

November 3, 2023 at 6 a.m. GMT

"Regulated Information"

Shurgard Self Storage Ltd
 ("Shurgard" or the "Company")

Third quarter 2023 results
 January 1, 2023 to September 30, 2023

Continuing strong operational performance based on:
All stores revenue growth of 9.4% (at CER)⁽¹⁾
In-place rent growth (+6.8%) and stable high occupancy (90.5%) for our same store pool
Lower costs leading to a same store NOI margin increase of 0.8pp
Delivering a total company Adj. EPRA earnings growth of 12.6%
Solid expansion pipeline for the next three years representing an additional 14.5% of our net rentable sqm

Continuing strong YTD performance (at CER)⁽¹⁾

- 9.4% property operating revenue growth, supported by double digit growth in Germany, the Netherlands and the UK;
- 10.1% income from property (NOI) growth;
- 65.3% NOI margin, an increase of 0.4pp compared to the prior year;
- 6.2% same store property operating revenue growth;
- 90.5% same store average occupancy rate (stable vs. same period last year);
- 6.8% same store average in-place rent growth, continued pricing traction;
- Limited growth of 3.7% of our same store operating expenses reflecting the impact of our digital shift;
- 66.6% same store NOI margin, a strong increase of 0.8pp compared to the prior year;
- Shurgard became a UK REIT in March 2023;
- Delivered €114.5 million of adjusted EPRA earnings, representing a growth of 12.6%;
- EPRA net tangible assets (NTA) per share: €42.30, an increase of 4.0% vs. December 31, 2022;
- Cash position at hand: €82.8 million;
- LTV: 17.5%;
- Net debt/EBITDA: 4.0x⁽²⁾;
- ICR (interest coverage ratio): 10.6x;
- Consistent growth in our expansion plan delivering new capacity to 2026 representing 14.5% (194,258 sqm or c. €483.0 million of direct project cost) of our net rentable sqm either developed, under construction or signed.

⁽¹⁾ Constant Exchange Rate

⁽²⁾ Net debt to EBITDA ratio is calculated as the net financial debt (including leases) divided by trailing 12 months EBITDA

Solid Q3 results (at CER)⁽¹⁾

- 8.3% property operating revenue growth, supported by double digit growth in Germany and the Netherlands;
- 9.1% income from property (NOI) growth;
- 5.1% same store property operating revenue growth;
- 90.8% same store average occupancy rate;
- 5.8% same store average in-place rent growth, continued pricing power;
- Delivered €42.7 million of adjusted EPRA earnings, representing a growth of 10.6%.

2023 Outlook

- We reconfirm to deliver above 8% total revenue growth for the year 2023;
- Our target of c. 2pp growth for all store NOI margin vs. 2020 has been achieved in 2022, ahead of our medium-term guidance of 2024. In 2023, we plan a 0.2pp NOI margin growth for all stores;
- We plan to add c. 70,000 sqm (or c. €150 million) via redevelopments, new developments and acquisitions;
- For all property investment decisions taken as from 2023, we are increasing our expected property yield to c. 8% to 9% at maturity (from c. 7% to 8%);
- Our average effective income tax rate is expected to be at c. 18% in 2023 (based on Adjusted EPRA Earnings before tax);
- Shurgard intends to declare a dividend of €1.17 per share for the fiscal year.

Marc Oursin, Shurgard Chief Executive Officer, commented⁽²⁾:

“Shurgard has delivered another very solid quarterly performance in terms of revenue and earnings growth fueled by our same store achievements.

For the third consecutive quarter of the year, we continue to maintain high occupancy and significant in-place rate increases in particular in the Netherlands, Germany, UK and Belgium. We experience stable demand across Europe versus 2022, both from our residential customers (c. 80%) and business customers (c. 20%). The roll out of our digitalization plan feeds our margin improvements with an increase of 0.8pp YTD for the same stores.

Meanwhile, the pipeline of future new footage is developing strongly and has reached 14.5% of our total lettable area or 195,000 sqm with €480 million of investment value.

Aside from this very good economic performance, Shurgard has been granted for the third consecutive year the title of “Self storage industry leader” by GRESB for ESG matters with a 91 score out of a maximum of 100 and 5 stars.

Overall Shurgard demonstrates its capacity to outperform the industry in Europe and reinforces its leadership with the support of our Board of Directors and engaged teams.”

⁽¹⁾ Constant Exchange Rate

⁽²⁾ The data is presented at constant exchange rate (CER)

Operational update ⁽¹⁾

Compared to the same prior year period, our all-store property operating revenue grew by 9.4% as of year-to-date September 2023, delivering revenue of €265.0 million, and confirming Shurgard's resilience in challenging market conditions. All our markets contributed to that performance, with three countries (Germany, the Netherlands and the UK) delivering double-digit growth. This performance was achieved through our expansion, with eight new stores offering 3.8% additional rentable sqm versus 2022, but also through the strong performance of our same store segment.

Same store revenue in the first three quarters of 2023 grew by 6.2% compared to the prior year, mainly fuelled by an average in-place rent increase of 6.8%, and stable average same store occupancy in the period.

The Netherlands, the United Kingdom, Germany, and Belgium have performed strongly this quarter. As expected, the Nordics (Sweden and Denmark) are going through difficult macro-economic conditions, and we see an highly competitive environment in Sweden.

- In France, our largest market, year-to-date 2023 same store revenue grew by 4.5% compared to the same prior year period. This can be attributed to a 5.0% rise in average in-place rent, with a slight increase in occupancy to 89.5%;
- The Netherlands continues to perform very well in its same store segment. Revenue increased by 8.9% versus the prior year. Rental rates grew by 8.5% compared to the first nine months of 2022, and average occupancy reached 91.6% (+1.0pp);
- The United Kingdom (London) has demonstrated its good performance with a same store revenue growth of 7.5%, fully driven by a strong increase in rental rates (+9.5%), while average occupancy decreased slightly to 87.9% (-0.6pp);
- Sweden's revenue for year-to-date 2023 was 0.4% higher than the prior year with a decelerating trend in Q3 (-1.2% Q3 2023 versus prior year quarter). In-place rent increased by 1.7%, while occupancy decreased slightly by 0.8pp, nonetheless remains at a very high level (91.2%);
- In Germany, we continue to see the most impressive performance in all our markets, with rental rates 11.8% higher than year-to-date September 2022, and a 0.1pp increase in occupancy (to 91.1%), achieving 12.5% revenue growth compared to the first nine months of 2022;
- Belgium's revenue grew 7.9% versus the prior year, supported by a 7.8% increase in rental rates, coupled with all time high occupancy levels (+0.8pp versus the prior year) at 92.4%;
- In Denmark (Copenhagen), rental rates rose by 5.5%, partly offset by a 2.3pp occupancy decline (although occupancy still remained high and in line with last quarter at 91.5%) versus the prior year, resulting in revenue growth of 2.4%;
- Shurgard's overall same store revenue performance was impacted by a loss on SEK (-9%, or -€3.0 million) and GBP exchange rates (-3% or -€1.2 million).

(1) The data is presented at constant exchange rate (CER)

Portfolio expansion

Our pipeline for 2023, 2024, 2025 and 2026 represents 14.5% (or 194,258 sqm or c. €483.0 million) of our total net rentable sqm.

2023

- Five major redevelopments planned in 2023 (11,600 sqm) and the addition of direct access units in our seven markets (8,100 sqm);
- Six openings foreseen (36,000 sqm) for €78.4 million in Randstad and London;
- Five stores acquired (17,100 sqm) for €69.2 million in NRW and Frankfurt (Top Box)

2024-2026

- Six major redevelopments planned (13,400 sqm) in London, NRW and Frankfurt;
- Eighteen new developments (108,100 sqm) in Berlin, Stuttgart, NRW, Frankfurt, Randstad and London of which five are under construction.

Amounts in € millions At closing rate September 30, 2023								
	Property	Region	Country	Number of projects	Project status ⁽¹⁾	Completion date	Net sqm ('000)	Direct project cost /Purchase price ⁽²⁾
Scheduled to open in 2023				17			72.7	165.4
Major redevelopments	Unterfoehring	Munich	Germany	1	UC	Dec-23	3.5	5.4
	Rotterdam	Randstad	Netherlands	1	UC	Dec-23	4.5	2.2
	Almere Buiten	Randstad	Netherlands	1	UC	Dec-23	1.2	1.9
	Danmarksgatan ⁽³⁾	Stockholm	Sweden	1	C	Mar-23	1.7	0.0
	Euston	London	UK	1	C	Jun-23	0.7	0.1
	Direct access units ⁽⁴⁾	-	-	1	UC	Dec-23	8.1	8.2
New developments	Diemen Visseringweg	Randstad	Netherlands	1	C	May-23	4.0	3.2
	Amersfoort	Randstad	Netherlands	1	C	Jul-23	3.1	5.4
	Portsmuiden	Randstad	Netherlands	1	C	Oct-23	7.5	6.1
	Chadwell Heath	London	UK	1	C	Oct-23	6.8	17.9
	Chiswick	London	UK	1	UC	Dec-23	6.5	24.5
	Tottenham	London	UK	1	UC	Dec-23	8.2	21.3
M&A / Asset Acquisitions	Top Box ⁽⁵⁾	NRW/Frankfurt	Germany	5	C	Oct-23	17.1	69.2
Scheduled to open in 2024				12			42.6	88.8
Major redevelopments	Top Box major redevelopments	NRW/Frankfurt	Germany	4	UC	2024	6.6	4.9
	Hayes	London	UK	1	UC	2024	4.2	8.9
	Southwark	London	UK	1	UC	2024	2.6	7.6
New developments	Charlottenburg	Berlin	Germany	1	UC	2024	4.9	15.5
	Dusseldorf Neuss	NRW	Germany	1	UC	2024	5.8	16.1
	Wangen	Stuttgart	Germany	1	UC	2024	7.0	16.4
	Nieuwegein	Randstad	Netherlands	1	UC	2024	4.5	8.7
	1 property	Randstad	Netherlands	1	CPA	2024	2.8	2.6
	1 property	Randstad	Netherlands	1	CPA	2024	4.1	8.1
Scheduled to open in 2025				10			64.8	188.2
New developments	1 property	Berlin	Germany	1	CPA	2025	10.3	27.8
	1 property	Frankfurt	Germany	1	CPA	2025	5.9	13.3
	1 property (Top Box)	Frankfurt	Germany	1	CPA	2025	5.0	11.1
	Leinfelden	Stuttgart	Germany	1	UC	2025	6.6	19.8
	1 property (Top Box)	NRW	Germany	1	CPA	2025	4.1	9.9
	1 property	Randstad	Netherlands	1	CPA	2025	5.4	11.5
	1 property	London	UK	1	CPA	2025	7.4	21.6
	1 property	London	UK	1	CPA	2025	6.4	20.9
	1 property	London	UK	1	CPA	2025	6.6	21.6
	1 property	London	UK	1	CPA	2025	7.4	30.7
Scheduled to open in 2026				2			14.1	40.6
New developments	1 property	Frankfurt	Germany	1	CPA	2026	7.3	20.9
	1 property	Stuttgart	Germany	1	CPA	2026	6.7	19.7
Total portfolio expansion				41			194.3	483.0

(1) CPA = signed conditional purchase agreement and building permit process ongoing, UC = under construction and C = completed

(2) Including development fees but excluding absorption costs.

(3) Redevelopment project part of the 2022 acquisition of Instorage. In 2023 the Company paid €0.2 million supplement on the purchase price.

(4) Direct access units across all markets.

(5) The purchase price of 69.2 million includes land for major redevelopments to open in 2024 and land for the two new developments to open in 2025.

Robust balance sheet with long-term maturities, gearing for growth

Undrawn:

- Undrawn revolving credit facility of €250 million – maturity in October 2025;
- Uncommitted €250 million Shelf Note Facility available until February 2024.

Drawn:

- On April 28, 2023, as part of its short- to mid-term financing strategy, Shurgard signed an €450 million floating interest committed bank loan facility, being available for three years, with two one-year renewal possibilities. The facility is priced with an initial 120bps margin on EURIBOR. On October 2, 2023, Shurgard drew €160 million on the facility;
- €800 million Senior Notes USPP long-term at an effective fixed interest rate of 2.36% with well scattered maturities (next maturity of €100 million in July 2024);
- All unsecured debt.

<i>Unaudited financial information</i> <i>(in € millions except where indicated)</i>	Three months ended				Nine months ended			
	September, 2023	September, 2022	% var.	% var. CER (*)	September, 2023	September, 2022	% var.	% var. CER (*)
All store								
Number of stores	267	259	3.1%		267	259	3.1%	
Closing rentable sqm (1)	1,352	1,302	3.8%		1,352	1,302	3.8%	
Closing rented sqm (2)	1,208	1,161	4.1%		1,208	1,161	4.1%	
Closing occupancy rate (3)	89.4%	89.2%	0.2pp		89.4%	89.2%	0.2pp	
Average rented sqm (4)	1,204	1,157	4.0%		1,190	1,141	4.3%	
Average occupancy rate (5)	89.2%	89.5%	-0.3pp		88.4%	88.6%	-0.2pp	
Average in-place rent (in € per sqm) (6)	262.7	255.2	3.0%	4.6%	259.2	249.7	3.8%	5.7%
Average revPAM (in € per sqm) (7)	268.6	262.9	2.2%	3.7%	262.4	255.2	2.8%	4.7%
Property operating revenue (8)	90.7	85.0	6.7%	8.3%	265.0	246.4	7.5%	9.4%
Income from property (NOI) (9)	62.8	58.5	7.3%	9.1%	173.1	160.3	8.0%	10.1%
NOI margin (10)	69.2%	68.8%	0.4pp	0.5pp	65.3%	65.0%	0.3pp	0.4pp
EBITDA (11)	57.8	53.0	9.2%	11.2%	156.8	144.4	8.6%	10.9%
Adj. EPRA earnings (12)	42.7	39.3	8.6%	10.6%	114.5	103.8	10.3%	12.6%
Adj. EPRA earnings per share in € (basic) (13)	0.48	0.44	8.6%	10.5%	1.28	1.17	10.2%	12.6%
Same store								
Number of stores	240	240	0.0%		240	240	0.0%	
Closing rentable sqm (1)	1,200	1,198	0.1%		1,200	1,198	0.1%	
Closing rented sqm (2)	1,091	1,089	0.2%		1,091	1,089	0.2%	
Closing occupancy rate (3)	90.9%	90.9%	0.0pp		90.9%	90.9%	0.0pp	
Average rented sqm (4)	1,090	1,091	-0.1%		1,086	1,084	0.2%	
Average occupancy rate (5)	90.8%	91.1%	-0.2pp		90.5%	90.5%	0.0pp	
Average in-place rent (in € per sqm) (6)	268.2	257.6	4.1%	5.8%	264.0	251.7	4.9%	6.8%
Average revPAM (in € per sqm) (7)	278.2	269.2	3.3%	5.0%	272.6	261.8	4.1%	6.0%
Property operating revenue (8)	83.5	80.7	3.5%	5.1%	245.3	235.2	4.3%	6.2%
Income from property (NOI) (9)	58.6	56.0	4.6%	6.4%	163.5	155.1	5.4%	7.5%
NOI margin (10)	70.2%	69.4%	0.8pp	0.8pp	66.6%	65.9%	0.7pp	0.8pp
All store property operating revenue by country								
France	21.7	20.1	7.9%	7.9%	63.5	58.8	8.0%	8.0%
The Netherlands	19.7	17.6	12.3%	12.3%	57.3	50.6	13.2%	13.2%
The United Kingdom	18.3	17.0	7.4%	7.8%	52.6	48.7	8.0%	11.0%
Sweden	11.4	12.3	-7.7%	2.3%	34.6	36.4	-5.0%	3.6%
Germany	8.7	7.6	13.9%	13.9%	25.2	21.9	15.1%	15.1%
Belgium	6.8	6.4	7.5%	7.5%	20.0	18.5	7.9%	7.9%
Denmark	4.0	3.9	1.8%	2.0%	11.8	11.5	2.2%	2.4%
Total	90.7	85.0	6.7%	8.3%	265.0	246.4	7.5%	9.4%
Same store property operating revenue by country								
France	19.8	19.0	4.1%	4.1%	58.4	55.9	4.5%	4.5%
The Netherlands	18.2	16.8	7.7%	7.7%	53.0	48.6	8.9%	8.9%
The United Kingdom	16.5	15.7	5.4%	5.8%	47.7	45.6	4.6%	7.5%
Sweden	11.0	12.3	-10.9%	-1.2%	33.6	36.4	-7.9%	0.4%
Germany	7.2	6.5	10.4%	10.4%	21.0	18.7	12.5%	12.5%
Belgium	6.8	6.4	7.5%	7.5%	20.0	18.5	7.9%	7.9%
Denmark	4.0	3.9	1.8%	2.0%	11.8	11.5	2.2%	2.4%
Total	83.5	80.7	3.5%	5.1%	245.3	235.2	4.3%	6.2%
Same store average occupancy by country								
France	89.8%	89.7%	0.1pp		89.5%	89.4%	0.1pp	
The Netherlands	92.0%	91.6%	0.4pp		91.6%	90.6%	1.0pp	
The United Kingdom	88.5%	89.7%	-1.2pp		87.9%	88.5%	-0.6pp	
Sweden	91.1%	92.4%	-1.3pp		91.2%	92.0%	-0.8pp	
Germany	91.1%	91.2%	-0.1pp		91.1%	91.0%	0.1pp	
Belgium	93.1%	92.2%	0.9pp		92.4%	91.6%	0.8pp	
Denmark	91.3%	93.1%	-1.7pp		91.5%	93.8%	-2.3pp	
Total	90.8%	91.1%	-0.2pp		90.5%	90.5%	0.0pp	
Same store average in-place rent by country								
France	272.4	262.6	3.8%	3.8%	269.4	256.7	5.0%	5.0%
The Netherlands	234.5	217.6	7.7%	7.7%	229.2	211.3	8.5%	8.5%
The United Kingdom	371.8	345.0	7.8%	8.2%	360.3	338.2	6.6%	9.5%
Sweden	235.8	260.4	-9.4%	0.3%	239.3	256.6	-6.7%	1.7%
Germany	284.5	256.7	10.8%	10.8%	278.7	249.4	11.8%	11.8%
Belgium	219.0	203.3	7.7%	7.7%	213.9	198.4	7.8%	7.8%
Denmark	290.4	279.2	4.0%	4.2%	286.9	272.4	5.3%	5.5%
Total	268.2	257.6	4.1%	5.8%	264.0	251.7	4.9%	6.8%

(*) Constant Exchange Rate



About Shurgard

Shurgard is the largest provider of self storage in Europe. The company owns and/or operates 275 self-storage facilities and approximately 1.4 million net rentable square meters in seven countries: France, the Netherlands, the United Kingdom, Sweden, Germany, Belgium and Denmark.

Shurgard is a GRESB 5-star and Sector Leader, has a 'AA' ESG rating from MSCI, Sustainalytics Low risk, EPRA sBPR Gold medal. Shurgard is part of the BEL ESG index.

Shurgard's European network currently serves more than 190,000 customers and employs approximately 750 people. Shurgard is listed on Euronext Brussels under the symbol "SHUR".

For additional information: www.shurgard.com/corporate

For high resolution images: <https://shurgard.prezly.com/media>

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Notes:

1. Closing rentable sqm is presented in thousands of sqm and calculated as the sum of available sqm for customer storage use at our stores, as of the reporting date.
2. Closing rented sqm is presented in thousands of sqm and calculated as the sum of sqm rented by customers, as of the reporting date.
3. Closing occupancy rate is presented in percent and calculated as the closing rented sqm divided by closing rentable sqm as of the reporting date.
4. Average rented sqm is presented in thousands of sqm and calculated as the sum of sqm rented by customers, for the reporting period.
5. Average occupancy rate is presented in percent and is calculated as the average of the rented sqm divided by the average of the rentable sqm, each for the reporting periods.
6. Average in-place rent is presented in euros per sqm per year and calculated as rental revenue, divided by the average rented sqm for the reporting period.
7. Average revPAM, which stands for revenue per available sqm, is presented in euros per sqm per year for the reporting period and calculated as property operating revenue, divided by the average rentable sqm for the reporting period.
8. Property operating revenue represents our revenue from operating our properties, and comprises our rental revenue, insurance revenue and ancillary revenue.
9. Income from property (NOI) is calculated as property operating revenue less real estate operating expense for the reporting period.
10. NOI margin is calculated as income from property (NOI) divided by property operating revenue for the reporting period.
11. EBITDA is calculated as earnings before interest, tax, depreciation and amortization, excluding (i) valuation gains or losses from investment property and investment property under construction, (ii) gains or losses on disposal of investment property, plant and equipment and assets held for sale, (iii) acquisition costs and dead deals and (iv) casualty losses (gains).
12. Adjusted EPRA earnings is calculated as EPRA earnings adjusted for (i) deferred tax expenses on items other than the revaluation of investment property and (ii) special items ('one-offs') that are significant and arise from events or transactions distinct from regular operating activities.
13. Adjusted EPRA earnings per share in euros (basic) is calculated as adjusted EPRA earnings divided by the weighted average number of outstanding shares.

Legal Disclaimer

This release contains "forward-looking statements". These statements are based on the current expectations and views of future events and developments of the management of Shurgard and are naturally subject to uncertainty and changes in circumstances. This release contains "forward-looking statements". These statements are based on the current expectations and views of future events and developments of the management of Shurgard and are naturally subject to uncertainty and changes in circumstances (including, without limitation, as a result of the impact of the COVID-19 pandemic).

Forward-looking statements include statements typically containing words such as "will", "may", "should", "believe", "intends", "expects", "anticipates", "targets", "estimates", "likely", "foresees" and words of similar import. All statements other than statements of historical facts are forward-looking statements. You should not place undue reliance on these forward-looking statements, which reflect the current views of the management of Shurgard, are subject to risks and uncertainties about Shurgard and are dependent on many factors, some of which are outside of Shurgard's control. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

Basis of Preparation

This summarized financial information has been prepared in accordance with the accounting policies as applied by Shurgard. This press release does not constitute the full financial statements. H1 2023 numbers have been derived from Shurgard's unaudited 2023 Financial Statements as included in the 2023 Half-Year Report, prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, and as adopted by the European Union, or EU. The Half-Year report has been published on August 18, 2023 and can be found on the Shurgard website (<https://corporate.shurgard.eu/investors/reports-and-presentations>). Other reported data in this press release has not been audited.

Use of alternative performance measures

The information contained in this press release includes alternative performance measures (also known as non-GAAP measures). The descriptions of the alternative performance measures can be found on the Shurgard website (<https://corporate.shurgard.eu/resources/alternative-performance-measures>).