



Extra Space Storage Inc. Reports 2015 Second Quarter Results

July 29, 2015

SALT LAKE CITY, July 29, 2015 /PRNewswire/ -- Extra Space Storage Inc. (NYSE: EXR) (the "Company"), a leading owner and operator of self-storage in the United States, announced operating results for the three and six months ended June 30, 2015.



Highlights for the three months ended June 30, 2015:

- Achieved funds from operations attributable to common stockholders ("FFO") of \$0.72 per diluted share. Excluding costs associated with acquisitions and non-cash interest, FFO as adjusted was \$0.75 per diluted share, representing a 17.2% increase compared to the same period in 2014.
- Increased same-store revenue by 9.4% and same-store net operating income ("NOI") by 12.1% compared to the same period in 2014.
- Increased same-store occupancy by 240 basis points to 94.5% as of June 30, 2015, compared to 92.1% as of June 30, 2014.
- Acquired 29 operating stores for approximately \$239.9 million, and two stores at completion of construction for approximately \$22.4 million.
- Entered a definitive merger agreement to acquire SmartStop Self Storage, Inc. where the Company will pay approximately \$1.3 billion.
- Completed an equity offering of 6,325,000 shares with gross proceeds of \$431.0 million.
- Paid a quarterly dividend of \$0.59 per share, a 25.5% increase.

Highlights for the six months ended June 30, 2015:

- Achieved FFO of \$1.40 per diluted share. Excluding costs associated with acquisitions and non-cash interest, FFO as adjusted was \$1.44 per diluted share, representing a 20.0% increase compared to the same period in 2014.
- Increased same-store revenue by 8.9% and same-store NOI by 11.8% compared to the same period in 2014.
- Acquired 37 operating stores for approximately \$324.0 million, and two stores at completion of construction for approximately \$22.4 million.

Spencer F. Kirk, CEO of Extra Space Storage Inc., commented: "The storage business is in a very good place right now, and we are taking advantage of the operating conditions. Muted new supply, steady demand and our sophisticated operating platform led to the strongest revenue and NOI growth in Extra Space's history."

FFO Per Share:

The following table outlines the Company's FFO and FFO as adjusted for the three and six months ended June 30, 2015 and 2014. The table also provides a reconciliation to GAAP net income attributable to common stockholders and earnings per diluted share for each period presented (amounts shown in thousands, except share and per share data — unaudited):

	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2015		2014		2015		2014	
	(per share)		(per share)		(per share)		(per share)	
Net income attributable to common stockholders	\$ 55,339	\$ 0.47	\$ 41,665	\$ 0.36	\$ 109,081	\$ 0.92	\$ 79,005	\$ 0.68
Impact of the difference in weighted average number of shares – diluted ⁽¹⁾		(0.03)		(0.02)		(0.05)		(0.04)
Adjustments:								
Real estate depreciation	27,311	0.22	23,722	0.19	53,429	0.43	46,962	0.38
Amortization of intangibles	2,444	0.02	3,109	0.03	5,241	0.04	6,835	0.06
(Gain) loss on earnout from prior acquisition	(400)	—	7,785	0.06	(400)	—	7,785	0.06
Unconsolidated joint venture real estate depreciation and amortization	1,058	0.01	1,067	0.01	2,115	0.02	2,173	0.02
Unconsolidated joint venture gain on sale of properties and purchase of partners' interests	—	—	(3,438)	(0.03)	(2,857)	(0.02)	(3,438)	(0.03)
Distributions paid on Series A Preferred Operating Partnership units	(1,271)	—	(1,437)	(0.01)	(2,545)	(0.02)	(2,875)	(0.02)
Income allocated to Operating Partnership noncontrolling interests	5,608	0.03	4,339	0.04	10,501	0.08	8,208	0.07
FFO attributable to common stockholders	\$ 90,089	\$ 0.72	\$ 76,812	\$ 0.63	\$ 174,565	\$ 1.40	\$ 144,655	\$ 1.18
Adjustments:								
Non-cash interest expense related to amortization of discount on equity portion of exchangeable senior notes	696	—	663	0.01	1,393	0.01	1,325	—
Non-cash interest benefit related to out of	(935)	(0.01)	(713)	(0.01)	(1,683)	(0.01)	(1,608)	(0.01)

market debt								
Acquisition related costs	4,554	0.04	1,393	0.01	5,423	0.04	3,449	0.03
FFO as adjusted attributable to common stockholders	\$ 94,404	\$ 0.75	\$ 78,155	\$ 0.64	\$ 179,698	\$ 1.44	\$ 147,821	\$ 1.20
Weighted average number of shares – diluted ⁽²⁾	125,998,122		122,861,255		125,028,998		122,695,022	

(1) Adjustment to account for the difference between the number of shares used to calculate earnings per share and the number of shares used to calculate FFO per share. Earnings per share is calculated using the two-class method, which uses a lower number of shares than the calculation for FFO per share and FFO as adjusted per share, which are calculated assuming full redemption of all OP units as described in note (2).

(2) Extra Space Storage L.P. (the "Operating Partnership") has outstanding preferred and common operating partnership units ("OP units"). These OP units can be redeemed for cash or, at the Company's election, shares of the Company's common stock. Redemption of all OP units for common stock has been assumed for purposes of calculating the weighted average number of shares — diluted as presented above. The computation of weighted average shares — diluted for FFO per share and FFO as adjusted per share also includes the effect of share-based compensation plans and shares related to the exchangeable senior notes using the treasury stock method.

Operating Results and Same-Store Performance:

The following table outlines the Company's same-store performance for the three and six months ended June 30, 2015 and 2014 (amounts shown in thousands, except store count data—unaudited):

	For the Three Months Ended			For the Six Months Ended		
	June 30,		Percent Change	June 30,		Percent Change
	2015	2014		2015	2014	
Same-store rental and tenant reinsurance revenues	\$ 146,607	\$ 134,007	9.4%	\$ 286,242	\$ 262,936	8.9%
Same-store operating and tenant reinsurance expenses	41,040	39,842	3.0%	83,318	81,401	2.4%
Same-store net operating income	\$ 105,567	\$ 94,165	12.1%	\$ 202,924	\$ 181,535	11.8%
Non same-store rental and tenant reinsurance revenues	\$ 31,757	\$ 19,279	64.7%	\$ 57,526	\$ 35,814	60.6%
Non same-store operating and tenant reinsurance expenses	\$ 10,452	\$ 5,088	105.4%	\$ 18,346	\$ 9,578	91.5%
Total rental and tenant reinsurance revenues	\$ 178,364	\$ 153,286	16.4%	\$ 343,768	\$ 298,750	15.1%
Total operating and tenant reinsurance expenses	\$ 51,492	\$ 44,930	14.6%	\$ 101,664	\$ 90,979	11.7%
Same-store square foot occupancy as of quarter end	94.5%	92.1%		94.5%	92.1%	
Properties included in same-store	503	503		503	503	

Same-store revenues for the three and six months ended June 30, 2015 increased due to gains in occupancy, higher rental rates for both new and existing customers and reduced customer discounts. Expenses were higher for the three and six months ended June 30, 2015 due to increases in tenant reinsurance expense, credit card merchant fees and repairs and maintenance. Increases in expenses were partially offset by decreases in utility expenses and property insurance during the three and six months ended June 30, 2015.

Major markets with revenue growth above the Company's portfolio average for the three months ended June 30, 2015 included Atlanta, Denver, Los Angeles, Sacramento, San Francisco and Tampa/St. Petersburg. Major markets performing below the Company's portfolio average included Chicago, Philadelphia and Washington D.C./Baltimore.

Acquisition and Third-Party Management Activity:

During the quarter, the Company acquired 29 operating stores located in Arizona, Florida, Georgia, North Carolina and Texas for approximately \$239.9 million. The Company also acquired its joint venture partner's 1% interest in an entity holding 19 stores for approximately \$1.3 million.

The Company purchased two stores located in Illinois and Massachusetts at completion of construction for approximately \$22.4 million.

Subsequent to the end of the quarter, a joint venture in which the Company owns a 10% equity interest acquired a store located in Arizona for \$5.4 million. The store was acquired at completion of construction.

Announcement of SmartStop Self Storage, Inc. Acquisition and Related Equity Offering:

On June 15, 2015, the Company announced that it had entered into a definitive agreement to acquire SmartStop Self Storage, Inc. ("SmartStop"). The

Company will acquire 122 SmartStop stores, and will assume the property management of an additional 42 third-party stores located in 21 states. The Company will pay approximately \$1.3 billion, and expects the acquisition to close in the latter half of 2015.

On June 22, 2015, the Company completed a public offering of 6,325,000 shares to partially fund the SmartStop acquisition. Gross proceeds from the offering totaled \$431.0 million.

Operating Stores Under Contract:

The Company has three operating stores under contract for a total purchase price of approximately \$27.2 million. The stores are located in Maryland, Massachusetts and New Jersey. All of these acquisitions are expected to close by the end of the fourth quarter of 2015.

Other Stores Under Contract to be Purchased Upon Completion:

The Company has 16 other stores under contract for a total estimated purchase price of \$172.3 million. These stores will be purchased upon completion of construction, and are scheduled to be built and opened in 2015 to 2018. Two of the stores, with a total purchase price of \$27.8 million, will be purchased by a joint venture in which the Company owns a 10% equity interest.

The pending SmartStop acquisition, operating and other store acquisitions described above are subject to customary closing conditions and no assurance can be provided that these acquisitions will be completed on the terms described, or at all.

Property Management:

As of June 30, 2015, the Company managed 281 stores for third-party owners. With an additional 251 stores owned and operated in joint ventures, the Company had a total of 532 stores under management. The Company continues to be the largest self-storage management company in the United States.

Balance Sheet:

As of June 30, 2015, the Company's percentage of fixed-rate debt to total debt was 68.0%. The weighted average interest rates of the Company's fixed and variable-rate debt were 3.8% and 2.0%, respectively. The combined weighted average interest rate was 3.2% with a weighted average maturity of approximately 4.9 years.

Dividends:

On June 30, 2015, the Company paid a second quarter common stock dividend of \$0.59 per share to stockholders of record at the close of business on June 15, 2015.

Outlook:

The following table outlines the Company's FFO estimates and annual assumptions for the year ending December 31, 2015:

	Ranges for 2015 Annual Assumptions		Notes
	Low	High	
Funds from operations attributable to common stockholders	\$ 2.89	\$ 2.96	
Funds from operations as adjusted attributable to common stockholders	\$ 2.99	\$ 3.06	
Same-store property revenue growth	7.75 %	8.50 %	Assumes a same-store pool of 503 stores and includes tenant reinsurance
Same-store property expense growth	3.00 %	3.75 %	Assumes a same-store pool of 503 stores and includes tenant reinsurance
Same-store property NOI growth	9.25 %	10.50 %	Assumes a same-store pool of 503 stores and includes tenant reinsurance
Weighted average one-month LIBOR	0.25 %	0.25 %	
Net tenant reinsurance income	\$ 56,500,000	\$ 57,500,000	
General and administrative expenses	\$ 64,500,000	\$ 65,500,000	Includes non-cash compensation expense of \$5.5 million and assumes the SmartStop acquisition closes on 10/1/2015
Average monthly cash balance	\$ 65,000,000	\$ 65,000,000	
Equity in earnings of real estate ventures	\$ 11,500,000	\$ 12,000,000	
Acquisition of SmartStop Self Storage, Inc	\$ 1,300,000,000	\$ 1,300,000,000	Assumes a 10/1/2015 closing date
Acquisition of operating stores	\$ 450,000,000	\$ 450,000,000	
Acquisition of other stores upon completion of development	\$ 50,000,000	\$ 50,000,000	
Interest expense	\$ 96,000,000	\$ 97,000,000	Assumes the SmartStop acquisition closes on 10/1/2015
Non-cash interest expense related to exchangeable senior notes	\$ 2,700,000	\$ 2,700,000	Excluded from FFO as adjusted

Non-cash interest benefit related to out of market debt	\$	2,400,000	\$	2,400,000	Excluded from FFO as adjusted
Taxes associated with the Company's taxable REIT subsidiary	\$	8,500,000	\$	9,000,000	Excluded from FFO as adjusted and excludes defeasance costs associated with SmartStop acquisition
Acquisition related costs	\$	13,000,000	\$	13,000,000	Assumes redemption of all OP units for common stock
Weighted average share count		128,500,000		128,500,000	

FFO estimates for the year are fully diluted for an estimated average number of shares and OP units outstanding during the year. The Company's estimates are forward-looking and based on management's view of current and future market conditions. The Company's actual results may differ materially from these estimates.

Supplemental Financial Information:

Supplemental unaudited financial information regarding the Company's performance can be found on the Company's website at www.extraspace.com. Click on the "Investor Relations" link on the home page, then on "Financials & Stock Info," then on "Quarterly Earnings" in the navigation menu. This supplemental information provides additional detail on items that include store occupancy and financial performance by portfolio and market, debt maturity schedules and performance of lease-up assets.

Conference Call:

The Company will host a conference call at 1:00 p.m. Eastern Time on Thursday, July 30, 2015, to discuss its financial results. To participate in the conference call, please dial 855-791-2026 or 631-485-4899 for international participants; conference ID: 75402312. The conference call will also be available on the Company's website at www.extraspace.com. To listen to a live broadcast, go to the site at least 15 minutes prior to the scheduled start time in order to register, download and install any necessary audio software. A replay of the call will be available for 30 days on the Company's website in the Investor Relations section.

A replay of the call will also be available by telephone, from 4:00 p.m. Eastern Time on July 30, 2015, until 11:59 p.m. Eastern Time on August 4, 2015. The replay dial-in numbers are 855-859-2056 or 404-537-3406 for international callers; conference ID: 75402312.

Forward-Looking Statements:

Certain information set forth in this release contains "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements include statements concerning the timing, completion and benefits of the SmartStop acquisition and other store acquisitions, and other statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions and other information that is not historical information. In some cases, forward-looking statements can be identified by terminology such as "believes," "estimates," "expects," "may," "will," "should," "anticipates," or "intends," or the negative of such terms or other comparable terminology, or by discussions of strategy. We may also make additional forward-looking statements from time to time. All such subsequent forward-looking statements, whether written or oral, by us or on our behalf, are also expressly qualified by these cautionary statements. There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in or contemplated by this release. Any forward-looking statements should be considered in light of the risks referenced in the "Risk Factors" section included in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Such factors include, but are not limited to:

- adverse changes in general economic conditions, the real estate industry and the markets in which we operate;
- failure to close pending acquisitions on expected terms, or at all, including the acquisition of SmartStop;
- the effect of competition from new and existing self-storage facilities or other storage alternatives, which could cause rents and occupancy rates to decline;
- difficulties in our ability to evaluate, finance, complete and integrate acquisitions and developments successfully and to lease up those stores, which could adversely affect our profitability;
- potential liability for uninsured losses and environmental contamination;
- the impact of the regulatory environment as well as national, state and local laws and regulations, including, without limitation, those governing real estate investment trusts ("REITs"), tenant reinsurance and other aspects of our business, which could adversely affect our results;
- disruptions in credit and financial markets and resulting difficulties in raising capital or obtaining credit at reasonable rates or at all, which could impede our ability to grow;
- increased interest rates and operating costs;
- reductions in asset valuations and related impairment charges;
- the failure of our joint venture partners to fulfill their obligations to us or their pursuit of actions that are inconsistent with our objectives;
- the failure to maintain our REIT status for federal income tax purposes;
- economic uncertainty due to the impact of war or terrorism, which could adversely affect our business plan; and
- difficulties in our ability to attract and retain qualified personnel and management members.

All forward-looking statements are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them, but there can be no assurance that management's expectations, beliefs and projections will result or be achieved. All forward-looking statements apply only as of the date made. We undertake no obligation to publicly update or revise forward-looking statements which may be made to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events.

Definition of FFO:

FFO provides relevant and meaningful information about the Company's operating performance that is necessary, along with net income and cash flows, for an understanding of the Company's operating results. The Company believes FFO is a meaningful disclosure as a supplement to net earnings. Net earnings assume that the values of real estate assets diminish predictably over time as reflected through depreciation and amortization expenses. The values of real estate assets fluctuate due to market conditions and the Company believes FFO more accurately reflects the value of the Company's real estate assets. FFO is defined by the National Association of Real Estate Investment Trusts, Inc. ("NAREIT") as net income computed in accordance with U.S. generally accepted accounting principles ("GAAP"), excluding gains or losses on sales of operating stores and impairment write downs of depreciable real estate assets, plus depreciation and amortization and after adjustments to record unconsolidated partnerships and joint ventures on the same basis. The Company believes that to further understand the Company's performance, FFO should be considered along with the reported net income and cash flows in accordance with GAAP, as presented in the Company's consolidated financial statements.

For informational purposes, the Company also presents FFO as adjusted which excludes non-recurring revenues and expenses, acquisition related costs and non-cash interest. Although the Company's calculation of FFO as adjusted differs from NAREIT's definition of FFO and may not be comparable to that of other REITs and real estate companies, the Company believes it provides a meaningful supplemental measure of operating performance. The Company believes that by excluding non-recurring revenues and expenses, the costs related to acquiring stores and non-cash interest charges, stockholders and potential investors are presented with an indicator of its operating performance that more closely achieves the objectives of the real estate industry in presenting FFO. FFO as adjusted by the Company should not be considered a replacement of the NAREIT definition of FFO. The computation of FFO may not be comparable to FFO reported by other REITs or real estate companies that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently. FFO does not represent cash generated from operating activities determined in accordance with GAAP, and should not be considered as an alternative to net income as an indication of the Company's performance, as an alternative to net cash flow from operating activities as a measure of liquidity, or as an indicator of the Company's ability to make cash distributions.

Definition of Same-Store:

The Company's same-store pool for the periods presented consists of 503 stores that are wholly-owned and operated and that were stabilized by the first day of the earliest calendar year presented. The Company considers a store to be stabilized once it has been open for three years or has sustained average square foot occupancy of 80.0% or more for one calendar year. Same-store results provide information relating to store operations without the effects of acquisitions or completed developments and should not be used as a basis for future same-store performance or for the performance of the Company's stores as a whole.

About Extra Space Storage Inc.:

Extra Space Storage Inc., headquartered in Salt Lake City, Utah, is a self-administered and self-managed REIT. As of June 30, 2015, the Company owned and/or operated 1,147 self-storage stores in 35 states, Washington, D.C. and Puerto Rico. The Company's stores comprise approximately 770,000 units and approximately 85.1 million square feet of rentable space. The Company offers customers a wide selection of conveniently located and secure storage units across the country, including boat storage, RV storage and business storage. The Company is the second largest owner and/or operator of self-storage stores in the United States and is the largest self-storage management company in the United States.

Extra Space Storage Inc.
Consolidated Balance Sheets
(In thousands, except share data)

	<u>June 30, 2015</u>	<u>December 31, 2014</u>
	(Unaudited)	
Assets:		
Real estate assets, net	\$ 4,452,046	\$ 4,135,696
Investments in unconsolidated real estate ventures	84,744	85,711
Cash and cash equivalents	175,893	47,663
Restricted cash	25,424	25,245
Receivables from related parties and affiliated real estate joint ventures	2,071	11,778
Other assets, net	93,572	96,014
	<hr/>	<hr/>
Total assets	\$ 4,833,750	\$ 4,402,107

Liabilities, Noncontrolling Interests and Equity:

Notes payable	\$ 1,928,552	\$ 1,872,067
Premium on notes payable	1,599	3,281
Exchangeable senior notes	250,000	250,000
Discount on exchangeable senior notes	(11,285)	(13,054)
Notes payable to trusts	119,590	119,590
Lines of credit	—	138,000
Accounts payable and accrued expenses	69,378	65,521
Other liabilities	52,638	54,719
	<hr/>	<hr/>
Total liabilities	2,410,472	2,490,124

Commitments and contingencies

Noncontrolling Interests and Equity:

Extra Space Storage Inc. stockholders' equity:

Preferred stock, \$0.01 par value, 50,000,000 shares authorized, no shares issued or outstanding	—	—
Common stock, \$0.01 par value, 500,000,000 shares authorized, 122,835,005 and 116,360,239 shares issued and outstanding at June 30, 2015 and December 31, 2014, respectively	1,228	1,163
Additional paid-in capital	2,416,894	1,995,484
Accumulated other comprehensive loss	(1,819)	(1,484)
Accumulated deficit	(272,130)	(257,738)
	<hr/>	<hr/>
Total Extra Space Storage Inc. stockholders' equity	2,144,173	1,737,425
Noncontrolling interest represented by Preferred Operating Partnership units, net of \$120,230 notes receivable	81,020	81,152
Noncontrolling interests in Operating Partnership	197,912	92,422
Other noncontrolling interests	173	984
	<hr/>	<hr/>
Total noncontrolling interests and equity	2,423,278	1,911,983
	<hr/>	<hr/>
Total liabilities, noncontrolling interests and equity	\$ 4,833,750	\$ 4,402,107

Consolidated Statement of Operations for the three and six months ended June 30, 2015 and 2014 (unaudited)
(In thousands, except share and per share data)

For the Three Months Ended June 30, For the Six Months Ended June 30,

	2015	2014	2015	2014
Revenues:				
Property rental	\$ 161,024	\$ 138,778	\$ 309,918	\$ 270,779
Tenant reinsurance	17,340	14,508	33,850	27,971
Management fees and other income	7,496	7,438	15,246	14,561
Total revenues	185,860	160,724	359,014	313,311
Expenses:				
Property operations	48,209	42,294	95,453	85,776
Tenant reinsurance	3,283	2,636	6,211	5,203
Acquisition related costs	4,554	1,393	5,423	3,449
General and administrative	16,655	15,469	32,904	31,178
Depreciation and amortization	31,552	28,271	61,980	56,646
Total expenses	104,253	90,063	201,971	182,252
Income from operations	81,607	70,661	157,043	131,059
Gain (loss) on earnout from prior acquisitions	400	(7,785)	400	(7,785)
Interest expense	(22,811)	(20,658)	(44,242)	(40,256)
Non-cash interest expense related to amortization of discount on equity component of exchangeable senior notes	(696)	(663)	(1,393)	(1,325)
Interest income	428	712	1,284	981
Interest income on note receivable from Preferred Operating Partnership unit holder	1,212	1,212	2,425	2,425
Income before equity in earnings of unconsolidated real estate ventures and income tax expense	60,140	43,479	115,517	85,099
Equity in earnings of unconsolidated real estate ventures	3,001	2,604	5,651	5,023
Equity in earnings of unconsolidated real estate ventures—gain on sale of real estate assets and purchase of joint venture partners' interests	—	3,438	2,857	3,438
Income tax expense	(2,185)	(3,513)	(4,433)	(6,343)
Net income	60,956	46,008	119,592	87,217
Net income allocated to Preferred Operating Partnership noncontrolling interests	(3,007)	(2,812)	(5,933)	(5,304)
Net income allocated to Operating Partnership and other noncontrolling interests	(2,610)	(1,531)	(4,578)	(2,908)
Net income attributable to common stockholders	\$ 55,339	\$ 41,665	\$ 109,081	\$ 79,005
Earnings per common share				
Basic	\$ 0.47	\$ 0.36	\$ 0.93	\$ 0.68
Diluted	\$ 0.47	\$ 0.36	\$ 0.92	\$ 0.68

Weighted average number of shares				
Basic	116,861,678	115,653,489	116,491,710	115,546,341
Diluted	124,475,890	121,254,222	123,477,241	121,161,292
Cash dividends paid per common share	\$ 0.59	\$ 0.47	\$ 1.06	\$ 0.87

Reconciliation of the Range of Estimated Fully Diluted Earnings Per Share to Estimated Fully Diluted FFO Per Share — for the Three Months Ending September 30, 2015 and Year Ending December 31, 2015 — Unaudited

	For the Three Months Ending September 30, 2015		For the Year Ending December 31, 2015	
	Low End	High End	Low End	High End
Net income attributable to common stockholders per diluted share	\$ 0.50	\$ 0.52	\$ 1.82	\$ 1.89
Income allocated to noncontrolling interest - Preferred Operating Partnership and Operating Partnership	0.04	0.04	0.16	0.16
Fixed component of income allocated to non-controlling interest - Preferred Operating Partnership	(0.01)	(0.01)	(0.04)	(0.04)
Net income attributable to common stockholders for diluted computations	0.53	0.55	1.94	2.01
Adjustments:				
Real estate depreciation	0.20	0.20	0.84	0.84
Amortization of intangibles	0.03	0.03	0.10	0.10
Unconsolidated joint venture real estate depreciation and amortization	0.01	0.01	0.03	0.03
Unconsolidated joint venture gain on sale of real estate and purchase of partners' interests	—	—	(0.02)	(0.02)
Funds from operations attributable to common stockholders	\$ 0.77	\$ 0.79	\$ 2.89	\$ 2.96
Adjustments:				
Non-cash interest related to out of market debt	(0.01)	(0.01)	(0.02)	(0.02)
Non-cash interest expense related to amortization of discount on equity portion of exchangeable senior notes	0.01	0.01	0.02	0.02
Acquisition related costs	—	—	0.10	0.10
Funds from operations as adjusted attributable to common stockholders	\$ 0.77	\$ 0.79	\$ 2.99	\$ 3.06

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For Information: Jeff Norman, Extra Space Storage Inc., (801) 365-1759