News Release

Public Storage
701 Western Avenue
Glendale, CA 91201-2349
PublicStorage.com

For Release:	Immediately
Date:	April 25, 2022
Contact:	Ryan Burke
	(818) 244-8080, Ext. 1141

Public Storage Provides Update in Relation to Agreed Acquisition of PS Business Parks by Affiliates of Blackstone Real Estate

GLENDALE, California–Public Storage (NYSE:PSA) ("Public Storage" or the "Company") today provided certain updates as to the impact on Public Storage of the agreed acquisition by affiliates of Blackstone Real Estate ("Blackstone") of PS Business Parks, Inc. (NYSE:PSB) ("PS Business Parks"), which was announced today. Upon consummation of the transaction, Public Storage, like all holders of PS Business Parks' common shares and units, would receive $187.50 in cash per PS Business Parks common share or unit. Public Storage holds an approximate 41% common equity interest in PS Business Parks through approximately 7.2 million common shares and 7.3 million limited partnership units.

Public Storage expects to receive approximately $2.7 billion of cash proceeds and recognize a $2.3 billion tax gain on sale upon consummation of the transaction. Public Storage expects to distribute the $2.3 billion gain to its shareholders.

Public Storage estimates annual Core Funds from Operations would be lower following the consummation of the transaction to a degree approximating its $101 million pro rata share of PS Business Park's Core FFO in 2021, which comprised approximately 4% of Public Storage's total Core FFO during the year.

Additional Transaction Details

The transaction is expected to close in the third quarter of 2022, subject to approval by PS Business Parks' stockholders and other customary closing conditions. Public Storage has agreed to vote its shares of PS Business Parks common stock, which represent 25.9% of the outstanding shares, in favor of the transaction, subject to the terms of a support agreement between Public Storage, PS Business Parks and an affiliate of Blackstone.

The merger agreement also includes a "go-shop" period that will expire 30 days from today on May 25, 2022, which permits PS Business Parks and its representatives to actively solicit and consider alternative acquisition proposals to acquire PS Business Parks. PS Business Parks has the right to terminate the definitive merger agreement with Blackstone to enter into a superior proposal, subject to the payment of a termination fee and certain other terms and conditions of the definitive merger agreement, and Public Storage's support agreement will terminate automatically upon the termination of the merger agreement.

From the date of the merger agreement through the closing of the transaction, PS Business Parks is permitted to declare and pay regular, quarterly cash distributions to holders of its common stock and to holders of its operating partnership's units, in each case, including Public Storage, in an amount of up to $1.05 per share or unit, including a pro rata distribution in respect of any stub period.

Additional information regarding the transaction may be found in documents that PS Business Parks files with the SEC, available on the SEC's website at sec.gov.

Company Information

Public Storage, a member of the S&P 500 and FT Global 500, is a REIT that primarily acquires, develops, owns, and operates self-storage facilities. At December 31, 2021, we had: (i) interests in 2,787 self-storage facilities located in 39 states with approximately 198 million net rentable square feet in the United States, (ii) an approximate 35% common equity interest in Shurgard Self-Storage SA (Euronext Brussels:SHUR) which owned 253 self-storage facilities located in seven Western European nations with approximately 14 million net rentable square feet operated under the "Shurgard" brand, and (iii) an approximate 41% common equity interest in PS Business Parks, Inc. (NYSE:PSB) which owned and operated approximately 28 million rentable square feet of commercial space at December 31, 2021. Our headquarters are located in Glendale, California.

Additional information about Public Storage is available on the Company's website at PublicStorage.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include statements relating to the consummation of Blackstone's agreed acquisition of PS Business Parks and the impact such acquisition would have on the Company if consummated in accordance with its terms 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. All statements in this press release, other than statements of historical fact, are forward-looking statements which 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. Factors and risks 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 that was filed with the SEC on February 22, 2022 and in our other filings with the SEC including: the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement between PS Business Parks and Blackstone's affiliates; the failure to obtain the approval of PS Business Parks' stockholders of the proposed transaction or the failure to satisfy any of the other conditions to the completion of the proposed transaction; stockholder litigation in connection with the proposed transaction, which may affect the timing or occurrence of the proposed transaction; general risks associated with the ownership and operation of real estate, including changes in demand, risks related to development, expansion, and acquisition of self-storage facilities, potential liability for environmental contamination, natural disasters, and adverse changes in laws and regulations governing property tax, real estate, and zoning; risks associated with downturns in the national and local economies in the markets in which we operate, including risks related to current economic conditions and the economic health of our customers; risks associated with the COVID-19 pandemic (the "COVID Pandemic") or similar events, including but not limited to illness or death of our employees or customers, negative impacts to the economic environment and to self-storage customers that could reduce the demand for self-storage or reduce our ability to collect rent, and/or potential regulatory actions to (i) close our facilities if we were determined not to be an "essential business" or for other reasons, (ii) limit our ability to increase rent or otherwise limit the rent we can charge, or (iii) limit our ability to collect rent or evict delinquent tenants; the risk that there could be an out-migration of population from certain high-cost major markets, if it is determined that the ability to "work from home," which has become more prominent during the COVID Pandemic, could allow certain workers to live in less expensive localities, which could negatively impact the occupancies and revenues of our properties in such major high-cost markets; the risk that more jurisdictions will reinstitute COVID Pandemic restrictions, which were previously eased, in response to increases in infections, including as a result of variants such as the Delta or Omicron variants, or if additional pandemics occur; the risk that we could experience a change in the move-out patterns of our long-term customers due to economic uncertainty and increases in unemployment resulting from changes in the macro environment, which could lead to lower occupancies and rent "roll down" as long-term customers are replaced with new customers at lower rates; the risk of negative impacts on the cost and availability of debt and equity capital as a result of the COVID Pandemic, which could have a material impact upon our capital and growth plans; the risk that the COVID Pandemic could adversely impact our ability to retain and hire employees, including as a result of vaccine or testing mandates; the impact of competition from new and existing self-storage and commercial facilities and other storage alternatives; the risk that our existing self-storage facilities may be at a disadvantage in competing with newly developed facilities with more visual and customer appeal; risks related to increased reliance on Google and Sparefoot as customer acquisition channels; difficulties in our ability to successfully evaluate, finance, integrate into our existing operations, and manage properties that we acquire directly or through the acquisition of entities that own and operate self-storage facilities, or to consummate announced acquisitions in the expected timeframe or at all; risks associated with international operations including, but not limited to, unfavorable foreign currency rate fluctuations, changes in tax laws, and local and global economic uncertainty that could adversely affect our earnings and cash flows; risks related to our participation in joint ventures; the impact of the legal and regulatory environment, as well as national, state, and local laws and regulations including, without limitation, those governing environmental issues, taxes, our tenant reinsurance business, and labor, including risks related to the impact of new laws and regulations; risks of increased tax expense associated either with a possible failure by us to qualify as a real estate investment trust ("REIT"), or with challenges to the determination of taxable income for our taxable REIT subsidiaries; risks due to ballot initiatives or other actions that could remove the protections of Proposition 13 with respect to our real estate and result in substantial increases in our assessed values and property tax bills in California; changes in United States ("U.S.") federal or state tax laws related to the taxation of REITs and other corporations; security breaches, including ransomware, or a failure of our networks, systems or technology, which could adversely impact our operations or our business, customer, and employee relationships or result in fraudulent payments; risks associated with the self-insurance of certain business risks, including property and casualty insurance, employee health insurance, and workers compensation liabilities; difficulties in raising capital at a reasonable cost; delays and cost overruns on our projects to develop new facilities or expand our existing facilities; difficulties in our ability to hire and retain skilled management and staff; ineffective succession planning for our CEO, executive management and our other key employees; ongoing litigation and other legal and regulatory actions that may divert management's time and attention, require us to pay damages and expenses, or restrict the operation of our business; and economic uncertainty due to the impact of war or terrorism.

The acquisition of PS Business Parks by affiliates of Blackstone is subject to approval by PS Business Parks' stockholders and other customary closing conditions. There is no assurance that the transaction will be completed as described in this document or at all. There can be no assurance that the Company will realize the anticipated benefits or results; actual results could differ materially from the expectations expressed in the forward-looking statements. Examples of material assumptions made by the Company in the forward-looking statements, including the Company's expectation that it will distribute the taxable gain from the transaction to its shareholders, as well as the Company's expectations regarding financial impact of the transaction, including the impact on the Company's Core FFO.

# # #