

## **Public Storage Canadian Properties News Release**

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### **Public Storage Canadian Properties Announces First Quarter 2006 Operating Results and Distributions**

**TORONTO, Ontario** – Public Storage Canadian Properties (TSX:PUB) today announced operating results for the first quarter ended March 31, 2006 and distributions to be paid to unitholders on June 30, 2006.

David Singelyn, President of Canadian Mini-Warehouses Properties, Limited, (“CMP”) the general partner of Public Storage Canadian Properties (the “Partnership”) announced that “the Partnership continues to enjoy good growth in the operations of its core business with a 9.8% increase in the net operating income of the “Same Store” facilities. The current quarter is benefiting from the various strategic initiatives that were implemented during 2004 with respect to pricing, capital expenditures, security system enhancements and training.”

#### **Operating Results**

Net income of the Partnership was \$1,528,000 or \$0.32 per partnership unit for the three months ended March 31, 2006 compared to \$1,652,000 or \$0.34 per partnership unit for the same period in 2005.

#### **Property Operations**

The Partnership derives substantially all of its income from the ownership of nineteen self-storage facilities. Thirteen facilities are located in Ontario, four are located in British Columbia, one is located in Alberta and one is located in Québec. In addition, the Partnership owns a parcel of land in Vancouver, British Columbia for development into a self-storage facility.

On March 1, 2006, construction of a new facility located in the city of Montréal, Québec was completed and the facility opened for business. This is the first property owned by the Partnership in the province of Québec. Unitholders may be required to file a Québec tax return. Unitholders should consult their tax advisors.

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 throughout 2004, 2005 and the three month period ended March 31, 2006. As at March 31, 2006, 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 units.

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

	Three months ended March 31,		
	2006	2005	Change
Rental income .....	\$4,058,000	\$3,868,000	4.9%
Less: cost of operations .....	1,331,000	1,373,000	(3.1%)
Less: management fees .....	243,000	232,000	4.7%
Net operating income <sup>(1)</sup> .....	<u>\$2,484,000</u>	<u>\$2,263,000</u>	9.8%
Gross margin <sup>(2)</sup> .....	61.2%	58.5%	
Weighted average for period:			
Occupancy .....	87.1%	86.8%	0.3%
Realized annual rent per square foot <sup>(3)</sup> .....	\$15.10	\$14.44	4.6%

- (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-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-generally accepted accounting principles ("GAAP") financial measures do not have any standardized meanings prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. Management, investors and analysts consider FFO and EBITDA to be good measures of the performance of real estate companies because they evaluate the cash generating ability of an entity (in the case of FFO) or its assets (in the case of EBITDA), without taking into account the impact of amortization (and interest, in the case of EBITDA), which may vary significantly between real estate companies based on when particular assets were acquired and financed. FFO is equal to net income computed in accordance with GAAP plus depreciation and amortization. EBITDA is equal to earnings before interest income, interest expense, taxes, depreciation and amortization. EBITDA is utilized in determining the debt capacity of the Partnership. 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 months ended March 31, 2006:

	Three months ended March 31,		
	2006	2005	Change
<b><u>Calculation of FFO:</u></b>			
Net income .....	\$ 1,528,000	\$ 1,652,000	
Amortization .....	649,000	495,000	
FFO .....	<u>\$ 2,177,000</u>	<u>\$ 2,147,000</u>	
Weighted average number of partnership units.....	4,821,430	4,821,430	
FFO per partnership unit .....	\$0.45	\$0.45	0.0%
<b><u>Calculation of EBITDA:</u></b>			
Net income .....	\$ 1,528,000	\$ 1,652,000	
Amortization .....	649,000	495,000	
Interest expense .....	212,000	10,000	
Less: interest and other income .....	(6,000)	(7,000)	
EBITDA .....	<u>\$ 2,383,000</u>	<u>\$ 2,150,000</u>	
Weighted average number of partnership units.....	4,821,430	4,821,430	
EBITDA per partnership unit .....	\$0.49	\$0.45	8.9%

### **Distributions**

The board of directors of the general partner today declared a distribution of \$0.45 per partnership unit payable on June 30, 2006 to unitholders of record at the close of business on June 15, 2006.

### **Management Changes**

Mr. Singelyn also announced that Roland Cardy has joined the board of directors of CMP. Mr. Cardy is currently the chairman of Primaris Retail Real Estate Investment Trust, a publicly traded REIT that owns and operated regional malls and major shopping centres across Canada. Mr. Cardy is also a Managing Partner and a director of Gorbay Company Limited, a Toronto-based private company that owns and operated multi-family properties. Mr. Cordy previously served as the Senior Managing Director of Raymond James Ltd. and has held numerous positions at the Toronto-Dominion Bank including Vice-Chairman, Investment Banking. Mr. Cardy will replace Mr. McCoy as the chairman of the Audit Committee, who announced his resignation to pursue other interests. Mr. McCoy had a significant impact on the corporate governance, capital raising and success of the Partnership. We thank him for his contributions.

CMP also announces the appointment of Sara Kim, Esq. as Vice President – Counsel and Assistant Secretary. Ms. Kim was previously with the law firm of Latham & Watkins. She received her law degree from U.C. Berkeley and is a member of the California State Bar Association.

### **Partnership Information**

Public Storage Canadian Properties is a publicly held limited partnership that has invested in mini-warehouse storage facilities. More information about the Partnership is available on the Internet. The Partnership's web site is [www.publicstoragecanada.com](http://www.publicstoragecanada.com).

**PUBLIC STORAGE CANADIAN PROPERTIES  
SELECTED FINANCIAL DATA**

	Three Months Ended March 31,	
	2006	2005
<b>Revenue:</b>		
Rental income.....	\$ 4,322,000	\$ 3,875,000
Interest and other income .....	6,000	7,000
	<u>4,328,000</u>	<u>3,882,000</u>
<b>Costs and expenses:</b>		
Cost of operations.....	1,548,000	1,373,000
Management fees paid to an affiliate	259,000	233,000
Amortization.....	649,000	495,000
Administrative .....	132,000	119,000
Interest expense .....	212,000	10,000
	<u>2,800,000</u>	<u>2,230,000</u>
Net income .....	<u>\$ 1,528,000</u>	<u>\$ 1,652,000</u>
Net income per partnership unit ....	\$ 0.32	\$ 0.34
Distributions per partnership unit..	\$ 0.45	\$ 0.45
Weighted average number of partnership units outstanding .....	4,821,430	4,821,430
	As at March 31, 2006	As at December 31, 2005
<b>Balance sheet data:</b>		
Cash and cash equivalents .....	\$ 306,000	\$ 491,000
Borrowings from credit facility .....	31,500,000	28,500,000
Total assets .....	58,484,000	56,051,000
Partners' equity.....	24,900,000	25,542,000
Partnership units outstanding at end of period.....	4,821,430	4,821,430