

**EQUINIX**

**Q2 2020 Earnings  
Conference Call**

NASDAQ: EQIX

Presented on **July 29, 2020**

# Public Disclosure Statement

## Forward-Looking Statements

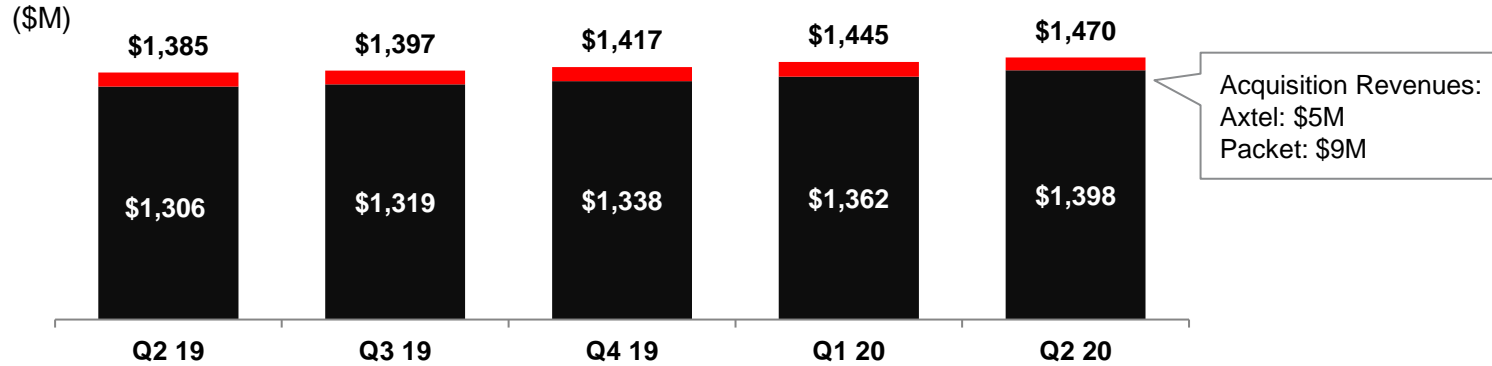
Except for historical information, this presentation contains forward-looking statements which include words such as “believe,” “anticipate,” and “expect”. These forward-looking statements involve risks and uncertainties that may cause Equinix’s actual results to differ materially from the expectations 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. Refer to 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

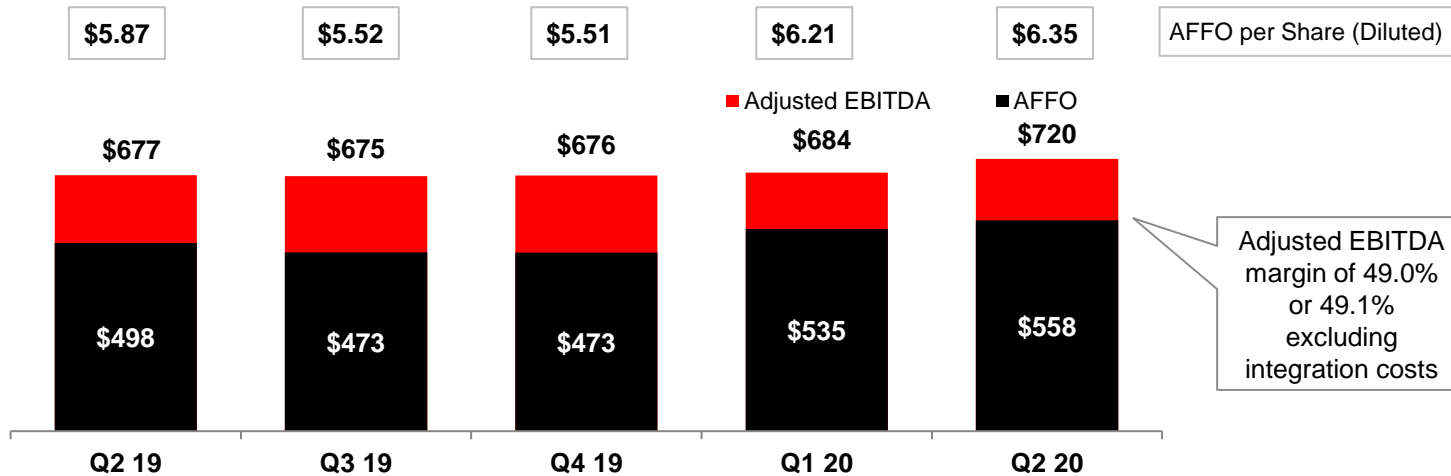
This presentation contains references to certain non-GAAP financial measures. For definitions of terms including, but not limited to, “Cash Gross Profit,” “Cash Gross Margins,” “Cash SG&A,” “Adjusted EBITDA,” “Funds From Operations,” “Adjusted Funds From Operations,” and “Adjusted Net Operating Income,” 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.

# Q2 2020 Financial Highlights

## Revenues



## Adjusted EBITDA & AFFO



**Delivered our 70th quarter of consecutive revenue growth with solid Q2 bookings, strong interconnection activity benefiting from our global reach and interconnected ecosystems and healthy operating profits**

Revenues Growth	Q2 20	
	QoQ	YoY
As-reported	▲ 2%	▲ 6%
Normalized and Constant Currency <sup>(1)</sup>	▲ 2%	▲ 8%
Normalized MRR <sup>(1)</sup>	▲ 3%	▲ 9%

Adjusted EBITDA Growth	Q2 20	
	QoQ	YoY
As-reported	▲ 5%	▲ 6%
Normalized and Constant Currency <sup>(1)</sup>	▲ 6%	▲ 9%

AFFO Growth	Q2 20	
	QoQ	YoY
As-reported	▲ 4%	▲ 12%
Normalized and Constant Currency <sup>(1)</sup>	▲ 6%	▲ 14%

(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 gains or losses related to balance sheet remeasurement

# Q2 2020 Consolidated Results

\$M except for AFFO per Share and Non-Financial Metrics	Q2 20			
	Guidance	Actual	QoQ	YoY
<b>Revenues</b> <sup>(1)</sup>	<b>\$1,446 - 1,466</b>	<b>\$1,470</b>	2%	6%
<b>Cash Gross Profit</b>		<b>\$989</b>	2%	7%
<i>Cash Gross Margin %</i>		67.3%		
<b>Cash SG&amp;A</b>		<b>\$269</b>	-5%	9%
<i>Cash SG&amp;A %</i>		18.3%		
<b>Adjusted EBITDA</b> <sup>(2)</sup>	<b>\$679 - 699</b>	<b>\$720</b>	5%	6%
<i>Adjusted EBITDA Margin %</i>	47 - 48%	49.0%		
<b>Net Income</b>		<b>\$133</b>	12%	-7%
<i>Net Income Margin %</i>		9.1%		
<b>Adjusted Funds from Operations (AFFO)</b>		<b>\$558</b>	4%	12%
<b>AFFO per Share (Diluted)</b>		<b>\$6.35</b>	2%	8%
<b>Recurring Capital Expenditures</b>	<b>\$26 - 36</b>	<b>\$30</b>	68%	-18%
<b>Cabs Billing</b> <sup>(3)</sup>		<b>241,500</b>	2%	4%
<b>MRR per Cab</b> <sup>(3)(4)</sup>		<b>\$1,878</b>	1%	3%
<b>Total Interconnections</b> <sup>(3)</sup>		<b>378,200</b>	2%	9%

(1) Q2 20 Actual includes a negative foreign currency impact of approximately \$14 million when compared to Q1 20 average FX rates, a benefit of approximately \$3 million when compared to our prior FX guidance rates, and a negative impact of approximately \$28 million when compared to Q2 19 average FX rates, including the net effect from our hedging transactions

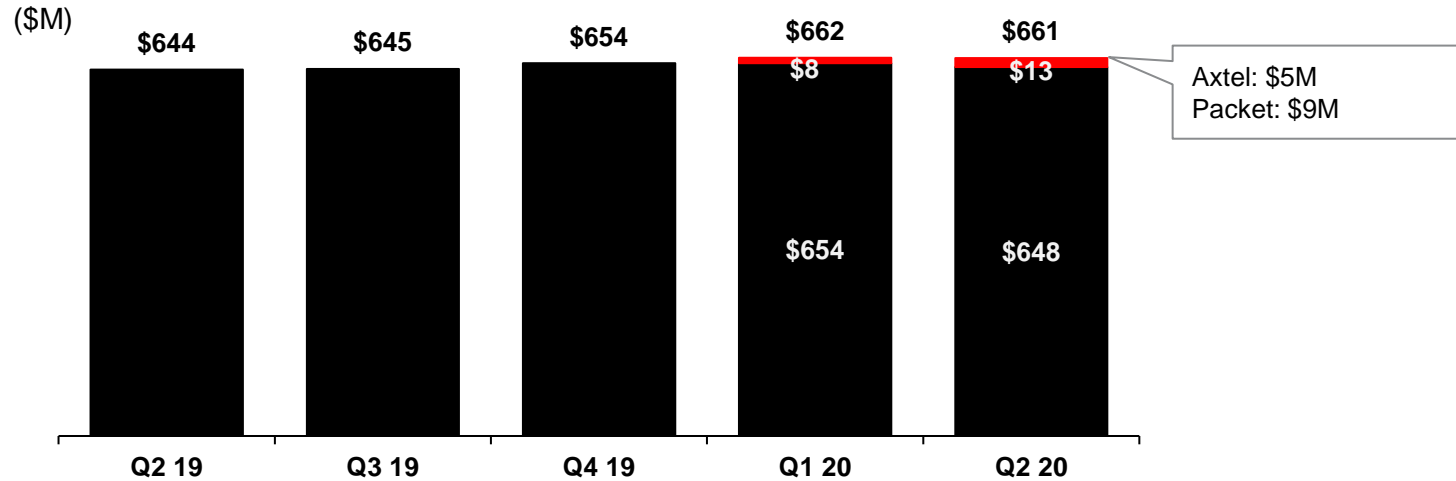
(2) Q2 20 Actual includes a negative foreign currency impact of approximately \$6 million when compared to Q1 20 average FX rates, a benefit of approximately \$1 million when compared to our prior FX guidance rates, and a negative impact of approximately \$16 million when compared to Q2 19 average FX 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 acquired from Axtel and Packet

(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 \$35 QoQ on a 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

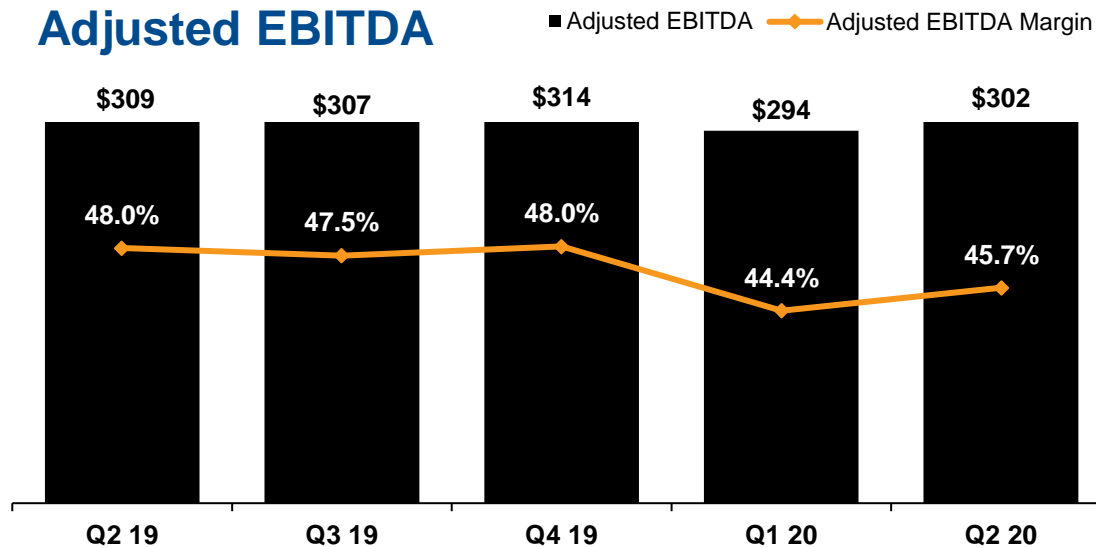
# Americas Performance

## Revenues



Revenues Growth	Q2 20	
	QoQ <sup>(2)</sup>	YoY <sup>(2)</sup>
As-reported	0%	3%
Normalized and Constant Currency <sup>(1)</sup>	0%	3%
Normalized MRR <sup>(1)</sup>	1%	3%

## Adjusted EBITDA



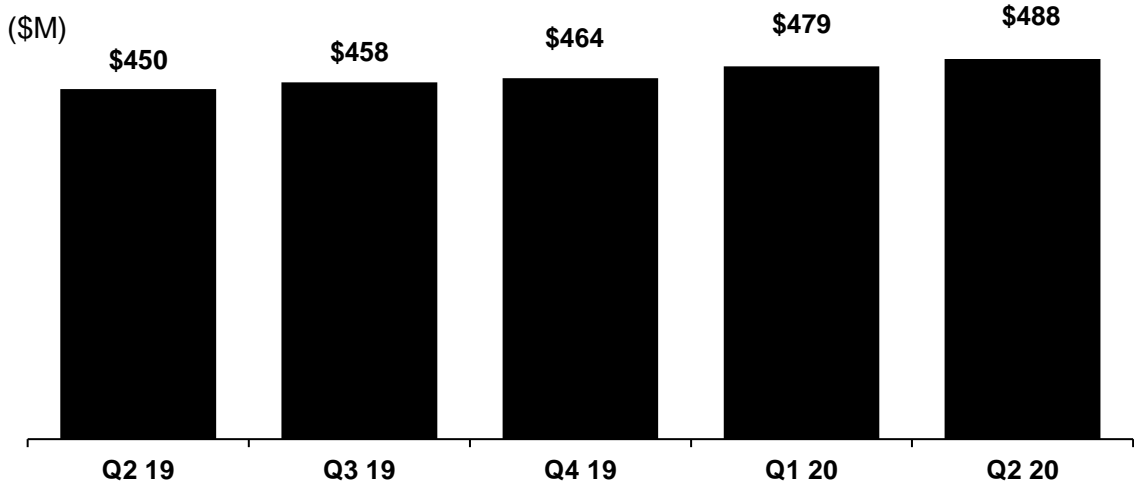
Adjusted EBITDA Growth	Q2 20	
	QoQ <sup>(2)</sup>	YoY <sup>(2)</sup>
As-reported	3%	2%
Normalized and Constant Currency <sup>(1)</sup>	4%	0%

Cross-connects	Cabs Billing	MRR per Cab <sup>(3)</sup>	Utilization
<b>158,000</b>	<b>86,900</b>	<b>\$2,376</b>	<b>75%</b>
▲ 1% QoQ	▲ 1% QoQ	Constant Currency QoQ ▼ \$6	
		As-reported QoQ ▼ \$7	

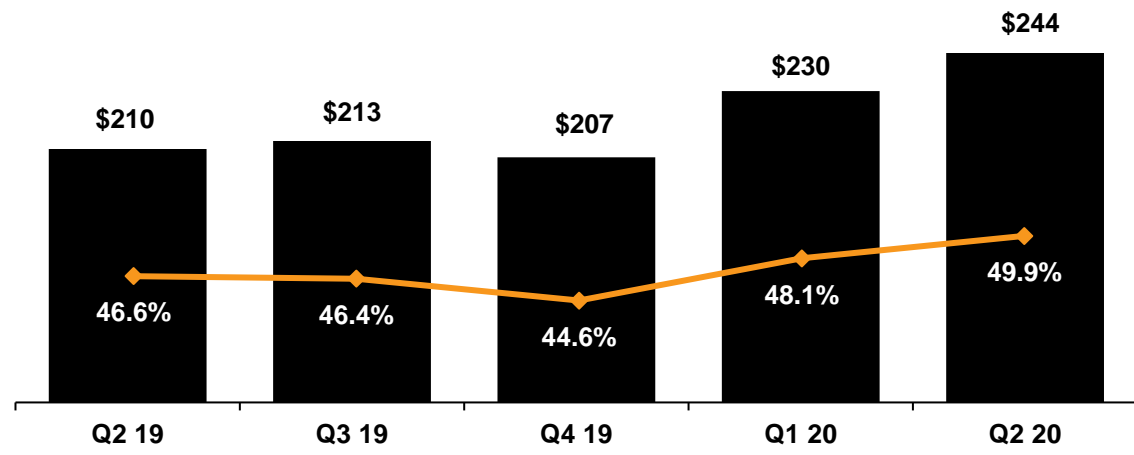
(1) Constant currency assumes average currency rates used in our financial results remained the same over the comparative periods. Normalized for acquisitions and integration costs related to acquisitions. Normalized MRR excludes non-recurring revenues  
 (2) Includes the waiver of \$3M in Smart Hands services  
 (3) MRR per Cab excludes Axtel, Brazil, Colombia, Infomart non-IBX tenant income and Packet

# EMEA Performance

## Revenues



## Adjusted EBITDA



Revenues Growth	Q2 20	
	QoQ	YoY
As-reported	▲ 2%	▲ 8%
Normalized and Constant Currency <sup>(1)</sup>	▲ 3%	▲ 13%
Normalized MRR <sup>(1)</sup>	▲ 7%	▲ 16%

Adjusted EBITDA Growth	Q2 20	
	QoQ	YoY
As-reported	▲ 6%	▲ 16%
Normalized and Constant Currency <sup>(1)</sup>	▲ 7%	▲ 22%

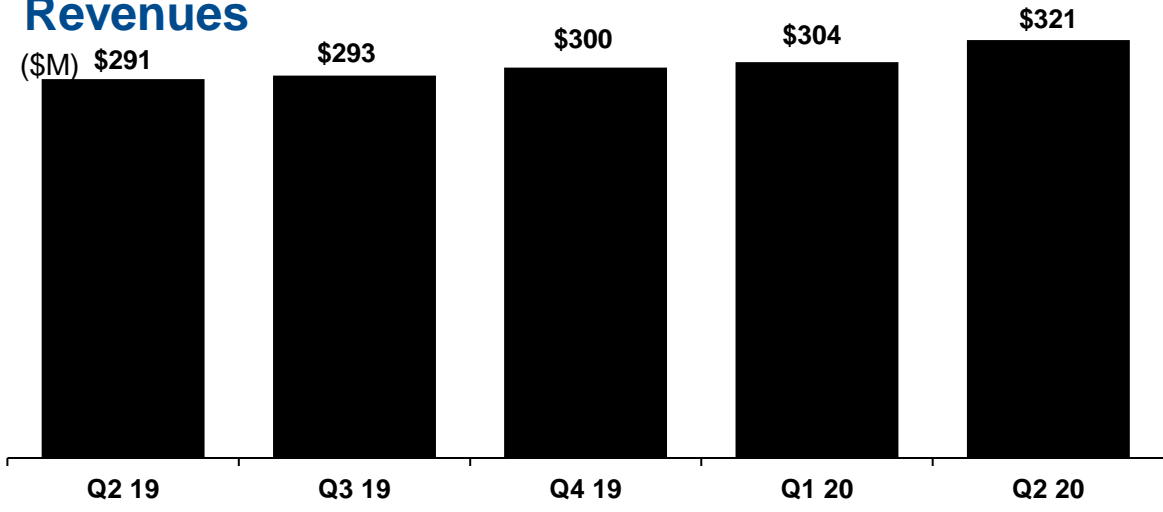
Cross-connects	Cabs Billing	MRR per Cab <sup>(2)</sup>	Utilization
<b>128,600</b>	<b>102,300</b>	<b>\$1,502</b>	<b>83%</b>
▲ 1% QoQ	▲ 1% QoQ	Constant Currency QoQ ▲ \$68	
		As-Reported QoQ ▲ \$48	

(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

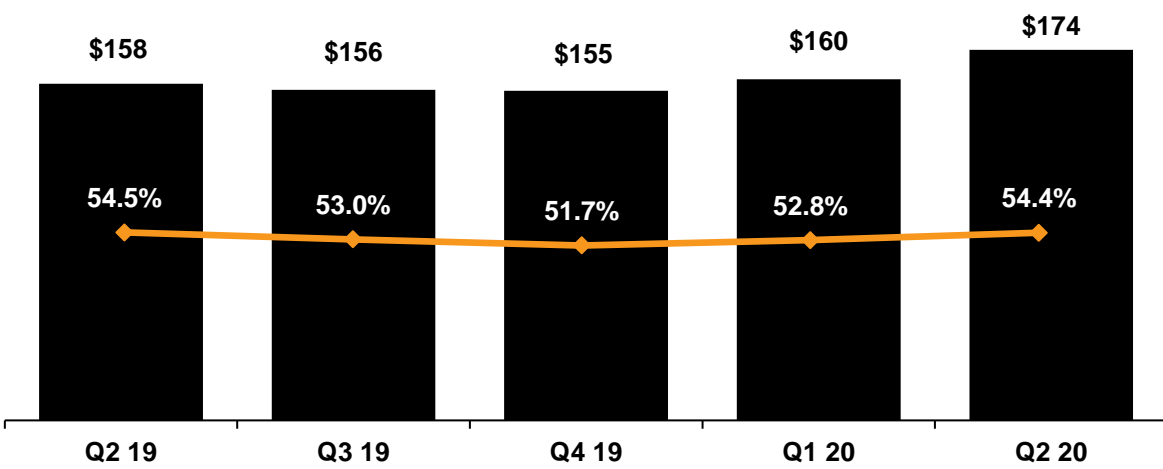
(2) MRR per Cab excludes EMEA xScale JV fee income and other one-time items

# Asia-Pacific Performance

## Revenues



## Adjusted EBITDA



Revenues Growth	Q2 20	
	QoQ	YoY
As-reported	▲ 6%	▲ 10%
Normalized and Constant Currency <sup>(1)</sup>	▲ 6%	▲ 12%
Normalized MRR <sup>(1)</sup>	▲ 4%	▲ 10%

Adjusted EBITDA Growth	Q2 20	
	QoQ	YoY
As-reported	▲ 9%	▲ 10%
Normalized and Constant Currency <sup>(1)</sup>	▲ 9%	▲ 12%

Cross-connects	Cabs Billing	MRR per Cab <sup>(2)</sup>	Utilization
<b>65,600</b>	<b>52,300</b>	<b>\$1,839</b>	<b>79%</b>
▲ 3% QoQ	▲ 3% QoQ	Constant Currency QoQ ▲ \$28	
		As-reported QoQ ▲ \$25	

(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. Normalized MRR excludes non-recurring revenues  
 (2) MRR per Cab excludes Bit-isle MIS

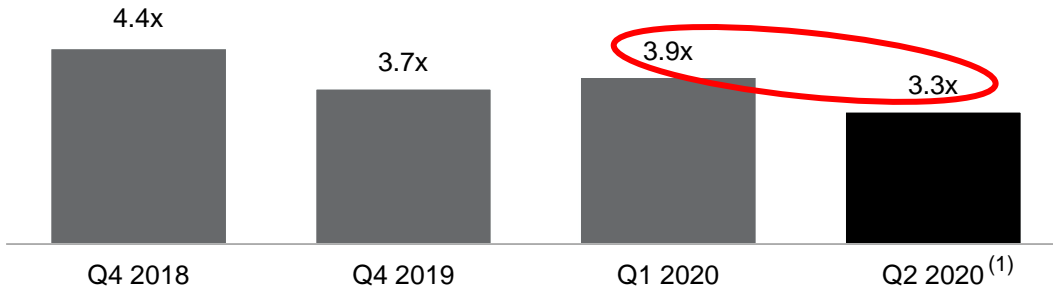


# Capital Structure

## Debt

- On June 8, issued \$2.6B of Senior Notes at a blended borrowing rate of 2.07% consisting of:
  - 1.250% \$500M Senior Notes due in 2025
  - 1.800% \$500M Senior Notes due in 2027
  - 2.150% \$1.1B Senior Notes due in 2030
  - 3.000% \$500M Senior Notes due in 2050
- Proceeds repaid \$2.4B of existing Senior Notes and 364-Day Term Loan Facility

## As-reported Net Debt to LQA Adj. EBITDA



- (1) Pro forma for the repayment of €750M 2024 Senior Notes and \$1.1B 2026 Senior Notes redeemed on July 8, 2020  
 (2) Includes the impact of cross-currency swaps and treasury locks  
 (3) Excludes finance leases  
 (4) Includes cash, cash equivalents, short-term investments and undrawn revolver amount; excludes restricted cash and outstanding balance of letters of credit

Net Leverage Ratio<sup>(1)</sup>  
**3.3x**

Blended Borrowing Rate<sup>(1)(2)(3)</sup>  
**2.64%**

Unsecured Debt<sup>(1)(3)</sup>  
**99%**

Fixed vs Floating<sup>(1)(3)</sup>  
**88% vs 12%**

Available Liquidity<sup>(1)(4)</sup>  
**\$4.7B**

## Equity

- In May, we executed an equity follow-on offering, raising \$1.7B of gross proceeds at \$665.00 a share
- ~\$198M remaining under current ATM program

## Corporate Ratings

MOODY'S

S&P Global Ratings

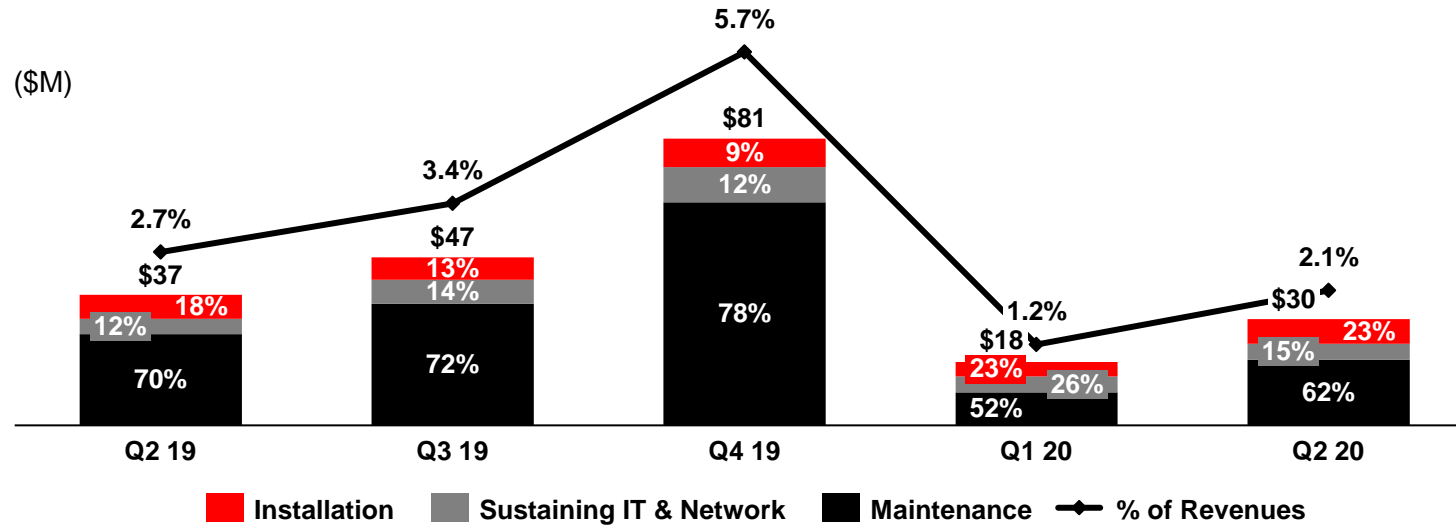
Fitch Ratings

Rating/ Outlook
Baa3 (Upgraded May 11, 2020) Stable
BBB- Stable
BBB- Positive (Outlook upgraded on June 8, 2020)



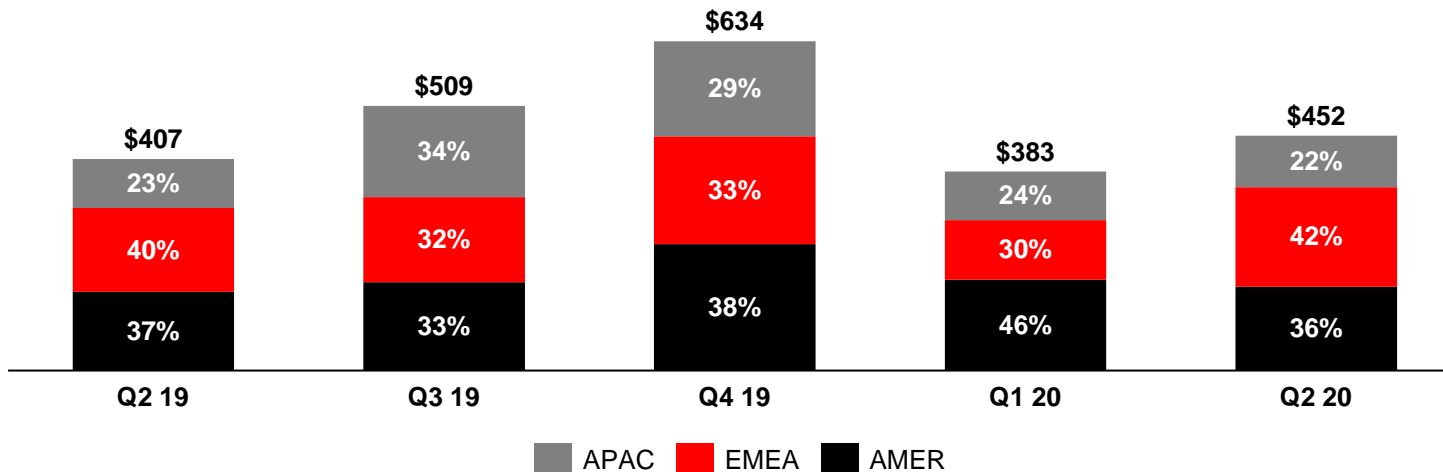
# Capital Expenditures

## Recurring Capital Expenditures



- Recurring capital expenditures typically trend between 2% and 5% of revenues, annually
- Maintenance capital expenditures can vary by quarter based on maintenance schedules and payment terms

## Non-recurring Capital Expenditures

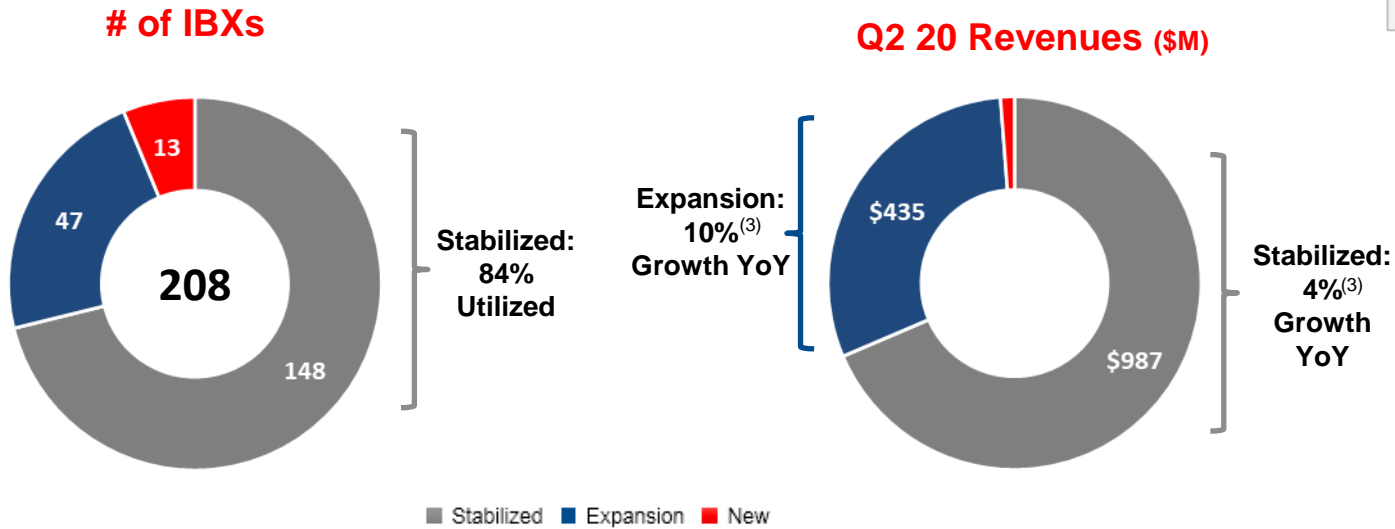


- Completed seven expansion projects this quarter in Amsterdam, Chicago, Dallas, Hamburg, Hong Kong, Toronto and Washington, D.C.
- 75%+ of current expansion capital expenditures is allocated to the 16 major metros<sup>(1)</sup>, leveraging established ecosystem density and large installed base, to deliver market-leading financial returns

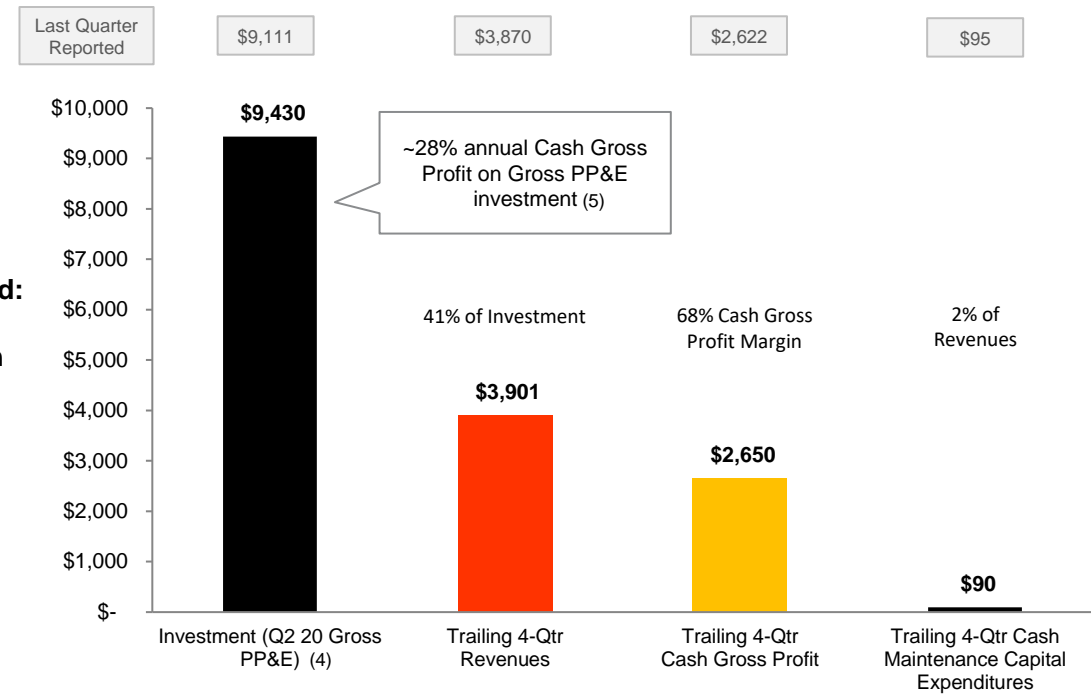
(1) Major metros defined as those markets that generate greater than \$100 million of annual revenues

# Stabilized IBX Growth <sup>(1) (2)</sup>

## Stabilized, Expansion & New IBXs



## Stabilized IBX Profitability (\$M)



(1) Reference appendix for IBX definitions of Stabilized, Expansion and New

(2) Excludes Axtel acquisition, Packet acquisition, Infomart non-IBX tenant income, non-IBX assets, unconsolidated IBX JK1 and EMEA xScale JV. Represents Q2 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 (Q2 20 Gross PP&E) includes real estate acquisition costs, finance 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 Q2 20

# 2020 Financial Guidance<sup>(1)</sup>

(\$M except AFFO per Share)	FY 2020	Q3 2020
Revenues	\$5,919 - 5,989 <sup>(2)</sup>	\$1,493 - 1,513 <sup>(3)</sup>
Adjusted EBITDA Adjusted EBITDA Margin %	\$2,781 - 2,851 <sup>(4)</sup> 47 - 48%	\$696 - 716 <sup>(5)</sup> ~47%
Recurring Capital Expenditures % of revenues	\$150 - 160 ~3%	\$36 - 46 2 - 3%
Non-recurring Capital Expenditures	\$2,050 - 2,240	
AFFO	\$2,107 - 2,177 <sup>(6)</sup>	
AFFO per Share (Diluted)	\$23.87 - 24.67 <sup>(6)</sup>	
Expected Cash Dividends	~\$935	

(1) This guidance excludes any future acquisitions or xScale JVs that haven't yet closed

(2) Guidance includes a foreign currency benefit of approximately \$23M compared to Q2 20 FX guidance rates, including the net effect from our hedging transactions

(3) Guidance includes a foreign currency benefit of approximately \$10M compared to Q2 20 FX guidance rates and a foreign currency benefit of approximately \$5M compared to Q2 20 average FX rates, including the net effect from our hedging transactions

(4) Guidance includes a foreign currency benefit of approximately \$11M compared to Q2 20 FX guidance rates, including the net effect from our hedging transactions and \$20M of estimated integration costs related to acquisitions

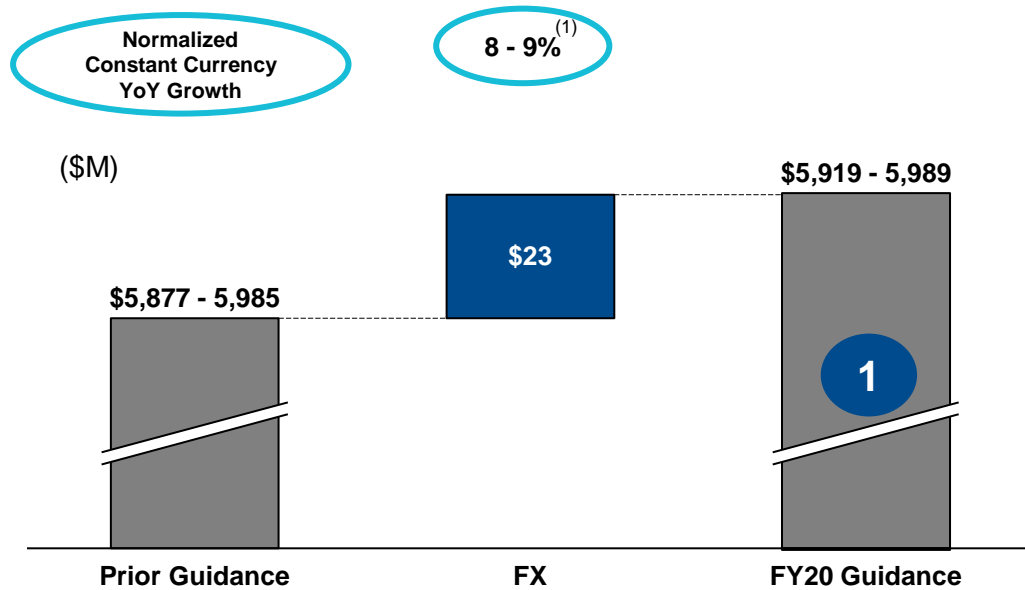
(5) Guidance includes a foreign currency benefit of approximately \$5M compared to Q2 20 FX guidance rates and a foreign currency benefit of approximately \$3M compared to Q2 20 average FX rates, including the net effect from our hedging transactions and \$5M of estimated integration costs related to acquisitions

(6) Includes \$20M of estimated integration costs related to acquisitions. Guidance excludes any potential financing or refinancing the Company may undertake in the future

# FY20 Guidance

## Revenues

\$23M raise from FX



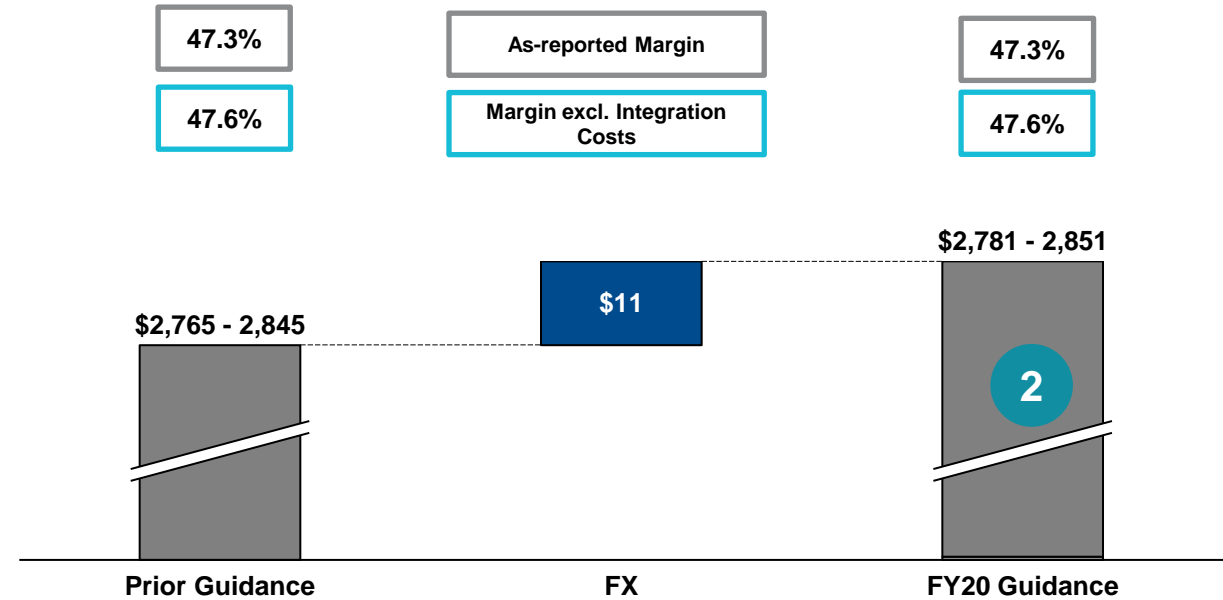
**1**

**Raise revenues guidance**

Prior Full Year Guidance	\$5,877 - 5,985M
Foreign Exchange	+\$23M
<b>Current Guidance</b>	<b>\$5,919 - 5,989M</b>

## Adjusted EBITDA<sup>(2)</sup>

\$11M raise from FX



**2**

**Raise adjusted EBITDA guidance**

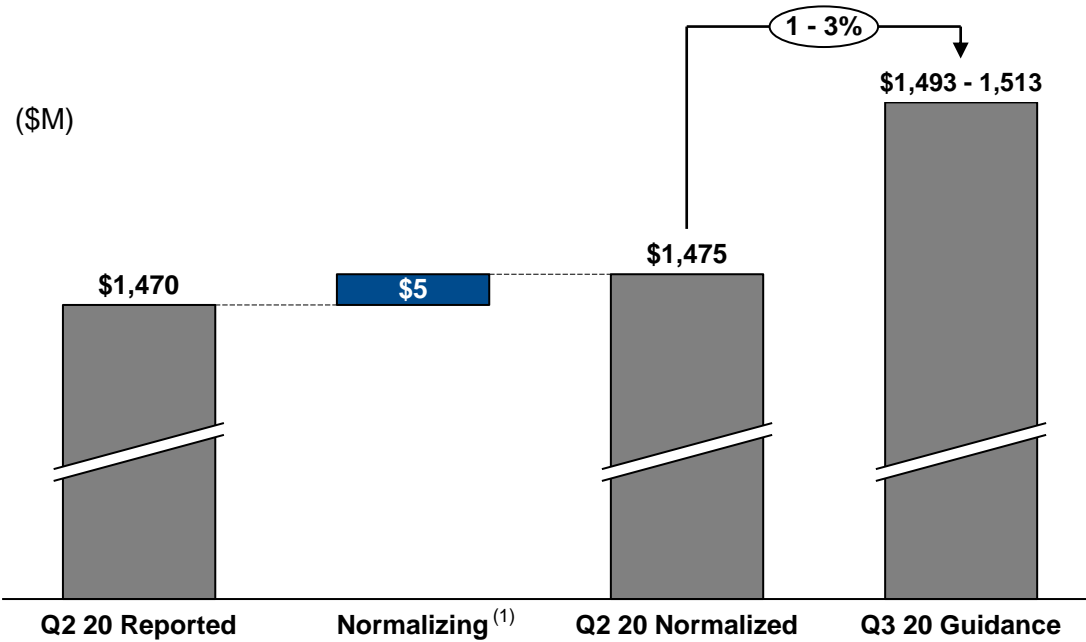
Prior Full Year Guidance	\$2,765 - 2,845M
Foreign Exchange	+\$11M
<b>Current Guidance</b>	<b>\$2,781 - 2,851M</b>

(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 acquisitions of Axtel and Packet and a negative foreign currency impact of approximately \$93M between FY20 FX guidance rates and December 31, 2019 spot rates

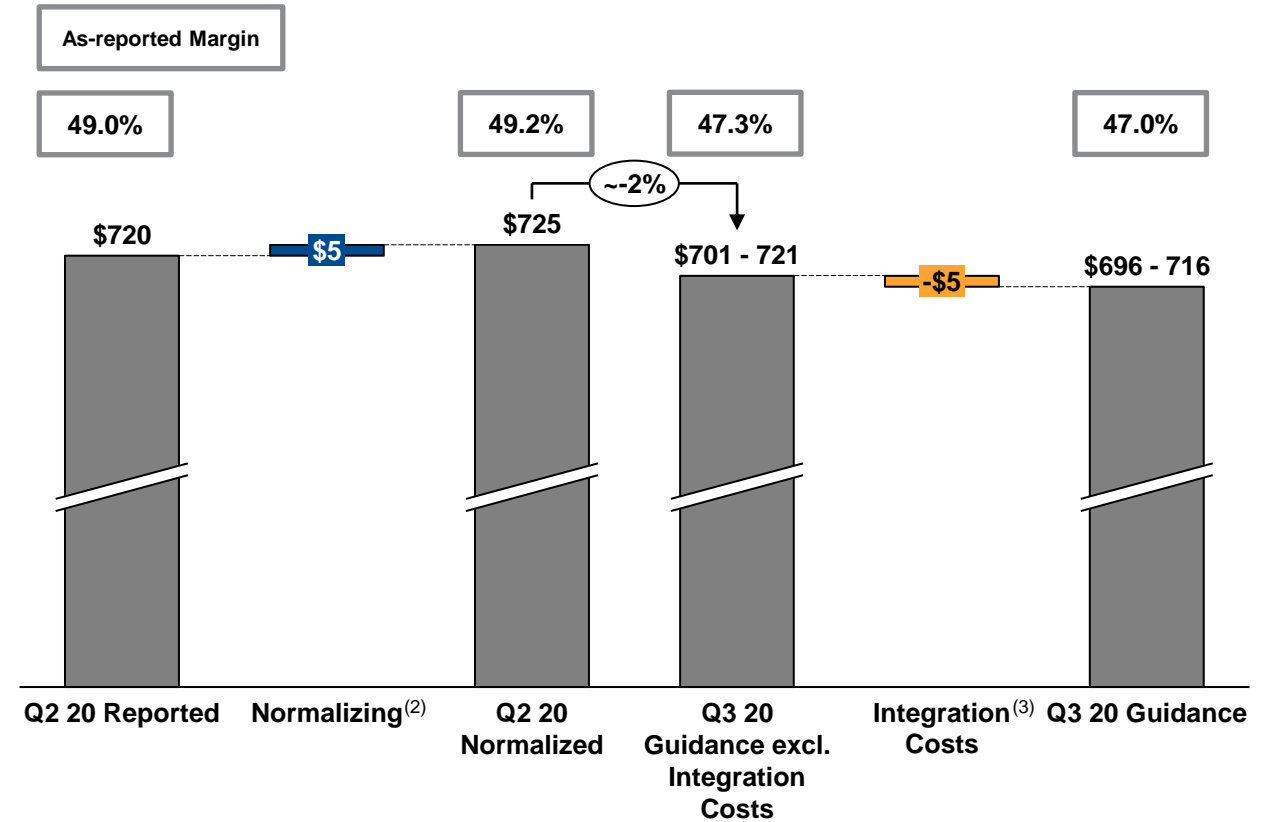
(2) Includes integration costs of \$20M related to acquisitions

# Q3 20 Guidance

## Revenues



## Adjusted EBITDA



(1) Q2 20 revenues normalized for a foreign currency benefit of approximately \$5M between Q3 20 FX guidance rates and Q2 20 average FX rates

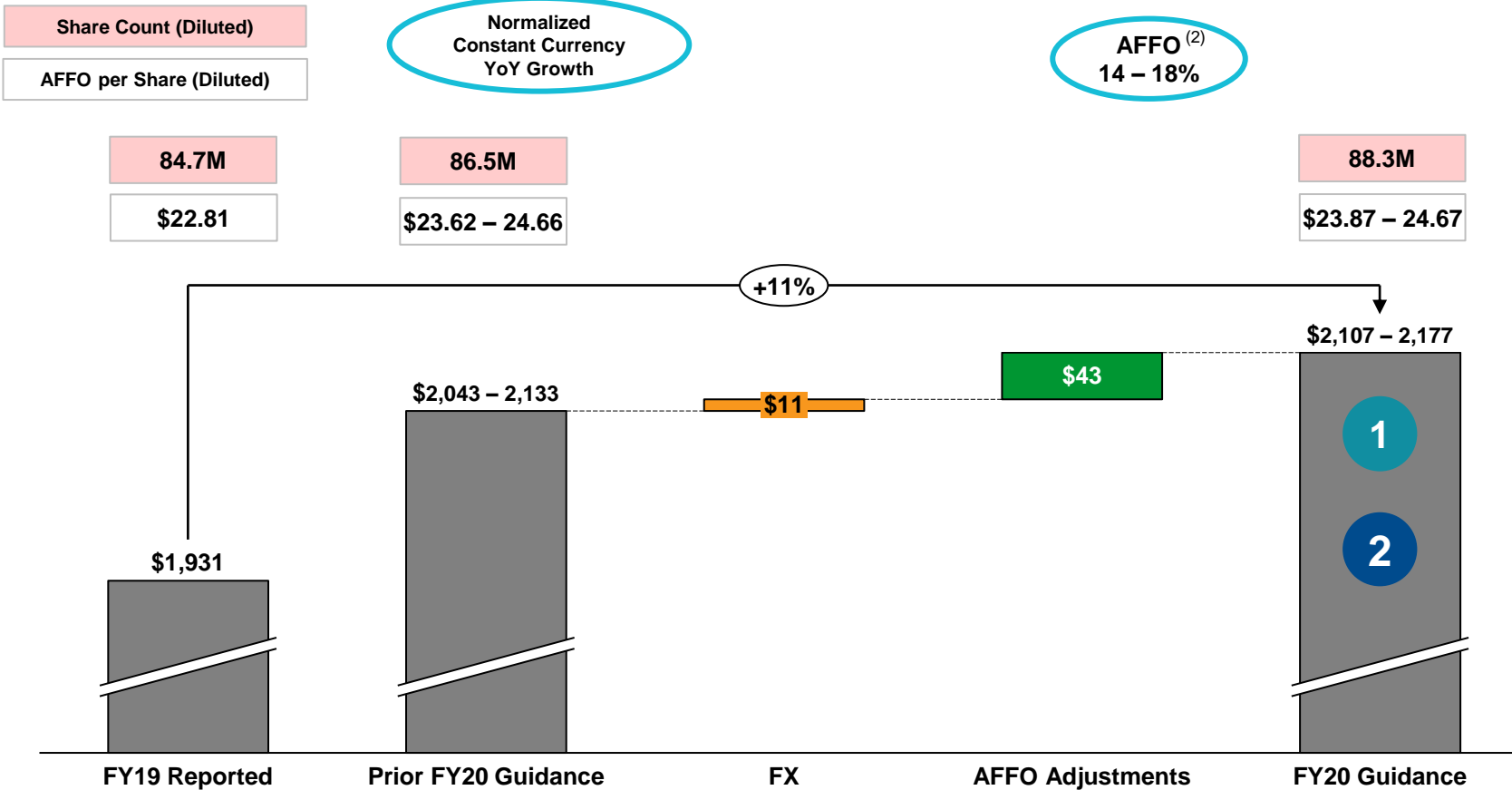
(2) Q2 20 adjusted EBITDA normalized for a foreign currency benefit of approximately \$3M between Q3 20 FX guidance rates and Q2 20 average FX rates and \$2M of integration costs

(3) Represent integration costs related to acquisitions

# FY20 AFFO and AFFO per Share Guidance <sup>(1)</sup>

\$54M AFFO raise from refinancing, taxes and FX; on track to deliver strong AFFO per share normalized growth of 8 - 12%

(\$M except AFFO per Share)



**1 Raise full year AFFO guidance**

Prior Full Year Guidance	\$2,043 - 2,133M
Foreign Exchange	+\$11M
Interest Expense	+\$30M
Tax Expense	+\$10M
Other	+\$3M
<b>Current Guidance</b>	<b>\$2,107 - 2,177M</b>

**2 FY20 Adjusted EBITDA to AFFO Guidance**

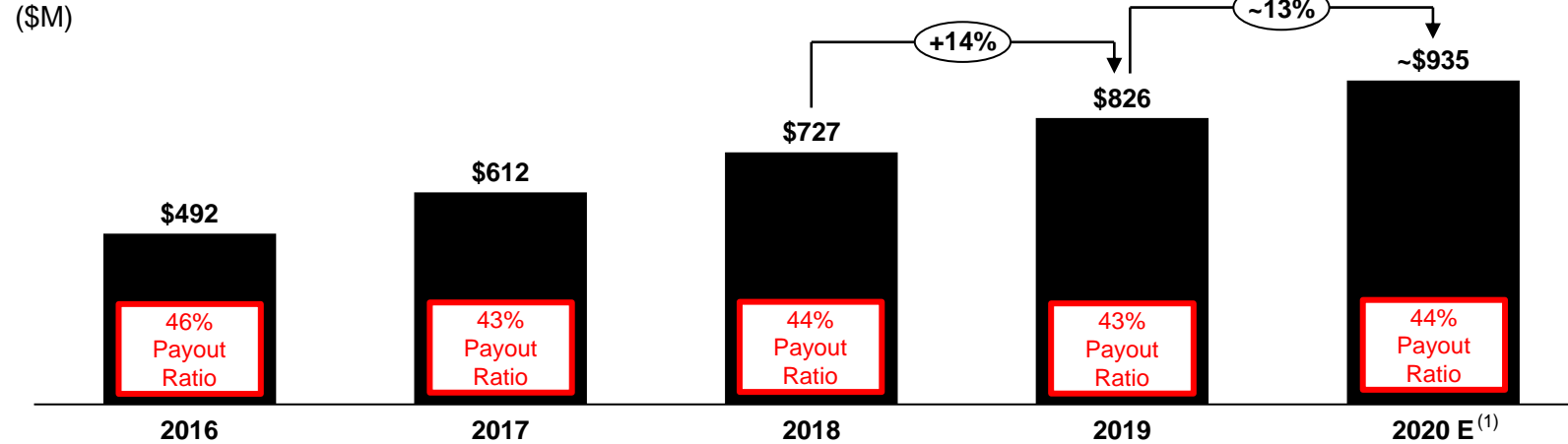
FY20 Adjusted EBITDA Guidance	\$2,781 - 2,851M
Interest Expense (mid-point)	(385M)
Tax Expense (mid-point)	(125M)
Recurring Capital Expenditures (mid-point)	(155M)
Other	(9M)
<b>Current Guidance</b>	<b>\$2,107 - 2,177M</b>

(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 in 2020, 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, and acquisitions of Axtel and Packet

# Dividend Outlook

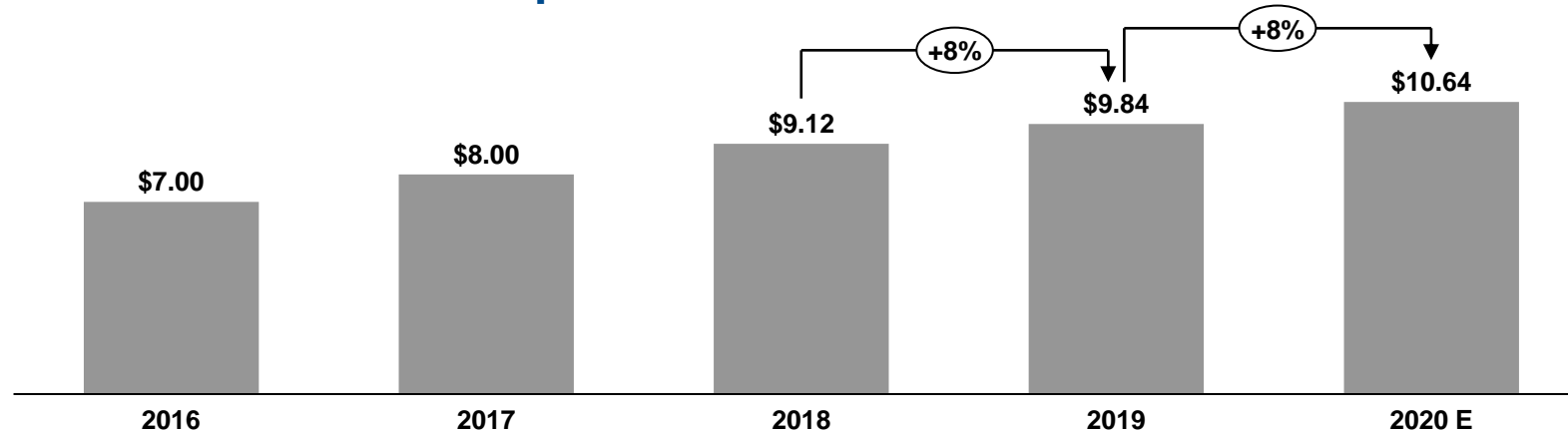
## Annual Cash Dividend



## 2020E Cash Dividend of ~\$935M

- Continued growth of our annual total cash dividend amount
- Third quarter dividend of \$2.66 to be paid on September 23, 2020
- 2020E cash dividend payout of ~\$935M (▲13% YoY) and \$10.64 per share (▲8% YoY)

## Annual Cash Dividend per Share



(1) Excludes future financing activity



# Equinix's Covid-19 Response<sup>(1)</sup>

## Our Employees and Community

- Our focus continues to be on the health, safety and wellbeing of our employees, customers and vendors. For our non-IBX attached sites, the earliest we are planning a full return to office will be the end of January 2021

## Our Operations and Construction

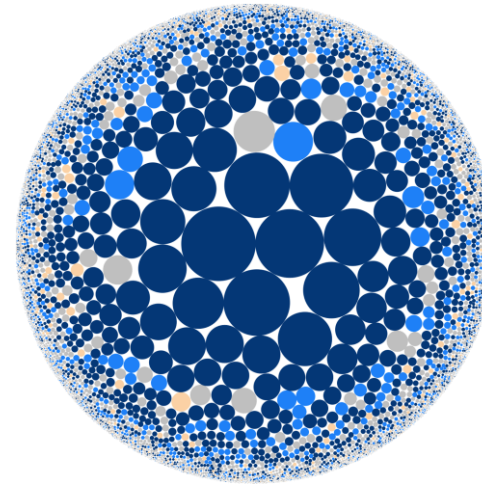
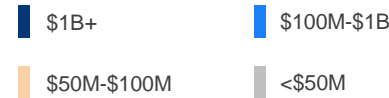
- As of July 29, 2020, all 214 Equinix IBX data centers are fully operational
- Our business continuity plans have been activated
- Access to some of our data centers remain by appointment only and we are encouraging customers and partners to leverage our IBX technicians via Smart Hands
- Some local 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 expanded our virtual selling capabilities including webinars and virtual platforms, both directly and partnering with 3<sup>rd</sup> parties, and are providing virtual IBX tours for customers

Large, established businesses constitute majority of revenue

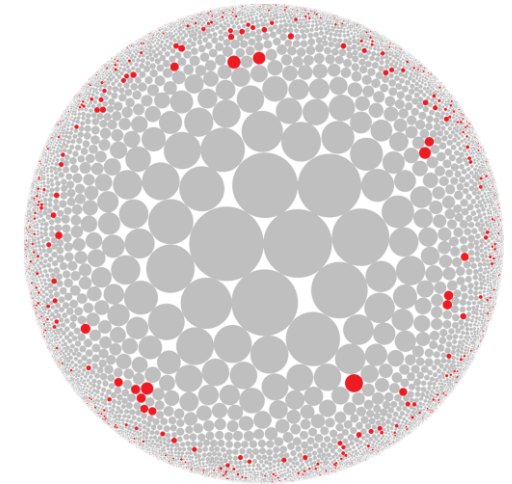
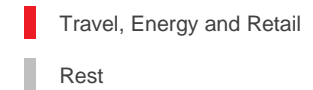
By Company Size (sales volume)<sup>(2)</sup>



% of Total:<sup>(3)</sup> ● 68% ● 13% ● 3% ● 17%

Limited exposure to industries currently most impacted by Covid-19

By Industry Classification



% of Total:<sup>(3)</sup> ● 3% ● 97%

(1) Additional details are available on our website at [www.equinix.com/lp/our-response-to-covid-19/](http://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 Q2 20 Colocation, Interconnection and MIS recurring revenues; excludes MIS Japan and other recurring revenue

# Supplemental Financial and Operating Data



## REACH EVERYWHERE

- **214** Data Centers
- **56** Metros
- **5** Continents
- **99.9999%** Uptime Record
- **100%** Renewable Power Pledge



## INTERCONNECT EVERYONE

- **378,000+** Total Interconnections
- **The most networks, clouds and IT services** companies on one platform
- The world's **largest Internet Exchange** footprint
- Equinix Cloud Exchange **Fabric**
- **9,500+** 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<sup>(1)</sup>

## Unique Portfolio of Data Center Assets

- Global footprint: 214 data centers in 56 metros
- Network dense: 1,800+ networks; 100% of Tier 1 Network Routes
- Cloud dense: 2,900+ Cloud & IT service providers
- Interconnected ecosystems: 378,000+ Total Interconnections

## Attractive Growth Profile

- 2020 expected YoY revenues growth of 8-9% on a normalized and constant currency basis<sup>(2)</sup>
- 70 quarters of sequential revenues growth
- 6%<sup>(3)</sup> same store recurring revenues growth, 4%<sup>(3)</sup> same store revenues growth, 68% cash gross margin<sup>(4)</sup>

## Proven Track Record

- Industry-leading development yields
- ~28% yield on gross PP&E invested on stabilized assets
- 10 year total annualized return including dividends as of YE 2019 was 20%

## Long-term Control of Assets

- Own 98 of 214 Data Centers, 14.8M of 24.9M gross sq. ft.<sup>(5)</sup>
- Owned assets generate 55% of recurring revenues
- Average remaining lease term of >18 years including extensions

## Development Pipeline

- Long history of development success through expansions, campuses and known demand pipeline
- Expect typical new build to be >80% utilized in 2-5 years
- 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-), Fitch (BBB-) and Moody's (Baa3)
- Conservative leverage levels with significant access to capital and financial flexibility
- Leverage of 3.3x (target of 3 - 4x net debt to LQA adjusted EBITDA)
- Steadily reduced cost of capital

## Stable Yield

- Strong yield (MRR per cabinet) across all regions and expect yields to remain firm
- Levers on yield: 2 - 5% pricing escalators on existing contracts, interconnection and power density

(1) All stats are as of Q2 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, acquisitions of Axtel and Packet and foreign exchange impact

(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

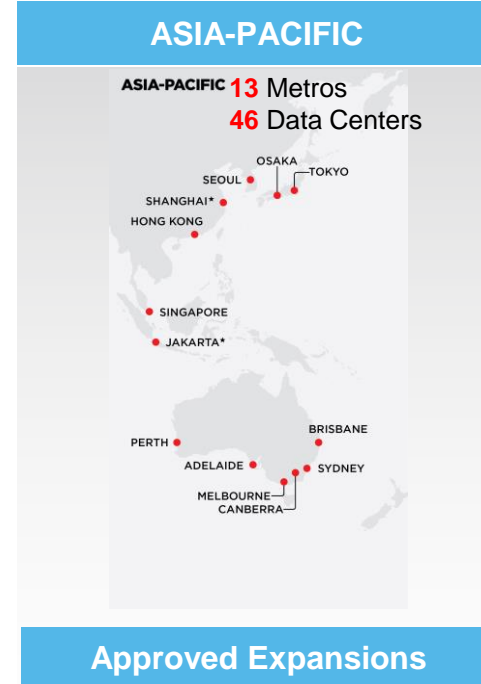
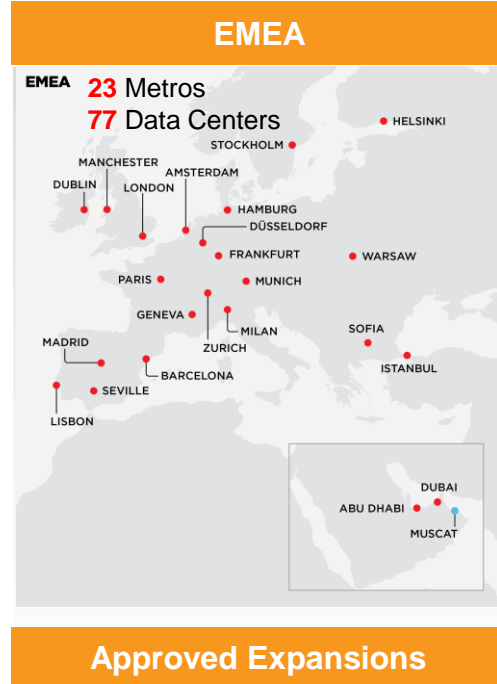
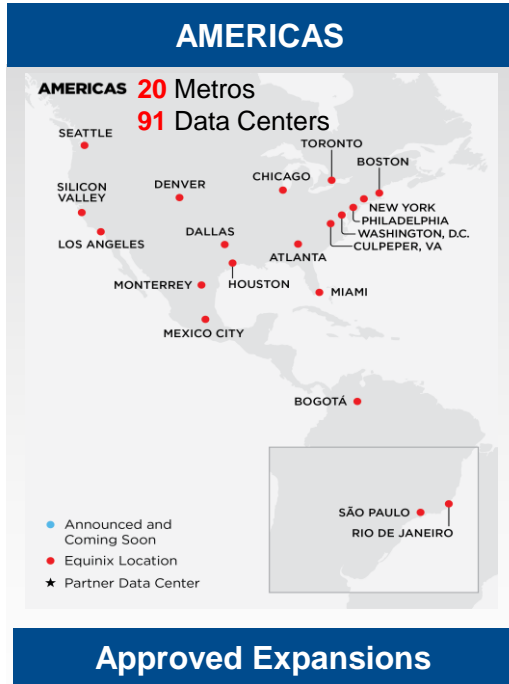
Equinix global reach expanding across 56 metro areas and 26 countries

**5** Continents

**26** Countries

**56** Metro areas

**214** Data centers



% of Customers in Multiple Locations<sup>(1)</sup>

Multi-Metro Customers

**88%**

Multi-Region Customers

**73%**

In All 3 Regions

**62%**

## 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 Q2 20 recurring revenues

# xScale: Amplifying Our Balance Sheet to Extend Cloud Leadership



## Objective

- JV structures enable pursuit of strategic Hyperscale deployments to minimize dilution of Equinix returns and limits consumption of balance sheet and investment capacity



## Overview

- Equinix owns 20% of the EMEA JV while receiving fees for managing and operating facilities
- Announced Japan JV with GIC for 138MW of expected development <sup>(1)</sup>
- Builds on success and momentum of EMEA JV with GIC in 2019 for 158MW



## Benefits

- Addresses the demands of our hyperscale customers
- Less capital required and better returns on hyperscale
- More capital for retail business

		Status	Phase Open
EMEA	London 13x	EMEA JV	Open
	Paris 8x	EMEA JV	Open
	London 11x	EMEA JV	Q2 2021
	Frankfurt 9x	EMEA JV	Q3 2021
	Paris 9x	JV Ready	Q1 2021
APAC	Tokyo 12x	Japan JV	Q4 2020
	Osaka 2x	Japan JV	Q4 2021
Americas	São Paulo 5x	JV Ready	Q3 2021

(1) Expected to close Q4 20 pending closing conditions



# Bell Canada: Strategic, Complementary and Value Accreting

Transforming Equinix Canada into a nationwide platform and highlighting our Cloud / Enterprise ecosystem

- ✔

Scale & Reach

  - Sophisticated **top-tier global economy** with strong economic ties to the U.S.
  - **13 high-quality data centers spanning 8 key strategic metros** coast to coast (including 7 new metros)
- ✔

Strategic

  - **Accelerating cloud adoption**, digital transformation and data sovereignty driving higher growth
  - **Scaled multi-metro Canadian portfolio** and strategic Canadian partner
- ✔

Connectivity Ecosystem

  - **Highly diversified customer base** with many new logos in key strategic verticals
  - Plans to **roll out ECX Fabric** to all 13 data centers
- ✔

Growth & Expansion

  - Includes a **built-in nationwide runway** for growth as well as a platform to deploy Equinix's platform
  - Complements our ongoing strategy to **own a larger percentage of our assets**
- ✔

Financially Favorable

  - Represents **attractive valuation** and **reasonable purchase price**
  - **Pre-funded via equity offering**

**#10**  
Global Economy<sup>(1)</sup>

**#3**  
AMER Economy<sup>(1)</sup>

**1.2M**  
Gross Square Feet

Strategic Partnership  
with BCE

**600+**  
Total Customers

**500+**  
New Customers

**6 / 13**  
Assets owned

Majority  
of Revenue from Owned Sites

**\$750M**  
Acquisition price



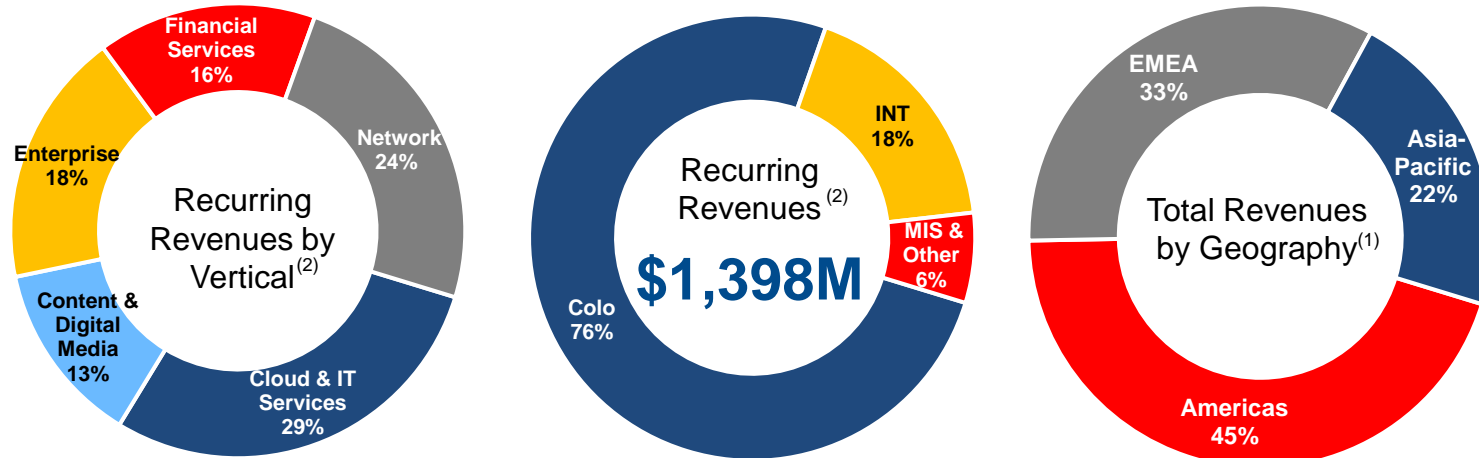
Note: Transaction expected to close in Q4 2020 subject to closing conditions, including regulatory approval  
 (1) Canadian Economy ranking by total 2019 GDP as reported by the World Economic Forum



# Customer Revenues Mix

Diversified Revenues across Customer, Region and Industry segments

## Revenues Mix



(1) Q2 20 revenues

(2) Q2 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

## Customers and Churn

### Top 10 Customers

Rank	Type of Customer	%MRR	Region Count	IBX Count
1	Network	2.7%	3	137
2	Cloud & IT Services	2.3%	3	62
3	Cloud & IT Services	2.2%	3	65
4	Cloud & IT Services	2.1%	3	60
5	Enterprise	2.0%	3	44
6	Network	1.6%	3	124
7	Content & Digital Media	1.6%	3	65
8	Network	1.5%	3	145
9	Content & Digital Media	1.2%	3	29
10	Cloud & IT Services	1.0%	3	25
<b>Top 10</b>		<b>18.2%</b>		
<b>Top 50</b>		<b>38.8%</b>		

### Global New Customer Count & Churn %

	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20
Gross New Global Customers <sup>(3)</sup>	110	150	180	200	190
MRR Churn <sup>(4)</sup>	2.4%	2.3%	2.3%	2.4%	2.2%



# Non-Financial Metrics<sup>(1)</sup>

	FY 2019			FY 2020		QoQ
	Q2	Q3	Q4	Q1	Q2	
<b>Interconnections</b>						
Americas	149,600	151,800	153,900	155,700	158,000	2,300
EMEA	119,900	122,900	124,800	127,000	128,600	1,600
Asia-Pacific	59,500	60,900	62,200	63,400	65,600	2,200
<b>Worldwide Cross Connections</b>	<b>329,000</b>	<b>335,600</b>	<b>340,900</b>	<b>346,100</b>	<b>352,200</b>	<b>6,100</b>
<b>Worldwide Virtual Connections</b>	<b>19,000</b>	<b>20,900</b>	<b>22,500</b>	<b>24,100</b>	<b>26,000</b>	<b>1,900</b>
<b>Total Interconnections</b>	<b>348,000</b>	<b>356,500</b>	<b>363,400</b>	<b>370,200</b>	<b>378,200</b>	<b>8,000</b>
<b>Internet Exchange Provisioned Capacity</b>						
Americas	49,000	51,300	52,600	55,100	60,900	5,800
EMEA	12,100	12,900	13,400	13,800	14,600	800
Asia-Pacific	24,900	26,300	29,500	31,100	34,900	3,800
<b>Worldwide</b>	<b>86,000</b>	<b>90,500</b>	<b>95,500</b>	<b>100,000</b>	<b>110,400</b>	<b>10,400</b>
<b>Worldwide Internet Exchange Ports</b>	<b>5,340</b>	<b>5,430</b>	<b>5,560</b>	<b>5,600</b>	<b>5,840</b>	<b>240</b>
<b>Cabinet Equivalent Capacity</b>						
Americas	108,300	109,500	110,900	111,300	115,400	4,100
EMEA	119,300	120,300	120,300	122,900	123,900	1,000
Asia-Pacific	59,900	60,500	65,800	65,800	65,800	0
<b>Worldwide</b>	<b>287,500</b>	<b>290,300</b>	<b>297,000</b>	<b>300,000</b>	<b>305,100</b>	<b>5,100</b>
<b>Cabinet Billing</b>						
Americas	83,600	84,200	85,000	86,000	86,900	900
EMEA	99,600	101,600	101,200	100,800	102,300	1,500
Asia-Pacific	49,200	49,800	49,600	50,800	52,300	1,500
<b>Worldwide</b>	<b>232,400</b>	<b>235,600</b>	<b>235,800</b>	<b>237,600</b>	<b>241,500</b>	<b>3,900</b>
<b>Quarter End Utilization</b>						
Americas	77%	77%	77%	77%	75%	
EMEA	83%	84%	84%	82%	83%	
Asia-Pacific	82%	82%	75%	77%	79%	
<b>MRR per Cab</b>						
North America	\$2,387	\$2,384	2,384	2,384	2,376	
EMEA	\$1,413	\$1,414	1,456	1,454	1,502	
Asia-Pacific	\$1,784	\$1,773	1,824	1,815	1,839	

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

# Equinix Announced Expansions

Data Center	Status	2021				Total Capex <sup>(1)</sup> \$US millions	Ownership	Cabinet <sup>(1)</sup> Equivalent Capacity In Future Phases		
		Q2	Q3	Q4	Q1					
CH3 phase 6 (Chicago)	Open	1,225				\$31	Owned	-		
DC15 phase 1 (Washington D.C.)	Open	1,600				\$111	Owned	1,600		
DA11 phase 1 (Dallas)	Open		1,975			\$138	Owned	1,875		
TR2 phase 3 (Toronto)	Open		725			\$21	Owned	300		
BO2 phase 2 (Boston)	Previously Announced		550			\$32	Owned	500		
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					\$52	Owned	1,525		
<b>Americas Sellable Cabinet Adds</b>		<b>2,825</b>	<b>4,275</b>	<b>925</b>	<b>1,050</b>	<b>2,200</b>	<b>500</b>	<b>-</b>	<b>\$760</b>	
AM7 phase 2-B (Amsterdam)	Open	475				\$6	Owned	-		
HH1 phase 1 (Hamburg)	Open	375				\$28	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		
AM7 phase 3 (Amsterdam)	Previously Announced				1,425	\$63	Owned	-		
LD7 phase 1B (London)	Previously Announced				875	\$30	Owned*	-		
ML5 phase 1 (Milan)	Previously Announced				500	\$51	Owned	-		
PA9x phase 1 (Paris) ●	Previously Announced				1,200	\$112	Owned	-		
BX1 phase 1 (Bordeaux)	Newly Approved					\$28	Owned	700		
HE7 phase 2 (Helsinki)	Previously Announced				600	\$28	Owned	-		
LD11x phase 1 (London) ●	Previously Announced				1,450	\$135	Leased / JV	1,450		
FR8 phase 1 (Frankfurt)	Previously Announced					\$109	Owned	-		
FR9x phase 1 (Frankfurt) ●	Previously Announced					\$121	Owned / JV	1,325		
MU4 phase 1 (Munich)	Previously Announced					\$69	Owned	4,150		
WA3 phase 2 (Warsaw)	Newly Approved					\$29	Owned	250		
ML5 phase 2 (Milan)	Newly Approved					\$29	Owned	0		
<b>EMEA Sellable Cabinet Adds</b>		<b>850</b>	<b>1,325</b>	<b>-</b>	<b>4,000</b>	<b>2,275</b>	<b>4,300</b>	<b>1,025</b>	<b>\$1,050</b>	
HK4 phase 3 (Hong Kong)	Open	1,000				\$51	Leased	3,000.00		
TY12x phase 1 (Tokyo) ●	Previously Announced			950		\$147	Owned	5,525		
SG4 phase 2 (Singapore)	Previously Announced				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		
HK1 phase 13-A (Hong Kong)	Newly Approved					\$30	Leased	250		
OS2x phase 1 (Osaka) ●	Previously Announced					\$156	Owned	5,475		
<b>Asia-Pacific Sellable Cabinet Adds</b>		<b>1,000</b>	<b>-</b>	<b>950</b>	<b>3,925</b>	<b>-</b>	<b>525</b>	<b>1,350</b>	<b>\$636</b>	
<b>Global Sellable Cabinet Adds</b>		<b>4,675</b>	<b>5,600</b>	<b>1,875</b>	<b>8,975</b>	<b>4,475</b>	<b>5,325</b>	<b>2,375</b>	<b>\$2,447</b>	

## Expansion Highlights

- We have **29 major builds** underway in **20 markets** across **14 countries**
- We had 7 openings in **Amsterdam, Chicago, Dallas, Hamburg, Hong Kong, Toronto** and **Washington, D.C.**
- Estimated FY20 ending cabinet equivalent capacity of ~312,000

● Dedicated xScale Development

\* Subject to long-term ground lease

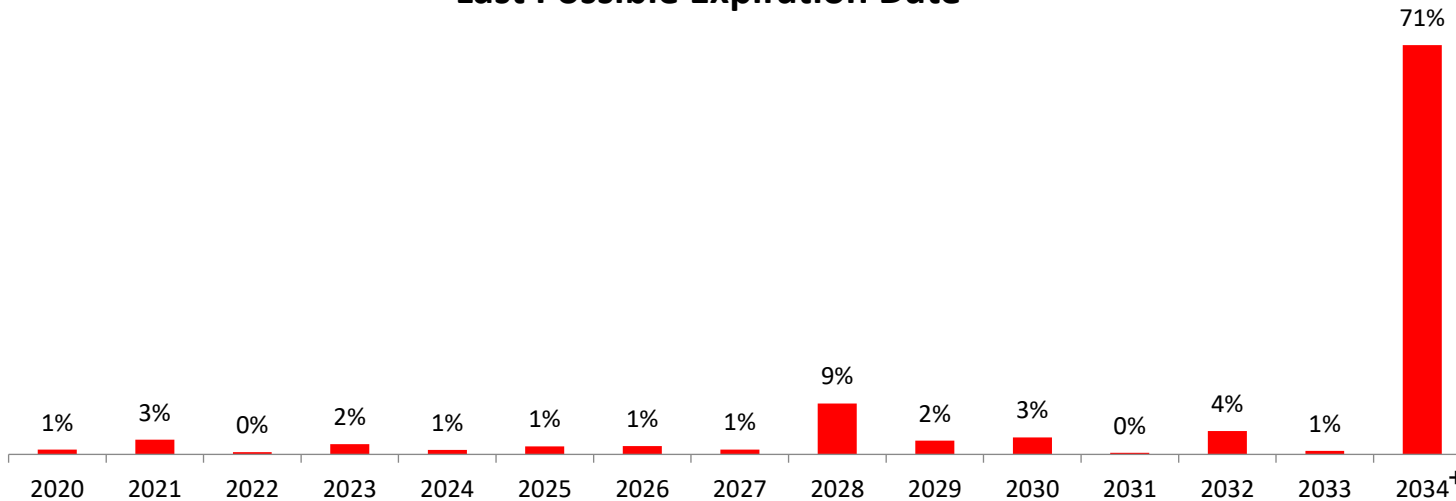
(1) Sellable cabinet equivalents and capital expenditures are approximate and may change based on final construction details

# Long-Term Lease Renewals

Weighted average lease maturity of greater than 18 years including extensions

## Global Lease Portfolio Expiration Waterfall <sup>(1)</sup>

**% Leases Renewing by Square Footage  
Last Possible Expiration Date**



## Equinix Owned Sites <sup>(2) (3) (4)</sup>

- Own 98 of 214 Data Centers
- 14.8M of 24.9M total gross square feet
- 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<sup>(3)</sup> 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) Bit-isle revenues allocated based on square footage of facilities

(4) Recently added DA11, DC15 and HH1 to the owned IBX count

# Same Store Operating Performance<sup>(1)</sup>

		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 %	
Q2 2020	Stabilized	\$700	\$187	\$59	\$946	\$42	\$987	\$305	\$682	69.1%	\$9,430	28%
Q2 2019	Stabilized	\$685	\$166	\$58	\$909	\$51	\$960	\$306	\$654	68.1%	\$8,992	28%
<b>Stabilized YoY %</b>		<b>2%</b>	<b>13%</b>	<b>1%</b>	<b>4%</b>	<b>-18%</b>	<b>3%</b>	<b>0%</b>	<b>4%</b>	<b>1%</b>	<b>5%</b>	<b>0%</b>
Stabilized @ CC YoY % <sup>(2)</sup>		4%	14%	6%	6%	-17%	4%	2%	6%	1%	6%	0%
Q2 2020	Expansion	\$336	\$61	\$19	\$417	\$18	\$435	\$139	\$296	68.1%	\$6,193	18%
Q2 2019	Expansion	\$308	\$52	\$18	\$378	\$27	\$406	\$139	\$266	65.7%	\$5,326	19%
<b>Expansion YoY %</b>		<b>9%</b>	<b>19%</b>	<b>5%</b>	<b>10%</b>	<b>-35%</b>	<b>7%</b>	<b>0%</b>	<b>11%</b>	<b>2%</b>	<b>16%</b>	<b>0%</b>
Q2 2020	Total	\$1,037	\$248	\$78	\$1,363	\$59	\$1,422	\$444	\$978	68.8%	\$15,624	24%
Q2 2019	Total	\$993	\$218	\$76	\$1,287	\$78	\$1,365	\$445	\$920	67.4%	\$14,318	25%
<b>Total YoY %</b>		<b>4%</b>	<b>14%</b>	<b>2%</b>	<b>6%</b>	<b>-24%</b>	<b>4%</b>	<b>0%</b>	<b>6%</b>	<b>1%</b>	<b>9%</b>	<b>0%</b>

(1) Excludes 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<sup>(1)</sup>

Category	# of IBXs	Cabinets Billed			Q2 20 Revenues (\$M)	
		Total Cabinet Capacity	Cabinets Billed	Cabinet Utilization %	Total Recurring	Owned % of Total Recurring
<b>Americas</b>						
Owned <sup>(2)</sup>	48	81,500	58,900	72%	\$418	
Leased	40	33,900	28,000	83%	\$193	
<b>Americas Total</b>	<b>88</b>	<b>115,400</b>	<b>86,900</b>	<b>75%</b>	<b>\$611</b>	<b>68%</b>
<b>EMEA</b>						
Owned <sup>(2)</sup>	32	81,800	67,300	82%	\$295	
Leased	43	42,100	35,000	83%	\$170	
<b>EMEA Total</b>	<b>75</b>	<b>123,900</b>	<b>102,300</b>	<b>83%</b>	<b>\$465</b>	<b>63%</b>
<b>Asia-Pacific</b>						
Owned <sup>(2)</sup>	15	16,300	11,800	72%	\$40	
Leased	30	49,500	40,500	82%	\$255	
<b>Asia-Pacific Total</b>	<b>45</b>	<b>65,800</b>	<b>52,300</b>	<b>79%</b>	<b>\$295</b>	<b>14%</b>
<b>EQIX Total</b>	<b>208</b>	<b>305,100</b>	<b>241,500</b>	<b>79%</b>	<b>\$1,371</b>	<b>55%</b>
<b>Other Real Estate</b>						
Owned <sup>(3)</sup>					\$10	
<b>Other Real Estate Total</b>					<b>\$10</b>	<b>100%</b>
<b>Acquisition Total <sup>(4)</sup></b>	<b>3</b>				<b>\$5</b>	<b>87%</b>
<b>Combined Total</b>	<b>211</b>	<b>305,100</b>	<b>241,500</b>	<b>79%</b>	<b>\$1,385</b>	<b>55%</b>

(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 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	9	DA1, DA2, DA3, DA4, DA7, DA9, DA10	DA6	DA11			DA1, DA2, DA3, DA6, DA9, DA11	DA4, DA7, DA10
Washington DC/Ashburn	15	DC1, DC2, DC3, DC4, DC5, DC6, DC7, DC8, DC10, DC11, DC12, DC13, DC97	DC14	DC15			DC1, DC2, DC4, DC5, DC6, DC11, DC12, DC13, DC14, DC15	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 Janeiro	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
<b>Americas</b>	<b>91</b>		<b>67</b>	<b>19</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>50</b>
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
Hamburg	1			HH1			HH1	
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
<b>EMEA</b>	<b>77</b>		<b>52</b>	<b>18</b>	<b>5</b>	<b>0</b>	<b>2</b>	<b>33</b>
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
<b>APAC</b>	<b>46</b>		<b>30</b>	<b>10</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>15</b>
<b>Total</b>	<b>214</b>		<b>149</b>	<b>47</b>	<b>13</b>	<b>3</b>	<b>2</b>	<b>98</b>

## Change Summary (1)

Acquisition to Expansion  
AM11

New IBX  
DA11  
DC15  
HH1

Status Change

\* Subject to long-term ground lease

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

# Adjusted Corporate NOI <sup>(1)</sup>

(\$M, except # of IBXs)

Calculation Of Adjusted Corp NOI	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
# of IBXs <sup>(1)</sup>	211	208	204	203	202
Recurring Revenues <sup>(2)</sup>	\$1,385	\$1,355	\$1,333	\$1,316	\$1,301
Recurring Cash Cost of Revenues Allocation	(416)	(423)	(425)	(412)	(408)
Cash Net Operating Income	969	931	909	904	892
Operating Lease Rent Expense Add-back <sup>(3)</sup>	44	47	47	47	45
Regional Cash SG&A Allocated to Properties <sup>(4)</sup>	(148)	(150)	(153)	(147)	(140)
Adjusted Cash Net Operating Income <sup>(3)</sup>	\$865	\$829	\$802	\$804	\$798
Adjusted Cash NOI Margin	<b>62.4%</b>	<b>61.2%</b>	<b>60.2%</b>	<b>61.1%</b>	<b>61.3%</b>
<b>Reconciliation of NOI Cost Allocations</b>					
Non-Recurring Revenues (NRR) <sup>(2)</sup>	\$69	\$78	\$75	\$77	\$78
Non-Recurring Cash Cost of Revenues Allocation	(52)	(46)	(51)	(49)	(49)
Net NRR Operating Income	\$17	\$32	\$25	\$29	\$30
Total Cash Cost of Revenues <sup>(2)</sup>	\$468	\$469	\$475	\$460	\$457
Non-Recurring Cash Cost of Revenues Allocation	(52)	(46)	(51)	(49)	(49)
Recurring Cash Cost of Revenues Allocation	\$416	\$423	\$425	\$412	\$408
Regional Cash SG&A Allocated to Stabilized & Expansion Properties <sup>(1)</sup>	\$142	\$145	\$149	\$145	\$138
Regional Cash SG&A Allocated to New Properties <sup>(1)</sup>	7	5	5	2	2
Total Regional Cash SG&A	148	150	153	147	140
Corporate Cash SG&A in HQ Functions Not Allocated to Regions NOI	119	132	109	109	106
Total Cash SG&A <sup>(4)</sup>	\$268	\$281	\$262	\$257	\$246
Corporate HQ SG&A as a % of Total Revenues	<b>8.1%</b>	<b>9.1%</b>	<b>7.7%</b>	<b>7.8%</b>	<b>7.6%</b>

(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<sup>(1)</sup>

Category	# of IBXs	Total Cabinet Capacity	Cabinets Billed	Cabinet Utilization %	Q2 2020 Recurring Revenues (\$M)	Q2 2020 Quarterly Adjusted NOI (\$M)	% NOI
<b>Stabilized</b>							
Owned <sup>(2)</sup>	54	94,000	80,600	86%	\$472	\$336	39%
Leased	94	89,000	74,300	83%	\$474	\$284	33%
<b>Stabilized Total</b>	<b>148</b>	<b>183,000</b>	<b>154,900</b>	<b>85%</b>	<b>\$946</b>	<b>\$619</b>	<b>72%</b>
<b>Expansion</b>							
Owned <sup>(2)</sup>	32	75,600	55,900	74%	\$277	\$159	18%
Leased	15	32,900	27,700	84%	\$140	\$85	10%
<b>Expansion Total</b>	<b>47</b>	<b>108,500</b>	<b>83,600</b>	<b>77%</b>	<b>\$417</b>	<b>\$245</b>	<b>28%</b>
<b>New</b>							
Owned <sup>(2)</sup>	9	10,000	1,500	15%	\$4	-\$7	-1%
Leased	4	3,600	1,500	42%	\$0	\$1	0%
<b>New Total</b>	<b>13</b>	<b>13,600</b>	<b>3,000</b>	<b>22%</b>	<b>\$8</b>	<b>-\$7</b>	<b>-1%</b>
<b>Other Real Estate</b>							
Owned <sup>(3)</sup>					\$10	\$6	1%
<b>Other Real Estate Total</b>					<b>\$10</b>	<b>\$6</b>	<b>1%</b>
<b>Combined</b>							
Owned <sup>(2)</sup>	95	179,600	138,000	77%	\$763	\$493	57%
Leased	113	125,500	103,500	82%	\$618	\$370	43%
<b>Combined Total</b>	<b>208</b>	<b>305,100</b>	<b>241,500</b>	<b>79%</b>	<b>\$1,380</b>	<b>\$862</b>	<b>100%</b>

(1) Excludes 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

Operating Portfolio Adjusted NOI	Ownership	Reference	Q2 20 Quarterly Adjusted NOI (\$M)
Stabilized	Owned	Adjusted NOI Segments	\$336
Stabilized	Leased	Adjusted NOI Segments	\$284
Expansion	Owned	Adjusted NOI Segments	\$159
Expansion	Leased	Adjusted NOI Segments	\$85
Other Real Estate	Owned	Adjusted NOI Segments	\$6
<b>Quarterly Adjusted NOI (Stabilized, Expansion &amp; Other Real Estate Only)</b>			<b>\$869</b>
<b>Other Operating Income</b>			
Acquisition Net Operating Income <sup>(1)</sup>			\$2
Quarterly Non-Recurring Operating Income			\$17
<b>Unstabilized Properties</b>			
New IBX at Cost			\$1,241
Development CIP and Land Held for Development			\$1,198
<b>Other Assets</b>			
Cash, Cash Equivalents and Investments		Balance Sheet	\$4,807
Restricted Cash <sup>(2)</sup>		Balance Sheet	\$22
Accounts Receivable, Net		Balance Sheet	\$692
Assets Held for Sale		Balance Sheet	\$152
Prepaid Expenses and Other Assets <sup>(3)</sup>		Balance Sheet	\$723
Total Other Assets			\$6,396
<b>Liabilities</b>			
Book Value of Debt <sup>(4)</sup>		Balance Sheet	\$12,326
Accounts Payable and Accrued Liabilities <sup>(5)</sup>		Balance Sheet	\$1,081
Dividend and Distribution Payable		Balance Sheet	\$17
Deferred Tax Liabilities and Other Liabilities <sup>(6)</sup>		Balance Sheet	\$593
Total Liabilities			\$14,017
<b>Other Operating Expenses</b>			
Annualized Cash Tax Expense			\$121
Annualized Cash Rent Expense <sup>(7)</sup>			\$320
<b>Diluted Shares Outstanding (millions)</b>		Estimated 2020 Fully Diluted Shares	90.1

(1) Includes Axtel acquisition

(2) Restricted cash is included in other current assets and other assets in the balance sheet

(3) Consists of other current assets and other noncurrent assets including JV investment, less restricted cash, derivative assets, 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 and other noncurrent liabilities, less deferred installation revenue, asset retirement obligations and dividend and distribution payable

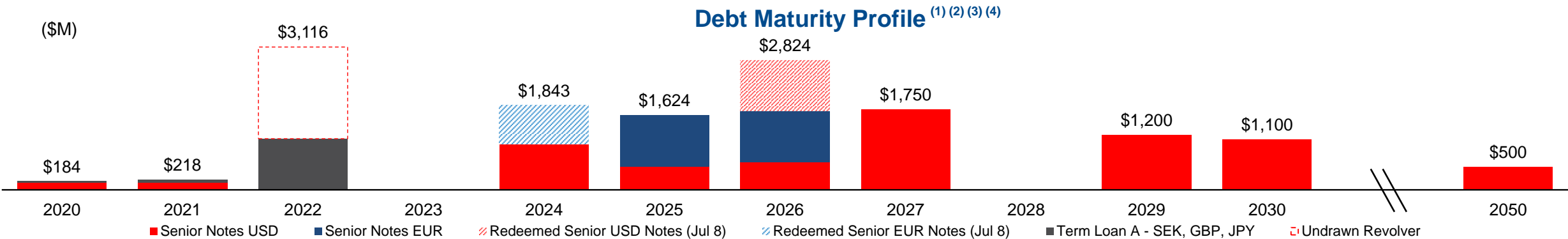
(7) Includes operating lease rent payments and finance lease principal and interest payments; excludes equipment and office leases

# Debt Summary

Debt	Spread / Coupon	Interest Rate	Maturity	First Call Date	First Call / Current Call	Balance <sup>(1)</sup> (\$M)
Revolver	L + 100	1.268%	Dec-22	-	-	-
Term Loan A - SEK, GBP, JPY <sup>(2)</sup>	L + 120	1.280%	Dec-22	-	-	1,218
Senior Notes <sup>(3)</sup>						
USD due in 2020, 2021	5.000%	5.000%	Various	-	-	300
USD due in 2024	2.625%	2.625%	Nov-24	Oct-24	100.000	1,000
USD due in 2025	1.250%	1.250%	Jul-25	Jun-25	100.000	500
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 2027	1.800%	1.800%	Jul-27	May-27	100.000	500
USD due in 2029	3.200%	3.200%	Nov-29	Aug-29	100.000	1,200
USD due in 2030	2.150%	2.150%	Jul-30	Apr-30	100.000	1,100
USD due in 2050	3.000%	3.000%	Jul-50	Jan-50	100.000	500
<b>USD Total</b>	<b>3.513%</b>	<b>3.513%</b>			-	<b>\$ 8,050</b>
EUR due in 2024	2.875%	2.875%	Mar-24	Sep-20	101.438	843
EUR due in 2025	2.875%	2.875%	Oct-25	Oct-20	101.438	1,124
EUR due in 2026	2.875%	2.875%	Feb-26	Feb-21	101.438	1,124
<b>EUR Total</b>	<b>2.875%</b>	<b>2.875%</b>			-	<b>\$ 3,090</b>
Mortgage Payable and Other Loans Payable	Various	3.593%	Various		-	78
<b>Subtotal</b>						<b>\$ 12,436</b>
Finance Lease Obligations						1,761
<b>Total Debt</b>						<b>\$ 14,197</b>

## Debt Amortization

- €750M 2024 Senior Notes and \$1.1B 2026 Senior Notes were redeemed on July 8
- \$750M senior unsecured 364-Day Facility entered on April 15 was repaid June 12
- \$250M revolver draw was repaid on May 6
- \$1.2B multi-currency Term Loan A amortizes at 5% per year through 2022
- Senior notes mature 2024 through 2050<sup>(3)</sup>
- Infomart senior notes of \$150M each mature semi-annually through April 2021



(1) Principal balances outstanding as of reporting period

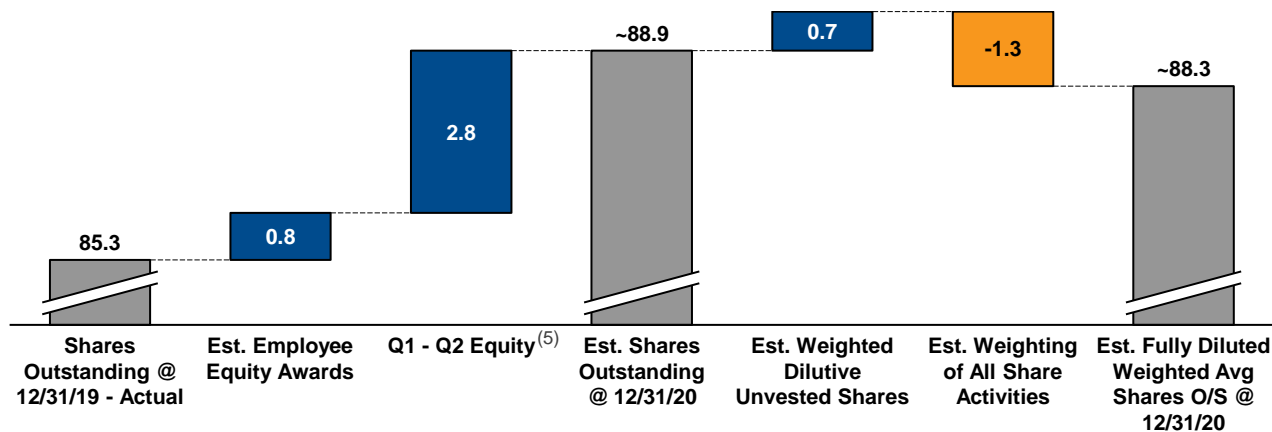
(2) Term Loan A is a multicurrency loan with outstanding balances of approximately SEK 2.5B, GBP 444M and JPY 43.3B

(3) Includes €750M 2024 Senior Notes and \$1.1B 2026 Senior Notes redeemed on July 8

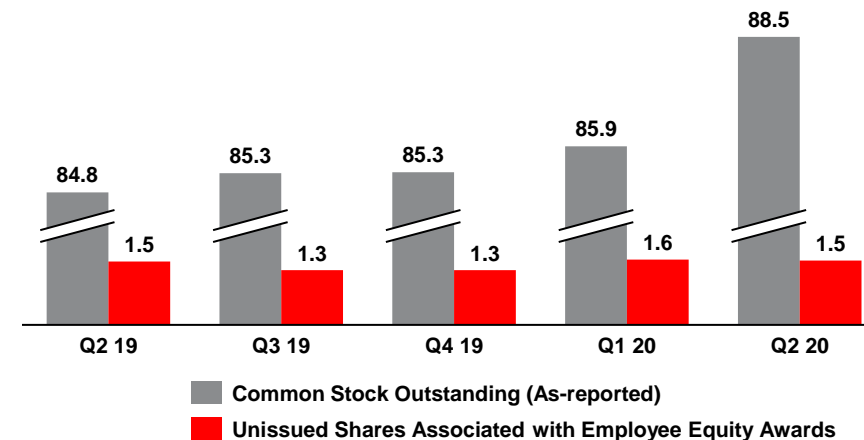
(4) Excludes finance leases, mortgage payable and other loans payable

# Shares Forecast <sup>(M)</sup>

## 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
ATM Offering	0.16	0.16	0.13	0.13
Equity Offering	2.59	2.59	1.64	1.64
RSUs vesting <sup>(1)</sup>	0.63	0.63	0.41	0.41
ESPP purchases <sup>(1)</sup>	0.16	0.16	0.10	0.10
Dilutive impact of unvested employee equity awards	-	1.24 <sup>(2)</sup>	-	0.66 <sup>(3)</sup>
	3.55	4.79	2.29	2.95
<b>Shares outstanding - Forecast <sup>(4)</sup></b>	<b>88.86</b>	<b>90.10</b>	<b>87.60</b>	<b>88.25</b>

**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 equity financing the company may undertake in the future

(5) Includes Q1 ATM offering of 162,530 shares and Q2 equity follow-up offering of 2,587,500 shares

# Capital Expenditures Profile

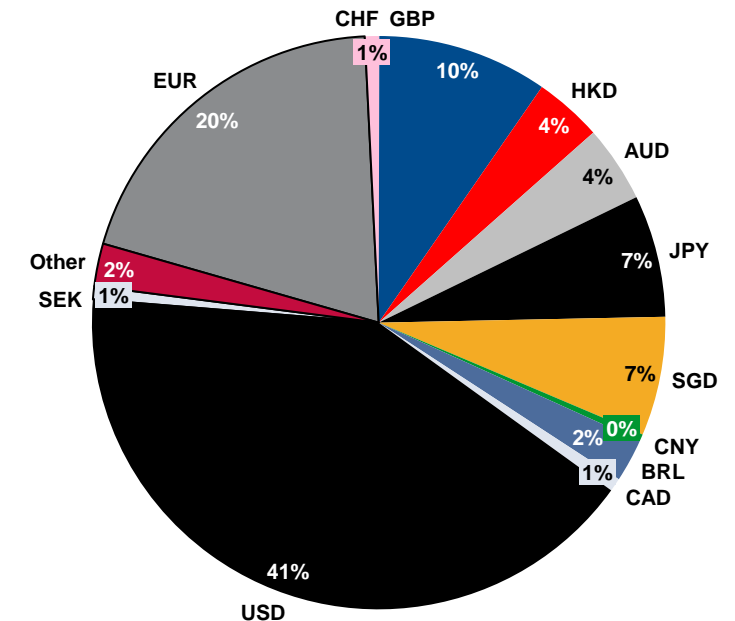
(\$M)

		Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
<b>Recurring</b>	IBX Maintenance	19	9	63	34	26
	Sustaining IT & Network	5	5	10	7	4
	Re-configuration Installation	7	4	8	6	7
	<b>Subtotal - Recurring</b>	<b>30</b>	<b>18</b>	<b>81</b>	<b>47</b>	<b>37</b>
<b>Non-Recurring</b>	IBX Expansion	372	310	496	412	325
	Transform IT, Network & Offices	50	46	96	69	51
	Initial / Custom Installation	30	27	42	29	32
	<b>Subtotal - Non-Recurring</b>	<b>452</b>	<b>383</b>	<b>634</b>	<b>509</b>	<b>407</b>
<b>Total</b>		<b>482</b>	<b>401</b>	<b>715</b>	<b>557</b>	<b>444</b>
	<i>Recurring Capital Expenditures as a % of Revenues</i>	2.1%	1.2%	5.7%	3.4%	2.7%

# FX Rates, Hedging and Currencies

Revenue FX Rates					
Currency	Guidance Rate <sup>(1)</sup>	Hedge Rate	Blended Guidance Rate <sup>(2)</sup>	Blended Hedge % <sup>(2)</sup>	% of Revenues <sup>(3)</sup>
USD	1.00				41%
EUR to USD	1.12	1.13	1.13	60%	20%
GBP to USD	1.24	1.29	1.28	70%	10%
JPY to USD	0.01				7%
SGD to USD	0.72				7%
HKD to USD	0.13				4%
BRL to USD	0.18				2%
AUD to USD	0.69				4%
SEK to USD	0.11	0.11	0.11	81%	1%
CHF to USD	1.06	1.03	1.04	66%	1%
CAD to USD	0.74				1%
CNY to USD	0.14				0%
Other <sup>(5)</sup>	-				2%

Currency % of Revenues<sup>(4)</sup>



(1) Guidance rate as of close of market on 6/30/2020

(2) Hedge rate and blended guidance rate for Q3 20

(3) Blended hedge percent for combined Equinix business for Q3 20

(4) Currency % of revenues based on combined Q2 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	<ul style="list-style-type: none"> <li>• <a href="#">Equinix partners with GIC again to form Joint Venture to Develop xScale</a>, 451 Research, 5/5/20</li> <li>• <a href="#">COVID-19: Keeping the data center lights on during a crisis</a>, 451 Research, 3/25/20</li> <li>• <a href="#">Trends Driving the MTDC and Services Industry 2020</a>, 451 Research, 1/28/20</li> <li>• <a href="#">IDC names Equinix a Leader in Colocation &amp; Interconnection Services</a>, IDC, 1/10/20</li> <li>• <a href="#">The Future of Enterprise Data Centers – What’s Next</a>, Gartner, 4/24/19</li> </ul>
Multi-cloud	<ul style="list-style-type: none"> <li>• <a href="#">Hybrid Cloud Trends – Strategies for Optimizing On-premises &amp; Public Cloud Infrastructure</a>, Enterprise Strategy Group, 5/20</li> <li>• <a href="#">Market Trends: CSPs Must Accelerate Direct Connections to Cloud</a>, Gartner, 12/6/19</li> <li>• <a href="#">Total Economic Impact of Equinix</a>, Forrester, April 2019</li> </ul>
Edge Computing	<ul style="list-style-type: none"> <li>• <a href="#">Network-heavy services are coping with coronavirus so far</a>, 451 Research, 4/9/20</li> <li>• <a href="#">Why and How I&amp;O Should Lead Edge Computing</a>, Gartner, 2/28/20</li> <li>• <a href="#">Market Trends: SD-WAN and NFV for Enterprise Network Services</a>, Gartner, 1/30/20</li> <li>• <a href="#">Architecting Hybrid IT and Edge for Digital Advantage</a>, 451 Research, 1/10/20</li> <li>• <a href="#">How to Overcome Four Major Challenges in Edge Computing</a>, Gartner, 11/4/19</li> </ul>

# 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  
**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

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<b>Berenberg</b>	Nate	Crossett
<b>BMO Capital Markets</b>	Ari	Klein
<b>Citigroup</b>	Mike	Rollins
<b>Cowen</b>	Colby	Synesael
<b>Credit Suisse</b>	Sami	Badri
<b>Deutsche Bank</b>	Matthew	Niknam
<b>Edward Jones</b>	Kyle	Sanders
<b>FBN Securities</b>	Shebly	Seyrafi
<b>Goldman Sachs</b>	Brett	Feldman
<b>Green Street Advisors</b>	David	Guarino
<b>Jefferies</b>	Jonathan	Petersen
<b>JP Morgan</b>	Phil	Cusick
<b>KeyBanc</b>	Jordan	Sadler
<b>Moffet Nathenson</b>	Nick	Del Deo
<b>Morgan Stanley</b>	Simon	Flannery
<b>New Street Research</b>	Spencer	Kurn
<b>Oppenheimer</b>	Tim	Horan
<b>Raymond James</b>	Frank	Louthan
<b>RBC Capital Markets</b>	Jonathan	Atkin
<b>Stifel</b>	Erik	Rasmussen
<b>SunTrust</b>	Greg	Miller
<b>UBS</b>	John	Hodulik
<b>Wells Fargo</b>	Eric	Leubchow
<b>William Blair</b>	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		
	June 30, 2020	March 31, 2020	June 30, 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	\$ 739,344	\$ 736,282	\$ 698,179
Depreciation, amortization and accretion expense	(250,743)	(250,398)	(230,696)
Stock-based compensation expense	(7,655)	(9,343)	(6,500)
Cash cost of revenues	<u>\$ 480,946</u>	<u>\$ 476,541</u>	<u>\$ 460,983</u>

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".

Selling, general, and administrative expense	\$ 435,014	\$ 442,047	\$ 391,857
Depreciation and amortization expense	(97,691)	(87,033)	(89,854)
Stock-based compensation expense	(68,189)	(71,223)	(55,019)
Cash operating expense	<u>\$ 269,134</u>	<u>\$ 283,791</u>	<u>\$ 246,984</u>

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:

Income from operations	\$ 282,488	\$ 253,484	\$ 291,781
Depreciation, amortization and accretion expense	348,434	337,431	320,550
Stock-based compensation expense	75,844	80,566	61,519
Impairment charges	—	—	386
Transaction costs	13,617	11,530	2,774
(Gain) loss on asset sales	(342)	1,199	—
Adjusted EBITDA	<u>\$ 720,041</u>	<u>\$ 684,210</u>	<u>\$ 677,010</u>

# Non-GAAP Reconciliations

EQUINIX, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - NON-GAAP PRESENTATION

(in thousands)

(unaudited)

	Three Months Ended				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
The geographic split of our adjusted EBITDA is presented below:					
Americas income from operations	\$ 58,423	\$ 47,308	\$ 136,236	\$ 88,494	\$ 99,195
Americas depreciation, amortization and accretion expense	182,204	171,439	165,580	168,397	167,614
Americas stock-based compensation expense	56,326	62,689	44,878	48,377	42,676
Americas impairment charges	—	—	(233)	1,189	386
Americas transaction costs	5,575	10,978	13,378	199	(819)
Americas (gain) loss on asset sales	(421)	1,199	(45,763)	—	—
Americas adjusted EBITDA	<u>\$ 302,107</u>	<u>\$ 293,613</u>	<u>\$ 314,076</u>	<u>\$ 306,656</u>	<u>\$ 309,052</u>
EMEA income from operations	\$ 138,154	\$ 126,004	\$ 96,453	\$ 113,771	\$ 106,555
EMEA depreciation, amortization and accretion expense	92,953	92,740	95,264	87,010	88,109
EMEA stock-based compensation expense	12,240	11,002	10,788	9,792	11,353
EMEA transaction costs	171	412	2,324	2,408	3,628
EMEA (gain) loss on asset sales	79	—	1,916	(463)	—
EMEA adjusted EBITDA	<u>\$ 243,597</u>	<u>\$ 230,158</u>	<u>\$ 206,745</u>	<u>\$ 212,518</u>	<u>\$ 209,645</u>
Asia-Pacific income from operations	\$ 85,911	\$ 80,172	\$ 80,285	\$ 83,103	\$ 86,031
Asia-Pacific depreciation, amortization and accretion expense	73,277	73,252	67,451	66,339	64,827
Asia-Pacific stock-based compensation expense	7,278	6,875	6,460	5,702	7,490
Asia-Pacific transaction costs	7,871	140	843	384	(35)
Asia-Pacific adjusted EBITDA	<u>\$ 174,337</u>	<u>\$ 160,439</u>	<u>\$ 155,039</u>	<u>\$ 155,528</u>	<u>\$ 158,313</u>
Adjusted EBITDA	<u>\$ 720,041</u>	<u>\$ 684,210</u>	<u>\$ 675,860</u>	<u>\$ 674,702</u>	<u>\$ 677,010</u>

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

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Income from operations	\$ 282,488	\$ 253,484	\$ 312,974	\$ 285,368	\$ 291,781
Adjustments:					
Depreciation, amortization and accretion expense	348,434	337,431	328,295	321,746	320,550
Stock-based compensation expense	75,844	80,566	62,126	63,871	61,519
Impairment charges	—	—	(233)	1,189	386
(Gain) loss on asset sales	(342)	1,199	(43,847)	(463)	—
Transaction costs	13,617	11,530	16,545	2,991	2,774
<b>Adjusted EBITDA</b>	<b>\$ 720,041</b>	<b>\$ 684,210</b>	<b>\$ 675,860</b>	<b>\$ 674,702</b>	<b>\$ 677,010</b>
Revenue	\$ 1,470,121	\$ 1,444,542	\$ 1,417,135	\$ 1,396,810	\$ 1,384,977
Adjusted EBITDA as a % of Revenue	49%	47%	48%	48%	49%
Adjustments:					
Interest expense, net of interest income	(106,795)	(103,065)	(110,085)	(110,473)	(112,785)
Amortization of deferred financing costs and debt discounts and premiums	4,444	3,460	3,613	3,196	3,238
Income tax expense	(44,753)	(30,191)	(37,632)	(57,827)	(47,324)
Income tax expense adjustment <sup>(1)</sup>	8,070	2,833	13,502	7,592	10,592
Straight-line rent expense adjustment	2,395	1,806	773	2,716	2,300
Installation revenue adjustment	3,649	(3,481)	2,751	5,759	1,492
Contract cost adjustment	(5,307)	(10,434)	(11,556)	(10,179)	(12,348)
Recurring capital expenditures	(29,996)	(17,868)	(80,925)	(47,404)	(36,726)
Other income	4,278	5,170	12,336	3,428	12,180
(Gain) loss on disposition of real estate property	376	2,506	(42,758)	732	343
Adjustments for unconsolidated JVs' and non-controlling interests	1,049	958	2,885	39	(325)
Adjustment for gain (loss) on asset sales	342	(1,199)	43,847	463	—
<b>Adjusted Funds from Operations (AFFO) attributable to common shareholders</b>	<b>\$ 557,793</b>	<b>\$ 534,705</b>	<b>\$ 472,611</b>	<b>\$ 472,744</b>	<b>\$ 497,647</b>

<sup>(1)</sup> 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)	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Net income	\$ 133,350	\$ 118,957	\$ 124,835	\$ 120,811	\$ 143,852
Net (income) loss attributable to non-controlling interests	(46)	(165)	160	39	(325)
Net income attributable to Equinix	133,304	118,792	124,995	120,850	143,527
Adjustments:					
Real estate depreciation	222,613	221,787	221,143	209,903	209,103
(Gain) loss on disposition of real estate property	376	2,506	(42,758)	732	343
Adjustments for FFO from unconsolidated JVs	653	669	645	—	—
<b>Funds from Operations (FFO) attributable to common shareholders</b>	<b>\$ 356,946</b>	<b>\$ 343,754</b>	<b>\$ 304,025</b>	<b>\$ 331,485</b>	<b>\$ 352,973</b>
Adjustments:					
Installation revenue adjustment	3,649	(3,481)	2,751	5,759	1,492
Straight-line rent expense adjustment	2,395	1,806	773	2,716	2,300
Contract cost adjustment	(5,307)	(10,434)	(11,556)	(10,179)	(12,348)
Amortization of deferred financing costs and debt discounts and premiums	4,444	3,460	3,613	3,196	3,238
Stock-based compensation expense	75,844	80,566	62,126	63,871	61,519
Non-real estate depreciation expense	76,618	65,591	60,712	63,151	60,904
Amortization expense	49,362	48,491	48,689	48,837	49,217
Accretion expense (adjustment)	(159)	1,562	(2,249)	(145)	1,326
Recurring capital expenditures	(29,996)	(17,868)	(80,925)	(47,404)	(36,726)
(Gain) loss on debt extinguishment	1,868	6,441	52,758	(315)	—
Transaction costs	13,617	11,530	16,545	2,991	2,774
Impairment charges	—	—	(233)	1,189	386
Income tax expense adjustment	8,070	2,833	13,502	7,592	10,592
Adjustments for AFFO from unconsolidated JVs	442	454	2,080	—	—
<b>AFFO attributable to common shareholders</b>	<b>\$ 557,793</b>	<b>\$ 534,705</b>	<b>\$ 472,611</b>	<b>\$ 472,744</b>	<b>\$ 497,647</b>



# Non-GAAP Reconciliations

(unaudited and in thousands, except per share amounts)

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
FFO per share:					
Basic	\$ 4.09	\$ 4.02	\$ 3.56	\$ 3.90	\$ 4.18
Diluted	\$ 4.06	\$ 3.99	\$ 3.54	\$ 3.87	\$ 4.16
AFFO per share:					
Basic	\$ 6.39	\$ 6.25	\$ 5.54	\$ 5.56	\$ 5.90
Diluted	\$ 6.35	\$ 6.21	\$ 5.51	\$ 5.52	\$ 5.87
Weighted average shares outstanding - basic	87,303	85,551	85,289	85,012	84,399
Weighted average shares outstanding - diluted <sup>(1)</sup>	87,901	86,144	85,831	85,571	84,767
<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	87,303	85,551	85,289	85,012	84,399
Effect of dilutive securities:					
Employee equity awards	598	593	542	559	368
Weighted average shares outstanding - diluted	<u>87,901</u>	<u>86,144</u>	<u>85,831</u>	<u>85,571</u>	<u>84,767</u>

# Non-GAAP Reconciliations

Consolidated NOI calculation	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
(unaudited and in thousands)					
Revenues	\$1,470,121	\$1,444,542	\$1,417,135	\$1,396,810	\$1,384,977
Non-Recurring Revenues (NRR) <sup>(1)</sup>	68,832	77,920	75,369	77,279	78,456
Other Revenues <sup>(2)</sup>	16,208	11,990	8,756	3,523	5,859
<b>Recurring Revenues<sup>(1)</sup></b>	<b>\$1,385,081</b>	<b>\$1,354,632</b>	<b>\$1,333,009</b>	<b>\$1,316,008</b>	<b>\$1,300,662</b>
Cost of Revenues	\$ (739,344)	\$ (736,282)	\$ (725,636)	\$ (704,339)	\$ (698,179)
Depreciation, Amortization and Accretion Expense	250,743	250,398	241,753	232,285	230,696
Stock-Based Compensation Expense	7,655	9,343	6,739	7,104	6,500
<b>Total Cash Cost of Revenues<sup>(1)</sup></b>	<b>\$ (480,946)</b>	<b>\$ (476,541)</b>	<b>\$ (477,144)</b>	<b>\$ (464,950)</b>	<b>\$ (460,983)</b>
Non-Recurring Cash Cost of Revenues Allocation <sup>(1)</sup>	(51,944)	(45,579)	(50,536)	(48,541)	(48,598)
Other Cash Cost of Revenues <sup>(2)</sup>	(12,807)	(7,692)	(2,106)	(4,730)	(4,115)
<b>Recurring Cash Cost of Revenues Allocation</b>	<b>\$ (416,195)</b>	<b>\$ (423,270)</b>	<b>\$ (424,502)</b>	<b>\$ (411,679)</b>	<b>\$ (408,271)</b>
Operating Lease Rent Expense Add-back <sup>(3)</sup>	44,081	47,106	47,008	46,558	45,261
<b>Recurring Cash Cost excluding Operating Lease Rent</b>	<b>\$ (372,114)</b>	<b>\$ (376,165)</b>	<b>\$ (377,494)</b>	<b>\$ (365,121)</b>	<b>\$ (363,009)</b>
Selling, General, and Administrative Expenses	\$ (435,014)	\$ (442,047)	\$ (406,060)	\$ (403,386)	\$ (391,857)
Depreciation and Amortization Expense	97,691	87,033	86,542	89,461	89,854
Stock-based Compensation Expense	68,189	71,223	55,387	56,767	55,019
<b>Total Cash SG&amp;A</b>	<b>\$ (269,134)</b>	<b>\$ (283,791)</b>	<b>\$ (264,131)</b>	<b>\$ (257,158)</b>	<b>\$ (246,984)</b>
Corporate Cash SG&A in HQ Functions Not Allocated to Regions NOI	(119,468)	(131,898)	(108,995)	(109,481)	(105,658)
Other Cash SG&A <sup>(2)</sup>	(1,251)	(2,299)	(1,745)	(529)	(1,360)
<b>Regional Cash SG&amp;A Allocated to Properties<sup>(4)</sup></b>	<b>\$ (148,415)</b>	<b>\$ (149,594)</b>	<b>\$ (153,391)</b>	<b>\$ (147,148)</b>	<b>\$ (139,966)</b>

(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)	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
<b>Income from Operations</b>	\$ 282,488	\$ 253,484	\$ 312,974	\$ 285,368	\$ 291,781
Adjustments:					
Depreciation, Amortization and Accretion Expense	348,434	337,431	328,295	321,746	320,550
Stock-based Compensation Expense	75,844	80,566	62,126	63,871	61,519
Transaction Costs	13,617	11,530	16,545	2,991	2,774
Impairment Charges	-	-	(233)	1,189	386
(Gain) Loss on Asset Sales	(342)	1,199	(43,847)	(463)	-
<b>Adjusted EBITDA</b>	<b>\$ 720,041</b>	<b>\$ 684,210</b>	<b>\$ 675,860</b>	<b>\$ 674,702</b>	<b>\$ 677,010</b>
Adjustments:					
Non-Recurring Revenues (NRR) <sup>(1)</sup>	(68,832)	(77,920)	(75,369)	(77,279)	(78,456)
Other Revenues <sup>(2)</sup>	(16,208)	(11,990)	(8,756)	(3,523)	(5,859)
Non-Recurring Cash Cost of Revenues Allocation <sup>(1)</sup>	51,944	45,579	50,536	48,541	48,598
Other Cash Cost of Revenues <sup>(2)</sup>	12,807	7,692	2,106	4,730	4,115
Corporate Cash SG&A in HQ Functions Not Allocated to Regions NOI <sup>(3)</sup>	119,468	131,898	108,995	109,481	105,658
Other Cash SG&A <sup>(4)</sup>	1,251	2,299	1,745	529	1,360
Operating Lease Rent Expense Add-back <sup>(5)</sup>	44,081	47,106	47,008	46,558	45,261
<b>Adjusted Cash Net Operating Income</b>	<b>\$ 864,552</b>	<b>\$ 828,874</b>	<b>\$ 802,125</b>	<b>\$ 803,739</b>	<b>\$ 797,687</b>

(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

## **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, 2019

**Expansion IBXs:** Phase 1 began operating before January 1, 2019, 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, 2019

**Stabilized IBXs:** The final expansion phase began operating before January 1, 2019

**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

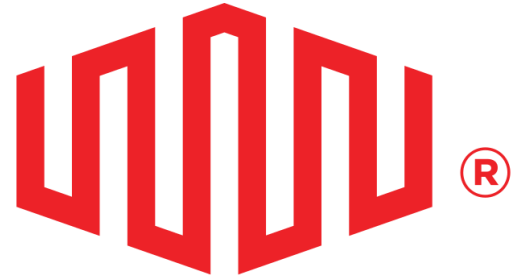
**Re-Configuration Installation:** Capital spending to support second generation configuration of customer installations; these expenditures extend useful life of existing assets or add new fixed assets. This includes changes to cage build-outs, cabinets, power, network gear and security component installations

**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



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