DIGITAL REALTY REPORTS SECOND QUARTER 2017 RESULTS

San Francisco, CA — July 27, 2017 — Digital Realty (NYSE: DLR), a leading global provider of data center, colocation and interconnection solutions, announced today financial results for the second quarter of 2017. All per-share results are presented on a fully-diluted share and unit basis.

Highlights

- Reported net income available to common stockholders of $0.36 per share in 2Q17, compared to $0.19 per share in 2Q16
- Reported FFO per share of $1.44 in 2Q17, compared to $1.36 in 2Q16
- Reported core FFO per share of $1.54 in 2Q17, compared to $1.42 in 2Q16
- Signed total bookings during 2Q17 expected to generate $34 million of annualized GAAP rental revenue, including an $8 million contribution from interconnection
- Reiterated 2017 core FFO per share outlook of $5.95 - $6.10 and "constant-currency" core FFO per share outlook of $6.00 - $6.25

Financial Results

Digital Realty reported second quarter of 2017 revenues of $566 million, a 3% increase from the previous quarter and a 10% increase from the same quarter last year.

The company delivered second quarter of 2017 net income of $80 million, and net income available to common stockholders of $58 million, or $0.36 per diluted share, compared to $0.41 per diluted share in the previous quarter and $0.19 per diluted share in the same quarter last year.

Digital Realty generated second quarter of 2017 adjusted EBITDA of $329 million, a 2% increase from the previous quarter and an 11% increase over the same quarter last year.

The company reported second quarter of 2017 funds from operations (“FFO”) on a fully diluted basis of $236 million, or $1.44 per share, compared to $1.50 per share in the previous quarter and $1.36 per share in same quarter last year.

Excluding certain items that do not represent core expenses or revenue streams, Digital Realty delivered second quarter of 2017 core FFO of $1.54 per share, a 1% increase from $1.52 per share in the previous quarter, and an 8% increase from $1.42 per share in the same quarter last year.

Leasing Activity

“During the second quarter of 2017, we signed total bookings representing $34 million of annualized GAAP rental revenue, including an $8 million contribution from interconnection," said Chief Executive Officer A. William Stein. "We further strengthened the balance sheet through opportunistic financings, and we reached an agreement to merge with DuPont Fabros, setting the stage for continued future value creation."

The weighted-average lag between leases signed during the second quarter of 2017 and the contractual commencement date was six months, in line with the long-term historical average.

In addition to new leases signed, Digital Realty also signed renewal leases representing $65 million of annualized GAAP rental revenue during the quarter. Rental rates on renewal leases signed during the second quarter of 2017 rolled up 6.5% on a cash basis and up 9.3% on a GAAP basis.

New leases signed during the second quarter of 2017 by region and product type are summarized as follows:

North America	Annualized GAAP Base Rent (in thousands)	Square Feet	GAAP Base Rent per Square Foot	Megawatts	GAAP Base Rent per Kilowatt
Turn-Key Flex	$17,667	111,793	$158	11	$138
Colocation	6,612	30,057	220	2	289
Non-Technical	658	23,211	28	—	—
Total	**$24,937**	**165,061**	**$151**	**13**	**$161**
Europe (1)					
Turn-Key Flex	$58	115	$501	—	$320
Powered Base Building	226	—	—	—	—
Colocation	1,051	2,880	365	—	435
Non-Technical	9	175	54	—	—
Total	**$1,344**	**3,170**	**$424**	**—**	**$427**
Asia Pacific (1)					
Turn-Key Flex	$521	1,864	$279	—	$143
Total	**$521**	**1,864**	**$279**	**—**	**$143**
Interconnection	**$7,589**	**N/A**	**N/A**	**N/A**	**N/A**
Grand Total	**$34,391**	**170,095**	**$158**	**13**	**$165**

Note: Totals may not foot due to rounding differences.

(1) Based on quarterly average exchange rates during the three months ended June 30, 2017.

Investment Activity

In May 2017, Digital Realty acquired a 264,000 square foot industrial building on a 13-acre site adjacent to the company's existing campus in Franklin Park, Illinois for a purchase price of $14 million. The building is fully leased with approximately two years of remaining lease term, and is targeted for redevelopment upon expiration of the in-place leases. The site is expected to support the build-out of 36 megawatts of critical power. Commencement of redevelopment will be subject to market demand and delivery will be phased to facilitate customer expansion requirements upon completion of the company's existing campus in Franklin Park.

In June 2017, the company acquired a five-acre land parcel adjacent to its existing development project in Amsterdam, the Netherlands for a purchase price of $6 million. The site is expected to support the development of up to 14 megawatts of critical power. Commencement of development will likewise be subject to market demand, and delivery will be phased to facilitate customer expansion requirements upon completion of the company's existing development project in Amsterdam.

In June 2017, the company entered into a definitive agreement to merge with DuPont Fabros in an all-stock transaction valued at approximately $7.6 billion in enterprise value. The combination is expected to enhance Digital Realty's ability to support the growth of the leading hyper-scale cloud service providers in the top U.S. data center metro areas, and to significantly enhance DuPont Fabros' customer and geographic diversification. The transaction is expected to close in the second half of 2017 and is subject to the approval of shareholders of both DuPont Fabros and Digital Realty in addition to other customary closing conditions.

In June 2017, Digital Realty invested $8 million to acquire a 4.9% stake in Megaport, a leading provider of software-defined networking interconnection solutions.

Balance Sheet

Digital Realty had approximately $6.4 billion of total debt outstanding as of June 30, 2017, substantially all of which was unsecured. At the end of the second quarter of 2017, net debt-to-adjusted EBITDA was 5.1x, debt-plus-preferred-to-total enterprise value was 28.2% and fixed charge coverage was 4.3x.

In April 2017, Digital Realty redeemed all 7.3 million outstanding shares of its 6.625% Series F preferred stock, at a redemption price of $25 per share, plus accrued and unpaid dividends for a total payment of $25.0184 per share, or a total of $182.6 million. During the second quarter of 2017, Digital Realty recognized a $6 million non-cash charge related to the redemption of the Series F preferred stock.

In May 2017, Digital Realty settled the remaining 2.375 million shares subject to the forward sale agreements originally entered into during the second quarter of 2016, generating net proceeds of approximately $211 million.

Also in May 2017, Digital Realty issued €125 million of floating rate notes due 2019 to an institutional investor in a private placement. The floating rate notes bear interest at three-month EURIBOR plus 0.50% and the initial interest rate is 0.169%.

In June 2017, an unconsolidated joint venture in which Digital Realty owns a 50% interest placed a $135 million 10-year mortgage on the Westin Building in Seattle, Washington. The mortgage bears interest at a fixed rate of 3.29% and matures in July 2027. The non-recourse mortgage loan will be interest-only during the 10-year term, and the entire principal amount will be due at maturity. Digital Realty recognized a $3 million gain related to the refinancing of the Westin Building during the second quarter of 2017.

Subsequent to quarter end, Digital Realty issued £250 million of 2.75% sterling-denominated notes due 2024 and £350 million of 3.30% sterling-denominated notes due 2029.

2017 Outlook

Digital Realty reiterated its 2017 core FFO per share outlook of $5.95 - $6.10. The assumptions underlying this guidance, which reflects standalone results for Digital Realty only and does not include any financial impact from the pending merger with DuPont Fabros, are summarized in the following table.

Top-Line and Cost Structure	As of Jan. 3, 2017	As of Feb. 16, 2017	As of Apr. 27, 2017	As of July 27, 2017
2017 total revenue	$2.2 - $2.3 billion	$2.2 - $2.3 billion	$2.2 - $2.3 billion	$2.2 - $2.3 billion
2017 net non-cash rent adjustments (1)	($5 - $10 million)	($5 - $10 million)	($5 - $10 million)	($5 - $10 million)
2017 Adjusted EBITDA margin	57.0% - 59.0%	57.0% - 59.0%	57.0% - 59.0%	57.0% - 59.0%
2017 G&A margin	6.0% - 7.0%	6.0% - 7.0%	6.0% - 7.0%	6.0% - 7.0%
Internal Growth				
Rental rates on renewal leases				
Cash basis	Slightly positive	Slightly positive	Slightly positive	Slightly positive
GAAP basis	Up high single-digits	Up high single-digits	Up high single-digits	Up high single-digits
Year-end portfolio occupancy	+/- 50 bps	+/- 50 bps	+/- 50 bps	+/- 50 bps
"Same-capital" cash NOI growth (2)	2.0% - 3.0%	2.0% - 3.0%	2.0% - 3.0%	2.0% - 3.0%
Foreign Exchange Rates				
U.S. Dollar / Pound Sterling	$1.20 - $1.24	$1.20 - $1.24	$1.20 - $1.28	$1.22 - $1.30
U.S. Dollar / Euro	$1.00 - $1.05	$1.00 - $1.05	$1.00 - $1.10	$1.05 - $1.15
External Growth				
Dispositions				
Dollar volume	$0 - $200 million	$0 - $200 million	$0 - $200 million	$0 - $200 million
Cap rate	0.0% - 10.0%	0.0% - 10.0%	0.0% - 10.0%	0.0% - 10.0%
Development				
CapEx	$0.8 - $1.0 billion	$0.8 - $1.0 billion	$0.8 - $1.0 billion	$0.8 - $1.0 billion
Average stabilized yields	10.0% - 12.0%	10.0% - 12.0%	10.0% - 12.0%	10.0% - 12.0%
Enhancements and other non-recurring CapEx (3)	$20 - $25 million	$20 - $25 million	$20 - $25 million	$20 - $25 million
Recurring CapEx + capitalized leasing costs (4)	$125 - $135 million	$125 - $135 million	$125 - $135 million	$125 - $135 million
Balance Sheet				
Long-term debt issuance				
Dollar amount	$400 - $600 million	$400 - $600 million	$400 - $600 million	$770 million
Pricing	3.50% - 4.25%	3.50% - 4.25%	3.50% - 4.25%	3.1%
Timing	Mid-to-late 2017	Mid-to-late 2017	Mid-to-late 2017	Mid-2017
Net income per diluted share	**$1.60 - $1.75**	**$1.60 - $1.75**	**$1.55 - $1.65**	**$1.55 - $1.65**
Real estate depreciation and (gain)/loss on sale	$4.20 - $4.20	$4.20 - $4.20	$4.30 - $4.30	$4.30 - $4.30
Funds From Operations / share (NAREIT-Defined)	**$5.80 - $5.95**	**$5.80 - $5.95**	**$5.85 - $5.95**	**$5.85 - $5.95**
Non-core expense and revenue streams	$0.10 - $0.15	$0.10 - $0.15	$0.10 - $0.15	$0.10 - $0.15
Core Funds From Operations / share	**$5.90 - $6.10**	**$5.90 - $6.10**	**$5.95 - $6.10**	**$5.95 - $6.10**
Foreign currency translation adjustments	$0.05 - $0.15	$0.05 - $0.15	$0.05 - $0.15	$0.05 - $0.15
Constant-Currency Core FFO / share	**$5.95 - $6.25**	**$5.95 - $6.25**	**$6.00 - $6.25**	**$6.00 - $6.25**

(1) Net non-cash rent adjustments represents the sum of straight-line rental revenue, straight-line rent expense as well as the amortization of above- and below-market leases (i.e., FAS 141 adjustments).

(2) The "same-capital" pool includes properties owned as of December 31, 2015 with less than 5% of the total rentable square feet under development. It also 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.

(3) Other non-recurring CapEx represents costs incurred to enhance the capacity or marketability of operating properties, such as network fiber initiatives and software development costs.

(4) Recurring CapEx represents non-incremental improvements required to maintain current revenues, including second-generation tenant improvements and leasing commissions. Capitalized leasing costs include capitalized leasing compensation as well as capitalized internal leasing commissions.

Non-GAAP Financial Measures

This press release contains non-GAAP financial measures, including FFO, core FFO, constant-currency core FFO, and Adjusted EBITDA. A reconciliation from U.S. GAAP net income available to common stockholders to FFO, a reconciliation from FFO to core FFO and constant-currency core FFO, and definitions of FFO, core FFO and constant-currency core FFO are included as an attachment to this press release. A reconciliation from U.S. GAAP net income available to common stockholders to Adjusted EBITDA, a definition of Adjusted EBITDA and definitions of net debt-to-Adjusted EBITDA, debt-plus-preferred-to-total enterprise value, cash NOI, and fixed charge coverage ratio are included as an attachment to this press release.

Investor Conference Call

Prior to Digital Realty's investor conference call at 5:30 p.m. EDT / 2:30 p.m. PDT on July 27, 2017, a presentation will be posted to the Investors section of the company's website at http://investor.digitalrealty.com. The presentation is designed to accompany the discussion of the company's second quarter 2017 financial results and operating performance. The conference call will feature Chief Executive Officer A. William Stein and Chief Financial Officer Andrew P. Power.

To participate in the live call, investors are invited to dial (888) 317-6003 (for domestic callers) or (412) 317-6061 (for international callers) and reference the conference ID# 0932270 at least five minutes prior to start time. A live webcast of the call will be available via the Investors section of Digital Realty's website at http://investor.digitalrealty.com.

Telephone and webcast replays will be available after the call until August 31, 2017. The telephone replay can be accessed by dialing (877) 344-7529 (for domestic callers) or (412) 317-0088 (for international callers) and providing the conference ID# 10109854. The webcast replay can be accessed on Digital Realty's website.

About Digital Realty

Digital Realty supports the data center, colocation and interconnection strategies of more than 2,300 firms across its secure, network-rich portfolio of data centers located throughout North America, Europe, Asia and Australia. Digital Realty's clients include domestic and international companies of all sizes, ranging from financial services, cloud and information technology services, to manufacturing, energy, gaming, life sciences and consumer products.

Additional information about Digital Realty is included in the Company Overview, available on the Investors page of Digital Realty's website at www.digitalrealty.com. The Company Overview is updated periodically, and may contain material information and updates. To receive e-mail alerts when the Company Overview is updated, please visit the Investors page of Digital Realty's website.

Contact Information

Andrew P. Power
Chief Financial Officer
Digital Realty
(415) 738-6500

John J. Stewart / Maria S. Lukens
Investor Relations
Digital Realty
(415) 738-6500

Safe Harbor Statement

This press release contains forward-looking statements which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially, including statements related to the expected timing and benefits of the merger with DuPont Fabros Technology, Inc.; supply and demand for data center and colocation space; the settlement of our forward sales agreements; the expected development, demand and expansion in the Netherlands and Franklin Park, Illinois; market dynamics and data center fundamentals; our strategic priorities; rent from leases that have been signed but have not yet commenced and other contracted rent to be received in future periods; rental rates on future leases; lag between signing and commencement; cap rates and yields; investment activity; expected capital markets activity; and the company's FFO, core FFO, constant-currency core FFO and net income outlook and underlying assumptions. These risks and uncertainties include, among others, the following: the impact of current global economic, credit and market conditions; current local economic conditions in the metropolitan areas 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 of our properties and data center infrastructure, delays or disruptions in connectivity, failure of our physical and information security 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. For a further list and description of such risks and uncertainties, see the reports and other filings by the company with the U.S. Securities and Exchange Commission, including the company’s Annual Report on Form 10-K for the year ended December 31, 2016, Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 and current report on Form 8-K filed July 10, 2017. The company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Consolidated Quarterly Statements of Operations

Unaudited and in thousands, except share and per share data

	Three Months Ended					Six Months Ended	
	30-Jun-17	31-Mar-17	31-Dec-16	30-Sep-16	30-Jun-16	30-Jun-17	30-Jun-16
Rental revenues	$412,576	$404,126	$399,062	$395,212	$377,109	$816,702	$748,237
Tenant reimbursements - Utilities	68,407	63,398	63,956	68,168	62,363	131,805	121,318
Tenant reimbursements - Other	24,935	23,890	23,853	27,497	25,848	48,825	51,111
Interconnection & other	58,301	57,225	55,094	53,897	48,363	115,526	95,326
Fee income	1,429	1,895	1,718	1,517	1,251	3,324	3,050
Other	341	35	33,104	2	—	376	91
Total Operating Revenues	**$565,989**	**$550,569**	**$576,787**	**$546,293**	**$514,934**	**$1,116,558**	**$1,019,133**
Utilities	$82,739	$77,198	$76,896	$85,052	$74,396	$159,937	$144,313
Rental property operating	91,977	92,141	92,372	92,140	85,152	184,118	169,404
Property taxes	28,161	26,919	27,097	20,620	27,449	55,080	54,780
Insurance	2,576	2,592	2,369	2,470	2,241	5,168	4,653
Depreciation & amortization	178,111	176,466	176,581	178,133	175,594	354,577	344,610
General & administrative	37,144	33,778	40,481	43,555	32,681	70,922	62,489
Severance, equity acceleration, and legal expenses	365	869	672	2,580	1,508	1,234	2,956
Transaction and integration expenses	14,235	3,323	8,961	6,015	3,615	17,558	5,515
Other expenses	24	—	236	(22)	—	24	(1)
Total Operating Expenses	**$435,332**	**$413,286**	**$425,665**	**$430,543**	**$402,636**	**$848,618**	**$788,719**
Operating Income	**$130,657**	**$137,283**	**$151,122**	**$115,750**	**$112,298**	**$267,940**	**$230,414**
Equity in earnings of unconsolidated joint ventures	$8,388	$5,324	$4,742	$4,152	$4,132	$13,712	$8,210
Gain (loss) on real estate transactions	380	(522)	(195)	169,000	—	(142)	1,097
Interest and other income	367	151	(970)	355	(3,325)	518	(3,949)
Interest (expense)	(57,582)	(55,450)	(56,226)	(63,084)	(59,909)	(113,032)	(117,170)
Tax (expense)	(2,639)	(2,223)	(2,304)	(3,720)	(2,252)	(4,862)	(4,361)
Loss from early extinguishment of debt	—	—	(29)	(18)	—	—	(964)
Net Income	**$79,571**	**$84,563**	**$96,140**	**$222,435**	**$50,944**	**$164,134**	**$113,277**
Net (income) attributable to non-controlling interests	(920)	(1,025)	(1,065)	(3,247)	(569)	(1,945)	(1,353)
Net Income Attributable to Digital Realty Trust, Inc.	**$78,651**	**$83,538**	**$95,075**	**$219,188**	**$50,375**	**$162,189**	**$111,924**
Preferred stock dividends	(14,505)	(17,393)	(17,393)	(21,530)	(22,424)	(31,898)	(44,848)
Issuance costs associated with redeemed preferred stock	(6,309)	—	—	(10,328)	—	(6,309)	—
Net Income Available to Common Stockholders	**$57,837**	**$66,145**	**$77,682**	**$187,330**	**$27,951**	**$123,982**	**$67,076**
Weighted-average shares outstanding - basic	160,832,889	159,297,027	158,956,606	147,397,853	146,824,268	160,069,201	146,694,916
Weighted-average shares outstanding - diluted	161,781,868	160,421,655	159,699,411	149,384,871	147,808,268	161,059,527	147,416,934
Weighted-average fully diluted shares and units	164,026,578	162,599,529	162,059,914	151,764,542	150,210,714	163,271,004	149,859,276
Net income per share - basic	$0.36	$0.42	$0.49	$1.27	$0.19	$0.77	$0.46
Net income per share - diluted	$0.36	$0.41	$0.49	$1.25	$0.19	$0.77	$0.46

Funds From Operations and Core Funds From Operations

Unaudited and in thousands, except per share data

Reconciliation of Net Income to Funds From Operations (FFO)	Three Months Ended					Six Months Ended	
	30-Jun-17	31-Mar-17	31-Dec-16	30-Sep-16	30-Jun-16	30-Jun-17	30-Jun-16
Net Income Available to Common Stockholders	**$57,837**	**$66,145**	**$77,682**	**$187,330**	**$27,951**	**$123,982**	**$67,076**
Adjustments:							
Non-controlling interests in operating partnership	807	904	1,154	3,024	457	1,711	1,120
Real estate related depreciation & amortization (1)	175,010	173,447	173,523	175,332	167,043	348,457	333,955
Impairment charge related to Telx trade name	—	—	—	—	6,122	—	6,122
Unconsolidated JV real estate related depreciation & amortization	2,754	2,757	2,823	2,810	2,810	5,510	5,613
(Gain) loss on real estate transactions	(380)	522	195	(169,000)	—	142	(1,097)
Funds From Operations	**$236,028**	**$243,775**	**$255,377**	**$199,496**	**$204,383**	**$479,802**	**$412,789**
Funds From Operations - diluted	**$236,028**	**$243,775**	**$255,377**	**$199,496**	**$204,383**	**$479,802**	**$412,789**
Weighted-average shares and units outstanding - basic	163,078	161,475	161,317	149,778	149,227	162,281	149,137
Weighted-average shares and units outstanding - diluted (2)	164,027	162,600	162,060	151,765	150,211	163,271	149,859
Funds From Operations per share - basic	**$1.45**	**$1.51**	**$1.58**	**$1.33**	**$1.37**	**$2.96**	**$2.77**
Funds From Operations per share - diluted (2)	**$1.44**	**$1.50**	**$1.58**	**$1.31**	**$1.36**	**$2.94**	**$2.75**

Reconciliation of FFO to Core FFO	Three Months Ended					Six Months Ended	
	30-Jun-17	31-Mar-17	31-Dec-16	30-Sep-16	30-Jun-16	30-Jun-17	30-Jun-16
Funds From Operations - diluted	**$236,028**	**$243,775**	**$255,377**	**$199,496**	**$204,383**	**$479,802**	**$412,789**
Adjustments:							
Termination fees and other non-core revenues (3)	(341)	(35)	(33,104)	(2)	—	(376)	(91)
Transaction and integration expenses	14,235	3,323	8,961	6,015	3,615	17,558	5,515
Loss from early extinguishment of debt	—	—	29	18	—	—	964
Issuance costs associated with redeemed preferred stock	6,309	—	—	10,328	—	6,309	—
Equity in earnings adjustment for non-core items	(3,285)	—	—	—	—	(3,285)	—
Severance, equity acceleration, and legal expenses (4)	365	869	672	2,580	1,508	1,234	2,956
Loss on currency forwards	—	—	—	—	3,082	—	3,082
Other non-core expense adjustments	24	—	236	(22)	—	24	(1)
Core Funds From Operations - diluted	**$253,335**	**$247,932**	**$232,171**	**$218,413**	**$212,587**	**$501,266**	**$425,214**
Weighted-average shares and units outstanding - diluted (2)	164,027	162,600	162,060	151,765	150,211	163,271	149,859
Core Funds From Operations per share - diluted (2)	**$1.54**	**$1.52**	**$1.43**	**$1.44**	**$1.42**	**$3.07**	**$2.84**

(1) Real Estate Related Depreciation & Amortization:	Three Months Ended					Six Months Ended	
	30-Jun-17	31-Mar-17	31-Dec-16	30-Sep-16	30-Jun-16	30-Jun-17	30-Jun-16
Depreciation & amortization per income statement	$178,111	$176,466	$176,581	$178,133	$175,594	$354,577	$344,610
Non-real estate depreciation	(3,101)	(3,019)	(3,058)	(2,801)	(2,429)	(6,120)	(4,533)
Impairment charge related to Telx trade name	—	—	—	—	(6,122)	—	(6,122)
Real Estate Related Depreciation & Amortization	**$175,010**	**$173,447**	**$173,523**	**$175,332**	**$167,043**	**$348,457**	**$333,955**

(2) For all periods presented, we have excluded the effect of dilutive series E, series F, series G, series H and series I preferred stock, as applicable, that may be converted upon the occurrence of specified change in control transactions as described in the articles supplementary governing the series E, series F, series G, series H and series I preferred stock, as applicable, which we consider highly improbable. See above for calculations of diluted FFO available to common stockholders and unitholders and below for calculations of weighted average common stock and units outstanding.

(3) Includes lease termination fees and certain other adjustments that are not core to our business.

(4) Relates to severance and other charges related to the departure of company executives and integration related severance.

Adjusted Funds From Operations (AFFO)

Unaudited and in Thousands, Except Per Share Data

	Three Months Ended					Six Months Ended	
Reconciliation of Core FFO to AFFO	**30-Jun-17**	**31-Mar-17**	**31-Dec-16**	**30-Sep-16**	**30-Jun-16**	**30-Jun-17**	**30-Jun-16**
Core FFO available to common stockholders and unitholders	**$253,335**	**$247,932**	**$232,171**	**$218,413**	**$212,587**	**$501,266**	**$425,214**
Adjustments:							
Non-real estate depreciation	3,101	3,019	3,058	2,801	2,429	6,120	4,533
Amortization of deferred financing costs	2,518	2,443	2,455	2,550	2,643	4,961	4,903
Amortization of debt discount/premium	713	697	693	693	689	1,410	1,336
Non-cash stock-based compensation expense	5,637	3,704	3,774	4,041	4,630	9,341	8,050
Straight-line rental revenue	(2,110)	(4,058)	(5,210)	(6,032)	(5,554)	(6,168)	(13,010)
Straight-line rental expense	4,343	4,187	5,096	6,402	5,933	8,530	11,588
Above- and below-market rent amortization	(1,946)	(1,973)	(2,048)	(2,002)	(1,997)	(3,919)	(4,263)
Deferred non-cash tax expense	(1,443)	(653)	(1,279)	(189)	669	(2,096)	1,306
Capitalized leasing compensation (1)	(2,740)	(2,634)	(3,644)	(2,795)	(2,455)	(5,374)	(5,150)
Recurring capital expenditures (2)	(26,740)	(29,588)	(21,246)	(15,252)	(17,914)	(56,328)	(38,978)
Capitalized internal leasing commissions	(1,355)	(1,493)	(1,835)	(1,786)	(1,677)	(2,848)	(3,701)
AFFO available to common stockholders and unitholders (3)	**$233,313**	**$221,583**	**$211,984**	**$206,844**	**$199,984**	**$454,895**	**$391,828**
Weighted-average shares and units outstanding - basic	163,078	161,475	161,317	149,778	149,227	162,281	149,137
Weighted-average shares and units outstanding - diluted (4)	164,027	162,600	162,060	151,765	150,211	163,271	149,859
AFFO per share - diluted (4)	**$1.42**	**$1.36**	**$1.31**	**$1.36**	**$1.33**	**$2.79**	**$2.61**
Dividends per share and common unit	$0.93	$0.93	$0.88	$0.88	$0.88	$1.86	$1.76
Diluted AFFO Payout Ratio	**65.4%**	**68.2%**	**67.3%**	**64.6%**	**66.1%**	**66.8%**	**67.3%**

	Three Months Ended					Six Months Ended	
Share Count Detail	**30-Jun-17**	**31-Mar-17**	**31-Dec-16**	**30-Sep-16**	**30-Jun-16**	**30-Jun-17**	**30-Jun-16**
Weighted Average Common Stock and Units Outstanding	**163,078**	**161,475**	**161,317**	**149,778**	**149,227**	**162,281**	**149,137**
Add: Effect of dilutive securities	949	1,125	743	1,987	984	990	722
Weighted Avg. Common Stock and Units Outstanding - diluted	**164,027**	**162,600**	**162,060**	**151,765**	**150,211**	**163,271**	**149,859**

(1) Includes only second generation leasing costs.

(2) For a definition of recurring capital expenditures, see our supplemental operating and financial data package.

(3) For a definition and discussion of AFFO, see below. For a reconciliation of net income available to common stockholders to FFO and core FFO, see above.

(4) For all periods presented, we have excluded the effect of dilutive series E, series F, series G, series H and series I preferred stock, as applicable, that may be converted upon the occurrence of specified change in control transactions as described in the articles supplementary governing the series E, series F, series G, series H and series I preferred stock, as applicable, which we consider highly improbable. See above for calculations of diluted FFO available to common stockholders and unitholders and calculations of weighted average common stock and units outstanding.

Consolidated Balance Sheets

Unaudited and in thousands, except share and per share data

	30-Jun-17	31-Mar-17	31-Dec-16	30-Sep-16	30-Jun-16
Assets					
Investments in real estate:					
Real estate	$11,132,356	$10,858,628	$10,630,514	$10,607,440	$10,223,946
Construction in progress	787,315	780,966	732,430	681,189	594,986
Land held for future development	262,139	229,411	195,525	223,236	161,714
Investments in Real Estate	**$12,181,810**	**$11,869,005**	**$11,558,469**	**$11,511,865**	**$10,980,646**
Accumulated depreciation & amortization	(2,929,095)	(2,792,910)	(2,668,509)	(2,565,368)	(2,441,150)
Net Investments in Properties	**$9,252,715**	**$9,076,095**	**$8,889,960**	**$8,946,497**	**$8,539,496**
Investment in unconsolidated joint ventures	103,881	112,856	106,402	105,819	105,673
Net Investments in Real Estate	**$9,356,596**	**$9,188,951**	**$8,996,362**	**$9,052,316**	**$8,645,169**
Cash and cash equivalents	$22,383	$14,950	$10,528	$36,445	$33,241
Accounts and other receivables (1)	229,450	195,406	203,938	208,097	165,867
Deferred rent	423,188	418,858	412,269	412,977	408,193
Acquired in-place lease value, deferred leasing costs and other real estate intangibles, net	1,494,083	1,501,843	1,522,378	1,526,563	1,331,275
Acquired above-market leases, net	19,716	20,826	22,181	24,554	26,785
Goodwill	778,862	757,444	752,970	780,099	330,664
Restricted cash	18,931	10,447	11,508	11,685	18,297
Assets associated with real estate held for sale	87,882	56,154	56,097	55,915	222,304
Other assets	148,480	164,669	204,354	190,384	110,580
Total Assets	**$12,579,571**	**$12,329,548**	**$12,192,585**	**$12,299,035**	**$11,292,375**
Liabilities and Equity					
Global unsecured revolving credit facility	$563,063	$564,467	$199,209	$153,189	$88,535
Unsecured term loan	1,520,482	1,505,667	1,482,361	1,521,613	1,545,590
Unsecured senior notes, net of discount	4,351,148	4,128,110	4,153,797	4,238,435	4,252,570
Mortgage loans, net of premiums	2,927	3,085	3,240	111,750	248,711
Accounts payable and other accrued liabilities	850,602	804,371	824,878	823,905	598,610
Accrued dividends and distributions	—	—	144,194	—	—
Acquired below-market leases	76,099	78,641	81,899	86,888	90,823
Security deposits and prepaid rent	181,007	171,692	168,111	163,787	128,802
Liabilities associated with assets held for sale	2,949	3,070	2,599	2,820	13,092
Total Liabilities	**$7,548,277**	**$7,259,103**	**$7,060,288**	**$7,102,387**	**$6,966,733**
Equity					
Preferred Stock: $0.01 par value per share, 110,000,000 shares authorized:					
Series E Cumulative Redeemable Preferred Stock (2)	—	—	—	—	$277,172
Series F Cumulative Redeemable Preferred Stock (3)	—	$176,191	$176,191	$176,191	176,191
Series G Cumulative Redeemable Preferred Stock (4)	$241,468	241,468	241,468	241,468	241,468
Series H Cumulative Redeemable Preferred Stock (5)	353,290	353,290	353,290	353,290	353,290
Series I Cumulative Redeemable Preferred Stock (6)	242,012	242,012	242,012	242,012	242,012
Common Stock: $0.01 par value per share, 265,000,000 shares authorized (7)	1,611	1,584	1,582	1,581	1,460
Additional paid-in capital	5,991,753	5,769,091	5,764,497	5,759,338	4,669,149
Dividends in excess of earnings	(1,722,610)	(1,629,633)	(1,547,420)	(1,483,223)	(1,541,265)
Accumulated other comprehensive (loss) income, net	(110,709)	(122,540)	(135,608)	(131,936)	(129,657)
Total Stockholders' Equity	**$4,996,815**	**$5,031,463**	**$5,096,012**	**$5,158,721**	**$4,289,820**
Non-controlling Interests					
Non-controlling interest in operating partnership	$27,909	$32,409	$29,687	$31,088	$29,095
Non-controlling interest in consolidated joint ventures	6,570	6,573	6,598	6,839	6,727
Total Non-controlling Interests	**$34,479**	**$38,982**	**$36,285**	**$37,927**	**$35,822**
Total Equity	**$5,031,294**	**$5,070,445**	**$5,132,297**	**$5,196,648**	**$4,325,642**
Total Liabilities and Equity	**$12,579,571**	**$12,329,548**	**$12,192,585**	**$12,299,035**	**$11,292,375**

(1) Net of allowance for doubtful accounts of $4,930 and $7,446 as of June 30, 2017 and December 31, 2016, respectively.

(2) Series E Cumulative Redeemable Preferred Stock, 7.000%, all 11,500,000 shares of which were redeemed on September 15, 2016.

(3) Series F Cumulative Redeemable Preferred Stock, 6.625%, $0 and $182,500 liquidation preference, respectively ($25.00 per share), 0 and 7,300,000 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively. All outstanding shares of Series F Cumulative Redeemable Preferred Stock were redeemed on April 5, 2017.

(4) Series G Cumulative Redeemable Preferred Stock, 5.875%, $250,000 and $250,000 liquidation preference, respectively ($25.00 per share), 10,000,000 and 10,000,000 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively.

(5) Series H Cumulative Redeemable Preferred Stock, 7.375%, $365,000 and $365,000 liquidation preference, respectively ($25.00 per share), 14,600,000 and 14,600,000 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively.

(6) Series I Cumulative Redeemable Preferred Stock, 6.350%, $250,000 and $250,000 liquidation preference, respectively ($25.00 per share), 10,000,000 and 10,000,000 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively.

(7) Common Stock: 162,183,489 and 146,384,247 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively.

Reconciliation of Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) (1)	Three Months Ended				
	30-Jun-17	31-Mar-17	31-Dec-16	30-Sep-16	30-Jun-16
Net Income Available to Common Stockholders	**$57,837**	**$66,145**	**$77,682**	**$187,330**	**$27,951**
Interest	57,582	55,450	56,226	63,084	59,909
Loss from early extinguishment of debt	—	—	29	18	—
Tax expense	2,639	2,223	2,304	3,720	2,252
Depreciation & amortization	178,111	176,466	176,581	178,133	175,594
EBITDA	**$296,169**	**$300,284**	**$312,822**	**$432,285**	**$265,706**
Severance-related expense, equity acceleration, and legal expenses	365	869	672	2,580	1,508
Transaction and integration expenses	14,235	3,323	8,961	6,015	3,615
(Gain) loss on real estate transactions	(380)	522	195	(169,000)	—
Non-cash (gain) on lease termination (2)	—	—	(29,205)	—	—
Equity in earnings adjustment for non-core items	(3,285)	—	—	—	—
Loss on currency forwards	—	—	—	—	3,082
Other non-core expense adjustments	24	—	236	(22)	—
Non-controlling interests	920	1,025	1,065	3,247	569
Preferred stock dividends	14,505	17,393	17,393	21,530	22,424
Issuance costs associated with redeemed preferred stock	6,309	—	—	10,328	—
Adjusted EBITDA	**$328,862**	**$323,416**	**$312,139**	**$306,963**	**$296,904**

(1) For definition and discussion of EBITDA and Adjusted EBITDA, see below.

(2) Q4 2016 amount included in Other revenue on the income statement.

Definitions

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:

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) 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) loss on currency forwards and (viii) 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.

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) on real estate transactions, loss on currency forwards, other non-core expense adjustments, noncontrolling interests, preferred stock 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, loss on currency forwards, other non-core expense adjustments, non-controlling interests, preferred stock 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.

Additional Definitions
Net debt-to-Adjusted EBITDA ratio is calculated using total debt at balance sheet carrying value, plus capital lease obligations, plus our share of 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.

Debt-plus-preferred-to-total enterprise value is mortgage debt and other loans plus preferred stock divided by mortgage debt and other loans plus the liquidation value of preferred stock and the market value of outstanding Digital Realty Trust, Inc. common stock and Digital Realty Trust, L.P. units, assuming the redemption of Digital Realty Trust, L.P. units for shares of Digital Realty Trust, Inc. common stock.

Fixed charge coverage ratio is Adjusted EBITDA divided by the sum of GAAP interest expense, capitalized interest, scheduled debt principal payments and preferred dividends. For the quarter ended June 30, 2017, GAAP interest expense was $58 million, capitalized interest was $4 million and scheduled debt principal payments and preferred dividends was $15 million.

Reconciliation of Net Operating Income (NOI) (in thousands)	Three Months Ended 30-Jun-17	Three Months Ended 31-Mar-17	Six Months Ended 30-Jun-17	Six Months Ended 30-Jun-16
Operating income	**$130,657**	**$137,283**	**$267,940**	**$230,414**
Fee income	(1,429)	(1,895)	(3,324)	(3,050)
Other income	(341)	(35)	(376)	(91)
Depreciation and amortization	178,111	176,466	354,577	344,610
General and administrative	37,144	33,778	70,922	62,489
Severance related expense, equity acceleration, and legal expenses	365	869	1,234	2,956
Transaction expenses	14,235	3,323	17,558	5,515
Other expenses	24	—	24	(1)
Net Operating Income	**$358,766**	**$349,789**	**$708,555**	**$642,842**

Cash Net Operating Income (Cash NOI)				
Net Operating Income	**$358,766**	**$349,789**	**$708,555**	**$642,842**
Straight-line rent, net	2,206	200	2,406	(1,881)
Above- and below-market rent amortization	(1,946)	(1,973)	(3,919)	(4,263)
Cash Net Operating Income	**$359,026**	**$348,016**	**$707,042**	**$636,698**