

SEGRO PLC 2019 ANNUAL GENERAL MEETING

18 APRIL 2019



Paris Air2, Gennevilliers

Strong financial results, balance sheet further strengthened

Disciplined approach to capital allocation

Further operational excellence, strong property operating metrics

Well set for further outperformance in 2019 and beyond

Adjusted earnings per share

+17.6%



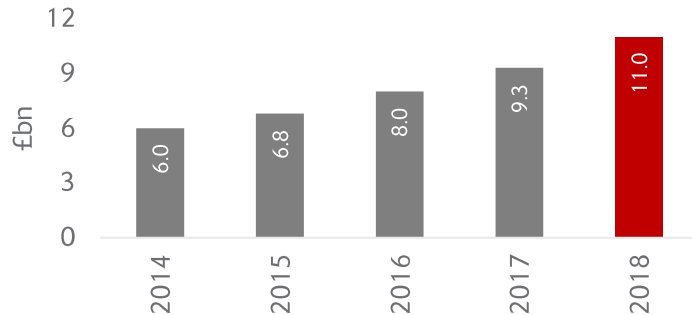
EPRA NAV per share

+16.9%



Total Property Portfolio - AUM

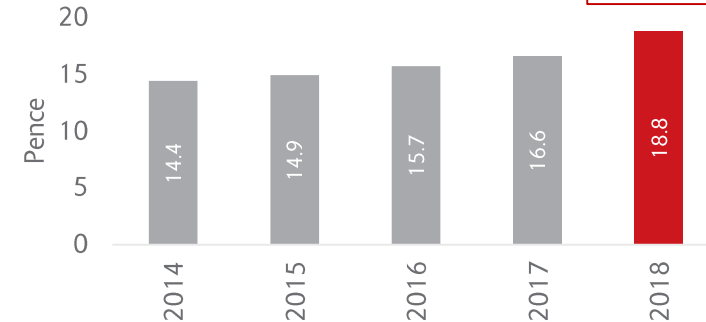
+18.3%



Dividend per share

(Distribution policy of 85-95% of full year adjusted earnings)

+13.3%



Disciplined capital allocation: £327m net investment in 2018

Acquisitions

- Including four urban warehouses estates in France and Poland
- Newly built big box warehouse in the Netherlands for SELP
- 19% interest in Sofibus Patrimoine

Land and development

- £501m of development capex
- £47m infrastructure spend
- £140m invested in 20 site acquisitions

Active recycling

- Remaining assets in Belgium
- 1.5m sq ft warehouse in Rome
- Mature assets in London
- £61m proceeds from sale of land in west London to a residential developer



£81m
of asset acquisitions

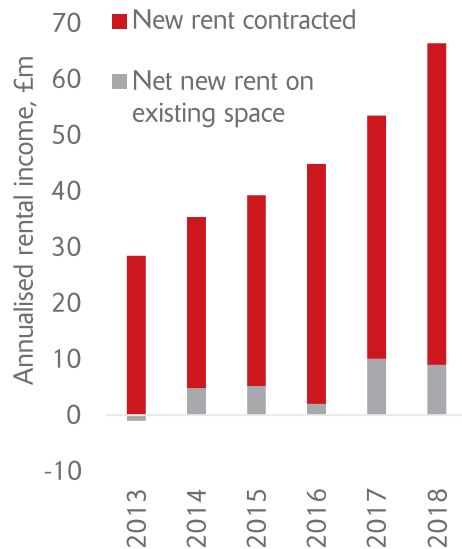


£688m
of land and development
spend

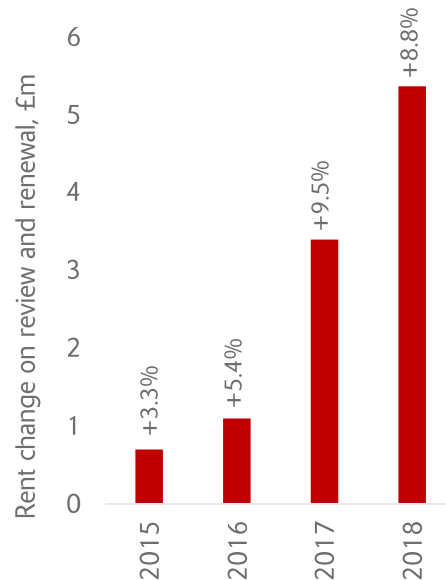


£442m
of selective asset and land
disposals

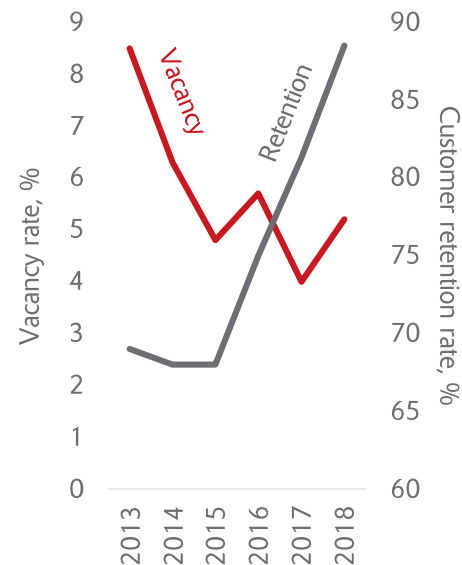
Strong leasing success in 2018¹



Capturing reversion from renewals and reviews²



Record levels of customer retention and sustained high occupancy³

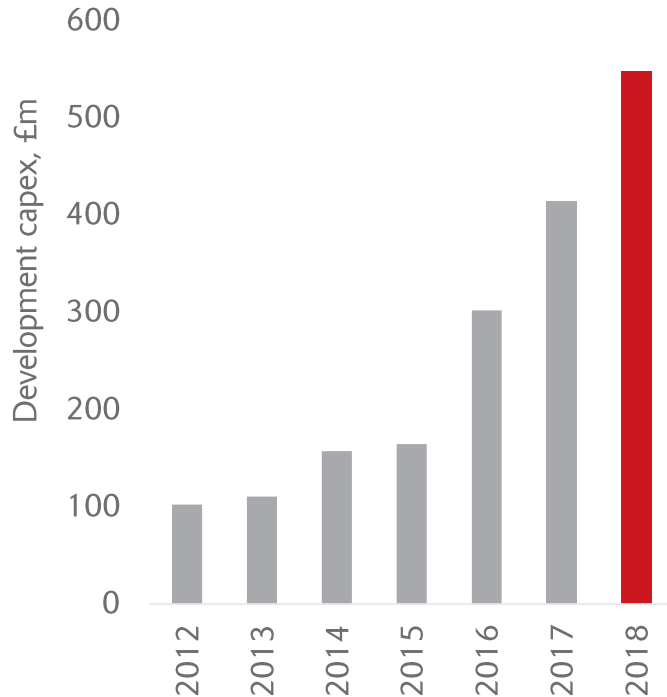


¹ Net new rent on existing space reflects headline rent agreed on new leases less passing rent lost from space taken back during the year; new rent contracted is total headline rent secured or (in the case of developments) agreed in the year.

² Headline rent agreed on lease renewals, reviews and re-gears compared to previous headline rent.

³ Vacancy rate based on ERV at 31 December 2018; customer retention rate based on headline rent retained in the same or alternative SEGRO premises.

Capex on developments and infrastructure
£m (SEGRO share)



673,400 sq m of developments completed

£40m of potential rent – 83% leased

8.2% average yield on cost

+22.1% uplift on development



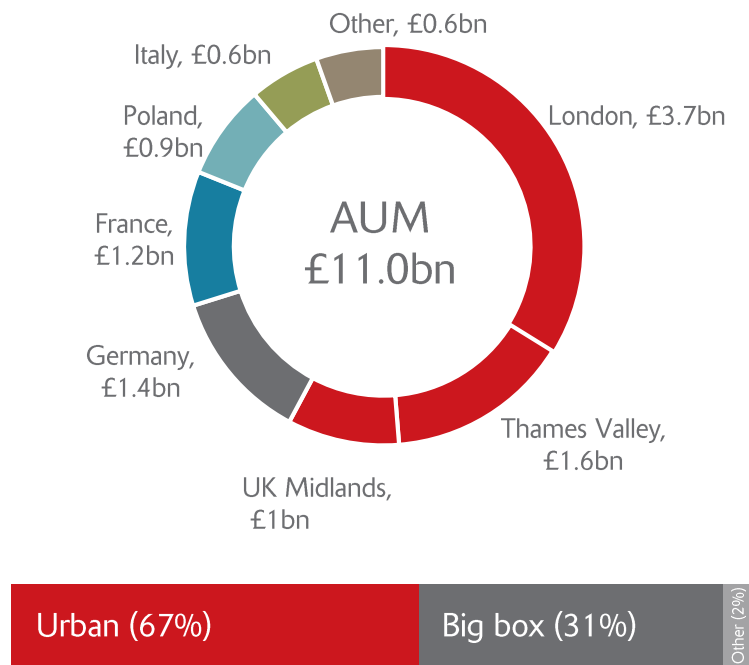
Prime portfolio of warehouses in strong locations

A diversified customer base

Future performance supported by powerful structural tailwinds

Substantial land bank offers significant growth opportunity

Portfolio split by geography and asset type
(at 31 December 2018)

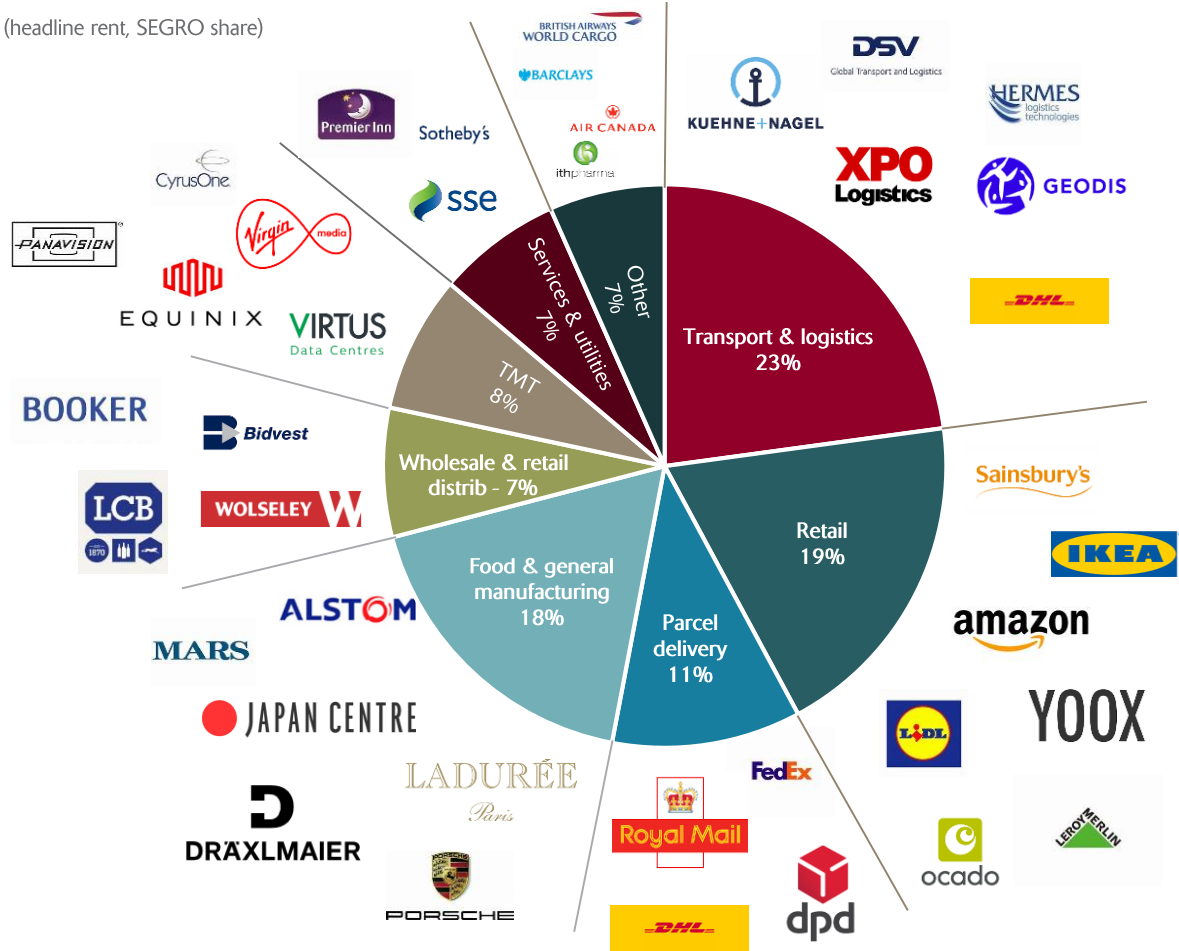


Our key markets



A diversified customer base

Customer sectors (headline rent, SEGRO share)



- Over 1,150 customers

- Top 20 customers = 31% of total group headline rent

Urbanisation



Population growth

Reducing land availability

Increasing demand for goods and services

Environmental and regulatory pressures

Technological revolution



E-commerce growth

Growth of digital data and the cloud

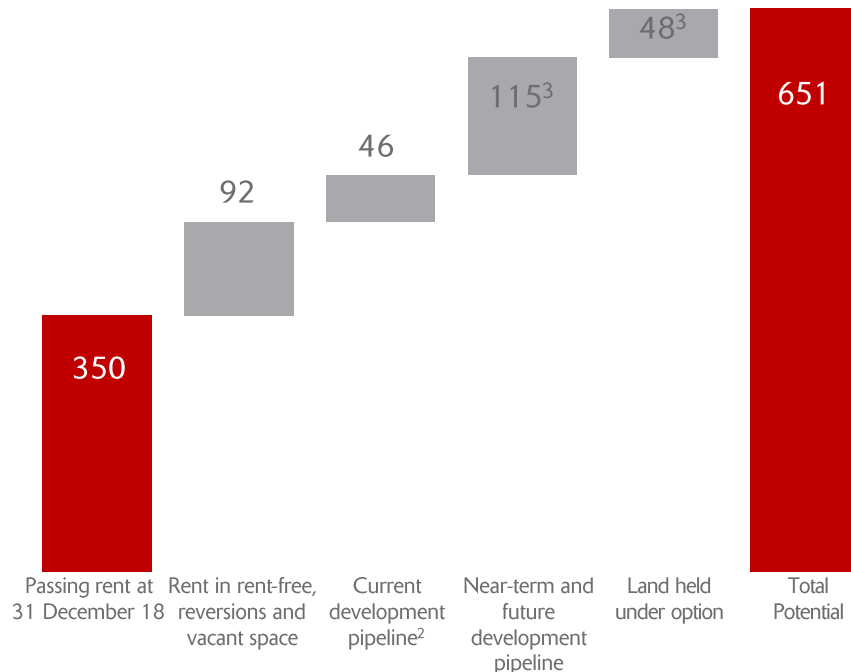
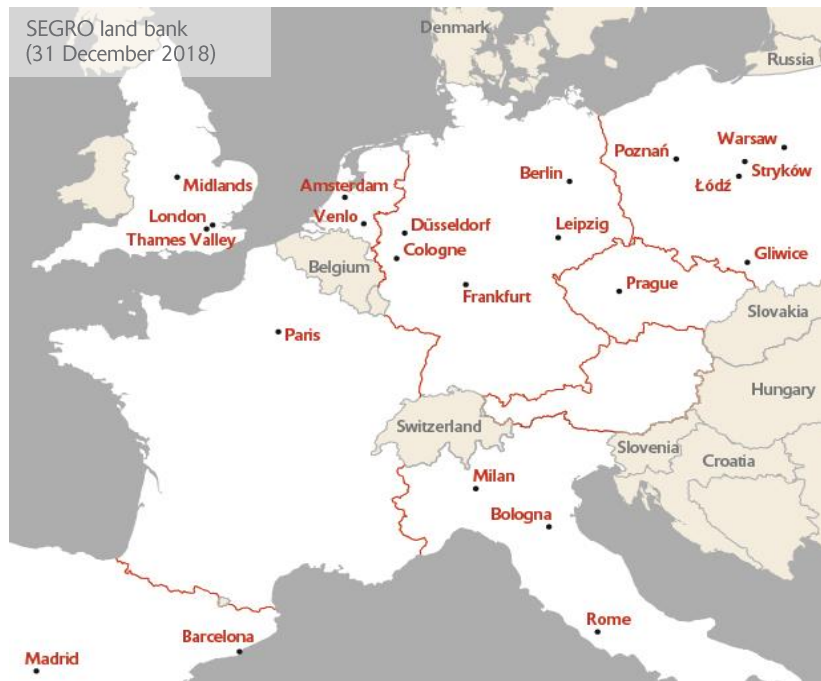
Warehouse automation and robotics

Power and data connectivity

Substantial land bank offers significant potential for further income growth

Annualised gross cash passing rent¹, £ million
(as at 31 December 2018)

Plus: further growth
potential from rising
ERVs and indexation



¹ Including JVs at share

² Near-term development opportunities include pre-let agreements subject to final conditions such as planning permission, and speculative developments subject to final approval, which are expected to commence within the next 12 months

³ Estimated. Excludes rent from development projects identified for sale on completion and from projects identified as "Near-term opportunities"



Operational excellence: continuing to deliver profitable growth

- £21m of new headline rent
- vacancy reduced to just 4.4%
- good uplifts from rent reviews and lease renewals

Disciplined capital allocation: investment focused on development

- £100m of development expenditure
- £70m of asset disposals
- 44 development projects under construction

Equity placing supports further development-led growth

- £451m equity placing
 - Pro-forma loan to value ratio at 23%
-

SEGRO is well-placed, despite political and macro-economic uncertainties

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