

PRESS RELEASE

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SEGRO BUYS SLOUGH OFFICE PORTFOLIO TO MEET INCREASED AND CHANGING OCCUPIER REQUIREMENTS

SEGRO plc (“SEGRO” or the “Group”) has acquired a portfolio of offices on the Bath Road, Slough, from clients of AEW for £425 million.

The portfolio represents 89,000 sq m of built space spread across 39 acres of land with a passing rent of £20 million, reflecting a net initial yield of 4.6 per cent.

SEGRO previously developed the office portfolio and sold it as part of its strategy to dispose of non-core assets, with the proceeds reinvested into the Group’s highly profitable development pipeline. Since January 2016, when the office portfolio was sold, the Slough Trading Estate has delivered capital value growth of 59 per cent and was valued at £2.2 billion as of June 2021.

The ageing nature and relatively short lease terms of some of the offices means that this acquisition will enhance SEGRO’s ability to satisfy growing customer demand for data centres, creative industries, life science occupiers and other potential users of industrial space in Slough.

David Sleath, SEGRO’s Chief Executive, said:

“Over recent years we have seen a transformation in the nature and level of occupier demand for industrial, data centre and other uses of space in Slough. Since 2016, we have created over 96,000 sq m of new industrial space on the Slough Trading Estate to meet this demand, of which 58,000 sq m has been provided to support our growing data centre customers.

“Developing the highest and best use of industrial land in Slough has been core to our purpose as a business since 1920 and we look forward to continuing to do so following the re-acquisition of the office portfolio, allowing SEGRO to further invest and attract new businesses into the local area.”

The acquisition will be funded from cash and bank facilities.

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Notes to editors:**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 8.8 million square metres of space (95 million square feet) valued at £17.1 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.