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Lok'nStore Group PLC

21 August 2012

Lok'nStore Group plc ("Lok'nStore" or "the Company")

Pre-close update and change to dividend policy

The Board of Lok'nStore, the AIM listed self-Storage Company, is pleased to provide the following update on trading and the Company's dividend policy.

Highlights

§ Trading in the period continued to be robust and in line with management expectations

§ Increasing cashflow, positive news on operational developments and funding has prompted a re-evaluation of the dividend policy

§ Dividend to be increased by 66% to 5 pence (a final dividend of 4 pence per share)

§ Progressive forward looking dividend policy following this step change

Following another period of solid underlying trading with good progress on Key Performance Indicators ("KPI's"), the Board is confident in the Group's trading outlook. The development of the new Maidenhead store is now being accelerated, the Swindon freehold has been acquired on favourable terms and a number of lease extensions have been agreed. Recently two more management contracts were signed for new stores in Aldershot and Crawley.

Over recent months Lok'nStore has fixed the interest rate on 70% of its debt creating greater certainty on future funding costs. Against the backdrop of improving cash generation the Board has decided to significantly increase the dividend to 5p for the full year, reflecting confidence in the underlying business, its financial strength and the outlook.

Going forward it is intended that the Company's dividend payments reflect the growth in the underlying cash generated by the business and will be declared at the interim and final stage, the interim dividend representing approximately one-third of the total for the year.

Andrew Jacobs, CEO of Lok'nStore said:

"Dividends are important to our shareholders and reflect the strength of the Company. I am delighted to be able to propose the increase in the dividend to 5p which reflects the growing stature of the business. We have a secure financial footprint, an excellent development pipeline and robust trading which gives the Board the confidence to propose this step change in the dividend, which we intend to grow progressively."

-Ends-

For further information: Tel: 01252 521010

Lok'nStore

Andrew Jacobs, CEO

Ray Davies, Finance Director

FTI Consulting Tel: 020 7831 3113

Billy Clegg/ Oliver Winters/ Latika Shah

Panmure Gordon & Co Tel: 020 7459 3600

Corporate Finance:

Dominic Morley/Fred Walsh

Corporate Broking:

Charles Leigh-Pemberton

Notes to editors

Lok'nStore announced on 30 July 2012 the acquisition of the freehold of its store in Swindon. 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.

Lok'nStore recently announced a new joint venture store in Aldershot and a new managed store contract in Crawley. A joint venture with Lidl in Maidenhead will also open in 2013.

Lok'nStore's ability to open new stores with a reduced capital outlay, combined with the headroom on its new banking facility signed in October 2011 give it a strong competitive advantage at a time when many competitors are constrained by their financial position. Lok'nStore recently fixed the interest rate on 70% of its debt at 3.525%.