

# SEGRO plc Trading Update

2024-09-26

LONDON--(BUSINESS WIRE)-- Regulatory News:

SEGRO plc ("SEGRO" or the "Group") (BOURSE:SGRO) today announces a trading update, relating to the period to 31 August 2024, to coincide with the publication of the Tritax EuroBox Scheme document in connection with the Group's Recommended Offer for Tritax EuroBox plc.

## David Sleath, Chief Executive, said:

"Our business is performing well as we head into the final months of the year. The overall balance of supply and demand in our occupier markets remains favourable and we continue to make good progress in capturing the significant embedded reversion within our portfolio.

"We are seeing liquidity return to investment markets and we continue to identify attractive opportunities to deploy capital both through asset acquisitions and into our profitable development pipeline, utilising our exceptional land bank.

"Our prime urban and big box portfolio, market-leading operating platform and strong balance sheet position us well to deliver strong returns from our existing portfolio and capitalise on new opportunities, supporting attractive and compounding increases in both earnings and dividends. This provides us confidence in the outlook for the remainder of the year and beyond."

## KEY HIGHLIGHTS 12 :

- £58 million of new headline rent signed so far in 2024, ahead of the equivalent period last year and

positioning SEGRO for another year of strong rent roll growth. This includes £21 million of uplifts from rent reviews, renewals and indexation, reflecting a 30 per cent average increase at lease events, and £17 million of pre-let signings.

- Portfolio continues to deliver strong operating metrics: customer retention remains high at 83 per cent and occupancy is broadly unchanged since 30 June 2024 at 94.3 per cent.
- Profitable development programme expected to add £48 million of future rent through projects currently onsite and in advanced negotiations (including a further data centre in Slough). 63 per cent of this is pre-let and the average yield on cost is 7.8 per cent.
- Driving portfolio outperformance through disciplined capital allocation. £239 million of acquisitions and £311 million of development capex year to date, offset by £500 million of disposals above book value. The Group maintains its expectation to invest c.£500 million of development capex during 2024 and has a further c.£200 million of asset disposals under offer.
- Balance sheet remains in a strong position to pursue further growth opportunities with LTV of 29 per cent and £2.1 billion of cash and undrawn committed facilities. A €500 million, 8-year bond was issued in September at an attractive 3.5 per cent coupon, demonstrating SEGRO's ability to access capital markets in an agile manner, while keeping the cost of funding low (average cost of debt post the issuance is 2.6 per cent).
- Recommended all-share offer for Tritax EuroBox plc announced on 4 September 2024 and expected to close in Q4 2024.

1 In this statement, space is stated at 100 per cent, whilst financial figures are stated reflecting SEGRO's share of joint ventures. Operational and financial figures are stated for the period to, or at, 31 August unless otherwise indicated and the exchange rate applied is €1.19:£1.

2 Headline rent is annualised gross passing rent receivable once incentives such as rent-free periods have expired.

3 Based on values as at 30 June 2024, adjusted for acquisitions, disposals and other capital expenditure in July/August.

## Financial calendar

This update replaces our Q3 2024 Trading Update originally planned for 17 October 2024. The date for SEGRO's full year results for the year ended 31 December 2024 (provisionally set for 14 February 2025) will remain under review pending the Recommended Offer for Tritax EuroBox plc.

This Trading Update, the most recent Annual Report and other information are available on the SEGRO website at [www.segro.com/investors](http://www.segro.com/investors).

## About SEGRO

SEGRO is a UK Real Estate Investment Trust (REIT), listed on the London Stock Exchange and Euronext Paris, and is a leading owner, manager and developer of modern warehouses and industrial property. It owns or manages 10.8 million square metres of space (116 million square feet) valued at £20.6 billion as at 30 June 2024, 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 seven other European countries.

For over 100 years SEGRO has been creating the space that enables extraordinary things to happen. From modern big box warehouses, used primarily for regional, national and international distribution hubs, to urban warehousing located close to major population centres and business districts, it provides high-quality assets that allow its customers to thrive.

A commitment to be a force for societal and environmental good is integral to SEGRO's purpose and strategy. Its Responsible SEGRO framework focuses on three long-term priorities where the company believes it can make the greatest impact: Championing Low-Carbon Growth, Investing in Local Communities and Environments and Nurturing Talent.

Striving for the highest standards of innovation, sustainable business practices and enabling economic and societal prosperity underpins SEGRO's ambition to be the best property company.

See **[www.SEGRO.com](http://www.SEGRO.com)** for further information.

**Forward-Looking Statements** : This announcement contains certain forward-looking statements with respect to SEGRO's expectations and plans, strategy, management objectives, future developments and performance, costs, revenues and other trend information. All statements other than historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations and all forward-looking statements are subject to assumptions, risk and uncertainty. Many of these assumptions, risks and uncertainties relate to factors that are beyond SEGRO's ability to control or estimate precisely and which could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. Certain statements have been made with reference to forecast process changes, economic conditions and the current regulatory environment. Any forward-looking statements made by or on behalf of SEGRO are based upon the knowledge and information available to Directors on the date of this announcement. Accordingly, no assurance can be given that any particular expectation will be met and you are cautioned not to place undue reliance on the forward-looking statements. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this announcement is provided as at the date of this announcement and is subject to

change without notice. Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority), SEGRO does not undertake to update forward-looking statements, including to reflect any new information or changes in events, conditions or circumstances on which any such statement is based. Past share performance cannot be relied on as a guide to future performance. Nothing in this announcement should be construed as a profit estimate or profit forecast. The information in this announcement does not constitute an offer to sell or an invitation to buy securities in SEGRO plc or an invitation or inducement to engage in or enter into any contract or commitment or other investment activities. Neither the content of SEGRO's website nor any other website accessible by hyperlinks from SEGRO's website are incorporated in, or form part of, this announcement.

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