Big Yellow Group PLC

Results for the year ended
31 March 2007

21 May 2007

Financial Review

Financial Highlights

	4th quarter ended 31 March 2007	3rd quarter ended 31 Dec 2006		Year ended 31 March 2007	Year ended 31 March 2006	
Revenue	**£13.9m**	£12.9m	**+8%**	**£51.2m**	£41.9m	**+22%**
Profit before tax				**£152.8m**	£118.5m	**+29%**
Adjusted profit before tax				**£14.2m**	£12.6m	**+13%**
Basic earnings per share				**192.97p**	82.10p	**+135%**
Adjusted earnings per share				**10.01p**	8.86p	**+13%**
Dividend						
- Final				**5.5p**	3.0p	**+83%**
- Total				**9.0p**	5.0p	**+80%**
Adjusted NAV per share				**437.8p**	297.0p	**+47%**
Cashflow from operations				**£30.2m**	£24.4m	**+24%**

Consolidated Income Statement

	Year ended: 31.03.07 £m	31.03.06 £m	
Revenue	51.2	41.9	+22%
Cost of Sales	(18.5)	(15.5)	
Admin Costs	(5.6)	(4.7)	
Underlying Operating Profit	27.1	21.6	+25%
Revaluation Surplus	137.2	106.2	+32%
Net Interest Payable	(11.5)	(9.3)	+24%
Profit before Tax	152.8	118.5	+29%
Taxation	60.4	(35.1)	
Profit for the Year	213.2	83.4	
Adjusted Profit before Tax	14.2	12.6	+13%
Adjusted EPS	10.01p	8.94p	+13%

Movement in Adjusted Profit Before Tax

	£m
Adjusted PBT - year ended 31.03.06	12.6
Underlying gross profit improvement	5.2
Interest expense (net)	(3.1)
Administration expense	(0.4)
Other (net)	(0.1)
Adjusted PBT - year ended 31.03.07	14.2

Cashflow and Net Debt Movement

	Year ended:	
	31.03.07	**31.03.06**
	£m	**£m**
Opening Net Debt	(142.1)	(102.5)
Cash from Operations	30.2	24.4
Interest (Net)	(13.4)	(9.3)
Dividends Paid	(7.1)	(3.5)
Property Purchases	63.7	30.8
Development / Refurb Capex	29.1	27.8
Other Capex	3.2	1.7
Total Capital Expenditure	(96.0)	(60.3)
Property Sales	2.1	7.6
Issue of Share Capital	38.4	1.5
Closing Net Debt	(187.9)	(142.1)

Note: £29.7m surplus land in balance sheet held for sale

Portfolio Summary

Years since opening as at 1 April 2006	March 2007 ≥2 years	March 2007 <2 years	**March 2007 Total**	March 2006 ≥2 years	March 2006 <2 years	March 2006 Total
Number of stores	30	13	**43**	30	7	37
As at 31 March 2007:						
Total capacity (sq ft)	1,788,000	784,000	**2,572,000**	1,787,000	425,000	2,212,000
Occupied space (sq ft)	1,513,000	322,000	**1,835,000**	1,513,000	159,000	1,672,000
Percentage occupied	85%	41%	**71%**	85%	37%	76%
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Annualised revenue	41,607	9,281	**50,888**	39,263	4,137	43,400
For the year:						
Average occupancy	85%	32%	**68%**	84%	27%	73%
Average annual rent psf	£23.97	£23.07	**£23.79**	£22.64	£19.96	£22.46
Self storage sales	36,434	5,788	**42,222**	33,978	2,290	36,268
Other storage related income	5,350	1,391	**6,741**	4,693	543	5,236
Ancillary store rental income	70	16	**86**	57	30	87
Total Revenue	41,854	7,195	**49,049**	38,728	2,863	41,591
Store EBITDA	26,650	2,878	**29,528**	24,051	917	24,968
EBITDA Margin	64%	40%	**60%**	62%	32%	60%
Central overhead	(2,511)	(503)	**(3,014)**	(2,324)	(420)	(2,744)
Store Net Operating Income	24,139	2,375	**26,514**	21,727	497	22,224
NOI Margin	58%	33%	**54%**	56%	17%	53%

Capex Summary

	March 2007 ≥ 2 years	March 2007 < 2 years	**March 2007 Total**
No of Stores	30	13	**43**
	£'m	**£'m**	**£'m**
To 31 March 2007	140.5	81.9	**222.4**
To Complete	-	2.6	**2.6**
Total Cost	140.5	84.5	**225.0**
Freehold	119.5	84.5	**204.0**
Leasehold (9 stores)	21.0	-	**21.0**
	140.5	84.5	**225.0**

REITs

- Conversion confirmed effective 15 January 2007
- Conversion charge
  - Estimated £12.0 million based on valuation of portfolio at 15 January
  - Payable in full July 2007
- Approximately 88% of our business currently tax exempt, vs 75% test
- Comfortably meets the 75% gross asset test at 31 March 2007
- Dividend policy
  - 90% qualifying earnings post depreciation
  - Impact of shadow capital allowances on PID proportion
  - PID for 2 ½ months 0. 4 pence per share. 21% of pro rata total dividend
  - PID proportion will rise in 2007/08 (less than 50%)

Operations & Marketing

Store Operations

- 6 openings in the year, creating 360,000 sq ft additional capacity
- 43 stores (2006: 37) trading at year end. Total capacity 2.6 million sq ft (2006: 2.2 million sq ft)
- Occupancy in year up 163,000 sq ft (2006: 202,000 sq ft) to 1.84 million sq ft
- Strong March quarter – up 87,000 sq ft (5%)
- 30 stores open more than 2 years at beginning of year:
  - Average occupancy up slightly at 85% (Year ended 31 March 2006: 84%)
  - Same store revenue up 8% year on year
  - Freehold EBITDA of 71% and leaseholds 50%, combined 64%
- Packing materials, insurance and other sales were £6.7 million in the year (2006: £5.2 million) up 29%
- Net storage rent of £23.79 per sq ft (2006: £22.46), up 5.9%

Marketing

- Strategic review in 2006
- Customer / Prospect quantative / qualitative research
  - Big Yellow brand awareness up to 40% in London and key cities
  - Market leading brand
  - 25-30% awareness in London and South East
  - 80% of our customers in top three ACORN categories
- CHI
  - Overhaul of marketing communications
  - New campaign launched April 2007
  - TV – C4 and linked satellite channels
  - Internet
- Promotions important – value and quality – store by store – average 8%
- Reservations online – first fully integrated system
- Spend - £2 million


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

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Property Review

Property Accounts Valuation

Freehold

- 10 year DCF assuming notional sale at year ten
- Cap yield of year one NOI @ 5.24% (Mar 2006: 6.01%), rising to 6.8% (Mar 2006: 7.49%) in year after final stabilisation
- Weighted average occupancy 86% (Mar 2006: 86%) at maturity
- Purchaser's costs – 5.75% assuming property sale

Leasehold

- No sale of assets at year 10; DCF to lease expiry
- Average unexpired term, 18.8 years (March 2006: 19.8 years)

Investment Property Valuation

£m	Deemed Cost	Revaluation on deemed cost	Valuation
Freehold Centres			
As at 1 April 2006	152.0	197.4	349.4
Movement in Period	41.0	**131.1**	172.0
As at 31 March 2007	193.0	328.5	521.4
Leasehold Centres			
As at 1 April 2006	18.3	42.8	61.1
Movement in Period	0.3	**7.3**	7.6
As at 31 March 2007	18.6	50.1	68.7
All Centres			
As at 1 April 2006	170.3	240.2	410.5
Movement in Period	41.2	**138.4**	179.6
As at 31 March 2007	211.5	378.6	**590.1**

Approximately 90% by value of the total property assets are freehold

Revaluation Movement in the Year

			£m
(1) 37 storage centres at 31 March 2007	Value Increase	92.9	
	Capex in period	(2.1)	90.8
(2) 6 new storage centres – Tunbridge Wells, East Finchley, Bristol South, Kingston, Edmonton, Gloucester	Value	86.7	
	Cost	(39.1)	47.6
			138.4

22% increase in gross valuation of existing 37 storage centres was 11% capital growth and 11% operating performance

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
- Valuation carried out on this basis and reported on at 31 March 2007 by Cushman & Wakefield. Increases net value to £615m for 43 open stores from £590 million

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Movement in Adjusted Diluted NAV per Share

	£m	No of Shares	Diluted Pence Per Share
Adjusted NAV at 31 March 2006	322.3	108.5	297.0p
Placing at 400p	35.8	9.1	
Other Items (including option exercises)	(0.6)	0.5	
	357.5	118.1	302.6
Revaluation Surplus – Investment Properties	138.4		117.3
Purchaser’s Costs adjustment	25.9		21.9
REIT Conversion Costs	(12.0)		(10.2)
Adjusted Earnings	14.2		12.2
Dividends Paid	(7.1)		(6.0)
Adjusted NAV at 31 March 2007	517.1	118.1	437.8

Note: Development properties held at cost

Property Review

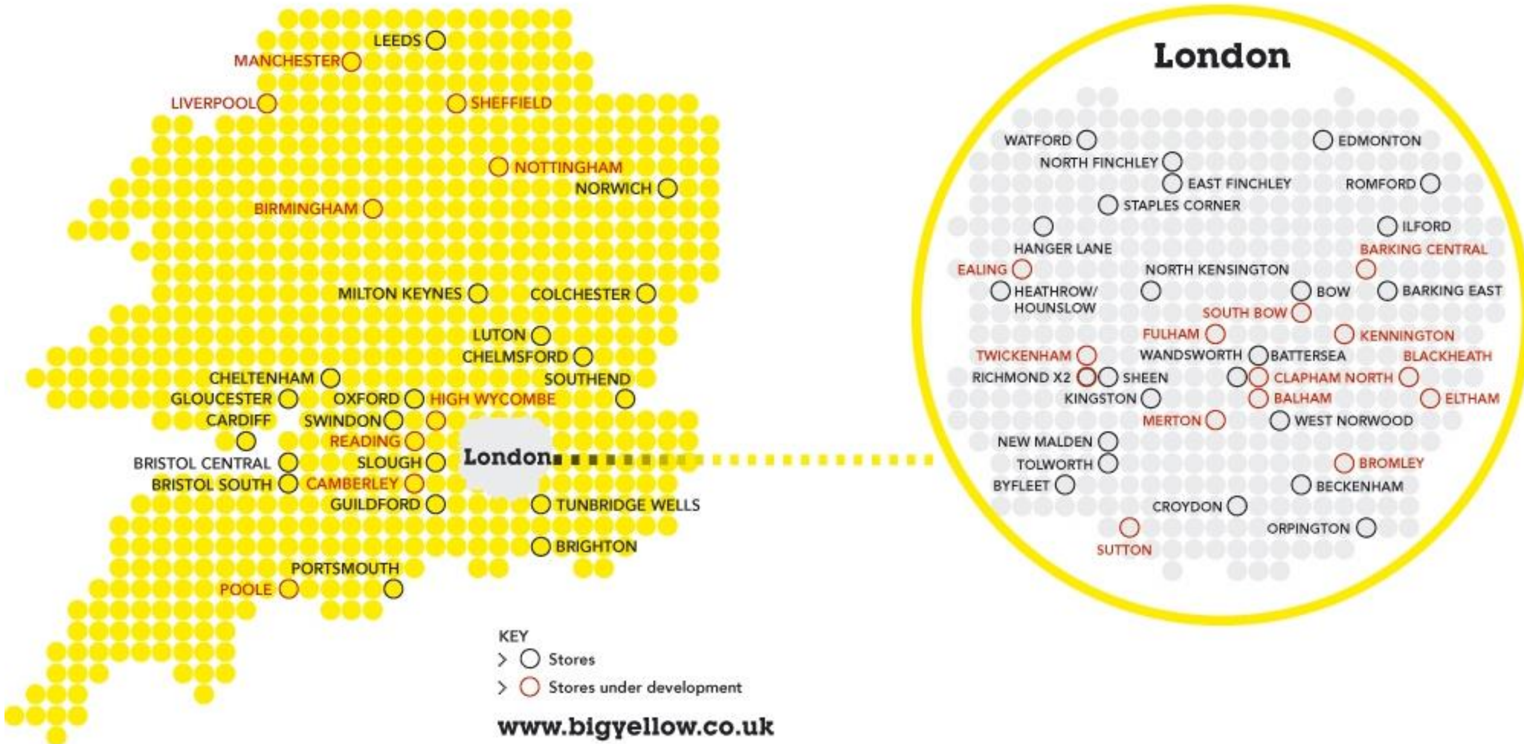
- Sites acquired for development
  - 9 in the year (5 in London plus Sheffield, Nottingham, Poole and High Wycombe)
  - 3 since the year end (Reading, Birmingham and Camberley)
- Six planning consents in the second half
- Development pipeline of 23 sites, 1.5 million net lettable space, at total cost of £224.6 million, 64% by net lettable space is in London
- 61% stores and sites within M25
- 90% freehold (including 1 long leasehold), based on 31 March 2007 book values
- Freehold valuation growth in the year on 30 stores greater than 2 year 24% versus 12% on leaseholds

Planning Status

	No Stores	
Stage 1	7	Recently acquired / early design / feasibility review
Stage 2	5	Pre-application consultation with planners
Stage 3	4	Detailed application submitted after detailed and positive pre-application discussions
Stage 4	1	Going to appeal
Stage 5	7	Consents received (including Sheen)
	24	

Note: Sheen is an existing 23,500 sq ft store at 31 March 2007 which we aim to redevelop as a new 62,000 sq ft store in the current year and re-open in 2008

Big Yellow Stores



London	- 38 stores and sites
Outside London	- 28 stores and sites

Corporate Strategy

Gearing Levels

	31.03.07	31.03.06
Net Debt / Gross Property Assets	27%	30%
Net Debt / Adjusted Net Assets	36%	44%
Interest Cover*	2.5	2.7
REIT 3 months*	2.5	

Conservative balance sheet and healthy income cover

* Based on Group EBITDA and net interest expense excluding bank borrowing fair value adjustments for the previous 12 months

Funding Strategy

- Capex Funding
  - Equity – July 2006 placing
  - Debt – given increased dividend payment

- Bank Facilities
  - Current Facilities
    - RBS / Bank of Ireland / Barclays - £225 million
    - Credit received for additional £50 million
    - Net Debt at 31 March £187.9 million

  - Significant balance sheet capacity

- Future Funding
  - Reviewing financing options for core debt now REIT status achieved

International Franchise

- UAE Development Agreement signed – October 2006
  - Site acquired in Dubai
  - Spring 2008 opening of 280,000 sq ft lettable store
- Kingdom of Bahrain Development Agreement signed – May 2007
- No equity risk, up front fee and share of revenue
- Trademark protection in EU and other selected territories
- Experienced International Franchise Director hired from E.L.C. to grow this business

Conclusion

- Executive Management - CFO Appointment
  - Philip Burks
- Strong Development Pipeline
- Valuation
- REITs
- 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 - £40 million placing
- May 2001 - Placing and Open Offer - £23 million
- June 2002 - Full listing
- February 2005 – Placing of Pramerica 28% stake
- July 2006 – 9.1m share placing at 400 pence
- January 2007 – Conversion to a REIT

Self Storage Market

- The Market
  - US market (2007 Self Storage Almanac)
    - 43,000 self-storage centres
    - 1.9 billion sq ft – 6.5 sq ft per person
    - Occupancy range of 82-89% since 1990
    - Population 300 million
  - UK market (2006 UK SSA Survey)
    - 400 self-storage centres greater then 15,000 sq ft
    - 15 million sq ft – 0.3 sq ft per person
    - Latest member survey indicates current occupancy on whole market at 75%, with a mature store typically > 80%
    - 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
  - Growth in housing demand, divorce, single parent families, single living
  - Small business formation requiring flexible, economic space

UK Market Potential

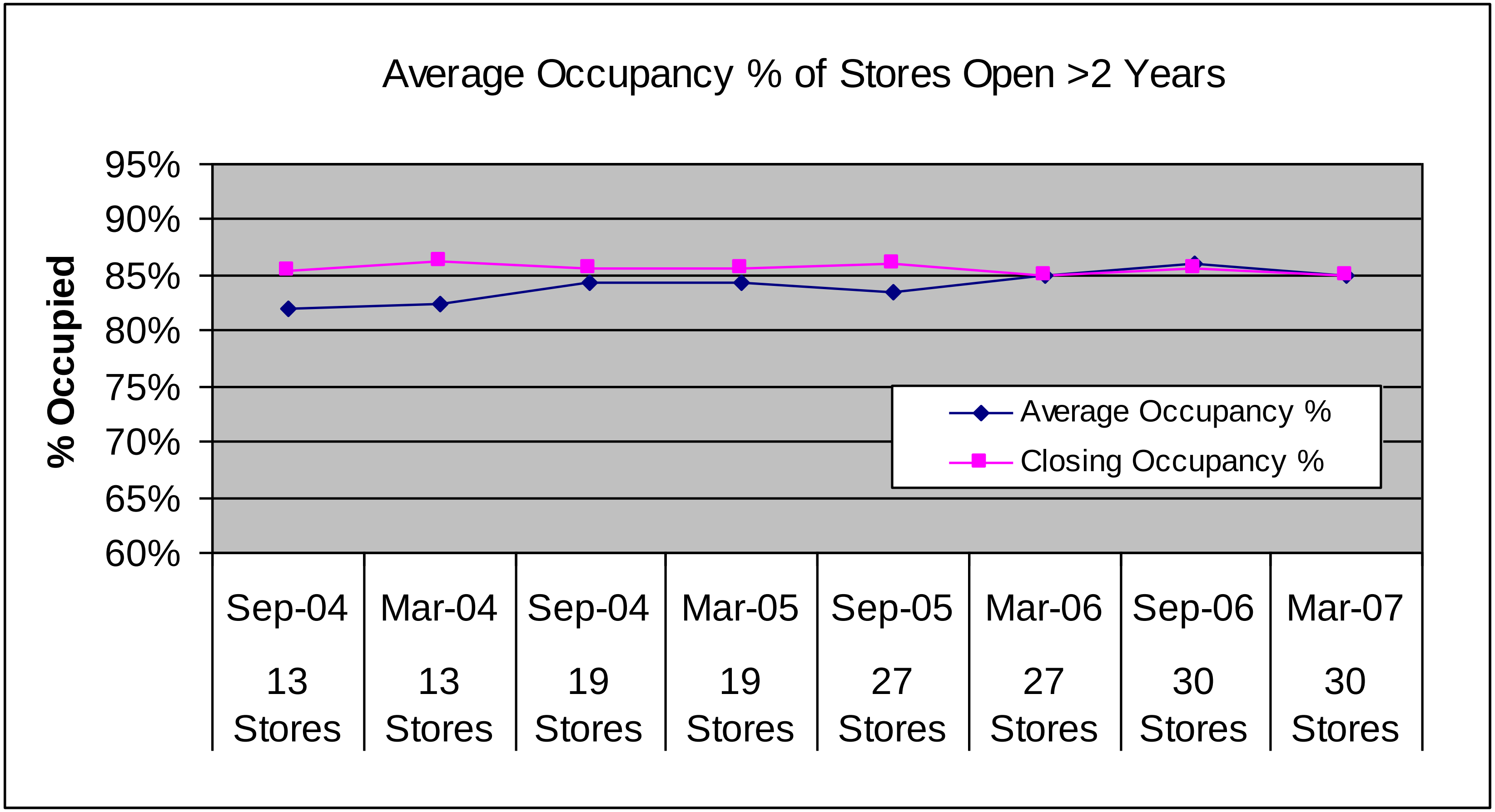
- Awareness of self-storage
  - Currently 30% approximately in London
  - Much lower in other major cities
- Significant advertising and promotion raising awareness
- Better located stores with roadside visibility also raising awareness
- New customers being created as market grows, e.g. lifestyle, de-cluttering
- 25% US penetration would imply the potential for 1500-1800 centres and approximately 1 sq ft per person
- Projected growth of 10% - 15% per annum

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


Average Occupancy % of Stores Open >2 Years
% Occupied
95%
90%
85%
80%
75%
70%
65%
60%
Average Occupancy %
Closing Occupancy %
Sep-04
13 Stores
Mar-04
13 Stores
Sep-04
19 Stores
Mar-05
19 Stores
Sep-05
27 Stores
Mar-06
27 Stores
Sep-06
30 Stores
Mar-07
30 Stores

Customer Average Length of Stay

As at 31 March 2007		Stores (Nº of Months)				
		< 1 Year	1-2 Years	2-5 Years	>5 Years	Portfolio
Nº of Stores		6	5	13	19	**43**
Domestic	Existing	3.7	6.0	12.2	15.7	**13.4**
	Vacated	2.0	3.2	5.1	6.0	**5.7**
	Total	2.9	4.2	6.7	7.6	**7.2**
Business	Existing	4.2	6.8	12.8	17.4	**15.2**
	Vacated	2.2	3.6	6.6	8.5	**7.9**
	Total	3.8	5.6	9.4	11.8	**11.0**
All	Existing	3.8	6.2	12.3	16.1	**13.8**
	Vacated	2.0	3.2	5.3	6.2	**5.9**
	Total	3.0	4.4	7.0	8.1	**7.7**

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Lift 2
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