THE SELF STORAGE ASSOCIATION ASIA

ANNUAL SURVEY

2019

Content

INTRODUCTION

This is the fifth consecutive annual survey conducted by the Self-Storage Association Asia (SSAA) among its member companies as well as its member associations across the region. Again, the exercise was launched and completed together with Ipsos Business Consulting.

With more than twenty years of history in this part of the world, the self-storage industry began to develop and establish a strong presence in emerging markets across the region within the last decade. Beginning with Japan, Hong Kong and Singapore, it has now put down roots in Taiwan, China, Thailand, India, the Philippines, South Korea, Indonesia and other Asian countries.

Besides the 6 recurrent markets covered by last year's report (i.e., Hong Kong, Japan, Taiwan, Malaysia, Singapore and Mainland China), we included Thailand and the Philippines in our latest iteration. This year's exercise was completed with information provided by companies operating in these 8 markets, with supplementary qualitative material drawn from their operators. Readers are cautioned when comparing the latest survey data on Japan with the country’s previous results because they came from different sources; this year’s information was provided by the Rental Storage Association (RSA) of Japan.

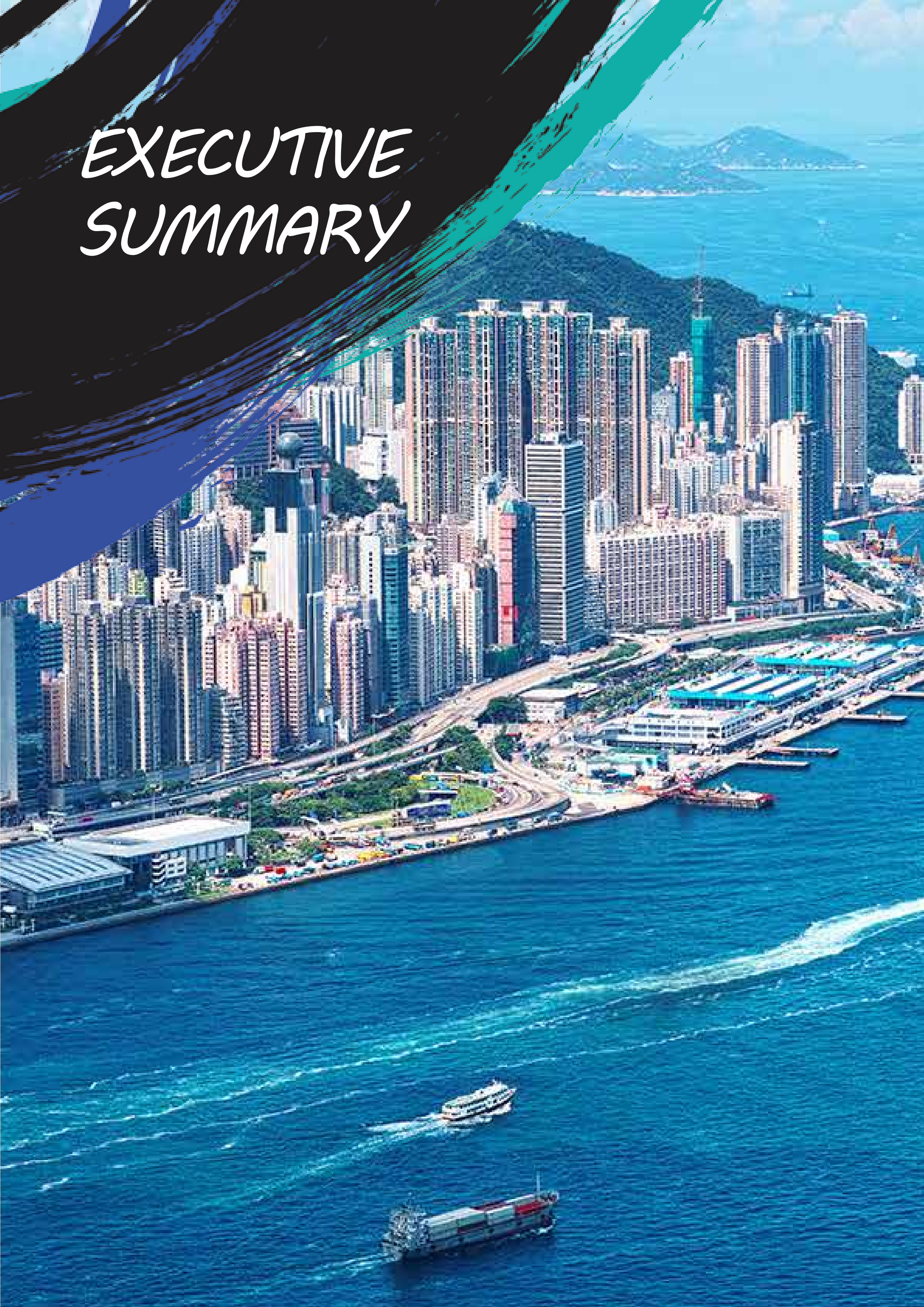
Our survey report was produced with help and input from professionals with frontline experience with operating self-storage facilities in countries across Asia. The aim is to monitor and chart the growth and development of the industry in markets across the region. It is our hope that our report can provide useful information to operators as well as serve as reference material to investors.

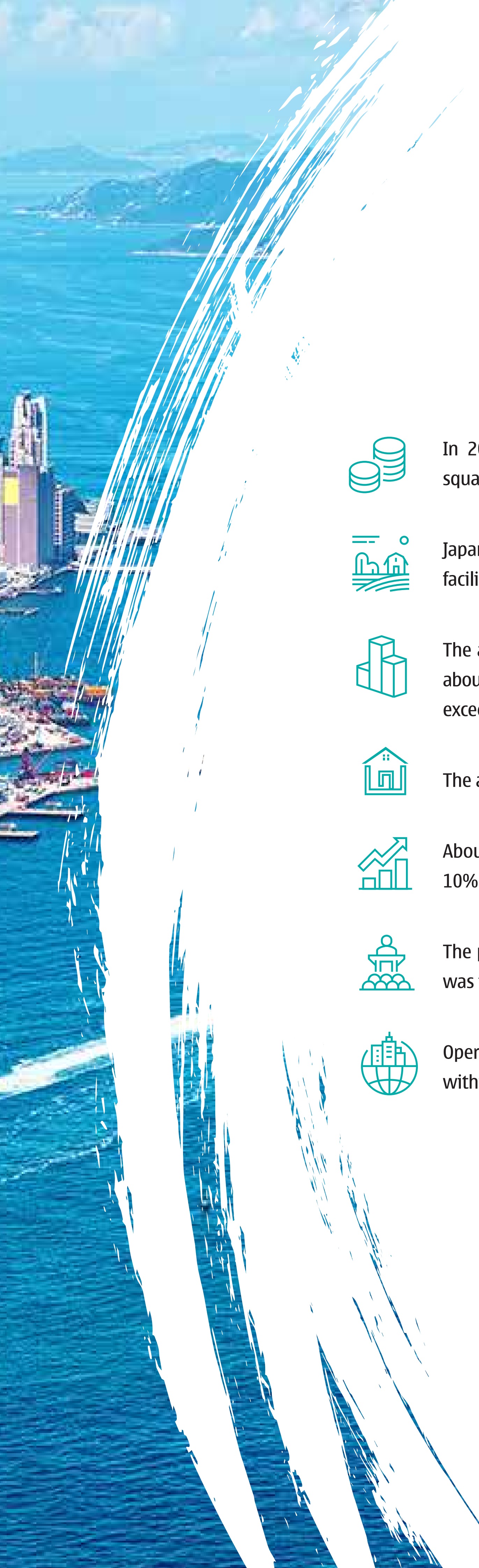
We welcome feedback from readers on the content of the report. It is our belief that your opinions can help us improve the quality of our future publications.

Luigi La Tona
Executive Director
Self Storage Association Asia

Markus Scherer
Director
Ipsos Business Consulting

EXECUTIVE SUMMARY





In 2018 there were 4,291 facilities totaling approximately 23.37 million square feet in all 8 markets covered by our survey.

Japan, Hong Kong and mainland China accounted for just under 95% of all facilities across all 8 markets.

The average amount of gross floor area per capita across all 8 markets was about 0.16 square foot, with figures for Hong Kong and Singapore respectively exceeding this level by three to four times.

The average occupancy level in 2018 across all 8 markets was at 73.25%.

About 30% of operators expect their net operating income to grow more than 10% in 2018 compared to 2017.

The percentage of operators with plans to expand within their local market was the highest in the Philippines (100%) and the lowest in Singapore (13%).

Operators across the 8 markets planned to open a total of 260 new facilities within a couple of years.

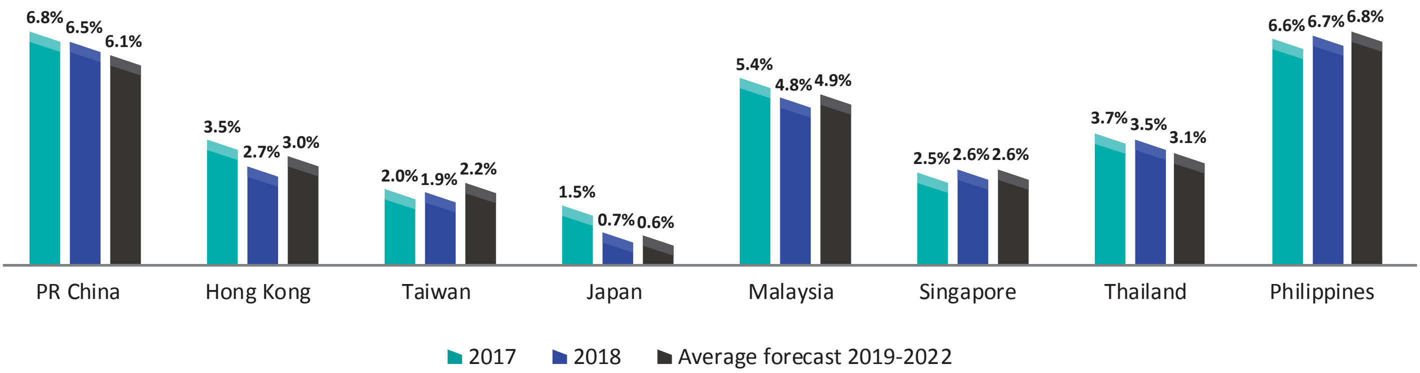
ECONOMIC OVERVIEW

> **In growth terms, the region is very much at the forefront of the global economy, accounting for more than 60% of world growth ...**
>
> **– IMF: Regional Economic Outlook, October 2018**

Asia grew by 5.6% in 2018 and continued to be the main growth engine of the world. In Greater China and Southeast Asia, GDP growth held up in 2018 despite external and domestic headwinds. In Southeast Asia, economic expansion rates remained robust although the trends by individual countries somewhat diverged. While mainland China's economic growth has been gradually slowing, the overall resilient private consumption story in the region continued, underpinned by stability in the labour market and overseas transfers. Growth in gross exports also withstood trade policy uncertainties. Several monetary authorities in the region raised interest rates to address monetary normalisation in advanced economies as well as price and exchange rate pressures. These moves were accompanied by policies that boosted liquidity to support growth. Fiscal positions in the region were generally stable.

After rising to 6.8% in 2017, growth in mainland China continued to be strong into the first half of 2018 but began to decline afterwards to 6.5% partly because of weakening investment growth. After exceeding potential for 2 years, growth in Japan dropped into negative territory in the first quarter of 2018 before rebounding sharply in the second quarter. In India, growth continued to recover steadily after the disruptions triggered by demonetization and the rollout of the goods and services tax. Growth in ASEAN economies (Indonesia, Malaysia, Thailand, and the Philippines) generally lost momentum in the first half of 2018, except in Thailand.

GDP Growth and Annual Percentage Change



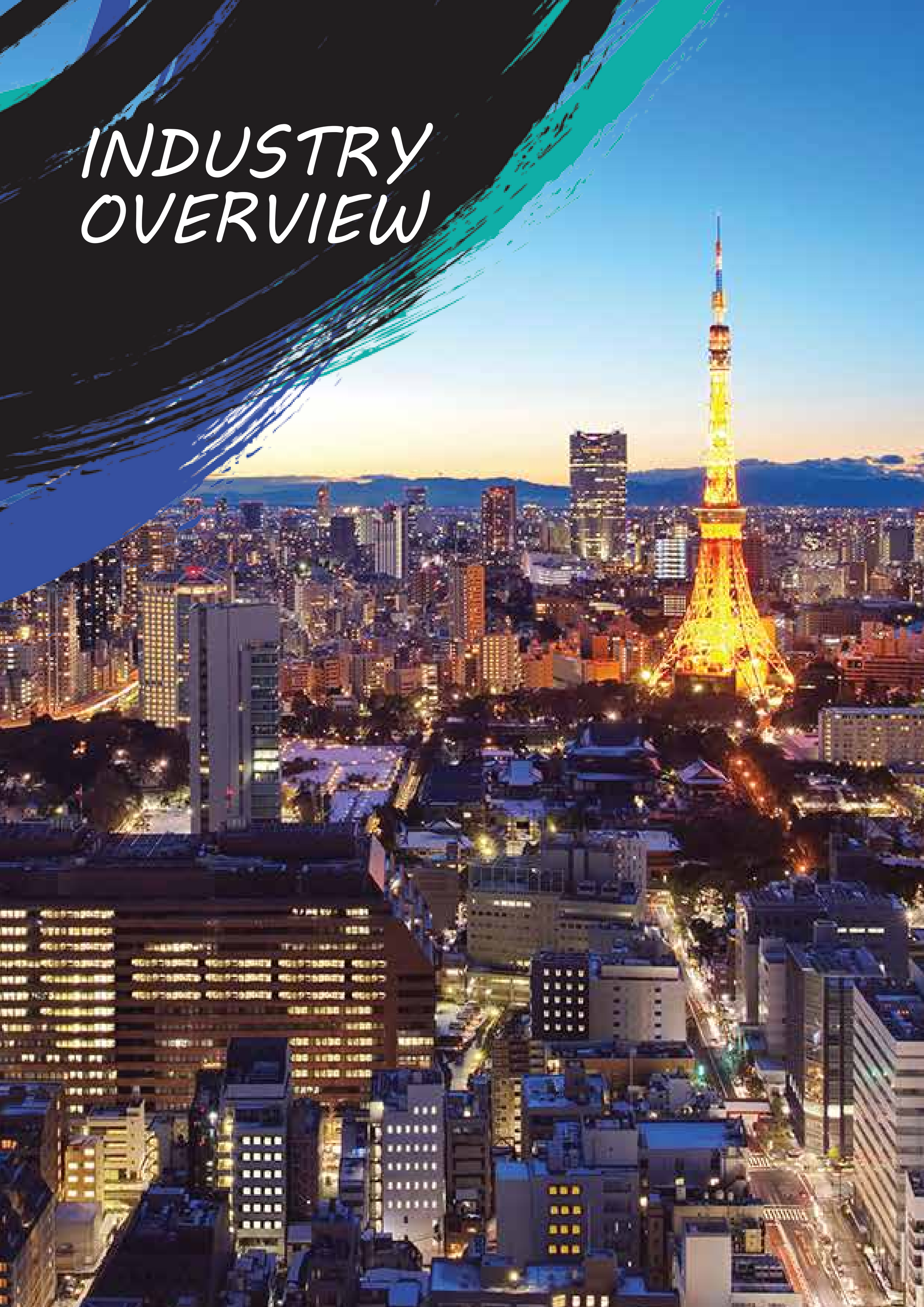
Note: Gross domestic product, constant prices
Source: IMF

Headline inflation inched up in several economies on account of higher oil prices and currency depreciation. Export growth generally decelerated in early 2018 but remained strong, while current account balances narrowed on higher oil prices. Nonetheless, most economies - except mainland China, Indonesia, and the Philippines - increased their holdings of foreign reserves. Financial conditions tightened, especially in Asian emerging markets and developing economies, in response to US policy normalization, rising global trade tensions, and recent volatility in large emerging market economies.

Macro policies in mainland China have been focused on addressing the economy's significant and longstanding financial vulnerabilities, but the shift toward stabilizing growth meant slower progress on deleveraging and thus heightened medium-term risks for the country and the entire region. Economies also faced their own domestic risks, including from high private-sector leverage in some countries such as Korea, inflated real estate markets in Australia and Hong Kong, and slower-than-envisaged implementation of structural reforms in India. The Singapore economy grew by 2.6% in 2018, with even growth across sectors (including the semiconductor industry) that indicated a well-rounded recovery. Taiwan's export-dependent economy remained stable benefiting from robust domestic demand in 2018.

Cumulative portfolio flows in 2018 were far below those in 2016–17 on account of large outflows during the second quarter, with a pickup in non-resident sales of portfolio debt securities as the US dollar started to appreciate. Asian equity indices and exchange rates were negatively affected by trade tensions, while bond yields and spreads generally increased. Some central banks in the region raised policy rates, responding to inflation and exchange rate pressures, while others directly intervened to support their domestic currencies. The recent volatility of Asian assets was comparable in some respects to that seen during the taper tantrum, but Asia has been affected much less than other regions, and more tied to developments in mainland China.

INDUSTRY OVERVIEW



> **With continued education, the conversion of residential and business owners from warehouse usage to self-storage [offers opportunities for growth]**
>
> **– Desmond How (founder & director of Flexi Storage in Malaysia)**
> on future opportunities for the industry to grow into

Total number of facilities

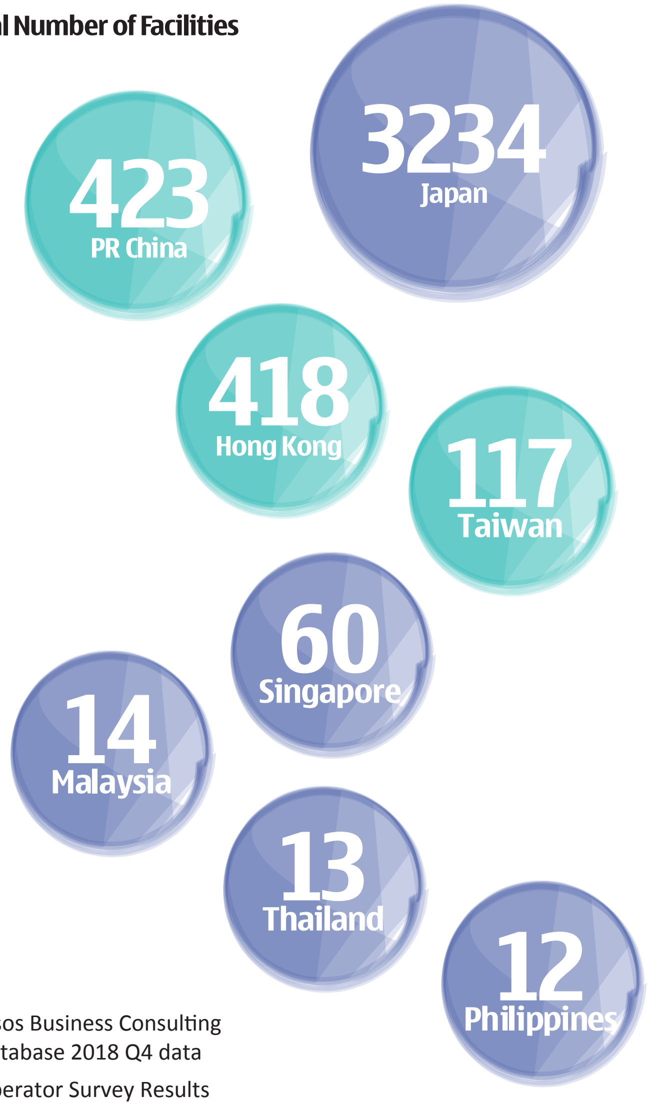
The industry reported increases in "total number of facilities" for our survey's 6 recurrent markets. In particular, 4 of them maintained an expanding streak while the remainder pair halted previous drop in their scores to achieve positive growth in 2018.

Mainland China led the pack with 11.9% y-o-y expansion, lifting its total number from 378 in 2017 to 423 in 2018. It was the only market that aggregated triple-digit growth (277.6%) in its total number of facilities over the last 4 years. Reversing a 2-year decline, Hong Kong was the runner-up with 11.5% y-o-y expansion, lifting its score from 369 in 2017 to 418 in 2018. However, the city's latest figure was still below its 2015 level of 445 facilities.

Malaysia came third by adding just one new facility over the past year to take the total to 14 in 2018 (7.7% y-o-y growth). Singapore reversed the contraction reported in our previous survey and lifted its score from 56 in 2017 to 60 in 2018 (7.1% y-o-y growth). Thailand and the Philippines were newcomers and respectively reported 13 and 12 in current number of facilities, which were comparable to the update returned by their ASEAN neighbor Malaysia.

As the largest and one of the most mature, well-regulated self-storage market in Asia, Japan had a total of 3,234 facilities in 2018. The figure was provided by the country's Rental Storage Association (RSA), a fact that cautions against comparison with previous data supplied by Quraz (Japan's largest operator) unreliable.

Total Number of Facilities



- Ipsos Business Consulting Database 2018 Q4 data
- Operator Survey Results

Japan 2018 data – Provided by RSA

Total available space gross floor area (in millions of square feet)

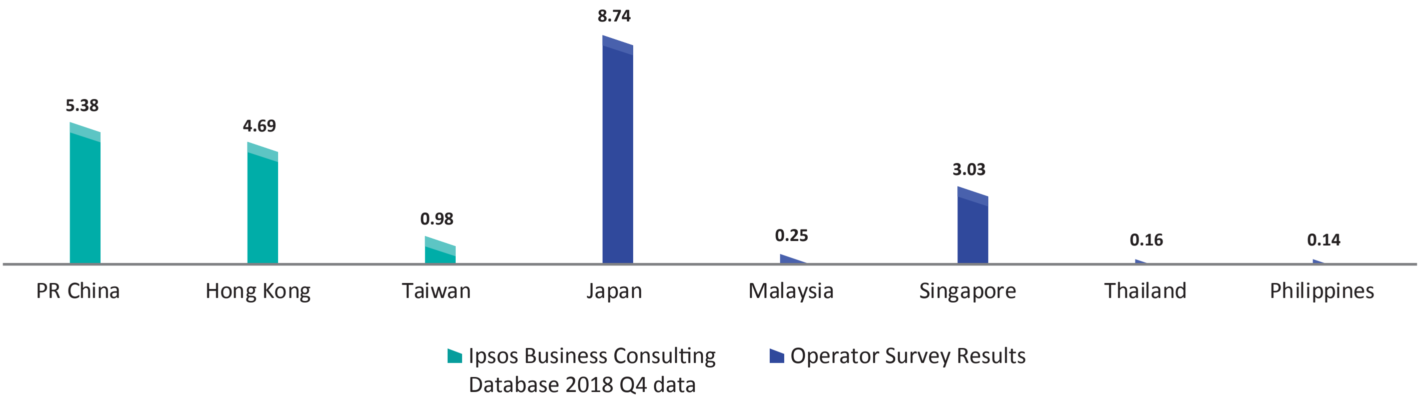
Data for "total available space" in recurrent markets surveyed depict a pattern that roughly mirrors the picture drawn by their "total number of facilities". While 3 of them continued an expanding streak, the remainder trio reversed contraction reported in previous surveys.

Both mainland China and Taiwan recorded continued growth, rising respectively from 4.78m square feet in 2017 to 5.38m square feet in 2018 and from 0.89m square feet in 2017 to 0.98m square feet in 2018. Japan also grew from 8.07m square feet in 2017 to 8.74m square feet in 2018 (although caution is needed in comparing data coming from 2 different sources).

Hong Kong emerged from 2 consecutive years of contraction to deliver a score of 4.69m square feet in 2018, which was still below the 4.75m square feet available to the city in 2015. Singapore and Malaysia also managed to halt previous shrinkage in gross floor area, lifting their respective scores from 2.16m square feet in 2017 to 3.03m square feet in 2018 and from 0.15m square feet in 2017 to 0.25m square feet in 2018.

Gross floor area for Thailand and the Philippines in 2018 were 0.16m square feet and 0.14m square feet respectively. The figures seem to suggest the pair more closely resemble new, developing markets like Malaysia than mature, well-developed peers like Singapore.

2018 Total Estimated Gross floor Area in Million SQF



Japan 2018 data – Provided by RSA

> **Operators will have to balance between space cost and location... Where cost is a concern, it would make sense to operate out of a smaller but well-placed location than a larger facility in a remote area.**
>
> **– B.W. Hidajat (General Manager of UStore@SG in Singapore)** on the choice between opening smaller or larger facilities.

Estimated total rentable floor area (in millions of square feet)

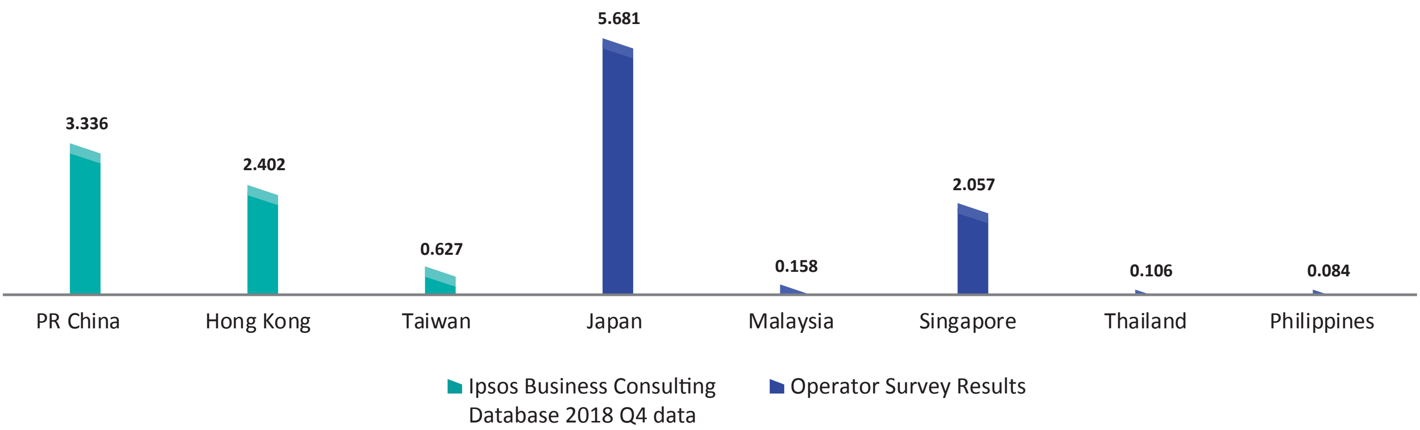
Again, survey results for estimated total rentable floor area (RFA) closely reflect the trends depicted by figures for both "total number of facilities" and "total available space". The same 3 markets reported sustained growth, while the remainder trio reversed previous shrinkage in their scores.

Latest data for mainland China, Taiwan and Japan capture a pattern of sustained growth in RFA at y-o-y rates between 16% to 17%. Their respective scores rose from 2.87m square feet in 2017 to 3.336m square feet in 2018, from 0.540m square feet in 2017 to 0.627m square feet in 2018, and from 4.84m square feet in 2017 to 5.681m square feet in 2018.

In contrast, Hong Kong turned around a double-year dip in RFA and lifted its score from 2.28m square feet in 2017 to 2.402m square feet in 2018 (5% y-o-y growth) – but has yet to return to its 2015 level of 2.852m square feet. The markets in Singapore and Malaysia both emerged from negative growth in RFA, increasing from 1.30m square feet in 2017 to 2.057m square feet in 2018 (58% y-o-y growth) and from 0.09m square feet in 2017 to 0.158m square feet in 2018 (76% y-o-y growth) respectively.

Thailand and the Philippines respectively reported 0.106m square feet and 0.084m square feet in RFA for 2018.

2018 Total Estimated RFA in Million SQF



Japan 2018 data – Provided by RSA

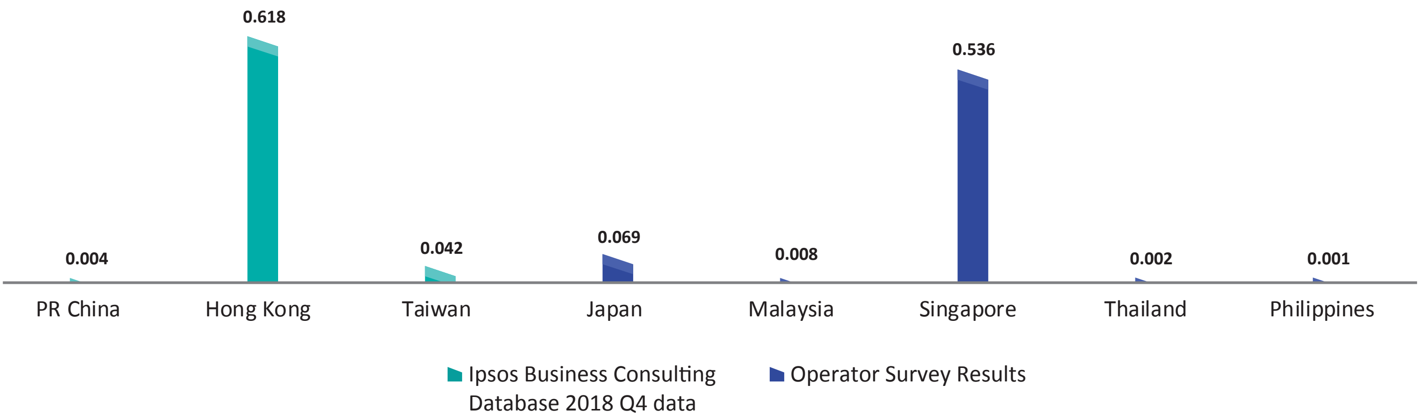
Estimated gross floor area per capita (in square feet)

Our latest survey results reflect growth in estimated gross floor area per capita in markets across the region within the last year, despite a handful of them having suffered shrinkage recorded by our previous surveys. Figures for newcomers Thailand and the Philippines stand at 0.002 square foot and 0.001 square foot respectively.

Having experienced a drop from 0.651 square foot in 2015 to 0.619 square foot in 2016 and then further to 0.514 square foot in 2017, Hong Kong finally recovered from its declining trend to increase its score to 0.618 square foot in 2018 (20% y-o-y growth). Singapore and Malaysia put a stop to the fall in their GFA per capita and lifted their scores from 0.38 square foot in 2017 to 0.536 square foot in 2018 (41% y-o-y growth) and from 0.005 square foot in 2017 to 0.008 square foot in 2018 (60% y-o-y growth) respectively.

The latest survey data for mainland China, Taiwan and Japan show sustained growth in estimated gross floor area per capita. Results for mainland China increased by 33% y-o-y to lift its score from 0.003 square foot in 2017 to 0.004 square foot in 2018, Taiwan grew by 10.5% y-o-y to lift its score from 0.038 square foot in 2017 to 0.042 square foot in 2018, and Japan expanded by 7.8% y-o-y to lift its score from 0.064 square foot in 2017 to 0.069 square foot in 2018.

2018 Total Estimated GFA per Capita in SQF



SURVEY RESULTS

> **The culmination of heavily upped compliance regulations, a wave of new operators entering the market & a higher public awareness of the storage industry has resulted in increased competition driving lower prices."**
>
> **– Samuel Chiu (Director of Storage Works in Hong Kong)**
> on development of the competitive environment over the past year.

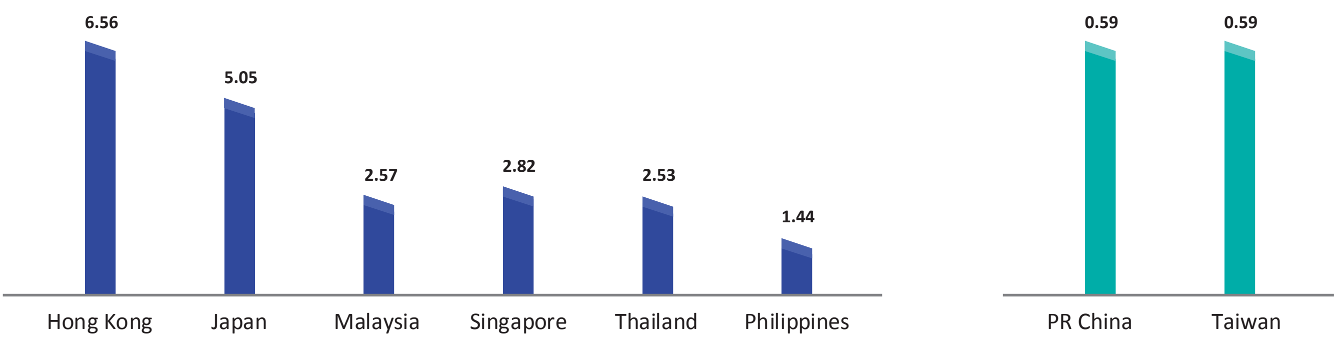
Average monthly rental rates (in US$ per square foot / cubic foot)

While it is the practice of operators in most markets across the region to lease their facilities in units measured in square feet, rental rates in mainland China and Taiwan are based on cubic feet. Our latest survey results captured a decline in average monthly rental rates in 2 countries, a reversal of falling rates in 2 other markets, and sustained growth in rates in the remainder pair. Thailand and the Philippines reported average monthly rental rates of US$2.53 per square foot and US$1.44 per square foot respectively.

Rates fell in both Japan and Singapore, dropping from US$5.62 per square foot in 2017 to US$5.05 per square foot in 2018 and from US$3.14 per square foot in 2017 to US$2.82 per square foot in 2018 respectively. In contrast, rates in mainland China and Malaysia stopped their decline, rising respectively from US$0.52 per cubic foot in 2017 to US$0.59 per cubic foot in 2018 and from US$2.05 per square foot in 2017 to US$2.57 per square foot in 2018. Continued rising rates were recorded in Hong Kong and Taiwan, increasing from US$6.25 per square foot in 2017 to US$6.56 per square foot in 2018 and from US$0.45 per cubic foot in 2017 to US$0.59 per cubic foot in 2018 respectively.

Average Monthly Rental Rates 2018

US$ per SQF **US$ per CBF**

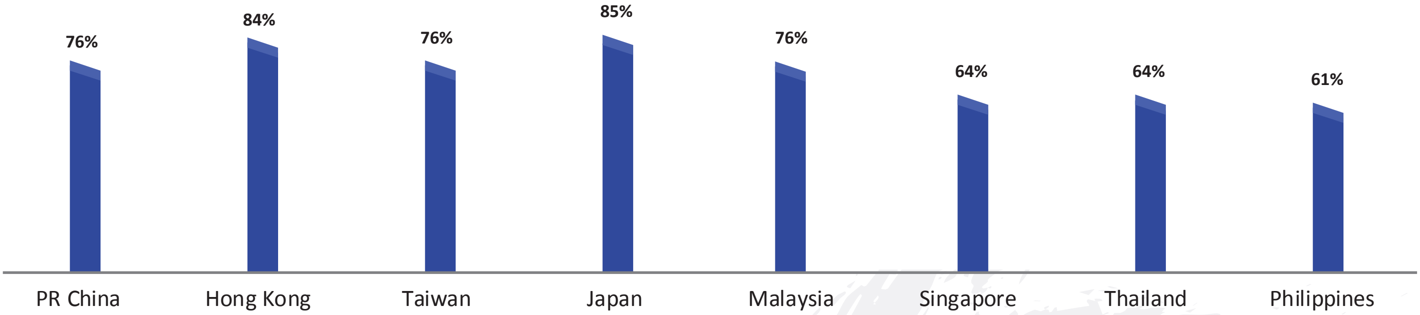


Average occupancy levels

Latest figures reveal varying levels of changes in average occupancy levels, ranging from a double-digit rise to stagnant levels to negative growth. Mainland China was the best performer that lifted its level from 68% in 2017 to 76% in 2018 (11.8% y-o-y rise), whereas 3 of its peers managed to increase their scores by just 1% within the same period. Hong Kong grew from 83% to 84%, and Malaysia as well as Taiwan both lifted the bar from 75% to 76%.

While Japan suffered stagnant growth in its average occupancy rate (85% in both 2017 and 2018), Singapore was hit by negative growth in the same (falling from 73% in 2017 to 64% in 2018, a 12.3% y-o-y decrease). Thailand returned an average occupancy rate of 64%, while that for the Philippines stood at 61%. They were the two lowest levels reported for markets covered by our latest survey.

Average Occupancy 2018



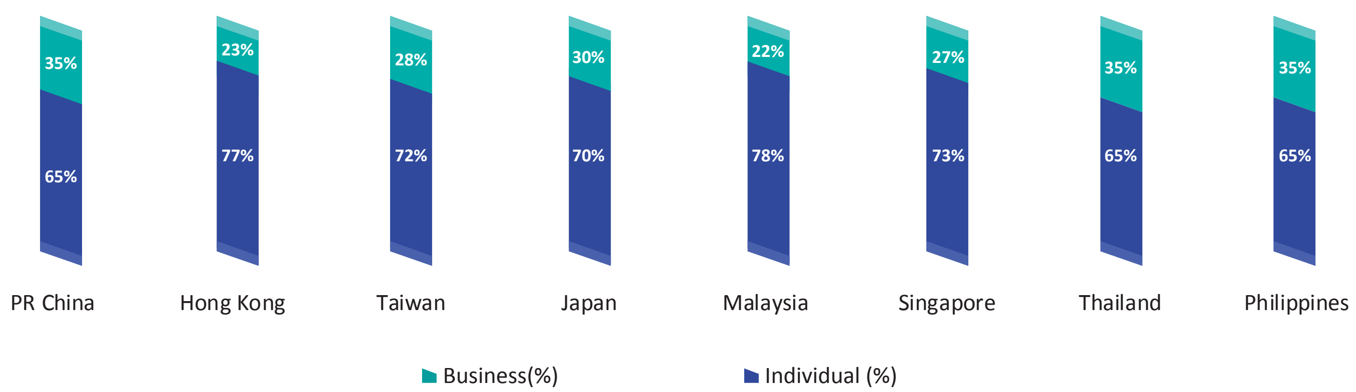
Customer mix: private individuals versus business users

When it comes to customer mix, 5 of the 6 recurrent markets for our survey reported widening ratios of private individuals to business users in 2018. Japan was the only exception that recorded a narrowing ratio for its customer breakdown over the past year, from 22:78 in 2017 to 30:70 in 2018 – when average monthly rental rates were falling during the same period. The percentage of Japanese business users increased at the expense of that for the country's private individuals.

The biggest change occurred in Malaysia, where the ratio widened from 35:65 in 2017 to 22:78 in 2018. The runner-up was Taiwan, where the ratio widened from 42:58 in 2017 to 28:72 in 2018. Singapore was a distant third, widening its ratio slightly from 30:70 in 2017 to 27:73 in 2018. Mainland China beat Hong Kong to avoid the bottom position, their respective ratios widened from 38:62 in 2017 to 35:65 in 2018 and from 25:75 in 2017 to 23:77 in 2018. In all 5 markets, the percentages of private individuals surged with corresponding drop in those for business users.

With the exception of Singapore, these markets experienced a rise in average monthly rental rates in 2018. By coincidence, Thailand and the Philippines both reported the same customer breakdown ratio of 35:65 over the past year.

Customer Breakdown 2018



Online strategy

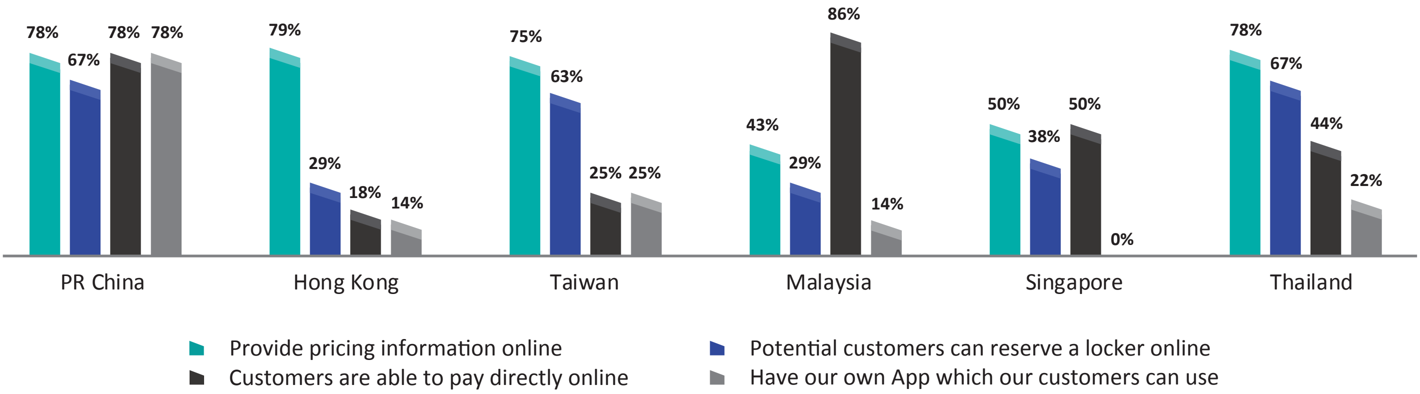
Survey respondents provided information to help better understand and compare their online strategies. Operators in mainland China seemed to have best leveraged their online resources to enable the majority of customers to download their own apps (78%), obtain pricing information (78%), reserve lockers (67%), and pay bills (78%) over the Internet.

Elsewhere in Asia, high percentages of operators in all other markets provided customers with rental rates online (from 43% to 79%). However, online bill payment was offered by a sizeable number of operators only in Malaysia (86%), Singapore (50%) and Thailand (44%). Similarly, only in 2 of these markets – in Taiwan (63%) and Thailand (67%) – did a majority of operators allow online reservation of lockers.

Operators from Japan and Singapore pointed to the introduction of digital, online services as ways to generate growth as well as means for newcomers to differentiate themselves and compete in mature, well-regulated markets without driving down prices. Perhaps the next stage of growth for the industry lies in the adoption of more advanced IT solutions and AI systems.

Data for the Philippine market were unavailable.

Online Strategy

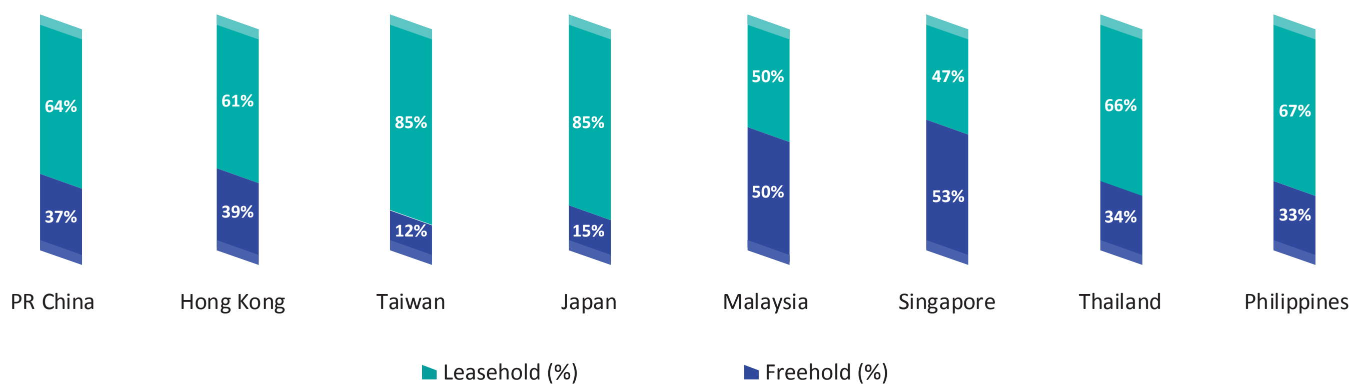


Facility ownership structure: leasehold versus freehold operators

Instead of splitting operators into 4 ownership categories, our latest survey divided respondents into "freeholders" and "leaseholders". Across the board, Singapore was the only market with more freeholders than leaseholders – while Malaysia had equal percentages for both categories. The percentages of freeholders in the other 6 markets were all less than 40%, ranging from 12% to 39%.

The situation is quite different on both sides of the Atlantic, where operators usually own the real estate where their facilities are located. It is one of the reasons why North American and European operators have become attractive fixed-income investment targets for REITs, which seek out recession resistant real estate assets that can post positive returns even in weak economies.

Facility Ownership Structure 2018



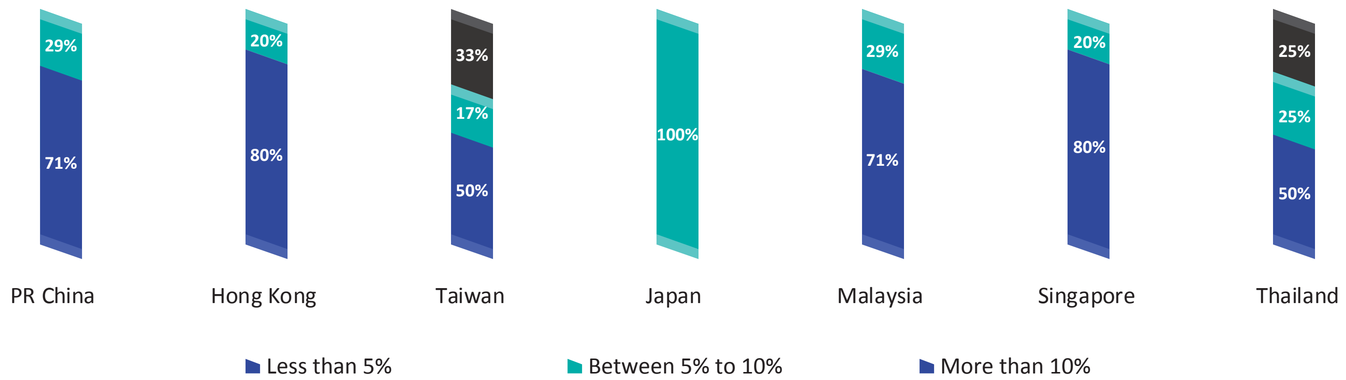
Ancillary services

Our latest survey required respondents to provide information on how much ancillary services accounted for their total revenue. Figures for Japan came from a sole respondent, with ancillary services generating between 5% to 10% of its total revenue.

Survey results for 6 other markets across the region were more nuanced. Income generated by those services merely formed a small part (less than 5%) of the total revenue for 50% or more of their operators. For 17% to 29% of operators in all these markets, ancillary services made up a bigger share (5% to 10%) of their total revenue. They were particularly important in both Taiwan and Thailand, where they accounted for more than 10% of the total revenue for 33% and 25% of Taiwanese and Thai operators respectively.

Data for the Philippine market were unavailable.

Ancillary Services



OUTLOOK

> **To introduce complex services with related businesses. To create a more secure and convenient operating system by introducing IT and AI.**
>
> **– Tokuo Yoshida (CEO of Rental Storage Association in Japan)**
> on future opportunities for the industry to grow into

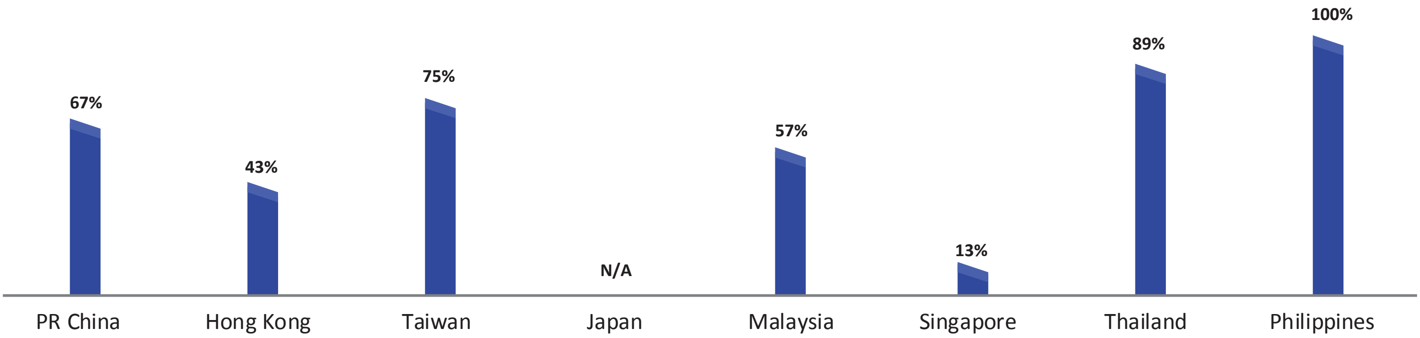
Operators with plans for local expansion in 2019

Reversing a 2-year decline, the industry in mainland China recorded an increase in the percentage of respondents with plans for local expansion (rising from 57% in 2017 to 67% in 2018). Elsewhere in the Greater China Region, the market in Hong Kong emerged from consolidation triggered by regulatory overhaul: for the second year in a row, there was an increase in the percentage of operators who planned to expand within the city (rising from 22% in 2016 to 38% in 2017 and then further to 43% in 2018, but had yet to return to the 45% level recorded in 2015). Across the Taiwan Strait, improvement in survey participation rate (from a sample size of 2 in 2017 to 8 participants in 2018) yielded more reliable figures that showed an impressive 75% of respondents with plans to expand in their domestic, island market.

Over in Southeast Asia, Singapore is the only market in our latest survey where a shrinking percentage of operators had plans for expansion within the borders of the city state (falling from 17% in 2017 to 13% in 2018). In contrast, its larger neighbor Malaysia recorded an increase in the percentage of operators who wanted to grow their business across the peninsula (rising from 43% in 2017 to 57% in 2018). Thailand and the Philippines both chalked up impressive figures as newcomers: 80% and 100% of their respective operators entertained expansion plans within their domestic markets.

In Japan, the latest data coming from an industry body did not capture the type of operator specific information requested by this section of our survey.

% Of Operators Planning To Expand In Their Local Market In 2019



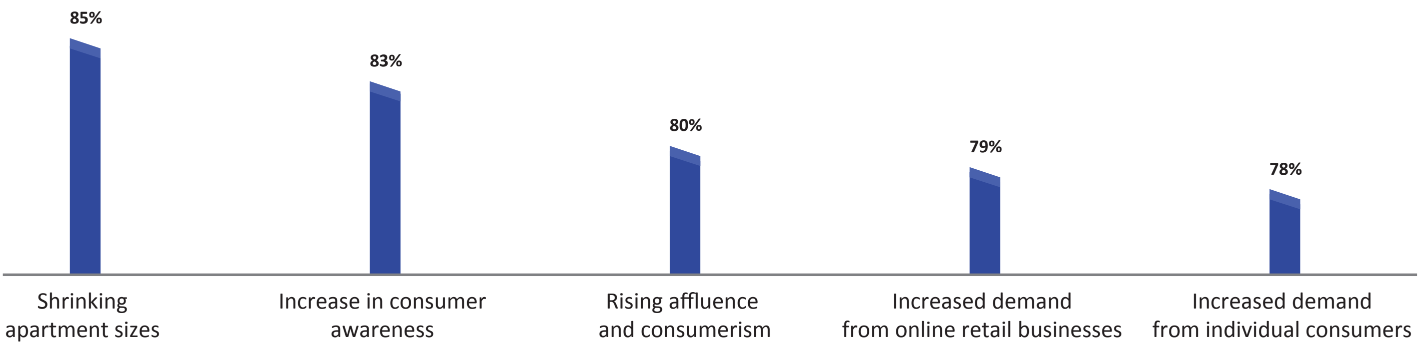
> **The rise of digital businesses, such as e-commerce sites, that will need a 24-hour accessible, yet affordable space to store goods.**
>
> **– Desmond How (founder, director of Flexi Storage in Malaysia)**
> on development of the competitive environment over the past year.

Top 5 industry drivers

Four out of the top five industry drivers in our survey for 2107 made it to the list in our latest iteration. “Shrinking apartment sizes” (the choice of 85% of respondents) and “increase in consumer awareness” (the choice of 83% of respondents) respectively retained the first and the second positions on our list, although both were selected by a slightly smaller percentage of operators this time around.

“Rising affluence and consumerism” (chosen by 80% of respondents) moved up one spot to take the third position, whereas “increased demand from individual consumers” (chosen by 78%) fell from its previous third position to the bottom of the list. A new industry driver “increased demand from online retail businesses” (chosen by 79% of respondents) replaced “increase in overall marketing” to take the fourth position, despite 5 of our recurrent markets recorded drops in the percentages of their businesses users in 2018. Perhaps, this testifies to the impact on service providers along the supply chain by online retail startups that operate as private individuals instead of business organisations.

Top 5 Industry Drivers



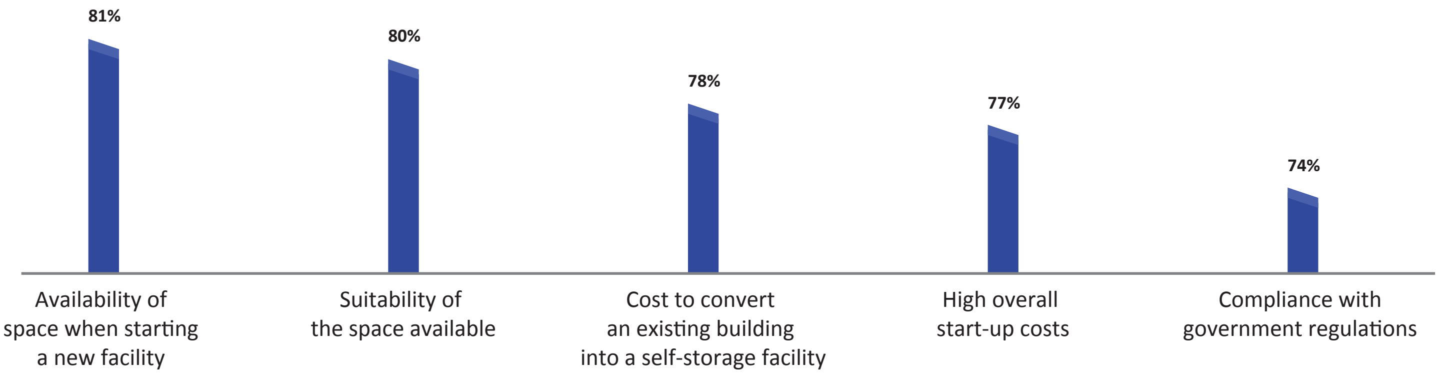
Top 5 industry challenges

The industry's top 2 challenges were both about space for developing self-storage facilities. First on the list is "availability of space" (chosen by 81% of respondents), which is closely followed by "suitability of available space" (the choice of 80% of respondents). Their impact was perhaps most keenly felt by operators in densely populated urban markets.

Next comes the dual issues of "cost". The "cost to convert existing buildings into self-storage facilities" (chosen by 78% of respondents) ranks as the number 3 challenge. The fourth challenge selected by 70% of respondents is also cost related: "high overall startup costs". Presumably, scarcity of land resources reflected by the top 2 space-related challenges partly contributed to both of these cost-related issues.

The last ranking major challenge is "compliance with government" (designated by 68% of respondents), which fell from the top position in last year's survey. Perhaps it will regain its importance over time as newly developed markets become mature and government regulators tighten their control to foster healthy growth of the industry.

Top 5 Industry Challenges



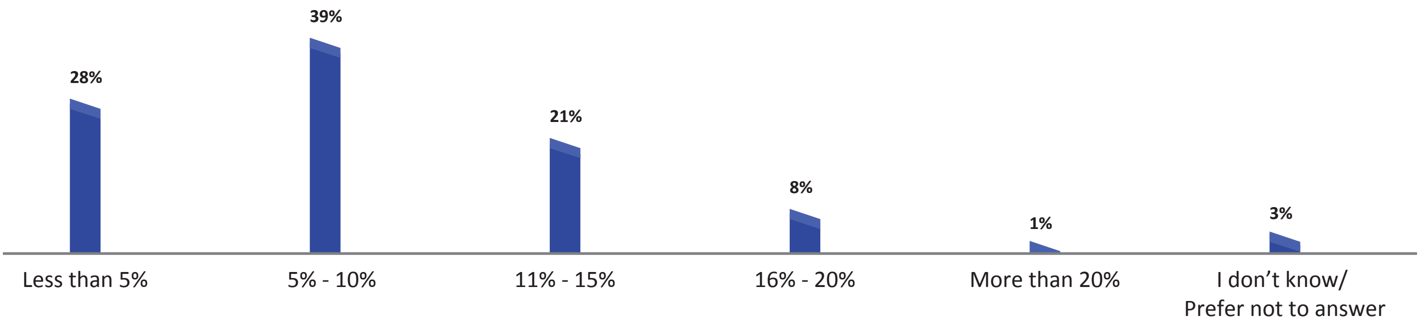
Projection on growth in rental rates

In 2018, the industry's overall outlook on growth in average rental rates for the next couple of years was slightly worse than that recorded by our previous survey in 2017. Operators had stronger expectation for low double-digit growth in future rental rates but weaker expectation for high double-digit growth in the same.

In our latest survey, the number of respondents who expected rental rates to grow by no more than 10% increased slightly by just 1%, rising from 66% in 2017 to 67% in 2018. Conversely, the number of respondents who expected rental rates to grow by 11% or more decreased by 4%, falling from 34% in 2017 to 30% in 2018. However, the number of operators within that shrinking category who projected low double-digit growth in rental rates (between 11% and 15%) increased by threefold, rising from just 7% in 2017 to 21% in 2018. By comparison, the number of operators who projected high double-digit growth in rental rates (16% or more) decreased by two-thirds, falling from 27% in 2017 to just 9% in 2018.

This year, there were 3% of respondents who either replied "I don't know" or declined to answer this part of our survey. Our figures seem to suggest an ambivalence in the industry's future outlook as well as a slight deterioration in market sentiment.

Operator Rental Growth Expectations In 2019



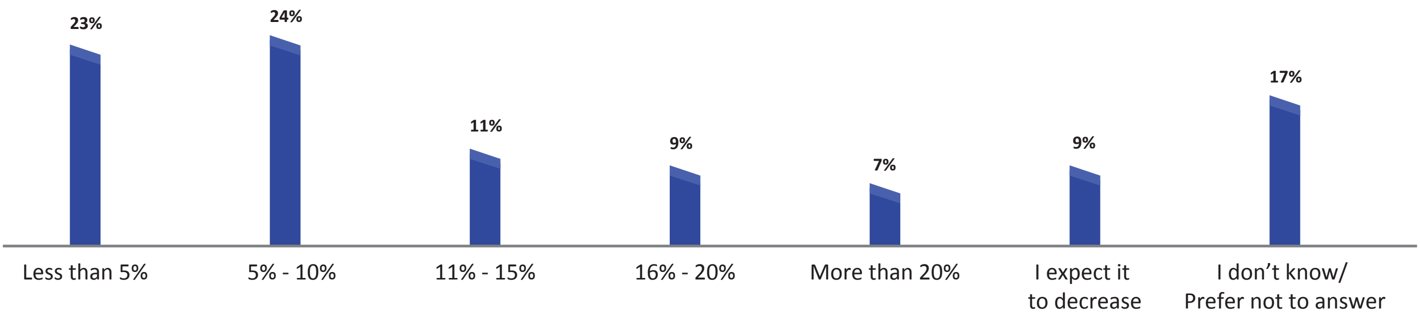
Profitability expectations

The industry reversed the downward trend in its projection of future operating profits recorded from 2016 to 2017, but has yet to regain the same level of optimism captured in our survey for 2015.

The number of operators who expected no more than 10% growth in their operating profits increased by 4%, rising from 43% in 2017 to 47% in 2018. Likewise, the number of operators who expected profits to grow in excess of 10% increased by 3%, rising from 24% to 27%. In other words, the aggregate percentage of respondents who projected positive growth in profits increased by a total of 7%, rising from 67% in 2017 to 74% in 2018.

While 34% of respondents replied “I don’t know” or declined to answer this part of our survey in 2017, only 17% of them did the same in the latest iteration. However, there is a caveat to their overall optimistic outlook: 9% of operators in our survey for 2018 expected operating profits to decline in 2019.

Operator Estimated Increase Of Net Operating Income In 2019



> **New participants adopt more diversified methods to obtain location resources and get support from government policies...Some new entrants get free real estate resources from the government under the label of 'convenient service'.**
>
> **– Emma Feng (founder & CEO of MyCube Self Storage in China)**
> on development of the competitive environment over the past year.

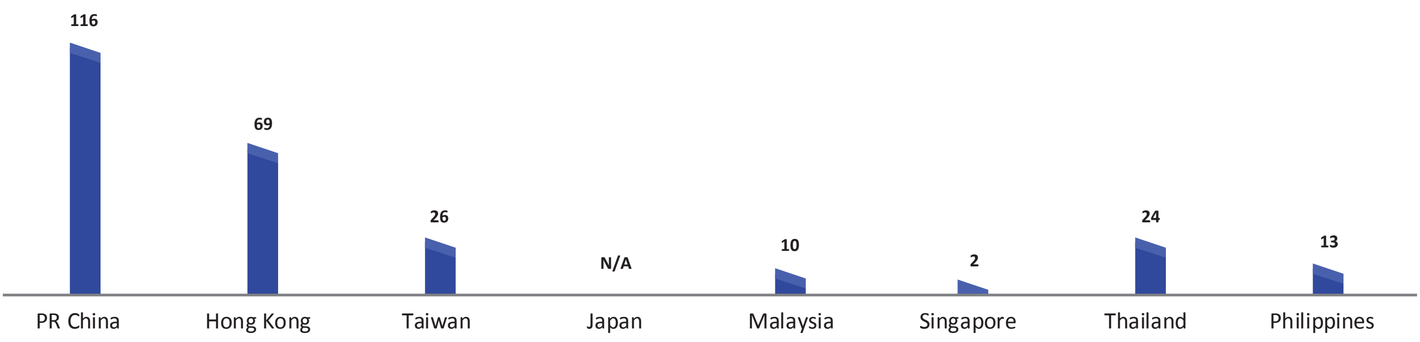
New facilities operators plan to open in the coming two years

Markets within the Greater China Region had modest plans for the coming two years. Operators in Hong Kong planned to open 69 new facilities by 2020, which represents a 16.5% expansion of the city's current capacity. The industry in Taiwan wanted to lift the island's scale of operation by 22.22% within that time frame through the launch of 26 new facilities. Mainland China will stick to its growth trajectory by adding 116 new facilities in a couple of years (i.e., 27.4% growth in total number of facilities).

Over in Southeast Asia, Malaysia drew up ambitious plans to increase its total number of facilities by 71.4% through launching 10 new ones. Operators in Singapore were less enterprising: they had plans to open just 2 new facilities within the same period (a mere 3.33% expansion). Thailand and the Philippines upstaged their ASEAN peers with plans for 24 (an increment of 184.6%) and 13 (an increment of 108.3%) new facilities respectively.

All in all, these markets planned to open 260 new facilities within the next 2 years. Data for Japan on this issue was not available. However, these figures might not be representative of the views of all operators across the region. There are opportunities for the industry to achieve higher growth as new investors and entrepreneurs enter the market.

Of Facilities Operators Are Planning To Open In Coming Two Years



ADDITIONAL INFORMATION

Methodology

An online survey was sent to operators in each country via the SSAA. Ipsos Business Consulting compiled the results, cross checked information against Ipsos Business Consulting's proprietary self-storage database and conducted interviews with individual operators.

Data was provided from the following sources:

1. Economic overview – Ipsos Business Consulting.
2. Industry overview collected and consolidated by Ipsos Business Consulting.
3. Survey results: Collected and consolidated by Ipsos Business Consulting from online survey responses.
4. Outlook: Collected and consolidated by Ipsos Business Consulting from online survey responses.
5. Operator interviews: 16 operators provided further written feedback.
6. Specific information regarding number of facilities and gross floor area in Japan are provided by the RSA.
7. Reference tables: Information consolidated by Ipsos Business Consulting from online survey results, second ary resources and Ipsos Business Consulting proprietary database .

Glossary

Terminology	Definition
Chg	Change
GDP	Gross domestic product
L12M	Last 12 months
sqf	Square feet
cbf	Cubic feet

Special Recognition

A special thank you to the operators that took the extra time to provide written feedback to our questionnaire.

- *BW Hidajat | General Manager | UStore@SG | Singapore*
- *Desmond How | Founder & Director | Flexi Storage*
- *Emma Feng | Founder & CEO | MyCube Self Storage | China*
- *Helen Ng | CEO | The Storage Company | Singapore*
- *Katty Zhao | General Manager – China Operations | StorHub | China*
- *Kelvin Tin | Senior Manager | EC Storage | Malaysia*
- *Kevin Chan | Chairman | Storefriendly Group | Hong Kong*
- *Lewis Cerne | CEO | Spacebox | Hong Kong*
- *Pakdee Anivat | CEO | i-Store Self Storage | Thailand*
- *Phojchanan Niwatwong | Business Unit Manager | Leo Self Storage | Thailand*
- *Richard Newn | Director | Aegis Secure Data Solutions | Brunei*
- *Samuel Chiu | Director | Storage Works | Hong Kong*
- *Simon Tyrrell | CEO | RedBox Storage | Hong Kong*
- *Tokuo Yoshida | CEO | Rental Storage Association | Japan*
- *Viral Doctor | Managing Director | Your Space | India*
- *Yasuo Hagiwara | Senior Director | Quraz | Japan*

Sample size

Country	Sample Size 2018
PR China	9
Hong Kong	28
Taiwan	8
Japan	RSA
Malaysia	7
Singapore	8
Thailand	9
Philippines	5
Total	47

REFERENCE TABLES

Reference tables

	Population (million)			Estimated number of facilities			Total current rentable area mn sqf			Gross floor area per capita square feet			Facilities per million population		
	2017	2018	%Chg	2017	2018	%Chg	2017	2018	%Chg	2017	2018	%Chg	2017	2018	%Chg
Mainland China	1390.8	1395.4	0.33	378	423	11.9	2.867	3.336	16.4	0.003	0.004	33.33	0.27	0.30	11.11
Hong Kong	7.4	7.5	1.35	369	418	13.28	2.281	2.402	5.3	0.514	0.618	20.23	49.87	55.88	12.05
Taiwan	23.6	23.6	0.0	108	117	8.33	0.535	0.607	13.5	0.038	0.042	10.53	4.57	4.96	8.53
Japan	126.7	126.5	-0.16	2450	3234	32.0	4.843	5.681	17.3	0.064	0.069	7.81	19.33	25.57	32.28
Malaysia	32.1	32.6	1.56	13	14	7.69	0.092	0.158	71.7	0.005	0.008	60.0	0.40	0.43	7.5
Singapore	5.7	5.6	-1.75	56	60	7.14	1.298	2.057	58.5	0.380	0.536	41.05	9.82	10.64	8.35
Thailand	n/a	69.2	n/a	n/a	13	n/a	n/a	0.106	n/a	n/a	0.002	n/a	n/a	0.19	n/a
Philippines	n/a	107.2	n/a	n/a	12	n/a	n/a	0.084	n/a	n/a	0.001	n/a	n/a	0.11	n/a

Number of facilities in 2018

Country	Number of facilities in 2018
PR China	423
Hong Kong	418
Taiwan	117
Japan	3,234
Malaysia	14
Singapore	60
Thailand	13
Philippines	12

Supply data

	Rentable area 2017 (mn sqf)	Increase in 2018 (sqf)	2018 Area increase (%)	Rentable area 2018 (mn sqf)
Mainland China	2.867	0.469	16.4%	3.336
Hong Kong	2.281	0.121	5.3%	2.402
Taiwan	0.535	0.072	13.5%	0.607
Japan	4.843	0.838	17.3%	5.681
Malaysia	0.092	0.066	71.7%	0.158
Singapore	1.298	0.759	58.5%	2.057
Thailand	N/A	N/A	N/A	0.106
Philippines	N/A	N/A	N/A	0.084

Note: The data source for Japan in 2018 is from the RSA, while the source for the 2017 data is from the Annual Operator Survey. The variance in the data comes from the two different sources. Caution should be exercised when comparing yearly statistics for Japan.

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