

Public Storage Canadian Properties News Release

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Public Storage Canadian Properties Announces First Quarter 2008 Operating Results and Distributions

TORONTO, Ontario – Public Storage Canadian Properties (TSX:PUB) today announced operating results for the first quarter ended March 31, 2008 and distributions to be paid on June 30, 2008.

Operating Results

Net income of the Partnership was \$1,580,000 or \$0.17 per partnership unit for the three months ended March 31, 2008 compared to \$1,632,000 or \$0.23 per partnership unit for the same period in 2007. The decrease in net income was due to the impact of the newly developed facilities placed in service during 2007 for which operating costs exceeded rental income. These facilities will continue to be dilutive during the initial “lease-up” period. The decrease in net income per Unit was also impacted by the increase in the number of outstanding Units as a result of the completion of a rights offering by the Partnership in October 2007.

Property Operations

The Partnership owns, and derives substantially all of its income from, 24 self-storage facilities, of which fifteen are located in Ontario, five are located in British Columbia, three are located in Québec and one is located in Alberta. In addition, the Partnership owns parcels of land in Oakville, Ontario, Richmond Hill, Ontario and Laval, Quebec for development into new self-storage facilities.

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 stable after it has been opened for at least three years. Effective October 1, 2007 the Partnership removed one facility from the pool of “Same Store” facilities. A facility in Brampton, Ontario has been identified for redevelopment and no longer provides meaningful comparative data for the periods presented. As at March 31, 2008, the “Same Store” facilities consist of fifteen facilities that have been owned and operated by the Partnership since its inception and contain approximately 1,172,000 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 March 31,		
	2008	2007	Change
Rental income	\$ 4,153,000	\$ 4,001,000	3.8%
Less: cost of operations.....	1,319,000	1,255,000	5.1%
Less: management fees	249,000	240,000	3.8%
Net operating income ⁽¹⁾	<u>\$ 2,585,000</u>	<u>\$ 2,506,000</u>	3.2%
Gross margin ⁽²⁾	62.2%	62.6%	
Weighted average for period:			
Occupancy	86.9%	85.3%	
Realized annual rent per square foot ⁽³⁾	\$16.33	\$16.02	1.9%

- (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. 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 months ended March 31, 2008 and 2007:

	Three months ended March 31,		
	2008	2007	Change
Net income	\$ 1,580,000	\$ 1,632,000	
Plus: amortization of real estate facilities	1,049,000	912,000	
Plus: amortization of intangible assets	50,000	316,000	
Less: future income tax benefit	(71,000)	-	
FFO	<u>\$ 2,608,000</u>	<u>\$ 2,860,000</u>	(8.8%)
Weighted average number of partnership units	9,040,181	7,232,145	
FFO per partnership unit	\$0.29	\$0.40	(27.5%)
Net income	\$ 1,580,000	\$ 1,632,000	
Plus: amortization of real estate facilities	1,049,000	912,000	
Plus: amortization of intangible assets	50,000	316,000	
Plus: interest expense and commitment fees	143,000	126,000	
Less: interest and other income	(34,000)	(27,000)	
Less: future income tax benefit	(71,000)	-	
EBITDA	<u>\$ 2,717,000</u>	<u>\$ 2,959,000</u>	(8.2%)
Weighted average number of partnership units	9,040,181	7,232,145	
EBITDA per partnership unit	\$0.30	\$0.41	(26.8%)

Distributions

The board of directors of the general partner today declared a distribution of \$0.45 per partnership unit payable on June 30, 2008 to unitholders of record at the close of business on June 13, 2008.

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.

**PUBLIC STORAGE CANADIAN PROPERTIES
SELECTED FINANCIAL DATA**

	Three Months Ended March 31,	
	2008	2007
Revenue		
Rental income	\$ 5,750,000	\$ 5,314,000
Interest and other income.....	34,000	27,000
	5,784,000	5,341,000
Costs and expenses		
Cost of operations	2,536,000	1,903,000
Management fees paid to an affiliate.....	345,000	319,000
Amortization of real estate facilities.....	1,049,000	912,000
Amortization of intangible assets	50,000	316,000
Interest expense and commitment fees	143,000	126,000
Administrative	152,000	133,000
	4,275,000	3,709,000
Income before taxes	1,509,000	1,632,000
Future income tax benefit	71,000	-
Net Income	\$ 1,580,000	\$ 1,632,000
Net income per partnership unit	\$ 0.17	\$ 0.23
Distributions per partnership unit	\$ 0.45	\$ 0.45
Weighted average number of partnership units outstanding.....	9,040,181	7,232,145

	As at March 31, 2008	As at December 31, 2007
Balance sheet data:		
Cash and cash equivalents	\$ 917,000	\$ 269,000
Debt.....	8,580,000	5,073,000
Total assets	107,504,000	106,729,000
Partners' equity.....	96,492,000	99,051,000
Partnership units outstanding at end of period	9,040,181	9,040,181