



NATIONAL STORAGE REIT (NSR) ASX ANNOUNCEMENT

26 AUGUST 2015

NSR FY15 RESULTS

National Storage REIT (NSR) today announced its financial results for the twelve month period to 30 June 2015 with an A-IFRS profit after tax of \$48.7 million.

KEY HIGHLIGHTS

- A-IFRS profit after tax of \$48.7 million
- Underlying earnings for FY15 of \$24.3 million (8.2 cps) in line with guidance
- FY15 annual distribution of 8.2 cents per security
- Total Assets Under Management increased to \$740 million up from \$549 million at 30 June 2014
- 7% increase in rate across the total portfolio to \$293 per sqm
- Transacted 21 acquisitions totaling \$189 million, adding 101,000 sqm in NLA
- Targeting underlying earnings growth for FY16 of 19% – 21% on FY15
- Targeting FY16 EPS of 8.7 – 8.8 cents (6.0% – 7.5% growth)
- Admitted into the S&P ASX 200 index

FINANCIAL RESULTS

Managing Director Mr Andrew Catsoulis said “NSR has delivered solid FY15 results in line with guidance, reflecting our commitment to proactive asset management and the execution of our growth strategy”.

Total revenue for the period increased by 39% to \$63.7 million (2014: \$45.7 million) demonstrating the delivery of NSR’s strategy to develop multiple revenue streams to maximise returns. The acquisition of 21 storage centres, organic portfolio growth and active portfolio management were key contributors to NSR’s growth.

A-IFRS profit after tax of \$48.7 million, up 213% on the previous period (2014: \$15.6 million), was favourably impacted by the integration of recently acquired centres and the impact of fair value adjustments associated with the carrying value of investment properties.

NSR confirms the estimated interim distribution of 4.2 cents per security previously declared on 26 June 2015 and advises an earlier than estimated payment date of 27 August 2015.

OPERATING RESULTS

Trading conditions were varied across the period, with weak business and consumer confidence and a high level of discounting prevalent across the industry.

Mr Catsoulis said “NSR continues to focus on balancing rate per square metre growth and occupancy growth across the portfolio to optimise revenue and profitability. Our results demonstrate that despite market conditions, we have been able to achieve real rental growth on a like-for-like basis across the portfolio”.

NATIONAL STORAGE REIT (NSR)

National Storage Holdings Limited (ACN 166 572 845)

The Trust Company (RE Services) Limited (ACN 003 278 831 AFSL 235 150) as responsible entity for National Storage Property Trust (ARSN 101 227 712)

The rate per square metre achieved across the established portfolio increased by 3% across the year to \$282 per sqm at 30 June 2015 (excluding all developing centres and post IPO acquisitions). The overall rate per square metre achieved for the group (excluding developing centres but including all post IPO acquisitions) increased by 7% to \$293 per sqm over the same period.

Total portfolio occupancy (excluding developing centres) grew from 70% to 72% over the year. Occupancy in the original IPO portfolio was steady at 71% as management continued its focus on driving total revenue.

NSR continued the successful implementation of its growth strategy, transacting \$189 million in acquisitions in FY15, adding 101,000 sqm of net lettable area to the portfolio.

Mr Catsoulis said "We have successfully delivered 21 acquisitions over the period. Our experienced acquisitions and integrations team have produced a strong result and continue to work on our robust potential acquisition pipeline, which will see the National Storage brand continue to grow market share across Australia and New Zealand."

CAPITAL MANAGEMENT

During FY15, NSR successfully executed two institutional placements and a security purchase plan which together raised approximately \$115 million in equity. NSR's debt finance facility was restructured to a club arrangement with a capacity of \$200 million, of which \$124 million was drawn at 30 June 2015. In July 2015, NSR entered into a NZ\$25 million facility to facilitate NSR's entry into the New Zealand market.

"We continue to maintain an efficient capital structure with a strong balance sheet which allows us to execute our growth strategy. Our conservative gearing targets have been maintained, with 22% loan-to-value ratio at 30 June 2015" Mr Catsoulis said.

OUTLOOK

NSR is targeting underlying earnings growth for FY16 of 19% – 21% (\$29.0 – 29.5m) on FY15 and underlying EPS of 8.7 – 8.8 cents delivering EPS growth of 6.0% – 7.5% on FY15, assuming no material changes in market conditions.

"NSR is well positioned to continue to deliver growth into FY16. Our strategies to make accretive acquisitions, optimise centre performance, drive portfolio management and develop our brand are all designed to strengthen NSR and deliver value for our securityholders" said Mr Catsoulis.

ENDS

National Storage is one of the largest self-storage providers in Australia and New Zealand, with 87 centres providing tailored storage solutions to over 30,000 residential and commercial customers across Australia and New Zealand. NSR is the first independent, internally managed and fully integrated owner and operator of self-storage centres to be listed on the Australian Securities Exchange (ASX).

For further information:

Andrew Catsoulis
Managing Director
07 3218 8100

Makala Ffrench Castelli
Marketing & Corporate Affairs Manager
07 3218 8116 | 0481 001 330