



Lok'nStore Group Lease Extensions

RNS Number : 7766O
Lok'nStore Group PLC
05 July 2010

5 July 2010

Lok'nStore Group plc ("Lok'nStore")

Lease Extensions

The Board of Lok'nStore, the AIM listed self-storage company, is pleased to announce the extension of the leases on two of its existing stores on improved terms.

The agreements to extend the two leases will result in an immediate cash inflow of around £169,500 and additional cash savings of £113,000 spread evenly over the next eight months. The agreements also cap any future rental increases.

In accordance with current International Accounting Standard rules the total benefit of £282,500 will be evenly spread in the Income Statements over the next 15 years corresponding to the extended lease terms.

These arrangements will result in an increase in the average maturity of valued leases by approximately 3 years to 13 years.

Andrew Jacobs, CEO said:

"Lok'nStore has a strong operating business which is cash generative and backed by substantial property assets. Given current economic uncertainty some landlords are keen to extend their lease terms and with Lok'nStore's strong covenant we have the opportunity to negotiate significantly improved rental terms.

"The Board will continue to pursue further value creating asset management opportunities against the background of robust trading."

- Ends -

Enquiries

Lok'nStore Group plc	01252 521010
Andrew Jacobs, Chief Executive Ray Davies, Finance Director	
Arbuthnot	020 7012 2000
Nick Tulloch Ben Wells	
Financial Dynamics	020 7831 3113
Billy Clegg Edward Westropp	



Notes to Editors

Lok'nStore runs a high quality portfolio of 22 self-storage centres across the South East of England. All stores carry the distinctive bright orange and silver livery and are located in prominent locations adjacent to main roads and town centres. Total space available is 1.2 million sq ft, of which 64% is freehold and 36% leasehold. Lok'nStore has a pipeline of 2 new sites and 2 replacement sites, all of which have planning permissions.

As at 31st January 2010, adjusted net asset value was £2.10 per share with a loan-to-value ratio of 30.9% on £25m of net debt. Lok'nStore has a £40m facility with RBS which runs until 2012.

The UK self-storage market remains under-supplied with only 0.4 sq ft per person versus around 7 sq ft per person in the more mature US market. The UK market has been growing at 10-15% per annum for the last 10 years. (Source: The Self-Storage Association)