

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your ordinary shares, please pass this document together with the accompanying form of proxy to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the ordinary shares.

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**BIG YELLOW GROUP PLC**

[Incorporated in England & Wales under the Companies Act 1985 with registered number 03625199]



**NOTICE OF ANNUAL GENERAL MEETING**

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Notice of the Annual General Meeting of the Company to be held at 20 Moorgate, London EC2R 6DA on Monday 5 July 2010 at 10.00 a.m. is set out in this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible, and in any event no later than 10.00 a.m. on 3 July 2010. Completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting.

# **BIG YELLOW GROUP PLC**

[Incorporated and registered in England and Wales under number 03625199]

Registered Office:  
Unit 2, The Deans  
Bridge Road  
Bagshot  
Surrey  
GU19 5AT

7 June 2010

To Shareholders and, for information only, to participants in the Company's employee share schemes

## Notice of Annual General Meeting

Dear Shareholder,

I am pleased to invite you to the Annual General Meeting ("**AGM**") of the Company to be held on Monday 5 July 2010 at 10.00 a.m. at 20 Moorgate, London EC2R 6DA.

The formal notice of AGM is set out on pages 3 and 4 of this document which sets out the business to be considered at the meeting. Explanatory notes on all the business to be considered at this year's AGM appear on pages 5 to 8 of this document.

If you would like to vote on the resolutions but cannot come to the AGM, please fill in the proxy form sent to you with this document and return it to our registrars as soon as possible. They must receive it by no later than 10.00 a.m. on 3 July 2010. Alternatively, you may register your proxy appointment or voting instructions electronically by visiting [www.eproxyappointment.com](http://www.eproxyappointment.com) or, if you are a member of CREST, by using the CREST electronic appointment service. If you are viewing this letter via the Company's website and you wish to receive a hard copy proxy card, you will need to contact the Company's registrars, Computershare Investor Services PLC, on 0870 889 3226.

The Directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you do so as well.

Yours sincerely



**Nicholas Vetch**

Chairman

# BIG YELLOW GROUP PLC

(Incorporated and registered in England and Wales under number 03625199)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an ANNUAL GENERAL MEETING of Big Yellow Group PLC will be held at 20 Moorgate, London EC2R 6DA on Monday 5 July 2010 at 10.00 a.m. to transact the following business and to consider and, if thought fit, pass the following resolutions (all resolutions will be proposed as ordinary resolutions save for resolutions numbered 10 to 13 which will be proposed as special resolutions):

## ORDINARY RESOLUTIONS

1. To receive the Directors' Report and Accounts and the Auditors' Report thereon for the year ended 31 March 2010.
2. To approve the Directors' remuneration report for the year ended 31 March 2010.
3. Upon the recommendation of the Directors, to declare a final dividend of 4 pence per ordinary share for the year ended 31 March 2010, which shall be payable on 14 July 2010 to shareholders who are on the register of members as at the close of business on 11 June 2010.
4. To re-elect Nicholas Vetch as a Director of the Company, who retires by rotation under the articles of association of the Company.
5. To re-elect Adrian Lee as a Director of the Company, who retires by rotation under the articles of association of the Company.
6. To re-elect Jonathan Short as a Director of the Company, who retires by rotation under the articles of association of the Company.
7. To re-appoint Deloitte LLP as auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company.
8. To authorise the Directors to determine Deloitte LLP's remuneration as auditors of the Company.
9. THAT the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (in substitution for all subsisting authorities to the extent unused) to exercise all powers of the Company to allot shares and to grant rights to subscribe for or to convert any security into shares up to an aggregate nominal amount of £8,732,722 comprising:
  - (a) an aggregate nominal amount of £4,366,361 (whether in connection with the same offer or issue as under (b) below or otherwise); and
  - (b) an aggregate nominal amount of £4,366,361 in the form of equity securities (within the meaning of section 560(1) of the Companies Act 2006) in connection with an offer or issue by way of rights, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever.

This authority shall expire, unless previously renewed, revoked or varied by the Company in general meeting, 15 months after the date of the passing of this resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2011, except that the Company may at any time before the expiry of this authority make any offer or agreement which would or might require shares to be allotted or such rights to be granted after such expiry and the Directors may allot shares or grant such rights in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired.

## SPECIAL RESOLUTIONS

10. THAT the Directors be empowered (in substitution for any previous powers granted to the Directors to the extent unused) pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash pursuant to the general authority conferred on them by resolution 9 above and/or to sell equity securities held as treasury shares for cash pursuant to section 727 of the Companies Act 2006, in each case as if section 561(1) of the Companies Act 2006 did not apply to any such allotment or sale, provided that this power shall be limited to:
  - (a) any such allotment and/or sale of equity securities in connection with an offer or issue by way of rights or other pre-emptive offer or issue, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever; and
  - (b) any such allotment and/or sale, otherwise than pursuant to paragraph (a) above, of equity securities for cash having, in the case of ordinary shares, an aggregate nominal value, or, in the case of other equity securities, giving the right to subscribe for or convert into ordinary shares having an aggregate nominal value, not exceeding the sum of £654,954.

This authority shall expire, unless previously renewed, revoked or varied by the Company in general meeting, at such time as the general authority conferred on the Directors by resolution 9 above expires, except that the Company may at any time before such expiry make any offer or agreement which would or might require equity securities to be allotted or equity securities held as treasury shares to be sold after such expiry and the Directors may allot equity securities and/or sell equity securities held as treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

11. THAT the Company be and is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of its ordinary shares of 10p each provided that:
  - (a) the maximum aggregate number of ordinary shares which may be acquired is 13,099,083 representing approximately 10% of the Company's issued ordinary share capital;
  - (b) the minimum price which may be paid for any such ordinary share is 10 pence per ordinary share (excluding expenses); and
  - (c) the maximum price (exclusive of expenses) which may be paid for an ordinary share is the higher of (i) 5% above the average of the middle market quotations for the ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is purchased and (ii) the price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation (EC 2273/2003).

This authority shall expire, unless previously renewed, revoked or varied, 15 months after the date of the passing of this resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2011, except that the Company may, if it agrees to purchase ordinary shares under this authority before it expires, complete the purchase wholly or partly after this authority expires.

12. THAT the Articles of Association of the Company contained in the document produced to the Meeting and signed by the Chairman for the purposes of identification be approved and adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.
13. THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

Registered Office:  
 Unit 2, The Deans  
 Bridge Road  
 Bagshot  
 Surrey GU19 5AT  
 7 June 2010

By Order of the Board  
 M Cole  
 Company Secretary

**Notes:**

1. A member who is an individual is entitled to attend, speak and vote at the Annual General Meeting or to appoint one or more other persons as his proxy to exercise all or any of his rights on his behalf. Further details of how to appoint a proxy, and the rights of proxies, are given in the paragraphs below. A member that is a company can appoint one or more corporate representatives (such as a director or employee of the company) whose attendance at the meeting is treated as if the company were attending in person, or it can appoint one or more persons as its proxy to exercise all or any of its rights on its behalf. In each case, the person attending the meeting will need to provide the Company or its registrars with evidence of their identity and, if applicable, their appointment as a proxy or corporate representative with authority to vote on behalf of a member.
2. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. To appoint a proxy or proxies, members must complete: (a) a form of proxy, sign it and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, to the Company's registrars, Computershare Investor Services PLC, PO Box 1075, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; or (b) a CREST Proxy Instruction (as set out in paragraph 11 below); or (c) an online proxy appointment at [www.eproxyappointment.com](http://www.eproxyappointment.com) (you will need to enter the Control Number, together with your unique PIN and Shareholder Reference Number printed on your personalised form of proxy), in each case so that it is received no later than 10.00 a.m. on 3 July 2010. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. A personalised proxy form for use in connection with the Annual General Meeting is enclosed with this document. If you do not have a personalised proxy form and believe that you should, or if you require additional forms, please contact the Company's registrars, Computershare Investor Services PLC, on 0870 889 3226.
3. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares each proxy appointment relates to or specifying a number of shares in excess of those held by the member will result in the proxy appointment being invalid.
4. The return of a completed proxy form or any CREST Proxy Instruction (as described in paragraph 11 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
6. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
7. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1, 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
8. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00 p.m. on 3 July 2010 (or, in the event of any adjournment, 6.00 p.m. on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
9. As at 24 May 2010 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consists of 130,990,837 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 24 May 2010 are 130,990,837.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID number 3RA50) by the latest time for receipt of proxy appointments set out in paragraph 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
14. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting, but no such answer need to be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
15. A copy of this Notice, and other information required by section 311A of the Companies Act 2006 can be found at [www.bigyellow.co.uk](http://www.bigyellow.co.uk).
16. You may not use any address and/or electronic address provided in this Notice, or any related documents including the proxy form, to communicate with the Company for any purposes other than those expressly stated.

**Inspection of documents**

The following documents will be available for inspection during normal business hours on any weekday (public holidays excepted) at the registered office of the Company and at the offices of CMS Cameron McKenna LLP, Mitre House, 160 Aldersgate Street, London EC1A 4DD from the date of this Notice until the time of the AGM and at 20 Moorgate, London EC2R 6DA from 15 minutes before the AGM until it ends:

- Copies of the executive Directors' service contracts
- Copies of letters of appointment of the non-executive Directors
- A copy of the proposed new articles of association of the Company, and a copy of the existing articles of association marked to show the changes being proposed in Resolution 12.

## **EXPLANATORY NOTES ON THE RESOLUTIONS TO THE NOTICE OF ANNUAL GENERAL MEETING**

Resolutions 1 to 9 are ordinary resolutions. These resolutions will be passed if more than 50% of the votes cast for or against are in favour.

### **RESOLUTION 1: REPORT AND ACCOUNTS**

The Directors are required by the Companies Act 2006 to present to shareholders at a general meeting the Directors' Report and Accounts and the Auditors' Report for the year ended 31 March 2010.

### **RESOLUTION 2: DIRECTORS' REMUNERATION REPORT**

The Companies Act 2006 requires the Company to seek shareholder approval for the Remuneration Report (which is set out in the Annual Report and Accounts) at the general meeting before which the Company's annual accounts are laid.

### **RESOLUTION 3: DECLARATION OF FINAL DIVIDEND**

The Directors are recommending a final dividend of 4 pence per ordinary share. Subject to approval by the shareholders, the final dividend will be paid on 14 July 2010 to shareholders on the register as at 6.00 p.m. on 11 June 2010. The final dividend will not represent a Property Income Dividend ("PID"). No PID is payable for the year on the basis of the Company's full year distributable reserves for PID purposes, as further explained in the Financial Review section of the Annual Report and Accounts.

### **RESOLUTIONS 4, 5 AND 6: RE-ELECTION OF DIRECTORS**

The Company's Articles of Association require that:

- (a) one third of the Directors (or if their number is not a multiple of three, the number nearest to, but not greater than, one third of the Directors) shall retire from office by rotation; and
- (b) the Directors to retire by rotation shall be first, any Director who wishes to retire and not offer himself for re-election and secondly, those who have been longest in office since their last appointment or reappointment and in addition any Director who has not been re-appointed as a Director at either of the two previous annual general meetings of the Company must retire.

Accordingly, Nicholas Vetch, Adrian Lee and Jonathan Short are retiring and offering themselves for re-election by the shareholders. Short biographies of each of the Directors offering themselves for re-election are contained on page 6 of this document.

### **RESOLUTION 7: RE-APPOINTMENT OF AUDITORS**

The auditors of the Company must be appointed at each general meeting at which accounts are laid, to hold office until the next such meeting. The Directors propose to re-appoint Deloitte LLP as auditors of the Company.

### **RESOLUTION 8: AUDITOR'S REMUNERATION**

This resolution gives the Directors the authority to determine the remuneration of the auditors for the audit work to be carried out by them in the next financial year. The amount of the remuneration paid to the auditors for the next financial year will be disclosed in the next audited accounts of the Company.

### **RESOLUTION 9: AUTHORITY TO THE DIRECTORS TO ALLOT SHARES**

Under the Companies Act 2006, the Directors may only allot shares if authorised to do so. If passed, this resolution will authorise the Directors to allot the Company's unissued shares up to a maximum nominal amount of £8,732,722 (up to 87,327,220 ordinary shares of 10 pence each), which is equal to approximately two-thirds of the issued ordinary share capital of the Company as at 24 May 2010, being the latest practicable date prior to the publication of the notice.

As provided in paragraph (a) of the resolution, up to half of this authority (equal to approximately one-third of the issued ordinary share capital of the Company) will enable the Directors to allot and issue new shares in whatever manner they see fit. Paragraph (b) of the resolution provides that the remainder of the authority (equal to approximately a further one-third) may only be used in connection with a rights issue in favour of ordinary shareholders. As paragraph (a) imposes no restrictions on the way the authority may be exercised, it could be used in conjunction with paragraph (b) so as to enable the whole two-thirds authority to be used in connection with a rights issue. Where usage of this authority exceeds the one-third threshold in the circumstances set out in the guidance issued by the Association of British Insurers (the "ABI"), the Directors will stand for re-election at the following Annual General Meeting, to the extent required by the ABI.

The authority will expire 15 months after the date of passing of the resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2011.

Passing this resolution will ensure that the Directors continue to have the flexibility to act in the best interests of shareholders, when opportunities arise, by issuing new shares. The Directors currently have no intention of issuing new shares, except for the purposes of the Company's employee share schemes.

As at 24 May 2010, being the latest practicable date prior to the publication of the notice, the Company did not hold any shares in treasury.

Resolutions 10, 11, 12 and 13 are special resolutions. These resolutions will be passed if not less than 75% of the votes cast for and against are in favour.

#### **RESOLUTION 10: DISAPPLICATION OF STATUTORY PRE-EMPTION RIGHTS**

The Companies Act 2006 requires that, if the Company issues new shares for cash or sells any treasury shares, it must first offer them to existing shareholders in proportion to their current holdings, in compliance with their statutory pre-emption rights. If passed, this resolution will authorise the Directors to modify these rights to deal with legal, regulatory or practical problems that may arise on a rights or other pre-emptive offer or issue.

The resolution also seeks shareholder authority to issue a limited number of shares for cash and/or sell treasury shares without offering them to shareholders first. The authority is for an aggregate nominal amount of up to approximately 5% of the aggregate nominal value of the issued share capital of the Company as at 24 May 2010, being the latest practicable date prior to the publication of the notice (up to 6,549,540 new ordinary shares of 10 pence each). The authority will expire at the same time as the authority to allot shares given pursuant to resolution 9. In accordance with ABI guidelines, the Directors confirm that they do not intend to issue more than 7.5% of the total issued ordinary share capital for cash on a non-pre-emptive basis in any rolling three-year period.

The Directors consider this authority necessary in order to give them flexibility to deal with opportunities as they arise, subject to the restrictions contained in the resolution.

#### **RESOLUTION 11: AUTHORITY AS TO PURCHASE OWN SHARES**

This resolution will grant the Company authority to buy its own shares in the market, subject to the constraints set out in the resolution. The resolution limits the number of shares that may be purchased to 10% of the issued share capital of the Company as at 24 May 2010, being the latest practicable date prior to the publication of the notice. The resolution sets out the maximum and minimum prices that can be paid.

The Directors' current intention is that shares purchased pursuant to this authority (to the extent statutory requirements are met and provided any treasury shares held do not exceed 10% of the issued share capital of the Company) will be held in treasury for future cancellation, sale for cash, or (provided Listing Rule requirements are met) transfer to an employee share scheme. However, shares repurchased by the Company, may, in the light of the circumstances existing at the time of the repurchase, also be immediately cancelled. The effect of any cancellation would be to reduce the number of shares in issue. For most purposes, while held in treasury, shares are treated as if they had been cancelled (for example, they carry no voting rights and do not rank for dividends). The Directors will only make purchases under this authority if they believe to do so would result in an increase in earnings per share and would be in the interests of shareholders generally.

As at 24 May 2010, being the latest practicable date prior to the publication of the notice, options were outstanding over 1,900,457 ordinary shares of 10 pence each in the Company representing approximately 1.45% of the issued share capital of the Company at that date. If the proposed market purchase authority were used in full, shares over which options were outstanding would, as at 24 May 2010, being the latest practicable date prior to the publication of the notice, represent approximately 1.61% of the Company's adjusted issued share capital at that date.

#### **RESOLUTION 12: ADOPTION OF NEW ARTICLES OF ASSOCIATION**

It is proposed in resolution 12 to adopt new articles of association (the "New Articles") in order to update the Company's current articles of association (the "Current Articles") to reflect the implementation of the Shareholder Rights Directive in the UK in August 2009 and to take account of the implementation of the last parts of the Companies Act 2006.

The principal changes introduced in the New Articles are summarised in the Appendix. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Companies Act 2006 and the Companies (Shareholders' Rights) Regulations 2009, have not been noted in the Appendix. The New Articles showing all the changes to the Current Articles are available for inspection, as noted on page 7 of this document.

#### **RESOLUTION 13: NOTICE OF GENERAL MEETINGS**

Following the introduction of new rules on 3 August 2009 to implement the Shareholder Rights Directive, in order to preserve flexibility to call general meetings (other than an Annual General Meeting) on 14 clear days' notice, the Company must offer all shareholders the opportunity to appoint a proxy electronically (via the website of the Company or its registrars) and must obtain the approval of its shareholders by means of a special resolution passed each year. Resolution 13 seeks such approval which if granted will be effective until the Company's next Annual General Meeting when it is intended that a similar resolution will be proposed. The Company is in compliance with the requirement to make electronic voting available to all shareholders. It is intended that this flexibility will only be used for non-routine business and where merited in the interests of shareholders as a whole.

#### **BIOGRAPHICAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION**

Adrian Lee, aged 44, Operations Director, was previously a senior Executive at Edge Properties plc, which he joined in 1996. Prior to that he was a corporate financier at Lazard for five years, having previously qualified as a surveyor at Knight Frank. He was appointed to the Board in May 2000.

Jonathan Short, aged 48, Non Executive Director, Founding Partner and Executive Chairman of Internos Real Investors LLP, a pan European real estate investment management business. Non-Executive Director of Great Portland Estates plc, Independent Director to the Grosvenor Shopping Centre Fund and Trustee and UK Chairman of the Urban Land Institute. He was appointed to the Board in February 2000.

Nicholas Vetch, aged 49, Executive Chairman, is a co-founder of Big Yellow in September 1998. Prior to that he was joint Chief Executive of Edge Properties plc, which he co-founded in 1989 which was subsequently listed on the Official List of the London Stock Exchange in 1996 and then taken over by Grantchester Properties plc in 1998. He is also a Non-Executive Director of Blue Self Storage S.L – a self storage operation in Spain, and a Non-Executive Director of Local Shopping REIT plc.

## APPENDIX

### EXPLANATORY NOTES OF PRINCIPAL CHANGES TO THE COMPANY'S ARTICLES OF ASSOCIATION

#### 1. The Company's objects

The Company is proposing to remove the provisions of its Memorandum of Association that, by virtue of the Companies Act 2006, have been treated since 1 October 2009 as forming part of the Current Articles.

As the effect of the resolution will be to remove the objects clause imported by operation of law from the Memorandum of Association, this will mean that the Company will have unlimited capacity.

As the statement imported by operation of law from the Memorandum of Association regarding limited liability will also be removed, the New Articles contain an express statement regarding the limited liability of the shareholders.

#### 2. Authorised share capital and unissued shares

The Companies Act 2006 has abolished the requirement for a company to have an authorised share capital and the New Articles reflect this. The statement of the Company's authorised share capital originally set out in the Memorandum of Association has been imported into the Current Articles by operation of law, where it operates as a limit on future issues of shares. This statement will be removed, and the limit will be disappplied, on adoption of the New Articles. The New Articles omit references to authorised share capital. The Directors will still be limited as to the number of shares they can allot at any time, because an allotment authority continues to be required under the Companies Act 2006 (except in respect of employee share schemes).

#### 3. Articles that duplicate statutory provisions

Provisions in the Current Articles that replicate provisions of the Companies Act 2006 are in the main to be removed in the New Articles. This is in line with the approach advocated by the Department for Business Innovation and Skills that statutory provisions should not be duplicated in a company's constitution. Examples of such provisions include provisions as to the variation of class rights and the requirement to keep accounting records. The main changes to reflect this approach are detailed below.

#### 4. Variation of class rights

The Current Articles contain provisions regarding the variation of class rights. The proceedings and specific quorum requirements for a meeting convened to vary class rights are contained in the Companies Act 2006. The relevant provisions have therefore been amended in the New Articles.

#### 5. Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital

Under the previous legislation, a company required enabling provisions in its articles – as well as specific shareholder authority – in order to purchase its own shares, to consolidate or sub-divide its shares or to reduce its share capital or other undistributable reserves. Under the Companies Act 2006 a company simply requires shareholder authority to do any of these things, whether or not its articles contain enabling provisions. The New Articles therefore dispense with the enabling provisions included in the Current Articles.

#### 6. Chairman's casting vote

The New Articles remove the provision giving the chairman a casting vote in the event of an equality of votes as this is no longer permitted under the Companies Act 2006.

#### 7. Adjournments for lack of quorum

Under the Companies Act 2006 as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of a quorum must be held at least 10 clear days after the original meeting. The New Articles reflect this requirement.

#### 8. Voting record date

Under the Companies Act 2006 as amended by the Shareholders' Rights Regulations, the Company must determine the right of members to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days which are not working days. The New Articles reflect this requirement.

#### 9. Voting by proxies

The Shareholders' Rights Regulations have amended the Companies Act 2006 so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member, in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The New Articles reflect these changes and contain a provision clarifying how the provision of the Companies Act 2006 giving a proxy a second vote on a show of hands should apply to discretionary authorities. The New Articles also provide that the Company is not responsible for ensuring that a proxy is complying with his duty under the Companies Act 2006 (as amended by the Shareholders' Rights Regulations) to comply with the appointor's voting instructions.

#### 10. Vacation of office by directors

The Current Articles specify the circumstances in which a director must vacate office. The New Articles update these provisions to reflect the approach taken on mental and physical incapacity in the model articles for public companies produced by the Department for Business, Innovation and Skills under the Companies Act 2006.

#### **11. Use of seals**

Under the previous legislation, a company required authority in its articles to have an official seal for use abroad. Since 1 October 2009 this authority is no longer required. The New Articles therefore dispense with the authorisation included in the Current Articles.

The New Articles provide an alternative option for execution of documents (other than share certificates). Under the New Articles, when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a director and the secretary or two directors or such other person or persons as the directors may approve.

#### **12. Records to be kept**

The provision in the Current Articles requiring the Board to keep accounting records has been removed as this requirement is contained in the Companies Act 2006.

#### **13. Distribution of assets otherwise than in cash**

The Current Articles contain provisions dealing with the distribution of assets in kind in the event of the Company going into liquidation. These provisions have been omitted in the New Articles on the grounds that a provision about the powers of liquidators is a matter for insolvency law rather than the articles and that the Insolvency Act 1986 confers powers on the liquidator which would enable it to do what is envisaged by the Current Articles.

#### **14. General**

Generally the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills.