PRESS RELEASE

27 April 2010

SEGRO plc INTERIM MANAGEMENT STATEMENT

SEGRO plc, the leading European provider of business space, today announces its Interim Management Statement for the period since 31 December 2009.

Overview

Despite challenging conditions in the occupier market across both the UK and Continental Europe the Group has made encouraging progress in a number of areas. Investment markets continued to recover in the UK with the IPD Industrial Index showing capital growth of 2.1% for the first three months of the year. In Continental Europe, capital values appear to be stabilising, particularly for prime assets. With limited new supply coming on stream, the Group is recommencing its development programme in response to specific occupier demand, with a carefully selected number of pre-let developments. Subject to market conditions, the Group expects to commence speculative development of a number of small light industrial schemes in Continental Europe later in the year.

UK Occupier Market

While the UK economy is starting to recover, conditions in the occupational market remain challenging, although there are a number of encouraging signs:

- In the first quarter of 2010 the level and quality of new enquiries has improved and the Group has a healthy leasing pipeline going into the second quarter.
- The UK business secured £7.6m of annualised rental income from new lettings in Q1 2010 (including £2.8m in respect of pre-lets taken up in the quarter but signed in earlier periods) with £3.0m of annualised rental income being lost from space returned.
- The vacancy rate in the ex-Brixton portfolio was reduced from 22.1% at December 2009 to 20.7% at the end of Q1 2010. Subsequent to the end of the quarter, the Group signed a 30-year lease with a blue-chip customer for four industrial units at Greenford Park, representing 52,200 sq ft and annual rental income of £500,000; these units account for a further 50 bps of the Brixton vacancy.
- The overall UK vacancy rate has recorded a slight improvement to 14.6% at the end of Q1 2010 (31 Dec 2009: 14.8%). The non-Brixton portfolio has also shown an underlying improvement in vacancy rate but the completion of a partly pre-let office development at Winnersh, which is currently un-let, meant the headline rate increased slightly from 10.8% to 11.4%.
- Rental levels have held up reasonably well with the average transactional rental value in Q1 2010 being 1.3% below December 2009 ERVs offset by a reduction in average rent free incentives.

Continental European Occupier Market

SEGRO's main Continental European markets are in the early stages of economic recovery, and although occupational markets have remained challenging, enquiries for accommodation have generally increased compared with the first quarter of 2009. Key business developments in the period included:

- Lettings signed in the three months to March 2010 represented £3.0m of annualised rental income compared with £5.4m of income loss from space returned (of which £4.5m is attributable to the previously anticipated return of space following the insolvency of Karstadt-Quelle in Germany).
- Letting highlights included 27,300 sq m (40,100 s qm including short term licenses) to DHL in Germany and 12,400 sq m to Daher at Marly la Ville in France. Central Europe, too, has seen a productive quarter with 12,400 sq m of lettings and renewals in Poland and Czech Republic.
- The take-back of space from Karstadt–Quelle added 2.6% to the Continental European vacancy rate which stood at 12.8% at the end of Q1 2010 (31 Dec 2009: 10.7%). Excluding the impact of Karstadt-Quelle, the underlying vacancy rate would have shown an improvement to 10.2%.
- Rental levels on lettings and renewals of logistics assets have been under pressure, particularly on larger transactions due to the level of available space within this sub-segment. Light industrial

rents have fared better being, on average, slightly above December 2009 ERVs. Rent free incentives across Continental Europe, showed an increase when compared to Q4 2009.

Financial position

- Net debt as at 31 March 2010 was £2.4 billion, unchanged from 31 December 2009.
- Cash and undrawn bank facilities as at 31 March 2010 stood at £709m. £453m of the Group's bank facilities (of which £231m are drawn) and £67m of bonds / notes are due for repayment or rollover before the end of 2011 and are covered by existing committed bank lines.
- Since 31 December 2009, the Group completed or exchanged to date on disposals of non-core or stabilised assets for a gross consideration of £52m (including £30m completed or exchanged after 31 March 2010).
- Capital expenditure in the first three months of the year amounted to £21m. The Group has authorised four new pre-let developments since year end with aggregate capital expenditure of £34m. The aggregate remaining expenditure on all authorised or committed developments, all of which are fully pre-let, amounts to £40m, with annual rental income of £8.3m.

Management Changes

Following the departure of Ines Reinmann in January, the Group was pleased to announce the appointment of Andrew Gulliford as Managing Director for the Group's Continental European business. Andrew has considerable experience of the European industrial real estate sector having spent 19 years at Jones Lang LaSalle, where he was European Director for their Industrial & Logistics business, and six years with SEGRO.

Ian Coull, Chief Executive commented:

"Whilst conditions in occupational markets remain challenging, we have made good progress on a number of fronts in the early part of 2010. Our priorities continue to be to stay close to our customers, to fill empty space, to manage our finances and other risks prudently, and to recycle our capital into suitable reinvestment opportunities, particularly pre-let development."

See Appendix for further details of the lettings, take-backs and related occupancy data.

CONFERENCE CALL FOR INVESTORS AND ANALYSTS
There will be a conference call for investors and analysts at 9:30 AM today GMT.

To participate in the call, please dial:
UK: +44 (0)20 7138 0816
US: +1 718 354 1171
Confirmation Code: 6840669#

From midday the conference call will be available on a replay basis from the investor relations page of SEGRO.com.

Appendix - Supplementary details

UK Occupancy Data

- 86,600 sq m of space let (£7.6m annualised income of which 38% was pre-let) in Q1 2010 compared with 51,500 sq m (£2.6m annualised income of which 15% was pre-let) in Q1 2009 and 63,600 sq m (£9.2m annualised income of which 58% was pre-let) in Q4 2009. The Q1 2009 lettings included 39,200 sq m (£2.9m annualised income) of ex-Brixton assets compared with 13,860 sq m (£1.2m annualised income) in Q4 2009.
- Letting highlights include the take up of pre-let development completions, being 10,900 sq m of data centre space to Equinix Limited (Slough) and 5,100 sq m (office space) to Fluor Limited (Farnborough).
- There has been modest pressure on rental levels in the UK with lettings and lease renewals settled, on average, at 1.3% below valuers' estimated rental values (ERV) at December 2009. Rent free incentives averaged 6.3%, a significant improvement on the 12.0% seen in Q4 2009.
- 33,300 sq m of space (£3.0m annualised income) was returned compared with 70,500 sq m (£5.0m annualised income) in Q1 2009 and 135,700 sq m (£9.3m annualised income) in Q4 2009. Ex-Brixton assets accounted for 9,900 sq m (£0.8m of annualised income) of take-backs compared with 59,300 sq m (£3.6m annualised income) in Q4 2009.
- Included within space returned were 9 properties / £0.6m annualised income due to customer insolvencies (Q1 2009: 11 properties / £0.9m annualised income).
- Lease renewals and unexercised breaks, amounted to 48% as a percentage of rental value at risk, similar to the performance in H1 2009.
- The overall UK vacancy rate (by rental value) has shown an improvement to 14.6% (31 December 2009: 14.8%). Ex-Brixton assets have seen an improvement in vacancy rate from 22.1% at December 2009 to 20.7% at March 2010.
- Excluding the Brixton assets, the UK portfolio recorded a 60 bps increase in vacancy rate to 11.4% mainly due to development completions, of which one office building in Winnersh remains unlet.
- £1.4m of annualised income representing 0.6% of the rent roll, is at risk with customers still in occupation but in the process of administration or liquidation.

Continental European Occupancy Data

- 87,000 sq m of space let (£3.0m annualised income of which 27% was pre-let) compared with 108,700 sq m (£4.9m annualised income of which 55% was pre-let) in Q1 2009 and 83,300 sq m (£4.8m annualised income of which 17% was pre-let) in Q4 2009.
- Letting highlights include 27,300 sq m to DHL Solutions (Germany) and 12,400 sq m to Daher (France). Central Europe, too, has seen a productive quarter with (12,400 sq m) of lettings and renewals in Poland and Czech Republic.
- In Continental Europe, rental levels on lettings and lease renewals were, on average, 12% below ERV at December 2009, but this was mainly due to two large logistics building transactions in Germany and France, and excluding these, the average would have been 3% below December ERV. Light

industrial lettings were settled at 1.0% above December 2009 ERV. Rent free incentives averaged 12.5%, an increase on the 9.0% seen in Q4 2009.

- 147,000 sq m of space (£5.4m annualised income) was returned compared with 28,200 sq m (£1.0 m annualised income) Q1 2009 and 33,400 sq m (£2.3m annualised income) in Q4 2009. This included 7 properties (£4.5m of annualised income) from customer insolvencies (Q1 2009: 4 properties / £0.5 m annualised income), being the anticipated return of 131,000 sq m of space relating to Karstadt–Quelle in Germany.
- Retention rates (leases renewed and unexercised breaks by annualised rental value) were 73% in Continental Europe, ahead of performance in 2009.
- The vacancy rate (by rental value) has increased to 12.8% (31 December 2009: 10.7%) primarily reflecting the impact of space returned from the Karstadt–Quelle insolvency. Excluding the impact of Karstadt–Quelle, the vacancy rate would have shown an improvement to 10.2%.
- £1.4m of annualised income, representing 1.1% of the rent roll, is at risk with customers still in occupation but in the process of administration or liquidation. This includes £0.6m of annualised income relating to the remaining buildings that Karstadt–Quelle returned subsequent to the quarter end.

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About SEGRO

SEGRO is Europe's leading provider of flexible business space, operating from a network of offices across 10 countries. The Group is a Real Estate Investment Trust (REIT), listed on the London Stock Exchange and Euronext Paris. SEGRO's portfolio comprises £5.3 billion of predominantly industrial and warehouse assets concentrated in and around major business centres and transportation hubs such as ports, airports and motorways intersections. The Group serves over 1,900 customers spread across many geographic and different industry sectors. It has 5.9 million sq m of built space and a passing rent roll of £345 million as at 31 December 2009. For more information: www.SEGRO.com