

Lok'n Store Group

Acquisition of Freehold

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Lok'n Store Group PLC
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**Lok'nStore Group plc
("Lok'nStore" or "the Company")
Acquisition of Freehold**

Lok'nStore Group plc is pleased to announce that it has acquired the freehold of its existing Swindon East store for a consideration of £925,000. This will be financed by drawing down on the Company's existing revolving credit facility.

The store has been trading since 2001 in leasehold premises with a current annual rent of £108,050, meaning there will be a corresponding £108,050 positive impact to the Company's EBITDA for the coming year. After this transaction 61% of Lok'nStore's self-storage-space will be freehold and 39% leasehold.

Andrew Jacobs, Chief Executive of Lok'nStore, said, "This acquisition is in line with our stated strategy of actively managing our portfolio and taking advantage of opportunities as they arise to acquire the freeholds of our stores."

"The implied yield of 11.7% is very attractive and with a current average cost of debt of just over 3% it will be immediately cash flow enhancing, increasing the financial strength of the Company while decreasing the operational gearing. Following this acquisition and the opening of 3 new stores over the coming year, Lok'nStore's self-storage business will be operating from 13 freehold sites, 9 leasehold sites and 3 managed stores."

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