

Safestore Holdings Limited

Annual report and financial statements

for the year ended 31 October 2004

Registered number: 4726380

Safestore Holdings Limited

Annual report and financial statements for the year ended 31 October 2004

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Safestore Holdings Limited

Directors and advisors for the year ended 31 October 2004

Directors

S W Williams

R D Hodsden

A D Payne

V M L Gwilliam

J A von Spreckelsen (Appointed 29/09/04)

T A E Brookes (Appointed 03/10/03, resigned 19/03/04)

Secretary

R D Hodsden

Registered office

Brittanic House

Stirling Way

Borehamwood

Hertfordshire

WD6 2BT

Bankers

The National Westminster Bank Plc

15 Bishopsgate

London

EC2P 2AP

The Royal Bank of Scotland plc

280 Bishopsgate

London

EC2M 4RB

Barclays Bank Plc

50 Pall Mall

London

SW1A 1QA

Solicitors

Wragge & Co

55 Colmore Row

Birmingham

B3 2AS

Auditors

PricewaterhouseCoopers LLP

Cornwall Court

19 Cornwall Street

Birmingham

B3 2DT

Safestore Holdings Limited

Chairman's statement

It has been another year of significant progress in the history of Safestore Holdings Limited following on from the acquisition of the Safestore Plc group completed in September 2003. Whilst the underlying business of Safestore has continued to grow ahead of expectations, we have considerably altered the size and nature of the business by completing the acquisition of Mentmore plc. Additionally, since the year end Safestore Holdings Limited, through its subsidiaries completed the acquisition of Access Storage Holdings (France) S.a.r.l., a company registered in Luxembourg which owns the entire operation of Access in France.

Safestore has also opened two further stores in London with a further three stores planned to open in the UK and France during the remainder of the current financial year. Over and above this we continue to build a pipeline of potential new stores, which we expect to steadily come on-line. Safestore is now the UK market leader and one of the largest companies in Europe offering storage solutions.

Acquisition of Mentmore plc

On 28 April 2004, the board of Mentmore plc and Safestore Holdings Limited announced that they had agreed the terms of recommended proposals for the acquisition by the Safestore group of the entire share capital of Mentmore plc by way of a Scheme of Arrangement.

The proposal valued each Mentmore share at 115 pence valuing the Mentmore group at £209m. The transaction was declared effective on 23 June 2004 with Mentmore delisting and re-registering as Mentmore Limited on the same date. The acquisition of Mentmore, and more specifically the self-storage businesses of Spaces in the UK and Une Piece en Plus ("UPP") in France, represents a significant step change. In the UK, as at 31 October 2004, the combined entity of Safestore and Spaces had sixty seven self-storage centres, three business centres and two investment properties, generating considerable rental income. This is augmented by a further seven self-storage centres in France.

This acquisition makes Safestore the clear No 1 provider of self-storage in the UK and the only genuine national provider. This development is consistent with our mission: "Create the No 1 self-storage company by delivering success through growth, value and exceptional customer service".

Acquisition of Spacia Safestore Limited

Spacia Safestore Limited was a joint venture set up between Safestore Limited and Network Rail (Spacia) Limited. On 28 July 2004, Safestore Limited completed the acquisition of the remaining 50% of the issued share capital of Spacia Safestore Limited from Network Rail (Spacia). Spacia Safestore Limited, whose name was changed to Safestore Bermondsey Limited, became a 100% subsidiary of the group from this date.

Acquisition of Access Storage Holdings (France) S.a.r.l.

On 7 April 2005 Safestore Holdings Limited, through its subsidiaries completed the acquisition of Access Storage Holdings (France) Limited ("Access France"). The enlarged business is now the market leader in Paris and number 2 in France. Over time all the stores will be re-branded to UPP.

Results of the Safestore group for the year ended 31 October 2004

Turnover for the Safestore Holdings group for the year was £23.3m (2003: £862,000) and operating profit was £6.3m (2003: loss of £1.7m). These results include turnover for the four month period post acquisition of the Mentmore group of £11.3m and operating profit before exceptional items and goodwill was £3.7m.

I am pleased to report another year of excellent progress for the original Safestore group of companies. The company has continued to improve the quality of its sites, focussing on high visibility stores on major arterial roads. To this end, we have opened new stores at Staples Corner (November 2004) and Pentonville Road (April 2005). Both of these new stores are trading well above expectation. We have continued to apply proven retail techniques and the results show in the core and ancillary sales.

Safestore Holdings Limited

Chairman's statement (continued)

Due to the acquisition accounting of Safestore in 2003, the profit and loss account in 2004 does not contain full year comparatives. The analysis below compares the results for the original Safestore group companies to the full year results in 2003.

Overall, turnover for the original Safestore group has increased by 33% to £11.9m (2003: £8.9m) and operating profit before exceptional items and goodwill has increased to £1.9m (2003: loss of £0.2m). As at 31 October 2004, square foot let to self-storage stood at circa 511,000 square feet, an increase of 19% over last year. The outcome of our concerted focus on ancillary sales continues to exceed our expectations. We are the market leader in this area with merchandise, insurance and other sales representing 21.7% of storage income during the year (2003: 20.5%).

Proforma results for the combined entity

The consolidated financial statements for Safestore Holdings Limited are set out on pages 9 to 35. The attached financial statements only bring in the results of the combined group from the date of acquisition which does not, in the view of the Directors, give an accurate reflection of the size and nature of the new combined group. Set out below is an extract from the aggregate management accounts of the combined group which shows how the new group trading would have looked had the businesses been one group throughout the year under review and for the prior year.

Proforma trading statement for the combined business (Unaudited)

	2004		2003
	Proforma	Percentage change	Proforma
	£'000		£'000
Self storage revenue	35,589	16.6%	30,528
Ancillary sales	5,511	14.0%	4,836
Office, parking and other income	3,012	11.1%	2,711
Total revenue	44,112	15.9%	38,075
Store operating costs	(21,573)	(3.4%)	(20,865)
EBITDA (pre central costs)	22,539	31.0%	17,210

Safestore Holdings Limited

Chairman's statement (continued)

Reconciliation from pro-forma trading statement to results as reported in the profit and loss account

	Existing UK £'000	Acquisitions UK £'000	Acquisitions France £'000	Total £'000
Turnover				
Pro-forma	11,822	28,348	3,942	44,112
Impact of acquisitions	-	(18,427)	(2,516)	(20,943)
As reported	11,822	9,921	1,426	23,169
EBITDA (post central costs)				
Pro-forma	3,099	13,992	373	17,464
Impact of acquisitions	-	(9,266)	(124)	(9,390)
As reported	3,099	4,726	249	8,074
Depreciation and amortisation				
Pro-forma	1,330	2,714	708	4,752
Impact of acquisitions	-	(1,656)	(470)	(2,126)
As reported	1,330	1,058	238	2,626
Operating profit				
Pro-forma	1,769	11,278	(335)	12,712
Impact of acquisitions	-	(7,610)	346	(7,264)
Exceptional items	1,079	(177)	-	902
Share of JV operating profit	(37)	-	-	(37)
As reported	2,811	3,491	11	6,313

The proforma results for the combined group set out above indicate the improvements achieved. A strong revenue performance in all categories resulted in total revenue for the year ended 31 October 2004 increasing by 16% year on year with the EBITDA of the stores (pre central costs) increasing by 31% for the same period. The ability of the company to steadily increase revenue whilst controlling costs underpins the business model of the company.

Our established stores continue to trade well with newer stores performing significantly ahead of expectations. Revenues have increased primarily through the increase in let square footage, controlled price management and the continued growth of our insurance and merchandise sales. This, together with the tight control of operating costs has resulted in the improved margins across the business. As at 31 October 2004, the combined business had over 1.9m square foot let to self-storage in the UK with a further 0.2m let in France. This represented an 8% increase over the combined occupancy levels of both Safestore and Mentmore for the prior year.

Chairman's statement (continued)

Operations

Over the past two years the management have proven their ability to grow through both an organic store opening programme and M&A activity. The Company will continue its programme to fit out undeveloped space and extend stores where appropriate. In addition the company will acquire and open stores at an aggressive rate when the opportunity arises. To facilitate this, the group has in place a £30m facility with its banks to fund the expansion programme over the next four years.

The expansion programme encompasses the whole of the UK as well as further expansion of UPP in France. Further expansion within Europe remains a viable opportunity for the group.

People

The company recognises the significant role our people play in the success of the business and I would like to take this opportunity to thank all my colleagues throughout the business for their hard work and dedication during the integration process. In addition I am delighted to welcome our new colleagues from Access France to the business and look forward to working closely with them in the future.

Outlook

The next twelve months provide an exciting challenge for the Safestore Holdings group of companies. We will continue to be focussed on integrating the existing businesses of Safestore, Spaces, Une Piece en Plus and Access France into one industry leading business under the Safestore brand in the UK and UPP in France.

I am confident that the breadth of experience of the Board allied to the retail skills of the management team, together with the dedication of the staff will ensure the company maintains the progress and momentum of the past twelve months. Notwithstanding the general economic conditions there is a major market opportunity for Safestore to explore. We will continue to do so with focus, rigour and with a firm eye on improving the overall performance on the enlarged group.



J.A. von Spreckelsen
Chairman

15 July 2005

Safestore Holdings Limited

Directors' report for the year ended 31 October 2004

The directors present their annual report and the audited financial statements of the group and company for the year ended 31 October 2004.

Principal activities

The principal activity of the group during the year is the provision of self storage.

Review of business

A review of the group's business is set out in the Chairman's report attached to these financial statements. The company operated as a holding company throughout the year. The directors consider that the results of the company were satisfactory.

Results and dividends

The results for the year are set out on page 9. No dividend has been recommended for the year (2003: £nil).

Directors and their interests

Details of the directors who served throughout the year are set out below:

S W Williams
R D Hodsden
A D Payne
V M L Gwilliam
J A von Spreckelsen (Appointed 29/09/04)
T A E Brookes (Appointed 03/10/03, resigned 19/03/04)

As at 31 October 2004, the following directors had an interest in the issued share capital of the company:

	2003	Acquired	2004
S W Williams	136,000	-	136,000
R D Hodsden	54,000	-	54,000
J A von Spreckelsen	-	25,000	25,000

No other directors had any interest in the issued share capital of the company during the year or at 31 October 2004.

Employees

The company places great value in its employees, and their involvement in the business. The company recognises the importance of good communication with its staff and internal communications are designed to ensure that all employees are well informed about the business of the company. These include training and staff briefing. It is the policy of the company to give equal opportunity of employment to disabled and able persons according to their suitability to perform the work required. The services of existing employees who are or who become disabled are retained wherever practicable and the company is committed to applying the provisions of the Disability Discriminations Act 1995.

Safestore Holdings Limited

Directors' report for the year ended 31 October 2004 (continued)

Political and charitable contributions

The company made no political and charitable donations during the period (2003: £nil).

Valuation of tangible fixed assets

The directors consider the carrying value of tangible fixed assets is not materially different from the market value as at 31 October 2004.

Creditor payment policy

The company aims to pay all their suppliers within the payment terms negotiated with each individual supplier. The company had 113 days purchases (2003: 126 days purchases) outstanding at 31 October 2004 based on the average daily amount invoiced by suppliers during the year ended 31 October 2004.

Statement of directors' responsibility

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 October 2004 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors of the company will be proposed at the annual general meeting.

Approved by the Board of Directors and signed on behalf of the Board.



R D Hodsdon
18 July 2005

Independent auditors' report to the members of Safestore Holdings Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the statement of recognised gains and losses, the cash flow statement and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises the Chairman's statement and the directors' report.

Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company and the group's affairs at 31 October 2004 and of the loss and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
18 July 2005

Safestore Holdings Limited

Consolidated profit and loss account for the year ended 31 October 2004

	Notes	Continuing operations £'000	Acquisitions £'000	Year to 31 October 2004 Total £'000	Six week period ended 31 October 2003 Total £'000
Turnover (including share of joint venture)					
Group turnover		11,948	11,347	23,295	862
Less: share of joint venture		(126)	-	(126)	(23)
Turnover	2	11,822	11,347	23,169	839
Cost of sales		(7,035)	(5,908)	(12,943)	(454)
Gross profit		4,787	5,439	10,226	385
Distribution costs		-	(596)	(596)	(49)
Administrative expenses		(1,939)	(1,341)	(3,280)	(1,491)
Operating profit/(loss) before exceptional items and goodwill amortisation		1,769	3,679	5,448	(18)
Impairment of the investment in the joint venture	5	1,079	-	1,079	(1,137)
Goodwill impairment	5	-	(177)	(177)	-
Operating profit/(loss)	3,4	2,848	3,502	6,350	(1,155)
Share of operating loss of joint venture		(37)	-	(37)	(536)
Group operating profit /(loss) before interest and taxation		2,811	3,502	6,313	(1,691)
Interest receivable and similar income	7			531	21
Interest payable and similar charges	8			(10,010)	(335)
Loss on ordinary activities before taxation				(3,166)	(2,005)
Taxation on loss on ordinary activities	9			(512)	-
Loss for the financial year/period	20			(3,678)	(2,005)

All turnover is derived from continuing activities.

There is no difference between the loss on ordinary activities before taxation and the loss for the financial year/period as stated above and their historical cost equivalent.

The notes on pages 13 to 35 form part of these financial statements.

Safestore Holdings Limited

Statement of total recognised gains and losses for the year ended 31 October 2004

		2004	2003
	Note	£'000	£'000
Loss for the financial year/period		(3,678)	(2,005)
Exchange adjustments		265	-
Actuarial loss recognised in the pension scheme	26	(21)	-
Movement on deferred tax relating to pension deficit	26	(4)	-
Total recognised losses since last annual report	21	(3,438)	(2,005)

Safestore Holdings Limited

Balance sheet as at 31 October 2004

	Note	Group 2004 £'000	Company 2004 £'000	Group 2003 £'000	Company 2003 £'000
Fixed assets					
Intangible assets	10	-	-	-	-
Tangible assets	11	193,370	192	39,141	-
Investments in subsidiaries	13	-	979	-	979
Investment in joint venture	13	-	-	(620)	-
		193,370	1,171	38,521	979
Current assets					
Debtors - amounts falling due within one year	14	10,098	362	1,806	8
- amounts falling due after more than one year	14	-	85,995	-	40,301
Cash at bank and in hand		16,766	128	4,258	857
		26,864	86,485	6,064	41,166
Creditors: amounts falling due within one year	15	(22,960)	(3,838)	(7,731)	(3,832)
Net current assets/(liabilities)		3,904	82,647	(1,667)	37,334
Total assets less current liabilities		197,274	83,818	36,854	38,313
Creditors: amounts falling due after more than one year	16	(198,658)	(83,071)	(37,956)	(37,956)
Provisions for liabilities and charges	18	(2,645)	-	(443)	-
Net (liabilities)/assets excluding pension deficit		(4,029)	747	(1,545)	357
Pension deficit	26	(494)	-	-	-
Net (liabilities)/assets including pension deficit		(4,523)	747	(1,545)	357
Capital and reserves					
Called up share capital	19	24	24	19	19
Share premium account	20	896	896	441	441
Profit and loss account	20	(5,443)	(173)	(2,005)	(103)
Equity shareholders' funds/(deficit)	21	(4,523)	747	(1,545)	357

These financial statements were approved by the Board of Directors on 18 July 2005 and signed on behalf of the Board of Directors.



Director

The notes on pages 12 to 35 form part of these financial statements.

Safestore Holdings Limited

Consolidated cash flow statement for the year ended 31 October 2004

	Note	2004 £'000	2003 £'000
Net cash inflow /(outflow) from operating activities	22	7,000	(1,513)
Returns on investments and servicing of finance			
Interest received		531	65
Interest paid		(10,440)	-
Net cash (outflow)/inflow from returns on investments and servicing of finance		(9,909)	65
Taxation		1,172	-
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(2,979)	(117)
Net cash outflow for capital expenditure and financial investment		(2,979)	(117)
Acquisitions			
Purchase of subsidiary undertakings	12	(129,211)	(40,884)
Cash acquired with subsidiary undertakings	12	7,208	2,978
Net cash outflow for acquisitions		(122,003)	(37,906)
Net cash outflow before use of financing		(126,719)	(39,471)
Financing			
Issue of ordinary share capital	19	460	460
Increase in borrowings		138,292	43,269
Net cash inflow from financing		138,752	43,729
Increase in net cash		12,033	4,258

Reconciliation of net cash flow to movement in net debt

	Note	2004 £'000	2003 £'000
Increase in cash in the year		12,033	4,258
Cash inflow from change in net debt and lease financing		(138,292)	(43,269)
		(126,259)	(39,011)
Loans and finance leases acquired with subsidiary undertakings		(24,694)	-
Non-cash movements		5,320	2,604
Change in net debt resulting from cash flows		(145,633)	(36,407)
Opening net debt		(36,407)	-
Closing net debt	23	(182,040)	(36,407)

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004

1 Accounting policies

The financial statements are prepared in accordance with applicable accounting standards in the UK. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements consolidate the financial statements of Safestore Holdings Limited and all its subsidiaries at the year end using acquisition accounting principles. The financial results of the acquired Mentmore group have been incorporated into the group financial statements from the date of acquisition (see note 12).

Acquisitions

On acquisition of a business, fair values are attributed to the group's share of assets and liabilities. Where the fair value of consideration exceeds the values attributable to such assets, the difference is treated as purchased goodwill and following the implementation of FRS 10 "Goodwill and Intangible Assets", is capitalised in the group balance sheet in the year of acquisition.

Goodwill

For acquisitions of a business, including an interest in an associated undertaking, following the implementation of FRS 10 "Goodwill and Intangible Assets", purchased goodwill is capitalised in the year in which it arises and amortised over its estimated useful life up to a maximum of 20 years. The directors regard 20 years as a reasonable maximum for the estimated useful life of goodwill since it is difficult to make projections exceeding this year. Capitalised purchased goodwill in respect of subsidiaries is included within intangible fixed assets.

Turnover

Turnover consists of the invoiced value for goods and services supplied to third parties.

Tangible fixed assets

Depreciation has been charged at the rate of 2% per annum on the buildings element of the cost of the stores, after excluding the residual value of the buildings.

On other assets depreciation is provided to write off the cost in equal annual instalments over the estimated useful lives of the assets. Land is not depreciated.

The rates of depreciation are as follows:

Freehold buildings	2% per annum
Leasehold buildings	Period of lease
Plant, equipment, computers and office equipment	25% per annum
Motor vehicles	25% per annum
Fixtures, fittings, signs and partitioning	6.66% - 10% per annum
Mezzanine floors	7% per annum

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

1 Accounting policies (continued)

Investments

Investments held as fixed assets are stated at cost less provision for impairment.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods which the timing differences are expected to reverse, based on tax rates and laws that have been enacted, or substantially enabled by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Leases

Operating lease rentals are charged to income in equal annual amounts over the lease term.

Pension costs

The group operates both a defined contribution scheme and a defined benefit scheme. The group's contributions to the defined contribution scheme are charged to the profit and loss account as they fall due. The defined benefit scheme was acquired on acquisition of the Mentmore group during the year. The scheme has been closed to new members post acquisition and has no active members at the year end (See note 26).

Finance costs

In accordance with FRS 4, all finance costs which are directly attributable to the issuing of debt are capitalised against the debt and amortised at a constant rate over the life of the debt facility. Where the debt facility is renegotiated, the associated finance costs which have been capitalised against the debt are charged to the profit and loss account.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Translations in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

The balance sheet of overseas subsidiary undertakings are translated at the rate of exchange at the balance sheet date. The profit and loss account of overseas subsidiary undertakings are translated at the average exchange rate for the year.

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

2 Segmental analysis

Turnover all relates to the group's principal business activity of the provision of self storage. The table below shows turnover, operating profit and net liabilities by origin for 2004 (2003: UK only):

	2004	2004	2004	2003
	UK	Europe	Total	UK
	£'000	£'000	£'000	£'000
Turnover	21,743	1,426	23,169	839
Operating profit	6,302	11	6,313	(1,691)
Net liabilities	(4,512)	(11)	(4,523)	(1,545)

3 Information regarding directors and employees

	2004	2003
	Number	Number
Monthly average number of employees (including directors):		
Sales	158	93
Administration	13	11
	171	104

	2004	2003
	£'000	£'000
The costs incurred in respect of these employees were:		
Wages and salaries	3,346	178
Social security costs	313	15
Pension costs (See note 26)	44	3
	3,703	196

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

3 Information regarding directors and employees (continued)

Remuneration of directors:					2004
	Fees	Basic salary	Annual bonus	Benefits in kind	Total
	£'000	£'000	£'000	£'000	£'000
Fees	-	-	-	-	-
Salary and other emoluments	-	212	183	25	420
	-	212	183	25	420

Remuneration of directors:					2003
	Fees	Basic salary	Annual bonus	Benefits in kind	Total
	£'000	£'000	£'000	£'000	£'000
Fees	-	-	-	-	-
Salary and other emoluments	-	16	73	2	91
	-	16	73	2	91

Remuneration of highest paid director:		2004	2003
		£'000	£'000
Aggregate emoluments		271	-
Company contributions paid to money purchase scheme		19	-
		290	-

The company paid pension contributions of £27,000 (2003: £2,000) during the year to the directors. There were 2 directors (2003: 2) accruing benefits under a money purchase scheme.

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

4 Operating profit/(loss)

	2004	2003
	£'000	£'000
Operating profit / (loss) is after charging:		
Depreciation	2,626	97
Rentals under operating leases - Plant and machinery	35	-
Rentals under operating leases - Other	2,295	108
Auditors' remuneration		
Audit fees	93	35
Non audit fees		
- tax compliance	15	-
- other	1,335	1,170

5 Exceptional items

	2004	2003
	£'000	£'000
Impairment of joint venture	(1,079)	1,137
Impairment of goodwill (See notes 10 and 12)	177	-
	(902)	1,148

During the year, the group acquired the remaining 50% share capital of the joint venture (Safestore Bermondsey Limited) from Railtrack. Goodwill on acquisition amounted to £177,000. Based on a review of future forecast cash flows the director's have taken the decision to fully write off the goodwill in the current year. The impairment in the loan to the joint venture made in 2003 has been reversed in 2004 to its recoverable amount.

6 Result of parent company

As permitted by Section 230 of the Companies Act, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year amounted to £70,000 (2003: £103,000).

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

7 Interest receivable and similar income

	2004	2003
	£'000	£'000
Interest receivable on bank deposits	405	21
Other	126	-
	531	21

8 Interest payable and similar charges

	2004	2003
	£'000	£'000
Interest payable on bank loans and overdrafts	3,952	150
Interest payable on other loans	3,754	141
Amortisation of issue costs on bank loan	893	44
Write off of issue costs on refinancing	1,351	-
Share of interest in joint venture	53	-
Other financial expenses (note 26)	7	-
	10,010	335

9 Taxation on the loss on ordinary activities

	2004	2003
	£'000	£'000
UK corporation tax on losses for the year	2	-
Deferred tax		
Charge for the year	510	-
Tax charge on loss on ordinary activities	512	-

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

9 Taxation on the loss on ordinary activities (continued)

The tax assessed for the year is higher than (2003: higher than) the standard rate of corporation tax in the UK - 30% (2003: 30%). The differences are explained below:

	2004	2003
	£'000	£'000
Loss on ordinary activities before tax	(3,166)	(2,005)
Loss on ordinary activities multiplied by the standard rate in the UK of 30%	(950)	(602)
Effects of:		
Expenses not deductible for tax purposes	48	157
Accelerated capital allowances and other timing differences	(510)	445
Difference in UK/Overseas tax rates	(4)	-
Amounts charged directly to reserves	71	-
Unrelieved tax losses	1,332	-
Utilisation of tax losses not recognised	32	-
Other	(17)	-
Current tax charge for year/period	2	-

10 Intangible assets

	2004 £'000 Total
Cost	
As at 1 November 2003	-
Additions (Note 12)	177
As at 31 October 2004	177
Accumulated amortisation	
As at 1 November 2003	-
Impairment (see note 5)	(177)
At 31 October 2004	(177)
Net book amount	
At 31 October 2004 and 31 October 2003	-

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

11 Tangible fixed assets

	Land and buildings	Plant and equipment, computers and office equipment	Motor vehicles	Fixtures, fittings, signs and partitioning	Total
Group	£'000	£'000	£'000	£'000	£'000
Cost					
At 31 October 2003	33,875	454	94	8,153	42,576
Fair value of assets acquired during year (see note 12)	160,834	3,427	44	13,330	177,635
Additions	1,030	156	109	1,684	2,979
Exchange movements	28	6	-	255	289
At 31 October 2004	195,767	4,043	247	23,422	223,479
Accumulated depreciation					
At 31 October 2003	733	240	9	2,453	3,435
Depreciation on assets acquired during year	17,533	1,422	28	4,990	23,973
Charge for the year	1,187	250	40	1,149	2,626
Exchange movements	-	4	-	71	75
At 31 October 2004	19,453	1,916	77	8,663	30,109
Net book value					
At 31 October 2004	176,314	2,127	170	14,759	193,370
At 31 October 2003	33,142	214	85	5,700	39,141

The group has chosen to continue to record the fixed assets acquired at their original cost and accumulated depreciation. The group has no assets under finance leases.

Included within land and buildings is £30,945,000 (2003: £nil) of land which is not depreciated.

The company does not hold any fixed assets.

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

11 Tangible fixed assets (continued)

	2004	2003
	£'000	£'000
Analysis of net book value of land and buildings – freehold and long leasehold		
Freehold	118,604	21,053
Leasehold (over 50 years unexpired)	17,809	3,133
	136,413	24,186

12 Acquisitions

Safestore Plc

Safestore Plc was acquired on 16 September 2003 when the deal was declared unconditional, and the group's provisional assets and liabilities are included in the consolidated balance sheet at 31 October 2003. The provisional and final fair values are as follows:

	Provisional and final fair value
	£'000
Tangible fixed assets	39,121
Investment in joint venture	1,053
Cash	2,978
Debtors	2,254
Creditors	(4,079)
Provisions	(443)
Net assets acquired	40,884
Consideration	
Cash	40,884
Goodwill arising on the acquisition	-

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

12 Acquisitions (continued)

Mentmore Plc

Mentmore Plc was acquired on 23 June 2004 when the deal was declared unconditional, and the group's provisional assets and liabilities are included in the consolidated balance sheet at 31 October 2004. The provisional fair values are as follows:

	Net book value 2004 £'000	Revaluations £'000	Consistency of accounting policy £'000	Other £'000	Provisional fair values 2004 £'000
Intangible assets	39,581	-	-	(39,581)	-
Tangible fixed assets	94,692	58,970	-	-	153,662
Cash	7,615	-	-	-	7,615
Stock	387	-	(387)	-	-
Debtors	7,795	-	(539)	335	7,591
Creditors	(36,694)	-	-	(189)	(36,883)
Overdraft	(407)	-	-	-	(407)
Deferred tax	(2,011)	-	-	152	(1,859)
Pension liability	-	-	-	(508)	(508)
Net assets acquired	110,958	58,970	(926)	(39,791)	129,211
Consideration					
Cash					129,211
Goodwill arising on the acquisition					-

For the period ended 23 June 2004 (year ended 30 April 2003), Mentmore Plc reported an unaudited/(audited) turnover of £49,285,000 (2003: £82,102,000), an operating profit/(loss) before exception items of £19,188,000 (2003: £38,724,000), exceptional profits of £24,792,000 (2003: £1,588,000) and a profit/(loss) after tax of £33,514,000 (2003: £53,869,000).

A valuation of the Mentmore group's freehold and leasehold properties was undertaken at 6 April 2004, on the basis of existing use and alternative use value by an independent qualified valuer. The valuation was undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors in the United Kingdom by Drivas Jonas, a firm of independent Chartered Surveyors. The directors have assessed that the fair value of the property portfolio at the date of acquisition is in line with the valuation and have accordingly uplifted the value of the portfolio by £73,580,000 respectively. Fixed assets within stores have been written down by £14,610,000 as a result of the valuation.

Acquired goodwill within the Mentmore group has been written off on acquisition. The Safestore group has adopted FRS 17 on the acquisition of the Mentmore group, and has recognised the defined benefit liability at fair value on acquisition of £508,000 and an associated deferred tax asset of £152,000 (see note 26).

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

12 Acquisitions (continued)

Mentmore Plc (continued)

Other fair value adjustments relate to the alignment of accounting policies for bad debt provisioning and derecognition of consumable stocks and write off within the acquired group.

Safestore Bermondsey Limited (formerly Safestore Spacia Limited)

The share capital of Safestore Bermondsey Limited not already held was acquired on 28 July 2004, and the company's provisional assets and liabilities are included in the consolidated balance sheet at 31 October 2004. The provisional fair values are as follows:

	Book value	Adjustments	Provisional
	£'000	£'000	£'000
Net liabilities acquired	(979)	802	(177)
Consideration			
Cash			-
Goodwill arising on the acquisition (See note 10)			177

For the year ended 31 October 2003, Safestore Bermondsey Limited reported an audited loss after tax of £1,571,000 and for the period ended 28 July 2004, an unaudited provisional loss after tax of £180,000.

Fair value adjustments of £802,000 were made to record a reduction in the loan notes payable to Network Rail (Spacia) Limited.

13 Investments

	2004
	Shares in subsidiaries
Cost	£'000
At 31 October 2003 and at 31 October 2004	979

Investments in group undertakings are stated at cost. The directors consider that to give full particulars of all subsidiary undertakings would lead to a statement of excessive length. A list of principal subsidiary undertakings is given below. A full list of subsidiary undertakings at 31 October 2004 will be annexed to the company's next annual return.

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

13 Investments (continued)

Subsidiaries	Country of registration and operation	Activity	Portion of ordinary shares held (%)	Note
Safestore Group Limited	England and Wales	Holding company	100	
Safestore Acquisitions Limited	England and Wales	Holding company	100	1
Spaces Personal Storage Limited (formerly Safestore Limited)	England and Wales	Holding company	100	2
Safestore Trading Limited	England and Wales	Provision of self storage	100	3
Mentmore Limited	England and Wales	Holding company	100	4
Safestore Limited (formerly Spaces Personal Storage Limited)	England and Wales	Provision of self storage	100	5
Abbey Une Pièce En Plus SA	France	Holding company	100	6
Une Pièce En Plus SAS	France	Provision of self storage	100	6

Note

- 1 Safestore acquisition Limited is a 100% subsidiary of Safestore Group Limited
- 2 Spaces Personal Storage Limited is a 100% subsidiary of Safestore Acquisition Limited
- 3 Safestore Trading Limited is a 100% subsidiary of Spaces Personal Storage Limited
- 4 Mentmore Limited is a 100% subsidiary of Safestore Acquisition Limited
- 5 Safestore Limited is a 100% subsidiary of Mentmore Limited
- 6 Abbey Une Pièce En Plus SA is a 100% subsidiary of Mentmore Limited. Une Pièce En Plus SA is a 100% subsidiary of Abbey Une Pièce En Plus SA.

14 Debtors

	2004		2003	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	3,454	-	390	-
Other debtors	733	350	205	8
Corporation tax	802	-	-	-
Prepayments and accrued income	5,109	12	1,199	-
Amounts owed by Joint Venture	-	-	12	-
	10,098	362	1,806	8
Amounts falling due in more than 1 year				
Amounts owed by subsidiary undertakings	-	85,995	-	40,301

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

15 Creditors: amounts falling due within one year

	2004		2003	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	475	-	2,709	2,709
Trade creditors	3,795	245	1,319	538
Other taxes and social security	667	-	-	-
Other creditors	8,471	-	-	-
Accruals and deferred income	9,552	3,593	3,703	585
	22,960	3,838	7,731	3,832

16 Creditors: amounts falling due after one year

	2004		2003	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Bank loans and other borrowings	198,331	80,536	37,956	37,956
Amounts owed to group undertakings	-	2,535	-	-
Other creditors	327	-	-	-
	198,658	83,071	37,956	37,956

Finance costs of £5.32m (2003: £2.6m) have been capitalised against bank loans and other borrowings and are being amortised over the life of the banking facility.

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

17 Loans and other borrowings

	2004	2003
	£'000	£'000
Deep discounted bonds and loan notes (a)	80,536	18,560
Deferred consideration for acquisitions (b)	7,348	-
Bank loans and overdrafts (c)	110,922	24,709
	198,806	43,269

- a) £32,791,000 of zero coupon loan notes were issued at a discounted value of £18,560,000 during 2003. The loan notes are redeemable in 2009 and 2010 and bear interest at 9%. Deep discounted bonds totalling £64,575,000 were issued in June 2004 as part of the acquisition of Mentmore Plc group. The bonds bear interest of 9% and are redeemable between 2 -5 years. Deep discounts bonds and loan notes are stated net of unamortised issue costs of £2,599,000 (2003: £nil). The Company incurred total issue costs of £2,750,000 in respect of the raising of debt entered into in June 2004 to fund the acquisition of Mentmore Plc group. These costs together with the interest expense are allocated to the profit and loss account over the five year term of the debt at a constant rate on the carrying amount.
- b) Deferred consideration for acquisitions relates to deferred loan notes payable for the acquisition of a subsidiary by Mentmore Plc. The loan notes bear interest of 0.5% below LIBOR and are redeemable between 1 to 2 years.
- c) As part of the refinancing of the group during the year, the group repaid the outstanding bank loans at 31 October 2003 and facilities totalling £115,000,000 were drawn upon in the year which are repayable in between 3 to 5 years. Bank overdrafts are repayable on demand and bear interest at 0.5% above EURIBOR. Bank loans bear interest at LIBOR plus a margin of between 1.75% - 2.00% and are repayable between 3 to 5 years.

Bank loans are stated net of unamortised issue costs of £5,321,000 (2003: £2,603,000). The Company incurred total issue costs of £5,675,000 in respect of the raising of debt entered into in June 2004 to fund the acquisition of Mentmore Plc group. These costs together with the interest expense are allocated to the profit and loss account over the five year term of the debt at a constant rate on the carrying amount.

All bank loans and overdrafts are secured by a fixed charge over the group's freehold property.

	2004	2003
Maturity analysis of debt	£'000	£'000
In one year or less, or on demand	475	2,709
In more than two years, but not more than five years	179,771	22,000
In more than five years	18,560	18,560
	198,806	43,269

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

17 Loans and other borrowings (continued)

Borrowing facilities

The group has the following undrawn committed borrowing facilities available at 31 October 2004 in respect of which all conditions precedent had been met at that date:

	2004	2003
	£'000	£'000
In one year or less, or on demand	-	-
In more than two years, but not more than five years	49,000	-
In more than five years	-	10,555
	49,000	10,555

18 Provisions for liabilities and charges

Group	Provision for legal costs	Environ- mental provision	Vacant property provision	Dilapid- ations provision	Deferred taxation (Note 24)	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 October 2003	125	85	133	100	-	443
On acquisition (See note 12)	-	-	-	-	1,859	1,859
Utilised during the year	-	(57)	(32)	-	-	(89)
Charged/(released) to the profit and loss account	(50)	(28)	-	-	510	432
At 31 October 2004	75	-	101	100	2,369	2,645

Provision for legal costs

A provision for ongoing legal costs and possible costs in relation to an insurance claim of £75,000 has been made and is expected to be utilised between 1 to 3 years.

Vacant property provision

The provision relates to future rental commitments on vacant and sublet properties and the provision is expected to be utilised over a period between 1 and 3 years.

Dilapidation provision

The provision relates to future committed costs at two stores that are expected to be incurred between 2-5 years.

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

19 Called up share capital

	2004	2003
	£'000	£'000
Authorised		
375,000 (2003: 300,000) ordinary shares of 1p each	4	3
2,125,000 (2003: 1,700,000) preferred ordinary shares of 1p each	21	17
	25	20
Called up, allotted and fully paid		
254,625 (2003: 220,000) ordinary shares of 1p each	3	2
2,125,000 (2003: 1,700,000) preferred ordinary shares of 1p each	21	17
	24	19

On 23 June 2004, an ordinary resolution was passed to increase the authorised share capital of the company to £25,000. 34,625 ordinary shares and 425,000 preferred ordinary shares were issued during the year for a consideration of £460,000 generating share premia of £34,000 and £421,000 respectively.

20 Reserves

Group	Share premium account	Profit and loss account
	£'000	£'000
At 31 October 2003	441	(2,005)
Loss for the financial year	-	(3,678)
Share premium on issue of share capital	455	-
Actuarial loss recognised in the pension scheme	-	(21)
Movement on deferred tax relating to pension deficit	-	(4)
Exchange differences	-	265
At 31 October 2004	896	(5,443)
Company		
At 31 October 2003	441	(103)
Loss for the financial year	-	(70)
Share premium on issue of share capital	455	-
At 31 October 2004	896	(173)

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

21 Reconciliation of movements in consolidated shareholders' funds

	2004	2003
	£'000	£'000
Loss for the financial year	(3,678)	(2,005)
Shares issued in the year	5	19
Share premium on shares issued	455	441
Exchange differences	265	-
Actuarial loss recognised in the pension scheme	(21)	-
Movement on deferred tax relating to pension deficit	(4)	-
Net reduction to shareholders' funds	(2,978)	(1,545)
Opening equity shareholders' funds	(1,545)	-
Closing equity shareholders' funds	(4,523)	(1,545)

22 Reconciliation of operating loss to net cash flow from operating activities

	2004	2003
	£'000	£'000
Group operating profit / (loss)	5,448	(18)
Depreciation and amortisation (see note 4)	2,626	97
Non-cash movement	12	-
(Increase)/decrease in debtors	(1,252)	404
Increase / (decrease) in creditors	333	(1,996)
(Decrease)/ increase in provisions for liabilities and charges	(167)	-
Net cash inflow/outflow from operating activities	7,000	(1,513)

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

23 Analysis of movement in net debt

	2003	Cash flows	Acquisitions	Non cash movements	2004
	£'000	£'000	£'000	£'000	£'000
Cash in hand	4,258	4,893	7,615	-	16,766
Overdrafts	-	(68)	(407)	-	(475)
Debt due within 1 year	(2,709)	2,709	-	-	-
Debt due after 1 year	(37,956)	(141,001)	(17,346)	5,320	(190,983)
Deferred acquisition loan notes	-	-	(7,348)	-	(7,348)
	(36,407)	(133,467)	(17,486)	5,320	(182,040)

24 Deferred taxation

The total deferred tax liability which has been provided for in the financial statements is analysed as follows:

	2004 Provided £'000	2003 Provided £'000
Excess of depreciation over capital allowances	2,890	-
Other short term timing differences	(444)	-
Losses	(77)	-
Capital gains/revaluations	-	-
	2,369	-

Unprovided deferred tax at 31 October 2004 comprised of losses totalling £1,721,000 (2003: £464,000), Other short term timing differences of £4,000 (2003: £4,000), Excess of depreciation over capital allowances of £131,000 (£147,000) and £nil (2003: £107,000) in respect of Capital gains/revaluations.

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

25 Financial commitments

At 31 October 2004 the group was committed to making the following payments during the next year in respect of the following operating leases.

	2004		2003	
	Land and buildings	Other	Land and buildings	Other
Operating lease commitments	£'000	£'000	£'000	£'000
Leases which expire:				
Within one year	-	35	-	13
Between two and five years	920	-	234	-
After five years	3,893	-	993	-

26 Pensions

In November 2000 the Accounting Standards Board issued FRS 17 'Retirement benefits' replacing SSAP 24 'Accounting for Pension Costs'. FRS 17 is fully effective for periods beginning on or after 1 January 2005, though the group has adopted the standard early for the year ended 31 October 2004.

As part of the acquisition of Mentmore Plc, the acquired group had a defined benefit scheme for its employees with assets held in separate trustee administered funds. The scheme was closed to new members in 2003, with all existing members transferring to deferred pensioner status.

The most recent actuarial valuations of the Mentmore, Abbey Pension and Life Assurance Scheme was carried out at 31 October 2004 by a qualified independent actuary. The valuation used the projected unit method and the principal assumptions used by the actuary were:

	31 October 2004	23 June 2004
Rate of increase in salaries	-	-
Rate of increase in pensions in payment	3.0%	3.2%
Discount rate	5.5%	5.8%
Inflation assumption	3.0%	3.2%

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

26 Pensions (continued)

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	Long term rate of return expected at 31 October 2004	Fair value at 31 October 2004 £'000	Long term rate of return expected at 23 June 2004	Fair value at 23 June 2004 £'000
Equities and property	7.8%	310	8.1%	297
Fixed interest	5.3%	314	5.6%	296
Cash and other	4.8%	49	4.5%	14
Total market value of assets		673		607
Present value of liabilities		1,167		1,115
Deficit in the plan		(494)		(508)
Related deferred tax asset		148		152
Net pension liability		(346)		(356)

Volatility of FRS 17

It should be noted that the methodology and assumptions prescribed for the purposes of FRS 17 mean that the disclosures will be inherently volatile, varying greatly according to investment market conditions at each accounting date.

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

26 Pensions (continued)

Movement in deficit during the period

	2004
	£'000
Deficit in plan as at 23 June	(508)
Movement in period:	
Current service cost	-
Employers contributions	(43)
Past service costs	-
Other financial income	7
Settlement/curtailment	1
Actuarial gain	21
Deficit in plan at 31 October	(494)

During the period, the company contributed at the rate of £10,800 per month. The current Schedule of Contributions requires the Company to contribute at £10,800 per month.

	2004
Analysis of the amount charged to operating profit	£'000
Current service cost	-
Past service cost	-
Settlement/curtailment	1
Total operating charge (net of employee contributions)	1

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

26 Pensions (continued)

	2004
Analysis of the amount credited to other financial income	£'000
Expected return on plan assets	14
Interest on plan liabilities	(21)
Net return	(7)
	2004
Analysis of amount recognised in statement of total recognised gains and losses	£'000
Actual return less expected return	18
Experience gains and losses	-
Change in assumptions	(39)
Recognised actuarial gain	(21)
	2004
History of experience gains and losses	£'000
Difference between actual and expected return on plan assets	
Amount	18
% of plan assets	3%
Experience gains and losses of plan liabilities	
Amount	-
% of plan liabilities	-%
Total amount recognised in statement of total recognised gains and losses	
Amount	(21)
% of plan liabilities	(2%)

Safestore Holdings Limited

Notes to the financial statements for the year ended 31 October 2004 (continued)

27 Related party transactions

The company has taken advantage of the exemption granted under paragraph 3 of Financial Reporting Standard 8, Related Party Disclosures, not to disclose transactions with group entities.

28 Post balance sheet events

On 7 April 2005 the company through its subsidiaries completed the acquisition of Access Storage Holdings (France) Limited to supplement the existing business of UPP.

29 Contingent liabilities

As part of the group banking, the company has guaranteed the borrowings of fellow group undertakings by way of charge over all of its property and assets. There are similar cross guarantees provided by the group companies in respect of any bank borrowings which the company may draw under a group facility agreement.

30 Controlling party

Bridgepoint Capital Limited and its associated investment funds hold over 50% of the equity of Safestore Holdings Limited. As a result the directors consider that the group is effectively controlled by Bridgepoint Capital Limited, the registered office of which is at 101 Finsbury Pavement, London, EC2A 1EJ.