



14 November 2018

ASX Market Announcements Office  
ASX Limited  
Level 4, Stock Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

## ASX ANNOUNCEMENT

### **NATIONAL STORAGE REIT (NSR) 2018 ANNUAL GENERAL MEETING ADDRESSES**

Please find attached the addresses by the Company's Chairman, Mr Laurence Brindle, and Managing Director, Mr Andrew Catsoulis, to be presented at today's Annual General Meetings commencing at 10am.

A handwritten signature in blue ink, appearing to read "C. Fidler".

Claire Fidler  
Executive Director & Company Secretary  
National Storage Holdings Limited



14 November 2018

## CHAIRMAN'S ADDRESS

FY18 has been another year of advancements for National Storage. In December 2017 we undertook a Placement and Security Purchase Plan raising approximately \$59 million which enabled us to replenish the balance sheet and execute key acquisition opportunities. In August 2018 we raised another \$175 million by way of a Placement and a non-renounceable accelerated rights issue to reduce gearing levels and provide longer-term funding flexibility to continue to pursue further growth through strategic initiatives.

Since listing in December 2013, our share price has increased from 98 cents at IPO to over \$1.70 at 31 October of this year and our market capitalisation has risen from \$200 million to approximately \$1.15 billion. At the same time our portfolio of storage assets has grown from an initial 28 owned storage properties and 62 operating businesses to over 120 owned properties and 140 operating businesses today. Assets under management have grown by 23% in FY18 to surpass \$1.5 billion, cementing our position as the largest storage owner-operator in Australasia.

Our securityholders have enjoyed increasing earnings and distributions with earnings per share growing from 7.5 cps in year one to 9.6 cps or 28% growth over the period to the end of FY18. Total distributions paid to securityholders over the period from IPO to date has been 39.5 cps.

In August we were delighted to publish our second standalone sustainability report, which is aligned to the Global Reporting Initiative Standards. We are pleased with our FY18 ESG performance, in particular our commitment to delivering one of Australia's largest distributed solar networks, and we will continue to build on these results in FY19.

The Board is confident National Storage is well placed to continue the success of the past year, with our teams across Australia and New Zealand focused on growth so we can continue to deliver stable and growing returns for our investors.

We would like to thank you, our valued investors, for your continued support as we look forward to the year ahead.

Laurence Brindle  
Chairman

### NATIONAL STORAGE REIT (NSR)

National Storage Holdings Limited (ACN 166 572 845)

National Storage Financial Services Limited (ACN 600 787 246 AFSL 475 228) as responsible entity for National Storage Property Trust (ARSN 101 227 712)

# NATIONAL STORAGE REIT

## ANNUAL GENERAL MEETING

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14 NOVEMBER 2018

# DISCLAIMER

This presentation has been prepared by National Storage REIT ("NSR") comprising National Storage Holdings Limited (ACN 166 572 845) and National Storage Financial Services Limited (ACN 600 787 246 and AFSL 475 228) as responsible entity for the National Storage Property Trust (ARSN 101 227 712). You acknowledge and agree that you will rely on your own independent assessment of any information, statements or representations contained in this presentation and such reliance will be entirely at your own risk.

## Summary information

This presentation contains summary information about the current activities of NSR and the entities within the NSR stapled group as at the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete. Statements made in this presentation are made only as of the date of this presentation and remain subject to change without notice. This presentation should be read in conjunction with NSR's other periodic and continuous disclosure announcements lodged with the ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

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Nothing in this presentation constitutes financial, investment, legal, tax or other advice. This presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. Each recipient of this presentation should consult with, and rely solely upon, the advice of their own legal, tax, business and/or financial advisors in connection with any decision made in relation to the information contained in this presentation.

## Financial data

All references to dollars and cents are in reference to Australian dollars unless otherwise stated and all financial data is presented as at the date of this presentation unless otherwise stated.

## Past performance

The past performance, including past security price performance, of NSR cannot be relied upon as an indicator of, and provides no guidance as to future NSR performance including future security price performance and is given for illustrative purposes only.

## Forward-looking statements

This presentation may contain certain "forward-looking statements", including statements regarding future earnings and distributions. All statements other than statements of historical facts included in this presentation are forward-looking statements. These forward-looking statements are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of NSR, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. You are cautioned not to place undue reliance on forward-looking statements, opinions and estimates provided in this presentation as there can be no assurance, and no representation is made, that actual outcomes will not differ materially from these forward-looking statements. Further, no representation is given that the assumptions upon which a forward-looking statement or other forecast may be based is reasonable. Forward-looking statements, opinions and estimates provided in this presentation necessarily involve uncertainties, assumptions, contingencies and other factors, and unknown risks may arise, many of which are outside the control of NSR. Similarly, statements about market and industry trends, which are based on interpretations of current market conditions, should be treated with caution. Such statements may cause the actual results or performance of NSR to be materially different from any future results or performance expressed or implied by such forward-looking statements. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements are based on information available to NSR as at the date of this presentation. Except as required by law or regulation (including the ASX Listing Rules), NSR undertakes no obligation to provide any additional, updated or supplementary information whether as a result of new information, future events or results, or otherwise including information that reflect any change in NSR's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward looking statements whether as a result of new information, future events or results or otherwise is disclaimed.

This presentation should not be relied upon as a recommendation or forecast by NSR.

## Accounting standards

NSR's statutory results are prepared in accordance with International Financial Reporting Standards ("IFRS"). This presentation also includes certain non-IFRS measures in presenting NSR's results. Any additional financial information in this presentation which is not included in NSR's 2017 Financial Statements was not subject to independent audit or review. Investors should be aware that certain financial data included in this Presentation is "non-IFRS financial information" under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information" published by ASIC and may also be "non-GAAP financial information" within the meaning given under Regulation G of the U.S. Securities Exchange Act of 1934, as amended.

Non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards ("AAS"). Accordingly, the non-IFRS financial information in this Presentation: (i) may not be comparable to similarly titled measures presented by other entities; (ii) should not be construed as an alternative to other financial measures determined in accordance with AAS; and (iii) is not a measure of performance, liquidity or value under the IFRS. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information included in this Presentation.

# CHAIRMAN'S ADDRESS

LAURENCE BRINDLE



# MANAGING DIRECTOR'S ADDRESS

ANDREW CATSOULIS





# THE YEAR IN REVIEW

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## FY18 RESULTS

- A-IFRS profit of **\$145.8 million**
  - Underlying earnings of **\$51.4 million**<sup>1</sup>
  - Underlying **EPS of 9.6 cents** per stapled security (+4.3%)<sup>1</sup>
  - **NTA of A\$1.51** per stapled security (+13%)
  - **Total Securityholder Return**<sup>2</sup> of **19.9%** to Jun 18
  - Australian Portfolio **Occupancy of 80.4%** (+3.0%)<sup>3</sup>
  - **REVPAM of \$220** (+3.6%)<sup>4</sup>
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## FY19 OUTLOOK<sup>5</sup>

- Underlying earnings of \$62.5 – \$64.5 million
  - Underlying EPS of 9.6 – 9.9 cents per stapled security
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1 – Underlying earnings is a non-IFRS measure (unaudited), see Annual Report for reconciliation

2 – Distribution yield plus percentage NTA growth

3 – June 16 Centres (86 centres) excludes New Zealand and developing centres

4 – REVPAM – Revenue Per Available Square Metre

5 – Assuming no unforeseen circumstances, no material changes in market conditions or operating environments and no strategic portfolio acquisitions.

# ACQUISITIONS UPDATE

## ACQUISITION PIPELINE REMAINS VERY STRONG

- NSR has settled 10 assets for a total of \$85 million from 1 July 2018 to 1 November 2018
- More than \$100 million in acquisition opportunities currently under active consideration

### FY19 ACQUISITIONS TO DATE

Centre	Region	Settlement Date	NLA (Sqm)
Beresfield	New South Wales	Jul 2018	3,700
Thornton	New South Wales	Jul 2018	1,700
Rutherford	New South Wales	Jul 2018	4,400
Scoresby	Victoria	Aug 2018	5,400
Yanchep	Western Australia	Aug 2018	4,400
Buckland	Auckland (NZ)	Sept 2018	10,200
Shallcross St	Western Australia	Sept 2018	-
Maitland	New South Wales	Sept 2018	3,182
Morisset	New South Wales	Oct 2018	3,099
Berkeley Vale	New South Wales	Nov 2018	4,755
<b>TOTAL</b>			<b>40,836</b>

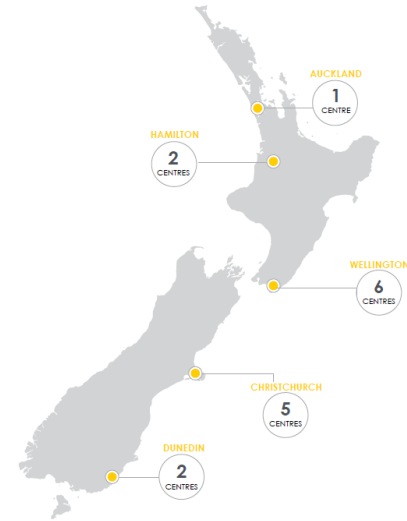




# NEW ZEALAND

## CAPITAL PARTNERSHIP INVESTIGATION + PORTFOLIO DEVELOPMENT

- Strong market fundamentals and operating metrics are continuing to drive strong investor demand for self-storage assets in New Zealand
- NSR NZ portfolio ongoing cash-flows support the development of multiple new greenfield and brownfield self-storage assets in the Auckland and greater New Zealand market
- Auckland currently enjoys occupancy of greater than 90% and is a key focus area for NSR, with three new development sites under negotiation
- NSR is continuing to investigate the opportunity to take the NZ portfolio off balance sheet by way of a capital partnership
- NSR will retain management and an equity stake in the assets
- Identification of a suitable JV partner will accelerate portfolio growth, releasing significant capital upfront to be recycled into further acquisitions and expansions



\*map includes two centres in Wellington operated under license as National Storage centres

### 14 Owned Centres

Occupancy: 87%      NLA (sqm): 78,100  
REVPAM: \$194/sqm      Value: NZ\$120m+

As at September 2018

# EXPANSION AND DEVELOPMENT

## MAXIMISING NEW AND EXISTING CENTRE OPPORTUNITIES

- Up to **25 centres** with potential for further value add through expansion and development given current and future expected trading conditions
- **Five** expansions set to commence in FY19
- State-of-the-art design to enhance efficiency and customer experience incorporating sustainability fundamentals

### Example 1 ROBINA

To increase capacity and product diversity of existing facility and obtain higher and better use on vacant hardstand

### Example 2 BUNDALL

Combine existing large format retail and new state of the art storage centre for optimum IRR



# THANK YOU



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