

PRESS RELEASE



SEGRO plc's Full Year 2024 Results have been submitted in full unedited text to the Financial Conduct Authority's National Storage Mechanism and will be available shortly for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> and are also available on the SEGRO website at: www.segro.com/investors. Investors should read the full unedited text of the Full Year 2024 Results, including the description of the Group's principal risks and uncertainties, and not rely only on the summarised information set out in this announcement. Notes or Tables that are not included herein refer to the full unedited text of the Full Year 2024 Results.

14 February 2025

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024 GROWTH IN RENTS, EARNINGS AND DIVIDENDS, WELL-POSITIONED FOR FUTURE DEVELOPMENT-LED AND DATA CENTRE GROWTH

KEY MESSAGES:

- Strong leasing and asset management activity, including record levels of rental uplifts, driving 5.5 per cent earnings growth.
- Positive portfolio revaluation due to proactive asset management and improving investment market conditions.
- Confidence in delivery of further development led-growth and significant additional value creation opportunity through data centre pipeline.

Commenting on the results David Sleath, Chief Executive of SEGRO, said:

"SEGRO delivered over 5 per cent growth in earnings and dividends per share in 2024. We generated £91 million of new headline rent, our third best year on record, including a 43 per cent uplift from UK rent reviews and renewals.

"We have created the largest data centre hub in Europe and are increasingly excited about the exceptional value creation opportunity from our pipeline of 2.3GW European data centre sites in core Availability Zones. We plan to pursue the most attractive risk-adjusted returns on each opportunity, including initially working with partners to develop fully-fitted data centres.

"We have strong conviction in the enduring structural trends that are driving occupier demand for our space. Our business, with its high-quality, well-located, urban-weighted portfolio, exceptional land bank and strong balance sheet is primed for further growth. Having seen conversations with occupiers pick up pace in recent weeks, we expect leasing and pre-letting activity to increase. This would support attractive, compounding earnings and dividend growth in the medium-term, with significant additional value upside from our data centre pipeline."

HIGHLIGHTS¹:

- **Proactive and customer-focused management of the portfolio generated new headline rent commitments of £91 million during the period (2023: £88 million).** £26 million of this was driven by the capture of reversion in the UK portfolio at rent reviews and renewals, reflecting a record 43 per cent average uplift.
- **7.0 per cent increase in net rental income to £628 million (2023: £587 million),** driven by **strong like-for-like rental growth of 5.8 per cent** and development completions.
- **Adjusted pre-tax profit increased by 14.9 per cent to £470 million (2023: £409 million), resulting from increased net rental income and lower interest costs. Adjusted EPS increased by 5.5 per cent to 34.5 pence (2023: 32.7 pence),** the impact of the equity placing being broadly neutral as lower interest costs were offset by the higher share count.
- **Adjusted NAV per share of 907 pence (31 December 2023: 907 pence).** Over the full year the portfolio value increased 1.1 per cent (2023: 4.0 per cent decline) and **rental value (ERV) grew by 3.2 per cent.**
- **Development completions added £37 million of potential new headline rent, delivered at a yield on cost of 6.9 per cent.** 84 per cent of this has been leased and 97 per cent was, or is expected to be, certified BREEAM 'Excellent' (or local equivalent) or higher.
- **A further £51 million of potential rent from development projects under construction or in advanced negotiations,** 53 per cent relate to pre-lets. Expected yield on cost for these projects is 7.9 per cent.
- **Active portfolio recycling to drive portfolio performance:** £431 million acquisitions of prime assets in core markets with strong growth potential, £896 million of disposals of assets which we expected to deliver less attractive risk-adjusted returns.
- **Since the period end, our joint venture SEGRO European Logistics Partnership ("SELP") exchanged contracts on the acquisition of a further €470 million of high-quality assets in Germany and The Netherlands.** The transaction is expected to complete in the first quarter.
- **Over £1.5 billion of new equity and debt financing** providing the firepower for further growth. **LTV of 28 per cent at 31 December 2024** (31 December 2023: 34 per cent) and net debt:EBITDA 8.6 times (31 December 2023: 10.4 times).

- **Attractive cost of debt due to our diverse, long-term debt structure.** Average cost of debt has reduced to 2.5 per cent (31 December 2023: 3.1 per cent).
- **2024 full year dividend increased 5.4 per cent to 29.3 pence (2023: 27.8 pence).** Final dividend increased by 5.8 per cent to 20.2 pence (2023: 19.1 pence).

OUTLOOK

We enter 2025 with confidence in SEGRO's prospects for further growth. Our portfolio is of irreplicable quality, having been purposefully curated over the past 15 years. Two-thirds of it is located in Europe's largest cities, with the remaining one-third strategically located near logistics hubs and along key transportation corridors. Our chosen markets have a shortage of modern, sustainable space with low land availability and restrictive planning policies limiting the supply of competing space.

We have strong conviction that demand for our space will continue to be supported by powerful, enduring structural trends: data and digitalisation, urbanisation, supply chain optimisation and sustainability. Sentiment in occupier markets is improving and we saw a pick up in occupier activity during the final months of the year, as evidenced by our strong leasing activity in the last quarter. This momentum has carried into the early weeks of 2025, and we take confidence from the positive conversations we are having with our customers across all of our markets.

Our portfolio is full of current and future opportunity. We have the potential to:

- Secure £173 million of additional rental income from our standing portfolio through capturing the existing rent reversion (£118 million) and leasing vacant space (£55 million);
- Deliver £422 million of new rent from development on our exceptional land bank located in the most attractive markets, with a profitable yield on cost of 7 to 8 per cent;
- Continue delivering compounding annual rental growth on our portfolio in line with our long-standing guidance of 2 to 6 per cent per annum, thus growing rents faster than inflation.

Our track record in creating Europe's largest hub of data centres in Slough, with over 0.5GW of capacity either operational or under construction, has helped us to develop strong relationships with global data centre players, which provide us with unique insights into this exciting, high-growth opportunity.

- We have built a landbank with exceptional access to 2.3GW of potential power in Europe's key Availability Zones.
- As well as building powered shells, we recognise the potential to create significant additional value from the development of fully-fitted data centres in select locations, with projects currently under active consideration.

Our business is therefore well-placed for further attractive, compounding growth in earnings and dividends in the years ahead, with significant additional value upside from our data centre pipeline.

FINANCIAL SUMMARY

	2024	2023	Change per cent
Adjusted ² profit before tax (£m)	470	409	14.9
IFRS ² profit/(loss) before tax (£m)	636	(263)	-
Adjusted ² earnings per share (pence)	34.5	32.7	5.5
IFRS ² earnings per share (pence)	44.7	(20.7)	-
Dividend per share (pence)	29.3	27.8	5.4
Total Accounting Return (%) ³	3.1	(3.3)	-
	2024	2023	Change per cent
Assets under Management (£m)	20,296	20,677	-
Portfolio valuation (SEGRO share, £m)	17,770	17,762	1.1 ⁴
Net true equivalent yield (per cent)	5.4	5.3	-
Adjusted ^{5 6} net asset value per share (pence, diluted)	907	907	-
IFRS net asset value per share (pence, diluted)	889	886	-
Net debt (SEGRO share, £m)	5,000	6,016	-
Loan to value ratio including joint ventures and associates' at share (per cent)	28	34	-
Net debt:EBITDA ⁷	8.6	10.4	-

1 Figures quoted on pages 1 to 18 refer to SEGRO and SEGRO's share of joint ventures and associates, except for land (hectares) and space (square metres) which are quoted at 100 per cent, unless otherwise stated. Please refer to the Presentation of Financial Information statement in the Financial Review for further details.

2 The primary driver of the difference between Adjusted profit before tax and IFRS profit before tax (£636 million IFRS profit before tax versus £470 million Adjusted profit before tax and earnings per share (44.7 pence IFRS earnings per share versus 34.5 pence adjusted earnings per share) is the realised and unrealised property gains on our portfolio recognised in IFRS but not recognised in our Adjusted profit and earnings metrics. Further information and reconciliations between the Adjusted and IFRS metrics can be found in Note 2 (Adjusted profit) and Notes 11 (Earnings per ordinary share) to the condensed financial information.

3 Total Accounting Return is calculated based on the opening and closing adjusted NAV per share adding back dividends paid during the period.

4 Percentage valuation movement during the period based on the difference between opening and closing valuations for all properties including buildings under construction and land, adjusting for capital expenditure, acquisitions and disposals.

5 A reconciliation between Adjusted net asset value per share and IFRS net asset value per share is shown in Note 11 to the condensed financial information.

6 Adjusted net asset value is in line with EFRA Net Tangible Assets (NTA) (see Table 5 in the Supplementary Notes for a NAV reconciliation).

7 Relates to SEGRO Group only. For further information on net debt: EBITDA see footnote 2 to Table 2 in the Supplementary Notes.

OPERATING SUMMARY & KEY METRICS

		2024	2023
PORTFOLIO VALUATION TURNS POSITIVE, DRIVEN BY RENTAL GROWTH AND STABILISATION OF INVESTMENT MARKETS (see page 12):			
Portfolio valuation change (%):	Group	1.1	(4.0)
	UK	2.1	(3.4)
	CE	(0.8)	(5.1)
ERV growth (%)	Group	3.2	6.0
	UK	3.7	4.9
	CE	2.3	7.9
STRONG GROWTH IN RENTAL INCOME DRIVEN BY RECORD CAPTURE OF REVERSION AND ACTIVE ASSET MANAGEMENT (see pages 12 and 19):			
Total new rent secured in the year (£m)		91	88
Pre-lets signed in the year (£m)		20	27
Like-for-like net rental income growth (%):	Group	5.8	6.5
	UK	5.9	5.3
	CE	5.7	8.5
Uplift on rent reviews and renewals (%): (note: excludes uplifts from indexation)	Group	34	31
	UK	43	40
	CE	7	8
Occupancy rate (%)		94.0	95.0
Customer retention (%)		80	81
Corporate and customer carbon emission intensity (kgCO ₂ e/sq m)		36.4	36.1 ²
Installed solar capacity (MW)		123	59
INVESTING TO SECURE PROFITABLE GROWTH, AND ATTRACTIVE RISK ADJUSTED RETURNS (see page 15):			
Development capex (£m)		471	527
Asset acquisitions (£m)		431	-
Land acquisitions (£m)		23	404
Disposals (£m)		896	356
Development capex for 2025 expected to be c.£500 million.			
DEVELOPMENT PIPELINE DELIVERING PROFITABLE GROWTH (see page 16):			
Development completions:			
- Space completed (sq m)		374,700	625,700
- Potential rent (£m) (Rent secured)		37 (84%)	50 (87%)
- Development yield (%)		6.9	7.0
- BREEAM 'Excellent' ¹ or above (% of floorspace completed)		97	92
- Average embodied carbon intensity of development completions (kgCO ₂ e/sq m)		318	331 ²
Current development pipeline potential rent (£m) (Rent secured)		46 (50%)	51 (62%)
Near-term pre-let development pipeline potential rent (£m)		5	20

1. Or local equivalent

2. The 2023 figures are a restatement of previously reported figures and are in line with the methodology of our new Science Based Target.

FINANCIAL CALENDAR

2024 final dividend ex-div date	27 March 2025
2024 final dividend record date	28 March 2025
2024 final dividend payment date	14 May 2025
2025 Q1 Trading Update	30 April 2025
Half Year 2025 Results (provisional)	31 July 2025

WEBCAST / CONFERENCE CALL FOR INVESTORS AND ANALYSTS

A live webcast of the results presentation will be available from 08:30am (UK time) at:

<https://www.investis-live.com/segro/677f9a2aa4d247000ef05a52/paket>

The webcast will be available for replay at SEGRO's website at: <http://www.segro.com/investors> shortly after the live presentation.

A conference call facility will be available at 08:30am (UK) An audio recording of the conference call will be

time) on the following number:

Dial-in: +44 (0)800 279 3956
+44 (0) 207 107 0613
Access code: 20250066

available until **21 February 2025** on:

UK: +44 (0) 203 608 8021
Access code: 20250066

A video of David Sleath, Chief Executive discussing the results will be available to view on www.segro.com, together with this announcement, the Full Year 2024 Property Analysis Report and other information about SEGRO.

CONTACT DETAILS FOR INVESTOR / ANALYST AND MEDIA ENQUIRIES:

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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 10.3 million square metres of space (111 million square feet) valued at £20.3 billion 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. See www.SEGRO.com for further information.

The financial information set out in this announcement does not constitute the consolidated statutory accounts ("Group Financial Statements") for the years ended 31 December 2023 and 2024, but is derived from those Group Financial Statements. Statutory accounts for 2024 have been delivered to the Registrar of Companies and those for 2024 (approved by the Board on 13 February 2025) will be delivered following the Company's annual general meeting. The external auditor has reported on the Group Financial Statements for the year ended 31 December 2024 and their report did not contain any modification.

The Board of Directors of SEGRO plc met on 13 February 2025 and approved the Group Annual Report and Group Financial Statements for the year ended 31 December 2024. Certain parts of the Group Annual Report and Group Financial Statements have not been included in this announcement.

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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