

# PRESS RELEASE

30 June 2023

## **SEGRO COMPLETES £120 MILLION LAND ACQUISITION TO PAVE THE WAY FOR A NEW RAIL FREIGHT TERMINAL AND LOGISTICS SCHEME AT RADLETT, HERTFORDSHIRE**

SEGRO plc (“SEGRO” or the “Group”) the leading owner, manager and developer of warehouse and industrial space, has completed the acquisition of 419 hectares of land at the location of the former Radlett Aerodrome in the Upper Colne Valley, Hertfordshire.

The land is strategically located close to the M1, M25 and A1(M) and sits alongside the Midland Main Line railway. The three sections of land that make up the site have been acquired for £120 million (of which 50% is deferred for 12 months) from Hertfordshire County Council, Tarmac Plc and Gorhambury Estates Company Ltd. Under SEGRO’s ownership the site will be developed into a strategic rail freight interchange supported by up to 3.6 million square feet of modern, sustainable logistics warehousing, including ancillary B1 (office, light industrial, research and development) and B2 (general industrial) warehouses.

SEGRO received planning permission from the Secretary of State for the development, which is recognised by the Government as nationally significant infrastructure that will deliver major benefits on a national, regional and local scale. It will also form a key part of the UK’s modal shift from road to rail and help meet the country’s net-zero ambitions.

Works are expected to start on site in Summer 2023 with the initial focus of this multi-year investment programme focussed on creating the rail connection and preparing the site for development. It is anticipated that the completed scheme will deliver around 4,000 jobs, with a further c. 500 jobs generated on site during construction.

In line with the Company’s Responsible SEGRO commitments to Champion low-carbon growth and Invest in its local communities and environments, the development will incorporate a 247-hectare country park surrounding the terminal. The park will include a 10-mile network of footpaths and recreational features including a trim trail, outdoor gym, new children’s play areas, new bird watching hides and a Visitor Interpretation Centre. Over 4,000 trees and 132,000 saplings will be planted, while the local habitat will be enhanced by creating new ponds and nesting sites.

In addition to employment opportunities and environmental considerations, the development will stimulate economic growth and enhance local infrastructure. SEGRO is committed to a significant investment programme to fund new traffic relieving measures, including £22 million to fund a new 1.4-mile stretch of relief road for Park Street / Frogmore to alleviate traffic on the A5183, and it is estimated that the completed scheme will deliver around £12 million each year in business rates.

### **David Sleath, Chief Executive Officer, SEGRO, said:**

“The former Radlett Aerodrome site offers a rare opportunity to bring together the economic and environmental benefits of rail freight, provides connectivity to key arteries of the highways network and access to a large pool of employees. The scheme will also benefit the national and local economies, as well as help satisfy the demands of consumers and businesses for the sustainable movement of the goods and services we increasingly rely on in our daily lives.

“As a long-term investor and specialist in the provision of logistics infrastructure developments, we are proud of the benefits we’ve already delivered across the country including at our East Midlands, Coventry and Derby projects. The strategic partnership we recently agreed with the West Midlands Combined Authority will see us deliver 14,000 jobs and 13.5 million square feet of employment space on brownfield sites in the region over the next decade and is another example of how we prioritise working in close collaboration with local authorities and communities to maximise the benefits and opportunities our developments and operations can bring to an area. We look forward to employing this approach and our experience at Radlett.”

“The blueprint for the scheme will follow the successful delivery of a major strategic rail freight terminal and logistics development at SEGRO Logistics Park East Midlands Gateway, near Derby, where we have seen exceptional demand, and which we expect to complete significantly ahead of schedule while providing employment for over 5,000 people.”

For the purposes of Listing Rule 10.4, the gross asset value of the land is £120 million and there are no historical profits attributed to the land. The acquisition will be funded from cash and bank facilities.

#### **CONTACT DETAILS FOR INVESTOR / ANALYST AND MEDIA ENQUIRIES:**

	Soumen Das (Chief Financial Officer)	Tel: +44 (0) 20 7451 9110
SEGRO	Claire Mogford (Head of Investor Relations)	Tel: +44 (0) 20 7451 9048
	Gary Gaskarth (External Communications Manager)	Tel: +44 (0) 20 7451 9069
FTI Consulting	Richard Sunderland / Eve Kirmatzis	Tel: +44 (0) 20 3727 1000

#### **Notes to editors:**

The purchase is subject to additional overage charges which would be payable to the vendors in the event that additional value is achieved through planning consent for alternative uses and subsequent development or sale, or should the infrastructure works cost less than assessed at the time of the acquisition.

Rail freight contributes £1.7 billion to the UK economy, with each train removing up to 76 HGV journeys from Britain’s roads, helping to ease congestion and meet the country’s decarbonisation targets.

SEGRO has committed to implementing Community Investment Plans in all its core markets and anticipates that Radlett would become one of these. The Company has already launched more than 10 of these plans across the UK and Continental Europe. By the end of 2025 it expects to have engaged 20,000 students through schools programmes; provided 1,500 people, the majority of whom are unemployed, vulnerable or who have additional needs, with training or supported them with employment opportunities; and delivered 60 projects to enhance local environments and biodiversity.

#### **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 9.9 million square metres of space (106 million square feet) valued at £20.9 billion as at 31 December 2022, 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. These 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.