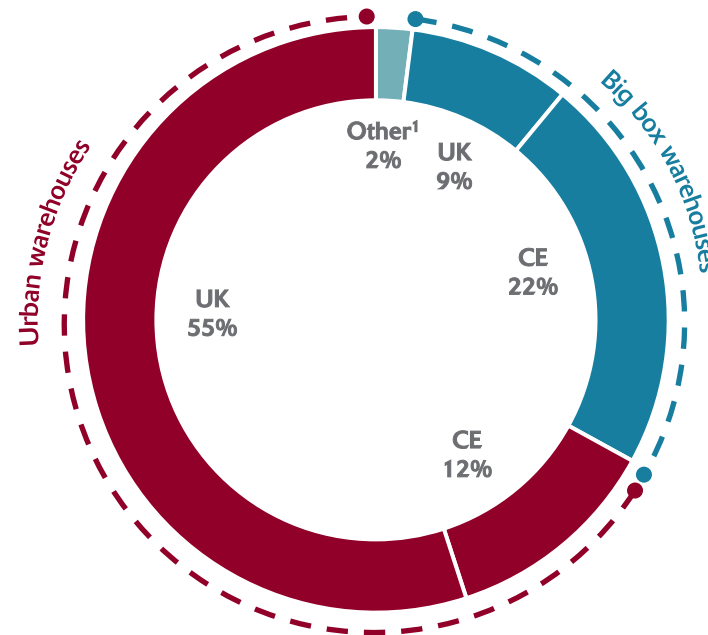
## Urban warehouses (67%)

- Smaller units, generally <10,000 sq m
- Diverse range of uses (including 'last mile' delivery and datacentres)
- Increased demand as a result of population expansion and growth of the digital economy
- Development highly restricted by declining land availability
- Lower net income yields, greater asset management potential
- Highest rental growth prospects

Future performance mainly driven by income yield and rental growth

Portfolio by type:  
(valuation, SEGRO share)

Data as at 30 June 2022



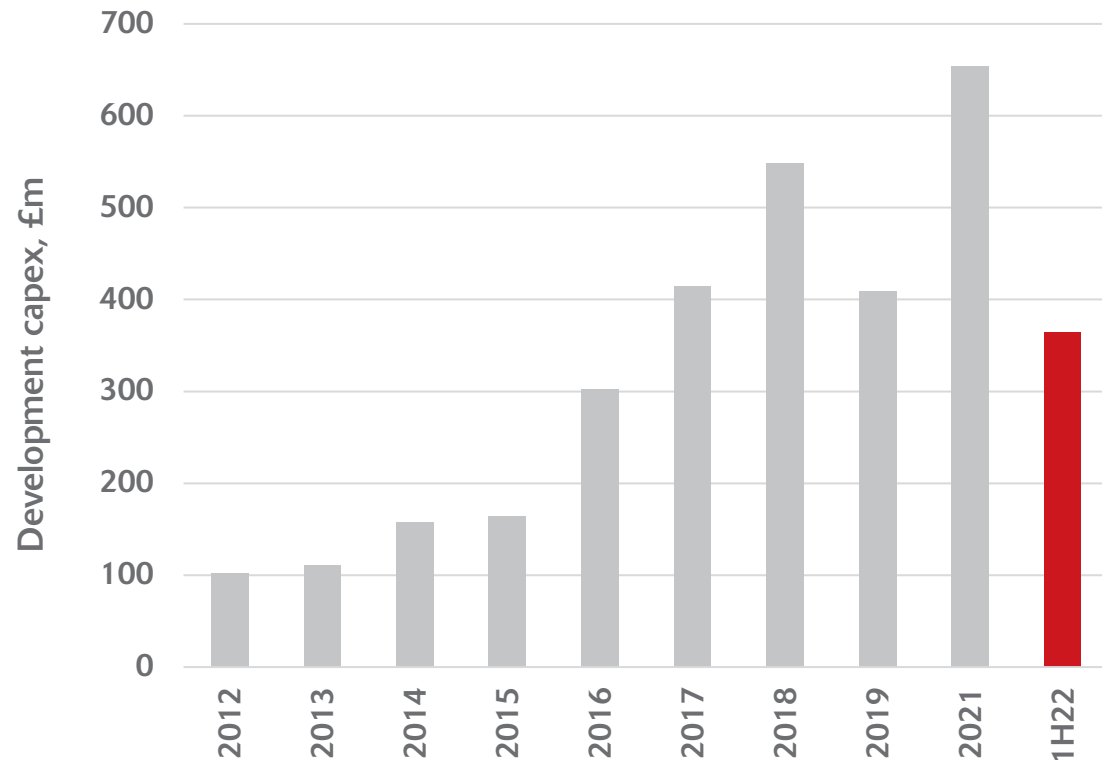
## Big boxes (31%)

- Larger units, generally over 10,000 sq m
- Mainly used for bulk storage and distribution of goods
- Increased demand as a result of online retail and supply chain optimisation
- Higher availability of development land but development constrained by planning/ zoning challenges
- Higher net income yields, lower management intensity
- Lower rental growth prospects

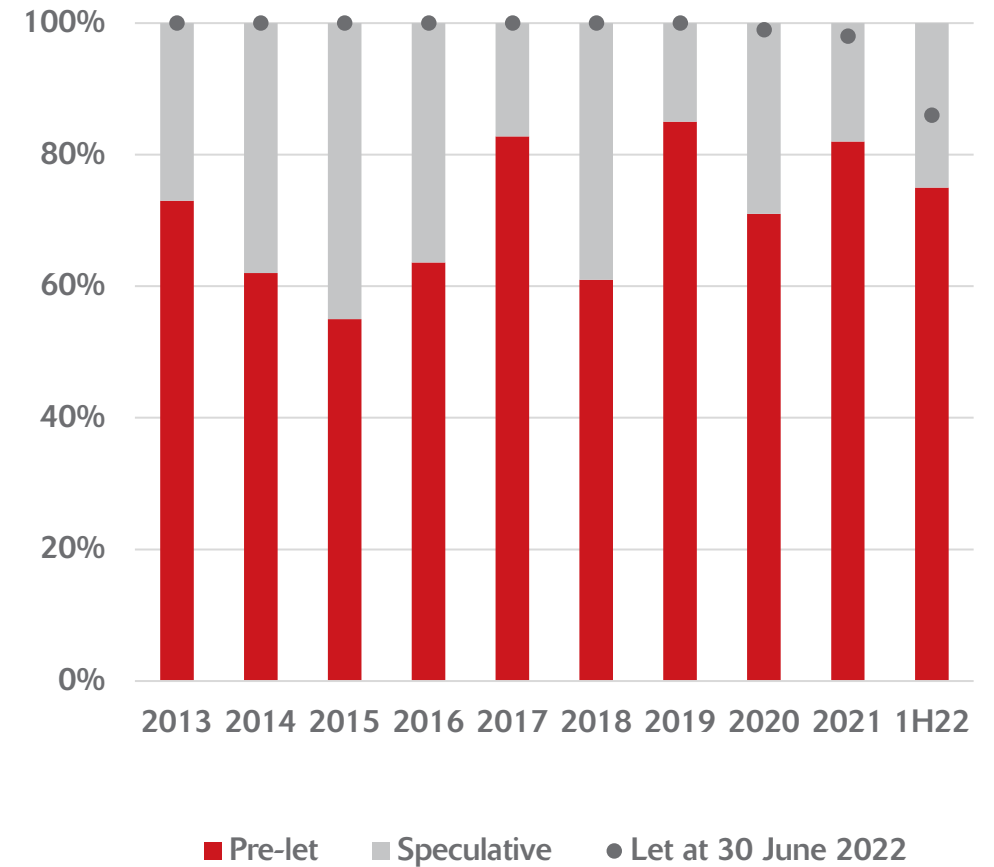
Future performance mainly driven by income yield, JV fees and development gains

# ENHANCED, DE-RISKED DEVELOPMENT PROGRAMME

## Development-led growth<sup>1</sup>

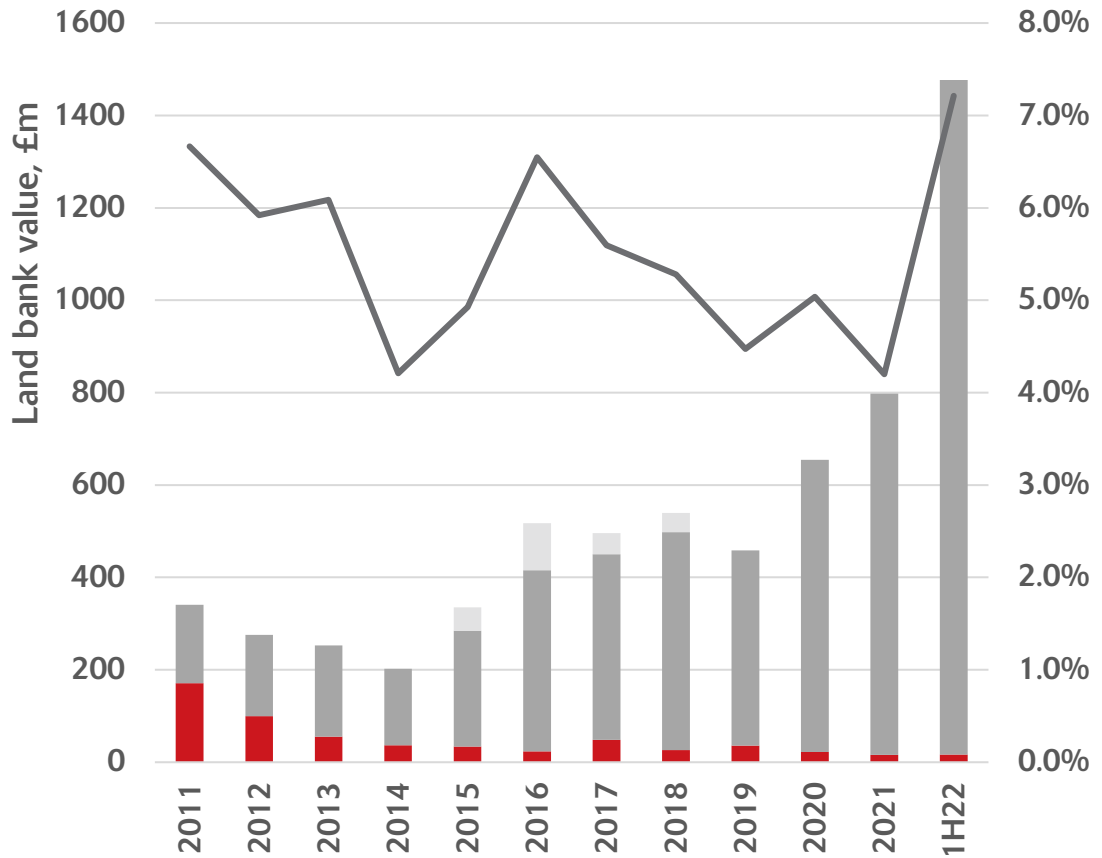


## The majority of which is pre-let



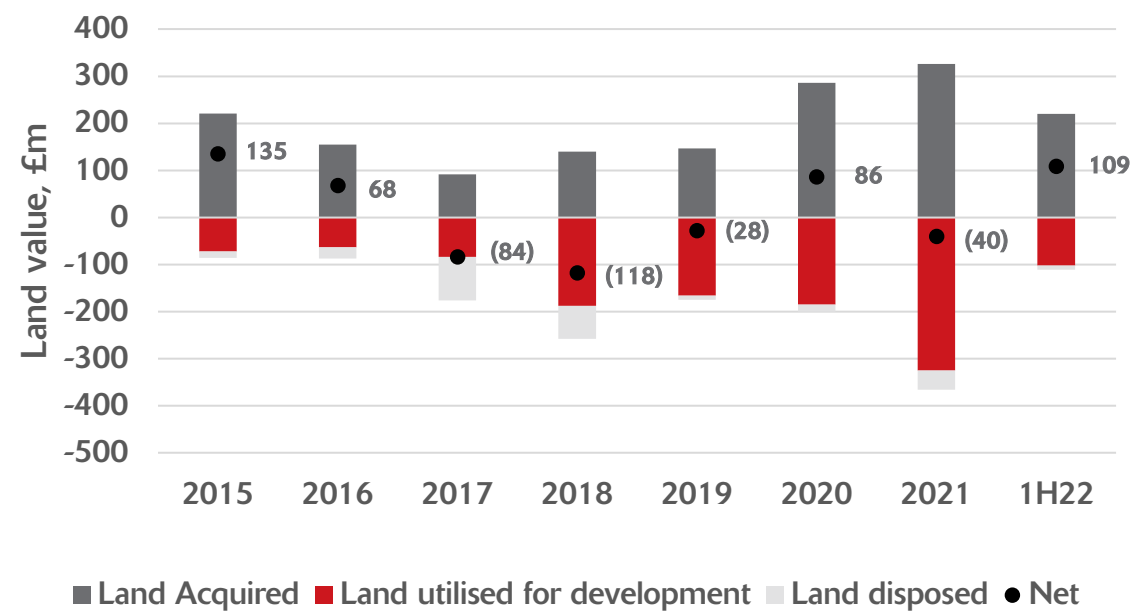


# LAND BANK PROVIDES OPTIONALITY AND OPPORTUNITY FOR GROWTH



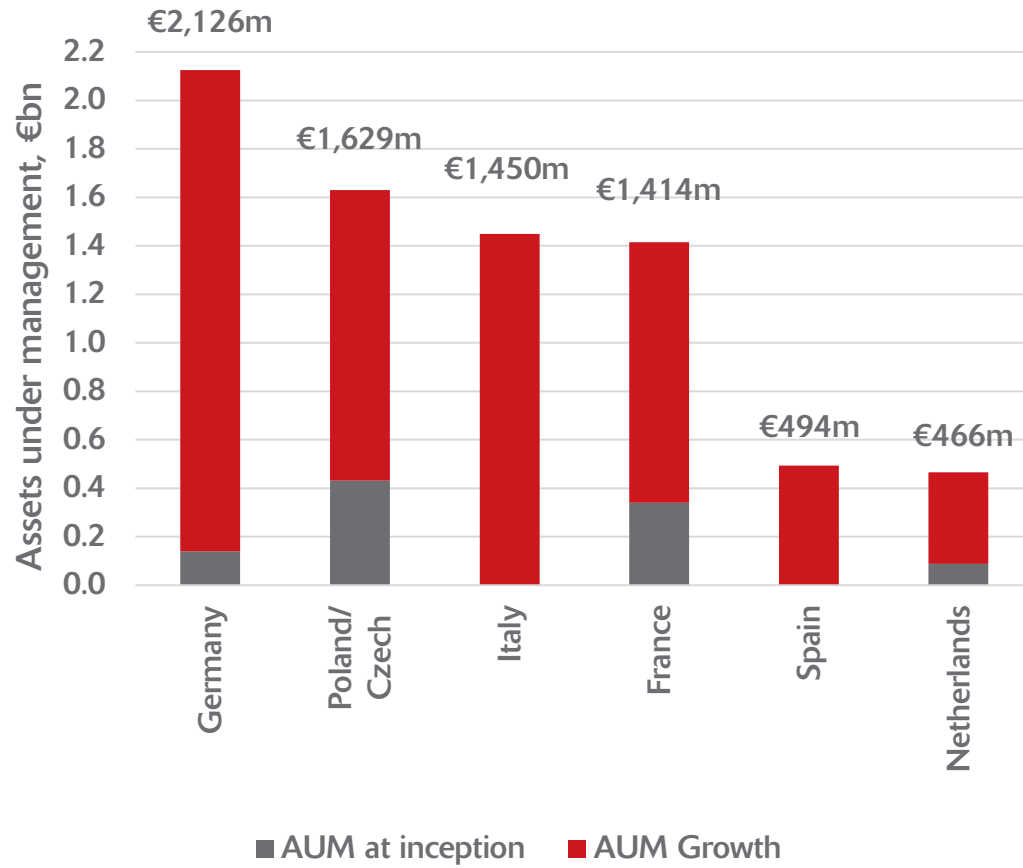
Alternative use
  Land for future development  
 Long-term and residual land bank
  As % of portfolio (right hand scale)

**Net land utilisation, 2015-1H22**  
(Based on opening book value or acquisition value)



# SEGRO EUROPEAN LOGISTICS PARTNERSHIP (SELP) HEADLINE FIGURES

Assets under Management  
(as at 30 June 2022)



Land and assets  
**€7.6bn**

Equivalent yield  
**4.0%**

Capital value change  
**5.7%**

ERV growth  
**4.9%**

Headline rent  
**€298m**

ERV  
**€315m**

Occupancy rate  
**99%**

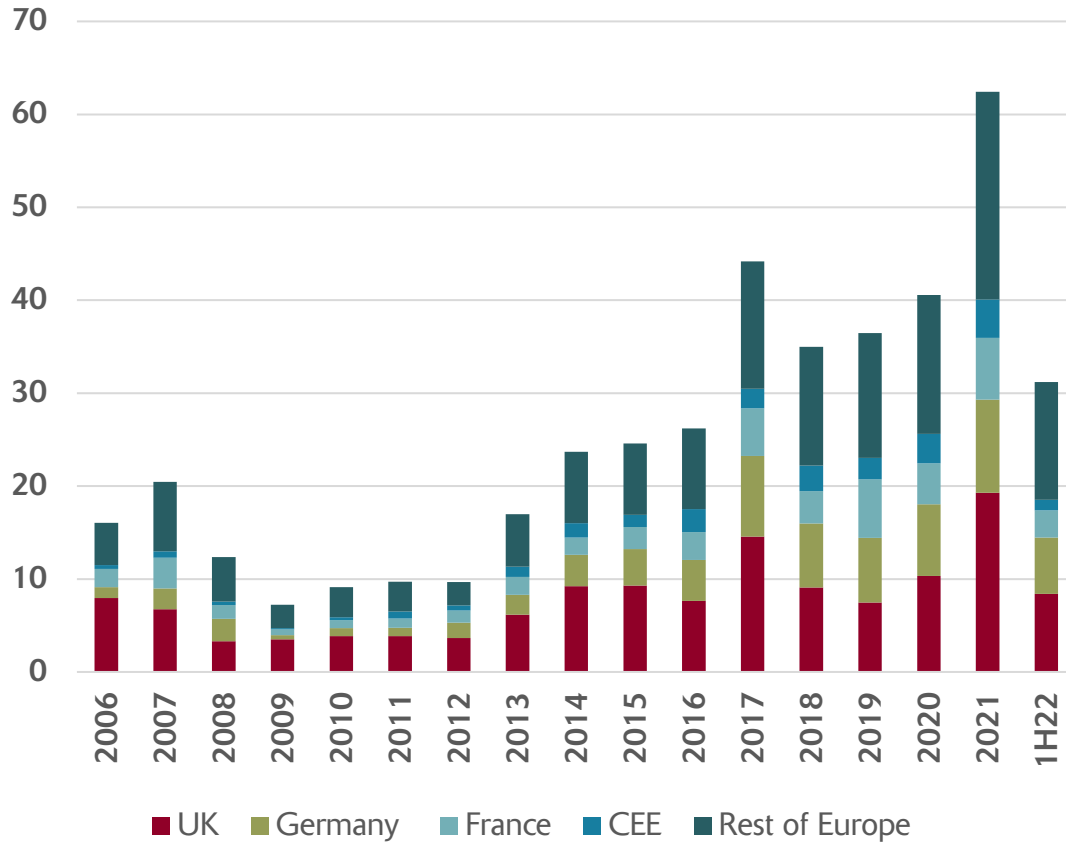
LTV ratio  
**28%**

# APPENDIX II

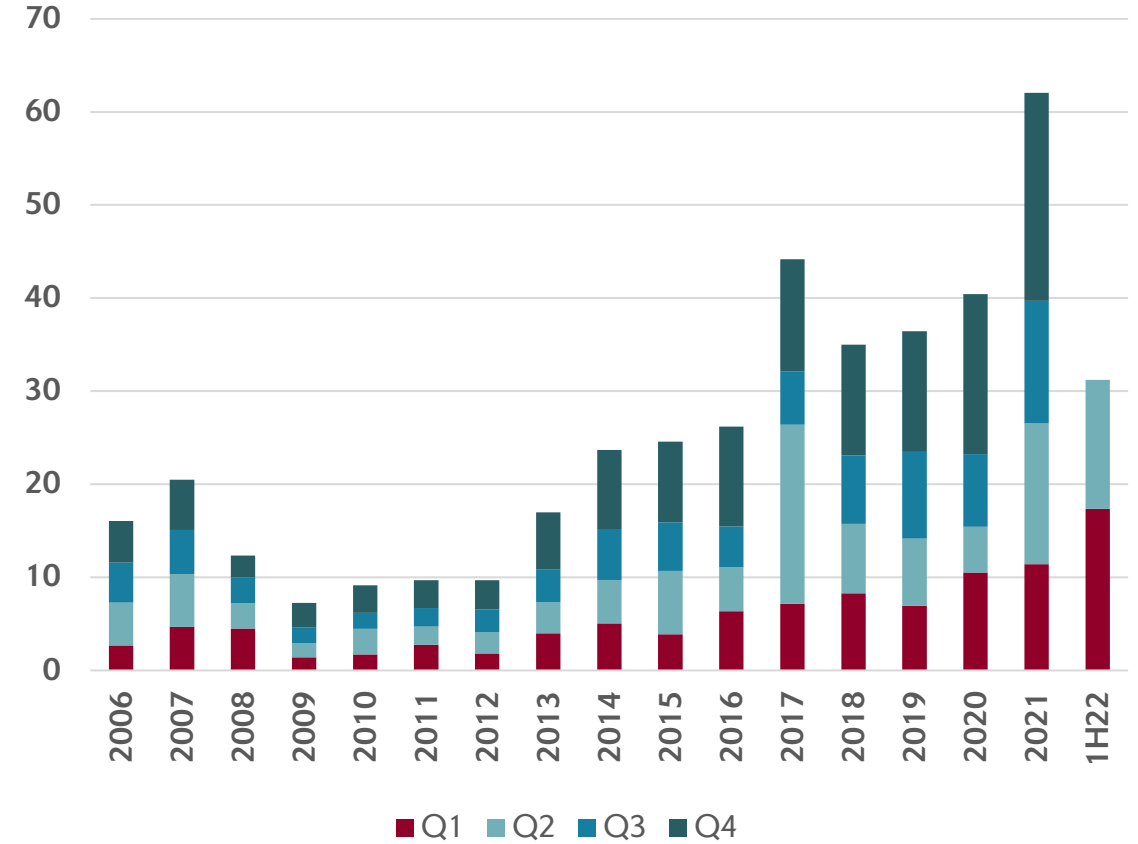
Market Data

# EUROPEAN INDUSTRIAL INVESTMENT VOLUMES

European industrial investment volumes  
By geography, €bn

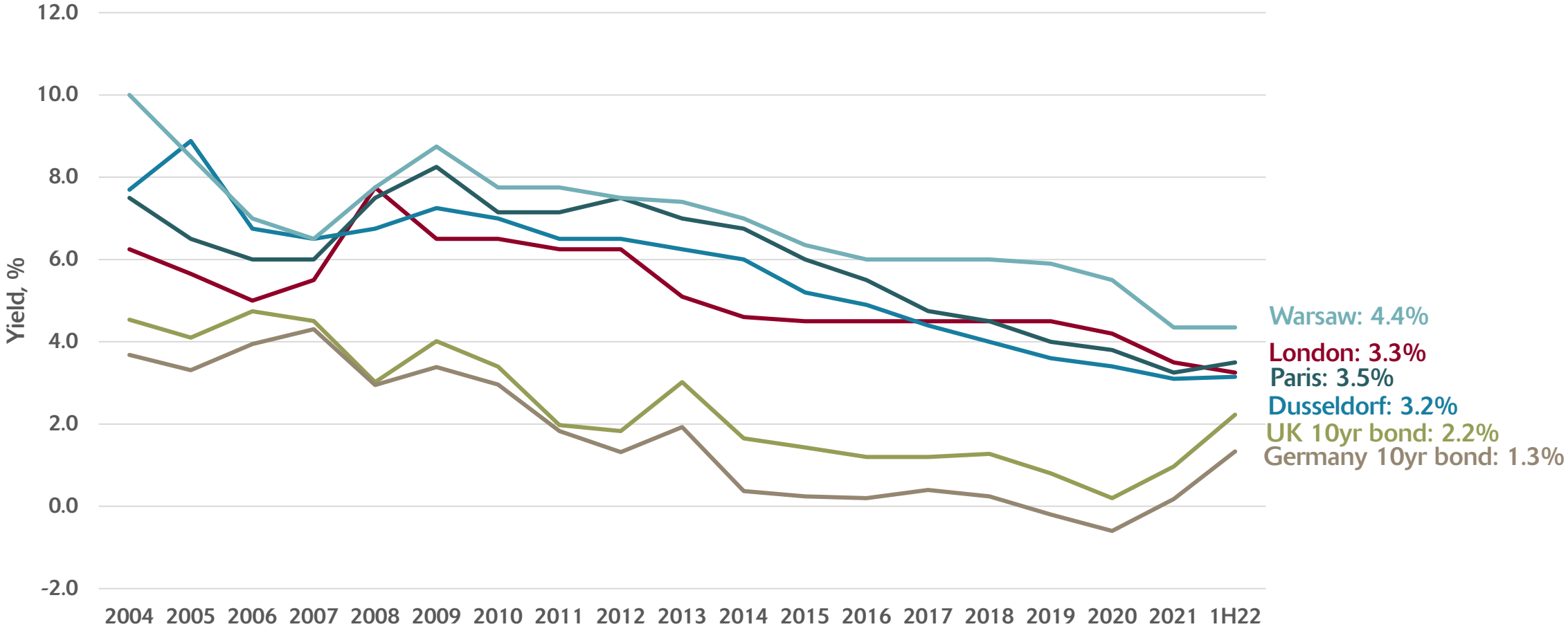


European industrial investment volumes  
By quarter, €bn



Source: CBRE

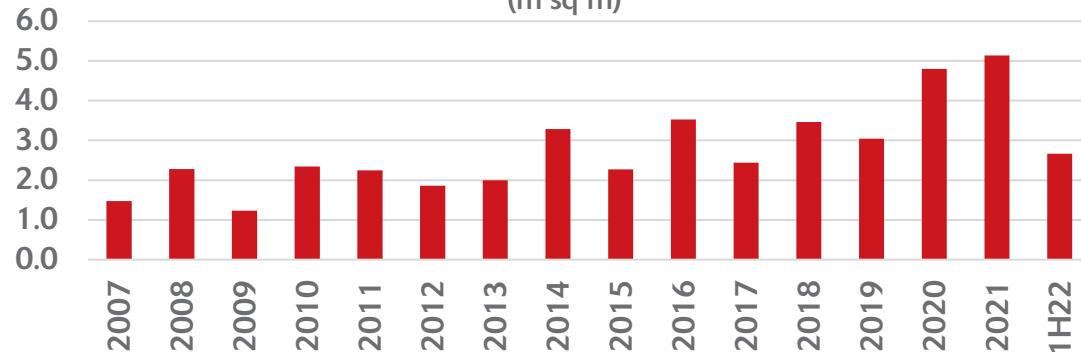
# PRIME LOGISTICS YIELDS VS 10 YEAR BOND YIELDS



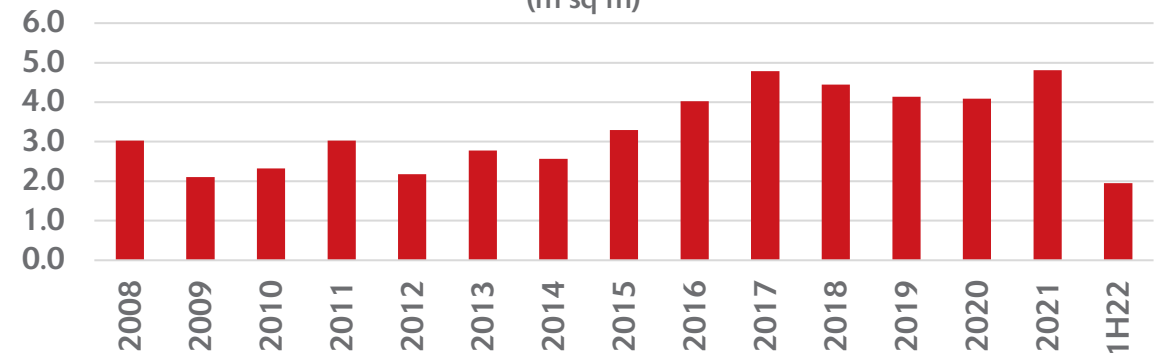
Source: Prime yields CBRE, risk free rates as of Bloomberg (30 June 2022)

# EUROPEAN INDUSTRIAL AND LOGISTICS – TAKE-UP STATISTICS

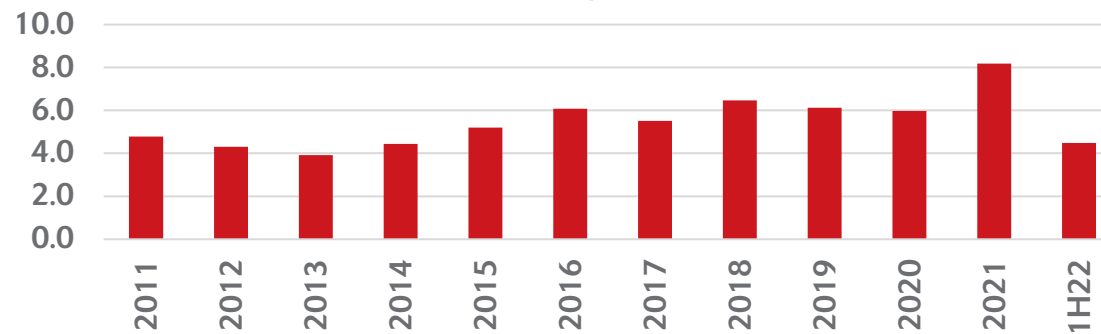
Take-up of warehouse space – UK<sup>1</sup>  
(m sq m)



Take-up of warehouse space >5,000 sq m – France<sup>2</sup>  
(m sq m)

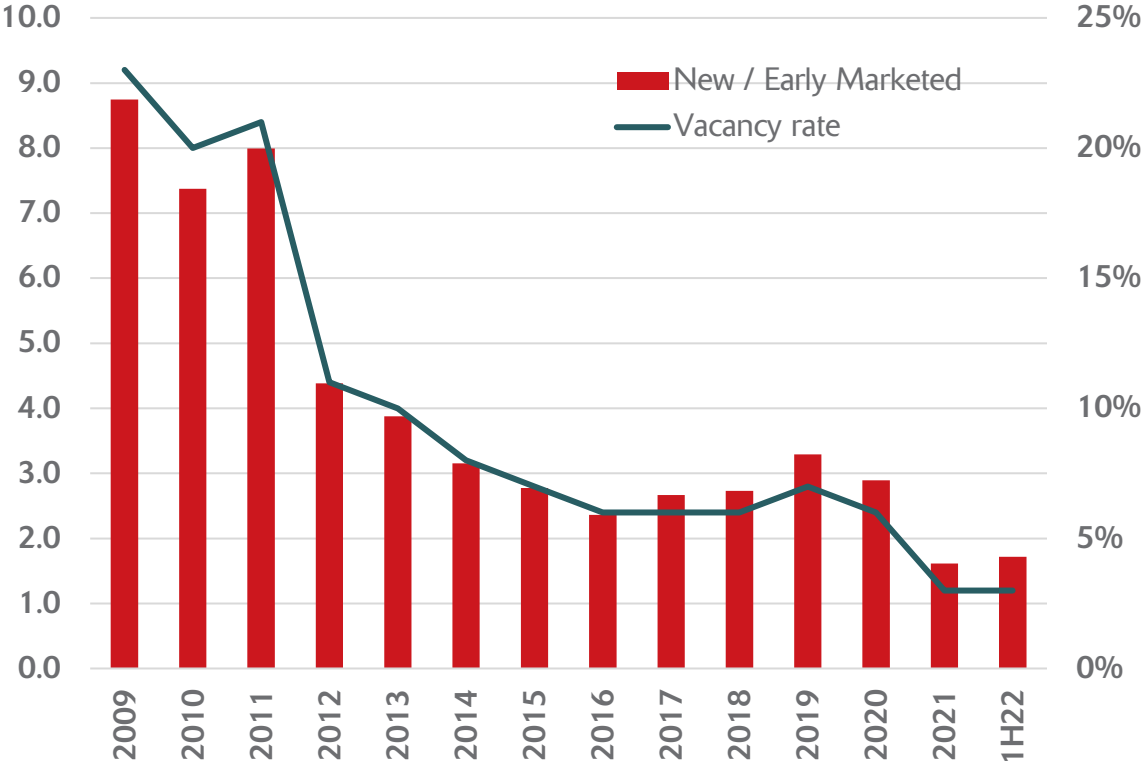


Take-up of warehouse space >5,000 sq m – Germany<sup>3</sup>  
(m sq m)

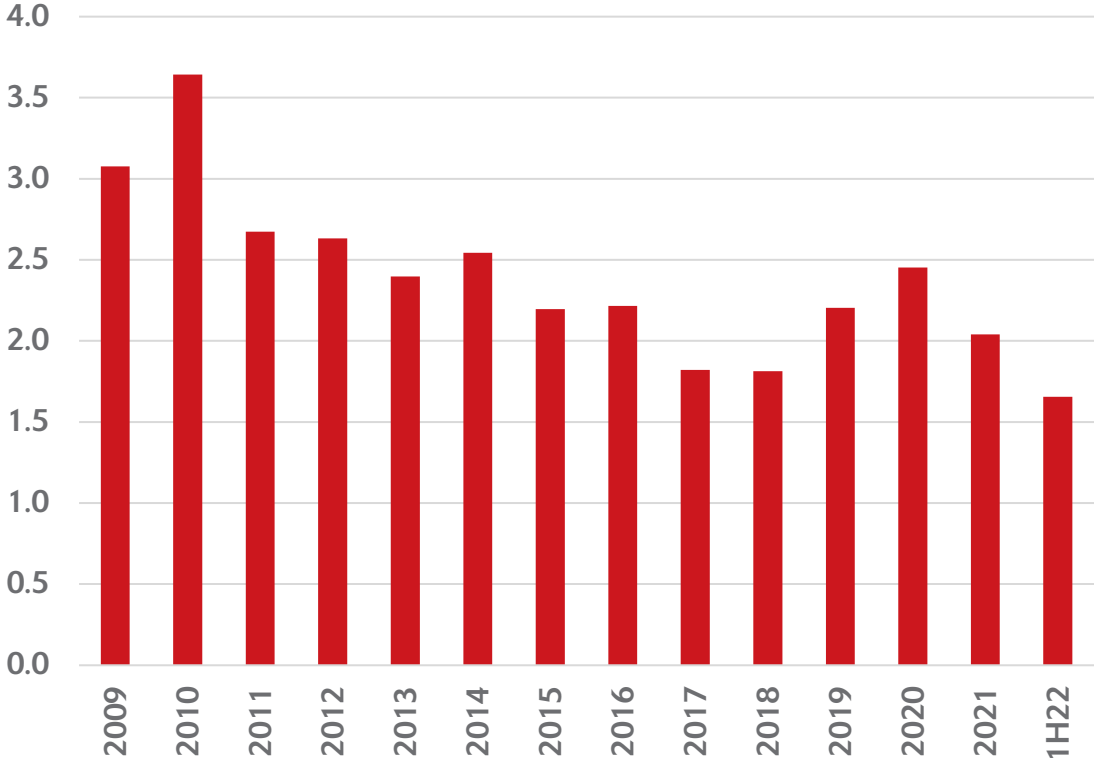


# EUROPEAN INDUSTRIAL AND LOGISTICS — AVAILABILITY STATISTICS

UK warehouse space supply<sup>1</sup>  
(m sq m)



Vacant warehouse space >5,000 sq m – France<sup>2</sup>  
(m sq m)



<sup>1</sup> Source: Savills.

<sup>2</sup> Source: CBRE.

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