

Big Yellow Group PLC

**Results for the Six Months ended
30 September 2009**

November 2009



Financial Review November 2009



Financial Highlights

- Revenue for the second quarter increased by 7% to £15.1 million from the first quarter (£14.1 million)
- Revenue decrease of 3% to £29.2 million over same period last year (2008: £30.1 million)
- Revenue for the six months up 3% compared to the six months to 31 March 2009 (£28.4 million)
- EBITDA pre non-recurring items and valuation movements £13.7 million (2008: £15.5 million)
- Adjusted profit before tax of £7.7 million up 12% (2008: £6.9 million)
- Cash flows from operating activities (after finance costs) more than doubled to £7.9 million for the period (2008: £2.3 million)
- Adjusted earnings per share of 6.19 pence (2008: 5.76 pence)
- Group net debt fallen to £272.8 million from £308.1 million at 31 March 2009
- Adjusted net assets per share³ down 4% to 436.6 pence as at 30 September 2009 from 457.0 pence as at 31 March 2009 and down 7% from 467.0 pence as at 30 September 2008



Achievements

- Successful placing of 11.5 million shares in May 2009 raising £31.5 million net of expenses
- We opened 5 stores in the period: Twickenham in the wholly owned Group and Edinburgh, Nottingham, Poole and Sheffield Bramall Lane in Big Yellow Limited Partnership. 59 stores are now open with a further 11 committed, providing 4.4 million sq ft of self storage space when completed
- Lloyds TSB Bank plc have joined the core banking facility, taking a participation of £75 million.



Consolidated Income Statement

Year ended:		Six months ended:	
31.03.09		30.09.09	30.09.08
£m		£m	£m
58.5	Revenue	29.2	30.1
(21.8)	Cost of Sales	(11.8)	(11.2)
(5.8)	Admin Expenses	(3.4)	(3.1)
30.9	Underlying Operating Profit	14.0	15.8
(52.8)	Revaluation Deficit	(14.2)	(53.4)
(11.6)	Losses on Other Assets	(2.0)	(7.2)
(17.1)	Net Finance Costs	(6.1)	(9.0)
(3.1)	Fair value movement on derivatives	3.7	1.4
(16.2)	Non-Recurring Finance Costs	-	(1.3)
(1.6)	Share of Associate's Results	1.2	(0.6)
(71.5)	Loss before Tax	(3.4)	(54.3)
(1.1)	Taxation	-	(0.5)
(72.6)	Loss for the Period	(3.4)	(54.8)
13.8	Adjusted Profit before Tax	7.7	6.9
11.89p	Adjusted EPS	6.19p	5.76p



Movement in Adjusted Profit Before Tax

	£m
Adjusted PBT – six months ended 30.09.08	6.9
Gross profit reduction	(1.4)
Interest expense saving (net)	3.5
Capitalised interest reduction	(0.9)
Administration expense	(0.4)
Adjusted PBT - six months ended 30.09.09	<hr/> 7.7 <hr/>



Cashflow and Net Debt Movement

	Six Months ended:		Year ended:
	30.09.09	30.09.08	31.03.09
	£m	£m	£m
Opening Net Debt	(308.1)	(282.3)	(282.3)
Cash from Operations	14.2	16.5	33.3
Interest (Net)	(6.3)	(14.2)	(21.9)
Non recurring finance costs	-	-	(16.2)
REIT conversion charge	-	-	(0.1)
Dividends Paid	-	(6.3)	(6.3)
Total Capital Expenditure	(3.9)	(19.4)	(35.1)
Capital Payment of Finance Leases	(0.4)	(0.3)	(0.7)
Surplus Land Sales	-	-	3.8
Sale to Partnership	-	15.1	22.8
Investment in Partnership	(1.0)	(4.8)	(5.4)
Issue of Share Capital	32.7	-	-
Closing Net Debt	(272.8)	(295.7)	(308.1)



Movement in Adjusted Diluted NAV per Share

	£m	No of Shares	Diluted Pence Per Share
Adjusted NAV at 31 March 2009	543.8	119.0	457.0
Other items (including option exercises)	0.4	0.5	
Placing	31.5	11.5	
	575.7	130.9	439.8
Reduction in value of land and investment properties (including share of JV)	(14.9)		(11.4)
Purchaser's Costs adjustment (net movement)	3.1		2.3
Adjusted Earnings	7.7		5.9
Adjusted NAV at 30 September 2009	571.6	130.9	436.6

- Valuation carried out on basis of 2.75% purchaser's costs and reported on at 30 Sept 2009 by Cushman & Wakefield. Increases net value to £809.2m for 51 wholly owned open stores and 6 wholly owned investment properties under construction, from £774.8m



Cost of Funding

	Amount of Debt Sept 2009	Weighted Average Interest Cost At Sept 2009	Amount of Debt Sept 2008	Weighted Average Interest Cost At Sept 2008
	£m	%	£m	%
Fixed Rate Debt	190.0	4.5	140.0	6.4
Floating Debt	121.3	1.7	157.0	6.7
Total Debt	311.3	3.4	297.0	6.6

The core banking facility expires in September 2013



Revised Banking Covenants

- The Group was comfortably in compliance with its banking covenants at 30 September 2009:

	Previous covenant	Revised Covenant	At 30 September 2009
Minimum income cover	1.25x	1.4 x	2.69x
Minimum net assets	£350 million	£250 million	£531.9 million
Maximum gross loan to net assets gearing	1:1	1.3:1	0.59:1

- These provide more financial flexibility and at no cash cost to the Group



Financial Gearing Levels

	30.09.09	30.09.08
Net Debt / Gross Property Assets	34%	36%
Net Debt / Adjusted Net Assets	48%	53%
Interest Cover Quarter ended 30 Sept 2009*	2.69	2.0
Annualised at 30 Sept 2009*	3.97	

* Based on the interest cover covenant of the core bank facility



Big Yellow Limited Partnership

Big Yellow 33% Interest	£000
Investment at 1 April 2009	9,285
Subscription for capital and advances	1,000
Share of operating loss	(142)
Net interest payable and fair value of derivatives	21
Gain on revaluation	1,356
Share of Partnership net assets at 30 September 2009	<hr/> 11,520 <hr/>



Operating Review November 2009



Store Operations

- 5 openings in the period, creating 314,000 sq ft additional capacity
- 51 wholly owned stores (2008: 48) trading at period end. Total capacity 3.23 million sq ft (2008: 3.02 million sq ft)
- Occupancy at period end (including JV stores) 1,871k sq ft (2008: 1,841k sq ft)
- 32 same stores:
 - Average occupancy 71% (30 September 2008: 78%)
 - Same store revenue down 10% period on period
 - Freehold EBITDA of 69% and leaseholds 46%, combined 64%
- Packing materials, insurance and other sales were £4.2 million in the period (2008: £4.1 million)
- Average net storage rent of £25.95 per sq ft (2008: £26.84), down 3%. London average £28.35
- Closing net storage rent of £26.72 per sq ft (2008: £26.89; 31 March 2009: £25.57)
- Storage rent price increase in May 2009 of average of 4.25% to existing customers
- Armadillo management contract



Portfolio Summary

	Sept 2009	Sept 2009	Sept 2009	Sept 2008	Sept 2008	Sept 2008
Number of stores	Same Store	Lease-Up	Total	Same Store	Lease-Up	Total
Number of stores (2007)	32	19	51	32	16	48
As at 30 Sept 2009:						
Total capacity (sq ft)	1,944,000	1,284,000	3,228,000	1,944,000	1,073,000	3,017,000
Occupied space (sq ft)	1,371,000	423,000	1,794,000	1,471,000	336,000	1,807,000
Percentage occupied	71%	33%	56%	76%	31%	60%
For the 6 month period:						
Average occupancy	71%	31%	55%	78%	28%	60%
Average annual rent psf	£25.85	£26.83	£25.95	£26.53	£27.83	£26.84
Closing net rent psf	£26.40	£27.30	£26.72	£26.73	£27.66	£26.89
	£000	£000	£000	£000	£000	£000
Self storage sales	17,889	5,271	23,160	20,115	4,181	24,296
Other storage related income	2,967	1,248	4,215	3,184	923	4,107
Ancillary store rental income	36	9	45	36	19	55
Store revenue	20,892	6,528	27,420	23,335	5,123	28,458
Direct store operating costs	(6,611)	(3,885)	(10,496)	(7,147)	(3,341)	(10,488)
Leasehold rent	(972)	(21)	(993)	(990)	(21)	(1,011)
Store EBITDA	13,309	2,622	15,931	15,198	1,761	16,959
EBITDA margin	64%	40%	58%	65%	34%	60%



Lease-Up Store Analysis

Store Performance	Occupancy		Revenue		EBITDA	
	30 Sep 09 000 sq ft	30 Sep 08 000 sq ft	30 Sep 09 £000	30 Sep 08 £000	30 Sep 09 £000	30 Sep 08 £000
32 Same stores	1,371	1,471	20,892	23,335	13,309	15,198
16 Lease-up stores opened pre 30 September 2008	391	336	6,196	5,123	2,848	1,761
3 Lease-up stores opened post 30 September 2008	32	-	332	-	(226)	-
Total	1,794	1,807	27,420	28,458	15,931	16,959

- Revenue for the 16 lease-up stores opened pre 30 September 2008 grew by 21% period on period
- Occupancy for all lease-up stores grew by 87,000 sq ft from 1 October 2008, 70,000 sq ft from 1 April 2009



Twickenham, 76,000 sq ft



Edinburgh, 60,000 sq ft



Nottingham, 65,000 sq ft



Poole, 53,000 sq ft

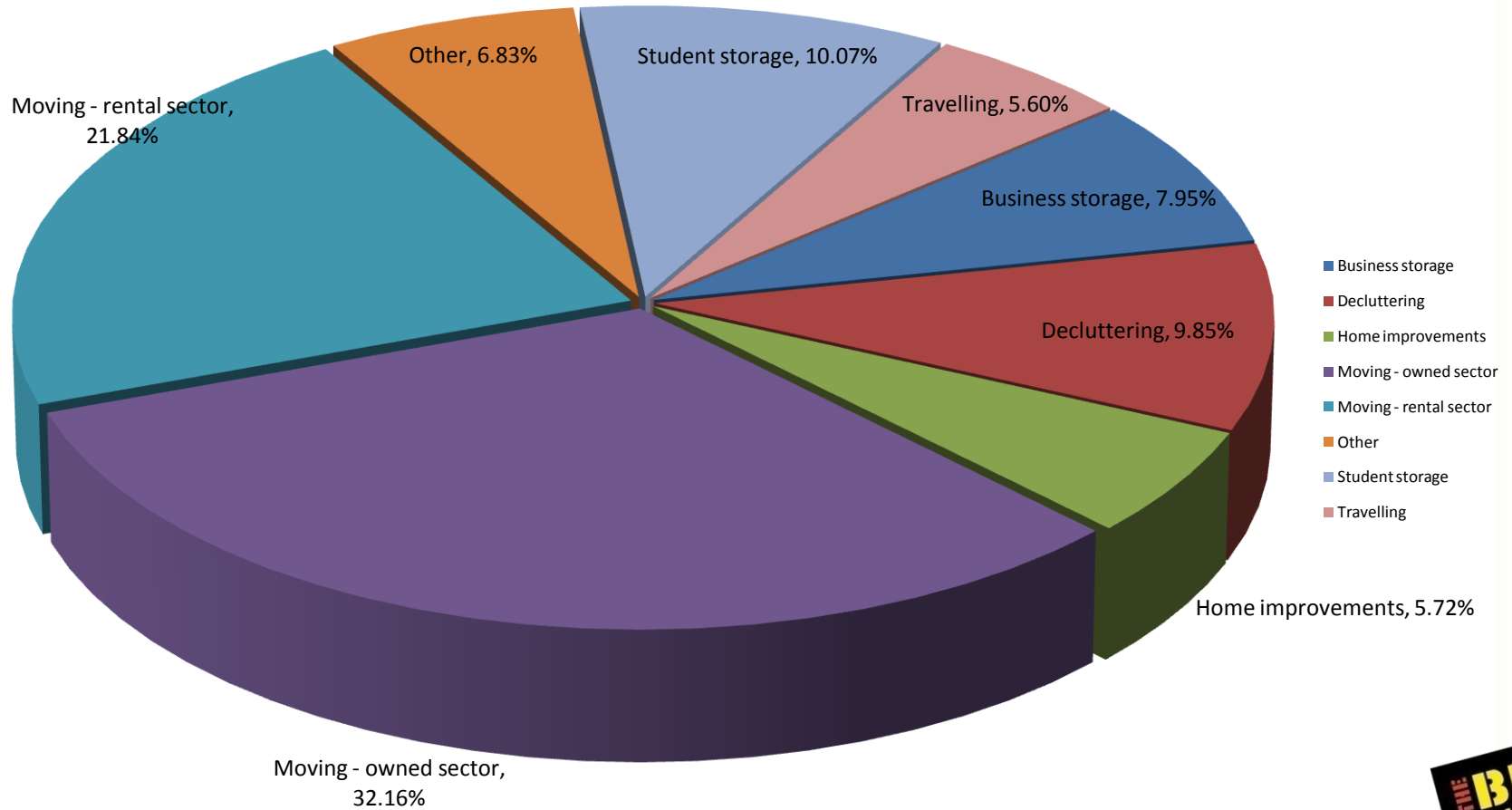


Sheffield Bramall Lane, 60,000 sq ft



Big Yellow Self Storage Users

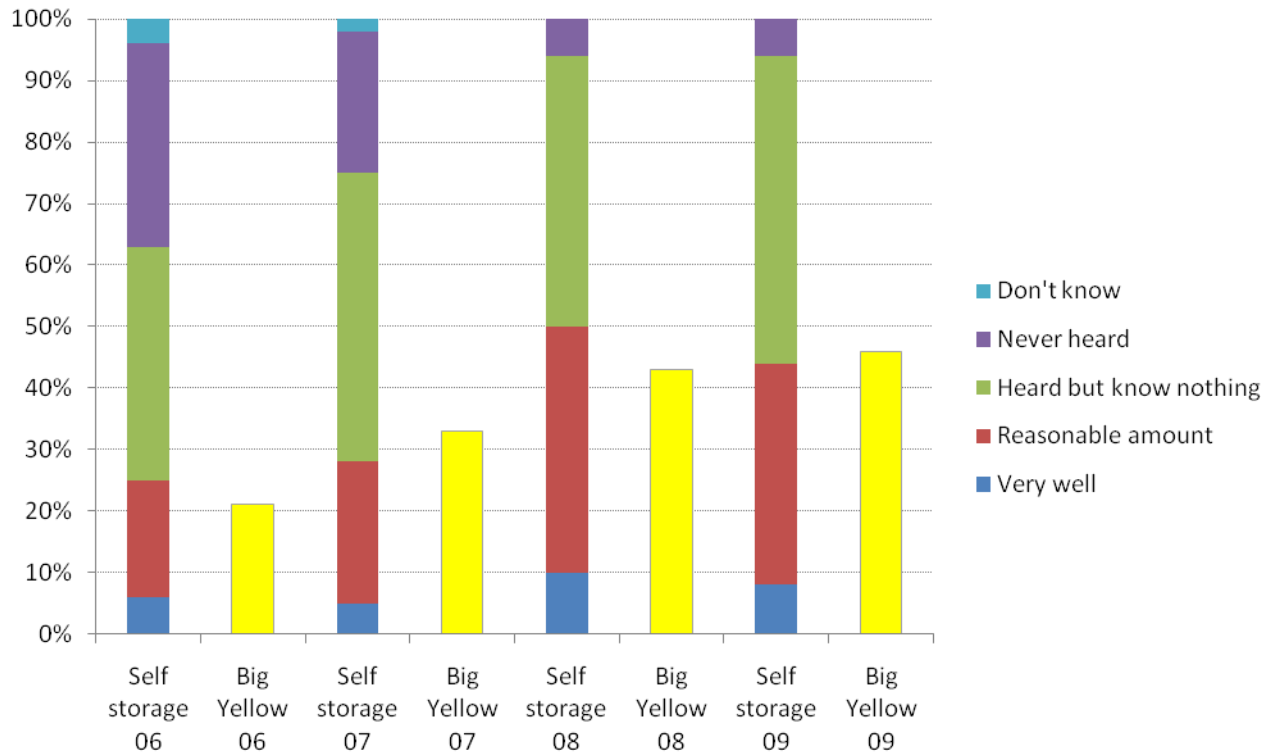
Why customers who moved into Big Yellow's stores between April 2009 and September 2009 required storage



In the prior period move-ins within the owned sector was 28% of new customers



Self Storage Awareness - UK

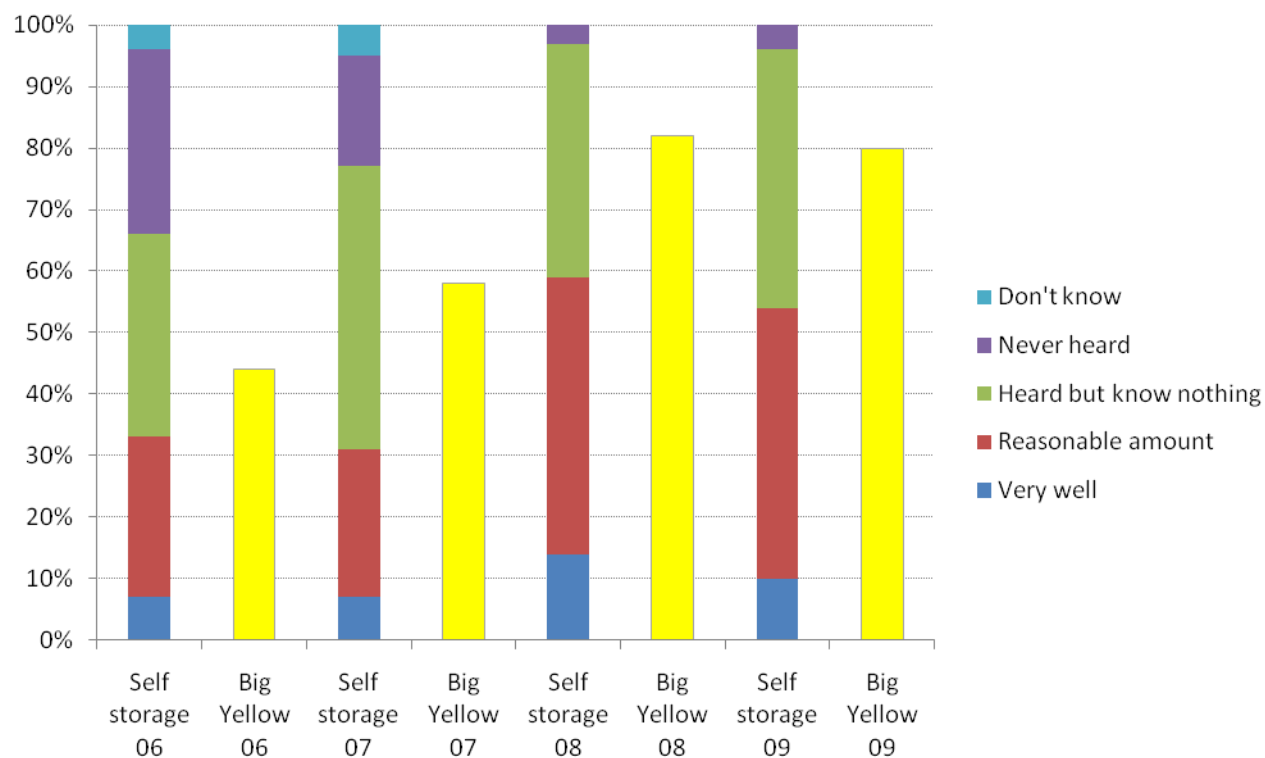


- **Brand awareness still 3 x nearest competitor**
- **Major operators have moved from above-the-line advertising to online marketing**
- **Shifted focus from growing our Brand to leveraging our Brand**

Source: You Gov September 2009. Awareness Figures Quoted are prompted



Self Storage Awareness - London

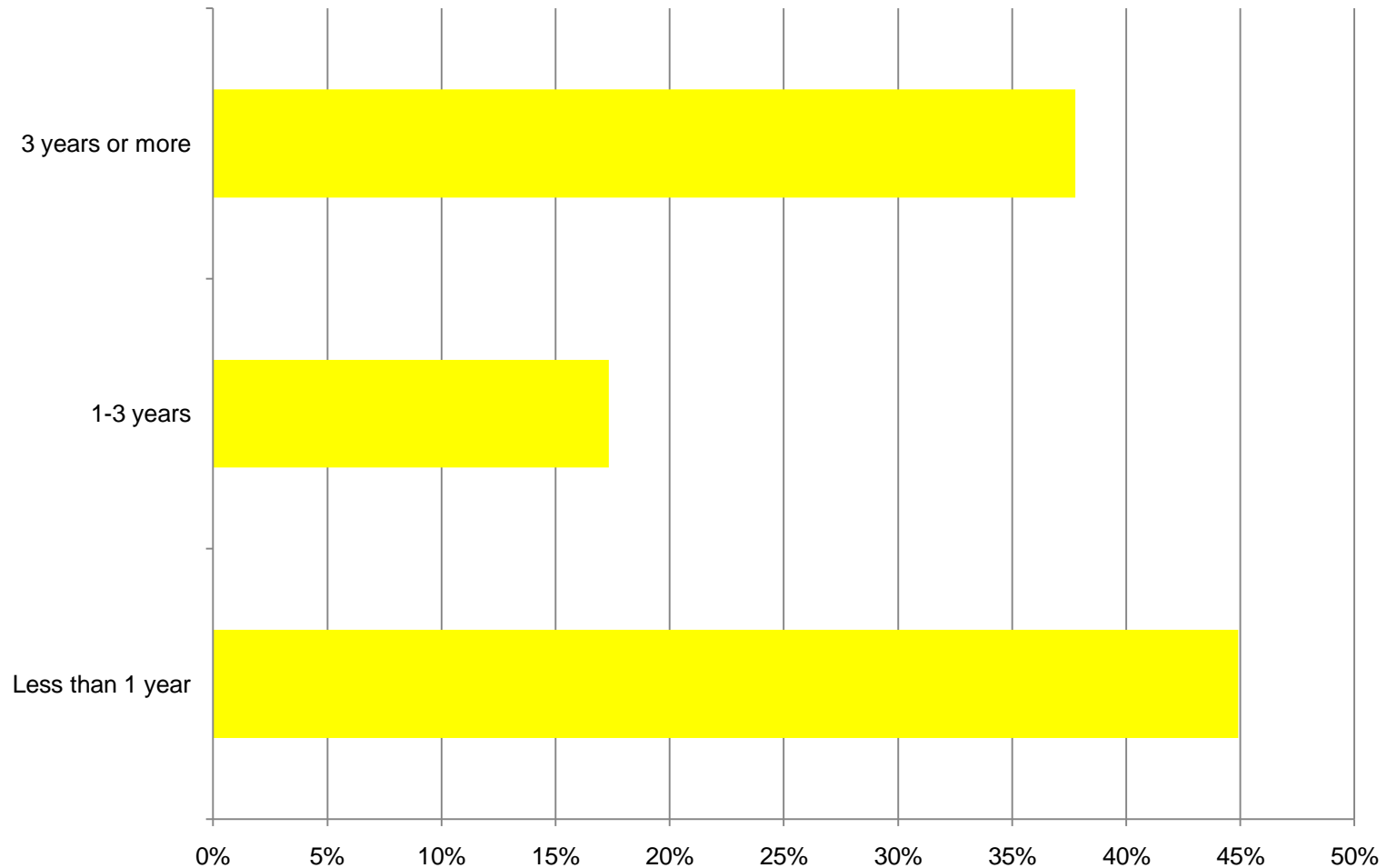


- **Brand awareness in London 80% - the clear Brand leader**
- **Higher awareness of self storage in London**

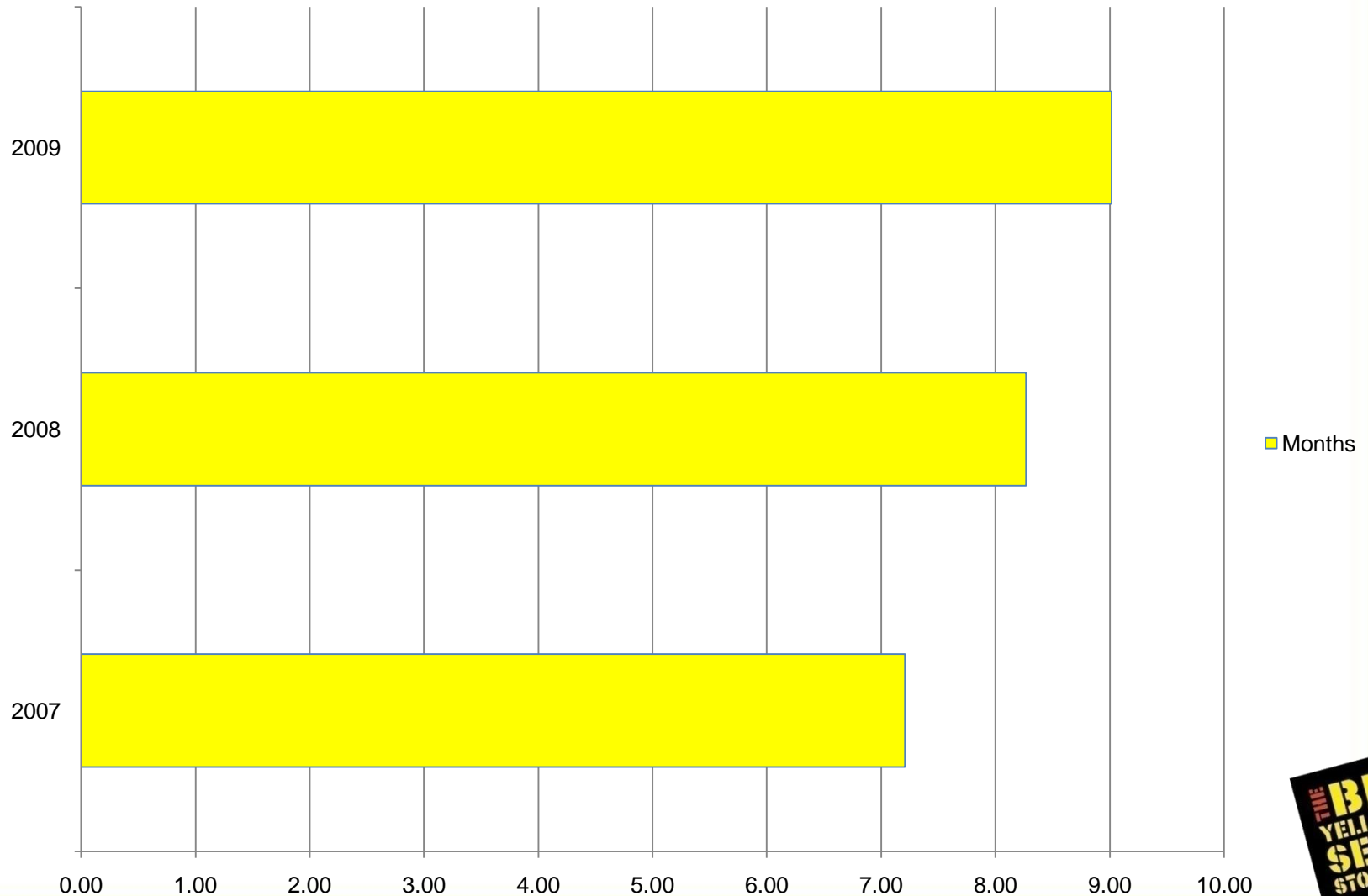
Source: You Gov September 2009. Awareness Figures Quoted are prompted



Proportion Of Current Customers - Same Stores By Length Of Stay In The Business



Length of Stay of Customers Move-Outs in Calendar Year



Customer Average Length of Stay

As at
30/09/2009

Stores (N° of Months)

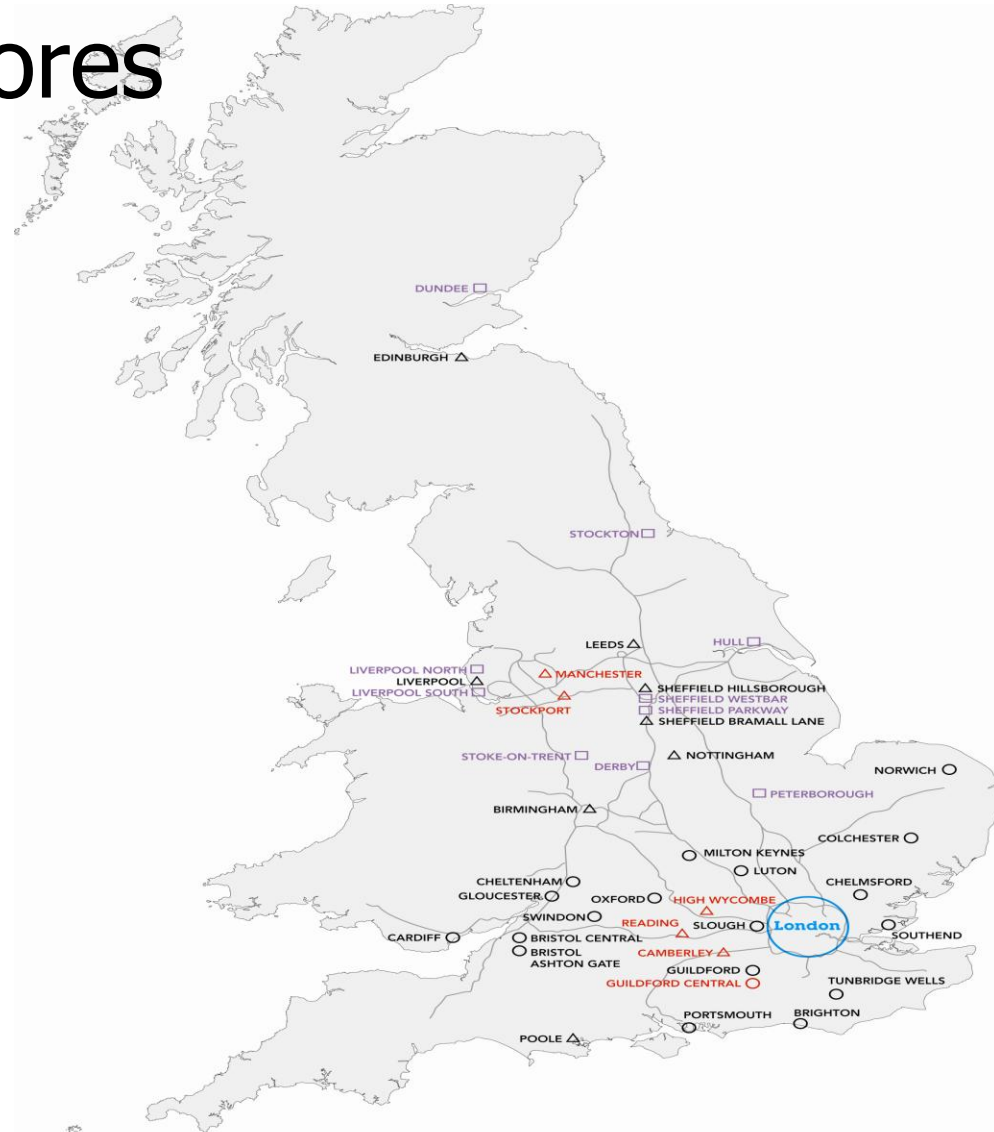
		< 1 Year	1-2 Years	2-5 Years	>5 Years	Portfolio	30 Sept 2008
N° of Stores		10	6	12	31	59	49
Domestic	Existing	2.6	6.0	11.5	19.6	16.8	15.8
	Vacated	2.0	3.0	4.7	6.6	6.3	6.1
	Total	2.4	4.2	6.1	8.2	7.8	7.6
Business	Existing	2.8	6.5	15.2	21.8	19.4	18.3
	Vacated	1.6	4.2	6.9	10.1	9.7	8.8
	Total	2.6	5.7	10.0	13.3	12.7	12.1
All	Existing	2.6	6.1	12.1	20.1	17.4	16.4
	Vacated	2.0	3.1	4.9	6.9	6.6	6.3
	Total	2.4	4.4	6.4	8.8	8.4	8.1



Property Review November 2009



Big Yellow Stores Sept 2009



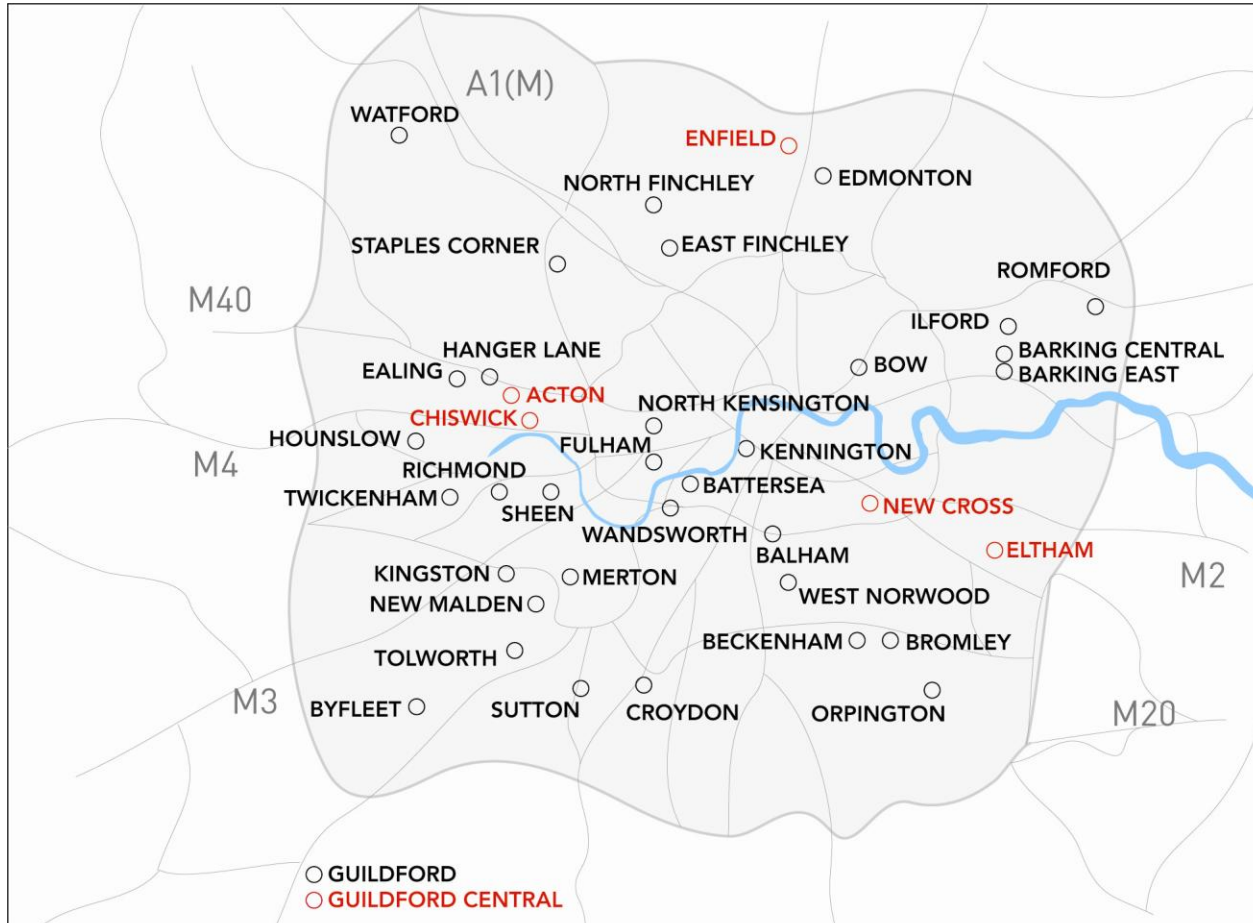
London - 38 stores and sites

Outside London - 42 stores and sites

- KEY
- > ○ London stores shown overlaid
 - > ○ 51 Wholly owned stores
 - > ○ 6 Wholly owned stores under development
 - > △ 8 Stores trading in Big Yellow Limited Partnership
 - > △ 5 Big Yellow Limited Partnership stores under development
 - > □ 10 Managed Armadillo stores



London Stores



KEY

- > ○ Wholly owned stores
- > ○ Wholly owned stores under development



Property Review and Valuations

- All bar 2 sites have planning consents
- Development pipeline of 11 sites, 0.7 million net lettable space
 - Pramerica JV: 4 sites, 0.24m sq ft, all with planning
 - Wholly owned: 7 sites, 0.47m sq ft, 5 with planning
- £24 million of surplus land; £3.2 million sold post period end
- 58% stores and sites within the M25 (by area)
- 94% freehold (including 4 long leaseholds), based on 30 Sept 2009 book values



Property Accounts Valuation

As at 30 September 2009

Freehold – 44

- 10 year DCF assuming notional sale at year ten

Leasehold – 7

- No sale of assets at year 10; DCF to lease expiry
- Average unexpired term, 16.3 years (March 2009: 16.8 years)

All Stores – 51

- Stabilised yield pre-admin expense (excluding growth) 8.59% (March 2009: 8.55%)
- Weighted average occupancy 78.6% over the ten year cash flow period; 84.7% in 41 months on average
- Purchaser's costs – 5.75% assuming property sale



Revaluation Movement in the Period

£m

(1) 51 open stores at 30 Sept 2009	Value increase	14.8	
	Capex in year	(16.0)	
			<hr/>
			(1.2)
(2) 6 sites – investment property under construction	Value	25.0	
	Cost	(38.0)	(13.0)
			<hr/>
			(14.2)
			<hr/>



Funding Strategy

- Placing
- Cash Flow
- Land Sales
- Available Undrawn Bank Facilities



Cost to Complete

Wholly Owned Development Sites – cost to date £34.7m
5 in London and 1 in central Guildford*

Estimated Cost to Complete the 6 stores (£5.8m committed) £51m

Total Estimated Cost £85.7m

Estimated Net sq ft provided 395,000

Cost per sq ft £217

Valuation September 2009:

Comparable London 10 same stores £314 psf

Comparable London 10 lease up stores £295 psf

Surplus land for Sale at 8 sites £24m

*This excludes our development site at Manchester, which is in the books at £1.9m (excluding the surplus land)



Conclusion

- Current trading and outlook
- Opportunity to leverage off market leading brand
- Growth potential from existing platform – 55% to 85%
- Value creation of new stores
- Dividend



Appendix





Tolworth



Beckenham



Tunbridge Wells



Orpington



Leeds



Romford



Ilford



Hounslow



Bristol Central



East Finchley



North Kensington



Swindon



Byfleet



Colchester



Cardiff



Norwich



Gloucester



Bristol South



Kingston



Edmonton





24 hour CCTV
& individually alarmed

Standard Archive Box
 £2.59

Large Archive Box
 £3.59





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 - £40 million placing
- May 2001 - Placing and Open Offer - £23 million
- June 2002 - Full listing
- February 2005 – Placing of Pramerica 28% stake
- July 2006 – £36 million raised through placing of 9.1m shares
- January 2007 – Conversion to a REIT
- November 2007 – Formation of partnership with Pramerica
- September 2008 – £325 million refinancing completed with HSH Nordbank
- May 2009 – £33 million raised through placing of 11.5m shares



Self Storage Market

The Market

- US Market (2007 Self Storage Almanac)
 - 55,000 self-storage centres
 - 2 billion sq ft – 7.0 sq ft per person
 - Population 300 million
 - \$15 billion market capitalisation in US REIT market
- UK Market (2008 Mintel/SSA Survey)
 - 750 self-storage centres (excluding containers)
 - 27 million sq ft – 0.45 sq ft per person
 - Population 60 million



Self Storage Market

- Key Influencers
 - Public awareness – low, new growing market
 - Population mobility and density
 - Physical planning and constraints, smaller homes
 - Focus on high density development on brownfield sites
 - Rising disposable incomes with GDP growth
 - Housing demand, divorce, single parent families, single living
 - Small business formation requiring flexible, economic space



UK Market Potential

- Awareness of self-storage (2009 You Gov Market Research)
 - Currently 54% approximately in London with reasonable knowledge of product
 - Lower in other major cities
 - 80% brand awareness of Big Yellow in London
- Significant advertising and promotion raising awareness
- Better located stores with roadside visibility also raising awareness
- New customers being created as market grows, e.g. lifestyle, de-cluttering
- 25% US penetration would imply the potential for 2,000 centres and approximately 1.5 sq ft per person
- Recent growth of 10% - 15% per annum; expected to be significantly lower in 2009



Big Yellow Model

- 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 7 days a week, 24 hours per day
- Financial Model
 - economies of scale
 - roll-out programme
 - asset backed



REITs

- Conversion charge
 - £12.0 million paid in July 2007
 - Subject to final agreement with HMRC
- Approximately 86% of our revenue currently tax exempt
- Comfortably meets the 75% gross asset test at 30 September 2009
- No PID payable in year due to shadow capital allowances offsetting tax exempt profits
- All REIT tests met to date



Big Yellow Limited Partnership

- £150m partnership with Pramerica to develop stores in the midlands, north of England and Scotland
 - £25 million Big Yellow
 - £50 million Pramerica
 - £75 million development loan RBS/HSBC/HSN
- Fees earned by Big Yellow from venture site acquisition fees, planning success fees, development fees and management fees
- Initial sites sold for £20.3 million. Further sites sold for £15.0 million. Group has reinvested £12.1 million of its £25 million commitment
- Big Yellow option to buy back Pramerica's interest in partnership or the assets from 31 March 2013
- The Group has a right to a promote at the exit date of the partnership



Purchaser's Cost Assumption

- We believe 2.75% is more representative of the cost to be paid by a prospective purchaser for these assets
- Business asset valuation
- Precedent – self storage transactions
- Why?
 - Operational assets
 - Novation of maintenance and supplier contracts
 - Management and staff required to transfer (TUPE)
 - Transfer of large number of customers under licence



Wholly Owned Development Sites

Store	Location	Planned Store Capacity	Planning Status
Chiswick	On the A4, high visibility from M4 flyover, currently the Sotheby's building	75 - 100,000 sq ft	Existing warehouse use consent
Eltham	Junction of A20 and A205, prominent site on busy roundabout	70,000 sq ft	Consent granted
Enfield	On the A10 Great Cambridge Road, very prominent site	60,000 sq ft	Consent granted
Guildford Central	Prime location in centre of Guildford on Woodbridge Meadows	56,000 sq ft	Consent granted
Gypsy Corner (Acton)	Highly visible site on A40	70,000 sq ft	Consent granted
New Cross	Prominent location on Lewisham Way (A20)	60 - 65,000 sq ft	At Appeal



Disclaimer

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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