



13 November 2019

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

## ASX ANNOUNCEMENT

### **NATIONAL STORAGE REIT (NSR) 2019 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



13 November 2019

## CHAIRMAN'S ADDRESS

We are pleased to report another successful year of growth for National Storage. We continue to deliver outcomes across multiple revenue streams to maximise returns.

During the year we completed two institutional placements and offered a security purchase plan, raising \$358 million which enabled us to reduce gearing, maintain funding flexibility and support future growth.

This record growth has seen assets under management climb more than 36% to \$1.95 billion. Over 180,000 sqm of net lettable area has been added to the portfolio through 35 acquisitions, which averaged a new acquisition every ten days across the year – a credit to the team.

Our market capitalisation has risen more than 25% to approximately \$1.46 billion. Investors continue to enjoy stable returns and this year we have delivered distributions in line with guidance at 9.6 cents per stapled security. Over the past three years we have delivered total shareholder returns in excess of 30% and the market continues to show support for National Storage.

We have recently released our third sustainability report which reaffirms our commitment to developing a strong business with a sustainable vision for the future. A streamlined approach to the report focusing on our economic performance, our people and our transformation as a business has set the agenda for growth in a meaningful, sustainable way.

The Board remains confident National Storage is well placed to execute our strategy and 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

## Annual General Meeting

13 November 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 30 June 2019 or the date of this presentation as indicated. 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).

## 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 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 30 June 2019 or the date of this presentation as indicated, 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 2019 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

## 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%** (+1.1%)
- **REVPAM<sup>3</sup> of \$206** (+0.5%)

## FY20 OUTLOOK

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

1 – Underlying earnings is a non-IFRS measure (unaudited), see FY19 Results Presentation, 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



# OPERATIONAL UPDATE

- Continued focus on occupancy and revenue growth
- Net NLA improvement of over 8,000sqm in the first 4 months compared same period last year
- Move-in rate continues to improve
- Operational transformation plan progressing as planned
- Roll out of marketing review underway aimed at delivering improved enquiry levels
- New website on track for delivery in December 2019





# ACQUISITION PIPELINE

## ACQUISITION PIPELINE REMAINS STRONG

- Strong start to FY20
- Settled 8 centres totalling \$124 million including the remaining 3 APSF centres at Kelvin Grove, Albion and Canterbury, plus a development site for \$12 million
- Additional 5 centres valued at approximately \$36 million under contract or letter of offer
- Acquisition pipeline remains strong for the remainder of FY20
- Investigating JV options for development and expansion opportunities

## FY20 ACQUISITIONS

REGION	NUMBER OF CENTRES	TOTAL NLA (SQM)
Brisbane & Gold Coast	3	13,750
Sydney	1	3,000
Melbourne	4	19,100
Perth	3	13,300
Tasmania	1	3,900
Wellington (NZ)	1	4,700
<b>Total Acquisitions</b>	<b>13</b>	<b>57,750</b>



## NEW ZEALAND

- Portfolio continues to trade strongly
- Acquired 9 storage centres for NZ\$144 million during FY19
- Portfolio now consists of 22 storage centres, plus 3 development sites across New Zealand
- Expanded Auckland presence with 3 established centres and 3 development sites in greater Auckland region
- NZ capital partnership strategy under review
- Investigations underway for the formation of a NZ development JV to recycle approximately \$25m of capital
- Expansion of Manukau centre has commenced

# EXPANSION & DEVELOPMENT

## MAXIMISING NEW AND EXISTING CENTRE OPPORTUNITIES

- Completed six expansion and development projects during FY19 delivering 28,300sqm of NLA
- Within Australia, NSR has seven expansion and development projects in various stages of progress which will deliver significant uplift to NLA and NTA post completion
- Commenced development/expansion of 4 new assets across New Zealand, ultimately adding circa 33,000sqm NLA of high-quality assets to the portfolio
- The continuation of Bryan Family Group (BFG) and Parsons partnerships delivering new centres in QLD and WA



National Storage Robina expansion underway



# THANK YOU

