



**29 August 2018**

*Not for release or distribution in the United States*

## **ASX ANNOUNCEMENT**

### **NATIONAL STORAGE REIT RETAIL ENTITLEMENT OFFER NOTIFICATION TO INELIGIBLE SECURITYHOLDERS**

National Storage REIT (NSR) attaches a copy of the notification being sent to Ineligible Securityholders today in relation to the Entitlement Offer.

A handwritten signature in blue ink, appearing to read "C. Fidler".

Claire Fidler  
Executive Director & Company Secretary

## **ENDS**

National Storage is one of the largest self-storage providers in Australia and New Zealand, with 140 centres providing tailored storage solutions to over 50,000 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

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### **NATIONAL STORAGE REIT (NSR)**



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29 August 2018

Dear Securityholder

**LETTER TO INELIGIBLE SECURITYHOLDERS – A\$50 MILLION INSTITUTIONAL PLACEMENT AND A\$125 MILLION NON-RENOUCEABLE ENTITLEMENT OFFER**

On 22 August 2018, National Storage REIT ("National Storage") comprising National Storage Holdings Limited (ACN 166 572 845) ("NSHL") and National Storage Financial Services Limited (ACN 600 787 246) as responsible entity of the National Storage Property Trust (ARSN 101 227 712) ("NSPT") announced that it was conducting an A\$50 million institutional placement and an A\$125 million pro-rata accelerated non-renounceable entitlement offer, to eligible securityholders, to subscribe for 5 new National Storage stapled securities (each comprising one fully paid ordinary share in NSHL stapled to one fully paid ordinary unit in NSPT) ("New Securities") for every 37 existing National Storage stapled securities ("Existing Securities") held at the Record Date of 7pm (Australian Eastern Standard Time) on 24 August 2018 ("Entitlement Offer" and together with the Institutional Placement, the "Offer"). New Securities will be issued at an offer price of A\$1.66 per New Security.

The institutional placement is being made by National Storage in accordance with sections 708A and 1012DA of the Corporations Act 2001 (Cth) ("the Act"), meaning that no prospectus is required to be prepared in relation to the institutional placement.

The Entitlement Offer comprises an institutional component (the "Institutional Entitlement Offer") and a retail component (the "Retail Entitlement Offer"). The Entitlement Offer is being made by the Issuer in accordance with sections 708AA and 1012DAA of the Corporations Act 2001 (Cth) (as modified by, amongst other instruments, ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73), meaning that no prospectus or product disclosure statement needs to be prepared.

The Institutional Entitlement Offer has already closed and raised approximately \$38 million. The Retail Entitlement Offer is expected to raise approximately \$37 million.

The Offer proceeds are expected to be used to replenish National Storage's balance sheet, reducing gearing levels to ensure sufficient headroom for growth and longer-term financial flexibility to continue its consolidation strategy and pursue further growth through identified strategic initiatives. An offer booklet in relation to the Retail Entitlement Offer will be mailed to Eligible Retail Securityholders (defined below) on or around 29 August 2018. Further information in relation to the Entitlement Offer has been disclosed on the Australian Securities Exchange ("ASX").

This letter is to inform you about the Entitlement Offer, and to explain why you will not be able to subscribe for New Securities under the Entitlement Offer. This letter is not an offer to issue entitlements or New Securities to you, nor an invitation for you to apply for entitlements or New Securities. **You are not required to do anything in response to this letter.**

The Retail Entitlement Offer is only available to Eligible Retail Securityholders. Eligible Retail Securityholders are those persons who:

- are registered as a holder of Existing Securities on the Record Date of 7pm (Australian Eastern Standard Time) on 24 August 2018;
- have a registered address on the National Storage security register that is in Australia or New Zealand;
- are not in the United States, and are not acting for the account or benefit of a person in the United States (to the extent such persons hold National Storage securities and are acting for the account or benefit of a person in the United States);
- were not invited to participate (other than as nominee, in respect of other underlying holdings) in the Institutional Entitlement Offer and were not treated as an ineligible institutional securityholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

The restrictions upon eligibility to participate in the Retail Entitlement Offer arise because of the legal and regulatory requirements in countries other than Australia or New Zealand and the potential costs to National Storage of complying with these legal and regulatory requirements compared with the relatively small number of securityholders in those countries, the relatively small number of existing National Storage securities they hold and the relatively low value of New Securities to which those securityholders would otherwise be entitled. National Storage has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3) of the Act, that it would be unreasonable to make or extend offers to National Storage securityholders in certain countries under the Retail Entitlement Offer.

According to our records, you do not satisfy the eligibility criteria for an Eligible Retail Securityholder as set out above and National Storage is unfortunately unable to extend to you the opportunity to participate in the Retail Entitlement Offer. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Act, this notice is to inform you that under the terms of the Entitlement Offer, you are not entitled to participate in the Entitlement Offer and as such, will not be offered any New Securities under the Entitlement Offer.

**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)

Entitlements in respect of the New Securities you would have been entitled to if you were an Eligible Retail Securityholder ("Ineligible Securities") will lapse. The Ineligible Securities will be offered to certain Institutional Investors at the Offer Price, or will be subscribed for by the underwriters to the Entitlement Offer at the Offer Price.

Accordingly, there will be no net proceeds of that issue in excess of the Offer Price, and you will not receive any payment or value for those Ineligible Securities. This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. This is consistent with the non-renounceable nature of the Entitlement Offer.

If you have any queries, please contact your stockbroker, accountant or other professional adviser or the National Storage Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:30pm (Australian Eastern Standard Time), Monday to Friday.

Yours faithfully,



**Claire Fidler**  
**Executive Director & Company Secretary**

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### **Important Information**

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been, or will be, taken to register, qualify or otherwise permit an offering of New Securities in any jurisdiction outside Australia or New Zealand. In particular, the New Securities have not been, nor will be, registered under the US Securities Act of 1933 (the "US Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by, and the New Securities may not be offered or sold to, persons in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

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