



Stor-Age Property REIT Limited
Incorporated in the Republic of South Africa
Registration number 2015/168454/06
Share Code: SSS ISIN ZAE000208963
(Approved as a REIT by the JSE)
("Stor-Age" or "the Company")

ACQUISITION OF STORAGE RSA INVESTMENTS PROPRIETARY LIMITED AND CAUTIONARY ANNOUNCEMENT

1. INTRODUCTION

The board of directors of Stor-Age ("the Board") is pleased to announce that Stor-Age has entered into a Memorandum of Understanding with the shareholders of Storage RSA Investments Proprietary Limited ("Storage RSA") in terms of which Stor-Age will acquire 100% of the shares in Storage RSA ("the Proposed Acquisition").

Shareholders will be advised of the detailed terms and conditions of the Proposed Acquisition as and when formal agreement has been reached between the parties in this regard.

2. ABOUT STORAGE RSA

Storage RSA was established in 1997, when it opened its first store in Somerset West, Cape Town. The Storage RSA group is the third largest self-storage operator in South Africa with a well-defined portfolio comprising seven high-quality properties, four of which are located in Cape Town with the remaining three being located in Gauteng.

3. RATIONALE FOR THE PROPOSED ACQUISITION

The Board is of the view that the Proposed Acquisition is in line with Stor-Age's stated strategy of pursuing value-added acquisitions in a fragmented industry, thereby consolidating its position as a dynamic brand in the South African market.

Implementation of the Proposed Transaction will provide Stor-Age with considerable scale from both a balance sheet and trading perspective, with the introduction of additional high quality properties to the portfolio.

From a sector perspective, concluding the deal would solidify and significantly contribute to Stor-Age's position as a significant self-storage operator and property fund in the South African market.

While there is some room for immediate value enhancement of the portfolio through Stor-Age's sophisticated operations platform, the majority of this value enhancement will occur over time through key initiatives such as digital marketing, revenue management and scale in key markets.

4. CAUTIONARY ANNOUNCEMENT

Shareholders are hereby advised to exercise caution when dealing in the Company's securities until a further announcement is made providing all relevant details in respect of the Proposed Acquisition.

Cape Town
22 September 2016

Corporate Advisor and Sponsor



Competition Law Advisor



Baker & McKenzie