



11 January 2017

## **STRONG END TO 2016 — VALUATION AND TRADING UPDATE**

SEGRO plc ('SEGRO') is providing an update on its valuation and trading ahead of its full year results for the year ended 31 December 2016, which are due to be published on Friday 17 February 2017. All figures disclosed in this announcement are unaudited.

### **Portfolio Valuation**

The independent valuation of SEGRO's assets as at 31 December 2016 indicates a like for like increase in the value of its portfolio during the year of 4.8 per cent, or 3.0 per cent in H2 2016. This is a result of a combination of strong rental value growth in the UK portfolio, supported by modest yield compression during the year (which reflects active management of our assets as well as strong investor demand for good quality warehousing), the generation of development gains in the UK and Continental Europe and an uplift in the value of a former industrial estate in Park Royal which SEGRO has conditionally agreed to sell to a residential developer.

Factoring in the total valuation uplift, as well as the impact of the equity placing in September 2016, SEGRO expects its EPRA NAV per share at 31 December 2016 to be at the upper end of the range of analysts' estimates<sup>1</sup>.

### **Trading update**

Since the Trading Update in October 2016, SEGRO has continued to deliver a strong operational performance, with good leasing activity and strong like for like rental growth, particularly in the UK, and further encouraging progress with the development pipeline. 19 of the 27 development projects in the active programme at 30 June 2016 have been completed and the pipeline at 31 December 2016 includes a number of new pre-let agreements, with further agreements under discussion.

As a result, SEGRO expects EPRA EPS for the year to 31 December 2016 to be at the upper end of the range of analysts' estimates<sup>2</sup>.

**ENDS**

### **For further information, please contact:**

Harry Stokes (Head of Investor Relations and Research)  
Tel: +44 (0) 20 7451 9124 / [harry.stokes@segro.com](mailto:harry.stokes@segro.com)

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<sup>1</sup> The current range of 14 sell side analysts' estimates for EPRA NAV at 31 December 2016 is 459 pence to 499 pence, with an average of 478 pence.

<sup>2</sup> The current range of 14 sell side analysts' estimates for Adjusted EPS for the year ended 31 December 2016 is 18.4 pence to 19.7 pence, with an average of 19.1 pence.

Sarah Lockhart (External Communications Manager)  
Tel: +44 (0) 20 7451 9118 / [sarah.lockhart@segro.com](mailto:sarah.lockhart@segro.com)

Richard Sunderland / Claire Turvey (FTI Consulting)  
Tel: +44 (0) 20 3727 1000

## **ABOUT SEGRO**

SEGRO is a UK Real Estate Investment Trust (REIT), and a leading owner, manager and developer of modern warehouses and light industrial property. It owns or manages over six million square metres of space valued at £7.4 billion serving customers from a wide range of industry sectors. Its properties are located in and around major cities and at key transportation hubs in the UK and in nine other European countries.

For further information see [www.SEGRO.com/investors](http://www.SEGRO.com/investors).