



27 October 2021

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

ASX ANNOUNCEMENT

NATIONAL STORAGE REIT (NSR) 2021 ANNUAL GENERAL MEETING ADDRESSES

Please find attached the addresses by the Company's Chairman, Mr Laurence Brindle, and Managing Director, Mr Andrew Catsoulis, to be presented at today's Annual General Meetings commencing at 11am AEDT.

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

27 October 2021

CHAIRMAN'S ADDRESS

NSR has continued its solid growth trajectory throughout FY21, delivering very strong returns across all areas of our business. Our group occupancy grew by 8.5% to over 86%, rate per square metre increased by 8.3% to \$260 and Revenue per Available Metre (REVPAM) grew by an impressive 22.8% to \$227. These results are a testament to the resilience of our business model and dedication of our entire team, who are relentless in their pursuit of business excellence and continuous performance improvement.

Our “four pillar” growth strategy, which remains focused on achieving organic growth through progressively increasing rate and occupancy, undertaking accretive acquisitions, continuing to deliver development and expansions projects, and harnessing new technology and innovation to achieve business efficiencies and economies of scale. This has continued to deliver excellent results and 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.

Total revenue grew from \$178 million to \$218 million for the financial year. Our operating profit was up 24% and importantly our EBITDA margin also increased to 62% demonstrating the improving efficiency of our business model, and the maturation of our business as a whole. Underlying earnings increased 28% to \$86.5 million and NSR's Total Assets increased by 23% to \$3.25 billion. NSR's securityholders have seen revenue growth of over 300% and underlying earnings growth of 344% since its IPO in December 2013. Macro-economic tailwinds continue to support our business, as industry awareness increases, dwelling sizes decrease and our workforce becomes more flexible, with working from home likely to become a permanent fixture in our economic future. Likewise the trends towards downsizing, our aging population, a strong housing market and the proliferation of e-business activity have also 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 continues to be the number one acquirer of third party owned self-storage centres in Australasia, with 25 high quality acquisitions totalling \$352 million transacted in FY21. 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 10 new builds comprising over 59,000m² of NLA completed in FY21. We currently have 22 active projects in the pipeline at present with 7 centres 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.

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)

Our business automation and innovation initiatives continue, as we roll out “no-key” technology to new construction and expansion projects as well as numerous other industry leading initiatives.

During the year we completed a fully underwritten capital raise for \$325million by way of a rights issue, which enabled us to strengthen NSR’s balance sheet, reduce gearing, maintain funding flexibility and support future growth.

Investors continue to enjoy growing returns and this year we delivered underlying EPS of 8.5 cents per stapled security, above initial guidance, and made a distribution of 8.1 cents per stapled security. Over the past three years we have delivered total shareholder returns of 23% and the market continues to show support for National Storage. This is at the top range of any of NSR’s market comparators in the A-REIT sector.

NSR’s Board and senior management remain confident of National Storage’s ability to continue to deliver superior returns for FY22 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, 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.

Laurence Brindle
Chairman

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NATIONAL STORAGE REIT

Annual General Meeting

27 October 2021



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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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This presentation contains summary information about the current activities of NSR and the entities within the NSR stapled group as at the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete. Statements made in this presentation are, unless otherwise stated, made only as of the date of this presentation and remain subject to change without notice. This presentation should be read in conjunction with NSR's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.

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Financial data

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.

Past performance

The past performance, including past security price performance, of NSR cannot be relied upon as an indicator of, and provides no guidance as to future NSR performance including future security price performance and is given for illustrative purposes only.

Forward-looking statements

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.

This presentation should not be relied upon as a recommendation or forecast by NSR.

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 2021 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

Laurence Brindle, Chair



QUESTIONS

- To ask a question, select the messaging tab at the top of the Lumi platform.
- At the top of that tab there is a section for you to type your question.
- Once you have finished typing please hit the arrow symbol to send.
- Questions can be submitted at any time.

VERBAL QUESTIONS

- An audio questions facility is available during this meeting.
- To use this service, please pause the broadcast on the Lumi platform and then click on the link under “Asking audio questions”.
- A new page will open where you will be prompted to enter your name and the topic of your question before being connected.
- You will listen to the meeting on this page while waiting to ask your question. If you have any issues using this system, please return to the Lumi platform.

VOTING

- If you are eligible to vote at this meeting, a new voting tab will appear.
- Selecting this icon will bring up a list of resolutions and present you with voting options.
- To cast your vote, simply select one of the options.
- There is no need to hit a submit or enter button as the vote is automatically recorded.
- You have the ability to change your vote up until the time that voting is declared closed.

DIRECTORS AND SENIOR EXECUTIVE TEAM



Anthony Keane
Non-executive
Director, Chair of the
Audit and Risk
Committees, and
member of the
Nomination and
Remuneration
Committees



Steven Leigh
Non-executive
Director, member of
the Nomination and
Remuneration
Committees



Howard Brenchley
Non-executive
Director, member of
the Audit and Risk
Committees



Andrew Catsoulis
Managing Director



Claire Fidler
Executive Director
and Company
Secretary



Stuart Owen
Chief Financial Officer



CHAIRPERSON'S ADDRESS

Laurence Brindle





MANAGING DIRECTOR'S ADDRESS

Andrew Catsoulis



THE YEAR IN REVIEW



FY21 RESULTS

- A-IFRS profit of \$309.7 million
- Underlying earnings¹ of \$86.5 million (+28%)
- Underlying EPS¹ of 8.5 cents per stapled security (+2.4%)
- NTA of A\$1.89 per stapled security (+15%)
- FY21 Total Return² of 19.5%
- Group Occupancy³ of 86.1% (+8.5%)
- Group REVPAM³ of \$227 (+22.8%)

FY22 OUTLOOK

- Underlying earnings greater than \$110 million
- Underlying EPS – Minimum 10% growth

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

2 – Distribution yield plus percentage NTA growth – 1 July 2020 to 30 June 2021

3 – Group - Australia and New Zealand (142 centres), as per 4 & 5 below

4 – Australia - 121 centres as at 30 June 2019 (excluding Wine Ark and let-up centres)

5 – New Zealand – 21 centres as at 30 June 2021 (excluding let-up centres)

REVPAM – Revenue Per Available Square Metre

OPERATIONAL UPDATE

STRONG FY21 CONTINUES INTO FY22

- Continuation of strong FY21 results flowing into FY22
 - Group Occupancy¹ up 1.0% YTD⁴ to 87.1%
 - In excess of 20,000m² of occupancy added since 1 July 2021
 - Group REVPAM¹ increased to \$228 as at 30 September 2021, up 2.8% from \$221 at 30 June 2021
 - Group Rate¹ increased to \$263 as at 30 September 2021, up 3.4% from \$254 at 30 June 2021
 - Ancillary revenues continue to increase
 - 67% of centres above 85%, 31% above 90% occupancy
- Transition to an unsecured debt platform completed to provide greater debt funding flexibility
- Continuing to pursue longer dated debt markets, both domestic and international
- Completed 9 acquisitions totalling \$43m - adding 18,600m² of NLA
- Development pipeline remains strong with 7 projects expected to be completed during FY22
- Enhancement to website, contactless move in process and online marketing continue

1 - Group - Australia and New Zealand (170 centres)

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

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

4 – YTD to 24 October 2021



KEY OPERATIONAL METRICS - REVPAM



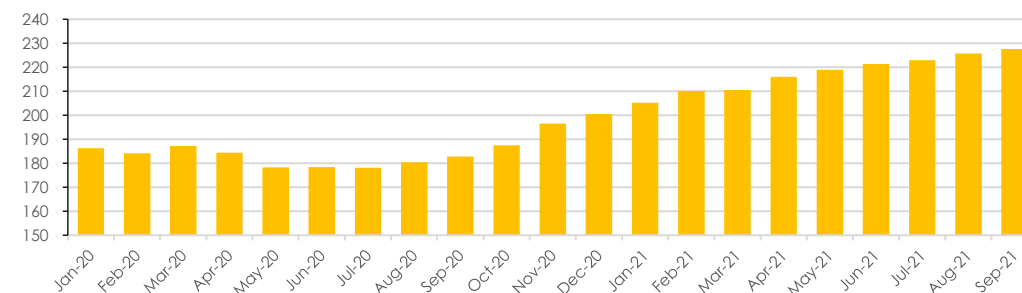
ACTIVE MANAGEMENT OF RATE AND OCCUPANCY TO MAINTAIN MOMENTUM

- Sustained occupancy, rate and REVPAM growth achieved over FY21 continuing into FY22
- Revenue management strategies delivering excellent results
 - Group Occupancy up YTD 1.0% from 30 June 2021 to 87.1%
 - Group REVPAM up 2.8% from 30 June 2021 to \$228
 - +11.2% Annualised
 - Group Rate up 3.4% from 30 June 2021 to \$263
 - +13.6% Annualised

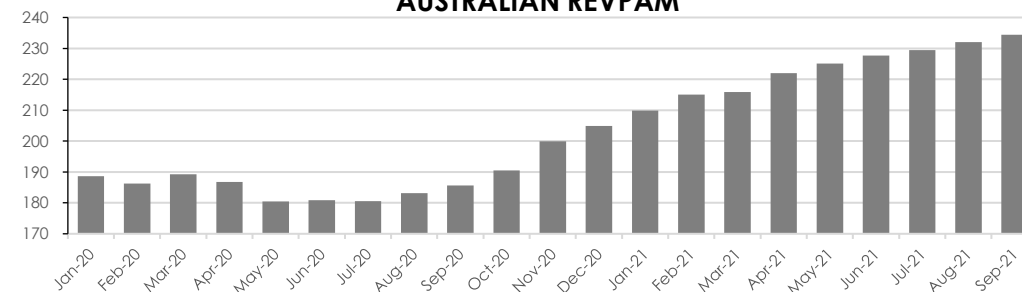
	GROUP	AUSTRALIA	NEW ZEALAND
Occupancy (24 Oct 2021)	87.1% (+1.0%)	86.9% (+0.8%)	88.1% (+2.5%)
REVPAM (30 Sept 2021)	\$228 (+2.8%)	\$234 (+2.9%)	\$184 (+2.7%)
Rate (30 Sept 2021)	\$263 (+3.4%)	\$270 (+3.4%)	\$217 (+3.5%)

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 September 2021 (excluding let-up centres)
 YTD to 24 October 2021

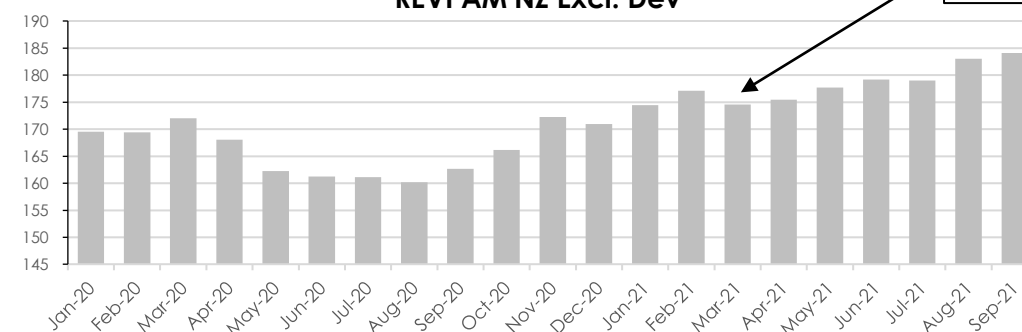
Group REVPAM



AUSTRALIAN REVPAM



REVPAM NZ Excl. Dev



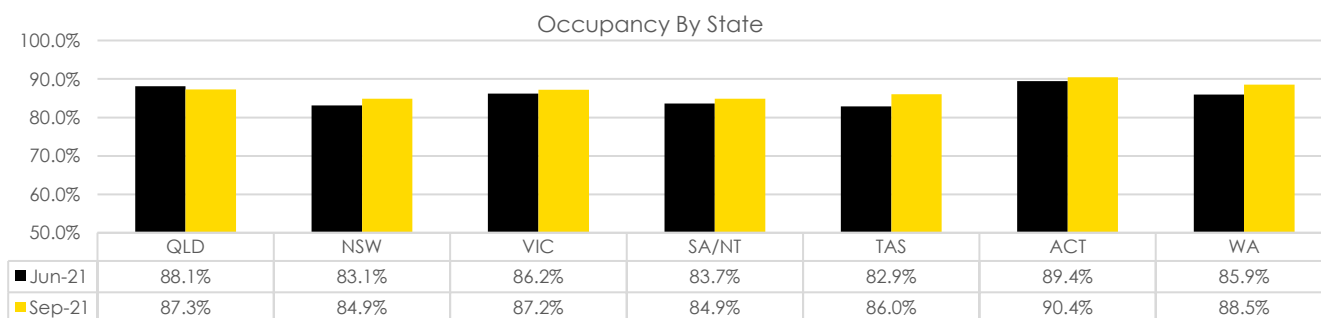
Impacted by acquisition

KEY OPERATIONAL METRICS - OCCUPANCY

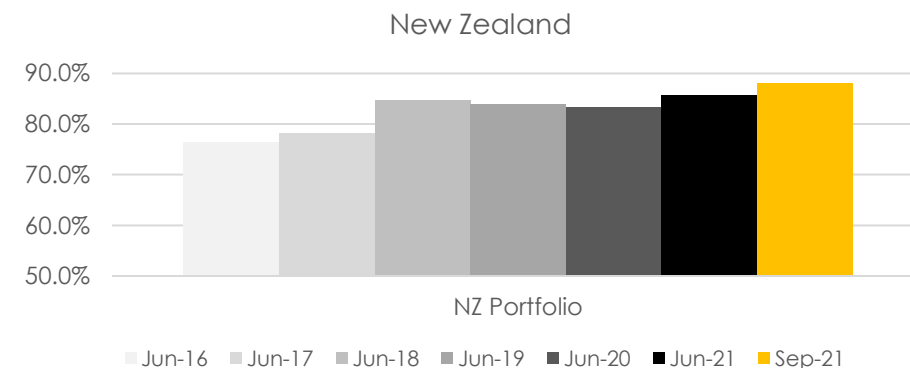
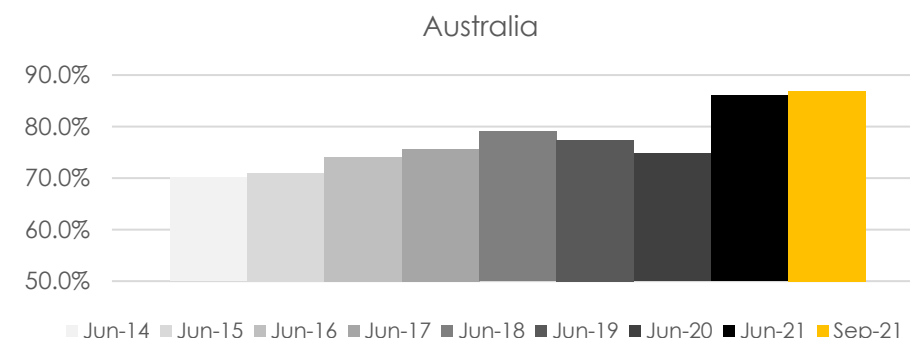
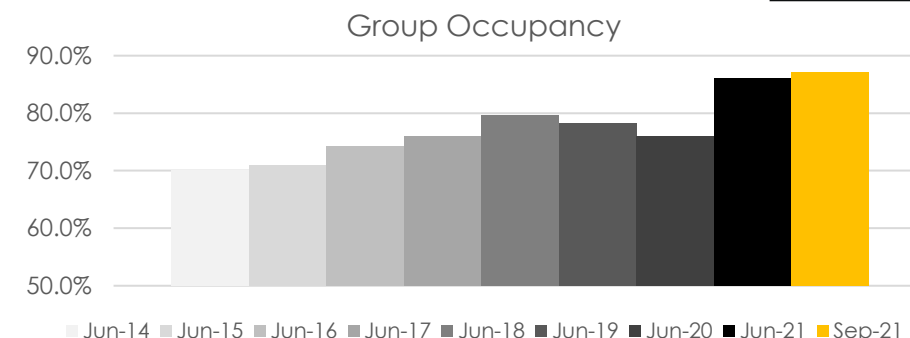


STRONG OCCUPANCY GROWTH INTO FY22

- Group occupancy 87.1% (+1.0%)
 - Australian Portfolio 86.9% (+0.8%)
 - New Zealand Portfolio 88.1% (+2.5%)
- Occupancy across 18 Let-up centres grew 7.2% to 63.6% (+10,100m²)
- Total occupancy (207 centres) up 2.0% to 83.9%
- Strong occupancy growth
 - In excess of 20,000m² of occupancy added to date in FY22
 - Approximately 70,000m² of growth remains in the current portfolio to reach 90% occupancy
 - 100,000m² of new NLA under development
 - Expected increased economic activity post COVID-19 lockdowns to deliver further occupancy growth



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 September 2021 (excluding let-up centres)
 Occupancy as at 24 October 2021



ACQUISITIONS



PIPELINE REMAINS STRONG | TARGETING VALUE ACQUISITIONS

▪ FY21 in Review

- 22 centres and three development sites acquired to 30 June 2021 for \$352m
- Major strategic portfolio acquisition in Melbourne of nine centres with significant expansion potential

▪ YTD FY22

- Focus on “value” acquisitions
- 6 centres and 3 development sites totalling \$43m settled in FY22 adding 18,600m² of NLA
- Acquisition run rate expected to gain momentum as COVID-19 restrictions ease and interstate/New Zealand travel resumes
- Focus on transacting high-quality acquisitions across Australia and New Zealand
- Scalability of the operating platform to drive efficiencies across the business

REGION	NUMBER OF CENTRES	NLA (M ²)
Melbourne	10	47,500
Sydney	2	13,100
Brisbane	2	13,400
Sunshine Coast	4	29,100
Central Coast (NSW)	2	15,700
Perth	1	5,800
Christchurch (NZ)	1	3,800
Total FY21 Acquisitions	22	128,400



EXPANSION

EXPANSION AND REVIVE PROJECTS PROVIDING SIGNIFICANT VALUE ADD POTENTIAL



Overview

- Use of existing NSR owned land in proven locations
 - 6 projects completed during FY21 (29,500m² of NLA)
 - 7 active projects
 - Aggregate NLA pipeline of approximately 47,000m²

Expansions – Existing centres

- Strategic expansion of existing sites where occupancy levels are consistently high, and demand exceeds supply
- Optimisation of land parcels acquired over time (hardstand and outdoor area conversions into more intensive storage uses)
- Significant value-add potential (over 50 centres within current portfolio with expansion possibilities)
 - Utilisation of surplus land, building over existing single-level buildings or conversion of warehousing into higher density storage utilisation
- Targeting 15%+ 5-year IRR and 10%+ return on cost at stabilised revenue



THANK YOU

A modern building with a dark grey facade and large glass windows. The building is decorated with several thick yellow diagonal lines that crisscross the facade. A yellow square sign with the words "NATIONAL STORAGE" in black capital letters is mounted on the left side of the building. The sky is a clear blue with some light clouds. A green tree is visible in the bottom left corner.

**NATIONAL
STORAGE**

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APPENDICES



DEVELOPMENT AND EXPANSION



INCREASING FOCUS ON DEVELOPMENT AND EXPANSION PROJECTS

- Target projects providing additional built capacity in key markets
- Locations selected after extensive heat mapping 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



10 projects completed during FY21, adding 59,100m² of NLA



22 active projects, with 7 projects under construction



Aggregate NLA pipeline approximately 150,000m²

New developments

- Strategic expansion of existing sites with additional capacity where occupancy levels are consistently high and demand exceeds supply
- Focus on expanding coverage in key target growth areas

Expansions – Existing centres

- Strategic expansion of existing sites with additional capacity where occupancy levels are consistently high and demand exceeds supply
- Significant value-add potential (over 50 centres within current portfolio with expansion possibilities)

“Revive” – Refurbishment program

- Assessment of every site from a safety, functionality, repair/maintenance cost, technology and visual appeal perspective
- Refurbish identified target assets to improve functionality and customer experience to enhance revenue



DEVELOPMENT AND EXPANSION

TARGETED DEVELOPMENT PROVIDING ADDITIONAL UNIT PIPELINE IN KEY AREAS



Overview

- Target projects providing additional pipeline in key areas
 - Four projects completed during FY21 (29,500m² of NLA)
 - 15 active projects, with 7 projects under construction
 - Aggregate NLA pipeline of approximately 107,000m²
- Combination of fully NSR, turnkey and JV development allows NSR to leverage its in-house development expertise
- Provides enhanced revenue and capital outcomes for NSR

New developments

- Focus on expanding coverage in key target growth areas
- Built to exacting NSR specifications
- Application of new technology such as Bluetooth Smart Access to provide improved efficiency and enhanced customer and employee experience
- Integration of the newly developed wayfinding concept
- Maximises returns on land within existing portfolio
- Targeting double digit 5-year IRR and 10%+ return on cost at stabilised revenue