

Public Storage Canadian Properties News Release

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Public Storage Canadian Properties Announces Third Quarter 2007 Operating Results and Distributions

TORONTO, Ontario – Public Storage Canadian Properties (TSX:PUB) today announced operating results for the third quarter ended September 30, 2007 and distributions to be paid on December 31, 2007.

Dave Singelyn, President of Canadian Mini-Warehouse Properties Company, the General Partner of the Partnership stated that “the growth of 6.5% in same store operations over the same period in the prior year indicates the business remains strong. In addition, the Partnership has acquired or developed a number of facilities over the past few quarters that will provide additional growth to the Partnership in the future.”

Operating Results

Net income of the Partnership was \$1,677,000 or \$0.23 per partnership unit for the three months ended September 30, 2007 compared to \$2,062,000 or \$0.29 per partnership unit for the same period in 2006. The decrease in net income was due primarily to higher amortization expense and interest expense associated with new facilities placed in service.

Net income of the Partnership was \$6,275,000 or \$0.87 per partnership unit for the nine months ended September 30, 2007 compared to \$5,613,000 or \$0.95 per partnership unit for the same period in 2006. Net income reflects to the recognition of a future tax asset of \$1,060,000 due to the implications on the Partnership’s current tax status as a limited partnership arising from amendments to the *Income Tax Act* (Canada) intended to eliminate certain tax advantages presently enjoyed by certain investors in publicly-traded specified investment flow-through trusts or partnerships, including the Partnership. This future tax benefit relates to the Partnership’s share of the temporary difference between the accounting and tax basis of the Partnership’s assets expected to reverse after the date that the amendments are expected to apply to the Partnership. The amendments are not expected to apply to the Partnership until 2011 provided that the Partnership complies with the normal growth guidelines issued by the Department of Finance. The decrease in net income per unit was due primarily to an increase of 1,351,060 units in the calculation of the number of weighted average units outstanding in connection with the rights offering on June 2, 2006.

Future earnings will reflect the impact of an additional 1,808,036 units in the calculation of weighted average units outstanding in connection with the rights offering on October 12, 2007 and continued dilution from the recent developments as they become stabilized.

Property Operations

The Partnership owns, and derives substantially all of its income from, 24 self-storage facilities, of which fifteen facilities are located in Ontario, five are located in British Columbia, three are located in Québec and one is located in Alberta.

In order to evaluate the performance of the Partnership's portfolio, management analyzes the operating performance of a stabilized group of self-storage facilities (herein referred to as "Same Store" facilities). "Same Store" facilities are facilities that have been owned and operated at a mature, stabilized occupancy level since January 1 of the earliest period presented. Management considers a facility to be stabilized after it has been opened for at least three years. As at September 30, 2007, the "Same Store" facilities consist of sixteen facilities that have been owned and operated by the Partnership since its inception and contain approximately 1,235,000 net rentable square feet and 11,181 storage units.

Effective October 1, 2007, the Partnership will remove one facility from the pool of "Same Store" facilities. This facility has been identified for redevelopment and will no longer provide meaningful comparative data for the future periods presented. The new "Same Store" portfolio will consist of fifteen facilities and contain approximately 1,179,000 net rentable square feet and 10,667 storage units.

The following table summarizes the pre-amortization operating results of the Partnership's "Same Store" facilities.

	Three months ended September 30,			Nine months ended September 30,		
	2007	2006	Change	2007	2006	Change
Rental income	\$ 4,581,000	\$ 4,370,000	4.8%	\$ 13,208,000	\$ 12,766,000	3.5%
Less: cost of operations	1,270,000	1,256,000	1.1%	3,866,000	3,863,000	0.1%
Less: management fees	275,000	262,000	5.0%	793,000	766,000	3.5%
Net operating income ⁽¹⁾	<u>\$ 3,036,000</u>	<u>\$ 2,852,000</u>	6.5%	<u>\$ 8,549,000</u>	<u>\$ 8,137,000</u>	5.1%
Gross margin ⁽²⁾	66.3%	65.3%		64.7%	63.7%	
Weighted average for period:						
Occupancy	89.4%	87.3%		87.9%	87.5%	
Realized annual rent per square foot ⁽³⁾	\$16.60	\$16.21	2.4%	\$16.23	\$15.75	3.0%

(1) Net operating income ("NOI") is equal to rental income less cost of operations and management fees paid to an affiliate before amortization. This non-generally accepted accounting principles ("GAAP") financial measure does not have any standardized meanings prescribed by GAAP and is therefore unlikely to be comparable to similar measures presented by other issuers.

(2) Gross margin is computed by dividing property net operating income by rental income.

(3) Realized rent per square foot represents the actual revenue earned per occupied square foot. Management believes this is a more relevant measure than posted or scheduled rates as posted rates can be discounted through promotions.

Funds from Operations (“FFO”) and Earnings before Interest, Taxes, Depreciation and Amortization (“EBITDA”)

FFO and EBITDA are supplementary performance measures for real estate companies used by investors and analysts. These non-GAAP financial measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. Many investors and analysts consider FFO and EBITDA to be measures of the performance of real estate companies. FFO is equal to net income computed in accordance with GAAP before depreciation, amortization and gains or losses on sale of real estate assets. EBITDA is equal to earnings before interest income, interest expense, taxes, depreciation and amortization. FFO and EBITDA do not take into consideration scheduled principal payments on debt, capital improvements, distributions or other obligations of the Partnership. Accordingly, FFO and EBITDA are not substitutes for the Partnership’s cash flow or net income as a measure of the Partnership’s liquidity or operating performance or ability to pay distributions.

The following table calculates FFO and EBITDA for the three and nine months ended September 30, 2007 and 2006:

	Three months ended September 30,			Nine months ended September 30,		
	2007	2006	Change	2007	2006	Change
<u>Calculation of FFO:</u>						
Net income.....	\$ 1,677,000	\$ 2,062,000		\$ 6,275,000	\$ 5,613,000	
Amortization of real estate	1,063,000	872,000		2,892,000	2,253,000	
Amortization of intangibles	366,000	316,000		1,031,000	316,000	
Less: income tax benefit	-	-		(1,060,000)	-	
Less: gain on sale of land	-	-		-	(137,000)	
FFO.....	<u>\$ 3,106,000</u>	<u>\$ 3,250,000</u>	(4.4%)	<u>\$ 9,138,000</u>	<u>\$ 8,045,000</u>	13.6%
Weighted average number of Units ..	7,232,145	7,232,145		7,232,145	5,881,085	
FFO per Unit	\$0.43	\$0.45	(4.4%)	\$1.26	\$1.37	(8.0%)
<u>Calculation of EBITDA:</u>						
Net income.....	\$ 1,677,000	\$ 2,062,000		\$ 6,275,000	\$ 5,613,000	
Amortization of real estate	1,063,000	872,000		2,892,000	2,253,000	
Amortization of intangibles	366,000	316,000		1,031,000	316,000	
Interest expense and commitment fees	403,000	117,000		638,000	537,000	
Less: income tax benefit	-	-		(1,060,000)	-	
Less: gain on sale of land	-	-		-	(137,000)	
Less: interest income	(12,000)	(49,000)		(57,000)	(72,000)	
EBITDA	<u>\$ 3,497,000</u>	<u>\$ 3,318,000</u>	5.4%	<u>\$ 9,719,000</u>	<u>\$ 8,510,000</u>	14.2%
Weighted average number of Units ..	7,232,145	7,232,145		7,232,145	5,881,085	
EBITDA per Unit	\$0.48	\$0.46	4.3%	\$1.34	\$1.45	(7.6%)

Distributions

The board of directors of the general partner today declared a distribution of \$0.45 per partnership unit payable on December 31, 2007 to unitholders of record at the close of business on December 14, 2007.

Partnership Information

Public Storage Canadian Properties is a publicly held limited partnership that invests in self-storage facilities. More information about the Partnership is available on the Internet. The Partnership’s web site is www.publicstoragecanada.com.

**PUBLIC STORAGE CANADIAN PROPERTIES
SELECTED FINANCIAL DATA**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Revenue:				
Rental income	\$ 5,955,000	\$ 5,473,000	\$ 16,960,000	\$ 14,567,000
Interest and other income	12,000	49,000	57,000	72,000
Gain on sale of land	-	-	-	137,000
	<u>5,967,000</u>	<u>5,522,000</u>	<u>17,017,000</u>	<u>14,776,000</u>
Costs and expenses:				
Cost of operations	2,002,000	1,724,000	5,776,000	4,849,000
Management fees paid to an affiliate	358,000	327,000	1,019,000	873,000
Amortization of real estate facilities	1,063,000	872,000	2,892,000	2,253,000
Amortization of intangible assets	366,000	316,000	1,031,000	316,000
Interest and commitment fees	403,000	117,000	638,000	537,000
Administrative	98,000	104,000	446,000	335,000
	<u>4,290,000</u>	<u>3,460,000</u>	<u>11,802,000</u>	<u>9,163,000</u>
Income before taxes	<u>1,677,000</u>	<u>2,062,000</u>	<u>5,215,000</u>	<u>5,613,000</u>
Income tax benefit	<u>-</u>	<u>-</u>	<u>1,060,000</u>	<u>-</u>
Net income	<u>\$ 1,677,000</u>	<u>\$ 2,062,000</u>	<u>\$ 6,275,000</u>	<u>\$ 5,613,000</u>
Net income per partnership unit	\$ 0.23	\$ 0.29	\$ 0.87	\$ 0.95
Distributions per partnership unit	\$ 0.45	\$ 0.45	\$ 1.35	\$ 1.35
Weighted average number of partnership units outstanding	7,232,145	7,232,145	7,232,145	5,881,085

	As at September 30, 2007	As at December 31, 2006
Balance sheet data:		
Cash and cash equivalents	\$ 280,000	\$ 415,000
Amounts due under credit facility	31,000,000	3,800,000
Mortgage note payable	5,540,000	5,623,000
Total assets	104,338,000	79,242,000
Partners' equity	64,466,000	67,953,000
Partnership units outstanding at end of period	7,232,145	7,232,145