



FOR IMMEDIATE RELEASE

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Safestore Holdings plc
Third quarter trading update for the period ended 31 July 2008

Safestore Holdings plc ("Safestore" or "the Company"), the largest self storage retailer in the UK and Paris, is pleased to report on its trading progress for the three months ended 31 July 2008.

Financial Highlights*

	Third quarter to 31 July 2008	Third quarter to 31 July 2007	Change
Revenue	£21.3m	£19.3m	10.3%
Like-for-like revenue	£20.3m	£19.0m	7.0%
Average rate per square foot ('sq ft')	£24.01	£21.66	12.8%
Closing occupancy (sq ft)	2,882,078	2,897,541	(0.5)%

* Unaudited figures

Revenue for the third quarter of the financial year increased by 10.3% compared to the same period last year and is up 7.0% over Q2 2008. Trading in the quarter was in line with historical trading patterns. Average rental rate has remained strong and has increased by 12.8% compared to last year and rose by 3.1% over Q2 2008. However, occupancy declined marginally by 0.5% compared to the same period last year but has increased by 1.5% over Q2 2008.

In the UK we have seen a decline in enquiries and new lets from customers moving home during the third quarter. However, those home movers taking space stay longer due to protracted house moving chains or their decision to sell before they buy. Enquiries and new lets from other types of customers requiring space have remained consistent with previous trading years. While we saw good levels of enquiries and new lets in May and June, we experienced lower levels in July, a trend that is broadly consistent with previous years.

The average room size let has dropped marginally leading to a slight softening of occupancy but a strong rate per square foot due to the higher yield per square foot on smaller sized rooms.

In Paris we saw a strong performance in both occupancy growth and rates during the quarter.

Overall revenue and cash flow was broadly in line with the Board's expectations during the quarter, which is traditionally our busiest.

Safestore has a pipeline of 12 expansion stores, all of which are expected to open by the end of 2010. Since the half year the Company has successfully opened three further stores in Hanworth, Chingford and Lafayette (Paris). We now have 112 stores trading (91 UK and 21 Paris) which together with the pipeline stores will deliver approximately 5.5 million square feet of storage space across the UK and Paris.

Steve Williams, Chief Executive Officer, commented:

"Whilst we believe the results for the third quarter demonstrate the resilience of the business model the wider economic environment remains uncertain. The fourth quarter is likely to be more challenging for the sector, but we believe Safestore is well positioned to tackle this given our high quality asset base and our focus on optimizing rates per square foot by managing our space more effectively. These together with the resilience of self storage, the Safestore brand and increasing awareness of self storage will, we believe, continue to underpin our performance.

The Board of Safestore believes that the Company remains well positioned and on course to meet our expectations for the full year."

Ends

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Notes to editors:

- Safestore is the largest self storage provider in the UK and the central Paris region and the second largest in the EU, in terms of number of stores, providing individual, secure self storage space and related services. Over the past four years, the number of stores increased from 24 to 112, 91 of which operate under the 'Safestore' brand in the UK and 21 of which operate under the 'Une Pièce en Plus' brand in France
- The UK is the largest and most established self storage market in Europe. The UK and French markets show lower penetration rates than the US or Australia and, according to the UK Self Storage Association the UK market is expected to grow with a CAGR of 10 to 15 per cent.
- This growth is supported by a number of market trends including: increased workforce mobility, social factors such as high divorce rates and an ageing population, housing stock pressure in the UK and lifestyle trends such as the growth in the home improvement market.
- The Group's business model is supported by a substantial asset base, strong cashflow and a solid record of earnings which are continuing to grow.