



Lok'nStore Group

Pre-close Trading Update

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

Pre-close trading update

Lok'nStore, the growing AIM listed self-storage company, is pleased to provide the following update on trading in the first half of its financial year to 31 January 2014 which is in line with current market expectations.

Following a good FY2013, trading in the first half of 2014 has remained buoyant with particular strengthening in recent months in what has traditionally been the slower period for the business. We are seeing clear signs that the economy is improving and the steps that the Company took during the downturn to improve our operating efficiency ensures we are effectively locked into this upturn.

In our core self-storage business first half revenue was up 7.8%(1) like-for-like, year-on-year, accelerating to 9.5% in January 2014. January business showed the largest monthly increase in revenue since June 2006. At 31 January 2014 occupancy was up 7.5% and price per let square foot increased 2.9% compared to the same period 12 months ago. Over the first half enquiries are up 24%(2) and move-ins are up 21.4% like-for-like.

Ancillary sales have been particularly strong with insurance sales up 20% and boxes and packaging up 25%.

We are pleased to report that our Saracen Document Storage business' operating metrics are improving in response to the Company's more customer facing marketing stance, with net boxes stored increasing 16,000 in the first half, up 15.1% annualised and tapes stored up 21.8% annualised. Although revenue and profit will take time to respond to this volume growth we are pleased to see this noticeable improvement.

Andrew Jacobs, CEO of Lok'nStore said:

"Trading in the first half of our financial year has been strong, culminating in a buoyant January, normally our quieter period. It is especially encouraging that growth has been delivered in revenue, occupancy and price per sq. Looking at our development pipeline, our new flagship store in Maidenhead opened in December and early trading gives us significant optimism and confidence that the new stores in Reading, Aldershot, Southampton and Bristol which are opening over the coming eighteen months will add further impetus to sales and earnings.

"The strong growth of the existing business, good asset management and Lok'nStore's conservative debt ratios means that this major expansion can be financed out of our existing bank facility, which should provide enhanced returns for our shareholders."

-Ends-

(1) All self-storage growth rates are like-for-like and year to year stripping out the effect of the sale of the Ashford store in March 2013 and ignoring the early weeks of January 2014 trading at the new Maidenhead store.

(2) Enquiries and move-ins relate to all stores including stores managed by Lok'nStore for third parties.



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Notes to Editors

Lok'nStore runs a high quality portfolio of 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. In December 2013 Lok'nStore opened a new store in Maidenhead is currently on-site building its new Reading store and the Group will open further new stores in Southampton and Aldershot in 2014.

Following the above opening programme, Lok'nStore's self-storage business will be operating 26 stores from 13 freehold sites and 9 leasehold sites on its own account, and 4 managed stores.

Prior to this trading update, at its year-end results announced in October 2013, Lok'nStore reported strong occupancy growth performance of 10.4% and a 32% increase operating profits for the year to 31 July 2013. Net Asset value (NAV) rose by 8.8% to £2.48 pence per share. The total annual dividend was raised by 20% to 6 pence per share.

The UK self-storage market remains undersupplied. There remains significant opportunity in the UK self-storage market where there are an estimated 830 self-storage facilities. This equates to approximately 30.1 million square feet of storage space. With a population of 62 million people in the UK, this equates to 0.5(1) square feet per person, compared to 6.9(2) square feet per person in the USA supplied by nearly 50,000 primary self-storage facilities.

(1)SSA UK Annual Survey & Report 2013

(2)US Self-Storage Almanac 2014