

**EQUINIX, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except per share data)  
(unaudited)

|   | Three Months Ended |                    |                  | Six Months Ended |                   |
|---|--------------------|--------------------|------------------|------------------|-------------------|
|   | June 30,<br>2016   | March 31,<br>2016  | June 30,<br>2015 | June 30,<br>2016 | June 30,<br>2015  |
| Recurring revenues  | \$ 851,771         | \$ 797,094         | \$ 626,691       | \$ 1,648,865     | \$ 1,236,348      |
| Non-recurring revenues  | 48,739             | 47,062             | 38,891           | 95,801           | 72,408            |
| <b>Revenues</b>   | <b>900,510</b>     | <b>844,156</b>     | <b>665,582</b>   | <b>1,744,666</b> | <b>1,308,756</b>  |
| Cost of revenues  | 456,967            | 427,680            | 315,757          | 884,647          | 614,070           |
| <b>Gross profit</b>   | <b>443,543</b>     | <b>416,476</b>     | <b>349,825</b>   | <b>860,019</b>   | <b>694,686</b>    |
| Operating expenses:   |                    |                    |                  |                  |                   |
| Sales and marketing   | 107,832            | 106,590            | 81,248           | 214,422          | 159,864           |
| General and administrative  | 168,462            | 165,904            | 119,578          | 334,366          | 233,218           |
| Acquisition costs   | 15,594             | 36,536             | 9,866            | 52,130           | 11,022            |
| Gains on asset sales  | -                  | (5,242)            | -                | (5,242)          | -                 |
| <b>Total operating expenses</b>                                     | <b>291,888</b>     | <b>303,788</b>     | <b>210,692</b>   | <b>595,676</b>   | <b>404,104</b>    |
| <b>Income from continuing operations</b>                            | <b>151,655</b>     | <b>112,688</b>     | <b>139,133</b>   | <b>264,343</b>   | <b>290,582</b>    |
| Interest and other income (expense):                                |                    |                    |                  |                  |                   |
| Interest income   | 841                | 925                | 921              | 1,766            | 1,441             |
| Interest expense  | (100,332)          | (100,863)          | (74,496)         | (201,195)        | (143,287)         |
| Other income (expense)  | 1,555              | (60,710)           | 1,386            | (59,155)         | 872               |
| Loss on debt extinguishment   | (605)              | -                  | -                | (605)            | -                 |
| <b>Total interest and other, net</b>                                | <b>(98,541)</b>    | <b>(160,648)</b>   | <b>(72,189)</b>  | <b>(259,189)</b> | <b>(140,974)</b>  |
| <b>Income (loss) from continuing operations before income taxes</b> | <b>53,114</b>      | <b>(47,960)</b>    | <b>66,944</b>    | <b>5,154</b>     | <b>149,608</b>    |
| Income tax benefit (expense)  | (13,812)           | 10,633             | (7,485)          | (3,179)          | (13,697)          |
| <b>Net income (loss) from continuing operations</b>                 | <b>39,302</b>      | <b>(37,327)</b>    | <b>59,459</b>    | <b>1,975</b>     | <b>135,911</b>    |
| Net income from discontinued operations, net of tax                 | 5,409              | 6,216              | -                | 11,625           | -                 |
| <b>Net income (loss)</b>  | <b>\$ 44,711</b>   | <b>\$ (31,111)</b> | <b>\$ 59,459</b> | <b>\$ 13,600</b> | <b>\$ 135,911</b> |
| <b>Net income (loss) per share:</b>                                 |                    |                    |                  |                  |                   |
| Basic net income (loss) per share from continuing operations        | \$ 0.56            | \$ (0.55)          | \$ 1.04          | \$ 0.03          | \$ 2.39           |
| Basic net income per share from discontinued operations             | 0.08               | 0.09               | -                | 0.17             | -                 |
| <b>Basic net income (loss) per share</b>                            | <b>\$ 0.64</b>     | <b>\$ (0.46)</b>   | <b>\$ 1.04</b>   | <b>\$ 0.20</b>   | <b>\$ 2.39</b>    |
| Diluted net income (loss) per share from continuing operations      | \$ 0.56            | \$ (0.55)          | \$ 1.03          | \$ 0.03          | \$ 2.37           |
| Diluted net income per share from discontinued operations           | 0.08               | 0.09               | -                | 0.17             | -                 |
| <b>Diluted net income (loss) per share</b>                          | <b>\$ 0.64</b>     | <b>\$ (0.46)</b>   | <b>\$ 1.03</b>   | <b>\$ 0.20</b>   | <b>\$ 2.37</b>    |
| Shares used in computing basic net income (loss) per share          | 69,729             | 68,132             | 56,935           | 68,931           | 56,798            |
| Shares used in computing diluted net income (loss) per share        | 70,364             | 68,132             | 57,499           | 69,575           | 57,410            |

**EQUINIX, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(in thousands)  
(unaudited)

|   | Three Months Ended      |                      |                       | Six Months Ended        |                      |
|---|-------------------------|----------------------|-----------------------|-------------------------|----------------------|
|   | June 30,<br>2016        | March 31,<br>2016    | June 30,<br>2015      | June 30,<br>2016        | June 30,<br>2015     |
| Net income (loss)   | \$ 44,711               | \$ (31,111)          | \$ 59,459             | \$ 13,600               | \$ 135,911           |
| Other comprehensive income (loss), net of tax:              |                         |                      |                       |                         |                      |
| Foreign currency translation adjustment ("CTA") gain (loss) | (298,361)               | 115,899              | 69,443                | (182,462)               | (76,869)             |
| Unrealized gain (loss) on available-for-sale securities     | 1,199                   | (304)                | 17                    | 895                     | 120                  |
| Unrealized gain (loss) on cash flow hedges                  | 14,726                  | (6,784)              | (14,290)              | 7,942                   | (3,734)              |
| Net investment hedge CTA gain (loss)                        | 55,196                  | (16,312)             | (10,389)              | 38,884                  | (10,389)             |
| Net actuarial gain on defined benefit plans                 | 8                       | 6                    | 83                    | 14                      | 142                  |
| Other comprehensive income (loss), net of tax:              | <u>(227,232)</u>        | <u>92,505</u>        | <u>44,864</u>         | <u>(134,727)</u>        | <u>(90,730)</u>      |
| <b>Comprehensive income (loss), net of tax</b>              | <b><u>(182,521)</u></b> | <b><u>61,394</u></b> | <b><u>104,323</u></b> | <b><u>(121,127)</u></b> | <b><u>45,181</u></b> |

**EQUINIX, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands)  
(unaudited)

| <b>Assets</b>   | <b>June 30,<br/>2016</b> | <b>December 31,<br/>2015</b> |
|---|--------------------------|------------------------------|
| Cash and cash equivalents   | \$ 483,160               | \$ 2,228,838                 |
| Short-term investments  | 3,328                    | 12,875                       |
| Accounts receivable, net  | 346,994                  | 291,964                      |
| Current portion of restricted cash                                  | 3,411                    | 479,417                      |
| Other current assets  | 233,870                  | 212,929                      |
| Assets held for sale  | 1,024,666                | 33,257                       |
| <b>Total current assets</b>   | <b>2,095,429</b>         | <b>3,259,280</b>             |
| Long-term investments   | 7,694                    | 4,584                        |
| Property, plant and equipment, net                                  | 6,958,794                | 5,606,436                    |
| Goodwill  | 3,190,197                | 1,063,200                    |
| Intangible assets, net  | 788,955                  | 224,565                      |
| Other assets  | 227,976                  | 198,630                      |
| <b>Total assets</b>   | <b>\$ 13,269,045</b>     | <b>\$ 10,356,695</b>         |
| <b>Liabilities and Stockholders' Equity</b>                         |                          |                              |
| Accounts payable and accrued expenses                               | \$ 498,212               | \$ 400,948                   |
| Accrued property, plant and equipment                               | 163,388                  | 103,107                      |
| Current portion of capital lease and other financing obligations    | 92,611                   | 40,121                       |
| Current portion of mortgage and loans payable                       | 511,331                  | 770,236                      |
| Convertible debt  | -                        | 146,121                      |
| Other current liabilities   | 142,113                  | 192,286                      |
| Liabilities held for sale   | 152,124                  | 3,535                        |
| <b>Total current liabilities</b>                                    | <b>1,559,779</b>         | <b>1,656,354</b>             |
| Capital lease and other financing obligations, less current portion | 1,514,804                | 1,287,139                    |
| Mortgage and loans payable, less current portion                    | 1,074,663                | 472,769                      |
| Senior notes  | 3,807,816                | 3,804,634                    |
| Other liabilities   | 606,518                  | 390,413                      |
| <b>Total liabilities</b>  | <b>8,563,580</b>         | <b>7,611,309</b>             |
| Common stock  | 71                       | 62                           |
| Additional paid-in capital  | 7,307,575                | 4,838,444                    |
| Treasury stock  | (148,246)                | (7,373)                      |
| Accumulated dividends   | (1,715,533)              | (1,468,472)                  |
| Accumulated other comprehensive loss                                | (643,786)                | (509,059)                    |
| Accumulated deficit   | (94,616)                 | (108,216)                    |
| <b>Total stockholders' equity</b>                                   | <b>4,705,465</b>         | <b>2,745,386</b>             |
| <b>Total liabilities and stockholders' equity</b>                   | <b>\$ 13,269,045</b>     | <b>\$ 10,356,695</b>         |

Ending headcount by geographic region is as follows:

|                        |              |              |
|------------------------|--------------|--------------|
| Americas headcount     | 2,408        | 2,329        |
| EMEA headcount         | 2,088        | 1,188        |
| Asia-Pacific headcount | 1,311        | 1,525        |
| <b>Total headcount</b> | <b>5,807</b> | <b>5,042</b> |

**EQUINIX, INC.**  
**SUMMARY OF DEBT PRINCIPAL OUTSTANDING**  
(in thousands)  
(unaudited)

|  | <b>June 30,<br/>2016</b> | <b>December 31,<br/>2015</b> |
|--|--------------------------|------------------------------|
| Capital lease and other financing obligations                  | \$ 1,607,415             | \$ 1,327,260                 |
| Term loan, net of debt discount and debt issuance costs        | 1,071,853                | 454,503                      |
| Brazil financings, net of debt issuance costs                  | 2,841                    | 26,668                       |
| Mortgage payable and other loans payable                       | 511,300                  | 436,212                      |
| Revolving credit facility borrowings                           | -                        | 325,622                      |
| Plus: debt discount, debt issuance costs and premium, net      | 12,651                   | 694                          |
| Total mortgage and loans payable principal                     | <u>1,598,645</u>         | <u>1,243,699</u>             |
| Senior notes, net of debt issuance costs                       | 3,807,816                | 3,804,634                    |
| Plus: debt issuance costs                                      | 42,184                   | 45,366                       |
| Total senior notes principal                                   | <u>3,850,000</u>         | <u>3,850,000</u>             |
| Convertible debt, net of debt discount and debt issuance costs | -                        | 146,121                      |
| Plus: debt discount and debt issuance costs                    | -                        | 3,961                        |
| Total convertible debt principal                               | <u>-</u>                 | <u>150,082</u>               |
| Total debt principal outstanding                               | <u>\$ 7,056,060</u>      | <u>\$ 6,571,041</u>          |

**EQUINIX, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)  
(unaudited)

|  | Three Months Ended |                       |                     | Six Months Ended      |                     |
|--|--------------------|-----------------------|---------------------|-----------------------|---------------------|
|  | June 30,<br>2016   | March 31,<br>2016     | June 30,<br>2015    | June 30,<br>2016      | June 30,<br>2015    |
| Cash flows from operating activities:  |                    |                       |                     |                       |                     |
| Net income (loss)  | \$ 44,711          | \$ (31,111)           | \$ 59,459           | \$ 13,600             | \$ 135,911          |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities:   |                    |                       |                     |                       |                     |
| Depreciation, amortization and accretion   | 213,719            | 202,153               | 128,270             | 415,872               | 250,800             |
| Stock-based compensation   | 39,323             | 34,061                | 33,993              | 73,384                | 64,606              |
| Amortization of debt issuance costs and debt discounts   | 5,517              | 5,508                 | 3,811               | 11,025                | 7,585               |
| Loss on debt extinguishment  | 318                | -                     | -                   | 318                   | -                   |
| Gains on asset sales   | -                  | (5,242)               | -                   | (5,242)               | -                   |
| Other items  | 7,311              | 4,871                 | 4,946               | 12,182                | 9,108               |
| Changes in operating assets and liabilities:   |                    |                       |                     |                       |                     |
| Accounts receivable  | (31,055)           | (11,312)              | (10,991)            | (42,367)              | (41,782)            |
| Income taxes, net  | 4,901              | (28,656)              | (53,592)            | (23,755)              | (66,147)            |
| Accounts payable and accrued expenses  | 29,592             | (40,217)              | 19,600              | (10,625)              | 49,293              |
| Other assets and liabilities   | (35,509)           | (25,785)              | 26,967              | (61,294)              | 35,900              |
| <b>Net cash provided by operating activities</b>   | <b>278,828</b>     | <b>104,270</b>        | <b>212,463</b>      | <b>383,098</b>        | <b>445,274</b>      |
| Cash flows from investing activities:  |                    |                       |                     |                       |                     |
| Purchases, sales and maturities of investments, net  | 8,764              | 3,419                 | 433,966             | 12,183                | 429,260             |
| Business acquisitions, net of cash acquired  | -                  | (1,601,627)           | -                   | (1,601,627)           | (10,247)            |
| Purchases of real estate   | (11,710)           | (16,408)              | -                   | (28,118)              | (38,282)            |
| Purchases of other property, plant and equipment   | (249,867)          | (197,700)             | (221,342)           | (447,567)             | (371,462)           |
| Proceeds from asset sales  | -                  | 22,825                | -                   | 22,825                | -                   |
| Other investing activities   | (117)              | 466,704               | (511,166)           | 466,587               | (507,645)           |
| <b>Net cash used in investing activities</b>   | <b>(252,930)</b>   | <b>(1,322,787)</b>    | <b>(298,542)</b>    | <b>(1,575,717)</b>    | <b>(498,376)</b>    |
| Cash flows from financing activities:  |                    |                       |                     |                       |                     |
| Proceeds from employee equity awards   | 1,335              | 16,304                | 181                 | 17,639                | 16,565              |
| Payment of dividend distributions  | (121,858)          | (124,836)             | (96,349)            | (246,694)             | (192,968)           |
| Proceeds from loans payable  | -                  | 701,250               | 490,000             | 701,250               | 490,000             |
| Repayment of capital lease and other financing obligations   | (12,103)           | (33,232)              | (8,342)             | (45,335)              | (13,638)            |
| Repayment of mortgage and loans payable  | (36,758)           | (936,353)             | (505,268)           | (973,111)             | (518,629)           |
| Other financing activities   | (541)              | 499                   | 216                 | (42)                  | 314                 |
| <b>Net cash used in financing activities</b>   | <b>(169,925)</b>   | <b>(376,368)</b>      | <b>(119,562)</b>    | <b>(546,293)</b>      | <b>(218,356)</b>    |
| Effect of foreign currency exchange rates on cash and cash equivalents   | 18,540             | (195)                 | 5,065               | 18,345                | (3,326)             |
| Change in cash balances included in assets held for sale   | (25,111)           | -                     | -                   | (25,111)              | -                   |
| Net increase (decrease) in cash and cash equivalents   | (150,598)          | (1,595,080)           | (200,576)           | (1,745,678)           | (274,784)           |
| Cash and cash equivalents at beginning of period   | 633,758            | 2,228,838             | 536,709             | 2,228,838             | 610,917             |
| <b>Cash and cash equivalents at end of period</b>  | <b>\$ 483,160</b>  | <b>\$ 633,758</b>     | <b>\$ 336,133</b>   | <b>\$ 483,160</b>     | <b>\$ 336,133</b>   |
| Supplemental cash flow information:  |                    |                       |                     |                       |                     |
| Cash paid for taxes  | \$ 12,361          | \$ 19,215             | \$ 60,266           | \$ 31,576             | \$ 74,804           |
| Cash paid for interest   | \$ 85,897          | \$ 74,540             | \$ 71,823           | \$ 160,437            | \$ 95,799           |
| <b>Free cash flow (1)</b>  | <b>\$ 17,134</b>   | <b>\$ (1,221,936)</b> | <b>\$ (520,045)</b> | <b>\$ (1,204,802)</b> | <b>\$ (482,362)</b> |
| <b>Adjusted free cash flow (2)</b>   | <b>\$ 28,280</b>   | <b>\$ 396,663</b>     | <b>\$ (474,162)</b> | <b>\$ 424,943</b>     | <b>\$ (386,496)</b> |
| (1) We define free cash flow as net cash provided by operating activities plus net cash provided by (used in) investing activities (excluding the net purchases, sales and maturities of investments) as presented below:  |                    |                       |                     |                       |                     |
| Net cash provided by operating activities as presented above   | \$ 278,828         | \$ 104,270            | \$ 212,463          | \$ 383,098            | \$ 445,274          |
| Net cash used in investing activities as presented above   | (252,930)          | (1,322,787)           | (298,542)           | (1,575,717)           | (498,376)           |
| Purchases, sales and maturities of investments, net  | (8,764)            | (3,419)               | (433,966)           | (12,183)              | (429,260)           |
| Free cash flow (negative free cash flow)   | <b>\$ 17,134</b>   | <b>\$ (1,221,936)</b> | <b>\$ (520,045)</b> | <b>\$ (1,204,802)</b> | <b>\$ (482,362)</b> |
| (2) We define adjusted free cash flow as free cash flow (as defined above) excluding any purchases of real estate, acquisitions, any excess tax benefits from employee equity awards, cash paid for taxes associated with reclassifying our assets for tax purposes triggered by our conversion into a real estate investment trust ("REIT") and costs related to the REIT conversion, as presented below: |                    |                       |                     |                       |                     |
| Free cash flow (as defined above)  | \$ 17,134          | \$ (1,221,936)        | \$ (520,045)        | \$ (1,204,802)        | \$ (482,362)        |
| Less business acquisitions, net of cash  | -                  | 1,601,627             | -                   | 1,601,627             | 10,247              |
| Less purchases of real estate  | 11,710             | 16,408                | -                   | 28,118                | 38,282              |
| Less excess tax benefits from employee equity awards   | (564)              | 564                   | 223                 | -                     | 931                 |
| Less cash paid for taxes resulting from the REIT conversion  | -                  | -                     | 45,113              | -                     | 45,113              |
| Less costs related to the REIT conversion  | -                  | -                     | 547                 | -                     | 1,293               |
| Adjusted free cash flow  | <b>\$ 28,280</b>   | <b>\$ 396,663</b>     | <b>\$ (474,162)</b> | <b>\$ 424,943</b>     | <b>\$ (386,496)</b> |
| We categorize our cash paid for taxes into cash paid for taxes resulting from the REIT conversion (as defined above) and other cash taxes paid.  |                    |                       |                     |                       |                     |
| Cash paid for taxes resulting from the REIT conversion   | \$ -               | \$ -                  | \$ 45,113           | \$ -                  | \$ 45,113           |
| Other cash taxes paid  | 12,361             | 19,215                | 15,153              | 31,576                | 29,691              |
| Total cash paid for taxes  | <b>\$ 12,361</b>   | <b>\$ 19,215</b>      | <b>\$ 60,266</b>    | <b>\$ 31,576</b>      | <b>\$ 74,804</b>    |

**EQUINIX, INC.**  
**NON-GAAP MEASURES AND OTHER SUPPLEMENTAL DATA**  
(in thousands)  
(unaudited)

|   | Three Months Ended |                   |                   | Six Months Ended  |                   |
|---|--------------------|-------------------|-------------------|-------------------|-------------------|
|   | June 30,<br>2016   | March 31,<br>2016 | June 30,<br>2015  | June 30,<br>2016  | June 30,<br>2015  |
| Recurring revenues                            | \$ 851,771         | \$ 797,094        | \$ 626,691        | \$ 1,648,865      | \$ 1,236,348      |
| Non-recurring revenues                        | 48,739             | 47,062            | 38,891            | 95,801            | 72,408            |
| <b>Revenues (1)</b>                           | <b>900,510</b>     | <b>844,156</b>    | <b>665,582</b>    | <b>1,744,666</b>  | <b>1,308,756</b>  |
| Cash cost of revenues (2)                     | 292,033            | 271,100           | 204,736           | 563,133           | 396,866           |
| <b>Cash gross profit (3)</b>                  | <b>608,477</b>     | <b>573,056</b>    | <b>460,846</b>    | <b>1,181,533</b>  | <b>911,890</b>    |
| Cash operating expenses (4):                  |                    |                   |                   |                   |                   |
| Cash sales and marketing expenses (5)         | 78,071             | 79,692            | 65,058            | 157,763           | 128,878           |
| Cash general and administrative expenses (6)  | 110,115            | 112,714           | 84,526            | 222,829           | 166,002           |
| <b>Total cash operating expenses (7)</b>      | <b>188,186</b>     | <b>192,406</b>    | <b>149,584</b>    | <b>380,592</b>    | <b>294,880</b>    |
| <b>Adjusted EBITDA (8)</b>                    | <b>\$ 420,291</b>  | <b>\$ 380,650</b> | <b>\$ 311,262</b> | <b>\$ 800,941</b> | <b>\$ 617,010</b> |
| <b>Cash gross margins (9)</b>                 | <b>68%</b>         | <b>68%</b>        | <b>69%</b>        | <b>68%</b>        | <b>70%</b>        |
| <b>Adjusted EBITDA margins (10)</b>           | <b>47%</b>         | <b>45%</b>        | <b>47%</b>        | <b>46%</b>        | <b>47%</b>        |
| <b>Adjusted EBITDA flow-through rate (11)</b> | <b>70%</b>         | <b>42%</b>        | <b>25%</b>        | <b>45%</b>        | <b>77%</b>        |
| <b>FFO (12)</b>                               | <b>\$ 201,515</b>  | <b>\$ 115,875</b> | <b>\$ 167,368</b> | <b>\$ 317,390</b> | <b>\$ 346,558</b> |
| <b>AFFO (13) (14)</b>                         | <b>\$ 290,529</b>  | <b>\$ 209,846</b> | <b>\$ 221,388</b> | <b>\$ 500,375</b> | <b>\$ 443,144</b> |

(1) The geographic split of our revenues on a services basis is presented below:

*Americas Revenues:*

|                        |            |            |            |            |            |
|------------------------|------------|------------|------------|------------|------------|
| Colocation             | \$ 289,578 | \$ 282,321 | \$ 262,934 | \$ 571,899 | \$ 520,866 |
| Interconnection        | 89,860     | 85,936     | 77,102     | 175,796    | 152,188    |
| Managed infrastructure | 13,255     | 11,170     | 12,837     | 24,425     | 26,132     |
| Other                  | 786        | 729        | 732        | 1,515      | 1,473      |
| Recurring revenues     | 393,479    | 380,156    | 353,605    | 773,635    | 700,659    |
| Non-recurring revenues | 19,992     | 24,238     | 17,842     | 44,230     | 34,757     |
| Revenues               | 413,471    | 404,394    | 371,447    | 817,865    | 735,416    |

*EMEA Revenues:*

|                        |         |         |         |         |         |
|------------------------|---------|---------|---------|---------|---------|
| Colocation             | 240,421 | 214,178 | 139,482 | 454,599 | 272,217 |
| Interconnection        | 22,425  | 19,700  | 13,440  | 42,125  | 26,488  |
| Managed infrastructure | 15,391  | 18,560  | 5,919   | 33,951  | 11,702  |
| Other                  | 3,573   | 943     | 1,222   | 4,516   | 3,080   |
| Recurring revenues     | 281,810 | 253,381 | 160,063 | 535,191 | 313,487 |
| Non-recurring revenues | 18,799  | 14,475  | 13,904  | 33,274  | 25,103  |
| Revenues               | 300,609 | 267,856 | 173,967 | 568,465 | 338,590 |

*Asia-Pacific Revenues:*

|                        |         |         |         |         |         |
|------------------------|---------|---------|---------|---------|---------|
| Colocation             | 132,670 | 123,394 | 94,194  | 256,064 | 185,072 |
| Interconnection        | 23,436  | 21,569  | 14,119  | 45,005  | 27,643  |
| Managed infrastructure | 16,597  | 15,006  | 4,710   | 31,603  | 9,487   |
| Other                  | 3,779   | 3,588   | -       | 7,367   | -       |
| Recurring revenues     | 176,482 | 163,557 | 113,023 | 340,039 | 222,202 |
| Non-recurring revenues | 9,948   | 8,349   | 7,145   | 18,297  | 12,548  |
| Revenues               | 186,430 | 171,906 | 120,168 | 358,336 | 234,750 |

*Worldwide Revenues:*

|                        |            |            |            |              |              |
|------------------------|------------|------------|------------|--------------|--------------|
| Colocation             | 662,669    | 619,893    | 496,610    | 1,282,562    | 978,155      |
| Interconnection        | 135,721    | 127,205    | 104,661    | 262,926      | 206,319      |
| Managed infrastructure | 45,243     | 44,736     | 23,466     | 89,979       | 47,321       |
| Other                  | 8,138      | 5,260      | 1,954      | 13,398       | 4,553        |
| Recurring revenues     | 851,771    | 797,094    | 626,691    | 1,648,865    | 1,236,348    |
| Non-recurring revenues | 48,739     | 47,062     | 38,891     | 95,801       | 72,408       |
| Revenues               | \$ 900,510 | \$ 844,156 | \$ 665,582 | \$ 1,744,666 | \$ 1,308,756 |

|  | Three Months Ended |                   |                   | Six Months Ended  |                   |
|--|--------------------|-------------------|-------------------|-------------------|-------------------|
|  | June 30,<br>2016   | March 31,<br>2016 | June 30,<br>2015  | June 30,<br>2016  | June 30,<br>2015  |
| (2) We define cash cost of revenues as cost of revenues less depreciation, amortization, accretion and stock-based compensation as presented below:  |                    |                   |                   |                   |                   |
| Cost of revenues   | \$ 456,967         | \$ 427,680        | \$ 315,757        | \$ 884,647        | \$ 614,070        |
| Depreciation, amortization and accretion expense   | (161,493)          | (153,583)         | (108,470)         | (315,076)         | (212,347)         |
| Stock-based compensation expense   | (3,441)            | (2,997)           | (2,551)           | (6,438)           | (4,857)           |
| Cash cost of revenues  | <u>\$ 292,033</u>  | <u>\$ 271,100</u> | <u>\$ 204,736</u> | <u>\$ 563,133</u> | <u>\$ 396,866</u> |
| The geographic split of our cash cost of revenues is presented below:  |                    |                   |                   |                   |                   |
| Americas cash cost of revenues   | \$ 109,296         | \$ 109,020        | \$ 102,249        | \$ 218,316        | \$ 197,411        |
| EMEA cash cost of revenues   | 114,950            | 101,509           | 62,431            | 216,459           | 120,925           |
| Asia-Pacific cash cost of revenues   | 67,787             | 60,571            | 40,056            | 128,358           | 78,530            |
| Cash cost of revenues  | <u>\$ 292,033</u>  | <u>\$ 271,100</u> | <u>\$ 204,736</u> | <u>\$ 563,133</u> | <u>\$ 396,866</u> |
| (3) We define cash gross profit as revenues less cash cost of revenues (as defined above).   |                    |                   |                   |                   |                   |
| (4) We define cash operating expenses as operating expenses less depreciation, amortization, stock-based compensation and acquisition costs. We also refer to cash operating expenses as cash selling, general and administrative expenses or "cash SG&A". |                    |                   |                   |                   |                   |
| (5) We define cash sales and marketing expenses as sales and marketing expenses less depreciation, amortization and stock-based compensation as presented below:   |                    |                   |                   |                   |                   |
| Sales and marketing expenses   | \$ 107,832         | \$ 106,590        | \$ 81,248         | \$ 214,422        | \$ 159,864        |
| Depreciation and amortization expense  | (19,047)           | (17,127)          | (6,268)           | (36,174)          | (12,353)          |
| Stock-based compensation expense   | (10,714)           | (9,771)           | (9,922)           | (20,485)          | (18,633)          |
| Cash sales and marketing expenses  | <u>\$ 78,071</u>   | <u>\$ 79,692</u>  | <u>\$ 65,058</u>  | <u>\$ 157,763</u> | <u>\$ 128,878</u> |
| (6) We define cash general and administrative expenses as general and administrative expenses less depreciation, amortization and stock-based compensation as presented below:   |                    |                   |                   |                   |                   |
| General and administrative expenses  | \$ 168,462         | \$ 165,904        | \$ 119,578        | \$ 334,366        | \$ 233,218        |
| Depreciation and amortization expense  | (33,179)           | (31,443)          | (13,532)          | (64,622)          | (26,100)          |
| Stock-based compensation expense   | (25,168)           | (21,747)          | (21,520)          | (46,915)          | (41,116)          |
| Cash general and administrative expenses   | <u>\$ 110,115</u>  | <u>\$ 112,714</u> | <u>\$ 84,526</u>  | <u>\$ 222,829</u> | <u>\$ 166,002</u> |
| (7) Our cash operating expenses, or cash SG&A, as defined above, is presented below:   |                    |                   |                   |                   |                   |
| Cash sales and marketing expenses  | \$ 78,071          | \$ 79,692         | \$ 65,058         | \$ 157,763        | \$ 128,878        |
| Cash general and administrative expenses   | 110,115            | 112,714           | 84,526            | 222,829           | 166,002           |
| Cash SG&A  | <u>\$ 188,186</u>  | <u>\$ 192,406</u> | <u>\$ 149,584</u> | <u>\$ 380,592</u> | <u>\$ 294,880</u> |
| The geographic split of our cash operating expenses, or cash SG&A, is presented below:   |                    |                   |                   |                   |                   |
| Americas cash SG&A   | \$ 109,147         | \$ 110,914        | \$ 98,312         | \$ 220,061        | \$ 194,385        |
| EMEA cash SG&A   | 52,204             | 54,858            | 32,003            | 107,062           | 62,101            |
| Asia-Pacific cash SG&A   | 26,835             | 26,634            | 19,269            | 53,469            | 38,394            |
| Cash SG&A  | <u>\$ 188,186</u>  | <u>\$ 192,406</u> | <u>\$ 149,584</u> | <u>\$ 380,592</u> | <u>\$ 294,880</u> |

|   | Three Months Ended |                   |                   | Six Months Ended  |                   |
|---|--------------------|-------------------|-------------------|-------------------|-------------------|
|   | June 30,<br>2016   | March 31,<br>2016 | June 30,<br>2015  | June 30,<br>2016  | June 30,<br>2015  |
| (8) We define adjusted EBITDA as income from continuing operations plus depreciation, amortization, accretion, stock-based compensation expense, acquisition costs and gains on asset sales as presented below: |                    |                   |                   |                   |                   |
| Income from continuing operations   | \$ 151,655         | \$ 112,688        | \$ 139,133        | \$ 264,343        | \$ 290,582        |
| Depreciation, amortization and accretion expense  | 213,719            | 202,153           | 128,270           | 415,872           | 250,800           |
| Stock-based compensation expense  | 39,323             | 34,515            | 33,993            | 73,838            | 64,606            |
| Acquisition costs   | 15,594             | 36,536            | 9,866             | 52,130            | 11,022            |
| Gains on asset sales  | -                  | (5,242)           | -                 | (5,242)           | -                 |
| Adjusted EBITDA   | <u>\$ 420,291</u>  | <u>\$ 380,650</u> | <u>\$ 311,262</u> | <u>\$ 800,941</u> | <u>\$ 617,010</u> |
| The geographic split of our adjusted EBITDA is presented below:   |                    |                   |                   |                   |                   |
| Americas income from continuing operations  | \$ 87,100          | \$ 88,539         | \$ 77,653         | \$ 175,639        | \$ 159,119        |
| Americas depreciation, amortization and accretion expense   | 78,874             | 76,720            | 68,692            | 155,594           | 135,503           |
| Americas stock-based compensation expense   | 27,790             | 24,329            | 25,883            | 52,119            | 49,374            |
| Americas acquisition costs  | 1,264              | 114               | (1,342)           | 1,378             | (376)             |
| Americas gains on asset sales   | -                  | (5,242)           | -                 | (5,242)           | -                 |
| Americas adjusted EBITDA  | <u>195,028</u>     | <u>184,460</u>    | <u>170,886</u>    | <u>379,488</u>    | <u>343,620</u>    |
| EMEA income from continuing operations  | 29,096             | (7,419)           | 36,110            | 21,677            | 81,651            |
| EMEA depreciation, amortization and accretion expense   | 82,929             | 76,488            | 27,826            | 159,417           | 54,519            |
| EMEA stock-based compensation expense   | 7,060              | 6,235             | 4,397             | 13,295            | 8,004             |
| EMEA acquisition costs  | 14,370             | 36,185            | 11,200            | 50,555            | 11,390            |
| EMEA adjusted EBITDA  | <u>133,455</u>     | <u>111,489</u>    | <u>79,533</u>     | <u>244,944</u>    | <u>155,564</u>    |
| Asia-Pacific income from continuing operations  | 35,459             | 31,568            | 25,370            | 67,027            | 49,812            |
| Asia-Pacific depreciation, amortization and accretion expense   | 51,916             | 48,945            | 31,752            | 100,861           | 60,778            |
| Asia-Pacific stock-based compensation expense   | 4,473              | 3,951             | 3,713             | 8,424             | 7,228             |
| Asia-Pacific acquisition costs  | (40)               | 237               | 8                 | 197               | 8                 |
| Asia-Pacific adjusted EBITDA  | <u>91,808</u>      | <u>84,701</u>     | <u>60,843</u>     | <u>176,509</u>    | <u>117,826</u>    |
| Adjusted EBITDA   | <u>\$ 420,291</u>  | <u>\$ 380,650</u> | <u>\$ 311,262</u> | <u>\$ 800,941</u> | <u>\$ 617,010</u> |
| (9) We define cash gross margins as cash gross profit divided by revenues.  |                    |                   |                   |                   |                   |
| Our cash gross margins by geographic region is presented below:   |                    |                   |                   |                   |                   |
| Americas cash gross margins   | <u>74%</u>         | <u>73%</u>        | <u>72%</u>        | <u>73%</u>        | <u>73%</u>        |
| EMEA cash gross margins   | <u>62%</u>         | <u>62%</u>        | <u>64%</u>        | <u>62%</u>        | <u>64%</u>        |
| Asia-Pacific cash gross margins   | <u>64%</u>         | <u>65%</u>        | <u>67%</u>        | <u>64%</u>        | <u>67%</u>        |
| (10) We define adjusted EBITDA margins as adjusted EBITDA divided by revenues.  |                    |                   |                   |                   |                   |
| Americas adjusted EBITDA margins  | <u>47%</u>         | <u>46%</u>        | <u>46%</u>        | <u>46%</u>        | <u>47%</u>        |
| EMEA adjusted EBITDA margins  | <u>44%</u>         | <u>42%</u>        | <u>46%</u>        | <u>43%</u>        | <u>46%</u>        |
| Asia-Pacific adjusted EBITDA margins  | <u>49%</u>         | <u>49%</u>        | <u>51%</u>        | <u>49%</u>        | <u>50%</u>        |
| (11) We define adjusted EBITDA flow-through rate as incremental adjusted EBITDA growth divided by incremental revenue growth as follows:  |                    |                   |                   |                   |                   |
| Adjusted EBITDA - current period  | \$ 420,291         | \$ 380,650        | \$ 311,262        | \$ 800,941        | \$ 617,010        |
| Less adjusted EBITDA - prior period   | (380,650)          | (333,145)         | (305,748)         | (654,617)         | (578,226)         |
| Adjusted EBITDA growth  | <u>\$ 39,641</u>   | <u>\$ 47,505</u>  | <u>\$ 5,514</u>   | <u>\$ 146,324</u> | <u>\$ 38,784</u>  |
| Revenues - current period   | \$ 900,510         | \$ 844,156        | \$ 665,582        | \$ 1,744,666      | \$ 1,308,756      |
| Less revenues - prior period  | (844,156)          | (730,462)         | (643,174)         | (1,417,111)       | (1,258,562)       |
| Revenue growth  | <u>\$ 56,354</u>   | <u>\$ 113,694</u> | <u>\$ 22,408</u>  | <u>\$ 327,555</u> | <u>\$ 50,194</u>  |
| Adjusted EBITDA flow-through rate   | <u>70%</u>         | <u>42%</u>        | <u>25%</u>        | <u>45%</u>        | <u>77%</u>        |



|  | Three Months Ended |                   |                   | Six Months Ended  |                   |
|--|--------------------|-------------------|-------------------|-------------------|-------------------|
|  | June 30,<br>2016   | March 31,<br>2016 | June 30,<br>2015  | June 30,<br>2016  | June 30,<br>2015  |
| (12) FFO is defined as net income (loss), excluding gains (losses) 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. |                    |                   |                   |                   |                   |
| Net income (loss)  | \$ 44,711          | \$ (31,111)       | \$ 59,459         | \$ 13,600         | \$ 135,911        |
| Adjustments:   |                    |                   |                   |                   |                   |
| Real estate depreciation and amortization  | 158,727            | 150,995           | 107,321           | 309,722           | 209,969           |
| Gain/loss on disposition of real estate property   | (1,951)            | (4,037)           | 559               | (5,988)           | 621               |
| Adjustments for FFO from unconsolidated joint ventures   | 28                 | 28                | 29                | 56                | 57                |
| FFO  | <u>\$ 201,515</u>  | <u>\$ 115,875</u> | <u>\$ 167,368</u> | <u>\$ 317,390</u> | <u>\$ 346,558</u> |

|   |                   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| (13) AFFO is defined as FFO, excluding depreciation and amortization expense on non-real estate assets, accretion, stock-based compensation, restructuring charges, impairment charges, acquisition costs, an installation revenue adjustment, a straight-line rent expense adjustment, amortization of deferred financing costs, gains (losses) on debt extinguishment, an income tax expense adjustment, net income 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. |                   |                   |                   |                   |                   |
| FFO   | \$ 201,515        | \$ 115,875        | \$ 167,368        | \$ 317,390        | \$ 346,558        |
| Adjustments:  |                   |                   |                   |                   |                   |
| Installation revenue adjustment   | 7,407             | 3,354             | 12,474            | 10,761            | 21,128            |
| Straight-line rent expense adjustment   | 1,895             | 1,133             | 2,017             | 3,028             | 5,218             |
| Amortization of deferred financing costs  | 5,243             | 5,508             | 3,848             | 10,751            | 7,706             |
| Stock-based compensation expense  | 39,323            | 34,515            | 33,993            | 73,838            | 64,606            |
| Non-real estate depreciation expense  | 21,021            | 21,387            | 13,605            | 42,408            | 26,298            |
| Amortization expense  | 32,303            | 28,152            | 6,450             | 60,455            | 12,745            |
| Accretion expense   | 1,668             | 1,619             | 894               | 3,287             | 1,788             |
| Recurring capital expenditures  | (31,928)          | (31,815)          | (27,330)          | (63,743)          | (49,703)          |
| Loss on debt extinguishment   | 605               | -                 | -                 | 605               | -                 |
| Acquisition costs   | 15,594            | 36,536            | 9,866             | 52,130            | 11,022            |
| Income tax expense adjustment   | 1,301             | (190)             | (1,784)           | 1,111             | (4,192)           |
| Net Income from discontinued operations, net of tax   | (5,409)           | (6,216)           | (13)              | (11,625)          | (30)              |
| Adjustments for AFFO from unconsolidated joint ventures   | (9)               | (12)              | -                 | (21)              | -                 |
| AFFO  | <u>\$ 290,529</u> | <u>\$ 209,846</u> | <u>\$ 221,388</u> | <u>\$ 500,375</u> | <u>\$ 443,144</u> |

|   |                   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| (14) Following is how we reconcile from adjusted EBITDA to AFFO:  |                   |                   |                   |                   |                   |
| Adjusted EBITDA   | \$ 420,291        | \$ 380,650        | \$ 311,262        | \$ 800,941        | \$ 617,010        |
| Adjustments:  |                   |                   |                   |                   |                   |
| Interest expense, net of interest income                          | (99,491)          | (99,938)          | (73,575)          | (199,429)         | (141,846)         |
| Amortization of deferred financing costs                          | 5,243             | 5,508             | 3,848             | 10,751            | 7,706             |
| Income tax (benefit) expense                                      | (13,812)          | 10,633            | (7,485)           | (3,179)           | (13,697)          |
| Income tax expense adjustment                                     | 1,301             | (190)             | (1,784)           | 1,111             | (4,192)           |
| Straight-line rent expense adjustment                             | 1,895             | 1,133             | 2,017             | 3,028             | 5,218             |
| Installation revenue adjustment                                   | 7,407             | 3,354             | 12,474            | 10,761            | 21,128            |
| Recurring capital expenditures                                    | (31,928)          | (31,815)          | (27,330)          | (63,743)          | (49,703)          |
| Other (income)/expense  | 1,555             | (60,710)          | 1,386             | (59,155)          | 872               |
| Gain/loss on disposition of depreciable real estate property      | (1,951)           | (4,037)           | 559               | (5,988)           | 621               |
| Adjustments for unconsolidated JVs' and non-controlling interests | 19                | 16                | 16                | 35                | 27                |
| Adjustment for gain on sale of asset                              | -                 | 5,242             | -                 | 5,242             | -                 |
| AFFO  | <u>\$ 290,529</u> | <u>\$ 209,846</u> | <u>\$ 221,388</u> | <u>\$ 500,375</u> | <u>\$ 443,144</u> |