

## Public Storage Canadian Properties News Release

Public Storage Canadian Properties  
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For Release: Immediately  
Date: December 16, 2009  
Contact: Vincent Chan  
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### **Hughes Family Reorganizes Holdings of Units of Public Storage Canadian Properties**

**TORONTO, Ontario** – BWE Holdings Company ULC (“BWE”), 2484182 Nova Scotia Company (“NSC”), Canadian Diversified Storage Incorporated (“CDS”), HF Canadian Properties (“HFCH”), and Canadian Mini-Warehouse Properties Company (“CMP”), which are all controlled by B. Wayne Hughes reported that they had sold units (“Units”) of limited partnership interest in Public Storage Canadian Properties (“PSCP”) to the following entities which are also all controlled by the Hughes Family as follows:

1. **Name and address of the offeror**

PSC 1 Company ULC  
PSC 2 Company ULC  
PSC 3 Company ULC  
PSC 4 Company ULC  
PSC 5 Company ULC  
PSC 6 Company ULC  
PSC 7 Company ULC  
PSC 8 Company ULC  
PSC 9 Company ULC  
PSC 10 Company ULC  
PSC 11 Company ULC  
PSC 12 Company ULC  
PSC 13 Company ULC  
PSC 14 Company ULC  
PSC 15 Company ULC  
(collectively, the “**Offerors**”)  
c/o Osler, Hoskin & Harcourt LLP  
Suite 2500  
TransCanada Tower  
450 – 1<sup>st</sup> Street S.W.  
Calgary, AB T2P 5H1

2. **The designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances.**

In connection with an internal reorganization of the Canadian assets held by B. Wayne Hughes, Tamara L. Gustavson and certain other members of the Hughes family, on December 16, 2009 the Offerors acquired ownership and control of an aggregate of 5,129,717 limited partnership

units (the “Units”) of Public Storage Canadian Properties (“PSCP”) from Canadian Mini-Warehouse Properties Company (“CMP”), Canadian Diversified Storage Company (“CDS”), 2484182 Nova Scotia Company (“2484182”), HF Canadian Holdings Company (“HFCHC”) and BWE Holdings Company ULC (“BWE Holdings”). The Units represent approximately 56.7% of the issued and outstanding Units of the Company (based upon the 9,040,181 Units stated to be outstanding as of September 30, 2009 in PSCP’s quarterly financial statements filed on SEDAR on November 6, 2009). Pursuant to the reorganization:

PSC 1 Company ULC acquired 441,601 Units of PSCP from CMP;  
PSC 2 Company ULC acquired 441,601 Units of PSCP from CMP;  
PSC 3 Company ULC acquired 309,548 Units of PSCP from CDS;  
PSC 4 Company ULC acquired 309,548 Units of PSCP from CDS;  
PSC 5 Company ULC acquired 309,548 Units of PSCP from CDS;  
PSC 6 Company ULC acquired 363,931 Units of PSCP from 2484182;  
PSC 7 Company ULC acquired 363,931 Units of PSCP from 2484182;  
PSC 8 Company ULC acquired 363,931 Units of PSCP from 2484182;  
PSC 9 Company ULC acquired 363,930 Units of PSCP from 2484182;  
PSC 10 Company ULC acquired 217,563 Units of PSCP from HFCHC;  
PSC 11 Company ULC acquired 328,917 Units of PSCP from BWE Holdings;  
PSC 12 Company ULC acquired 328,917 Units of PSCP from BWE Holdings;  
PSC 13 Company ULC acquired 328,917 Units of PSCP from BWE Holdings;  
PSC 14 Company ULC acquired 328,917 Units of PSCP from BWE Holdings; and  
PSC 15 Company ULC acquired 328,917 Units of PSCP from BWE Holdings.

3. **The designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file a news release.**

After giving effect to the acquisitions of Units described in item 2 above:

PSC 1 Company ULC directly owns 441,601 Units (approx. 4.88% of the outstanding Units);  
PSC 2 Company ULC directly owns 441,601 Units (approx. 4.88% of the outstanding Units);  
PSC 3 Company ULC directly owns 309,548 Units (approx. 3.42% of the outstanding Units);  
PSC 4 Company ULC directly owns 309,548 Units (approx. 3.42% of the outstanding Units);  
PSC 5 Company ULC directly owns 309,548 Units (approx. 3.42% of the outstanding Units);  
PSC 6 Company ULC directly owns 363,931 Units (approx. 4.03% of the outstanding Units);  
PSC 7 Company ULC directly owns 363,931 Units (approx. 4.03% of the outstanding Units);  
PSC 8 Company ULC directly owns 363,931 Units (approx. 4.03% of the outstanding Units);  
PSC 9 Company ULC directly owns 363,930 Units (approx. 4.03% of the outstanding Units);  
PSC 10 Company ULC directly owns 217,563 Units (approx. 2.41% of the outstanding Units);  
PSC 11 Company ULC directly owns 328,917 Units (approx. 3.64% of the outstanding Units);  
PSC 12 Company ULC directly owns 328,917 Units (approx. 3.64% of the outstanding Units);  
PSC 13 Company ULC directly owns 328,917 Units (approx. 3.64% of the outstanding Units);  
PSC 14 Company ULC directly owns 328,917 Units (approx. 3.64% of the outstanding Units);  
and  
PSC 15 Company ULC directly owns 328,917 Units (approx. 3.64% of the outstanding Units).

4. **The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which: (i) the offeror, either alone or together with joint actors, has ownership and control, (ii) the offeror, either alone or together with joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor, and (iii) the offeror, either**

**alone or together with joint actors, has exclusive or shared control but does not have ownership.**

The Offerors collectively own and control an aggregate of 5,129,717 Units (approximately 56.7% of the outstanding Units). The Offerors are indirectly wholly-owned by PS Canada Holdings LLC, a Delaware company of which B. Wayne Hughes holds 1% of the equity and all of the voting rights and Tamara L. Gustavson holds 99% of the equity and none of the voting rights.

5. **The name of the market in which the transaction or occurrence that gave rise to the news release took place.**

Not applicable.

6. **The value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release.**

The acquired Units were acquired by the Offerors for cash at a price of \$22.12 per Unit.

7. **The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer.**

The transactions were effected pursuant to an internal reorganization of the Canadian assets held by B. Wayne Hughes and members of his family implemented solely to address a recent change to the *Canada – United States Tax Treaty* which comes into effect on January 1, 2010 which makes it inefficient from a tax perspective for B. Wayne Hughes and his family to continue to hold the Units indirectly through CMP, CDS, 2484182, HFCHC and BWE Holdings. Notwithstanding the transactions, there is substantively no change in the basis on which the investment in the transferred Units is being managed and there is no change in ultimate control or direction of such Units.

Entities controlled by B. Wayne Hughes and members of his family may, in accordance with applicable securities laws, acquire within any 12 month period up to 5% of the Units outstanding at the start of such period.

8. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer, entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any securities.**

The acquisitions of the Units detailed in 2. above were made pursuant to private agreements for cash at a price equal to the fair market value of the Units, being \$22.12 per Unit. The fair market value was determined by independent valuers and appraisers to be \$22.12 per Unit as at September 30, 2009.

9. **The names of any joint actors in connection with the disclosure required by this form.**

See the answer to 4. above.

10. **In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance**

**from treasury, the nature and value in Canadian dollars of the consideration paid by the offeror.**

The acquired Units were acquired by the Offerors for cash at a price of \$22.12 per Unit.

11. **If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 in respect of the reporting issuer's securities.**

Not applicable.

12. **If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance.**

The transaction constituted a take-over bid in Alberta and Nova Scotia but was exempt from the application of Part 2 of Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids* pursuant to a decision dated November 26, 2009 of the Alberta Securities Commission as principal jurisdiction under Multilateral Instrument 11-102 *Passport System*.

Further details are set out in the early warning report filed in respect of the transfers. A copy of the early warning report may be obtained by contacting Vincent Chan at (866) 772-2623.

### **Partnership Information**

Public Storage Canadian Properties is a publicly held limited partnership formed under the *Limited Partnership Act (Ontario)*. The Partnership owns, and derives substantially all of its income from, 27 operating self-storage facilities across Canada, of which fifteen facilities are located in Ontario, five are located in British Columbia, six are located in Québec and one is located in Alberta. In addition, the Partnership owns parcels of land in Oakville, Ontario, Orleans, Ontario, and Richmond Hill, Ontario for development into new self-storage facilities. More information about the Partnership is available on the Internet. The Partnership's main website is at [www.publicstoragecanada.com](http://www.publicstoragecanada.com). The Partnership's investor website is [www.pscinvestor.com](http://www.pscinvestor.com).