

# FY19 RESULTS

---



NATIONAL STORAGE REIT  
AUGUST 2019

# 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, unless otherwise stated, 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).

## Disclaimer

No member of NSR or any of its related bodies corporate and each of their respective directors, employees, officers, associates, agents, auditors and advisers offer any representation, guarantee or warranty, express or implied, as to the accuracy, completeness, currency or reliability (including as to auditing or independent verification) of any statement, estimate, opinion or other information contained in this presentation. To the maximum extent permitted by law, the members of NSR and each of their related and controlled entities and each of their respective directors, officers, employees and agents disclaim all liability and responsibility (including without limitation any liability arising from fault or negligence) for any direct or indirect loss or damage which may be suffered through the use, or reliance on, anything contained in, or omitted from, this presentation.

## Not an offer of securities

This presentation is for information purposes only and should not be considered as a solicitation, offer or invitation for subscription, purchase or sale of NSR securities in any jurisdiction.

## Not financial or other advice

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 31 December 2018 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.

As Australasia's largest self-storage owner-operator, NSR is focused on driving organic growth across its 168 storage centres, and executing a strong pipeline of acquisition and development opportunities.



# STRATEGY



## ASSET MANAGEMENT

Focus on  
organic growth,  
platform efficiencies  
and scalability



## ACQUISITIONS

Executing high-quality  
acquisitions across  
Australia and  
New Zealand



## PORTFOLIO & DEVELOPMENT MANAGEMENT

Expansion projects and  
developments in  
key markets



## PRODUCT & INNOVATION

Embracing digital  
transformation,  
product innovation  
and improving  
online conversions



## CAPITAL MANAGEMENT

Efficiency and  
effectiveness in capital  
and risk management

**Multiple revenue streams to maximise returns**

# AGENDA

## FY19 RESULTS

- A-IFRS profit of **\$144.8 million**
- Underlying earnings<sup>1</sup> of **\$62.4 million** (+21%)
- Underlying **EPS<sup>1</sup> of 9.6 cents** per stapled security
- **NTA of A\$1.63** per stapled security (+8%)
- FY19 **Total Return<sup>2</sup> of 15.0%**
- Australian Portfolio<sup>3</sup> **Occupancy of 81.4%** (+1.0%)
- **REVPAM<sup>3</sup> of \$206** (+0.5%)

## FY20 OUTLOOK

- Underlying earnings growth of greater than 25%
- Underlying EPS of greater than 4%

## STRATEGIC INITIATIVES

- 1) New Zealand expansion
- 2) Expansion of the development pipeline
- 3) Capital and development partnerships

1 – Underlying earnings is a non-IFRS measure (unaudited), see table on slide 7 for reconciliation

2 - Distribution yield plus percentage NTA growth

3 - Same centre 30 June 2018 (104 centres), excluding Wine Ark, New Zealand and developing centres

# FY19 HIGHLIGHTS

UNDERLYING EPS 9.6 CENTS | A-IFRS PROFIT \$144.8 MILLION

UNDERLYING  
EARNINGS<sup>1</sup>

**\$62.4m**  
*(up 21%)*

AUSTRALIAN PORTFOLIO  
OCCUPANCY<sup>2</sup>

**81.4%**  
*(Up 1.0%)*

TOTAL RETURN<sup>3</sup>

**15.0% p.a.**

ASSETS UNDER  
MANAGEMENT

**\$1.95b**  
*(up 36%)*

UNDERLYING  
EPS<sup>1</sup>

**9.6 cents**  
*(steady)*

SAME CENTRE  
REVPAM<sup>2</sup>

**\$206**  
*(Up 0.5%)*

ACQUISITIONS  
COMPLETED

**\$403m**  
*(up 160%)*

NET TANGIBLE  
ASSETS

**\$1.63**  
*(up 8%)*

1 – Underlying earnings is a non-IFRS measure (unaudited), see table on slide 7 for reconciliation  
2 – Same centre 30 June 2018 (104 centres), excluding Wine Ark, New Zealand and developing centres  
3 – Distribution yield plus percentage NTA growth – 1 July 18 to 30 June 19  
REVPAM – Revenue Per Available Square Metre

# PROFIT & LOSS

FOR THE YEAR ENDED 30 June 2019

## STRATEGY CONTINUES TO DELIVER SOLID GROWTH

- FY19 performance
  - Operating profit up 17%
  - Underlying earnings<sup>1</sup> up 21%
  - Storage revenue up 13%
  - Operating margin up 5%
- Continued strong contribution from ancillary revenue, fees and other income sources
- Finance cost reflects increased borrowings associated with acquisitions
- Portfolio primary cap rate tightened to 6.85% (June 18: 7.30%)

\$ Million	FY19	FY18	% Change
Storage revenue	139.4	123.6	13%
Sales of goods and services	6.7	6.3	6%
Other revenue	6.1	5.4	13%
<b>Total Revenue</b>	<b>152.2</b>	<b>135.3</b>	<b>12%</b>
<b>Operating Centre Expenditure</b>			
Salaries and employee benefits	16.8	15.1	11%
Lease expense	11.5	12.3	-7%
Property rates and taxes	10.9	9.2	18%
Electricity and Insurance	4.5	4.1	10%
Marketing	4.4	5.3	-17%
Cost of goods sold	2.5	2.5	0%
Repairs and maintenance	2.6	1.9	37%
Other operating expenses	9.3	8.5	9%
<b>Total Operating Centre Expenditure</b>	<b>62.5</b>	<b>58.9</b>	<b>6%</b>
<b>Operating Profit</b>	<b>89.7</b>	<b>76.4</b>	<b>17%</b>
<b>Operating Margin</b>	<b>59%</b>	<b>56%</b>	<b>5%</b>
Operational management	5.2	4.1	27%
General and administration	10.1	8.6	17%
Finance costs	25.8	19.9	30%
Depreciation and amortisation	1.0	0.7	43%
<b>Total expenses</b>	<b>104.6</b>	<b>92.2</b>	<b>13%</b>
Other income (Inc share of profit from JV and contracted gains)	(14.8)	(8.3)	78%
<b>Underlying Earnings (1)</b>	<b>62.4</b>	<b>51.4</b>	<b>21.4%</b>
Add / (less) fair value adjustments	80.6	89.7	
Add / (less) diminution of lease asset	3.5	4.0	
Add / (less) business combination and restructure expenses	(1.5)	(1.3)	
<b>Profit / (loss) before income tax</b>	<b>145.0</b>	<b>143.8</b>	
Income tax (expense) benefit	(0.3)	2.0	
<b>Profit / (loss) after income tax</b>	<b>144.7</b>	<b>145.8</b>	<b>-1%</b>

1 – Underlying earnings is a non-IFRS measure (unaudited)

# SUMMARY BALANCE SHEET

AS AT 30 June 2019

## NTA GROWTH AND GEARING RESET

- NTA increased to \$1.63 per stapled security (June 2018: \$1.51) an increase of 8%
- Investment properties<sup>1</sup> increased to \$1,949m (June 2018: \$1,431m) an increase of 36%
  - 39 acquisitions settled totalling over \$400m
- Cash at 30 June 2019 \$178.8m (post capital raise)
- Debt drawn \$844m<sup>2</sup>
  - Gearing at 30 June 2019 of 33% (June 2018: 38%)
  - Target gearing range 25 – 40%

\$ Million	Jun 19	Jun 18	Movement
Cash	178.8	21.3	157.5
Investment Properties (net of Finance Lease Liability)	1,949.1	1,431.4	517.7
Intangible Assets	46.5	46.0	0.5
Other Assets	48.7	49.9	(1.1)
<b>Total Assets</b>	<b>2,223.2</b>	<b>1,548.6</b>	<b>674.6</b>
Debt	843.9	596.4	247.5
Distributions Payable	34.4	27.4	7.0
Other Liabilities	40.6	34.5	6.1
<b>Total Liabilities</b>	<b>918.9</b>	<b>658.3</b>	<b>260.6</b>
<b>Net Assets</b>	<b>1,304.3</b>	<b>890.3</b>	<b>414.0</b>
Net Tangible Assets	1,257.8	844.3	413.5
Units on Issue (m)*	773.3	559.1	214.2
<b>NTA (\$/Security)</b>	<b>1.63</b>	<b>1.51</b>	<b>0.12</b>

1 – Includes assets held for sale in the statutory balance sheet

2 - Net of capitalised establishment costs

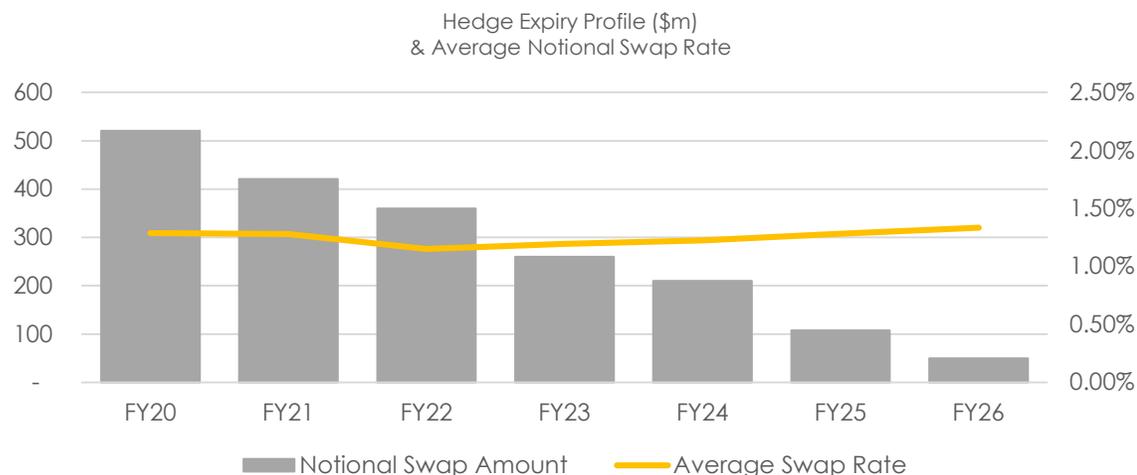
\* Includes securities issued on 1 July 2019 associated with the capital raise completed on 26 June 2019

# CAPITAL MANAGEMENT

FOR THE YEAR ENDED 30 June 2019

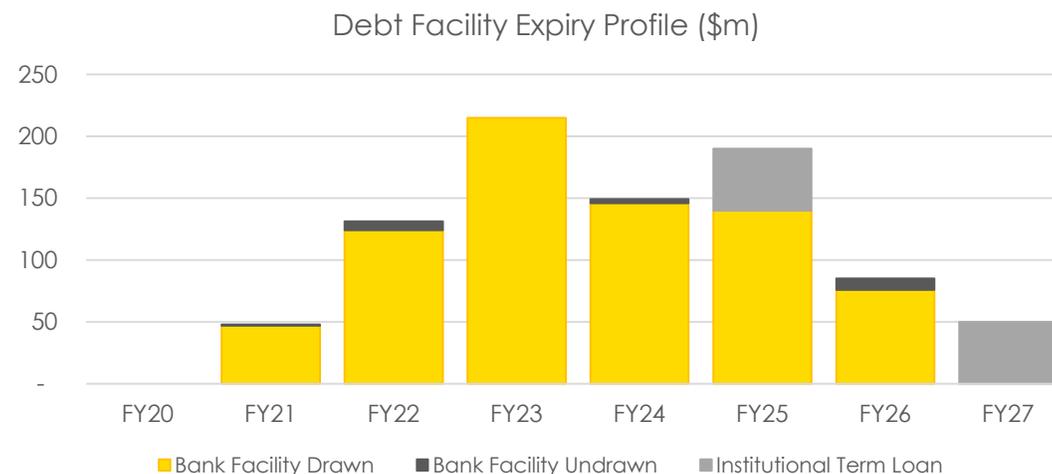
## \$345 MILLION EQUITY RAISED TO FUND CONTINUED ACQUISITION GROWTH

- June 2019 gearing 33%
  - Target range 25% - 40% (Covenant 55%)
  - ICR 3.6x (Covenant 2.0x)
- Total debt facilities \$868m
- Available funds \$199m
- Focus on debt and swap profiles to manage risk and add value
- Weighted average debt maturity 4.0 years
- Average cost of debt 3.1%
- Swap book reset in June 2019 reducing weighted average swap cost by 1.1%
- \$470m hedged at 30 June 2019
- Successfully completed \$175m equity raising in August 2018 plus \$170m in June 2019



Capital Management	Jun-19	Jun-18
Cash Balance	\$178.8m	\$21.3
Total debt facilities	\$868m	\$715m
Total debt drawn	\$848m	\$600m
Available funds (debt capacity plus Cash)	\$199m	\$136m
Debt term to maturity (years)	4.0	4.7
Gearing ratio (Covenant 55%)	33%	38%
Average cost of debt drawn	3.1%	3.8%
Interest coverage ratio (Covenant 2.0x)	3.6x	3.6x
Debt hedged	\$470m	\$319m
% debt hedged	55%	53%
Average cost of hedged debt (incl. margin)	2.96%	4.0%

\$A/\$NZ = 1.045



# OPERATIONAL TRANSFORMATION

## RESETTING AND STREAMLINING THE OPERATIONAL PLATFORM

### People Improvement

- Recruiting operational managers from outside the self-storage industry with multi-site retail management experience
- Improved Contact Centre team and upgraded systems to facilitate better conversion of enquiries into sales
- Strong focus on accountability, execution and customer-first strategies

### Improved Technology

- Automated auditing system helping to improve accountability and performance
- New enterprise data warehouse for stronger data analytics
- Enhanced cross-functional insights and accountability

### Upgraded Sales Training

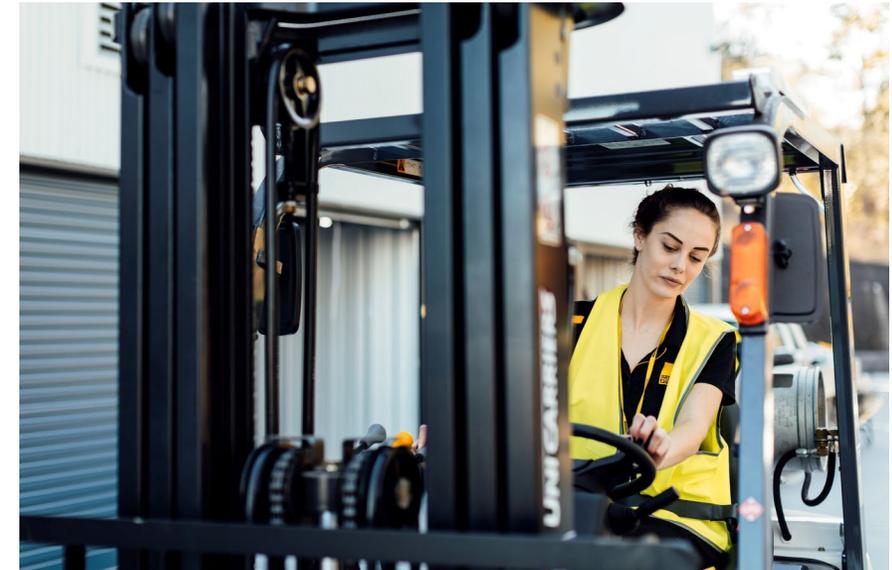
- New nationwide sales training to improve individual customer experience and conversion of enquiries into sales

### Marketing Innovations

- Enhanced marketing systems and processes with improved new website to launch soon
- Updated marketing strategy designed to maximise performance of digital assets

### Reporting

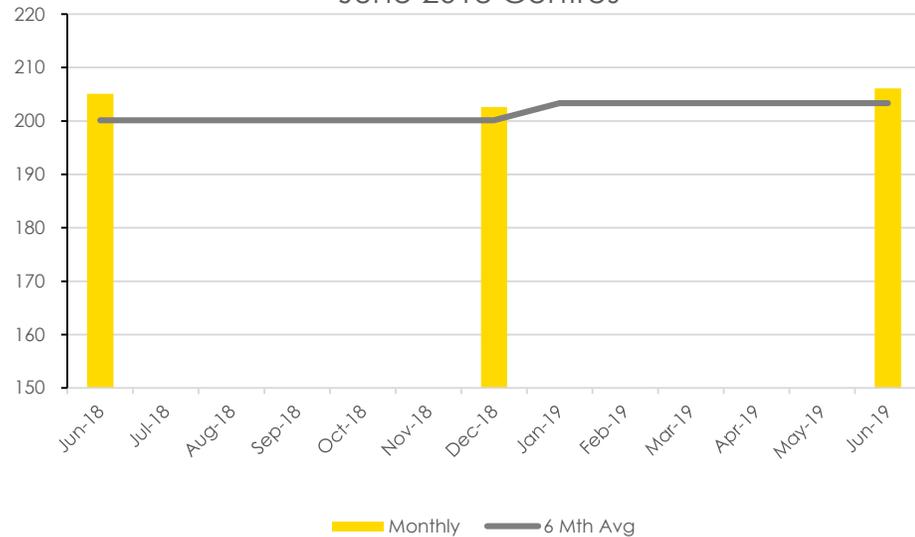
- New automated reporting systems to improve speed of reporting and accountability



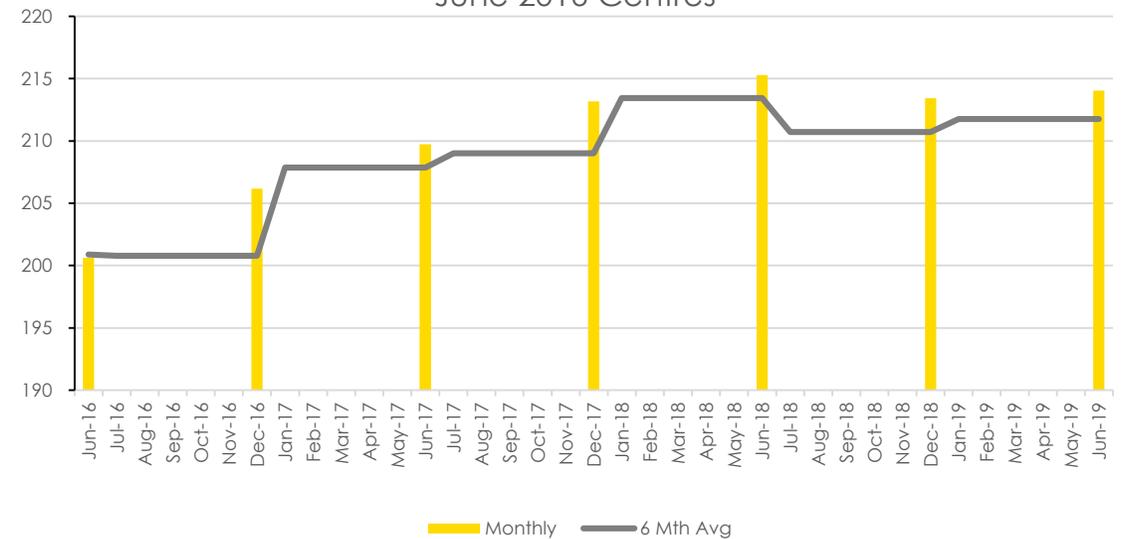
# KEY OPERATIONAL METRICS

## ACTIVE MANAGEMENT OF RATE AND OCCUPANCY TO MAINTAIN MOMENTUM

REVPAM – AUSTRALIAN PORTFOLIO  
June 2018 Centres



REVPAM – AUSTRALIAN PORTFOLIO  
June 2016 Centres



### PORTFOLIO METRICS (June 2018 Centres)

Occupancy:	81.4%	(June 2018: 80.3%)
Rate:	\$260/sqm	(June 2018: \$257/sqm)
REVPAM:	\$206/sqm	(June 2018: \$205/sqm)

NSR drives Revenue Per Available Square Metre (REVPAM) by balancing occupancy and rate per sqm growth on a centre and individual unit basis. Revenue management strategies continue to advance through the use of NSR's multiple signal revenue management model and data analytics.

**June 2016 Centres** (86 centres), excluding Wine Ark, New Zealand and developing centres

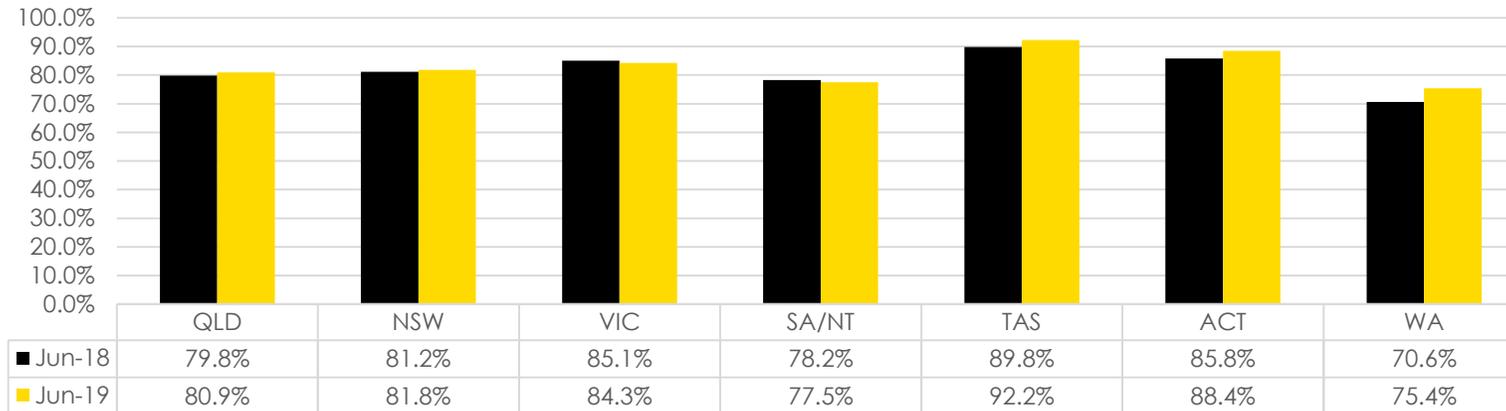
**June 2018 Centres** (104 centres), excluding Wine Ark, New Zealand and developing centres

# KEY OPERATIONAL METRICS

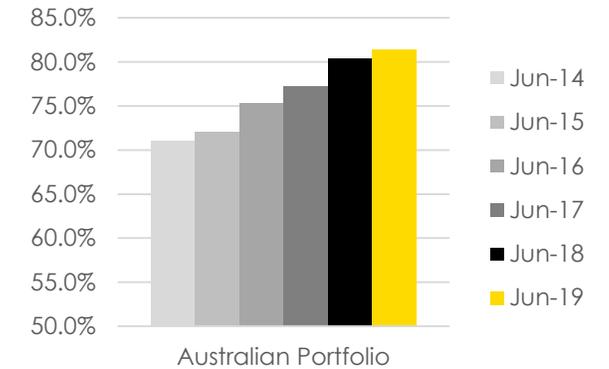
## CONTINUED INCREASES IN OCCUPANCY

- Australian Portfolio 81.4% (+1.1%)
- New Zealand Portfolio 85.7% (+1.0%)
- Approximately 60% of centres are trading at or above 80% occupancy
- 17% of centres trading above 90% occupancy
- Continued improvement across majority of states
  - WA up 4.8%      TAS up 2.5%
  - ACT up 2.7%      QLD up 1.1%

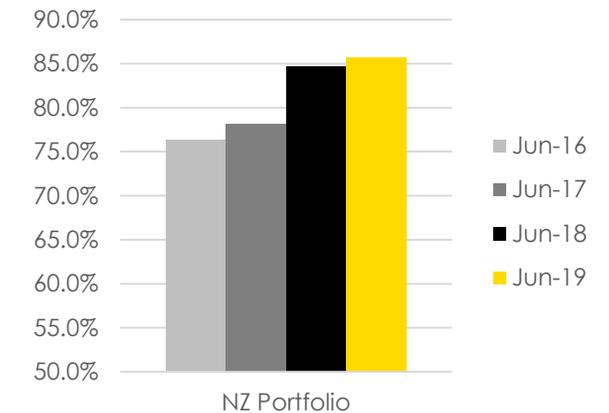
Occupancy By State



Occupancy - Australia



Occupancy - New Zealand



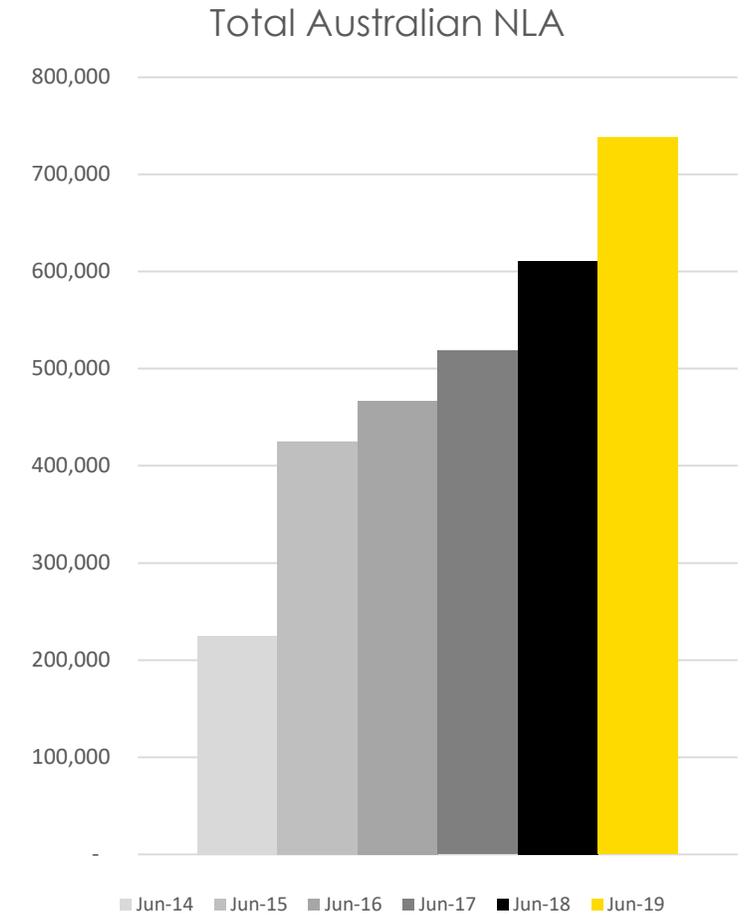
Australian Portfolio (104 centres) excludes FY19 Acquisitions, Wine Ark, New Zealand and developing centres

# BUILT CAPACITY

## OPPORTUNITY FOR CONTINUED OPERATIONAL IMPROVEMENT

- Significant growth in NLA through acquisition and development
  - Australian Portfolio 30 June 2019 NLA – 738,000sqm
- Target occupancy 85% - 90%
- Opportunity “runway”

	Additional revenue at \$250/sqm
• 85% - circa 65,000sqm	~\$16 million
• 90% – circa 100,000sqm	~\$25 million
- Relatively fixed cost-base means majority of additional revenue falls directly to underlying earnings
- Based on current securities on issue the runway has the potential to add 2-3cps in additional underlying EPS



Total Australian Portfolio (139 centres) excludes Wine Ark and New Zealand

# NEW ZEALAND

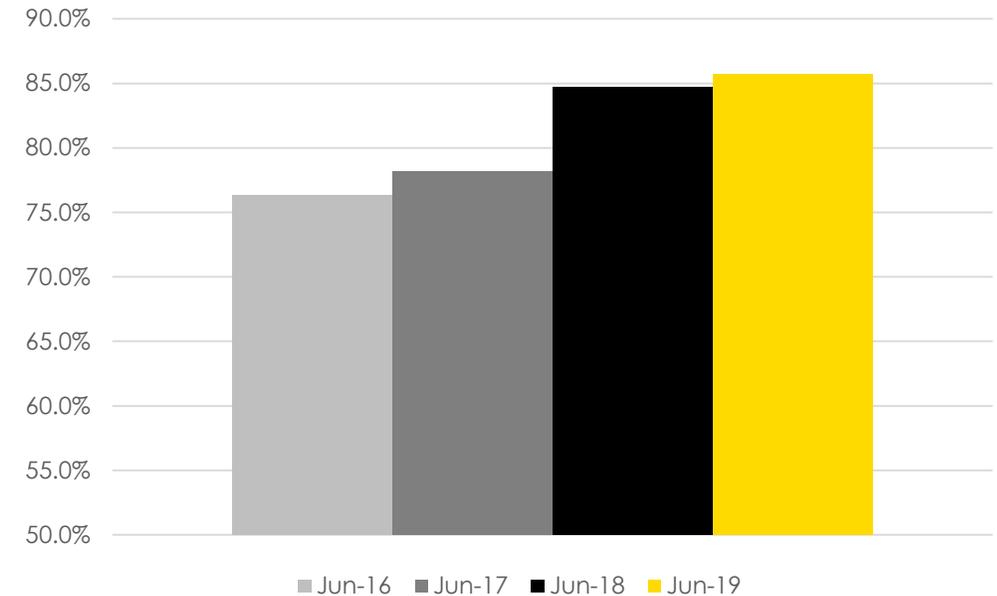
## STRONG ACQUISITION AND OPERATIONAL PERFORMANCE

- Acquired 9 storage centres for NZ\$144 million
- Portfolio now consists of 22 storage centres, plus 3 development sites across New Zealand
- Expanded Auckland presence with 3 established centres and 3 developments sites now in greater Auckland region
- Economies of scale being achieved as portfolio continues to grow
- New Zealand operational structure in place with direct link back to Australian management platform
- Strong occupancy growth to 85.7%
- REVPAM increased to \$164/sqm
- Acquisition pipeline remains strong
- 3 development projects underway in Auckland with construction expected to commence during FY20



**National Storage Manukau** (Concept)

### Occupancy - New Zealand



### PORTFOLIO METRICS (20 centres)

Occupancy:	85.7%	(June 2018: 84.7%)
Rate:	\$203/sqm	(June 2018: \$179/sqm)
REVPAM:	\$164/sqm	(June 2018: \$151/sqm)

As at June 2019. Includes FY19 acquisitions, excludes 2 developing centres

# ACQUISITION UPDATE

## 35 CENTRES TOTALLING OVER \$350M TRANSACTED IN FY19

- National Storage has successfully transacted 35 storage centres in FY19 for in excess of \$350 million plus 4 new development sites
- Continued pursuit of high-quality acquisitions across Australia and New Zealand
- The ability to acquire and integrate strategic accretive acquisitions is one of National Storage's major competitive advantages and a cornerstone of its growth strategy
- This active growth strategy also strengthens the scalability of the National Storage operating platform which drives efficiencies across the business

### FY19 Highlights

- Expansion into Wollongong/Illawarra region to extend Greater Sydney presence
- Acquisition of high-quality NZ portfolio of 8 centres providing greater exposure to Auckland, Bay of Plenty and Hamilton regions
- Post-completion of current Auckland acquisitions and developments National Storage will have 6 centres in greater Auckland region
- Purchase of Milton and Bundall developments from Bryan Family Group (BFG) JV
- Purchase of Fremantle and Yanchep developments from Parsons Group

### FY19 ACQUISITIONS

REGION	NUMBER OF CENTRES	TOTAL NLA (SQM)
Brisbane	5	25,000
Gold Coast	4	6,500
Sunshine Coast	1	6,500
Central Coast (NSW)	6	20,600
Wollongong	3	12,700
Melbourne	2	8,600
Adelaide	3	15,500
Perth	2	10,800
Auckland (NZ)	3	27,000
Hamilton (NZ)	4	21,600
Rotorua (NZ)	1	5,000
Tauranga (NZ)	1	3,200
<b>Total Acquisitions</b>	<b>35</b>	<b>163,000</b>

# ACQUISITION PIPELINE

## ACQUISITION PIPELINE REMAINS STRONG

- Strong start to FY20
- Successfully contracted the remaining 3 APSF centres at Kelvin Grove, Albion and Canterbury totalling \$64 million
- Additional 5 centres valued at approximately \$62 million under contract or letter of offer
- Acquisition pipeline remains strong (\$100+million) for the remainder of FY20

### FY20 ACQUISITIONS

REGION	NUMBER OF CENTRES	TOTAL NLA (SQM)
Brisbane	2	11,900
Sydney	1	3,000
Melbourne	4	19,100
Wellington (NZ)	1	4,700
<b>Total Acquisitions</b>	<b>8</b>	<b>38,700</b>



# STRATEGIC INITIATIVES

---



# OVERVIEW OF STRATEGIC INITIATIVES

## CONTINUING TO IDENTIFY VALUE ADD OPPORTUNITIES

Strategic initiatives designed to optimise the value of our portfolio, drive earnings accretion, and find additional cost-effective sources of capital to continue our successful consolidation strategy.

### 1 Capital partnership in New Zealand

- Decision not to proceed with the proposed partnership in NZ at this stage
- Currently investigating other JV opportunities focused on development assets (similar to successful Australian model)

### 2 Accelerating the Development Pipeline

- Accelerating the development pipeline with 13 new development and expansion projects currently underway and 6 completed developments successfully delivered in FY19
- Significant value accretion to existing portfolio with corresponding accretion to NTA
- Reviewing opportunities both within and outside the NSR portfolio to maximise ongoing development activity

### 3 APSF, Bryan Family Group (BFG) and Parsons Partnerships

- Successful completion of JV arrangements with APSF
- Continuation of successful JV arrangements with BFG
- Continuation of Parsons development pipeline in Perth

# DEVELOPMENT AND EXPANSION PIPELINE

## EXECUTING A STRONG PIPELINE OF DEVELOPMENT OPPORTUNITIES

- Completed 6 expansion and development projects during FY19 delivering 28,300sqm of NLA
- Within Australia NSR has 7 expansion and development projects in various stages of progress which will deliver significant uplift to NLA and NTA post completion
- Commenced development of 4 new assets across New Zealand ultimately adding circa 33,000sqm NLA of high-quality assets to the portfolio
- Parsons group have delivered 2 new developments in WA, including a state-of-the-art centre in Fremantle; an additional 3 projects in various stages of planning and construction



National Storage Biggera Waters (Concept)

CENTRE	LOCATION	STRUCTURE	Status	SETTLED	DA LODGED	BA	CONSTRUCTION
Biggera Waters	QLD	JV (NSR 25%)	DA, Tendering	✓	✓		
Brooklyn	VIC	NSR	Complete	✓	✓	✓	✓
Bundall	QLD	JV (NSR 25%)	Complete	✓	✓	✓	✓
Canterbury	VIC	JV (NSR 25%)	Construction	✓	✓	✓	✓
Croydon	VIC	NSR	Complete	✓	✓	✓	✓
Kurnell	NSW	NSR	DA lodged	✓	✓		
Milton	QLD	JV (NSR 25%)	Complete	✓	✓	✓	✓
Mitchell	ACT	NSR	DA	✓	✓		
Montrose	TAS	NSR	DA lodged	✓	✓		
Robina	QLD	NSR	Construction	✓	✓	✓	✓
East Perth	WA	NSR	DA		✓		
Albany	NZ	NSR / JV	Concept	✓			
Ellerslie	NZ	NSR / JV	Concept	✓			
Manukau	NZ	NSR / JV	Concept	✓			
Manukau CBD	NZ	NSR	Construction	✓	✓	✓	✓
Byford	WA	Dev Agree (NSR 0%)	Concept				
Fremantle	WA	Dev Agree (NSR 0%)	Complete	✓	✓	✓	✓
Martin	WA	Dev Agree (NSR 0%)	Construction	✓	✓	✓	✓
Port Kennedy	WA	Dev Agree (NSR 0%)	Construction	✓	✓	✓	✓
Yanchep	WA	Dev Agree (NSR 0%)	Complete	✓	✓	✓	✓

# JOINT VENTURES AND PARTNERSHIPS

## SUCCESSFUL COMPLETION OF APSF JV AND CONTINUATION OF BFG JV AND PARSONS PARTNERSHIP

### APSF

- Acquisition of completed Kelvin Grove and Albion developments from APSF (July 2019)
- Agreement to acquire APSF Canterbury on completion (anticipated September 2019)
- Total value \$64 million

### BFG (Bryan Family Group)

- Acquisition of completed Bundall and Milton developments from BFG JV for \$44 million
- Agreement to continue joint venture arrangement with new Biggera Waters development on the Gold Coast
  - NSR has sold the existing commercial assets and development site at Biggera Waters to the BFG JV for \$26 million
  - DA approved for construction of a 10,100sqm (NLA) storage centre
  - Anticipated value on completion \$60 million

### Parsons Group

- Acquisition of completed Yanchep and Fremantle developments in Perth for \$19m
- Agreement to continue development pipeline with new Martin, Port Kennedy and East Perth developments to be delivered in FY20/21 (estimated value \$37 million)
- These new projects will add significant value to the portfolio in FY20 and beyond as occupancy increases



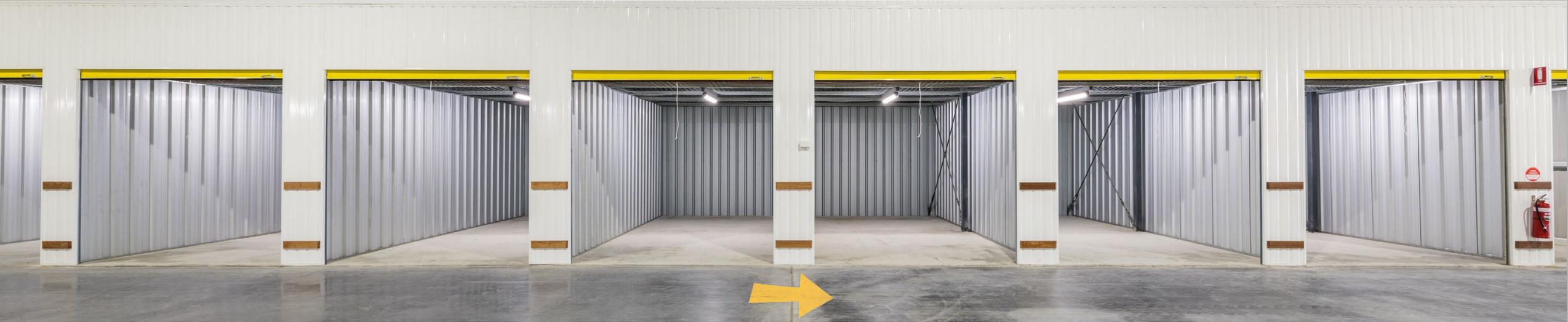
**National Storage Kelvin Grove**



**National Storage Milton**

# FY20 GUIDANCE AND OUTLOOK

FY20 DISTRIBUTION GUIDANCE – **Greater than 4% Growth per Stapled Security**



**UNDERLYING EPS GROWTH<sup>1</sup>** PER STAPLED SECURITY

**Greater than 4.0% Growth (10.0 CENTS)**

**UNDERLYING EARNINGS GROWTH**

**Greater than \$78 MILLION**

# APPENDICES



**PERSONAL  
STORAGE**



**BUSINESS  
STORAGE**

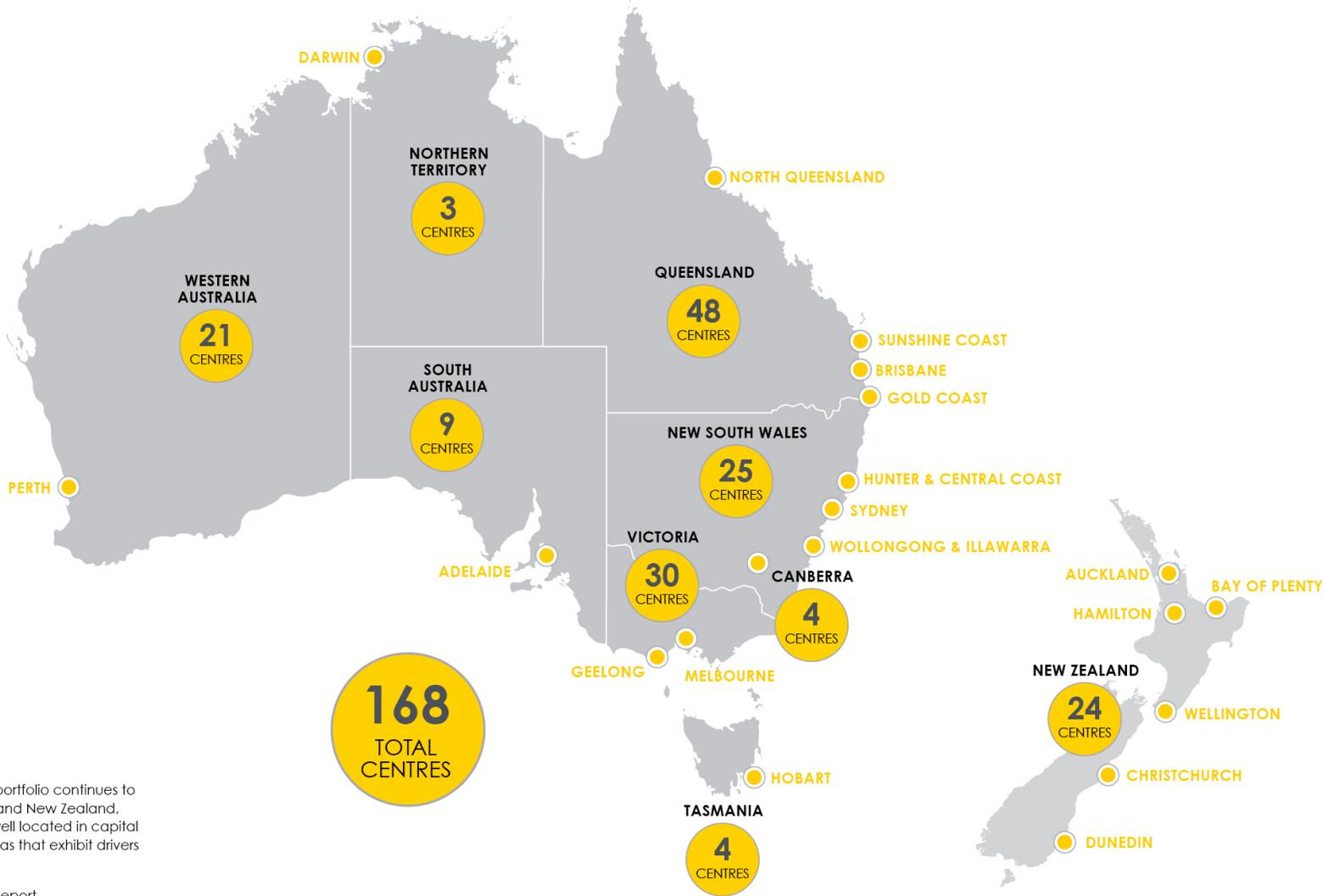


**TRAILER  
HIRE**



**MOVING  
SUPPLIES**

# NSR FOOTPRINT



The National Storage portfolio continues to grow across Australia and New Zealand, with storage centres well located in capital cities and regional areas that exhibit drivers of storage demand.

As at the date of this Report.

\*Map not to scale.

# PORTFOLIO METRICS

	30 June 2018				30 June 2019			
	AUST	NZ	MGT	TOTAL	AUST	NZ	MGT	TOTAL
Freehold centres	101	13	3	117	126	22	4	152
Leasehold centres	16	-	-	16	15	-	-	15
<b>Total centres<sup>1</sup></b>	<b>117</b>	<b>13</b>	<b>3</b>	<b>133</b>	<b>141</b>	<b>22</b>	<b>4</b>	<b>167</b>
Freehold NLA (sqm)	540,000	68,000	17,000	625,000	670,000	120,000	21,000	811,000
Leasehold NLA (sqm)	78,000	-	-	78,000	76,000	-	-	76,000
<b>Total NLA (sqm)</b>	<b>618,000</b>	<b>68,000</b>	<b>17,000</b>	<b>703,000</b>	<b>746,000</b>	<b>120,000</b>	<b>21,000</b>	<b>887,000</b>
Average NLA	5,300	5,300	5,700	5,300	5,300	5,500	5,300	5,300
Storage units	65,000	6,700	1,500	73,200	76,100	11,000	1,800	88,900
Assets under management	\$1,338m	\$101m	N/A	\$1,431m	\$1,702m	\$258m	N/A	\$1,949m
Weighted average Primary cap rate	7.27%	7.73%	N/A	7.30%	6.83%	7.03%	N/A	6.85%

1 - Excludes two centres licensed in Sept 2017

2 - Excludes developing centres

A photograph of a self-storage facility interior. The scene is brightly lit with overhead lights. The walls are made of light-colored corrugated metal. In the center, there is a long aisle with yellow roll-up doors on either side. A person is standing in the middle of the aisle, holding a stack of items. The floor is concrete with yellow markings. The text "THANK YOU" is overlaid in large, bold, black letters across the upper middle of the image.

# THANK YOU

[WWW.NATIONALSTORAGE.COM.AU](http://WWW.NATIONALSTORAGE.COM.AU)  
[INVEST@NATIONALSTORAGE.COM.AU](mailto:INVEST@NATIONALSTORAGE.COM.AU)

