

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 6, 2006

**DIGITAL REALTY TRUST, INC.**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction  
of incorporation)

**001-32336**  
(Commission File Number)

**26-0081711**  
(I.R.S. Employer  
Identification Number)

**560 Mission Street, Suite 2900**  
**San Francisco, California**  
(Address of principal executive offices)

**94105**  
(Zip Code)

**(415) 738-6500**  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## Forward Looking Statements

The information included and incorporated by reference in this Current Report on Form 8-K contains forward-looking statements within the meaning of the federal securities laws, including statements and projections related to 2006 funds from operations, growth in the e-commerce market, the digital communication and distribution market and the data storage market, the market effects of regulatory requirements, the disaster recovery market, the replacement cost of our assets, redevelopment costs in our buildings, capitalization rates for our properties and other properties, the time periods to stabilization of our development space, the effect new leases will have on our rental revenues and results of operations, lease expiration rates, the effect of leasing and acquisition on our funds from operations, funds from operations payout ratio and implied cap rates and our implied valuation using these cap rates and other metrics. Such statements are based on management's beliefs and assumptions based on information currently available to management. Such statements are subject to risks, uncertainties and assumptions and are not guarantees of future performance and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Some of the risks and uncertainties that may cause our actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the following: adverse economic or real estate developments in our markets or the technology industry; general and local economic conditions; defaults on or non-renewal of leases by tenants; increased interest rates and operating costs; inability to acquire new properties (including those which we are in the process of acquiring); difficulty acquiring or operating properties in foreign jurisdictions and changes in foreign laws and regulations, including those related to taxation and real estate ownership and operation; our failure to obtain necessary outside financing; increased construction costs; decreased rental rates or increased vacancy rates; difficulties in identifying properties to acquire and completing acquisitions; our failure to successfully operate acquired properties and operations; our failure to maintain our status as a REIT; possible adverse changes to tax law; environmental uncertainties and risks related to natural disasters; financial market fluctuations; changes in foreign currency exchange rates; and 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. We discussed a number of additional material risks in our annual report on Form 10-K for the year ended December 31, 2004 and other filings with the Securities and Exchange Commission. Those risks continue to be relevant to our performance and financial condition. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We expressly disclaim any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise.

### Item 7.01 Regulation FD Disclosure

The information furnished in this Item 7.01 of this Current Report on Form 8-K, including the exhibit attached hereto, shall not be deemed "filed" for any purpose, including for the purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that Section. The information in this Item 7.01 of this Current Report on Form 8-K, including the exhibit attached hereto, shall not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act regardless of any general incorporation language in such filing.

On March 6, 7 and 9, 2006, we will present materials at investor meetings. A copy of the materials is attached hereto as Exhibit 99.1 and incorporated herein by reference.

### Item 9.01 Financial Statements and Exhibits.

#### (c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Material to be presented by Digital Realty Trust, Inc. on March 6, 7 and 9, 2006 at investor meetings.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Digital Realty Trust, Inc.

By: /s/ Joshua A. Mills

Joshua A. Mills

General Counsel and Assistant Secretary

Date: March 6, 2006

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**Exhibits**

Exhibit No.

Description

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99.1

Material to be presented by Digital Realty Trust, Inc. on March 6, 7 and 9, 2006 at investor meetings.



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DIGITAL REALTY TRUST

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**March 2006 Investor Presentation**

## 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 and projections related to 2006 FFO, growth in the e-commerce market, the digital communication and distribution market, and the data storage market, the market effects of regulatory requirements, the disaster recovery market, the replacement cost of our assets, redevelopment costs in our buildings, and time periods to stabilization of our development space, the effect new leases will have on our rental revenues and results of operations, lease expiration rates, the effect of leasing and acquisition on our FFO, and annualized GAAP rent. Such statements are subject to risks, uncertainties and assumptions and 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: adverse economic or real estate developments in our markets or the technology industry; general and local economic conditions; defaults on or non-renewal of leases by tenants; difficulty acquiring or operating properties in foreign jurisdictions, changes in foreign laws and regulations, including those related to taxation and real estate ownership and operation, increased interest rates and operating costs; inability to acquire new properties (including those we are in the process of acquiring); our failure to obtain necessary outside financing; increased construction costs; decreased rental rates or increased vacancy rates; difficulties in identifying properties to acquire and completing acquisitions; our failure to successfully operate acquired properties and operations; our failure to maintain our status as a REIT; possible adverse changes to tax law; environmental uncertainties and risks related to natural disasters; financial market fluctuations; changes in foreign currency exchange rates; and 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, 2004 and other 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.*



## Digital Realty Trust overview

**DLR is a leading institutional owner focused on mission critical technology properties in the US and Western Europe**

- **Tenants consist of leading global companies diversified across various industries**
- **Own 45 properties comprising 9.3 million rentable sq ft which includes 1.2 million sq ft of additional space held for redevelopment <sup>(1)</sup>**
- **Portfolio occupancy of 93.9% and “same store” occupancy of 94.5% <sup>(2)</sup>**
- **Assets strategically located in top technology markets in US and Europe**

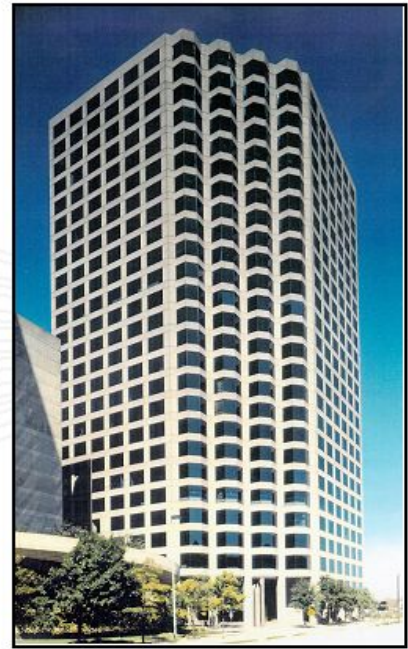


**350 East Cermak Road  
Chicago, IL**

(1) Includes property acquisitions announced in our Earnings Release dated March 1, 2006.  
(2) Occupancy is as of our last reporting period, December 31, 2005 net of redevelopment space.

## DLR investment highlights

- **Specialized focus in dynamic and growing industries**
- **High quality portfolio that is difficult to replicate**
- **Experienced industry consolidator with proven ability to acquire assets below replacement cost**
- **Acquisition and leasing pace creates potential for strong FFO growth**
- **Uniquely positioned as both a value and growth REIT**



**2323 Bryan Street  
Dallas, TX**

## DLR properties feature advanced technical systems



**Power management/conversion**



**Precision air cooling/handling**



**Power backup/redundancy**



**Systems and security controls**

**Between \$500 and \$1,000 psf typically invested in DLR buildings, creating a barrier to exit for tenants and discouraging speculative new supply**

# DLR is unique in its focus on technology properties

Financial	Health/Insurance	Communications	Internet Enterprise	IT Services
  	  	  	  	 

## Data Centers (36%<sup>(1)</sup>)

- Storage/server intensive buildings
- Provide a secure 24 x 7 environment for the storage and processing of mission-critical electronic information
- Used to house the primary IT operations of leading companies, transaction processing and disaster recovery purposes

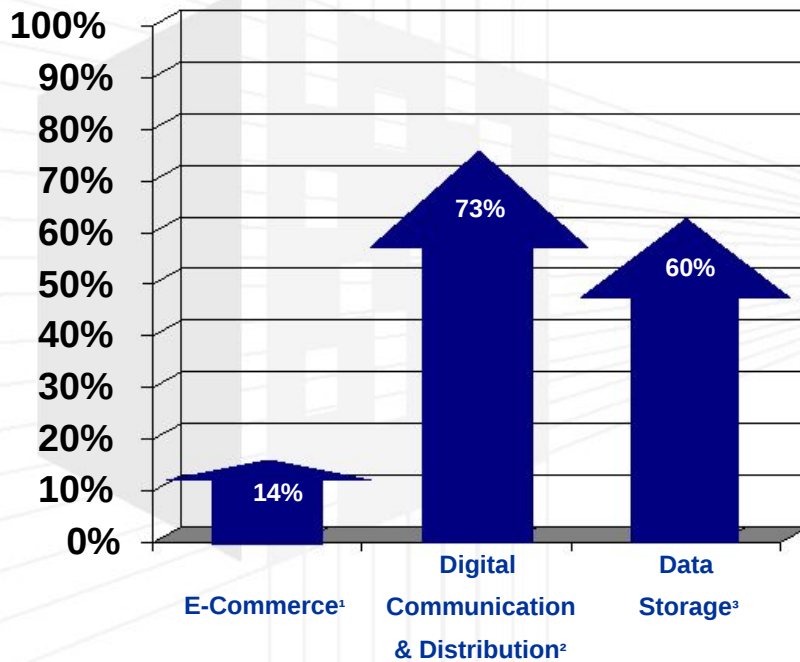
## Internet Gateways (42%<sup>(1)</sup>)

- Internet and telecom network intensive buildings
- Serve as the hub for Internet and data communications within and between major metropolitan areas
- Market-dominant position in their respective MSAs
- Frequently serve as a super-regional connection point with multiple anchor tenants

(1) Calculated based on annualized rents using in place leases as of December 31, 2005.

# Strong trends drive sustained demand for DLR space

## Primary Drivers – Estimated Annual Growth Rates



## Other Growth Drivers

- Increased federal regulatory and legislative requirements for business continuity and records retention
- Disaster Recovery initiatives prioritized as a result of Hurricanes Katrina and Rita
- HIPAA patient records security and retention regulations

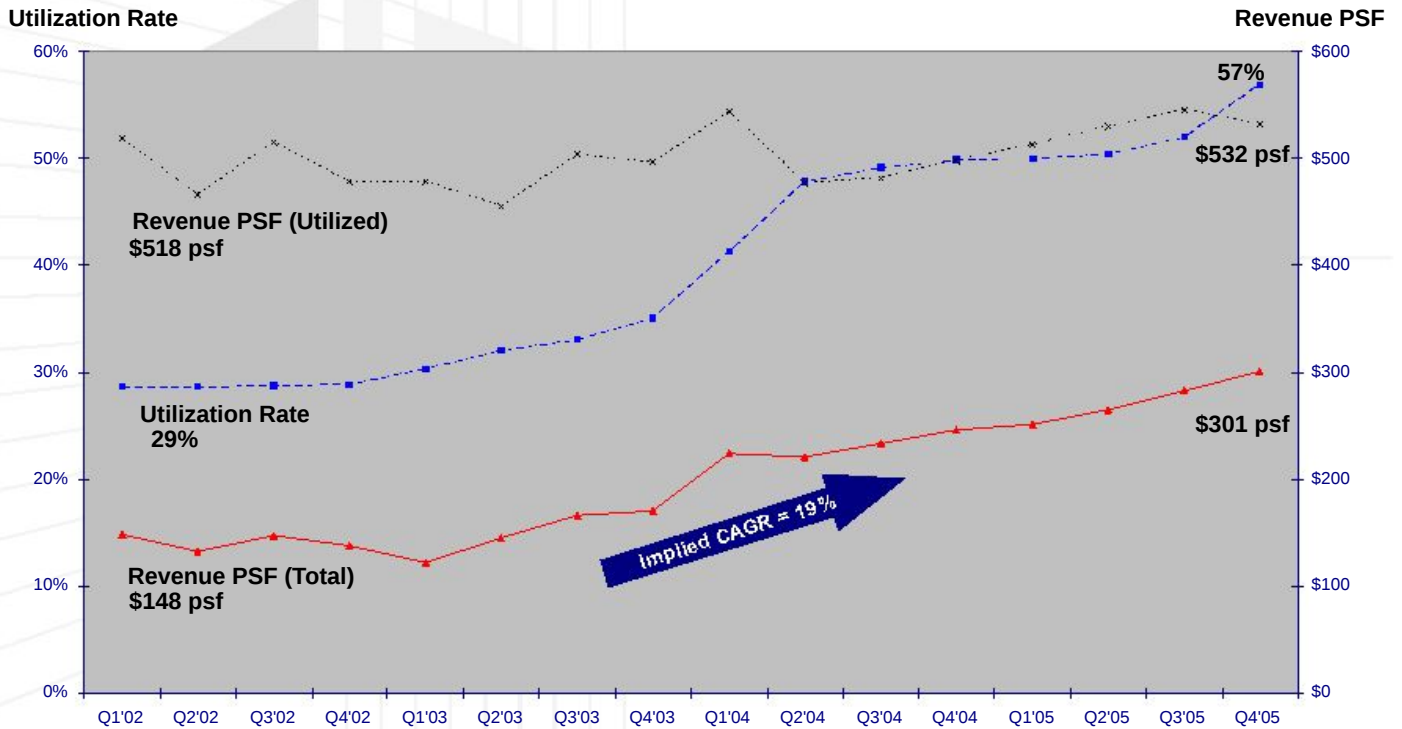
1 – As per Forrester Research estimate of US online sales growth from 2005 -2010.

2 – As per IDC estimate of US VOIP subscriber growth from 2005 to 2009.

3 – As per Wall Street Journal estimate of corporate data storage capacity growth.

# Bill rates and utilization rates are escalating

Equinix and Savvis, two leading managed service providers that “resell” space leased directly from DLR, are experiencing strong growth in revenues and utilization



Source: Estimated based on reported cabinet (available and billing), square feet and revenue data from Equinix and Savvis as per press releases, SEC filings, research reports and internal DLR estimates as of December 31, 2005. Assumes 35 sq ft per cabinet throughout period if square feet not reported.

# Senior management leads a complete REIT team

## DLR is organized and managed to deliver growth

**Richard Magnuson**  
*Executive Chairman*

- Co-founder of Digital Realty Trust
- 23+ years of real estate and technology experience

**Michael Foust**  
*CEO*

- Co-founder of Digital Realty Trust
- 25+ years of real estate and technology experience

**A. William Stein**  
*CFO/CIO*

- Former President & CFO of TriNet
- 24+ years of finance and real estate experience

**Scott Peterson**  
*SVP Acquisitions*

- Former Head of GI Partners real estate acquisitions
- 17+ years of real estate experience

**Christopher Crosby**  
*SVP Sales & Tech Svcs*

- Former Director of Sales, Nortel Networks
- 13+ years of technology business experience

**Ted Martin**  
*Director of Operations*

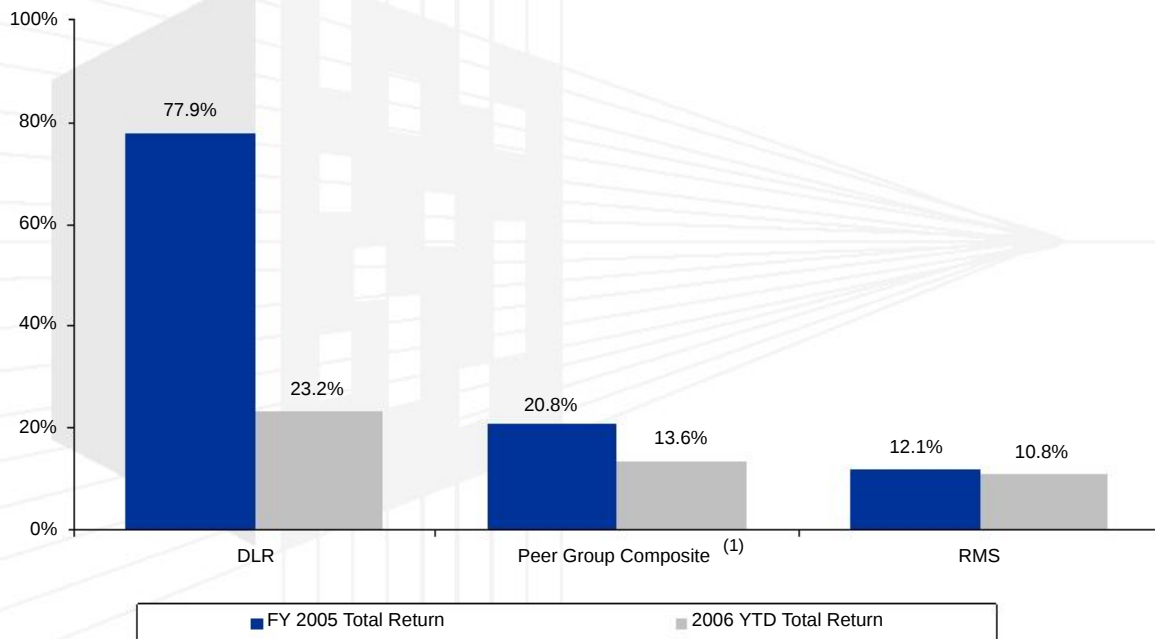
- Former General Manager of Critical Facilities for EDS
- 18+ years of technology infrastructure experience

- Relevant experience
- Proven track record
- Public markets background

Management is supported by a team of over 60 professionals in the US and Europe focused on executing DLR's core strategy

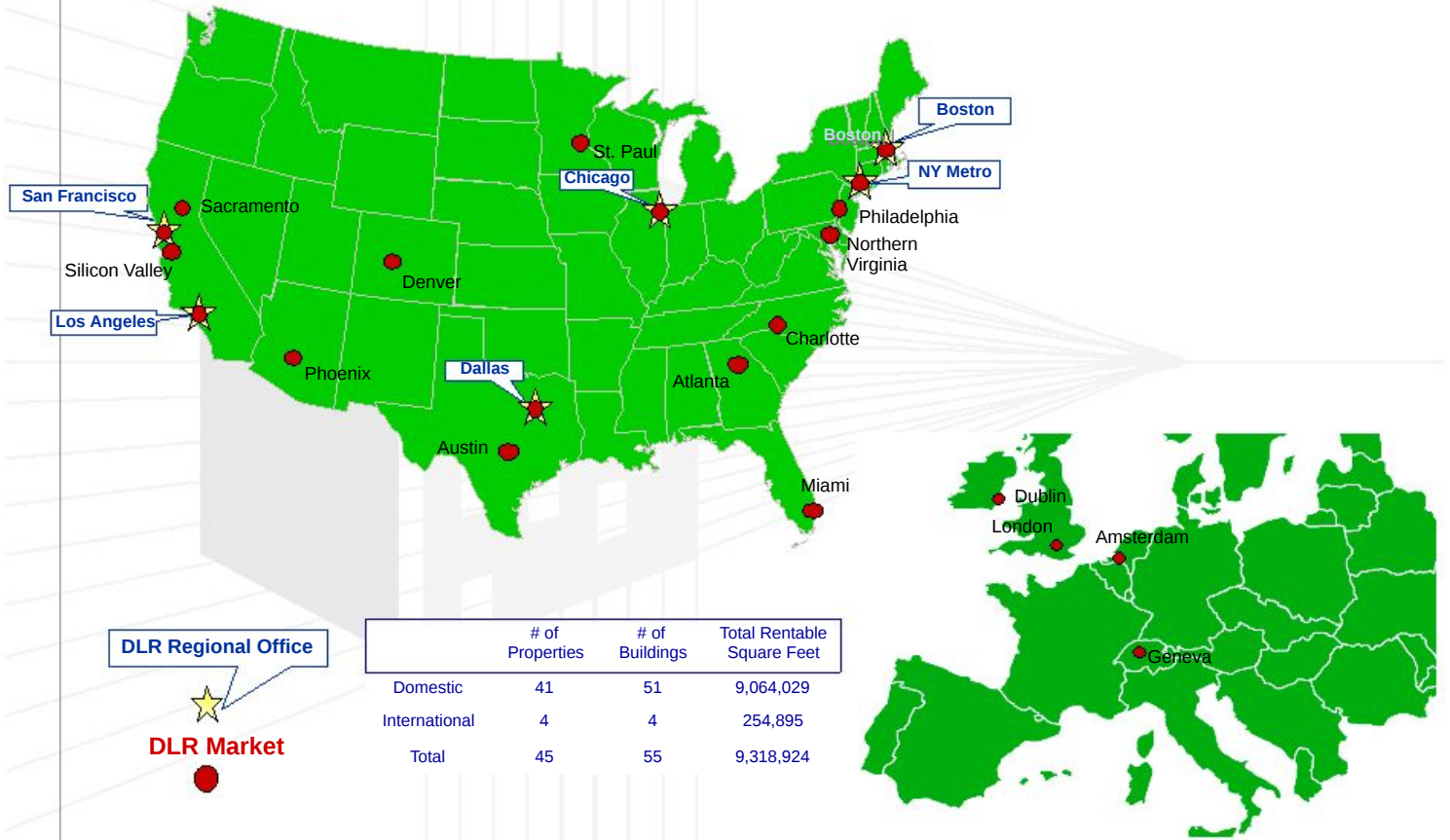
# DLR is a top performing REIT

## DLR continues to outperform its peers and the RMS



Note: YTD 2006 Total Return as of March 1, 2006 assuming dividend reinvestment as per SNL Financial.  
(1) Peer Group Composite includes ARE, BMR, OFC and SLG.

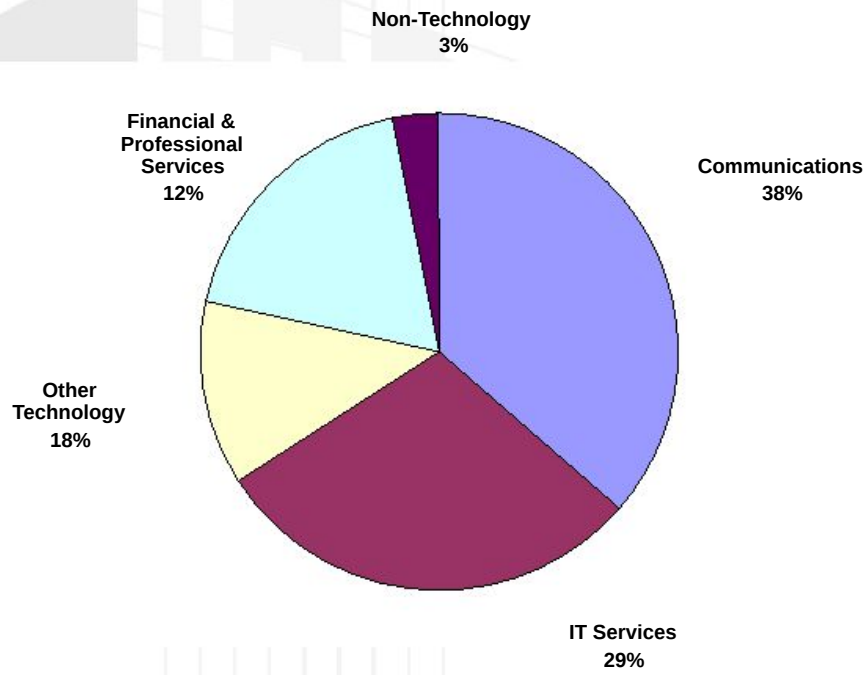
# Leading presence in US and Europe



**Note:** Reflects all owned assets as reported in our Earnings Release dated March 1, 2006.

# DLR is increasingly well diversified by sector

## Industry Distribution



Note: Calculated based on annualized rents using in place leases as of December 31, 2005.

## 2005 & YTD 2006 Acquisitions

**DLR acquired approximately \$489M in new properties contributing approximately \$42M in run-rate NOI**

Property	Location	Net Rentable Sq Ft (1)	Redevelopment Sq Ft	Occupancy (Net of Redev)
833 Chestnut East	Philadelphia	654,758	119,660	91%
1125 Energy Park Drive	St. Paul	88,134	-	100%
350 East Cermak Road	Chicago	1,133,391	263,208	92%
8534 Concord Center Drive	Denver	82,229	-	100%
Savvis Portfolio (2)	Santa Clara & Los Angeles	560,000	-	100%
600-780 South Federal	Chicago	161,547	-	84%
Paul van Vlissingenstraat 16	Amsterdam	112,472	-	62%
Charlotte Portfolio (3)	Charlotte	95,490	23,743	98%
115 Second Avenue	Waltham, MA	68,069	55,569	N/A
Chemin de l'Epinglier 2	Geneva	59,190	-	100%
251 Exchange Place	Herndon, VA	70,982	-	100%
7500 & 7620 Metro Center Drive	Austin	119,962	74,962	100%
3 Corporate Place	Piscataway, NJ	283,124	283,124	N/A
<b>2005 Acquisitions</b>		<b>3,489,348</b>	<b>820,266</b>	
4025 Midway Road	Carrollton, TX	101,174	101,174	N/A
Clonshaugh Industrial Estate	Dublin, Ireland	20,000	-	100%
Clonshaugh Development Site	Dublin, Ireland	4 acres	-	N/A
<b>YTD 2006 Acquisitions</b>		<b>121,174</b>	<b>101,174</b>	
<b>Total 2005 &amp; YTD 2006</b>		<b>3,610,522</b>	<b>921,440</b>	

- (1) Net rentable square feet figures include space held for redevelopment.  
 (2) Savvis Portfolio includes 2401 & 2403 Walsh Street, 4605 & 4700 Old Ironsides Drive and 200 North Nash Street.  
 (3) Charlotte Portfolio includes 113 & 125 North Meyers and 731 East Trade Street.



# Replacement cost illustrates the value of DLR's portfolio

## Replacement Cost Estimate

	Cost Components	Cost per Square Foot	
		Low	High
<b>Base Building</b>	Land	\$40	\$70
	Building Shell	60	150
<b>Data Center Improvements</b> <sup>(1)</sup>	Electrical Systems	\$297	\$396
	Mechanical Systems (HVAC)	92	122
	Fire Protection	21	29
	Other Construction and Fees	130	173
	Sub Total	\$540	\$720
<b>Total Development Costs</b>		<b>\$640</b>	<b>\$940</b>

**DLR owns over 3.3M sq ft of improved data center space <sup>(2)</sup>**

Source: Independent study by CCG Facilities Integration Inc. based on data center projects with improvements similar to DLR.

(1) Infrastructure only. Does not include electronic equipment. Assumes 60% ratio of data center to total building with all cost allocated to raised floor area.

(2) Reflects all owned properties and properties under contract as of March 1, 2006.

# DLR's Value-Add Redevelopment Program

**Objective: Achieve attractive returns by providing corporate tenants with custom data center solutions**

- **Growing demand for data centers**
- **Limited supply of existing facilities**
- **Existing data centers often do not satisfy electrical and HVAC requirements of current web hosting, data storage and IT applications**
- **Robust demand from diverse industry sectors:**
  - **Financial services**
  - **Internet enterprises**
  - **Telecom applications providers**
  - **Energy companies**
  - **Healthcare**

## DLR's competitive advantage

DLR's unmatched sales and technical team offers tenants design, construction management, engineering and facilities management expertise

- **Inventory totals 1.2 million sf of vacant, redevelopment space:**
  - **Primarily located in Internet Gateway income producing properties**
    - Approximately 735,000 sf
  - **Stand alone, vacant buildings that possess electrical and structural infrastructure necessary for conversion to data center operations**
    - Approximately 500,000 sf located in Boston, NY metro, Dallas and Austin
- **Redevelopment costs vary by building**
  - **Base building power, structural upgrades: \$35 - \$50 psf**
  - **Custom Data Center: \$450 to \$650 psf (often funded by tenants)**
- **Stabilized income projected within 12 to 24 months**

## Leasing drives internal growth

**DLR executed 137 US leases (new and renewals) in 2005 contributing approximately \$15.1M in GAAP rental revenues <sup>(2)</sup>**

### 2005 DLR Leasing Statistics

Type of Space	# of Leases	Total SF Leased	Annualized GAAP Rent
Data Center	83	98,000	\$78.00 psf
Redevelopment	2	82,000	\$28.00 psf
Non-Technical	52	263,000	\$20.00 psf

**As of December 31, 2005, portfolio occupancy was 93.9% and “same store” was 94.5% <sup>(1)</sup>**

(1) Occupancy percentages exclude 1.1 million square feet of space held for redevelopment.  
(2) GAAP rental revenues include total rent for both renewals and expansions.

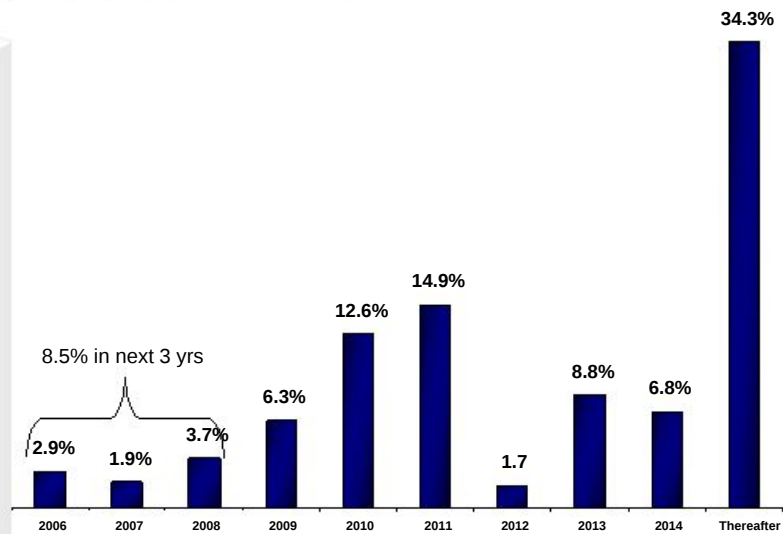
# Case studies: DLR's value-add leasing

## Recent leasing illustrates effectiveness of DLR's leasing and engineering team

	Opportunity	DLR Action	Result
West Coast	<ul style="list-style-type: none"> <li>40,000 sf suite previously vacant</li> <li>Space substantially conditioned by prior tenant for data center operations</li> <li>Prior rate approx. \$36 psf</li> </ul>	<ul style="list-style-type: none"> <li>Invested approx. \$10 psf to enhance space</li> </ul>	<ul style="list-style-type: none"> <li>Executed new 10,000 sf lease with international telecom at approx. \$57 psf for 10 yr term</li> <li>Executed new 22,500 sf lease with software company at approx. \$62 psf for 3 yr term</li> </ul>
West Coast	<ul style="list-style-type: none"> <li>60,000 sf vacant shell redevelopment space</li> </ul>	<ul style="list-style-type: none"> <li>Provided tenant improvement allowance of \$10 psf; in addition to significant investment in space by tenant</li> <li>Designed and constructed custom data center solution</li> </ul>	<ul style="list-style-type: none"> <li>Executed new 60,000 sf lease with global internet services company at an average of \$22 psf NNN for 10 yr term</li> </ul>
East Coast	<ul style="list-style-type: none"> <li>35,000 sf previously vacant</li> <li>Prior rate approx. \$25 psf</li> </ul>	<ul style="list-style-type: none"> <li>Invested approx. \$2.5M to fully condition 10,000 sq. ft. on a speculative basis</li> <li>Designed and constructed custom data center facility for major international finance institution</li> </ul>	<ul style="list-style-type: none"> <li>Executed new 10,000 sf suite lease with IT services company at approx. \$100 psf for 10 yr term</li> <li>Executed new 22,300 sf lease with financial institution at an average of \$79 psf for 2.5 yr term</li> </ul>

# DLR's model features long-term, stable leases

## Lease Expiration as a % of Net Rentable Square Feet



- The average lease term is in excess of 12 years with over 7 years remaining
- Leases typically contain 3% annual rent bumps

## The stability of our long-term leases complements our growth

**Note:** Excludes vacant square footage of 0.5 million square feet and space held for redevelopment as of December 31, 2005.

## Digital Realty's financial results

- Reported FFO of \$0.36 per diluted share and unit for Q405 and \$1.37 per diluted share and unit for fiscal year 2005
- Significantly reduced our ratio of debt to total market capitalization to 33.3% at year-end 2005 from 42.1% at year-end 2004
- Improved our fixed charge coverage ratio<sup>(1)</sup> to 2.5x for 4Q05 from 2.2x for 3Q05 and our debt service coverage ratio<sup>(2)</sup> to 3.7x for 4Q05 versus 3.4x for 3Q05
- Increased common dividend 8.7% on an annualized basis to \$1.06 per share
- DLR's stock generated a total return to common shareholders of 78% in 2005

(1) Adjusted EBITDA divided by Cash Interest Expense at December 31, 2005.

(2) Adjusted EBITDA divided by Fixed Charges at December 31, 2005. Fixed Charges include Cash Interest Expense, Scheduled Debt Principal Payments, and Preferred Dividends.



# DLR recently released its preliminary 2006 forecast

**2006 projected FFO Per Share Guidance <sup>(1)</sup>:**  
**\$1.65 - \$1.75**

## Lease-Up

- 125,000 – 150,000 sq ft of basic commercial space (gross rent \$19 / sq ft)
- 200,000 - 300,000 sq ft of highly improved tech space (gross rent \$40 / sq ft)

**Internal Growth**

**10 – 14%**  
**FFO Per Share Growth**

## Acquisitions

- \$200 - \$400 million at 8.0% - 9.0% cap rate

**External Growth**

**10 – 14%**  
**FFO Per Share Growth**

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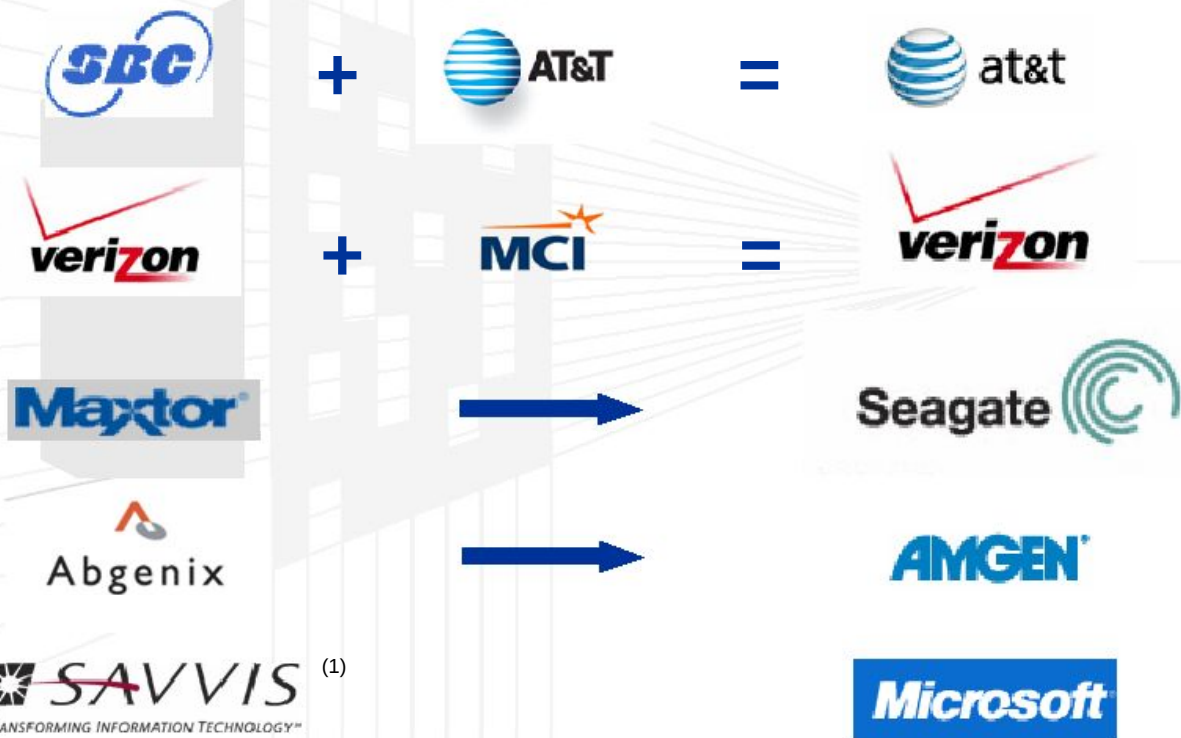
**20 – 28%**  
**Overall FFO Per Share Growth**

(1) Based on Company guidance confirmed on our March 2, 2006 Earnings Conference Call.



# Improving overall credit quality of DLR portfolio

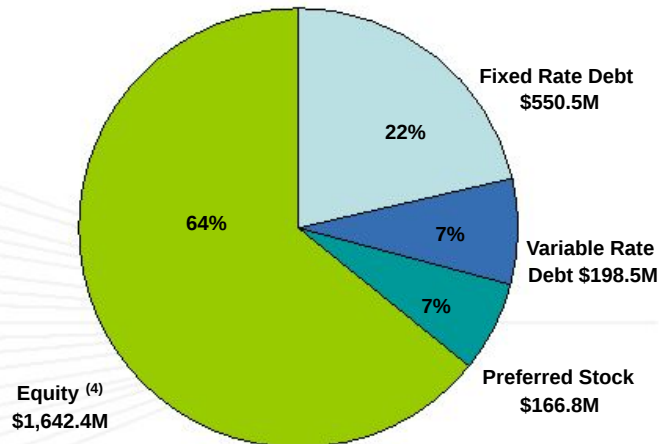
Approximately \$18 million of base rental income, or over 11% of overall income, has experienced an improvement in credit quality.



(1) As a result of a sublease relationship with Microsoft for 300,000 sq ft of space that is leased directly by Savvis.

## DLR employs a conservative capital structure

- **Wtd Average Cost of Debt: 5.8%**
  - **Approximately 73% fixed rate debt**
- **Recently executed \$350M credit facility which reduced borrowing cost and increased flexibility**
- **\$181M outstanding on the credit facility at December 30, 2005**
- **Periodically refinancing high cost debt with lower rate, longer term, fixed rate financing**
- **No debt maturing through 2008 (assuming extensions)**



**Dividend Yield / Rate: 3.8% / \$1.06**  
**Projected FFO Payout Ratio<sup>(1)</sup>: 60.6% - 64.2%**

**Total Market Capitalization <sup>(2)</sup>**  
**\$2,558.2M**

**Note:** Based on December 31, 2005 financial statements.

(1) Based on most recent company guidance for 2006 FFO per share (\$1.65 - \$1.75) confirmed on our Earnings Conference Call on March 2, 2006.

(2) Based on closing price of DLR common stock (\$27.83) at March 1, 2006.



# Definition of Non-GAAP Financial Measures

*This presentation includes 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.*

## Net Operating Income (NOI)

NOI represents rental revenue and tenant reimbursement revenue less rental property operating and maintenance, property taxes and insurance expenses (as reflected in 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. However, because NOI 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 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 as a measure of our performance is limited. Other REITs may not calculate NOI in the same manner we do and, accordingly, our NOI may not be comparable to such other REITs' NOI. Accordingly, NOI should be considered only as a supplement to net income as a measure of our performance.

## 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 sales of property, real estate related depreciation and amortization (excluding amortization of deferred financing costs) 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, 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 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 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 as a measure of our performance.

# Definition of Non-GAAP Financial Measures

(continued)

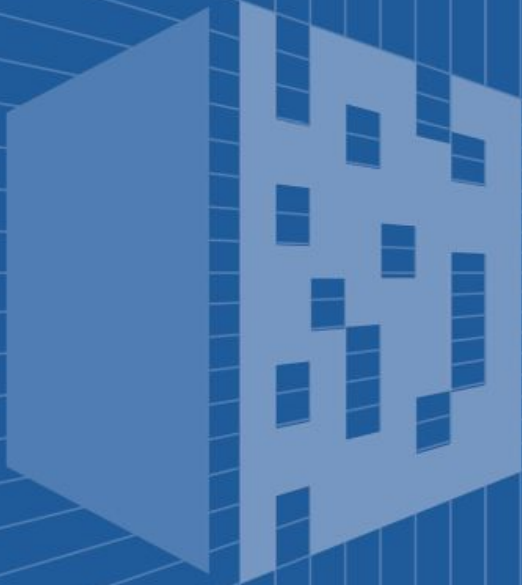
## EBITDA and Adjusted EBITDA

We believe that earnings before interest, income taxes, 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 noncash depreciation and amortization or the cost of debt and with respect to Adjusted EBITDA preferred dividends and minority interests. Adjusted EBITDA is EBITDA excluding minority interests and preferred stock dividends. 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, 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. 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. Other equity 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.

*Each of FFO, NOI, and Adjusted EBITDA exclude items that have a real economic effect and could materially impact our results from operations, and therefore the utility of FFO, NOI, and Adjusted EBITDA as a measure of our performance is limited.*

*Nothing contained herein is intended to revise the earnings, FFO or acquisition guidance we confirmed on our Earnings Conference Call dated March 2, 2006 and available on our website at [www.digitalrealtytrust.com](http://www.digitalrealtytrust.com).*

# DIGITAL REALTY TRUST



connecting  
the worlds  
of technology  
and real estate