

A photograph of a building facade with a large black sign. The sign features the SEGRO logo in white and red, with the tagline 'WHERE BUSINESS WORKS' in white italicized text below it. The building has a blue-tinted glass window to the left.

SEGRO
WHERE BUSINESS WORKS

Investor & Analyst Day

7 May 2014

Slough Trading Estate Itinerary

Time	Topic	Speaker
10.45-10.50	Introduction	David Sleath, SEGRO
10.50-11.05	Slough Trading Estate: Compelling business location	Gareth Osborn, SEGRO
11.05-11.15	Thames Valley Market Overview	Cushman & Wakefield
11.15-11.25	Data centres on the Slough Trading Estate	Andrew Roughan, Infinity
11.25-11.40	Coffee Break	
11.40-11.55	Property and the changing face of retail	Julian Mosquera, LCP Consulting
11.55-12.05	Parcel delivery from the Slough Trading Estate	Paul Hutchinson, UK Mail
12.05-12.25	Slough Trading Estate: Opportunities for future value creation	Gareth Osborn, SEGRO
12.25-12.45	Questions & Answers	
12.45-15.30	Lunch & tour: data centre, parcel delivery, Business Watch	

Slough Trading Estate

Compelling business location

slough
trading
estate

Welcome to the Slough Trading Estate

The SEGRO Team



Gareth Osborn
Business Unit Director
Thames Valley and National Logistics



David Drummond
Head of Data Centres



Paul Lewis
Regional Director
Thames Valley



Graeme Steer
Development Director



Carol Rix
Asset Manager



Mark Snow
Development Manager



Chris Caiulo
Investment Manager



Oliver White
Financial Controller

Slough Trading Estate

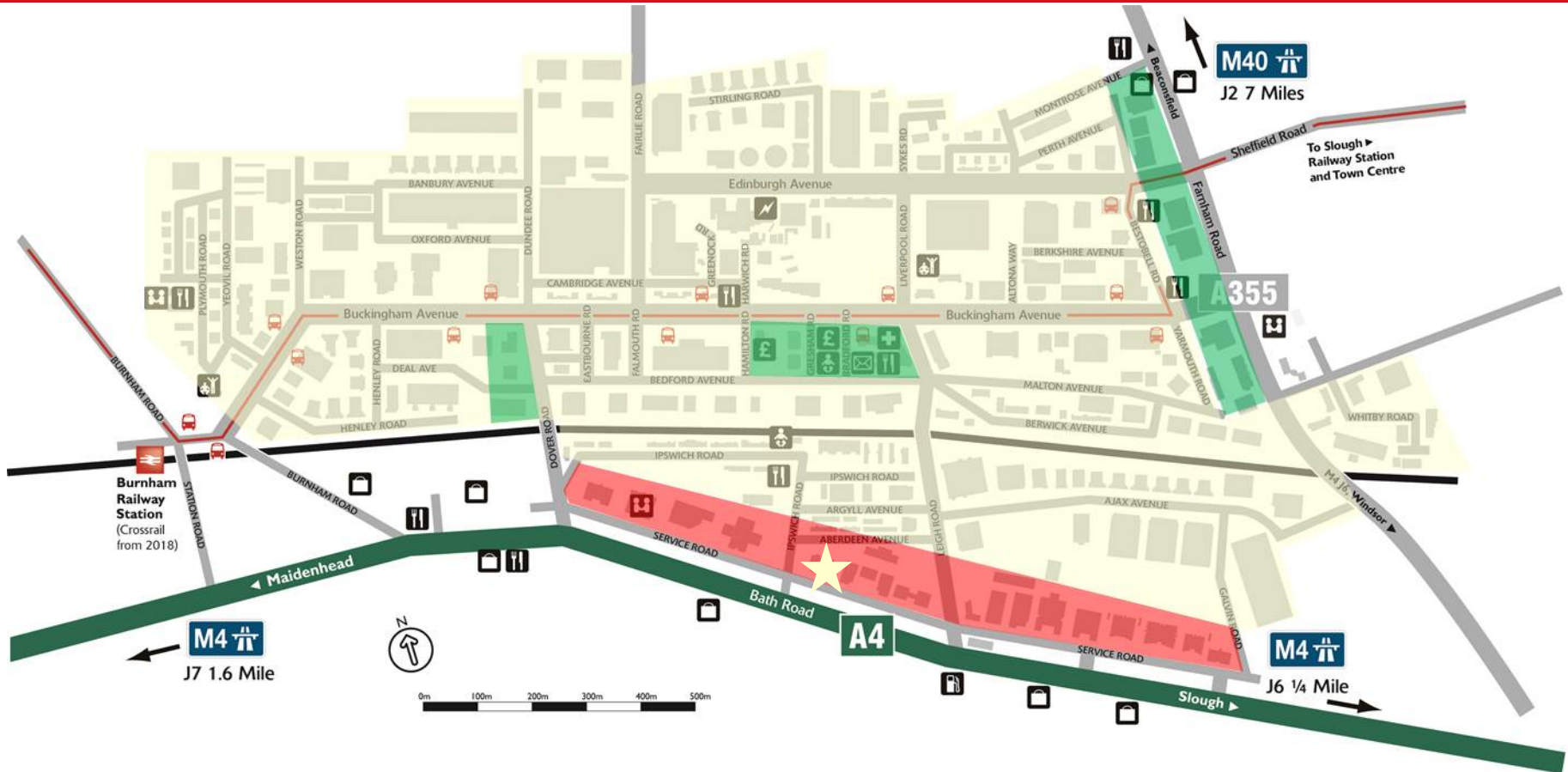
Competitive advantages

- Location
- Modern and flexible buildings
- Single ownership
- Simplified Planning Zone
- Land bank and development opportunities

Great potential to add value



Slough Trading Estate



Offices General industrial & warehouses Retail uses

- | | | | | | |
|------------------|---------------|----------------|--------------|----------|-----------|
| Post Office | Health Centre | Power Station | Meeting Room | Shopping | Bus Stop |
| Health & Fitness | Child Care | Petrol Station | Food & Drink | 5 Banks | Bus Route |

Slough Trading Estate *Past...*



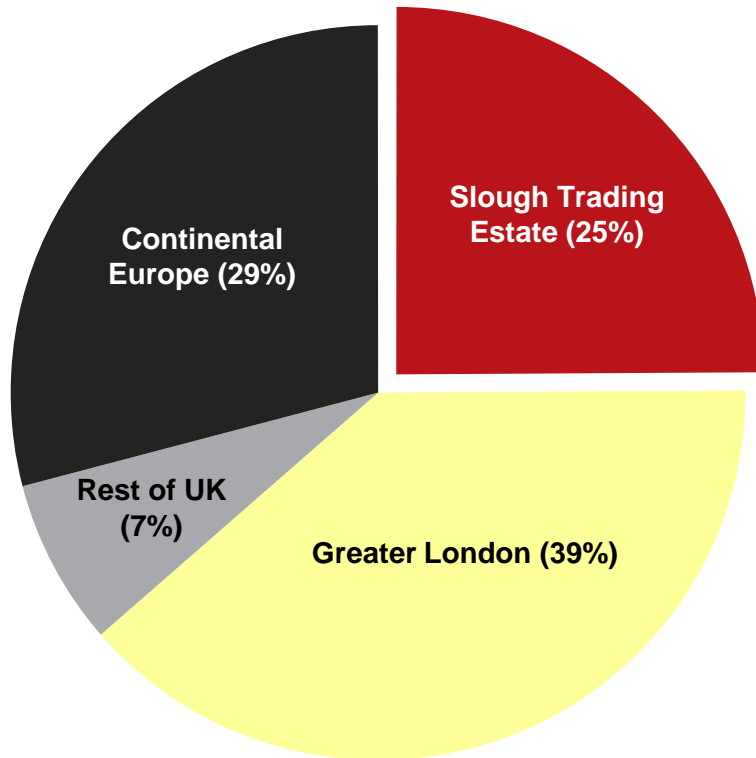
Slough Trading Estate *...and present*



Slough Trading Estate

Significant SE England economic hub

SEGRO portfolio by geography (31 December 2013)
(% of portfolio value, inc. JVs at share)



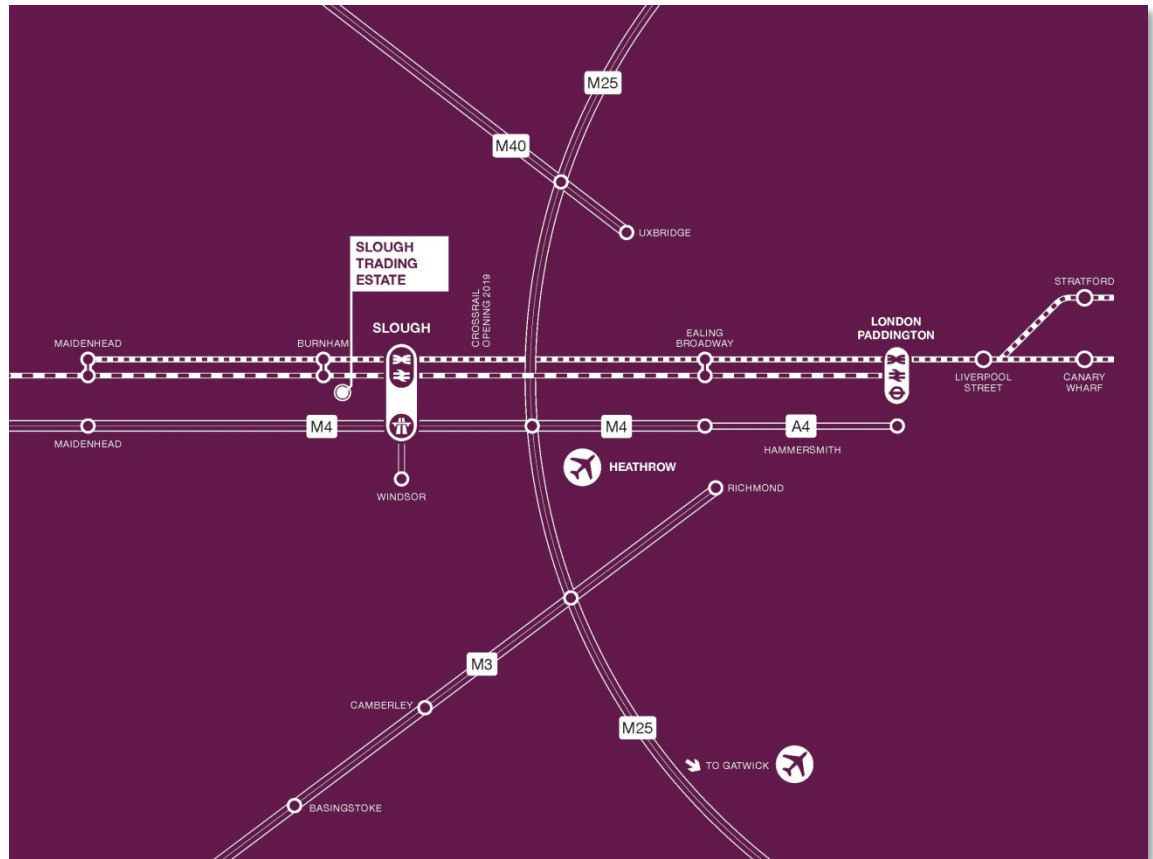
Key Facts¹

- £1.0 billion value at 31 December 2013
- £70m of annualised contracted passing rent
- 192 hectares (474 acres), with 575,500 sq m of built space
- 30% of space built post-2000
- 350 businesses, employing 17,000 people
- 1.2% of all UK business research & development
- 4% of all UK pharmaceutical R&D
- Biggest data centre cluster outside the USA by space (87,500 sq m)

Competitive advantages – Location

Access to London, SE England, international

- **Labour supply:** quantity (1.6m people within 1 hour drive) and quality (40% are professionals, Slough schools are 7th best in the country at age 16 based on GCSE results)
- **Transport:** 17 minutes train service into Central London; 10 miles from Heathrow Airport; close to junctions on the M4, M40 and M25
- **Data connectivity:** Dense fibre network with high latency to City of London, USA and Europe.
- **Power:** On site biomass power station backed up by connections to National Grid due to Estate's legacy as manufacturing hub

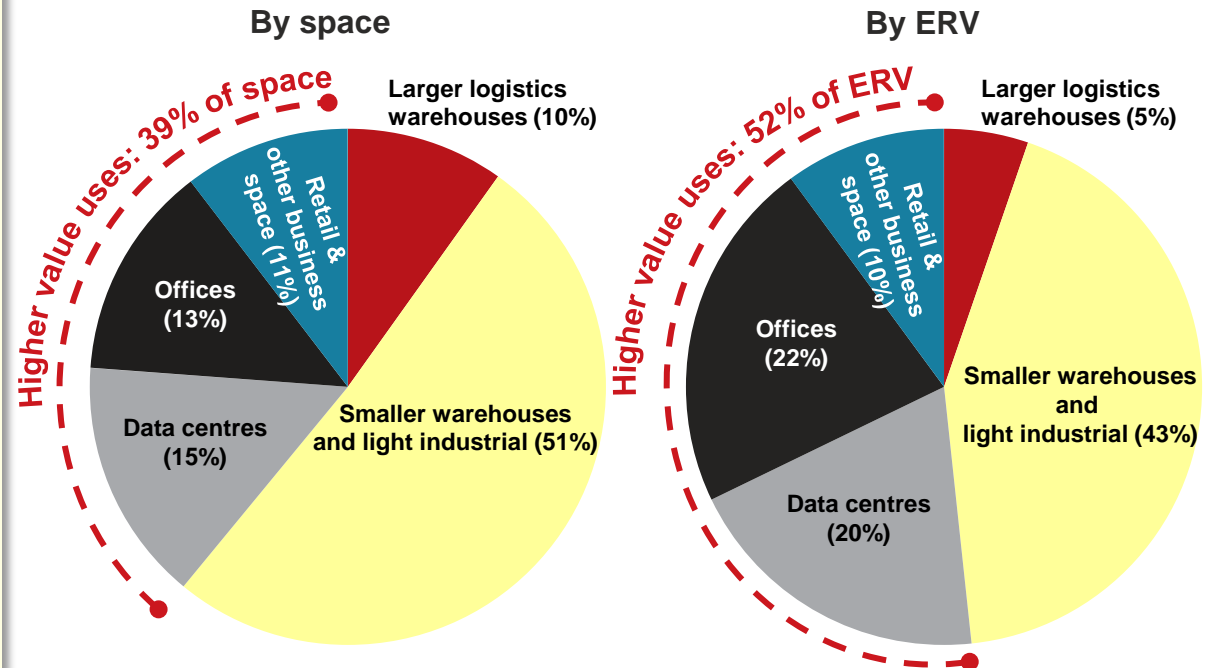


Competitive advantages – Buildings

Maximise value from industrial land

- **Building types:** Warehouses for single or multi occupancy; higher value uses (data centres, retail, offices) complement other occupiers and enhance returns
- **Customer types:** Broad customer base without reliance on any particular customer or sector; major cluster of data storage, IT and pharmaceutical companies
- **Resilient income:** Diversity of tenant base reduces volatility of income stream and limits vacancy risk
- **Customer longevity:** Many businesses grow within the Estate — Stanley Black & Decker, since 1927; Mars since 1932

Slough Trading Estate building type¹



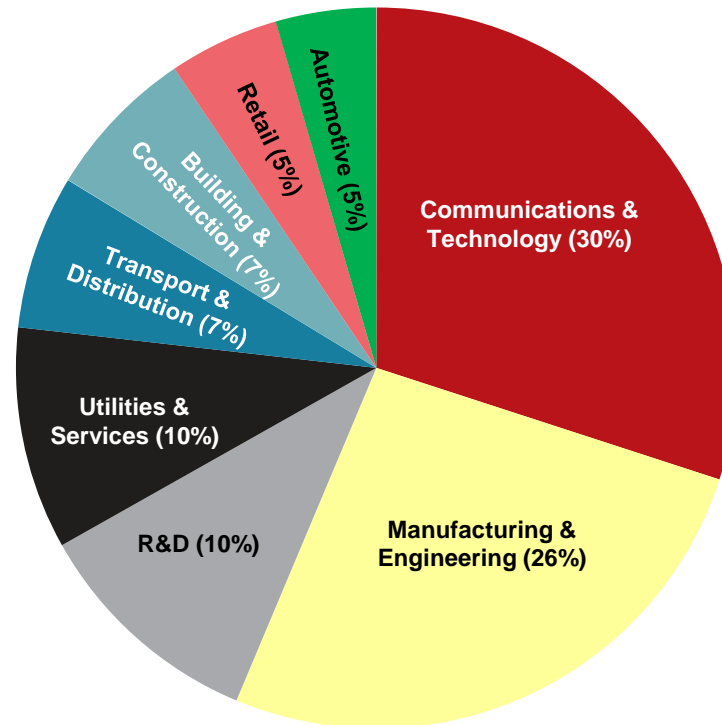
¹ As at 31 December 2013, completed properties

Competitive advantages – Buildings

Attract diverse customer base

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Slough Trading Estate
customer types by passing rent¹



¹ As at 31 December 2013, occupied properties

Competitive advantages – Buildings

Diverse customer base

Technology & Communications

Blackberry	Dell
Equinix	Global Crossing
Infinity	O ₂
Polycom	Savvis
Tesco Mobile	Virgin Media

Retail & Services

Big Yellow Self Storage	Ferrari
Fiat	Honda
Regus	Safestore
Sainsbury's	Screwfix
Selco	Wolseley
Thames Valley Chamber of Commerce	

Parcel Delivery

FedEx
Delivered
InterPost
TNT
Tuffnells Parcel Express
UK Mail

Manufacturing & Pharmaceutical

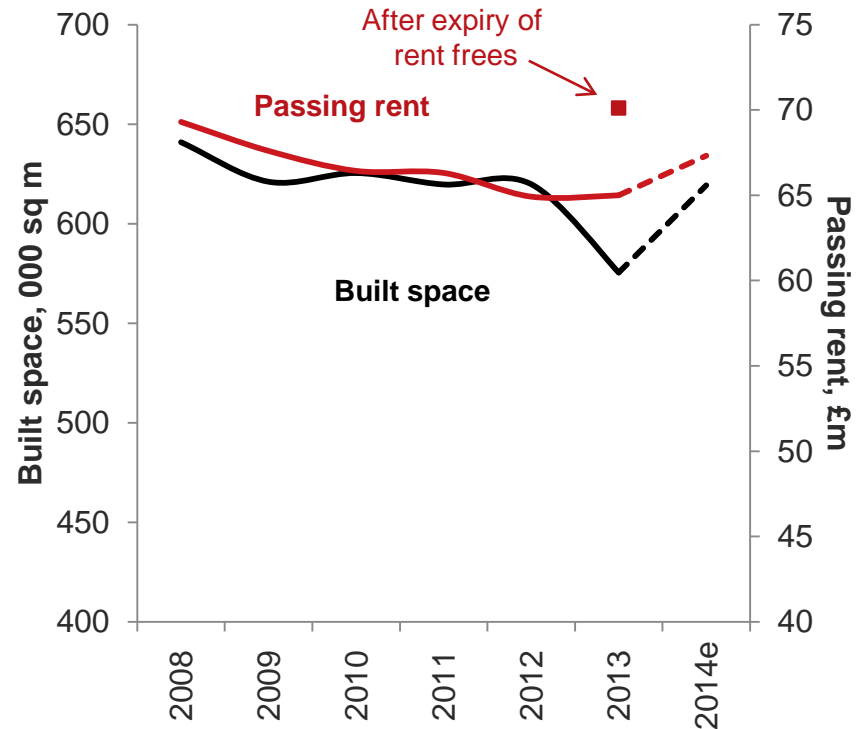
Emerson	Henkel
Ipsen	John Crane
Lonza	Mars
Selig	Ragus
Stanley Black & Decker	UCB

Competitive advantages – Buildings

Resilient income stream

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Slough Trading Estate built space and passing rent¹



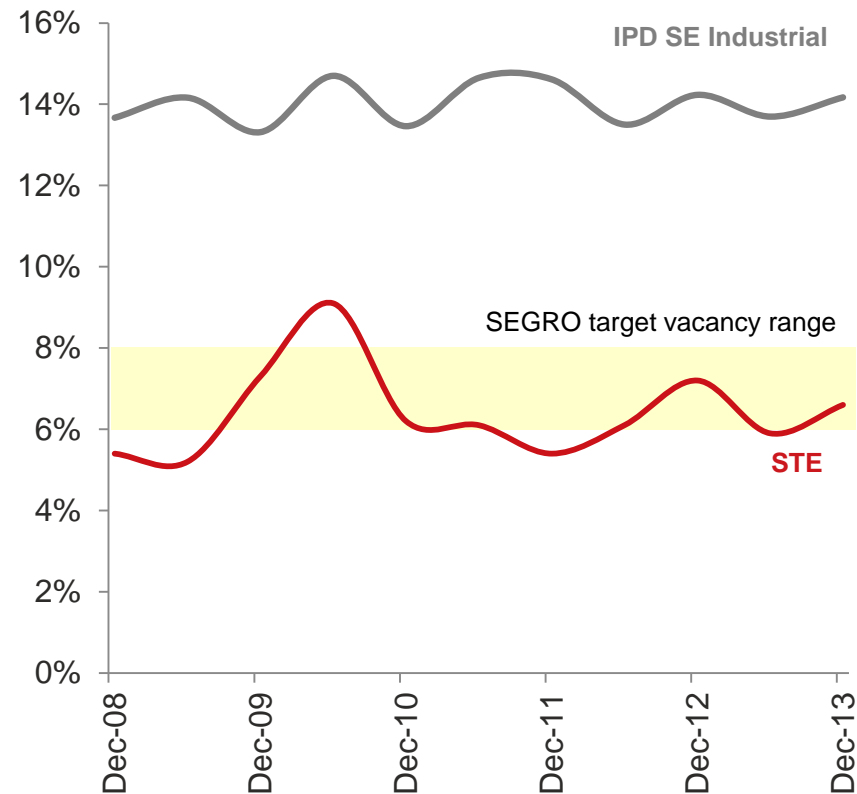
¹ Annualised cash rent receivable at balance sheet date
Source: SEGRO and ONS

Competitive advantages – Buildings

Low vacancy risk

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Slough Trading Estate vacancy rate vs IPD SE Industrial

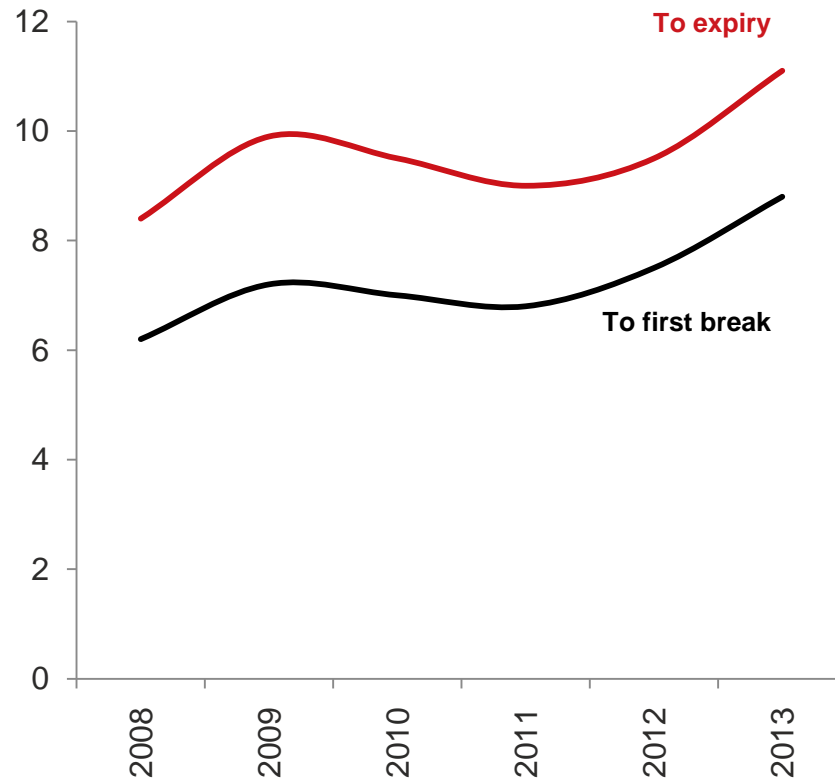


Competitive advantages – Buildings

Customer longevity

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Slough Trading Estate weighted average lease length by ERV, years

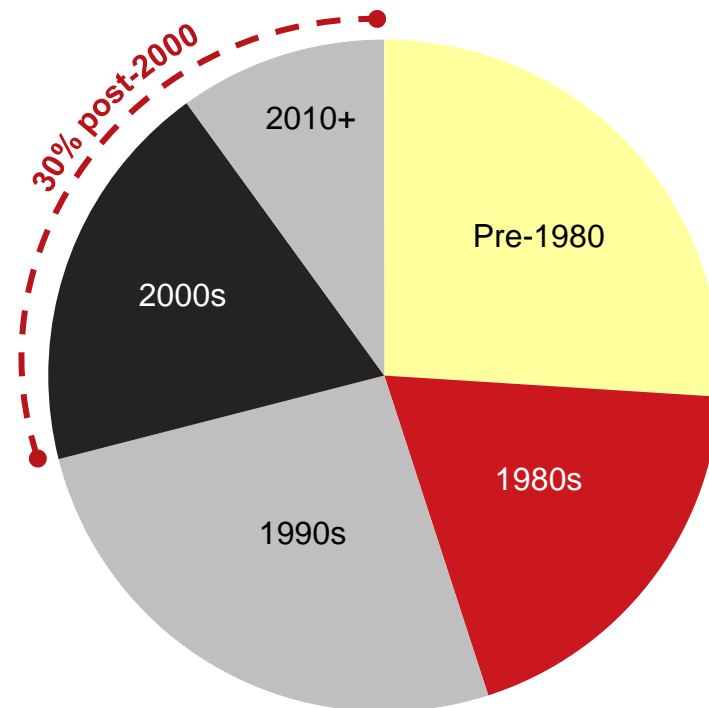


Competitive advantages – Single ownership

Enhances asset and customer management

- **Single ownership:** Allows coherent and cost-effective management of the Estate
- **Customer satisfaction:** Ability to relocate customers is attractive to dynamic and growing organisations – 88% of customers willing to recommend SEGRO
- **Customer retention:** 80% of rent at risk retained in 2013

Slough Trading Estate building date, by space¹



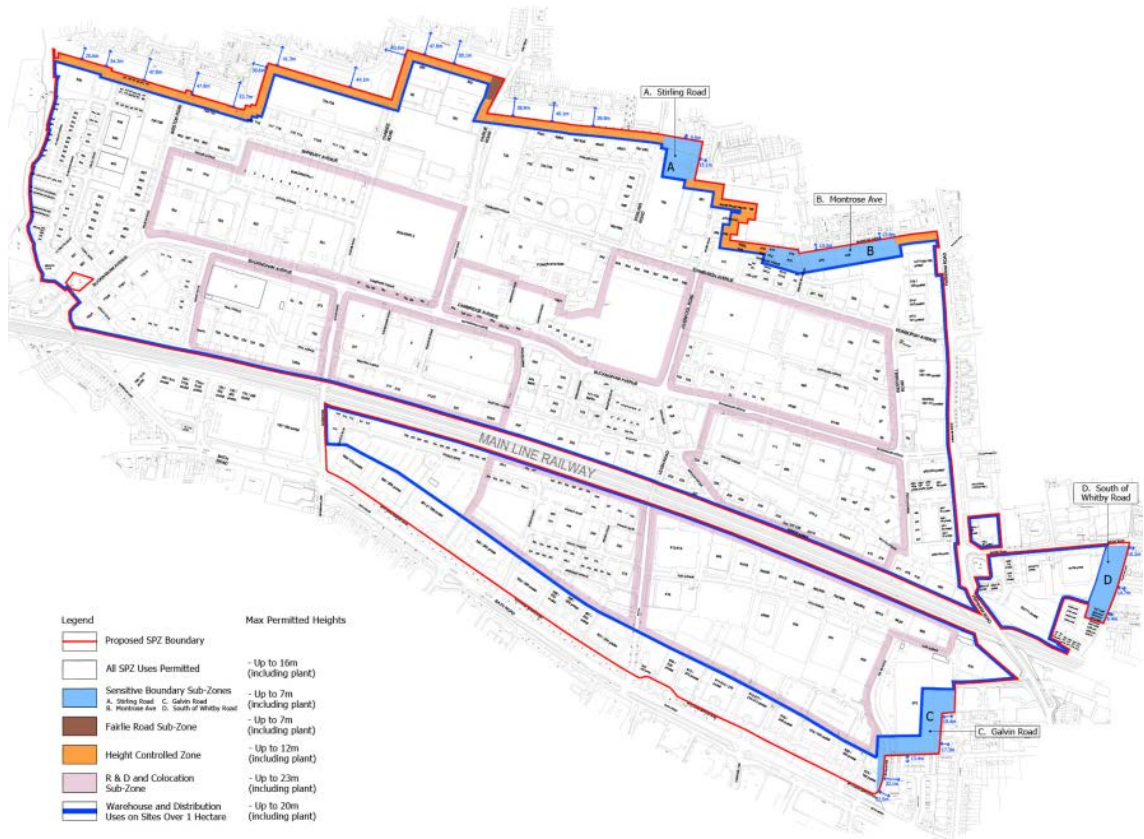
¹ As at 31 December 2013, completed properties

Competitive advantages – Planning

Simplified Planning Zone

- Ability to re-develop within the Estate with minimal planning requirements
- Permits industrial, warehouse, high tech, laboratory and data centre uses
- Allows development to commence subject to rules on height, density, parking and usual building regulation consents
- Renewal from 14th November 2014 for another 10 years
- S106 includes retention of Hoppa bus, the provision of the Aspire centre, contribution towards improved Burnham station

Slough Trading Estate Simplified Planning Zone

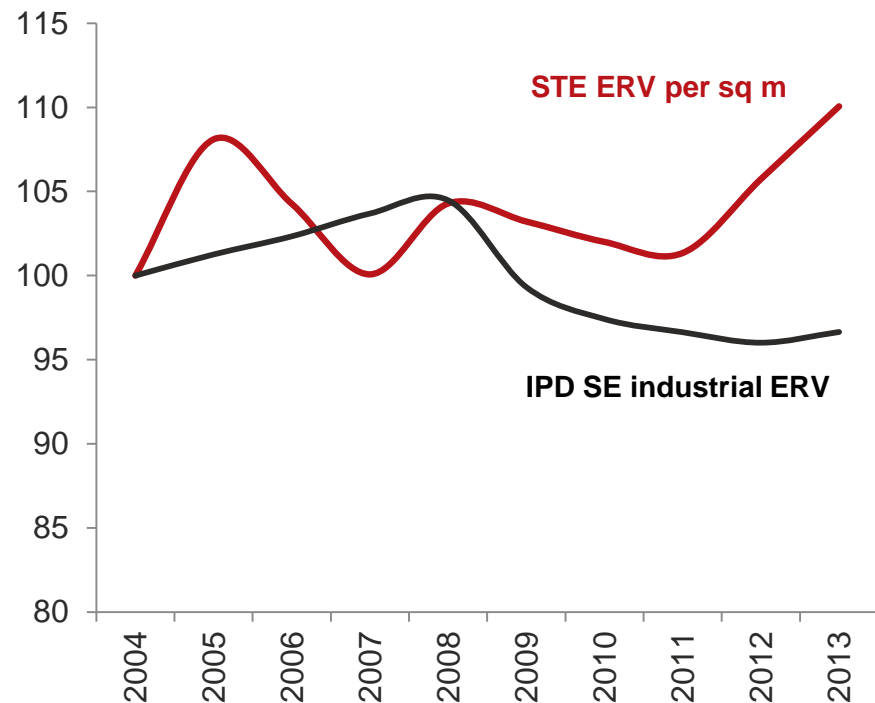


Competitive advantages – Land bank

Creating opportunities to add value

- **Creating opportunities:** Ability to create development opportunities through replacing low-rent obsolete buildings
- **Speed to market:** Land bank and special planning status allows rapid response to customer demand

Index of ERV per sq m vs IPD SE industrial rental growth
(2004 = 100)



Slough Trading Estate

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