



N E X T D C where the cloud lives®

ASX Release

24 February 2017

NEXTDC Reports Strong 1H17 Results

NEXTDC Limited (**ASX: NXT**) ("**NEXTDC**" or "**the Company**") is pleased to announce its financial results for the half-year ended 31 December 2016 ("1H17").

1H17 financial highlights

- › Revenue up 39% to \$58.7 million (1H16: \$42.1 million)
- › EBITDA¹ up 110% to \$23.9 million (1H16: \$11.4 million)
- › Profit before tax of \$8.0 million (1H16: \$0.6 million)
- › Operating cash flow of \$25.4 million (1H16: \$5.9 million)
- › Cash and term deposits of \$276.5 million at 31 December 2016

Commenting on the 1H17 results, Mr Scroggie, Chief Executive Officer said:

"We are very pleased to report record revenue, EBITDA and operating cash flow. This outstanding performance reflects NEXTDC's inherent operating leverage, which combined with a robust balance sheet, puts the business in a strong position to continue to accelerate growth."

Business performance

- › Contracted utilisation up 32% to 30.0MW at 31 December 2016 (31 December 2015: 22.8MW)
- › Interconnection² (cross connects) up 42% to 5,472 at 31 December 2016 (31 December 2015: 3,843)
- › Number of customers up 23% to 699 (31 December 2015: 566)

Update on development activity

- › Planned capacity at S1 (Sydney) is being upgraded from 14MW to 15MW, with additional data hall space being fitted out at S1 and M1 (Melbourne) to support customer requirements
- › B2 (Brisbane) and M2 (Melbourne) are on track to achieve practical completion towards the end of 2H17, with ~1.5MW and ~2MW of initial capacity, respectively (Phase 1)

¹ 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

² Comprises both physical and elastic cross connections



- › S2 (Sydney) site under contract with development approvals in progress and practical completion expected towards the end of 1H18

Commenting on the Company's development activities, Mr Scroggie said:

"FY17 is the biggest year in NEXTDC's history, with planned capital investments of more than \$250 million. We are developing three new world class hyperscale data centres to take advantage of the unprecedented demand for cloud and enterprise colocation."

Guidance

Based on 1H17 performance, current utilisation levels and expected new customer contracts in 2H17, NEXTDC expects the following outcomes for FY17:

- › Revenue 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 between \$260 million to \$340 million, comprising:
 - Existing facilities: \$80 million to \$100 million
 - New facilities: \$180 million to \$240 million

ENDS

For more information:

Rahul Badethalav

Manager, Investor Relations and Corporate Development

T: +61 402 587 579

E: investorrelations@nextdc.com

NEXTDC Investor Centre: www.nextdc.com/our-company/investor-centre



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About NEXTDC

NEXTDC is an ASX200-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 advanced connectivity services that deliver a range of secure, high-speed interconnections between racks, networks and cloud services.

NEXTDC's Cloud Centre is the online marketplace for the country's largest independent network of carriers, cloud and IT service providers, enabling customers to freely source best of breed suppliers within the NEXTDC Partner community.

NEXTDC is *where the cloud lives*®.

To learn more, visit www.nextdc.com