

Financial Review

Revenue

Total revenue for the year was £209.1 million, an increase of £4.6 million (2%) from £204.5 million in the prior year. Like-for-like store revenue (see glossary in note 33) for the year was £207.3 million, an increase of 2% from the prior year (2025: £203.1 million).

In the prior year, we reported that revenue growth was highest in our London stores, with our south east commuter and regional stores delivering a lower run-rate of revenue growth. In the current year, we have seen this reverse, with our commuter and regional stores delivering higher revenue growth than our London stores.

Included in store revenue is other storage related income, from the sale of packing materials, insurance/enhanced liability service ("ELS"), and storage related charges. This amounted to £24.1 million in the year (2025: £23.7 million), an increase of 2%.

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

Operating costs

Cost of sales principally comprise the 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 our store operating costs compared to the prior year:

Category	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000	Change	% of store operating costs in 2026
Cost of sales	1,294	1,422	(9%)	2%
Staff costs	15,502	15,199	2%	26%
General & admin	1,397	1,646	(15%)	2%
Utilities	2,519	2,783	(9%)	4%
Property rates	21,666	20,856	4%	36%
Marketing	7,699	6,778	14%	13%
Repairs & maintenance	5,598	5,841	(4%)	9%
Insurance	3,257	3,394	(4%)	6%
Computer costs	1,151	1,193	(4%)	2%
Total before one-off items	60,083	59,112	2%	100%
One-off items	(1,129)	(1,547)	(27%)	
Total per portfolio summary	58,954	57,565	2%	

Store operating costs have increased by £1.4 million (2%). The one-off items in the current and prior years relate to rates rebates received in the year. Store operating costs before these one-off items have increased by £1.0 million (2%) compared to the prior year. The additional operating expense from new stores accounted for £0.8 million in the year. The remaining increase is £0.2 million (0.3%), with commentary below:

- Cost of sales has reduced with lower packing material sales in the year, and some savings on purchase costs.
- Staff costs have increased by £0.3 million (2%) with the salary review of on average 3.2% (including a higher increase to those at the lower end of the pay scale reflecting the rise in the national living wage). This increase has been partly offset by savings on headcount, as we drive efficiencies into the stores through automation, and a lower bonus payout.
- Our utilities expenditure has reduced by £0.3 million (9%) compared to the prior period, from a combination of a lower contracted energy price, our investment in solar and the roll-out of an energy efficiency programme across our stores. Our energy pricing is fixed through to September 2026.
- Property rates have increased by £0.8 million (4%). The rates payable for this year were based off the CPI print to September 2024, which was 1.7%. The remaining increase is due to new stores. Looking ahead to next year, following the publication of the 2026 Rating List, we anticipate our like-for-like rates bill will increase by 8.5% in the year to 31 March 2027, with the increase moderating in the years ending 31 March 2028 and 31 March 2029.
- Our marketing expense for the year was up 14%, mainly due to an increase in the pay-per-click ("PPC") budget over the second half of the year to drive additional prospects in a softer demand environment. The total marketing spend represents 3.7% of revenue for the year.
- The repairs and maintenance expense has reduced by £0.2 million (4%) due to savings we have made across a number of cost lines.
- Our insurance expense has fallen by £0.1 million (4%) principally due to lower customer insurance claims in the year.
- The Group's bad debt expense for the year was 0.2% of revenue, in line with the prior year (2025: 0.2%). The Group has not seen any deterioration in its aged debtors' profile over recent months.

For the year ending 31 March 2027, we anticipate like-for-like operating costs increasing by approximately 2% to 3%.

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

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Direct store operating costs per portfolio summary (excluding rent)	58,954	57,565
Rent included in cost of sales (total rent payable is included in portfolio summary)	1,952	1,593
Depreciation charged to cost of sales	517	530
Costs associated with closure of Slough leasehold store	–	694
Head office and other operational management costs charged to cost of sales	2,103	1,744
Cost of sales per statement of comprehensive income	63,526	62,126

The Group incurred various costs associated with the closure of its Slough leasehold store in the prior year, including the cost of transferring customers to our new freehold Slough Farnham Road store, and the strip-out of the building before returning it to the landlord. These costs totalled £0.7 million and were excluded from the Group's adjusted profit for that year, as they were a one-off item.

Store EBITDA

Store EBITDA for the year was £146.5 million, an increase of £3.3 million from £143.2 million for the prior year (see Portfolio Summary). The overall EBITDA margin for during the year was 70.5%, in line with the prior year.

All stores are currently trading profitably at the Store EBITDA level, with the exception of our recently opened stores in Queensbury, Slough Bath Road and Wembley.

Administrative expenses

Administrative expenses in the statement of comprehensive income are £15.0 million, down £0.7 million (5%) compared to the prior year. The fall is due to a reduction in the IFRS 2 Share Based Payments charge of £1.0 million in the year. Excluding this movement, administrative expenses remained tightly controlled and were up £0.3 million (2%).

Share of profit of joint venture

At the start of the year, the Group had a £0.6 million investment (34% of the equity) in Doncaster Security Operations Centre Limited ("DSOC"), a company which provides out-of-hours monitoring and alarm receiving services, including for the Group's stores. On 1 August 2025 the Group increased its investment in DSOC and now owns 74% of the ordinary share capital of the Company. The investment is treated as a joint venture, as the Group has joint control over DSOC with the minority founder shareholder. The investment is measured using the equity method of accounting. The Group's share of profit for the period from 1 August 2025 to 31 March 2026 was £0.1 million.

Other income

In the current year, the Group earned other income of £0.2 million. This was a dilapidations receipt on a development property. The prior year other income is loss of income insurance proceeds of £4.0 million, which was the final settlement following a fire at our Cheadle store in February 2022.

Interest expense on bank borrowings

The gross bank interest expense for the year was £23.4 million, an increase of £0.1 million from the prior year, due to higher average debt levels, partly offset by a lower average cost of debt following the reduction in interest rates. The average cost of borrowing during the year was 5.0% compared to 5.7% in the prior year.

Capitalised interest has risen significantly as we build out the stores in our development pipeline, and was £10.6 million, up from £7.9 million in the prior year.

Total finance costs in the statement of comprehensive income reduced to £13.6 million from £15.9 million in the prior year, due to the increase in capitalised interest.

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Profit before tax

The Group made a profit before tax in the year of £126.2 million, compared to a profit of £203.9 million in the prior year. After adjusting for the gain on the revaluation of investment properties and other matters shown in the table below, the Group made an adjusted profit before tax in the year of £117.5 million, up 2% from £115.6 million in 2025.

Profit before tax analysis	2026 £000	2025 £000
Profit before tax	126,212	203,854
Gain on revaluation of investment properties	(7,574)	(29,667)
Movement in fair value on interest rate derivatives	(1,164)	(547)
Gain on disposal of non-current asset	–	(8,754)
Costs associated with closure of Slough leasehold store	–	694
Adjusted profit before tax	117,474	115,580

The adjustments made to the Group's profit before tax follow guidance issued by EPRA, with additional Company specific adjustments made to give readers a clearer underlying picture of the Group's performance. EPRA profit before tax for the prior year is disclosed in note 10.

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

	£m
Adjusted profit before tax – year ended 31 March 2025	115.6
Increase in gross profit	2.5
Decrease in administrative expenses	0.7
Decrease in other income	(3.8)
Increase in share of profit of joint venture	0.1
Increase in net interest payable	(0.3)
Increase in capitalised interest	2.7
Adjusted profit before tax – year ended 31 March 2026	117.5

Basic earnings per share for the year was 63.8p (2025: 103.2p) and diluted earnings per share was 63.4p (2025: 102.8p). Diluted adjusted earnings per share based on adjusted profit after tax was up 2% to 59.0p (2025: 57.8p) (see note 12).

REIT status

The Group is a Real Estate Investment Trust ("REIT") and therefore benefits from a zero tax rate on its qualifying self storage earnings. The Group only pays tax on the profits attributable to our residual business, comprising primarily of the sale of packing materials and insurance.

REIT status gives the Group exemption from UK corporation tax on profits and gains from its qualifying portfolio of UK stores. Revaluation gains on developments and our existing open stores are exempt from corporation tax on chargeable gains, provided certain criteria are met.

The Group has a rigorous internal system in place for monitoring compliance with criteria set out in the REIT regulations. On a monthly basis, a report on compliance with these criteria is issued to the Executive. To date, the Group has complied with all REIT regulations, including forward looking tests.

Taxation

There is a £2.4 million tax charge in the residual business for the year ended 31 March 2026 (2025: £2.5 million). The current year tax charge is partly offset in the income statement by an adjustment to the prior year tax estimate of £1.1 million (2025: prior year adjustment of £0.5 million).

Dividends

The Board is recommending the payment of a final dividend of 23.4 pence per share in addition to the interim dividend of 23.8 pence, giving a total dividend for the year of 47.2 pence, an increase of 2% from the prior year. The Group's policy is to distribute a minimum of 80% of our adjusted earnings per share in each reporting period.

REIT regulatory requirements determine the level of Property Income Distribution ("PID") payable by the Group. Based on the full year distributable reserves for PID purposes, a PID of 47.2p pence per share is payable (31 March 2025: 46.4 pence). The PID for the year to 31 March 2026 accounts for all of the declared dividend. The table below summarises the declared dividend for the year:

Dividend (pence per share)	31 March 2026	31 March 2025
Interim dividend	23.8p	22.6p
Final dividend	23.4p	23.8p
Total dividend	47.2p	46.4p

Subject to approval by shareholders at the Annual General Meeting to be held on 20 July 2026, the final dividend will be paid on 24 July 2026. The ex-div date is 2 July 2026 and the record date is 3 July 2026.

Cash flow growth

The Group is strongly cash generative and draws down from its longer term committed facilities as required to meet its obligations. The Group's cash flow from operating activities pre-working capital movements for the year was £111.5 million, broadly in line with the prior year. The prior year included a one-off receipt of £4 million in respect of Cheadle. Excluding this receipt from the prior year, cash flow from operating activities was up 3% compared to 2025. These operating cash flows are after the ongoing maintenance costs of the stores, which were on average approximately £50,000 per store (2025: £53,500), a 7% reduction.

The Group's net debt has increased over the year to £476.7 million (March 2025: £388.7 million).

There are distortive working capital items in the prior year, and therefore the summary cash flow on the next page sets out the free cash flow pre-working capital movements:

	Year ended 31 March 2026 £m	Year ended 31 March 2025 £m
Cash generated from operations pre-working capital movements	134.8	132.0
Net finance costs	(22.0)	(21.5)
Interest on obligations under lease liabilities	(0.7)	(0.6)
Other operating income received	0.2	4.0
Tax	(0.8)	(2.0)
Cash flow from operating activities pre-working capital movements	111.5	111.9
Working capital movements	(2.6)	2.6
Cash flow from operating activities	108.9	114.5
Capital expenditure	(100.9)	(58.3)
Disposal of non-current asset	–	30.6
Investment in joint venture	(1.0)	–
Cash flow after investing activities	7.0	86.8
Dividends	(93.2)	(88.5)
Issue of share capital	0.1	0.8
Payment of lease liabilities	(1.3)	(1.8)
Loan arrangement fees paid	(0.6)	(0.6)
Increase in borrowings	88.5	2.7
Net cash inflow/(outflow)	0.5	(0.6)

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 6.1 times (2025: 6.1 times). This is calculated per below:

	31 March 2026 £000	31 March 2025 £000
Cash generated from operations pre working capital movements (see note 26)	134,803	131,999
Interest paid per cash flow statement	(22,126)	(21,657)
Interest cover	6.1x	6.1x

In the year capital expenditure outflows were £100.8 million, up from £58.3 million in the prior year. This capital expenditure was principally on the construction of new stores. We expect the amount of construction capital expenditure to decrease next year, as we open the stores in our pipeline.

The cash flow after investing activities was a net inflow of £7.0 million, a decrease of 92% from £86.8 million in the prior year, due to the additional capital expenditure, coupled with the prior year receipt of £30.6 million from land adjacent to our Battersea store.

Balance sheet

Property

The Group's open stores and stores under development owned at 31 March 2026, which are classified as investment properties, have all been valued individually by JLL.

The external valuation has resulted in a total investment property asset value of £3,111.1 million, as broken down in the table below.

Investment property

The open store portfolio has increased in value by £15.7 million (0.5%). This increase in value arises from improvements in the projected cash flows for the stores. The weighted average exit capitalisation rate used in the valuations was 5.5% in the current year, in line with the prior year.

Analysis of property portfolio	Value at 31 March 2026 £m	Revaluation movement in the year £m
Investment property	2,944.5	15.7
Investment property under construction	166.6	(8.1)
Investment property total	3,111.1	7.6

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The table below provides a further breakdown of the open store valuations:

	Big Yellow same stores	Armadillo – same stores	Total – same stores	Big Yellow lease-up freehold	Total
Number of stores	77	24	101	12	113
MLA capacity [sq ft]	4,868,000	1,005,000	5,873,000	848,000	6,721,000
Valuation at 31 March 2026 (£m)	£2,230.9m	£186.2m	£2,417.1m	£380.7m	£2,797.8m
Value per sq ft	£458	£185	£412	£449	£416
Net initial year one NOI yield	5.0%	6.2%	5.1%	2.6%	4.7%

The total store valuation in this table differs to the balance sheet due to the non-self storage investment property that the Group owns, such as the Harrow and Staines Industrial Schemes. The net initial year one NOI yield for the Big Yellow and Armadillo same stores is 5.1% (2025: 5.2%). Note 15 contains more detail on the assumptions underpinning the valuations.

Investment property under construction

The Group spent £102.6 million (including capitalised interest) on investment property under construction in the year with eight stores in various stages of construction. Staines, Queensbury, Slough Bath Road and Wembley all transferred to investment property during the year as the stores opened, along with the Staines Industrial Scheme. There was a revaluation deficit of £8.1 million on investment property under construction in the year, arising from an increase in projected construction costs.

Purchaser's cost adjustment

As in prior years, we have instructed an alternative valuation on our assets using a purchaser's cost assumption of 2.75% (see note 15 for further details) to be used in the calculation of our adjusted diluted net asset value. All the significant sized transactions that have been concluded in the UK in recent years were completed in a corporate structure. 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. This Red Book valuation based on the special assumption of 2.75% purchaser's costs, results in a higher property valuation at 31 March 2026 of £3,231.8 billion (£120.7 million higher than the value recorded in the financial statements). This translates to 60.8 pence per share. This revised valuation translates into an adjusted net asset value per share of 1,370.4 pence (2025: 1,355.6 pence) after the dilutive effect of outstanding share options.

Receivables

The Group's bad debt expense in the year represented 0.2% of revenue compared to 0.2% in the prior year, with 81% of our customer base paying by direct debit (2025: 81%).

Net asset value

The adjusted net asset value is 1,370.4 pence per share (see note 13), an increase of 1% compared to 1,355.6 pence per share at 31 March 2025. The table below reconciles the movement:

Movement in adjusted net asset value	£m	Adjusted NAV pence per share
31 March 2025	2,682.1	1,355.6
Adjusted profit after tax	116.2	58.7
Equity dividends paid	(93.2)	(47.1)
Revaluation movements	7.6	3.8
Movement in purchaser's cost adjustment	4.6	2.3
Other movements (e.g. share schemes)	2.0	(2.9)
31 March 2026	2,719.3	1,370.4

Borrowings

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. Given our relatively low leverage we will maintain a watching brief over short term rates and for the moment continue with our flexible approach to hedging interest rate exposure.

The table below summarises the Group's debt facilities at 31 March 2026, with a current average cost of drawn debt of 4.7% (March 2025: 5.0%).

Debt	Expiry	Facility	Drawn	Cost
Aviva Loan (all fixed)	September 2028	£149m	£149m	3.3%
M&G loan (£35 million fixed at 4.5%, £85 million floating)	September 2029	£120m	£120m	5.9%
Revolving bank facility (Lloyds, HSBC & Barclays, £30 million fixed at 3.7%, balance floating)	December 2028	£300m	£217m	4.9%
Total	Average term 2.8 years	£569m	£486m	4.7%

In addition to the facilities above, subsequent to the year end, the Group put in place 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 three years with terms of between 7 and 15 years at short notice, typically 10 days.

The Group's £300 million RCF has incorporated sustainability-linked KPIs into the loan, which include annual pre-agreed targets and are based on:

- reductions in Scope 1 and 2 emissions;
- increase in solar generation capacity;
- total annual grants to Big Yellow Foundation charity partners; and
- the value of storage space provided free of charge to local charities in our stores.

Performance against the KPIs is measured annually, with a margin decrease or increase applied to the headline margin. We are pleased to report that the Group has again met all the KPIs and is therefore benefitting from a 5bps margin reduction on the RCF.

The Group was comfortably in compliance with its banking covenants at 31 March 2026. Further details of the Group's covenants are provided in note 19 of the accounts. The Group's key financial ratios are shown in the table below:

Metric	31 March 2026	31 March 2025
Net Debt / Gross Property Assets	15%	13%
Net Debt / Adjusted Net Assets	18%	14%
Net Debt / Market Capitalisation	29%	21%
Net debt to Group EBITDA ratio	3.7x	3.1x
Cash generated from operations pre-working capital movements against interest paid	6.1x	6.1x

The Group took out an additional interest rate derivative during the year, £30 million fixed at 3.7% until September 2029, with a bank option to call the swap in March 2027. At 31 March 2026, the fair value on the Group's interest rate derivatives was a liability of £0.1 million. The Group does not hedge account its interest rate derivatives. The fair value movements are eliminated from adjusted profit before tax, adjusted earnings per share, and adjusted net assets per share. Cash deposits are only placed with approved financial institutions in accordance with the Group's Treasury policy.

Share capital

The share capital of the Company totalled £19.7 million at 31 March 2026 (2025: £19.7 million), consisting of 196,818,571 ordinary shares of 10p each (2025: 196,714,696 shares). 0.1 million shares were issued for the exercise of options during the year at an average exercise price of £10.09 (2025: 0.5 million shares at an average price of £12.60).

The Group holds 0.9 million shares within an Employee Benefit Trust ("EBT"). These shares are shown as a debit in reserves and are not included in calculating net asset value per share.

Metric	2026 No.	2025 No.
Opening shares	196,714,696	196,195,287
Shares issued for the exercise of options	103,875	519,409
Closing shares in issue	196,818,571	196,714,696
Shares held in EBT	(859,397)	(881,360)
Closing shares for NAV purposes	195,959,174	195,833,336

143.2 million shares were traded in the market during the year ended 31 March 2026 (2025: 96.9 million). The average mid-market price of shares traded during the year was £9.96 with a high of £11.80 and a low of £8.45.