Big Yellow Group PLC

Results for the Year ended
31 March 2008

19 May 2008

Financial Review

Financial Highlights

	Year ended 31 March 2008	Year ended 31 March 2007	
Revenue	**£56.9m**	£51.2m	**+11%**
EBITDA	**£29.6m**	£25.4m	**+17%**
Profit before tax	**£101.8m**	£152.8m	**-33%**
Adjusted profit before tax	**£13.3m**	£14.2m	**-6%**
Basic earnings per share	**89.20p**	192.97p	**-54%**
Adjusted earnings per share	**11.20p**	10.01p	**+12%**
Dividend			
- Final	**5.5p**	5.5p	**-**
- Total	**9.5p**	9.0p	**+6%**
Adjusted NAV per share	**520.2p**	437.8p	**+19%**
Cashflow from operations	**£30.8m**	£30.2m	**+2%**
Occupied Space (sq ft)	**1,817K sq ft**	1,780K sq ft	**+2%**

Consolidated Income Statement

	Year ended: 31.03.08 £m	31.03.07 £m	
Revenue	56.9	51.2	+11%
Cost of Sales	(20.8)	(18.5)	
Admin Costs	(6.8)	(5.6)	
Underlying Operating Profit	29.3	27.1	+8%
Revaluation Surplus	93.7	138.3	
Loss on Sale of Assets	(0.5)	(1.1)	
Net Interest Payable	(20.5)	(11.5)	
Share of Associate's Results	(0.2)	-	
Profit before Tax	101.8	152.8	-33%
Taxation	0.8	60.4	
Profit for the Year	102.6	213.2	
Adjusted Profit before Tax	13.3	14.2	-6%
Adjusted EPS	11.20 p	10.01p	+10%

Movement in Adjusted Profit Before Tax

	£m
Adjusted PBT - year ended 31.03.07	14.2
Underlying gross profit improvement	4.9
Interest expense (net)	(5.0)
Administration expense	(0.8)
Adjusted PBT - year ended 31.03.08	13.3

Cashflow and Net Debt Movement

	Year ended:	
	31.03.08	31.03.07
	£m	£m
Opening Net Debt	(187.9)	(142.1)
Cash from Operations	30.8	30.2
Interest (Net)	(16.4)	(13.4)
REIT conversion charge	(12.0)	-
Dividends Paid	(10.9)	(7.1)
Property Purchases	65.4	63.7
Development / Refurb / Other	45.5	32.3
Total Capital Expenditure	(110.9)	(96.0)
Surplus Land Sales	10.5	2.2
Sale to Partnership	20.3	-
Investment in Partnership	(5.7)	-
Issue of Share Capital	0.9	38.4
Purchase of own Shares	(1.1)	-
Closing Net Debt	(282.3)	(187.9)

Portfolio Summary

Years since opening as at 1 April 2006	March 2008 ≥2 years	March 2008 <2 years	**March 2008 Total**	March 2007 ≥2 years	March 2007 <2 years	March 2007 Total
Number of stores	32	15	**47**	32	9	41
As at 31 March 2008:						
Total capacity (sq ft)	1,944,000	1,002,000	**2,946,000**	1,944,000	544,000	2,488,000
Occupied space (sq ft)	1,537,000	280,000	**1,817,000**	1,597,000	183,000	1,780,000
Percentage occupied	79%	28%	**62%**	82%	34%	71%
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Annualised revenue	44,561	8,896	**53,457**	43,991	5,610	49,601
For the year:						
Average occupancy	82%	25%	**62%**	82%	21%	68%
Average annual rent psf	£25.07	£26.07	**£25.38**	£24.02	£24.73	£24.30
Self storage sales	39,956	6,530	**46,486**	38,294	2,825	41,119
Other storage related income	6,445	1,424	**7,869**	5,722	759	6,481
Ancillary store rental income	93	21	**114**	49	89	138
Total Revenue	46,494	7,975	**54,469**	44,065	3,673	47,738
Store EBITDA	30,222	3,965	**34,187**	27,991	960	28,951
EBITDA Margin	65%	50%	**63%**	64%	26%	61%
Central overhead	(2,790)	(479)	**(3,269)**	(2,643)	(220)	(2,863)
Store Net Operating Income	27,432	3,486	**30,918**	25,348	740	26,088
NOI Margin	59%	44%	**57%**	58%	20%	55%

Capex Summary

	March 2008 ≥ 2 years	March 2008 < 2 years	**March 2008 Total**
No of Stores	32	15	47
	£'m	**£'m**	**£'m**
To 31 March 2008	159.3	123.9	283.2
To Complete	-	5.2	5.2
Total Cost	159.3	129.1	288.4
Freehold	141.8	129.1	270.9
Leasehold (7 stores)	17.5	-	17.5
	159.3	129.1	288.4

REITs

- Conversion charge
  - £12.0 million paid in July 2007
  - Subject to final agreement with HMRC
- Approximately 86% of our business currently tax exempt
- Comfortably meets the 75% gross asset test at 31 March 2008
- All REIT tests met to date
- Dividend policy
  - 90% qualifying cash earnings post depreciation
  - Impact of shadow capital allowances on PID proportion
  - PID payable in the current year of 0.15p
  - PID will increase as proportion of total dividend in future years

Operations

Store Operations

- 6 openings in the year, creating 458,000 sq ft additional capacity
- Fulham flagship store opened; Sheen store closed for redevelopment
- 48 stores (2007: 43) trading at year end. Total capacity 3 million sq ft (2007: 2.6 million sq ft)
- 40K move-ins taking 2.4m sq ft (2007: 42K in 2.5m sq ft)
- Occupancy in year up 37,000 sq ft (2007: 163,000 sq ft) to 1.8 million sq ft
- 32 stores open more than 2 years at beginning of year:
  - Average occupancy 82% (Year ended 31 March 2007: 82%)
  - Same store revenue up 5.5% year on year
  - Freehold EBITDA of 71% and leaseholds 49%, combined 63%
- Packing materials, insurance and other sales were £7.9 million in the year (2007: £6.5 million) up 22%
- Net storage rent of £25.38 per sq ft (2007: £24.30), up 4.4%. London average £27.93
- Storage rent price increase in May 2008 of 6.1% to all customers

Sutton, Balham, Merton

Fulham


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RECEPTION
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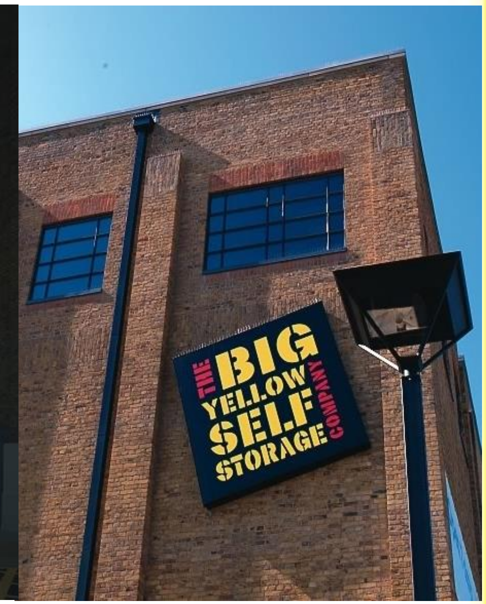
RECEPTION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Wine Storage

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Property Review

Property Accounts Valuation

Freehold - 41

- 10 year DCF assuming notional sale at year ten
- Cap yield of year one NOI @ 4.21% (Mar 2007: 5.24%), rising to 7.02% (Mar 2007: 6.8%) in year after final stabilisation
- Pre administration expense 7.64% (2007: 7.4%)
- Weighted average occupancy 86% (Mar 2007: 86%) at maturity
- Purchaser's costs – 5.75% assuming property sale

Leasehold - 7

- No sale of assets at year 10; DCF to lease expiry
- Average unexpired term, 17.7 years (March 2007: 18.8 years)

(i) Store openings in London depress initial yield as loss making, moving out reversionary yield

(ii) Same store valuation increase is cash flow driven

Investment Property Valuation

£'000	Deemed Cost	Valuation	Revaluation on deemed cost
Freehold Stores			
As at 31 March 2007	192,951	521,420	328,469
Movement in Period	79,080	172,250	93,170
Sale to Associate	(6,067)	(12,100)	(6,033)
Transfer on purchase of freeholds	3,584	10,700	7,116
As at 31 March 2008	269,548	692,270	422,722
Leasehold Stores			
As at 31 March 2007	18,563	68,640	50,077
Movement in Period	183	700	517
Transfer on purchase of freeholds	(3,584)	(10,700)	(7,116)
As at 31 March 2008	15,162	58,640	43,478
All Stores			
As at 31 March 2007	211,514	590,060	378,546
Movement in Period	79,263	172,950	93,687
Sale to Associate	(6,067)	(12,100)	(6,033)
As at 31 March 2008	284,710	750,910	466,200

Revaluation Movement in the Year

			£m
(1) 42 stores at 31 March 2007	Value Increase	52.0	
	Capex in period*	(15.0)	
			37.0
(2) 6 new stores opened – Sutton, Ealing, Barking Central, Balham, Merton, Fulham	Value	120.9	
	Cost	(64.2)	56.7
			93.7

* Phase II fit outs, Sheen capex and purchase of freeholds Cheltenham and Chelmsford

Movement in Adjusted Diluted NAV per Share

	£m	No of Shares	Diluted Pence Per Share
Adjusted NAV at 31 March 2007	517.1	118.1	437.8
Other items (including option exercises)	(4.6)	0.4	
	512.5	118.5	432.5
Revaluation Surplus – Investment Properties	93.7		79.1
Purchaser's Costs adjustment (net movement)	7.8		6.5
Adjusted Earnings	13.3		11.2
Dividends Paid	(10.9)		(9.1)
Adjusted NAV at 31 March 2008	616.4	118.5	520.2

- Valuation carried out on basis of 2.75% purchaser's costs and reported on at 31 March 2008 by Cushman & Wakefield. Increases net value to £784.6m for 48 open stores from £750.9m

Note: Development properties held at cost

Property Review

- Sites acquired for development
  - 10 in the year to date (4 in London plus Reading, Birmingham, Camberley, Sheffield, Edinburgh and Guildford)
- 9 planning consents since April 2007
- Development pipeline of 22 sites and 1 extension, 1.5 million net lettable space, 52% by net lettable space is in London
- £29.4 million of surplus land
- 60% stores and sites within the M25
- 93% freehold (including 3 long leaseholds), based on 31 March 2008 book values
- Freehold valuation growth in the period to 31 March 2008 on 30 stores greater than 2 years 8% versus 1% on leaseholds

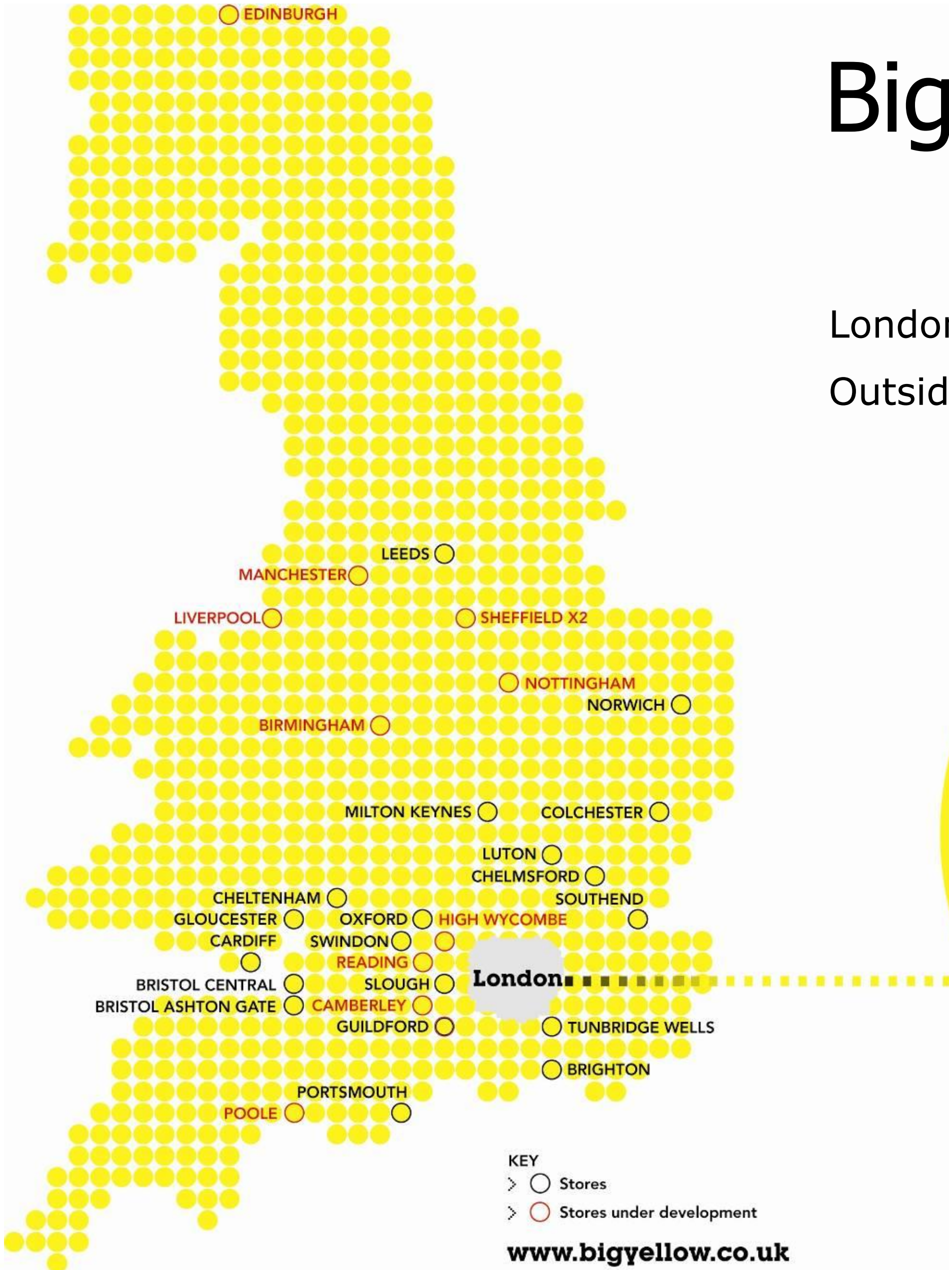
Planning Status

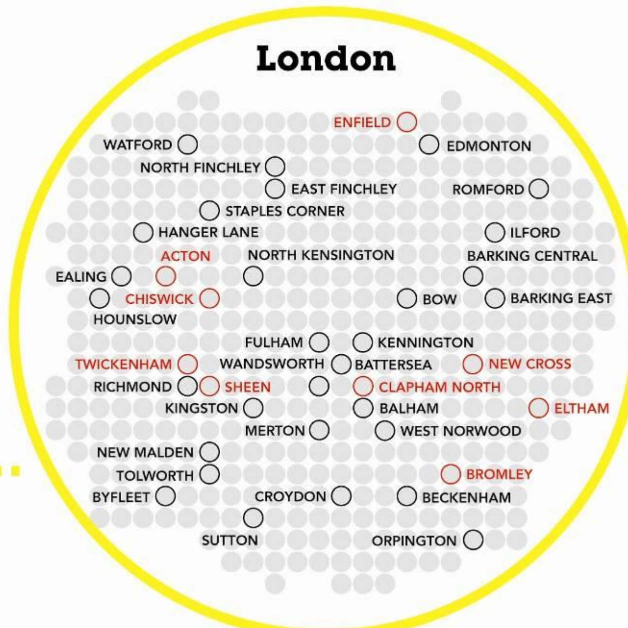
	No Stores	
Stage 1	4	Recently acquired / early design / feasibility review
Stage 2	4	Pre-application consultation with planners
Stage 3	5	Detailed application submitted after detailed and positive pre-application discussions
Stage 4	10	Consents received as at 19 May
	23	Includes Richmond extension site

Big Yellow Stores May 2008

London - 39 stores and sites

Outside London - 31 stores and sites





Corporate Strategy

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
- 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. Group has reinvested £5.7 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

Gearing Levels

	31.03.08	31.03.07
Net Debt / Gross Property Assets	33%	27%
Net Debt / Adjusted Net Assets	48%	38%
Interest Cover*	2.0	2.5

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

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Cost of Debt

	Amount of Debt March 2008	Weighted Average Interest Cost March 2008	Weighted Average Interest Cost March 2007
	£'m	%	%
Fixed Rate Debt	140	6.1	6.0
Floating Debt	144	6.4	6.4
Total Debt	284	6.2	6.3

Funding Strategy

- Bank Facilities
  - Current Facilities
    - RBS / Bank of Ireland / Barclays / Lloyds - £325 million
    - Net Debt at 31 March 2008 £282 million
  - Significant balance sheet capacity with uncharged property assets of £350 million
- Future Funding
  - Syndicated facility - £325m April 2010
  - Pramerica Partnership

Conclusion

- Board – Non Executive Directors’ Appointment
- Strong Development Pipeline
- Valuation
- Balance sheet
- Current Trading
- Outlook

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

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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
- November 2007 – Formation of partnership with Pramerica

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
  - Occupancy range of 82-89% since 1990
  - Population 300 million
  - 4 to 5% of US REIT Market

- UK market
  - 680 self-storage centres (excluding containers)
  - 25 million sq ft – 0.42 sq ft per person
  - 2007 member survey indicates current occupancy on whole market at 70%, with a mature store typically 75-90%
  - 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 (2007 Ipsos Mori Market Research)
  - Currently 30-35% approximately in London with reasonable knowledge of product
  - Lower in other major cities
  - 60-70% 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

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

Marketing

- Customer / Prospect quantitative / qualitative research
  - Big Yellow brand awareness up to 60-70% in London (2007: 58%)
  - Self storage awareness – still relatively low
  - Market leading brand – awareness over three times nearest competitor
  - 80% of our customers in top three ACORN categories

- Marketing Channels
  - Award winning TV campaign launched April 2007
  - TV – C4 and linked satellite channels
  - National press
  - Internet

- Reservations and quote online
  - First fully integrated system
  - Continue to lead innovation online

- Spend - £2.6 million

Loft conversion?

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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

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International Franchise

- Dubai site opens in Autumn 2008 providing 280,000 sq ft lettable space
- 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 joined from E.L.C. to grow this business

Customer Average Length of Stay

As at 31/03/2008		Stores (Nº of Months)				
		< 1 Year	**1-2 Years**	**2-5 Years**	**>5 Years**	**Portfolio**
Nº of Stores		**6**	**6**	**12**	**24**	**48**
Domestic	Existing	3.1	7.7	12.2	17.3	**15.1**
	Vacated	1.9	3.2	5.1	6.1	**5.9**
	Total	2.6	4.9	6.6	7.8	**7.5**
Business	Existing	2.9	10.8	13.4	19.3	**17.2**
	Vacated	1.3	3.8	6.8	8.8	**8.5**
	Total	2.5	8.1	9.7	12.4	**11.7**
All	Existing	3.1	8.2	12.4	17.8	**15.6**
	Vacated	1.8	3.3	5.2	6.4	**6.2**
	Total	2.6	5.2	7.0	8.3	**8.0**

43

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