HALF-YEAR REPORT

2022

JANUARY 1, 2022 TO JUNE 30, 2022

AT A GLANCE

Shurgard is the largest owner and operator of self-storage facilities in Europe by both number of stores and rentable space. We operate 257 stores in seven countries where over 180,000 customers lease our storage units every year.

FINANCIAL HIGHLIGHTS H1 2022

(in € millions)	H1 2022	H1 2021	+/-	+/- (CER)[1]
Property operating revenue[2]	161.4	143.8	12.2%	12.3%
Income from property (NOI)[3]	101.7	87.8	15.8%	16.0%
NOI margin[4]	63.0%	61.1%	2.0pp	2.0pp
EBITDA[5]	91.5	79.1	15.6%	15.7%
Adjusted EPRA earnings[6]	64.5	61.4	5.0%	4.9%

In H1 2021, we received one-off insurance reimbursements for €5.6 million (at CER, net of taxes). Excluding this impact, the adjusted EPRA earnings growth versus prior year is 15.3%.

1 In the constant exchange rate (CER) comparison, 2021 financial information is recalculated using 2022 exchange rates.
2 Property operating revenue represents our revenue from operating our properties, and comprises our rental revenue, insurance revenue and ancillary revenue.
3 Income from property (NOI) is calculated as property operating revenue less real estate operating expense for the reporting period.
4 NOI margin is calculated as income from property (NOI) divided by property operating revenue for the reporting period.
5 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 and dead deals costs and (iv) casualty losses (gains).
6 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.

PROPERTY HIGHLIGHTS H1 2022

	H1 2022	H1 2021	+/-	+/- (CER)
Number of stores[1]	256	243	5.3%	
Closing rentable sqm[2]	1,290	1,236	4.4%	
Closing rented sqm[3]	1,154	1,122	2.9%	
Closing occupancy rate[4]	89.4%	90.8%	-1.3pp	
Average rented sqm[5]	1,134	1,090	4.0%	
Average occupancy rate[6]	88.3%	88.4%	-0.1pp	
Average in-place rent (€ per sqm)[7]	246.7	226.9	8.7%	8.8%
Average revPAM (€ per sqm)[8]	251.3	233.2	7.7%	7.8%

1 Excludes any property under management contract.
2 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.
3 Closing rented sqm is presented in thousands of sqm and calculated as the sum of sqm rented by customers, as of the reporting date.
4 Closing occupancy rate is presented in % and calculated as the closing rented sqm divided by closing rentable sqm as of the reporting date.
5 Average rented sqm is presented in thousands of sqm and calculated as the sum of sqm rented by customers, for the reporting period.
6 Average occupancy rate is presented in % and is calculated as the average of the rented sqm divided by the average of the rentable sqm, each for the reporting periods.
7 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.
8 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.

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CHIEF EXECUTIVE OFFICER'S LETTER

At the end of 2021, we were poised to accelerate our expansion plans, and the first half of 2022 has confirmed the sustainability of this growth plan. Revenue and earnings are growing above our expectations. Despite the uncertainties that are affecting global markets and local communities, demand for self storage in Shurgard's highly urbanized locations remains strong. The resilience of the sector has been proved through the many unprecedented events of the last decade, which gives us confidence despite the uncertain global outlook.

FINANCIAL PERFORMANCE*

The pace of growth experienced in the first quarter continued through the second and we ended the half year with all store property operating revenue growth of 12.3%. Same store property operating revenue grew 9.1% in the first half. This growth is particularly impressive against the strong comparison results in the post-lockdown period last year when delayed life decisions boosted demand for self storage.

As demand remains strong, we have been able to initiate contract rate increases for existing customers and raised our rates for new customers while remaining competitive within our markets.

While all our markets contribute to these outstanding results, currently, the United Kingdom is our fastest growing market. Rental rates have increased by 14.8% while occupancy has remained stable despite a significant increase in our footprint in the country. The combination of these factors resulted in a 26.9% revenue increase compared to the prior year period.

In light of the inflationary pressures, we are careful to manage operational costs as revenues rise. In the first half of 2022, costs rose significantly slower than revenue (up 6.5% in the period), with payroll expenses rising only 1.3%. This was partly due to staffing recruitment delays, an issue which is being felt in many industries. Shurgard's e-rental offer, which enables customers to search, select, book and pay for their storage online, has helped to mitigate any impact of the staffing shortages that have lowered our cost base in the period.

This slower pace of cost progression, together with accelerated revenue growth, generated second quarter Income from property (NOI) growth of 15.9%, confirming the first quarter trend. Adjusted EPRA earnings growth in the first half was 4.9%, reflecting the impact of one-off insurance income recorded in the first half of 2021. Excluding this exceptional effect from 2021, growth in 2022 was 17.7% in the second quarter and 15.3% in the first half, compared to the prior year periods.

As per our dividend policy, we announced a half year dividend payment of €0.58 per share. The dividend payment will be made on or about September 29, 2022 to shareholders on the record at close of business on September 28, 2022.

We retain a very strong balance sheet, with a loan-to-value of 16.8% at the end of first half of 2022, compared to our long-term target of 25%. We ended the period with €175.8 million in cash, which puts us in a strong position to take advantage of opportunities that arise in the market.

** Unless specifically mentioned, the figures are provided at constant exchange rate (CER)*

DEVELOPMENTS

Our portfolio expansion is the long-term driving force behind our growth acceleration, and we are on track to complete and open six new developments in 2022. The first of these opened in March in the Lagny community of Paris, adding 5,500 sqm of extra storage in a very high-density location. We also have two new developments due to open in the third quarter in Germany in the NRW region, a further two in the Randstad region in the Netherlands, and one more in the Sartrouville region of Paris in the fourth quarter.

One major redevelopment, which will add 2,300 sqm to our existing store in Munich, Germany and another one adding 1,000 sqm to our existing store in Randstad, the Netherlands, are due for completion in the fourth quarter of 2022.

We remain focused on opportunities to add to properties through acquisitions, our final pillar of growth. We completed the acquisition of CityStore Self Storage in London in the second quarter, reinforcing our position in Central London where we have 9 stores and 21,600 sqm.

OUTLOOK

Despite the uncertain economic and political environment in the first half of 2022, we have delivered strong results, and the start of the third quarter has been equally robust. We now expect to deliver 10% to 12% revenue growth for the full year.

Shurgard responds to all life movements, from downsizers in a contracting economy, to up-sizers when the market is growing. As the Global Financial Crisis and the COVID-19 pandemic have proved, self storage is a resilient industry, and we remain reasonably optimistic against economic eventualities. We are carefully monitoring the challenges that lie ahead of us, such as the continued war in Ukraine, inflation, interest rates and currency movements, all of which are adding to the uncertainty. However, Shurgard's geographic diversity, urban demand and financial prudence provide the bedrock of our resilience.

To achieve our ambitions, Shurgard's pipeline is growing at a fast pace. Over the next two years, 7% (or 91,622 sqm) of our net rentable sqm has already been acquired, developed, under construction or signed.

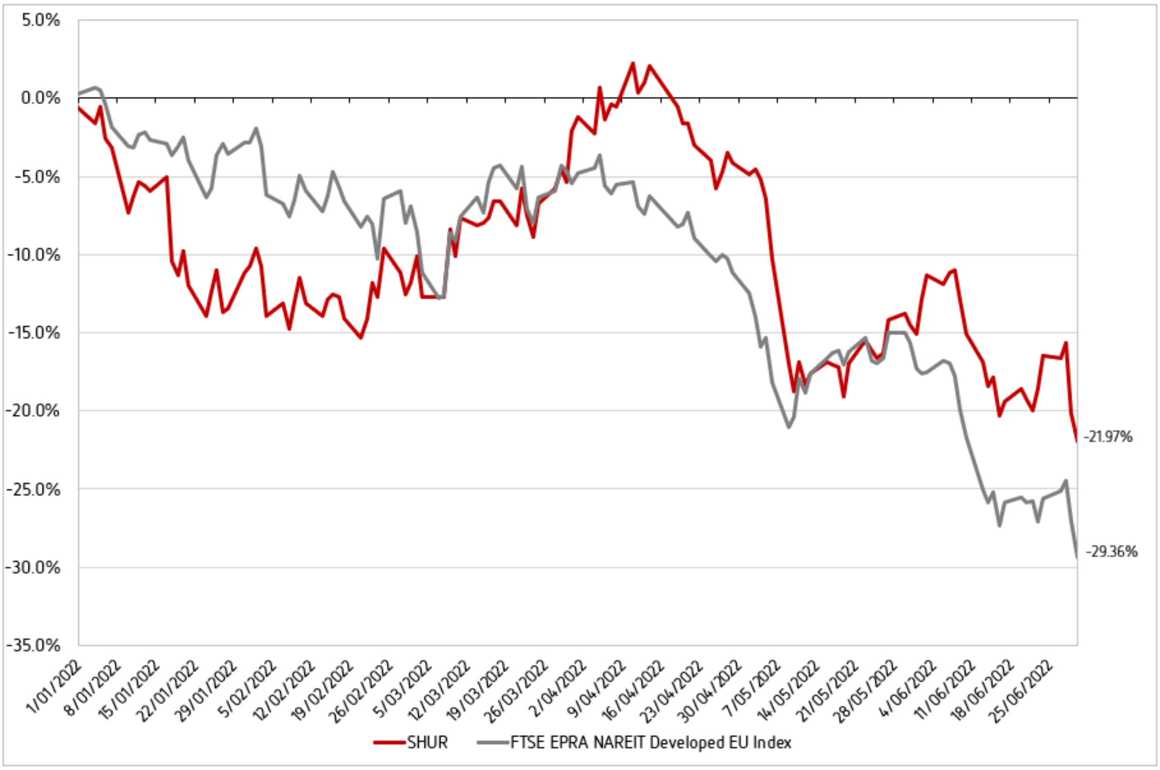
Shurgard remains mindful of our obligations to ESG principles and practices, and we were very pleased to receive an excellent first ESG score from MSCI where we were rated 'AA' (where the highest rating is 'AAA' and lowest is 'CCC'). This provides assurance, along with our other excellent measures from GRESB, Sustainalytics and EPRA sBPR, that we are achieving our sustainability goals.

We have delivered a great performance in the first half of 2022 and expect to continue to provide excellent value to our shareholders throughout the remainder of the year.

Marc Oursin
Chief Executive Officer

THE SHURGARD SHARE

SHARE PRICE DEVELOPMENT



BASIC SHARE DATA

ISIN / common code	LU1883301340 / 188330134
CFI code	ESVUFX
Ticker	SHUR
Stock exchange	Euronext Brussels
Shares issued	89,115,931
Shares outstanding as of June 30, 2022	89,115,931
Subscribed capital	€63,599,309
Share price as of June 30, 2022[1]	€44.45
52-week high / low[2]	€59.40 / €40.55
Market capitalization as of June 30, 2022	€3,961 million
Average daily trading volume	37.359 shares

1 Closing price on last trading day of the month.
2 In each case from start of trading on January 1, 2022 to June 30, 2022, based on Euronext Brussels closing price.

DIVIDEND

For the first half of 2022, our Board of Directors approved an interim dividend of €0.58 per share. Based on the number of shares outstanding as of June 30, 2022, the dividend to be distributed will amount to approximately €51.7 million. This interim dividend will be payable on or around September 29, 2022 to shareholders on the record at close of business on September 28, 2022.

Shurgard intends to declare a dividend of €1.17 per share for the fiscal year. The remainder of the annual dividend is expected to be paid in May 2023 (€0.59 per share). Shurgard will continue to review its dividend policy to ensure it remains competitive.

SHARE TRADING

The Company appointed KBC Securities and Bank Degroof Petercam as liquidity providers starting in June 2019 and January 2020 respectively, with the contracts being officially recognized by Euronext. The Company aims to make the necessary efforts to improve the liquidity of its order book and increase the trading volumes of its share, to benefit current and potential investors.

SHAREHOLDERS

The following table sets forth the shareholders of the Company as of June 30, 2022:

Shareholder	Number	%
New York State Common Retirement Fund	32,544,722	36.5
Public Storage	31,268,459	35.1
Public	25,302,750	28.4
Total	89,115,931	100.0

MANAGEMENT REPORT

KEY FINANCIALS

(in € millions, except where indicated otherwise, excluding property under management contract)	Q2 2022	Q2 2021	+/- (CER)[1]	H1 2022	H1 2021	+/-	+/- (CER)[1]
Property KPIs at period end							
Number of properties	256	243		256	243	5.3%	
Closing rentable sqm[2]	1,290	1,236		1,290	1,236	4.4%	
Closing rented sqm[3]	1,154	1,122		1,154	1,122	2.9%	
Closing occupancy rate[4]	89.4%	90.8%		89.4%	90.8%	-1.3pp	
Property KPIs for the period							
Average rented sqm[5]	1,140	1,099	3.7%	1,134	1,090	4.0%	
Average occupancy rate[6]	88.5%	89.0%	-0.5pp	88.3%	88.4%	-0.1pp	
Average in-place rent (in € per sqm)[7]	247.6	226.8	9.4%	246.7	226.9	8.7%	8.8%
Average revPAM (in € per sqm)[8]	253.0	235.2	7.8%	251.3	233.2	7.7%	7.8%
Financial KPIs for the period							
Property operating revenue[9]	81.5	72.6	12.5%	161.4	143.8	12.2%	12.3%
Income from property (NOI)[10]	55.5	48.0	15.9%	101.7	87.8	15.8%	16.0%
NOI margin[11]	68.2%	66.2%	2.0pp	63.0%	61.1%	2.0pp	2.0pp
EBITDA[12]	50.2	43.2	16.6%	91.5	79.1	15.6%	15.7%
Adjusted EPRA earnings[13]	36.9	36.0	2.3%	64.5	61.4	5.0%	4.9%
Adjusted EPRA earnings per share (basic) (in €)[14]	0.41	0.41	2.0%	0.72	0.69	4.7%	4.6%
Average number of shares (in millions - basic)	89.1	88.8	0.3%	89.1	88.8	0.3%	
Total dividend per share (in €)				0.58	0.55	5.5%	

(in € millions)	H1 2022	FY 2021	+/-
Financial KPIs at period end			
EPRA net tangible assets (NTA)[15]	3,476.8	3,112.6	11.7%
Loan-to-value (LTV)[16]	16.8%	17.4%	-0.6pp
Interest coverage ratio (ICR)[17]	8.5x	8.7x	-0.2x

1 In the constant exchange rate (CER) comparison, 2021 financials are recalculated using 2022 exchange rates.
2 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.
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7 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.
8 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.
9 Property operating revenue represents our revenue from operating our properties, and comprises our rental revenue, insurance revenue and ancillary revenue.
10 Income from property (NOI) is calculated as property operating revenue less real estate operating expense for the reporting period.
11 NOI margin is calculated as income from property (NOI) divided by property operating revenue for the reporting period.
12 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 and dead deals costs and (iv) casualty losses (gains).
13 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. Excluding one-off insurance reimbursements received in H1 2021 for €5.6 million (at CER, net of taxes), the growth versus prior year is 15.3% (at CER).
14 Adjusted EPRA earnings per share in euros (basic) is calculated as adjusted EPRA earnings divided by the weighted average number of outstanding shares.
15 EPRA Net Tangible Assets (NTA) scenario is focused on reflecting a company's tangible assets and assumes that companies buy and sell assets, thereby crystallizing certain levels of unavoidable deferred tax liability.
16 Loan-to-Value is the net debt expressed as a percentage of the fair value of the group's investment property and investment property under construction.
17 Interest coverage ratio is calculated as EBITDA divided by total interest expenses for the reporting period.

PRELIMINARY REMARKS

Shurgard Self Storage S.A. (referred to as the ‘Company’, ‘Shurgard’, ‘we’, ‘us’, ‘our’ or the ‘Group’, which includes the Company together with its consolidated subsidiaries) has the form of a public limited liability company (Société Anonyme) and is governed by the laws of the Grand Duchy of Luxembourg (Luxembourg).

Certain statements contained herein may be statements of future expectations and/or other forward-looking statements that are based on our current views and assumptions. These involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those expressed or implied in such statements. Shurgard does not intend and does not undertake any obligation to revise these forward-looking statements.

GROUP OVERVIEW

BUSINESS MODEL

We are the largest operator of self-storage facilities, which we refer to as properties, stores, assets or locations, in Europe in terms of number of properties and net rentable sqm.[1] We started our operations in 1995 and are one of the pioneers of the self-storage concept in Europe. As of June 30, 2022, we operate 256 self-storage properties under the Shurgard brand name that we own or lease in France, the Netherlands, the United Kingdom (UK), Sweden, Belgium, Germany and Denmark. In addition, we currently operate one store under a management contract in France that is owned by a third party.

Across this network, we have developed an integrated self-storage group with local expertise in the seven countries. We have centralized in-house capabilities to design, develop, acquire and operate properties. This allows us to provide a consistent experience to residential and commercial customers.

We generate revenue through the lease of storage units and related activities such as the sale of storage products and packaging, but also through the fees paid by customers for the insurance cover of the stored goods. Our property operating revenue and income from property (NOI) have increased steadily in recent years. Over this time, we increased rental rates across our network and grew our portfolio through new developments, redevelopments and acquisitions. The table below shows our property operating revenue and NOI for H1 2022 compared to H1 2021.

(in € millions)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
Property operating revenue	81.5	72.6	12.2%	161.4	143.8	12.2%
NOI	55.5	48.0	15.5%	101.7	87.8	15.8%
NOI margin	68.2%	66.2%	2.0pp	63.0%	61.1%	2.0pp

1 FEDESSA 'European Self Storage Annual Survey' 2021.

OUR OPERATING PLATFORM

Our integrated, digitalized and centralized operating platform allows us to manage many operational functions for our portfolio of properties from a central location/head office. This centralization of skills and management enables us to run a lean organization and provides significant operational leverage. The resulting economies of scale have a direct positive impact on our NOI margin, which was 63.0% at the end of June 2022 compared to 61.1% at the end of June 2021.

Our platform approach relies on consistency in our performance measures and key support functions across the portfolio. This means managing the yield achieved from our properties through a balance of occupancy and pricing levels. It also means we have consistency in operational and management initiatives, such as aligning sales processes, branding, shop design and supplier relations. On a granular level though, we can gather information on local conditions and monitor online traffic, conversion rates and other key metrics through our automated centralized information management systems.

We continue to target growth through further development and bolt-on acquisitions. As an increasing proportion of our sales and marketing activities migrate to online customer interactions, we believe this platform approach will play a significant role in maintaining efficient operations across our network. This belief is supported by the scalability of our information management systems and centralized platform, and the consistency of operations in each of our properties.

GROUP STRUCTURE

Shurgard Self Storage S.A. is the parent Company and principal holding Company of the Group. The Company's significant holding and operational subsidiaries are in France, the Netherlands, Sweden, the United Kingdom, Germany, Belgium and Denmark.

Name[1]	Jurisdiction	Percentage ownership (directly or indirectly)
Shurgard Luxembourg S.à r.l.	Luxembourg	100.0%
Shurgard Holding Luxembourg S.à r.l.	Luxembourg	100.0%
Eirene RE S.A.	Luxembourg	100.0%
Shurgard France SAS	France	100.0%
Shurgard Belgium NV/SA	Belgium	100.0%
Shurgard Europe VOF/SNC	Belgium	100.0%
Shurgard Germany GmbH	Germany	100.0%
First Shurgard Deutschland GmbH	Germany	94.8%
Second Shurgard Deutschland GmbH	Germany	94.8%
Shurgard Nederland B.V.	The Netherlands	100.0%
Shurgard UK Ltd	The United Kingdom	100.0%
Shurgard Denmark ApS	Denmark	100.0%
Shurgard Sweden AB	Sweden	100.0%
Shurgard Storage Centers Sweden KB	Sweden	100.0%

1 The entities listed are our main operating and holding entities. For a complete list of the Company's subsidiaries, please refer to the Note 39 of Shurgard's 2021 Annual Report.

All the Company's subsidiaries are, directly and indirectly, wholly owned, except for First Shurgard Deutschland GmbH and Second Shurgard Deutschland GmbH. We own 94.8% of these two companies and the remaining 5.2% therein is held by our two principal shareholders through Shurgard German Holdings LLC. Since 2021, Eirene RE S.A. acts as a reinsurance undertaking for the Company and its subsidiaries.

MANAGEMENT

The Group is managed by the Board of Directors together with the Senior Management in accordance with applicable laws and as laid out in the Company's Articles of Association. As of June 30, 2022, the Board of Directors comprised the following 11 members:

Name	Position	Age	Mandate expires
Ronald L. Havner, Jr.[1]	Chairman	64	Annual shareholders' meeting 2023
Marc Oursin	Chief Executive Officer	60	Annual shareholders' meeting 2023
Z. Jamie Behar[2]	Director	65	Annual shareholders' meeting 2023
Everett B. Miller III[2]	Director	76	Annual shareholders' meeting 2023
Daniel C. Staton[1]	Director	69	Annual shareholders' meeting 2023
Ian Marcus	Lead Independent Director	63	Annual shareholders' meeting 2023
Muriel De Lathouwer	Independent Director	50	Annual shareholders' meeting 2023
Olivier Faujour	Independent Director	57	Annual shareholders' meeting 2023
Frank Fiskers	Independent Director	61	Annual shareholders' meeting 2023
Padraig McCarthy	Independent Director	61	Annual shareholders' meeting 2023
Isabelle Moins	Independent Director	58	Annual shareholders' meeting 2023

1 Director elected on the designation of Public Storage.
2 Director elected on the designation of New York State Common Retirement Fund (NYSCRF).

As of June 30, 2022, the Senior Management of the Group was made up of the following five members, who hold their positions through employment contracts with entities of the Group, except for the Chief Executive Officer who has a management agreement and who is appointed and may be removed by the Board of Directors.

Name	Responsibilities	Age	Initial appointment
Marc Oursin	Chief Executive Officer	60	January 9, 2012
Jean Kreusch	Chief Financial Officer	57	November 1, 2003
Duncan Bell	VP Operations	59	April 14, 2009
Ammar Kharouf	General Counsel, VP Human Resources and Legal	52	March 17, 2014
Isabel Neumann	Chief Investment Officer	46	August 30, 2021

MARKET OVERVIEW

SELF STORAGE BASICS

Self storage is a business to consumer (B2C) enterprise in a niche real estate sector that rents storage units, typically on a monthly basis, to individuals (approximately 73%) and business users (approximately 27%).[1] Individuals primarily use self storage as a "remote attic or basement" to store household goods, while businesses usually store excess inventory or archived records. Storage units often differ in size and can range from one sqm to more than 50 sqm. One of the key drivers of self-storage adoption is population density, where space is at a premium, and householders or businesses need cost-effective storage solutions.

For individuals, the industry accommodates storage needs generated by a broad set of "life changes", e.g. death, divorce, marriage, relocation, moving and university, as well as longer-term discretionary uses. On the commercial side, self storage is used by small businesses, e-businesses and other home-based operations as well as large companies looking for overflow storage or the ability to place materials in various locations for sales people or retail distribution.

EUROPEAN SELF-STORAGE MARKET

The European self-storage market has been characterized by a period of sustained growth in recent years. It currently comprises approximately 5,170 facilities across Europe, providing nearly 11.0 million sqm of space.[1]. In the seven countries where we operate, there are approximately 8.7 million sqm of rentable area across approximately 3,730 self-storage properties (including UK containers).[1]

The largest self-storage market in Europe is the United Kingdom, accounting for 39.6% of total facilities. Over 78% of the facilities are located in the six most mature countries within Europe (UK, France, Spain, the Netherlands, Germany and Norway).[1] The average amount of self-storage floor area per capita across Europe is 0.022 sqm.[1] This compares to 0.84 sqm in the much more mature US market, indicating significant further growth potential.[2] In terms of competition, the European self-storage market is still highly fragmented. The ten largest European self-storage operators account for 17.7% of all self-storage facilities and 36.5% of the total self-storage space.[1] Shurgard, as the largest operator, represents approximately 5% of the stores, 11.3% of the total space across Europe and accounts for 14.9% of total space in the seven countries in which we operate.[1]

The industry growth has been driven by increases in customer demand, supported by demographic and macroeconomic trends, increasing customer awareness of self storage, and continued development in the supply of self-storage properties. During the pandemic the industry has proven its resilient nature as it did during the global financial crisis in 2008. Self storage recorded excellent rent collection levels from customers and an increase in occupancy and rental levels. In addition, the trend towards greater online functionality and more sophisticated platforms has been accelerated by the COVID-19 pandemic, with many customers becoming more comfortable with online transactions, especially in the older age groups.

Several factors have supported demand for self storage from residential customers in recent years. These include favorable demographic and macroeconomic trends, such as population growth, urbanization, higher levels of mobility, micro-living, increasing personal wealth and ownership of more storable goods, as well as increased consumer awareness. These trends have been particularly strong in urban areas, where high density levels, elevated housing costs and the scarcity of housing and storage space are expected to support longer-term pricing rates and occupancy levels. Demand from business customers has generally been supported by the growth of new online retailers and small businesses, which require flexible and cost-effective storage options. We expect these trends to continue to support the demand for self storage in the coming years.

1 FEDESSA 'European Self Storage Annual Survey' 2021.
2 FEDESSA 'European Self Storage Annual Survey' 2020.

Supply of self-storage properties has grown significantly in recent years, alongside increases in customer demand. This growth is also influenced by the high level of fragmentation in the European self-storage industry. As a result, the market has been characterized by periods of consolidation in recent years, which we expect to continue in the future.

GROWTH STRATEGY

Our goal is to enhance shareholder value by further strengthening our position as the leading self-storage operator in Europe, operating strategically-located properties and providing an increasingly digitalized customer service designed to satisfy the requirements and priorities of both residential and business customers.

We aim to expand our position in the seven countries where we operate, with a particular focus on attractive urban areas such as London, Paris, Berlin and other major German cities, and Randstad in the Netherlands. Our growth strategy relies on our established track record of redeveloping, developing and acquiring properties. With our centralized and technology-focused operating platform, we will benefit from immediate operating leverage and additional economies of scale.

REDEVELOPMENT

We continuously monitor a variety of demand metrics across our existing property network. These are based on factors like occupancy rates for various unit sizes, customer visits to our website, online pricing searches, and in-store interactions with our customers. We will continue to analyze our operations for opportunities to undertake remix projects. We reorganize the units at a property to reflect customer demand in that particular market to improve occupancy levels or increase rental rates.

We also expand our existing properties when there is an increase in local demand and the returns justify the expansion of rentable area. Redevelopments may increase the rentable area of a property by at least 10%, but in many cases the rentable areas are increased by substantially more than 10%.

NEW DEVELOPMENT

The opening of new properties has proven to be an important lever of our growth. We are seeking to develop ten new property projects per year from 2024, with our reinforced development team of dedicated development and construction specialists. We plan to increase our development pipeline gradually, to six openings in 2022, seven openings in 2023, and ten as from 2024 (70,000 sqm). To do so, we are focusing on a set of clear selection criteria, both operational and financial, including attractive and cycle-resilient locations in our existing markets.

ACQUISITIONS

Finally, we intend to continue to take advantage of the strong fragmentation of the self-storage market in Europe to acquire properties from competitors across the seven countries where we operate, as well as strategic acquisitions where we deem appropriate. We believe that our experience and knowledge of the markets in which we currently operate should enable us to identify opportunities with attractive potential returns. We are targeting six property acquisitions per year on average in the medium term, benefiting from immediate operating leverage and additional economies of scale. We continue to focus on urban areas that we anticipate will enjoy strong demand during all economic cycles and provide attractive growth potential.

YIELD MANAGEMENT

Our goal is to maximize revenue through increased occupancy levels and rental rates. When the occupancy rate of a property reaches maturity, we generally seek to increase rental rates to drive revenue growth through best-in-class yield management. We regularly evaluate our properties' rental rates based on unit demand and unit availability. We adjust our marketing and promotional activities and change rental rates as necessary to enhance revenue.

BRAND AND MARKETING

We believe that the Shurgard brand is a critical marketing tool and we use a variety of channels to increase customer awareness of our name. These include highly visible property locations, site signage and architectural features. In addition, our marketing and sales processes are supported by several activities on social media and other websites to improve our brand awareness and direct potential customers to our website and properties.

RESEARCH AND DEVELOPMENT

As part of our marketing activities, we regularly conduct focus group research and online surveys to identify the primary considerations in customers' self-storage choices and satisfaction. This allows us to better attract and service customers.

PROPERTY PORTFOLIO

OUR PROPERTIES

The number of properties we operate (including stores under management contract) has grown to a network of 257 properties comprising 1,298,223 net rentable sqm, as of June 30, 2022. We primarily operate in urban areas across Europe, with 93% of our properties located in capital and major cities. At the end of June 2022, 93% of our net square rentable area was in properties that we own ('freehold properties') or operate under long-term lease agreements of at least 80 years remaining life ('long leasehold properties'). The occupancy rate across all properties averaged 88.2% for the first six months of 2022. The average in-place rent per sqm was €246.5 during this period.

The following table shows our portfolio by country, as of June 30, 2022:

	Total number of properties	Net rentable sqm (in thousands)	Freehold and long leasehold[1]	Average occupancy rate[2]	Average in-place rent (in € per sqm)[3]
France	63	316	94.2%	85.7%	249.7
The Netherlands	62	304	84.9%	89.9%	208.4
United Kingdom	41	202	94.4%	84.9%	323.8
Sweden	36	183	96.5%	91.9%	254.4
Germany	24	123	92.4%	84.9%	239.7
Belgium	21	117	100.0%	91.3%	196.0
Denmark	10	53	100.0%	94.2%	268.9
Total	257	1,298	93.0%	88.2%	246.5

1 Average calculated as a weighted average by net rentable sqm.

2 Average occupancy rate is calculated as the average of the rented sqm divided by the average of the rentable sqm, each for the reporting period.
3 Average in-place rent is presented in euros per sqm and calculated as rental revenue divided by the average rented sqm for the reporting period.

Our net rentable sqm have grown by 0.7%, from 1,289,325 sqm as of December 31, 2021 to 1,298,223 sqm as of June 30, 2022. This growth results mainly from 1.7% additional net rentable sqm in France, driven by the opening, in the first quarter of 2022, of one property with 5,531 net rentable sqm. During the second quarter of 2022, Shurgard also increased its UK portfolio by 1.3%, mainly resulting from the acquisition of a new store with 2,491 net rentable sqm.

PORTFOLIO EXPANSION

Property	Region	Country	Completion date	Net sqm	Direct project cost / purchase price[1]
Scheduled to open in 2022				33,302	64,198
Major redevelopments					
Unterfoehring	Munich	Germany	Q4 2022	2,275	2,339
Arnhem	Randstad	Netherlands	Q4 2022	967	944
New developments					
Lagny	Paris	France	Mar-22	5,531	10,306
Dusseldorf Rath	NRW	Germany	Q3 2022	4,530	11,861
Cologne Merheim	NRW	Germany	Q3 2022	5,737	13,494
Rotterdam Capelle	Randstad	Netherlands	Q4 2022	4,356	3,198
Rotterdam Spijkenisse	Randstad	Netherlands	Q4 2022	2,525	5,134
Sartrouville	Paris	France	Q4 2022	4,890	9,948
M&A / Asset Acquisition					
CityStore Self Storage	London	UK	Q2 2022	2,491	6,974
Scheduled to open in 2023				39,999	80,182
Major redevelopments					
Unterfoehring	Munich	Germany	2023	1,224	1,258
Rotterdam	Randstad	Netherlands	2023	4,537	1,467
Handen	Stockholm	Sweden	2023	1,582	3,326
Nacka	Stockholm	Sweden	2023	2,028	4,441
New developments					
Versailles South	Paris	France	2023	5,263	9,451
Diemen Visseringweg	Randstad	Netherlands	2023	4,004	3,072
Chiswick	London	UK	2023	6,566	21,966
1 property	London	UK	2023	6,812	17,293
1 property	Berlin	Germany	2023	4,923	12,666
1 property	Randstad	Netherlands	2023	3,060	5,240
Scheduled to open in 2024				18,321	46,023
Major redevelopments					
Southwark	London	UK	2024	2,692	7,167
New developments					
1 property	Paris	France	2024	3,972	7,401
1 property	Stuttgart	Germany	2024	5,843	15,354
1 property	NRW	Germany	2024	5,814	16,101
Portfolio expansion				91,622	190,402

1 In € thousands at closing rate June 2022, including development fees and excluding absorption costs.

In H1 2022, our portfolio and pipeline of stores we operate under the Shurgard brand name continued to grow, with 7.2% (or 91,622 sqm) of our rentable sqm realized, being developed, acquired, under construction and secured. Out of 15 development projects in the pipeline for 2022, 2023 and 2024, the permits have been received for all but six properties where the regular building permit process is ongoing. Construction is in progress for one property in Dusseldorf, one in Cologne, one in Rotterdam and two in Paris.

PROPERTY LAYOUT

Although the size of our properties varies, most consist of multi-story buildings. The rental units typically range from one to 20 sqm in size. The average unit size is approximately seven sqm, although unit sizes are typically smaller in major metropolitan areas at approximately five to six sqm. As of June 30, 2022, we had approximately 790 units on average at each property, and our properties had an average rentable area of nearly 5,100 sqm.

OPERATIONAL AND FINANCIAL REVIEW

GROUP RESULTS

(in € thousands, except where indicated otherwise)	Q2 2022	Q2 2021	+/- CER	H1 2022	H1 2021	+/-	+/- CER
Real estate operating revenue	81,519	72,843	12.2%	161,550	144,148	12.1%	12.1%
Real estate operating expense	(25,937)	(24,539)	5.8%	(59,694)	(56,008)	6.6%	6.5%
Net income from real estate operations	55,582	48,304	15.4%	101,856	88,140	15.6%	15.7%
General, administrative and other expenses	(5,391)	(4,291)	25.7%	(10,265)	(8,100)	26.7%	26.7%
of which depreciation and amortization expense	(700)	(657)	6.5%	(1,373)	(1,288)	6.7%	6.7%
Royalty fee expense	(805)	(719)	12.2%	(1,596)	(1,425)	12.0%	12.0%
Operating profit before property related adjustments	49,386	43,294	14.4%	89,995	78,615	14.5%	14.6%
Valuation gain from investment property and investment property under construction	400,575	145,317	175.4%	400,575	145,317	175.7%	175.4%
Proceeds from property insurance recovery and gain on disposal of investment property, property, plant and equipment	-	4,893	-100.0%	-	5,716	-100.0%	-100.0%
Operating profit	449,961	193,504	132.5%	490,570	229,648	113.6%	113.5%
Finance cost	(5,158)	(4,988)	3.6%	(10,750)	(9,790)	9.8%	10.0%
Profit before tax	444,803	188,516	135.9%	479,820	219,858	118.2%	118.1%
Income tax expense	(111,063)	(68,103)	62.2%	(113,037)	(77,290)	46.3%	45.5%
Attributable profit for the period	333,740	120,413	178.0%	366,783	142,568	157.3%	157.8%
Profit attributable to non-controlling interests	(733)	(242)	N/A	(784)	(285)	175.1%	175.1%
Profit attributable to ordinary equity holders of the parent	333,007	120,171	177.9%	365,999	142,283	157.2%	157.8%
Earnings per share attributable to ordinary equity holders of the parent:							
Basic, profit for the period (in €)	3.74	1.35	177.0%	4.11	1.60	156.4%	157.0%
Diluted, profit for the period (in €)	3.68	1.35	174.0%	4.04	1.59	153.6%	154.1%
Adjusted EPRA earnings per share (basic - in €)	0.41	0.41	2.0%	0.72	0.69	4.7%	4.6%
Average number of shares (basic - in millions)	89.1	88.8	0.3%	89.1	88.8	0.3%	0.3%

The following discussion of group revenue and expenses down to EBITDA is on a constant exchange rate (CER) basis, where 2021 actual exchange rate (AER) numbers are recalculated using 2022 exchange rates.

REAL ESTATE OPERATING REVENUE

Our real estate operating revenue is comprised of property operating revenue, which includes rental revenue, insurance and ancillary revenue, and other revenue.

(in € thousands)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
Rental revenue	70,556	62,157	13.5%	139,896	123,622	13.2%
Insurance revenue	7,910	7,407	6.8%	15,713	14,738	6.6%
Ancillary revenue[1]	2,985	2,862	4.3%	5,820	5,433	7.1%
Property operating revenue (CER)	81,451	72,426	12.5%	161,429	143,793	12.3%
Other revenue[2]	68	255	-73.2%	121	322	-62.4%
Real estate operating revenue (CER)	81,519	72,681	12.2%	161,550	144,115	12.1%
Foreign exchange	-	162	-100.0%	-	33	-100.0%
Real estate operating revenue (AER)	81,519	72,843	11.9%	161,550	144,148	12.1%

1 Ancillary revenue consists of merchandise sales and other revenue from real estate operations.
2 Other revenue consists of management fee revenue and other, non-recurring income resulting from operations.

Rental Revenue

Rental revenue is derived from our core business of renting storage units. The key levers of rental revenue growth are more storage space (from acquisitions, new developments and redevelopments), as well as higher occupancy and higher rental rates.

For the six months ended June 30, 2022, rental revenue increased by 13.2% to €139.9 million, from €123.6 million in 2021. This was driven by an increase in both occupancy and rental rates at our same stores, and the solid performance of our non-same stores during their ‘ramp-up’ phase, where occupancy and rental rates rose strongly. Across our expanded network, our closing rented sqm increased by 2.9% to 1,154 thousand sqm as of June 30, 2022 from 1,122 thousand sqm on June 30, 2021.

Insurance Revenue

Customers renting storage from Shurgard are required to have insurance for their stored goods. They can use their own insurance provider or Shurgard can offer its customers insurance protection via an independent insurance company for customers’ stored goods. Any advice and claims regarding customer insurance are directly handled by our insurance broker/insurer. Since 2021, the Company manages its insurable risks through a combination of self-insurance and commercial insurance coverage for property damage, business interruption and customer goods-related claims via our insurance captive.

As of June 30, 2022, insurance revenue increased by 6.6% to €15.7 million (2021: €14.7 million). This was driven by our non-same stores, as well as an increase in the proportion of new customers in our same store segment.

Ancillary Revenue

Ancillary revenue is derived from the sale of storage products in our properties including cardboard boxes and packing materials. It also includes other revenue from real estate operations. Ancillary revenue increased to €5.8 million in the first half of 2022 from €5.4 million in the prior year period.

REAL ESTATE OPERATING EXPENSE

(in € thousands)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
Payroll expense	10,343	10,439	-0.9%	21,154	20,876	1.3%
Real estate and other taxes	2,298	2,208	4.1%	12,629	11,482	10.0%
Repairs and maintenance	2,717	1,914	41.9%	5,280	4,432	19.1%
Marketing expense	2,335	2,198	6.2%	4,157	4,121	0.9%
Utility expense	903	980	-7.8%	1,941	2,077	-6.5%
Other operating expenses[1]	4,753	4,025	18.1%	9,575	8,327	15.0%
Doubtful debt expense	1,126	819	37.5%	2,284	1,623	40.7%
Cost of insurance and merchandise sales	1,462	1,938	-24.6%	2,674	3,133	-14.7%
Real estate operating expense (CER)	25,937	24,521	5.8%	59,694	56,071	6.5%
Foreign exchange	-	18	-100.0%	-	(63)	-100.0%
Real estate operating expense (AER)	25,937	24,539	5.7%	59,694	56,008	6.6%

1 Other operating expenses mainly include travel expenses, legal and consultancy fees, insurance expenses, non-deductible VAT, information system expenses and property lease expense.

During the first half of 2022, our real estate operating expenses went up by 6.5% at CER. This is mainly attributed to an increase in real estate and other taxes (€1.1 million), following the growing number of stores in our portfolio. Repair and maintenance expenses have also increased due to a higher number of insurance cases (€0.4 million) across all markets, particularly in the Netherlands and Germany. Finally, other operating expenses have gone up by €1.2 million following the reinforcement of our IT team with consultants supporting various IT changes and projects, as well as an increase in travel expenses and higher office administration and insurance-related expenses.

NET INCOME FROM REAL ESTATE OPERATIONS

Net income from real estate operations reflects the revenue received minus the expenses incurred in running our real estate operations. Net income growth indicates the strong strategic position of Shurgard's operating platform. We can leverage economies of scale as we acquire or develop properties, using our standardized IT and marketing platform to contain costs and ensure our revenues grow faster than our normalized expenses. Net income from real estate operations rose by 15.7%, up to €101.9 million in the first six months of 2022, from €88.0 million in the first six months of 2021, at constant exchange rates.

Segment information

The following table shows the development of our property network (same stores and non-same stores) and our property operating revenue split by the two segments on a year-on-year basis.

(at CER)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
Same stores	234	234	-	234	234	-
Non-same stores	22	9	13	22	9	13
All Store	256	243	13	256	243	13
Same store property operating revenue in € thousands	77,074	70,591	9.2%	153,145	140,397	9.1%
Non-same store property operating revenue in € thousands	4,377	1,835	138.6%	8,284	3,395	144.0%
All store property operating revenue in € thousands	81,451	72,426	12.5%	161,429	143,792	12.3%

Same stores

'Same stores' are all developed properties that have been in operation for at least three full years, and all acquired properties that we have owned for at least one full year from the start of the year. The following table shows certain performance measures across our same store portfolio.

(at CER)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
Property KPIs at period end						
Number of properties	234	234	-	234	234	-
Closing rentable sqm[1]	1,190	1,185	0.4%	1,190	1,185	0.4%
Closing rented sqm[2]	1,086	1,086	-0.1%	1,086	1,086	-0.1%
Closing occupancy rate[3]	91.2%	91.7%	-0.5pp	91.2%	91.7%	-0.5pp
Property KPIs for the period						
Average rented sqm[4]	1,076	1,067	0.9%	1,074	1,062	1.2%
Average occupancy rate[5]	90.5%	90.0%	0.5pp	90.3%	89.6%	0.7pp
Average in-place rent (in € per sqm)[6]	248.9	227.8	9.3%	247.8	228.1	8.7%
Average revPAM (in € per sqm)[7]	259.2	238.3	8.8%	257.6	237.0	8.7%
Financial KPIs for the period						
Property operating revenue[8] in € thousands	77,074	70,591	9.2%	153,145	140,397	9.1%
Income from property (NOI)[9] in € thousands	53,762	47,156	14.0%	98,919	87,157	13.5%
NOI margin[10]	69.8%	66.8%	3.0pp	64.6%	62.1%	2.5pp

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 for our same stores is presented as a percentage and calculated as the closing rented sqm in our same stores divided by closing rentable sqm in our same stores, each 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 for our same stores is presented as a percentage and is calculated as the average of the rented sqm in our same stores divided by the average of the rentable sqm in our same stores, each for the reporting period.
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 for our same stores represents our revenue from operating our same stores, and comprises our rental revenue, insurance revenue and ancillary revenue.
9 Income from property operations (NOI) for our same stores is calculated as property operating revenue less real estate operating expense for our same stores, each for the reporting period.
10 NOI margin for our same stores is calculated as income from property (NOI) divided by property operating revenue for our same stores, each for the reporting period.

The average occupancy rates for our same store network increased by 0.7pp to 90.3%. The average in-place rent per sqm for our same store facilities increased by 8.7% to €247.8 in H1 2022 from €228.1 the same period last year.

Property operating revenue generated by our same store facilities increased by €12.7 million or 9.1% to €153.1 million in the first six months of 2022, driven by increases in average in-place rental rates and higher average rented sqm (up by 1.2%).

NOI for our same stores rose from €87.2 million in H1 2021 to €98.9 million in H1 2022, reflecting our ability to control operating expenses so that they grow slower than operating revenues. NOI margin for our same stores increased from 62.1% to 64.6% in H1 2022.

Non-same stores

Non-same stores are any properties that are not classified as same store for a given year. Occupancy and in-place rent can vary greatly between these properties depending on their maturity.

Non-same store property operating revenue increased from €3.4 million in H1 2021 to €8.3 million in H1 2022. This increase was due to the continued ‘ramp-up' at our new properties and the addition of 13 non-same stores.

OPERATIONS BY COUNTRY

All store Property operating revenue (in € thousands)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
France	19,387	17,744	9.3%	38,623	35,473	8.9%
The Netherlands	16,720	15,161	10.3%	33,024	30,257	9.1%
The United Kingdom	15,989	12,728	25.6%	31,695	24,979	26.9%
Sweden	12,217	11,377	7.4%	24,086	22,464	7.2%
Germany	7,219	6,342	13.8%	14,274	12,632	13.0%
Belgium	6,088	5,570	9.3%	12,127	11,061	9.6%
Denmark	3,831	3,504	9.3%	7,600	6,926	9.7%
Total	81,451	72,426	12.5%	161,429	143,792	12.3%

Same store Property operating revenue (in € thousands)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
France	18,973	17,631	7.6%	37,903	35,277	7.4%
The Netherlands	16,295	14,900	9.4%	32,225	29,752	8.3%
The United Kingdom	13,517	12,045	12.2%	27,013	23,838	13.3%
Sweden	12,217	11,377	7.4%	24,086	22,464	7.2%
Germany	6,153	5,564	10.6%	12,191	11,079	10.0%
Belgium	6,088	5,570	9.3%	12,127	11,061	9.6%
Denmark	3,831	3,504	9.3%	7,600	6,926	9.7%
Total	77,074	70,591	9.2%	153,145	140,397	9.1%

Same store Average occupancy rate[1]	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
France	89.4%	88.6%	0.7pp	89.2%	88.4%	0.8pp
The Netherlands	90.4%	89.6%	0.8pp	90.2%	89.7%	0.5pp
The United Kingdom	88.7%	89.1%	-0.4pp	88.5%	88.1%	0.4pp
Sweden	92.5%	92.9%	-0.3pp	91.9%	92.0%	-0.1pp
Germany	90.9%	89.1%	1.8pp	90.8%	88.2%	2.6pp
Belgium	91.0%	90.1%	0.9pp	91.3%	89.9%	1.4pp
Denmark	94.0%	94.6%	-0.6pp	94.2%	93.7%	0.5pp
Total	90.5%	90.0%	0.5pp	90.3%	89.6%	0.7pp

Same store Average in-place rent[2]	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
France	255.6	236.2	8.2%	255.5	237.8	7.5%
The Netherlands	212.0	196.5	7.9%	210.1	195.9	7.3%
The United Kingdom	328.0	291.3	12.6%	329.0	292.8	12.4%
Sweden	256.4	234.5	9.4%	254.4	233.7	8.8%
Germany	246.8	227.2	8.6%	245.7	229.3	7.1%
Belgium	197.1	180.6	9.2%	196.0	180.0	8.9%
Denmark	271.7	243.9	11.4%	268.9	243.1	10.6%
Total	248.9	227.8	9.3%	247.8	228.1	8.7%

Same store NOI margin[3]	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
France	69.2%	62.5%	6.6pp	57.3%	53.1%	4.2pp
The Netherlands	70.5%	70.0%	0.5pp	67.4%	65.9%	1.4pp
The United Kingdom	64.6%	62.5%	2.1pp	65.0%	62.8%	2.2pp
Sweden	73.9%	71.8%	2.1pp	71.5%	69.7%	1.8pp
Germany	71.0%	67.5%	3.5pp	65.9%	62.6%	3.3pp
Belgium	70.7%	69.2%	1.5pp	61.2%	60.1%	1.2pp
Denmark	70.8%	68.2%	2.6pp	69.5%	66.6%	2.9pp
Total	69.8%	66.8%	3.0pp	64.6%	62.1%	2.5pp

1 Average occupancy rate is presented as a percentage and is calculated as the average of the rented sqm divided by the average of the rentable sqm, each for the reporting period.
2 Average in-place rent is presented in euros per sqm per year and calculated as rental revenue divided by the average rented sqm, each for the reporting period.
3 NOI margin is calculated as income from property (NOI) divided by property operating revenue, each for the reporting period.

Compared to the prior year period, our all store property operating revenue grew by 12.3% in the first half of 2022, delivering €161.4 million revenue, and confirming the strong trend observed in the first quarter. All our markets contributed to that performance, with a growth of 26.9% in the UK, driven by our successful expansion plan in London and our capacity to increase our rates together with occupancy. Our portfolio in Germany also delivered double-digit growth, with a 3.0pp contribution from our pool of new stores in addition to 10.0pp growth delivered by our same stores.

Same store revenue grew by 9.1% compared to the prior year, with second quarter growth (9.2%) accelerating versus the first (9.0%). This revenue growth was fueled by an average in-place rent increase of 8.7% versus the prior year, and a 0.7pp increase in average same store occupancy.

- In our largest market France, same store revenue grew by 7.4% compared to the prior year. This is attributed to a 7.5% rise in average in-place rent, occupancy growth of 0.8pp compared to 2021, as well as an acceleration of rental rates from Q1 to Q2 2022. France also delivered a remarkable 4.2pp growth in NOI margin, as a result of careful control of operating expenses while delivering revenue growth;

- The Netherlands increased revenue by 8.3% versus the prior year. Rental rates were the main driver, growing 7.3% compared to 2021, while average occupancy also continued to grow (+0.5pp versus 2021);

- The United Kingdom remains our fastest growing market at the moment. A 12.4% increase in rental rates combined with 0.4pp occupancy growth resulted in a 13.3% rise in revenue compared to the prior year H1;

- Sweden's revenue for the first half of 2022 was 7.2% higher than the prior year, largely driven by an increase in rental rates of 8.8% compared to 2021;

- In Germany, we saw the strongest increase in occupancy of all our markets, up +2.6pp versus the prior year. Combined with rental rate growth of 7.1%, this market was able to achieve 10.0% revenue growth compared to H1 2021;

- Belgium's revenue grew 9.6% versus the prior year due to an 8.9% increase in rental rates coupled with increasing occupancy (+1.4pp versus the prior year);

- In Denmark, rental rate growth accelerated in the second quarter versus the first, increasing 10.6% in the first half, and resulting in revenue growth of 9.7% versus the prior year;

- Shurgard's overall revenue performance was minimally impacted by a loss on SEK (-3%, or -€0.8 million), which was largely countered by a favorable fluctuation in the GBP exchange rate (+3% or +€0.7 million).

GENERAL, ADMINISTRATIVE AND OTHER EXPENSES

(in € thousands, at CER)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
Payroll expense	3,137	2,233	40.5%	5,860	4,627	26.7%
Share-based compensation expense	1,056	456	131.7%	2,175	800	171.8%
Capitalization of internal time spent on development	(966)	(559)	72.8%	(1,820)	(1,097)	66.0%
Depreciation and amortization expense	700	657	6.5%	1,373	1,286	6.7%
Other general and administrative expenses[1]	1,464	1,504	-2.7%	2,677	2,485	7.7%
Total	5,391	4,291	25.7%	10,265	8,101	26.7%

1 Other general and administrative expenses mainly include legal, consultancy and audit fees and non-deductible VAT.

General, administrative and other expenses increased by 26.7%, from €8.1 million in H1 2021 to €10.3 million in H1 2022. Share-based compensation expense increased by €1.4 million, driven by the new 2021 plan costs. Our payroll expense has gone up versus the prior year, mainly resulting from new hires to support our development plans, while the capitalization of internal time spent went up by €0.7 million reflecting our increased development pipeline.

ROYALTY FEE EXPENSE

We pay our shareholder Public Storage a royalty fee equal to 1.0% of revenues (net of doubtful debt expenses) in exchange for the rights to use the 'Shurgard' trade name and other services. In H1 2022, we incurred royalty fees of €1.6 million.

OPERATING PROFIT BEFORE PROPERTY RELATED ADJUSTMENTS

Operating profit before property related adjustments increased by 14.5%, from €78.6 million in H1 2021 to €90.0 million in H1 2022, reflecting the operational strength of the core business (before non-cash adjustments and exceptional items).

EBITDA

(in € thousands)	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-
Operating profit before property related adjustments	49,386	43,294	14.1%	89,995	78,615	14.5%
Depreciation and amortization expense	700	657	6.5%	1,373	1,288	6.7%
Abandoned project costs and other	98	-	N/A	98	-	N/A
Cease-use lease expense/(benefit)	-	-	N/A	-	-	N/A
Casualty loss/(gain) excluding property insurance recovery proceeds	-	(777)	-100.0%	-	(777)	-100.0%
EBITDA (AER)	50,184	43,174	16.2%	91,466	79,125	15.6%
Foreign exchange	-	(143)	-100.0%	-	(98)	-100.0%
EBITDA (CER)	50,184	43,031	16.6%	91,466	79,027	15.7%

At constant exchange rates, EBITDA rose by 15.7% in H1 2022, from €79.0 million the previous year to €91.5 million this year, mainly due to an increase in property operating revenue of 12.3%.

VALUATION GAINS FROM INVESTMENT PROPERTY, INVESTMENT PROPERTY UNDER CONSTRUCTION AND RIGHT-OF-USE INVESTMENT PROPERTY

The Company recognized a valuation gain from investment property, investment property under construction and the Right of Use Investment Property (ROU IP) of €400.6 million for the first six months of 2022, which compares to a valuation gain of €145.3 million for the first six months of last year. The valuation assumptions made by our external valuers Cushman & Wakefield include predicted occupancy levels, rental rates, expenses, capitalization rates and other factors that, depending on each assumption, can cause substantial fluctuations in valuation gains each year.

The valuation gain of €400.6 million, combined with capital expenditure and unfavorable exchange rate fluctuations, resulted in an increase in total investment property value of €402.5 million (or 10.5%) to €4,249.6 million, compared to December 31, 2021. The valuation gain is mainly a result of a continued yield compression, as observed in the transaction market (exit capitalization rate decreased from 5.64% in December 2021 to 5.29% on June 30, 2022), combined with higher operating cash flows driven by, for example, increased rental rates assumptions applied by the external valuer.

OPERATING PROFIT

Operating profit increased by 113.6% from €229.6 million in H1 2021 to €490.6 million in H1 2022, mostly due to €255.3 million higher gains on valuation from investment property and an improvement in NOI.

FINANCE COSTS

(in € thousands)	H1 2022	H1 2021	+/-
Total interest expense	10,736	9,633	11.5%
Foreign exchange (gain)/loss	14	157	-91.2%
Finance cost, net	10,750	9,790	9.8%

Finance costs increased by 9.8% (or €1.0 million) to €10.8 million in H1 2022 from €9.8 million in H1 2021. This mainly reflects the impact of our new €300 million USSP issuance in July 2021 (+€1.9 million), partly offset by the decrease on the 2014 notes (-€1.3 million). Lower capitalization of interests in H1 2022 contributed €0.4 million to the increase in finance costs.

INCOME TAX EXPENSE

(in € thousands)	H1 2022	H1 2021	+/-
Current tax expense	14,749	12,112	21.8%
Deferred tax expense	98,288	65,178	50.8%
Income tax expense	113,037	77,290	46.3%
Adjusted EPRA earnings effective tax rate[1]	18.6%	16.5%	2.1pp

1 Adjusted EPRA earnings effective tax rate is current tax expenses divided by adjusted EPRA earnings before tax.

Current tax expense increased in line with expectations from €12.1 million in H1 2021 to €14.7 million in H1 2022.

Deferred tax expense of €98.3 million in H1 2022 were predominately impacted by the revaluation gains on our investment property and investment property under construction.

The adjusted EPRA earnings effective tax rate for H1 2022 is 18.6%, compared to 16.5% in H1 2021.

ATTRIBUTABLE PROFIT AND ATTRIBUTABLE PROFIT PER SHARE

For H1 2022, €366.0 million (H1 2021: €142.3 million) profit was attributable to the shareholders of Shurgard Self Storage S.A., and €0.8 million (H1 2021: €0.3 million) was attributable to non-controlling interests. Based on the average number of shares (H1 2022: 89.1 million), this translates into basic earnings of €4.11 per share.

EPRA KPIS

(in € thousands, except where indicated)	H1 2022	H1 2021	+/-
EPRA Earnings	63,891	62,010	3.0%
Adjusted EPRA Earnings	64,529	61,432	5.0%

EPRA earnings and adjusted EPRA earnings are presented in detail below.

EPRA EARNINGS

(in € thousands, except for EPRA EPS)	H1 2022	H1 2021	+/-
Profit attributable to ordinary equity holders of the parent	365,999	142,283	157.2%
Adjustments:			
Gain on revaluation of investment properties[1]	(400,575)	(145,317)	175.7%
Acquisition costs of business combinations and other	-	1	-100.0%
Current and deferred tax in respect of EPRA adjustments	97,824	64,886	50.8%
Non-controlling interests in respect of the above	643	157	N/A
EPRA earnings	63,891	62,010	3.0%
EPRA earnings per share (basic - in €)	0.72	0.70	2.7%
EPRA earnings per share (diluted - in €)	0.71	0.69	1.6%

1 Including investment property under construction and right-of-use investment property assets.

EPRA earnings exclude acquisition costs which can fluctuate depending on the number and size of acquisitions, the gains or losses on the revaluation of investment property, and other asset sales which are not part of the operational running of the business.

ADJUSTED EPRA EARNINGS

(in € thousands, except for Adjusted EPRA EPS)	H1 2022	H1 2021	+/-
EPRA earnings	63,891	62,010	3.0%
Company specific adjustments:			
Deferred tax expense on items other than the revaluation of investment property	467	294	58.5%
Property insurance recovery proceeds and other	-	(967)	-100.0%
Net impact of tax assessments and non-recurring expenses	171	95	79.1%
Non-controlling interests in respect of the above	-	-	N/A
Adjusted EPRA earnings	64,529	61,432	5.0%
Adjusted EPRA earnings per share (basic - in €)	0.72	0.69	4.7%
Adjusted EPRA earnings per share (diluted - in €)	0.71	0.69	3.5%

Adjusted EPRA earnings exclude significant one-off items that arise from events and transactions distinct from the Company's regular operating activities, and deferred tax expenses on items other than the revaluation of investment property. In H1 2022, adjusted EPRA earnings were €64.5 million, 5.0% higher than the €61.4 million in H1 2021.

We received one-off insurance reimbursements in 2021 for €5.6 million (at CER, net of taxes). If we exclude the insurance reimbursements, the €64.5 million adjusted EPRA earnings represents growth of 15.3% versus 2021 (at CER) .

RECONCILIATION OF EBITDA TO ADJUSTED EPRA EARNINGS

(in € thousands, at CER)	H1 2022	H1 2021	+/-
EBITDA	91,466	79,027	15.7%
Net attributable profit adjustments:			
Casualty (loss)/gain and gain on disposal of investment property, plant and equipment	-	6,558	-100.0%
Cease-use lease (expense)/benefit	-	-	N/A
Depreciation and amortization expense	(1,373)	(1,286)	6.7%
Finance costs	(10,750)	(9,769)	10.0%
Current tax expense	(14,749)	(12,093)	22.0%
Non-controlling interests, net of EPRA adjustments	(236)	(44)	N/A
Company specific EPRA adjustments:			
Net impact of tax assessments and non-recurring expenses	171	95	79.1%
Property insurance recovery proceeds and other	-	(980)	-100.0%
Adjusted EPRA earnings	64,529	61,508	4.9%

Adjusted EPRA earnings increased by 4.9% at CER mainly due to a 15.7% increase in EBITDA partially offset by exceptional insurance reimbursements received in H1 2021.

EPRA NAV METRICS

The table below provides a summarized overview of the Company's key Alternative Performance Measures (APM) that are NAV related, consisting of NAV, EPRA NRV, EPRA NTA and EPRA NDV:

(in € thousands)	June 30, 2022	December 31, 2021	+/-
Net Asset Value (NAV)	2,747,370	2,472,543	11.1%
EPRA Net Restatement Value (NRV)	3,801,722	3,409,642	11.5%
EPRA Net Tangible Assets (NTA)	3,476,795	3,112,598	11.7%
EPRA Net Disposal Value (NDV)	2,816,680	2,417,628	16.5%

The basis of calculation for each of the measures set out above, are illustrated in the Appendix of the report (Alternative Performance Measures).

LIQUIDITY

Our primary cash requirements are for operating expenses, debt servicing, improvements to existing properties, developments and acquisitions of new properties, and for the payment of dividends. Historically, these requirements were funded by operating cash flows, the issuance of equity and borrowings, including the U.S. Private Placement Notes, the 2018 syndicated revolving credit facility and the proceeds of the October 2018 equity issuance. We expect to continue to fund these requirements with operating cash flow, our existing cash position and future borrowings under our current bank credit facility or other borrowings.

Our loan-to-value ratio on June 30, 2022, was 16.8%, compared to 17.4% on December 31, 2021. This decrease was due to a proportionally higher increase in market value than in net debt. We are targeting a long-term loan-to-value ratio of 25%, with a short-to-mid-term maximum of 35%.

We maintain cash and cash equivalent balances at banking institutions in certain countries where we operate. In Sweden, the United Kingdom and Denmark, these balances are held in local currencies. It is our policy that investments of surplus funds are made only with approved counterparties with a minimum investment grade credit rating.

CASH FLOW OVERVIEW

(in € thousands)	H1 2022	H1 2021	+/-
Cash flows from operating activities	81,420	85,413	-4.7%
Cash flows from investing activities	(57,080)	(46,637)	22.4%
Cash flows from financing activities	(66,520)	(64,816)	2.6%
Net increase (decrease) in cash and cash equivalents	(42,180)	(26,040)	62.0%
Effect of exchange rate fluctuation	(1,141)	394	N/A
Cash and cash equivalents as of January 1	219,170	102,998	112.8%
Cash and cash equivalents as of June 30	175,849	77,352	127.3%

CASH FLOWS FROM OPERATING ACTIVITIES

Operating cash inflow decreased by 4.7% from €85.4 million in the first six months of 2021 to €81.4 million in the first six months of 2022. This was mainly due to €9.2 million of unfavorable movements in working capital and €2.2 million of increased income tax payments, partially offset by a €7.4 million increase in cash flows from operations.

The unfavorable change in working capital movements consisted of €10.3 million of decreased movements in accrued expenses, VAT payable and accounts payable, and a €1.9 million decreased movement in deferred revenue, partially offset by €3.0 million of increased movements in trade and other receivables.

CASH FLOWS FROM INVESTING ACTIVITIES

Our cash outflow from investing activities increased by €10.4 million, from €46.6 million in the six months ended June 30, 2021, to €57.1 million in the six months ended June 30, 2022. The increase was primarily due to €7.0 million spent on acquisitions (nil in the same period last year), €2.1 million increased development and redevelopment costs and capital expenditure on investment property, €0.4 million increased payments for intangible assets, and the absence in the first half of this year of insurance recovery proceeds on property damage that were €5.7 million in the first half of last year.

Cash outflows in relation to capital expenditure on investment property under construction and completed investment property increased from €51.3 million in the first half of 2021 to €53.3 million in the first half of 2022.

These cash flows fluctuate over years, as construction expenditures depend on the stage of the various development projects at that time. In the first half of 2022, we opened one new property (one in the same period last year) and acquired one new property (nil in the same period last year).

CASH FLOWS FROM FINANCING ACTIVITIES

Cash outflow during the first six months of 2022 was €66.5 million, which compares to a net cash outflow of €64.8 million during the same period last year, representing an increase of €1.7 million.

The increase in net cash outflow was mainly the result of €4.6 million of increased dividend payments, €0.7 million decreased equity issuance net proceeds and €0.9 million increased interest paid, partially offset by €1.6 million increased net proceeds from the sale of treasury shares, €1.5 million decreased principal lease payments and the absence in the first six months of this year of payments for debt financing costs that were €1.4 million in the first six months of 2021.

EFFECT FROM EXCHANGE RATE FLUCTUATIONS

During the first six months of 2022, we had a €1.1 million negative effect on our cash flow movements from exchange rate fluctuations, which compares to a €0.4 million favorable effect during the same period last year.

FINANCIAL POSITION

TOTAL ASSETS

During the first six months of 2022, the Company's total assets increased by 9.3% from €4,102.5 million on December 31, 2021, to €4,484.2 million on June 30, 2022, mainly due to the €402.5 million increase in investment property and investment property under construction, partially offset by a decrease in cash of €43.3 million.

As of June 30, 2022, approximately 95.2% of the Company's total assets consisted of non-current assets, of which 94.8% is investment property (including ROU IP) and IPUC.

Investment Property

Investment property (including IPUC but excluding IP ROU assets recognized under IFRS 16) increased by 10.7% (or €401.8 million) in the first six months of 2022 to €4,165.8 million. The main reason is the €402.3 million favorable fair value revaluation income on investment property and investment property under construction, in addition to incremental expenditure of €53.8 million, predominantly for developments and redevelopments, and acquisitions of €7.1 million. These additions were partially offset by €47.1 million unfavorable exchange rate fluctuations and the disposal of one of our Dutch properties for €14.3 million.

Cash and cash equivalents

The Company had cash and cash equivalents of €175.8 million as of June 30, 2022, compared to €219.2 million cash and cash equivalents as of December 31, 2021, a decrease of €43.3 million.

CAPITAL RESOURCES AND FINANCING STRUCTURE

Shurgard's financial resources comprise the Company's total equity as well as certain debt financing instruments.

The Company's total equity increased by €275.7 million from €2,478.0 million on December 31, 2021, to €2,753.7 million on June 30, 2022, mainly due to €366.8 million net profit realized during the period, €2.2 million decrease in treasury shares, €1.7 million increase in share-based compensation reserves and €0.2 million net proceeds from the issuance of equity. These increases were partially offset by the €55.2 million dividend distribution in 2022 regarding the Company's 2021 results and a €40.0 million revaluation loss on consolidation of our British, Swedish and Danish operations because of unfavorable currency movements.

As of June 30, 2022, the equity ratio was 61.4% (December 31, 2021: 60.4%).

(in € thousands)	H1 2022	FY 2021
Total equity	2,753,652	2,478,041
Total equity and liabilities	4,484,189	4,102,469
Equity ratio	61.4%	60.4%

Shurgard issued six series of senior guaranteed notes in the years 2014 and 2015 with a total nominal volume of €600.0 million and maturities varying between 2021 and 2030, of which €100.0 million has been repaid on July 23, 2021. Effective interest rates vary from 2.67% to 3.38%. On July 23, 2021, the Company issued new ten-year Senior Notes for €300.0 million at an effective interest rate of 1.28%.

Shurgard has a €250.0 million syndicated revolving loan facility with BNP Paribas Fortis bank, Société Générale bank and Belfius bank (with BNP Paribas Fortis bank as agent) that matures in October 2025 and that bears interest of Euribor plus a margin varying between 0.45% and 0.95% per annum (currently 0.45%) dependent on the most recent loan-to-value ratio. There are no mandatory repayments of principal debt due for this facility before its maturity, and a commitment fee equal to 35.0% of the applicable margin per annum applies to undrawn amounts and is currently at 0.16%. The facility is subject to certain customary covenants. As of June 30, 2022, and December 31, 2021, the Company had no outstanding borrowings under this facility.

SHURGARD GREEN BOND UPDATE

On July 23, 2021, the Group, via its financing entity Shurgard Luxembourg S.à.r.l., issued ten year Senior Notes for €300.0 million. The proceeds of the issue were used to repay Tranche A (€100.0 million) of its 2014 senior guaranteed notes maturing in July 2021, to finance potential acquisitions, and to finance or refinance, in whole or in part, recently completed and future projects that are underpinned by sustainable criteria such as, for instance, a BREEAM certification (Eligible Green Projects).

As of June 30, 2022, the proceeds allocated to Eligible Green Projects amounted to a total amount of €148.1 million. A portion of €89.0 million has been used to refinance existing projects at the moment of issuance, whereas €59.1 million has been used to finance new projects. A total of €151.9 million unallocated proceeds of the Green Bond remains available.

Store Name	Certification date	Address	(in € thousands) June 30, 2022
Park Royal	September 9, 2019	London	12,793
Greenwich	February 5, 2019	London	14,079
Depford	March 5, 2020	London	15,428
Herne Hill	July 16, 2020	London	13,886
Barking (*)	September 30, 2020	London	12,697
City Airport	April 1, 2021	London	6,044
Projects with BREEAM certificate "Very Good or Higher"			*74,928*
Croydon Purley Way	Upcoming certification	London	9,044
Camden	Upcoming certification	London	2,941
Morangis	Upcoming certification	Paris	10,278
Bow	Upcoming certification	London	25,401
Lagny	Upcoming certification	Paris	10,038
Sartrouville	Upcoming certification	Paris	8,193
Versailles	Upcoming certification	Paris	5,059
Chiswick	Upcoming certification	London	1,391
1 property in London	Upcoming certification	London	853
Other Eligible Green Projects (upcoming certification)			*73,199*
Total Eligible Green Projects			148,127

(*) Barking is still an "interim certificate"

As per June 30, 2022, the amounts and the allocation included in the table above have been reviewed by an independent external audit firm and the report and auditor's assurance on the Eligible Green Projects is available on Shurgard's corporate website: https://www.shurgard.com/corporate/corporate-responsibility/reports-and-publications.

DIVIDEND

It is the Company's objective to pay dividends in May and September of each year. The amount of any interim or final dividends and the determination of whether to pay dividends in any year may be affected by a number of factors, including our earnings, business prospects and financial performance, the condition of the market, the general economic climate and other factors considered important by the Board of Directors.

In respect of the first half of 2022, our Board of Directors approved an interim dividend of €0.58 per share. Based on the number of shares outstanding as of June 30, 2022, the dividend to be distributed will be approximately €51.7 million.

The interim dividend will be payable on or around September 29, 2022 to shareholders on the register at close of business on September 28, 2022.

Shurgard intends to declare a dividend of €1.17 per share for the fiscal year. The remainder of the annual dividend is expected to be paid in May 2023 (€0.59 per share). Shurgard will continue to review its dividend policy to ensure it remains competitive.

EMPLOYEES

Our employees play a crucial role in the success of our organization by providing our customers with outstanding levels of service and support. We facilitate this by ensuring our people are well trained and motivated, with clear career progression, and feel safe and supported at work.

The following table shows the number of full-time equivalent employees by category of activity as of June 30, 2022 and 2021:

	H1 2022	H1 2021	+/-
Store personnel	573	589	-16
Operational management	45	51	-6
Support functions	117	111	6
Total	735	751	-16

RISKS

Shurgard is exposed to several risks that are described in detail in the "Principal Risks and Uncertainties” section of the 2021 Annual Report.

As the Global Financial Crisis and the COVID-19 pandemic have shown, Shurgard operates in a resilient industry. This is evidenced by the Group’s ability to continue improving its operating KPIs, including occupancy, rates and operational costs, throughout these periods of economic and social disruption. The volatility that occurred in the (recent) past has shown that Shurgard responds to all life movements – from downsizers in a contracting economy, to up-sizers when the market is growing. This reflects the fundamental nature of self storage as a life event driven business in highly urban markets. While these life events might shift during different market cycles, they never disappear altogether. So far, we have not noticed any shift in demand or price elasticity.

We are carefully monitoring the challenges that lie ahead of us, such as the continued war in Ukraine, inflation, interest rates and currency movements, all of which are adding to the uncertainty. We pay particular attention to the impact on our construction, energy, and interest expenses. With typically long-term contracts in place, we are often shielded from short-term market movements, ensuring that our cash flows remain predictable in the foreseeable future. Finally, Shurgard’s geographic diversity and platform operating approach add to the Group’s overall resilience.

The Group – while acknowledging that the uncertainties and risks with respect to the global economy remain high – has currently not identified any new major sources of uncertainty to be reflected in its financial statements, compared to December 31, 2021.
As part of this review, Shurgard obtained updated valuation reports of our investment properties from external valuation experts (we refer to Note 9 in the Notes to the consolidated financial statements of this

half-year report) and did not identify any impairment indications that would hint towards the Group not being able to recover the carrying value of our assets, either by using or selling it.
Based on our borrowing agreements, the Group is obliged to regularly test certain debt covenants, of which senior leverage, loan-to-value and fixed charge cover ratios are the most prominent. During 2022, the Group did not breach any covenants' limits and retained significant headroom.

Finally, the enterprise risk management program in place provides Shurgard with a comprehensive understanding of the Group's key business risks, and the policies and procedures in place to mitigate these risks. Overall and based on its current performance, the Group did not identify any uncertainties that would cast any doubt on Shurgard's ability to continue as a going concern.

EVENTS AFTER THE REPORTING PERIOD

Please refer to Note 21 in the Notes to the Consolidated Financial Statements of this report.

RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge that:

the consolidated financial statements of Shurgard presented in this annual report and established in conformity with International Financial Reporting Standards as adopted by the European Union give a true and fair view of the assets, liabilities, financial position and results of Shurgard and its subsidiaries included within the consolidation taken as a whole; and the management report presented in this annual report includes a fair review of the position and performance, business model and strategy of Shurgard and the subsidiaries included within the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

Luxembourg, August 18, 2022

Marc Oursin
Chief Executive Officer

Jean Kreusch
Chief Financial Officer

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022 AND 2021

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE SIX MONTHS ENDED JUNE 30

(in € thousands)	Notes	2022	2021
Real estate operating revenue	3, 8	161,550	144,148
Real estate operating expense	4	(59,694)	(56,008)
Net income from real estate operations	8	101,856	88,140
General, administrative and other expenses	5	(10,265)	(8,100)
Of which depreciation and amortization expense		*(1,373)*	*(1,288)*
Royalty fee expense		(1,596)	(1,425)
Operating profit before property related adjustments		89,995	78,615
Valuation gain from investment property and investment property under construction	9	400,575	145,317
Proceeds from property insurance recovery and loss on disposal of investment property, property, plant and equipment		-	5,716
Operating profit		490,570	229,648
Finance cost, net	6	(10,750)	(9,790)
Profit before tax		479,820	219,858
Income tax expense	7	(113,037)	(77,290)
Attributable profit for the period		366,783	142,568
Profit attributable to non-controlling interests		784	285
Profit attributable to ordinary equity holders of the parent		365,999	142,283
Earnings per share in €, attributable to ordinary equity holders of the parent:			
Basic, profit for the period		4.11	1.60
Diluted, profit for the period		4.04	1.59

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED JUNE 30

(in € thousands)	2022	2021
Profit for the period	366,783	142,568
Other comprehensive income		
Items that may be reclassified to profit or loss in subsequent periods:		
Foreign currency translation reserve	(40,042)	20,903
Net other comprehensive (loss) income, net of tax, to be reclassified to profit or loss in subsequent periods	(40,042)	20,903
Total comprehensive income for the period, net of tax	326,741	163,471
Attributable to non-controlling interests	(784)	(285)
Attributable to ordinary equity holders of the parent	325,957	163,186

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in € thousands)	Notes	June 30, 2022	December 31, 2021
Assets			
Non-current assets:			
Investment property	9	4,185,328	3,817,235
Investment property under construction	9	64,286	29,832
Property, plant and equipment		3,051	3,196
Intangible assets		6,297	5,926
Deferred tax assets		845	1,723
Other non-current assets	10	11,010	1,067
Total non-current assets		4,270,817	3,858,979
Current assets:			
Trade and other receivables	11	22,503	16,370
Other current assets	12	15,020	7,950
Cash and cash equivalents		175,849	219,170
Total current assets		213,372	243,490
Total assets		4,484,189	4,102,469
Equity and liabilities			
Equity			
Issued share capital	13	63,599	61,383
Share premium	14	539,903	539,712
Share-based payment reserve	15	6,383	4,691
Distributable reserves	16	197,966	253,195
Other comprehensive loss		(93,075)	(53,033)
Retained earnings		2,032,594	1,666,595
Total equity attributable to equity holders of the parent		2,747,370	2,472,543
Non-controlling interests		6,282	5,498
Total equity		2,753,652	2,478,041
Non-current liabilities:			
Interest-bearing loans and borrowings	17	797,794	797,579
Deferred tax liabilities		731,841	642,174
Lease obligations		84,774	84,475
Other non-current liabilities		140	140
Total non-current liabilities		1,614,549	1,524,368
Current liabilities:			
Lease obligations		4,106	3,893
Trade and other payables and deferred revenue	18	105,309	91,925
Income tax payable		6,573	4,242
Total current liabilities		115,988	100,060
Total liabilities		1,730,537	1,624,428
Total equity and liabilities		4,484,189	4,102,469

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € thousands)	Notes	Issued share capital	Treasury shares[1]	Share premium	Share-based payment reserve	Distri-butable reserves	Other Compre-hensive loss[2]	Retained Earnings	Total	Non-con-trolling interests	Total equity
On January 1, 2021		63,506	(6,994)	538,229	3,037	352,701	(82,845)	1,219,747	2,087,381	4,760	2,092,141
Proceeds from issuance of equity	13	50	-	897	-	-	-	-	947	-	947
Transaction costs incurred in connection with issuance of equity (Note 14)	14	-	-	(11)	-	-	-	-	(11)	-	(11)
Cash dividends on ordinary shares declared and paid	16	-	-	-	-	(50,610)	-	-	(50,610)	-	(50,610)
Share-based compensation expense[3]	15	-	-	-	449	-	-	-	449	-	449
Net profit		-	-	-	-	-	-	142,283	142,283	285	142,568
Other comprehensive gain		-	-	-	-	-	20,903	-	20,903	-	20,903
On June 30, 2021		63,556	(6,994)	539,115	3,486	302,091	(61,942)	1,362,030	2,201,342	5,045	2,206,387
On January 1, 2022		63,592	(2,209)	539,712	4,691	253,195	(53,033)	1,666,595	2,472,543	5,498	2,478,041
Proceeds from issuance of equity	13	7	-	202	-	-	-	-	209	-	209
Transaction costs incurred in connection with issuance of equity (Note 14)	14	-	-	(11)	-	-	-	-	(11)	-	(11)
Cash dividends on ordinary shares declared and paid	16	-	-	-	-	(55,229)	-	-	(55,229)	-	(55,229)
Share-based compensation expense[3]	15	-	-	-	2,322	-	-	-	2,322	-	2,322
Sale of treasury shares to option holders		-	2,209	-	(630)	-	-	-	1,579	-	1,579
Net profit		-	-	-	-	-	-	365,999	365,999	784	366,783
Other comprehensive loss		-	-	-	-	-	(40,042)	-	(40,042)	-	(40,042)
On June 30, 2022		63,599	-	539,903	6,383	197,966	(93,075)	2,032,594	2,747,370	6,282	2,753,652

1 In the Statement of Financial Position, the value of our treasury shares is deducted from issued share capital (Note 13).

2 Other comprehensive income for all periods includes €4.9 million comprehensive income the Company earned in connection with net investment hedges the Company entered into. The movement during the first half of 2022 is mainly due to €38.5 million exchange rate loss incurred on the translation of our UK, Swedish and Danish operations.

3 Share-based compensation expense for the six months ended June 30, 2022 and June 30, 2021 includes €0.1 million in deferred tax liabilities and €0.1 million in deferred tax assets, respectively.

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30

(in € thousands)	Notes	2022	2021
Operating activities			
Profit for the period before tax		479,820	219,858
Adjustments to reconcile profit before tax to net cash flows:			
Valuation gain on investment property and investment property under construction		(400,575)	(145,317)
Loss on disposal of investment property		-	1
Depreciation and amortization expense		1,373	1,288
Share-based compensation expense	15,19	2,211	546
Finance cost	6	10,750	9,790
Working capital movements:			
Increase in trade receivables, other current and non-current assets	11,12	(13,810)	(16,819)
Increase in other current and non-current liabilities and deferred revenue	18	18,794	30,964
Income tax paid		(17,143)	(14,898)
Cash flows from operating activities		81,420	85,413
Investing activities			
Capital expenditures on investment property under construction and completed investment property	9	(53,347)	(51,285)
Capital expenditures on property, plant and equipment		(128)	(216)
Acquisition of investment properties and other assets, net		(7,058)	-
Proceeds from disposal of investment property, property, plant and equipment and insurance recovery proceeds		4,697	5,717
Acquisition of intangible assets		(1,244)	(853)
Cash flows from investing activities		(57,080)	(46,637)
Financing activities			
Proceeds from the issuance of equity	13,14	209	948
Payment for equity issuance costs	14	(11)	(11)
Payment for debt issuance costs	10	-	(1,453)
Repayment of principal amount of lease obligations		(2,180)	(3,687)
Cash dividends on ordinary shares paid to company's shareholders	16	(55,229)	(50,610)
Proceeds from the sales of treasury shares		1,579	-
Interest paid		(10,888)	(10,003)
Cash flows from financing activities		(66,520)	(64,816)
Net decrease in cash and cash equivalents		(42,180)	(26,040)
Effect of exchange rate fluctuation		(1,141)	394
Cash and cash equivalents on January 1		219,170	102,998
Cash and cash equivalents at the end of the period		175,849	77,352

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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1. CORPORATE INFORMATION

The Group has been listed on Euronext Brussels since October 15, 2018 (ticker “SHUR”).

Our principal business activities are the acquisition, development and operation of self-storage facilities providing month-to-month leases for business and personal use. We also provide ancillary services at our self-storage facilities consisting primarily of sales of storage products and introduce our customers to insurance protection via an independent insurance company for customers’ stored goods. Any advice and claims regarding customer insurance are directly handled by our insurance broker / insurer. Since January 1, 2021, the Company manages its insurable risks through a combination of self-insurance and commercial insurance coverage for property damage, business interruption and customer goods-related claims. The Group uses a reinsurance undertaking to manage these risks. As of June 30, 2022, we operate 256 self-storage facilities under the Shurgard brand name (254 self-storage facilities as of December 31, 2021) that we own or lease in France, the Netherlands, the United Kingdom (the “UK”), Sweden, Germany, Belgium and Denmark and one store under management contract in France.

SIGNIFICANT EVENTS AND TRANSACTIONS

This interim report only provides an explanation of events and transactions that are significant to an understanding of the changes in financial position and reporting since the last annual reporting period and should therefore be read in conjunction with the consolidated financial statements for the financial year ended on December 31, 2021.

- On April 8, 2022, the Group entered into a sale-and-leaseback transaction with the City of Rotterdam relating to one property in the Netherlands, which did not result in the recognition of any gain or loss. At the same time, the Group acquired a new plot of land for the construction of a replacement store. The parties agreed that Shurgard would continue using the existing property, until the new store would be operational.
- On May 20, 2022, the Group acquired a self-storage property in the UK, adding 2,500 net rentable sqm of storing space in total to its existing owned portfolio.
- In the second quarter of 2022, the Group terminated the lease agreement for one property in Munich that it is expected to leave in the last quarter of 2022. The termination was anticipated when acquiring Zeitlager in 2020, accommodating planned redevelopment plans of the owner of the property. The Group is expecting to receive compensation from the landlord for the early termination of the contract, upon leaving the property.

We refer to the Risks section on pages 33 and 34 of this half-year report for the discussion on the impact of Covid-19 and the Global Financial Crisis on the Group, required by IAS 34, which forms an integral part of this interim report.

2. BASIS OF PREPARATION, CHANGES IN ACCOUNTING POLICIES

The interim financial statements as of and for the six months ended June 30, 2022 have been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting, as adopted by the European Union (“EU”).

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company’s annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of amended standards effective as of 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following amendments and interpretations apply for the first time in 2022, but do not have a material impact on the interim condensed consolidated financial statements of the Company:

- Amendments to IFRS3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.

- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making.
- Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The unaudited interim consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (€'000), except where indicated otherwise.

This interim report includes alternative performance measures (also known as non-GAAP measures). The descriptions and reasons for usage of these alternative performance measures are included in the 2021 annual report on pages 253-265.

3. REAL ESTATE OPERATING REVENUE

Real estate operating revenue for the six months ended June 30 is comprised of the following:

(in € thousands)	Six months ended June 30, 2022	Six months ended June 30, 2021
Rental revenue	139,896	123,654
Insurance revenue	15,713	14,742
Ancillary revenue[1]	5,820	5,430
Property operating revenue	161,429	143,826
Other revenue[2]	121	322
Real estate operating revenue	161,550	144,148

1 Ancillary revenue consists of merchandise sales and other revenue from real estate operations.
2 Other revenue mainly consists of management fee revenue and other, non-recurring, income resulting from operations.

4. REAL ESTATE OPERATING EXPENSE

Real estate operating expense for the six months ended June 30 consists of the following:

(in € thousands)	Six months ended June 30, 2022	Six months ended June 30, 2021
Payroll expense	21,154	20,899
Real estate and other taxes	12,629	11,409
Repairs and maintenance	5,280	4,429
Marketing expense	4,157	4,102
Utility expense	1,941	2,079
Doubtful debt expense	2,284	1,617
Cost of insurance and merchandise sales	2,674	3,130
Other operating expenses[1]	9,575	8,343
Real estate operating expense	59,694	56,008

1 Other operating expenses mainly include travel expenses, legal and consultancy fees, insurance expenses, non-deductible VAT, information system expenses and property lease expense.

5. GENERAL, ADMINISTRATIVE AND OTHER EXPENSES

General, administrative and other expenses for the six months ended June 30 consist of the following:

(in € thousands)	Six months ended June 30, 2022	Six months ended June 30, 2021
Payroll expense	5,860	4,621
Share-based compensation expense	2,175	799
Capitalization of internal time spent on development of investment property	(1,820)	(1,092)
Depreciation and amortization expense	1,373	1,288
Other general and administrative expenses[1]	2,677	2,484
General, administrative and other expenses	10,265	8,100

1 Other general and administration expenses mainly include legal, consultancy and audit fees and non-deductible VAT. For the six months ended June 30, 2021, other general and administrative expense includes €0.8 million insurance recovery proceeds from the insurance company in connection with fire incidents.

6. FINANCE COST - NET

Finance costs for the six months ended June 30 include the following:

(in € thousands)	Six months ended June 30, 2022	Six months ended June 30, 2021
Net interest expense	10,736	9,633
Foreign exchange loss	14	157
Finance cost	10,750	9,790

7. INCOME TAX

The income tax expense for the six months ended June 30 is comprised of the following:

(in € thousands)	Six months ended June 30, 2022	Six months ended June 30, 2021
Current tax expense	14,749	12,112
Deferred tax expense	98,288	65,178
Income tax expense	113,037	77,290
Effective tax rate[1]	23.6%	35.2%

1 The adjusted EPRA effective tax rate based on adjusted EPRA earnings before tax for the six months ended June 30, 2022 and 2021 is 18.6% and 16.5%, respectively.

8. SEGMENT INFORMATION

The same store facilities segment we present for the first six months of 2022 and 2021 comprises facilities in operations since more than three full years as of January 1, 2022 in the case of self-developed properties or facilities in operations for one full year as of January 1, 2022 in the case of properties that have been acquired. On June 30, 2022, 234 self-storage facilities met the same store definition. The non-same store facilities segment comprises any other self-storage facilities (22) that we have acquired or self-developed.

The below table sets forth segment data for the six months periods ended June 30, 2022 and 2021 based on the 2022 same store/non-same store definition:

(in € thousands)	Six months ended June 30, 2022	Six months ended June 30, 2021
Same store facilities	153,145	140,462
Non-same store facilities	8,284	3,364
Property operating revenue[1]	161,429	143,826
Same store facilities	98,919	87,257
Non-same store facilities	2,816	561
Income from property (NOI)	101,735	87,818

1 Property operating revenue from same store facilities for the six months ended June 30, 2022 and 2021 includes insurance revenue of €14.8 and €14.4 million, respectively. Property operating revenue from non-same store facilities for the six months ended June 30, 2022 and 2021 includes insurance revenue of €0.9 and €0.4 million, respectively. Property operating revenue is the primary measure to assess the performance of the segments.

The following table sets forth the reconciliation of income from property (NOI) as presented in the above segment table and Net income from real estate operations presented in the unaudited interim consolidated statement of profit and loss:

(in € thousands)	Six months ended June 30, 2022	Six months ended June 30, 2021
Income from property (NOI)	101,735	87,818
Add: Other revenue[1]	121	322
Net income from real estate operations	101,856	88,140

1 Other revenue consists of management fee revenue from self storage and other income resulting from operations.
In the first six months of 2021, we received a €0.2 million indemnity payment as a compensation for works at one of our Paris properties, which partially compensated the decrease in revenue from the French management stores.

SEGMENT INFORMATION BY COUNTRY FOR THE SIX MONTHS ENDED JUNE 30, 2022

(in € thousands)	France	The Netherlands	UK	Sweden	Germany	Belgium	Denmark	Total
Same store facilities	37,903	32,225	27,013	24,086	12,191	12,127	7,600	153,145
Non-same store facilities	720	799	4,682	-	2,083	-	-	8,284
Property operating revenue	38,623	33,024	31,695	24,086	14,274	12,127	7,600	161,429
Same store facilities	21,706	21,704	17,556	17,214	8,031	7,427	5,281	98,919
Non-same store facilities	(199)	527	1,792	-	696	-	-	2,816
Income from property	21,507	22,231	19,348	17,214	8,727	7,427	5,281	101,735
Investment property	970,684	805,075	950,933	612,471	379,352	264,942	201,871	4,185,328
Investment property under construction	21,602	13,120	8,704	-	20,860	-	-	64,286
Property, plant and equipment and intangible assets	558	302	94	204	244	7,933	13	9,348
Deferred tax assets	-	-	-	-	-	845	-	845
Other non-current assets[1]	671	9,657	132	9	-	529	12	11,010
Non-current assets	993,515	828,154	959,863	612,684	400,456	274,249	201,896	4,270,817

1 Other non-current assets includes €9.6 million receivable from the sale of one of our Dutch properties. We will recover the amount when we vacate the building, which is estimated to occur at the end of 2023.

SEGMENT INFORMATION BY COUNTRY FOR THE SIX MONTHS ENDED JUNE 30, 2021

(in € thousands)	France	The Netherlands	UK	Sweden	Germany	Belgium	Denmark	Total
Same store facilities	35,278	29,752	23,126	23,238	11,078	11,061	6,929	140,462
Non-same store facilities	195	505	1,110	-	1,554	-	-	3,364
Property operating revenue	35,473	30,257	24,236	23,238	12,632	11,061	6,929	143,826
Same store facilities	18,721	19,618	14,496	16,228	6,935	6,646	4,613	87,257
Non-same store facilities	(51)	332	113	-	167	-	-	561
Income from property	18,670	19,950	14,609	16,228	7,102	6,646	4,613	87,818

SEGMENT INFORMATION BY COUNTRY FOR THE YEAR ENDED DECEMBER 31, 2021

(in € thousands)	France	The Netherlands	UK	Sweden	Germany	Belgium	Denmark	Total
Investment property	887,248	763,746	828,604	589,887	337,767	234,612	175,371	3,817,235
Investment property under construction	11,327	228	1,537	-	16,740	-	-	29,832
Property, plant and equipment and intangible assets	608	371	54	220	254	7,597	18	9,122
Deferred tax assets	-	-	-	446	393	884	-	1,723
Other non-current assets	376	86	98	10	-	485	12	1,067
Non-current assets	899,559	764,431	830,293	590,563	355,154	243,578	175,401	3,858,979

9. INVESTMENT PROPERTY AND INVESTMENT PROPERTY UNDER CONSTRUCTION

The table below sets forth the movement in completed investment property and investment property under construction.

(in € thousands)	Completed investment property Level 3	Investment property ROU assets Level 3	Total completed investment property Level 3	Investment property under construction Level 3[2]	Total investment property Level 3
On January 1, 2022	3,734,195	83,040	3,817,235	29,832	3,847,067
Exchange rate differences	(46,980)	(871)	(47,851)	(150)	(48,001)
Addition of ROU assets[1]	-	1,975	1,975	-	1,975
Remeasurement of ROU assets[1]	-	1,357	1,357	-	1,357
Capital expenditure	20,638	-	20,638	33,206	53,844
Acquisition of investment property[3]	7,064	-	7,064	-	7,064
Disposal[4]	(14,267)	-	(14,267)	-	(14,267)
Transfers for new development	10,899	-	10,899	(10,899)	-
Net gain (loss) of fair value adjustment	389,946	(1,668)	388,278	12,297	400,575
On June 30, 2022	4,101,495	83,833	4,185,328	64,286	4,249,614

1 These assets were recognized in exchange for an equal amount of additional lease liabilities. Remeasurements of ROU assets mainly consist of the effect of yearly indexations of our lease agreements.

2 The Company measures its investment property under construction at cost until such time as fair value becomes reliably measurable on a continuing basis. As of June 30, 2022, investment property under construction includes €15.8 million that are measured at cost and €48.5 million that are measured at fair value.

3 During the month of May 2022, we acquired one self-storage facility in the UK. This acquisition has been accounted for as an acquisition of assets, whereby the cost of the acquisition (€7.1 million) has been allocated to the individual identifiable assets and liabilities (if any) based on their relative fair values at the date of purchase.

4 During first the six months of 2022, the Group entered into a sale-and-leaseback transaction with the City of Rotterdam relating to one property in the Netherlands, which did not result in the recognition of any gain or loss. At the same time, the Group acquired a new plot of land for the construction of a replacement store. The parties agreed that Shurgard would continue using the existing property, until the new store would be operational.

The Company's investment properties and investment properties under construction are valued semi-annually as of June 30 and December 31 of each year. Our investment property is a Level 3 fair market value measurement and for the periods concerned, there have been no transfers to or from Level 3.

Except for the valuation of the Investment Property right-of-use asset, and certain of our investment properties under construction that have been valued at cost, the June 30, 2022 valuation was performed by Cushman & Wakefield ("C&W"), using discounted cash flows of the net operating income over a ten-year period and a notional sale of the asset at the end of the tenth year, which is described in further detail in Note 15 of our 2021 annual report.

VALUATION ASSUMPTIONS ON FREEHOLD AND LONG LEASEHOLD

The following assumptions have been applied by C&W for the valuation of our investment properties for the periods concerned:

	June 30, 2022	December 31, 2021
Stabilized occupancy	91.07%	91.08%
Average time to stabilization (months)[1]	6.83	5.95
Exit capitalization rate[2]	5.29%	5.64%
Weighted average annual discount rate[3]	7.85%	8.20%
Average rental growth rate	2.58%	2.58%

1 The average time to stabilization, expressed in months, is the total number of months to stabilization for all properties, divided by the number of properties.
2 The exit capitalization rate comprises prime cap rates based on observed market transactions, adjusted for property specific elements such as tenure, location, condition of building, etc. The exit capitalization rate is applied to year 10 cash flows in determining the terminal value of each property.
3 Pre-tax discount rate used to discount the future cash flows of each property.

Purchaser’s costs in the range of approximately 0.6% to 12.5% have been assumed initially, reflecting the stamp duty levels anticipated in each local market, and sales plus purchaser’s costs totalling approximately 0.6% to 12.5% are assumed on the notional sales in the tenth year in relation to freehold and long leasehold stores. Both assumptions are unchanged to December 31, 2021.

We refer to Note 15 of our 2021 annual report with respect to further explanatory details on the assumptions included above and the sensitivity of the valuation to assumptions, which has not materially changed.

10. OTHER NON-CURRENT ASSETS

Other non-current assets mainly consist of indemnification assets, deposits paid to vendors and VAT recoverable after more than one year and the unamortized non-current portion of capitalized debt financing cost in incurred in connection with the revolving syndicated loan facility.

The increase during the first six months of 2022 mainly relates to a €9.6 million receivable resulting from the sale of one of our Dutch properties (Note 9) and €0.4 million increase in deposits paid to our vendors and lessors.

11. TRADE AND OTHER RECEIVABLES

(in € thousands)	June 30, 2022	December 31, 2021
Gross amount	29,998	24,154
Provision for doubtful debt	(7,495)	(7,784)
Trade and other receivables	22,503	16,370

Rent and service charge receivables are non-interest-bearing and are typically due within thirty days. The receivables are due from local retail and business tenants.

12. OTHER CURRENT ASSETS

(in € thousands)	June 30, 2022	December 31, 2021
Prepayments[1]	10,987	4,727
Receivables from tax authorities other than VAT	2,508	1,529
Other current assets[2]	1,525	1,694
Other current assets	15,020	7,950

1 The increase in prepayments mainly relates to real estate taxes and insurance expenses for €4.1 million and €1.5 million, respectively.
2 Other current assets include inventories, recoverable VAT and other.

13. ISSUED SHARE CAPITAL

As of December 31, 2021, the share capital of the Company as presented in the statement of financial position of €61,382,803, net of treasury shares held of €2,209,562 (70,771 treasury shares), was represented by 89,106,202 ordinary shares that all have been fully paid up.

During the first six months of 2022, the Group issued 9,729 new shares to satisfy the exercise of stock options under the Group's stock option plans. Of the €209,271 subscription price, €6,944 has been allocated to share capital and the remainder has been allocated to share premium.

During the first six months of 2022, the Company used 70,771 treasury shares for €2,209,562 in connection with the exercise of 70,771 share options granted under the 2017 plan, resulting in a decrease of the share-based payments reserve in equity by €629,913.

As of June 30, 2022, the share capital of the Company as presented in the statement of financial position of €63,599,309 is represented by 89,115,931 ordinary shares that all have been fully paid up.

14. SHARE PREMIUM

As of December 31, 2021, the share premium of the Company was €539,711,663. During the first six months of 2022, in connection with the issuance of 9,729 new ordinary shares, the share premium was increased by €202,327, representing the part of the subscription price of the issuance of new shares that has not been allocated to share capital and reduced by €11,000 for equity issuance costs incurred. As of June 30, 2022, the share premium of the Company amounts to €539,902,990.

15. SHARE-BASED PAYMENT RESERVE

As of December 31, 2021, the share-based payment reserve of the Company amounted to €4,690,937.

During the first six months of 2022, we recognized a share-based compensation expense of €2,211,410 for our equity-settled share-based compensation plans in share-based payment reserve, and we realized a loss of €629,913 on the sale of treasury shares based on the difference between the acquisition costs of the treasury shares and the respective exercise prices of the share options. During the first six months of 2022, we allocated €110,794 in deferred income tax assets to our share-based payment reserve.
As of June 30, 2022, the share-based payment reserve of the Company amounts to €6,383,228.

16. DISTRIBUTABLE RESERVES AND DISTRIBUTIONS MADE

As of June 30, 2022, and December 31, 2021, the Company's distributable reserves are €179,966,472 and €253,195,409, respectively.

On May 4, 2022, the distributable reserves were reduced by €55,228,937 in connection with the distribution of a final dividend of 2021 of €0.62 per outstanding share, paid on May 12, 2022.

17. INTEREST-BEARING LOANS AND BORROWINGS

(in € thousands)	June 30, 2022	December 31, 2021
Nominal values senior guaranteed notes	800,000	800,000
Less:		
Unamortized balance of debt issuance cost on notes issued	(2,206)	(2,421)
Borrowings as reported on statement of financial position	797,794	797,579
Non-current portion	797,794	797,579
Current portion	-	-
Weighted average cost of debt	2.36%	2.36%

Set out below is a comparison of the carrying amounts and fair value of the Company's senior guaranteed notes:

(in € thousands)	June 30, 2021	December 31, 2021
Carrying value	797,794	797,579
Fair values	728,484	852,494

The fair values of our senior guaranteed notes are a Level 3 fair market value measurement and for the periods concerned, there have been no transfers to or from Level 1 or Level 2. The same methodology was used to estimate the fair values for all reported periods.
The decrease in fair value results from the significant increase in discount rates during the last six months.

18. TRADE AND OTHER PAYABLES AND DEFERRED REVENUE

(in € thousands)	June 30, 2022	December 31, 2021
Accrued compensation and employee benefits	7,552	9,838
Accrued share-based compensation expense	1,071	1,174
Accounts payable (including accrued expenses)[1]	54,758	43,627
Payables to affiliated companies	860	842
Deferred revenue – contract liabilities	30,924	30,226
Accrued interest on notes issued and other external borrowings	1,823	1,847
Other payables[2]	8,321	4,371
Trade and other payables and deferred revenue	105,309	91,925

1 The increase in accounts payable is mainly due to increased accruals for construction costs, real estate taxes and insurance expense.
2 Other payables mainly consist of VAT payable in less than one year and customer deposits.

19. SHARE-BASED COMPENSATION EXPENSE

We incurred €2.2 million and €0.8 million in share-based compensation expense, including social security charges, for the six months ended June 30, 2022 and 2021, respectively.

20. CONTINGENTIES, COMMITMENTS AND GUARANTEES

As of June 30, 2022, we had €13.4 million of outstanding capital expenditure commitments under contract regarding certain self-storage facilities under construction.

Except for changes mentioned in these interim financial statements, if any, contingencies, commitments and guarantees are materially unchanged from those described in Note 38 on pages 220 and 221 of the 2021 annual report.

21. EVENTS AFTER THE REPORTING PERIOD

On August 11, 2022, Shurgard announced the signature of a land purchase agreement in the Dusseldorf region.

AUDITOR’S REPORT

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of,
Shurgard Self Storage S.A.
11, rue di l'industrie
L – 8399 Windhof

INTRODUCTION

We have reviewed the accompanying interim condensed consolidated financial statements of Shurgard Self Storage S.A. as of 30 June 2022, which comprise the interim consolidated statement of financial position as at 30 June 2022 and the related interim consolidated statement of profit or loss, the interim consolidated statement of comprehensive income, the interim consolidated statement of changes in equity, the interim consolidated cash flow statement for the six-month period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* as adopted by the European Union ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union.

EY
Société anonyme
Cabinet de révision agréé

Bruno Di Bartolomeo

Luxembourg, August 18, 2022

INDEPENDENT AUDITOR'S REPORT ON THE PROPOSED DISTRIBUTION OF AN INTERIM DIVIDEND

To the Board of Directors of,
Shurgard Self Storage S.A.
11, rue di l'industrie
L - 8399 Windhof

In our capacity as "réviseur d'entreprises" of and in accordance with article 461-3 of the law of 10 August 1915 on commercial companies, as subsequently amended, we set out below our report on the proposed distribution of an interim dividend.

The Board of Directors is responsible for the preparation and fair presentation of the interim accounts as of 30 June 2022.

Our responsibility is, based on our procedures, to issue a report related to the interim dividend as proposed by the Board of Directors, and to the compliance with the conditions set out in article 461-3 of the law of 10 August 1915 on commercial companies, as subsequently amended.

We conducted our procedures in accordance with applicable professional standards as adopted, in Luxembourg, by the "Institut des Réviseurs d'Entreprises" and applicable to the engagement. These standards require that we plan and perform our procedures to obtain moderate assurance as to whether the interim accounts are free of material misstatement. Our procedures are limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

The interim accounts show a profit for the period from 1 January 2022 to 30 June 2022 after making the necessary value adjustments and provisions. Considering the profit brought forward, the profit for the period, sums drawn from available reserves for this purpose and the transfers to be made to the legal and statutory reserves, the Company has distributable amounts which exceed the proposed interim dividend of EUR 51,687,240.

Based on our procedures, nothing has come to our attention that causes us to believe that the Company does not have distributable amounts which exceed the proposed interim dividend.

We have also satisfied ourselves that the other conditions of article 461-3 of the law of 10 August 1915 on commercial companies, as subsequently amended, are complied with:

- The statutes authorise the Board of Directors to pay interim dividends;
- The interim accounts are prepared less than two months before the decision of the Board of Directors to distribute an interim dividend, subject to that decision to be taken before 30 August 2022

EY
Société anonyme
Cabinet de révision agréé

Bruno Di Bartolomeo

Luxembourg, August 18, 2022

STAND-ALONE FINANCIAL STATEMENTS OF SHURGARD SELF STORAGE S.A.

BALANCE SHEET

ASSETS

(in € thousands)			As of June 30, 2022		As of December 31, 2021
B. Formation expenses	1107	107	5,200	108	7,176
C. Fixed assets	1109	109	828,327	110	831,300
I. Intangible assets	1111	125	622	126	1,386
III. Financial assets	1135	135	827,705	136	829,914
D. Current assets	1151	151	2,661	152	3,550
II. Debtors	1163	163	7	164	128
IV. Cash at bank and in hand	1197	197	2,654	198	3,422
E. Prepayments	1199	199	120	200	30
TOTAL (ASSETS)		201	836,308	202	842,056

CAPITAL, RESERVES AND LIABILITIES

(in € thousands)			As of June 30, 2022		As of December 31, 2021
A. Capital and reserves	1301	301	780,584	302	840,379
I. Subscribed capital	1303	303	63,599	304	63,592
II. Share premium account	1305	305	559,789	306	559,586
IV. Reserves	1309	309	197,966	310	253,196
2) Reserve for own shares	1313	313	-	314	2,210
3) Other reserves, including the fair value reserve	1429	429	197,966	430	250,986
a) other available reserves	1431	431	197,966	432	250,986
V. Profit or loss brought forward	1319	319	(35,995)	320	(26,883)
VI. Profit or loss for the financial year	1321	321	(4,775)	322	(9,112)
B. Provisions	1331	331	-	332	815
C. Creditors	1435	435	55,724	436	-
a) becoming due and payable within one year	1399	453	55,724	454	862
TOTAL (CAPITAL, RESERVES AND LIABILITES)		405	836,308	406	842,056

PROFIT AND LOSS ACCOUNT

(in € thousands)			January 1 through June 30, 2022		January 1 through December 31,
1. to 5. Gross profit or loss	1701	701	(169)	702	(1,028)
6. Staff costs	1605	605	(709)	606	(1,520)
a) Wages and salaries	1607	607	(620)	608	(1,364)
b) Social security costs	1609	609	2	610	(54)
c) Other staff costs	1613	613	(91)	614	(102)
7. Value adjustments	1657	657	(2,751)	658	(5,500)
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	659	(2,751)	660	(5,500)
8. Other operating expenses	1621	621	(1,250)	622	(2,132)
10. Income from other investments and loans forming part of the fixed assets	1721	721	815	722	2,501
b) other income not included under	1725	725	815	726	2,501
11. Interest payable and similar	1627	627	(709)	628	(1,428)
b) other interest and similar expenses	1631	631	(709)	632	(1,428)
15. Tax on profit or loss	1635	635	(2)	636	(5)
16. Profit or loss after taxation	1667	667	(4,775)	668	(9,112)
18. Profit or loss for the financial year	1669	669	(4,775)	670	(9,112)

APPENDIX ALTERNATIVE PERFORMANCE MEASURES (APM)

ALTERNATIVE PERFORMANCE MEASURES (APM)

APM are defined by the European Securities and Markets Authority ('ESMA') as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified by IFRS, as adopted by the EU.

SAME STORE AND NON-SAME STORE

The Group's most important APM, as also apparent from the segment reporting, relates to same stores and non-same stores. Shurgard classifies as 'same stores' (i) all developed stores that have been in operation for at least three full years, and (ii) all acquired stores that we have owned for at least one full year, each measured as of January 1 of the relevant year. Any stores that are not classified as same stores for a given year are presented as 'non-same stores', comprising (i) all developed stores that have been in operation for less than three full years ('new stores') and (ii) acquired stores that we have owned for less than one full year ('acquired stores'), each measured as of January 1 of the relevant year.
As a result, on a year-to-year basis, the size of our same store network changes based on the reclassification of stores from non-same stores to same stores following the time periods described in the prior paragraph. Under some circumstances, for purposes of these full-year metrics, this results in significant changes in financial and operational metrics presented on a segmental basis from year to year.
In line with common practice in self-storage and other industries (e.g. retail), same store information is a crucial factor to assess the performance of the organic business, while at the same time providing information on the expansion activities of the Group. For this reason, the Chief Operating Decision Maker ('CODM') reviews the performance of the Group based on this distinction (see Note 8 of the 2022 Half-year Report) and same store information represents part of the numeration for senior management.

INCOME FROM PROPERTY ('NOI')

NOI is calculated as 'Property operating revenue' (A) less 'Real estate operating expenses' (B) for the relevant period and can be reconciled to the closest line item in the financial statements as follows:

Income statement line item	Reference to 2022 HY report	June 30, 2022	June 30, 2021
Rental revenue	Note 3	139,896	123,654
Insurance revenue	Note 3	15,713	14,742
Ancillary revenue	Note 3	5,820	5,430
Property operating revenue (A)		*161,429*	*143,826*
Other revenue	Note 3	121	322
Real estate operating revenue	**Statement of Profit and Loss**	**161,550**	**144,148**

Income statement line item	Reference to 2022 HY report	June 30, 2022	June 30, 2021
Payroll expense	Note 4	21,154	20,899
Real estate and other taxes	Note 4	12,629	11,409
Repairs and maintenance	Note 4	5,280	4,429
Marketing expenses	Note 4	4,157	4,102
Utility expenses	Note 4	1,941	2,079
Other operating expenses	Note 4	9,575	8,343
Doubtful debt expense	Note 4	2,284	1,617
Cost of insurance and merchandise sales	Note 4	2,674	3,130
Real estate operating expenses (B)	**Statement of Profit and Loss**	**59,694**	**56,008**
Net Operating Income (NOI)	**(A) – (B)**	**101,735**	**87,818**

NOI measures the financial performance of our properties. It focuses on property operating revenue (generated through the lease of storage units and related activities, including insurance referrals and the sale of storage products and packaging) less real estate operating expense. As such it is a key performance indicator of the performance of the Group's core operating activity.
The Group's CODM periodically receives and reviews NOI when making capital allocation and operating decisions. Further, NOI represents a crucial input in the valuation of the Group's investment property, as described in Note 9 to our 2022 Half-year Report.

NOI MARGIN

The NOI margin is calculated as Income from property ('NOI') divided by Property operating revenue for the relevant period and measures the operational performance and efficiencies of our properties as it shows in percentage how much property operating revenue remains after deduction of the real estate operating expense. As with all ratios, it also allows easier comparison within our industry, as it eliminates the need for size or currency adjustments.

Item	Operator	June 30, 2022	June 30, 2021
Net Operating Income (NOI)		101,735	87,818
Property operating revenue	÷	161,429	143,826
NOI Margin %	=	**63.0%**	**61.1%**

NET (FINANCIAL) DEBT

Net debt represents our long-term and short-term interest-bearing loans and borrowings, including lease obligations and excluding debt issuance costs, less cash and cash equivalents. This liquidity metric is used to evaluate the Group's capability of repaying all its debts, were they due immediately.

(in € thousands)	June 30, 2022	December 31, 2021
Carrying value of interest-bearing loans and borrowings (Note 17)	797,794	797,579
Unamortized portion of debt financing cost (Note 17)	2,206	2,421
Carrying value of lease obligations (Consolidated statement of financial position)	88,881	88,368
Cash and cash equivalents (Cash flow statement)	(175,849)	(219,170)
Net financial debt	713,032	669,198

LOAN-TO-VALUE ('LTV')

LTV, which stands for loan-to-value, represents the Group's Net Debt divided by the fair value of investment properties, expressed as a percentage and is a commonly used leverage KPI in the real estate industry. The Group reviews its capital structure based on this metric with the primary objective to ensure that it complies with its debt covenants. The Group targets a loan-to-value ratio of 25% with a short- to mid-term maximum amount of 35%.

(in € thousands)	June 30, 2022	December. 31, 2021
Net financial debt	713,032	669,198
Investment property and investment property under construction (Note 9)	4,249,614	3,847,067
Loan-to-value ratio	16.8%	17.4%

INTEREST COVERAGE RATIO ('ICR')

ICR, which stands for interest coverage ratio, represents the Group's earnings before interest, taxes, depreciation, and amortization (EBITDA) divided by the total interest expense, expressed as a ratio. The ICR of 8.5x demonstrates Shurgard's capacity to meet its outstanding debt obligations on time.

(in € thousands)	June 30, 2022	December 31, 2021
EBIDTA	91,466	174,865
Total interest expense	10,736	19,985
Interest coverage ratio	8.5x	8.7x

OPERATING PROFIT BEFORE PROPERTY RELATED ADJUSTMENTS

This is a commonly reported KPI by real estate companies. We believe that this subtotal provides improved structure to the profit and loss information and enables investors to better analyze and compare our earnings with those of other companies.

EARNINGS BEFORE INTEREST, DEPRECIATION AND AMORTIZATION (EBITDA)

EBITDA, which represents reported operating earnings before interest, tax, depreciation and amortization, excluding (i) valuation gains from investment property and investment property under construction and (ii) losses or gains on disposal of investment property, plant and equipment and assets held for sale.

CONSTANT EXCHANGE RATE ('CER')

Certain of the above-mentioned non-GAAP measures, such as EBITDA, are also presented at constant exchange rate (CER) vs actual exchange rate (AER), in order to highlight the underlying operating performance vs. the impact of changes in exchange rate on the particular KPI.

EUROPEAN PUBLIC REAL ESTATE ASSOCIATION ('EPRA') APM

In addition to the above, the Group mainly uses alternative performance measures that are issued and defined by EPRA with the aim to align the various accounting and reporting methodologies for the public real estate sector in Europe in order to increase the overall transparency of the sector by providing performance measures that result meaningful information for the readers of the financial statements.

The EPRA KPIs used by Shurgard are based on the EPRA best practice guidelines dated February 2022.

The table below provides a summarized overview of the Company's key APM, consisting of, (Adjusted) EPRA earnings, NAV, EPRA NRV, EPRA NTA, EPRA NDV and EPRA LTV:

(in € thousands, except for earnings per share)	June 30, 2022	June 30, 2021
EPRA earnings	63,891	62,010
EPRA earnings per share (basic) €	0.72	0.70
EPRA earnings per share (diluted) €	0.71	0.69
Adjusted EPRA earnings	64,529	61,432
Adjusted EPRA earnings per share (basic) €	0.72	0.69
Adjusted EPRA earnings per share (diluted) €	0.71	0.69

(in € thousands, except for earnings per share)	June 30, 2022	December 31, 2021
NAV	2,747,370	2,472,543
NAV per share (basic) €	30.83	27.77
NAV per share (diluted) €	30.39	27.47
EPRA NRV	3,801,722	3,409,642
EPRA NRV per share (diluted) €	42.05	37.88
EPRA NTA	3,476,795	3,112,598
EPRA NTA per share (diluted) €	38.46	34.58
EPRA NDV	2,816,680	2,417,628
EPRA NDV per share (diluted) €	31.16	26.87
EPRA Loan-to-value (LTV)	16.4%	17.2%

The basis of calculation for each of the above measures, are illustrated below.

EPRA EARNINGS AND EPRA EARNINGS PER SHARE

(in € thousands, except for earnings per share)	June 30, 2022	June 30, 2021
Profit attributable to ordinary equity holders of the parent for basic earnings	365,999	142,283
Adjustments:		
Gain on revaluation of investment properties	(400,575)	(145,317)
Profits or losses on disposal of investment properties, development properties held for investment, right of use assets and other interests	-	1
Profits or losses on sales of trading properties including impairment charges in respect of trading properties	-	-
Tax on profits or losses on disposals	-	-
Negative goodwill / goodwill impairment	-	-
Changes in fair value of financial instruments and associated close-out costs	-	-
Acquisition costs of business combinations and non-controlling joint venture interests	-	-
Current and deferred tax in respect of EPRA adjustments	97,824	64,886
Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	-	-
Non-controlling interests in respect of the above	643	157
EPRA earnings	63,891	62,010
EPRA earnings per share (basic) €	0.72	0.70
EPRA earnings per share (diluted) €	0.71	0.69

ADJUSTED EPRA EARNINGS AND ADJUSTED EPRA EARNINGS PER SHARE

(in € thousands, except for earnings per share)	June 30, 2022	June 30, 2021
EPRA earnings	63,891	62,010
Company specific adjustments:		
Deferred tax expense on items other than the revaluation of investment property	467	294
Insurance recovery on burnt down property to be rebuilt	-	(967)
Net impact of tax assessments and non-recurring expenses	171	95
Non-controlling interests in respect of the above	-	-
Adjusted EPRA Earnings	64,529	61,432
Adjusted EPRA earnings per share (basic) €	0.72	0.69
Adjusted EPRA earnings per share (diluted) €	0.71	0.69

ADJUSTED EPRA EARNINGS AND FOREIGN EXCHANGE RATE RISK

The following table presents the sensitivity analysis of our adjusted EPRA earnings in EUR in case the euro would weaken by 10% versus the GBP, SEK and DKK, respectively:

(in € thousands)	June 30, 2022	June 30, 2021
GBP/EUR exchange rate – increase 10%	1,294	1,254
SEK/EUR exchange rate – increase 10%	1,281	1,200
DKK/EUR exchange rate – increase 10%	439	360

Positive amounts represent an increase in adjusted EPRA earnings.

NAV (BASIC AND DILUTED)

Basic NAV per share amounts are calculated by dividing net assets in the statement of financial position attributable to ordinary equity holders of the parent by the number of ordinary shares outstanding at the reporting date.

The following reflects the net asset and share data used in the basic and diluted NAV per share computations:

(in € thousands, except for number of shares and NAV per share)	June 30, 2022	December 31, 2021
NAV attributable to ordinary equity holders of the parent	2,747,370	2,472,543
Number of ordinary shares at the reporting date	89,115,931	89,035,431
Number of diluted shares at the reporting date	1,284,321	981,195
NAV per share (basic) €	30.83	27.77
NAV per share (diluted) €	30.39	27.47

EPRA NRV (DILUTED)

The EPRA NRV scenario aims to represent the value required to rebuild the properties and assumes that no selling of assets takes place.

(in € thousands, except for NRV per share)	June 30, 2022	December 31, 2021
Equity attributable to ordinary equity holders of the parent (diluted)	2,747,370	2,472,543
Include / Exclude:		
Hybrid instruments	-	-
Diluted NAV	2,747,370	2,472,543
Include:		
Revaluation of investment properties	-	-
Revaluation of investment properties under construction	-	-
Revaluation of other non-current investments	-	-
Revaluation of tenant leases held as finance leases	-	-
Revaluation of trading properties	-	-
Diluted NAV at fair value	2,747,370	2,472,543
Exclude:		
Deferred taxes in relation to fair value gains on investment property	735,722	645,981
Fair value of financial instruments	-	-
Goodwill as a result of deferred tax	-	-
Include:		
Revaluation of intangibles to fair value	-	-
Real estate transfer tax	318,630	291,118
EPRA NRV	3,801,722	3,409,642
EPRA NRV per share (diluted) €	42.05	37.88

In the above EPRA NRV calculation, the fair value adjustment of our notes issued and deferred tax expense other than on the fair value adjustment of investment property are not considered, and real estate transfer tax has been considered.

EPRA NTA (DILUTED)

The EPRA NTA scenario is focused on reflecting a company's tangible assets and assumes that companies buy and sell assets, thereby crystallizing certain levels of unavoidable deferred tax liability.

(in € thousands, except for NTA per share)	June 30, 2022	December 31, 2021
Equity attributable to ordinary equity holders of the parent (diluted)	2,747,370	2,472,543
Include / Exclude:		
Hybrid instruments	-	-
Diluted NAV	2,747,370	2,472,543
Include:		
Revaluation of investment properties	-	-
Revaluation of investment properties under construction	-	-
Revaluation of other non-current investments	-	-
Revaluation of tenant leases held as finance leases	-	-
Revaluation of trading properties	-	-
Diluted NAV at fair value	2,747,370	2,472,543
Exclude:		
Deferred taxes in relation to fair value gains on investment property	735,722	645,981
Fair value of financial instruments	-	-
Goodwill as a result of deferred tax	-	-
Goodwill recognized in the statement of financial position	-	-
Intangible assets recognized in the statement of financial position	(6,297)	(5,926)
Include:		
Real estate transfer tax[1]	-	-
EPRA NTA	3,476,795	3,112,598
EPRA NTA per share (diluted) €	38.46	34.58

1 The Company did not opt for the "optimised net property value" approach, as we do not have a history that would indicate that we can achieve lower taxes when buying and selling and as we have a buy and hold strategy, which would indicate limited relevance of the optimised EPRA NTA.

In the above EPRA NTA calculation, the fair value adjustment of our notes issued and deferred tax expense other than on the fair value adjustment of investment property are not taken into account.

EPRA NDV (DILUTED)

The EPRA NDV scenario aims to represent the shareholder's value under an ordinary sale of business, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

(in € thousands, except for NDV per share)	June 30, 2022	December 31, 2021
Equity attributable to ordinary equity holders of the parent (diluted)	2,747,370	2,472,543
Include / Exclude:		
Hybrid instruments	-	-
Diluted NAV	2,747,370	2,472,543
Include:		
Revaluation of investment properties	-	-
Revaluation of investment properties under construction	-	-
Revaluation of other non-current investments	-	-
Revaluation of tenant leases held as finance leases	-	-
Revaluation of trading properties	-	-
Diluted NAV at fair value	2,747,370	2,472,543
Exclude:		
Goodwill as a result of deferred tax	-	-
Goodwill recognized in the statement of financial position	-	-
Include:		
Fair value of fixed interest rate debt: carrying value senior guaranteed notes lower than fair value (Note 35)	69,310	(54,915)
EPRA NDV	2,816,680	2,417,628
EPRA NDV per share (diluted) €	31.16	26.87

EPRA LTV

The EPRA LTV's aim is to assess the gearing of the shareholder equity within a real estate company. To achieve that result, the EPRA LTV provides adjustments to IFRS reporting which are described in more details in this document.

The main overarching concepts that are introduced by the EPRA LTV are:

- In case of doubt, and unless otherwise defined below, any capital which is not equity (i.e., which value accrues to the shareholders of the company) is considered as debt irrespective of its IFRS classification;
- The EPRA LTV is calculated based on proportional consolidation. This implies that the EPRA LTV include the Group's share in the net debt and net assets of joint venture or material associates;
- Assets are included at fair value, net debt at nominal value.

No adjustment related to IFRS 16 is proposed for the purposes of calculating the EPRA LTV as, for most real estate entities, these balances typically gross up both sides of the LTV calculation and generally do not have a commercial impact on the leverage of the business.

As of June 30, 2022, EPRA LTV is as follows:

EPRA LTV Metric as of June 30, 2022 (In € thousands)	Group as reported	Proportionate Consolidation Share of joint-ventures	 Share of Material Associates	 Non-controlling Interests	Combined
Include:					
Borrowings from Financial Institutions	-	-	-	-	-
Commercial paper	-	-	-	-	-
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	-	-	-	-	-
Bond loans	797,794	-	-	-	797,794
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables	63,489	-	-	603	64,092
Owner occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristic)	-	-	-	-	-
Exclude:					
Cash and cash equivalents	(175,849)	-	-	67	(175,782)
Net Debt (a)	685,434	-	-	670	686,104
Include:					
Owner occupied property	-	-	-	-	-
Investment properties at fair value	4,101,494	-	-	(8,317)	4,093,177
Properties held for sale	-	-	-	-	-
Properties under development	64,286	-	-	(536)	63,750
Intangibles	6,297	-	-	-	6,297
Net receivables	-	-	-	-	-
Financial assets	-	-	-	-	-
Total Property Value (b)	4,172,077	-	-	(8,853)	4,163,224
EPRA LTV (a/b)	16.4%			N/A	16.5%

RECONCILIATION OF CERTAIN EPRA LTV COMPONENTS

		Proportionate Consolidation			
EPRA LTV Metric as of June 30, 2022 (In € thousands)	Group as reported	Share of joint-ventures	Share of Material Associates	Non-controlling Interests	Combined
Investment property					
Investment property presented in IFRS FS	4,185,328	-	-	-	4,185,328
Less ROU IP (IFRS 16)	(83,833)	-	-	-	(83,833)
Investment property for EPRA LTV calculation	4,101,495	-	-	-	4,101,495
Payables, net					
Trade and other receivables	(22,503)	-	-	18	(22,485)
Other current assets	(15,020)	-	-	39	(14,981)
Other non-current assets	(11,010)	-	-	-	(11,010)
Trade and other payables	74,385	-	-	612	74,997
Deferred revenue	30,924	-	-	(65)	30,859
Other non-current liabilities	140	-	-	-	140
Income tax payable	6,573	-	-	(1)	6,572
Net Payables	63,489	-	-	603	64,092

As of December 31, 2021, EPRA LTV is as follows:

EPRA LTV Metric, as of December 31, 2021 (In € thousands)	Group as reported	Proportionate Consolidation Share of joint-ventures	 Share of Material Associates	 Non-controlling Interests	Combined
Include:					
Borrowings from Financial Institutions	-	-	-	-	-
Commercial paper	-	-	-	-	-
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	-	-	-	-	-
Bond loans	797,579	-	-	-	797,579
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables	70,920	-	-	311	71,231
Owner occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristic)	-	-	-	-	-
Exclude:					
Cash and cash equivalents	(219,170)	-	-	75	(219,095)
Net Debt (a)	649,329	-	-	386	649,715
Include:					
Owner occupied property	-	-	-	-	-
Investment properties at fair value	3,734,195	-	-	(7,337)	3,726,858
Properties held for sale	-	-	-	-	-
Properties under development	29,832	-	-	(418)	29,414
Intangibles	5,926	-	-	-	5,926
Net receivables	-	-	-	-	-
Financial assets	-	-	-	-	-
Total Property Value (b)	3,769,953	-	-	(7,755)	3,762,198
EPRA LTV (a/b)	17.2%	-	-	N/A	17.3%

RECONCILIATION OF CERTAIN EPRA LTV COMPONENTS

		Proportionate Consolidation			
EPRA LTV Metric, as of December 31, 2021 (In € thousands)	Group as reported	Share of joint-ventures	Share of Material Associates	Non-controlling Interests	Combined
Investment property					
Investment property presented in IFRS FS	3,817,235	-	-	(7,337)	3,809,898
Less ROU IP (IFRS 16)	(83,040)	-	-	-	(83,040)
Investment property for EPRA LTV calculation	3,734,195	-	-	(7,337)	3,726,858
Payables, net					
Trade and other receivables	(16,370)	-	-	15	(16,355)
Other current assets	(7,950)	-	-	22	(7,928)
Other non-current assets	(1,067)	-	-	-	(1,067)
Trade and other payables	61,699	-	-	337	62,036
Deferred revenue	30,226	-	-	(63)	30,163
Other non-current liabilities	140	-	-	-	140
Income tax payable	4,242	-	-	-	4,242
Net Payables	70,920	-	-	311	71,231

PUBLISHER

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COPYWRITING AND DESIGN

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PHOTOS

Shurgard Self Storage S.A.