



# Global. Connected. Sustainable.

INVESTOR PRESENTATION  
MAY 2019



DIGITAL REALTY

Digital Realty the trusted foundation | powering your digital ambitions

# Business Highlights

- 1 Digital Realty Overview** Introduction
- 2 Introduction to Data Centers** Data center 101
- 3 Global Platform** Growing world-wide demand from a diversified customer base
- 4 Connected Campus Strategy** Solving for the complete deployment; land and expand
- 5 Attractive Growth Prospects** Organic growth combined with lease-up opportunity
- 6 Prudent Capital Allocation** Disciplined investment criteria guided by Return on Invested Capital
- 7 Conservative Financial Strategy** Committed to maintaining a flexible balance sheet
- 8 Recent Results** First quarter 2019 highlights



# Digital Realty Overview

INTRODUCTION



# Digital Realty at a Glance (NYSE: DLR) Leading Global Data Center REIT

Investment Management  
Approach Focused on  
*Return on Invested Capital*

**215**  
DATA CENTERS <sup>(1)</sup>

**36**  
METROPOLITAN  
AREAS <sup>(1) (2)</sup>

**34+**  
MILLION RENTABLE  
SQUARE FEET <sup>(2)</sup>



DIGITAL REALTY

**\$26 Bn**

EQUITY MARKET  
CAPITALIZATION <sup>(3)</sup>

**\$38 Bn**

ENTERPRISE  
VALUE <sup>(3)</sup>

**8<sup>th</sup>**

LARGEST PUBLICLY  
TRADED U.S. REIT <sup>(4)</sup>

**2016**  
MAY

ADDED TO THE  
S&P 500 INDEX

High-Quality Customer Base, including  
Global Companies Across  
*Various Industries*



**2,000+**  
CUSTOMERS

Investment Grade Ratings <sup>(5)</sup>

FitchRatings **BBB**

MOODY'S **Baa2**

S&P Global  
Ratings **BBB**  
*Positive  
Outlook*

Note: Data as of March 31, 2019 unless otherwise noted.

1) Includes 35 data centers held as investments in unconsolidated joint ventures.

2) Includes 3.2 million square feet of active development and 2.1 million feet held for future development.

3) Includes Digital Realty's pro rata share of unconsolidated joint venture debt.

4) U.S. REITs within the RMZ. Ranked by market cap as of March 31, 2019. Source: FactSet

5) These credit ratings may not reflect the potential impact of risks relating to the structure or trading of the Company's securities and are provided solely for informational purposes. Credit ratings are not recommendations to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion. The Company does not undertake any obligation to maintain the ratings or to advise of any change in ratings. Each agency's rating should be evaluated independently of any other agency's rating. An explanation of the significance of the ratings may be obtained from each of the rating agencies.



# Navigating the Future

## Sustainable Growth for Customers, Shareholders and Employees



GLOBAL



CONNECTED



SUSTAINABLE



# Supporting Our Customers' Growth

## Full Spectrum of Data Center Solutions Across a Global Platform



DIGITAL REALTY

215

DATA CENTERS <sup>(1)</sup>

14

COUNTRIES <sup>(1)</sup>

36

METROPOLITAN AREAS <sup>(1)</sup>

34+

MILLION RENTABLE SQ. FT. <sup>(1)(2)</sup>

INTERCONNECTION • COLOCATION • SCALE • HYPER-SCALE

Note: Data as of March 31, 2019 unless otherwise noted.

1) Includes 35 data centers held as investments in unconsolidated joint ventures.

2) Includes 3.2 million square feet of active development and 2.1 million square feet held for future development.



# Meeting Our Customers' Growing Data Center Needs Aligning Go-to-Market with Customer Buying Behavior

## Our Customers

Aligning our Go-to-Market strategy with our customers' unique needs and the way they buy

### Global, Diverse Customer Base



2,000+  
Customers



Comprehensive  
Product Offering



Global  
36 Metro Areas

### Customer-Centric Alignment



Global  
Solutions



Enterprise  
Solutions



Network  
Solutions



# Aligning Core Competencies with Customers

## Global Real Estate Reach, Complementary Product Mix

### Our Core Competencies

Capitalizing on our competitive advantages that include large scale campuses, network-dense interconnection hubs and diversified product offering on a global basis



#### REAL ESTATE EXPERTISE

Critical part of customer supply chain  
that starts with the real estate

Not going up the stack to compete or  
staffing to sell direct to broader  
enterprise customers



#### EXPANSIVE GLOBAL REACH

Meet our target customers'  
needs for large and growing  
footprints on a global basis

Campus approach to land and  
grow our customers – Singapore,  
Ashburn, London and beyond



#### COMPLEMENTARY PRODUCT MIX

Seamless delivery of a  
complementary  
product mix

Scale, colocation and connectivity



# Introduction to Data Centers

DATA CENTER 101



# Data Center 101

## What is a Data Center?



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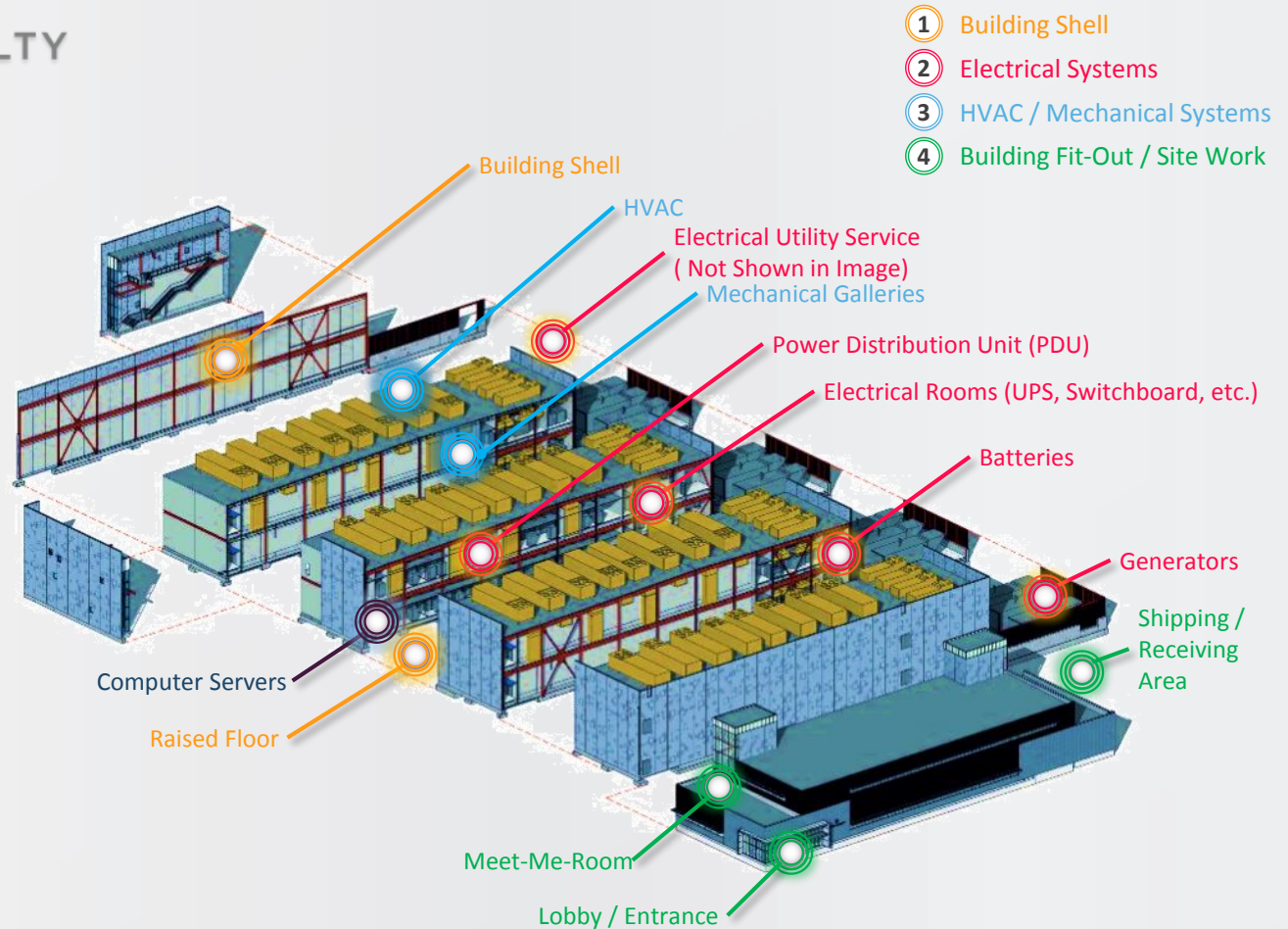
### Data Center Layout

#### Data Centers

Data centers are designed to house servers and network equipment. Data centers provide a highly reliable, secure environment with redundant mechanical, cooling, electrical power systems and network communication connections.

#### Servers

Computer servers, which process and store data, are supplied and owned by customers.



# Data Center 101

## What Goes into Building a Data Center?

### 1 BUILDING SHELL



- Building Shell
- Raised Floor

### 3 HVAC / MECHANICAL SYSTEMS

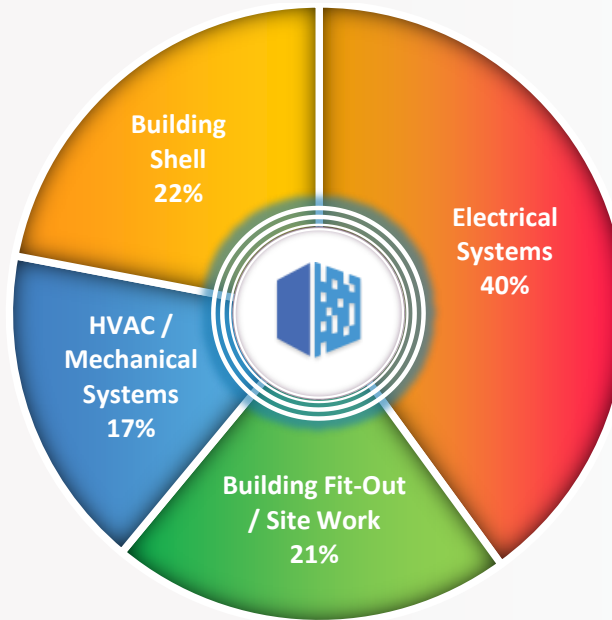


- Computer Room Air Conditioner (CRAC Unit)
- Air Cooled Chillers
- Central Chilled Water Plant



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Data Center Cost Distribution



### 2 ELECTRICAL SYSTEMS



- Generator
- Batteries
- Power Distribution Unit (PDU)
- Uninterruptible Power Supplies (UPS)

### 4 BUILDING FIT-OUT / SITE WORK



- Lobby / Entrance
- Meet-Me-Room
- Shipping / Receiving Area

Note: Percentage costs for data center development shown are based on a sample Digital Realty data center build and are not necessarily representative of all development projects.



# Focused Pursuit Comprehensive Customer-Focused Product Suite

Flexible solutions meeting customers' needs in space, colo and interconnection through one provider

## SCALE

Solution to scale from a medium 300+ kW to very large compute deployments

Can execute a solution for medium to large deployment in weeks, contracting for 5-10+ years

Customize data center environment to specific deployment needs

Due to size of deployments, customers sometimes opt to have their own on-site staff

## COLOCATION

Enabling small (one cabinet) to medium (75 cabinets) data center deployments

Provides agility to quickly deploy computing infrastructure in days, contract for 2-3 years

Consistent designs and operational environment and consistent power expenses

Leverage optional skilled remote hands and on-site customer support

## CONNECTIVITY

Connecting customers & partners inside the data center

Connecting across data centers in the same metropolitan area

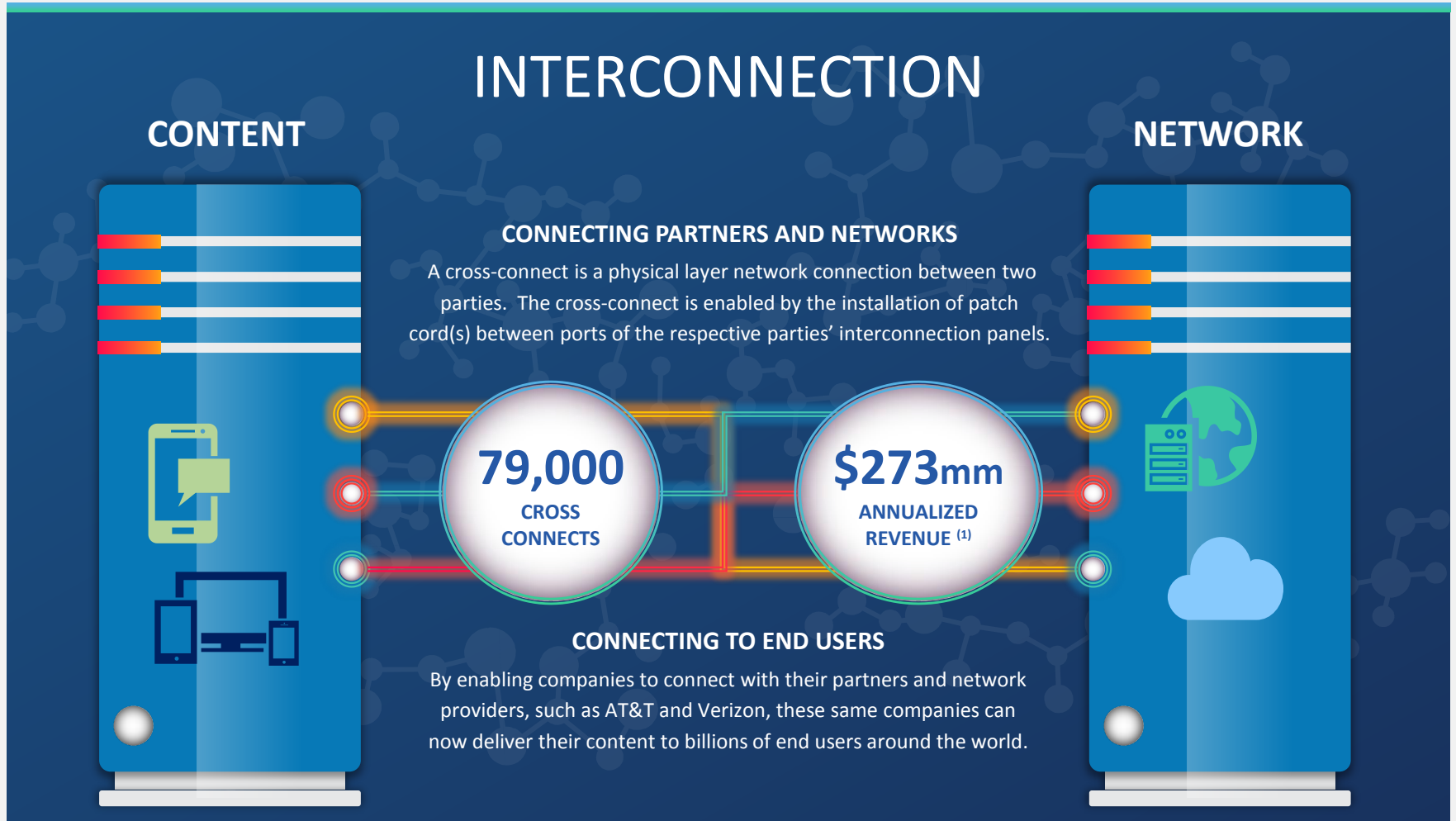
Privately and securely connecting to cloud services

Enabling Internet peering and multi-cloud access



# Interconnection

## What is a Cross-Connect?



As of March 31, 2019.

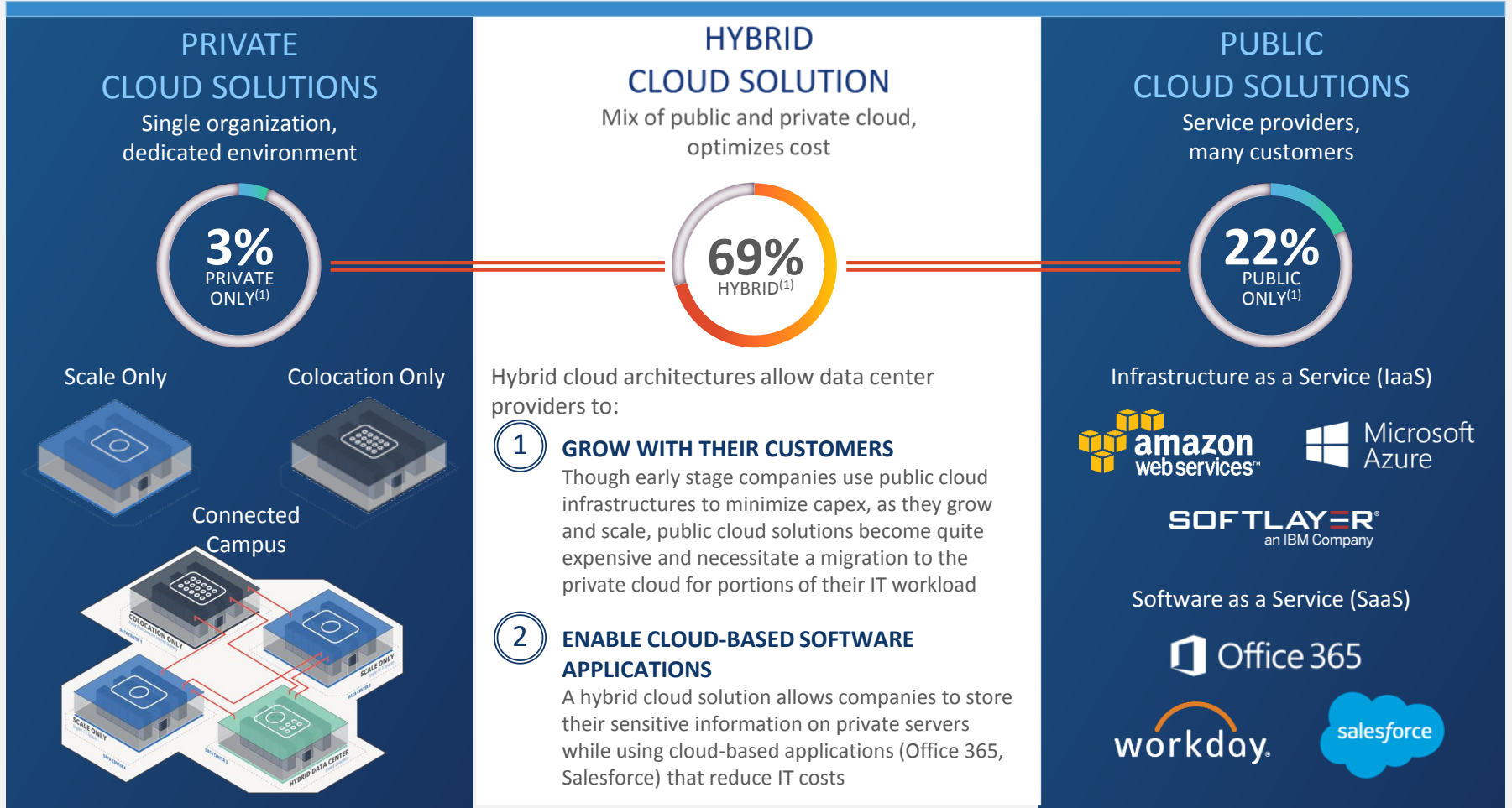
1) Annualized revenue defined as Interconnection & Other Revenue for 1Q19 multiplied by four.



# Home to the Hybrid Multi-Cloud Solution

## Customers' Desired IT End State

The majority of companies deploy some form of hybrid cloud solution to run and manage their IT needs



1) Source: Rightscale 2019 State of the Cloud Report from Flexera. Based on 94% of respondents that are using the cloud.



# Next Generation Drivers

## The Second Wave of Cloud

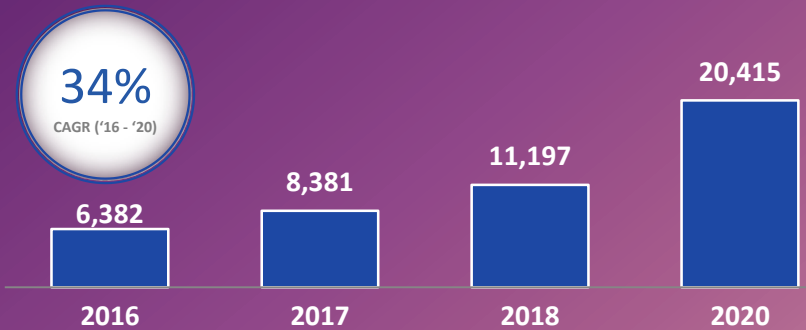
### ARTIFICIAL INTELLIGENCE MARKET FORECAST (1)

(\$ in billions)



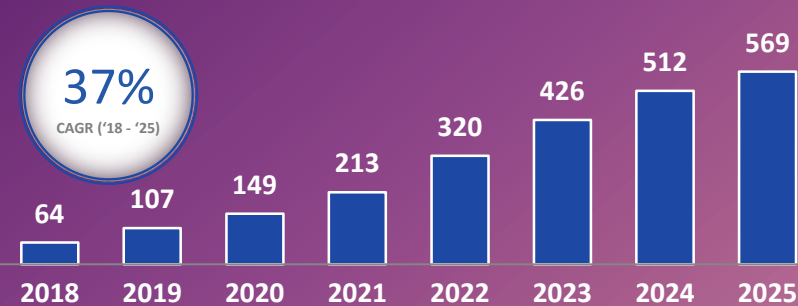
### INTERNET OF THINGS (IoT) MARKET FORECAST (2)

(IoT Units Installed in millions)



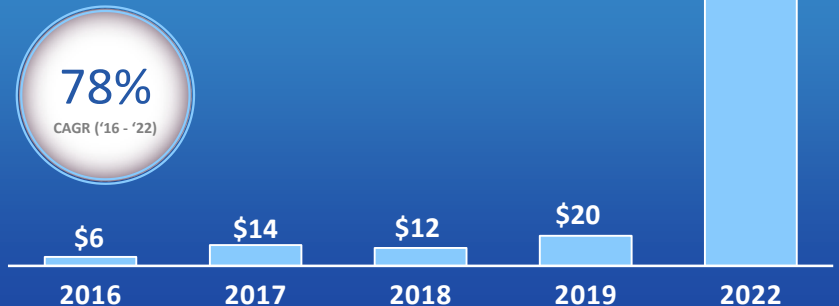
### AUTONOMOUS VEHICLES MARKET FORECAST (3)

(shipments in thousands)



### VIRTUAL/AUGMENTED REALITY MARKET FORECAST (4)

(\$ in billions)



1) Source: Statista – June 2018

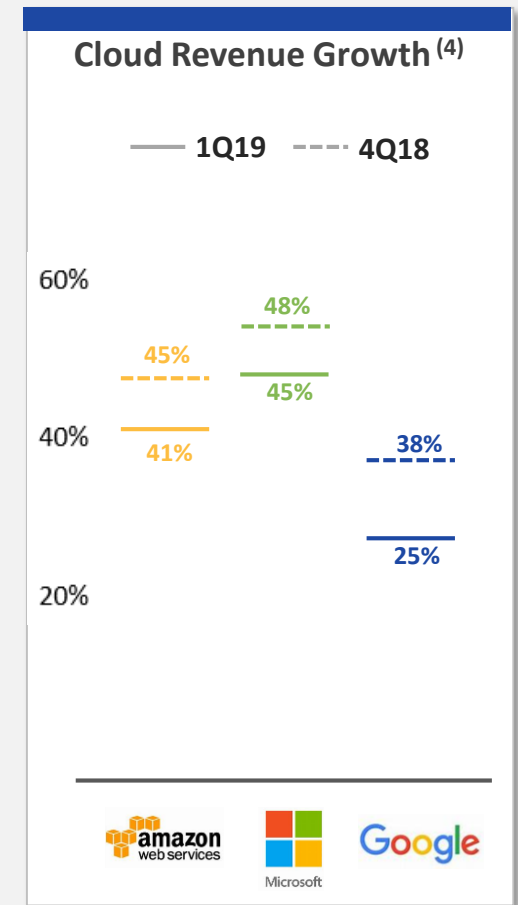
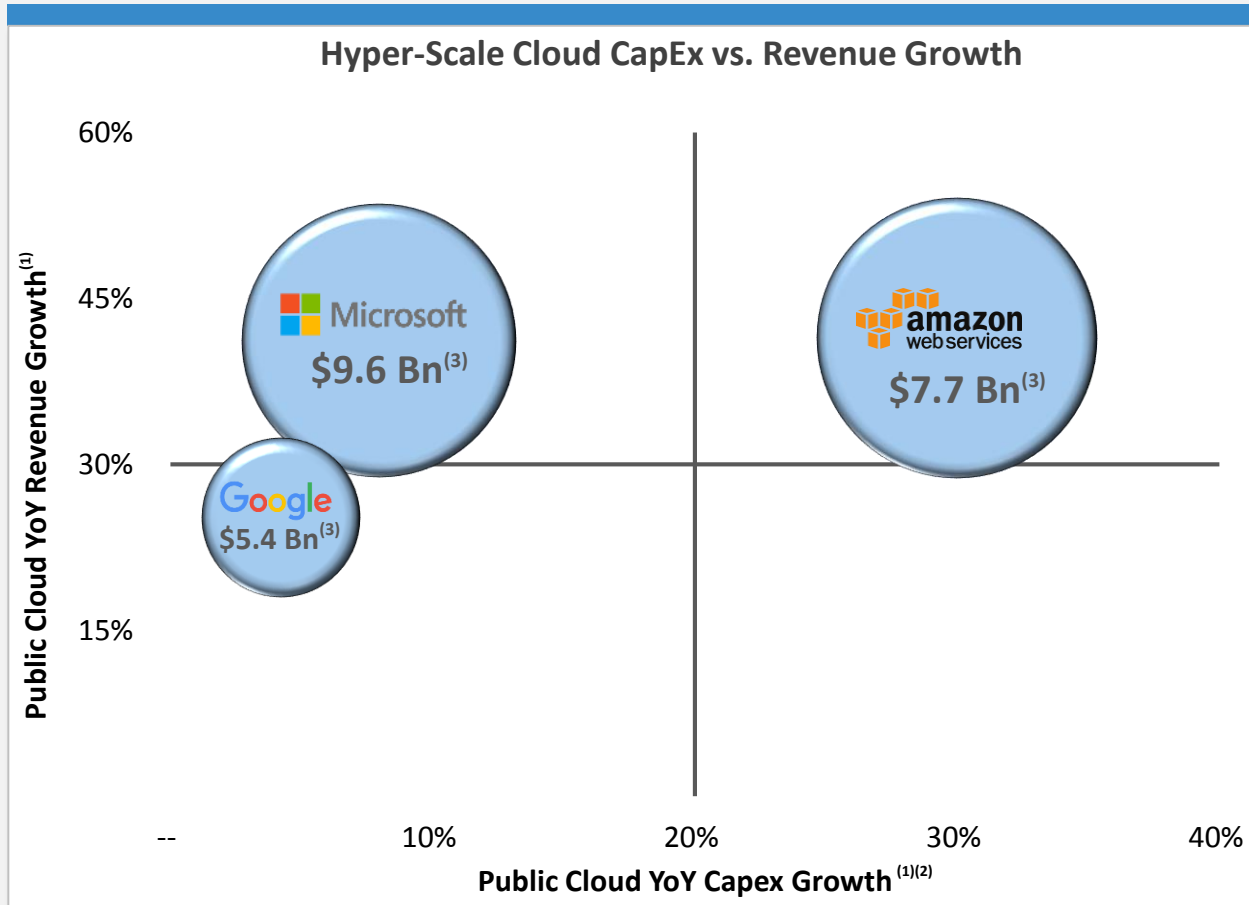
2) Source: Gartner – January 2017

3) Source: BI Intelligence Estimates, 2017

4) Source: IDC; Statista estimates, December 2018



# Multi-Billion-Dollar Businesses Growing at Healthy Double-Digits Reports of Cloud CapEx Demise Greatly Exaggerated



Source: FactSet and public filings.

Note: Bubble size represents total 2019E cloud CapEx per RBC Capital Markets Research.

1) Based on public filings.

2) Represents FY2018 – FY2019E growth in cloud CapEx.

3) Cloud revenue as reported for 1Q19.

4) Year-over-year growth in cloud revenue for 1Q19 and 4Q18, respectively.

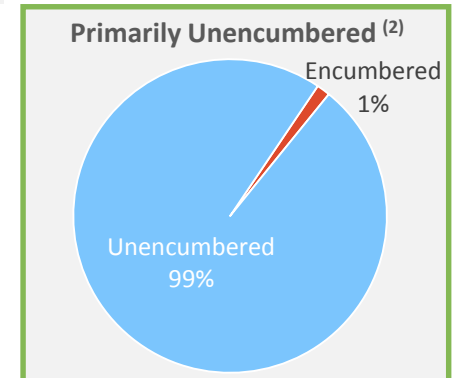
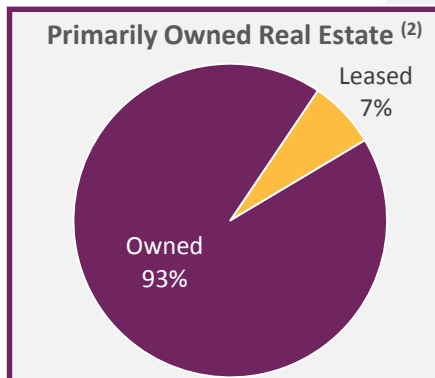
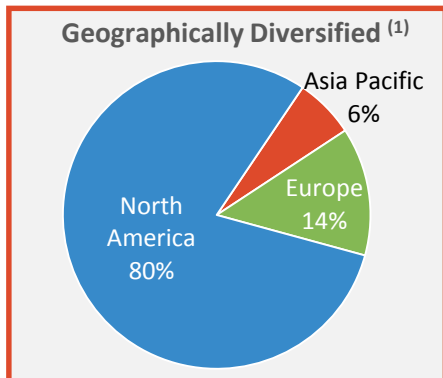
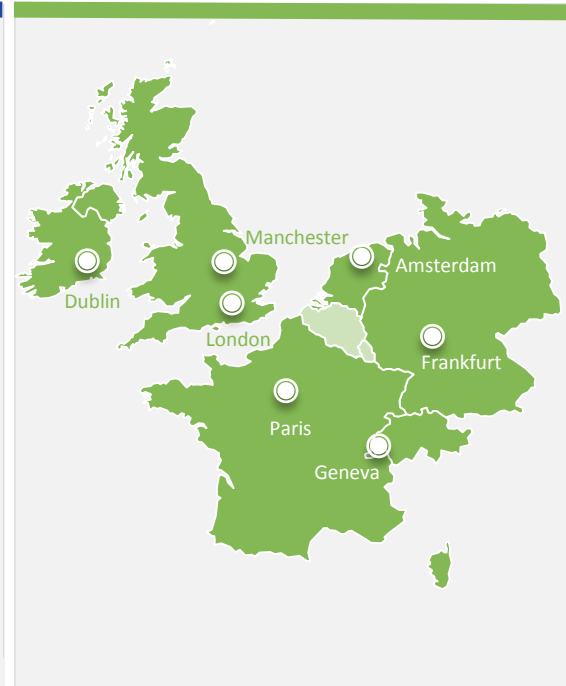
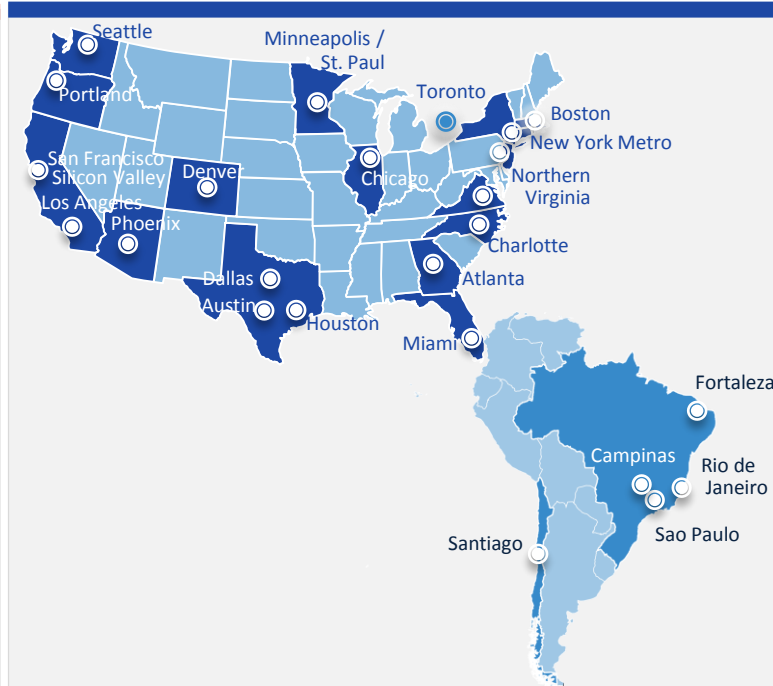


# Global Platform

GROWING WORLD-WIDE DEMAND  
FROM A DIVERSIFIED CUSTOMER BASE



# Covering the Waterfront Over 200 Data Centers across more than 30 Metro Areas



Note: Represents consolidated portfolio and investments in our unconsolidated joint ventures.

1) Calculated based on annualized base rent which represents the monthly contractual base rent (defined as cash base rent before abatements) under existing leases as of March 31, 2019, multiplied by 12.

2) Based on Net Operating Income as of March 31, 2019. For a definition of Net Operating Income, please see the Appendix.



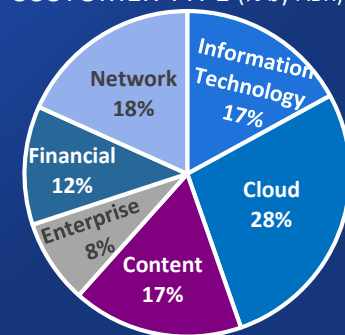
# High-Quality, Diversified Customer Base

## Numerous Customers with Multiple Locations Across the Portfolio

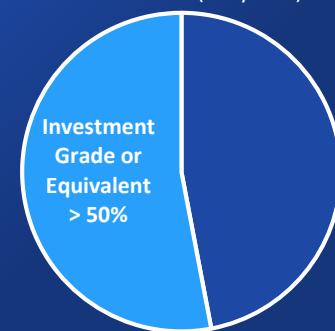
### TOP 20 CUSTOMERS

Customer Rank	Locations	% of ABR <sup>(1)</sup>	Customer Rank	Locations	% of ABR <sup>(1)</sup>
1 <b>facebook</b>	19	7.2%	11 Fortune 500 SaaS Provider	8	1.9%
2 Fortune 50 Software Company	18	6.6%	12 <b>COMCAST</b>	26	1.5%
3 <b>IBM</b>	28	6.4%	13 JPMORGAN CHASE & CO.	16	1.5%
4 Fortune 25 Investment Grade-Rated Company	11	3.6%	14 <b>DXC.technology</b>	11	1.5%
5 <b>ORACLE</b>	19	3.2%	15 <b>U B E R</b>	6	1.3%
6 <b>Cyxtera</b>	19	3.2%	16 <b>at&amp;t</b>	56	1.3%
7 <b>EQUINIX</b>	21	2.6%	17 <b>CenturyLink</b>	81	1.2%
8 <b>rackspace</b>	9	2.5%	18 <b>中国电信 CHINA TELECOM</b>	9	1.2%
9 <b>LinkedIn</b>	7	2.5%	19 <b>SUNGARD AVAILABILITY SERVICES</b>	10	1.1%
10 <b>verizon</b>	65	2.1%	20 Global Cloud Provider	13	1.1%

### CUSTOMER TYPE (% by ABR) <sup>(1)</sup>



### CREDIT RATING (% by ABR) <sup>(1)(2)</sup>



### TOTAL ANNUALIZED BASE RENT

53.5%

Note: As of March 31, 2019. Represents consolidated portfolio plus our managed portfolio of unconsolidated joint ventures based on our ownership percentage. Our direct customers may be the entities named in this table above or their subsidiaries or affiliates.

1) Calculation based on annualized base rents (monthly contractual cash base rent before abatements under existing leases as of March 31, 2019 multiplied by 12).

2) Based on the credit ratings of Digital Realty's top 100 customers against total ABR of \$2.3 billion. Credit ratings from S&P, Moody's and Fitch reflect credit ratings of customer parent entity. There can be no assurance that a customer parent entity will satisfy the customer's lease obligations upon such customer's default.



# Global Service Infrastructure Platform

## Deliver Basic Services, Enable Partners

Digital Realty is Focused on Providing the Real Estate Foundation to Enable Customers & Partners to Service Thousands of Their Customers

### Focused on Real Estate Foundation



#### CLOUD SERVICES

IaaS  
SaaS  
PaaS

#### MANAGED SERVICES

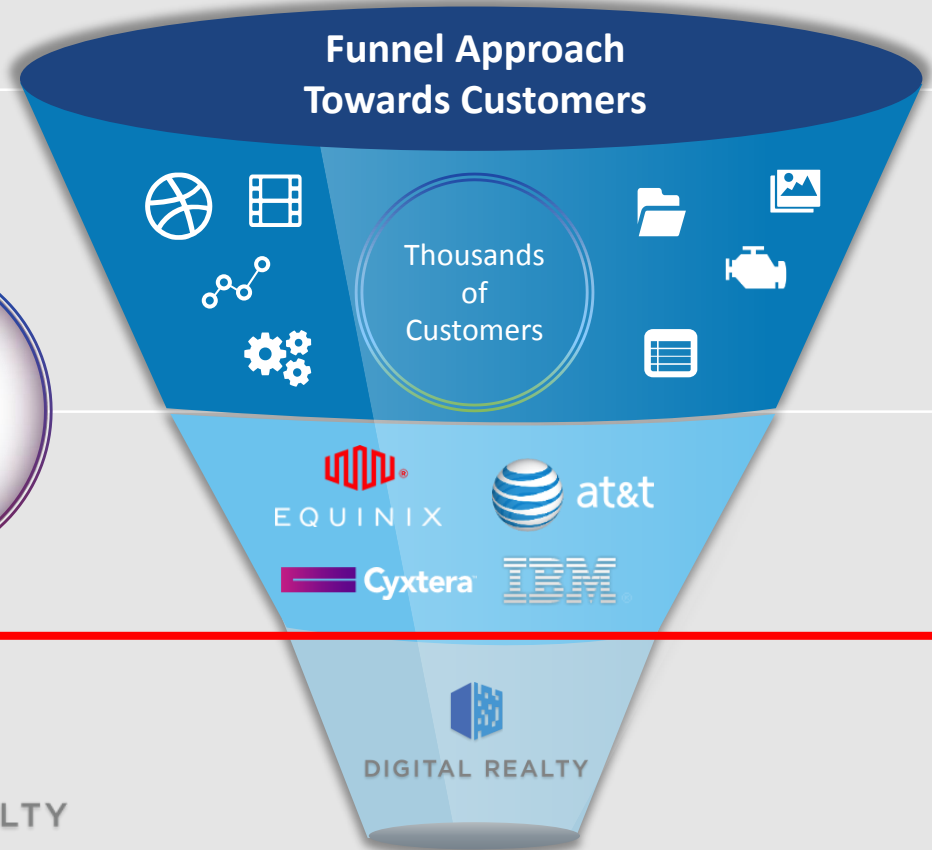
Professional Services  
Managed Hosting  
Business Continuity

#### REAL ESTATE FOUNDATION

Scale  
Colocation  
Interconnection



### Funnel Approach Towards Customers



# Enabling Customers and Partners Strategic Alliances Bearing Fruit



Strategic alliance for network-enabled colocation services  
AT&T will continue to resell Digital Realty colocation capacity

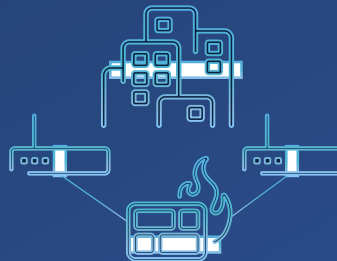
## AT&T Network

- **Global connectivity**
- Network technology leadership



## AT&T Colocation Services from Digital Realty

- Digital Realty colocation capacity resold by AT&T providing wider geographic coverage and increased reach to enterprise clients



## Network-Enabled Colocation Services

- Complete solution with common processes for contracting & support
- Combined industry expertise
- **Simplified customer experience**



# Connected Campus Strategy

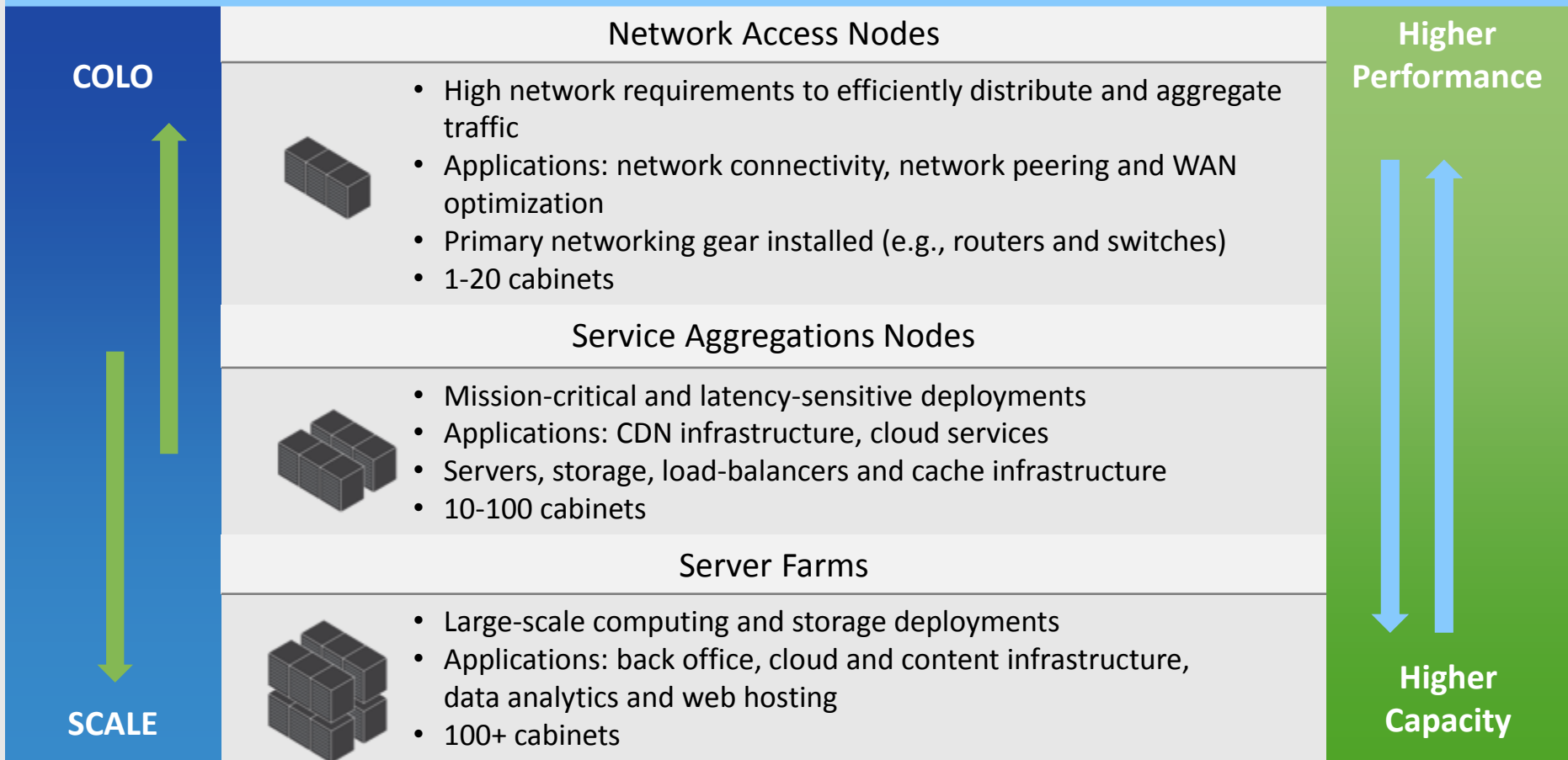
SOLVING FOR THE COMPLETE  
DEPLOYMENT; LAND AND EXPAND



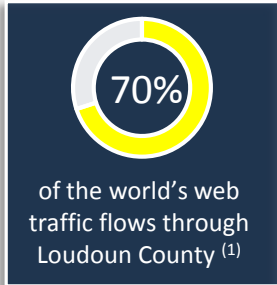
# Multi-Tiered Cloud Architectures

## Solving for the Complete Deployment; Land and Expand

### Connected Campus



# The Connected Campus Digital Ashburn



- NETWORK
- SOCIAL
- FINANCIAL
- CONTENT
- CLOUD
- INFORMATION TECHNOLOGY
- ENTERPRISE

---

- DATACENTER
- FUTURE BUILDING
- SUB-STATION
- FIBER

---

- 1** LOUDOUN I & II
- 2** LOUDOUN III & IV
- 3** LEGACY DFT
- 4** DIGITAL STERLING
- 5** WESTERN LANDS


1) Source: Loudoun County Department of Economic Development.



# Density at Scale and at Hubs

## Expand, Tether, and Densify Data Center Campuses

**CHICAGO CAMPUS**  
350 E. CERMAK




Connect@Scale suites,  
Powered Base Building,  
Connect@Gateway  
colocation




**FRANKLIN PARK**

**NEW YORK CAMPUS**  
111 8<sup>th</sup> AVENUE



Connect@Scale suites,  
Powered Base Building,  
Connect@Gateway  
colocation



**PISCATAWAY**

**DALLAS CAMPUS**  
2323 BRYAN STREET




Connect@Scale suites,  
Powered Base Building,  
Connect@Gateway  
colocation




**RICHARDSON**

**LONDON CAMPUS**  
SOVEREIGN HOUSE



Connect@Scale suites,  
Powered Base Building,  
Connect@Gateway  
colocation

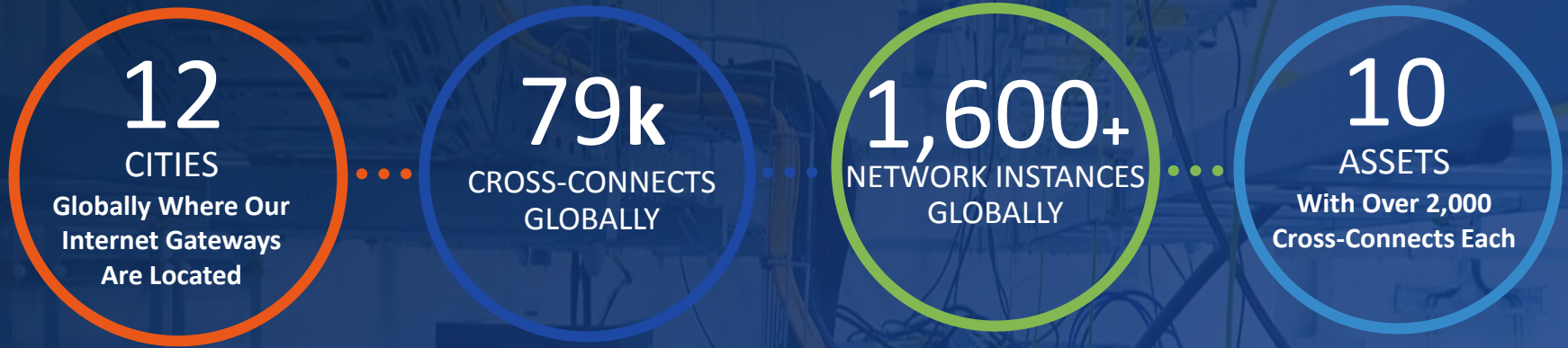


**WOKING**

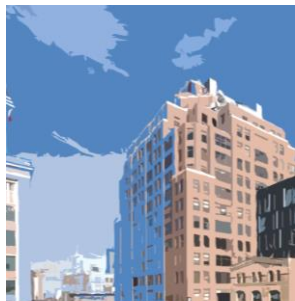


# Digital Realty is the Edge

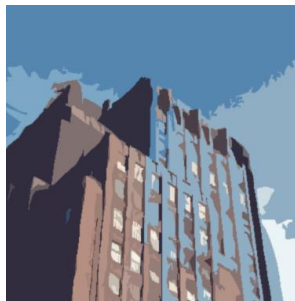
## Network Density That Promotes Innovation and Collaboration



### 50,000+ Cross-Connects and 630+ Networks:



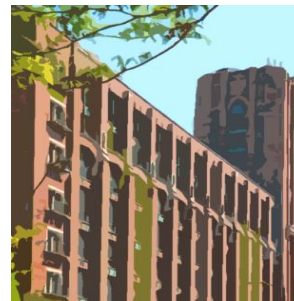
111 8<sup>th</sup> AVENUE



60 HUDSON



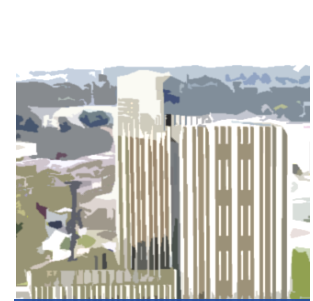
56 MARIETTA



350 E. CERMAK



SOVEREIGN HOUSE



SCIENCE PARK



# Diversifying Product Offerings Facilitating Secure Connections to Multiple Service Providers



## SERVICE EXCHANGE

A software-defined network (SDN) that allows a customer to establish direct, private connections to multiple cloud service providers, other participants of the platform, and other data centers on the connected network from a single interface

**16**  
METRO AREAS  
ACROSS  
NORTH AMERICA AND EMEA

**60**  
DATA CENTERS

 Google Cloud Platform

 Microsoft Azure

 IBM Cloud

 amazon  
webservices™

 ORACLE™

 salesforce

Private Access to  
SaaS Applications

**\$83 Bn**  
SaaS Market <sup>(1)</sup>

Note: Data as of March 31, 2019 unless otherwise specified.

1) Source: Gartner (April 2019) Represents estimated SaaS market size in 2019.



# Attractive Growth Prospects

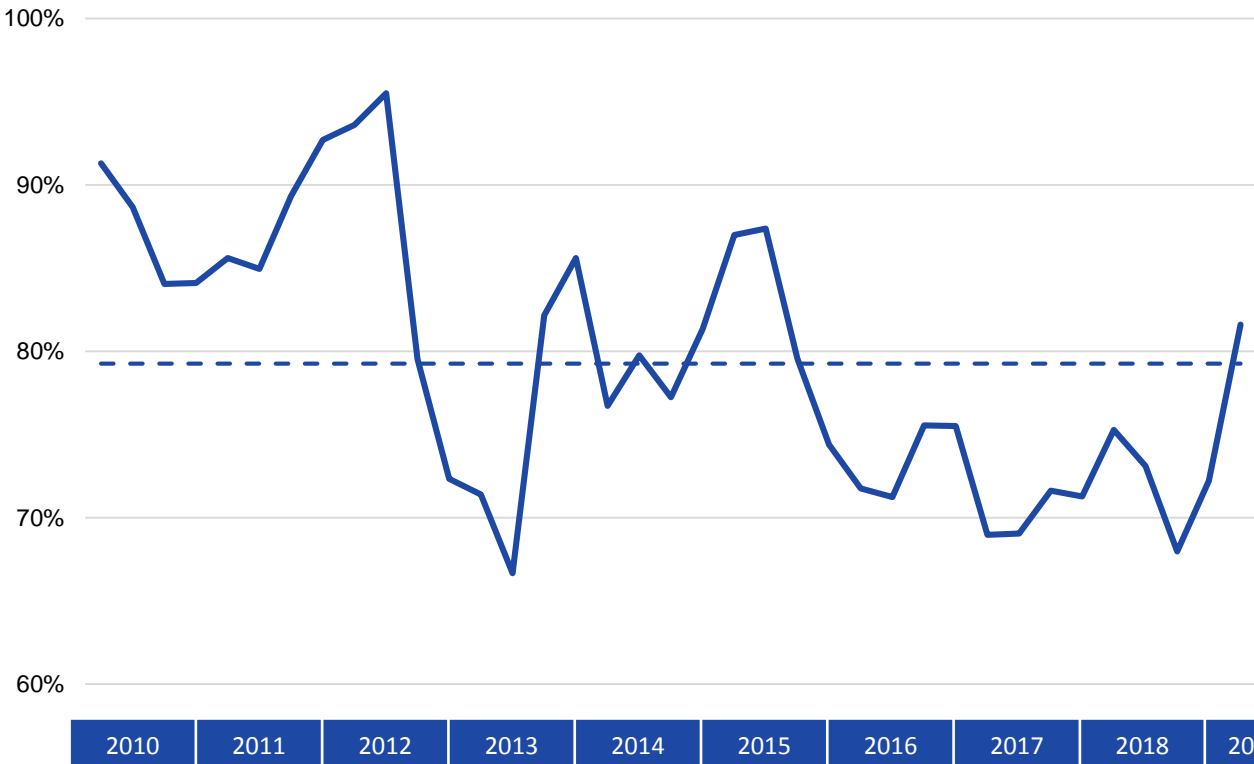
ORGANIC GROWTH COMBINED  
WITH LEASE-UP OPPORTUNITY



# High Utilization Provides Downside Protection Significant Customer Investment Drives Stable Retention

Historical Retention on Rentable Square Feet <sup>(1)</sup>

— Trailing Twelve-Month Tenant Retention    - - - Long-Term Historical Average



**\$15 – \$30**  
million

approximate cost of a new 1.125 MW data center deployment<sup>(2)</sup>

**\$15 – \$20**  
million

approximate cost to migrate a 1 MW data center to a new facility<sup>(2)</sup>

Note: As of March 31, 2019.

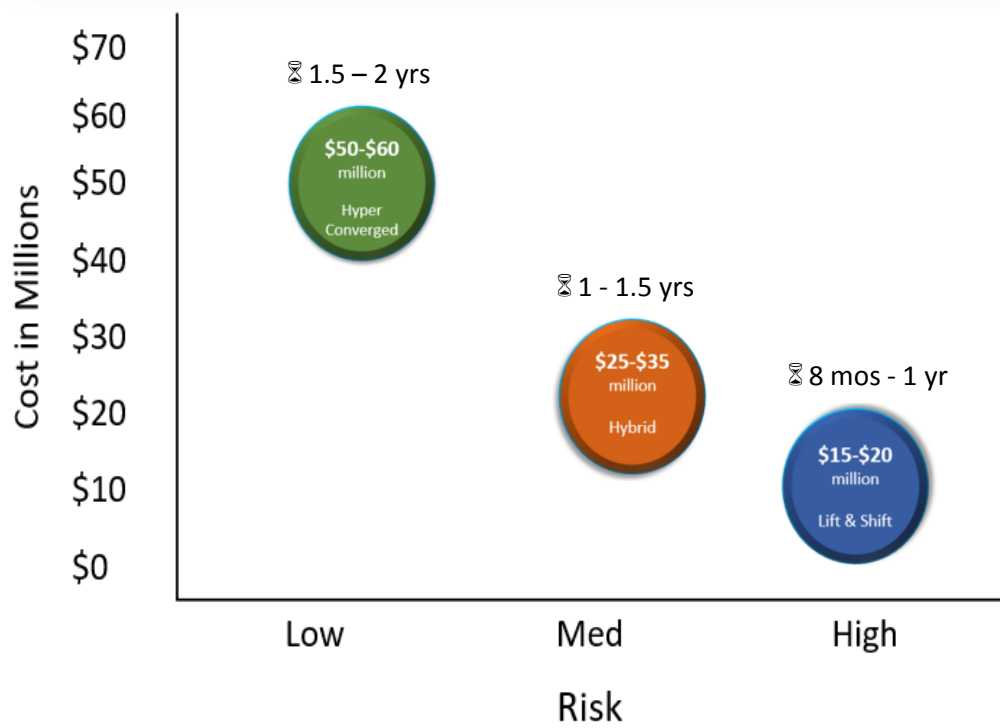
1) Represents trailing 12-month average.

2) Estimates provided by Align Communications – March 2019.



# Data Center Migration Projected Costs

CATEGORY	HYPERCONVERGED	HYBRID	LIFT & SHIFT
Level of risk to the business			
Program duration (assessment / planning / execution)			
Length of time the environment will be unavailable			
Highest level of effort for internal resources			
Least value / lifespan of assets after the migration			



- Assumptions:**
- 1 MW / 10K Ft<sup>2</sup> data center with 2,000 devices
  - Hyperconverged: 100% new hardware, factory built cabinets with compute, storage and networking
  - Hybrid: Build new network, replace 33%-50% of the existing hardware, migrate workloads over the network
  - Lift & Shift: physically move all hardware and stand up new network

**Note** that costs may vary based on: data center network and cabling design, the amount of seed hardware required, the use of consulting vs internal resources, the distance between data centers and other various factors

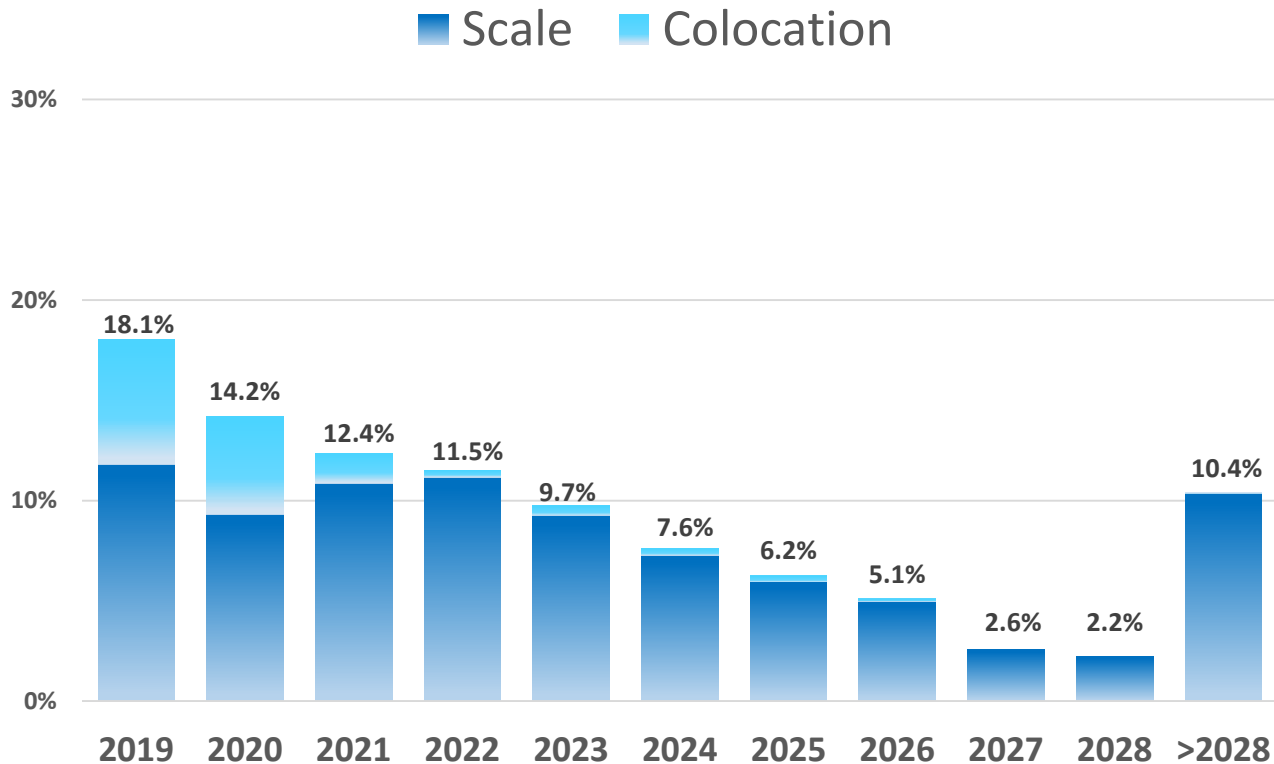


Source: Align Communications – March 2019.

# Evenly-Staggered Lease Expiration Schedule

## Consistent, Modest Roll-Over Exposure in Any One Year

% of Lease Expirations by Annualized Base Rent <sup>(1)</sup>



**2% - 4%**

Annual cash rental rate increases <sup>(2)</sup>

**5.3 years**

Weighted avg. remaining lease term

Note: As of March 31, 2019

1) Represents consolidated portfolio plus our managed portfolio of unconsolidated joint ventures based on our ownership percentage. Annualized base rent represents the monthly contractual base rent (defined as cash base rent before abatements) under existing leases as of March 31, 2019 multiplied by 12.

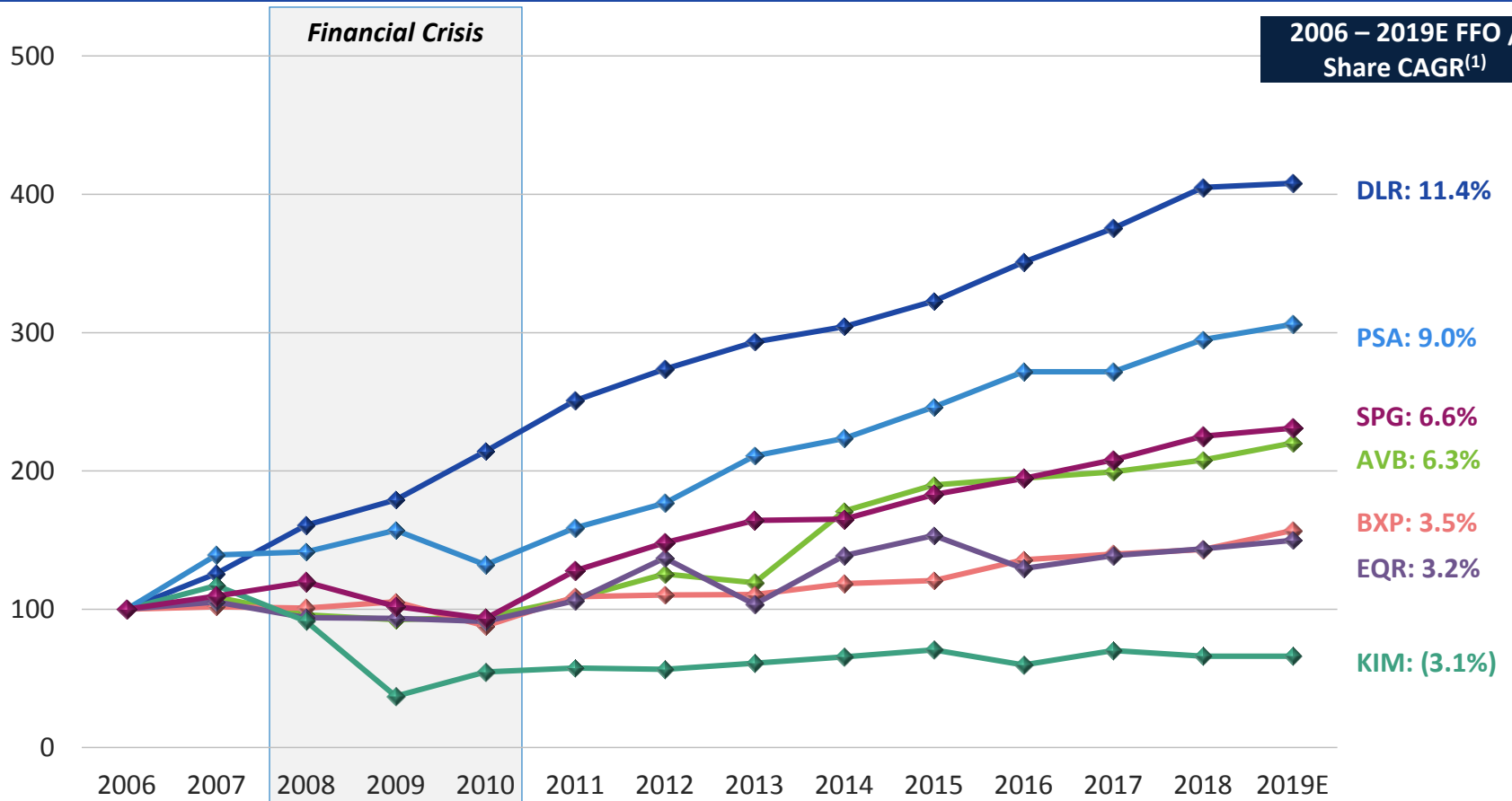
2) Excluding acquired leases, for which rent increases vary.



# Uninterrupted Growth throughout the Cycle

## Cyclical Agnostic Performance Compares Favorably

### Thirteen Consecutive Years of Positive Growth



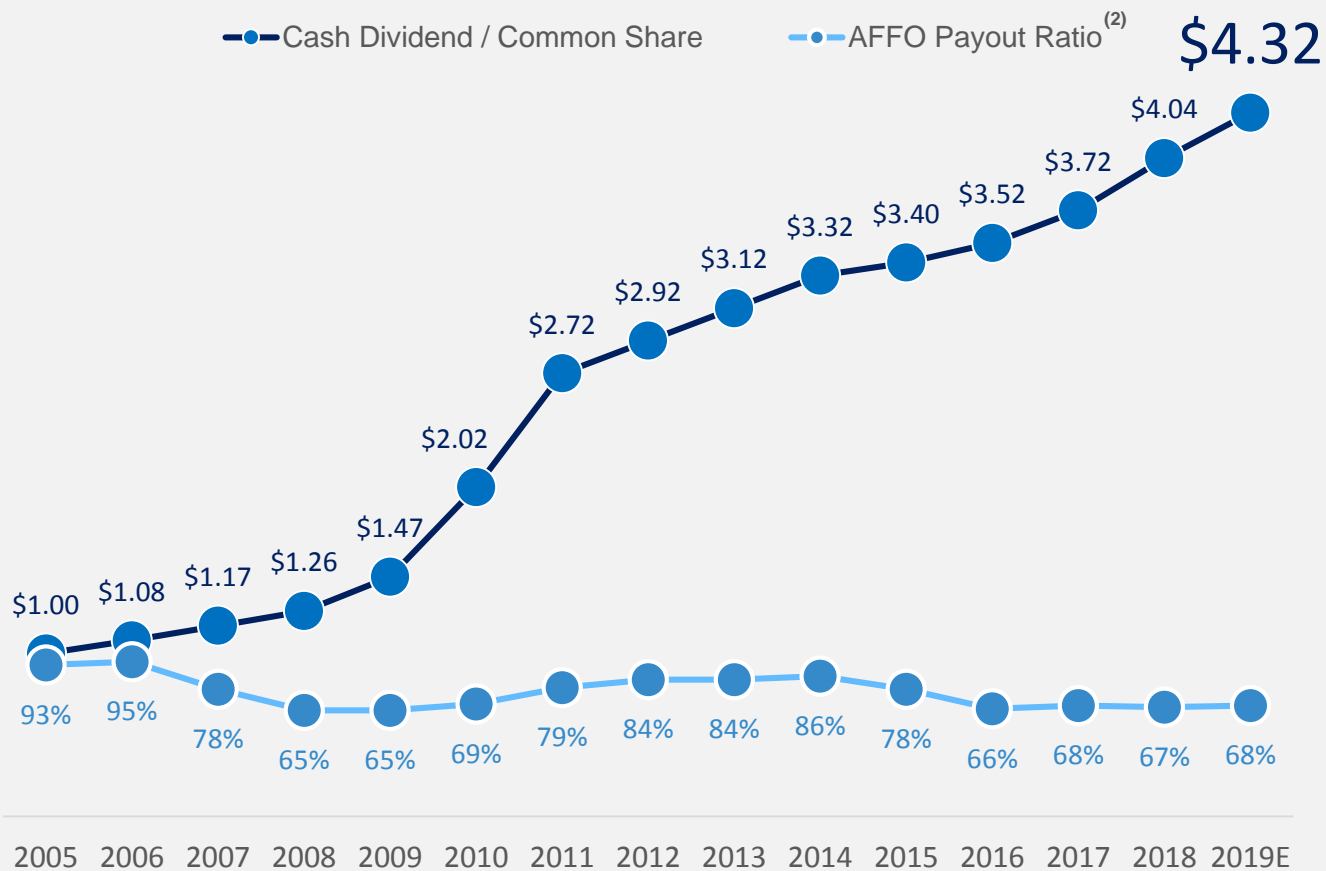
Sources: Company Filings and SNL Financial as of May 8, 2019.

1) 13-year FFO per Share CAGR calculated using 2006 – 2018 actuals and per SNL Financial. 2019E figure for DLR is at midpoint of guidance as of April 25, 2019. Index value starts at 100 and increases or decreases by annual percent FFO per share growth. FFO is a non-GAAP financial measure. For a description of FFO and a reconciliation to net income, see the Appendix.



# Committed to a Secure and Growing Dividend

## Fourteen Consecutive Years of Dividend Increases



**4%**  
DIVIDEND  
YIELD<sup>(1)</sup>

**11%**  
CAGR  
(2005 – 2019E)

1) Dividend yield based on May 7, 2019 closing stock price of \$117.42 and annualized 1Q19 dividend.

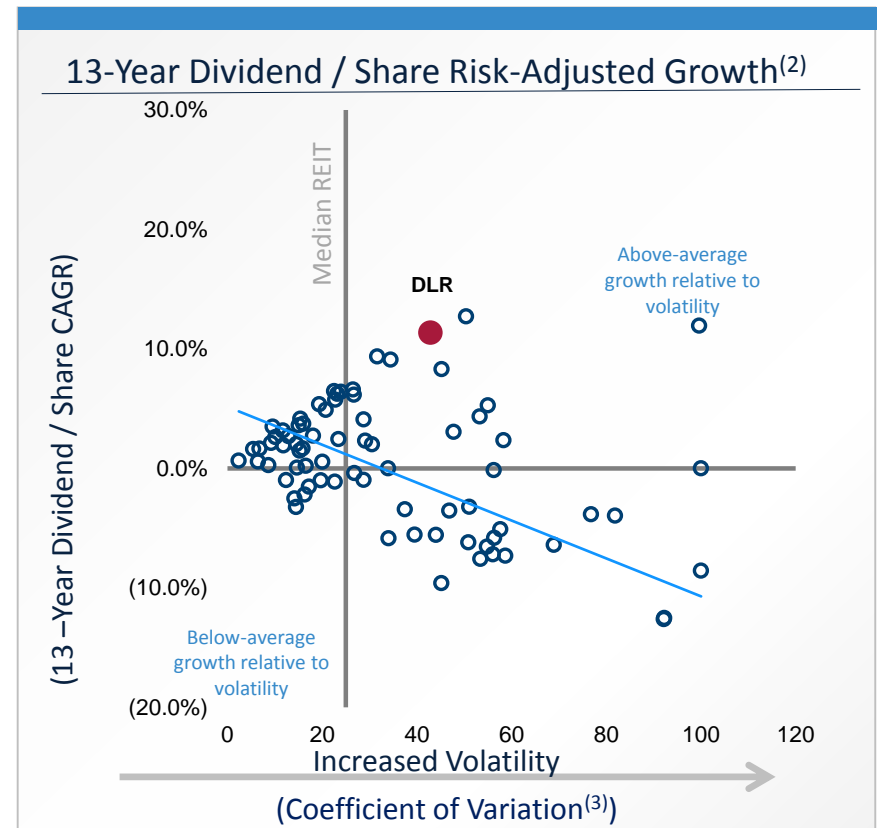
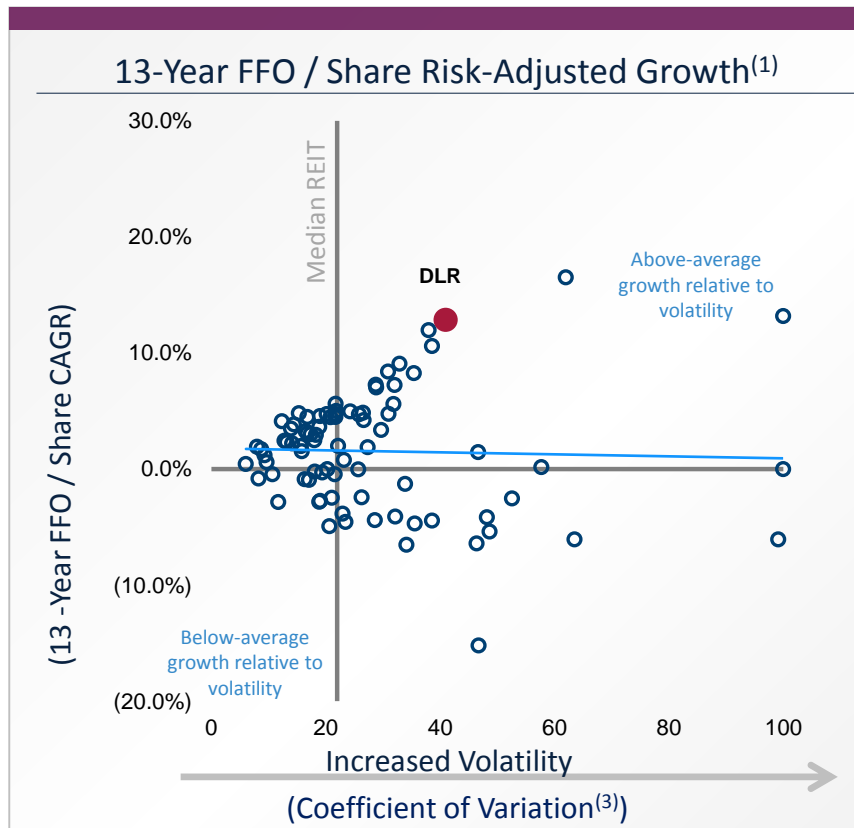
2) AFFO is a non-GAAP financial measure. For a description of AFFO and a reconciliation to net income, see the Appendix.



# Exceptional Risk-Adjusted Growth Track Record

## Strong Growth, Moderate Volatility

Consistently Delivered Healthy Growth in FFO and Dividends per Share



Source: SNL Financial.

1) 13-year FFO (Core FFO results are shown for 2009 to 2018; prior years reflect reported FFO results). FFO and Core FFO are non-GAAP financial measures. For description of FFO and Core FFO and reconciliations to net income, see the Appendix.

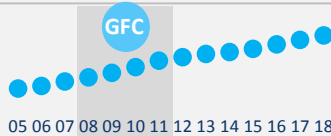

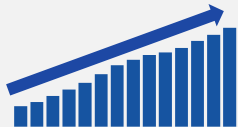
2) Dividend per share CAGR calculated using 2005 and 2018 actuals.

3) Coefficient of variation is the standard deviation of annual observations divided by the mean for the 13 years ended 2018.



# Graham's Golden Rules

## Defensive Requirements for the Intelligent Investor <sup>(1)</sup>

<p>1 Adequate Size of the Enterprise</p>	<p><b>\$38 Bn</b> ENTERPRISE VALUE <sup>(2)</sup></p>
<p>2 Sufficiently Strong Financial Condition</p>	<p><b>BBB / Baa2 / BBB</b> INVESTMENT GRADE BALANCE SHEET</p>
<p>3 Earnings Stability</p>	 <p><b>+ GROWTH</b> IN CORE FFO / SH EACH AND EVERY YEAR</p>
<p>4 Dividend Record</p>	 <p><b>11% CAGR</b> UNINTERRUPTED GROWTH IN DIVIDENDS PER SHARE</p>
<p>5 Earnings Growth</p>	 <p><b>12% CAGR</b> IN CORE FFO PER SHARE SINCE 2006</p>
<p>6 Moderate Price / Earnings Ratio</p>	<p><b>18x</b> PRICE / 2019E CORE FFO <sup>(3)</sup></p>
<p>7 Moderate Price to Assets Ratio</p>	<p><b>4%</b> PREMIUM TO CONSENSUS NAV <sup>(4)</sup></p>

1) Graham, B. (1949). *The Intelligent Investor*. New York, NY: Harper & Brothers.

2) As of March 31, 2019. Includes Digital Realty's pro rata share of unconsolidated joint venture debt.

3) Based on closing stock price of \$117.42 on May 7, 2019 and the mid-point of 2019 core FFO per share guidance of \$6.60 - \$6.70.

4) Based on SNL consensus NAV of \$112.43 on May 7, 2019. For illustrative purposes only. Management does not confirm or endorse the estimates and cautions users to form their own view of NAV.

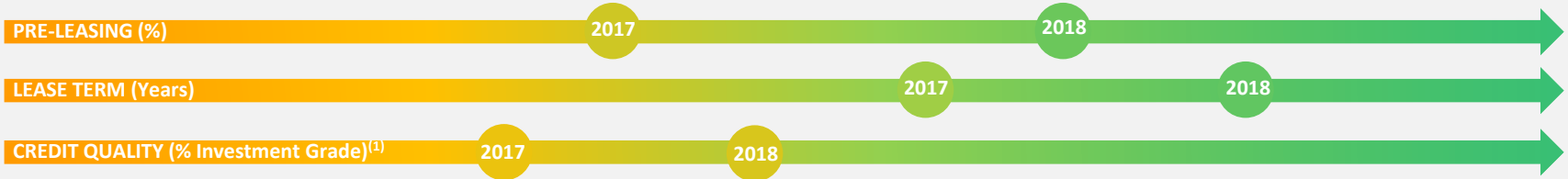
For a description of the components of Net Asset Value (NAV), please see our 1Q19 Earnings Press Release and Supplemental Information, which was furnished to the SEC on April 25, 2019.



# Delivering Superior Risk-Adjusted Returns

## Investing Opportunistically to Expand the Global Platform

### LONG-TERM VALUE CREATION



1) Credit ratings from S&P, Moody's and Fitch reflect credit ratings of customer parent entity. There can be no assurance that a customer parent entity will satisfy the customer's lease obligations upon such customer's default.



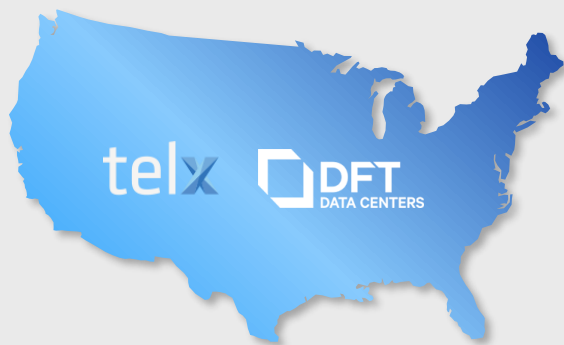
# Prudent Capital Allocation

DISCIPLINED INVESTMENT CRITERIA  
GUIDED BY RETURN ON INVESTED CAPITAL



# Stringent Acquisition Criteria

## Market Fundamentals, Accessibility, Stability and Risk



**2010**

**2012**

**2015**

**2016**

**2017**

**2018**

**365 Main Portfolio**

**Sentrum Portfolio**

**Telx**

**European Acquisition Portfolio**

**DuPont Fabros Technology**

**Ascenty**

Five assets in the Western U.S. and Northern Virginia

Three assets in London

20 assets in 13 metro areas across the U.S.

Eight assets in Europe

12 assets and six development projects across the U.S.

Eight assets and six development projects in Brazil

June 2, 2010:

June 26, 2012:

July 14, 2015:

May 16, 2016

June 9, 2017:

September 24, 2018:

Announced \$725 million acquisition

Announced \$1.1 billion acquisition

Announced \$1.9 billion acquisition

Announced \$875 million acquisition

Announced \$7.6 billion acquisition

Announced \$1.8 billion acquisition and JV

June 2, 2010:

June 26, 2012:

July 14, 2015:

May 16, 2016:

June 9, 2017:

September 24, 2018:

Announced \$400 million equity offering

Announced \$800 million equity offering

Announced \$700 million equity offering

Announced \$1.4 billion equity offering

100% stock-for-stock transaction

Announced \$1.1 billion equity offering



# Stringent Acquisition Criteria

## Market Fundamentals, Accessibility, Stability and Risk

### KEY ELEMENTS OF INVESTMENT UNDERWRITING

#### Market Fundamentals

- Core metro areas / major central business districts
- Supply & demand dynamics
- Customer verticals
- Land availability
- Construction costs
- Utility rates
- Financial projections

#### Accessibility / Internet Proximity

- Access to fiber
- Access to power
- Proximity to major airports
- Broadband penetration
- Subsea cable landings

#### Business-Friendly / Stable Locations

- Accommodative local utility providers
- Ease of doing business
- Reasonable entitlement approval process
- Low natural disaster-prone areas
- Respect for property rights and rule of law
- Tax regime



# Conservative Financial Strategy

COMMITTED TO MAINTAINING  
A FLEXIBLE BALANCE SHEET



# Prudent Financial Management Positioning for Growth

## INVESTMENT GRADE BALANCE SHEET

Consistently maintain balance sheet positioned for new investment opportunities

## ORGANIC GROWTH

Focus on driving higher same-capital cash NOI growth

## RISK-ADJUSTED RETURNS

Earn higher risk-adjusted returns on our traditional asset base

## BUILD AND EXPAND

Continue to prudently build out campuses and expand our global footprint

## OPERATING EFFICIENCIES

Capitalize on operating efficiencies derived from our scale and expertise

## STAKEHOLDER ALIGNMENT

Align our team with stakeholders



# Industry Leading Sustainability Track Record and Commitment to Energy Efficiency

## Management and organizational commitment to sustainability

- Full time REIT-sustainability expertise in-house
- Board oversight and senior executive with sustainability management responsibility
- Integrated cross-functional teams
- GRESB Green Star 2018
- NAREIT Leader in the Light, Data Center Sector Leaser



## Track record of sustainable project investment

- Successfully allocated \$493 million of proceeds from data center industry's first green bond
- 100% renewable energy for US colocation and EMEA portfolios
- Issued €1.1Bn green bond in first quarter of 2019

## Industry-leading clean energy solutions

- 288 MW of renewable wind and solar projects under contract in the US
- Top 10 on EPA Green Power Partnership Tech and Telecom sector for renewable energy



## Award-winning data center designs and third-party certification

- 62 green building certifications globally (7.1 MSF)
- 4 green building certifications in 2018 (1.0 MSF)
- 3 LEED certifications in 2019 (1.0 MSF) (YTD)



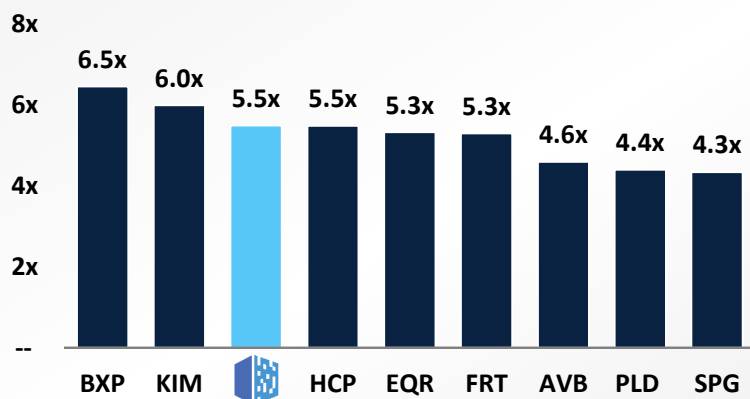
## Thought leadership and innovation in energy efficiency

- US DoE Better Building's Challenge for data centers - Achieved 25% savings in 2017 vs 20% target by 2024
- 24 US EPA ENERGY STAR certifications (4.2 MSF)
- EU Code of Conduct for Data Centres

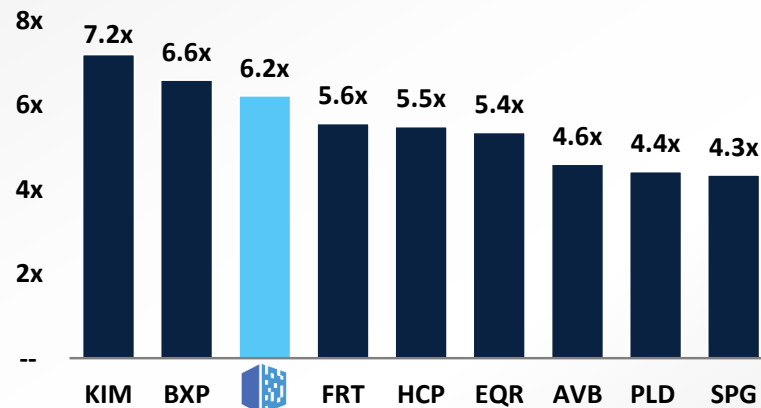


# Credit Metrics Compare Favorably To Blue Chip REITs Committed to a Conservative Capital Structure

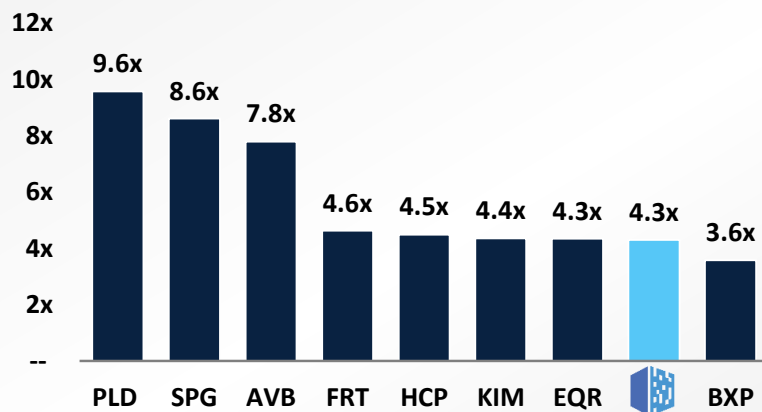
Net Debt / LQA Adjusted EBITDA<sup>(1)</sup>



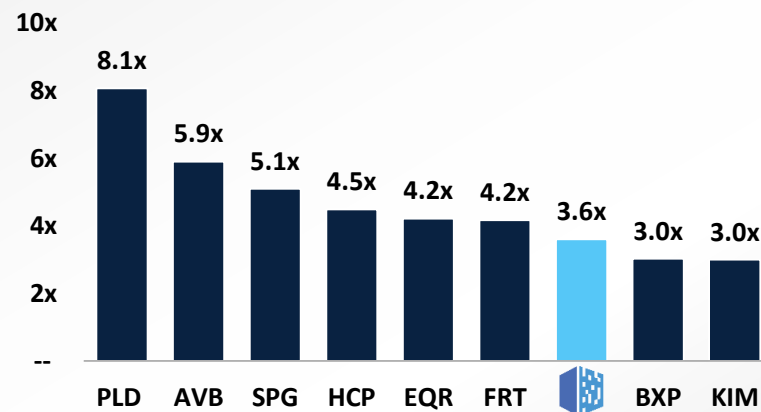
Net Debt + Preferred / LQA Adjusted EBITDA<sup>(1)</sup>



Interest Coverage<sup>(1)(2)</sup>



Fixed Charge Coverage<sup>(1)(3)</sup>



Source: Company calculations based on 1Q19 data, unless otherwise indicated; peer metrics derived from public filings. Peers may calculate these or similar metrics differently. Please see Appendix for calculation of DLR ratios.

1) Adjusted EBITDA is a non-GAAP financial measure.

2) Based on GAAP interest expense plus capitalized interest for the quarter ended March 31, 2019.

3) Calculated as Adjusted EBITDA divided by fixed charges. Fixed charges consist of GAAP interest expense, capitalized interest, scheduled debt principal payments and preferred dividends for the quarter.



# Recent Results

## FIRST QUARTER 2019 HIGHLIGHTS

Note: The slides in this section were originally posted to the Company's website on April 25, 2019 and have not been updated to reflect changes occurring after that date.



# Expanding Global Platform Supporting Customer Growth



Chile



Singapore

Tokyo

## 3 Global Expansions

Securing our supply chain  
to support customer growth

**12 Acres** of Land  
**80+ MW** of Potential IT Capacity



# Socially Responsible Investing Delivering Sustainable Growth for Stakeholders

2012

- Implemented **majority voting standards** for director elections
- Appointed **first Independent Chairman**, Mr. Singleton

2013

- **Board refreshment:** Mr. Kennedy and Mr. LaPerch added to Board

2014

- Approved new **long-term incentive plan** tied to relative total stockholder return
- Appointed **new permanent CEO and Director**, Mr. Stein

2015

- Established **minimum stock ownership** guidelines

2016

- **Board refreshment:** Mr. Mohebbi and Mr. Patterson added to Board

2017

- Appointed **new Independent Chairman**, Mr. Chapman
- **Board refreshment:** Ms. Hogan Preusse added to Board  
Mr. Coke and Mr. Roberts added to Board

2018

- Provided stockholders the **ability to amend bylaws**
- **Board refreshment:** Ms. Earley resigned and Mr. Zerbst's term expired

2019

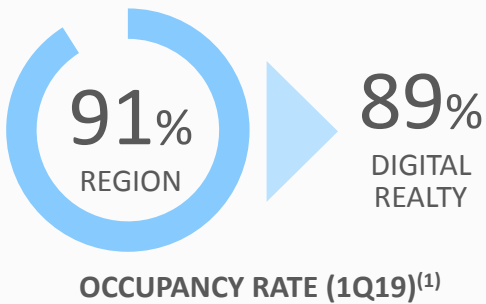
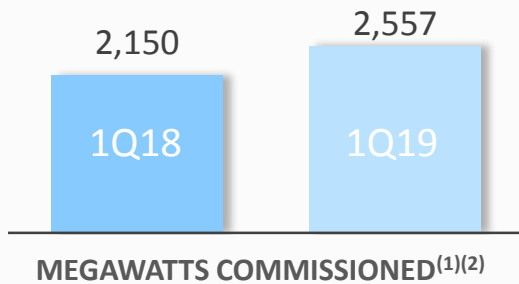
- Provided **proxy access for stockholders**
- Amended corporate governance guidelines to clarify that director **candidate pools shall include candidates with diversity of race, ethnicity and gender**



# Firm Fundamentals

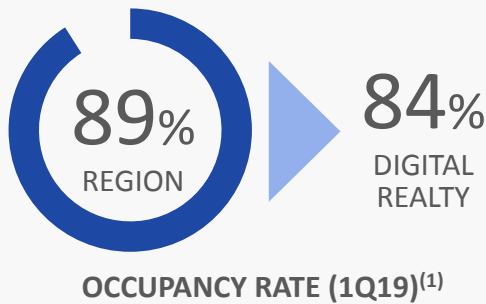
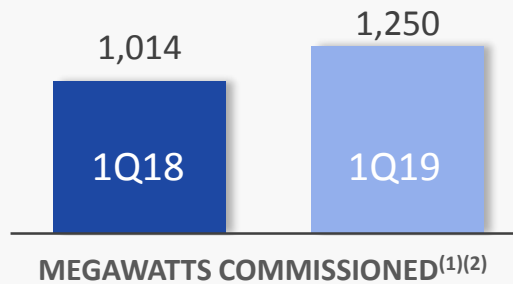
## Robust Demand, Rational Supply

### NORTH AMERICA



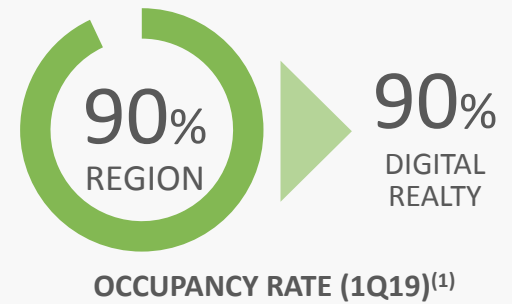
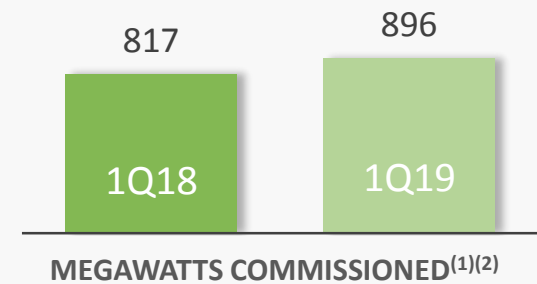
**1.6x**  
Market Absorption-to-Available  
Current Construction<sup>(3)</sup>

### EMEA



**1.6x**  
Market Absorption-to-Available  
Current Construction<sup>(3)</sup>

### APAC



**1.1x**  
Market Absorption-to-Available  
Current Construction<sup>(3)</sup>

1) Management estimates, based on a sub-set of Digital Realty metros

(North America: Northern Virginia, Chicago, Dallas, Silicon Valley, New Jersey, Phoenix and Toronto; EMEA: Amsterdam, Dublin, Frankfurt, and London; APAC: Melbourne, Osaka, Singapore and Sydney).

2) Prior periods may be adjusted to reflect updated information.

3) Trailing 12-month market absorption divided by available data center construction.



# Supportive Economic Growth Outlook Levered to Long-Term Secular Demand Drivers

		<u>4Q18 CALL</u> February 4, 2019	<u>CURRENT</u> April 19, 2019	Better/ Worse	<u>2019E</u>	<u>2020E</u>
MACROECONOMIC	Global GDP Growth Forecast <sup>(1)</sup>	2019E: 3.5%	2019E: 3.3%	▼	3.3%	3.6%
	U.S. GDP Growth Forecast <sup>(1)</sup>	2019E: 2.5%	2019E: 2.3%	▼	2.3%	1.9%
	U.S. Unemployment Rate <sup>(2)</sup>	4.0%	3.8%	▼	3.7%	3.6%
	Inflation Rate – U.S. Annual CPI Index <sup>(2)</sup>	1.9%	1.9%	◄►	1.9%	2.1%
	Crude Oil (\$/barrel) <sup>(3)</sup>	\$54	\$64	▲	\$60	\$65
	Control of White House, Senate and HoR <sup>(4)</sup>	R,R,D	R,R,D	◄►	R,R,D	D,R,D
INTEREST RATES	Three-Month Libor (USD) <sup>(2)</sup>	2.7%	2.6%	▼	2.7%	2.6%
	10-Yr U.S. Treasury Yield <sup>(2)</sup>	2.7%	2.6%	▼	2.8%	2.9%
	GBP-USD <sup>(2)</sup>	1.30	1.30	◄►	1.36	1.44
	EUR-USD <sup>(2)</sup>	1.14	1.12	▼	1.16	1.23
EQUITIES	S&P 500 <sup>(2)</sup>	2,713 (YTD 8.3%); P/E: 18.1x	2,905 (YTD 16.6%); P/E: 19.0x	▲	17.5x	15.7x
	NASDAQ 100 <sup>(2)</sup>	6,942 (YTD 9.7%); P/E: 22.2x	7,690 (YTD 21.9%); P/E: 24.3x	▲	21.5x	18.9x
	RMZ <sup>(2)(5)</sup>	1,175 (YTD 11.1%); P/AFFO 18.0x	1,195 (YTD 14.3%); P/AFFO 18.3x	▲	18.3x	17.7x
INDUSTRY	IT Spending Growth Worldwide <sup>(6)</sup>	2019E: 3.1%	2019E: 3.2%	▲	3.2%	2.8%
	Server Shipment Worldwide <sup>(7)</sup>	2019E: 4.1%	2019E: 4.0%	▼	4.0%	1.9%
	Global Data Center IP Traffic <sup>(8)</sup>	CAGR 2016 - 2021E: 25%	CAGR 2016 - 2021E: 25%	◄►	CAGR 2016 - 2021E: 25%	
	Global Cloud IP Traffic <sup>(8)</sup>	CAGR 2016 - 2021E: 27%	CAGR 2016 - 2021E: 27%	◄►	CAGR 2016 - 2021E: 27%	

1) IMF World Economic Outlook January 2019 and April 2019

2) Bloomberg

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

4) FiveThirtyEight- January 2019 and April 2019

5) Citi Investment Research - January 2019 and April 17, 2019

6) Gartner: IT Spending, Worldwide (constant currency), December 2018 and February 2019

7) Gartner: Servers Forecast Worldwide, January 2019 and April 2019

8) Cisco Global Cloud Index: Forecast and Methodology, 2016-2021 – November 2018



# Sunny Forecast for Cloud Growth

## Global Interconnected Platform Poised to Capitalize



**32%**

growth in cloud operator and vendor revenues from 2017<sup>(1)</sup>

**58%**

of enterprise cloud users employ a hybrid cloud model<sup>(2)</sup>

**>50%**

of public cloud compute and storage services users have moved a workload back on-premise<sup>(2)</sup>

**\$250 Billion**

revenue milestone surpassed by cloud vendors in 2018<sup>(1)</sup>

**2x**

overall market expected to double in size in under four years<sup>(1)</sup>

1) Source: Synergy Research Group, January 2019  
2) Source: IDC: Redefining hybrid cloud, April 2018



# Financial Results



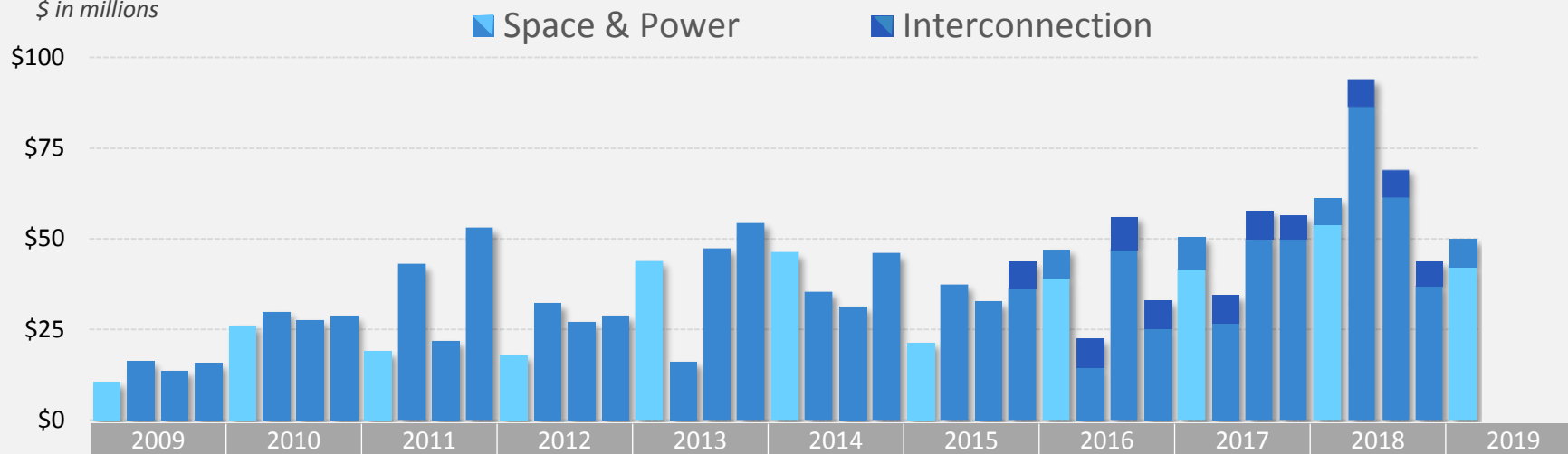
# Lumpy But Healthy

## Comprehensive Solutions Support Diverse Customer Base

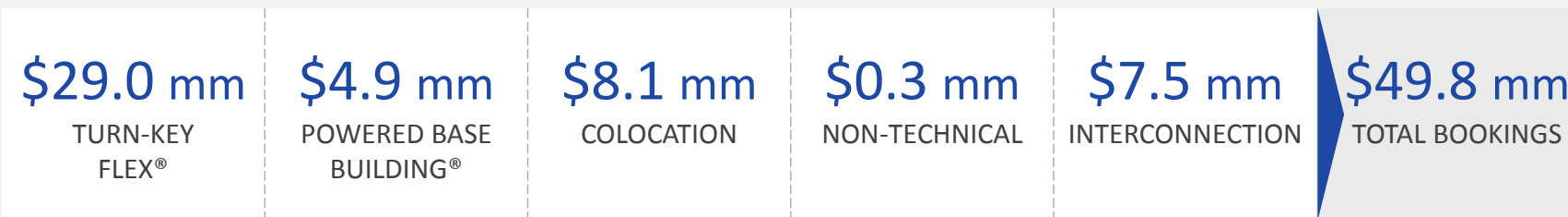
### HISTORICAL BOOKINGS

ANNUALIZED GAAP BASE RENT<sup>(1)(2)</sup>

\$ in millions



### 1Q19 BOOKINGS BY PRODUCT<sup>(1)(2)</sup>



Note: Darker shading represents interconnection bookings. First quarter bookings are highlighted in lighter blue. First quarter of 2019 includes \$8.6 million from Ascenty.

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



# Diversified Global Demand



**5 of Top 10**

Metro Areas Outside the U.S.  
(Annualized GAAP Signings)

**49%**

of Total 1Q19  
Signings

**25+ Metro Areas**

Signed in 1Q19



**Toronto**



**Chile**



**Frankfurt**



**Singapore**

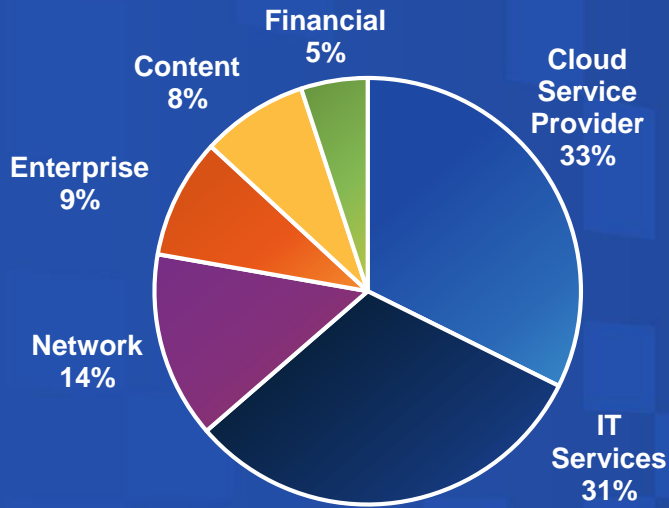


**Brazil**



# Diversified Customer Base

## 1Q19 Signings by Vertical



43 New Logos



Autonomous Driving



Digital Payments



Wearable Healthcare

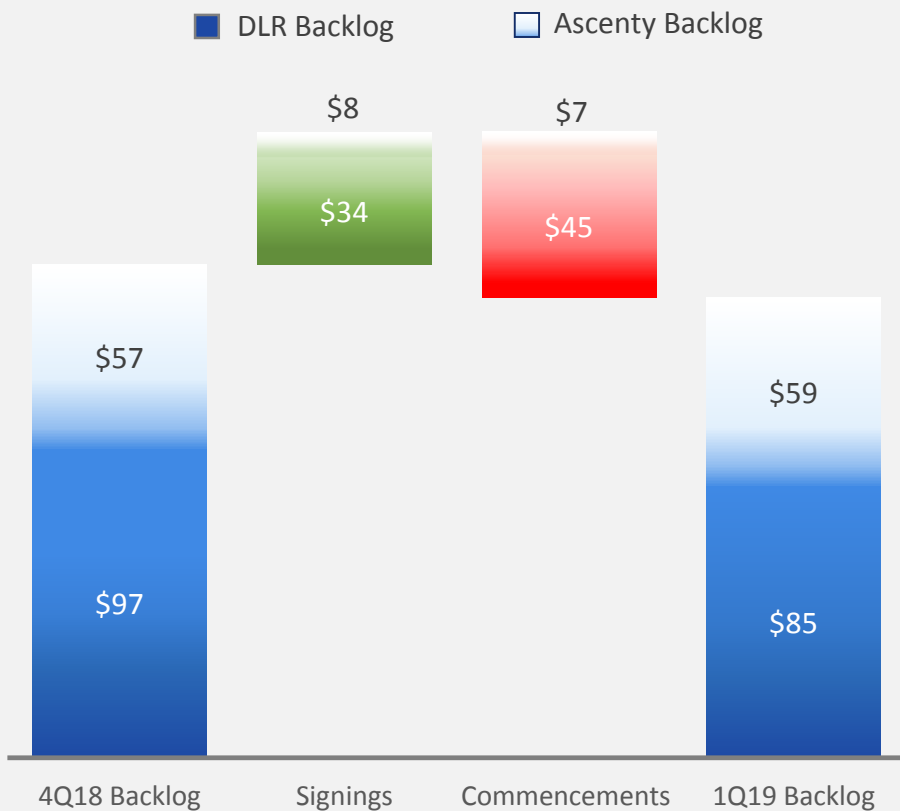


# Top-Line Step Function

## Healthy Backlog Sets a Solid Foundation

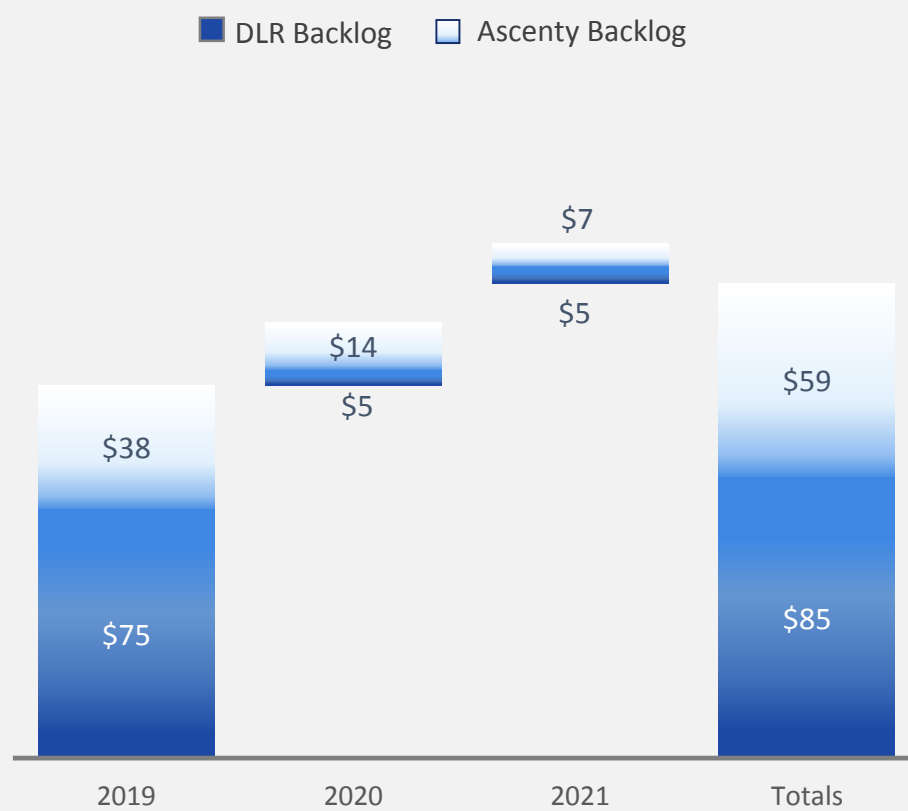
### BACKLOG ROLL-FORWARD

\$ in millions



### COMMENCEMENT TIMING

\$ in millions



Note: Totals may not add up due to rounding. Amounts shown represent GAAP annualized base rent from leases signed, but not yet commenced, 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. Reflects expected commencement date at time of signing.



# Holistic Approach to Customer Relationship Management Leveraging Multiple Touch Points to Maximize Relationship Value

## 1Q19 RE-LEASING SPREADS

As Reported

TURN-KEY FLEX®	POWERED BASE BUILDING®	COLOCATION	TOTAL
RENTAL RATE CHANGE	RENTAL RATE CHANGE	RENTAL RATE CHANGE	RENTAL RATE CHANGE
<del>-5.9%</del> CASH <del>4.3%</del> GAAP	<del>-12.6%</del> CASH <del>11.0%</del> GAAP	<del>2.5%</del> CASH <del>2.5%</del> GAAP	<del>-6.9%</del> CASH <del>7.1%</del> GAAP

Excluding Customers with New Leasing in the Last Six Months

Excluding global relationship customers that executed

**\$15 mm** of annualized GAAP rental revenue in new deals across multiple metro areas over the past year, cash rent change is virtually flat for the quarter

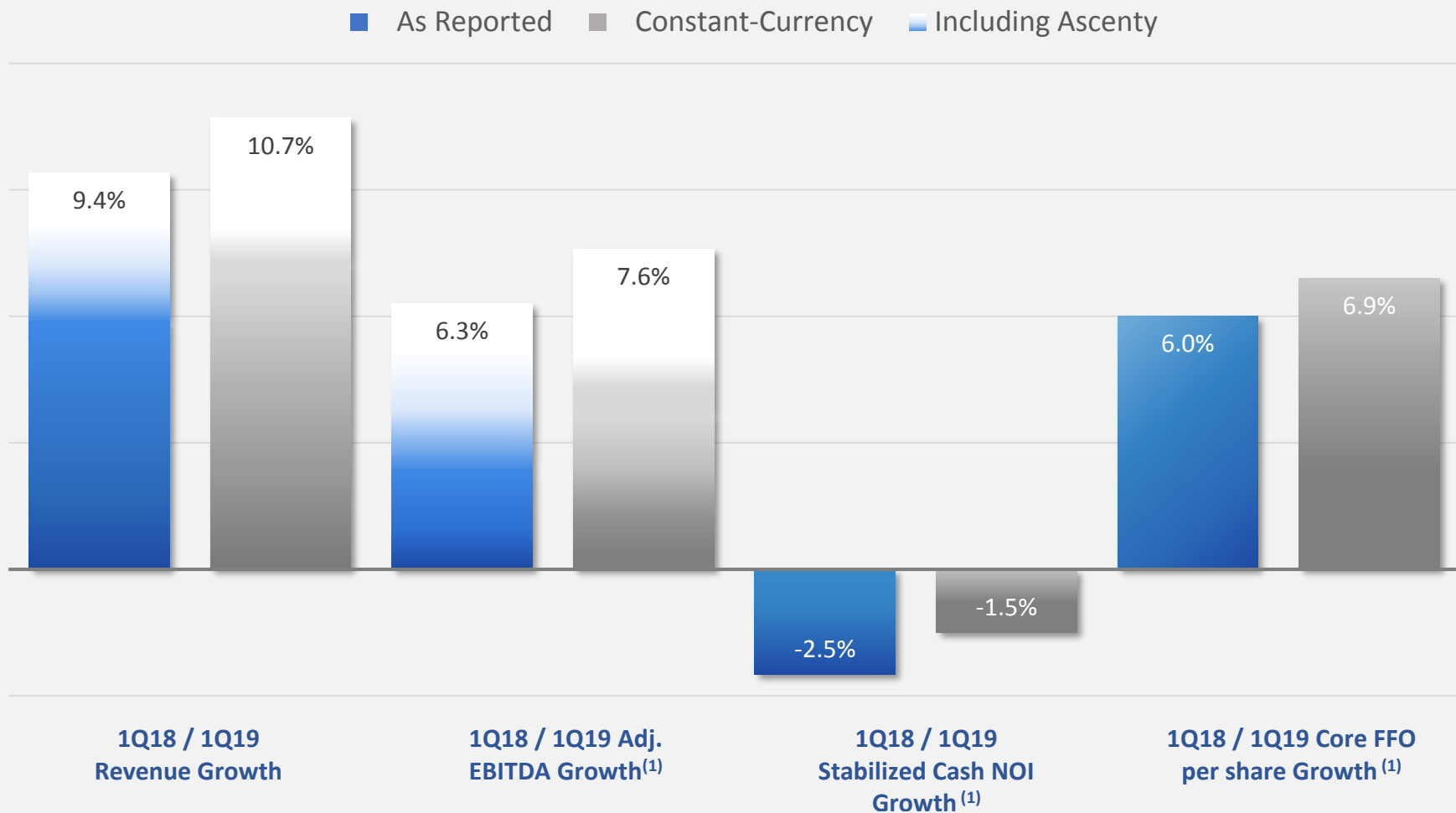
~~-0.3%~~  
CASH  
~~2.7%~~  
GAAP

Note: Total represents Turn-Key Flex®, Powered Base Building®, Colocation, and Non-Tech leases signed during the quarter ended March 31, 2019.



# Constant-Currency Growth

## FX Represents ~ 100 bps Drag on Reported Results



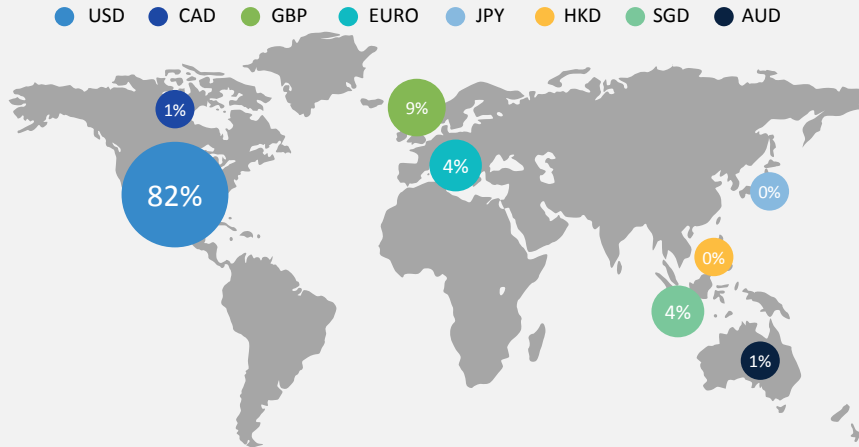
Note: Constant-currency, Adjusted EBITDA, same-capital cash NOI and core FFO are non-GAAP financial measures. For a description of these measures, see the Appendix.

1) Net income for the for the quarter ending March 31, 2019 was \$121 million. Net income for the quarter ending March 31, 2018 was \$110 million.

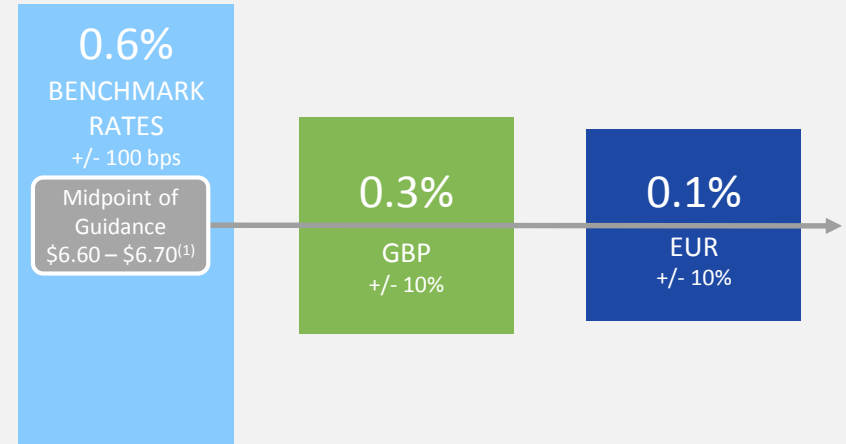


# Putting Exposure in Perspective Benefits of Scale and Diversification on Display

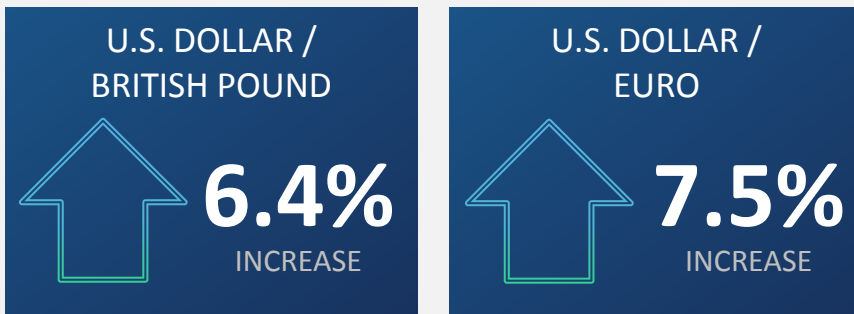
## EXPOSURE BY REVENUE



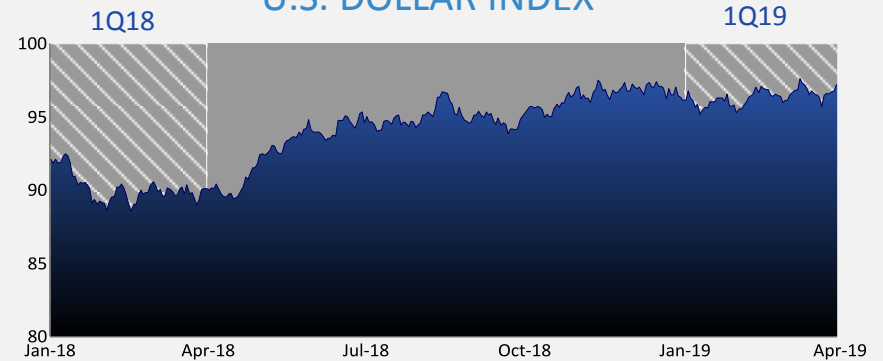
## 2019 CORE FFO/SHARE EXPOSURE



## EXCHANGE RATES<sup>(2)</sup>



## U.S. DOLLAR INDEX



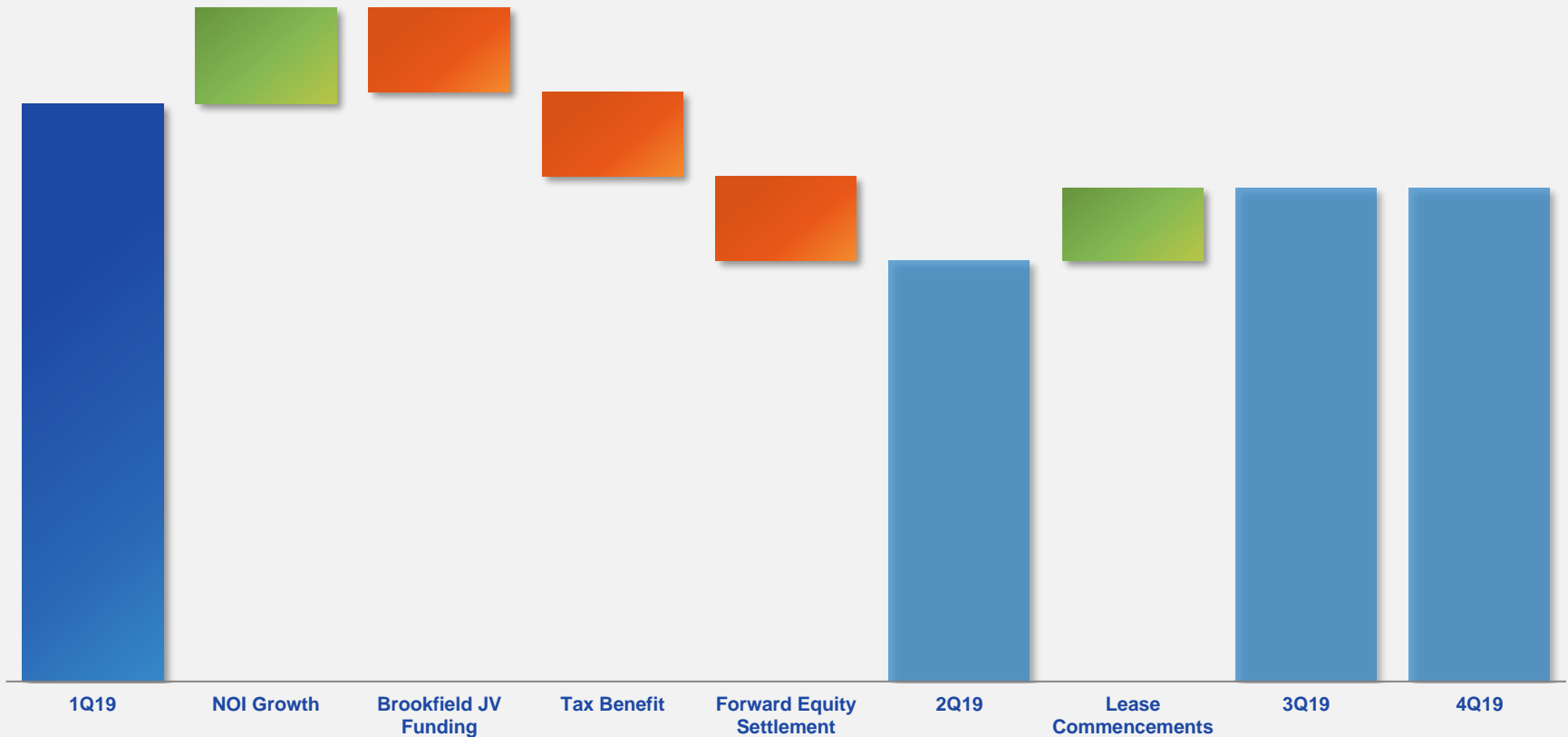
Source: FactSet

- 1) Based on the midpoint of 2019 core FFO per share guidance of \$6.60 – \$6.70. Core FFO is a non-GAAP financial measure. For a definition of core FFO and a reconciliation to its nearest GAAP equivalent, see the Appendix.
- 2) Based on average exchange rates for the quarter ending March 31, 2019 compared to average exchange rates for the quarter ending March 31, 2018.



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

## 2019E CORE FFO PER SHARE

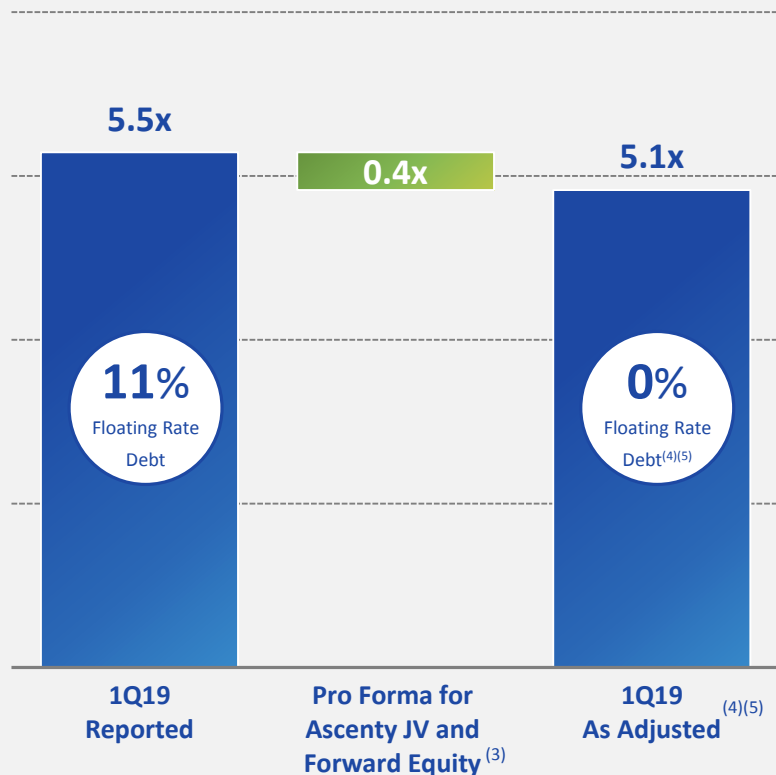


Note: Based on management estimates; actual performance may differ materially. Core FFO and NOI are non-GAAP financial measures. For descriptions and reconciliations to the closest GAAP equivalents, please see the Appendix.

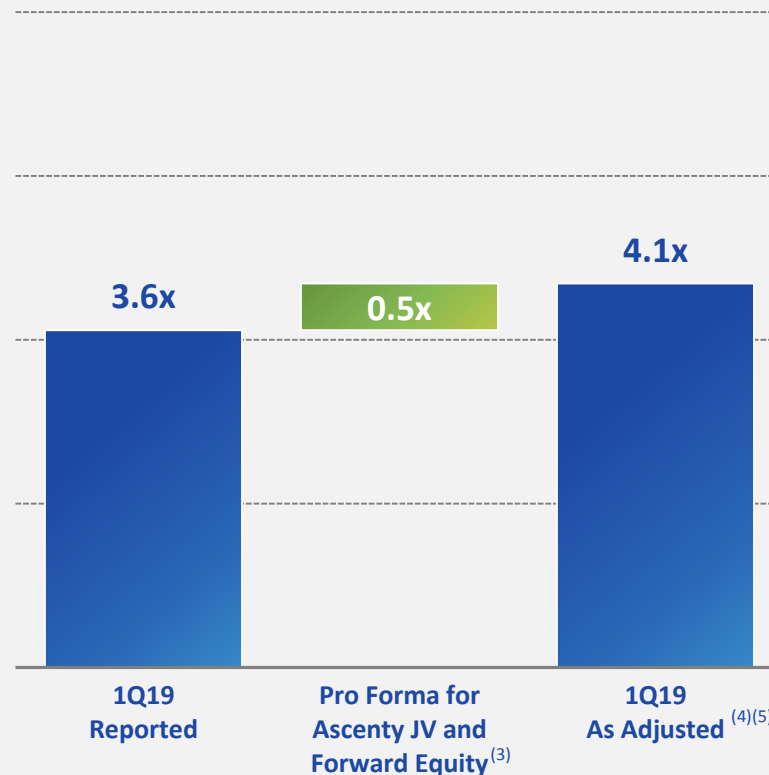


# Prudently Financed Transaction Enhances Credit Stats Reflecting a Full-Quarter Contribution

## Net Debt to Adjusted EBITDA <sup>(1)</sup>



## Fixed Charge Coverage Ratio <sup>(2)</sup>



- 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 and the calculation of these ratios, 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 March 31, 2019. Adjusted EBITDA is a non-GAAP financial measure. For a description of Adjusted EBITDA and the calculation of these ratios, see the Appendix.
- 3) Pro Forma for Ascenty JV at DLR's share at 49% and assumed forward equity closing.
- 4) Adjusted to include a full quarter of Ascenty's adjusted EBITDA, assuming DLR's share at 49%.
- 5) Adjusted to reflect pro forma September 24, 2018 full settlement of the \$1.1 billion forward equity offering executed on September 24, 2018. Assumes proceeds are used to repay borrowings under the global unsecured revolving credit facility.

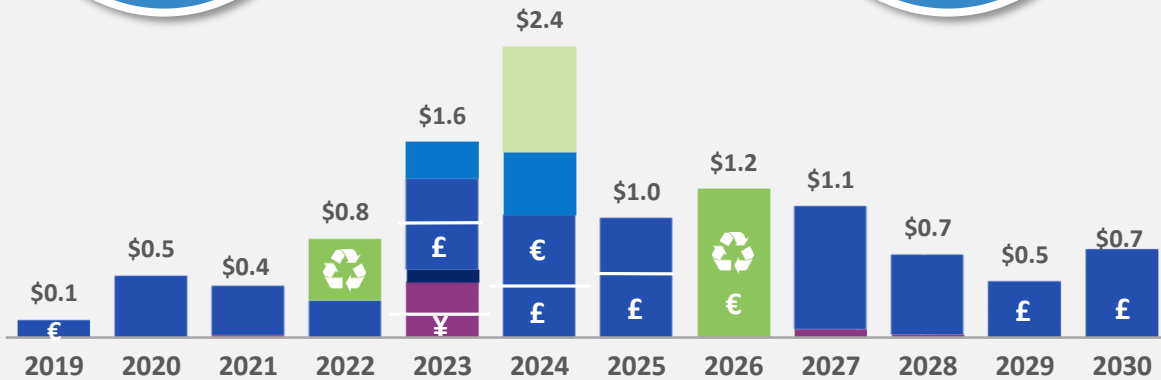


# Matching the Duration of Assets and Liabilities

## Clear Runway on the Left, No Bar Too Tall on the Right

### DEBT MATURITY SCHEDULE AS OF MARCH 31, 2019<sup>(1)(2)</sup>

(USD in billions)



- Pro Rata Share of JV Debt
- Secured Mortgage Debt
- Unsecured Senior Notes
- Unsecured Term Loan
- Unsecured Credit Facilities<sup>(3)</sup>
- Unsecured Green Bonds

Note: As of March 31, 2019.

1) Includes Digital Realty's pro rata share of four unconsolidated joint venture loans.

2) Assumes exercise of extension options.

3) Includes Yen Facility.

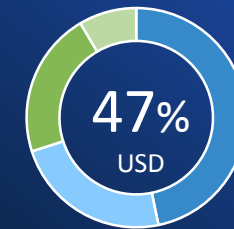
### DEBT PROFILE



- Unsecured
- Secured



- Fixed
- Floating



- USD
- GBP
- Euro
- Other



# Consistent Execution on Strategic Vision Delivering Current Results, Seeding Future Growth

## SUCCESSFUL FIRST QUARTER 2019 INITIATIVES

### 1. Extending our Global Footprint

Entered Chile, Acquired Strategic APAC Land Holdings

### 2. Delivering Sustainable Growth for All Stakeholders

Provided Proxy Access, Adopted Rooney Rule

### 3. Growing the Dividend

Raised the Common Dividend by Seven Percent

### 4. Strengthening the Balance Sheet

Redeemed High-Cost Capital, Locked in Attractive Long-Term Coupons

80+ MW

of Potential  
IT Capacity

3%

stockholder for  
three years

14<sup>th</sup>

Consecutive  
Annual Increase

-30 bps

Weighted Average  
Coupon



# Appendix



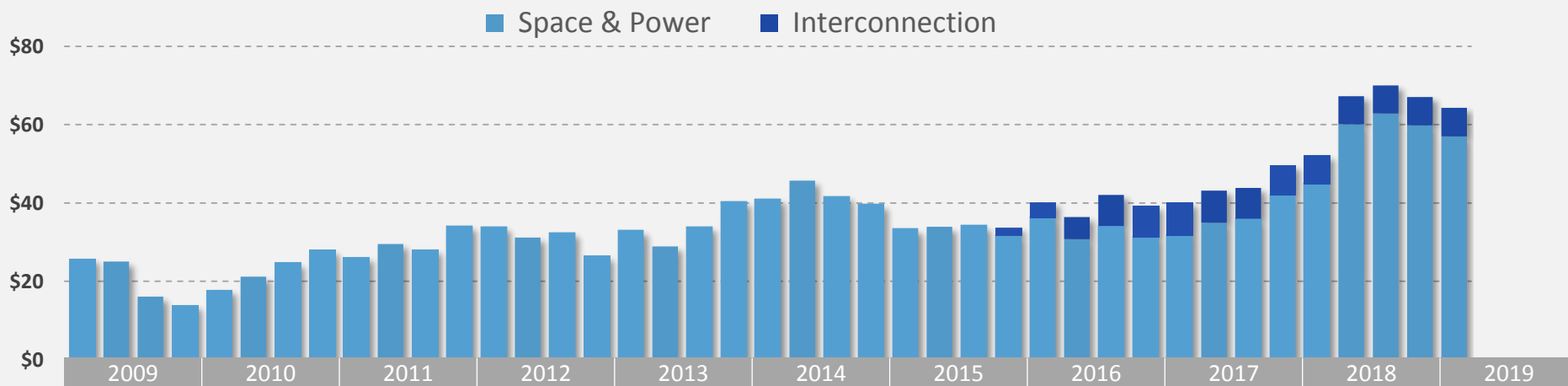
# Robust Long-Term Demand, Lumpy Near-Term Signings

## Diverse Customer Base + Product Offerings

### HISTORICAL BOOKINGS TRAILING FOUR-QUARTER AVERAGE

ANNUALIZED GAAP BASE RENT<sup>(1)(2)</sup>

\$ in millions



### 1Q19 TRAILING FOUR-QUARTER AVERAGE BOOKINGS BY PRODUCT<sup>(1)(2)</sup>

**\$44.9 mm**

TURN-KEY  
FLEX<sup>®</sup>

**\$2.4 mm**

POWERED BASE  
BUILDING<sup>®</sup>

**\$9.0 mm**

COLOCATION

**\$0.6 mm**

NON-TECHNICAL

**\$7.3 mm**

INTERCONNECTION

**\$64.2 mm**

TOTAL BOOKINGS

Note: Darker shading represents interconnection bookings.

1) 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.

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



# Appendix

## Management Statements on Non-GAAP Measures

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, in the NAREIT Funds From Operations White Paper - 2018 Restatement. FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from real estate transactions, impairment of investment in real estate, real estate related depreciation and amortization (excluding amortization of deferred financing costs), unconsolidated JV real estate related depreciation & amortization, 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 data centers 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 data centers, 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 other REITs' FFO. 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) loss from early extinguishment of debt, (iv) severance, equity acceleration, and legal expenses, (v) loss on FX revaluation, (vi) gain on contribution to unconsolidated joint venture, net of related tax, and (vii) 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 calculate core FFO differently than we do and 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.

**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 rental revenue, (vi) straight-line rental expense, (vii) above- and below-market rent amortization, (viii) deferred tax expense, (ix) leasing compensation and internal lease commissions, and (x) recurring capital expenditures. Other REITs may calculate AFFO differently than we do and 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

## Management Statements on Non-GAAP Measures

### **EBITDA and Adjusted EBITDA:**

We believe that earnings before interest, loss from early extinguishment of debt, income taxes, depreciation and amortization, and impairment of investments in real estate, 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, equity acceleration, and legal expenses, transaction and integration expenses, (gain) loss on real estate transactions, equity in earnings adjustment for non-core items, other non-core adjustments, net, noncontrolling interests, preferred stock dividends, including undeclared dividends, and issuance costs associated with redeemed preferred stock. Adjusted EBITDA is EBITDA excluding unconsolidated joint venture real estate related depreciation & amortization, severance, equity acceleration, and legal expenses, transaction and integration expenses, (gain) on sale, impairment of investments in real estate, other non-core adjustments, net, non-controlling interests, and preferred stock dividends, including undeclared 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, 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 and accordingly, our EBITDA and Adjusted EBITDA may not be comparable to 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 data centers 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 data centers, 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 calculate NOI and cash NOI differently than we do and, accordingly, our NOI and cash NOI may not be comparable to other REITs' NOI and cash NOI. NOI and cash NOI should be considered only as supplements to net income computed in accordance with GAAP as measures of our performance.



# Appendix

## Management Statements on Non-GAAP Measures

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; public cloud services spending; the expected timing, locations, benefits and product offerings for IBM Cloud and Service Exchange; our acquisition of Ascenty; our corporate governance; our sustainability initiatives; the expected effect of foreign currency translation adjustments on our financials; demand drivers and economic growth outlook; 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 strategic alliances and partnerships; 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; future rents; 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 data center or colocation 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; market forecasts; 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: reduced demand for data centers or decreases in information technology spending; decreased rental rates, increased operating costs or increased vacancy rates; increased competition or available supply of data center space; the suitability of our data centers and data center infrastructure, delays or disruptions in connectivity or availability of power, or failures or breaches of our physical and information security infrastructure or services; our dependence upon significant customers, bankruptcy or insolvency of a major customer or a significant number of smaller customers, or defaults on or non-renewal of leases by customers; breaches of our obligations or restrictions under our contracts with our customers; our inability to successfully develop and lease new properties and development space, and delays or unexpected costs in development of properties; the impact of current global and local economic, credit and market conditions; our inability to retain data center space that we lease or sublease from third parties; difficulty acquiring or operating properties in foreign jurisdictions; our failure to realize the intended benefits from, or disruptions to our plans and operations or unknown or contingent liabilities related to, our recent acquisitions; our failure to successfully integrate and operate acquired or developed properties or businesses; difficulties in identifying properties to acquire and completing acquisitions; risks related to joint venture investments, including as a result of our lack of control of such investments; 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; our failure to obtain necessary debt and equity financing, and our dependence on external sources of capital; financial market fluctuations and changes in foreign currency exchange rates; 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 and goodwill and other intangible asset impairment charges; our inability to manage our growth effectively; losses in excess of our insurance coverage; environmental liabilities and risks related to natural disasters; our inability to comply with rules and regulations applicable to our company; our failure to maintain our status as a REIT for federal income tax purposes; our operating partnership's failure to qualify as a partnership for federal income tax purposes; restrictions on our ability to engage in certain business activities; and changes in local, state, federal and international laws and regulations, including related to taxation, real estate and zoning laws, and increases in real property tax rates. The risks included here 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, 2018 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.

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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)

	<b>Three Months Ended</b>	
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Net (loss) income available to common stockholders	\$ 95,869	\$ 86,298
Adjustments:		
Noncontrolling interests in operating partnership	4,300	3,480
Real estate related depreciation and amortization (1)	307,864	291,686
Real estate related depreciation and amortization related to investment in unconsolidated joint ventures	3,851	3,476
Impairment of investments in real estate	5,351	-
(Gain) loss on sale of properties	-	(39,273)
FFO available to common stockholders and unitholders	<u>\$ 417,235</u>	<u>\$ 345,667</u>
Basic FFO per share and unit	\$ 1.92	\$ 1.62
Diluted FFO per share and unit	\$ 1.92	\$ 1.61
Weighted average common stock and units outstanding		
Basic	217,039	214,009
Diluted	217,756	214,803
(1) Real estate related depreciation and amortization was computed as follows:		
Depreciation and amortization per income statement	311,486	294,789
Non-real estate depreciation	(3,622)	(3,103)
	<u>\$ 307,864</u>	<u>\$ 291,686</u>

	<b>Three Months Ended</b>	
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
FFO available to common stockholders and unitholders -- basic and diluted	<u>\$ 417,235</u>	<u>\$ 345,667</u>
Weighted average common stock and units outstanding	217,039	214,009
Add: Effect of dilutive securities	717	794
Weighted average common stock and units outstanding -- diluted	<u>217,756</u>	<u>214,803</u>



# Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

## 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	
	March 31, 2019	March 31, 2018
FFO available to common stockholders and unitholders -- diluted	\$ 417,235	\$ 345,667
Termination fees and other non-core revenues <sup>(1)</sup>	(14,445)	(858)
Transaction and integration expenses	2,494	4,178
Loss from early extinguishment of debt	12,886	-
Loss on FX revaluation	9,604	-
Gain on contribution to unconsolidated joint venture, net of related tax	(58,497)	-
Severance accrual and equity acceleration <sup>(2)</sup>	1,483	234
Other non-core expense adjustments	4,922	431
CFFO available to common stockholders and unitholders -- diluted	\$ 375,682	\$ 349,652
Diluted CFFO per share and unit	\$ 1.73	\$ 1.63

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

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

## 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	
	March 31, 2019	March 31, 2018
Net (loss) income available to common stockholders	\$ 95,869	\$ 86,298
Interest	101,552	76,985
Loss from early extinguishment of debt	12,886	-
Tax expense	4,266	3,374
Depreciation and amortization	311,486	294,789
<b>EBITDA</b>	<b>526,059</b>	<b>461,446</b>
Unconsolidated JV real estate related depreciation & amortization	3,851	3,476
Severance accrual and equity acceleration	1,483	234
Transaction and integration expenses	2,494	4,178
(Gain) on sale / deconsolidation	(67,497)	(39,273)
Impairment of investments in real estate	5,351	-
Other non-core adjustments, net	(13,806)	431
Noncontrolling interests	4,185	3,468
Preferred stock dividends, including undeclared dividends	20,943	20,329
<b>Adjusted EBITDA</b>	<b>\$ 483,063</b>	<b>\$ 454,289</b>

## Digital Realty Trust, Inc. and Subsidiaries

Reconciliation of Same Capital Cash Net Operating Income  
(in thousands)  
(unaudited)

	Three Months Ended	
	March 31, 2019	March 31, 2018
Rental revenues	\$ 455,668	\$ 463,419
Tenant reimbursements - Utilities	85,962	86,222
Tenant reimbursements - Other	47,661	45,383
Interconnection and other	57,405	55,833
<b>Total Revenue</b>	<b>646,696</b>	<b>650,857</b>
Utilities	99,955	97,779
Rental property operating	98,397	93,417
Property taxes	27,533	27,659
Insurance	2,673	3,325
<b>Total Expenses</b>	<b>228,558</b>	<b>222,180</b>
Net Operating Income	\$ 418,138	\$ 428,677
Less:		
Stabilized straight-line rent	\$ 2,796	\$ 3,337
Above and below market rent	(5,400)	(6,127)
<b>Cash Net Operating Income</b>	<b>\$ 420,742</b>	<b>\$ 431,467</b>



# Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

## Net Debt/LQA Adjusted EBITDA

	<u>QE 03/31/19</u>
Total debt at balance sheet carrying value	\$ 10,279,656
Add: DLR share of unconsolidated joint venture debt	267,404
Add: Capital lease obligations	167,579
Less: Unrestricted cash	(123,879)
Net Debt as of March 31, 2019	\$ 10,590,760

Net Debt / LQA Adjusted EBITDA <sup>(iii)</sup> 5.5x

### (iii) Adjusted EBITDA

Net income available to common stockholders	\$ 95,869
Interest expense	101,552
Loss from early extinguishment of debt	12,886
DLR share of unconsolidated joint venture interest expense	1,899
Taxes	4,266
Depreciation and amortization	<u>311,486</u>
EBITDA	527,958

Unconsolidated JV real estate related depreciation & amortization	3,851
Severance accrual and equity acceleration and legal expenses	1,483
Transaction and integration expenses	2,494
Gain on sale / deconsolidation	(67,497)
Other non-core adjustments, net	(13,806)
Impairment of investments in real estate	5,351
Noncontrolling interests	4,185
Preferred stock dividends, including undeclared dividends	<u>20,943</u>
Adjusted EBITDA	\$ 484,962

LQA Adjusted EBITDA (Adjusted EBITDA x 4) \$ 1,939,848

## Total Debt/Total Enterprise Value

Market value of common equity <sup>(i)</sup>	\$ 25,904,824
Liquidation value of preferred equity <sup>(ii)</sup>	1,476,250
Total debt at balance sheet carrying value	10,279,656
Total Enterprise Value	\$ 37,660,730
Total debt / total enterprise value	<span style="border: 1px solid black; padding: 2px;">27.3%</span>

### (i) Market Value of Common Equity

Common shares outstanding	208,214
Common units outstanding	9,473
Total Shares and Partnership Units	217,688
Stock price as of March 31, 2019	\$ 119.00
Market value of common equity	\$ 25,904,824

### (ii) Liquidation value of preferred equity (\$25.00 per share)

	Shares O/S	Liquidation Value
Series C Preferred	8,050	201,250
Series G Preferred	10,000	250,000
Series H Preferred	14,600	365,000
Series I Preferred	10,000	250,000
Series J Preferred	8,000	200,000
Series K Preferred	8,400	<u>210,000</u>
		1,476,250 <sup>(iv)</sup>

## QE 03/31/19

### Debt Service Ratio (LQA Adjusted EBITDA/GAAP interest expense plus capitalized interest and less bridge facility fees)

Total GAAP interest expense	101,552
Add: Capitalized interest	<u>10,897</u>
GAAP interest expense plus capitalized interest	112,449
Debt Service Ratio	<span style="border: 1px solid black; padding: 2px;">4.3x</span>



# Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

	<u>QE 03/31/19</u>
<b><u>Fixed Charged Ratio (LQA Adjusted EBITDA/total fixed charges)</u></b>	
GAAP interest expense plus capitalized interest	112,449
Scheduled debt principal payments	153
Preferred dividends	20,943
Total fixed charges	<u>133,545</u>
Fixed charge ratio	<b>3.6x</b>

	<u>QE 03/31/19</u>
<b><u>Unsecured Debt/Total Debt</u></b>	
Global unsecured revolving credit facility	842,975
Unsecured term loan	807,726
Unsecured senior notes, net of discount	8,523,462
Secured debt, including premiums	105,493
Capital lease obligations	<u>167,579</u>
Total debt at balance sheet carrying value	<u>10,447,235</u>
Unsecured Debt / Total Debt	<b>99.0%</b>

	<u>QE 03/31/19</u>
<b><u>Net Debt Plus Preferred/LQA Adjusted EBITDA</u></b>	
Total debt at balance sheet carrying value	10,279,656
Less: Unrestricted cash	(123,879)
Capital lease obligations	167,579
DLR share of unconsolidated joint venture debt	<u>267,404</u>
Net Debt as of March 31, 2019	10,590,760
Preferred Liquidation Value <sup>(iv)</sup>	<u>1,476,250</u>
Net Debt plus preferred	<u>12,067,010</u>
Net Debt Plus Preferred/LQA Adjusted EBITDA <sup>(iii)</sup>	<b>6.2x</b>

