



# Big Yellow Group PLC

Results for the Six Months  
ended 30 September 2023



# Our Investment Case

## ATTRACTIVE MARKET DYNAMICS

- UK self storage penetration in key urban conurbations remains relatively low
- Limited new supply coming onto the market
- Resilient through the global financial crisis and performed well during the pandemic
- Self storage is more part of the ecosystem today than it was in 2008 with increased domestic and business awareness

## OUR COMPETITIVE ADVANTAGE

- UK self storage industry's most recognised brand with over 90% of enquiries now online
- Prominent stores on arterial or main roads, with extensive frontage and high visibility
- Continuous innovation and investment into our mobile and desktop digital channels
- Strong customer satisfaction and NPS scores reflecting excellent customer service
- 6.4 million sq ft UK footprint, with development pipeline of 0.9 million sq ft
- Primarily freehold estate, concentrated in London, the South East and other larger urban conurbations
- Larger average store capacity – economies of scale, higher operating margins
- Secure financing structure with strong balance sheet
- Continued significant investment in sustainability and our culture

## EVERGREEN INCOME STREAMS

- 76,000 occupied rooms, with customers from a diverse base – individuals, SMEs and National Customers
- 37% of customers in stores greater than two-year length of stay, a further 15% for one to two years
- Average length of stay for existing customers of 30 months for the 52% of customers that have stayed for more than one year, the average length of stay is 52 months.
- Low bad debt expense (0.2% of revenue in the period)

## STRONG GROWTH OPPORTUNITIES

- Opportunities to drive further occupancy growth
- Yield management as occupancy increases
- Densification of living and scarcity of flexible business warehouse space drives demand
- Growth in National Customers and business customer base
- Growing the platform whilst retaining a conservative capital structure

## CONVERSION INTO QUALITY RETURNS

- Freehold assets allowing for high operating margins and operational advantage
- Low technology and obsolescence product, maintenance capex fully expensed
- Annual compound adjusted EPS growth of 14% since 2004/05 (IFRS adoption)
- Annual compound cash flow growth of 15% since 2004/05
- Dividend pay-out ratio of a minimum of 80% of annual adjusted EPS

# Key Financial Metrics

BIG YELLOW GROUP  
HALF YEAR RESULTS



| CATEGORY   | Six Months Ended<br>30.09.23 | Six Months Ended<br>30.09.22 | CHANGE |
|--|------------------------------|------------------------------|--------|
| Revenue  | <b>£99.6 million</b>         | £93.8 million                | 6%     |
| Like-For-Like Store Revenue  | <b>£96.8 million</b>         | £92.5 million                | 5%     |
| Store EBITDA   | <b>£71.5 million</b>         | £66.8 million                | 7%     |
| Cash Flow From Operating Activities<br>(After Net Finance Costs And Pre-Working Capital Movements) | <b>£54.3 million</b>         | £55.2 million                | (2%)   |
| Adjusted Profit before Tax   | <b>£53.5 million</b>         | £54.6 million                | (2%)   |
| EPRA Earnings Per Share  | <b>29.0 pence</b>            | 29.3 pence                   | (1%)   |
| Interim Dividend Per Share   | <b>22.6 pence</b>            | 22.3 pence                   | 1%     |

# Key Operational Metrics

BIG YELLOW GROUP  
HALF YEAR RESULTS



| CATEGORY                               | Six Months Ended<br>30.09.23 | Six Months Ended<br>30.09.22 | CHANGE    |
|--|------------------------------|------------------------------|-----------|
| Number of Stores                       | 109                          | 108                          | 1%        |
| Store Maximum Lettable Area            | 6,419,000                    | 6,295,000                    | 2%        |
| Closing occupancy (Sq Ft)              | 5,228,000                    | 5,300,000                    | (1%)      |
| Occupancy Growth In The Period (Sq Ft) | 140,000                      | 154,000                      | (9%)      |
| Closing Occupancy (Sq Ft)              | 81.4%                        | 84.2%                        | (2.8 pts) |
| Occupancy Like-For-Like Stores         | 84.6%                        | 86.8%                        | (2.2 pts) |
| Average Achieved Net Rent Per Sq Ft    | £33.02                       | £30.55                       | 8%        |
| Closing Net Rent Per Sq Ft             | £33.47                       | £31.44                       | 6.5%      |

# First Half Highlights

- Revenue growth for the period was 6%, like-for-like store revenue up by 5%, driven by increases in average achieved rents
- Like-for-like occupancy increase of 1.5 ppts from 1 April 2023, down 2.2 ppts from same time last year to 84.6% (September 2022: 86.8%). Closing occupancy, reflecting the additional capacity from recently opened stores, is 81.4%
- Average achieved net rent per sq ft increased by 8% period on period, closing net rent up by 6.5% from September 2022
- Overall store EBITDA was up 7% in the period and EBITDA margin increased to 72.7% (2022: 72.0%), the established store portfolio increased to 75.1% (2022: 74.1%) with closing occupancy of 85.5%
- Cash flow from operating activities (after net finance costs and pre-working capital movements) decreased by 2% to £54.3 million, which reflects our increased borrowing and operating costs over the period
- Adjusted profit before tax down 2% to £53.5 million, with EPRA earnings per share down 1%
- Interim dividend of 22.6 pence per share declared, an increase of 1%

# Highlights - Investment In New Capacity

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- £107 million (net of expenses) raised by way of a placing of 6.3% of the Company's issued share capital to fund the build out of the development pipeline
- 121,000 sq ft of capacity added in the period with one new store opened in Kings Cross, and an extension completed at Armadillo Stockton South
- Acquisition of freehold property in Leicester, taking the pipeline to 11 development sites and two replacement stores of approximately 0.9 million sq ft (14% of current MLA), of which 11 are in London or within close proximity
- 1.2 million sq ft of fully built vacant space is currently available for future growth
- Planning consent granted for new store in Wapping (London); we now have seven pipeline stores with planning

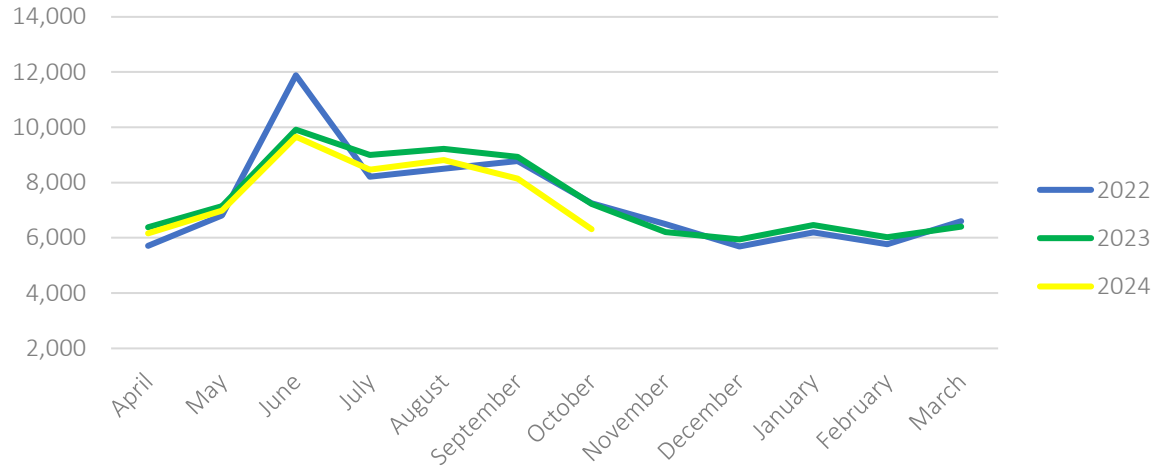


# Operations Update

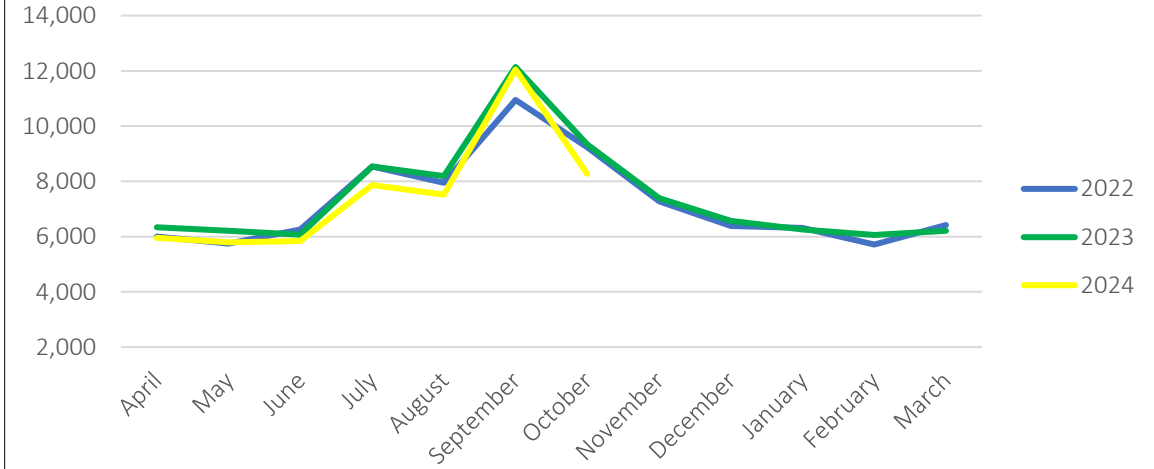
- Nine new stores opened (627,000 sq ft) since 2020, all cash flow positive – expected to deliver a proforma 8% - 9% year three NOI yield
- Continued investment in automation across the business, leading to improved efficiencies and productivity – benefit to headcount
- Marketing spend in line with same period last year from increasing efficiencies and leveraging our brand
- 90% of our customers used our online check-in during the period, improving store efficiency
- Level of staff vacancies remains at historic lows. Direct recruitment through digital channels now 80%
- Focus on NPS scores and customer satisfaction – satisfied customers as referrers are a key sales tool. Average NPS score in the six months of 80.9 compared to 77.5 for the same period last year
- Length of stay of existing customers increased to 30 months (2022: 29 months), 52% of customers storing for more than one year – average length of stay of these customers is 52 months
- We are not seeing any deterioration in rent collection. 80% of our customers pay by direct debit, with aged debtors in line with last year and lower than pre-Covid, and bad debt expense unchanged at 0.2%

# Monthly Activity

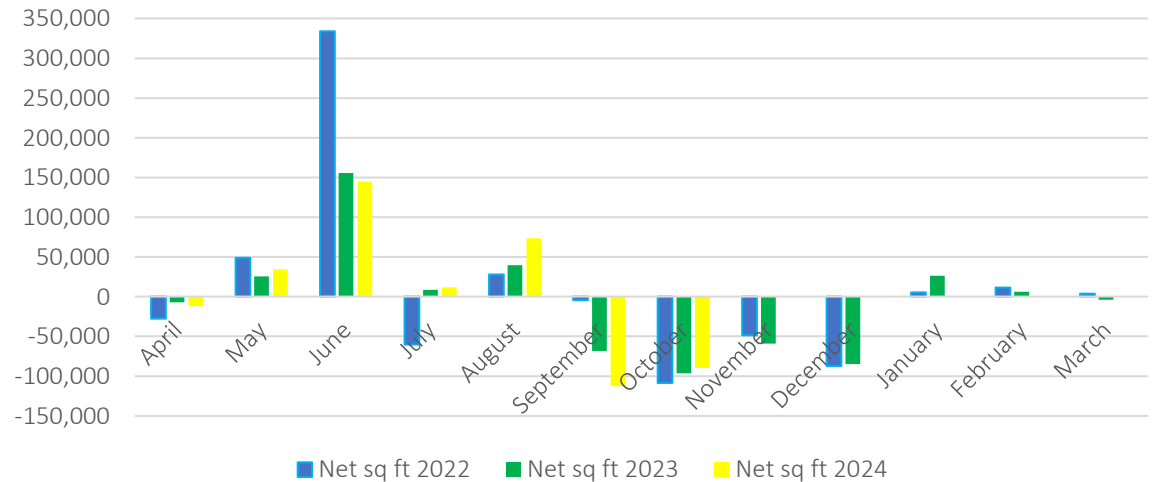
Monthly Move-ins



Monthly Move-outs



Monthly Changes in Occupancy



- Prospect numbers more in-line with pre-Covid period on a like-for-like basis
- Our conversion rates over the period have increased, which is indicative of a more needs drive-demand
- Activity levels have been a little slower than last year, with move-ins down 5% and move-outs down 5%, reflecting less churn
- Activity levels in and out of the business in October slowed further, although we have seen an improved net move-in performance since the start of November, which is reflected in the sq ft performance below
- Occupancy growth over the six months broadly in line with the prior year, and occupancy performance since 1 October is a loss of 117,000 sq ft (1.8% of MLA), compared to 141,000 sq ft (2.2% of MLA) in prior year



# FINANCIAL REVIEW

Harrow, London, September 2022





# Portfolio Summary

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- Like-for-like closing occupancy down 2.2 ppts to 84.6%
- Closing net rent up 6.5% to £33.47, average rate up 8%
- Like-for-like store revenue up 5%
- Store EBITDA margin up to 72.7% (2022: 72.0%)
- Absorption of step up in operating costs, with like-for-like increase of 7% compared to prior period (principally property rates)

# Portfolio Summary

BIG YELLOW GROUP  
HALF YEAR RESULTS



|                               | SEPTEMBER 2023                   |                                 |                  |             |             | SEPTEMBER 2022                   |                                 |                  |             |             |
|-------------------------------|----------------------------------|---------------------------------|------------------|-------------|-------------|----------------------------------|---------------------------------|------------------|-------------|-------------|
|                               | BIG YELLOW ESTABLISHED > 3 YEARS | BIG YELLOW DEVELOPING < 3 YEARS | TOTAL BIG YELLOW | ARMADILLO   | TOTAL       | BIG YELLOW ESTABLISHED > 3 YEARS | BIG YELLOW DEVELOPING < 3 YEARS | TOTAL BIG YELLOW | ARMADILLO   | TOTAL       |
| Number of stores              | 76                               | 9                               | 85               | 24          | 109         | 76                               | 8                               | 84               | 24          | 108         |
| <b>At 30 September:</b>       |                                  |                                 |                  |             |             |                                  |                                 |                  |             |             |
| Total Capacity (Sq ft)        | 4,784,000                        | 627,000                         | 5,411,000        | 1,008,000   | 6,419,000   | 4,784,000                        | 524,000                         | 5,308,000        | 987,000     | 6,295,000   |
| Occupied Space (Sq ft)        | 4,089,000                        | 354,000                         | 4,443,000        | 785,000     | 5,228,000   | 4,221,000                        | 265,000                         | 4,486,000        | 814,000     | 5,300,000   |
| Percentage Occupied           | 85.5%                            | 56.5%                           | 82.1%            | 77.9%       | 81.4%       | 88.2%                            | 50.6%                           | 84.5%            | 82.5%       | 84.2%       |
| Net Rent Per Sq Ft            | £35.67                           | £32.30                          | £35.40           | £22.44      | £33.47      | £33.50                           | £29.45                          | £33.26           | £21.40      | £31.44      |
| <b>For the period:</b>        |                                  |                                 |                  |             |             |                                  |                                 |                  |             |             |
| REVPAF                        | £34.33                           | £19.59                          | £32.71           | £20.17      | £30.73      | £32.99                           | £19.02                          | £31.88           | £20.46      | £30.05      |
| Average Occupancy             | 85.5%                            | 55.8%                           | 82.2%            | 77.9%       | 81.5%       | 88.3%                            | 55.5%                           | 85.7%            | 83.7%       | 85.4%       |
| Average Annual Net Rent psf   | £35.17                           | £31.55                          | £34.90           | £22.42      | £33.02      | £32.53                           | £28.70                          | £32.33           | £20.98      | £30.55      |
|                               | <b>£000</b>                      | <b>£000</b>                     | <b>£000</b>      | <b>£000</b> | <b>£000</b> | <b>£000</b>                      | <b>£000</b>                     | <b>£000</b>      | <b>£000</b> | <b>£000</b> |
| Total Store Revenue           | 82,069                           | 6,084                           | 88,153           | 10,196      | 98,349      | 78,807                           | 3,919                           | 82,726           | 10,123      | 92,849      |
| Direct Store Operating Costs  | (19,447)                         | (2,621)                         | (22,068)         | (3,709)     | (25,777)    | (19,384)                         | (1,762)                         | (21,146)         | (3,741)     | (24,887)    |
| Short and Long Leasehold Rent | (999)                            | -                               | (999)            | (84)        | (1,083)     | (1,063)                          | -                               | (1,063)          | (85)        | (1,148)     |
| Store EBITDA                  | 61,623                           | 3,463                           | 65,086           | 6,403       | 71,489      | 58,360                           | 2,157                           | 60,517           | 6,297       | 66,814      |
| Store EBITDA Margin           | 75.1%                            | 56.9%                           | 73.8%            | 62.8%       | 72.7%       | 74.1%                            | 55.0%                           | 73.2%            | 62.2%       | 72.0%       |

# Rental Growth Analysis

| AVERAGE OCCUPANCY<br>IN THE SIX MONTHS | NET RENT PER SQ FT GROWTH<br>FROM<br>1 APRIL TO 30 SEPTEMBER 2023 | NET RENT PER SQ FT GROWTH<br>FROM<br>1 APRIL TO 30 SEPTEMBER 2022 |
|--|---|---|
| 70% to 85%                             | 2.6%  | 4.9%  |
| 85% to 90%                             | 3.5%  | 5.0%  |
| Above 90%                              | 4.7%  | 5.9%  |

- Table shows the change in net rent per sq ft for the portfolio by average occupancy over the six months (on a non-weighted basis). The analysis excludes our most recent store openings
- Strong rate growth delivered over the period – for all stores closing net rent per sq ft was up 6.5% compared to 30 September 2022. The reduced rate growth is reflective of our pricing model with more deals being offered at lower occupancy levels

# Store Operating Expenses

BIG YELLOW GROUP  
HALF YEAR RESULTS



| CATEGORY                           | PERIOD ENDED 30.09.23<br>£000 | PERIOD ENDED 30.09.22<br>£000 | CHANGE    | % OF STORE OPERATING COSTS IN PERIOD |
|------------------------------------|-------------------------------|-------------------------------|-----------|--------------------------------------|
| Cost of sales                      | 865                           | 1,428                         | (39%)     | 3%                                   |
| Staff costs                        | 7,209                         | 6,999                         | 3%        | 27%                                  |
| General & admin                    | 676                           | 695                           | (3%)      | 3%                                   |
| Utilities                          | 862                           | 959                           | (10%)     | 3%                                   |
| Property rates                     | 9,155                         | 7,521                         | 22%       | 34%                                  |
| Marketing                          | 3,329                         | 3,292                         | 1%        | 12%                                  |
| Repairs & maintenance              | 2,747                         | 2,314                         | 19%       | 10%                                  |
| Insurance                          | 1,697                         | 1,290                         | 32%       | 6%                                   |
| Computer costs                     | 509                           | 509                           | -         | 2%                                   |
| Total before non-recurring Items   | 27,049                        | 25,007                        | 8%        |                                      |
| Non-recurring Items                | (1,272)                       | (120)                         |           |                                      |
| <b>Total per Portfolio Summary</b> | <b>25,777</b>                 | <b>24,887</b>                 | <b>4%</b> |                                      |

- New stores account for an extra £0.8 million of operating expense
- Cost of sales down £0.6 million, switch in June 2022 to selling Enhanced Liability Service subject to VAT (recoverable) rather than insurance sales bearing IPT (non-recoverable)
- Remaining like-for-like increase is £1.8 million (7%)
- Property rates increased by £1.6 million (22%), following the November 2022 Rating Revaluation, like-for-like increase of 19%
- Staff costs up by £0.2 million, with salary review of on average 5.5% partly offset by lower bonuses in period, and savings from further efficiency improvements
- Marketing in line with the prior year with continued efficiencies from our digital campaigns
- Utilities reduced by our investment in solar; cost will increase in second half following new energy contract signed in September 2023
- Overall insurance premiums increased from April and the new contents policy includes Big Yellow paying for claims up to £250,000 in any one loss. As a consequence, £215,000 in total was paid in claims this period (2022: £54,000)
- Non-recurring items principally release of provisions in respect of 2017 rating list

# Consolidated Income Statement

BIG YELLOW GROUP  
HALF YEAR RESULTS

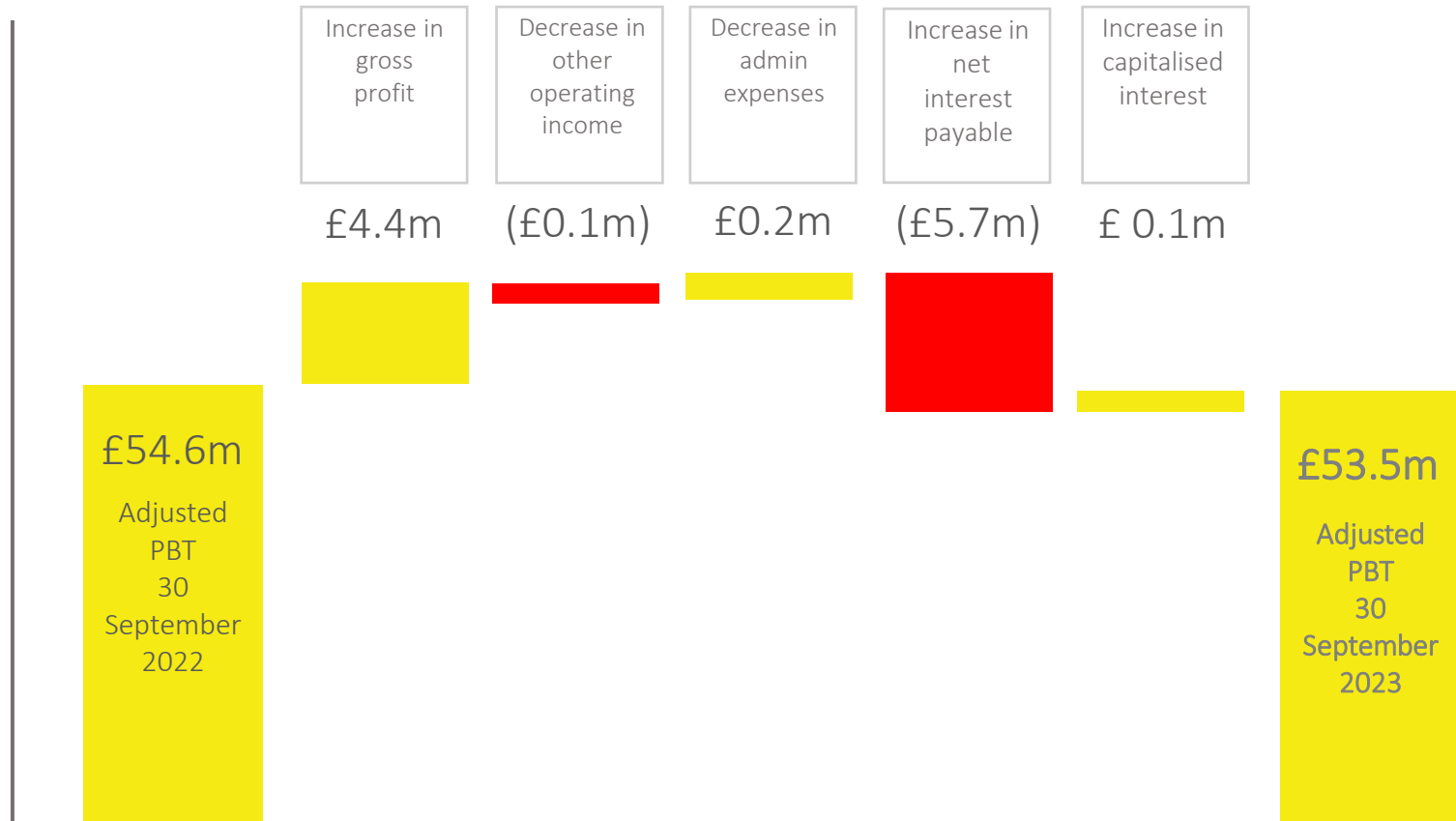


|                                    | SIX MONTHS<br>ENDED<br>30.09.23<br>£000 | SIX MONTHS<br>ENDED<br>30.09.22<br>£000 |
|------------------------------------|---|---|
| Revenue                            | 99.6                                    | 93.8                                    |
| Cost of Sales                      | (27.8)                                  | (26.4)                                  |
| Admin Expenses                     | (6.9)                                   | (7.1)                                   |
| Underlying Operating Profit        | 64.9                                    | 60.3                                    |
| Revaluation Gain/(loss)            | 67.2                                    | (47.7)                                  |
| Other Operating Income             | 0.8                                     | 0.9                                     |
| Net Finance Costs                  | (12.2)                                  | (7.3)                                   |
| Fair Value Movement on Derivatives | (1.1)                                   | 0.5                                     |
| Profit Before Tax                  | 119.6                                   | 6.7                                     |
| Taxation                           | -                                       | (0.7)                                   |
| Profit For The Period              | 119.6                                   | 6.0                                     |
| Adjusted Profit Before Tax         | 53.5                                    | 54.6                                    |
| Adjusted EPS                       | 29.0p                                   | 29.3p                                   |

- Revenue up 6%, with storage income up 7% offset by lower growth in non-storage income
- Like-for-like store revenue up 5%, driven by an increase in average achieved net rent, offset by slight fall in average occupancy
- Open store portfolio increased in value by 3%, driven by cash flow growth. Prior period valuation impacted by outward shift in cap rates, and write down in industrial land without self storage planning
- Other operating income is largely loss of income insurance proceeds following the fire at our Cheadle store in February 2022
- Interest expense has increased with higher average debt levels in the year, and increases in variable rate debt costs
- Taxation expense in period benefiting from adjustment to prior year tax provision



# Adjusted PBT Bridge



Non-recurring items and revaluation movements are not included in adjusted profit

# Cash Flow And Net Debt Movement

BIG YELLOW GROUP  
HALF YEAR RESULTS



|   | 30.09.23<br>£m | 30.09.22<br>£m |
|---|----------------|----------------|
| Opening Net Debt                                  | (486.6)        | (411.8)        |
| Cash Generated from Operations                    | 68.3           | 63.3           |
| Net Finance Costs                                 | (12.8)         | (6.9)          |
| Interest on Obligations under Lease Liabilities   | (0.3)          | (0.4)          |
| Loss of income insurance proceeds                 | 0.1            | 0.7            |
| Tax   | (1.0)          | (1.5)          |
| Operating cash flow pre-working capital movements | <b>54.3</b>    | <b>55.2</b>    |
| Working capital movements                         | (3.5)          | (0.6)          |
| <b>Free Cash Flow</b>                             | <b>50.8</b>    | <b>54.6</b>    |
| Total Capital Expenditure                         | (17.8)         | (73.5)         |
| Receipt From Capital Goods Scheme                 | -              | 0.2            |
| Dividends   | (41.7)         | (38.7)         |
| Loan arrangement fees paid                        | -              | (1.2)          |
| Receipt from termination of interest rate swaps   | -              | 0.4            |
| Payment of Finance Lease Liabilities              | (0.9)          | (0.7)          |
| Issue of Share Capital                            | 0.9            | 0.9            |
| Closing Net Debt                                  | (495.3)        | (469.8)        |

- Operating cash flow after net finance costs and pre-working capital movements decreased by 2% reflecting increase in interest paid over the six months
- Capex
  - Purchase of land at Leicester for £2 million (including costs)
  - £13.7m – capital spend on existing portfolio, new stores (Kings Cross, Slough Farnham Road) and the Harrow industrial scheme
  - £2.1m investment in our solar retrofit programme
- Net debt has reduced following the placing in October raising £107 million (net of expenses)

|  | 30.09.23<br>(PROFOMA) | 30.09.22 |
|--|-----------------------|----------|
| Net Debt / Gross Property Assets       | 14%                   | 18%      |
| Net Debt / Adjusted Net Assets         | 16%                   | 21%      |
| Net Debt / Market Capitalisation       | 19%                   | 24%      |
| Net debt to Group EBITDA ratio         | 3.0x                  | 3.9x     |
| Pre-Interest Operating Cash Flow Cover | 6.2x                  | 9.3x     |

- Proforma capital ratios shown following repayment of debt from the placing proceeds in October 2023
- Pre-interest operating cash flow cover shown is based on October 2023 EBITDA and the interest expense following the repayment of debt
- The Group's gross property assets are £2.8 billion with an adjusted NAV per share of £12.78
- The Group maintains a flexible structure around hedging, allowing us to pay down RCF when we sell assets or raise equity. Currently approximately 50% of our debt is fixed

# Debt Facilities

| DEBT   | EXPIRY         | FACILITY       | 30.09.23<br>DRAWN | AVERAGE<br>INTEREST<br>COST |
|--|----------------|----------------|-------------------|-----------------------------|
| Aviva Loan (fixed rate loan)   | September 2028 | £157.4m        | £157.4m           | 3.4%                        |
| M&G Loan (£35 million fixed at 4.5%, balance floating)               | September 2029 | £120m          | £120m             | 6.9%                        |
| Revolving Bank Facility (Lloyds, HSBC and Bank of Ireland, floating) | October 2024   | £270m          | £225m             | 6.6%                        |
| <b>Total</b>   |                | <b>£547.4m</b> | <b>£502.4m</b>    | <b>5.7%</b>                 |

- The Group's drawn debt has reduced post period end following the placing raising £107 million (net of expenses), with the drawn debt now approximately 50% fixed and 50% floating.
- The Group is well progressed in refinancing our medium-term revolving credit facility which expires in October 2024 and anticipate completing this shortly.
- The Group has signed a \$225 million credit approved shelf facility with Pricoa to be drawn in fixed sterling notes. The debt can be drawn in minimum tranches of £10 million over the next three years with terms of between 7 and 15 years

# PROPERTY REVIEW

Manchester, May 2019










# New Site Development

- Our landmark 103,000 sq ft Kings Cross store opened in June 2023. Early trading from the store has been very encouraging, with the store adding 24,000 sq ft of occupancy by 30 September 2023, and has now reached breakeven at the EBITDA level
- The pipeline is an important driver of our performance, as illustrated by Camberwell, Bracknell and Battersea, which opened during the second half of 2020. These three stores are delivering an average EBITDA margin of 67%, and an EBITDA yield of 8.2% on cost, and we expect both these metrics to grow over the next 12 months
- Purchased a freehold site in central Leicester to develop 58,000 sq ft store
- Planning consent received on Wapping for a 132,000 sq ft store and 114 flats. Seven of the development sites now have planning
- In May 2022, we suspended construction on all projects not already on site because conditions in the construction market were unfavourable. Conditions now improved considerably with steelwork/cladding prices falling, and other material prices stabilising. Main contractors and specialist sub-contractors pricing new projects more competitively
- Following the placing, we will now press on with the construction of an initial six sites including Farnham Road, Slough, Wapping, Wembley, Queensbury, Staines, and Slough Bath Road, all of which have planning consent at an incremental cost of £90 million
- Subject to receipt of planning and vacant possession, construction will then follow in due course on the remaining sites we own at a further incremental cost of £147 million
- Additionally, there is evidence that land prices have, and are, dropping materially and this will provide an opportunity to replenish the pipeline
- The projected net operating income of the increase in our total capacity of 902,000 sq ft when stabilised is £30.4 million representing an approximate 13% return on the incremental capital deployed. On a proforma basis at stabilisation, the projected net operating income for the 11 new stores and two replacement stores is £33.9 million, a return of approximately 8.7% on the total development cost of £389 million, including land already acquired





# Development Pipeline With Planning

| SITE  | PROMINENT LOCATION | STATUS  | ANTICIPATED CAPACITY SQ FT   |  |
|---|--------------------|---|--|--|
|    | Wapping, London    | On the Highway, adjacent to existing Big Yellow store | Planning consent granted, demolition of existing building to commence shortly                              | Additional 95,000                        |
|    | Wembley, London    | Towers Business Park                                  | Discussions ongoing to secure vacant possession  | 70,000                                   |
|    | Queensbury, London | Honeypot Lane   | Site acquired in November 2018   | 70,000                                   |
|    | Staines, London    | The Causeway  | Site acquired in December 2020. Consent also received to develop 9 industrial units totalling 99,000 sq ft | 65,000                                   |
|   | Slough             | Farnham Road  | Construction commenced in Summer 2023 with a view to opening in Summer 2024                                | Replacement for existing leasehold store |
|  | Slough             | Bath Road   | Site acquired in April 2019  | 90,000                                   |
|  | Newcastle          | Scotswood Road  | Planning consent granted   | 60,000                                   |

# Development Pipeline Without Planning

| SITE                             | PROMINENT LOCATION  | STATUS  | ANTICIPATED CAPACITY<br>SQ FT                                     |
|----------------------------------|---------------------|---|---|
| Epsom, London                    | East Street         | Site acquired in March 2021. Planning application refused by Epsom and Ewell Council and an appeal has been submitted | 58,000  |
| Kentish Town, London             | Regis Road          | Site acquired in April 2021. Planning application refused by Camden Council and an appeal to be submitted             | 68,000  |
| West Kensington, London          | Hammersmith Road    | Site acquired in June 2021. Planning application submitted to Hammersmith and Fulham Council in February 2023         | 175,000   |
| Old Kent Road, London            | Old Kent Road       | Site acquired in June 2022. Planning application submitted to Southwark Council in August 2023                        | 75,000  |
| Staples Corner, London           | North Circular Road | Site acquired in December 2022. Planning discussions underway with Barnet Council                                     | Replacement for existing leasehold store, additional 18,000 sq ft |
| Leicester                        | Belgrave Gate       | Site acquired in June 2023. Planning discussions underway with Leicester City Council                                 | 58,000  |
| <b>Total Additional Capacity</b> |                     |   | <b>902,000</b>  |



# Our Portfolio



- KEY**
- 85 Big Yellow stores (47 in London)
  - 13 Big Yellow stores under development (9 in London)
  - 24 Armadillo stores (1 in London)



- A resilient performance with growth in revenue, net achieved rents and operating margin in a challenging macroeconomic, political and geo-political environment
- Earnings impacted by one-off absorption of increase in operating and borrowing costs
- We will continue to innovate and invest in our people and culture, our brands, operating platform and sustainability
- Potential for further external growth with a significant pipeline of 11 stores, focussed on our core areas of London, its commuter towns and major cities, in addition, we have 1.2 million sq ft of fully built unlet space in the portfolio
- Supply remains constrained in our core markets
- A secure capital structure with a Debt to EBITDA ratio of 3 times on a proforma basis following the placing, providing defensive protection
- We remain confident in our business model which we believe is fit for purpose in this new environment and has proved to be resilient through several economic crises



# APPENDIX

Hove, September 2022



SELF STORAGE  
yellow.co.uk

THE BIG  
YELLOW  
SELF  
STORAGE  
COMPANY

Reception



# Sustainability Update

- We now have our Science-Based Targets fully verified to reinforce our pathways to 100% renewable energy and net zero carbon emission plan by 2032
- The solar retro-fit programme is projected to cost £20 to £25 million of which £10.4 million has been invested to date. Phases 1 & 2 are complete with Phase 3 in progress
- The second phase of the battery pilot will be installed in the new Slough Farnham Road store at a cost of £53k and a payback of c. 8 years
- Climate Related Financial Disclosure (“TCFD”) metrics published in the 2023 Annual Report
- With CSRD changes due in the coming years we are creating a roadmap to ensure compliance for the business aligned with ISSB, TCFD and CSRD
- ESOS compliance audits completed, 98% of EPCs A, B or C, with two Armadillos programmed to be upgraded to meet standards
- Whole Life Carbon Assessments taking place on all construction projects going forward
- Peterborough, Dundee, Gateshead, Liverpool South, and Macclesfield gas boilers removed from stores YTD



# Pathway To 100% Renewable Energy And Zero Carbon Emission Plan To 2030 & 2032

- Our ambition is for Big Yellow to be fully aligned to the UK Government’s commitments to sustainability by addressing our emissions by 2050, at the latest
- Our two 2030 targets are interconnected, insofar as we expect to deliver part of our Scope 1 & 2 reduction targets through the generation of on-site renewable energy and the retiring of Renewable Energy Guarantees of Origin (“REGOs”) for renewable energy we generate off-site

## Net Renewable Energy Positive to 2030



### We commit to:

- Generating as much renewable energy as we’re able to at our store portfolio via the installation of solar PV systems
- Additionally investing in the generation of off-site renewable energy (e.g. a Power Purchase Agreement) to match and even exceed the amount of energy our stores require in a year
- Continue to invest in energy reduction initiatives

## Net Zero Scope 1 & 2 Emissions by 2030



### We commit to:

- Reducing our carbon emissions (currently 94% of Scope 1 and 2 emissions) by using Big Yellow generated electricity from renewable sources (on and off-site)
- Replacing our gas boilers with electric alternatives to take advantage of the renewable electricity we generate
- For any residual Scope 1 emissions (i.e. coolant refrigerant) identifying a credible offset mechanism and we will publish this in due course

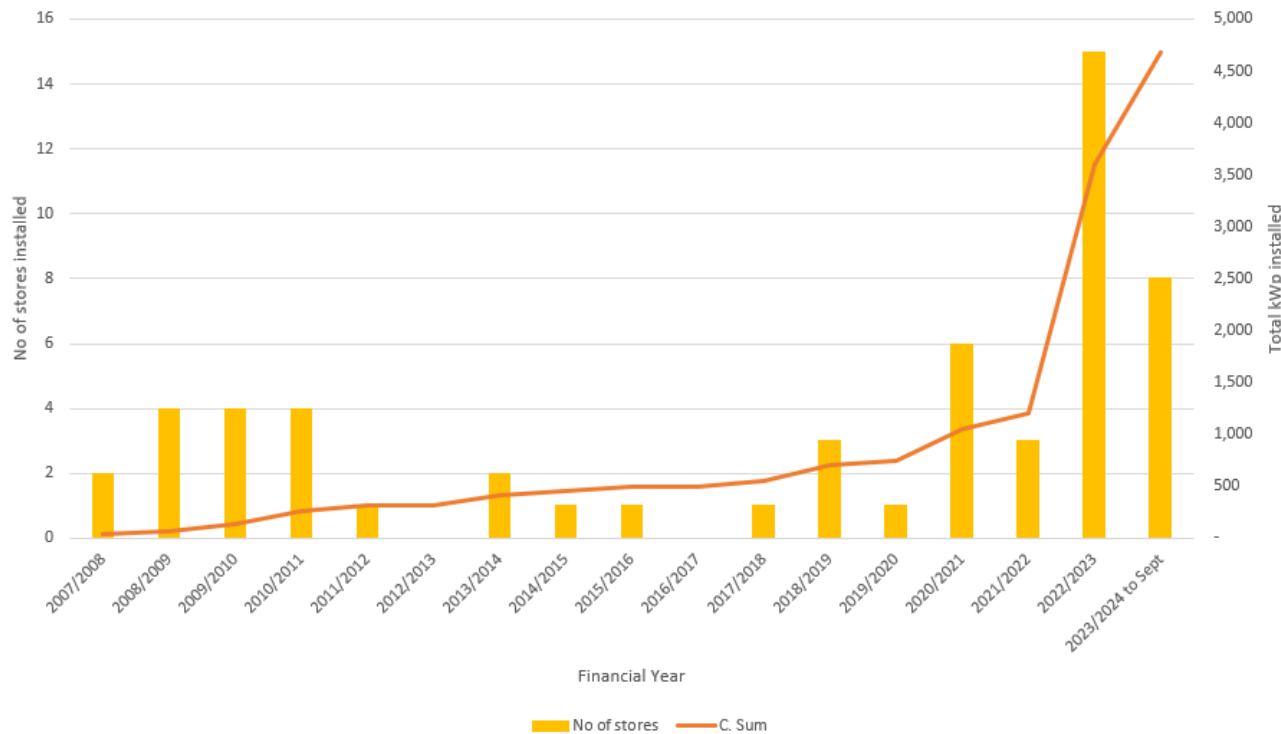
## Net Zero Scope 3 Emissions by 2032



### We commit to:

- Work with our suppliers and partners to provide us with net zero products and services
- We will be working with the construction team and contractors to improve the embodied carbon of our new stores
- Although not part of our SBTs, 40% of our scope 3 emissions are from our customers. Continuing to invest in EV charging pods at all new stores will help to reduce these emissions in the future

Solar generation on the Big Yellow Estate



## Solar Retrofit Programme

- 15 stores retrofitted with solar panels in 22/23
- Phase 2 of our retrofit programme was completed in the first half of this year with 8 stores retrofitted with solar
- Phase 3 has commenced in this second half of the year with 12 stores scheduled to receive retrofits before April 2024
- On top of this 2 new stores were built with solar installations

## New Builds

- Our commitment to install at least 85kWp on new stores was made in 2021, however some stores already had planning approval at this point.
- This year, Kings Cross was installed with 51kWp
- Construction is under way for the new Slough store which will have a 200kWp system installed

## Objective

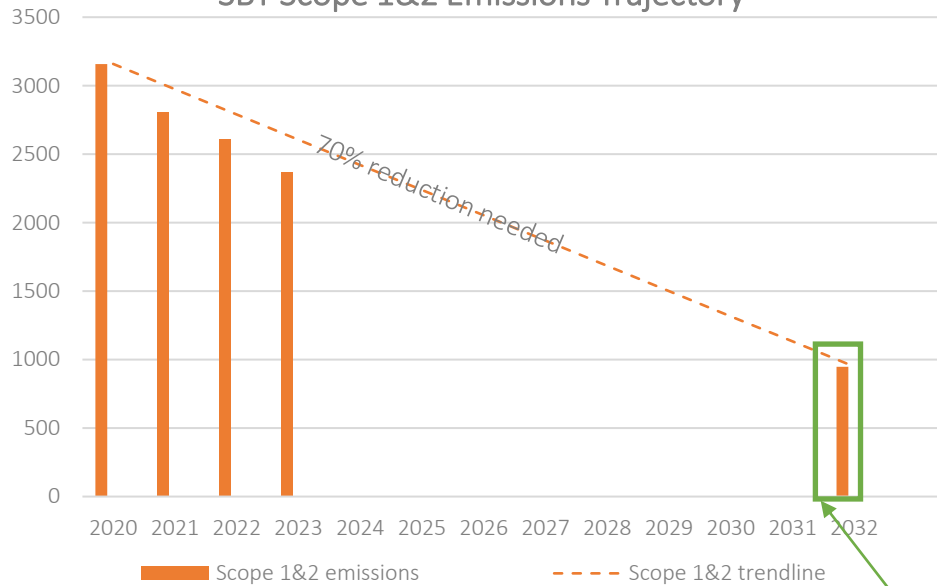
- To install solar on all roofs where structurally possible by 2028

- Our Science-Based Targets are fully verified. These are as follows:
  - Big Yellow commits to reduce absolute **Scope 1 and 2** GHG emissions **70%** by **FYE2032** from a FY2019-20 base year
  - Big Yellow also commits to reduce **Scope 3** GHG emissions from purchased goods and services, capital goods, and fuel and energy related activities **61.1% per square foot** by **FYE2032** from a FY2019-20 base year
- We continue to work within the business and with our supply chain to drive our emissions down. We have had our Scope 3 footprint calculated by a third party for FYE23. From 2023-24 we intend to report annual progress against these above targets in our annual ESG report
  - This year's progress can be seen on the next slide

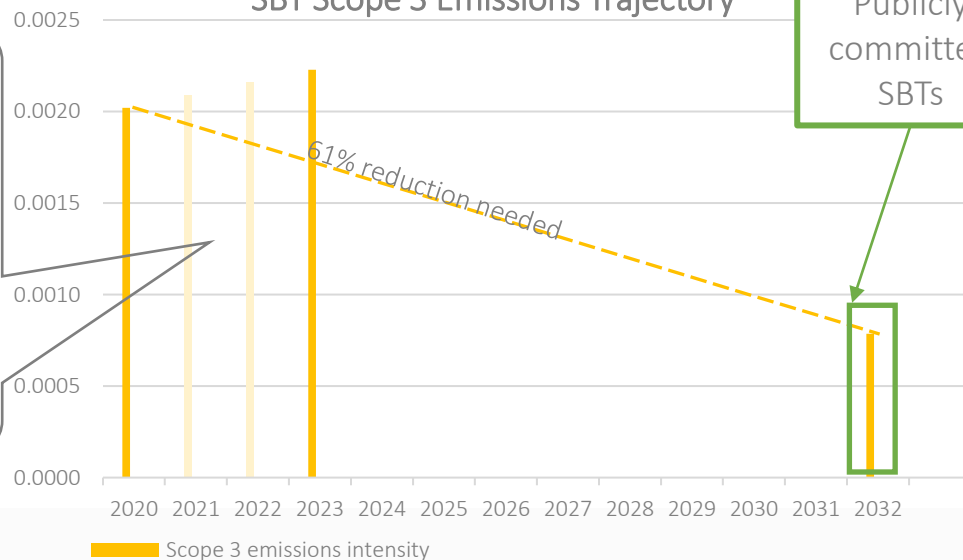


# SBT Trajectories And Actions

### SBT Scope 1&2 Emissions Trajectory



### SBT Scope 3 Emissions Trajectory



- **Scope 1&2** are ahead of tracking for our 2032 mid-term target. We will continue to remove gas from the estate and install solar to reduce our reliance on grid bought power
  - Zero market-based carbon emissions – due to 100% REGO-backed renewable electricity (Scope 2) contract
- **Scope 3** has increased since 2020 for 3 main reasons:
  - More stores were constructed in 2023 vs 2020 which created an increase in materials and spend.
  - Facilities spend has seen a large increase due to the solar programme
  - Methodology has been changed between the baseline year and FY23. This is due to better quality data and more accurate methods of calculating
- **Scope 3** planned changes and improvements to reduce emissions:
  - More granular data from suppliers
  - The embodied carbon of our construction
  - Better data on employees’ business travel and commuting



- Several successful work placements through our charity partners and local colleges:
  - A young man with Down's syndrome has been working at our Cardiff store since July 2022
  - A female refugee working at our Tolworth store extended her placement to work in our Finance department at Bagshot after we established that this was the sector she wants to be employed in
  - A young man referred by Street League successfully completed a 12 week placement in our Edinburgh store
- Our staff continue to support the Big Yellow Foundation and our charity partners through volunteering, attending workshops & events and fundraising
- Our customer donations for the first half of the year were £67,000 which Big Yellow match, making the total amount donated to the Foundation £134,000 so far this year
- £105,000 was paid out in grants to our seven charity partners. Total grants since formation of Foundation in 2018 of £867,000
- So far this year we have donated free space to 203 charities which equates to £302,000 of avoided costs for those charities. This equates to 19,295 sq ft of free storage space



## BENCHMARKS AND STANDARDS

### CDP (Carbon Disclosure Project)

- Big Yellow participated since 2012
- Achieved **B** in 2022. 2023 results due Q4

### GRESB (Global Real Estate Sustainability Benchmark)

- Big Yellow participated since 2014
- Big Yellow awarded a '5/5 Green Stars', 89 points in 2023

### FTSE4Good

- Big Yellow participated since at least 2009
- Consistently included in the Index and our 2023 score was **3**

### MSCI Rating of A

### ISS Rating of C with Prime Status

### EPRA sBPR (European Public Real Estate Sustainability Best Practice Reporting)

- Big Yellow participated since 2012
- Achieved our second **GOLD Level** recognition in 2023

## CAMPAIGNS

- Official supporter of the **TCFD** (Task Force on Climate-related Financial Disclosures) since September 2021
- Official supporter of the **Race to Zero** campaign via the **Business Ambition for 1.5°C** since August 2021

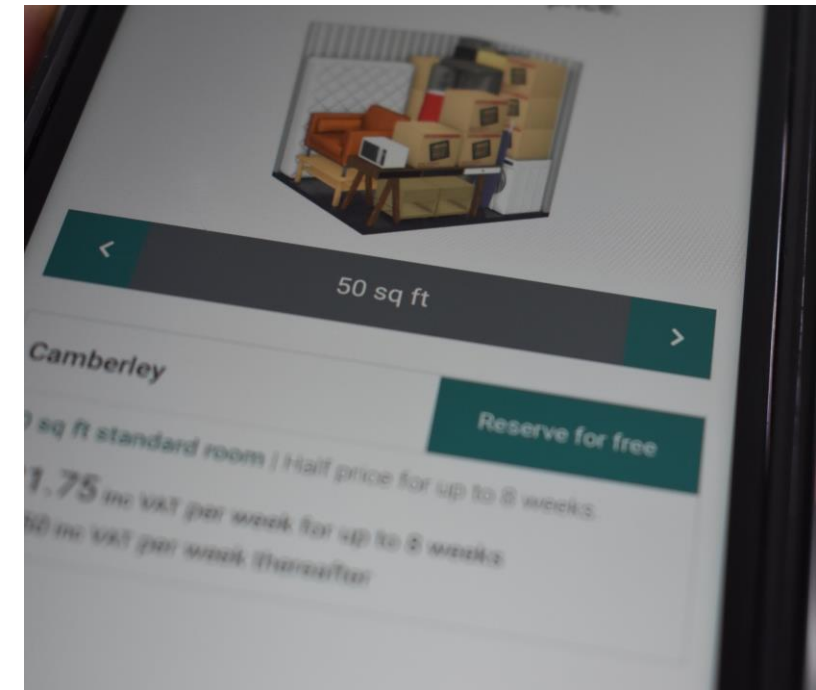


- Science-Based Targets now fully verified by the SBTi



# Marketing And Sales Update

- Big Yellow has market-leading brand awareness – five times higher than the next nearest competitor
- Continued investment in digital to drive prospect growth – key to our success with over 90% of prospects online, 66% of visits from mobile devices
- Reducing cost of acquisition of prospects and customers through direct web traffic, organic search and partnership activity, plus ongoing paid search efficiencies and a spotlight on website conversion
- Focus on market-leading digital user experience for quote, reserve and onboarding via Check-in Online
- Good awareness of self storage increasing from 45% in 2014 to 56% in 2023 across the UK (source: Big Yellow Commissioned YouGov Survey April 2023)
- ACORN analysis of customer base shows 71% of customers are in Affluent Achievers, Rising Prosperity and Comfortable Communities, with our largest group being Rising Prosperity



# The Importance Of The Brand

- Self storage is a consumer facing business for both domestic and small business markets
- Done right, brand sits at the heart of a business and drives its performance
- Self storage is an immature market with 70% first time users - the interaction at the prospect stage through all brand communications is therefore more critical
- Location is important as are all other touchpoints: digital platform, written, visual and verbal communication, consistency of product and service
- An unknown new operator can achieve a certain level of operational performance as can a gym or hotel, but to drive higher performance with occupancy levels to 90% plus and sustainable rental growth, requires a strong brand to drive more market share online and more enquiries
- The brand experience leads to an emotive response from customers. It builds trust, aids conversion, encourages repeat use and recommendation to others
- 38 of the top 100 search terms driving traffic to self storage operator websites feature brands (April 2023 to September 2023 desktop searches only)
- 21% of these branded terms are Big Yellow Storage or Armadillo variations (April 2023 to September 2023 desktop searches only)
- Armadillo sits on the Big Yellow digital platforms and benefits from its brand awareness

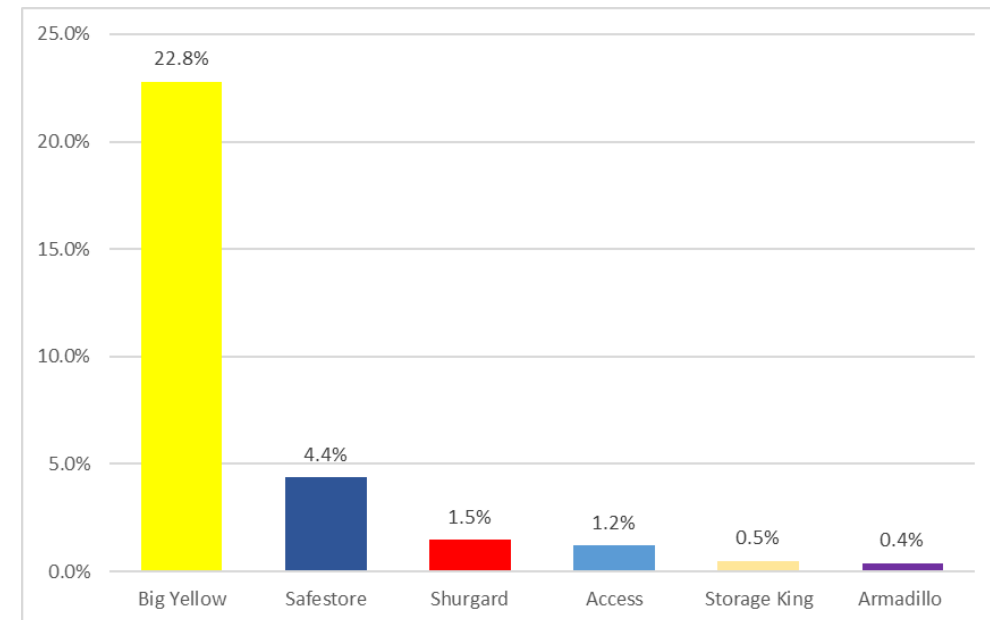




# Research Of Brand And Market Awareness

- YouGov commissioned survey by the UK Self Storage Association in January 2023
- Measures unprompted brand awareness
- 2,102 adults sample
- Statistically selected and weighted sample that represents a sample of the demographics of the adult UK population
- Big Yellow has the highest unprompted brand awareness, five times greater than the next operator
- Our high brand awareness is driven 24/7 by our highly visible, prominent stores
- Armadillo sits on Big Yellow digital platform and leverages its brand

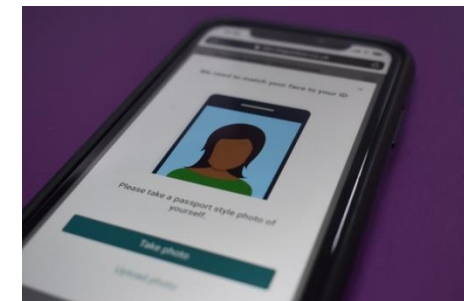
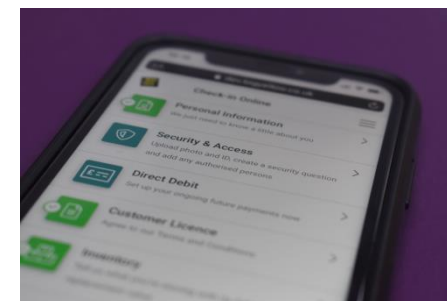
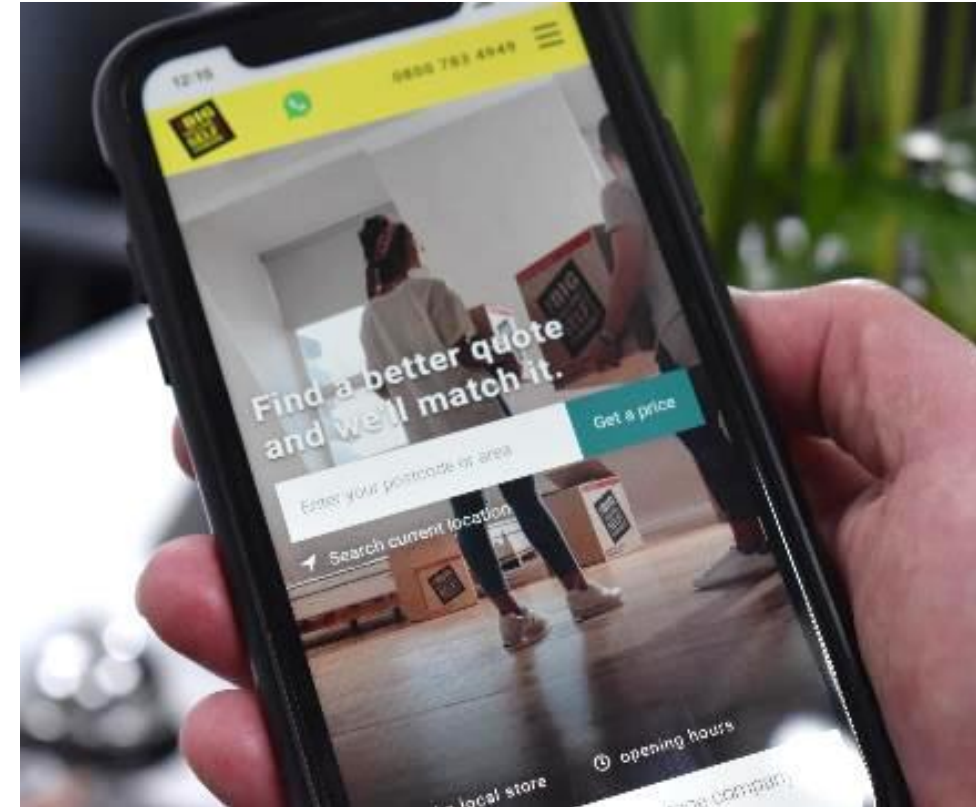
UNPROMPTED BRAND AWARENESS



Britain's  
favourite  
self storage  
company

# High Brand Awareness = High Online Market Share

- Over 90% of our prospects come from our digital platforms. 66% of web visits are from smartphones, 32% from desktop and laptop use with the remaining 2% of web visits from tablets (April 2023 to September 2023)
- A significant proportion of these web visits come from people searching for our brand
  - Lower cost of acquisition
  - More likely to convert
- High brand awareness leads to more clicks and web visits when people search for generic terms e.g. “self storage” and recognise the Big Yellow URL
- Check-in Online is used by over 90% of new customers



# Customer Insights

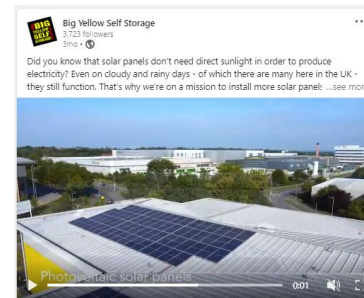
- Wide-ranging demographic and domestic customer base; extended families, couples, singles, renters, students, downsizers, space constrained home dwellers
- Over 70% of our customers are in the top 3 ACORN categories; Affluent Achievers, Rising Prosperity and Comfortable Communities
- Big Yellow customers over-represented against the UK population base in these predominantly city based ACORN sub groups; City Sophisticates, Career Climbers, Student Life and Lavish Lifestyles
- Big Yellow customers are 69% more likely to live in apartments than the population base
- Dominant social grade is AB
- 63% of our domestic customers are aged 26-54
- 55.5% male, 43.8% female, 0.7% other (SSA Customer Survey 2023)
- Business demand; SMEs, online sellers, retailers, importers/exporters, sales reps, National Customers etc.





# Social Media, PR And Display

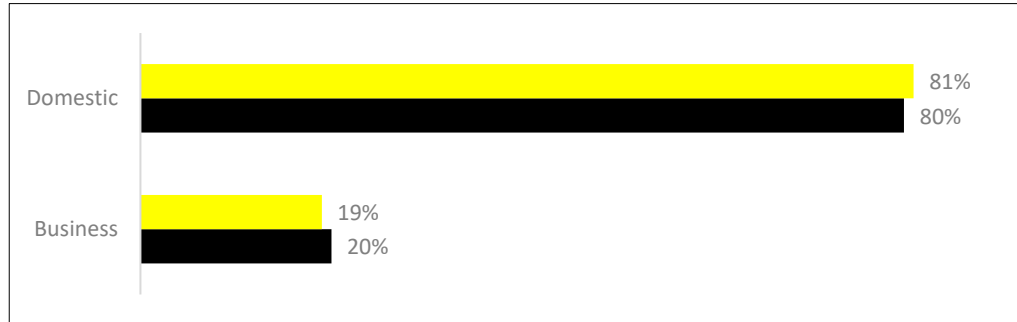
- Targeted YouTube advertising to domestic and business audiences in need of self storage
- ESG focussed social media content on Twitter, Instagram and Facebook
- LinkedIn spotlights our company culture, employee development, recruitment, ESG initiatives and the Big Yellow Foundation



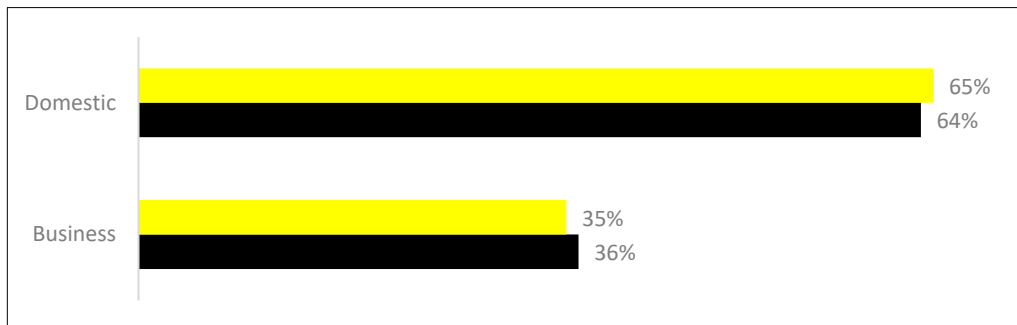


# Reasons For Using Self Storage

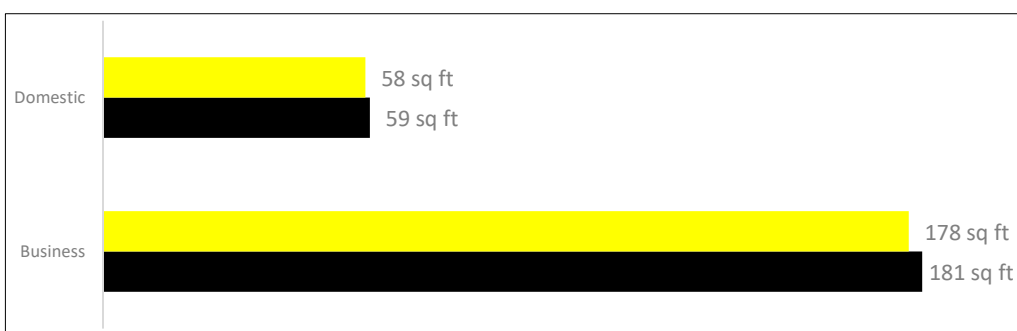
% of customer numbers by type



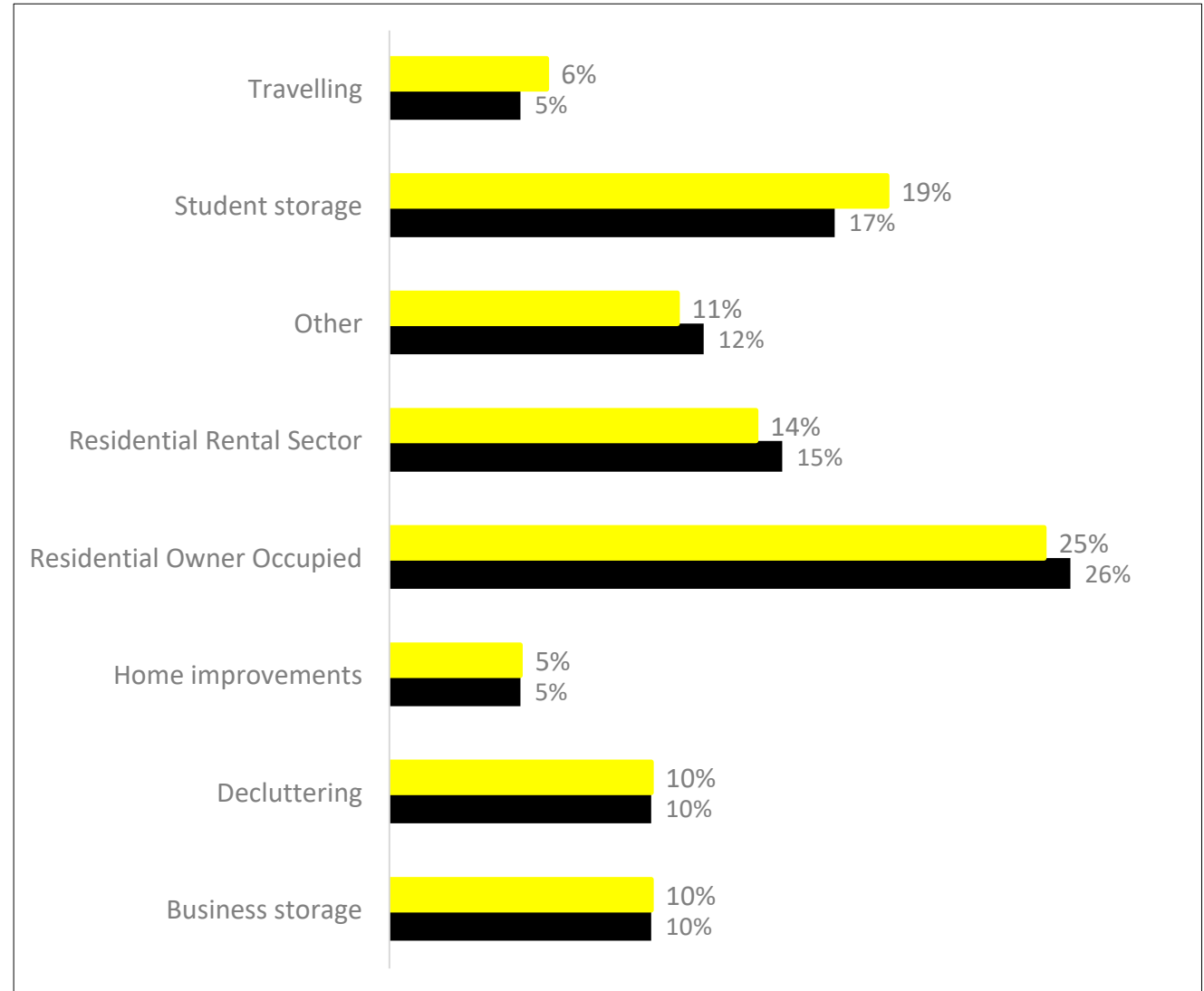
% of store space occupied by customer type



Average space occupied by customer type



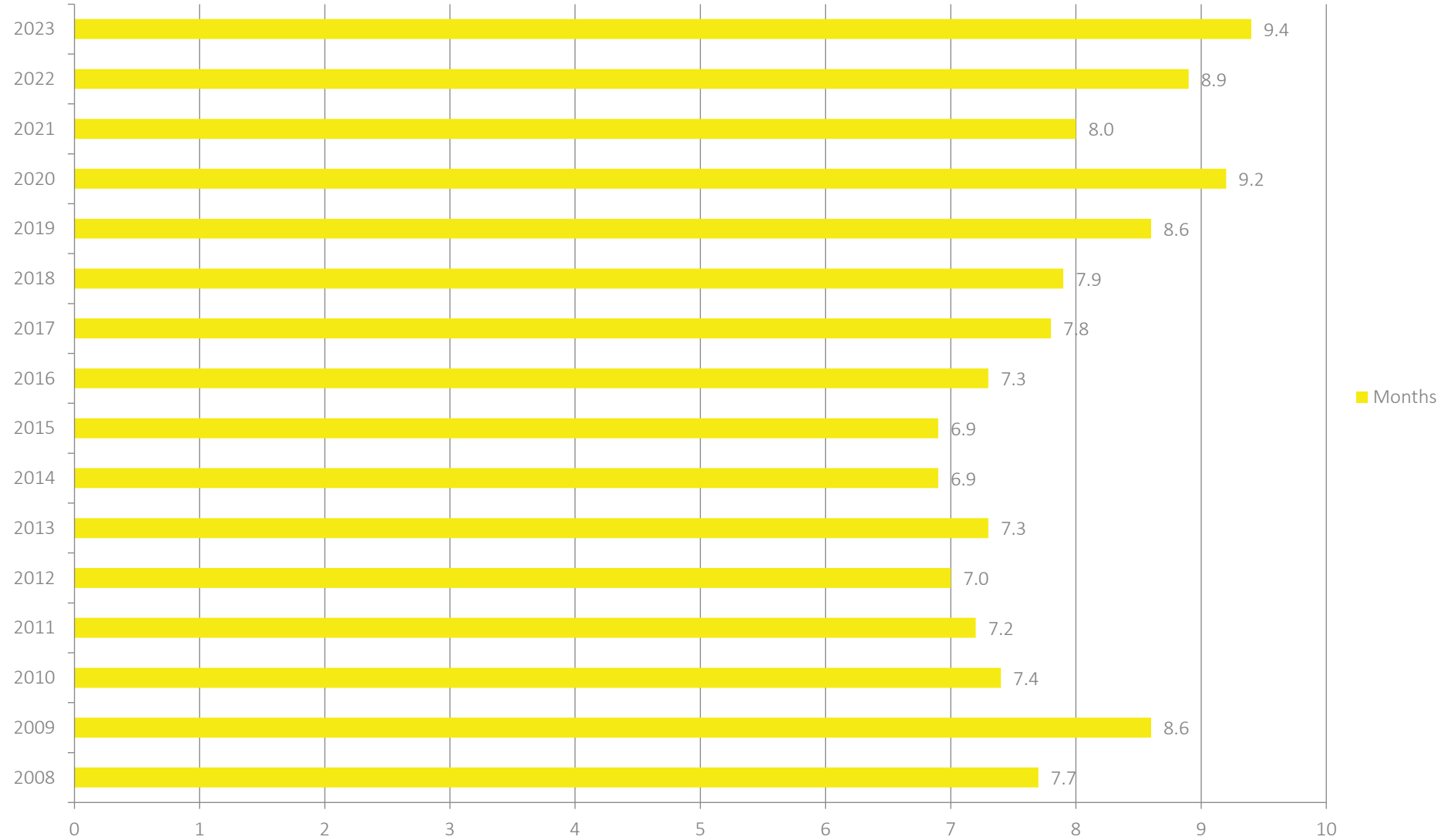
Reasons people used our storage who moved-in during the six months





- Businesses can store at multiple locations nationwide through one dedicated point of contact
- Our extended network of third party providers enables customers to have a single self storage supplier relationship
- We provide a range of business services. These include accepting deliveries so customers need not be on site
- Revenue from National Customers was up 11% compared to same period last year

# Length Of Stay Of Customers Vacating In Rolling 12 Months to 30 September



# Customer Average Length Of Stay

BIG YELLOW GROUP  
HALF YEAR RESULTS



AS AT  
30/09/2023

|              |          | NUMBER OF MONTHS |          |               |           |            | ALL STORES<br>30/09/2022 |
|--------------|----------|------------------|----------|---------------|-----------|------------|--------------------------|
|              |          | 0-3 YEARS        | >3 YEARS | BIG<br>YELLOW | ARMADILLO | ALL STORES |                          |
| N° of Stores |          | 10               | 75       | 84            | 24        | 109        | 108                      |
| Business     | Existing | 10.8             | 37.8     | 35.8          | 39.7      | 36.1       | 34.0                     |
|              | Vacated  | 4.8              | 12.3     | 12.2          | 15.3      | 12.5       | 12.2                     |
|              | Total    | 7.1              | 14.3     | 14.2          | 17.5      | 14.6       | 14.4                     |
| Domestic     | Existing | 8.1              | 30.7     | 29.2          | 26.2      | 28.8       | 27.0                     |
|              | Vacated  | 3.8              | 7.5      | 7.4           | 7.0       | 7.4        | 6.9                      |
|              | Total    | 5.0              | 8.6      | 8.5           | 8.0       | 8.4        | 7.8                      |
| All          | Existing | 8.4              | 31.2     | 30.4          | 28.1      | 29.5       | 28.5                     |
|              | Vacated  | 3.8              | 7.6      | 8.0           | 7.5       | 7.6        | 7.5                      |
|              | Total    | 5.0              | 8.8      | 9.2           | 8.6       | 8.8        | 8.6                      |



# Self Storage Market

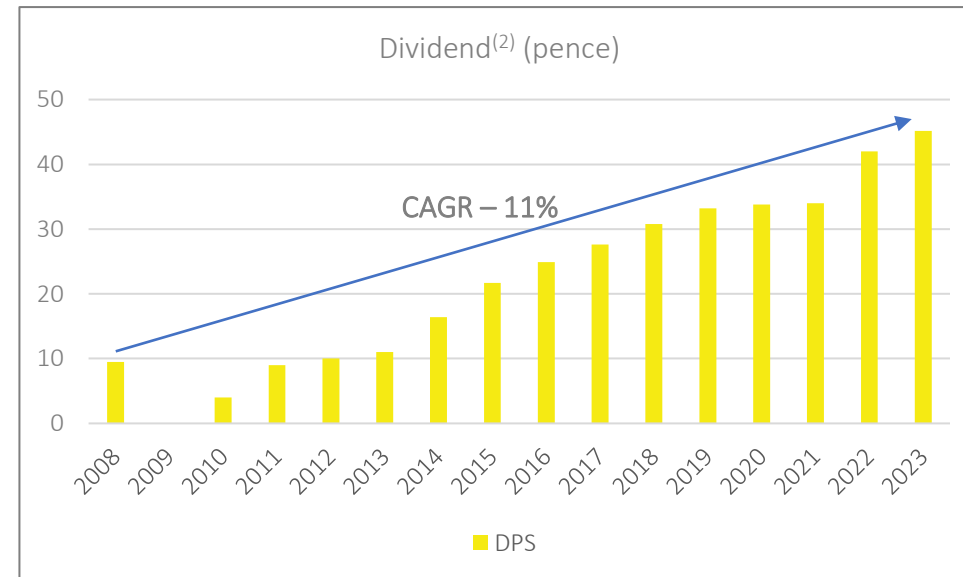
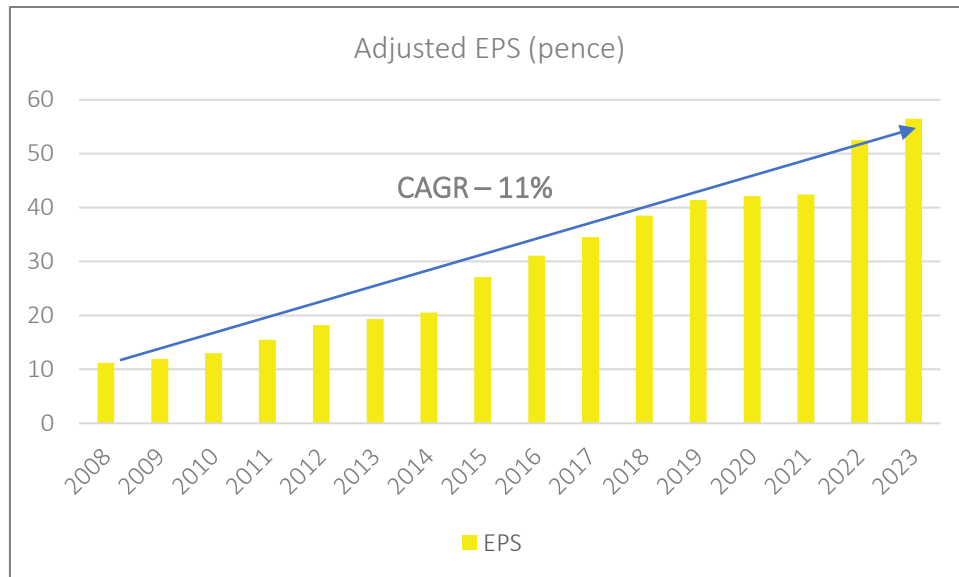
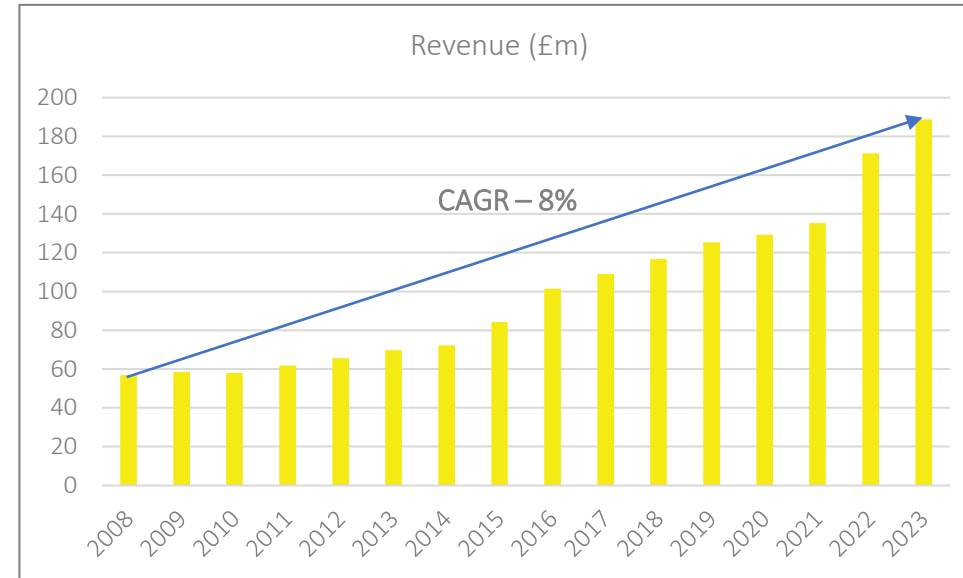
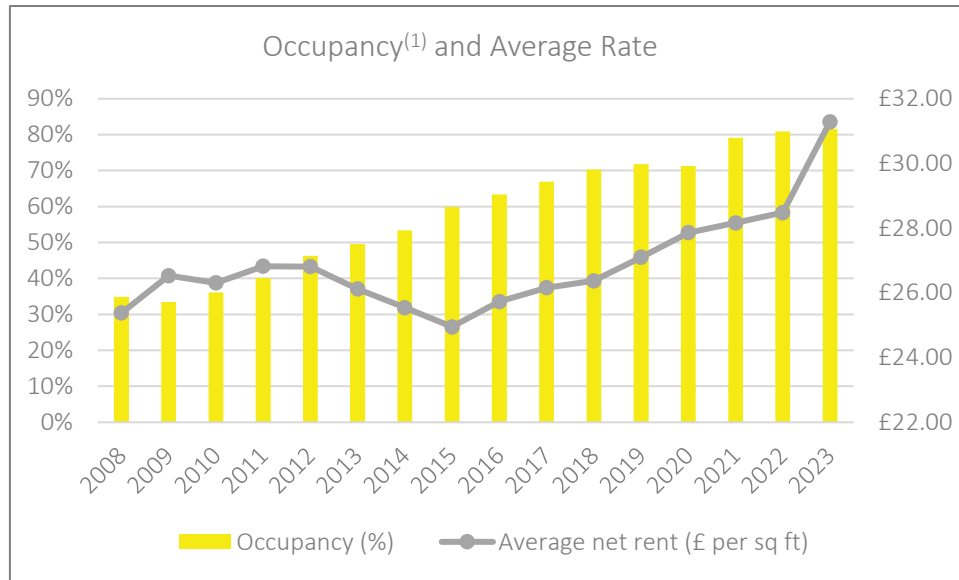
## Key Influencers

- Growing public awareness
- Change in economic activity and GDP growth
- Population mobility and investment in existing homes
- Physical planning and constraints, smaller homes
- Focus on high density development on brownfield sites
- Housing demand, divorce, single parent families, single living
- Business formation/expansion/e-tailing requiring flexible, convenient space

| MARKET              | SOURCE   | POPULATION    | SELF STORAGE CENTRES | SQ.FT TOTAL  | SQ.FT PER PERSON |
|---------------------|--|---------------|----------------------|--------------|------------------|
| US                  | (2020 SSA/Cushman & Wakefield Report)                          | 328.2 million | 55,000               | 3.1 billion  | 9.4              |
| Australia           | (2021 Australasian Self Storage Association Industry Snapshot) | 25.4 million  | 1,570                | 53.3 million | 2.1              |
| UK                  | (2023 SSA/Cushman & Wakefield Report)                          | 67.7 million  | 2,231*               | 55.5 million | 0.82             |
| Europe Excluding UK | (2023 Fedessa/CBRE Report)                                     | 432.2 million | 4,649                | 94.1 million | 0.22             |

\* Including 739 purely container operations

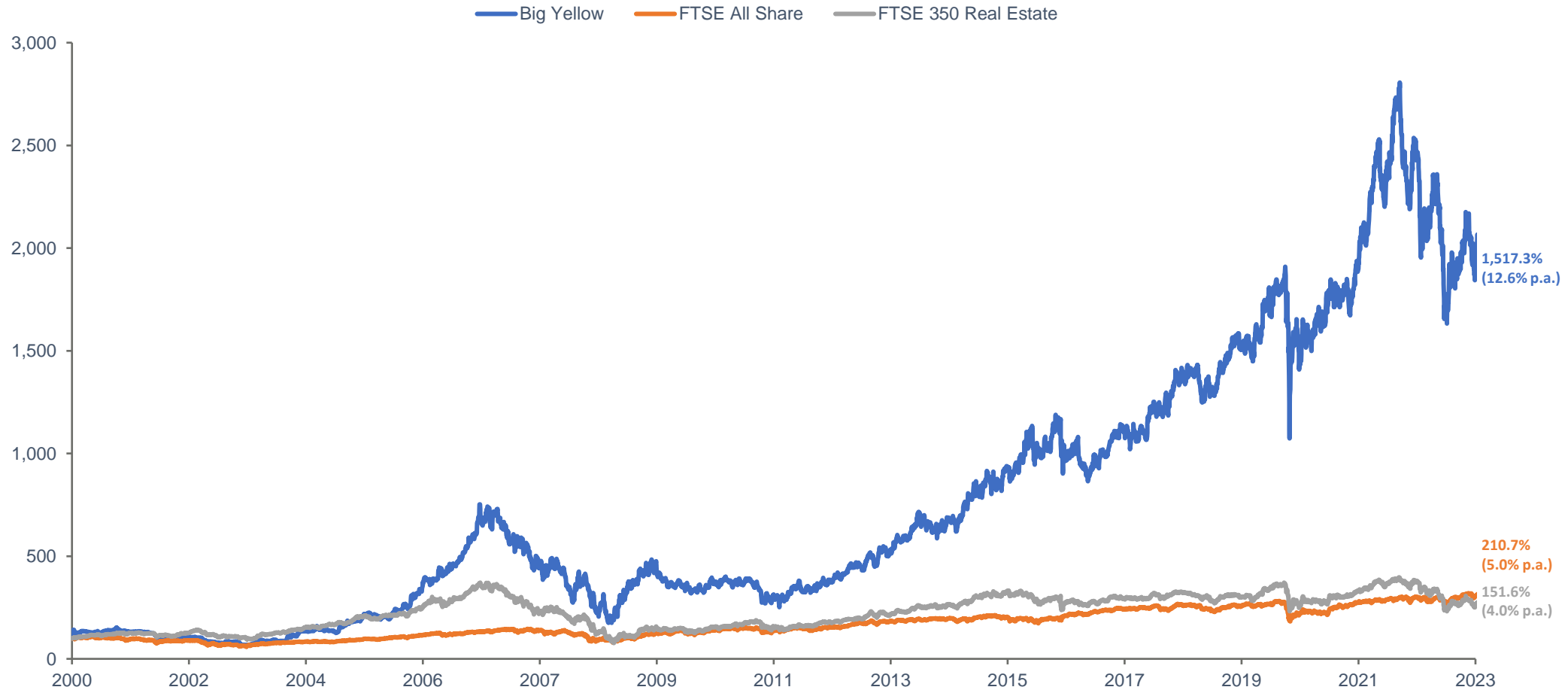
# Track Record Since 2007-8



(1) Occupancy % calculated using current MLA

(2) Dividend suspended for 18 months in 2008/9

# Big Yellow Relative TSR Performance



Source: Datastream as at 29 September 2023



**Kings Cross, June 2023**  
MLA - 103,000 sq ft



**Harrow, September 2022**  
MLA - 82,000 sq ft



**Kingston North, September 2022**  
MLA - 56,000 sq ft



**Aberdeen, June 2022**  
MLA - 54,000 sq ft



**Hove, March 2022**  
MLA - 58,000 sq ft



**Hayes, January 2022**  
MLA - 73,000 sq ft



**Uxbridge, June 2021**  
MLA - 54,000 sq ft



**Battersea, November 2020**  
MLA - 70,000 sq ft



**Bracknell, September 2020**  
MLA - 59,000 sq ft



**Camberwell, July 2020**  
MLA - 75,000 sq ft



**Manchester, May 2019**  
MLA - 60,000 sq ft



**Wapping, July 2018**  
MLA - 26,000 sq ft



**Guildford Central, March 2018**  
MLA - 55,000 sq ft





**Twickenham 2, April 2016**  
MLA - 22,000 sq ft



**Nine Elms, April 2016**  
MLA - 65,000 sq ft



**Cambridge, January 2016**  
MLA - 60,000 sq ft



**Enfield, April 2015**  
MLA - 60,000 sq ft



**Chester, February 2015**  
MLA - 69,000 sq ft



**Oxford 2, July 2014**  
MLA - 35,000 sq ft



**Gypsy Corner, April 2014**  
MLA - 70,000 sq ft



**Chiswick, April 2012**  
MLA - 73,000 sq ft



**New Cross, February 2012**  
MLA - 61,000 sq ft



**Stockport, September 2011**  
MLA - 65,000 sq ft



**Eltham, April 2011**  
MLA - 70,000 sq ft



**Camberley, January 2011**  
MLA - 67,000 sq ft



**High Wycombe, June 2010**  
MLA - 60,000 sq ft



**Reading, December 2009**  
MLA - 62,000 sq ft



**Sheffield Bramall Lane, September 2009**  
MLA - 60,000 sq ft



**Poole, August 2009**  
MLA - 55,000 sq ft



**Nottingham, August 2009**  
MLA - 67,000 sq ft



**Edinburgh, July 2009**  
MLA - 63,000 sq ft



**Twickenham, May 2009**  
MLA - 73,000 sq ft



**Liverpool, March 2009**  
MLA - 60,000 sq ft



**Bromley, March 2009**  
MLA - 71,000 sq ft



**Birmingham, February 2009**  
MLA - 60,000 sq ft



**Sheen, December 2008**  
MLA - 64,000 sq ft



**Sheffield Hillsborough, October 2008**  
MLA - 60,000 sq ft





**Kennington, May 2008**  
MLA - 66,000 sq ft



**Merton, March 2008**  
MLA - 70,000 sq ft



**Fulham, March 2008**  
MLA - 138,000 sq ft



**Balham, March 2008**  
MLA - 61,000 sq ft



**Barking, November 2007**  
MLA - 64,000 sq ft



**Ealing Southall, November 2007**  
MLA - 57,000 sq ft



**Sutton, July 2007**  
MLA - 70,000 sq ft



**Gloucester, December 2006**  
MLA - 50,000 sq ft



**Edmonton, October 2006**  
MLA - 75,000 sq ft



**Kingston, August 2006**  
MLA - 62,000 sq ft



**Bristol Ashton Gate, July 2006**  
MLA - 61,000 sq ft



**Finchley East, May 2006**  
MLA - 54,000 sq ft



**Tunbridge Wells, April 2006**  
MLA - 57,000 sq ft



**Bristol Central, March 2006**  
MLA - 64,000 sq ft



**North Kensington, December 2005**  
MLA - 50,000 sq ft



**Leeds, July 2005**  
MLA - 76,000 sq ft



**Beckenham, May 2005**  
MLA - 71,000 sq ft



**Tolworth, November 2004**  
MLA - 56,000 sq ft



**Watford, August 2004**  
MLA - 64,000 sq ft



**Swindon, April 2004**  
MLA - 53,000 sq ft



**Orpington, December 2003**  
MLA - 64,000 sq ft



**Byfleet, November 2003**  
MLA - 48,000 sq ft



**Chelmsford, April 2003**  
MLA - 54,000 sq ft



**Finchley North, March 2003**  
MLA - 62,000 sq ft





**West Norwood, January 2003**  
MLA - 57,000 sq ft



**Colchester, December 2002**  
MLA - 54,000 sq ft



**Bow, November 2002**  
MLA - 132,000 sq ft



**Brighton, October 2002**  
MLA - 59,000 sq ft



**Guildford Slyfield, June 2002**  
MLA - 55,000 sq ft



**New Malden, May 2002**  
MLA - 81,000 sq ft



**Hounslow, December 2001**  
MLA - 54,000 sq ft



**Ilford, November 2001**  
MLA - 58,000 sq ft



**Cardiff, October 2001**  
MLA - 74,000 sq ft



**Portsmouth, October 2001**  
MLA - 61,000 sq ft



**Norwich, September 2001**  
MLA - 47,000 sq ft



**Dagenham, July 2001**  
MLA - 51,000 sq ft



**Wandsworth, April 2001**  
MLA - 72,000 sq ft



**Luton, March 2001**  
MLA - 41,000 sq ft



**Southend, March 2001**  
MLA - 57,000 sq ft



**Staples Corner, March 2001**  
MLA - 112,000 sq ft



**Romford, November 2000**  
MLA - 70,000 sq ft



**Milton Keynes, September 2000**  
MLA - 60,000 sq ft



**Cheltenham, April 2000**  
MLA - 50,000 sq ft



**Slough, February 2000**  
MLA - 67,000 sq ft



**Hanger Lane, October 1999**  
MLA - 66,000 sq ft



**Oxford, August 1999**  
MLA - 33,000 sq ft



**Croydon, July 1999**  
MLA - 79,000 sq ft



**Richmond, May 1999**  
MLA - 35,000 sq ft





**Canterbury**  
MLA - 35,000 sq ft



**Daventry**  
MLA - 26,000 sq ft



**Derby**  
MLA - 45,000 sq ft



**Dundee**  
MLA - 39,000 sq ft



**Exeter**  
MLA - 33,000 sq ft



**Gateshead**  
MLA - 46,000 sq ft



**Grimsby**  
MLA - 40,000 sq ft



**Hull**  
MLA - 32,000 sq ft



**Liverpool Aintree**  
MLA - 49,000 sq ft



**Liverpool Bootle**  
MLA - 35,000 sq ft



**Liverpool South**  
MLA - 50,000 sq ft



**Macclesfield**  
MLA - 63,000 sq ft



**Morecambe**  
MLA - 50,000 sq ft



**Newcastle**  
MLA - 56,000 sq ft



**Peterborough**  
MLA - 50,000 sq ft



**Plymouth**  
MLA - 26,000 sq ft



**Sheffield Parkway**  
MLA - 48,000 sq ft



**Sheffield West Bar**  
MLA - 29,000 sq ft



**Stockton Central**  
MLA - 43,000 sq ft



**Stockton South**  
MLA - 25,000 sq ft



**Stoke**  
MLA - 38,000 sq ft



**Torquay**  
MLA - 32,000 sq ft



**Warrington**  
MLA - 57,000 sq ft



**West Molesey**  
MLA - 36,000 sq ft



This presentation contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking in nature and are subject to risks and uncertainties. Actual future results may differ materially from those expressed in or implied by these statements.

Many of these risks and uncertainties relate to factors that are beyond Big Yellow's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic technological trends or conditions, including inflation and consumer confidence, on a global, regional or national basis.

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