

Big Yellow Group PLC

**Results for the Six Months ended
30 September 2010**

November 2010



Highlights

- Occupancy growth 209,000 sq ft across all stores in the period (2009: 96,000 sq ft), 3,400 sq ft growth per store
- Wholly owned occupancy growth of 151,000 sq ft (2009: 62,000 sq ft)
- Revenue £31.1 million, up 8% v. the six months to 31 March 2010 (£28.8 million) and up 7% year on year
- Store revenue for Q2 up 8% to £15.5 million (2009: £14.3 million) and up 8% from Q1 (£14.4 million)
- Annualised store revenue up 10% from 31 March 2010 to £61.4 million
- Store EBITDA of £18.1 million up 14% (2009: £15.9 million)
- Adjusted profit before tax of £9.7 million up 26% (2009: £7.7 million)
- Diluted EPRA earnings per share up 20% to 7.44 pence (2009: 6.19 pence)
- Cash inflows from operating activities (after finance costs) increased by 50% to £11.9 million (2009: £7.9 million)
- Adjusted net assets per share up 2% to 460.6 pence (31 March 2010: 453.3 pence)
- Interim dividend of 4 pence per share declared (2009 interim dividend: nil pence per share)



Highlights

- High Wycombe opened in Big Yellow Limited Partnership. 61 stores now open (3.8 million sq ft). Nine in the pipeline (0.6 million sq ft)
- Planning consent granted for a 75,000 sq ft store in Chiswick, fronting the A4, with high visibility from the M4 flyover. Of our nine development sites, eight have planning consent
- Conditional contract exchanged for the disposal of our surplus land at Blackheath and entered into an option agreement to sell Clapham North. We have also obtained planning consent for a 92 bedroom Premier Inn hotel on our surplus site at Richmond
- HSBC Bank plc have increased their participation in our core banking facility to £50 million



Portfolio Summary

	Sept 2010 Established	Sept 2010 Lease-Up	Sept 2010 Total	Sept 2009 Established	Sept 2009 Lease-Up	Sept 2009 Total
Number of stores	32	19	51	32	19	51
At 30 September:						
Total capacity (sq ft)	1,941,000	1,288,000	3,229,000	1,944,000	1,284,000	3,228,000
Occupied space (sq ft)	1,427,000	522,000	1,949,000	1,371,000	423,000	1,794,000
Percentage occupied	74%	41%	60%	71%	33%	56%
Net rent per sq ft	£26.18	£27.92	£26.69	£26.40	£27.30	£26.72
Annualised revenue (£000)	43,559	17,798	61,357	42,485	14,710	57,195
For the 6 month period:						
Average annual rent psf	£26.27	£28.25	£26.78	£25.85	£26.83	£25.95
	£000	£000	£000	£000	£000	£000
Total storage revenue	21,489	8,410	29,899	20,892	6,528	27,420
Direct store operating costs	(6,729)	(4,091)	(10,820)	(6,611)	(3,885)	(10,496)
Short and long leasehold rent	(972)	(22)	(994)	(972)	(21)	(993)
Store EBITDA	13,788	4,297	18,085	13,309	2,622	15,931
Store EBITDA margin	64.2%	51.1%	60.5%	63.7%	40.2%	58.1%



Portfolio Summary - BYLP

	September 2010	September 2009
Number of stores	10	8
As at 30 September:		
Total capacity (sq ft)	616,000	494,000
Occupied space (sq ft)	175,000	77,000
Percentage occupied	28%	16%
Net rent per sq ft	£18.87	£17.73
Annualised revenue (£000)	4,294	1,408
For the 6 month period:		
Average annual rent psf	£19.03	£17.71
	£'000	£'000
Total storage revenue	1,893	699
Direct store operating costs (excluding depreciation)	(1,549)	(901)
Store EBITDA	344	(202)
Store EBITDA margin	18.2%	(28.9%)



Financial Review November 2010



Consolidated Income Statement

Year ended:		Six months ended:	
31.03.10		30.09.10	30.09.09
£m		£m	£m
58.0	Revenue	31.1	29.2
(22.1)	Cost of Sales	(11.9)	(11.8)
(6.8)	Admin Expenses	(3.4)	(3.4)
29.1	Underlying Operating Profit	15.8	14.0
(3.6)	Revaluation Surplus / (Deficit)	4.3	(14.2)
(2.1)	Losses on Property Assets	-	(2.0)
(11.9)	Net Finance Costs	(5.7)	(6.1)
(2.7)	Fair Value Movement on Derivatives	(7.7)	3.7
1.3	Share of Associate's Profits	1.9	1.2
10.2	Profit / (Loss) before Tax	8.6	(3.4)
-	Taxation	-	-
10.2	Profit /(Loss) for the Period	8.6	(3.4)
16.5	Adjusted Profit before Tax	9.7	7.7
12.99p	EPRA EPS	7.44p	6.19p



Movement in Adjusted Profit Before Tax

	£m
Adjusted PBT – six months ended 30.09.09	7.7
Gross profit increase	1.8
Interest expense saving (net)	0.1
Increase in capitalised interest	0.2
Increase in share of BYLP recurring loss	(0.1)
Adjusted PBT - six months ended 30.09.10	<hr/> 9.7 <hr/>



Cost of Funding

	Amount of Debt At Sept 2010	Weighted Average Interest Cost At Sept 2010	Amount of Debt At Sept 2009	Weighted Average Interest Cost At Sept 2009
	£m	%	£m	%
Fixed Rate Debt	190.0	4.5	190.0	4.5
Floating Debt	90.0	1.7	121.3	1.7
Total Debt	280.0	3.6	311.3	3.4

The core banking facility expires in September 2013



Cashflow and Net Debt Movement

	Six Months ended:		Year ended:
	30.09.10	30.09.09	31.03.10
	£m	£m	£m
Opening Net Debt	(269.4)	(308.1)	(308.1)
Cash from Operations	17.5	14.2	31.3
Interest (Net)	(5.6)	(6.3)	(12.2)
Dividends Paid	(5.2)	-	-
Total Capital Expenditure	(6.5)	(4.3)	(14.4)
Surplus Land Sales	-	-	1.9
Investment in Partnership	(0.3)	(1.0)	(1.5)
Issue of Share Capital	-	32.7	33.6
Closing Net Debt	(269.5)	(272.8)	(269.4)



Revaluation Movement in the Period

£m

(1) 51 open stores at 30 Sept 2010	Value increase	4.6	
	Capex in year	(0.8)	
			<hr/>
			3.8
(2) 7 sites – investment property under construction	Value increase	5.0	
	Capex in year	(4.5)	
			<hr/>
			0.5
			<hr/>
			4.3
			<hr/>



Property Accounts Valuation

Freehold – 44

- 10 year DCF assuming notional sale at year ten
- Initial yield of 5.2% going to stabilised yield pre-admin expense assuming no growth of 8.3% (March 2010: 8.4%)
- Weighted average occupancy 83.7% (March 2010: 84.2%) at maturity
- Purchaser's costs – 5.75% assuming property sale

Leasehold – 7

- No sale of assets at year 10; DCF to lease expiry
- Average unexpired term, 16.7 years (March 2010: 15.8 years)

32 established stores - 30 months to maturity; 19 lease-up stores - 46 months to maturity

Investment Property Under Construction – 7

- Same methodology as for freeholds
- Valuation increase of £0.5 million, stabilised values pointing to uplift of £82.4 million



Movement in Adjusted Diluted NAV per Share

	£m	No of Shares	Diluted Pence Per Share
Adjusted NAV at 31 March 2010	593.8	131.0	453.3
Revaluation movements (including share of BYLP)	6.7		5.1
Purchaser's Costs adjustment (net movement)	0.3		0.2
Adjusted Profit	9.7		7.4
Dividend	(5.2)		(4.0)
Other movements (e.g. share options)	0.6	0.5	(1.4)
Adjusted NAV at 30 September 2010	605.9	131.5	460.6



Banking Covenants

- The Group was comfortably in compliance with its banking covenants at 30 September 2010:

	Covenant	At 30 September 2010
Minimum income cover on Tranche B properties	1.4 x	3.98x
Minimum net assets	£250 million	£551 million
Maximum gross loan to net assets gearing	1.3:1	0.51:1

- The minimum income cover rises to 1.5 x in September 2011



Financial Gearing Levels

	30.09.10	30.09.09
Net Debt / Gross Property Assets	33%	34%
Net Debt / Adjusted Net Assets	44%	48%
Group EBITDA Interest Cover for the six month period	2.76x	2.45x



Big Yellow Limited Partnership

Big Yellow 33% Interest	£000
Investment at 1 April 2010	12,105
Subscription for capital and advances	333
Share of operating loss	(3)
Net interest payable and fair value of derivatives	(437)
Gain on revaluation	2,344
Gain on the disposal of surplus land	33
Share of Partnership net assets at 30 September 2010	<hr/> 14,375 <hr/>
Total Big Yellow equity investment to date of £13 million	



Stores



Improved Year-on-Year Move-in Activity

Move-ins	2010	2009	%
April	2,783	2,553	9
May	3,502	2,904	21
June	4,706	3,900	21
July	4,399	3,446	28
Aug	4,006	3,454	16
Sep	3,576	3,019	18
Total	22,972	19,276	19

Note: This analysis is for wholly owned stores and is the same 51 stores in each year



Store Performance

- Opened a 60,000 sq ft store in High Wycombe (within BYLP)
- 61 stores (2009: 59) trading at period end. Total capacity 3.8 million sq ft (2009: 3.7 million sq ft)
- 209,000 sq ft occupancy growth in the period, 3,400 sq ft per store
- All wholly owned stores:
 - Closing occupancy 60% (2009: 56%)
 - 32 established store occupancy 74% (2009: 71%)
 - Revenue up 8% period on period and up 8% from Q1
 - Annualised revenue up 10% at 30 September 2010
 - Established store freehold EBITDA of 70% and leasehold 44%, combined 64%
- 71% of current revenue in London, 89% in London and the South East
- Packing materials, insurance and other sales were £4.6 million in the period (2009: £4.2 million) up 8%
- Average storage rent for the six months of £26.78 per sq ft (2009: £25.95). London average £28.68

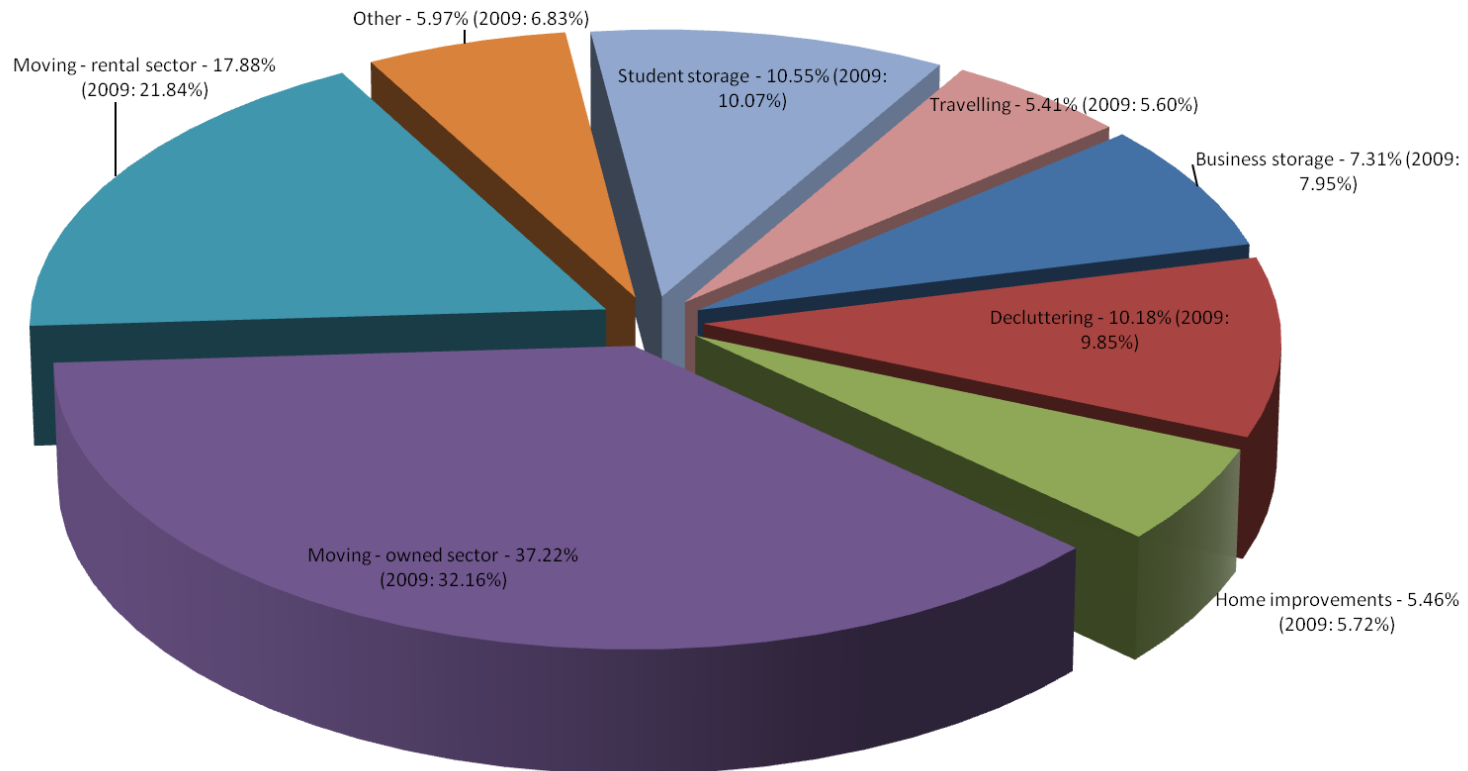


High Wycombe, 60,000 sq ft

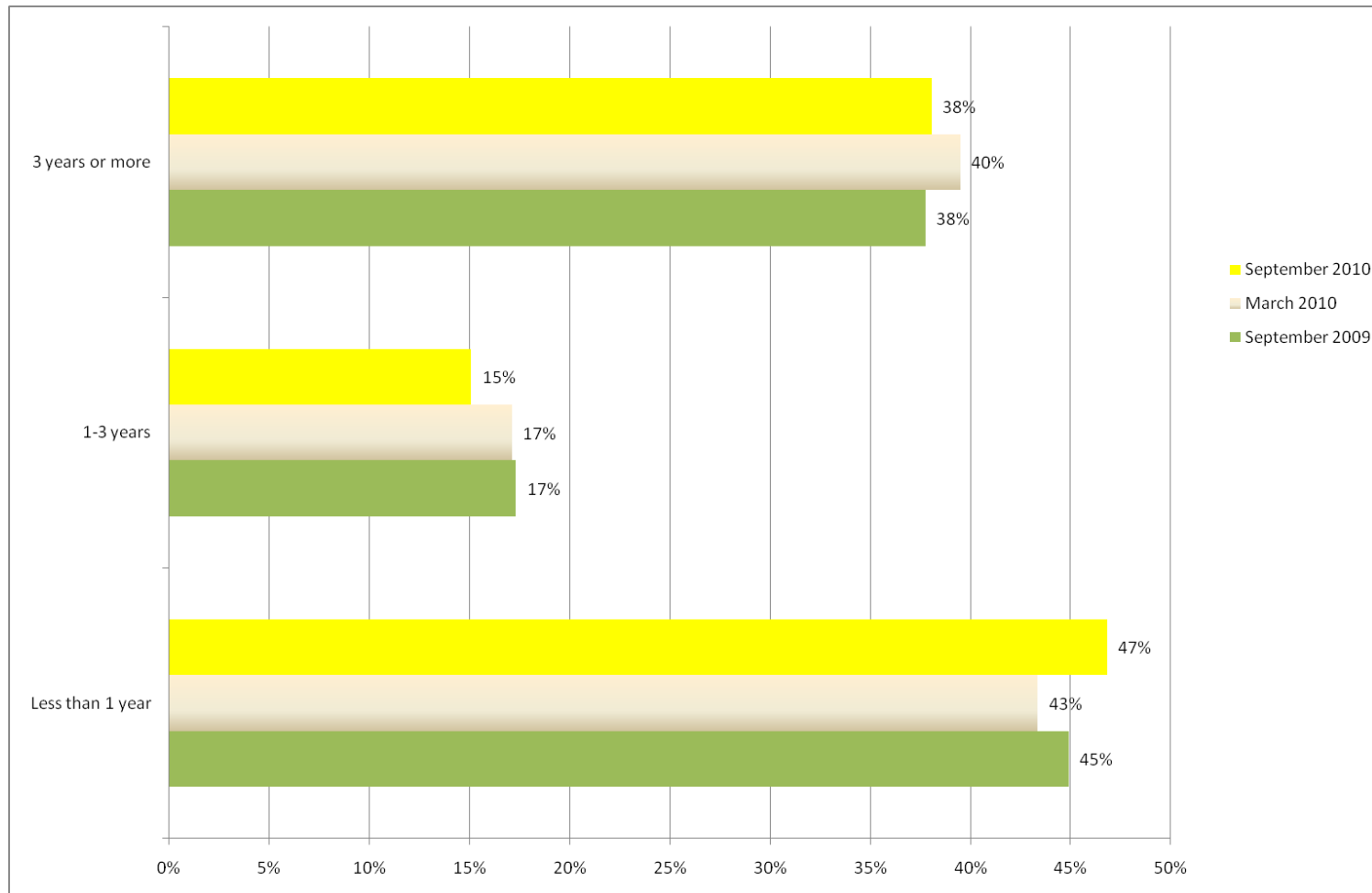


Big Yellow Self Storage Users

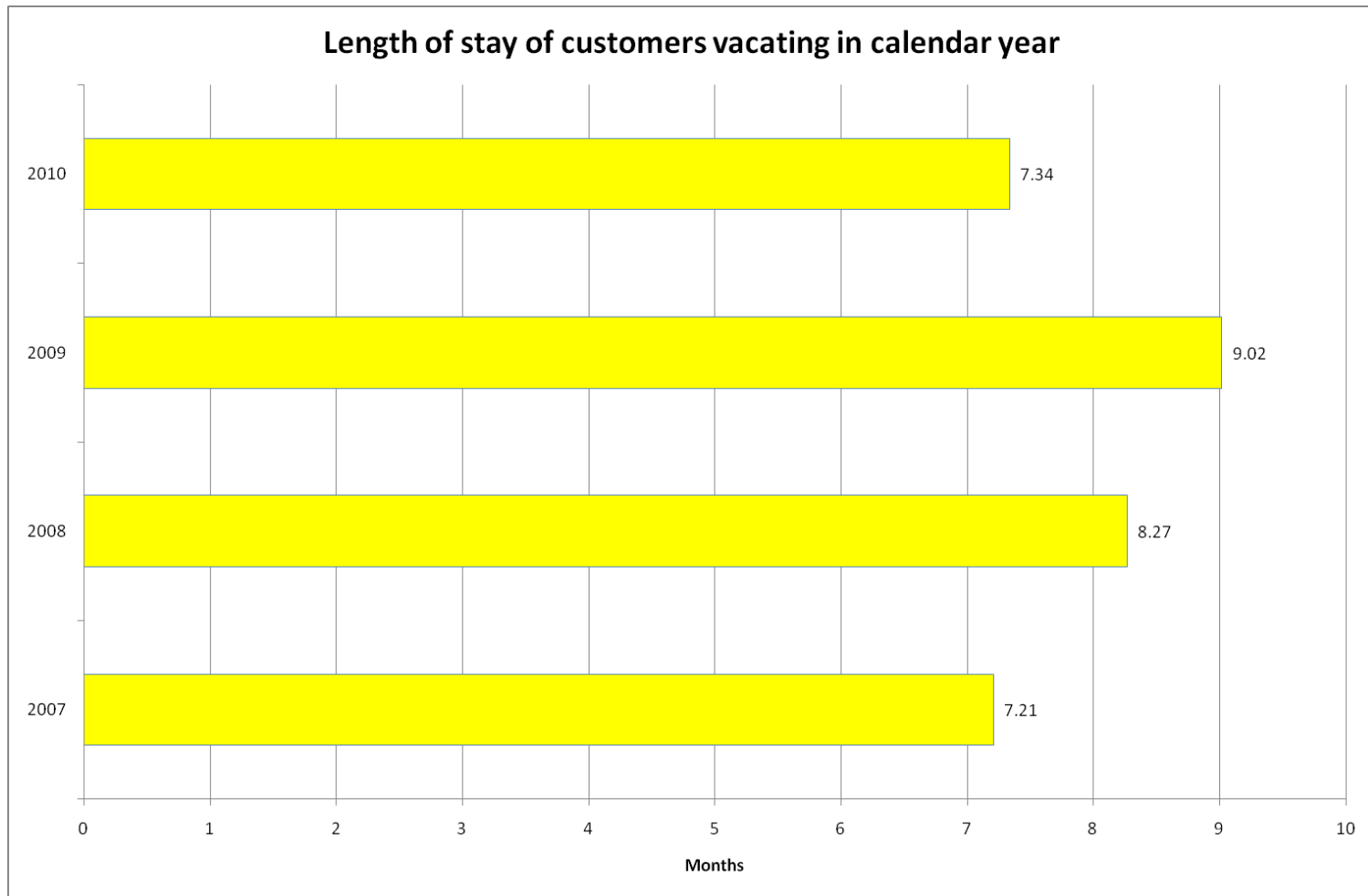
Why customers who have moved into Big Yellow between April and September 2010 required storage



Proportion Of Current Customers – Established Stores By Length Of Stay In The Business



Length of Stay of Customers Move-Outs in Calendar Year



Customer Average Length of Stay

At 30 Sep
2010

Stores - Number of Months

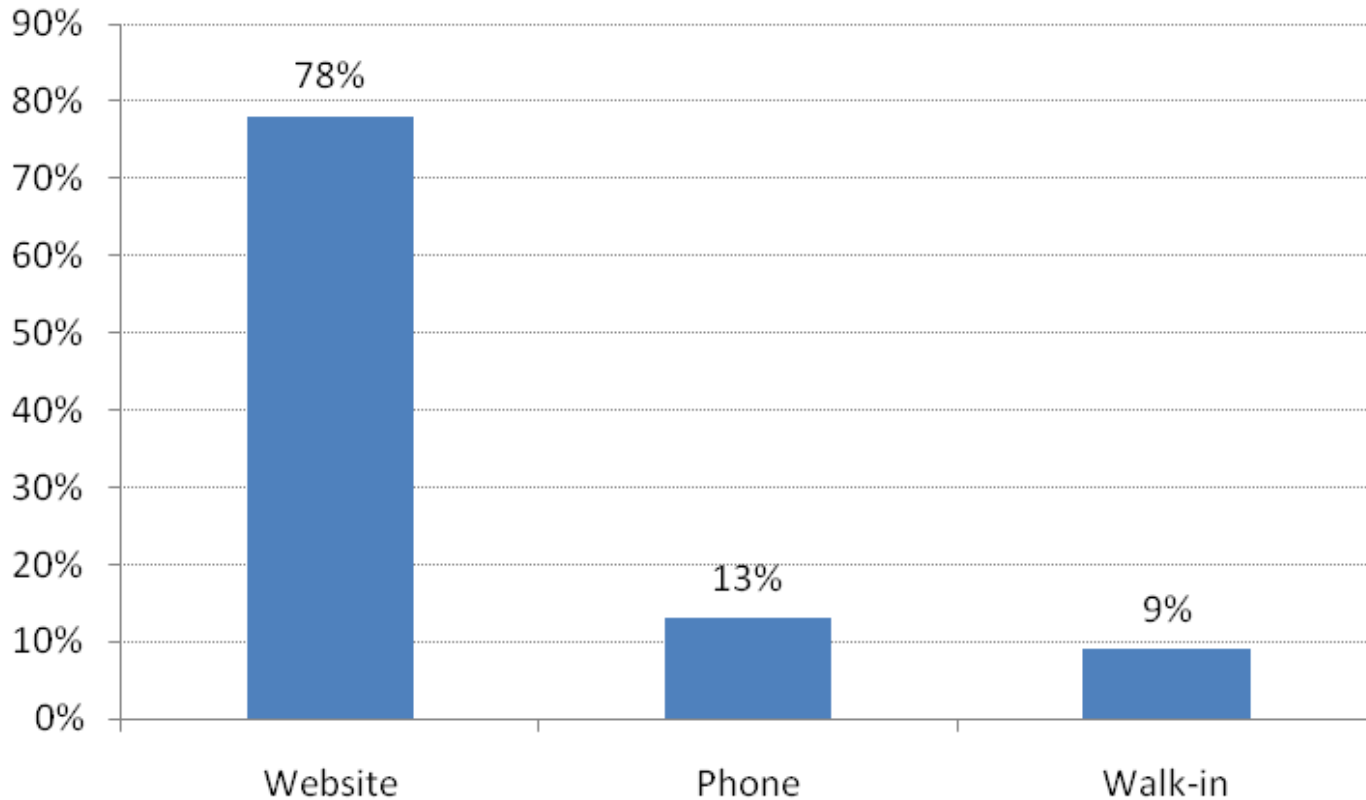
		< 1 Year	1-2 Years	2-5 Years	>5 Years	Portfolio	30 Sept 2009
N° of Stores		2	10	15	34	61	59
Domestic	Existing	2.7	5.3	10.6	20.4	17.2	16.8
	Vacated	1.9	2.8	4.5	6.7	6.4	6.3
	Total	2.4	3.6	5.9	8.2	7.8	7.8
Business	Existing	3.5	6.9	12.3	21.8	19.2	19.4
	Vacated	2.0	3.2	6.9	10.5	10.1	9.7
	Total	3.2	5.3	9.4	13.6	12.9	12.7
All	Existing	2.8	5.5	10.9	20.7	17.7	17.4
	Vacated	1.9	2.8	4.7	7.1	6.8	6.6
	Total	2.5	3.8	6.2	8.9	8.4	8.4



Marketing and the Brand



Prospect Source



- Conversion rates differ between the three channels

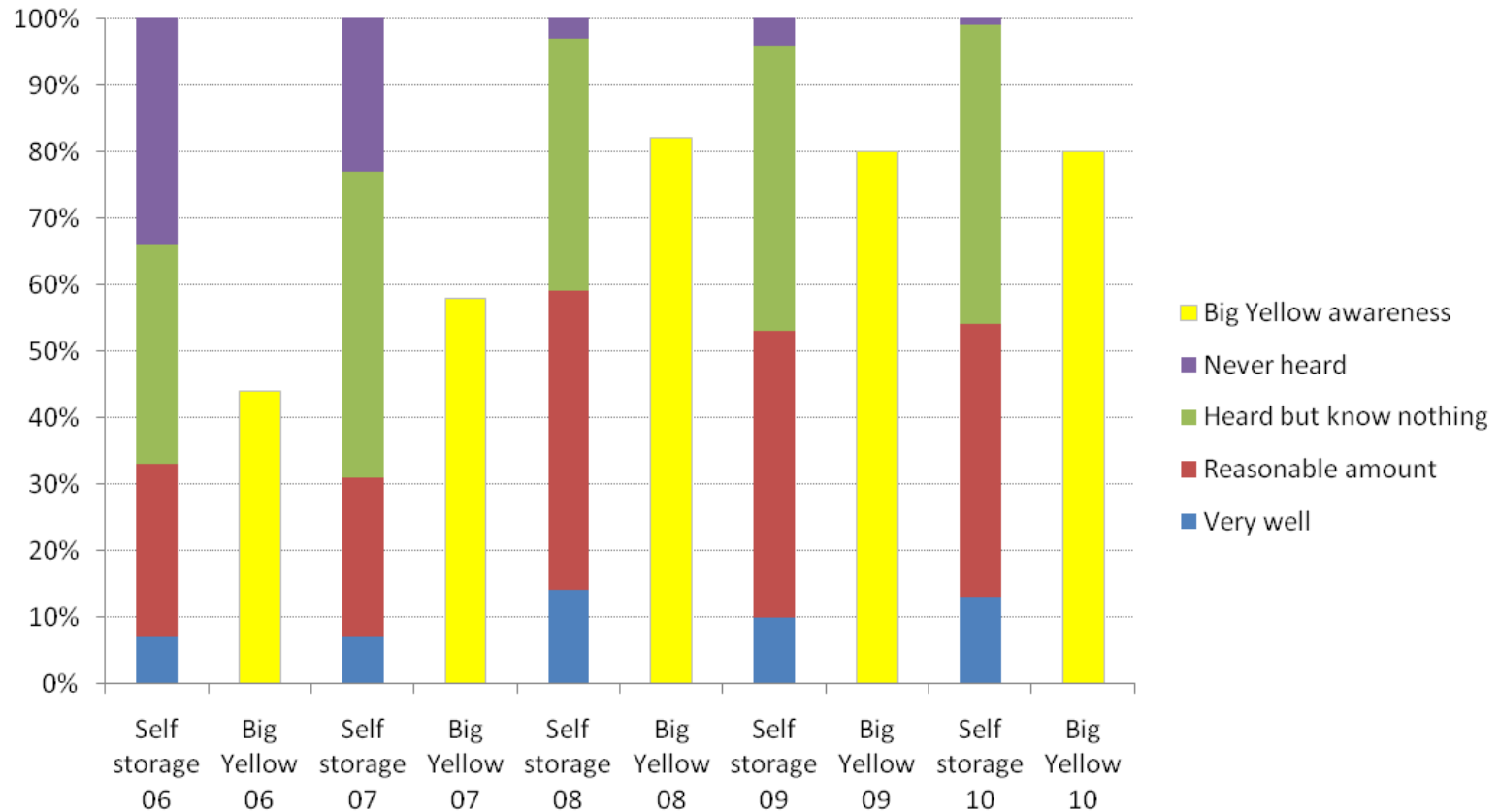


Search

- Search delivers 80% of online sales leads
- Dominant position in natural listings on Google
- Benefit of SEO (free listings) is the cost per prospect is minimal
- Managing the balance of paid for listings and SEO



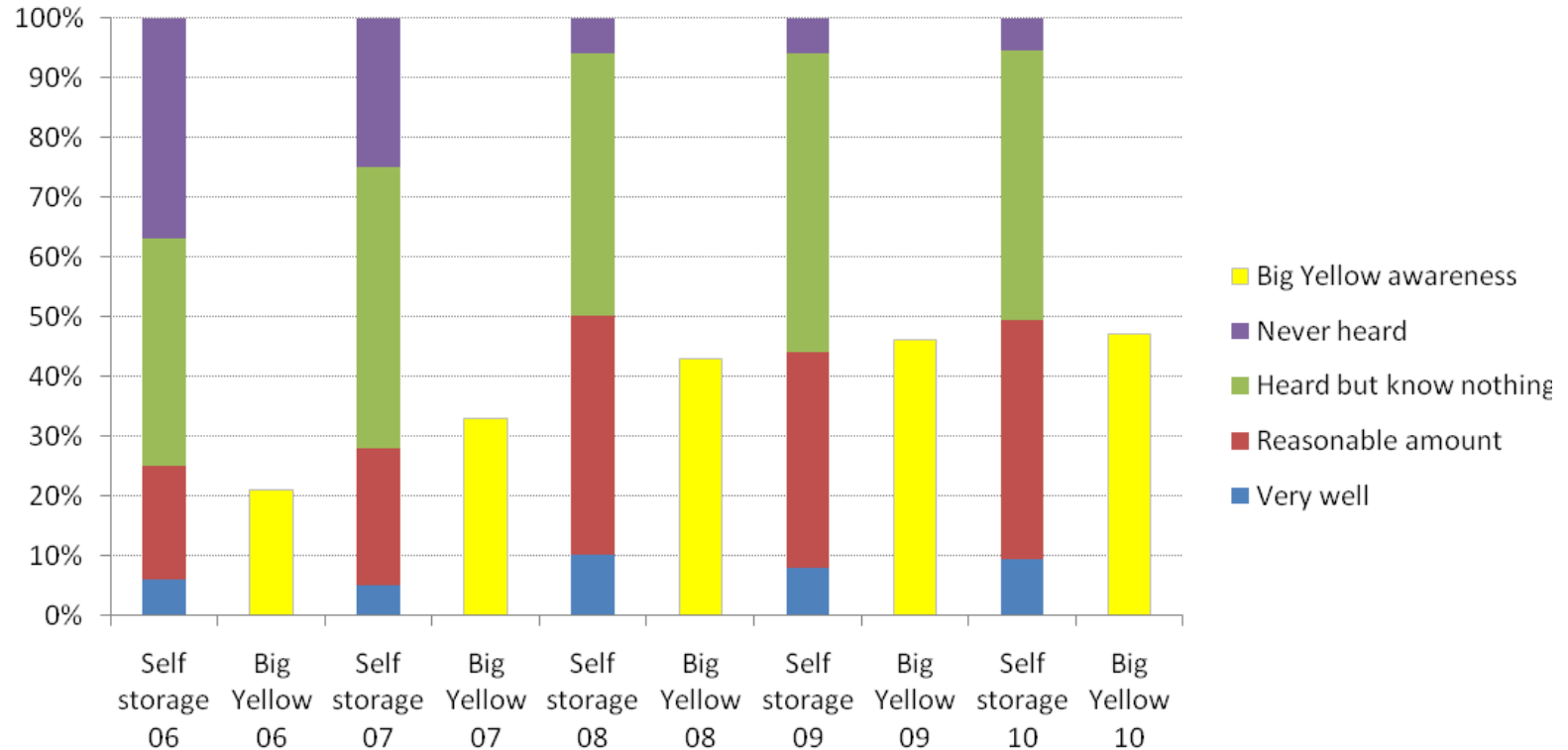
Self Storage & Big Yellow – London



Source: YouGov, September 2010. Figures are for prompted awareness.



Self Storage & Big Yellow - UK



Source: YouGov, September 2010. Figures are for prompted awareness.



Marketing Strategy

- Leveraging the Big Yellow Brand with focus on the internet
- Ongoing website development to improve the customer experience
- Research has shown that our buildings are a significant contributor to Brand awareness
- This, combined with strong online presence, gives us a competitive advantage in generating prospects
- This integrated approach works and will continue



Online

- Quote, reserve and check in online
- Price transparency
- Check in online
 - 35% of new customers use the service at present
 - Greater operational efficiency
- Live online customer reviews (independently managed)
 - Over 3,400 reviews have been published
 - Over 50% of reviews awarded an overall score of 5 stars out of 5
 - Our average score is 4.6 out of 5 (Q1 & Q2)
 - Our customer service score is 4.8 out of 5 (Q1 & Q2)
 - Reviews feed back to operations, improving customer service
 - Unique within the storage industry
 - Reviews now being published through Twitter & Facebook



Online Innovation

- Objective is to create a growing Big Yellow online community
- Social Media
 - Committed to engaging with social media
 - Customer profiling
 - We see social media as complementary to existing online marketing
- Online PR



Pricing Strategy

- Transparency online
- Standard offer across all stores
 - 50% off for up to your first 8 weeks
- Dynamic Pricing – positive and negative
- Price Promise
- Focus on Value
- Existing Customer Price Increases



Property



Big Yellow Stores September 2010

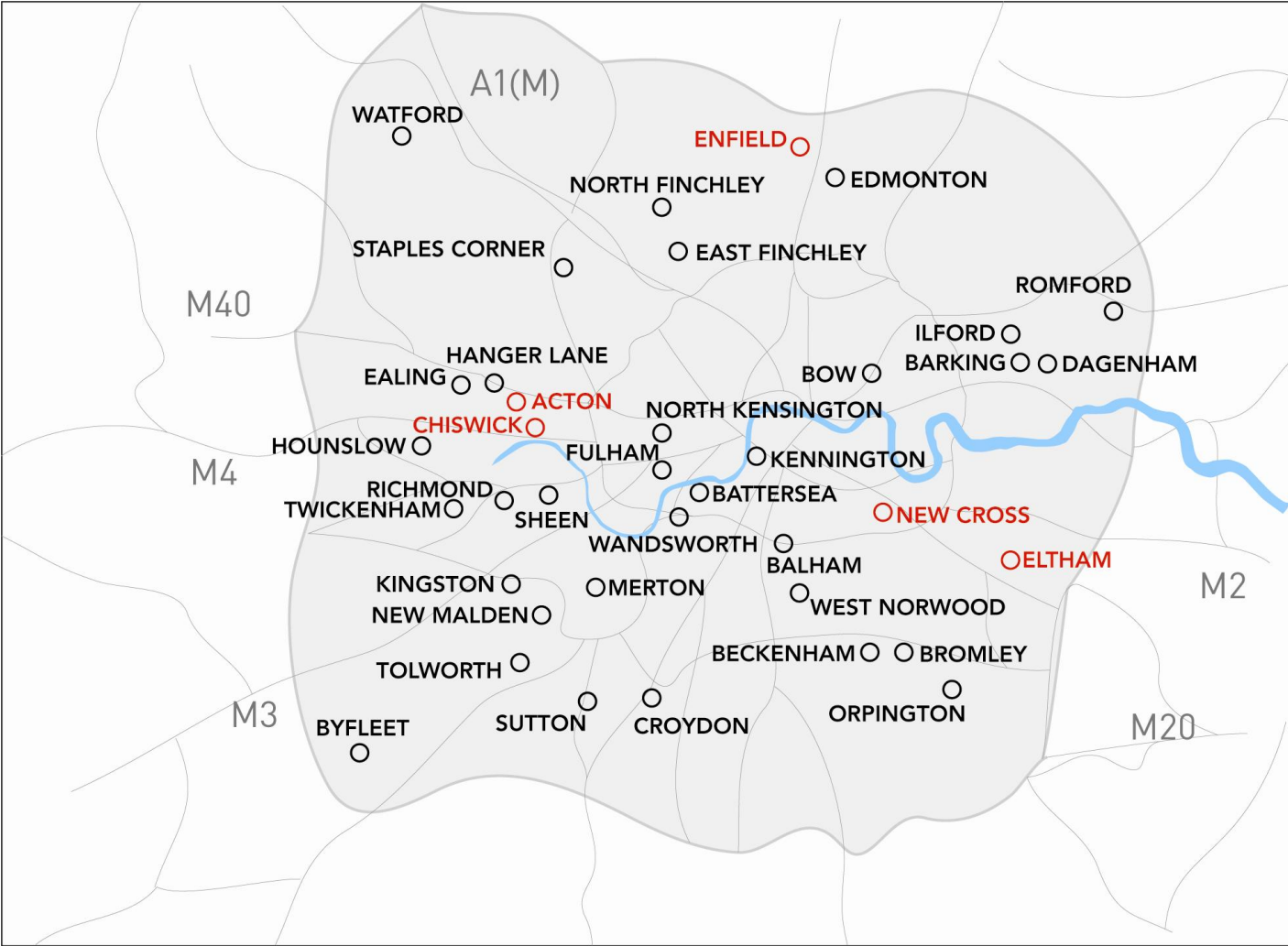


London - 38 stores and sites
 Outside London - 42 stores and sites

- KEY
- > London stores shown overlaid
 - > 51 Wholly owned stores
 - > 7 Wholly owned stores under development
 - > 10 Stores trading in Big Yellow Limited Partnership
 - > 2 Big Yellow Limited Partnership stores under development
 - > 10 Managed Armadillo stores



London Stores



Property Review

- All bar one site have planning consents
- Development pipeline of 9 sites, 586,000 sq ft of net lettable space
 - Pramerica JV: 2 sites, 125,000 sq ft, both with planning
 - Wholly owned: 7 sites, 461,000 sq ft, 6 with planning
 - Manchester planning discussions are ongoing
- £21 million of surplus land
- 94% freehold (including 3 long leaseholds), based on 30 September 2010 book values; all stores in development are freehold
- New site acquisitions



Wholly Owned Development Sites

Store	Location	Status	Anticipated Capacity
Chiswick, West London	On the A4, high visibility from M4 flyover, currently occupied by Sotheby's	Consent granted, vacant possession granted early 2011	75,000 sq ft
Eltham, South East London	Junction of A20 and A205, on busy South Circular roundabout	Under construction, opening March 2011	70,000 sq ft
Enfield, North London	Prominent site on the A10 Great Cambridge Road	Consent granted	60,000 sq ft
Guildford Central	Prime location in centre of Guildford on Woodbridge Meadows	Consent granted	56,000 sq ft
Gypsy Corner (Acton), West London	Highly visible site on A40 in Acton	Consent granted	70,000 sq ft
Manchester Central	Prime location on Water Street in Manchester	Planning under negotiation	70,000 sq ft
New Cross, South East London	Prominent location on Lewisham Way (A20)	Under construction, planned opening in early 2012	60,000 sq ft



Cost to Complete

	Eltham, New Cross & Chiswick	Enfield, Gypsy & Guildford	Total
Book value	£23.3m	£13.7m	£37.0m
Cost to complete*	£21.5m	£18.9m	£40.4m
Total cost	£44.8m	£32.6m	£77.4m
Sq ft provided	205,000	186,000	391,000
Cost per sq ft	£219	£175	£198

*cost to complete includes irrecoverable VAT at 20%

OPEN MARKET VALUE SEPTEMBER 2010:

Comparable London established freehold stores (78% occupied)	£333 psf
Comparable London lease-up stores	£287 psf
Surplus land for Sale at 7 sites	£21m

This excludes our development site at Manchester, which is in the books at £2.0m (excluding the surplus land)



Dividend

- Half year total dividend of 4p per share
- Property Income Dividend (PID) element of 2p
- Focus on growing sustainable dividend

Dividend Cover

**Six months to
30 September
2010**

On EPRA earnings per share

1.86x

On Operating cash flow after finance costs

2.30x



Conclusion

- Current trading and outlook
- Opportunity to leverage off market leading brand
- Growth potential from existing platform – 60% to 85%
- Value creation of new stores
- Dividend



Appendix





Richmond, May 1999
MLA - 35,000 sq ft



Croydon, July 1999
MLA - 8,000 sq ft



Oxford, August 1999
MLA - 33,000 sq ft



Ranger Lane, October 1999
MLA - 65,000 sq ft



Slough, February 2000
MLA - 67,000 sq ft



Cheltenham, April 2000
MLA - 50,000 sq ft



Milton Keynes, September 2000
MLA - 61,000 sq ft



Romford, November 2000
MLA - 70,000 sq ft



Staples Corner, March 2001
MLA - 111,000 sq ft



Southend, March 2001
MLA - 57,000 sq ft



Luton, March 2001
MLA - 41,000 sq ft



Wandsworth, April 2001
MLA - 57,000 sq ft



Dagenham, July 2001
MLA - 50,000 sq ft



Norwich, September 2001
MLA - 48,000 sq ft



Portsmouth, October 2001
MLA - 61,000 sq ft



Cardiff, October 2001
MLA - 75,000 sq ft



Ilford, November 2001
MLA - 58,000 sq ft



Battersea, December 2001
MLA - 34,000 sq ft



Hounslow, December 2001
MLA - 54,000 sq ft



New Maiden, May 2002
MLA - 81,000 sq ft





Guildford, June 2002
MLA - 55,000 sq ft



Brighton, October 2002
MLA - 59,000 sq ft



Bow, November 2002
MLA - 132,000 sq ft



Colchester, December 2002
MLA - 55,000 sq ft



West Norwood, January 2003
MLA - 57,000 sq ft



Finchley North, March 2003
MLA - 63,000 sq ft



Chelmsford, April 2003
MLA - 54,000 sq ft



Byfleet, November 2003
MLA - 48,000 sq ft



Orpington, December 2003
MLA - 64,000 sq ft



Swindon, April 2004
MLA - 53,000 sq ft



Watford, August 2004
MLA - 64,000 sq ft



Tolworth, November 2004
MLA - 56,000 sq ft



Beckenham, May 2005
MLA - 71,000 sq ft



Leeds, July 2005
MLA - 76,000 sq ft



North Kensington, December 2005
MLA - 51,000 sq ft



Bristol Central, March 2006
MLA - 64,000 sq ft



Tunbridge Wells, April 2006
MLA - 57,000 sq ft



Finchley East, May 2006
MLA - 54,000 sq ft



Bristol Ashton Gate, July 2006
MLA - 61,000 sq ft



Kingston, August 2006
MLA - 61,000 sq ft





Edmonton, October 2006
MLA - 80,000 sq ft



Gloucester, December 2006
MLA - 50,000 sq ft



Sutton, July 2007
MLA - 70,000 sq ft



Ealing Southall, November 2007
MLA - 54,000 sq ft



Barking, November 2007
MLA - 60,000 sq ft



Balham, March 2008
MLA - 60,000 sq ft



Fulham, March 2008
MLA - 139,000 sq ft



Merton, March 2008
MLA - 70,000 sq ft



Kennington, May 2008
MLA - 66,000 sq ft



Sheffield Hillsborough, October 2008
MLA - 60,000 sq ft



Sheen, December 2008
MLA - 64,000 sq ft



Birmingham, February 2009
MLA - 60,000 sq ft



Bromley, March 2009
MLA - 71,000 sq ft



Liverpool, March 2009
MLA - 60,000 sq ft



Twickenham, May 2009
MLA - 76,000 sq ft



Edinburgh, July 2009
MLA - 60,000 sq ft



Nottingham, August 2009
MLA - 65,000 sq ft



Poole, August 2009
MLA - 53,000 sq ft



Sheffield Bramall Lane, September 2009
MLA - 60,000 sq ft



Reading, December 2009
MLA - 60,000 sq ft





24 hour CCTV & individually alarmed

Standard
Archive Box

↓

£2.59

Large
Archive Box

↓

£3.59



HOW MUCH SPACE WILL YOU NEED

To store the contents of, for example:

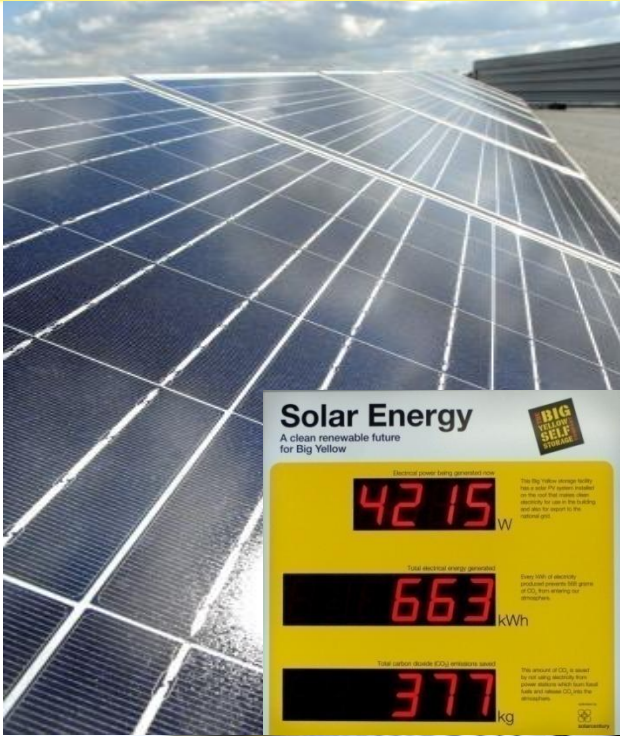
- A box room 20 sqft
- A single garage or transit van 30 sqft
- A 1-2 bed house/flat or Luton van 50 sqft
- A 2-3 bed house/flat 100 sqft

Remember to stack your things to save space!

THE BIG YELLOW SELF STORAGE
We have 20 different sizes available for your storage.







Corporate History

- Early 1998 – Market research commenced
- October 1998 - Formed Cubic Self Storage
- January 1999 - Acquisition of Big Yellow Self Storage Company
- September 1999 - Pramerica investment
- May 2000 - AIM listing - £40 million placing
- May 2001 - Placing and Open Offer - £23 million
- June 2002 - Full listing
- February 2005 – Placing of Pramerica 28% stake
- July 2006 – £36 million raised through placing of 9.1m shares
- January 2007 – Conversion to a REIT
- November 2007 – Formation of partnership with Pramerica
- September 2008 – £325 million refinancing completed with HSH Nordbank
- May 2009 – £31.5 million (net) raised through placing of 11.5m shares



Self Storage Market

The Market

- US Market (2010 Self Storage Almanac)
 - 48,700 self-storage centres
 - 2.6 billion sq ft – 7.26 sq ft per person
 - Population 307 million
- UK Market (2009 Mintel/SSA Survey)
 - 750 self-storage centres (excluding containers)
 - 27 million sq ft – 0.45 sq ft per person
 - Population 60 million



Self Storage Market

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



UK Market Potential

- Awareness of self-storage (2010 You Gov Market Research)
 - Currently 54% approximately in London with reasonable knowledge of product
 - Lower in other major cities
 - 80% brand awareness of Big Yellow in London
- Significant advertising and promotion raising awareness
- Better located stores with roadside visibility also raising awareness
- New customers being created as market grows, e.g. lifestyle, decluttering
- 25% US penetration would imply the potential for 2,000 centres and approximately 1.5 sq ft per person
- Openings over the next two to three years expected to be significantly down on pre-2008



Big Yellow Model

- Leading Brand
 - attractive modern premises
 - prominent main road frontages
 - high quality fit out
 - broad client base
 - ancillary packing materials and insurance sales
- Customer Focus
 - customer service/loyalty
 - safe/secure
 - easy access 7 days a week, 24 hours per day
- Financial Model
 - economies of scale
 - roll-out programme
 - asset backed freehold



REITs

- Conversion charge now agreed with HMRC with no further charge payable
- Approximately 86% of our revenue currently tax exempt
- Comfortably meets the 75% gross asset test at 30 September 2010
- PID of 2 pence per share payable for the six month period
- All REIT tests met to date



Big Yellow Limited Partnership

- Partnership with Pramerica to develop stores outside of the M25
 - £16 million Big Yellow likely equity commitment
 - £32 million Pramerica likely equity commitment
 - £75 million development loan facility from RBS/HSBC/HSN
- Fees earned by Big Yellow from venture site acquisition fees, planning success fees, development fees and management fees
- Initial sites sold for £20.3 million. Further sites sold for £15.0 million. Group has reinvested £13 million to date
- Big Yellow option to buy back Pramerica's interest in partnership or the assets from 31 March 2013
- The Group has a right to a promote at the exit date of the partnership



Purchaser's Cost Assumption

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



Disclaimer

This presentation contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking in nature and are subject to risks and uncertainties. Actual future results may differ materially from those expressed in or implied by these statements.

Many of these risks and uncertainties relate to factors that are beyond Big Yellow's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic technological trends or conditions, including inflation and consumer confidence, on a global, regional or national basis.

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