



ASX Release

26 February 2015

NEXTDC DELIVERS ITS FIRST PERIOD OF POSITIVE EBITDA AND OPERATING CASH FLOW

NEXTDC Limited (**ASX: NXT**) ("**NEXTDC**" or "**The Company**") is pleased to announce its financial results for the half-year ended 31 December 2014 (**1H15**) that saw continued strong growth in net sales driving the Company's first period of positive EBITDA as well as operating cash flow.

1H15 financial highlights

- › Data centre revenue up 134% to \$26.7 million (1H14: \$11.4 million)
- › New sales up 164% to 2.5MW (1H14: 940kW)
- › First period of positive EBITDA¹ achieved of \$3.0 million (1H14: \$3.4 million loss)
- › First period of positive operating cash flow achieved of \$2.2 million (1H14: \$3.9 million outflow)
- › Statutory net loss of \$5.8 million, compared to \$7.3 million net loss in the half-year ended 31 December 2013
- › Cash and term deposits of \$62.3 million at 31 December 2014

Commenting on the 1H15 results, NEXTDC CEO, Craig Scroggie said:

"The half-year ended December 2014 represents a pivotal period with NEXTDC generating its first positive EBITDA as well as operating cash flows. We are starting to see the benefits of the inherent leverage of the company's scalable infrastructure start to flow through to earnings and operating cash flows. We are pleased with the EBITDA contributions that M1 Melbourne, S1 Sydney and B1 Brisbane now make to the group. The strong EBITDA margins being achieved at each site are only possible through the efficiency and scale of our operations and the hard work of our great team."

1H15 sales and operational milestones

- › 2.5MW of power contracted (1H14: 940kW), including 1.0MW to a major international customer for S1 Sydney
- › Interconnection (cross connects) up 118% to 2,198 at 31 December 2014 (31 Dec 2013: 1,006). Cross connects continue to comprise approximately 4% of recurring revenue
- › Annualised contracted recurring revenue up 48% to \$51.8 million (31 December 2013: \$35.1 million)
- › Annualised unweighted pipeline up 35% to \$172 million (31 December 2013: \$127 million)
- › commenced adding additional capacity in S1 and P1
- › Admitted to the Federal Government Data Centre Facilities Supplies Panel
- › Project Plus is expected to increase the originally planned network capacity of 35.35MW to approximately 42MW

¹ EBITDA is a non-statutory financial metric representing earnings before interest, tax, depreciation and amortisation that includes project fee income which can vary from period to period. Non-statutory financial metrics have not been audited



Positive outlook²

Based on the Company's 1H15 performance, current utilisation levels and expected new client contracts in 2H15, NEXTDC updates its previous guidance and expects the following outcomes for FY15:

- > Total new sales between 3.4MW and 4.0MW (FY14: 2.1MW)
- > Data centre revenue between \$55.0 million and \$60.0 million (FY14: \$30.4 million)
- > Capital investment on plant and equipment of between \$35.0 million and \$42.0 million
- > Fixed costs, excluding power and consumables, of between \$44.0 million and \$46.5 million (FY14: \$42.6 million³)
- > FY15 EBITDA of between \$6.0 million and \$8.0 million (FY14: \$16.1m underlying EBITDA loss⁴)

Commenting on the Company's outlook, Mr Scroggie said:

"We are very proud of the achievements in the first half and equally excited by the attractive growth opportunities that are inherent in the Company's scalable infrastructure. We expect to build on the first half results and deliver continued solid revenue growth, positive EBITDA and operating cash flows in the second half."

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*TM

To learn more, visit www.nextdc.com

² Excludes any further incremental large whitespace deals

³ Excluding \$1.3 million in fund raising advisory fees

⁴ Underlying EBITDA is calculated as reported EBITDA loss of \$10.0 million less non-recurring items such as \$4.9 million building development profit, \$2.2 million in Asia Pacific Data Centre Group distributions and profit on sale of securities and \$1.3 million in fund raising advisory fees