



# NATIONAL STORAGE REIT ASX ANNOUNCEMENT

23 August 2023

## NSR FY23 RESULTS

National Storage REIT (ASX: NSR) today announces its financial results for the year ended 30 June 2023 with an IFRS profit after tax of \$320.4 million (EPS 25.8cps) and Underlying EPS<sup>(1)</sup> of 11.5cps.

### KEY HIGHLIGHTS

- IFRS profit after tax of \$320.4 million (EPS 25.8cps)
- Underlying Earnings up by 8.5% to 11.5cps
- Group REVPAM up 3.6% to \$270/m<sup>2</sup>
- Conservative gearing of 20%
- Total Assets<sup>(2)</sup> of \$4.48 billion, up \$535 million (+14%)
- Total Revenue of \$330 million, up \$51 million (+18%)
- Net tangible assets of \$2.48 per stapled security, up 14 cents (+6%)
- 33 acquisitions totalling \$234 million settled in FY23
- 45 active development projects providing NLA pipeline of approximately 360,000m<sup>2</sup>

### FINANCIAL RESULTS

Managing Director Mr. Andrew Catsoulis said, "NSR has delivered another very strong performance in FY23 for National Storage's stakeholders, despite marked changes in the economic environment. Notwithstanding these headwinds, NSR has maintained its occupancy at very high levels and grown its revenue across Australia and New Zealand, building on its robust growth trajectory."

Underlying Earnings for the period increased by 8.5% to 11.5cps, Group REVPAM increased 3.6% to \$270/m<sup>2</sup>, Group Rate per Square Metre increased by 8.2% to \$319/m<sup>2</sup>, with Total Revenue increasing to \$330 million, up 18% on the prior year.

These strong results were driven through a range of strategic financial initiatives. "NSR has successfully navigated the challenges of the evolving operating environment faced in FY23 through the execution of a number of important strategies," said Mr. Catsoulis. "These include a highly successful capital raising undertaken in March 2023 which has significantly bolstered NSR's balance sheet, and the significant extension and improvement of the headroom, scope and tenor of our debt facilities. This further highlights the resilience of NSR's operating business model and our conservative positioning."

### OPERATING RESULTS

NSR's active management of occupancy and rate has maintained its solid growth trajectory. In particular, our strongest occupancy growth has been in our 14 "let-up" centres that were operating for the full year, which grew by almost 14% across FY23. These centres will contribute positively to earnings accretion in coming years.

<sup>1</sup> Underlying earnings is a non-IFRS measure (unaudited)

<sup>2</sup> Net of Lease Liability

NSR's average centre size now sits at an average of over 5,500m<sup>2</sup> net lettable area per centre. Our recently developed centres which are now in "let-up", have an average NLA per centre of 7,470m<sup>2</sup>, demonstrating our focus on maximising the scalability and efficiency of our portfolio.

Our focus on technology, automation and improving our centres' operational efficiency has seen our operating margin grow from 64% to 66% in FY23, demonstrating the benefits of scalability as a result of our best in class internally managed storage sector platform.

## **ACQUISITION, DEVELOPMENT AND EXPANSION PIPELINE**

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NSR has successfully executed its acquisition and development strategy with 33 acquisitions settled in FY23 totalling \$234 million. NSR has 45 active development projects with aggregate NLA pipeline of approximately 360,000m<sup>2</sup>. This includes 20 projects which will deliver over 145,000m<sup>2</sup> of additional NLA either under construction or with development approval in place, providing an unrivalled pipeline of future built capacity to be delivered in coming years. This will underpin our revenue and earnings growth for years to come. As these assets reach stabilised occupancy they are expected to positively offset any short-term earnings impact and deliver NTA accretion.

Mr. Catsoulis said, "Our acquisition strategy remains focused predominantly on off-market, value accretive opportunities sourced from our team's long-standing industry insights in an aim to enhance our existing footprint. Together with our development and expansion pipeline, this will provide ongoing built capacity which will enable NSR to expand its unrivalled network of self-storage centres in key markets throughout Australia and New Zealand".

## **OUTLOOK**

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NSR's Underlying EPS Guidance is to deliver a minimum of 11.3cps with Underlying Earnings greater than \$154 million (FY23: \$142 million), and a Distribution Guidance of a 90%-100% payout of Underlying Earnings.

NSR provides this guidance assuming there are no material changes in market conditions or operating environments.

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 approximately 90,000 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).

For further information:

Andrew Catsoulis  
Managing Director  
07 3218 8100

Stuart Owen  
Chief Financial Officer  
07 3218 8100

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### **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)