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feefo 96% 

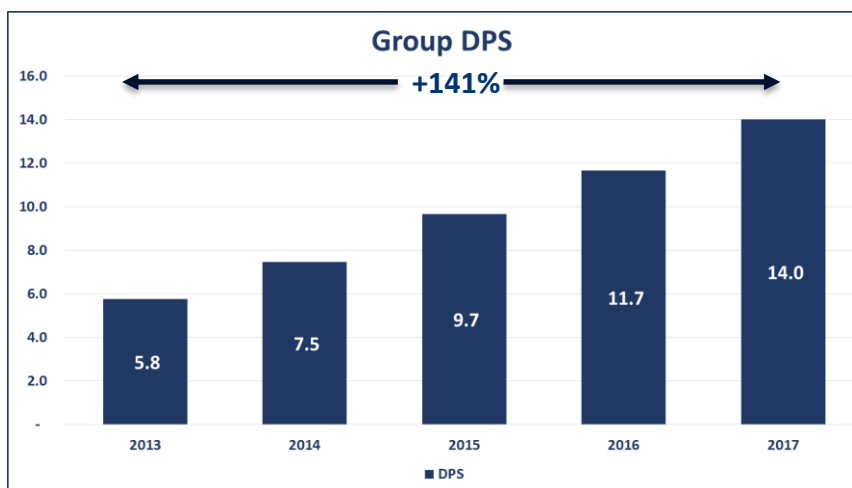
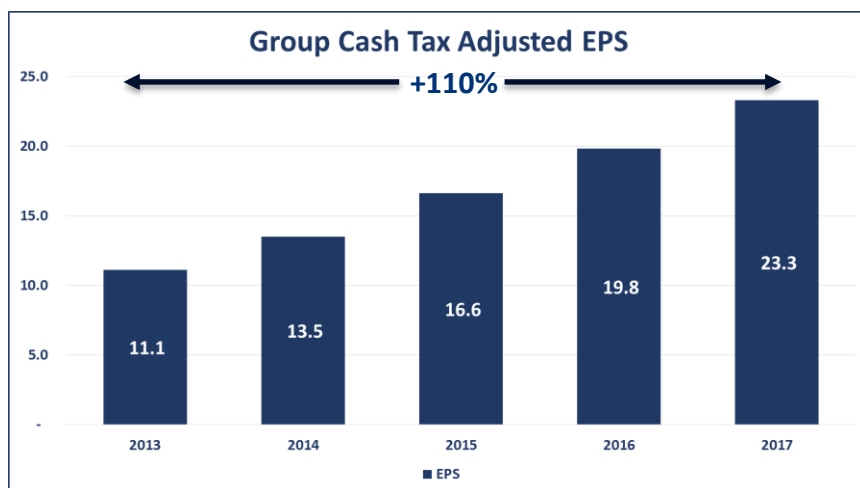
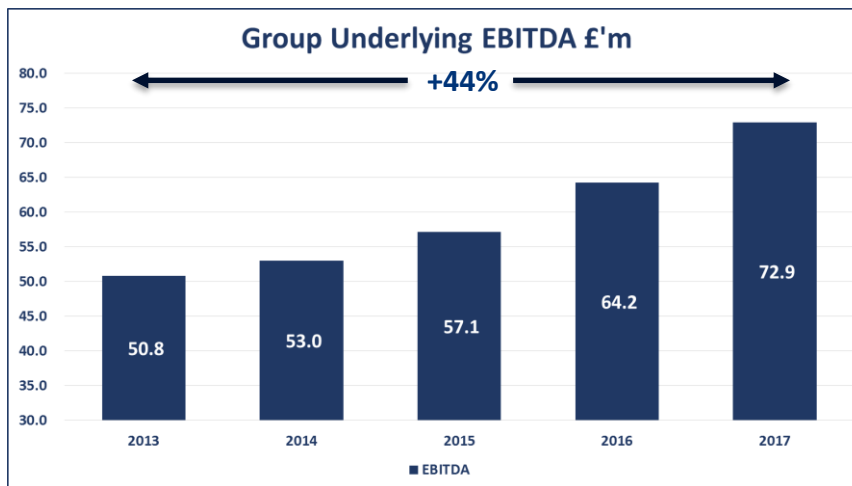
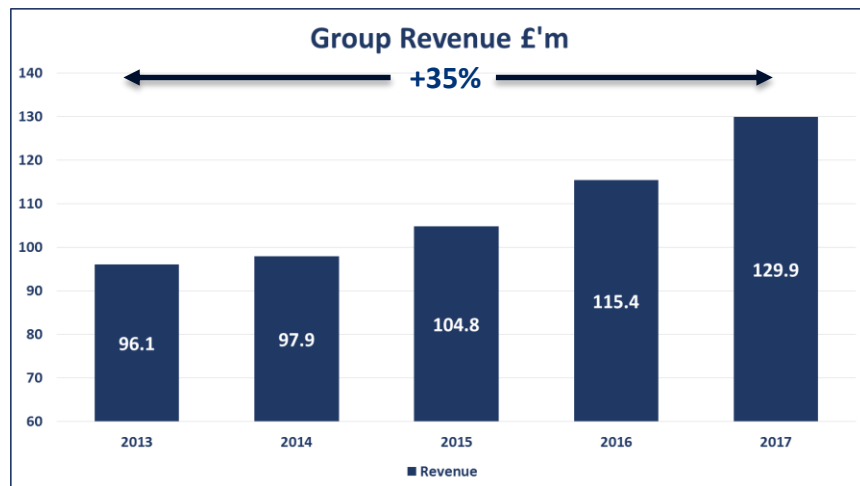
Full Year Results Presentation 09 Jan 2018

safestore™ Self Storage

Introduction

Frederic Vecchioli

Strong record of value creation



Highlights

Strong Financial Performance & Cash generation

- Group Revenue up 10.0% at CER¹
- Underlying EBITDA up 10.7% in CER¹
- Cash Tax Adjusted Earnings per Share up 17.7% at 23.3p
- 21.7% increase in final dividend to 9.8p (FY16: 8.05p)

Operational Delivery

- Group enquiry growth of 5.2% with Space Maker on a pro forma basis
- 12 Space Maker stores fully integrated and performing in line with expectations
- All six recently opened stores trading well
- 12 Alligator stores acquired for £56m – immediately earnings enhancing
- New site acquired at Combs-la-Ville in Paris opened in June 2017
- Four new stores in the pipeline – London Mitcham, London Paddington-Marble Arch, Birmingham Merry Hill and Paris Poissy

Strong and Flexible Balance Sheet

- Refinancing reduces effective interest rate to c. 2.1% and extends maturity to 6.7 years

¹CER is Constant Exchange Rates

New Birmingham Store

Reception

Financials

Andy Jones



Our reception area
is staffed:
Mon to Sat 9am-5pm
Thu 9am-5pm
Sun 10am-4pm

Financial highlights

Income Statement & Cash flow	FY2017	Change vs FY2016	
		Absolute	CER ²
Revenue (£'m) like-for-like ¹	117.7	5.9%	3.3%
Underlying EBITDA (£'m) like-for-like ¹	66.6	8.3%	5.2%
Revenue (£'m)	129.9	12.6%	10.0%
Underlying EBITDA (£'m)	72.9	13.6%	10.7%
Underlying EBITDA (post leasehold costs) (£'m)	62.6	13.0%	10.5%
Cash Tax Adjusted EPS (pence)	23.3	17.7%	n/a
Adjusted Diluted EPRA EPS (pence)	23.2	17.2%	n/a
Dividend per share (pence)	14.0	20.2%	n/a
Free cash flow (£'m)	50.3	18.6%	n/a
Balance Sheet		As at Oct 2017	Change vs Oct 2016
Investment Properties Valuation (£'m) ³		1,007.0	5.5%
EPRA Basic Net Asset Value per Share (pence)		329	9.7%
Group Loan-To-Value		36%	(5.0%pts)
Group Interest Cover Ratio		6.7x	+1.2x

¹ Like-for-like like adjustments have been made to remove the impact of the 2016 openings of Wandsworth, Altrincham, Birmingham (including closure of our existing Birmingham store) and Emerainville, as well as Chiswick and Combs-la-Ville and the closure of Deptford in the current financial year. In addition, the impact of the acquisition of Space Maker on 29 July 2016 has been adjusted

² CER is Constant Exchange Rates

³ Includes investment properties under construction

Solid revenue growth across the portfolio

		London / SE	Rest of UK	UK Total	Paris	Group Total
Average Occupancy LFL ¹ (sq ft 'm)	Act	1.53	1.22	2.75	0.82	3.57
	YoY	=	↑ 3.4%	↑ 1.5%	↑ 1.2%	↑ 1.4%
Closing Occupancy LFL ¹ %	Act	74.5%	70.1%	72.5%	84.7%	75.0%
	YoY	↓ (0.8%pts)	↑ 2.2%pts	↑ 0.6%pts	↑ 4.0%pts	↑ 1.3%pts
Average Rate LFL ¹ (£ per sq ft) (in CER ²)	Act	29.80	18.58	24.88	32.28	26.61
	YoY	↑ 2.3%	↓ (0.4%)	↑ 0.9%	↑ 2.3%	↑ 1.3%
Revenue £'m LFL ¹ (in CER ²)	Act	57.0	28.7	85.7	29.1	114.8
	YoY	↑ 2.3%	↑ 4.7%	↑ 3.1%	↑ 4.0%	↑ 3.3%

¹ Like-for-like like adjustments have been made to remove the impact of the 2016 openings of Wandsworth, Altrincham, Birmingham (including closure of our existing Birmingham store) and Emerainville, as well as Chiswick and Combs-la-Ville and the closure of Deptford in the current financial year. In addition, the impact of the acquisition of Space Maker on 29 July 2016 has been adjusted

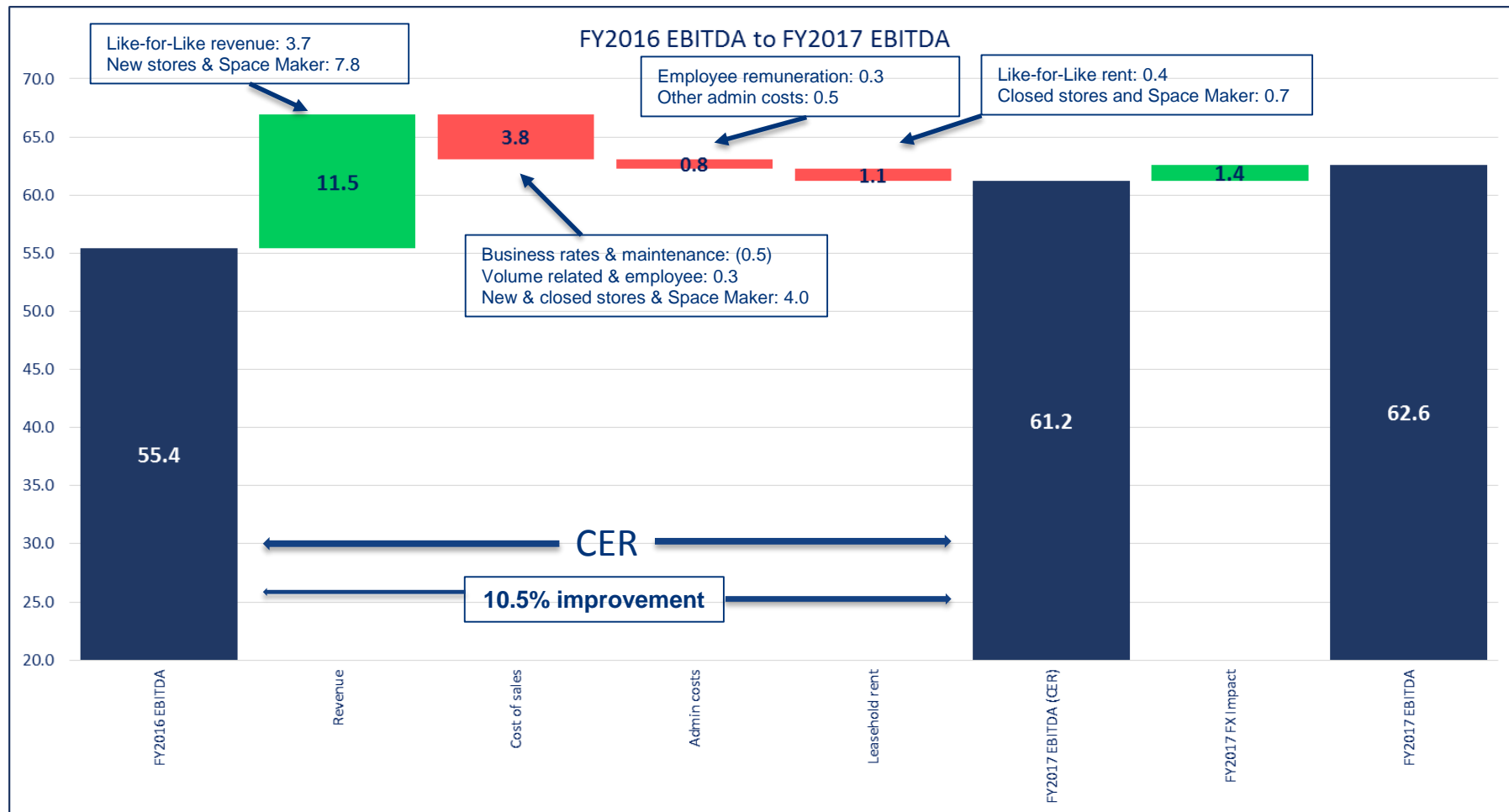
² CER is Constant Exchange Rates

Group P&L

	FY2017			FY2016		
	UK (£'m)	Paris (€'m)	Total (£'m CER)	UK (£'m)	Paris (€'m)	Total (£'m CER)
Revenue	97.5	37.2	126.9	87.4	35.4	115.4
Underlying Cost of Sales	(35.6)	(10.4)	(43.8)	(32.4)	(9.7)	(40.0)
Store EBITDA	61.9	26.8	83.1	55.0	25.7	75.4
<i>Store EBITDA Margin</i>	63.5%	72.0%	65.5%	62.9%	72.6%	65.3%
<i>LFL Store EBITDA Margin</i>	64.4%	73.6%	66.7%	62.9%	72.6%	65.4%
Underlying Administrative expense	(9.1)	(3.7)	(12.0)	(8.5)	(3.3)	(11.2)
Underlying EBITDA	52.8	23.1	71.1	46.5	22.4	64.2
<i>EBITDA Margin</i>	54.2%	62.1%	56.0%	53.2%	63.3%	55.6%
<i>LFL EBITDA Margin</i>	53.9%	63.6%	56.4%	52.7%	63.3%	55.4%
Leasehold Rent	(6.2)	(4.6)	(9.9)	(4.9)	(4.9)	(8.8)
EBITDA post Leasehold Rent	46.6	18.5	61.2	41.6	17.5	55.4
<i>EBITDA post Leasehold Rent Margin</i>	47.8%	49.7%	48.2%	47.6%	49.4%	48.0%
FX year-on-year benefit			1.4			-
Depreciation			(0.5)			(0.4)
Finance Charges			(9.4)			(10.1)
Profit before Tax			52.7			44.9
Current Tax			(4.0)			(3.7)
Cash Tax Earnings			48.7			41.2
Average Shares In Issue (m)			209.2			208.2
Underlying (Cash Tax Adjusted) EPS (p)			23.3			19.8

Total numbers are in CER down to EBITDA post Leasehold Rent, but then in non CER to EPS

Revenue increase drives improved underlying EBITDA (after leasehold rent)



Strong cash flow financing dividend

	FY2017 (£'m)	FY2016 (£'m)
Underlying EBITDA	72.9	64.2
Working Capital/ Exceptionals/ Other	0.7	(1.8)
Operating cash inflow	73.6	62.4
Interest payments	(10.4)	(9.5)
Leasehold rent payments	(10.3)	(8.8)
Tax payments	(2.6)	(1.7)
Free cash flow (before investing and financing activities)	50.3	42.4
Acquisition of subsidiary, net of cash acquired	-	(41.8)
Capital expenditure – investment properties – maintenance and build-outs	(6.3)	(6.0)
Capital expenditure – investment properties – new stores and developments	(15.4)	(22.3)
Capital expenditure – property, plant and equipment	(0.6)	(0.8)
Proceeds from disposal – investment properties	8.1	-
Capital Goods Scheme	1.4	1.5
Net inflow after investing activities	37.5	(27.0)
Dividends paid	(25.6)	(21.3)
Net drawdown of borrowings	38.9	38.6
Debt issuance costs	(2.0)	(0.4)
Net hedge breakage receipt	11.3	-
Issue of Share capital	0.3	0.1
Net increase/(decrease) in cash	60.4	(10.0)

Strong and flexible Balance Sheet

Capital Structure	Oct 17	Oct 16	Variance
Property valuation (£'m)*	1,007.0	954.2	5.5%
UK (£'m)*	744.4	710.6	4.8%
FR (€'m)*	298.6	270.9	10.2%
Gross Debt (£'m)	363.6	315.7	£47.9m
Adjusted Gross Debt (£'m) **	363.6	294.9	£68.7m
Net Debt (£'m)	298.0	310.3	(£12.3m)
Adjusted Group LTV **	36%	31%	5.0%pts
Adjusted Group LTV ** (Alligator pro forma)	34%	31%	3.0%pts
Adjusted UK LTV ** (Alligator pro forma)	40%	36%	4.0%pts
Interest Cover Ratio (Underlying)	6.7x	5.5x	+1.2
Effective interest rate	2.1%	3.6%	(1.5%pts)
Debt capacity (£'m)	107.7	104.2	(£3.5m)
Committed (£'m)	107.7	89.2	(£18.5m)
Uncommitted (£'m)	0.0	15.0	£15.0m
Weighted average debt maturity (years)	6.7	3.9	+2.8

*For valuation purposes an exchange rate of 1.1371 Euro : 1GBP was used (€1.1118 at Oct 16). Includes investment properties under construction

** Adjusted for the impact of the cross currency swap in FY2016

Guidance – non trading and one-off items

Item	Guidance
Foreign exchange impact	<p>Strengthening of Euro contributed £1.4m to EBITDA in FY2017</p> <p>The average EURO:GBP rate for 2017 was 1.1483</p> <p>The earnings impact of every 1 cent movement in the FX rate is c. £100k</p>
Tax	<p>Effective underlying cash tax rate in France estimated at c. 28% in FY2018 and FY2019</p> <p>No tax anticipated in UK</p>
Interest charges	<p>Estimated at c. £8.25m – £8.75m in FY2018</p>
Shares in issue	<p>Average shares in issue in FY2017 – 209.2m</p> <p>Closing shares in issue at 31 Oct 2017 – 209.5m</p> <p>Diluted shares for FY2017 – 216.7m</p>
Dividends	<p>Dividend growth anticipated to be at least in line with earnings growth for the medium term</p>
Capex	<p>Outstanding spend for current projects (new stores at Mitcham, Paddington-Marble Arch, Merry Hill and Poissy and the LED lighting project) to be c. £20m over 2018 and 2019. In addition, maintenance and store enhancements should be £4 to £5m per annum</p>

Adjusted Diluted EPRA EPS

- Going forward we will use the new EPS metric – Adjusted Diluted EPRA Earnings per share
 - Better reflects the underlying trading
 - Consistent with management remuneration
- Limited difference to historic Cash Tax Adjusted EPS as set out in the table below:

Earnings per share Reconciliation	FY2017		
	Earnings (£'m)	Shares (‘m)	EPS (p)
Cash tax adjusted earnings per share	48.7	209.2	23.3
Add back IFRS 2 share-based payment charge	1.5		
Adjust for dilutive shares (pro forma)		7.5	
Adjusted Diluted EPRA earnings per share	50.2	216.7	23.2

- The rationale for the change is as follows:
 - The IFRS 2 charge is a notional non-cash cost*
 - The main impact on shareholders of the management LTIP is the associated dilution
- Earnings will be calculated before the IFRS 2 charge but will use the diluted number of shares

* The IFRS 2 charge is a notional charge which is debited through the P&L and credited back through reserves in the balance sheet (apart from the NI element)

Now Open

Operational Delivery

Frederic Vecchioli

Overview

All of the numbers include Space Maker on a pro-forma basis

Favourable market dynamics:

- Diversified demand drivers and geography generates resilient revenue
- Limited new supply, c. 2% to 3% expected in 2018
- Very fragmented market

Proven operational strategy:

Leveraging leading platform:

- Competitive advantage of scale – growing market share
- Group enquiry growth + 5.2% in 2017 and + 31.0% over the last 4 years
- National accounts storage revenue +17% in 2017

Balanced rate management strategy

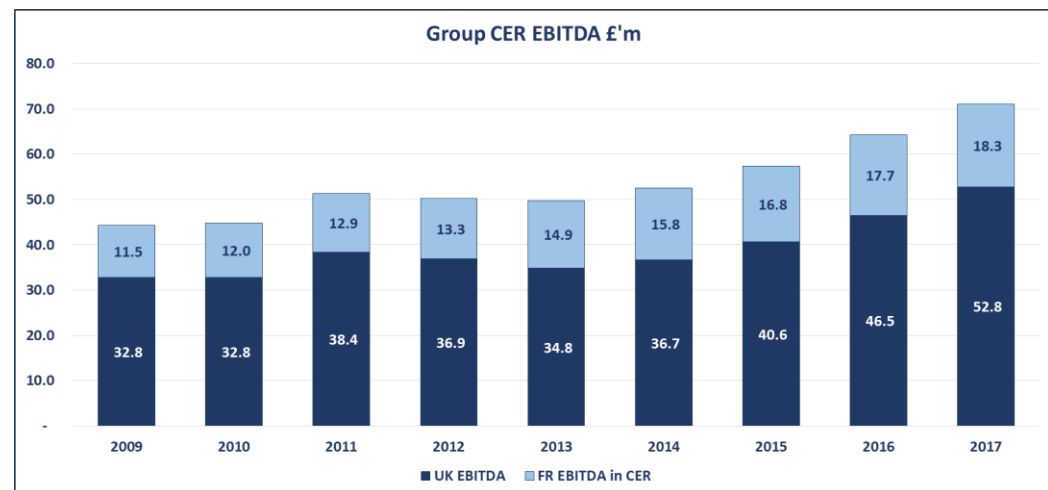
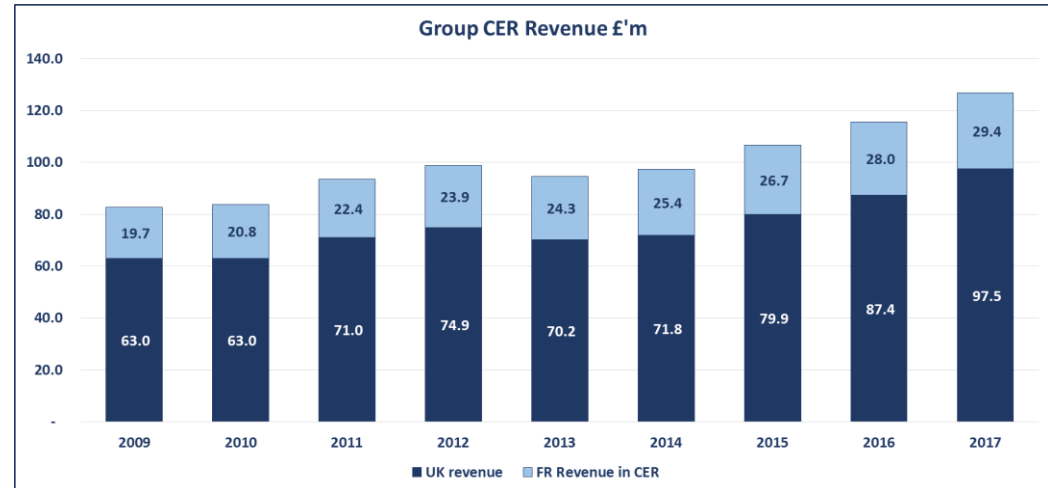
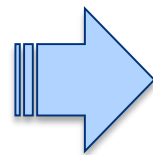
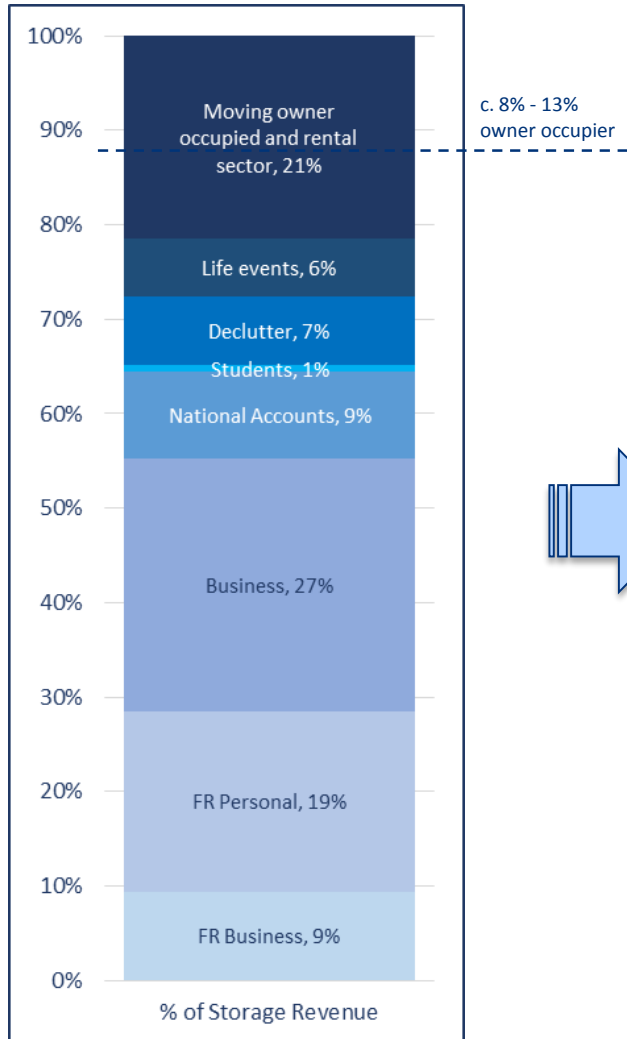
Continued focus on existing assets:

- Now 1.7m sq ft available and fully invested including Alligator
- Space Maker fully benefitting from integration
- New stores trading well

Disciplined development and asset management:

- Focus on cash on cash returns

Diversified drivers and business geography generate resilient revenue and profits



UK moving owner occupier represent close to 20% group new lets but c. 10% of revenue due to shorter stay and smaller size

The end of 2012 VAT was introduced on self storage
All prior years translated at 2016 FX rate of 1.2624

Limited Supply

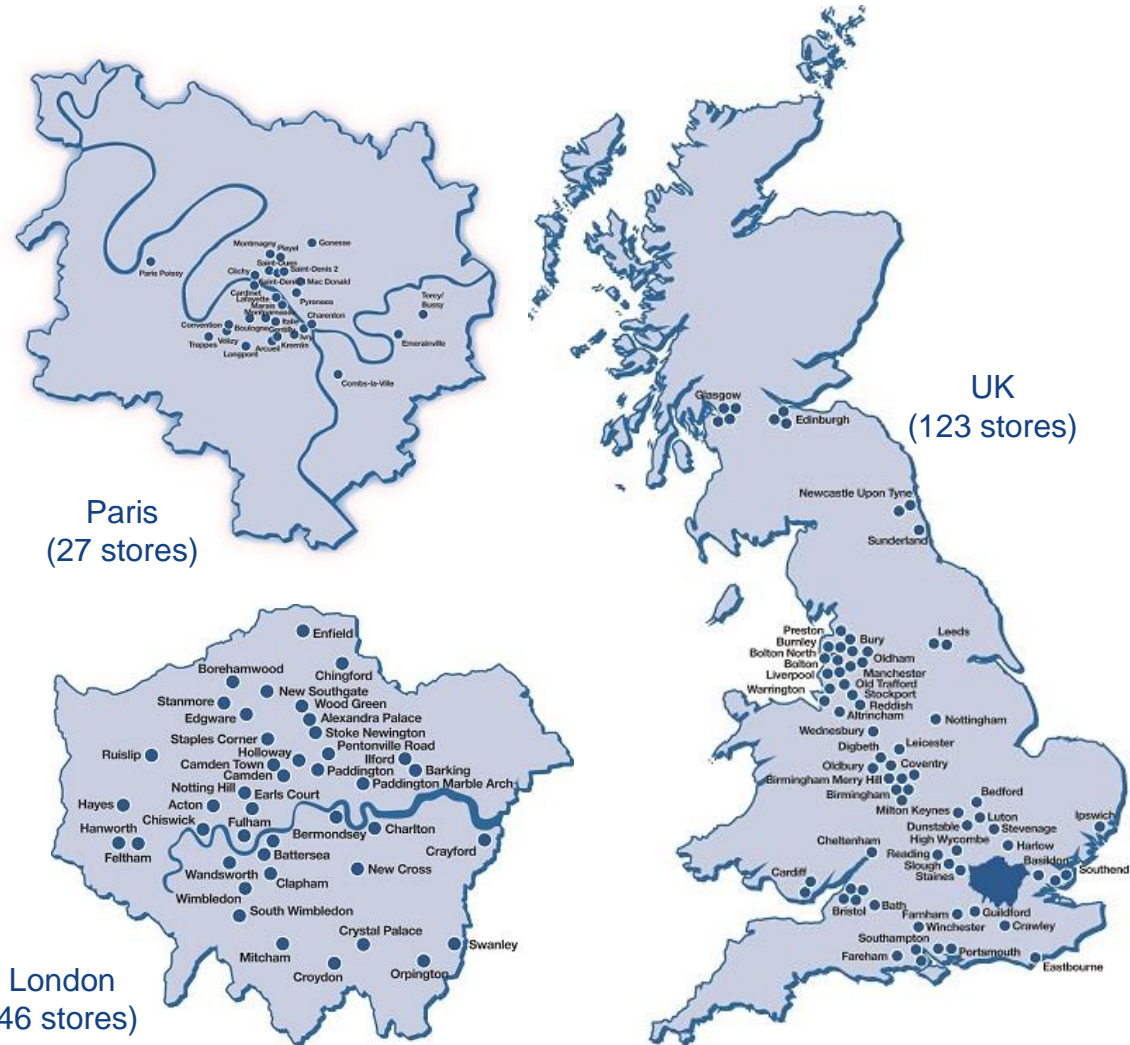
Growing and fragmented industry:

- 1,430 self storage sites (of which 317 are container sites) – 693 storage businesses
- Fragmented market with the six largest operators only owning 327 stores
- 25 new store openings in 2016
- c. 25 – 40 new stores were expected in 2017

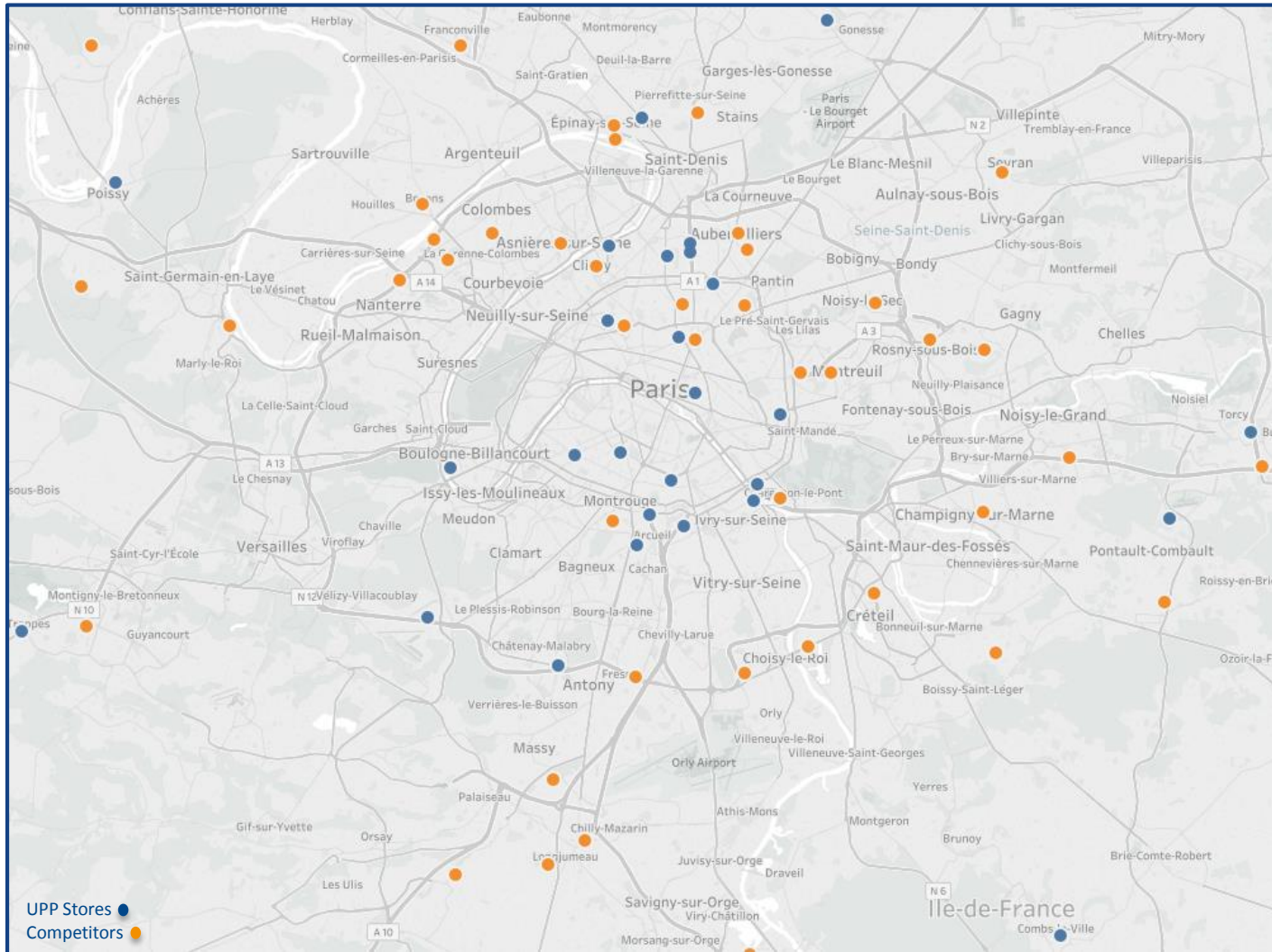
Immature industry:

Supply per head of population:

- UK at 0.64 sq ft
- Paris - 0.36 sq ft
 - (Australia – 1.8, USA – 7.8)



Paris unique competitive market position



Unique position
in central Paris

Density of
storage facilities
is low, to reach
US density
would equate to
1,800 new stores

Significant
barriers to entry

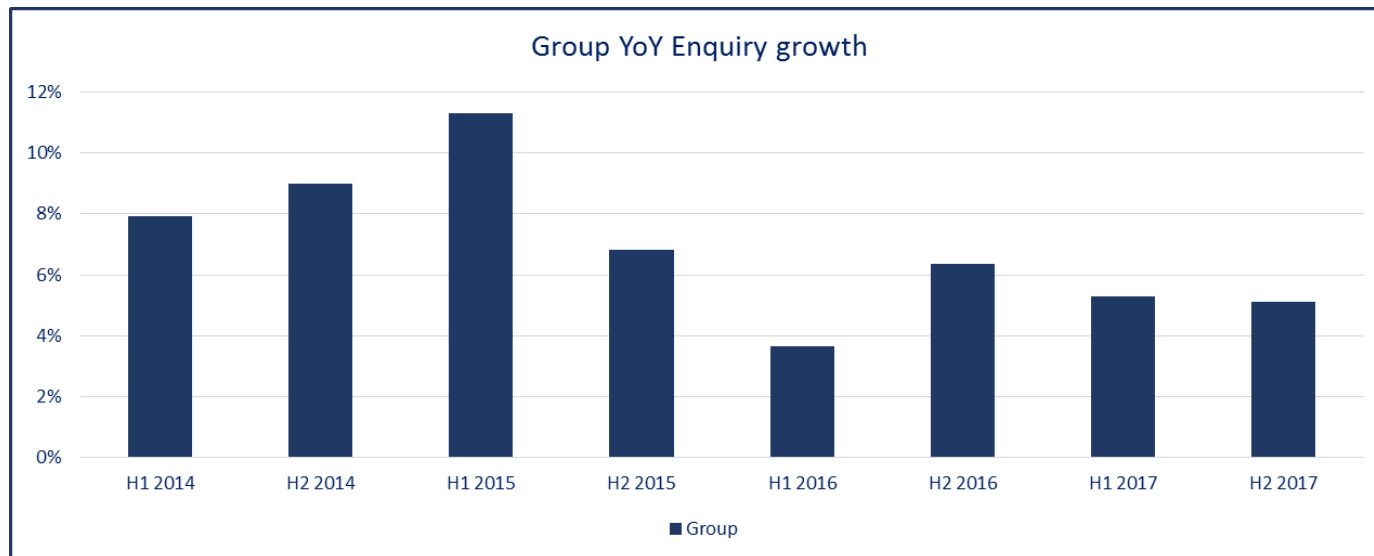
Leveraging leading marketing platform

Safestore capturing growing market share:

- 81% of group enquiries generated online
- Website delivered FY2017 UK enquiry growth of 4.7% with Space Maker on pro forma basis
- Cost per enquiry across the group was flat during FY2017 (on CER basis)
- Marketing budget well controlled within long term range of 4% – 5% of revenue
- Leading digital platform provides meaningful competitive advantages

Self Storage Association 2017 Survey emphasizes the need for search engine efficiency:

- 71% of potential customers would use the internet to search for storage
- 97% of people would use generic terms when searching online
- Self storage is a brand-blind product



Space Maker enquiries on a pro forma basis

Balanced occupancy and rate management

	UK	Paris	Group
LFL ¹ CER ² Revenue YoY	+3.1%	+4.0%	+3.3%

New let square feet (Space Maker pro forma):

- +3.1% in the UK in FY2017
 - Stronger growth in the UK regions (+5.4%) versus London / South East (+1.2%)
- +8.2% in Paris in FY2017

Group occupancy movement:

- Group benefits from geographic diversification - Stronger momentum in Paris
- Record summer like-for-like occupancy movement at +204k sq ft (prior year at +191k sq ft)

¹ Like-for-like like adjustments have been made to remove the impact of the 2016 openings of Wandsworth, Altrincham, Birmingham (including closure of our existing Birmingham store) and Emerainville, as well as Chiswick and Combs-la-Ville and the closure of Deptford in the current financial year. In addition, the impact of the acquisition of Space Maker on 29 July 2016 has been adjusted

² CER is Constant Exchange Rates

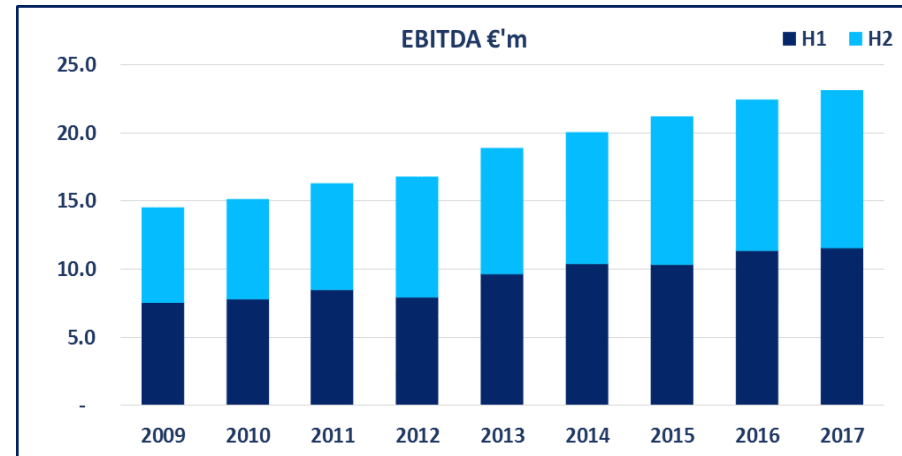
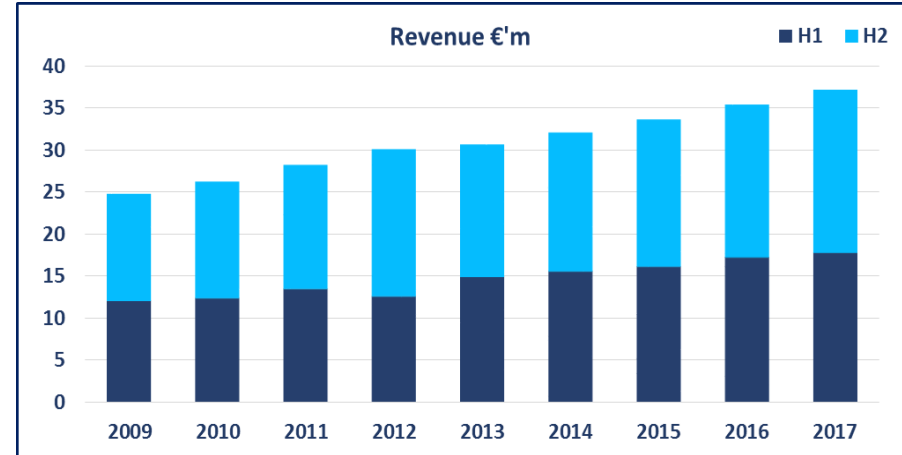
³ Like-for-like like adjustments have been made to remove the impact of Alligator stores, closure of Deptford and the opening of Combs-la-Ville.

⁴ YTD 2108 revenue is for the period post close, and includes Nov 17 and Dec 17.

Paris: 19 years of uninterrupted growth

Very solid market fundamentals:

- MLA increased by 9.3% - Closing occupancy up 8.5%
- Unique and densest network of stores in central Paris
- Opportunity to leverage digital platform
- Rare development opportunities mainly in second belt
- New store in Combs-la-Ville opened in 2017
- New store in Poissy to open in 2018
- All new stores trading above plan



Alligator

- Acquisition of Alligator for £56m (Subject to working capital adjustment)
- 12 well invested stores (11th largest portfolio in the UK) – 10 freeholds & long leasehold – 2 short leaseholds (15.3 years remaining)
- Maximum lettable area of 569k sq ft
- 70% occupied at time of acquisition
- First year net operating income yield of c. 7.7%
- Operations integration progressing since November 2017
- EPS accretive in FY 2018
- Pre-acquisition revenue of £7.5m and EBITDA after leasehold rent of £4.3m

Property

Net new space of c. 1.5m sq ft added in last two years or in pipeline

Six new stores completed

+263,000 sq ft MLA:

- London Chiswick
- Birmingham
- London Wandsworth
- Paris Emerainville
- Altrincham
- Paris Combs-la-Ville

Pipeline sites

+226,000 sq ft MLA:

- London Mitcham
- Paris Poissy
- London Paddington Marble Arch
- Birmingham Merry Hill

Two extensions

+27,500 sq ft MLA:

- London Acton
- Paris Longpont

Acquisitions

+1,065,000 sq ft MLA:

- Space Maker (12 stores)
- Alligator (12 stores)

Closed stores

-61,000 sq ft MLA:

- Deptford
- Birmingham Central

Disciplined development – Focused cash on cash return

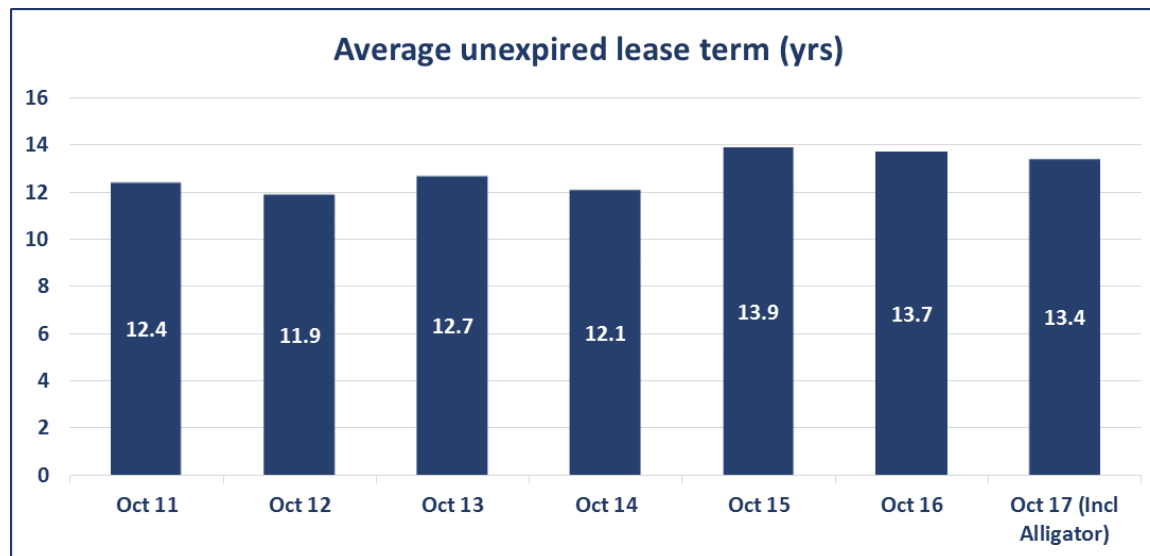
Asset Management

Portfolio Management

- Deptford

Lease regears – demonstrable track record

- Oldbury
- c. 51% of UK leases regearred since 2012 (including Space Maker)

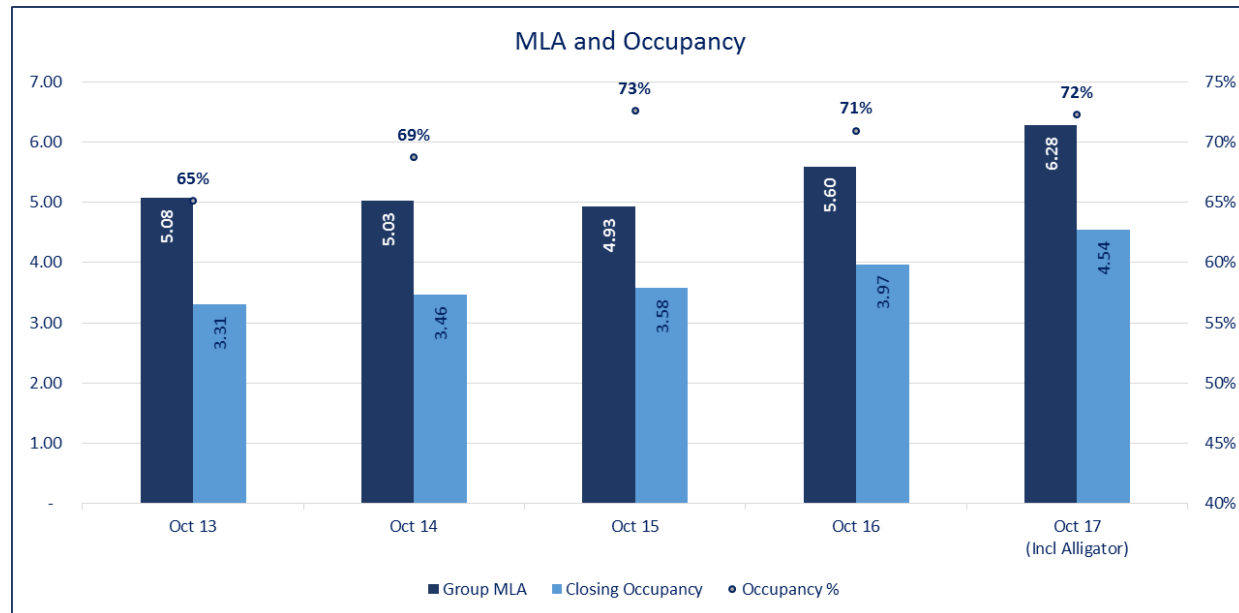


Flexible ownership model and disciplined acquisition strategy provide attractive return on investments

Primary focus on existing assets

	Group	London & SE	UK Regions	Paris
Maximum lettable area (m sq ft)	6.28	2.58	2.53	1.17
Let Square Feet (m sq ft)	4.54	1.91	1.74	0.89
Available space (m sq ft)	1.74	0.67	0.79	0.28

**Fully invested portfolio of 6.28m square feet including Alligator
1.7m available – equivalent of around 40 new stores**



Well positioned for further growth

Attractive market

- Young and growing industry
- Secure and diversified income stream from 60,000 customers
- Customers staying on average 9.6 months (existing customers 24.4 months)
- Resilient during downturn

Unique portfolio

- Leading presence in key markets
- 74% of revenue from London / South East and Paris
- Unlet invested space equivalent to around 40 stores

High operating leverage with growing demand

- Growing LFL Revenue across all geographies
- Largely fixed cost business
- Growing demand, very limited supply growth

Strategic benefits of scale

- Marketing
 - Digital platform difficult to replicate
 - Reinforced by switch to mobile
- Leading National Accounts offering
- Systems and pricing analytical capacities

Strong cash generation provides optionality

- Finance selective development and acquisition opportunities
- Strongly growing dividend

Appendices



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Financial

Detailed P&L

	Group	
	FY2017	FY2016
	£'m	£'m
Revenue	129.9	115.4
Cost of sales	(45.7)	(40.9)
Gross profit	84.2	74.5
Administrative expenses	(13.8)	(12.5)
Negative goodwill on acquisition of subsidiary	-	5.6
Underlying EBITDA *	72.9	64.2
Exceptional Items	(1.4)	4.3
Depreciation and contingent rent	(1.1)	(0.9)
Operating profit before gain on investment properties	70.4	67.6
Gain on investment properties	39.2	41.7
Operating profit	109.6	109.3
Finance income	6.1	21.0
Finance expense	(36.8)	(35.4)
Profit before income tax	78.9	94.9
Income tax charge	(0.6)	(7.5)
Profit for the period	78.3	87.4
Earnings per share for profit attributable to the equity holders		
– basic (pence)	37.4	42.0
– diluted (pence)	37.3	41.7

* operating profit before exceptional items, corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties, contingent rent and depreciation

Non-underlying items

	FY2017 (£'m)	FY2016 (£'m)
Underlying EBITDA	72.9	64.2
Gain on investment properties	39.2	41.7
Depreciation	(0.5)	(0.4)
Contingent rent	(0.6)	(0.5)
Costs incurred relating to corporate transactions	(1.4)	(1.3)
Negative goodwill on acquisition of subsidiary	-	5.6
Statutory Operating Profit	109.6	109.3



Detailed Balance Sheet

	Group	
	FY2017	FY2016
	£'m	£'m
<u>Assets</u>		
Non-current assets		
Investment properties	999.2	943.3
Investment properties under construction	7.8	10.9
Other non-current assets	60.3	84.1
Non-current assets	1,067.3	1,038.3
Current assets	89.3	28.6
<u>Liabilities</u>		
Current liabilities	(55.6)	(53.8)
Non-current liabilities		
Bank borrowings	(363.6)	(315.7)
Deferred tax liabilities	(52.3)	(57.1)
Obligations under finance leases	(47.2)	(49.5)
Other non-current liabilities	(0.2)	(3.4)
Non-current liabilities	(463.3)	(425.7)
<u>Net assets</u>	<u>637.7</u>	<u>587.4</u>

FY2017 Underlying to Statutory Adjustments

Underlying Headings	Underlying P&L	Exceptionals	Derivative Movements	Contingent Rent / Dep'n	Valuation Movement	Finance Lease Int	Dep'n LH properties	Tax / CGS / FX	Statutory P&L	Statutory Headings
Sales	129.9								129.9	Revenue
Costs	(57.0)			(1.1)					(57.0)	Cost of Sales / Administrative Expenses
		(1.4)							(1.1) (1.4)	Depreciation and Contingent Rent Exceptional items
Underlying EBITDA	72.9	(1.4)	0.0	(1.1)	0.0	0.0	0.0	0.0	70.4	Operating Profit before IP's
Rents	(10.3)			0.6		4.4	5.3 (5.3)		39.2	Property Valuation
EBITDA after leasehold rent	62.6	(1.4)	0.0	(0.5)	44.5	4.4	0.0	0.0	109.6	Operating Profit
Depreciation	(0.5)			0.5						
Interest	(9.4)	(16.3)	(5.2)			(4.4)		4.6	(30.7)	Net Finance Expenses
Profit before Tax	52.7	(17.7)	(5.2)	0.0	44.5	0.0	0.0	4.6	78.9	Profit before Tax
Tax	(4.0)							3.4	(0.6)	Income Tax Credit
PAT/ Earnings	48.7	(17.7)	(5.2)	0.0	44.5	0.0	0.0	8.0	78.3	Profit for the Year
Shares (m)	209.2								209.2	Shares (m)
Cash Tax EPS (p)	23.3								37.4	Basic EPS (p)

FY2016 Underlying to Statutory Adjustments

Underlying Headings	Underlying P&L	Exceptionals	Derivative Movements	Contingent Rent / Dep'n	Valuation Movement	Finance Lease Int	Dep'n LH properties	Tax / CGS / FX	Statutory P&L	Statutory Headings
Sales	115.4								115.4	Revenue
Costs	(51.2)	4.3		(0.9)					(51.2)	Cost of Sales / Administrative Expenses
Underlying EBITDA	64.2	4.3	0.0	(0.9)	0.0	0.0	0.0	0.0	67.6	Operating Profit before IP's
Rents	(8.8)			0.5	46.3	3.7	4.6 (4.6)		41.7	Property Valuation
EBITDA after leasehold rent	55.4	4.3	0.0	(0.4)	46.3	3.7	0.0	0.0	109.3	Operating Profit
Depreciation	(0.4)			0.4						
Interest	(10.1)		18.4			(3.7)		(19.0)	(14.4)	Net Finance Expenses
Profit before Tax	44.9	4.3	18.4	0.0	46.3	0.0	0.0	(19.0)	94.9	Profit before Tax
Tax	(3.7)							(3.8)	(7.5)	Income Tax Charge
PAT/ Earnings	41.2	4.3	18.4	0.0	46.3	0.0	0.0	(22.8)	87.4	Profit for the Year
Shares (m)	208.2								208.2	Shares (m)
Cash Tax EPS (p)	19.8								42.0	Basic EPS (p)

Movement in Cost Base

Cost of Sales

	FY2017	FY2016
	(£'m)	(£'m)
Reported cost of sales	(45.7)	(40.9)
Adjusted for:		
Depreciation	0.5	0.4
Contingent rent	0.6	0.5
Underlying Cost of Sales	(44.6)	(40.0)
Underlying cost of sales for FY2016		(40.0)
Store maintenance and business rates		0.5
Employee remuneration and volume related cost of sales		(0.3)
Space Maker and new store cost of sales		(4.0)
Underlying cost of sales for FY2017 (CER)		(43.8)
Foreign exchange		(0.8)
Underlying Cost of Sales for FY2017		(44.6)

Administrative Expenses

	FY2017	FY2016
	(£'m)	(£'m)
Reported administrative expenses	(13.8)	(12.5)
Adjusted for:		
Exceptional and non-underlying items	1.4	1.3
Underlying administrative expenses	(12.4)	(11.2)
Underlying administrative expenses for FY2016		(11.2)
Employee remuneration		(0.3)
Space Maker and new store administrative expense		(0.1)
Other administrative costs		(0.4)
Underlying administrative expenses for FY2017 (CER)		(12.0)
Foreign exchange		(0.4)
Underlying administrative expenses for FY2017		(12.4)

Refinancing completed 2017

	Previous	New
Facilities	2020 UK Term Loan £126m 2020 UK Revolver £125m 2020 Euro Revolver €70m 2019 USPP \$66m (5.83%) 2024 USPP \$47m (6.74%) UK Accordion £15m Total (at 30/4/17 FX rates) £398m*	2022 UK Revolver £250m 2022 Euro Revolver €70m 2024 USPP €51m (1.59%) 2027 USPP €74m (2.00%) 2029 USPP £51m (2.92%) Total (at 31/10/17 FX rates) £472m
UK Bank Margin	1.5%	1.25%
Effective Interest Rate	3.5%	2.1%
Weighted average maturity of drawn borrowings	3.4 years	6.7 years
Pro-forma Interest Charge	£10.5- £11.5m pa	£7.5- £8.5m pa
Interest fixed/ hedged	68%	79%
Group LTV	30%	36%
Adj Group LTV (Alligator pro forma)	30%	34%
Group ICR	5.5x	c. 6.7x

Exceptional finance costs of c. £16.3m was incurred including;

- £12.4m make-whole payment to previous USPP noteholders
- £2.4m legal, bank commitment and other fees
- £1.5m costs from previous refinancings written off

Crystallisation of value of previous Sterling/Dollar cross-currency resulted in £13.9m cash inflow

* Adjusted for the fair value of the USD cross currency swaps

Group Banking Covenants – Oct 2017 reported

Covenants

Interest Cover Ratio

Consolidated level

Not less than 2.40:1

Loan to Value

Sterling Loan to Value

Not more than 0.60:1

Euro Loan to Value

Not more than 0.60:1

Group Debt position at 31 Oct 2017

	Term	Facility £/€'m	Drawn £'m	Hedged £'m	Hedged %	Bank Margin	Hedged Rate	Floating Rate	Total Rate
UK Term Loan	Jun-22	£ 250.0	166.0	100.0	60%	1.25%	0.81%	0.44%	1.91%
UK Revolver - non-utilisation		£ 84.0	-	-	-	0.50%	-	-	0.50%
Euro Revolver	Jun-22	€ 70.0	37.8	26.4	70%	1.25%	0.16%	(0.33%)	1.26%
Euro Revolver - non-utilisation		€ 27.0	-	-	-	0.50%	-	-	0.50%
US Private Placement 2024	May-24	€ 50.9	44.8	44.8	100%	1.59%			1.59%
US Private Placement 2019	May-27	€ 74.1	65.1	65.1	100%	2.00%			2.00%
US Private Placement 2024	May-29	£ 50.5	50.5	50.5	100%	2.92%			2.92%
Unamortised Finance Costs		-	(0.6)	-	-	-	-	-	-
Total		£ 472.0	363.6	286.8	79%				2.14%

As at 31 Oct 2017, the weighted average remaining term for the Group's committed borrowings facilities is 6.3 years

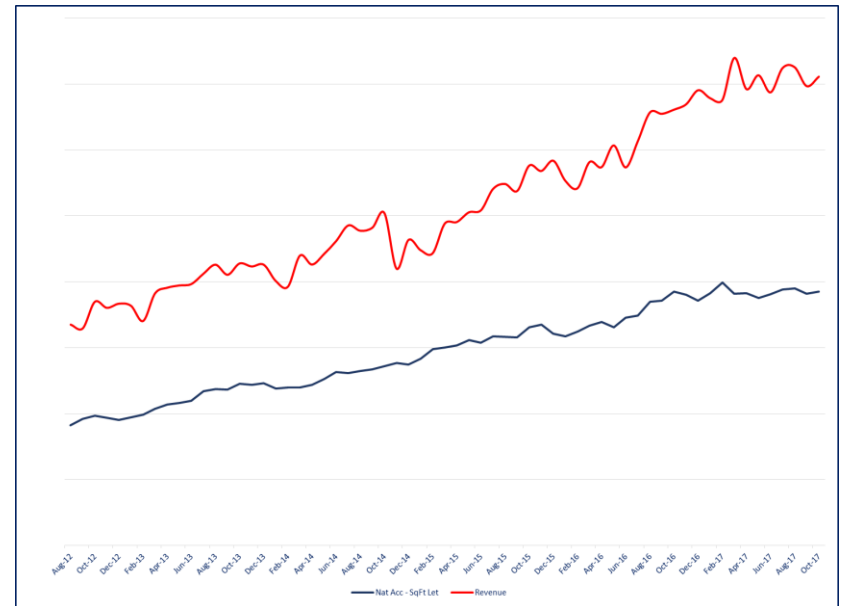
A photograph of a Safestore self-storage building. The building is primarily blue with a large glass window section. The sky is clear and blue. The text 'safestore self storage' is prominently displayed on the building's facade.

safestore™ self storage

Safestore self storage

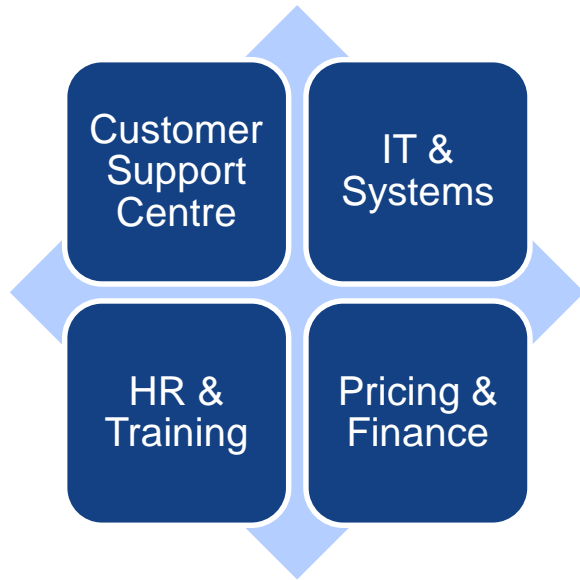
Operational Delivery

Growing National Accounts platform



- National Accounts leverage UK platform further and now accounts for 12% of all occupancy in the UK
- Two-thirds of customers outside London
- Storage revenue up 17% on prior year

Head Office Functions supporting revenue growth:



- Customer Support Centre:
 - CSC handled 18% of all enquiries
 - Supports the sales teams in store
- Industry leading IT solutions:
 - Automated contracts for seamless customer experience
 - Provides database for business analyses
- Human Resources supporting store teams:
 - Online Learning Management System
- Pricing team:
 - Centralised customer rate management

safestore self storage  **020 8659 0700**

reception

loading bay

loading bay

bay 1

bay 2

bay 3

bay 4

FREE

UK's No. 1

Portfolio Management

Portfolio strength with further potential



Total Portfolio (Including Alligator and Pipeline stores):

- 150 store portfolio
- 6.3m maximum lettable area
- 1.7m sq ft available – 0.9m London, South East and Paris

Current Portfolio (As 31 Oct 17)

- 43 stores within the M25
- 26 stores in Paris
- 19 stores in the South East
- 46 stores in the UK regions

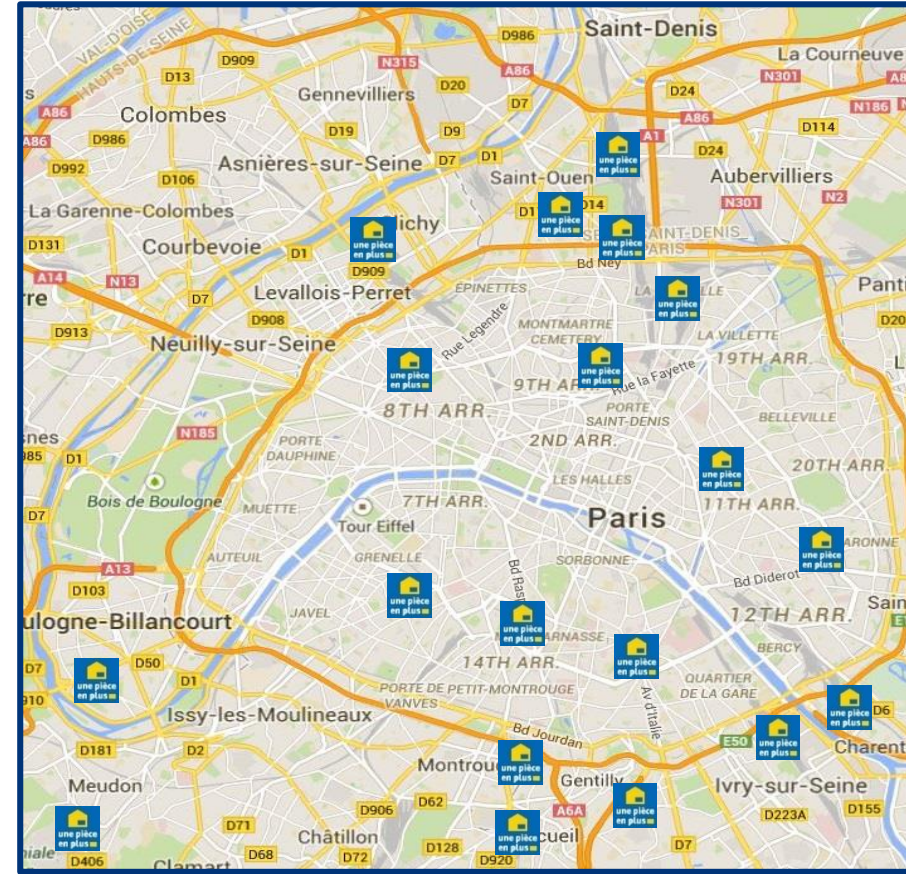
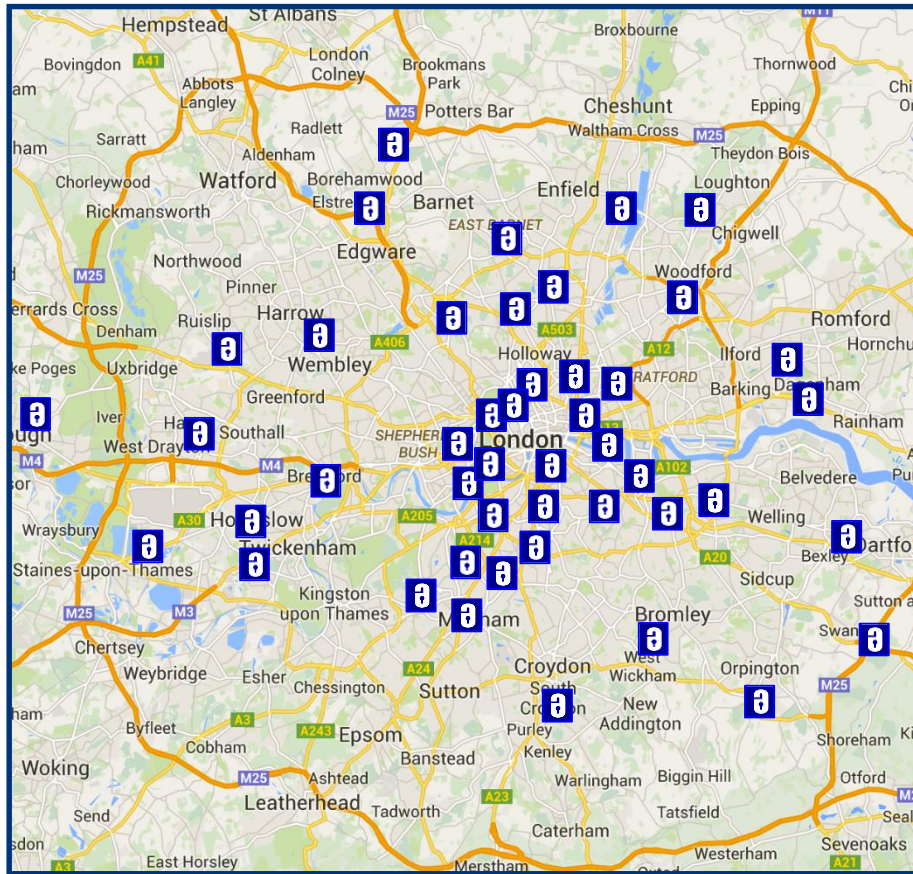
Acquisition:

- 12 Alligator stores
 - 1 in London
 - 4 in the South East
 - 7 in the UK regions

Pipeline:

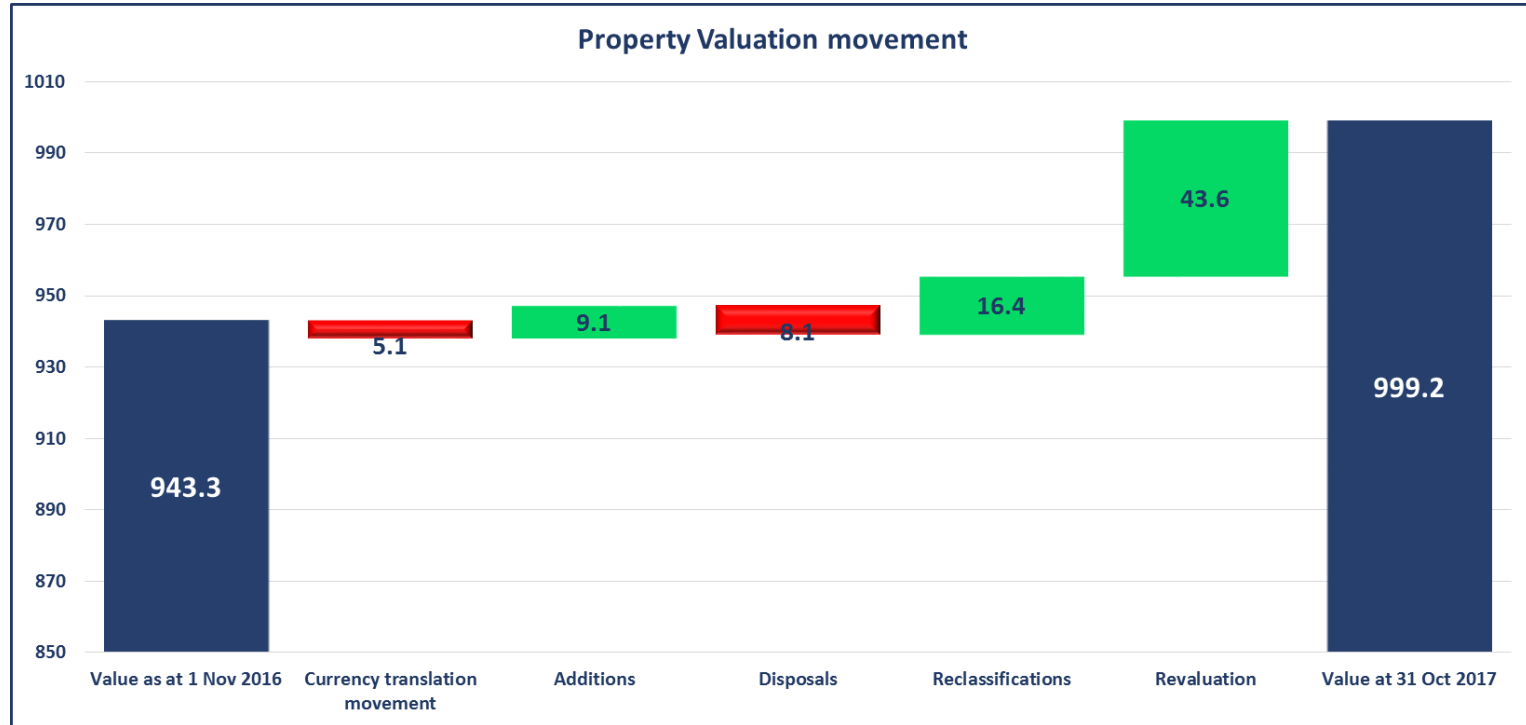
- London Mitcham
- London Paddington Marble Arch
- Paris Poissy
- Birmingham Merry Hill

Densest network of stores in London and Paris



Paris and London combined represent 69 stores – £79.4m of Revenue, £55.1m of Store EBITDA and 43% of currently unoccupied square feet

Property valuation movement (excluding investment properties under construction)



Key assumptions

	Oct 2017	Apr 2017*	Oct 2016
Average Self Storage rate per sq ft	£26.67	£26.85	£26.17
Exit Cap rate (Freehold only)	7.1%	7.2%	7.2%
Weighted average stabilised occupancy	80.9%	80.8%	80.2%
Stabilised occupancy in sq ft	4.77m	4.67m	4.64m
Average number of months to stabilised occupancy	23.1	29.9	23.8

* Apr 17 was not a full external valuation

New stores and Pipeline

Pipeline store / site	Planning	Total MLA sq ft	Estimated opening
Stores opened in FY2017			
London Chiswick		42,500	
Paris Combs-la-Ville (opened June 2017)		73,500	
Total sq ft added in FY2017		116,000	
Development stores acquired / under contract			
London Mitcham		54,000	2018
Birmingham Merry Hill		55,000	2019
London Paddington Marble Arch		37,000	2018
Paris Poissy		80,000	2018
Total sq ft in pipeline		226,000	

- Number of trading stores at 31 October 2017 was 108 in the UK and 26 in Paris

Development characteristics

	Limited site availability	High land price	Planning restrictions	Long lead-time
London / SE	✓	✓	✓	✓
Regional City Centres	✓		✓	✓
Secondary towns	✓		✓	✓
Central Paris	✓	✓	✓	✓
Paris 2 nd belt	✓		✓	✓

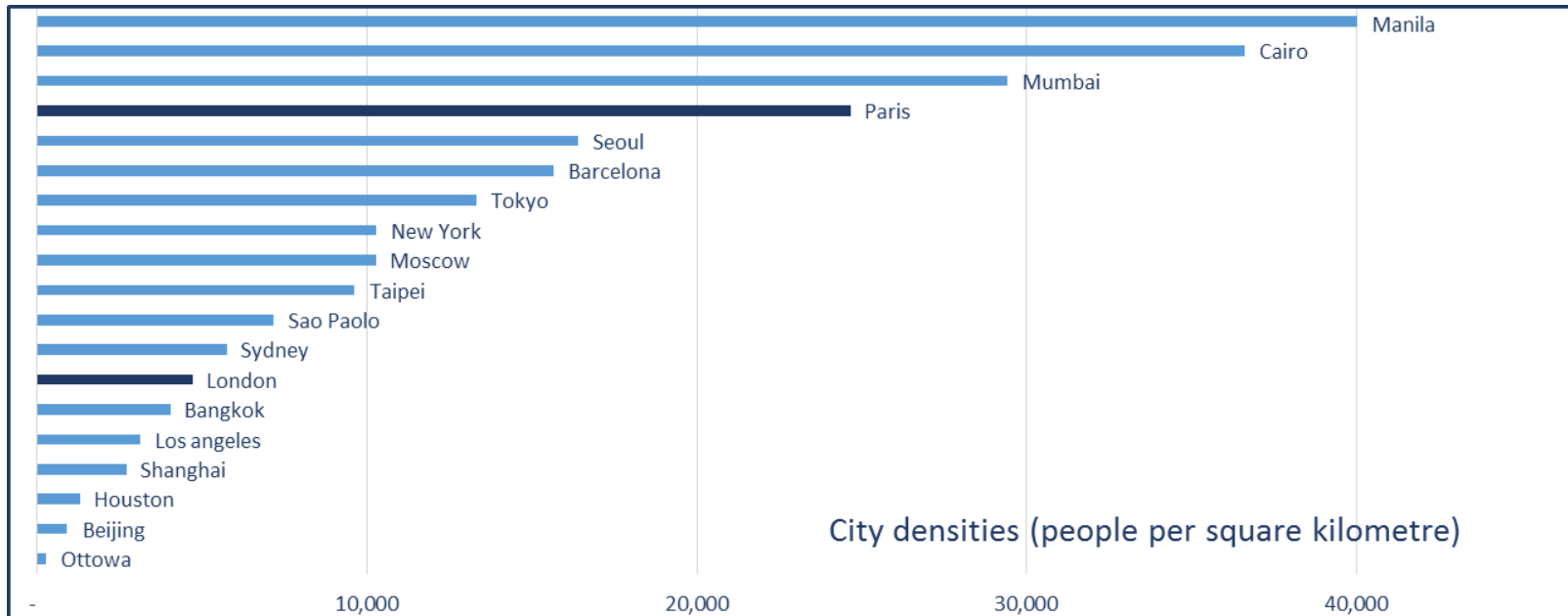
- Six largest UK operators own just 23% of market*
- Excluding container storage 2016 experienced 2.1% increase in number of self storage centres in the UK*
- Only two storage centres opened inside Paris since 2005

Fully invested portfolio of 6.28m square feet (including Alligator)

1.7m available – equivalent of around 40 new stores

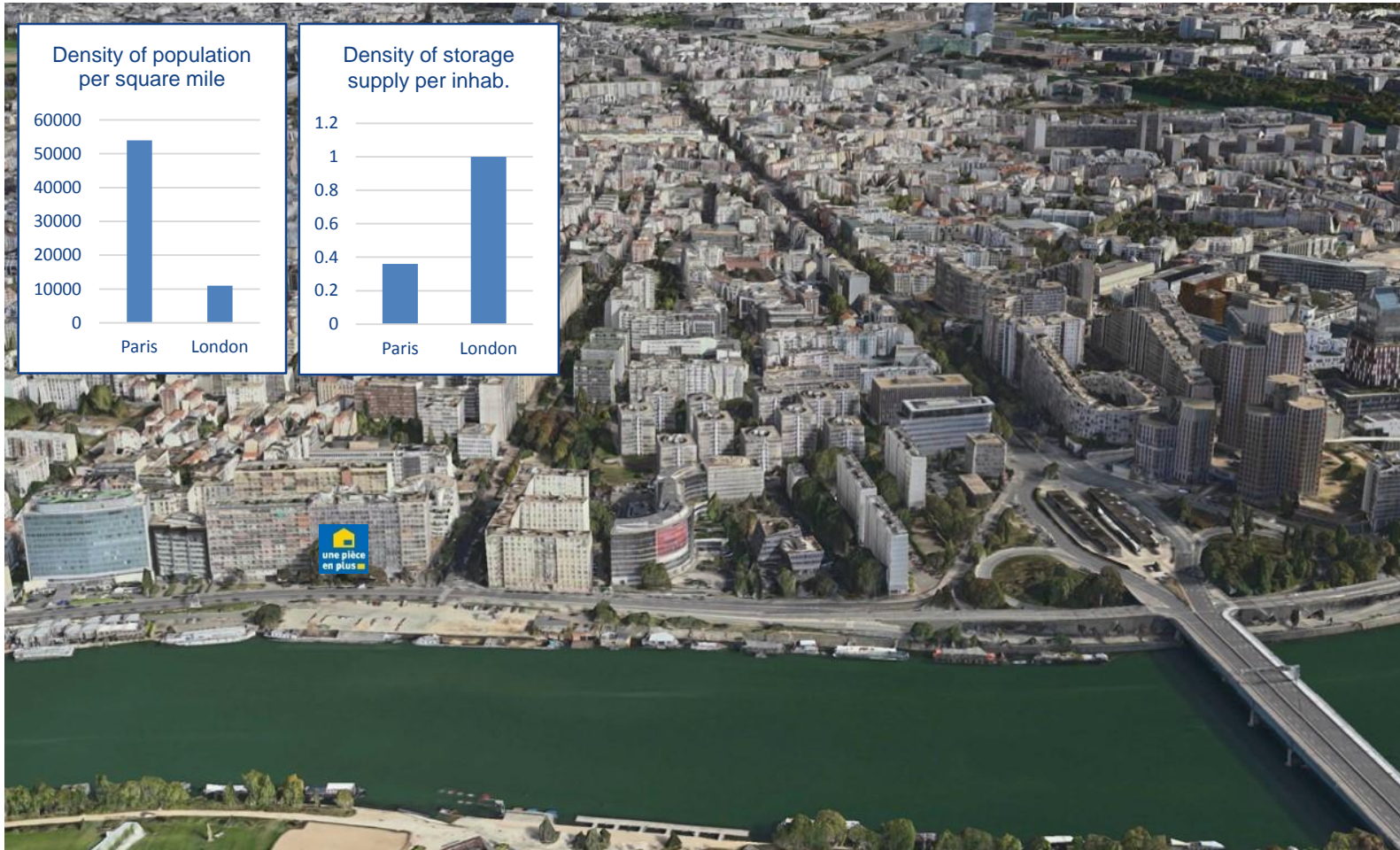
*SSA UK survey 2017 adjusted for alligator acquisition

Very strong position in the two best European markets for storage

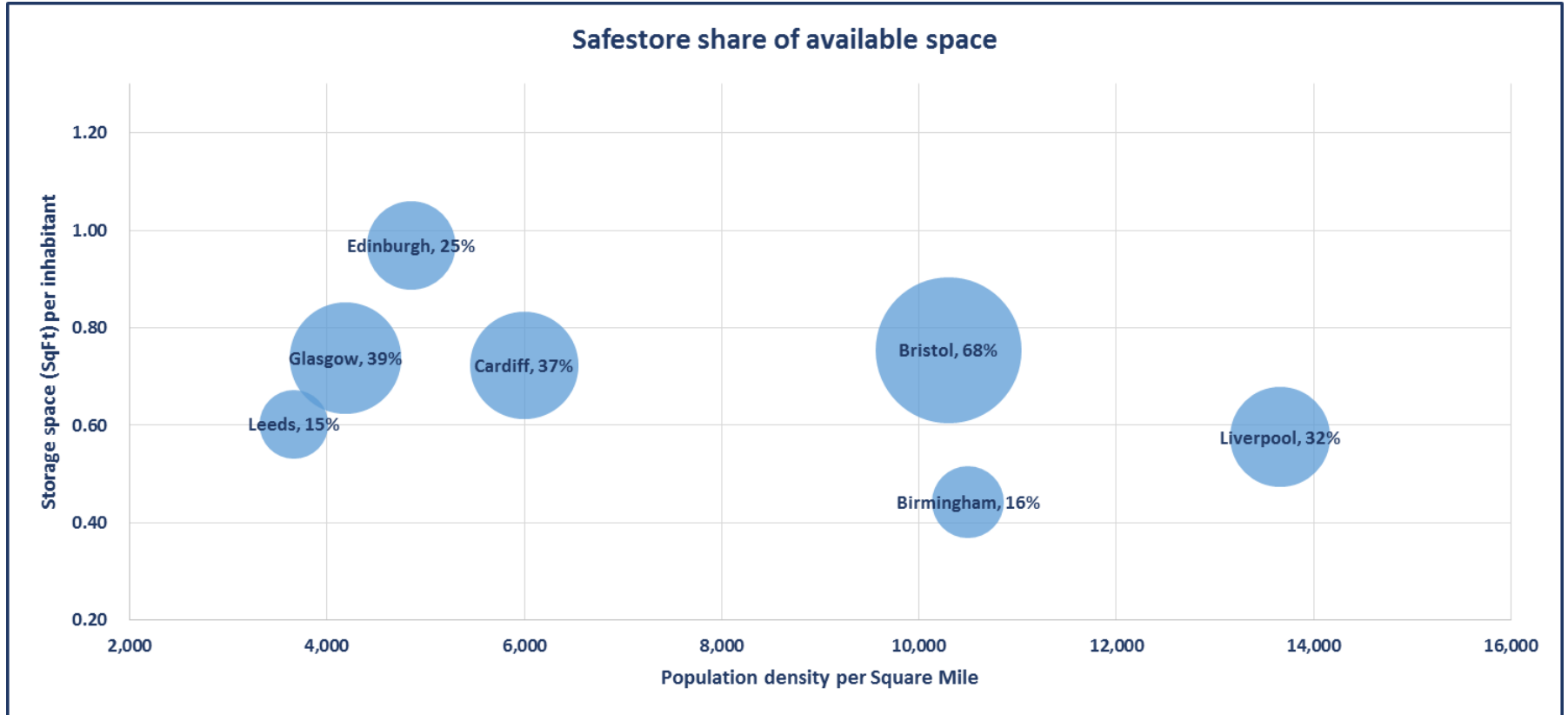


	GDP (£'bil)	Population (mil)		GDP (£'bil)	Population (mil)		GDP (£'bil)	Population (mil)
London	372	7.7	Vienna	66	1.7	Lyon	45	2.1
Paris	371	9.9	Berlin	63	3.3	Turin	45	0.9
Madrid	151	5.2	Birmingham	59	2.3	Warsaw	45	1.7
Barcelona	116	4.9	Manchester	56	2.2	Munich	42	1.4
Rome	95	2.6	Brussels	55	1.2	Dublin	40	0.5
Athens	86	3.7	Hamburg	49	1.8	Leeds	39	0.8
Milan	76	1.3	Frankfurt	46	0.7	Helsinki	38	0.6
Lisbon	72	2.8	Stockholm	46	0.9	Budapest	35	1.7

Une Pièce en Plus – strong market characteristics



Leading market positions in key UK regional conurbations



Data supplied by the UK Self Storage Association - 2015

Safestore also has strong market positions in Newcastle (Pop. Den. 6,343) and Stockport (Pop. Den. 11,937)

Paris development characteristics



Paris

- Paris planning now prohibits mixed use with warehousing
- Potential available sites reserved for social housing
- First belt town reluctance to accept self storage
- Only two storage centres opened inside Paris since 2005

London

- Price of land
- Long lead-time to open a store
- Limited site availability

French Commercial Lease Statute provides security of tenure



French commercial lease laws highly protective:

- Right of renewal
- Rent increase normally based on state construction cost index
- Compensation for any loss arising in case of Landlord's refusal to renew – equivalent to full business value

Strong return on investment

Enabled development of unique site opportunities

Portfolio summary split geographically

	London & South East	Rest of UK	UK	Paris	Group
Number of stores	62	46	108	26	134
Let Square Feet (m sq ft)	1.78	1.47	3.25	0.89	4.14
Maximum Lettable Area (m sq ft)	2.42	2.12	4.54	1.17	5.71
Let Square Feet per store (k sq ft)	29	32	30	34	31
Average Store Capacity (k sq ft)	39	46	42	45	43
Closing Occupancy %	73.6%	69.4%	71.6%	76.6%	72.6%
Average Rate (£ per sq ft)	29.01	18.65	24.42	35.08	26.67
Revenue (£'m)	63.9	33.6	97.5	32.4	129.9
Revenue per Store (£'m)	1.03	0.73	0.90	1.25	0.97

- Leading positions in the high density capital city markets of London and Paris (51% of store portfolio and 61% of revenue)
- Strong national presence in regional UK focused on key metropolitan conurbations such as Manchester, Birmingham, Bristol, Glasgow, Edinburgh

* The above table represents the 31 October 2017 position

* Above table has not been fully adjusted for the impact of rounding and excludes Alligator

Portfolio summary split geographically (Including Alligator)

	London & South East	Rest of UK	UK	Paris	Group
Number of stores	67	53	120	26	146
Let Square Feet (m sq ft)	1.91	1.74	3.65	0.89	4.54
Maximum Lettable Area (m sq ft)	2.58	2.53	5.11	1.17	6.28
Let Square Feet per store (k sq ft)	28	33	30	34	31
Average Store Capacity (k sq ft)	38	48	43	45	43
Closing Occupancy %	74.0%	68.8%	71.4%	76.6%	72.3%

- The above table represents the pro forma 31 October 2017 position, including Alligator
- The reported totals have not been adjusted for the impact of rounding

* Above table has not been fully adjusted for the impact of rounding

Portfolio summary split between freehold & leasehold

	FY 2017						FY 2016					
	UK		Paris		Group		UK		Paris		Group	
	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold
Number of stores	73	35	15	11	88	46	72	36	14	11	86	47
MLA self-storage only (m)	3.133	1.404	0.747	0.420	3.880	1.824	3.086	1.438	0.650	0.420	3.736	1.858
Closing Occupancy (m)	2.168	1.054	0.548	0.345	2.716	1.399	2.087	1.030	0.478	0.338	2.565	1.368
Occupancy (%)	69.2%	75.1%	73.4%	82.1%	70.0%	76.7%	67.6%	71.6%	73.5%	80.5%	68.7%	73.6%
For twelve months												
Average rate (per sq ft)	24.19	24.86	29.18	43.97	25.16	29.5	24.16	25.53	26.45	38.82	24.62	29.19
Self storage income (£m)	50.7	26.1	14.7	14.8	65.4	40.9	46.0	22.6	12.6	13.0	58.6	35.6
Ancillary income (£m)	11.6	5.4	1.5	1.3	13.1	6.7	10.8	4.7	1.2	1.1	12.0	5.8
Other income (£m)	2.7	1.0	0.0	0.1	2.7	1.1	2.5	0.8	0.0	0.1	2.5	0.9
Total Income (£m)	65.0	32.5	16.2	16.2	81.2	48.7	59.3	28.1	13.8	14.2	73.1	42.3
Store EBITDA (£m)	41.5	20.4	11.1	12.3	52.6	32.7	37.5	17.5	9.8	10.6	47.3	28.1
<i>Store EBITDA margin (%)</i>	<i>63.8%</i>	<i>62.8%</i>	<i>68.5%</i>	<i>75.9%</i>	<i>64.8%</i>	<i>67.1%</i>	<i>63.2%</i>	<i>62.3%</i>	<i>71.0%</i>	<i>74.6%</i>	<i>64.7%</i>	<i>66.4%</i>
Rent Charge (£m)	0.0	(6.2)	0.0	(4.1)	0.0	(10.3)	0.0	(4.9)	0.0	(3.9)	0.0	(8.8)

Occupancy excludes Bulk space of 0.03 m sq ft

Above table has not been fully adjusted for the impact of rounding and excludes Alligator

Above table includes the impact of the acquisition of Space Maker on 29 July 2016, the 2016 openings of Wandsworth, Altrincham, Birmingham (including closure of our existing Birmingham store) and Emerainville, as well as Chiswick and Combs-la-Ville and the closure of Deptford in the current financial year

Portfolio summary split between freehold & leasehold (LFL CER)

FY 2017

FY 2016

	UK		Paris		Group		UK		Paris		Group	
	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold	Freehold	Leasehold
Number of stores	63	29	13	11	76	40	63	29	13	11	76	40
MLA self storage only (m)	2.701	1.154	0.590	0.420	3.291	1.574	2.701	1.154	0.590	0.420	3.291	1.574
Closing Occupancy (m)	1.89	0.877	0.510	0.345	2.400	1.222	1.891	0.843	0.477	0.338	2.368	1.181
Occupancy (%)	70.0%	76.0%	86.4%	82.1%	72.9%	77.6%	70.0%	73.1%	80.8%	80.5%	72.0%	75.0%
For twelve months												
Average rate (per sq ft)	24.68	25.32	26.97	40.00	25.16	29.45	24.27	25.51	26.46	38.82	24.72	29.37
Self storage income (£m)	45.9	21.7	13.2	13.4	59.1	35.1	44.7	20.9	12.6	13.0	57.3	33.9
Ancillary income (£m)	10.5	4.5	1.2	1.2	11.7	5.7	10.1	4.2	1.2	1.1	11.3	5.3
Other income (£m)	2.4	0.7	0.0	0.1	2.4	0.8	2.5	0.7	0.0	0.1	2.5	0.8
Total Income (£m)	58.8	26.9	14.4	14.7	73.2	41.6	57.3	25.8	13.8	14.2	71.1	40.0
Store EBITDA (£m)	38.2	17.0	10.3	11.1	48.5	28.1	36.4	15.9	9.9	10.5	46.3	26.4
<i>Store EBITDA margin (%)</i>	<i>65.0%</i>	<i>63.2%</i>	<i>71.5%</i>	<i>75.5%</i>	<i>66.3%</i>	<i>67.5%</i>	<i>63.5%</i>	<i>61.6%</i>	<i>71.7%</i>	<i>73.9%</i>	<i>65.1%</i>	<i>66.0%</i>
Rent Charge (£m)	0.0	(4.7)	0.0	(3.7)	0.0	(8.4)	0.0	(4.1)	0.0	(3.9)	0.0	(8.0)

Occupancy excludes Bulk space of 0.03 m sq ft

Above table has not been fully adjusted for the impact of and excludes Alligator

Like-for-like like adjustments have been made to remove the impact of the 2016 openings of Wandsworth, Altrincham, Birmingham (including closure of our existing Birmingham store) and Emerainville, as well as Chiswick and Combs-la-Ville and the closure of Deptford in the current financial year. In addition, the impact of the acquisition of Space Maker on 29 July 2016 has been adjusted

CER is Constant Exchange Rates

Portfolio summary split by maturity

	FY 2017				FY 2016			
	Developing	Established	Mature	Total	Developing	Established	Mature	Total
Number of stores	6	6	122	134	4	6	123	133
MLA self storage only (m)	0.304	0.305	5.095	5.704	0.183	03.05	5.106	5.594
Closing Occupancy (m)	0.136	0.248	3.731	4.115	0.030	0.244	3.659	3.933
Occupancy (%)	44.7%	81.3%	73.2%	72.1%	16.4%	80.0%	71.7%	70.3%
For twelve months								
Average rate (£ per sq ft)	16.96	24.01	27.07	26.67	10.68	21.52	26.52	26.17
Self storage income (£m)	1.4	5.9	99.0	106.3	0.0	5.2	89.0	94.2
Ancillary income (£m)	0.4	0.8	18.6	19.8	0.0	0.7	17.1	17.8
Other income (£m)	0.0	0.0	3.8	3.8	0.0	0.0	3.4	3.4
Total Income (£m)	1.8	6.7	121.4	129.9	0.0	5.9	109.5	115.4
Store EBITDA (£m)	0.0	4.6	80.7	85.3	(0.1)	3.9	71.6	75.4
<i>Store EBITDA margin (%)</i>	<i>0.0%</i>	<i>68.7%</i>	<i>66.5%</i>	65.6%	<i>0.0%</i>	<i>66.1%</i>	<i>65.4%</i>	65.3%
Rent Charge (£m)	0.0	0.0	(10.3)	(10.3)	0.0	0.0	(8.8)	(8.8)

Store categories use the following definitions: Developing: < 2 full financial years, Established: 2 to 5 full financial years, Mature: over 5 full financial years

Occupancy excludes Bulk space of 0.03 m sq ft

Above table has not been fully adjusted for the impact of rounding and excludes Alligator

Above table includes the impact of the acquisition of Space Maker on 29 July 2016, the 2016 openings of Wandsworth, Altrincham, Birmingham (including closure of our existing Birmingham store) and Emerainville, as well as Chiswick and Combs-la-Ville and the closure of Deptford in the current financial year

Portfolio summary split by maturity (LFL CER)

	FY 2017			FY 2016		
	Established	Mature	Total	Established	Mature	Total
Number of stores	6	110	116	6	110	116
MLA self storage only (m)	0.305	4.560	4.865	0.305	4.560	4.865
Closing Occupancy (m)	0.248	3.374	3.622	0.244	3.305	3.549
Occupancy (%)	81.3%	74.0%	74.5%	80.0%	72.5%	72.9%
For twelve months						
Average rate (£ per sq ft)	22.41	26.92	26.61	21.52	26.62	26.26
Self storage income (£m)	5.5	88.7	94.2	5.2	86.0	91.2
Ancillary income (£m)	0.7	16.7	17.4	0.6	16.0	16.6
Other income (£m)	0.0	3.2	3.2	0.0	3.3	3.3
Total Income (£m)	6.2	108.6	114.8	5.8	105.3	111.1
Store EBITDA (£m)	4.2	72.4	76.6	3.8	68.9	72.7
<i>Store EBITDA margin (%)</i>	67.7%	66.7%	66.7%	65.5%	65.4%	65.4%
Rent Charge (£m)	0.0	(8.4)	(8.4)	0.0	(8.0)	(8.0)

Store categories use the following definitions: Developing: < 2 full financial years, Established: 2 to 5 full financial years, Mature: over 5 full financial years

Occupancy excludes Bulk space of 0.03 m sq ft

Above table has not been fully adjusted for the impact of and excludes Alligator

Like-for-like like adjustments have been made to remove the impact of the 2016 openings of Wandsworth, Altrincham, Birmingham (including closure of our existing Birmingham store) and Emerainville, as well as Chiswick and Combs-la-Ville and the closure of Deptford in the current financial year. In addition, the impact of the acquisition of Space Maker on 29 July 2016 has been adjusted

CER is Constant Exchange Rates




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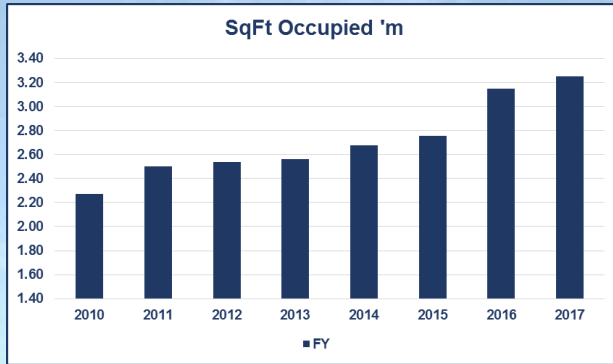

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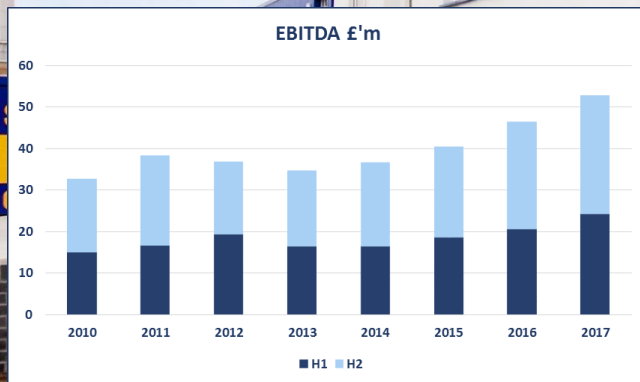
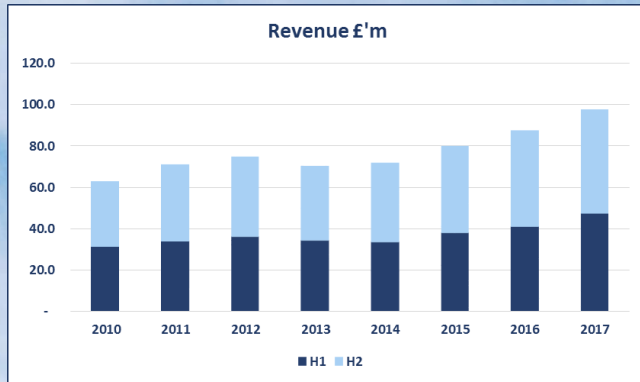
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Resilient business model

Safestore UK historic performance



Safestore UK historical performance





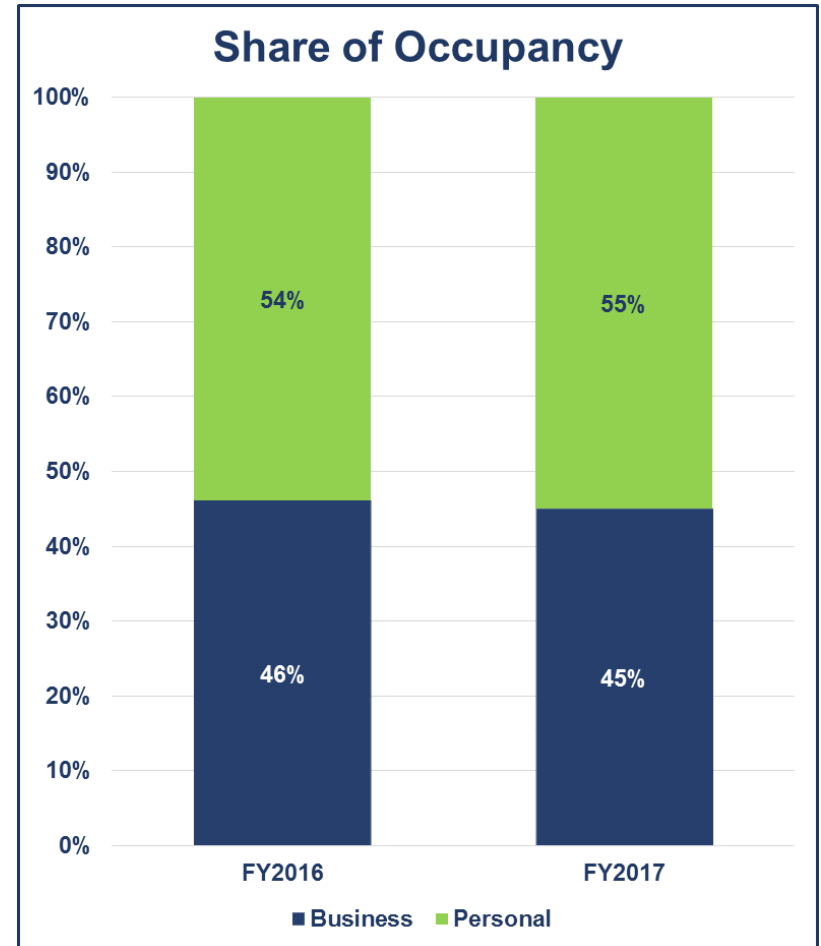
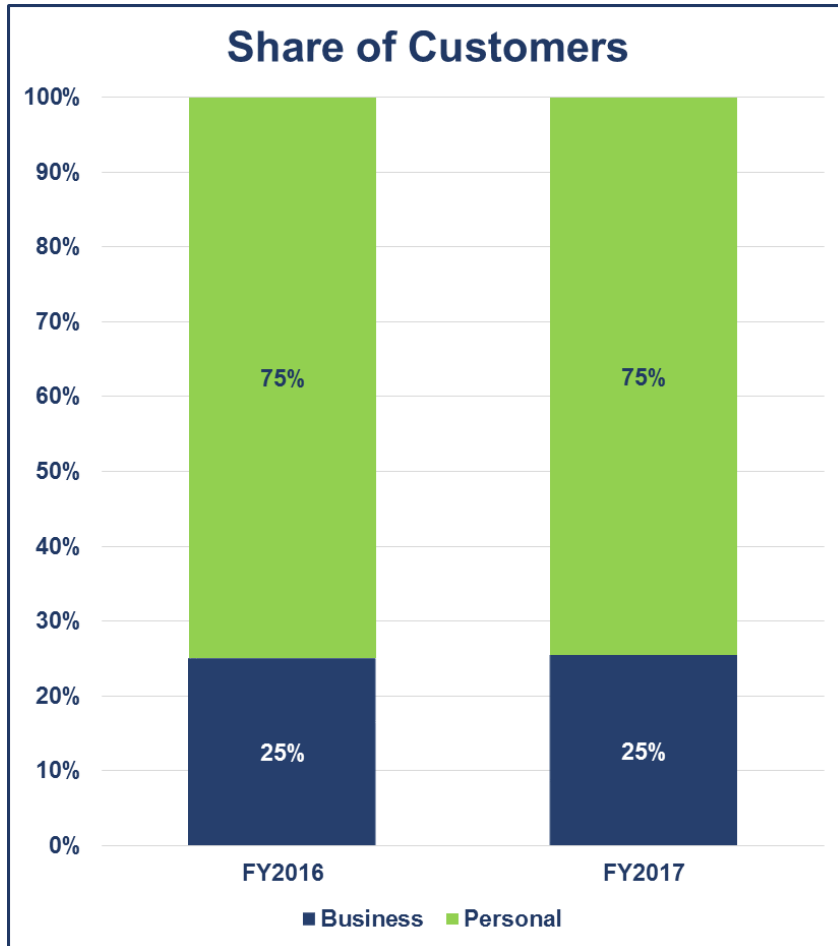
Customers

Customer length of stay

		UK				Paris				Group			
		FY2017		FY2016		FY2017		FY2016		FY2017		FY2016	
		(wks)	(mths)	(wks)	(mths)	(wks)	(mths)	(wks)	(mths)	(wks)	(mths)	(wks)	(mths)
Business	Existing	132	30.4	131	30.1	138	31.9	136	31.3	133	30.7	132	30.3
	Vacated	55	12.6	55	12.6	57	13.1	55	12.7	55	12.7	55	12.6
	Total	64	14.7	65	14.9	67	15.5	67	15.3	65	14.9	65	14.9
Personal	Existing	89	20.5	89	20.4	115	26.6	117	27.1	97	22.3	97	22.3
	Vacated	29	6.7	29	6.8	51	11.7	51	11.7	34	7.7	34	7.8
	Total	33	7.5	33	7.6	57	13.1	57	13.2	38	8.7	38	8.8
All	Existing	101	23.2	100	23.1	119	27.5	121	27.8	106	24.4	106	24.3
	Vacated	33	7.6	33	7.6	52	11.9	52	11.9	37	8.4	37	8.5
	Total	37	8.6	38	8.7	58	13.5	58	13.5	42	9.6	42	9.7

Storage customers only
Excluding: Queens Dock BC & Battersea BC

Group customer split as at 31 Oct 2017



Personal and business customers as at 31 Oct 2017

Personal and Business Customers	UK	Paris
Personal Customers		
Numbers (% of total)	72%	82%
Square feet occupied (% of total)	51%	67%
Average length of stay (months)	20.5	26.6
Business Customers		
Numbers (% of total)	28%	18%
Square feet occupied (% of total)	49%	33%
Average length of stay (months)	30.4	31.9