



Digital Realty Trust Announces Conversion of 5.500% Series D Cumulative Convertible Preferred Stock

Company Release - 02/19/2013 07:00

SAN FRANCISCO, Feb. 19, 2013 /PRNewswire/ -- Digital Realty Trust, Inc. (the "Company" or "Digital Realty") (NYSE: DLR) today announced that the Company has elected to convert all outstanding shares of its 5.500% Series D Cumulative Convertible Preferred Stock ("Series D Preferred Stock") into shares of common stock in accordance with the terms of the Series D Preferred Stock. As of February 15, 2013, there were 4,802,180 shares of Series D Preferred Stock outstanding.

The conversion will take place and be effective on February 26, 2013 (the "Conversion Date").

On the Conversion Date, each share of Series D Preferred Stock will convert into 0.6360 shares of common stock of the Company (the "Common Stock"). The Company will not issue fractional shares of Common Stock upon the conversion of shares of the Series D Preferred Stock. Instead, the Company will pay the value of such fractional shares in cash in an amount equal to the fractional interest multiplied by the closing sale price per share of the Common Stock on the New York Stock Exchange on February 25, 2013, the trading day immediately prior to the Conversion Date.

This conversion is being made at the Company's option pursuant to Section 8(c) of the Articles Supplementary establishing and fixing the rights and preferences of the Series D Preferred Stock. Pursuant to the terms of the Articles Supplementary governing the Series D Preferred Stock, the holders of shares of Series D Preferred Stock will not be entitled to receive any portion of the dividend accruing on the converted shares from December 31, 2012, which was the last dividend payment date, through the Conversion Date of February 26, 2013. On and after the Conversion Date, the only remaining rights of the holders of the shares of Series D Preferred Stock will be to receive 0.6360 shares of Common Stock per \$25.00 liquidation preference and payment for any fractional interests.

On or before the Conversion Date, all funds necessary for payment for any fractional shares will have been irrevocably set aside by the Company, separate and apart from other funds, in trust for the benefit of the holders of the shares of Series D Preferred Stock. Notice of the conversion will be delivered to The Depository Trust and Clearing Corporation on or about February 19, 2013. The holders of the shares of Series D Preferred Stock are advised that American Stock Transfer & Trust Company, LLC (the "Conversion Agent") may withhold a portion of the amount payable for any fractional interest to any holder who has not previously furnished the Conversion Agent with certification establishing an exemption from or reduction in withholding. Accordingly, each holder who has not already done so is urged to execute and deliver an Internal Revenue Service Form W-9, an applicable Internal Revenue Service Form W-8 or other applicable form with its shares of Series D Preferred Stock in order to receive full payment for the fractional shares.

Any funds deposited by the Company with the Conversion Agent to pay the fractional interests which are unclaimed at the expiration of two years from the Conversion Date will be repaid, together with any interest or other earnings thereon, to the Company and, after any such repayment, the holders of the shares of Series D Preferred Stock entitled to the funds so repaid to the Company shall look only to the Company for payment without interest or other earnings thereon.

Questions and requests for assistance may be directed to the Conversion Agent at (877) 248-6417 or (718) 921-8317.

About Digital Realty

Digital Realty Trust, Inc. focuses on delivering customer driven data center solutions by providing secure, reliable and cost effective facilities that meet each customer's unique data center needs. Digital Realty's customers include domestic and international companies across multiple industry verticals ranging from information technology and Internet enterprises, to manufacturing and financial services. Digital Realty's 117 properties, excluding three properties held as investments in unconsolidated joint ventures, comprise approximately 21.9 million square feet as of February 15, 2013, including 2.4 million square feet of space held for development. Digital Realty's portfolio is located in 32 markets throughout Europe, North America, Asia and Australia. Additional information about Digital Realty is included in the Company Overview, which is available on the Investors page of Digital Realty's website at <http://www.digitalrealty.com>.

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. Such forward-looking statements include statements related to the conversion of our Series D Preferred Stock. These risks and uncertainties include, among others, the following: the impact of the recent deterioration in global economic, credit and market conditions, including the downgrade of the U.S. government's credit rating; current local economic conditions in our geographic markets; decreases in information technology spending, including as a result of economic slowdowns or recession; adverse economic or real estate developments in our industry or the industry sectors that we sell to (including risks relating to decreasing real estate valuations and impairment charges); our dependence upon significant tenants; bankruptcy or insolvency of a major tenant or a significant number of smaller tenants; defaults on or non-renewal of leases by tenants; our failure to obtain necessary debt and equity financing; increased interest rates and operating costs; risks associated with using debt to fund our business activities, including re-financing and interest rate risks, our failure to repay debt when due, adverse changes in our credit ratings or our breach of covenants or other terms contained in our loan facilities and agreements; financial market fluctuations; changes in foreign currency exchange rates; our inability to manage our growth effectively; difficulty acquiring or operating properties in foreign jurisdictions; our failure to successfully integrate and operate acquired or redeveloped properties or businesses; risks related to joint venture investments, including as a result of our lack of control of such investments; delays or unexpected costs in development or redevelopment of properties; decreased rental rates or increased vacancy rates; increased competition or available supply of data center space; our inability to successfully develop and lease new properties and space held for redevelopment; difficulties in identifying properties to acquire and completing acquisitions; our inability to acquire off-market properties; our inability to comply with the rules and regulations applicable to reporting companies; our failure to maintain our status as a REIT; possible adverse changes to tax laws; restrictions on our ability to engage in certain business activities; environmental uncertainties and risks related to natural disasters; losses in excess of our insurance coverage; changes in foreign laws and regulations, including those related to taxation and real estate ownership and operation; and changes in local, state and federal regulatory requirements, including changes in real estate and zoning laws and increases in real property tax rates. For a further list and description of such risks and uncertainties, see the reports and other filings by the Company with the U.S. Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended December 31, 2011 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012. 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.

For Additional Information:

A. William Stein
Chief Financial Officer and
Chief Investment Officer
Digital Realty Trust, Inc.
+1 (415) 738-6500

Pamela M. Garibaldi
Vice President, Investor Relations
and Corporate Marketing
Digital Realty Trust, Inc.
+1 (415) 738-6500

SOURCE Digital Realty Trust, Inc.