



26 October 2022

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

ASX ANNOUNCEMENT

NATIONAL STORAGE REIT (NSR) 2022 ANNUAL GENERAL MEETING ADDRESSES

Please find attached the addresses by the Company's Chairman, Mr Anthony Keane, and Managing Director, Mr Andrew Catsoulis, to be presented at today's Annual General Meetings commencing at 10.00am (Brisbane time).

A handwritten signature in blue ink, appearing to read "C. Fidler", with a stylized flourish at the end.

Claire Fidler
Executive Director & Company Secretary
National Storage Holdings Limited

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)

26 October 2022

CHAIRMAN'S ADDRESS

NSR has sustained a robust growth trajectory throughout FY22. The resilience of our business model as well as the consistent application of effort by our exceptional team, and their desire for continuous business improvement have again resulted in strong returns across all areas of our business. Our group occupancy grew by 2.8% to 88.9%, rate per square metre increased by 18.8% to \$302 and Revenue per Available Metre (REVPAM) grew by a notable 20.9% to \$268.

These excellent results have been delivered through the execution of our Four Pillars Growth Strategy, which has focused on achieving organic growth through progressively increasing rate and occupancy, undertaking accretive acquisitions, delivering development and expansions projects, and harnessing new technology and innovation to achieve business efficiencies and economies of scale. Andrew will provide further insight into these specific areas later in this meeting.

NSR's commitment to achieving enhanced sustainability outcomes remains unwavering and I direct you to our latest Sustainability Report in this regard for details of our ongoing initiatives in this area. Our latest report shows our evolution towards TCFD alignment and the GRI sustainability framework.

Total revenue grew 29% from \$215 million to \$277 million for the financial year. Our operating profit was up 34% and importantly our EBITDA margin also increased to 64%, demonstrating the improving efficiency of our business model, and the maturation of our business.

Underlying earnings increased 46% to \$126.5 million and NSR's Total Assets increased by 26% to \$3.95 billion. NSR's securityholders have seen revenue growth of over 420% and underlying earnings growth of 550% since December 2014. Macro-economic tailwinds continued to support our business in FY22, as industry awareness increased, dwelling sizes decreased, and workforce flexibility has been a mainstay. Likewise, the trends towards downsizing, our aging population, a strong housing market and the proliferation of e-business activity have also

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created additional demand for secure and convenient self-storage in Australia and New Zealand as well as in many other markets around the world.

NSR has now executed over 160 high-quality acquisitions since its IPO in 2013 and is still seen as the acquirer of choice by third party owned self-storage operators in Australasia. In FY22, we acquired 14 new storage centres, the freehold of one previously leasehold storage centre, and eight development sites totalling \$200 million. The ownership of self-storage centres remains highly fragmented, and we are confident that this pipeline of high-quality storage centres will continue to create acquisition opportunities for the foreseeable future.

The NSR development team remains fully engaged, with five projects comprising over 38,000m² of NLA added in FY22. We currently have 34 active projects in the pipeline at present with 10 projects under construction. Our activities extend across new “greenfield” and “brownfield” constructions, expansion of existing centres as well as our “revive” program which targets optimisation of mature centres from a functionality, sustainability, and efficiency perspective.

Our business automation and innovation initiatives continue, with current focus placed on upgrading our Contact Centre technology and continuing to simplify and improve our online booking and move in process. Numerous other industry leading initiatives are planned for the remainder of FY23. In addition, cyber security remains a high priority for our business and our improvement program is well underway to ensure the protection of our systems, and our customer and employee data.

Regarding capital management, NSR has successfully transitioned its debt from a secured to an unsecured platform, retaining all key lenders during the process. NSR has been able to significantly broaden its lender base, with the introduction of multiple new participants to the lender group in the last 12 months. This provides significant additional borrowing capacity as and when required.

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Investors continue to enjoy growing returns and this year we delivered underlying EPS of 10.6 cents per stapled security, above initial guidance, and made a distribution of 10.0 cents per stapled security. Since IPO, NSR has delivered total securityholder returns of 308%, significantly outperforming the ASX 200 and ASX 200 A-REIT index by 185% and 213%, respectively.

NSR's Board and senior management remain confident of National Storage's ability to continue to deliver superior returns for FY23 and in years to come. As always, our staff are our greatest assets and I wish to thank each of them today for their part in delivering these exceptional results. Our senior executive team remain focused on driving growth across the four strategic pillars and developing multiple revenue streams to 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.

Anthony Keane
Chairman

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NATIONAL STORAGE REIT

Annual General Meeting

26 October 2022



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.

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All references to dollars and cents are in reference to Australian dollars unless otherwise stated and all financial data is presented as at the date of this presentation unless otherwise stated.

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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.

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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 30 June 2022 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.

INTRODUCTION

Anthony Keane, Chairman

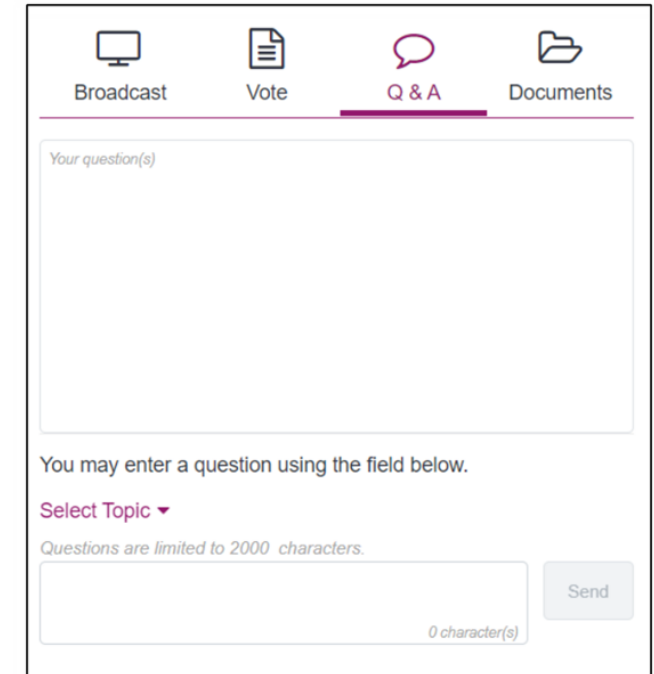


QUESTIONS

- To ask a written question select the Q & A icon
- Select the topic your question relates to from the drop-down list
- Type your question in the text box and press the send button

VERBAL QUESTIONS





- To ask a verbal question follow the instructions below the broadcast window.



The screenshot shows a web interface with four tabs: Broadcast, Vote, Q & A (selected), and Documents. Below the tabs is a large text area labeled "Your question(s)". Below this is a smaller text box with the instruction "You may enter a question using the field below." and a "Select Topic" dropdown menu. Below the dropdown is a text box with the instruction "Questions are limited to 2000 characters." and a "Send" button. The character count "0 character(s)" is displayed at the bottom right of the text box.

VOTING

- When the poll is open, select the vote icon at the top of the screen
- To vote, select either For, Against or Abstain
- You will see a vote confirmation
- To change or cancel your vote “click here to change your vote” at any time until the poll is closed

 Broadcast
  **Vote**
 Q & A
  Documents

Items of Business


2A Re-elect Mr Sam Sample as a Director

FOR

AGAINST

ABSTAIN

2B Re-elect Ms Jane Citizen as a Director



We have received your vote **For**
[Click here to change your vote.](#)

BOARD OF DIRECTORS & EXECUTIVE



Anthony Keane
Non-executive Chairman
BSc(Maths) GradDiCorpFin GAICD



Howard Brenchley
Non-executive Director
BEc



Steven Leigh
Non-executive Director
Grad Dip Proj Mgmt



Inmaculada (Inma) Beaumont
Non-Executive Director,
BA (Mathematics), BA Hons (Economics
and Commerce), FCCA, GAICD



Scott Smith
Non-Executive Director
BBus



Andrew Catsoulis
Managing Director
BA LLB Grad Dip Project Mgmt (Hons)



Claire Fidler
Executive Director and Company Secretary
LLB (Hons) BBus (Intl) GAICD FGIA



Stuart Owen
Chief Financial Officer
BBus CPA GAICD

For full bios please see: <https://www.nationalstorageinvest.com.au/people/>

CHAIRMAN'S ADDRESS

Anthony Keane



Personal use only

MANAGING DIRECTOR'S ADDRESS

Andrew Catsoulis



FY22 RESULTS

- A-IFRS profit of \$620.6 million
- Underlying earnings¹ of 126.5 million (+46%)
- Underlying EPS¹ of 10.6 cents per stapled security (+24.7%)
- NTA of A\$2.34 per stapled security (+24%)
- FY22 Total Return² of 29.1%
- Group Occupancy³ of 88.9% (+2.8%)
- Group REVPAM³ of \$268 (+20.9%)

FY23 OUTLOOK

- Underlying EPS – Minimum 11.1cps (Min 5% growth)
- Underlying earnings greater than \$133 million

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

2 – Distribution yield plus percentage NTA growth – 1 July 2021 to 30 June 2022

3 – 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 30 June 2021 (excluding let-up centres)

REVPAM – Revenue Per Available Square Metre

KEY OPERATIONAL METRICS

ACTIVE MANAGEMENT OF RATE AND OCCUPANCY MAINTAINS MOMENTUM

- Sustained REVPAM growth during FY22, consolidating the gains made during FY21
- Group REVPAM increased by 20.9% to \$268/m²
- Group rate increased 18.8% to \$302/m²
- Group occupancy up 2.8% to 88.9%
- Revenue management strategies delivering improved financial performance
- Occupancy across 18 let-up centres grew 17.9% to 74.3%

30 June 2022 (change from 30 June 2021)	Group	Australia	New Zealand
Occupancy	88.9% (+2.8%)	89.2% (+3.0%)	87.4% (+1.8%)
REVPAM	\$268 (+20.9%)	\$276 (+21.2%)	\$214 (+19.2%)
Rate	\$302 (+18.8%)	\$310 (+18.9%)	\$248 (+18.2%)

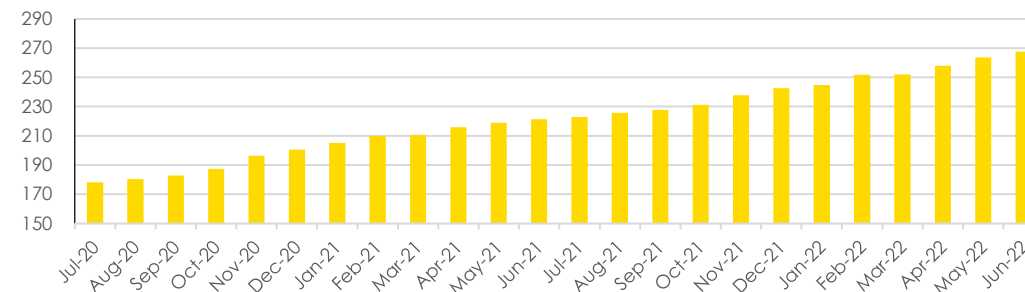
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Australia - 146 centres as at 30 June 2020 (excluding Wine Ark and let-up centres)

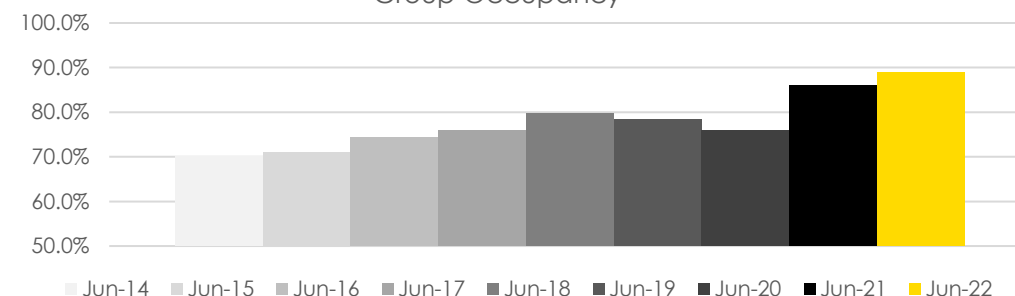
New Zealand - 24 centres as at 30 June 2021 (excluding let-up centres)



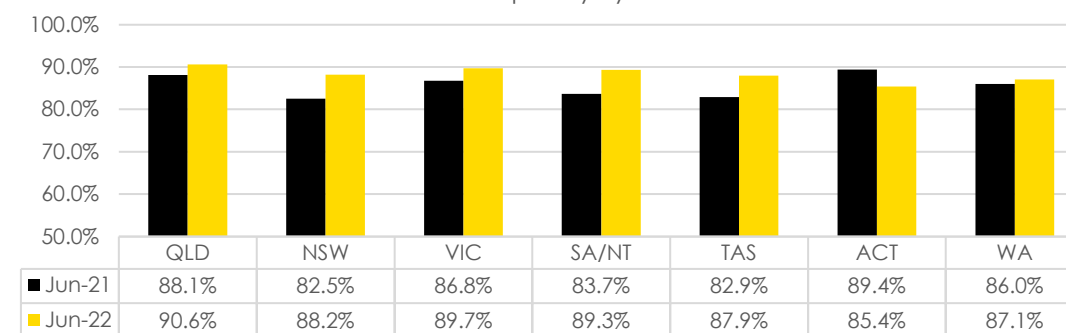
Group REVPAM



Group Occupancy



Occupancy By State



ACQUISITIONS



MARKET REMAINS HIGHLY FRAGMENTED WITH SIGNIFICANT POTENTIAL FOR FURTHER CONSOLIDATION

23 ACQUISITIONS TOTTALLING \$200M TRANSACTED IN FY22

- NSR remained focused on execution of its acquisition strategy
- 14 new storage centres, the freehold of one previously leasehold storage centre and eight development sites acquired totalling \$200 million
- Five additional centres and 10 development sites have settled post 30 June 2022 for \$83m
- Transacting high-quality acquisitions across Australia and New Zealand
- Scalability of the operating platform continues to drive efficiencies across the business
- Forward-looking acquisition pipeline remains strong

REGION	NUMBER OF CENTRES	NLA (M ²)
Brisbane	5	26,300
Sydney	1	6,300
Adelaide	1	2,900
Perth	1	4,700
Darwin	1	1,500
North Queensland	2	8,900
Auckland (NZ)	1	3,500
Rotarua (NZ)	2	8,000
Total Acquisitions	14	62,100



DEVELOPMENT, EXPANSIONS & REDEVELOPMENTS



INCREASING FOCUS ON DEVELOPMENT, EXPANSION AND REDEVELOPMENT PROJECTS



5 projects completed during FY22, adding 38,300m² of NLA



34 active projects, with 10 projects under construction



Aggregate NLA pipeline approximately 240,000m² in design and development phase

Development Strategy

- Target projects providing additional built capacity in key markets
- Locations selected after extensive analysis based on socio-economic demographics and storage demand per capita analysis
- Combination of turnkey, greenfield/brownfield development and expansion allows NSR to leverage its in-house development expertise
- Provides long-term enhanced revenue and NTA uplift outcomes for NSR

New developments

- 21 active projects, with 7 projects under construction
Aggregate NLA pipeline of approximately 155,000m²
- Targeting double digit 5-year IRR and 10%+ yield on cost at stabilised revenue

Expansion and Redevelopments

- Value-adding potential through strategic expansion and optimisation of land parcels
- 13 active projects (85,000m²)
- Targeting 10%+ yield on cost at stabilised revenue

ENVIRONMENTAL, SOCIAL AND GOVERNANCE



COMMITMENT TO SUSTAINABLE PRACTICES ACROSS THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE LANDSCAPE

- ESG comprises a fundamental component of our decision making in respect to all four pillars of NSR's business – including how we foster organic growth, our targeted acquisitions, our development and expansion program, and how we apply technology and innovation to improve our operations
- NSR is currently revising its sustainability reporting framework and working towards alignment with GRI and TCFD
- Our focus is to reduce our climate impact with the installation of solar and energy efficient LED lighting and other carbon footprint reduction initiatives
 - 10,711 solar panels installed across 124 centres as at June 2022
 - All new builds installed with LED lighting, efficient temperature control and other energy efficient features
 - Program for conversion of existing portfolio to more durable and energy efficient lighting
- Carbon Footprint Audit to measure NSR's carbon footprint
- Launched "NS Cares" – an initiative that partners with various charity and support agencies targeting diversity, mental health, Indigenous support, medical research and safety
- Our employee development programs have seen several staff promotions, providing important pathways for staff to evolve into new and challenging areas of our business



NATIONAL
STORAGE
C A R E S

OPERATIONAL UPDATE

STRONG FY22 CONTINUES INTO FY23

- Updated Reportable Group to 195 centres
 - Group REVPAM¹ increased to \$264 as at 30 September 2022, up 1.2% from \$261 at 30 June 2022
 - Group Rate¹ increased to \$302 as at 30 September 2022, up 2.3% from \$295 at 30 June 2022
 - Group Occupancy¹ marginally down 0.6% YTD⁴ to 87.9%
 - Let-up Centre Occupancy up 4.6% to 50.7% for updated group (13 centres)
 - 89% of centres above 80%, 35% above 90% occupancy
- Completed acquisitions:
 - 5 storage centres and totalling \$37m - adding 16,800m² of NLA
 - 10 development sites for \$46m
- Development pipeline remains strong with 7 projects expected to be completed during FY23
- Enhancement to website, contactless move in process and online marketing continue

1 - Group - Australia and New Zealand (195 centres)

2 - Australia - 169 centres as at 30 June 2021 (excluding Wine Ark and let-up centres)

3 - New Zealand - 26 centres as at 30 June 2021 (excluding let-up centres)

4 - YTD to 23 October 2021



FY23 GUIDANCE & OUTLOOK¹



UNDERLYING EPS MINIMUM 11.1CPS – IMPLIES MIN 5% EPS GROWTH

UNDERLYING EPS

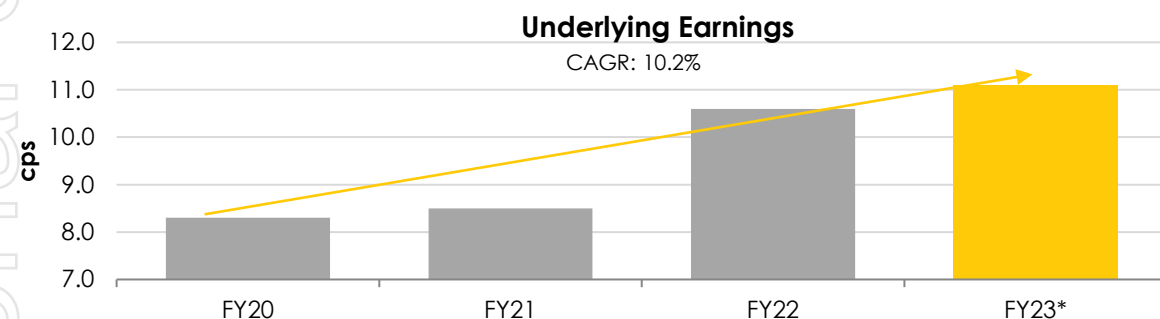
**Minimum 11.1cps
(Min 5% growth)**

UNDERLYING EARNINGS

Greater than \$133m

DISTRIBUTION GUIDANCE

**90%-100% payout of
Underlying Earnings**

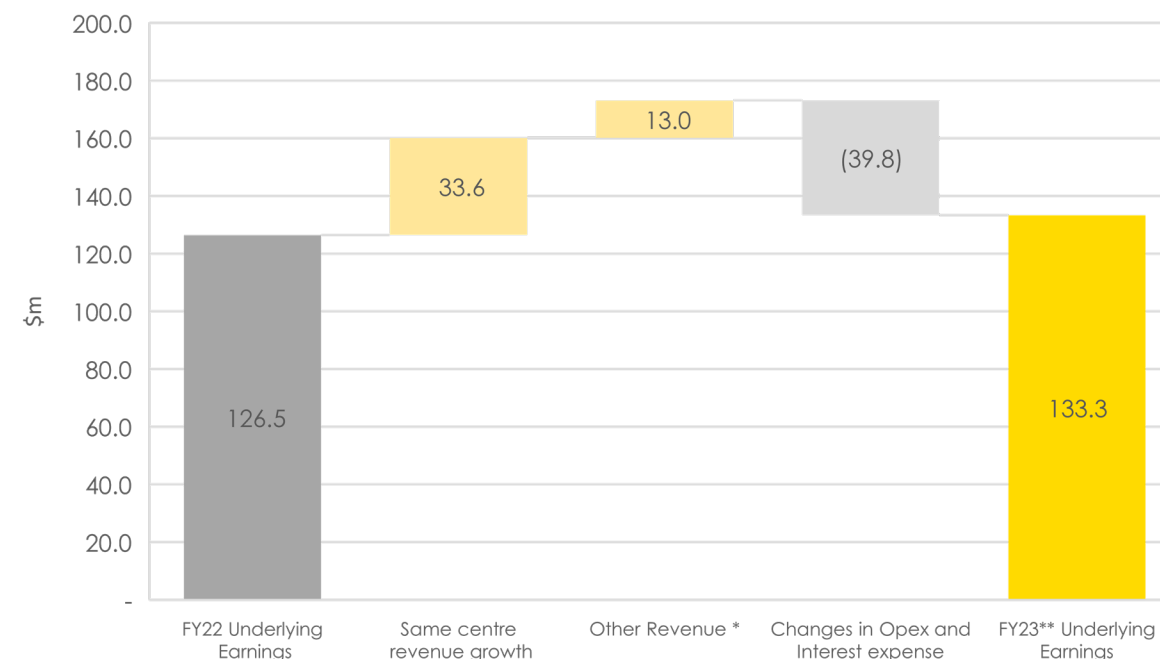


Key Assumptions:

- REVPAM growth
- Average floating interest rate²
- Acquisitions

No less than 4.0%
3.92%
\$200m - \$300m

FY23 Earnings Bridge



¹ – NSR provides this guidance assuming there are no material changes in market conditions or operating environments, including no material deterioration in COVID-19 restrictions and regulations

² – On remaining floating rate resets for FY23 – weighted average BBSW and BKBM

* Corporate income and contribution from FY22 and FY23 acquisitions and developments

** FY23 assumes minimum guidance of 11.1cps

THANK YOU

**NATIONAL
STORAGE**

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