

SEGRO in France

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29 November 2012



Key Highlights

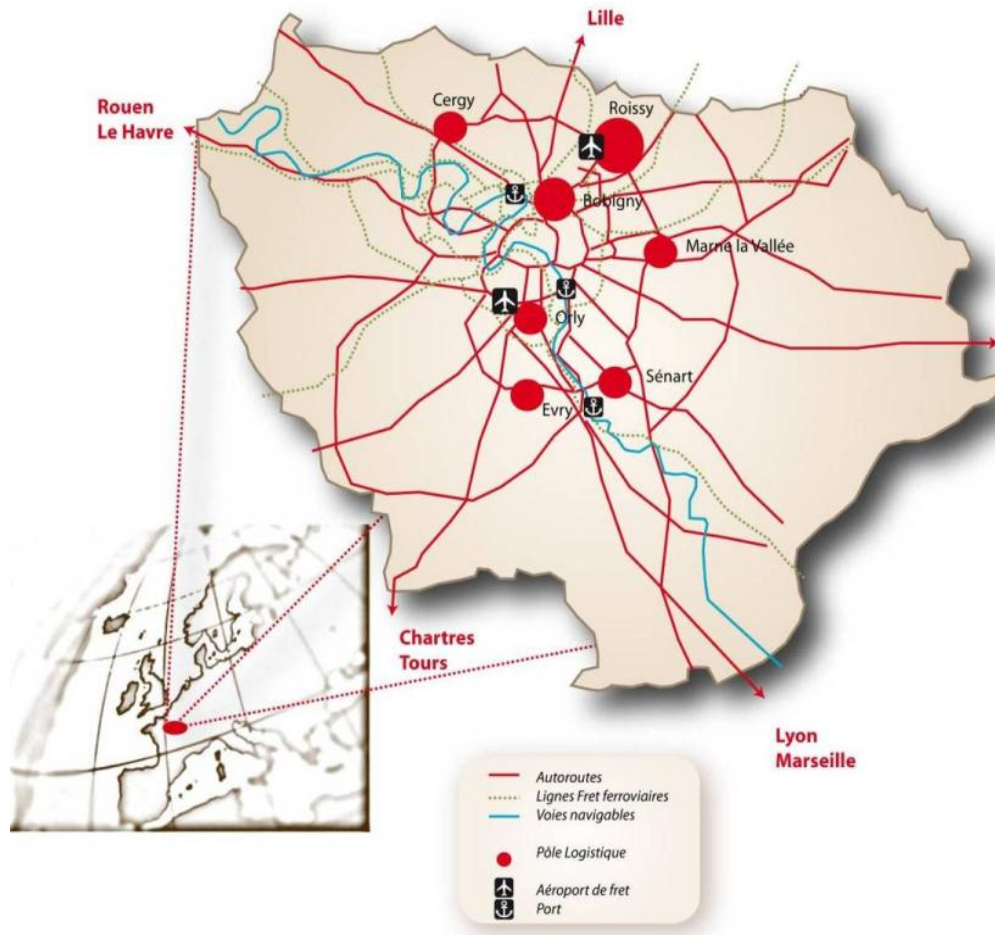


- Paris Region
- SEGRO French Portfolio
- Team Structure
- SEGRO Market position
- SEGRO French Strategy (Operational Excellence / Disciplined Capital Allocation)
- SEGRO Performance / contribution of France to the overall SEGRO performance

The Paris Region



Paris Region – Key Figures



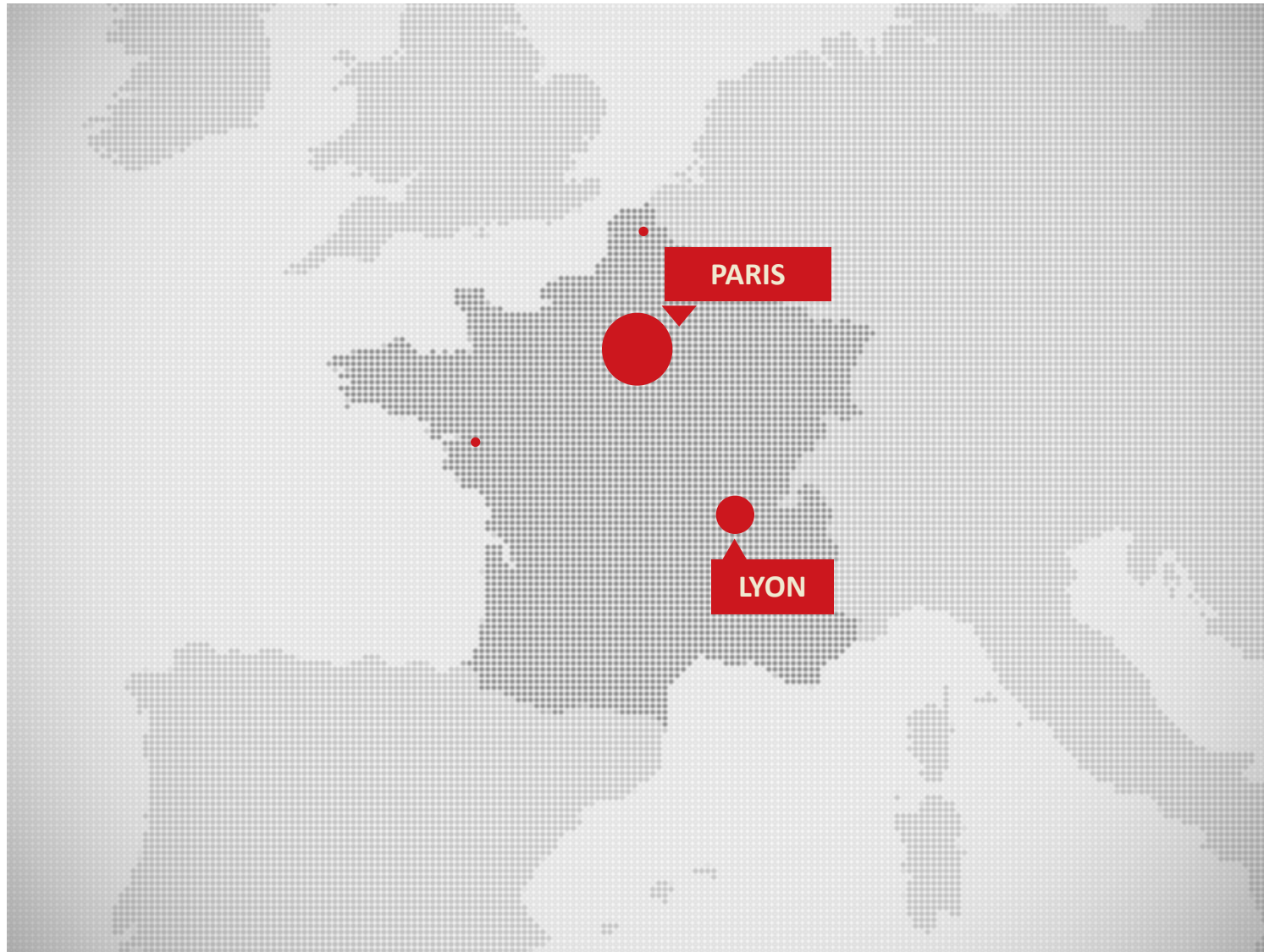
The Paris Region holds a strong position in Europe:

- ✓ 11.7 million inhabitants (18% of the French population, 2.3% of EU 27 population)
- ✓ GDP of Paris Region is €552 billion (above the GDP of Sweden or Belgium)
- ✓ 29% of French GDP is created in this region (5% of EU 27 GDP)
- ✓ It is the top region in Europe in terms of GDP (London €427 billion, Milan €325 billion)
- ✓ Paris is performing better than the rest of the country (on the latest 10 years): + 30bps
- ✓ GDP per inhabitant: €47,000
- ✓ Europe's no.1 region in terms of R&D
- ✓ 2 international airports (58 million passengers in CDG; 25 million in Orly), CDG top cargo airport in Europe
- ✓ 5.9 million employees
- ✓ 752,000 companies
- ✓ 2nd largest concentration of Fortune 500 Headquarters in the world (37) in 2010

SEGRO French Portfolio



SEGRO French Portfolio



KEY FIGURES:

926.676 sq m* of logistics & light industrial space

€53.9 M* of annual rental income

€626 M* of value

85* customers

30* estates

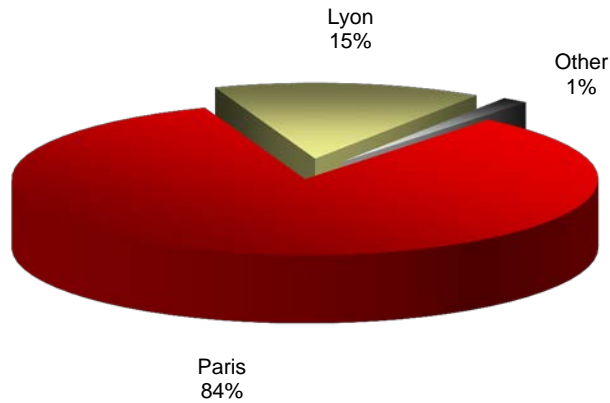
17 people

1 office

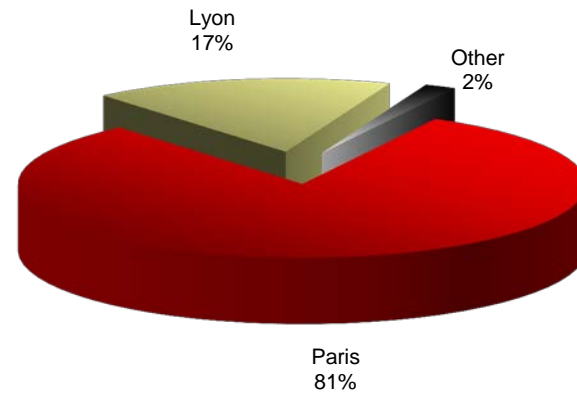
Note: * Figures at June 2012, including FEL portfolio (September 2012)

Key portfolio characteristics

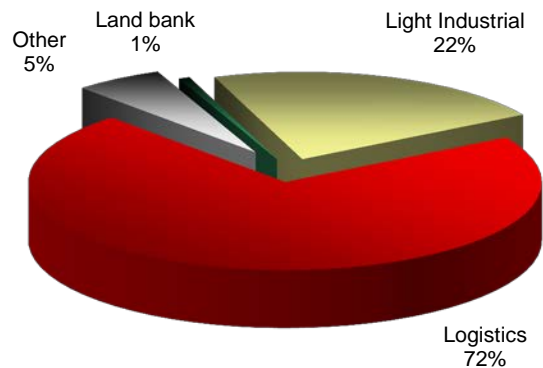
French Portfolio by Value



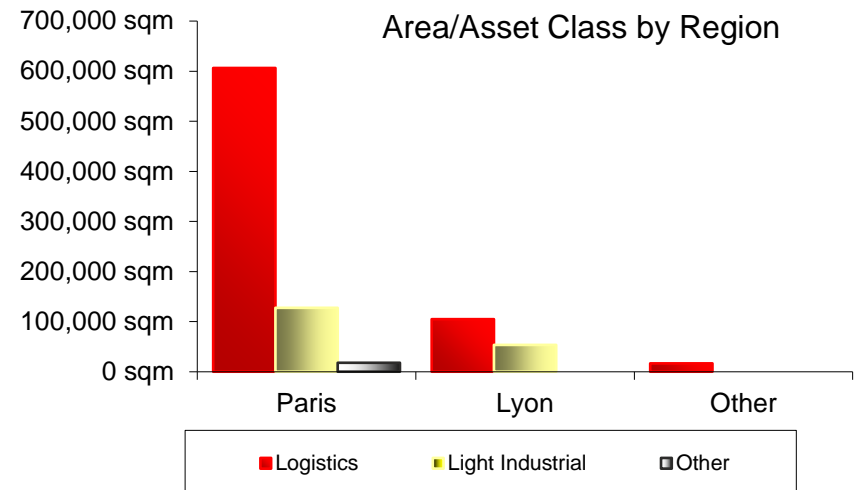
French Portfolio by Area



French Portfolio by Asset Class



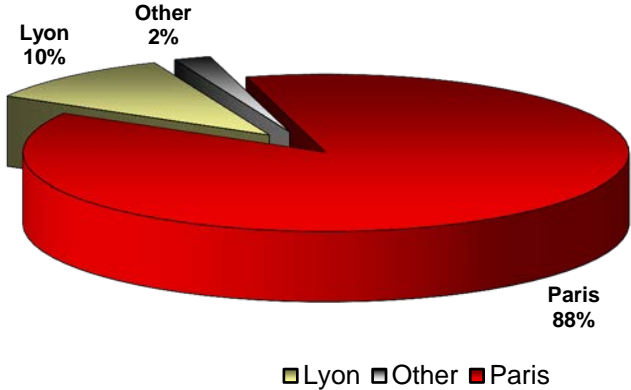
Area/Asset Class by Region



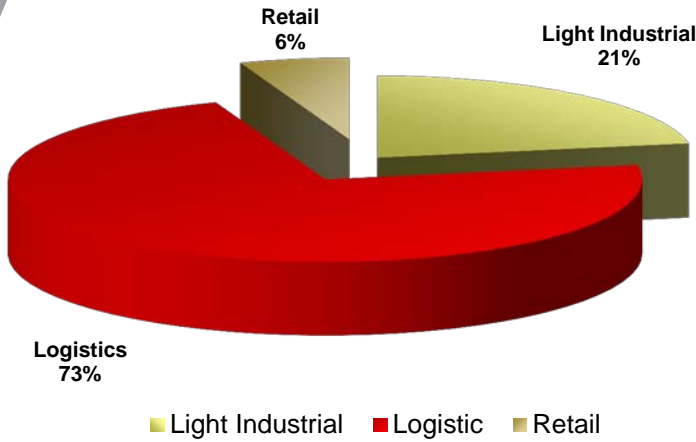
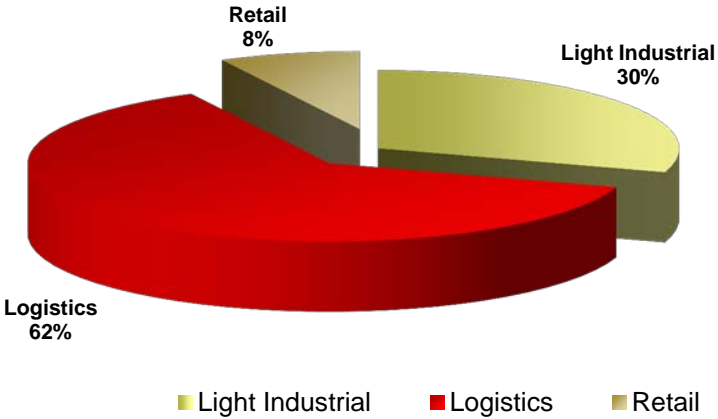
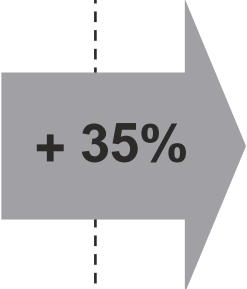
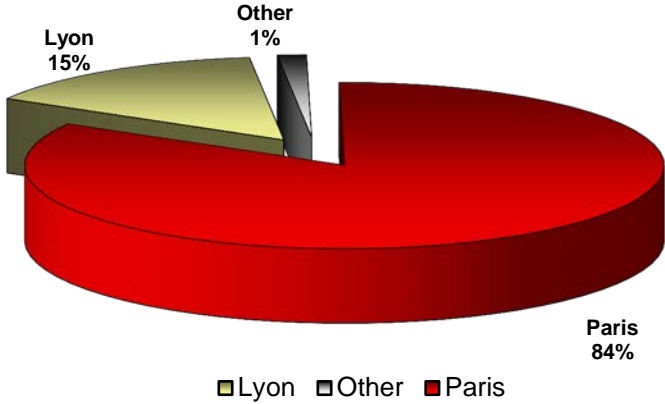
Note: Values at 30 June 2012; FEL assets at acquisition price

Impact of the FEL acquisition

Before: €465m

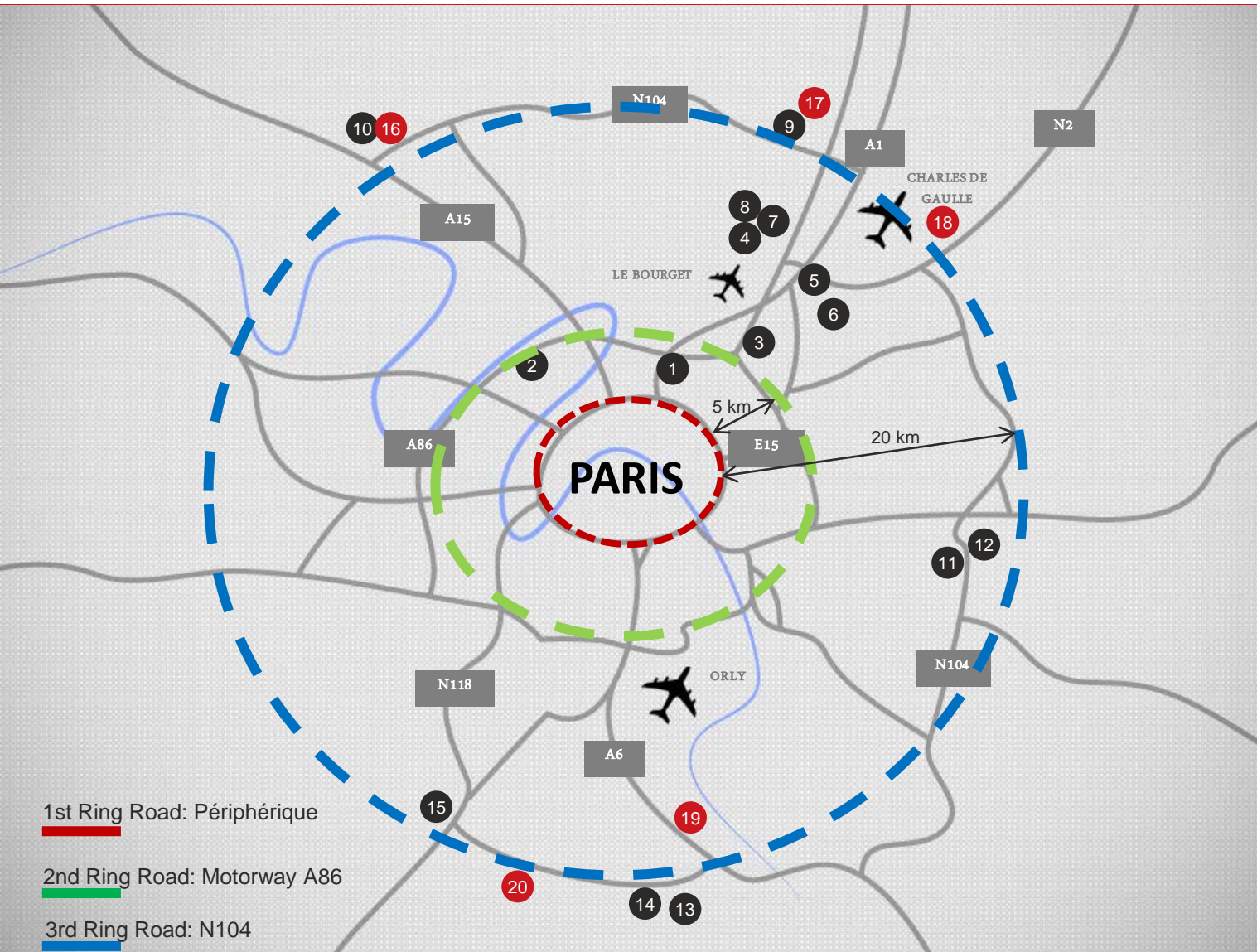


After: €626m



Note: Values at 30 June 2012; FEL assets at acquisition price

SEGRO French Portfolio – Paris Region



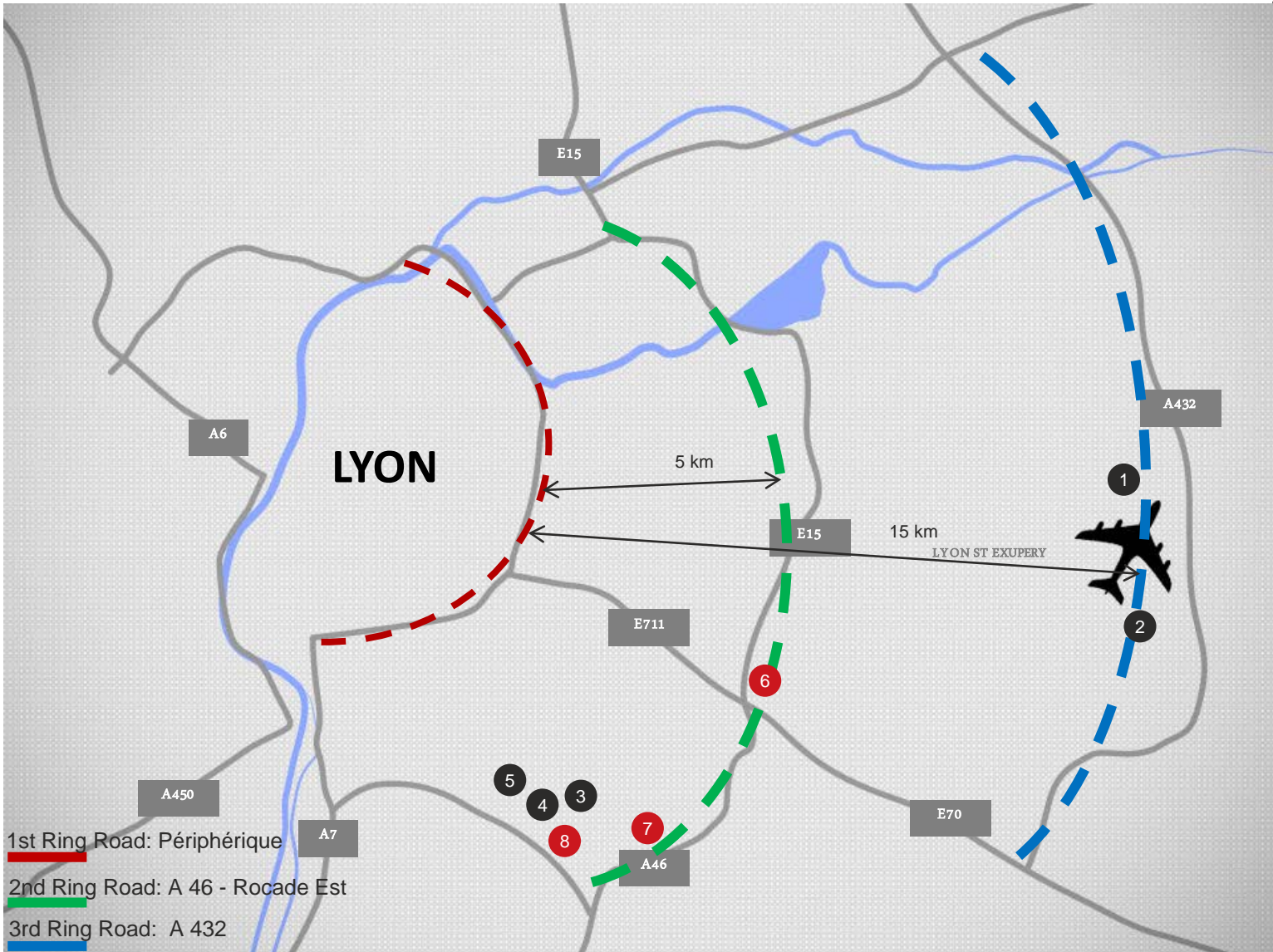
1st Ring Road: Périphérique

2nd Ring Road: Motorway A86

3rd Ring Road: N104

- 1.- La Courneuve
- 2.- Colombes
- 3.- Blanc Mesnil
- 4.- Gonesse Aeropark
- 5.- Garonor Aulnay
- 6.- Aulnay Becquerel
- 7.- Gonesse DHL
- 8.- Gonesse ANTALIS
- 9.- Marly-la-Ville
- 10.- St Ouen 1
- 11.- Croissy Beaubourg
- 12.- Emerainville
- 13.- Bondoufle Mariniere
- 14.- Bondoufle IN
- 15.- Les Ulis
- 16.- St Ouen 2
- 17.- St Witz
- 18.- Compans
- 19.- Ris Orangis
- 20.- Fleury Merogis

SEGRO French Portfolio – Lyon Region

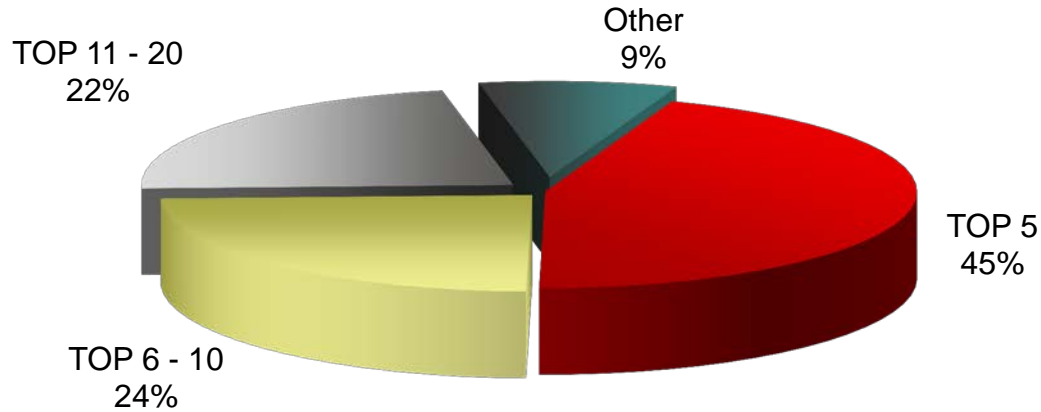


- 1.- St Exupery 3-8
- 2.- St Exupery 1&2
- 3.- St Priest
- 4.- Corbas
- 5.- Venissieux
- 6.- Genas
- 7.- Corbegas
- 8.- Merieux

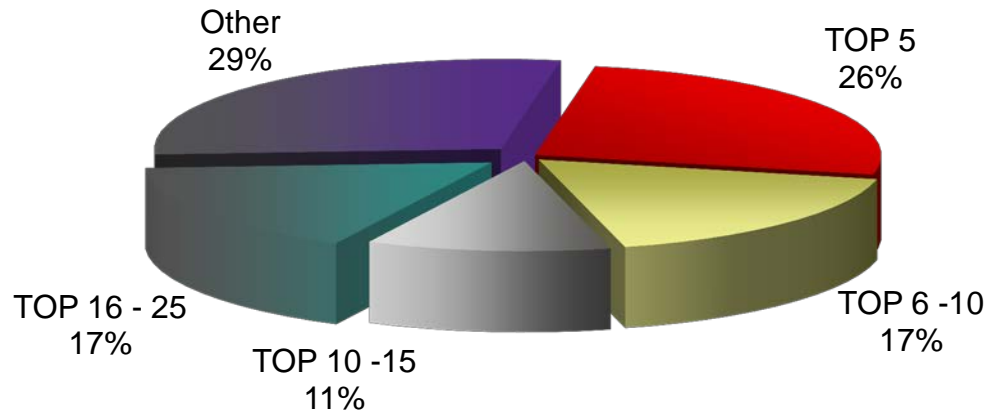
1st Ring Road: Périphérique
2nd Ring Road: A 46 - Rocade Est
3rd Ring Road: A 432

Estate values and rental income

Estates by value



Customers by annual rental income



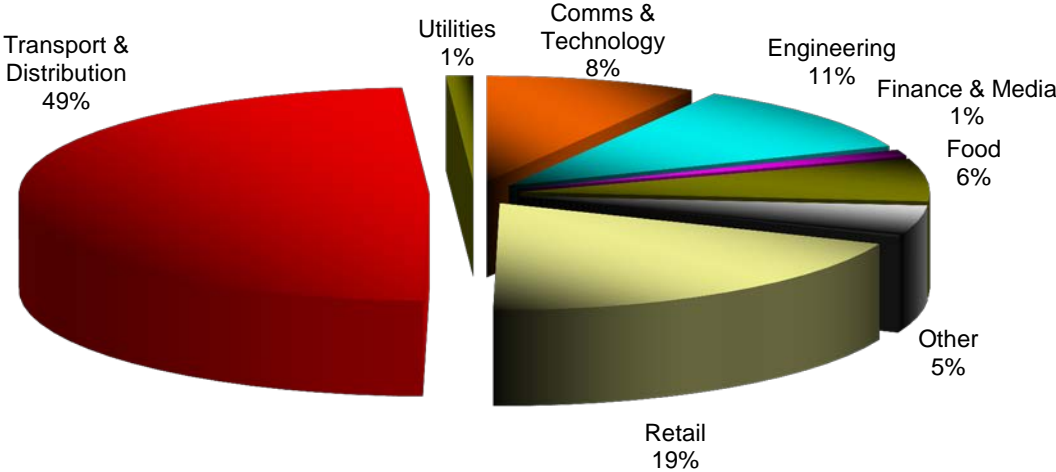
Our customers



Selected large customers



Headline Rent by customer type

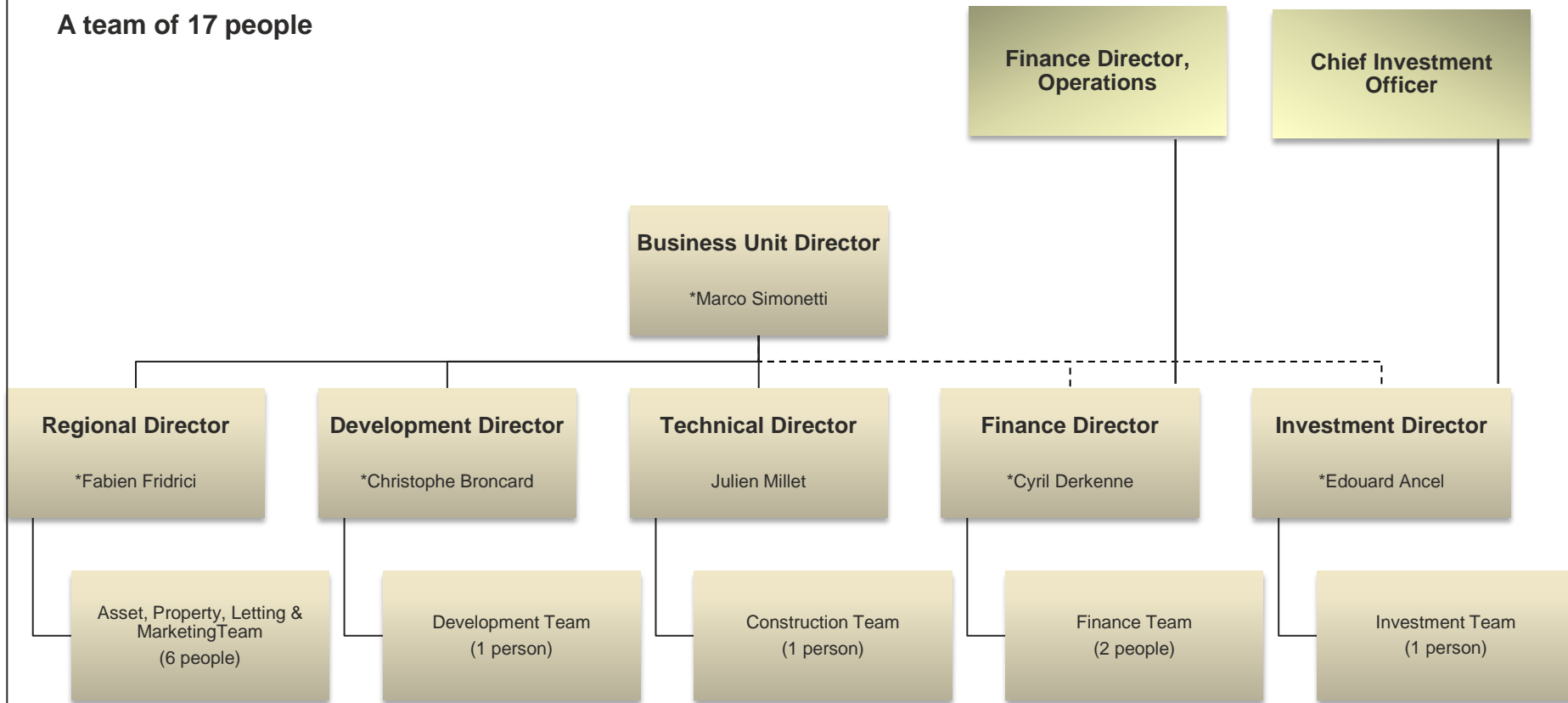


Team Structure



The French team

A team of 17 people



Today's asset tour in the Ile de France

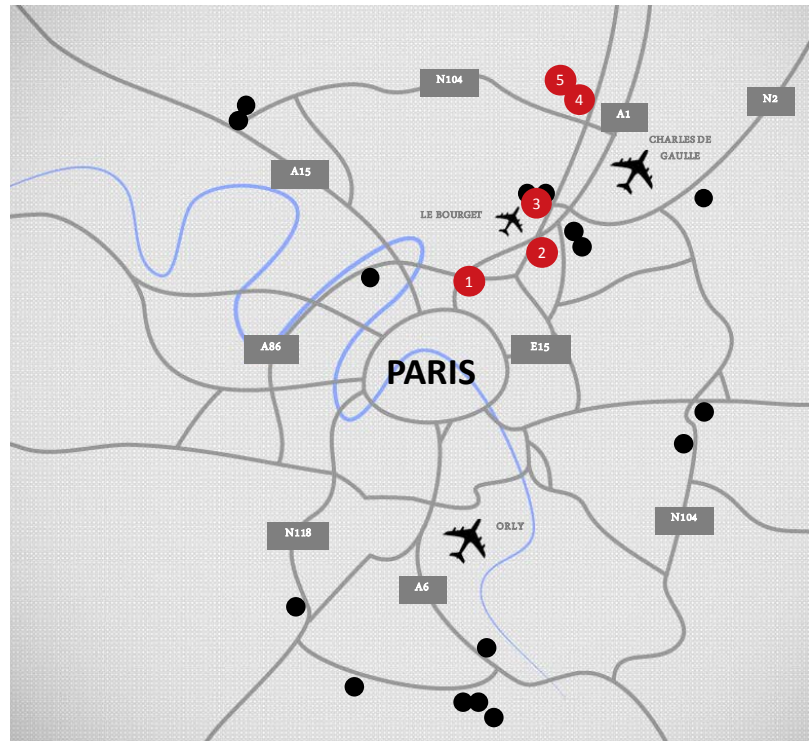
1. – SEGRO BUSINESS PARK – LA COURNEUVE



2. – SEGRO BUSINESS PARK – BLANC MESNIL



3. – SEGRO BUSINESS PARK – GONESSE



3. – SEGRO LOGISTICS PARK - GONESSE



4. – SEGRO LOGISTICS PARK – ST WITZ



5. – SEGRO LOGISTICS PARK – MARLY-LA-VILLE



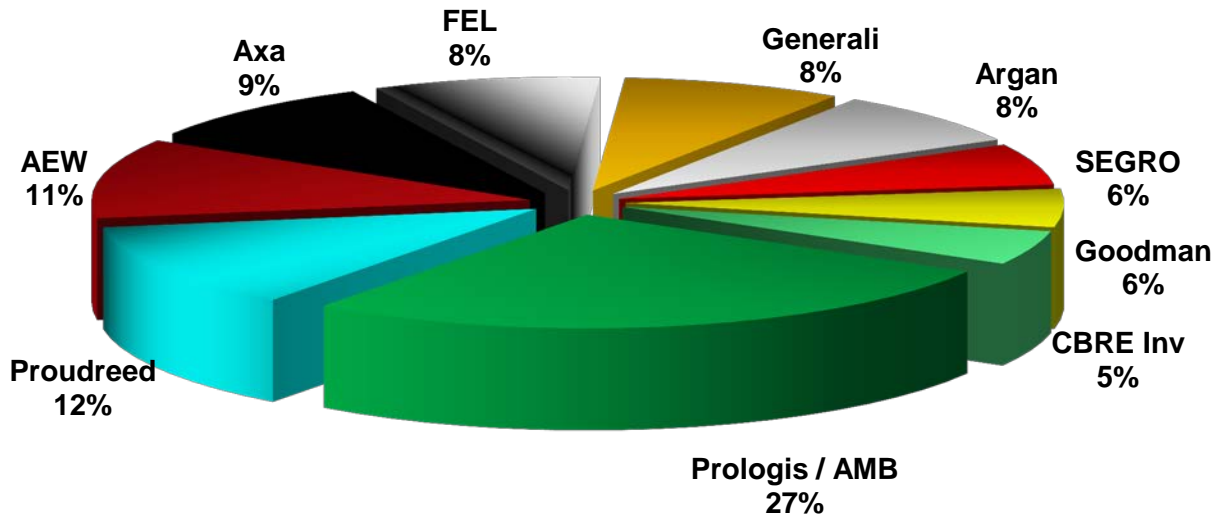
SEGRO Market Position



Real Estate Market – Logistics Market

Top 10 players

Name	Owner's Profile	Logistics
AMB Prologis	US REIT	3,300,000
Proudreed	FR Private REIT	1,495,000
AEW Europe	Fund Manager	1,400,000
Axa Real Estate	Insurance Company	1,100,000
Foncière des Régions (FEL)	FR SIIC REIT	1,030,000
Generali Parcolog	IT Insurance Company	1,000,000
Argan	FR SIIC REIT	950,000
SEGRO	UK SIIC REIT	728,000
Goodman	AUS REIT	670,000
CBRE Investors	US REIT	600,000



FRANCE:

- Stock: 37 million sqm

PARIS Region:

- Stock: 17 million sqm

SEGRO French Strategy



GOAL:

The best owner-manager & developer of industrial property in France

STRATEGY:

Disciplined Capital Allocation

Allocate capital to the markets and assets likely to produce the best risk-adjusted returns

Operational Excellence

Deliver great customer service and optimise performance from our assets

Efficient Capital and Corporate Structure

Underpin our property performance with an efficient and prudent capital structure and lean support functions

Creating the right portfolio shape



Right products – industrial & logistics



Right geographies – larger more liquid markets and where the demand/supply balance is most favourable



Right portfolio balance – mainly prime, modern, standard buildings with moderate land holdings and “opportunity” assets



Critical mass in each market – economies of scale

Supporting a relatively high income return, with low cost leakage and more resilient capital growth

Disposals

- 12 non-core estates sold in the past 2 years
- €23m sold in 2011 / 2012
- Discount to book value 2.2%

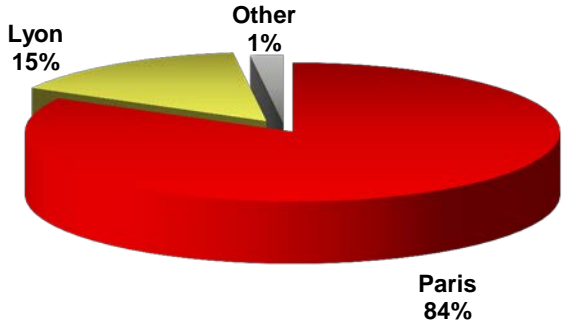
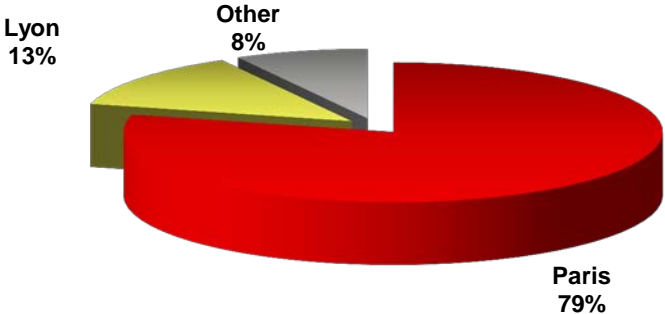
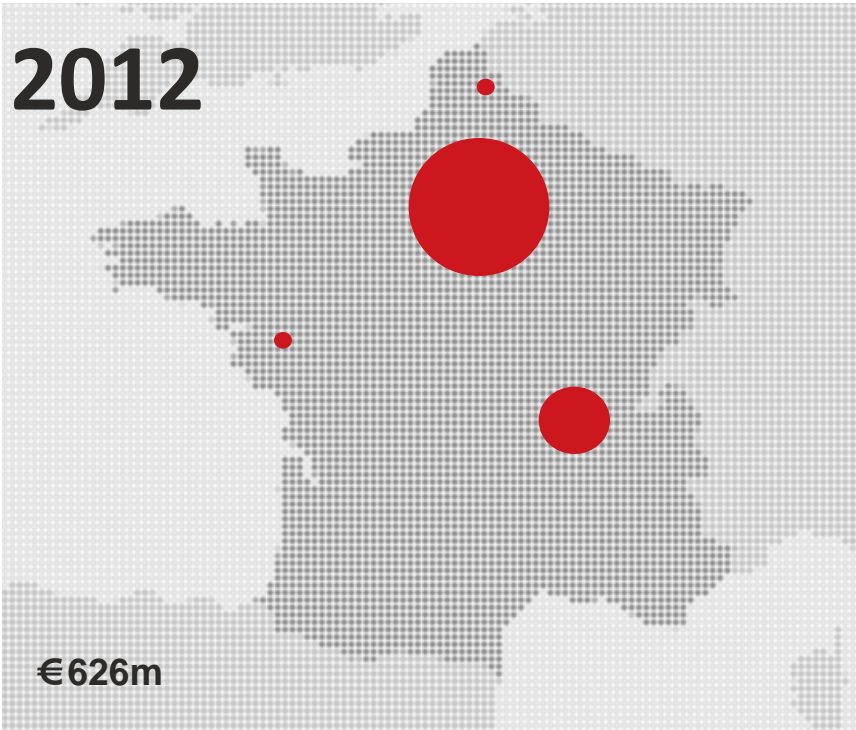
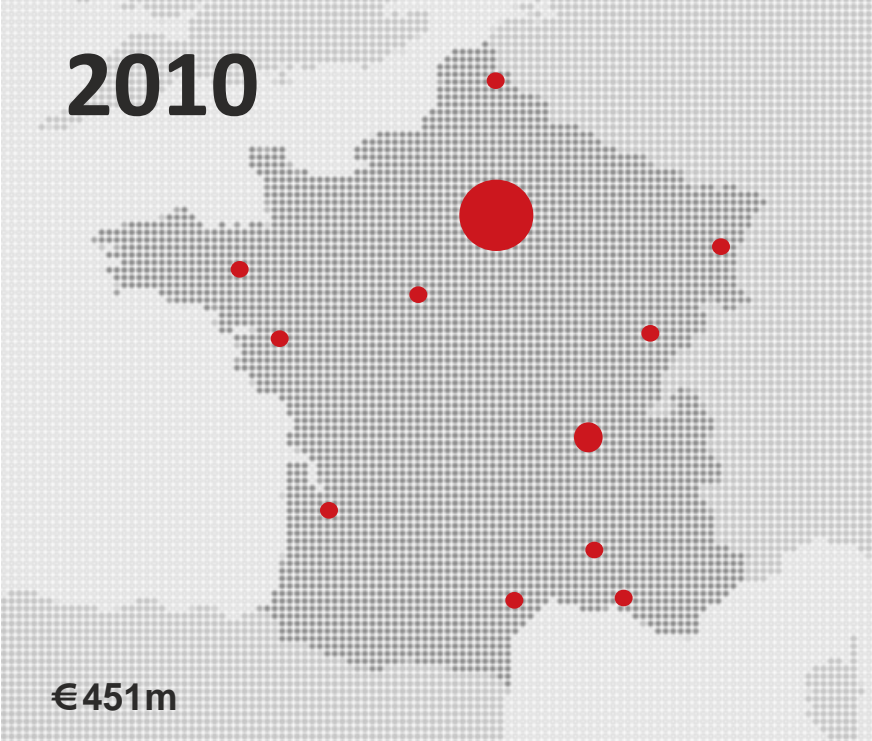
Acquisitions

- €187m invested in core acquisitions in Paris / Lyon in the past 12 months
 - Purchase of B22 in Garonor completed in Dec 11 for €16m
 - Purchase of FEL assets completed in Sep 12 for €161m

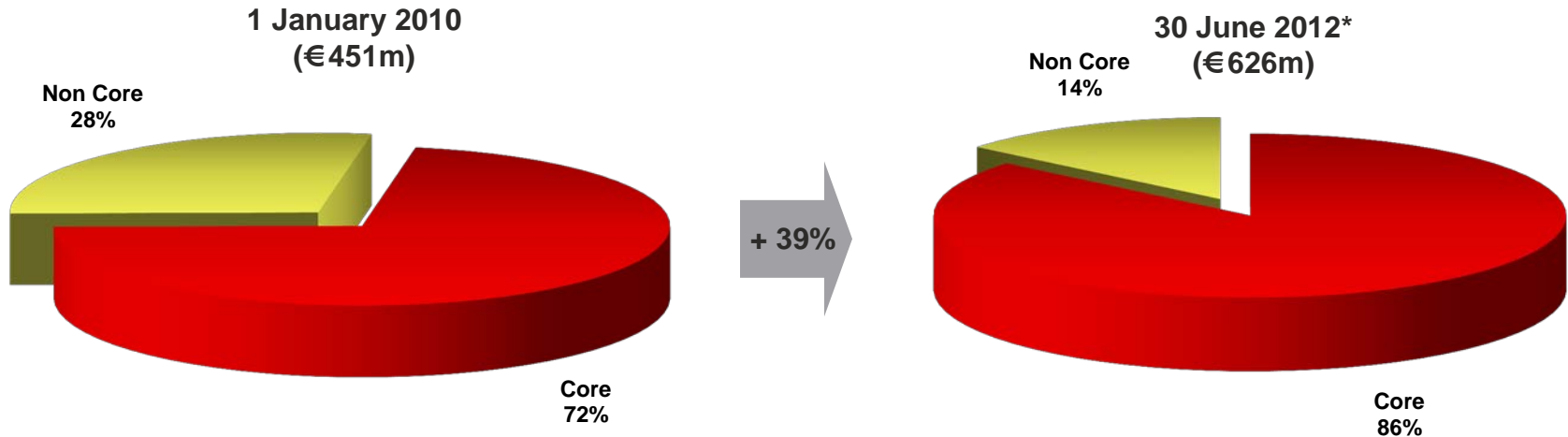
Portfolio Reshaping

- Exit of non-core markets (French Regions)
- Acquisition in core markets (Paris / Lyon)
- Non-core portfolio down from 28% to 14%

Disciplined Capital Allocation



Split of total portfolio by core and non-core assets



PORTFOLIO MOVEMENT – JAN 2010 / SEPT 2012 by Value

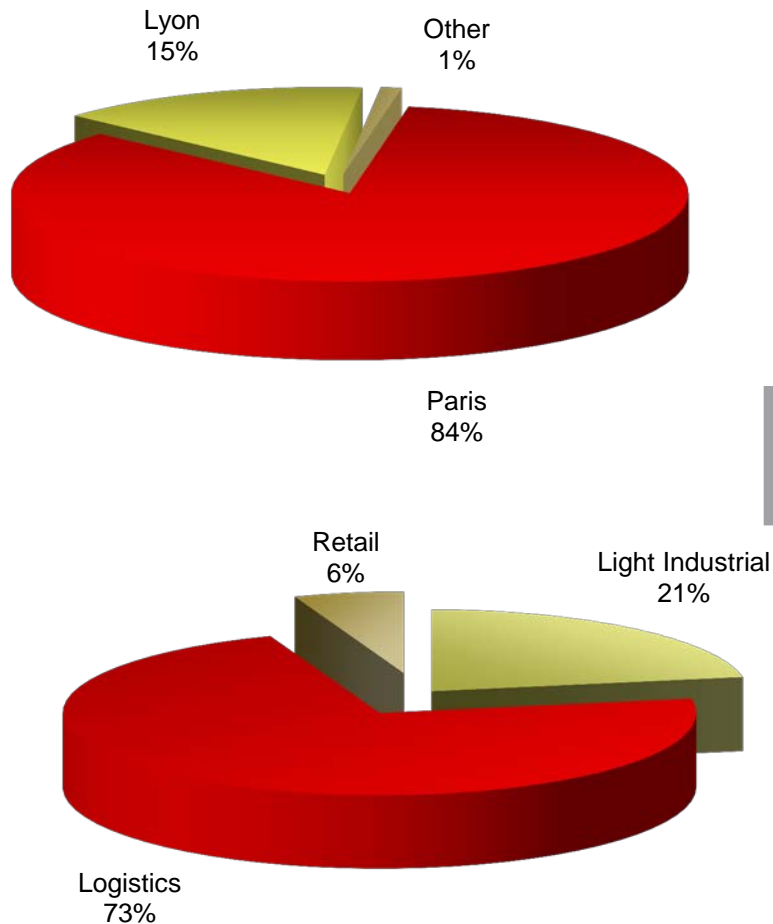
- Portfolio: + 39%
- Core: + 65 %
- Non-Core: - 30%
- Recycling ratio: 45%

* FEL assets included at acquisition price

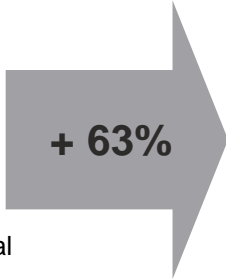
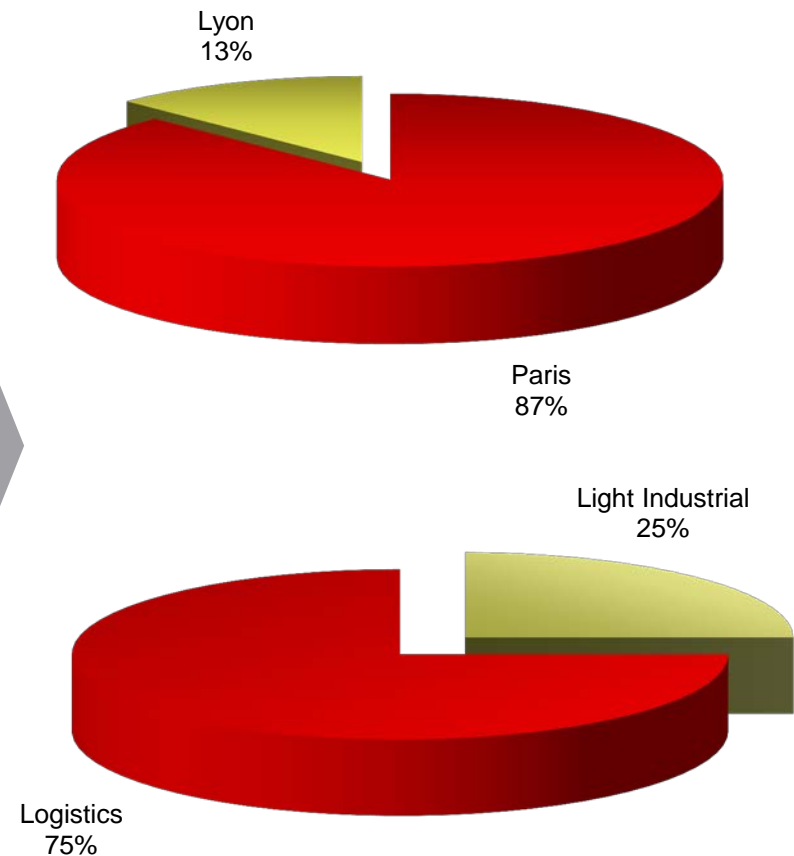
Disciplined Capital Allocation

Target Shape of the Business: €1 billion AUM

**French Portfolio by Value
(2012 - €626m)**

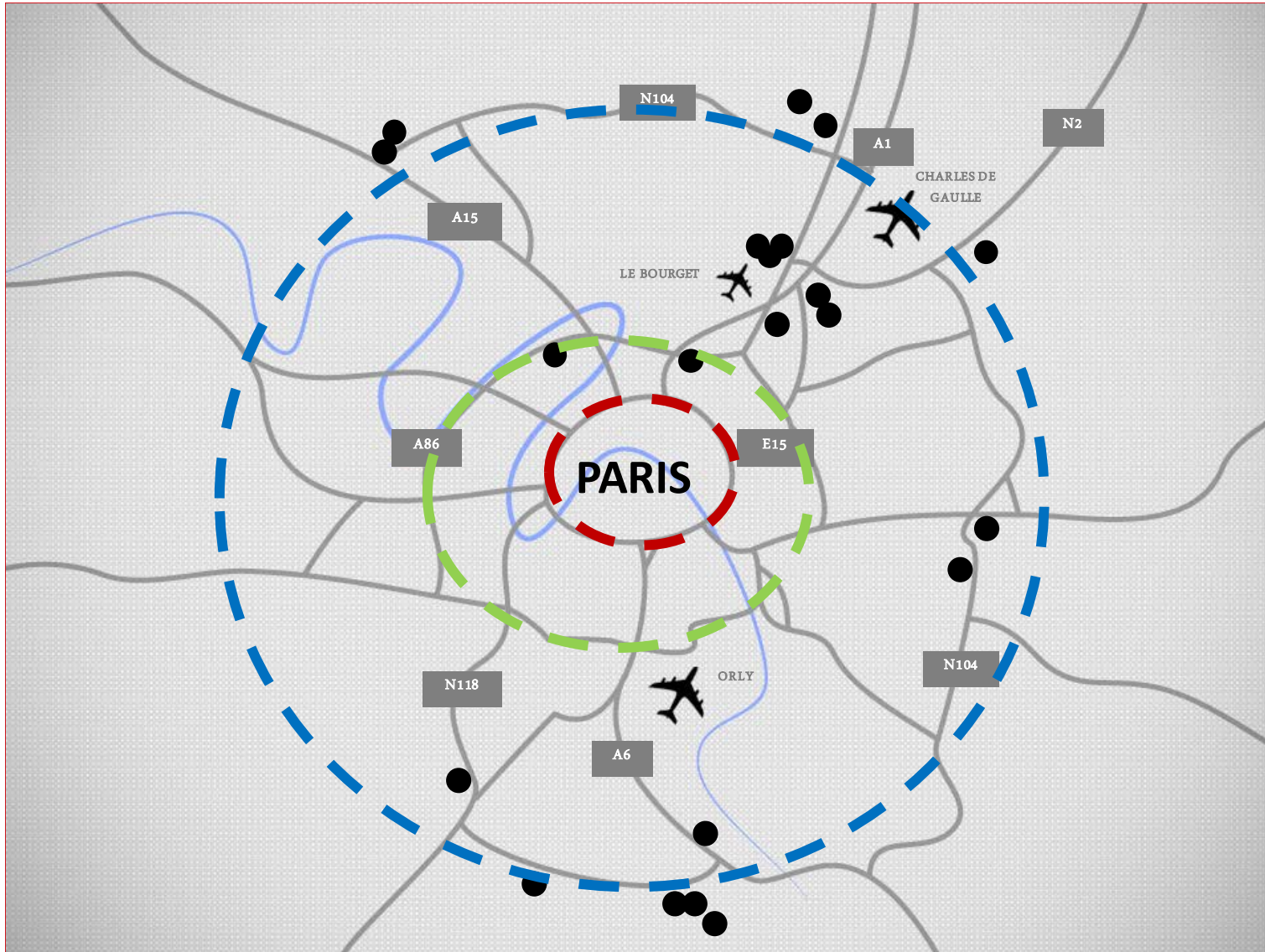


**Future indicative shape of the
French Portfolio - (circa €1bn AUM)**



Disciplined Capital Allocation

Areas for Development



1st Ring Road: Périphérique

2nd Ring Road: Motorway A86

3rd Ring Road: N104

Areas for development:

- Higher Value Uses: within A86
- Light Industrial / Urban Logistics: within N104
- Logistics: around N104

Leasing, Customer and Asset Management

- Active asset management in order to reduce the void / non-recoverable costs
- Good letting track record – 70k sqm/year in 2010 & 2011, 40k sqm in 2012 (YTD)
- Retention rate of 91% in 2011 and 72% in 2012 (YTD)
- Vacancy at 2.6% (down from 15.5% in January 2010)

Development

- One development in progress in La Courneuve – 43% already pre-let
- Actively monitoring the market to expand our land bank (New Dev. Director)
- Extremely good track record on 2011 developments (Casino, Gonesse)

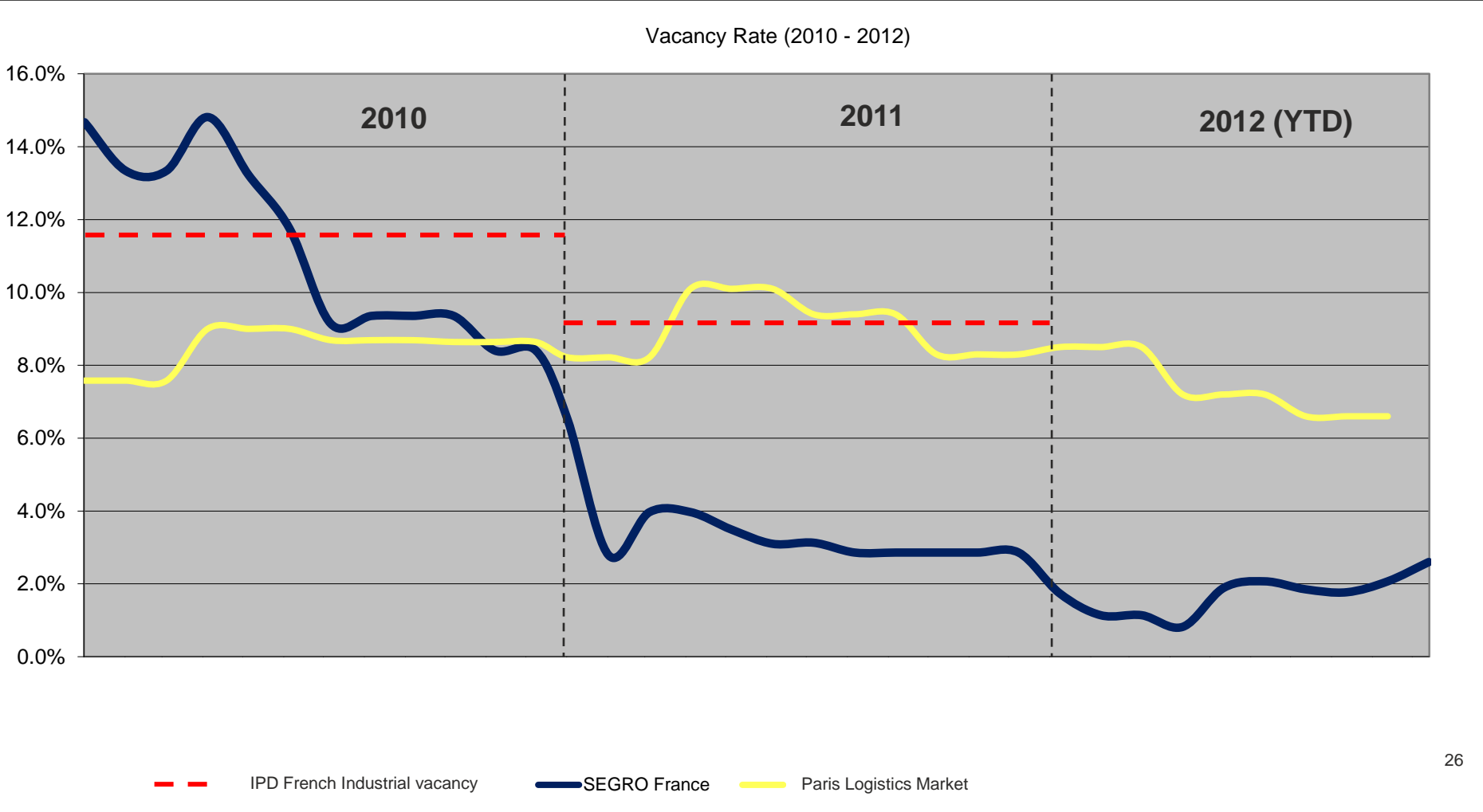
Operational Efficiency

- Small and efficient team
- Cost ratio – total operating cost ratio below Group average

Operational Excellence

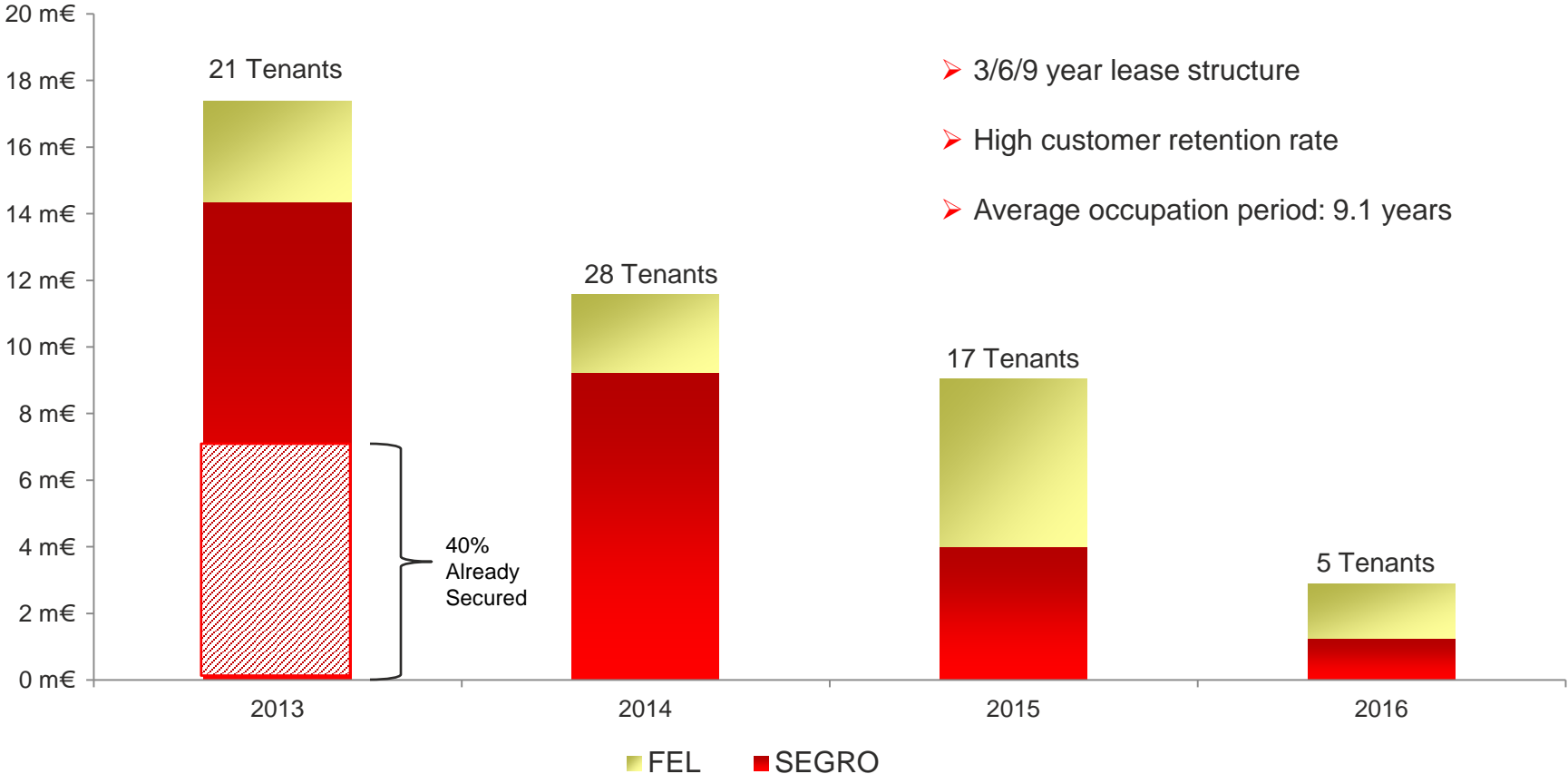


- A good performance in asset management in the past 3 years



Income at risk (expiries / breaks options)

Income at Risk



40% of breaks / expiries already secured for 2013

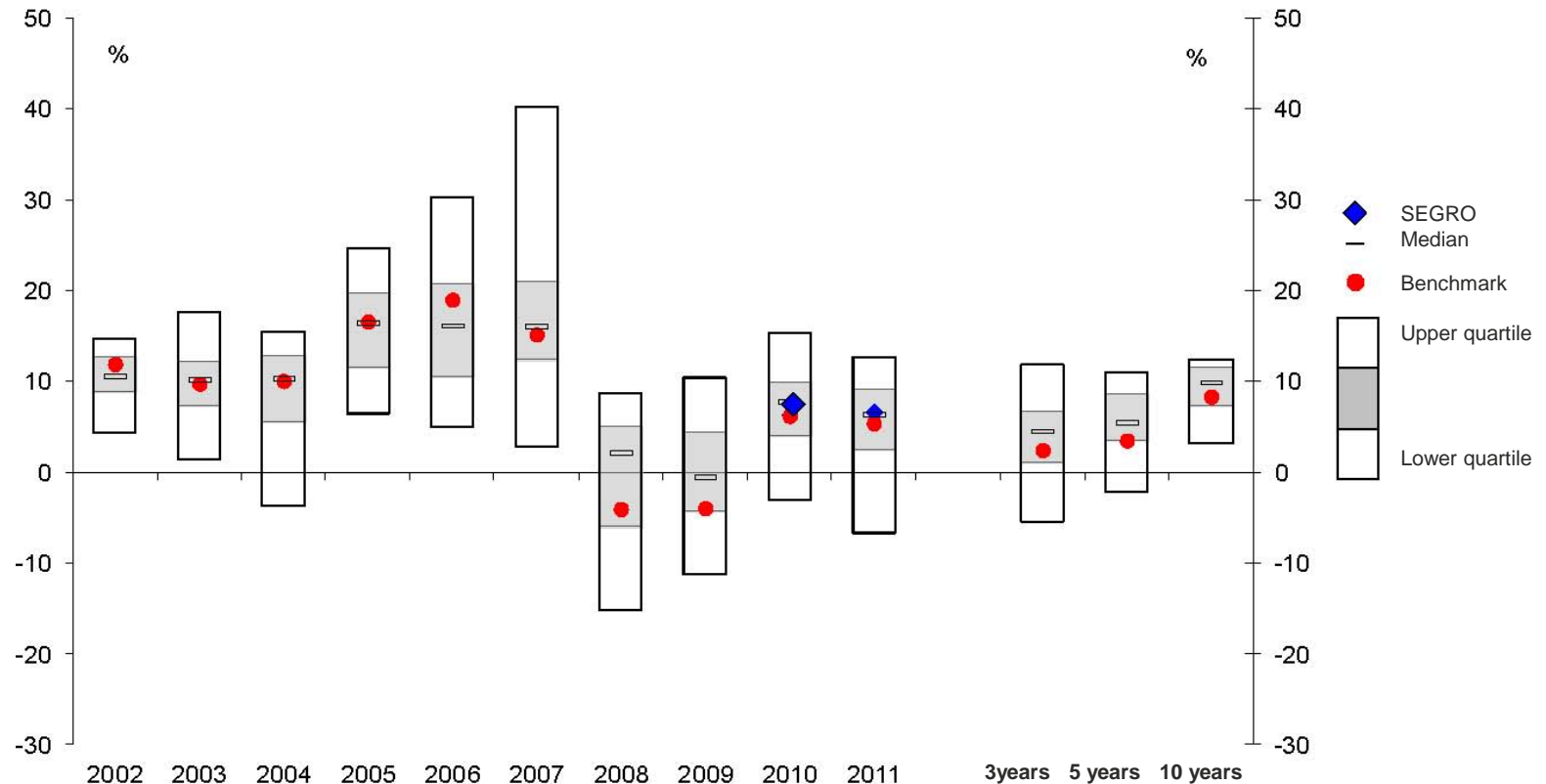
SEGRO Performance



TPR vs IPD Benchmark

France

TPR	2010	2011
IPD French Industrial Benchmark	6.2%	5.4%
SEGRO France	6.3%	6.6%



Case Study

SEGRO Logistics Park - Gonesse



Key Figures:

- 28,000 sqm of cold storage space
- 12 year lease agreement with CASINO
- Annual Rental Income: € 2.5m
- Pre-let signed in April 2010, handover in August 2011 (3 months ahead of schedule)
- Profit on cost : 40.0 %
- Development yield: 11.3 %
- IRR: 21.4%

Case Study

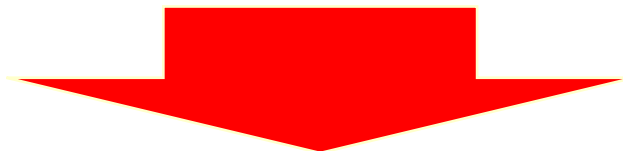
SEGRO Business Park – Le Blanc Mesnil

Key Figures:

- 37,800 sqm of light industrial space across 12 units
- Acquired in 2003 and developed by SEGRO from 2003 to 2008
- Fully-let
- 21 Customers
- IRR: 14.7% (assets completed)
- Development yield: 9.9%



- **Right Product:** Modern and flexible buildings in logistics and light industrial
- **Right Geographies:** Paris and Lyon – 2 main logistics market in Europe
- **Right Portfolio Balance:** Improving balance of core vs. non-core - 86% of core stabilised
- **Right Size:** Improving critical mass – in top 10 largest logistics players in France
- **Right Structure:** extremely good track record - excellent customer base - minimal cost leakage



A key element of SEGRO's strategy to create a leading Pan-European income-focused REIT

Q&A



Forward-looking statements



This presentation may contain certain forward-looking statements with respect to SEGRO's expectations and plans, strategy, management's objectives, future performance, costs, revenues and other trend information. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. The statements have been made with reference to forecast price changes, economic conditions and the current regulatory environment. Nothing in this presentation should be construed as a profit forecast. Past share performance cannot be relied on as a guide to future performance.