

Operating Review

We now have a portfolio of 113 open and trading stores, with a current maximum lettable area of 6.7 million sq ft, an increase of 0.3 million sq ft (5%) since the prior year, with four stores opening in the year.

The store platform and demand

Self storage demand is spread across a diverse set of drivers, and is largely driven by need, with security, convenience, quality of product, service and location being key factors. Awareness remains relatively low compared to commoditised products, such as hotel rooms or airline seats, albeit it is increasing slowly year-on-year with increased supply, marketing expenditure and customer use. The majority of our domestic 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.

Of our move-ins during the year:

- customers renting storage space whilst moving represented 40% of move-ins during the year (2025: 41%), with homeowners representing 23% and renters 17%;
- 13% of our customers who moved in took storage space as a spare room for decluttering (2025: 12%);
- 35% of our customers used the product because some event had occurred in their lives generating the need for storage; they may be moving abroad for a job, have inherited possessions, are getting together, or separating, are students who need storage during the holidays, or homeowners developing into their lofts or basements (2025: 35%);
- the balance of 12% of our new customer demand during the year came from businesses (2025: 12%), who stay longer and represent around 20% of our customers in store at any one time, occupying 36% of the space at 31 March 2026.

Of our overall occupied space today, customers who are longer stay lifestyle users, decluttering into small rooms as an extension to their accommodation, occupy 10% to 15% of our space; approximately 50% of the space is customers using it for less than 12 months, for reasons which are largely event driven, which could be inheritance, moving in the owner-occupied or rental sector, home improvements, travelling; the balance of 36% of our space is businesses.

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 are typically 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. The average space occupied by business customers at the year-end is 177 sq ft (2025: 175 sq ft).

Domestic customers occupy on average 59 sq ft (2025: 59 sq ft) and pay on average 16% more in rent per sq ft than business customers (2025: 17%), due to the smaller on average room size rented. Business customers do however stay longer, take more space and represent around 32% of revenue (2025: 32%).

The pandemic accelerated many structural changes that were already occurring, such as the move to online retailing and an increase in working from home facilitated by technological advances. The deindustrialisation of big cities with the conversion of commercial space into residential and other uses, has led to a shortage of suitable flexible mini-warehouse space from which to operate small scale storage and e-fulfilment, particularly in London. These developments, along with businesses increasingly seeking flexible office and storage space rather than longer inflexible leases, we believe are long-term structural trends, which will benefit our business going forward.

From research we carried out in the year, a typical small business using our storage employs around two people and over 60% of them are early-stage businesses and for 50% of them this is their only space.

In addition, we have a dedicated national customers team for businesses who wish to occupy space in multiple stores. These customers on average occupy approximately 900 sq ft, paying £30,000 per annum, and are billed and managed centrally. This area has performed strongly in the year with revenue up 6% compared to the prior year, making up 5% of occupied space.

Activity

Occupancy across all 113 stores decreased over the year by 71,000 sq ft (2025: increase of 27,000 sq ft). Domestic occupied space decreased by 50,000 sq ft over the year.

Business occupancy dropped 1.2% or 21,000 sq ft on 1.78 million sq ft occupied at the beginning of the year. As we have experienced over the years, there are businesses who outgrow us and move to their own accommodation, others cease operations, some are seasonal, and we continue to replace any vacated space with new move-ins from online traders, e-tailers and service providers. We are not seeing any noticeable further softening in demand from businesses, particularly in London, and in the last six months of the financial year, we saw an increase in occupancy from businesses of 16,000 sq ft.

The 77 Big Yellow same stores (see Portfolio Summary) are 78.2% occupied compared to 80.9% at the same time last year. The 12 lease-up Big Yellow stores added 60,000 sq ft of occupancy over the year to reach closing occupancy of 49.2%. The 24 Armadillo stores, representing 10% of the Group's revenue are 75.5% occupied, compared to 76.2% at this time last year. Overall store occupancy, with four new stores opening in the year, was 74.2% (2025: 78.7%).

Spotlight on

Energy efficiency

Following a successful trial, our energy efficiency programme has moved from pilot to a scaled rollout, with refinements focused on lighting controls and system optimisation. During the year, 24 stores were upgraded, delivering energy savings of approximately 25% and a three to four year payback. We plan to extend these lighting controls across the entire estate in the financial year ahead. This initiative will further improve efficiency and help protect the business against energy cost volatility.



	Occupancy 31 March 2026 %	Occupancy change in year 000 sq ft	Occupancy 31 March 2026 000 sq ft	Occupancy 31 March 2025 000 sq ft
77 same store Big Yellow stores	78.2%	(123)	3,809	3,932
12 lease-up Big Yellow stores	49.2%	60	417	357
24 Armadillo stores	75.5%	(8)	759	767
All 113 stores	74.2%	(71)	4,985	5,056

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

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 room sizes are in scarce supply.

We continue to 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. It must be remembered that some 60% of our customers vacate within six months and therefore do not receive any price increases.

New customers over the year paid on average 0.7% less than move-ins for last year, and 6.9% less than customers moving out over the year. If we can improve our relative occupancy performance, we would expect to see this narrow and be an additional driver to revenue growth.

The average achieved net rent per sq ft increased by 4% compared to the prior year, with closing net rent up 3% compared to 31 March 2025.

Marketing

Our marketing strategy is focused on further strengthening our market leading brand awareness and leveraging this to drive the cost efficient generation of enquiries, customer move ins and high levels of customer satisfaction across our digital platforms and store experience. Our strong brand, combined with continued investment in digital capability and innovation, has enabled us to develop a market leading website, which now generates over 90% of all enquiries.

Our latest YouGov brand tracking survey (published May 2024) confirmed that Big Yellow's brand awareness remains significantly ahead of all other UK self storage operators. Unprompted brand awareness is more than four times higher than our nearest competitor across the UK.

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The Big Yellow website allows customers to browse different room sizes, obtain pricing, reserve online and complete their check in before arriving at the store. Once a customer has moved in, our stores operate with automated access.

We recognise that many customers find it difficult to determine the right storage size. To support this, our online size estimator uses intuitive animations and clear guidance to help customers make an informed choice. Short video clips demonstrating different room sizes are also available, giving prospects greater confidence that they are selecting the correct space.

Customers can communicate with us in real time via Live Chat or WhatsApp while comprehensive online FAQs provide quick answers to common queries without the need to call us directly. This digital experience is particularly important given that around 60% of our new customers have never used self storage before.

The seamless digital experience continues with our online check in platform, which allows customers to complete the majority of their move in process remotely. This has significantly reduced the time customers need to spend in reception when they arrive at the store. Customers can sign their full storage licence, set up authorised users, complete their storage inventory and establish a paperless Direct Debit, all before arriving on-site.

During the year, we also introduced automated identity verification through Yoti. This removes the need for store teams to manually inspect customer ID documents and visually match them to the individual present. The technology automatically identifies fraudulent or expired documents and matches the ID photo to a live facial scan of the user. This AI driven automation provides an additional layer of security by giving us greater confidence in who is storing with us, while also significantly speeding up the move in process.

We also provide the ability to purchase boxes and packing materials through our online BoxShop store. These items can be home delivered or made available through our Click and Collect service from stores, which represents 84% of BoxShop transactions.

Driving online traffic

Self storage is a consumer facing business and building a strong, sustainable brand is inherently multi layered. It requires consistency in product offering, customer service and brand interaction across all touchpoints, particularly online.

Search engines remain our most important customer acquisition channel, accounting for the majority of traffic to our website. Our continued focus on building and maintaining competitive advantage in search has seen ongoing investment in search engine optimisation ("SEO"), enabling us to sustain strong organic rankings for both generic and local self storage search terms. This drives both growth and cost efficiency in the acquisition of new prospects.

As the search landscape evolves, we are increasingly focused on AI driven search visibility and generative search optimisation ("GEO"), across leading large language models. This includes understanding why certain brands are surfaced and how we can positively influence that visibility. The strength, authority and reputation of the Big Yellow brand, combined with many years of investment in a robust SEO foundation, position us well for this next era of search.

Brand search terms are a significant driver of enquiries for Big Yellow and play an important role in improving cost efficiency. Over the past year, 35% of all paid search clicks to our website were generated from "Big Yellow" brand searches, clearly demonstrating the value of strong brand awareness in driving higher quality prospects and improved operational efficiency. This effect is consistently evidenced by the performance uplift seen in acquired store portfolios following rebranding and integration into the Big Yellow business.



Search engine marketing remains our largest source of paid digital traffic and is managed by a specialist search team to ensure spend is tightly controlled and highly efficient. Continued website optimisation and a strong, engaging user experience across our digital platforms help maximise the conversion of web visits into enquiries and, ultimately, customers.

Digital display advertising allows us to target audiences actively considering self storage, increasing brand consideration through engaging creative formats. In parallel, we continue to expand strategic online partnerships with brands that share similar customer profiles, further improving efficiency in our cost per customer acquisition.

Online customer reviews and social media

Supporting our value of putting the customer at the heart of the business, online customer reviews provide real time feedback on our service and generate powerful word of mouth advocacy for prospective customers. Through our structured customer feedback programme, we capture insight from customers following both their move in and move out experiences. Customer reviews and mystery shop results are made transparently available across the business, reinforcing our continued focus on delivering outstanding customer service. Over the year, we achieved an average Net Promoter Score of 85, representing a very strong benchmark for a consumer facing business.

We also benefit from real time customer feedback via more than 45,000 Google reviews, with an average rating of 4.8 out of 5. These reviews not only provide valuable insight but also enhance our visibility in local search results and help build trust in the Big Yellow brand, which is increasingly important for AI driven search visibility. In addition, we have over 5,200 reviews on the independent review platform Trustpilot, with an average rating of 4.8 out of 5, categorised as “Excellent”. All customer reviews are actively monitored and responded to, ensuring we manage our online reputation effectively and use customer insight to continually improve our service offering.

Social media continues to complement our core marketing channels. Big Yellow maintains an active presence across LinkedIn, Instagram, Facebook and TikTok, using these platforms to raise awareness of our services and ESG activities. Social channels also provide customers with another way to engage with us and are monitored in real time to enable prompt responses to enquiries. LinkedIn is used specifically to communicate company achievements, ESG initiatives and our company culture.

The Big Yellow YouTube channel further supports the customer journey by allowing prospective customers to explore our stores remotely through video based guides to self storage.

We will continue to invest in enhancing the customer experience and user journey across both our digital channels and in store operations, supporting increased automation and delivering further efficiency gains across the business.

AI

We continue to identify new ways to use AI and emerging technologies to drive efficiency and improve performance across the business. We are currently leveraging a range of AI tools to enhance our content creation processes, including Microsoft Copilot, Claude and Canva, enabling us to generate ideas and content more quickly and creatively. We also use AI based focus groups to provide valuable insight into customer facing website designs.

AI tools support the creation of training modules, the drafting of policies and procedures, and the development of engaging presentations and visual content. The integration of these tools has significantly streamlined workflows and boosted productivity across our key business functions.

Alongside this, we make extensive use of rules based data manipulation and automation across multiple operational areas, including dynamic pricing, prospect management, online check in and the automation of customer communications. Data driven access control reporting and alerts from our stores have strengthened our audit processes, while exception reporting has delivered notable efficiency gains. In marketing, AI is also used for paid search optimisation and prospect acquisition, customer identity verification via Yoti and competitor monitoring. We have implemented new software within our financial reporting team to speed up our financial forecasting. Our DSOC business also uses AI to help filter alerts triggered by operator security systems, which enables its security operatives to work more efficiently.

While often delivered through third party services, machine learning driven AI underpins our cybersecurity and defence capabilities. It plays a critical role in anti malware protection, firewall management, email security, vulnerability testing and Security Information and Event Monitoring.

This is by no means an exhaustive summary of how AI is supporting and enhancing our business, but it provides a clear indication of its impact – and it remains an area we will continue to invest in.

Cyber security and IT infrastructure

Cyber security and IT infrastructure remain fundamental to the Group's strategic objectives and operational effectiveness. We operate a comprehensive framework encompassing risk management, security protocols, regulatory compliance, innovation, and operational efficiency. Throughout the year we have delivered substantial progress whilst maintaining our proactive approach to identifying opportunities and addressing evolving challenges. The Group remains committed to sustained investment in our capabilities safeguarding our competitive position. Our Infrastructure and Development teams continue to deliver innovation and operational efficiencies across the Group.

Our cyber risk and security posture is subject to continuous assessment, drawing upon the expertise of both internal specialists and independent external advisors. Measures such as compulsory Information Security and Data Protection training, complemented by regular testing programmes including penetration testing and phishing simulations helps to ensure the resilience of both our technical systems and our people. During the year our infrastructure successfully completed a rigorous external audit attaining IASME Cyber Assurance and Cyber Essentials certification. The Group also maintains cyber insurance coverage to mitigate potential financial exposure in the event of a security incident.

Our Data Compliance Officer oversees ongoing compliance with GDPR and PCI DSS requirements, whilst also managing our Business Continuity and Crisis Communication frameworks. Policies and procedures undergo periodic review and are benchmarked against industry best practice standards.

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Development pipeline

An important aspect of our external growth is the development of new stores, particularly in London, where there are very few existing assets suitable to be acquired.

Current development pipeline – with planning

Site	Prominent location	Status	Anticipated capacity
Staples Corner, London	North Circular Road	Construction commenced with planned store opening in August 2026.	Replacement for existing leasehold store, additional 18,000 sq ft
Epsom, London	East Street	Construction commenced with planned store opening in September 2026.	59,000 sq ft
Kentish Town, London	Regis Road	Construction commenced, with planned store opening in September 2026.	70,000 sq ft
Wapping, London	The Highway, adjacent to existing Big Yellow	Construction commenced with planned store opening in December 2026.	Additional 95,000 sq ft
West Kensington, London	Hammersmith Road	Demolition of existing building completed, with store opening anticipated in spring 2029.	176,000 sq ft
Newcastle	Scotswood Road	Planning consent granted, with store opening anticipated in summer 2027.	60,000 sq ft
Leicester	Belgrave Gate, Central Leicester	Site acquired in June 2023. Planning consent granted, with store opening anticipated in early 2028.	58,000 sq ft
Leamington Spa	Queensway	Site acquired in May 2024. Planning consent granted, construction commenced with store opening anticipated in summer 2027.	54,000 sq ft
Old Kent Road, London	Old Kent Road	Site acquired in June 2022. Planning application submitted in October 2023, with planning consent granted in May 2026.	79,000 sq ft

Current development pipeline – without planning

Site	Prominent location	Status	Anticipated capacity
Coventry	Sir Henry Parkes Road	Site acquired in April 2025. Planning application submitted in November 2025.	58,000 sq ft
Bethnal Green, London	Hollybush Gardens	Contracts exchanged in September 2025, with deferred completion in March 2027. Planning application submitted in April 2026.	68,000 sq ft
Acton, London	The Vale	Contracts exchanged in May 2026, with completion occurring in the same month.	66,000 sq ft
Total – all sites			861,000 sq ft

The four new stores opened in the year to March 2026 have added a further 0.3 million sq ft of capacity; the 12 development sites in our pipeline are forecast to deliver an additional 0.9 million sq ft of capacity. The projected net operating income of the combined increase in our total capacity of 1.2 million sq ft when stabilised, at today's prices, is £39 million representing a proforma 8.3% return on the capital deployed. If we include the replacement store at Staples Corner, due to open in July 2026, the proforma net operating income increases to £43 million, a return of approximately 8.4% on the total development cost of approximately £513 million, including land already acquired.