



NEXTDC

7th ANNUAL GENERAL MEETING

22 NOVEMBER 2017

NEXTDC LIMITED ACN 143 582 521



CHAIRMAN'S ADDRESS 7th ANNUAL GENERAL MEETING

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VISION

Our vision is to help enterprises harness the digital age, improving our society through the advancement of technology

MISSION

Our mission is to be the leading customer-centric data centre services company, delivering solutions that power, secure and connect enterprise



B2 BRISBANE

Technical space	Stage 1: 3,000sqm Stage 2: 3,000sqm ¹
Total IT capacity	Stage 1: 6MW Stage 2: 6MW
Initial capacity	2MW
Target PUE	1.25 ² / 1.34 ³
Design standard	UTI Tier IV
Status	Target OPEN Sep 2017

- Australia's first UTI Tier IV design and construct certification⁴
- World's first Tier IV designed Iso-parallel UPS system
- Industry first NABERS 5.0 star energy efficiency design
- Planned for UTI GOLD operational sustainability
- Planned capacity increase from 6MW to 12MW
- Seamless cross connect for B1 and B2 through NEXTDC Fibre Cross Connect
- AXON cloud connect on ramp available day one for Microsoft ExpressRoute, Amazon Web Services, IBM Bluemix and other cloud on ramps

1. This will comprise a new building development on the existing property
2. Best instantaneous power consumption ratio within a calendar year, dependent on load and optimal environmental conditions
3. Total energy consumption ratio during a full calendar year, dependent on load and supports a NABERS 5 star rating
4. B2 was awarded Tier IV Certification of Design Documents in April 2017 and at 31/08/17 is undergoing UTI on-site testing for Tier IV Constructed Facility certification, which is expected prior to facility launch



FY17 HIGHLIGHTS



REVENUE
\$123.6m
+33%



EBITDA
\$49.0m
+77%



UTILISATION
31.5MW
+21%



CUSTOMERS
772
+19%



PARTNERS
350+
50+ NETWORKS



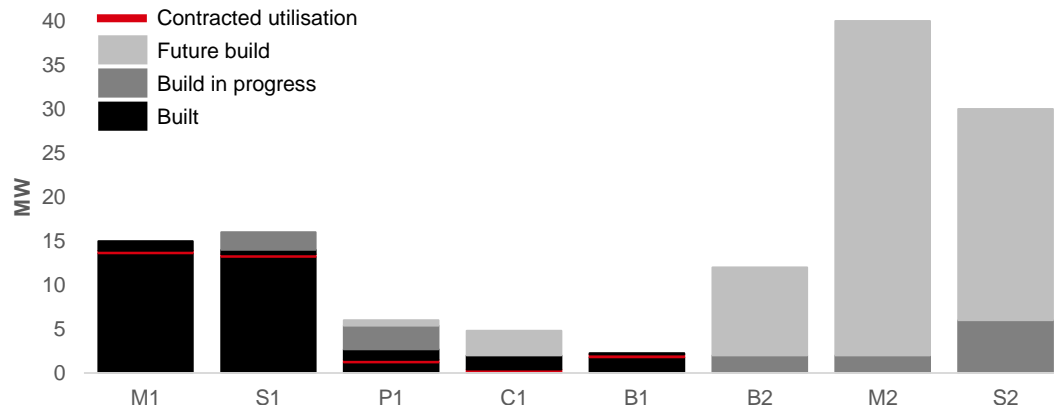
INTERCONNECTIONS
6,342
+39%

Facilities capacity and utilisation

As at 30 June 2017

- **S1 Sydney:** additional data hall space being fitted out to support customer requirements and drive higher utilisation
- **P1 Perth:** achieved UTI GOLD operational certification; fitout of the final two data halls in progress
- **C1 Canberra:** C1 critical infrastructure upgrade completed in line with NEXTDC's Generation I Tier III build standard; available capacity increased by 1.3MW to 2.0MW
- **B2 Brisbane and M2 Melbourne:** B2 and M2 developments constructed in record time for customer access in FY18; B2 target capacity upgraded to 12MW and M2 target capacity upgraded to 40MW
- **S2 Sydney:** S2 development commenced with target open expected in 1QFY19, with 6MW of capacity (Phase 1); land subject to 45-year ground lease

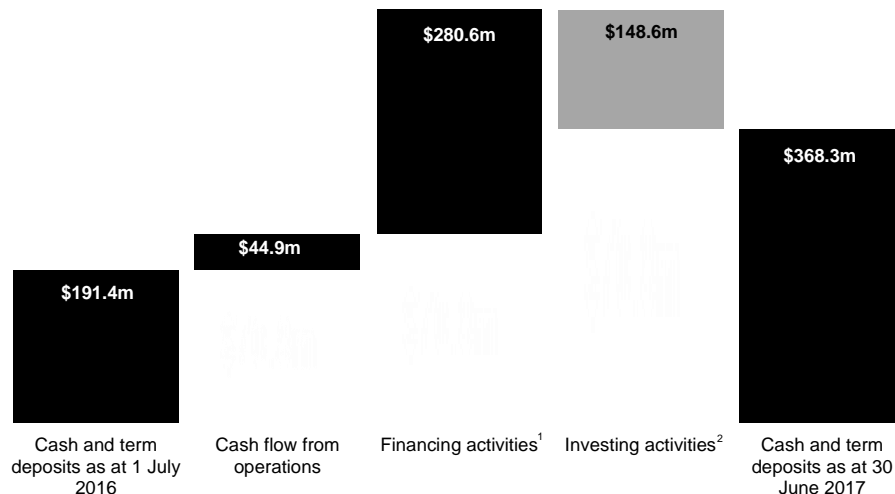
1. MW built includes the designed power capacity of the data halls fitted out at each facility. Further investment into customer related infrastructure, such as back up power generation, cooling equipment or rack infrastructure, may be made in line with customer requirements
2. Site selection and other due diligence-related costs for planned data centre developments are included in corporate overheads
3. Excludes land and buildings
4. Target open expected in 1QFY19 for S2
5. Excluding S2



	M1	S1	P1	C1	B1	B2	M2	S2	Total
Commenced operations	Sep-12	Sep-13	Feb-14	Aug-12	Oct-11	1H18	1H18	1Q19 ⁴	
Total power planned (MW)	15.0	16.0	6.0	4.8	2.25	12.0	40.0	30.0	126.1
MW built ¹ (MW)	15.0	14.0	2.7	2.0	2.25	-	-	-	36.0
Land and building capex to date	-	-	-	-	-	\$50m	\$22m	-	\$72m
Fitout capex to date ^{2,3}	\$139m	\$135m	\$48m	\$27m	\$31m	\$15m	\$15m	-	\$412m
Contracted utilisation (MW)	13.9	13.5	1.5	0.4	2.1	0.1	0.0	-	31.5
% of total power planned	93%	84%	25%	8%	93%	0%	0%	-	25% ⁵
% of MW built	93%	96%	56%	19%	93%	-	-	-	88%
Capacity available for sale (MW)	1.1	2.5	4.5	4.4	0.1	11.9	40.0	-	64.5 ⁵

Strong asset and funding position

	30 June 2017 (\$m)	30 June 2016 (\$m)
Cash and term deposits	368.3	191.4
Property, plant, equipment	434.3	302.7
Total assets	852.4	530.2
Interest-bearing liabilities	302.3	166.2
Total liabilities	345.9	197.1
Net assets	506.5	333.1



- Operating cash flow performance underpinned by **predictable, long-term, customer contracts**
- Strong market support for **equity raising of \$150m** completed in September 2016 to fund S2 development
- Strong market support for **unsecured debt raising of \$300m** completed in June 2017 to fund significant demand growth
- Strong banking support for the **upsized of the senior secured debt facility to \$300m**

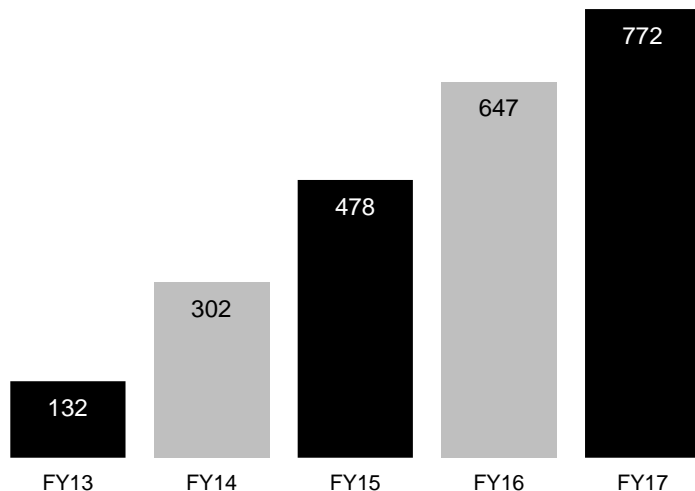
- NEXTDC has a strong cash position – **gross cash of \$368.3m** with the **\$300m senior secured debt facility remaining undrawn**
- NEXTDC's **fixed assets of \$434.3m** comprised of high quality data centre infrastructure with a long useful life

1. Cash flows from financing activities include proceeds from the issue of shares less transaction costs, other costs relating to finance facilities and finance lease payments

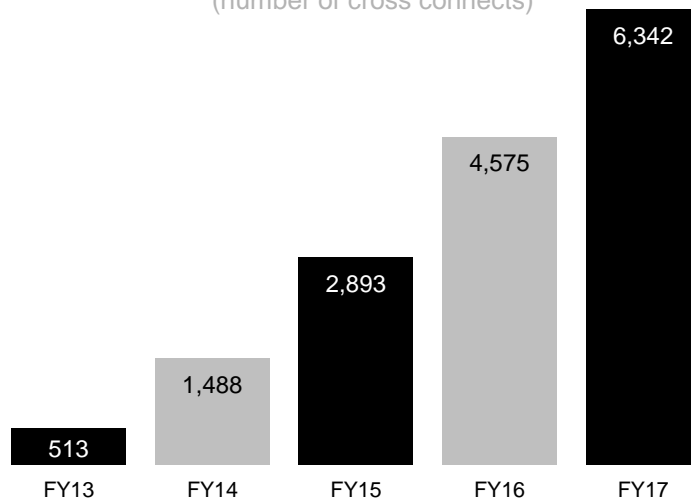
2. Excluding payments for term deposits of \$96.5m

Strong growth in customers and connectivity

Customers



Interconnection¹ (number of cross connects)



- Strong growth in interconnection drives average cross connects per customer to 8.2 (up 16%) at 30 June 2017 compared to 7.1 at 30 June 2016
- Growth in average cross connects per customer highlights the increasing use of hybrid cloud and connectivity both inside and outside the data centre as customers expand their ecosystems
- Ecosystem growth is expected to drive higher margins and customer retention

1. Comprises both physical and elastic cross connections

WHERE THE CLOUD LIVES.



NEXTDC
where the cloud lives™

GOT BUSINESS
TRANSFORMATION
ON YOUR RADAR?

AGILITY & FLEXIBILITY
are the reasons

81% of companies
are choosing
hybrid cloud

- ✓ reduce complexity
- ✓ outsource to innovate
- ✓ services on demand

Talk to us today about how we can help



13NEXT | www.nextdc.com/transform

BRISBANE MELBOURNE CANBERRA SYDNEY PERTH



NEXTDC

JOIN THE
REVOLUTION

Discover what a next
generation data centre
service can do for your
business.

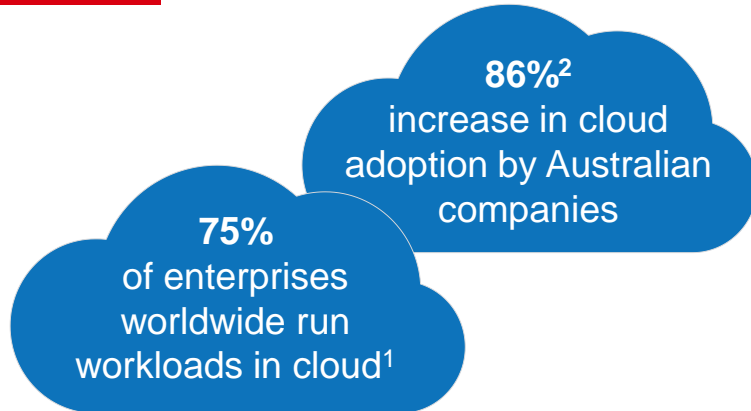
www.nextdc.com

The shift to cloud has passed the tipping point

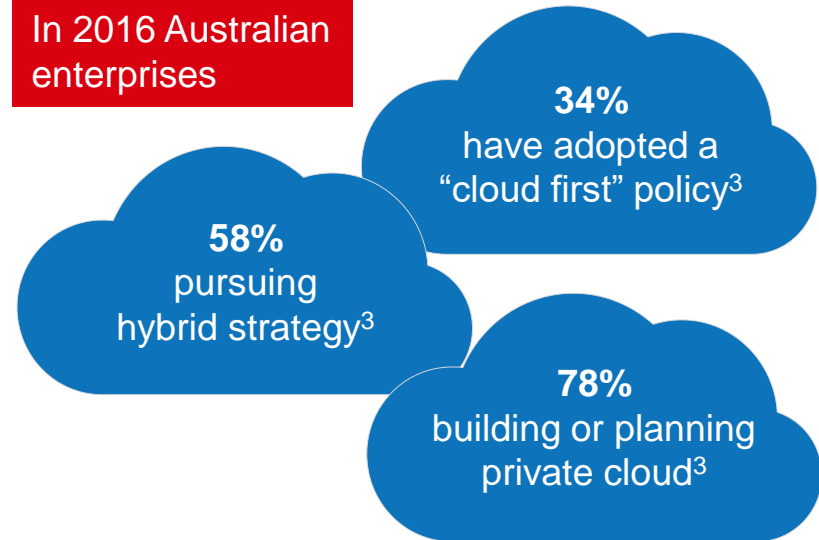
"Cloud-first strategies are the foundation for staying relevant in a fast-paced world...helping to create a new generation of start-ups and "born in the cloud" providers."

Ed Anderson, research vice president at Gartner

In 2016



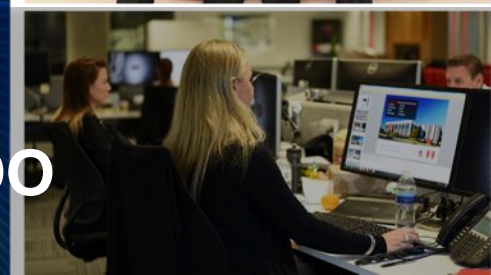
In 2016 Australian enterprises



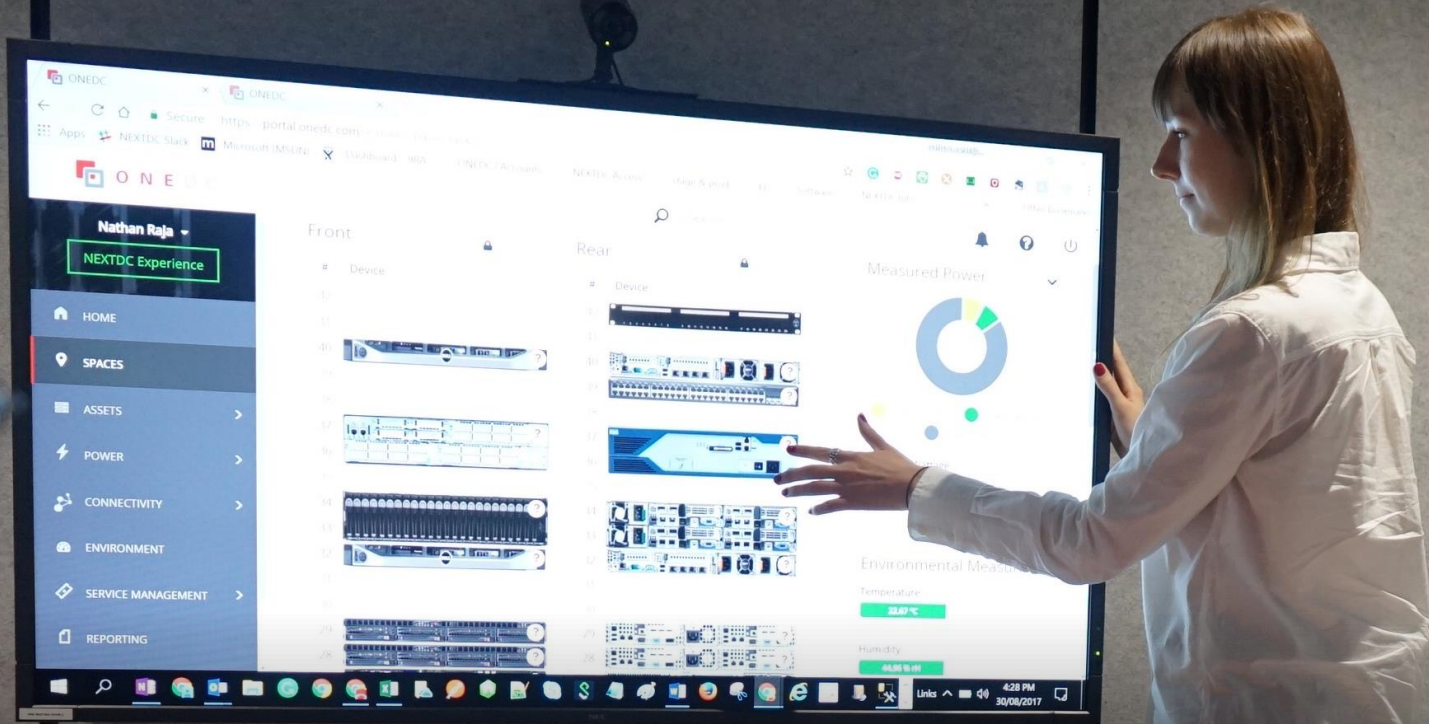
1. RightScale 2017 State of the Cloud report (Jan 2017)

2. DC, Cloud Going Mainstream All Are Trying, Some Are Benefiting; Few Are Maximizing Value - Australia findings (Sept 2016)

3. Telsyte Australian Infrastructure & Cloud Computing Market Study 2017. 2016 Gartner CIO Agenda Report



THE CUSTOMER IS AT THE
CENTRE OF EVERYTHING WE DO



REAL TIME INTELLIGENCE

Keep tabs on your infrastructure with data centre telemetry



ONE DC



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AUSTRALIA'S LARGEST NETWORK OF NEUTRAL COLOCATION DATA CENTRES

PERTH
P1 6MW

CANBERRA
C1 4.8MW

MELBOURNE
M1 15MW
M2 40MW



BRISBANE
B1 2.25MW
B2 12MW

SYDNEY
S1 16MW
S2 30MW

8+

DATA CENTRES

126+

MEGAWATTS¹

25,000+

RACKS¹