

# Asia Pacific Data Centre Group

## Half Year Results

March 2014



# Overview

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## Delivering on PDS forecasts

- Profit before revaluations of \$4.57m
- Distributions of 4.5 cps

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## Rent reviews

- All leases subject to a CPI review increase of 2.2%
- Current annualised rent of \$12.8m

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## Initial portfolio complete

- P1 base building completed
- Development fee payment made to NEXTDC Limited (NXT) of \$23.0m
- P1 base building payment was debt funded

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## Debt facility

- Bankwest 5 year facility, \$29.0m limit
- \$25.0 Core Debt drawn and 50% hedged
- Low gearing and only one asset secured

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## Capital growth

- Independent valuation of P1 resulted in \$1.2m increase (4.2% on acquisition price)
  - Firming cap rate since 09/12 valuation
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# Results snapshot – 1H14



## Financial performance

Net profit \$5,870,000

Available for distribution \$4,783,000

Distribution 4.5 cents  
per security

## Capital management

Gearing 17.7%  
Debt : Total Assets

Effective cost of debt 5.45%  
As at 31/12/2013  
on 'Core Debt' of \$25.0m

## Portfolio

Data centres 3

Valuation \$140,000,000

NTA \$1.02

WALE 14.3 years  
Rental income

# Revaluation – P1, Perth

- Market commentary
  - Data centre demand drivers are positive for the sector
  - Passing rental for P1 – median of comparable properties
  - Recent Perth sales in industrial/commercial/mixed indicate equivalent yields of 8.2 to 9.3%
- Capitalisation rate of 8.75% (firming from 9.0% in 09/2012)

# Summary

Well-placed as  
Australia's first  
listed  
data centre  
REIT

On-track to meet IPO  
earnings and distribution  
forecasts for FY14

Appropriate  
capital  
structure

Initial portfolio of  
data centres  
complete

Capital growth  
and acquisition  
opportunities

Properties leased to a  
national tenant  
on long-term,  
triple net terms

Revaluation  
of P1 on  
completion

# Appendices

# Australia's first listed data centre REIT



- Provide investors with access to data centre services sector backed by land and buildings, via a listed REIT (ASX code: AJD)
- Derive income from owning and leasing data centre properties to data centre operators
- De-risk rental income with long tenure, fixed rental increases and triple net terms
- Alliance with NEXTDC Limited (NXT) to acquire data centres and lease to NXT (3 years)

# Our assets - operational



## M1 Melbourne

Location:	Port Melbourne
Size of facility:	17,500m <sup>2</sup>
Technical space:	6,000m <sup>2</sup>
Capacity:	22.5 MVA
IT Load:	12.0 MW
Target PUE:	1.4
Rack Capacity:	3,000

Valuation:	<b>\$52.0 million</b>
Certification:	Uptime Institute Tier III Design Facility





# Our assets - operational

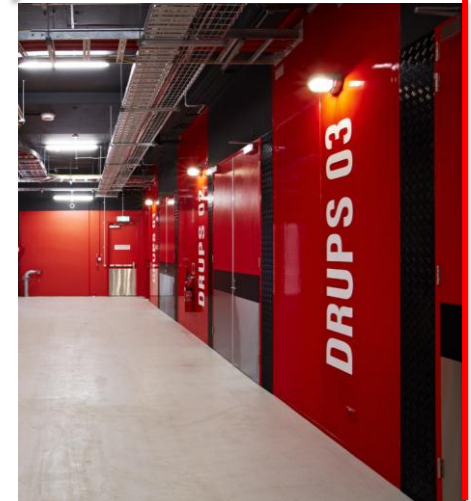


## S1 Sydney

Location: Macquarie Park  
Size of facility: 17,650m<sup>2</sup>  
Technical space: 5,600m<sup>2</sup>  
Capacity: 20.0 MVA  
IT Load: 11.5 MW  
Target PUE: 1.3  
Rack Capacity: 2,800

Valuation: **\$58.0 million**

Certification: Uptime Institute  
Tier III Design &  
Constructed Facility



# Our assets – operational



## P1 Perth

Location:	Malaga
Size of facility:	9,600m <sup>2</sup>
Technical space:	3,000m <sup>2</sup>
Capacity:	12 MVA
IT Load:	6.0 MW
Target PUE:	1.3
Rack Capacity:	1,500

Valuation  
on completion: **\$30.0 million**

Certification: Uptime Institute  
Tier III Design &  
Constructed  
Facility



Images: [www.nextdc.com](http://www.nextdc.com)

# Our tenant – NEXTDC Limited



- S&P/ASX 300 company
  - Developer and operator of data centres in Australia since 2010
  - Provides independent co-location services
  - Significant development and operational milestones achieved
  
- Lessee of initial portfolio
  - NEXTDC the sole tenant of initial portfolio (3 data centres)
  - Triple net lease – all operating risk sits with NEXTDC
  - Initial lease term 15 years (plus options to a total of a further 25 years)
  
- 3 year alliance period to December 2015
  - APDC has a first right of refusal in relation to the sale of any future data centre properties by NEXTDC during that period
  - NEXTDC has a first right and last right of refusal in relation to:
    - the sale of any properties that comprise the initial portfolio
    - the lease/operation of any properties that APDC acquires
  - Contribution to APDC IPO – initial capitalisation, offer costs
  - Initial substantial shareholding (23%) now completely sold-down
  - Arms-length loan of \$0.75m
  - Convertible Note to provide certainty for funding of P1 development