



8 October 2014

ASX ANNOUNCEMENT

NATIONAL STORAGE TO ENTER NEW MARKET

National Storage REIT (NSR) is pleased to announce it has entered into arrangements to undertake a portfolio transaction in the Australian Capital Territory (ACT).

The transaction will see National Storage enter the Canberra market with three assets in Hume, Mitchell and Phillip respectively, with the fourth just over the border in Queanbeyan, New South Wales (NSW):

- Hume – the centre is positioned a short distance from the Monaro Highway leading south and features 500 units with a net lettable area of approximately 6,293 sqm;
- Mitchell - the largest asset in the portfolio, the Mitchell centre has 900 units over 9,185 sqm of net lettable area and is 10km north of the CBD;
- Phillip – the asset lies 12km south-west of the CBD in a small industrial precinct surrounded by residential suburbs, and comprises 900 units across 7,630 sqm of net lettable area; and
- Queanbeyan – the centre features 420 units over 4,722 sqm of net lettable area and is situated south-east of Canberra, just outside the ACT border.

Managing Director Andrew Catsoulis says the portfolio acquisition will solidify National Storage's presence in the Australian market.

"The acquisition of four centres in Canberra is a milestone for NSR, being the first new major metropolitan market National Storage has entered since listing in December 2013, and the first acquisition since the successful capital raising in August 2014. This transaction will bring the portfolio to 73 centres under operation and management across Australia" he said.

"These award winning centres will afford National Storage broad coverage across the Canberra market. With group occupancy of approximately 74% and a pricing structure consistent with NSR's approach, the group is a strong fit for the NSR portfolio and provides opportunity for occupancy and rate per square metre growth" he said.

The portfolio will be purchased for \$46.5 million as a combination of cash and scrip (the majority of which is cash consideration), with the cash portion to be funded from NSR's debt facility. The portfolio is forecast to generate a year one passing income yield of 8.2%. The transaction remains conditional and should it proceed, settlement is expected in late October 2014.

National Storage continues to actively pursue acquisition opportunities in line with its asset management strategy. The earnings guidance for CY14 remains unchanged.

ENDS

NATIONAL STORAGE REIT (NSR)

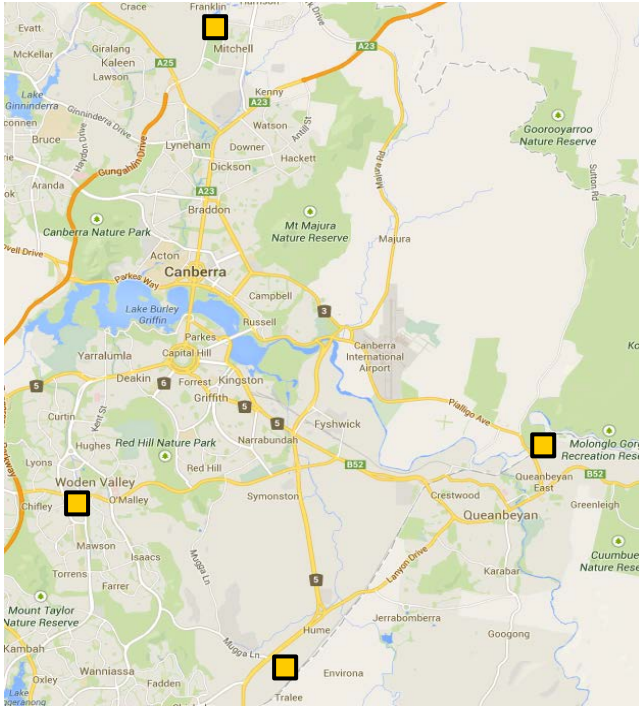
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The Trust Company (RE Services) Limited (ACN 003 278 831 AFSL 235 150) as responsible entity for National Storage Property Trust (ARSN 101 227 712)

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ASSET PORTFOLIO



Hume



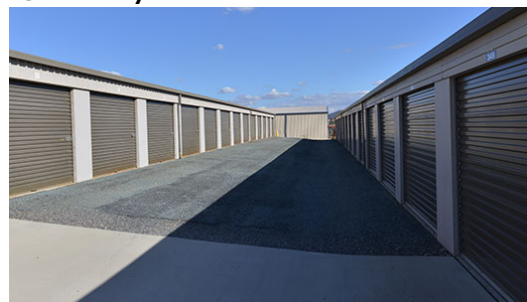
Mitchell



Phillip



Queanbeyan



National Storage is one of the largest self-storage providers in Australia, with 69 centres providing tailored storage solutions to over 25,000 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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