



ASX Release
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2014 Annual General Meeting - Chairman's Address

On behalf of the Board of Directors and NEXTDC Limited, it is my pleasure to welcome you to NEXTDC's fourth Annual General Meeting.

The past financial year has been transformational with NEXTDC experiencing significant growth across all financial and operating performance metrics. We achieved strong growth in number of customers, installed capacity, contracted customer utilisation and contracted recurring revenue, our revenue pipeline as well as revenue received from data centre services.

With the completion of our Sydney and Perth data centres during the year, NEXTDC is now clearly positioned as Australia's leading Data-Centre-as-a-Service provider, delivering an initial network and national footprint of five operating data centres across Australia.

From February 2014, we began booking revenue from each of our 5 facilities. Let me tell you that delivering a network of complex world class data centres in a relatively short timeframe is a real testament to the drive and focus of NEXTDC's team of dedicated staff.

As Australia's only truly independent data centre provider with a strategic footprint in all major growth markets, NEXTDC offers its customers the ability to interact and connect with new communities within the Company's growing ecosystem of carriers, internet service providers and other service providers.

During the year we signed a number of significant customer contracts, including well-known national and international enterprises such as Amcom, Telstra, NEC and Tata Communications. Colocation and managed hosting services in Australia are expected to grow strongly over the next few years driven by the adoption of cloud computing and NEXTDC is very well placed to capitalise on this growth.

The completion of our capital recycling program with the Asia Pacific Data Centre Group raised approximately \$140 million across the 2013 and 2014 financial years. The investor response to NEXTDC's five-year senior unsecured notes offering in June 2014, which raised \$60 million of debt funding, further demonstrated market confidence in the Company's growth strategy. This notes offering provides NEXTDC with improved funding flexibility to support the ongoing growth demands of the business.

In July 2014, NEXTDC was admitted to the Australian Government Data Centre Facilities Supplies Panel, an achievement that enables the Company to contract with Federal Government departments and agencies and provide Government with a new level of scalability and flexibility in data centre services nationally.

Innovation is a key foundation of our growing business. It is how we have developed our position and reputation in the market, and are increasingly differentiating ourselves from our competitors. Our technical and engineering teams are developing many exciting and industry leading solutions such as ONEDC, and continue to drive innovation in data centre design and power and cooling efficiency for optimal operational performance.



On the governance front, the Board underwent significant renewal with Stuart Davis and myself joining in September 2013 as independent Non-Executive Directors, and Dr Gregory Clark joining as an independent Non-Executive Director in April 2014, following the resignations of Roger Clarke and Greg Baynton.

Last October, the Company's founder and initial CEO, Mr Bevan Slattery, also retired from the Board. On behalf of the Board I'd like to take this opportunity to acknowledge Bevan's strategic vision in revolutionising data centre services in Australia. Bevan created a culture of innovation, hard work and entrepreneurial spirit which continues within NEXTDC.

I was honoured to take over as Chairman of the Board from Mr Ted Pretty in April 2014. Ted remains on the Board as a Non-Executive Director and I'd like to take this opportunity to thank him for guiding the Company during what was a key period of change. Ted continues to make an important contribution to the NEXTDC Board.

We believe the Company's renewed Board has the strength, independence and breadth of experience required to build long term shareholder value and we look forward to the Company's next phase as we transition from a start-up into a fully operational company.

Last year, the Company received a 'first strike' against its Remuneration Report. Since then, significant efforts have been made to engage with stakeholders and conduct an independent review before the Board implemented revised policies and remuneration structures which we believe better explains and aligns our business strategy with performance and shareholder value.

While many key strategic objectives have been met during the 2014 year, we recognise the importance of creating value for our shareholders and we therefore continue to adopt a disciplined approach to capital allocation. Operational performance and cost management are a key focus to ensure we are strongly positioned for growth and to deliver financial performance and shareholder value.

I'd like to take this opportunity to acknowledge the hard work and dedication of our staff and management team lead by our energetic CEO, Craig Scroggie. Over the past year their dedication, commitment and focus has been instrumental in helping the Company achieve a strong financial position and develop a high quality range of products that further strengthen our unique business model.

ENDS

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About NEXTDC

As Australia's leading Data-Centre-as-a-Service (DCaaS) provider, NEXTDC is revolutionising cloud computing in Australia.

An ASX300 company and the only independent data centre operator with a strategic footprint in all major growth markets in Australia, NEXTDC offers a range of highly flexible, resilient and secure colocation services to corporate, government and IT services companies.

NEXTDC's purpose-built facilities have been designed to address the market's growing appetite for energy-efficient carrier-neutral data centres in which organisations can host critical IT infrastructure and selectively source services through their diverse national ecosystem.

NEXTDC is where the cloud lives.

To learn more, visit www.nextdc.com