

QTS Realty Trust to Be Acquired by Blackstone Funds in \$10 Billion Transaction

07 June 2021

QTS Common Stockholders to Receive \$78 Per Share in Cash

Represents a Premium of 21% to QTS' Closing Stock Price of \$64.49 on June 4, 2021

OVERLAND PARK, Kan. and NEW YORK – June 7, 2021 – QTS Realty Trust (NYSE: QTS) (“QTS” or “the Company”) and Blackstone (NYSE: BX), today announced that they have entered into a definitive agreement under which Blackstone Infrastructure Partners, Blackstone Real Estate Income Trust, Inc. and other long-term perpetual capital vehicles managed by Blackstone will acquire all outstanding shares of common stock of QTS Realty Trust for \$78.00 per share in an all-cash transaction valued at approximately \$10 billion, including the assumption of debt. The purchase price represents a premium of 21% to QTS' closing share price as of June 4, 2021 and a 24% premium to the volume weighted average share price over the last 90 days. The transaction was unanimously approved by the QTS Board of Directors and is expected to close in the second half of 2021.

Blackstone's interest in acquiring QTS and its commitment to investing in its platform is a testament to the QTS team's success in building a leading data center company. Blackstone's expertise, resources and consistent access to capital will support QTS' growth and help expand the reach of its data center solutions supporting new

and existing customers. Upon completion of the transaction, the parties expect that QTS will continue to be led by its senior management team and maintain its corporate headquarters in Overland Park, Kansas.

“We are pleased to enter into this transaction with Blackstone, as it will deliver compelling, immediate and certain value to stockholders while positioning QTS to continue supporting customers’ expanding data center infrastructure needs,” said Philip Trahanas, Lead Director of the QTS Board of Directors. “The QTS Board regularly reviews the Company’s strategy and market opportunities to maximize stockholder value, and we are confident this transaction achieves that objective.”

“QTS is powered by its people and continues to set a new standard for service delivery in the data center industry,” said Chad Williams, Chairman and CEO of QTS. “We see a significant market opportunity for growth as hyperscale customers and enterprises continue to leverage our world-class infrastructure to support their digital transformation initiatives. We are confident this transaction is the right step to achieve our strategic objectives in our next phase of growth. I want to thank each of our QTS employees for their continued dedication to a culture of service to others, which has positioned QTS to enter into this transformative transaction.”

“We are delighted to back QTS and its world-class management team as they continue to scale the company to meet the rising demand for data centers. QTS aligns with one of Blackstone’s highest conviction themes – data proliferation – and the required investment makes it well suited as a long-term holding for our perpetual capital vehicles. We are committed to a strong, lasting partnership, leveraging Blackstone’s scale, reach, resources and access to capital to drive long-term growth at QTS,” said Greg Blank, Senior Managing Director, Blackstone Infrastructure Partners.

“We are focused on investing in assets that are benefitting from strong, secular tailwinds, such as the rapid digitalization of data. QTS is a leading provider of data center solutions with a portfolio of high-quality assets in desirable markets, positioning it well to capitalize on these powerful trends in the data center space. We believe the vast expertise across our business will enable the QTS platform to succeed over the long-term,” said Tyler Henritze, Head of Acquisitions Americas for Blackstone Real Estate.

Transaction Terms, Timing and Approvals

The definitive merger agreement includes a 40-day “go-shop” period that will expire on July 17, 2021, subject to extension under certain circumstances, which permits QTS and its representatives to actively solicit and consider alternative acquisition proposals. QTS has the right to terminate the definitive merger agreement with Blackstone to enter into a superior proposal subject to certain terms and conditions of the definitive merger agreement. There can be no assurance that this process will result in a superior proposal, and QTS does not intend to disclose developments with respect to the go-shop process unless and until it determines such disclosure is appropriate or is otherwise required.

The transaction with Blackstone is expected to close in the second half of 2021, subject to approval by QTS’ stockholders and the satisfaction of other customary closing conditions.

Subject to and upon completion of the transaction, QTS’ common stock will no longer be listed on the New York Stock Exchange. QTS will be jointly owned by Blackstone Infrastructure Partners and Blackstone Real Estate Income Trust (“BREIT”).

Advisors

Jefferies LLC and Morgan Stanley & Co. LLC are acting as financial advisors to QTS, and Hogan Lovells US LLP and Paul, Weiss, Rifkind, Wharton & Garrison LLP are acting as legal counsel to QTS. Citigroup Global Markets Inc., Barclays, Deutsche Bank Securities Inc., Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC are acting as financial advisors to Blackstone, and Simpson Thacher & Bartlett LLP is acting as its legal counsel.

About QTS

QTS Realty Trust, Inc. (NYSE: QTS) is a leading provider of data center solutions across a diverse footprint spanning more than 7 million square feet of owned mega scale data center space within North America and Europe. Through its software-defined technology platform, QTS is able to deliver secure, compliant infrastructure solutions, robust connectivity and premium customer service to leading hyperscale technology companies, enterprises, and government entities. Visit QTS at www.qtsdatacenters.com, call toll-free 877.QTS.DATA or follow on Twitter @DataCenters_QTS.

About Blackstone

Blackstone is one of the world's leading investment firms. We seek to create positive economic impact and long-term value for our investors, the companies we invest in, and the communities in which we work. We do this by using extraordinary people and flexible capital to help companies solve problems. Our \$649 billion in assets under management include investment vehicles focused on private equity, real estate, public debt and equity, life sciences, growth equity, opportunistic, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at www.blackstone.com. Follow Blackstone on Twitter @Blackstone.