



Global. Connected. Sustainable.

INVESTOR PRESENTATION

FEBRUARY 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	Fourth quarter 2018 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

214

DATA CENTERS ⁽¹⁾



34+

MILLION RENTABLE
SQUARE FEET ⁽²⁾



DIGITAL REALTY

\$23 Bn

EQUITY MARKET
CAPITALIZATION ⁽³⁾

\$35 Bn

ENTERPRISE
VALUE ⁽³⁾

8th

LARGEST PUBLICLY
TRADED U.S. REIT ⁽⁴⁾

2016
MAY

ADDED TO THE
S&P 500 INDEX

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



2,300+

CUSTOMERS

Investment Grade Ratings ⁽⁵⁾

FitchRatings **BBB**

MOODY'S **Baa2**

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

Note: Data as of December 31, 2018 unless otherwise noted.

1) Includes investments in eighteen properties held in unconsolidated joint ventures.

2) Includes 3.4 million square feet of active development and 2.1 million square 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 December 31, 2018. 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 Credit ratings are not recommendations to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion.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.



The Next Horizon

Three-Year Guideposts



OUR FOCUS

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

1

SUPERIOR RETURNS

Deliver superior risk-adjusted total returns

2

CAPITAL ALLOCATION

Prudently allocate capital to opportunistically extend global campus footprint

3

PRODUCT OFFERINGS

Drive higher returns on the asset base by diversifying product offerings

4

OPERATING EFFICIENCIES

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



Subsequent Events

Expanding Global Platform, Extending Balance Sheet Leadership

12 yrs.

"five nines" of uptime

6.93%

14th consecutive
common stock dividend
increase

7.35%

Series H Preferred
redemption
announced

€1.1 Billion

Green Euro
bond issuance

5.875%

Senior notes
redemption

80 MW

Renewable energy
agreement with
Facebook

50 MW

Singapore land
purchase

6 Metros

Internet exchange
expansion to Chicago
and Northern Virginia



Supporting Our Customers' Growth

Full Spectrum of Data Center Solutions Across a Global Platform



DIGITAL REALTY

214

DATA CENTERS ⁽¹⁾

13

COUNTRIES ⁽¹⁾

35

METROPOLITAN AREAS ⁽¹⁾

34+

MILLION RENTABLE SQ. FT. ⁽¹⁾⁽²⁾

INTERCONNECTION • COLOCATION • SCALE • HYPER-SCALE

Note: Data as of December 31, 2018 unless otherwise noted.

1) Includes investments in eighteen properties held in unconsolidated joint ventures.

2) Includes 3.4 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



2,300+
Customers



Comprehensive
Product Offering



Global
35 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?



DIGITAL REALTY

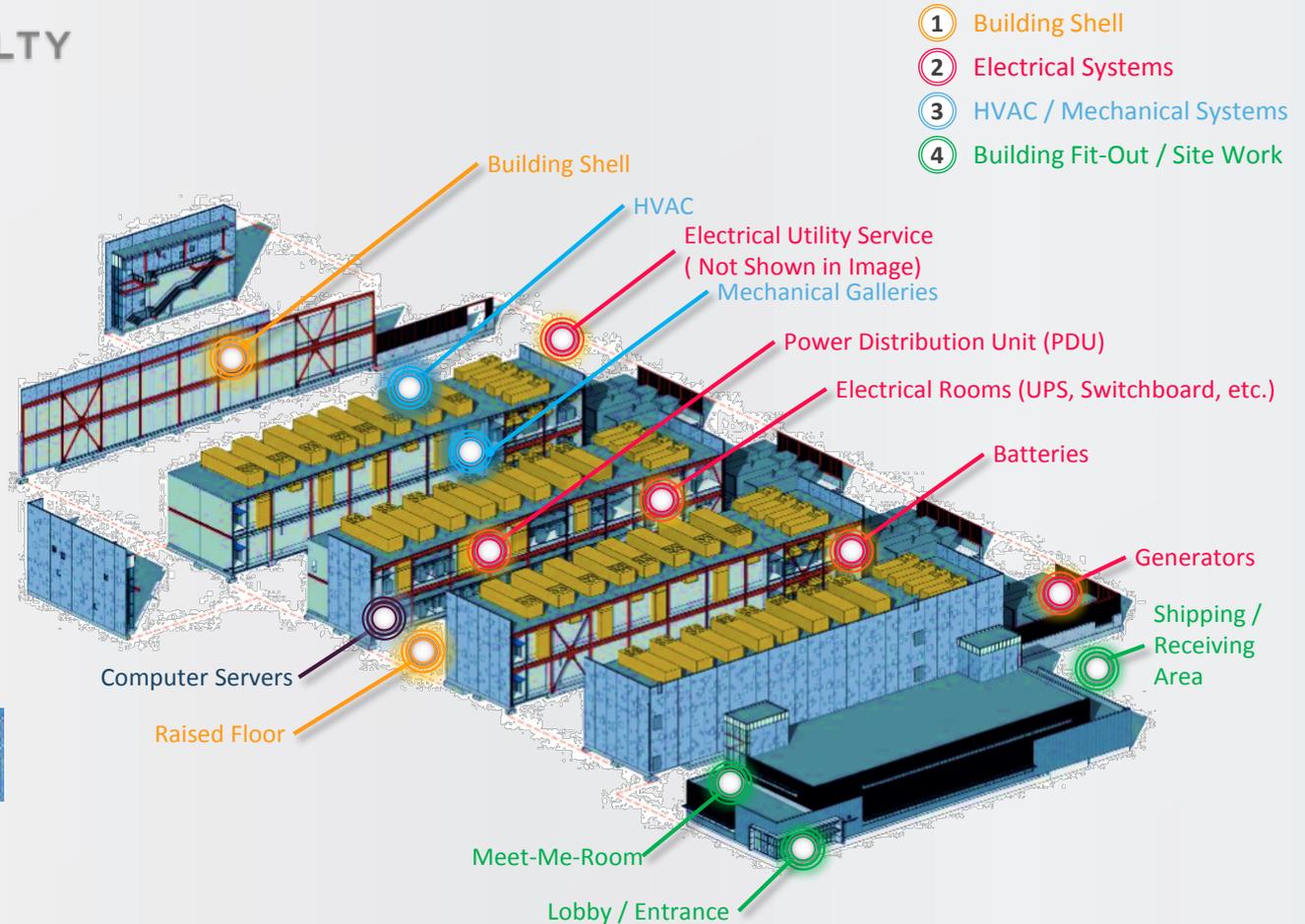
Data Center Layout

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

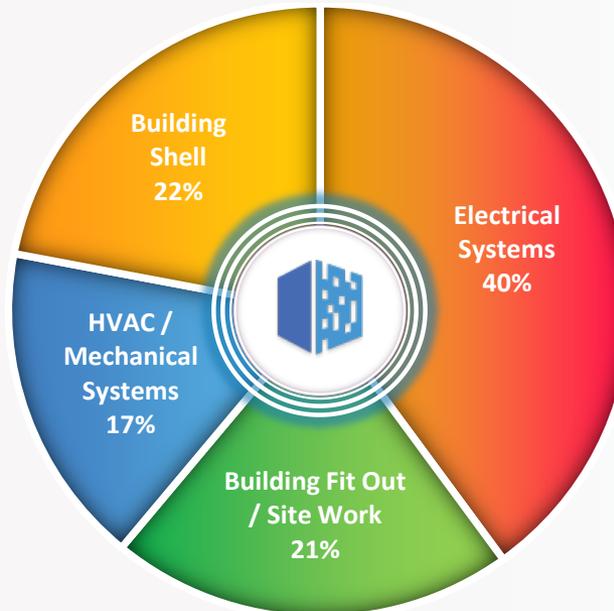


- Computer Room Air Conditioner (CRAC Unit)
- Air Cooled Chillers
- Central Chilled Water Plant



DIGITAL REALTY

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

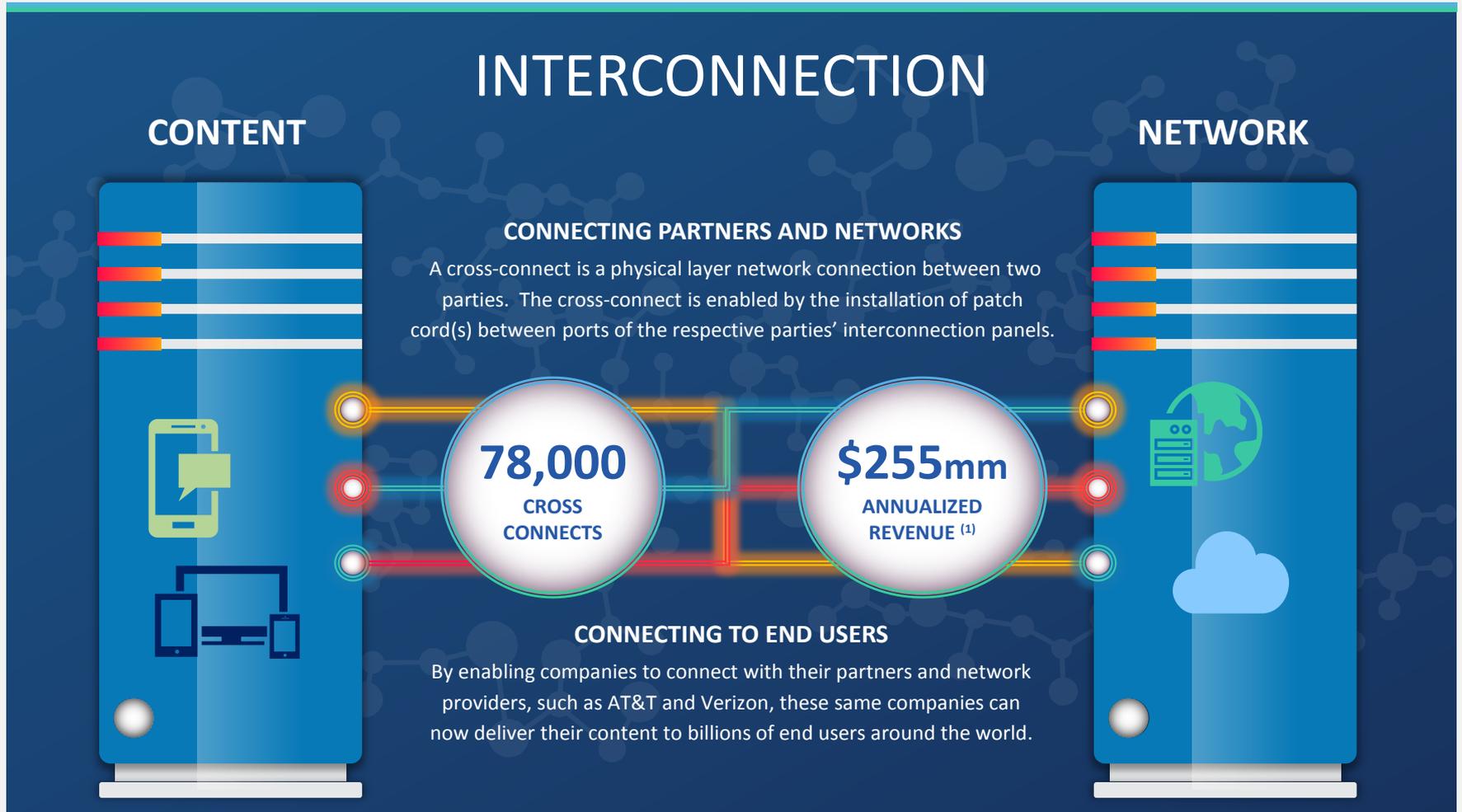
Privately and securely connecting to cloud services

Enabling Internet peering and multi-cloud access



Interconnection

What is a Cross-Connect?



As of December 31, 2018.

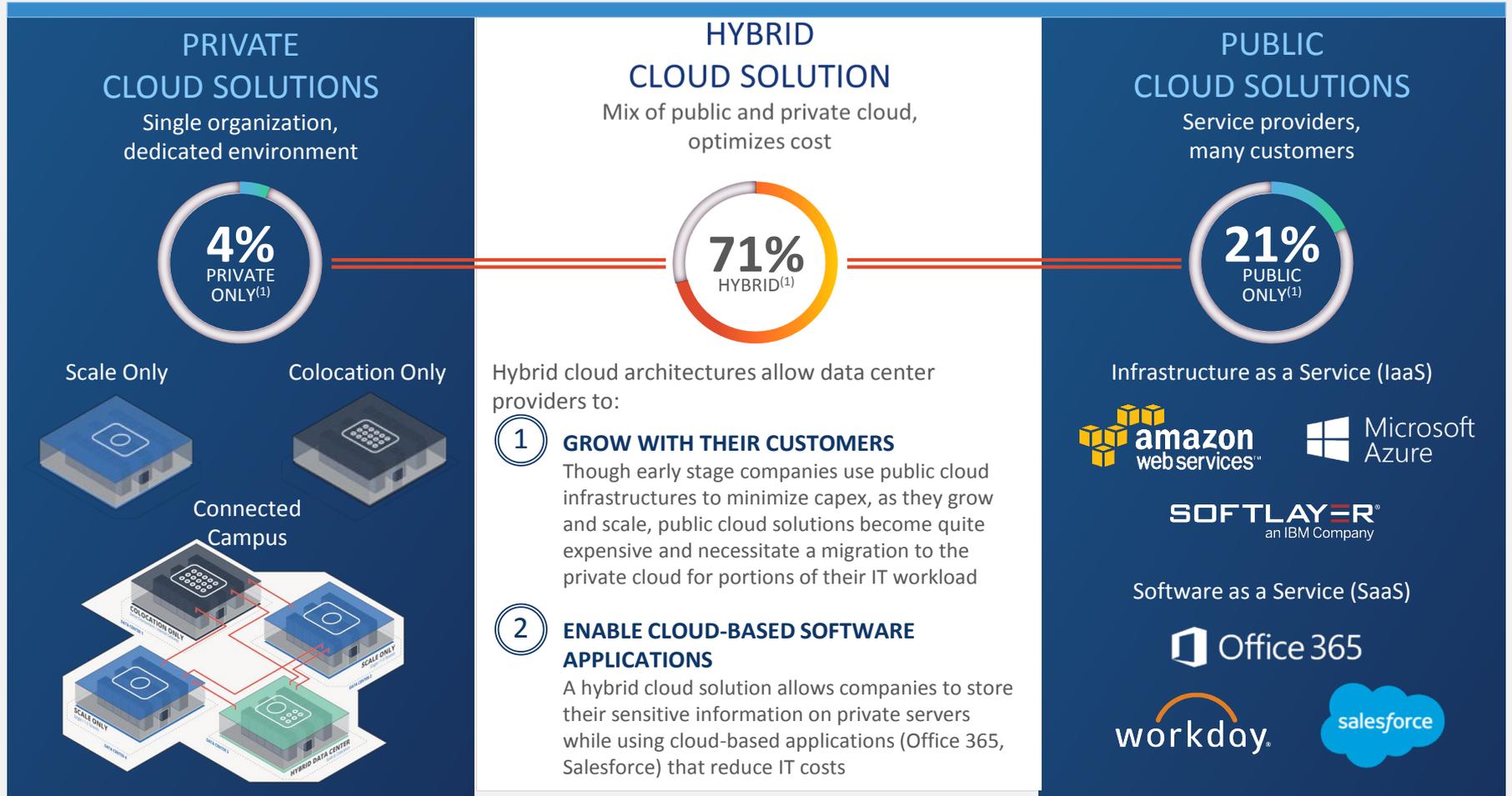
1) Annualized revenue defined as Interconnection & Other Revenue for 4Q18 multiplied by four.



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 2018 State of the Cloud Report. Based on 96% 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)



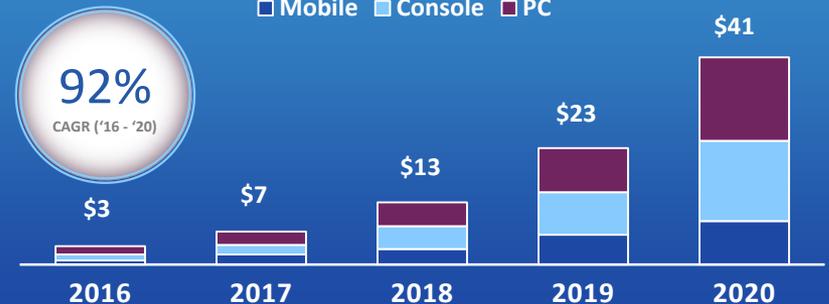
AUTONOMOUS VEHICLES MARKET FORECAST (3)

(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: Statista – November 2016



The Expanding Digital Universe Inside the Data Growth Explosion

EXPLOSIVE GROWTH IN DATA (1,2,3)



Increase in data rich content and connected devices ('Internet of Things')



Emergence of new technologies requiring significant compute power



Growing consumer and business reliance on internet connectivity



DATA CREATED PER MINUTE (4,5)

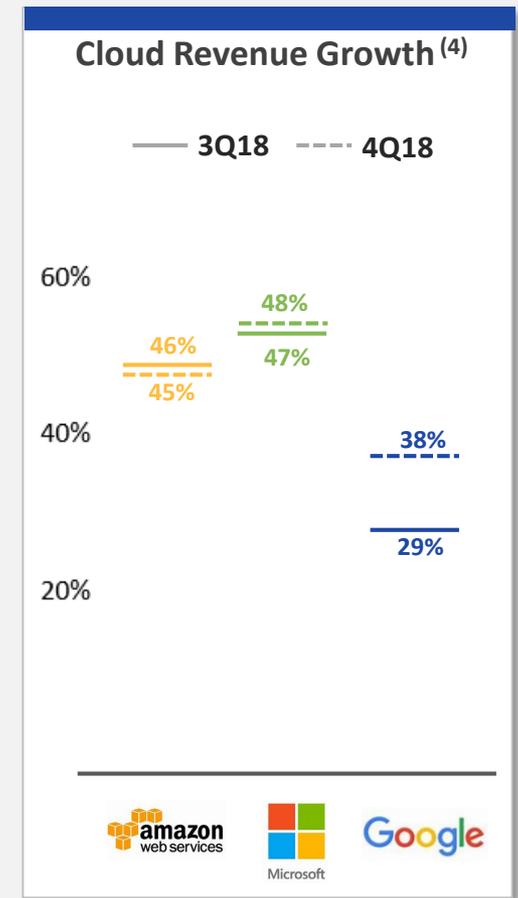
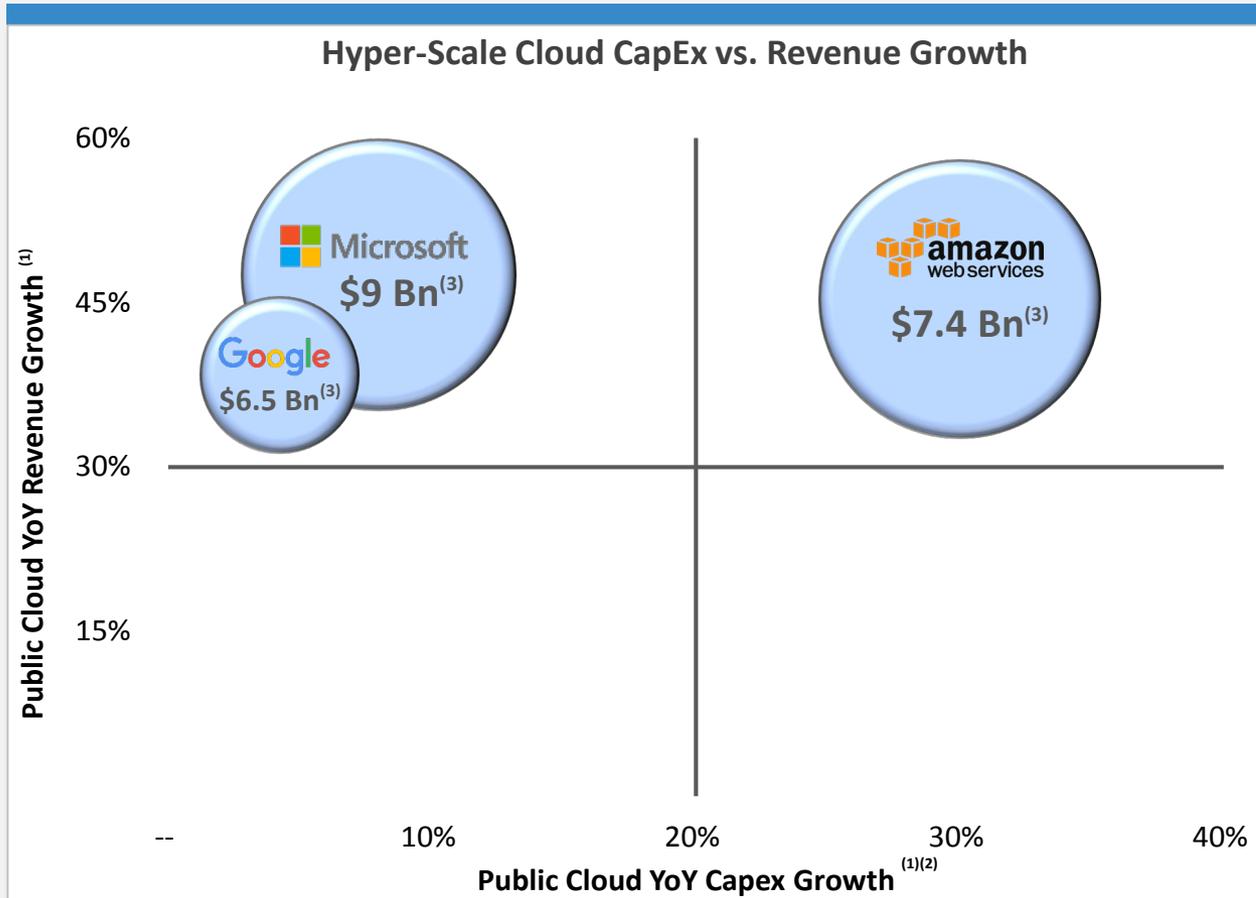
By 2020, an estimated 1.7 MB of data will be created for every person on earth per second



1) Source: Cisco, "Global Cloud Index," "Visual Networking Index," and "Mobile Visual Networking Index," 2016-2021.
 2) Source: Cisco, "Visual Networking Index Predicts Global Annual IP Traffic to Exceed Three ZB by 2021," June 2017.
 3) Source: IBM, "10 Key Marketing Trends for 2017," 2017.
 4) Source: DOMO, "Data Never Sleeps 6.0," June 2018.
 5) Source: Facebook, "Earnings Presentation," Q3 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 4Q18.

4) Year-over-year growth in cloud revenue for 4Q18 and 3Q18, respectively.



Hyperscale Data Centers Poised for Significant Growth

HYPERSCALE DOMINATING DEMAND

MAJOR CLOUD PROVIDERS



SOFTWARE AS A SERVICE (SaaS)



INTERNET, SEARCH AND SOCIAL NETWORKS

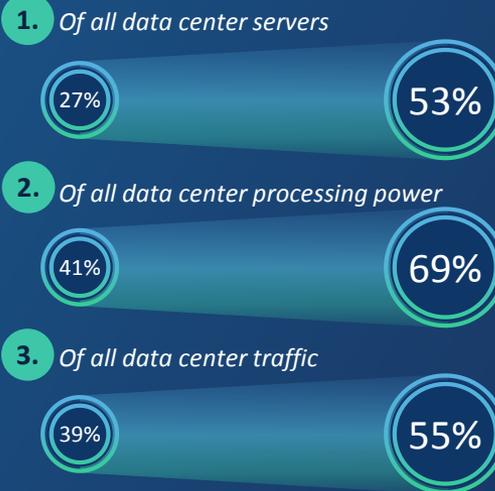


LARGE, QUALITY-CREDIT, SOPHISTICATED INSTITUTIONS WITH VERY LARGE-SCALE REQUIREMENTS

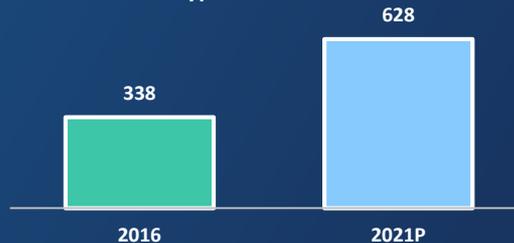
DRIVING HYPERSCALE DATA CENTER IMPORTANCE

TODAY

2021 ⁽¹⁾



Number of Hyperscale Data Centers ⁽¹⁾

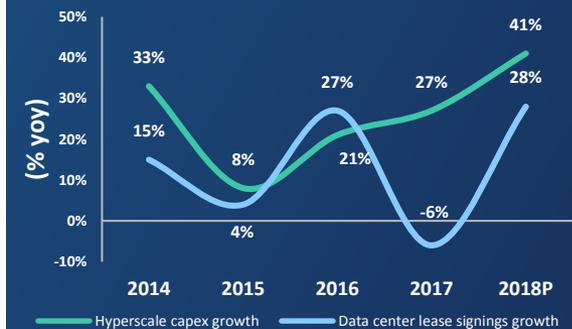


AND BOLSTERING LEASING

HYPERSCALE CAPEX VS. DATA CENTER LEASING ⁽²⁾



HYPERSCALE CAPEX VS. DATA CENTER LEASING ⁽²⁾



1) Source: Cisco, "Global Cloud Index," 2016-2021.

2) Source: UBS, "Data Centers: 3Q Snapshot," October 2018.

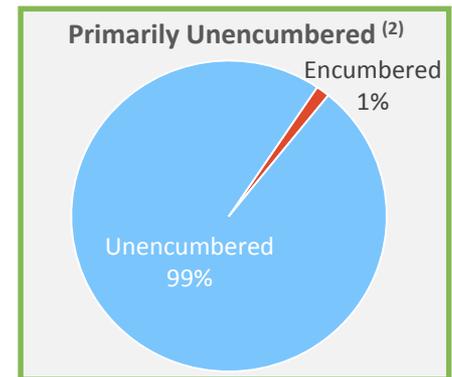
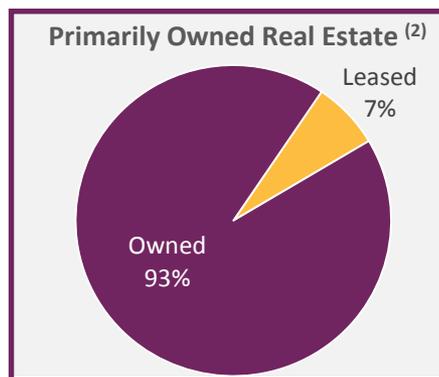
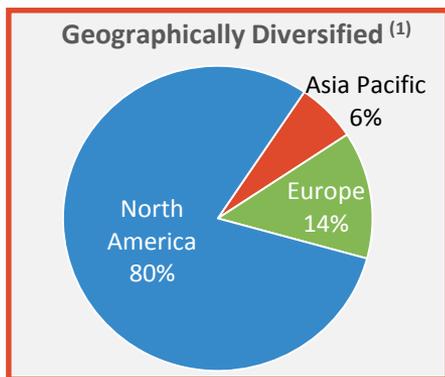
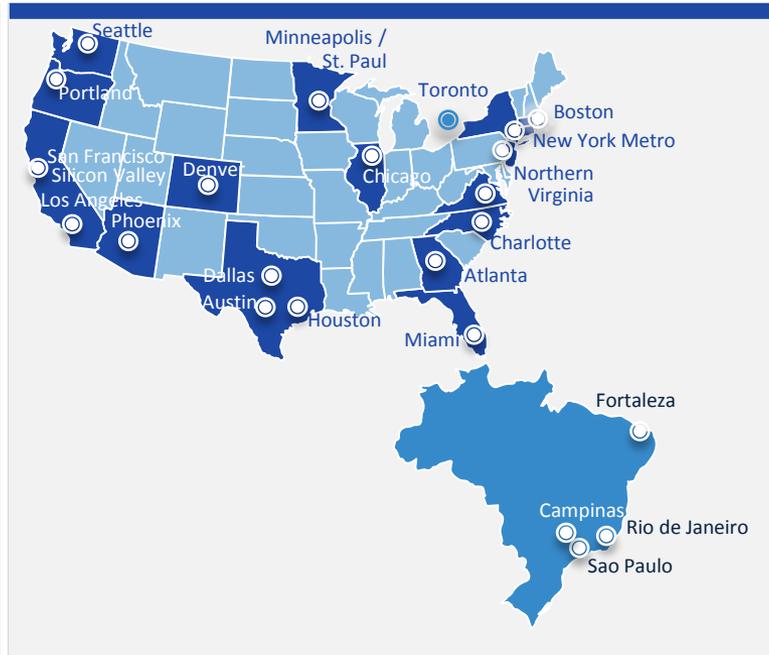


Global Platform

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 December 31, 2018, multiplied by 12. Figures do not include impact of Ascenty acquisition.

2) Based on Net Operating Income as of December 31, 2018. For a definition of Net Operating Income, please see the Appendix.



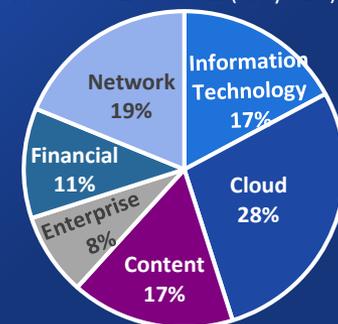
High-Quality, Diversified Customer Base

Numerous Customers with Multiple Locations Across the Portfolio

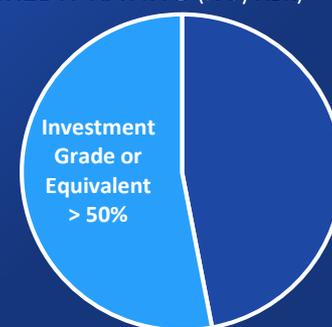
TOP 20 CUSTOMERS

Customer Rank	Locations	% of ABR ⁽¹⁾	Customer Rank	Locations	% of ABR ⁽¹⁾
1 facebook	18	6.8%	11 Fortune 500 SaaS Provider	8	1.9%
2 IBM	28	6.4%	12 at&t	59	1.8%
3 Fortune 50 Software Company	17	6.2%	13 COMCAST	26	1.5%
4 Cyxtera	19	3.5%	14 JPMORGAN CHASE & CO.	16	1.5%
5 Fortune 25 Investment Grade-Rated Company	11	3.5%	15 DXC.technology	11	1.5%
6 ORACLE	20	3.2%	16 U B E R	5	1.4%
7 EQUINIX	21	2.6%	17 CenturyLink	80	1.2%
8 rackspace	12	2.5%	18 CHINA TELECOM	10	1.2%
9 Linked in	7	2.4%	19 SUNGARD AVAILABILITY SERVICES	11	1.1%
10 verizon	66	2.3%	20 Charter COMMUNICATIONS	18	1.0%

CUSTOMER TYPE (% by ABR) ⁽¹⁾



CREDIT RATING (% by ABR) ⁽¹⁾⁽²⁾



TOTAL ANNUALIZED BASE RENT

53.5%

Note: As of December 31, 2018. 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. Does not include the impact of the recently acquired Ascenty portfolio.

1) Calculation based on annualized base rents (monthly contractual cash base rent before abatements under existing leases as of December 31, 2018 multiplied by 12).

2) Based on the credit ratings of Digital Realty's top 100 customers credit ratings 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

↑
Increasing Complexity & Differentiation

CLOUD SERVICES

IaaS
SaaS
PaaS

MANAGED SERVICES

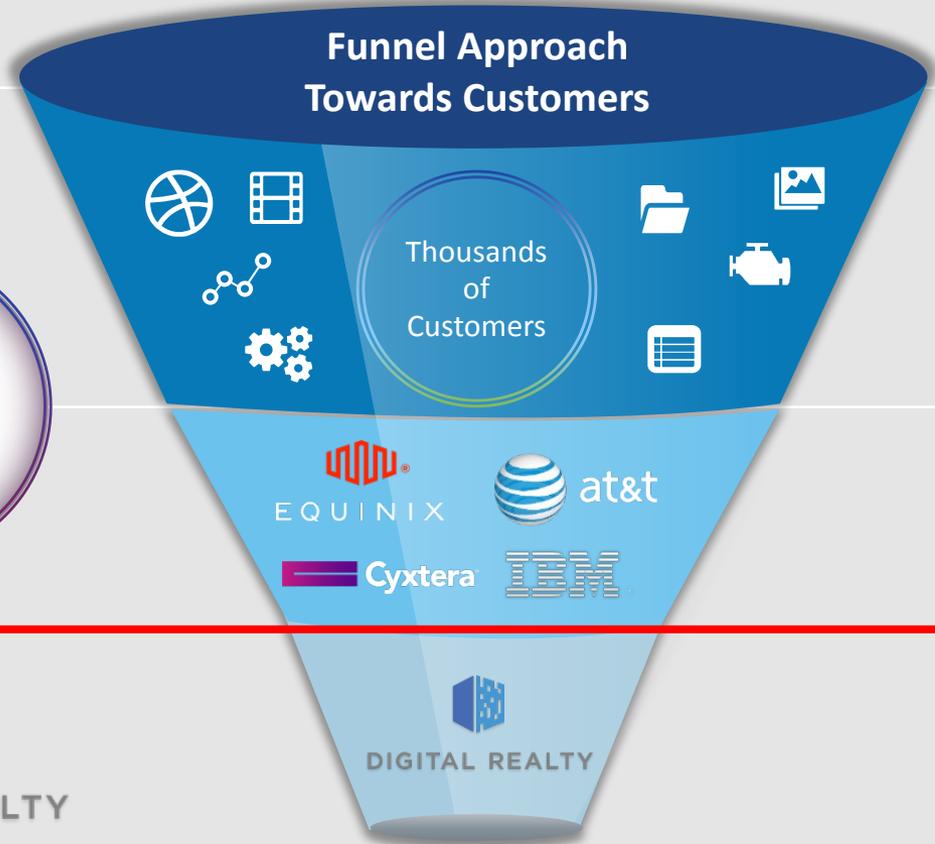
Professional Services
Managed Hosting
Business Continuity

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

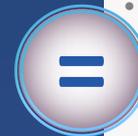
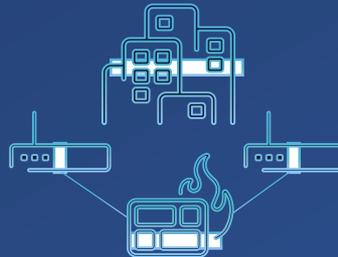
AT&T Network

- **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

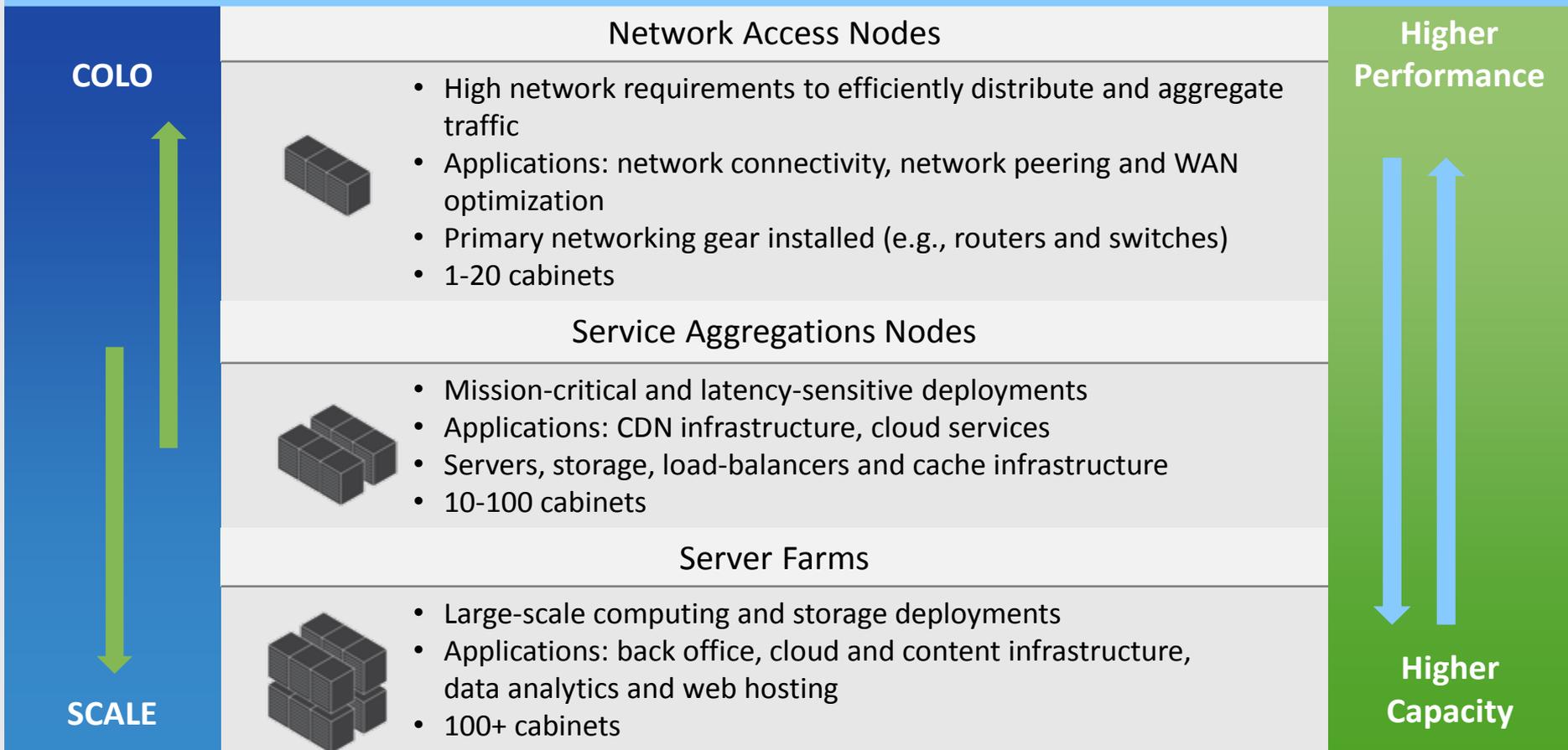
SOLVING FOR THE COMPLETE
DEPLOYMENT; LAND AND EXPAND



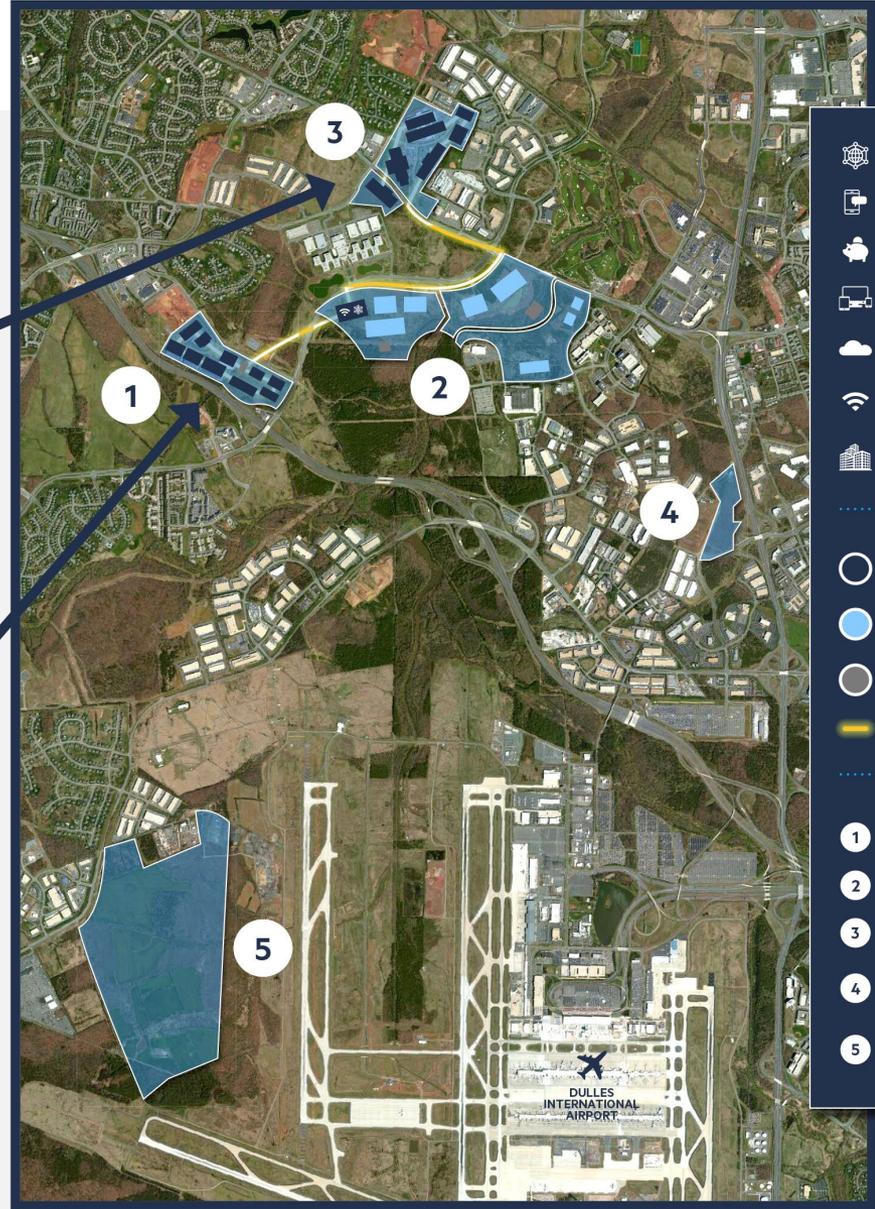
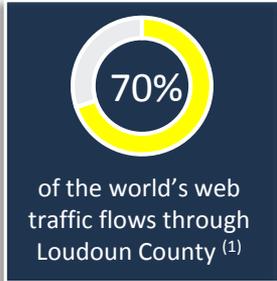
Multi-Tiered Cloud Architectures

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 8th 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

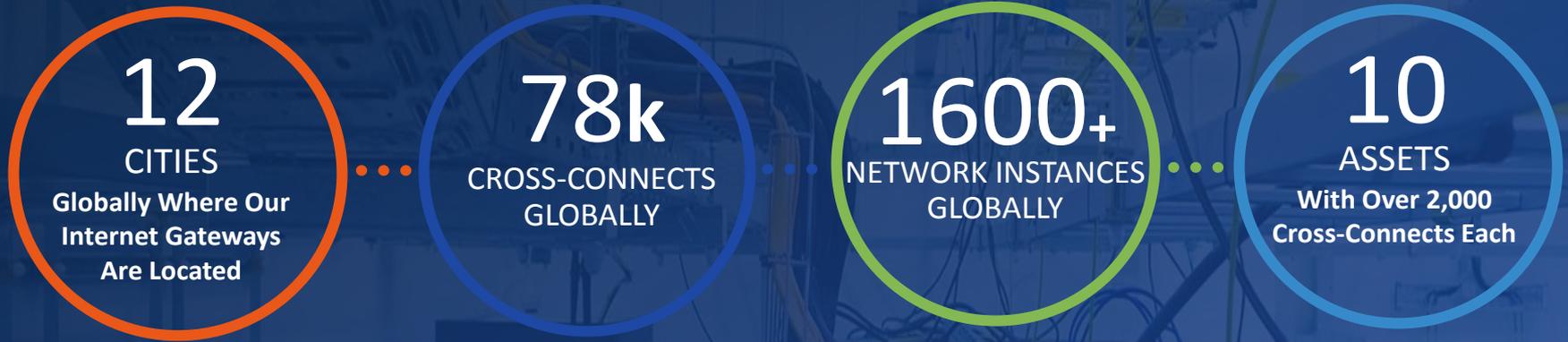


WOKING

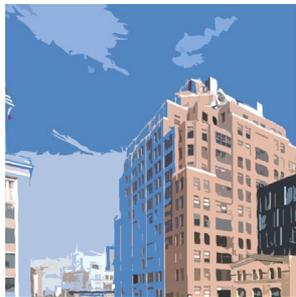


Digital Realty is the Edge

Network Density That Promotes Innovation and Collaboration



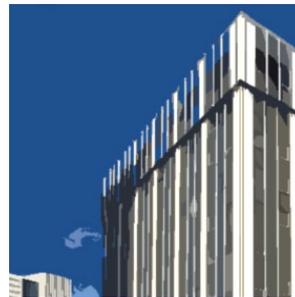
50,000+ Cross-Connects and 630+ Networks:



111 8th AVENUE



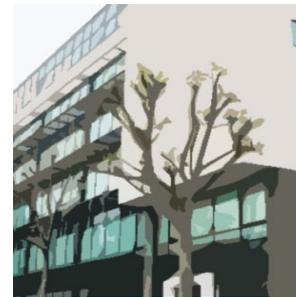
60 HUDSON



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



Private Access to
SaaS Applications

\$71 Bn
SaaS Market ⁽¹⁾

Note: Data as of December 31, 2018 unless otherwise specified.

1) Source: Gartner. Represents estimated SaaS market size in 2018.



Attractive Growth Prospects

ORGANIC GROWTH COMBINED
WITH LEASE-UP OPPORTUNITY

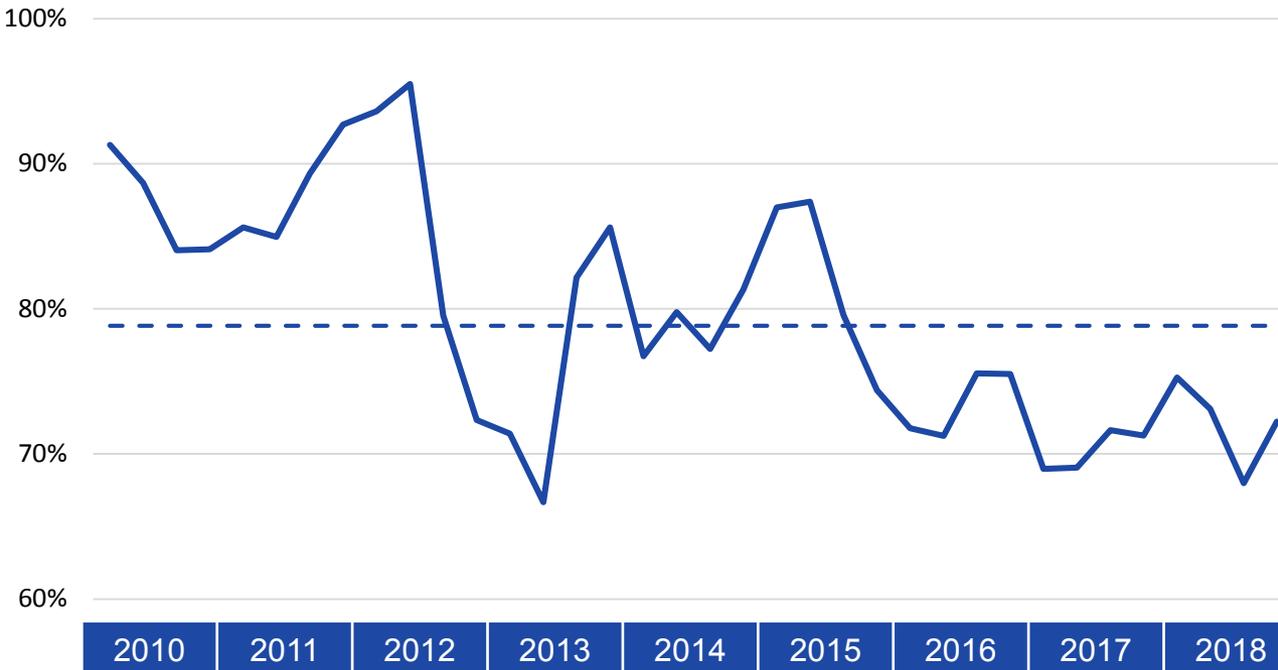


Committed to a Secure and Growing Dividend

Fourteen Consecutive Years of Dividend Increases

Historical Retention on Rentable Square Feet ⁽¹⁾

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



Note: As of December 31, 2018.

1) Represents trailing 12-month average.

2) Estimates provided by Align Communications – March 2019.

\$15 – \$30
million

approximate cost of a new 1.125 MW data center deployment⁽²⁾

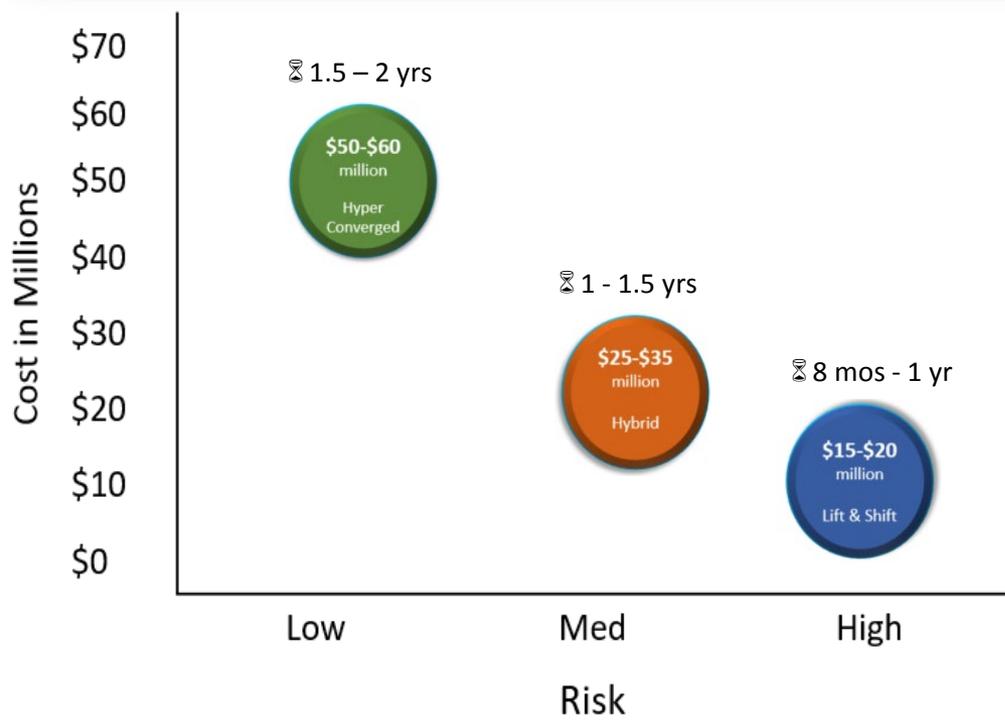
\$15 – \$20
million

approximate cost to migrate a 1 MW data center to a new facility⁽²⁾



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 Ft² 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

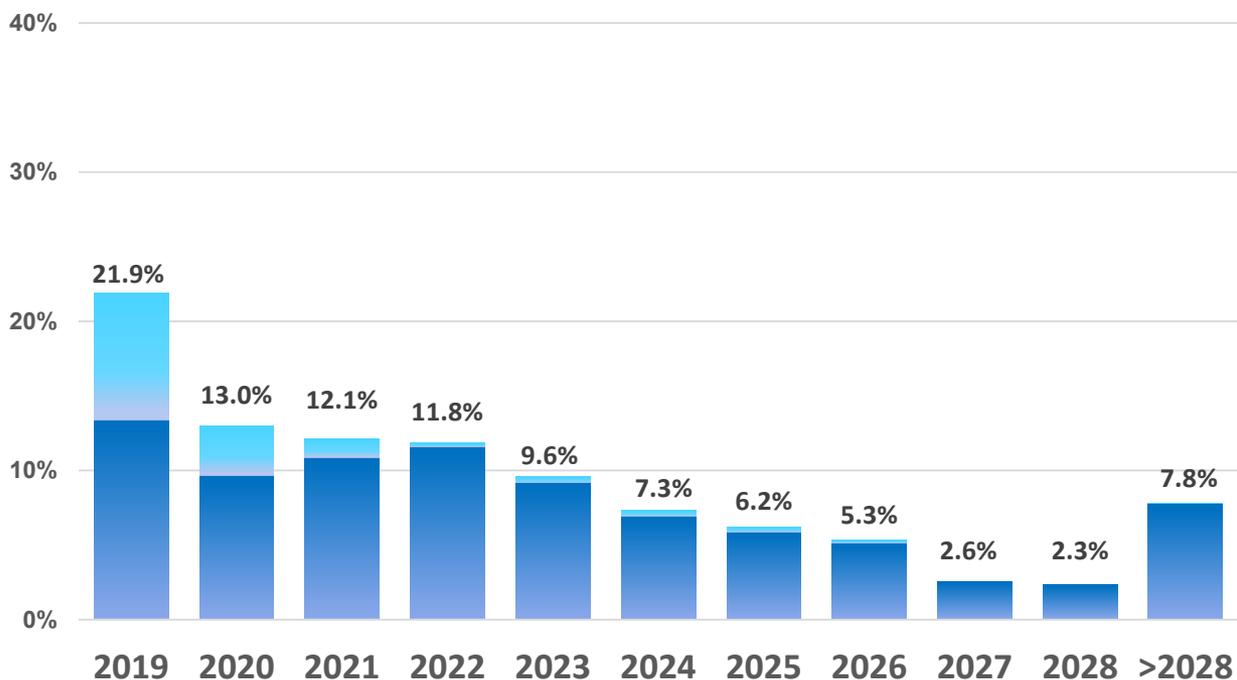
Note that costs may vary based on: data center network and cabling design, the amount of seed hardware required, the use of consulting vs internal resources, the distance between data centers and other various factors

Evenly-Staggered Lease Expiration Schedule

Consistent, Modest Roll-Over Exposure in Any One Year

% of Lease Expirations by Annualized Base Rent ⁽¹⁾

■ Scale ■ Colocation



Note: As of December 31, 2018

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 December 31, 2018 multiplied by 12.

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

2% - 4%

Annual cash rental rate increases ⁽²⁾

4.6 years

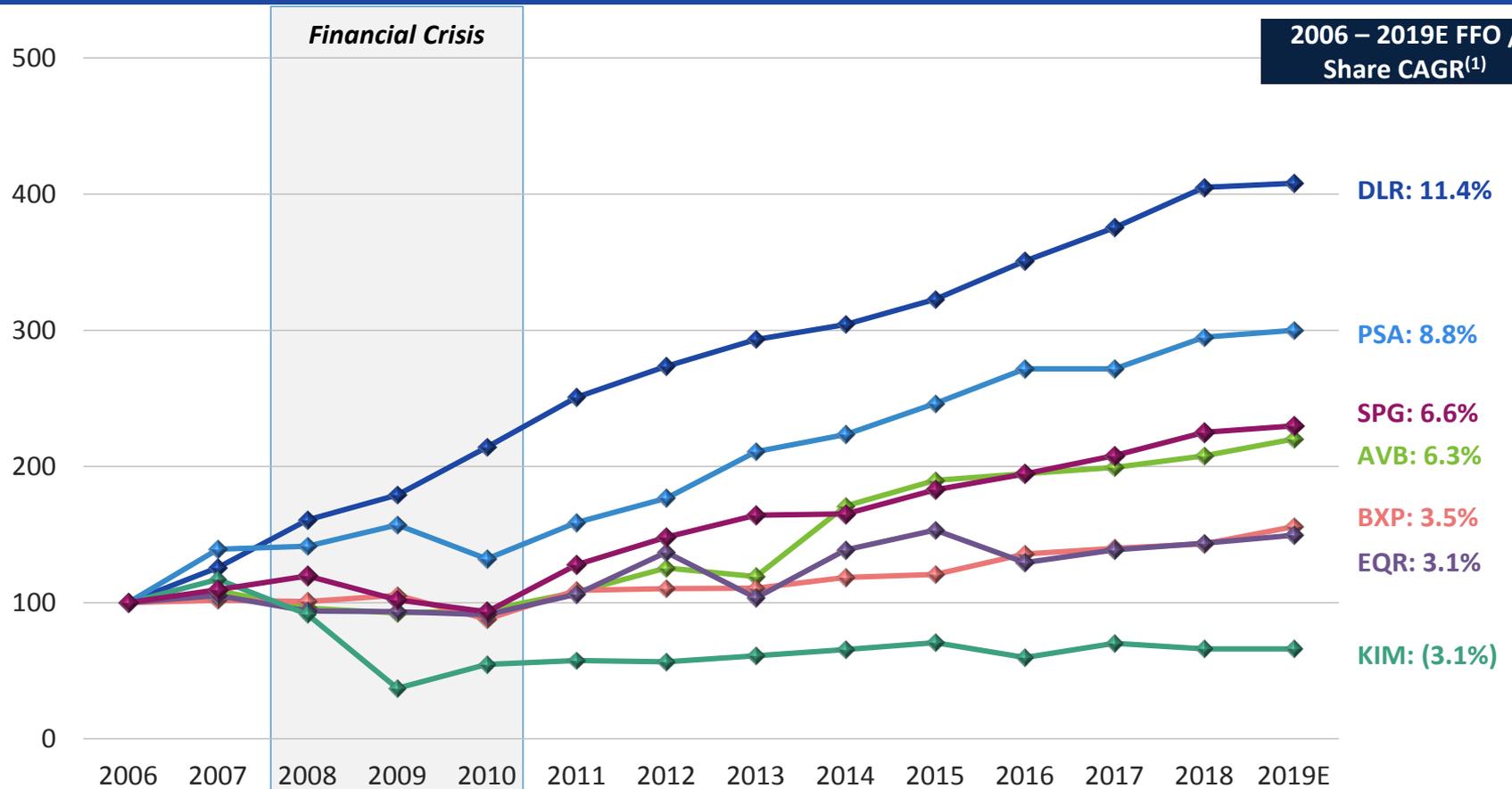
Weighted avg. remaining lease term



Uninterrupted Growth throughout the Cycle

Cyclical Agnostic Performance Compares Favorably

Thirteen Consecutive Years of Positive Growth



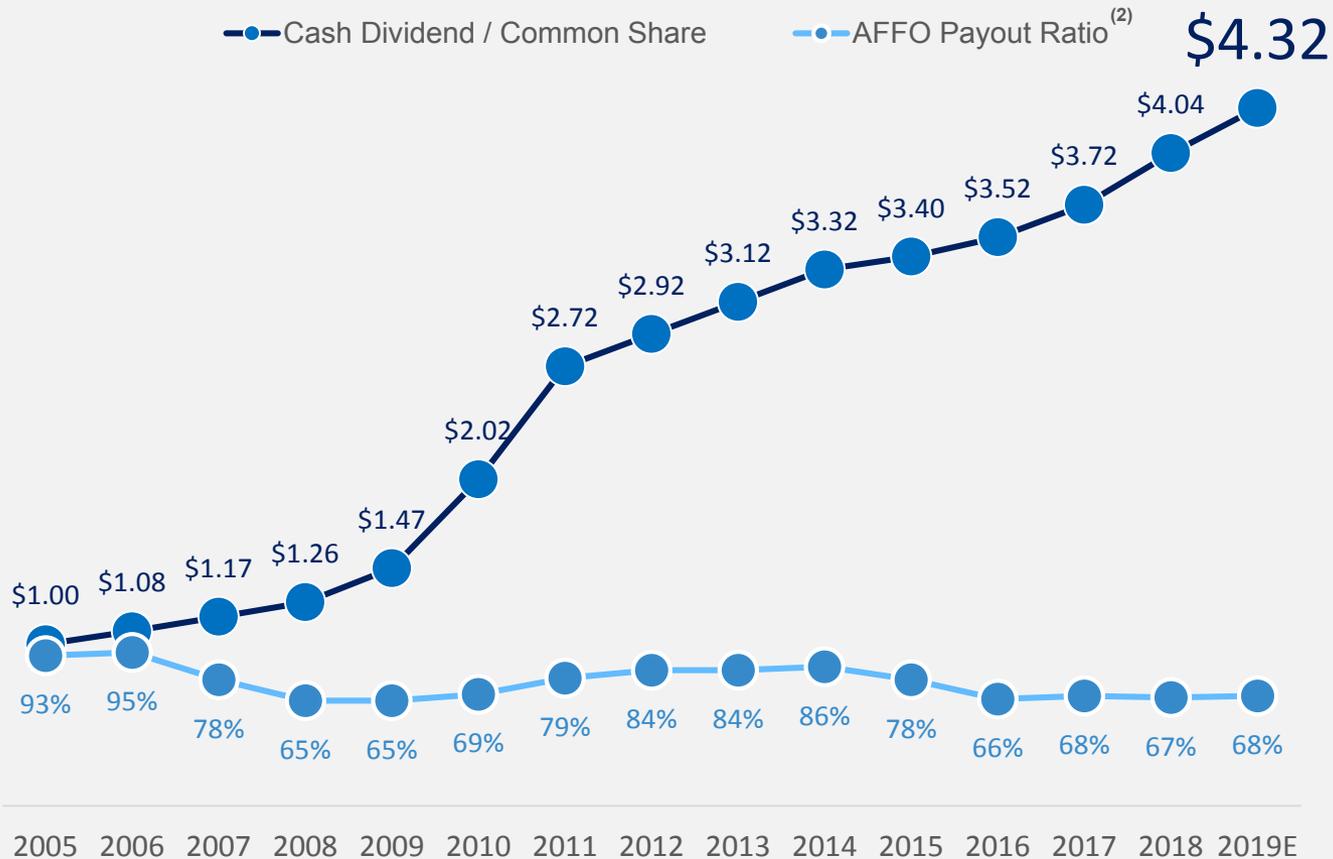
Sources: Company Filings and SNL Financial as of February 21, 2019.

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 February 5, 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⁽¹⁾

11%
CAGR
(2005 – 2019E)

1) Dividend yield based on December 31, 2018 closing stock price of \$106.55 and annualized 4Q18 dividend.

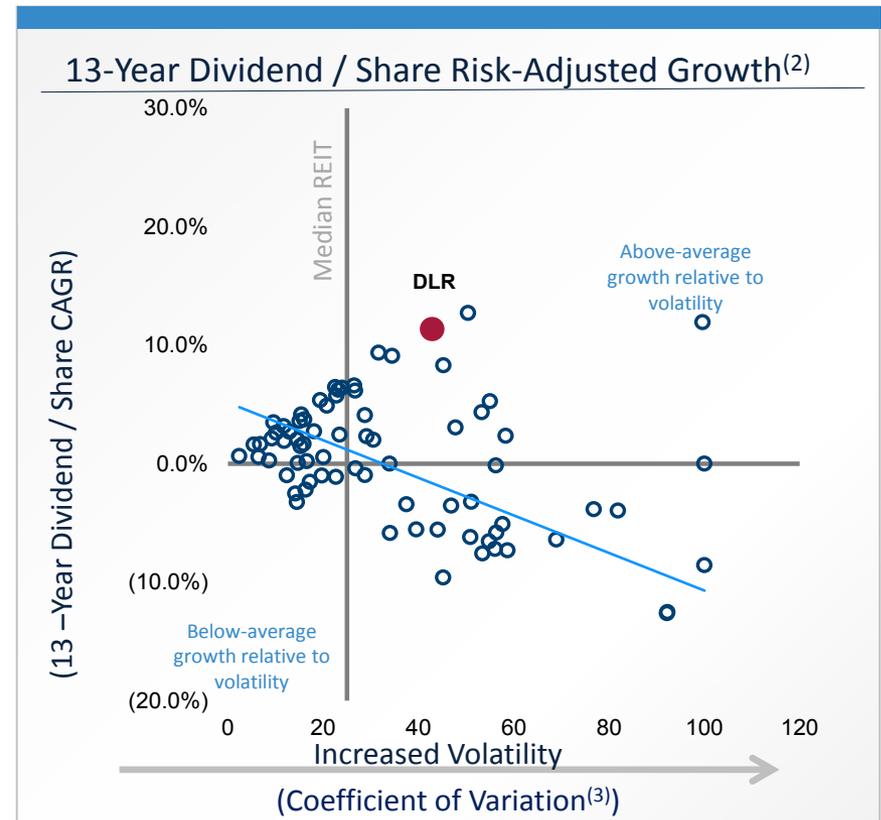
2) AFFO is a non-GAAP financial measure. For a description of AFFO and a reconciliation to net income, see the Appendix.



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.

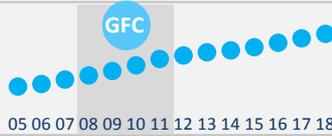
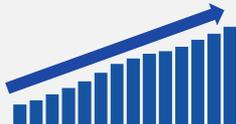
2) Dividend per share CAGR calculated using 2005 and 2018 actuals.

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 ⁽¹⁾

<p>1 Adequate Size of the Enterprise</p>	<p>\$35 Bn ENTERPRISE VALUE ⁽²⁾</p>
<p>2 Sufficiently Strong Financial Condition</p>	<p>BBB / Baa2 / BBB INVESTMENT GRADE BALANCE SHEET</p>
<p>3 Earnings Stability</p>	 <p>+ GROWTH IN CORE FFO / SH EACH AND EVERY YEAR</p>
<p>4 Dividend Record</p>	 <p>11% CAGR UNINTERRUPTED GROWTH IN DIVIDENDS PER SHARE</p>
<p>5 Earnings Growth</p>	 <p>12% CAGR IN CORE FFO PER SHARE SINCE 2006</p>
<p>6 Moderate Price / Earnings Ratio</p>	<p>17x PRICE / 2019E CORE FFO ⁽³⁾</p>
<p>7 Moderate Price to Assets Ratio</p>	<p>3% PREMIUM TO CONSENSUS NAV ⁽⁴⁾</p>

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

2) As of December 31, 2018. Includes Digital Realty's pro rata share of unconsolidated joint venture debt.

3) Based on closing stock price of \$115.04 on February 26, 2019 and the mid-point of 2019 core FFO per share guidance of \$6.60 - \$6.70.

4) Based on SNL consensus NAV of \$111.12 on February 26, 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 4Q18 Earnings Press Release and Supplemental Information, which was furnished to the SEC on February 5, 2019.



Delivering Superior Risk-Adjusted Returns

Investing Opportunistically to Expand the Global Platform

LONG-TERM VALUE CREATION



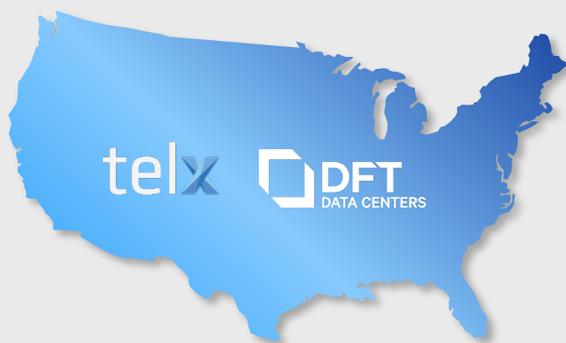
Prudent Capital Allocation

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

Track record of sustainable project investment

- Successfully allocated \$493 million of proceeds from data center industry's first green bond
- Signed long-term contract to purchase 100% renewable energy for US colocation and interconnectivity business

Industry-leading clean energy solutions

- 184 MW of renewable wind and solar projects under contract in the US
- #6 in EPA Green Power Partnership Tech and Telecom sector for renewable energy⁽¹⁾

Award-winning data center designs and third-party certification

- 55 green building certifications globally
- 3 new LEED™ certified green buildings developed in 2017, 2 LEED certifications in 2018 (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
- Successful track record of Energy Star accreditation

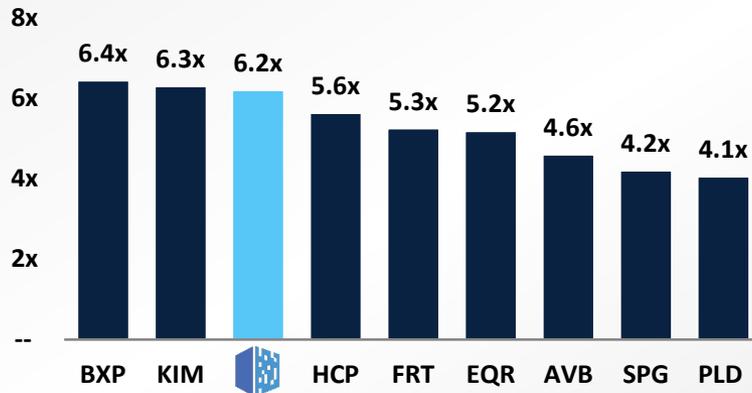


1. Ranking for EPA's Top 30 Tech and Telecom list of largest green power users as of December 31, 2017.

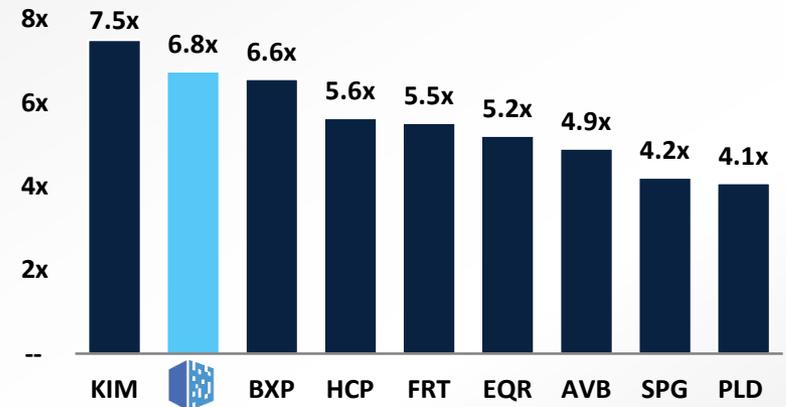


Credit Metrics Compare Favorably To Blue Chip REITs Committed to a Conservative Capital Structure

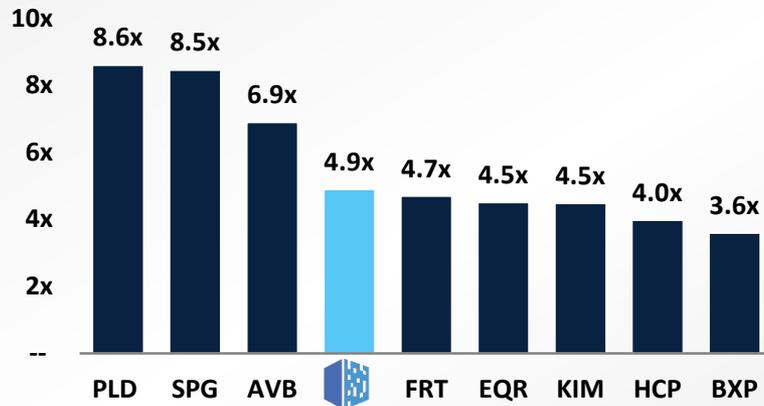
Net Debt / LQA Adjusted EBITDA⁽¹⁾



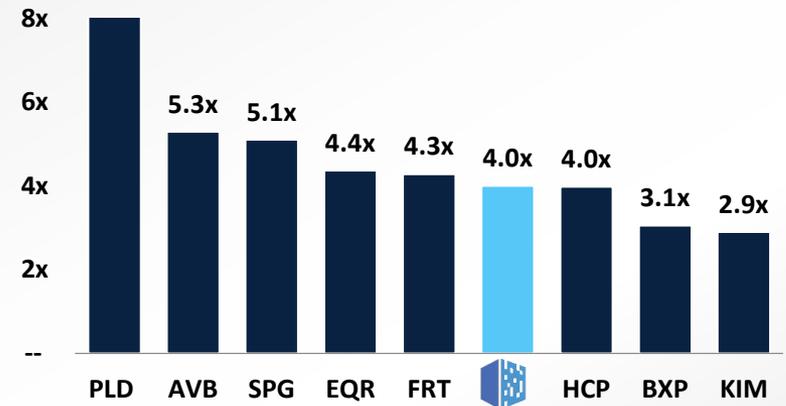
Net Debt + Preferred / LQA Adjusted EBITDA⁽¹⁾



Interest Coverage⁽¹⁾⁽²⁾



Fixed Charge Coverage⁽¹⁾⁽³⁾



Source: Company calculations based on 4Q18 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 December 31, 2018.

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

FOURTH QUARTER 2018 HIGHLIGHTS

Note: The slides in this section were originally posted to the Company's website on February 5, 2019 and have not been updated to reflect changes occurring after that date.

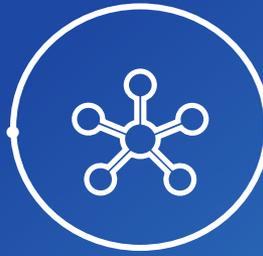


Navigating the Future

Sustainable Growth for Customers, Shareholders & Employees



GLOBAL



CONNECTED



SUSTAINABLE



Navigating the Future Sustainable Growth for Customers, Shareholders & Employees

Ascenty

Leading data center provider in Latin America, providing a full spectrum of offerings, including colocation and connectivity to hyperscale deployments

16
STATE-OF-THE-ART
DATA CENTERS

108
TOTAL PLANNED
CAPACITY (MW)



Leading Position in Rapidly Growing Latin American Region



8th

LARGEST ECONOMY
BY 2018E GDP PER
INTERNATIONAL MONETARY FUND



5th

LARGEST POPULATION IN
2018

#1 Market Share

ASCENTY HAS THE LEADING MARKET SHARE
IN BRAZIL AMONG MULTI-TENANT
DATA CENTER PROVIDERS⁽³⁾

Unparalleled Expertise to Execute in Latin America



DIGITAL REALTY

Leading global provider of
data center, colocation
and interconnection
solutions for customers
across a variety of verticals

214
GLOBAL DATA
CENTERS

Brookfield

Leading global asset
manager with 115 years of
experience owning and
operating real assets

\$42+ Bn
AUM
IN BRAZIL

Ascenty

Highly experienced
management team with a
proven track record in
Latin America

100+ Years
OF COMBINED
EXPERIENCE

Source: Ascenty management, International Monetary Fund and 451 Research (April 2018).

Note: Data as of December 31, 2018. Includes signed but not yet commenced leases and leases pending execution that are subject to closing or other conditions under the Share Purchase Agreement.

1) Based on net rentable square feet currently in-service.

2) Figures based on remaining contractual cash rent, including signed but not yet commenced leases and leases pending execution that are subject to closing or other conditions under the Share Purchase Agreement.

3) Market share based on megawatts. Ascenty includes additional capacity expected to be built at data centers under construction.



Industry-Leading Sustainability Track Record and Commitment to Energy Efficiency



Nareit 2018
Leader in the Light
Award Winner

Received Nareit's
2018 data center
"Leader in the
Light" award



ENERGY
STAR
PARTNER

Earned EPA ENERGY
STAR® certification
for superior energy
performance in 24
data centers in 2018



SRP

Enrolled in new
solar energy
program to source
renewable energy
in Arizona



The
Green Bond
Principles

Issued first data
center green
Euro bond ⁽¹⁾

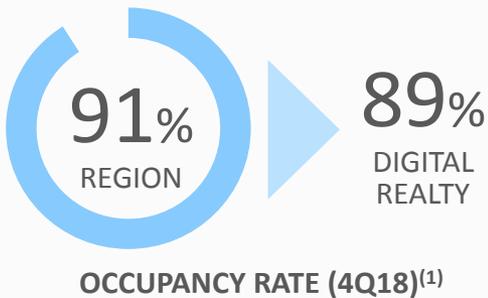
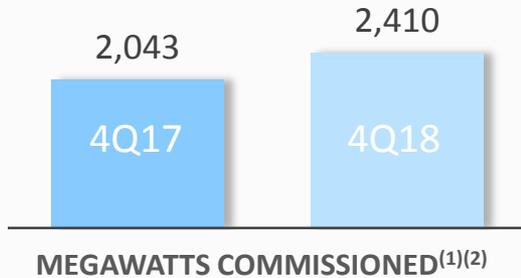
1) Issued January 2019



Firm Fundamentals

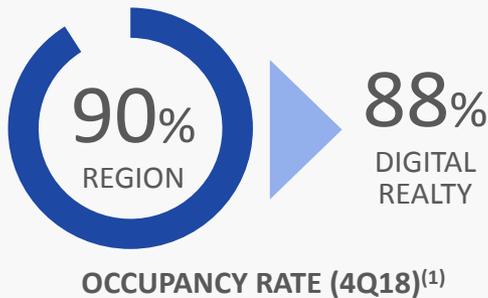
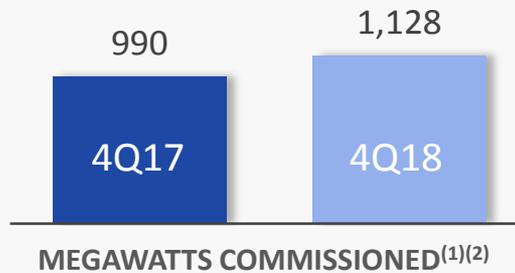
Robust Demand, Rational Supply

NORTH AMERICA



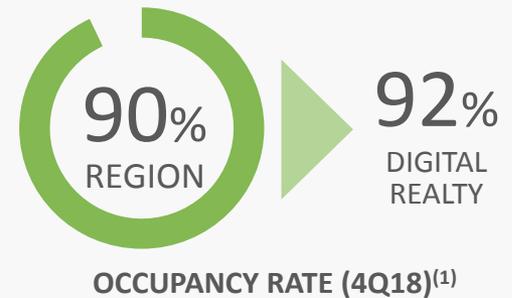
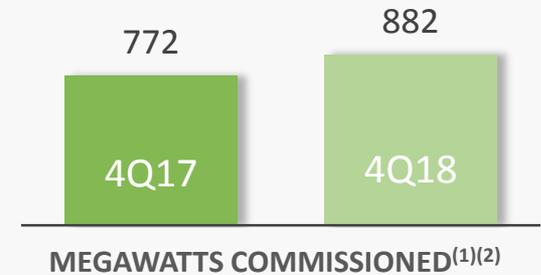
2.1x
Market Absorption-to-Available
Current Construction⁽³⁾

EMEA



1.6x
Market Absorption-to-Available
Current Construction⁽³⁾

APAC



1.3x
Market Absorption-to-Available
Current Construction⁽³⁾

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>3Q18 CALL</u>	<u>CURRENT</u>	<u>Better/ Worse</u>	<u>2019E</u>	<u>2020E</u>
		<i>October 15, 2018</i>	<i>February 4, 2019</i>			
MACROECONOMIC	Global GDP Growth Forecast ⁽¹⁾	2019E: 3.7%	2019E: 3.5%	▼	3.5%	3.6%
	U.S. GDP Growth Forecast ⁽¹⁾	2019E: 2.5%	2019E: 2.5%	◄►	2.5%	1.8%
	U.S. Unemployment Rate ⁽²⁾	3.7%	4.0%	▲	3.6%	3.7%
	Inflation Rate – U.S. Annual CPI Index ⁽²⁾	2.3%	1.9%	▼	2.0%	2.2%
	Crude Oil (\$/barrel) ⁽³⁾	\$72	\$54	▼	\$61	\$63
	Control of White House, Senate and HoR ⁽⁴⁾	R,R,R	R,R,D	◄►	R,R,D	R,R,D
INTEREST RATES	Three-Month Libor (USD) ⁽²⁾	2.4%	2.7%	▲	3.1%	3.1%
	10-Yr U.S. Treasury Yield ⁽²⁾	3.2%	2.7%	▼	3.1%	3.2%
	GBP-USD ⁽²⁾	1.32	1.30	▼	1.37	1.44
	EUR-USD ⁽²⁾	1.16	1.14	▼	1.20	1.27
EQUITIES	S&P 500 ⁽²⁾	2,751 (YTD 2.9%); P/E: 19.8x	2,713 (YTD 8.3%); P/E: 18.1x	▼	16.1x	14.5x
	NASDAQ 100 ⁽²⁾	7,069 (YTD 10.5%); P/E: 24.6x	6,942 (YTD 9.7%); P/E: 22.2x	▼	19.0x	16.7x
	RMZ ⁽²⁾⁽⁵⁾	1,086 (YTD -6.1%); P/AFFO 17.1x	1,175 (YTD 11.1%); P/AFFO 18.0x	▲	18.0x	N/A
INDUSTRY	IT Spending Growth Worldwide ⁽⁶⁾	2019E: 3.0%	2019E: 3.1%	▲	3.1%	2.8%
	Server Shipment Worldwide ⁽⁷⁾	2019E: 4.2%	2019E: 4.1%	▼	4.1%	2.1%
	Global Data Center IP Traffic ⁽⁸⁾	CAGR 2016 - 2021E: 25%	CAGR 2016 - 2021E: 25%	◄►	CAGR 2016 - 2021E: 25%	
	Global Cloud IP Traffic ⁽⁸⁾	CAGR 2016 - 2021E: 27%	CAGR 2016 - 2021E: 27%	◄►	CAGR 2016 - 2021E: 27%	

1) IMF World Economic Outlook October 2018 and January 2019

2) Bloomberg

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

4) FiveThirtyEight- October 2018 and January 2019

5) Citi Investment Research - October 2018 and January 2019

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

7) Gartner: Servers Forecast Worldwide, October 2018 and January 2019

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



Financial Results



Lumpy But Healthy

Comprehensive Solutions Support Diverse Customer Base

HISTORICAL BOOKINGS

ANNUALIZED GAAP BASE RENT⁽¹⁾⁽²⁾

\$ in millions

■ Space & Power ■ Interconnection



4Q18 BOOKINGS BY PRODUCT⁽¹⁾⁽²⁾

\$22.0 mm

TURN-KEY
FLEX[®]

\$4.6 mm

POWERED BASE
BUILDING[®]

\$10.0 mm

COLOCATION

\$0.5 mm

NON-TECHNICAL

\$6.6 mm

INTERCONNECTION

\$43.8 mm

TOTAL BOOKINGS

Note: Darker shading represents interconnection bookings. Fourth quarter bookings are highlighted in lighter blue.

- 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.



Top-Line Step Function

Healthy Backlog Sets a Solid Foundation

BACKLOG ROLL-FORWARD

\$ in millions

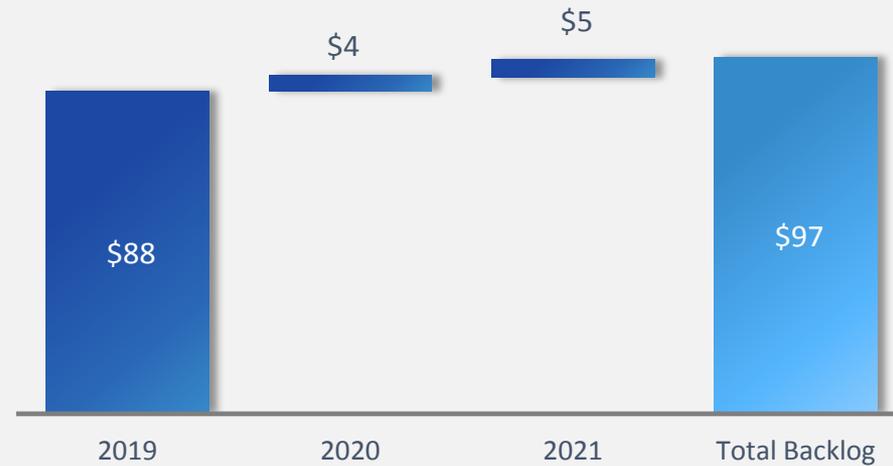
■ 3Q18 Backlog ■ Signings ■ Commencements ■ 4Q18 Backlog



COMMENCEMENT TIMING

\$ in millions

■ Current Period Backlog ■ Total Backlog



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.



Cycling Through Peak Vintage Renewals Gradually Improving Mark-to-Market

RE-LEASING SPREADS

FOURTH QUARTER 2018

Rental Rate Change

-2.6%
CASH

+3.2%
GAAP

Signed renewal leases
representing

\$138 million

of annualized GAAP
rental revenue

FULL YEAR 2018

Rental Rate Change

+0.3%
CASH

+4.5%
GAAP

Signed renewal leases
representing

\$330 million

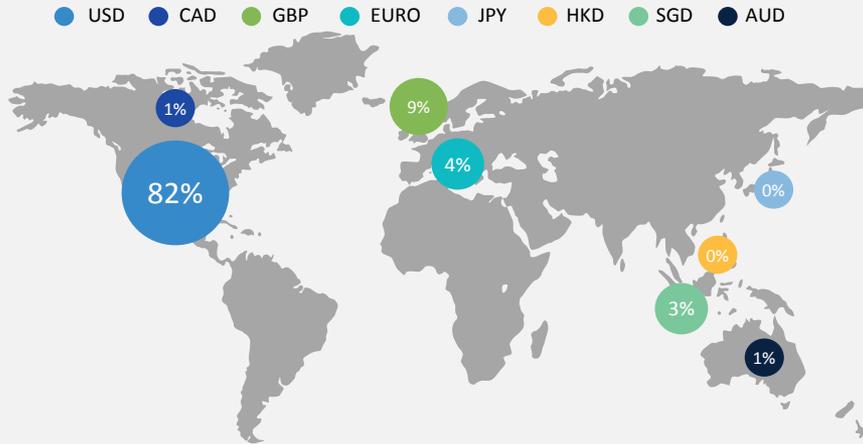
of annualized GAAP
rental revenue

Note: Represents Turn-Key Flex®, Powered Base Building®, Colocation, and Non-Tech leases signed during the quarter ended December 31, 2018 and full year 2018.

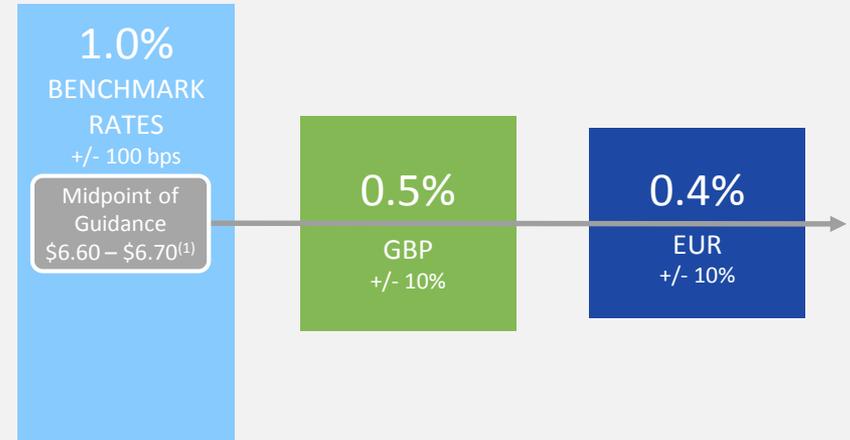


Putting Exposure in Perspective Benefits of Scale and Diversification on Display

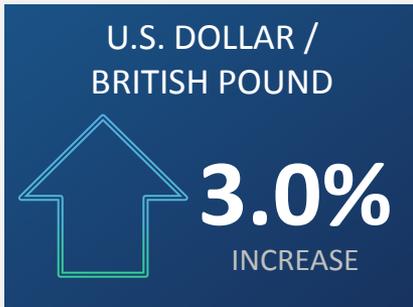
EXPOSURE BY REVENUE



2019 CORE FFO/SHARE EXPOSURE



EXCHANGE RATES⁽²⁾



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 December 31, 2018 compared to average exchange rates for the quarter ending December 31, 2017.



Consistent Execution, Sustainable Growth

High Quality of Earnings with Proven Growth Profile

OPERATING REVENUE

+6.4%

Year-Over-Year Growth
4Q18 / 4Q17

\$ in millions



ADJUSTED EBITDA⁽¹⁾

+7.5%

Year-Over-Year Growth
4Q18 / 4Q17

\$ in millions



+8.4%

Core FFO/sh
4Q18 / 4Q17

+7.4%

Core FFO/sh
2018 / 2017

\$6.60 - \$6.70

Core FFO/sh
2019 Guidance

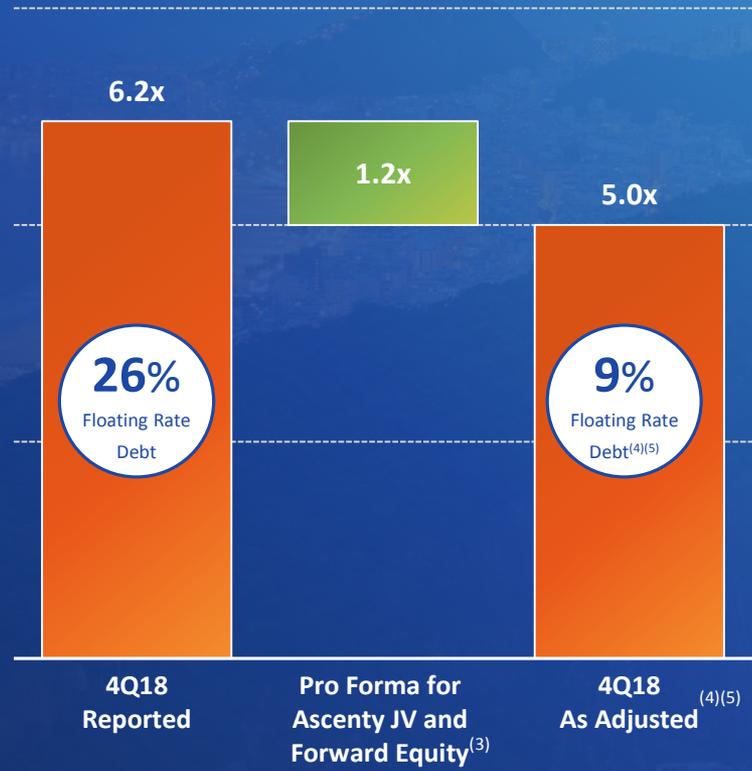
Note: Adjusted EBITDA and Core FFO are non-GAAP financial measures. For a description of these measures, see the Appendix.

1) Net income for the for the quarter ending December 31, 2018 was \$53 million. Net income for the quarter ending December 31, 2017 was \$80 million



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

Net Debt to Adjusted EBITDA ⁽¹⁾



Fixed Charge Coverage Ratio ⁽²⁾



- 1) Calculated as total debt at balance sheet carrying value, plus capital lease obligations, plus our share of unconsolidated JV debt, less unrestricted cash and cash equivalents divided by the product of Adjusted EBITDA (inclusive of our share of JV EBITDA) multiplied by four. Adjusted EBITDA is a non-GAAP financial measure. For a description of Adjusted EBITDA 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 December 31, 2018. 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 planned Ascenty JV and assumed forward equity closing.
- 4) Adjusted to include a full quarter of Ascenty's adjusted EBITDA, assuming DLR's share at 49%, and Brookfield's expected investment in the joint venture.
- 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.

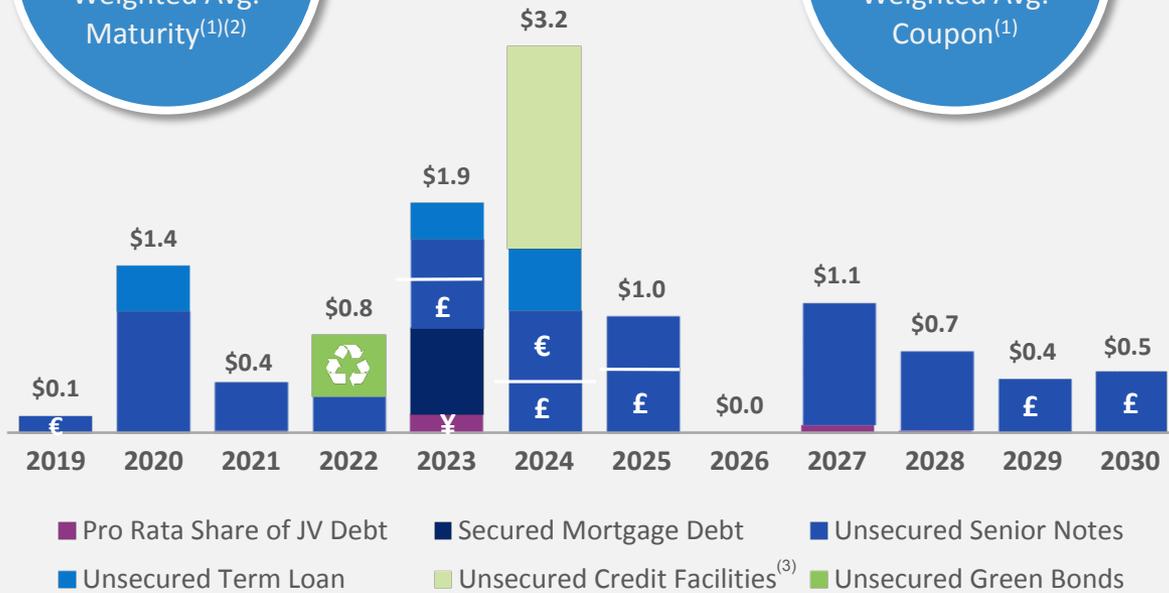


Matching the Duration of Assets and Liabilities

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

DEBT MATURITY SCHEDULE AS OF DECEMBER 31, 2018⁽¹⁾⁽²⁾

(USD in billions)



Note: As of December 31, 2018.

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

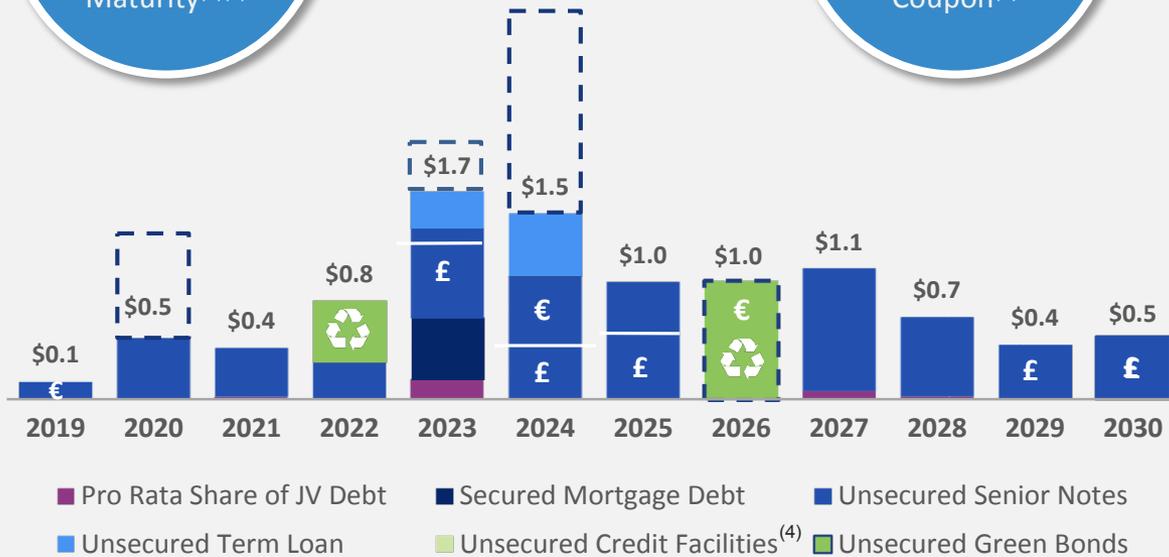


Matching the Duration of Assets and Liabilities

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

PRO FORMA DEBT MATURITY SCHEDULE⁽¹⁾⁽²⁾⁽³⁾

(USD in billions)



DEBT PROFILE⁽²⁾



- Unsecured
- Secured



- Fixed
- Floating



- USD
- GBP
- Euro
- Other

Note: As of December 31, 2018.

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

2) Pro forma for the €850 million euro-denominated senior notes that closed on January 16, 2019 and the redemption of the 5.875% notes due 2020 on February 19, 2019 and the anticipated closing of the Brookfield transaction full settlement of the \$1.1 billion forward equity offering executed on September 24, 2018.

3) Assumes exercise of extension options.

4) Includes Yen Facility



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

SUCCESSFUL 2018 INITIATIVES

1. Deepening Connections with Customers

Delivered record bookings in 2018, a 35% year-over-year increase

2. Extending Sustainability Leadership

Expanded renewable energy capacity

3. Exceeding Expectations

Delivered double-digit AFFO/sh growth

4. Strengthening the Balance Sheet

Raised common equity, recast credit facility, locked in long-term debt

\$268 mm

2018 Total Bookings

+90 MW

Incremental
Renewable Capacity

+10%

2018 / 2017 AFFO/sh ⁽¹⁾

+1 year

Weighted Average
Debt Maturity

1) For a definition and reconciliation of AFFO, please see the appendix.



Appendix



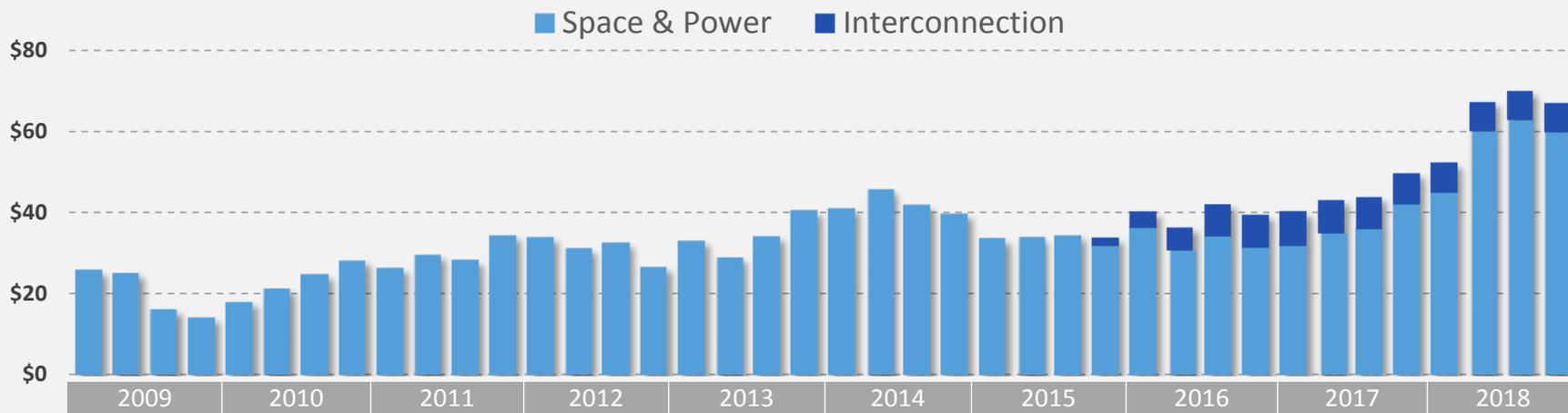
Robust Long-Term Demand, Lumpy Near-Term Signings

Diverse Customer Base + Product Offerings

HISTORICAL BOOKINGS TRAILING FOUR-QUARTER AVERAGE

ANNUALIZED GAAP BASE RENT⁽¹⁾⁽²⁾

\$ in millions



4Q18 TRAILING FOUR-QUARTER AVERAGE BOOKINGS BY PRODUCT⁽¹⁾⁽²⁾

\$48.2 mm

TURN-KEY
FLEX®

\$2.4 mm

POWERED BASE
BUILDING®

\$8.5 mm

COLOCATION

\$0.6 mm

NON-TECHNICAL

\$7.2 mm

INTERCONNECTION

\$66.9 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. FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from real estate transactions, non-controlling interests share of gain on sale of property, 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) gain from early extinguishment of debt, (iv) issuance costs associated with redeemed preferred stock, (v) equity in earnings adjustment for non-core items, (vi) severance, equity acceleration, and legal expenses, (vii) bridge facility fees 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 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 non-cash tax expense, (ix) capitalized leasing compensation, (x) recurring capital expenditures and (xi) capitalized internal leasing commissions. 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 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, non-controlling interests, preferred stock dividends, including undeclared dividends, and issuance costs associated with redeemed preferred stock. In addition, we believe EBITDA and Adjusted EBITDA are frequently used by securities analysts, investors and other interested parties in the evaluation of REITs. Because EBITDA and Adjusted EBITDA are calculated before recurring cash charges including interest expense and income taxes, exclude capitalized costs, such as leasing commissions, and are not adjusted for capital expenditures or other recurring cash requirements of our business, their utility as a measure of our performance is limited. Other REITs may calculate EBITDA and Adjusted EBITDA differently than we do 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

Forward-Looking Statements

The information included in this presentation contains forward-looking statements. Such statements are based on management's beliefs and assumptions made based on information currently available to management. Such forward-looking statements include statements relating to: our economic outlook; public cloud services spending; the expected timing, locations, benefits and product offerings for IBM Cloud and Service Exchange; our acquisition of Ascenty; our expected redemptions; 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 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; difficulties managing an international business and acquiring or operating properties in foreign jurisdictions and unfamiliar metropolitan areas; 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, including the acquisition of Ascenty; 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

Funds from operations (1)

	Q418	Q318	Q218	Q118	FY 2018	Q417	FY 2017
Net income (loss) available to common stockholders	\$ 31,230	\$ 67,268	\$ 65,134	\$ 86,298	\$ 249,930	\$ 53,306	\$ 173,149
Noncontrolling interests in operating partnership	1,300	2,700	2,700	3,480	10,180	2,138	3,770
Real estate related depreciation and amortization (2)	295,724	290,757	295,750	291,686	1,173,917	284,924	830,252
Real estate related depreciation and amortization related to investment in unconsolidated joint ventures	3,615	3,775	3,722	3,476	14,588	3,323	11,566
(Gain) loss on sale of property	(7)	(26,577)	(14,192)	(39,273)	(80,049)	(30,746)	(40,355)
Non-controlling interests share of gain on sale of property	-	-	-	-	-	3,900	3,900
Impairment of investments in real estate	-	-	-	-	-	-	28,992
Funds from operations (FFO)	\$ 331,862	\$ 337,923	\$ 353,114	\$ 345,667	\$ 1,368,566	\$ 316,845	\$ 1,011,274
Funds from operations (FFO) per diluted share	\$ 1.54	\$ 1.57	\$ 1.64	\$ 1.61	\$ 3.25	\$ 1.48	\$ 4.16
Net income (loss) per diluted share available to common stockholders	\$ 0.15	\$ 0.33	\$ 0.32	\$ 0.42	\$ 0.73	\$ 0.26	\$ 0.73
FFO available to common stockholders and unitholders	331,862	337,923	353,114	345,667	1,368,566	316,845	1,011,274
FFO available to common stockholders and unitholders -- diluted	\$ 331,862	\$ 337,923	\$ 353,114	\$ 345,667	\$ 1,368,566	\$ 316,845	\$ 1,011,274
Termination fees and other non-core revenues	(21)	(518)	(3,663)	(858)	(5,060)	(447)	(1,031)
Transaction expenses	25,917	9,626	5,606	4,178	45,327	15,681	76,048
(Gain) loss from early extinguishment of debt	1,568	-	-	-	1,568	-	(1,990)
Issuance costs associated with redeemed preferred stock	-	-	-	-	-	-	6,309
Equity in earnings adjustment for non-core items	-	-	-	-	-	-	(3,285)
Severance related accrual, equity acceleration, and legal expenses	602	645	1,822	234	3,303	1,209	4,731
Bridge facility fees	-	-	-	-	-	-	3,182
Other non-core expense adjustments	1,471	2,269	152	431	4,323	2	3,077
Core Funds from operations (FFO)	\$ 361,399	\$ 349,945	\$ 357,031	\$ 349,652	\$ 1,418,027	\$ 333,290	\$ 1,098,315
Non real estate depreciation	3,638	3,200	3,038	3,103	12,979	3,049	12,212
Amortization of deferred financing costs	3,128	3,066	2,953	3,060	12,207	3,092	10,664
Amortization of debt discount	971	902	882	875	3,630	858	3,084
Non cash compensation	5,609	5,823	8,419	5,497	25,348	3,923	17,900
Straight-line rent revenue	(11,157)	(10,511)	(8,489)	(10,266)	(40,423)	(8,705)	(16,565)
Straight-line rent expense	2,052	2,482	2,669	2,547	9,750	(635)	12,107
Above and below market rent amortization	6,521	6,552	6,794	6,666	26,533	6,562	1,770
Non-cash tax expense/(benefit) (only disclosed for 2014 - 2018)	(8,835)	(1,783)	(1,137)	(216)	(11,971)	(1,100)	(2,912)
Capitalized leasing compensation	(2,501)	(2,606)	(2,825)	(2,998)	(10,930)	(3,567)	(11,886)
Recurring capital expenditures (only disclosed for 2012 - 2018)	(47,951)	(22,500)	(34,447)	(27,328)	(132,226)	(45,298)	(136,290)
Internal leasing commissions (only disclosed for 2012 - 2018)	(2,659)	(2,547)	(2,822)	(2,049)	(10,077)	(1,217)	(5,290)
Adjusted funds from operations (1)	\$ 310,215	\$ 332,023	\$ 332,066	\$ 328,543	\$ 1,302,847	\$ 290,252	\$ 983,109

(1) Funds from operations and Adjusted funds from operations for all periods presented above include the results of properties sold
(2) Real estate related depreciation and amortization was computed as follows:

	Q418	Q318	Q218	Q118	FY 2018	Q417	FY 2017
Depreciation and amortization per income statement	\$ 299,362	\$ 293,957	\$ 298,788	\$ 294,789	\$ 1,186,896	\$ 287,973	\$ 842,464
Non real estate depreciation	(3,638)	(3,200)	(3,038)	(3,103)	(12,979)	(3,049)	(12,212)
	\$ 295,724	\$ 290,757	\$ 295,750	\$ 291,686	\$ 1,173,917	\$ 284,924	\$ 830,252

Weighted-average shares and units outstanding - diluted

	215,417	214,937	214,895	214,803	214,951	214,424	166,938
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Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

Cash interest expense and fixed charges

	Q418	Q318	Q218	Q118	FY 2018	Q417	FY 2017
Total GAAP interest expense (including discontinued operations)	\$ 84,883	\$ 80,851	\$ 78,810	\$ 76,985	\$ 321,529	\$ 73,989	\$ 258,642
Bridge facility fees	-	-	-	-	-	-	(3,182)
Capitalized interest	9,462	9,725	8,164	7,385	34,736	8,045	21,714
Change in accrued interest and other noncash amounts	(43,892)	20,151	(10,888)	1,743	(32,886)	(29,588)	(43,911)
Cash interest expense	50,453	110,727	76,086	86,113	323,379	52,446	233,263
Scheduled debt principal payments and preferred dividends	\$ 153	\$ 150	\$ 98	\$ 193	\$ 594	\$ 141	\$ 546
Total fixed charges (includes GAAP interest expense, capitalized interest, and scheduled debt principal payments and preferred dividends)	\$ 20,329	\$ 20,329	\$ 20,329	\$ 20,329	\$ 81,316	\$ 20,329	\$ 68,802

Reconciliation of EBITDA

	Q418	Q318	Q218	Q118	FY 2018	Q417	FY 2017
Net income (loss) available to common stockholders	\$ 31,230	\$ 67,268	\$ 65,134	\$ 86,298	\$ 249,930	\$ 53,306	\$ 173,149
Interest	84,883	80,851	78,810	76,985	321,529	73,989	258,642
Loss from early extinguishment of debt	1,568	-	-	-	1,568	-	(1,990)
Taxes	(5,843)	2,432	2,121	3,374	2,084	545	7,901
Depreciation and amortization	299,362	293,957	298,788	294,789	1,186,896	287,973	842,464
Impairment of investments in real estate	-	-	-	-	-	-	28,992
EBITDA	411,200	444,508	444,853	461,446	1,762,007	415,813	1,309,158
EBITDA, less effect of gain on sale of assets	\$ 411,200	\$ 444,508	\$ 444,853	\$ 461,446	\$ 1,762,007	\$ 415,813	\$ 1,309,158

Reconciliation of Adjusted EBITDA

	Q418	Q318	Q218	Q118	FY 2018	Q417	FY 2017
EBITDA	\$ 411,200	\$ 444,508	\$ 444,853	\$ 461,446	\$ 1,762,007	\$ 415,813	\$ 1,309,158
Severance accrual and equity acceleration	602	645	1,822	234	3,303	1,209	4,731
Transaction and integration expenses	25,917	9,626	5,606	4,178	45,327	15,681	76,048
(Gain) loss on sale of properties	(7)	(26,577)	(14,192)	(39,273)	(80,049)	(30,746)	(40,355)
Equity in earnings adjustment for non-core items	-	-	-	-	-	-	(3,285)
Other non-core expense adjustments	1,471	2,269	(2,984)	431	1,187	2	3,077
Noncontrolling interests	1,038	2,667	2,696	3,468	9,869	6,023	8,008
Preferred stock dividends	20,329	20,329	20,329	20,329	81,316	20,329	68,802
Costs on redemption of preferred stock	-	-	-	-	-	-	6,309
Adjusted EBITDA	460,550	453,467	458,130	450,813	1,822,960	428,311	1,432,493
Adjusted EBITDA, less effect of gain on sale of assets	\$ 460,550	\$ 453,467	\$ 458,130	\$ 450,813	\$ 1,822,960	\$ 428,311	\$ 1,432,493

Reconciliation of Net Operating Income (NOI)

	Q418	Q318	Q218	Q118	FY 2018	Q417	FY 2017
Operating income	\$ 122,847	\$ 139,065	\$ 144,062	\$ 143,813	\$ 549,787	\$ 117,198	\$ 451,295
Less:							
Fee income (only disclosed for 2008 through 2018)	(2,896)	(1,469)	(2,343)	(1,133)	(7,841)	(1,386)	(6,372)
Other revenue	(21)	(518)	(527)	(858)	(1,924)	(447)	(1,031)
Add:							
Depreciation and amortization	299,362	293,957	298,788	294,789	1,186,896	287,973	842,464
General and administrative	38,801	40,997	44,277	36,289	160,364	44,311	156,710
Severance accrual and equity acceleration	602	645	1,822	234	3,303	1,209	4,731
Transactions	25,917	9,626	5,606	4,178	45,327	15,681	76,048
Impairment of investments in real estate	-	-	-	-	-	-	28,992
Other expenses	1,096	1,139	152	431	2,818	2	3,077
Net Operating Income	\$ 485,708	\$ 483,442	\$ 491,837	\$ 477,743	\$ 1,938,730	\$ 464,541	\$ 1,555,914



Reconciliation of Non-GAAP Items To Their Closest GAAP Equivalent

<u>Net Debt/LQA Adjusted EBITDA</u>		<u>QE 12/31/2018</u>
Total debt at balance sheet carrying value	\$	11,101,479
Add: DLR share of unconsolidated joint venture debt		268,692
Add: Capital lease obligations		263,844
Less: Unrestricted cash		<u>(116,700)</u>
Net Debt as of December 31, 2018	\$	<u>11,517,315</u>
Net Debt / LQA Adjusted EBITDA ⁽ⁱ⁾		6.2x
 (i) Adjusted EBITDA		
Net Income (loss) available to common stockholders	\$	31,230
Interest		84,883
DLR share of unconsolidated joint venture interest expense		2,101
(Gain) loss from early extinguishment of debt		1,568
Taxes (income) expense		(5,843)
Depreciation & amortization		299,362
DLR share of unconsolidated joint venture depreciation		3,615
EBITDA	\$	416,916
Severance accrual, equity acceleration and legal expenses		602
Transaction and integration expense		25,917
(Gain) on real estate transactions		(7)
Other non-core adjustments, net		1,471
Non-controlling interests		1,038
Preferred stock dividends, including undeclared dividends		20,329
Adjusted EBITDA ^(a)	\$	466,266
LQA Adjusted EBITDA (Adjusted EBITDA x 4)	\$	1,865,062

<u>Net Debt/LQA Adjusted EBITDA – As Adjusted</u>		<u>QE 12/31/2018</u>
Net Debt as of December 31, 2018	\$	11,517,315
Less: Expected Brookfield equity investment in joint venture		(675,000)
Less: Ascenty Loan (100% share)		(600,000)
Plus: Ascenty Loan (49% share)		294,000
Plus: Unrestricted cash at Ascenty (100% share)		106,000
Less: Unrestricted cash at Ascenty (49% share)		(51,940)
Less: Gross Proceeds from Forward Equity		<u>(1,104,575)</u>
Net Debt as of December 31, 2018 (As Adjusted)	\$	<u>9,485,800</u>
Net Debt / LQA Adjusted EBITDA (As Adjusted) ⁽ⁱⁱⁱ⁾		5.0x
 (ii) Adjusted EBITDA (As Adjusted)		
Adjusted EBITDA ^(a)	\$	466,266
Less: Ascenty EBITDA (100% share)		(3,302)
Plus: Ascenty EBITDA (49% share, adjusted for full-quarter activity)		7,293
Adjusted EBITDA (As Adjusted for Ascenty)	\$	<u>470,257</u>
LQA Adjusted EBITDA (Adjusted EBITDA x 4)	\$	1,881,026
 <u>Fixed Charge Coverage Ratio (LQA Adjusted EBITDA/Total Fixed Charges)</u>		
GAAP interest expense plus capitalized interest, less bridge facility fees	\$	94,345
Scheduled debt principal payments		153
Preferred dividends		20,329
Total fixed charges	\$	<u>114,827</u>
Fixed charge coverage ratio		4.0x
 <u>Fixed Charge Coverage Ratio (LQA Adjusted EBITDA/Total Fixed Charges) - As Adjusted</u>		
Total fixed charges	\$	114,827
Less: Adjustment to Interest on 49% Share of Ascenty Loan		(5,387)
Less: Lower Global Credit Facility Interest from Brookfield Investment and Forward Equity		<u>(12,295)</u>
Total fixed charges	\$	<u>97,145</u>
Fixed charge coverage ratio		4.8x

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

