



Self Storage Group ASA

First quarter 2018

8 May 2018



GROUP HIGHLIGHTS – FIRST QUARTER 2018



- Revenues in Q1 2018 NOK 58.3 million, up from NOK 49.8 million in Q1 2017
- Adjusted EBITDA in Q1 2018 of 15.6 million¹⁾, up from NOK 9.8 million in Q1 2017
- Fair value of investment property increased by NOK 232.6 million from Q1 2017 to a total of NOK 429.5 million in Q1 2018
- Acquisition of the Minilager Norge group with 4 facilities and 4 300 m² lettable area
- Acquisition of 5 properties with a potential of 4 800 m² lettable area
- Cash position NOK 130.4 million

KEY FIGURES – FIRST QUARTER 2018



- Current lettable area (CLA) 110 000 m², up from 90 900 m² in Q1 2017 and up from 103 700 m² since Q4 2017
- 3 new facilities opened and expansions adding a total of 2 100 m² CLA since Q4 2017
- Acquisition of the Minilager Norge group adding 4 300 m² CLA
- Acquisition of 5 properties with a potential of 4 800 m² lettable area
- Total number of operating facilities at the end of Q1 2018 was 91, an increase of 23 facilities since Q1 2017
- Average rent¹⁾ 2 328 NOK pr m²
- Occupancy¹⁾ 84,1%

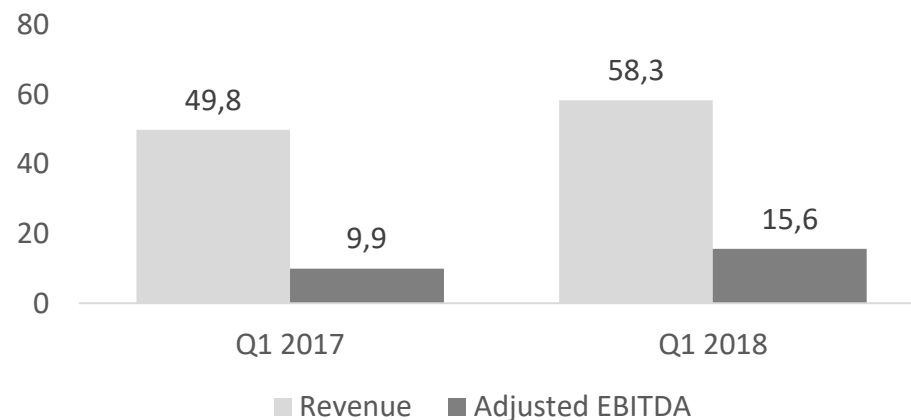
KEY FIGURES – FIRST QUARTER 2018

(NOK million)

KEY FIGURES

	2018	2017	2017
	Q1	Q1	FY
Revenue	58.3	49.8	212.1
Total operating costs ¹	42.7	40.0	158.0
Adjusted EBITDA	15.6	9.8	54.2
Non-recurring items	0.9	0.0	11.3
Reported EBITDA	14.7	9.8	42.9

DEVELOPMENT Q1 2017-Q1 2018



¹ Adjusted for non-recurring items of NOK 0.9 million in Q1 2018, NOK 5.7 million in Q4 2017, NOK 4.6 million in Q3 2017 and NOK 0.9 million in Q2 2017

KEY FIGURES¹ – Q1 2018

(NOK million)

P&L	Q1'18	Q1'17	FY '17
Revenue	58.3	49.8	212.1
Total operating costs ²	42.7	40.0	158.0
Adjusted EBITDA	15.6	9.8	54.2
Adjusted EBIT	13.2	9.5	46.9
Change in fair value of investment properties	0.5	11.9	29.8
Adjusted Pre-tax profit	12.9	20.3	73.5
Adjusted Net profit	9.9	15.4	59.7
Current lettable area (thousands m2)	110.0	90.5	103.7
Lettable area under development (thousands m2)	15.6	N/A	12.3

Cash flows

	31.3.18	31.3.17	31.12.17
Net cash flows from operating activities	7.2	6.6	42.3
Net cash flows from investing activities	-70.0	-19.8	-123.4
Net cash flows from financing activities	-1.7	58.0	241.6
Cash and cash equivalents at beginning of the period	195.2	34.1	34.1
Cash and cash equivalents at end of the period	130.4	79.0	195.2

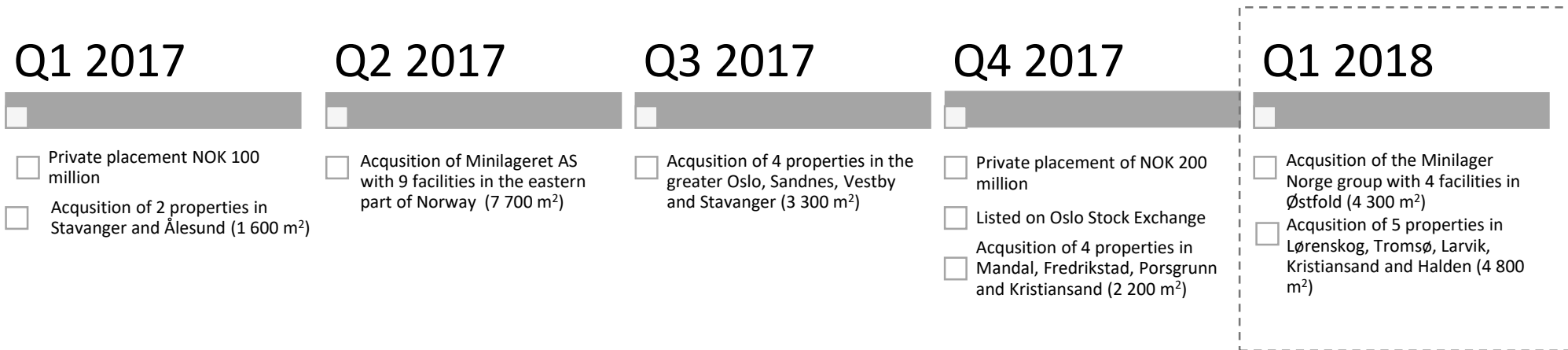
Balance sheet

	31.3.18	31.12.17
ASSETS		
Investment property	429.5	338.6
Property, plant and equipment	63.0	52.6
Goodwill	93.7	72.3
Total non-current assets	586.9	463.5
Other current assets	31.4	26.3
Cash and bank deposits	130.4	195.2
Total current assets	161.8	221.5
TOTAL ASSETS	748.7	685.0
EQUITY AND LIABILITIES		
Total equity	549.2	514.0
Long-term interest-bearing debt	101.4	89.7
Deferred tax liabilities	30.6	22.3
Total non-current liabilities	133.3	112.2
Total current liabilities	66.3	58.9
Total liabilities	199.5	171.0
TOTAL EQUITY AND LIABILITIES	748.7	685.0

1) Unaudited figures for 2018

2) Adjusted for IPO and non-recurring items of NOK 0.9 million in Q1 2018 NOK, 5.7 million in Q4 2017, NOK 4,6 million in Q3 2017 and NOK 0,9 million in Q2 2017

HIGH ACTIVITY IN 2017 – CONTINUING THE GROWTH IN 2018

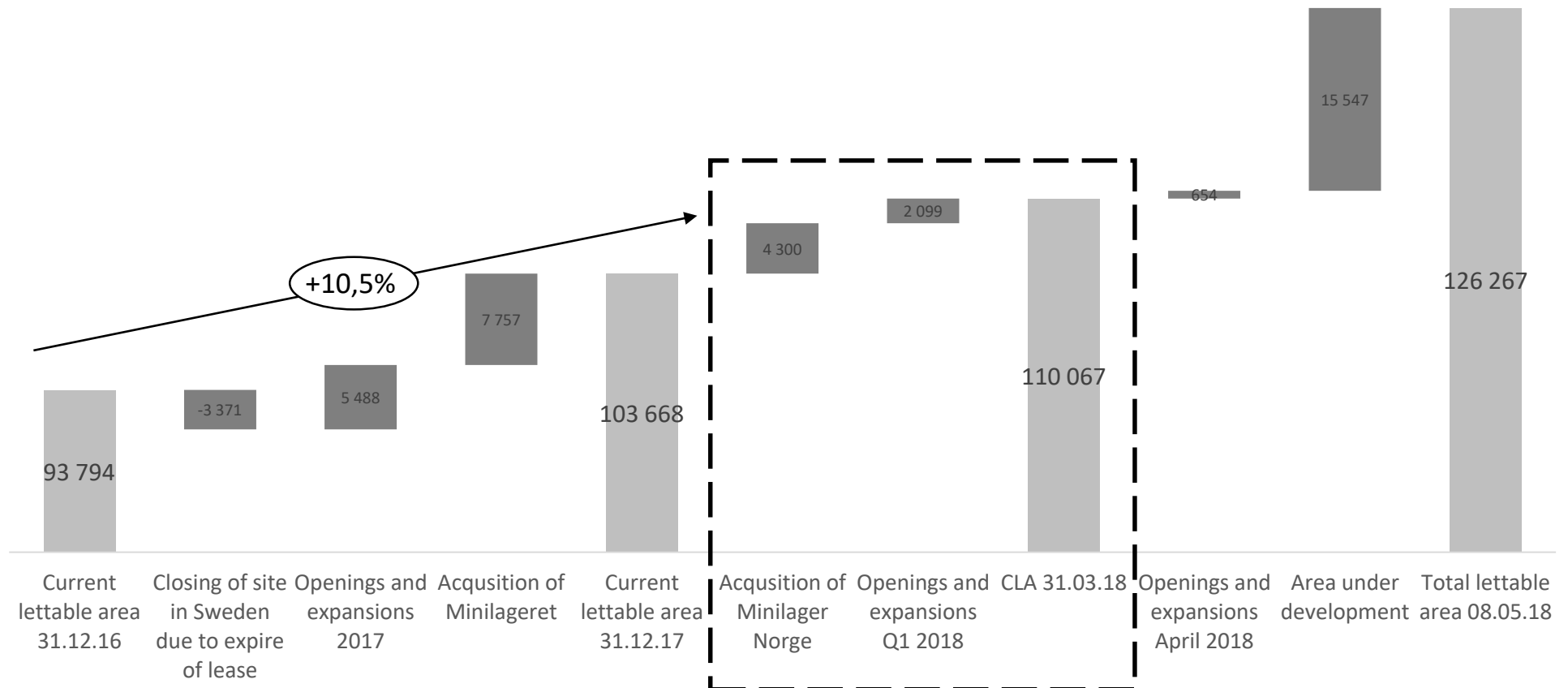


Development January 2017 - March 2017:

- Acquired 23 900 m² since 1.1.2017 and expanded CLA with 20 200 m²
- Raised NOK 300 million in gross proceeds
- Digital marketing and online booking in CSS
- CRM-project
- Optimizing CSS
- Integration of Minilageret and Minilager Norge group
- Establishment of HQ-functions

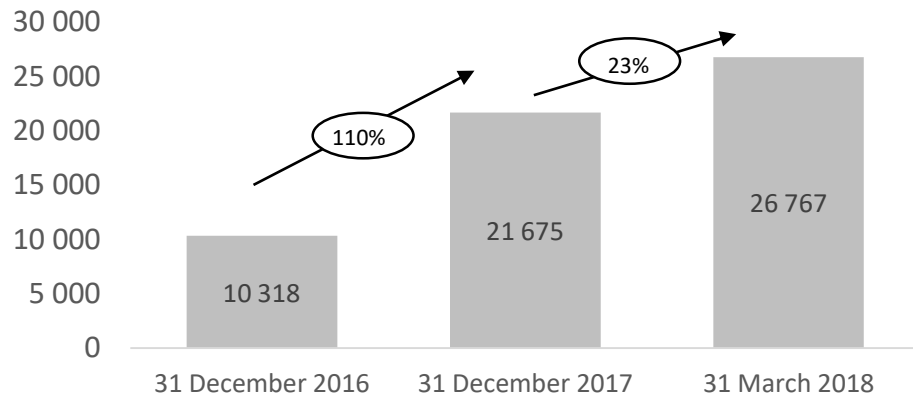
CLA INCREASED BY 6 400 M² DURING Q1 2018

– 15 500 M² IN PIPELINE

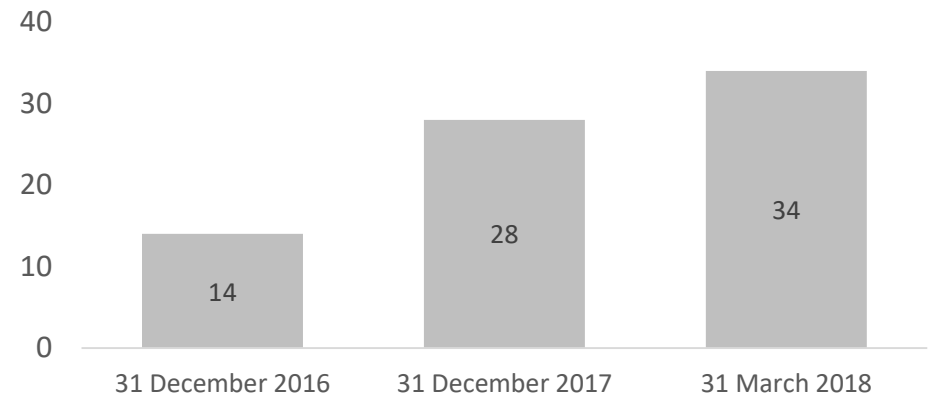


STEADY GROWTH IN SHARE OF OWNED PORTFOLIO

FREEHOLD FACILITIES (M²)

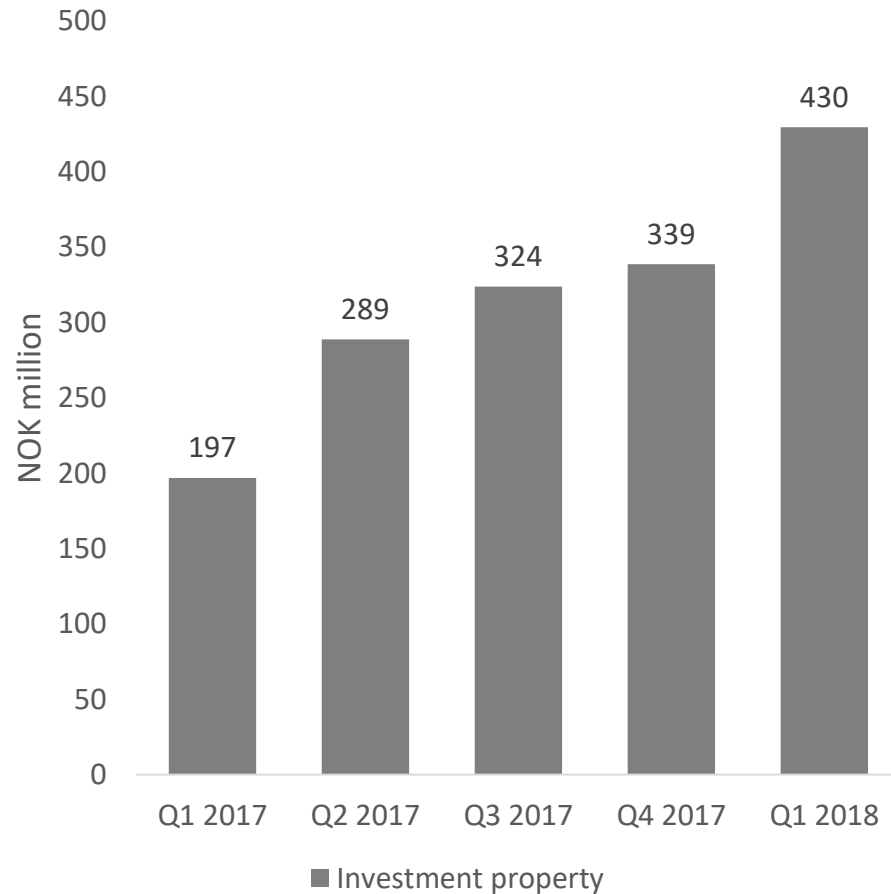


NUMBER OF FREEHOLD FACILITIES



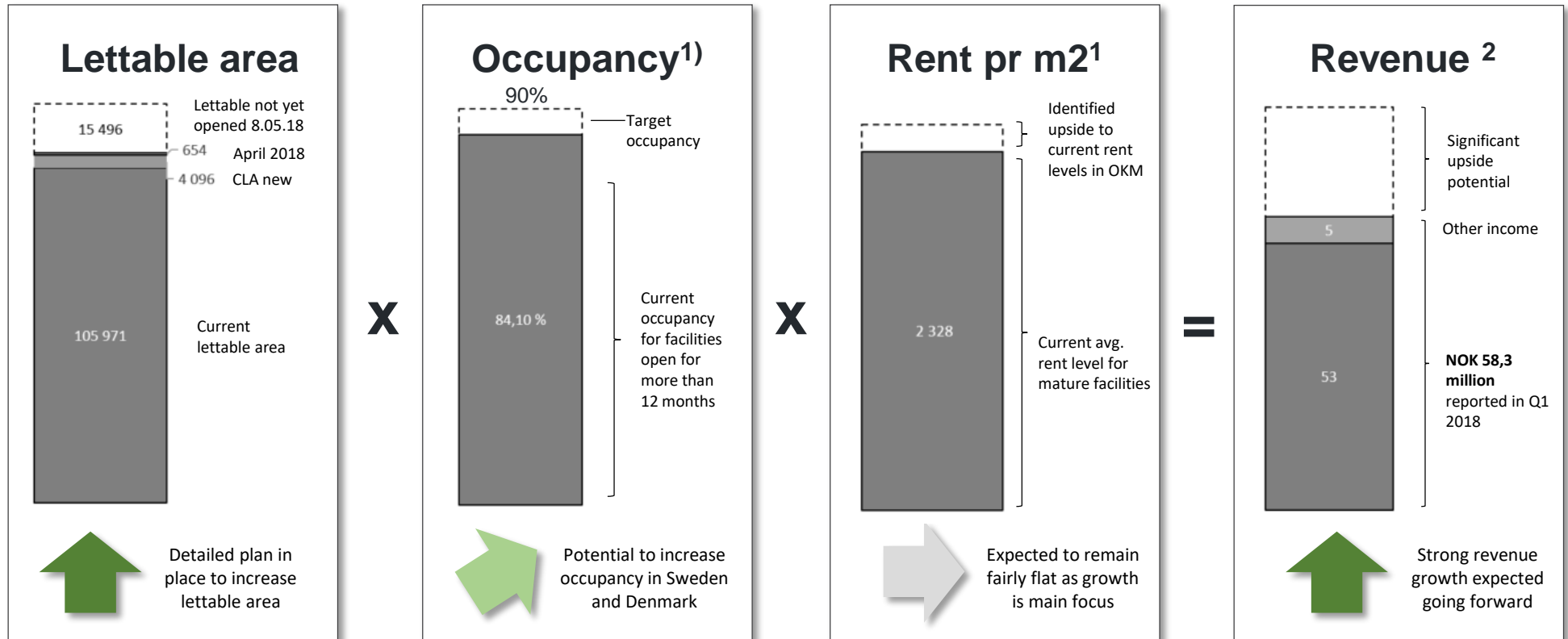
- SSG's strategy is to expand within owned facilities
- 24% of current lettable area at the end of Q1 2018 was freehold
 - 83 300 m² leased
 - 26 767 m² owned
- Freehold m² increased with 110% during 2017 and additional 23% in Q1
- As of 31 March 2018 34 of a total of 91 facilities were freehold

PROPERTY VALUE INCREASED BY 118% IN 12 MONTHS



- As of 31.03.2018 SSG owns 41 properties
- Internal lease agreements at commercial terms are signed between OK Property and the operating companies in the Group
- External valuations performed by Newsec - conservative yields

REVENUE DYNAMICS Q1-2018



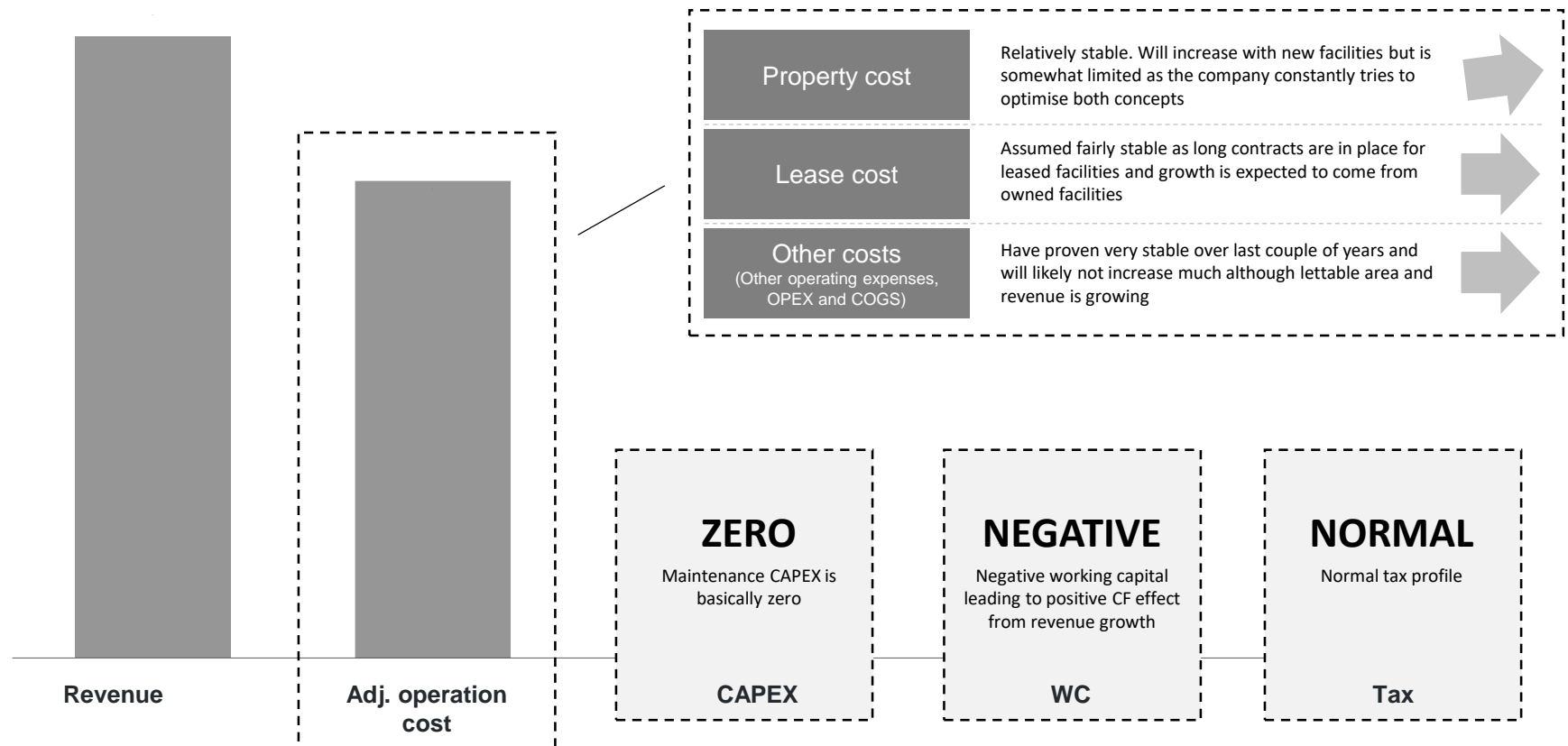
Note:

1) Average occupancy and rent pr m² for sites with more than 12 months of operation in NOK

2) Numbers in NOK million

STRONG LINK BETWEEN REVENUE GROWTH AND ABSOLUTE GROWTH IN PRE TAX FREE CASH FLOW

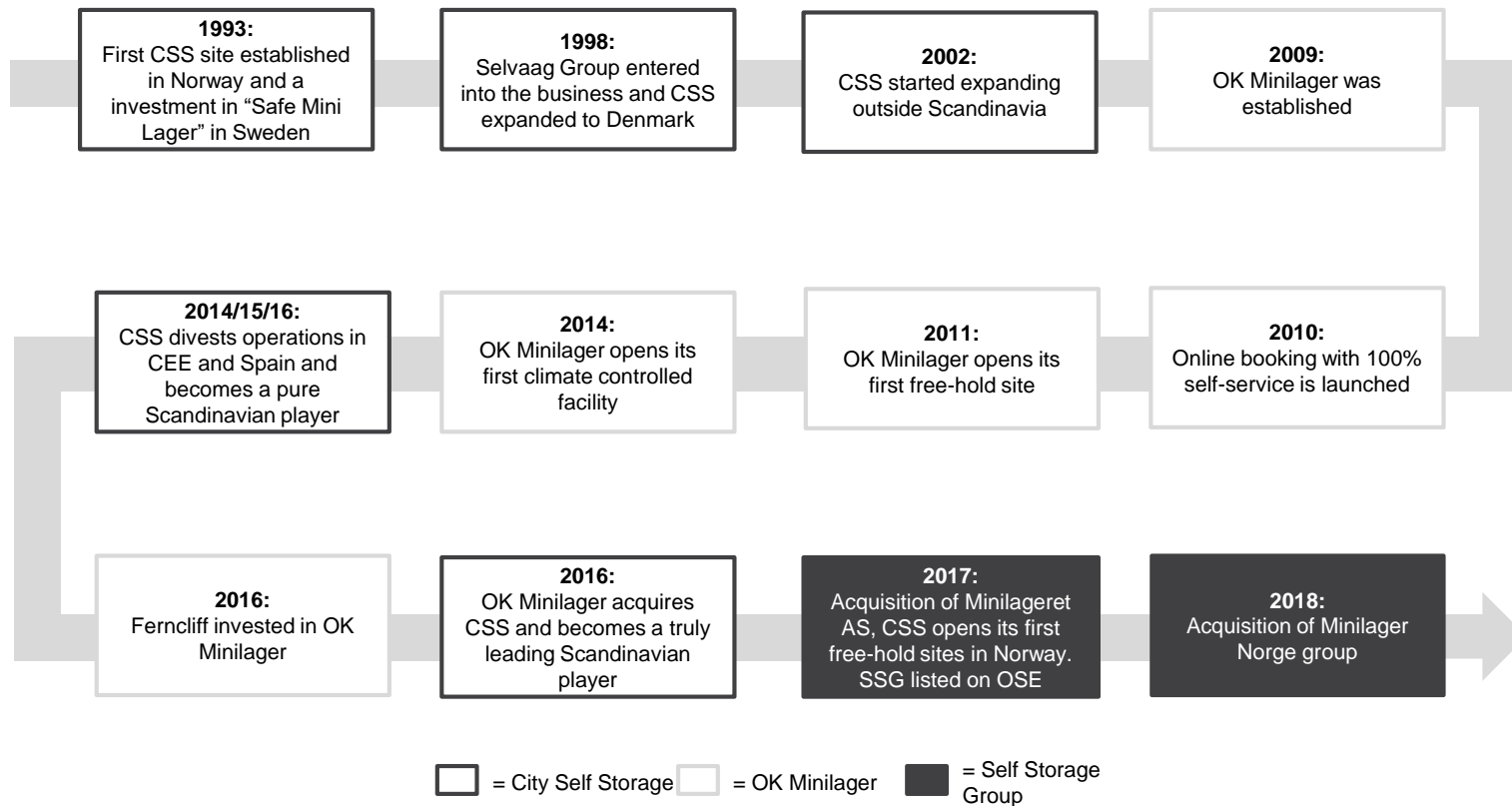
Strong link between further growth in revenue and EBITDA



THE COMPANY



OUR HISTORY



SELF STORAGE GROUP AT A GLANCE

Provider of self storage solutions to both individuals and businesses through (i) OK Minilager and (ii) City Self Storage

Operations in Norway, Sweden and Denmark

Focus on cost effective operations through self service/ automated storage facilities

As of 8 May 2018 SSG has 110 700 m² CLA and 15 500 m² lettable area under development – in total 126 200 m²

18 700 storage rooms in 37 cities and towns – 92 facilities



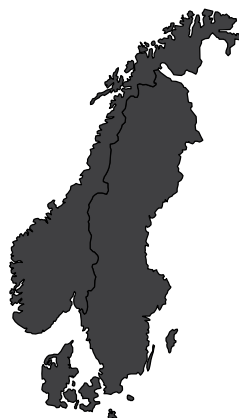
SSG CONSISTS OF TWO DISTINCT BUSINESS CONCEPTS

City Self-Storage



High-end brand providing self-storage rental and ancillary products and services in Scandinavia's capital cities

- 31¹ temperate storage facilities across
- One of the leading self-storage providers in the Scandinavian market
- Located in Oslo, Stockholm and Copenhagen
- 63 294 m² of lettable storage space (3 969 m² freehold)

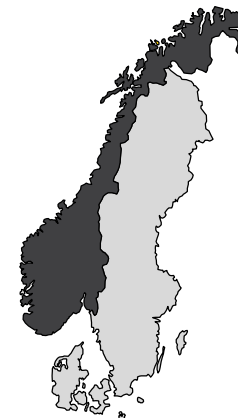


OK Minilager



Countrywide, discount-priced offering of self-served storage facilities in Norway

- 61² facilities located across Norway
- 28 drive-in storage facilities and 33 temperate storage facilities
- 2nd largest player in Norway, behind CSS
- Self service, open 24 hr/day and 7 days a week
- 47 426 m² of lettable storage space (23 438 m² freehold)



¹ As of 8 May 2018. Including Minilager Norge group

² As of 8 May 2018. Including Minilageret AS

INTEGRATION OF MINILAGER NORGE IN Q1

Geographic presence

Moss

- Square meters: 800

Rygge

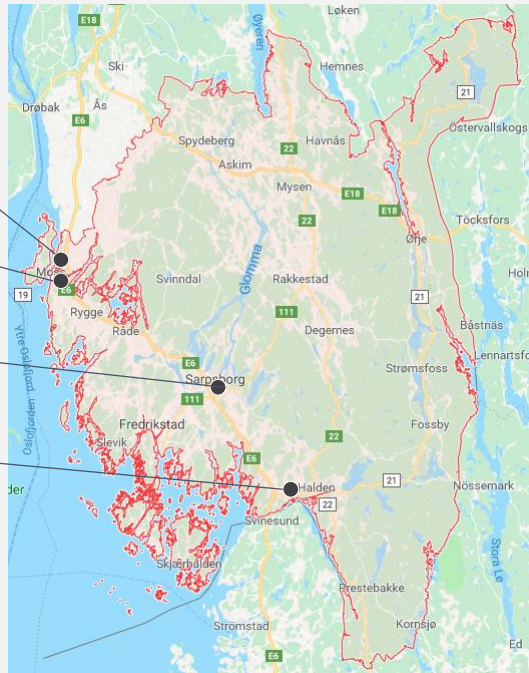
- Square meters: 780

Sarpsborg

- Square meters: 1 650

Halden

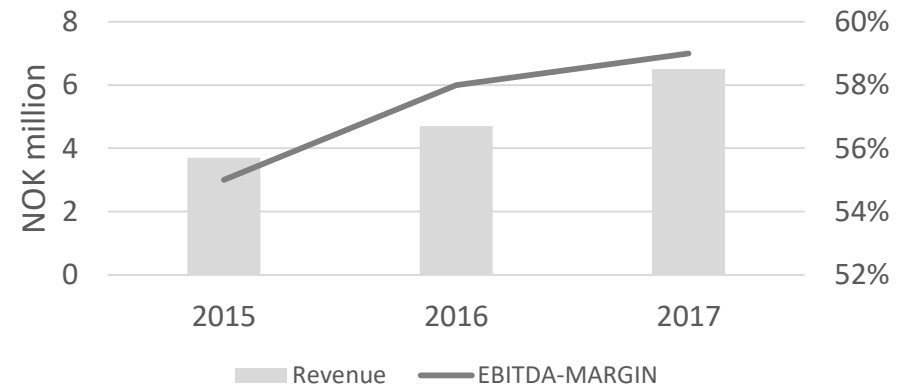
- Square meters: 1 050



Minilager Norge

- Portfolio of 4 attractive locations in the Østfold county
- 3 freeholds and 1 leasehold with a call option
- Synergies in operations, branding and IT
- A development opportunity on the property in Moss. A property with great visibility.
- A potential to grow occupancy

Key financials



ACQUISITIONS IN THE QUARTER

Acquisition of 5 new properties with a CLA potential of 4 860 m²

Lørenskog – Greater Oslo



Date¹: 01.02 2018

Type: Company asset acquisition

Potential lettable area:
1 800 m²

Location:
Located in a retail-area with Great visibility. With this property we strengthen our position in the Greater Oslo Region.

Tromsø



Date¹: 01.02 2018

Type: Property (building)

Potential lettable area:
1 200 m²

Location:
Just north of the Tromsø City Centre, on the Tromsøya Island. Our first property in Tromsø, Norway's 8th largest City.

Larvik



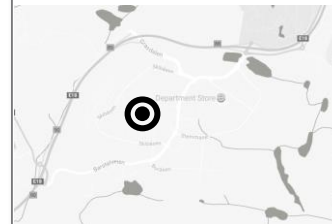
Date¹: 01.03 2018

Type: Property (building)

Potential lettable area:
700 m²

Location:
Our 2nd location in Larvik. Conveniently located close to the City Centre.

Kristiansand



Date¹: 15.03 2018

Type: Property (Building)

Potential lettable area:
880 m²

Location:
Our 4th property in Kristiansand, The 5th largest city in Norway. This property is located in Sørlandsparken, a major retail - and industrial area.

Halden



Date¹: 16.01 2018

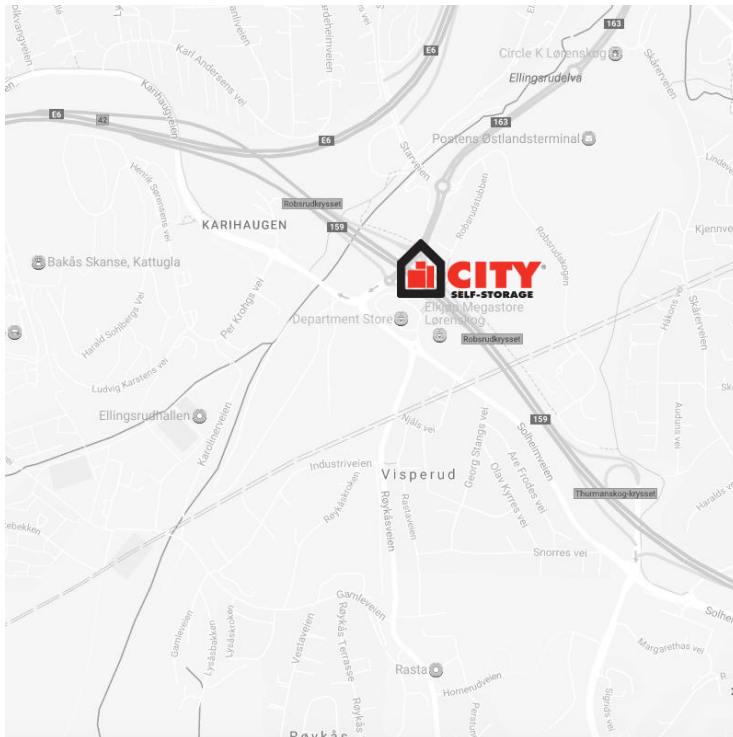
Type: Property (building)

Potential lettable area:
280 m²

Location:
Our 11th location in the Østfold County. A smaller location, close to the City Centre of Halden.

¹Date of acquisition

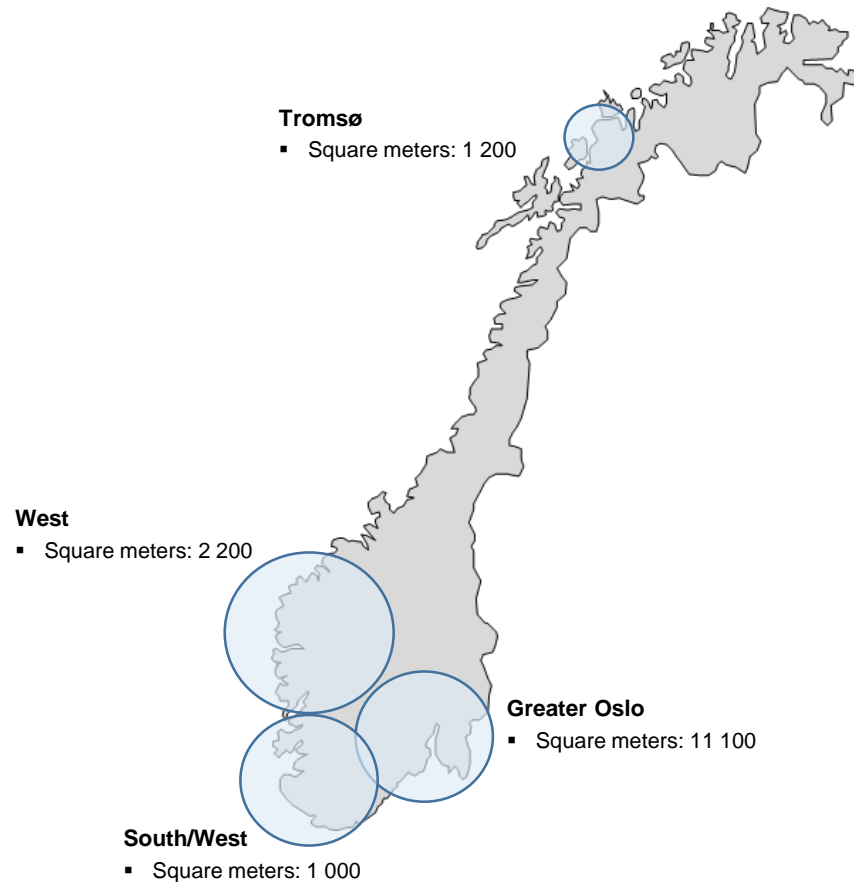
ACQUISITION OF A PROPERTY IN GREATER OSLO



Solheimsveien 32 AS

- Located in Lørenskog, about 15 kilometres north of Oslo City Centre
- Transaction value: 31 MNOK
- 1 800 m² potential CLA
- Located close to the Rømsrud Intersection, with several big-box retailers in the area
- Great visibility from the main roads
- The property will be branded as City Self Storage
- Several new housing developments in Lørenskog
- Rental income from tenants until the property can be converted into self-storage
- With the acquisition, we continue to strengthen our position as the market leader in the Oslo-Region

15 500 M² IN POTENTIAL LETTABLE AREA



- 4 500 potential m² in newly acquired facilities
- 11 000 potential m² in existing facilities
- All potential m² in freehold facilities
- Rent income from expiring lease contracts from 5 100 m² of the 15 500 m² not yet build into self-storage units
- 10 000+ square meters are planned to open during 2018



GROWTH POTENTIAL IN NORWAY

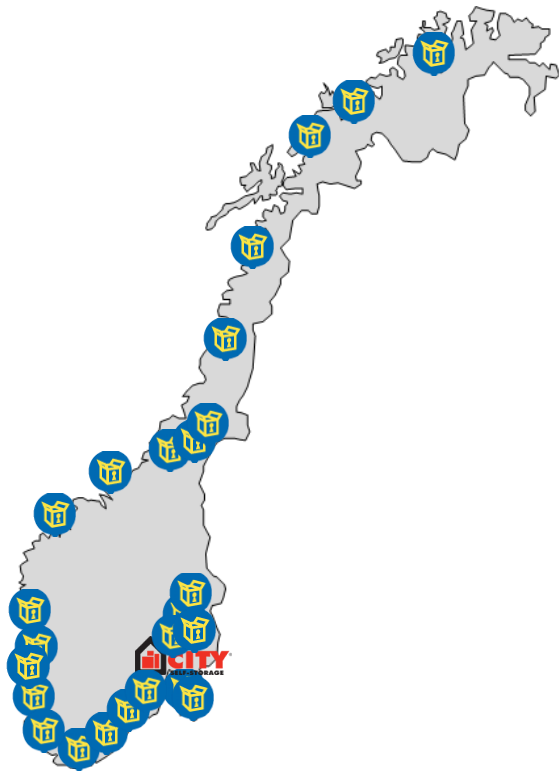
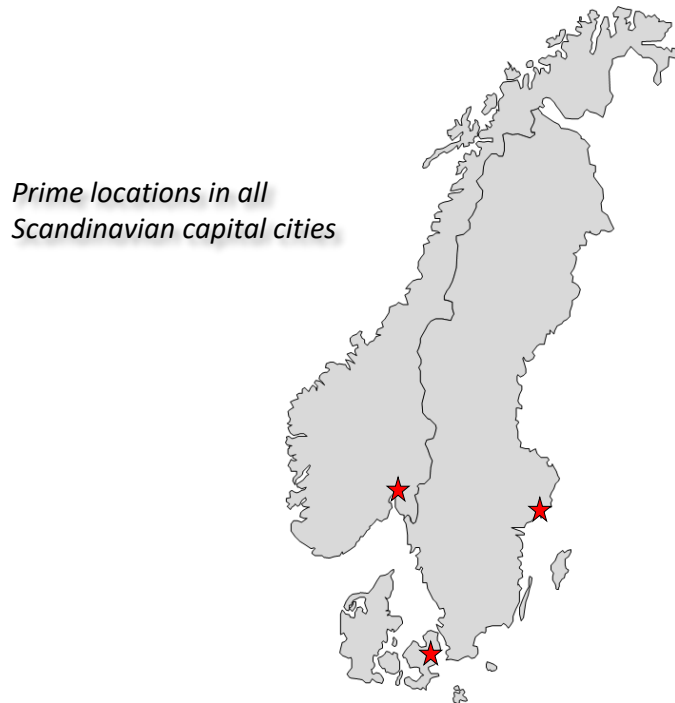


Illustration showing markets with immediate growth potential

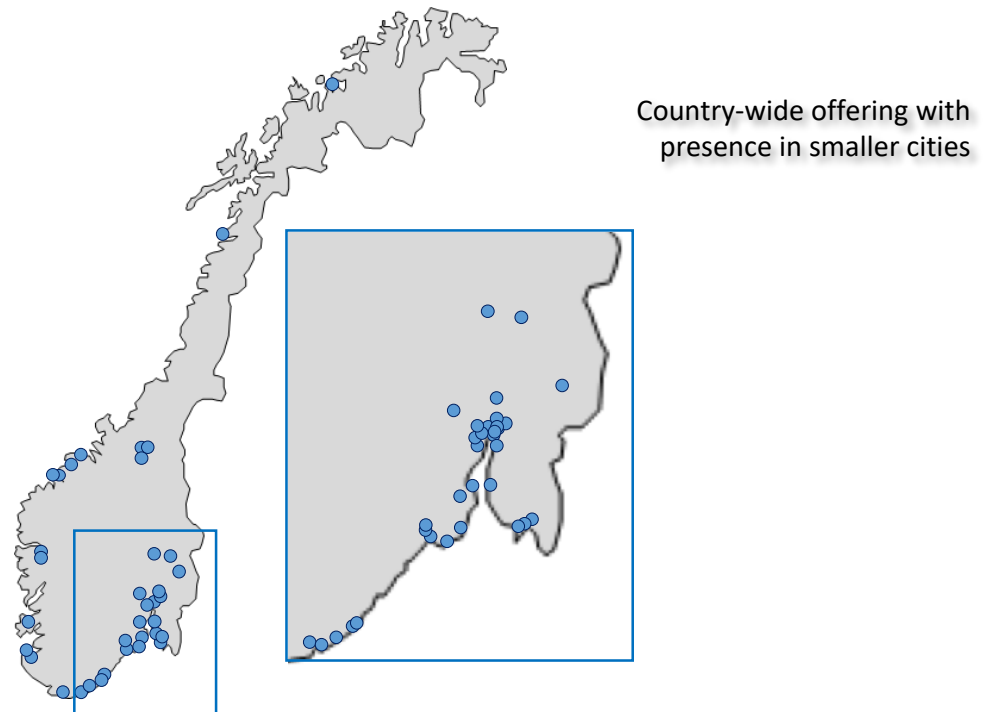
- Focus on organic growth in Greater Oslo. Strengthening the position of both the CSS and OK Minilager brands in the region
- Focus on the larger urban areas in Norway, with automated sites operated under the OK Minilager brand.
- Potential to enter 30+ smaller markets with population of 10.000<
- Growth potential within existing smaller markets
- Opportunity for M&A in selected markets

SSG HAS A STRONG PLATFORM FOR FUTURE GROWTH

City Self-Storage



OK Minilager

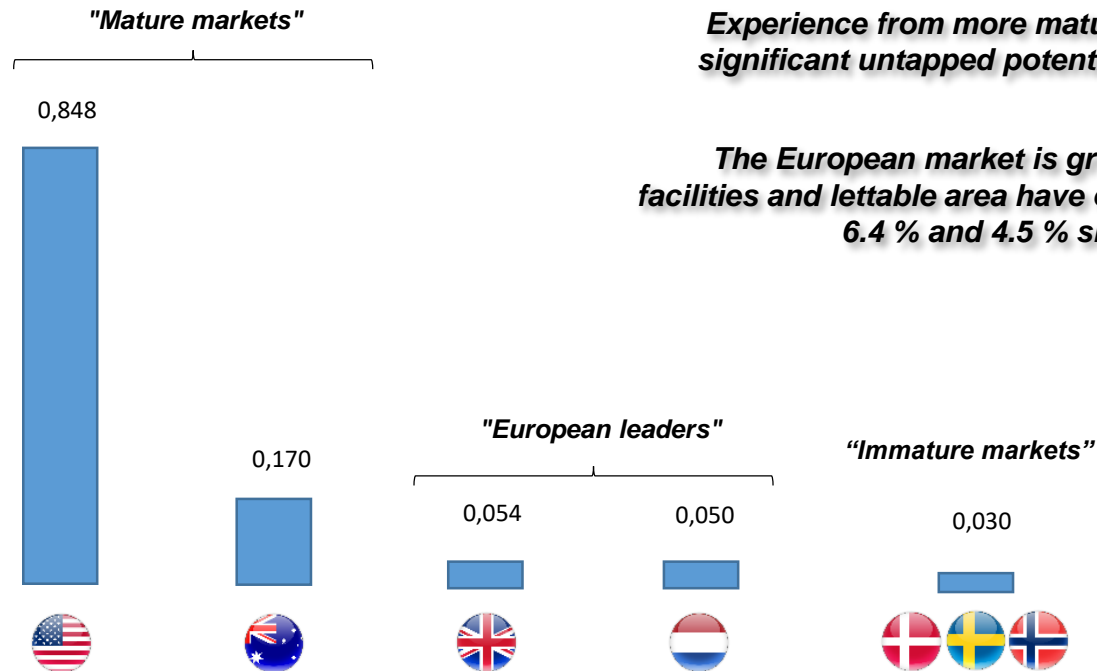


THE MARKET



UNTAPPED POTENTIAL FOR SELF STORAGE IN THE NORDICS

Scandinavia lagging in terms of self storage space per capita (sq.m.)



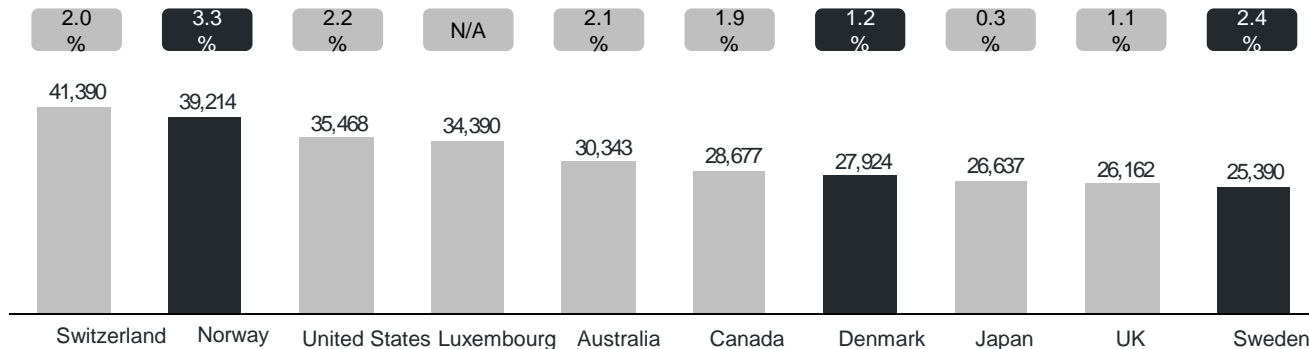
Experience from more mature markets highlight a significant untapped potential in the Scandinavian countries

The European market is growing; total number of facilities and lettable area have experienced CAGRs of 6.4 % and 4.5 % since 2014, respectively

ALL FACTORS SUGGESTING INCREASING DEMAND FOR STORAGE GOING FORWARD

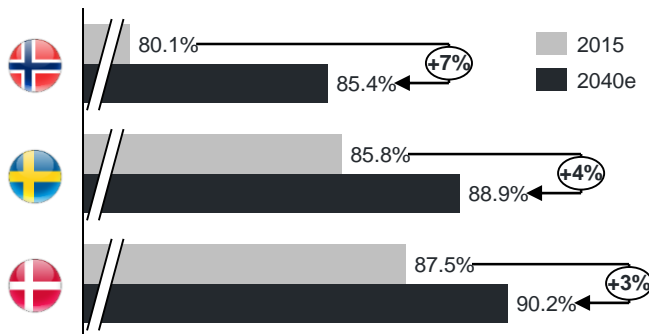
Private consumption and 5 year growth in disposable income¹⁾²⁾

Household final consumption expenditure per capita in 2015 (constant 2010 USD) and avg. growth in disposable income last 5 years



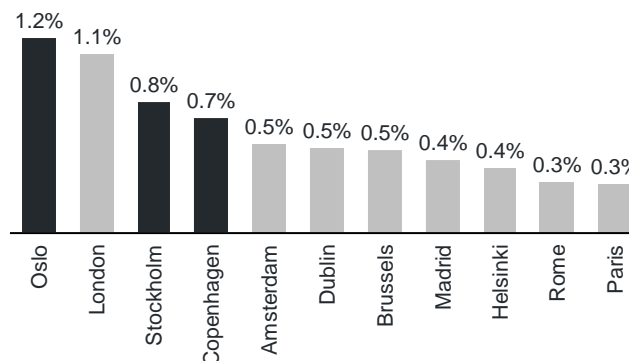
Strong urbanization trend...

% of population living in cities



...particularly in the Nordics

Population growth ('13-'25e CAGR) in selected European cities



Comments

- Scandinavian countries ranking high in terms of consumption per capita
- In 2015 net household disposable income in Norway, Sweden and Denmark grew with 4.3%, 2.5% and 2.5% respectively
- Spending levels expected to continue growing
- Oslo, Stockholm and Copenhagen expected to remain among the fastest growing capitals in Europe

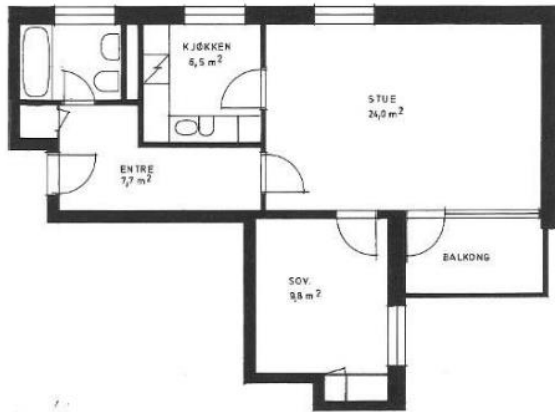
Source: The World Bank, OECD Data, Eurostat, SSB, FEDESSA European Self Storage Annual Survey 2016, Arctic Securities Research

Notes: 1) Private consumption per capita calculated using constant 2010 prices and World Bank population estimates

2) Growth rates based on average growth in real household net disposable income for the period 2011-2015

URBANISATION AND RISING HOUSING PRICES HAVE LEAD TO NEW BUILDING STANDARDS WITH LESS STORAGE SPACE

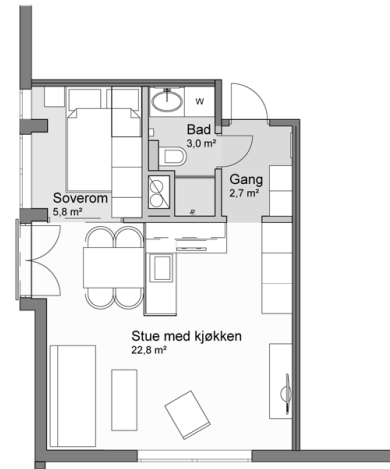
Old building standards



- *Approx. 50m²*
- *3 rooms*
- *Closed kitchen*

- More functional layout with focus on practical solutions and storage space
- «Closed kitchen» with necessary storage space
- Larger bedrooms and bathrooms
- Common areas in basements were previously reserved for storage space

New building standards



- *Approx. 40m²*
- *2 rooms*
- *Open kitchen*

- Smaller apartments on the back of rapidly rising housing prices, especially in the larger cities
- «Open kitchen» solution with less storage space
- No link between size of apartment and storage space
- The required 3 sq.m. storage space has become a «walk-in closet» and may even be eliminated following TEK17

Appendix



FOURTH QUARTER AND YTD 2017 COMPREHENSIVE INCOME

Profit and loss statement¹⁾

NOK 1000

	For the three months ended 31 March 2018	For the three months ended 31 March 2017	For the twelve months ended 31 December 2017
Revenue	58 285	49 809	212 143
Property-related expenses	25 344	24 842	94 994
Salary and other employee benefits	9 367	8 677	36 747
Depreciation	2 386	399	7 261
Other operating expenses	8 853	6 449	37 464
Operating profit before fair value adjustments	12 331	9 502	35 677
Change in fair value of investment properties	490	11 898	29 831
Operating profit after fair value adjustments	12 821	21 400	65 508
Finance income	552	133	1 333
Finance expense	1 373	1175	4 626
Profit before tax	9 190	20 338	62 215
Income tax expense	2 811	4 957	11 996
Profit for the period	9 190	15 381	50 219
Earnings per share			
Basic (NOK)	0,14	0,39	0,99
Diluted (NOK)	0,14	0,39	0,98
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
- currency translation difference	-484	487	477
Other comprehensive income for the period, net of income tax	-484	487	477
Total comprehensive income for the period	8 706	15 868	50 696

Comments

- Financial development affected by the acquisition of Minilageret AS 30 June 2017 and the consolidation of Minilager Norge group from 1 January 2018
- Revenue for Q1 2018 was NOK 58.3 million, up NOK 8.5 million from Q1 2017. The increase is due to income from Minilageret and Minilager Norge group, in addition to growth in rentals
- Operating profit in Q1 2018 was impacted by transaction costs related to the acquisition of Minilageret group and other non-recurring items. In total non-recurring items amounted to NOK 0.9 million in Q1 and NOK 11.3 million in 2017
- The fair value of investment property is based on external valuations in combination with management estimates and judgments

Notes:

1) Unaudited figures for 2018

YTD 2017– FINANCIAL POSITION

Financial position ¹⁾

(Amounts in NOK 1 000)	Unaudited 31 March 2018	Audited 31 December 2017		Unaudited 31 March 2018	Audited 31 December 2017
ASSETS			EQUITY AND LIABILITIES		
Non-current assets			Equity		
Investment property	429 530	338 631	Issued share capital	6 536	6 369
Property, plant and equipment	63 020	52 618	Share premium	422 768	396 416
Goodwill	93 771	72 272	Other reserves	-121	363
Other intangible assets	588	493	Retained earnings	119 999	110 809
Total non-current assets	586 909	463 521	Total equity	549 182	513 957
Current assets			Liabilities		
Inventories	1 389	1 434	Non-current liabilities		
Trade and other receivables	11 334	11 455	Long-term interest-bearing debt	101 388	89 690
Other current assets	18 685	13 397	Other financial liabilities	1086	
Cash and bank deposits	130 374	195 224	Deferred tax liabilities	30 646	22 289
Total current assets	161 782	221 510	Obligations under finance leases	172	214
TOTAL ASSETS	748 691	685 031	Total non-current liabilities	133 292	112 193
			Current liabilities		
			Short-term interest-bearing debt	5 528	4 750
			Trade and other payables	11 056	10 282
			Income tax payable	1 627	1 699
			Other taxes and withholdings	4 821	4 789
			Obligations under finance leases	265	312
			Other current liabilities	42 920	37 049
			Total current liabilities	66 217	58 881
			Total liabilities	199 509	171 074
			TOTAL EQUITY AND LIABILITIES	748 691	685 031

Comments

- Total assets increased to NOK 749 million at the end of Q1 2018 following acquisition of investment properties and balance sheet consolidation
- Increased equity through issue of ordinary shares and result for the period
- Positive net interest-bearing debt was NOK 23.5 million
- Other current liabilities increased due to settlement of Minilager Norge
- Equity ratio was 73%
- Negative working capital due to invoicing of customers in advance and stable cost

Notes:

1) Unaudited figures for 2017

YTD 2017 – CASH FLOW

Condensed consolidated statement of cash flows¹⁾

(Amounts in NOK 1 000)	Note	Unaudited For the three months ended 31 March 2018	Unaudited For the three months ended 31 March 2017	Audited For the year ended 31 December 2017
Cash flow from operating activities				
Profit before tax		12 001	20 338	62 215
Income tax paid		-	-	-8 170
Adjustment for net interests paid		-594	-	242
Depreciation		2 386	339	7 261
Gain/loss on disposal of property, plant and equipment		-	-	148
Change in fair value of investment property	6	-490	-11 898	-29 831
Change in trade and other receivables		219	-1 064	-733
Change in trade and other payables		443	-2 987	1 466
Change in other current assets		-5 205	1 358	5 047
Change in other current liabilities		-1 531	476	4 623
Net cash flow from operating activities		7 229	6 562	42 268
Cash flow from investing activities				
Payments for investment property		-26 559	-9 827	-42 163
Payments for property, plant and equipment		-4 855	-1 522	-11 471
Net cash outflow on acquisition of subsidiaries		-38 648	-8 467	-69 760
Net cash flow from investing activities		-70 062	-19 816	-123 894
Cash flow from financing activities				
Net proceeds from issue of equity instruments of the Company		-	95 865	287 416
Proceeds from borrowing		-	-	95 000
Repayment of borrowings		-1 717	-37 809	-140 840
Net cash flow from financing activities		-1 717	58 056	241 576
Net change in cash and cash equivalents		-64 550	44 802	160 450
Cash and cash equivalents at beginning of the period		195 224	34 115	34 115
Effect of foreign currency rate changes on cash and cash equivalents		-300	103	659
Cash and equivalents at end of the period		130 374	79 020	195 224

Comments

Operating activities

- Strong cash flow
- Invoicing of customers in advance – predictable and stable costs

Investing activities

- Acquisition of Minilager Norge group
- Acquisition of 4 investment properties and 1 company assets acquisitions
- Establishment and fit out new facilities and expansions
- Maintenance is posted as property cost

Financing activities

- Private placement in January and October 2017
- Loan facility with Handelsbanken in July 2017 – repayments to shareholders

SSG's cash position at the end of March 2018 was NOK 130 million

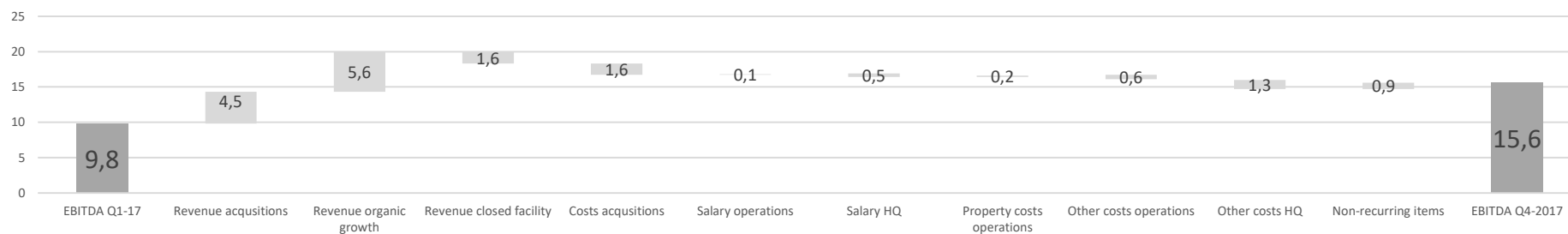
Notes:

1) Unaudited figures for 2018

EBITDA-DEVELOPMENT¹

(NOK million)

BRIDGE Q1 2017-Q1 2018



BRIDGE Q4 2017-Q1 2018



1) Adjusted for non-recurring items