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 25, 2006

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 October 25, 2006, Equinix, Inc. ("Equinix") issued a press release announcing its financial results for the quarter ended September 30, 2006. A copy of the press release is attached as Exhibit 99.1. Equinix released certain non-GAAP information in the press release. Attached to the press release is a reconciliation to the non-GAAP information.

On October 25, 2006, in connection with the issuance of the press release, Equinix will hold a conference call to discuss the press release.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On October 25, 2006, Peter Van Camp, Equinix's Chief Executive Officer, President and Chairman of the Board of Directors, announced his intention to transition to a new role with Equinix over the course of the next year to become Executive Chairman. Equinix will initiate an external search for a replacement. Mr. Van Camp will remain in his current role until a replacement is found and will assist with the transition.

A copy of a press release issued on October 25, 2006 announcing Mr. Van Camp's intention to transition to the role of Executive Chairman is attached to this Current Report as Exhibit 99.2 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits.

99.1 Press Release of Equinix, Inc. dated October 25, 2006, titled "Equinix Reports Third Quarter 2006 Results," furnished in accordance with Item 2.02 of this Current Report on Form 8-K.

99.2 Press Release of Equinix, Inc. dated October 25, 2006, titled "Equinix CEO Peter Van Camp to Transition into New Role of Executive Chairman Over the Course of the Next Year," furnished in accordance with Item 5.02 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: October 25, 2006

By: /s/ KEITH D. TAYLOR

Keith D. Taylor
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Text of Press Release of Equinix, Inc. dated October 25, 2006, titled "Equinix Reports Third Quarter 2006 Results."
99.2	Text of Press Release of Equinix, Inc. dated October 25, 2006, titled "Equinix CEO Peter Van Camp to Transition into New Role of Executive Chairman Over the Course of the Next Year."

Exhibit 99.1

Equinix Reports Third Quarter 2006 Results

- Increased revenues to $73.7 million, an 8% increase over the previous quarter and a 27% increase over the same quarter last year
- Raises 2006 annual revenue guidance to $286.0 to $287.0 million and narrows EBITDA guidance to $102.0 to $103.0 million; announces 2007 annual revenue guidance of $352.0 to $362.0 million and EBITDA guidance of $137.0 to $143.0 million
- Signed 92 new customers including Acer Computers, Barnes and Noble College Booksellers, Coram and Fannie Mae

FOSTER CITY, Calif.--(BUSINESS WIRE)--Oct. 25, 2006--Equinix, Inc. (Nasdaq:EQIX), the leading provider of network-neutral data centers and Internet exchange services, today reported quarterly results for the period ended September 30, 2006.

Revenues were $73.7 million for the third quarter, a 27% increase over the same quarter last year and an 8% increase over the previous quarter. Recurring revenues, consisting primarily of colocation, interconnection and managed services, were $69.9 million, a 29% increase over the same quarter last year and a 7% increase over the previous quarter. Non-recurring revenues were $3.8 million in the quarter, consisting primarily of professional services and installation fees.

Note: 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), non-GAAP net income (loss), free cash flow and adjusted free cash flow to evaluate its operations. A reconciliation of these non-GAAP financial measures to the most closely applicable GAAP financial measure is attached to this release and commences at the bottom of our condensed consolidated statements of operations -- GAAP presentation.

Cost of revenues were $49.1 million for the third quarter, including $664,000 of stock-based compensation, an 8% increase over the previous quarter and a 20% increase over the same quarter last year. Cost of revenues, excluding depreciation, amortization, accretion and stock-based compensation of $19.4 million, were $29.7 million for the third quarter, an 11% increase over the previous quarter and an 18% increase over the same quarter last year. Cash gross margins, defined as gross profit less depreciation, amortization, accretion and stock-based compensation, divided by revenues, for the quarter were 60%, down from 61% the previous quarter and up from 57% the same quarter last year. On a same IBX basis (defined as IBX centers which have been available for new customer installs for at least four full quarters), cash gross margins were 63%.

Selling, general and administrative expenses were $26.1 million for the third quarter, including $6.2 million of stock-based compensation, approximately the same as the previous quarter and a 55% increase over the same quarter last year. Selling, general and administrative expenses, excluding depreciation, amortization and stock-based compensation of $7.1 million, were $19.0 million for the third quarter, an 8% increase over the previous quarter and a 27% increase over same quarter last year. Selling, general and administrative expenses included $1.2 million in costs incurred in the quarter related to the audit committee's independent investigation of the Company's stock options practices, of which approximately $600,000 was greater than anticipated.

The Company recorded an adjustment to the $17.7 million restructuring charge that the Company recorded in the fourth quarter of 2004 and increased the restructuring charge by $1.5 million in the third quarter of 2006. The $1.5 million increase in the restructuring charge was a result of revised sublease assumptions related to the two leases covered under the 2004 restructuring charge that the Company is contractually committed to through 2015.

Net loss for the third quarter was $5.2 million, including stock-based compensation expense of $6.9 million and the restructuring charge of $1.5 million. This represents a basic and diluted net loss per share of $0.18 based on a weighted average share count of 28.7 million. Excluding stock-based compensation and the restructuring charge, the Company was net income positive for the third quarter, with a non-GAAP net income of $3.2 million. This was a $383,000 decrease from the previous quarter's result of $3.6 million and a $2.7 million improvement over the same quarter last year.

EBITDA, defined as income or loss from operations before depreciation, amortization, accretion, stock-based compensation expense and restructuring charges, for the third quarter was $24.9 million, up from $24.0 million the previous quarter and up from $17.9 million the same quarter last year. As mentioned above, this result included $1.2 million in costs incurred within the quarter for the audit committee's independent investigation of the Company's stock options practices, of which approximately $600,000 was not anticipated.

"With good visibility to the completion of 2006, it's been another strong year of growth for the Company," said Peter Van Camp, chairman and CEO, Equinix. "Our business execution, expansion program, and momentum as we exit the year provide a solid foundation to continue to build on our market leadership position in 2007."

Capital expenditures in the third quarter were $46.6 million, of which $7.0 million was attributed to ongoing capital expenditures and $39.6 million was attributed to expansion capital expenditures.

The Company generated cash from operating activities of $20.7 million as compared to $16.1 million in the previous quarter. Cash used in investing activities was $50.0 million as compared to $35.8 million in the previous quarter. Adjusted free cash flow was a negative $29.3 million in the third quarter. Adjusted 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 and the purchase and sale of real estate).

As of September 30, 2006, the Company's cash, cash equivalents and investments were $166.3 million, as compared to $147.9 million in the previous quarter. In September 2006, the Company drew down $40.0 million from its Silicon Valley Bank credit line, which was repaid in full in October 2006.

Other Company Developments & Metrics

-- As referenced in a separate press release today, Equinix has announced that Peter Van Camp will transition from his role as chairman and CEO of Equinix to Executive Chairman once a new CEO has been appointed over the course of the next year. Until this time, Mr. Van Camp will remain fully engaged as CEO and chairman.

-- On a same IBX basis (defined as IBX centers which have been available for new customer installs for at least four full quarters), revenues were $71.6 million; cost of revenues were $43.5 million; cost of revenues, excluding depreciation, amortization, accretion and stock-based compensation, were $26.4 million and cash gross margins for the quarter were 63%. EBITDA on a same IBX basis was $26.6 million.

-- Equinix added 92 new customers in the quarter including Acer Computers, Barnes and Noble College Booksellers, Coram, Fannie Mae and Shopzilla.

-- Based on a total cabinet capacity of approximately 30,900, the number of cabinets billing at the end of the quarter was approximately 16,200, or 52%, up from approximately 15,400 the previous quarter. On a weighted average basis, the number of cabinets billing was approximately 16,200 representing a utilization rate of 52%.

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

-- Washington, D.C. metro area IBX greenfield project is targeted to open in January of 2007, with customer installations expected to commence in February 2007.

Business Outlook

For the full year of 2006, total revenues are expected to be in the range of $286.0 to $287.0 million. Total year cash gross margins are expected to be in the range of 60% to 61% including approximately $4.0 million of net cash costs attributed to our expansion IBXs. Cash selling, general and administrative expenses are expected to be in the range of $70.0 to $71.0 million, including an estimated $2.7 million of incremental professional fees attributed to the stock option investigation. EBITDA for the year is expected to be $102.0 to $103.0 million. Net loss is expected to be in a range of $15.0 to $16.0 million, including the restructuring charge of $1.5 million and the impact of approximately $30.0 million of stock-based compensation expense. Net interest expense will be approximately $8.0 million. The weighted average shares outstanding will be approximately 28.5 million. Capital expenditures for 2006 are expected to be in a range of $175.0 to $180.0 million, comprised of approximately $32.0 million of ongoing capital expenditures and $143.0 to $148.0 million of expansion capital expenditures for the build out of the Chicago, Los Angeles and Silicon Valley expansions opened this year, as well as the greenfield expansions in the Washington, D.C., Chicago and New York metro areas.

For 2007, total revenues are expected to be in the range of $352.0 to $362.0 million. EBITDA for the year is expected to be between $137.0 and $143.0 million, including $6.0 million of net costs related to the Company's expansion projects. Capital expenditures for 2007 are expected to be in a range of $230.0

to $245.0 million, comprised of approximately $30.0 million of ongoing capital expenditures and $200.0 to $215.0 million of expansion capital expenditures. This includes approximately $10.0 million of expansion capital expenditures shifted from 2006 to 2007 specifically related to the Chicago Greenfield project.

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 Internet Business Exchange(TM) (IBX(R)) centers in 11 markets in the U.S. and Asia, 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 acquiring, operating and constructing IBX centers and developing, deploying and delivering Equinix services; a failure to receive significant revenue from customers in recently-acquired data centers; failure to complete any financing arrangements contemplated from time to time; failure to receive the proceeds from our loan commitments as expected; failure to increase the debt financing on our Washington, D.C. area campus as expected; competition from existing and new competitors; the ability to generate sufficient cash flow or otherwise obtain funds to repay new or outstanding indebtedness; the loss or decline in business from our key customers; the results of any regulatory review of past stock option grants and practices or any litigation relating to such grants and practices; 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), non-GAAP net income (loss), free cash flow and adjusted 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 and restructuring charges. 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 IBX expansion projects or acquired 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 liabilities, 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. 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. Management believes such restructuring charges 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 does not provide forward-looking guidance for certain financial data, such as depreciation, amortization, accretion, net income (loss) from operations, interest income, cash generated from operating activities and cash used in investing activities, and as a result, is not able to provide a reconciliation of GAAP to non-GAAP financial measures for forward-looking data. Equinix intends to calculate the various non-GAAP financial measures in future periods consistent with how it was calculated for the three and nine months ended September 30, 2006 and 2005, presented within this press release.

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

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2006	June 30, 2006	Sept. 30, 2005	Sept. 30, 2006	Sept. 30, 2005
Recurring revenues	$ 69,918	$65,089	$ 54,291	$196,759	$149,623
Non-recurring revenues	3,808	3,459	3,805	10,384	9,636
Revenues	73,726	68,548	58,096	207,143	159,259
Cost of revenues	49,137	45,563	40,955	138,045	116,639
Gross profit	24,589	22,985	17,141	69,098	42,620
Operating expenses:					
Sales and marketing	7,502	8,480	4,829	23,180	14,793
General and administrative	18,631	17,725	12,078	53,486	33,594
Restructuring charges	1,527	-	-	1,527	-
Total operating expenses	27,660	26,205	16,907	78,193	48,387
Income (loss) from operations	(3,071)	(3,220)	234	(9,095)	(5,767)
Interest and other income (expense):					
Interest income	1,724	1,730	1,075	5,065	2,644
Interest expense					

and other	(3,551)	(3,565)	(1,928)	(10,984)	(6,332)
Total interest and other, net	(1,827)	(1,835)	(853)	(5,919)	(3,688)
Net loss before income taxes and cumulative effect of a change in accounting principle	(4,898)	(5,055)	(619)	(15,014)	(9,455)
Income taxes	(270)	(215)	(164)	(870)	(553)
Net loss before cumulative effect of a change in accounting principle	(5,168)	(5,270)	(783)	(15,884)	(10,008)
Cumulative effect of a change in accounting principle	-	-	-	376	-
Net loss	$ (5,168)	$(5,270)	$ (783)	$(15,508)	$(10,008)
Net loss per share:					
Basic and diluted net loss per share before cumulative effect of a change in accounting principle	$ (0.18)	$ (0.19)	$ (0.03)	$ (0.56)	$ (0.43)
Cumulative effect of a change in accounting principle	-	-	-	0.01	-
Basic and diluted net loss per share	$ (0.18)	$ (0.19)	$ (0.03)	$ (0.55)	$ (0.43)
Shares used in computing basic and diluted net loss per share	28,743	28,468	24,076	28,356	23,335

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Non-GAAP net income (loss) (1)	$ 3,244	$ 3,627	$ 575	$ 9,559	$ (3,717)

(1) Non-GAAP net income (loss) excludes stock-based compensation and restructuring charges as follows:

Net loss	$ (5,168)	$(5,270)	$ (783)	$(15,508)	$(10,008)
Stock-based compensation	6,885	8,897	1,358	23,540	6,291
Restructuring charges	1,527	-	-	1,527	-
Non-GAAP net income (loss)	$ 3,244	$ 3,627	$ 575	$ 9,559	$ (3,717)

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

Three Months Ended			Nine Months Ended	
Sept. 30,	June 30,	Sept. 30,	Sept. 30,	Sept. 30,

	2006	2006	2005	2006	2005
Recurring revenues	$ 69,918	$ 65,089	$ 54,291	$ 196,759	$ 149,623
Non-recurring revenues	3,808	3,459	3,805	10,384	9,636
Revenues (1)	73,726	68,548	58,096	207,143	159,259
Cash cost of revenues (2)	29,738	26,845	25,119	81,855	70,365
Cash gross profit (3)	43,988	41,703	32,977	125,288	88,894
Cash operating expenses (4):					
Cash sales and marketing expenses(5)	5,864	6,333	4,566	17,488	13,599
Cash general and administrative expenses (6)	13,197	11,332	10,492	36,000	26,984
Total cash operating expenses (7)	19,061	17,665	15,058	53,488	40,583
EBITDA (8)	$ 24,927	$ 24,038	$ 17,919	$ 71,800	$ 48,311
Cash gross margins (9)	60%	61%	57%	60%	56%
EBITDA flow-through rate (10)	17%	33%	33%	46%	57%

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

U.S. revenues	$ 63,654	$ 58,900	$ 50,527	$ 178,394	$ 137,927
Asia-Pacific revenues	10,072	9,648	7,569	28,749	21,332
Revenues	$ 73,726	$ 68,548	$ 58,096	$ 207,143	$ 159,259

Revenues on a services basis is presented below:

Colocation	$ 51,678	$ 47,988	$ 40,138	$ 145,235	$ 109,479
Interconnection	13,862	12,644	10,527	38,310	29,696
Managed infrastructure	4,066	4,046	3,626	12,045	10,448
Rental	312	411	-	1,169	-
Recurring revenues	69,918	65,089	54,291	196,759	149,623
Non-recurring revenues	3,808	3,459	3,805	10,384	9,636
Revenues	$ 73,726	$ 68,548	$ 58,096	$ 207,143	$ 159,259

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	$ 71,572	$ 68,190	$ 54,776	$ 202,292	$ 154,515
New IBX centers	2,154	358	3,320	4,851	4,744
Revenues	$ 73,726	$ 68,548	$ 58,096	$ 207,143	$ 159,259

(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	$ 49,137	$ 45,563	$ 40,955	$ 138,045	$ 116,639
Depreciation, amortization and accretion expense	(18,735)	(17,755)	(15,836)	(53,805)	(46,274)
Stock-based compensation expense	(664)	(963)	-	(2,385)	-
Cash cost of revenues	$ 29,738	$ 26,845	$ 25,119	$ 81,855	$ 70,365

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

U.S. cash cost of revenues	$ 25,154	$ 22,312	$ 20,933	$ 68,417	$ 58,333
Asia-Pacific cash cost of revenues	4,584	4,533	4,186	13,438	12,032
Cash cost of revenues	$ 29,738	$ 26,845	$ 25,119	$ 81,855	$ 70,365

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	$ 26,422	$ 24,849	$ 23,292	$ 73,747	$ 65,773
Same IBX centers-depreciation, amortization and accretion expense	16,445	16,433	14,031	48,410	42,410
Same IBX centers-stock-based compensation expense	632	963	-	2,353	-
Same IBX centers cost of revenues	43,499	42,245	37,323	124,510	108,183
New IBX centers-cash cost of revenues	3,316	1,996	1,827	8,108	4,592
New IBX centers-depreciation, amortization and accretion expense	2,290	1,322	1,805	5,395	3,864
New IBX centers-stock-based compensation expense	32	-	-	32	-
New IBX centers cost of revenues	5,638	3,318	3,632	13,535	8,456
Cost of revenues	$ 49,137	$ 45,563	$ 40,955	$ 138,045	$ 116,639

(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	$ 7,502	$ 8,480	$ 4,829	$ 23,180	$ 14,793
Depreciation and amortization expense	(15)	(15)	(15)	(45)	(45)
Stock-based compensation expense	(1,623)	(2,132)	(248)	(5,647)	(1,149)
Cash sales and marketing expenses	$ 5,864	$ 6,333	$ 4,566	$ 17,488	$ 13,599

(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	$ 18,631	$ 17,725	$ 12,078	$ 53,486	$ 33,594
Depreciation and amortization expense	(836)	(591)	(476)	(1,978)	(1,468)
Stock-based compensation expense	(4,598)	(5,802)	(1,110)	(15,508)	(5,142)
Cash general and adminis-trative expenses	$ 13,197	$ 11,332	$ 10,492	$ 36,000	$ 26,984

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

Cash sales and marketing expenses	$ 5,864	$ 6,333	$ 4,566	$ 17,488	$ 13,599
Cash general and administrative expenses	13,197	11,332	10,492	36,000	26,984
Cash SG&A	$ 19,061	$ 17,665	$ 15,058	$ 53,488	$ 40,583

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

U.S. cash SG&A	$ 16,261	$ 14,599	$ 12,338	$ 44,187	$ 32,732
Asia-Pacific cash SG&A	2,800	3,066	2,720	9,301	7,851
Cash SG&A	$ 19,061	$ 17,665	$ 15,058	$ 53,488	$ 40,583

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

Income (loss) from operations	$ (3,071)	$ (3,220)	$ 234	$ (9,095)	$ (5,767)
Depreciation, amortization and accretion expense	19,586	18,361	16,327	55,828	47,787
Stock-based compensation expense	6,885	8,897	1,358	23,540	6,291
Restructuring charges	1,527	-	-	1,527	-
EBITDA	$ 24,927	$ 24,038	$ 17,919	$ 71,800	$ 48,311

The geographic split of our EBITDA is presented below:

U.S. income (loss) from operations	$ (3,967)	$ (3,405)	$ 541	$ (9,619)	$ (3,944)
U.S. depreciation, amortization and accretion expense	18,607	17,419	15,357	52,892	44,515
U.S. stock-based compensation expense	6,072	7,975	1,358	20,990	6,291
U.S. restructuring charges	1,527	-	-	1,527	-
U.S. EBITDA	22,239	21,989	17,256	65,790	46,862
Asia-Pacific income (loss) from operations	896	185	(307)	524	(1,823)
Asia-Pacific depreciation, amortization and accretion expense	979	942	970	2,936	3,272
Asia-Pacific stock-based compensation expense	813	922	-	2,550	-
Asia-Pacific restructuring charges	-	-	-	-	-
Asia-Pacific EBITDA	2,688	2,049	663	6,010	1,449
EBITDA	$ 24,927	$ 24,038	$ 17,919	$ 71,800	$ 48,311

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-income (loss) from operations	$ 944	$ 76	$ 1,008	$ 652	$ (1,179)
Same IBX centers-depreciation, amortization and accretion expense	17,296	17,039	14,522	50,433	43,923
Same IBX centers-stock-based compensation expense	6,853	8,897	1,358	23,508	6,291
Same IBX centers-restructuring charges	1,527	-	-	1,527	-
Same IBX center EBITDA	26,620	26,012	16,888	76,120	49,035
New IBX centers-income (loss) from operations	(4,015)	(3,296)	(774)	(9,747)	(4,588)
New IBX centers-depreciation, amortization and accretion					

expense	2,290	1,322	1,805	5,395	3,864
New IBX centers-stock-based compensation expense	32	-	-	32	-
New IBX centers-restructuring charges	-	-	-	-	-
New IBX center EBITDA	(1,693)	(1,974)	1,031	(4,320)	(724)
EBITDA	$ 24,927	$ 24,038	$ 17,919	$ 71,800	$ 48,311

(9) 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	60%	62%	59%	62%	58%
Asia-Pacific cash gross margins	54%	53%	45%	53%	44%

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	63%	64%	57%	64%	57%

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

EBITDA - current period	$ 24,927	$ 24,038	$ 17,919	$ 71,800	$ 48,311
Less EBITDA - prior period	(24,038)	(22,835)	(16,055)	(55,802)	(29,957)
EBITDA growth	$ 889	$ 1,203	$ 1,864	$ 15,998	$ 18,354
Revenues - current period	$ 73,726	$ 68,548	$ 58,096	$ 207,143	$ 159,259
Less revenues - prior period	(68,548)	(64,869)	(52,479)	(172,373)	(126,851)
Revenue growth	$ 5,178	$ 3,679	$ 5,617	$ 34,770	$ 32,408
EBITDA flow-through rate	17%	33%	33%	46%	57%

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

Assets	September 30, 2006	December 31, 2005
Cash, cash equivalents and investments	$ 166,346	$ 188,855
Accounts receivable, net	24,129	17,237
Property and equipment, net	499,917	438,790
Goodwill and other intangible assets, net	23,375	21,829
Debt issuance costs, net	2,685	3,075
Prepaid expenses	7,378	5,098
Deposits	3,727	3,548
Other assets	3,063	2,565

Total assets	$ 730,620	$ 680,997
Liabilities and Stockholders' Equity		
Accounts payable and accrued expenses	$ 23,007	$ 22,557
Accrued property and equipment	18,597	15,783
Accrued restructuring charges	44,546	49,831
Borrowings under credit line	40,000	30,000
Capital lease obligations	33,925	34,530
Other financing obligations	61,150	61,675
Mortgage payable	59,165	60,000
Convertible subordinated debentures	86,250	86,250
Deferred installation revenue	9,678	7,658
Customer deposits	1,008	1,188
Deferred rent	21,118	18,792
Asset retirement obligations	4,043	3,649
Other liabilities	549	411
Total liabilities	403,036	392,324
Common stock	29	27
Additional paid-in capital	887,319	839,497
Deferred stock-based compensation	-	(4,930)
Accumulated other comprehensive income	2,791	1,126
Accumulated deficit	(562,555)	(547,047)
Total stockholders' equity	327,584	288,673
Total liabilities and stockholders' equity	$ 730,620	$ 680,997

Ending headcount by geographic region is as follows:

U.S. headcount	422	372
Asia-pacific headcount	171	165
Total headcount	593	537

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

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2006	June 30, 2006	Sept. 30, 2005	Sept. 30, 2006	Sept. 30, 2005
Cash flows from operating activities:					
Net loss	$ (5,168)	$ (5,270)	$ (783)	$ (15,508)	$(10,008)
Adjustments to reconcile net loss to net cash provided by operating activities:					
Depreciation, amortization and accretion	19,586	18,361	16,327	55,828	47,787
Stock-based compensation	6,885	8,897	1,358	23,540	6,291
Non-cash interest expense	227	208	278	643	1,451
Restructuring charges	1,527	-	-	1,527	-
Other reconciling items	437	(64)	(404)	(354)	(453)

Changes in operating assets and liabilities:					
Accounts receivable	(646)	(5,011)	(75)	(6,908)	(3,823)
Accounts payable and accrued expenses	(1,134)	2,597	650	470	3,602
Accrued restructuring charges	(3,088)	(3,168)	(480)	(9,213)	(1,448)
Other assets and liabilities	2,029	(443)	(1,377)	(472)	5,637
Net cash provided by operating activities	20,655	16,107	15,494	49,553	49,036
Cash flows from investing activities:					
Purchase of Los Angeles IBX property	-	-	(34,727)	-	(34,727)
Purchase of Chicago IBX property	-	(9,766)	-	(9,766)	-
Purchases of other property and equipment	(46,620)	(29,671)	(7,079)	(102,904)	(22,492)
Accrued property and equipment	(3,341)	3,643	(267)	2,814	2,245
Other investing activities	2	-	-	8	-
Net cash used in investing activities	(49,959)	(35,794)	(42,073)	(109,848)	(54,974)
Cash flows from financing activities:					
Proceeds from warrants, stock options and employee stock purchase plans	8,180	5,862	3,585	28,756	11,217
Proceeds from borrowings under credit line	40,000	-	-	40,000	-
Repayment of borrowings under credit line	-	-	-	(30,000)	-
Repayment of capital lease obligations	(207)	(201)	(167)	(605)	(489)
Repayment of other financing obligations	(184)	(174)	(34)	(525)	(3,724)
Repayment of mortgage payable	(319)	(311)	-	(835)	-
Other financing activities	(9)	200	(342)	561	(342)
Net cash provided by financing activities	47,461	5,376	3,042	37,352	6,662
Effect of foreign currency exchange rates on cash and cash equivalents	250	27	(202)	434	(526)

Net increase

(decrease) in cash, cash equivalents and investments	18,407	(14,284)	(23,739)	(22,509)	198
Cash, cash equivalents and investments at beginning of period	147,939	162,223	132,029	188,855	108,092
Cash, cash equivalents and investments at end of period	$166,346	$147,939	$108,290	$ 166,346	$108,290
Free cash flow (2)	$(29,304)	$(19,687)	$(26,579)	$ (60,295)	$ (5,938)
Adjusted free cash flow (3)	$(29,304)	$ (9,921)	$ 8,148	$ (50,529)	$ 28,789

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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 purchases, sales 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 purchases, sales and maturities of short-term and long-term investments) as presented below:

Net cash provided by operating activities as presented above	$ 20,655	$ 16,107	$ 15,494	$ 49,553	$ 49,036
Net cash used in investing activities as presented above	(49,959)	(35,794)	(42,073)	(109,848)	(54,974)
Free cash flow	$(29,304)	$(19,687)	$(26,579)	$ (60,295)	$ (5,938)

(3) We define adjusted free cash flow as free cash flow (as defined above) excluding any purchases or sales of real estate as presented below:

Free cash flow (as defined above)	$(29,304)	$(19,687)	$(26,579)	$ (60,295)	$ (5,938)
Less purchase of Los Angeles IBX property	-	-	34,727	-	34,727
Less purchase of Chicago IBX property	-	9,766	-	9,766	-
Adjusted free cash flow	$(29,304)	$ (9,921)	$ 8,148	$ (50,529)	$ 28,789

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Exhibit 99.2

Equinix CEO Peter Van Camp to Transition into New Role of Executive Chairman over the Course of the Next Year

FOSTER CITY, Calif.--(BUSINESS WIRE)--Oct. 25, 2006--Equinix, Inc. (Nasdaq:EQIX), the leading provider of network-neutral data centers and Internet exchange services, today announced that Peter Van Camp will transition from his role as Chairman and CEO of Equinix to Executive Chairman once a new CEO has been appointed over the course of the next year. Mr. Van Camp's decision to make this transition is based on his desire to spend more time with his wife, a three-year breast cancer survivor who is recovering from a recent bout with the disease. Equinix will initiate an external search for the CEO position, and Mr. Van Camp will remain fully engaged as CEO until the new CEO is appointed. In his future role as Executive Chairman, Mr. Van Camp will remain actively involved in developing company strategy while maintaining key relationships with investors and customers.

"I've made an important decision for Equinix and my wife and me regarding my future role with the company," said Peter Van Camp, chairman and CEO of Equinix. "The strength of the Equinix senior management team, combined with the company's market position and momentum, gives me a great deal of confidence that we will successfully and seamlessly transition the leadership of the company to a new CEO who will continue to build on Equinix's success."

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 Internet Business Exchange(TM) (IBX(R)) centers in 11 markets in the U.S. and Asia, 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 acquiring, operating and constructing IBX centers and developing, deploying and delivering Equinix services; a failure to receive significant revenue from customers in recently-acquired data centers; failure to complete any financing arrangements contemplated from time to time; failure to receive the proceeds from our loan commitments as expected; failure to increase the debt financing on our Washington, D.C. area campus as expected; competition from existing and new competitors; the ability to generate sufficient cash flow or otherwise obtain funds to repay new or outstanding indebtedness; the loss or decline in business from our key customers; the results of any regulatory review of past stock option grants and practices or any litigation relating to such grants and practices; and other risks described from time to time in Equinix's filings with the Securities and Exchange Commission. In particular, see Equinix's recent quarterly and annual reports filed with the Securities and Exchange Commission, copies of which are available upon request from Equinix. Equinix does not assume any obligation to update the forward-looking information contained in this press release.

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