

# Digital Realty Opens Fifth Data Centre in Australia and Acquires Land Parcel in Sydney for Further Expansion

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Significant demand drives growth of the Digital Realty Connected Campus in Australia

SYDNEY, Nov. 14, 2018 /PRNewswire/ -- Digital Realty (NYSE: DLR), a leading global provider of data centre, colocation and interconnection solutions, announced today its continued growth and investment in Australia with the grand opening of Digital Erskine Park II. Digital Realty also announced the acquisition of an additional 1.4-hectare land parcel in Erskine Park. The site will be home to Digital Erskine Park III, a new data centre facility that will add 12 megawatts of capacity to the Digital Realty Erskine Park Connected Campus upon completion. Together, the two new facilities will expand Digital Realty's Australian data centre footprint to six facilities, bringing the company's total investment in Australia to over AUD \$1 billion.

## Digital Realty's Newest Sydney Data Centre

Member for Mulgoa Tanya Davies MP congratulated Digital Realty on the grand opening. "The opening of this state-of-the-art facility is a huge win for the people of western Sydney. With more professional jobs coming into our region, there are more opportunities for people to live, work and invest in western Sydney, now and into the future," said Davies. "The New South Wales government is committed to growing opportunities for people not only to live, but also to work in western Sydney. We will continue to work hard to ensure people throughout western Sydney have access to fulfilling careers right here at home."

The grand opening was attended by Councillor Greg Davies, the Deputy Mayor of Penrith, and Mr. Graham Davis-King, member and director of the Deerubbin Local Aboriginal Land Council. Penrith Mayor Ross Fowler also congratulated Digital Realty on the opening of the new facility. "We applaud Digital Realty's investment in Penrith, through both the data centre opened today and the company's plans to build an additional facility in Erskine Park," said Cr Fowler. "Council is committed to supporting e-commerce and creating a city that is connected in every way."

This includes access to fast and efficient technology infrastructure."

The next generation, cloud-enabled and environmentally friendly facility encompasses 7,000 square metres and will provide up to 17.4 megawatts of critical IT power capacity to numerous Australian and international customers.

Digital Realty Chief Executive Officer A. William Stein stated, "Sydney's status as a global hotspot for innovation, and a key city for multinationals as they touch down into the Asia Pacific region, makes it a critically important destination for us. This facility will serve the community well as a strong addition to Sydney's data and technology infrastructure, which is increasingly under-resourced due to the rapid growth of inbound business and the regional digital economy."

## Digital Erskine Park II Additional Features

- The newly opened facility was built utilising Digital Realty's latest state-of-the-art, trademarked 4.0 POD Architecture® performance-optimised data centre design. The POD Architecture uses a modular methodology to build out raised floor data centre capacity using standard power and cooling building blocks for cost-effectiveness, design flexibility and energy efficiency. This unique trademarked system leverages Digital Realty's deep expertise and extensive experience designing and building data centres around the globe.
- The facility will employ a state-of-the-art cooling solution that includes a pumped refrigerate economiser cycle, ensuring excellent annualised Power Usage Effectiveness (PUE) without water usage, a key factor in ensuring a low impact on the environment. The data centre also features lithium ion battery technology, which provides better performance than traditional lead acid batteries.
- The new facility will be connected via dark fibre to the existing facilities on the Digital Realty Erskine Park connected campus, bringing together critical data centre, network, cloud and connectivity providers under a single, secure environment for Australian and international customers. The new facility will have the ability to connect directly to PIPE-IX, the second-largest Internet Exchange in Australia, housed within the Digital Realty Erskine Park connected campus.

"Our new facility will empower our customers to successfully tackle their unique digital transformation objectives with agile data centre solutions built for growth and harnessing the power of proximity needed for latency-sensitive applications," said Peter Adcock, Vice President of Design & Construction for Asia Pacific at Digital Realty. "Sydney is ideally placed on the Eastern Seaboard, with the fibre optic backbone that runs up through Brisbane and Queensland, and down to Canberra and Melbourne. It picks up a large part of the Australian population and is strategically located along submarine fibre cable routes."

## Digital Realty's Continued Expansion: Digital Erskine Park III

Given the significant demand for the company's recently completed data centres in Sydney, Digital Realty has acquired an additional land parcel to support the next phase of the Erskine Park connected campus. The new site was strategically selected to provide easy network and operations access from the company's existing Erskine Park facilities. Design and planning work for the new 12-megawatt facility is expected to begin shortly, with incremental capacity scheduled to be delivered by 2020, subject to planning approval and customer demand.

Digital Realty will employ up to 500 local contractors during construction of the new facility, providing another boost to the Western Sydney economy. Once fully operational, the data centre will provide up to 30 additional permanent roles, including facilities managers, engineers, security personnel and additional contractors.

"We are excited to further expand our presence in Sydney, a key market for us in Australia and the wider Asia Pacific region," said Krupal Raval, Chief Financial Officer for Asia Pacific at Digital Realty. "The time is right for this expansion. Given the fantastic market demand we have seen for our newest facility that just opened, we have already started the design and planning process for the next phase of our Erskine Park connected campus. We expect to break ground soon, with the goal of delivering our next data centre for customers requiring critical IT space in Sydney by 2020."

Structure Research's recent Australian data centre research report suggests that massive-scale cloud providers are driving demand in the Sydney and Melbourne data centre markets since local requirements are best served in-country and Australian enterprises tend to be more outsource-friendly than elsewhere in the Asia-Pacific region.

Digital Realty offers a full range of global data centre, colocation and interconnection solutions, and currently owns and operates 198 facilities across 32 global metropolitan areas. In the Asia Pacific region, Digital Realty operates a network of 12 data centres located in Singapore, Hong Kong, Tokyo, Osaka, Melbourne and Sydney.

## About Digital Realty

Digital Realty supports the data centre, colocation and interconnection strategies of more than 2,300 firms across its secure, network-rich portfolio of data centres located throughout North America, Europe, Asia and Australia. Digital Realty's clients include domestic and international companies of all sizes, ranging from cloud and information technology services, communications and social networking to financial services, manufacturing, energy, healthcare and consumer products. For more information visit [www.digitalrealty.asia](http://www.digitalrealty.asia) also follow us on Twitter at @digitalapac and read our APAC blogs at <https://www.digitalrealty.asia/insights>.

## Safe Harbor Statement

This press release contains forward-looking statements which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially,

including statements related to our Digital Erskine Park II data centre opening and Sydney land acquisition. These risks and uncertainties include, among others, the following: reduced demand for data centres or decreases in information technology spending; decreased rental rates, increased operating costs or increased vacancy rates; increased competition or available supply of data centre space; the suitability of our data centres and data centre 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 centre 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. For a further list and description of such risks and uncertainties, see the reports and other filings by the company with the U.S. Securities and Exchange Commission, including the company's Annual Report on Form 10-K for the year ended December 31, 2017 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018. The company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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