Big Yellow Group PLC

Results for the Year ended
31 March 2010

17 May 2010

Highlights

Financial Highlights

- Occupancy growth of 140,000 sq ft across all stores (2009: occupancy fall of 75,000 sq ft)
- Storage revenue for the fourth quarter increased by 5% to £13.7 million from £13.0 million for the same quarter last year
- Storage revenue for the second half of the year of £27.7 million up 1% compared to the first half of the year of £27.4 million
- Revenue of £58.0 million a reduction of £0.5 million compared to the prior year
- Store EBITDA £32.7 million compared to £33.0 million in 2009
- Profit before tax for the year £10.2 million (2009: loss of £71.5 million)
- Adjusted profit before tax of £16.5 million up 20% (2009: £13.8 million)
- Adjusted earnings per share up 9% to 12.99 pence (2009: 11.89 pence)
- Cash inflows from operating activities (after finance costs) increased to £19.1 million for the year (2009: outflow of £6.1 million)
- Group net debt reduced by £38.7 million to £269.4 million from £308.1 million at 31 March 2009
- Adjusted net assets per share up 3% to 453.3 pence from 440.7 pence as at 31 March 2009
- Final ordinary dividend of 4 pence per share declared (2009: nil pence per share)

Achievements

- Successful placing of 11.5 million shares in May 2009 raising £31.5 million net of expenses
- In the December and March quarters, the Group has returned to delivering revenue, store EBITDA and cash flow growth year on year
- Lloyds TSB Bank plc and HSBC Bank plc have joined the core banking facility, taking a participation of £100 million and £25 million respectively
- Continued expansion with 6 stores opening in the year: Twickenham in the wholly owned Group and Edinburgh, Nottingham, Poole, Sheffield Bramall Lane and Reading in Big Yellow Limited Partnership. 60 stores are now open with a further 10 committed, providing 4.4 million sq ft of self storage space when completed
- Five planning consents obtained in the year. All bar one of our development sites now has planning consent.

Financial Review

Consolidated Income Statement

	Year ended:		
	31.03.10	**31.03.09**	
	£m	£m	
Revenue	58.0	58.5	(1%)
Cost of Sales	(22.1)	(21.8)	
Admin Costs	(6.8)	(5.8)	
Underlying Operating Profit	29.1	30.9	(6%)
Revaluation Deficit	(3.6)	(52.8)	
Loss on Property Assets	(2.1)	(11.6)	
Net Finance Costs	(11.9)	(17.1)	
Non-Recurring Finance Costs	(2.6)	(19.3)	
Share of Associate’s Results	1.3	(1.6)	
Profit /(Loss) before Tax	10.2	(71.5)	
Taxation	-	(1.1)	
Profit /(Loss) for the Year	10.2	(72.6)	
Adjusted Profit before Tax	16.5	13.8	20%
Adjusted EPS	12.99p	11.89p	9%

Movement in Adjusted Profit Before Tax

	£m
Adjusted PBT – March 2009	13.8
Reduction in gross profit	(0.8)
Increase in administrative expenses (non-cash IFRS 2 charge)	(1.1)
Reduction in interest payable	6.9
Reduction in capitalised interest	(1.7)
Increase in share of recurring loss in BYLP	(0.6)
Adjusted PBT – March 2010	16.5

Cashflow and Net Debt Movement

	Year ended:	
	31.03.10	**31.03.09**
	£m	**£m**
Opening Net Debt	(308.1)	(282.3)
Cash from Operations	31.3	32.1
Interest (Net)	(12.2)	(21.9)
Non recurring finance costs	-	(16.2)
REIT conversion charge	-	(0.1)
Dividends Paid	-	(6.3)
Capital Expenditure	(14.4)	(34.6)
Surplus Land Sales	1.9	3.8
Sale to Partnership	-	22.8
Investment in Partnership	(1.5)	(5.4)
Issue of Share Capital	33.6	-
Closing Net Debt	(269.4)	(308.1)

Revaluation Movement in the Year

			£m
(1) 51 open stores at 31 Mar 2010	Value increase	26.5	
	Capex in year	(16.8)	
			9.7
(2) 7 sites – investment property under construction	Value	33.9	
	Cost	(47.2)	(13.3)
			(3.6)

Movement in Adjusted Diluted NAV per Share

	Equity Shareholders' funds	No of Shares	EPRA Adjusted NAV per share
1 April 2009	543,816	119.0	457.0
Equity raising	31,534	11.5	(16.3)
1 April 2009 (proforma)	575,350	130.5	440.7
Revaluation movements (including share of BYLP)	(1,522)		(1.2)
Movement in purchasers' cost assumption	4,467		3.4
Adjusted profit	16,514		12.6
Other movements (e.g. share options)	(1,053)	0.5	(2.2)
31 March 2010	593,756	131.0	453.3

Cost of Funding

	Amount of Debt 31 March 2010	Weighted Average Interest Cost At 31 March 2010	Amount of Debt 31 March 2009	Weighted Average Interest Cost At 31 March 2009
	£m	%	£m	%
Fixed Rate Debt	190.0	4.5	190.0	4.5
Floating Debt	110.0	1.7	121.3	2.3
Total Debt	300.0	3.5	311.3	3.7

The core banking facility expires in September 2013

Banking Covenants

- The Group was comfortably in compliance with its banking covenants at 31 March 2010:

	Covenant	31 March 2010 Position
Minimum income cover on Tranche B properties*	1.4 x	3.75 x
Minimum net assets	£250 million	£547.3 million
Maximum gross loan to net assets gearing	1.3:1	0.55:1

* The minimum income cover rises to 1.5 x September 2011

Financial Gearing Levels

	31.03.10	31.03.09
Net Debt / Gross Property Assets	33%	38%
Net Debt / Adjusted Net Assets	45%	57%
Interest Cover Quarter ended 31 March 2010*	3.75	2.1
Group EBITDA cover for the year	2.5	1.7

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

Big Yellow Limited Partnership

Big Yellow 33% Interest	**£000**
Investment at 1 April 2009	9,285
Subscription for capital and advances	1,500
Share of operating loss	(280)
Interest payable and fair value of derivatives	(466)
Gain on revaluation	2,066
Share of Partnership net assets at 31 March 2010	12,105

Stores

Improving Move-in Activity

Move-ins	**Year ended 31 March 2010**	Year ended 31 March 2009	
April to June	**9,357**	9,413	(1%)
July to September	**9,919**	9,289	7%
October to December	**8,042**	7,493	7%
January to March	**8,279**	6,962	19%
Total	**35,597**	33,157	7%

The table above shows move-ins to the 50 wholly owned stores that were open at 1 April 2009

Store Performance

- 6 openings in the year, creating 380,000 sq ft additional capacity
- 60 stores (2009: 54) trading at year end. Total capacity 3.8 million sq ft (2009: 3.4 million sq ft)
- 39,000 move-ins taking 2.4m sq ft (2009: 34,000 in 2.1m sq ft)
- 140,000 sq ft occupancy growth in the year to 1,915,000 sq ft from 1,775,000 sq ft
- All wholly owned stores:
  - Closing occupancy 56% (2009: 55%)
  - Revenue down £0.1 million year on year
  - Annualised revenue up 8% at 31 March 2010
  - Freehold EBITDA of 63% and leaseholds 45%, combined 59%
- Packing materials, insurance and other sales were £8.3 million in the year (2009: £8.0 million) up 4%
- Pricing policy and yield management
- Net storage rent of £26.85 per sq ft at 31 March 2010 (2009: £25.57), up 5%. London average £28.62

Portfolio Summary

Number of stores	March 2010 Wholly Owned	March 2009 Wholly Owned	March 2010 Big Yellow LP	March 2009 Big Yellow LP
Number of stores	**51**	50	**9**	4
As at 31 March 2010:				
Total capacity (sq ft)	**3,227,000**	3,152,000	**556,000**	251,000
Occupied space (sq ft)	**1,798,000**	1,732,000	**117,000**	43,000
Percentage occupied	**56%**	55%	**21%**	17%
Net rent per sq ft	**£26.85**	£25.57	**£18.99**	£16.98
Annualised revenue (£000)	**56,000**	52,025	2,823	944
For the year:				
Average occupancy	**55%**	57%	**14%**	14%
Average annual rent psf	**£26.31**	£26.53	**£18.06**	£17.27
	£000	£000	**£000**	£000
Self storage revenue	**46,763**	47,206	**1,417**	620
Other storage related revenue	**8,282**	7,964	**462**	200
Ancillary store rental income	**89**	96	**1**	-
Store Revenue	**55,134**	55,266	**1,880**	820
Direct store operating costs (excluding depreciation)	**(20,424)**	(20,301)	**(2,178)**	(699)
Leasehold Rent	**(1,962)**	(2,010)	**-**	-
Store EBITDA	**32,748**	32,955	**(298)**	121
EBITDA Margin	**59.4%**	59.6%	**(15.9%)**	14.8%

Lease-Up Store Analysis

Wholly Owned Store Performance	Capacity	Occupancy		Revenue		EBITDA	
	000 sq ft	**31 Mar 10 000 sq ft**	31 Mar 09 000 sq ft	**31 Mar 10 £000**	31 Mar 09 £000	**31 Mar 10 £000**	31 Mar 09 £000
32 Same store portfolio	**1,942**	**1,350**	1,379	**41,346**	44,555	**26,649**	28,887
15 Lease-up stores opened pre 1 April 2008	**1,008**	**377**	329	**11,787**	10,238	**6,037**	4,175
4 Lease-up stores opened post 1 April 2008	**277**	**71**	24	**2,001**	473	**62**	(107)
Total	**3,227**	**1,798**	1,732	**55,134**	55,266	**32,748**	32,955

- Occupancy 29k sq ft lower than at same time last year in 32 same stores but at higher yield
- Of the 19 lease up stores, 15 are in London and all bar the most recently opened store (Twickenham) have positive EBITDA

Twickenham, 76,000 sq ft

Edinburgh, 60,000 sq ft

Nottingham, 65,000 sq ft

Poole, 53,000 sq ft

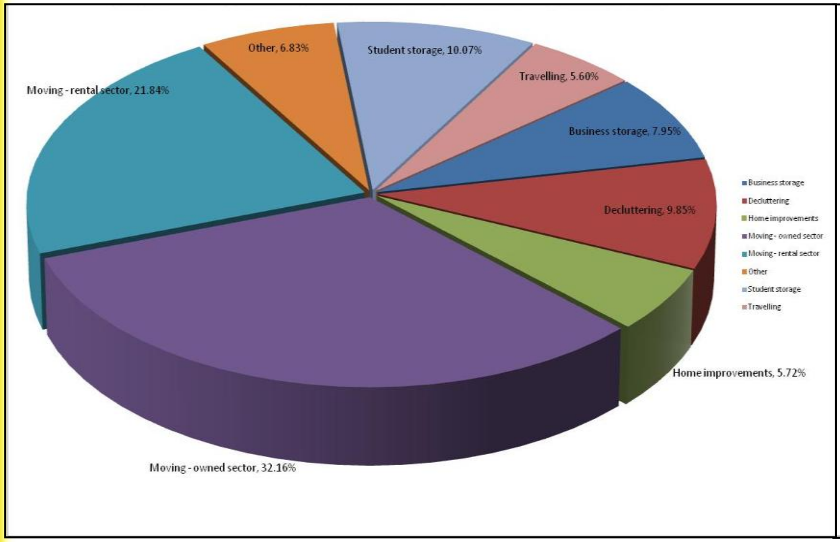
Sheffield Bramall Lane, 60,000 sq ft

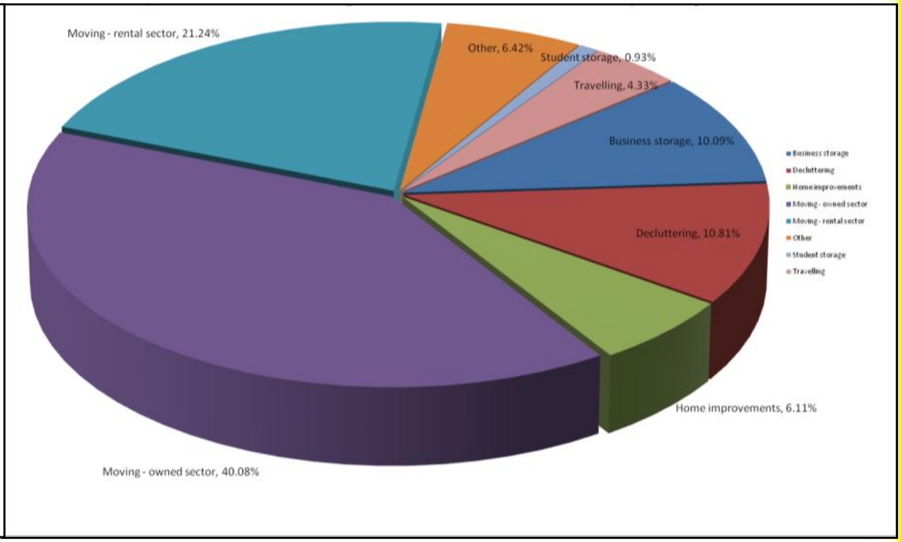
Reading, 60,000 sq ft

Big Yellow Self Storage Users

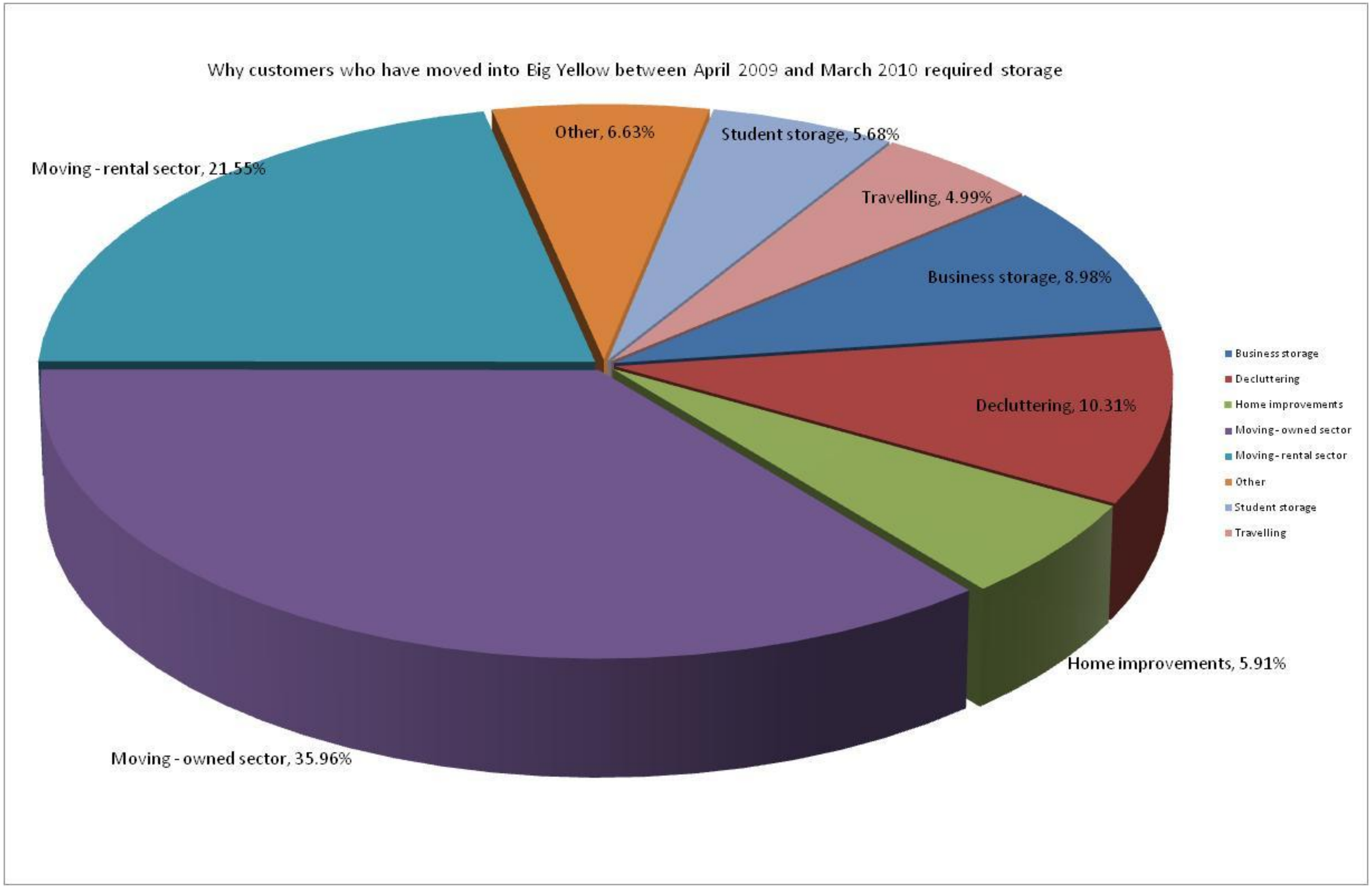
Demand April - Sep

Demand October - March

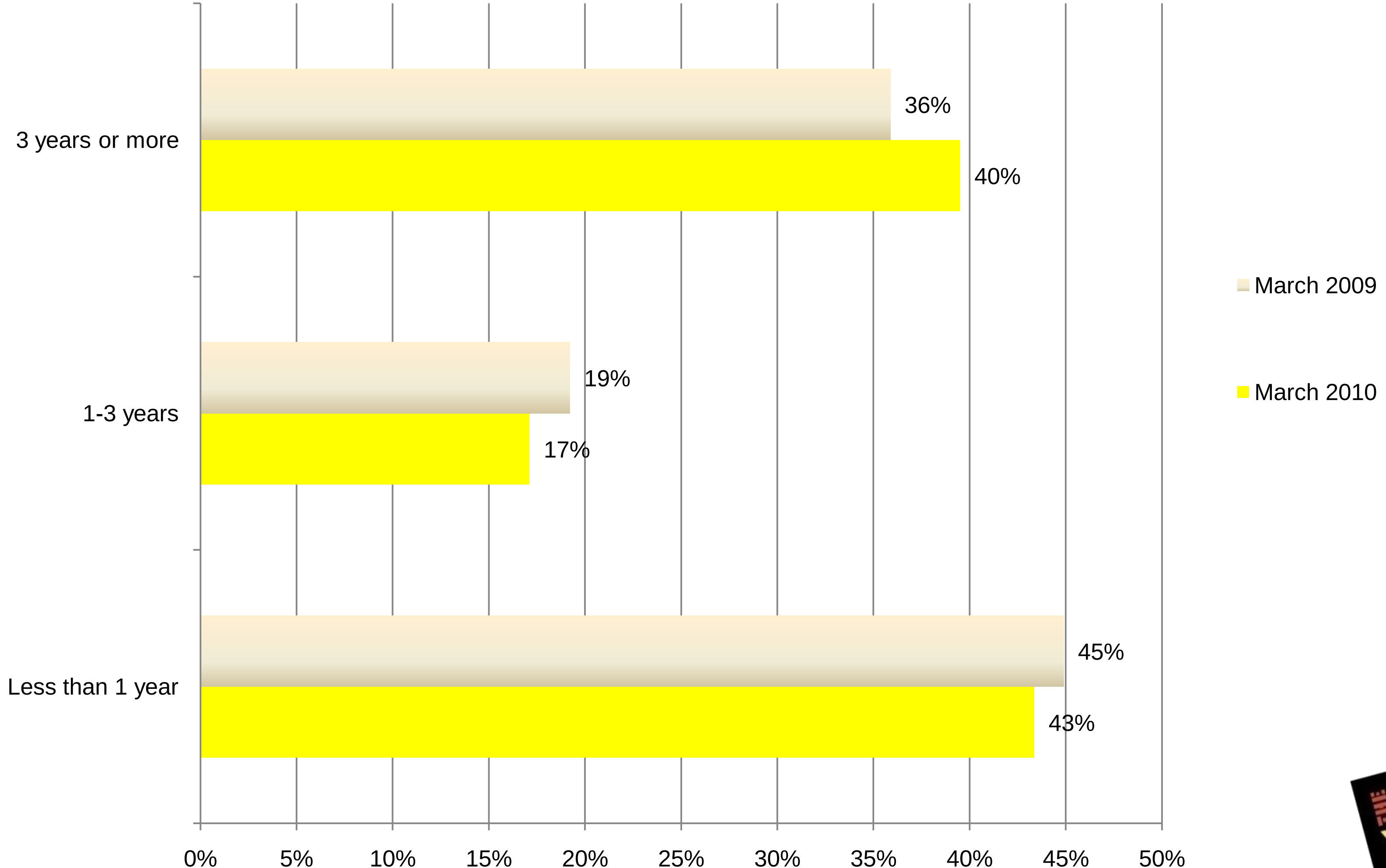




Big Yellow Self Storage Users



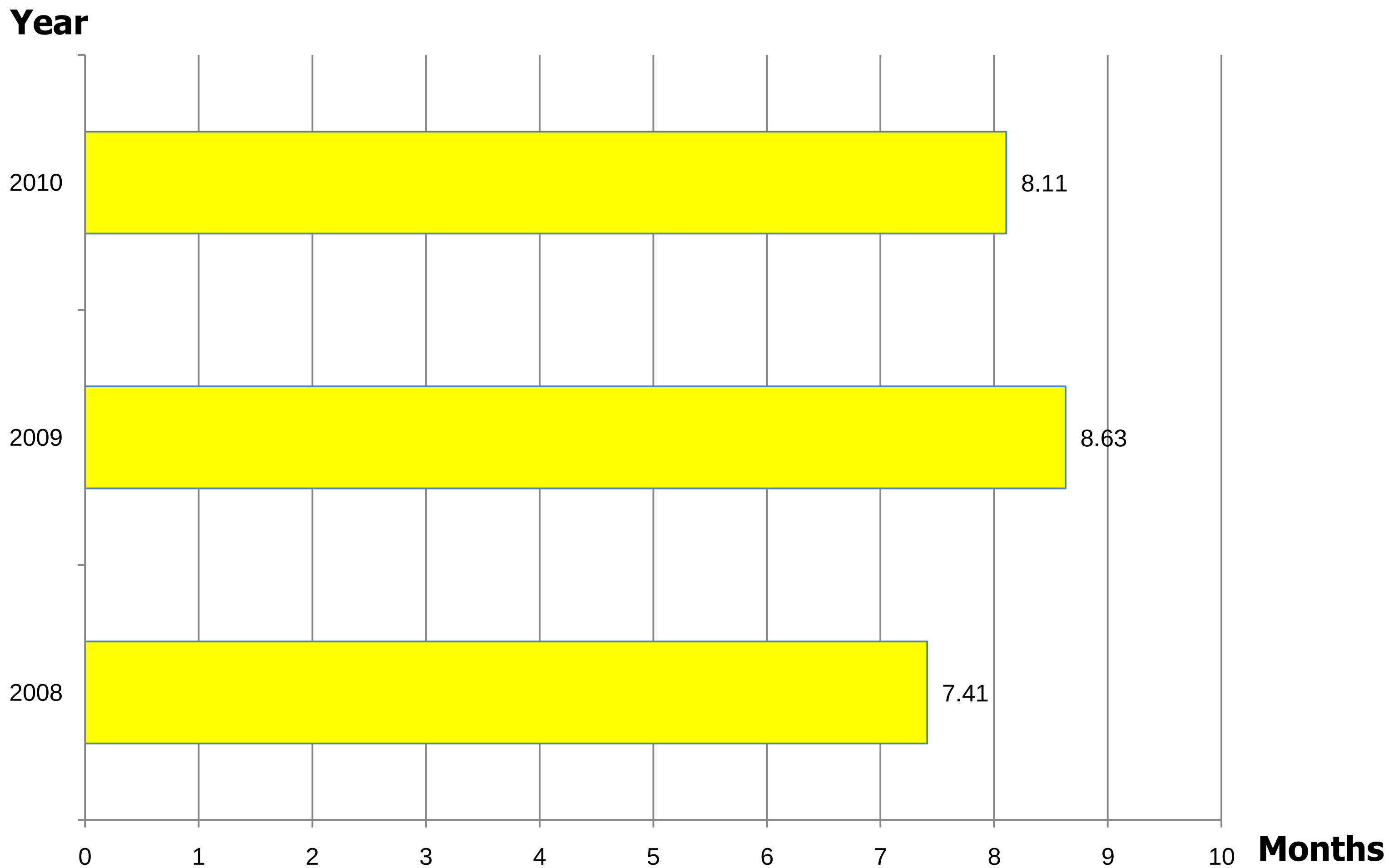
Proportion Of Current Customers - Same Stores By Length Of Stay In The Business



Customer Average Length of Stay

		Stores (Nº of Months)					
As at 31 March 2010		**< 1 Year**	**1-2 Years**	**2-5 Years**	**>5 Years**	**Portfolio**	31 March 2009
Nº of Stores		**6**	**8**	**14**	**32**	**60**	
Domestic	Existing	3.4	7.2	12.1	21.1	**18.1**	17.6
	Vacated	1.9	3.1	4.7	6.7	**6.4**	6.2
	Total	2.7	4.5	6.1	8.3	**7.9**	7.8
Business	Existing	3.3	7.3	14.0	22.4	**20.2**	19.4
	Vacated	1.5	3.6	6.6	10.3	**9.9**	9.3
	Total	2.9	6.2	9.6	13.5	**12.9**	12.5
All	Existing	3.4	7.2	12.4	21.4	**18.6**	18.0
	Vacated	1.9	3.1	4.9	7.1	**6.7**	6.5
	Total	2.7	4.7	6.5	8.9	**8.5**	8.4

Length of Stay of Customers Move-Outs in Financial Year



Marketing and the Brand

Marketing Strategy

- Leveraging the Big Yellow Brand
- Focus on hard working media
  - ROI
- Online innovation
- Improving the customer experience
- Improving information systems

Online Innovation

- Improving the customer experience
- Quote, reserve and check in online
- Price transparency
- Check in online
  - Customer benefit
  - Greater operational efficiency

Online Innovation

- Spreading word of mouth

- Online customer reviews
  - Over 2,500 reviews have been published
  - Over 50% of reviews awarded an overall score of 5 stars out of 5
  - Our average score across the board is 4.6 out of 5
  - Our customer service score is 4.6 out of 5
  - Real time customer feedback

- Social media
  - Full engagement
  - Targeting students
  - Followers
  - Complementary channel
  - Opportunities for engagement and feedback

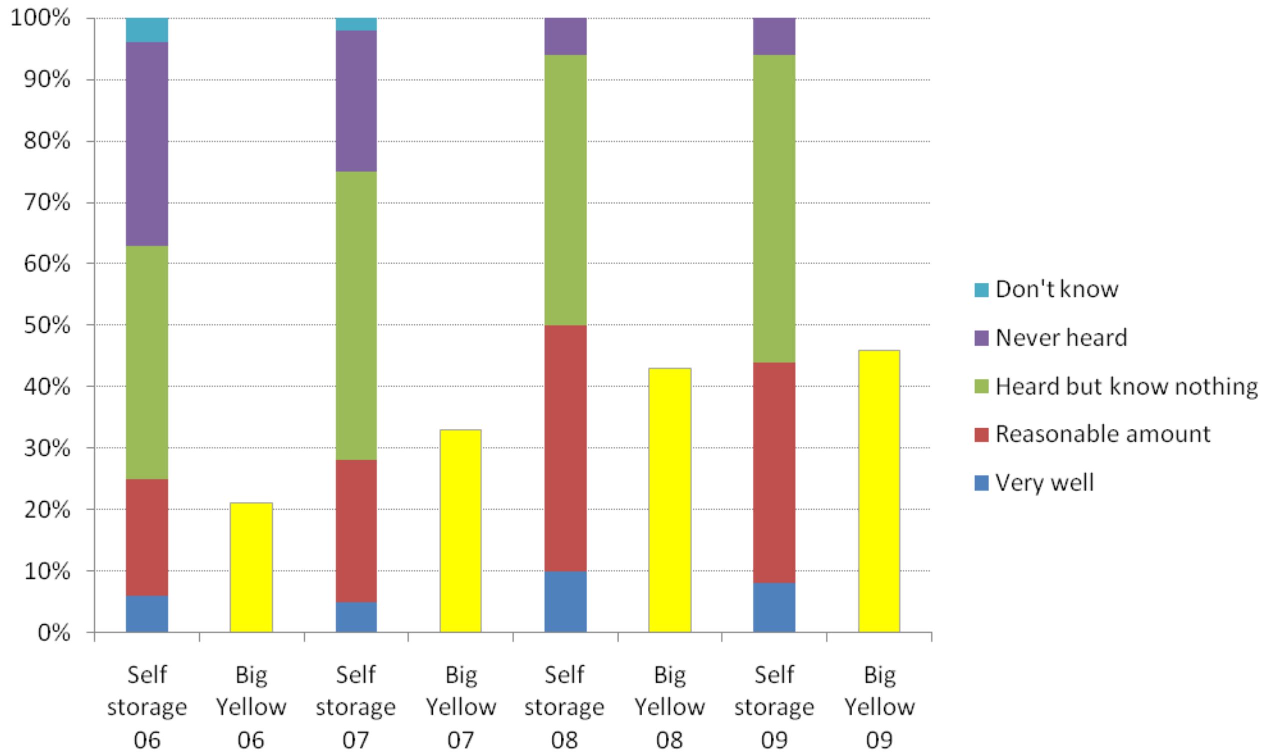
Simplifying Our Processes

- One offer across all stores
  - 50% off for up to your first 8 weeks
- Price Promise
- Focus on Value

Search

- Search delivers 80% of online sales leads
- Highest volume, lowest cost
- Power of the Brand to win business
- Short term benefits of having strong Brand

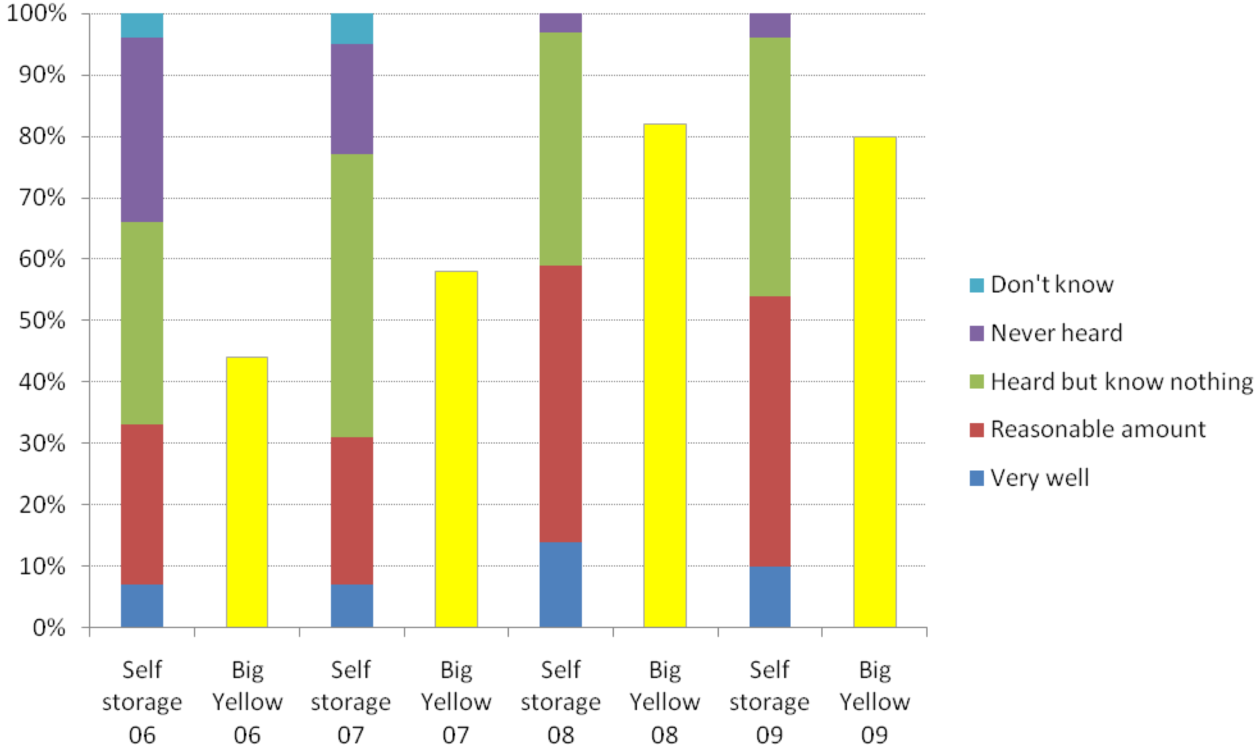
Self Storage Awareness - UK



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

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

Self Storage Awareness - London



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

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

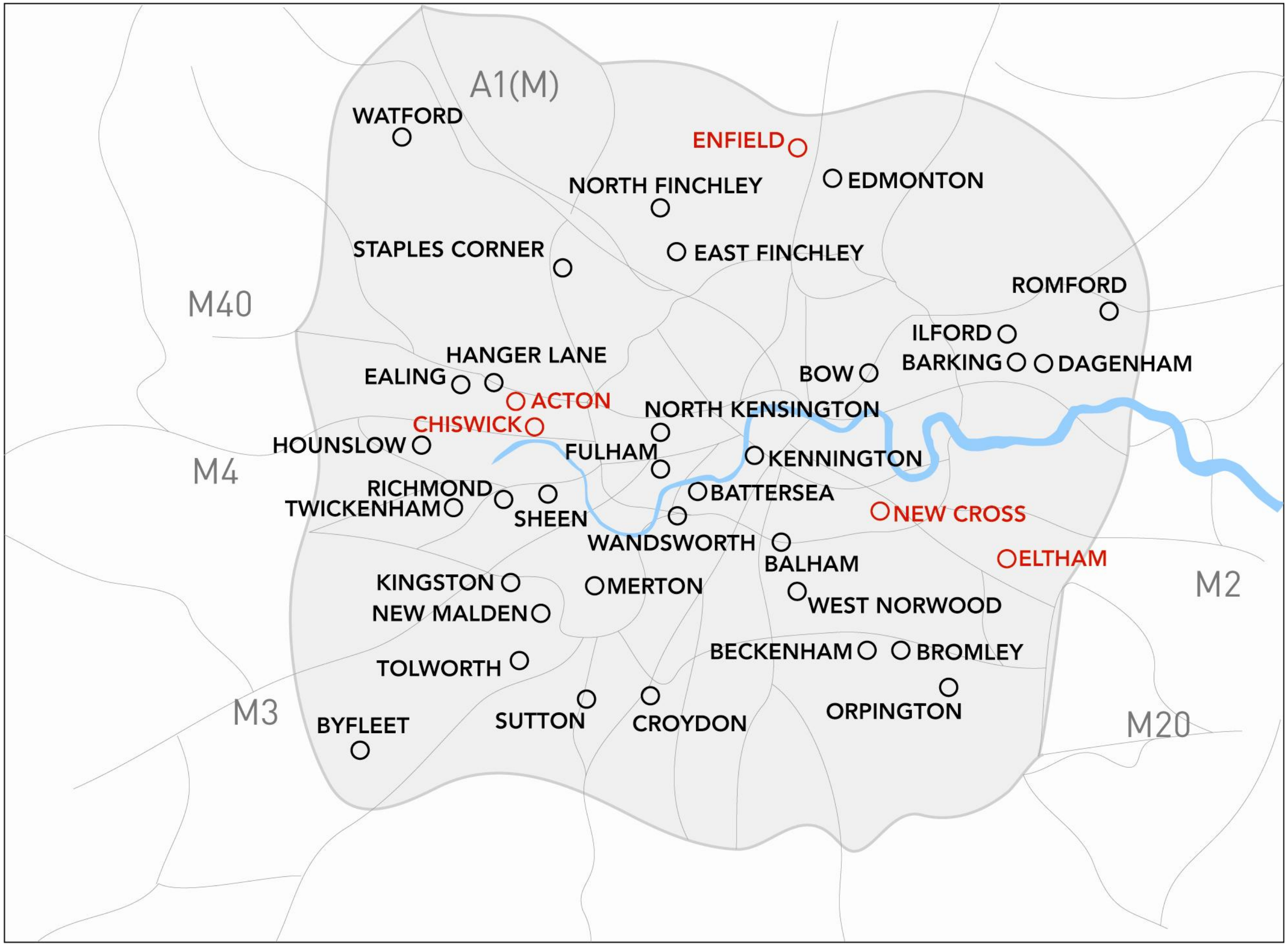
Property

Big Yellow Stores
May 2010

London - 38 stores and sites

Outside London - 42 stores and sites

London Stores



Property Review

- 5 planning consents since April 2009
- Development pipeline of 10 sites, 640,000 sq ft of net lettable space
  - Pramerica JV: 3 sites, 180,000 sq ft, all with planning
  - Wholly owned: 7 sites, 460,000 sq ft, 6 with planning
- £20 million of surplus land
- 58% of planned net lettable sq ft within the M25; 68% in the wholly owned Group
- 94% freehold (including 3 long leaseholds), based on 31 March 2010 book values; all stores in development are freehold
- New site acquisitions

Property Accounts Valuation

Freehold – 44

- 10 year DCF assuming notional sale at year ten
- Stabilised yield pre-admin expense assuming no growth 8.44% (Mar 2009: 8.55%)
- Weighted average occupancy 84.2%

  (Mar 2009: 85.0%) 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, 15.8 years (March 2009: 16.8 years)

Investment Property Under Construction – 7

- Valued for the first time, same methodology as for freeholds
- Valuation fall of £13.3m, stabilised values pointing to uplift of

  £99m - 118%

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 for redevelopment as purpose built store granted	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, 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)	Consent granted, development committed with planned opening in early 2012	60,000 sq ft

Chiswick

Chiswick


SELF STORAGE
BIG YELLOW SELF STORAGE
Get some space in your life.
Open 7 days

Cost to Complete

Wholly Owned Development Sites With Planning – Book Value 5 in London, 1 in central Guildford*	£32.1m
Estimated Cost to Complete the 6 stores (£5m committed)	£44.0m
Total Estimated Book Value	£76.1m
Estimated Net sq ft provided	395,000
Book Value per sq ft	£193
Valuation March 2010:	
Comparable London 10 same stores	£332 psf
Comparable London 10 lease up stores	£287 psf
Surplus land for Sale at 7 sites	£20m

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

Funding Strategy

- Operating Cash Flow
- Cash and Available Undrawn Bank Facilities
- Land Sales

Conclusion

- Current trading and outlook
- Opportunity to leverage off market leading brand
- Growth potential from existing platform – 56% to 85%
- Value creation of new stores
- Dividend

Appendix

Richmond, May 1999
MLA - 35,000 sq ft

Croydon, July 1999
MLA - 81,000 sq ft

Oxford, August 1999
MLA - 33,000 sq ft

Hanger 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 Malden, May 2002
MLA - 81,000 sq ft

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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

THE BIG YELLOW SELF STORAGE COMPANY

THE BIG YELLOW SELF STORAGE COMPANY


Solar Energy
A clean renewable future
for Big Yellow
4215 W
663 kWh
377 kg

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 (2009 You Gov Market Research)
  - Currently 54% approximately in London with reasonable knowledge of product
  - Lower in other major cities
  - 80% brand awareness of Big Yellow in London
- Significant advertising and promotion raising awareness
- Better located stores with roadside visibility also raising awareness
- New customers being created as market grows, e.g. lifestyle, de-cluttering
- 25% US penetration would imply the potential for 2,000 centres and approximately 1.5 sq ft per person
- 2010 openings expected to be significantly down on previous years

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REITs

- Conversion charge
  - £12.0 million paid in July 2007
  - Subject to final agreement with HMRC
- Approximately 86% of our revenue currently tax exempt
- Comfortably meets the 75% gross asset test at 31 March 2010
- No PID payable in year due to shadow capital allowances offsetting tax exempt profits
- 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/HSH
- Fees earned by Big Yellow from venture site acquisition fees, planning success fees, development fees and management fees
- Initial sites sold for £20.3 million. Further sites sold for £15.0 million. Group has reinvested £12.1 million of its £25 million commitment
- Big Yellow option to buy back Pramerica's interest in partnership or the assets from 31 March 2013
- The Group has a right to a promote at the exit date of the partnership

Purchaser's Cost Assumption

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

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.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Big Yellow does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials. Information contained in this presentation relating to the Company or its share price, or the yield on its shares, should not be relied upon as a guide to future performance.