

# Equinix Analyst Day 2023

June 21, 2023

# Public Disclosure Statement

## Forward-Looking Statements

- Except for historical information, these presentation slides and related webcast contain 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 may affect Equinix’s results are summarized in our annual report on Form 10-K filed on February 17, 2023, and in our quarterly report on Form 10-Q filed on May 5, 2023, with the Securities and Exchange Commission. All statements contained in these presentations and related webcast are made only as of the date set forth at the beginning of this presentation. Equinix undertakes no obligation to update the information contained in these presentation slides and related webcast in the event facts or circumstances subsequently change.

## 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 appendix that accompanies these presentation slides and related webcast.

# Equinix Analyst Day Agenda - June 21, 2023

	Event	Presenter(s)
9:00 – 10:00 a.m.	Registration and Kiosk Exploration in The Hall	
10:00 – 10:05 a.m.	Welcome	Keith Taylor
10:05 – 10:45 a.m.	Fueling the Digital Future	Charles Meyers
10:45 – 11:30 a.m.	Platform Equinix: Charting the Future for Growth	Nicole Collins, Scott Crenshaw and Jon Lin
11:30 a.m. – 1:00 p.m.	Lunch and Kiosk Exploration in The Hall	
1:00 – 1:50 p.m.	Voice of the Customer Panel	Tara Risser
1:50 – 2:10 p.m.	Building an Unmatched Go-to-Market Engine	Mike Campbell
2:10 – 2:35 p.m.	Short Break	
2:35 – 3:20 p.m.	Durable Value Creation in a Dynamic and Complex Global Environment	Keith Taylor
3:20 – 3:50 p.m.	Executive Q&A	Charles Meyers, Keith Taylor and Katrina Rymill
3:50 – 5:00 p.m.	Reception and Kiosk Exploration in The Hall	

A photograph of a modern, multi-story building with a complex, angular facade. The building features large glass windows and balconies with metal railings. A large, semi-transparent hexagonal graphic is overlaid on the center of the image. The hexagon has a thick border that transitions from orange on the left to dark blue on the right. Inside the hexagon, the text "EQUINIX ANALYST DAY 2023" is written in a bold, black, sans-serif font.

# **EQUINIX ANALYST DAY 2023**



# Fueling the Digital Future

**Charles Meyers**

President and Chief Executive Officer

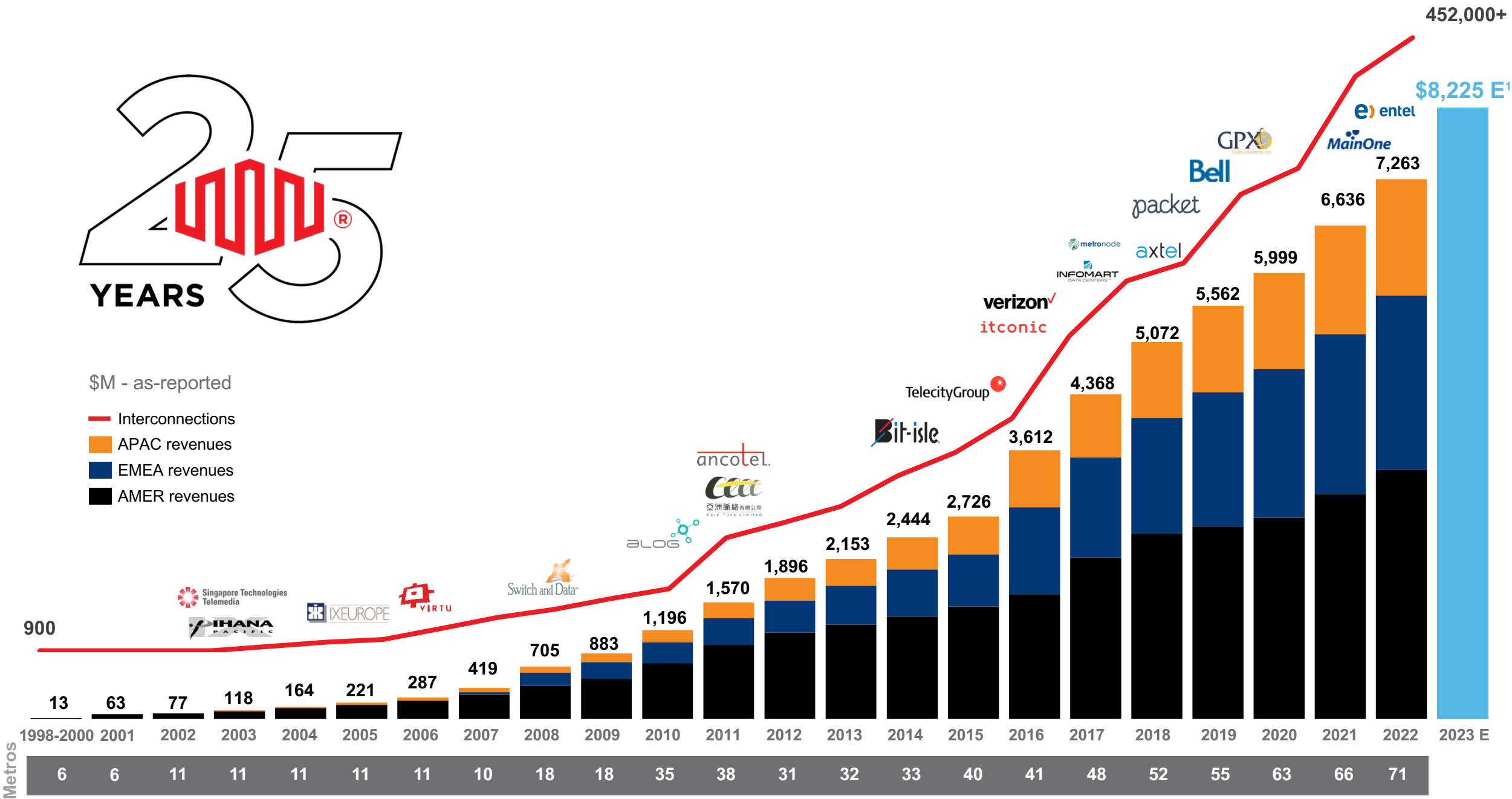
## **Key themes and takeaways**

- 1** Track record of delivery
- 2** Expanding market opportunity
- 3** Managing through a complex and dynamic environment
- 4** Durable advantages and a strong balance sheet
- 5** Sustained value creation



\$M - as-reported

- Interconnections
- APAC revenues
- EMEA revenues
- AMER revenues



# Progress since last Analyst Day

## Sustained Execution

8

new metros<sup>1</sup>

24

Metros with full suite of Digital Services<sup>2</sup>

28,000

new retail cabinets<sup>1</sup>

100+ MW

xScale<sup>®</sup> capacity<sup>1</sup>

## Continued Market Leadership

35

cloud on-ramps added<sup>1</sup>

#1

in the total colocation market<sup>3</sup>

41%

of G2000<sup>4</sup>

35%+

bookings through the Channel<sup>5</sup>

## Magic of Equinix

Equinix  
Foundation

established

23%

reduction in operational emissions<sup>6</sup>

Transformation

Office established



a magnet for talent



# Digital demand continues to accelerate with a series of catalysts creating a cumulative effect

2000s

**Web,  
Social and SaaS**



Consumer demand  
and aaS acceleration  
lay the groundwork  
for enterprise  
transformation

2010s

**Cloud**



Ignites a  
multi-decade  
transformation of  
enterprise IT

2020-2022

**Pandemic**



Fans the flames  
of Digital  
Transformation

2023+

**AI**



Fuel on the fire to  
transform business  
and society



# In the face of macro pressures, Digital Transformation remains an unequivocal priority

## Macro Pressures

Power  
constraints



Environmental  
accountability



Global scale  
and distribution



Cost savings



## Growth Rate

**8x**

Digital Transformation  
growing at 8x the rate of  
the broader economy

Source: IDC FutureScape: Worldwide  
Digital Business Strategies 2023  
Predictions

## Economic Opportunity

**\$100T**

Digital Transformation  
expected to create a  
\$100T+ economic  
opportunity over the next  
10 years

Source: World Economic Forum, 2016

## Digital Commitment

**90%**

By 2025, 90% of Fortune  
500 companies expected  
to become digital  
providers, both selling  
and consuming digital  
services

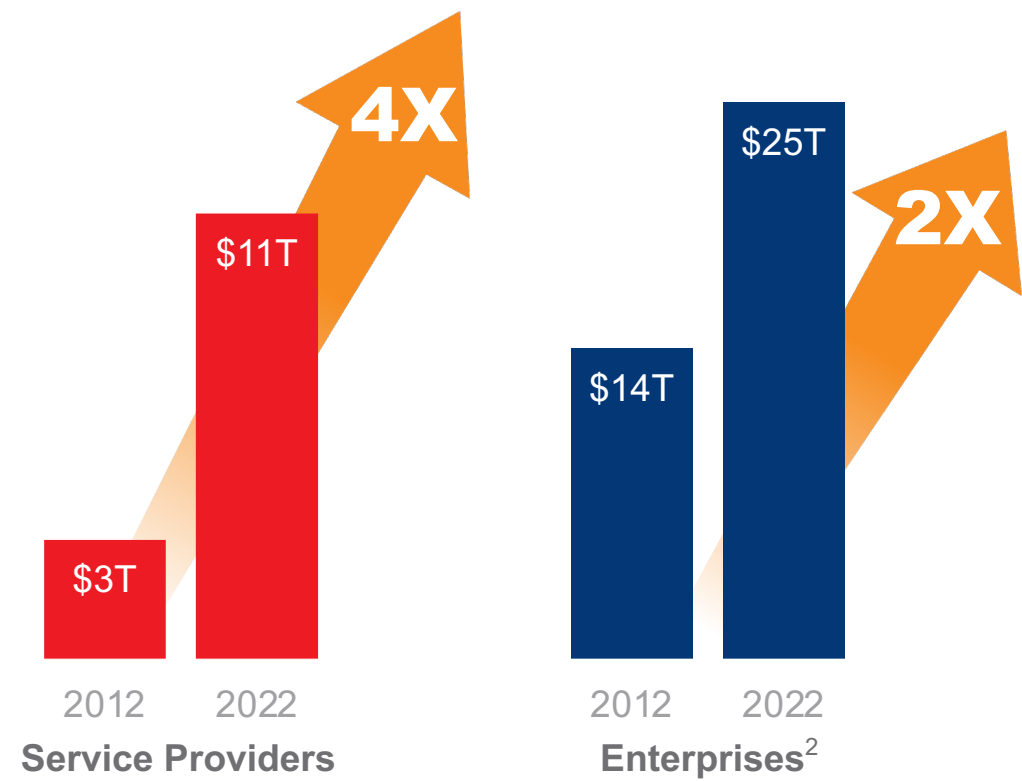
Source: GXI, 2023



# Capital and innovation continue to flow to Digital Transformation creating an explosion of Service Providers

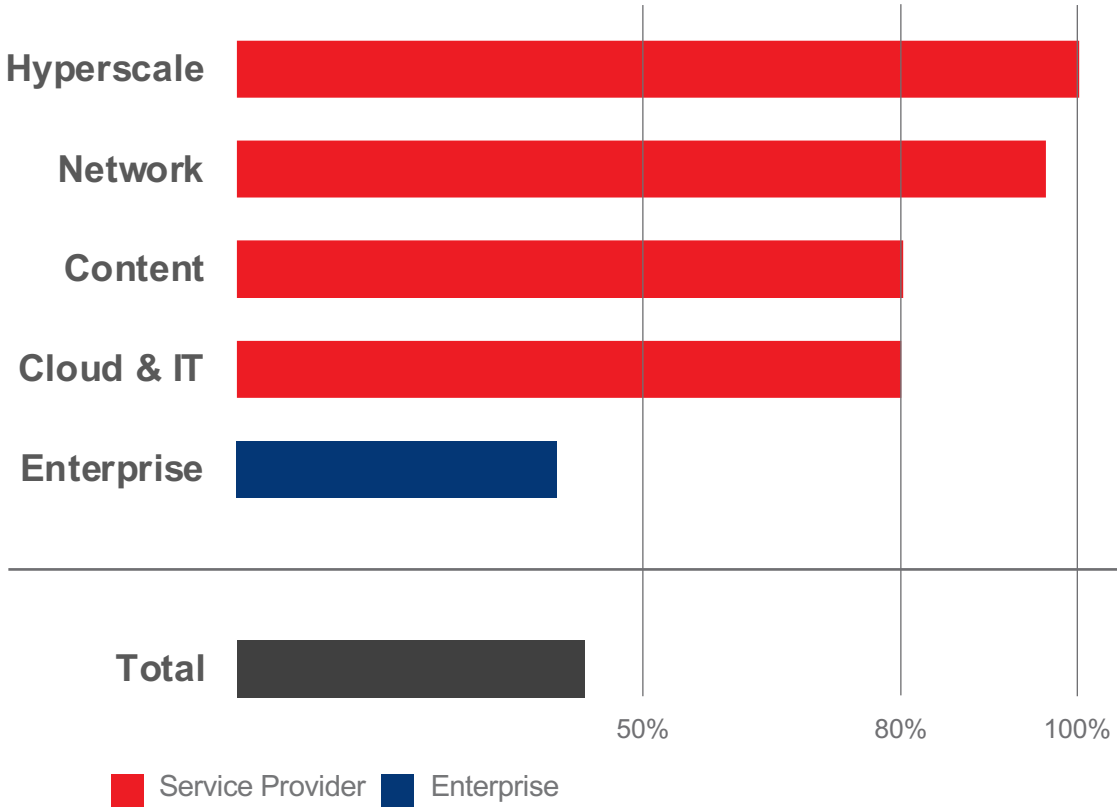
Service Providers are making up a larger part of our economy

**G2000<sup>1</sup> Market Cap**  
(Top 200 companies, 1/2 of total market cap)

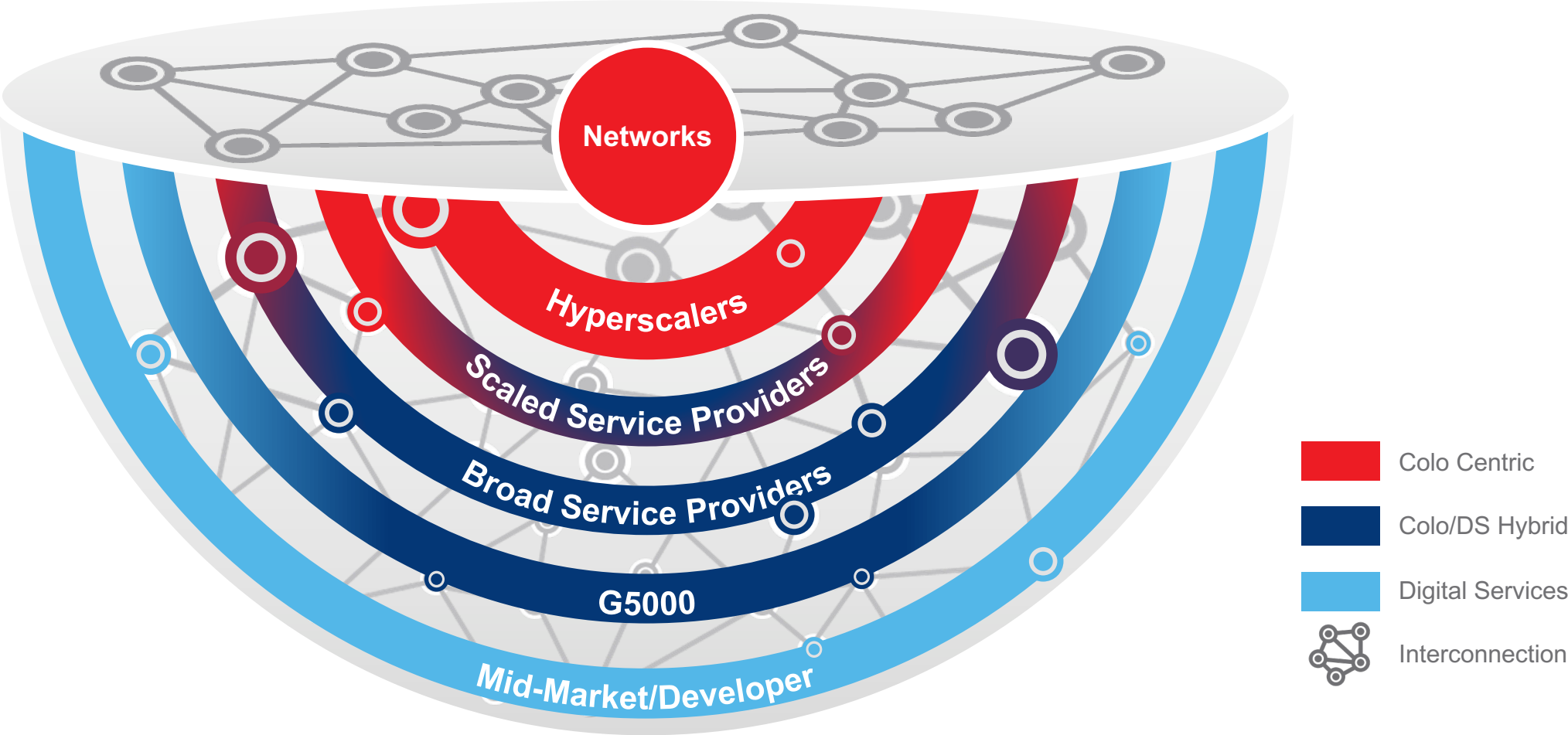


They are trusting Equinix as a central element of scaled Service Provider architectures

**G2000<sup>1</sup> Penetration by Segment**

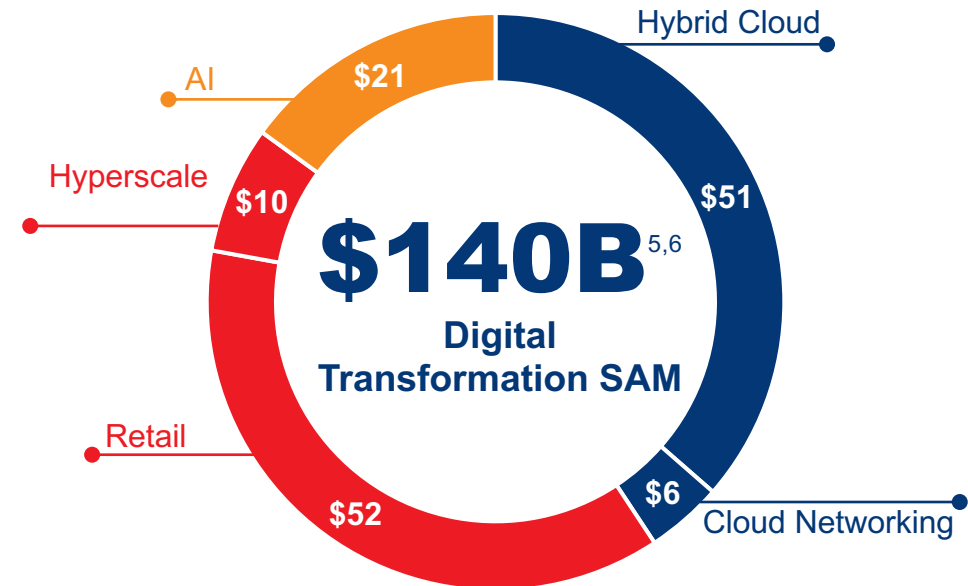
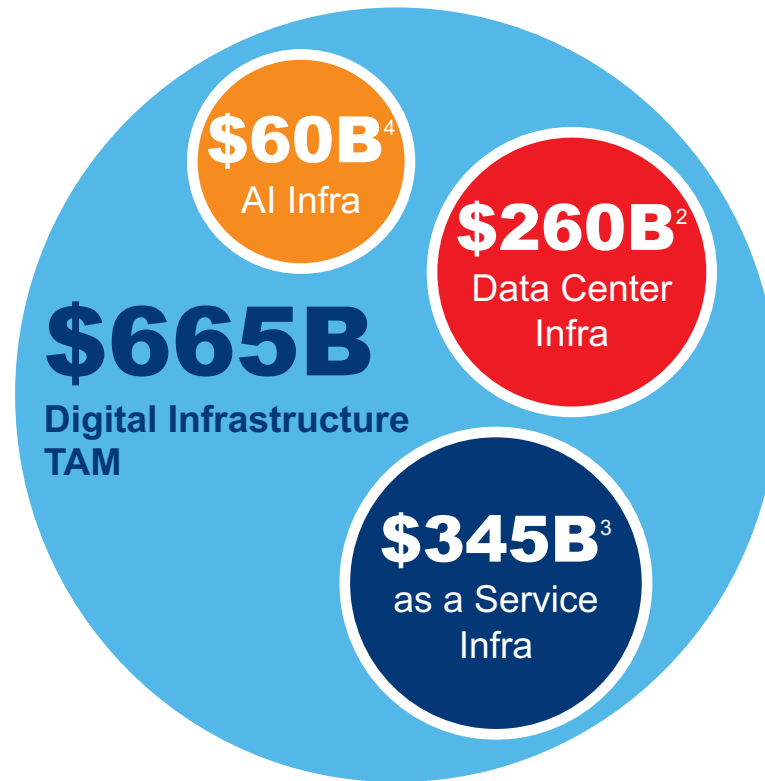


# From its inception, Equinix has been cultivating digital ecosystems



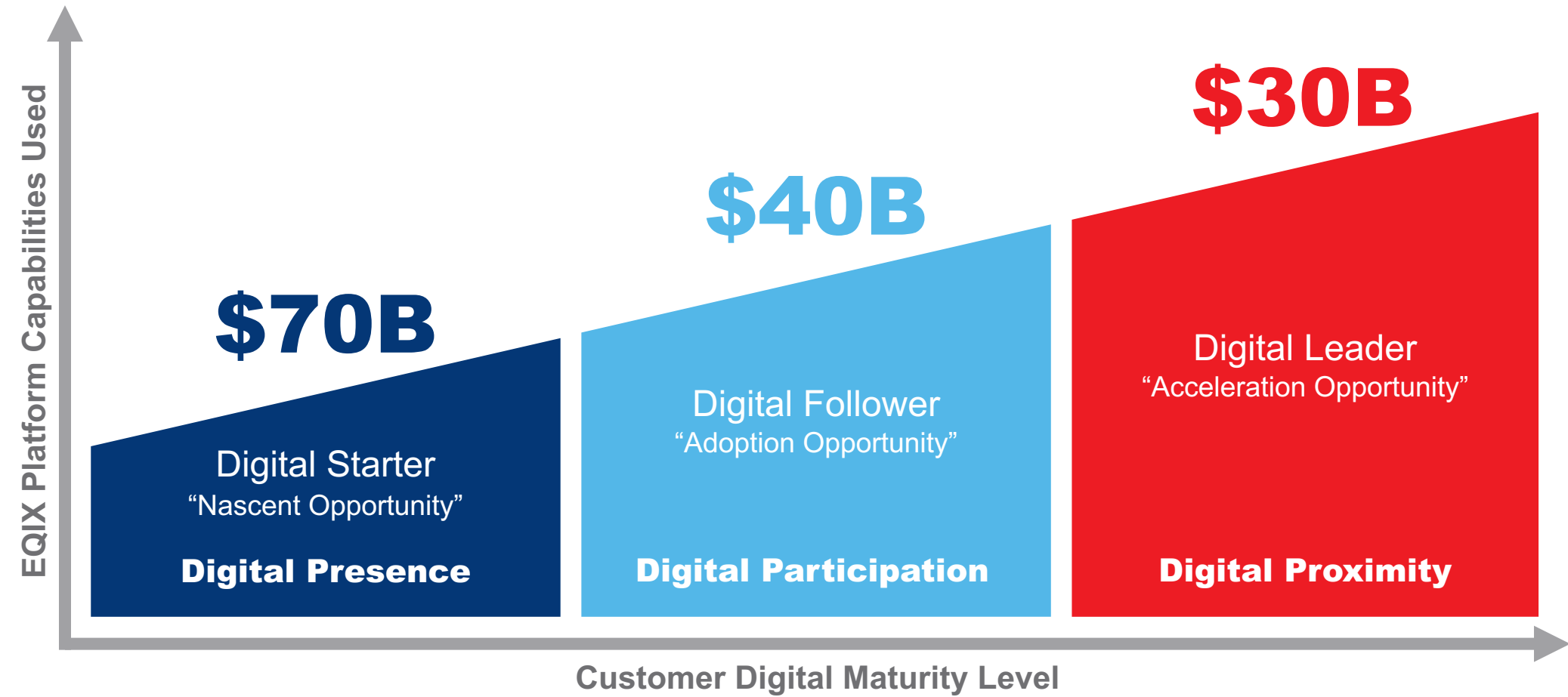
# Creating an expansive and growing market opportunity by 2026

**\$5.8T<sup>1</sup>**  
Global IT Spending



1. Gartner Market Databook, Forecast End-User Spending on IT, 2021-2026. | 2. Gartner Market Databook, Worldwide End-User Spending on IT by Technology Segment & Subsegment, 2021-2026. | 3. MarketsandMarkets Global "As-a-Service" Market Forecast, 2021-2026. | 4. MarketsandMarkets Global AI Infrastructure Market Forecast, 2021-2026. | 5. The Service Available Market (SAM) represents the market size that Equinix can reach and target based on our current operations and capacity. The SAM takes into consideration various factors such as external end-user IT spending potential, Equinix IBX location presence, our products and services, distribution channels, customer preferences, and our go-to-market resources and coverage. | 6. IDC custom research & Equinix analysis

# SAM accessibility is increasing as digital maturity progresses<sup>1</sup>





# A data and application driven world places different demands on digital infrastructure

More distributed

More cloud-connected

More ecosystem-enabled

More on-demand

More sustainable



**PLATFORM EQUINIX®**

**REACH**

**INTER-  
CONNECTION**

**ECOSYSTEMS**

**TRUST**

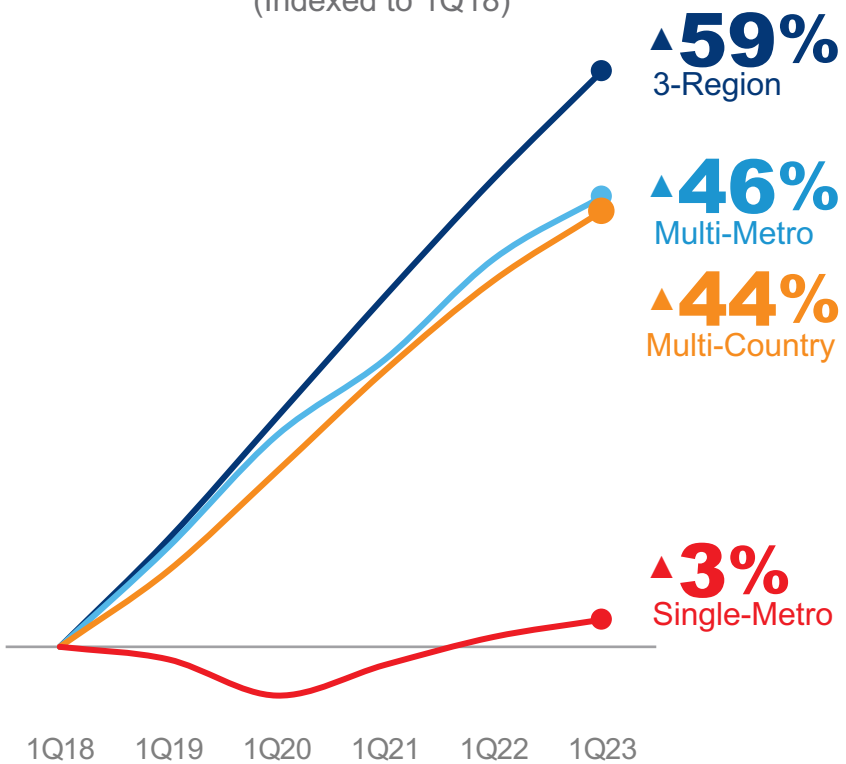
**SUSTAINABILITY**



# Customers need their digital infrastructure to be more **distributed**

## Customer Count Growth by Deployment

(Indexed to 1Q18)

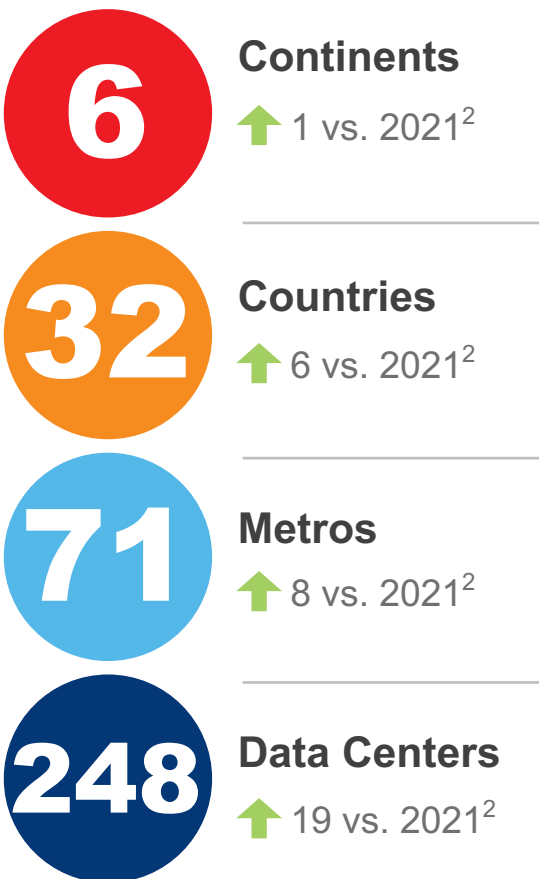


## Customer Profile

(Top 100 Customer Average)

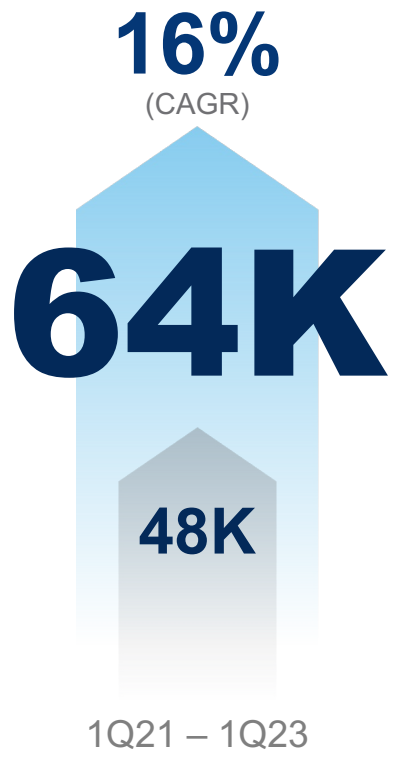
	Service Provider	Enterprise <sup>1</sup>
3 Regions	83%	76%
Countries	12	7
Metros	21	10

## How we are responding...

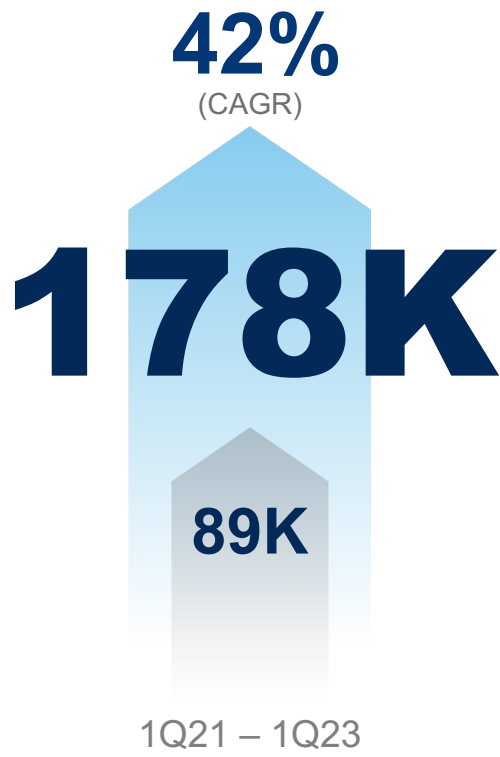


# Customers need their digital infrastructure to be more **cloud-connected**

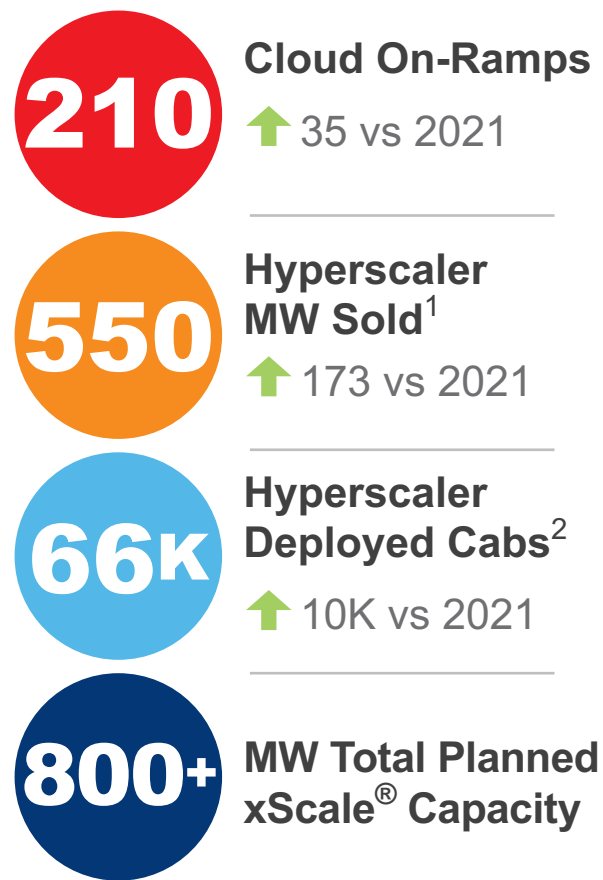
Interconnections to  
Hyperscalers



Total Fabric Provisioned  
Port Capacity (Gbps)

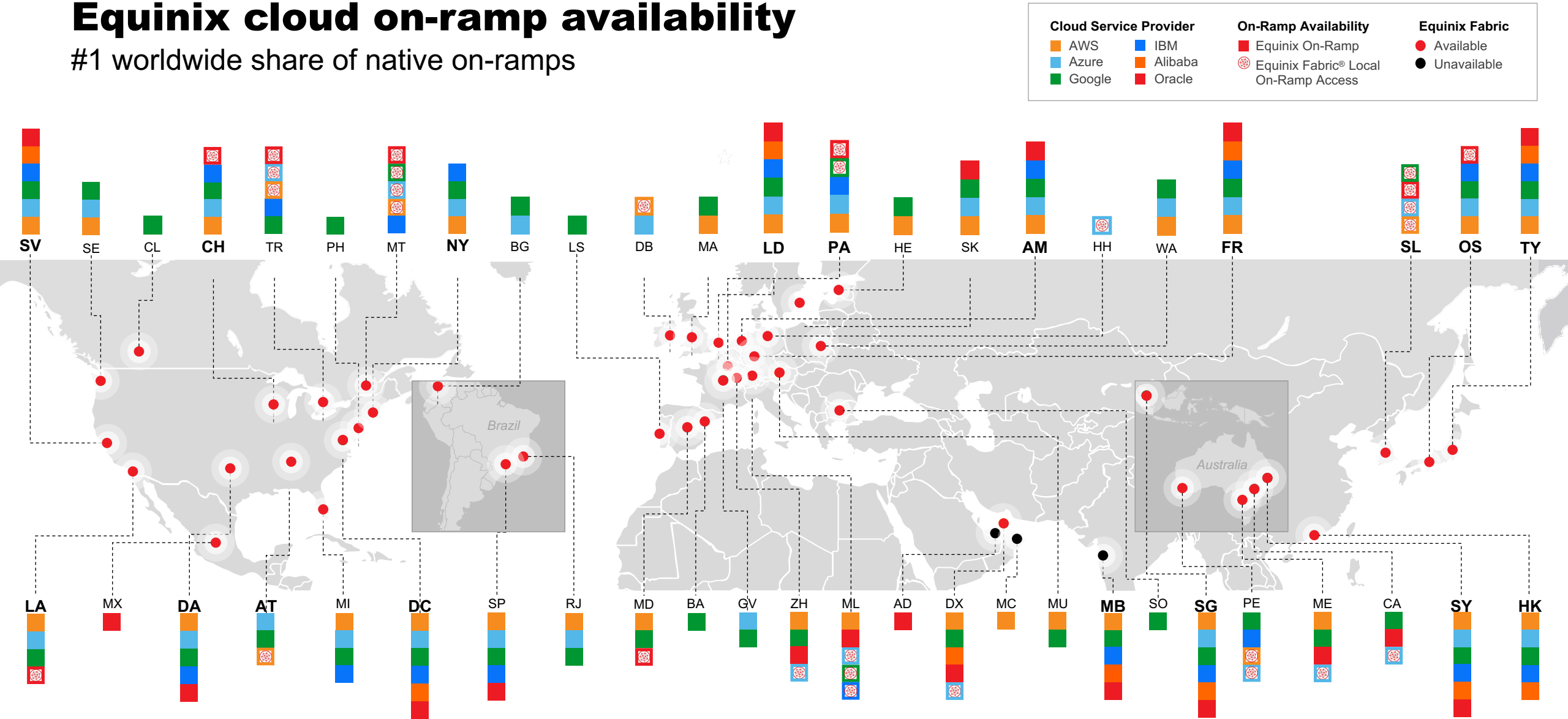


## How we are responding...



# Equinix cloud on-ramp availability

#1 worldwide share of native on-ramps



# Customers need their digital infrastructure to be more **ecosystem-enabled**



## How we are responding...

**10**<sub>/10</sub>

Cloud Infrastructure Providers<sup>3</sup>

**10**<sub>/10</sub>

Largest Media Companies<sup>4</sup>

**10**<sub>/10</sub>

Largest Telecom<sup>5</sup>

**9**<sub>/10</sub>

Largest Banks<sup>6</sup>

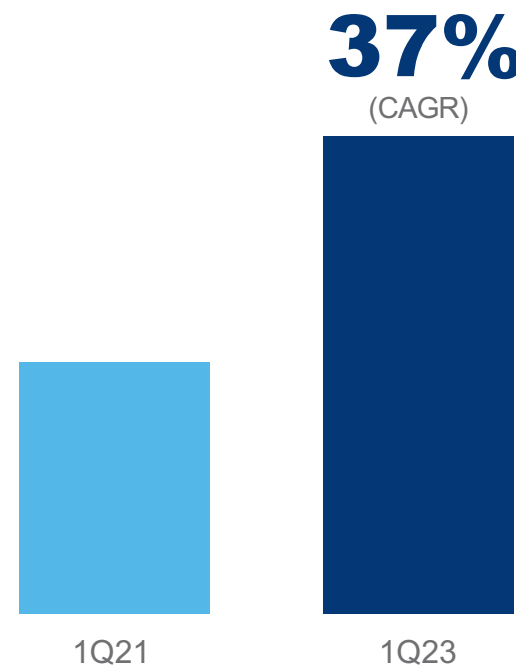
**85%**

Top Digital Companies<sup>7</sup>

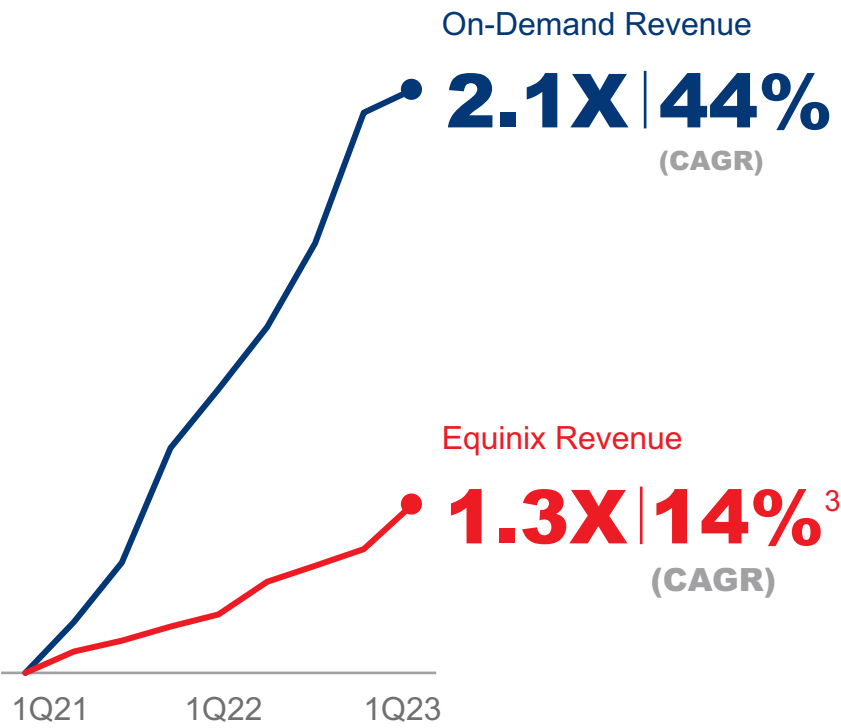


# Customers need their digital infrastructure to be more **on-demand**

API-Enabled Transactions<sup>1</sup>  
(Last 4 QTR Total)



On-Demand Revenue Growth<sup>2</sup>  
(In Constant Currency USD)



## How we are responding...



Equinix Fabric<sup>®</sup>



Equinix Metal<sup>®</sup>



Network Edge

1. Transactions are defined as create, update, and delete actions | 2. On-demand revenue includes revenues for Fabric, Network Edge and Metal. CAGR measure 1Q21 – 1Q23  
3. Overall revenue growth includes impact of power price increases



# Customers need their digital infrastructure to be more **sustainable**

By 2026,  
**75%**

of organizations will seek to increase business with IT vendors that have demonstrable sustainability goals and timelines

Source: Gartner, Predicts 2023: Environmental Sustainability Is Now an IT Sourcing Imperative, December 2022

“Having 100% certified green energy was a priority for us, especially for this type of high-performance, supercomputer/AI environment....Equinix could provide us with the necessary resources to run AI trainings much faster with greater optimization and sustainability.”



## How we are responding...



96% Renewable Energy Coverage in 2022



23% Reduction in Our Operational Emissions Since 2019<sup>1</sup>

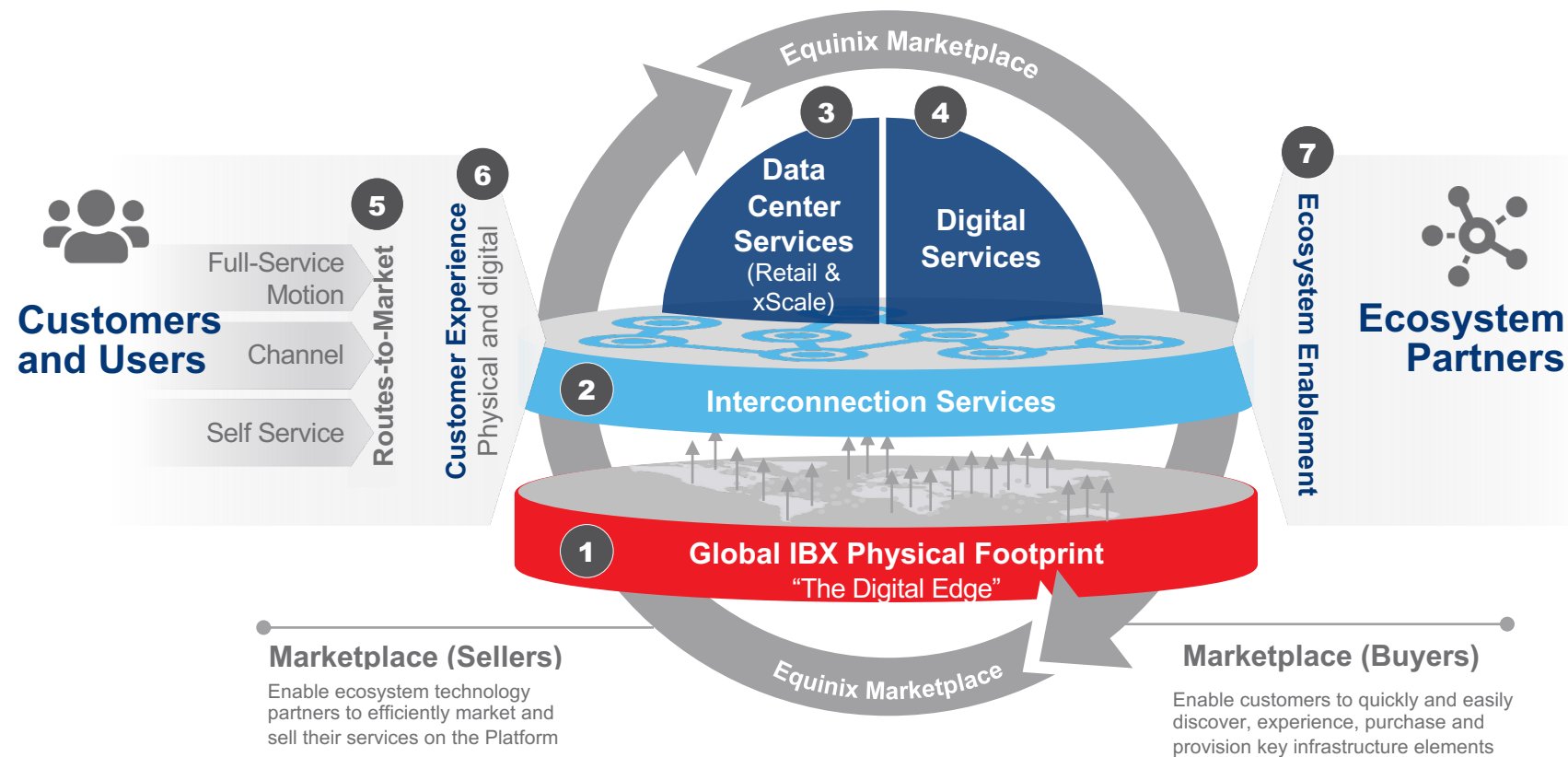


CDP Climate Change A Rating

# Our purpose

To be the platform where the world comes together, enabling the innovations that enrich our work, life and planet

# Our Platform vision



## 1 The IBX Physical Footprint

An expansive and highly trusted portfolio of data center facilities that are resilient, sustainable and located at key points of interconnection across the globe.

## 2 Interconnection Services

A range of exchange and connectivity offerings that connect and enable the networking of infrastructure elements.

## 3 Data Center Services

Colocation and enabling services, that support customers who wish to procure, architect and self-manage their distributed private infrastructure.

## 4 Digital Services

A portfolio of Infrastructure building blocks [compute, storage and networking] that can be consumed on-demand and as-a-service to optimally support distributed, cloud-adjacent applications and data.

## 5 Routes-to-Market

How we reach customers and users leveraging our direct sales teams (full-service motion), our "sell-with" and "sell-through" partners (channel) and self-service means that enable direct engagement of our product

## 6 Customer Experience

The set of processes, systems, software and people that enable a positive and trusted experience throughout the customer lifecycle (discover, quote, order, provision, log-in, use, upgrade, pay, support, cancel, etc.).

## 7 Ecosystem Enablement

The set of processes, policies and software (e.g. APIs, SDKs, etc.) that enable technology partners who have created value-added services on-top of Platform Equinix to rapidly make their offerings available.



# Our strategy and priorities build on our unique strengths



## Perform

- Sustain and build on bookings momentum
- Drive operating leverage and maintain fortress balance sheet
- Deliver against our xScale vision



## Press Our Advantage

- Extend capacity and reach
- Enable sustainable digital transformations
- Tap into expanding AI opportunity



## Platform

- Product-led growth
- Platform enablement
- Go-to-market evolution



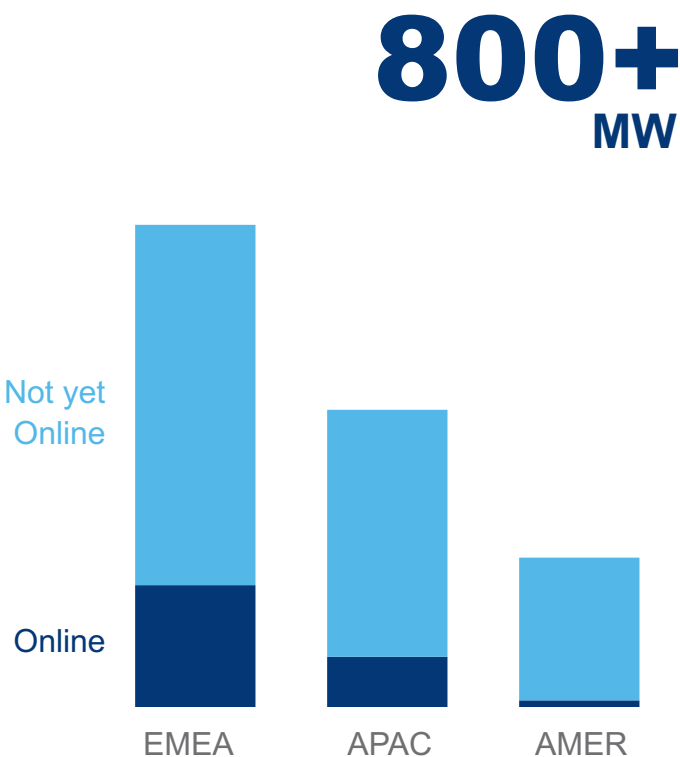
## People

- Future of work
- Diversity, Inclusion and Belonging
- Talent evolution

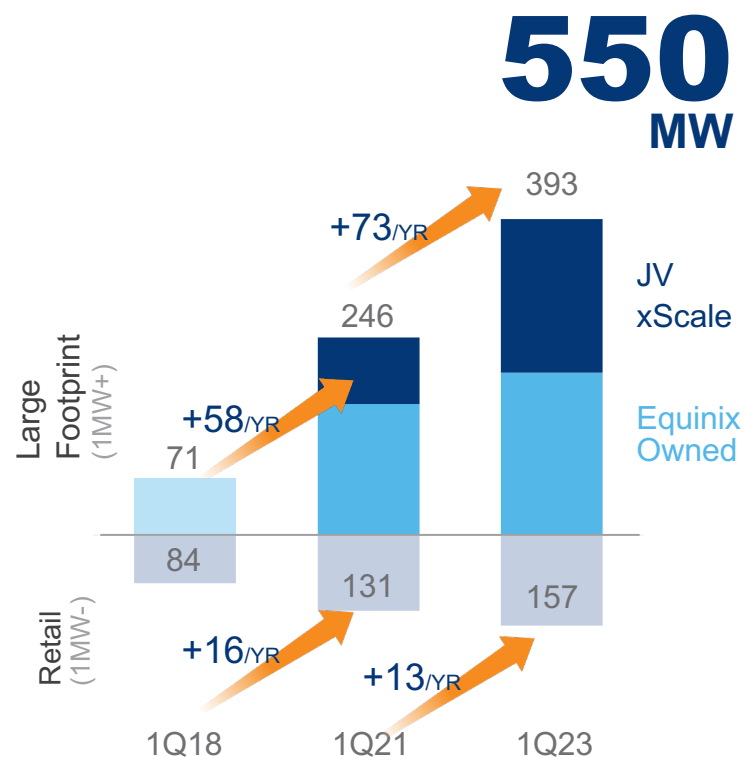


# Deliver against our xScale vision

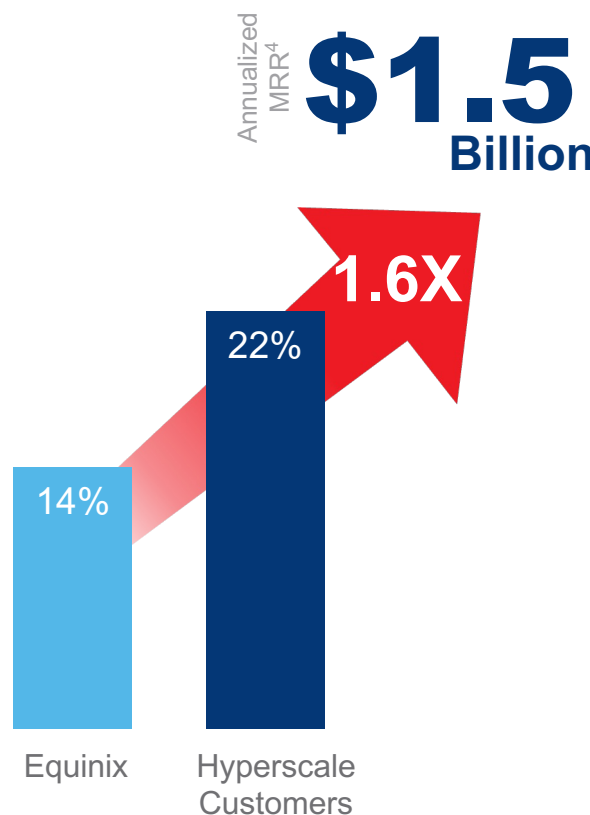
**Total Planned xScale Capacity**  
Committed Projects Thru 2027 and Beyond



**Total Hyperscaler MW Sold<sup>1</sup>**  
MW Across Equinix and JVs



**Hyperscaler MRR Growth<sup>2,3</sup>**  
Equinix and JV Entities



# Extending our reach

6

Continents

32

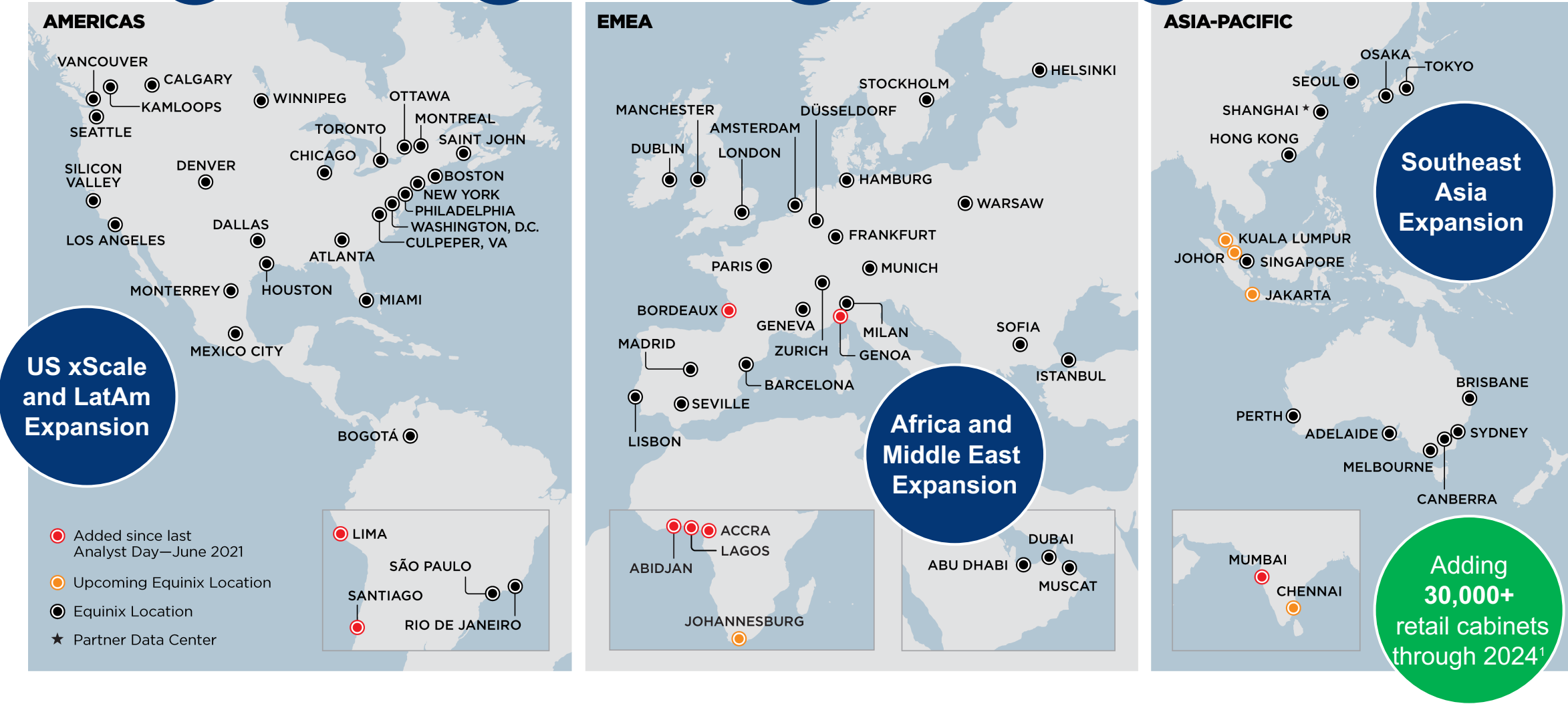
Countries

71

Metro Areas

248

Data Centers



# AI is a clear demand catalyst aligned with Equinix advantages

Proximity and control will shape buying decisions, particularly as inference demand accelerates

## AI Requirements

Data



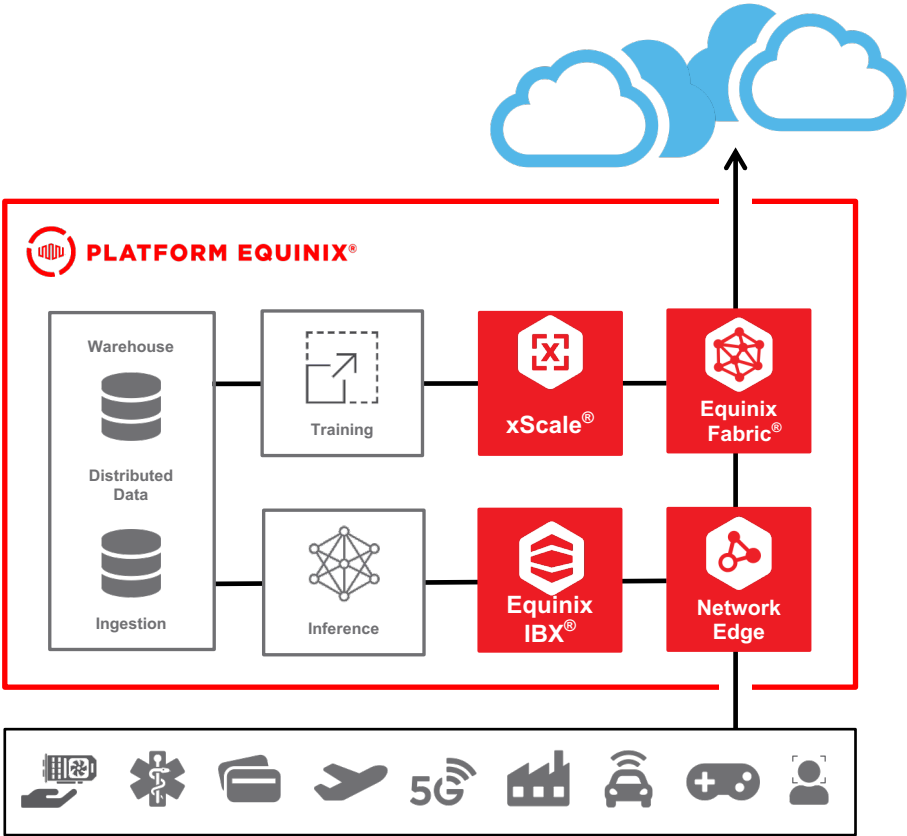
Cloud Proximity



Latency



Automation



## Use Cases/Partners



GPU and Dataflow as a Service



Data-Driven Traffic Safety Solutions



DGX SuperPOD™ Regions at Equinix



Clinician-Led Healthcare AI Platform



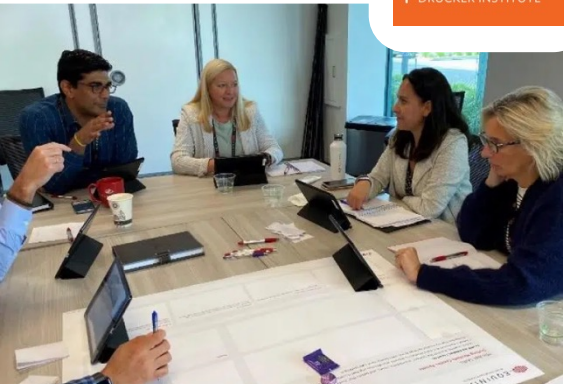
Precise and Intelligent Surgical Robots



# Powered by our people



## EQUINIX FOUNDATION





# Equinix is uniquely positioned to capture the enormous opportunity ahead



1

**Track record of delivery**

2

**Expanding market opportunity**

3

**Managing through a complex and dynamic environment**

4

**Durable advantages and a strong balance sheet**

5

**Sustained value creation**



A photograph of a modern, multi-story building with a complex, angular facade made of light-colored panels. Large windows are visible on several floors. A large, semi-transparent hexagonal graphic is overlaid on the center of the image, with a gradient border transitioning from orange to red to dark blue. Inside the hexagon, the text "EQUINIX ANALYST DAY 2023" is written in a bold, black, sans-serif font.

# **EQUINIX ANALYST DAY 2023**

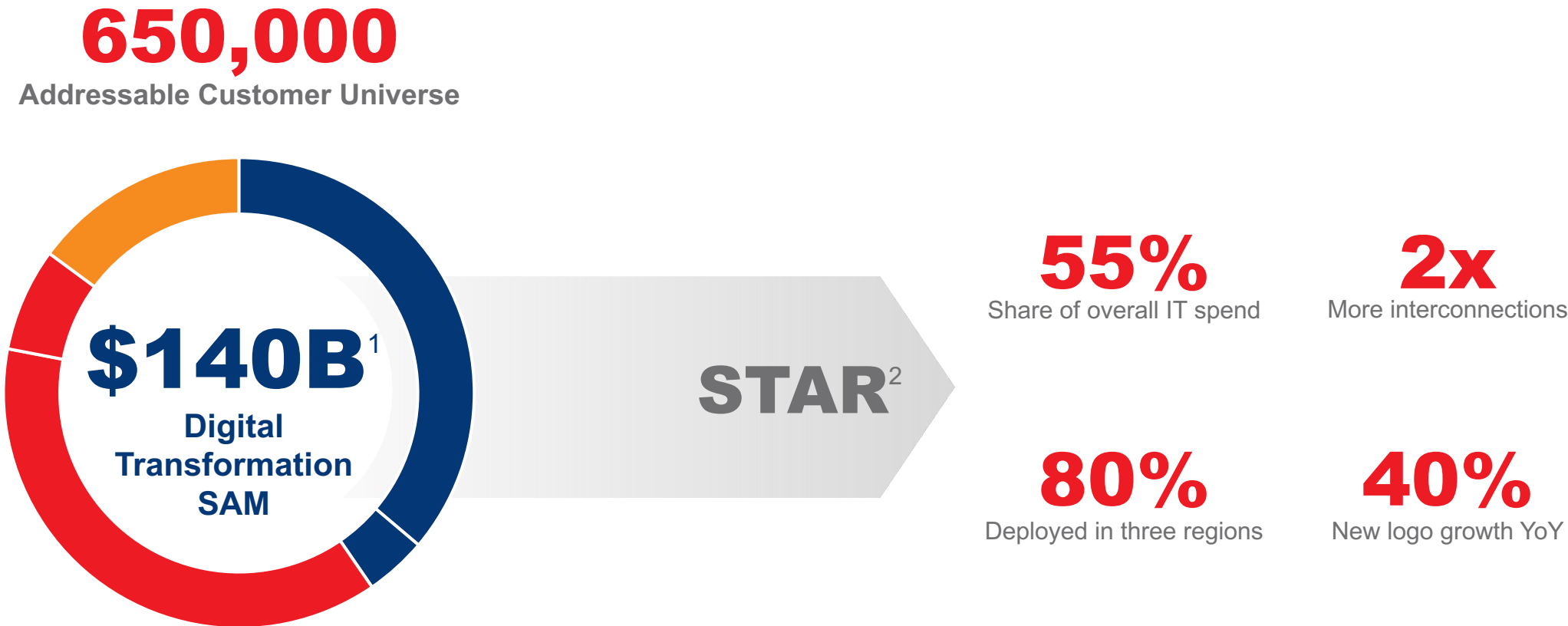
# Building an Unmatched Go-to-Market Engine

Mike Campbell  
Chief Sales Officer



# A rapidly growing customer opportunity

Success requires a focused go-to-market strategy



1. IDC custom research and Equinix analysis | 2. Equinix uses an internal data science function called "STAR" which stands for Segmentation, Targeting, Activation, and Reporting to target customers. All stats on this slide (other than IDC) are quantified by our STAR research



# Setting a new full-service standard

3,000 professionals dedicated to helping customers succeed



## Unrivalled Experienced Team

**11** Average Years of Industry Sales Experience

**100** New Sellers Hired in Last 7 Months

**5.5** Average Years Tenure of Quota Bearing Heads

**15** Years of Experience for Technical Support



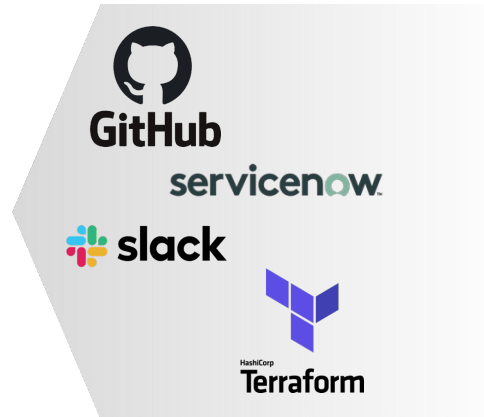
# Welcoming new kinds of buyers and sellers

New innovations pave the way

Digital infrastructure **buyer**  
sets are expanding



New personas interact and  
deploy in new ways



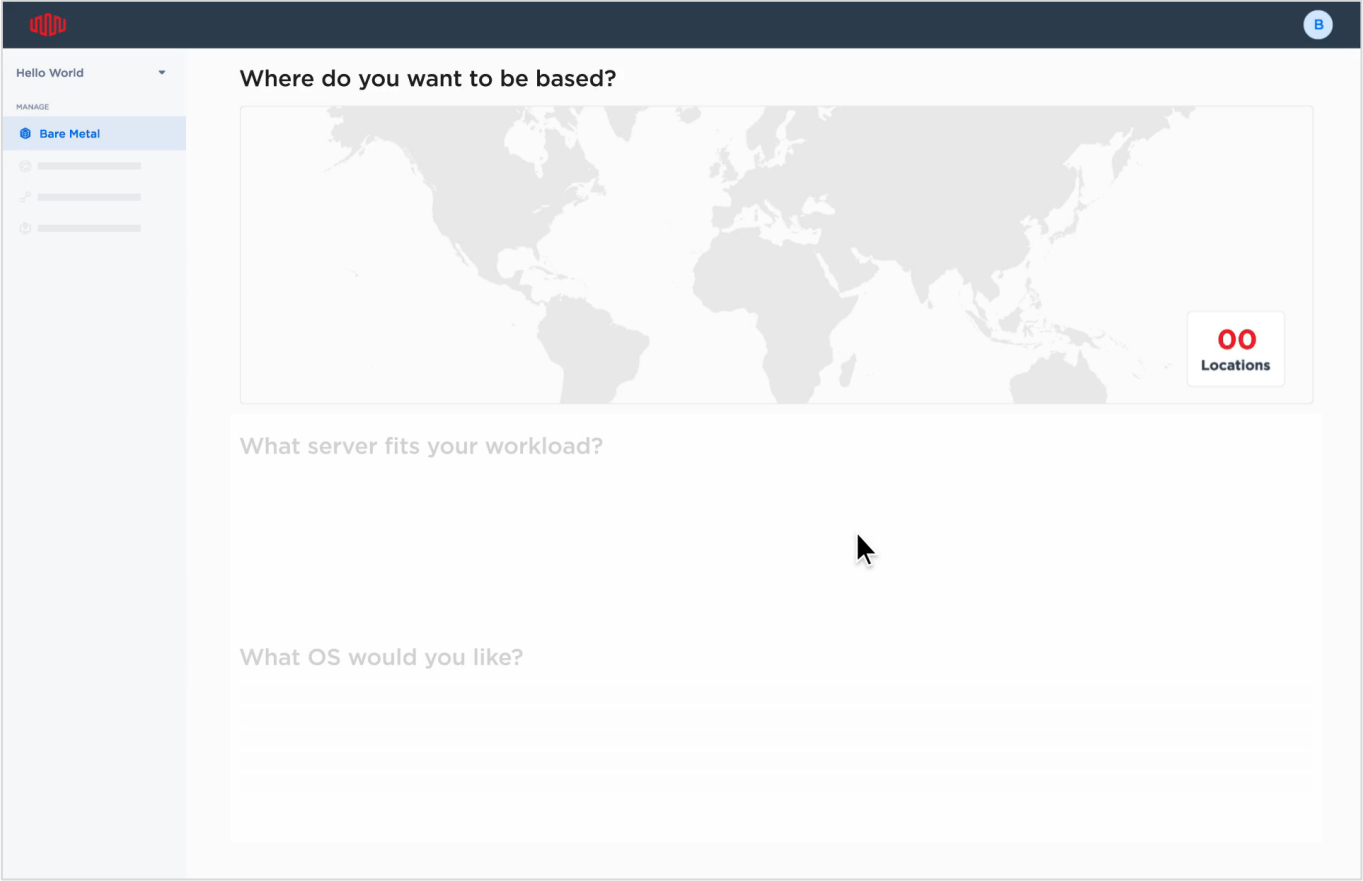
While **sellers** look to deliver  
as-a-Service on our Platform



Which requires automated  
growth at global scale

# Self-serve infrastructure

Point-and-click engagement



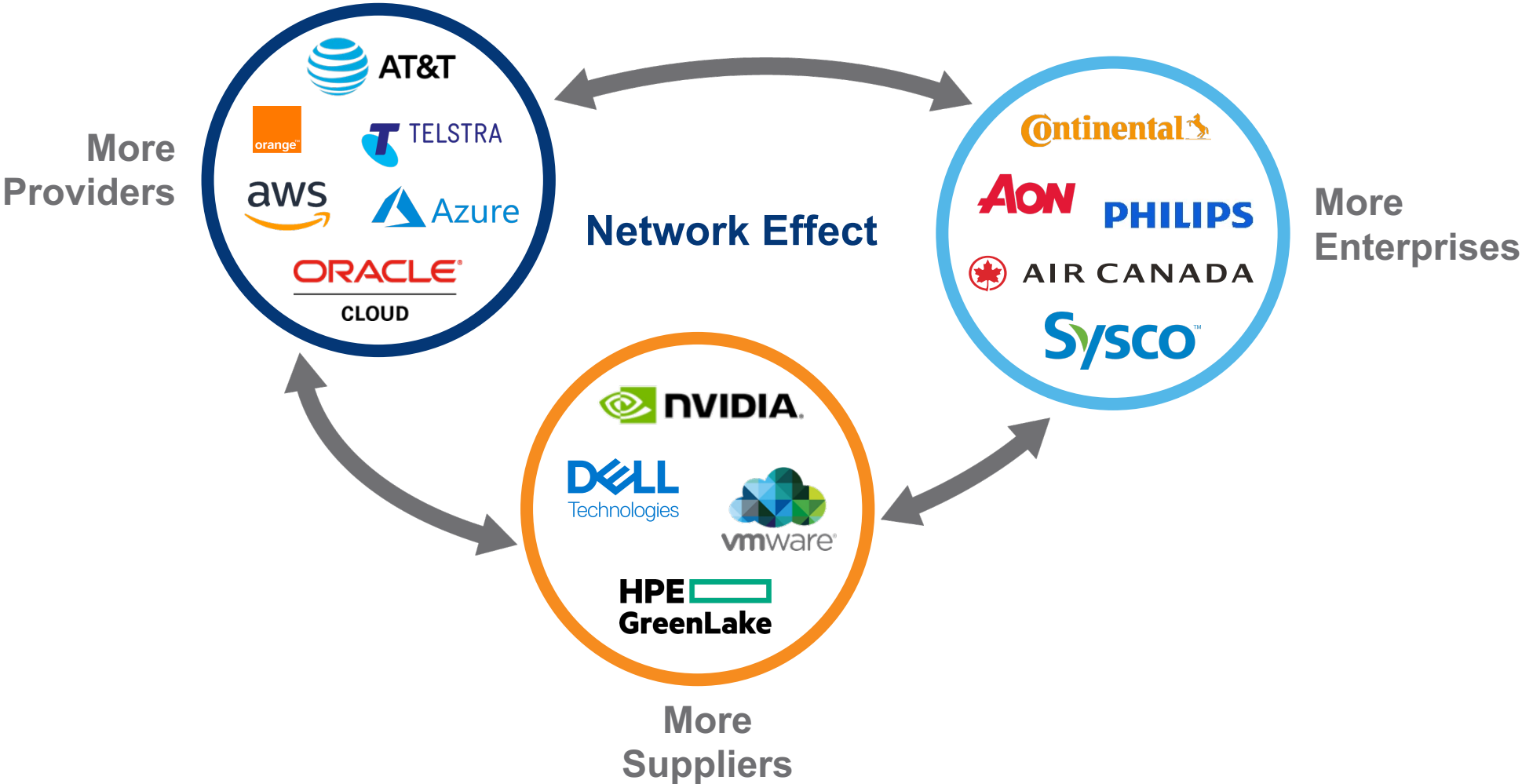
# Expanding routes to market to maximize opportunity

Our partner portfolio is an exponential salesforce multiplier



# Accelerating platform growth and advantage

Our ecosystem is growing, compounding the value to ALL participants at scale



# Delivering unmatched go-to-market strength

Our position and capabilities are unique



- ✓ Massive opportunity
- ✓ Experienced, focused team
- ✓ Robust partner portfolio
- ✓ Ever-expanding platform value



A photograph of a modern, multi-story building with a complex, angular facade. The building features large glass windows and balconies. A large, stylized hexagonal graphic is overlaid on the image, with a gradient border transitioning from orange to red to dark blue. Inside the hexagon, the text "EQUINIX ANALYST DAY 2023" is written in a bold, black, sans-serif font.

# **EQUINIX ANALYST DAY 2023**



# **Durable Value Creation in a Dynamic and Complex Global Environment**

Keith Taylor  
Chief Financial Officer

# Equinix Analyst Day 2023: Key themes and takeaways

1

## Track record of delivery

- 20+ years of consecutive top-line growth through varying market cycles
- Diversified revenues mix across industry, location and business size lowers exposure to macro environment volatility
- Strong bookings with 35%+ channel sell-through and healthy pricing
- Low MRR churn at the bottom of range
- Equinix Fabric® \$200M+ revenue line with 35%+ attach rates

2

## Expanding market opportunity

- Leading interconnection platform with rich global ecosystems including 2,000+ networks and 3,000+ Cloud and IT Service Providers
- Home of the hybrid multi-cloud with 210 native on-ramps to the leading CSPs
- Strategically important assets with an expanding 70+ market reach
- Disciplined capital allocation strategy delivering durable long-term shareholder value

3

## Managing through a complex and dynamic environment

- Investing in our digital infrastructure offerings to support the current and future needs of digital leaders
- Best-in-class procurement and strategic sourcing teams to manage supply chain
- Significant development capacity to support rapidly expanding addressable market
- Sophisticated risk management team to mitigate commodity and currency volatility

4

## Durable advantages and a strong balance sheet

- Excellent liquidity and balance sheet to support scale and growth through changing economic cycles
- Diverse and opportunistic access to all forms of capital; investment-grade rated
- 190MW+ of xScale® leasing to date, deepening critical strategic relationships and unlocking the opportunity of Platform Equinix®
- Low AFFO payout ratio of ~43% lowering external funding needs

5

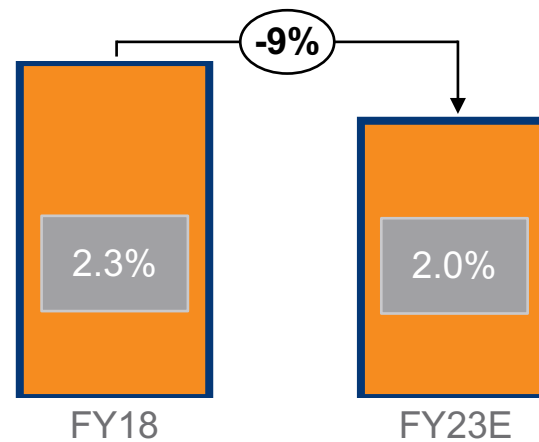
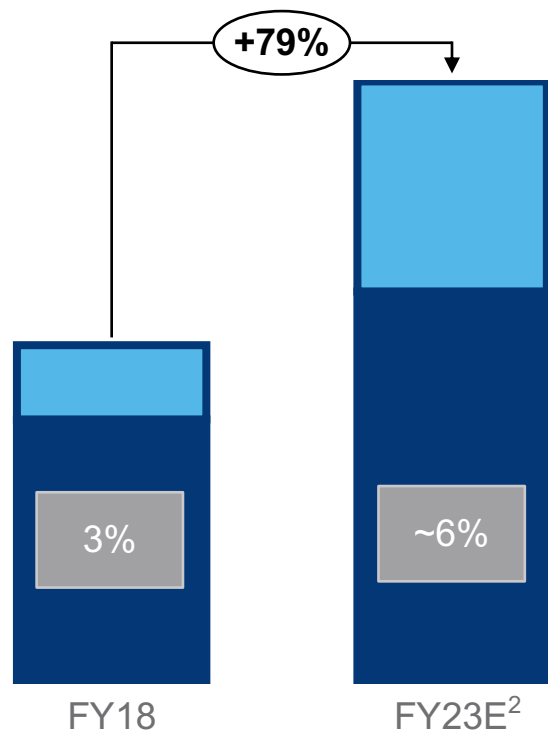
## Sustained value creation

- Track record of strong operating execution
- Attractive revenue and AFFO per share growth
- On track to 100% clean and renewable energy coverage
- Creating a culture where everyone can confidently say, “I’m safe, I belong, and I matter”
- Strong commitment to Environmental, Social and Governance initiatives

# Strong bookings momentum

■ Gross Bookings  
■ Channel Partner Bookings  
■ Net Price Actions % of Bookings

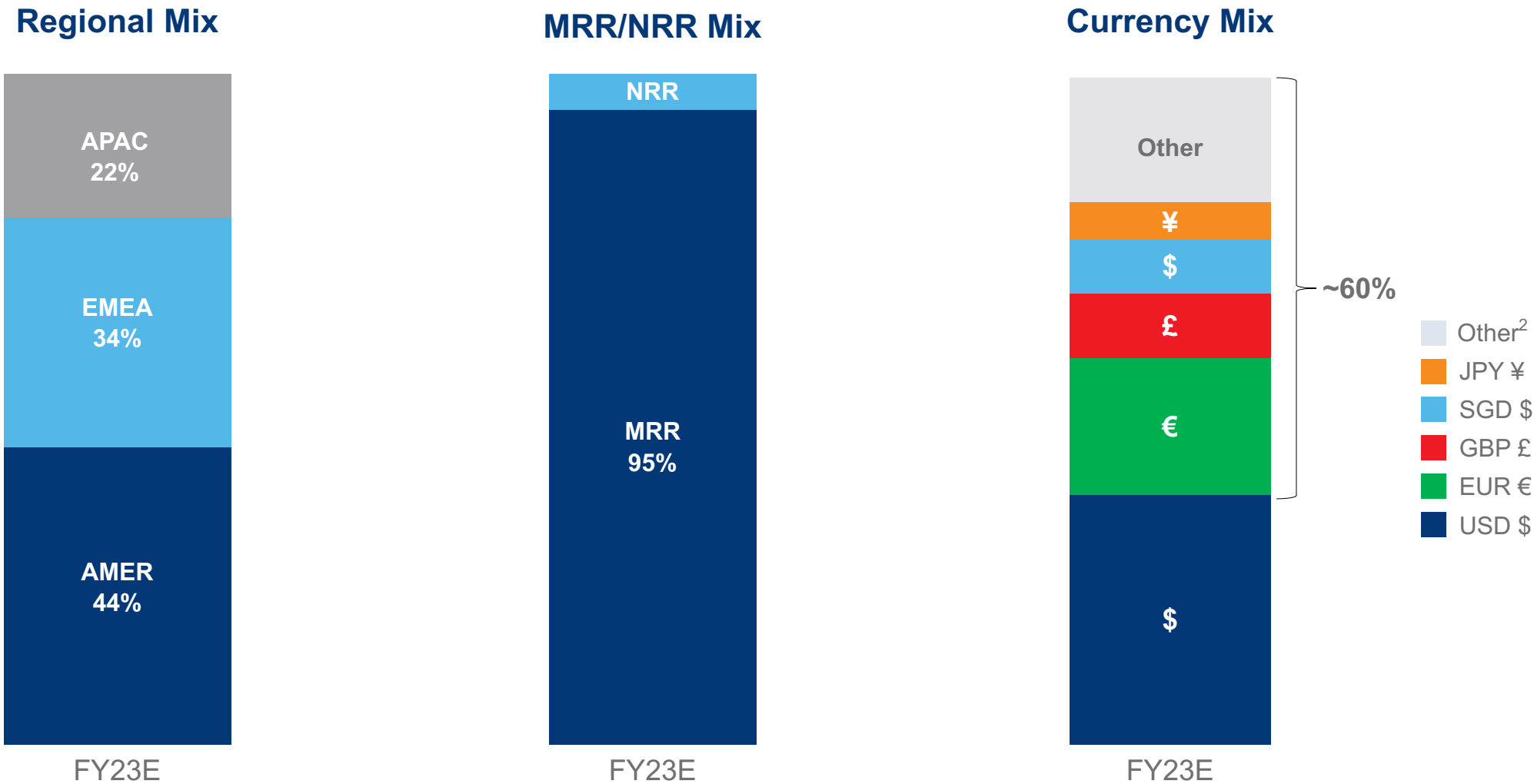
■ Churn as % of PAG  
■ Churn as % of MRR<sup>3</sup>



- **35%+** of gross bookings from **channel**<sup>1</sup>
- **Net positive** pricing actions **~6%** of bookings<sup>2</sup>
- MRR churn target range of **2.0 - 2.5%**



# Durable and diverse revenues<sup>1</sup>

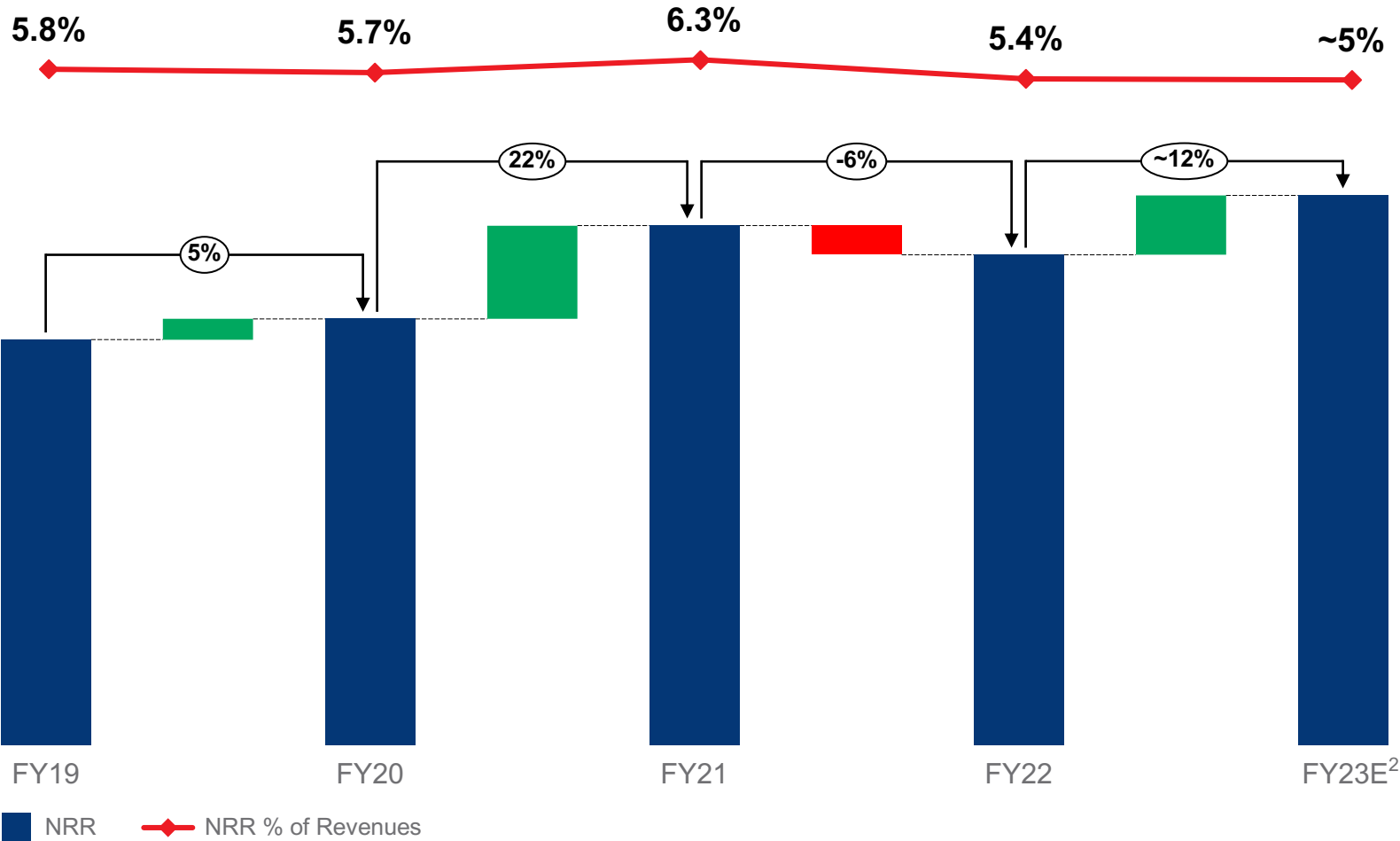


1. FY23 Guidance as announced on Form 8-K filed May 3, 2023. This does not constitute an update or reiteration of such guidance. Figures represent mid-point of guidance | 2. Other includes AUD, HKD, BRL, CAD, CHF, SEK, AED, BGN, CLP, CNY, COP, GHS, INR, KRW, MXN, NGN, PLN, TRY, PEN and XOF currencies

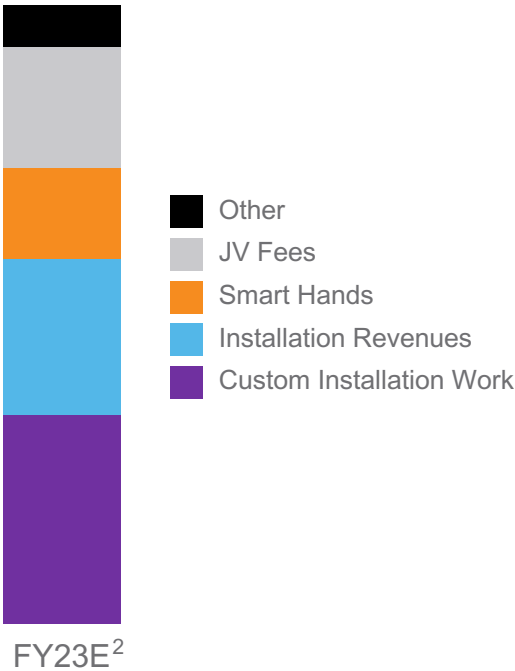


# Non-recurring revenues<sup>1</sup>

NRR expected to stabilize at approximately 5% of revenues; quarterly volatility expected



## Components of NRR



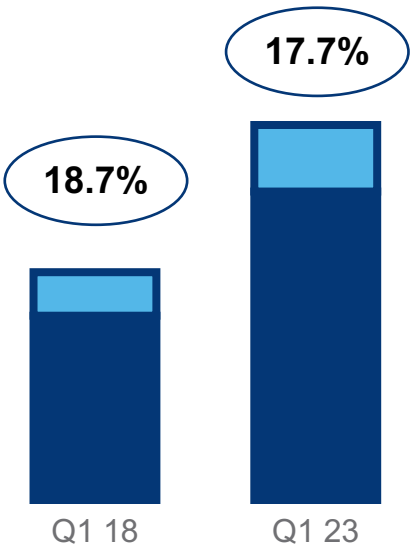
1. Non-recurring revenues (NRR) in \$ millions | 2. FY23 Guidance as announced on Form 8-K filed May 3, 2023. This does not constitute an update or reiteration of such guidance. Figures represent mid-point of guidance



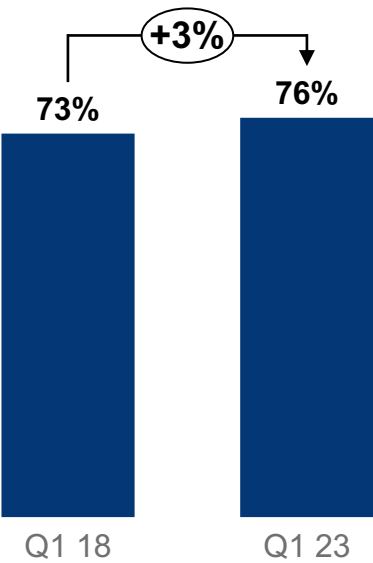
# Core operating metrics

- Total MRR
- Top 10 Customers MRR
- Top 10 Customers as % of Total MRR
- Power Pass-through

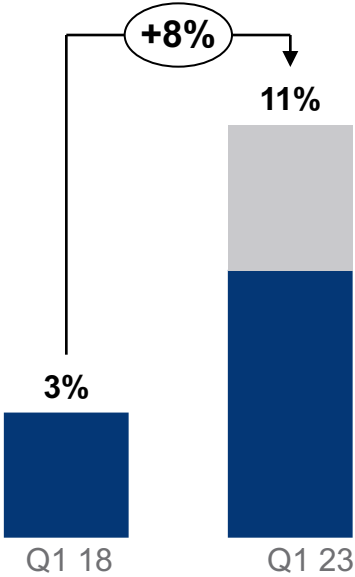
Top 10 Customers of MRR<sup>1</sup>



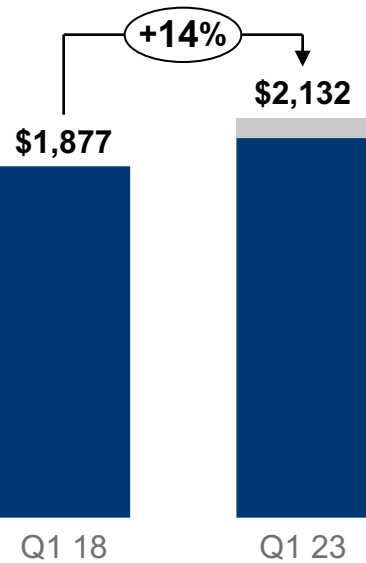
MRR of Multi-region Customers



Stabilized Asset Revenues<sup>2</sup>



MRR per Cabinet<sup>3</sup>



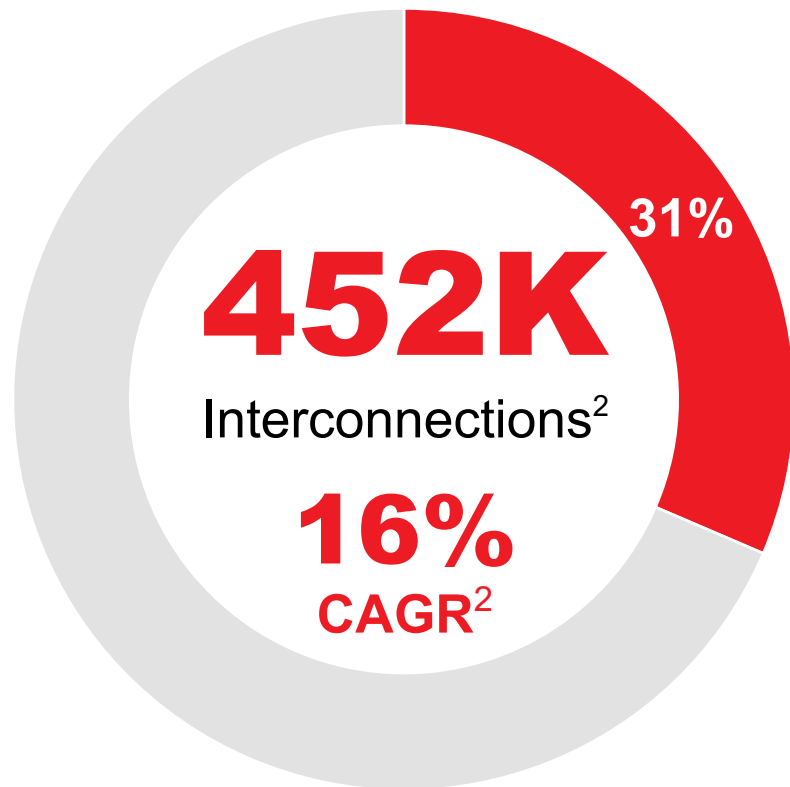
1. Excludes revenues from Equinix Metal® and Entel and MainOne acquisitions | 2. YoY growth on a constant currency basis assumes average FX rates used in our financial results remain the same over comparative periods | 3. MRR per Cab excludes xScale JVs, Equinix Metal, Infomart non-IBX® tenant income and Entel and MainOne acquisitions



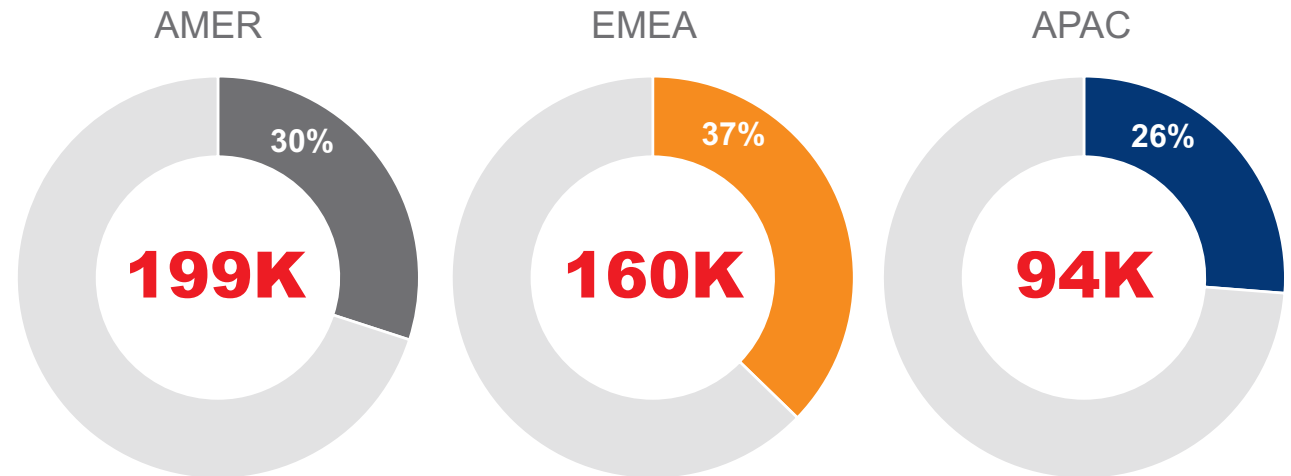
# Interconnection market share<sup>1</sup>

#1 global market share of interconnections and #1 in each of our regions

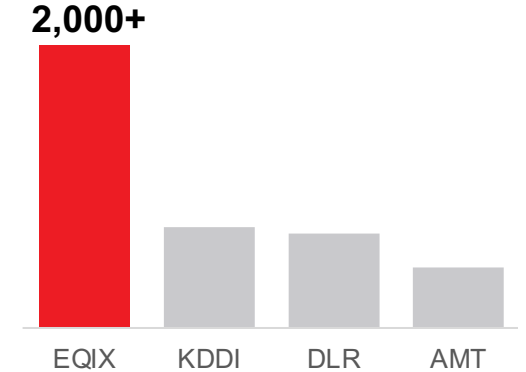
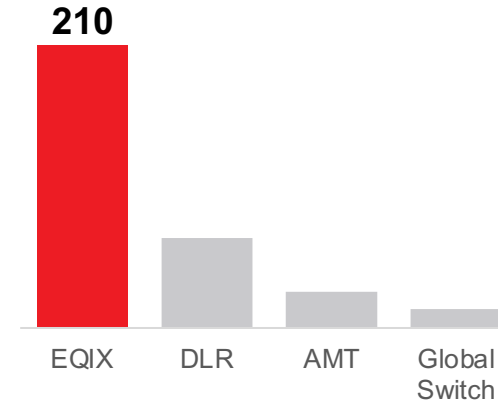
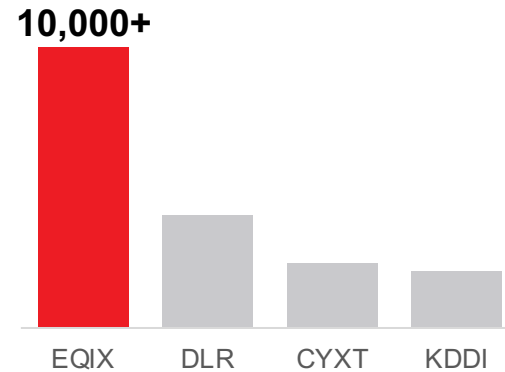
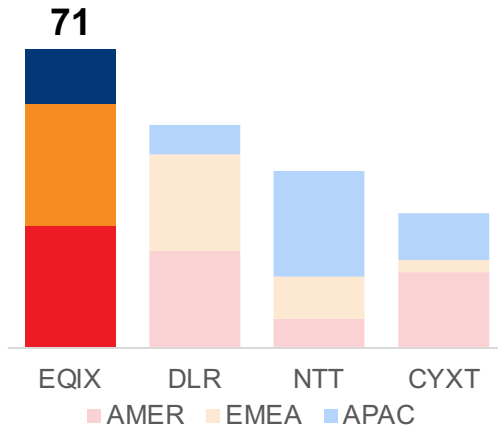
## Global Interconnection Market Share



## Regional Interconnection Market Share



# Leading global digital infrastructure provider with robust ecosystems



## Metros

- Leading retail colocation provider in 20 of the 30 largest markets in the world<sup>1</sup>
- Added eight markets since last Analyst Day

## Customers

- 290 of the Fortune 500
- Robust Service Provider ecosystems including 2,000+ networks and 3,000+ cloud and IT service companies
- 5,000+ enterprises including 1,400+ financial services

## Major Cloud On-Ramps<sup>2</sup>

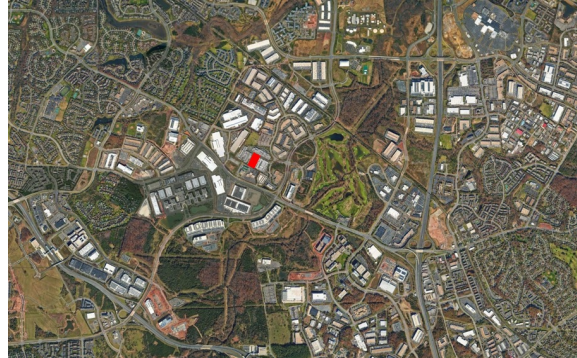
- 40%+ of the hyperscale cloud on-ramp nodes in Equinix metros
- Unrivaled direct public cloud access with on-ramps in nearly 50 metros

## Networks

- Leading carrier-neutral platform with over 2x as many network customers as our next closest competitor
- 10 of 10 largest telecom providers
- Leading provider for cable landing station providers



# A story about the Ashburn metro



## DC1

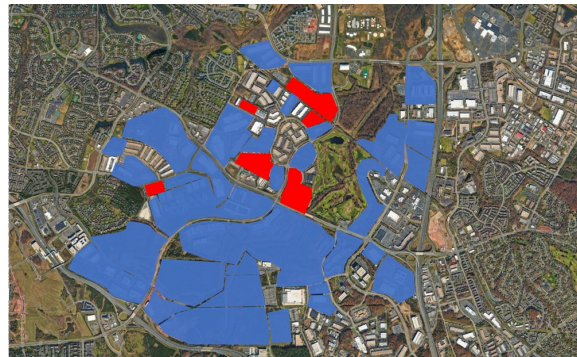
September 1999

- 400 Cabinets
- <1MW of capacity
- Single-story building



## Ashburn metro

- 15 IBX® data centers
- DC16 under construction
- 111MW of capacity (including DC16)
- Land bank capacity for 20+ years in main-extended campus

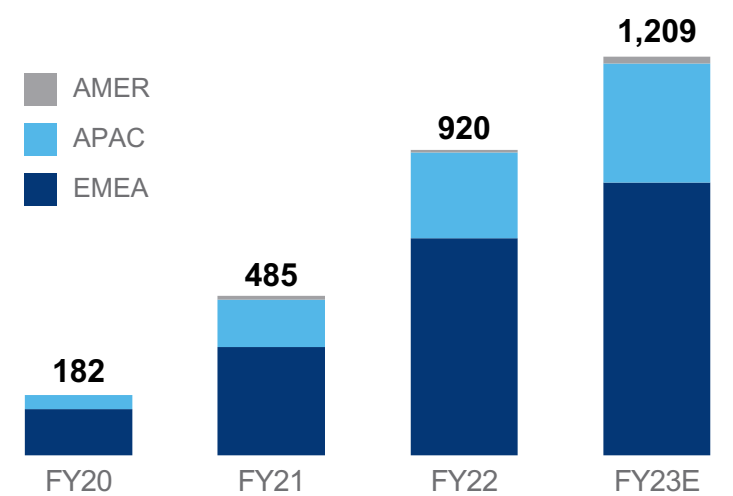


## Equinix Market Position

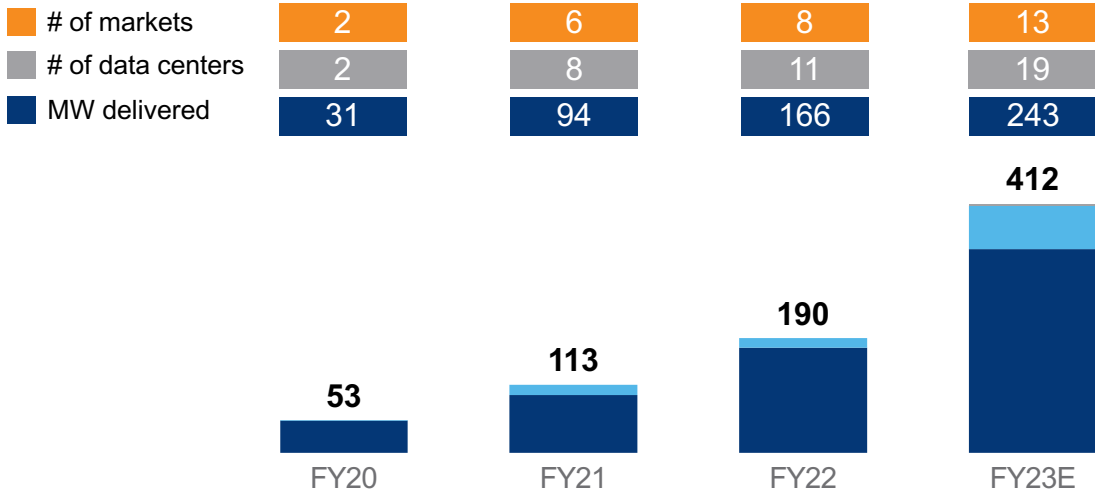
- Primary retail provider
- Epicenter of data center services in Ashburn
- Land valued based on distance to Equinix
- 32,000+ cabinets
- 38,000+ interconnections
- 91% utilized
- 9% revenue CAGR FY18 to FY23E<sup>1</sup>

# Our xScale program is gaining momentum; substantial value to be created

Total Capital Investment by Year – All JVs



Total Unconsolidated JV Revenues<sup>3</sup>



	New Projection <sup>1</sup>
Total CAPEX	\$8.0 – \$11.0B
Equinix equity	20%
Leverage	~50%
Implied Equinix investment	\$0.8 – \$1.1B
Projected Equinix returns <sup>2</sup>	12 – 17%
Projected annual AFFO contribution	3 – 5%

## Equinix financial benefits

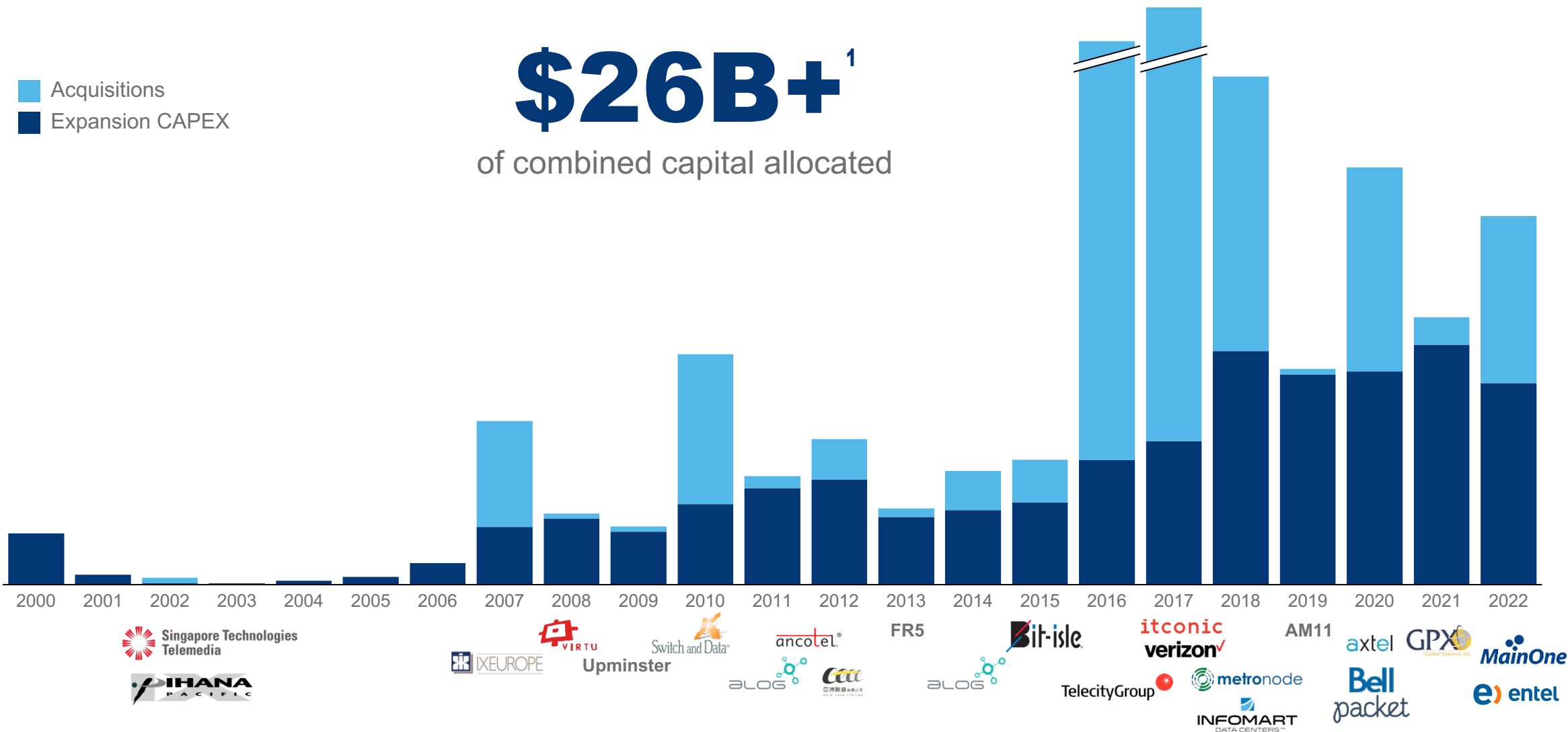
- JV fee stream – MRR and NRR
- AFFO contribution from 20% ownership
- Future promote fee when assets sold



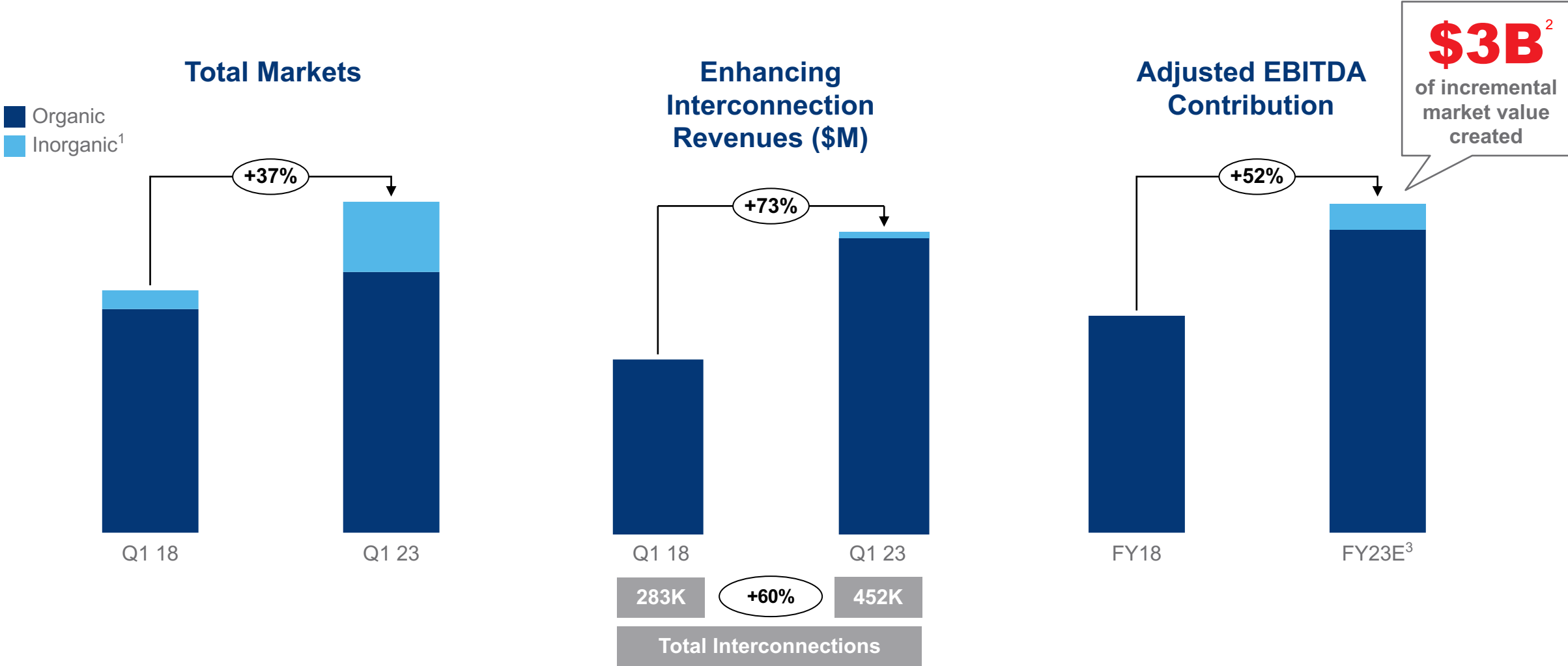
# History of strategic M&A activity

Acquisitions  
Expansion CAPEX

**\$26B+<sup>1</sup>**  
of combined capital allocated



# Pattern of creating shareholder value from acquisitions



1. Reflects contributions from acquisitions starting in 2018 | 2. Estimated market value based on FY2023E Adj. FV/EBITDA multiple of 25.6x (Source: FactSet as of 05/08/2023, company filings, Wall Street research) | 3. FY23 guidance as announced on Form 8-K filed May 3, 2023. This does not constitute an update or reiteration of such guidance. Figures represent mid-point of guidance





# Why the Infomart was important

~\$700M incremental market value created

## Pre-Infomart (Q1 2018)

- 19MW of capacity
- 7,000+ cabinets
- 12,000+ interconnections
- 82% utilized

## Infomart

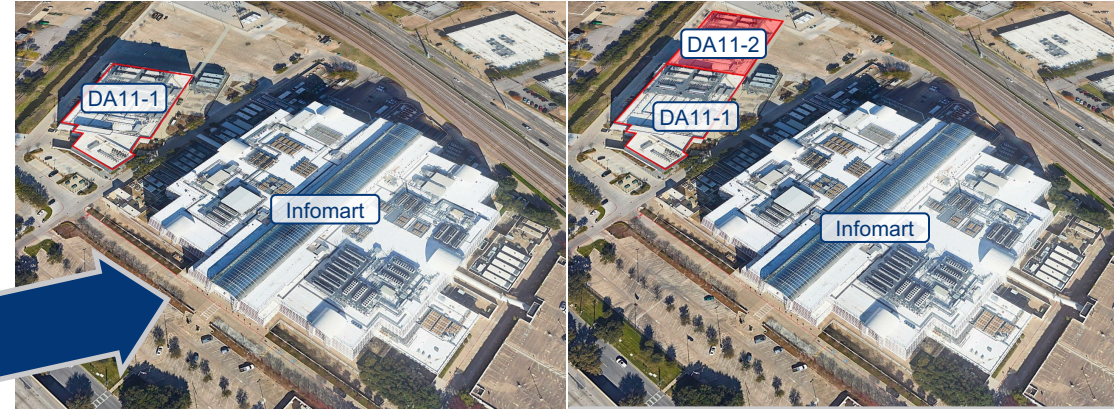
- Purchase of the Infomart Building® for ~\$800M in April 2018
- Converted DA1, 2, 3 & 6 from leased to owned adding 3% to “owned” recurring revenues

## Dallas Now (Q1 2023)

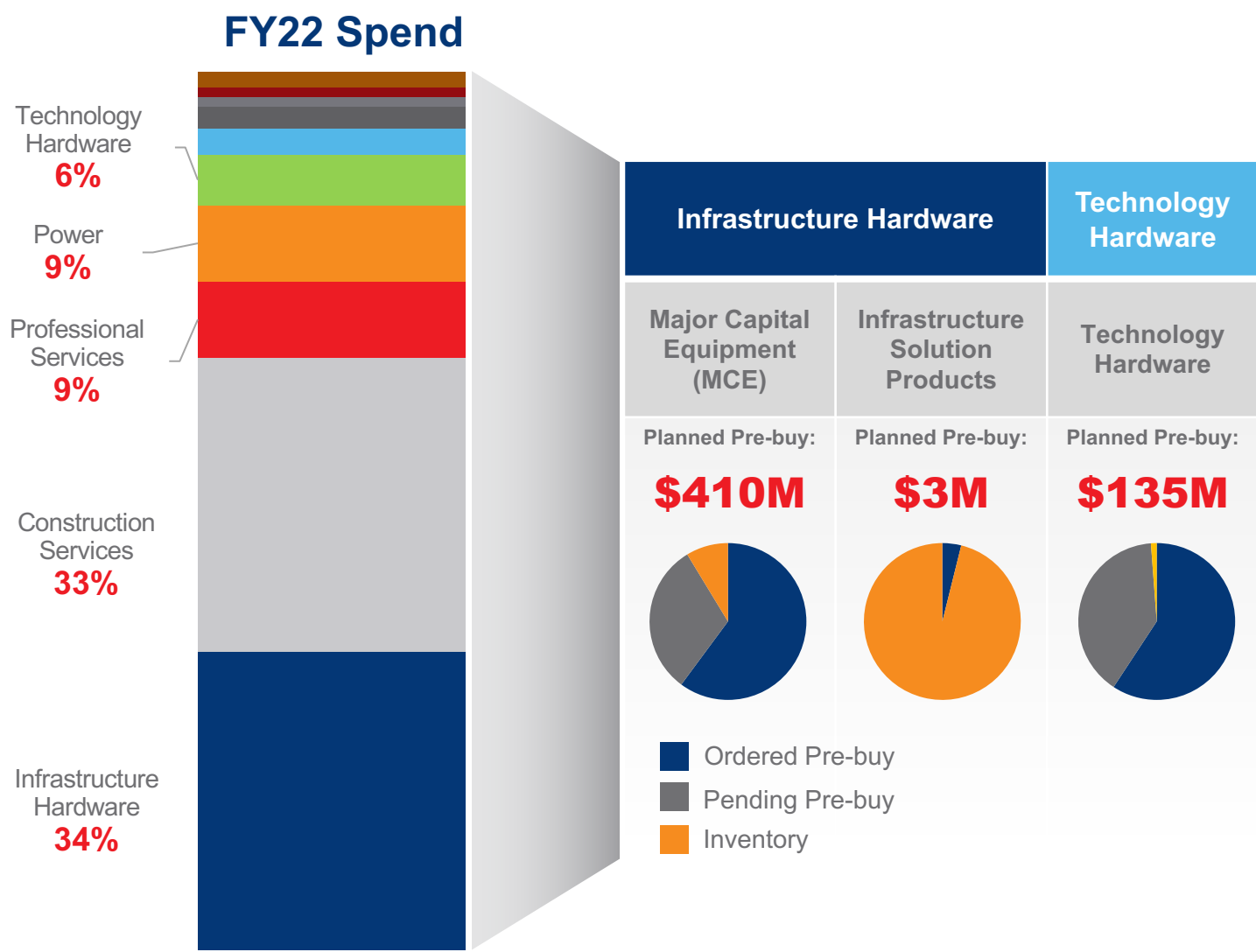
- 37MW of capacity
- 11,000+ cabinets<sup>1</sup>
- 18,000+ interconnections
- 93% utilized

## Dallas Tomorrow

- Dallas metro expected revenue CAGR of 11% from FY18 to FY23E<sup>2</sup>
- DA11 tracking 3x better than business case
- DA11-2 to open in Q3 2023



# Enhanced supply chain strategy<sup>1</sup>



- Leveraging our scale to help mitigate increasing supply chain challenges – price and availability
- Lead-time and inflation impacts managed better than the market
- Industry leader in sustainability which enables customers to lower Scope 3 emission via Equinix’s supply chain ESG strategy

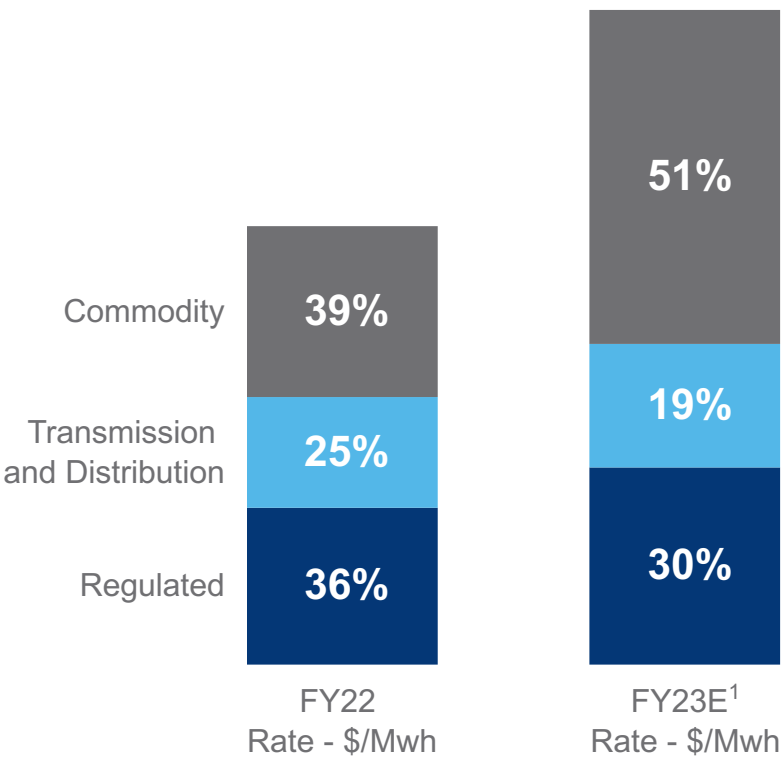
1. Planned pre-buy represents 2023 projected vendor commitments



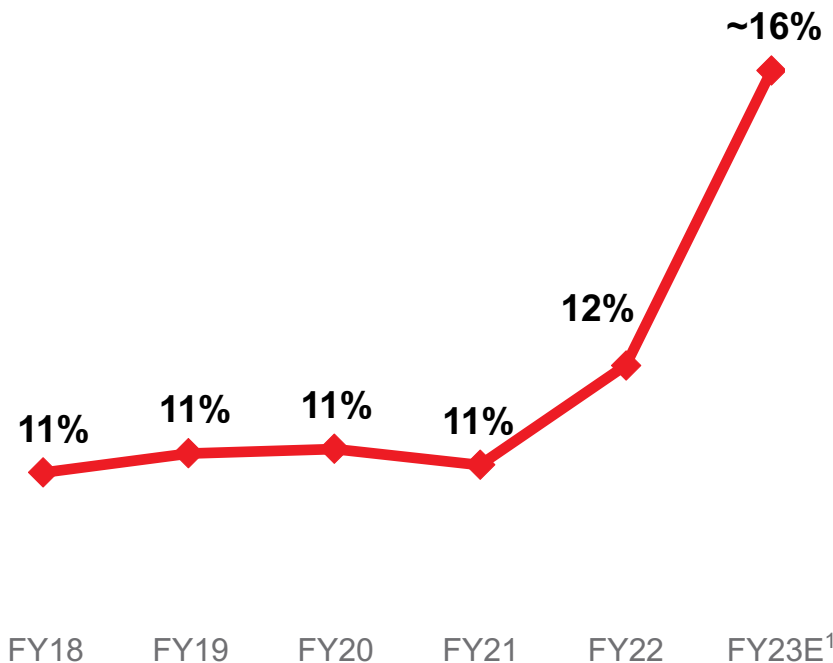
# Power procurement strategy

Dampening energy volatility for customers

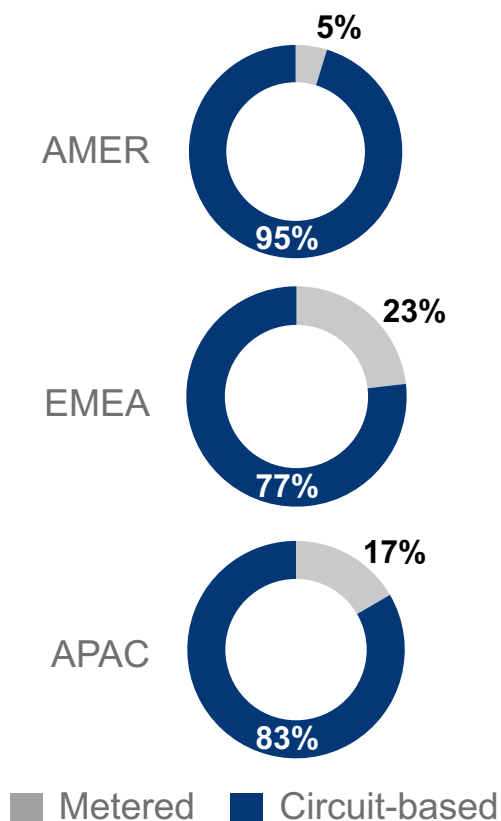
Power Cost Components



Power Costs % of Revenue



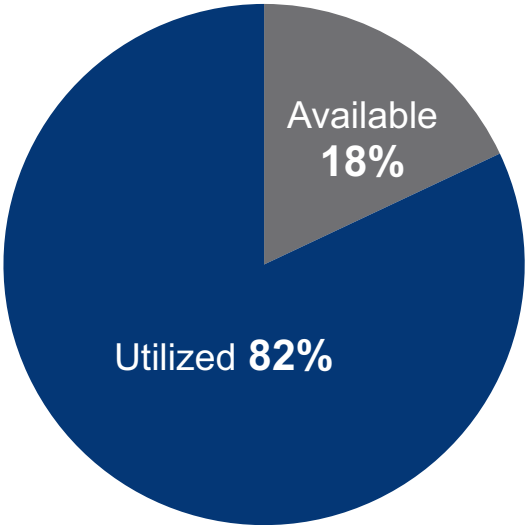
Power Revenue Mix<sup>1</sup>



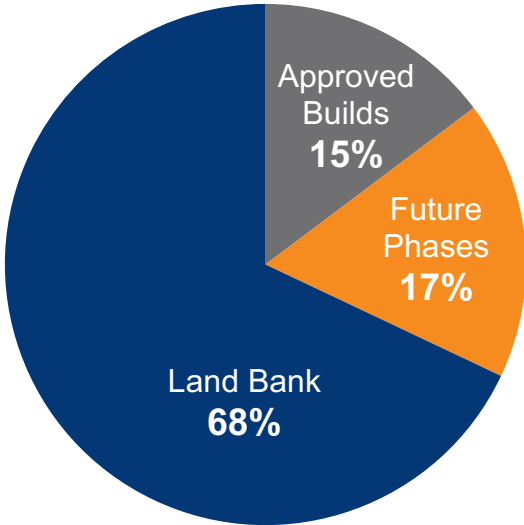
# Development capacity strategy<sup>1</sup>

Healthy capacity to support expected future growth

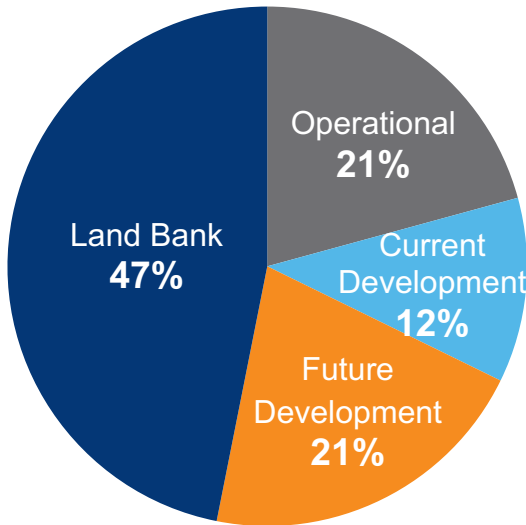
**Retail Capacity**  
346,100 Cabinets<sup>2</sup>



**Retail Builds**  
~233,500 Cabinets<sup>3</sup>



**xScale**  
800+ MW



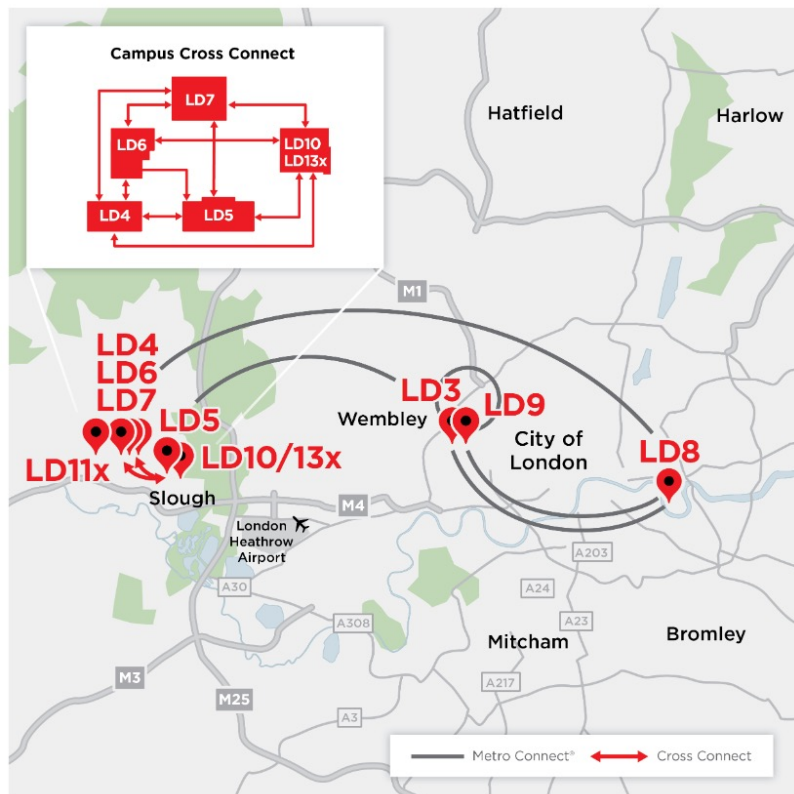
Targeting Optimal Utilization

1. As of Q1 23. Approved builds and future phases in existing IBX data centers as announced on the May 3, 2023, earnings conference call | 2. Excludes xScale, Equinix Metal, Entel and Main One acquisitions | 3. Additional retail capacity if approved, future phase and land bank is fully built out. Acquisitions and land bank subject to change upon finalizing the integration process and land bank planning.





# Development timeline

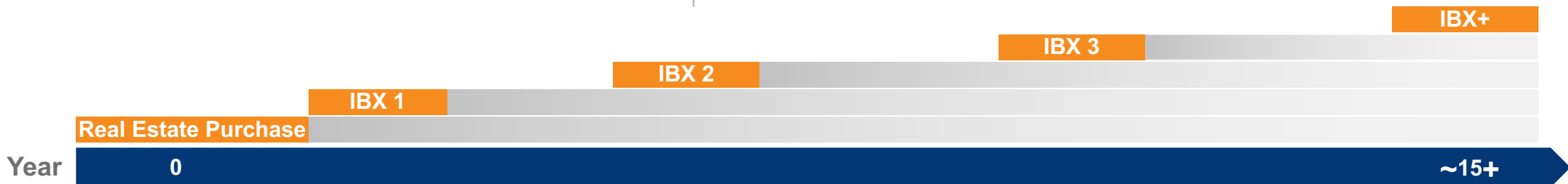


## Maximizing return potential

- High-quality data center assets with network and cloud-dense facilities in top-tier markets driving premium pricing
- Strategic capital deployment to achieve 15+ years of land bank capacity to secure growth in key markets
- Building a multi-site campus drives operating leverage, fosters a broader ecosystem and support premium pricing
- Sophisticated utility power planning

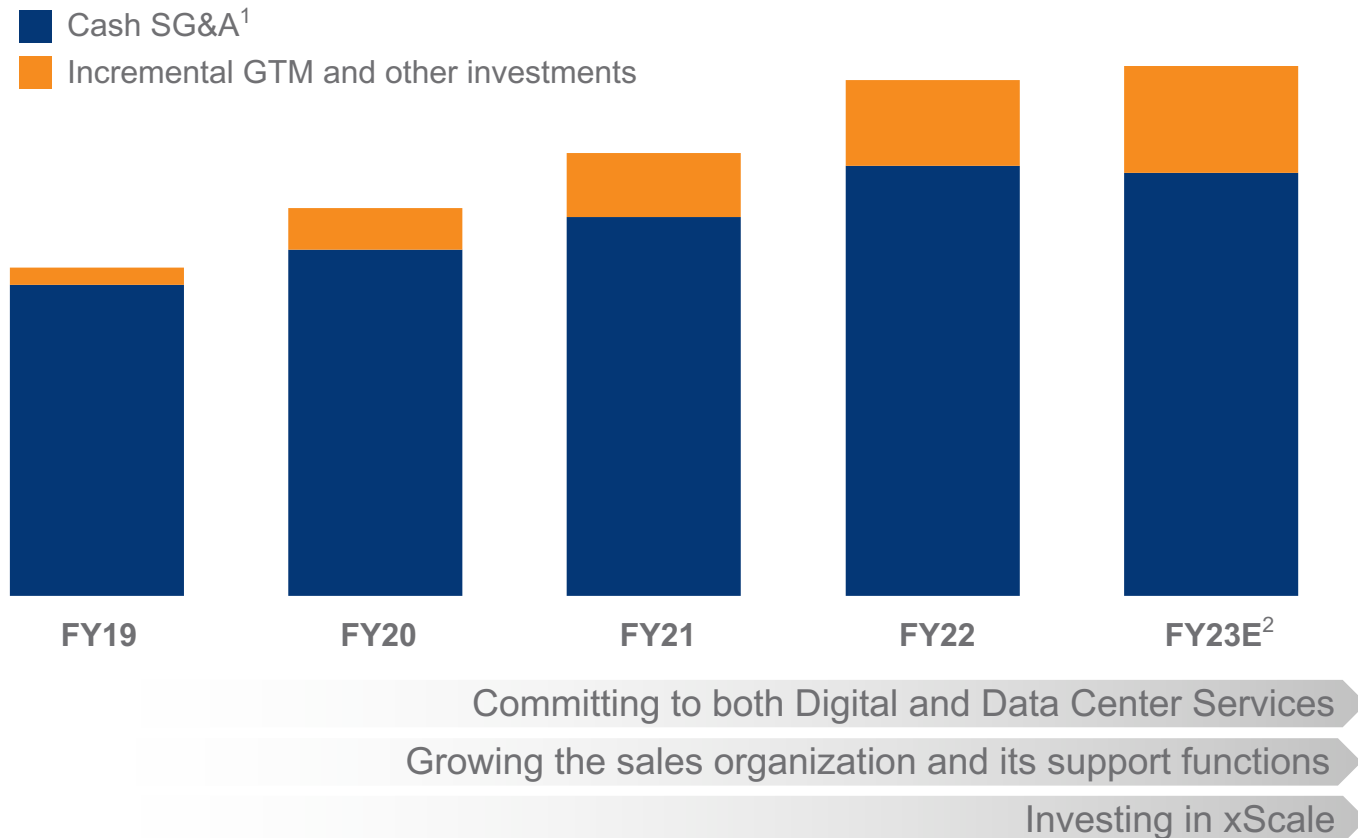
## London Slough land purchase

- Purchase of 11.5 acres of developable land proximate to the Slough campus in EMEA's premier metro
- Executed in November 2022
- Ability to deliver +110MW of capacity and connect into existing Slough ecosystems



# Customer-facing investments

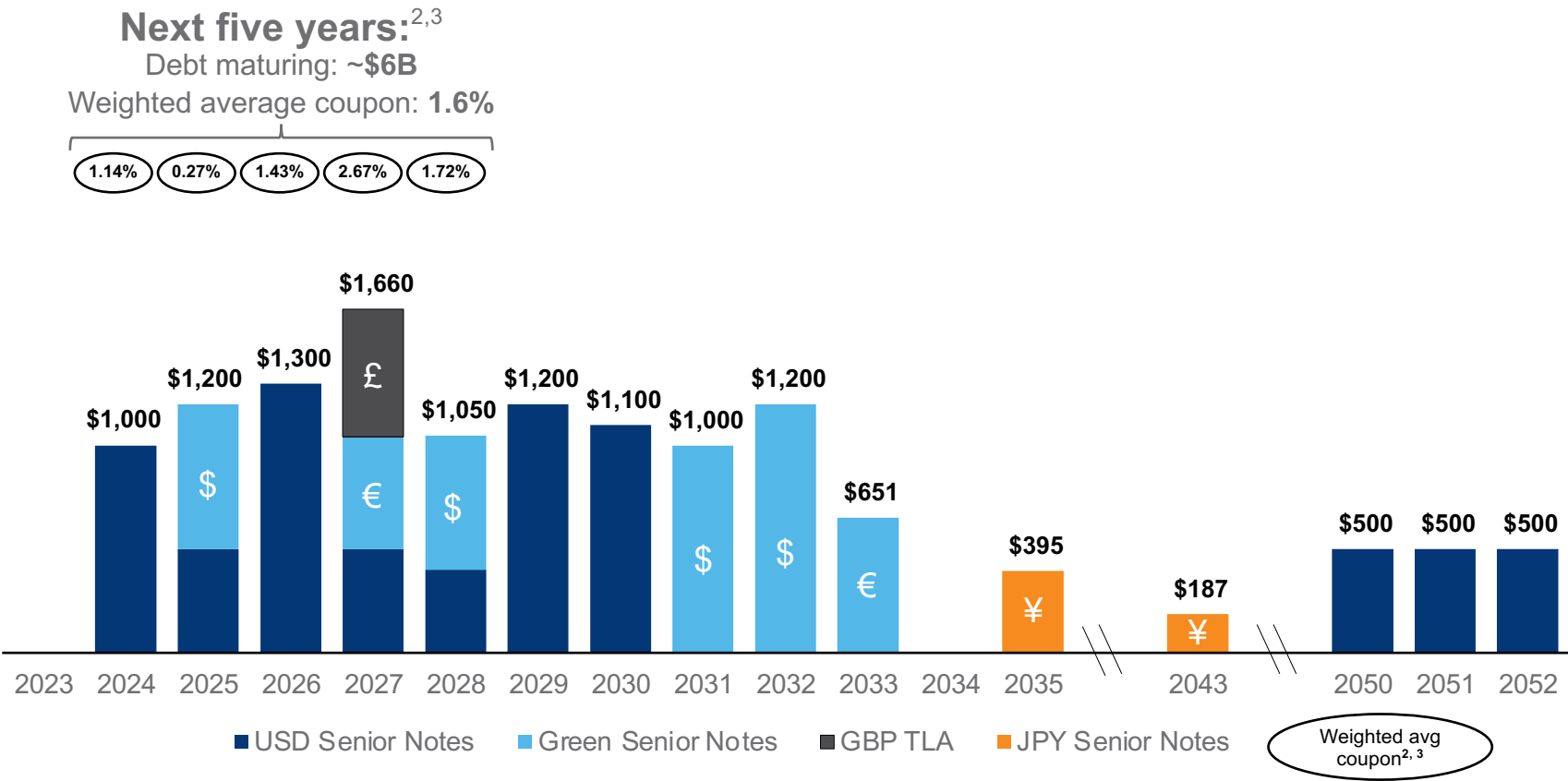
Increasing Equinix value through pricing and retention



- Building an unrivaled full-service go-to-market (GTM) engine delivering unmatched strength to sell across industries and opportunities including xScale
- New Digital Services selling through Product-Led Growth (PLG) and technical support functions
- Creating a rich, interconnected ecosystem of customers

# Balance sheet strength<sup>1</sup>

## Balanced Debt Maturities (\$M)<sup>2</sup>



### Strong Liquidity

- \$2.6B cash balance
- \$3.9B untapped revolver

### Strategic Value of Gross PP&E Invested

- 63% owned revenue
- Stabilized assets generate 27% cash-on-cash return on PP&E invested

### Strong Equity Position and Value Creation for Stakeholders

- \$12B book value of equity
- \$82B enterprise value

### Strong Coverage Profile<sup>2,3</sup>

- Best in class 9.2x fixed charge
- 3.4x net leverage
- 2.14% weighted average coupon
- 8.4 years average maturity
- \$4.9B green notes<sup>4</sup> / 38% of total

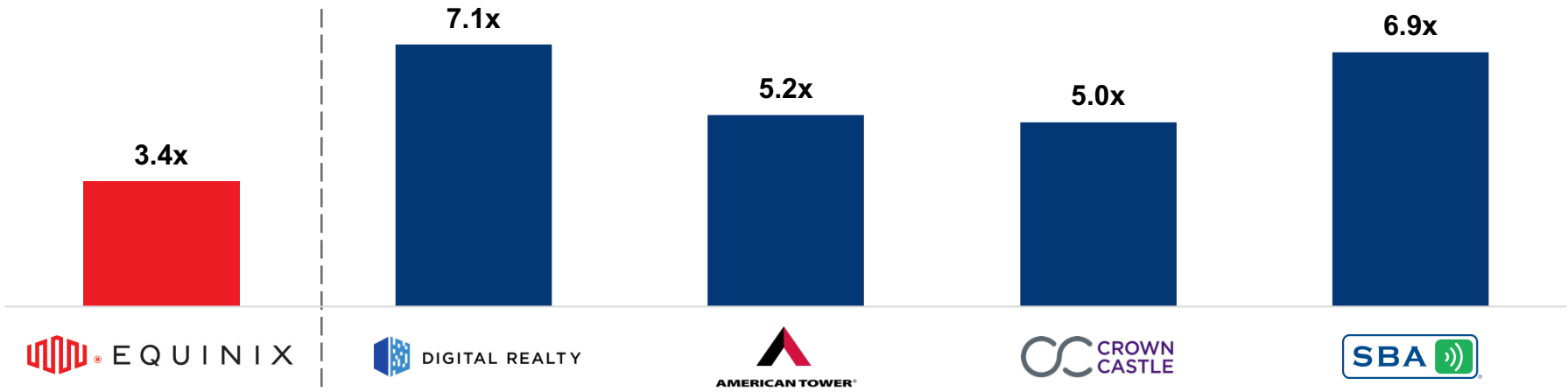


# Strongest balance sheet among sector and broader REIT peers

Equinix is 2.7x below the average leverage levels of its peers

Net Leverage<sup>1</sup>

Peer Comparison	
EQIX Leverage:	3.4 x
Peer Average:	6.1 x

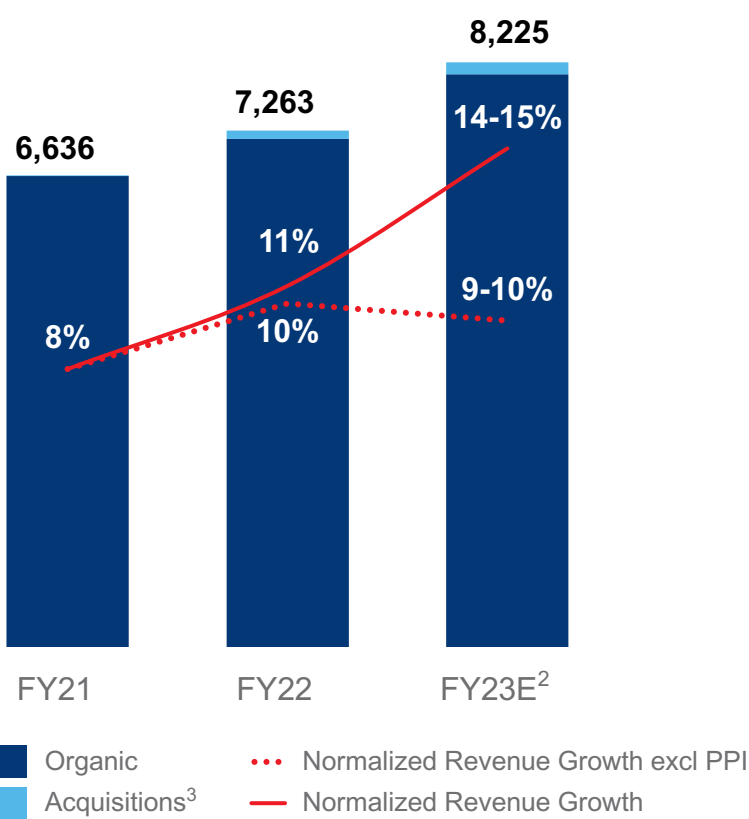


Business Profile	Credit Ratings	Baa2 / BBB / BBB+	Baa2 / BBB / BBB	Baa3 / BBB- / BBB+	Baa3 / BBB / BBB+	Ba2 / BB+ / NR
	Sector	Data Center	Data Center	Tower	Tower	Tower
Coverage and Leverage <sup>2</sup>	EBITDA / Interest Expense	9.2 x	5.9 x	5.5 x	5.2 x	3.4 x
	Debt / EV	21 %	40 %	32 %	33 %	35 %
Liquidity and Access to Capital	Liquidity (\$bn) <sup>1, 3</sup>	\$ 7	\$ 1	\$ 8	\$ 6	\$ 1
	Payout Ratio <sup>1, 4</sup>	43 %	78 %	62 %	83 %	27 %
Scale	Total Assets (\$bn) <sup>1</sup>	\$ 31	\$ 42	\$ 67	\$ 39	\$ 11
	Market Cap (\$bn) <sup>5</sup>	\$ 70	\$ 31	\$ 87	\$ 49	\$ 24

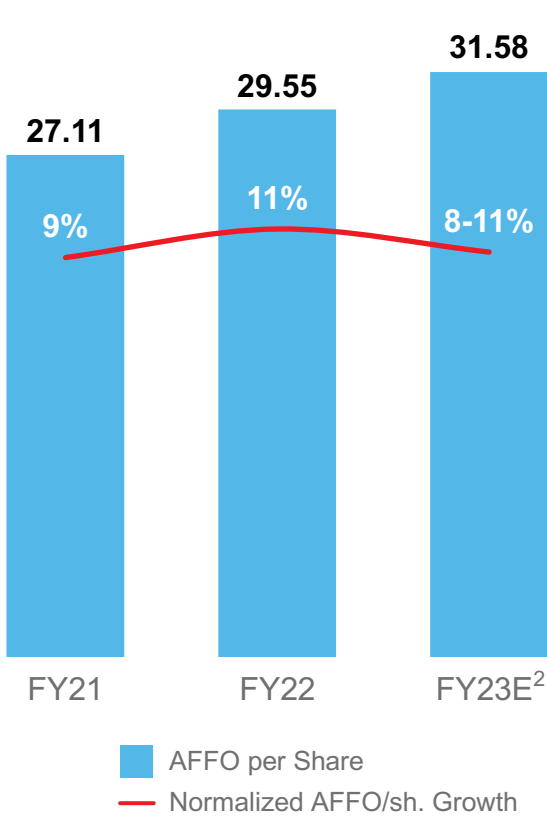


# Track record of delivering<sup>1</sup>

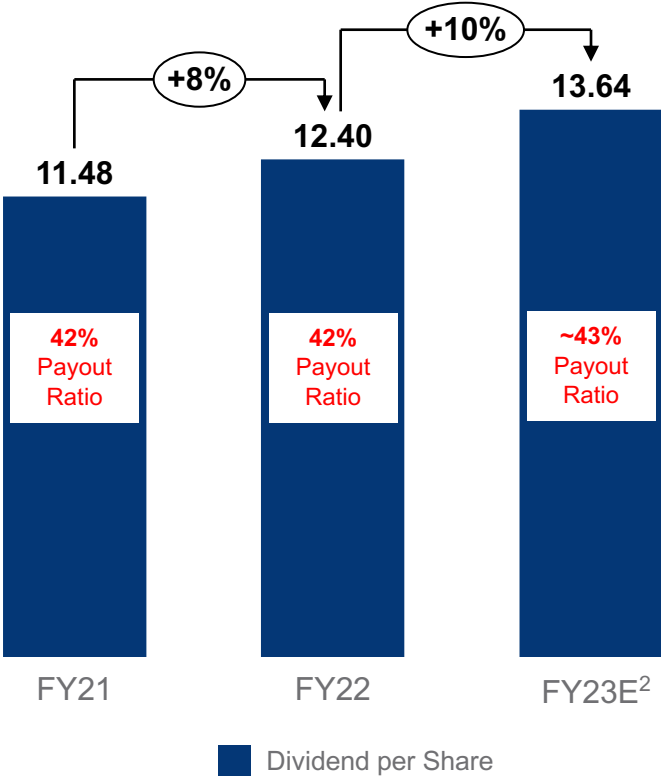
Revenue CAGR of 9% vs. prior Analyst Day guide of 7-9%



AFFO per Share CAGR of 10% vs. prior Analyst Day guide of 7-10%



Dividend Payout Ratio vs. prior Analyst Day guide of 8-10%

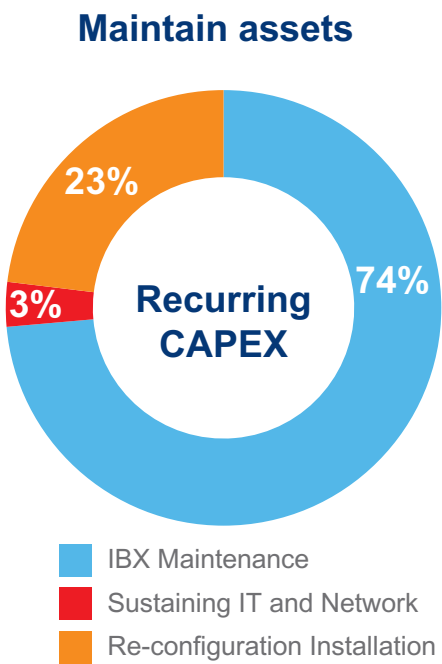
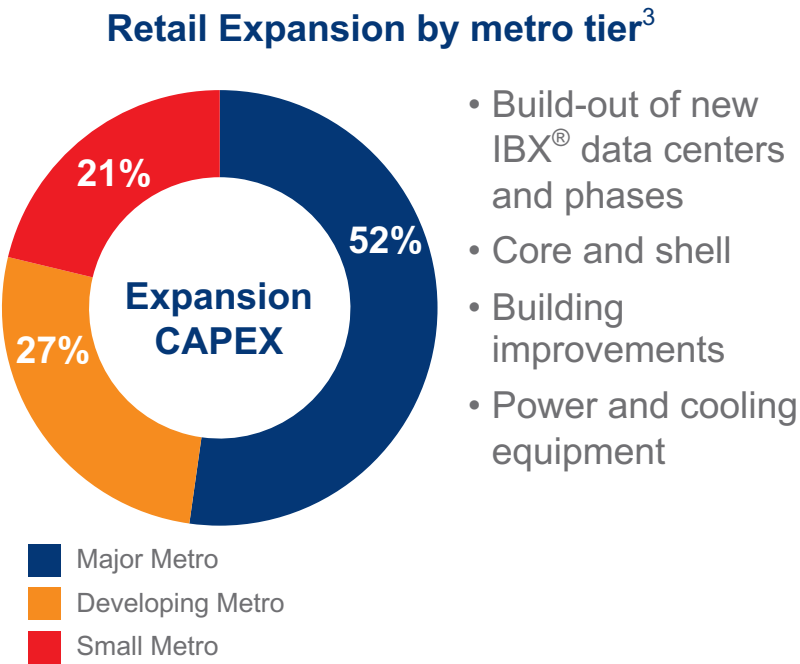


1. \$ in millions except AFFO per Share, and as-reported | Revenue CAGR reflects 2020 to 2023 growth normalized for FX, M&A and Power Pass-through | AFFO per share CAGR reflects 2020 to 2023 growth normalized for FX and one-off G/L | 2. FY23 guidance as announced on Form 8-K filed May 3, 2023. Figures represent mid-point of the guidance and do not constitute an update or reiteration of such guidance | 3. Acquisitions includes Entel, GPX and MainOne



# Strategic investments<sup>1</sup>

Targeting ~\$3B of CAPEX per year FY23 – FY27 to expand and maintain Equinix’s platform<sup>2</sup>



- #### IT investment

  - Customer initiatives
  - Efficiency and scaling projects
- #### Digital Services investment

  - New product development
  - Enhancements to existing products
- #### Supports new bookings

  - CAPEX to support installation of new customers

1. CAPEX mix reflects guidance as announced on Form 8-K filed May 3, 2023 excluding xScale and real estate. This does not constitute an update or reiteration of such guidance. Charts represent FY23 expected CAPEX mix. CAPEX mix for FY24 – FY27 may differ | 2. Represents annual guidance for FY24 – FY27 | 3. "Small Metro" defined by metros with revenues less than \$20M, "Developing Metro" between \$20M and \$100M and "Major Metro" greater than \$100M



# Revenue growth delivering long-term value

**8-10%<sup>1</sup>**      **~\$12B**  
**Per Year**      **By 2027**  
Outpacing the market

- Expansive market opportunity and growing
- Strategic go-to-market speed and scale
- Accelerating ecosystems growth
- Strategic pricing initiatives and churn management
- Geographic expansion to new markets

# Shareholder value creation<sup>1</sup>

**7-10%**

**AFFO  
per share  
growth**

**10%+**

**Dividend  
per share  
growth**

**Strong top-line growth and improving operating leverage  
expected to create attractive ongoing shareholder returns**

- AFFO generated from strong revenue growth and operating performance including improving margins; platform value creation
- Customer-facing investments balanced with driving long-term operating leverage
- Cash dividend increasing consistent with strong operational performance
- Absorbs increasing cost of debt



# Key themes and takeaways

1

Track record  
of delivery

2

Expanding  
market opportunity

3

Managing through  
a complex  
and dynamic  
environment

4

Durable advantages  
and a strong  
balance sheet

5

Sustained  
value creation

A photograph of a modern, multi-story building with a complex, angular facade. The building features large glass windows and balconies. A large, stylized hexagonal graphic is overlaid on the image, with a gradient border transitioning from orange to red to dark blue. Inside the hexagon, the text "EQUINIX ANALYST DAY 2023" is written in a bold, black, sans-serif font.

# **EQUINIX ANALYST DAY 2023**

# **Appendix**

## **Non-GAAP Financial Reconciliations and Definitions**

# Definitions of non-financial metrics, data center growth and capital expenditures

## Non-Financial Metrics

**MRR per Cab:** Monthly recurring revenues per billed cabinet: (current quarter recurring revenues / 3) divided by ((quarter end cabinets billing prior quarter + quarter end cabinets billing current quarter) / 2). xScale<sup>®</sup> JV fee income is excluded. Americas MRR per Cab excludes Infomart<sup>®</sup> non-IBX<sup>®</sup> tenant income, Entel and Equinix Metal<sup>®</sup>. EMEA MRR per Cab excludes MainOne.

**Virtual Connections:** The number of private connections between customers over the Equinix Fabric<sup>®</sup> platform

**Internet Exchange Provisioned Capacity:** The sum of all ports provisioned to customers multiplied by the gigabit bandwidth capacity of each port

## Data Center Growth

**New Data Centers:** Phase 1 began operating after January 1, 2022

**Expansion Data Centers:** Phase 1 began operating before January 1, 2022, 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 data center after January 1, 2022

**Stabilized Data Centers:** The final expansion phase began operating before January 1, 2022

**Unconsolidated Data Centers:** Excludes non-data center assets



# Definitions of non-financial metrics, data center growth and capital expenditures

## Capital Expenditures

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

**Sustaining IT and Network:** Capital spending necessary to extend useful life of IT and Network infrastructure assets required to support existing products and business and operations services. This includes hardware and 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 center construction, data center expansion phases or increased capacity enhancements

**Transform IT, Network and 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

# Definitions of non-GAAP measures

**Cash Cost of Revenue:** Cost of revenues less depreciation, amortization, accretion and stock-based compensation.

**Cash Gross Profit:** Revenues less cash cost of revenues.

**Cash Gross Margins:** Cash gross profit divided by revenues.

**Cash Sales and Marketing Expenses:** Sales and Marketing expenses less depreciation, amortization and stock-based compensation.

**Cash General and Administrative Expenses:** General and administrative expenses less depreciation, amortization and stock-based compensation.

**Cash Selling, General and Administrative Expenses (Cash SG&A):** Comprised of the following two categories of expenses:

1. Cash general and administrative expenses
2. Cash sales and marketing expenses



# Definitions of non-GAAP measures

**Adjusted EBITDA:** Income from continuing operations excluding depreciation, amortization, accretion, stock-based compensation, restructuring charges, impairment charges, transaction costs, and gain or loss on asset sales.

**Adjusted EBITDA Margin:** Adjusted EBITDA divided by revenues.

**NAREIT Funds from Operations (NAREIT FFO or FFO):** Funds From Operations is calculated in accordance with the standards established by the National Association of Real Estate Investment Trusts (“NAREIT”). NAREIT FFO represents net income or loss, excluding gain or loss from the disposition of real estate assets, depreciation and amortization on real estate assets and adjustments for unconsolidated joint ventures’ and non-controlling interests’ share of these items.

**Adjusted Funds from Operations (AFFO):** FFO, excluding depreciation and amortization expense on non-real estate assets, accretion, stock-based compensation, restructuring charges, impairment charges, transaction costs, an installation revenue adjustment, a straight-line rent expense adjustment, a contract cost adjustment, amortization of deferred financing costs and debt discounts and premiums, gain or loss on debt extinguishment, an income tax expense adjustment, net income or loss from discontinued operations, net of tax, recurring capital expenditures and adjustments from FFO to AFFO for unconsolidated joint ventures’ and non-controlling interests’ share of these items.

# Non-GAAP financial reconciliations

CALCULATION OF ADJUSTED EBITDA AND AFFO BY YEAR (unaudited and in thousands)		FY 2022	FY 2021
Net income		\$ 704,577	\$ 499,728
Adjustments:			
Income tax expense		124,792	109,224
Interest income		(36,268)	(2,644)
Interest expense		356,337	336,082
Other expense		51,417	50,647
(Gain) loss on debt extinguishment		(327)	115,125
Depreciation, amortization and accretion expense		1,739,374	1,660,524
Stock-based compensation expense		403,983	363,774
Transaction costs		21,839	22,769
(Gain) loss on asset sales		3,976	(10,845)
<b>Adjusted EBITDA</b>		<b>\$ 3,369,700</b>	<b>\$ 3,144,384</b>
Revenue		\$ 7,263,105	\$ 6,635,537
Adjusted EBITDA as a % of Revenue		46.4 %	47.4 %
Adjustments:			
Interest expense, net of interest income		(320,069)	(333,438)
Amortization of deferred financing costs and debt discounts and premiums		17,826	17,135
Income tax expense		(124,792)	(109,224)
Income tax expense adjustment <sup>(1)</sup>		(31,165)	(38,505)
Straight-line rent expense adjustment		16,263	9,677
Stock-based charitable contributions		49,013	—
Installation revenue adjustment		17,745	27,928
Contract cost adjustment		(52,888)	(63,064)
Recurring capital expenditures		(188,885)	(199,089)
Other expense		(51,417)	(50,647)
(Gain) loss on disposition of real estate property		7,134	(6,439)
Adjustments for unconsolidated JVs' and non-controlling interests		7,574	9,819
Adjustments for impairment charges <sup>(1)</sup>		1,815	31,847
Adjustment for gain (loss) on asset sales		(3,976)	10,845
<b>Adjusted Funds from Operations (AFFO) attributable to common shareholders</b>		<b>\$ 2,713,878</b>	<b>\$ 2,451,229</b>
AFFO as a % of Adjusted EBITDA		81 %	78 %
<sup>(1)</sup> Impairment charges relate to the impairment of an indemnification asset resulting from the settlement of a pre-acquisition uncertain tax position, which was recorded as Other Income (Expense) on the Consolidated Statements of Operations. This impairment charge was offset by the recognition of tax benefits in the same amount, which was included within the Income tax expense adjustment line on the table above.			

# Non-GAAP financial reconciliations

(unaudited and in thousands, except per share amounts)	FY 2022	FY 2021
Net income	\$ 704,577	\$ 499,728
Net (income) loss attributable to non-controlling interests	(232)	463
Net income attributable to Equinix	704,345	500,191
Adjustments:		
Real estate depreciation	1,104,787	1,073,148
(Gain) loss on disposition of real estate property	7,134	(6,439)
Adjustments for FFO from unconsolidated JVs	10,068	6,097
<b>Funds from Operations (FFO) attributable to common shareholders</b>	<b>\$ 1,826,334</b>	<b>\$ 1,572,997</b>
Adjustments:		
Installation revenue adjustment	17,745	27,928
Straight-line rent expense adjustment	16,263	9,677
Contract cost adjustment	(52,888)	(63,064)
Amortization of deferred financing costs and debt discounts and premiums	17,826	17,135
Stock-based compensation expense	403,983	363,774
Stock-based charitable contributions	49,013	—
Non-real estate depreciation expense	426,666	377,658
Amortization expense	204,755	205,484
Accretion expense	3,166	4,234
Recurring capital expenditures	(188,885)	(199,089)
(Gain) loss on debt extinguishment	(327)	115,125
Transaction costs	21,839	22,769
Impairment charges <sup>(1)</sup>	1,815	31,847
Income tax expense adjustment <sup>(1)</sup>	(31,165)	(38,505)
Adjustments for AFFO from unconsolidated JVs	(2,262)	3,259
<b>AFFO attributable to common shareholders</b>	<b>\$ 2,713,878</b>	<b>\$ 2,451,229</b>
<sup>(1)</sup> Represents the impairment of an indemnification asset resulting from the settlement of a pre-acquisition uncertain tax position, which was recorded as Other Income (Expense) on the Consolidated Statements of Operations. This impairment charge was offset by the recognition of tax benefits in the same amount, which was included within the Income tax expense adjustment line on the table above.		

# Non-GAAP financial reconciliations

(unaudited and in thousands, except per share amounts)		FY 2022	FY 2021
AFFO attributable to common shareholders	\$	2,713,878	\$ 2,451,229
AFFO per share:			
Basic	\$	29.64	\$ 27.31
Diluted	\$	29.55	\$ 27.11
Weighted average shares outstanding - basic		91,569	89,772
Weighted average shares outstanding - diluted <sup>(1)</sup>		91,828	90,409
<sup>(1)</sup> Reconciliation of weighted-average shares outstanding used in the calculation of diluted FFO per share and diluted AFFO per share:			
Weighted average shares outstanding - basic		91,569	89,772
Effect of dilutive securities:			
Employee equity awards		259	637
<b>Weighted average shares outstanding - diluted</b>		<b>91,828</b>	<b>90,409</b>



EQUINIX