



Lok'nStore Group PLC - LOK Pre-close trading update  
Released 07:00 11-Feb-2019



RNS Number : 5632P  
Lok'nStore Group PLC  
11 February 2019

11 February 2019

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

### **Pre-close trading update**

#### *"Robust sales growth and disciplined capital allocation"*

Lok'nStore, the fast-growing self-storage Company is pleased to provide the following update on trading in the first half of the financial year to 31 January 2019.

Trading in the first half of FY2019 was strong with revenue up 7.7% year-on-year. Revenue in the core Self Storage business was up 9.2%. At 31 January 2019 self-storage unit occupancy was up 8.0% and price per let square foot was up 1.4% compared to the same date 12 months ago.\*

In line with its tactical approach to asset and capital allocation, Lok'nStore disposed of its document storage business, Saracen Datastore Limited for £7.64 million in cash against its Net Book Value as at 31 July 2018 of £5.4 million. Disposal proceeds will be used to fund the ongoing investment into Lok'nStore's highly accretive development pipeline of new landmark self-storage centres, fulfilling the Company's objective of growing asset value by recycling capital from lower growth assets into high growth landmark stores.

Two new sites in Stevenage and Wolverhampton were acquired in the period and will be developed into landmark stores adding around 100,000 sq. ft. to the trading portfolio in 2020. Furthermore an existing single store self-storage operation of 42,000 sq. ft. in Hedge End, Southampton has been purchased and is in the process of being rebranded. Following the rebrand

and the implementation of Lok'nStore's management processes the store's revenue and EBITDA profit are expected to improve from pro forma levels of £570,000 and £100,000 respectively.

Following these transactions and the development of the new sites, Lok'nStore will be operating from 41 locations of which 21 are held freehold, 8 leasehold and 12 are managed stores.

The new store in Dover began trading in December and the Cardiff store just after the period end bringing the total stores currently trading to 32.

Interim results will be announced on Monday 29 April 2019.

\*All figures exclude the recently purchased store in Hedge End which was acquired as a trading entity in December 2018 and is excluded for clarity.

**Andrew Jacobs, CEO of Lok'nStore said:**

"Our positive trading performance continues with strong growth in the core self storage business of 9.2% for the first half of the year. The strategic disposal of Saracen provides capital to fund the ongoing investment into our highly accretive development pipeline of new self-storage centres.

Recently opened landmark stores are trading well and contributing to revenue growth. As most costs of trading additional self-storage centres are fixed, this revenue growth will have an increasing impact on EBITDA in the coming years. This underpins our confidence that our strong pipeline will add further momentum to our highly quality income stream.

We look forward to opening more new landmark stores and adding further momentum to sales and earnings growth."

-Ends-

**Enquiries:**

Lok'nStore 01252 521010

Andrew Jacobs, CEO

Ray Davies, Finance Director

finnCap Ltd 020 7220 0500

Julian Blunt/Giles Rolls, Corporate Finance

Alice Lane, Corporate Broking

Camarco

020 3757 4980

Billy Clegg/Tom Huddart/Jake Thomas

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014