

Big Yellow Group PLC



Results for the Six Months and Second Quarter ended 30 September 2005

15 November 2005

IFRS



- First time adoption
- 27 September announcement
- Investment properties
- UK GAAP reconciliations
- Adjusted PBT, NAV per share



Highlights

	2nd quarter ended 30 September 2005	1st quarter ended 30 June 2005		6 months ended 30 September 2005	6 months ended 30 September 2004	
Annualised Revenue	£42.7m	£39.8m	+7%	£42.7m	£35.0m	+22%
Turnover	£10.7m	£9.6m	+11%	£20.3m	£15.6m	+30%
Adjusted profit before tax				£6.0m	£3.4m	+76%
Adjusted earnings per share				4.13p	2.14p	+93%
Adjusted NAV per share				227.7p	179.6p	+27%
Interim Dividend				2.0p	0.5p	
Number of Customers	27,500	26,400	+4%	27,500	23,300	+18%
Occupied Space (sq ft)	1,649,000	1,545,000	+7%	1,649,000	1,403,000	+18%



Highlights - Continued

- Adjusted profit before tax of £6.0 million up 76% (2004: £3.4 million)
- Adjusted net assets per share of 227.7 pence as at 30 September 2005 (2004: 179.6 pence) (Mar 05: 191.1 pence)
- Interim dividend increased to 2.0 pence per ordinary share (2004: 0.5 pence)
- 35 stores currently open with a further 12 committed, providing 2.9 million sq ft of self storage space when completed
- Acquired freehold sites in Richmond, Balham and Twickenham



Trading Summary

Years since opening as at 1 April 2005	September 2005 ≥ 2 years	September 2005 <2 years	September 2005 Total	September 2004 ≥ 2 years	September 2004 <2 years	September 2004 Total
Number of stores	27	8	35	27	4	31
As at 30 September 2005:						
Total capacity (sq ft)	1,663,000	448,000	2,111,000	1,650,000	223,000	1,873,000
Occupied space (sq ft)	1,432,000	217,000	1,649,000	1,320,000	83,000	1,403,000
Percentage occupied	86%	48%	78%	80%	37%	75%
	£'000	£'000	£'000	£'000	£'000	£'000
Annualised revenue	37,123	5,605	42,728	32,813	2,161	34,974
For the 6 month period:						
Average occupancy	83%	40%	74%	78%	27%	72%
Average annual rent psf	£22.58	£21.22	£22.49	£19.77	£19.76	£19.77
Self storage sales	15,581	1,901	17,482	12,719	595	13,314
Other storage related income	2,226	363	2,589	1,922	150	2,072
Development/tenant income	139	66	205	74	116	190
Total Revenue	17,946	2330	20,276	14,715	861	15,576
Direct store operating costs	(5830)	(1,209)	(7039)	(5,395)	(542)	(5,937)
Leasehold rent	(1,093)	-	(1,093)	(1,044)	-	(1,044)
Store EBITDA	11,023	1,121	12,144	8,276	319	8,595
EBITDA Margin	61%	48%	60%	56%	37%	55%
Central overhead	(1,093)	(248)	(1,341)	(946)	(86)	(1,032)
Store Net Operating Income	9930	873	10,803	7,330	233	7,563
NOI Margin	55%	37%	53%	50%	27%	49%

Capex Summary



	September 2005 ≥ 2 years	September 2005 < 2 years	September 2005 Total
No of Stores	27	8	35
	£'m	£'m	£'m
	119.7	46.6	166.3
To 30 September 2005 to complete	-	1.5	1.5
Total Cost	119.7	48.1	167.8
Freehold	98.9	48.1	147.0
Leasehold (9 stores)	20.8	-	20.8
	119.7	48.1	167.8



Store Trading Performance

- 35 stores open with total capacity 2.1 million sq ft
- 1.65 million sq ft occupied, 78%
- 179,000 sq ft occupancy growth in last 6 months.
(2004: 135,000 sq ft)
- New stores performing well; opened Beckenham and Leeds in the period
- 27 stores open more than 2 years:
 - 86% occupied (2004: 80%)
 - Same store revenue up 22%; 15% is yield improvement
 - Freehold stores EBITDA of 67% (Mar 2005:66%)
 - Leasehold stores EBITDA of 51% (Mar 2005: 51%)
- Net annual storage revenue psf of £22.49 on portfolio (2004: £19.77)



Property Valuation

As at 30 September 2005	Cost £m	Depⁿ £m	Net Book Value £m	Valuation £m	Revaluation Uplift £m
Freehold Trading Stores	145.5	(5.1)	140.4	274.8	134.4
Leasehold Trading Stores	20.8	(2.6)	18.2	54.5	36.3
	166.3	(7.7)	158.6	329.4	170.8
Development Sites	34.2	-	34.2	34.2	-
Total	200.5	(7.7)	192.8	363.6	170.8



Property Valuation

Freehold

- 10 year DCF assuming notional sale at year ten
- Cap yield of year one NOI @ 7.09% (Mar 2005: 7.26%), rising to 8.37% (Mar 2005: 8.83%) in year after final stabilisation
- Weighted average occupancy 85.74% (Mar 2005: 85.64%) at maturity

Leasehold

- No sale of assets at year 10; DCF to lease expiry
- Average unexpired term 20.3 years



Adjusted Net Assets Per Share

	As at 30 Sept 2005 £'000	As at 30 Sept 2004 £'000	As at 31 March 2005 £'000
Basic net asset value	188.7	147.8	159.2
Exercise of share options	7.0	7.1	7.3
Diluted net asset value	195.7	154.9	166.5
Adjustments:			
Deferred tax on revaluation surpluses	51.2	38.6	40.2
Deferred tax on fair value of interest rate swaps	0.1	(0.1)	-
Adjusted net asset value	247.0	193.4	206.7
Diluted net assets per share (pence)	180.4	143.8	154.0
Adjusted net assets per share (pence)	227.7	179.6	191.1
Diluted shares used for calculation (million)	108.5	107.7	108.1

Property Review

- Acquired 3 freehold sites for development during the period
 - Balham, Twickenham and an existing store in Richmond
- 37 of 47 stores are freehold, 1 long leasehold and 9 leasehold
- Planning permissions on 41 stores
 - Remaining 6 are subject to Planning Applications
- 12 stores in pipeline (8 in London) - will provide additional 785,000 sq ft
- 28 located in Greater London, 1.82 million sq ft (63%)



Property Strategy

- Current portfolio
 - 47 stores and sites, providing 2.9 million sq ft of net storage
 - Average store size is approximately 60,000 sq ft
 - 81% freehold currently by number of stores and this will increase
- Future
 - Acquire between 6 and 8 sites per annum
 - Freehold bias
 - Maintaining current average store size
 - UK only – Greater London, Midlands and North
 - Timing of store openings will depend on planning permissions
- Sites
 - Acquired 3 sites so far this year
 - Planning and site acquisition remain difficult
 - Surplus land
 - Mixed use schemes - Kingston

Big Yellow Stores



Store Locations



Stores in Red are currently in planning or under development (Nov 05)

Funding

- Bank Facilities
 - Current Facilities
 - RBS / Bank of Ireland / Barclays £150m
 - Morgan Stanley £16m
 - Net Debt £111m
 - Gearing
 - 31% gross property assets
 - 45% adjusted net assets
 - Balance sheet capacity
 - Interest Cover
 - Currently
 - Covenant
 - LTV on drawdown only
- Future Funding

Conclusion



- Current Trading
- Outlook

Appendix



History



- Early 1998 - market research commenced
- October 1998 - Formed Cubic Self Storage
- January 1999 - Acquisition of Big Yellow Self Storage Company
- September 1999 - Pramerica investment
- May 2000 - AIM listing
- May 2001 - Placing and Open Offer
- June 2002 - Full listing
- February 2005 – Placing Pramerica stake

Self-Storage Market



- The Market
 - US market
 - 39,000 stores
 - 1.5 billion sq ft
 - Occupancy range of 82-89% since 1990
 - UK market
 - Circa 450 stores
 - 15 million sq ft
 - Potential UK market size
 - 1,500 stores
- Key Influencers
 - public awareness
 - population mobility
 - physical planning and constraints
 - focus on high density development on brownfield sites
 - small business formation
 - rising disposable incomes
 - high rate household formation



Big Yellow Model

- Develop Premium Brand
 - attractive modern premises
 - prominent main road frontages
 - high quality fit out
 - broad client base - B2B and B2C
 - ancillary packing materials and insurance sales
- Customer Focus
 - customer service/loyalty
 - safe/secure
 - easy access 24 hours per day
- Financial Model
 - economies of scale
 - roll-out programme
 - asset backed



Operations

- A Maturing Store Profile
 - Yield Management
 - Changing Room Sizes
 - Managing P&Ls at Store Level
- Price Increases
- Store Standards and Consistency
 - Operations Structure
 - Recruitment and Training
 - Measurement and Reward
- Centralised Operating System

Sales and Marketing



- Store Promotions
 - Winter
 - Summer
- Marketing
 - 4% of turnover
 - Summer TV and Radio Campaign
- Customers
 - Business v Domestic
 - Profile – age, gender
 - How did they hear about us?
 - Average Length of Stay



Customer Average Length of Stay

As at 30 September 2005		Stores (N° of Months)				Portfolio
		< 1 Year	1-2 Years	2-5 Years	>5 Years	
Domestic	Existing	3.1	6.2	10.4	14.8	10.9
	Vacated	2.0	3.4	4.9	6.1	5.2
	Total	2.7	4.5	6.4	7.8	6.7
Business	Existing	2.9	7.5	12.3	17.0	13.2
	Vacated	2.2	3.4	6.3	8.4	7.0
	Total	2.8	5.9	9.2	11.9	9.9
All	Existing	3.1	6.3	10.8	15.3	11.4
	Vacated	2.0	3.4	5.0	6.3	5.4
	Total	2.7	4.7	6.7	8.4	7.1