

Q3 2019 PERFORMANCE

Executing a Disciplined Growth Strategy to Generate Enhanced Shareholder Value



NET INCOME PER FULLY DILUTED COMMON SHARE

\$0.88 → **\$2.99**¹
Q3 2018 Q3 2019

ADJUSTED FFO PER FULLY DILUTED COMMON SHARE

\$1.45 → **\$1.46**²
Q3 2018 Q3 2019

SAME STORE REVENUE

↑ **1.8%** YoY

SAME STORE NOI

↑ **2.6%** YoY

MANAGEMENT AND ACQUISITION FEES

↑ **43.1%** YoY

22 PROPERTIES ACQUIRED FOR A TOTAL COST OF **\$281.7M**

50 STORES ADDED TO THIRD-PARTY MANAGEMENT PLATFORM

TOTAL STORE COUNT

↑ **14.9%** YoY

REFINING OUR PORTFOLIO AND DRIVING CUSTOMER AND REVENUE GROWTH

Completed capital recycling program:

- Divested 45 mature, non-core properties for more than \$300 million
- Acquired 27 properties with strong growth prospects for roughly \$375 million

Expanding in attractive North American markets:

- Entered Seattle, Baltimore and greater Toronto markets
- Increased presence in Los Angeles, Sacramento and Las Vegas

Evolving technology platforms:

- Expanding our Warehouse Anywhere platform to provide customers with unique and customized warehousing, distribution and logistics solutions
- Launched Rent Now, our online platform that provides customers with a fully digital experience, which is now used in approximately 10% of rentals

Creating new revenue streams:

- Transitioned to captive insurance solutions
- Growing third-party management business - on track to triple the size of our portfolio in the last three years by the end of 2019

Strengthening our leadership team:

- Appointed new internal heads of revenue management, human resources, legal, and investor relations and planning



"The Life Storage team's continued successful execution of our disciplined growth strategy led to strong operational and financial performance in the third quarter. We increased FFO, despite temporary dilution from our completed asset rotation and higher interest costs from the earlier-than-planned bond offering last quarter. Operationally, our team is doing an outstanding job identifying and realizing growth opportunities and expense efficiencies to drive operating leverage."

Joe Saffire,
Life Storage Chief Executive Officer

Guidance Reflects Strong Momentum

	NARROWED FY 2019 SAME STORE PROJECTED INCREASES OVER FY 2018	PRELIMINARY FY 2020 SAME STORE PROJECTED INCREASES OVER FY 2019
REVENUE	1.75 – 2.25%	1.25 – 2.25%
OPERATING COSTS (EXCLUDING PROPERTY TAXES)	(2.00) – 0.00%	(2.75) – (1.75)%
PROPERTY TAXES	5.50 – 6.00%	5.00 – 6.00%
TOTAL OPERATING EXPENSES	0.50 – 1.50%	0.25 – 1.25%
NET OPERATING INCOME	2.40 – 2.90%	2.00 – 3.00%
ADJUSTED FFO PER SHARE	\$5.59 – \$5.63	\$5.93 – \$6.07

¹ The increase in net income was primarily the result of the sale of 32 storage facilities for a total consideration of \$212.0 million, which resulted in a gain on sale of \$100.2 million.

² Q3 2019 adjusted FFO includes the impact of \$0.05 dilution from the successful execution of the planned asset recycling this year as well as the impact of \$0.01 dilution from the additional debt cost associated with the completion of the earlier-than-planned bond issuance in June 2019.