Equinix's 2016 Industry Predictions: More Interconnection, More Insights, More Possibilities

Data center leader says digital commerce, IoT, greentech, cyber security and interconnection at the heart of change

REDWOOD CITY, Calif., Dec. 28, 2015 /PRNewswire/ -- <u>Equinix</u>, Inc. (Nasdaq: EQIX), the global interconnection and data center company, has published its 2016 industry predictions. Given its vantage point within the digital economy, Equinix believes that a number of industries will experience major change in the coming year, largely driven by the IT transformation that is underway.

To read the full blog post, click here: <u>https://blog.equinix.com/2015/12/predictions-2016-more-interconnection-more-insights-more-possibilities/</u>

Read part two of Equinix's predictions blog at: <u>https://blog.equinix.com/2015/12/connectivity-to-conquer-new-demands-for-capacity-security-and-efficiency-in-2016/</u>

Digital commerce will be transformed.

New payment platforms and big data are combining with technologies like location-based services to create a new level of customized consumer targeting that will offer businesses a huge competitive edge. Meanwhile, consumers will just keep expecting more – more digital payment options in more places, whether online or in-store, all accompanied by more security as banks increasingly switch to chip-embedded credits cards. The changes will force the players in the digital payments industry to redesign their networks so that they can 1) interconnect securely and instantaneously to the various partners needed to meet consumer expectations for smooth, secure payments; 2) analyze the consumer data being collected and access real-time business insights that have never been obtainable before. The latter capability will soon be seen as the true value of the digital transaction.

The Internet will get greener.

The Internet will get greener in 2016, even as the number of global Internet users nears 50% of the world's population. The continuous expansion of our digital lives requires huge amounts of electricity, particularly for the data center operators that house the world's Internet infrastructure and serve as catalysts of the digital economy. And they're aware their energy choices have a big impact. In a recent survey, more than 8-in-10 North American data center operators said they know they need to consider renewable energy to meet future energy demands. That demand will translate into action in 2016, as more enterprises adopt renewable energy principles and push for changes to make data centers more energy-efficient.

The Internet of Things (IoT) will dramatically impact IT networks.

The expansion of the Internet of Things is continuing at an accelerated pace, and the strains the resulting flood of data will put on network security and capacity will compel more enterprises to redesign their IT networks, including redirecting access to some IoT applications, such as data analytics, to the cloud. The objectives will be to relieve pressure on corporate-centric networks by more broadly distributing the traffic and to better control the performance of the streaming IoT information for more real-time business and operational insight. A premium will be placed on the direct and secure interconnections between multiple components that must be in synch to quickly and safely mine these insights.

Interconnection will remove significant barriers to IT growth.

The corporate network will be under increasing pressure in 2016 as global workforce dispersion escalates and users continue to demand high-performance, secure access to increasing amounts of information at any time, from any device, in any location. Responding successfully requires a level of proximity to users that traditional IT architectures can't deliver, given that they are often centralized in on-premises data centers and can't scale because corporate networks are backhauling most company workloads to them. At the same time, questions about the security and reliability of the public Internet will persist. These issues are driving the enterprise to adopt an interconnection-first mindset that prioritizes the quality of the end-user experience and enables the instant, direct and secure interconnection between customers, partners and employees needed to create value and compete in the interconnected era.

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. <u>www.equinix.com</u>.

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, the challenges of acquiring, operating and constructing IBX centers and developing, deploying and delivering Equinix services; unanticipated costs or difficulties relating to the integration of companies we have acquired or will acquire into Equinix; 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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