

26 November 2024

Safestore Holdings plc

Fourth quarter trading update for the period 1 August 2024 to 31 October 2024

Continued improvement in UK trading and strong growth in Expansion markets

Key Measures - Total Group	Q4 2024	Q4 2023	Change ⁹	Change CER ¹	FY 2024	FY 2023	Change	Change CER ¹
Revenue (£'m)	57.9	57.6	0.5%	1.2%	223.4	224.2	(0.3%)	0.2%
Closing Occupancy (let sq ft - million) ²					6.41	6.23	2.9%	
Closing Occupancy (% of MLA) ²					74.6%	77.0%	(2.4ppt)	
Maximum Lettable Area (sq ft - million) ³					8.59	8.09	6.2%	
Average Storage Rate (£)	£29.64	£30.22	(1.9%)	(1.2%)	£29.85	£30.26	(1.4%)	(0.8%)
REVPAF (£) ⁴	£26.81	£28.24	(5.1%)	(4.4%)	£26.69	£27.70	(3.6%)	(3.1%)

Key Measures - Like-For-Like ⁵ Group	Q4 2024	Q4 2023	Change ⁹	Change CER ¹	FY 2024	FY 2023	Change	Change CER ¹
Revenue (£'m)	56.1	55.9	0.4%	0.7%	217.9	218.9	(0.5%)	0.0%
Closing Occupancy (let sq ft - million) ²					6.11	6.12	(0.2%)	
Closing Occupancy (% of MLA) ²					78.8%	79.3%	(0.5ppt)	
Average Occupancy (let sq ft - million)	6.16	6.18	(0.3%)		6.05	6.12	(1.1%)	
Maximum Lettable Area (sq ft - million) ³					7.75	7.72	0.4%	
Average Storage Rate (£)	£30.27	£30.50	(0.8%)	(0.1%)	£30.33	£30.46	(0.4%)	0.2%
REVPAF (£) ⁴	£28.75	£28.74	0.0%	0.7%	£28.18	£28.39	(0.7%)	(0.2%)

Highlights

- Q4 2024 revenue at CER grew 1.8% year on year excluding £0.6m of insurance premium tax ("IPT") relating to the sale of customer goods insurance in 2023 not repeated this year⁶
- On the same basis FY 2024 revenue grew 1.1% year on year after excluding £2.2 million of IPT
- Like-for-like Group revenue returned to growth in the quarter increasing 0.7% at CER
- Like-for-like closing occupancy at 78.8% broadly in line with prior year end
- Like-for-like average rate for the Group for the quarter and full year both broadly flat year on year at CER
- Opening of two new stores and extensions in the quarter with a further five opened following year end, adding a total of 327,000 sq ft of MLA. Development pipeline of an additional 26 stores with a total of 1.3m sq ft MLA, equivalent of 16% of the portfolio at year end
- Continued momentum in UK domestic demand in Q4 with year end occupied space 4.3% ahead of last year. Overall, UK occupancy broadly in line with prior year reflecting softer business customer demand
- Expansion markets⁸ (Spain, Netherlands and Belgium combined) delivered 29.0% growth year on year for FY 2024
- Diluted EPRA Earnings per Share for the full year expected to be broadly in line with consensus forecast⁷

Frederic Vecchioli, Chief Executive Officer, commented:

"We have delivered improved revenue performance in Q4, led by the UK, and have returned to growth overall for the financial year.

In the UK, we are encouraged by the continued improvements in domestic customer occupancy with increasingly positive levels of occupied space vs prior year through the second half of the year. However, business customer demand, particularly from smaller business customers, remains softer than in 2023.

We are pleased with the steady performance of our operations in Paris despite challenging economic trading conditions.

We have presented our other countries combined together as "Expansion markets" to reflect their importance in driving growth for the Group. These markets have once again delivered strong performance in the quarter both in like-for-like growth and in total revenue terms through the additional revenue from new stores.

We have continued the successful delivery of new space with seven developments and extensions adding 327,000 sq ft of MLA since the end of Q3. In the financial year, we added 386,000 sq ft of MLA (equivalent to 5% of the start of year MLA) through new stores and extensions which are expected to significantly add to Group income as the stores mature.

Furthermore our development pipeline includes 26 additional stores with a projected total MLA of 1,338,200 sq ft, reflecting 16% of year end MLA, providing a clear pathway for further future revenue growth.

We maintain our guidance for full year Adjusted Diluted EPRA Earnings per Share, which are projected to be broadly in line with consensus forecasts⁷."

Trading Performance

Revenue (millions)	Q4 2024	Q4 2023	Change ⁹	FY 2024	FY 2023	Change
Group (GBP)	£57.9	£57.6	0.5%	£223.4	£224.2	(0.3%)
UK (GBP)	£41.8	£42.6	(1.9%)	£162.2	£166.2	(2.4%)
Paris (EUR)	€13.2	€13.0	1.6%	€51.3	€50.5	1.5%
Expansion markets (EUR)	€6.0	€4.4	35.2%	€20.6	€16.0	29.0%
Average Rate (per sq ft)	Q4 2024	Q4 2023	Change	FY 2024	FY 2023	Change
Group (GBP)	£29.64	£30.22	(1.9%)	£29.85	£30.26	(1.4%)
UK (GBP)	£29.64	£30.26	(2.0%)	£29.94	£30.25	(1.0%)
Paris (EUR)	€43.17	€42.28	2.1%	€42.28	€42.05	0.5%
Expansion markets (EUR)	€24.93	€24.46	1.9%	€24.40	€24.39	0.0%
REVPAF (per sq ft)	Q4 2024	Q4 2023	Change	FY 2024	FY 2023	Change
Group (GBP)	£26.81	£28.24	(5.1%)	£26.69	£27.70	(3.6%)
UK (GBP)	£28.53	£29.58	(3.5%)	£28.00	£29.07	(3.7%)
Paris (EUR)	€36.93	€37.84	(2.4%)	€37.12	€37.10	0.1%
Expansion markets (EUR)	€18.68	€17.18	8.7%	€17.97	€17.44	3.0%
Closing Occupancy (million sq ft)				FY 2024	FY 2023	Change
Group				6.41	6.23	2.9%
UK				4.54	4.47	1.6%
Paris				1.09	1.11	(1.8%)
Expansion markets				0.78	0.65	20.0%
Closing Occupancy (% of MLA)				FY 2024	FY 2023	Change
Group				74.6%	77.0%	(2.4ppt)
UK				77.2%	78.1%	(0.9ppt)
Paris				76.8%	81.3%	(4.5ppt)
Expansion markets				63.8%	64.8%	(1.0ppt)
MLA (million sq ft)				FY 2024	FY 2023	Change
Group				8.59	8.09	6.2%
UK				5.88	5.73	2.6%
Paris				1.42	1.36	4.4%
Expansion markets				1.29	1.00	29.0%

Like-for-like

Revenue (millions)	Q4 2024	Q4 2023	Change ⁹	FY 2024	FY 2023	Change
Group (GBP at CER ¹)	£56.3	£55.9	0.7%	£219.0	£218.9	0.0%
UK (GBP)	£41.2	£41.3	(0.2%)	£160.1	£162.0	(1.2%)
Paris (EUR)	€13.2	€13.0	1.4%	€51.2	€50.5	1.4%
Expansion markets (EUR)	€4.3	€3.9	10.3%	€16.6	€14.7	12.9%
Average Rate (per sq ft)	Q4 2024	Q4 2023	Change	FY 2024	FY 2023	Change
Group (GBP at CER)	£30.48	£30.50	(0.1%)	£30.51	£30.46	0.2%
UK (GBP)	£29.88	£30.30	(1.4%)	£30.10	£30.27	(0.6%)
Paris (EUR)	€43.34	€42.28	2.5%	€42.33	€42.05	0.7%
Expansion markets (EUR)	€28.17	€26.61	5.9%	€27.34	€25.89	5.6%
REVPAF (per sq ft)	Q4 2024	Q4 2023	Change	FY 2024	FY 2023	Change
Group (GBP at CER)	£26.81	£28.24	(5.1%)	£26.69	£27.70	(3.6%)
UK (GBP)	£28.53	£29.58	(3.5%)	£28.00	£29.07	(3.7%)
Paris (EUR)	€36.93	€37.84	(2.4%)	€37.12	€37.10	0.1%
Expansion markets (EUR)	€18.68	€17.18	8.7%	€17.97	€17.44	3.0%

Group (GBP at CER)	£28.94	£28.74	0.7%	£28.34	£28.39	(0.2%)
UK (GBP)	£28.99	£29.11	(0.4%)	£28.36	£28.80	(1.5%)
Paris (EUR)	€38.32	€37.84	1.3%	€37.59	€37.10	1.3%
Expansion markets (EUR)	€24.01	€21.39	12.2%	€22.92	€20.55	11.5%

Closing Occupancy (million sq ft)	FY 2024	FY 2023	Change
Group	6.11	6.12	(0.2%)
UK	4.45	4.45	-
Paris	1.09	1.11	(1.8%)
Expansion markets	0.57	0.56	1.8%

Closing Occupancy (% of MLA)	FY 2024	FY 2023	Change
Group	78.8%	79.3%	(0.5ppt)
UK	78.6%	79.0%	(0.4ppt)
Paris	79.3%	81.3%	(2.0ppt)
Expansion markets	79.7%	76.8%	2.9ppt

MLA (million sq ft)	FY 2024	FY 2023	Change
Group	7.75	7.72	0.4%
UK	5.66	5.64	0.4%
Paris	1.37	1.36	0.7%
Expansion markets	0.72	0.72	0.0%

UK

Trading performance in the UK continued to improve in Q4 2024 with like-for-like revenue in line with prior year (down 0.2%). This was driven by a small reduction in rate (down 1.4%) together with broadly stable occupancy (closing occupancy down 0.4ppt year on year) and growing ancillary sales.

This like-for-like occupancy position includes improving domestic demand, with space occupied by these customers increasing 4.3% year on year. This was offset by continued soft demand from business customers, which saw a 6.0% year on year decline in occupied space.

The domestic customer position reflects steadily improving trajectory through the second half of FY 2024 from 1.5% behind the prior year at the end of April 2024 and 0.3% ahead of FY 2023 at Q3 close. Space occupied by domestic customers is now in line with the previous year end record level achieved in 2021 on a same store basis.

The business customer performance is mainly through smaller businesses (reflecting 47% of business customers by space occupied) which declined 10.7% year on year but with steady performance from larger corporate customers.

We are accelerating the conversion of larger units (over 250 sq ft) into smaller ones more suitable for domestic customers, reducing the historic over-weight towards business customers in the UK. Through this partitioning programme we expect to significantly reduce the current 1.0 million sq ft of larger units, which are predominantly located in London (36%) and south east England (24%), so that the UK ratio of domestic to business customers comes closer to the 70/30 split by occupied space seen in the rest of the Group.

Total revenue in the UK also has the benefit of an additional £2.5m income for the full year from newly opened stores and extensions.

Total revenue in FY 2023 included £2.2 million of IPT relating to customer goods protection which is not repeated in FY 2024 due to changes in the nature of the protection offered to customers. This amount has been excluded from like-for-like revenue figures to better reflect underlying performance.

Paris

In Q4 2024, like-for-like revenue grew 1.4% continuing the steady progress achieved in previous quarters and resulting in full year growth of 1.4% on prior year.

The growth in the quarter was driven by improving rental rates which were up 2.5% year on year offset by a two percentage point year on year decline in closing occupancy.

Total revenue growth of 1.5% for the full year also reflects the benefits of new stores and extensions opened in the year.

Expansion markets

The performance of Spain, the Netherlands and Belgium has been presented together, reflecting both their combined scale and their common strategic focus on providing expansion opportunities for the Group.

Overall, they delivered 10.3% like-for-like revenue growth in Q4 2024 taking full year growth on prior year to 12.9% with positive momentum in all three markets.

In Q4, 2024 like-for-like growth in Spain (up 3.7% year on year) was driven by improvement in occupancy (closing at 78.0%) and flat rental rates. In the Netherlands, like-for-like growth was 10.3% driven by increased rental rates with occupancy broadly in line with prior year. Like-for-like revenue in Belgium grew 22.2% in the quarter through a combination of both increased rental rates and improved occupancy.

In addition, new stores and expansions contributed an additional €3.2 million in revenue in the year, largely through openings in Spain, taking total revenue growth to 29.0% for the full year for the combined markets.

As a result of the completed developments, we now have 15 stores in Spain, 14 stores in the Netherlands and 6 stores in Belgium, an overall 25% increase from the 2023 year end position.

Acquisitions

In Q4 2024, we acquired a self-storage business with a 19,800 sq ft leasehold property in Chelsea, London.

In addition, during the year we acquired the freehold on two of our leasehold properties, located in Manchester and Le

Marais in central Paris, with a total MLA of 69,900 sq ft.

Opened Q4 2024

	FH/LH	MLA	Type
New Developments			
St Albans	FH	56.0	Conversion
Redevelopments and Extensions			
Paris - Poissy	FH	7.4	Extension
Total Opened Q4 2024		63.4	

These two stores, together with the 322,600 sq ft of new MLA from the eight stores opened in the first three quarters of the year, have resulted in a total increase from developments and extensions during FY 2024 of 386,000 sq ft.

Pipeline

We have a total pipeline of 31 developments and extensions opening in FY 2025 and beyond which is expected to add a total of 1.6 million sq ft, representing 19% of portfolio MLA as at October 2024. This includes the five new stores and extensions below which had already opened as at the date of this report.

	FH/LH	MLA	Type
New Developments			
London - Lea Bridge	FH	80.9	New Build
Madrid - North East (Barajas)	FH	57.2	Conversion
Madrid - South West (Carabanchel)	FH	45.4	Conversion
Pamplona	FH	64.5	Conversion
Total new developments		248.0	
Redevelopments and Extensions			
Paris - Pyrénées	LH	15.4	Extension
Total opened in November 2024		263.4	

In addition to the 263,400 sq ft of MLA added in November, there is a pipeline of nine stores with 419,500 sq ft of MLA projected to be opening during the remainder of FY 2025. This brings a total additional MLA projected to be delivered in FY 2025 to 682,900 sq ft.

Remaining 2025 Opening (all New Developments)

	FH/LH	MLA	Type	Status
London - Walton	FH	20.7	Conversion	C, UC
Paris - East 1 (Noisy-le-Grand)	FH	60.0	Conversion	C, PG
Paris - West 3 (Mantes-Buchelay)	FH	58.0	New Build	C, UC
Paris - North West 1 (Taverny)	FH	54.0	Conversion	C, UC
Paris - La Défense	FH	44.0	Mixed-Use Facility	C, UC
Barcelona - Central 2 (Manisa)	LH	20.0	Conversion	C, UC
Randstad - Amsterdam	LH	65.4	New Build	C, UC
Randstad - Utrecht	FH	50.0	Conversion	C, UC
Brussels - Zaventem	FH	47.4	New Build	C, UC
Total remaining to open in 2025		419.5		

2026 Opening (all New Developments)

	FH/LH	MLA	Type	Status
London - Woodford	FH	68.7	New Build	C, PG
London - Watford	FH	57.5	New Build	CE, PG
London - Wembley	FH	55.3	New Build	C, PG
London - Kingston	FH	55.0	New Build	CE, STP
London - Romford	FH	41.0	New Build	C, PG
Norwich	FH	52.7	New Build	CE, STP
Hemel Hempstead	FH	51.3	New Build	CE, PG
Shoreham	FH	47.1	New Build	CE, PG
Paris - West 4 (Orgeval)	FH	53.0	New Build	CE, PG
Paris - West 1 (Conflans)	FH	56.0	New Build	C, UC
Paris - Colombes	FH	65.5	Conversion	CE, PG
Madrid - Perseo	FH	18.5	Conversion	CE, STP
Total Opening in 2026		621.6		

Beyond 2026 Opening (all New Developments)

Name	FH/LH	MLA	Type	Status
London - Old Kent Road	FH	75.6	New Build	C, STP
London - Belvedere	FH	56.3	New Build	C, STP
London - Bermondsey	FH	50.0	New Build	C, STP
Welwyn Garden City	FH	51.0	New Build	CE, STP
Barcelona - Hospitalet	FH	64.3	New Build	CE, STP
Total Opening beyond 2026		297.2		

MLA:
Maximum Lettable Area, in thousand square feet

Status:
C = completed, CE = contracts exchanged, STP = subject to planning, PG = planning granted, UC = under construction

Ends

1 - CER is Constant Exchange Rates (Euro denominated results for the current period have been retranslated at the exchange rate effective for the comparative period, in order to present the reported results on a more comparable basis)

2 - Occupancy excludes offices but includes bulk tenancy. As of 31 October 2024, closing occupancy includes 18,000 sq ft of bulk tenancy (31 October 2023:18,000 sq ft)

3 - MLA is Maximum Lettable Area measured in square feet ("sq ft")

4 - REVPAF is an alternative performance measure used by the business. REVPAF stands for Revenue per Available Square Foot and is calculated by dividing revenue for the period by weighted average available square feet for the same period

5 - Like-for-like information includes only those stores which have been open throughout both the current and prior financial years, with adjustments made to remove the impact of new and closed stores, as well as corporate transactions

6 - Store Protect replaced our customer goods insurance programme in the UK from 1 November 2023, attracting VAT rather than Insurance Premium Tax ("IPT"). The Q4 2024 YTD revenue includes £2.2 million representing 12% IPT on insurance sales for the nine months. The IPT in 2023 has been excluded from like-for-like figures to aid comparability

7 - Company compiled consensus of analysts, as at 12 November 2024, from 14 analysts reflecting range of 41.3p to 44.6p with a mean of 43.0p

8 - Expansion markets comprises Spain, the Netherlands and Belgium plus management fees earned in relation to the joint venture in Germany (previously shown in UK segment)

9 - Where reported amounts are presented either to the nearest £0.1m or to the nearest 10,000 sq ft, the underlying variance presented may be significantly different to the variance calculated on the rounded numbers

Enquiries

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Notes to Editors

- Safestore is the UK's largest self-storage group with 203 stores on 26 November 2024; comprising 138 in the UK (including 77 in London and the South East with the remainder in key metropolitan areas such as Manchester, Birmingham, Glasgow, Edinburgh, Liverpool, Sheffield, Leeds, Newcastle, and Bristol), 30 in the Paris region, 15 in Spain, 14 in the Netherlands and 6 in Belgium. In addition, the Group operates 7 stores in Germany under a Joint Venture agreement with Carlyle.
- Safestore operates more self-storage sites inside the M25 and in central Paris than any competitor providing more proximity to customers in the wealthiest and more densely populated UK and French markets.
- Safestore was founded in the UK in 1998. It acquired the French business "Une Pièce en Plus" ("UPP") in 2004 which was founded in 1998 by the current Safestore Group CEO Frederic Vecchioli.
- Safestore has been listed on the London Stock Exchange since 2007. It entered the FTSE 250 index in October 2015.
- The Group provides storage to around 96,000 personal and business customers.
- As of 31 October 2024, Safestore had a maximum lettable area ("MLA") of 8.59 million sq ft (excluding the expansion pipeline stores) of which 6.41 million sq ft was occupied.
- Safestore employs around 800 people in the Group.

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