

# 2020 HALF YEAR RESULTS

5 AUGUST 2020

“We create the space  
that enables  
extraordinary things to  
happen”



# Over £1m of community assistance in response to the pandemic

- Accelerated the launch of the £10 million SEGRO Centenary Fund
  - £771,000 awarded as grants to projects across the Group in H1 2020
  - £465,000 of assistance in kind



Enfield Community Hub



Warsaw Hospital



City Harvest



Foodbank Munich



Look Ahead



Further earnings and NAV growth

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Resilient operational performance

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Structural trends accelerating

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Continuing to invest for growth - momentum going into H2





SEGRO Logistics Park Martorelles

Further earnings and NAV growth

Resilient operational performance

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# Further earnings and NAV growth

Income Statement	H1 2020	H1 2019	Change
Adjusted profit before tax (£m)	140.4	131.8	+6.5%
Adjusted EPS (pence) <sup>1</sup>	12.5	12.2	+2.5%
Dividend per share (pence)	6.9	6.3	+9.5%

Balance Sheet	30 June 2020	31 Dec 2019	Change
Portfolio value (£m)	11,246	10,251	+0.7% <sup>2</sup>
Adjusted NAV per share (pence) <sup>3</sup>	718p	700p	+2.6%
LTV Ratio (%)	22	24	-

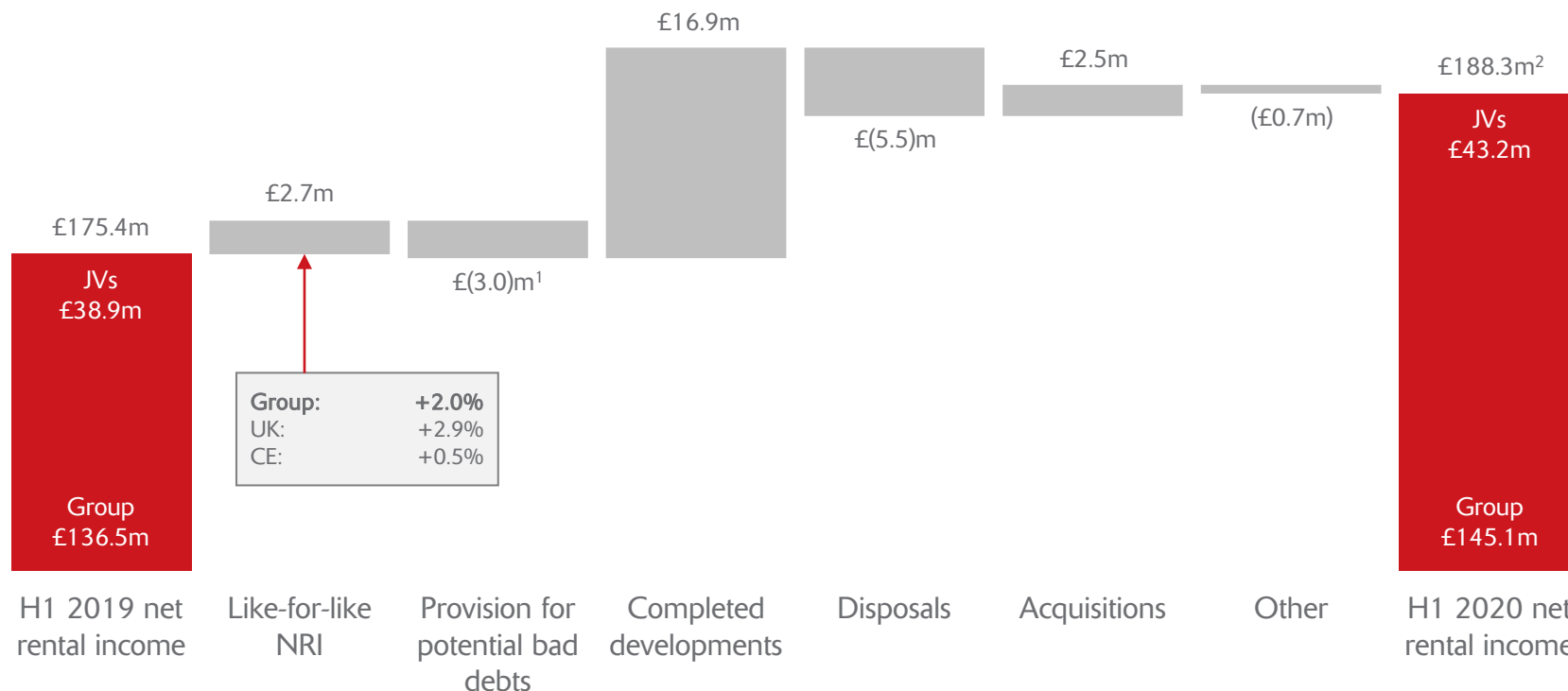
<sup>1</sup> Average number of shares increased to 1,108.1 million as of 30 June 2020 reflecting the June equity raise (30 June 2019: 1,067.1 million)

<sup>2</sup> Percentage valuation change based on difference between opening and closing valuation for all properties including those under construction and land, adjusting for capex, acquisitions and disposals

<sup>3</sup> Adjusted NAV per share is in line with EPRA NTA – the FY19 figure has been restated to align with the definition of EPRA NTA

# 7.4% growth in adjusted net rental income

Proportionally consolidated net rental income (excluding joint venture fees), H1 2019-20, £ million



<sup>1</sup> Provision for potential bad debts arising from billings relating to Q2 & Q3 rents

<sup>2</sup> Proforma H1 2020 net rental income can be found on slide 33

# Growth in net rental income drives earnings

Adjusted income statement	H1 2020 £m	H1 2019 £m	Change
Gross rental income	187.2	173.4	
Property operating expenses <sup>1</sup>	(42.1)	(36.9)	
<b>Net rental income</b>	<b>145.1</b>	<b>136.5</b>	<b>+6.3%</b>
Share of joint ventures' adjusted profit <sup>2</sup>	29.2	27.7	
Administration expenses	(24.9)	(23.6)	
Joint venture fee income	10.9	9.4	
<b>Adjusted operating profit</b>	<b>160.3</b>	<b>150.0</b>	<b>+6.9%</b>
Net finance costs	(19.9)	(18.2)	
<b>Adjusted profit before tax</b>	<b>140.4</b>	<b>131.8</b>	<b>+6.5%</b>
Tax on adjusted profit	1.1%	0.8%	
<b>Adjusted profit after tax</b>	<b>138.8</b>	<b>130.6</b>	<b>+6.3%</b>
<b>Adjusted EPS (pence)</b>	<b>12.5</b>	<b>12.2</b>	<b>+2.5%</b>
Average share count (millions)	1,108.1	1,067.1	

- Total cost ratio 21.2% (H1 2019: 22.0%)
- 18.6% excl share based payments (H1 2019: 19.2%)

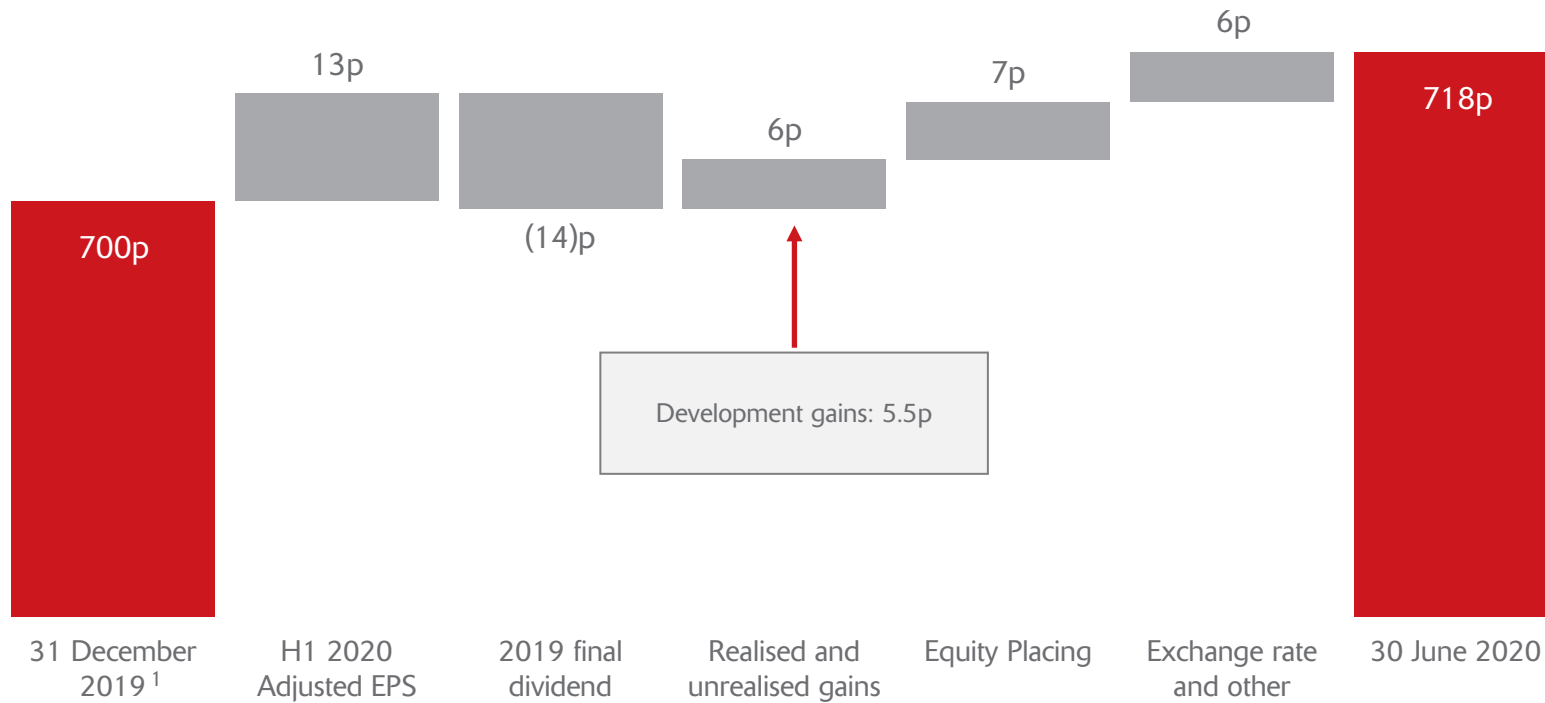
- Estimated year end average share count: 1,150.7 million

<sup>1</sup> H1 2019 number has been re-presented for change in the treatment of service charges

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

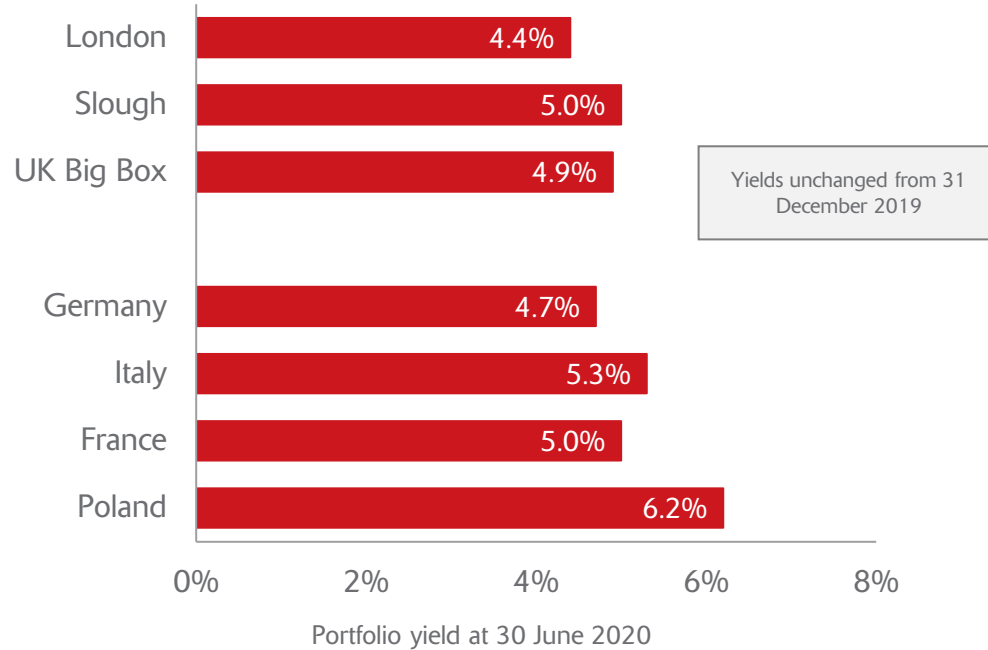
# 2.6% increase in Adjusted NAV<sup>1</sup>

Components of Adjusted NAV change, 31 December 2019 to 30 June 2020



<sup>1</sup> Adjusted NAV is in line with EPRA NTA which was introduced 1 January 2020. The 31 December 2019 net asset value has been restated.

Portfolio yield: 4.8%<sup>2</sup>



ERV growth: 0.8%

+0.9%

+1.4%

+0.6%

UK:  
+1.0%

+0.4%

+0.0%

+1.1%

+0.1%

Cont.  
Eur.  
+0.4%

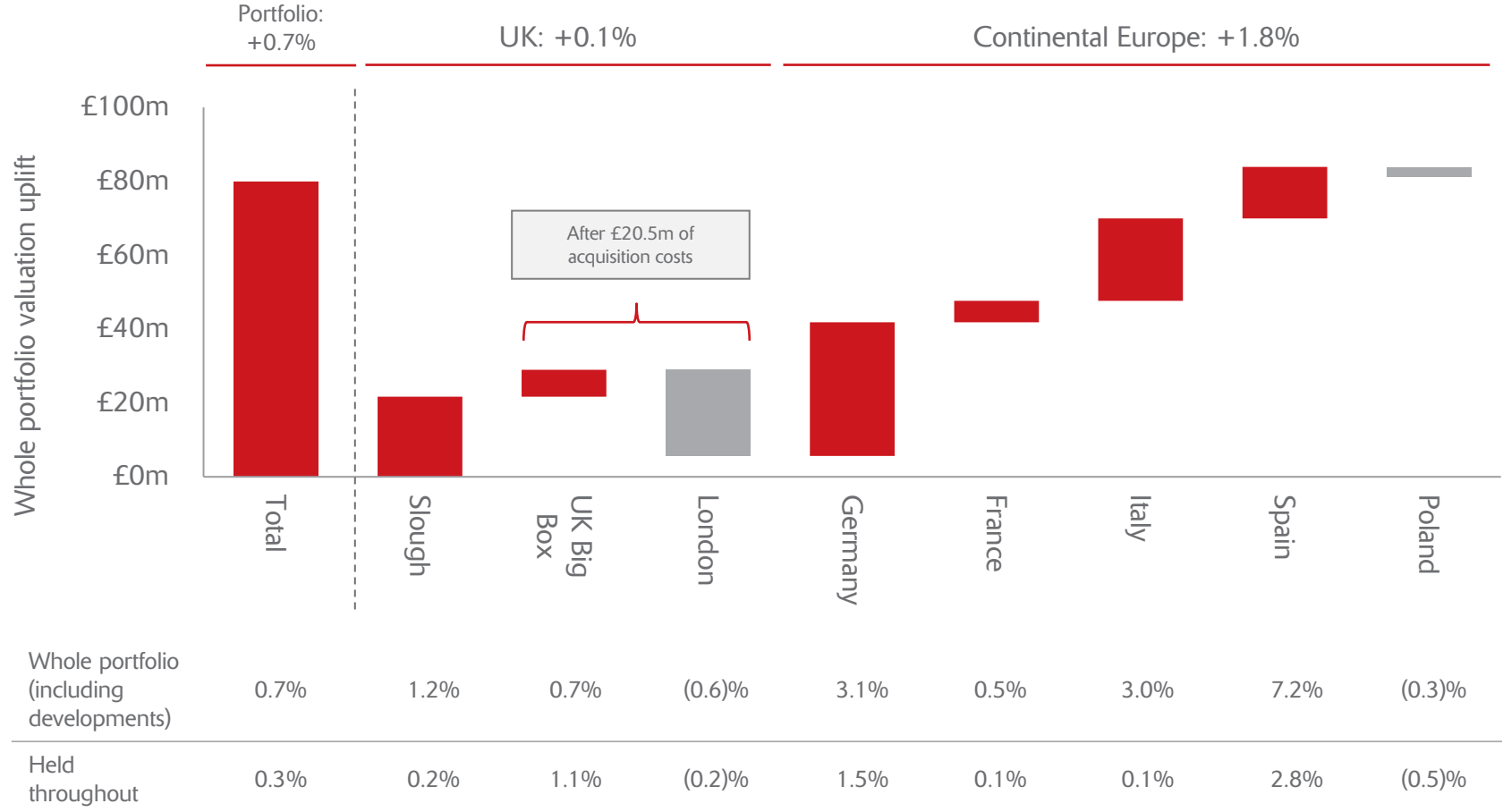
London	ERV
Heathrow	+0.9%
Park Royal	+1.1%
N&E London	+0.6%

CE by owner	ERV
SEGRO	+0.8%
SELP	+0.2%

<sup>1</sup> Yield on standing assets at 30 June 2020; ERV growth based on assets held throughout H1 2020.

<sup>2</sup> Net true equivalent yield





# Over £1bn<sup>1</sup> of new financing to further strengthen balance sheet

- High liquidity: £1.5bn<sup>2</sup> of cash and available facilities
  - RCFs extended by 1 year to 2025
- Significant headroom to financial covenants
  - 66% valuation headroom to gearing covenant
  - 81% net rental income headroom to interest cover covenant
- No material debt maturities before 2027

## Equity Placing

- £680m gross proceeds
- 83m new shares
- 820p per share

## US Private Placement Debt Issue

- €450m proceeds agreed
- 1.6% coupon, average 17 year maturity
- To be drawn in Q4 2020

## Bond buyback

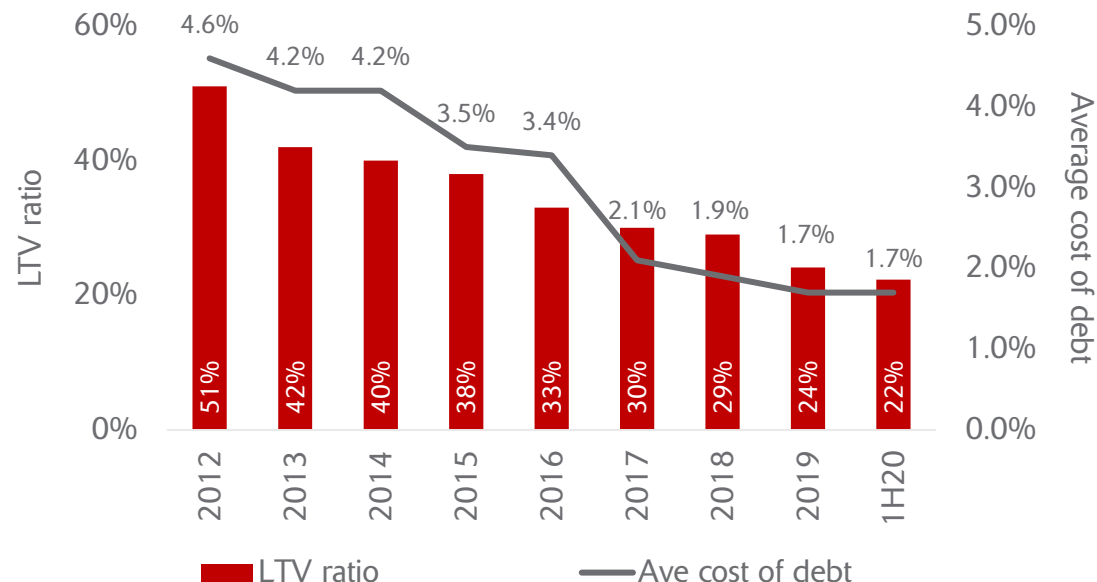
- £79m 2021 & £39m 2022 maturity
- Some of the last remaining high coupon bonds

<sup>1</sup> Sterling equivalent

<sup>2</sup> Including joint venture at share

# Balance sheet positioned to support further development-led growth

LTV ratio and average cost of debt (incl share of joint ventures), 2012-20



- Proforma average cost of debt 1.6%
- Proforma average debt maturity 10.7 years

- Net debt: £2.5bn (FY 2019: £2.5bn)

- 2020: c.£800m estimated development capex (incl infrastructure capex and land acquisitions)



- 2.5% adjusted EPS growth
- 2.6% NAV growth to 718p
- Loan-to-value ratio of 22%
- 2020 interim dividend increased by 9.5%



SEGRO Park Düsseldorf Süd

Further earnings and NAV growth

Resilient operational performance

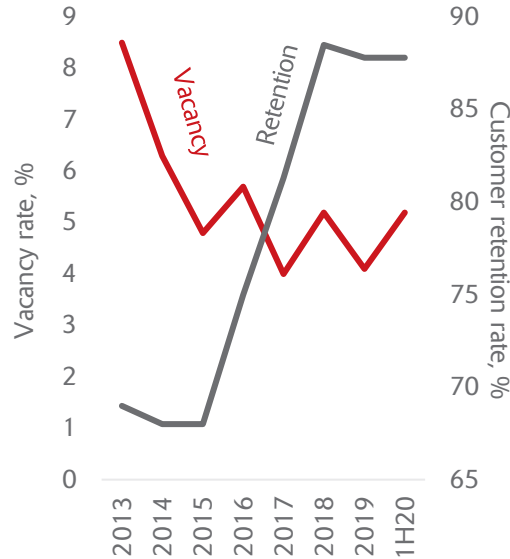
Structural trends accelerating

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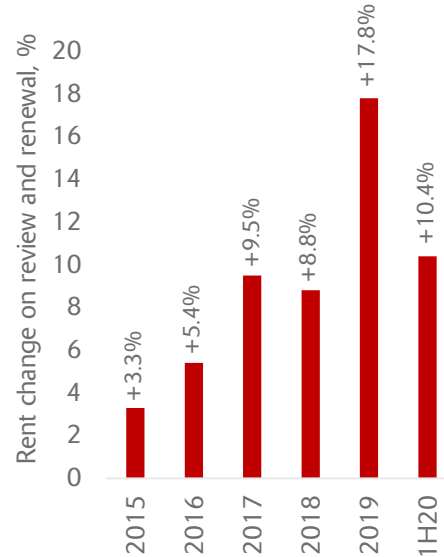
Continuing to invest for growth - momentum going into H2

# Strong leasing and asset management results

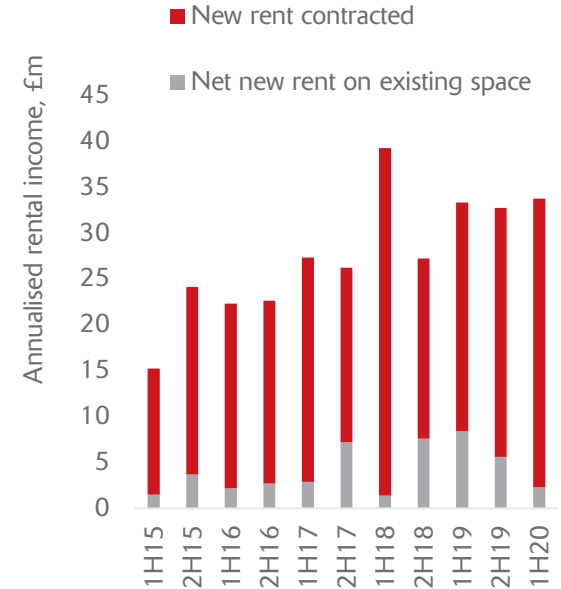
High levels of customer retention and continued low vacancy<sup>1</sup>



Capturing reversion from renewals and reviews



Continued leasing momentum in 1H20<sup>2</sup>



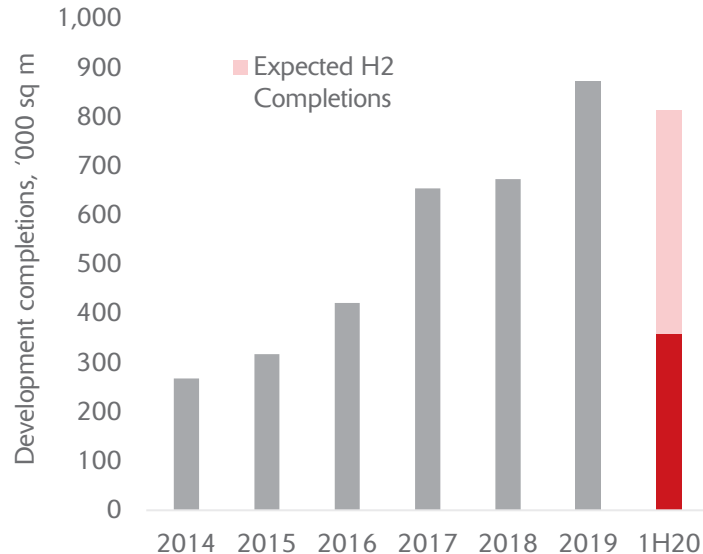
<sup>1</sup> Vacancy rate based on ERV at 30 June 2020; customer retention rate based on headline rent retained in the same or alternative SEGRO premises.

<sup>2</sup> Net new rent on existing space reflects headline rent agreed on new leases less passing rent lost from space taken back during the year; new rent contracted is total headline rent secured or (in the case of developments) agreed in the year.



# Developments completing on schedule despite Covid-19

- 24 projects - 358,500 sq m of new space
- £22m potential headline rent (64% leased)
- 7.2% average yield on cost
- All developments expected to achieve BREEAM 'Excellent' or 'Very Good'<sup>1</sup>





Further earnings and NAV growth

Resilient operational performance

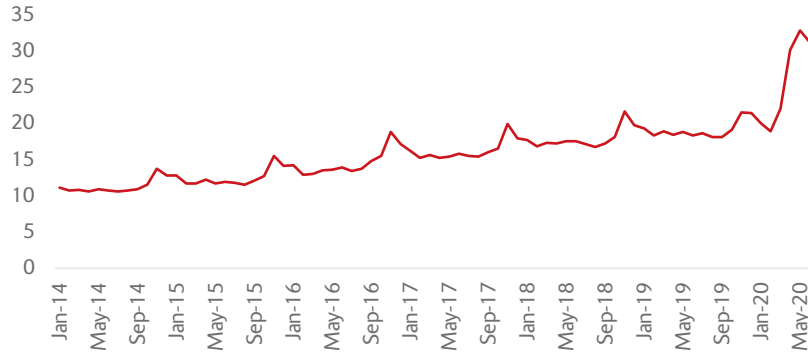
Structural trends accelerating

Continuing to invest for growth - momentum going into H2

# E-commerce: 3-5 years of growth in as many months

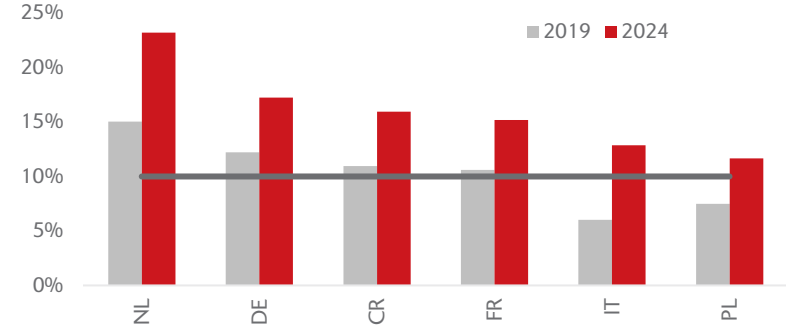
## UK online sales as a % of total retail sales

Source: ONS



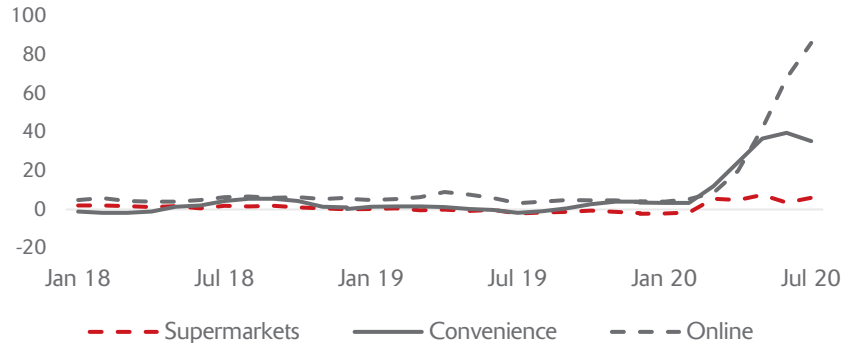
## Proportion of internet sales (%)

Source: CBRE, Euromonitor, Forrester, Oxford Economics



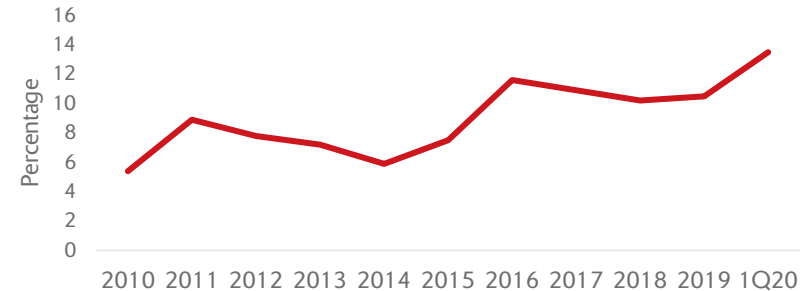
## UK Food Retail Channel Growth (12 weeks, %)

Source: Kantar Worldpanel, Barclays Research



## Share of e-commerce units on European logistics take-up (%)

Source: JLL





"We are experiencing the biggest boom in online retailing in the UK's history, and are making unprecedented investments in our infrastructure."

Dwain McDonald, 18<sup>th</sup> June 2020



"The pandemic has expedited the already phenomenal growth of online shopping and we see no sign of this changing."

Martijn de Lange, 20<sup>th</sup> July 2020



"Zalando expects double-digit growth in 2020... driven by the accelerated consumer shift from offline to online."

Q1 Trading Update, 6<sup>th</sup> May 2020



"As a result of Covid-19, we have seen years of growth in the online grocery market condensed into a matter of months; and we won't be going back."

Tim Steiner, 14<sup>th</sup> July 2020



Supply chain optimisation  
and resilience



Greater warehouse  
automation



Increased data usage





SEGRO CityPark Frankfurt

Further earnings and NAV growth

Resilient operational performance

Structural trends accelerating

Continuing to invest for growth - momentum going into H2



# Net investment of £631 million in H1 2020

## Asset acquisitions

- Acquisition of Perivale Park, prime urban warehouse scheme in West London
- Big box warehouse in Poland for SELP

## Land and development

- £265m of development capex and infrastructure
- £202m invested in land acquisitions, including for two flagship logistics parks in Coventry and Northampton

## Disposals

- Remaining assets and land in Austria, concluding our presence there
- Two stand-alone assets in the Netherlands and France



£223m



£467m



£59m

# Strong current pipeline of mostly de-risked development activity



- 34 projects - 809,500 sq m under construction
- £45m potential rent (85% leased)
- 6.5% average yield on cost



# £270m+ of potential rental income from future development



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	809,450	303 <sup>2</sup>	45	6.5%	85%	1-12 months
Near-term <sup>1</sup>	451,021	311	33	6.4%	89%	12-18 months
Future <sup>1</sup>	2.3m	1,314	129	7-8%	n/a	1-7 years
Optioned land	c1.1m	n/a	c69	c7%	n/a	1-10 years

Potential annualised gross rent from current, and future pipeline<sup>4</sup>, by asset type (£207 million at 30 June 2020)



Potential annualised gross rent from current, near-term and future pipeline<sup>4</sup>, by region (£207 million at 30 June 2020)



<sup>1</sup> Future development pipeline in the 2020 Half Year Property Analysis Report.

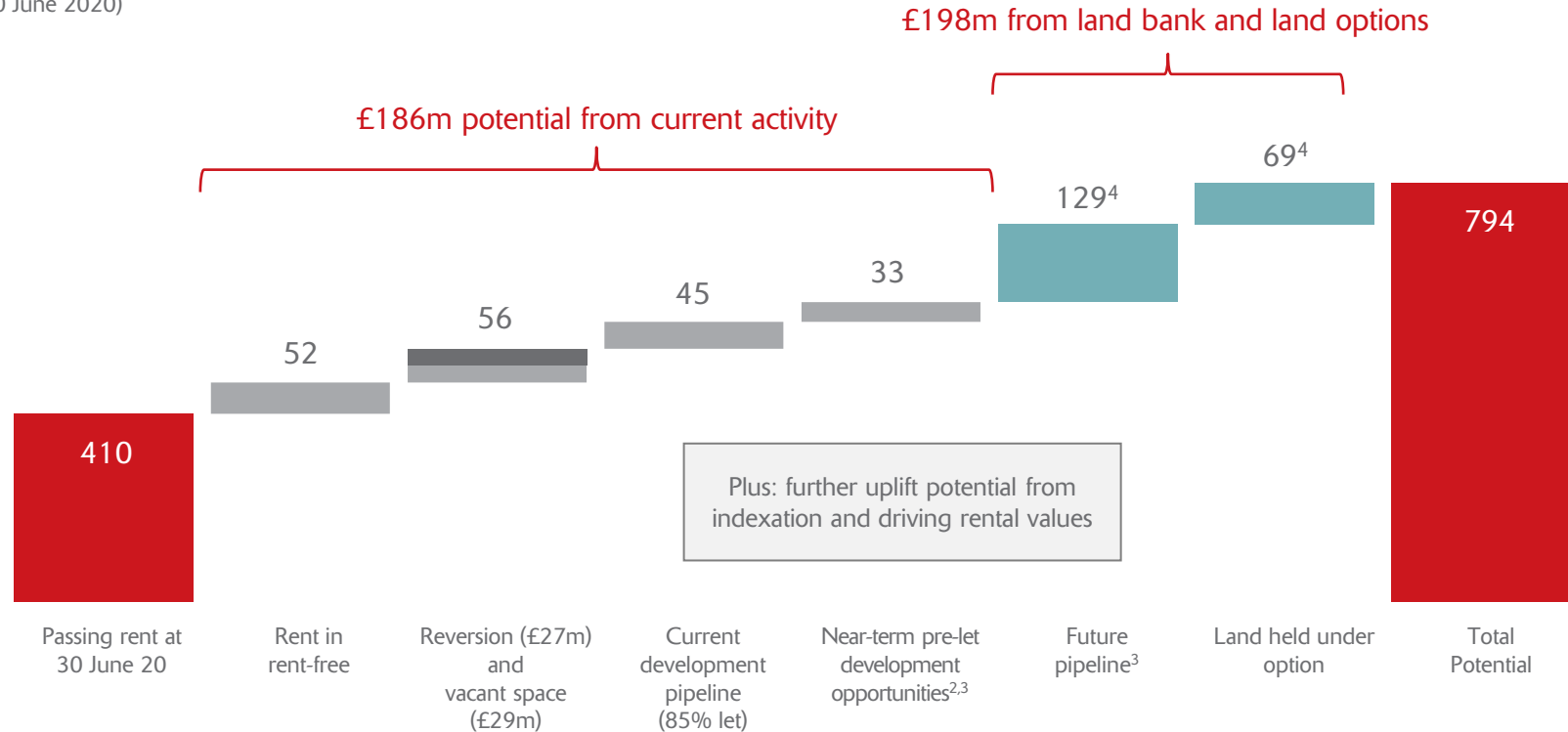
<sup>2</sup> Total development cost of £690m including opening land value and capex already incurred

<sup>3</sup> Estimated average yield on total development cost

<sup>4</sup> Excludes optioned land

# Potential to grow rental income significantly

Annualised gross cash passing rent<sup>1</sup>, £ million  
(as at 30 June 2020)



<sup>1</sup> Including JVs at share

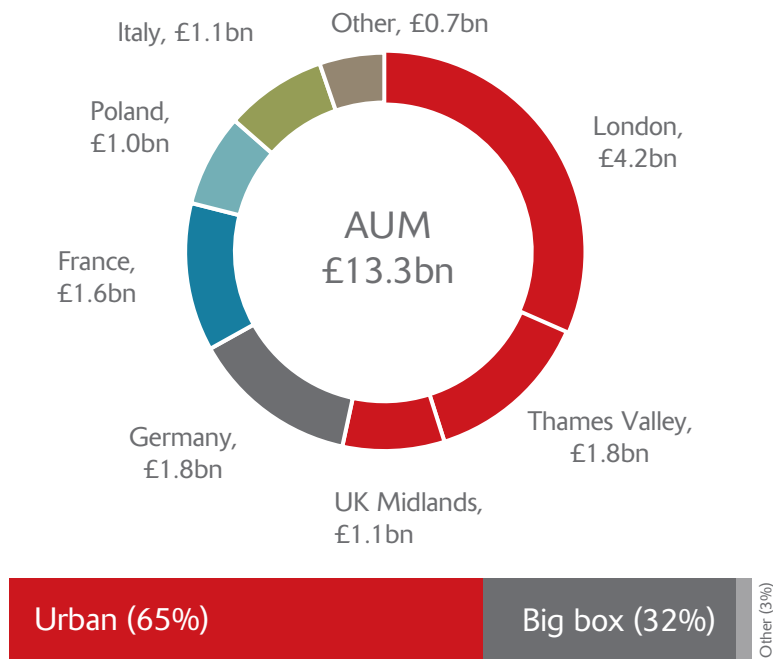
<sup>2</sup> Near-term development opportunities include pre-let agreements subject to final conditions such as planning permission, which are expected to commence within the next 12 months

<sup>3</sup> Total rent potential of £162m from near-term development opportunities and future pipeline

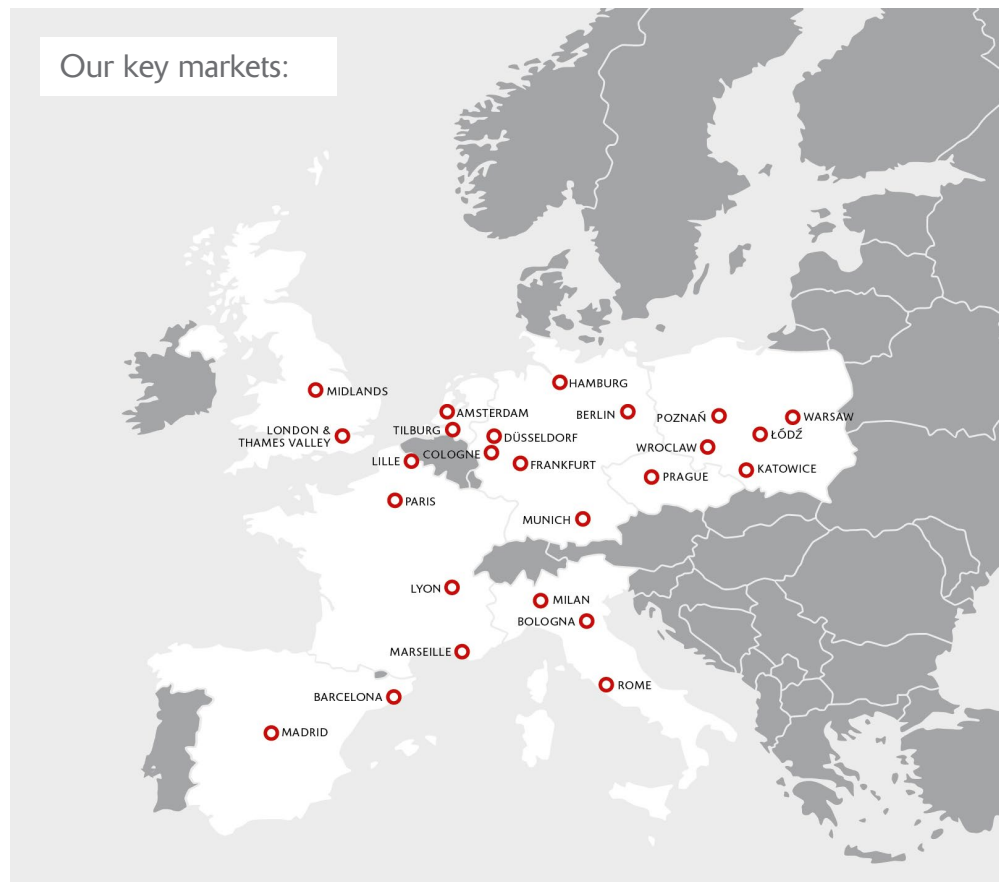
<sup>4</sup> Estimated. Excludes rent from development projects identified for sale on completion and from projects identified as "Near-term opportunities"

# Modern, sustainable warehouses in prime locations

Portfolio split by geography and asset type  
(at 30 June 2020)



Our key markets:







Prime portfolio of warehouses in key strategic locations

Substantial land bank to generate further development led growth

Structural trends accelerating as a result of impacts of Covid-19 pandemic





2020 HALF YEAR RESULTS

**Q&A**



# APPENDIX I

## PORTFOLIO AND FINANCIAL DATA

# Adjusted income statement (JVs proportionally consolidated)

	H1 2020			H1 2019		
	Group £m	JVs £m	Total £m	Group £m	JVs £m	Total £m
Gross rental income <sup>1</sup>	187.2	58.9	246.1	173.4	52.6	226.0
Property operating expenses <sup>1</sup>	(42.1)	(15.7)	(57.8)	(36.9)	(13.7)	(50.6)
<b>Net rental income</b>	<b>145.1</b>	<b>43.2</b>	<b>188.3</b>	<b>136.5</b>	<b>38.9</b>	<b>175.4</b>
JV management fee income <sup>2</sup>	10.9	(4.8)	6.1	9.4	(4.2)	5.2
Administration expenses	(24.9)	(0.6)	(25.5)	(23.6)	(0.7)	(24.3)
<b>Adjusted operating profit</b>	<b>131.1</b>	<b>37.8</b>	<b>168.9</b>	<b>122.3</b>	<b>34.0</b>	<b>156.3</b>
Net finance costs	(19.9)	(6.1)	(26.0)	(18.2)	(4.4)	(22.6)
<b>Adjusted profit before tax</b>	<b>111.2</b>	<b>31.7</b>	<b>142.9</b>	<b>104.1</b>	<b>29.6</b>	<b>133.7</b>
Tax and non-controlling interests	(1.6)	(2.5)	(4.1)	(1.2)	(1.9)	(3.1)
<b>Adjusted profit after tax</b>	<b>109.6</b>	<b>29.2</b>	<b>138.8</b>	<b>102.9</b>	<b>27.7</b>	<b>130.6</b>

<sup>1</sup> H1 2019 number has been re-presented for change in the treatment of service charges

<sup>2</sup> The management fees earned from joint ventures are recorded at 100% in SEGRO's income statement (H1 2020: £10.9 million; H1 2019: £9.4 million). As a 50% owner of the joint ventures, SEGRO's share of JV income includes its share of these fees in JV property operating expenses (H1 2020: £4.8 million; H1 2019: £4.2 million).

# Balance sheet (JVs proportionally consolidated)

	30 June 2020			31 December 2019		
	Group £m	JVs £m	Total £m	Group £m	JVs £m	Total £m
Investment properties	9,208.1	2,086.1	<b>11,294.2</b>	8,401.7	1,898.3	10,300.0
Trading properties	29.2	–	<b>29.2</b>	20.2	1.0	21.2
<b>Total properties</b>	<b>9,237.3</b>	<b>2,086.1</b>	<b>11,323.4</b>	<b>8,421.9</b>	<b>1,899.3</b>	<b>10,321.2</b>
Investment in joint ventures	1,234.5	(1,234.5)	–	1,121.4	(1,121.4)	–
Other net liabilities	(133.5)	(139.6)	<b>(273.1)</b>	(54.7)	(104.6)	(159.3)
Net debt	(1,798.5)	(712.0)	<b>(2,510.5)</b>	(1,811.0)	(673.3)	(2,484.3)
<b>Net asset value<sup>1</sup></b>	<b>8,539.8</b>	<b>–</b>	<b>8,539.8</b>	<b>7,677.6</b>	<b>–</b>	<b>7,677.6</b>
EPRA adjustments			29.0			34.5
<b>Adjusted NAV<sup>2</sup></b>			<b>8,568.8</b>			<b>7,712.1</b>

<sup>1</sup> After non-controlling interests

<sup>2</sup> Adjusted NAV is in line with EPRA NTA which was introduced 1 January 2020. The 31 December 2019 net asset value is the restated number

# Pro forma H1 2020 accounting net rental income

	Group £m	JVs £m	Total £m
H1 2020 net rental income	145.1	43.2	188.3
<i>Full year impact of:</i>			
Disposals since 1 January 2020 <sup>1</sup>	(0.9)	0.0	(0.9)
Acquisitions since 1 January 2020	3.2	0.2	3.4
Developments completed and let since 1 January 2020	2.9	1.1	4.0
One-off items	(4.7)	0.0	(4.7)
Pro forma H1 2020 net rental income	145.6	44.5	190.1

- Pro forma H1 2020 net rental income assuming disposals, acquisitions and let developments completed as at 1 January 2020
  - One-off items (e.g. rates refunds) removed
  - Share of JV fee costs removed from JV net rental income (see slide 31)
- Net rental income would have been £1.8m higher on this basis

# Total Cost Ratio

Total cost ratio, H1 2019-20 (proportionally consolidated)

Incl. joint ventures at share	H1 2020 £m	H1 2019 £m
<b>Gross rental income</b> (less reimbursed costs)	<b>214.4</b>	<b>200.4</b>
Property operating expenses	42.1	36.9 <sup>3</sup>
Administration expenses	24.9	23.6
JV operating expenses	21.1	18.6 <sup>3</sup>
JV and other management fees <sup>2</sup>	(42.6)	(35.0) <sup>3</sup>
<b>Total costs<sup>1</sup></b>	<b>45.5</b>	<b>44.1</b>
<i>Of which share based payments</i>	<i>(5.6)</i>	<i>(5.6)</i>
<i>Total costs excluding share based payments</i>	<i>39.9</i>	<i>38.5</i>
<b>Total cost ratio</b>	<b>21.2%</b>	<b>22.0%</b>
<i>Total cost ratio excluding share based payments</i>	<i>18.6%</i>	<i>19.2%</i>

<sup>1</sup> Total costs include vacant property costs of £2.6m for H1 2020 (H1 2019: £3.1m)

<sup>2</sup> Includes JV property management fee income of £10.9m and management fees of £3.2m (H1 2019: £9.4m and £2.2m respectively)

<sup>3</sup> HY 2019 numbers have been re-presented for change in treatment of service charges

	30 June 2020		30 June 2019		31 December 2019	
	£m	£p per share	£m	£p per share	£m	£p per share
EPRA Earnings	138.8	12.5	130.6	12.2	264.1	24.4
EPRA NTA (Adjusted NAV)	8,568.8	718	7,314.5	666	7,712.1	700
EPRA NRV	9,281.7	778	7,917.8	721	8,370.7	760
EPRA NDV	8,290.2	695	7,131.7	650	7,425.8	674
EPRA net initial yield		3.7%		3.9%		3.8%
EPRA topped-up net initial yield		4.0%		4.4%		4.3%
EPRA vacancy rate		5.2%		4.8%		4.0%
EPRA cost ratio (including vacant property costs)		21.2%		22.0%		22.9%
EPRA cost ratio (excluding vacant property costs)		20.0%		20.5%		21.5%



	H1 2020			H1 2019		
	Group £m	JVs £m	Total £m	Group £m	JVs £m	Total £m
Acquisitions	420.2	9.6	429.8	21.1	67.4	88.5
Development <sup>1</sup>	235.9	28.7	264.6	163.9	31.1	195.0
Completed properties <sup>2</sup>	11.8	1.1	12.9	15.7	2.7	18.4
Other <sup>3</sup>	10.9	4.8	15.7	28.5	3.0	31.5
<b>TOTAL</b>	<b>678.8</b>	<b>44.2</b>	<b>723.0</b>	<b>229.2</b>	<b>104.2</b>	<b>333.4</b>

- Approximately 60% of completed properties capex was for major refurbishment, infrastructure and fit-out costs prior to re-letting.

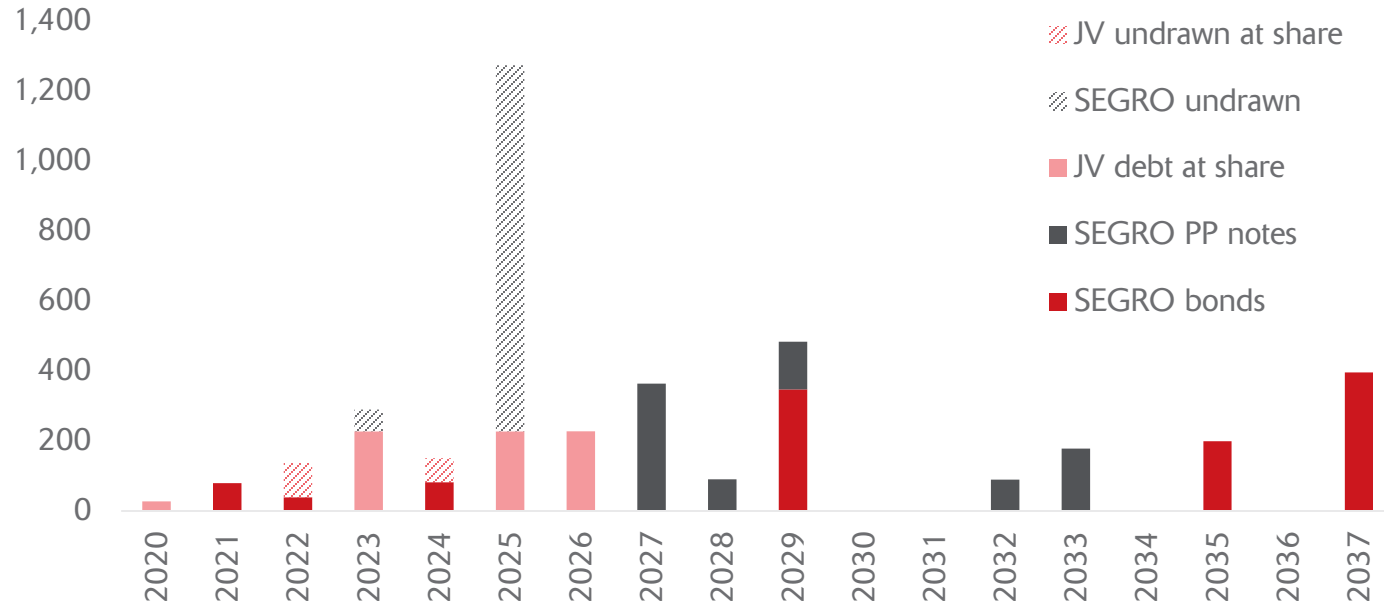
*1 Includes wholly-owned capitalised interest of £3.8 million (H1 2019: £6.0 million) and share of JV capitalised interest of £0.3 million (H1 2019: £0.5 million).*

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

*3 Tenant incentives, letting fees and rental guarantees.*

# Maintaining long term debt profile with limited refinancing risk

Debt maturity by type and year, £ millions  
(as at 30 June 2020)



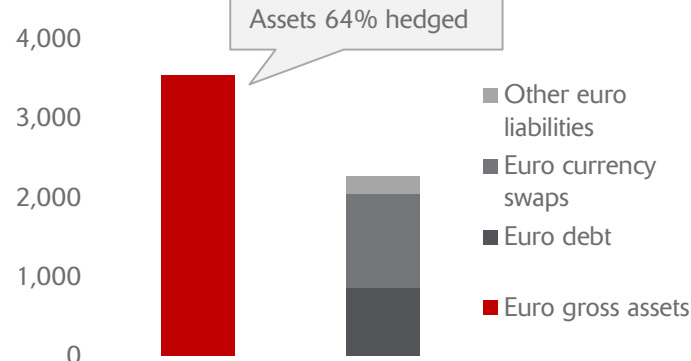
- Maturity of main revolving credit facilities extended to 2025
- Debt maturity 9.4 years (from 10.0 years at end-2019)
- £1.5bn cash and available bank facilities, fully undrawn at half year

1 SEGRO net borrowings, including JV net debt at share

2 SELP JV financing in pounds sterling and at share

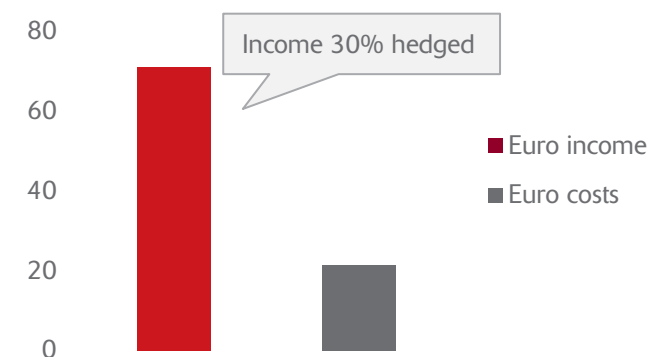
Balance sheet, £m

30 June 2020



Income Statement, £m

6 months to 30 June 2020



- €1.10:£1 as at 30 June 2020
- € assets 64% hedged by € liabilities
- €1,484m (£1,258m) of residual exposure – 15% of Group NAV
- Illustrative NAV sensitivity vs €1.10:
  - + 5% (€1.16) = - c.£60m (-c.5.0p per share)
  - - 5% (€1.05) = + c.£66m (+c.5.5p per share)

- Loan to Value (on look-through basis) at €1.10:£1 is 22%,
- Sensitivity vs €1.10:
  - +5% (€1.16) LTV -0.8%-points
  - -5% (€1.05) LTV +0.9%-points

- Average rate for 6 months to 30 June 2020 €1.14:£1
- € income 30% hedged by € expenditure (including interest)
- Net € income for the period €56m (£49m) – 30% of Group
- Illustrative annualised net income sensitivity versus €1.14:
  - + 5% (€1.20) = -c.£2.4m (c0.2p per share)
  - - 5% (€1.09) = +c.2.6m (c0.2p per share)

# Look-through loan-to-value ratio and cost of debt

	30 June 2020 £m	Weighted average cost of debt, %	
		Gross debt, excluding commitment fees and non- cash interest	Net debt, including commitment fees and non-cash interest
Group gross borrowings	2,002	1.8	
Group cash & equivalents	(203)		
<b>Group net borrowings</b>	<b>1,799</b>		<b>2.5</b>
Joint venture gross borrowings	768	1.4	
Joint venture cash & equivalents	(56)		2.0
<b>SEGRO net borrowings including joint ventures at share</b>	<b>2,511</b>	<b>1.7</b>	<b>2.3</b>
Total properties (including SEGRO share of joint ventures)	11,248		
<b>'Look-through' loan to value ratio</b>	<b>22%</b>		

# Rent collection update

As at 31 July 2020	UK		CE		Group	
	Q2	Q3	Q2	Q3	Q2	Q3
Paid or expected shortly <sup>1</sup>	87%	80%	92%	86%	89%	82%
Re-profiled	12%	18%	7%	4%	10%	14%
Outstanding	1%	2%	1%	10%	1%	4%
Total	100%	100%	100%	100%	100%	100%
<b>Total rent billed</b>	<b>£60.2m</b>	<b>£57.4m</b>	<b>£41.7m</b>	<b>£26.7m</b>	<b>£101.9m</b>	<b>£84.1m</b>
<b>Rent collected as % of rent due<sup>2</sup></b>	<b>99%</b>	<b>98%</b>	<b>99%</b>	<b>90%</b>	<b>99%</b>	<b>95%</b>

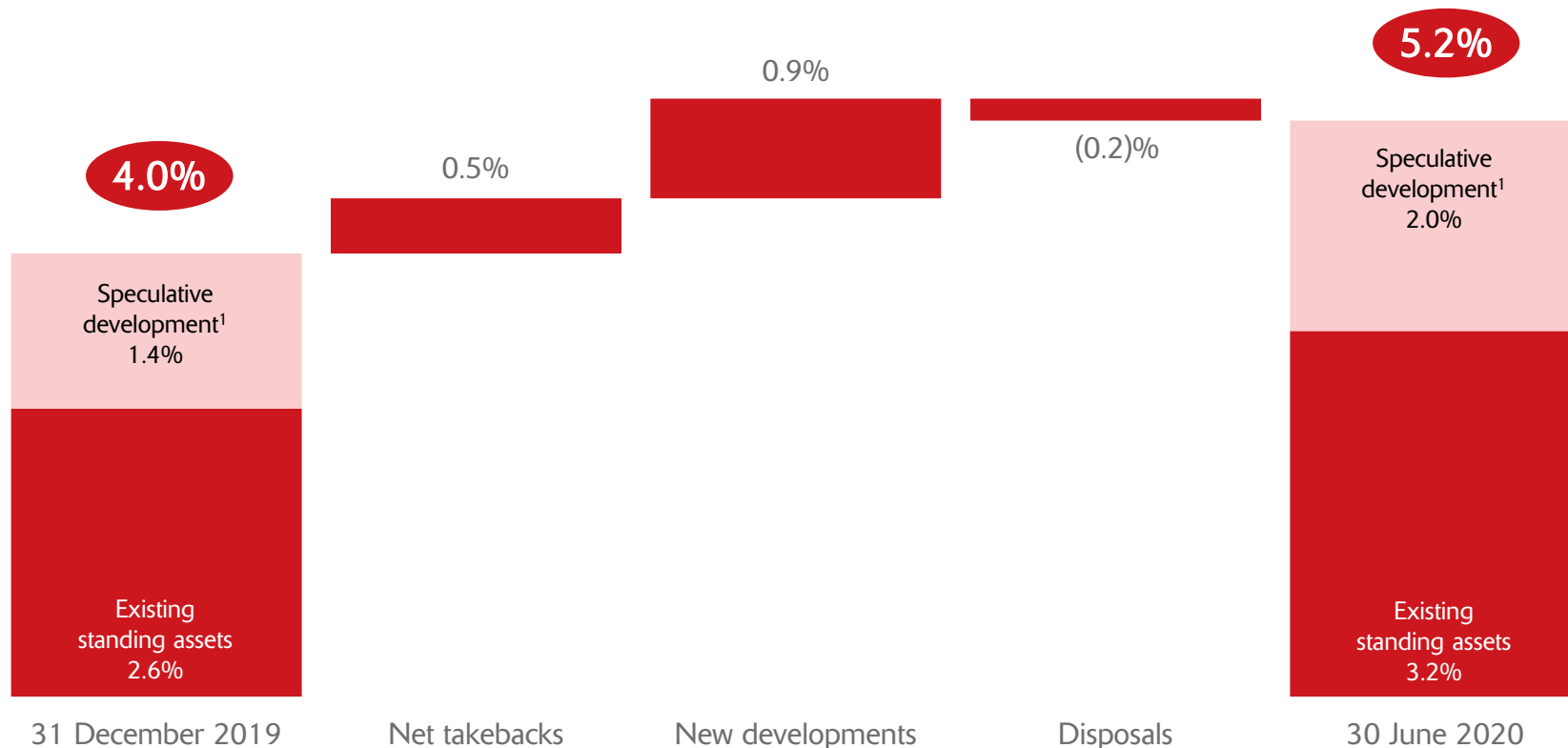
- UK rents typically billed quarterly in advance
- CE rents vary between monthly and quarterly billing by market

<sup>1</sup> Including amounts expected within 7 days

<sup>2</sup> Rent due excludes rent which has been re-profiled

# EPRA Vacancy Rate

Vacancy rate reconciliation, 31 December 2019 to 30 June 2020



<sup>1</sup> Speculative developments completed in preceding 24 months.

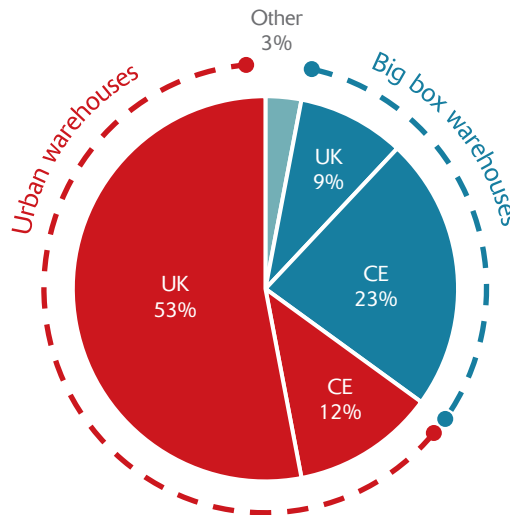
## Urban warehouses (65%)

- 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 2020



## Big boxes (32%)

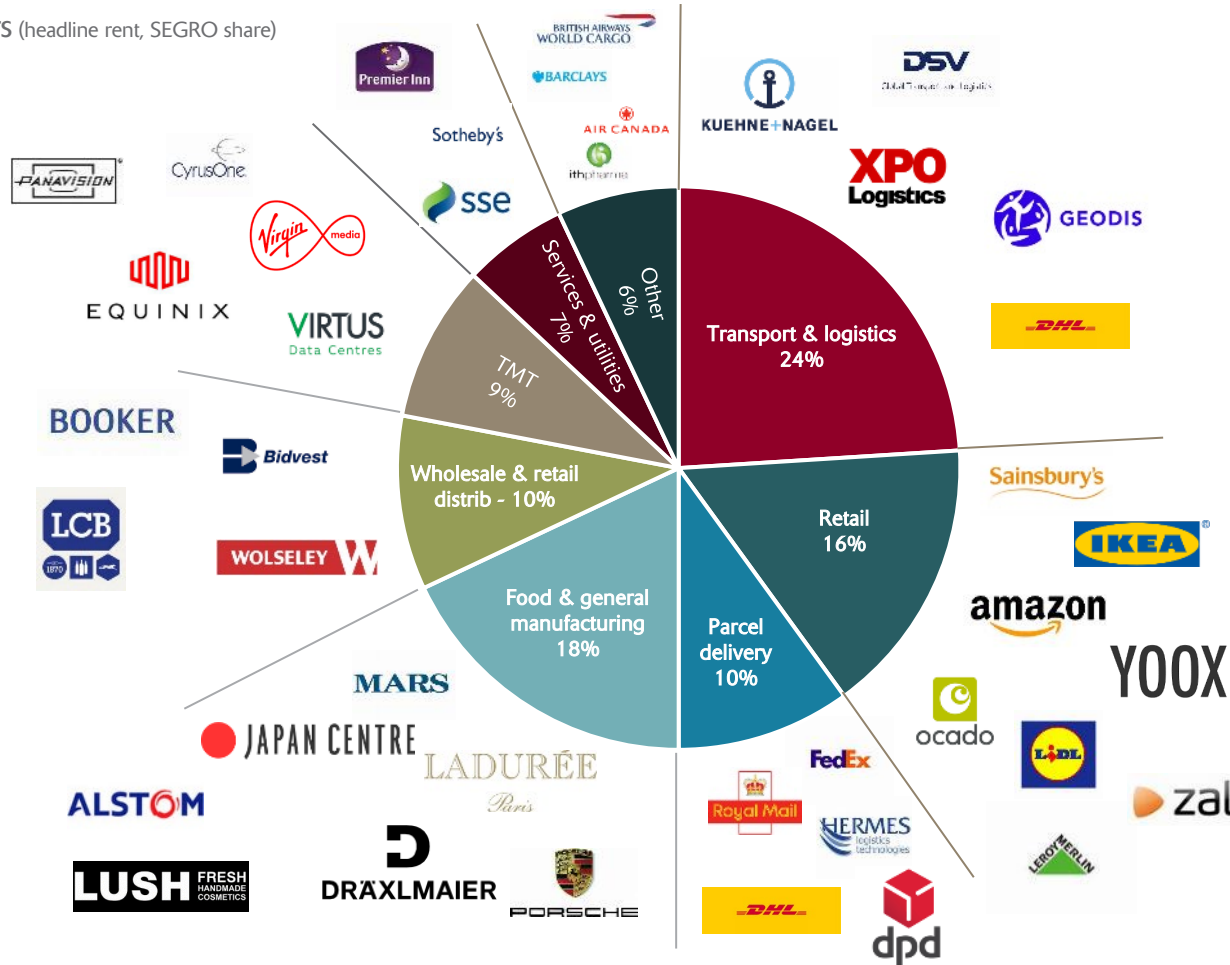
- Larger units, generally over 10,000 sq m
- Mainly used for bulk storage and distribution of goods
- Increased demand as a result of online retail and supply chain optimisation
- Higher availability of development land but development constrained by planning/ zoning challenges
- Higher net income yields,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

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



# A very diversified customer base

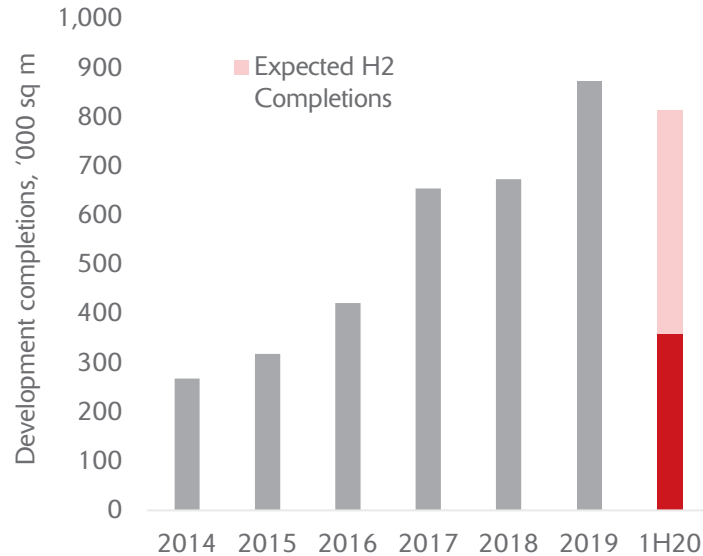
Customer sectors (headline rent, SEGRO share)



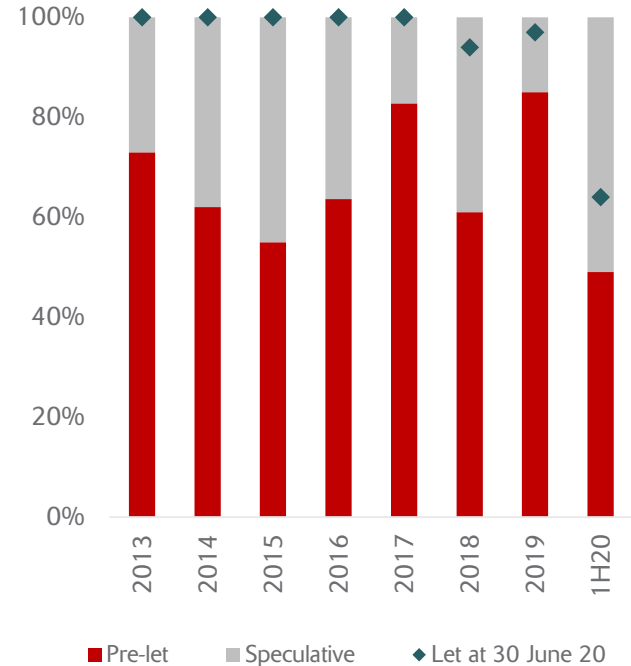
Over 1,200 customers

Top 20 customers = 31% of total group headline rent

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



## The majority of which is pre-let

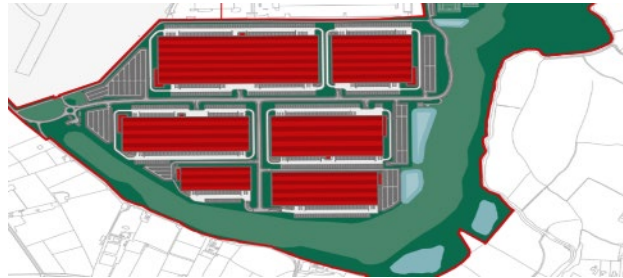


<sup>1</sup> Capex on developments and infrastructure £m (SEGRO share)



## SEGRO Logistics Park East Midlands Gateway (SLPEMG)

- 700 acre site with planning consent for 600,000 sq m of warehousing
- Strategic Rail Interchange (SRFI) operated by Maritime Modal now operational
- Five warehouses complete (200,000 sq m of total space), let to customers including Amazon, Kuehne & Nagel, XPO and Games Workshop with a further two warehouses under discussion



## SEGRO Park Coventry Gateway

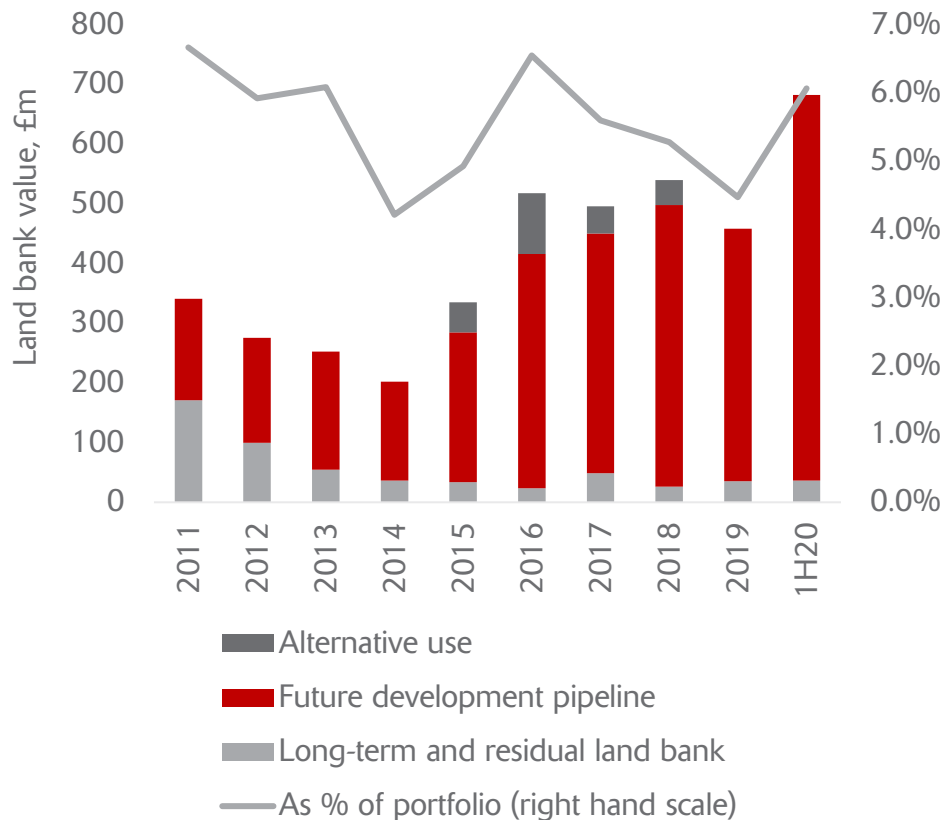
- 450 acre site with planning consent for 350,000 sq m of industrial and logistics space
- £120m of infrastructure works commenced in 2020 (3-year programme)
- First units expected to commence in 2022



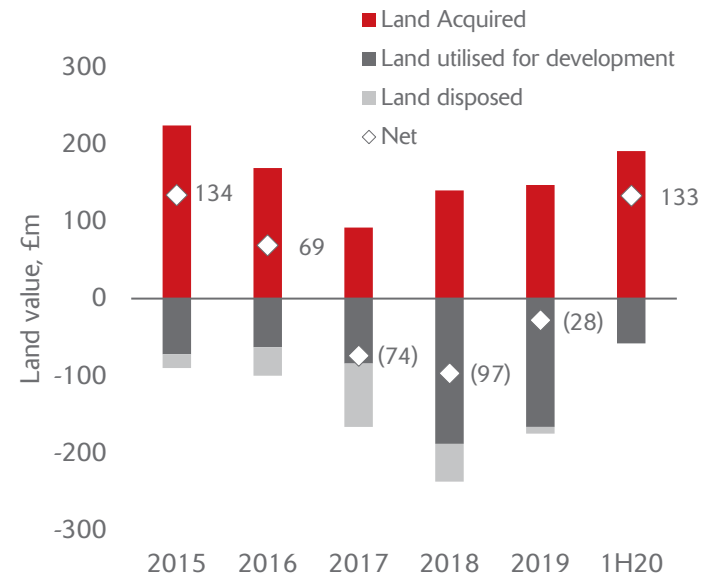
## SEGRO Logistics Park Northampton Gateway (SLPNG)

- 450 acre site with planning consent for 500,000 sq m of warehousing
- £190m of infrastructure works due to start in H2 2020, including a SRFI
- First units expected to commence in late 2022

# Land bank provides optionality and opportunity for growth

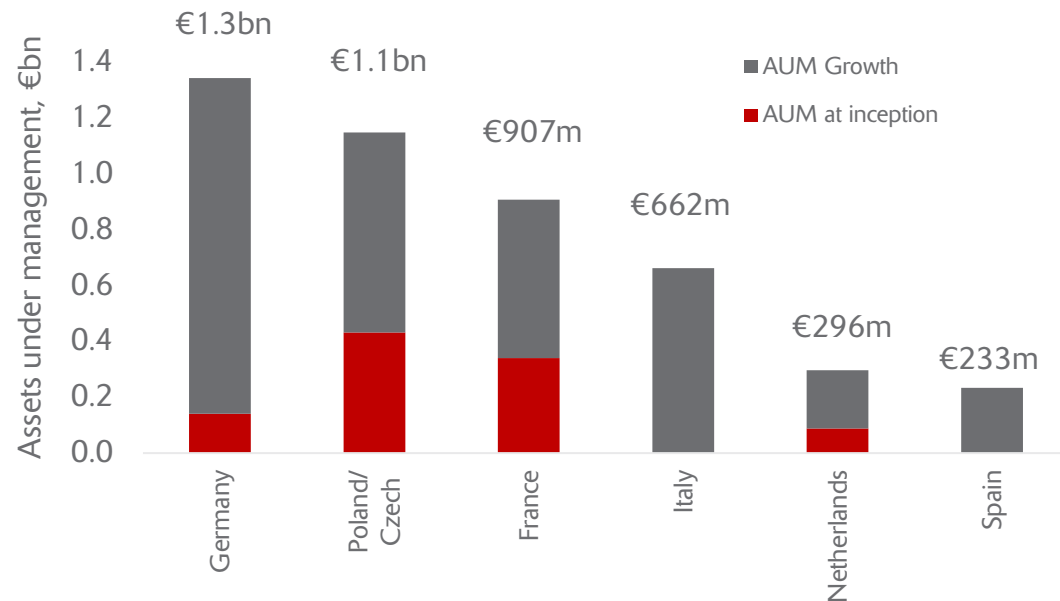


Net land utilisation, 2015-1H20  
(Based on opening book value or acquisition value)



# SEGRO European Logistics Partnership (SELP) headline figures

Assets under management  
(as at 30 June 2020)



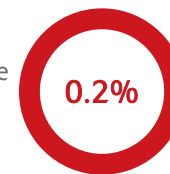
Land and assets



Equivalent yield



Capital value change



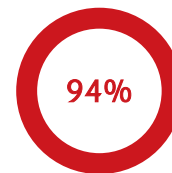
ERV growth



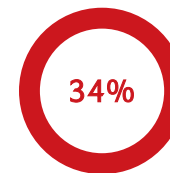
Headline rent



ERV



Occupancy rate



LTV ratio



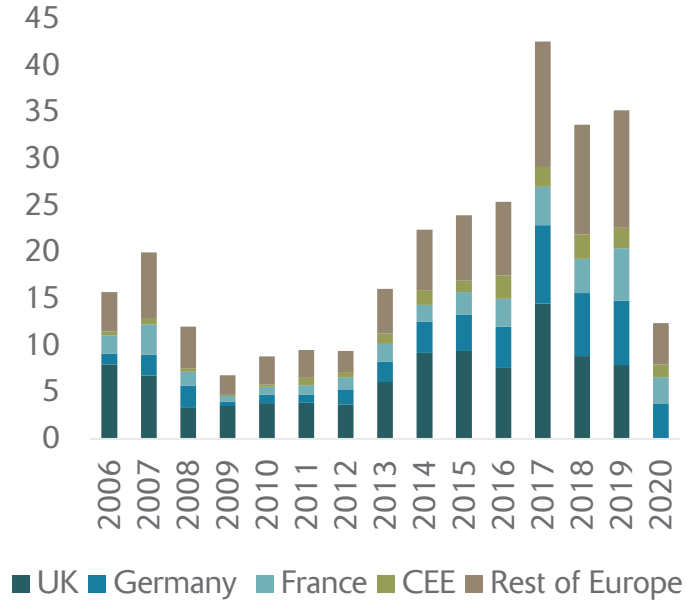
## APPENDIX II

### MARKET DATA



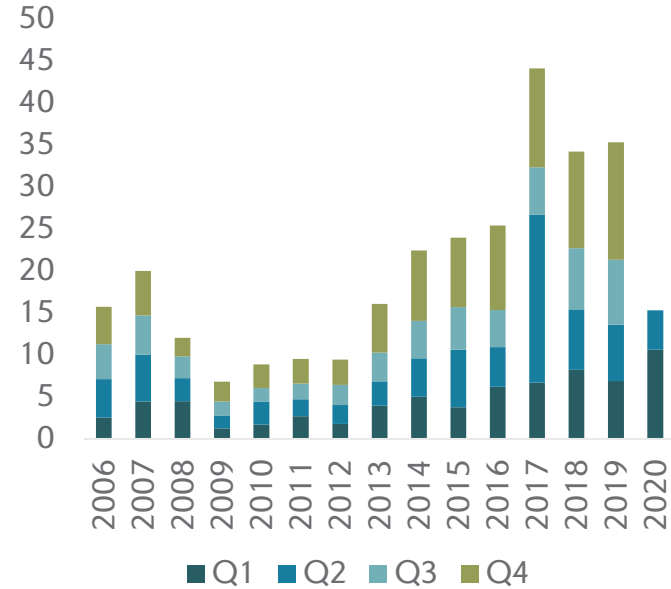
## European industrial investment volumes

By geography, €bn



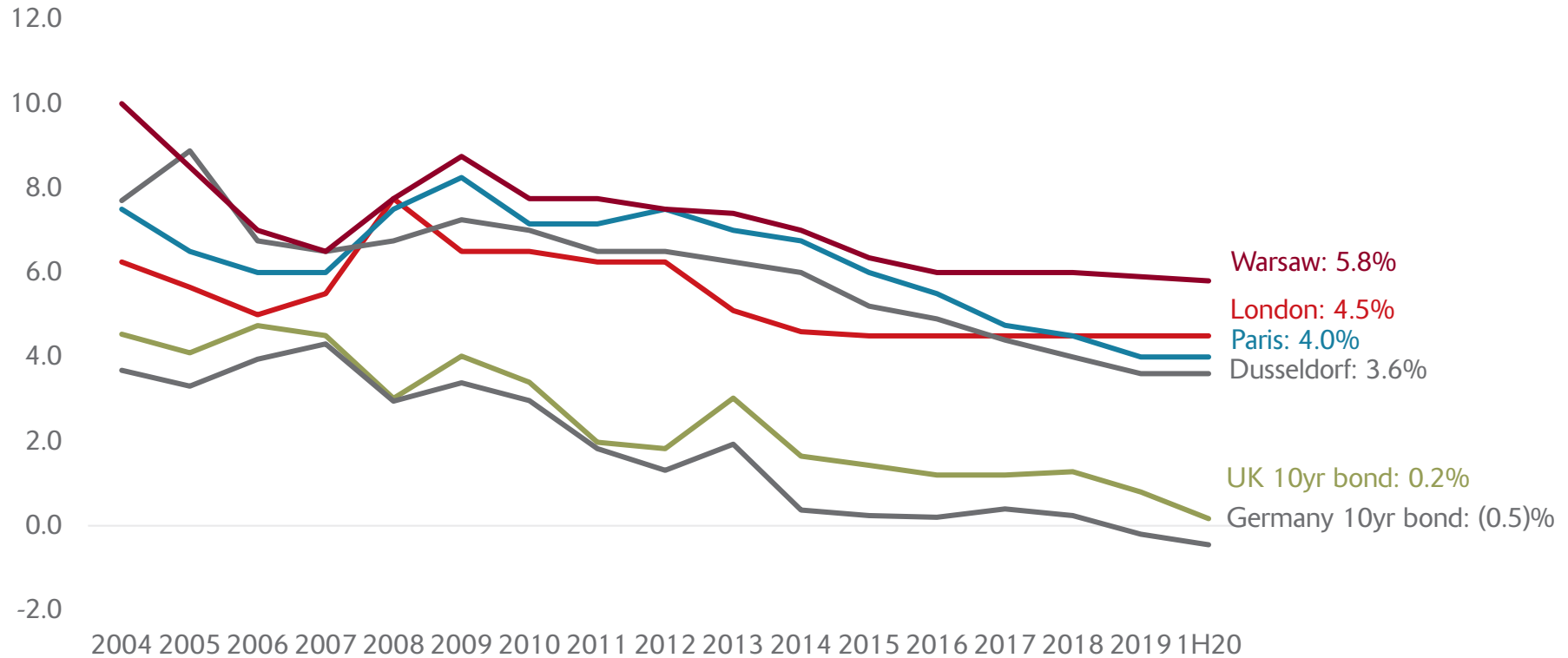
## European industrial investment volumes

By quarter, €bn



Source: CBRE

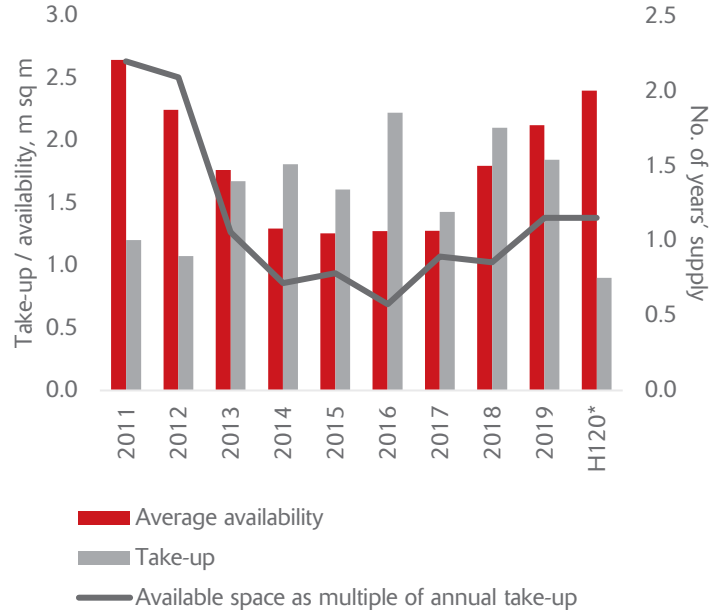
# Prime logistics yields vs 10 year bond yields



Source: CBRE, Bloomberg (data correct at 30 June 2020)

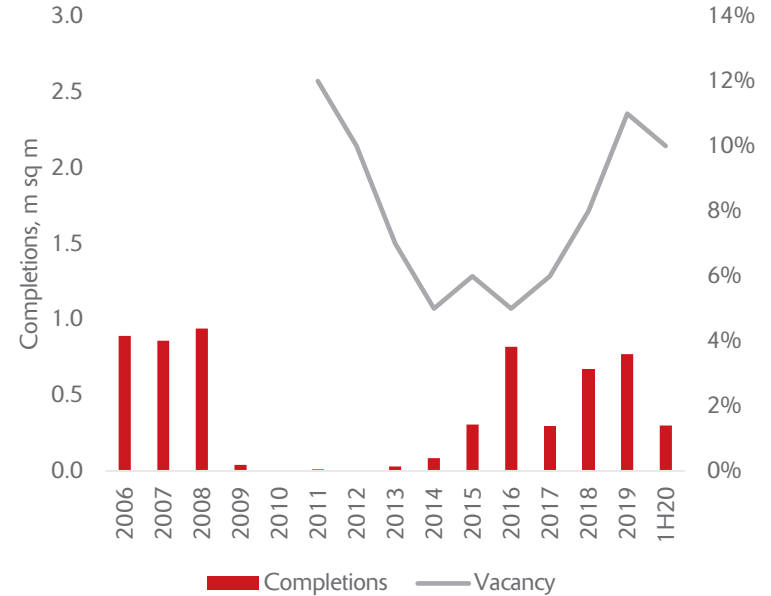
## UK Big Box supply-demand dynamics<sup>1</sup>

(m sq m)



## Speculative UK Big Box completions<sup>2</sup>

(m sq m)

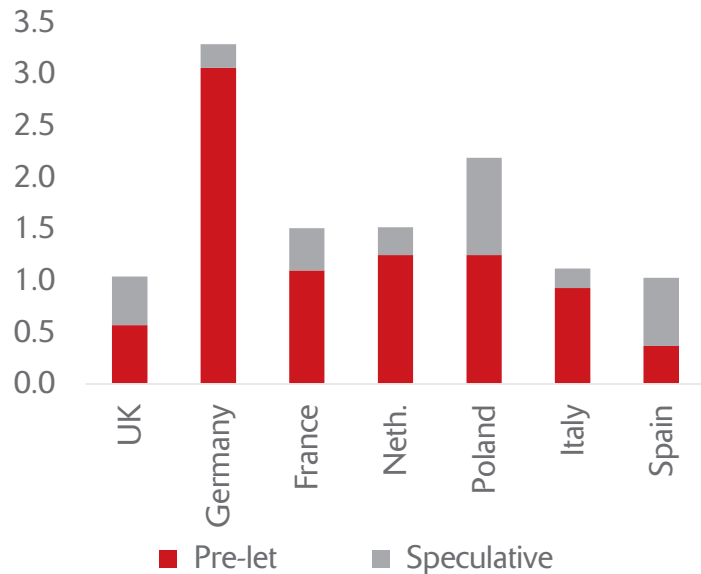


<sup>1</sup> Source: JLL (logistics warehouses >100,000 sq ft, Grade A), SEGRO \*H1 20 availability multiple is based on June availability and take-up for H2 2019 and H1 2020

<sup>2</sup> Source: JLL

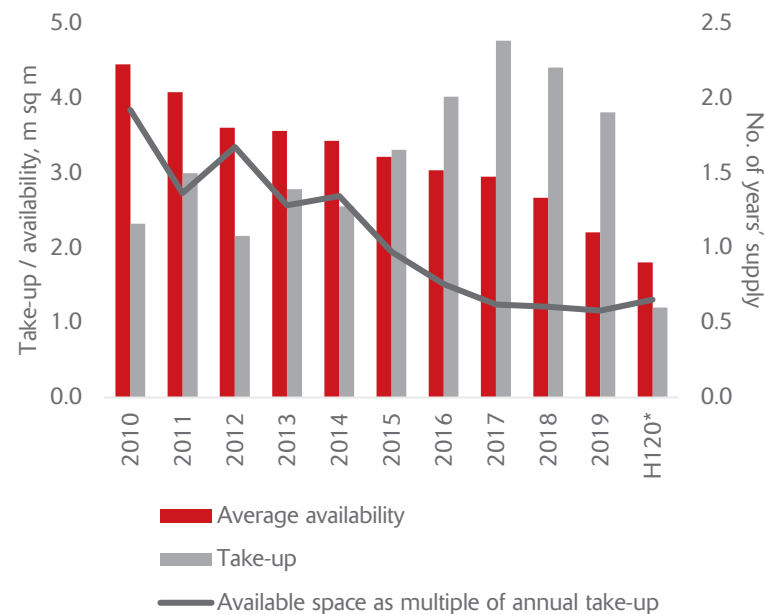
Logistics space under construction<sup>1</sup>

(m sq m)



France logistics supply-demand dynamics<sup>2</sup>

(m sq m)

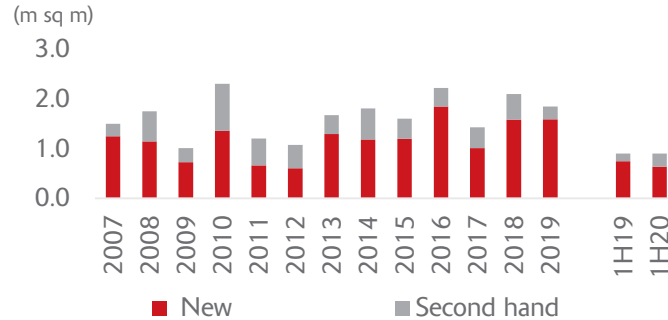


<sup>1</sup> Source: H1 2020, JLL

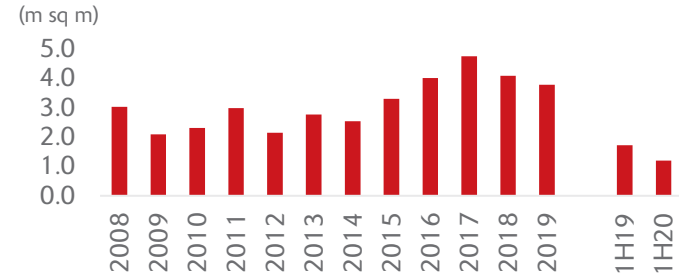
<sup>2</sup> Source: CBRE, SEGRO \*H1 20 availability multiple is based on June availability and take-up for H2 2019 and H1 2020

# European industrial and logistics — take-up statistics

Take-up of warehouse space >100,000 sq ft – UK<sup>1</sup>



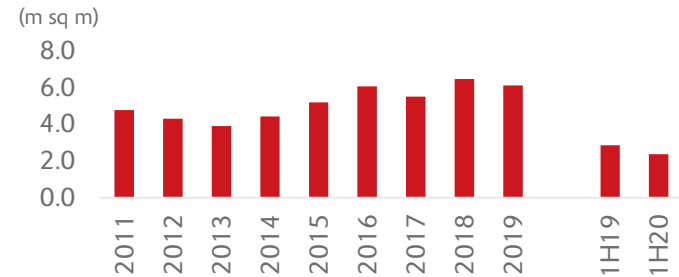
Take-up of warehouse space >5,000 sq m – France<sup>2</sup>



Take-up of warehouse space – Poland<sup>1</sup>



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

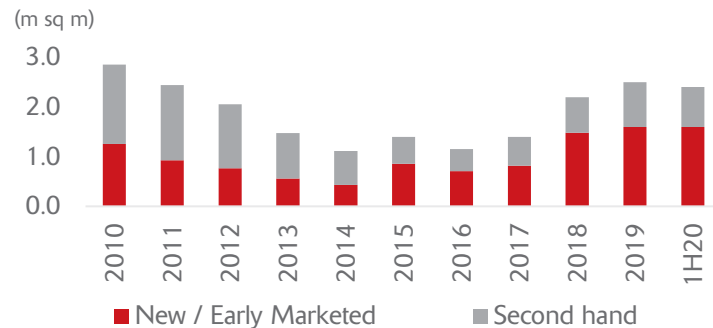


<sup>1</sup> Source: JLL

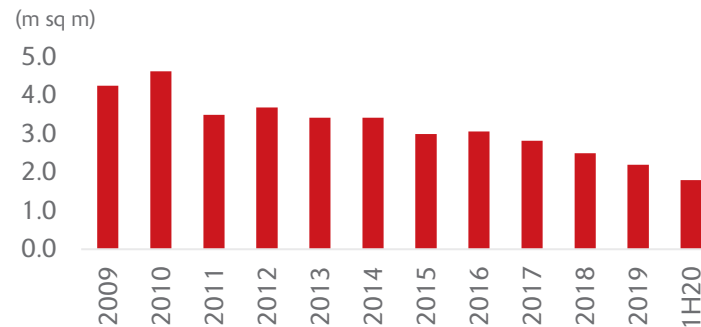
<sup>2</sup> Source: CBRE

<sup>3</sup> Source: BNP Paribas Real Estate

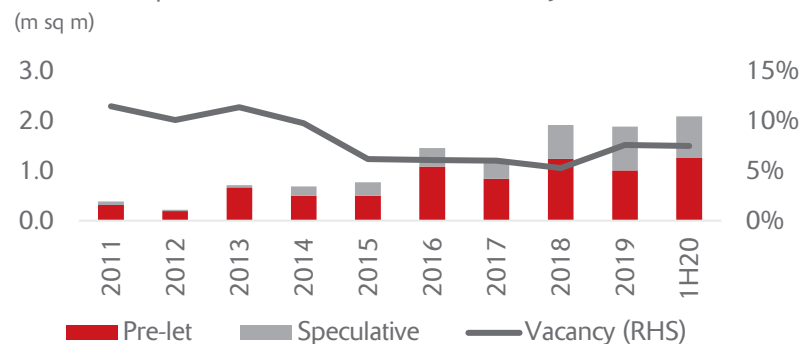
Availability of Grade A warehouse space >100,000 sq ft– UK<sup>1</sup>



Availability of warehouse space >5,000 sq m – France<sup>2</sup>



Warehouse space under construction and vacancy rate – Poland<sup>1</sup>



<sup>1</sup> Source: JLL

<sup>2</sup> Source: CBRE



# The overall European logistics vacancy rate remains low

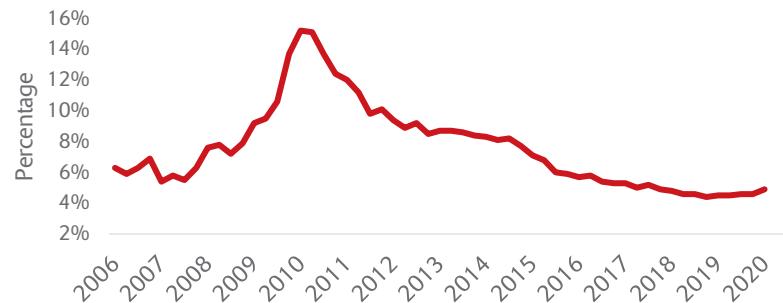
## Low European big box vacancy rate of 4.9%

(Rates at 30 June 2020, source: JLL)



## European big box vacancy rate 2006-2020

(Source: JLL)



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