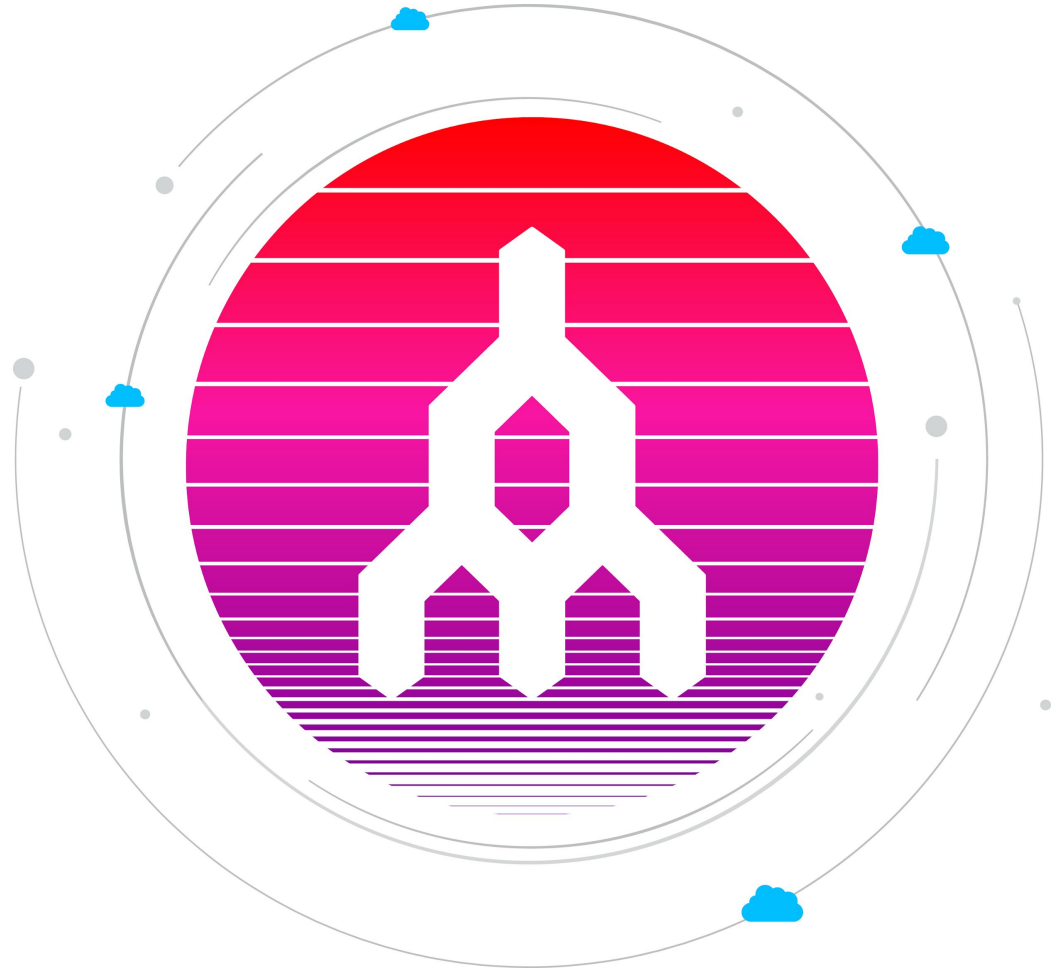
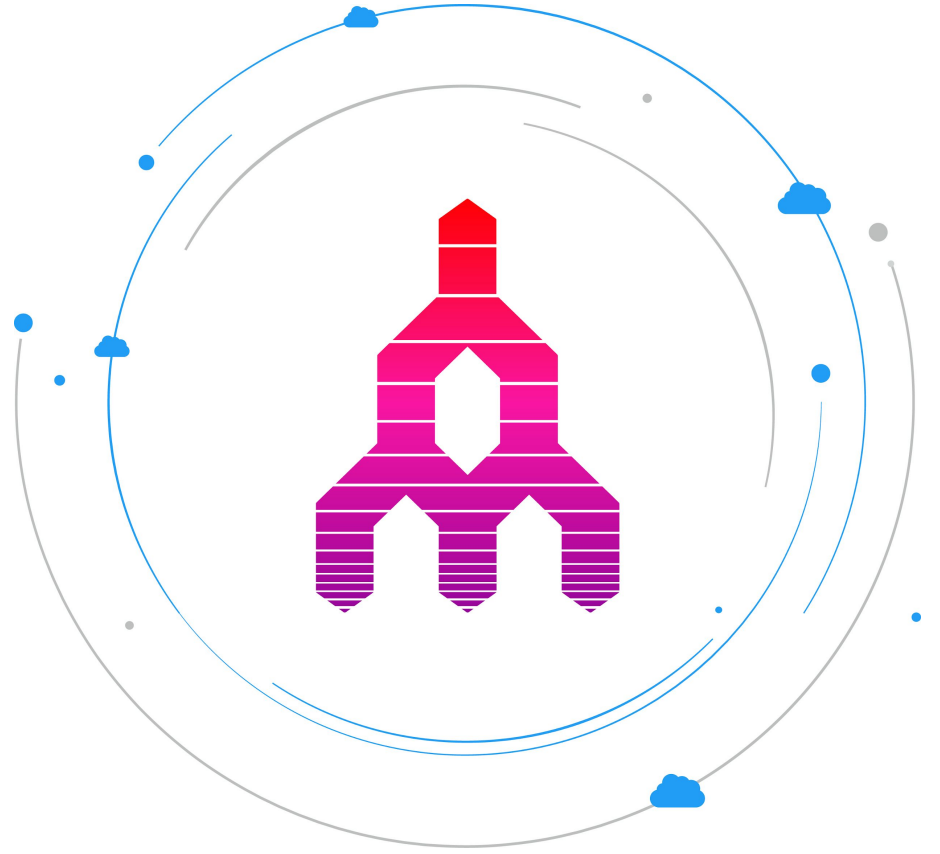


FY18 Full Year Results and Global Update

22 August 2018



Highlights FY18



Company Highlights FY18



Cloud regions

19

NEW

62

TOTAL

Cloud onramps

46

NEW

108

TOTAL



MEGAPORT EXCHANGE

300+

Service providers
in Megaport's self-service
marketplace

Partnerships with Top 7 CSPs

With addition of:



IBM Cloud



Strategic capital raising activities completed

\$87.8M*

Profit after direct network costs

FY18

\$4.5M



\$5.1M

FY17: (\$0.6M)

Profit % after direct network costs

FY18

23%

*Includes \$60M placement and share purchase plan announced on 20 March 2018 and \$27.8M placement announced on 28 June 2017 (for which the shares were issued in July 2017)

KPIs FY18



Total number of data centres



165

30 JUNE 2017

221

30 JUNE 2018

Total number of Ports



1,829

30 JUNE 2017

2,755

30 JUNE 2018

Total number of services



3,764

30 JUNE 2017

6,567

30 JUNE 2018

Total number of customers



738

30 JUNE 2017

1,038

30 JUNE 2018

Monthly Recurring Revenue*



\$1.2M*

JUNE 2017

\$2.0M

JUNE 2018

Annualised Revenue^



\$14.6M

JUNE 2017

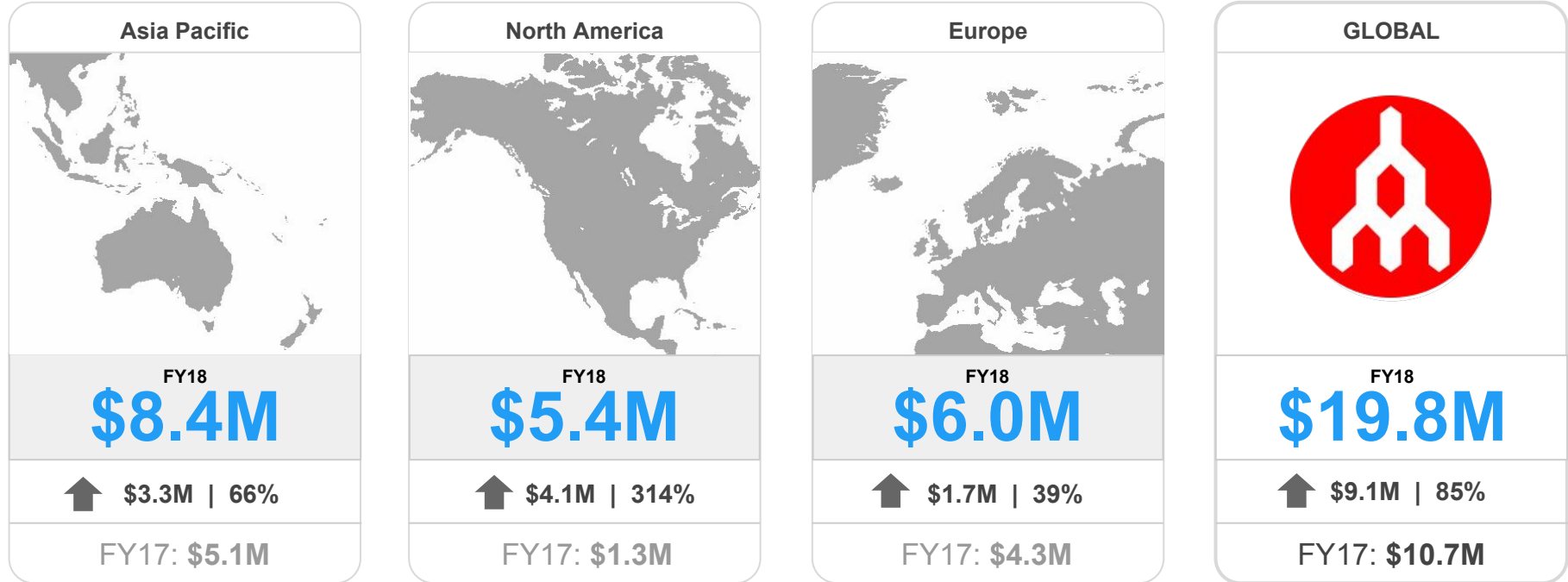
\$23.8M

JUNE 2018

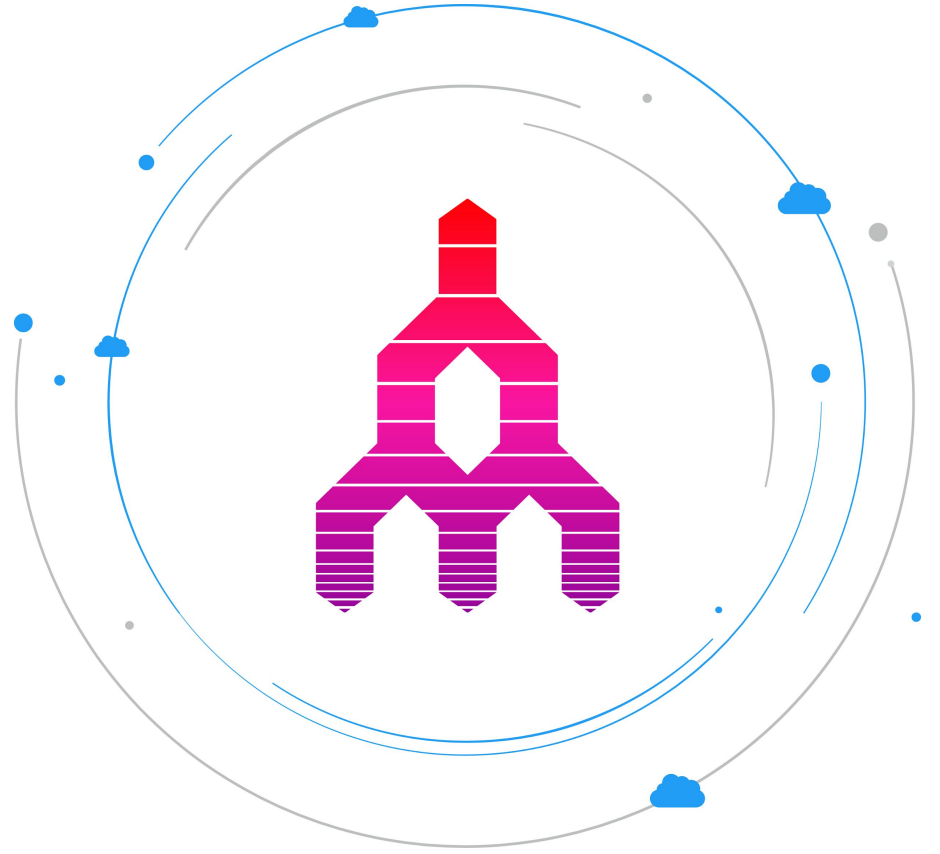
*Monthly Recurring Revenue (MMR) is revenue for the month of June

^Annualised Revenue is MRR for the month of June multiplied by 12

Revenue Performance FY18



Annual Results FY18



Financial Results FY18



Consolidated Profit & Loss

	FY18 \$	FY17 \$
Revenue	19,753,170	10,668,613
Direct network costs ¹	(15,264,497)	(11,246,275)
Profit/(loss) after direct network costs¹	4,488,673	(577,662)
Operating Expenses (OPEX)	(26,632,251)	(23,202,567)
Normalised EBITDA²	(22,143,578)	(23,780,229)
Depreciation and amortisation expense	(4,936,010)	(4,155,954)
Non-operating income/(expenses) ³	1,753,821	(2,044,161)
Tax benefits	862,618	45,437
Net loss for the year	(24,463,149)	(29,934,907)

1. Revenue less direct network costs, which comprise of data centre power and space, physical cross connect fees, bandwidth and dark fibre, network operation and maintenance, and channel commissions which are directly related to generating the service revenue of Megaport Group
2. Normalised Earnings Before Interest Tax Depreciation and Amortisation (Normalised EBITDA) represents operating results excluding equity-settled employee benefit, foreign exchange gains / (losses) and non-operating expenses. Including these amounts, EBITDA would be (\$20,661,436) in FY18 and (\$25,926,754) in FY17
3. Includes interest income & expense, foreign currency exchange differences, business acquisition costs, loss on non-current assets and equity-settled

Financial Results

For year ended 30 June 2018

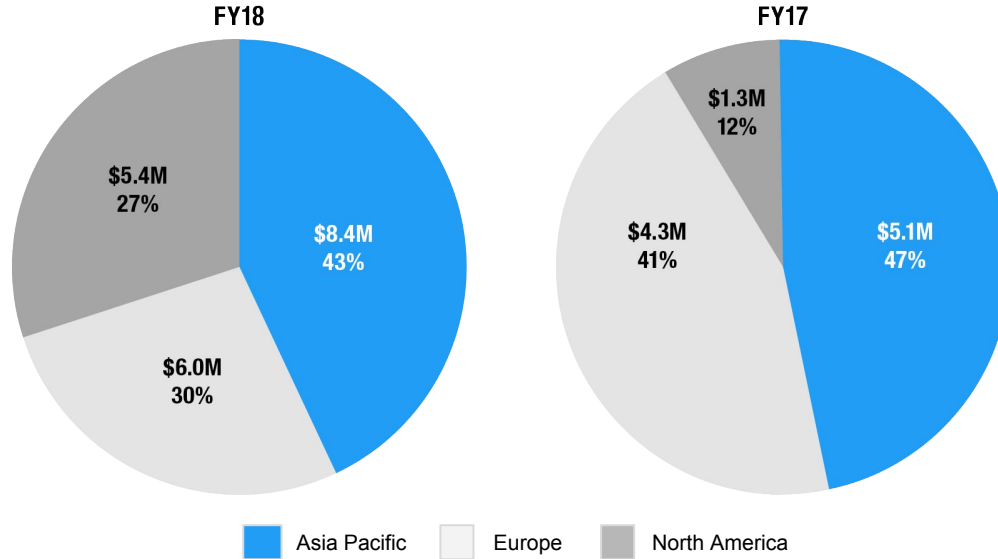
Revenue \$19.8M up 85%

Profit after direct network costs of \$4.5M improved by \$5.1M

Normalised EBITDA improved by \$1.6M or 7%

Net loss for the year of \$24.5M **improved** by \$5.5M or 18%

Revenue FY18



REVENUE: \$19.8M

UP 85% from FY17

MRR*: \$2.0M

UP 63% from FY17

Financial Results

For year ending 30 June 2018

Revenue of \$19.8M, up 85%, driven by increased usage of services across all regions

43% from Asia Pacific
30% from Europe
27% from North America

MRR* was **\$2.0M** for June 2018, **up 63%**, driven by increased utilisation of Megaport services globally

Operating Costs FY18



	FY18 \$	FY17 \$
Direct network costs	15,264,497	11,246,275
Profit/(loss) after direct network costs	4,488,673	(577,662)
Employee costs*	19,596,367	15,592,627
Professional fees^	2,160,484	2,850,425
Marketing costs	859,444	1,077,439
Travel costs	1,461,018	1,745,909
General and administrative costs	2,554,938	1,936,167
Total OPEX	26,632,251	23,202,567

*Excludes equity-settled employee benefit costs

^Excludes business acquisition costs

Financial Results

For the year ended 30 June 2018

Direct network cost per data centre per month average is \$6.6K in FY18 (FY17: \$7.0K)

Employee costs* increased due to investment in headcount to support business growth

Other OPEX reduced year on year as the business scales

Financial Position FY18



Consolidated Financial Position

	30 June 2018 \$	30 June 2017 \$
Current assets	61,355,310	23,958,983
Non-current assets	30,801,272	16,885,215
Total assets	92,156,582	40,844,198
Current liabilities	(11,703,229)	(9,344,376)
Non-current liabilities	(249,790)	(1,276,622)
Total liabilities	(11,953,019)	(10,620,998)
Equity	80,203,563	30,223,200
Cash position	30 June 2018 \$	30 June 2017 \$
Cash at end of the year[^]	56,270,065	21,527,943

[^]Includes bank term deposits

*Includes \$60M placement and share purchase plan announced on 20 March 2018 and \$27.8M placement announced on 28 June 2017 (for which the shares were issued in July 2017)

Financial Position

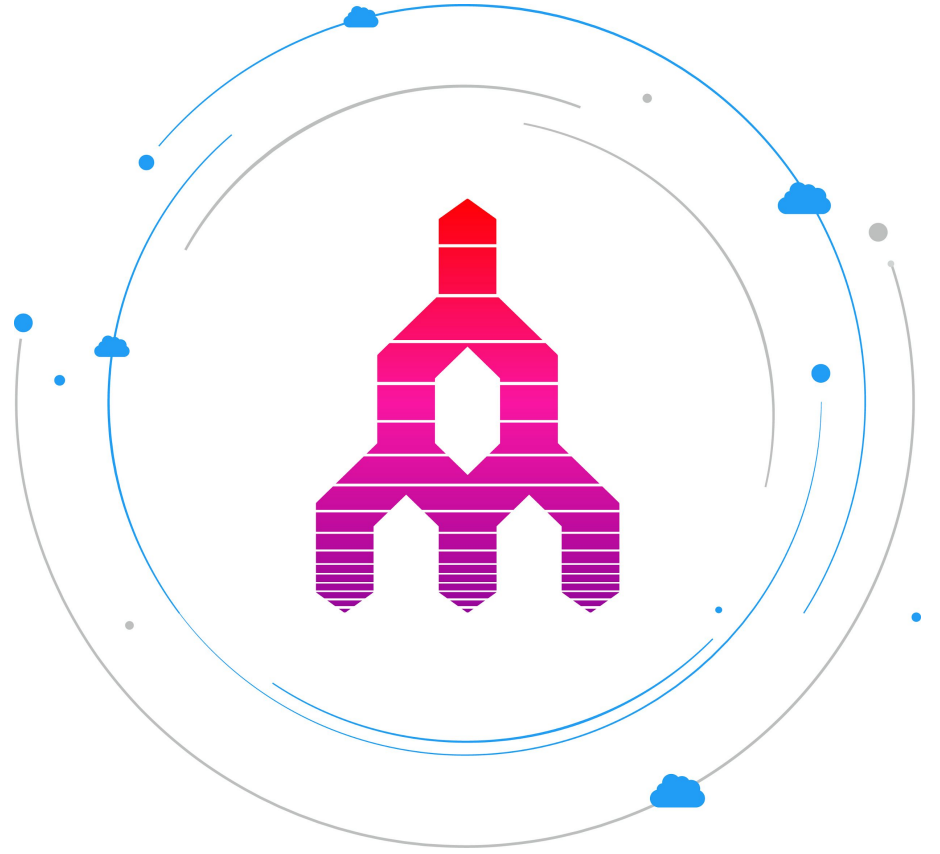
At 30 June 2018

Total of **\$87.8M*** in equity raised in FY18

Capital invested in rolling out additional data centres globally, upgrading the network in North America to **100 Gigabytes**, software development, Ecosystem expansion, and product development (MCR) to grow revenue

Cash at 30 June 2018 was **\$56.3M**

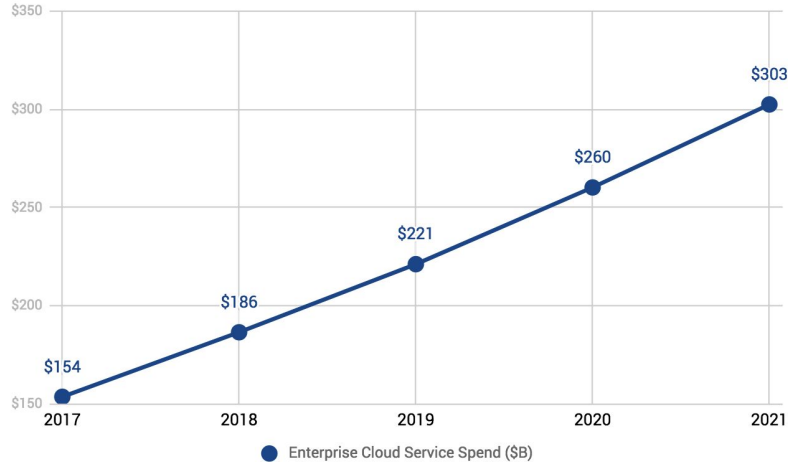
About Megaport



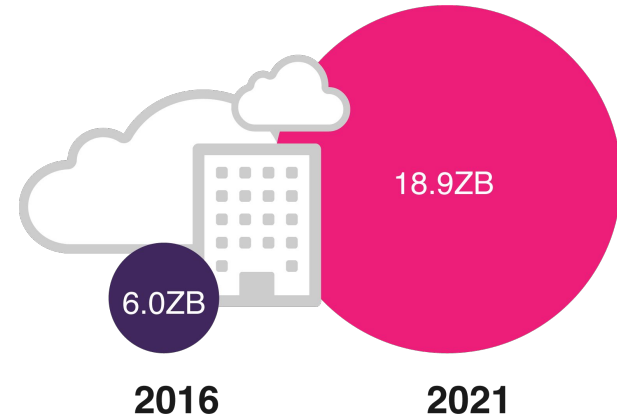
Industry Growth Trends



Enterprise Cloud Service Spend (\$B)



Cloud Data Centre Traffic



1 ZB = 1000⁷bytes

Source: Cisco Global Cloud Index 2018

Gartner Forecasts Worldwide Public Cloud Revenue to Grow 21.4 Percent in 2018







Total of: BPaaS, PaaS, SaaS, Cloud Management & Security Services, Source: Gartner, 2018



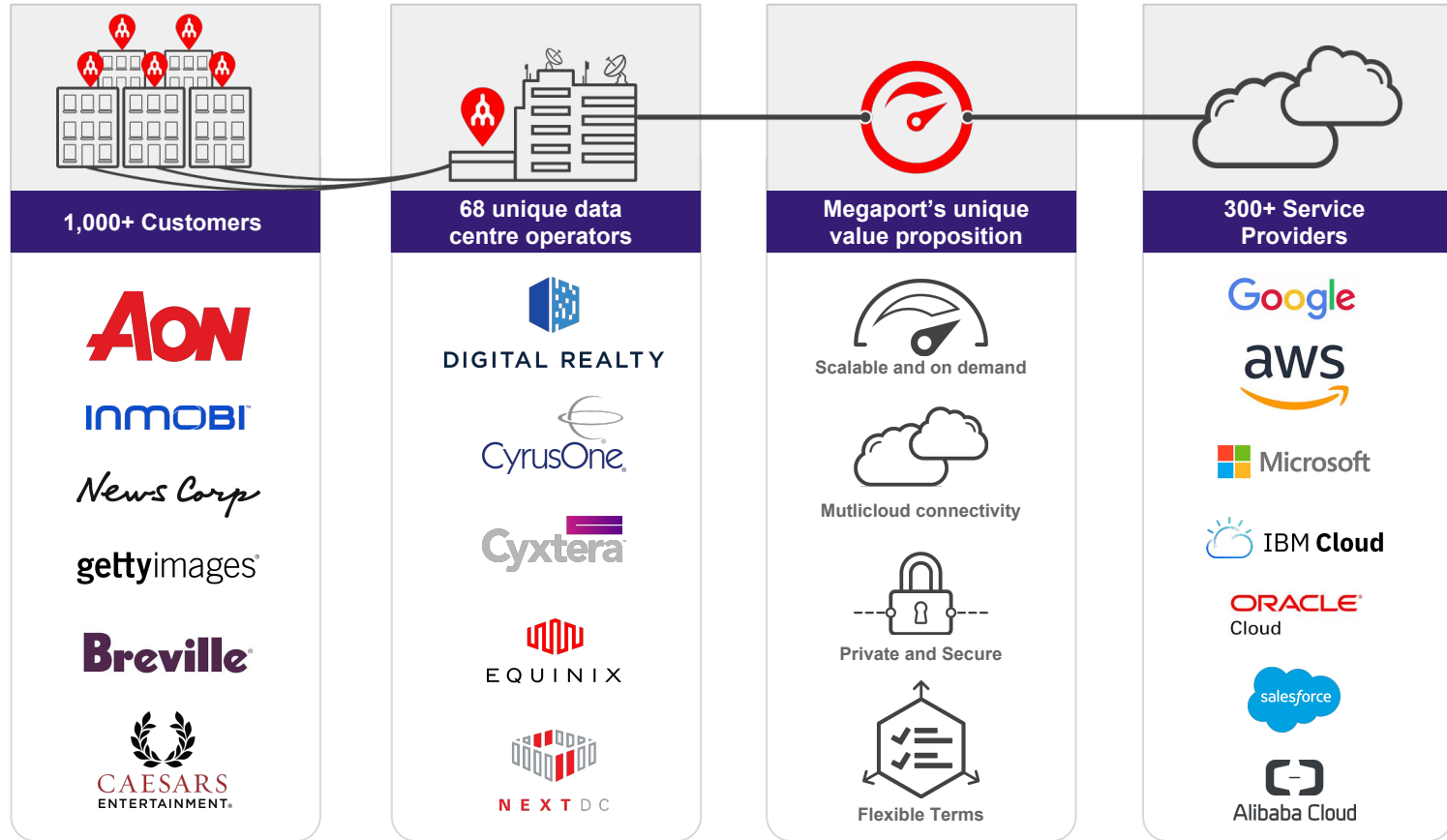
Megaport customers accessing multicloud increased 208% in FY18

Network as a Service

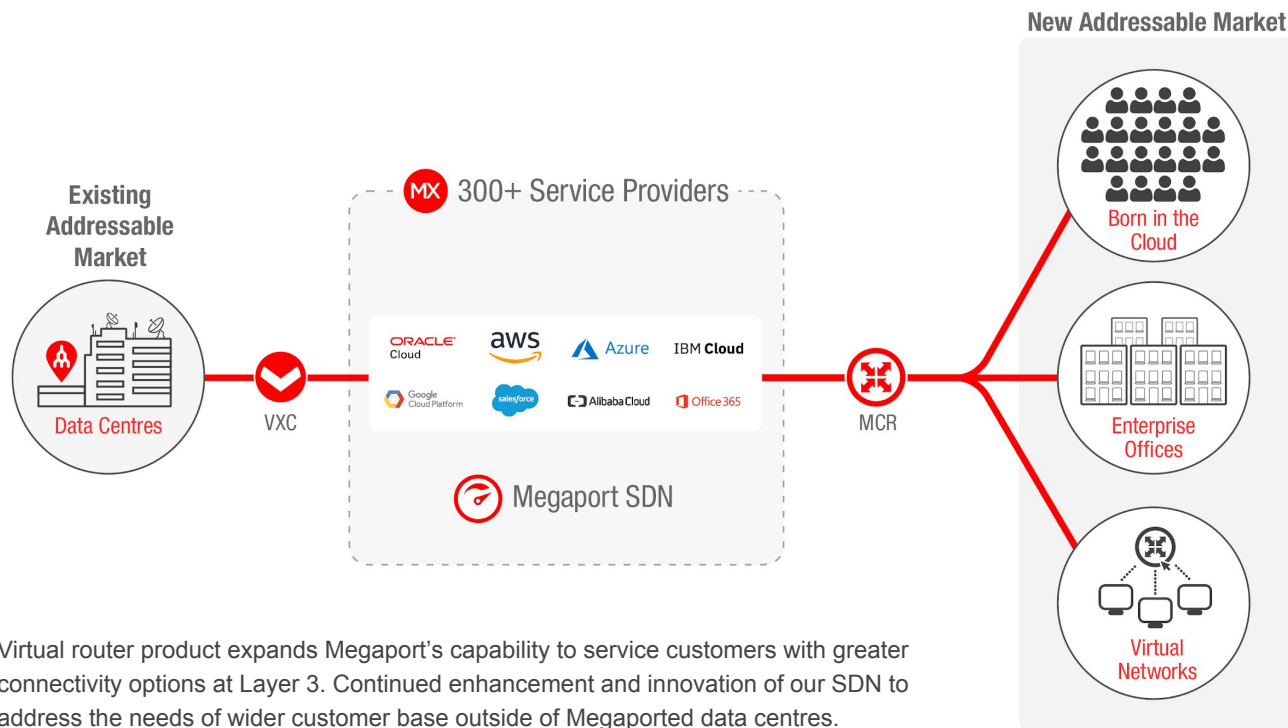


		Megaport's Connectivity Model	Traditional Connectivity
	Pricing	Pay for what you use, no setup fees	Expensive locked-in pricing model Expensive setup costs
	Speed	Real-time provisioning (59 seconds)	Long setup times (one week – several months)
	Capacity	Elastic, right-sized capacity	Fixed capacity
	Terms	Flexible terms, month to month contract	Locked-in long term contracts
	Providers	Neutral, one-stop shop featuring all service providers	Limited service providers
	Ease of Use	Intuitive portal to manage network	Multiple emails, calls to vendors, and paper contracts

Connecting Everyone to Everything



Megaport Cloud Router (MCR)



Virtual router product expands Megaport's capability to service customers with greater connectivity options at Layer 3. Continued enhancement and innovation of our SDN to address the needs of wider customer base outside of Megaported data centres.



Cloud to Cloud
Networking



Hybrid Cloud at
Layer 3



Virtual
Networking

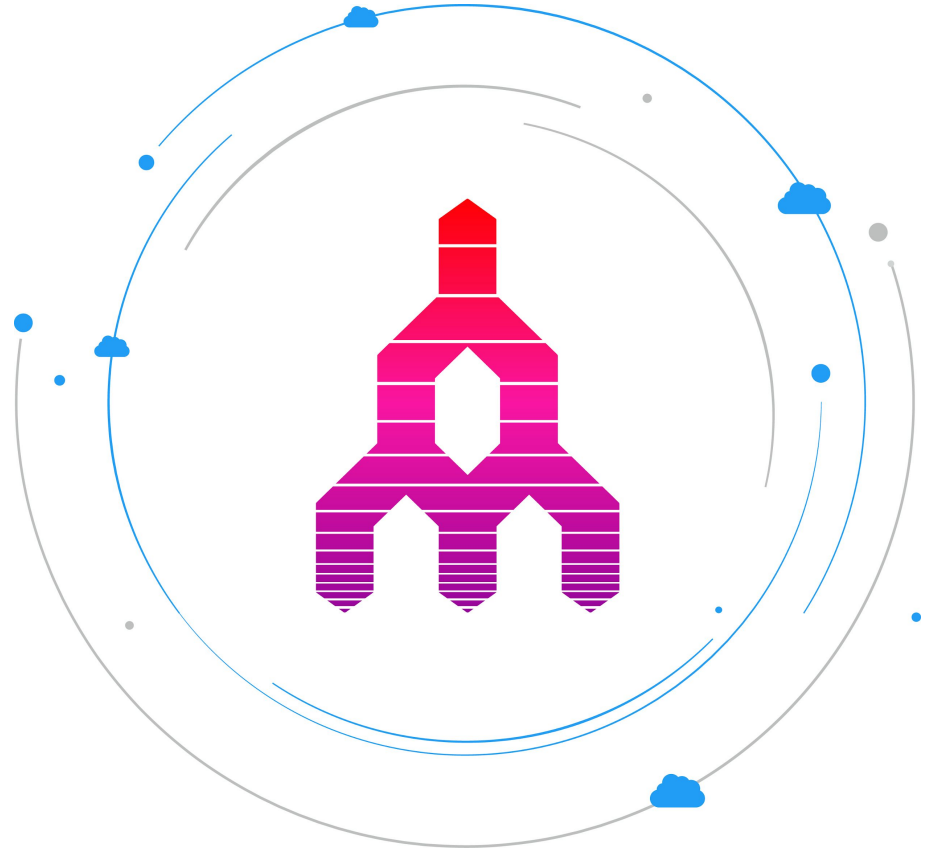


Localised
Traffic

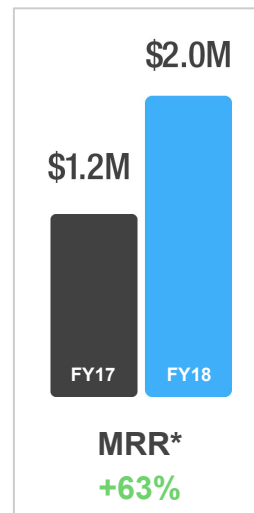
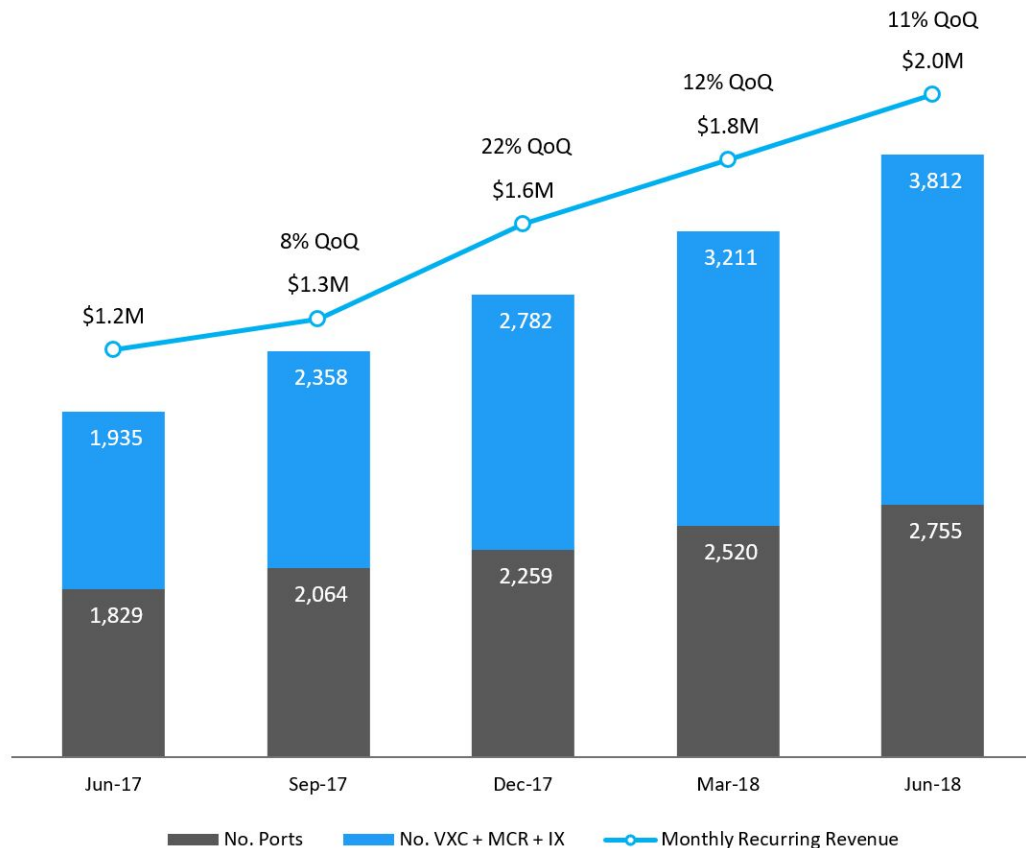


Managed Layer 3
Connectivity

Business Update FY18



Growth Trends



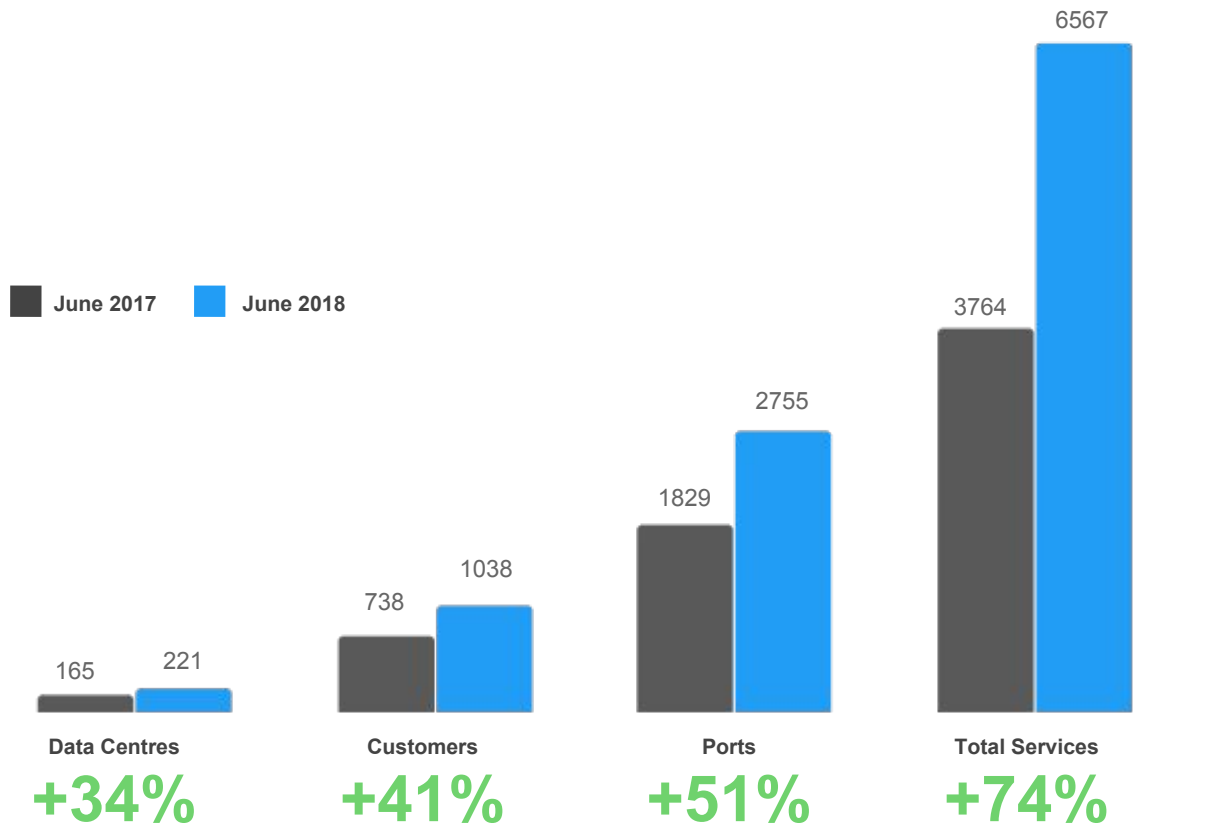
Ecosystem richness drives greater service connection opportunities

Growth in services is an indicator of overall customer usage on the network

Increased services per Port drives greater MRR growth and increased revenue per Port

MRR* has grown to \$2.0M, up 63% from June 2017

Growth FY18



What's driving revenue growth?

Average Revenue per Port*

June 2017	June 2018
\$667	\$720

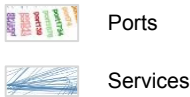
\$53 / 8%
GROWTH

The increase in services per Port directly increases Port value

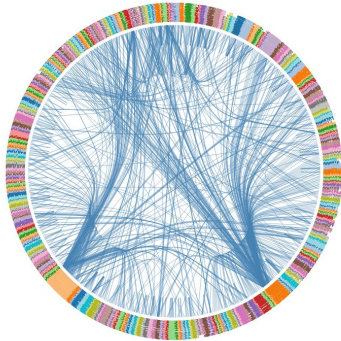
Building the Network Effect



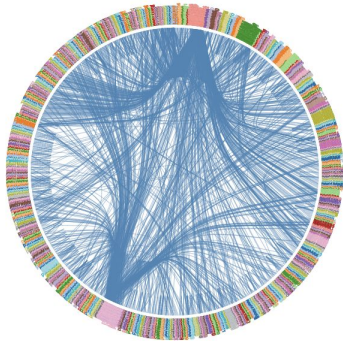
Megaport Service Connections



30 June 2016

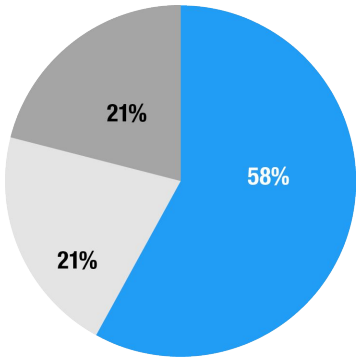
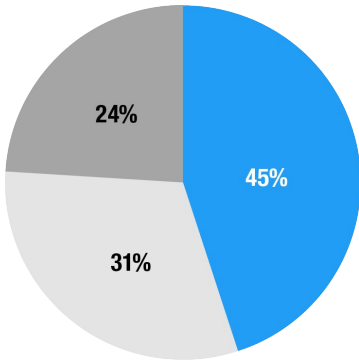
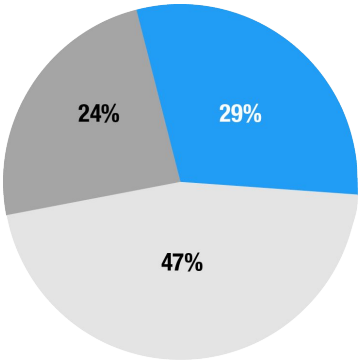
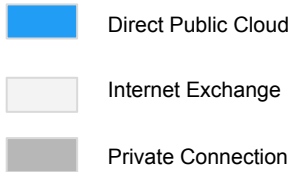


30 June 2017

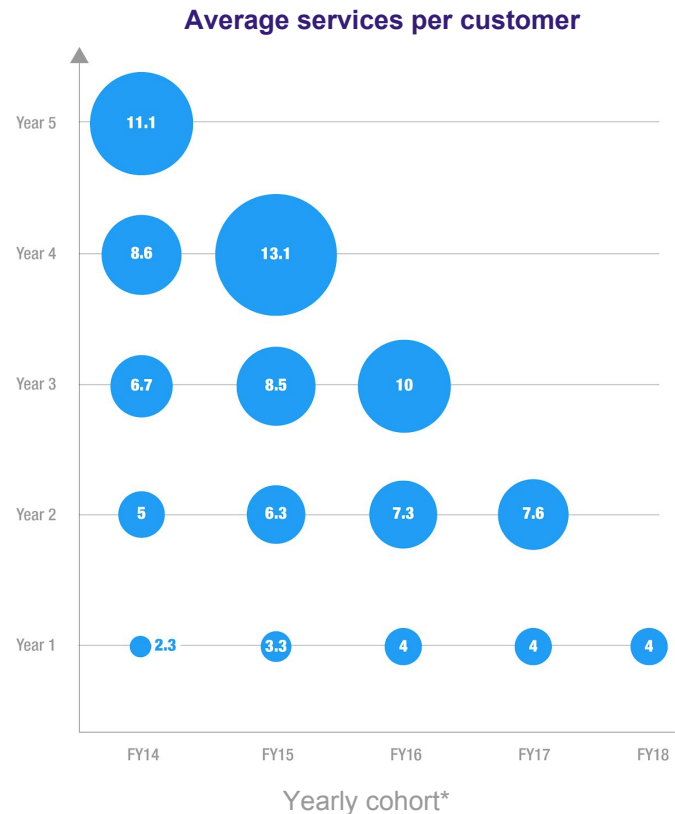


30 June 2018

Service Connection Types



Customer Cohort Growth Trends (Global)



**Global Average
Per Customer
FY18**

Services

6.3 | **+24%**

Revenue

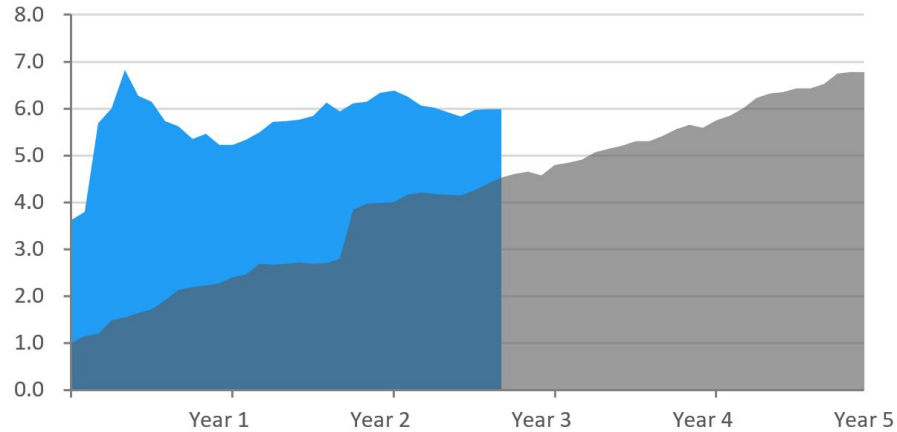
\$1,912 | **+16%**

**Customer spend
increases over time as a
result of service uptake
and adoption**

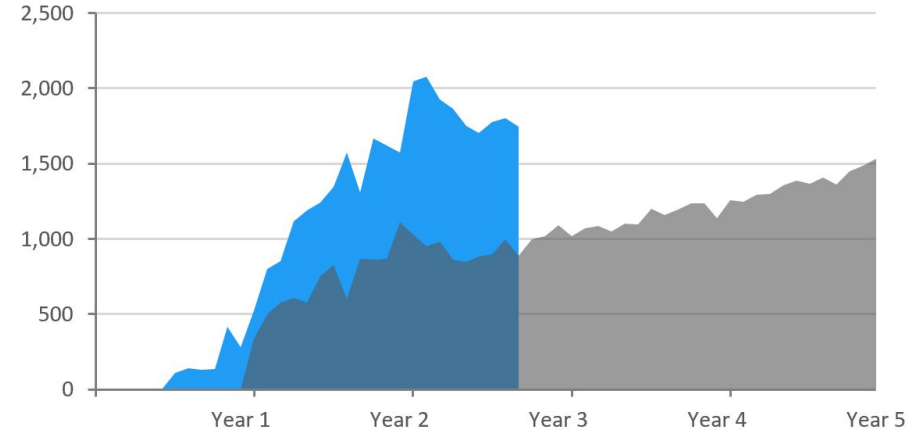
Trend Analysis - United States & Australia



Average services per customer



Average revenue per customer (\$)

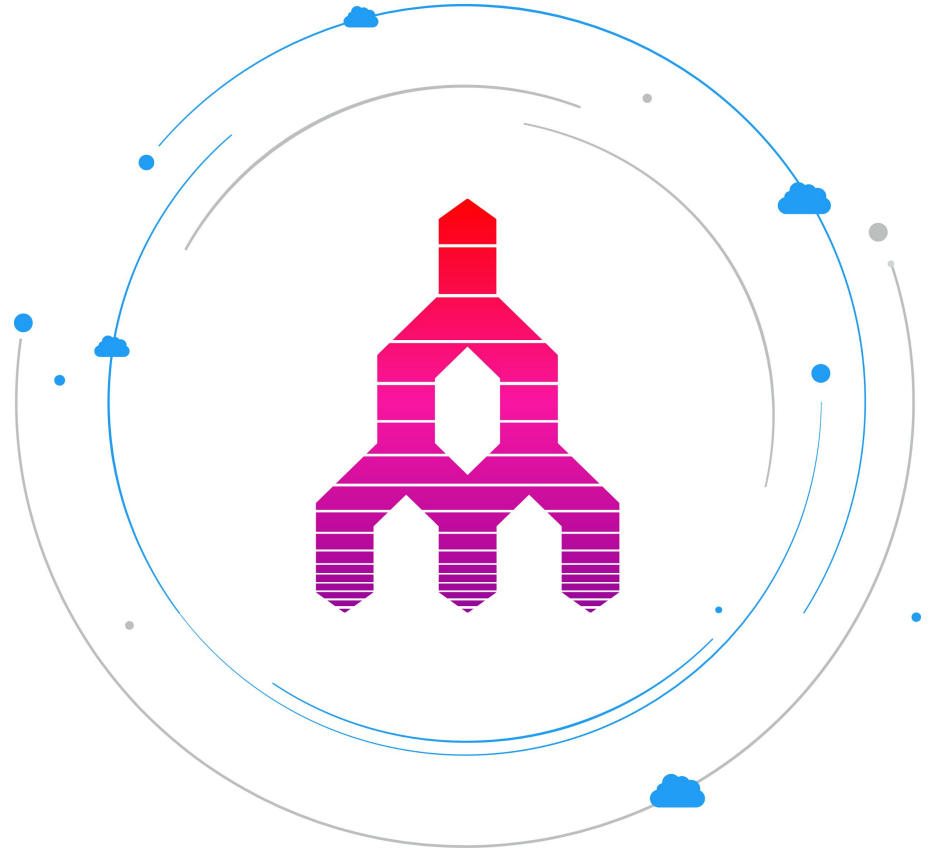


USA Australia

US customers consume more services and spend more than Australian customers

Regional Highlights

ASIA PACIFIC | NORTH AMERICA | EUROPE





Total number of data centres



47 | **59**
30 JUNE 2017 | 30 JUNE 2018

Total number of customers



414 | **529**
30 JUNE 2017 | 30 JUNE 2018

Total number of Ports



905 | **1,355**
30 JUNE 2017 | 30 JUNE 2018

Total number of services



2,352 | **3,676**
30 JUNE 2017 | 30 JUNE 2018

Monthly Recurring Revenue



\$0.5M | **\$0.9M**
JUNE 2017 | JUNE 2018

Profit after direct network costs



55%
For the Month JUNE 2018

Average revenue per Port

\$648 | **+9%**

No. of Ports per data centre

23 | **+19%**

Port utilisation*

59%

Services per Port

2.7 | **+4%**

Services per customer

6.9 | **+22%**

Stats as at 30 June 2018

North America



Total number of data centres



61

30 JUNE 2017

100

30 JUNE 2018

Total number of customers



140

30 JUNE 2017

340

30 JUNE 2018

Total number of Ports



356

30 JUNE 2017

812

30 JUNE 2018

Total number of services



823

30 JUNE 2017

2,057

30 JUNE 2018

Monthly Recurring Revenue



\$0.3M

JUNE 2017

\$0.5M

JUNE 2018

Profit after direct network costs



-39%

For the Month JUNE 2018

Average revenue per Port

\$675

-13%

No. of Ports per data centre

8

+39%

Port utilisation*

34%

Services per Port

2.5

+10%

Services per customer

6.1

+3%

Stats as at 30 June 2018

Europe



Total number of data centres



57

30 JUNE 2017

62

30 JUNE 2018

Total number of customers



222

30 JUNE 2017

251

30 JUNE 2018

Total number of Ports



568

30 JUNE 2017

588

30 JUNE 2018

Total number of services



589

30 JUNE 2017

834

30 JUNE 2018

Monthly Recurring Revenue



\$0.4M

JUNE 2017

\$0.6M

JUNE 2018

Profit after direct network costs



48%

For the Month JUNE 2018

Average revenue per Port

\$950

+34%

No. of Ports per data centre

9

-

Port utilisation*

51%

Services per Port

1.4

+37%

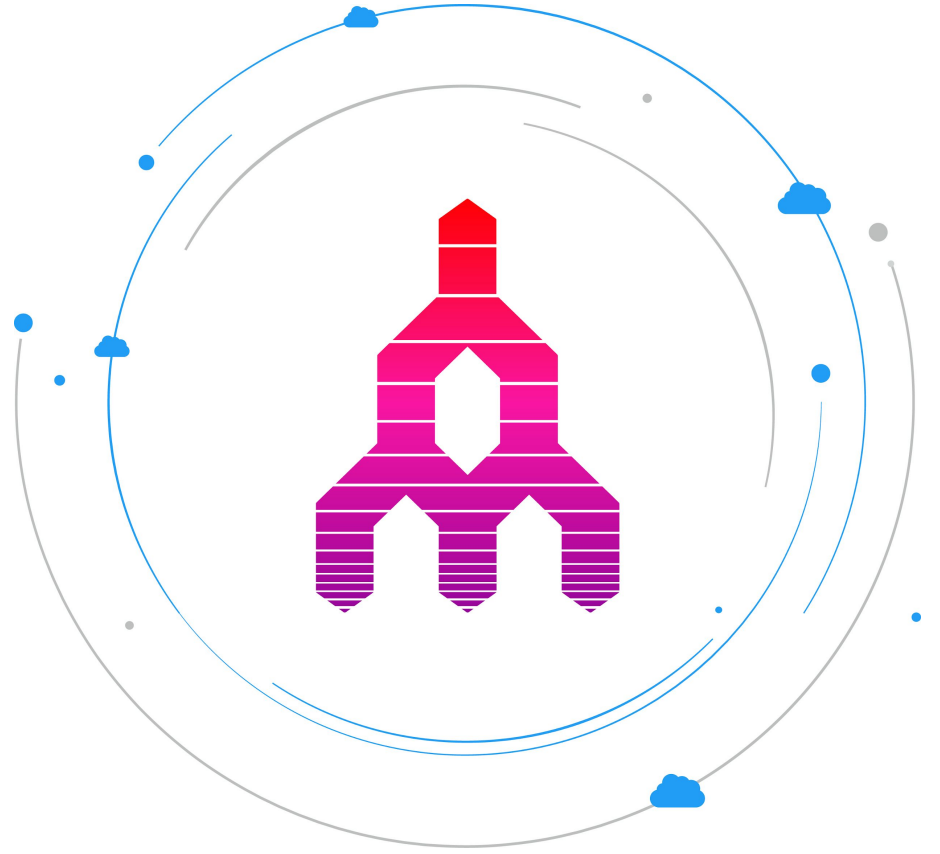
Services per customer

3.3

+25%

Stats as at 30 June 2018

Partners & Customers



Data Centre Growth FY18



Megaport Cloud Enablement



108

Total Onramps



Increase: 46 **+74%**

Total Onramps

Amazon Web Services 31

Microsoft Azure 27

Google Cloud 18

IBM Cloud 12

Oracle Cloud 9

Alibaba Cloud 8

Salesforce 3



62

Cloud regions



Increase: 19 **+44%**



Alibaba Cloud



IBM Cloud



- Asia Pacific SE1 (Singapore)
- Asia Pacific SE2 (Sydney)
- CN-Hong Kong
- EU Central 1 (Frankfurt)
- US West 1 (Silicon Valley)
- US East 1 (Virginia)

- Asia Pacific South
- EU (UK)
- EU (Germany)
- UK South
- US East
- US South

- US East US
- Central EU
- Central



- Asia Pacific (Sydney)
- Asia Pacific (Singapore)
- EU (London)
- EU (Ireland)
- EU (Frankfurt)
- AWS GovCloud
- US (Ohio)
- US East (N. Virginia)
- US West (N. California)
- US West (Oregon)
- Canada (Central)

- Australia South East
- Australia East
- East Asia
- Southeast Asia
- UK South
- North Europe
- West Europe
- Germany Central
- US DoD East
- US Gov Texas
- US Gov Iowa
- US West
- West US 2
- South Central US
- North Central US
- Canada East
- Canada Central

- APAC Sydney
- EMEA Frankfurt
- EMEA Slough
- EMEA Amsterdam
- US Ashburn
- US Chicago
- US Phoenix

- Asia Southeast 1 (Singapore)
- Australia South East 1 (Sydney)
- Asia East1 (Taiwan)
- Europe West2 (UK)
- Europe West3 (Germany)
- Europe West4 (Netherlands)
- North America-Northeast1 (Montréal)
- US Central1 (Iowa)
- US-East1 (South Carolina)
- US-East4 (Virginia)
- US-West1 (Oregon)
- US-West2 (Los Angeles)

Key Customer Wins



gettyimages®

zoom

morgans

PROVIDENCE
Health & Services

AON

LIGHTSTREAM®
A DIVISION OF SUNTRUST BANK

GO MARKETS
first choice for forex

Breville®

HilltopSecurities
A Hilltop Holdings Company.



TAL

PACIFIC
DENTAL SERVICES®

M&CSAATCHI

FRAMESTORE

Qrious

FLIGHT
CENTRE™

synchrony
FINANCIAL

T · · Systems ·

CAESARS
ENTERTAINMENT®

vodafone

SPORTINGINDEX

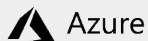
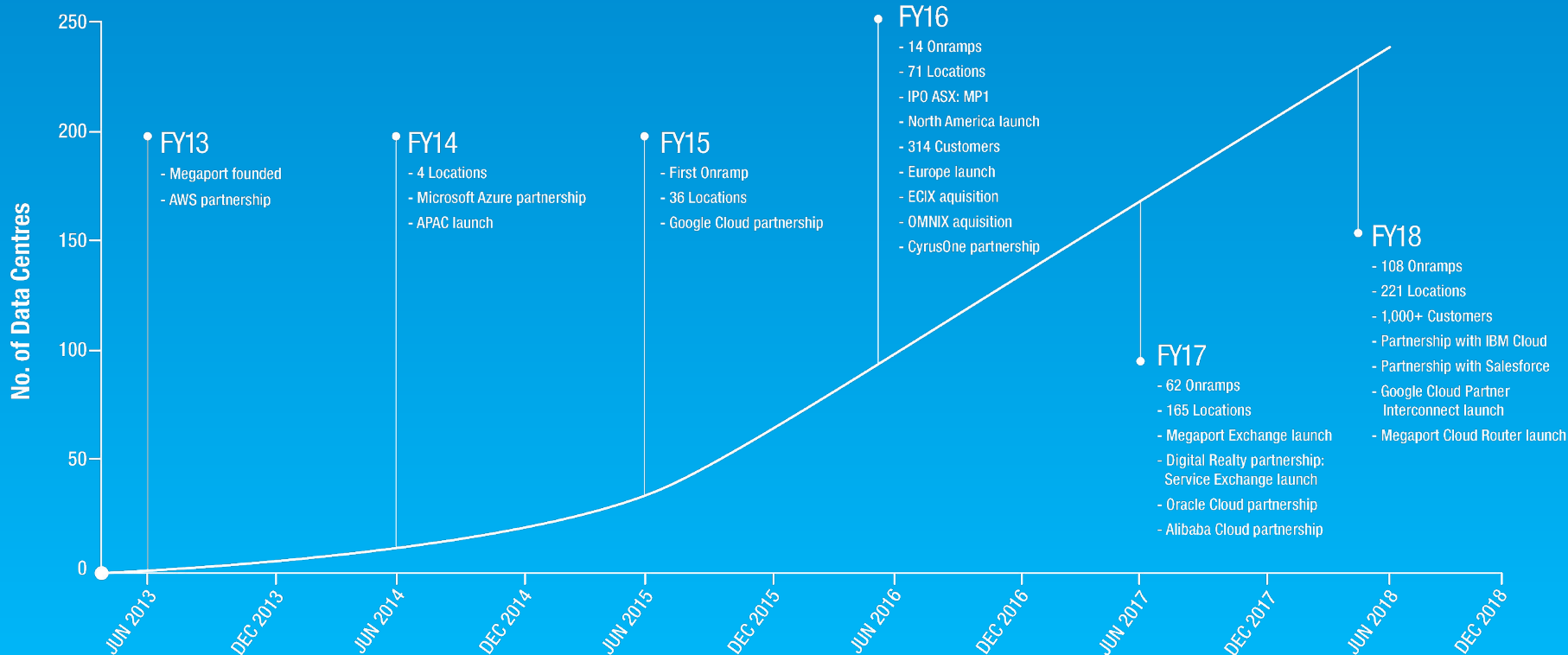
aspect
capital

CIVEO

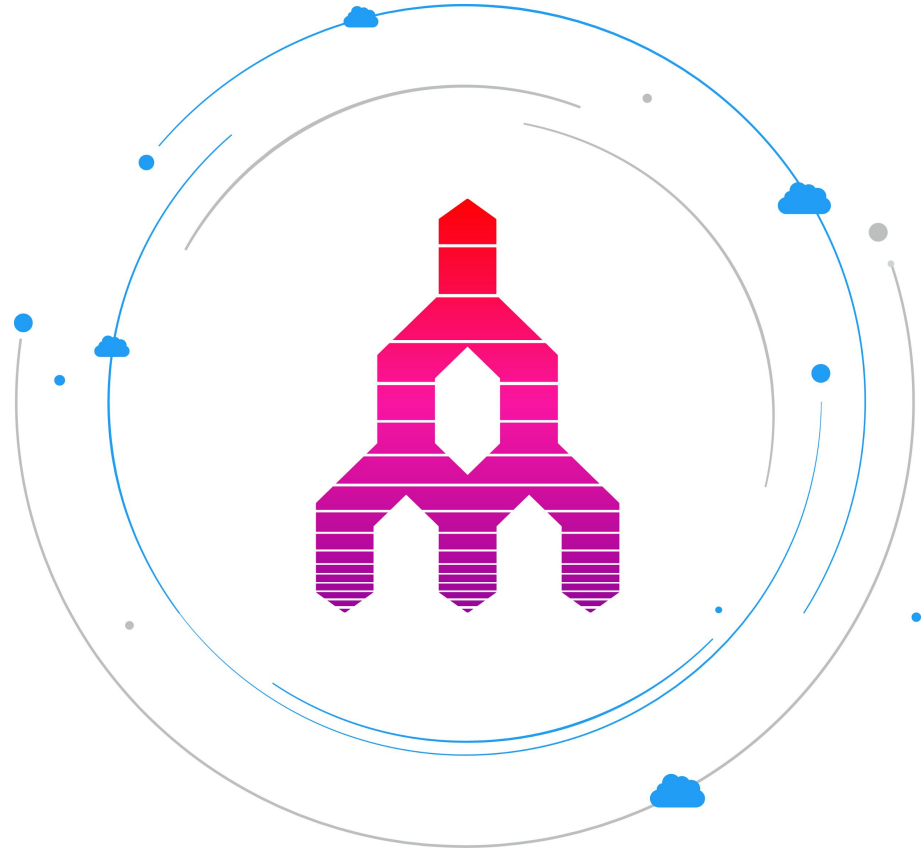
arrow energy
go further

Sri Lanka Telecom

Milestones



Focus FY19



Focus for FY19



Connect to new locations, partners, and customers

Accelerate the next wave of data interconnection services with new network features, services, and capabilities

Strengthen our position as the leading global innovator and provider in Network as a Service (NaaS)

Deliver revenue growth with appropriate cost management and continued reduction in cash burn

Important Information



Megaport Limited ACN 607 301 959

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Megaport securities in any jurisdiction. No representation or warranty, expressed or implied, is made as to the accuracy, completeness or thoroughness of the information, whether as to the past or future. Recipients of the document must make their own independent investigations, consideration and evaluation. The information contained in this presentation is subject to change without notification.

This presentation includes certain forward looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward looking statements. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Megaport. These factors may cause actual results to differ materially from those expressed in the statements contained in this presentation. For specific risks and disclaimers, please refer to the Megaport Share Placement & Share Purchase Plan presentation lodged with the ASX on 20 March 2018.

All references to "\$" are to Australian currency (AUD) unless otherwise noted.

Direct network costs: Revenue less direct network costs, which comprise of data centre power and space, physical cross connect fees, bandwidth and dark fibre, network operation and maintenance, and channel commissions which are directly related to generating the service revenue of Megaport Group.

Normalised Earnings Before Interest Tax Depreciation and Amortisation (Normalised EBITDA) represents operating results excluding equity-settled employee benefit, foreign exchange gains / (losses) and non-operating expenses.




Thank you

ASX: MP1

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