



18 November 2024

Big Yellow Group PLC
 (“Big Yellow”, “the Group” or “the Company”)

Results for the Six Months ended 30 September 2024

	Six months ended 30 September 2024	Six months ended 30 September 2023	Change
Financial metrics			
Revenue	£103.0 million	£99.6 million	3%
Store revenue ⁽¹⁾	£102.2 million	£98.3 million	4%
Like-for-like store revenue ^(1,2)	£101.0 million	£98.1 million	3%
Store EBITDA ⁽¹⁾	£70.9 million	£71.5 million	(1%)
Adjusted profit before tax ⁽¹⁾	£54.9 million	£53.5 million	3%
EPRA earnings per share ⁽¹⁾	28.0 pence	29.0 pence	(3%)
Interim dividend per share	22.6 pence	22.6 pence	-
Statutory metrics			
Profit before tax	£145.8 million	£119.6 million	22%
Cash flow from operating activities (after net finance costs and pre-working capital movements) ⁽³⁾	£53.5 million	£54.3 million	(1%)
Basic earnings per share	74.6 pence	65.3 pence	14%
Store metrics			
Store Maximum Lettable Area (“MLA”) ⁽¹⁾	6,421,000	6,419,000	-
Closing occupancy (sq ft) ⁽¹⁾	5,168,000	5,228,000	(1%)
Occupancy growth in the period (sq ft) ⁽¹⁾	139,000	140,000	(1%)
Closing occupancy ⁽¹⁾	80.5%	81.4%	(0.9 ppts)
Occupancy – like-for-like stores ^(1,2)	80.9%	82.4%	(1.5 ppts)
Average achieved net rent per sq ft ⁽¹⁾	£34.36	£33.02	4%
Closing net rent per sq ft ⁽¹⁾	£34.77	£33.47	4%

(1) See note 20 for glossary of terms

(2) Excluding Kings Cross (opened June 2023)

(3) See reconciliation in Financial Review

Financial highlights

- Store revenue growth for the period was 4%, with like-for-like store revenue up by 3%, principally through rental growth, and since the period end we have seen some improvement in year-on-year occupancy performance
- Like-for-like occupancy increase of 1.9 ppts from 1 April 2024 and down 1.5 ppts from same time last year to 80.9% (September 2023: 82.4%), although this has now closed to 0.9 ppts
- Average achieved net rent per sq ft increased by 4% period on period, closing net rent up by 4% from September 2023
- Overall store EBITDA was down 1% in the period following an increase in store operating costs
- Adjusted profit before tax up 3% to £54.9 million, with EPRA earnings per share down 3%, due to the additional shares in issue following the placing in October 2023, only impacting the first half of the year
- Statutory profit before tax of £145.8 million compared to £119.6 million in the prior period following a higher revaluation gain in the period
- Cash flow from operating activities (after net finance costs and pre-working capital movements) decreased by 1% to £53.5 million
- Interim dividend of 22.6 pence per share declared, in line with prior period

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Property highlights

- Opened new 65,000 sq ft freehold store in Slough Farnham Road, customers successfully transferred from nearby existing leasehold store, which will shortly be handed back to landlord
- Acquired freehold property in Leamington Spa, taking the pipeline to 12 development sites and one replacement store of approximately 1.0 million sq ft (15% of current MLA), of which 10 are in London or within close proximity. 1.3 million sq ft of fully built vacant space is currently available for future growth
- Planning consent granted for key London proposed stores at West Kensington, Kentish Town (both at appeal) and Staples Corner; we now have 10 of our 13 pipeline stores with planning
- Disposal of land adjacent to our Battersea store for £30.9 million with planning for residential development

Commenting, Nicholas Vetch CBE, Executive Chairman, said:

“Although it is pleasing that we expect to return to earnings per share growth in the second half, we have always been more focussed on the longer term. We will grow revenue through incrementally increasing occupancy levels from our existing store platform, alongside driving efficiencies across the business through investment in automation. Furthermore, and critically, we are fully committed to capturing the opportunity of the revenue and earnings growth from our store pipeline, most of which is now in the construction phase.

In addition, we expect to see more opportunities to acquire land and replenish our development pipeline in our core areas of operation.”

- Ends -

ABOUT US

Big Yellow is the UK’s brand leader in self storage and operates from a platform of 109 stores. We have a pipeline of 1.0 million sq ft comprising 13 proposed self storage facilities. The current maximum lettable area of the existing platform is 6.4 million sq ft. When fully built out the portfolio will provide approximately 7.4 million sq ft of flexible storage space. 99% of our stores and sites by value are held freehold and long leasehold, with the remaining 1% short leasehold. Currently by revenue 75% of our stores are in London and its commuter towns, with the balance in larger regional conurbations.

Our stores utilise state of the art technology for our digital and operating platforms including security, and we focus on locating our stores in high profile, accessible, main road locations. We also focus on providing excellent customer service, a highly engaged employee culture, and with significant and increasing investment in sustainability.

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Big Yellow Group PLC

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CHAIRMAN'S STATEMENT

Big Yellow Group PLC, the UK's brand leader in self storage, is pleased to announce its results for the six months ended 30 September 2024.

The last two years or so have been difficult with muted trading conditions, cost pressures and until recently, sharp increases in the cost of debt, and in that time the business has proved relatively resilient. Additionally, the issuance of new equity has created a drag on earnings per share over the last 12 months.

The impact of higher operating costs has continued to wash through into this first half of the year particularly property taxes, energy costs and wages. This has been a constant pressure for over two years, and the largest increase has come from property taxation, which represents 70% of the increase in our same store operating expenses in that time. We do however expect our store expense growth to moderate in the second half of the year and into next year as the impact of inflation reduces and as we benefit from lower energy costs and our investment into solar energy.

Adjusted profit before tax, which is up 3%, has benefited from the reduced level of debt over the period. The interest rate reductions in August and November will benefit more in the second half and into the following year along with any further reductions in short term interest rates.

As reported in May, we have an opportunity to generate significant NOI growth from our pipeline of stores and it was pleasing to win two planning appeals at West Kensington and Kentish Town and to be granted planning on Staples Corner during the period. From a planning perspective, our pipeline has largely been de-risked and we have committed to the construction of the next nine stores amounting to an additional capacity of 0.7 million sq ft, opening over the next two to three years.

Financial results

Revenue for the period was £103.0 million (2023: £99.6 million), an increase of 3%, with store revenue up 4%; we saw a decrease in income from our development sites where we have now obtained vacant possession. Like-for-like store revenue (which excludes new store openings) was up 3%, driven by an increase in average achieved net rent, offset by a slight fall in average occupancy. Store EBITDA was £70.9 million, a decrease of 1% from the prior period (2023: £71.5 million).

The Group made an adjusted profit before tax in the period of £54.9 million, up 3% from £53.5 million for the same period last year (see note 6). Adjusted diluted EPRA earnings per share were 28.0 pence (2023: 29.0 pence), a decrease of 3% due to the additional shares in issue following the placing in October 2023, only impacting the first half of the year.

The Group's statutory profit before tax for the period was £145.8 million, an increase from £119.6 million for the same period last year, due to a revaluation surplus of £82.2 million in the period (2023: surplus of £67.2 million), reflecting the growth in net rents during the period, and a profit arising on the disposal of land adjacent to our Battersea store of £8.8 million.

The Group's cash flow from operating activities (after net finance costs and pre-working capital movements) decreased by 1% to £53.5 million for the period (2023: £54.3 million).

Dividends

The Board has approved an interim dividend of 22.6 pence per share in line with the prior period. This first half dividend has all been declared as Property Income Distribution ("PID").

Development pipeline

During the period we opened our new freehold store in Slough Farnham Road, replacing a nearby leasehold store. We have transferred the customers from the old store and are in the process of stripping the building out before returning it to the landlord. This is consistent with our strategy of reducing our rent liabilities, which we view as quasi-debt. Slough Farnham Road is our first net zero store, with a solar PV installation of 200 kWp (our largest to date), battery storage for the energy we generate, and a number of other sustainability features. These helped the store achieve a rare EPC rating of A+.

As mentioned above, we have been successful in achieving three key planning consents in London during the period; at West Kensington, Kentish Town and at Staples Corner. The store in West Kensington will be only the second purpose-built self storage facility in the London Borough of Hammersmith & Fulham, alongside our Fulham store, with Kentish Town being the first purpose-built store in the London Borough of Camden. These, along with the other sites in the pipeline, are very high-quality locations, and will help consolidate our market-leading platform. We now have planning consent on 10 of our 13 development sites.

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We have commenced the construction process on the nine sites where we have vacant possession and anticipate opening these stores over the next three years, with three stores opening in the next financial year, five in the year ended March 2027, and West Kensington later in 2027. The cost to complete these nine stores is approximately £183 million.

The projected net operating income of the increase in our total capacity of 1.0 million sq ft when stabilised, at today's prices, is £31.4 million representing an approximate 14% return on the incremental capital deployed. If we include the replacement store at Staples Corner, due to open in Summer 2026, the proforma net operating income increases to £35.4 million, a return of approximately 8.9% on the total development cost of approximately £400 million, including land already acquired.

Capital structure

It remains our view that elevated levels of debt over cycles destroys value and hence our strategy is to maintain debt at modest levels. The Group's interest cover for the period (expressed as the ratio of cash generated from operations pre-working capital movements against interest paid) was 5.7 times (2023: 5.3 times), with the Group's net debt to EBITDA ratio now 2.9x (2023: 3.8x).

Net debt was £359.5 million at 30 September 2024 (2023: £495.3 million), giving the Group available committed liquidity of £214.6 million, with the \$225 million bilateral shelf facility with Pricoa also available. Approximately 50% of our debt is fixed, with the balance floating, in line with our hedging policy, and our current average cost of debt is 5.1% (2023: 5.7%). Any further cuts in interest rates will benefit the second half and into next year.

Outlook

Although it is pleasing that we expect to return to earnings per share growth in the second half, we have always been more focussed on the longer term. We will grow revenue through incrementally increasing occupancy levels from our existing store platform, alongside driving efficiencies across the business through investment in automation. Furthermore, and critically, we are fully committed to capturing the opportunity of the revenue and earnings growth from our store pipeline, most of which is now in the construction phase.

In addition, we expect to see more opportunities to acquire land and replenish our development pipeline in our core areas of operation.

Nicholas Vetch CBE

Executive Chairman

18 November 2024

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BUSINESS AND FINANCIAL REVIEW

Store occupancy

We now have a portfolio of 109 open and trading stores, with a current maximum lettable area of 6.4 million sq ft (2023: 109 stores, MLA of 6.4 million sq ft).

Like-for-like occupancy increased by 1.9 ppts from 1 April 2024 but was down 1.5 ppts from the same time last year. Like-for-like store revenue growth for the half year was 3%, driven by improvements in average achieved net rent per sq ft.

Prospect numbers were down 5% on the prior period on a like-for-like basis, however, our conversion levels improved with move-ins down only 1.5% and move-outs in line with the same period last year.

Occupancy across all 109 stores increased by 139,000 sq ft over the six months compared to a gain of 140,000 sq ft in the same period last year. Demand from domestic customers has been higher than last year, up 143,000 sq ft (2023: up 133,000 sq ft). Business occupancy dropped by 2% or 36,000 sq ft, on 1.84 million sq ft occupied at the beginning of the period and student occupancy rose by 32,000 sq ft. Approximately 70% of our revenue derives from domestic and student customers, with the balance from our business customers.

Although business occupancy has been a little softer over the six months, we are seeing an improving move-in trend from businesses, particularly since the period end and overall business occupancy has stabilised. We continue to see demand from online traders, e-tailers and service providers. Over the six months, revenue from national customers (businesses who occupy space in multiple stores) has increased by 14% compared to the same period last year.

Since the period end, we have seen an improvement in activity levels, with move-ins up 5% on the same period last year. Our third quarter is historically the weakest trading quarter where we see a loss in occupancy with a return to growth in the fourth quarter. In the current year, given the improving move-in picture, we have lost 78,000 sq ft (1.2% of maximum lettable area "MLA") since the end of September, compared to a loss of 113,000 sq ft (1.8% of MLA) at the same stage last year. The like-for-like gap in occupancy is now down to 0.9 ppts compared to 1.5 ppts at 30 September.

At 30 September, the 79 established Big Yellow stores were 82.7% occupied compared to 85.1% at the same time last year. The six developing Big Yellow stores added 46,000 sq ft of occupancy in the past six months to reach closing occupancy of 62.6%. The Armadillo stores, representing 10% of the Group's revenue, added 28,000 sq ft of occupancy with closing occupancy of 77.2% (2023: 77.9%). Overall store occupancy was 80.5%.

Rental growth

We continue to manage pricing dynamically, taking account of room availability, customer demand and local competition, with our pricing model reducing promotions and increasing asking prices where individual units are in scarce supply.

We price competitively to win new customers and increase rents to in-place customers on a range dependent on what they are paying relative to the current asking price, and on average these were at levels slightly ahead of wage inflation. We have reduced our in-place increases to customers since January given fallen inflation, and accordingly our average rate growth over the period was 4% compared to 8% in the prior period. It must be remembered that some 60% to 70% of our customers move-out within six months, and therefore do not receive any price increases. New customers over the period paid on average 2% more than move-ins for the same period last year, and 2% less than customers moving out over the six months. If we can improve our relative occupancy performance, we would expect to see this reverse and be an additional driver to revenue growth.

The table below shows the change in net rent per sq ft for the portfolio by average occupancy over the six months (on a non-weighted basis).

Average occupancy in the six months	Net rent per sq ft growth from 1 April to 30 September 2024	Net rent per sq ft growth from 1 April to 30 September 2023
75% to 85%	1.6%	2.6%
85 to 90%	4.1%	3.5%
Above 90%	5.0%	4.7%

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Security of income

We believe that self storage income is essentially evergreen income with highly defensive characteristics driven from buildings with very low obsolescence and relatively low maintenance requirements. Although our contract with our customers is in theory as short as a week, we do not rely on any one contract for our income security. At 30 September 2024 the average length of stay for existing customers was 30.4 months (September 2023: 29.5 months). For all customers, including those who have moved out of the business throughout the life of the portfolio, the average length of stay was 8.9 months (September 2023: 8.8 months). We have seen an increase in the length of stay of customers who moved out over the rolling 12 months, which increased to 9.9 months from 9.4 months for the same period last year.

38% of our customers by occupied space have been storing with us for over two years (2023: 37%), and a further 16% of customers have been in the business for between one and two years (2023: 15%). For the 54% of customers that have stayed for more than one year, the average length of stay is 53 months.

Our business customer base is comprised of online retailers, B2B traders looking for flexible mini-warehousing for e-fulfilment, service providers, those looking to shorten supply chains, and businesses looking to rationalise their other fixed costs of accommodation. For these customers, who typically are looking for rooms which could be from 50 sq ft to 500 sq ft in facilities that meet their operational requirements, the only supply in big cities is from self storage providers.

We saw continued growth in occupancy from our domestic customer base, with demand across a broad spectrum of uses. The majority of our customers are represented in ACORN profiled groups such as Flourishing Capital, Up and Coming Urbanites, Exclusive Addresses, Prosperous Professionals, Metropolitan Surroundings, Upmarket Families, Urban Aspiring Flat Dwellers and Privately Renting Professionals in Flats. The largest element of demand into our business each year is customers who use us for relatively short periods driven by a need.

We therefore have a very diverse base of domestic and business customers currently occupying 75,000 rooms. This, together with the location and quality of our stores, limited growth in new supply, market-leading brand and digital platform, and customer service, all contribute to the resilience and security of our income.

We are not seeing any deterioration in rent collection. Approximately 80% of our customers pay by direct debit, and the proportion of our billings that is more than 10 days overdue is in line with last year and lower than pre-Covid. Our bad debt expense for the period was 0.2%, unchanged from last year.

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Revenue

Total revenue for the six-month period was £103.0 million, an increase of £3.4 million (3%) from £99.6 million in the same period last year with store revenue up 4%, offset by a decline in income from the development sites where we have now obtained vacant possession. Like-for-like store revenue (see glossary in note 20) was £102.2 million, an increase of 3% from the 2023 figure of £98.3 million.

Revenue growth for the period in our London stores was 4%, our South East commuter stores 3%, and our regional stores 4%.

Other sales comprise the selling of packing materials, enhanced liability service (“ELS”), and storage related charges. Our revenue from ELS increased by 6% compared to the same period last year, after a focus on improving the average level of cover we sell to customers.

The other revenue earned is tenant income on sites where we have not started development.

Operating costs

Cost of sales comprises principally direct store operating costs, including store staff salaries, utilities, business rates, insurance, a full allocation of the central marketing budget, and repairs and maintenance.

The table below shows the breakdown of store operating costs compared to the same period last year:

Category	Period ended	Period ended	Change	% of store operating costs in period
	30 September 2024	30 September 2023		
	£000	£000		
Cost of sales (ELS and packing materials)	791	865	(9%)	3%
Staff costs	7,749	7,209	7%	25%
General & admin	882	812	9%	3%
Utilities	1,401	862	63%	5%
Property rates	10,493	9,135	15%	34%
Marketing	3,681	3,329	11%	12%
Repairs and maintenance	3,110	2,747	13%	10%
Insurance	1,767	1,697	4%	6%
Computer costs	578	509	14%	2%
Total before non-recurring items	30,452	27,165	12%	
Non-recurring items	(359)	(1,388)	(74%)	
Total per portfolio summary	30,093	25,777	17%	

Store operating costs have increased by £4.3 million (17%). The non-recurring items in the prior period relate principally to the release of a provision for property rates from the 2017 rating list, and a reassessment of the Group’s bad debt provision. In the current period the non-recurring items are some credits that have been received following a reassessment of property rates at certain stores.

Store operating costs before these non-recurring items have increased by £3.3 million (12%) compared to the same period last year. The additional operating expense from new stores accounted for £0.6 million in the period. The remaining increase is £2.7 million (10%), with commentary below:

- Cost of sales has reduced in line with packing material sales.
- Staff costs have increased by £0.5 million (7%), with the salary review of on average 4.8% (including a higher increase to those at the lower end of the pay scale reflecting the rise in the national living wage), coupled with higher bonuses for the six months, which have averaged 11% compared to 8% in 2023. There has also been an additional accrual for national insurance on share options of £0.2 million. These increases have been partly offset by savings on headcount, as we drive efficiencies into the stores through automation.
- Utilities have increased by £0.5 million (63%) compared to the prior period, with a new fixed rate contract starting in October 2023, which was at a 74% higher rate than our expiring contract. This increase has been partly mitigated by our investment in solar. We entered into a new contract from October 2024 which reduced the rate by 18% and this will benefit the second half of the year.
- Property rates have increased by £1.3 million (15%). The causes of this increase are the impact of new stores; the unwinding of taper relief from the introduction of the 2023 listing, and inflation applied to the multiplier which was set at 6.7%, based on the CPI print to September 2023. The rates payable for the next financial year will be based off the CPI to September 2024, which was 1.7%.

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- Marketing has increased due to an increase in the PPC budget over the summer months to drive additional prospects in a softer demand environment. The spend represents 3.6% of revenue for the first six months.
- The repairs and maintenance expense has increased due to an additional investment in security in our stores, the timing of spend in the current year and an increase in solar panel maintenance costs, with higher numbers of stores now with solar PVs.
- Computer costs have increased by £0.1 million (14%), which reflects additional investment in systems to drive automation across the business.

The table below reconciles store operating costs per the portfolio summary to cost of sales in the income statement:

	Period ended 30 September 2024 £000	Period ended 30 September 2023 £000
Direct store operating costs per portfolio summary (excluding rent)	30,093	25,777
Rent included in cost of sales (total rent payable is included in portfolio summary)	853	915
Depreciation charged to cost of sales	267	280
Head office operational management costs charged to cost of sales	893	832
Cost of sales per income statement	32,106	27,804

Store EBITDA

Store EBITDA for the period was £70.9 million, a decrease of £0.6 million (1%) from £71.5 million for the period ended 30 September 2023 (see Portfolio Summary). The overall EBITDA margin for all stores during the period was 69.3%, down from 72.7% in 2023.

All stores are currently trading profitably at the Store EBITDA level.

Administrative expenses

Administrative expenses in the income statement have increased by £0.9 million (14%). The charge for national insurance on the exercise of share options is higher than the same period last year following an increase in the Company's share price. This is partly offset by a reduction in the IFRS 2 charge in the period; the net impact of these share-based payment related charges is an increase of £0.5 million. The balance of £0.4 million is largely inflationary.

Other income

In February 2022 the Group experienced a fire at our Cheadle store, which resulted in a total loss to the store. Buildings all risk insurance is in place for the full reinstatement value with the landlord. We have insurance cover in place for both our fit-out and four years loss of income. The loss of income booked during the first six months of the financial year was £1.0 million (2023: £0.8 million) which is included in other income. Subsequent to the period end, the Group reached a final settlement with its insurers over the claim and received a further £3.1 million. The total amount received from the claim has been £12.1 million, of which £7.1 million was for loss of income and £5.0 million in respect of the fit-out of the store.

Interest expense on bank borrowings

Interest on bank borrowings during the period was £12.2 million, £1.5 million lower than the same period last year, with average debt levels lower in the period following the placing in October 2023, partly offset by a higher average cost of debt following the increase in interest rates in the prior period. Our average cost of debt has now started to fall following the reduction in interest rates in August and November.

Interest capitalised in the period amounted to £3.2 million (2023: £1.8 million), arising on the Group's construction programme.

Profit before tax

The Group's statutory profit before tax for the period was £145.8 million, compared to £119.6 million for the same period last year. The increase in profitability is due to a higher revaluation gain in the in the period and the profit on the disposal of the land adjacent to our Battersea store.

After adjusting for the revaluation movement of investment properties and other matters shown in the table below, the Group made an adjusted profit before tax in the period of £54.9 million, up 3% from £53.5 million in 2023.

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	Six months ended 30 September 2024	Six months ended 30 September 2023
Profit before tax analysis	£m	£m
Profit before tax	145.8	119.6
Gain on revaluation of investment properties	(82.2)	(67.2)
Gain on disposal of non-current asset	(8.8)	-
Change in fair value of interest rate derivatives	0.1	1.1
Adjusted profit before tax	54.9	53.5
Tax	(0.1)	-
Adjusted profit after tax	54.8	53.5

The movement in the adjusted profit before tax from the prior year is shown in the table below:

Movement in adjusted profit before tax	£m
Adjusted profit before tax for the six months to 30 September 2023	53.5
Decrease in gross profit	(0.9)
Increase in administrative expenses	(0.9)
Increase in other operating income	0.2
Decrease in net interest payable	1.6
Increase in capitalised interest	1.4
Adjusted profit before tax for the six months to 30 September 2024	54.9

Diluted EPRA earnings per share was 28.0 pence (2023: 29.0 pence). The decrease of 3% from the same period last year, compares to an increase in adjusted profit before tax of 3% due to the additional shares in issue following the placing in October 2023.

Taxation

The Group is a Real Estate Investment Trust (“REIT”). We benefit from a zero-tax rate on our qualifying self storage earnings. We only pay corporation tax on the profits attributable to our residual business, comprising primarily of the sale of packing materials and insurance, and management fees earned by the Group.

There is a £0.7 million tax charge in the residual business for the period ended 30 September 2024, partly offset by an adjustment to the prior year tax estimate of £0.6 million (six months to 30 September 2023: £0.9 million, largely offset in the income statement by an adjustment to the prior year tax estimate).

Dividends

REIT regulatory requirements determine the level of Property Income Distribution (“PID”) payable by the Group. A PID of 22.6 pence per share is proposed as the total interim dividend, in line with the same period last year.

The interim dividend will be paid on 24 January 2025. The ex-dividend date is 2 January 2025, and the record date is 3 January 2025.

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Cash flow

Cash flows from operating activities (after net finance costs and pre-working capital movements) have decreased by 1% to £53.5 million for the period (2023: £54.3 million). These operating cash flows are after the ongoing maintenance costs of the stores, which for this first half were on average approximately £28,000 per store. The Group's net debt has reduced over the period to £359.5 million (March 2024: £385.4 million), following the receipt of £30.6 million from the disposal of land adjacent to our Battersea store.

There are distortive working capital items in the current period, and therefore the summary cash flow below sets out the free cash flow pre-working capital movements

	Six months ended 30 September 2024	Six months ended 30 September 2023
	£m	£m
Cash generated from operations pre-working capital movements	65.5	68.3
Net finance costs	(11.4)	(12.8)
Interest on obligations under lease liabilities	(0.3)	(0.3)
Other operating income received	1.0	0.1
Tax	(1.3)	(1.0)
Cash flow from operating activities pre-working capital movements	53.5	54.3
Working capital movements	6.6	(3.5)
Cash flow from operating activities	60.1	50.8
Capital expenditure	(20.6)	(17.8)
Disposal of non-current asset	30.6	-
Cash flow after investing activities	70.1	33.0
Dividends	(44.1)	(41.7)
Payment of finance lease liabilities	(0.9)	(0.9)
Issue of share capital	0.7	0.9
(Decrease)/increase in borrowings	(29.6)	7.4
Net cash outflow	(3.8)	(1.3)

The Group's interest cover for the period (expressed as the ratio of cash generated from operations pre-working capital movements against interest paid) was 5.7 times (2023: 5.3 times), with the increase following the reduction in the interest expense over the period with lower average debt levels. This is calculated per below:

	30 September 2024	30 September 2023
	£000	£000
Cash generated from operations pre working capital movements (see note 26)	65,489	68,259
Interest paid per cash flow statement	(11,439)	(12,778)
Interest cover	5.7x	5.3x

£3.4 million of the capital expenditure in the period related to the acquisition of Leamington Spa, with the balance of £17.2 million principally construction capital expenditure on our development programme but also including our continued investment in solar retrofitting.

Balance sheet

Investment property

The Group's investment properties are carried at the half year at Directors' valuation. They are valued externally by Jones Lang Lasalle ("JLL") at the year end. The Directors' valuations reflect the latest cash flows derived from each of the stores at the end of September.

In performing the valuations, the Directors consulted with JLL on the capitalisation rates used in the valuations, which are based on the JLL model. The Directors, as advised by the valuers, consider that the prime capitalisation rates have remained stable since the March 2024 valuation date.

The Directors have made some minor amendments to a couple of the valuation assumptions, namely the adjustment of stable occupancy levels on certain stores that are consistently trading ahead of the previously used assumptions and to certain assumptions on net achieved rents within the valuations. Other than the above, the Directors believe the core assumptions used by JLL in the March 2024 valuations are still appropriate at the September valuation date.

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At 30 September 2024 the external valuation of the Group's properties is shown in the table below:

Analysis of property portfolio	Value at 30 September 2024 £m	Revaluation movement in the period £m
Investment property	2,791.0	73.3
Investment property under construction	157.8	8.9
Investment property total	2,948.8	82.2

The revaluation surplus for the open stores in the period was £73.3 million, reflecting growth in net achieved rents across the portfolio. The investment property under construction revaluation surplus of £8.9 million reflects the benefit of receiving planning consents in the past six months at West Kensington, Kentish Town and Staples Corner.

The initial yield on the portfolio is 5.3% (31 March 2024: 5.2%). The Group's annual report and accounts for the year ended 31 March 2024 contains a detailed explanation of the valuation methodology.

Current development pipeline – with planning

Site	Location	Status	Anticipated capacity
Staines, London	Prominent location on the Causeway	Construction commenced with a view to opening in Summer 2025. We are also developing 9 industrial units on the site totalling 99,000 sq ft.	66,000 sq ft
Queensbury, London	Prominent location off Honeypot Lane	Construction commenced with a view to opening in Autumn 2025.	70,000 sq ft
Wembley, London	Prominent location on Towers Business Park	Construction to commence in late 2024 with a view to opening in early 2026.	73,000 sq ft
Slough Bath Road	Prominent location on Bath Road	Construction commenced with a view to opening in Spring 2026.	94,000 sq ft
Epsom, London	Prominent location on East Street	Demolition in progress, construction to commence in late 2024 with a view to opening in Summer 2026.	59,000 sq ft
Staples Corner, London	Prominent location on North Circular Road	Demolition in progress, construction to commence in late 2024 with a view to opening in Summer 2026.	Replacement for existing leasehold store, additional 18,000 sq ft
Kentish Town, London	Prominent location on Regis Road	Demolition to start in early 2025, with a view to opening in Summer 2026.	68,000 sq ft
Wapping, London	Prominent location on the Highway, adjacent to existing Big Yellow	Demolition of existing building in progress, construction expected to commence in late 2024 with a view to opening in late 2026.	Additional 95,000 sq ft
West Kensington, London	Prominent location on Hammersmith Road	Demolition of existing building to commence in January 2025, with a view to opening in Autumn 2027.	176,000 sq ft
Newcastle	Scotswood Road	Planning consent granted, vacant possession awaited.	60,000 sq ft

Current development pipeline – without planning

Old Kent Road, London	Prominent location on Old Kent Road	Site acquired in June 2022. Planning application submitted in October 2023, decision expected early 2025.	77,000 sq ft
Leicester	Prominent location on Belgrave Gate, Central Leicester	Site acquired in June 2023. Planning discussions underway with Leicester City Council.	58,000 sq ft
Leamington Spa	Prominent location on Queensway	Site acquired in May 2024. Planning discussions underway with local council.	55,000 sq ft
Total – all sites			969,000 sq ft

BIG YELLOW GROUP PLC

The capital expenditure forecast for the remainder of the financial year (excluding any new site acquisitions) is approximately £43 million, which principally relates to construction costs on our development sites and the continued retrofitting of solar panels across the Group's estate.

Financing and treasury

Our financing policy is to fund our current needs through a mix of debt, equity, and cash flow to allow us to build out, and add to, our development pipeline and achieve our strategic growth objectives, which we believe improve returns for shareholders. We aim to ensure that there are sufficient medium-term facilities in place to finance our committed development programme, secured against the freehold portfolio, with debt serviced by our strong operational cash flows. We maintain a keen watch on medium and long-term rates and the Group's policy in respect of interest rates is to maintain a balance between flexibility and hedging of interest rate risk.

The table below shows the Group's debt position at 30 September 2024, with our average interest cost shown after the base rate reduction in November:

Debt	Expiry	Facility	Drawn	Cost
Aviva Loan	September 2028	£154.1m	£154.1m	3.4%
M&G loan (£35 million fixed at 4.5%, £85 million floating)	September 2029	£120m	£120m	6.6%
Revolving bank facility (Lloyds, HSBC and Barclays, 100% floating)	December 2027 (option to extend for one further year)	£300m	£91m	5.9%
Total		£574.1m	£365.1m	5.1%

Subsequent to the period end, the expiry of the bank facility was extended by a year to December 2027, with the first "plus-one" option taken up. In addition to the facilities above, the Group has a \$225 million credit approved shelf facility with Pricoa Private Capital ("Pricoa"), to be drawn in fixed sterling notes. The Group can draw the debt in minimum tranches of £10 million over the next two years with terms of between 7 and 15 years at short notice, typically 10 days.

The Group was comfortably in compliance with its banking covenants at 30 September 2024 and is forecast to be for the period covered by the going concern statement.

The Group's key financial ratios are shown in the table below:

Ratio	30 September 2024	30 September 2023
Net debt to gross property assets	12%	18%
Net debt to adjusted net assets	13%	21%
Net debt to market capitalisation	14%	29%
Net debt to Group EBITDA ratio ¹	2.9x	3.8x
Cash generated from operations pre-working capital movements against interest paid	5.7x	5.3x

¹ Annualising the Group EBITDA for the six months to 30 September

Net asset value

The adjusted net asset value per share is 1,348.0 pence (see note 13), up 4% from 1,296.4 pence per share at 31 March 2024. The table below reconciles the movement from 31 March 2024:

Movement in adjusted net asset value	Equity shareholders' funds £m	EPRA adjusted NAV pence per share
31 March 2024	2,561.9	1,296.4
Adjusted profit after tax	54.8	27.7
Equity dividends paid	(44.1)	(22.3)
Revaluation movements	82.2	41.6
Gain on disposal of non-current asset	8.8	4.4
Movement in purchaser's cost adjustment	3.2	1.6
Other movements (e.g. share schemes)	1.8	(1.4)
30 September 2024	2,668.6	1,348.0

Jim Gibson
Chief Executive Officer
18 November 2024

John Trotman
Chief Financial Officer

BIG YELLOW GROUP PLC

PORTFOLIO SUMMARY

	September 2024				September 2023			
	Big Yellow Established	Big Yellow Developing	Armadillo	Total	Big Yellow Established	Big Yellow Developing	Armadillo	Total
Number of stores ⁽¹⁾	79	6	24	109	79	6	24	109
At 30 September:								
Total capacity (sq ft)	4,991,000	422,000	1,008,000	6,421,000	4,989,000	422,000	1,008,000	6,419,000
Occupied space (sq ft)	4,126,000	264,000	778,000	5,168,000	4,247,000	196,000	785,000	5,228,000
Percentage occupied	82.7%	62.6%	77.2%	80.5%	85.1%	46.4%	77.9%	81.4%
Net rent per sq ft	£37.09	£31.95	£23.46	£34.77	£35.67	£29.63	£22.44	£33.47
For the period:								
REVPAF ⁽²⁾	£34.79	£21.05	£21.11	£31.74	£34.07	£14.97	£20.17	£30.73
Average occupancy	83.2%	57.6%	78.2%	80.7%	85.1%	44.4%	77.9%	81.5%
Average annual net rent psf	£36.66	£31.59	£23.22	£34.36	£35.14	£28.93	£22.42	£33.02
	£000	£000	£000	£000	£000	£000	£000	£000
Self storage income	76,262	3,843	9,159	89,264	74,841	2,497	8,824	86,162
Other storage related income ⁽²⁾	10,052	604	1,464	12,120	9,791	397	1,362	11,550
Ancillary store rental Income	750	6	37	793	611	16	10	637
Total store revenue	87,064	4,453	10,660	102,177	85,243	2,910	10,196	98,349
Direct store operating costs (excluding depreciation)	(23,663)	(2,238)	(4,192)	(30,093)	(20,418)	(1,650)	(3,709)	(25,777)
Short and long leasehold rent ⁽³⁾	(1,148)	-	(84)	(1,232)	(999)	-	(84)	(1,083)
Store EBITDA ⁽²⁾	62,253	2,215	6,384	70,852	63,826	1,260	6,403	71,489
Store EBITDA margin	71.5%	49.7%	59.9%	69.3%	74.9%	43.3%	62.8%	72.7%
Deemed cost	£m	£m	£m	£m				
To 30 September 2024	745.0	188.0	146.5	1,079.5				
Capex to complete	-	0.5	-	0.5				
Total	745.0	188.5	146.5	1,080.0				

(1) The Big Yellow established stores have been open for more than three years at 1 April 2024, and the developing stores have been open for fewer than three years at 1 April 2024. We opened a new freehold store at Slough Farnham Road during the period. After transferring its customers to the new Farnham Road store, we closed our leasehold Slough Whitby Road store during the period. The occupancy, net rent and capacity at the balance sheet date shows Slough Farnham Road within the Established stores, as it was effectively a continuation of trade in a new location. The revenue and operating costs for the period for both stores are shown within Established stores.

(2) See glossary in note 20.

(3) Rent under IFRS 16 for seven short leasehold properties accounted for as investment properties under IAS 40.

The table below reconciles Store EBITDA to gross profit in the income statement:

	Period ended 30 September 2024			Period ended 30 September 2023		
	Store EBITDA	Reconciling items	Per income statement	Store EBITDA	Reconciling items	Per income statement
Store revenue/Revenue ⁽⁴⁾	102,177	782	102,959	98,349	1,215	99,564
Cost of sales ⁽⁵⁾	(30,093)	(2,013)	(32,106)	(25,777)	(2,027)	(27,804)
Rent ⁽⁶⁾	(1,232)	1,232	-	(1,083)	1,083	-
	70,852	1	70,853	71,489	271	71,760

(4) See note 2 of the interim statement, reconciling items are non-storage income.

(5) See reconciliation in cost of sales section in Business and Financial Review.

(6) The rent shown above is the cost associated with leasehold stores, only part of which is recognised within gross profit in line with finance lease accounting principles. The amount included in gross profit is shown in the reconciling items in cost of sales.

BIG YELLOW GROUP PLC

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK;
- the interim management report includes a fair review of the information required by:
 - a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Jim Gibson
Chief Executive Officer

John Trotman
Chief Financial Officer

18 November 2024

BIG YELLOW GROUP PLC

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME Six months ended 30 September 2024

	Note	Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Revenue	2	102,959	99,564	199,619
Cost of sales		(32,106)	(27,804)	(55,994)
Gross profit		70,853	71,760	143,625
Administrative expenses		(7,802)	(6,864)	(15,219)
Operating profit before gains and losses on property assets		63,051	64,896	128,406
Gain on the revaluation of investment properties	9a	82,204	67,165	131,159
Gain on disposal of non-current asset	9a	8,754	-	-
Operating profit		154,009	132,061	259,565
Other income	2	1,000	762	6,517
Investment income – interest receivable	3	93	17	45
Finance costs – interest payable	4	(9,233)	(12,157)	(22,946)
– fair value movement of derivatives		(81)	(1,071)	(2,146)
Profit before taxation		145,788	119,612	241,035
Taxation	5	(136)	(20)	(1,202)
Profit for the period (attributable to equity shareholders)		145,652	119,592	239,833
Total comprehensive income for the period attributable to equity shareholders		145,652	119,592	239,833
Basic earnings per share	8	74.6p	65.3p	127.1p
Diluted earnings per share	8	74.4p	64.9p	126.4p

Adjusted profit before taxation is shown in note 6 and EPRA earnings per share is shown in note 8.

All items in the income statement relate to continuing operations.

The notes on pages 19 to 31 are an integral part of these condensed consolidated interim financial statements.

BIG YELLOW GROUP PLC

CONDENSED CONSOLIDATED BALANCE SHEET 30 September 2024

		30 September 2024	30 September 2023	31 March 2024
	Note	(unaudited) £000	(unaudited) £000	(audited) £000
Non-current assets				
Investment property	9a	2,791,000	2,604,745	2,718,525
Investment property under construction	9a	157,837	186,847	146,485
Right-of-use assets	9a	16,353	17,952	17,152
Plant, equipment, and owner-occupied property	9b	3,820	4,159	3,870
Intangible assets	9c	1,433	1,433	1,433
Investment	9d	588	588	588
		<hr/> 2,971,031	2,815,724	2,888,053
Current assets				
Inventories		481	483	486
Trade and other receivables	10	13,540	11,199	10,116
Cash and cash equivalents		5,600	7,069	9,356
		<hr/> 19,621	18,751	19,958
Total assets		<hr/> 2,990,652	2,834,475	2,908,011
Current liabilities				
Trade and other payables	11	(58,233)	(50,714)	(49,396)
Borrowings	12	(3,399)	(3,237)	(3,317)
Obligations under lease liabilities		(2,089)	(2,252)	(2,253)
		<hr/> (63,721)	(56,203)	(54,966)
Non-current liabilities				
Borrowings	12	(357,415)	(497,076)	(386,371)
Obligations under lease liabilities		(15,764)	(17,333)	(16,474)
Derivative financial instruments	12	(1,911)	(755)	(1,830)
		<hr/> (375,090)	(515,164)	(404,675)
Total liabilities		<hr/> (438,811)	(571,367)	(459,641)
Net assets		<hr/> 2,551,841	2,263,108	2,448,370
Equity				
Called up share capital		19,671	18,456	19,620
Share premium account		398,420	291,774	397,686
Reserves		2,133,750	1,952,878	2,031,064
Equity shareholders' funds		<hr/> 2,551,841	2,263,108	2,448,370

The notes on pages 19 to 31 are an integral part of these condensed consolidated interim financial statements.

BIG YELLOW GROUP PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 September 2024 (unaudited)

	Share capital £000	Share premium account £000	Other non- distributable reserve £000	Capital redemption reserve £000	Retained earnings £000	Own shares £000	Total £000
At 1 April 2024	19,620	397,686	74,950	1,795	1,955,316	(997)	2,448,370
Total comprehensive income for the period	-	-	-	-	145,652	-	145,652
Issue of share capital	51	734	-	-	-	-	785
Credit to equity for equity- settled share-based payments	-	-	-	-	1,169	-	1,169
Use of own shares to satisfy share options	-	-	-	-	(198)	198	-
Dividends	-	-	-	-	(44,135)	-	(44,135)
At 30 September 2024	19,671	398,420	74,950	1,795	2,057,804	(799)	2,551,841
Six months ended 30 September 2023 (unaudited)							
	Share capital £000	Share premium account £000	Other non- distributable reserve £000	Capital redemption reserve £000	Retained earnings £000	Own shares £000	Total £000
At 1 April 2023	18,427	290,857	74,950	1,795	1,797,436	(1,019)	2,182,446
Total comprehensive income for the period	-	-	-	-	119,592	-	119,592
Issue of share capital	29	917	-	-	-	-	946
Credit to equity for equity- settled share-based payments	-	-	-	-	2,063	-	2,063
Dividends	-	-	-	-	(41,939)	-	(41,939)
At 30 September 2023	18,456	291,774	74,950	1,795	1,877,152	(1,019)	2,263,108
Year ended 31 March 2024 (audited)							
	Share capital £000	Share premium account £000	Other non- distributable reserve £000	Capital redemption reserve £000	Retained earnings £000	Own shares £000	Total £000
At 1 April 2023	18,427	290,857	74,950	1,795	1,797,436	(1,019)	2,182,446
Total comprehensive income for the year	-	-	-	-	239,833	-	239,833
Issue of share capital	1,193	106,829	-	-	-	-	108,022
Credit to equity for equity- settled share-based payments	-	-	-	-	4,082	-	4,082
Use of own shares to satisfy share options	-	-	-	-	(22)	22	-
Dividends	-	-	-	-	(86,013)	-	(86,013)
At 31 March 2024	19,620	397,686	74,950	1,795	1,955,316	(997)	2,448,370

The notes on pages 19 to 31 are an integral part of these condensed consolidated interim financial statements.

BIG YELLOW GROUP PLC

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Six months ended 30 September 2024

	Note	Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Cash generated from operations	17	72,055	64,789	129,826
Bank interest paid		(11,439)	(12,778)	(24,069)
Interest on obligations under lease liabilities		(268)	(293)	(575)
Interest received		75	17	45
Other operating income received		1,000	61	1,561
Tax paid		(1,321)	(989)	(1,996)
Cash flows from operating activities		60,102	50,807	104,792
Investing activities				
Purchase of non-current assets		(20,580)	(17,804)	(30,910)
Disposal of non-current asset		30,591	-	5,400
Insurance proceeds on fit-out		-	-	4,722
Cash flows from investing activities		10,011	(17,804)	(20,788)
Financing activities				
Issue of share capital		785	946	108,022
Payment of finance lease liabilities		(935)	(908)	(1,829)
Equity dividends paid		(44,081)	(41,741)	(85,259)
Loan arrangement fees paid		-	-	(3,752)
(Decrease)/increase in borrowings		(29,638)	7,440	(100,159)
Cash flows from financing activities		(73,869)	(34,263)	(82,977)
Net (decrease)/increase in cash and cash equivalents		(3,756)	(1,260)	1,027
Opening cash and cash equivalents		9,356	8,329	8,329
Closing cash and cash equivalents		5,600	7,069	9,356

The notes on pages 19 to 31 are an integral part of these condensed consolidated interim financial statements.

BIG YELLOW GROUP PLC

Notes to the Interim Review

1. ACCOUNTING POLICIES

Basis of preparation

The results for the period ended 30 September 2024 are unaudited and were approved by the Board on 18 November 2024. The financial information contained in this report in respect of the year ended 31 March 2024 does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified and did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

This condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK.

The annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards. As required by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, the condensed set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the Group's published consolidated financial statements for the year ended 31 March 2024.

Valuation of assets and liabilities held at fair value

For those financial instruments held at fair value, the Group has categorised them into a three-level fair value hierarchy based on the priority of the inputs to the valuation technique in accordance with IFRS 13. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure fair value fall within different levels of the hierarchy, the category level is based on the lowest priority level input that is significant to the fair value measurement of the instrument in its entirety. The fair value of the Group's outstanding interest rate derivative has been estimated by calculating the present value of future cash flows, using appropriate market discount rates, representing Level 2 fair value measurements as defined by IFRS 13. Investment Property and Investment Property under Construction have been classified as Level 3. This is discussed further in note 14.

Going concern

A review of the Group's business activities, together with the factors likely to affect its future development, performance, and position, is set out in the Chairman's Statement and the Business and Financial Review. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are shown in the balance sheet, cash flow statement and accompanying notes to the interim statement. Further information concerning the Group's objectives, policies, and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk remain the same and can be found in the Strategic Report within the Group's Annual Report for the year ended 31 March 2024.

At 30 September 2024 the Group had available liquidity of £214.6 million, from a combination of cash and undrawn debt facilities. In addition, the Group has a \$225 million shelf facility in place with Pricoa Private Capital to be drawn in fixed sterling notes. The Group can draw the debt in minimum tranches of £10 million over the next two years with terms of between 7 and 15 years at short notice, typically 10 days. The Group is cash generative and for the six months ended 30 September 2024, had operational cash flow of £53.5 million, with capital commitments at the balance sheet date of £60.6 million.

The Directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements, taking into account the Group's operating plan and budget for the year ending 31 March 2025 and projections contained in the longer-term business plan which covers the period to March 2028. After reviewing these projected cash flows together with the Group's and Company's cash balances, borrowing facilities and covenant requirements, and potential property valuation movements over that period, the Directors believe that, taking account of severe but plausible downsides, the Group and Company will have sufficient funds to meet their liabilities as they fall due for that period.

BIG YELLOW GROUP PLC

Notes to the Interim Review

1. ACCOUNTING POLICIES (continued)

In making their assessment, the Directors have carefully considered the outlook for the Group's trading performance and cash flows as a result of the current geopolitical and macroeconomic environment, taking into account the recent trading performance of the Group. The Directors have also considered the performance of the business during the Global Financial Crisis and the Covid-19 pandemic. The Directors modelled a number of different scenarios, including material reductions in the Group's occupancy rates and property valuations, and assessed the impact of these scenarios against the Group's liquidity and the Group's banking covenants. The scenarios considered did not lead to breaching any of the banking covenants, and the Group retained sufficient liquidity to meet its financial obligations as they fall due. Consequently, the Directors continue to adopt the going concern basis in preparing the half year report.

2. SEGMENTAL INFORMATION

Revenue represents amounts derived from the provision of self storage accommodation and related services after deduction of trade discounts and value added tax. The Group's net assets, revenue and profit before tax are attributable to one activity, the provision of self storage accommodation and related services. These all arise in the United Kingdom.

	Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Open stores			
Self storage income	89,264	86,162	173,147
Enhanced liability service income	9,470	8,927	17,649
Packing materials income	1,519	1,631	2,854
Other income from storage customers	1,131	992	2,051
Ancillary store rental income	793	637	1,411
	<hr/>	<hr/>	<hr/>
	102,177	98,349	197,112
Other revenue			
Non-storage income	782	1,215	2,507
	<hr/>	<hr/>	<hr/>
Total revenue	102,959	99,564	199,619

Non-storage income derives principally from rental income earned from tenants of properties awaiting development.

The Group has also earned other operating income of £1.0 million in the period, which is principally insurance proceeds for loss of income following the destruction of the Group's Cheadle store by fire in 2022 (2023: £0.8 million).

Further analysis of the Group's operating revenue and costs are in the Portfolio Summary and the Business and Financial Review. The seasonality of the business is discussed in note 18.

3. INVESTMENT INCOME

	Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Interest receivable	93	17	45
Total investment income	<hr/>	<hr/>	<hr/>
	93	17	45

BIG YELLOW GROUP PLC

Notes to the Interim Review

4. FINANCE COSTS

	Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Interest on bank borrowings	12,161	13,617	25,624
Capitalised interest	(3,196)	(1,753)	(3,254)
Interest on finance lease obligations	268	293	575
Other interest payable	-	-	1
Total interest payable	9,233	12,157	22,946
Fair value movement on derivatives	81	1,071	2,146
Total finance costs	9,314	13,228	25,092

5. TAXATION

The Group is a REIT. As a result, the Group does not pay UK corporation tax on the profits and gains from its qualifying rental business in the UK if it meets certain conditions. Non-qualifying profits and gains of the Group are subject to corporation tax as normal. The Group monitors its compliance with the REIT conditions. There have been no breaches of the conditions to date.

	Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Current tax:			
- Current year	705	983	2,270
- Prior year	(569)	(963)	(1,068)
	136	20	1,202

6. ADJUSTED PROFIT

	Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Profit before tax	145,788	119,612	241,035
Gain on revaluation of investment properties	(82,204)	(67,165)	(131,159)
Gain on disposal of non-current asset	(8,754)	-	-
Change in fair value of interest rate derivatives	81	1,071	2,146
EPRA adjusted profit before tax	54,911	53,518	112,022
Cheadle fit-out insurance proceeds	-	-	(4,723)
Adjusted profit before tax	54,911	53,518	107,299
Tax	(136)	(20)	(1,202)
Adjusted profit after tax	54,775	53,498	106,097

Adjusted profit before tax which excludes gains and losses on the revaluation of investment properties, changes in fair value of interest rate derivatives, net gains and losses on disposal of investment property, and material non-recurring items of income and expenditure have been disclosed as, in the Board's view, this provides a clearer understanding of the Group's underlying trading performance.

BIG YELLOW GROUP PLC

Notes to the Interim Review

7. DIVIDENDS

	Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000
Amounts recognised as distributions to equity holders in the period: Final dividend for the year ended 31 March 2024 of 22.6p (2023: 22.9p) per share	44,135	41,939
Proposed interim dividend for the year ending 31 March 2025 of 22.6p (2024: 22.6p) per share	44,258	44,086

The proposed interim dividend of 22.6 pence per ordinary share will be paid to shareholders on 24 January 2025. The ex-dividend date is 2 January 2025, and the record date is 3 January 2025. The interim dividend is all Property Income Distribution.

8. EARNINGS PER ORDINARY SHARE

The European Public Real Estate Association (“EPRA”) has issued recommended bases for the calculation of certain per share information and these are included in the following table:

	Six months ended 30 September 2024 (unaudited)			Six months ended 30 September 2023 (unaudited)			Year ended 31 March 2024 (audited)		
	Earnings £m	Shares million	Pence per share	Earnings £m	Shares million	Pence per share	Earnings £m	Shares million	Pence per share
Basic	145.7	195.4	74.6	119.6	183.2	65.3	239.8	188.7	127.1
Dilutive share options	-	0.6	(0.2)	-	1.1	(0.4)	-	1.1	(0.7)
Diluted	145.7	196.0	74.4	119.6	184.3	64.9	239.8	189.8	126.4
<i>Adjustments:</i>									
Gain on revaluation of investment properties	(82.2)	-	(41.9)	(67.2)	-	(36.5)	(131.2)	-	(69.1)
Gain on disposal of non-current assets	(8.8)	-	(4.5)	-	-	-	-	-	-
Change in fair value of interest rate derivatives	0.1	-	-	1.1	-	0.6	2.2	-	1.1
EPRA earnings	54.8	196.0	28.0	53.5	184.3	29.0	110.8	189.8	58.4
Cheadle fit-out insurance proceeds	-	-	-	-	-	-	(4.7)	-	(2.5)
Adjusted – diluted	54.8	196.0	28.0	53.5	184.3	29.0	106.1	189.8	55.9
Adjusted – basic	54.8	195.4	28.0	53.5	183.2	29.2	106.1	188.7	56.2

The calculation of basic earnings is based on profit after tax for the period. The weighted average number of shares used to calculate diluted earnings per share has been adjusted for the conversion of share options.

EPRA earnings and earnings per ordinary share have been disclosed to give a clearer understanding of the Group’s underlying trading performance.

BIG YELLOW GROUP PLC

Notes to the Interim Review

9. NON-CURRENT ASSETS

a) Investment property

	Investment property £000	Investment property under construction £000	Right-of-use assets £000	Total £000
At 1 April 2024	2,718,525	146,485	17,152	2,882,162
Additions	3,897	16,684	-	20,581
Capitalised interest	-	3,196	-	3,196
Disposal	(22,154)	-	-	(22,154)
Reclassification	17,394	(17,394)	-	-
Revaluation	73,338	8,866	-	82,204
Depreciation	-	-	(799)	(799)
At 30 September 2024	2,791,000	157,837	16,353	2,965,190

The disposal of investment property in the period was the sale of land adjacent to our Battersea store for £30.9 million for residential development. The gain on disposal of non-current assets is shown in the comprehensive statement of income and has been excluded from the Group's adjusted profit before tax for the period.

Capital commitments at 30 September 2024 were £60.6 million (31 March 2024: £3.9 million).

b) Plant, equipment, and owner-occupied property

	Freehold property £000	Leasehold improve- ments £000	Plant and machinery £000	Motor vehicles £000	Fixtures, fittings, and office equipment £000	Right- of-use assets £000	Total £000
Cost							
At 1 April 2024	2,369	59	769	32	1,521	1,006	5,756
Additions	15	-	56	36	313	-	420
Disposal	-	-	-	(32)	-	-	(32)
Retirement of fully depreciated assets	-	-	(39)	-	(319)	-	(358)
At 30 September 2024	2,384	59	786	36	1,515	1,006	5,786
Accumulated depreciation							
At 1 April 2024	(732)	(24)	(258)	(32)	(283)	(557)	(1,886)
Charge for the period	(25)	(2)	(87)	(1)	(288)	(67)	(470)
Disposal	-	-	-	32	-	-	32
Retirement of fully depreciated assets	-	-	39	-	319	-	358
At 30 September 2024	(757)	(26)	(306)	(1)	(252)	(624)	(1,966)
Net book value							
At 30 September 2024	1,627	33	480	35	1,263	382	3,820
At 31 March 2024	1,637	35	511	-	1,238	449	3,870

c) Intangible assets

The intangible asset relates to the Big Yellow brand, which was acquired through the acquisition of Big Yellow Self Storage Company Limited in 1999. The carrying value of £1.4 million remains unchanged from the prior year as there is considered to be no impairment in the value of the asset. The asset has an indefinite life and is tested annually for impairment or more frequently if there are indicators of impairment.

d) Investment

The Group has a £0.6 million investment in Doncaster Security Operations Centre Limited, a company which provides out-of-hours monitoring and alarm receiving services, including for the Group's stores. The investment is carried at cost and tested annually for impairment.

BIG YELLOW GROUP PLC

Notes to the Interim Review

10. TRADE AND OTHER RECEIVABLES

	30 September 2024 (unaudited) £000	30 September 2023 (unaudited) £000	31 March 2024 (audited) £000
Current			
Trade receivables	6,864	5,466	6,250
Other receivables	1,360	335	312
Prepayments and accrued income	5,316	5,398	3,554
	13,540	11,199	10,116

11. TRADE AND OTHER PAYABLES

	30 September 2024 (unaudited) £000	30 September 2023 (unaudited) £000	31 March 2024 (audited) £000
Current			
Trade payables	1,293	2,845	2,437
Other payables	27,210	18,213	18,166
Accruals and deferred income	29,730	29,656	28,793
	58,233	50,714	49,396

12. BORROWINGS

	30 September 2024 (unaudited) £000	30 September 2023 (unaudited) £000	31 March 2024 (audited) £000
Aviva loan	3,399	3,237	3,317
Current borrowings	3,399	3,237	3,317
Aviva loan	150,731	154,130	152,451
M&G loan	120,000	120,000	120,000
Bank borrowings	91,000	225,000	119,000
Unamortised debt arrangement costs	(4,316)	(2,054)	(5,080)
Non-current borrowings	357,415	497,076	386,371
Total borrowings	360,814	500,313	389,688

The Group does not hedge account for its interest rate swaps and states them at fair value, with changes in fair value included in the income statement. The loss in the income statement for the period on its interest rate swaps was £81,000 (2023: loss of £1,071,000).

At 30 September 2024 the Group was in compliance with all loan covenants. The movement in the Group's loans are shown net in the cash flow statement as the bank loan is a revolving facility and is repaid and redrawn each month.

BIG YELLOW GROUP PLC

Notes to the Interim Review

13. ADJUSTED NET ASSETS PER SHARE

EPRA's Best Practices Recommendations guidelines contain three Net Asset Value (NAV) metrics: EPRA Net Tangible Assets (NTA), EPRA Net Reinstatement Value (NRV) and EPRA Net Disposal Value (NDV).

EPRA NTA is considered to be most consistent with the nature of Big Yellow's business which provides sustainable long-term progressive returns. EPRA NTA is shown in the table below. This measure is further adjusted by the adjustment the Group makes for purchaser's costs, which is the Group's Adjusted Net Asset Value (or Adjusted NAV).

Basic net assets per share are shareholders' funds divided by the number of shares at the period end. Any shares currently held in the Group's Employee Benefit Trust are excluded from both net assets and the number of shares. Adjusted net assets per share include: the effect of those shares issuable under employee share option schemes and the effect of alternative valuation methodology assumptions (see note 14).

	Six months ended 30 September 2024			Six months ended 30 September 2023			Year ended 31 March 2024		
	Equity attributable to ordinary shareholders £000	Shares million	Pence per share	Equity attributable to ordinary shareholders £000	Shares million	Pence per share	Equity attributable to ordinary shareholders £000	Shares million	Pence per share
Basic NAV	2,551,841	195.8	1,303.1	2,263,108	183.4	1,233.8	2,448,370	195.1	1,255.0
Share and save as you earn schemes	2,020	2.2	(13.1)	2,107	2.3	(13.8)	2,019	2.5	(15.0)
Diluted NAV	2,553,861	198.0	1,290.0	2,265,215	185.7	1,220.0	2,450,389	197.6	1,240.0
Fair value of derivatives	1,911	-	0.9	755	-	0.4	1,830	-	0.9
Intangible assets	(1,433)	-	(0.7)	(1,433)	-	(0.8)	(1,433)	-	(0.7)
EPRA NTA	2,554,339	198.0	1,290.2	2,264,537	185.7	1,219.6	2,450,786	197.6	1,240.2
Valuation methodology assumption (see note 14)	114,290	-	57.8	107,545	-	57.9	111,095	-	56.2
Adjusted NAV	2,668,629	198.0	1,348.0	2,372,082	185.7	1,277.5	2,561,881	197.6	1,296.4

BIG YELLOW GROUP PLC

Notes to the Interim Review

14. VALUATION OF INVESTMENT PROPERTY

The Group has classified the fair value investment property and the investment property under construction within Level 3 of the fair value hierarchy. There has been no transfer to or from Level 3 in the period.

The freehold and leasehold investment properties have been valued at 30 September 2024 by the Directors. The valuation has been carried out in accordance with the same methodology as the year end valuations prepared by Jones Lang Lasalle (“JLL”).

The Directors’ valuations reflect the latest cash flows derived from each of the stores at 30 September 2024. In performing the valuations, the Directors consulted with JLL on the capitalisation rates used in the valuations. The Directors, as advised by JLL, consider that the capitalisation rates for prime self storage stores are unchanged since the year end valuation date, with continuing demand being seen from investors for self storage assets.

The Directors have made some minor amendments to a couple of the valuation assumptions, namely the adjustment of stable occupancy levels on certain stores that are consistently trading ahead of the previously used assumptions and to certain assumptions on net achieved rents within the valuations. Other than the above, the Directors believe the core assumptions used by JLL in the March 2024 valuations are still appropriate at the September valuation date. See the Group’s annual report for the year ended 31 March 2024 for the full detail of the valuation methodology.

Sensitivities

Self storage valuations are complex, derived from data which is not widely publicly available and involve a degree of judgement. For these reasons we have classified the valuations of our property portfolio as Level 3 as defined by IFRS 13. Inputs to the valuations, some of which are ‘unobservable’ as defined by IFRS 13, include capitalisation yields, stable occupancy rates, and rental growth rates. The existence of an increase of more than one unobservable input would augment the impact on valuation. The impact on the valuation would be mitigated by the inter-relationship between unobservable inputs moving in opposite directions. For example, an increase in stable occupancy may be offset by an increase in yield, resulting in no net impact on the valuation. A sensitivity analysis showing the impact on valuations of changes in yields and stable occupancy is shown below:

	Impact of a change in capitalisation rates		Impact of a change in stabilised occupancy assumption	
	25 bps decrease	25 bps increase	1% increase	1% decrease
2024	4.8%	(4.4%)	1.0%	(1.1%)
2023	4.7%	(4.3%)	1.2%	(1.2%)

A sensitivity analysis has not been provided for a change in the rental growth rate adopted as there is a relationship between this measure and the discount rate adopted. So, in theory, an increase in the rental growth rate would give rise to a corresponding increase in the discount rate and the resulting value impact would be limited.

Valuation assumption for purchaser’s costs

The Group’s investment property assets have been valued for the purposes of the financial statements after deducting notional weighted average purchaser’s cost of 6.8% of gross value, as if they were sold directly as property assets. The valuation is an asset valuation that is entirely linked to the operating performance of the business. The assets would have to be sold with the benefit of operational contracts, employment contracts and customer contracts, which would be very difficult to achieve except in a corporate structure.

This approach follows the logic of the valuation methodology in that the valuation is based on a capitalisation of the net operating income after allowing for the deduction of operational costs and an allowance for central administration costs. Sale in a corporate structure would result in a reduction in the assumed Stamp Duty Land Tax but an increase in other transaction costs, reflecting additional due diligence, resulting in a reduced notional purchaser’s cost of 2.75% of gross value. All the significant sized transactions that have been concluded in the UK in recent years were completed in a corporate structure. The Directors have therefore carried out a valuation on the above basis, and this results in a higher property valuation at 30 September 2024 of £3,063.1 million (£114.3 million higher than the value recorded in the balance sheet) which translates to 57.8 pence per share. We have included this revised valuation in the adjusted diluted net asset calculation (see note 13).

BIG YELLOW GROUP PLC

Notes to the Interim Review

15. FINANCIAL INSTRUMENTS FAIR VALUE DISCLOSURES

The table below sets out the categorisation of the financial instruments held by the Group at 30 September 2024. Where the financial instruments are held at fair value the valuation level indicates the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Valuations categorised as Level 2 are obtained from third parties. If the inputs used to measure fair value fall within different levels of the hierarchy, the category level is based on the lowest priority level input that is significant to the fair value measurement of the instrument in its entirety.

		30 September 2024 (unaudited) £000	30 September 2023 (unaudited) £000	31 March 2024 (audited) £000
	Valuation level			
Interest rate derivatives liability	2	(1,911)	(755)	(1,830)

16. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

AnyJunk Limited

Jim Gibson is a Non-Executive Director and shareholder in AnyJunk Limited. During the period AnyJunk Limited provided waste disposal services to the Group on normal commercial terms amounting to £13,000 (2023: £7,000).

London Children's Ballet

The Group signed a Section 106 agreement with Wandsworth Council relating to the development of our Battersea store, which required the Group to provide cultural space to Wandsworth Borough Council. In 2021, the Group granted a twenty year lease over this space to London Children's Ballet at a peppercorn rent, who in turn have agreed to enter into a Social Agreement with Wandsworth Borough Council coterminous with the lease. Jim Gibson is the Chairman of Trustees of the London Children's Ballet. London Children's Ballet rent storage space from the Group on normal commercial terms, amounting to £2,000 during the period (2023: £2,000).

DS Operations Centre Limited

The Group has invested £0.6 million in DS Operations Centre Limited ("DSOC"). DSOC provided alarm and CCTV monitoring services to the Group under normal commercial terms during the period, amounting to £191,000 (2023: £154,000).

Treepoints Limited

Jim Gibson is a Non-Executive Director and an investor in City Stasher Limited, which in turn has a minority investment in Treepoints Limited. Treepoints Limited provided offsetting tree planting services in respect of our online packing material sales, under normal commercial terms during the period, amounting to £1,000 (2023: £1,000).

Ukrainian Sponsorship Pathway UK

Nicholas Vetch and Heather Savory are trustees of a charity called Ukrainian Sponsorship Pathway UK ("USPUK") to help Ukrainians displaced by the war to travel to the UK as part of the "Homes for Ukraine" scheme. The charity has set up offices in Warsaw and Krakow and is one of the few that has been recognised for this purpose by the UK Government. In the prior period the Board approved a donation of £50,000 (2024: £nil). In the current period, the Group has provided free office space to USPUK worth £3,000 (2023: £nil).

Landmark Trust and Ruth Strauss Foundation

Dr Anna Keay is the CEO of the Landmark Trust and Vince Niblett is a Trustee of the Ruth Strauss Foundation. During the period the Company provided free storage to the Landmark Trust and the Ruth Strauss Foundation with a total value of £4,000 (2023: £3,000).

BIG YELLOW GROUP PLC

Notes to the Interim Review

17. CASH FLOW NOTES

a) Reconciliation of profit after tax to cash generated from operations

		Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Profit after tax	Note	145,652	119,592	239,833
Taxation		136	20	1,202
Other operating income		(1,000)	(762)	(6,517)
Investment income		(93)	(17)	(45)
Finance costs		9,314	13,228	25,092
Operating profit		154,009	132,061	259,565
Gain on the revaluation of investment properties	14	(82,204)	(67,165)	(131,159)
Gain on disposal of non-current asset	9a	(8,754)	-	-
Depreciation of plant, equipment, and owner-occupied property	9b	403	433	864
Depreciation of finance lease capital obligations	9a,9b	866	867	1,734
Employee share options		1,169	2,063	4,082
Cash generated from operations pre-working capital movements		65,489	68,259	135,086
Decrease in inventories		5	13	10
Increase in receivables		(2,389)	(2,704)	(1,650)
Increase/(decrease) in payables		8,950	(779)	(3,620)
Cash generated from operations		72,055	64,789	129,826

b) Reconciliation of net cash flow to movement in net debt

		Six months ended 30 September 2024 (unaudited) £000	Six months ended 30 September 2023 (unaudited) £000	Year ended 31 March 2024 (audited) £000
Net (decrease)/increase in cash and cash equivalents		(3,756)	(1,260)	1,027
Cash flow from movement in debt financing		29,638	(7,440)	100,159
Change in net debt resulting from cash flows		25,882	(8,700)	101,186
Movement in net debt in the period		25,882	(8,700)	101,186
Net debt at start of period		(385,412)	(486,598)	(486,598)
Net debt at end of period		(359,530)	(495,298)	(385,412)

BIG YELLOW GROUP PLC

Notes to the Interim Review

18. RISKS AND UNCERTAINTIES

The risks facing the Group for the remaining six months of the financial year are consistent with those outlined in the Annual Report for the year ended 31 March 2024. The risk mitigating factors listed in the 2024 Annual Report are still appropriate.

The economic outlook remains uncertain, which, along with geo-political uncertainty, may create economic headwinds in the quarter to December 2024 and into 2025, which may have an impact on the demand for self storage.

The value of Big Yellow's property portfolio is affected by the conditions prevailing in the property investment market and the general economic environment. Accordingly, the Group's net asset value can rise and fall due to external factors beyond management's control. The uncertainties in the global economy look set to continue. We have a high-quality prime portfolio of assets that should help to mitigate the impact of this on the Group.

Self storage is a seasonal business, and we typically lose occupancy in the December quarter. The new year typically sees an increase in activity, occupancy, and revenue growth. The visibility we have in the business is relatively limited at three to four weeks and is based on the net reservations we have in hand, which are currently in line with our expectations.

There is a risk that our customers may default on their rent payments, however we have not seen an increase in bad debts since the onset of the pandemic. We have approximately 75,000 occupied rooms and this, coupled with the diversity of our customers' reasons for using storage, mean the risk of individual tenant default to Big Yellow is low. 81% of our customers pay by direct debit and we take a deposit from all customers. Furthermore, we have a right of lien over customers' goods, so in the ultimate event of default, we are able to auction the goods to recover the debts.

19. POST BALANCE SHEET EVENT

Subsequent to the period end, the Group reached a final settlement with its insurers following the fire at our Cheadle Store in February 2022 receiving a further £3.1 million of insurance proceeds.

Subsequent to the period end, the expiry of the Group's Revolving Credit Facility was extended by a year to December 2027.

BIG YELLOW GROUP PLC

Notes to the Interim Review

20. GLOSSARY

Absorption	The rate of growth in occupancy assumed within the external property valuations from the current occupancy level to the assumed stable occupancy level.
Adjusted earnings	The IFRS profit after taxation attributable to shareholders of the Company excluding investment property revaluations, one-off items of income and costs, gains/losses on investment property disposals and changes in the fair value of financial instruments.
Adjusted earnings growth	The increase in adjusted eps period-on-period.
Adjusted eps	Adjusted profit after tax divided by the diluted weighted average number of shares in issue during the financial period.
Adjusted NAV	EPRA NTA adjusted for an investment property valuation carried out at purchasers' costs of 2.75%, see note 13.
Adjusted profit before tax	The Company's pre-tax EPRA earnings measure with additional Company adjustments.
APMs	Additional performance measures that help financial statement users to better understand the Group's performance and position.
Average net achieved rent per sq ft	Storage revenue divided by average occupied space over the period.
Average occupancy	The average space occupied by customers divided by the MLA expressed as a %.
Average rental growth	The growth in average net achieved rent per sq ft period-on-period.
BREEAM	An environmental rating assessed under the Building Research Establishment's Environmental Assessment Method.
Cap rates	The exit capitalisation rates used in the external investment property valuation.
Carbon intensity	Carbon emissions divided by the Group's average occupied space.
Closing net rent per sq ft	Annual storage revenue generated from in-place customers divided by occupied space at the balance sheet date.
Closing occupancy %	The space occupied by customers divided by the MLA at the balance sheet date expressed as a %.
Closing occupancy sq ft	The space occupied by customers at the balance sheet date in sq ft.
Committed facilities	Available undrawn debt facilities plus cash and cash equivalents.
Consolidated EBITDA	Consolidated EBITDA calculated in accordance with the terms of the Group's Revolving Credit Facility Agreement.
Debt	Long-term and short-term borrowings, as detailed in note 12, excluding finance leases and debt issue costs.
Earnings per share (eps)	Profit for the financial period attributable to equity shareholders divided by the average number of shares in issue during the financial period.
EBITDA	Earnings before interest, tax, depreciation, and amortisation.
EPRA	The European Public Real Estate Association, a real estate industry body. This organisation has issued Best Practice Recommendations with the intention of improving the transparency, comparability, and relevance of the published results of listed real estate companies in Europe.
EPRA earnings	The IFRS profit after taxation attributable to shareholders of the Company excluding investment property revaluations, gains/losses on investment property disposals and changes in the fair value of financial instruments.
EPRA earnings per share	EPRA earnings divided by the average number of shares in issue during the period.
EPRA NTA per share	EPRA NTA divided by the diluted number of shares at the period end.
EPRA net tangible asset value (EPRA NTA)	IFRS net assets excluding the mark-to-market on interest rate derivatives, deferred taxation on property valuations where it arises, and intangible assets. It is adjusted for the dilutive impact of share options.
Equity	All capital and reserves of the Group attributable to equity holders of the Company.
Gross property assets	The sum of investment property and investment property under construction.
Gross value added	The measure of the value of goods and services produced in an area, industry, or sector of an economy.
Interest cover	The ratio of operating cash flow divided by interest paid (before exceptional finance costs, capitalised interest, and changes in fair value of interest rate derivatives). This metric is provided to give readers a clear view of the Group's financial position.
Like-for-like occupancy	Excludes the closing occupancy of new stores acquired, opened, or closed in the current or preceding financial year in both the current financial year and comparative figures. This excludes Kings Cross. We previously excluded Armadillo from the like-for-like occupancy metrics but are now including these stores to show the occupancy performance of all the Group's like-for-like trading stores.

BIG YELLOW GROUP PLC

Notes to the Interim Review

20. GLOSSARY (CONTINUED)

Like-for-like revenue	store	Excludes the impact of new stores acquired, opened or stores closed in the current or preceding financial year in both the current year and comparative figures. This excludes Kings Cross.
LTV (loan to value)		Net debt expressed as a percentage of the external valuation of the Group's investment properties.
Maximum lettable area (MLA)		The total square foot (sq ft) available to rent to customers.
Move-ins		The number of customers taking a storage room in the defined period.
Move-outs		The number of customers vacating a storage room in the defined period.
NAV		Net asset value.
Net debt		Gross borrowings less cash and cash equivalents.
Net initial yield		The forthcoming year's net operating income expressed as a percentage of capital value, after adding notional purchaser's costs.
Net operating income		Store EBITDA after an allocation of central overhead.
Net operating income on stabilisation		The projected net operating income delivered by a store when it reaches a stable level of occupancy.
Net promoter score (NPS)		The Net Promoter Score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. The Company measures NPS based on surveys sent to all its move-ins and move-outs.
Net Renewable Energy Positive		Big Yellow's strategy is that by 2030 the Group will generate as much renewable energy as it is able to across its store portfolio and meet any remaining Scope 1 and Scope 2 emissions via the retirement of REGOs from offsite energy generation.
Net rent per sq ft		Storage revenue generated from in place customers divided by occupancy.
Net Zero Strategy		The Group's published strategy to have Net Zero Scope 1, 2 and 3 Emissions.
Non like-for-like stores		Stores excluded from like-for-like metrics, as they were acquired, opened or closed in the current or preceding financial year. In the current period this includes Kings Cross.
Occupancy		The space occupied by customers divided by the MLA expressed as a % or in sq ft.
Occupied space		The space occupied by customers in sq ft.
Other storage related income		Packing materials, insurance/enhanced liability service and other storage related fees.
Pipeline		The Group's development sites.
PPC		Pay-per-click marketing spend.
Property Income Distribution (PID)		A dividend, generally subject to withholding tax, that a UK REIT is required to pay from its tax-exempt property rental business, and which is taxable for UK-resident shareholders at their marginal tax rate.
REGO		Renewable Energy Guarantees of Origin.
REIT		Real Estate Investment Trust. A tax regime which in the UK exempts participants from corporation tax both on UK rental income and gains arising on UK investment property sales, subject to certain conditions.
REVPAF		Total store revenue divided by the average maximum lettable area in the period.
Store EBITDA		Store earnings before interest, tax, depreciation, and amortisation.
Store revenue		Revenue earned from the Group's open self storage centres.
TCFD		Task Force on Climate Related Financial Disclosure.
Total shareholder return (TSR)		The growth in value of a shareholding over a specified period, assuming dividends are reinvested to purchase additional units of shares.

INDEPENDENT REVIEW REPORT TO BIG YELLOW GROUP PLC

Conclusion

We have been engaged by Big Yellow Group PLC (“the Group”) to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2024 which comprises the Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Balance Sheet, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Cash Flow Statement, and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2024 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and the Disclosure Guidance and Transparency Rules (“the DTR”) of the UK’s Financial Conduct Authority (“the UK FCA”).

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity (“ISRE (UK) 2410”) issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the Directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors’ responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 1, the latest annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The Directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the Directors are responsible for assessing Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

INDEPENDENT REVIEW REPORT TO BIG YELLOW GROUP PLC

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Group in accordance with the terms of our engagement to assist the Group in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Group those matters we are required to state to it in this 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 reached.

Anna Jones
for and on behalf of KPMG LLP

Chartered Accountants

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18 November 2024