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BANK AND BONDHOLDER DAY

25 OCTOBER 2016

Agenda

Time	Topic	Speaker
11.15	Welcome and update on operational performance	David Sleath, CEO
	Financial performance	Justin Read, Group Finance Director
	Financing update	Octavia Peter, Head of Tax and Treasury
	Introduction to Slough Trading Estate	Gareth Osborn, Business Unit Director for Thames Valley and National Logistics
	Q&A and Tour details	
12.30	Lunch	
13.00	Tour of the Slough Trading Estate including customer visits	
14.30	Depart for London via Slough Station	

Slough Trading Estate

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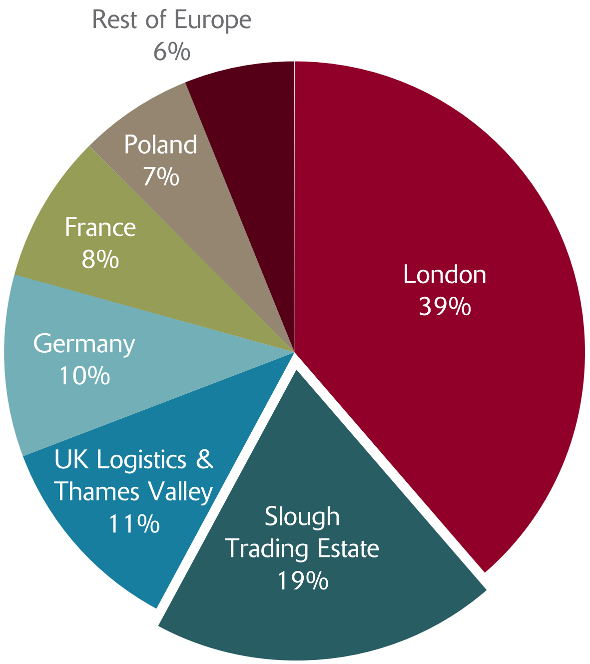
SEGRO portfolio by geography (£5.9bn at share)



Slough Trading Estate in figures (30 June 2016)	
Floor space (sq ft)	5.7 million
No. of customers	350
Valuation (completed assets)	£1,086 million
Yields • Net initial • True equivalent	 4.9% 6.0%
Rents • Passing • Contracted (topped-up) • ERV	 £55.9m £61.4m £66.5m
Land and development • Area • Value (at share)	 7 hectares £35m
Vacancy rate (by ERV)	6.0%
WAULT (to earlier of break or expiry)	8 years

- Opportunity to catch up with/meet some of the wider SEGRO team

Gareth Osborn
Business Unit Director, Thames Valley & UK Logistics

Paul Lewis
Regional Director, Thames Valley

Harry Stokes
Head of Investor Relations & Research

Oliver White
Finance Director, Thames Valley & UK Logistics

Sean Doherty
Tax Manager

Thurai Sithambarnathan
Reporting Manager

Jeremy Yeung
Tax & Treasury Accountant

Ellie Dale
Investor Relations Coordinator & PA to Justin Read and Phil Redding

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STRONG OPERATING PERFORMANCE

DAVID SLEATH

Well placed to outperform

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- Market backdrop remains favourable
  - Structural drivers of occupier demand
  - Low availability, constraints in new supply
- SEGRO well placed to capitalise on opportunities
  - Development
  - Asset management
  - Prudent financial management
- Near-term growth underpinned by committed developments
  - Largely de-risked through pre-lets
  - Significant potential to add further projects

Strategic priorities remain unchanged

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Asset Management

- Record low vacancy rate of 4.8%
- 4.1% like-for-like net rental income growth
- 3.9% uplift from rent reviews and renewals

Development

- 14 projects completed: £10m potential rent, 83% leased
- Leasing of speculative projects ahead of appraisals
- 10 pre-let agreements signed in the period

Disposals

- £383m of disposals completed in the period
  - Bath Road offices £325m
  - SELP transfers €97m[1]
  - Other non-strategic £20m

Acquisitions

- Lower priority given asset pricing
- £14.5m spent on urban warehouses in Continental Europe
- £44m spent on land and £49m on land options

Innova Park, Enfield

Coslada, Madrid

Gatwick International Distribution Centre

1 At 100%

…leading to strong operating and capital performance in H1

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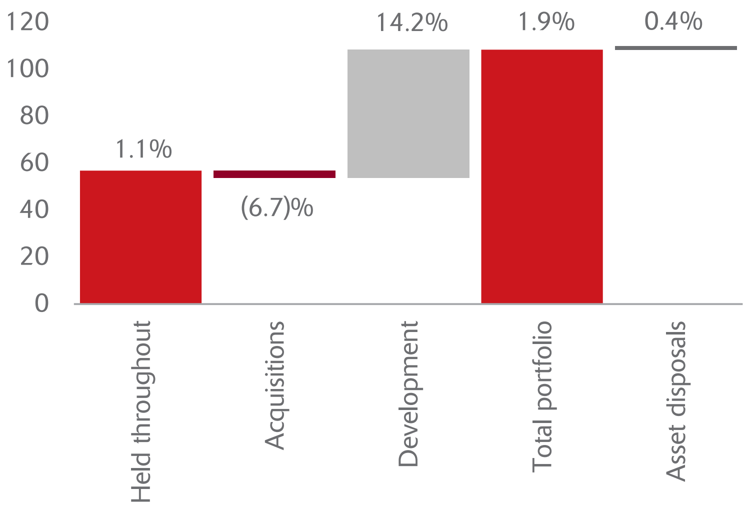
Capital value growth of £108m

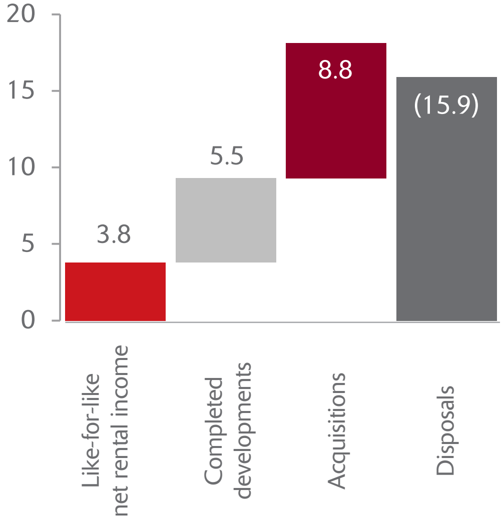
H1 2016 portfolio realised and unrealised valuation movement, £ millions



NAV per share up 2.6% to 475p

Net rental income growth of £4.3m

H1 2016 accounting net rental income, £ millions



Adjusted EPS up 6.5% to 9.8p

Taking advantage of development opportunities

Completed developments

12 Liverpool Road, STE – spec, now let as data centre

- £82m of capital invested
- £10m of potential rent, 83% secured
- Fully-let yield of 7.9%

Current pipeline (c6-8 months)

Navigation Park, Enfield

- £210m invested; £125m cost to complete
- £26.5m rent, 67% pre-let
- 7.9% yield on cost

Near-term pipeline (12-18 months)

Beam Reach 5, East London

- £228m of potential capex
- £24m of rent
- 63% of rent associated with pre-lets signed or in advanced discussion

Further development opportunities

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Current land bank

(30 June 2016)

Future pipeline on current land bank (1-5 years)

- SEGRO-owned land bank
- £900m potential capex (excl land)
- £100m potential rent

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Land under option (1-10 years)

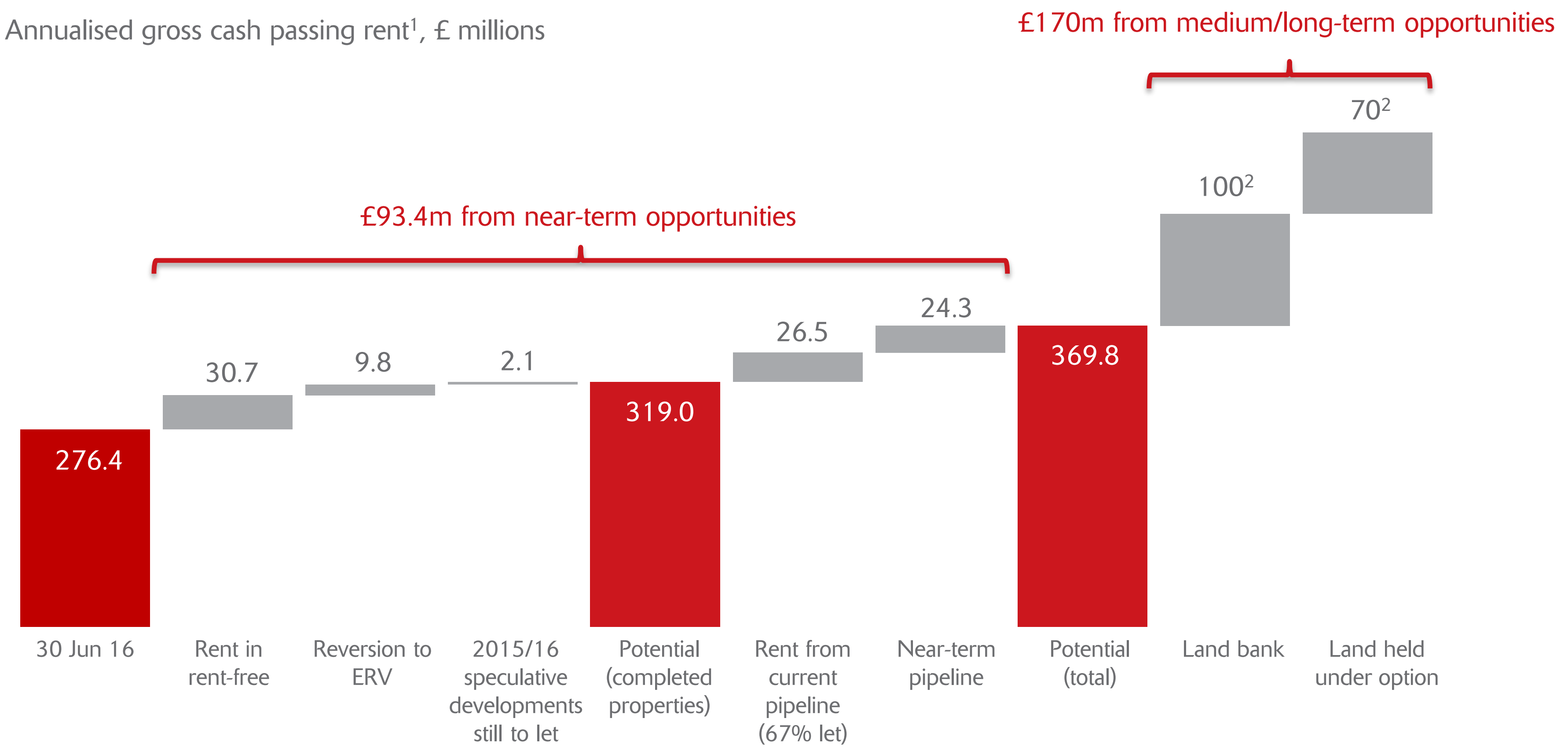
- SEGRO control
- £850m potential capex (incl land)
- £70m potential rent

VAILOG A SEGRO GROUP COMPANY

East

ROXHILL

Substantial opportunity to grow rental income



1 Including JVs at share; excludes rental value of vacant properties of £17.5m

2 Estimated. Excludes rent from development projects identified for sale on completion

Further progress in Q3

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- **Strong lettings progress**
  - £13.5m new rent contracted (+27% vs Q3 2015)

- **Healthy development pipeline**
  - 553,400 sq m approved or under construction
  - £29m of gross rent potential, 76% pre-let
  - 7.8% yield on development cost

- **Disciplined capital management**
  - £43m net investment in development and acquisitions
  - New equity raised to fund development pipeline
  - Unsecured bond and RCF in SELP to reduce funding costs and improve efficiency

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H1 2016 RESULTS

JUSTIN READ

H1 2016 Financial Summary

- **Good earnings momentum**
  - Healthy like-for-like net rental income growth
  - Strong contribution from development
  - Offsets loss of income from disposals

+6.5%	Adjusted EPS, 9.8p
+4.1%	Like-for-like net rental income growth
4.8%	Vacancy rate (FY 2015: 4.8%)

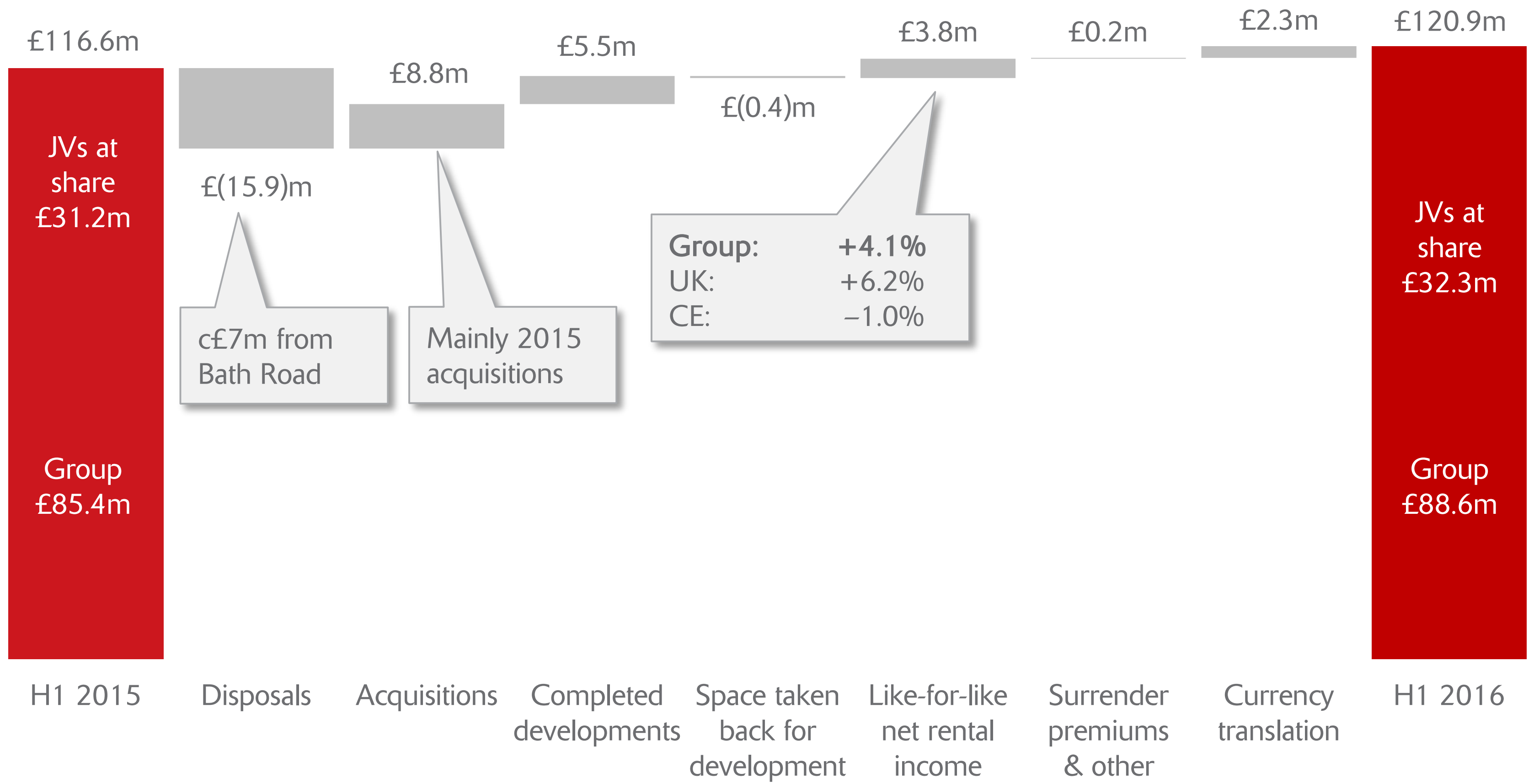
- **2.6% increase in NAV**
  - Capital value growth from asset management actions, developments and UK ERV growth
  - Stable yields

475p	EPRA NAV per share
+1.9%	Capital value growth

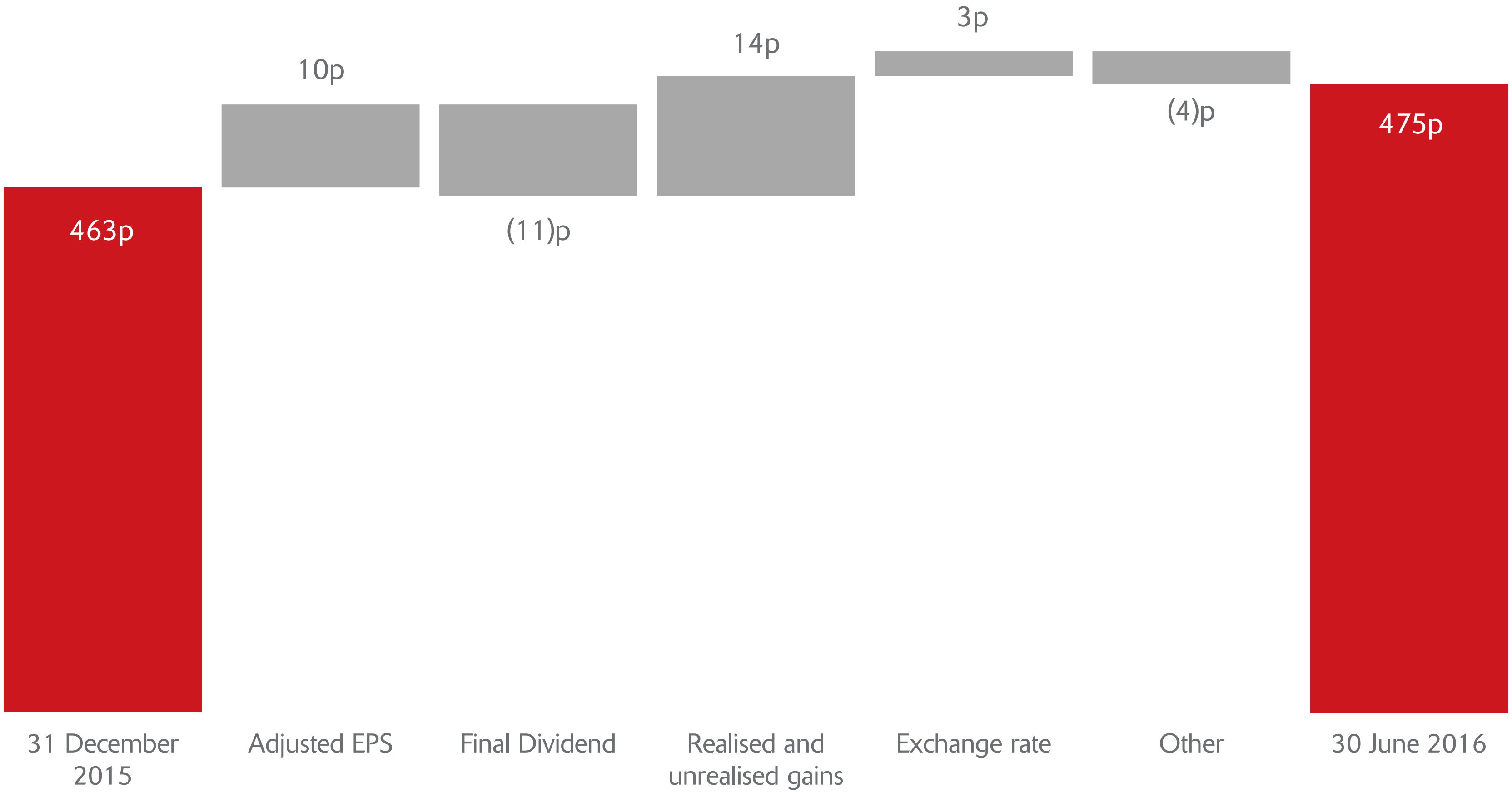
- **Strong financial structure**
  - Net divestment during the period

36%	Loan to Value ratio (FY 2015: 38%)

4.1% growth in like-for-like net rental income



2.6% increase in EPRA NAV



Portfolio value change driven by asset management and ERV growth[1]

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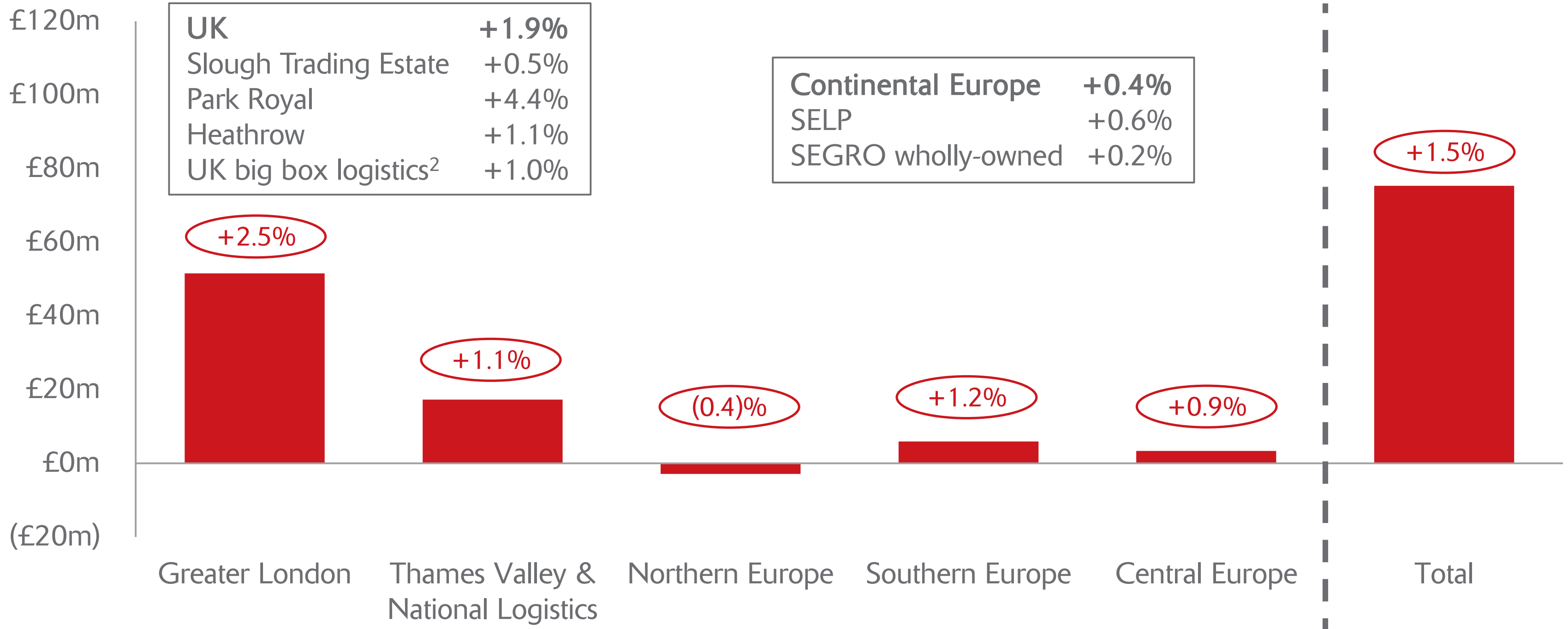

	Greater London	Thames Valley & National Logistics	Northern Europe	Southern Europe	Central Europe	Total
ERV growth	3.6%	2.1%	0.1%	(0.2)%	0.1%	2.0%
	UK: 2.9%		Cont. Europe: 0.0%			

1 Percentage change relates to completed properties, including JVs at share.
2 Includes big box warehouses part of the Greater London portfolio

Outlook

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- Optimistic about occupational markets
  - Structural demand drivers, supply likely to remain constrained
- Too early to assess the impact of the EU referendum
  - Encouraging early signs
- Asset values likely to out-perform wider real estate market
- Well positioned to take advantage of suitable investment opportunities

Future earnings growth underpinned by developments

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FINANCING UPDATE

OCTAVIA PETERS

Financing activity in 2016

January 2016: APP JV facilities refinanced	£400m
May 2016: Group revolving credit facilities refinanced and increased	€780m
September 2016: 10% equity placing to fund development pipeline	£325m
October 2016: Inaugural SELP bond and RCF	€700m

Solid financial position

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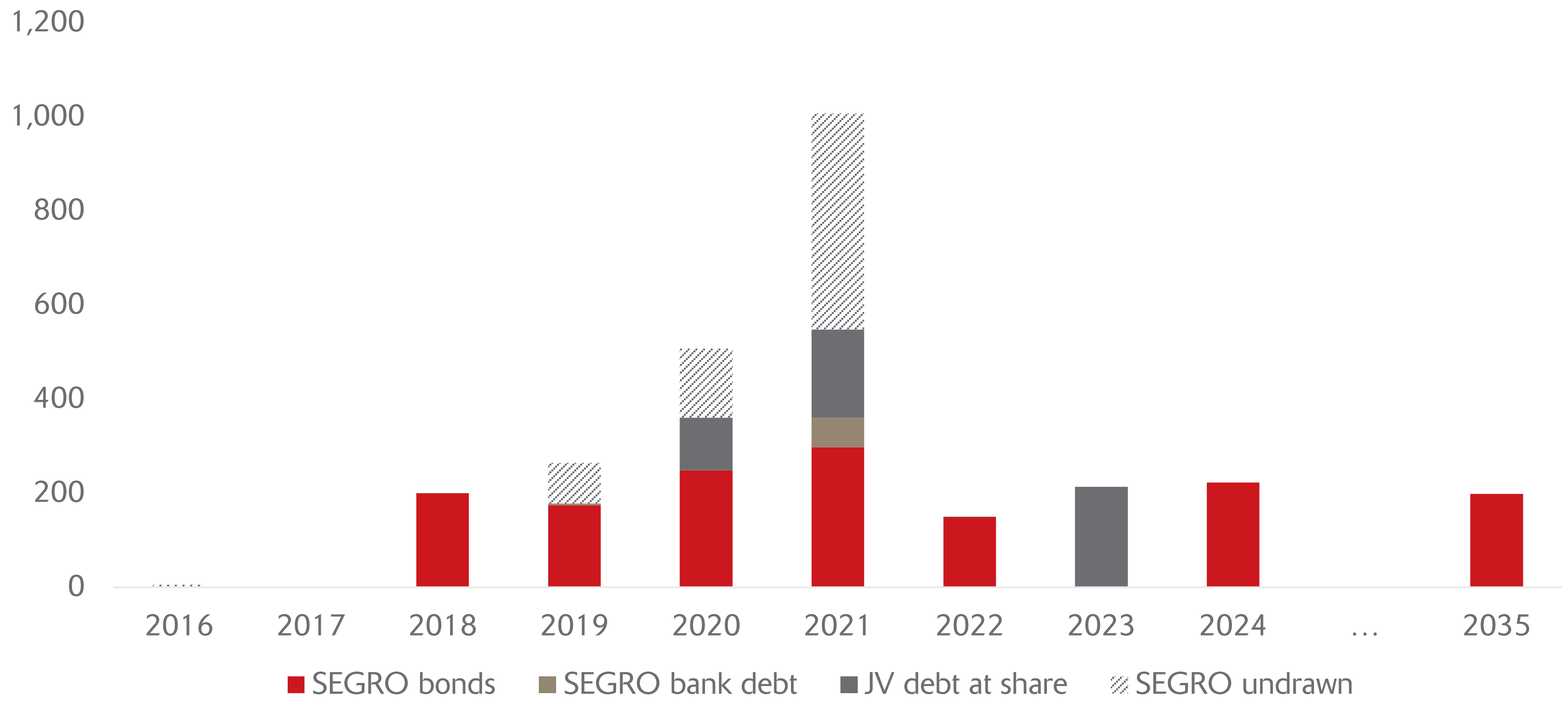
	30 Sept 2016 £m	30 June 2016 £m	31 Dec 2015 £m
Group only			
Net borrowings (£m)		1,707	1,807
Group cash and undrawn facilities (£m)		440	234
Weighted average cost of debt[1] (%)		3.7	3.7
Interest cover[2] (times)		2.4	2.5
Including JVs at share			
Net borrowings (£m)	1,900	2,112	2,193
LTV ratio (%)	32	36	38
Average maturity of debt (years)		6.3	6.0
Fixed rate debt as proportion of net debt (%)		83	75
Weighted average cost of debt[3] (%)		3.4	3.5

- Net debt (incl JVs) fell £293m principally reflecting proceeds of placing, net divestment and development capex during the period
- Attractive marginal cost of Group bank borrowings of c1.3% (UK) and 0.7% (CE)[4]

- No scheduled Group debt maturities until mid-2018
- Estimated development capex:
  FY 2016: c£300m
  FY 2017: c£250-300m

1 Based on gross debt, excluding commitment fees and amortised costs
2 Net rental income / EPRA net finance costs (before capitalisation) on an annualised basis
3 Fixed for an average period of 6.8 years
4 Marginal borrowing costs after commitment fee

Debt maturity profile at 30 September 2016 (incl SELP bond), £m



Priorities and strategy for 2017/2018

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- Maintain strong liquidity profile
  - Re-finance 2018 bond maturity
  - Second SELP bond – fully unsecured
- Prudently manage interest costs
  - Fixed:floating mix and length of fixed cover
  - Currency mix of debt
- New team

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SLOUGH TRADING ESTATE

GARETH OSBORN AND PAUL LEWIS

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New Chief Financial Officer in 2017

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- Soumen Das
  - Will join SEGRO likely in early 2017
  - Joined Capital & Counties plc as Finance Director in 2010
  - Became Managing Director of Covent Garden in 2015
  - Prior experience in Mountgrange Investment Management (now Clearbell Capital)
  - Previously an investment banker at UBS

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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.