

SEGRO

2022

HALF YEAR
PROPERTY ANALYSIS
REPORT



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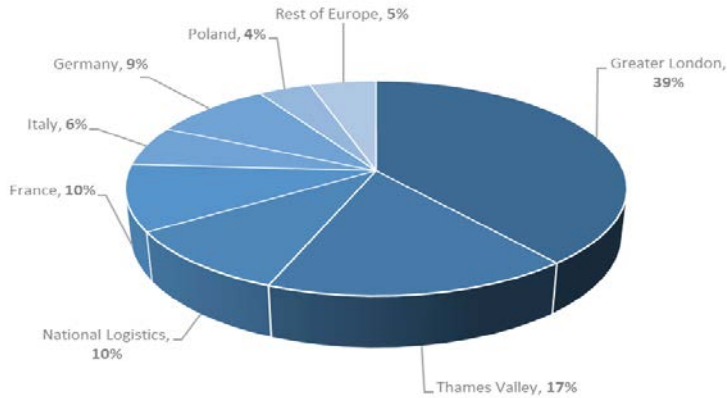
ABOUT SEGRO

SEGRO is a leading owner, asset manager and developer of modern warehousing and light industrial properties, with £23.8 billion of assets under management (£20.5 billion including SEGRO's share of joint ventures). The assets are principally concentrated in key conurbations and major distribution hubs in eight European countries.

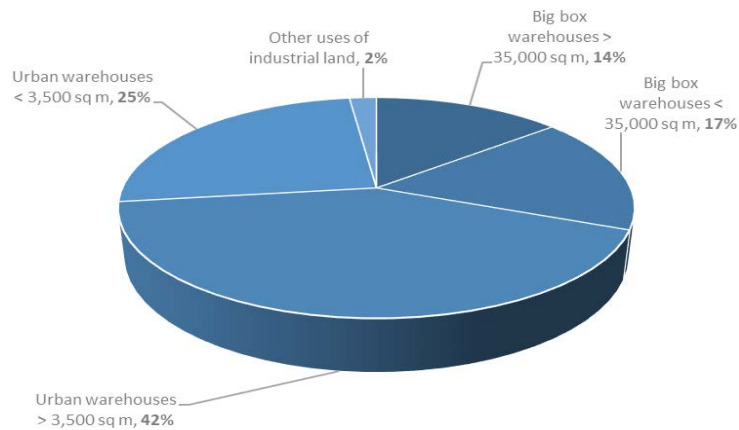
The Group serves customers spread across a diverse range of industry sectors. It has 9.7 million square metres of built space under management and annual rental income of £540 million at share.

OVERVIEW

Geographical split by value (SEGRO share)



Asset type by value (excluding land) (SEGRO share)



THE BUILDINGS WE PROVIDE



BIG BOX WAREHOUSES

Big box warehouses are typically used for storage and processing of goods for regional, national and international distribution. The requirement for large land plots means that they tend to be located some distance from the ultimate customer but on major transport routes (mainly motorways, but also ports, rail freight terminals and airports) to allow rapid transit.



URBAN WAREHOUSES

Urban warehouses are located within easy reach of population centres and business districts. They are used by a wide variety of customers who need rapid access to their own customers and to labour and are therefore close to main roads and public transport. Land supply in and around urban areas tends to be less available so urban warehouses tend to be smaller. They are often clustered in estates which can comprise multi-let terraces of smaller units (typically less than 3,500 sq m), larger detached single-let warehouses (typically larger than 3,500 sq m) or a mixture of the two.



OTHER USES OF INDUSTRIAL LAND

Industrial land in urban areas is often used for non-warehouse purposes. Car showrooms, self storage facilities, budget hotels and offices require similar location characteristics to urban warehouses (close to major roads, public transport and a population centre) and the frontage of urban estates is often best used by such occupiers who benefit from a location with high visibility to passing trade.

COMBINED PROPERTY PORTFOLIO AND YIELD RECONCILIATION AS AT 30 JUNE 2022

	UK £m	Continental Europe £m	Total £m
Combined property portfolio (including share of joint ventures)			
COMBINED PROPERTY PORTFOLIO PER FINANCIAL STATEMENTS	13,626	6,916	20,542
Add valuation surplus not recognised on trading properties and other items	3	7	10
Less capitalisation of leasehold obligations under IFRS 16	-	(72)	(72)
COMBINED PROPERTY PORTFOLIO PER EXTERNAL VALUERS' REPORTS	13,629	6,851	20,480
Less land and development properties (investment, trading and joint ventures)	(1,969)	(768)	(2,737)
NET VALUATION OF COMPLETED PROPERTIES	11,660	6,083	17,743
Add notional purchasers' costs	792	298	1,090
GROSS VALUE OF COMPLETED PROPERTIES INCLUDING NOTIONAL PURCHASERS' COSTS	12,452	6,381	18,833
	A		

Rental income	£m	£m	£m
Gross passing rent ¹	337	220	557
Less irrecoverable property costs	(2)	(8)	(10)
NET PASSING RENT	335	212	547
Adjustment for notional rent in respect of rent free periods	24	26	50
TOPPED UP NET RENT	359	238	597
Including future fixed/minimum uplifts ³	10	1	11
TOTAL TOPPED UP NET RENT	369	239	608
	B	C	

Yields		%	%	%
EPRA net initial yield ²	B/A	2.7	3.3	2.9
EPRA topped up net initial yield ²	C/A	2.9	3.7	3.2
Net true equivalent yield		3.7	4.0	3.8

Exchange Rate £1:€1.16

¹ Gross passing rent excludes short term lettings and licences.

² In accordance with the Best Practices Recommendations of EPRA.

³ Certain leases contain clauses which guarantee future rental increases, whereas most leases contain five yearly, upwards only rent review clauses (UK) or indexation clauses (Continental Europe). Further detail on page 13.

COMBINED PROPERTY PORTFOLIO AS AT 30 JUNE 2022

	Value at 30 June 2022 £m				Group	Valuation movement ¹ %
	UK	Valuation movement ¹ %	Continental Europe	Valuation movement ¹ %		
Analysis of unrealised valuation movements						
Properties held throughout the year	11,399	7.5	5,759	4.2	17,158	6.3
Properties acquired during the year	98	(3.5)	131	(0.3)	229	(1.7)
Development completed during the year	163	46.1	193	14.6	356	27.1
COMPLETED PROPERTIES	11,660	7.8	6,083	4.4	17,743	6.6
Buildings under construction	887	28.0	382	20.5	1,269	25.6
Land ²	1,082	(0.1)	386	5.3	1,468	1.3
WHOLE PORTFOLIO	13,629	8.2	6,851	5.2	20,480	7.2

¹ The valuation movement percentage is based on the difference between the opening and closing valuations for properties, allowing for capital expenditure, acquisitions and disposals.

² For land and properties acquired during the year, opening valuation is acquisition cost including notional purchasers' costs which are not recognised under IFRS accounting standards.

Asset values by type and location, £m	London	Thames Valley	National Logistics	France	Italy	Spain	Poland	Czech Republic	Germany	Netherlands	Total
Big box warehouses > 35,000 sq m	205	-	622	294	540	109	238	-	304	87	2,399
Big box warehouses < 35,000 sq m	-	-	738	588	365	120	288	104	676	66	2,945
Urban warehouses > 3,500 sq m	4,002	1,447	-	829	137	87	196	4	748	53	7,503
Urban warehouses < 3,500 sq m	3,119	1,186	-	167	-	5	1	-	10	-	4,488
Other uses of industrial land ¹	69	252	20	28	9	23	4	-	-	3	408
COMPLETED SEGRO PROPERTIES (SEGRO SHARE)	7,395	2,885	1,380	1,906	1,051	344	727	108	1,738	209	17,743
COMPLETED PROPERTIES (AUM)	7,395	2,885	1,380	2,507	1,676	516	1,293	216	2,615	409	20,892

¹ Includes offices and retail uses such as trade counters, car showrooms and self storage facilities.

TOP 10 ASSETS

TOP 10 ESTATES (BY VALUE, SEGRO SHARE)	Ownership %	Location	Lettable area (100%) sq m	Headline rent £m	Occupancy by ERV %	WAULT, years ¹	Asset type
UK							
Slough Trading Estate	100	Slough	584,733	94.4	97.1	9.8	Multi-let urban warehouse estate
SLP East Midlands Gateway	100	Midlands	333,160	24.3	100.0	14.6	Big box warehouse park
Premier Park	100	Park Royal	78,720	13.8	100.0	3.5	Multi-let urban warehouse estate
Shoreham Rd Cargo Area	100	Heathrow	93,704	21.0	99.9	1.9	Multi-let cargo facility
Greenford Park	100	Park Royal	79,503	12.1	93.1	4.5	Multi-let urban warehouse estate
Metropolitan Park	100	Park Royal	69,988	8.4	95.9	1.3	Multi-let urban warehouse estate
North Feltham Trading Estate	100	Heathrow	57,933	8.9	94.2	4.7	Multi-let urban warehouse estate
SEGRO Park Perivale	100	Park Royal	56,906	9.1	98.5	4.7	Multi-let urban warehouse estate
Axis Park	100	Heathrow	61,753	9.2	100.0	6.2	Multi-let urban warehouse estate
Rugby Gateway	100	Midlands	113,413	8.7	100.0	7.1	Big box warehouse park
CONTINENTAL EUROPE							
SEGRO Parc des Petits Carreaux	100	France	139,165	12.0	93.8	2.8	Multi-let urban warehouse estate
SEGRO Airport Park Berlin	50 / 100	Germany	136,121	7.3	98.6	5.9	Multi-let urban warehouse and Big box estate
CSG Logistics Park	50 / 100	Italy	349,488	7.7	100.0	7.2	Big box warehouse park
Novara Logistics Park	100	Italy	189,028	5.9	100.0	14.1	Big box warehouse park
SEGRO Logistics Park Krefeld-Süd	50	Germany	235,977	6.1	100.0	3.4	Big box warehouse park
SEGRO Park Düsseldorf-Süd	100	Germany	96,237	6.8	100.0	5.3	Multi-let urban warehouse estate
SEGRO Logistics Park Aulnay	100	France	47,288	4.6	100.0	7.2	Big box warehouse park
Rome South Logistics Park	50	Italy	223,241	4.8	100.0	16.0	Big box warehouse park
SEGRO CityPark Düsseldorf	100	Germany	50,457	4.8	98.9	4.9	Multi-let urban warehouse estate
SEGRO Park Paris Air ² Gennevilliers	100	France	75,232	5.4	100.0	4.1	Multi-let urban warehouse estate

¹Weighted average unexpired lease term to earlier of break or expiry.

ANALYSIS OF PORTFOLIO BY ASSET TYPE AS AT 30 JUNE 2022

	Lettable area (100%) sq m	Lettable area (share) sq m	Valuation (SEGRO share)				Assets under management ⁴ £m	Valuation Movement ¹	
			Investment & trading properties £m	Joint ventures £m	Land & development ² £m	Total £m		Held throughout %	Completed properties %
UK									
Big box warehouses > 35,000 sq m	362,380	362,380	827	-	-	827	827	8.5	8.5
Big box warehouses < 35,000 sq m	310,621	310,621	738	-	-	738	738	8.7	9.0
Urban warehouses > 3,500 sq m	1,078,162	1,078,162	5,449	-	-	5,449	5,449	6.7	7.3
Urban warehouses < 3,500 sq m	657,870	657,870	4,305	-	-	4,305	4,305	8.3	8.3
Other uses of industrial land ³	90,342	90,342	341	-	-	341	341	4.0	4.0
	2,499,375	2,499,375	11,660	-	1,969	13,629	13,639	7.5	7.8
CONTINENTAL EUROPE									
Big box warehouses > 35,000 sq m	2,744,664	1,491,610	214	1,358	-	1,572	2,930	3.3	3.9
Big box warehouses < 35,000 sq m	3,087,208	1,694,312	546	1,661	-	2,207	3,869	5.2	5.2
Urban warehouses > 3,500 sq m	1,248,253	1,145,004	1,929	125	-	2,054	2,179	3.9	3.9
Urban warehouses < 3,500 sq m	85,263	85,263	183	-	-	183	183	2.8	2.8
Other uses of industrial land ³	29,966	29,277	64	3	-	67	70	5.4	6.3
	7,195,354	4,445,466	2,936	3,147	768	6,851	10,117	4.2	4.4
GROUP									
Big box warehouses > 35,000 sq m	3,107,044	1,853,990	1,041	1,358	-	2,399	3,757	5.2	5.5
Big box warehouses < 35,000 sq m	3,397,829	2,004,933	1,284	1,661	-	2,945	4,607	6.0	6.2
Urban warehouses > 3,500 sq m	2,326,415	2,223,166	7,378	125	-	7,503	7,628	5.9	6.4
Urban warehouses < 3,500 sq m	743,133	743,133	4,488	-	-	4,488	4,488	8.0	8.1
Other uses of industrial land ³	120,308	119,619	405	3	-	408	411	4.2	4.3
	9,694,729	6,944,841	14,596	3,147	2,737	20,480	23,756	6.3	6.6

¹ The valuation movement percentage is based on the difference between the opening and closing valuations for SEGRO's share of properties, allowing for capital expenditure, acquisitions and disposals.

² Land and development valuations (including joint ventures at share) by asset type are not available as land sites are not categorised by asset type.

³ "Other uses" include offices and retail uses such as trade counters, car showrooms and self storage facilities.

⁴ AUM totals include land & developments at 100%

ANALYSIS OF PORTFOLIO BY ASSET TYPE AS AT 30 JUNE 2022

	Lettable area (100%) sq m	Lettable area (share) sq m	Passing rent ¹ £m	Headline rent ¹ £m	Headline rent ¹ £ per sq m	ERV ² £m	Occupancy by ERV ⁴ %	Net initial yield %	Topped-up net initial yield ⁵ %	Net true equivalent yield %
UK										
Big box warehouses > 35,000 sq m	362,380	362,380	22	27	75	30	100.0	3.1	3.6	3.5
Big box warehouses < 35,000 sq m	310,621	310,621	24	25	81	31	100.0	3.3	3.5	3.9
Urban warehouses > 3,500 sq m	1,078,162	1,078,162	154	164	152	218	99.4	2.7	2.9	3.7
Urban warehouses < 3,500 sq m	657,870	657,870	98	106	179	162	92.0	2.2	2.4	3.5
Other uses of industrial land ³	90,342	90,342	20	20	238	22	95.1	5.6	5.7	6.2
	2,499,375	2,499,375	318	342	141	463	96.7	2.7	2.9	3.7
CONTINENTAL EUROPE										
Big box warehouses > 35,000 sq m	2,744,664	1,491,610	56	64	43	66	98.6	3.5	4.0	3.9
Big box warehouses < 35,000 sq m	3,087,208	1,694,312	81	89	54	96	97.8	3.3	3.6	3.9
Urban warehouses > 3,500 sq m	1,248,253	1,145,004	75	85	78	91	95.2	3.2	3.7	4.1
Urban warehouses < 3,500 sq m	85,263	85,263	7	7	105	9	84.3	3.8	4.0	4.6
Other uses of industrial land ³	29,966	29,277	3	3	113	4	95.7	4.9	5.0	4.2
	7,195,354	4,445,466	222	248	57	266	96.6	3.3	3.7	4.0
GROUP										
Big box warehouses > 35,000 sq m	3,107,044	1,853,990	78	91	49	96	99.1	3.4	3.9	3.7
Big box warehouses < 35,000 sq m	3,397,829	2,004,933	105	114	58	127	98.3	3.3	3.6	3.9
Urban warehouses > 3,500 sq m	2,326,415	2,223,166	229	249	115	309	98.2	2.9	3.1	3.8
Urban warehouses < 3,500 sq m	743,133	743,133	105	113	171	171	91.6	2.3	2.5	3.5
Other uses of industrial land ³	120,308	119,619	23	23	207	26	95.2	5.5	5.6	5.9
	9,694,729	6,944,841	540	590	88	729	96.7	2.9	3.2	3.8

¹ In respect of occupied space only; SEGRO share.

² On a fully occupied basis; SEGRO share.

³ "Other uses" include offices and retail uses such as trade counters, car showrooms and self storage facilities.

⁴ Occupancy rate excluding short term lettings for the Group at 30 June 2022 is 96.4%.

⁵ In relation to SEGRO's share of completed properties.

ANALYSIS OF PORTFOLIO BY ASSET TYPE AS AT 30 JUNE 2022

	Lettable area (100%) sq m	Lettable area (share) sq m	Valuation (SEGRO share)				Total £m	Assets under management £m	Valuation Movement ¹	
			Investment & trading properties £m	Joint ventures £m	Land & development ³ £m				Held throughout %	Completed properties %
BY OWNERSHIP										
Wholly owned	4,194,953	4,194,953	14,596	-	2,608	17,204	17,204	6.4	6.9	
Joint ventures	5,499,776	2,749,888	-	3,147	129	3,276	6,552	6.1	5.3	
GROUP TOTAL	9,694,729	6,944,841	14,596	3,147	2,737	20,480	23,756	6.3	6.6	

	Passing rent ⁵ £m	Headline rent ⁵ £m	Headline rent ⁵ £ per sq m	ERV ⁶ £m	Occupancy by ERV ⁴ %	Net initial yield %	Topped-up net initial yield ² %	Net true equivalent yield %
BY OWNERSHIP								
Wholly owned	427	461	115	594	96.2	2.8	3.0	3.7
Joint ventures	113	129	47	135	98.6	3.4	3.9	4.0
GROUP TOTAL	540	590	88	729	96.7	2.9	3.2	3.8

¹ The valuation movement percentage is based on the difference between the opening and closing valuations for SEGRO's share of properties, allowing for capital expenditure, acquisitions and disposals.

² In relation to SEGRO's share of completed properties.

³ Land and development valuations (including joint ventures at share) by asset type are not available as land sites are not categorised by asset type.

⁴ Occupancy rate excluding short term lettings for the Group at 30 June 2022 is 96.4%.

⁵ In respect of occupied space only; SEGRO share.

⁶ On a fully occupied basis; SEGRO share.

ANALYSIS OF PORTFOLIO BY GEOGRAPHY AS AT 30 JUNE 2022

	Lettable area (100%) sq m	Lettable area (share) sq m	Valuation (SEGRO share)				Assets under management £m	Valuation Movement ¹	
			Investment & trading properties £m	Joint ventures £m	Land & development £m	Total £m		Held throughout %	Completed properties %
London Airports (primarily Heathrow)	484,351	484,351	2,442	-	188	2,630	2,630	5.9	5.9
Park Royal	521,142	521,142	3,321	-	39	3,360	3,370	6.3	6.0
Rest of Greater London	262,187	262,187	1,632	-	456	2,088	2,088	7.0	7.2
GREATER LONDON	1,267,680	1,267,680	7,395	-	683	8,078	8,088	6.3	6.2
Slough Trading Estate	584,733	584,733	2,823	-	567	3,390	3,390	9.9	11.4
Rest of South-East England	16,886	16,886	62	-	60	122	122	13.0	12.7
THAMES VALLEY	601,619	601,619	2,885	-	627	3,512	3,512	10.0	11.4
NATIONAL LOGISTICS	630,076	630,076	1,380	-	659	2,039	2,039	8.9	9.0
UK TOTAL	2,499,375	2,499,375	11,660	-	1,969	13,629	13,639	7.5	7.8
Germany	1,701,287	1,051,818	862	876	200	1,938	2,854	4.3	4.6
Netherlands	276,006	141,709	9	200	30	239	440	7.6	11.8
NORTHERN EUROPE	1,977,293	1,193,527	871	1,076	230	2,177	3,294	4.6	5.4
France	1,568,185	1,108,068	1,306	600	205	2,111	2,719	3.5	3.4
Italy	1,492,590	922,164	426	625	198	1,249	1,874	2.5	2.3
Spain	362,726	248,011	172	172	68	412	625	4.9	4.9
SOUTHERN EUROPE	3,423,501	2,278,243	1,904	1,397	471	3,772	5,218	3.4	3.2
Poland	1,625,046	888,938	161	566	62	789	1,380	5.2	5.5
Czech Republic	169,514	84,758	-	108	5	113	225	17.2	17.4
CENTRAL EUROPE	1,794,560	973,696	161	674	67	902	1,605	6.7	6.9
CONTINENTAL EUROPE TOTAL	7,195,354	4,445,466	2,936	3,147	768	6,851	10,117	4.2	4.4
COMPLETED PORTFOLIO	9,694,729	6,944,841	14,596	3,147	2,737	20,480	23,756	6.3	6.6

¹ The valuation movement percentage is based on the difference between the opening and closing valuations for SEGRO's share of properties, allowing for capital expenditure, acquisitions and disposals.

ANALYSIS OF PORTFOLIO BY GEOGRAPHY AS AT 30 JUNE 2022

	Lettable area (100%) sq m	Lettable area (share) sq m	Passing rent ¹ £m	Headline rent ¹ £m	Headline rent ¹ £ per sq m	ERV ² £m	ERV Growth %	Occupancy by ERV ³ %	Net initial yield ⁴ %	Topped-up net initial yield ⁴ %	Net true equivalent yield ⁴ %
London Airports (primarily Heathrow)	484,351	484,351	82	86	183	104	4.4	97.3	3.2	3.3	4.0
Park Royal	521,142	521,142	69	76	154	118	6.9	94.5	2.0	2.2	3.2
Rest of Greater London	262,187	262,187	35	37	147	58	8.6	96.0	2.2	2.3	3.3
GREATER LONDON	1,267,680	1,267,680	186	199	163	280	6.3	95.8	2.4	2.6	3.5
Slough Trading Estate	584,733	584,733	90	94	169	125	9.8	97.1	3.1	3.2	4.2
Rest of South-East England	16,886	16,886	2	2	127	3	7.6	100.0	3.3	3.3	4.0
THAMES VALLEY	601,619	601,619	92	96	141	128	9.8	97.2	3.1	3.2	4.2
NATIONAL LOGISTICS	630,076	630,076	40	47	74	55	7.0	100.0	3.3	3.7	3.8
UK TOTAL	2,499,375	2,499,375	318	342	141	463	7.3	96.7	2.7	2.9	3.7
Germany	1,701,287	1,051,818	54	66	63	68	3.8	98.7	2.8	3.5	3.5
Netherlands	276,006	141,709	7	9	62	9	4.6	100.0	3.0	3.6	3.8
NORTHERN EUROPE	1,977,293	1,193,527	61	75	63	77	6.3	98.9	2.9	3.5	3.6
France	1,568,185	1,108,068	66	73	70	84	3.2	93.5	3.1	3.4	4.0
Italy	1,492,590	922,164	42	43	48	45	1.8	97.4	3.6	3.7	3.8
Spain	362,726	248,011	15	15	62	15	1.4	100.0	3.9	3.9	3.8
SOUTHERN EUROPE	3,423,501	2,278,243	123	131	60	144	2.6	95.4	3.3	3.6	3.9
Poland	1,625,046	888,938	34	38	44	39	4.6	96.6	4.6	5.1	5.1
Czech Republic	169,514	84,758	4	4	52	6	19.4	97.3	3.5	3.9	4.8
CENTRAL EUROPE	1,794,560	973,696	38	42	44	45	2.6	96.7	4.5	4.9	5.1
CONTINENTAL EUROPE TOTAL	7,195,354	4,445,466	222	248	57	266	3.6	96.6	3.3	3.7	4.0
COMPLETED PORTFOLIO	9,694,729	6,944,841	540	590	88	729	5.9	96.7	2.9	3.2	3.8

¹ In respect of occupied space only; SEGRO share.

² On a fully occupied basis; SEGRO share.

³ Occupancy rate excluding short term lettings for the Group at 30 June 2022 is 96.4%.

⁴ In relation to SEGRO's share of completed properties.

SUPPLEMENTARY DATA AS AT 30 JUNE 2022

LEASING DATA FOR YEAR TO 30 JUNE

		2022	2021
Take-up of existing space ² (A)	£m	10.5	9.5
Space returned ³ (B)	£m	(9.8)	(9.5)
Net absorption of existing space² (A-B)	£m	0.7	0.0
Other rental movements (rent reviews, renewals, indexation) ² (C)	£m	13.4	4.4
Rent roll growth from existing space	£m	14.1	4.4
Take-up of pre-let developments completed in the year \square signed in prior years ² (D)	£m	11.1	4.8
Take-up of speculative developments completed in the past two years ² (D)	£m	4.3	4.0
Total take-up² (A+C+D)	£m	39.3	22.7
Less take-up of space signed in previous years ²	£m	(11.8)	(5.5)
Pre-lets signed in the year for delivery in later years ⁴	£m	27.7	21.2
Rental income contracted in the year⁴	£m	55.2	38.4
Take-back of space for re-development	£m	(2.2)	(1.9)
Known takeback/letting from acquisition	£m	-	-
Retention rate ⁴	%	79	83

RECONCILIATION BETWEEN PASSING RENT AND ERV

	UK £m	Continental Europe £m	Group £m
PASSING RENT PER VALUATION	337	220	557
Valuation adjustments (incl outstanding rent reviews, rent in arrears)	(18)	2	(16)
Less rents from short term lettings	(1)	-	(1)
SEGRO PASSING RENT	318	222	540
Adjustment for notional rent in respect of rent-free periods	24	26	50
SEGRO CONTRACTED HEADLINE RENT	342	248	590
ERV of vacant properties (incl short term lettings)	17	9	26
Reversion to ERV for properties occupied	104	9	113
ERV OF COMPLETED PORTFOLIO	463	266	729

¹All figures reflect exchange rates at 30 June and include joint ventures at share.

²Headline rent.

³Headline rent, excluding space taken back for redevelopment.

⁴Headline rent retained as a percentage of total headline rent at risk from break or expiry during the year.

SUPPLEMENTARY DATA AS AT 30 JUNE 2022

PORTFOLIO RENT REVIEW CLAUSE SPLIT

Headline Rent	Continental		Group
	UK	Europe	
	%	%	%
Market Rent Review	49	-	49
Index Linked ¹	5	40	45
Fixed Uplifts/Other	4	2	6

RENT CHANGE ON RENT REVIEW, LEASE RENEWALS AND RE-GEARS DURING THE YEAR

	Headline rent of leases subject to review, renewal or re-gear £m	New headline rent agreed £m	Change ³ %
Greater London	16.3	23.2	42.3
Thames Valley	15.4	17.7	15.0
National Logistics	-	-	-
UK TOTAL	31.7	40.9	29.0
Northern Europe ²	2.1	2.2	6.8
Southern Europe ²	0.6	0.6	6.8
Central Europe ²	5.4	5.3	(0.6)
CONTINENTAL EUROPE TOTAL	8.1	8.1	1.8
GROUP TOTAL	39.8	49.0	23.5

¹Majority linked to CPI.

²Continental Europe leases do not have rent review clauses so this data is for lease renewals only.

³Percentage change based on actual, rather than rounded numbers.

SUPPLEMENTARY DATA AS AT 30 JUNE 2022

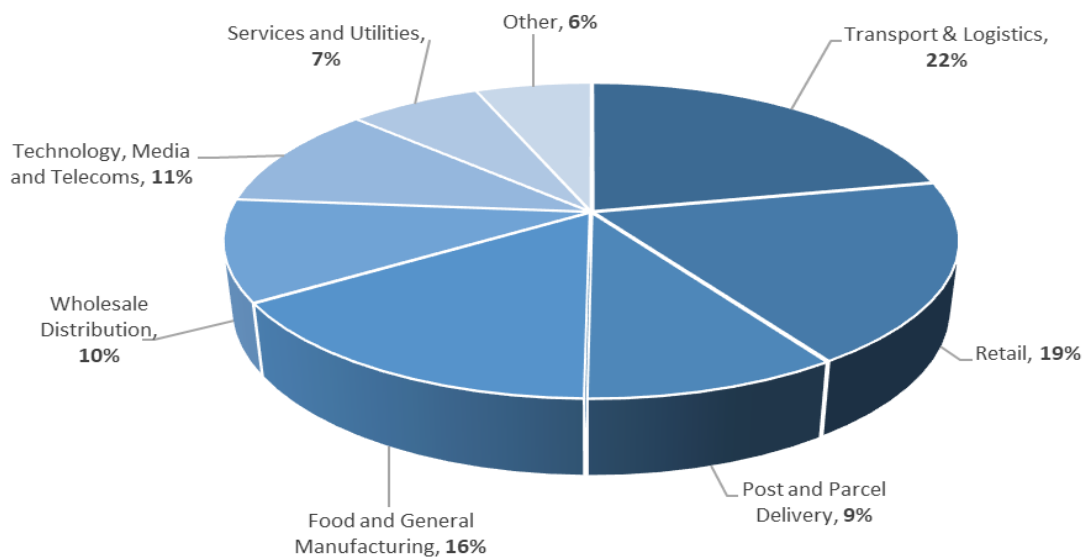
LEASE EVENT SCHEDULE AND UPLIFT OPPORTUNITY

	2022	2023	2024	2025	2026	> 5 years	Total
	£m	£m	£m	£m	£m	£m	£m
Headline rent (SEGRO share)							
UK rent reviews	35	27	33	22	37	10	164
UK rent at risk (due to expiry/break)	17	30	48	38	24	20	177
Continental Europe rent at risk (due to expiry/break)	6	22	27	37	17	140	249
TOTAL HEADLINE RENT	58	79	108	97	78	170	590
Estimated Rental Value (ERV; SEGRO share)							
UK rent reviews ¹	48	37	41	27	45	14	212
UK rent at risk (due to expiry/break)	24	43	61	49	32	26	235
Continental Europe rent at risk (due to expiry/break)	6	22	28	39	17	144	256
TOTAL ERV	78	102	130	115	94	184	703
TOTAL POTENTIAL UPLIFT	20	23	22	18	16	14	113

¹ Rent subject to review is only applicable to the UK portfolio due to Open Market Rent Review lease structures. Rent subject to both review and expiry/break has been removed from the review section.

CUSTOMER TYPES AS AT 30 JUNE 2022

Customer type by headline rent



WEIGHTED AVERAGE LEASE LENGTH¹

By geography	Break years	Expiry years
UK	8.2	9.8
Continental Europe	5.6	6.5
GROUP TOTAL	7.1	8.4

¹Weighted by headline rent (including SEGRO share of properties in joint ventures).

TOP 20 CUSTOMERS

CUSTOMER (BY HEADLINE RENT)	CUSTOMER TYPE
Amazon	Retail
Deutsche Post DHL	Transport & Logistics / Post & Parcel Delivery
Royal Mail	Post & Parcel Delivery
Federal Express	Post & Parcel Delivery
Virtus	Technology, Media and Telecoms
GXO	Transport & Logistics
Worldwide Flight Services	Transport & Logistics
Geodis	Transport & Logistics
Equinix	Technology, Media and Telecoms
La Poste (DPD)	Post & Parcel Delivery
British Airways	Other
Iron Mountain	Technology, Media and Telecoms
Cyrus One	Technology, Media and Telecoms
Ocado	Retail
ID Logistics	Transport & Logistics
Leroy Merlin	Retail
Tesco	Wholesale Distribution
Netflix	Technology, Media and Telecoms
Hermes	Post & Parcel Delivery
Menzies	Transport & Logistics

The top 20 customers represent headline rent of £190 million in aggregate, 32% of the Group's total headline rent at 30 June 2022 (SEGRO share).

DEVELOPMENT PIPELINE AS AT 30 JUNE 2022

	Hectarage (space, 100%) ha	Space to be built (100%) sq m	Current book value ¹ £m	Estimated cost to completion ² £m	ERV when completed ³ £m	Pre-let (ERV) £m	Estimated yield on cost ⁴ %
CURRENT DEVELOPMENT PIPELINE (A)							
UK	67	332,421	823	229	47	35	7.0%
Continental Europe — wholly-owned	90	349,983	284	221	27 ⁵	16	6.0%
Continental Europe — joint ventures	23	143,611	53	29	4	2	6.8%
	181	826,015	1,160	479	78	53	6.6%
Forward funded projects	16	60,506	100	39	6	-	4.7%
	197	886,521	1,260	518	84	53	6.4%
FUTURE DEVELOPMENT PIPELINE (B)							
UK	252	1,253,160	1,097	1,571	171	-	6.4%
Continental Europe — wholly-owned	213	952,265	297	622	56 ⁵	-	6.1%
Continental Europe — joint ventures	216	1,038,272	67	277	23	-	6.7%
	681	3,243,697	1,461	2,470	250	-	6.4%
TOTAL DEVELOPMENT PIPELINE (A+B)	878	4,130,218	2,721	2,988	334	53	
Land subject to sale on turnkey developments	-	-	-	-	-	-	-
Other land	21	-	16	-	-	-	-
TOTAL DEVELOPMENT PIPELINE AND OTHER LAND	899		2,737				

¹ Includes current value of land plus all costs incurred to date.

² Estimated costs to completion include estimated finance charges during construction which are capitalised to the end of the construction period.

³ ERV based upon market rents as at 30 June 2022

⁴ Yield on cost is the expected gross yield based on the estimated current market rental value (ERV) of the developments when fully let, divided by the cost of the developments taking land at value at commencement of the developments plus total development costs to completion.

⁵ Approximately £15 million in the current pipeline and £26 million in the future pipeline is associated with big box warehouses built by SEGRO/Vailog for which SELP has the option, but not the obligation, to acquire shortly after completion. Any acquisition is carried out based on the most recent valuation and the effective impact on SEGRO would be receipt of 50 per cent of the proceeds and a loss of 50 per cent of the rent.

CURRENT DEVELOPMENT PROJECTS

	Space to be built (100%) sq m	Period of completion			Estimated costs to completion £m	Period of completion				
		Total	2022 H2	2023 H1		2023 H2	Total	2022 H2	2023 H1	2023 H2
UK — Big Box	212,094	82,917	104,131	25,046	122	12	76	34		
UK — Urban warehousing	120,327	47,689	40,214	32,424	107	4	21	82		
UK TOTAL	332,421	130,606	144,345	57,470	229	16	97	116		
Continental Europe – Big Box	368,379	135,422	151,546	81,411	174	31	111	32		
<i>Continental Europe – Big Box wholly-owned¹</i>	224,768	54,772	134,246	35,750	145	21	104	20		
<i>Continental Europe – Big Box joint ventures</i>	143,611	80,650	17,300	45,661	29	10	7	12		
Continental Europe – Urban warehousing wholly-owned	119,194	52,027	16,704	50,463	71	10	8	53		
Continental Europe – High value and other uses of industrial land	6,021	6,021	-	-	5	5	-	-		
CONTINENTAL EUROPE TOTAL	493,594	193,470	168,250	131,874	250	46	119	85		
CURRENT DEVELOPMENT PIPELINE	826,015	324,076	312,595	189,344	479	62	216	201		

	ERV when complete £m	Period of completion			Pre-let (ERV) £m	Period of completion				
		Total	2022 H2	2023 H1		2023 H2	Total	2022 H2	2023 H1	2023 H2
UK — Big Box	19	6	9	4	18	6	8	4		
UK — Urban warehousing	28	11	10	7	17	7	10	-		
UK TOTAL	47	17	19	11	35	13	18	4		
Continental Europe – Big Box	19	6	10	3	14	5	9	-		
<i>Continental Europe – Big Box wholly-owned¹</i>	15	3	10	2	12	3	9	-		
<i>Continental Europe – Big Box joint ventures</i>	4	3	-	1	2	2	-	-		
Continental Europe – Urban warehousing wholly-owned	11	4	1	6	3	1	-	2		
Continental Europe – High value and other uses of industrial land	1	1	-	-	1	1	-	-		
CONTINENTAL EUROPE TOTAL	31	11	11	9	18	7	9	2		
CURRENT DEVELOPMENT PIPELINE²	78	28	30	20	53	20	27	6		

¹These developments are built by SEGRO/Vailog for which SELP has the option, but not the obligation, to acquire shortly after completion.

²This excludes £6m ERV from forward funded projects of which £4m will be completed this year

DEVELOPMENT PROJECTS COMPLETED IN 2022

	Completed (space, 100%) sq m	Total ERV (at share) £m	ERV of let space (at share) £m	Total capital expenditure (at share) £m	Yield on cost
UK — Big Box	10,985	1	1	13	6.3%
UK — Urban warehousing	24,891	5	5	25	9.7%
UK — Other uses of industrial land	-	-	-	-	N/A
UK TOTAL	35,876	6	6	38	8.6%
Continental Europe — Big Box	255,031	6	5	60	6.7%
Wholly-owned	23,750	1	-	10	7.9%
Joint Ventures	231,281	5	5	50	6.5%
Continental Europe - Urban warehousing	34,206	2	1	20	6.3%
Continental Europe - Other uses of industrial land	4,822	1	1	12	7.2%
CONTINENTAL EUROPE TOTAL	294,059	9	7	92	6.7%
TOTAL COMPLETED PROJECTS IN 2022	329,935	15	13	130	7.3%

GLOSSARY OF TERMS

Completed portfolio

The completed investment properties and the Group's share of joint ventures' completed investment properties. Includes properties held throughout the year, completed developments and properties acquired during the year.

Development pipeline

The Group's current programme of developments authorised or in the course of construction at the balance sheet date (Current Pipeline), together with potential schemes not yet commenced on land owned or controlled by the Group (Future Pipeline).

EPRA

The European Public Real Estate Association, a real estate industry body, which has issued Best Practices Recommendations in order to provide consistency and transparency in real estate reporting across Europe.

Estimated cost to completion

Costs still to be expended on a development or redevelopment to practical completion, including notional finance costs.

Estimated rental value (ERV)

The estimated annual market rental value of lettable space as determined biannually by the Group's valuers. This will normally be different from the rent being paid.

Rent-free period

An incentive provided usually at commencement of a lease during which a customer pays no rent. The amount of rent free is the difference between passing rent and headline rent.

Headline rent

The annual rental income currently receivable on a property as at the balance sheet date (which may be more or less than the ERV) ignoring any rent-free period.

Hectares (Ha)

The area of land measurement used in this analysis. The conversion factor used, where appropriate, is 1 hectare = 2.471 acres.

Investment property

Completed land and buildings held for rental income return and/or capital appreciation.

Joint venture

An entity in which the Group holds an interest and which is jointly controlled by the Group and one or more partners under a contractual arrangement whereby decisions on financial and operating policies essential to the operation, performance and financial position of the venture require each partner's consent.

Net initial yield

Passing rent less non-recoverable property expenses such as empty rates, divided by the property valuation plus notional purchasers' costs. This is in accordance with EPRA's Best Practices Recommendations.

Square metres (sq m)

The area of buildings measurements used in this analysis. The conversion factor used, where appropriate, is 1 square metre = 10.7639 square feet.

Net rental income

Gross rental income less ground rents paid and property operating expenses.

Net true equivalent yield

The internal rate of return from an investment property, based on the value of the property assuming the current passing rent reverts to ERV and assuming the property becomes fully occupied over time. Rent is assumed to be paid quarterly in advance, in line with standard UK lease terms.

Passing rent

The annual rental income currently receivable on a property as at the balance sheet date (which may be more or less than the ERV). Excludes rental income where a rent free period is in operation. Excludes service charge income.

Pre-let

A lease signed with an occupier prior to commencing construction of a building.

REIT

A qualifying entity which has elected to be treated as a Real Estate Investment Trust for tax purposes. In the UK, such entities must be listed on a recognised stock exchange, must be predominantly engaged in property investment activities and must meet certain ongoing qualifications. SEGRO plc and its UK subsidiaries achieved REIT status with effect from 1 January 2007.

Total capital expenditure

Total capital expenditure excluding land value.

GLOSSARY OF TERMS

Rent roll

See Passing Rent.

Speculative development

Where a development has commenced prior to a lease agreement being signed in relation to that development.

Take-back

Rental income lost due to lease expiry, exercise of break option, surrender or insolvency.

Topped up net initial yield

Net initial yield adjusted to include notional rent in respect of let properties which are subject to a rent free period at the valuation date. This is in accordance with EPRA's Best Practices Recommendations.

Trading property

Property being developed for sale or one which is being held for sale after development is complete.

Yield on cost

Yield on cost is the expected gross yield based on the estimated current market rental value (ERV) of the developments when fully let, divided by the book value of the developments at the earlier of commencement of the development or the balance sheet date plus future development costs and estimated finance costs to completion.



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