

December 13, 2022



Equinix to Enter South Africa with US\$160M Data Center Investment in Johannesburg

Digital infrastructure leader expands footprint in the African continent for data center and digital services

REDWOOD CITY, Calif., Dec. 13, 2022 /PRNewswire/ -- [Equinix, Inc.](#) (Nasdaq: EQIX), the world's digital infrastructure company™, today announced plans to enter the South African market with a US\$160 million data center investment in Johannesburg that augments its current footprint on the African continent in Nigeria, Ghana and Côte d'Ivoire. The new data center is expected to open mid-2024.

With its South Africa expansion, Equinix is entering one of the largest and most digitally developed nations on the African continent.¹ Already a strategically important connectivity hub for digital networks, South Africa boasts a significant network of submarine communications cables. These strategic links between countries and continents are established at several points across the country's 2,850 kilometres of coastline.

"We entered the African continent earlier this year with the acquisition of [MainOne](#), the leading West African data center and connectivity solutions provider with presence in Nigeria, Ghana and Côte d'Ivoire," said Eugene Bergen, President, EMEA, Equinix. "This investment will give both South African businesses the opportunity to expand internationally and global businesses to expand into South Africa. Both will be able to accelerate their growth by rapidly scaling their infrastructure, easily adopting hybrid multicloud architectures and interconnecting with business partners through the Platform Equinix ecosystem of more than 10,000 customers."

At Equinix, we seek to be good stewards of the environment and of the resources we consume. We design, build and operate sustainable data centers planned holistically to reduce our consumption of all resources and maximize efficiency. We were the first company in the data center industry to set a science-based emission reduction target and commit to become climate neutral globally by 2030, aligned to the Paris Accord 1.5-degree scenario. We have a long-term goal of sourcing 100% clean and renewable energy for our global platform. Equinix's renewable energy coverage in 2021 was 95% and has been over 90% since 2018.

Equinix is seeking out sustainable and reliable sources of energy for this new data center as is customary when we enter a new market. While the exploration for sustainable and reliable sources of energy continues, this new facility is expected to feature many unique sustainable attributes including hyper-efficient cooling with outside air economization using minimal water, allowing us to limit our carbon footprint and maintain energy efficient operations with industry leading PUEs.

The announcement is the latest in a series of strategic and significant market entries for the world's digital infrastructure company. Following the acquisition of MainOne in April 2022, Equinix has announced two expansions into ASEAN (the Association of Southeast Asian Nations) following the recently announced plans to expand into Indonesia and Malaysia. Prior to this, the company also announced growth in the South American market with its acquisition of five Entel data centers to accelerate digital transformation opportunities for local businesses and multinational companies in Peru and Chile. The company has also continued to invest in organic expansion with 46 major builds underway in 31 markets.

Highlights / Key Facts

- Equinix plans to expand into South Africa with a US\$160 million data center investment in Johannesburg, expected to open mid-2024.
- The new 4.0 MW data center, JN1, will provide 690+ cabinets and more than 20,000 gross square feet of colocation space.
- Two additional phases of development are planned. The fully completed 20.0 MW premium retail campus will provide 3,450+ cabinets and more than 100,000 gross square feet of colocation space.
- In 2022, [Equinix announced its acquisition of MainOne](#), its first step into Africa.
- The current Platform Equinix® footprint spans six continents, 32 countries, 70+ markets, and over 245 International Business Exchange™ (IBX®) and xScale® data centers, providing digital infrastructure for more than 10,000 of the world's leading businesses, including more than 50% of Fortune 500 companies.
- Each year, Equinix has continued to expand its overall portfolio as the world's digital infrastructure company with ongoing strategic growth investments—over US\$2.7 billion in capital expenditures in 2021 alone.
- [Arizton](#) reports that South Africa is the top data center market in Africa and will witness investments of US\$3,228.3 million by 2027, growing at a CAGR of 11.15% during 2022–2027.
- As indicated in the [Global Interconnection Index \(GXI\) 2023](#), organizations are connecting to three times as many business ecosystem partners and metros, consuming more than twice the amount of interconnection bandwidth on average in the past five quarters than in the previous five years. Organizations need access to ecosystems comprising network companies, cloud and system integrator companies, and enterprise customers who can take advantage of a full platform service across a global footprint.
- According to [Statista.com](#) as of 2022, the share of the total population of South Africa using the internet was nearly 80%. This share is expected to grow up to an estimated 90% by 2027, meaning it has some of the highest penetration of mobile and internet users in Africa. This predicted rise would represent an increase of 28% compared to 2018 when the share of the population accessing the internet in the country was only 62%.

Supporting Resources

- [Equinix Enters Africa, Closing the US\\$320 Million Acquisition of MainOne](#) [press release]
- [Equinix Enters Malaysia with \\$40M Data Center Investment](#) [press release]
- [Equinix Expands to Indonesia with \\$74M Data Center Investment](#) [press release]
- [Equinix to Expand into Chile and Peru with US\\$705 Million Acquisition of 4 Entel Data Centers](#) [press release]
- [Equinix Expands to India with Acquisition of GPX India](#) [press release]

About Equinix

[Equinix](#) (Nasdaq: EQIX) is the world's digital infrastructure company. Digital leaders harness Equinix's trusted platform to bring together and interconnect foundational infrastructure at software speed. Equinix enables organizations to access all the right places, partners and possibilities to scale with agility, speed the launch of digital services, deliver world-class experiences and multiply their value, while supporting their sustainability goals.

Forward Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from 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 current inflationary environment; foreign currency exchange rate fluctuations; increased costs to procure power and the general volatility in the global energy market; the challenges of acquiring, operating and constructing IBX and xScale[®] 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 recent and upcoming Equinix 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.

¹ Source: South Africa Data Center Market Investment Analysis & Growth Opportunities 2022–2027/Arizton Advisory and Intelligence/November 2022





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WHERE OPPORTUNITY CONNECTS

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