September 8, 2015

Equinix Plans to Expand Data Center Footprint in Japan through Acquisition of Bit-isle

Acquisition would support growing demand for interconnection in rapidly-growing Asia-Pacific region

REDWOOD CITY, Calif. and TOKYO, Sept. 8, 2015 /PRNewswire/ -- Equinix, Inc. (Nasdaq: EQIX), the global interconnection and data center company, today announced that acting through its Japanese subsidiary it has commenced a cash tender offer for all issued and outstanding shares of Tokyo-based Bit-isle Inc. (President and CEO: Kohei Terada, TSE: 3811). The offer price is JPY922 per share, in an all cash transaction totaling 33.3 billion Japanese Yen or approximately $280 million U.S. dollars. The tender offer period is expected to run from September 9, 2015 to October 26, 2015, unless the tender offer period is extended. The offer is conditioned on, among other things, the tender by Bit-isle shareholders of more than 66 2/3% of the Bit-isle shares. If the conditions to the tender offer are satisfied, Equinix will move forward to acquire any remaining shares under Japanese corporate law and expects to complete the acquisition of Bit-isle by early 2016. The Board of Directors of Bit-isle has agreed to endorse the tender offer. Additionally, the major shareholders of Bit-isle, Warehouse Terrada, Mr. Kohei Terada and Mr. Yasunobu Terada, have agreed to tender all of their shares, representing 29.74% of Bit-isle shares on a fully diluted basis.

The acquisition of Bit-isle will further strengthen Equinix's position in Asia-Pacific—the company's fastest growing region—improve the company's market position in Japan, and help meet growing demand for interconnection among Japanese businesses. With Bit-isle, Equinix will have strong local expertise to help drive success in Japan.

Highlights / Key Facts

- With the successful acquisition of Bit-isle, Equinix will gain significant scale by creating the fourth largest data center operator in Japan[([1])]. Upon completion of the acquisition, Equinix will gain five data centers in Tokyo and one in Osaka in close proximity to the existing Equinix International Business Exchange (IBX®) data centers in Japan creating campuses for customers' future expansion needs. After the completion of TY5 in Q1 2016, Equinix will have 10 IBX data centers in Tokyo and two in Osaka.
- The combination will accelerate Equinix's cloud and enterprise ecosystem growth as well as create significant cross selling opportunities. Bit-isle complements Equinix's robust cloud and network service provider customer base with their strong Japanese enterprise and system integrator customer base including some of Japan's largest businesses. Those businesses will have immediate access to Equinix's global cloud and network service provider customers, and will be able to leverage Platform Equinix™ to expand into other key markets.

- Equinix Japan has the highest mix of interconnection revenue in the company's APAC region. Bit-isle adds close geographic capacity adjacent to Equinix's carrier dense sites that Equinix can leverage to continue to scale its global interconnection platform. The acquired data centers can be tethered to existing Equinix IBX data centers for campus connectivity to network and cloud service providers, business ecosystems and other enterprises within a metropolitan area.
- The transaction, if completed, is expected to be accretive to Equinix's adjusted funds from operations (AFFO) per share upon close.
- The Bank of Tokyo-Mitsubishi has committed to provide a one-year senior bridge term loan facility to fund the acquisition.

Quotes

- **Kohei Terada, president and CEO, Bit-isle:**

"Our Company has been innovating in the IT infrastructure industry as the number one independent data center provider in Japan. This opportunity to integrate with Equinix, the number one data center operator in the world, enables us to maintain our neutral position, while providing access to the most densely interconnected networks and cloud services, and gives our customers access to data centers in 33 markets globally. We will continue to support Japanese companies in Japan, and in every market where they do business."

- **Steve Smith, president and CEO, Equinix:**

"With the acquisition of Bit-isle, Equinix will be in a strong position to attract Japanese enterprises. Both Equinix and Bit-isle have the same vision for cloud computing, and Bit-isle's five data centers are in the best locations in Tokyo. The company's strong local leadership, business and network operations teams will greatly enhance our strength in this important market and we look forward to bringing them into the Equinix family."

Additional Resources

- For more information, including an investor presentation and the Notice of Commencement of Tender Offer for Share Certificates, Etc. of Bit-isle Inc. (Stock Code: 3811), both in English and Japanese, please visit the Equinix Investor Relations page.
- Equinix to Build New $43M Data Center in Tokyo [press release]

About Equinix
Equinix, Inc. (Nasdaq: EQIX) connects the world's leading businesses to their customers, employees and partners inside the most interconnected data centers. In 33 markets across five continents, Equinix is where companies come together to realize new opportunities and accelerate their business, IT and cloud strategies. www.equinix.com.

Forward Looking Statements
This press release contains forward-looking statements which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual results to differ materially from expectations discussed in such forward-looking statements, including statements related to the acquisition of Bit-isle, the expected benefits from the acquisition and the expected timing for closing the acquisition. Factors that might cause such differences include, but are not limited to, the failure of one or more conditions to the tender offer for the Bit-isle shares to be satisfied; the occurrence of any event, change or other circumstance that would compromise our ability to complete the acquisition of Bit-isle

within the expected timeframe or at all; unanticipated costs or difficulties relating to the integration of companies we have acquired or will acquire into Equinix, including Bit-isle; *the challenges of acquiring, operating and constructing IBX centers and developing, deploying and delivering Equinix services; a failure to receive significant revenue 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; and other risks described from time to time in Equinix's filings with the Securities and Exchange Commission. In particular, see Equinix's recent quarterly and annual reports filed with the Securities and Exchange Commission, copies of which are available upon request from Equinix. Equinix does not assume any obligation to update the forward-looking information contained in this press release.*

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[1] Source: Fuji Chimera Research Institute

To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/equinix-plans-to-expand-data-center-footprint-in-japan-through-acquisition-of-bit-isle-300138865.html

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