



NATIONAL STORAGE REIT

ASX ANNOUNCEMENT

21 August 2024

NSR FY24 RESULTS

National Storage REIT (ASX: NSR) announces its financial results for the year ended 30 June 2024 with an IFRS profit after tax of \$230.3 million (EPS 16.9 cps) and Underlying Earnings Per Security (EPS)¹ of 11.3 cps.

KEY HIGHLIGHTS

- IFRS profit after tax of \$230.3 million (EPS 16.9 cps)
- Full year Underlying EPS¹ of 11.3 cps (\$154.2 million, up 9.0%²)
- Group revenue per available metre (REVPAM) of \$275/m², up 3.1%²
- Net tangible assets of \$2.52 per stapled security, up 2%²
- 29 acquisitions totalling \$250 million settled in FY24
- 11 developments completed in FY24 delivering 73,500m² of additional net lettable area (NLA)
- 46 active development projects providing NLA pipeline of approximately 382,000m²
- Emissions target - reduce and fully offset all scope 1 and 2 emissions by 2030
- Joint venture and development partnerships with GIC and MAAS Group
- FY25 underlying earnings guidance to a minimum of 11.8cps, up 4.4%

FINANCIAL RESULTS²

Managing Director Mr. Andrew Catsoulis said, "Our strong FY24 earnings result has demonstrated both the resilience and embedded capacity for growth of NSR's business. Underlying earnings¹ for the period increased by 8.7% to \$154.2 million, or 11.3 cps, and NTA increased 2% to \$2.52 with cap rates remaining steady at 5.91%. NSR's total assets increased by 13% to \$5.2 billion as the total asset value of NSR's property portfolio rose by 14% to \$4.9 billion, with valuation uplift again driven predominantly by improved operational performance. We have focused on maximising REVPAM by carefully balancing rate and occupancy to achieve 3.1% REVPAM growth across the year, 2.5% of which has been delivered in the second half of FY24 (5.0% annualised growth in 2H)."

"Our let-up portfolio of 14 developing centres, operational at 1 July 2023, has grown strongly with occupancy up 10.0% to 59.1% and REVPAM increasing 22.6%. In addition, 11 new developments were completed during FY24 adding 73,500m² of NLA which has the potential to generate approximately \$23m of potential additional revenue once stabilised, with an initial value of approximately \$266m. NSR's NTA, which increased 2% for the year to \$2.52, reflects the high quality of our underlying property portfolio and the strong ongoing performance of the business." said Mr. Catsoulis.

ACQUISITIONS, DEVELOPMENTS AND EXPANSIONS PIPELINE

NSR continued to successfully execute its acquisition and development strategy with 29 acquisitions settled in FY24 totalling \$250 million. This included 10 additional sites for future developments, providing an important pipeline of new development opportunities in key areas. This affords NSR clear visibility and control over its medium-term growth trajectory. NSR now has 46 active development projects with aggregate NLA pipeline of approximately 382,000m².

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

² - Comparisons are to FY23 results, unless otherwise stated

JOINT VENTURES AND DEVELOPMENT PARTNERSHIPS

An important part of NSR's overall growth strategy is to capitalise on the development and expansion opportunities that exist in Australia and New Zealand in a capital efficient manner. As part of this strategy NSR has entered into agreements with GIC to establish the new National Storage Ventures Fund (Fund) that will pursue the development and operation of self-storage centres across Australia. NSR and GIC hold approximately 25% and 75% equity interests respectively in the Fund and will deploy approximately \$270 million of total capital over the initial 12 – 18 month period. Acquisition by the Fund of the Foundation Assets is subject to satisfaction of certain conditions as previously announced. NSR will act as manager of the Fund and will earn fees for services provided to the Fund.

These developments will be undertaken independently of, and in addition to NSR's own ongoing development activity and NSR will continue with its own developments utilising its discrete balance sheet capacity and proven in-house development capability.

NSR also acquired the self-storage portfolio of the MAAS Group (ASX: MGH). This high-quality portfolio consists of nine assets (8 NSW, 1 ACT), enhancing NSR's position in both locations. The acquisition has added over 34,000m² of additional NLA with a mix of established centres with centres under development, providing synergies with existing NSR centres.

NSR and MAAS Group have also agreed to pursue additional development opportunities through either development or joint venture agreements with six potential new locations identified.

SUSTAINABILITY

NSR announced as part of our 1H FY24 results its commitment to reducing and offsetting its Scope 1 and 2 emissions by 31 December 2030. NSR will continue to actively reduce its Scope 1 and Scope 2 emissions across its portfolio through various measures including the ongoing installation of rooftop solar, LED lighting upgrades and the installation of energy meters. Additional energy efficiency initiatives including the sourcing of renewable energy and elimination and offsetting activities will also be utilised to fully offset greenhouse gas emissions.

COMPANY SECRETARY

National Storage advises that Katherine Hammond, who is currently acting in the role of Company Secretary will commence in the role in a full time permanent capacity from early October 2024.

OUTLOOK

NSR's Underlying EPS guidance for FY25 is to deliver a minimum of 11.8cps (FY24: 11.3cps) with Underlying Earnings greater than \$163 million (FY24: \$154 million), subject to no material changes in market conditions or operating environment.

NSR reaffirms its policy to distribute 90%-100% of underlying earnings.

Authorised by the Board of National Storage Holdings Limited.

ENDS

National Storage is the largest self-storage provider in Australia and New Zealand, with over 250 centres providing tailored storage solutions to over 97,000 residential and commercial customers. 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).

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