



NATIONAL STORAGE REIT ASX ANNOUNCEMENT

14 July 2022

MARKET UPDATE*

National Storage REIT (ASX: NSR) today announces upgraded FY22 underlying earnings guidance and provides an update on the valuations of its property portfolio as at 30 June 2022.

KEY HIGHLIGHTS

- FY22 underlying earnings guidance upgraded to a minimum of 10.5 cps, which reflects a 24% increase on FY21
- Group¹ REVPAM of \$268m², a 20.9% increase for the year
- Property portfolio valuations indicate a net valuation uplift of approximately \$304 million
- Weighted average cap rate remained steady at 5.86% (Dec 2021: 5.87%)
- NTA is expected to increase to \$2.34, a 13% increase over 31 December 2021 and a 24% increase from 30 June 2021
- Gearing as at 30 June 2022 of approximately 23%

FY22 UNDERLYING EARNINGS GUIDANCE

NSR now expects FY22 underlying earnings per stapled security to be a minimum of 10.5 cps, which reflects a 24% increase on FY21. Today's announcement represents an upgrade to NSR's previous underlying earnings guidance of a minimum of 10.0 cps provided to the market as part of NSR's FY22 interim results announcement on 25 February 2022.

The upgraded guidance reflects the continued strong performance of NSR's portfolio over the year and is driven by a 20.9% increase in Group REVPAM to \$268m², an 18.8% increase in Group Rate to \$302m², and a 2.9% increase in Group Occupancy to 88.9%.

Managing Director Mr. Andrew Catsoulis said, "The upgraded FY22 underlying earnings guidance demonstrates the benefits of executing our growth strategy, which encapsulates organic growth through rate and occupancy increases, selective high-quality acquisitions, strategic development and expansion projects, and the use of new technology and innovation initiatives."

JUNE 2022 PORTFOLIO VALUATIONS

NSR has undertaken its 30 June 2022 valuation process, with independent valuations carried out on 83 properties (39% of the portfolio), with directors' valuations on the remaining properties.

NSR's portfolio valuation is expected to result in a net valuation uplift of approximately \$304 million for the six month period ending 30 June 2022, with the weighted average primary cap rate remaining steady at 5.86% (Dec 2021: 5.87%).

¹ Group - Australia and New Zealand (170 centres)
Australia - 146 centres as at 30 June 2020 (excluding Wine Ark and let-up centres)
New Zealand - 24 centres as at 31 December 2021 (excluding let-up centres)

Managing Director Mr. Catsoulis said, "Pleasingly, the majority of the valuation uplift has been driven by income growth which demonstrates the ongoing strength of our portfolio and its resilience through cycles."

The net valuation uplift is expected to add approximately 25 cents to NSR's NTA per security, resulting in NTA per security of \$2.34 as at 30 June 2022.

NSR's estimated gearing as at 30 June 2022, taking into account the valuation uplift, settled acquisitions and capital expenditure during the period, is expected to be approximately 23%.

* Note: All figures included in this announcement are preliminary and subject to finalisation, including the independent valuations, the year-end accounts process and external audit. NSR's FY22 financial statements, inclusive of the above outcomes, remain subject to audit by NSR's external auditors and may be revised. The financial statements are expected to be released to the market on 22 August 2022.

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 230 centres providing tailored storage solutions to over 95,000 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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NATIONAL STORAGE REIT (NSR)

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National Storage Property Trust (ARSN 101 227 712)