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): July 27, 2005

EQUINIX, INC.

(Exact Name of Registrant as Specified in its Charter)

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

301 Velocity Way, 5th Floor
Foster City, California 94404
(650) 513-7000

(Addresses of principal executive offices)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

The information in Item 2.02 of 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 Item 2.02 of 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 July 27, 2005, the Company issued a press release announcing its financial results for the quarter ended June 30, 2005. A copy of the press release is attached as Exhibit 99.1. The Company released certain non-GAAP information in the press release. Attached to the press release is a reconciliation to the non-GAAP information.

On July 27, 2005, in connection with the issuance of the press release, the Company will hold a conference call to discuss the press release.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits.

99.1	Press Release of Equinix, Inc. dated July 27, 2005, furnished in accordance with Item 2.02 of this Current Report on Form 8-K.

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: July 27, 2005

By: /s/ RENEE F. LANAM

Renee F. Lanam
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Text of Press Release dated July 27, 2005.

Exhibit 99.1

Equinix Reports Second Quarter 2005 Results

FOSTER CITY, Calif.--(BUSINESS WIRE)--July 27, 2005--Equinix, Inc. (Nasdaq:EQIX):

-- Increased revenues by 33% over same quarter 2004

-- Increased EBITDA to $16.1 million, up from $7.5 million in same quarter 2004

-- Continues expansion efforts with acquisitions of centers in Silicon Valley and recently announced Chicago center

-- Added 70 customers including D.E. Shaw, Fox Sports Interactive Media, Merrill Lynch Asia Pacific Ltd, NASA and Salesforce.com

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 June 30, 2005.

Revenues were $52.5 million for the second quarter, a 33% increase over the same quarter last year and an 8% increase over the previous quarter. Recurring revenues, consisting of colocation, interconnection and managed services, were $49.4 million, a 33% increase over the same quarter last year and an 8% increase over the previous quarter. Non-recurring revenues, consisting primarily of professional services and installation fees, were $3.1 million for the quarter, as compared to $2.1 million in the same quarter last year and $2.8 million the previous quarter.

Cost of revenues were $38.8 million for the second quarter, a 14% increase over the same quarter last year and a 5% increase over the previous quarter. Cost of revenues, excluding depreciation, amortization, accretion and stock-based compensation of $15.5 million, were $23.3 million for the second quarter, a 13% increase over same quarter last year and a 6% increase over the previous quarter. Cash gross margins, defined as gross profit less depreciation, amortization, accretion and stock-based compensation, divided by revenues, for the quarter were 56%, up from 48% the same quarter last year and 55% the previous quarter.

Selling, general and administrative expenses, including stock-based compensation of $2.5 million, were $16.2 million for the second quarter, a 30% increase over the same quarter last year and a 6% increase over the previous quarter. Selling, general and administrative expenses, excluding depreciation, amortization and stock-based compensation of $3.1 million, were $13.1 million for the second quarter, a 16% increase over same quarter last year and a 6% increase over the previous quarter.

Net loss for the second quarter, including stock-based compensation expense of $2.5 million, was $3.4 million. This represents a basic and diluted net loss per share of $0.14 based on a weighted average share count of 23.7 million or a pro forma net loss per share of $0.04 excluding the stock-based compensation expense. The Company's cash net income, defined as net income (loss) less depreciation, amortization, accretion, stock-based compensation expense, restructuring charges and non-cash interest expense for the quarter was $15.4 million, a 19% improvement over the previous quarter.

EBITDA, defined as loss from operations less depreciation, amortization, accretion, stock-based compensation expense and restructuring charges, for the second quarter was $16.1 million, up 12% over the previous quarter and up from $7.5 million the same quarter 2004.

Capital expenditures in the quarter were $9.9 million, of which $5.4 million was attributed to ongoing capital expenditures and $4.5 million was attributed to expansion capital expenditures.

The company generated cash from operating activities of $18.1 million, a $2.8 million or 18% increase over the previous quarter. Cash used in investing activities was $6.7 million, an increase of $0.6 million over the previous quarter. As a result, the company generated $11.4 million in free cash flow, a $2.2 million increase over the previous quarter. Free cash flow is defined as net cash generated from operating activities less net cash used in investing activities (excluding the purchases, sales and maturities of short-term and long-term investments).

As of June 30, 2005, the company's cash, cash equivalents and investments were $132.0 million, an increase of $13.9 million over the previous quarter.

"Equinix delivered strong results in the second quarter contributing to a solid first half for the company," said Peter Van Camp, CEO of Equinix. "Significant in this was the level of our bookings and the quality of our new customers. This was a new high for the company, setting up a second half of continued strong growth."

Other Company Metrics & Developments

-- On a same IBX basis (defined as IBX centers which have been available for new customer installs for at least four full quarters), revenue was $51.3 million; cost of revenues were $35.6 million; cost of revenues, excluding depreciation, amortization, accretion and stock-based compensation, were $21.4 million and cash gross margins for the quarter were 58%. EBITDA on a same IBX basis was $17.0 million.

-- Equinix added 70 new customers in the quarter including AON Warranty Group, Coral Wireless, D.E. Shaw, eHarmony.com, Fox Sports Interactive Media, Ikea Asia Pacific Pte Ltd, Merrill Lynch Asia Pacific Ltd, MySpace.com, NASA, Salesforce.com, Samsung Networks and Sandisk.

-- Based on a total cabinet capacity of approximately 26,100, the number of cabinets billing at the end of the quarter was approximately 12,400, or 47%, up from approximately 11,700 the previous quarter. On a weighted average basis, the number of cabinets billing was approximately 12,100, which represents 46%.

-- U.S. interconnection revenues were 22% of U.S. recurring revenues for the quarter. Interconnection services represent 20% of total worldwide recurring revenues.

Business Outlook

For the third quarter 2005, the company expects revenues to be in the range of $55.5 to $56.5 million. Cash gross margins are expected to be approximately 56%. Cash selling, general and administrative expenses are expected to be in the range of $13.0 to $14.0 million. EBITDA is expected to be between $17.0 and $18.0 million as the company continues to invest in growing the business. Net loss is expected to be in the range of $2.0 to $3.0 million. This includes approximately $1.8 million of stock-based compensation expense primarily attributed to the restricted stock grants, based on recent stock trading levels of approximately $45.00 per share, and approximately $1.9 million of interest expense. The weighted average shares outstanding will be approximately 24.0 million. Capital expenditures are estimated to be in the range of $8.0 to $10.0 million, including approximately $5.0 million in capital required for improvements to the newly acquired Silicon Valley and Chicago IBX centers.

For the full year of 2005, revenues are expected to be in the range of $216.0 to $219.0 million. Cash gross margins are expected to be in the range of 55-56%. Cash selling, general and administrative expenses are expected to be approximately $53.0 million. EBITDA is expected to be between $66.0 and $68.0 million. Net loss is expected to be in the range of $13.0 to $15.0 million. This includes approximately $8.5 million of stock-based compensation expense primarily attributed to the restricted stock grants, based on recent stock trading levels of approximately $45.00 per share, and $9.0 million of interest expense. The weighted average shares outstanding will be approximately 23.5 million. Capital expenditures for 2005 are expected to be in a range of $40.0 to $45.0 million, comprised of $17.0 to $18.0 million of ongoing capital expenditures and $23.0 to $27.0 million of expansion capital expenditures.

The company will discuss its results and guidance on its quarterly conference call on Wednesday, July 27, 2005, at 5:30 p.m. ET (2:30 p.m. PT). To hear the conference call, please dial 1-773-799-3263 (domestic and international) and reference the passcode (EQIX). A simultaneous live Webcast of the call will be available over the Internet at www.equinix.com, under the Investor Relations heading. A replay of the call will be available beginning on Wednesday, July 27, 2005 at 7:30 p.m. (ET) by dialing 203-369-1928. In addition, the Webcast will be available for replay on the company's Web site at www.equinix.com. No password is required for either method of replay. A reconciliation between GAAP information and non-GAAP information contained in this press release is provided in a table immediately following the Condensed Consolidated Statements of Operations - GAAP Presentation. This reconciliation is also available at 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 15 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.

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 to receive significant revenue from customers in recently-acquired data centers; 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 and IBX are registered trademarks of Equinix, Inc. Internet Business Exchange is a trademark of Equinix, Inc.

Non-GAAP Financial Measures

Equinix continues to provide all information required in accordance with generally accepted accounting principles (GAAP), but it believes that evaluating its ongoing operating results may be difficult if limited to reviewing only GAAP financial measures. Accordingly, Equinix uses non-GAAP financial measures, such as EBITDA, cash cost of revenues, cash gross margins, cash operating expenses (also known as cash selling, general and administrative expenses or cash SG&A), cash interest expense and cash net income (loss) and free cash flow to evaluate its operations. In presenting these non-GAAP financial measures, Equinix excludes certain non-cash or non-recurring items that it believes are not good indicators of the company's current or future operating performance. These non-cash or non-recurring items are depreciation, amortization, accretion, stock-based compensation, non-cash interest, and, with respect to 2004 results, the non-cash portion of loss on debt extinguishment and conversion and restructuring charges (there were no such charges or losses in 2005). Recent legislative and regulatory changes encourage use of and emphasis on GAAP financial metrics and require companies to explain why non-GAAP financial metrics are relevant to management and investors. Equinix excludes these non-cash or non-recurring items in order for Equinix's lenders, investors, and industry analysts who review and report on the company, to better evaluate the company's operating performance and cash spending levels relative to its industry sector and competitor base.

Equinix excludes depreciation expense as these charges primarily relate to the initial construction costs of our IBX centers and do not reflect our current or future cash spending levels to support our business. Our IBX centers are long-lived assets, and have an economic life greater than ten years. The construction costs of our IBX centers do not recur and future capital expenditures remain minor relative to our initial investment. This is a trend we expect to continue. In addition, depreciation is also based on the estimated useful lives of our IBX centers. These estimates could vary from actual performance of the asset, are based on historic costs incurred to build out our IBX centers, and are not indicative of current or expected future capital expenditures. Therefore, Equinix excludes depreciation from its operating results when evaluating its operations.

In addition, in presenting the non-GAAP financial measures, Equinix excludes amortization expense related to certain intangible assets, as it represents a non-cash cost that may not recur and is not a good indicator of the company's current or future operating performance. Equinix excludes accretion expense, both as it relates to its asset retirement obligations as well as its accrued restructuring charge liability, as these expenses represent costs, which Equinix believes are not meaningful in evaluating the Company's current operations. Equinix excludes non-cash stock-based compensation expense as it represents expense attributed to stock awards that have no current or future cash obligations. As such, we, and our investors and analysts, exclude this stock-based compensation expense when assessing the cash generating performance of our operations. Equinix excludes interest expense associated with the amortization of debt issuance costs and discounts, as well as the interest expense associated with its convertible secured notes as such interest expenses do not require any cash in the periods presented nor will they in future periods. Lastly, with respect to its 2004 results, Equinix excludes restructuring charges and the non-cash portion of the loss on debt extinguishment and conversion. The restructuring charges relate to the company's decision to exit leases for excess space adjacent to several of our IBX centers, which we do not intend to build out now or in the future. The non-cash portion of the loss on debt extinguishment and conversion, which represents the write-off of the unamortized debt issuance costs and discounts associated with the debt facilities extinguished or converted as no cash was expended in the periods presented for such write-offs nor will there be in the future. Management believes such restructuring charges and write-offs of debt issuance costs and discounts were unique costs that are not expected to recur, and consequently, does not consider these charges as a normal component of expenses related to current and ongoing operations.

Our management does not itself, nor does it suggest that investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. However, we have presented such non-GAAP financial measures to provide investors with an additional tool to evaluate our operating results in a manner that focuses on what management believes to be our ongoing business operations. Management believes that the inclusion of these non-GAAP financial measures provide consistency and comparability with past reports and provide a better understanding of the overall performance of the business and its ability to perform in subsequent periods. Equinix believes that if it did not provide such non-GAAP financial information, investors would not have all the necessary data to analyze Equinix effectively.

Investors should note, however, that the non-GAAP financial measures used by Equinix may not be the same non-GAAP financial measures, and may not be calculated in the same manner, as that of other companies. In addition, whenever Equinix uses such non-GAAP financial measures, it provides a reconciliation of non-GAAP financial measures to the most closely applicable GAAP financial measure. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measure.

Equinix intends to calculate the various non-GAAP financial measures in future periods consistent with how it was calculated for the three and six months ended June 30, 2005 and 2004, presented within this press release.

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

	Three Months Ended			Six Months Ended	
	June 30, 2005	March 31, 2005	June 30, 2004	June 30, 2005	June 30, 2004
			(unaudited)		
Recurring revenues	$49,431	$45,901	$37,271	$95,332	$71,754
Non-recurring revenues	3,048	2,783	2,152	5,831	4,489
Revenues	52,479	48,684	39,423	101,163	76,243
Cost of revenues	38,811	36,873	34,150	75,684	67,935
Gross profit	13,668	11,811	5,273	25,479	8,308
Operating expenses:					
Sales and marketing	5,145	4,819	4,423	9,964	9,065
General and administrative	11,027	10,489	8,008	21,516	16,250
Total operating expenses	16,172	15,308	12,431	31,480	25,315
Loss from operations	(2,504)	(3,497)	(7,158)	(6,001)	(17,007)
Interest and other income (expense):					
Interest income	902	667	242	1,569	484
Interest expense and other	(1,945)	(2,459)	(2,283)	(4,404)	(6,413)

Loss on debt extinguishment and conversion	-	-	-	-	(16,211)
Total interest and other, net	(1,043)	(1,792)	(2,041)	(2,835)	(22,140)
Net loss before income taxes	(3,547)	(5,289)	(9,199)	(8,836)	(39,147)
Income taxes	116	(505)	(6)	(389)	(200)
Net loss	$(3,431)	$(5,794)	$(9,205)	$(9,225)	$(39,347)
Basic and diluted net loss per share	$(0.14)	$(0.26)	$(0.51)	$(0.40)	$(2.33)
Shares used in computing basic and diluted net loss per share	23,727	21,898	18,191	22,964	16,862
Pro forma basic and diluted net loss per share (1)	$(0.04)	$(0.15)	$(0.50)	$(0.19)	$(1.32)
Shares used in computing pro forma basic and diluted net loss per share	23,727	21,898	18,191	22,964	16,862

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(1) Pro forma basic and diluted net loss per share excludes the $16,211,000 loss on debt extinguishment and conversion during the six months ended June 30, 2004 and stock-based compensation expense for all periods presented as follows:

Cost of revenues	$-	$-	$2	$-	$22
Sales and marketing	454	447	15	901	45
General and administrative	2,035	1,997	166	4,032	793
Stock-based compensation	$2,489	$2,444	$183	$4,933	$860

EQUINIX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS -
NON-GAAP PRESENTATION
(in thousands)

	Three Months Ended		
	June 30, 2005	March 31, 2005	June 30, 2004
	(unaudited)		
Recurring revenues	$49,431	$45,901	$37,271
Non-recurring revenues	3,048	2,783	2,152

Revenues (1)	52,479	48,684	39,423
Cash cost of revenues (2)	23,317	21,929	20,631
Cash gross profit (3)	29,162	26,755	18,792
Cash operating expenses (4):			
Cash sales and marketing expenses(5)	4,676	4,357	3,933
Cash general and administrative expenses (6)	8,431	8,061	7,331
Total cash operating expenses (7)	13,107	12,418	11,264
EBITDA (8)	16,055	14,337	7,528
Cash interest and other income (expense) (9):			
Interest income	902	667	242
Cash interest expense and other (10)	(1,677)	(1,554)	(547)
Cash loss on debt extinguishment and conversion (11)	-	-	-
Income taxes	116	(505)	(6)
Total cash interest and other, net	(659)	(1,392)	(311)
Cash net income (12)	$15,396	$12,945	$7,217
Cash gross margins (13)	56%	55%	48%
EBITDA flow-through rate (14)	45%	53%	72%

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(1) The geographic split of our revenues is presented below:

U.S. revenues	$45,384	$42,016	$34,093
Asia-Pacific revenues	7,095	6,668	5,330
Revenues	$52,479	$48,684	$39,423

Revenues on a services basis is presented below:

Colocation	$36,105	$33,236	$27,205
Interconnection	9,845	9,324	7,383
Managed infrastructure	3,481	3,341	2,683
Recurring revenues	49,431	45,901	37,271
Non-recurring revenues	3,048	2,783	2,152
Revenues	$52,479	$48,684	$39,423

New IBX centers are IBX centers which have not been available for customer installs for at least four full quarters. Revenues on a same IBX versus new IBX basis is presented below:

Same IBX centers	$51,282	$48,457	$37,996
New IBX centers	1,197	227	1,427
Revenues	$52,479	$48,684	$39,423

(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	$38,811	$36,873	$34,150
Depreciation, amortization and accretion expense	(15,494)	(14,944)	(13,517)
Stock-based compensation expense	-	-	(2)

Cash cost of revenues	$23,317	$21,929	$20,631

The geographic split of our cash cost of revenues is presented below:

U.S. cash cost of revenues	$19,339	$18,061	$16,824
Asia-Pacific cash cost of revenues	3,978	3,868	3,807
Cash cost of revenues	$23,317	$21,929	$20,631

New IBX centers are IBX centers which have not been available for customer installs for at least four full quarters. Cost of revenues and cash cost of revenues on a same IBX versus new IBX basis is presented below:

Same IBX centers-cash cost of revenues	$21,390	$21,091	$18,821
Same IBX centers-depreciation, amortization and accretion expense	14,183	14,196	13,263
Same IBX centers-stock-based compensation expense	-	-	2
Same IBX centers cost of revenues	35,573	35,287	32,086
New IBX centers-cash cost of revenues	1,927	838	1,810
New IBX centers-depreciation, amortization and accretion expense	1,311	748	254
New IBX centers-stock-based compensation expense	-	-	-
New IBX centers cost of revenues	3,238	1,586	2,064
Cost of revenues	$38,811	$36,873	$34,150

(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 and stock-based compensation. 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	$5,145	$4,819	$4,423
Depreciation and amortization expense	(15)	(15)	(475)
Stock-based compensation expense	(454)	(447)	(15)
Cash sales and marketing expenses	$4,676	$4,357	$3,933

(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	$11,027	$10,489	$8,008
Depreciation and amortization expense	(561)	(431)	(511)
Stock-based compensation expense	(2,035)	(1,997)	(166)
Cash general and administrative expenses	$8,431	$8,061	$7,331

(7) Our cash operating expenses, or cash SG&A, as defined above, is presented below:

Cash sales and marketing expenses	$4,676	$4,357	$3,933

Cash general and administrative expenses	8,431	8,061	7,331
	$13,107	$12,418	$11,264

The geographic split of our cash operating expenses, or cash SG&A, is presented below:

U.S. cash SG&A	$10,486	$9,908	$8,911
Asia-Pacific cash SG&A	2,621	2,510	2,353
Cash SG&A	$13,107	$12,418	$11,264

(8) We define EBITDA as loss from operations less depreciation, amortization, accretion, stock-based compensation expense and restructuring charges as presented below:

Loss from operations	$(2,504)	$(3,497)	$(7,158)
Depreciation, amortization and accretion expense	16,070	15,390	14,503
Stock-based compensation expense	2,489	2,444	183
Restructuring charges	-	-	-
EBITDA	$16,055	$14,337	$7,528

The geographic split of our EBITDA is presented below:

U.S. loss from operations	$(1,871)	$(2,614)	$(4,800)
U.S. depreciation, amortization and accretion expense	14,941	14,217	12,975
U.S. stock-based compensation expense	2,489	2,444	183
U.S. restructuring charges	-	-	-
U.S. EBITDA	15,559	14,047	8,358
Asia-Pacific loss from operations	(633)	(883)	(2,358)
Asia-Pacific depreciation, amortization and accretion expense	1,129	1,173	1,528
Asia-Pacific stock-based compensation expense	-	-	-
Asia-Pacific restructuring charges	-	-	-
Asia-Pacific EBITDA	496	290	(830)
EBITDA	$16,055	$14,337	$7,528

New IBX centers are IBX centers which have not been available for customer installs for at least four full quarters. EBITDA on a same IBX versus new IBX basis is presented below:

Same IBX centers-loss from operations	$(232)	$(1,955)	$(6,479)
Same IBX centers-depreciation, amortization and accretion expense	14,759	14,642	14,249
Same IBX centers-stock-based compensation expense	2,489	2,444	183
Same IBX centers-restructuring charges	-	-	-
Same IBX center EBITDA	17,016	15,131	7,953
New IBX centers-loss from operations	(2,272)	(1,542)	(679)
New IBX centers-depreciation, amortization and accretion expense	1,311	748	254
New IBX centers-stock-based compensation expense	-	-	-
New IBX centers-restructuring charges	-	-	-
New IBX center EBITDA	(961)	(794)	(425)

EBITDA	$16,055	$14,337	$7,528

(9) We define cash interest and other income (expense) as interest expense plus income taxes less interest income, non-cash interest expense and non-cash loss on debt extinguishment and conversion. Non-cash interest expense is comprised of amortization of debt discounts and debt issuance costs and non-cash interest on our convertible secured notes. Non-cash loss on debt extinguishment and conversion is comprised of the non-cash write-off of debt issuance costs and discounts.

(10) Cash interest expense and other is defined as interest expense less amortization of debt discounts and debt issuance costs and non-cash interest on our convertible secured notes as presented below:

Interest expense and other	$(1,945)	$(2,459)	$(2,283)
Amortization of debt discounts and debt issuance costs	198	198	505
Non-cash interest on convertible secured notes	70	707	1,231
Non-cash interest expense	268	905	1,736
Cash interest expense and other	$(1,677)	$(1,554)	$(547)

(11)

Loss on debt extinguishment and conversion	$-	$-	$-
Non-cash write-off of debt issuance costs and discounts	-	-	-
Non-cash loss on debt extinguishment and conversion	-	-	-
Cash loss on debt extinguishment and conversion	$-	$-	$-

(12) We define cash net income as net income (loss) less depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, non-cash interest expense and non-cash loss on debt extinguishment and conversion as presented below:

Net income (loss)	$(3,431)	$(5,794)	$(9,205)
Depreciation, amortization and accretion expense	16,070	15,390	14,503
Stock-based compensation expense	2,489	2,444	183
Restructuring charges	-	-	-
Non-cash interest expense (defined above)	268	905	1,736
Non-cash loss on debt extinguishment and conversion (defined above)	-	-	-
Cash net income	$15,396	$12,945	$7,217

(13) We define cash gross margins as cash gross profit divided by revenues.

Our cash gross margins by geographic region is presented below:

U.S. cash gross margins	57%	57%	51%
Asia-Pacific cash gross margins	44%	42%	29%

Same IBX centers are IBX centers which have been available for customer installs for at least four full quarters. Our cash gross margins for same IBX centers is presented below:

Same IBX cash gross margins	58%	56%	50%

(14) We define EBITDA flow-through rate as incremental EBITDA growth divided by incremental revenue growth as follows:

EBITDA - current period	$16,055	$14,337	$7,528
Less EBITDA - prior period	(14,337)	(12,363)	(5,657)
EBITDA growth	$1,718	$1,974	$1,871
Revenues - current period	$52,479	$48,684	$39,423
Less revenues - prior period	(48,684)	(44,989)	(36,820)
Revenue growth	$3,795	$3,695	$2,603
EBITDA flow-through rate	45%	53%	72%

Same IBX centers are IBX centers which have been available for customer installs for at least four full quarters. Our EBITDA flow-through rates for same IBX centers is presented below:

Same IBX EBITDA - current period	$17,016	$15,131	$7,953
Less same IBX EBITDA - prior period	(15,131)	(12,822)	(6,434)
Same IBX EBITDA growth	$1,885	$2,309	$1,519
Same IBX revenues - current period	$51,282	$48,457	$37,996
Less same IBX revenues - prior period	(48,457)	(43,165)	(35,737)
Same IBX revenue growth	$2,825	$5,292	$2,259
Same IBX EBITDA flow-through rate	67%	44%	67%

	Six Months Ended	
	June 30, 2005	June 30, 2004
	(unaudited)	
Recurring revenues	$95,332	$71,754
Non-recurring revenues	5,831	4,489
Revenues (1)	101,163	76,243
Cash cost of revenues (2)	45,246	40,851
Cash gross profit (3)	55,917	35,392
Cash operating expenses (4):		
Cash sales and marketing expenses(5)	9,033	8,071
Cash general and administrative expenses (6)	16,492	14,136
Total cash operating expenses (7)	25,525	22,207
EBITDA (8)	30,392	13,185
Cash interest and other income (expense) (9):		
Interest income	1,569	484
Cash interest expense and other (10)	(3,231)	(2,062)
Cash loss on debt extinguishment and conversion (11)	-	(2,505)
Income taxes	(389)	(200)
Total cash interest and other, net	(2,051)	(4,283)
Cash net income (12)	$28,341	$8,902
Cash gross margins (13)	55%	46%

EBITDA flow-through rate (14)	58%	72%

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(1) The geographic split of our revenues is presented below:

U.S. revenues	$87,400	$66,114
Asia-Pacific revenues	13,763	10,129
Revenues	$101,163	$76,243

Revenues on a services basis is presented below:

Colocation	$69,341	$52,011
Interconnection	19,169	14,320
Managed infrastructure	6,822	5,423
Recurring revenues	95,332	71,754
Non-recurring revenues	5,831	4,489
Revenues	$101,163	$76,243

New IBX centers are IBX centers which have not been available for customer installs for at least four full quarters. Revenues on a same IBX versus new IBX basis is presented below:

Same IBX centers	$99,739	$73,733
New IBX centers	1,424	2,510
Revenues	$101,163	$76,243

(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	$75,684	$67,935
Depreciation, amortization and accretion expense	(30,438)	(27,062)
Stock-based compensation expense	-	(22)
Cash cost of revenues	$45,246	$40,851

The geographic split of our cash cost of revenues is presented below:

U.S. cash cost of revenues	$37,400	$33,555
Asia-Pacific cash cost of revenues	7,846	7,296
Cash cost of revenues	$45,246	$40,851

New IBX centers are IBX centers which have not been available for customer installs for at least four full quarters. Cost of revenues and cash cost of revenues on a same IBX versus new IBX basis is presented below:

Same IBX centers-cash cost of revenues	$42,481	$37,197
Same IBX centers-depreciation, amortization and accretion expense	28,379	26,587
Same IBX centers-stock-based compensation expense	-	22
Same IBX centers cost of revenues	70,860	63,806
New IBX centers-cash cost of revenues	2,765	3,654
New IBX centers-depreciation, amortization and accretion expense	2,059	475
New IBX centers-stock-based compensation expense	-	-
New IBX centers cost of revenues	4,824	4,129
Cost of revenues	$75,684	$67,935

(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 and stock-based compensation. 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	$9,964	$9,065
Depreciation and amortization expense	(30)	(949)
Stock-based compensation expense	(901)	(45)
Cash sales and marketing expenses	$9,033	$8,071

(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	$21,516	$16,250
Depreciation and amortization expense	(992)	(1,321)
Stock-based compensation expense	(4,032)	(793)
Cash general and administrative expenses	$16,492	$14,136

(7) Our cash operating expenses, or cash SG&A, as defined above, is presented below:

Cash sales and marketing expenses	$9,033	$8,071
Cash general and administrative expenses	16,492	14,136
	$25,525	$22,207

The geographic split of our cash operating expenses, or cash SG&A, is presented below:

U.S. cash SG&A	$20,394	$17,531
Asia-Pacific cash SG&A	5,131	4,676
Cash SG&A	$25,525	$22,207

(8) We define EBITDA as loss from operations less depreciation, amortization, accretion, stock-based compensation expense and restructuring charges as presented below:

Loss from operations	$(6,001)	$(17,007)
Depreciation, amortization and accretion expense	31,460	29,332
Stock-based compensation expense	4,933	860
Restructuring charges	-	-
EBITDA	$30,392	$13,185

The geographic split of our EBITDA is presented below:

U.S. loss from operations	$(4,485)	$(12,202)
U.S. depreciation, amortization and accretion expense	29,158	26,370
U.S. stock-based compensation expense	4,933	860
U.S. restructuring charges	-	-
U.S. EBITDA	29,606	15,028
Asia-Pacific loss from operations	(1,516)	(4,805)
Asia-Pacific depreciation, amortization and accretion expense	2,302	2,962
Asia-Pacific stock-based compensation expense	-	-
Asia-Pacific restructuring charges	-	-
Asia-Pacific EBITDA	786	(1,843)

EBITDA	$30,392	$13,185

New IBX centers are IBX centers which have not been available for customer installs for at least four full quarters. EBITDA on a same IBX versus new IBX basis is presented below:

Same IBX centers-loss from operations	$(2,187)	$(15,330)
Same IBX centers-depreciation, amortization and accretion expense	29,401	28,857
Same IBX centers-stock-based compensation expense	4,933	860
Same IBX centers-restructuring charges	-	-
Same IBX center EBITDA	32,147	14,387
New IBX centers-loss from operations	(3,814)	(1,677)
New IBX centers-depreciation, amortization and accretion expense	2,059	475
New IBX centers-stock-based compensation expense	-	-
New IBX centers-restructuring charges	-	-
New IBX center EBITDA	(1,755)	(1,202)
EBITDA	$30,392	$13,185

(9) We define cash interest and other income (expense) as interest expense plus income taxes less interest income, non-cash interest expense and non-cash loss on debt extinguishment and conversion. Non-cash interest expense is comprised of amortization of debt discounts and debt issuance costs and non-cash interest on our convertible secured notes. Non-cash loss on debt extinguishment and conversion is comprised of the non-cash write-off of debt issuance costs and discounts.

(10) Cash interest expense and other is defined as interest expense less amortization of debt discounts and debt issuance costs and non-cash interest on our convertible secured notes as presented below:

Interest expense and other	$(4,404)	$(6,413)
Amortization of debt discounts and debt issuance costs	396	1,814
Non-cash interest on convertible secured notes	777	2,537
Non-cash interest expense	1,173	4,351
Cash interest expense and other	$(3,231)	$(2,062)

(11) Loss on debt extinguishment and conversion	$-	$(16,211)
Non-cash write-off of debt issuance costs and discounts	-	13,706
Non-cash loss on debt extinguishment and conversion	-	13,706
Cash loss on debt extinguishment and conversion	$-	$(2,505)

(12) We define cash net income as net income (loss) less depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, non-cash interest expense and non-cash loss on debt extinguishment and conversion as presented below:

Net income (loss)	$(9,225)	$(39,347)
Depreciation, amortization and accretion expense	31,460	29,332
Stock-based compensation expense	4,933	860
Restructuring charges	-	-
Non-cash interest expense (defined above)	1,173	4,351
Non-cash loss on debt extinguishment and conversion (defined above)	-	13,706

Cash net income	$28,341	$8,902

(13) We define cash gross margins as cash gross profit divided by revenues.

Our cash gross margins by geographic region is presented below:

U.S. cash gross margins	57%	49%
Asia-Pacific cash gross margins	43%	28%

Same IBX centers are IBX centers which have been available for customer installs for at least four full quarters. Our cash gross margins for same IBX centers is presented below:

Same IBX cash gross margins	57%	50%

(14) We define EBITDA flow-through rate as incremental EBITDA growth divided by incremental revenue growth as follows:

EBITDA - current period	$30,392	$13,185
Less EBITDA - prior period	(22,429)	(4,483)
EBITDA growth	$7,963	$8,702
Revenues - current period	$101,163	$76,243
Less revenues - prior period	(87,428)	(64,073)
Revenue growth	$13,735	$12,170
EBITDA flow-through rate	58%	72%

Same IBX centers are IBX centers which have been available for customer installs for at least four full quarters. Our EBITDA flow-through rates for same IBX centers is presented below:

Same IBX EBITDA - current period	$32,147	$14,387
Less same IBX EBITDA - prior period	(23,142)	(4,707)
Same IBX EBITDA growth	$9,005	$9,680
Same IBX revenues - current period	$99,739	$73,733
Less same IBX revenues - prior period	(83,923)	(63,700)
Same IBX revenue growth	$15,816	$10,033
Same IBX EBITDA flow-through rate	57%	96%

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

Assets	June 30, 2005	December 31, 2004
	(unaudited)	
Cash, cash equivalents and investments	$132,029	$108,092
Accounts receivable, net	15,720	11,919
Property and equipment, net	345,117	343,361
Goodwill and other intangible assets, net	21,589	22,253
Debt issuance costs, net	2,473	3,164
Prepaid expenses	3,552	3,603
Deposits	3,515	6,062
Other assets	2,990	3,344

Total assets	$526,985	$501,798
Liabilities and Stockholders' Equity		
Accounts payable and accrued expenses	$21,068	$18,116
Accrued restructuring charges	14,227	14,750
Accrued property and equipment	5,424	2,912
Accrued interest payable	857	1,706
Capital lease obligation	34,881	35,204
Other debt facility	15,023	-
Convertible secured notes	1,950	35,824
Convertible subordinated debentures	86,250	86,250
Deferred rent	24,014	22,915
Deferred installation revenue	7,219	3,745
Customer deposits	801	3,360
Other liabilities	4,171	3,310
Total liabilities	215,885	228,092
Preferred stock	2	2
Common stock	24	19
Additional paid-in capital	832,922	776,123
Deferred stock-based compensation	(9,295)	(260)
Accumulated other comprehensive income	1,107	2,257
Accumulated deficit	(513,660)	(504,435)
Total stockholders' equity	311,100	273,706
Total liabilities and stockholders' equity	$526,985	$501,798

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Ending headcount by geographic region is as follows:

U.S. headcount	345	315
Asia-pacific headcount	164	153
Total headcount	509	468

EQUINIX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (1)
(in thousands)

	Six Months Ended	
	June 30, 2005	June 30, 2004
	(unaudited)	
Cash flows from operating activities:		
Net loss	$(9,225)	$(39,347)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation, amortization and accretion	31,460	29,332
Amortization of stock-based compensation	4,933	860
Non-cash interest expense	1,173	4,351
Loss on debt extinguishment and conversion	-	16,211
Other reconciling items	1,050	2,919
Changes in operating assets and liabilities:		
Accounts receivable	(3,748)	(2,368)
Accounts payable and accrued expenses	2,952	1,013
Accrued restructuring charges	(968)	(466)
Accrued interest payable	-	503
Other assets and liabilities	5,915	2,365
Net cash provided by operating activities	33,542	15,373

Cash flows from investing activities:		
Purchases of property and equipment	(15,413)	(9,162)
Accrued property and equipment	2,512	(1,532)
Net cash used in investing activities	(12,901)	(10,694)
Cash flows from financing activities:		
Proceeds from warrants, stock options and employee stock purchase plans	7,632	2,590
Proceeds from convertible subordinated debentures	-	86,250
Repayment of capital lease obligations	(322)	(201)
Repayment of other debt facilities	(3,690)	(3,326)
Repayment of credit facility	-	(34,281)
Repayment of senior notes	-	(30,475)
Debt issuance and extinguishment costs	-	(5,727)
Net cash provided by financing activities	3,620	14,830
Effect of foreign currency exchange rates on cash and cash equivalents	(324)	(81)
Net increase in cash, cash equivalents and investments	23,937	19,428
Cash, cash equivalents and investments at beginning of period	108,092	72,971
Cash, cash equivalents and investments at end of period	$132,029	$92,399
Free cash flow (2)	$20,641	$4,679

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(1) The cash flow statements presented herein combine our short-term and long-term investments with our cash and cash equivalents in an effort to present our total unrestricted cash and equivalent balances. In our quarterly filings with the SEC on Forms 10-Q and 10-K, the purchase, sale and maturities of our short-term and long-term investments will be presented as activities within the investing activities portion of the cash flow statements.

(2) We define free cash flow as net cash provided by operating activities plus net cash used in investing activities (excluding the purchase, sale and maturities of short-term and long-term investments) as presented below:

Net cash provided by operating activities as presented above	$33,542	$15,373
Net cash used in investing activities as presented above	(12,901)	(10,694)
Free cash flow	$20,641	$4,679

CONTACT: Equinix, Inc.
Jason Starr, 650-513-7402 (Investor Relations)
jstarr@equinix.com
or
K/F Communications, Inc.
Dave Fonkalsrud, 415-255-6506 (Media)
dave@kfcomm.com