

**Public
Storage**

Company Update
January 2024



Important Information

FORWARD-LOOKING STATEMENTS: This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements relating to our 2023 outlook and all underlying assumptions, our expected acquisition, disposition, development, and redevelopment activity, supply and demand for our self-storage facilities, information relating to operating trends in our markets, expectations regarding operating expenses, including property tax changes, expectations regarding the impacts from inflation and a potential future recession, our strategic priorities, expectations with respect to financing activities, rental rates, cap rates, and yields, leasing expectations, our credit ratings, and all other statements other than statements of historical fact. Such statements are based on management's beliefs and assumptions made based on information currently available to management and may be identified by the use of the words "outlook," "guidance," "expects," "believes," "anticipates," "should," "estimates," and similar expressions. These forward-looking statements involve known and unknown risks and uncertainties, which may cause our actual results and performance to be materially different from those expressed or implied in the forward-looking statements. Risks and uncertainties that may impact future results and performance include, but are not limited to those described in Part 1, Item 1A, "Risk Factors" in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on February 21, 2023 and in our other filings with the SEC. These include changes in demand for our facilities, impacts of natural disasters, adverse changes in laws and regulations including governing property tax, evictions, rental rates, minimum wage levels, and insurance, adverse economic effects from public health emergencies, international military conflicts, or similar events impacting public health and/or economic activity, increases in the costs of our primary customer acquisition channels, adverse impacts to us and our customers from inflation, unfavorable foreign currency rate fluctuations, changes in federal or state tax laws related to the taxation of REITs, security breaches, including ransomware, or a failure of our networks, systems, or technology. These forward-looking statements speak only as of the date of this presentation or as of the dates indicated in the statements. All of our forward-looking statements, including those in this presentation, are qualified in their entirety by this cautionary statement. We expressly disclaim any obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, new estimates, or other factors, events, or circumstances after the date of these forward-looking statements, except when expressly required by law. Given these risks and uncertainties, you should not rely on any forward-looking statements in this presentation, or which management may make orally or in writing from time to time, neither as predictions of future events nor guarantees of future performance.

NON-GAAP MEASURES: This presentation contains non-GAAP measures, including FFO and NOI. Non-GAAP measures should not be considered as an alternative to, or more meaningful than, net income (determined in accordance with GAAP) or other GAAP financial measures, as an indicator of financial performance and is not an alternative to, or more meaningful than, cash flow from operating activities (determined in accordance with GAAP) as a measure of liquidity. Non-GAAP measures have limitations as they do not include all items of income and expense that affect operations and, accordingly, should always be considered as supplemental financial results to those presented in accordance with GAAP. In addition, other REITs may compute these measures differently, so comparisons among REITs may not be helpful. Please refer to our SEC periodic reports for definitions of our non-GAAP measures and reconciliations to the nearest GAAP measures.



Company Highlights

- I. Self-Storage Industry Leader
- II. Innovation-Powered Organic Growth
- III. Multi-Factor External Growth
- IV. Growth-Oriented Balance Sheet
- V. Attractive Valuation and Outlook

Appendix: 4Q23 Operating Update

The Self-Storage Industry Leader

NYSE / S&P 500

company

51

years in operation

A2 / A

credit rating (Moody's/S&P)

\$4.3B

TTM revenues

\$3.2B

TTM net operating
income (NOI)

3,297

properties

238M

rentable square feet

40

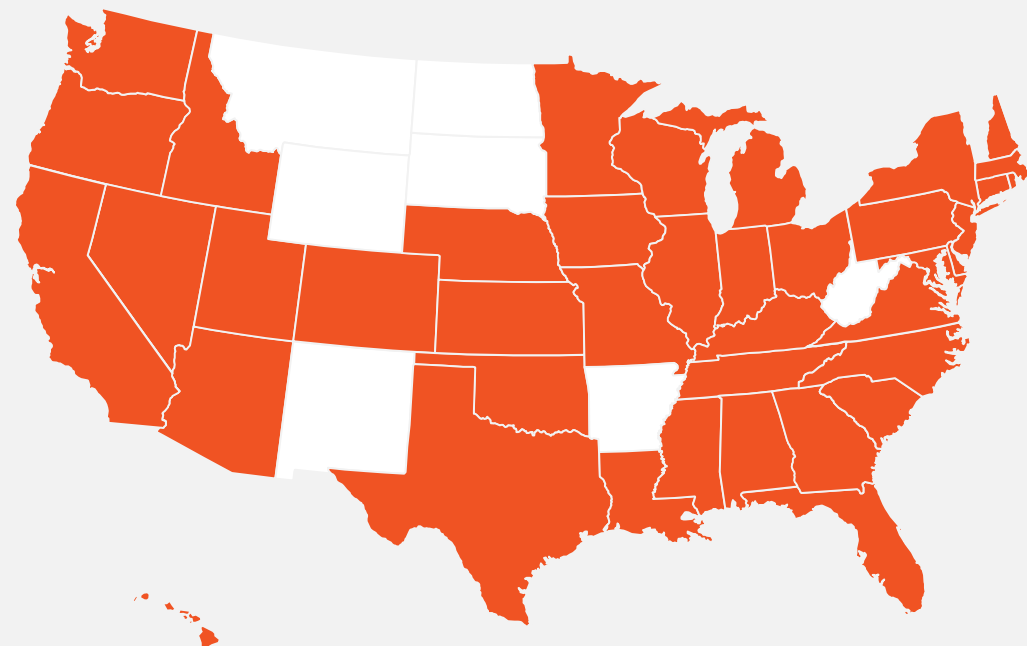
states

2.0M

customers in place

34%

portfolio expansion through
\$11 billion of investment
since the beginning of 2019



Unique Competitive Advantages



Unmatched Owned Scale & Locations

Half of the U.S. population lives within a Public Storage trade area



Platform Strength & Innovation

Continuous first-mover strategy, technology, and platform innovation with an unmatched data set



High-Integrity Team & Culture

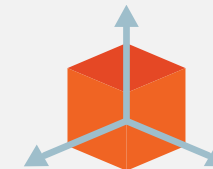
An innovation-driven culture with broad diversity

The Public Storage logo, featuring the words "Public Storage" in white, bold, sans-serif font, enclosed within a white rounded rectangle with a thin border. The logo is centered on a large orange rounded rectangle.

Public Storage

Iconic Brand

Strongest consumer recognition with accompanying scalable economic benefits



Multi-Lever External Growth

Acquisition, development, redevelopment, and third-party management expertise drives value creation



Growth-Oriented Balance Sheet

Capacity to fund further accretive growth

Committed to Sustainable Growth



Environmental

A Low Impact Company



Social

A People Focus



Governance

Integral to operational, financial, and reputational resilience

- ✓ **Light footprint** | Carbon, water, and waste intensities 88% lower than other property types on average
- ✓ **Proactive initiatives** | Focus on further reducing our impact and generating ROIC through initiatives including LED lighting, solar power, and low water use landscaping across the portfolio
- ✓ **Low obsolescence** | Properties retain physical and functional usefulness over decades
- ✓ **High structural resilience** | Designed and built to mitigate the impact of climate and natural disasters

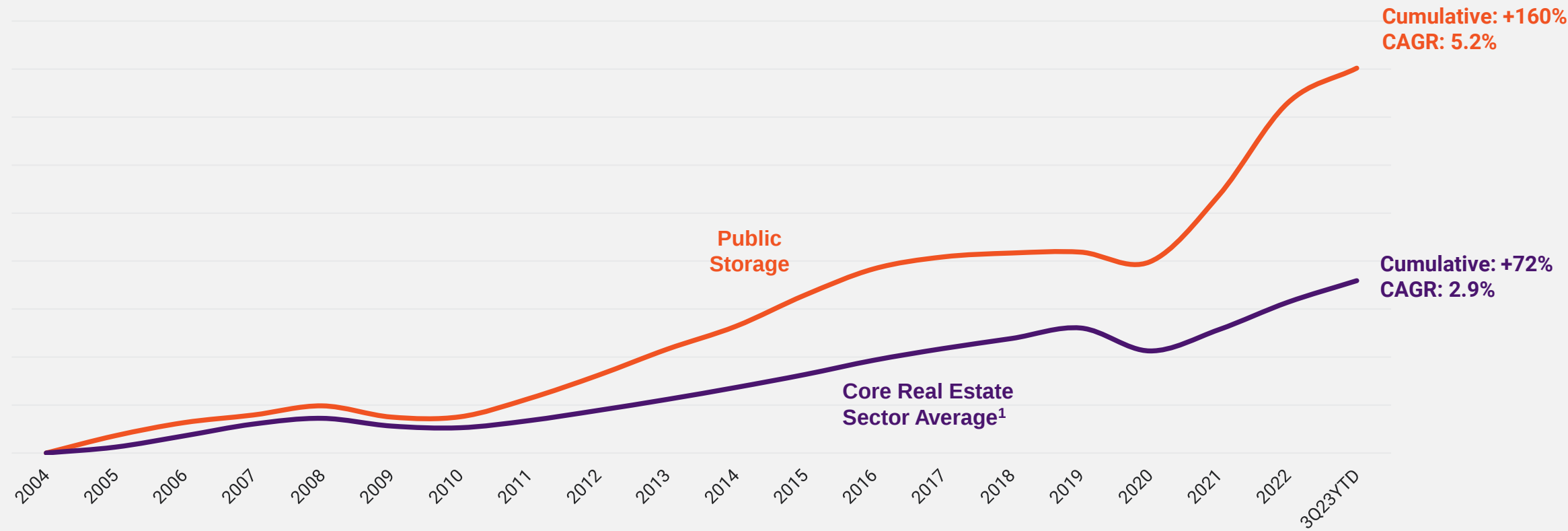
- ✓ **Great Place to Work®** | Received prestigious Great Place to Work® recognition based entirely on employee feedback
- ✓ **Diverse team** | 53% people of color and 67% female
- ✓ **High-integrity culture** | Built on accountability, entrepreneurship, employee development, diversity, and inclusion
- ✓ **Career advancement** | Recently created three new positions for our property and customer care center employees
- ✓ **Health, safety, and wellbeing** | Comprehensive benefits and programs provided to nearly all employees, including part-time

- ✓ **Enterprise Risk Management** | Focused on strategic, operational, financial, and governance risks, including cyber security and data privacy
- ✓ **Highest ethical standards** | Foundational structure for oversight and accountability, promoting fairness and compliance, and proactively managing risk
- ✓ **Strong Board composition** | High independence and diversity with wide-ranging and complementary skill sets
- ✓ **Enhanced communication** | Committed to deep and frequent communication with investors and analysts
- ✓ **Executive compensation plan** | Well-aligned with our strategy of creating sustainable long-term value through a multi-year and multi-metric approach

Strong and Resilient Income Growth Profile

Public Storage’s income generation outpaces and is more resilient than the broader real estate space

Same-Store Net Operating Income Growth
Indexed to 2004



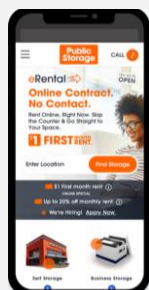
Source: Company filings
1. Core real estate sector average includes apartment, industrial, office, and retail REITs.

Delivering the Digital Customer Experience

Digital transformation enhances the customer experience while also enabling our operating model transformation

Finding a Space

Website



Industry-Leading Platform

- ✓ Mobile centric
- ✓ Click-to-call and AI-enabled chat
- ✓ Dynamic pricing across channels
- ✓ 24 million visitors per year

Lease Execution

Digital Rental Agreement



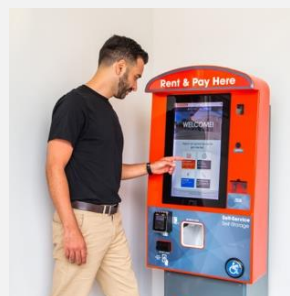
Leading Adoption by Customers Enables Operating Efficiency

~65%
of move-ins
Public Storage

~30%
of move-ins
Self-Storage
Peer Average

Account Management

Digital Customer Care



Development Complete and on Location in Several Markets

- ✓ Full leasing, account management, and customer care functionality
- ✓ Live video interaction with customer care representatives

Daily Property Use

Comprehensive Mobile App



Highest Customer Utilization and Satisfaction (out of 5)¹

4.6 stars
72,000 reviews
Public Storage

2.7 stars
1,100 reviews
Self-Storage
Peer Average

- ✓ Full leasing, account and stored inventory management, customer care, and digital property access functionality

Digital Property Access²



Enabling Customer Access and Data on Property Utilization

First company to
100% of properties
Public Storage

- ✓ Electronic locks in testing to complement building access



Source: Company disclosure and data, Apple, Google

1. Based on Apple and Android reviews.

2. Digital property access systems provide hands-free digital access through parking gates, doors, and elevators via the PS App.

Industry's First End-to-End Digital Ecosystem

Proprietary digital ecosystem enables transformation beyond the traditional property manager dependent operating model

Digital Property Operating Model

At more than 400 Public Storage properties

Digital Enterprise Platform

Digital Customer Experience

Omni-Channel Customer Engagement



Website



PS App



Kiosk



Digital Care Team

- ✓ Unit rentals
- ✓ Account management
- ✓ Live-video customer service
- ✓ Customer demand driven staffing

Convenience, Monitoring, and Safety



Digital Access Systems



Smart Camera Security



Asset Management

- ✓ Solar energy capabilities
- ✓ Analytics-driven preventative maintenance
- ✓ Specialized cleaning personnel



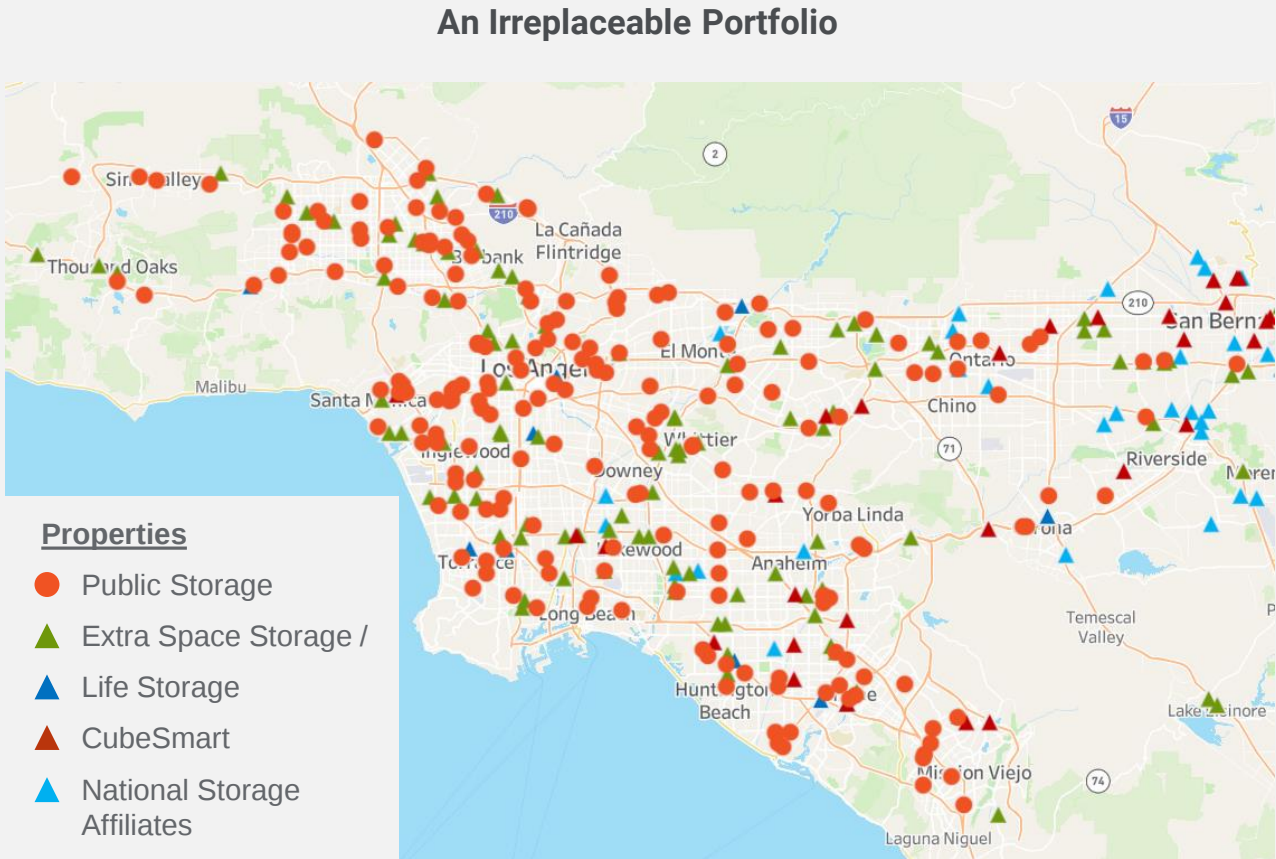
Multi-Property Local Teams



Centralized Data-Driven Operating Model

Growth Tailwind From Our Largest Market

Revenue growth in Los Angeles is a tailwind on strong demand dynamics, limited new supply, and the expiration of pricing restrictions

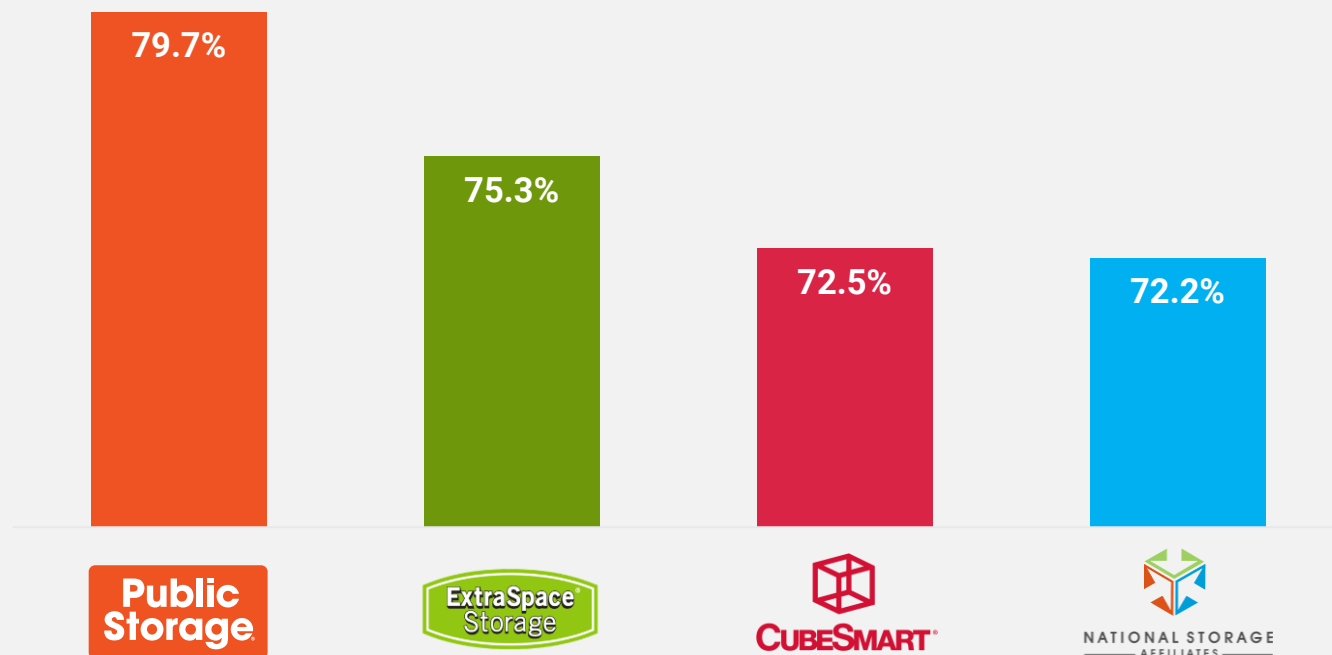


Source: Company filings
1. Calculated as Los Angeles revenue growth less all other markets revenue growth for the same store pool during each quarter.

Strengthening Our Operating Advantage

First-mover technology implementation and operating model transformation are further enhancing our profitability

Same-Store NOI Margin¹



Further margin expansion through operating model transformation and sustainability initiatives over the next few years, including:

25%

Payroll cost savings through customer experience optimization²

30%

Utility cost savings through solar power and LED light implementation²

Accelerated External Growth

Multiple channels to grow and enhance our portfolio

Growth Since Beginning of 2019¹

\$11 billion

of investment in acquisitions,
development, and redevelopment

55 million

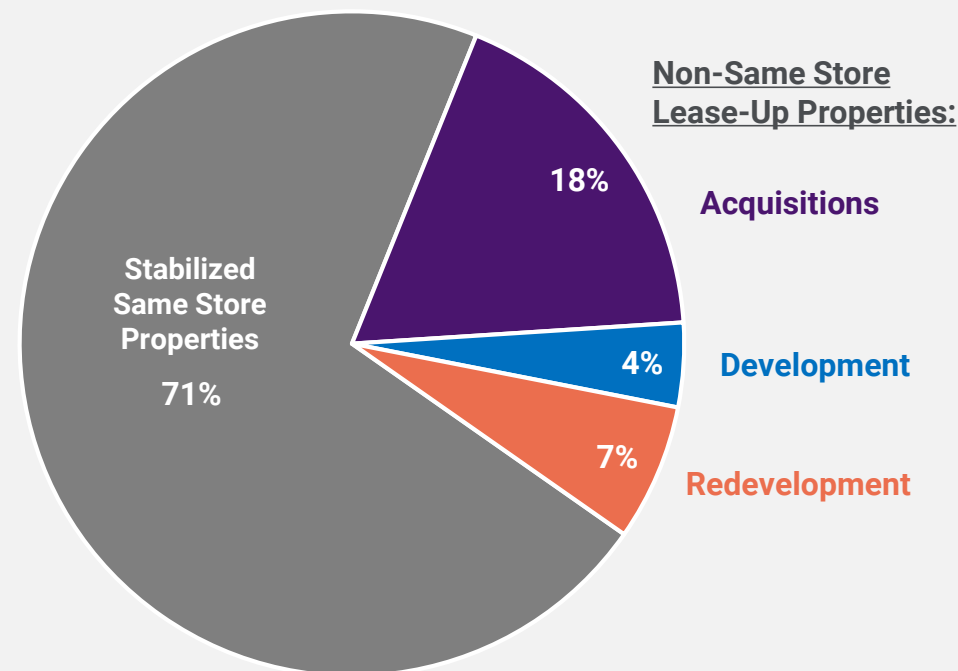
square feet added to the portfolio

34%

increase in portfolio size

Total Owned Portfolio By Property Type¹

217+ million square feet



High growth lease-up properties are now 29% of the total portfolio and growing

Advantages and Unique Capabilities Drive Growth

Differentiated Acquisition Strategy

-  **Infuses Proprietary Big Data and Analytics**
Deep analytics underpin investment decisions made by our experienced team
-  **Enhances Benefits of Diversification and Coverage**
Unique operating upside is fully captured within markets and across the portfolio
-  **Generates Industry-Leading Income Performance**
Platform advantages drive NOI in lease-up and seasoned properties acquired
-  **Unlocks Redevelopment and Expansion Opportunities**
Only REIT in-house development team identifies and executes on additive growth
-  **Achieves Superior Returns**
Retained cash flow and debt funding complement our operating outperformance

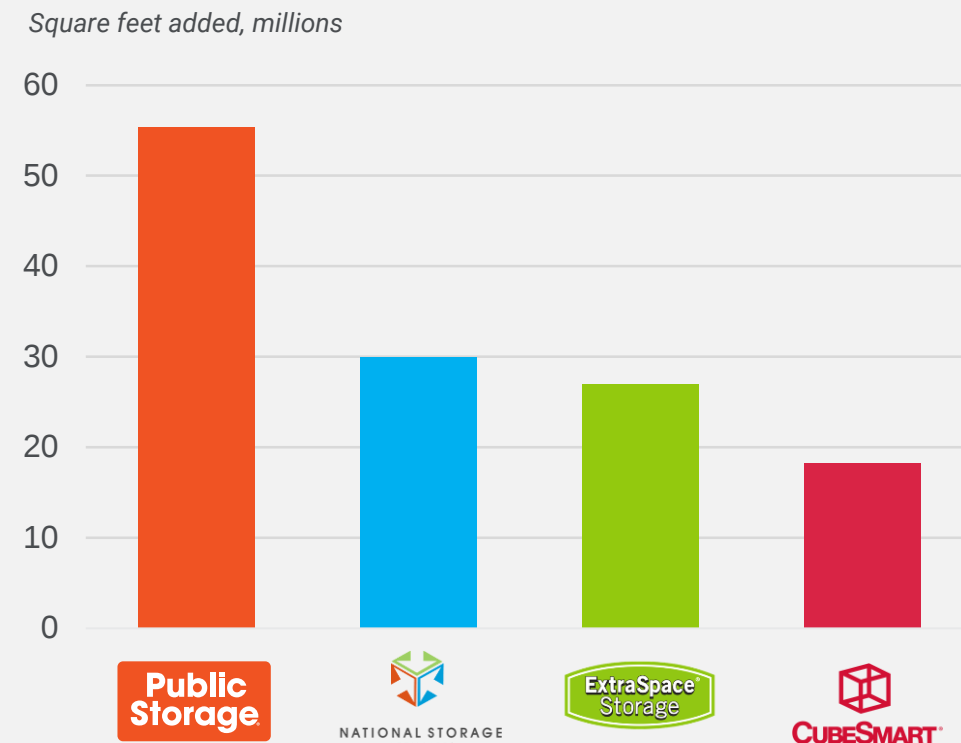
Reputation as a preferred property acquirer with no contingencies, execution certainty, and speed to close on a cash basis



Source: Company filings

1. Includes private market acquisition properties announced as closed or under contract subsequent to 9/30/23.

Portfolio Expansion via Private Market Transactions (2019 – 2023 YTD)¹



Significant Income Growth & Value Creation

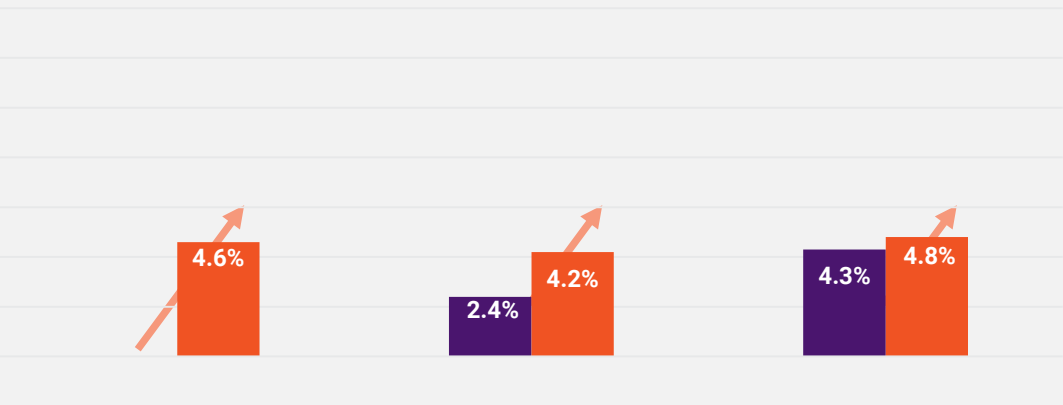
Historically strong acquisition and development performance with embedded earnings upside



Considerable future earnings growth through occupancy and rent lease-up

Acquisition Yields¹

■ Yield in 2022 ■ Yield in 2023



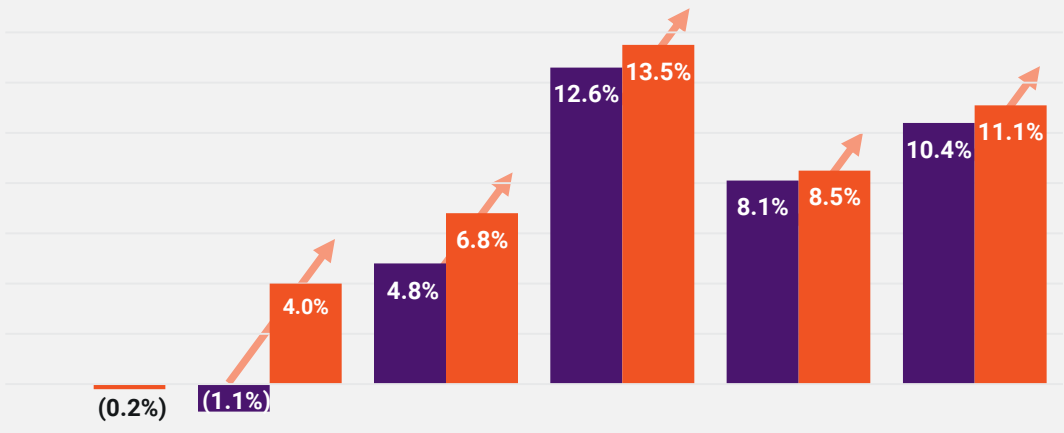
Year Acquired: 2023

2022

2021

Development Yields¹

■ Yield in 2022 ■ Yield in 2023



Year Delivered: 2023

2022

2021

2020

2019

2018

Occupancy / Growth (yoy)²:

84% (+7%)

83% (-3%)

80% (-%)

87% (+5%)

92% (-2%)

87% (-2%)

88% (-1%)

Rent Growth (yoy)³:

17%

6%

-4%

9%

7%

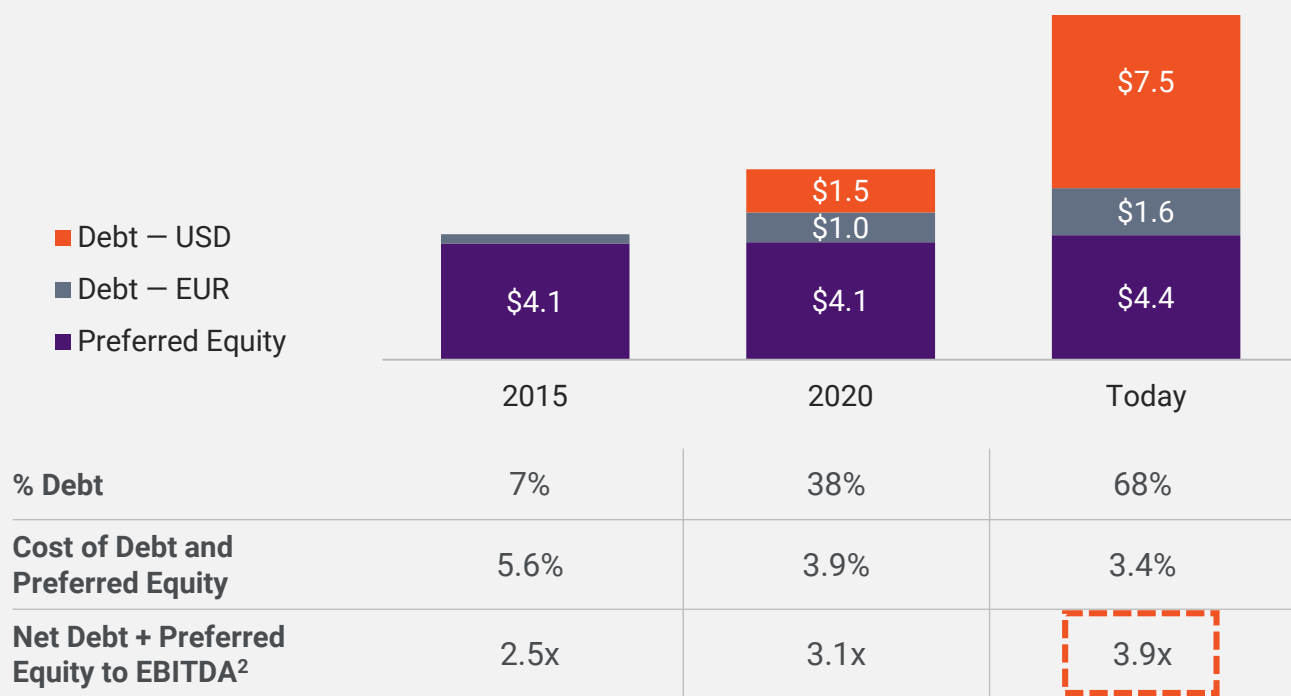
5%

5%

Balance Sheet Positioned to Fund Additional Growth

Capacity remains following balance sheet evolution towards utilizing debt to fund external growth

Net Debt and Preferred Equity on Balance Sheet¹ (billions)



Long-Term Target = 4.0x - 5.0x

Debt and free cash flow fund significant external growth

- \$9.1 billion of debt issued at a 2.9% blended rate
- Rate impact from \$1.1 billion of floating rate debt is partially offset by interest income on \$630 million of cash

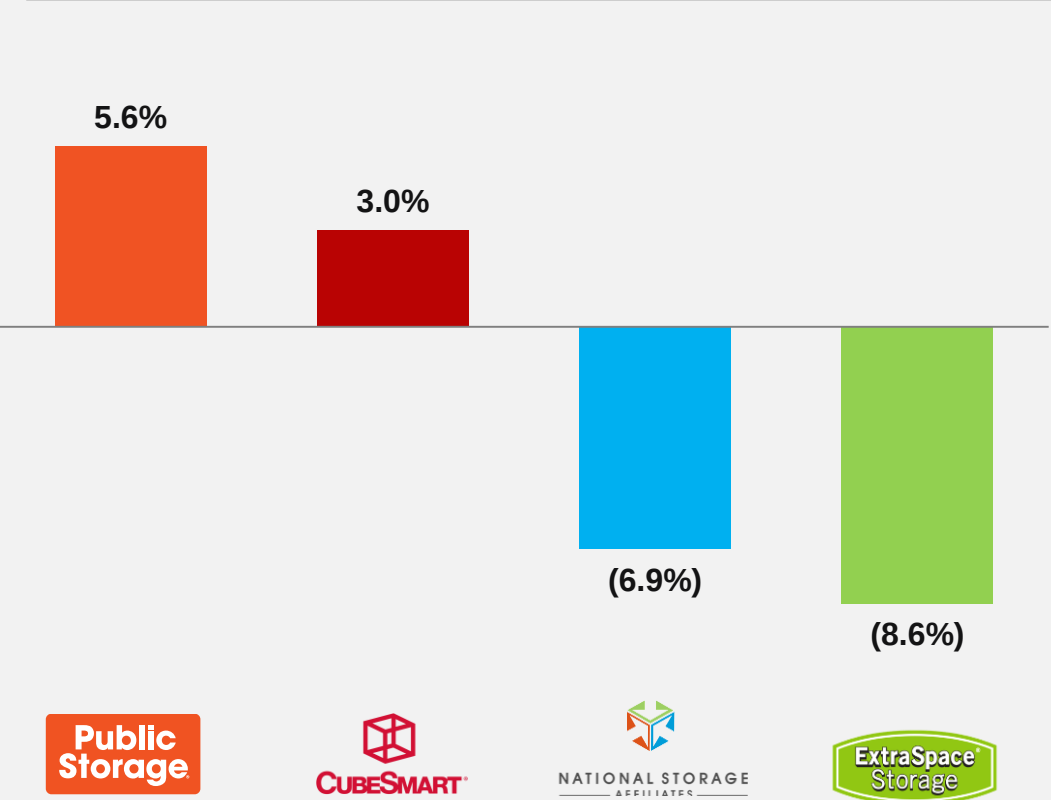
Preferred equity has been refinanced at lower rates

- \$6 billion of preferred equity refinanced since 2015
- Blended rate reduced by more than 130 bps to 4.5%

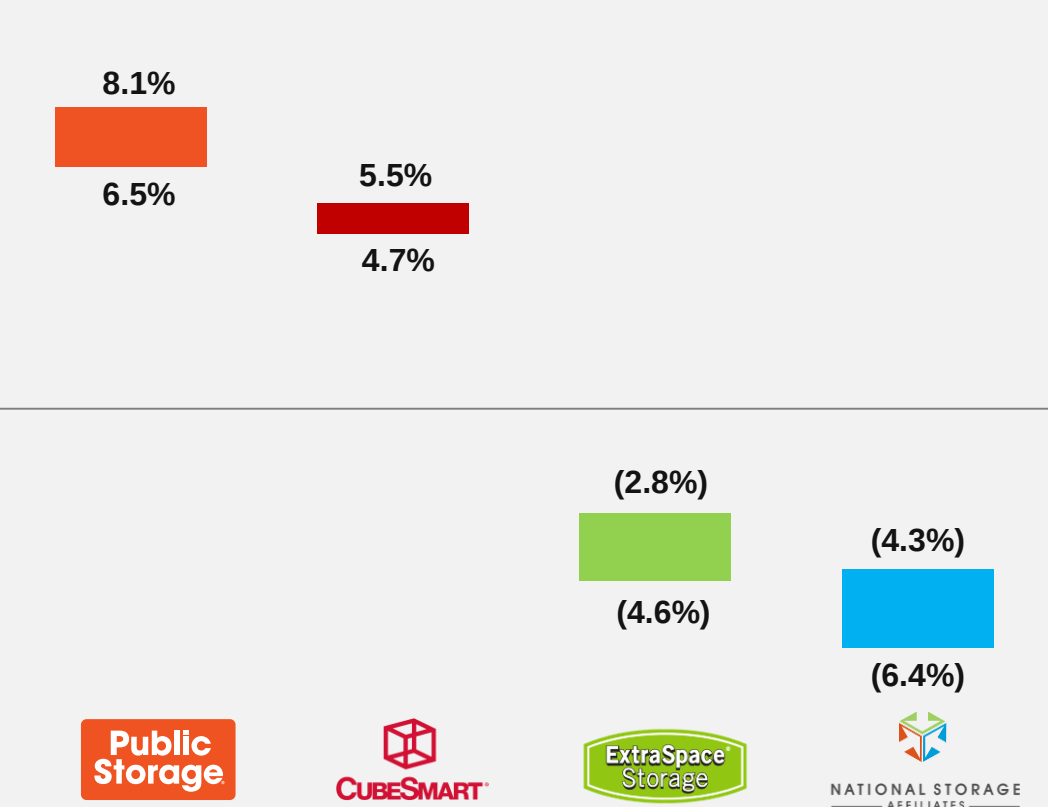
Debt capacity to fund additional growth along with annual retained cash flow

Strong Performance and Outlook

3Q23 Core FFO Per Share Growth¹



2023 Core FFO Per Share Growth Guidance



Source: Company Filings
1. For comparative purposes, Public Storage figures exclude the impact of the sale of our equity investment in PS Business Parks, Inc. on July 20, 2022. Third quarter 2023 Core FFO per share growth was 4.8% and 2023 guidance is 4.3% - 5.8% including the impact.

Attractive Valuation

Quality and Growth

Strong geographic mix with the most owned and “A” locations

Margin-expanding operating model transformation underway

Industry-leading external growth with unique development platform

29% of square footage now in the high-growth non same-store pool

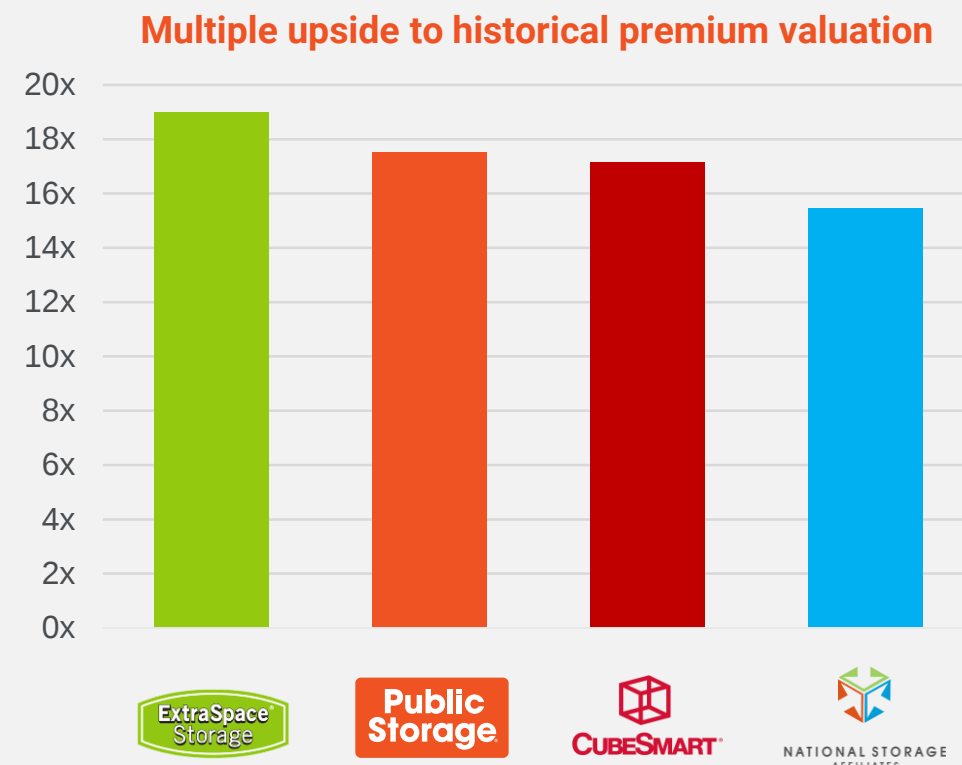
Balance sheet positioned to further growth



Source: Bloomberg

1. Based on Wall Street analyst consensus estimates and share prices on 1/5/24.

2024 FFO Multiple¹



Public Storage is...



Strengthening our wide-ranging **competitive advantages**



Transforming our operating model through customer experience, employee satisfaction, and margin expanding **digitalization**



Enhancing our industry-leading **property and income stream quality**



Generating significant **earnings upside** through multi-factor external growth



Achieving **superior returns** on invested capital through **industry-best operations** and a **growth-oriented balance sheet**



Uniquely positioned for continued industry **leadership, innovation, and growth**

Appendix

Same Store Move-In and Move-Out Update

Rents Gained from Move-Ins

(Amounts in thousands, except for per square foot amounts)

Move-Ins	Three months ended December 31,		
	2023	2022	Δ
Average annual contract rent	\$13.73	\$16.71	-17.8%
Square footage	26,835	25,868	3.7%
Contract rents gained	\$92,111	\$108,064	-14.8%

Rents Lost from Move-Outs

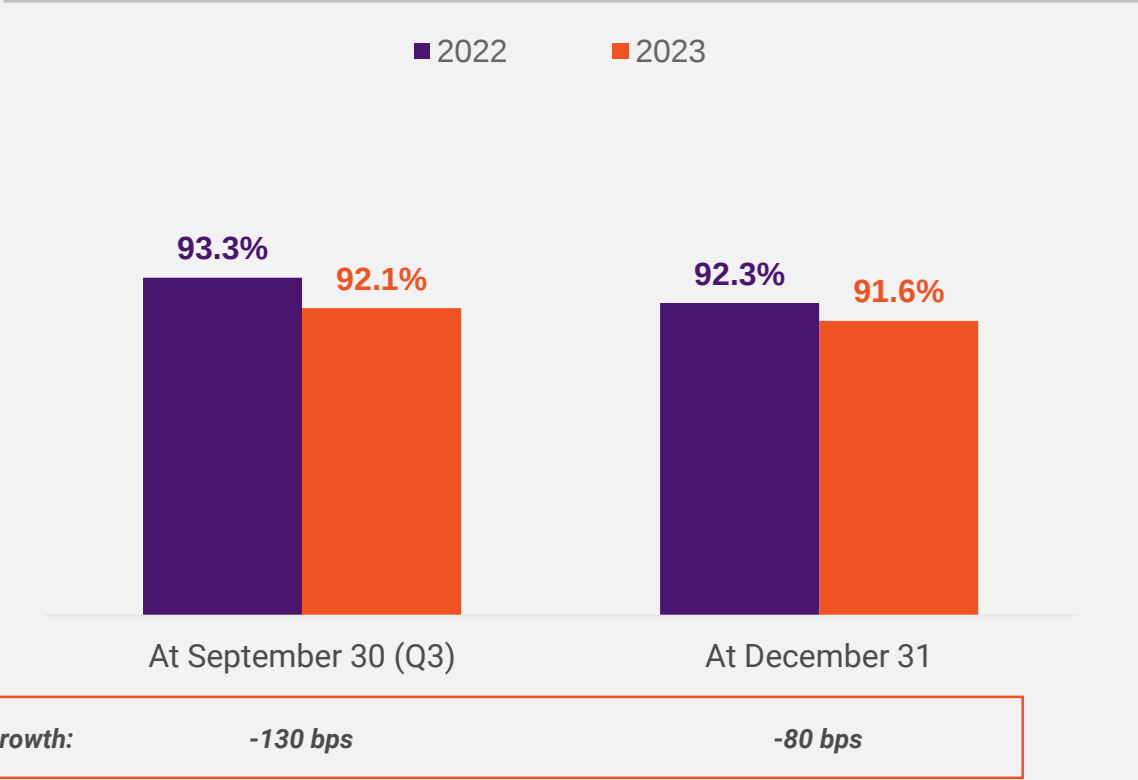
(Amounts in thousands, except for per square foot amounts)

Move-Outs	Three months ended December 31,		
	2023	2022	Δ
Average annual contract rent	\$21.18	\$21.25	-0.3%
Square footage	27,726	27,463	1.0%
Contract rents lost	\$146,809	\$145,897	0.6%

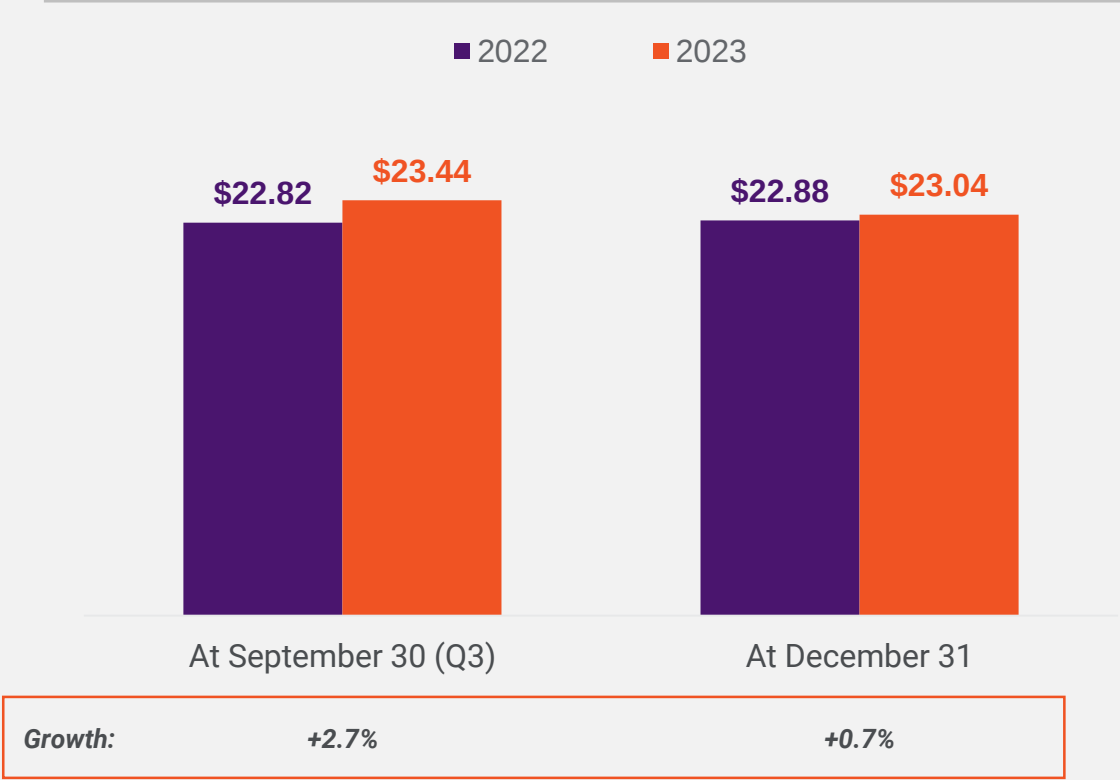
Average move-in contract rents decreased 11.2% during the month of December, reflecting improving trends throughout the quarter

Same Store Occupancy and Rent Trends

Square Foot Occupancy at Period End



Annual Contract Rent Per Square Foot at Period End



Non-GAAP Reconciliations

Net Income to EBITDA Reconciliation

	2015	2020	3Q23 TTM
Net income	\$1,318	\$1,361	\$2,133
Net operating income attributed to noncontrolling interests	(8)	(6)	(17)
Depreciation and amortization	425	553	909
Interest expense	1	56	169
Extraordinary and nonrecurring gains and losses	(19)	96	119
PS Business Parks and Shurgard equity earnings	(48)	(80)	(30)
Distributions received from PS Business Parks and Shurgard ¹	33	97	22
EBITDA	\$1,702	\$2,077	\$3,305