



Lok'n Store Group

Development of Maidenhead Store

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Lok'n Store Group PLC
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**Lok'nStore Group plc
(*'Lok'nStore'* or the *'Company'*)**

Development of Maidenhead Store: collaboration with a major retailer

The Board of Lok'nStore Group, the AIM listed self-storage company, is pleased to announce a conditional agreement, subject to planning permission, for the shared use of its Maidenhead development site with Lidl a major international supermarket retailer.

Subject to achieving the requisite planning permission, under this collaborative project Lok'nStore will build a new state of the art self-storage centre which also provides space on the ground floor for our partner's retail store. The new self-storage centre which is expected to open in 2013, will have around 58,000 square feet of self-storage space taking Lok'nStore's total space to 1.2 million square feet.

Lok'nStore will grant a new lease to its retail partner concurrent with Lok'nStore's own lease. Lidl will share the ground floor space with Lok'nStore's operation increasing the footfall by an estimated 1,000 cars a day. Lok'nStore will occupy and trade from its share of the ground floor and the three floors above.

The site is close to Maidenhead town centre and railway station and will be very prominent to the retail park on the main road joining the town centre with the M4 motorway. The store will be of similar style and appearance to other recently opened Lok'nStore centres with Lok'nStore's strong branding along with Lidl's brand adding to the visual attractiveness of the site. This collaboration will increase the visual prominence, brand recognition, passing traffic and footfall of the storage centre which are key criteria for success.

Andrew Jacobs CEO of Lok'nStore said:

"We are delighted to create this partnership with Lidl, a major retailer enabling us to move forward with the development of our new Maidenhead store. The choice of partner underlines the quality of our sites and reinforces the underlying value of Lok'nStore's property.

"The new Maidenhead store will add to our portfolio of large, modern, new build self-storage centres across south-east England. These have proved resilient to the recession with prices and occupancy both rising over the last financial year.



"Lok'nStore has a strong asset-backed, cash-generative, operating business which gives us the ability to take advantage of the opportunities thrown up by the current volatility in the property market. Lok'nStore's overall strategy has been to capitalise on its robust business model by maximising the cash flow from the existing portfolio and seeking innovative ways to improve and develop our pipeline sites so as to maximise their value.

Against this background the Board will continue to pursue further value creating asset management opportunities."

Enquiries

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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 (87% freehold by valuation). Lok'nStore has a pipeline of 2 new sites and 2 replacement sites (including Reading), all of which have existing planning permissions.

In its recent results Lok'nStore reported occupancy up 4% and prices up 4.9% in the year to July 2010.

As at 31st July 2010, adjusted net asset value was £2.24 per share with a loan-to value ratio of 28.1% on £22.7m of net debt. Lok'nStore has a £40 m facility with RBS which runs until 2012.

The UK self-storage market remains undersupplied 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).