



Extending the Global Platform

3Q17 FINANCIAL RESULTS

OCTOBER 2017



DIGITAL REALTY

The Next Horizon

Three-Year Guideposts

Our Focus

Our philosophy is to deliver superior returns by capitalizing on our core competencies and tailoring them to meet our customers' growing and evolving data center needs

1

SUPERIOR RETURNS

Deliver superior risk-adjusted total returns

2

CAPITAL ALLOCATION

Prudently allocate capital to opportunistically extend global campus footprint

3

PRODUCT OFFERINGS

Drive higher returns on the asset base by diversifying product offerings

4

OPERATING EFFICIENCIES

Achieve operating efficiencies to accelerate growth in cash flow and value per share



Entering Tokyo, Expanding in Japan

Global Brand Partner Provides Local Enterprise Expertise

PARTNER

Mitsubishi Corporation

OWNERSHIP

- Digital Realty: 50%
- Mitsubishi Corporation: 50%

VALUATION

- Initial value: \$350 million or ¥40 billion
- Cap rate: 6%
- Price / kW: \$21,000

FINANCING

- Indicative financing terms received from a pair of Japanese banks
- All-in pricing expected to be ~1.0% (95 bps over 3-month Yen TIBOR)
- Five-year, interest-only, non-recourse TMK bond

Initial market entry into Tokyo with an institutional quality partner who brings local market expertise and extensive relationships

2 MARKETS

Osaka and Tokyo

3 SEED ASSETS

Digital Realty: Osaka Saito DC
Mitsubishi Corporation: Mitaka DC South & North (Tokyo)

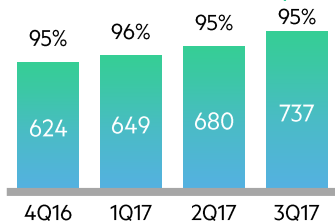


Firm Fundamentals

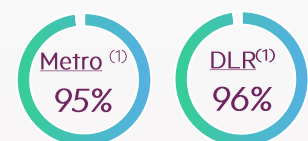
Robust Demand, Rational Supply

Demand Outpacing Supply in Top-Tier Data Center Metro Areas

NORTHERN VIRGINIA MW Commissioned & Occupancy ⁽¹⁾



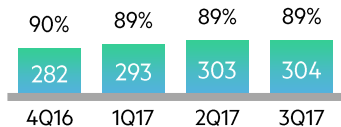
Occupancy Rate (3Q17)



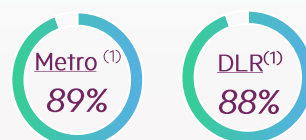
LTM Digital Realty Deliveries



DALLAS MW Commissioned & Occupancy ⁽¹⁾



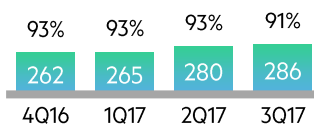
Occupancy Rate (3Q17)



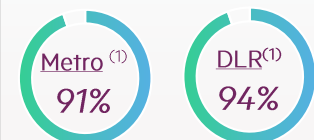
LTM Digital Realty Deliveries



CHICAGO MW Commissioned & Occupancy ⁽¹⁾



Occupancy Rate (3Q17)



LTM Digital Realty Deliveries



Major U.S. Metro Areas

Healthy volumes of underway supply in U.S. Major Metro Areas balanced by high leasing velocity

Healthy Occupancy Rates

Tight vacancy across all three metro areas as new inventory is leased upon delivery or shortly thereafter

LTM Absorption Outpacing Construction ⁽²⁾

LTM metro areas absorption = 1.7x current construction pipelines

Source: Digital Realty internal estimates and datacenterHawk.

1) Source: datacenterHawk.

2) Calculated as LTM market absorption divided by current data center construction.

Supportive Economic Growth Outlook

Long-Term Secular Data Center Demand Drivers

	<u>2Q17 CALL</u> <i>July 26, 2017</i>	<u>CURRENT</u> <i>October 20, 2017</i>	<u>Better/ Worse</u>	<u>2017E</u>	<u>2018E</u>	
MACROECONOMIC	Global GDP Growth Forecast ⁽¹⁾	2017E: 3.5%	2017E: 3.6%	▲	3.6%	3.7%
	U.S. GDP Growth Forecast ⁽¹⁾	2017E: 2.1%	2017E: 2.2%	▲	2.2%	2.3%
	U.S. Unemployment Rate ⁽²⁾	4.4%	4.2%	▼	4.4%	4.2%
	Inflation Rate – U.S. Annual CPI Index ⁽²⁾	1.6%	2.2%	▲	2.1%	2.1%
	Crude Oil (\$/barrel) ⁽³⁾	\$49	\$51	▲	\$50	\$53
	Control of White House, Senate and HoR ⁽⁴⁾	R,R,R	R,R,R	◄►	R,R,R	R,R,R
INTEREST RATES	Three-Month Libor (USD) ⁽²⁾	1.3%	1.4%	▲	1.5%	2.2%
	10-Yr U.S. Treasury Yield ⁽²⁾	2.3%	2.4%	▲	2.4%	2.9%
	GBP-USD ⁽²⁾	1.31	1.32	▲	1.32	1.32
	EUR-USD ⁽²⁾	1.17	1.18	▲	1.18	1.22
EQUITY MARKETS	S&P 500 ⁽²⁾	2,478 (YTD 11.9%); P/E: 21.5x	2,575 (YTD 16.9%); P/E: 21.9x	▲	19.5x	17.6x
	NASDAQ 100 ⁽²⁾	5,951 (YTD 23.1%); P/E: 26.1x	6,109 (YTD 26.7%); P/E: 26.2x	▲	21.3x	19.1x
	RMZ ⁽²⁾⁽⁵⁾	1,169 (YTD 1.9%); P/E: 16.3x	1,163 (YTD 1.2%); P/E 16.3x	▼	15.5x	N/A
INDUSTRY	IT Spending Growth Worldwide ⁽⁶⁾	2017E: 3.3%	2017E: 3.3%	◄►	3.3%	3.3%
	Server Shipment Worldwide ⁽⁷⁾	2017E: 4.0%	2017E: 2.9%	▼	2.9%	4.0%
	Global Data Center to Data Center IP Traffic ⁽⁸⁾	CAGR 2015 - 2020E: 32%	CAGR 2015 - 2020E: 32%	◄►	CAGR 2015 - 2020E: 32%	CAGR 2015 - 2020E: 32%
	Global Cloud IP Traffic ⁽⁸⁾	CAGR 2015 - 2020E: 30%	CAGR 2015 - 2020E: 30%	◄►	CAGR 2015 - 2020E: 30%	CAGR 2015 - 2020E: 30%

1) IMF World Economic Outlook – July 2017 and October 2017.

2) Bloomberg.

3) Bloomberg, NY Mercantile Exchange WTI Crude Oil (Front Month).

4) Nate Silver FiveThirtyEight.com – April 2017.

5) Citi Investment Research – July 2017 and October 2017.

6) Gartner: IT Spending, Worldwide (constant currency), July 2017 and September 2017.

7) Gartner: Servers Forecast Worldwide, July 2017 and September 2017.

8) Cisco Global Cloud Index: Forecast and Methodology, 2015-2020 – November 2016.

FINANCIAL RESULTS



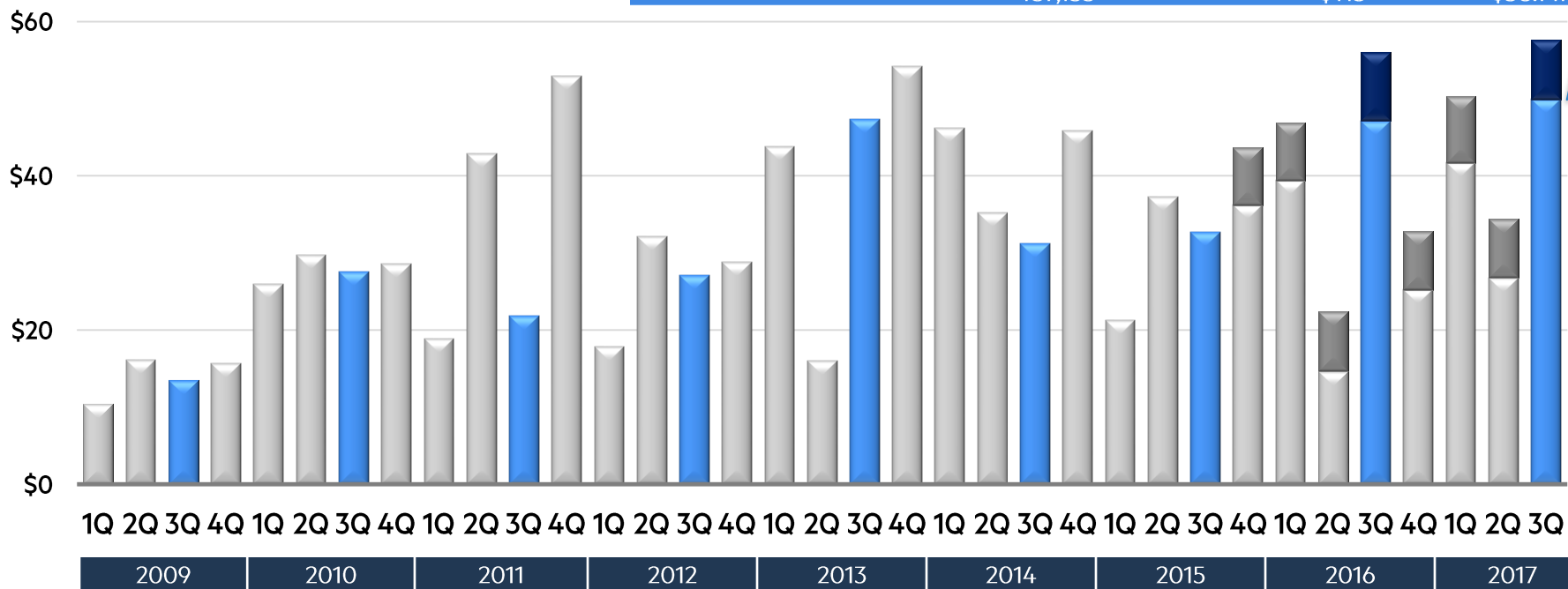
DIGITAL REALTY

Lumpy but Healthy

Comprehensive Solutions Support Diverse Customer Base

Historical Lease Signings
Annualized GAAP Base Rent ⁽²⁾

\$ in millions



Note: Darker shading represents interconnection bookings.

1) Includes signings for new and re-leased space.

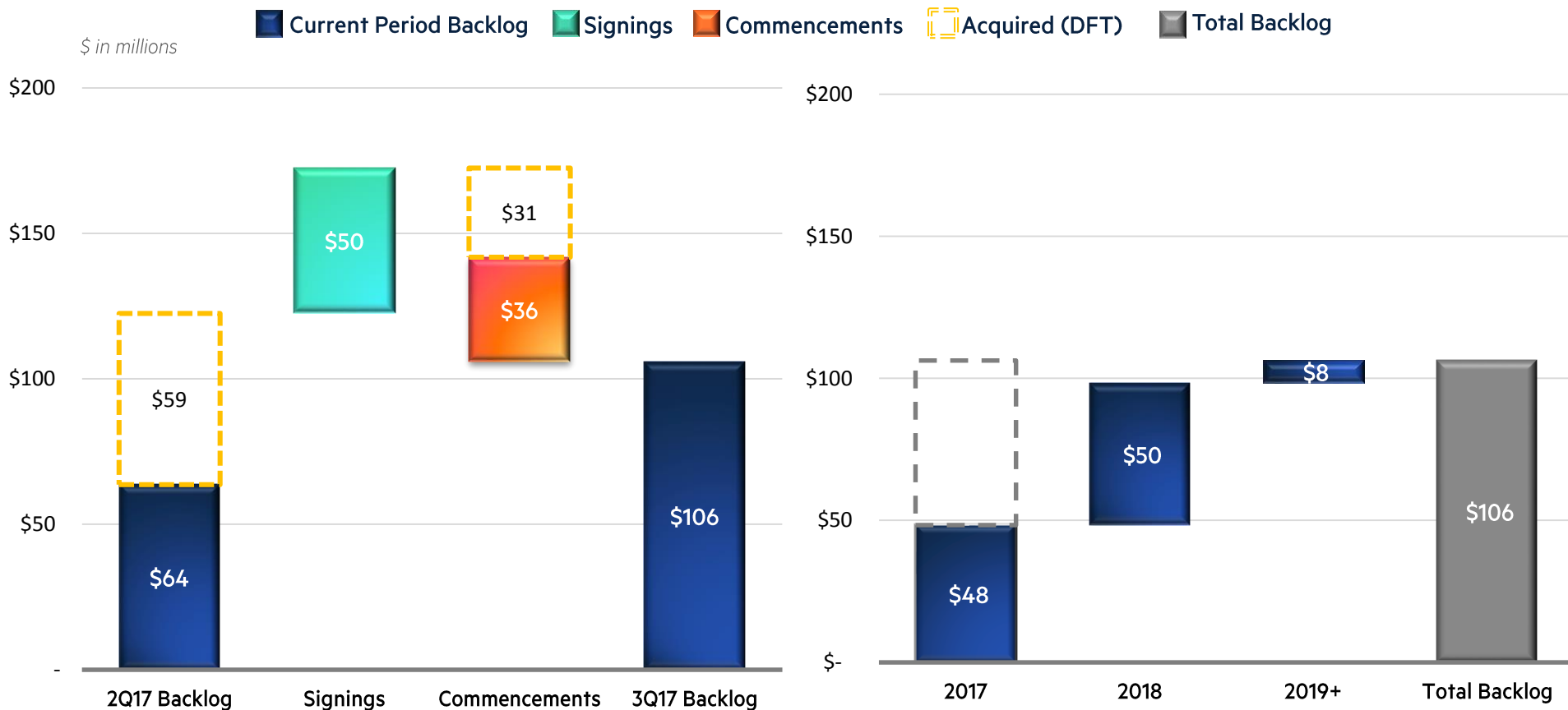
2) GAAP rental revenues include total rent for new leases and expansions. The timing between lease signing and lease commencement (and receipt of rents) may be significant.

Product Type	Total s.f. Signed ⁽¹⁾	Annualized GAAP Base Rent / s.f. ⁽²⁾	Annualized GAAP Base Rent ⁽²⁾
Turn-Key Flex [®]	315,300	\$135	\$42.4 million
Powered Base Building [®]	-	-	-
Colocation	19,630	\$301	\$5.9 million
Non-Technical	102,203	\$20	\$2.1 million
Interconnection	-	-	\$7.7 million
Total	437,133	\$115	\$58.1 million



Healthy Backlog Sets a Solid Foundation Front-End-Loaded Commencement Schedule

Backlog Roll-Forward + Commencement Timing



Note: Amounts shown represent GAAP annualized base rent from signed, but not yet commenced, leases and are based on current estimates of future lease commencement timing. Actual results may vary from current estimates. The lag between lease signing and lease commencement (and receipt of rents) may be significant. Expected commencement date at time of signing.

Cycling Through Peak Vintage Renewals

Gradually Improving Mark-to-Market

PRODUCT TYPE	RENEWALS	3Q17 RE-LEASING SPREADS	
Turn-Key Flex®	<ul style="list-style-type: none"> Renewed 234,735 square feet of Turn-Key Flex® data centers at a rental rate decrease of 10.6% on a cash basis and a 1.1% decrease on a GAAP basis 	-10.6% CASH	-1.1% GAAP
Powered Base Building®	<ul style="list-style-type: none"> Renewed 176,949 square feet of Powered Base Building® data centers at a rental rate increase of 6.8% on a cash basis and a 26.8% increase on a GAAP basis 	6.8% CASH	26.8% GAAP
Colocation	<ul style="list-style-type: none"> Renewed 97,220 square feet of colocation space at a rental rate increase of 2.3% on a cash basis and 2.3% a GAAP basis 	2.3% CASH	2.3% GAAP
Total	<ul style="list-style-type: none"> Signed renewal leases representing \$66 million of annualized GAAP rental revenue Rental rates were down on a cash basis by 3.8% and increased by 1.5% on a GAAP basis 	-3.8% CASH	1.5% GAAP

Note: Total represents Turn-Key Flex®, Powered Base Building®, Colocation, and Non-Tech leases signed during the quarter ended September 30, 2017.

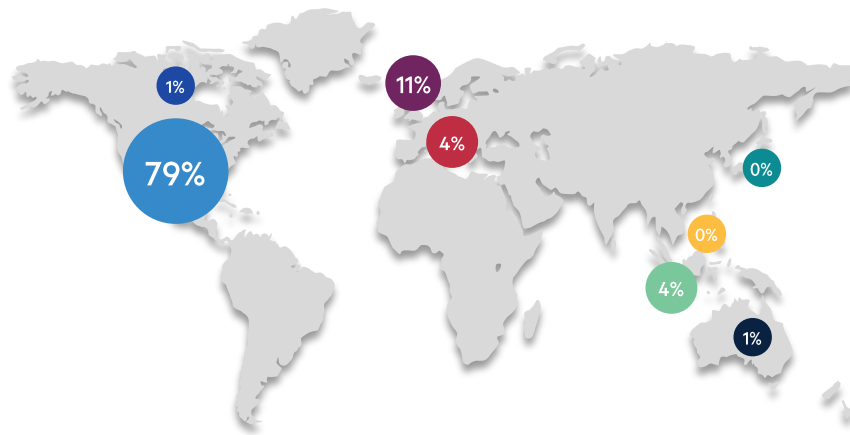


Putting Exposure in Perspective

Benefits of Scale and Diversification on Display

● USD
 ● CAD
 ● GBP
 ● EURO
 ● JPY
 ● HKD
 ● SGD
 ● AUD

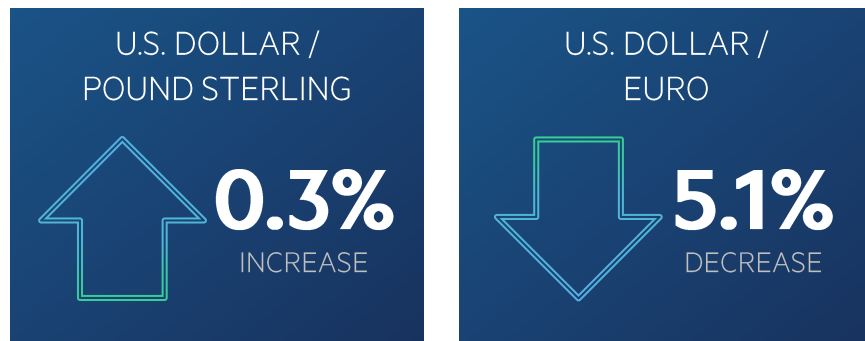
EXPOSURE BY REVENUE



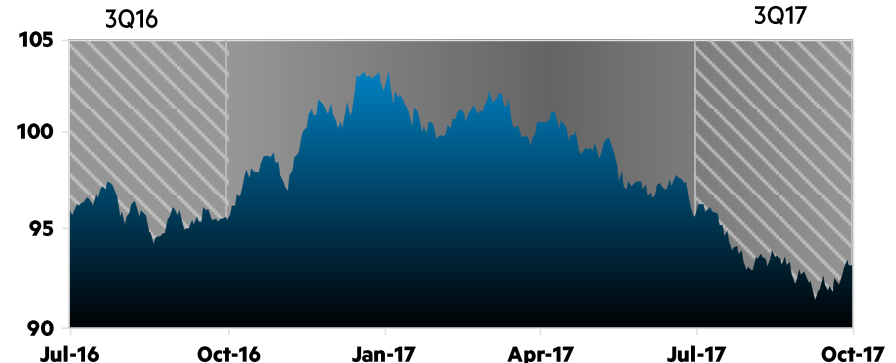
2017 EXPOSURE ⁽¹⁾



EXCHANGE RATES ⁽²⁾



U.S. Dollar Index



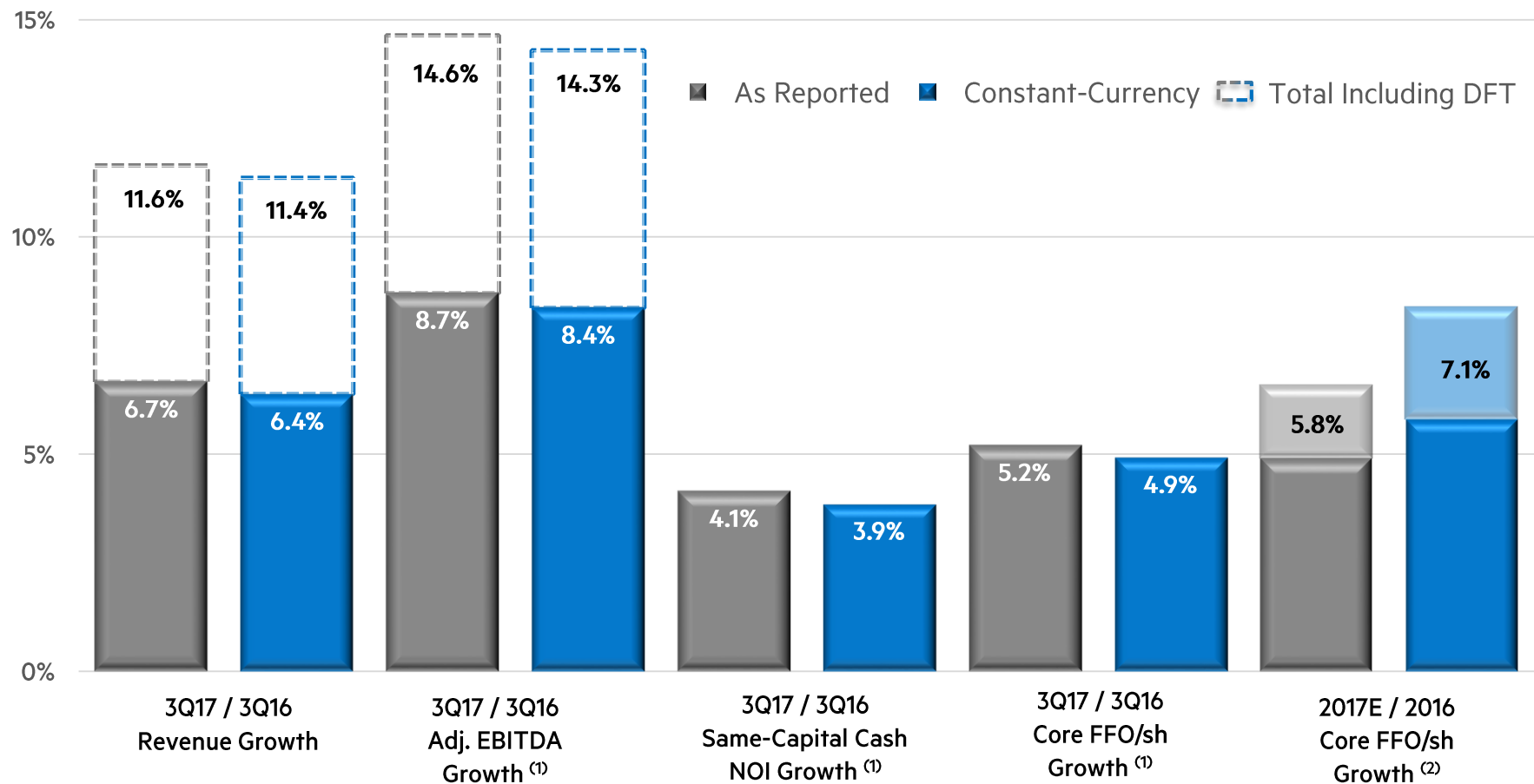
Source: Bloomberg.

1) Based on the midpoint of 2017 core FFO per share guidance of \$6.00 - \$6.10.

2) Based on average exchange rates for the quarter ending September 30, 2017 compared to average exchange rates for the quarter ending September 30, 2016.

Constant-Currency Growth

FX Represents ~30 bps Tailwind to Reported Results



Note: Constant-currency, Adjusted EBITDA, same-capital cash NOI and core FFO are non-GAAP financial measures. For a description of these measures, see the Appendix.

1) Net income for the quarter ended September 30, 2017 was \$12 million. Net income for the quarter ended September 30, 2016 was \$222 million.

2) The lighter shaded sections represent the core FFO and constant-currency core FFO per share guidance ranges. The midpoints of 2017 core FFO and constant-currency core FFO represent 5.8% and 7.1% growth over 2016 results, respectively.



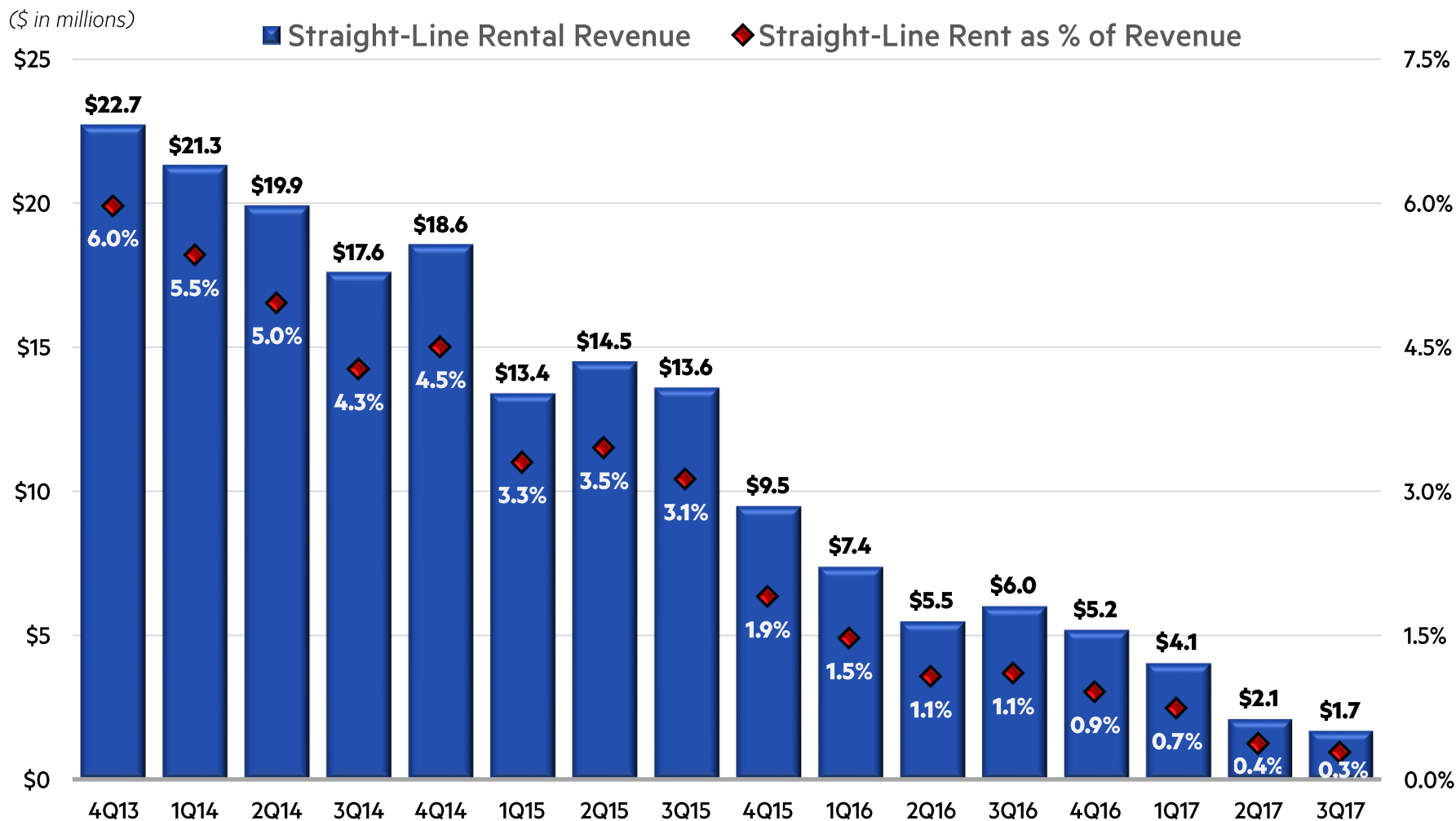
Four Quarter Two-Step Beat, Dip, Shuffle, Bounce



Note: Based on management estimates; actual performance may differ materially. Core FFO is a non-GAAP financial measure. For a description and reconciliation to the closest GAAP equivalents, please see the Appendix.

Closing the GAAP on Straight-Line Rent

Consistently Improving Quality of Earnings



Third Quarter Capital Markets Activities

Bolstering the Balance Sheet

1

July 21, 2017

Sterling-Denominated Senior Notes

- £250 million of 2.75% notes due 2024
- £350 million of 3.30% notes due 2029

2

August 7, 2017

U.S. Dollar Senior Notes

- \$350 million of 2.75% notes due 2023
- \$1.0 billion of 3.70% notes due 2027

3

August 7, 2017

Preferred Stock Offering

- \$200 million Series J Preferred Stock at 5.25%

4

September 14, 2017

Share Issuance

- \$6 billion of common equity, including approximately 43 million shares of common stock and six million OP Units

5

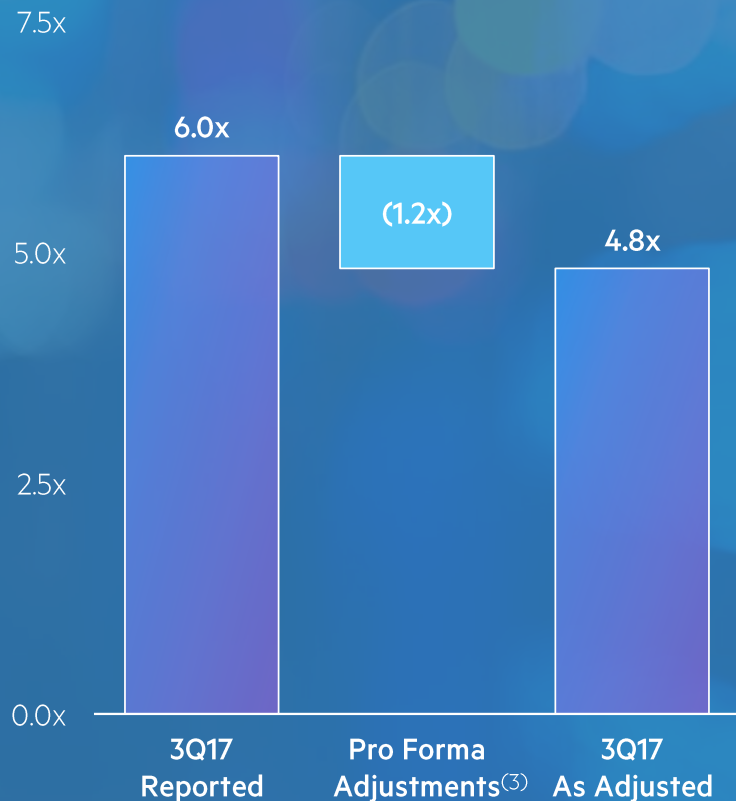
September 14, 2017

Preferred Share Issuance

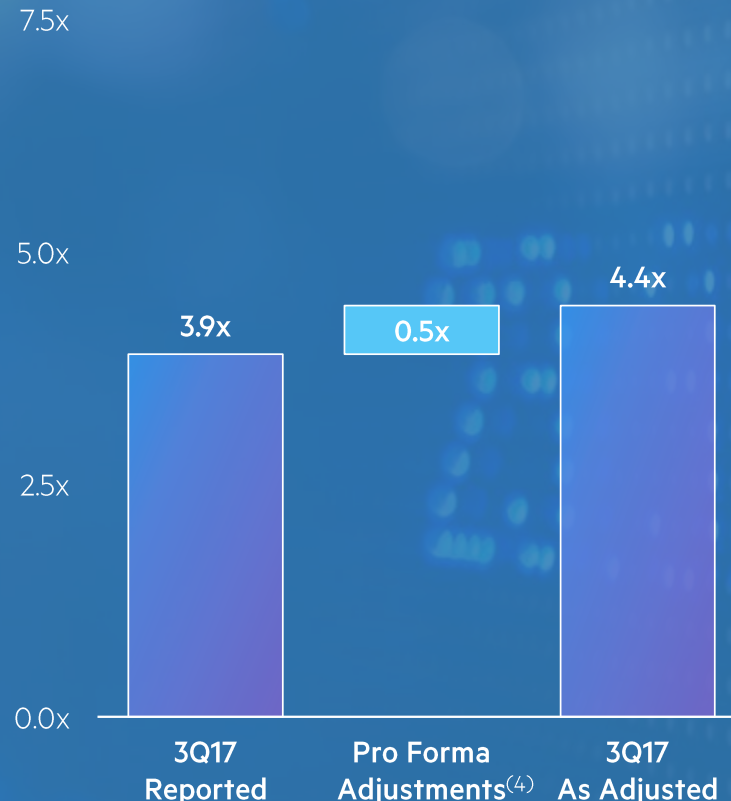
- Issued 8.05 million shares of DLR Series C Preferred Stock in exchange for DFT Series C Preferred Stock, with a liquidation value of \$201 million

Prudently Financed Transaction Enhances Credit Stats Reflecting a Full-Quarter Contribution

Net Debt to Adjusted EBITDA⁽¹⁾



Fixed Charge Coverage Ratio⁽²⁾



- 1) Calculated as total debt at balance sheet carrying value, plus capital lease obligations, plus our share of unconsolidated JV debt, less unrestricted cash and cash equivalents divided by the product of Adjusted EBITDA (inclusive of our share of JV EBITDA) multiplied by four. Adjusted EBITDA is a non-GAAP financial measure. For a description of Adjusted EBITDA, see the Appendix.
- 2) Fixed charge coverage ratio is Adjusted EBITDA divided by total fixed charges. Total fixed charges include interest expenses, capitalized interest, scheduled debt principal payments and preferred dividends, excluding bridge facility fees for the quarter ended September 30, 2017. Adjusted EBITDA is a non-GAAP financial measure. For a description of Adjusted EBITDA, see the Appendix.
- 3) Adjusted to include a full quarter of DFT's Adjusted EBITDA (\$92.7 million).
- 4) Adjusted to reflect interest expenses on GBP Notes and USD Notes issued in 3Q17 and preferred stock dividends and Series J Preferred Stock, in each case as if such notes or preferred stock had been outstanding as of July 1, 2017. Excludes a one-time bridge facility fee of \$3.1 million.

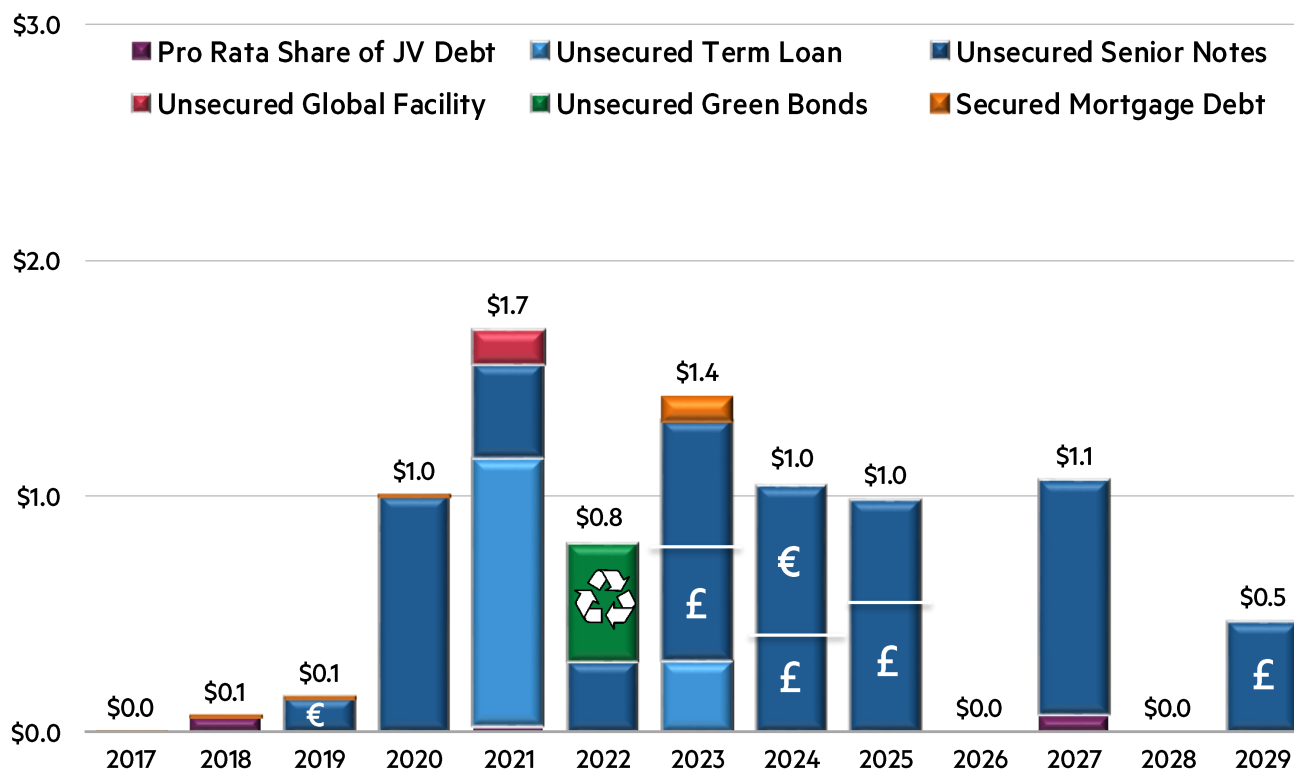


Well-Laddered Debt Maturity Schedule

Nominal Near-Term Maturities; No Bar Too Tall

DEBT MATURITY SCHEDULE ⁽¹⁾

(\$ in billions)

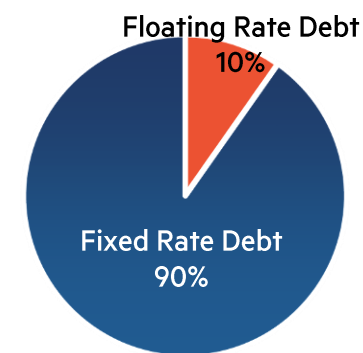
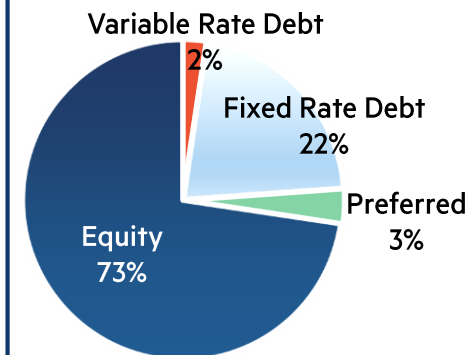


Note: As of September 30, 2017. Includes Digital Realty's pro rata share of unconsolidated joint venture debt.

1) Includes the 5.625% notes due 2023. Upon the company's assumption of these notes in September 2017, the fair market value of \$265.7 million was recorded on the balance sheet. The original issuance amount totaled \$250 million. These notes were redeemed in October 2017.

2) Based on DLR closing stock price of \$123.88 on October 19, 2017.

CURRENT CAPITAL STRUCTURE ⁽²⁾



Consistent Execution on Strategic Vision

Delivering Current Results, Seeding Future Growth

Successful Third Quarter 2017 Initiatives



EXECUTING M&A GAME PLAN WITH DUPONT FABROS ACQUISITION

Strategic metros, complementary portfolio, financially accretive, prudently financed



EXCEEDING EXPECTATIONS

Beat consensus estimates by three cents



RAISING GUIDANCE

Revised 2017 core FFO / share outlook from \$5.95 - \$6.10 to \$6.00 - \$6.10



STRENGTHENING THE BALANCE SHEET

Debt-to-EBITDA below 5.0x, fixed charge coverage above 4.0x (pro forma for full-quarter contribution from DFT)

APPENDIX



DIGITAL REALTY

Robust Long-Term Demand, Lumpy Near-Term Signings

Diverse Customer Base + Product Offerings

Historical Lease Signings
Trailing Four-Quarter Average
Annualized GAAP Base Rent ⁽²⁾

(\$ in millions)

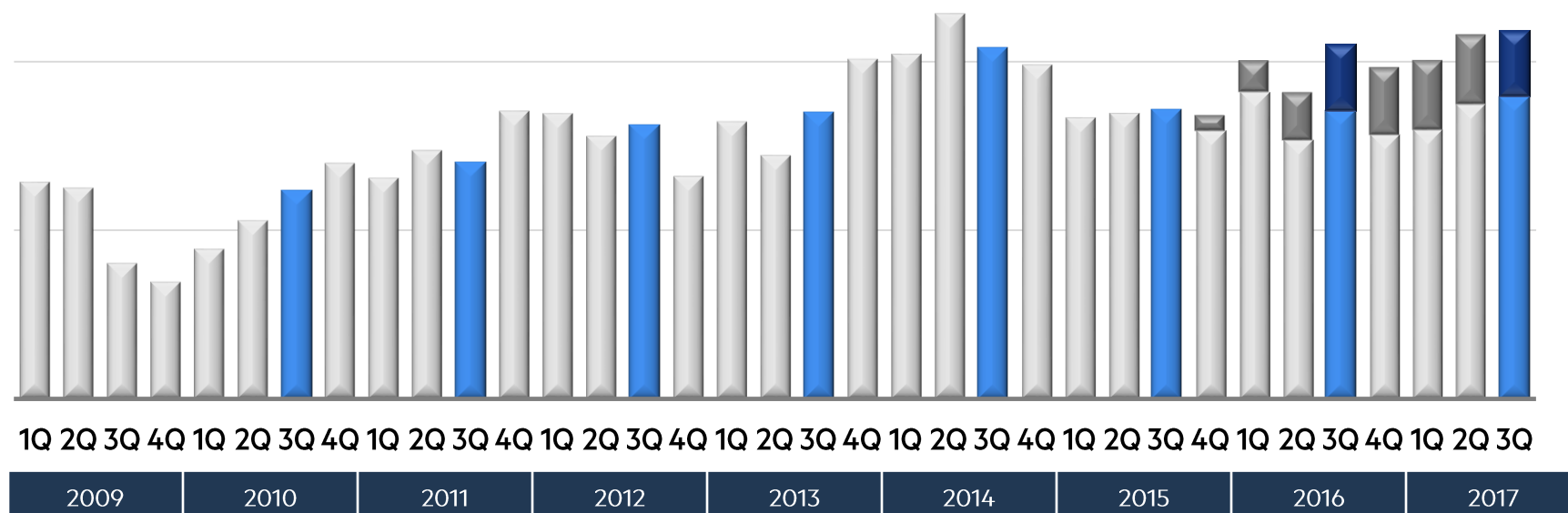
\$60

\$40

\$20

\$0

Product Type	Total s.f. Signed ⁽¹⁾	Annualized GAAP Base Rent / s.f. ⁽²⁾	Annualized GAAP Base Rent ⁽²⁾
Turn-Key Flex [®]	180,284	\$151	\$27.2 million
Powered Base Building [®]	–	–	\$0.1 million
Colocation	29,010	\$274	\$7.9 million
Non-Technical	36,227	\$24	\$0.9 million
Interconnection	–	–	\$7.8 million
Total	245,521	\$179	\$43.9 million



Note: Darker shading represents interconnection signings.

1) Includes signings for new and re-leased space.

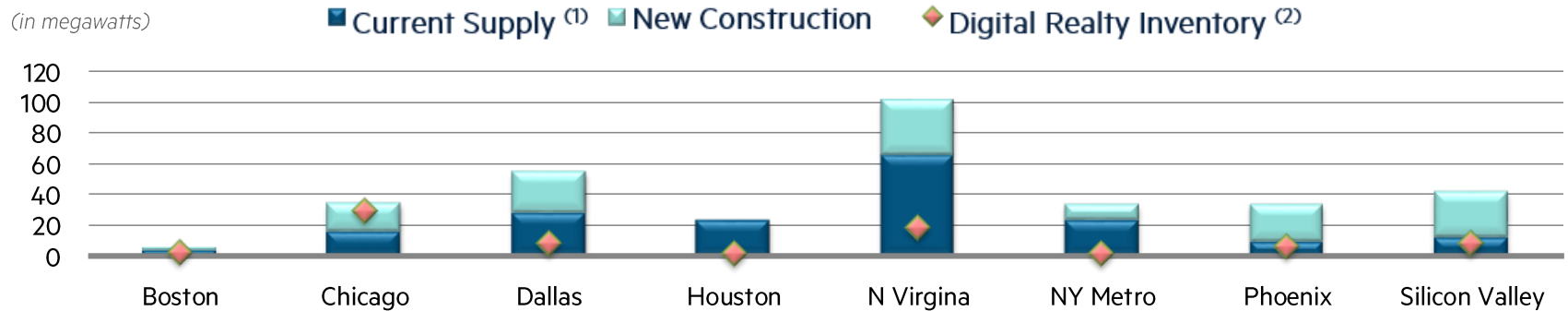
2) GAAP rental revenues include total rent for new lease and expansions. The timing between lease signing and lease commencement (and receipt of rents) may be significant.



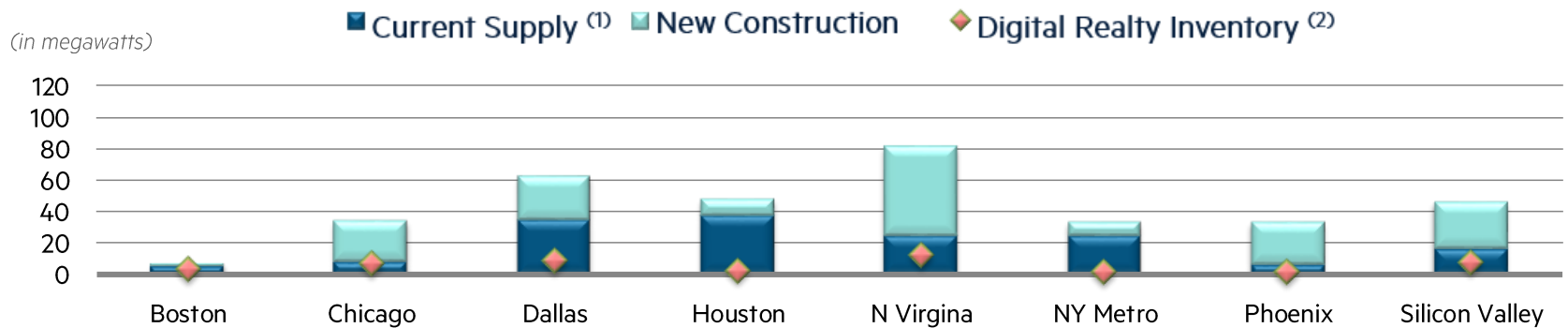
U.S. Major Metro Area Data Center Supply ⁽¹⁾

Supply Largely Concentrated in Most Active Metro Areas

3Q17



2Q17



1) Reflects management's estimates of available supply, including sub-lease availability.

2) Represents Digital Realty's available finished data center space and available active data center construction.

Appendix

The information included in this presentation contains certain non-GAAP financial measures that management believes are helpful in understanding our business, as further described below. Our definition and calculation of non-GAAP financial measures may differ from those of other REITs, and, therefore, may not be comparable. The non-GAAP financial measures should not be considered an alternative to net income or any other GAAP measurement of performance and should not be considered an alternative to cash flows from operating, investing or financing activities as a measure of liquidity.

Funds from Operations (FFO):

We calculate funds from operations, or FFO, in accordance with the standards established by the National Association of Real Estate Investment Trusts, or NAREIT. FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from real estate transactions, impairment charges, real estate related depreciation and amortization (excluding amortization of deferred financing costs), non-controlling interests in operating partnership and after adjustments for unconsolidated partnerships and joint ventures. Management uses FFO as a supplemental performance measure because, in excluding real estate related depreciation and amortization and gains and losses from property dispositions and after adjustments for unconsolidated partnerships and joint ventures, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that, as a widely recognized measure of the performance of REITs, FFO will be used by investors as a basis to compare our operating performance with that of other REITs. However, because FFO excludes depreciation and amortization and captures neither the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures and capitalized leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effect and could materially impact our financial condition and results from operations, the utility of FFO as a measure of our performance is limited. Other REITs may not calculate FFO in accordance with the NAREIT definition and, accordingly, our FFO may not be comparable to such other REITs' FFO. Accordingly, FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance.

Core Funds from Operations (Core FFO):

We present core funds from operations, or core FFO, as a supplemental operating measure because, in excluding certain items that do not reflect core revenue or expense streams, it provides a performance measure that, when compared year over year, captures trends in our core business operating performance. We calculate core FFO by adding to or subtracting from FFO (i) termination fees and other non-core revenues, (ii) transaction and integration expenses, (iii) gain (loss) from early extinguishment of debt, (iv) issuance costs associated with redeemed preferred stock, (v) equity in earnings adjustment for non-core items (vi) severance, equity acceleration, and legal expenses, (vii) bridge facility fees, (viii) loss on currency forwards and (ix) other non-core expense adjustments. Because certain of these adjustments have a real economic impact on our financial condition and results from operations, the utility of core FFO as a measure of our performance is limited. Other REITs may not calculate core FFO in a consistent manner. Accordingly, our core FFO may not be comparable to other REITs' core FFO. Core FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance.

Constant-Currency Core Funds from Operations:

We calculate constant-currency core funds from operations by adjusting the core funds from operations for foreign currency translations.

Adjusted Funds from Operations (AFFO):

We present adjusted funds from operations, or AFFO, as a supplemental operating measure because, when compared year over year, it assesses our ability to fund dividend and distribution requirements from our operating activities. We also believe that, as a widely recognized measure of the operations of REITs, AFFO will be used by investors as a basis to assess our ability to fund dividend payments in comparison to other REITs, including on a per share and unit basis. We calculate AFFO by adding to or subtracting from core FFO (i) non-real estate depreciation, (ii) amortization of deferred financing costs, (iii) amortization of debt discount/premium, (iv) non-cash stock-based compensation expense, (v) straight-line rent revenue, (vi) straight-line rent expense, (vii) above- and below-market rent amortization, (viii) deferred non-cash tax expense, (ix) capitalized leasing compensation, (x) recurring capital expenditures and (xi) capitalized internal leasing commissions. Other REITs may not calculate AFFO in a consistent manner. Accordingly, our AFFO may not be comparable to other REITs' AFFO. AFFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance.



Appendix

EBITDA and Adjusted EBITDA:

We believe that earnings before interest, loss from early extinguishment of debt, income taxes and depreciation and amortization, or EBITDA, and Adjusted EBITDA (as defined below), are useful supplemental performance measures because they allow investors to view our performance without the impact of non-cash depreciation and amortization or the cost of debt and, with respect to Adjusted EBITDA, severance-related expense, equity acceleration, and legal expenses, transaction and integration expenses, (gain) loss on real estate transactions, non-cash (gain) on lease termination, equity in earnings adjustment for non-core items, other non-core expense adjustments, noncontrolling interests, preferred stock dividends, including undeclared dividends, and issuance costs associated with redeemed preferred stock. Adjusted EBITDA is EBITDA excluding severance-related expense, equity acceleration, and legal expenses, transaction and integration expenses, (gain) loss on real estate transactions, non-cash (gain) on lease termination, equity in earnings adjustment for non-core items, other non-core expense adjustments, noncontrolling interests, preferred stock dividends, including undeclared dividends, and issuance costs associated with redeemed preferred stock. In addition, we believe EBITDA and Adjusted EBITDA are frequently used by securities analysts, investors and other interested parties in the evaluation of REITs. Because EBITDA and Adjusted EBITDA are calculated before recurring cash charges including interest expense and income taxes, exclude capitalized costs, such as leasing commissions, and are not adjusted for capital expenditures or other recurring cash requirements of our business, their utility as a measure of our performance is limited. Other REITs may calculate EBITDA and Adjusted EBITDA differently than we do; accordingly, our EBITDA and Adjusted EBITDA may not be comparable to such other REITs' EBITDA and Adjusted EBITDA. Accordingly, EBITDA and Adjusted EBITDA should be considered only as supplements to net income computed in accordance with GAAP as a measure of our financial performance.

Net Operating Income (NOI) and Cash NOI:

Net operating income, or NOI, represents rental revenue, tenant reimbursement revenue and interconnection revenue less utilities expense, rental property operating expenses, property taxes and insurance expenses (as reflected in the statement of operations). NOI is commonly used by stockholders, company management and industry analysts as a measurement of operating performance of the company's rental portfolio. Cash NOI is NOI less straight-line rents and above and below market rent amortization. Cash NOI is commonly used by stockholders, company management and industry analysts as a measure of property operating performance on a cash basis. However, because NOI and cash NOI exclude depreciation and amortization and capture neither the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures and capitalized leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effect and could materially impact our results from operations, the utility of NOI and cash NOI as measures of our performance is limited. Other REITs may not calculate NOI and cash NOI in the same manner we do and, accordingly, our NOI and cash NOI may not be comparable to such other REITs' NOI and cash NOI. Accordingly, NOI and cash NOI should be considered only as supplements to net income computed in accordance with GAAP as measures of our performance.

Same-Capital Cash NOI

Same-capital Cash NOI is Cash NOI (as defined above) calculated for "Same-capital" properties. "Same-capital" properties are defined as properties owned as of December 31, 2015 with less than 5% of total rentable square feet under development and excludes properties that were undergoing, or were expected to undergo, development activities in 2016-2017, properties classified as held for sale, and properties sold or contributed to joint ventures for all periods presented.



Forward-Looking Statements

The information included in this presentation contains forward-looking statements. Such statements are based on management's beliefs and assumptions made based on information currently available to management. Such forward-looking statements include statements relating to: our economic outlook; the merger with DuPont Fabros Technology, Inc. and our expected benefits from the merger, opportunities and strategies, including ROIC, recycling assets and capital, and sources of growth; our Japanese joint venture; the expected timing, locations, benefits and product offerings for Service Exchange; the expected effect of foreign currency translation adjustments on our financials; business drivers; sources and uses; our expected development plans and completions, including timing, total square footage, IT capacity and raised floor space upon completion; expected availability for leasing efforts and colocation initiatives; organizational initiatives; our expected product offerings; our expected Go-to-Market strategy; joint venture opportunities; occupancy and total investment; our expected investment in our properties; our estimated time to stabilization and targeted returns at stabilization of our properties; our expected future acquisitions; acquisitions strategy; available inventory and development strategy; the signing and commencement of leases, and related rental revenue; lag between signing and commencement of leases; our expected same store portfolio growth; our expected growth and stabilization of development completions and acquisitions; our expected mark-to-market rates on lease expirations, lease rollovers and expected rental rate changes; our expected yields on investments; our expectations with respect to capital investments at lease expiration on existing Turn-Key Flex space; barriers to entry; competition; debt maturities; lease maturities; our expected returns on invested capital; estimated absorption rates; our other expected future financial and other results, and the assumptions underlying such results; our top investment geographies and market opportunities; our expected colocation expansions; our ability to access the capital markets; expected time and cost savings to our customers; our customers' capital investments; our plans and intentions; future data center utilization, utilization rates, growth rates, trends, supply and demand, and demand drivers; datacenter outsourcing trends; datacenter expansion plans; estimated kW/MW requirements; growth in the overall Internet infrastructure sector and segments thereof; the replacement cost of our assets; the development costs of our buildings, and lead times; estimated costs for customers to deploy or migrate to a new data center; capital expenditures; the effect new leases and increases in rental rates will have on our rental revenues and results of operations; lease expiration rates; our ability to borrow funds under our credit facilities; estimates of the value of our development portfolio; our ability to meet our liquidity needs, including the ability to raise additional capital; the settlement of our forward sales agreements; credit ratings; capitalization rates, or cap rates, potential new locations; the expected impact of our global expansion; dividend payments and our dividend policy; projected financial information and covenant metrics; annualized; core FFO run-rate and NOI Growth; other forward-looking financial data; leasing expectations; our exposure to tenants in certain industries; our expectations and underlying assumptions regarding our sensitivity to fluctuations in foreign exchange rates and energy prices; and the sufficiency of our capital to fund future requirements. You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "pro forma," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and discussions which do not relate solely to historical matters. Such statements are subject to risks, uncertainties and assumptions, are not guarantees of future performance and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control that may cause actual results to vary materially. Some of the risks and uncertainties include, among others, the following: the impact of current global economic, credit and market conditions; current local economic conditions in the geographies in which we operate; decreases in information technology spending, including as a result of economic slowdowns or recession; adverse economic or real estate developments in our industry or the industry sectors that we sell to (including risks relating to decreasing real estate valuations and impairment charges); our dependence upon significant tenants; bankruptcy or insolvency of a major tenant or a significant number of smaller tenants; defaults on or non-renewal of leases by tenants; our failure to obtain necessary debt and equity financing; risks associated with using debt to fund our business activities, including re-financing and interest rate risks, our failure to repay debt when due, adverse changes in our credit ratings or our breach of covenants or other terms contained in our loan facilities and agreements; financial market fluctuations; changes in foreign currency exchange rates; our inability to manage our growth effectively; difficulty acquiring or operating properties in foreign jurisdictions; our failure to successfully integrate and operate acquired or developed properties or businesses; the suitability for our properties and data center infrastructure, delays or disruptions in connectivity, failure of our physical or information system infrastructure or services or availability of power; risks related to joint venture investments, including as a result of our lack of control of such investments; delays or unexpected costs in development of properties; decreased rental rates, increased operating costs or increased vacancy rates; increased competition or available supply of data center space; our inability to successfully develop and lease new properties and development space; difficulties in identifying properties to acquire and completing acquisitions; our inability to acquire off-market properties; the impact of the United Kingdom's referendum on withdrawal from the European Union on global financial markets and our business; our inability to comply with the rules and regulations applicable to reporting companies; our failure to maintain our status as a REIT; possible adverse changes to tax laws; restrictions on our ability to engage in certain business activities; environmental uncertainties and risks related to natural disasters; losses in excess of our insurance coverage; changes in foreign laws and regulations, including those related to taxation and real estate ownership and operation; and changes in local, state and federal regulatory requirements, including changes in real estate and zoning laws and increases in real property tax rates. The risks described above are not exhaustive, and additional factors could adversely affect our business and financial performance, including those discussed in our annual report on Form 10-K for the year ended December 31, 2016, and subsequent filings with the Securities and Exchange Commission. We expressly disclaim any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise.

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Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

Digital Realty Trust, Inc. and Subsidiaries

Reconciliation of Net Income Available to Common Stockholders to Funds From Operations (FFO)

(in thousands, except per share and unit data)

(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Net (loss) income available to common stockholders	\$ (4,140)	\$ 187,330	\$ 119,842	\$ 254,406
Adjustments:				
Noncontrolling interests in operating partnership	(79)	3,024	1,632	4,144
Real estate related depreciation and amortization (1)	196,871	175,332	545,328	509,287
Real estate related depreciation and amortization related to investment in unconsolidated joint ventures	2,732	2,810	8,243	8,423
Impairment of investments in real estate	28,992	-	28,992	-
Impairment charge on Telx trade name	-	-	-	6,122
(Gain) loss on sale of properties	(9,750)	(169,000)	(9,608)	(170,097)
FFO available to common stockholders and unitholders	<u>\$ 214,626</u>	<u>\$ 199,496</u>	<u>\$ 694,429</u>	<u>\$ 612,285</u>
Basic FFO per share and unit	\$ 1.24	\$ 1.33	\$ 4.18	\$ 4.10
Diluted FFO per share and unit	\$ 1.23	\$ 1.31	\$ 4.16	\$ 4.08
Weighted average common stock and units outstanding				
Basic	173,461	149,778	166,048	149,352
Diluted	174,170	151,765	166,938	150,076
(1) Real estate related depreciation and amortization was computed as follows:				
Depreciation and amortization per income statement	199,914	178,133	554,491	522,743
Impairment charge on Telx trade name	-	-	-	(6,122)
Non-real estate depreciation	(3,043)	(2,801)	(9,163)	(7,334)
	<u>\$ 196,871</u>	<u>\$ 175,332</u>	<u>\$ 545,328</u>	<u>\$ 509,287</u>



Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

	Three Months Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
FFO available to common stockholders and unitholders -- basic and diluted	\$ 214,626	\$ 199,496	\$ 694,429	\$ 612,285
Weighted average common stock and units outstanding	173,461	149,778	166,048	149,352
Add: Effect of dilutive securities	709	1,987	890	724
Weighted average common stock and units outstanding -- diluted	174,170	151,765	166,938	150,076

Digital Realty Trust, Inc. and Subsidiaries

Reconciliation of Funds From Operations (FFO) to Core Funds From Operations (CFFO)
(in thousands, except per share and unit data)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
FFO available to common stockholders and unitholders -- diluted	\$ 214,626	\$ 199,496	\$ 694,429	\$ 612,285
Termination fees and other non-core revenues ⁽¹⁾	(208)	(2)	(584)	(93)
Significant transaction expenses	42,809	6,015	60,367	11,530
(Gain) loss from early extinguishment of debt	(1,990)	18	(1,990)	982
Costs on redemption of preferred stock	-	10,328	6,309	10,328
Bridge facility fees	3,181	-	3,181	-
Severance accrual and equity acceleration ⁽²⁾	2,288	2,580	3,522	5,536
Equity in earnings adjustment for non-core items	-	-	(3,285)	-
Loss on currency forwards	-	-	-	3,082
Other non-core expense adjustments	3,051	(22)	3,075	(23)
CFFO available to common stockholders and unitholders -- diluted	\$ 263,757	\$ 218,413	\$ 765,024	\$ 643,627
Diluted CFFO per share and unit	\$ 1.51	\$ 1.44	\$ 4.58	\$ 4.29

(1) Includes one-time fees, proceeds and certain other adjustments that are not core to our business.

(2) Relates to severance charges related to the departure of company executives.



Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

Digital Realty Trust, Inc. and Subsidiaries

Reconciliation of Net Income Available to Common Stockholders to Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and Adjusted EBITDA
(in thousands)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Net (loss) income available to common stockholders	\$ (4,140)	\$ 187,330	\$ 119,842	\$ 254,406
Interest	71,621	63,084	184,653	180,254
(Gain) loss from early extinguishment of debt	(1,990)	18	(1,990)	982
Taxes	2,494	3,720	7,356	8,081
Depreciation and amortization	199,914	178,133	554,491	522,743
Impairment of investments in real estate	28,992	-	28,992	-
EBITDA	296,891	432,285	893,344	966,466
Severance accrual and equity acceleration	2,288	2,580	3,522	5,536
Transactions	42,809	6,015	60,367	11,530
Gain on sale of properties	(9,750)	(169,000)	(9,608)	(170,097)
Equity in earnings adjustment for non-core items	-	-	(3,285)	-
Loss on currency forwards	-	-	-	3,082
Other non-core expense adjustments	3,051	(22)	3,075	(23)
Noncontrolling interests	40	3,247	1,985	4,600
Preferred stock dividends	16,575	21,530	48,473	66,378
Issuance costs associated with redeemed preferred stock	-	10,328	6,309	10,328
Adjusted EBITDA	\$ 351,904	\$ 306,963	\$ 1,004,182	\$ 897,800



Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

Digital Realty Trust, Inc. and Subsidiaries
Reconciliation of Same Capital Cash Net Operating Income
(in thousands)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Rental revenues	\$ 247,326	\$ 243,268	\$ 741,604	\$ 734,985
Tenant reimbursements - Utilities	39,106	42,217	111,752	114,022
Tenant reimbursements - Other	16,646	18,542	49,333	52,714
Interconnection and other	50,835	45,425	149,455	132,723
Total Revenue	353,913	349,452	1,052,144	1,034,444
Utilities	52,863	53,356	145,090	143,257
Rental property operating	52,096	56,600	161,552	167,743
Property taxes	19,007	17,173	52,008	51,350
Insurance	1,950	1,859	5,949	5,527
Total Expenses	125,916	128,988	364,599	367,877
Net Operating Income	\$ 227,997	\$ 220,464	\$ 687,545	\$ 666,567
Less:				
Stabilized straight-line rent	\$ (5,793)	\$ (4,353)	\$ (15,166)	\$ (12,170)
Above and below market rent	1,886	2,133	6,021	6,447
Cash Net Operating Income	\$ 231,904	\$ 222,684	\$ 696,690	\$ 672,290

Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

Net Debt/LQA Adjusted EBITDA

	<u>QE 09/30/2017</u>
Total debt at balance sheet carrying value	\$ 8,484,244
Add: DLR share of unconsolidated joint venture debt	152,526
Add: Capital lease obligations	170,864
Less: Unrestricted cash	(192,578)
Net Debt as of September 30, 2017	\$ 8,615,056
Net Debt / LQA Adjusted EBITDA ⁽ⁱⁱⁱ⁾	6.0x

(iii) Adjusted EBITDA

Net (loss) available to common stockholders	\$ (4,140)
Interest expense	71,621
DLR share of unconsolidated joint venture interest expense	1,458
Gain from early extinguishment of debt	(1,990)
Taxes	2,494
Depreciation and amortization	199,914
Impairment of investments in real estate	28,992
DLR share of unconsolidated joint venture depreciation	2,732
EBITDA	<u>301,081</u>
Severance accrual and equity acceleration and legal expenses	2,288
Transactions	42,809
Gain on sale of properties	(9,750)
Other non-core expense adjustments	3,051
Noncontrolling interests	40
Preferred stock dividends	16,575
Adjusted EBITDA ^(a)	<u>\$ 356,094</u>
LQA Adjusted EBITDA (Adjusted EBITDA x 4)	\$ 1,424,376

^(a)Includes certain financial information from unconsolidated joint ventures.

Note: For quarter ended September 30, 2017

Fixed Charged Ratio (LQA Adjusted EBITDA/total fixed charges)

	<u>QE 09/30/2017</u>
GAAP interest expense plus capitalized interest and less bridge facility fees	73,724
Scheduled debt principal payments	138
Preferred dividends	16,575
Total fixed charges	<u>90,437</u>
Fixed charge ratio	3.9x

Guidance (as of October 25, 2017)

Net income per diluted share	\$1.10 - \$1.15
Real estate depreciation and (gain)/loss on sale	\$4.60 - \$4.60
Funds From Operations / share (NAREIT-Defined)	\$5.70 - \$5.75
Non-core expense and revenue streams	\$0.30 - \$0.35
Core Funds From Operations / share	\$6.00 - \$6.10
Foreign currency translation adjustments	\$0.05 - \$0.10
Constant-Currency Core FFO / share	\$6.05 - \$6.20

