



ASX Release

24 July 2017

NEXTDC Responds to Claims by 360 Capital

NEXTDC Limited (ASX: NXT) (“**NEXTDC**” or “the **Company**”) responds to the claims made by 360 Capital Group Limited (ASX: TGP) (“**360 Capital**”) against NEXTDC in its ASX announcement dated 21 July 2017.

More specifically, 360 Capital’s ASX announcement contained the following:

Assertion (1): NEXTDC has refused to engage with 360 Capital

At no stage has 360 Capital contacted NEXTDC or its advisers since the Company acquired its initial stake in Asia Pacific Data Centre Group (“**AJD**”) on 18 July 2017.

Moreover, it is worth noting that to date 360 Capital has not put forward any formal proposal that NEXTDC or any other AJD securityholder could consider or engage in relation to.

Assertion (2): AJD Directors may be placed under undue pressure by NEXTDC in relation to market rent reviews

This assertion is also not accurate.

- AJD is governed by an independent Board of Directors which has no association with NEXTDC
- NEXTDC’s strict contractual arrangements as well as general conduct with AJD have reflected and continue to reflect arm’s length commercial terms

NEXTDC is concerned that 360 Capital’s recent announcements distract from the primary issue before AJD Securityholders – the resolutions proposed by 360 Capital to remove the independently governed responsible entity of AJD and replace it with a nominee of 360 Capital (“**360 Capital Proposal**”).

NEXTDC firmly considers that retaining the existing internalised management structure alongside an independent Board is in the best interests of AJD securityholders, when compared to the 360 Capital Proposal.

The Company further notes that the corporate governance specialist advisory firm ISS has considered the 360 Capital Proposal and recommended AGAINST the resolutions put forward by 360 Capital.



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NEXTDC CEO Craig Scroggie said: *“we are not only disappointed, but deeply concerned that instead of engaging on the real issue that is before AJD Securityholders, 360 Capital has distracted the market by making inaccurate claims against NEXTDC”.*

“We firmly believe that the 360 Capital Proposal is contrary to good corporate governance principles as well as the interests of AJD Securityholders. Consistent with our views, independent proxy advisor firm, ISS, has firmly rejected the assertions of 360 Capital and advised its clients to vote AGAINST the resolutions. Importantly, ISS has noted the concerns over 360 Capital’s corporate governance track record in addition to issues regarding independence and conflicts of interest”.

Asia Pacific Data Centre Group Stake

NEXTDC has now acquired a 17.0% stake in AJD and intends to vote all of its security holding AGAINST the resolutions contained in the 360 Capital Proposal.

ENDS

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About NEXTDC

NEXTDC is an ASX200-listed technology company enabling business transformation through innovative data centre outsourcing solutions, connectivity services and infrastructure management software.

As Australia's leading independent data centre operator with a nationwide network of Tier III facilities, NEXTDC provides enterprise-class colocation services to local and international organisations. With a focus on sustainability and renewable energy NEXTDC is leading the industry with award-winning engineering solutions for energy efficiency and NABERS 4.5 star certification.

NEXTDC is extending its leadership in data centre services through the innovative DCIM-as-a-Service software platform, ONEDC®, which enables customers to centrally manage their on-premise and collocated infrastructure; and advanced connectivity services that deliver a range of secure, high-speed interconnections between racks, networks and cloud services.

NEXTDC's Cloud Centre is the online marketplace for the country's largest independent network of carriers, cloud and IT service providers, enabling customers to freely source best of breed suppliers within the NEXTDC Partner community.

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