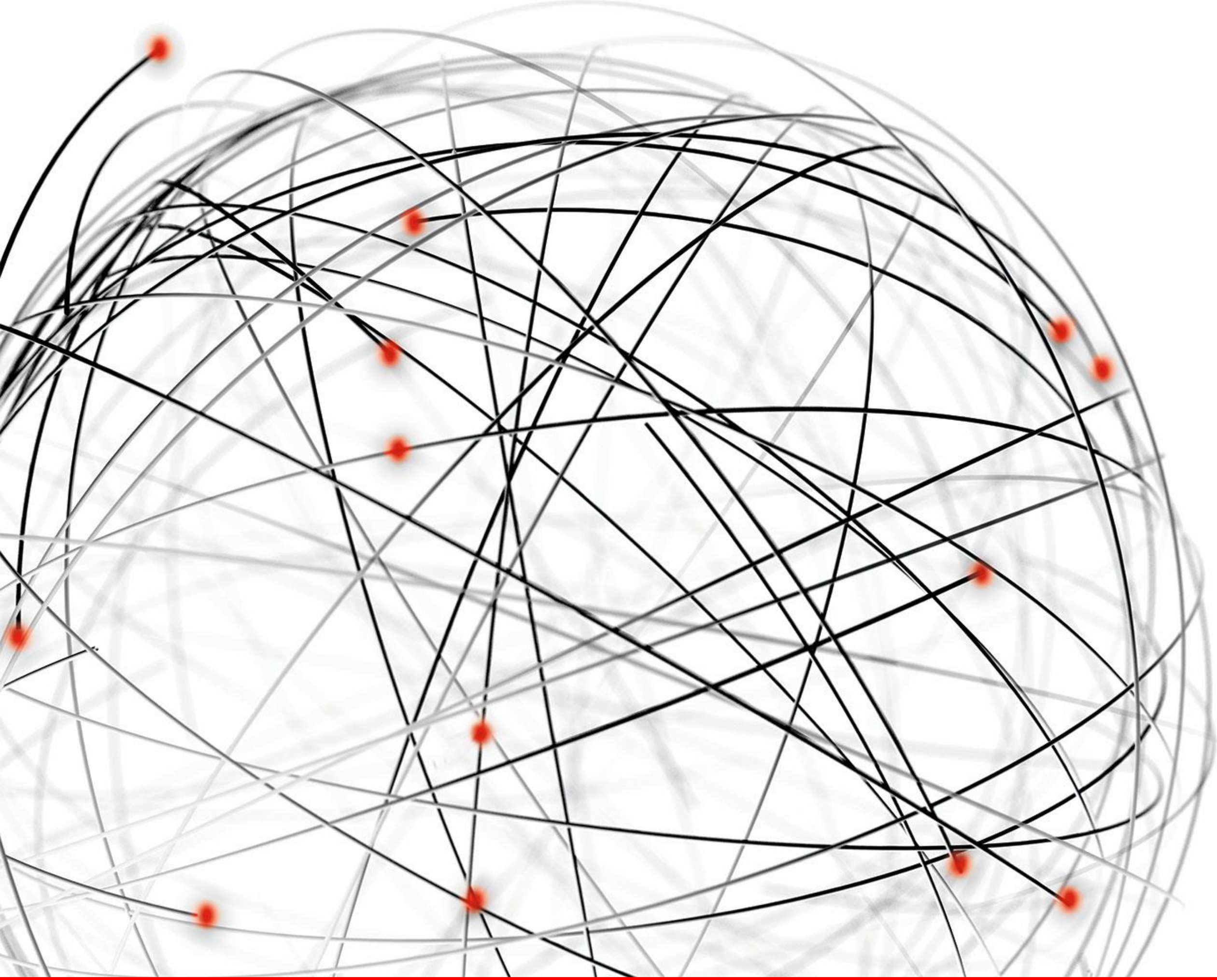


EQUINIX

# Q1 2020 Earnings Conference Call

NASDAQ: EQIX

Presented on **May 06, 2020**

# Public Disclosure Statement

## Forward-Looking Statements

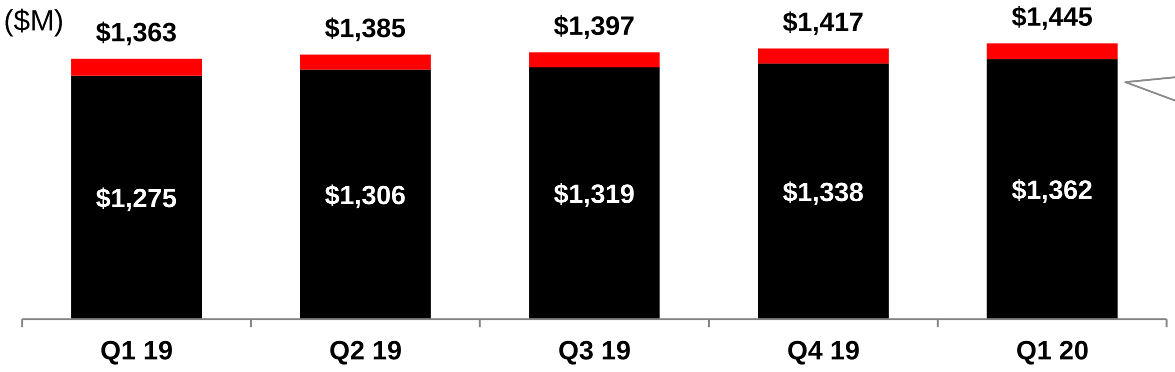
Except for historical information, this presentation contains forward-looking statements which include words such as “believe,” “anticipate,” and “expect”. These forward-looking statements involve risks and uncertainties that may cause Equinix’s actual results to differ materially from the expectations discussed in such forward-looking statements. Factors that might cause such differences include, but are not limited to, risks to our business and operating results related to the COVID-19 pandemic, the challenges of acquiring, operating and constructing IBX data centers and developing, deploying and delivering Equinix products and solutions; unanticipated costs or difficulties relating to the integration of companies we have acquired or will acquire into Equinix; a failure to receive significant revenues from customers in recently built out or acquired data centers; failure to complete any financing arrangements contemplated from time to time; competition from existing and new competitors; the ability to generate sufficient cash flow or otherwise obtain funds to repay new or outstanding indebtedness; the loss or decline in business from our key customers; risks related to our taxation as a REIT and other risks described from time to time in Equinix filings with the Securities and Exchange Commission. In particular, see our recent annual report on Form 10-K filed with the Securities and Exchange Commission on February 21, 2020 and our upcoming quarterly report on Form 10-Q, copies of which are available upon request from Equinix. In addition, the COVID-19 pandemic and the global economic climate may amplify many of the risks described above and in our filings. Equinix does not assume any obligation to update the forward-looking information contained in this presentation.

## Non-GAAP Information

This presentation contains references to certain non-GAAP financial measures. For definitions of terms including, but not limited to, “Cash Gross Profit,” “Cash Gross Margins,” “Cash SG&A,” “Adjusted EBITDA,” “Funds From Operations,” “Adjusted Funds From Operations,” and “Adjusted Net Operating Income,” and a detailed reconciliation between the non-GAAP financial results presented in this presentation and the corresponding GAAP measures, please refer to the supplemental data and the appendix of this presentation.

# Q1 2020 Financial Highlights

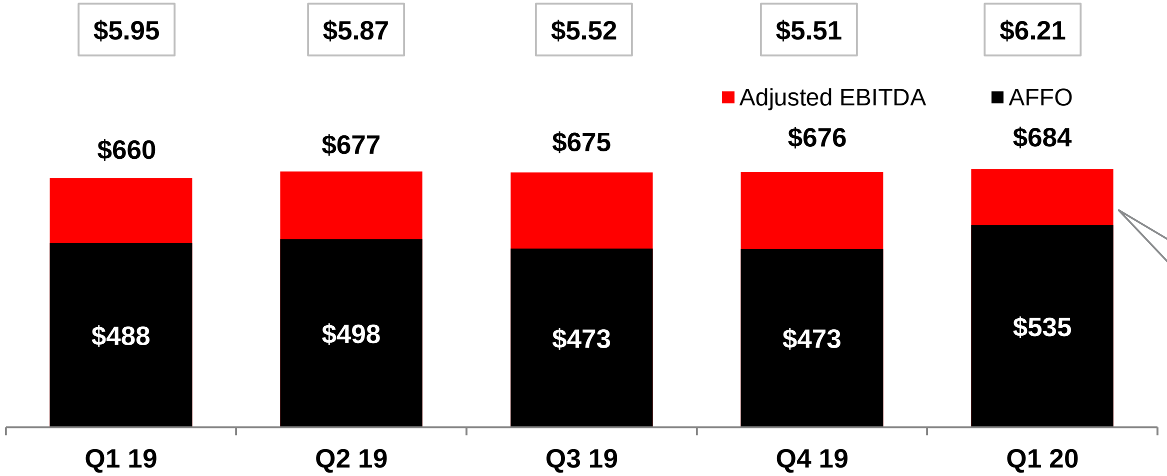
## Revenues




Acquisition Revenues:
Axtel: $5M
Packet: $3M (Mar. 2, 2020 close)

| Revenues Growth | Q1 20 QoQ | Q1 20 YoY |
|---|---|---|
| As-reported | ▲ 2% | ▲ 6% |
| Normalized and Constant Currency (1) | ▲ 2% | ▲ 7% |
| Normalized MRR (1) | ▲ 2% | ▲ 8% |

## Adjusted EBITDA & AFFO




AFFO per Share (Diluted)

Adjusted EBITDA margin of 47.4% or 47.6% excluding integration costs

| Adjusted EBITDA Growth | Q1 20 QoQ | Q1 20 YoY |
|---|---|---|
| As-reported | ▲ 1% | ▲ 4% |
| Normalized and Constant Currency (1) | ▲ 2% | ▲ 5% |

| AFFO Growth | Q1 20 QoQ | Q1 20 YoY |
|---|---|---|
| As-reported | ▲13% | ▲10% |
| Normalized and Constant Currency (1) | ▲19% | ▲10% |

**Delivered our 69th quarter of consecutive revenue growth with solid Q1 bookings and strong interconnection activity benefiting from our global reach and interconnected ecosystems**

(1) Revenues and adjusted EBITDA normalized for acquisitions, integration costs related to acquisitions and other adjustments. Normalized MRR excludes non-recurring revenues. AFFO normalized for the incremental net interest expense related to acquisition financing and other gains and losses. Constant currency assumes average currency rates used in our financial results remained the same over the comparative periods and removes the impact of one-time gains or losses related to balance sheet remeasurements

# Q1 2020 Consolidated Results

EQUINIX

| $M except for AFFO per Share and Non-Financial Metrics | Q1 20 | | | |
|---|---|---|---|---|
| | Guidance | Actual | QoQ | YoY |
| **Revenues** [1] | **$1,450 - 1,460** | **$1,445** | 2% | 6% |
| **Cash Gross Profit** | | **$968** | 3% | 6% |
| *Cash Gross Margin %* | | *67.0%* | | |
| **Cash SG&A** | | **$284** | 7% | 11% |
| *Cash SG&A %* | | *19.6%* | | |
| **Adjusted EBITDA**[2] | **$686 - 696** | **$684** | 1% | 4% |
| *Adjusted EBITDA Margin %* | *~47%* | *47.4%* | | |
| **Net Income** | | **$119** | -5% | 1% |
| *Net Income Margin %* | | *8.2%* | | |
| **Adjusted Funds from Operations (AFFO)** | | **$535** | 13% | 10% |
| **AFFO per Share (Diluted)** | | **$6.21** | 13% | 4% |
| **Recurring Capital Expenditures** | **$19 - 29** | **$18** | -78% | -15% |
| **Cabs Billing** [3] | | **237,600** | 1% | 4% |
| **MRR per Cab** [3][4] | | **$1,854** | 0% | 2% |
| **Total Interconnections** [3] | | **370,200** | 2% | 9% |

(1) Q1 20 Actual includes a negative foreign currency impact of approximately $11 million when compared to Q4 19 average FX rates and approximately $15 million when compared to our prior FX guidance rates, including the net effect from our hedging transactions

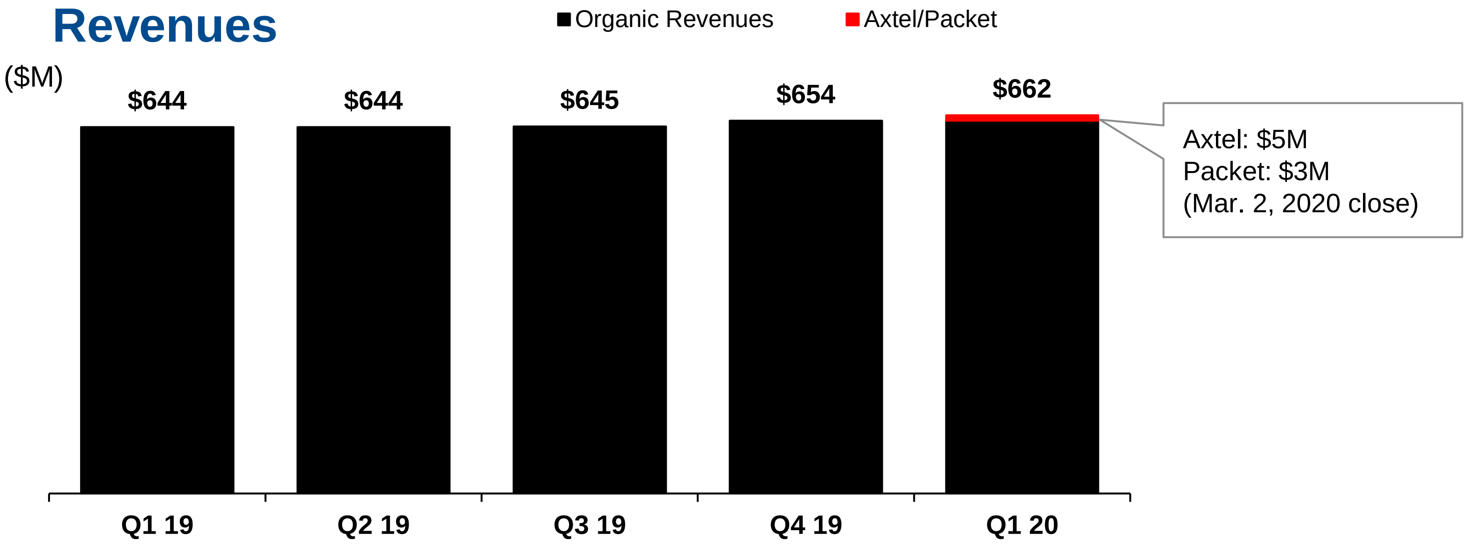
(2) Q1 20 Actual includes a negative foreign currency impact of approximately $5 million when compared to Q4 19 average FX rates and approximately $7 million when compared to our prior FX guidance rates, including the net effect from our hedging transactions

(3) All non-financial metrics exclude assets transferred to EMEA xScale™ JV in Q4 19 and Axtel

(4) MRR per Cab excludes Axtel, Bit-isle MIS, Brazil, Colombia, EMEA xScale JV fee income, Infomart non-IBX tenant income and Packet. MRR per Cab up $7 QoQ on an organic constant currency basis due to business performance in EMEA and APAC. Constant currency basis assumes average currency rates used in our financial results remained the same over the comparative periods

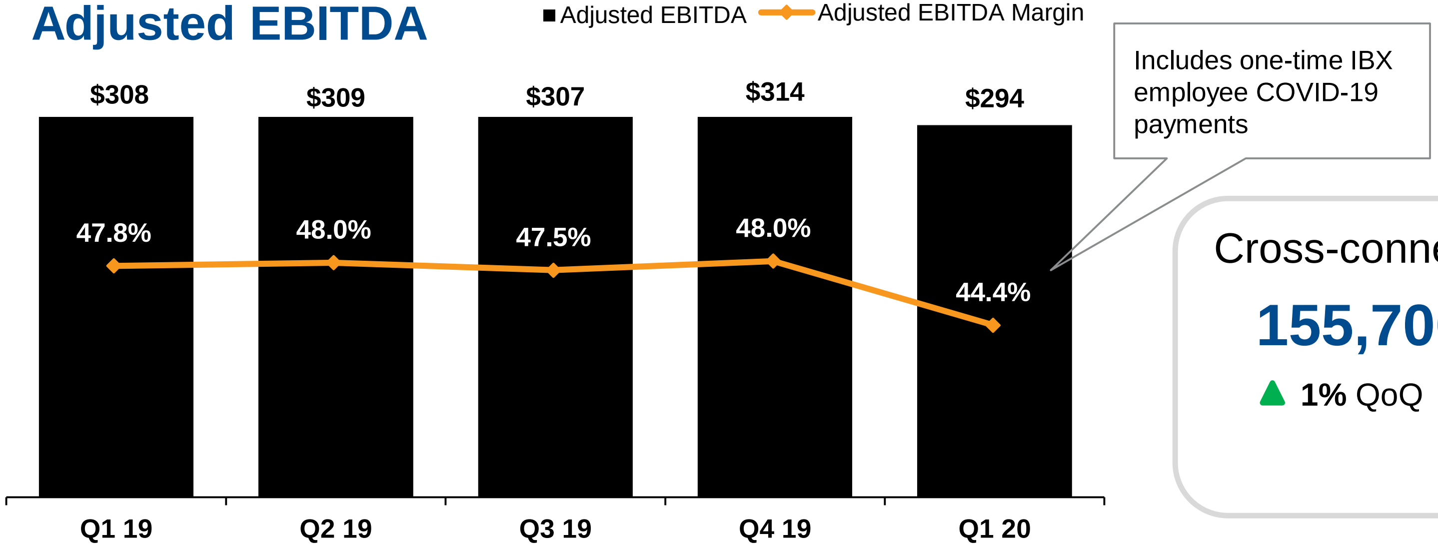
# Americas Performance

## Revenues




| Revenues Growth | Q1 20 QoQ | Q1 20 YoY |
|---|---|---|
| As-reported | ▲1% | ▲ 3% |
| Normalized and Constant Currency (1) | ▲ 1% | ▲ 3% |
| Normalized MRR (1) | ▲1% | ▲ 4% |

## Adjusted EBITDA




| Adjusted EBITDA Growth | Q1 20 QoQ (2) | Q1 20 YoY (3) |
|---|---|---|
| As-reported | ▼ 7% | ▼ 5% |
| Normalized and Constant Currency (1) | ▼7% | ▼ 4% |

| Cross-connects | Cabs Billing | MRR per Cab (4) | Utilization |
|---|---|---|---|
| 155,700 | 86,000 | $2,384 | 77% |
| ▲ 1% QoQ | ▲1% QoQ | Constant Currency QoQ ▬ $0<br>As-reported QoQ ▼ $1 | |

(1) Constant currency assumes average currency rates used in our financial results remained the same over the comparative periods. Normalized for integration costs related to acquisitions and other adjustments. Normalized MRR excludes non-recurring revenues

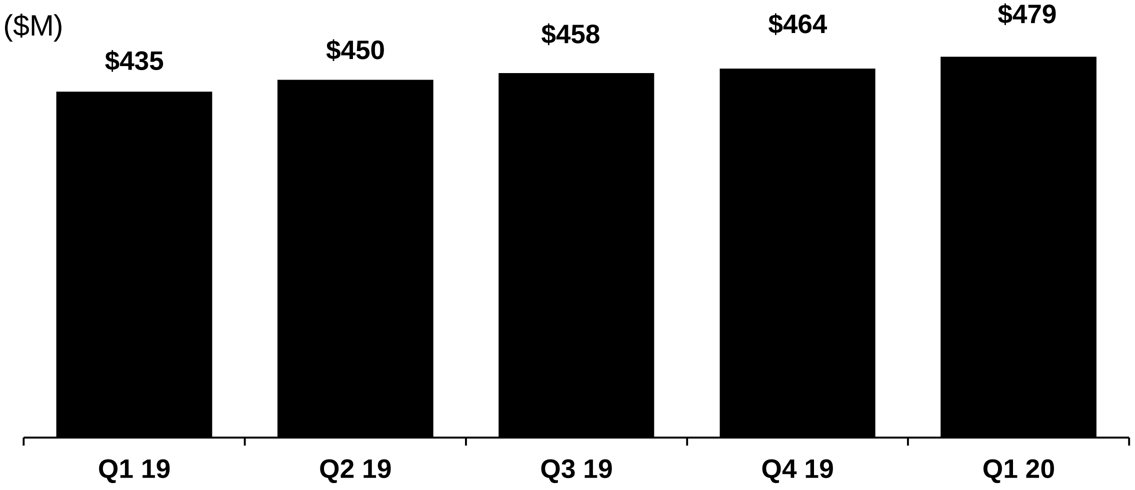
(2) QoQ impacted by one-time IBX employee COVID-19 payout, seasonal employee benefit costs and one-time event costs

(3) YoY impacted by one-time IBX employee COVID-19 payout

(4) MRR per Cab excludes Axtel, Brazil, Colombia, Infomart non-IBX tenant income and Packet

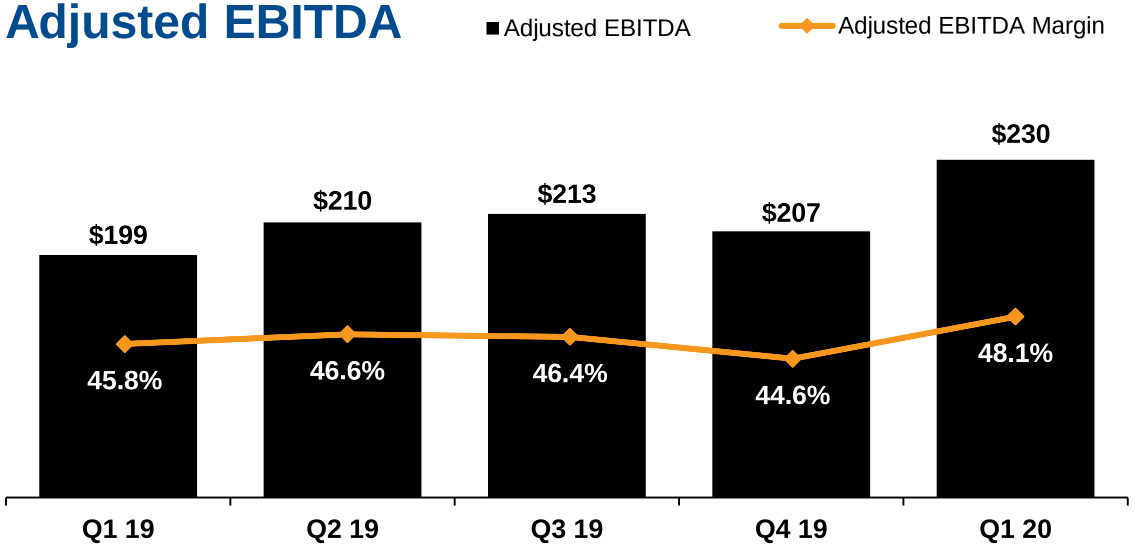
# EMEA Performance

## Revenues




| Revenues Growth | Q1 20 QoQ | Q1 20 YoY |
|---|---|---|
| As-reported | ▲3% | ▲10% |
| Normalized and Constant Currency (1) | ▲4% | ▲12% |
| Normalized MRR (1) | ▲3% | ▲12% |

## Adjusted EBITDA




| Adjusted EBITDA Growth | Q1 20 QoQ (2) | Q1 20 YoY (2) |
|---|---|---|
| As-reported | ▲11% | ▲16% |
| Normalized and Constant Currency (1) | ▲13% | ▲18% |

| Cross-connects | Cabs Billing | MRR per Cab (3) | Utilization |
|---|---|---|---|
| **127,000** | **100,800** | **$1,454** | **82%** |
| ▲ **2%** QoQ | **Flat** QoQ | Constant Currency QoQ ▲**$11**<br>As-Reported QoQ ▼**$2** | |

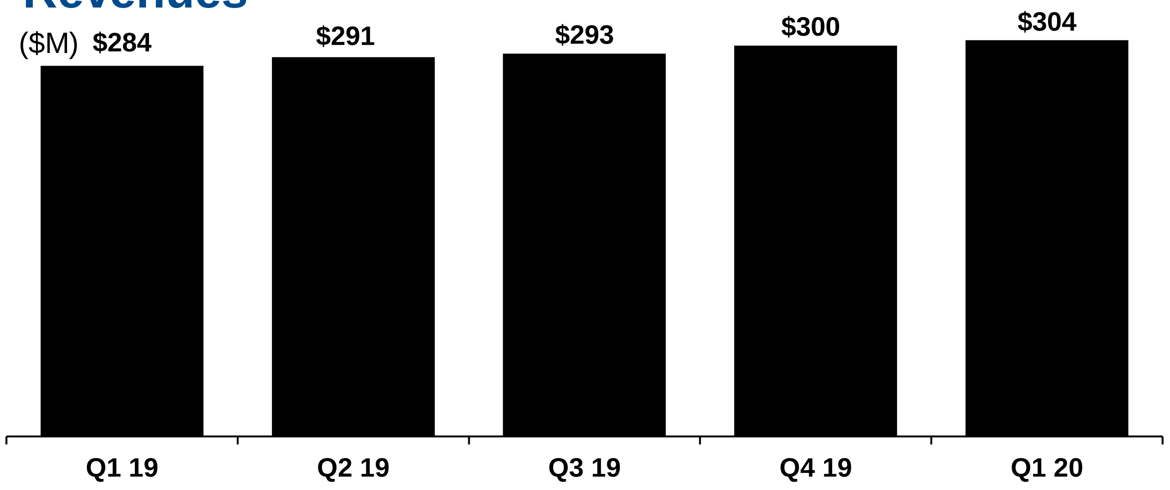
(1) Constant currency assumes average currency rates used in our financial results remained the same over the comparative periods. Normalized for integration costs related to acquisitions and other adjustments. Normalized MRR excludes non-recurring revenues

(2) Includes one-time favorable settlement and spending timing delays

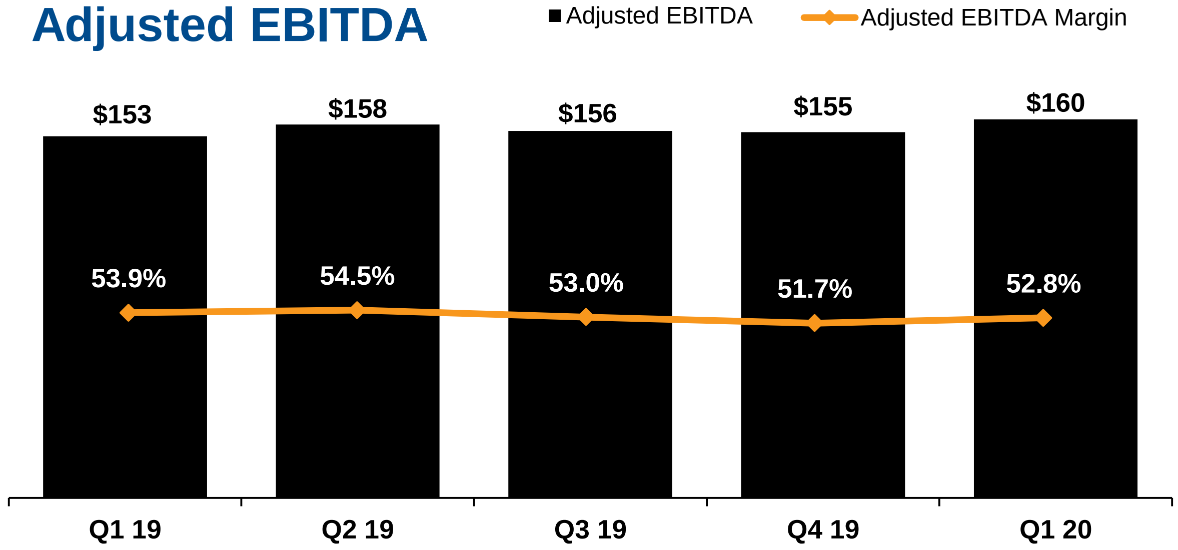
(3) MRR per Cab excludes xScale JV fee income

# Asia-Pacific Performance

## Revenues




## Adjusted EBITDA




| Revenues Growth | Q1 20 QoQ | Q1 20 YoY |
|---|---|---|
| As-reported | ▲1% | ▲ 7% |
| Normalized and Constant Currency (1) | ▲2% | ▲ 9% |
| Normalized MRR (1) | ▲2% | ▲ 9% |

| Adjusted EBITDA Growth | Q1 20 QoQ | Q1 20 YoY |
|---|---|---|
| As-reported | ▲3% | ▲ 5% |
| Normalized and Constant Currency (1) | ▲ 5% | ▲ 7% |

| Cross-connects | Cabs Billing | MRR per Cab (2) | Utilization |
|---|---|---|---|
| 63,400 | 50,800 | $1,815 | 77% |
| ▲ **2%** QoQ | ▲ **2%** QoQ | Constant Currency QoQ ▲ **$9**<br>As-reported QoQ ▼ **$10** | |

(1) Constant currency assumes average currency rates used in our financial results remained the same over the comparative periods. Normalized for integration costs related to acquisitions and other adjustments. Normalized MRR excludes non-recurring revenues

(2) MRR per Cab excludes Bit-isle MIS. Constant currency assumes average currency rates used in our financial results remained the same over the comparative periods

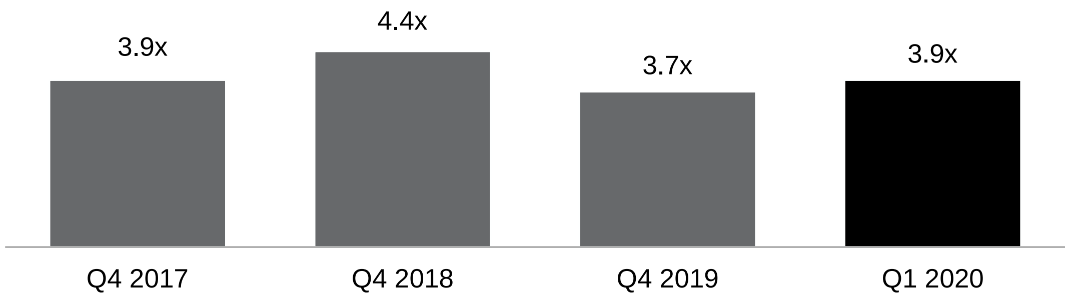
# Capital Structure

EQUINIX

## Debt

- On April 15, we entered into a $750M 364-day term loan facility
  - $500M was drawn at close
  - $250M remains available to draw until July 14, 2020
- The facility enhances overall liquidity and increases financial flexibility
- Repaid $150M maturity of Infomart notes on April 2
- We maintain conservative leverage targeting 3-4x net debt to LQA adj. EBITDA

### As-reported Net Debt to LQA Adj. EBITDA[1]




Net Leverage Ratio[1]
**3.9x**

Blended Borrowing Rate[1][2]
**3.42%**

Unsecured Debt[1][2]
**99%**

Fixed vs Floating[1][2]
**86% vs 14%**

Available Liquidity[1][3]
**$2.9B**

## Equity

- Raised net proceeds of $102M in Q1 2020 under our $750M ATM program at an average net price of $627 per share; $198M remaining under current ATM program

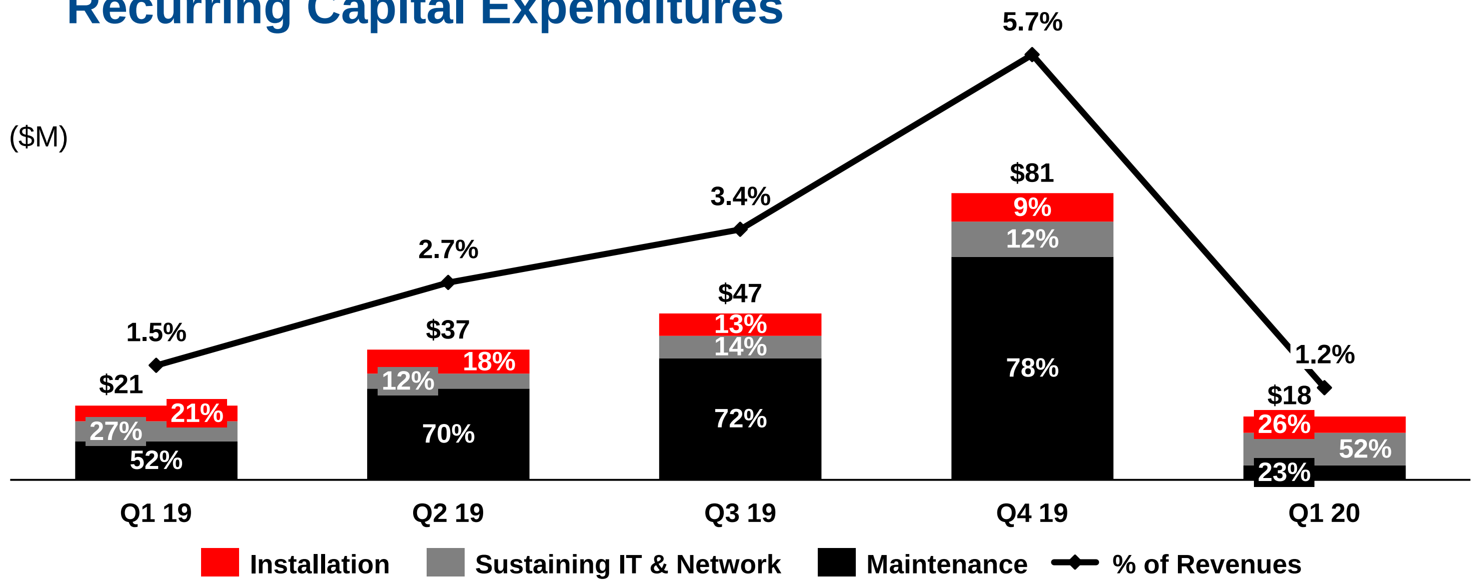
## Corporate Ratings

| | Rating/ Outlook |
|---|---|
| S&P Global Ratings | BBB- Stable |
| Fitch Ratings | BBB- Stable |
| Moody's | Ba1 Positive |

(1) Excludes the $750M senior unsecured 364-day term loan facility entered into April 15, 2020
(2) Excludes finance leases and interest savings associated with the $750M cross-currency swaps executed in Q1 19
(3) Includes cash, cash equivalents, short-term investments and undrawn revolver amount; excludes restricted cash and outstanding balance of letters of credit

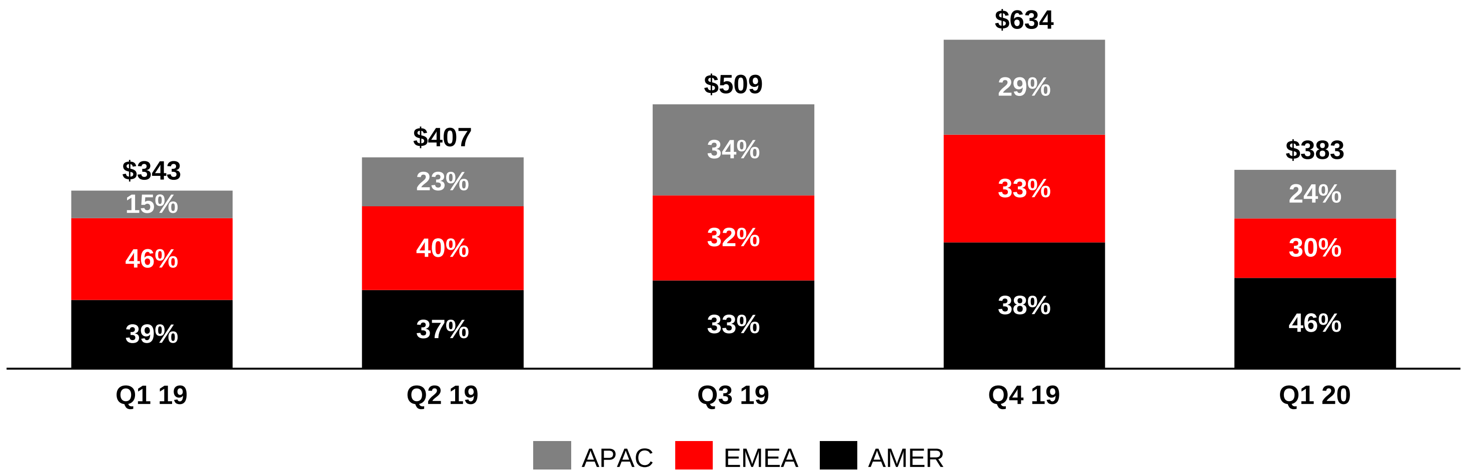
# Capital Expenditures

## Recurring Capital Expenditures




- Recurring capital expenditures typically trend between 3% and 5% of revenues, annually
- Maintenance capital expenditures can vary by quarter based on maintenance schedules and payment terms
- Q1 20 recurring capital expenditures lower than historical trends, but expect Q2 20 to be more in line (~2% of revenues)

## Non-recurring Capital Expenditures



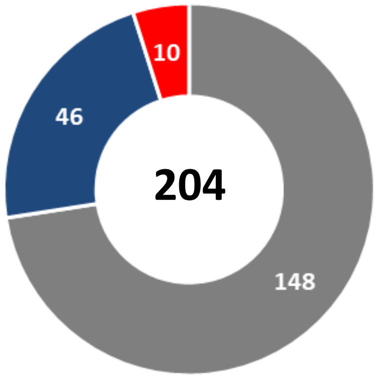

- Completed two expansion projects this quarter in Amsterdam and Warsaw
- 75%+ of current expansion capital expenditures is allocated to the 16 major metros[(1)] leveraging established ecosystem density and large installed base, to deliver market-leading financial returns

(1) Major metros defined as those markets that generate greater than $100 million of annual revenues

# Stabilized IBX Growth (1) (2)

## Stabilized, Expansion & New IBXs

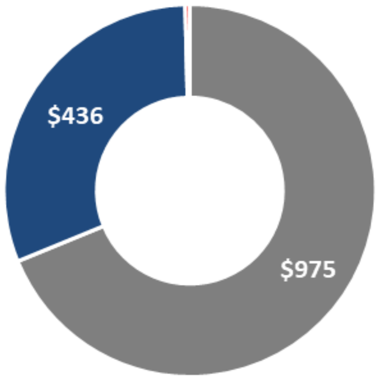
### # of IBXs




Stabilized: 84% Utilized

Expansion: 10% Growth YoY

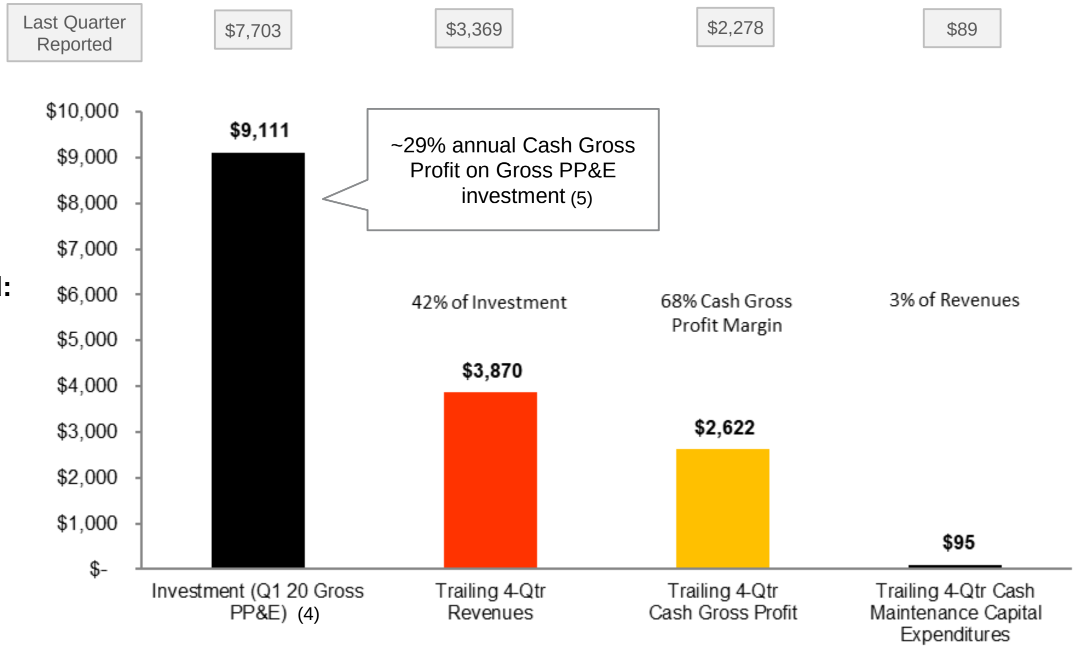
### Q1 20 Revenues ($M)




Stabilized: 3%(3) Growth YoY

Stabilized | Expansion | New

## Stabilized IBX Profitability ($M)




(1) Reference appendix for IBX definitions of Stabilized, Expansion and New
(2) Excludes AM11, Axtel acquisition, Packet acquisition, Infomart non-IBX tenant income, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV. Represents Q1 20 revenues
(3) YoY growth on a constant currency basis assumes average currency rates used in our financial results remained the same over the comparative periods
(4) Investment (Q1 20 Gross PP&E) includes real estate acquisition costs, capitalized leases and all capital expenditures associated with stabilized IBXs since opening
(5) Cash generation on gross investment calculated as trailing four quarters as-reported cash gross profit divided by Gross PP&E as of Q1 20

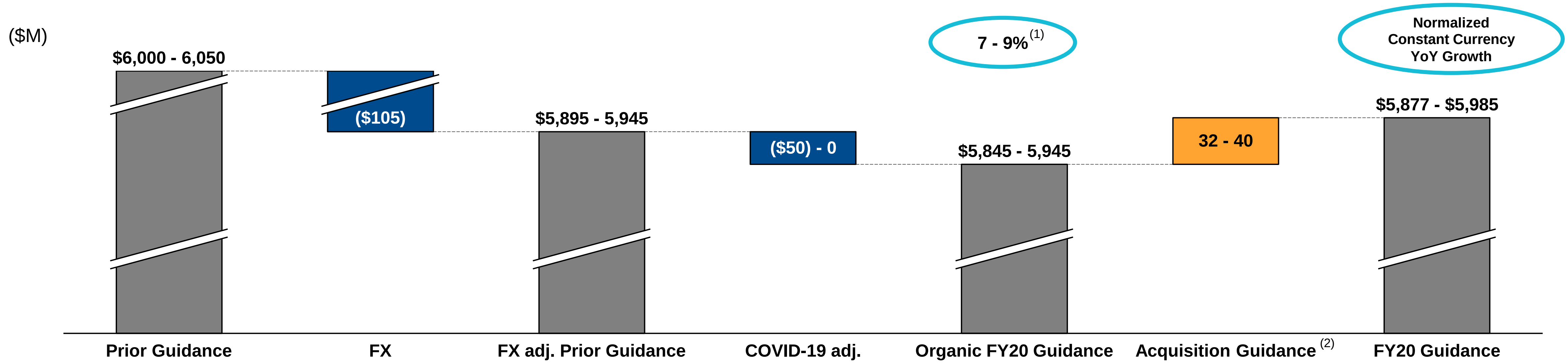
# 2020 Financial Guidance [1] [7]

| ($M except AFFO per Share) | FY 2020 | Q2 2020 |
|---|---|---|
| Revenues | $5,877 - 5,985 [2] | $1,446 - 1,466 [3] |
| Adjusted EBITDA<br>Adjusted EBITDA Margin % | $2,765 - 2,845 [4]<br>47 - 48% | $679 - 699 [5]<br>47 - 48% |
| Recurring Capital Expenditures<br>% of revenues | $150 - 160<br>~3% | $26 - 36<br>~2% |
| Non-recurring Capital Expenditures | $1,900 - 2,090 | |
| AFFO | $2,043 - 2,133 [6] | |
| AFFO per Share (Diluted) | $23.62 – 24.66 [6] | |
| Expected Cash Dividends | ~$914 | |

(1) This guidance includes the expected results of the Packet acquisition and the EMEA xScale JV but excludes any future xScale JVs
(2) Guidance includes a negative foreign currency impact of approximately $105M compared to Q1 20 FX guidance rates, including the net effect from our hedging transactions
(3) Guidance includes a negative foreign currency impact of approximately $29M compared to Q1 20 FX guidance rates and a negative foreign currency impact of approximately $17M compared to Q1 20 average FX rates, including the net effect from our hedging transactions
(4) Guidance includes a negative foreign currency impact of approximately $48M compared to Q1 20 FX guidance rates, including the net effect from our hedging transactions and $20M of estimated integration costs related to acquisitions
(5) Guidance includes a negative foreign currency impact of approximately $13M compared to Q1 20 FX guidance rates and a negative foreign currency impact of approximately $7M compared to Q1 20 average FX rates, including the net effect from our hedging transactions and $8M of estimated integration costs related to acquisitions
(6) Guidance includes a negative foreign currency impact of approximately $35M compared to Q1 20 FX guidance rates and $20M of estimated integration costs related to acquisitions. Guidance excludes any potential financing or refinancing the Company may undertake in the future
(7) Equinix widened full year total revenues, adjusted EBITDA and AFFO guidance ranges to account for the possible net financial impact associated with COVID-19. However, the potential impact of the COVID-19 pandemic on the Company's operations is unpredictable

# FY20 Revenues Guidance

Strong underlying business, despite headwinds from FX and COVID-19 risk; incremental Packet revenue

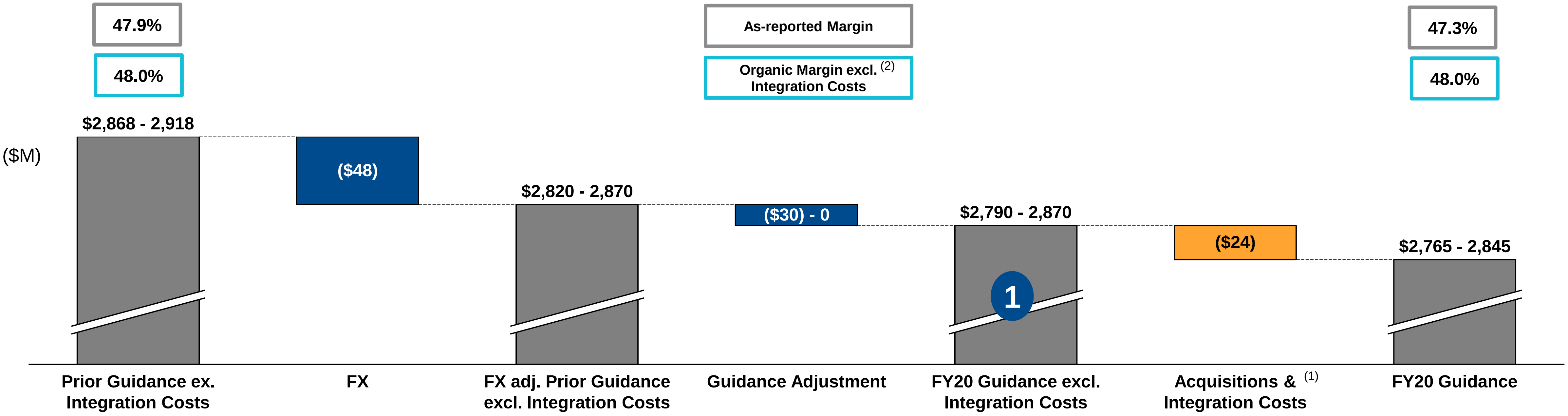



| | Low-end | Mid-point | Top-end |
|---|---|---|---|
| Prior Full Year guidance | $6,000M | $6,025M | $6,050M |
| Foreign Exchange | ($105M) | ($105M) | ($105M) |
| COVID-19 Risk Adjustment [3] | ($50M) | ($25M) | - |
| Packet Acquisition | +$32M | +$36M | +$40M |
| **Current Guidance** | **$5,877M** | **$5,931M** | **$5,985M** |

(1) FY19 normalized for the purchase of AM11, the sale of NY12, the sale of LD10 and PA8 assets to the EMEA xScale JV and a negative foreign currency impact of approximately $117M between FY20 FX guidance rates and December 31, 2019 spot rates
(2) Acquisition guidance includes Packet
(3) Equinix widened full year total revenues guidance ranges to account for the possible net financial impact associated with COVID-19 which includes certain Smart Hands waivers due to restricted access to our IBXs, and other risk adjustments

# FY20 Adjusted EBITDA Guidance

Strong underlying business despite headwinds from FX and COVID-19 risk




| 1 | Low-end | Mid-point | Top-end |
|---|---|---|---|
| Prior Full Year guidance | $2,858M | $2,883M | $2,908M |
| Foreign Exchange | ($48M) | ($48M) | ($48M) |
| Net COVID-19 Risk Adjustment [3] | ($30M) | ($15M) | - |
| Integration Costs | ($10M) | ($10M) | ($10M) |
| Packet Acquisition | ($4M) | ($4M) | ($4M) |
| **Current Guidance** | **$2,765M** | **$2,805M** | **$2,845M** |

(1) Includes Packet guidance ($4M) and integration costs of $20M related to acquisitions

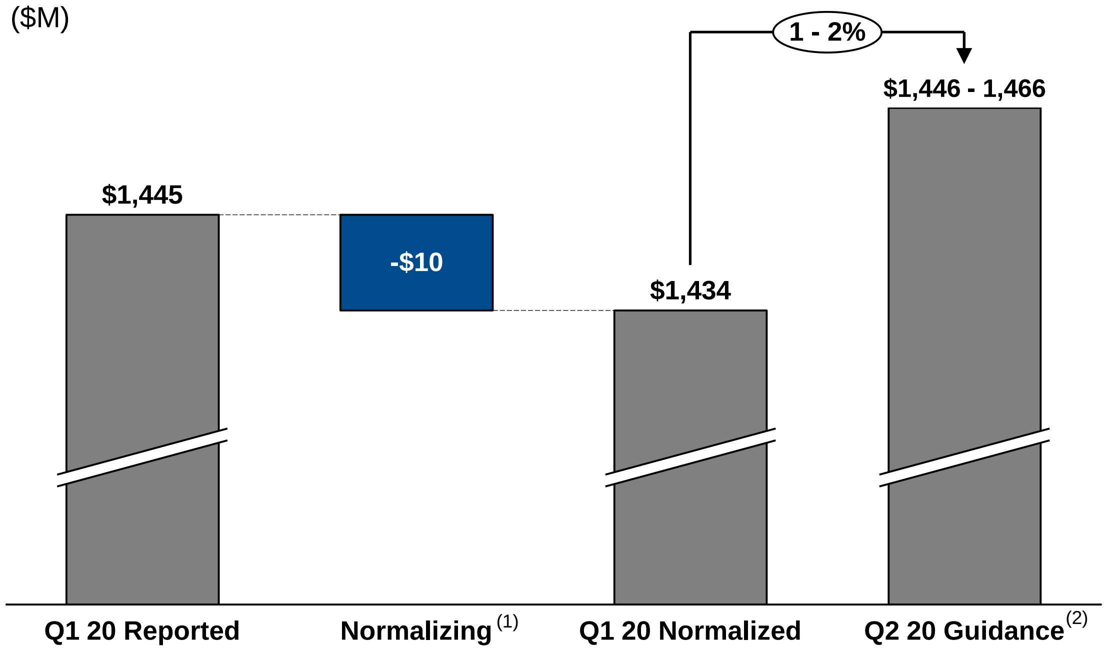
(2) Excludes Packet and all integration costs

(3) Equinix widened full year adjusted EBITDA guidance ranges to account for the possible net financial impact associated with COVID-19 including revenue flow-through and other risk adjustments; partially offset by cost savings

# Q2 20 Guidance

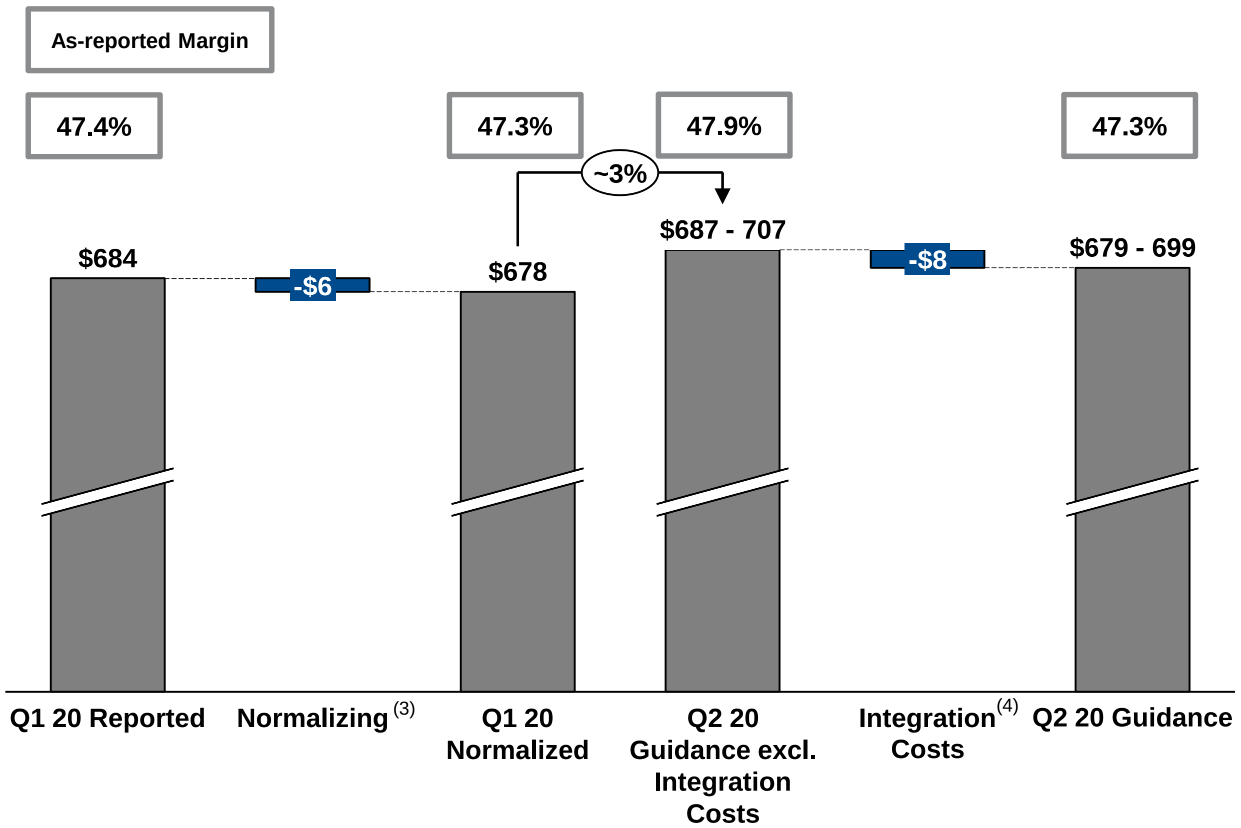
## Revenues

Normalized growth of 1 - 2%




## Adjusted EBITDA

Normalized growth of 3%




(1) Q1 20 revenues normalized for a negative foreign currency impact of approximately $17M between Q2 20 FX guidance rates and Q1 20 average FX rates, approximately $1M for Axtel January 9, 2020 close impact and approximately $6M for Packet March 2, 2020 close impact

(2) Equinix widened Q2 20 revenues guidance ranges to account for the possible net financial impact associated with COVID-19 which primarily includes certain Smart Hands waivers due to restricted access to our IBXs of approximately $6M

(3) Q1 20 adjusted EBITDA normalized for a negative foreign currency impact of approximately $8M between Q2 20 FX guidance rates and Q1 20 average FX rates, minimal impact for Axtel January 9, 2020 close and approximately $1M negative impact to Packet March 2, 2020 close; $3M of integration costs

(4) Represent integration costs related to acquisitions

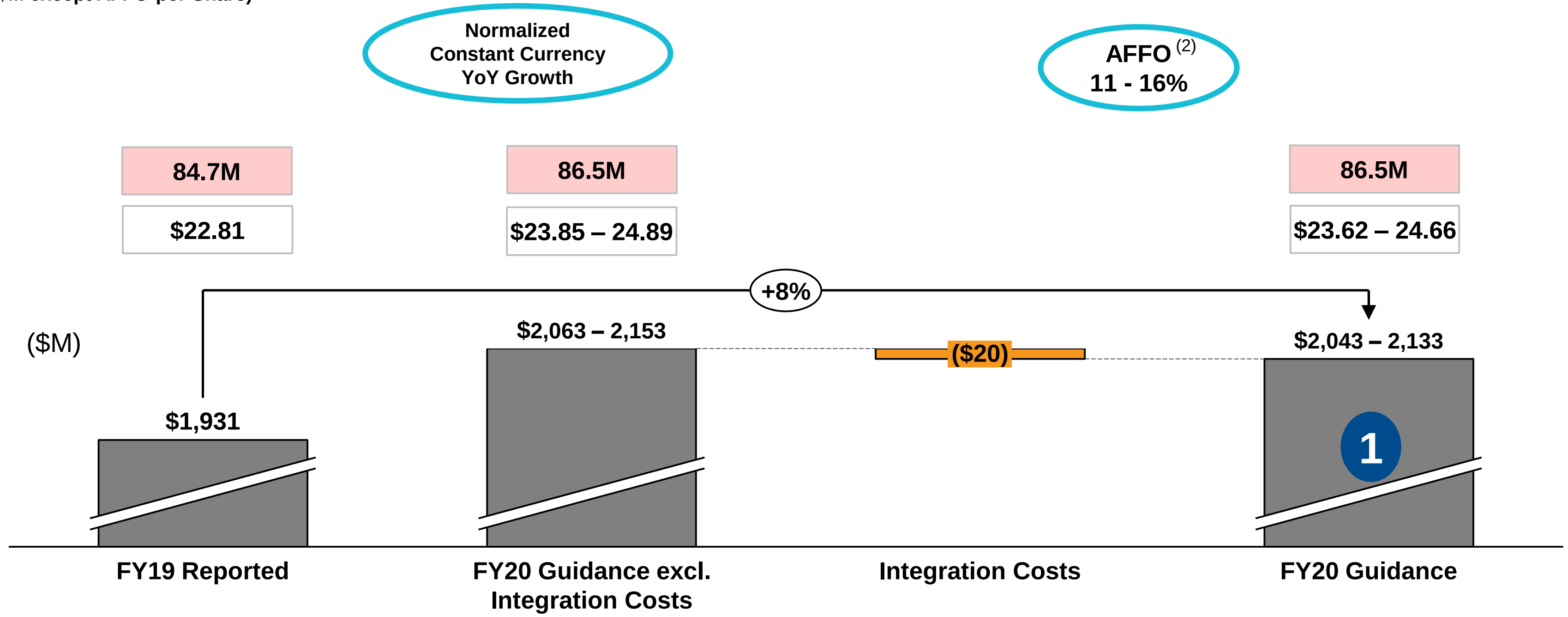
# FY20 AFFO and AFFO per Share Guidance[1]

Strong AFFO and AFFO per share growth (8 -12%); Reaffirming prior AFFO guidance on a constant currency basis

($M except AFFO per Share)

Share Count (Diluted)

AFFO per Share (Diluted)




**1 FY20 Adjusted EBITDA to AFFO Guidance**

| | |
|---|---|
| FY20 Adjusted EBITDA Guidance | $2,765 - 2,845M |
| Interest Expense | (415M) |
| Tax Expense | (135M) |
| Recurring Capital Expenditures | (155M) |
| Other | (12M) |
| Current Guidance | $2,043 – 2,133M |

| | Low-end | Mid-point | Top-end |
|---|---|---|---|
| Prior Full Year guidance | $2,108M | $2,133M | $2,158M |
| Foreign Exchange | ($35M) | ($35M) | ($35M) |
| COVID-19 Risk Adjustment[3] | ($20M) | - | +$20M |
| Integration Costs | ($10M) | ($10M) | ($10M) |
| **Current Guidance** | **$2,043M** | **$2,088M** | **$2,133M** |

(1) AFFO and AFFO per share guidance excludes any potential financing or refinancing the Company may undertake in the future

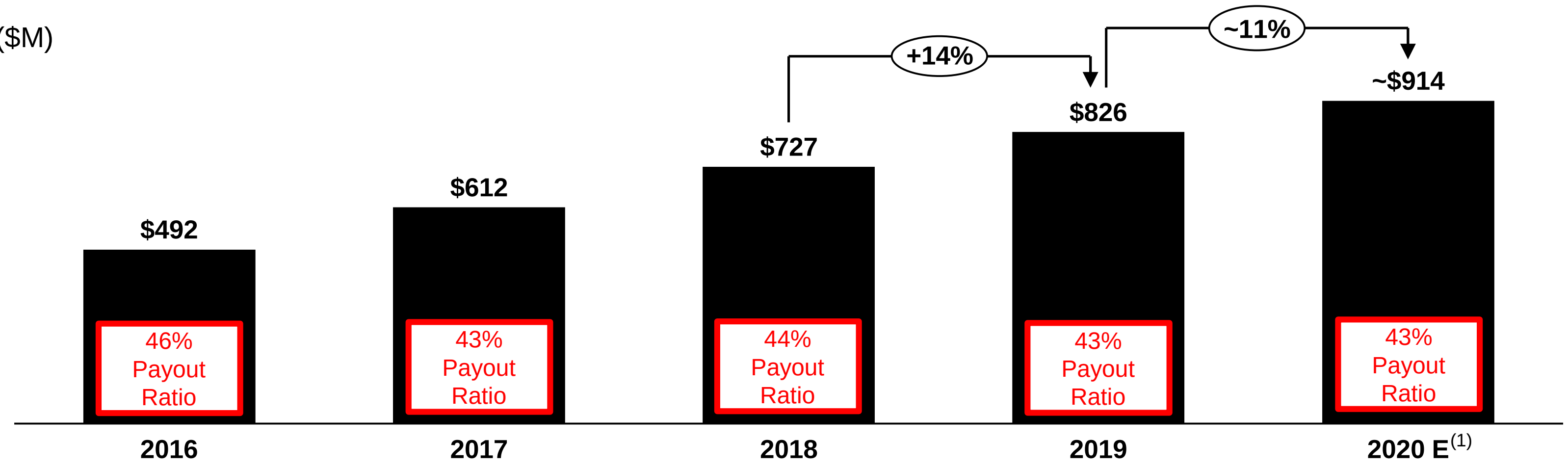
(2) Normalized for $20M of integration costs related to acquisitions, foreign exchange impact and other adjustments. AFFO growth normalized for acquisitions, the sale of NY12 and the sale of LD10 and PA8 assets to the EMEA xScale JV

(3) Equinix widened full year AFFO guidance ranges to account for the possible net financial impact associated with COVID-19 including adjusted EBITDA flow-through and other risk adjustments; partially offset by cost savings

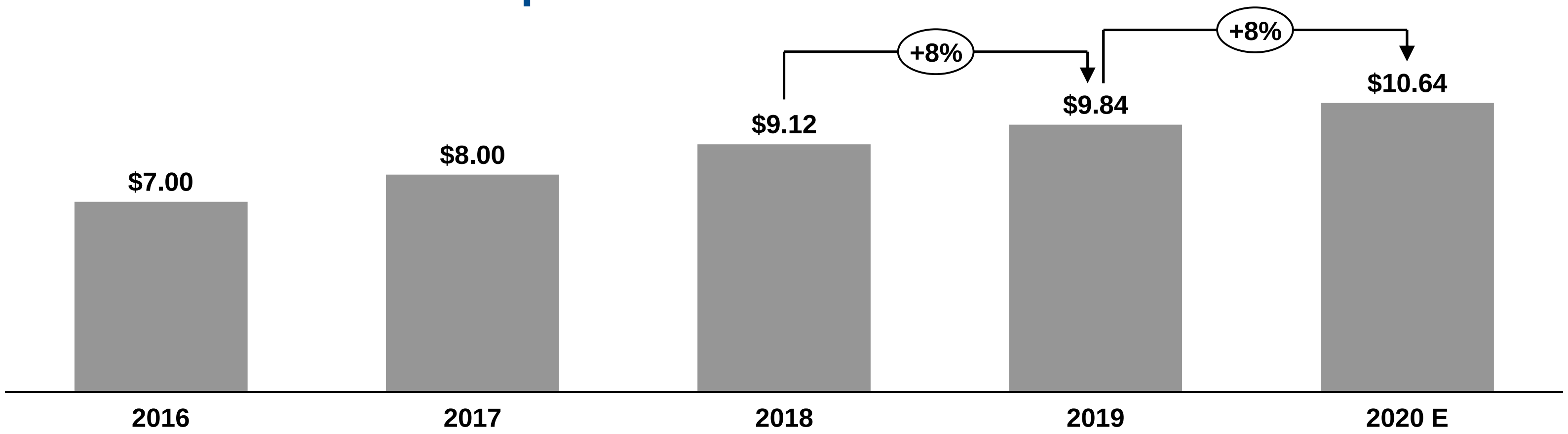
# Dividend Outlook

## Annual Cash Dividend

($M)




## Annual Cash Dividend per Share




## 2020E Cash Dividend of ~$914M

- Continued growth of our annual total cash dividend amount
- Second quarter dividend of $2.66 to be paid on June 17, 2020
- 2020E cash dividend payout of ~$914M (▲11% YoY) and $10.64 per share (▲8% YoY)

(1) Excludes future financing activity

# Equinix's Covid-19 Response[1]

## Our Employees and Community

- Our focus continues to be on the health, safety and wellbeing of our employees, customers and vendors. Our corporate offices globally are currently closed with our non-IBX employees working from home

## Our Operations and Construction

- As of May 6, 2020, all 211 Equinix IBXs are fully operational and we have activated our business continuity plans
- We have restricted access to some of our data centers and are encouraging customers and partners to leverage our IBX technicians via Smart Hands
- Some local orders and safety concerns led to temporary shutdowns of certain expansion projects, but we are not seeing a material impact on our business at this time

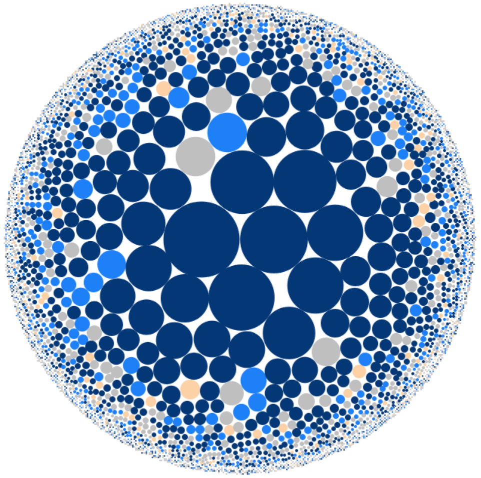
## Our Go-to-Market Engine

- We are honing the sales-force's virtual selling best practices with training, coaching and providing virtual IBX tours for customers

**Large, established businesses constitute majority of revenue**

*By Company Size (sales volume)*[2]

$1B+ | $100M-$1B | $50M-$100M | <$50M

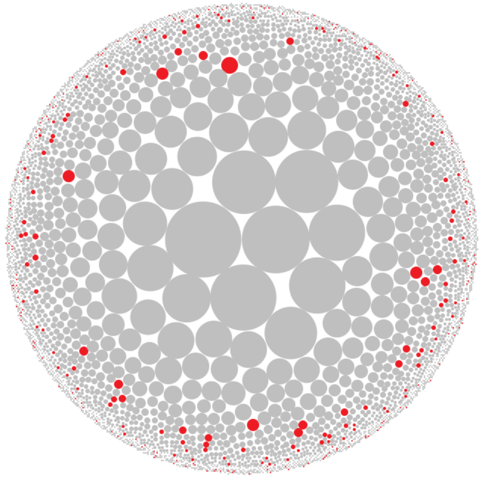


**% of Total:**[3] 67% | 13% | 3% | 17%

**Limited exposure to industries currently most impacted by Covid-19**

*By Industry Classification*

Travel, Energy and Retail | Rest



**% of Total:**[3] 3% | 97%

(1) Additional details are available on our website at www.equinix.com/lp/our-response-to-covid-19/
(2) Company size based on annual sales from FactSet; those with unknown sales volume bucketed under "<$50M"
(3) Derived from Q1 20 Colocation, Interconnection and MIS recurring revenues; excludes MIS Japan and Other recurring revenue

# Supplemental Financial and Operating Data

EQUINIX


**REACH**
EVERYWHERE

- **211** Data Centers
- **55** Metros
- **5** Continents
- **99.9999%** Uptime Record
- **100%** Renewable Power Pledge

**INTERCONNECT**
EVERYONE

- **370,000+** Total Interconnections
- **The most networks, clouds and IT services** companies on one platform
- The world's **largest Internet Exchange** footprint
- Equinix Cloud Exchange **Fabric**
- **9,700+** Customers
- **50%+** of Fortune 500

**INTEGRATE**
EVERYTHING

- **20+ years of deep expertise** designing and implementing customer architectures
- Digital tools and **services to secure, control and manage** your hybrid environment
- **~30%** of Bookings through Partner channel

# Equinix Overview (1)

EQUINIX

| | |
|---|---|
| **Unique Portfolio of Data Center Assets** | • Global footprint: 211 data centers in 55 metros<br>• Network dense: 1,800+ networks; 100% of Tier 1 Network Routes<br>• Cloud dense: 2,900+ Cloud & IT service providers<br>• Interconnected ecosystems: 370,000+ Total Interconnections |
| **Attractive Growth Profile** | • 2020 expected YoY revenues growth of 7-9% on a normalized and constant currency basis (2)<br>• 69 quarters of sequential revenues growth<br>• 3% (3) same store revenues growth, 68% cash gross margin (4) |
| **Proven Track Record** | • Industry-leading development yields<br>• ~29% yield on gross PP&E invested on stabilized assets<br>• 10 year total annualized return including dividends as of YE 2019 was 20% |
| **Long-term Control of Assets** | • Own 95 of 211 Data Centers, 14.4M of 24.5M gross sq. ft.(5)<br>• Owned assets generate 55% of recurring revenues<br>• Average remaining lease term of >18 years including extensions |
| **Development Pipeline** | • Long history of development success through expansions, campuses and known demand pipeline<br>• Expect typical new build to be >80% utilized in 2-5 years<br>• Expect typical new build to be cash flow breakeven within 6-12 months |
| **Balance Sheet Flexibility** | • Investment grade corporate credit ratings by S&P (BBB-) and Fitch (BBB-)<br>• Conservative leverage levels with significant access to capital and financial flexibility<br>• Leverage of 3.9x (target of 3 - 4x net debt to LQA adjusted EBITDA)<br>• Steadily reduced cost of capital |
| **Stable Yield** | • Strong yield (MRR per cabinet) across all regions and expect yields to remain firm<br>• Levers on yield: 2 - 5% pricing escalators on existing contracts, interconnection and power density |

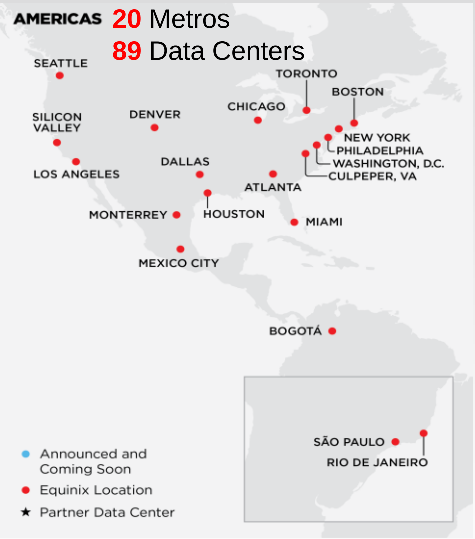
(1) All stats are as of Q1 20
(2) FY19 normalized for the purchase of AM11, the sale of NY12, the sale of LD10 and PA8 assets to the EMEA xScale JV and a negative foreign currency impact of approximately $117M between FY20 FX guidance rates and December 31, 2019 spot rates
(3) YoY same store revenues growth on a constant currency basis assumes average currency rates used in our financial results remained the same over the comparative periods
(4) Trailing 4-Qtr Cash Gross Profit
(5) Square footage excludes EMEA xScale JV

# Pressing Our Advantage in All Markets

Equinix global reach expanding across 55 metro areas and 26 countries

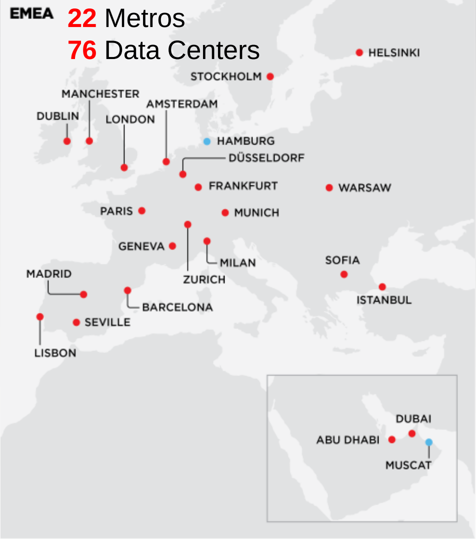
**5** Continents | **26** Countries | **55** Metro areas | **211** Data centers

## AMERICAS

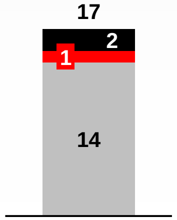



### Approved Expansions


## EMEA

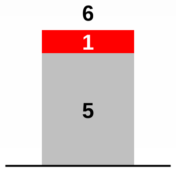



### Approved Expansions




## ASIA-PACIFIC


### Approved Expansions




## % of Customers in Multiple Locations(1)

Multi-Metro Customers

**87%**

Multi-Region Customers

**73%**

In All 3 Regions

**61%**

## Platform Equinix

- Geographic footprint is unmatched and remains a unique differentiator
- Multi-region deployments outpace single-region deployments

## Expansion strategy

- Capture first-mover advantage in future global hubs
- Use unique market intelligence for prudent capital allocation

(1) Derived from Q1 20 recurring revenues

# xScale™ Announced Developments

**GIC & Equinix EMEA JV (1)**

| | | Phase Capacity | Phase Capex | Phase Open | Capacity in Future Phases |
|---|---|---|---|---|---|
| LD13x | Phase 3 | 750 Cab-e / 6 MW | $45M | Q3 2019 | Final Phase |
| PA8x | Phase 2 | 1,300 Cab-e / 8 MW | $49M | Q4 2019 | Final Phase |
| LD11x | Phase 1 | 1,450 Cab-e / 10 MW | $135M | Q1 2021 | 1,450 Cab-e / 10 MW |
| FR9x | Phase 1 | 1,325 Cab-e / 10 MW | $121M | Q2 2021 | 1,325 Cab-e / 8 MW |

| | | | Phase Capacity | Phase Capex | Phase Open | Capacity in Future Phases |
|---|---|---|---|---|---|---|
| GIC & Equinix (2) Announced Japan JV | TY12x | Phase 1 | 950 Cab-e / 8 MW | $147M | Q4 2020 | 5,525 Cab-e / 45 MW |
| GIC & Equinix (2) Announced Japan JV | OS2x | Phase 1 | 1,350 Cab-e / 10 MW | $156M | Q4 2021 | 5,475 Cab-e / 38 MW |
| Equinix JV Ready | PA9x | Phase 1 | 1,200 Cab-e / 10 MW | $112M | Q4 2020 | Final Phase |
| Equinix JV Ready | SP5x | Phase 1 | 500 Cab-e / 5 MW | $52M | Q3 2021 | 1,525 Cab-e / 10 MW |

## Overview and Update

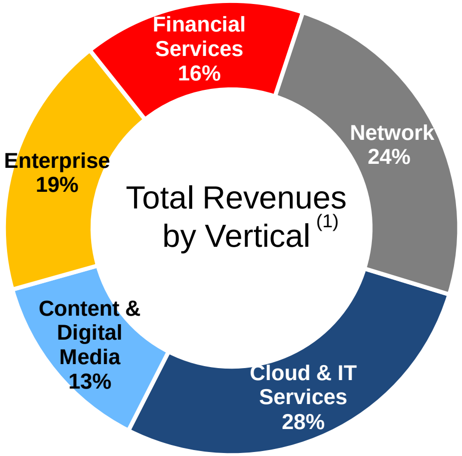
- xScale data centers are designed to support the unique needs of our top xScale customers, including the world's largest cloud service providers, and are located proximate to network dense Equinix IBX facilities to support ultra-low latency campus cross-connects
- In April, announced the signing of a greater than US$1 billion JV with GIC to develop and operate xScale data centers in Japan. The initial three facilities in the joint venture will be located in Tokyo (two sites) and Osaka

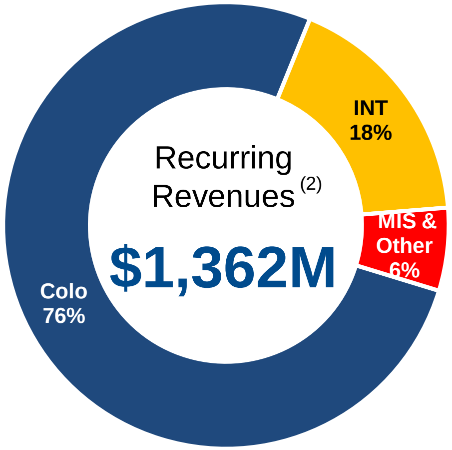
(1) Additional developments in Amsterdam and Frankfurt in the EMEA JV with GIC to be announced at a future point in time
(2) Additional development in Tokyo in the Japan JV with GIC to be announced at a future point in time

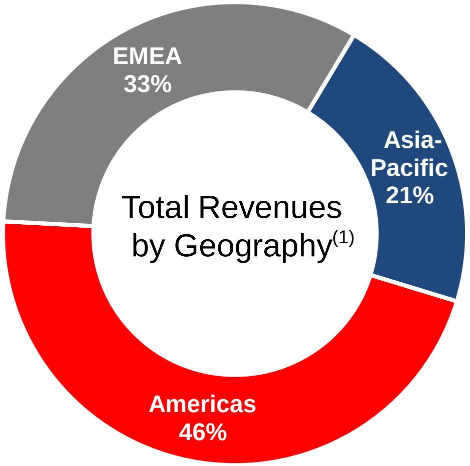
# Customer Revenues Mix

Diversified Revenues across Customer, Region and Industry segments

## Revenues Mix




## Customers and Churn

**Top 10 Customers**

| Rank | Type of Customer | %MRR | Region Count | IBX Count |
|---|---|---|---|---|
| 1 | Network | 2.9% | 3 | 136 |
| 2 | Cloud & IT Services | 2.3% | 3 | 64 |
| 3 | Cloud & IT Services | 2.2% | 3 | 66 |
| 4 | Cloud & IT Services | 2.0% | 3 | 65 |
| 5 | Enterprise | 2.0% | 3 | 45 |
| 6 | Network | 1.6% | 3 | 122 |
| 7 | Network | 1.6% | 3 | 144 |
| 8 | Content & Digital Media | 1.4% | 3 | 67 |
| 9 | Content & Digital Media | 1.2% | 3 | 26 |
| 10 | Cloud & IT Services | 1.1% | 3 | 25 |
| | **Top 10 Customers** | **18.4%** | | |
| | **Top 50 Customers** | **39.0%** | | |

**Global New Customer Count & Churn %**

| | Q1 19 | Q2 19 | Q3 19 | Q4 19 | Q1 20 |
|---|---|---|---|---|---|
| Gross New Global Customers (3) | 140 | 110 | 150 | 180 | 200 |
| MRR Churn (4) | 2.1% | 2.4% | 2.3% | 2.3% | 2.4% |

(1) Q1 20 revenues
(2) Q1 20 recurring revenues
(3) Gross New Global Customers excludes acquisitions and customers added through the channel and is based on the count of unique global parents
(4) MRR Churn is defined as a reduction in MRR attributed to customer termination divided by MRR billing at the beginning of the quarter

# Non-Financial Metrics[1]

| | FY 2019 | | | | FY 2020 | |
|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | QoQ |
| **Interconnections** | | | | | | |
| Americas | 147,800 | 149,600 | 151,800 | 153,900 | 155,700 | 1,800 |
| EMEA | 117,900 | 119,900 | 122,900 | 124,800 | 127,000 | 2,200 |
| Asia-Pacific | 58,500 | 59,500 | 60,900 | 62,200 | 63,400 | 1,200 |
| **Worldwide Cross Connections** | **324,200** | **329,000** | **335,600** | **340,900** | **346,100** | **5,200** |
| **Worldwide Virtual Connections** | **16,800** | **19,000** | **20,900** | **22,500** | **24,100** | **1,600** |
| **Total Interconnections** | **341,000** | **348,000** | **356,500** | **363,400** | **370,200** | **6,800** |
| **Internet Exchange Provisioned Capacity** | | | | | | |
| Americas | 46,800 | 49,000 | 51,300 | 52,600 | 55,100 | 2,500 |
| EMEA | 11,300 | 12,100 | 12,900 | 13,400 | 13,800 | 400 |
| Asia-Pacific | 22,800 | 24,900 | 26,300 | 29,500 | 31,100 | 1,600 |
| **Worldwide** | **80,900** | **86,000** | **90,500** | **95,500** | **100,000** | **4,500** |
| **Worldwide Internet Exchange Ports** | **5,190** | **5,340** | **5,430** | **5,560** | **5,600** | **40** |
| **Cabinet Equivalent Capacity** | | | | | | |
| Americas | 108,000 | 108,300 | 109,500 | 110,900 | 111,300 | 400 |
| EMEA | 118,100 | 119,300 | 120,300 | 120,300 | 122,900 | 2,600 |
| Asia-Pacific | 58,100 | 59,900 | 60,500 | 65,800 | 65,800 | 0 |
| **Worldwide** | **284,200** | **287,500** | **290,300** | **297,000** | **300,000** | **3,000** |
| **Cabinet Billing** | | | | | | |
| Americas | 82,800 | 83,600 | 84,200 | 85,000 | 86,000 | 1,000 |
| EMEA | 97,500 | 99,600 | 101,600 | 101,200 | 100,800 | -400[2] |
| Asia-Pacific | 48,100 | 49,200 | 49,800 | 49,600 | 50,800 | 1,200 |
| **Worldwide** | **228,400** | **232,400** | **235,600** | **235,800** | **237,600** | **1,800** |
| **Quarter End Utilization** | | | | | | |
| Americas | 77% | 77% | 77% | 77% | 77% | |
| EMEA | 83% | 83% | 84% | 84% | 82% | |
| Asia-Pacific | 83% | 82% | 82% | 75% | 77% | |
| **MRR per Cab** | | | | | | |
| North America | $2,375 | $2,387 | $2,384 | 2,384 | 2,384 | |
| EMEA | $1,395 | $1,413 | $1,414 | 1,456 | 1,454 | |
| Asia-Pacific | $1,767 | $1,784 | $1,773 | 1,824 | 1,815 | |

(1) Non-financial metrics excludes EMEA xScale starting in Q419 and Axtel starting in Q1 20

(2) EMEA cabs billing lower in Q4'19 due to EMEA xScale assets transferred to JV and Q1'20 due to timing of large deployments and customer churn

# Equinix Announced Expansions

| Data Center | Status | 2020 Q1 | 2020 Q2 | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 | 2021 Q4 | Total Capex(1) $US millions | Ownership | Cabinet(1) Equivalent Capacity In Future Phases |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BO2 phase 2 (Boston) | Previously Announced | | 550 | | | | | | | $32 | Owned | 500 |
| CH3 phase 6 (Chicago) | Previously Announced | | 1,225 | | | | | | | $31 | Owned | - |
| DA11 phase 1 (Dallas) | Previously Announced | | 1,975 | | | | | | | $138 | Owned | 1,875 |
| DC15 phase 1 (Washington D.C.) | Previously Announced | | 1,600 | | | | | | | $111 | Owned | 1,600 |
| TR2 phase 3 (Toronto) | Previously Announced | | 725 | | | | | | | $21 | Owned | 300 |
| SP4 phase 3 (São Paulo) | Previously Announced | | | 1,025 | | | | | | $59 | Leased | 1,475 |
| DC21 phase 1 (Washington D.C.) | Previously Announced | | | | 925 | | | | | $95 | Owned | 2,275 |
| SP3 phase 3 (São Paulo) | Previously Announced | | | | 1,050 | | | | | $25 | Owned | - |
| LA7 phase 2 (Los Angeles) | Previously Announced | | | | | | 750 | | | $54 | Owned | - |
| SV11 phase 1 (Silicon Valley) | Previously Announced | | | | | | 1,450 | | | $142 | Owned | 1,500 |
| SP5x phase 1 (São Paulo) ● | Previously Announced | | | | | | | 500 | | $52 | Owned | 1,525 |
| **Americas Sellable Cabinet Adds** | | **-** | **6,075** | **1,025** | **1,975** | **-** | **2,200** | **500** | **-** | **$760** | | |
| AM4 phase 3 (Amsterdam) | Open | 1,000 | | | | | | | | $25 | Owned | - |
| WA3 phase 1 (Warsaw) | Open | 575 | | | | | | | | $35 | Owned | 725 |
| AM7 phase 2-B (Amsterdam) | Previously Announced | | 475 | | | | | | | $6 | Owned | - |
| HH1 phase 1 (Hamburg) | Previously Announced | | 375 | | | | | | | $27 | Owned | 1,500 |
| FR5 phase 4 (Frankfurt) | Previously Announced | | 350 | | | | | | | $25 | Owned | 1,150 |
| ZH5 phase 3 (Zurich) | Previously Announced | | 475 | | | | | | | $91 | Owned | 950 |
| PA2 phase 4 (Paris) | Previously Announced | | | 250 | | | | | | $8 | Owned | - |
| MC1 phase 1 (Muscat) | Previously Announced | | | 250 | | | | | | $29 | Owned / JV | 475 |
| PA9x phase 1 (Paris) ● | Previously Announced | | | | 1,200 | | | | | $112 | Owned | - |
| AM7 phase 3 (Amsterdam) | Previously Announced | | | | | 1,425 | | | | $63 | Owned | - |
| LD7 phase 2 (London) | Previously Announced | | | | | 875 | | | | $30 | Owned* | - |
| LD11x phase 1 (London) ● | Previously Announced | | | | | 1,450 | | | | $135 | Leased / JV | 1,450 |
| ML5 phase 1 (Milan) | Previously Announced | | | | | 500 | | | | $48 | Owned | 975 |
| FR9x phase 1 (Frankfurt) ● | Previously Announced | | | | | | 1,325 | | | $121 | Owned / JV | 1,325 |
| HE7 phase 2 (Helsinki) | Previously Announced | | | | | | 600 | | | $28 | Owned | - |
| FR8 phase 1 (Frankfurt) | Newly Approved | | | | | | | 1,675 | | $109 | Owned | - |
| MU4 phase 1 (Munich) | Previously Announced | | | | | | | 825 | | $69 | Owned | 4,150 |
| **EMEA Sellable Cabinet Adds** | | **1,575** | **1,675** | **500** | **1,200** | **4,250** | **1,925** | **2,500** | **-** | **$961** | | |
| HK4 phase 3 (Hong Kong) | Previously Announced | | 1,000 | | | | | | | $47 | Leased | 3,000 |
| TY12x phase 1 (Tokyo)● | Previously Announced | | | | 950 | | | | | $147 | Owned | 5,525 |
| SG4 phase 2 (Singapore) | Newly Approved | | | | | 1,400 | | | | $49 | Leased | 1,300 |
| SG5 phase 1 (Singapore) | Previously Announced | | | | | 1,300 | | | | $144 | Owned | 3,700 |
| TY11 phase 2 (Tokyo) | Previously Announced | | | | | 1,225 | | | | $58 | Leased | 1,575 |
| OS2x phase 1 (Osaka)● | Previously Announced | | | | | | | | 1,350 | $156 | Owned | 5,475 |
| **Asia-Pacific Sellable Cabinet Adds** | | **-** | **1,000** | **-** | **950** | **3,925** | **-** | **-** | **1,350** | **$602** | | |
| **Global Sellable Cabinet Adds** | | **1,575** | **8,750** | **1,525** | **4,125** | **8,175** | **4,125** | **3,000** | **1,350** | **$2,323** | | |

## Expansion Highlights

- 2 newly announced major expansion projects in existing markets (Frankfurt and Singapore)
- 32 major construction projects underway including 6 xScale projects adding capacity in 22 metros in 14 countries
- Estimated FY20 ending cabinet equivalent capacity of ~314,000

● Dedicated xScale Development

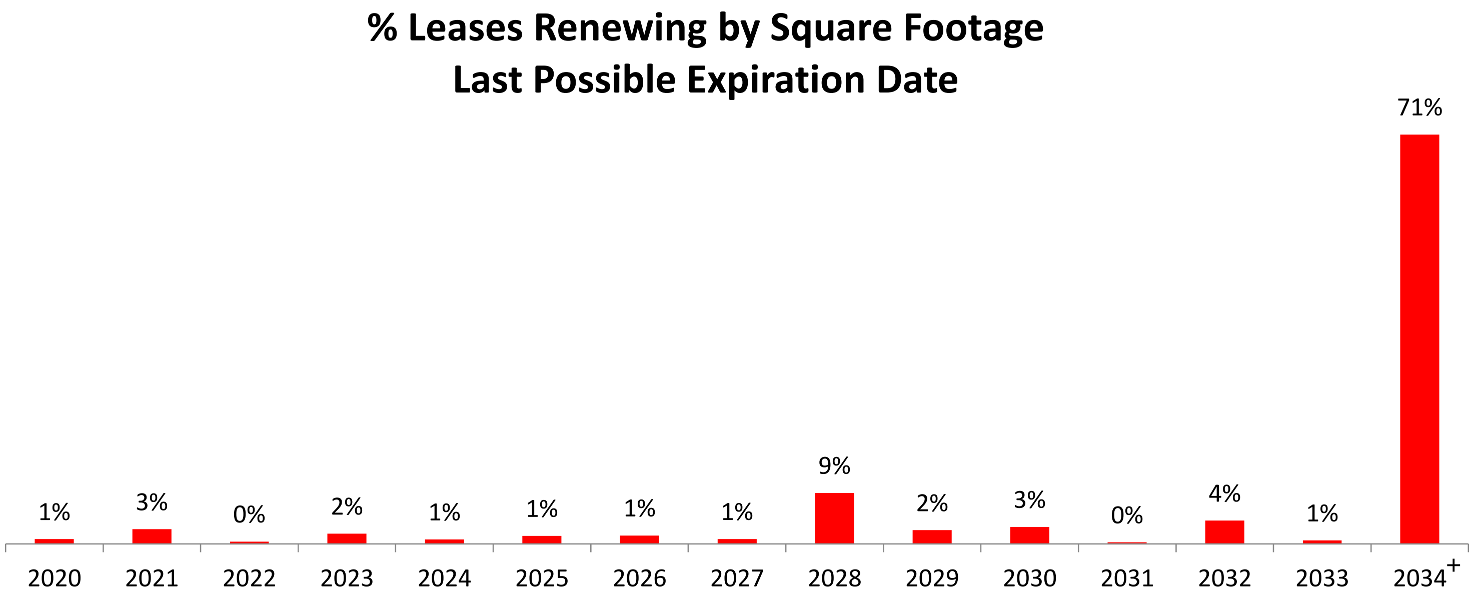
* Subject to long-term ground lease

(1) Sellable cabinet equivalents and capital expenditures are approximate and may change based on final construction details

# Long-Term Lease Renewals

Weighted average lease maturity of greater than 18 years including extensions

**Global Lease Portfolio Expiration Waterfall** [(1)]




## Equinix Owned Sites [(2)]

- Own 95 of 211 IBXs
- 14.4M of 24.5M total gross square feet [(3)]
- 55% of total recurring revenues

## Limited Near-Term Lease Expirations

- Only 0.4M square feet up for renewal prior to 2023

84% of our recurring revenue is generated by either owned properties or properties where our lease expirations extend to 2034 and beyond

(1) This lease expiration waterfall represents when leased square footage would expire if we assume all available renewal options are exercised as of December 31, 2020. Square footage represents area in operation based on customer ready date
(2) Owned assets defined as fee-simple ownership or owned building on long-term ground lease
(3) Excludes EMEA xScale JV assets

# Same Store Operating Performance (1)

| Category | | Revenues ($M) | | | | | | Cash Cost, Gross Profit and PP&E ($M) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Category | | Colocation | Inter-connection | Services/ Other | Total Recurring | Non-recurring | Total Revenues | Cash Cost of Revenues | Cash Gross Profit | *Cash Gross Margin %* | Gross PP&E | *Trailing 4-Qtr Cash Return on Gross PP&E %* |
| Q1 2020 | Stabilized | $692 | $181 | $57 | **$930** | $44 | **$975** | $313 | **$661** | *67.9%* | $9,111 | *29%* |
| Q1 2019 | Stabilized | $675 | $162 | $60 | **$897** | $53 | **$950** | $305 | **$645** | *67.9%* | $8,852 | *28%* |
| **Stabilized YoY %** | | ***3%*** | ***12%*** | ***-5%*** | ***4%*** | ***-16%*** | ***3%*** | ***3%*** | ***3%*** | ***0%*** | ***3%*** | ***1%*** |
| Stabilized @ CC YoY % (2) | | *3%* | *13%* | *-2%* | *5%* | *-16%* | *3%* | *3%* | *3%* | ***0%*** | ***5%*** | ***0%*** |
| Q1 2020 | Expansion | $325 | $60 | $20 | **$405** | $31 | **$436** | $140 | **$296** | *67.8%* | $5,953 | *19%* |
| Q1 2019 | Expansion | $297 | $50 | $17 | **$363** | $33 | **$396** | $128 | **$268** | *67.6%* | $5,253 | *19%* |
| **Expansion YoY %** | | ***9%*** | ***21%*** | ***21%*** | ***11%*** | ***-5%*** | ***10%*** | ***9%*** | ***10%*** | ***0%*** | ***13%*** | ***0%*** |
| Q1 2020 | Total | $1,017 | $241 | $77 | **$1,335** | $76 | **$1,411** | $454 | **$957** | *67.9%* | $15,064 | *25%* |
| Q1 2019 | Total | $972 | $211 | $77 | **$1,260** | $86 | **$1,347** | $433 | **$913** | *67.8%* | $14,104 | *25%* |
| **Total YoY %** | | ***5%*** | ***14%*** | ***0%*** | ***6%*** | ***-12%*** | ***5%*** | ***5%*** | ***5%*** | ***0%*** | ***7%*** | ***0%*** |

(1) Excludes AM11, Axtel acquisition, Packet acquisition, Infomart non-IBX tenant income, unconsolidated IBX JK1 and EMEA xScale JV
(2) YoY growth on a constant currency basis assumes average currency rates used in our financial results remained the same over comparative periods

# Consolidated Portfolio Operating Performance[1]

| Category | # of IBXs | Total Cabinet Capacity | Cabinets Billed (Cabinets Billed) | Cabinet Utilization % (Cabinets Billed) | Total Recurring (Q1 20 Revenues ($M)) | Owned % of Total Recurring (Q1 20 Revenues ($M)) |
|---|---|---|---|---|---|---|
| **Americas** | | | | | | |
| Owned[2] | 46 | 77,400 | 58,200 | 75% | **$417** | |
| Leased | 40 | 33,900 | 27,800 | 82% | **$197** | |
| **Americas Total** | **86** | **111,300** | **86,000** | **77%** | **$614** | **68%** |
| **EMEA** | | | | | | |
| Owned[2] | 31 | 81,000 | 66,300 | 82% | **$282** | |
| Leased | 42 | 41,600 | 34,200 | 82% | **$159** | |
| **EMEA Total** | **73** | **122,600** | **100,500** | **82%** | **$441** | **64%** |
| **Asia-Pacific** | | | | | | |
| Owned[2] | 15 | 16,600 | 11,600 | 70% | **$38** | |
| Leased | 30 | 49,200 | 39,200 | 80% | **$246** | |
| **Asia-Pacific Total** | **45** | **65,800** | **50,800** | **77%** | **$284** | **13%** |
| **EQIX Total** | **204** | **299,700** | **237,300** | **79%** | **$1,339** | **55%** |
| **Other Real Estate** | | | | | | |
| Owned[3] | | | | | **$10** | |
| **Other Real Estate Total** | | | | | **$10** | **100%** |
| **Acquisition Total**[4] | **4** | **300** | **300** | **100%** | **$6** | **78%** |
| **Combined Total** | **208** | **300,000** | **237,600** | **79%** | **$1,355** | **55%** |

(1) Excludes Packet acquisition, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV; Acquisition IBX level financials are based on allocations which will be refined as integration activities continue
(2) Owned assets include those subject to long-term ground leases
(3) Includes Infomart non-IBX tenant income
(4) Includes AM11 and Axtel acquisition in IBX count; Axtel acquisition cabinet count is excluded

# Data Center Portfolio Composition

| Metro | Count | Stabilized | Expansion | New | Acquisition | xScale | Owned | Leased |
|---|---|---|---|---|---|---|---|---|
| Atlanta | 5 | AT2, AT3, AT4, AT5 | AT1 | | | | AT4 | AT1, AT2, AT3, AT5 |
| Bogota | 1 | BG1 | | | | | BG1 | |
| Boston | 2 | BO1 | BO2 | | | | BO2 | BO1 |
| Chicago | 5 | CH1, CH2, CH4, CH7 | CH3 | | | | CH3, CH7 | CH1, CH2, CH4 |
| Culpeper | 4 | CU1,CU2, CU3 | CU4 | | | | CU1, CU2, CU3, CU4 | |
| Dallas | 8 | DA1, DA2, DA3, DA4, DA7, DA9, DA10 | DA6 | | | | DA1, DA2, DA3, DA6, DA9 | DA4, DA7, DA10 |
| Washington DC/Ashburn | 14 | DC1, DC2, DC3, DC4, DC5, DC6, DC7, DC8, DC10, DC11, DC12, DC13, DC97 | DC14 | | | | DC1, DC2, DC4, DC5, DC6, DC11, DC12, DC13, DC14 | DC3, DC7, DC8, DC10, DC97 |
| Denver | 2 | DE1 | DE2 | | | | DE2 | DE1 |
| Houston | 1 | | HO1 | | | | HO1 | |
| Los Angeles | 5 | LA1, LA2, LA3 | LA4, LA7 | | | | LA4, LA7 | LA1, LA2, LA3 |
| Mexico City | 2 | | | | MX1, MX2 | | MX1, MX2 | |
| Miami | 4 | MI2, MI3, MI6 | MI1 | | | | MI1, MI6 | MI2, MI3 |
| Monterrey | 1 | | | | MO1 | | | MO1 |
| New York | 10 | NY1, NY2, NY4, NY7, NY8, NY9, NY11, NY13 | NY5, NY6 | | | | NY2, NY4*, NY5*, NY6*, NY11 | NY1, NY7, NY8, NY9, NY13 |
| Philadelphia | 1 | PH1 | | | | | | PH1 |
| Rio de Janiero | 2 | RJ1 | RJ2 | | | | RJ2* | RJ1 |
| Sao Paulo | 4 | SP1, SP2 | SP3, SP4 | | | | SP1, SP2, SP3 | SP4 |
| Seattle | 3 | SE2, SE3 | SE4 | | | | SE4 | SE2, SE3 |
| Silicon Valley | 13 | SV1, SV2, SV3, SV4, SV5, SV6, SV8, SV13, SV14, SV15, SV16, SV17 | SV10 | | | | SV1, SV5, SV10, SV14, SV15, SV16 | SV2, SV3, SV4, SV6, SV8, SV13, SV17 |
| Toronto | 2 | TR1 | TR2 | | | | TR2 | TR1 |
| **Americas** | **89** | **67** | **19** | **0** | **3** | **0** | **48** | **41** |
| Abu Dhabi | 1 | AD1 | | | | | | AD1 |
| Amsterdam | 9 | AM1, AM2, AM3, AM5, AM8 | AM4, AM6, AM7 | | AM11 | | AM1*, AM2*, AM3*, AM4, AM5, AM6, AM7 | AM8, AM11 |
| Barcelona | 1 | | BA1 | | | | | BA1 |
| Dubai | 2 | DX1, DX2 | | | | | | DX1, DX2 |
| Dublin | 4 | DB1, DB2, DB3, DB4 | | | | | DB3, DB4 | DB1, DB2 |
| Dusseldorf | 1 | DU1 | | | | | DU1 | |
| East Netherlands | 2 | EN1, ZW1 | | | | | | EN1, ZW1 |
| Frankfurt | 6 | FR1, FR4, FR6, FR7 | FR2, FR5 | | | | FR2, FR4, FR5, FR6 | FR1, FR7 |
| Geneva | 2 | GV1, GV2 | | | | | | GV1,GV2 |
| Helsinki | 6 | HE1, HE3, HE4, HE6 | HE5 | HE7 | | | HE6, HE7 | HE1, HE3, HE4, HE5 |
| Istanbul | 1 | | IL2 | | | | IL2 | |
| Lisbon | 1 | | LS1 | | | | LS1 | |
| London | 9 | LD3, LD5, LD6, LD8 | LD4, LD9, LD10 | LD7 | | LD13x | LD4*, LD5*, LD6*, LD7* | LD3, LD8, LD9, LD10, LD13x |
| Madrid | 2 | MD1 | MD2 | | | | | MD1, MD2 |
| Manchester | 4 | MA1, MA2, MA3, MA4 | | | | | | MA1, MA2, MA3, MA4 |
| Milan | 3 | ML2, ML3, ML4 | | | | | ML3 | ML2, ML4 |
| Munich | 2 | MU1, MU3 | | | | | | MU1, MU3 |
| Paris | 8 | PA1, PA2, PA3, PA4, PA5, PA6, PA7 | | | | PA8x | PA2, PA3, PA4, PA8x | PA1, PA5, PA6, PA7 |
| Seville | 1 | SA1 | | | | | | SA1 |
| Sofia | 2 | SO1 | | SO2 | | | SO1, SO2 | |
| Stockholm | 3 | SK1, SK3 | SK2 | | | | SK2 | SK1, SK3 |
| Warsaw | 3 | WA2 | WA1 | WA3 | | | WA3 | WA1, WA2 |
| Zurich | 3 | ZH2 | ZH4, ZH5 | | | | ZH5 | ZH2, ZH4 |
| **EMEA** | **76** | **52** | **17** | **4** | **1** | **2** | **32** | **44** |
| Adelaide | 1 | AE1 | | | | | AE1 | |
| Brisbane | 1 | BR1 | | | | | BR1 | |
| Canberra | 1 | | CA1 | | | | CA1 | |
| Hong Kong | 5 | HK3, HK5 | HK1, HK2, HK4 | | | | | HK1, HK2, HK3, HK4, HK5 |
| Melbourne | 4 | ME1, ME5 | ME4 | ME2 | | | ME1, ME2, ME4, ME5 | |
| Osaka | 2 | OS99 | OS1 | | | | | OS1, OS99 |
| Perth | 2 | PE1 | PE2 | | | | PE1, PE2 | |
| Seoul | 1 | | | SL1 | | | | SL1 |
| Singapore | 4 | SG1, SG2 | SG3 | SG4 | | | | SG1, SG2, SG3, SG4 |
| Shanghai | 5 | SH1, SH2, SH3, SH5 | | SH6 | | | SH3 | SH1, SH2, SH5, SH6 |
| Sydney | 8 | SY1, SY2, SY3, SY4, SY8 | SY6, SY7 | SY5 | | | SY4*, SY5, SY6, SY7 | SY1, SY2, SY3, SY8 |
| Tokyo | 11 | TY1, TY2, TY3, TY4, TY5, TY6, TY7, TY8, TY9, TY10 | | TY11 | | | TY10* | TY1, TY2, TY3, TY4, TY5, TY6, TY7, TY8, TY9, TY11 |
| Jakarta (unconsolidated) | 1 | JK1 | | | | | | JK1 |
| **APAC** | **46** | **30** | **10** | **6** | **0** | **0** | **15** | **31** |
| **Total** | **211** | **149** | **46** | **10** | **4** | **2** | **95** | **116** |

## Change Summary [1]

**Expansion to Stabilized**
AM2
DC11
DC12
FR6
GV1
HE4
HK5
LD6
LD8
ME1
MI6
ML2
PA4
NY13
SV17
SY4

**Stabilized to Expansion**
HE5
HK4
LA7
WA1

**New IBX**
WA3

**Leased to Owned**
SP1

Status Change

* Subject to long-term ground lease

(1) Stabilized/Expansion/New IBX categorization are reset annually

# Adjusted Corporate NOI [1] ($M, except # of IBXs)

EQUINIX

| Calculation Of Adjusted Corp NOI | Q1 2020 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|---|---|---|---|---|
| # of IBXs [1] | 208 | 204 | 203 | 202 | 201 |
| Recurring Revenues [2] | $1,355 | $1,333 | $1,316 | $1,301 | $1,273 |
| Recurring Cash Cost of Revenues Allocation | (423) | (425) | (412) | (408) | (386) |
| Cash Net Operating Income | 931 | 909 | 904 | 892 | 887 |
| Operating Lease Rent Expense Add-back [3] | 47 | 47 | 47 | 45 | 43 |
| Regional Cash SG&A Allocated to Properties [4] | (150) | (153) | (147) | (140) | (150) |
| Adjusted Cash Net Operating Income [3] | $829 | $802 | $804 | $798 | $781 |
| Adjusted Cash NOI Margin | *61.2%* | *60.2%* | *61.1%* | *61.3%* | *61.3%* |
| **Reconciliation of NOI Cost Allocations** | | | | | |
| Non-Recurring Revenues (NRR) [2] | $78 | $75 | $77 | $78 | $87 |
| Non-Recurring Cash Cost of Revenues Allocation | (46) | (51) | (49) | (49) | (59) |
| Net NRR Operating Income | $32 | $25 | $29 | $30 | $29 |
| Total Cash Cost of Revenues [2] | $469 | $475 | $460 | $457 | $445 |
| Non-Recurring Cash Cost of Revenues Allocation | (46) | (51) | (49) | (49) | (59) |
| Recurring Cash Cost of Revenues Allocation | $423 | $425 | $412 | $408 | $386 |
| Regional Cash SG&A Allocated to Stabilized & Expansion Properties [1] | $145 | $149 | $145 | $138 | $149 |
| Regional Cash SG&A Allocated to New Properties [1] | 5 | 5 | 2 | 2 | 1 |
| Total Regional Cash SG&A | 150 | 153 | 147 | 140 | 150 |
| Corporate Cash SG&A in HQ Functions Not Allocated to Regions NOI | 132 | 109 | 109 | 106 | 104 |
| Total Cash SG&A [4] | $281 | $262 | $257 | $246 | $254 |
| Corporate HQ SG&A as a % of Total Revenues | *9.1%* | *7.7%* | *7.8%* | *7.6%* | *7.7%* |

(1) Excludes Packet acquisition, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV
(2) Excludes revenues and cash cost of revenues from Packet acquisition, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV
(3) Adjusted NOI excludes operating lease expenses
(4) 100% of Regional SG&A Allocated to Properties excludes incremental SG&A costs not directly supporting a regional portfolio and integration costs

# Adjusted NOI Composition – Organic[1]

| Category | # of IBXs | Total Cabinet Capacity | Cabinets Billed | Cabinet Utilization % | Q1 2020 Recurring Revenues ($M) | Q1 2020 Quarterly Adjusted NOI ($M) | % NOI |
|---|---|---|---|---|---|---|---|
| **Stabilized** | | | | | | | |
| Owned (2) | 54 | 94,500 | 80,200 | 85% | $467 | $325 | 39% |
| Leased | 94 | 89,400 | 73,700 | 82% | $463 | $271 | 33% |
| **Stabilized Total** | **148** | **183,900** | **153,900** | **84%** | **$930** | **$596** | **72%** |
| **Expansion** | | | | | | | |
| Owned (2) | 32 | 74,300 | 54,900 | 74% | $267 | $148 | 18% |
| Leased | 14 | 31,700 | 26,900 | 85% | $138 | $83 | 10% |
| **Expansion Total** | **46** | **106,000** | **81,800** | **77%** | **$405** | **$231** | **28%** |
| **New** | | | | | | | |
| Owned (2) | 6 | 6,200 | 1,000 | 16% | $2 | -$4 | 0% |
| Leased | 4 | 3,600 | 600 | 17% | $0 | -$3 | 0% |
| **New Total** | **10** | **9,800** | **1,600** | **16%** | **$3** | **-$6** | **-1%** |
| **Other Real Estate** | | | | | | | |
| Owned (3) | | | | | $10 | $5 | 1% |
| **Other Real Estate Total** | | | | | **$10** | **$5** | **1%** |
| **Combined** | | | | | | | |
| Owned (2) | **92** | **175,000** | **136,100** | **78%** | $746 | $475 | **57%** |
| Leased | **112** | **124,700** | **101,200** | **81%** | $602 | $351 | **43%** |
| **Combined Total** | **204** | **299,700** | **237,300** | **79%** | **$1,348** | **$825** | **100%** |

(1) Excludes AM11, Axtel acquisition, Packet acquisition, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV
(2) Owned assets include those subject to long-term ground leases
(3) Includes Infomart non-IBX tenant income

# Components of Net Asset Value

EQUINIX

| Operating Portfolio Adjusted NOI | Ownership | Reference | Q1 20 Quarterly Adjusted NOI ($M) |
|---|---|---|---|
| Stabilized | Owned | Adjusted NOI Segments | $325 |
| Stabilized | Leased | Adjusted NOI Segments | $271 |
| Expansion | Owned | Adjusted NOI Segments | $148 |
| Expansion | Leased | Adjusted NOI Segments | $83 |
| Other Real Estate | Owned | Adjusted NOI Segments | $5 |
| **Quarterly Adjusted NOI (Stabilized, Expansion & Other Real Estate Only)** | | | $832 |
| **Other Operating Income** | | | |
| Acquisition Net Operating Income (1) | | | $3 |
| Quarterly Non-Recurring Operating Income | | | $32 |
| **Unstabilized Properties** | | | |
| New IBX at Cost | | | $897 |
| Development CIP and Land Held for Development | | | $1,055 |
| **Other Assets** | | | |
| Cash, Cash Equivalents and Investments | | Balance Sheet | $1,197 |
| Restricted Cash (2) | | Balance Sheet | $15 |
| Accounts Receivable, Net | | Balance Sheet | $687 |
| Prepaid Expenses and Other Assets (3) | | Balance Sheet | $824 |
| Total Other Assets | | | $2,723 |
| **Liabilities** | | | |
| Book Value of Debt (4) | | Balance Sheet | $10,098 |
| Accounts Payable and Accrued Liabilities (5) | | Balance Sheet | $1,035 |
| Dividend and Distribution Payable | | Balance Sheet | $14 |
| Deferred Tax Liabilities and Other Liabilities (6) | | Balance Sheet | $557 |
| Total Liabilities | | | $11,703 |
| **Other Operating Expenses** | | | |
| Annualized Cash Tax Expense | | | $132 |
| Annualized Cash Rent Expense (7) | | | $314 |
| **Diluted Shares Outstanding (millions)** | | Estimated 2020 Fully Diluted Shares | 87.5 |

(1) Includes AM11 and Axtel acquisition
(2) Restricted cash is included in other current assets and other assets in the balance sheet
(3) Consists of other current assets, other non-current assets and increase from JV investment less restricted cash, debt issuance costs and contract costs
(4) Excludes finance lease and operating lease liabilities
(5) Consists of accounts payable and accrued expenses and accrued property, plant and equipment
(6) Consists of other current liabilities, other noncurrent liabilities, deferred tax liabilities less dividend and distribution payable
(7) Includes operating lease rent payments and finance lease principal and interest payments; excludes equipment and office leases

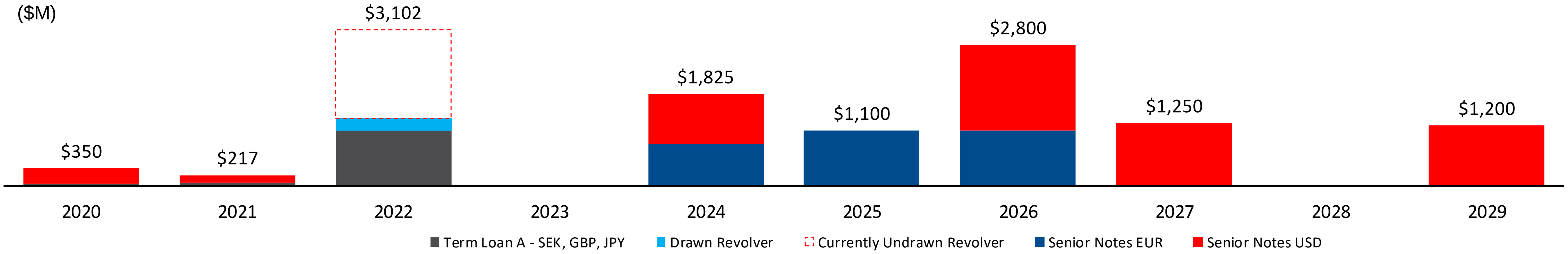
# Debt Summary

| Debt | Spread / Coupon | Interest Rate | Maturity | First Call Date | First Call / Current Call | Balance [1] ($M) |
|---|---|---|---|---|---|---|
| Revolver [2] | L + 100 | 1.959% | Dec-22 | - | - | 250 |
| Term Loan A - SEK, GBP, JPY [3] | L + 120 | 1.353% | Dec-22 | - | - | 1,219 |
| Senior Notes | | | | | | |
| USD due in 2020, 2021 | 5.000% | 5.000% | Various | - | - | 450 |
| USD due in 2024 | 2.625% | 2.625% | Nov-24 | Oct-24 | 100.000 | 1,000 |
| USD due in 2026 | 5.875% | 5.875% | Jan-26 | Jan-21 | 102.938 | 1,100 |
| USD due in 2026 | 2.900% | 2.900% | Nov-26 | Sep-26 | 100.000 | 600 |
| USD due in 2027 | 5.375% | 5.375% | May-27 | May-22 | 102.688 | 1,250 |
| USD due in 2029 | 3.200% | 3.200% | Nov-29 | Aug-29 | 100.000 | 1,200 |
| **USD Total** | **4.221%** | **4.221%** | | | - | **$ 5,600** |
| EUR due in 2024 | 2.875% | 2.875% | Mar-24 | Sep-20 | 101.438 | 825 |
| EUR due in 2025 | 2.875% | 2.875% | Oct-25 | Oct-20 | 101.438 | 1,100 |
| EUR due in 2026 | 2.875% | 2.875% | Feb-26 | Feb-21 | 101.438 | 1,100 |
| **EUR Total** | **2.875%** | **2.875%** | | | - | **$ 3,026** |
| Mortgage Payable and Other Loans Payable | Various | 3.580% | Various | | - | 77 |
| **Subtotal** | | | | | | **$ 10,172** |
| Finance Lease Obligations | | | | | | 1,579 |
| **Total Debt** | | | | | | **$ 11,752** |

## Debt Amortization

- $750M senior unsecured 364-Day Facility entered on April 15
- $250M revolver draw was repaid on May 6
- $1.22B multi-currency Term Loan A amortizes at 5% per year through 2022
- Senior notes mature 2024 through 2029
- Infomart senior notes of $150M each mature semi-annually through April 2021

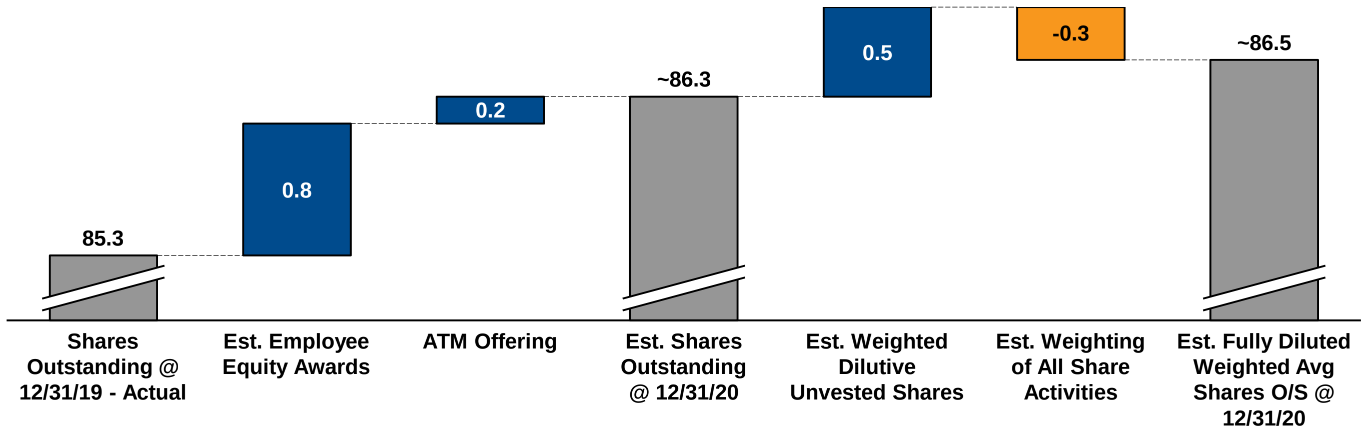
## Debt Maturity Profile [1] [2] [3] [4]



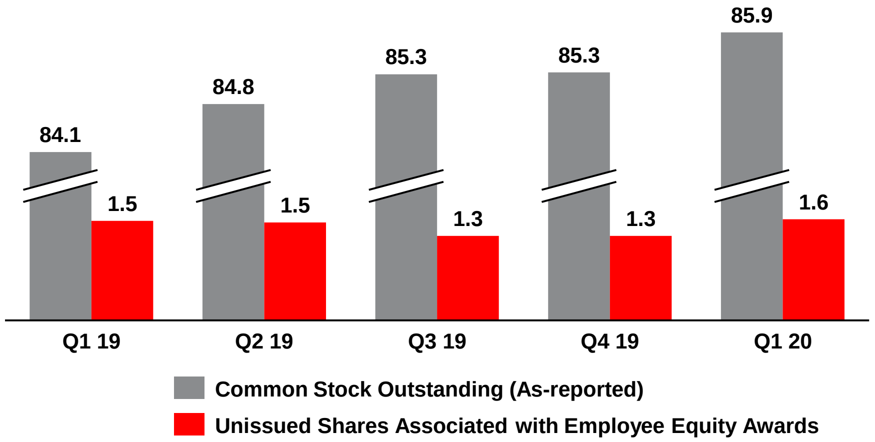

(1) Principal balances outstanding as of reporting period
(2) $250M revolver draw was repaid on May 6, 2020
(3) Term Loan A is a multicurrency loan with outstanding balances of approximately SEK 2.5B, GBP 450M and JPY 43.9B
(4) Excludes finance leases, mortgage payable and other loans payable

# Shares Forecast ('M)

## Fully Diluted Weighted Average Shares




## Common Stock Outstanding




| | Actual/Forecasted Shares | Forecasted Shares - Fully Diluted (For NAV) | Weighted-Average Shares - Basic | Weighted-Average Shares - Fully Diluted |
|---|---|---|---|---|
| Shares outstanding at the beginning of the year | 85.31 | 85.31 | 85.31 | 85.31 |
| RSUs vesting (1) | 0.64 | 0.64 | 0.41 | 0.41 |
| ESPP purchases (1) | 0.17 | 0.17 | 0.10 | 0.10 |
| ATM Offering | 0.16 | 0.16 | 0.13 | 0.13 |
| Dilutive impact of unvested employee equity awards | - | 1.28 (2) | - | 0.54 (3) |
| | 0.96 | 2.24 | 0.64 | 1.19 |
| **Shares outstanding - Forecast** (4) | **86.27** | **87.55** | **85.95** | **86.49** |

For Diluted AFFO/Share

(1) Represents forecasted shares expected to be issued for employee equity awards

(2) Represents the dilutive impact of employee equity awards that were granted, but unvested as of year end

(3) Represents the dilutive impact of employee equity awards that were granted, but unvested as of year end and any employee equity awards to be issued in 2020. The weighted-average shares are calculated on the same basis as diluted EPS for U.S. GAAP purposes

(4) Excludes any potential financing or refinancing the Company may undertake in the future including ATM equity sales

# Capital Expenditures Profile

EQUINIX

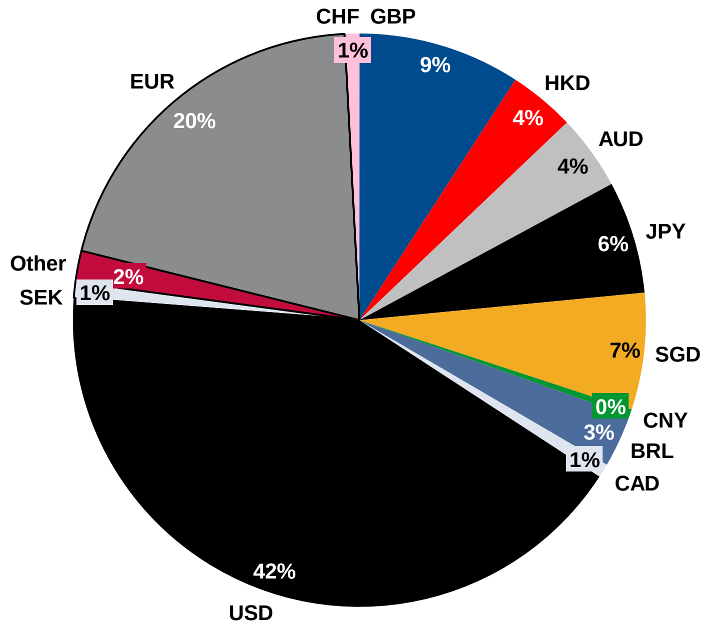
($M)

| | | Q1 2020 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|---|---|---|---|---|---|
| **Recurring** | IBX Maintenance | 9 | 63 | 34 | 26 | 11 |
| | Sustaining IT & Network | 5 | 10 | 7 | 4 | 6 |
| | Re-configuration Installation | 4 | 8 | 6 | 7 | 4 |
| | **Subtotal - Recurring** | **18** | **81** | **47** | **37** | **21** |
| **Non-Recurring** | IBX Expansion | 310 | 496 | 412 | 325 | 270 |
| | Transform IT, Network & Offices | 46 | 96 | 69 | 51 | 55 |
| | Initial / Custom Installation | 27 | 42 | 29 | 32 | 18 |
| | **Subtotal - Non-Recurring** | **383** | **634** | **509** | **407** | **343** |
| **Total** | | **401** | **715** | **557** | **444** | **364** |
| | *Recurring Capital Expenditures as a % of Revenues* | *1.2%* | *5.7%* | *3.4%* | *2.7%* | *1.5%* |

# FX Rates, Hedging and Currencies

| Revenue FX Rates | | | | | |
|---|---|---|---|---|---|
| Currency | Guidance Rate [1] | Hedge Rate [2] | Blended Guidance Rate [2] | Blended Hedge % [3] | % of Revenues |
| USD | 1.00 | | | | 42% |
| EUR to USD | 1.10 | 1.14 | 1.13 | 64% | 20% |
| GBP to USD | 1.24 | 1.30 | 1.28 | 72% | 9% |
| JPY to USD | 0.01 | | | | 6% |
| SGD to USD | 0.70 | | | | 7% |
| HKD to USD | 0.13 | | | | 4% |
| BRL to USD | 0.19 | | | | 3% |
| AUD to USD | 0.61 | | | | 4% |
| SEK to USD | 0.10 | 0.11 | 0.11 | 75% | 1% |
| CHF to USD | 1.04 | 1.02 | 1.03 | 64% | 1% |
| CAD to USD | 0.71 | | | | 1% |
| CNY to USD | 0.14 | | | | 0% |
| Other [5] | - | | | | 2% |

## Currency % of Revenues [4]




(1) Guidance rate as of close of market on 3/31/2020
(2) Hedge rate and blended guidance rate for Q2 20
(3) Blended hedge percent for combined Equinix business for Q2 20
(4) Currency % of revenues based on combined Q1 2020 revenues; adjusted AUD, JPY, SGD and other currencies for USD billings
(5) Other includes AED, BGN, COP, KRW, PLN, MXN and TRY currencies

# Industry Analyst Reports

| Solution Category | Reports |
| --- | --- |
| Interconnection | • Trends Driving the MTDC and Services Industry 2020, 451 Research, 1/28/20<br>• IDC names Equinix a Leader in Colocation & Interconnection Services, IDC, 1/10/20<br>• Infrastructure is Everywhere: The Evolution of Data Centers, Gartner, 7/18/19<br>• Colocation Cloud Interconnection Requires a Purposeful, Planned Approach, Gartner, 5/20/19 |
| Multi-cloud | • Market Trends: CSPs Must Accelerate Direct Connections to Cloud, Gartner, 12/6/19<br>• 7 Elements for Creating a Pragmatic Enterprise Cloud Strategy, Gartner, 6/3/19<br>• Total Economic Impact of Equinix, Forrester, April 2019 |
| Edge Computing | • Market Trends: SD-WAN and NFV for Enterprise Network Services, Gartner, 1/30/20<br>• Architecting Hybrid IT and Edge for Digital Advantage, 451 Research, 1/10/20<br>• How to Overcome Four Major Challenges in Edge Computing, Gartner, 11/4/19<br>• Equinix Network Edge Bridging the NFV Gap in Enterprise WAN Middle Mile, Frost & Sullivan, 8/30/19 |

# Equinix Leadership and Investor Relations

## Executive Team

**Charles Meyers**
Chief Executive Officer and President

**Keith Taylor**
Chief Financial Officer

**Raouf Abdel** - EVP, Global Operations
**Sara Baack** - Chief Product Officer
**Mike Campbell** - Chief Sales Officer
**Justin Dustzadeh** - Chief Technology Officer
**Simon Miller** - Chief Accounting Officer
**Brandi Galvin Morandi** - Chief Legal and Human Resources Officer and Corporate Secretary
**Eric Schwartz** - Chief Strategy and Development Officer
**Karl Strohmeyer** - Chief Customer and Revenue Officer
**Milind Wagle** - Chief Information Officer

## Board of Directors

**Peter Van Camp** - Executive Chairman, Equinix
**Charles Meyers** - Chief Executive Officer and President, Equinix
**Tom Bartlett** - President & Chief Executive Officer, American Tower
**Nanci Caldwell** - Former CMO, PeopleSoft
**Adaire Fox-Martin** - Executive Board Member, SAP SE, Global Customer Operations
**Gary Hromadko** - Private Investor
**Scott Kriens** - Chairman of the Board, Juniper Networks, Inc.
**William Luby** - Managing Partner, Seaport Capital
**Irving Lyons III** - Principal, Lyons Asset Management
**Christopher Paisley** - Dean's Executive Professor, Leavey School of Business at Santa Clara University
**Sandra Rivera** - Executive Vice President and Chief People Officer, Intel Corporation

## Equinix Investor Relations Contacts

**Katrina Rymill**
VP, IR and Sustainability
650-598-6583
krymill@equinix.com

**Chip Newcom**
Director, IR and Sustainability
650-598-6262
cnewcom@equinix.com

## Equinix Media Contacts

**David Fonkalsrud**
Director, Public Relations
650-598-6240
dfonkalsrud@equinix.com

**Michelle Lindeman**
Senior Manager, Public Relations
650-598-6361
mlindeman@equinix.com

## Equity Research Analysts

| | | |
|---|---|---|
| **Bank of America** | Michael | Funk |
| **Berenberg** | Nate | Crossett |
| **BMO Capital Markets** | Ari | Klein |
| **Citigroup** | Mike | Rollins |
| **Cowen** | Colby | Synesael |
| **Credit Suisse** | Sami | Badri |
| **FBN Securities** | Shebly | Seyrafi |
| **Goldman Sachs** | Brett | Feldman |
| **Green Street Advisors** | David | Guarino |
| **Jefferies** | Jonathan | Petersen |
| **JP Morgan** | Phil | Cusick |
| **KeyBanc** | Jordan | Sadler |
| **Moffet Nathenson** | Nick | Del Deo |
| **Morgan Stanley** | Simon | Flannery |
| **New Street Research** | Spencer | Kurn |
| **Nomura** | Greg | McNiff |
| **Oppenheimer** | Tim | Horan |
| **Raymond James** | Frank | Louthan |
| **RBC Capital Markets** | Jonathan | Atkin |
| **Stifel** | Erik | Rasmussen |
| **SunTrust** | Greg | Miller |
| **UBS** | John | Hodulik |
| **Wells Fargo** | Jennifer | Fritzsche |
| **William Blair** | James | Breen |

# Appendix: Non-GAAP Financial Reconciliations & Definitions

# Non-GAAP Reconciliations

**EQUINIX, INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - NON-GAAP PRESENTATION**

(in thousands)

(unaudited)

| | Three Months Ended | | |
|---|---|---|---|
| | March 31, 2020 | December 31, 2019 | March 31, 2019 |
| We define cash cost of revenues as cost of revenues less depreciation, amortization, accretion and stock-based compensation as presented below: | | | |
| Cost of revenues | $ 736,282 | $ 725,636 | $ 682,030 |
| Depreciation, amortization and accretion expense | (250,398) | (241,753) | (228,637) |
| Stock-based compensation expense | (9,343) | (6,739) | (5,012) |
| Cash cost of revenues | $ 476,541 | $ 477,144 | $ 448,381 |

We define cash gross profit as revenues less cash cost of revenues (as defined above).

We define cash gross margins as cash gross profit divided by revenues.

We define cash operating expense as selling, general, and administrative expense less depreciation, amortization, and stock-based compensation. We also refer to cash operating expense as cash selling, general and administrative expense or "cash SG&A".

| | March 31, 2020 | December 31, 2019 | March 31, 2019 |
|---|---|---|---|
| Selling, general, and administrative expense | $ 442,047 | $ 406,060 | $ 384,761 |
| Depreciation and amortization expense | (87,033) | (86,542) | (86,068) |
| Stock-based compensation expense | (71,223) | (55,387) | (44,011) |
| Cash operating expense | $ 283,791 | $ 264,131 | $ 254,682 |

We define adjusted EBITDA as income from operations excluding depreciation, amortization, accretion, stock-based compensation, restructuring charges, impairment charges, transaction costs and gain or loss on asset sales as presented below:

| | March 31, 2020 | December 31, 2019 | March 31, 2019 |
|---|---|---|---|
| Income from operations | $ 253,484 | $ 312,974 | $ 279,508 |
| Depreciation, amortization and accretion expense | 337,431 | 328,295 | 314,705 |
| Stock-based compensation expense | 80,566 | 62,126 | 49,023 |
| Impairment charges | — | (233) | 14,448 |
| Transaction costs | 11,530 | 16,545 | 2,471 |
| (Gain) loss on asset sales | 1,199 | (43,847) | — |
| Adjusted EBITDA | $ 684,210 | $ 675,860 | $ 660,155 |

# Non-GAAP Reconciliations

EQUINIX

**EQUINIX, INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - NON-GAAP PRESENTATION**

(in thousands)

(unaudited)

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | March 31, 2020 | December 31, 2019 | September 30, 2019 | June 30, 2019 | March 31, 2019 |
| The geographic split of our adjusted EBITDA is presented below: | | | | | |
| Americas income from operations | $ 47,308 | $ 136,236 | $ 88,494 | $ 99,195 | $ 90,011 |
| Americas depreciation, amortization and accretion expense | 171,439 | 165,580 | 168,397 | 167,614 | 167,136 |
| Americas stock-based compensation expense | 62,689 | 44,878 | 48,377 | 42,676 | 34,171 |
| Americas impairment charges | — | (233) | 1,189 | 386 | 14,448 |
| Americas transaction costs | 10,978 | 13,378 | 199 | (819) | 2,072 |
| Americas (gain) loss on asset sales | 1,199 | (45,763) | — | — | — |
| Americas adjusted EBITDA | $ 293,613 | $ 314,076 | $ 306,656 | $ 309,052 | $ 307,838 |
| EMEA income from operations | $ 126,004 | $ 96,453 | $ 113,771 | $ 106,555 | $ 105,007 |
| EMEA depreciation, amortization and accretion expense | 92,740 | 95,264 | 87,010 | 88,109 | 84,547 |
| EMEA stock-based compensation expense | 11,002 | 10,788 | 9,792 | 11,353 | 8,863 |
| EMEA transaction costs | 412 | 2,324 | 2,408 | 3,628 | 655 |
| EMEA (gain) loss on asset sales | — | 1,916 | (463) | — | — |
| EMEA adjusted EBITDA | $ 230,158 | $ 206,745 | $ 212,518 | $ 209,645 | $ 199,072 |
| Asia-Pacific income from operations | $ 80,172 | $ 80,285 | $ 83,103 | $ 86,031 | $ 84,490 |
| Asia-Pacific depreciation, amortization and accretion expense | 73,252 | 67,451 | 66,339 | 64,827 | 63,022 |
| Asia-Pacific stock-based compensation expense | 6,875 | 6,460 | 5,702 | 7,490 | 5,989 |
| Asia-Pacific transaction costs | 140 | 843 | 384 | (35) | (256) |
| Asia-Pacific adjusted EBITDA | $ 160,439 | $ 155,039 | $ 155,528 | $ 158,313 | $ 153,245 |
| Adjusted EBITDA | $ 684,210 | $ 675,860 | $ 674,702 | $ 677,010 | $ 660,155 |

We define adjusted EBITDA margin as adjusted EBITDA divided by revenues.

# Non-GAAP Reconciliations

(unaudited and in thousands)

| CALCULATION OF ADJUSTED EBITDA AND AFFO BY QUARTER | Q1 2020 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|---|---|---|---|---|
| Income from operations | $ 253,484 | $ 312,974 | $ 285,368 | $ 291,781 | $ 279,508 |
| Adjustments: | | | | | |
| Depreciation, amortization and accretion expense | 337,431 | 328,295 | 321,746 | 320,550 | 314,705 |
| Stock-based compensation expense | 80,566 | 62,126 | 63,871 | 61,519 | 49,023 |
| Impairment charges | — | (233) | 1,189 | 386 | 14,448 |
| (Gain) loss on asset sales | 1,199 | (43,847) | (463) | — | — |
| Transaction costs | 11,530 | 16,545 | 2,991 | 2,774 | 2,471 |
| **Adjusted EBITDA** | $ 684,210 | $ 675,860 | $ 674,702 | $ 677,010 | $ 660,155 |
| Revenue | $ 1,444,542 | $ 1,417,135 | $ 1,396,810 | $ 1,384,977 | $ 1,363,218 |
| Adjusted EBITDA as a % of Revenue | 47% | 48% | 48% | 49% | 48% |
| Adjustments: | | | | | |
| Interest expense, net of interest income | (103,065) | (110,085) | (110,473) | (112,785) | (118,644) |
| Amortization of deferred financing costs and debt discounts and premiums | 3,460 | 3,613 | 3,196 | 3,238 | 2,995 |
| Income tax expense | (30,191) | (37,632) | (57,827) | (47,324) | (42,569) |
| Income tax expense adjustment [(1)] | 2,833 | 13,502 | 7,592 | 10,592 | 7,990 |
| Straight-line rent expense adjustment | 1,806 | 773 | 2,716 | 2,300 | 2,378 |
| Installation revenue adjustment | (3,481) | 2,751 | 5,759 | 1,492 | 1,029 |
| Contract cost adjustment | (10,434) | (11,556) | (10,179) | (12,348) | (6,778) |
| Recurring capital expenditures | (17,868) | (80,925) | (47,404) | (36,726) | (20,947) |
| Other income (expense) | 5,170 | 12,336 | 3,428 | 12,180 | (166) |
| (Gain) loss on disposition of real estate property | 2,506 | (42,758) | 732 | 343 | 2,346 |
| Adjustments for unconsolidated JVs' and non-controlling interests | 958 | 2,885 | 39 | (325) | 331 |
| Adjustment for gain (loss) on asset sales | (1,199) | 43,847 | 463 | — | — |
| **Adjusted Funds from Operations (AFFO) attributable to common shareholders** | $ 534,705 | $ 472,611 | $ 472,744 | $ 497,647 | $ 488,120 |

[(1)] Represents the non-cash impact due to changes in valuation allowances and uncertain tax positions and deferred taxes that do not relate to current period's operations

# Non-GAAP Reconciliations

| (unaudited and in thousands, except per share amounts) | Q1 2020 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|---|---|---|---|---|
| Net income | $ 118,957 | $ 124,835 | $ 120,811 | $ 143,852 | $ 117,747 |
| Net (income) loss attributable to non-controlling interests | (165) | 160 | 39 | (325) | 331 |
| Net income attributable to Equinix | 118,792 | 124,995 | 120,850 | 143,527 | 118,078 |
| Adjustments: | | | | | |
| Real estate depreciation | 221,787 | 221,143 | 209,903 | 209,103 | 205,649 |
| (Gain) loss on disposition of real estate property | 2,506 | (42,758) | 732 | 343 | 2,346 |
| Adjustments for FFO from unconsolidated JVs | 669 | 645 | — | — | — |
| **Funds from Operations (FFO) attributable to common shareholders** | $ 343,754 | $ 304,025 | $ 331,485 | $ 352,973 | $ 326,073 |
| Adjustments: | | | | | |
| Installation revenue adjustment | (3,481) | 2,751 | 5,759 | 1,492 | 1,029 |
| Straight-line rent expense adjustment | 1,806 | 773 | 2,716 | 2,300 | 2,378 |
| Contract cost adjustment | (10,434) | (11,556) | (10,179) | (12,348) | (6,778) |
| Amortization of deferred financing costs and debt discounts and premiums | 3,460 | 3,613 | 3,196 | 3,238 | 2,995 |
| Stock-based compensation expense | 80,566 | 62,126 | 63,871 | 61,519 | 49,023 |
| Non-real estate depreciation expense | 65,591 | 60,712 | 63,151 | 60,904 | 57,994 |
| Amortization expense | 48,491 | 48,689 | 48,837 | 49,217 | 49,535 |
| Accretion expense (adjustment) | 1,562 | (2,249) | (145) | 1,326 | 1,527 |
| Recurring capital expenditures | (17,868) | (80,925) | (47,404) | (36,726) | (20,947) |
| (Gain) loss on debt extinguishment | 6,441 | 52,758 | (315) | — | 382 |
| Transaction costs | 11,530 | 16,545 | 2,991 | 2,774 | 2,471 |
| Impairment charges | — | (233) | 1,189 | 386 | 14,448 |
| Income tax expense adjustment | 2,833 | 13,502 | 7,592 | 10,592 | 7,990 |
| Adjustments for AFFO from unconsolidated JVs | 454 | 2,080 | — | — | — |
| **AFFO attributable to common shareholders** | $ 534,705 | $ 472,611 | $ 472,744 | $ 497,647 | $ 488,120 |

# Non-GAAP Reconciliations

| (unaudited and in thousands, except per share amounts) | Q1 2020 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|---|---|---|---|---|
| FFO per share: | | | | | |
| Basic | $ 4.02 | $ 3.56 | $ 3.90 | $ 4.18 | $ 3.99 |
| Diluted | $ 3.99 | $ 3.54 | $ 3.87 | $ 4.16 | $ 3.97 |
| AFFO per share: | | | | | |
| Basic | $ 6.25 | $ 5.54 | $ 5.56 | $ 5.90 | $ 5.97 |
| Diluted | $ 6.21 | $ 5.51 | $ 5.52 | $ 5.87 | $ 5.95 |
| Weighted average shares outstanding - basic | 85,551 | 85,289 | 85,012 | 84,399 | 81,814 |
| Weighted average shares outstanding - diluted [1] | 86,144 | 85,831 | 85,571 | 84,767 | 82,090 |

[1] Reconciliation of weighted-average shares outstanding used in the calculation of diluted FFO per share and diluted AFFO per share:

| | Q1 2020 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|---|---|---|---|---|
| Weighted average shares outstanding - basic | 85,551 | 85,289 | 85,012 | 84,399 | 81,814 |
| Effect of dilutive securities: | | | | | |
| Employee equity awards | 593 | 542 | 559 | 368 | 276 |
| Weighted average shares outstanding - diluted | 86,144 | 85,831 | 85,571 | 84,767 | 82,090 |

# Non-GAAP Reconciliations

| Consolidated NOI calculation | Q1 2020 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|---|---|---|---|---|
| (unaudited and in thousands) | | | | | |
| Revenues | $1,444,542 | $1,417,135 | $1,396,810 | $1,384,977 | $1,363,218 |
| Non-Recurring Revenues (NRR) (1) | 77,920 | 75,369 | 77,279 | 78,456 | 87,343 |
| Other Revenues (2) | 11,990 | 8,756 | 3,523 | 5,859 | 2,783 |
| Recurring Revenues (1) | $1,354,632 | $1,333,009 | $1,316,008 | $1,300,662 | $1,273,093 |
| | | | | | |
| Cost of Revenues | $ (736,282) | $ (725,636) | $ (704,339) | $ (698,179) | $ (682,030) |
| Depreciation, Amortization and Accretion Expense | 250,398 | 241,753 | 232,285 | 230,696 | 228,637 |
| Stock-Based Compensation Expense | 9,343 | 6,739 | 7,104 | 6,500 | 5,012 |
| Total Cash Cost of Revenues (1) | $ (476,541) | $ (477,144) | $ (464,950) | $ (460,983) | $ (448,381) |
| | | | | | |
| Non-Recurring Cash Cost of Revenues Allocation (1) | (45,579) | (50,536) | (48,541) | (48,598) | (58,559) |
| Other Cash Cost of Revenues (2) | (7,692) | (2,106) | (4,730) | (4,115) | (3,855) |
| Recurring Cash Cost of Revenues Allocation | $ (423,270) | $ (424,502) | $ (411,679) | $ (408,271) | $ (385,967) |
| Operating Lease Rent Expense Add-back (3) | 47,106 | 47,008 | 46,558 | 45,261 | 43,350 |
| Recurring Cash Cost excluding Operating Lease Rent | $ (376,165) | $ (377,494) | $ (365,121) | $ (363,009) | $ (342,617) |
| | | | | | |
| Selling, General, and Administrative Expenses | $ (442,047) | $ (406,060) | $ (403,386) | $ (391,857) | $ (384,761) |
| Depreciation and Amortization Expense | 87,033 | 86,542 | 89,461 | 89,854 | 86,068 |
| Stock-based Compensation Expense | 71,223 | 55,387 | 56,767 | 55,019 | 44,011 |
| Total Cash SG&A | $ (283,791) | $ (264,131) | $ (257,158) | $ (246,984) | $ (254,682) |
| | | | | | |
| Corporate Cash SG&A in HQ Functions Not Allocated to Regions NOI | (131,898) | (108,995) | (109,481) | (105,658) | (104,287) |
| Other Cash SG&A (2) | (2,299) | (1,745) | (529) | (1,360) | (660) |
| Regional Cash SG&A Allocated to Properties (4) | $ (149,594) | $ (153,391) | $ (147,148) | $ (139,966) | $ (149,735) |

(1) Excludes revenues and cash cost of revenues from Packet acquisition, non-IBX assets and unconsolidated IBX JK1
(2) Includes revenues and cash costs of revenues from Packet acquisition, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV
(3) Adjusted NOI excludes operating lease expenses
(4) 100% of Regional SG&A Allocated to Properties excludes incremental SG&A costs not directly supporting a regional portfolio and integration costs

# Non-GAAP Reconciliations

| (unaudited and in thousands) | Q1 2020 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|---|---|---|---|---|
| **Income from Operations** | $ 253,484 | $ 312,974 | $ 285,368 | $ 291,781 | $ 279,508 |
| Adjustments: | | | | | |
| Depreciation, Amortization and Accretion Expense | 337,431 | 328,295 | 321,746 | 320,550 | 314,705 |
| Stock-based Compensation Expense | 80,566 | 62,126 | 63,871 | 61,519 | 49,023 |
| Transaction Costs | 11,530 | 16,545 | 2,991 | 2,774 | 2,471 |
| (Gain) Loss on Asset Sales | 1,199 | (43,847) | (463) | - | - |
| Adjusted EBITDA | $ 684,210 | $ 675,860 | $ 674,702 | $ 677,010 | $ 660,155 |
| Adjustments: | | | | | |
| Non-Recurring Revenues (NRR) (1) | (77,920) | (75,369) | (77,279) | (78,456) | (87,343) |
| Other Revenues (2) | (11,990) | (8,756) | (3,523) | (5,859) | (2,783) |
| Non-Recurring Cash Cost of Revenues Allocation (1) | 45,579 | 50,536 | 48,541 | 48,598 | 58,559 |
| Other Cash Cost of Revenues (2) | 7,692 | 2,106 | 4,730 | 4,115 | 3,855 |
| Corporate Cash SG&A in HQ Functions Not Allocated to Regions NOI (3) | 131,898 | 108,995 | 109,481 | 105,658 | 104,287 |
| Other Cash SG&A (4) | 2,299 | 1,745 | 529 | 1,360 | 660 |
| Operating Lease Rent Expense Add-back (5) | 47,106 | 47,008 | 46,558 | 45,261 | 43,350 |
| Adjusted Cash Net Operating Income | $ 828,874 | $ 802,125 | $ 803,739 | $ 797,687 | $ 780,741 |

(1) Excludes revenues and cash cost of revenues from Packet acquisition, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV
(2) Includes revenues and cash costs of revenues from Packet acquisition, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV
(3) SG&A costs not directly supporting a regional portfolio
(4) SG&A related to unconsolidated IBX JK1, non-IBX assets, EMEA xScale JV and integration costs
(5) Adjusted NOI excludes operating lease expenses

# Non-GAAP Reconciliations

EQUINIX

**NAREIT Funds From Operations (NAREIT FFO)**

- We calculate Funds From Operations in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT FFO represents net income (loss), excluding gains (or losses) from disposition of real estate property, impairment charges related to depreciable real estate fixed assets, plus real estate related depreciation and amortization expense and after adjustments for unconsolidated joint ventures, and non-controlling interests.

**Adjusted Funds from Operations (AFFO)**

- We calculate AFFO by adding to or subtracting from NAREIT FFO:
  1. Plus: Amortization of deferred financing costs and debt discounts and premiums
  2. Plus: Stock-based compensation expense
  3. Plus: Non-real estate depreciation, amortization and accretion expenses
  4. Less: Recurring capital expenditures
  5. Less/Plus: Straight line revenues/rent expense adjustments
  6. Less/Plus: Installation revenue adjustment
  7. Less/Plus: Contract cost adjustment
  8. Less/Plus: Gain/loss on debt extinguishment
  9. Plus: Restructuring charges, transaction costs and impairment charges
  10. Less/Plus: Income tax expense adjustment
  11. Less/Plus: Adjustments from discontinued operations, unconsolidated JVs and non-controlling interests

# Definitions: Non-financial Metrics, IBX growth, REIT and Capital Expenditures

## Non-financial Metrics

**MRR per Cab:** Monthly recurring revenues per billed cabinet: (current quarter monthly recurring revenues / 3) divided by ((quarter end cabinets billing prior quarter + quarter end cabinets billing current quarter) / 2). Americas MRR per Cab excludes Axtel, Brazil, Colombia, Infomart non-IBX tenant income and Packet. EMEA MRR per Cab excludes xScale JV fee income. APAC MRR per Cab excludes Bit-isle MIS
**Virtual connections:** The number of private connections between customers over the Equinix Cloud Exchange Fabric platform
**Internet Exchange Provisioned Capacity:** The sum of all ports provisioned to customers multiplied by the gigabit bandwidth capacity of each port

## IBX Growth

**New IBXs:** Phase 1 began operating after January 1, 2018
**Expansion IBXs:** Phase 1 began operating before January 1, 2018, and there is an expected expansion of one or more additional phases leveraging the existing capital infrastructure, or a new phase has opened for a previously stabilized IBX after January 1, 2018
**Stabilized IBXs:** The final expansion phase began operating before January 1, 2018
**Unconsolidated IBXs:** Excludes unconsolidated IBX JK1 and non-IBX assets

## REIT Disclosures

**Adjusted NOI Composition:** Adjusted NOI is calculated by taking recurring revenues, deducting recurring cash costs, adding back operating lease rent expense and deducting cash SG&A allocated to the properties. The impact of operating lease rent expense is removed to reflect an owned income stream. Total cash rent is provided in the components of NAV. Regional SG&A expense is allocated to the properties to reflect the full sales, marketing and operating costs of owning a portfolio of retail colocation properties. In addition, Corporate SG&A is provided to show centralized organization costs that are not property-related and, therefore, excluded from adjusted NOI.

**Components of NAV:** A detailed disclosure of applicable cash flows, assets and liabilities to support a Net Asset Value (NAV). Net asset valuation involves a market-based valuation of assets and liabilities to derive an intrinsic value of equity. Operating cash flows are separated into real estate income (adjusted NOI), non-recurring income and other operating income in order to facilitate discrete composition valuations. New properties and CIP generating unstabilized cash flows are reflected based on gross asset value. Other assets and liabilities include only tangible items with realizable economic value. Balance sheet assets and liabilities without tangible economic value (i.e. goodwill) are excluded. Other ongoing expenses including cash rent and cash tax expenses are disclosed to facilitate a market valuation of those liabilities. Share count is provided on a fully-dilutive basis including equity awards.

## Capital Expenditures

**Recurring Capital Expenditures:** To extend useful life of IBXs or other Equinix assets that are required to support current revenues

**Sustaining IT & Network:** Capital spending necessary to extend useful life of IT & Network infrastructure assets required to support existing products and business & operations services. This includes hardware & network gear as well as development enhancements that extend useful life to Equinix portal and other system assets
**IBX Maintenance:** Capital spending that extends useful life of existing IBX data center infrastructure; required to support existing operations
**Re-Configuration Installation:** Capital spending to support second generation configuration of customer installations; these expenditures extend useful life of existing assets or add new fixed assets. This includes changes to cage build-outs, cabinets, power, network gear and security component installations

**Non-Recurring Capital Expenditures:** Primarily for development and build-out of new IBX capacity (does not include acquisition costs). Also includes discretionary expenditures for expansions, transformations, incremental improvements to the operating portfolio (e.g. electrical, mechanical and building upgrades), IT systems, network gear or corporate offices which may expand the revenues base and increase efficiency by either adding new assets or extending useful life of existing assets

**IBX Expansion:** Capital spending to build-out new IBX data centers construction, data center expansion phases or increased capacity enhancements
**Transform IT, Network & Offices:** Capital spending related to discretionary IT, Network and Office transformation projects that primarily expand revenues or increase margins. This also includes Equinix office space remodeling expenditures that extend useful life or add new assets
**Initial / Custom Installation:** Capital spending to support first generation build-out for customer installations; this includes cage configuration, cabinet, power, network gear and security enhancements. This also includes custom installations and flex space installations which require new assets or extend useful life of assets

EQUINIX

WHERE OPPORTUNITY CONNECTS