

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2021

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-35789

**CyrusOne Inc.**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction of  
incorporation or organization)

**46-0691837**  
(I.R.S. Employer  
Identification No.)

**2850 N. Harwood Street, Suite 2200, Dallas, TX 75201**  
(Address of Principal Executive Offices) (Zip Code)

**(972) 350-0060**  
(Registrant's telephone number, including area code)  
Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, \$0.01 par value	CONE	The NASDAQ Global Select Market
1.450% Senior Notes due 2027	CONE27	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes  No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

There were 122,536,028 shares of common stock outstanding as of April 23, 2021 with a par value of \$0.01 per share.

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## EXPLANATORY NOTE

Unless otherwise indicated or unless the context requires otherwise, all references in this report to "we," "us," "our," "our Company" or "the Company" refer to CyrusOne Inc., a Maryland corporation, together with its consolidated subsidiaries, including CyrusOne LP, a Maryland limited partnership. Unless otherwise indicated or unless the context requires otherwise, all references to "our operating partnership" or "the operating partnership" refer to CyrusOne LP together with its consolidated subsidiaries.

CyrusOne Inc. is a real estate investment trust, or REIT, whose only material asset is its ownership of operating partnership units of CyrusOne LP. CyrusOne Inc. does not conduct business itself, other than acting as the sole beneficial owner and trustee of CyrusOne GP, a Maryland statutory trust, issuing public equity from time to time and guaranteeing certain debt of CyrusOne LP and certain of its subsidiaries. CyrusOne Inc., directly or indirectly, owns all of the issued and outstanding operating partnership units of CyrusOne LP as of March 31, 2021 and has the full, exclusive and complete responsibility for the operating partnership's day-to-day management and control. Effective February 1, 2021, the Company reorganized CyrusOne LP to classify the partnership as a regarded entity under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"). See Part I, Item 1A "Risk Factors-Risks Related to Our Organization Structure" of our Annual Report on Form 10-K for the year ended December 31, 2020, as amended ("Form 10-K") for more information. CyrusOne Inc. itself does not issue any indebtedness but guarantees the debt of CyrusOne LP and certain of its subsidiaries, as disclosed in this report. CyrusOne LP and its subsidiaries hold substantially all the assets of the Company. CyrusOne LP conducts the operations of the business, along with its subsidiaries, and is structured as a partnership with no publicly traded equity. Except for net proceeds from public equity issuances by CyrusOne Inc., which are generally contributed to CyrusOne LP in exchange for operating partnership units, CyrusOne LP generates the capital required for the Company's business through CyrusOne LP's operations and incurrence of indebtedness.

As of March 31, 2021, the total number of outstanding shares of our common stock was approximately 122.5 million.

On November 19, 2020, the Securities and Exchange Commission ("SEC") adopted amendments to Regulation S-K Items 301, 302 and 303, which became effective on February 10, 2021. Although mandatory compliance is not required until our fiscal year ending December 31, 2021, early adoption is permitted, and as previously disclosed we elected to early adopt amended Regulation S-K Items 301, 302 and 303 in our Form 10-K.

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## INDEX

	Page
PART I. FINANCIAL INFORMATION	
<a href="#">Item 1. Financial Statements (unaudited)</a>	<a href="#">5</a>
<a href="#">Condensed Consolidated Balance Sheets as of March 31, 2021 and December 31, 2020</a>	<a href="#">5</a>
<a href="#">Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2021 and 2020</a>	<a href="#">6</a>
<a href="#">Condensed Consolidated Statements of Comprehensive Income (Loss) for the Three Months Ended March 31, 2021 and 2020</a>	<a href="#">7</a>
<a href="#">Condensed Consolidated Statements of Equity for the Three Months Ended March 31, 2021 and 2020</a>	<a href="#">8</a>
<a href="#">Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2021 and 2020</a>	<a href="#">9</a>
<a href="#">Notes to Condensed Consolidated Financial Statements</a>	<a href="#">10</a>
<a href="#">Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</a>	<a href="#">32</a>
<a href="#">Item 3. Quantitative and Qualitative Disclosures About Market Risk</a>	<a href="#">49</a>
<a href="#">Item 4. Controls and Procedures</a>	<a href="#">52</a>
PART II. OTHER INFORMATION	
<a href="#">Item 1. Legal Proceedings</a>	<a href="#">53</a>
<a href="#">Item 1A. Risk Factors</a>	<a href="#">53</a>
<a href="#">Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</a>	<a href="#">53</a>
<a href="#">Item 3. Defaults Upon Senior Securities</a>	<a href="#">53</a>
<a href="#">Item 4. Mine Safety Disclosures</a>	<a href="#">53</a>
<a href="#">Item 5. Other Information</a>	<a href="#">53</a>
<a href="#">Item 6. Exhibits</a>	<a href="#">54</a>
<a href="#">Signatures</a>	<a href="#">55</a>

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**PART I—FINANCIAL INFORMATION**  
**ITEM 1. FINANCIAL STATEMENTS**

**CyrusOne Inc.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in millions, except share and per share amounts)  
(unaudited)

	March 31, 2021	December 31, 2020
<b>Assets</b>		
Investment in real estate:		
Land	\$ 207.3	\$ 208.8
Buildings and improvements	2,046.6	2,035.2
Equipment	3,596.5	3,538.9
Gross operating real estate	5,850.4	5,782.9
Less accumulated depreciation	(1,867.5)	(1,767.9)
Net operating real estate	3,982.9	4,015.0
Construction in progress, including land under development	1,053.3	982.2
Land held for future development	262.3	268.3
Total investment in real estate, net	5,298.5	5,265.5
Cash and cash equivalents	240.9	271.4
Rent and other receivables <i>(net of allowance for doubtful accounts of \$2.1 and \$3.5 as of March 31, 2021 and December 31, 2020, respectively)</i>	389.8	334.2
Restricted cash	1.4	1.5
Operating lease right-of-use assets, net	239.7	211.4
Equity investments	22.9	67.1
Goodwill	455.1	455.1
Intangible assets <i>(net of accumulated amortization of \$257.2 and \$249.3 as of March 31, 2021 and December 31, 2020, respectively)</i>	149.2	157.8
Other assets	114.3	133.4
<b>Total assets</b>	<b>\$ 6,911.8</b>	<b>\$ 6,897.4</b>
<b>Liabilities and equity</b>		
Debt	\$ 3,337.4	\$ 3,409.0
Finance lease liabilities	28.6	29.1
Operating lease liabilities	277.9	249.1
Construction costs payable	137.5	133.0
Accounts payable and accrued expenses	168.9	151.3
Dividends payable	62.0	63.3
Deferred revenue and prepaid rents	183.2	174.1
Deferred tax liability	48.2	53.0
Other liabilities	53.3	77.3
<b>Total liabilities</b>	<b>4,297.0</b>	<b>4,339.2</b>
Commitments and contingencies		
<b>Stockholders' equity</b>		
Preferred stock, \$0.01 par value, 100,000,000 authorized; no shares issued or outstanding	—	—
Common stock, \$0.01 par value, 500,000,000 shares authorized and 122,535,975 and 120,442,521 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	1.2	1.2
Additional paid in capital	3,628.6	3,537.3
Accumulated deficit	(1,010.2)	(966.6)
Accumulated other comprehensive loss	(4.8)	(13.7)
Total stockholders' equity	2,614.8	2,558.2
<b>Total liabilities and equity</b>	<b>\$ 6,911.8</b>	<b>\$ 6,897.4</b>

The accompanying notes are an integral part of the condensed consolidated financial statements.

**CyrusOne Inc.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in millions, except per share data)  
(unaudited)

	Three Months Ended March 31,	
	2021	2020
<b>Revenue</b>	\$ 298.6	\$ 245.9
Operating expenses:		
Property operating expenses	135.8	92.6
Sales and marketing	3.8	4.7
General and administrative	23.0	26.9
Depreciation and amortization	121.4	108.1
Transaction, acquisition, integration and other related expenses	0.1	0.5
Impairment losses and loss (gain) on asset disposals	0.5	(0.1)
<b>Total operating expenses</b>	284.6	232.7
<b>Operating income</b>	14.0	13.2
Interest expense, net	(15.1)	(16.0)
Gain on marketable equity investment	2.4	14.7
Loss on early extinguishment of debt	—	(3.4)
Foreign currency and derivative gains, net	15.4	5.1
Other expense	(0.1)	(0.1)
<b>Net income before income taxes</b>	16.6	13.5
Income tax benefit	1.6	1.2
<b>Net income</b>	\$ 18.2	\$ 14.7
Weighted average number of common shares outstanding - basic	120.4	114.9
Weighted average number of common shares outstanding - diluted	120.5	115.1
Net income per share - basic	\$ 0.15	\$ 0.13
Net income per share - diluted	\$ 0.15	\$ 0.13

The accompanying notes are an integral part of the condensed consolidated financial statements.

CyrusOne Inc.  
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)  
(in millions)  
(unaudited)

	Three Months Ended March 31,	
	2021	2020
<b>Net income</b>	\$ 18.2	\$ 14.7
Other comprehensive income (loss):		
Foreign currency translation adjustment	(15.0)	(24.0)
Net gain (loss) on hedging instruments	23.9	(1.1)
<b>Comprehensive income (loss)</b>	\$ 27.1	\$ (10.4)

The accompanying notes are an integral part of the condensed consolidated financial statements.

**CyrusOne Inc.**  
**CONDENSED CONSOLIDATED STATEMENTS OF EQUITY**  
(in millions)  
(unaudited)

	Stockholders' Equity					
	Shares of Common Stock Outstanding	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
Balance as of January 1, 2020	114.8	\$ 1.1	\$ 3,202.0	\$ (767.3)	\$ (1.2)	\$ 2,434.6
Net income	—	—	—	14.7	—	14.7
Issuance of common stock, net	0.2	0.1	0.5	—	—	0.6
Stock-based compensation expense	—	—	3.7	—	—	3.7
Tax payment upon exercise of equity awards	—	—	(6.3)	—	—	(6.3)
Foreign currency translation adjustment	—	—	—	—	(24.0)	(24.0)
Net loss on cash flow hedging instruments	—	—	—	—	(1.1)	(1.1)
Dividends declared, \$0.50 per share	—	—	—	(58.4)	—	(58.4)
Balance as of March 31, 2020	115.0	\$ 1.2	\$ 3,199.9	\$ (811.0)	\$ (26.3)	\$ 2,363.8
Balance as of January 1, 2021	120.4	\$ 1.2	\$ 3,537.3	\$ (966.6)	\$ (13.7)	\$ 2,558.2
Net income	—	—	—	18.2	—	18.2
Issuance of common stock, net	2.1	—	95.8	—	—	95.8
Stock-based compensation expense	—	—	4.4	—	—	4.4
Tax payment upon exercise of equity awards	—	—	(8.9)	—	—	(8.9)
Foreign currency translation adjustment	—	—	—	—	(15.0)	(15.0)
Net gain on cash flow hedging instruments	—	—	—	—	23.9	23.9
Dividends declared, \$0.51 per share	—	—	—	(61.8)	—	(61.8)
Balance as of March 31, 2021	122.5	\$ 1.2	\$ 3,628.6	\$ (1,010.2)	\$ (4.8)	\$ 2,614.8

The accompanying notes are an integral part of the condensed consolidated financial statements.

**CyrusOne Inc.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in millions)  
(unaudited)

	Three Months Ended March 31,	
	2021	2020
<b>Cash flows from operating activities:</b>		
Net income	\$ 18.2	\$ 14.7
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Depreciation and amortization	121.4	108.1
Provision for bad debt expense	(1.1)	(0.1)
Gain on marketable equity investment	(2.4)	(14.7)
Foreign currency and derivative gains, net	(15.4)	(5.1)
Proceeds from swap terminations	—	2.9
Impairment losses and loss (gain) on asset disposals	0.5	(0.1)
Loss on early extinguishment of debt	—	3.4
Interest expense amortization, net	1.6	2.0
Stock-based compensation expense	4.4	3.7
Deferred income tax benefit	(2.6)	(2.0)
Operating lease cost	5.2	6.2
Other (income) expense	(0.1)	0.3
<i>Change in operating assets and liabilities:</i>		
Rent and other receivables, net and other assets	(43.4)	(29.4)
Accounts payable and accrued expenses	18.4	(1.2)
Deferred revenue and prepaid rents	8.5	3.2
Operating lease liabilities	(6.5)	(5.6)
<b>Net cash provided by operating activities</b>	<b>106.7</b>	<b>86.3</b>
<b>Cash flows from investing activities:</b>		
Investments in real estate	(175.4)	(196.5)
Proceeds from sale of equity investments	46.6	—
Equity investments	—	(3.3)
Proceeds from the sale of real estate assets	4.4	—
<b>Net cash used in investing activities</b>	<b>(124.4)</b>	<b>(199.8)</b>
<b>Cash flows from financing activities:</b>		
Issuance of common stock, net	95.8	0.6
Dividends paid	(63.0)	(58.4)
Proceeds from revolving credit facility	90.3	244.4
Repayments of revolving credit facility	(124.2)	(623.1)
Proceeds from Euro bond	—	550.6
Proceeds from unsecured term loan	—	1,100.0
Repayments of unsecured term loan	—	(1,100.0)
Payment of deferred financing costs	—	(13.6)
Payments on finance lease liabilities	(0.7)	(0.7)
Tax payment upon exercise of equity awards	(8.9)	(6.3)
<b>Net cash (used in) provided by financing activities</b>	<b>(10.7)</b>	<b>93.5</b>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(2.2)	0.9
<b>Net decrease in cash, cash equivalents and restricted cash</b>	<b>(30.6)</b>	<b>(19.1)</b>
Cash, cash equivalents and restricted cash at beginning of period	272.9	77.7
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>\$ 242.3</b>	<b>\$ 58.6</b>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid for interest, including amounts capitalized of \$4.9 million and \$6.0 million in 2021 and 2020, respectively	\$ 12.8	\$ 8.3
<b>Non-cash investing and financing activities:</b>		
Construction costs payable	137.5	183.4
Dividends payable	62.0	58.7

The accompanying notes are an integral part of the condensed consolidated financial statements.

## **1. Description of Business**

CyrusOne Inc., together with CyrusOne GP (the "General Partner"), a wholly-owned subsidiary of CyrusOne Inc., through which CyrusOne Inc. wholly owns CyrusOne LP (the "Operating Partnership") and the subsidiaries of the Operating Partnership (collectively, "CyrusOne", "we", "us", "our", and the "Company") is an owner, operator and developer of enterprise-class, carrier-neutral, multi-tenant and single-tenant data center properties. As of March 31, 2021, all of the issued and outstanding operating partnership units of CyrusOne LP are owned, directly or indirectly, by the Company. Our customers operate in a number of industries, including information technology, financial services, energy, oil and gas, mining, medical, research and consulting services, and consumer goods and services. We currently operate 54 data centers, including one recovery center, located in the United States, United Kingdom, Germany, The Netherlands, The Republic of Ireland and Singapore.

On January 24, 2013, the Company completed its initial public offering (the "IPO") of common stock and its common stock currently trades on the NASDAQ Exchange under the ticker symbol "CONE".

## **2. Summary of Significant Accounting Policies**

### **Risks and Uncertainties**

The novel strain of the coronavirus (COVID-19) identified in China in late 2019 has globally spread throughout Asia, Europe, the Middle East and the Americas and has resulted in authorities implementing numerous measures to attempt to contain the virus. This includes travel bans, shelter in place regulations and other restrictions and shutdowns. We continue to monitor the global outbreak and to take steps to mitigate the potential risks to us posed by the pandemic. To date, our data center portfolio remains fully operational and we have experienced minimal disruptions in our business, including construction projects, however, we have modified our business practices by temporarily closing our corporate headquarters and regional locations, transitioned non-essential employees to working remotely from their homes, implemented restrictions on the physical participation in meetings and significantly limited business travel, all of which have disrupted how we operate our business and may remain in place for an indeterminate amount of time. The duration and extent of the impact from the COVID-19 pandemic depends on future developments that cannot be accurately predicted at this time, such as the severity and transmission rate of the virus, the extent and effectiveness of containment actions, the distribution and effectiveness of vaccines and the impact of these and other factors on our employees, customers, suppliers and vendors. The effect of the pandemic and measures implemented by authorities could disrupt our supply chain, which currently remains fully functional, including the provision of services to us by our vendors and could result in restrictions on construction activities. There has been and continues to be considerable uncertainty about the impact of these measures and restrictions on our Company and customers and the effects of these measures and how long they will remain in effect, which could adversely impact our employees, customers, vendors and suppliers resulting in a material adverse effect on our business, financial condition, results of operations, cash flows and ability to pay dividends as well as the market price of our common stock.

### **Interim Unaudited Financial Information**

The accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and should be read in conjunction with the financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2020, which was filed with the Securities and Exchange Commission ("SEC") on February 19, 2021. Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with GAAP have been omitted from this report on Form 10-Q pursuant to the rules and regulations of the SEC.

Results for the interim periods in this report are not necessarily indicative of future financial results and have not been audited by our independent registered public accounting firm. In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all adjustments necessary to present fairly our condensed consolidated financial statements as of March 31, 2021 and December 31, 2020, and for the three months ended March 31, 2021 and 2020. These adjustments are of a normal recurring nature and consistent with the adjustments recorded to prepare the annual audited consolidated financial statements as of December 31, 2020. All amounts reflected are in millions except share and per share data.

### **Basis of Presentation**

The accompanying condensed consolidated financial statements include the accounts of the Company, as well as all wholly-owned subsidiaries and any consolidated variable interest entities. All intercompany balances and transactions have been eliminated in consolidation.

### **Investment in Real Estate**

#### **Acquisition of Properties**

Investment in real estate consist of land, buildings, improvements and integral equipment utilized in our data center operations. We expect most acquisitions to be an acquisition of assets rather than a business combination as our typical acquisitions consist of properties whereby substantially all the fair value of gross assets acquired is concentrated in a single asset set (land, building and in-place leases), which are treated as asset acquisitions.

#### **Impairment Losses**

When events or circumstances indicate that the carrying amount of a real estate investment may not be recoverable, we review the carrying value of the asset. When such impairment indicators exist, we review an estimate of the undiscounted future cash flows expected to result from the use of the real estate investment and proceeds from its eventual disposition and compare such amount to the carrying value of the real estate investment. If our undiscounted cash flows indicate that we are unable to recover the carrying value of the real estate investment, an impairment loss is recognized. An impairment loss is measured as the amount by which the real estate investment's carrying value exceeds its estimated fair value. We did not record any impairment losses for the three months ended March 31, 2021 or 2020. These fair values were based on unobservable inputs and the determination of fair value of real estate assets to be held for use is derived using the discounted cash flow method and involves a number of management assumptions relating to future economic events that could materially affect the determination of the ultimate fair value. Such assumptions are Level 3 inputs and include, but are not limited to, projected vacancy rates, rental rates, property operating expenses and required capital expenditures. These factors require management's judgment of factors such as market knowledge, historical experience, lease terms, tenant financial strength, economy, demographics, environment, property location, age, physical condition and expected return requirements, among other things. The aforementioned factors are taken as a whole by management in the determination of fair value. See Fair Value Measurements below for further information on fair value.

#### **Cash and Cash Equivalents and Restricted Cash**

Cash and cash equivalents include all non-restricted cash held in financial institutions and other non-restricted highly liquid short-term investments with original maturities of three months or less. Restricted cash includes cash equivalents restricted by contract or regulation, including letters of credit.

#### **Equity Investments**

We hold investments in various joint ventures where the Company evaluates its ability to influence the operating or financial decisions of the investee in applying the appropriate method of accounting for such investments. Influence tends to be more effective as the investor's percent of ownership in the voting rights of the investee increases. Our equity investments represent less than 20% of the voting rights of the investees and we do not exercise influence over the investee's operating and financial decisions. Accordingly, we do not account for our equity investments using the equity method of accounting. For further information about our equity investments, see Note 7, Equity Investments.

Our equity investments are carried at cost because we do not exercise influence over the operating and financial decisions of the ventures and there is no readily determinable fair value and our investments are recorded at cost less impairment, if any. Dividends paid from operating profits are reported as a component of net income, while other dividends are reported as a return of capital.

## Revenue Recognition

Our revenue consists of lease revenue and revenue from contracts with customers.

### *Lease Revenue:*

Our leasing revenue primarily consists of colocation rent, metered power reimbursements and interconnection revenue and is accounted for under Accounting Standards Codification (“ASC”) 842, Leases (“ASC 842”). We generally are not entitled to reimbursements for rental expenses including real estate taxes, insurance or other common area operating expenses.

#### *a. Colocation Rent Revenue*

Colocation rent revenues, including interconnection revenue, are fixed minimum lease payments generally billed monthly in advance based on the contracted power or leased space. Some contracts may provide initial free rent periods and rents that escalate over the term of the contract. If rents escalate without the lessee gaining access to or control over additional leased power or space at the beginning of the lease term, the rental payments are recognized as revenue on a straight-line basis over the term of the lease. If rents escalate because the lessee gains access to and control over additional power and or leased space, revenue is recognized in proportion to the additional power or space in the periods that the lessee has control over the use of the additional power or space. The excess of revenue recognized over amounts contractually due is recognized as a straight-line receivable, which is included in Rent and other receivables in our Condensed Consolidated Balance Sheets. Some of our leases are structured on a gross basis in which the customer pays a fixed amount for colocation space and power. The revenue for these types of leases is recorded in colocation rent revenue.

#### *b. Metered Power Reimbursements Revenue*

Some of our leases provide that the customer is separately billed for power based upon actual or estimated metered usage generally at rates then in effect. Metered power reimbursement revenue is variable lease payments generally billed one month in arrears, and an estimate of this revenue is accrued in the month that the associated power is provided and recorded in metered power reimbursements revenue.

### *Revenue from Contracts with Customers*

Revenue from our managed services, equipment sales, installations and other services are recognized under ASC 606, Revenue from Contracts with Customers (“ASC 606”).

Equipment sold by us generally consists of servers, switches, networking equipment, cable infrastructure and cabinets. Revenue is recognized at a point-in-time when control of the equipment transfers to the customer from the Company, which generally occurs upon delivery to the customer.

Managed services include providing a full-service managed data center, monitoring customer computer equipment, managing backups and storage, utilization reporting and other related ancillary information technology services. Management service contracts generally range from one to five years.

Installation services include mounting, wiring, and testing of customer owned equipment. The installation period is typically short term in duration, and accordingly, revenue from the installation of customer equipment is recognized at a point-in-time once the installation is complete and the performance obligation is satisfied. Other services generally include installation of customer equipment, performing customer system re-boots, server cabinet and cage management, power monitoring, shipping and receiving, resolving technical issues, and other services requested by the customer. Other service revenue is measured based on the consideration specified in the contract and recognized over time as we satisfy the performance obligation.

We adopted the practical expedient in ASC 606 that allows the Company to not disclose information about remaining performance obligations that have original expected durations of one year or less, the amount of the transaction price allocated to the remaining performance obligations and when we expect to recognize that amount as revenue for the year. We have also adopted the “as invoiced” practical expedient, whereby the Company recognizes revenue in the amount that directly corresponds to the amount of value transferred to the customer.

Contract assets were \$0.4 million as of both March 31, 2021 and December 31, 2020. Contract liabilities were not material as of both March 31, 2021 and December 31, 2020.

### **Rent and Other Receivables**

Receivables consist principally of rent receivables including straight-line rent receivables. A general reserve may be recognized as an allowance for doubtful accounts when collectibility is not probable, after applying the overall collectibility constraint under ASC 842. Straight-line rent receivable, net was \$171.6 million and \$172.6 million at March 31, 2021 and December 31, 2020, respectively. The allowance for doubtful accounts is estimated based upon historic patterns of credit losses for aged receivables as well as specific provisions for certain identifiable, potentially uncollectible balances.

### **Foreign Currency Translation and Transactions**

The financial position of foreign subsidiaries is translated at the exchange rates in effect at the end of the period, while revenues and expenses are translated at average exchange rates during the period. Gains or losses from translation of foreign operations where the local currency is the functional currency are included as components of Other comprehensive income (loss). Gains or losses from foreign currency transactions are included in determining net income.

### **Stock-Based Compensation**

We have a stock-based incentive award plan for our employees and directors. Stock-based compensation expense associated with these awards is recognized in General and administrative expenses, Property operating expenses, and Sales and marketing expenses in our Condensed Consolidated Statements of Operations. We measure stock-based compensation at the estimated fair value on the grant date and recognize the amortization of stock-based compensation expense over the requisite service period. Fair value is determined based on assumptions related to stock volatility, risk-free rate of return and estimates of market and company performance.

### **Fair Value Measurements**

Fair value measurements are utilized in accounting for business combinations, asset acquisitions, testing of goodwill and other long-lived assets for impairment, recording unrealized gain on available-for-sale securities, derivatives and related disclosures. Fair value of financial and non-financial assets and liabilities is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The three-tier hierarchy that prioritizes certain inputs used in the methodologies of measuring fair value for asset and liabilities, is as follows:

Level 1—Observable inputs for identical instruments such as quoted market prices;

Level 2—Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs); and

Level 3—Unobservable inputs that reflect our determination of assumptions that market participants would use in pricing the asset or liability. These inputs are developed based on the best information available, including our own data.

### **Derivative Instruments**

We primarily hedge our foreign currency risk by borrowing in the currencies in which we invest. We may use derivative financial instruments, such as cross-currency swaps to manage foreign currency exchange rate risk related to both our foreign investments and the related earnings. In addition, we occasionally use interest rate swap contracts to manage interest rate risk and limit the impact of future interest rate changes on earnings and cash flows, primarily related to variable-rate debt.

Derivative instruments are measured at fair value and recorded in Other assets and Other liabilities, depending on our rights or obligations under the applicable derivative contract. Derivatives that are not designated as hedges must be adjusted to fair value through earnings.

Designated Derivatives. We may choose to designate our derivative financial instruments, generally cross-currency swaps as net investment hedges in foreign operations. At inception of the transaction, we designate the derivative financial instrument as a hedge of a specific underlying exposure, including the risk management objective and the strategy for undertaking the hedge transaction. We formally assess both at inception and at least quarterly thereafter, the effectiveness of our hedging transactions. Due to the high degree of effectiveness between the hedging instruments and the underlying exposures hedged, fluctuations in the value of the derivative financial instruments will generally be offset by changes in the cash flows or fair values of the underlying exposures being hedged.

CyrusOne Inc.  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
**(in millions of dollars, except per share)**

In addition to the net investment hedges described above, we may issue debt in a currency that is not the same functional currency of the borrowing entity to hedge our international investments. We designate the debt and related accrued interest as a net investment hedge to offset the translation and economic exposures related to our international investments. If the debt and related accrued interest exceeds the designated amount of our international investment, the foreign currency remeasurement on the unhedged portion of the debt during the period is recognized in Foreign currency and derivative gains, net.

For cash flow hedges, such as interest rate swaps, we report the effective portion of the gain or loss as a component of other comprehensive income (loss) and reclassify it to the applicable line item in the Condensed Consolidated Statements of Operations, generally Interest expense, net over the corresponding period of the underlying hedged item. The ineffective portion of a derivative financial instrument's change in fair value is recognized in earnings, generally Interest expense, net at the time the ineffectiveness occurred. To the extent the hedged debt related to our interest rate swaps and forwards is paid off early, we write off the remaining balance in Other comprehensive income (loss) and recognize the amount in Interest expense, net in the Condensed Consolidated Statements of Operations.

Undesignated Derivatives. Derivative instruments, such as cross-currency swaps, for which hedge accounting is not applied are recorded at fair value in Other assets and Other liabilities and gains and losses resulting from changes in the fair value are reported in Foreign currency and derivative gains, net in the Condensed Consolidated Statements of Operations.

In addition, we may choose to not designate our interest rate swap and forward contracts. If a swap or forward contract is not designated as a hedge, the changes in fair value of these instruments is immediately recognized in earnings in Interest expense, net in the Condensed Consolidated Statements of Operations.

### **3. Recently Issued Accounting Standards**

#### ***Recently Adopted Accounting Pronouncements***

##### ***Reference Rate Reform***

On March 12, 2020, the FASB issued Accounting Standard Update ("ASU") 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting ("ASU 2020-04"). ASU 2020-04 contains practical expedients for reference rate reform related activities that impact debt, leases, derivatives and other contracts. The guidance in ASU 2020-04 is optional and may be elected over time as reference rate reform activities occur. During the first quarter of 2021, we elected to apply the hedge accounting expedients related to probability and the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. Application of these expedients preserves the presentation of derivatives in our financial statements consistent with past presentation. We continue to evaluate the impact of the guidance and may apply other elections as applicable as additional changes in the market occur.

##### ***Income Taxes***

On January 1, 2021, we adopted ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes, which simplifies various aspects related to the accounting for income taxes, eliminates certain exceptions within ASC 740, Income Taxes, and clarifies certain aspects of the current guidance to promote consistency among reporting entities. The adoption did not have a significant impact on the Company.

##### ***Financial Instruments - Credit Losses***

On January 1, 2020, we adopted ASU 2016-13, Financial Instruments-Credit Losses (CECL), which requires certain financial assets to be presented at the net amount expected to be collected. CECL and its related amendments apply to our customer contract trade receivables, notes receivable and net investments in leases. Our Rent and other receivables are primarily comprised of rent receivables, which are not within the scope of this sub-topic. The adoption did not have a significant impact on the Company because of our limited exposure to financial instruments subject to this standard.

***New Accounting Pronouncements Not Yet Adopted***

In August 2020, the FASB issued ASU 2020-06, Debt - Debt with Conversion and Other Options (Topic 470) and Derivatives and Hedging – Contracts in Entity’s Own Equity (Topic 815). This ASU reduces the number of accounting models for convertible debt instruments and convertible preferred stock, and amends the guidance for the derivatives scope exception for contracts in an entity’s own equity. The ASU also amends and makes targeted improvements to the related earnings per share guidance. The ASU is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The standard allows for either modified or full retrospective transition methods. The Company is currently evaluating this ASU to determine the impact it may have on its financial statements.

**4. Revenue Recognition**

***Lease Revenue***

Lease revenue primarily consists of colocation rent and metered power reimbursements from the lease of our data centers. Colocation leases may include all or portions of a data center, where customers may also lease office space to support their colocation operations. Revenue is primarily based on power usage as well as square footage. Customer lease arrangements customarily contain provisions that allow for renewal or continuation on a month-to-month arrangement, and certain leases contain early termination rights. We do not include any of these extension or termination options in a customer’s lease term for lease classification purposes or for recognizing lease revenue unless we are reasonably certain the customer will exercise these extension or termination options at lease commencement. At lease commencement, early termination is generally not deemed probable due to the significant economic penalty incurred by the lessee to exercise its early termination right and to relocate their equipment installed in our facilities. Generally, our customer lease arrangements do not provide any option to purchase and are classified as operating leases. We have substantial revenue primarily related to lease revenue from one customer that represented approximately 18% and 20% of our total revenue for the three months ended March 31, 2021 and 2020, respectively.

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

At March 31, 2021, the future minimum lease payments to be received under non-cancellable operating leases, excluding month-to-month arrangements and metered power reimbursements are shown below (in millions):

<b>As of March 31, 2021</b>	<b>Minimum Lease Payments</b>	
2021	\$	602.9
2022		692.4
2023		553.0
2024		429.9
2025		358.4
2026		277.0
Thereafter		710.0
<b>Total</b>	<b>\$</b>	<b>3,623.6</b>

At March 31, 2020, the future minimum lease payments to be received under non-cancellable operating leases, excluding month-to-month arrangements and metered power reimbursements are shown below (in millions):

<b>As of March 31, 2020</b>	<b>Minimum Lease Payments</b>	
2020	\$	569.2
2021		651.8
2022		552.2
2023		440.4
2024		341.8
2025		285.4
Thereafter		739.8
<b>Total</b>	<b>\$</b>	<b>3,580.6</b>

**Revenue from Contracts with Customers**

Revenue from equipment sales and the installation of customer equipment is recognized at a point-in-time. Title to such assets are transferred to the customer, and the benefits of the installation service are typically consumed at the completion of the service.

**Disaggregation of Revenue**

For the three months ended March 31, 2021 and 2020 lease revenue disaggregated by primary revenue stream is as follows (in millions):

<b>Lease revenue</b>	<b>Three Months Ended March 31,</b>			
	<b>2021</b>		<b>2020</b>	
Colocation (Minimum lease payments)	\$	220.3	\$	204.0
Metered power reimbursements (Variable lease payments)		73.1		34.8
<b>Total lease revenue</b>	<b>\$</b>	<b>293.4</b>	<b>\$</b>	<b>238.8</b>

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

For the three months ended March 31, 2021 and 2020, revenue from contracts with customers disaggregated by primary revenue stream is as follows (in millions):

<b>Revenue from contracts with customers</b>	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Equipment sales and services	\$ 0.5	\$ 2.5
Other revenue	4.7	4.6
<b>Total revenue from contracts with customers</b>	<b>\$ 5.2</b>	<b>\$ 7.1</b>

Other revenue related to contracts with customers in the table above includes managed services and other services revenue of \$4.0 million and \$4.1 million for the three months ended March 31, 2021 and March 31, 2020, respectively.

Total revenues from contracts with customers generated from operations outside of the United States were insignificant for the three months ended March 31, 2021 and \$0.7 million for the three months ended March 31, 2020.

Accounts receivable associated with revenue from contracts with customers were \$1.5 million and \$2.3 million as of March 31, 2021 and December 31, 2020, respectively.

#### **5. Leases - As a Lessee**

Right-of-use ("ROU") assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. Variable lease payments consisting of non-lease components and services are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation is incurred.

ASC 842 defines initial direct costs as only the incremental costs of signing a lease. Initial direct costs related to leasing that are not incremental are expensed as general and administrative expense in our Condensed Consolidated Statements of Operations. As a result of electing the package of practical expedients, initial direct costs incurred prior to January 1, 2019 (the effective date for ASC 842) have not been reassessed.

Our operating lease agreements primarily consist of leased real estate and are included within Operating lease ROU assets and Operating lease liabilities on the Condensed Consolidated Balance Sheets. Many of our lease agreements include options to extend the lease, which are not included in our minimum lease payments unless they are reasonably certain to be exercised at lease commencement. Rental expense related to operating leases is recognized on a straight-line basis over the lease term.

We operate five data center facilities and have a data center under development subject to finance leases. The remaining terms of our data center finance leases range from one to twenty years with options to extend the initial lease term on all but one lease. As a result of electing the package of practical expedients, data center finance leases are included in Buildings and improvements, Equipment and Finance lease liabilities in our Condensed Consolidated Balance Sheets. In addition, we lease 12 data centers and 3 offices supporting our sales and corporate activities under operating lease agreements. Our operating leases have remaining lease terms ranging from less than two years to twenty-four years and one ground lease in Houston has a lease term that expires in 2066.

The components of lease expense are as follows (in millions):

	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Operating lease cost	\$ 5.2	\$ 6.2
Finance lease cost:		
Amortization of assets	0.5	0.4
Interest on lease liabilities	0.4	0.4
<b>Total net lease cost</b>	<b>\$ 6.1</b>	<b>\$ 7.0</b>

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

Supplemental balance sheet information related to leases is as follows (in millions, except lease term and discount rate):

	March 31, 2021	December 31, 2020
<b>Operating leases:</b>		
Operating lease right-of-use assets	\$ 239.7	\$ 211.4
Operating lease liabilities	\$ 277.9	\$ 249.1
<b>Finance leases:</b>		
Property and equipment, at cost	\$ 34.9	\$ 34.7
Accumulated amortization	(7.7)	(7.1)
Property and equipment, net	\$ 27.2	\$ 27.6
Finance lease liabilities	\$ 28.6	\$ 29.1
<b>Weighted average remaining lease term (in years):</b>		
Operating leases	14.7	14.3
Finance leases <sup>(a)</sup>	18.3	18.2
<b>Weighted average discount rate:</b>		
Operating leases	3.6 %	3.7 %
Finance leases <sup>(a)</sup>	4.6 %	4.7 %

(a) Excludes a 999-year ground lease in Dublin, The Republic of Ireland entered into during the third quarter of 2019. The Dublin property is under active development and the finance lease is included in Construction in progress, including land under development on the Condensed Consolidated Balance Sheets.

Supplemental cash flow and other information related to leases is as follows (in millions):

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
<b>Cash paid for amounts included in the measurement of lease liabilities:</b>		
Operating cash flows from operating leases	\$ 6.5	\$ 5.6
Operating cash flows from finance leases	0.4	0.4
Financing cash flows from finance leases	0.7	0.7
<b>Non-cash right-of-use assets obtained in exchange for lease liabilities:</b>		
Operating leases	\$ 33.2	\$ 50.6

Maturities of lease liabilities were as follows as of March 31, 2021 (in millions):

	Operating Leases	Finance Leases
2021	\$ 21.6	\$ 3.1
2022	29.8	3.0
2023	25.8	2.0
2024	21.3	1.5
2025	19.7	1.5
2026	14.8	1.7
Thereafter	240.9	29.0
Total lease payments	\$ 373.9	\$ 41.8
Less: Imputed interest	(96.0)	(13.2)
Total lease obligations	\$ 277.9	\$ 28.6

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
**(in millions of dollars, except per share)**

Maturities of lease liabilities were as follows as of December 31, 2020 (in millions):

	Operating Leases	Finance Leases
2021	\$ 27.8	\$ 4.2
2022	27.9	3.0
2023	23.9	2.0
2024	19.4	1.4
2025	17.8	1.5
Thereafter	221.6	30.5
<b>Total lease payments</b>	<b>\$ 338.4</b>	<b>\$ 42.6</b>
Less: Imputed interest	(89.3)	(13.5)
<b>Total lease obligations</b>	<b>\$ 249.1</b>	<b>\$ 29.1</b>

## 6. Investment in Real Estate

### *Leases of real estate*

In February 2021, the Company entered into a 20-year lease comprising a 130,000 square feet building and commenced development of a 18 megawatt ("MW") data center in London, United Kingdom. We have three renewal options for 15 years each which were not reasonably certain at commencement and the lease was classified as an operating lease.

In March 2020, the Company entered into a 25-year lease comprising a 45,000 square feet building and commenced development of a 27 MW data center in Paris, France, which was preleased to a customer. We have one renewal option for 25 years which was not reasonably certain at commencement and the lease was classified as an operating lease.

### *Real estate related capital expenditures*

Construction in progress was \$1,053.3 million and \$982.2 million, including land which was under active development of \$4.8 million and \$5.1 million as of March 31, 2021 and December 31, 2020, respectively.

For the three months ended March 31, 2021, our capital expenditures were \$175.4 million, and substantially all of our investing activity related to our development activities. Our capital expenditures for the three months ended March 31, 2021 primarily related to the acquisition of land for future development and continued development in key markets, primarily in Dublin, Frankfurt, London, the New York Metro area, Northern Virginia, Paris, Phoenix and San Antonio.

For the three months ended March 31, 2020, our capital expenditures were \$196.5 million, primarily related to continued development in key markets, primarily in Amsterdam, Austin, Dallas, Frankfurt, London, Northern Virginia, Phoenix and Raleigh-Durham.

There were no impairment losses recognized for the three months ended March 31, 2021 or 2020.

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

**Real Estate Investments and Intangible Assets and Related Depreciation and Amortization**

As of March 31, 2021 and December 31, 2020, major components of our real estate investments and intangibles and related accumulated depreciation and amortization are as follows (in millions):

As of:	March 31, 2021			December 31, 2020		
	Cost	Accumulated Depreciation and Amortization	Net book value	Cost	Accumulated Depreciation and Amortization	Net book value
<b>Investment in real estate</b>						
Building and improvements	\$ 2,046.6	\$ (663.6)	1,383.0	\$ 2,035.2	\$ (639.4)	1,395.8
Equipment	3,596.5	(1,203.9)	2,392.6	3,538.9	(1,128.5)	2,410.4
<b>Intangible assets</b>						
Customer relationships	\$ 247.1	\$ (165.9)	81.2	\$ 247.1	\$ (163.1)	84.0
In-place leases	139.8	(79.4)	60.4	140.4	(74.6)	65.8
Other contractual	19.5	(11.9)	7.6	19.6	(11.6)	8.0
<b>Total intangible assets</b>	<b>\$ 406.4</b>	<b>\$ (257.2)</b>	<b>149.2</b>	<b>\$ 407.1</b>	<b>\$ (249.3)</b>	<b>157.8</b>

Depreciation and amortization are calculated using the straight-line method over the useful lives of the assets. The typical life of owned assets are as follows:

Buildings	30 years
Building improvements	30 years
Equipment	20 years

Leased real estate and leasehold improvements are depreciated over the shorter of the asset's useful life or the remaining lease term. Depreciation expense was \$109.0 million and \$94.9 million for the three months ended March 31, 2021 and 2020, respectively.

Other contract intangible assets include tradenames, favorable leasehold interests and above market leases. Amortization expense related to intangibles was \$12.4 million and \$13.2 million for the three months ended March 31, 2021 and 2020, respectively.

## 7. Equity Investments

The Company has the following equity investments where it has a noncontrolling interest in the investees (in millions).

Investees	Equity Method	Equity Investments as of:	
		March 31, 2021	December 31, 2020
GDS, Class A share equivalent	Fair value	\$ —	\$ 44.2
ODATA investments	Cost method	22.9	22.9
Equity investments		\$ 22.9	\$ 67.1

During January 2021, we disposed of our remaining investment of approximately 0.5 million GDS Holdings Limited ("GDS") American depositary shares ("ADSs") for net proceeds of approximately \$46.6 million.

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

The Company recognized Gains (losses) on marketable equity investment in GDS ADSs held and sold as follows:

<i>IN MILLIONS</i>	Three Months Ended March 31,			
	2021		2020	
Net gain on marketable equity investments	\$	2.4	\$	14.7
Less: Net gain recognized on marketable equity investments sold		2.4		—
Unrealized gain on marketable equity investments held	\$	—	\$	14.7

The gain on investment was recognized in the Condensed Consolidated Statements of Operations in Gain on marketable equity investment.

As of March 31, 2021 and December 31, 2020, the Company had a total investment of \$22.9 million in four unconsolidated ventures in Brazil, Chile, Colombia and Mexico, with ODATA, a Brazilian headquartered company, specializing in providing colocation services to customers across multiple industries. In evaluating the appropriate accounting method for its ventures with ODATA, we considered our voting interests and ability to exercise significant influence over the operating and financial policies of each venture and concluded that the Company does not exercise significant influence and our investments are accounted for using the cost method. During the three months ended March 31, 2020, the Company made additional investments totaling \$3.3 million in ODATA. The Company made no additional investments in ODATA during the three months ended March 31, 2021.

#### 8. Other Assets

As of March 31, 2021 and December 31, 2020, the components of Other assets are as follows (in millions):

	March 31, 2021		December 31, 2020	
Deferred leasing and other contract costs	\$	64.9	\$	62.4
Prepaid expenses		19.5		19.1
Non-real estate assets, net		12.0		13.8
Other assets		17.9		38.1
<b>Total</b>	<b>\$</b>	<b>114.3</b>	<b>\$</b>	<b>133.4</b>

Non-real estate assets, net primarily consists of administrative related software and computers and office equipment, which are depreciated or amortized over the shorter of the assets useful life or the lease term. Other assets primarily includes land deposits, fuel inventory, other receivables, deferred tax assets, net of allowance and other deferred costs.

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

**9. Debt**

As of March 31, 2021 and December 31, 2020, the components of Debt are as follows (unless otherwise noted, interest rate and maturity date information are as of March 31, 2021) (in millions):

	March 31, 2021	December 31, 2020	Interest Rate	Maturity Date
<b>Amended Credit Agreement:</b>				
Revolving Credit Facility:				March 2024 <sup>(b)</sup>
EUR Revolver	\$ 351.8	\$ 275.9	Monthly EURIBOR + 1.00%	
GBP Revolver <sup>(a)</sup>	34.5	157.0	Monthly LIBOR + 1.00%	
2023 Term Loan Facility <sup>(c)</sup>	100.0	100.0	Monthly LIBOR + 1.20%	March 2023
2025 Term Loan Facility	700.0	700.0	Monthly LIBOR + 1.20%	March 2025
2024 Notes, including bond discount of \$0.6 million and \$0.7 million, respectively	599.4	599.3	2.900 %	November 2024
2029 Notes, including bond discount of \$1.5 million and \$1.6 million, respectively	598.5	598.4	3.450 %	November 2029
2027 Notes, including bond discount of \$0.7 million and \$0.6 million, respectively <sup>(d)</sup>	585.7	612.6	1.450 %	January 2027
2030 Notes, including bond discount of \$4.6 million and \$4.7 million, respectively	395.4	395.3	2.150 %	November 2030
Deferred financing costs	(27.9)	(29.5)	—	—
<b>Total</b>	<b>\$ 3,337.4</b>	<b>\$ 3,409.0</b>		

(a) - Monthly USD LIBOR and GBP LIBOR as of March 31, 2021 was 0.11% and 0.06%, respectively.

(b) - The Company has an option to exercise a one-year extension option, subject to certain conditions.

(c) - The Company has an option to exercise two 1-year extension options, subject to certain conditions.

(d) - The 2027 Notes represent €495.3 million, including bond discount of €0.7 million, of Euro bonds.

**Credit facilities**

On March 31, 2020, CyrusOne LP, a Maryland limited partnership and subsidiary of CyrusOne Inc., entered into an amendment to its credit agreement, dated as of March 29, 2018 (as so amended, the “Amended Credit Agreement”), among the Operating Partnership, as borrower, the lenders party thereto (the “Lenders”) and JPMorgan Chase Bank, N.A., as administrative agent for the Lenders. Proceeds from the Amended Credit Agreement were used, among other things, to refinance and replace the credit facilities under the \$3.0 Billion Credit Facility (as defined below).

The Amended Credit Agreement provides for (i) a \$1.4 billion senior unsecured multi-currency revolving credit facility (the “Revolving Credit Facility”), (ii) senior unsecured term loans due 2023 in a dollar equivalent principal amount of \$400.0 million (the “2023 Term Loan Facility”), and (iii) senior unsecured term loans due 2025 in a principal amount of \$700.0 million (the “2025 Term Loan Facility”). The Amended Credit Agreement also includes an accordion feature pursuant to which the Operating Partnership is permitted to obtain additional revolving or term loan commitments so long as the aggregate principal amount of commitments and/or term loans under the Amended Credit Agreement does not exceed \$4.0 billion. The Revolving Credit Facility provides for borrowings in U.S. Dollars, Euros, Pounds Sterling, Canadian Dollars, Australian Dollars, Japanese Yen, Hong Kong Dollars, Singapore Dollars and Swiss Francs (subject to a sublimit of \$750.0 million on borrowings in currencies other than U.S. Dollars). The Revolving Credit Facility matures on March 29, 2024 with one 12-month extension option. The 2023 Term Loan Facility matures on March 29, 2023 with two 1-year extension options, and the 2025 Term Loan Facility matures on March 28, 2025.

The interest rates for borrowings under the Amended Credit Agreement are, at the option of the borrower, based on a floating rate or base rate, plus a margin determined by reference to a pricing grid based on the lower of (i) the rate corresponding to the then applicable credit rating for the Operating Partnership’s senior unsecured debt or (ii) the rate corresponding to the then applicable ratio of the Company’s consolidated total indebtedness to its gross asset value. The Amended Credit Agreement includes certain restricted covenants, requirements to maintain certain financial ratios, including with respect to unencumbered assets, and events of default.

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
**(in millions of dollars, except per share)**

On March 31, 2020, borrowings of \$1.3 billion under the Amended Credit Agreement were used to repay the \$3.0 Billion Credit Facility, which consisted of a \$1.7 billion revolving credit facility ("1.7 Billion Revolving Credit Facility"), which included a \$750.0 million multicurrency borrowing sublimit, a 5-year term loan with commitments totaling \$1.0 billion and a \$300.0 million 7-year term loan (collectively, the "3.0 Billion Credit Facility"). The aggregate outstanding principal balance under the Amended Credit Agreement as of March 31, 2020, was \$1.3 billion, and the Company recognized a loss on early extinguishment of debt of \$3.4 million in connection with the repayment of the \$3.0 Billion Credit Facility.

The current administrator of LIBOR will cease to publish one-month EUR LIBOR and GBP LIBOR after December 31, 2021, and USD LIBOR after June 30, 2023. There is a risk that the LIBOR transition could increase our interest and other costs relative to our outstanding subordinated debt. We may not be able to refinance those instruments on terms that reduce those costs to the level we would have expected if the administrator of LIBOR were to continue publishing indefinitely. Also, the transition from LIBOR could impact or change our hedge accounting practices.

We pay a facility fee calculated based on the aggregate revolving commitments. The facility fee rate varies based on ratings-based pricing levels, and is currently equal to 0.25% per annum of the aggregate revolving commitments. The facility fee was \$0.7 million and \$1.1 million for the three months ended March 31, 2021 and March 31, 2020, respectively.

As of March 31, 2021, we had \$100.0 million, \$700.0 million and \$386.3 million outstanding under the 2023 Term Loan Facility, the 2025 Term Loan Facility and the Revolving Credit Facility, respectively, and additional borrowing capacity under the Amended Credit Agreement was approximately \$1.0 billion, net of \$8.4 million of outstanding letters of credit.

#### **Senior notes**

##### ***Euro bonds***

On January 22, 2020, the Operating Partnership and CyrusOne Finance Corp., a single-purpose finance subsidiary, both wholly-owned subsidiaries of the Company (together, the "Issuers"), completed a public offering of €500.0 million aggregate principal amount of 1.450% senior notes due January 2027 (the "2027 Notes"). The Company received proceeds of €495.3 million, net of discount, underwriting costs and other deferred financing costs. The Company used the proceeds to repay floating rate Euro denominated obligations and fund continued development in Europe.

The 2027 Notes are senior unsecured obligations of the Issuers guaranteed by CyrusOne Inc., which rank equally in right of payment with all existing and future unsecured senior indebtedness of the Issuers. The 2027 Notes are effectively subordinated in right of payment to any future secured indebtedness, if any, to the extent of the value of the assets securing such indebtedness. The 2027 Notes may be redeemed at our option prior to their scheduled maturity dates at the prices and premiums and on the terms set forth in the respective indentures governing the notes.

##### ***US bonds***

On September 21, 2020, the Issuers completed a public offering of \$400.0 million aggregate principal amount of 2.150% senior notes due November 2030 (the "2030 Notes"). The Company received proceeds of \$392.6 million, net of discount, underwriting costs and other deferred financing costs. The Company used the proceeds to repay \$300.0 million of the outstanding indebtedness under the Operating Partnership's 2023 Term Loan Facility, to repay the then outstanding balance of \$20.0 million on the US Revolver balance under the Revolving Credit Facility and the remainder for general corporate purposes. In connection with the repayment of outstanding indebtedness of the senior unsecured term loans due March 2023, the Company recognized a loss on early extinguishment of debt of \$3.1 million in the three months ended September 30, 2020.

On December 5, 2019, the Issuers completed a public offering of \$600.0 million aggregate principal amount of 2.900% senior notes due November 2024 (the "2024 Notes") and \$600.0 million aggregate principal amount of 3.450% senior notes due November 2029 (the "2029 Notes"). The Company received proceeds of \$1,197.4 million, net of discounts, underwriting costs and other deferred financing costs. The Company used the proceeds to finance the repurchase of all of its 5.000% senior notes due 2024 (the "Old 2024 Notes") and all of its 5.375% senior notes due 2027 (together with the Old 2024 Notes, the "Existing Notes"), including the payment of consent payments, for the redemption and discharge of Existing Notes that remained outstanding after the completion of the tender offers and consent solicitations, for the payment of related premiums, fees, discounts and expenses and for general corporate purposes. In connection with the repurchase of the Existing Notes, the Company recognized a loss on early extinguishment of debt of \$71.8 million in the three months ended December 31, 2019.

The 2024 Notes, 2029 Notes and 2030 Notes are senior unsecured obligations of the Issuers guaranteed by CyrusOne Inc., which rank equally in right of payment with all existing and future unsecured senior indebtedness of the Issuers. The 2024 Notes, 2029 Notes and 2030 Notes are effectively subordinated in right of payment to any future secured indebtedness of the

CyrusOne Inc.  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
**(in millions of dollars, except per share)**

Issuers, if any, to the extent of the value of the assets securing such indebtedness. The 2024 Notes, 2029 Notes and 2030 Notes may be redeemed at our option prior to their scheduled maturity dates at the prices and premiums and on the terms set forth in the respective indentures governing the notes.

**Financial debt covenants**

Our debt agreements contain customary provisions with respect to events of default, affirmative and negative covenants and borrowing conditions. The most restrictive covenants are generally included in the Amended Credit Agreement. The Amended Credit Agreement requires us to maintain certain financial covenants including the following, in each case on a consolidated basis, a minimum fixed charge ratio, maximum total and secured leverage ratios, maximum net operating income to debt service ratio and a maximum ratio of unsecured indebtedness to unencumbered asset value. In order to continue to have access to amounts available under the Amended Credit Agreement, the Company must remain in compliance with all of that agreement's covenants. As of March 31, 2021, we are in compliance with the financial covenants of our debt agreements.

**10. Fair Value of Financial Instruments and Hedging Activities**

Fair value measurements are based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering assumptions in fair value measurements, a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy) has been established.

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets and liabilities that we have the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability that are typically based on an entity's own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement requires judgment and considers factors specific to the asset or liability.

The fair value of Cash and cash equivalents, Rent and other receivables, Construction costs payable, Dividends payable and Accounts payable and accrued expenses approximate their carrying value because of the short-term nature of these financial instruments. The carrying value, exclusive of deferred financing costs, for the revolving credit facilities and the floating rate term loans approximate estimated fair value as of March 31, 2021 and December 31, 2020, due to the floating rate nature of the interest rates and the stability of our credit ratings.

We determine the fair value of our derivative financial instruments using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves, foreign exchange rates and implied volatilities. We determine the fair values of our interest rate swaps using the market standard methodology of netting the discounted future fixed cash receipts or payments and the discounted expected variable cash payments. We base the variable cash payments on an expectation of future interest rates, or forward curves, derived from observable market interest rate curves. We base the fair values of our net investment hedges on the change in the spot rate at the end of the period as compared with the strike price at inception.

We incorporate credit valuation adjustments to appropriately reflect nonperformance risk for us and the respective counterparty in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we consider the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts and guarantees.

We have determined that the majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy. Although the credit valuation adjustments associated with our derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by us and our counterparties, we assess the significance of the impact of the credit valuation adjustments on the overall valuation of our derivative positions and have determined that the credit valuation adjustments are not significant to the overall valuation of our derivatives.

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

The carrying value and fair value of other financial instruments are as follows (in millions):

	March 31, 2021		December 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Debt:</b>				
<b>Variable Rate Debt:</b>				
Revolving Credit Facility	\$ 386.3	\$ 386.3	\$ 432.9	\$ 432.9
2023 Term Loan Facility	100.0	100.0	100.0	100.0
2025 Term Loan Facility	700.0	700.0	700.0	700.0
<b>Fixed Rate Debt:</b>				
2024 Notes - 2.900% <sup>(1)</sup>	599.4	634.8	599.3	640.7
2029 Notes - 3.450% <sup>(1)</sup>	598.5	623.0	598.4	644.1
2027 Notes - 1.450% <sup>(1)</sup>	585.7	591.0	612.6	619.9
2030 Notes - 2.150% <sup>(1)</sup>	395.4	370.1	395.3	388.6
<b>Derivative Contracts:</b>				
Cross Currency Swaps Liability <sup>(2)</sup>	29.6	29.6	52.2	52.2
Interest Rate Swap Liability <sup>(2)</sup>	5.9	5.9	7.0	7.0
Interest Rate Swap Asset <sup>(2)</sup>	—	—	—	—
<b>Equity Investments carried at Fair Value:</b>				
GDS equity investment <sup>(3)</sup>	—	—	44.2	44.2

(1) - The fair value of notes are based on quoted market prices for these notes, which is considered Level 1 of the fair value hierarchy.

(2) - The fair values of our cross currency and interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash flows and the discounted expected variable cash flows based on an expectation of future interest rates derived from Level 2 observable market interest rate curves.

(3) - The fair value is based on quoted market prices for the GDS ADSs, which is considered Level 1 of the fair value hierarchy.

### Hedging Activities

When we use derivative instruments, it is generally to reduce our exposure to fluctuations in interest rates and foreign currency exchange rate movements. We have not entered into, and do not plan to enter into, financial instruments for trading or speculative purposes. To manage foreign currency exposure, we have entered into Euro denominated debt and cross-currency swaps to hedge the Company's net investment in its Euro functional currency consolidated subsidiaries and the variability in EUR-USD exchange rate.

Accounting for changes in the fair value of derivatives depends on the intended use of the derivative and the designation of the derivative, including whether we have elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as foreign currency risk or interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge.

For derivatives designated as "cash flow" hedges, the change in the fair value of the derivative is initially reported in Other comprehensive income ("OCI") in our Condensed Consolidated Statements of Comprehensive Income (Loss) and subsequently reclassified into Gain (loss) when the hedged transaction affects earnings, or the hedging relationship is no longer highly effective. We assess the effectiveness of each hedging relationship whenever financial statements are issued, or earnings are reported and at least every three months. We also use derivatives, such as foreign currency swaps, that are not designated as hedges to manage foreign currency exchange rate risks. The changes in fair values of these derivatives that were not designated

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

or did not qualify as hedging instruments are immediately, recognized in earnings within the line item Foreign currency and derivative gains, net in the Condensed Consolidated Statements of Operations.

The following table summarizes the Company's derivative positions as of March 31, 2021 and December 31, 2020, (in millions):

	Maturity Date	Notional Amount	Hedged Risk	March 31, 2021		December 31, 2020	
				Asset	Liability	Asset	Liability
<b>Designated derivatives</b>							
Cross Currency Swaps							
EUR - USD	3/29/2023	\$ 250.0	Net investment hedge	\$ —	\$ 14.7	\$ —	\$ 26.0
EUR - USD	3/29/2023	250.0	Net investment hedge	—	14.9	—	26.2
Interest Rate Swaps							
USD Libor	3/29/2023	300.0	Interest rate hedge - Float to fixed	—	5.9	—	7.0
<b>Total</b>				<b>\$ —</b>	<b>\$ 35.5</b>	<b>\$ —</b>	<b>\$ 59.2</b>

### Cross-Currency Swaps

The Company has entered into cross-currency swaps whereby the Company pays floating interest rate and receives floating interest rate to hedge the variability of future cash flows attributable to changes in the 1-month USD LIBOR versus EUR LIBOR rates (a pay-floating, receive-floating interest rate swap). The pay-floating, receive-floating interest rate swap payments are recognized in Interest expense, net in the Condensed Consolidated Statements of Operations.

As of March 31, 2021, the Company has two cross-currency EUR/USD contracts to sell \$500.0 million and purchase €450.7 million maturing in March 2023 representing a fair value liability of \$29.6 million reported in Other liabilities. As of December 31, 2020, our cross-currency swaps were a fair value liability of \$52.2 million reported in Other liabilities.

For the three months ended March 31, 2021, the two cross-currency EUR/USD contracts were designated as net investment hedges and no gains or losses were recognized in Foreign currency and derivative gains, net in the Condensed Consolidated Statement of Operations and changes in the fair value of the cross-currency swaps were recognized in OCI. The Company recognized gains of \$4.5 million for the three months ended March 31, 2020 on undesignated cross-currency contracts which were recognized in Foreign currency and derivative gains, net in the Condensed Consolidated Statements of Operations.

### Interest Rate Swaps

On September 3, 2019, the Company entered into a floating-fixed interest rate swap agreement to convert \$300.0 million of variable interest rate debt of the 2023 Term Loan Facility to 1.19% fixed rate debt to hedge the risk of changes in cash flows attributable to USD-LIBOR interest payments. On September 21, 2020, the Company paid down \$300.0 million of term loans under the 2023 Term Loan Facility. The \$300.0 million floating-fixed interest rate swap remains in place and continues to provide an effective hedge of the risk of changes in cash flows attributable to USD-LIBOR term loans through March 2023. For the three months ended March 31, 2021 and 2020, the Company recognized changes in fair value of the interest rate swap in OCI. As of March 31, 2021, the interest rate swap was a liability of \$5.9 million reported in Other liabilities. As of December 31, 2020, the interest rate swap was a liability of \$7.0 million reported in Other liabilities.

### Net Investment Hedges

Exchange rate variations impact our financial results because the financial results of our foreign subsidiaries are translated to U.S. dollars each period, with the effect of exchange rate variations being recorded in OCI as part of the cumulative foreign currency translation adjustment. As a result, changes in the value of our borrowings under the foreign currency denominated revolver under our Revolving Credit Facility, 2027 Notes and synthetically swapped debt will be reported in the same manner

CyrusOne Inc.  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

as foreign currency translation adjustments, which are recorded in OCI as part of the cumulative foreign currency translation adjustment.

The following table presents the effect of our derivative financial instruments on our accompanying condensed consolidated financial statements (in millions):

	For the Three Months Ended March 31,	
	2021	2020
<b>Derivatives in Cash Flow Hedging Relationships</b>		
Cross-Currency and Interest Rate Swaps:		
Amount of gain (loss) recognized in OCI for derivatives	\$ 23.9	\$ (1.1)
Amount of gain (loss) reclassified from Accumulated OCI for derivatives <sup>(1)</sup>	\$ (0.8)	\$ 0.4

(1) - Gains and (losses) are recognized in Interest expense, net.

During the next 12 months, we estimate that based on current prevailing interest rates that losses of approximately \$3.2 million will be reclassified from "Accumulated OCI" to Net income.

### 11. Stockholders' Equity

During the second quarter of 2020, the Company entered into sales agreements pursuant to which the Company may issue and sell from time to time shares of its common stock having an aggregate sales price of up to \$750.0 million (the "2020 ATM Stock Offering Program"). The 2020 ATM Stock Offering Program replaced a prior program.

During the three months ended March 31, 2021, the Company settled forward agreements totaling 1.4 million common shares at an average price of \$66.70 for proceeds of \$95.3 million, net of expenses. The Company did not settle any forward agreements during the three months ended March 31, 2020. As of March 31, 2021, there was approximately \$150.8 million under the 2020 ATM Stock Offering Program available for future offerings. At March 31, 2021, the Company had approximately 122.5 million shares of common stock outstanding.

#### Forward Sales

The Company currently expects to fully physically settle the remaining forward equity sale agreements by November 2021 and receive cash proceeds upon one or more settlement dates at the Company's discretion, prior to the final settlement dates under the forward equity sale agreements, in which case we expect to receive aggregate net cash proceeds at settlement equal to the number of shares specified in such forward equity sale agreements multiplied by the relevant forward price per share. The weighted average forward sale price that we expect to receive upon physical settlement of the agreements will be subject to adjustment for (i) a floating interest rate factor equal to a specified daily rate less a spread and (ii) scheduled dividends during the terms of the agreements.

The following table represents a summary of forward sale of equity of our common stock for the three months ended March 31, 2021 (in millions):

Offering Program	Forward Shares Sold/(Settled)	Net Proceeds Received	Remaining Proceeds Available <sup>(1)</sup>
<b>Total at December 31, 2020</b>	<b>6.8</b>	<b>\$ —</b>	<b>\$ 484.7</b>
First quarter Forward adjustments	—	—	(4.3)
May 26, 2020 Forward Offering settlement	(1.4)	95.3	(95.3)
<b>Total at March 31, 2021</b>	<b>5.4</b>	<b>\$ 95.3</b>	<b>\$ 385.1</b>

(1) As of March 31, 2021, the total estimated proceeds, net of adjustments for (i) a floating interest rate factor equal to a specified daily rate less a spread and (ii) scheduled dividends adjustments is \$385.1 million subject to further adjustment when the forward offerings are settled as described above.

### ***Dividends***

During the three months ended March 31, 2021 and 2020, regular dividends were paid to our stockholders of \$0.51 and \$0.50 per common share, respectively, totaling \$63.0 million and \$58.4 million, respectively. On April 28, 2021, the Company announced a cash dividend of \$0.51 per common share payable on July 9, 2021, to stockholders of record at the close of business on June 25, 2021.

## **12. Stock-Based Compensation**

### ***Stock Plans***

The board of directors of CyrusOne Inc. adopted the 2012 Long-Term Incentive Plan ("LTIP"), prior to the IPO, which was amended and restated on May 2, 2016 and February 18, 2019. The LTIP is administered by the compensation committee of the board of directors. Awards issuable under the LTIP plan include common stock, restricted stock, restricted stock units, stock options, LTIP Units and other incentive awards. CyrusOne Inc. has reserved a total of 8.9 million shares of CyrusOne Inc. common stock for issuance pursuant to the LTIP, which may be adjusted for changes in capitalization and certain corporate transactions. To the extent that an award, if forfeitable, expires, terminates or lapses, or an award is otherwise settled in cash without the delivery of shares of common stock to the participant, then any unpaid shares subject to the award will be available for future grant or issuance under the LTIP. The payment of dividend equivalents in cash in conjunction with any outstanding awards will not be counted against the shares available for issuance under the LTIP. The related stock compensation expense incurred by CyrusOne Inc. is allocated to the operating partnership. Shares available under the LTIP as of March 31, 2021 were approximately 4.0 million. Shares vest according to each agreement and as long as the employee remains employed with the Company. The Company has granted awards with time-based vesting and market-based vesting features.

The company began awarding LTIP Units as grants in February 2021. Pursuant to the LTIP plan, the Company may grant partnership common units in CyrusOne LP called LTIP Units. Vested LTIP Units may be redeemed by the Company in cash or CyrusOne common stock, at the discretion of the Company, on a one-for-one basis with common shares, subject to certain restrictions of the Second Amendment to the Amended and Restated Agreement of Limited Partnership of CyrusOne LP. Time-based LTIP Units receive distributions equally along with common shares. Market-based LTIP Units receive distribution equally along with common shares, however payments are deferred if and until vesting has lapsed, subject to de minimis distributions for federal tax purposes.

Restricted stock, restricted stock units and LTIP Units are issued as either time-based where the award vests over the service period of the grant or market-based where the fair value at the time of the award is recognized as expense over the service period. Vesting of market-based awards, if any, is based on achieving certain financial targets, currently based on total stockholder return ("TSR"). The restricted stock units have the right to receive dividend equivalents in cash and holders of restricted stock have the right to receive dividends. The market-based awards accrue dividends equivalents that are payable in cash upon the vesting, if any, of the awards.

Compensation expense is measured based on the estimated grant-date fair value. Expense for time-based grants is recognized under a straight-line method. For market-based grants, expense is recognized under a graded expense attribution method.

Total stock-based compensation expense was \$4.4 million and \$3.7 million for the three months ended March 31, 2021 and March 31, 2020, respectively.

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

The following tables summarize the unvested restricted stock, restricted stock units, stock options and LTIP Units activity and the weighted average fair value of these shares at the date of grant for the three months ended March 31, 2021 and 2020 (market-based awards are reflected at the target amount of the grant):

*Restricted Stock ("RS")*

	2021		2020	
	Restricted Stock	Weighted Average Grant Date Fair Value	Restricted Stock	Weighted Average Grant Date Fair Value
Outstanding January 1,	118,233	\$ 74.12	16,681	\$ 52.46
Granted	75,679	73.92	—	—
Exercised	(6,463)	75.43	(16,681)	52.46
Forfeited	—	—	—	—
Outstanding March 31,	187,449	\$ 74.49	—	\$ —
Time-based RS outstanding	177,274	\$ 95.28	—	\$ —
Market-based RS outstanding	12,285	\$ 70.55	—	\$ —

*Restricted Stock Units ("RSUs")*

	2021		2020	
	Restricted Stock Units	Weighted Average Grant Date Fair Value	Restricted Stock Units	Weighted Average Grant Date Fair Value
Outstanding January 1,	484,890	\$ 66.66	646,619	\$ 54.34
Granted	18,387	69.52	183,175	78.80
TSR and other adjustments <sup>(a)</sup>	106,628	92.67	164,071	115.23
Exercised	(366,135)	61.47	(286,753)	85.47
Forfeited	(2,292)	60.69	(81,925)	48.39
Outstanding March 31,	241,478	\$ 86.43	625,187	\$ 59.23
Time-based RSUs outstanding	141,812	\$ 62.35	303,915	\$ 59.65
Market-based RSUs outstanding	99,666	\$ 120.18	321,272	\$ 58.83

(a) TSR adjustments represent the incremental shares earned for the TSR performance metric exceeding target and resulting in 200% payout for the 2018 LTIP Performance Awards.

*Stock Options*

	2021		2020	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding January 1,	97,801	\$ 30.87	375,086	\$ 31.64
Granted	—	—	—	—
Exercised	(550)	23.58	(3,677)	32.96
Forfeited	—	—	—	—
Outstanding March 31,	97,251	\$ 30.91	371,409	\$ 31.63
Time-based stock options outstanding	80,871	\$ 32.40	320,528	\$ 32.91
Market-based stock options outstanding	12,336	\$ 23.58	40,066	\$ 23.58
Performance-based stock options outstanding	4,044	\$ 23.58	10,815	\$ 23.58

**CyrusOne Inc.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (unaudited)**  
(in millions of dollars, except per share)

*LTIP Units*

	2021		2020	
	LTIP Units	Weighted Average Grant Date Fair Value	LTIP Units	Weighted Average Grant Date Fair Value
Outstanding January 1,	—	\$ —	—	\$ —
Granted	143,357	83.53	—	—
Exercised	—	—	—	—
Forfeited	—	—	—	—
Outstanding March 31,	143,357	\$ 83.53	—	\$ —
Time-based LTIP Units outstanding	54,244	\$ 64.52	—	\$ —
Market-based LTIP Units outstanding	89,113	\$ 95.10	—	\$ —

**13. Income per Share**

Basic income per share is calculated using the weighted average number of shares of common stock outstanding during the period. In addition, Net income applicable to participating securities and the participating securities are both excluded from the computation of basic income per share.

Diluted income per share is calculated using the weighted average number of shares of common stock outstanding during the period, including restricted stock outstanding. If there is Net income during the period, the dilutive impact of common stock equivalents outstanding are also reflected.

The following table reflects the computation of basic and diluted Net income per share for the three months ended March 31, 2021 and 2020:

*IN MILLIONS, except per share amounts*

	Three Months Ended March 31,			
	2021		2020	
	Basic	Diluted	Basic	Diluted
<b>Numerator:</b>				
Net income	\$ 18.2	\$ 18.2	\$ 14.7	\$ 14.7
Less: Restricted stock dividends	(0.2)	(0.2)	(0.2)	(0.2)
Net income available to stockholders	\$ 18.0	\$ 18.0	\$ 14.5	\$ 14.5
<b>Denominator:</b>				
Weighted average common outstanding - basic	120.4	120.4	114.9	114.9
Performance-based restricted stock and units		0.1		0.2
Weighted average shares outstanding - diluted		120.5		115.1
<b>EPS:</b>				
Net income per share - basic	\$ 0.15		\$ 0.13	
<b>Effect of dilutive shares:</b>				
Net income per share - diluted		\$ 0.15		\$ 0.13

**14. Income Taxes**

CyrusOne Inc. elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"), commencing with its taxable year ended December 31, 2013. To remain qualified as a REIT, the Company is required to distribute at least 90% of its taxable income to its stockholders and meet various other requirements imposed by the Code relating to such matters as operating results, asset holdings, distribution levels and diversity of stock ownership. Provided the Company continues to qualify for taxation as a REIT, the Company is generally not subject to corporate level federal income tax on the earnings distributed currently to its stockholders. It is the Company's policy and intent, subject to change, to distribute 100% of its taxable income and therefore no provision is required in the accompanying financial statements for federal income taxes with regards to activities of CyrusOne Inc. and its subsidiary pass-through entities.

CyrusOne Inc. and certain of its subsidiaries are subject to state and local income taxes, franchise taxes, and gross receipts taxes. The Company has elected to treat certain of its subsidiaries as taxable REIT subsidiaries ("TRSs"). The Company's TRSs

are subject to U.S. federal, state and local corporate income taxes. The Company's foreign subsidiaries are subject to corporate income taxes in the jurisdictions in which they operate.

## 15. Commitments and Contingencies

### Operating Leases

The Company leases certain data center facilities and equipment from third parties. Certain of these leases provide for renewal options with fixed rent escalations beyond the initial lease term.

### Standby Letters of Credit

As of March 31, 2021, the Company had outstanding letters of credit of \$8.4 million as security for obligations under the terms of its lessee agreements.

### Performance Guarantees

Customer contracts generally require specified levels of performance related to uninterrupted service and cooling temperatures and delivery of data center spaces at specified dates. If these performance standards are not met, the Company could be obligated to issue billing credits to the customer. Management assesses the probability that a performance standard will not be achieved. We recognized contingent losses of \$0.4 million for performance guarantees for the three months ended March 31, 2021. No contingent losses were incurred for performance guarantees for the three months ended March 31, 2020.

### Purchase Commitments

The Company has entered into non-cancellable contracted commitments for construction of data center facilities and acquisition of equipment. As of March 31, 2021, these commitments were approximately \$202.3 million and are expected to be incurred over the next one to two years. In addition, the Company has entered into equipment and electricity power contracts, which require minimum purchase commitments for power. These agreements range from one to two years and provide for payments for early termination or require minimum payments for the remaining term. As of March 31, 2021, the minimum commitments for these arrangements were approximately \$57.9 million.

### Indemnifications

During the normal course of business, we make certain indemnities, commitments and guarantees under which we may be required to make payments in relation to certain transactions. These include (i) intellectual property indemnities to customers in connection with the use, sale and/or license of products and services, (ii) indemnities to vendors and service providers pertaining to claims based on our negligence or willful misconduct and (iii) indemnities involving the representations and warranties in certain contracts. In addition, we have made contractual commitments to several employees providing for payments upon the occurrence of certain prescribed events. The majority of these indemnities, commitments and guarantees do not provide for any limitation on the maximum potential for future payments that we could be obligated to make.

Management assesses the probability that these performance standards, credits, claims or indemnities have been incurred and liabilities or asset reserves are established for loss contingencies when the losses associated are deemed to be probable and the loss can be reasonably estimated. Based on information currently available, the Company believes that the outcome of such matters will not, individually or in the aggregate, have a material effect on its condensed consolidated financial statements.

### Contingencies

CyrusOne is involved in legal, tax and regulatory proceedings arising from the conduct of its business activities. Liabilities are established for loss contingencies when losses associated with such claims are deemed to be probable, and the loss can be reasonably estimated. Based on information currently available and consultation with legal counsel, we believe that the outcome of all claims will not, individually or in the aggregate, have a material effect on our financial statements.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Report on Form 10-Q, together with other statements and information publicly disseminated by our company, contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and include this statement for purposes of complying with these safe harbor provisions.

In particular, statements pertaining to our capital resources, portfolio performance, financial condition and results of operations contain certain forward-looking statements. Likewise, all of our statements regarding anticipated growth in our funds from operations and anticipated market conditions, demographics and results of operations are forward-looking statements. You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods that may be incorrect or imprecise and we may not be able to realize them. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected.

The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: (i) the potential widespread and highly uncertain impact of public health outbreaks, epidemics and pandemics, such as the COVID-19 pandemic; (ii) loss of key customers; (iii) indemnification and liability provisions as well as service level commitments in our contracts with customers imposing significant costs on us in the event of losses; (iv) economic downturn, natural disaster or oversupply of data centers in the limited geographic areas that we serve; (v) risks related to the development of our properties including, without limitation, obtaining applicable permits, power and connectivity and our ability to successfully lease those properties; (vi) weakening in the fundamentals for data center real estate, including but not limited to, increased competition, falling market rents, decreases in or slowed growth of global data, e-commerce and demand for outsourcing of data storage and cloud-based applications; (vii) loss of access to key third-party service providers and suppliers; (viii) risks of loss of power or cooling which may interrupt our services to our customers; (ix) inability to identify and complete acquisitions and operate acquired properties; (x) our failure to obtain necessary outside financing on favorable terms, or at all; (xi) restrictions in the instruments governing our indebtedness; (xii) risks related to environmental, social and governance matters; (xiii) unknown or contingent liabilities related to our acquisitions; (xiv) significant competition in our industry; (xv) recent turnover, or the further loss of, any of our key personnel; (xvi) risks associated with real estate assets and the industry; (xvii) failure to maintain our status as a REIT (as defined below) or to comply with the highly technical and complex REIT provisions of the Internal Revenue Code of 1986, as amended (the "Code"); (xviii) REIT distribution requirements could adversely affect our ability to execute our business plan; (xix) insufficient cash available for distribution to stockholders; (xx) future offerings of debt may adversely affect the market price of our common stock; (xxi) increases in market interest rates will increase our borrowing costs and may drive potential investors to seek higher dividend yields and reduce demand for our common stock; (xxii) market price and volume of stock could be volatile; (xxiii) risks related to regulatory changes impacting our customers and demand for colocation space in particular geographies; (xxiv) our international activities, including those conducted as a result of land acquisitions and with respect to leased land and buildings, are subject to special risks different from those faced by us in the United States; (xxv) the continuing uncertainty about the future relationship between the United Kingdom and the European Union following the United Kingdom's withdrawal from the European Union; (xxvi) expanded and widened price increases in certain selective materials for data center development capital expenditures due to international trade negotiations; (xxvii) a failure to comply with anti-corruption laws and regulations; (xxviii) legislative or other actions relating to taxes; (xxix) any significant security breach or cyber-attack on us or our key partners or customers; (xxx) the ongoing trade conflict between the United States and the People's Republic of China; (xxxi) increased operating costs and capital expenditures at our facilities, including those resulting from higher utilization by our customers, general market conditions and inflation, exceeding revenue growth; and (xxxii) other factors affecting the real estate and technology industries generally.

While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. For a further discussion of these and other factors that could impact our future results, performance or transactions, see Part I, Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2020, and our other filings with the United States Securities and Exchange Commission ("SEC"). Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. We disclaim any obligation other than as

*required by law to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors or for new information, data or methods, future events or other changes.*

## **Overview**

*Our Company.* We are a fully integrated, self-managed data center real estate investment trust ("REIT") that owns, operates and develops enterprise-class, carrier-neutral, multi-tenant and single-tenant data center properties. Our data centers are generally purpose-built facilities with redundant power and cooling. They are not network specific and enable customer connectivity to a range of telecommunication carriers. We provide mission-critical data center real estate assets that protect and ensure the continued operation of information technology ("IT") infrastructure for approximately 1,000 customers in 54 data centers, including one data recovery center, in 16 markets (11 cities in the U.S.; London, U.K.; Singapore; Frankfurt, Germany; Amsterdam, The Netherlands and Dublin, The Republic of Ireland).

We continue to monitor the global outbreak of the novel coronavirus (COVID-19) and to take steps to mitigate the potential risks to us posed by the pandemic. We provide a critical service to our customers and are considered an essential business by most governments, and our employees are continuing to operate our data centers. To date, our data center portfolio remains fully operational and we have experienced minimal disruptions in our business, including construction projects. Currently, our supply chain remains fully functional, with redundancy of supply for key operational and construction-related products. We have not been notified by customers of any significant delays in expected implementation timelines. We have taken precautions with regard to employees and facility hygiene, imposed travel restrictions on employees and transitioned employees to work from home when that is possible. We have also implemented additional protocols such as social distancing and limiting the number of people at our facilities to protect those required to work on-site at our facilities including employees, customers and vendors and suppliers. Also we have not experienced any significant delays in the collection of revenue and customers requesting relief or other rent concessions have not been significant in number or amount as of this filing. However, the recent increases in COVID-19 cases in the U.S. demonstrate the effects of the pandemic continue to evolve rapidly. While the impact on our business has not been significant to date and vaccines continue to be distributed, the length and severity of the effects of the pandemic remain uncertain and unpredictable and could be materially adverse to our business, financial condition, results of operations, cash flows and ability to pay dividends as well as the market price of our common stock. We will continue to monitor developments that impact our business and respond as we believe is warranted.

## **Our Portfolio**

Our 54 data centers, including one recovery center, total 8.1 million Gross Square Feet ("GSF"), of which 82% of the Colocation Square Feet ("CSF") is leased and has 888 megawatts ("MW") of power capacity. This includes 12 buildings where we lease such facilities comprising approximately 11% of our total GSF as of March 31, 2021. Also included in our total GSF, CSF and MW are pre-stabilized assets (which include data halls that have been in service for less than 24 months or are less than 85% leased) with approximately 467,168 GSF and 36% of the CSF is leased with capacity of 46 MW of power.

In addition, we have properties under development comprising approximately 0.9 million GSF and 100 MW of power capacity. The estimated remaining total costs to develop these properties is projected to be between \$371.0 million and \$463.0 million. The final costs to develop are likely to change depending on several factors including the customer capital improvements required based on the future lease contracts executed on such properties. We also have 490 acres of land available for future data center development.

## **Operational Overview**

The following discussion provides an overview of our capital and financing activity, operations and transactions for the three months ended March 31, 2021 and should be read in conjunction with the full discussion of our operating results, liquidity and capital resources included in this Form 10-Q, as well as the risk factors set forth in Part I, Item 1A of our Annual Report on Form 10-K for the year ending December 31, 2020.

## **Outlook**

We seek to maximize long-term earnings growth and shareholder value primarily through increasing cash flow at existing properties and developing high-quality data center assets and campuses at attractive cash yields with long-term, stable operating income. In addition, the Company will, from time to time, acquire existing properties which meet our strategic criteria, offer in-place cash flow and have strong growth prospects.

Fundamental secular trends for data center real estate have remained strong, including the exponential growth in global data, the growth of e-commerce and demand for outsourcing of data storage and cloud-based applications. Large cloud-based demand, in particular, is strong in the U.S. and Europe. The favorable trends have attracted new capital funding for multiple data center platforms, including both public and private companies, leading to significant increases in supply in most major markets in which we operate. While demand remains robust, the supply outlook has led to pricing pressure in some markets, particularly

with large hyperscale customers that are driving an increase in demand, which we expect to continue in 2021. The COVID-19 pandemic continues to create uncertainty surrounding general economic growth in the U.S. and Europe in 2021. More generally, in response to the pandemic, government economic support to businesses and individuals impacted by the pandemic may not continue or be effective at alleviating the abrupt economic deterioration experienced to date, and both the short-term and long-term impact of these actions on economic growth remains uncertain. As a result, the impact of the current state of the economies where we do business on our company is unknown.

In terms of capital investment, we will continue to pursue selective development of new data centers in markets where we project demand and market rental rates will provide attractive financial returns.

We may, from time to time, selectively dispose of non-strategic assets to recycle capital and enhance long-term growth in earnings and cash flows, as well as to improve the overall quality of our portfolio.

While the debt capital markets continue to provide liquidity, many lenders are tightening their credit standards and cautiously allocating capital; however with our access to the investment grade debt capital markets, we completed several senior debt issuances and amended our credit facility in 2020 at favorable terms to extend our near-term maturities and reduce our overall borrowing rates. We are committed to maintaining our investment grade ratings and have a strong balance sheet. We anticipate having sufficient liquidity to fund our capital and operating expenses, including costs to maintain our properties and distributions, though we may finance investments, including developments and acquisition, with the issuance of new shares of our common stock, proceeds from asset sales or through additional borrowings. Please see "Financial Condition, Liquidity and Capital Resources" for additional discussion.

### **Inflation**

The U.S. and European economies where we operate have experienced low inflation over the last several years, as a result, inflation has not had a significant impact on our business. Forecasted inflation in the U.S. and Europe, however, indicates increases in prices which may impact our costs to construct, build and operate our data centers. Our customer leases generally do not provide for annual increases in rent based on inflation. As a result, we bear the risk of increases in the costs of operating and maintaining our data center facilities. Most of our leases have rent escalators, typically ranging from 1-3% per annum; in addition most of our leases are structured to pass-through the cost of sub-metered utilities. In the future, we expect more of our leases to be structured to pass-through utility costs. In addition, approximately 72% of our leases, based on annualized rent, expire within six years which enables us to replace existing leases with new leases at then existing market rates.

### ***Summary of Significant Transactions and Activities for the Three Months Ended March 31, 2021 and 2020***

#### ***Real Estate Acquisitions, Development and Other Activities***

In February 2021, the Company entered into a 20-year lease comprising a 130,000 square feet building and commenced development of a 18 MW data center in London, United Kingdom.

In March 2020, the Company entered into a 25-year lease comprising a 45,000 square feet building and commenced development of a 27 MW data center in Paris, France which was preleased to a customer.

During the three months ended March 31, 2021, cash capital expenditures were \$175.4 million, of which \$172.8 million related to the development and construction of data centers. We continue to make a significant investment to build and develop data centers which will require additional capital investment. The expansion and development of additional power capacity and building square feet contributed to our increase for the three months ended March 31, 2021 as compared to the same period in 2020.

#### ***Capital and Financing Activity***

##### ***Financing Activity***

As of March 31, 2021, we had \$1,186.3 million outstanding under the Amended Credit Agreement (as defined below) and \$2,179.0 million of senior notes. For more information, see Note 9, Debt.

On March 31, 2020, CyrusOne LP, a Maryland limited partnership (the "Operating Partnership"), and subsidiary of the Company, entered into an amendment to its credit agreement, dated as of March 29, 2018 (as so amended, the "Amended Credit Agreement"), among the Operating Partnership, as borrower, the lenders party thereto (the "Lenders") and JPMorgan Chase

Bank, N.A., as administrative agent for the Lenders. Proceeds from the Amended Credit Agreement were used, among other things, to refinance and replace the credit facilities under the Company's prior credit agreement.

The Amended Credit Agreement provides for (i) a \$1.4 billion senior unsecured multi-currency revolving credit facility (the "Revolving Credit Facility"), (ii) senior unsecured term loans due 2023 in a dollar equivalent principal amount of \$400.0 million (the "2023 Term Loan Facility"), and (iii) senior unsecured term loans due 2025 in a principal amount of \$700.0 million (the "2025 Term Loan Facility"). The Amended Credit Agreement also includes an accordion feature pursuant to which the Operating Partnership is permitted to obtain additional revolving or term loan commitments so long as the aggregate principal amount of commitments and/or term loans under the Amended Credit Agreement does not exceed \$4.0 billion. The Revolving Credit Facility provides for borrowings in U.S. Dollars, Euros, Pounds Sterling, Canadian Dollars, Australian Dollars, Japanese Yen, Hong Kong Dollars, Singapore Dollars and Swiss Francs (subject to a sublimit of \$750.0 million on borrowings in currencies other than U.S. Dollars). The Revolving Credit Facility matures on March 29, 2024 with one 12-month extension option. The 2023 Term Loan Facility matures on March 29, 2023 with two 1-year extension options, and the 2025 Term Loan Facility matures on March 28, 2025.

On January 22, 2020, CyrusOne LP and CyrusOne Finance Corp. closed an offering of €500.0 million aggregate principal amount of 1.450% senior notes due January 2027 (the "2027 Notes").

### *Capital Activity*

During the second quarter of 2020, the Company entered into sales agreements pursuant to which the Company may issue and sell from time to time shares of its common stock having an aggregate sales price of up to \$750.0 million (the "2020 ATM Stock Offering Program"). The 2020 ATM Stock Offering Program replaced a prior program.

The Company currently expects to fully physically settle the remaining forward equity sale agreements by November 2021 and receive cash proceeds upon one or more settlement dates at the Company's discretion, prior to the final settlement dates under the forward equity sale agreements, in which case we expect to receive aggregate net cash proceeds at settlement equal to the number of shares specified in such forward equity sale agreements multiplied by the relevant forward price per share. The weighted average forward sale price that we expect to receive upon physical settlement of the agreements will be subject to adjustment for (i) a floating interest rate factor equal to a specified daily rate less a spread and (ii) scheduled dividends during the terms of the agreements.

As of March 31, 2021, there was \$150.8 million under the 2020 ATM Stock Offering Program available for future offerings.

### *Concentration of Revenue*

We define our annualized backlog as the twelve-month recurring revenue (calculated in accordance with generally accepted accounting principles in the United States of America ("GAAP")) for executed lease contracts achieved upon full occupancy which have not commenced as of the end of a period. Our backlog as of March 31, 2021 and December 31, 2020 was approximately \$113.3 million and \$101.0 million, respectively. During the three months ended March 31, 2021, one customer represented 18% of our revenue. We expect 29% of our backlog lease contracts to commence in the second quarter of 2021, 32% in the second half of 2021 and 39% in 2022 and thereafter. Because GAAP revenue for any period is generally a function of straight-line revenue recognized from lease contracts in existence at the beginning of a period, as well as lease contract renewals and new customer lease contracts commencing during the period, backlog as of any period is not necessarily indicative of near-term performance. Our definition of backlog may differ from other companies in our industry.

## Results of Operations

Three Months Ended March 31, 2021, Compared to Three Months Ended March 31, 2020:

IN MILLIONS, except share and per share data

	Three Months Ended March 31,			
	2021	2020	\$ Change	% Change
<b>Revenue:</b>				
Colocation rent	\$ 220.3	\$ 204.0	\$ 16.3	8.0 %
Metered power reimbursements	73.1	34.8	38.3	110.1 %
Equipment sales	0.5	2.5	(2.0)	(80.0)%
Other revenue	4.7	4.6	0.1	2.2 %
<b>Total revenue</b>	<b>298.6</b>	<b>245.9</b>	<b>52.7</b>	<b>21.4 %</b>
<b>Operating expenses:</b>				
Property operating expenses	135.8	92.6	43.2	46.7 %
Sales and marketing	3.8	4.7	(0.9)	(19.1)%
General and administrative	23.0	26.9	(3.9)	(14.5)%
Depreciation and amortization	121.4	108.1	13.3	12.3 %
Transaction, acquisition, integration and other related expenses	0.1	0.5	(0.4)	(80.0)%
Impairment losses and loss (gain) on asset disposals	0.5	(0.1)	0.6	n/m
<b>Total operating expenses</b>	<b>284.6</b>	<b>232.7</b>	<b>51.9</b>	<b>22.3 %</b>
Operating income	14.0	13.2	0.8	6.1 %
Interest expense, net	(15.1)	(16.0)	0.9	(5.6)%
Gain on marketable equity investment	2.4	14.7	(12.3)	(83.7)%
Loss on early extinguishment of debt	—	(3.4)	3.4	(100.0)%
Foreign currency and derivative gains, net	15.4	5.1	10.3	n/m
Other expense	(0.1)	(0.1)	—	n/m
Net income before income taxes	16.6	13.5	3.1	23.0 %
Income tax benefit	1.6	1.2	0.4	n/m
<b>Net income</b>	<b>\$ 18.2</b>	<b>\$ 14.7</b>	<b>\$ 3.5</b>	<b>23.8 %</b>
<b>Operating gross margin</b>	<b>4.7 %</b>	<b>5.4 %</b>		<b>(13.0)%</b>
<b>Capital expenditures:<sup>(1)</sup></b>				
Investment in real estate	\$ 172.8	\$ 193.0	\$ (20.2)	(10.5)%
Recurring capital expenditures	2.6	3.5	(0.9)	(25.7)%
<b>Total</b>	<b>\$ 175.4</b>	<b>\$ 196.5</b>	<b>\$ (21.1)</b>	<b>(10.7)%</b>
<b>Metrics information:</b>				
CSF <sup>(2)</sup>	4,743,131	4,214,958	528,173	12.5 %
Leased rate <sup>(3)</sup>	82 %	86 %	(4)%	(4.7)%

(1) Expenditures that expand, improve or extend the life of real estate and non-real estate property are capital expenditures. Management views its capital expenditures as comprised of acquisitions of real estate, development of real estate, recurring capital expenditures and all other non-real estate capital expenditures. Purchases of land or buildings from third parties represent acquisitions of real estate. Capital spending that expands or improves our data centers is deemed development of real estate. Replacements of data center equipment are considered recurring capital expenditures. Purchases of software, computer equipment and furniture and fixtures are included in non-real estate capital expenditures.

(2) CSF represents the GSF at an operating facility that is currently leased or readily available for lease as colocation space, where customers locate their servers and other IT equipment.

(3) Leased rate is calculated by dividing CSF under signed leases for colocation space (whether or not the lease has commenced billing) by total CSF.

***The three months ended March 31, 2021 as compared to the three months ended March 31, 2020.***

***Operations***

As of March 31, 2021, we had approximately 1,000 customers, many of which have leases at multiple locations. Our recurring revenues consist of rental revenue for colocation space and metered power reimbursements based upon customers with leases, and our nonrecurring revenues consist of equipment sales and installation services based on contracts with customers. We provide customers with data center services pursuant to leases with initial terms ranging from three to ten years. As of March 31, 2021, the weighted average remaining term was 3.9 years based upon annualized rent. Lease expirations through 2023, excluding month-to-month leases, represent 31% of our total GSF, or 45% of our aggregate annualized rent as of March 31, 2021. At the end of the lease term, customers may allow the contract to expire, sign a new lease or automatically renew pursuant to the terms of their lease. The automatic renewal period could be for varying lengths, depending on the terms of the contract, such as, for the original lease term, one year or month-to-month. As of March 31, 2021, 1% of our GSF was subject to month-to-month leases.

***Revenue***

For the three months ended March 31, 2021, revenue was \$298.6 million, an increase of \$52.7 million, or 21.4% compared to \$245.9 million for the three months ended March 31, 2020. Fluctuations in revenue are dependent upon our ability to maintain our existing revenue base, sell new capacity, and maintain or increase rental rates at our properties. Recurring rent churn percentage of 1.8% for the three months ended March 31, 2021 increased by 0.8% as compared to the 1.0% for the three months ended March 31, 2020. The Company calculates recurring rent churn percentage as any reduction in recurring rent due to customer terminations, service reductions or net pricing decreases as a percentage of rent at the beginning of the period, excluding any impact from metered power reimbursements or other usage-based billing.

CSF increased 13% at March 31, 2021 as compared to March 31, 2020. Leased CSF as of March 31, 2021 and 2020 was 82% and 86%, respectively. CSF Occupied as of March 31, 2021 and 2020 was 80% and 85%, respectively.

The revenue increase of \$52.7 million for the three months ended March 31, 2021, as compared to the three months ended March 31, 2020 is primarily due to the following:

- \$38.3 million increase in metered power reimbursements primarily due to a \$27.7 million increase from Winter Storm Uri in Texas and \$10.6 million due to new leasing and higher usage;
- \$16.4 million increase in colocation rent and other revenue, primarily due to a \$24.5 million increase for new leasing, \$1.1 million increase in interconnection revenue and \$0.4 million of higher termination fees primarily in the U.S. markets, partially offset by \$9.6 million of rent churn related to expired leases; partially offset by
- \$2.0 million decrease in equipment sales and associated installation services with one significant customer during the three months ended March 31, 2020.

***Operating Expenses***

***Property operating expenses***

For the three months ended March 31, 2021, Property operating expenses were \$135.8 million, an increase of \$43.2 million, or 46.7%, compared to \$92.6 million for the three months ended March 31, 2020, primarily due to the following:

- \$44.0 million increase in property operating expenses primarily due to increases in electricity primarily due to a \$31.5 million increase in expense related to Winter Storm Uri in Texas, expansion and newly developed properties placed in service; and
- \$1.0 million increase in personnel costs associated with operating our data centers; partially offset by
- \$1.8 million decrease in equipment cost of sales due to lower equipment sales volume during the current quarter.

### ***Sales and marketing expenses***

For the three months ended March 31, 2021, Sales and marketing expenses were \$3.8 million, a decrease of \$0.9 million, or 19.1%, compared to \$4.7 million for the three months ended March 31, 2020, primarily due to lower personnel costs as a result of changes in the organization structure and lower travel expenses as company travel was restricted since March 2020 as a result of the pandemic.

### ***General and administrative expenses***

For the three months ended March 31, 2021, General and administrative expenses were \$23.0 million, a decrease of \$3.9 million, or 14.5%, compared to \$26.9 million for the three months ending March 31, 2020, primarily due to the following:

- \$7.4 million decrease in personnel costs including severance due to the departure of our Chief Executive Officer in the prior year quarter and a general reduction in force; and
- \$0.3 million decrease in other general and administrative expenses; partially offset by
- \$3.2 million increase in legal and professional fees primarily due to increased costs related to customer negotiations, legal and tax planning, contract services and other professional fees; and
- \$0.6 million increase in information systems license support and maintenance costs.

### ***Depreciation and amortization expense***

For the three months ended March 31, 2021, Depreciation and amortization expense was \$121.4 million, an increase of \$13.3 million, or 12.3%, compared to \$108.1 million for the three months ending March 31, 2020. This increase was primarily driven by asset additions that were placed in service after the first quarter of 2020. Since March 31, 2020, approximately \$747.2 million of new data center assets have been placed in service. Depreciation and amortization expense is expected to increase in future periods as we complete the development of properties and installation of equipment and facilities to support our operations.

### ***Non-Operating Income and Expenses***

#### ***Interest expense, net***

For the three months ended March 31, 2021, Interest expense, net was \$15.1 million, a decrease of \$0.9 million, or 6%, as compared to \$16.0 million for the three months ending March 31, 2020, primarily due to lower borrowing costs associated with refinancing of our credit agreement in March 2020 and:

- \$5.1 million decrease due to the repayment of a portion of the Amended Credit Agreement, partially offset by a \$395.6 million increase in average debt outstanding; partially offset by
- \$3.1 million increase related to cash settlements on hedging instruments;
- \$1.0 million increase due to lower capitalized interest as a result of the Company's lower overall average interest rate; and
- \$0.1 million increase related to a decline in interest income.

We anticipate drawing on our Revolving Credit Facility to fund, in part, our capital requirements for investments in data centers and other capital expenditures, accordingly, we anticipate our interest expense to increase in future periods.

#### ***Gain on marketable equity investment***

For the three months ended March 31, 2021, the Gain on our marketable equity investment in GDS Holdings Limited ("GDS") was \$2.4 million, a decrease of \$12.3 million, compared to \$14.7 million for the three months ended March 31, 2020. The decrease was primarily the result of our disposition of our remaining investment in GDS. See Note 7, Equity Investments, for information related to our accounting for our equity investment in GDS.

#### ***Loss on early extinguishment of debt***

In March 2020, the Company entered into an amendment to its credit agreement resulting in a Loss on early extinguishment of debt of \$3.4 million primarily due to the expensing of deferred financing costs related to the repayment of the \$3.0 Billion Credit Facility.

***Foreign currency and derivative gains, net***

For the three months ended March 31, 2021, Foreign currency and derivative gains, net were \$15.4 million as a result of the translation adjustment on our undesignated EURO denominated borrowings. For the three months ended March 31, 2020, Foreign currency and derivative gains, net were \$5.1 million which was primarily the result of gains from the settlement of our Euro/USD cross-currency swap that were not designated as hedges and changes in the fair value were immediately recognized in earnings.

## Significant Balance Sheet Fluctuations

The table below relates to significant fluctuations in certain line items of our Condensed Consolidated Balance Sheets from December 31, 2020 to March 31, 2021 (in millions):

	March 31, 2021	December 31, 2020	Difference
Total investment in real estate, net	\$ 5,298.5	\$ 5,265.5	\$ 33.0
Equity investments	22.9	67.1	(44.2)
Revolving Credit Facility	386.3	432.9	(46.6)
Additional paid in capital	3,628.6	3,537.3	91.3

The increase in Total investment in real estate, net was primarily due to the continued development of data centers in Dublin, Frankfurt, London, the New York Metro area, Northern Virginia, Paris, Phoenix and San Antonio, less depreciation expense of \$109.0 million. Land purchases for future development were made in Frankfurt, Germany.

The decrease in Equity investments was primarily due to the disposition of our investment in GDS in January 2021.

The decrease in borrowing under the Revolving Credit Facility was primarily due to the proceeds from the settlement of the forward sales agreement used to pay down borrowings on the GBP Revolver under the Revolving Credit Facility, partially offset by increased borrowings under the EUR Revolver.

The increase in Additional paid in capital was primarily due to proceeds from the forward sales of the Company's common stock pursuant to the 2020 ATM Stock Offering Program.

## **Key Performance Indicators - Non-GAAP Financial Measures**

In addition to amounts presented in accordance with GAAP, we also present certain supplemental non-GAAP financial measures related to our performance. These non-GAAP financial measures should not be construed as being more important than, or a substitute for, comparable GAAP financial measures. In compliance with SEC requirements, our non-GAAP financial measures presented herein are reconciled to net income, the most directly comparable GAAP financial measure. Neither the SEC nor any regulatory body has passed judgment on these non-GAAP measurements.

### *Funds from Operations and Normalized Funds from Operations*

We use funds from operations ("FFO") and normalized funds from operations ("Normalized FFO"), which are non-GAAP financial measures commonly used in the REIT industry, as supplemental performance measures. We use FFO and Normalized FFO as supplemental performance measures because, when compared period over period, they capture trends in occupancy rates, rental rates and operating costs. We also believe that, as widely recognized measures of the performance of REITs, FFO and Normalized FFO are used by investors as a basis to evaluate REITs.

We calculate FFO as Net income computed in accordance with GAAP before Real estate depreciation and amortization and Impairment losses and loss (gain) on asset disposals. While it is consistent with the definition of FFO promulgated by the National Association of Real Estate Investment Trusts ("NAREIT"), our computation of FFO may differ from the methodology for calculating FFO used by other REITs. Accordingly, our FFO may not be comparable to others.

We calculate Normalized FFO as FFO adjusted for Loss on early extinguishment of debt; Gain on marketable equity investment; Foreign currency and derivative gains, net; Amortization of tradenames; Transaction, acquisition, integration and other related expenses; Cash severance and management transition costs; Severance-related stock compensation costs; and Legal claim costs. We believe our Normalized FFO calculation provides a comparable measure between different periods. Other REITs may not calculate Normalized FFO in the same manner, accordingly, our Normalized FFO may not be comparable to others.

In addition, because FFO and Normalized FFO exclude Real estate depreciation and amortization, and capture neither the changes in the value of our properties that result from use or from market conditions, nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effect and could materially impact our results from operations, the utility of FFO and Normalized FFO as measures of our performance is limited. Therefore, FFO and Normalized FFO should be considered only as supplements to Net income presented in accordance with GAAP as measures of our performance. FFO and Normalized FFO should not be used as measures of our liquidity or as indicative of funds available to fund our cash needs, including our ability to pay dividends or make distributions. FFO and Normalized FFO also should not be used as supplements to or substitutes for cash flow from operating activities computed in accordance with GAAP.

The following table reflects the reconciliation of GAAP net income to FFO and Normalized FFO for the three months ended March 31, 2021 and 2020 (amounts in millions):

	Three Months Ended			
	March 31,		Change	
	2021	2020	\$	%
<b>Net income</b>	\$ 18.2	\$ 14.7	\$ 3.5	23.8 %
Real estate depreciation and amortization	119.0	105.8	13.2	12.5 %
Impairment losses and loss (gain) on asset disposals	0.5	(0.1)	0.6	n/m
<b>Funds from Operations ("FFO") - NAREIT defined</b>	\$ 137.7	\$ 120.4	\$ 17.3	14.4 %
Loss on early extinguishment of debt	—	3.4	(3.4)	(100.0)%
Gain on marketable equity investment	(2.4)	(14.7)	12.3	(83.7)%
Foreign currency and derivative gains, net	(15.4)	(5.1)	(10.3)	n/m
Amortization of tradenames	0.3	0.3	—	n/m
Transaction, acquisition, integration and other related expenses	0.1	0.5	(0.4)	(80.0)%
Cash severance and management transition costs	(0.1)	6.8	(6.9)	(101.5)%
Severance-related stock compensation costs	—	0.1	(0.1)	(100.0)%
Legal claim costs	—	0.1	(0.1)	(100.0)%
<b>Normalized Funds from Operations ("Normalized FFO")</b>	\$ 120.2	\$ 111.8	\$ 8.4	7.5 %

n/m - not meaningful.

### Net Operating Income

We use Net Operating Income ("NOI"), which is a non-GAAP financial measure commonly used in the REIT industry, as a supplemental performance measure. We use NOI as a supplemental performance measure because, when compared period over period, it captures trends in occupancy rates, rental rates and operating expenses. We also believe that, as a widely recognized measure of the performance of REITs, NOI is used by investors as a basis to evaluate REITs.

We calculate NOI as Net income, adjusted for Sales and marketing expenses, General and administrative expenses, Depreciation and amortization expenses, Transaction, acquisition, integration and other related expenses, Interest expense, net, Gain on marketable equity investment, Loss on early extinguishment of debt, Impairment losses and loss (gain) on asset disposals, Foreign currency and derivative gains, net, Other expense, and Income tax benefit. Amortization of deferred leasing costs is presented in Depreciation and amortization expenses, which is excluded from NOI. Sales and marketing expenses are not property-specific, rather these expenses support our entire portfolio. As a result, we have excluded these Sales and marketing expenses from our NOI calculation, consistent with the treatment of General and administrative expenses, which also support our entire portfolio. Because the calculation of NOI excludes various expenses, the utility of NOI as a measure of our performance is limited. Other REITs may not calculate NOI in the same manner. Accordingly, our NOI may not be comparable to others. Therefore, NOI should be considered only as a supplement to Net income presented in accordance with GAAP as a measure of our performance. NOI should not be used as a measure of our liquidity or as indicative of funds available to fund our cash needs, including our ability to pay dividends and make distributions. NOI also should not be used as a supplement to or substitute for cash flow from operating activities computed in accordance with GAAP.

The following table reflects the reconciliation of Net income to NOI for the three months ended March 31, 2021 and 2020 (amounts in millions):

	Three Months Ended			
	March 31,		Change	
	2021	2020	\$	%
Net income	\$ 18.2	\$ 14.7	\$ 3.5	23.8 %
Sales and marketing expenses	3.8	4.7	(0.9)	(19.1)%
General and administrative expenses	23.0	26.9	(3.9)	(14.5)%
Depreciation and amortization expenses	121.4	108.1	13.3	12.3 %
Transaction, acquisition, integration and other related expenses	0.1	0.5	(0.4)	(80.0)%
Interest expense, net	15.1	16.0	(0.9)	(5.6)%
Gain on marketable equity investment	(2.4)	(14.7)	12.3	(83.7)%
Loss on early extinguishment of debt	—	3.4	(3.4)	(100.0)%
Impairment losses and loss (gain) on asset disposals	0.5	(0.1)	0.6	n/m
Foreign currency and derivative gains, net	(15.4)	(5.1)	(10.3)	n/m
Other expense	0.1	0.1	—	n/m
Income tax benefit	(1.6)	(1.2)	(0.4)	33.3 %
Net Operating Income	\$ 162.8	\$ 153.3	\$ 9.5	6.2 %

## Financial Condition, Liquidity and Capital Resources

### Liquidity and Capital Resources

We are required to distribute at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains, to our stockholders on an annual basis in order to maintain our status as a REIT for federal income tax purposes. Accordingly, we intend to make, but are not contractually bound to make, regular quarterly distributions to common stockholders from cash flows from operating activities. All such distributions are at the discretion of our board of directors.

We have an effective shelf registration statement that allows us to offer for sale unspecified amounts of various classes of equity and debt securities and warrants. As circumstances arise, we may issue debt, equity and/or warrants from time to time on an opportunistic basis, dependent upon market conditions and available pricing.

### Short-term Liquidity

The effects of the COVID-19 pandemic continue to evolve rapidly. While the impact of COVID-19 on certain operating and administrative costs for the three months ended March 31, 2021 was not material, we have incurred additional general and administrative and maintenance costs to operate our data centers and offices. We expect these costs will continue in the future, however, the extent to which these costs continue or increase will depend on factors that are uncertain and unpredictable at this time, including federal, state, and local regulations as well as the duration and severity of the pandemic. While the pandemic may impact our cash flows from customers, the extent and duration of that impact is also uncertain and unpredictable at this time. Some of our customers have communicated that the COVID-19 pandemic has disrupted their businesses, which is impacting their ability to pay rent on time and they have requested extended payment terms and rent abatement, which may impact the timing and amount of rent we collect in the future. For the three months ended March 31, 2021, the impact of the pandemic on rent concessions and collections of rent has not been significant.

As previously discussed, metered power reimbursements increased \$38.3 million for the three months ended March 31, 2021, as compared the corresponding period in 2020, primarily due to a \$27.7 million increase from Winter Storm Uri in Texas. Certain customers will receive billings with significant increases, which may impact their ability to pay and if they are unable to pay, it could negatively affect our net cash provided by operating activities.

Our short-term liquidity requirements primarily consist of Operating, Sales and marketing, and General and administrative expenses, dividend payments and recurring capital expenditures for our data center properties. We generally expect to meet these requirements from our cash flows from operations, cash balances, availability under our Revolving Credit Facility and settlement of the ATM forward equity sale agreements. For the three months ended March 31, 2021, our cash provided by

operating activities was \$106.7 million which was \$43.7 million more than dividends paid during the three months ended March 31, 2021 of \$63.0 million.

Available capacity under the Amended Credit Agreement as of March 31, 2021 was \$1,005.3 million related to the Revolving Credit Facility. Total liquidity as of March 31, 2021 was approximately \$1,631.3 million, which included the \$1,005.3 million available under the Revolving Credit Facility, cash and cash equivalents of \$240.9 million and the pro forma impact of the settlement of the forward sale agreements of \$385.1 million. At March 31, 2021, we had borrowings of \$386.3 million under the Revolving Credit Facility. At March 31, 2020, we had borrowings of \$234.0 million under the Revolving Credit Facility.

In January 2020, CyrusOne LP and CyrusOne Finance Corp. closed their offering of €500.0 million aggregate principal amount of 1.450% senior notes due January 2027.

During the three months ended March 31, 2021, the Company settled forward agreements totaling 1.4 million common shares at an average price of \$66.70 for proceeds of \$95.3 million, net of expenses. The Company did not settle any forward agreements during the three months ended March 31, 2020. As of March 31, 2021, there was approximately \$150.8 million under the 2020 ATM Stock Offering Program available for future offerings. At March 31, 2021, the Company had approximately 122.5 million shares of common stock outstanding.

The Company currently expects to fully physically settle the remaining forward equity sale agreements by November 2021 and receive cash proceeds upon one or more settlement dates at the Company's discretion, prior to the final settlement dates under the forward equity sale agreements, in which case we expect to receive aggregate net cash proceeds at settlement equal to the number of shares specified in such forward equity sale agreements multiplied by the relevant forward price per share. The weighted average forward sale price that we expect to receive upon physical settlement of the agreements will be subject to adjustment for (i) a floating interest rate factor equal to a specified daily rate less a spread and (ii) scheduled dividends during the terms of the agreements.

The following table represents a summary of forward sale of equity of our common stock for the three months ended March 31, 2021 (in millions):

Offering Program	Forward Shares Sold/(Settled)	Net Proceeds Received	Remaining Proceeds Available <sup>(1)</sup>
<b>Total at December 31, 2020</b>	<b>6.8</b>	<b>\$ —</b>	<b>\$ 484.7</b>
First quarter Forward adjustments	—	—	(4.3)
May 26, 2020 Forward Offering settlement	(1.4)	95.3	(95.3)
<b>Total at March 31, 2021</b>	<b>5.4</b>	<b>\$ 95.3</b>	<b>\$ 385.1</b>

(1) As of March 31, 2021, the total estimated proceeds, net of adjustments for (i) a floating interest rate factor equal to a specified daily rate less a spread and (ii) scheduled dividends adjustments is \$385.1 million subject to further adjustment when the forward offerings are settled as described above.

### Long-term Liquidity

Our long-term liquidity requirements primarily consist of our capital expenditures for the development and acquisition of our data centers. For the three months ended March 31, 2021, our cash capital expenditures were \$175.4 million. Our capital expenditures are primarily discretionary, excluding leases under contract, to expand our existing data center properties, acquire or construct new facilities. We intend to continue to develop and expand properties, where we believe there is sufficient demand or have contracted to lease, and are prepared to commit additional resources to support this growth. We expect our total estimated capital expenditures for 2021 to be between \$925.0 million and \$1,025.0 million. We expect to meet our long-term liquidity requirements, including development and potential acquisitions, from cash and cash equivalents, cash flows from our operations, issuances of debt and equity securities, and borrowings under our Revolving Credit Facility.

While we regularly monitor commodity and labor pricing trends related to our data center development capital expenditures, a large proportion of our current development project costs are under firm price commitments. Accordingly, while we have experienced price increases in certain selective materials due to recent international trade negotiations and actions, we currently do not anticipate any material adverse effect on our overall development costs.

As of March 31, 2021, all of our outstanding debt matures from March 2023 to November 2030, with a weighted average of 5.7 years to maturity. We expect to refinance these debts at or before their maturities. Our interest rate mix was 74% fixed and 26% floating.

In addition to the sources of capital described herein, we have access to other potential sources of capital including mortgage financing and proceeds from property dispositions as well as proceeds from contributions and partial sale of properties into joint ventures.

### **Off-Balance Sheet Arrangements**

During the normal course of business, we make certain indemnities, commitments and guarantees under which we may be required to make payments in relation to certain transactions. These include (i) intellectual property indemnities to customers in connection with the use, sale and/or license of products and services, (ii) indemnities to vendors and service providers pertaining to claims based on our negligence or willful misconduct and (iii) indemnities involving the representations and warranties in certain contracts. In addition, we have made contractual commitments to several employees providing for payments upon the occurrence of certain prescribed events. The majority of these indemnities, commitments and guarantees do not provide for any limitation on the maximum potential for future payments that we could be obligated to make.

Also as a part of our normal course of business we procure certain data center equipment (generally generators and power distribution units) and electricity power under purchase commitments, where we would be required to purchase certain minimum volumes. In general, we expect to manage these contracts such that the committed volume levels are below our current requirements and at prices that are below current spot market prices. However, if our requirements were to decrease or the spot market prices were to decrease, we could be obligated to complete the remaining minimum purchase commitments, holding the excess equipment for future development or disposing at then current prices. As of March 31, 2021, our aggregate commitments under these contracts is approximately \$57.9 million.

### **Cash Flows**

#### *Comparison of Three Months Ended March 31, 2021 and March 31, 2020*

Net cash provided by operating activities for the three months ended March 31, 2021 increased \$20.4 million to \$106.7 million compared to \$86.3 million for the three months ended March 31, 2020 due to the following:

- Increases in net cash provided by operating activities of \$32.3 million was primarily due to the following:
  - \$9.5 million increase due to a \$52.7 million increase in revenue offset in part by a \$43.2 million increase in property operating expenses;
  - \$12.8 million decrease in severance and bonus payments; and
  - \$10.0 million net increase due to changes in operating assets and liabilities; partially offset by
- Decreases in net cash provided by operating activities of \$11.9 million primarily due to the following:
  - \$7.4 million increase in property operating costs and other cash outflows over the corresponding prior year period; and
  - \$4.5 million increase in interest payments due to interest on the 2027 Notes.

Net cash used in investing activities for the three months ended March 31, 2021 decreased \$75.4 million to \$124.4 million compared to \$199.8 million for the three months ended March 31, 2020 primarily due to proceeds from the sale of our GDS ADSs and reduced capital expenditures for investments in real estate in 2021 compared to 2020.

#### *Investments in real estate*

For the three months ended March 31, 2021, our capital expenditures of \$175.4 million primarily related to the continued development in key markets, primarily in Dublin, Frankfurt, London, the New York Metro area, Northern Virginia, Paris, Phoenix and San Antonio.

For the three months ended March 31, 2020, our capital expenditures of \$196.5 million primarily related to the acquisition of land for future development and continued development in key markets, primarily in Amsterdam, Austin, Dallas, Frankfurt, London, Northern Virginia, Phoenix and Raleigh-Durham.

## Equity Investments

During the three months ended March 31, 2021, the Company made no capital contributions to our four unconsolidated ventures in Brazil, Chile, Colombia and Mexico, with ODATA, a Brazilian headquartered company. During the three months ended March 31, 2020, we made a capital contribution of approximately \$3.3 million to our ODATA investments.

Net cash used in financing activities for the three months ended March 31, 2021 decreased \$104.2 million to \$10.7 million compared to Net cash provided by financing activities of \$93.5 million for the three months ended March 31, 2020 primarily due to the following:

Cash flow from financing activities decreased \$711.9 million due to:

- \$550.6 million decrease in proceeds from the issuance of the 2027 Notes. See Note 9, Debt, for additional information on the 2027 Notes;
- \$154.1 million decrease in proceeds from borrowings on our Revolving Credit Facility;
- \$4.6 million increase in dividend payments due to the increase in the dividend and the number of common shares outstanding; and
- \$2.6 million increase in tax payments on the exercise of equity awards.

Cash flow from financing activities increased \$607.7 million due to:

- \$498.9 million decrease in payments on our revolving credit facility;
- \$95.2 million increase in proceeds from the issuance of common stock. The Company settled forward equity agreements totaling 1.4 million shares in the current quarter; and
- \$13.6 million decrease in payments for deferred financing costs related to the refinancing of the Revolving Credit Facility and issuance of the 2027 Notes and 2030 Notes.

## Issuer and guarantor subsidiary summarized financial information

The 2024 Notes, the 2027 Notes, the 2029 Notes and the 2030 Notes issued by CyrusOne LP (the "LP Co-Issuer") and CyrusOne Finance Corp. (the "Finance Co-Issuer" and, together with the LP Co-Issuer, the "Co-Issuers") are fully and unconditionally and jointly and severally guaranteed on a senior unsecured basis by CyrusOne Inc. (the "Parent Guarantor").

The indentures governing the 2024 Notes, 2027 Notes, 2029 Notes and 2030 Notes contain affirmative and negative covenants customarily found in indebtedness of this type, including covenants that restrict, subject to certain exceptions, the Company's ability to incur secured or unsecured indebtedness. The Company and its subsidiaries are also required to maintain total unencumbered assets of at least 150% of their unsecured debt on a consolidated basis, subject to certain qualifications set forth in the indentures. The covenants contained in the indentures do not restrict the Company's ability to pay dividends or distributions to stockholders.

Only the Parent Guarantor guarantees the 2024 Notes, 2027 Notes, 2029 Notes and 2030 Notes. The 2024 Notes, 2027 Notes, 2029 Notes and 2030 Notes are structurally junior in right of payment to the indebtedness and other liabilities of the Co-Issuers' subsidiaries (the "Non-Guarantors"), and the guarantee is structurally junior in right of payment to the liabilities of any of the Parent Guarantor's subsidiaries (other than the Co-Issuers). These Non-Guarantors are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the 2024 Notes, 2027 Notes, 2029 Notes and 2030 Notes, or to make any funds available therefor, whether by dividends, loans, distributions or other payments. Any right that the Co-Issuers or Parent Guarantor have to receive any assets of any of the Non-Guarantors upon the bankruptcy, liquidation or reorganization of those Non-Guarantors, and the consequent rights of holders of the 2024 Notes, 2027 Notes, 2029 Notes and 2030 Notes to realize proceeds from the sale of any of such Non-Guarantors' assets, will be structurally subordinated to the claims of such Non-Guarantors' creditors, including trade creditors, mortgage holders and holders of preferred equity interests of those Non-Guarantors. Accordingly, in the event of a bankruptcy, liquidation or reorganization or any of the Non-Guarantors, the Non-Guarantors will pay the holders of their debts, holders of preferred equity interests and their trade creditors before distributing any of their assets to us. The Non-Guarantors conduct substantially all of our operations and hold substantially all of our assets.

The guarantee obligations of the Parent Guarantor under the 2024 Notes, 2027 Notes, 2029 Notes and 2030 Notes will terminate under the customary circumstances of legal defeasance or covenant defeasance, each as described in the applicable indenture, or if the Co-Issuers' obligations under the applicable indenture are discharged.

The guarantee obligations of the Parent Guarantor under the 2024 Notes, 2027 Notes, 2029 Notes and 2030 Notes are subject to certain limitations necessary to prevent the guarantee from constituting a fraudulent conveyance under applicable laws. Under these laws, the guarantee could be voided, or claims in respect of the guarantee could be subordinated to certain obligations of the Parent Guarantor if, among other things, the Parent Guarantor, at the time it entered into the guarantee, received less than reasonably equivalent value or fair consideration for entering into the guarantee and was one of the following:

- insolvent or rendered insolvent by reason of entering into a guarantee;
- engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts or contingent liabilities beyond its ability to pay them as they became due.

The Parent Guarantor is a REIT whose only material asset is its ownership of operating partnership units of the LP Co-Issuer. The LP Co-Issuer and its subsidiaries hold substantially all the assets of the Company. The LP Co-Issuer conducts the operations of the business, along with its subsidiaries. The Finance Co-Issuer does not have any operations or revenues.

Pursuant to amended Rule 3-10 of Regulation S-X, the following aggregate summarized financial information is provided for CyrusOne Inc., CyrusOne LP and CyrusOne Finance Corp. This aggregate summarized financial information has been prepared from the books and records maintained by CyrusOne, CyrusOne LP and CyrusOne Finance Corp. The aggregate summarized financial information does not include the investments in non-guarantor subsidiaries nor the earnings from non-guarantor subsidiaries and therefore is not necessarily indicative of the results of operations or financial position had CyrusOne LP and CyrusOne Finance Corp. operated as independent entities. Intercompany transactions have been eliminated.

The Issuers and Guarantors had Intercompany receivables from non-guarantors of \$2.0 billion and \$1.8 billion for the periods ended March 31, 2021 and December 31, 2020, respectively. The Issuers and Guarantors had Debt of \$3.3 billion and \$3.4 billion for the periods ended March 31, 2021 and December 31, 2020, respectively. During the three months ended March 31, 2021, the Issuers and Guarantors had Interest expense, net of \$18.0 million and Foreign currency and derivative gains, net of \$15.4 million. More detailed financial information for the Issuers and Guarantors was not material.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

#### Interest Rate Risk

We have exposure to interest rate risk, arising from variable-rate borrowings under our Amended Credit Agreement and our fixed-rate long-term debt.

Our interest rate risk management objectives are to limit the impact of interest rate changes on earnings and cash flows and to lower overall borrowing costs. To achieve the financing objectives, we borrow primarily at fixed rates or variable rates with what we believe are the lowest margins available. With regard to variable rate financing, we manage interest rate cash flow risk by continually identifying and monitoring changes in interest rate exposures that may adversely impact expected future cash flows. We have not entered into, and do not plan to enter into, financial instruments for trading or speculative purposes.

As of March 31, 2021, we had approximately \$2.2 billion of contractually outstanding consolidated debt at a weighted average fixed interest rate of approximately 2.52% and \$1.2 billion of amounts outstanding under credit facilities with a weighted average variable interest rate of monthly LIBOR plus 1.10%. As of March 31, 2020, we had approximately \$1.8 billion of contractually outstanding consolidated debt at a weighted average fixed interest rate of approximately 2.63% and \$1.3 billion of amounts outstanding under credit facilities with a weighted average variable interest rate of monthly LIBOR plus 1.15%. Monthly LIBOR as of March 31, 2021 and 2020 was 0.11% and 1.00%, respectively.

Interest rate fluctuations will generally not affect our future earnings or cash flows on our fixed rate debt unless such instruments are traded or are otherwise terminated prior to maturity. However, interest rate changes will affect the fair value of our fixed rate instruments.

Conversely, movements in interest rates on variable rate debt would change our future earnings and cash flows, but not significantly affect the fair value of those instruments. We are exposed to interest rate changes primarily as a result of our variable rate debt we incur on our Amended Credit Agreement and our consolidated cash investments. As of March 31, 2021 and 2020, our floating rate debt outstanding was \$1.2 billion and \$1.3 billion, respectively. We quantify our exposure to interest rate risk based on how changes in interest rates affect our net income. We consider changes in the 30-day LIBOR rate to be most indicative of our interest rate exposure as it is a function of the base rate for our credit facilities. We consider increases of 0.5% to 2.0% in the 30-day LIBOR rate to be reflective of reasonable changes we may experience in the current interest rate environment. The table below reflects the annual consolidated effect of an increase in the 30-day LIBOR to our net income related to our significant variable interest rate exposures as of March 31, 2021 and 2020 (amounts in millions, where positive amounts reflect an increase in net income and bracketed amounts reflect a decrease in net income):

Variable rate credit facilities expense:

	2.0%	1.5%	1.0%	0.5%
As of March 31, 2021	\$ (23.7)	\$ (17.8)	\$ (11.9)	\$ (5.9)
As of March 31, 2020	\$ (26.7)	\$ (20.0)	\$ (13.3)	\$ (6.7)

Floating rate interest income was not material for the three months ended March 31, 2021 and \$0.1 million for the three months ended March 31, 2020.

There is no assurance that we would realize such income or expense as such changes in interest rates could alter our asset or liability positions or strategies in response to such changes. Also, where variable rate debt is used to finance development projects, the cost of the development is also impacted. If these costs exceed budgeted interest reserves, we may be required to fund the excess out of other capital sources. The table above reflects interest expense prior to any adjustments for capitalized interest related to developments.

## Interest Rate Swaps

On September 3, 2019, the Company entered into a floating-fixed interest rate swap agreement to convert \$300.0 million of variable interest rate debt of the 2023 Term Loan Facility to 1.19% fixed rate debt to hedge the risk of changes in cash flows attributable to USD-LIBOR interest payments. On September 21, 2020, the Company paid down \$300.0 million of term loans under the 2023 Term Loan Facility. The \$300.0 million floating-fixed interest rate swap remains in place and continues to provide an effective hedge of the risk of changes in cash flows attributable to USD-LIBOR term loans through March 2023. For the three months ended March 31, 2021, the Company recognized no losses related to the changes in fair value of the interest rate swap. As of March 31, 2021, interest rate swaps were a liability of \$5.9 million reported in Other liabilities. As of December 31, 2020, interest rate swaps were a liability of \$7.0 million reported in Other liabilities.

## Foreign Currency Risk

We have foreign operations in France, Germany, The Netherlands, United Kingdom, Singapore and The Republic of Ireland that expose us to risk from the effects of exchange rate movements of respective foreign currencies, which may affect future costs and cash flows. Foreign currency risk is the possibility that our results of operations or financial position could be affected by changes in exchange rates. Our exposure to foreign currency primarily relates to our foreign currency denominated in British pound sterling and Euro, included within Total investment in real estate, net, which was \$1.5 billion as of both March 31, 2021 and December 31, 2020. For the three months ended March 31, 2021 and 2020, our Foreign currency translation adjustment included within Stockholders' equity was a decrease of \$15.0 million and \$24.0 million, respectively, primarily due to a decrease in the forward spot rate on two cross-currency EUR/USD contracts to sell \$500.0 million and purchase €450.7 million that mature in March 2023.

As a result of our expansion into foreign countries, primarily in Europe, our exposure to foreign currency is expected to increase, primarily related to British pound sterling and Euro. We could mitigate future investment and operational foreign currency exposure by borrowing under our Amended Credit Agreement in the particular foreign currency, subject to availability and applicable borrowing conditions. However, we would expect to incur foreign currency transaction gains and losses, which would impact our consolidated net income, and translation of financial statements from the foreign functional currency to U.S. dollars, which would be included in Other comprehensive income or loss and Stockholders' equity. As of March 31, 2021, we have outstanding borrowings under our Revolving Credit Facility of \$34.5 million which is denominated in British pound sterling and \$351.8 million which is denominated in Euros. As of March 31, 2021, we had \$585.7 million outstanding under the 2027 Notes, which are denominated in Euros. See Note 9, Debt, for further information.

The Company has entered into cross-currency swaps whereby the Company pays floating interest rate and receives floating interest rate to hedge the variability of future cash flows attributable to changes in the 1-month USD LIBOR versus EUR LIBOR rates (a pay-floating, receive-floating interest rate swap). The pay-floating, receive-floating interest rate swap payments are recognized in Interest expense, net in the Condensed Consolidated Statements of Operations.

As of March 31, 2021, the Company has two cross-currency EUR/USD contracts to sell \$500.0 million and purchase €450.7 million maturing in March 2023 representing a fair value liability of \$29.6 million reported in Other Liabilities. As of December 31, 2020, our cross-currency swaps were a liability of \$52.2 million reported in Other Liabilities.

The Company recognized no gains or losses for the three months ended March 31, 2021 on cross-currency swaps that were designated as net investment hedges. The Company recognized gains of \$4.5 million for the three months ended March 31, 2020, on undesignated cross-currency contracts which were recognized in Foreign currency and derivative gains, net in the Condensed Consolidated Statements of Operations.

## Commodity Price Risk

Certain of our operating costs are subject to price fluctuations caused by the volatility of the underlying commodity prices, including electricity used in our data center operations, and building materials, such as steel and copper, used in the construction of our data centers. In addition, the lead time to purchase certain equipment for our data centers is substantial which could result in increased costs for these construction projects. In addition, we have entered into several contracts to purchase electricity. As of March 31, 2021 and 2020, these contracts represented less than our forecasted usage.

Refer to Item 7A. "Quantitative and Qualitative Disclosures About Market Risk" of the Company's Annual Report on Form 10-K for the year ended December 31, 2020, for a description of the Company's market risks. There were no material changes for the period ended March 31, 2021.

#### **ITEM 4. CONTROLS AND PROCEDURES**

##### **Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures**

Under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer (our principal executive officer and principal financial officer, respectively), we have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of March 31, 2021. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that, as of March 31, 2021, the Company's disclosure controls and procedures were effective in ensuring information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

##### **Changes in Internal Control over Financial Reporting**

There has been no change in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 of the Exchange Act that occurred during the three months ended March 31, 2021 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **PART II—OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

In the ordinary course of our business, from time to time, we are subject to claims and administrative proceedings. We do not believe any currently outstanding matters would have, individually or in the aggregate, a material adverse effect on our business, financial condition and results of operations or liquidity and cash flows.

### **ITEM 1A. RISK FACTORS**

There have been no material changes to the risk factors included in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 19, 2021, which is accessible on the SEC's website at [www.sec.gov](http://www.sec.gov).

### **ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

During the three months ended March 31, 2021, the Company had no unregistered sales of equity securities or purchases of its common stock.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

### **ITEM 5. OTHER INFORMATION**

None.

**ITEM 6. EXHIBITS**

<u>Exhibit No.</u>	<u>Exhibit Description</u>
<a href="#"><u>3.1</u></a>	<a href="#"><u>Articles of Amendment and Restatement of CyrusOne Inc. (Incorporated by reference to Exhibit 3.1 of Form 8-K, filed by CyrusOne Inc. on January 25, 2013 (Registration No. 001-35789)).</u></a>
<a href="#"><u>3.2</u></a>	<a href="#"><u>Amended and Restated Bylaws of CyrusOne Inc. (Incorporated by reference to Exhibit 3.1 of Form 8-K, filed by CyrusOne Inc. on March 17, 2017 (Registration No. 001-35789)).</u></a>
<a href="#"><u>10.1++</u></a>	<a href="#"><u>Form of Performance-Based LTIP Unit Award Agreement under the provisions of the CyrusOne Restated 2012 Long Term Incentive Plan.</u></a>
<a href="#"><u>10.2+†</u></a>	<a href="#"><u>Form of Time-Based LTIP Unit Award Agreement under the provisions of the CyrusOne Restated 2012 Long Term Incentive Plan.</u></a>
<a href="#"><u>10.3+†</u></a>	<a href="#"><u>Form of Performance-Based Restricted Stock Award Agreement under the provisions of the CyrusOne Restated 2012 Long Term Incentive Plan.</u></a>
<a href="#"><u>10.4++</u></a>	<a href="#"><u>Form of Time-Based Restricted Stock Award Agreement under the provisions of the CyrusOne Restated 2012 Long Term Incentive Plan.</u></a>
<a href="#"><u>10.5†</u></a>	<a href="#"><u>Second Amendment to the Amended and Restated Agreement of Limited Partnership of CyrusOne LP, dated as of February 15, 2021 (Incorporated by reference to Exhibit 10.4 of Form 10-K, filed by CyrusOne Inc. on February 19, 2021 (Registration No. 001-35789)).</u></a>
<a href="#"><u>22+</u></a>	<a href="#"><u>List of Guarantors and Subsidiary Issuers of Guaranteed Securities.</u></a>
<a href="#"><u>31.1+</u></a>	<a href="#"><u>Certification pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>
<a href="#"><u>31.2+</u></a>	<a href="#"><u>Certification pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>
<a href="#"><u>32.1++</u></a>	<a href="#"><u>Certification pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u></a>
<a href="#"><u>32.2++</u></a>	<a href="#"><u>Certification pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u></a>
(101.INS)*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
(101.SCH)*	Inline XBRL Taxonomy Extension Schema Document.
(101.CAL)*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
(101.DEF)*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
(101.LAB)*	Inline XBRL Taxonomy Extension Label Linkbase Document.
(101.PRE)*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
(104)*	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document (included in Exhibit 101).
+	Filed herewith.
++	Furnished herewith.
*	Submitted electronically with this report.
†	This exhibit is a management contract or compensation plan or arrangement.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized, on the 29th day of April, 2021.

CyrusOne Inc.

By: /s/ Bruce W. Duncan  
Bruce W. Duncan  
President and Chief Executive Officer

By: /s/ Katherine Motlagh  
Katherine Motlagh  
Executive Vice President and Chief Financial Officer

By: /s/ Mark E. Skomal  
Mark E. Skomal  
Senior Vice President and Chief Accounting Officer

**PERFORMANCE-BASED LTIP UNIT AWARD  
UNDER THE PROVISIONS OF THE  
CYRUSONE RESTATED 2012 LONG TERM INCENTIVE PLAN**

**Name of Employee:**

**Award Date:**

**Target LTIP Unit Award**

**Maximum LTIP Unit Award**

**Performance Period:**

Pursuant to the provisions of the CyrusOne Restated 2012 Long Term Incentive Plan (as in effect from time to time (the “**Plan**”)), this Performance-Based LTIP Unit Award Agreement (this “**Agreement**”) and the Partnership Agreement (as defined in the Plan), the Board of Directors of CyrusOne Inc. (“**CyrusOne**”) hereby grants, and the Operating Partnership shall issue, to the employee named above (“**you**” or “**your**”) on the date noted above (the “**Award Date**”) an award (the “**Award**”) of performance-based vesting LTIP Units (“**LTIP Units**”), on and subject to the terms of the Plan, the Partnership Agreement and your agreement to the terms, conditions and restrictions contained herein and subject to the achievement of certain performance-based vesting criteria as set forth on Exhibit A. Capitalized terms used in this Agreement that are not defined in this Agreement have the meanings as used or defined in the Plan.

1. Performance Vesting. The number of LTIP Units you are eligible to earn will depend on the extent to which the applicable performance-based vesting criteria (each, a “**Performance Goal**”) for the Performance Period are satisfied, determined pursuant to the calculation methodology set forth in Exhibit A. As soon as reasonably practicable following the completion of the Performance Period, the Committee shall determine the extent to which each Performance Goal has been satisfied for the Performance Period, and shall calculate and certify in writing the number of LTIP Units that you have earned (“**Earned LTIP Units**”) with respect to each such Performance Goal. Except as otherwise provided in Section 2, 3, 4, 5 or 14 hereof, Earned LTIP Units with respect to the Performance Period shall become vested on February 28, 2024 (the “**Vesting Date**”), provided that you remain continuously employed by the Company through such vesting date.

2. Vesting Upon Death. In the event of your death while an Employee, the number of LTIP Units (rounded up to the nearest whole LTIP Unit) that bears the same ratio to the Target LTIP Unit Award as the number of days from the beginning of the Performance Period through the date of your death bears to 1,095 will be deemed to be Earned LTIP Units. You will become vested in such Earned LTIP Units as of the date of your death. Any LTIP Units that are not deemed to be Earned LTIP Units pursuant to the calculation described in the preceding sentence shall be forfeited to CyrusOne as of your date of death in accordance with the terms of Section 6 hereof.

3. Vesting Upon Disability. If pursuant to the applicable disability provision of any Employment Agreement, you become disabled and such disability prevents you from fulfilling the usual duties of your job and is expected to continue indefinitely, all as determined by the Company, or, if no such provision exists or you are not party to an Employment Agreement, you become disabled to such extent that you are unable to perform the usual duties of your job for a period that is expected to continue indefinitely, all as determined by the Company, then the number of LTIP Units (rounded up to the nearest whole LTIP Unit) that bears the same ratio to the Target LTIP Unit Award as the number of days from the beginning of the Performance Period through the date of your disability bears to 1,095 will be deemed to be Earned LTIP Units. You will become vested in such Earned LTIP Units as of the date of your disability. Any LTIP Units that are not deemed to be Earned LTIP Units pursuant to the calculation described in the preceding sentence shall be forfeited to CyrusOne as of the date of your termination of employment in accordance with the terms of Section 6 hereof.

4. Vesting Upon Certain Terminations of Employment. If the Company terminates your employment other than by reason of your death or disability or other than for Cause, or you terminate your employment for Good Reason (as defined below), then, you shall vest, as of the Vesting Date, pursuant to Section 1 of this Agreement, with respect to the Performance Period if it ends on or before your date of termination, even if the Vesting Date occurs after your date of termination. If, however, the Performance Period ends after your date of termination, you shall vest, as of the Vesting Date, in a portion of the number of Earned LTIP Units determined pursuant to this Agreement including the Exhibits hereto (the “**Actual Performance Earned LTIP Units**”), which portion bears the same ratio to the Actual Performance Earned LTIP Units as the number of days from the beginning of the Performance Period through the date of your termination bears to 1,095. Any LTIP Units that are not deemed to be Earned LTIP Units pursuant to the calculation described in the preceding sentence shall be forfeited to CyrusOne as of the Vesting Date in accordance with the terms of Section 6 hereof.

For purposes of this Agreement, “**Good Reason**” shall have the meaning set forth in any Employment Agreement (which may refer to it as a Constructive Termination), or, if you do not have an Employment Agreement or such agreement does not include a definition of Good Reason, shall mean, without Employee’s consent, (A) there is a material adverse change in Employee’s reporting responsibilities set forth in the Employment Agreement or there is otherwise a material reduction by the Company in Employee’s authority, reporting relationship or responsibilities, (B) there is a material reduction by the Company in Employee’s base salary or bonus target, or (C) Employee’s principal place of employment is changed to a location more than fifty (50) miles outside the Dallas, Texas metro area. Notwithstanding the foregoing, no such event shall constitute Good Reason unless Employee notifies the Company of the occurrence of such event within ninety (90) days after Employee first has actual knowledge of such occurrence, the Company fails to cure such event to Employee’s reasonable satisfaction within thirty (30) days after receipt of such notice, and Employee resigns within thirty (30) days after the end of such cure period.

5. Vesting After a Change in Control. In the event that a Change in Control occurs, and either:

(a) your employment is terminated by the Company other than by reason of your death or disability and other than for Cause (as defined below), or you terminate your employment for Good Reason, within twelve months following such Change in Control, or

(b) following such Change in Control, (i) this award of LTIP Units does not remain outstanding in accordance with the terms set forth herein, and (ii) the acquiring entity does not either assume this award of LTIP Units or substitute new awards with respect to equity interests of the acquiring entity, in either case, with substantially similar terms or equivalent economic benefits as this award of LTIP Units,

then 200% of the Target LTIP Unit Award (300% to the extent of the Target LTIP Unit Award allocated to Performance Goals for which the extraordinary level requirements are actually met as of the date of the Change in Control) will be deemed to be Earned LTIP Units, and will become vested as of (x) the date of your termination of employment, or (y) the date of the consummation of the Change in Control, respectively, as applicable.

For purposes of this Agreement, “**Cause**” shall have the meaning set forth in any Employment Agreement, or, if you do not have an Employment Agreement, shall mean the occurrence of any one of the following: (i) your material dereliction of your duties, your gross negligence or substantial failure to perform your duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness); (ii) your engaging in (A) misconduct that is materially injurious to the Company or (B) illegal conduct; (iii) your material breach of any written agreement by and between you and the Company; (iv) your violation of any material provision of the Company’s Code of Business Conduct and Ethics; or (v) your willful failure to cooperate in good faith with an investigation by any governmental authority.

6. Forfeiture. Except as otherwise determined by the Committee or provided in Sections 1, 2, 3, 4, 5 or 14, any LTIP Units that are not Earned LTIP Units and that are not vested on the date of your termination of employment (or if Section 4 or 5(b) applies, the Vesting Date or Change in Control date, as applicable) shall be forfeited.

7. Distributions.

(a) The Earned LTIP Units shall be entitled to receive the same distribution per unit as that paid on Partnership Common Units (as defined in the Partnership Agreement) that were outstanding during the entire quarterly period in respect of which such distribution is paid, commencing with the distribution paid to holders as of the first record date immediately following the Vesting Date applicable to such Earned LTIP Units.

(b) From and after the Award Date and prior to the applicable Vesting Date, you shall be entitled to receive distributions with respect to the LTIP Units in accordance with the terms of the Partnership Agreement; provided, that your Sharing Percentage for purposes of the Partnership Agreement shall be 10%.

(c) As promptly as practicable after the applicable Vesting Date, an amount equal to (i) 90% of the aggregate amount of all distributions paid with respect to one Partnership Common Unit between the Award Date and the applicable Vesting Date, multiplied by (ii) the number of applicable Earned LTIP Units, shall be paid to you. From and after the applicable Vesting Date, your Sharing Percentage with respect to such Earned LTIP Units for purposes of the Partnership Agreement shall be 100%.

8. Admission as a Limited Partner of the Operating Partnership. You shall be admitted as a partner of the Operating Partnership with beneficial ownership of the LTIP Units as of the Award Date by (i) signing and delivering (or accepting electronically in accordance with Section 17) to the Operating Partnership a copy of this Agreement and (ii) signing, as a limited partner, and delivering to the Operating Partnership a counterpart signature page to the Partnership Agreement (attached as Exhibit B).

9. Employment. For purposes of this Agreement, you shall be deemed to be an "Employee" while, and only while, you are in the employ or service of the Company. In this regard, the granting of this Agreement does not constitute a contract of employment or service and does not give you the legal right to be continued as an Employee.

10. Interpretation. You acknowledge that the Committee has the authority to construe and interpret the terms of the Plan, the Partnership Agreement and this Agreement if and when any questions of meaning arises under the Plan, the Partnership Agreement or this Agreement, and any such construction or interpretation shall be binding on you, your heirs, executors, administrators, personal representatives and any other persons having or claiming to have an interest in the LTIP Units.

11. Tax Matters.

(a) 83(b) Election. You may make an election to include in gross income in the year of transfer the fair market value of the LTIP Units granted hereunder in accordance with Section 83(b) of the Code by completing the form attached hereto as Exhibit C and filing such form with the Internal Revenue Service.

(b) Withholding and Taxes. No later than the date as of which an amount first becomes includible in your gross income for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to the LTIP Units granted hereunder, you will pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount. The Company may cause the required tax withholding

obligation to be satisfied, in whole or in part, by withholding from LTIP Units granted to you with an aggregate value that would satisfy the withholding amount due subject to the terms of the Plan. The obligations of the Company under this Agreement shall be conditional on such payment or arrangements, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to you.

BY SIGNING THIS AGREEMENT, YOU REPRESENT THAT YOU HAVE REVIEWED WITH YOUR TAX ADVISORS THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT AND THAT YOU ARE RELYING SOLELY ON SUCH ADVISORS AND NOT ON ANY STATEMENTS OR REPRESENTATIONS OF THE COMPANY OR ANY OF ITS AGENTS. YOU UNDERSTAND AND AGREE THAT YOU (AND NOT THE COMPANY) SHALL BE RESPONSIBLE FOR ANY TAX LIABILITY THAT MAY ARISE AS A RESULT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

12. Investment Representations; Registration. You hereby represent and warrant to, and agree with, the Company as follows:

(a) The LTIP Units issued pursuant to this Agreement will be acquired for your own account for investment only and not with a view to, nor with any intention of, a distribution or resale thereof, in whole or in part, or the grant of any participation therein. You acknowledge that the issuance of the LTIP Units has not been, and will not be, registered under the Securities Act of 1933, as amended (the “**Securities Act**”), and the rules and regulations thereunder, or the securities or real estate syndication laws of any state or other jurisdiction, and cannot be disposed of unless they are subsequently registered under the Securities Act and any applicable laws of states or other jurisdictions or an exemption from such registration is available. You acknowledge that the Company does not have any intention of registering the resale of any LTIP Units issued hereunder under the Securities Act or of supplying the information necessary for you to sell any such LTIP Units; and that the Company and the Operating Partnership shall be organized and operated so as to be exempt from registration under the Investment Company Act of 1940, as amended, and from the provisions of that statute designed to protect investors.

(b) You acknowledge that you are presently an employee of, or consultant to, the Operating Partnership, or are otherwise providing services to or for the benefit of the Operating Partnership, and in such capacity have become familiar with the business of the Operating Partnership.

(c) You also understand that the transfer of any LTIP Units issued pursuant to this Agreement will be subject to restrictions contained in the Partnership Agreement, as well as the restrictions set forth in this Agreement.

(d) You acknowledge that (i) you have no obligation whatsoever to acquire the LTIP Units issued pursuant to this Agreement, (ii) your acquisition of the LTIP Units issued pursuant to this Agreement is not, and will not be, in any way whatsoever a condition of continued employment or service with the Company, (iii) neither the offer to you of the opportunity to acquire the LTIP Units or any Partnership Common Units pursuant to the Partnership Agreement nor this Agreement, shall be deemed to constitute a contract of employment or service or to impose any obligation upon the Company to continue to employ or engage you, and (iv) nothing stated or implied in this Agreement or in the Partnership Agreement shall be construed to abrogate, amend or otherwise affect any rights or obligations with respect to any employment or service which the Company or you may otherwise have by agreement or under law.

(e) You acknowledge that you have been furnished a copy of the Partnership Agreement and the Plan, have carefully read and understand the provisions of the Partnership Agreement and the Plan, have had the opportunity to ask questions of the Company and have

received answers from the Company concerning the provisions of the Partnership Agreement and the Plan, and the terms and conditions of the offering of the LTIP Units. You further acknowledge that you have been furnished information regarding the activities of the Company, have had the opportunity to ask questions of the Company concerning such activities, and are satisfied with all such information and such answers as you have received. You acknowledge that no representation has been made by the Company or otherwise by or on behalf of the Company as to any current value of the assets held by the Company or as to any prospective return on any LTIP Units issued pursuant to this Agreement. You further acknowledge that you have not relied, in connection with the acquisition of the LTIP Units, upon any representations, warranties or agreements other than those set forth in this Agreement or the Partnership Agreement. You further acknowledge that you provide services to the Company on a regular basis and that, in such capacity, you have access to all such information, and have such experience and involvement in connection with the business and operations of the Company, as you believe to be necessary and appropriate to make an informed decision to accept the LTIP Units granted pursuant to this Agreement.

(f) You acknowledge that the Company is not rendering any tax, legal or financial advice or recommendation to acquire the LTIP Units issued pursuant to this Agreement. You have been informed that you should consult your own tax, legal and financial advisors to the extent you seek advice regarding these matters.

(g) You represent and warrant to the Company that you are an “accredited investor” as defined in Rule 501(a) of Regulation D promulgated under the Securities Act and that one or both of the following clauses (i) and (ii) are true and correct in all respects:

(i) You are a natural person: (x) whose individual net worth (assets minus liabilities), or joint net worth with your spouse, exceeds \$1,000,000 ((a) *excluding* (1) as an asset, the value of your primary residence and (2) as a liability, the outstanding indebtedness secured by your primary residence up to the fair market value of such primary residence, provided, however, that if the amount of such outstanding indebtedness has increased within the previous 60 days, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability and (b) *including*, as a liability, the outstanding indebtedness secured by the your primary residence in excess of the fair market value of such primary residence), or (y) who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with your spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

(ii) You are a natural person who is a director or executive officer (as defined below) of the Company. As used herein, “executive officer” shall mean the president, any vice president in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company.

(h) So long as you hold LTIP Units, you shall disclose to the Company in writing such information as may be reasonably requested with respect to direct or indirect ownership of any LTIP Units issued pursuant to this Agreement as the Company may deem reasonably necessary to ascertain and to establish compliance with provisions of the Code, applicable to the Company or to comply with requirements of any other appropriate taxing authority.

(i) You shall indemnify and hold the Company harmless from and against any and all loss, cost, damage or liability due to or arising out of a breach of any representation, warranty or agreement by you in this Agreement or any other document furnished by you to the Company in connection with this Award, including, without limitation, the Partnership Agreement.

13. Notices. All notices and other communications to be given hereunder shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, first class postage prepaid, and addressed to the General Counsel of the Company at the Company's principal corporate office, or to you at the address for you on file with the Company, or to any other address as to which notice has been given in the manner herein provided.

14. Effect of Employment Agreement. Notwithstanding any of the terms of the foregoing sections of this Agreement, if the provisions of a written agreement between you and the Company relating to your employment with the Company, including any offer letter or severance agreement (any such agreement, an "**Employment Agreement**") would provide more favorable vesting and/or forfeiture provisions than those provided for under the terms of the foregoing sections of this Agreement, then such Employment Agreement provisions shall control (and shall be deemed an amendment to this Agreement and incorporated herein by reference). In the event of any conflict between the terms of the Plan, on the one hand, and the terms of this Agreement or any Employment Agreement, on the other hand, the terms of the Plan shall govern. In the event of any conflict between the terms of this Agreement and the terms of any Employment Agreement, the terms of such Employment Agreement shall govern.

15. Miscellaneous.

(a) This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns. Subject to the provisions of the Plan, the Partnership Agreement and any applicable Employment Agreement, this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and shall be construed and interpreted in accordance with the laws of the State of Texas. If any provisions of this Agreement shall be deemed to be invalid or void under any applicable law, the remaining provisions hereof shall not be affected thereby and shall continue in full force and effect.

(b) In consideration of the LTIP Units granted to you pursuant to this Agreement, you agree to execute (via electronic grant acceptance) the Non-Disclosure and Non-Competition Agreement attached as Exhibit D (the "**Non-Competition Agreement**").

(c) The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate this Agreement prospectively or retroactively; provided, however, that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely impair your rights hereunder shall not to that extent be effective without your consent (it being understood, notwithstanding the foregoing proviso, that this Agreement and the LTIP Units shall be subject to the provisions of the Partnership Agreement and Sections 18, 19 and 21 of the Plan).

(d) In the event of any adjustments in authorized LTIP Units as provided in the Partnership Agreement or Section 19 of the Plan, the number of LTIP Units or other securities to which you are entitled pursuant to this Agreement shall be appropriately adjusted or changed to reflect such change, provided that any such additional LTIP Units or additional or different units or securities shall remain subject to the restrictions in this Agreement.

(e) Unless the Committee specifically determines otherwise, the LTIP Units are personal to you and the LTIP Units may not be sold, assigned, transferred, pledged or otherwise encumbered other than by will or the laws of descent and distribution. Any such purported transfer or assignment shall be null and void.

(f) All disputes, controversies and claims arising between you and CyrusOne concerning the subject matter of this Agreement or the Plan shall be settled by arbitration in accordance with the rules and procedures of the American Arbitration Association in effect at the time that the arbitration begins, to the extent not inconsistent with this Agreement or the Plan. The

location of the arbitration shall be Dallas, Texas or such other place as the parties to the dispute may mutually agree. In rendering any award or ruling, the arbitrator or arbitrators shall determine the rights and obligations of the parties according to the substantive and procedural laws of the State of Texas. The arbitration shall be conducted by an arbitrator selected in accordance with the aforesaid arbitration procedures. Any arbitration pursuant to this Section 15(f) shall be final and binding on the parties, and judgment upon any award rendered in such arbitration may be entered in any court, Federal or state, having jurisdiction. The parties to any dispute shall each pay their own costs and expenses (including arbitration fees and attorneys' fees) incurred in connection with arbitration proceedings and the fees of the arbitrator shall be paid in equal amounts by the parties. Nothing in this Section 15(f) shall preclude you or CyrusOne from seeking temporary injunctive relief from any Federal or state court located within the State of Texas in connection with or as a supplement to an arbitration hereunder.

(g) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. The counterparts shall constitute one and the same instrument, which shall be sufficiently evidenced by any one thereof. Headings used throughout this Agreement are for convenience only and shall not be given legal significance. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "but not limited to". The term "or" is not exclusive.

(h) To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Internal Revenue Code of 1986, as amended ("**Section 409A**") and any regulations or guidance that may be adopted thereunder from time to time. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that the award of LTIP Units hereunder may be subject to Section 409A, the Company may adopt such amendments to this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Company determines are necessary or appropriate to (i) exempt the award from Section 409A and/or preserve the intended tax treatment of the benefits provided with respect to the award, or (ii) comply with the requirements of Section 409A; provided, that this Section shall not create any obligation on the part of the Company to adopt any such amendment, policy or procedure or take any such other action.

16. Spousal Consent. As a condition to the Operating Partnership's obligations under this Agreement, the Plan and the Partnership Agreement, if you are married or in a registered domestic partnership, you shall have caused your spouse or domestic partner to execute and deliver to the Operating Partnership the Consent of Spouse in the form attached hereto as Exhibit E (the "**Consent of Spouse**"). If the Consent of Spouse has not been executed and delivered to the Operating Partnership, you represent and warrant that you are not married, that you are not in a registered domestic partnership and that no person has or will have a marital or community property interest in the LTIP Units. If you subsequently marry or enter into a registered domestic partnership, you shall cause your spouse or registered domestic partner to promptly execute and deliver to the Operating Partnership the Consent of Spouse in the form attached hereto as Exhibit E.

17. Electronic Delivery and Acceptance of Award. By accepting this Award, you agree to participate in the Plan through an on-line or electronic system maintained by the Company or a third party designated by the Company and to accept electronic delivery of any documents, communications or other information that the Company may be required to deliver in connection with the Plan or this Award. Electronic delivery of a document may be via e-mail or by reference to a location on the Company's intranet site or the internet site of a designated third-party vendor involved in administering the Plan. This Award and Agreement (including any Schedules or Exhibits attached hereto or incorporated by reference herein) can be accepted and signed and delivered via your on-line equity account accessible at <https://www.benefits.ml.com>. Please note that if you do not accept the Award (including the non-disclosure and non-competition agreement) within 30 days of the Award Date, the Award may be forfeited.

**TIME-BASED LTIP UNIT AWARD  
UNDER THE PROVISIONS OF THE  
CYRUSONE RESTATED 2012 LONG TERM INCENTIVE PLAN**

**Name of Employee:**

**Award Date:**

**Number of LTIP Units:**

Pursuant to the provisions of the CyrusOne Restated 2012 Long Term Incentive Plan (as in effect from time to time (the “**Plan**”)), this Time-Based LTIP Unit Award Agreement (this “**Agreement**”) and the Partnership Agreement (as defined in the Plan), the Board of Directors of CyrusOne Inc. (“**CyrusOne**”) hereby grants, and the Operating Partnership shall issue, to the employee named above (“**you**” or “**your**”) on the date noted above (the “**Award Date**”) an award (the “**Award**”) of time-based vesting LTIP Units (the “**LTIP Units**”), on and subject to the terms of the Plan, the Partnership Agreement and your agreement to the terms, conditions and restrictions contained herein and subject to the vesting criteria contained herein. Capitalized terms used in this Agreement that are not defined in this Agreement have the meanings as used or defined in the Plan.

1. Vesting. Except as otherwise determined by the Committee in its sole discretion or provided in Section 2, 3, 4, 5 or 14 hereof, the LTIP Units shall vest and the Restrictions (as defined in Section 6) shall lapse and thereby terminate and be of no further force or effect in three approximately equal annual installments beginning on the first anniversary of the Award Date (each, a “**Vesting Date**”) provided that you are continuously employed by the Company through each such Vesting Date.

2. Termination of Restrictions Upon Death. In the event of your death while an Employee, then, effective as of the date of your death, the Restrictions (to the extent the Restrictions have not earlier terminated under the terms of Section 1 hereof) shall lapse and thereby terminate and be of no further force or effect with respect to the number of LTIP Units (rounded up to the nearest whole LTIP Unit) that bears the same ratio to the total number of LTIP Units granted pursuant to this Award Agreement as the number of days from the Award Date through the date of your death bears to 1,095 (less any previously vested LTIP Units), and such LTIP Units shall vest. Any LTIP Units that remain subject to the Restrictions after the calculation described in the preceding sentence shall be forfeited to CyrusOne as of your date of death in accordance with the terms of Section 6 hereof.

3. Termination of Restrictions Upon Disability. If, pursuant to the applicable disability provision of any Employment Agreement, you become disabled and such disability prevents you from fulfilling the usual duties of your job and is expected to continue indefinitely, all as determined by the Company, or, if no such provision exists or you are not party to an Employment Agreement, you become disabled to such extent that you are unable to perform the usual duties of your job for a period that is expected to continue indefinitely, all as determined by the Company, then, effective as of the date of your disability, the Restrictions (to the extent the Restrictions have not earlier terminated under the terms of Section 1 hereof) shall lapse and thereby terminate and be of no further force or effect with respect to the number of LTIP Units (rounded up to the nearest whole LTIP Unit) that bears the same ratio to the total number of LTIP Units granted pursuant to this Award Agreement as the number of days from the Award Date through the date of your disability bears to 1,095 (less any previously vested LTIP Units), and such LTIP Units shall vest. Any LTIP Units that remain subject to the Restrictions after the calculation described in the preceding sentence shall be forfeited to CyrusOne as of the date of your termination of employment in accordance with the terms of Section 6 hereof.

4. Termination of Restrictions Upon Termination of Employment Other than for Death, Disability or Cause. If the Company terminates your employment other than by reason of your death or disability or other than for Cause, then, effective as of the date of your termination of employment, the Restrictions (to the extent the Restrictions have not earlier terminated under the terms of Section 1 hereof)

shall lapse and thereby terminate and be of no further force or effect with respect to the number of LTIP Units (rounded up to the nearest whole LTIP Unit) that bears the same ratio to the total number of LTIP Units granted pursuant to this Award Agreement as the number of days from the Award Date through the date of your termination of employment bears to 1,095 (less any previously vested LTIP Units), and such LTIP Units shall vest. Any LTIP Units that remain subject to the Restrictions after the calculation described in the preceding sentence shall be forfeited to CyrusOne as of your termination of employment in accordance with the terms of Section 6 hereof. For purposes of this Agreement, “Cause” shall have the meaning set forth in any Employment Agreement, or, if you do not have an Employment Agreement, shall mean the occurrence of any one of the following: (i) your material dereliction of your duties, your gross negligence or substantial failure to perform your duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness); (ii) your engaging in (A) misconduct that is materially injurious to the Company or (B) illegal conduct; (iii) your material breach of any written agreement by and between you and the Company; (iv) your violation of any material provision of the Company’s Code of Business Conduct and Ethics; or (v) your willful failure to cooperate in good faith with an investigation by any governmental authority.

5. Termination of Restrictions After a Change in Control. in the event that a Change in Control occurs, and either:

(a) your employment is terminated by the Company other than due to your death or Disability and other than for Cause (as defined above) within twelve months following such Change in Control, or

(b) following such Change in Control, (i) the LTIP Units do not remain outstanding in accordance with the terms set forth herein, and (ii) the acquiring entity does not either assume this award of LTIP Units or substitute new awards with respect to equity interests of the acquiring entity, in either case, with substantially similar terms or equivalent economic benefits as the LTIP Units,

then the Restrictions (to the extent the Restrictions have not earlier terminated under the terms of this Agreement) shall lapse and thereby terminate and be of no further force or effect with respect to all of the LTIP Units as of (x) the date of your termination of employment, or (y) the date of the consummation of the Change in Control, respectively, as applicable, and such LTIP Units, to the extent not previously vested, shall vest.

6. Forfeiture. The LTIP Units and any interest therein shall be subject to the forfeiture and transfer restrictions as described in this Section 6 (the “Restrictions”). Except as otherwise determined by the Committee or provided in Sections 3, 4, 5, 6, 7 or 14 hereof, any LTIP Units that remain unvested or subject to the Restrictions on the date you cease to be an Employee shall be forfeited to CyrusOne as of such date and, upon such forfeiture, all of your rights in respect of such LTIP Units shall cease automatically and without further action by CyrusOne or you. In addition, except as otherwise determined by the Committee or provided in Section 17 of the Plan, any LTIP Units that remain subject to the Restrictions may not be transferred, sold, assigned alienated, transferred, pledged, attached, conveyed or otherwise encumbered by you in any manner whatsoever and whether or not for consideration. For the purpose of giving effect to this provision, you must execute and deliver to CyrusOne a stock power with respect to each certificate evidencing any of the LTIP Units, thereby assigning to CyrusOne all of your interest in the LTIP Units. By the execution and delivery of this Agreement, you authorize and empower CyrusOne, in the event of a forfeiture of any of the LTIP Units under this Section 6 to (i) date (as of the date you cease to be an Employee) those stock powers relating to LTIP Units that remain subject to the Restrictions as of the date you cease to be an Employee and (ii) present such stock powers and the certificates to which they relate to CyrusOne’s transfer agent or other appropriate party for the sole purpose of transferring the forfeited LTIP Units to CyrusOne.

7. Distributions.

(a) The vested LTIP Units shall be entitled to receive the same distribution per unit as that paid on Partnership Common Units (as defined in the Partnership Agreement) that were outstanding during the entire quarterly period in respect of which such distribution is paid, commencing with the distribution paid to holders as of the first record date immediately following the Vesting Date applicable to such vested LTIP Units.

(b) From and after the Award Date and prior to the applicable Vesting Date, you shall be entitled to receive distributions with respect to such LTIP Units in accordance with the terms of the Partnership Agreement, and your Sharing Percentage for purposes of the Partnership Agreement shall be 100%.

8. Admission as a Limited Partner of the Operating Partnership. You shall be admitted as a partner of the Operating Partnership with beneficial ownership of the LTIP Units as of the Award Date by (i) signing and delivering (including via electronic acceptance in accordance with Section 17) to the Operating Partnership a copy of this Agreement and (ii) signing, as a limited partner, and delivering to the Operating Partnership a counterpart signature page to the Partnership Agreement (attached as Exhibit A).

9. Employment. For purposes of this Agreement, you shall be deemed to be an "Employee" while, and only while, you are in the employ or service of the Company. In this regard, the granting of this Agreement does not constitute a contract of employment or service and does not give you the legal right to be continued as an Employee.

10. Interpretation. You acknowledge that the Committee has the authority to construe and interpret the terms of the Plan, the Partnership Agreement and this Agreement if and when any questions of meaning arises under the Plan, the Partnership Agreement or this Agreement, and any such construction or interpretation shall be binding on you, your heirs, executors, administrators, personal representatives and any other persons having or claiming to have an interest in the LTIP Units.

11. Tax Matters.

(a) 83(b) Election. You may make an election to include in gross income in the year of transfer the fair market value of the LTIP Units granted hereunder, in accordance with Section 83(b) of the Code, by completing the form attached hereto as Exhibit B and filing such form with the Internal Revenue Service.

(b) Withholding and Taxes. No later than the date as of which an amount first becomes includible in your gross income for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to the LTIP Units granted hereunder, you will pay to the Company or make arrangements satisfactory to the Committee regarding payment of, any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount. The Company may cause the required tax withholding obligation to be satisfied, in whole or in part, by withholding from LTIP Units granted to you with an aggregate value that would satisfy the withholding amount due subject to the terms of the Plan. The obligations of the Company under this Agreement shall be conditional on such payment or arrangements, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to you.

BY SIGNING THIS AGREEMENT, YOU REPRESENT THAT YOU HAVE REVIEWED WITH YOUR TAX ADVISORS THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT AND THAT YOU ARE RELYING SOLELY ON SUCH ADVISORS AND NOT ON ANY STATEMENTS OR REPRESENTATIONS OF THE COMPANY OR ANY OF ITS AGENTS. YOU UNDERSTAND AND AGREE THAT YOU (AND NOT THE COMPANY)

SHALL BE RESPONSIBLE FOR ANY TAX LIABILITY THAT MAY ARISE AS A RESULT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

12. Investment Representations; Registration. You hereby represent and warrant to, and agree with, the Company as follows:

(a) The LTIP Units issued pursuant to this Agreement will be acquired for your own account for investment only and not with a view to, nor with any intention of, a distribution or resale thereof, in whole or in part, or the grant of any participation therein. You acknowledge that the issuance of the LTIP Units has not been, and will not be, registered under the Securities Act of 1933, as amended (the “**Securities Act**”), and the rules and regulations thereunder, or the securities or real estate syndication laws of any state or other jurisdiction, and cannot be disposed of unless they are subsequently registered under the Securities Act and any applicable laws of states or other jurisdictions or an exemption from such registration is available. You acknowledge that the Company does not have any intention of registering the resale of any LTIP Units issued hereunder under the Securities Act or of supplying the information necessary for you to sell any such LTIP Units; and that the Company and the Operating Partnership shall be organized and operated so as to be exempt from registration under the Investment Company Act of 1940, as amended, and from the provisions of that statute designed to protect investors.

(b) You acknowledge that you are presently an employee of, or consultant to, the Operating Partnership, or are otherwise providing services to or for the benefit of the Operating Partnership, and in such capacity have become familiar with the business of the Operating Partnership.

(c) You also understand that the transfer of any LTIP Units issued pursuant to this Agreement will be subject to restrictions contained in the Partnership Agreement, as well as the restrictions set forth in this Agreement.

(d) You acknowledge that (i) you have no obligation whatsoever to acquire the LTIP Units issued pursuant to this Agreement, (ii) your acquisition of the LTIP Units issued pursuant to this Agreement is not, and will not be, in any way whatsoever a condition of continued employment or service with the Company, (iii) neither the offer to you of the opportunity to acquire the LTIP Units or any Partnership Common Units pursuant to the Partnership Agreement nor this Agreement, shall be deemed to constitute a contract of employment or service or to impose any obligation upon the Company to continue to employ or engage you, and (iv) nothing stated or implied in this Agreement or in the Partnership Agreement shall be construed to abrogate, amend or otherwise affect any rights or obligations with respect to any employment or service which the Company or you may otherwise have by agreement or under law.

(e) You acknowledge that you have been furnished a copy of the Partnership Agreement and the Plan, have carefully read and understand the provisions of the Partnership Agreement and the Plan, have had the opportunity to ask questions of the Company and have received answers from the Company concerning the provisions of the Partnership Agreement and the Plan, and the terms and conditions of the offering of the LTIP Units. You further acknowledge that you have been furnished information regarding the activities of the Company, have had the opportunity to ask questions of the Company concerning such activities, and are satisfied with all such information and such answers as you have received. You acknowledge that no representation has been made by the Company or otherwise by or on behalf of the Company as to any current value of the assets held by the Company or as to any prospective return on any LTIP Units issued pursuant to this Agreement. You further acknowledge that you have not relied, in connection with the acquisition of the LTIP Units, upon any representations, warranties or agreements other than those set forth in this Agreement or the Partnership Agreement. You further acknowledge that you provide services to the Company on a regular basis and that, in such capacity, you have access to all such information, and have such experience and involvement in connection with the business

and operations of the Company, as you believe to be necessary and appropriate to make an informed decision to accept the LTIP Units granted pursuant to this Agreement.

(f) You acknowledge that the Company is not rendering any tax, legal or financial advice or recommendation to acquire the LTIP Units issued pursuant to this Agreement. You have been informed that you should consult your own tax, legal and financial advisors to the extent you seek advice regarding these matters.

(g) You represent and warrant to the Company that you are an “accredited investor” as defined in Rule 501(a) of Regulation D promulgated under the Securities Act and that one or both of the following clauses (i) and (ii) are true and correct in all respects:

(i) You are a natural person: (x) whose individual net worth (assets minus liabilities), or joint net worth with your spouse, exceeds \$1,000,000 ((a) *excluding* (1) as an asset, the value of your primary residence and (2) as a liability, the outstanding indebtedness secured by your primary residence up to the fair market value of such primary residence, provided, however, that if the amount of such outstanding indebtedness has increased within the previous 60 days, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability and (b) *including*, as a liability, the outstanding indebtedness secured by the your primary residence in excess of the fair market value of such primary residence), or (y) who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with your spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

(ii) You are a natural person who is a director or executive officer (as defined below) of the Company. As used herein, “executive officer” shall mean the president, any vice president in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company.

(h) So long as you hold LTIP Units, you shall disclose to the Company in writing such information as may be reasonably requested with respect to direct or indirect ownership of any LTIP Units issued pursuant to this Agreement as the Company may deem reasonably necessary to ascertain and to establish compliance with provisions of the Code, applicable to the Company or to comply with requirements of any other appropriate taxing authority.

(i) You shall indemnify and hold the Company harmless from and against any and all loss, cost, damage or liability due to or arising out of a breach of any representation, warranty or agreement by you in this Agreement or any other document furnished by you to the Company in connection with this Award, including, without limitation, the Partnership Agreement.

13. Notices. All notices and other communications to be given hereunder shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, first class postage prepaid, and addressed to the General Counsel of the Company at the Company’s principal corporate office, or to you at the address for you on file with the Company, or to any other address as to which notice has been given in the manner herein provided.

14. Effect of Employment Agreement. Notwithstanding any of the terms of the foregoing sections of this Agreement, if the provisions of a written agreement between you and the Company relating to your employment with the Company, including any offer letter or severance agreement (any such agreement, an “**Employment Agreement**”) would provide more favorable vesting and/or forfeiture provisions than those provided for under the terms of the foregoing sections of this Agreement, then such Employment Agreement provisions shall control (and shall be deemed an amendment to this Agreement

and incorporated herein by reference). In the event of any conflict between the terms of the Plan, on the one hand, and the terms of this Agreement or any Employment Agreement, on the other hand, the terms of the Plan shall govern. In the event of any conflict between the terms of this Agreement and the terms of any Employment Agreement, the terms of such Employment Agreement shall govern.

15. Miscellaneous.

(a) This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns. Subject to the provisions of the Plan, the Partnership Agreement and any applicable Employment Agreement, this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and shall be construed and interpreted in accordance with the laws of the State of Texas. If any provisions of this Agreement shall be deemed to be invalid or void under any applicable law, the remaining provisions hereof shall not be affected thereby and shall continue in full force and effect.

(b) In consideration of the LTIP Units granted to you pursuant to this Agreement, you agree to execute (via electronic grant acceptance) the Non-Disclosure and Non-Competition Agreement attached as Exhibit C (the “**Non-Competition Agreement**”).

(c) The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate this Agreement prospectively or retroactively; provided, however, that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely impair your rights hereunder shall not to that extent be effective without your consent (it being understood, notwithstanding the foregoing proviso, that this Agreement and the LTIP Units shall be subject to the provisions of the Partnership Agreement and Sections 18, 19 and 21 of the Plan).

(d) In the event of any adjustments in authorized LTIP Units as provided in the Partnership Agreement or Section 19 of the Plan, the number of LTIP Units or other securities to which you are entitled pursuant to this Agreement shall be appropriately adjusted or changed to reflect such change, provided that any such additional LTIP Units or additional or different units or securities shall remain subject to the restrictions in this Agreement.

(e) Unless the Committee specifically determines otherwise, the LTIP Units are personal to you and the LTIP Units may not be sold, assigned, transferred, pledged or otherwise encumbered other than by will or the laws of descent and distribution. Any such purported transfer or assignment shall be null and void.

(f) All disputes, controversies and claims arising between you and CyrusOne concerning the subject matter of this Agreement or the Plan shall be settled by arbitration in accordance with the rules and procedures of the American Arbitration Association in effect at the time that the arbitration begins, to the extent not inconsistent with this Agreement or the Plan. The location of the arbitration shall be Dallas, Texas or such other place as the parties to the dispute may mutually agree. In rendering any award or ruling, the arbitrator or arbitrators shall determine the rights and obligations of the parties according to the substantive and procedural laws of the State of Texas. The arbitration shall be conducted by an arbitrator selected in accordance with the aforesaid arbitration procedures. Any arbitration pursuant to this Section 15(f) shall be final and binding on the parties, and judgment upon any award rendered in such arbitration may be entered in any court, Federal or state, having jurisdiction. The parties to any dispute shall each pay their own costs and expenses (including arbitration fees and attorneys’ fees) incurred in connection with arbitration proceedings and the fees of the arbitrator shall be paid in equal amounts by the parties. Nothing in this Section 15(f) shall preclude you or CyrusOne from seeking temporary injunctive relief from any Federal or state court located within the State of Texas in connection with or as a supplement to an arbitration hereunder.

(g) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. The counterparts shall constitute one and the same instrument, which shall be sufficiently evidenced by any one thereof. Headings used throughout this Agreement are for convenience only and shall not be given legal significance. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “but not limited to”. The term “or” is not exclusive.

(h) To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Internal Revenue Code of 1986, as amended (“**Section 409A**”) and any regulations or guidance that may be adopted thereunder from time to time. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that the award of LTIP Units hereunder may be subject to Section 409A, the Company may adopt such amendments to this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Company determines are necessary or appropriate to (i) exempt the award from Section 409A and/or preserve the intended tax treatment of the benefits provided with respect to the award, or (ii) comply with the requirements of Section 409A; provided, that this Section shall not create any obligation on the part of the Company to adopt any such amendment, policy or procedure or take any such other action.

16. Spousal Consent. As a condition to the Operating Partnership’s obligations under this Agreement, the Plan and the Partnership Agreement, if you are married or in a registered domestic partnership, you shall have caused your spouse or domestic partner to execute and deliver to the Operating Partnership the Consent of Spouse in the form attached hereto as Exhibit D (the “**Consent of Spouse**”). If the Consent of Spouse has not been executed and delivered to the Operating Partnership, you represent and warrant that you are not married, that you are not in a registered domestic partnership and that no person has or will have a marital or community property interest in the LTIP Units. If you subsequently marry or enter into a registered domestic partnership, you shall cause your spouse or registered domestic partner to promptly execute and deliver to the Operating Partnership the Consent of Spouse in the form attached hereto as Exhibit D.

17. Electronic Delivery and Acceptance of Award. By accepting this Award, you agree to participate in the Plan through an on-line or electronic system maintained by the Company or a third party designated by the Company and to accept electronic delivery of any documents, communications or other information that the Company may be required to deliver in connection with the Plan or this Award. Electronic delivery of a document may be via e-mail or by reference to a location on the Company’s intranet site or the internet site of a designated third-party vendor involved in administering the Plan. This Award and Agreement (including any Schedules or Exhibits attached hereto or incorporated by reference herein) can be accepted and signed and delivered via your on-line equity account accessible at <https://www.benefits.ml.com>. Please note that if you do not accept the Award (including the non-disclosure and non-competition agreement) within 30 days of the Award Date, the Award may be forfeited.

**PERFORMANCE-BASED RESTRICTED STOCK AWARD  
UNDER THE PROVISIONS OF THE  
CYRUSONE RESTATED 2012 LONG TERM INCENTIVE PLAN**

**Name of Employee:**

**Award Date:**

**Target Restricted Stock Award:**

**Maximum Restricted Stock Award:**

**Performance Period:**

Pursuant to the provisions of the CyrusOne Restated 2012 Long Term Incentive Plan (as in effect from time to time (the “**Plan**”)), the Compensation Committee (the “**Committee**”) of the Board of Directors of CyrusOne Inc. (“**CyrusOne**”) hereby grants to the employee named above (“**you**” or the “**Employee**”) on the date noted above (the “**Award Date**”) an award (the “**Award**”) of an aggregate number of restricted common shares as noted above, par value \$.01 per share, of CyrusOne Inc. (the “**Shares**”), on and subject to the terms of the Plan and your agreement to the terms, conditions and restrictions contained herein and subject to the achievement of certain performance-based vesting criteria as set forth on Exhibit A. Capitalized terms used in this performance-based Restricted Stock award agreement (this “**Agreement**”) that are not defined in this Agreement have the meanings as used or defined in the Plan.

1. Securities Subject to this Agreement. This Agreement is made with respect to the Shares and any securities (including shares) issued in respect of the Shares, whether by way of a share dividend, a share split, any reorganization or re-capitalization of CyrusOne or its stock or any merger, exchange of securities or like event or transaction as the result of which any security or securities of any kind are issued to you by reason of your ownership of the Shares. Any such securities issued in respect of any of the Shares shall be subject to the same restrictions, terms and conditions set forth in this Agreement, and shall be administered in the same manner, as the Shares to which they relate. References in the following terms of this Agreement to the Shares shall include any such securities issued in respect of the Shares.

2. Rights of Ownership. Except for the Restrictions (as defined in Section 8 hereof), you are the record and beneficial owner of the Shares. As beneficial owner of the Shares, you shall be entitled to exercise voting rights with respect to the Shares prior to the date on which your rights with respect to such Shares have become vested and the Restrictions have lapsed as provided herein. Dividends, if any, declared and paid on the Shares shall be accrued by CyrusOne and paid only if and when the related Shares vest and the Restrictions have lapsed as provided herein.

3. Performance Vesting. The number of Shares you are eligible to earn will depend on the extent to which the applicable performance-based vesting criteria (each, a “**Performance Goal**”) for the Performance Period are satisfied, determined pursuant to the calculation methodology set forth in Exhibit A. As soon as reasonably practicable following the completion of the Performance Period, the Committee shall determine the extent to which each Performance Goal has been satisfied for the Performance Period, and shall calculate and certify in writing the number of Shares that you have earned (“**Earned Shares**”) with respect to each such Performance Goal. Except as otherwise provided in Section 4, 5, 6, 7 or 13 hereof, Earned Shares with respect to the Performance Period shall become vested on February 28, 2024 (the “**Vesting Date**”), provided that you remain continuously employed by the Company through such vesting date.

4. Vesting Upon Death. In the event of your death while an Employee, the number of Shares (rounded up to the nearest whole Share) that bears the same ratio to the Target Restricted Stock Award as the number of days from the beginning of the Performance Period through the date of your death bears to 1,095 will be deemed to be Earned Shares. You will become vested in such Earned Shares as of the

date of your death. Any Shares that are not deemed to be Earned Shares pursuant to the calculation described in the preceding sentence shall be forfeited to CyrusOne as of your date of death in accordance with the terms of Section 8 hereof.

5. Vesting Upon Disability. If pursuant to the applicable disability provision of any Employment Agreement, you become disabled and such disability prevents you from fulfilling the usual duties of your job and is expected to continue indefinitely, all as determined by the Company, or, if no such provision exists or you are not party to an Employment Agreement, you become disabled to such extent that you are unable to perform the usual duties of your job for a period that is expected to continue indefinitely, all as determined by the Company, then the number of Shares (rounded up to the nearest whole Share) that bears the same ratio to the Target Restricted Stock Award as the number of days from the beginning of the Performance Period through the date of your disability bears to 1,095 will be deemed to be Earned Shares. You will become vested in such Earned Shares as of the date of your disability. Any Shares that are not deemed to be Earned Shares pursuant to the calculation described in the preceding sentence shall be forfeited to CyrusOne as of the date of your termination of employment in accordance with the terms of Section 8 hereof.

6. Vesting Upon Certain Terminations of Employment. If the Company terminates your employment other than by reason of your death or disability or other than for Cause, or you terminate your employment for Good Reason (as defined below), then, you shall vest, as of the Vesting Date, pursuant to Section 3 of this Agreement, with respect to the Performance Period if it ends on or before your date of termination, even if the Vesting Date occurs after your date of termination. If, however, the Performance Period ends after your date of termination, you shall vest, as of the Vesting Date, in a portion of the number of Earned Shares determined pursuant to this Agreement including the Exhibits hereto (the “**Actual Performance Earned Shares**”), which portion bears the same ratio to the Actual Performance Earned Shares as the number of days from the beginning of the Performance Period through the date of your termination bears to 1,095. Any Shares that are not deemed to be Earned Shares pursuant to the calculation described in the preceding sentence shall be forfeited to CyrusOne as of the Vesting Date in accordance with the terms of Section 8 hereof.

For purposes of this Agreement, “**Good Reason**” shall have the meaning set forth in any Employment Agreement (which may refer to it as a Constructive Termination), or, if you do not have an Employment Agreement or such agreement does not include a definition of Good Reason, shall mean, without Employee’s consent, (A) there is a material adverse change in Employee’s reporting responsibilities set forth in the Employment Agreement or there is otherwise a material reduction by the Company in Employee’s authority, reporting relationship or responsibilities, (B) there is a material reduction by the Company in Employee’s base salary or bonus target, or (C) Employee’s principal place of employment is changed to a location more than fifty (50) miles outside the Dallas, Texas metro area or the London, England metro area, as applicable. Notwithstanding the foregoing, no such event shall constitute Good Reason unless Employee notifies the Company of the occurrence of such event within ninety (90) days after Employee first has actual knowledge of such occurrence, the Company fails to cure such event to Employee’s reasonable satisfaction within thirty (30) days after receipt of such notice, and Employee resigns within thirty (30) days after the end of such cure period.

7. Vesting After a Change in Control. In the event that a Change in Control occurs, and either:

i. your employment is terminated by the Company other than by reason of your death or disability and other than for Cause (as defined below), or you terminate your employment for Good Reason, within twelve months following such Change in Control, or

ii. following such Change in Control, (i) this award of Restricted Stock does not remain outstanding in accordance with the terms set forth herein, and (ii) the acquiring entity does not either assume this award of Restricted Stock or substitute new awards with respect to equity

interests of the acquiring entity, in either case, with substantially similar terms or equivalent economic benefits as this award of Restricted Stock, then 200% of the Target Restricted Stock Award (300% to the extent of the Target Restricted Stock Award allocated to Performance Goals for which the extraordinary level requirements are actually met as of the date of the Change in Control) will be deemed to be Earned Shares, and will become vested as of (x) the date of your termination of employment, or (y) the date of the consummation of the Change in Control, respectively, as applicable.

For purposes of this Agreement, “Cause” shall have the meaning set forth in any Employment Agreement, or, if you do not have an Employment Agreement, shall mean the occurrence of any one of the following: (i) your material dereliction of your duties, your gross negligence or substantial failure to perform your duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness); (ii) your engaging in (A) misconduct that is materially injurious to the Company or (B) illegal conduct; (iii) your material breach of any written agreement by and between you and the Company; (iv) your violation of any material provision of the Company’s Code of Business Conduct and Ethics; or (v) your willful failure to cooperate in good faith with an investigation by any governmental authority.

8. Forfeiture. The Shares and any interest therein shall be subject to the forfeiture and transfer restrictions as described in this Section 8 (the “Restrictions”). Except as otherwise determined by the Committee or provided in Sections 3, 4, 5, 6, 7 or 13, any Shares that are not Earned Shares and that are not vested on the date of your termination of employment (or if Section 6 or 7(b) applies, the Vesting Date or Change in Control date, as applicable) shall be forfeited and, upon such forfeiture, all of your rights in respect of such Shares shall cease automatically and without further action by CyrusOne or you. In addition, except as otherwise determined by the Committee or provided in Section 17 of the Plan, any Shares that remain subject to the Restrictions may not be transferred, sold, assigned alienated, transferred, pledged, attached, conveyed or otherwise encumbered by you in any manner whatsoever and whether or not for consideration. For the purpose of giving effect to this provision, you must execute and deliver to CyrusOne a stock power with respect to each certificate evidencing any of the Shares, thereby assigning to CyrusOne all of your interest in the Shares. By the execution and delivery of this Agreement, you authorize and empower CyrusOne, in the event of a forfeiture of any of the Shares under this Section 8 to (i) date (as of the date you cease to be an Employee) those stock powers relating to Shares that remain subject to the Restrictions as of the date you cease to be an Employee and (ii) present such stock powers and the certificates to which they relate to CyrusOne’s transfer agent or other appropriate party for the sole purpose of transferring the forfeited Shares to CyrusOne.

9. Employment. For purposes of this Agreement, you shall be deemed to be an “Employee” while, and only while, you are in the employ of the Company and considered to be employed under the policies and procedures (including the payroll and withholding procedures) of the Company. In this regard, the granting of this Agreement does not constitute a contract of employment and does not give you the legal right to be continued as an Employee.

10. Matters Relating to Certificates.

(a) On or following the date of this Agreement, any Shares issued to you in accordance with and subject to this Agreement shall be evidenced in such manner as CyrusOne shall determine.

(b) Each certificate or book entry credit issued or entered in respect of any Shares issued to you in accordance with this Agreement shall bear the following legend, or one that is substantially similar:

*“The Shares evidenced by this certificate are subject to the terms of a Restricted Stock Agreement between the registered holder hereof and CyrusOne Inc. and may not be transferred by the holder, except as provided by the terms of such agreement, a copy of which is on deposit with the Secretary of CyrusOne Inc. and which will be mailed to a shareholder of CyrusOne Inc. without charge within five days after receipt of a written request.”*

(c) CyrusOne shall require that the certificates or book entry credits evidencing title of the Shares be held in custody by CyrusOne until such time, if any, as your rights with respect to the Shares have vested, and, as provided in Section 8 hereof, CyrusOne shall require that, as a condition of your receiving the Shares you shall have delivered to CyrusOne a stock power, endorsed in blank, relating to such Shares. To the extent that your rights with respect to the Shares become vested, the legend set forth above shall be removed from the certificates or book entry credits evidencing such Shares.

10. Interpretation. You acknowledge that the Committee has the authority to construe and interpret the terms of the Plan and this Agreement if and when any questions of meaning arises under the Plan or this Agreement, and any such construction or interpretation shall be binding on you, your heirs, executors, administrators, personal representatives and any other persons having or claiming to have an interest in the Shares.

11. Withholding. In the event that the award and receipt of the Shares, the expiration of the Restrictions, the payment of dividends on the Shares or any other event results in your realization of income or wages which for Federal, state and local income and employment tax purposes is, in the opinion of the Company, subject to withholding of tax by the Company, you shall pay to the Company an amount equal to the withholding tax amount that the Company determines applies with respect to such event or make arrangements satisfactory to the Company regarding the payment of such tax. Otherwise, the Company may, at its discretion and to the extent it determines is necessary to pay such withholding tax amount, withhold any such withholding tax amount from your salary, dividends paid by CyrusOne on the Shares, any Shares that have become free of the Restrictions or any other compensation payable to you.

12. Notices. All notices and other communications to be given hereunder shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, first class postage prepaid, and addressed to the Executive Vice President of Human Resources of the Company, with a copy to the General Counsel of the Company, each at the Company’s principal corporate office, or to you at the address for you on file with the Company, or to any other address as to which notice has been given in the manner herein provided.

13. Effect of Employment Agreement. Notwithstanding any of the terms of the foregoing sections of this Agreement, if the provisions of a written agreement between you and the Company relating to your employment with the Company, including any offer letter or severance agreement (any such agreement, an “**Employment Agreement**”) would provide more favorable vesting and/or forfeiture provisions than those provided for under this Agreement, then such Employment Agreement provisions shall control (and shall be deemed an amendment to this Agreement and incorporated herein by reference). In the event of any conflict between the terms of the Plan, on the one hand, and the terms of this Agreement or any Employment Agreement, on the other hand, the terms of the Plan shall govern. In the event of any conflict between the terms of this Agreement and the terms of any Employment Agreement, the terms of such Employment Agreement shall govern.

14. Miscellaneous.

(a) This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns. Subject to the provisions of the Plan and any applicable Employment Agreement, this Agreement constitutes the

entire agreement between the parties with respect to the subject matter hereof and shall be construed and interpreted in accordance with the laws of the State of Texas. If any provisions of this Agreement shall be deemed to be invalid or void under any applicable law, the remaining provisions hereof shall not be affected thereby and shall continue in full force and effect.

(b) In consideration of the Shares granted to you pursuant to this Agreement, you agree to execute (via electronic grant acceptance) the Non-Disclosure and Non-Competition Agreement attached as Exhibit B (the “**Non-Competition Agreement**”).

(c) The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate this Agreement prospectively or retroactively; provided, however, that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely impair your rights hereunder shall not to that extent be effective without your consent (it being understood, notwithstanding the foregoing proviso, that this Agreement and the Shares shall be subject to the provisions of Sections 18, 19 and 21 of the Plan).

(d) In the event of any adjustments in authorized Shares as provided in Section 19 of the Plan, the number of Shares or other securities to which you are entitled pursuant to this Agreement shall be appropriately adjusted or changed to reflect such change, provided that any such additional Shares or additional or different shares or securities shall remain subject to the restrictions in this Agreement.

(e) Unless the Committee specifically determines otherwise, the Shares are personal to you and the Shares may not be sold, assigned, transferred, pledged or otherwise encumbered other than by will or the laws of descent and distribution. Any such purported transfer or assignment shall be null and void.

(f) All disputes, controversies and claims arising between you and CyrusOne concerning the subject matter of this Agreement or the Plan shall be settled by arbitration in accordance with the rules and procedures of the American Arbitration Association in effect at the time that the arbitration begins, to the extent not inconsistent with this Agreement or the Plan. The location of the arbitration shall be Dallas, Texas or such other place as the parties to the dispute may mutually agree. In rendering any award or ruling, the arbitrator or arbitrators shall determine the rights and obligations of the parties according to the substantive and procedural laws of the State of Texas. The arbitration shall be conducted by an arbitrator selected in accordance with the aforesaid arbitration procedures. Any arbitration pursuant to this Section 14(f) shall be final and binding on the parties, and judgment upon any award rendered in such arbitration may be entered in any court, Federal or state, having jurisdiction. The parties to any dispute shall each pay their own costs and expenses (including arbitration fees and attorneys’ fees) incurred in connection with arbitration proceedings and the fees of the arbitrator shall be paid in equal amounts by the parties. Nothing in this Section 14(f) shall preclude you or CyrusOne from seeking temporary injunctive relief from any Federal or state court located within the State of Texas in connection with or as a supplement to an arbitration hereunder.

(g) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. The counterparts shall constitute one and the same instrument, which shall be sufficiently evidenced by any one thereof. Headings used throughout this Agreement are for convenience only and shall not be given legal significance. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “but not limited to.” The term “or” is not exclusive.

(h) It is intended that the Shares granted hereunder be exempt from the requirements applicable to nonqualified deferred compensation subject to Section 409A of the Internal Revenue

Code of 1986, as amended (“**Section 409A**”). For purposes of this Agreement, any action taken hereunder shall be undertaken in a manner that will not negatively affect the status of the Shares as exempt from treatment as nonqualified deferred compensation subject to Section 409A unless this action otherwise complies with Section 409A to the extent necessary to avoid non-compliance therewith.

15. Electronic Delivery and Acceptance of Award. By accepting this Award, you agree to participate in the Plan through an on-line or electronic system maintained by the Company or a third party designated by the Company and to accept electronic delivery of any documents, communications or other information that the Company may be required to deliver in connection with the Plan or this Award. Electronic delivery of a document may be via e-mail or by reference to a location on the Company’s intranet site or the internet site of a designated third-party vendor involved in administering the Plan. This Award and Agreement (including any Schedules or Exhibits attached hereto or incorporated by reference herein) can be accepted and signed and delivered via your on-line equity account accessible at <https://www.benefits.ml.com>. Please note that if you do not accept the Award (including the Non-Disclosure and Non-Competition Agreement attached as Exhibit B) within 30 days of the Award Date, the Award may be forfeited.

**TIME-BASED RESTRICTED STOCK AWARD  
UNDER THE PROVISIONS OF THE  
CYRUSONE RESTATED 2012 LONG TERM INCENTIVE PLAN**

**Name of Employee:**

**Award Date:**

**Number of Restricted Shares:**

Pursuant to the provisions of the CyrusOne Restated 2012 Long Term Incentive Plan (as in effect from time to time (the “**Plan**”)), the Compensation Committee of the Board of Directors of CyrusOne Inc. (“**CyrusOne**”) hereby grants to the employee named above (“**you**” or the “**Employee**”) on the date noted above (the “**Award Date**”) an award (the “**Award**”) of an aggregate number of restricted common shares as noted above, par value \$.01 per share, of CyrusOne Inc. (the “**Shares**”), on and subject to the terms of the Plan and your agreement to the terms, conditions and restrictions contained herein and subject to the vesting criteria contained herein. Capitalized terms used in this time-based Restricted Stock award agreement (this “**Agreement**”) that are not defined in this Agreement have the meanings as used or defined in the Plan.

1. Securities Subject to this Agreement. This Agreement is made with respect to the Shares and any securities (including shares) issued in respect of the Shares, whether by way of a share dividend, a share split, any reorganization or re-capitalization of CyrusOne or its stock or any merger, exchange of securities or like event or transaction as the result of which any security or securities of any kind are issued to you by reason of your ownership of the Shares. Any such securities issued in respect of any of the Shares shall be subject to the same restrictions, terms and conditions set forth in this Agreement, and shall be administered in the same manner, as the Shares to which they relate. References in the following terms of this Agreement to the Shares shall include any such securities issued in respect of the Shares.

2. Rights of Ownership. Except for the Restrictions (as defined in Section 8 hereof), you are the record and beneficial owner of the Shares, with all rights and privileges (including but not limited to the right to vote, to receive dividends and to receive distributions upon liquidation of CyrusOne) appertaining thereto. Prior to the date on which your rights with respect to a Share have become vested and the Restrictions have lapsed as provided herein, you shall be entitled to exercise voting rights with respect to such Share and shall be entitled to receive dividends or other distributions with respect thereto.

3. Vesting. Except as otherwise provided in this Agreement (including pursuant to Section 14 hereof) or determined by the Committee in its sole discretion or provided in Section 4, 5, 6 or 7 hereof, the Shares shall vest and the Restrictions shall lapse and thereby terminate and be of no further force or effect in three approximately equal annual installments beginning on the first anniversary of the Award Date (each, a “**Vesting Date**”) provided that you are continuously employed by the Company through each such Vesting Date.

4. Termination of Restrictions Upon Death. In the event of your death while an Employee, then, effective as of the date of your death, the Restrictions (to the extent the Restrictions have not earlier terminated under the terms of Section 3 hereof) shall lapse and thereby terminate and be of no further force or effect with respect to the number of Shares (rounded up to the nearest whole Share) that bears the same ratio to the total number of Shares granted pursuant to this Award Agreement as the number of days from the Award Date through the date of your death bears to 1,095 (less any previously vested Shares), and such Shares shall vest. Any Shares that remain subject to the Restrictions after the calculation described in the preceding sentence shall be forfeited to CyrusOne as of your date of death in accordance with the terms of Section 8 hereof.

5. Termination of Restrictions Upon Disability. If, pursuant to the applicable disability provision of any Employment Agreement, you become disabled and such disability prevents you from fulfilling the usual duties of your job and is expected to continue indefinitely, all as determined by the Company, or, if no such provision exists or you are not party to an Employment Agreement, you become disabled to such extent that you are unable to perform the usual duties of your job for a period that is expected to continue indefinitely, all as determined by the Company, then, effective as of the date of your disability, the Restrictions (to the extent the Restrictions have not earlier terminated under the terms of Section 3 hereof) shall lapse and thereby terminate and be of no further force or effect with respect to the number of Shares (rounded up to the nearest whole Share) that bears the same ratio to the total number of Shares granted pursuant to this Award Agreement as the number of days from the Award Date through the date of your disability bears to 1,095 (less any previously vested Shares), and such Shares shall vest. Any Shares that remain subject to the Restrictions after the calculation described in the preceding sentence shall be forfeited to CyrusOne as of the date of your termination of employment in accordance with the terms of Section 8 hereof.

6. Termination of Restrictions Upon Termination of Employment Other than for Death, Disability or Cause. If the Company terminates your employment other than by reason of your death or disability or other than for Cause, then, effective as of the date of your termination of employment, the Restrictions (to the extent the Restrictions have not earlier terminated under the terms of Section 3 hereof) shall lapse and thereby terminate and be of no further force or effect with respect to the number of Shares (rounded up to the nearest whole Share) that bears the same ratio to the total number of Shares granted pursuant to this Award Agreement as the number of days from the Award Date through the date of your termination of employment bears to 1,095 (less any previously vested Shares), and such Shares shall vest. Any Shares that remain subject to the Restrictions after the calculation described in the preceding sentence shall be forfeited to CyrusOne as of your termination of employment in accordance with the terms of Section 8 hereof. For purposes of this Agreement, “Cause” shall have the meaning set forth in any Employment Agreement, or, if you do not have an Employment Agreement, shall mean the occurrence of any one of the following: (i) your material dereliction of your duties, your gross negligence or substantial failure to perform your duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness); (ii) your engaging in (A) misconduct that is materially injurious to the Company or (B) illegal conduct; (iii) your material breach of any written agreement by and between you and the Company; (iv) your violation of any material provision of the Company’s Code of Business Conduct and Ethics; or (v) your willful failure to cooperate in good faith with an investigation by any governmental authority.

7. Termination of Restrictions After a Change in Control. In the event that a Change in Control occurs, and either:

(a) your employment is terminated by the Company other than due to your death or Disability and other than for Cause (as defined above) within twelve months following such Change in Control, or

(b) following such Change in Control, (i) the Shares do not remain outstanding in accordance with the terms set forth herein, and (ii) the acquiring entity does not either assume this award of Shares or substitute new awards with respect to equity interests of the acquiring entity, in either case, with substantially similar terms or equivalent economic benefits as the Shares,

then the Restrictions (to the extent the Restrictions have not earlier terminated under the terms of this Agreement) shall lapse and thereby terminate and be of no further force or effect with respect to all of the Shares as of (x) the date of your termination of employment, or (y) the date of the consummation of the Change in Control, respectively, as applicable, and such Shares, to the extent not previously vested, shall vest.

8. **Forfeiture.** The Shares and any interest therein shall be subject to the forfeiture and transfer restrictions as described in this Section 8 (the “**Restrictions**”). Except as otherwise determined by the Committee or provided in Sections 3, 4, 5, 6, 7 or 14 hereof, any Shares that remain unvested or subject to the Restrictions on the date you cease to be an Employee shall be forfeited to CyrusOne as of such date and, upon such forfeiture, all of your rights in respect of such Shares shall cease automatically and without further action by CyrusOne or you. In addition, except as otherwise determined by the Committee or provided in Section 17 of the Plan, any Shares that remain subject to the Restrictions may not be transferred, sold, assigned alienated, transferred, pledged, attached, conveyed or otherwise encumbered by you in any manner whatsoever and whether or not for consideration. For the purpose of giving effect to this provision, you must execute and deliver to CyrusOne a stock power with respect to each certificate evidencing any of the Shares, thereby assigning to CyrusOne all of your interest in the Shares. By the execution and delivery of this Agreement, you authorize and empower CyrusOne, in the event of a forfeiture of any of the Shares under this Section 8 to (i) date (as of the date you cease to be an Employee) those stock powers relating to Shares that remain subject to the Restrictions as of the date you cease to be an Employee and (ii) present such stock powers and the certificates to which they relate to CyrusOne’s transfer agent or other appropriate party for the sole purpose of transferring the forfeited Shares to CyrusOne.

9. **Employment.** For purposes of this Agreement, you shall be deemed to be an “Employee” while, and only while, you are in the employ of the Company and considered to be employed under the policies and procedures (including the payroll and withholding procedures) of the Company. In this regard, the granting of this Agreement does not constitute a contract of employment and does not give you the legal right to be continued as an Employee.

10. **Matters Relating to Certificates.**

(a) On or following the date of this Agreement, any Shares issued to you in accordance with and subject to this Agreement shall be evidenced in such manner as CyrusOne shall determine.

(b) Each certificate or book entry credit issued or entered in respect of any Shares issued to you in accordance with this Agreement shall bear the following legend, or one that is substantially similar:

***“The Shares evidenced by this certificate are subject to the terms of a Restricted Stock Agreement between the registered holder hereof and CyrusOne Inc. and may not be transferred by the holder, except as provided by the terms of such agreement, a copy of which is on deposit with the Secretary of CyrusOne Inc. and which will be mailed to a shareholder of CyrusOne Inc. without charge within five days after receipt of a written request.”***

(c) CyrusOne shall require that the certificates or book entry credits evidencing title of the Shares be held in custody by CyrusOne until such time, if any, as your rights with respect to the Shares have vested, and, as provided in Section 8 hereof, CyrusOne shall require that, as a condition of your receiving the Shares you shall have delivered to CyrusOne a stock power, endorsed in blank, relating to such Shares. To the extent that your rights with respect to the Shares become vested, the legend set forth above shall be removed from the certificates or book entry credits evidencing such Shares.

11. **Interpretation.** You acknowledge that the Committee has the authority to construe and interpret the terms of the Plan and this Agreement if and when any questions of meaning arises under the Plan or this Agreement, and any such construction or interpretation shall be binding on you, your heirs, executors, administrators, personal representatives and any other persons having or claiming to have an interest in the Shares.

12. Withholding. In the event that the award and receipt of the Shares, the expiration of the Restrictions, the payment of dividends on the Shares or any other event results in your realization of income or wages which for Federal, state and local income and employment tax purposes is, in the opinion of the Company, subject to withholding of tax by the Company, you shall pay to the Company an amount equal to the withholding tax amount that the Company determines applies with respect to such event or make arrangements satisfactory to the Company regarding the payment of such tax. Otherwise, the Company may, at its discretion and to the extent it determines is necessary to pay such withholding tax amount, withhold any such withholding tax amount from your salary, dividends paid by CyrusOne on the Shares, any Shares that have become free of the Restrictions or any other compensation payable to you.

13. Notices. All notices and other communications to be given hereunder shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, first class postage prepaid, and addressed to the Executive Vice President of Human Resources of the Company, with a copy to the General Counsel of the Company, each at the Company's principal corporate office, or to the Employee at the address on file with the Company, or to any other address as to which notice has been given in the manner herein provided.

14. Effect of Employment Agreement. Notwithstanding any of the terms of the foregoing sections of this Agreement, if the provisions of a written agreement between you and the Company relating to your employment with the Company, including any offer letter or severance agreement (any such agreement, an "**Employment Agreement**") would provide more favorable vesting and/or forfeiture provisions than those provided for under this Agreement, then such Employment Agreement provisions shall control (and shall be deemed an amendment to this Agreement and incorporated herein by reference). In the event of any conflict between the terms of the Plan, on the one hand, and the terms of this Agreement or any Employment Agreement, on the other hand, the terms of the Plan shall govern. In the event of any conflict between the terms of this Agreement and the terms of any Employment Agreement, the terms of such Employment Agreement shall govern.

15. Miscellaneous.

(a) This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns. Subject to the provisions of the Plan and any applicable Employment Agreement, this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and shall be construed and interpreted in accordance with the laws of the State of Texas. If any provisions of this Agreement shall be deemed to be invalid or void under any applicable law, the remaining provisions hereof shall not be affected thereby and shall continue in full force and effect.

(b) In consideration of the Shares granted to you pursuant to this Agreement, you agree to execute (via electronic grant acceptance) the Non-Disclosure and Non-Competition Agreement attached as Exhibit A (the "**Non-Competition Agreement**").

(c) The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate this Agreement prospectively or retroactively; provided, however, that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely impair your rights hereunder shall not to that extent be effective without your consent (it being understood, notwithstanding the foregoing proviso, that this Agreement and the Shares shall be subject to the provisions of Sections 18, 19 and 21 of the Plan).

(d) In the event of any adjustments in authorized Shares as provided in Section 19 of the Plan, the number of Shares or other securities to which you are entitled pursuant to this Agreement shall be appropriately adjusted or changed to reflect such change, provided that any

such additional Shares or additional or different shares or securities shall remain subject to the restrictions in this Agreement.

(e) Unless the Committee specifically determines otherwise, for so long as the Restrictions are in effect and the Shares are not vested, the Shares are personal to you and the Shares may not be sold, assigned, transferred, pledged or otherwise encumbered other than by will or the laws of descent and distribution. Any such purported transfer or assignment shall be null and void.

(f) All disputes, controversies and claims arising between you and CyrusOne concerning the subject matter of this Agreement or the Plan shall be settled by arbitration in accordance with the rules and procedures of the American Arbitration Association in effect at the time that the arbitration begins, to the extent not inconsistent with this Agreement or the Plan. The location of the arbitration shall be Dallas, Texas or such other place as the parties to the dispute may mutually agree. In rendering any award or ruling, the arbitrator or arbitrators shall determine the rights and obligations of the parties according to the substantive and procedural laws of the State of Texas. The arbitration shall be conducted by an arbitrator selected in accordance with the aforesaid arbitration procedures. Any arbitration pursuant to this Section 15(f) shall be final and binding on the parties, and judgment upon any award rendered in such arbitration may be entered in any court, Federal or state, having jurisdiction. The parties to any dispute shall each pay their own costs and expenses (including arbitration fees and attorneys' fees) incurred in connection with arbitration proceedings and the fees of the arbitrator shall be paid in equal amounts by the parties. Nothing in this Section 15(f) shall preclude you or CyrusOne from seeking temporary injunctive relief from any Federal or state court located within the State of Texas in connection with or as a supplement to an arbitration hereunder.

(g) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. The counterparts shall constitute one and the same instrument, which shall be sufficiently evidenced by any one thereof. Headings used throughout this Agreement are for convenience only and shall not be given legal significance. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "but not limited to". The term "or" is not exclusive.

(h) It is intended that the Shares granted hereunder be exempt from the requirements applicable to nonqualified deferred compensation subject to Section 409A of the Internal Revenue Code of 1986, as amended ("**Section 409A**"). For purposes of this Agreement, any action taken hereunder shall be undertaken in a manner that will not negatively affect the status of the Shares as exempt from treatment as nonqualified deferred compensation subject to Section 409A unless this action otherwise complies with Section 409A to the extent necessary to avoid non-compliance therewith.

16. Electronic Delivery and Acceptance of Award. By accepting this Award, you agree to participate in the Plan through an on-line or electronic system maintained by the Company or a third party designated by the Company and to accept electronic delivery of any documents, communications or other information that the Company may be required to deliver in connection with the Plan or this Award. Electronic delivery of a document may be via e-mail or by reference to a location on the Company's intranet site or the internet site of a designated third-party vendor involved in administering the Plan. This Award and Agreement (including any Schedules or Exhibits attached hereto or incorporated by reference herein) can be accepted and signed via your on-line equity account accessible at <https://www.benefits.ml.com>. Please note that if you do not accept the Award (including the non-disclosure and non-competition agreement) within 30 days of the Award Date, the Award may be forfeited.

**List of Guarantors and Subsidiary Issuers of Guaranteed Securities**

The following subsidiaries of CyrusOne Inc. (the “Company”) were, as of March 31, 2021, issuers of the (i) \$600.0 million 2.900% senior unsecured notes due November 2024, (ii) \$600.0 million 3.450% senior unsecured notes due November 2029, (iii) €500.0 million 1.450% senior unsecured notes due January 2027 and (iv) \$400.0 million 2.150% senior unsecured notes due November 2030, each guaranteed by the Company:

<b>Subsidiary Name</b>	<b>State or Country of Incorporation or Formation</b>
CyrusOne LP	Maryland
CyrusOne Finance Corp.	Maryland

**Principal Officer's Certification**  
**Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Bruce W. Duncan, President and Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CyrusOne Inc. ("registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 29, 2021

/s/ Bruce W. Duncan

Bruce W. Duncan

President and Chief Executive Officer

**Principal Officer's Certification**  
**Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Katherine Motlagh, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CyrusOne Inc. ("registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 29, 2021

/s/ Katherine Motlagh

Katherine Motlagh

Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of CyrusOne Inc. (the "Company") for the period ending March 31, 2021 as filed with the Securities and Exchange Commission (the "Report"), I, Bruce W. Duncan, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Bruce W. Duncan

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Bruce W. Duncan

President and Chief Executive Officer

April 29, 2021

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of CyrusOne Inc. (the “Company”) for the period ending March 31, 2021 as filed with the Securities and Exchange Commission (the “Report”), I, Katherine Motlagh, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Katherine Motlagh

Katherine Motlagh  
Chief Financial Officer  
April 29, 2021