

**SEGRO**

**2023**

HALF YEAR  
PROPERTY ANALYSIS  
REPORT



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## ABOUT SEGRO

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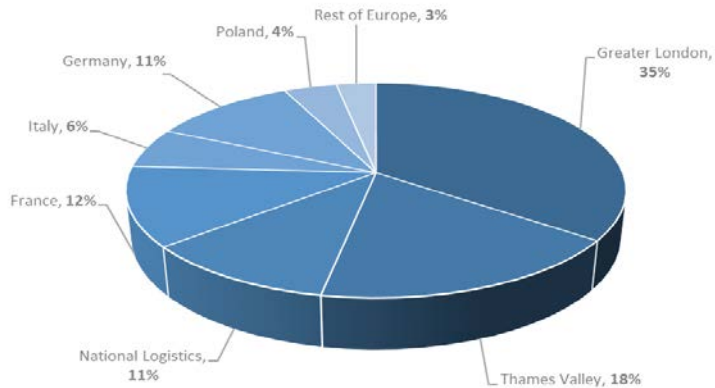
SEGRO is a leading owner, asset manager and developer of modern warehousing and light industrial properties, with £21 billion of assets under management (£18.1 billion including SEGRO's share of joint ventures). The assets are principally concentrated in key conurbations and major distribution hubs in eight European countries.

The Group serves customers spread across a diverse range of industry sectors. It has 10.3 million square metres of built space under management and annual rental income of £605 million at share.

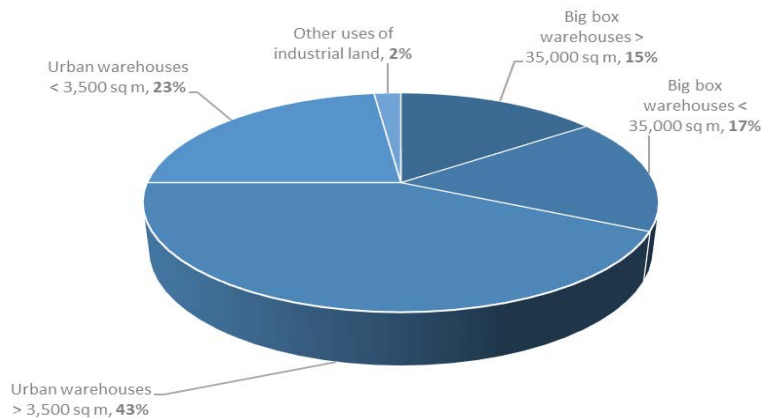


## OVERVIEW

### 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 2023

	UK £m	Continental Europe £m	Total £m
<i>Combined property portfolio (including share of joint ventures)</i>			
<b>COMBINED PROPERTY PORTFOLIO PER FINANCIAL STATEMENTS</b>	<b>11,510</b>	<b>6,655</b>	<b>18,165</b>
Add valuation surplus not recognised on trading properties and other items	1	-	1
Less capitalisation of leasehold obligations under IFRS 16	-	(71)	(71)
<b>COMBINED PROPERTY PORTFOLIO PER EXTERNAL VALUERS' REPORTS</b>	<b>11,511</b>	<b>6,584</b>	<b>18,095</b>
Less land and development properties (investment, trading and joint ventures)	(1,713)	(1,083)	(2,796)
<b>NET VALUATION OF COMPLETED PROPERTIES</b>	<b>9,798</b>	<b>5,501</b>	<b>15,299</b>
Add notional purchasers' costs	665	281	946
<b>GROSS VALUE OF COMPLETED PROPERTIES INCLUDING NOTIONAL PURCHASERS' COSTS</b>	<b>10,463</b>	<b>5,782</b>	<b>16,245</b>
	<b>A</b>		

<i>Rental income</i>	£m	£m	£m
Gross passing rent <sup>1</sup>	383	252	635
Less irrecoverable property costs	(1)	(9)	(10)
<b>NET PASSING RENT</b>	<b>382</b>	<b>243</b>	<b>625</b>
Adjustment for notional rent in respect of rent free periods	33	22	55
<b>TOPPED UP NET RENT</b>	<b>415</b>	<b>265</b>	<b>680</b>
Including future fixed/minimum uplifts <sup>3</sup>	12	2	14
<b>TOTAL TOPPED UP NET RENT</b>	<b>427</b>	<b>267</b>	<b>694</b>
	<b>B</b>	<b>C</b>	

<i>Yields</i>		%	%	%
EPRA net initial yield <sup>2</sup>	B/A	3.7	4.2	3.8
EPRA topped up net initial yield <sup>2</sup>	C/A	4.0	4.6	4.2
Net true equivalent yield		5.0	5.2	5.1

Exchange Rate £1:€1.16

<sup>1</sup> Gross passing rent excludes short term lettings and licences.

<sup>2</sup> In accordance with the Best Practices Recommendations of EPRA.

<sup>3</sup> 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 2023

	Value at 30 June 2023 £m				Group	Valuation movement <sup>1</sup> %
	UK	Valuation movement <sup>1</sup> %	Continental Europe	Valuation movement <sup>1</sup> %		
<i>Analysis of unrealised valuation movements</i>						
Properties held throughout the year	9,468	(0.8)	5,288	(3.0)	14,756	(1.6)
Properties acquired during the year	-	-	-	-	-	-
Development completed during the year	330	7.9	213	7.5	543	7.8
<b>COMPLETED PROPERTIES</b>	<b>9,798</b>	<b>(0.5)</b>	<b>5,501</b>	<b>(2.6)</b>	<b>15,299</b>	<b>(1.3)</b>
Buildings under construction	499	9.5	383	(2.3)	882	4.0
Land <sup>2</sup>	1,214	(4.4)	700	(3.8)	1,914	(4.2)
<b>WHOLE PORTFOLIO</b>	<b>11,511</b>	<b>(0.6)</b>	<b>6,584</b>	<b>(2.7)</b>	<b>18,095</b>	<b>(1.4)</b>

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

<sup>2</sup> 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	152	-	708	234	465	47	223	-	341	72	2,242
Big box warehouses < 35,000 sq m	-	-	599	471	384	103	282	93	599	53	2,584
Urban warehouses > 3,500 sq m	3,325	1,269	-	797	123	74	175	4	715	35	6,517
Urban warehouses < 3,500 sq m	2,501	912	-	158	-	4	1	-	8	-	3,584
Other uses of industrial land <sup>1</sup>	61	209	62	3	11	19	4	-	1	2	372
<b>COMPLETED SEGRO PROPERTIES (SEGRO SHARE)</b>	<b>6,039</b>	<b>2,390</b>	<b>1,369</b>	<b>1,663</b>	<b>983</b>	<b>247</b>	<b>685</b>	<b>97</b>	<b>1,664</b>	<b>162</b>	<b>15,299</b>
<b>COMPLETED PROPERTIES (AUM)</b>	<b>6,039</b>	<b>2,390</b>	<b>1,369</b>	<b>2,150</b>	<b>1,482</b>	<b>397</b>	<b>1,225</b>	<b>194</b>	<b>2,501</b>	<b>324</b>	<b>18,071</b>

<sup>1</sup> 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 <sup>1</sup>	Asset type
<b>UK</b>							
Slough Trading Estate and SEGRO V-Park Leigh Road	100	Slough	583,147	100.1	97.6	9.7	Multi-let urban warehouse estate
SEGRO Logistics Park East Midlands Gateway	100	Midlands	456,684	35.3	100.0	12.2	Big box warehouse park
SEGRO Park Premier Road	100	Park Royal	78,720	12.8	91.1	2.9	Multi-let urban warehouse estate
SEGRO Park Heathrow, Shoreham Road	100	Heathrow	93,704	21.3	99.9	1.0	Multi-let cargo facility
SEGRO Park Greenford Ocham Drive and Auriol Drive	100	Park Royal	79,503	12.6	91.4	3.5	Multi-let urban warehouse estate
SEGRO Park Greenford Central	100	Park Royal	69,988	9.2	80.1	2.0	Multi-let urban warehouse estate
SEGRO Park North Feltham	100	Heathrow	57,947	10.2	98.9	4.8	Multi-let urban warehouse estate
SEGRO Park Perivale	100	Park Royal	56,906	9.1	98.5	3.8	Multi-let urban warehouse estate
SEGRO Park Hurricane Way	100	Heathrow	61,753	9.2	100.0	5.2	Multi-let urban warehouse estate
SEGRO Park Coventry <sup>2</sup>	100	Midlands	N/A	N/A	N/A	N/A	Big box warehouse park (Land)
<b>CONTINENTAL EUROPE</b>							
SEGRO Airport Park Berlin	50 / 100	Germany	154,191	8.2	88.4	5.5	Multi-let urban warehouse and Big box estate
SEGRO Parc des Petits Carreaux	100	France	141,185	13.1	96.3	3.3	Multi-let urban warehouse estate
CSG Logistics Park	50 / 100	Italy	386,073	10.0	100.0	6.3	Big box warehouse park
SEGRO Logistics Park Krefeld-Süd	50	Germany	235,977	6.4	100.0	5.6	Big box warehouse park
SEGRO Park Düsseldorf-Süd	100	Germany	88,806	6.9	99.0	5.1	Multi-let urban warehouse estate
Novara Logistics Park	100	Italy	189,028	6.1	100.0	13.1	Big box warehouse park
Bologna Interporto	50 / 100	Italy	219,600	6.4	100.0	5.1	Big box warehouse park
Rome South Logistics Park	50	Italy	223,241	4.9	100.0	14.8	Big box warehouse park
SEGRO Logistics Park Leipzig Airport	50	Germany	211,815	4.4	100.0	8.9	Big box warehouse park
SEGRO Park Gennevilliers	100	France	75,232	5.7	100.0	3.1	Multi-let urban warehouse estate

<sup>1</sup>Weighted average unexpired lease term to earlier of break or expiry.

<sup>2</sup>This is currently a development so no lettable area or headline rent

## ANALYSIS OF PORTFOLIO BY ASSET TYPE AS AT 30 JUNE 2023

	Lettable area (100%) sq m	Lettable area (share) sq m	Valuation (SEGRO share)				Total £m	Assets under management <sup>4</sup> £m	Valuation Movement <sup>1</sup>	
			Investment & trading properties £m	Joint ventures £m	Land & development <sup>2</sup> £m				Held throughout %	Completed properties %
<b>UK</b>										
Big box warehouses > 35,000 sq m	526,234	526,234	860	-	-	860	860	(0.6)	0.7	
Big box warehouses < 35,000 sq m	334,079	334,079	599	-	-	599	599	1.0	1.0	
Urban warehouses > 3,500 sq m	1,129,952	1,129,952	4,594	-	-	4,594	4,594	(1.0)	(0.8)	
Urban warehouses < 3,500 sq m	664,445	664,445	3,412	-	-	3,412	3,412	(0.8)	(0.8)	
Other uses of industrial land <sup>3</sup>	90,342	90,342	333	-	-	333	333	(1.4)	(0.3)	
	<b>2,745,052</b>	<b>2,745,052</b>	<b>9,798</b>	<b>-</b>	<b>1,713</b>	<b>11,511</b>	<b>11,524</b>	<b>(0.8)</b>	<b>(0.5)</b>	
<b>CONTINENTAL EUROPE</b>										
Big box warehouses > 35,000 sq m	2,828,230	1,526,171	179	1,203	-	1,382	2,585	(3.0)	(2.6)	
Big box warehouses < 35,000 sq m	3,242,178	1,817,831	522	1,463	-	1,985	3,448	(3.0)	(2.6)	
Urban warehouses > 3,500 sq m	1,324,412	1,224,750	1,819	104	-	1,923	2,027	(3.0)	(2.6)	
Urban warehouses < 3,500 sq m	87,010	87,010	172	-	-	172	172	(2.8)	(2.8)	
Other uses of industrial land <sup>3</sup>	25,977	25,977	37	2	-	39	41	(2.7)	(2.5)	
	<b>7,507,807</b>	<b>4,681,739</b>	<b>2,729</b>	<b>2,772</b>	<b>1,083</b>	<b>6,584</b>	<b>9,500</b>	<b>(3.0)</b>	<b>(2.6)</b>	
<b>GROUP</b>										
Big box warehouses > 35,000 sq m	3,354,464	2,052,405	1,039	1,203	-	2,242	3,445	(2.2)	(1.4)	
Big box warehouses < 35,000 sq m	3,576,257	2,151,910	1,121	1,463	-	2,584	4,047	(2.0)	(1.8)	
Urban warehouses > 3,500 sq m	2,454,364	2,354,702	6,413	104	-	6,517	6,621	(1.6)	(1.3)	
Urban warehouses < 3,500 sq m	751,455	751,455	3,584	-	-	3,584	3,584	(0.9)	(0.9)	
Other uses of industrial land <sup>3</sup>	116,319	116,319	370	2	-	372	374	(1.5)	(0.5)	
	<b>10,252,859</b>	<b>7,426,791</b>	<b>12,527</b>	<b>2,772</b>	<b>2,796</b>	<b>18,095</b>	<b>21,024</b>	<b>(1.6)</b>	<b>(1.3)</b>	

<sup>1</sup> 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.

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

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

<sup>4</sup> AUM totals include land & developments at 100%.

## ANALYSIS OF PORTFOLIO BY ASSET TYPE AS AT 30 JUNE 2023

	Lettable area (100%) sq m	Lettable area (share) sq m	Passing rent <sup>1</sup> £m	Headline rent <sup>1</sup> £m	Headline rent <sup>1</sup> £ per sq m	ERV <sup>2</sup> £m	Occupancy by ERV <sup>4</sup> %	Net initial yield %	Topped-up net initial yield <sup>5</sup> %	Net true equivalent yield %
<b>UK</b>										
Big box warehouses > 35,000 sq m	526,234	526,234	27	41	77	47	100.0	4.3	5.7	5.2
Big box warehouses < 35,000 sq m	334,079	334,079	27	27	84	36	97.5	4.3	4.3	5.5
Urban warehouses > 3,500 sq m	1,129,952	1,129,952	168	179	162	249	98.2	3.6	3.9	4.9
Urban warehouses < 3,500 sq m	664,445	664,445	108	113	195	177	88.0	3.2	3.3	4.8
Other uses of industrial land <sup>3</sup>	90,342	90,342	20	23	267	24	97.1	5.9	6.9	7.0
	<b>2,745,052</b>	<b>2,745,052</b>	<b>350</b>	<b>383</b>	<b>146</b>	<b>533</b>	<b>94.9</b>	<b>3.7</b>	<b>4.0</b>	<b>5.0</b>
<b>CONTINENTAL EUROPE</b>										
Big box warehouses > 35,000 sq m	2,828,230	1,526,171	66	70	46	78	98.7	4.2	4.5	5.1
Big box warehouses < 35,000 sq m	3,242,178	1,817,831	92	101	56	114	98.7	4.2	4.7	5.1
Urban warehouses > 3,500 sq m	1,324,412	1,224,750	87	95	83	107	93.9	4.2	4.6	5.2
Urban warehouses < 3,500 sq m	87,010	87,010	8	9	111	10	89.7	4.2	4.5	5.5
Other uses of industrial land <sup>3</sup>	25,977	25,977	2	2	91	3	90.4	5.3	5.3	5.8
	<b>7,507,807</b>	<b>4,681,739</b>	<b>255</b>	<b>277</b>	<b>61</b>	<b>312</b>	<b>96.7</b>	<b>4.2</b>	<b>4.6</b>	<b>5.2</b>
<b>GROUP</b>										
Big box warehouses > 35,000 sq m	3,354,464	2,052,405	93	111	54	125	99.2	4.2	5.0	5.1
Big box warehouses < 35,000 sq m	3,576,257	2,151,910	119	128	61	150	98.4	4.2	4.6	5.2
Urban warehouses > 3,500 sq m	2,454,364	2,354,702	255	274	122	356	96.9	3.8	4.1	5.0
Urban warehouses < 3,500 sq m	751,455	751,455	116	122	185	187	88.1	3.2	3.3	4.8
Other uses of industrial land <sup>3</sup>	116,319	116,319	22	25	229	27	96.5	5.9	6.8	6.9
	<b>10,252,859</b>	<b>7,426,791</b>	<b>605</b>	<b>660</b>	<b>92</b>	<b>845</b>	<b>95.5</b>	<b>3.8</b>	<b>4.2</b>	<b>5.1</b>

<sup>1</sup> In respect of occupied space only; SEGRO share.

<sup>2</sup> On a fully occupied basis; SEGRO share.

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

<sup>4</sup> Occupancy rate excluding short term lettings for the Group at 30 June 2023 is 95.4%.

<sup>5</sup> In relation to SEGRO's share of completed properties.



## ANALYSIS OF PORTFOLIO BY ASSET TYPE AS AT 30 JUNE 2023

	Lettable area (100%) sq m	Lettable area (share) sq m	Valuation (SEGRO share)				Total £m	Assets under management £m	Valuation Movement <sup>1</sup>	
			Investment & trading properties £m	Joint ventures £m	Land & development <sup>3</sup> £m				Held throughout %	Completed properties %
<b>BY OWNERSHIP</b>										
Wholly owned	4,600,724	4,600,724	12,527	-	2,639	15,166	15,166	(1.3)	(1.0)	
Joint ventures	5,652,135	2,826,067	-	2,772	157	2,929	5,858	(2.6)	(2.5)	
<b>GROUP TOTAL</b>	<b>10,252,859</b>	<b>7,426,791</b>	<b>12,527</b>	<b>2,772</b>	<b>2,796</b>	<b>18,095</b>	<b>21,024</b>	<b>(1.6)</b>	<b>(1.3)</b>	

	Passing rent <sup>5</sup> £m	Headline rent <sup>5</sup> £m	Headline rent <sup>5</sup> £ per sq m	ERV <sup>6</sup> £m	Occupancy by ERV <sup>4</sup> %	Net initial yield %	Topped-up net initial yield <sup>2</sup> %	Net true equivalent yield %
<b>BY OWNERSHIP</b>								
Wholly owned	475	520	119	688	94.8	3.8	4.1	5.0
Joint ventures	130	140	50	157	98.9	4.3	4.6	5.1
<b>GROUP TOTAL</b>	<b>605</b>	<b>660</b>	<b>92</b>	<b>845</b>	<b>95.5</b>	<b>3.8</b>	<b>4.2</b>	<b>5.1</b>

<sup>1</sup> 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.

<sup>2</sup> In relation to SEGRO's share of completed properties.

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

<sup>4</sup> Occupancy rate excluding short term lettings for the Group at 30 June 2023 is 95.4%.

<sup>5</sup> In respect of occupied space only; SEGRO share.

<sup>6</sup> On a fully occupied basis; SEGRO share.

## ANALYSIS OF PORTFOLIO BY GEOGRAPHY AS AT 30 JUNE 2023

	Lettable area (100%) sq m	Lettable area (share) sq m	Valuation (SEGRO share)				Total £m	Assets under management £m	Valuation Movement <sup>1</sup>	
			Investment & trading properties £m	Joint ventures £m	Land & development £m				Held throughout %	Completed properties %
London Airports (primarily Heathrow)	507,043	507,043	2,126	-	23	2,149	2,149	(1.5)	(1.5)	
Park Royal	518,144	518,144	2,538	-	38	2,576	2,589	(2.1)	(2.1)	
Rest of Greater London	294,707	294,707	1,375	-	212	1,587	1,587	(0.2)	(0.1)	
<b>GREATER LONDON</b>	<b>1,319,894</b>	<b>1,319,894</b>	<b>6,039</b>	<b>-</b>	<b>273</b>	<b>6,312</b>	<b>6,325</b>	<b>(1.5)</b>	<b>(1.5)</b>	
Slough Trading Estate	583,147	583,147	2,294	-	838	3,132	3,132	0.6	1.1	
Rest of South-East England	24,623	24,623	96	-	-	96	96	(1.0)	(1.0)	
<b>THAMES VALLEY</b>	<b>607,770</b>	<b>607,770</b>	<b>2,390</b>	<b>-</b>	<b>838</b>	<b>3,228</b>	<b>3,228</b>	<b>0.6</b>	<b>1.0</b>	
<b>NATIONAL LOGISTICS</b>	<b>817,388</b>	<b>817,388</b>	<b>1,369</b>	<b>-</b>	<b>602</b>	<b>1,971</b>	<b>1,971</b>	<b>0.2</b>	<b>1.1</b>	
<b>UK TOTAL</b>	<b>2,745,052</b>	<b>2,745,052</b>	<b>9,798</b>	<b>-</b>	<b>1,713</b>	<b>11,511</b>	<b>11,524</b>	<b>(0.8)</b>	<b>(0.5)</b>	
Germany	1,838,304	1,151,326	827	837	289	1,953	2,800	0	0.3	
Netherlands	260,042	130,021	-	162	24	186	371	(1.8)	(1.8)	
<b>NORTHERN EUROPE</b>	<b>2,098,346</b>	<b>1,281,347</b>	<b>827</b>	<b>999</b>	<b>313</b>	<b>2,139</b>	<b>3,171</b>	<b>(0.2)</b>	<b>0.1</b>	
France	1,606,749	1,146,545	1,176	487	446	2,109	2,632	(4.8)	(4.6)	
Italy	1,608,488	1,038,433	484	499	166	1,149	1,648	(4.1)	(2.9)	
Spain	313,199	198,484	97	150	70	317	510	(5.0)	(5.0)	
<b>SOUTHERN EUROPE</b>	<b>3,528,436</b>	<b>2,383,462</b>	<b>1,757</b>	<b>1,136</b>	<b>682</b>	<b>3,575</b>	<b>4,790</b>	<b>(4.6)</b>	<b>(4.1)</b>	
Poland	1,711,512	932,173	145	540	84	769	1,336	(3.8)	(3.5)	
Czech Republic	169,513	84,757	-	97	4	101	203	(2.0)	(2.0)	
<b>CENTRAL EUROPE</b>	<b>1,881,025</b>	<b>1,016,930</b>	<b>145</b>	<b>637</b>	<b>88</b>	<b>870</b>	<b>1,539</b>	<b>(3.6)</b>	<b>(3.3)</b>	
<b>CONTINENTAL EUROPE TOTAL</b>	<b>7,507,807</b>	<b>4,681,739</b>	<b>2,729</b>	<b>2,772</b>	<b>1,083</b>	<b>6,584</b>	<b>9,500</b>	<b>(3.0)</b>	<b>(2.6)</b>	
<b>COMPLETED PORTFOLIO</b>	<b>10,252,859</b>	<b>7,426,791</b>	<b>12,527</b>	<b>2,772</b>	<b>2,796</b>	<b>18,095</b>	<b>21,024</b>	<b>(1.6)</b>	<b>(1.3)</b>	

<sup>1</sup> 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 2023

	Lettable area (100%) sq m	Lettable area (share) sq m	Passing rent <sup>1</sup> £m	Headline rent <sup>1</sup> £m	Headline rent <sup>1</sup> £ per sq m	ERV <sup>2</sup> £m	ERV Growth %	Occupancy by ERV <sup>3</sup> %	Net initial yield <sup>4</sup> %	Topped-up net initial yield <sup>4</sup> %	Net true equivalent yield <sup>4</sup> %
London Airports (primarily Heathrow)	507,043	507,043	88	94	189	117	3.1	98.5	4.2	4.5	5.1
Park Royal	518,144	518,144	75	78	165	126	1.9	89.5	3.0	3.1	4.5
Rest of Greater London	294,707	294,707	39	42	160	69	2.9	88.2	2.8	3.0	4.6
<b>GREATER LONDON</b>	<b>1,319,894</b>	<b>1,319,894</b>	<b>202</b>	<b>214</b>	<b>174</b>	<b>312</b>	<b>2.5</b>	<b>92.6</b>	<b>3.4</b>	<b>3.5</b>	<b>4.7</b>
Slough Trading Estate	583,147	583,147	94	100	179	137	4.7	97.6	4.0	4.3	5.4
Rest of South-East England	24,623	24,623	5	5	198	6	0.8	100.0	4.2	4.2	5.6
<b>THAMES VALLEY</b>	<b>607,770</b>	<b>607,770</b>	<b>99</b>	<b>105</b>	<b>179</b>	<b>143</b>	<b>4.5</b>	<b>97.7</b>	<b>4.0</b>	<b>4.3</b>	<b>5.4</b>
<b>NATIONAL LOGISTICS</b>	<b>817,388</b>	<b>817,388</b>	<b>49</b>	<b>64</b>	<b>79</b>	<b>78</b>	<b>2.3</b>	<b>98.9</b>	<b>4.3</b>	<b>5.3</b>	<b>5.4</b>
<b>UK TOTAL</b>	<b>2,745,052</b>	<b>2,745,052</b>	<b>350</b>	<b>383</b>	<b>146</b>	<b>533</b>	<b>3.0</b>	<b>94.9</b>	<b>3.7</b>	<b>4.0</b>	<b>5.0</b>
Germany	1,838,304	1,151,326	65	74	67	83	4.8	96.8	3.4	4.0	4.5
Netherlands	260,042	130,021	8	9	67	10	9.9	100.0	4.6	4.7	5.3
<b>NORTHERN EUROPE</b>	<b>2,098,346</b>	<b>1,281,347</b>	<b>73</b>	<b>83</b>	<b>67</b>	<b>93</b>	<b>5.3</b>	<b>97.2</b>	<b>3.5</b>	<b>4.0</b>	<b>4.5</b>
France	1,606,749	1,146,545	76	80	74	96	5.4	94.1	4.2	4.4	5.3
Italy	1,608,488	1,038,433	51	54	53	58	3.9	99.8	4.8	5.1	5.2
Spain	313,199	198,484	13	13	66	14	4.4	100.0	4.5	4.5	4.8
<b>SOUTHERN EUROPE</b>	<b>3,528,436</b>	<b>2,383,462</b>	<b>140</b>	<b>147</b>	<b>64</b>	<b>168</b>	<b>4.8</b>	<b>96.5</b>	<b>4.4</b>	<b>4.6</b>	<b>5.2</b>
Poland	1,711,512	932,173	37	42	46	45	3.7	96.1	5.4	6.0	6.3
Czech Republic	169,513	84,757	5	5	56	6	6.1	97.7	4.7	4.7	6.0
<b>CENTRAL EUROPE</b>	<b>1,881,025</b>	<b>1,016,930</b>	<b>42</b>	<b>47</b>	<b>47</b>	<b>51</b>	<b>4.0</b>	<b>96.3</b>	<b>5.3</b>	<b>5.8</b>	<b>6.3</b>
<b>CONTINENTAL EUROPE TOTAL</b>	<b>7,507,807</b>	<b>4,681,739</b>	<b>255</b>	<b>277</b>	<b>61</b>	<b>312</b>	<b>4.8</b>	<b>96.7</b>	<b>4.2</b>	<b>4.6</b>	<b>5.2</b>
<b>COMPLETED PORTFOLIO</b>	<b>10,252,859</b>	<b>7,426,791</b>	<b>605</b>	<b>660</b>	<b>92</b>	<b>845</b>	<b>3.7</b>	<b>95.5</b>	<b>3.8</b>	<b>4.2</b>	<b>5.1</b>

<sup>1</sup> In respect of occupied space only; SEGRO share.

<sup>2</sup> On a fully occupied basis; SEGRO share.

<sup>3</sup> Occupancy rate excluding short term lettings for the Group at 30 June 2023 is 95.4%.

<sup>4</sup> In relation to SEGRO's share of completed properties.

## SUPPLEMENTARY DATA AS AT 30 JUNE 2023

### LEASING DATA FOR YEAR TO 30 JUNE

		2023	2022
Take-up of existing space <sup>1</sup> (A)	£m	8	11
Space returned <sup>2</sup> (B)	£m	(9)	(10)
<b>Net absorption of existing space<sup>1</sup> (A-B)</b>	<b>£m</b>	<b>(1)</b>	<b>1</b>
Other rental movements (rent reviews, renewals, indexation) <sup>1</sup> (C)	£m	12	13
<b>Rent roll growth from existing space</b>	<b>£m</b>	<b>11</b>	<b>14</b>
Take-up of pre-let developments completed in the year -- signed in prior years <sup>1</sup> (D)	£m	21	11
Take-up of speculative developments completed in the past two years <sup>1</sup> (D)	£m	6	4
<b>Total take-up<sup>2</sup> (A+C+D)</b>	<b>£m</b>	<b>47</b>	<b>39</b>
Less take-up of space signed in previous years <sup>1</sup>	£m	(22)	(12)
Pre-lets signed in the year for delivery in later years <sup>1</sup>	£m	19	28
<b>Rental income contracted in the year<sup>1</sup></b>	<b>£m</b>	<b>44</b>	<b>55</b>
Take-back of space for re-development	£m	(1)	(2)
Known takeback/letting from acquisition	£m	-	-
Retention rate <sup>3</sup>	%	85	79

### RECONCILIATION BETWEEN PASSING RENT AND ERV

	UK £m	Continental Europe £m	Group £m
<b>PASSING RENT PER VALUATION</b>	<b>383</b>	<b>253</b>	<b>636</b>
Valuation adjustments (incl outstanding rent reviews, rent in arrears)	(33)	2	(31)
Less rents from short term lettings	-	-	-
<b>SEGRO PASSING RENT</b>	<b>350</b>	<b>255</b>	<b>605</b>
Adjustment for notional rent in respect of rent-free periods	33	22	55
<b>SEGRO CONTRACTED HEADLINE RENT</b>	<b>383</b>	<b>277</b>	<b>660</b>
ERV of vacant properties (incl short term lettings)	28	10	38
Reversion to ERV for properties occupied	122	25	147
<b>ERV OF COMPLETED PORTFOLIO</b>	<b>533</b>	<b>312</b>	<b>845</b>

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

<sup>1</sup>Headline rent.

<sup>2</sup>Headline rent, excluding space taken back for redevelopment.

<sup>3</sup>Headline rent retained as a percentage of total headline rent at risk from break or expiry during the year.

## SUPPLEMENTARY DATA AS AT 30 JUNE 2023

### PORTFOLIO RENT REVIEW CLAUSE SPLIT

Headline Rent	UK	Continental Europe	Group
	%	%	%
Market Rent Review	31	-	31
Index Linked <sup>1</sup>	14	40	54
Fixed Uplifts/Other	13	2	15

### 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 <sup>3</sup> %
Greater London	10.5	13.4	27.3
Thames Valley	4.0	4.9	24.1
National Logistics	-	-	-
<b>UK TOTAL</b>	<b>14.5</b>	<b>18.3</b>	<b>26.4</b>
Northern Europe <sup>2</sup>	4.4	4.8	10.9
Southern Europe <sup>2</sup>	2.5	2.7	7.6
Central Europe <sup>2</sup>	1.6	1.7	11.1
<b>CONTINENTAL EUROPE TOTAL</b>	<b>8.5</b>	<b>9.2</b>	<b>9.9</b>
<b>GROUP TOTAL</b>	<b>23.0</b>	<b>27.5</b>	<b>20.4</b>

<sup>1</sup>Majority linked to CPI.

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

<sup>3</sup>Percentage change based on actual, rather than rounded numbers.



## SUPPLEMENTARY DATA AS AT 30 JUNE 2023

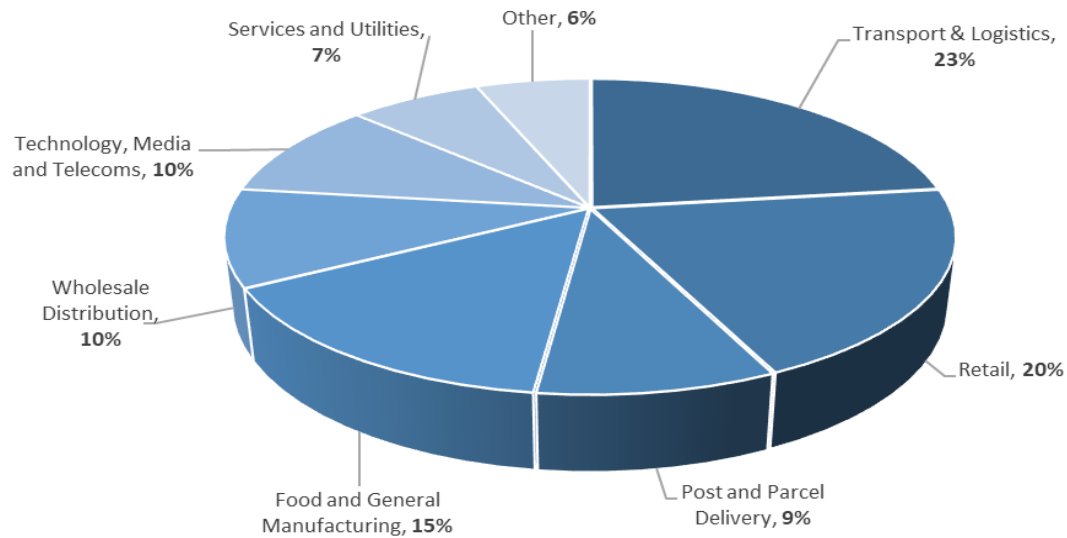
### LEASE EVENT SCHEDULE AND UPLIFT OPPORTUNITY

	2023	2024	2025	2026	2027	> 5 years	Total
Headline rent (SEGRO share)	£m	£m	£m	£m	£m	£m	£m
UK rent reviews	41	12	19	32	11	6	121
UK rent at risk (due to expiry/break)	29	53	37	26	15	102	262
Continental Europe rent at risk (due to expiry/break)	8	26	42	24	26	151	277
<b>TOTAL HEADLINE RENT</b>	<b>78</b>	<b>91</b>	<b>98</b>	<b>82</b>	<b>52</b>	<b>259</b>	<b>660</b>
Estimated Rental Value (ERV; SEGRO share)	£m	£m	£m	£m	£m	£m	£m
UK rent reviews <sup>1</sup>	60	18	25	40	13	8	164
UK rent at risk (due to expiry/break)	40	71	49	33	18	130	341
Continental Europe rent at risk (due to expiry/break)	9	28	46	26	29	164	302
<b>TOTAL ERV</b>	<b>109</b>	<b>117</b>	<b>120</b>	<b>99</b>	<b>60</b>	<b>302</b>	<b>807</b>
<b>TOTAL POTENTIAL UPLIFT</b>	<b>31</b>	<b>26</b>	<b>22</b>	<b>17</b>	<b>8</b>	<b>43</b>	<b>147</b>

<sup>1</sup> 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 2023

### Customer type by headline rent



## WEIGHTED AVERAGE LEASE LENGTH<sup>1</sup>

By geography	Break years	Expiry years
UK	8.0	9.4
Continental Europe	5.6	6.6
<b>GROUP TOTAL</b>	<b>7.0</b>	<b>8.2</b>

<sup>1</sup>Weighted 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
Worldwide Flight Services	Transport & Logistics
Virtus	Technology, Media and Telecoms
GXO	Transport & Logistics
Geodis	Transport & Logistics
Equinix	Technology, Media and Telecoms
British Airways	Other
La Poste (DPD)	Post & Parcel Delivery
Iron Mountain	Technology, Media and Telecoms
CEVA	Transport & Logistics
Netflix	Technology, Media and Telecoms
Damco	Transport & Logistics
CyrusOne	Technology, Media and Telecoms
Ocado	Retail
Leroy Merlin	Retail
Tesco	Wholesale Distribution
Evri	Post & Parcel Delivery

The top 20 customers represent headline rent of £209 million in aggregate, 32% of the Group's total headline rent at 30 June 2023 (SEGRO share).

## DEVELOPMENT PIPELINE AS AT 30 JUNE 2023

	Hectareage (space, 100%) ha	Space to be built (100%) sq m	Current book value <sup>1</sup> £m	Estimated cost to completion <sup>2</sup> £m	ERV when completed <sup>3</sup> £m	Pre-let (ERV) £m	Estimated yield on cost <sup>4</sup> %
<b>CURRENT DEVELOPMENT PIPELINE (A)</b>							
UK	49	197,827	527	147	39	30	8.1%
Continental Europe — wholly-owned	56	292,936	321	106	23 <sup>5</sup>	9	6.4%
Continental Europe — joint ventures	34	125,701	65	18	4	4	5.5%
	<b>139</b>	<b>616,464</b>	<b>913</b>	<b>271</b>	<b>66</b>	<b>43</b>	<b>7.2%</b>
<b>FUTURE DEVELOPMENT PIPELINE (B)</b>							
UK	627	1,394,615	1,179	1,960	231	-	7.4%
Continental Europe — wholly-owned	302	1,242,525	594	1,134	112 <sup>5</sup>	-	6.5%
Continental Europe — joint ventures	196	1,048,772	74	342	27	-	6.5%
	<b>1,125</b>	<b>3,685,912</b>	<b>1,847</b>	<b>3,436</b>	<b>370</b>	<b>-</b>	<b>7.0%</b>
<b>TOTAL DEVELOPMENT PIPELINE (A+B)</b>	<b>1,264</b>	<b>4,302,376</b>	<b>2,760</b>	<b>3,707</b>	<b>436</b>	<b>43</b>	
Land subject to sale on turnkey developments	-	-	-	-	-	-	-
Other land	23	-	36	-	-	-	-
<b>TOTAL DEVELOPMENT PIPELINE AND OTHER LAND</b>	<b>1,287</b>		<b>2,796</b>				

<sup>1</sup> Includes current value of land plus all costs incurred to date.

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

<sup>3</sup> ERV based upon market rents as at 30 June 2023

<sup>4</sup> 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.

<sup>5</sup> Approximately £11 million in the current pipeline and £39 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	2023 H2	2024 H1		2024 H2	Total	2023 H2	2024 H1	2024 H2
UK — Big Box	113,874	58,313	55,561	-	43	5	38	-		
UK — Urban warehousing	83,953	24,911	29,039	30,003	85	4	32	49		
UK – High value and other uses of industrial land	-	-	-	-	19	-	19	-		
<b>UK TOTAL</b>	<b>197,827</b>	<b>83,224</b>	<b>84,600</b>	<b>30,003</b>	<b>147</b>	<b>9</b>	<b>89</b>	<b>49</b>		
Continental Europe – Big Box	310,173	264,003	46,170	-	59	46	13	-		
<i>Continental Europe – Big Box wholly-owned<sup>1</sup></i>	197,920	151,750	46,170	-	47	34	13	-		
<i>Continental Europe – Big Box joint ventures</i>	112,253	112,253	-	-	12	12	-	-		
Continental Europe – Urban warehousing	108,464	51,416	13,448	43,600	65	9	6	50		
<b>CONTINENTAL EUROPE TOTAL</b>	<b>418,637</b>	<b>315,419</b>	<b>59,618</b>	<b>43,600</b>	<b>124</b>	<b>55</b>	<b>19</b>	<b>50</b>		
<b>CURRENT DEVELOPMENT PIPELINE</b>	<b>616,464</b>	<b>398,643</b>	<b>144,218</b>	<b>73,603</b>	<b>271</b>	<b>64</b>	<b>108</b>	<b>99</b>		

	ERV when complete £m	Period of completion			Pre-let (ERV) £m	Period of completion				
		Total	2023 H2	2024 H1		2024 H2	Total	2023 H2	2024 H1	2024 H2
UK — Big Box	14	7	7	-	10	4	6	-		
UK — Urban warehousing	23	7	7	9	18	7	5	6		
UK – High value and other uses of industrial land	2	-	2	-	2	-	2	-		
<b>UK TOTAL</b>	<b>39</b>	<b>14</b>	<b>16</b>	<b>9</b>	<b>30</b>	<b>11</b>	<b>13</b>	<b>6</b>		
Continental Europe – Big Box	14	12	2	-	10	9	1	-		
<i>Continental Europe – Big Box wholly-owned<sup>1</sup></i>	10	8	2	-	6	5	1	-		
<i>Continental Europe – Big Box joint ventures</i>	4	4	-	-	4	4	-	-		
Continental Europe – Urban warehousing	13	4	1	8	3	3	-	-		
<b>CONTINENTAL EUROPE TOTAL</b>	<b>27</b>	<b>16</b>	<b>3</b>	<b>8</b>	<b>13</b>	<b>12</b>	<b>1</b>	<b>-</b>		
<b>CURRENT DEVELOPMENT PIPELINE<sup>2</sup></b>	<b>66</b>	<b>30</b>	<b>19</b>	<b>17</b>	<b>43</b>	<b>23</b>	<b>14</b>	<b>6</b>		

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

<sup>2</sup>This excludes £1m ERV from forward funded projects which will be completed in 2023

## DEVELOPMENT PROJECTS COMPLETED IN 2023

	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	104,250	9	9	91	5.8%
UK — Urban warehousing	12,412	3	3	14	9.3%
UK — Other uses of industrial land	-	2	2	23	5.1%
<b>UK TOTAL</b>	<b>116,662</b>	<b>14</b>	<b>14</b>	<b>128</b>	<b>6.2%</b>
Continental Europe — Big Box	155,855	8	7	101	5.8%
Wholly-owned	67,839	6	5	74	5.7%
Joint Ventures	88,016	2	2	27	6.2%
Continental Europe - Urban warehousing	18,419	1	-	14	6.4%
<b>CONTINENTAL EUROPE TOTAL</b>	<b>174,274</b>	<b>9</b>	<b>7</b>	<b>115</b>	<b>5.9%</b>
<b>TOTAL COMPLETED PROJECTS IN 2023<sup>1</sup></b>	<b>290,936</b>	<b>23</b>	<b>21</b>	<b>243</b>	<b>6.1%</b>

<sup>1</sup> Excludes developments completed by third parties on a forward funded basis acquired at investment value. Totalling 49,995 sqm and £5m of ERV of which £2m is let



## GLOSSARY OF TERMS

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### 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

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**Rent roll**

See Passing Rent.

**Take-back**

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

**Trading property**

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

**Speculative development**

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

**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.

**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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# SEGRO

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