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FINANCIAL HIGHLIGHTS

	Second quarter ended 30 September 2003	First quarter ended 30 June 2003		6 months ended 30 September 2003	6 months ended 30 September 2002	
Annualised Revenue	£24.8m	£22.0m	+13%	£24.8m	£16.4m	+51%
Turnover	£6.0m	£5.0m	+20%	£11.0m	£7.1m	+55%
EBDAT*	£1.5m	£0.5m		£2.0m	£0.3m	
Profit/(loss) before tax	£0.49m	(£0.35m)		£0.14m	(£0.98m)	
Earnings/(loss) per share				0.06p	(0.57p)	
Number of customers	18,600	16,600	+12%	18,600	11,500	+62%
Occupied space	1,129,000 sq ft	1,005,000 sq ft	+12%	1,129,000 sq ft	753,000 sq ft	+50%

* Earnings before depreciation, amortisation, exceptional items and tax. See note 6

KEY FACTS FROM 2003

- Group pleased to report a maiden pre-tax profit of **£0.14 million** for the half year and **£0.49 million** for the second quarter
- 35 stores committed, of which 28 are trading, providing **2.1 million sq ft** when completed
- Acquired **four freehold** stores in North Kensington, Byfleet, Tolworth and Beckenham in the period to date
- 0.25 million sq ft leased up in the period; total occupied space now **1.13 million sq ft**
- Number of customers up **62%** to 18,600 (2002: 11,500)
- Like for like annualised sales for 26 stores open throughout the period up **29%** as at September compared to March
- Like for like annualised sales for 13 stores open for more than two years throughout the period up **12%** as at September compared to March
- Merchandise, insurance and other sales represented **15.3%** of storage income (2002: 14.7%)

TRADING SUMMARY

01

Years since opening as at 1 April 2003	Greater than 2 years		Between 1 and 2 years		Less than 1 year		Total
Number of stores	13		8		6		27
As at 30 September 2003							
Total capacity (sq ft)*	744,000		484,000		467,000		1,695,000
Occupied space (sq ft)	635,000		325,000		169,000		1,129,000
Percentage occupied	85%		67%		36%		67%
	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold	Total
Number of stores	7	6	5	3	5	1	27
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Annualised revenue	7,018	7,093	4,190	2,608	3,598	322	24,829
For the period:							
Self storage sales*	2,838	3,061	1,549	920	1,047	69	9,484
Other income**	407	389	252	154	226	19	1,447
Bulk storage sales	-	-	-	-	26	-	26
Total turnover	3,245	3,450	1,801	1,074	1,299	88	10,957
Direct store operating costs (excluding depreciation)	(1,198)	(1,865)	(825)	(918)	(949)	(204)	(5,959)
Store EBITDA†	2,047	1,585	976	156	350	(116)	4,998
Store depreciation	(413)	(362)	(304)	(216)	(376)	(28)	(1,699)
Store EBIT‡	1,634	1,223	672	(60)	(26)	(144)	3,299
Administrative expenses							(1,691)
Operating profit							1,608
Net interest							(1,465)
Profit before tax							143

* Includes shortlet offices with total capacity of 37,000 sq ft

** Merchandise, insurance and other storage related fees

† Earnings before interest, tax, depreciation and amortisation

‡ Earnings before interest and tax

CHAIRMAN'S STATEMENT

“THE BOARD OF BIG YELLOW GROUP PLC IS PLEASED TO ANNOUNCE RESULTS FOR THE SIX MONTHS AND FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2003. FOLLOWING A ROBUST TRADING PERFORMANCE OVER THE SUMMER MONTHS WE ARE DELIGHTED TO REPORT THE GROUP'S MAIDEN PRE-TAX PROFIT FOR THE HALF YEAR.”

FINANCIAL REVIEW

The Group made a pre-tax profit of £0.14 million in the half year (2002: £0.98 million loss) aided by a significant rise in pre-tax profitability of £0.49 million in the last quarter. The earnings per share for the period was 0.06p (2002: 0.57p loss per share).

Turnover for the period was £11.0 million (2002: £7.1 million), a 55% increase on the comparable period last year.

Merchandise, insurance and other sales represented 15.3% (2002: 14.7%) of total storage income during the period.

As at 30 September 2003, underlying revenues calculated on an annualised basis rose to £24.8 million, up 51% (2002: £16.4 million).

In the second quarter to 30 September 2003, annualised revenue rose by 13 % or £2.8 million from the £22.0 million reported at 30 June 2003 and turnover for the same period rose by 20 % to £6.0 million (Q1 2003: £5.0 million).

On a like for like basis, annualised revenue from the 26 stores open throughout the period was 29% higher as at 30 September 2003 when compared to 31 March 2003. Within this, the 13 stores open for more than two years as at 1 April 2003 achieved annualised revenue growth of 12% over the six month period.

The Group's cashflows continue to build as reflected by the increase in EBDAT (see note 6) for the six month period to £2.0 million from £0.3 million for the same period in 2002. In addition, EBDAT for the last quarter was £1.5 million.

Total administrative expenses were £1.69 million for the period; down from £1.82 million for the equivalent period last year. The reduction arises principally from the core overhead savings following the closure of the French operation last year, offset primarily by increased staffing costs in relation to national insurance, pensions, improved bonus payments and annual increases.

DIVIDEND

As reported in May the Group intends to have a progressive dividend policy reflecting growth in operating cashflow surpluses with payment of a final dividend only. No interim dividend is therefore proposed.

STORE TRADING PERFORMANCE

We are pleased to report that 28 stores are now trading, Byfleet having opened after the period end, providing a total capacity of 1.7 million sq ft. 24 of the stores are now trading profitably at the pre-tax level and 26 have positive operating cash flow.

In the six months to 30 September 2003 occupancy increased by 0.25 million sq ft to 1.13 million sq ft out of a total capacity of 1.7 million sq ft for all stores open at the period end. Furthermore, the 13 stores open for more than two years at the beginning of the period were on average 85% occupied at 30 September 2003.

Our customer base continues to grow and at 30 September we had 18,600 customers, compared with 13,800 at 31 March 2003 (September 2002: 11,500 customers).

We have included a table summarising the trading performance of all our stores over the six month period, analysed between stores open more than two years; between one and two years; and less than a year, at the beginning of the period. Our intention is to continue to show the trading results as the maturity profile of the portfolio improves over time. The 13 stores open for more than two years made trading profits before interest, tax, depreciation and amortisation ("EBITDA") of £3.6 million in the six month period on turnover of £6.7 million, a margin of 54%, comprising an average EBITDA margin for freeholds of 63% and leaseholds 46%.

We remain focused on maintaining our competitive edge and on improving efficiencies at our stores. To assist this, we are currently rolling out a self storage "off the shelf" centralised operating system. The process will be complete before the financial year end and will enable us to improve efficiencies and controls in all our stores and head office.

SHARE BUY BACKS

In April 2003 we obtained authority from shareholders to purchase 14.99% of the issued ordinary share capital of the Company. On 23 October, the Group purchased 150,000 shares at 83p. The Group will only deploy cash for the purchase of shares where it will not compromise its ability to expand the portfolio, whilst remaining relatively conservatively financed, and where it considers that a purchase will be earnings and net asset per share enhancing.

STRATEGY

In May we announced we were taking a more ambitious but measured approach to expansion as a consequence of resilient store performance over the winter period. Although acquiring roadside property for development into self storage remains difficult in our target areas of London and the South, nevertheless we have acquired four freehold stores since the beginning of the period in North Kensington, Byfleet, Tolworth and Beckenham. This takes the total number of stores open, or under development to 35 which, when fully developed, will provide 2.1 million sq ft.

In line with our improving cashflows the Group has secured additional bank facilities of £24 million taking total bank facilities to £78 million. Net debt at the end of September was £55million giving cash and undrawn facilities to fund expansion of £23 million. £43 million of our bank debt is fixed at maturities expiring in 2007 and 2008 at an average cost of 6.4% including margin with the balance at lower variable rates.

Improving cashflow surpluses will increasingly allow us to part finance our expansion internally. Access to debt finance is significantly aided by both this growth in operating cashflows and the freehold ownership of 25 of our stores and sites respectively, representing 71% of the portfolio.

OUTLOOK

Big Yellow's visibility as a recognisable consumer brand has, we believe, increased significantly in the last year driven by the increasing size of our store network and sustained marketing, particularly in the London area with our first ever TV campaign.

We believe this has led to increased awareness and growth in the self storage market as a whole and that the quality of our stores and commitment of our highly motivated people has resulted in Big Yellow capturing a larger share of this new pool of customers.

The achievement of our maiden pre-tax profit is a considerable milestone in the Group's evolution, all achieved through organic growth. We now look forward to building on our brand and industry leadership, increasing our store portfolio and most importantly delivering sustainable profit growth in the future.

David White

David White
Chairman
5 November 2003

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Six months ended 30 September 2003

	Note	Six months ended 30 September 2003 (Unaudited) £'000	Six months ended 30 September 2002 (Unaudited)			Year ended 31 March 2003 (Audited)		
			Continuing operations £'000	Discontinued French operations £'000	Total £'000	Continuing operations £'000	Discontinued French operations £'000	Total £'000
TURNOVER	2	10,957	7,098	–	7,098	15,579	–	15,579
Cost of sales		(7,658)	(5,513)	–	(5,513)	(12,397)	–	(12,397)
GROSS PROFIT		3,299	1,585	–	1,585	3,182	–	3,182
Administrative expenses		(1,691)	(1,475)	(347)	(1,822)	(2,956)	(484)	(3,440)
Exceptional item	3	–	(191)	–	(191)	(191)	–	(191)
Total administrative expenses		(1,691)	(1,666)	(347)	(2,013)	(3,147)	(484)	(3,631)
OPERATING PROFIT/(LOSS)		1,608	(81)	(347)	(428)	35	(484)	(449)
Loss on termination of French operation		–	–	–	–	–	(270)	(270)
Interest receivable and similar income		75	428	3	431	619	8	627
Interest payable and similar charges	4	(1,540)	(958)	(21)	(979)	(2,171)	(31)	(2,202)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		143	(611)	(365)	(976)	(1,517)	(777)	(2,294)
Taxation	5	(83)	323	–	323	(73)	–	(73)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		60	(288)	(365)	(653)	(1,590)	(777)	(2,367)
Dividends	7	–						(994)
RETAINED PROFIT/(LOSS) FOR THE PERIOD/YEAR	9	60			(653)			(3,361)
Basic earnings/(loss) per share	8	0.06p			(0.57p)			(2.1p)
Diluted earnings/(loss) per share	8	0.06p			(0.57p)			(2.1p)

All items in the current period profit and loss account relate to continuing operations.

CONSOLIDATED BALANCE SHEET

30 September 2003

04/05

	Note	30 September 2003 (Unaudited) £'000	30 September 2002 (Unaudited) £'000	31 March 2003 (Audited) £'000
FIXED ASSETS				
Intangible assets		1,481	1,578	1,529
Tangible assets		114,458	89,429	100,933
		115,939	91,007	102,462
CURRENT ASSETS				
Stocks		245	164	252
Debtors		5,979	5,717	5,986
Cash at bank and in hand		8,217	17,667	2,267
		14,441	23,548	8,505
CREDITORS: amounts falling due within one year		(7,862)	(7,581)	(9,667)
		6,579	15,967	(1,162)
NET CURRENT ASSETS/(LIABILITIES)				
		6,579	15,967	(1,162)
TOTAL ASSETS LESS CURRENT LIABILITIES				
		122,518	106,974	101,300
CREDITORS: amounts falling due after more than one year		(63,507)	(36,717)	(42,349)
		59,011	70,257	58,951
TOTAL NET ASSETS				
CAPITAL AND RESERVES				
Called up share capital	9	9,940	11,170	9,940
Capital redemption reserve	9	1,638	408	1,638
Share premium account	9	1,923	1,923	1,923
Other distributable reserves	9	52,307	61,874	52,307
Profit and loss account	9	(6,797)	(5,118)	(6,857)
		59,011	70,257	58,951
EQUITY SHAREHOLDERS' FUNDS				
		59,011	70,257	58,951

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Six months ended 30 September 2003

	Six months ended 30 September 2003 (Unaudited) £'000	Six months ended 30 September 2002 (Unaudited) £'000	Year ended 31 March 2003 (Audited) £'000
Profit/(loss) for the financial period/year	60	(653)	(2,367)
Foreign exchange translation differences	-	9	(16)
Dividends	-	-	(994)
	60	(644)	(3,377)
Purchase of own shares	-	(3,126)	(11,699)
Net addition/(reduction) to shareholders' funds	60	(3,770)	(15,076)
Opening shareholders' funds	58,951	74,027	74,027
Closing shareholders' funds	59,011	70,257	58,951

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Six months ended 30 September 2003

	Six months ended 30 September 2003 (Unaudited) £'000	Six months ended 30 September 2002 (Unaudited) £'000	Year ended 31 March 2003 (Audited) £'000
Profit/(loss) for the period/year	60	(653)	(2,367)
Foreign exchange translation differences	-	9	(16)
Total recognised gains and losses	60	(644)	(2,383)

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2003

		Six months ended 30 September 2003 (Unaudited) £'000	Six months ended 30 September 2002 (Unaudited) £'000	Year ended 31 March 2003 (Audited) £'000
Cash inflow from operating activities	B	2,528	679	3,510
Returns on investments and servicing of finance		(1,408)	(245)	(1,385)
Capital expenditure and financial investment		(15,334)	(15,027)	(29,349)
Equity dividends paid		(994)	-	-
Cash outflow before financing		(15,208)	(14,593)	(27,224)
Financing				
Increase in debt	A	21,158	16,858	22,662
Purchase of own shares		-	(3,126)	(11,699)
		21,158	13,732	10,963
Increase/(decrease) in cash in the period/year	A	5,950	(861)	(16,261)

A. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

06/07

Six months ended 30 September 2003

	Six months ended 30 September 2003 (Unaudited) £'000	Six months ended 30 September 2002 (Unaudited) £'000	Year ended 31 March 2003 (Audited) £'000
Increase/(decrease) in cash in the period/year	5,950	(861)	(16,261)
Cash inflow from increase in debt financing	(21,158)	(16,858)	(22,662)
Change in net (debt)/funds resulting from cash flows	(15,208)	(17,719)	(38,923)
Movement in net debt in the period/year	(15,208)	(17,719)	(38,923)
Net debt at start of period/year	(40,333)	(1,410)	(1,410)
Net debt at end of period/year	(55,541)	(19,129)	(40,333)

B. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Six months ended 30 September 2003

	Six months ended 30 September 2003 (Unaudited) £'000	Six months ended 30 September 2002 (Unaudited) £'000	Year ended 31 March 2003 (Audited) £'000
Operating profit/(loss)	1,608	(428)	(449)
Depreciation	1,774	1,026	2,546
Loss on disposal of fixed assets	-	-	103
Amortisation of goodwill	48	48	97
Foreign exchange loss	-	-	(16)
Decrease/(increase) in stock	7	(13)	(102)
Increase in debtors	(78)	(682)	(1,345)
(Decrease)/increase in creditors	(831)	728	2,676
Net cash inflow from operating activities	2,528	679	3,510

NOTES TO THE INTERIM REPORT

Six months ended 30 September 2003

1. ACCOUNTING POLICIES

Basis of preparation

The interim information for the six months ended 30 September 2003 and 30 September 2002 is unaudited and does not comprise statutory accounts. The comparative figures for the year ended 31 March 2003 are not statutory accounts but are extracted from the audited statutory accounts. The statutory accounts for the year ended 31 March 2003 have been filed with the Registrar of Companies. They received an unqualified audit report which did not contain a statement under Section 237(2) or 237(3) of the Companies Act 1985. This interim report should be read in conjunction with the statutory accounts for the year ended 31 March 2003. The interim figures have been prepared on the same basis and applying the same accounting policies as in prior years.

2. SEGMENTAL INFORMATION

Turnover represents amounts derived from the provision of services which fall within the Group's ordinary activities after deduction of trade discounts and value added tax. The Group's net assets, turnover and profit/(loss) before tax are attributable to one activity, the provision of self storage and related services. These all arise in the United Kingdom, with the exception of £nil (31 March 2003: £1,256,000) in respect of net liabilities in France. Losses which arose on the operations in France are disclosed on the face of the profit and loss account.

3. EXCEPTIONAL ITEM

The Group was admitted to the Official List and cancelled its AIM listing on 7 June 2002. Exceptional costs relating to this change of £191,446 were incurred in the 6 month period to 30 September 2002.

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Six months ended 30 September 2003 (Unaudited) £'000	Six months ended 30 September 2002 (Unaudited) £'000	Year ended 31 March 2003 (Audited) £'000
Bank borrowings	1,540	979	2,159
Foreign exchange and other charges	–	–	43
	1,540	979	2,202

5. TAXATION

The current period tax charge for the Group relates entirely to a movement in deferred tax. No corporation tax will be payable as a result of tax losses within the Group, which at 31 March 2003 were £4.2 million. The deferred tax charge in the year results in a tax rate in excess of the standard rate of 30%, primarily because the Group depreciates its buildings for which no corporation tax relief is due, and this permanent disallowable is significant in relation to current period reported pre-tax profit.

NOTES TO THE INTERIM REPORT

08/09

Six months ended 30 September 2003

6. PROFIT/(LOSS) BEFORE DEPRECIATION, AMORTISATION, TAX AND EXCEPTIONAL ITEMS

	Six months ended 30 September 2003 (unaudited) £'000	Six months ended 30 September 2002 (unaudited)			Year ended 31 March 2003 (Audited)		
		Continuing operations £'000	Discontinued French operations £'000	Total £'000	Continuing operations £'000	Discontinued French operations £'000	Total £'000
Profit/(loss) before tax	143	(611)	(365)	(976)	(1,517)	(777)	(2,294)
Exceptional items	-	(191)	-	(191)	(191)	(270)	(461)
Profit/(loss) before tax and exceptional items	143	(420)	(365)	(785)	(1,326)	(507)	(1,833)
Depreciation	(1,774)	(1,026)	-	(1,026)	(2,546)	-	(2,546)
Amortisation	(48)	(48)	-	(48)	(97)	-	(97)
Total depreciation, amortisation and exceptional items	(1,822)	(1,265)	-	(1,265)	(2,834)	(270)	(3,104)
Profit/(loss) before depreciation, amortisation and exceptional items ("EBDAT")	1,965	654	(365)	289	1,317	(507)	810

7. DIVIDENDS

No interim dividend has been proposed (31 March 2003: Final dividend of 1.0 pence per ordinary share, 30 September 2002: nil).

8. EARNINGS/(LOSS) PER ORDINARY SHARE

Basic earnings/(loss) per ordinary share has been calculated on the retained profit for the period of £60,000 (6 months ended 30 September 2002: loss of £653,000; year ended 31 March 2003: loss of £2,367,000) and on the weighted average number of shares in issue during the period of 99,400,616 (6 months ended 30 September 2002: 115,419,623; year ended 31 March 2003: 111,940,282).

Diluted earnings/(loss) per share has been calculated after allowing for the exercise of share options which have met the required exercise conditions. The weighted average number of shares in issue during the period is 101,013,842. (6 months ended 30 September 2002: 115,419,623; year ended 31 March 2003: 111,940,282).

9. MOVEMENT ON RESERVES

	Share capital £'000	Capital redemption reserve £'000	Share premium account £'000	Other distributable reserves £'000	Profit and loss account £'000	Total £'000
Balance at 1 April 2003	9,940	1,638	1,923	52,307	(6,857)	58,951
Profit for the financial period	-	-	-	-	60	60
Balance at 30 September 2003	9,940	1,638	1,923	52,307	(6,797)	59,011

INDEPENDENT REVIEW REPORT TO BIG YELLOW GROUP PLC

INTRODUCTION

We have been instructed by the company to review the financial information for the six months ended 30 September 2003 which comprises the profit and loss account, the balance sheet, the reconciliation of movements in shareholders' funds, the statement of total recognised gains and losses, the cash flow statement, and the related notes 1 to 9. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the company in accordance with Bulletin 1999/4 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

DIRECTORS' RESPONSIBILITIES

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are also responsible for ensuring that the accounting policies and presentation applied to the interim figures are consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

REVIEW WORK PERFORMED

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board. A review consists principally of making enquiries of Group management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom auditing standards and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

REVIEW CONCLUSION

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 September 2003.

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

Deloitte & Touche LLP
Chartered Accountants
London
5 November 2003





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