

Public Storage
Form 424B5
January 07, 2013
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Filed under Rule 424(b)(5)
File No. 333-167458

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion dated January 7, 2013

PRELIMINARY PROSPECTUS SUPPLEMENT

(To Prospectus dated June 11, 2010)

Shares

Public Storage

Depository Shares Each Representing 1/1,000 of a

% Cumulative Preferred Share of Beneficial Interest, Series W

Liquidation Preference Equivalent to \$25.00 Per Depository Share

We are selling _____ depository shares (_____ Depository Shares) each representing 1/1,000 of a _____ % Cumulative Preferred Share of Beneficial Interest, Series W (_____ Preferred Shares). The Preferred Shares represented by the Depository Shares will be deposited with Computershare Trust Company, N. A., as depositary. As a holder of Depository Shares, you will be entitled to all proportional rights, preferences and privileges of the Preferred Shares. We have granted the underwriters an option to purchase up to _____ additional Depository Shares to cover over-allotments. The following is a summary of the Preferred Shares:

We will pay cumulative distributions on the Preferred Shares, from the date of original issuance, at the rate of _____ % of the liquidation preference per year (\$ _____ per year per Depository Share).

We will pay distributions on the Preferred Shares quarterly, beginning on March 31, 2013 (with the payment on that date being based pro rata on the number of days from the original issuance of the Preferred Shares).

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We are not allowed to redeem the Preferred Shares before January , 2018, except in order to preserve our status as a real estate investment trust.

On and after January , 2018, we may, at our option, redeem the Preferred Shares by paying you \$25.00 per Depositary Share, plus any accrued and unpaid distributions.

The Preferred Shares have no stated maturity and are not subject to any sinking fund or mandatory redemption and are not convertible into any other securities.

Investors in the Depositary Shares representing interests in the Preferred Shares generally have no voting rights, except if we fail to pay distributions for six or more quarters or as required by law.

We intend to apply to have the Depositary Shares listed on the New York Stock Exchange (the NYSE) under the symbol PSAPrW. If this application is approved, trading of the Depositary Shares on the NYSE is expected to begin within 30 days following initial delivery of the Depositary Shares.

Investing in the Depositary Shares involves risks. See Risk Factors beginning on page S-3 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	<u>Per Share</u>	<u>Total</u>
Public Offering Price	\$ 25.0000	\$ (1)
Underwriting Discount	\$ (2)	\$ (2)
Proceeds to Public Storage (before expenses)	\$	\$

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- (1) The underwriters also may purchase up to an additional Depositary Shares within 30 days of the date of this prospectus supplement in order to cover over-allotments, if any.
- (2) The underwriting discount will be \$ per Depositary Share for retail orders and \$ per Depositary Share for institutional orders. See Underwriting beginning on page S-15 of this prospectus supplement for a discussion regarding certain additional underwriting compensation and discounts.

The underwriters are offering the Depositary Shares subject to various conditions. The underwriters expect to deliver the Depositary Shares to purchasers on or about January , 2013.

Joint Book-Running Managers

BofA Merrill Lynch

Morgan Stanley

UBS Investment Bank

Wells Fargo Securities

January , 2013

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer of these securities in any state or jurisdiction where the offer is not permitted. You should not assume that the information contained herein or in any document incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement or the date of the document incorporated by reference herein.

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This prospectus supplement and the accompanying prospectus, including documents incorporated by reference, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are inherently subject to risk and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. Factors that might cause such a difference

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include, but are not limited to, those discussed in Risk Factors in this prospectus supplement and in our most recent annual report as well as in Management's Discussion and Analysis of Financial Condition and Results of Operations in our most recent annual and quarterly reports.

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WHERE YOU CAN FIND MORE INFORMATION

We are subject to the reporting requirements of the Exchange Act and are required to file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). You may read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You may telephone the SEC at 1-800-SEC-0330 for further information on SEC public reference facilities. The SEC also maintains a website at <http://www.sec.gov> that contains the reports, proxy and information statements and other information that we and other registrants file electronically with the SEC. You also can inspect reports and other information we file at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005, and the Pacific Exchange, 301 Pine Street, San Francisco, California 94104.

This prospectus supplement and the accompanying prospectus are a part of a registration statement on Form S-3 filed with the SEC to register offers and sales of the securities described in this prospectus supplement and the accompanying prospectus under the Securities Act. The registration statement contains additional information about us and the securities. You may obtain the registration statement and its exhibits from the SEC as indicated above or from us.

The SEC allows us to provide information about our business and other important information to you by incorporating by reference the information we file with the SEC, which means that we can disclose that information to you by referring in this prospectus supplement and the accompanying prospectus to the documents we file with the SEC. Under SEC regulations, any statement contained in a document incorporated by reference in this prospectus supplement and the accompanying prospectus is automatically updated and superseded by any information contained in this prospectus supplement and the accompanying prospectus, or in any subsequently filed document of the types described below.

We incorporate into this prospectus supplement by reference the following documents filed with the SEC by us, each of which should be considered an important part of this prospectus supplement:

SEC Filing	Period Covered or Date of Filing
Annual Report on Form 10-K	Year ended December 31, 2011 (filed February 27, 2012)
Quarterly Reports on Form 10-Q	Quarters ended March 31, 2012 (filed May 7, 2012), June 30, 2012 (filed August 6, 2012) and September 30, 2012 (filed November 9, 2012)
Current Reports on Form 8-K	Filed January 5, 2012, January 9, 2012, March 5, 2012, March 7, 2012, March 27, 2012, May 3, 2012, June 7, 2012, June 13, 2012, July 27, 2012, September 10, 2012, September 11, 2012, September 13, 2012, November 9, 2012 and November 27, 2012
The portions of our Definitive Proxy Statement on Schedule 14A that are incorporated by reference in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011	Filed March 23, 2012
All subsequent documents filed by us under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act of 1934 (other than those furnished pursuant to Item 2.02 or Item 7.01 of Form 8-K or other information furnished to the SEC)	After the date of this prospectus supplement and before the termination of the offering

You may request a copy of each of our filings at no cost, by writing or telephoning us at the following address, telephone or facsimile number:

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Investor Services Department

Public Storage

701 Western Avenue

Glendale, California 91201-2397

Telephone: (800) 421-2856

(818) 244-8080

Facsimile: (818) 241-0627

Exhibits to a document will not be provided unless they are specifically incorporated by reference in that document.

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*This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and may not contain all the information that you need to consider in making your investment decision. You should carefully read this entire prospectus supplement and the accompanying prospectus, as well as the information to which we refer you and the information incorporated by reference, before deciding whether to invest in the Depositary Shares. You should pay special attention to the **Risk Factors** section of this prospectus supplement to determine whether an investment in the Depositary Shares is appropriate for you.*

The Company

We are a fully integrated, self-administered and self-managed real estate investment trust (REIT) that acquires, develops, owns and operates self-storage facilities which offer self-storage spaces for lease for personal and business use. We are the largest global owner and operator of self-storage facilities with equity interests (through direct ownership, as well as joint venture and general and limited partnership interests), as of September 30, 2012, in 2,069 storage facilities located in 38 states in the United States and 189 storage facilities located in seven countries in Europe operated under the Shurgard brand. We also have a significant ownership in PS Business Parks, Inc., a REIT that, as of December 19, 2012, had an equity interest in 28.3 million net rentable square feet of commercial space, primarily flex, multi-tenant office and industrial space, located in eight states.

The following table reflects the geographic diversification of our storage facilities:

	At September 30, 2012	
	Number of Storage Facilities	Net Rentable Square Feet (in thousands)
United States:		
California:		
Southern	240	16,927
Northern	172	10,024
Texas	236	15,548
Florida	196	12,940
Illinois	126	7,904
Washington	91	6,028
Georgia	93	6,039
North Carolina	69	4,775
Virginia	78	4,471
New York	64	4,267
Colorado	59	3,713
New Jersey	56	3,559
Maryland	57	3,404
Minnesota	43	2,931
Michigan	43	2,755
Arizona	37	2,259
South Carolina	40	2,155
Missouri	37	2,136
Oregon	39	2,006
Tennessee	27	1,528

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Indiana	31	1,926
Pennsylvania	29	1,993
Ohio	31	1,922
Nevada	27	1,818
Kansas	22	1,310
Massachusetts	20	1,249
Wisconsin	15	968
Other states (12 states)	91	5,154
	<hr/>	<hr/>
Total U.S.	2,069	131,709
	<hr/>	<hr/>
Europe:		
France	56	2,949
Netherlands	40	2,182
Sweden	30	1,629
Belgium	21	1,265
United Kingdom	21	1,026
Germany	11	553
Denmark	10	562
	<hr/>	<hr/>
Total Europe	189	10,166
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Grand Total	2,258	141,875
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Recent Developments

Redemption of Series F and Series X Preferred Shares

On October 15, 2012, we redeemed all of our outstanding 6.45% Cumulative Preferred Shares, Series F, and our outstanding 6.45% Cumulative Preferred Shares, Series X, for a total redemption amount of \$367.3 million, plus accrued and unpaid dividends.

Redemption of Series Z, Series A and Series D Preferred Shares

On December 27, 2012, we redeemed all of our outstanding 6.25% Cumulative Preferred Shares, Series Z, our outstanding 6.125% Cumulative Preferred Shares, Series A and our outstanding 6.18% Cumulative Preferred Shares, Series D, for a total redemption amount of \$362.5 million, plus accrued and unpaid dividends.

Use Of Proceeds

We estimate net proceeds from this offering of approximately \$ million, after all anticipated issuance costs. We expect to use a portion of the net proceeds to repay all the outstanding indebtedness under our revolving credit facility, which was \$98.0 million principal amount on January 4, 2013 with an interest rate calculated at 30 day LIBOR plus 95 basis points or approximately 1.16% on December 31, 2012. The indebtedness was incurred in connection with our redemption of all of our outstanding 6.25% Cumulative Preferred Shares, Series Z, our outstanding 6.125% Cumulative Preferred Shares, Series A and our outstanding 6.18% Cumulative Preferred Shares, Series D, on December 27, 2012 for a total redemption amount of \$362.5 million, plus accrued and unpaid dividends. We also expect to use any additional net proceeds for general corporate purposes, which may include investments in self-storage facilities and in entities that own self-storage facilities.

Our revolving credit facility matures on March 21, 2017. Borrowings under our revolving credit facility bear interest at variable rates determined at our option at the time of any borrowing. Bank of America, NA, an affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley Bank, an affiliate of Morgan Stanley & Co. LLC, UBS Loan Finance LLC, an affiliate of UBS Securities LLC, and Wells Fargo Bank, National Association, an affiliate of Wells Fargo Securities, LLC, are lenders under our revolving credit facility and will receive their proportionate share of any amount outstanding under our revolving credit facility that is repaid with the net proceeds of this offering.

Pending application of the net proceeds as described above, we expect to deposit the net proceeds of this offering in interest bearing accounts or invest them in certificates of deposit, United States government obligations or other short-term, high-quality debt instruments selected at our discretion.

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RISK FACTORS

Before investing in the Depositary Shares, you should carefully consider the risks described below and in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, including (i) those described under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and (ii) documents we file with the Securities and Exchange Commission after the date of this prospectus supplement and which are deemed incorporated by reference in this prospectus supplement.

The Depositary Shares offered by this prospectus supplement are a new issue and do not have an established trading market, which may negatively affect their market value and your ability to transfer or sell your Depositary Shares.

Because the Depositary Shares do not have a stated maturity date, investors seeking liquidity will be limited to selling their Depositary Shares in the secondary market. We will apply to list the Depositary Shares on the NYSE, but we cannot assure you that the Depositary Shares will be approved for listing. If approved, trading is not expected to begin until 30 days after the initial delivery of the Depositary Shares. In addition, an active trading market on the NYSE for the Depositary Shares may not develop or, even if it develops, may not last, in which case the trading price of the Depositary Shares could be adversely affected. We have been advised by the underwriters that they intend to make a market in the Depositary Shares, but they are not obligated to do so and may discontinue market-making at any time without notice.

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USE OF PROCEEDS

We estimate net proceeds from this offering of approximately \$ million, after all anticipated issuance costs. We expect to use a portion of the net proceeds to repay all the outstanding indebtedness under our revolving credit facility, which was \$98.0 million principal amount on January 4, 2013 with an interest rate calculated at 30 day LIBOR plus 95 basis points or approximately 1.16% on December 31, 2012. The indebtedness was incurred in connection with our redemption of all of our outstanding 6.25% Cumulative Preferred Shares, Series Z, our outstanding 6.125% Cumulative Preferred Shares, Series A and our outstanding 6.18% Cumulative Preferred Shares, Series D, on December 27, 2012 for a total redemption amount of \$362.5 million, plus accrued and unpaid dividends. We also expect to use any additional net proceeds for general corporate purposes, which may include investments in self-storage facilities and in entities that own self-storage facilities.

Our revolving credit facility matures on March 21, 2017. Borrowings under our revolving credit facility bear interest at variable rates determined at our option at the time of any borrowing. Bank of America, NA, an affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley Bank, an affiliate of Morgan Stanley & Co. LLC, UBS Loan Finance LLC, an affiliate of UBS Securities LLC, and Wells Fargo Bank, National Association, an affiliate of Wells Fargo Securities, LLC, are lenders under our revolving credit facility and will receive their proportionate share of any amount outstanding under our revolving credit facility that is repaid with the net proceeds of this offering.

Pending application of the net proceeds as described above, we expect to deposit the net proceeds of this offering in interest bearing accounts or invest them in certificates of deposit, United States government obligations or other short-term, high-quality debt instruments selected at our discretion.

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DESCRIPTION OF PREFERRED SHARES AND DEPOSITARY SHARES

General

Under our Articles of Amendment and Restatement of Declaration of Trust, the Board of Trustees is authorized without further shareholder action to provide for the issuance of up to 100,000,000 preferred shares of beneficial interest, par value \$0.01 per share, in one or more series, with such voting powers, full or limited, and with such designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, as shall be set forth in resolutions providing for the issue of preferred shares adopted by the Board of Trustees. At December 31, 2012, we had outstanding 113,500 preferred shares.

The Board of Trustees has adopted resolutions classifying the _____ % Cumulative Preferred Shares, Series W (the Preferred Shares). When issued, the Preferred Shares will have a liquidation value of \$25,000 per share, will be fully paid and nonassessable, will not be subject to any sinking fund or other obligation of the Company to repurchase or retire the Preferred Shares, and will have no preemptive rights.

Computershare Trust Company, N. A. will be the transfer agent and distribution disbursing agent for the Preferred Shares. Its offices are located at 250 Royall Street, Canton, Massachusetts 02105-1865.

Each depositary share represents 1/1,000 of a Preferred Share (the Depositary Shares). The Preferred Shares will be deposited with Computershare Trust Company, N. A., as Depositary (the Preferred Shares Depositary), under a Deposit Agreement among the Company, the Preferred Shares Depositary and the holders from time to time of the depositary receipts (the Depositary Receipts) issued by the Preferred Shares Depositary under the Deposit Agreement. The Depositary Receipts will evidence the Depositary Shares. Subject to the terms of the Deposit Agreement, each holder of a Depositary Receipt evidencing a Depositary Share will be entitled, proportionately, to all the rights and preferences of, and subject to all of the limitations of, the interest in the Preferred Shares represented by the Depositary Share (including distribution, voting, redemption and liquidation rights and preferences). See Description of the Depositary Shares in the accompanying prospectus and Depositary Shares below.

Immediately following our issuance of the Preferred Shares, we will deposit the Preferred Shares with the Preferred Shares Depositary, which will then issue and deliver the Depositary Receipts to us. We will, in turn, deliver the Depositary Receipts to the underwriters. Depositary Receipts will be issued evidencing only whole Depositary Shares.

We intend to apply to have the Depositary Shares listed on the NYSE. The Preferred Shares will not be listed and we do not expect that there will be any trading market for the Preferred Shares except as represented by the Depositary Shares.

Ownership Restrictions

For a discussion of ownership limitations that apply to the Preferred Shares and related Depositary Shares, see Ownership Limitations in the accompanying prospectus.

Preferred Shares of Beneficial Interest

The following is a brief description of the terms of the Preferred Shares which does not purport to be complete and is subject to and qualified in its entirety by reference to the articles supplementary classifying the Preferred Shares, the form of which will be incorporated by reference into the Registration Statement of which this prospectus supplement constitutes a part.

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Ranking

With respect to the payment of distributions and amounts upon liquidation, the Preferred Shares will rank *pari passu* with our 6.875% Cumulative Preferred Shares, Series O, 6.5% Cumulative Preferred Shares, Series P, 6.5% Cumulative Preferred Shares, Series Q, 6.35% Cumulative Preferred Shares, Series R, 5.90% Cumulative Preferred Shares, Series S, 5.750% Cumulative Preferred Shares, Series T, 5.625% Cumulative Preferred Shares, Series U, 5.375% Cumulative Preferred Shares, Series V (collectively, together with the Preferred Shares, the Senior Preferred Shares) and any other preferred shares issued by us, whether now or hereafter issued, ranking *pari passu* with the Senior Preferred Shares, and will rank senior to the Common Shares and any other shares of beneficial interest of the Company ranking junior to the Preferred Shares.

Distributions

Holders of Preferred Shares, in preference to the holders of Common Shares, and of any other shares of beneficial interest issued by us ranking junior to the Preferred Shares as to payment of distributions, will be entitled to receive, when and as declared by the Board of Trustees out of assets of the Company legally available for payment, cash distributions payable quarterly at the rate of % of the liquidation preference per year (\$ per year per share, equivalent to \$ per year per Depositary Share). Distributions on the Preferred Shares will be cumulative from the date of issue and will be payable quarterly on or before March 31, June 30, September 30 and December 31, commencing March 31, 2013, to holders of record as they appear on the shares register of the Company on such record dates, not less than 15 or more than 45 days preceding the payment dates thereof, as shall be fixed by the Board of Trustees. If the last day of a quarter falls on a non-business day, we may pay distributions for that quarter on the first business day following the end of the quarter. After full distributions on the Preferred Shares have been paid or declared and funds set aside for payment for all past distribution periods and for the then current quarter, the holders of Preferred Shares will not be entitled to any further distributions with respect to that quarter.

When distributions are not paid in full upon the Preferred Shares and any other preferred shares of the Company ranking on a parity as to distributions with the Preferred Shares (including the other series of Senior Preferred Shares), all distributions declared upon the Preferred Shares and any other preferred shares of the Company ranking on a parity as to distributions with the Preferred Shares shall be declared *pro rata* so that the amount of distributions declared per share on such Preferred Shares and such other shares shall in all cases bear to each other the same ratio that the accrued distributions per share on the Preferred Shares and such other preferred shares bear to each other. Except as set forth in the preceding sentence, unless full distributions on the Preferred Shares have been paid for all past distribution periods, no distributions (other than in Common Shares or other shares of beneficial interest issued by us ranking junior to the Preferred Shares as to distributions and upon liquidation) shall be declared or paid or set aside for payment, nor shall any other distribution be made on the Common Shares or on any other shares of beneficial interest issued by us ranking junior to or on a parity with the Preferred Shares as to distributions or upon liquidation.

Unless full distributions on the Preferred Shares have been paid for all past distribution periods, we and our subsidiaries may not redeem, repurchase or otherwise acquire for any consideration (nor may we or they pay or make available any moneys for a sinking fund for the redemption of) any Common Shares or any other shares of beneficial interest issued by us ranking junior to or on a parity with the Preferred Shares as to distributions or upon liquidation except by conversion into or exchange for shares of beneficial interest issued by us ranking junior to the Preferred Shares as to distributions and upon liquidation.

If for any taxable year, we elect to designate as capital gain dividends (as defined in the Code) any portion of the distributions paid or made available for the year to the holders of all classes and series of our shares of beneficial interest (to the extent treated as a dividend for U.S. federal income tax purposes), then the portion of

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such distributions designated as capital gain dividends that will be allocable to the holders of Preferred Shares will be an amount equal to the total capital gain dividends multiplied by a fraction, the numerator of which will be the total dividends paid or made available to the holders of Preferred Shares for the year (determined for U.S. federal income tax purposes), and the denominator of which will be the total dividends paid or made available to holders of all classes and series of our outstanding shares of beneficial interest for that year (determined for U.S. federal income tax purposes).

Distributions that are treated as dividends for U.S. federal income tax purposes paid by regular C corporations to persons or entities that are taxed as individuals are generally taxed at the rate applicable to long-term capital gains, which is a maximum of 20%, subject to certain limitations. Because we are a REIT, however, our dividends, including dividends paid on the Preferred Shares, generally are taxed at regular ordinary income tax rates, except to the extent that the special rules relating to qualified dividend income or capital gains dividends paid by a REIT apply. See Additional Material U.S. Federal Income Tax Considerations.

Conversion Rights

The Preferred Shares will not be convertible into shares of any other class or series of beneficial interest of the Company.

Liquidation Rights

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of the Preferred Shares will be entitled to receive out of our assets available for distribution to shareholders, before any distribution of assets is made to holders of Common Shares or of any other shares of beneficial interest issued by us ranking as to such distribution junior to the Preferred Shares, liquidating distributions in the amount of \$25,000 per share (equivalent to \$25.00 per Depositary Share), plus all accrued and unpaid distributions (whether or not earned or declared) for the then current, and all prior, distribution periods. If upon any voluntary or involuntary liquidation, dissolution or winding up of the Company, the amounts payable with respect to the Preferred Shares and any other shares issued by us ranking as to any such distribution on a parity with the Preferred Shares (including other series of Senior Preferred Shares) are not paid in full, the holders of the Preferred Shares and of such other shares will share ratably in any such distribution of assets of the Company in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the Preferred Shares will not be entitled to any further participation in any distribution of assets by us.

For purposes of liquidation rights, a consolidation or merger of the Company with or into any other corporation or corporations or a sale of all or substantially all of the assets of the Company is not a liquidation, dissolution or winding up of the Company.

Redemption

Except in certain circumstances relating to our qualification as a REIT, we may not redeem the Preferred Shares prior to January 1, 2018. On and after January 1, 2018, at any time or from time to time, we may redeem the Preferred Shares in whole or in part at our option at a cash redemption price of \$25,000 per Preferred Share (equivalent to \$25.00 per Depositary Share), plus all accrued and unpaid distributions to the date of redemption.

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Notwithstanding the foregoing, if any distributions, including any accumulation, on the Preferred Shares are in arrears, we may not redeem any Preferred Shares unless we redeem simultaneously all outstanding Preferred Shares, and we may not purchase or otherwise acquire, directly or indirectly, any Preferred Shares; provided, however, that this shall not prevent the purchase or acquisition of the Preferred Shares pursuant to a purchase or exchange offer if such offer is made on the same terms to all holders of the Preferred Shares.

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A notice of redemption of the Preferred Shares (which may be contingent on the occurrence of a future event) will be mailed, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, addressed to the holders of record of Preferred Shares at their addresses as they appear on our stock transfer records. The failure to give such notice or any defect in the notice or in its mailing will not affect the validity of the proceedings for the redemption of any Preferred Shares except as to the holder to whom notice was defective or not given. Each notice will state: (1) the redemption date; (2) the number of Preferred Shares to be redeemed; (3) the redemption price per Preferred Share; (4) the place or places where certificates for the Preferred Shares are to be surrendered for payment of the redemption price; and (5) that distributions on the Preferred Shares to be redeemed will cease to accrue on such redemption date.

If fewer than all the Preferred Shares held by any holder are to be redeemed, the notice mailed to such holder shall also specify the number of Preferred Shares to be redeemed from such holder. If fewer than all of the outstanding Preferred Shares are to be redeemed, the shares to be redeemed shall be selected by lot or pro rata or by any other equitable method we may choose. In order to facilitate the redemption of Preferred Shares, the Board of Trustees may fix a record date for the determination of Preferred Shares to be redeemed, such record date to be not less than 30 nor more than 60 days prior to the date fixed for such redemption.

Notice having been given as provided above, from and after the date specified therein as the date of redemption, unless we default in providing funds for the payment of the redemption price on such date, all distributions on the Preferred Shares called for redemption will cease. From and after the redemption date, unless we so default, all rights of the holders of the Preferred Shares as shareholders of the Company, except the right to receive the redemption price (but without interest), will cease. Upon surrender in accordance with such notice of the certificates representing any such shares (properly endorsed or assigned for transfer, if the Board of Trustees of the Company shall so require and the notice shall so state), the redemption price set forth above shall be paid out of the funds provided by the Company. If fewer than all the shares represented by any such certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without cost to the holder thereof.

Subject to applicable law and the limitation on purchases when distributions on the Preferred Shares are in arrears, we may, at any time and from time to time, purchase any Preferred Shares in the open market, by tender or by private agreement.

Voting Rights

Except as indicated below, or except as expressly required by applicable law, holders of the Preferred Shares will not be entitled to vote.

If six quarterly distributions payable on the Preferred Shares or any other series of preferred shares are in default (whether or not declared or consecutive), the holders of the Preferred Shares (voting as a class with all other series of Senior Preferred Shares) will be entitled to elect two additional trustees until all distributions in default have been paid or declared and set apart for payment.

Such right to vote separately to elect trustees shall, when vested, be subject, always, to the same provisions for vesting of such right to elect trustees separately in the case of future distribution defaults. At any time when such right to elect trustees separately shall have so vested, we may, and upon the written request of the holders of record of not less than 10% of the total number of preferred shares of the Company then outstanding shall, call a special meeting of shareholders for the election of trustees. In the case of such a written request, such special meeting shall be held within 90 days after the delivery of such request and, in either case, at the place and upon the notice provided by law and in our Bylaws, provided that we shall not be required to call such a special meeting if such request is received less than 120 days before the date fixed for the next ensuing annual meeting of shareholders, and the holders of all classes of outstanding preferred shares are offered the opportunity to elect such trustees (or fill any vacancy) at such annual meeting of shareholders. Trustees so elected shall serve until

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the next annual meeting of our shareholders or until their respective successors are elected and qualified. If, prior to the end of the term of any trustee so elected, a vacancy in the office of such trustee shall occur, during the continuance of a default in distributions on preferred shares of the Company, by reason of death, resignation, or disability, such vacancy shall be filled for the unexpired term of such former trustee by the appointment of a new trustee by the remaining trustee or trustees so elected.

The affirmative vote or consent of the holders of at least $66\frac{2}{3}\%$ of the outstanding Preferred Shares and any other series of preferred shares ranking on a parity with the Preferred Shares as to distributions or upon liquidation (which includes the other series of Senior Preferred Shares), voting as a single class, will be required to authorize another class of shares senior to the Preferred Shares with respect to the payment of distributions or the distribution of assets on liquidation. The affirmative vote or consent of the holders of at least $66\frac{2}{3}\%$ of the outstanding Preferred Shares will be required to amend or repeal any provision of, or add any provision to, the Declaration of Trust, including articles supplementary if such action would materially and adversely alter or change the rights, preferences or privileges of the Preferred Shares.

No consent or approval of the holders of the Preferred Shares will be required for the issuance from the Company's authorized but unissued preferred shares or other shares of any series of preferred shares ranking on a parity with or junior to the Preferred Shares as to payment of distributions and distribution of assets, including other Preferred Shares.

Depositary Shares

The following is a brief description of the terms of the Depositary Shares which does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Deposit Agreement (including the form of Depositary Receipt contained therein), which is incorporated by reference in the Registration Statement of which this prospectus supplement constitutes a part.

Distributions

The Preferred Shares Depositary will distribute all cash distributions or other cash distributions received in respect of the Preferred Shares to the record holders of Depositary Receipts in proportion to the number of Depositary Shares owned by such holders on the relevant record date, which will be the same date as the record date fixed by us for the Preferred Shares. In the event that the calculation of such amount to be paid results in an amount which is a fraction of one cent, the amount the Preferred Shares Depositary shall distribute to such record holder shall be rounded to the next highest whole cent.

In the event of a distribution other than in cash, the Preferred Shares Depositary will distribute property received by it to the record holders of Depositary Receipts entitled thereto, in proportion, as nearly as may be practicable, to the number of Depositary Shares owned by such holders on the relevant record date, unless the Preferred Shares Depositary determines (after consultation with us) that it is not feasible to make such distribution, in which case the Preferred Shares Depositary may (with our approval) adopt any other method for such distribution as it deems equitable and appropriate, including the sale of such property (at such place or places and upon such terms as it may deem equitable and appropriate) and distribution of the net proceeds from such sale to such holders.