

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

Current Report Pursuant  
to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): October 27, 2003

EQUINIX, INC.

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(Exact Name of Registrant as Specified in its Charter)

Delaware	000-31293	77-0487526
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

301 Velocity Way, Fifth Floor  
Foster City, CA 94404  
(650) 513-7000

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(Addresses, including zip code, and telephone numbers, including area code,  
of principal executive offices)

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) EXHIBITS.

99.1 Press Release of Equinix, Inc. dated October 27, 2003,  
furnished in accordance with Item 12 of this Current Report  
on Form 8-K.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The information in this Current Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

On October 27, 2003, the Company issued a press release announcing its financial results for the quarter ended September 30, 2003. A copy of the press release is attached as Exhibit 99.1. On October 27, 2003, in connection with the issuance of the press release, the Company will hold a conference call to discuss the press release.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EQUINIX, INC.

DATE: October 27, 2003

By: /s/ RENEE F. LANAM  
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Renee F. Lanam  
Chief Financial Officer

INDEX TO EXHIBITS

Exhibit Number -----	Description -----
99.1	Text of Press Release dated October 27, 2003.

Equinix Reports Earnings for Third Quarter 2003; Company  
Achieves First Full Quarter of Positive Operating Cash Flow

FOSTER CITY, Calif.--(BUSINESS WIRE)--Oct. 27, 2003--

- Increases revenues by 53% over same quarter 2002
- Increases customer base to more than 650, adding 60 new customers including Amazon.com, Apple Computer, Comcast IP Services, Deutsche Boerse AG and Macromedia
- Announces planned expansion of Silicon Valley presence with addition of Sprint data center in Santa Clara, California

Equinix, Inc. (Nasdaq:EQIX), the leading provider of network-neutral data centers and Internet exchange services, today reported its quarterly results for the period ended September 30, 2003.

Revenues were \$30.9 million for the quarter ended September 30, 2003 representing a 53% increase over the same quarter in the prior year and a 9% increase over second quarter of 2003. Recurring revenues, consisting of colocation, interconnection and managed services were \$28.4 million, a 78% increase over the same quarter last year and a 9% increase over second quarter 2003. Non-recurring revenues were \$2.5 million, consisting of \$2.0 million of professional services and installation fees, and \$534,000 of customer settlements.

Cost of revenues, excluding non-cash depreciation, amortization, accretion and stock-based compensation, were \$19.7 million for the third quarter, a 13% increase over the previous quarter. The majority of this increase was related to tax accruals for IBX property tax obligations. Selling, general and administrative expenses, excluding non-cash depreciation, amortization and stock-based compensation, were \$9.8 million for the third quarter, an 8% decrease from the second quarter 2003. This decrease is a result of continued cost savings from the consolidation of the Asia-Pacific assets acquired at the end of 2002. Net loss for the third quarter was \$19.7 million, or a basic and diluted net loss per share of \$2.12.

The company was operating cash flow positive for the third quarter. Cash generated in operations for the quarter was \$1.9 million, as compared to a loss of \$2.7 million in the previous quarter. Cash flow used in investing activities was \$1.4 million primarily comprised of capital expenditures. Cash generated from financing activities was \$432,000. As of September 30, 2003, the company's cash balance was \$25.2 million, a \$1.0 million increase over second quarter 2003.

Equinix added 60 new customers in the third quarter including Amazon.com, Apple Computer, Comcast IP Services, Deutsche Boerse AG, GTSI, Keynote Systems, KVH Telecom, Macromedia, SAIC, Savvis and Standard Bank Asia Limited. The company received additional orders in the quarter from greater than 45% of its existing U.S. customers including EDS, IBM, Microsoft and the U.S. Government. The company ended the quarter with greater than 650 customers.

"Our revenue growth, quality of new customer additions, and most importantly, the arrival of a positive operating cash flow position for all of the third quarter clearly affirms the company's position at an important inflection point," said Peter Van Camp, CEO of Equinix. "It is exciting to be in this position of strength as this market consolidates, particularly with opportunities such as the Sprint Santa Clara center."

#### Recent Company Developments

- Equinix announced today that it has entered into definitive agreements to expand its footprint with the addition of the Sprint data center in Santa Clara, California, which currently hosts the web operations of some of the top names in Internet e-commerce. The addition of the 15th IBX center expands the global Equinix footprint to over 1.2 million square feet. The transaction is expected to close on December 1, 2003.
- U.S. interconnection services revenue increased by 17% over second quarter 2003 and grew to 22% of total U.S. recurring revenues for the quarter while total interconnection services revenue improved to 19% of total recurring revenues. Customer cross-connects grew to 6,011, a 14% increase over the prior quarter and a 119% increase over same quarter last year. Ports on the Equinix GigE Exchange were reported at 239, a 12% increase over the second quarter 2003 and a 112% increase over the same quarter last year.

#### Business Outlook

For the fourth quarter 2003, the company expects revenue to be in

the range of \$32.0 to \$33.0 million. Cash generated in operations will be approximately \$1.0 million. This includes \$2.0 million of additional cash interest paid for the company's semi-annual interest obligation to its bondholders over the third quarter. Cash used in investing activities, consisting primarily of capital expenditures, will be approximately \$4.0 million, including capital expenditures to support a significant customer deployment in Singapore. This excludes any non-cash expenditures related to the Sprint Santa Clara data center. Cash flow used in financing activities will be approximately \$1.0 million.

Full year revenues for 2003 are projected to be in the range of \$116.5 to \$117.5 million and cash used in operating activities will be less than \$20.0 million. Total cash as of December 31, 2003 is expected to be greater than \$20.0 million.

For 2004, total revenues are expected to be in the range of \$150 to \$162 million. Cash gross margins are expected to be in the range of 45-50%. Selling, general and administrative expenses, excluding non-cash depreciation, amortization and stock-based compensation are expected to increase 3-5%.

The company will discuss its results and guidance on its quarterly conference call on Monday, Oct. 27, 2003, at 5:30 p.m. Eastern Time (2:30 p.m. Pacific Time). To hear the conference call, please dial 1-484-630-5144 (domestic and international) at 5:20 p.m. (ET) and reference the passcode (EQIX). A simultaneous live Webcast of the call will be available over the Internet at [www.equinix.com](http://www.equinix.com), under the Investor Relations heading.

#### About Equinix

Equinix is the leading global provider of network-neutral data centers and Internet exchange services for enterprises, content companies, systems integrators and network services providers. Through the company's 14 Internet Business Exchange(TM) (IBX(R)) centers in five countries, customers can directly interconnect with every major global network and ISP for their critical peering, transit and traffic exchange requirements. These interconnection points facilitate the highest performance and growth of the Internet by serving as neutral and open marketplaces for Internet infrastructure services, allowing customers to expand their businesses while reducing costs.

Equinix and IBX are registered trademarks of Equinix, Inc. Internet Business Exchange is a trademark of Equinix, Inc.

This press release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements. Factors that might cause such differences include, but are not limited to, the challenges of operating IBX centers and developing, deploying and delivering Equinix services; a failure of the transaction with Sprint to close or to receive significant revenue from Sprint's existing customers in the center; competition from existing and new competitors; the ability to generate sufficient cash flow or otherwise obtain funds to repay outstanding indebtedness; the loss or decline in business from our key customers and other risks described from time to time in Equinix's filings with the Securities and Exchange Commission. In particular, see Equinix's recent quarterly and annual reports filed with the Securities and Exchange Commission, copies of which are available upon request from Equinix. Equinix does not assume any obligation to update the forward-looking information contained in this press release.

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

	Three Months Ended Sept. 30, 2003	Sept. 30, 2002	Nine Months Ended Sept. 30, 2003	Sept. 30, 2002
	-----			
	(unaudited)			
Revenues (1)	\$30,919	\$20,187	\$84,788	\$58,385
Cost of revenues	33,314	26,217	95,567	78,599
	-----			
Gross profit (loss)	(2,395)	(6,030)	(10,779)	(20,214)
	-----			
Operating expenses:				
Sales and marketing	4,823	2,888	14,210	12,168
General and administrative	7,068	8,159	26,350	22,735
Restructuring charges	-	19,010	-	28,960
	-----			
Total operating expenses	11,891	30,057	40,560	63,863
	-----			

Loss from operations (2)	(14,286)	(36,087)	(51,339)	(84,077)
-----				
Interest and other income (expense):				
Interest income	46	179	182	961
Interest expense and other	(5,478)	(8,180)	(15,317)	(26,411)
Gain on debt extinguishments	-	-	-	27,188
-----				
Total interest and other, net	(5,432)	(8,001)	(15,135)	1,738
-----				
Net loss	\$ (19,718)	\$ (44,088)	\$ (66,474)	\$ (82,339)
=====				
Basic and diluted net loss per share	\$ (2.12)	\$ (14.04)	\$ (7.52)	\$ (28.12)
=====				
Shares used in computing basic and diluted net loss per share	9,293	3,141	8,837	2,928
=====				

(1) Revenues include contract settlements of \$534,000 and \$2,959,000 for the three months ended September 30, 2003 and 2002, respectively, and \$1,744,000 and \$4,787,000 for the nine months ended September 30, 2003 and 2002, respectively.

(2) Loss from operations includes the following non-cash expenses:

Depreciation, amortization and accretion expense:				
Cost of revenues	\$13,640	\$12,217	\$41,343	\$35,068
Sales and marketing	518	-	1,562	-
General and administrative	1,016	1,863	4,869	4,431
-----				
	15,174	14,080	47,774	39,499
-----				
Stock-based compensation expense:				
Cost of revenues	(16)	49	49	216
Sales and marketing	61	218	243	802
General and administrative	447	1,225	1,868	4,622
-----				
	492	1,492	2,160	5,640
-----				
Total non-cash expenses in loss from operations	\$15,666	\$15,572	\$49,934	\$45,139
=====				

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

Assets	Sept. 30, 2003	Dec. 31, 2002
	-----	-----
	(unaudited)	
Cash, cash equivalents and short-term investments	\$25,223	\$41,216
Restricted cash	2,193	4,407
Accounts receivable, net	9,393	9,152
Property and equipment, net	347,846	390,048
Intangible assets, net	23,846	24,981
Other assets	15,885	22,199
	-----	
Total assets	\$424,386	\$492,003
	=====	
Liabilities and Stockholders' Equity		
Accounts payable	\$4,371	\$7,243
Accrued expenses (1)	10,235	13,104
Accrued restructuring charges	1,561	11,528
Accrued interest payable	3,071	2,311
Debt facilities and capital lease obligations	4,337	9,224

Credit facility	90,519	91,510
Senior notes	29,142	28,908
Convertible secured notes	28,475	25,354
Other liabilities	21,116	18,627
	-----	-----
Total liabilities	192,827	207,809
	-----	-----
Preferred stock	2	2
Common stock	9	8
Additional paid-in capital	650,608	638,065
Deferred stock-based compensation	(1,636)	(2,865)
Accumulated other comprehensive income	683	617
Accumulated deficit	(418,107)	(351,633)
	-----	-----
Total stockholders' equity	231,559	284,194
	-----	-----
Total liabilities and stockholders' equity	\$424,386	\$492,003
	=====	=====

(1) Accrued expenses include \$10,000 and \$4,488,000 of accrued merger and financing costs as of September 30, 2003 and December 31, 2002, respectively.

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

	Nine Months Ended	
	Sept. 30, 2003	Sept. 30, 2002
	-----	
	(unaudited)	
Cash flows from operating activities:		
Net loss	\$ (66,474)	\$ (82,339)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation, amortization and accretion	47,774	39,499
Amortization of stock-based compensation	2,160	5,640
Gain on debt extinguishment	-	(27,188)
Restructuring charges	-	28,960
Non-cash interest expense	7,245	3,254
Other reconciling items	2,492	3,520
Changes in operating assets and liabilities:		
Accounts receivable	(194)	(2,150)
Accounts payable and accrued expenses	(1,263)	(3,180)
Accrued restructuring charges	(10,617)	(8,869)
Accrued merger and financing costs	(4,478)	-
Accrued interest payable	(990)	4,999
Other assets and liabilities	4,001	8,113
	-----	-----
Net cash used in operating activities	(20,344)	(29,741)
	-----	-----
Cash flows from investing activities:		
Purchases of property and equipment	(2,889)	(5,091)
Payments of accrued construction in progress	-	(28,708)
Other investing activities	2,206	27,292
	-----	-----
Net cash used in investing activities	(683)	(6,507)
	-----	-----
Cash flows from financing activities:		
Proceeds from convertible secured notes	10,000	-
Repayment of debt facilities and capital lease obligations	(5,102)	(5,201)
Repayment of credit facility	(990)	(5,000)
Repayment of senior notes	-	(2,511)
Other financing activities	1,063	(988)
	-----	-----
Net cash provided by (used in) financing activities	4,971	(13,700)
	-----	-----
Effect of foreign currency exchange rates on cash and cash equivalents	63	427
	-----	-----
Net decrease in cash, cash equivalents and short-term investments	(15,993)	(49,521)
Cash, cash equivalents and short-term investments at beginning of period	41,216	58,831
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Cash, cash equivalents and short-term  
investments at end of period

\$25,223	\$9,310
=====	=====

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