

August 14, 2024



# INTERIM H1 2024 RESULTS

JANUARY 1, 2024 TO JUNE 30, 2024

# AGENDA TODAY

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- Our continued strong execution
- Our financial strength momentum
- Overview of acquired modern Lok'nStore portfolio
- Our growth potential

# HIGHLIGHTS: H1 RESULTS<sup>(1)</sup>

## GROWTH ACROSS ALL MARKETS

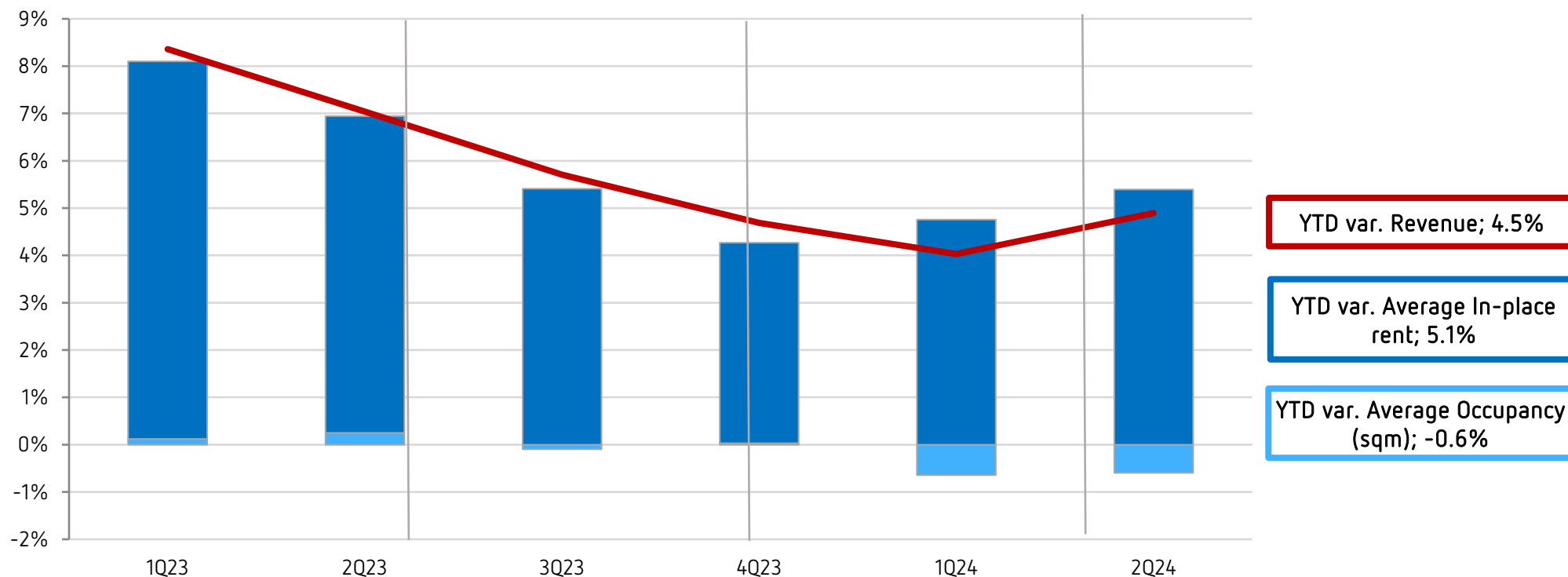
- **Revenue** up by 8.2%, in H1 2024, to €189.3 million. Supported by continued strong growth in Germany, the UK, the Netherlands, and Belgium. Continuing the positive trends of Q4-2023 and Q1-2024;
- **Same store property revenue** growth of 4.5%, fueled by positive pricing dynamics enabling a 5.1% average rate increase;
- **Occupancy** remains high with same store average of 89.5% (90.1% in H1 2023) and an increase of 0.2% in average net rented sqm over last year;
- **Normalization of revenues growth**: third quarter in a row with a stable positive growth rate between 4% and 5% (Q4-2023: 4.2%, Q1-2024: 4.0%, Q2-2024: 4.9%), significantly above self-storage peers.

(1) All figures in the highlights are at Constant Exchange Rate

# CONTINUING THE POSITIVE TRENDS OF Q4-2023 AND Q1-2024

Variances calculated on data at budget exchange rate

2024 SS definition



Q1 AND Q2 2024 SAME STORE REVENUE IS CONFIRMING THE END OF THE 2023 DECELERATION

# HIGHLIGHTS: H1 RESULTS<sup>(1)</sup>

## DIGITALIZATION AND LEADING OPERATIONAL PLATFORM

- Stable **NOI margin** at 62.9%, with same store operating expenses growth of 4.4%, reflecting the positive impact of digitalization initiatives on our cost structure. **Same store NOI margin** of 64.7% stable vs. prior year;
- 7.5% growth in **net operating income** (NOI);
- €78.2 million of **adjusted EPRA earnings**, representing a growth of 7.7%; €0.80 adjusted EPRA earnings per share<sup>(2)</sup>; 1 cent lower than last year due to the equity raise of November 2023;

(1) All figures in the highlights are at Constant Exchange Rate

(2) Adjusted EPRA earnings per share in euros (basic) is calculated as adjusted EPRA earnings divided by the weighted average number of outstanding shares



# DELIVERING THE DIGITAL CUSTOMER EXPERIENCE

## Finding a Space

### Website



### Industry-leading platform

- ✓ Mobile centric
- ✓ Pricing transparency
- ✓ Size help
- ✓ Optimized traffic acquisition and lead generation strategy

Source: Company disclosure and data

1. Digital property access systems provide hands-free digital access through parking gates, doors, and elevators via the Shurgard App.

## Lease Execution

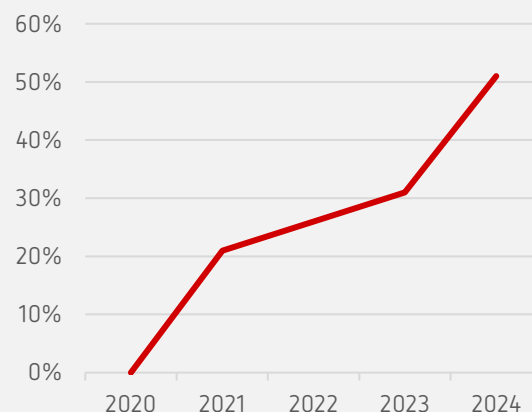
~50%  
of moves-in

### Digital Rental Agreement

# e-RENTAL

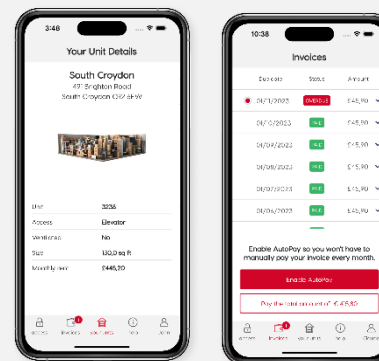
YOUR CONTRACT ONLINE: **FAST, SECURE & EASY.**

E-rental penetration  
(as of June 30)



## Account Management

### Comprehensive Mobile App



High customer utilization  
and growing...

~40%  
of our customers use  
the application

- ✓ Account management, customer care, and digital property access functionality

## Daily Property Use

### Digital Property Access<sup>1</sup>



Enabling customer access and  
data on property utilization

100% of properties

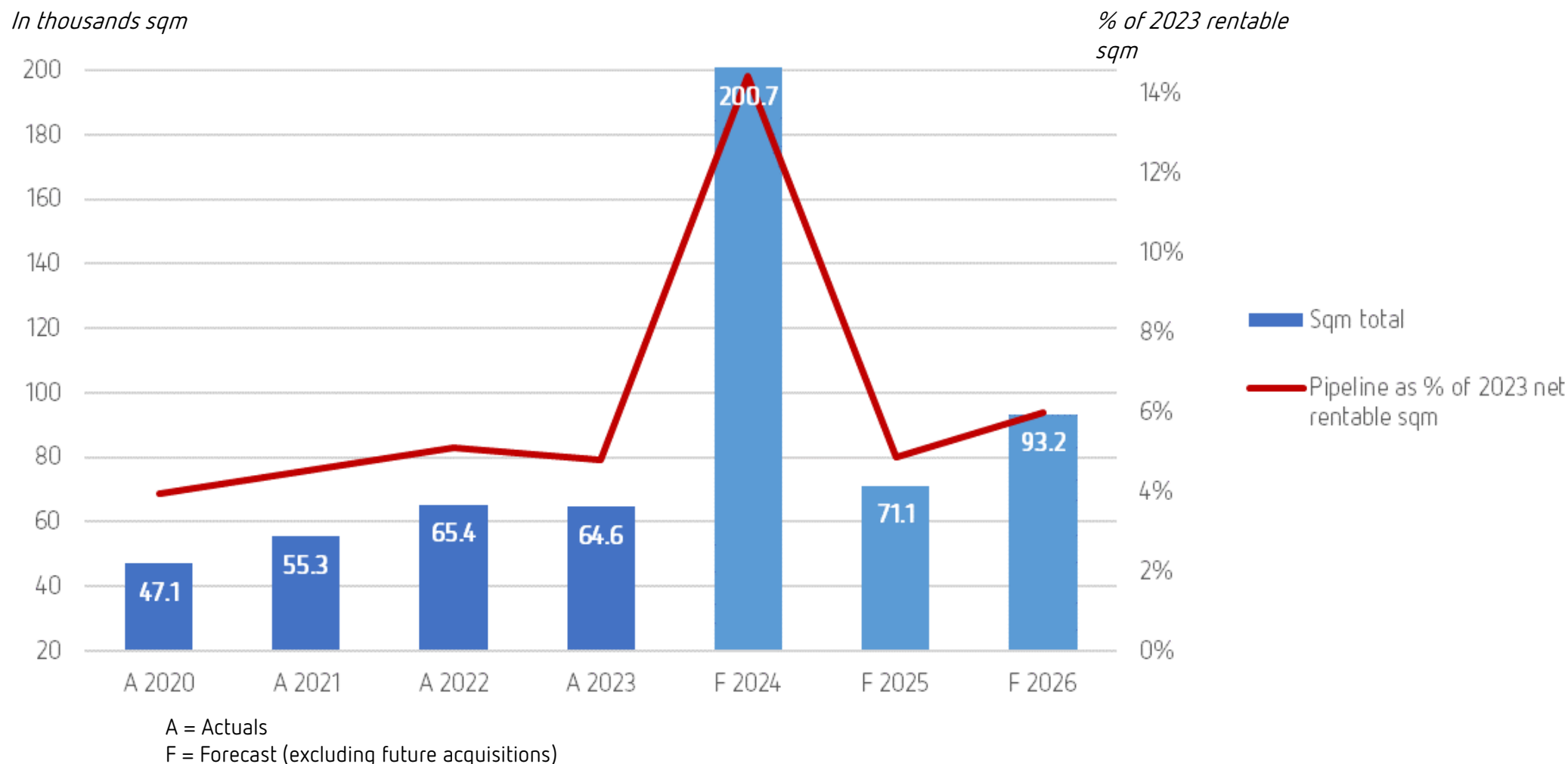
- ✓ App-only access in testing in selected properties

# HIGHLIGHTS: H1 RESULTS

## FUTURE GROWTH SUPPORTED BY ATTRACTIVE DEVELOPMENT PIPELINE

- Delivering **new capacity** from 2024 to 2026 representing c. 365,000 sqm (26.2% of our net rentable sqm);
- Total **investment** of c. €1,047 million of direct project cost;
- Expected **yield at maturity** of c. 8-9%;
- **Additional NOI at maturity** of c. €90 million per year;

# LARGEST SQM EXPANSION P.A. IN THE INDUSTRY





# HIGHLIGHTS: Q2 RESULTS (VS. Q2 2023)

- 9.2% **revenue growth**, supported by double digit growth in Germany, but also significant progression in the Netherlands, Belgium and the UK;
- 8.8% growth in **NOI**;
- 4.9% **same store revenue growth**;
- 89.8% **same store average occupancy** rate (90.4% in Q2 2023) and an increase of 0.4% in average net rented sqm over last year;
- 5.4% **same store average rent growth**, demonstrating continued pricing power;
- Delivered €43.9 million of **adjusted EPRA earnings**, representing a growth of 4.2%.

# 2024 OUTLOOK EXCLUDING LOK'NSTORE ACQUISITION

## IMPROVED 2024 REVENUE GUIDANCE:

- Based on our strong results, the previous guidance of c. 7.5% will be exceeded, and we expect to deliver **at least 8% total revenue growth** for the year 2024;

## 2024 GUIDANCE REMINDER:

- In 2024, we are targeting a **stable NOI margin**, having delivered an increase of 2.7pp over three years, well ahead of our medium-term guidance;
- We plan to add c. **90,000 sqm** via redevelopments, new developments and acquisitions, investing in excess of **€300 million**;
- Our average **effective income tax** rate is expected to be c. **17%** in 2024 (based on Adjusted EPRA Earnings before tax);
- Shurgard intends to declare a **dividend of €1.17 per share** for the fiscal year;

# INCOME STATEMENT

	Q2				H1			
	2024	2023	% var.	% var.CER	2024	2023	% var.	% var.CER
<b>REAL ESTATE OPERATING REVENUE<sup>1</sup></b>	96.0	87.6	9.5%	9.2%	189.4	174.4	8.6%	8.2%
Real estate operating expenses	(30.5)	(27.6)	10.6%	10.1%	(70.2)	(63.9)	9.8%	9.4%
<b>NET INCOME FOR REAL ESTATE OPERATIONS</b>	65.5	60.0	9.1%	8.8%	119.2	110.4	7.9%	7.5%
% margin	68.2%	68.5%	-0.3pp	-0.3pp	62.9%	63.3%	-0.4pp	-0.4pp
G&A and other	(7.0)	(5.5)			(13.3)	(11.5)		
<b>EBITDA</b>	58.4	54.5	7.1%	6.8%	105.8	99.0	6.9%	6.5%
% margin	60.9%	62.2%			55.9%	56.7%		
<b>Adj. EPRA EARNINGS</b>	43.9	41.6	5.6%	4.2%	78.2	71.8	8.9%	7.7%
<b>Adj. EPRA EARNINGS PER SHARE (BASIC)</b>	0.45	0.47	-3.3%	-4.6%	0.80	0.81	-0.3%	-1.4%

<sup>1</sup> Includes property operating revenue and other revenue. The latter mainly consists of management fee revenue and other, non-recurring, income resulting from operations.

# SAME STORE PROPERTY OPERATING REVENUE

In € millions (at actual exchange rate)	Q2				H1			
	2024	2023	% var.	% var.CER	2024	2023	% var.	% var.CER
France	20.2	19.6	3.0%	3.0%	40.2	39.4	2.0%	2.0%
The Netherlands	18.9	17.9	6.0%	6.0%	37.6	35.3	6.5%	6.5%
UK	17.8	16.5	7.5%	5.5%	35.3	32.7	8.0%	5.3%
Sweden	11.1	11.1	-0.4%	0.0%	22.2	22.5	-1.4%	-0.8%
Germany	8.2	7.5	10.6%	10.6%	16.2	14.8	9.6%	9.6%
Belgium	7.1	6.6	7.6%	7.6%	14.0	13.1	6.9%	6.9%
Denmark	4.1	3.9	6.0%	6.2%	8.2	7.8	5.3%	5.4%
<b>Total</b>	<b>87.4</b>	<b>83.0</b>	<b>5.3%</b>	<b>4.9%</b>	<b>173.8</b>	<b>165.6</b>	<b>4.9%</b>	<b>4.5%</b>
Same store average occupancy	89.8%	90.4%	-0.5pp		89.5%	90.1%	-0.5pp	
Same store average in-place rent (€/sqm/year)	275.6	260.6	5.8%	5.4%	275.2	260.7	5.6%	5.1%

# BALANCE SHEET

In € millions At actual exchange rate	Jun 2024	Dec 2023	% var.
Investment property	5,397.7	5,035.8	
Other assets <sup>1</sup>	62.6	40.3	
Trade and other receivables	19.7	19.7	
Cash and cash equivalents	209.6	258.1	
<b>TOTAL ASSETS</b>	<b>5,689.6</b>	<b>5,353.9</b>	<b>6.3%</b>
Equity	3,773.3	3,622.1	
Loans and borrowings	927.8	798.4	
Deferred tax liabilities and other <sup>2</sup>	845.6	809.7	
Trade and other payables	142.9	123.7	
<b>TOTAL LIABILITIES</b>	<b>5,689.6</b>	<b>5,353.9</b>	<b>6.3%</b>
<b>EPRA net tangible assets (NTA)</b>	<b>4,492.5</b>	<b>4,307.8</b>	<b>4.3%</b>
EPRA NTA per share (diluted) (in €)	46.02	44.07	4.4%
<b>Loan-to-value (LTV)</b>	<b>15.4%</b>	<b>13.0%</b>	<b>2.4pp</b>
<b>Exit capitalization rate<sup>3</sup></b>	<b>5.12%</b>	<b>5.22%</b>	<b>-0.1pp</b>

1. Consist mainly of other current assets (mainly prepayments), intangible assets and other

2. Other consists mainly of current and non-current lease liabilities

3. As determined by our external valuation experts from Cushman & Wakefield



## €800m

USPP indebtedness (fixed interest rate)  
No encumbered assets



## €130m

Drawn on a €450m floating interest committed bank loan facility  
(120bps margin on EURIBOR, down to 100bps with BBB+)



## 2.39%

Weighted average interest rate



## €250m

RCF line



## €209.6m

Available cash

at end of June 2024



## 3.7 years

Weighted average maturity

at end of June 2024



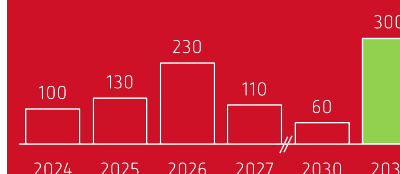
## 3.8x/15.4%

Net Debt to EBITDA / LTV

at end of June 2024



## Debt maturity



## 5.12%

Exit Capitalization rate  
-10bps YoY

at end of June 2024

# STRONG BALANCE SHEET, WITH A MODEST LEVEL OF GEARING AND SIGNIFICANT LIQUIDITY

- Shurgard has a **cash balance** of €209.6 million<sup>(1)</sup> and a low **LTV**: 15.4%<sup>(1)</sup> positioning the business to support further growth and refinancing.
- **Net debt/Underlying EBITDA**: 3.8x<sup>(1) (2)</sup> and ICR (interest coverage ratio): 13.0x<sup>(1) (3)</sup>;
- Post **Lok'nStore acquisition** LTV: c. 24% and Net debt/Underlying EBITDA: c. 6x<sup>(2)</sup>;
- First European self-storage company with a strong **investment grade rating** (BBB+, stable outlook) from S&P;
- A gross **dividend** of €0.58 per share – payment on or about September 26, 2024;
- **Optional scrip dividend** will be offered – modalities will be communicated on September 5, 2024;

(1) As of June 30, 2024.

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

(3) ICR (interest coverage ratio) is calculated as underlying EBITDA divided by net interest expenses excluding foreign exchange rate fluctuations, for the reporting period.

# FIRST EUROPEAN SELF-STORAGE OPERATOR AWARDED A BBB+ (STABLE OUTLOOK) CREDIT RATING BY S&P

## S&P Global Ratings

- Assigned '**BBB+**' Rating – Stable Outlook
- Rating Framework:
  - LTV: 25% - 35%
  - Net Debt / EBITDA 4.0x – 7.5x
  - Interest coverage ratio: 3.0x – 3.8x
  - PSA support
  - Execution of committed financing strategy

- The strong investment grade rating will further widen our access to debt capital markets, incl. rated public bond market.
- **BBB+** rating allows reduction in credit spread of the Bank Credit Facility from currently 120bps to 100bps, as of the next interest period in Q4.



# OPTIONAL SCRIP DIVIDEND WILL BE OFFERED

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- A gross dividend of €0.58 per share – payment on or about September 26, 2024.
- The Board also decided that it will offer shareholders the option of getting cash or shares (“scrip dividend”).
- Major shareholders confirmed their intention to opt for shares in lieu of a cash dividend, and representing around 70% of the total dividend payout.
- Modalities will be communicated on September 5, 2024.

# ACQUISITION OF LOK'NSTORE – A MODERN, HIGH QUALITY, PURPOSE-BUILT PORTFOLIO AND ATTRACTIVE PIPELINE

## BASILDON

Successfully  
acquired leasehold  
(August 2024)



## BEDFORD



## HEMEL HEMPSTEAD



## KETTERING



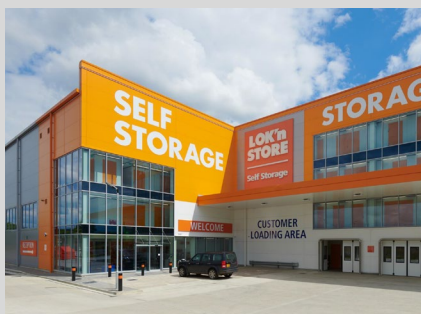
## PETERBOROUGH



## STAINES



## STEVENAGE



## WARRINGTON



## WELLINGBOROUGH



ACQUISITION PROVIDES AN ADDITIONAL 171,000 SQM REPRESENTING TWO FULL YEARS OF SHURGARD'S TARGETED ANNUAL EXPANSION – TOTAL ALL-IN COST OF €613M WITH A YIELD AT MATURITY OF C. 8%

# HIGH-QUALITY PORTFOLIO

## Portfolio characteristics

(excl. management contract, including pipeline)

Freehold (% of sqm)

**82%**

(vs. 93% for Shurgard)

Purpose built

**76%**

(vs. 63% for Shurgard)

Modern

**43%**

(Built since Jan 2022 vs c. 13%  
for Shurgard in the UK)

Average sqm

**c. 5,000 sqm**

(vs. c. 5,100 for Shurgard)

Average unit size

**6.9 sqm**

(vs. c. 5.0 sqm for Shurgard)

## High-quality and visibility of assets

BASILDON

Successfully  
acquired leasehold  
(August 2024)



HEMEL  
HEMPSTEAD



KETTERING



PETERBOROUGH



WELLINGBOROUGH

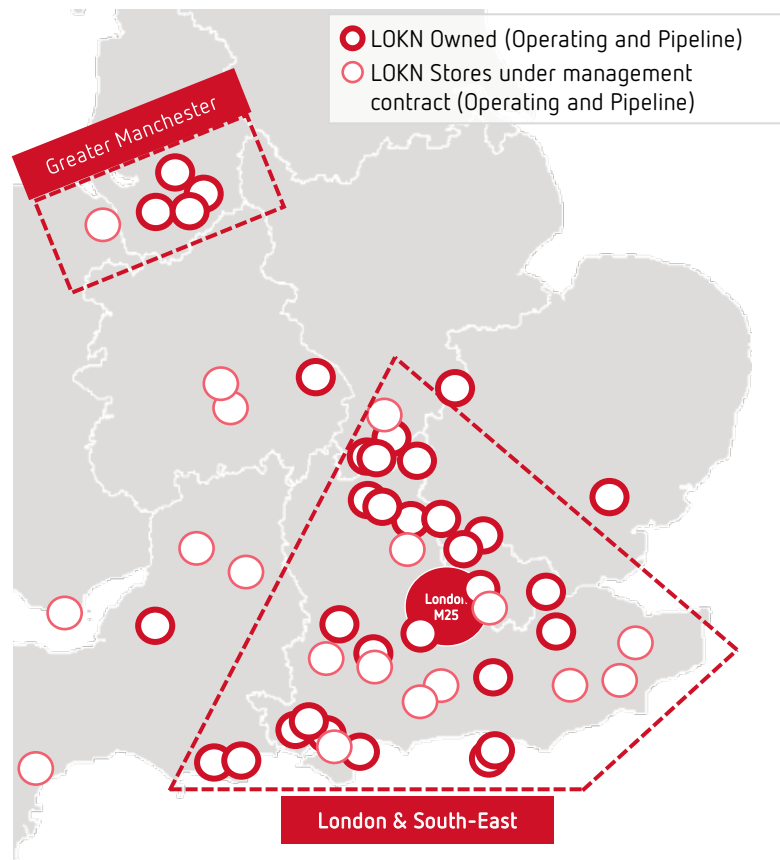


STEVENAGE



# ATTRACTIVE UNDERLYING MARKET DYNAMICS AND DEMOGRAPHICS

## HIGHLY CONCENTRATED AND EFFICIENT PORTFOLIO





1. Excludes all stores under management contract
2. Competition intensity represents the number of inhabitants per self-storage unit

## STRONG DEMOGRAPHICS AND MARKET DYNAMICS

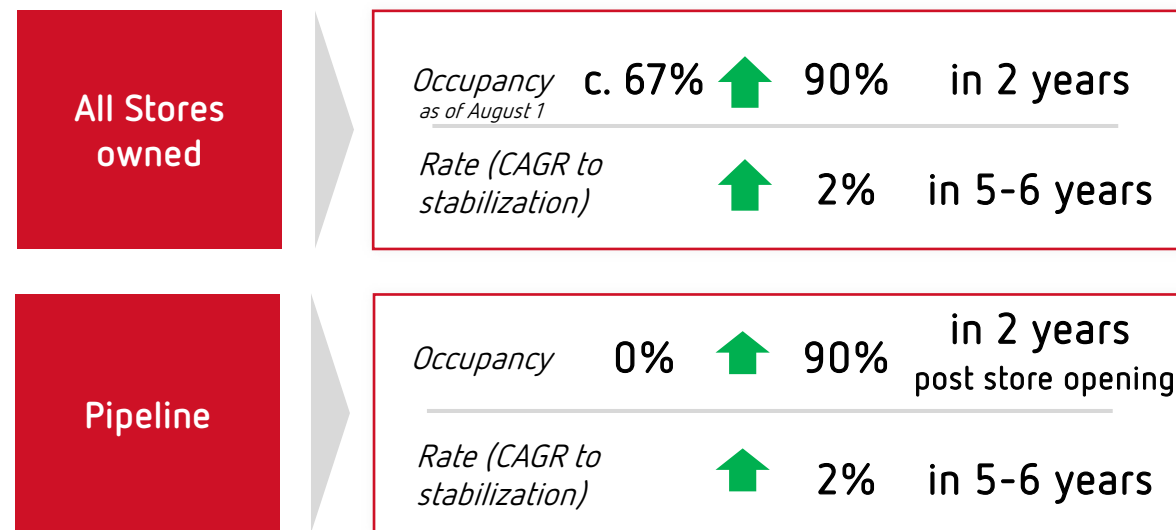
	 	
	London	London / South East / Manchester
Proportion in Capital & Tier 1 cities / regions	94%	89% <sup>1</sup>
Competition intensity within 20 minutes catchment area <sup>2</sup>	43	45 <sup>1</sup>

## HIGH QUALITY REAL ESTATE

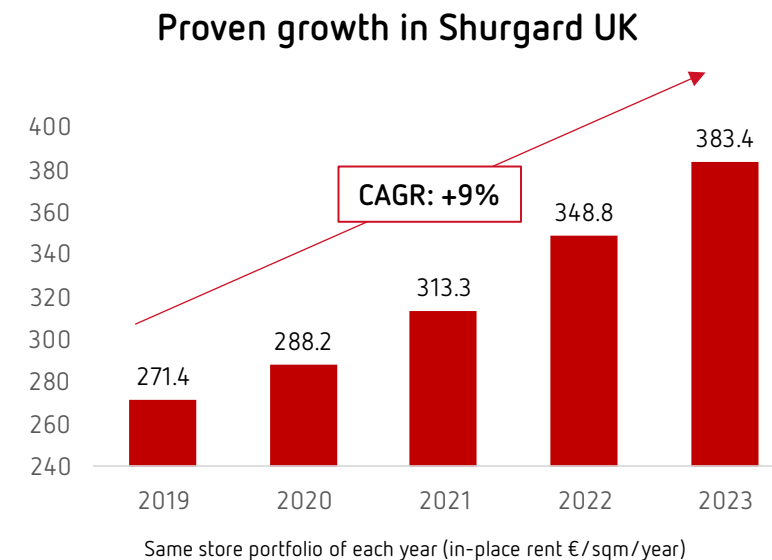
		
	Q1 2024	H1 2024 (incl. pipeline)
% Freehold	93%	82% <sup>1</sup>
% Purpose built	63%	76% <sup>1</sup>
Average age	15 years	12 years <sup>1</sup>
Avg sqm per asset	5,100 sqm	5,000 sqm <sup>1</sup>
EPC rating	70% of buildings >= EPC B	89% of freeholds >= EPC B

# ACHIEVING A LOK'NSTORE NOI YIELD OF 8% VIA SHURGARD

## Revenue increase <sup>(1)</sup>



1, Excludes all stores under management contract



## Opex reduction

Leveraging Shurgard pricing model expertise

Investments in marketing

c.€4-5mm

Total estimated operating, G&A and tax synergies in first full year

Synergies

Digitalization from Shurgard platform



# OPERATIONAL INTEGRATION COMPLETED

- Integration of validated data into our CRM system as of D+1 (August 1)
- Integration on our website as of D+1 (August 1)
- Integration on our pricing model with promotions in place
- E-rental availability as of D+2 (50% of move-ins in UK)
- Integration of all calls to our phone routing to stores & contact center
- Training of the teams - Provide support to LnS employees

Successful  
Integration



Focus on  
Growth



Shurgard  
Platform



# 2024 OUTLOOK

## FUTURE LOK'NSTORE ACQUISITION IMPACT:

- Q3-2024 Financial communication will be the first quarter incorporating former Lok'nStore portfolio being consolidated as of August 1<sup>st</sup>;
- Accretion on Shurgard adjusted EPRA earnings per share: neutral in 2025 and **accretive from 2026 onwards**;
- We maintain a financial policy with a target to keep **LTV at c. 25% and, 4.0x to 5.0x Net debt/ Underlying EBITDA**, with a short- to mid-term ability to exceed temporary for acquisitions to a maximum of 35% or above 5.0x Net debt/Underlying EBITDA;
- Pro forma leverage of c. **24% LTV and c. 6x Net debt/Underlying EBITDA** at acquisition (including bridge financing).



# CONCLUSION

- **Operational execution excellence**
  - Raise of our FY revenue guidance
  - Growth across all markets
  - Digitalization and leading operational platform
- **Growth accelerated**
  - Acquisition of Lok'nStore (UK), a modern, purpose-built portfolio and attractive pipeline; representing a full two years of total Shurgard growth
  - Germany: acquisitions of Pickens and Bonn M. (last 12 months 57,000 sqm added through acquisitions and developments representing 46% of our German net rentable sqm).
- **Future growth secured with 2024-26 pipeline**
  - Equivalent to 26% (c. 365,000 sqm) of our 2023 net rentable sqm
  - Representing c. €1,047 million of investment at 8-9% return at maturity
  - Delivering additional NOI of c. € 90 million per year
- **Strong balance sheet, with a modest level of gearing and significant liquidity**
  - First European self-storage operator awarded a BBB+ (stable outlook)
  - Optional scrip dividend offered to shareholders



# NEXT

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## German market day

- On **September 17, 2024**, during the EPRA conference in Berlin, we will host an asset tour;
- Followed by a presentation on Germany;
- Register for our presentation via email to: [investor.relations@shurgard.co.uk](mailto:investor.relations@shurgard.co.uk)

## Q3 conference call

- A conference call will be scheduled for Tuesday, **November 5, 2024** to discuss our Q3 2024 results incorporating for the first time former Lok'nStore portfolio being consolidated as of August 1st.

# APPENDICES



# SAME STORE AVERAGE OCCUPANCY BY COUNTRY

	Q2			H1		
	2024	2023	Diff.	2024	2023	Diff.
France	89.3%	89.2%	0.1pp	88.9%	88.8%	0.1pp
The Netherlands	90.9%	91.6%	-0.6pp	90.9%	91.1%	-0.2pp
UK	87.1%	87.8%	-0.6pp	86.6%	87.7%	-1.1pp
Sweden	90.9%	91.7%	-0.8pp	90.4%	91.3%	-1.0pp
Germany	88.7%	90.3%	-1.6pp	88.9%	90.2%	-1.3pp
Belgium	91.7%	92.2%	-0.5pp	91.3%	92.1%	-0.7pp
Denmark	90.6%	91.1%	-0.5pp	90.7%	91.5%	-0.8pp
Total	89.8%	90.4%	-0.5pp	89.5%	90.1%	-0.5pp

# SAME STORE PROPERTY AVERAGE IN-PLACE RENT BY COUNTRY

In € per sqm / year	Q2				H1			
	2024	2023	% var.	% var. CER	2024	2023	% var.	% var. CER
France	271.1	262.8	3.2%	3.2%	270.4	264.4	2.3%	2.3%
The Netherlands	243.1	228.8	6.2%	6.2%	242.2	227.5	6.5%	6.5%
UK	390.4	356.0	9.7%	7.6%	388.4	352.4	10.2%	7.5%
Sweden	235.4	236.2	-0.3%	0.1%	238.4	240.9	-1.0%	-0.4%
Germany	292.2	266.8	9.5%	9.5%	291.7	266.0	9.7%	9.7%
Belgium	232.0	211.3	9.8%	9.8%	231.0	211.2	9.4%	9.4%
Denmark	301.7	285.7	5.6%	5.7%	301.0	285.3	5.5%	5.7%
<b>Total</b>	<b>275.6</b>	<b>260.6</b>	<b>5.8%</b>	<b>5.4%</b>	<b>275.2</b>	<b>260.7</b>	<b>5.6%</b>	<b>5.1%</b>

# LEGAL DISCLAIMER

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*All statements in this presentation, other than statements of historical facts, are 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. All forward-looking statements speak only as of the date of this presentation.*

*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. You should not place undue reliance on these forward-looking statements, which reflect the current views of the management of Shurgard. These statements are subject to risks and uncertainties about Shurgard and are dependent on many factors, some of which are out of Shurgard’s control. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.*

## *Use of alternative performance measures*

*The information contained in this presentation includes alternative performance measures (also known as non-GAAP measures). The descriptions of the alternative performance measures are available on <https://corporate.shurgard.eu/resources/alternative-performance-measures>*