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6 May 2020

The Manager
Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

NATIONAL STORAGE REIT COMPLETES \$300 MILLION INSTITUTIONAL PLACEMENT

National Storage REIT ("NSR") has yesterday successfully completed a fully underwritten placement to institutional and professional investors of approximately 191.1 million new stapled securities at a price of \$1.57 per stapled security raising approximately \$300 million ("Placement").

The issue price represents a 7.1% discount to the last closing price of NSR stapled securities on Monday 4 May 2020 (being the last trading day prior to the announcement of the equity raising)¹.

Settlement of the new stapled securities issued under the Placement is scheduled to occur on Friday 8, May 2020 with allotment to occur on Monday, 11 May 2020. New stapled securities issued under the Placement will rank equally with existing stapled securities and securityholders will be entitled to the distribution for the six months ending 30 June 2020.

The proceeds from the equity raising will be used to strengthen NSR's balance sheet, replenish investment capacity and provide additional funding flexibility for continued growth over the next one to two years – providing certainty of funding beyond the expected period of volatility due to the COVID-19 pandemic.

Following the successful completion of the Placement, NSR stapled securities will recommence trading on ASX today and NSR has requested the trading halt be lifted on opening of the market today.

J.P. Morgan Securities Australia Limited and Citigroup Global Markets Australia Pty Limited acted as the underwriters and joint lead managers for the Placement.

NSR confirms that, pursuant to ASX Listing Rule 7.1 and the Temporary Extra Placement Capacity measures implemented under ASX Listing Rule 18.1, the Placement is within NSR's Temporary Extra Placement Capacity of 25% and securityholder approval is not required.

Further details of NSR's approach taken in identifying investors to participate in the Placement and its objectives and criteria in determining the respective allocations in the Placement will be announced to the ASX by Monday, 11 May 2020, in accordance with the ASX Class Waiver for Temporary Extra Placement Capacity dated Wednesday, 22 April 2020.

NSR is also undertaking a non-underwritten Security Purchase Plan ("SPP") to raise up to \$30 million². Eligible securityholders in Australia and New Zealand will be invited to subscribe for up to \$30,000 of

¹ Being the last closing price of \$1.69 per stapled security on 4 May 2020

² The offer structure balances the need for certainty of proceeds received through the Placement with NSR's desire to provide its retail securityholders with the opportunity to participate through the SPP. The cap on the SPP of \$30 million is considered appropriate to provide the opportunity for the majority of NSR's retail securityholders to achieve a pro rata allocation having regard to the total equity raising size, the construct of NSR's register and historical take-up rates in SPPs. Full details of the SPP will be contained in the SPP offer booklet, which will be sent to eligible securityholders in due course. NSR may (in its absolute discretion), in a situation where total demand exceeds \$30 million, decide to increase the amount to be raised under the SPP or apply a scale back (any such scale-back will be applied pro rata to participating securityholders)

stapled securities per securityholder³, free of transaction and brokerage costs. The new stapled securities will be offered at the same price as the Placement price of \$1.57 per stapled security. New stapled securities issued under the SPP will rank equally with existing stapled securities from the date of issue (including those issued under the Placement) and securityholders will be entitled to the distribution for the six months ending 30 June 2020.

Further information on the SPP will be lodged with the ASX and sent to eligible securityholders on or around 12 May 2020.

For further information about the equity raising, please telephone 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8.30am to 5.00pm (AEDT).

National Storage is the largest self-storage provider in Australia and New Zealand, with 183 centres providing tailored storage solutions to over 70,000 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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All dollar amounts are in Australian dollars unless otherwise indicated.

This announcement contains certain "forward-looking statements". Forward looking words such as "expect", "should", "could", "may", "will", "believe", "forecast", "estimate" and other similar expressions are intended to identify such forward-looking statements. Such statements are subject to various known and unknown risks, uncertainties and other factors that are in some cases beyond NSR's control. These risks, uncertainties and factors may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements and from past results, performance or achievements. NSR cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that NSR's business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward looking statements only speak as at the date of this announcement and NSR does not assume any obligation to update such information.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.

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³ Subject to the number of securities taken up by the securityholder under the SPP announced by NSR on 25 June 2019. A securityholder is limited to subscribing for up to \$30,000 of securities in total under all SPPs within a 12-month period

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)