



# ASX Release

23 August 2016

## FY16 Results

NEXTDC Limited (**ASX: NXT**) (“NEXTDC” or “the Company”) is pleased to announce its financial results for the year ended 30 June 2016 (“FY16”).

### FY16 financial highlights

- › Revenue of \$92.8 million, up 52% on FY15 (guidance of \$85 million to \$90 million)
- › EBITDA<sup>1</sup> of \$27.7 million, up 247% on FY15 (guidance of \$25 million to \$28 million)
- › Statutory net profit of \$1.8 million, compared to net loss of \$10.3 million in FY15
- › Cash and term deposits of \$191.4 million at 30 June 2016

Commenting on the FY16 results, Mr Scroggie, Chief Executive Officer said:

*“NEXTDC continues to experience strong growth in the key metrics of revenue and contracted utilisation, and we’re pleased to announce the Company’s first full year statutory net profit, which is a significant achievement for a young company with substantial capital investments.”*

### Sales and operational milestones

- › Contracted utilisation up 20% to 26.1MW at 30 June 2016 (30 June 2015: 21.7MW<sup>2</sup>)
- › Interconnection (cross connects) up 58% to 4,575 at 30 June 2016 (30 June 2015: 2,893)
- › Annualised unweighted pipeline up 22% to \$241 million at 30 June 2016 (30 June 2015: \$198 million)
- › Increase in network capacity of 10.3MW to 34.7MW<sup>3</sup> (FY15: 24.4MW)

Commenting on the Company’s sales performance, Mr Scroggie said:

*“We continue to experience strong demand at our existing facilities. The value of our national data centre network to the regional IT industry continues to grow as we bring new connectivity options to our expanding customer and partner ecosystem. When evaluating new material opportunities, the Company undertakes a robust and disciplined approach to contract pricing with shareholder returns*

<sup>1</sup> EBITDA is a non-statutory financial metric representing earnings before interest, tax, depreciation and amortisation. Non-statutory financial metrics have been extracted from the audited accounts

<sup>2</sup> Pro forma for Federal Government contract announced 10 August 2015

<sup>3</sup> Network capacity includes the designed power capacity of the data halls fitted out at each facility. Further investment into customer related infrastructure, such as back up power generation, cooling equipment or rack infrastructure, may be made in line with customer requirements



*the ultimate determinant. NEXTDC's business is long term in nature, with the bulk of capital expenditure invested upfront and cash flows underpinned by contracted recurring revenue."*

### **Update on B2 Brisbane and M2 Melbourne**

- › The Company announced on 23 November 2015 its intention to pursue the development of new data centres in Brisbane (B2) and Melbourne (M2), adding up to 31MW of IT load capacity to its national network over time
- › NEXTDC has subsequently contracted sites for both B2 and M2
- › Practical completion for both B2 and M2 is expected towards the end of 2HFY17, with 1.5MW and 2MW of initial capacity, respectively
- › FY17 capital investment in B2 and M2 is expected to be between \$120 million and \$140 million

### **New senior debt facility**

NEXTDC upsized its undrawn senior secured debt facility with the Company's relationship bank, National Australia Bank, from \$50m to \$100m on 11 August 2016. These funds currently remain undrawn.

### **Guidance**

Based on FY16 performance, current utilisation levels and expected new client contracts in FY17, NEXTDC expects the following outcomes for FY17:

- › Revenues in the range of \$115 million to \$122 million (FY16: \$92.8 million)
- › EBITDA in the range of \$46 million to \$50 million (FY16: \$27.7 million)
- › Capital expenditure:
  - Existing facilities: \$80 million to \$100 million
  - B2 and M2: \$120 million to \$140 million

### **ENDS**

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## About NEXTDC

NEXTDC is an ASX300-listed technology company enabling business transformation through innovative data centre outsourcing solutions, connectivity services and infrastructure management software.

As Australia's leading independent data centre operator with a nationwide network of Tier III facilities, NEXTDC provides enterprise-class colocation services to local and international organisations. With a focus on sustainability and renewable energy NEXTDC is leading the industry with award-winning engineering solutions for energy efficiency and NABERS 4.5 star certification.

NEXTDC is extending its leadership in data centre services through the innovative DCIM-as-a-Service software platform, ONEDC®, which enables customers to centrally manage their on-premise and colocated infrastructure; and the award-winning virtual connectivity platform, AXONVX™ – delivering rapid, secure connections to cloud services on-demand.

NEXTDC's Cloud Centre marketplace hosts the country's largest independent ecosystem of carriers, cloud and IT service providers, enabling their customers to source and connect with suppliers, partners and customers and build integrated hybrid cloud deployments.

NEXTDC is *where the cloud lives*®.

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