Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2008

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from______ to ______

Commission File Number 000-31293

EQUINIX, INC.
(Exact name of registrant as specified in its charter)

Delaware	**77-0487526**
(State of incorporation)	**(I.R.S. Employer Identification No.)**

301 Velocity Way, Fifth Floor, Foster City, California 94404
(Address of principal executive offices, including ZIP code)

(650) 513-7000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) Yes ☒ No ☐ and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the registrant's Common Stock as of June 30, 2008 was 37,180,220.

Table of Contents

EQUINIX, INC.

INDEX

		Page No.
Part I - Financial Information		
Item 1.	Condensed Consolidated Financial Statements (unaudited):	3
	Condensed Consolidated Balance Sheets as of June 30, 2008 and December 31, 2007	3
	Condensed Consolidated Statements of Operations for the Three and Six Months Ended June 30, 2008 and 2007	4
	Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2008 and 2007	5
	Notes to Condensed Consolidated Financial Statements	6
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	26
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	40
Item 4.	Controls and Procedures	41
Part II - Other Information		
Item 1.	Legal Proceedings	42
Item 1A.	Risk Factors	43
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	57
Item 3.	Defaults Upon Senior Securities	57
Item 4.	Submission of Matters to a Vote of Security Holders	58
Item 5.	Other Information	58
Item 6.	Exhibits	59
Signatures		64
Index to Exhibits		65

Table of Contents

PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

EQUINIX, INC.
Condensed Consolidated Balance Sheets
(in thousands)

	June 30, 2008	December 31, 2007
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 151,127	$ 290,633
Short-term investments	64,980	63,301
Accounts receivable, net	63,105	60,089
Prepaids and other current assets	14,514	12,738
Total current assets	293,726	426,761
Long-term investments	108,642	29,966
Property and equipment, net	1,331,017	1,162,720
Goodwill	458,849	442,926
Intangible assets, net	71,532	67,207
Debt issuance costs, net	19,571	21,333
Other assets	47,645	30,955
Total assets	$ 2,330,982	$ 2,181,868
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 74,722	$ 65,096
Accrued property and equipment	53,029	76,504
Current portion of capital lease and other financing obligations	4,038	3,808
Current portion of mortgage and loans payable	37,089	16,581
Current portion of convertible debt	32,250	—
Other current liabilities	34,445	29,473
Total current liabilities	235,573	191,462
Capital lease and other financing obligations, less current portion	97,361	93,604
Mortgage and loans payable, less current portion	375,308	313,915
Convertible debt, less current portion	645,986	678,236
Deferred tax liabilities	24,115	25,955
Deferred rent and other liabilities	73,966	64,264
Total liabilities	1,452,309	1,367,436
Stockholders' equity:		
Common stock	37	37
Additional paid-in capital	1,425,778	1,376,915
Accumulated other comprehensive loss	3,840	(3,888)
Accumulated deficit	(550,982)	(558,632)
Total stockholders' equity	878,673	814,432
Total liabilities and stockholders' equity	$ 2,330,982	$ 2,181,868

See accompanying notes to condensed consolidated financial statements

Table of Contents

EQUINIX, INC.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
	(unaudited)			
Revenues	$ 172,044	$ 91,837	$ 330,262	$ 176,946
Costs and operating expenses:				
Cost of revenues	102,008	55,609	196,494	108,374
Sales and marketing	15,290	8,896	30,641	17,972
General and administrative	41,445	24,478	75,821	46,940
Restructuring charges	—	407	—	407
Total costs and operating expenses	158,743	89,390	302,956	173,693
Income from operations	13,301	2,447	27,306	3,253
Interest income	2,411	5,082	5,852	7,031
Interest expense	(12,823)	(5,986)	(26,417)	(9,578)
Other income (expense)	(918)	(129)	1,122	1
Loss on conversion of debt	—	—	—	(3,395)
Income (loss) before income taxes	1,971	1,414	7,863	(2,688)
Income taxes	258	(197)	(213)	(551)
Net income (loss)	$ 2,229	$ 1,217	$ 7,650	$ (3,239)
Basic net income (loss) per share:				
Net income (loss) per share	$ 0.06	$ 0.04	$ 0.21	$ (0.11)
Weighted-average shares	36,572	31,126	36,424	30,424
Diluted net income (loss) per share:				
Net income (loss) per share	$ 0.06	$ 0.04	$ 0.20	$ (0.11)
Weighted-average shares	37,844	32,641	37,570	30,424

See accompanying notes to condensed consolidated financial statements

Table of Contents

EQUINIX, INC.
Condensed Consolidated Statements of Cash Flows
(in thousands)

	Six months ended June 30,	
	2008	2007
	(unaudited)	
Cash flows from operating activities:		
Net income (loss)	$ 7,650	$ (3,239)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	70,207	41,597
Stock-based compensation	29,389	20,543
Amortization of intangible assets	3,546	266
Amortization of debt issuance costs	2,581	1,173
Accretion of asset retirement obligation and accrued restructuring charges	825	1,623
Other items	(740)	30
Changes in operating assets and liabilities:		
Accounts receivable	(1,531)	(1,410)
Prepaids and other assets	719	(2,784)
Accounts payable and accrued expenses	5,537	5,293
Accrued restructuring charges	(1,440)	(6,897)
Other liabilities	11,199	1,517
Net cash provided by operating activities	127,942	57,712
Cash flows from investing activities:		
Purchases of investments	(167,175)	(58,151)
Sales of investments	13,676	—
Maturities of investments	74,568	43,221
Purchase of San Jose IBX property	—	(6,500)
Purchase of Los Angeles IBX property	—	(49,040)
Purchase of Virtu, net of cash acquired	(23,241)	—
Purchases of other property and equipment	(210,101)	(206,888)
Change in accrued property and equipment	(26,241)	47,879
Purchase of restricted cash	(14,234)	(470)
Release of restricted cash	333	—
Net cash used in investing activities	(352,415)	(229,949)
Cash flows from financing activities:		
Proceeds from employee equity awards	19,238	17,162
Proceeds from convertible debt	—	250,000
Proceeds from loans payable	77,525	69,263
Repayment of capital lease and other financing obligations	(1,918)	(945)
Repayment of mortgage and loans payable	(7,422)	(1,030)
Debt issuance costs	(901)	(10,678)
Net cash provided by financing activities	86,522	323,772
Effect of foreign currency exchange rates on cash and cash equivalents	(1,555)	500
Net increase (decrease) in cash and cash equivalents	(139,506)	152,035
Cash and cash equivalents at beginning of period	290,633	82,563
Cash and cash equivalents at end of period	$ 151,127	$ 234,598
Supplemental cash flow information:		
Cash paid for taxes	$ 336	$ 173
Cash paid for interest	$ 26,495	$ 9,859

See accompanying notes to condensed consolidated financial statements

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation and Significant Accounting Policies

The accompanying unaudited condensed consolidated financial statements have been prepared by Equinix, Inc. ("Equinix" or the "Company") and reflect all adjustments, consisting only of normal recurring adjustments, which in the opinion of management are necessary to fairly state the financial position and the results of operations for the interim periods presented. The balance sheet at December 31, 2007 has been derived from audited financial statements at that date. The financial statements have been prepared in accordance with the regulations of the Securities and Exchange Commission ("SEC"), but omit certain information and footnote disclosure necessary to present the statements in accordance with generally accepted accounting principles. For further information, refer to the Consolidated Financial Statements and Notes thereto included in Equinix's Form 10-K as filed with the SEC on February 27, 2008. Results for the interim periods are not necessarily indicative of results for the entire fiscal year.

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Certain amounts in the accompanying condensed consolidated financial statements have been reclassified to conform to the condensed consolidated financial statement presentation as of and for the three and six months ended June 30, 2008.

During the three months ended June 30, 2008, the Company recorded certain out-of-period adjustments. The Company concluded that the adjustments were not material to any previously-reported historical period and expected results of operations for the current fiscal year. As such, these adjustments were recorded as of and for the three months ended June 30, 2008 and are included in the condensed consolidated financial statements herein.

Consolidation and Foreign Currency Transactions

The accompanying unaudited condensed consolidated financial statements include the accounts of Equinix and its subsidiaries, including the operations of IXEurope from September 14, 2007 and Virtu from February 5, 2008 (see Note 2). All significant intercompany accounts and transactions have been eliminated in consolidation. Foreign exchange gains or losses resulting from foreign currency transactions, including intercompany foreign currency transactions that are anticipated to be repaid within the foreseeable future, are reported within other income (expense) on the Company's accompanying statements of operations.

Revenue Recognition and Allowance for Doubtful Accounts

Equinix derives more than 90% of its revenues from recurring revenue streams, consisting primarily of (1) colocation services, such as from the licensing of cabinet space and power; (2) interconnection services, such as cross connects and Equinix Exchange ports; (3) managed infrastructure services, such as Equinix Direct and bandwidth and (4) other services consisting of rent. The remainder of the Company's revenues are from non-recurring revenue streams, such as from the recognized portion of deferred installation revenues, professional services, contract settlements and equipment sales. Revenues from recurring revenue streams are billed monthly and recognized ratably over the term of the contract, generally one to three years for IBX space customers. Non-recurring installation fees, although generally paid in a lump sum upon installation, are deferred and recognized ratably over the longer of the term of the related contract or expected life of the installation. Professional service fees are recognized in the period in which the services were provided and represent the culmination of a separate earnings process as long as they meet the criteria for separate recognition under EITF No. 00-21, "Revenue Arrangements with Multiple Deliverables." Revenue from bandwidth and equipment sales is recognized on a gross basis in accordance with EITF No. 99-19, "Recording Revenue as a Principal versus Net as an Agent", primarily because the Company acts as the principal in the transaction, takes title to products and services and bears inventory and credit risk. To

the extent the Company does not meet the criteria for gross basis accounting for bandwidth and equipment revenue, the Company records the revenue on a net basis. Revenue from contract settlements, when a customer wishes to terminate their contract early, is generally recognized on a cash basis, when no remaining performance obligations exist, to the extent that the revenue has not previously been recognized.

The Company occasionally guarantees certain service levels, such as uptime, as outlined in individual customer contracts. To the extent that these service levels are not achieved, the Company reduces revenue for any credits given to the customer as a result. The Company generally has the ability to determine such service level credits prior to the associated revenue being recognized, and historically, these credits have generally not been significant. There were no significant service level credits issued during the three and six months ended June 30, 2008 and 2007.

Revenue is recognized only when the service has been provided and when there is persuasive evidence of an arrangement, the fee is fixed or determinable and collection of the receivable is reasonably assured. It is customary business practice to obtain a signed master sales agreement and sales order prior to recognizing revenue in an arrangement. Taxes collected from customers and remitted to governmental authorities are reported on a net basis and are excluded from revenue.

The Company assesses collection based on a number of factors, including past transaction history with the customer and the credit-worthiness of the customer. The Company generally does not request collateral from its customers although in certain cases the Company obtains a security interest in a customer’s equipment placed in its IBX centers or obtains a deposit. If the Company determines that collection of a fee is not reasonably assured, the fee is deferred and revenue is recognized at the time collection becomes reasonably assured, which is generally upon receipt of cash. In addition, the Company also maintains an allowance for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments for which the Company had expected to collect the revenues. If the financial condition of the Company’s customers were to deteriorate or if they became insolvent, resulting in an impairment of their ability to make payments, greater allowances for doubtful accounts may be required. Management specifically analyzes accounts receivable and current economic news and trends, historical bad debts, customer concentrations, customer credit-worthiness and changes in customer payment terms when evaluating revenue recognition and the adequacy of the Company’s reserves. A specific bad debt reserve of up to the full amount of a particular invoice value is provided for certain problematic customer balances. An additional reserve is established for all other accounts based on the age of the invoices and an analysis of historical credits issued. Delinquent account balances are written-off after management has determined that the likelihood of collection is not probable.

Net Income (Loss) per Share

The Company computes net income (loss) per share in accordance with SFAS No. 128, “Earnings per Share;” SEC Staff Accounting Bulletin (“SAB”) No. 98; EITF Issue 03-6, “Participating Securities and the Two-Class Method Under FASB 128;” EITF Issue 04-8 “The Effect of Contingently Convertible Instruments on Diluted Earnings per Share” and SFAS No. 123(R), “Share-Based Payment.” Basic net income (loss) per share is computed using net income (loss) and the weighted-average number of common shares outstanding. Diluted net income (loss) per share is computed using net income (loss), adjusted for interest expense as a result of the assumed conversion of the Company’s Convertible Subordinated Debentures, 2.50% Convertible Subordinated Notes and 3.00% Convertible Subordinated Notes, if dilutive, and the weighted-average number of common shares outstanding plus any dilutive potential common shares outstanding. Dilutive potential common shares include the assumed exercise, vesting and issuance activity of employee equity awards using the treasury stock method, as well as warrants and shares issuable upon the conversion of the Convertible Subordinated Debentures, 2.50% Convertible Subordinated Notes and 3.00% Convertible Subordinated Notes.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following table sets forth the computation of basic and diluted net income (loss) per share for the periods presented (in thousands, except per share amounts):

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Numerator:				
Numerator for basic net income (loss) per share	$ 2,229	$ 1,217	$ 7,650	$ (3,239)
Effect of assumed conversion of convertible subordinated debentures and notes:				
Interest expense, net of tax	—	—	—	—
Numerator for diluted net income (loss) per share	$ 2,229	$ 1,217	$ 7,650	$ (3,239)
Denominator:				
Weighted-average shares	36,964	31,629	36,827	30,884
Weighted-average unvested restricted shares issued subject to forfeiture	(392)	(503)	(403)	(460)
Denominator for basic net income (loss) per share	36,572	31,126	36,424	30,424
Effect of dilutive securities:				
Convertible subordinated debentures	—	—	—	—
2.50% convertible subordinated notes	—	—	—	—
3.00% convertible subordinated notes	—	—	—	—
Employee equity awards	1,272	1,515	1,146	—
Warrants	—	—	—	—
Total dilutive potential shares	1,272	1,515	1,146	—
Denominator for diluted net income (loss) per share	37,844	32,641	37,570	30,424
Net income (loss) per share:				
Basic	$ 0.06	$ 0.04	$ 0.21	$ (0.11)
Diluted	$ 0.06	$ 0.04	$ 0.20	$ (0.11)

The following table sets forth potential shares of common stock that are not included in the diluted net income (loss) per share calculation above because to do so would be anti-dilutive for the periods indicated (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Shares reserved for conversion of convertible subordinated debentures	816	816	816	816
Shares reserved for conversion of 2.50% convertible subordinated notes	2,232	2,232	2,232	2,232
Shares reserved for conversion of 3.00% convertible subordinated notes	2,945	—	2,945	—
Unvested restricted shares issued subject to forfeiture	—	—	—	505
Common stock warrants	1	1	1	1
Common stock related to employee equity awards	1,179	1,067	1,374	3,888
	7,173	4,116	7,368	7,442

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Income Taxes

Income taxes are accounted for under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts that are expected more likely than not to be realized in the future.

The Company recorded an additional deferred tax liability with an increase to goodwill as a result of the Virtu Acquisition. The deferred tax liability recognized is primarily attributable to the identifiable intangible assets that were recorded for the purchase.

The Company will continue to provide a valuation allowance for the net deferred tax assets, other than the deferred tax assets associated with its Singapore and Swiss subsidiaries, until it becomes more likely than not that the net deferred tax assets will be realizable. For the three and six months ended June 30, 2008, the Company recorded $258,000 of tax benefit and $213,000 of tax expense, respectively. The tax benefit and expense recorded during the periods ended June 30, 2008 were primarily attributable to the Company's foreign operations. For the three and six months ended June 30, 2007, the Company recorded a tax provision of $197,000 and $551,000, respectively. The tax provision recorded in the periods ended June 30, 2007 was primarily attributable to the Company's foreign operations. The tax provision for the six months ended June 30, 2008 includes a tax benefit of $185,000 the Company recorded due to a tax settlement with a state in which it operated. The Company did not record any excess tax benefit associated with the stock options exercised by employees during the three and six months ended June 30, 2008 and 2007.

In January 2007, the Company adopted the provisions of FIN 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"), which clarifies the accounting for uncertainty in income taxes recognized in the condensed consolidated financial statements in accordance with FASB Statement No. 109, "Accounting for Income Taxes." FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The adoption of FIN 48 resulted in no cumulative effect of a change in accounting principle being recorded on the Company's condensed consolidated financial statements during the three months ended March 31, 2007. Prior to the adoption of FIN 48, the Company recorded liabilities related to uncertain income tax position based upon SFAS No. 5, "Accounting for Contingencies."

During the three months ended March 31, 2008, the Company reached a final agreement with a state in which it operated to close an appeal filed by the Company in that state's tax court. The Company filed the appeal in 2006 to contest the decision made by the state auditor disallowing the refundable research and capital goods credits. The executed closing settlement specified that the state would credit the Company $357,000 plus interest, which was received. As a result of the settlement, the total unrecognized tax benefits decreased by $1,373,000 in the six months ended June 30, 2008. A majority of the unrecognized tax benefits, if subsequently recognized, will affect the Company's effective tax rate at the time of recognition. The Company will continue to classify the interest and penalties recognized in accordance with paragraphs 15 and 16, respectively, of FIN 48 in the financial statements as income tax. The Company's income tax returns for all tax years remain open to examination by federal and various state taxing authorities due to the Company's Net Operating Loss ("NOL") carry-forward. In addition, the Company's tax years of 2001 through 2007 also remain open and subject to examination by local tax authorities in the foreign jurisdictions in which the Company has major operations.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Construction in Progress

Construction in progress includes direct and indirect expenditures for the construction and expansion of IBX centers and is stated at original cost. The Company has contracted out substantially all of the construction and expansion efforts of its IBX centers to independent contractors under construction contracts. Construction in progress includes certain costs incurred under a construction contract including project management services, engineering and schematic design services, design development, construction services and other construction-related fees and services. In addition, the Company has capitalized certain interest costs during the construction phase. Once an IBX center or expansion project becomes operational, these capitalized costs are allocated to certain property and equipment categories and are depreciated at the appropriate rates consistent with the estimated useful life of the underlying assets.

Interest incurred is capitalized in accordance with SFAS No. 34, "Capitalization of Interest Costs." The following table sets forth total interest cost incurred and total interest cost capitalized (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Interest expense	$ 12,823	$ 5,986	$ 26,417	$ 9,578
Interest capitalized	1,852	1,634	3,194	3,146
Interest charges incurred	$ 14,675	$ 7,620	$ 29,611	$ 12,724

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with SFAS No. 123(R), "Share-Based Payment," and related pronouncements ("SFAS 123(R)"). Under the fair value recognition provisions of this statement, stock-based compensation cost is measured at the grant date for all stock-based awards made to employees and directors based on the fair value of the award and is recognized as expense over the requisite service period, which is generally the vesting period. SFAS 123(R) supersedes the Company's previous accounting under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," ("APB 25") for periods beginning in fiscal year 2006. Commencing in March 2008, the Company began granting restricted stock units to its employees in lieu of stock options.

In January 2008, the Compensation Committee of the Board of Directors approved the issuance of an aggregate of 123,000 shares of restricted stock units to executive officers pursuant to the 2000 Equity Incentive Plan. In addition, in February 2008, the Stock Award Committee of the Board of Directors approved the issuance of 308,267 restricted stock units to certain employees, excluding executive officers, as part of the Company's annual refresh program. All awards are subject to vesting provisions. All such equity awards described in this paragraph had a total fair value as of the date of grants, net of estimated forfeitures, of $28,565,000, which is expected to be amortized over a weighted-average period of 3.23 years.

During the three months ended June 30, 2008, the Company entered into compromise agreements with its two senior officers in Europe in connection with their resignations and modified their outstanding stock awards. As a result, the Company recorded an incremental stock-based compensation charge of $3,098,000 during the three and six months ended June 30, 2008.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following table presents, by operating expense, the Company's stock-based compensation expense recognized in the Company's condensed consolidated statement of operations (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Cost of revenues	$ 1,208	$ 1,004	$ 2,178	$ 2,141
Sales and marketing	2,753	1,765	5,054	4,391
General and administrative	13,087	7,276	22,157	14,011
	$ 17,048	$ 10,045	$ 29,389	$ 20,543

Goodwill and Other Intangible Assets

Goodwill and other intangible assets, net, consisted of the following (in thousands):

	June 30, 2008	December 31, 2007
Goodwill:		
Asia-Pacific	$ 19,092	$ 18,010
Europe	439,757	424,916
	458,849	442,926
Other intangibles:		
Intangible asset – customer contracts	76,984	69,209
Intangible asset – leases	5,514	5,254
Intangible asset – tradename	446	361
Intangible asset – workforce	160	160
Intangible asset – lease expenses	111	111
Intangible asset – non-compete	72	—
	83,287	75,095
Accumulated amortization	(11,755)	(7,888)
	71,532	67,207
	$530,381	$ 510,133

As a result of the Virtu Acquisition, the Company recorded goodwill of $16,973,000 and intangible assets, comprised primarily of customer contracts, of $7,195,000. The customer contracts intangible asset is being amortized over an estimated useful life of 12 years. The Company's goodwill and intangible assets in Europe are assets denominated in British pounds and Euros and goodwill in Asia-Pacific is denominated in Singapore dollars and are subject to foreign currency fluctuations. The Company's foreign currency translation gains and losses, including goodwill and other intangibles, are a component of other comprehensive income and loss.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

For the three and six months ended June 30, 2008, the Company recorded amortization expense of $1,771,000 and $3,546,000, respectively. For the three and six months ended June 30, 2007, the Company recorded amortization expense of $57,000 and $136,000, respectively. The Company expects to record the following amortization expense during the remainder of 2008 and beyond (in thousands):

Year ending:	
2008 (six months remaining)	$ 5,088
2009	6,953
2010	6,914
2011	6,804
2012	6,784
2013 and thereafter	38,989
Total	$71,532

Derivatives and Hedging Activities

The Company follows SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended ("SFAS 133"), which requires the Company to recognize all derivatives on the consolidated balance sheet at fair value. The accounting for changes in the value of a derivative depends on whether the contract is for trading purposes or has been designated and qualifies for hedge accounting. In order to qualify for hedge accounting, a derivative must be considered highly effective at reducing the risk associated with the exposure being hedged. In order for a derivative to be designated as a hedge, there must be documentation of the risk management objective and strategy, including identification of the hedging instrument, the hedged item and the risk exposure, and how effectiveness is to be assessed prospectively and retrospectively.

To assess effectiveness, the Company uses a regression analysis. The extent to which a hedging instrument has been and is expected to continue to be effective at achieving offsetting changes in cash flows is assessed and documented at least quarterly. Any ineffectiveness is reported in current-period earnings. If it is determined that a derivative is not highly effective at hedging the designated exposure, hedge accounting is discontinued. For qualifying cash flow hedges, the effective portion of the change in the fair value of the derivative is recorded in other comprehensive income (loss) and recognized in the condensed consolidated statements of operations when the hedged cash flows affect earnings. The ineffective portions of cash flow hedges are immediately recognized in earnings. If the hedge relationship is terminated, then the change in fair value of the derivative recorded in other comprehensive income (loss) is recognized when the cash flows that were hedged occur, consistent with the original hedge strategy. For hedge relationships discontinued because the forecasted transaction is not expected to occur according to the original strategy, any related derivative amounts recorded in other comprehensive income (loss) are immediately recognized in earnings.

Cash Flow Hedges – Interest Rate Swaps

The Company has variable-rate debt financing. These obligations expose the Company to variability in interest payments and therefore fluctuations in interest expense due to changes in interest rates. Interest rate swap contracts are used in the Company's risk management activities in order to minimize significant fluctuations in earnings that are caused by interest rate volatility. Interest rate swaps involve the exchange of variable-rate interest payments for fixed-rate interest payments based on the contractual underlying notional amount. Gains and losses on the interest rate swaps that are linked to the debt being hedged are expected to substantially offset this variability in earnings.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

In May 2008, the Company entered into several interest rate swaps in order to minimize variability related to its variable-rate Chicago IBX Financing and European Financing (see Note 10 – Debt Facilities and Other Financing Obligations). The Company also designated two existing interest rate swaps acquired in the IXEurope Acquisition as effective cash flow hedge relationships with the European Financing. Each of these hedge relationships were highly effective at achieving offsetting changes in cash flows as of June 30, 2008 with a small amount of ineffectiveness recorded in interest expense on the accompanying condensed consolidated statements of operations. As of June 30, 2008, the Company had the following interest rate swaps in place (in thousands):

	As of June 30, 2008		
	Notional Amount	Fair Value (1)	Gain (Loss) (2)
Assets:			
European Financing interest rate swaps	$127,192	$ 1,574	$ 1,316
Liabilities:			
Chicago IBX Financing interest rate swap	105,000	(77)	(77)
	$232,192	$ 1,497	$ 1,239

(1) Included in the condensed consolidated balance sheets within other assets or deferred rent and other liabilities.

(2) Included in the condensed consolidated balance sheets within other comprehensive income (loss).

Other Derivatives – Foreign Currency Forward Contracts

The Company uses foreign currency forward contracts to manage the foreign exchange risk associated with certain foreign currency-denominated assets and liabilities. As a result of foreign currency fluctuations, the U.S. dollar equivalent values of the foreign currency-denominated assets and liabilities change. Foreign currency forward contracts represent agreements to exchange the currency of one country for the currency of another country at an agreed-upon price on an agreed-upon settlement date.

The Company has not designated the foreign currency forward contracts as hedging instruments under SFAS 133. Gains and losses on these contracts are included in other income (expense), net, along with those gains and losses of the related hedged items. The Company entered into various foreign currency forward contracts during the three months ended June 30, 2008. As of June 30, 2008, the Company recorded a net liability of $237,000 representing the fair values of these foreign currency forward contracts.

Fair Value Measurements

Effective January 1, 2008, the Company adopted SFAS No. 157, “Fair Value Measurements” (“SFAS 157”). This standard establishes a framework for measuring fair value and expands disclosure about fair value measurements. The Company did not elect to adopt fair value accounting for any assets or liabilities allowed by SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities” (“SFAS 159”). The adoption of SFAS 157 did not have a material impact on the Company’s financial position, results of operations or operating cash flow.

To increase consistency and comparability in fair value measurements, SFAS 157 establishes a fair value hierarchy to prioritize the inputs used in valuation techniques. There are three broad levels to the fair value hierarchy of inputs to fair value (Level 1 being the highest priority and Level 3 being the lowest priority) as follows:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs reflect quoted prices for identical assets or liabilities in markets that are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the asset or the liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

- Level 3: Unobservable inputs reflecting the Company's own assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

The Company measures and reports certain financial assets and liabilities at fair value on a recurring basis, including its investments in money market funds and available-for-sale debt investments in other public companies, governmental units and other agencies and derivatives.

The Company's assets and liabilities measured at fair value at June 30, 2008 were as follows (in thousands):

	Fair value at June 30, 2008	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Money market funds	$ 122,151	$ 122,151	$ —	$ —
Other cash equivalent securities	28,976	—	28,976	—
Short-term investments	64,980	—	64,980	—
Long-term investments	108,642	—	108,642	—
Derivative assets (1)	1,729	—	1,729	—
	$ 326,478	$ 122,151	$ 204,327	$ —
Liabilities:				
Derivative liabilities (2)	(469)	—	(469)	—
	$ (469)	$	$ (469)	$ —

(1) Included in the condensed consolidated balance sheets within prepaids and other current assets and other assets.

(2) Included in the condensed consolidated balance sheets within other current liabilities and deferred rent and other liabilities.

The fair value of the Company's investment in available-for-sale money market funds approximates their face value. Such instruments are included in cash and cash equivalents. Cash equivalent securities include available-for-sale debt investments related to the Company's investments in the securities of other public companies, governmental units and other agencies. The fair value of these investments is based on the quoted market price of the underlying shares. Such investments are included in short-term investments and in long-term investments.

The Company does not have any fair value measurements using Level 3 inputs.

Valuation Methods

Fair value estimates are made as of a specific point in time based on estimates using present value or other valuation techniques. These techniques involve uncertainties and are affected by the assumptions used and the judgments made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss experience and other factors.

The Company's money market fund instruments are classified within Level 1 of the fair value hierarchy because they are valued using quoted prices for identical instruments in active markets.

The types of instruments valued based on other observable inputs include available-for-sale debt investments in other public companies, governmental units and other agencies. Such instruments are generally classified within Level 2 of the fair value hierarchy.

Short-Term and Long-Term Investments. The Company uses the specific identification method in computing realized gains or losses. Short-term and long-term investments are classified as "available-for-sale" and are carried at fair value based on quoted market prices with unrealized gains and losses reported

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

in stockholders' equity as a component of other comprehensive income or loss. The Company reviews its investment portfolio quarterly to determine if any securities may be other-than-temporarily impaired due to increased credit risk, changes in industry or sector of a certain instrument or ratings downgrades over an extended period of time. The Company determined that these quoted market prices qualify as Level 1 and Level 2.

Derivative Assets and Liabilities. In determining the fair value of the Company's interest rate swap derivatives, the Company uses the present value of expected cash flows based on observable market interest rate curves and volatilities commensurate with the term of each instrument and the credit valuation adjustments to appropriately reflect both the Company's own nonperformance risk and the counterparty's nonperformance risk. For foreign currency derivatives, the Company's approach is to use forward contract and option valuation models employing market observable inputs, such as spot currency rates, time value and option volatilities and adjust for the credit default swap market. Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit risk valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of June 30, 2008, the Company had assessed the significance of the impact of the credit risk valuation adjustments on the overall valuation of its derivative positions and had determined that the credit risk valuation adjustments were not significant to the overall valuation of its derivatives.

2. Virtu Acquisition

On February 5, 2008, a wholly-owned subsidiary of the Company acquired all of the issued and outstanding share capital of Virtu Secure Webservices B.V. ("Virtu"), a provider of network-neutral data center services in the Netherlands, for a cash payment of $23,345,000, including closing costs (the "Virtu Acquisition"). Under the terms of the Virtu Acquisition, the Company may also pay additional future contingent consideration, which will be payable in the form of up to 20,000 shares of the Company's common stock and cash of up to 1,500,000 Euros, contingent upon meeting certain pre-determined future annual operating targets from 2008 to 2011. Such contingent consideration, if paid, will be recorded as additional goodwill. Virtu, a similar business to that of the Company, operates data centers in the Netherlands, supplementing the Company's existing European operations. The combined company predominantly operates under the Equinix name and the majority of the current Virtu management team joined the Company's existing European management team in running the Company's operations in the Netherlands. The results of operations for Virtu are insignificant; therefore, the Company does not present pro forma combined results of operations.

3. IBX Acquisitions and Expansions

Sydney IBX Expansion Project

In January 2008, the Company entered into a long-term lease for a new building located adjacent to its existing Sydney IBX center and at the same time terminated the existing lease for the Company's original Sydney IBX center by incorporating it into the new lease. The Company extended the original lease term for an additional seven years in a single, revised lease agreement for both buildings (collectively, the "Building"). Minimum payments under this lease total 18,260,000 Australian dollars, or approximately $16,000,000, in cumulative lease payments with monthly payments that commenced in January 2008, of which 12,202,000 Australian dollars, or approximately $10,700,000, is incremental to the previous lease. As a result of the Company significantly altering the Building's footprint in order to meet the Company's IBX center needs, the Company followed the accounting provisions of EITF 97-10, "The Effect of Lessee Involvement in Asset Construction" ("EITF 97-10"). Pursuant to EITF 97-10, the Building is considered a financed asset (the "Sydney IBX Building Financing") and subject to a ground lease for the underlying land, which is considered an operating lease. Pursuant to the Sydney IBX Building Financing, the Company recorded the Building asset and a corresponding financing obligation liability totaling 5,805,000 Australian dollars (or approximately $5,300,000) in January 2008. Monthly payments under the Sydney IBX Building Financing, which commenced in January 2008, are payable through December 2022, at an effective interest rate of approximately 7.90% per annum.

Table of Contents

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

IBX Expansion Project Summary

The following table sets forth approximate balances of total cumulative capital expenditures incurred on the Company's significant expansion projects currently underway as of the following dates (in thousands):

	June 30, 2008	December 31, 2007
U.S. Expansion Projects:		
Washington, D.C. Metro Area Fifth IBX Center Expansion Project (DC5)	$ 77,637	$ 20,000
Silicon Valley Metro Area IBX Expansion Project (SV2 Phase II)	38,831	25,283
Los Angeles Metro Area IBX Expansion Project (LA4)	10,208	4,321
	126,676	49,604
Asia-Pacific Expansion Projects:		
Tokyo IBX Expansion Project (TY2)	26,894	16,600
Singapore IBX Expansion Project (SG1 Expansion Phase II and III)	26,675	15,500
Sydney IBX Expansion Project (SY2)	6,956	—
Hong Kong IBX Expansion Project (HK1 Phase II)	11,868	—
	72,393	32,100
Europe Expansion Projects:		
Paris IBX Expansion Project (PA2 Phase II and III)	25,457	8,513
Frankfurt IBX Expansion Project (FR2 Phase II(a) and II(b))	27,844	4,177
London IBX Expansion Project (LD4 Phase II)	28,024	5,529
Amsterdam IBX Expansion Project (AM1)	7,282	—
	88,607	18,219
	$287,676	$ 99,923

The Company's planned capital expenditures during the remainder of 2008 in connection with the expansion efforts described above are substantial. For further information, refer to "Other Purchase Commitments" in Note 11.

4. Related Party Transactions

The Company has several significant stockholders, and other related parties, that are also customers and/or vendors. For the three and six months ended June 30, 2008, revenues recognized with these related parties were $5,505,000 and $7,604,000, respectively. For the three and six months ended June 30, 2007, revenues recognized with these related parties were $2,107,000 and $3,977,000, respectively. As of June 30, 2008 and 2007, accounts receivable with these related parties were $4,653,000 and $1,421,000, respectively. For the three and six months ended June 30, 2008, costs and services procured with these related parties were $760,000 and $1,515,000, respectively. For the three and six months ended June 30, 2007, costs and services procured with these related parties were $322,000 and $637,000, respectively. As of June 30, 2008 and 2007, accounts payable with these related parties were $115,000 and $112,000, respectively.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

5. Accounts Receivable

Accounts receivables, net, consisted of the following (in thousands):

	June 30, 2008	December 31, 2007
Accounts receivable	$108,638	$ 98,141
Unearned revenue	(44,740)	(37,606)
Allowance for doubtful accounts	(793)	(446)
	$ 63,105	$ 60,089

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. Unearned revenue consists of pre-billing for services that have not yet been provided, but which have been billed to customers ahead of time in accordance with the terms of their contract. Accordingly, the Company invoices its customers at the end of a calendar month for services to be provided the following month.

6. Property and Equipment

Property and equipment consisted of the following (in thousands):

	June 30, 2008	December 31, 2007
IBX plant and machinery	$ 637,112	$ 503,755
Leasehold improvements	511,836	481,409
Buildings	158,469	153,692
Site improvements	148,794	96,041
IBX equipment	135,889	128,423
Computer equipment and software	67,748	60,881
Land	51,240	50,979
Furniture and fixtures	7,850	5,698
Construction in progress	138,263	133,501
	1,857,201	1,614,379
Less accumulated depreciation	(526,183)	(451,659)
	$1,331,017	$1,162,720

Leasehold improvements, IBX plant and machinery, computer equipment and software and buildings recorded under capital leases aggregated $40,807,000 and $40,486,000 at June 30, 2008 and December 31, 2007, respectively. Amortization on the assets recorded under capital leases is included in depreciation expense and accumulated depreciation on such assets totaled $9,814,000 and $5,899,000 as of June 30, 2008 and 2007, respectively.

As of June 30, 2008 and December 31, 2007, the Company had accrued property and equipment expenditures of $53,029,000 and $76,504,000, respectively. The Company's planned capital expenditures during the remainder of 2008 in connection with recently acquired IBX properties and expansion efforts are substantial. For further information, refer to "Other Purchase Commitments" in Note 11.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

7. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following (in thousands):

	June 30, 2008	December 31, 2007
Accounts payable	$17,840	$ 14,816
Accrued compensation and benefits	21,600	18,875
Accrued utility and security	10,131	8,709
Accrued taxes	9,331	6,925
Accrued interest	5,733	6,461
Accrued professional fees	3,022	2,094
Accrued other	7,065	7,216
	$74,722	$ 65,096

8. Other Current Liabilities

Other current liabilities consisted of the following (in thousands):

	June 30, 2008	December 31, 2007
Deferred installation revenue	$19,443	$ 16,295
Customer deposits	5,579	4,643
Deferred recurring revenue	4,777	3,811
Accrued restructuring charges	3,415	3,973
Deferred rent	405	400
Other current liabilities	826	351
	$34,445	$ 29,473

9. Deferred Rent and Other Liabilities

Deferred rent and other liabilities consisted of the following (in thousands):

	June 30, 2008	December 31, 2007
Deferred rent, non-current	$30,152	$ 26,512
Deferred installation revenue, non-current	13,700	10,241
Asset retirement obligations	10,690	8,759
Accrued restructuring charges, non-current	7,644	8,167
Deferred recurring revenue, non-current	5,651	5,745
Other liabilities	6,129	4,840
	$73,966	$ 64,264

The Company currently leases the majority of its IBX centers and certain equipment under non-cancelable operating lease agreements expiring through 2027. The centers' lease agreements typically provide for base rental rates that increase at defined intervals during the term of the lease. In addition, the Company has negotiated rent expense abatement periods for certain properties to better match the phased build-out of its centers. The Company accounts for such abatements and increasing base rentals using the straight-line method over the life of the lease. The difference between the straight-line expense and the cash payment is recorded as deferred rent.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

10. Debt Facilities and Other Financing Obligations

Chicago IBX Financing

During the six months ended June 30, 2008, the Company received additional advances under the Chicago IBX Financing totaling $4,379,000, bringing the cumulative and final loan payable to $109,991,000. The loan payable under the Chicago IBX Financing bears interest at a floating rate. As of June 30, 2008, the loan payable carried an approximate interest rate of 5.19% per annum.

In May 2008, the Company entered into an interest rate swap agreement with one counterparty to hedge the interest payments on a $105,000,000 notional amount of the Chicago IBX Financing, which will mature in February 2011. Under the terms of the interest rate swap transaction, the Company receives interest payments based on rolling one-month LIBOR terms and pays interest at the fixed rate of 6.34%. The Company's disclosures on derivatives and fair value are contained in Note 1 – Derivative and Hedging Activities and Fair Value Measurements.

Asia-Pacific Financing

In January 2008, the Asia-Pacific Financing was amended to enable the Company's subsidiary in Australia to borrow up to 32,000,000 Australian dollars, or approximately $30,589,000, under the same general terms, amending the Asia-Pacific Financing into an approximately $75,000,000 multi-currency credit facility agreement. In June 2008, the Asia-Pacific Financing was further amended to enable the Company's subsidiary in Hong Kong to borrow up to 156,000,000 Hong Kong dollars, or approximately $20,000,000, under the same general terms, amending the Asia-Pacific Financing into an approximately $95,000,000 multi-currency credit facility agreement. Loans payable under the Asia-Pacific Financing bear interest at floating rates.

As of June 30, 2008, the Company had borrowed 18,282,000 Singapore dollars, or approximately $13,445,000, at an approximate interest rate per annum of 3.23%; 2,932,500,000 Japanese yen, or approximately $27,609,000, at an approximate interest rate per annum of 2.63%; 3,162,000 Australian dollars, or approximately $3,031,000, at an approximate interest rate per annum of 9.71% and 48,776,000 Hong Kong dollars, or approximately $6,258,000, at an approximate interest rate per annum of 4.22%. Collectively, the total amount borrowed was approximately equal to $50,343,000, leaving approximately $44,657,000 of available balance to borrow under the Asia-Pacific Financing. As of June 30, 2008, the Company was in compliance with all financial covenants associated with the Asia-Pacific Financing.

European Financing

During the six months ended June 30, 2008, the Company received additional advances totaling approximately 25,034,000 British pounds, or approximately $49,702,000, under the European Financing, leaving the amount available to borrow under the European Financing totaling approximately 14,000,000 British pounds, or approximately $27,900,000. As of June 30, 2008, a total of approximately 67,474,000 British pounds, or approximately $134,436,000, was outstanding under the European Financing with an approximate blended interest rate of 7.43% per annum. Loans payable under the European Financing bear interest at floating rates. The European Financing is available to fund the Company's expansion projects in France, Germany, Switzerland and the United Kingdom. As of June 30, 2008, the Company was in compliance with all financial covenants associated with the European Financing.

In May 2008, the Company entered into three interest rate swap agreements and re-designated two older ineffective interest rate swap agreements with a total of two counterparties to hedge the interest payments on the equivalent of $127,192,000 notional amount of the European Financing, which will mature in August 2009 and May 2011. Under the terms of the interest rate swap transactions, the Company

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

receives interest payments based on rolling one-month EURIBOR and LIBOR terms and pays fixed interest rates ranging from 6.71% to 7.94%. The Company's disclosures on derivatives and fair value are contained in Note 1 – Derivative and Hedging Activities and Fair Value Measurements.

Netherlands Financing

In February 2008, as a result of the Virtu Acquisition, a wholly-owned subsidiary of the Company assumed senior credit facilities totaling approximately 5,500,000 Euros (the "Netherlands Financing"), which are callable by the lender and bear interest at a floating rate (three month EURIBOR plus 1.25%). As of June 30, 2008, a total of 4,951,000 Euros, or approximately $7,800,000, was outstanding under the Netherlands Financing with an approximate blended interest rate of 6.20% per annum. The Netherlands Financing contains several financial covenants, which must be complied with on an annual basis. The Company's wholly-owned subsidiary in the Netherlands was not in compliance with the December 31, 2007 financial covenants; however, in April 2008, the Company obtained a waiver from the lender for such non-compliance. As of June 30, 2008, the total amount outstanding under the Netherlands Financing is reflected as a current liability within the current portion of mortgage and loans payable on the accompanying balance sheet.

Silicon Valley Bank Credit Line

In February 2008, the Company terminated the Silicon Valley Bank Credit Line. As a result, all letters of credit previously issued under the Silicon Valley Bank Credit Line, totaling $12,144,000, were cash collateralized. The Company reports such restricted cash within other assets on the accompanying balance sheets. As of the termination date, the Company had no borrowings outstanding under the Silicon Valley Bank Credit Line and no termination penalties were incurred.

Maturities

Combined aggregate maturities for the Company's various debt facilities and other financing obligations as of June 30, 2008 were as follows (in thousands):

	Convertible debt (1)	Mortgage and loans payable (1)	Capital lease and other financing obligations (2)	Total
2008 (six months remaining)	$ —	$ 18,482	$ 5,996	$ 24,478
2009	32,250	37,790	12,108	82,148
2010	—	145,237	12,136	157,373
2011	—	34,152	12,225	46,377
2012	250,000	24,919	11,846	286,765
2013 and thereafter	395,986	151,817	112,780	660,583
	678,236	412,397	167,091	1,257,724
Less amount representing interest	—	—	(76,850)	(76,850)
Plus amount representing residual property value	—	—	11,158	11,158
	678,236	412,397	101,399	1,192,032
Less current portion of principal	(32,250)	(37,089)	(4,038)	(73,377)
	$645,986	$375,308	$ 97,361	$1,118,655

(1) Represents principal only.

(2) Represents principal and interest in accordance with minimum lease payments.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

11. Commitments and Contingencies

Legal Matters

On June 29, 2006 and September 18, 2006, shareholder derivative actions were filed in the Superior Court of the State of California, County of San Mateo, naming Equinix as a nominal defendant and several of Equinix's current and former officers and directors as individual defendants. These actions were consolidated, and the consolidated complaint was filed in January 2007. In March 2007, the state court stayed this action in deference to a federal shareholder derivative action filed in the United States District Court for the Northern District of California in October 2006. The federal action named Equinix as a nominal defendant and several current and former officers and directors as individual defendants. This complaint alleged that the individual defendants breached their fiduciary duties and violated California and federal securities laws as a result of purported backdating of stock options, insider trading and the dissemination of false statements. On April 12, 2007, the federal action was voluntarily dismissed without prejudice pursuant to a joint stipulation entered as an order by the court. On May 3, 2007, the state court lifted the stay on proceedings in the state court action. On March 3, 2008, the state court plaintiff filed a second amended consolidated complaint after the court granted two motions to dismiss prior complaints with leave to amend. The second amended consolidated complaint alleged that the individual defendants breached their fiduciary duties and violated California securities law as a result of purported backdating of stock option grants, insider trading and the dissemination of false financial statements. The second amended consolidated complaint sought to recover, on behalf of the Company, unspecified monetary damages, corporate governance changes, equitable and injunctive relief, restitution and fees and costs. On July 8, 2008, the state court granted the Company's motion to dismiss the second amended consolidated complaint without leave to amend and entered a final judgment dismissing the action and all claims asserted therein in their entirety without leave to amend. The Company does not know whether the plaintiff will appeal the dismissal of this action.

Responding to, investigating and/or defending against civil litigations and government inquiries regarding the Company's stock option grants and practices would present a substantial cost to the Company in both cash and the attention of certain management and may have a negative impact on the Company's operations. In addition, in the event of any negative finding or assertion by a court of law or any third-party claim related to the Company's stock option granting practices, the Company may be liable for damages, fines or other civil or criminal remedies, or be required to restate its prior period financial statements or adjust its current period financial statements. Any such adverse action could have a material adverse effect on the Company's business and current market value.

On July 30, 2001 and August 8, 2001, putative shareholder class action lawsuits were filed against the Company, certain of its officers and directors (the "Individual Defendants"), and several investment banks that were underwriters of the Company's initial public offering (the "Underwriter Defendants"). The cases were filed in the United States District Court for the Southern District of New York. Similar lawsuits were filed against approximately 300 other issuers and related parties. The purported class action alleges violations of Sections 11 and 15 of the Securities Act of 1933 and Sections 10(b), Rule 10b-5 and 20(a) of the Securities Exchange Act of 1934 against the Company and the Individual Defendants. The plaintiffs have since dismissed the Individual Defendants without prejudice. The suits allege that the Underwriter Defendants agreed to allocate stock in the Company's initial public offering to certain investors in exchange for excessive and undisclosed commissions and agreements by those investors to make additional purchases in the aftermarket at pre-determined prices. The plaintiffs allege that the prospectus for the Company's initial public offering was false and misleading and in violation of the securities laws because it did not disclose these arrangements. The action seeks damages in an unspecified amount. On February 19, 2003, the Court dismissed the Section 10(b) claim against the Company, but denied the motion to dismiss the Section 11 claim. On December 5, 2006, the Second Circuit vacated a decision by the district court granting class certification in six "focus" cases, which are intended to serve as test cases. Plaintiffs selected these six cases, which do not include Equinix. On April 6, 2007, the Second Circuit denied a petition for rehearing filed by plaintiffs, but noted that plaintiffs could ask the district court to certify more narrow classes than those that were rejected. On August 14, 2007, plaintiffs filed amended complaints in the six focus cases. On September 27, 2007, plaintiffs moved to certify a class in the six focus cases. On November 14, 2007, the issuers and the underwriters named as defendants in the six focus cases moved to dismiss the amended complaints against them. On March 26, 2008, the district court dismissed the Section

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

11 claims of those members of the putative classes in the focus cases who sold their securities for a price in excess of the initial offering price and those who purchased outside the previously certified class period. With respect to all other claims, the motions to dismiss were denied. The Company is awaiting a decision from the Court on the class certification motion.

The Company believes that while an unfavorable outcome to these litigations is reasonably possible, a range of potential loss cannot be determined at this time. As a result, the Company has not accrued for any amounts in connection with these legal matters as of June 30, 2008. The Company and its officers and directors intend to continue to defend the actions vigorously.

Other Purchase Commitments

Primarily as a result of the Company's various IBX expansion projects, as of June 30, 2008, the Company was contractually committed for $84,756,000 of unaccrued capital expenditures, primarily for IBX equipment not yet delivered and labor not yet provided, in connection with the work necessary to open these IBX centers and make them available to customers for installation. In addition, the Company had numerous other, non-capital purchase commitments in place as of June 30, 2008, such as commitments to purchase power in select locations, primarily in the U.S., Singapore and the United Kingdom, through the remainder of 2008 and thereafter, and other open purchase orders for goods or services to be delivered or provided during the remainder of 2008. Such other miscellaneous purchase commitments totaled $77,526,000 as of June 30, 2008.

12. Other Comprehensive Income and Loss

The components of other comprehensive income and loss are as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Net income (loss)	$ 2,229	$ 1,217	$ 7,650	$(3,239)
Unrealized loss on available for sale securities	(443)	(95)	(247)	(2)
Unrealized gain on interest rate swaps	1,239	—	1,239	—
Foreign currency translation gain (loss)	3,265	(519)	6,736	(97)
Comprehensive income (loss)	$ 6,290	$ 603	$15,378	$(3,338)

There were no significant tax effects on comprehensive income (loss) for the three and six months ended June 30, 2008 and 2007.

13. Segment Information

The Company and its subsidiaries are principally engaged in a single reporting segment: the design, build-out and operation of network neutral IBX centers. Virtually all revenues result from the operation of these IBX centers. However, the Company operates in three distinct geographic regions, comprised of the U.S., Asia-Pacific and Europe. The Company's chief operating decision-maker evaluates performance, makes operating decisions and allocates resources based on financial data consistent with the presentation in the accompanying condensed consolidated financial statements and based on these three geographic regions. The Company has evaluated the criteria for aggregation of its geographic regions under SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information", and believes it meets each of the respective criteria set forth therein. The Company's geographic regions have similar long-term economic characteristics and maintain similar sales forces, each of which offers all of the Company's services due to the similar nature of such services. In addition, the geographic regions utilize similar means for delivering the Company's services and have similarity in the types of customers.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

While the Company believes it operates in one reporting segment, the Company nonetheless provides the following geographic disclosures (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Total revenues:				
United States	$ 107,247	$ 78,250	$ 206,443	$ 150,775
Asia-Pacific	20,604	13,587	38,777	26,171
Europe	44,193	—	85,042	—
	$ 172,044	$ 91,837	$ 330,262	$ 176,946
Total depreciation and amortization:				
United States	$ 24,245	$ 19,835	$ 47,089	$ 38,442
Asia-Pacific	4,384	1,721	7,943	3,291
Europe	9,665	—	18,721	—
	$ 38,294	$ 21,556	$ 73,753	$ 41,733
Income (loss) from operations:				
United States	$ 15,310	$ 1,246	$ 28,588	$ 1,614
Asia-Pacific	1,138	1,201	1,813	1,639
Europe	(3,147)	—	(3,095)	—
	$ 13,301	$ 2,447	$ 27,306	$ 3,253
Capital expenditures:				
United States	$ 33,803	$ 165,946	$ 92,881	$ 236,523
Asia-Pacific	28,055	22,926	42,211	25,905
Europe	22,600	—	75,009	—
	$ 84,458	$ 188,872	$ 210,101	$ 262,428

The Company's long-lived assets are located in the following geographic areas (in thousands):

	June 30, 2008	December 31, 2007
United States	$ 1,093,843	$ 959,637
Asia-Pacific	136,932	91,478
Europe	806,481	703,992
	$ 2,037,256	$ 1,755,107

For information on the Company's goodwill, refer to "Goodwill and Other Intangible Assets" in Note 1.

Revenue information on a services basis is as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Colocation	$ 132,974	$ 65,641	$ 254,323	$ 125,400
Interconnection	23,392	17,653	45,540	34,373
Managed infrastructure	6,833	4,285	13,333	8,384
Rental	196	325	558	633
Recurring revenues	163,395	87,904	313,754	168,790
Non-recurring revenues	8,649	3,933	16,508	8,156
	$ 172,044	$ 91,837	$ 330,262	$ 176,946

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

No single customer accounted for 10% or greater of the Company's revenues for the three and six months ended June 30, 2008 and 2007. No single customer accounted for 10% or greater of the Company's gross accounts receivable as of June 30, 2008 and December 31, 2007.

14. Restructuring Charges

In December 2004, in light of the availability of fully built-out data centers in select markets at costs significantly below those costs the Company would incur in building out new space, the Company made the decision to exit leases for excess space adjacent to one of the Company's New York metro area IBXs, as well as space on the floor above its original Los Angeles IBX. As a result of the Company's decision to exit these spaces, the Company recorded restructuring charges totaling $17,685,000, which represents the present value of the Company's estimated future cash payments, net of any estimated subrental income and expense, through the remainder of these lease terms, as well as the write-off of all remaining property and equipment attributed to the partial build-out of the excess space on the floor above its Los Angeles IBX as outlined below.

The Company estimated the future cash payments required to exit these two leased spaces, net of any estimated subrental income and expense, through the remainder of these lease terms and then calculated the present value of such future cash flows in order to determine the appropriate restructuring charge to record. The Company records accretion expense to accrete its accrued restructuring liability up to an amount equal to the total estimated future cash payments necessary to complete the exit of these leases. Should the actual lease exit costs differ from the Company's estimates, the Company may need to adjust its restructuring charges associated with the excess lease spaces, which would impact net income in the period such determination was made.

A summary of the movement in the 2004 accrued restructuring charges from December 31, 2007 to June 30, 2008 is outlined as follows (in thousands):

	Accrued restructuring charge as of December 31, 2007	Accretion expense	Cash payments	Accrued restructuring charge as of June 30, 2008
Estimated lease exit costs	$ 12,140	$ 359	$(1,440)	$ 11,059
	12,140	$ 359	$(1,440)	11,059
Less current portion	(3,973)			(3,415)
	$ 8,167			$ 7,644

As the Company currently has no plans to enter into lease terminations with either of the landlords associated with these two excess space leases, the Company has reflected its accrued restructuring liability as both a current and non-current liability. The Company reports accrued restructuring charges within other current liabilities and deferred rent and other liabilities on the accompanying condensed consolidated balance sheets as of June 30, 2008 and December 31, 2007. The Company is contractually committed to these two excess space leases through 2015.

EQUINIX, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

15. Recent Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 141 (revised 2007), "Business Combinations" ("SFAS 141(R)"). SFAS 141(R) replaces SFAS 141, "Business Combinations." SFAS 141(R) establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any non-controlling interest in the acquiree and the goodwill acquired or a gain from a bargain purchase. SFAS 141R also determines disclosure requirements to enable the evaluation of the nature and financial effects of the business combination. SFAS 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of a fiscal year that begins on or after December 15, 2008 and there are also implications for acquisitions that occur prior to this date. The Company is currently evaluating the impact that the adoption of SFAS No. 141 (R) will have on its financial position, results of operations and cash flows.

In December 2007, the FASB issued SFAS No. 160, "Non-controlling Interests in Consolidated Financial Statements" ("SFAS 160"). SFAS 160 amends ARB 51, Consolidated Financial Statements, and requires all entities to report non-controlling (minority) interests in subsidiaries within equity in the consolidated financial statements, but separate from the parent shareholders' equity. SFAS 160 also requires any acquisitions or dispositions of non-controlling interests that do not result in a change of control to be accounted for as equity transactions. Further, SFAS 160 requires that a parent recognize a gain or loss in net income when a subsidiary is deconsolidated. SFAS 160 is effective for fiscal years beginning on or after December 15, 2008. As of June 30, 2008, all of the Company's subsidiaries were wholly-owned. As a result, SFAS 160 is not presently expected to impact the Company.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133" ("SFAS 161"). SFAS 161 requires enhanced disclosures about an entity's derivative and hedging activities and, thereby, improves the transparency of financial reporting. SFAS 161 is effective for fiscal years beginning on or after November 15, 2008. The Company is currently evaluating the impact that the adoption of SFAS 161 will have on its financial position, results of operations and cash flows.

In May 2008, the FASB issued FASB Staff Position No. APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion" ("FSP APB 14-1"). FSP APB 14-1 specifies that issuers of convertible debt instruments that may be settled in cash upon conversion (including partial cash settlement) should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 is effective for fiscal years beginning after December 15, 2008. The Company is currently evaluating the impact that the adoption of FSP APB 14-1 will have on its financial position, results of operations and cash flows.

16. Subsequent Events

In July 2008, the Company received an additional advance of 39,000,000 Hong Kong dollars, or approximately $5,004,000, at an approximate interest rate per annum of 4.22% under the Asia-Pacific Financing. Collectively, the total amount borrowed under the Asia-Pacific Financing was approximately $55,347,000, leaving approximately $39,653,000 available to borrow.

In July 2008, the Company received additional advances totaling approximately 2,303,000 British pounds, or approximately $4,582,000, under the European Financing with an approximate interest rate of 6.72% per annum. As a result, the amount available to borrow under the European Financing totals approximately 11,700,000 British pounds or approximately $23,300,000.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, the words "believes," "anticipates," "plans," "expects," "intends" and similar expressions are intended to identify forward-looking statements. Our actual results and the timing of certain events may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a discrepancy include, but are not limited to, those discussed in "Liquidity and Capital Resources" below and "Risk Factors" in Item 1A of Part II of this Quarterly Report on Form 10-Q. All forward-looking statements in this document are based on information available to us as of the date of this Report and we assume no obligation to update any such forward-looking statements.

Overview

Equinix provides network neutral colocation, interconnection and managed services to enterprises, content companies, systems integrators and the world's largest network providers. On September 14, 2007, we completed the acquisition of IXEurope Plc, or IXEurope, headquartered in London, U.K., whereby IXEurope became our wholly-owned subsidiary. We refer to this transaction as the IXEurope acquisition. On February 5, 2008, we completed the acquisition of Virtu Secure Webservices B.V., or Virtu, based in the Netherlands, whereby Virtu became our wholly-owned subsidiary. We refer to this transaction as the Virtu acquisition. Virtu, a similar business to ours, operated network neutral data centers in the Netherlands, and the Virtu acquisition supplements our existing European operations. As of June 30, 2008, we operate IBX centers in the Chicago, Dallas, Los Angeles, New York, Silicon Valley and Washington, D.C. metro areas in the United States, Australia, Hong Kong, Japan and Singapore in the Asia-Pacific region, and France, Germany, the Netherlands, Switzerland and the United Kingdom in the Europe region.

Direct interconnection to our aggregation of networks, which serve more than 90% of the world's Internet routes, allows our customers to increase performance while significantly reducing costs. Based on our network neutral model and the quality of our IBX centers, we believe we have established a critical mass of customers. As more customers locate in our IBX centers, it benefits their suppliers and business partners to do so as well to gain the full economic and performance benefits of direct interconnection. These partners, in turn, pull in their business partners, creating a "network effect" of customer adoption. Our interconnection services enable scalable, reliable and cost-effective interconnection and traffic exchange thus lowering overall cost and increasing flexibility. Our focused business model is based on our critical mass of customers and the resulting network effect. This critical mass and the resulting network effect, combined with our strong financial position, continue to drive new customer growth and bookings.

Historically, our market has been served by large telecommunications carriers who have bundled their telecommunications products and services with their colocation offerings. Each of these colocation providers own and operate a network. We do not own or operate a network, yet have greater than 300 networks operating out of our IBX centers. As a result, we are able to offer our customers a substantial choice of networks given our network neutrality thereby allowing our customers to choose from numerous network service providers. We believe this is a distinct and sustainable competitive advantage.

On a consolidated basis, and excluding customers acquired in the Virtu acquisition, our customer count increased to 2,090 as of June 30, 2008 versus 1,373 as of June 30, 2007, an increase of 52%. This significant increase was primarily due to the IXEurope acquisition in September 2007. Our utilization rate represents the percentage of our cabinet space billing versus net sellable cabinet space available taking into account power limitations. Excluding the impact of the IXEurope and the Virtu acquisitions, our utilization rate increased to 76% as of June 30, 2008 versus 77% as of June 30, 2007; however, excluding the impact of our recent IBX center openings in the Chicago and New York metro areas, our utilization rate would have been 80% as of June 30, 2008. Our utilization rate varies from market to market among our IBX centers in our markets across the U.S., Asia-Pacific and Europe. We continue to monitor the available

capacity in each of our selected markets. To the extent we have limited capacity available in a given market it may limit our ability for growth in that market. We perform demand studies on an ongoing basis to determine if future expansion is warranted in a market. In addition, power and cooling requirements for most customers are growing on a per unit basis. As a result, customers are consuming an increasing amount of power per cabinet. Although we generally do not control the amount of draw our customers take from installed circuits, we have negotiated power consumption limitations with certain of our high power demand customers. This increased power consumption has driven the requirement to build out our new IBX centers to support power and cooling needs twice that of previous IBX centers. We could face power limitations in our centers even though we may have additional physical cabinet capacity available within a specific IBX center. This could have a negative impact on the available utilization capacity of a given center, which could have a negative impact on our ability to grow revenues, affecting our financial performance, operating results and cash flows.

Strategically, we will continue to look at attractive opportunities to grow our market share and selectively improve our footprint and service offerings. As was the case with our recent expansions and acquisitions, our expansion criteria will be dependent on a number of factors such as demand from new and existing customers, quality of the design, power capacity, access to networks, capacity availability in current market location, amount of incremental investment required by us in the targeted property, lead-time to break-even and in-place customers. Like our recent expansions and acquisitions, the right combination of these factors may be attractive to us. Dependent on the particular deal, these transactions may require upfront cash payments and additional capital expenditures or may be funded through long-term financing arrangements in order to bring these properties up to Equinix standards. Property expansion may be in the form of purchases of real property, long-term leasing arrangements or acquisitions. Future purchases, construction or acquisitions may be completed by us or with partners or potential customers to minimize the outlay of cash, which can be significant.

Our business is based on a recurring revenue model comprised of colocation, interconnection and managed infrastructure services. We consider these services recurring as our customers are generally billed on a fixed and recurring basis each month for the duration of their contract, which is generally one to three years in length. Our recurring revenues are a significant component of our total revenues, comprising greater than 90% of our total revenues. Over the past few years, greater than half of our then existing customers order new services in any given quarter representing greater than half of the new orders received in each quarter.

Our non-recurring revenues are primarily comprised of installation services related to a customer’s initial deployment and professional services that we perform. These services are considered to be non-recurring as they are billed typically once and only upon completion of the installation or professional services work performed. The majority of these non-recurring revenues are typically billed on the first invoice distributed to the customer in connection with their initial installation. As a percentage of total revenues, we expect non-recurring revenues to represent less than 10% of total revenues for the foreseeable future.

Our U.S. revenues are derived primarily from colocation and interconnection services while our Asia-Pacific and Europe revenues are derived primarily from colocation and managed infrastructure services. Our Asia-Pacific revenues are generated from Hong Kong, Singapore, Sydney and Tokyo. Our Europe revenues are generated from France, Germany, the Netherlands, Switzerland and the United Kingdom.

The largest cost components of our cost of revenues are depreciation, rental payments related to our leased IBX centers, utility costs, including electricity and bandwidth, IBX employees’ salaries and benefits, including stock-based compensation, supplies and equipment and security services. A substantial majority of our cost of revenues is fixed in nature and should not vary significantly from period to period, unless we add or open new IBX centers. However, there are certain costs which are considered more variable in nature, including utilities and supplies that are directly related to growth in our existing and new customer base. We expect the cost of our utilities, specifically electricity, will increase in the future on a per unit or fixed basis in addition to on a customer growth or variable basis. In addition, the cost of electricity is generally higher in the summer months as compared to other times of the year.

Sales and marketing expenses consist primarily of compensation and related costs for sales and marketing personnel, including stock-based compensation, sales commissions, marketing programs, public relations, promotional materials and travel, as well as bad debt expense and amortization of customer contract intangible assets.

General and administrative expenses consist primarily of salaries and related expenses, including stock-based compensation, accounting, legal and other professional service fees, and other general corporate expenses such as our corporate headquarters office lease and some depreciation expense.

Critical Accounting Policies and Estimates

Equinix's financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles in the United States of America. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are affected by management's application of accounting policies. On an on-going basis, management evaluates its estimates and judgments. Critical accounting policies for Equinix that affect our more significant judgment and estimates used in the preparation of our condensed consolidated financial statements include accounting for business combinations, accounting for stock-based compensation, accounting for income taxes and accounting for restructuring charges, which are discussed in more detail under the caption "Critical Accounting Policies and Estimates" in our 2007 Annual Report on Form 10-K.

Results of Operations

Our results of operations for the three and six months ended June 30, 2007 do not include the operations of IXEurope, as the IXEurope acquisition closed on September 14, 2007, or the operations of Virtu, as the Virtu acquisition closed on February 5, 2008. Our results of operations for the six months ended June 30, 2008 include the operations of Virtu from February 5, 2008 to June 30, 2008.

Three Months Ended June 30, 2008 and 2007

Revenues. Our revenues for the three months ended June 30, 2008 and 2007 were split between the following revenue classifications and geographic regions (dollars in thousands):

	Three months ended June 30,				Change	
	2008	%	2007	%	$	%
U.S:						
Recurring revenues	$103,779	60%	$75,553	82%	$28,226	37%
Non-recurring revenues	3,468	2%	2,697	3%	771	29%
	107,247	62%	78,250	85%	28,997	37%
Asia-Pacific:						
Recurring revenues	18,658	11%	12,351	13%	6,307	51%
Non-recurring revenues	1,946	1%	1,236	2%	710	57%
	20,604	12%	13,587	15%	7,017	52%
Europe:						
Recurring revenues	40,958	24%	—	—	40,958	100%
Non-recurring revenues	3,235	2%	—	—	3,235	100%
	44,193	26%	—	—	44,193	100%
Total:						
Recurring revenues	163,395	95%	87,904	96%	75,491	86%
Non-recurring revenues	8,649	5%	3,933	4%	4,716	120%
	$172,044	100%	$91,837	100%	$80,207	87%

U.S. Revenues. The period over period growth in recurring revenues was primarily the result of an increase in orders from both our existing customers and new customers acquired during the period as reflected in the growth in our customer count and utilization rate, as discussed above, in both our new and existing IBX centers, as well as selective price increases in each of our IBX markets. Most notably, during the three months ended June 30, 2008, we recorded $6.3 million of incremental revenues not generated during the same period of last year associated with our newly opened IBX centers in the Chicago and New York metro areas. We expect our U.S. recurring revenues, particularly from colocation and interconnection services, to remain our most significant source of revenue for the foreseeable future.

Asia-Pacific Revenues. Our revenues from Singapore represented approximately 36% of the regional revenues for both the three months ended June 30, 2008 and 2007. As in the U.S., Asia-Pacific revenue growth was due to an increase in orders from both our existing customers and new customers acquired during the period as reflected in the growth in our customer count and utilization rate, as discussed above, in both our new and existing IBX centers, as well as selective price increases in each of our IBX markets. In addition, during the three months ended June 30, 2008, we recorded $2.7 million of incremental revenues not generated during the same period of last year associated with our new IBX center in Tokyo, which we acquired in December 2006, and from our IBX center expansion in Singapore. We expect that our Asia-Pacific revenues will continue to grow in future periods as a result of our recently-opened IBX center expansions in the Singapore and Tokyo metro areas and expansion activity currently taking place in the Hong Kong, Singapore and Sydney metro areas.

Europe Revenues. Our revenues from the United Kingdom represented approximately 39% of the regional revenues for the three months ended June 30, 2008. We expect our Europe revenues to grow in future periods, as a result of our recently-opened IBX center expansions in the London and Paris metro areas and expansion activity currently taking place in the Amsterdam and Frankfurt metro areas.

Cost of Revenues. Our cost of revenues for the three months ended June 30, 2008 and 2007 were split between the following geographic regions (dollars in thousands):

	Three months ended June 30,				Change	
	2008	%	2007	%	$	%
U.S.	$ 56,988	56%	$47,871	86%	$ 9,117	19%
Asia-Pacific	13,360	13%	7,738	14%	5,622	73%
Europe	31,660	31%	—	—	31,660	100%
Total	$102,008	100%	$55,609	100%	$45,977	83%

	Three months ended June 30,	
	2008	2007
Cost of revenues as a percentage of revenues:		
U.S.	53%	61%
Asia-Pacific	65%	57%
Europe	72%	—
Total	59%	61%

U.S. Cost of Revenues. U.S. cost of revenues for the three months ended June 30, 2008 and 2007 included $22.0 million and $18.3 million, respectively, of depreciation expense. Our U.S. cost of revenues for the three months ended June 30, 2008 also included $6.8 million of other incremental operating costs not incurred in the prior year associated with the recently opened IBX centers in the Chicago and New York metro areas. Excluding depreciation and the other incremental operating costs associated with operating our new IBX centers, U.S. cost of revenues increased period over period to $26.9 million for the three months ended June 30, 2008 from $22.5 million for the three months ended June 30, 2007, a 20% increase. This increase was primarily due to an increase in utility costs in line with increasing customer installations and revenues attributed to customer growth. We continue to anticipate that our U.S. cost of revenues will increase in the foreseeable future to the extent that the occupancy levels in our U.S. IBX centers increase and as newly-opened IBX centers in the Chicago and New York metro areas commence operations more fully during the remainder of 2008.

Table of Contents

Asia-Pacific Cost of Revenues. Asia-Pacific cost of revenues for the three months ended June 30, 2008 and 2007 included $4.3 million and $1.7 million, respectively, of depreciation expense. Excluding depreciation expense, Asia-Pacific cost of revenues increased period over period to $9.1 million for the three months ended June 30, 2008 from $6.1 million for the three months ended June 30, 2007, a 50% increase. This increase was primarily the result of increasing utility and bandwidth costs in line with increasing customer installations and revenues attributed to customer growth, as well as additional rent expense associated with new leases in connection with the Hong Kong and Singapore expansion projects. We anticipate that our Asia-Pacific cost of revenues will increase in the foreseeable future in connection with overall revenue growth and our expansion activity currently taking place in the Hong Kong, Singapore and Sydney metro areas.

Europe Cost of Revenues. Europe cost of revenues for the three months ended June 30, 2008 included $7.8 million of depreciation expense. We anticipate our Europe cost of revenues will increase in future periods, both as we sell out the available space in our existing data centers and as a result of expansion activity currently taking place in the Amsterdam and Frankfurt metro areas.

Sales and Marketing Expenses. Our sales and marketing expenses for the three months ended June 30, 2008 and 2007 were split between the following geographic regions (dollars in thousands):

	Three months ended June 30,				Change	
	2008	%	2007	%	$	%
U.S.	$ 8,527	55%	$7,482	84%	$1,045	14%
Asia-Pacific	2,191	15%	1,414	16%	777	55%
Europe	4,572	30%	—	—	4,572	100%
Total	$15,290	100%	$8,896	100%	$6,394	72%

	Three months ended June 30,	
	2008	2007
Sales and marketing expenses as a percentage of revenues:		
U.S.	8%	10%
Asia-Pacific	11%	10%
Europe	10%	—
Total	9%	10%

U.S. Sales and Marketing Expenses. U.S. sales and marketing expenses for the three months ended June 30, 2008 and 2007 included $2.5 million and $1.5 million, respectively, of stock-based compensation expense. Excluding stock-based compensation expense, U.S. sales and marketing expenses increased to $6.1 million for the three months ended June 30, 2008 as compared to $5.9 million for the three months ended June 30, 2007, a 2% increase. We expect U.S. sales and marketing expenses to increase as we continue to grow our business and invest in various branding initiatives; however, as a percentage of revenues, we expect them to decrease.

Asia-Pacific Sales and Marketing Expenses. The increase in Asia-Pacific sales and marketing expenses was primarily due to an increase in general salary and sales compensation expenses over the prior period associated with the overall growth in this region. We expect Asia-Pacific sales and marketing expenses to increase as we continue to grow our business; however, as a percentage of revenues, we expect them to decrease.

Europe Sales and Marketing Expenses. Europe sales and marketing expenses for the three months ended June 30, 2008 included $1.6 million of amortization expense associated with an intangible asset. We expect Europe sales and marketing expenses to increase as we continue to grow our business; however, as a percentage of revenues, we expect them to decrease.

Table of Contents

General and Administrative Expenses. Our general and administrative expenses for the three months ended June 30, 2008 and 2007 were split between the following geographic regions (dollars in thousands):

	Three months ended June 30,				Change	
	2008	%	2007	%	$	%
U.S.	$26,422	64%	$21,244	87%	$ 5,178	24%
Asia-Pacific	3,915	9%	3,234	13%	681	21%
Europe	11,108	27%	—	—	11,108	100%
Total	$41,445	100%	$24,478	100%	$16,967	69%

	Three months ended June 30,	
	2008	2007
General and administrative expenses as a percentage of revenues:		
U.S. U.S.	25%	27%
Asia-Pacific	19%	24%
Europe	25%	—
Total	24%	27%

U.S. General and Administrative Expenses. U.S. general and administrative expenses for the three months ended June 30, 2008 included $7.5 million of stock-based compensation expense and $2.2 million of depreciation expense compared to $6.4 million of stock-based compensation expense and $1.5 million of depreciation expense for the three months ended June 30, 2007. Excluding stock-based compensation and depreciation expense, U.S. general and administrative expenses increased to $16.8 million for the three months ended June 30, 2008, as compared to $13.4 million for the three months ended June 30, 2007, a 25% increase. This increase was primarily due to an increase in professional fees related to various consulting projects to support our growth. Going forward, we expect U.S. general and administrative expenses to increase as we continue to scale our operations to support our growth; however, as a percentage of revenues, we expect them to decrease.

Asia-Pacific General and Administrative Expenses. Asia-Pacific general and administrative expenses for the three months ended June 30, 2008 and 2007 included $1.1 million and $924,000, respectively, of stock-based compensation expense. The increase in Asia-Pacific general and administrative expenses was primarily due to higher compensation costs, including general salary increases and bonuses. Going forward, we expect Asia-Pacific general and administrative expenses to increase as we continue to scale our operations to support our growth; however, as a percentage of revenues, we expect them to decrease.

Europe General and Administrative Expenses. Europe general and administrative expenses for the three months ended June 30, 2008 included $4.5 million of stock-based compensation expense, of which $3.1 million was a one-time charge due to equity award modifications related to the executive change in our European operations. Excluding this $3.1 million incremental stock-based compensation, our Europe general and administrative expenses are expected to increase in future periods as we continue to scale our operations to support our growth and in connection with various integration initiatives related to investments in systems and internal control compliance; however, as a percentage of revenues, we expect them to decrease.

Restructuring Charges. During the three months ended June 30, 2007, we recorded an increase in a restructuring charge of $407,000 from revised sublease assumptions for our excess space lease in the Los Angeles metro area as a result of new information becoming available. The original restructuring charge for this lease, along with one other lease in the New York metro area, was recorded in the fourth quarter of 2004 and totaled $17.7 million. We are contractually committed to these two excess space leases through 2015. During the three months ended June 30, 2008, no restructuring charges were recorded.

Interest Income. Interest income decreased to $2.4 million for the three months ended June 30, 2008 from $5.1 million for the three months ended June 30, 2007. Interest income decreased primarily due to lower yields on invested balances. The average yield for the three months ended June 30, 2008 was 3.29% versus 5.20% for the three months ended June 30, 2007. We expect our interest income to decrease for the foreseeable future due to the utilization of our cash to finance our expansion activities and the impact of lower interest rates.

Interest Expense. Interest expense increased to $12.8 million for the three months ended June 30, 2008 from $6.0 million for the three months ended June 30, 2007. The increase in interest expense was primarily due to new financings entered into during 2007 and 2008 consisting of (i) our $110.0 million Chicago IBX financing, which was drawn down during the construction period of the Chicago metro area IBX expansion project, with an approximate interest rate of 5.19% per annum; (ii) our approximately $95.0 million Asia-Pacific financing, of which approximately $50.3 million was outstanding as of June 30, 2008 with an approximate blended interest rate of 3.35% per annum; (iii) our $396.0 million 3.00% convertible subordinated notes offering in September 2007; (iv) our approximately $163.0 million European financing, of which approximately $134.4 million was outstanding as of June 30, 2008 with an approximate blended interest rate of 7.43% per annum and (v) our Netherlands financing of approximately $7.8 million, acquired as a result of the Virtu acquisition, with an approximate blended interest rate of 6.20% per annum. During the three months ended June 30, 2008 and 2007, we capitalized $1.9 million and $1.6 million, respectively, of interest expense to construction in progress. Going forward, we expect to incur higher interest expense as we fully utilize or recognize the full impact of our existing financings to fund our expansion efforts and as we complete expansion efforts and cease to capitalize interest expense.

Other Expense. For the three months ended June 30, 2008 and 2007, we recorded $918,000 and $129,000, respectively, of other expense, primarily attributable to foreign currency losses during those periods.

Income Taxes. For the three months ended June 30, 2008, we recorded $258,000 of income tax benefit compared to $197,000 of income tax expense for the three months ended June 30, 2007. The tax benefit (expense) recorded in both the three months ended June 30, 2008 and 2007 was primarily attributable to our foreign operations. We have not incurred any significant cash income tax expense since inception and we do not expect to incur any significant cash income tax expense during the remainder of 2008.

Six Months Ended June 30, 2008 and 2007

Revenues. Our revenues for the six months ended June 30, 2008 and 2007 were split between the following revenue classifications and geographic regions (dollars in thousands):

	Six months ended June 30,				Change	
	2008	%	2007	%	$	%
U.S:						
Recurring revenues	$198,897	60%	$144,796	82%	$ 54,101	37%
Non-recurring revenues	7,546	3%	5,980	3%	1,566	26%
	206,443	63%	150,776	85%	55,667	37%
Asia-Pacific:						
Recurring revenues	35,666	11%	23,994	14%	11,672	49%
Non-recurring revenues	3,111	1%	2,176	1%	935	43%
	38,777	12%	26,170	15%	12,607	48%
Europe:						
Recurring revenues	79,191	24%	—	—	79,191	100%
Non-recurring revenues	5,851	2%	—	—	5,851	100%
	85,042	26%	—	—	85,042	100%
Total:						
Recurring revenues	313,754	95%	168,790	95%	144,964	86%
Non-recurring revenues	16,508	5%	8,156	5%	8,352	102%
	$330,262	100%	$176,946	100%	$153,316	87%

Table of Contents

U.S. Revenues. The period over period growth in recurring revenues was primarily the result of an increase in orders from both our existing customers and new customers acquired during the period as reflected in the growth in our customer count and utilization rate, as discussed above, in both our new and existing IBX centers, as well as selective price increases in each of our IBX markets. Most notably, during the six months ended June 30, 2008, we recorded $14.0 million of incremental revenues not generated during the same period of last year associated with our newly opened IBX centers in the Chicago, New York and Washington, D.C. metro areas. We expect our U.S. recurring revenues, particularly from colocation and interconnection services, to remain our most significant source of revenue for the foreseeable future.

Asia-Pacific Revenues. Our revenues from Singapore represented approximately 36% of the regional revenues for both the six months ended June 30, 2008 and 2007. As in the U.S., Asia-Pacific revenue growth was due to an increase in orders from both our existing customers and new customers acquired during the period as reflected in the growth in our customer count and utilization rate, as discussed above, in both our new and existing IBX centers, as well as selective price increases in each of our IBX markets. In addition, during the six months ended June 30, 2008, we recorded $4.6 million of incremental revenues not generated during the same period of last year associated with our new IBX center in Tokyo, which we acquired in December 2006, and from our IBX center expansion in Singapore. We expect that our Asia-Pacific revenues will continue to grow in future periods as a result of our recently-opened IBX center expansions in the Singapore and Tokyo metro areas and expansion activity currently taking place in the Hong Kong, Singapore and Sydney metro areas.

Europe Revenues. Our revenues from the United Kingdom represented approximately 39% of the regional revenues for the six months ended June 30, 2008. We expect our Europe revenues to grow in future periods, as a result of our recently-opened IBX center expansions in the London and Paris metro areas and expansion activity currently taking place in the Amsterdam and Frankfurt metro areas.

Cost of Revenues. Our cost of revenues for six months ended June 30, 2008 and 2007 were split between the following geographic regions (dollars in thousands):

	Six months ended June 30,				Change	
	2008	%	2007	%	$	%
U.S.	$111,835	57%	$ 93,428	86%	$18,407	20%
Asia-Pacific	24,778	13%	14,946	14%	9,832	66%
Europe	59,881	30%	—	—	59,881	100%
Total	$196,494	100%	$108,374	100%	$88,120	81%

	Six months ended June 30,	
	2008	2007
Cost of revenues as a percentage of revenues:		
U.S.	54%	62%
Asia-Pacific	64%	57%
Europe	70%	—
Total	59%	61%

U.S. Cost of Revenues. U.S. cost of revenues for the six months ended June 30, 2008 included $42.7 million of depreciation expense and $1.7 million of stock-based compensation expense. U.S. cost of revenues for the six months ended June 30, 2007 included $35.5 million of depreciation expense and $1.8 million of stock-based compensation expense. Our U.S. cost of revenues for the six months ended June 30, 2008 also included $12.9 million of other incremental operating costs not incurred in the prior year associated with the recently opened IBX centers in the Chicago, New York and Washington, D.C. metro areas. Excluding depreciation, stock-based compensation and the other incremental operating costs associated with operating our new IBX centers, U.S. cost of revenues increased period over period to $49.8 million for the six months ended June 30, 2008 from $43.6 million for the six months ended June 30, 2007, a 14% increase. We continue to anticipate that our U.S. cost of revenues will increase in the foreseeable future to the extent that the occupancy levels in our U.S. IBX centers increase and as newly-opened IBX centers in the Chicago, New York and Washington, D.C. metro areas commence operations more fully during the remainder of 2008.

Asia-Pacific Cost of Revenues. Asia-Pacific cost of revenues for the six months ended June 30, 2008 and 2007 included $7.7 million and $3.2 million, respectively, of depreciation expense. Excluding depreciation expense, Asia-Pacific cost of revenues increased period over period to $17.1 million for the six months ended June 30, 2008 from $11.8 million for the six months ended June 30, 2007, a 45% increase. This increase was primarily the result of increasing utility and bandwidth costs in line with increasing customer installations and revenues attributed to customer growth, as well as additional rent expense associated with new leases in connection with the Hong Kong and Singapore expansion projects. We anticipate that our Asia-Pacific cost of revenues will increase in the foreseeable future in connection with overall revenue growth and our expansion activity currently taking place in the Hong Kong, Singapore and Sydney metro areas.

Europe Cost of Revenues. Europe cost of revenues for the six months ended June 30, 2008 included $14.8 million of depreciation expense. We anticipate our Europe cost of revenues will increase in future periods, both as we sell out the available space in our existing data centers and as a result of expansion activity currently taking place in the Amsterdam and Frankfurt metro areas.

Sales and Marketing Expenses. Our sales and marketing expenses for the six months ended June 30, 2008 and 2007 were split between the following geographic regions (dollars in thousands):

	Six months ended June 30,				Change	
	2008	%	2007	%	$	%
U.S.	$17,171	56%	$14,980	83%	$ 2,191	15%
Asia-Pacific	4,290	14%	2,992	17%	1,298	43%
Europe	9,180	30%	—	—	9,180	100%
Total	$30,641	100%	$17,972	100%	$12,669	70%

	Six months ended June 30,	
	2008	2007
Sales and marketing expenses as a percentage of revenues:		
U.S.	8%	10%
Asia-Pacific	11%	11%
Europe	11%	—
Total	9%	10%

U.S. Sales and Marketing Expenses. U.S. sales and marketing expenses for the six months ended June 30, 2008 and 2007 included $4.5 million and $3.9 million, respectively, of stock-based compensation expense. Excluding stock-based compensation expense, U.S. sales and marketing expenses increased to $12.7 million for the six months ended June 30, 2008 as compared to $11.1 million for the six months ended June 30, 2007, a 14% increase. This increase was primarily attributable to increased sales compensation as a result of revenue growth. We expect U.S. sales and marketing expenses to increase as we continue to grow our business and invest in various branding initiatives; however, as a percentage of revenues, we expect them to decrease.

Asia-Pacific Sales and Marketing Expenses. The increase in Asia-Pacific sales and marketing expenses was primarily due to an increase in sales compensation over the prior period associated with the overall growth in this region. We expect Asia-Pacific sales and marketing expenses to increase as we continue to grow our business; however, as a percentage of revenues, we expect them to decrease.

Europe Sales and Marketing Expenses. Europe sales and marketing expenses for the six months ended June 30, 2008 included $3.2 million of amortization expense associated with an intangible asset. We expect Europe sales and marketing expenses to increase as we continue to grow our business; however, as a percentage of revenues, we expect them to decrease.

Table of Contents

General and Administrative Expenses. Our general and administrative expenses for the six months ended June 30, 2008 and 2007 were split between the following geographic regions (dollars in thousands):

	Six months ended June 30,				Change	
	2008	%	2007	%	$	%
U.S.	$48,849	64%	$40,347	86%	$ 8,502	21%
Asia-Pacific	7,896	10%	6,593	14%	1,303	20%
Europe	19,076	25%	—	—	19,076	100%
Total	$75,821	100%	$46,940	100%	$28,881	62%

	Six months ended June 30,	
	2008	2007
General and administrative expenses as a percentage of revenues:		
U.S.	24%	27%
Asia-Pacific	20%	25%
Europe	22%	—
Total	23%	27%

U.S. General and Administrative Expenses. U.S. general and administrative expenses for the six months ended June 30, 2008 included $14.3 million of stock-based compensation expense and $4.2 million of depreciation expense compared to $12.2 million of stock-based compensation expense and $2.8 million of depreciation expense for the six months ended June 30, 2007. Excluding stock-based compensation and depreciation expense, U.S. general and administrative expenses increased to $30.3 million for the six months ended June 30, 2008, as compared to $25.4 million for the six months ended June 30, 2007, a 19% increase. This increase was primarily due to higher compensation costs, including general salary increases, benefits and headcount growth (242 U.S. general and administrative employees as of June 30, 2008 versus 229 as of June 30, 2007) and an increase in professional fees related to various consulting projects to support our growth. Going forward, we expect U.S. general and administrative expenses to increase as we continue to scale our operations to support our growth; however, as a percentage of revenues, we expect them to decrease.

Asia-Pacific General and Administrative Expenses. Asia-Pacific general and administrative expenses included $1.8 million of stock-based compensation expense for both the six months ended June 30, 2008 and 2007. The increase in Asia-Pacific general and administrative expenses was primarily due to higher compensation costs, including general salary increases and bonuses. Going forward, we expect Asia-Pacific general and administrative expenses to increase as we continue to scale our operations to support our growth; however, as a percentage of revenues, we expect them to decrease.

Europe General and Administrative Expenses. Europe general and administrative expenses for the six months ended June 30, 2008 included $6.0 million of stock-based compensation expense, of which $3.1 million was a one-time charge due to equity award modifications related to the executive change in our European operations. Excluding this $3.1 million incremental stock-based compensation, our Europe general and administrative expenses are expected to increase in future periods as we continue to scale our operations to support our growth and in connection with various integration initiatives related to investments in systems and internal control compliance; however, as a percentage of revenues, we expect them to decrease.

Restructuring Charges. During the six months ended June 30, 2007, we recorded an increase in a restructuring charge of $407,000 from revised sublease assumptions for our excess space lease in the Los Angeles metro area as a result of new information becoming available. The original restructuring charge for this lease, along with one other lease in the New York metro area, was recorded in the fourth quarter of 2004 and totaled $17.7 million. We are contractually committed to these two excess space leases through 2015. During the six months ended June 30, 2008, no restructuring charges were recorded.

Interest Income. Interest income decreased to $5.9 million for the six months ended June 30, 2008 from $7.0 million for the six months ended June 30, 2007. Interest income decreased primarily due to lower yields on invested balances. The average yield for the six months ended June 30, 2008 was 3.06% versus 5.21% for the six months ended June 30, 2007. We expect our interest income to decrease for the foreseeable future due to the utilization of our cash to finance our expansion activities and the impact of lower interest rates.

Interest Expense. Interest expense increased to $26.4 million for the six months ended June 30, 2008 from $9.6 million for the six months ended June 30, 2007. The increase in interest expense was primarily due to new financings entered into during 2007 and 2008 consisting of (i) our $110.0 million Chicago IBX financing, which was drawn down during the construction period of the Chicago metro area IBX expansion project, with an approximate interest rate of 5.19% per annum; (ii) our $250.0 million 2.50% convertible subordinated notes offering in March 2007; (iii) our approximately $95.0 million Asia-Pacific financing, of which approximately $50.3 million was outstanding as of June 30, 2008 with an approximate blended interest rate of 3.35% per annum; (iv) our $396.0 million 3.00% convertible subordinated notes offering in September 2007; (v) our approximately $163.0 million European financing, of which approximately $134.4 million was outstanding as of June 30, 2008 with an approximate blended interest rate of 7.43% per annum and (vi) our Netherlands financing of approximately $7.8 million, acquired as a result of the Virtu acquisition, with an approximate blended interest rate of 6.20% per annum. This increase was partially offset by the $54.0 million partial conversion of our 2.50% convertible subordinated debentures in March 2007 that resulted in a decrease in interest expense. During the six months ended June 30, 2008 and 2007, we capitalized $3.2 million and $3.1 million, respectively, of interest expense to construction in progress. Going forward, we expect to incur higher interest expense as we fully utilize or recognize the full impact of our existing financings to fund our expansion efforts and as we complete expansion efforts and cease to capitalize interest expense.

Other Income. For the six months ended June 30, 2008 and 2007, we recorded $1.1 million and $1,000, respectively, of other income, primarily attributable to foreign currency gains during the period.

Loss on Debt Extinguishment and Conversion. During the six months ended June 30, 2007 we retired $54.0 million of our convertible subordinated debentures in exchange for approximately 1.4 million newly issued shares of our common stock and a $3.4 million cash inducement fee. As a result, we recognized a loss on debt conversion totaling $3.4 million in accordance with FASB No. 84, “Induced Conversions of Convertible Debt,” due to the inducement fee. During the six months ended June 30, 2008, no loss on debt extinguishment and conversion was recorded in our statement of operations.

Income Taxes. For the six months ended June 30, 2008 and 2007, we recorded $213,000 and $551,000, respectively, of income tax expense. The tax provision recorded in both the six months ended June 30, 2008 and 2007 was primarily attributable to our foreign operations. We have not incurred any significant cash income tax expense since inception and we do not expect to incur any significant cash income tax expense during the remainder of 2008.

Liquidity and Capital Resources

As of June 30, 2008, our total indebtedness was comprised of (i) convertible debt totaling $678.2 million from our convertible subordinated debentures, our 2.50% convertible subordinated notes and our 3.00% convertible subordinated notes and (ii) non-convertible debt and financing obligations totaling $513.8 million from our Washington D.C. metro area IBX capital lease, San Jose IBX equipment and fiber financing, Chicago IBX equipment financing, Los Angeles IBX financing, Ashburn campus mortgage payable, Chicago IBX financing, Asia-Pacific financing, European financing, Netherlands financing and other financing obligations.

We believe we have sufficient cash, coupled with anticipated cash generated from operating activities and anticipated cash from financings, to meet our operating requirements for at least the next 12 months. As of June 30, 2008, we had $324.7 million of cash, cash equivalents and short-term and long-term investments. As of June 30, 2008, we had a total of $72.6 million of additional liquidity available to us in the event we need additional cash to fund expansion activities, fund working capital requirements or pursue attractive strategic opportunities that may become available in the future, comprised of $44.7 million

under the Asia-Pacific financing for expansion projects in Hong Kong, Singapore, Sydney and Tokyo, and $27.9 million under the European financing for general working capital and expansion projects in France, Germany, Switzerland and the United Kingdom. In addition, from time to time we assess external financing opportunities, both debt and equity, as alternative sources for financing such activities and opportunities, including any acquisition plans. While we expect that our cash flow from operations will continue to increase, we expect our cash flow used in investing activities, primarily as a result of our expected purchases of property and equipment to complete our announced expansion projects, will also increase and we expect our cash flow used in investing activities to be greater than our cash flows generated from operating activities. Given our limited operating history, additional potential expansion opportunities that we may decide to pursue and other business risks that may cause our operating results to fluctuate we may not achieve our desired levels of profitability or cash requirements in the future. For further information, refer to “Risk Factors” in Item 1A of Part II of this Quarterly Report on Form 10-Q below.

Sources and Uses of Cash

	Six months ended June 30,	
	2008	2007
	(in thousands)	
Net cash provided by operating activities	$ 127,942	$ 57,712
Net cash used in investing activities	(352,415)	(229,949)
Net cash provided by financing activities	86,522	323,772

Operating Activities. The increase in net cash provided by operating activities was primarily due to improved operating results and strong collections of account receivables, management of vendor payments and growth in customer installations, which increases deferred installation revenue, a liability account. We expect that we will continue to generate cash from our operating activities throughout the remainder of 2008 and beyond.

Investing Activities. Net cash used in investing activities for the six months ended June 30, 2008 was primarily due to $210.1 million of capital expenditures required to bring our recently announced and current IBX expansion projects to Equinix standards, and to support our growing customer base, as well as the Virtu acquisition of $23.2 million, partially offset by net maturities of our short-term and long-term investments. Net cash used in investing activities for the six months ended June 30, 2007 was primarily the result of the capital expenditures required to bring our recently announced and current IBX expansion projects to Equinix standards, and to support our growing customer base, the deposit for the conditional purchase of our San Jose IBX property in January 2007 of $6.5 million, as well as the purchase of our Los Angeles IBX property in June 2007 of $49.0 million, partially offset by net maturities of our short-term and long-term investments.

Financing Activities. Net cash provided by financing activities for the six months ended June 30, 2008, was primarily the result of gross proceeds from our loans payable in connection with our European financing, Asia-Pacific financing and Chicago IBX financing. Net cash provided by financing activities for the six months ended June 30, 2007, was primarily the result of $250.0 million in gross proceeds form our convertible subordinated notes offering, $69.3 million in gross proceeds from our loan payable in connection with the Chicago IBX financing and proceeds from our various employee stock plans, partially offset by debt issuance costs and principal payments for our capital leases and other financing obligations and our Ashburn campus mortgage payable.

Debt Obligations

Chicago IBX Financing. During the six months ended June 30, 2008, we received additional advances totaling $4.4 million, bringing the cumulative and final loan payable to approximately $110.0 million. As of June 30, 2008, the loan payable carried an approximate interest rate of 5.19% per annum. The loan payable under the Chicago IBX financing bears interest at a floating rate.

In May 2008, we entered into an interest rate swap agreement with one counterparty to hedge the interest payments on a $105.0 million notional amount of the Chicago IBX financing, which will mature in February 2011. Under the terms of the interest rate swap transaction, we receive interest payments based on rolling one-month LIBOR terms and pay interest at the fixed rate of 6.34%.

Asia-Pacific Financing. In January 2008, the Asia-Pacific financing was amended to enable our subsidiary in Australia to borrow up to 32.0 million Australian dollars, or approximately $30.6 million, under the same general terms, amending the Asia-Pacific financing into an approximately $75.0 million multi-currency credit facility agreement. In June 2008, the Asia-Pacific financing was further amended to enable our subsidiary in Hong Kong to borrow up to 156.0 million Hong Kong dollars, or approximately $20.0 million, under the same general terms, amending the Asia-Pacific financing into an approximately $95.0 million multi-currency credit facility agreement. Loans payable under the Asia-Pacific financing bear interest at floating rates. As of June 30, 2008, we had borrowed 18.3 million Singapore dollars, or approximately $13.4 million, at an approximate interest rate per annum of 3.23%; 2.9 billion Japanese yen, or approximately $27.6 million, at an approximate interest rate per annum of 2.63%; 3.2 million Australian dollars, or approximately $3.0 million, at an approximate interest rate per annum of 9.71% and 48.8 million Hong Kong dollars, or approximately $6.3 million, at an approximate interest rate per annum of 4.22%. Collectively, the total amount borrowed was approximately equal to $50.3 million, leaving approximately $44.7 million of available balance to borrow under the Asia-Pacific financing. As of June 30, 2008, we were in compliance with all financial covenants associated with the Asia-Pacific financing. In July 2008, we received an additional advance of 39.0 million Hong Kong dollars, or approximately $5.0 million, at an approximate interest rate per annum of 4.22% under the Asia-Pacific financing. Collectively, the total amount borrowed under the Asia-Pacific financing was approximately $55.3 million, leaving approximately $39.7 million available to borrow.

European Financing. During the six months ended June 30, 2008, we received additional advances totaling approximately 25.0 million British pounds, or approximately $49.7 million, under the European financing, leaving the amount available to borrow totaling approximately 14.0 million British pounds, or approximately $27.9 million. As of June 30, 2008, a total of approximately 67.5 million British pounds, or approximately $134.4 million, was outstanding under the European financing with an approximate blended interest rate of 7.43% per annum. Loans payable under the European financing bear interest at floating rates. The European financing is available to fund our expansion projects in France, Germany, Switzerland and the United Kingdom. As of June 30, 2008, we were in compliance with all financial covenants associated with the European financing. In July 2008, we received additional advances totaling approximately 2.3 million British pounds, or approximately $4.6 million, under the European financing with an approximate interest rate of 6.72% per annum. As a result, the amount available to borrow under the European financing totals approximately 11.7 million British pounds or approximately $23.3 million.

In May 2008, we entered into three interest rate swap agreements and re-designated two older ineffective interest rate swap agreements with a total of two counterparties to hedge the interest payments on the equivalent of $127.2 million notional amount of the European financing, which will mature in August 2009 and May 2011. Under the terms of the interest rate swap transactions, we receive interest payments based on rolling one-month EURIBOR and LIBOR terms and pay fixed interest rates ranging from 6.71% to 7.94%.

Netherlands Financing. In February 2008, as a result of the Virtu acquisition, our wholly-owned subsidiary assumed senior credit facilities totaling 5.5 million Euros bearing interest at a floating rate (three month EURIBOR plus 1.25%). As of June 30, 2008, a total of approximately 5.0 million Euros, or approximately $7.8 million, was outstanding under the Netherlands financing with an approximate blended interest rate of 6.20% per annum. The Netherlands financing contains several financial covenants, which must be complied with on an annual basis. Our wholly-owned subsidiary in the Netherlands was not in compliance with the December 31, 2007 financial covenants; however, in April 2008, we obtained a waiver from the lender for such non-compliance. As of June 30, 2008, the total amount outstanding under the Netherlands financing is reflected as a current liability within the current portion of mortgage and loans payable on the accompanying balance sheet. This is due to the fact that the Netherlands financing is not a committed facility and is, therefore, callable by the lender.

$75.0 Million Silicon Valley Bank Revolving Credit Line. In February 2008, we terminated the $75.0 million Silicon Valley Bank revolving credit line. As a result, all letters of credit issued and outstanding under the $75.0 million Silicon Valley Bank revolving credit line, totaling $12.1 million, were cash collateralized. As of the termination date, we had no borrowings outstanding under the Silicon Valley Bank revolving credit line and no termination penalties were incurred.

Debt Maturities, Financings, Leases and Other Contractual Commitments

We lease our IBX centers and certain equipment under non-cancelable lease agreements expiring through 2027. The following represents our debt maturities, financings, leases and other contractual commitments as of June 30, 2008 (in thousands):

	2008 (6 months)	2009	2010	2011	2012	2013 and thereafter	Total
Convertible debt **(1)**	$ —	$ 32,250	$ —	$ —	$ 250,000	$ 395,986	$ 678,236
Chicago IBX financing **(1)**	—	—	109,991	—	—	—	109,991
Asia-Pacific financing **(1)**	3,421	15,485	16,781	13,360	1,296	—	50,343
European financing **(1)**	1,045	10,450	15,638	17,728	20,322	69,253	134,436
Netherlands financing **(1)**	7,800	—	—	—	—	—	7,800
Interest **(2)**	18,399	35,011	28,235	25,998	19,443	27,529	154,615
Mortgage payable **(3)**	5,082	10,164	10,164	10,164	10,165	133,503	179,242
Other note payable **(3)**	5,000	10,000	—	—	—	—	15,000
Capital lease and other financing obligations **(3)**	5,996	12,108	12,136	12,225	11,846	112,780	167,091
Operating leases under accrued restructuring charges **(3)**	2,393	4,025	4,094	4,224	4,472	11,524	30,732
Operating leases **(4)**	26,201	52,552	49,606	45,341	43,920	234,906	452,526
Other contractual commitments **(4)**	120,038	29,176	13,068	—	—	—	162,282
	$ 195,375	$ 211,221	$ 259,713	$ 129,040	$ 361,464	$ 985,481	$ 2,142,294

(1) Represents principal only.

(2) Represents interest on convertible debt, Chicago IBX financing, Asia-Pacific financing, European financing and Netherlands financing based on their approximate interest rates as of June 30, 2008.

(3) Represents principal and interest.

(4) Represents off-balance sheet arrangements. Other contractual commitments are described below.

Primarily as a result of our various IBX expansion projects, as of June 30, 2008, we were contractually committed for $84.8 million of unaccrued capital expenditures, primarily for IBX equipment not yet delivered and labor not yet provided, in connection with the work necessary to open these IBX centers prior to making them available to customers for installation. This amount, which is expected to be paid during the remainder of 2008, is reflected in the table above as “other contractual commitments.”

We have other non-capital purchase commitments in place as of June 30, 2008, such as commitments to purchase power in select locations, primarily in the U.S., Singapore and the United Kingdom, through the remainder of 2008 and thereafter, and other open purchase orders, which contractually bind us for goods or services to be delivered or provided during the remainder of 2008. Such other purchase commitments as of June 30, 2008, which total $77.5 million, are also reflected in the table above as “other contractual commitments.”

In addition, although we are not contractually obligated to do so, we expect to incur additional capital expenditures of approximately $150.0 million to $200.0 million beyond the $162.3 million contractually committed as of June 30, 2008 in our various IBX expansion projects during the remainder of 2008 in order to complete the work needed to open these IBX centers. These non-contractual capital expenditures are not reflected in the table above.

Recent Accounting Pronouncements

See Note 15 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market Risk

The following discussion about market risk disclosures involves forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. We may be exposed to market risks related to changes in interest rates and foreign currency exchange rates and fluctuations in the prices of certain commodities, primarily electricity.

We currently employ interest rate swaps and foreign currency forward exchange contracts for the purpose of hedging certain specifically identified exposures. The use of these financial instruments is intended to mitigate some of the risks associated with either fluctuations in interest rates or currency exchange rates, but does not eliminate such risks. We do not use financial instruments for trading or speculative purposes.

Interest Rate Risk

Our exposure to market risk resulting from changes in interest rates relates primarily to our investment portfolio and variable-rate financings in place in the U.S., Asia-Pacific and Europe. All of our cash equivalents and marketable securities are designated as available-for-sale and are therefore recorded at fair market value on our condensed consolidated balance sheets with the unrealized gains or losses reported as a separate component of other comprehensive income or loss. We consider various factors in determining whether we should recognize an impairment charge for our securities, including the length of time and extent to which the fair value has been less than our cost basis and our intent and ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value. The fair market value of our marketable securities could be adversely impacted due to a rise in interest rates, but we do not believe such impact would be material. Securities with longer maturities are subject to a greater interest rate risk than those with shorter maturities and as of June 30, 2008 our portfolio maturity was relatively short. If current interest rates were to increase or decrease by 10% from their position as of June 30, 2008, the fair market value of our investment portfolio could increase or decrease by approximately $370,000.

An immediate 10% increase or decrease in current interest rates from their position as of June 30, 2008 would furthermore not have a material impact on our debt obligations due to the fixed nature of the majority of our debt obligations. However, the interest expense associated with our Chicago IBX financing, Asia-Pacific financing, European financing and Netherlands financing, which bear interest at variable rates tied to local cost of funds or LIBOR/SIBOR/EURIBOR, could be affected. For every 100 basis point change in interest rates, our annual interest expense could increase or decrease by a total of $3.0 million based on the total balance of our borrowings under the Chicago IBX financing, Asia-Pacific financing, European financing and Netherlands financing as of June 30, 2008. To mitigate the risk of fluctuations in floating rates, we utilize interest rate swaps, which shift the risk to the counterparty in exchange for fixed payments by us. As of June 30, 2008, we had entered into a total of six swap agreements with maturity dates of less than three years, comprised of five swap agreements for the European financing with an aggregate notional amount of 38.3 million British pounds and 32.3 million Euros, or approximately $127.2 million, and one swap agreement for the Chicago IBX financing with an aggregate notional amount of $105.0 million. Under the five swap agreements for the European financing, we pay fixed rates of interest ranging from 6.71% to 7.94% on the notional amount and the counterparty pays us rates of interest on the notional amount based on LIBOR/EURIBOR. Under the swap agreement for the Chicago IBX financing, we pay a fixed rate of 6.34% on the notional amount and the counterparty pays us rates of interest on the notional amount based on one-month LIBOR. The fair values or changes in fair value of these swaps are recorded on our balance sheets.

The fair market value of our long-term fixed interest rate debt is subject to interest rate risk. Generally, the fair market value of fixed interest rate debt will increase as interest rates fall and decrease as interest rates rise. These interest rate changes may affect the fair market value of the fixed interest rate debt but do not impact our earnings or cash flows. The fair market value of our convertible subordinated debentures and convertible subordinated notes is based on quoted market prices. The estimated fair value of our convertible subordinated debentures at June 30, 2008 was approximately $74.1million. The estimated fair value of our 2.50% convertible subordinated notes at June 30, 2008 was approximately $255.0 million. The estimated fair value of our 3.00% convertible subordinated notes at June 30, 2008 was approximately $421.3 million.

We may enter into additional interest rate hedging agreements in the future to mitigate our exposure to interest rate risk.

Foreign Currency Risk

The majority of our recognized revenue is denominated in U.S. dollars, generated mostly from customers in the U.S. However, approximately 37% of our revenues and 41% of our operating costs are in the Europe and Asia-Pacific regions and a large portion of those revenues and costs are denominated in a currency other than the U.S. dollar, primarily the British pound, Euro, Swiss franc, Singapore dollar, Japanese yen and Hong Kong and Australian dollars. As a result, our operating results and cash flows are impacted by currency fluctuations relative to the U.S. dollar. To protect against reductions in value and the volatility of future cash flows caused by changes in currency exchange rates, we have established a balance sheet management program. We hedge certain of our intercompany foreign currency assets and liabilities. Our balance sheet remeasurement hedge programs reduce, but do not entirely eliminate, the impact of currency exchange rate movements and its impact to the statements of operations. As of June 30, 2008, the outstanding foreign currency contracts had maturities of 180 days or less.

For the foreseeable future, we anticipate that approximately 35-40% of our revenues and operating costs will continue to be generated and incurred outside of the U.S. in currencies other than the U.S. dollar.

We may enter into significant hedging activities in the future to mitigate our exposure to foreign currency risk as our exposure to foreign currency risk continues to increase due to our growing foreign operations.

Commodity Price Risk

Certain operating costs incurred by us are subject to price fluctuations caused by the volatility of underlying commodity prices. The commodities most likely to have an impact on our results of operations in the event of price changes are electricity, supplies and equipment used in our IBX centers. We are closely monitoring the cost of electricity at all of our locations. We have entered into several power contracts to purchase power at fixed prices during 2008 and 2009 in certain locations in the U.S., as well as Singapore and the United Kingdom.

In addition, as we are building new, “greenfield” IBX centers, we are subject to commodity price risk for building materials related to the construction of these IBX centers, such as steel and copper. In addition, the lead-time to procure certain pieces of equipment, such as generators, is substantial. Any delays in procuring the necessary pieces of equipment for the construction of our IBX centers could delay the anticipated openings of these new IBX centers and, as a result, increase the cost of these projects.

We do not currently employ forward contracts or other financial instruments to hedge commodity price risk other than the power contracts discussed above.

Item 4. Controls and Procedures

(a) ***Evaluation of Disclosure Controls and Procedures.*** Our Chief Executive Officer and our Chief Financial Officer, after evaluating the effectiveness of our “disclosure controls and procedures” (as defined in the Securities Exchange Act of 1934 (the “Exchange Act”) Rules 13a-15(e) or 15d-15(e)) as of the end of the period covered by this quarterly report, have concluded that our disclosure controls and procedures are effective based on their evaluation of these controls and procedures required by paragraph (b) of Exchange Act Rules 13a-15 or 15d-15.

(b) ***Changes in Internal Control over Financial Reporting.*** Other than the addition of certain new controls implemented to cover the operations of IXEurope and its subsidiaries, which we acquired on September 14, 2007 and which were implemented effective as of June 30, 2008, there were no changes in

our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 or 15d-15 that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

On July 30, 2001 and August 8, 2001, putative shareholder class action lawsuits were filed against us, certain of our officers and directors (the “Individual Defendants”), and several investment banks that were underwriters of our initial public offering (the “Underwriter Defendants”). The cases were filed in the United States District Court for the Southern District of New York. Similar lawsuits were filed against approximately 300 other issuers and related parties. The purported class action alleges violations of Sections 11 and 15 of the Securities Act of 1933 and Sections 10(b), Rule 10b-5 and 20(a) of the Securities Exchange Act of 1934 against us and the Individual Defendants. The plaintiffs have since dismissed the Individual Defendants without prejudice. The suits allege that the Underwriter Defendants agreed to allocate stock in our initial public offering to certain investors in exchange for excessive and undisclosed commissions and agreements by those investors to make additional purchases in the aftermarket at pre-determined prices. The plaintiffs allege that the prospectus for our initial public offering was false and misleading and in violation of the securities laws because it did not disclose these arrangements. The action seeks damages in an unspecified amount. On February 19, 2003, the Court dismissed the Section 10(b) claim against us, but denied the motion to dismiss the Section 11 claim. On December 5, 2006, the Second Circuit vacated a decision by the district court granting class certification in six “focus” cases, which are intended to serve as test cases. Plaintiffs selected these six cases, which do not include Equinix. On April 6, 2007, the Second Circuit denied a petition for rehearing filed by plaintiffs, but noted that plaintiffs could ask the district court to certify more narrow classes than those that were rejected. On August 14, 2007, plaintiffs filed amended complaints in the six focus cases. On September 27, 2007, plaintiffs moved to certify a class in the six focus cases. On November 14, 2007, the issuers and the underwriters named as defendants in the six focus cases moved to dismiss the amended complaints against them. On March 26, 2008, the district court dismissed the Section 11 claims of those members of the putative classes in the focus cases who sold their securities for a price in excess of the initial offering price and those who purchased outside the previously certified class period. With respect to all other claims, the motions to dismiss were denied. We are awaiting a decision from the Court on the class certification motion.

Due to the inherent uncertainties of litigation, we cannot accurately predict the ultimate outcome of the matter. We are unable at this time to determine whether the outcome of the litigation would have a material impact on our results of operations, financial condition or cash flows. We intend to continue to defend the action vigorously.

On June 29, 2006 and September 18, 2006, shareholder derivative actions were filed in the Superior Court of the State of California, County of San Mateo, naming Equinix as a nominal defendant and several of Equinix’s current and former officers and directors as individual defendants. These actions were consolidated, and the consolidated complaint was filed in January 2007. In March 2007, the state court stayed this action in deference to a federal shareholder derivative action filed in the United States District Court for the Northern District of California in October 2006. The federal action named Equinix as a nominal defendant and several current and former officers and directors as individual defendants. This complaint alleged that the individual defendants breached their fiduciary duties and violated California and federal securities laws as a result of purported backdating of stock options, insider trading and the dissemination of false statements. On April 12, 2007, the federal action was voluntarily dismissed without prejudice pursuant to a joint stipulation entered as an order by the court. On May 3, 2007, the state court lifted the stay on proceedings in the state court action. On March 3, 2008, the state court plaintiff filed a second amended consolidated complaint after the court granted two motions to dismiss prior complaints with leave to amend. The second amended consolidated complaint alleged that the individual defendants breached their fiduciary duties and violated California securities law as a result of purported backdating of stock option grants, insider trading and the dissemination of false financial statements. The second amended consolidated complaint sought to recover, on behalf of Equinix, unspecified monetary damages, corporate governance changes, equitable and injunctive relief, restitution and fees and costs. On July 8, 2008, the state court granted our motion to dismiss the second amended consolidated complaint without leave to amend and entered a final judgment dismissing the action and all claims asserted therein in their entirety without leave to amend. We do not know whether the plaintiff will appeal the dismissal of this action.

Responding to, investigating and/or defending against civil litigations and government inquiries regarding our stock option grants and practices would present a substantial cost to us in both cash and the attention of certain management and may have a negative impact on our operations. In addition, in the event of any negative finding or assertion by a court of law or any third-party claim related to our stock option granting practices, we may be liable for damages, fines or other civil or criminal remedies, or be required to restate our prior period financial statements or adjust our current period financial statements. Any such adverse action could have a material adverse effect on our business and current market value.

Item 1A. Risk Factors

In addition to the other information contained in this report, the following risk factors should be considered carefully in evaluating our business and us:

We may not be able to successfully integrate IXEurope and achieve the benefits we expect from the IXEurope acquisition.

We will only achieve the benefits that are expected to result from the IXEurope acquisition if we can successfully integrate its administrative, finance, operations, sales and marketing organizations, and implement appropriate systems and controls.

The success of the IXEurope acquisition and integration into our operations will involve a number of risks, including, but not limited to:

- the possible diversion of our management's attention from other business concerns, including our previously announced expansion plans in the U.S. and Asia-Pacific regions;
- the potential inability to successfully pursue or realize some or all of the anticipated revenue opportunities associated with the IXEurope acquisition, some of which were anticipated in our purchase price;
- the potential that our existing customer base will not choose us as their global colocation solution as expected;
- the potential inability to maintain our historic levels of stability, uptime and quality for our customers;
- the possible loss of IXEurope's key employees;
- the potential inability to achieve expected operating efficiencies in IXEurope's operations, including through the thorough integration of our operations, marketing, sales and financial systems;
- the increased complexity and diversity of our operations after the IXEurope acquisition compared to our prior operations;
- the impact on our internal controls and compliance with the regulatory requirements under the Sarbanes-Oxley Act of 2002; and

- unanticipated problems, expenses or liabilities.

If we fail to integrate IXEurope successfully and/or fail to realize the intended benefits of the IXEurope acquisition, our results of operations could be materially and adversely affected. In addition, the IXEurope acquisition resulted in a substantial goodwill asset, which will be subject to an annual impairment analysis. If this goodwill were to be impaired in the future, it could have a significant negative impact on our results of operations and financial condition.

Our substantial debt could adversely affect our cash flows and limit our flexibility to raise additional capital.

We have a significant amount of debt. As of June 30, 2008, our total indebtedness was approximately $1.2 billion and our stockholders' equity was $878.8 million.

Our substantial amount of debt could have important consequences. For example, it could:

- require us to dedicate a substantial portion of our cash flow from operations to make payments on our debt, reducing the availability of our cash flow to fund future capital expenditures, working capital, execution of our expansion strategy and other general corporate requirements;
- make it more difficult for us to satisfy our obligations under our various debt instruments;
- increase our vulnerability to general adverse economic and industry conditions and adverse changes in governmental regulations;
- limit our flexibility in planning for, or reacting to, changes in our business and industry, which may place us at a competitive disadvantage compared with our competitors;
- limit our ability to borrow additional funds, even when necessary to maintain adequate liquidity; and
- make us more vulnerable to increases in interest rates because of the variable interest rates on some of our borrowings.

The occurrence of any of the foregoing factors could have a material adverse effect on our business, results of operations and financial condition. In addition, the performance of our stock price may trigger events that would require the write-off of a significant portion of our debt issuance costs related to our convertible debt, which may have a material adverse effect on our results of operations and financial condition.

We have incurred substantial losses in the past and may continue to incur additional losses in the future.

Although we have generated cash from operations since the quarter ended September 30, 2003, for the years ended December 31, 2007, 2006 and 2005, we incurred net losses of $5.2 million, $6.4 million and $42.6 million, respectively. We recorded net income of $7.7 million for the six months ended June 30, 2008. Although we have generated net income in our first and second quarters of 2008, we are also currently investing heavily in our future growth through the build-out of several additional IBX centers and IBX center expansions. As a result, we will incur higher depreciation and other operating expenses, as well as interest expense, that will negatively impact our ability to achieve and sustain profitability unless and until these new IBX centers generate enough revenue to exceed their operating costs and cover our additional overhead needed to scale our business for this anticipated growth. In addition, costs associated with the IXEurope acquisition and the integration of the two companies, as well as the additional interest expense associated with debt financing we have undertaken to fund our growth initiatives, may also negatively impact our ability to achieve and sustain profitability. Finally, given the competitive and evolving nature of the industry in which we operate, we may not be able to sustain or increase profitability on a quarterly or annual basis.

We are continuing to invest in our expansion efforts but may not have sufficient customer demand in the future to realize expected returns on these investments.

We are considering the acquisition or lease of additional properties and the construction of new IBX centers beyond those expansion projects already announced. We will be required to commit substantial operational and financial resources to these IBX centers, generally 12–18 months in advance of securing customer contracts, and we may not have sufficient customer demand in those markets to support these centers once they are built. In addition, unanticipated technological changes could affect customer requirements for data centers and we may not have built such requirements into our new IBX centers. Any of these contingencies, if they were to occur, could make it difficult for us to realize expected or reasonable returns on these investments.

Our construction of additional new IBX centers could involve significant risks to our business.

In order to sustain our growth in certain of our existing and new markets, we must acquire suitable land with or without structures to build new IBX centers from the ground up. We call these "greenfield builds." Greenfield builds are currently underway, or being contemplated, in several key markets. A greenfield build involves substantial planning and lead-time, much longer time to completion than an IBX retrofit of an existing data center, and significantly higher costs of construction, equipment and materials, which could have a negative impact on our returns. A greenfield build also requires us to carefully select and rely on the experience of one or more general contractors and associated subcontractors during the construction process. Should a general contractor or significant subcontractor experience financial or other problems during the construction process, we could experience significant delays, increased costs to complete the project and other negative impacts to our expected returns. Site selection is also a critical factor in our expansion plans, and there may not be suitable properties available in our markets with the necessary combination of high power capacity and fiber connectivity.

While we may prefer to locate new IBX centers adjacent to our existing locations, we may be limited by the inventory and location of suitable properties as well as by the need for adequate power and fiber to the site. In the event we decide to build new IBX centers separate from our existing IBX centers, we may provide services to interconnect these two centers. Should these services not provide the necessary reliability to sustain service, this could result in lower interconnection revenue, lower margins and could have a negative impact on customer retention over time.

If we are not able to generate sufficient operating cash flows or obtain external financing, our ability to fund capital expenditures or fulfill our obligations or execute expansion plans may be limited.

Our capital expenditures, together with ongoing operating expenses and obligations to service our debts, will be a substantial drain on our cash flow and may decrease our cash balances. We regularly assess the capital markets for external financing opportunities, including debt and equity. Additional debt or equity financing may not be available when needed or, if available, may not be available on satisfactory terms. Our inability to obtain needed debt and/or equity financing or to generate sufficient cash from operations may require us to abandon projects or curtail capital expenditures. If we curtail capital expenditures or abandon projects, we could be materially adversely affected.

Any failure of our physical infrastructure or services could lead to significant costs and disruptions that could reduce our revenue and harm our business reputation and financial results.

Our business depends on providing customers with highly reliable service. We must protect our customers' IBX infrastructure and their equipment located in our IBX centers. We continue to acquire IBX centers not built by us. If we discover that these IBX centers and their infrastructure assets are not in the condition we expected when they were acquired, we may be required to incur substantial additional costs to repair or upgrade the centers. The services we provide in each of our IBX centers are subject to failure resulting from numerous factors, including:

- human error;
- physical or electronic security breaches;

- fire, earthquake, flood, tornados and other natural disasters;
- extreme temperatures;
- water damage;
- fiber cuts;
- power loss;
- terrorist acts;
- sabotage and vandalism; and
- the failure of business partners who provide our resale products.

Problems at one or more of our IBX centers, whether or not within our control, could result in service interruptions or significant equipment damage. We have service level commitment obligations to certain of our customers, including our significant customers. As a result, service interruptions or significant equipment damage in our IBX centers could result in difficulty maintaining service level commitments to these customers and potential claims related to such failures.

If we incur significant financial obligations to our customers in connection with a loss of power, or our failure to meet other service level commitment obligations, our liability insurance may not be adequate. In addition, any loss of service, equipment damage or inability to meet our service level commitment obligations could reduce the confidence of our customers and could consequently impair our ability to obtain and retain customers, which would adversely affect both our ability to generate revenues and our operating results.

Furthermore, we are dependent upon Internet service providers, telecommunications carriers and other website operators in the U.S., Asia-Pacific region, Europe and elsewhere, some of which have experienced significant system failures and electrical outages in the past. Users of our services may in the future experience difficulties due to system failures unrelated to our systems and services. If for any reason, these providers fail to provide the required services, our business, financial condition and results of operations could be materially adversely impacted.

We expect our operating results to fluctuate.

We have experienced fluctuations in our results of operations on a quarterly and annual basis. The fluctuations in our operating results may cause the market price of our common stock to decline. We expect to experience significant fluctuations in our operating results in the foreseeable future due to a variety of factors, including, but not limited to:

- financing or other expenses related to the acquisition, purchase or construction of additional IBX centers;
- mandatory expensing of employee stock-based compensation;
- financing or other expenses related to the IXEurope acquisition;

- demand for space, power and services at our IBX centers;
- changes in general economic conditions, such as the current economic downturn, and specific market conditions in the telecommunications and Internet industries, both of which may have an impact on our customer base;
- costs associated with the write-off or exit of unimproved or underutilized property;
- the provision of customer discounts and credits;
- the mix of current and proposed products and services and the gross margins associated with our products and services;
- the timing required for new and future centers to open or become fully utilized;
- competition in the markets in which we operate;
- conditions related to international operations;
- increasing repair and maintenance expenses in connection with aging IBX centers;
- lack of available capacity in our existing IBX centers to book new revenue or delays in opening up new or acquired IBX centers that delay our ability to book new revenue in markets which have otherwise reached capacity;
- the timing and magnitude of other operating expenses, including taxes, capital expenditures and expenses related to the expansion of sales, marketing, operations and acquisitions, if any, of complementary businesses and assets; and
- the cost and availability of adequate public utilities, including power.

Any of the foregoing factors, or other factors discussed elsewhere in this report, could have a material adverse effect on our business, results of operations and financial condition. Although we have experienced growth in revenues in recent quarters, this growth rate is not necessarily indicative of future operating results. We have generated net losses every fiscal year since inception. It is possible that we may not be able to generate positive net income on a quarterly or annual basis in the future. In addition, a relatively large portion of our expenses are fixed in the short-term, particularly with respect to lease and personnel expenses, depreciation and amortization and interest expenses. Therefore, our results of operations are particularly sensitive to fluctuations in revenues. As such, comparisons to prior reporting periods should not be relied upon as indications of our future performance. In addition, our operating results in one or more future quarters may fail to meet the expectations of securities analysts or investors. If this occurs, we could experience an immediate and significant decline in the trading price of our stock.

Our inability to use our tax net operating losses will cause us to pay taxes at an earlier date and in greater amounts, which may harm our operating results.

We believe that our ability to use our pre-2003 tax net operating losses, or NOLs, in any taxable year is subject to limitations under Section 382 of the United States Internal Revenue Code of 1986, as amended, or the Code, as a result of the significant change in the ownership of our stock that resulted from our combination with i-STT Pte Ltd and Pihana Pacific, Inc. in 2002. We expect that a significant portion of our NOLs that accrued prior to December 31, 2002 will expire unused as a result of this limitation.

We are exposed to potential risks from legislation requiring companies to evaluate controls under Section 404 of the Sarbanes-Oxley Act of 2002.

Although we received an unqualified opinion regarding the effectiveness of our internal controls over financial reporting as of December 31, 2007, in the course of our ongoing evaluation of our internal controls over financial reporting we have identified certain areas which we would like to improve and are in the process of evaluating and designing enhanced processes and controls to address these areas identified during our evaluation, none of which we believe constitutes or will constitute a material change. However, we cannot be certain that our efforts will be effective or sufficient for us, or our independent registered public accounting firm, to issue unqualified reports in the future, especially as our business continues to grow and evolve.

IXEurope, since it was acquired in September 2007, was scoped out of internal control testing for 2007; however, it will be in scope for 2008. It may be difficult to design and implement effective financial controls for combined operations, and differences in existing controls of any acquired businesses, including IXEurope, may result in weaknesses that require remediation when the financial controls and reporting are combined.

Our ability to manage our operations and growth will require us to improve our operational, financial and management controls, as well as our internal reporting systems and controls. We may not be able to implement improvements to our internal reporting systems and controls in an efficient and timely manner and may discover deficiencies in existing systems and controls.

If we cannot effectively manage our international operations, and successfully implement our international expansion plans, our revenues may not increase and our business and results of operations would be harmed.

For the years ended December 31, 2007, 2006 and 2005, we recognized 23%, 14% and 13%, respectively, of our revenues outside the U.S. For the six months ended June 30, 2008, we recognized 37% of our revenues outside the U.S.

To date, the neutrality of our IBX centers and the variety of networks available to our customers has often been a competitive advantage for us. In certain of our acquired IBX centers the limited number of carriers available reduces that advantage. As a result, we may need to adapt our key revenue-generating services and pricing to be competitive in that market.

We may experience gains and losses resulting from fluctuations in foreign currency exchange rates. To date, the majority of our revenues and costs have been denominated in U.S. dollars; however, the majority of revenues and costs in our international operations have been denominated in foreign currencies. Although we have in the past and may decide to undertake foreign exchange hedging transactions in the future to reduce foreign currency transaction exposure, we do not currently intend to eliminate all foreign currency transaction exposure. Where our prices are denominated in U.S. dollars, our sales could be adversely affected by declines in foreign currencies relative to the U.S. dollar, thereby making our products and services more expensive in local currencies.

We are currently undergoing expansions or evaluating expansion opportunities in Europe and in the Asia-Pacific region. Undertaking and managing expansions in foreign jurisdictions may present unanticipated challenges to us. In addition, any expansion requires substantial operational and financial resources, and we may not have sufficient customer demand to support the expansion once complete. Unanticipated technological changes could also affect customer requirements for data centers and we may not have built such requirements into our expanded IBX centers. We are also exposed to risks resulting from fluctuations in foreign currency exchange rates in connection with our international expansions. To the extent we are paying contractors in foreign currencies, our expansions could cost more than anticipated from declines in the U.S dollar relative to foreign currencies.

Our international operations are generally subject to a number of additional risks, including:

- the costs of customizing IBX centers for foreign countries;

- protectionist laws and business practices favoring local competition;
- greater difficulty or delay in accounts receivable collection;
- difficulties in staffing and managing foreign operations, including negotiating with foreign labor unions or workers' councils;
- political and economic instability;
- our ability to obtain, transfer, or maintain licenses required by governmental entities with respect to our business; and
- compliance with evolving governmental regulation with which we have little experience.

The increased use of high power density equipment may limit our ability to fully utilize our IBX centers.

Customers are increasing their use of high-density electrical power equipment, such as blade servers, in our IBX centers which has significantly increased the demand for power on a per cabinet basis. Because most of our centers were built several years ago, the current demand for electrical power may exceed the designed electrical capacity in these centers. As electrical power, not space, is typically the limiting factor in our IBX data centers, our ability to fully utilize those IBX centers may be limited. The availability of sufficient power may also pose a risk to the successful operation of our new IBX centers. The ability to increase the power capacity of an IBX, should we decide to, is dependent on several factors including, but not limited to, the local utility's ability to provide additional power; the length of time required to provide such power; and/or whether it is feasible to upgrade the electrical infrastructure of an IBX to deliver additional power to customers. Although we are currently designing and building to a much higher power specification, there is a risk that demand will continue to increase and our IBX centers could become obsolete sooner than expected.

We have made, and may continue to make, acquisitions which pose integration and other risks that could harm our business.

We have recently acquired several new IBX centers, and we may seek to acquire additional IBX centers, real estate for development of new IBX centers, or complementary businesses, such as IXEurope and Virtu, products, services or technologies. As a result of these acquisitions, we may be required to incur additional debt and expenditures and issue additional shares of our common stock to pay for the acquired businesses, products, services or technologies, which may dilute our stockholders' ownership interest and may delay, or prevent, our profitability. These acquisitions may also expose us to risks such as:

- the potential inability to successfully pursue or realize some or all of the anticipated revenue opportunities associated with an acquisition, some of which would be anticipated in any purchase price;
- the possibility that we may not be able to successfully integrate acquired businesses or achieve the level of quality in such businesses to which our customers are accustomed;
- the possibility that additional capital expenditures may be required;
- the possibility that senior management may be required to spend considerable time negotiating agreements and integrating acquired businesses;

Table of Contents

- the possible loss or reduction in value of acquired businesses;
- the possibility that our customers may not accept either the existing equipment infrastructure or the "look-and-feel" of a new or different IBX center;
- the possibility that carriers may find it cost-prohibitive or impractical to bring fiber and networks into a new IBX center;
- the possibility of pre-existing undisclosed liabilities regarding the property or IBX center, including but not limited to environmental or asbestos liability, of which our insurance may be insufficient or for which we may be unable to secure insurance coverage; and
- the possibility that the concentration of our IBX centers in the Silicon Valley, Los Angeles and Tokyo, Japan metro areas may increase our exposure to seismic activity, especially if these centers are located on or near fault zones.

We cannot assure you that the price for any future acquisitions will be similar to prior IBX acquisitions. In fact, we expect acquisition costs, including capital expenditures required to build or render new IBX centers operational, to increase in the future. If our revenue does not keep pace with these potential acquisition and expansion costs, we may not be able to maintain our current or expected margins as we absorb these additional expenses. There is no assurance we would successfully overcome these risks or any other problems encountered with these acquisitions.

Our business could be harmed by prolonged electrical power outages or shortages, increased costs of energy or general lack of availability of electrical resources.

Our IBX centers are susceptible to regional costs of power, electrical power shortages, planned or unplanned power outages and limitations, especially internationally, on the availability of adequate power resources.

Power outages, such as those that occurred in California during 2001, the Northeast in 2003, and from the tornados on the U.S. east coast in 2004, could harm our customers and our business. We attempt to limit exposure to system downtime by using backup generators and power supplies; however, we may not be able to limit our exposure entirely even with these protections in place, as was the case with the power outages we experienced in our Chicago and Washington, D.C. metro area IBX centers in 2005 and London metro area IBX centers in 2007.

In addition, global fluctuations in the price of power can increase the cost of energy, and although contractual price increase clauses may exist in some of our customer agreements, we may not be able to pass these increased costs on to our customers.

In each of our markets, we rely on third parties to provide a sufficient amount of power for current and future customers. At the same time, power and cooling requirements are growing on a per unit basis. As a result, some customers are consuming an increasing amount of power per cabinet. We generally do not control the amount of electric power our customers draw from their installed circuits. This means that we could face power limitations in our centers. This could have a negative impact on the effective available capacity of a given center and limit our ability to grow our business, which could have a negative impact on our financial performance, operating results and cash flows.

We may also have difficulty obtaining sufficient power capacity for potential expansion sites in new or existing markets. We may experience significant delays and substantial increased costs demanded by the utilities to provide the level of electrical service required by our current IBX center designs.

We may be forced to take steps, and may be prevented from pursuing certain business opportunities, to ensure compliance with certain tax-related covenants agreed to by us.

We agreed to a covenant in connection with our combination with i-STT Pte Ltd and Pihana Pacific, Inc. in 2002 (which we refer to as the FIRPTA covenant) that we would use all commercially reasonable efforts to ensure that at all times from and after the closing of the combination none of our capital stock issued to STT Communications would constitute "United States real property interests" within the meaning of Section 897(c) of the Code. Under Section 897(c) of the Code, our capital stock issued to STT Communications would generally constitute "United States real property interests" at such point in time that the fair market value of the "United States real property interests" owned by us equals or exceeds 50% of the sum of the aggregate fair market values of (a) our "United States real property interests," (b) our interests in real property located outside the United States and (c) any other assets held by us which are used or held for use in our trade or business. Currently, the fair market value of our "United States real property interests" is significantly below the 50% threshold. However, in order to ensure compliance with the FIRPTA covenant, we may be limited with respect to the business opportunities we may pursue, particularly if the business opportunities would increase the amounts of "United States real property interests" owned by us or decrease the amount of other assets owned by us. In addition, we may take proactive steps to avoid our capital stock being deemed a "United States real property interest," including, but not limited to, (a) a sale-leaseback transaction with respect to some or all of our real property interests, or (b) the formation of a holding company organized under the laws of the Republic of Singapore which would issue shares of its capital stock in exchange for all of our outstanding stock (which would require the submission of that transaction to our stockholders for their approval and the consummation of that exchange). We will take these actions only if such actions are commercially reasonable for our stockholders and us. We have entered into an agreement with STT Communications and its affiliate pursuant to which we will no longer be bound by the FIRPTA covenant as of September 30, 2009. If we were to breach this covenant, we may be liable for damages to STT Communications.

Increases in property taxes could adversely affect our business, financial condition and results of operations.

Our IBX centers are subject to state and local real property taxes in the U.S. and certain of our European jurisdictions. The state and local real property taxes on our IBX centers may increase as property tax rates change and as the value of the properties are assessed or reassessed by taxing authorities. Many state and local governments are facing budget deficits, which may cause them to increase assessments or taxes. If property taxes increase, our business, financial condition and operating results could be adversely affected.

A small number of our stockholders has voting control over a substantial portion of our stock and has influence over matters requiring stockholder consent.

Several of our stockholders each hold voting control over greater than 10% of our outstanding common stock. In addition, these stockholders are not prohibited from buying shares of our stock in public or private transactions. As a result, each of these stockholders is able to exercise significant control over all matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions, which could prevent or delay a third party from acquiring or merging with us.

Our non-U.S. customers include numerous related parties of STT Communications.

We continue to have contractual and other business relationships and may engage in material transactions with affiliates of STT Communications, a greater than 10% stockholder. Circumstances may arise in which the interests of STT Communications' affiliates may conflict with the interests of our other stockholders. In addition, entities affiliated with STT Communications make investments in various companies. They have invested in the past, and may invest in the future, in entities that compete with us. In the context of negotiating commercial arrangements with affiliates, conflicts of interest have arisen in the past and may arise, in this or other contexts, in the future. We cannot assure you that any conflicts of interest will be resolved in our favor.

Environmental regulations may impose upon us new or unexpected costs.

We are subject to various environmental and health and safety laws and regulations, including those relating to the generation, storage, handling and disposal of hazardous substances and wastes. Certain of these laws and regulations also impose joint and several liability, without regard to fault, for investigation and cleanup costs on current and former owners and operators of real property and persons who have disposed of or released hazardous substances into the environment. Our operations involve the use of hazardous substances and materials such as petroleum fuel for emergency generators, as well as batteries, cleaning solutions and other materials. In addition, we lease, own or operate real property at which hazardous substances and regulated materials have been used in the past. At some of our locations, hazardous substances or regulated materials are known to be present in soil or groundwater and there may be additional unknown hazardous substances or regulated materials present at sites we own, operate or lease. At some of our locations, there are land use restrictions in place relating to earlier environmental cleanups that do not materially limit our use of the sites. To the extent any hazardous substances or any other substance or material must be cleaned up or removed from our property, we may be responsible under applicable laws, regulations or leases for the removal or cleanup of such substances or materials, the cost of which could be substantial.

In addition, we are subject to environmental, health and safety laws regulating air emissions, storm water management and other issues arising in our business. While these obligations do not normally impose material costs upon our operations, unexpected events, equipment malfunctions and human error, among other factors, can lead to violations of environmental laws, regulations or permits. Noncompliance with existing, or adoption of more stringent, environmental or health and safety laws and regulations or the discovery of previously unknown contamination could require us to incur costs or become the basis of new or increased liabilities that could be material.

Fossil fuel combustion creates greenhouse gas emissions that are linked to global climate change. Regulations to limit greenhouse gas emissions are coming into force in the European Union in an effort to prevent or reduce climate change. In the United States, federal proposals are under consideration that would implement some form of regulation or taxation to mitigate greenhouse gas emissions. Several states within the United States have adopted laws intended to limit fossil fuel consumption and/or encourage renewable energy development for the same purpose. The proposals include a tax on carbon, a carbon “cap-and-trade” market, and/or other restrictions on carbon and greenhouse gas emissions. California’s recently enacted Global Warming Solutions Act of 2006 established a statewide greenhouse gas emissions cap and will require mandatory emissions reporting. We do not anticipate to be directly regulated by each of the potential or developing climate change-related laws, but such legislation is likely to increase the costs of electricity or fossil fuels, and these cost increases could materially increase our costs of operation or limit the availability of electricity or emergency generator fuels. If laws reducing greenhouse gas emissions are passed, we may be required to modify our emergency power sources systems, buildings or other infrastructure in order to comply, the cost of which could be substantial.

To the extent any of these environmental regulations impose new or unexpected costs, our business, results of operations or financial conditions may be adversely affected.

We depend on a number of third parties to provide Internet connectivity to our IBX centers; if connectivity is interrupted or terminated, our operating results and cash flow could be materially adversely affected.

The presence of diverse telecommunications carriers’ fiber networks in our IBX centers is critical to our ability to retain and attract new customers. We are not a telecommunications carrier, and as such we rely on third parties to provide our customers with carrier services. We believe that the availability of carrier capacity will directly affect our ability to achieve our projected results. We rely primarily on revenue opportunities from the telecommunications carriers’ customers to encourage them to invest the capital and operating resources required to connect from their centers to our IBX centers. Carriers will likely evaluate the revenue opportunity of an IBX center based on the assumption that the environment will be highly competitive. We cannot assure you that any carrier will elect to offer its services within our IBX centers or that once a carrier has decided to provide Internet connectivity to our IBX centers that it will continue to do so for any period of time. Further, many carriers are experiencing business difficulties or announcing consolidations. As a result, some carriers may be forced to downsize or terminate connectivity within our IBX centers, which could have an adverse effect on our operating results.

Our new IBX centers require construction and operation of a sophisticated redundant fiber network. The construction required to connect multiple carrier facilities to our IBX centers is complex and involves factors outside of our control, including regulatory processes and the availability of construction resources. If the establishment of highly diverse Internet connectivity to our IBX centers does not occur, is materially

delayed or is discontinued, or is subject to failure, our operating results and cash flow will be adversely affected. Any hardware or fiber failures on this network may result in significant loss of connectivity to our new IBX expansion centers. This could affect our ability to attract new customers to these IBX centers or retain existing customers.

Our networks may be vulnerable to unauthorized persons accessing our systems, which could disrupt our operations and result in the theft of our proprietary information.

A party who is able to breach the security measures on our networks could misappropriate either our proprietary information or the personal information of our customers, or cause interruptions or malfunctions in our operations. We may be required to expend significant capital and resources to protect against such threats or to alleviate problems caused by breaches in security, which could have a material adverse effect on our financial performance and operating results.

A small number of customers account for a significant portion of our revenues, and the loss of any of these customers could significantly harm our business, financial condition and results of operations.

While no single customer accounted for 10% of our revenues for the six months ended June 30, 2008 or the year ended December 31, 2007, our top 10 customers accounted for 20%, inclusive of the impact of the IXEurope acquisition and exclusive of the impact of the Virtu acquisition, and 23%, exclusive of the impact of the IXEurope acquisition, respectively, of our revenues during these periods. As of June 30, 2008, excluding customers acquired in the Virtu acquisition, we had 2,090 customers. We expect that a small percentage of our customers will continue to account for a significant portion of our revenues for the foreseeable future. We cannot guarantee that we will retain these customers or that they will maintain their commitments in our IBX centers at current levels. For example, although the term of our contract with IBM, our single largest customer, runs through 2011, IBM currently has the right to reduce its commitment to us pursuant to the terms and requirements of its customer agreement. If we lose any of these key customers, or if any of them decide to reduce the level of their commitment to us, our business, financial condition and results of operations could be adversely affected.

We resell products and services of third parties that may require us to pay for such products and services even if our customers fail to pay us for them, which may have a negative impact on our operating results.

In order to provide resale services such as bandwidth, managed services and other network management services, we contract with third party service providers. These services require us to enter into fixed term contracts for services with third party suppliers of products and services. If we experience the loss of a customer who has purchased a resale product, we will remain obligated to continue to pay our suppliers for the term of the underlying contracts. The payment of these obligations without a corresponding payment from customers will reduce our financial resources and may have a material adverse effect on our operating and financial results and cash flows.

We may not be able to compete successfully against current and future competitors.

Our IBX centers and other products and services must be able to differentiate themselves from those of other providers of space and services for telecommunications companies, webhosting companies and other colocation providers. In addition to competing with neutral colocation providers, we must compete with traditional colocation providers, including local phone companies, long distance phone companies, Internet service providers and web-hosting facilities. Similarly, with respect to our other products and services, including managed services, bandwidth services and security services, we must compete with more established providers of similar services. Most of these companies have longer operating histories and significantly greater financial, technical, marketing and other resources than us.

Because of their greater financial resources, some of our competitors have the ability to adopt aggressive pricing policies, especially if they have been able to restructure their debt or other obligations. As a result, in the future, we may suffer from pricing pressure that would adversely affect our ability to generate revenues and adversely affect our operating results. In addition, these competitors could offer colocation on neutral terms, and may start doing so in the same metropolitan areas in which we have IBX centers. Some of these competitors may also provide our target customers with additional benefits, including bundled communication services, and may do so in a manner that is more attractive to our potential customers than obtaining space in our IBX centers. If these competitors were able to adopt aggressive pricing policies together with offering colocation space, our ability to generate revenues would be materially adversely affected.

We may also face competition from persons seeking to replicate our IBX concept by building new centers or converting existing centers that some of our competitors are in the process of divesting. We may continue to see increased competition for data center space and customers from large REITS who also operate in our market. We may experience competition from our landlords, some of which are REITS, in this regard. Rather than leasing available space in our buildings to large single tenants, they may decide to convert the space instead to smaller square foot units designed for multi-tenant colocation use. Landlords/REITS may enjoy a cost effective advantage in providing services similar to those provided by our IBXs, and in addition to the risk of losing customers to these parties this could also reduce the amount of space available to us for expansion in the future. Competitors may operate more successfully or form alliances to acquire significant market share. Furthermore, enterprises that have already invested substantial resources in outsourcing arrangements may be reluctant or slow to replace, limit or compete with their existing systems by becoming a customer. Customers may also decide it is cost effective for them to build out their own data centers which could have a negative impact on our results of operations. In addition, other companies may be able to attract the same potential customers that we are targeting. Once customers are located in competitors' facilities, it may be extremely difficult to convince them to relocate to our IBX centers.

Because we depend on the retention of key employees, failure to maintain competitive compensation packages, including equity incentives, may be disruptive to our business.

Our success in retaining key employees and discouraging them from moving to a competitor is an important factor in our ability to remain competitive. As is common in our industry, our employees are typically compensated through grants of equity awards in addition to their regular salaries. In addition to granting equity awards to selected new hires, we periodically grant new equity awards to certain employees as an incentive to remain with us. To the extent we are unable to offer competitive compensation packages to our employees and adequately maintain equity incentives due to equity expensing or otherwise, and should employees decide to leave us, this may be disruptive to our business and may adversely affect our business, financial condition and results of operations.

Because we depend on the development and growth of a balanced customer base, failure to attract and retain this base of customers could harm our business and operating results.

Our ability to maximize revenues depends on our ability to develop and grow a balanced customer base, consisting of a variety of companies, including network service providers, site and performance management companies, and enterprise and content companies. The more balanced the customer base within each IBX center, the better we will be able to generate significant interconnection revenues, which in turn increases our overall revenues. Our ability to attract customers to our IBX centers will depend on a variety of factors, including the presence of multiple carriers, the mix of products and services offered by us, the overall mix of customers, the IBX center's operating reliability and security and our ability to effectively market our services. In addition, some of our customers are, and are likely to continue to be, Internet companies that face many competitive pressures and that may not ultimately be successful. If these customers do not succeed, they will not continue to use the IBX centers. This may be disruptive to our business and may adversely affect our business, financial condition and results of operations.

Our products and services have a long sales cycle that may materially adversely affect our business, financial condition and results of operations.

A customer's decision to license cabinet space in one of our IBX centers and to purchase additional services typically involves a significant commitment of resources. In addition, some customers will be reluctant to commit to locating in our IBX centers until they are confident that the IBX center has adequate carrier connections. As a result, we have a long sales cycle. Furthermore, we may expend significant time and resources in pursuing a particular sale or customer that does not result in revenue. Delays due to the length of our sales cycle may materially adversely affect our business, financial condition and results of operations.

The failure to obtain favorable terms when we renew our IBX center leases could harm our business and results of operations.

While we own certain of our IBX centers, others are leased under long-term arrangements with lease terms expiring at various dates ranging from 2010 to 2027. These leased centers have all been subject to significant development by us in order to convert them from, in most cases, vacant buildings or warehouses into IBX centers. All of our IBX center leases have renewal options available to us. However, these renewal options provide for rent set at then-prevailing market rates. To the extent that then-prevailing market rates are higher than present rates, these higher costs may adversely impact our business and results of operations.

We are exposed to fluctuations in the market values of our portfolio investments and in interest rates; impairment of our investments could harm our results of operations.

We maintain an investment portfolio of various holdings, types and maturities. These securities are generally classified as available-for-sale and, consequently, are recorded on our consolidated balance sheets at fair value with unrealized gains or losses as a separate component of accumulated other comprehensive income or loss. Our portfolio includes fixed income securities, the values of which are subject to market price volatility. If the market price declines, we may recognize in our statements of operations the decline in fair value of our investments below the cost basis when the decline is judged to be other-than-temporary. For information regarding the sensitivity of and risks associated with the market value of our portfolio and interest rates, refer to our discussion of "Quantitative and Qualitative Disclosures About Market Risk" included in Item 3 of this Quarterly Report on Form 10-Q.

If the market price of our stock continues to be highly volatile, the value of an investment in our common stock may decline.

Since January 1, 2007, the closing sale price of our common stock on the NASDAQ Global Select Market ranged from $57.78 to $116.66 per share. The market price of the shares of our common stock has been and may continue to be highly volatile. General economic and market conditions, and market conditions for telecommunications stocks in general, may affect the market price of our common stock. In addition, actual sales, or the market's perception with respect to possible sales, of a substantial number of shares of our common stock within a narrow period of time could cause our stock price to fall. Announcements by others or us may also have a significant impact on the market price of our common stock. These announcements may relate to:

- our operating results;
- new issuances of equity, debt or convertible debt by us;
- developments in our relationships with corporate customers;
- announcements by our customers or competitors;
- changes in regulatory policy or interpretation;
- governmental investigations;
- changes in the ratings of our stock by securities analysts;
- our purchase or development of real estate and/or additional IBX centers;

- acquisitions by us of complementary businesses; or
- the operational performance of our IBX centers.

The stock market has from time to time experienced extreme price and volume fluctuations, which have particularly affected the market prices for emerging telecommunications companies, and which have often been unrelated to their operating performance. These broad market fluctuations may adversely affect the market price of our common stock.

We are subject to securities class action and derivative litigation, which may harm our business and results of operations.

In the past, securities class action litigation has often been brought against a company following periods of volatility in the market price of its securities. During the quarter ended September 30, 2001, putative shareholder class action lawsuits were filed against us, a number of our officers and directors, and several investment banks that were underwriters of our initial public offering. Similar complaints were filed against more than 300 other issuers, their officers and directors, and investment banks. The suits allege that the underwriter defendants agreed to allocate stock in our initial public offering to certain investors in exchange for excessive and undisclosed commissions and agreements by those investors to make additional purchases in the aftermarket at pre-determined prices. Plaintiffs allege that the prospectus for our initial public offering was false and misleading and in violation of the securities laws because it did not disclose these arrangements. A previously agreed upon settlement with the plaintiffs has been terminated. On August 14, 2007, the plaintiffs filed amended complaints in six cases selected as test, or "focus," cases and moved for class certification on September 27, 2007. If plaintiffs are successful in obtaining class certification in the "focus" cases, they will also likely file an amended complaint against us. We are continuing to participate in the defense of this litigation, which may increase our expenses and divert management's attention and resources. In addition, we may, in the future, be subject to other securities class action or similar litigation.

On June 29, 2006 and September 18, 2006, shareholder derivative actions were filed in the Superior Court of the State of California, County of San Mateo, naming Equinix as a nominal defendant and several of Equinix's current and former officers and directors as individual defendants. These actions were consolidated, and the consolidated complaint was filed in January 2007. In March 2007, the state court stayed this action in deference to a federal shareholder derivative action filed in the United States District Court for the Northern District of California in October 2006. The federal action named Equinix as a nominal defendant and several current and former officers and directors as individual defendants. This complaint alleged that the individual defendants breached their fiduciary duties and violated California and federal securities laws as a result of purported backdating of stock options, insider trading and the dissemination of false statements. On April 12, 2007, the federal action was voluntarily dismissed without prejudice pursuant to a joint stipulation entered as an order by the court. On May 3, 2007, the state court lifted the stay on proceedings in the state court action. On March 3, 2008, the state court plaintiff filed a second amended consolidated complaint after the court granted two motions to dismiss prior complaints with leave to amend. The second amended consolidated complaint alleged that the individual defendants breached their fiduciary duties and violated California securities law as a result of purported backdating of stock option grants, insider trading and the dissemination of false financial statements. The second amended consolidated complaint sought to recover, on behalf of Equinix, unspecified monetary damages, corporate governance changes, equitable and injunctive relief, restitution and fees and costs. On July 8, 2008, the state court granted our motion to dismiss the second amended consolidated complaint without leave to amend and entered a final judgment dismissing the action and all claims asserted therein in their entirety without leave to amend. We do not know whether the plaintiff will appeal the dismissal of this action. In addition, we may be subject to additional derivative or other lawsuits that may be presented on an individual or class basis alleging claims based on our stock option granting practices. Responding to, investigating and/or defending against such complaints would present a substantial cost to us in both cash and the attention of certain management. Any adverse outcome in litigation could seriously harm our business and results of operations.

Risks Related to Our Industry

If the use of the Internet does not continue to grow, our revenues may not grow.

Acceptance and use of the Internet may not continue to develop at historical rates. Demand for Internet services and products are subject to a high level of uncertainty and are subject to significant pricing pressure. As a result, we cannot be certain that a viable market for our IBX centers will be sustained. If the market for our IBX centers grows more slowly than we currently anticipate, our revenues may not grow and our operating results could suffer.

Government regulation may adversely affect the use of the Internet and our business.

Various laws and governmental regulations governing Internet related services, related communications services and information technologies and electronic commerce remain largely unsettled, even in areas where there has been some legislative action. This is true both in the U.S. and the various foreign countries in which we operate. It may take years to determine whether and how existing laws, such as those governing intellectual property, privacy, libel, telecommunications services and taxation, apply to the Internet and to related services such as ours. We have limited experience with such international regulatory issues and substantial resources may be required to comply with regulations or bring any non-compliant business practices into compliance with such regulations. In addition, the development of the market for online commerce and the displacement of traditional telephony service by the Internet and related communications services may prompt an increased call for more stringent consumer protection laws or other regulation both in the U.S. and abroad that may impose additional burdens on companies conducting business online and their service providers. The compliance with, adoption or modification of, laws or regulations relating to the Internet, or interpretations of existing laws, could have a material adverse effect on our business, financial condition and results of operation.

Industry consolidation may have a negative impact on our business model.

The telecommunications industry is currently undergoing consolidation. As customers combine businesses, they may require less colocation space, and there may be fewer networks available to choose from. Given the competitive and evolving nature of this industry, further consolidation of our customers and/or our competitors may present a risk to our network neutral business model and have a negative impact on our revenues. In addition, increased utilization levels industry-wide could lead to a reduced amount of attractive expansion opportunities available to us.

Terrorist activity throughout the world and military action to counter terrorism could adversely impact our business.

The September 11, 2001 terrorist attacks in the U.S., the ensuing declaration of war on terrorism and the continued threat of terrorist activity and other acts of war or hostility appear to be having an adverse effect on business, financial and general economic conditions internationally. These effects may, in turn, increase our costs due to the need to provide enhanced security, which would have a material adverse effect on our business and results of operations. These circumstances may also adversely affect our ability to attract and retain customers, our ability to raise capital and the operation and maintenance of our IBX centers. We may not have adequate property and liability insurance to cover catastrophic events or attacks.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

Our Annual Meeting of Stockholders was held on June 12, 2008 in Foster City, California, at which time the following proposals were subject to stockholder vote:

1. The election of eight directors to the Board of Directors to serve until the next Annual Meeting or until their successors have been duly elected and qualified; and
2. The ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2008.

The table below presents the voting results for the election of all eight members to our Board of Directors:

	Affirmative Votes	Votes Withheld
Steven T. Clontz	33,450,118	269,728
Steven P. Eng	31,712,622	2,007,224
Gary F. Hromadko	33,488,254	231,592
Scott G. Kriens	33,129,000	590,846
Irving F. Lyons, III.	33,169,308	550,538
Christopher B. Paisley	33,383,458	336,388
Stephen M. Smith	33,489,494	230,352
Peter F. Van Camp	33,342,348	377,498

The stockholders also ratified the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2008. The table below presents the voting results:

	Affirmative Votes	Negative Votes	Abstentions
Ratification of appointment of PricewaterhouseCoopers LLP as independent registered public accounting firm	33,444,434	271,812	3,600

Item 5. Other Information

None.

Table of Contents

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Filing Date/ Period End Date	Exhibit	
2.1	Combination Agreement, dated as of October 2, 2002, by and among Equinix, Inc., Eagle Panther Acquisition Corp., Eagle Jaguar Acquisition Corp., i-STT Pte Ltd, STT Communications Ltd., Pihana Pacific, Inc. and Jane Dietze, as representative of the stockholders of Pihana Pacific, Inc.	Def. Proxy 14A	12/12/02		
3.1	Amended and Restated Certificate of Incorporation of the Registrant, as amended to date.	10-K/A	12/31/02	3.1	
3.2	Certificate of Designation of Series A and Series A-1 Convertible Preferred Stock.	10-K/A	12/31/02	3.3	
3.3	Bylaws of the Registrant.	10-K	12/31/02	3.2	
3.4	Certificate of Amendment of the Bylaws of the Registrant.	10-Q	6/30/03	3.4	
4.1	Reference is made to Exhibits 3.1, 3.2, 3.3 and 3.4.				
4.2	Registration Rights Agreement (see Exhibit 10.7).				
4.3	Indenture dated February 11, 2004 by and between Equinix, Inc. and U.S. Bank National Association, as trustee.	10-Q	3/31/04	10.99	
4.4	Indenture dated March 30, 2007 by and between Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	3/30/07	4.4	
4.5	Form of 2.50% Convertible Subordinated Note Due 2012 (see Exhibit 4.4).				
4.6	Indenture dated September 26, 2007 by and between Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	9/26/07	4.4	
4.7	Form of 3.00% Convertible Subordinated Note Due 2014 (see Exhibit 4.6).				
10.1	Form of Indemnification Agreement between the Registrant and each of its officers and directors.	S-4 (File No. 333-93749)	12/29/99	10.5	
10.2+	Lease Agreement with Carlyle-Core Chicago LLC, dated as of September 1, 1999.	S-4/A (File No. 333-93749)	5/9/00	10.9	

Exhibit Number	Exhibit Description	Incorporated by Reference Form	Filing Date/ Period End Date	Exhibit	Filed Herewith
10.3	2000 Equity Incentive Plan, as amended.	10-K	12/31/07	10.3	
10.4	2000 Director Option Plan, as amended.	10-K	12/31/07	10.4	
10.5	2001 Supplemental Stock Plan, as amended.	10-K	12/31/07	10.5	
10.6	Form of Severance Agreement entered into by the Company and each of the Company's executive officers.	10-Q	9/30/02	10.58	
10.7	Registration Rights Agreement by and among Equinix and the Initial Purchasers, dated as of December 31, 2002.	10-K	12/31/02	10.75	
10.8	Securities Purchase and Admission Agreement, dated April 29, 2003, among Equinix, certain of Equinix's subsidiaries, i-STT Investments Pte Ltd, STT Communications Ltd and affiliates of Crosslink Capital.	8-K	5/1/03	10.1	
10.9+	Lease Agreement dated as of April 21, 2004 between Eden Ventures LLC and Equinix, Inc.	10-Q	6/30/04	10.103	
10.10	Equinix, Inc. 2004 International Employee Stock Purchase Plan effective as of June 3, 2004.	10-Q	6/30/04	10.105	
10.11	Equinix, Inc. Employee Stock Purchase Plan effective as of June 3, 2004.	10-Q	6/30/04	10.106	
10.12	Form of Restricted Stock Agreement for Equinix's executive officers under the Company's 2000 Equity Incentive Plan.	10-K	12/31/05	10.115	
10.13	Lease Agreement dated June 9, 2005 between Equinix Operating Co., Inc. and Mission West Properties L.P. and associated Guaranty of Equinix, Inc.	10-Q	6/30/05	10.117	
10.14	Letter Agreement dated October 6, 2005 among Equinix, Inc., STT Communications Ltd. and I-STT Investments Pte. Ltd.	8-K	10/6/05	99.1	
10.15	Lease Agreement dated December 21, 2005 between Equinix Operating Co., Inc. and iStar El Segundo, LLC and associated Guaranty of Equinix, Inc.	10-K	12/31/05	10.126	

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Filing Date/ Period End Date	Exhibit	
10.16+	Loan and Security Agreement and Note between Equinix RP II, LLC and SFT I, Inc. dated December 21, 2005 and associated Guaranty of Equinix, Inc.	10-K	12/31/05	10.127	
10.17	Lease Agreement dated as of December 21, 2005 between Equinix RP II, LLC and Equinix, Inc.	10-K	12/31/05	10.128	
10.18	Lease Agreement dated September 14, 2006 between 777 Sinatra Drive Corp. and Equinix, Inc.	10-Q	9/30/06	10.135	
10.19	First Omnibus Modification Agreement dated December 27, 2006 by and among SFT I, Inc. (“SFT I”), Equinix RP II, LLC (“RP II”) and Equinix, Inc. (“Equinix”), Amended and Restated Promissory Note dated December 27, 2006 by RP II in favor of SFT I and Reaffirmation of Guaranty dated December 27, 2006 by RP II and Equinix in favor of SFT I.	10-K	12/31/06	10.37	
10.20	First Amendment to Deed of Lease dated December 27, 2006 by and between Equinix RP II, LLC and Equinix Operating Co., Inc.	10-K	12/31/06	10.38	
10.21	Development Loan and Security Agreement dated February 2, 2007 by and between CHI 3, LLC and SFT I, Inc. and related Promissory Notes One through Four.	10-Q	3/31/07	10.37	
10.22	Guaranty dated February 2, 2007 by and between Equinix, Inc. and SFT I, Inc.	10-Q	3/31/07	10.38	
10.23	Completion and Payment Guaranty dated February 2, 2007 by and between Equinix, Inc. and SFT I, Inc.	10-Q	3/31/07	10.39	
10.24	Master Lease dated February 2, 2007 by and between CHI 3, LLC and Equinix Operating Co., Inc. and associated Guaranty of Lease by Equinix, Inc.	10-Q	3/31/07	10.40	
10.25	Severance Agreement dated March 16, 2007 by and between Stephen M. Smith and Equinix, Inc.	10-Q	3/31/07	10.44	
10.26	Form of Restricted Stock Agreements for Stephen M. Smith under the Equinix, Inc. 2000 Equity Incentive Plan.	10-Q	3/31/07	10.45	

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Filing Date/ Period End Date	Exhibit	
10.27	Facility Agreement dated August 31, 2007 by and among Equinix Singapore Pte. Ltd., Equinix Japan K.K., the Additional Borrowers (as defined therein), the Lenders (as defined therein), and ABN AMRO BANK N.V., and related Guarantee dated August 31, 2007 by Equinix, Inc.	10-Q	9/30/07	10.47	
10.28	£82,000,000 Senior Facilities Agreement dated June 29, 2007 by and among IXEurope plc, CIT Bank Limited, as arranger, CIT Capital Finance (UK) Limited, as administrative agent and security trustee and the Lenders (as defined therein).	10-Q	9/30/07	10.49	
10.29	Amendment and Accession Agreement, dated as of January 31, 2008, by and among Equinix Singapore Pte. Ltd., Equinix Japan K.K. and Equinix Australia Pty. Limited, as Borrowers, ABN AMRO Bank N.V., Singapore Branch, ABN AMRO Bank N.V., Japan Branch and ABN AMRO Australia Pty Limited, as Lenders and ABN AMRO Bank N.V., as Facility Agent, Arranger and Collateral Agent and related Amendment No. 1 to Guarantee by Equinix, Inc.	10-K	12/31/07	10.32	
10.30	2008 Equinix Annual Incentive Plan.	10-K	12/31/07	10.33	
10.31	Form of Restricted Stock Unit Agreement for Equinix's executive officers under the Company's 2000 Equity Incentive Plan.	10-K	12/31/07	10.34	
10.32	Equinix, Inc. Sub-Plan to the 2004 International Employee Stock Purchase Plan for Participants Located in the European Economic Area.	10-Q	3/31/08	10.32	
10.33	Compromise Agreement, dated April 22, 2008, by and among Equinix, Inc., Equinix Group Limited and Guy Willner, and related non-executive director appointment letter from Equinix Group Limited.				X

Exhibit Number	Exhibit Description	Incorporated by Reference Form	Filing Date/ Period End Date	Exhibit	Filed Herewith
10.34	Letter Agreement, dated April 22, 2008, by and between Eric Schwartz and Equinix, Inc.				X
10.35	Severance Agreement, dated May 22, 2006, by and between Eric Schwartz and Equinix, Inc.				X
10.36	Letter Agreement, dated April 25, 2008, by and between Peter Ferris and Equinix, Inc.				X
10.37	Letter Amendment, dated May 6, 2008, to £82,000,000 Senior Facilities Agreement dated June 29, 2007, by and among Equinix Group Limited, CIT Bank Limited, as arranger, CIT Capital Finance (UK) Limited, as administrative agent and security trustee and the Lenders (as defined therein).				X
10.38	Second Amendment and Accession Agreement, dated as of June 6, 2008, by and among Equinix Singapore Pte. Ltd., Equinix Japan K.K., Equinix Australia Pty. Limited and Equinix Hong Kong Limited, as Borrowers, ABN AMRO Bank N.V. and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Hong Kong Branch, as Lenders and ABN AMRO Bank N.V., as Facility Agent, Arranger and Collateral Agent and related Amendment No. 2 to Guarantee by Equinix, Inc.				X
31.1	Chief Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1	Chief Executive Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.2	Chief Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X

+ Confidential treatment has been requested for certain portions which are omitted in the copy of the exhibit electronically filed with the Securities and Exchange Commission. The omitted information has been filed separately with the Securities and Exchange Commission pursuant to Equinix’s application for confidential treatment.

Table of Contents

EQUINIX, INC.

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 thereunto duly authorized.

EQUINIX, INC.

Date: August 5, 2008

By: /S/ KEITH D. TAYLOR
Chief Financial Officer
(Principal Financial and Accounting Officer)

INDEX TO EXHIBITS

Exhibit Number	Description of Document
10.33	Compromise Agreement, dated April 22, 2008, by and among Equinix, Inc., Equinix Group Limited and Guy Willner, and related non-executive director appointment letter from Equinix Group Limited.
10.34	Letter Agreement, dated April 22, 2008, by and between Eric Schwartz and Equinix, Inc.
10.35	Severance Agreement, dated May 22, 2006, by and between Eric Schwartz and Equinix, Inc.
10.36	Letter Agreement, dated April 25, 2008, by and between Peter Ferris and Equinix, Inc.
10.37	Letter Amendment, dated May 6, 2008, to £82,000,000 Senior Facilities Agreement dated June 29, 2007, by and among Equinix Group Limited, CIT Bank Limited, as arranger, CIT Capital Finance (UK) Limited, as administrative agent and security trustee and the Lenders (as defined therein).
10.38	Second Amendment and Accession Agreement, dated as of June 6, 2008, by and among Equinix Singapore Pte. Ltd., Equinix Japan K.K., Equinix Australia Pty. Limited and Equinix Hong Kong Limited, as Borrowers, ABN AMRO Bank N.V. and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Hong Kong Branch, as Lenders and ABN AMRO Bank N.V., as Facility Agent, Arranger and Collateral Agent and related Amendment No. 2 to Guarantee by Equinix, Inc.
31.1	Chief Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Chief Executive Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Chief Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 10.33

Dated 22 April 2008

BETWEEN

(1) EQUINIX GROUP LIMITED

(2) EQUINIX, INC

and

(3) GUY WILLNER

COMPROMISE AGREEMENT

Without Prejudice

Subject to Contract

TABLE OF CONTENTS

Clause		Page
1.	**Interpretation**	3
2.	**Arrangements prior to termination**	3
3.	**Equity Arrangements**	4
4.	**Legal fees**	5
5.	**Waiver of claims**	5
6.	**Warranties**	6
7.	**Appointment as a non-executive director**	7
8.	**Confidentiality**	7
9.	**Reference**	8
10.	**Resignation of directorships**	8
11.	**No admission of liability**	8
12.	**Miscellaneous**	9

THIS AGREEMENT is made as of the 22nd day of April 2008

BETWEEN:

EQUINIX GROUP LIMITED whose registered office is situated at 41- 44 Great Queen Street, London, WC2B 5AD (the "**Company**");

EQUINIX, INC whose office is situated at 301 Velocity Way, 5th Floor, Foster City, California, USA 94404 -4803 ("**Equinix, Inc**"); and

GUY WILLNER (the "**Employee**").

IT IS HEREBY AGREED as follows:

1. **Interpretation**

1.1 In this Agreement, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"**Group Company**" means the Company, any holding company of the Company and any subsidiary of the Company or of any such holding company (with "**holding company**" and "**subsidiary**" having the meanings given in section 1159 of the Companies Act 2006);

"**Service Agreement**" means the service agreement between the Employee and the Company dated 3 April 2006 (as amended by a Deed dated September 2007 between the Company and the Employee); and

"**Non-Executive Appointment Letter**" means the letter entered into between the Employee and the Company dated the same date as this agreement setting out the terms on which the Employee will continue to provide services to the Company as a Non-Executive Chairman.

2. **Arrangements prior to termination**

2.1 The Employee's employment with the Company will end on 1 June 2008 (the "Termination Date"). The Company will continue to provide the Employee with his salary and all other contractual benefits up to the Termination Date in the normal way. The Company will also pay the Employee in respect of any accrued but untaken holiday (less deductions for income tax and national insurance). Except as otherwise provided in this Agreement, the Employee agrees that his entitlement to any further remuneration (including bonus) and employment benefits of whatever nature from the Company or any other Group Company will cease with effect from the Termination Date.

2.2 Notwithstanding the provisions in clause 2.1 above, the Employee's (and, where applicable, the Employee's family's) entitlement under the Company's private medical cover will continue until 1 March 2009, or, if earlier, the termination of the Employee's appointment as Non-Executive Chairman of the Company.

2.3 Within 14 days of the Termination Date, the Employee will be paid the sum of £68,750 as a pro-rated annual bonus payment for that part of the 2008 financial year which has elapsed to the Termination Date, less required deductions for income tax and national insurance contributions.

3. **Equity Arrangements**

3.1 Notwithstanding the termination of the employment of the Employee with the Company, in consideration for the Employee's agreement to the terms in this Agreement and the terms of appointment as Non-Executive Chairman set out in the Non-Executive Appointment Letter will procure that:

(a) the 23,218 Restricted Stock Units ("**RSUs**") granted to the Employee on 14 September 2007 shall vest on the day following the Termination Date and the performance conditions applicable to vesting detailed in the RSU Notice of Award shall not be applicable. Otherwise, these RSUs will be held by the Employee subject to and in accordance with the terms set out in the Notice of Restricted Stock Unit Award dated 14 September 2007, the Restricted Stock Unit Agreement for Non-US Employees and the Equinix, Inc 2000 Equity Incentive Plan; and

(b) the Employee will retain the 8,000 RSUs granted to the Employee on 14 September 2007, subject to and in accordance with the terms and performance conditions of the RSU Notice of Award dated 14 September 2007, the Restricted Stock Unit Agreement for Non-US Employees and the Equinix, Inc 2000 Equity Incentive Plan. In the event that, as at 1 March 2009, the Board of Directors of Equinix, Inc has not determined the 2008 revenue, EBITDA and CAPEX targets with respect to the Company, Equinix, Inc will procure that the appointment of the Employee as Non-Executive Chairman will be extended until the first Trading Day (as defined in the Restricted Stock Unit Agreement for Non-US Employees) after the date on which the Board of Directors of Equinix, Inc does determine the 2008 revenue, EBITDA and CAPEX targets with respect to the Company.

3.2 The Company will withhold, and is authorised to sell on the relevant vesting date, a sufficient number of shares to meet any income tax and employee's national insurance contributions that may be due in relation to the RSUs referred to in clause 3.1. The Employee will be provided with his P45 on the Termination Date and income tax will accordingly be applied at basic rate only in relation to RSUs referred to in clause 3.1 (unless the Employee gives to the Company not less than five days' written notice prior to the Termination Date that income tax should be applied at higher rate, in which case the income tax will be applied at such higher rate). However, the Employee will be solely responsible through his personal tax return for any higher rate income tax that is due at the end of the current tax year and will on demand indemnify and keep indemnified the Company and Equinix, Inc from and against any demand that is made by HM Revenue and Customs against the Company or Equinix, Inc in respect of income tax and employee's national insurance in relation to the RSUs referred to in clause 3.1 other than which has been deducted in accordance with this clause.

3.3 The Employee's entitlement to the 12,000 RSUs granted on 1 January 2008 will lapse in its entirety and cease to vest on the Termination Date. The Employee hereby waives all and any rights to compensation or damages for the loss of such RSUs arising out of the termination of his employment.

4. **Legal fees**

The Company will, subject to receipt of an invoice from the Employee's legal advisers, DLA Piper solicitors, addressed to the Employee but marked payable by the Company (showing a narrative summary by date of the work incurred by DLA Piper), make a contribution of up to £7,500 (plus VAT) towards the reasonable legal fees (including disbursements) which the Employee has incurred in taking advice in relation to this Agreement and the termination of his employment. The Employee represents and warrants that such fees have been incurred solely in connection with advice relating to this Agreement and the termination of his employment.

5. **Waiver of claims**

5.1 Subject to clause 5.2, the Employee accepts the terms set out in this Agreement in full and final settlement of all and any claims of whatever nature that the Employee has or may have against the Company or any other Group Company or any of its or their current or former officers or employees, (whether under the laws of England and Wales, those of the European Union or the laws of any other jurisdiction, and whether such claims are known or unknown to the parties and whether or not they are or could be in the contemplation of the parties at the time of signing this Agreement, including claims which as a matter of law do not at the date of this Agreement exist and whose existence cannot currently be foreseen and any claims or rights of action arising from a subsequent retrospective change or clarification of the law), whether contractual, tortious, statutory or otherwise, arising out of or in connection with his employment with the Company or the termination of his employment or otherwise and he hereby irrevocably and unconditionally waives all such rights.

5.2 Notwithstanding clause 5.1 above, nothing in this Agreement shall have the effect of waiving or limiting the Employee's rights in respect of:-

(a) any failure by the Company to make contributions to any pension scheme of which the Employee is a beneficiary and/or any pension rights or pension benefits which have accrued to the Employee;

(b) any personal injury claims (other than personal injury claims for compensation or damages which may be brought pursuant to any discrimination legislation or which in any way relate to allegations of depression, bullying or stress suffered as a result of or in connection with the Employee's employment with the Company) of which the Employee is not aware as at the date of signature of this Agreement by the Employee; and/or

(c) the Employee's rights to enforce the terms of this Agreement.

5.3 The Employee shall without further consideration on the Termination Date execute a supplemental deed in the form of Schedule 1 and deliver it to the Company on the Termination Date.

5.4 The Company confirms that it is not aware of any claims that it has or may have against the Employee arising out of his employment or the termination of his employment as at the Termination Date.

6. **Warranties**

6.1 The Employee hereby represents, warrants and confirms:

(a) that the Employee has taken legal advice from Jonathan Exten-Wright of DLA Piper solicitors, a relevant independent adviser (as defined by Section 203 of the Employment Rights Act 1996) as to the terms and effect of this Agreement and, in particular, its effect on his ability to pursue his rights before an employment tribunal. The Employee will procure that, at the same time as the Employee signs this Agreement, the Employee's legal adviser will also sign and date where indicated on the attached legal adviser's certificate, which forms part of this Agreement;

(b) that the Employee has been advised by the independent adviser referred to above that there is in force and was at the time that the Employee received the advice referred to above a relevant contract of insurance or other appropriate indemnity covering the risk of a claim by the Employee in respect of losses arising in consequence of that advice; and

(c) that the Employee is aware of his rights under the Employment Rights Act 1996, the Working Time Regulations 1998, the Sex Discrimination Act 1975, the Race Relations Act 1976, the Disability Discrimination Act 1995, the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, the National Minimum Wage Act 1998, the Trade Union and Labour Relations (Consolidation) Act 1992, the Employment Equality (Religion or Belief) Regulations 2003, the Employment Equality (Sexual Orientation) Regulations 2003 and the Employment Equality (Age) Regulations 2006 and that this Agreement relates to his claims for breach of contract, unfair dismissal, claims for a statutory redundancy payment, unlawful deductions from wages, unlawful detriment under the Employment Rights Act 1996, sex discrimination, equal pay, race discrimination, disability discrimination, sexual orientation discrimination, religion or belief discrimination, age discrimination, any claim under the Working Time Regulations 1998, any claim under the National Minimum Wage Act 1998, the Public Interest Disclosure Act 1998, the Transfer of Undertakings (Protection of Employment) Regulations 2006, the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, the Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, the Employment Equality (Age) Regulations 2006 or any claim for unlawful deductions from wages under the Employment Rights Act 1996 that the Employee has or may have arising out of the termination of his employment with the Company.

6.2 This Agreement satisfies the conditions for regulating compromise agreements under Section 203 of the Employment Rights Act 1996, Regulation 35 of the Working Time Regulations 1998, Section 77 of the Sex Discrimination Act 1975, Section 72 of the

Race Relations Act 1976, Section 9 of the Disability Discrimination Act 1995, Regulation 9 of the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, Regulation 10 of the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, Section 49 of the National Minimum Wage Act 1998, section 288 of the Trade Union and Labour Relations (Consolidation) Act 1992, Schedule 4 to the Employment Equality (Religion or Belief) Regulations 2003, Schedule 4 to the Employment Equality (Sexual Orientation) Regulations 2003 and Schedule 5 to the Employment Equality (Age) Regulations 2006.

6.3 The Employee represents and warrants that the Employee has raised with the Company all the claims that the Employee has or may have against the Company or any Group Company or any of its or their current or former officers or employees arising out of his employment, its termination or otherwise and that the Employee is not aware of any other claims or any facts, matters or circumstances in respect of which a claim might be made against the Company or any Group Company or any of its or their current or former officers or employees arising out of his employment, its termination or otherwise. The Employee also represents and warrants that he has not presented a claim to an employment tribunal (or any connected office of an employment tribunal) or issued a claim form in the High Court or County Court of whatever nature in connection with his employment, its termination or otherwise.

7. **Appointment as a non-executive director**

Notwithstanding the termination of the Employee's employment with the Company, the Employee will continue to provide services to the Company as a Non-Executive Chairman. The terms of appointment as Non-Executive Chairman are set out in the Non-Executive Appointment Letter.

8. **Confidentiality**

8.1 The Employee acknowledges that the provisions of Clauses 11 and 13 of the Service Agreement will remain in full force and effect notwithstanding the termination of his employment.

8.2 Save by reason of any legal obligation or to enforce the terms of this Agreement, the Employee will not:

(a) disclose the existence or terms of this Agreement or any discussions or other correspondence relating to the termination of his employment to anyone (other than to his professional advisers who have agreed to be bound by this restriction, HM Revenue & Customs or any other competent authority or his spouse);

(b) directly or indirectly disseminate, publish or otherwise disclose (or allow to be disseminated, published or otherwise disclosed) by any means (whether oral, written or otherwise) or medium (including without limitation electronic, paper, radio or television) any information directly or indirectly relating to the termination of his employment; or

(c) make, publish or issue or cause to be made published or issued any untrue, derogatory or disparaging comments about the Company, any Group Company or any of its or their directors, employees, suppliers, clients, investors, shareholders, bankers, brokers, advisers or agents.

8.3 Save by reason of any legal or regulatory obligation (including but not limited to the requirements of the US Securities and Exchange Commission) or to enforce the terms of this Agreement, the Company will not (and will procure that its directors will not and will use its reasonable efforts to ensure that its employees will not):

(a) disclose the existence or terms of this Agreement or any discussions or other correspondence relating to the termination of the Employee's employment to anyone (other than to professional advisers who have agreed to be bound by this restriction, HM Revenue & Customs or any other competent authority);

(b) directly or indirectly disseminate, publish or otherwise disclose (or allow to be disseminated, published or otherwise disclosed) by any means (whether oral, written or otherwise) or medium (including without limitation electronic, paper, radio or television) any information directly or indirectly relating to the termination of the Employee's employment; or

(c) make, publish or issue or cause to be made published or issued any untrue, derogatory or disparaging comments about the Employee.

9. **Reference**

The Company will, at the request of a prospective new employer of the Employee, provide it with a factual reference setting out the Employee's dates of employment, roles and job responsibilities.

10. **Resignation of directorships**

The Company will use reasonable efforts to make suitable arrangements for a replacement individual to take over the Employee's directorships of all other Group Companies other than the Company as soon as reasonably practicable after the date of execution of this Agreement, although the Employee acknowledges that this may not be possible prior to the Termination Date. The Employee will, upon request from the Company, take such steps as are required to resign from such directorships. Should he fail to do so, the Employee hereby irrevocably authorises the Company to appoint some person in his name and on his behalf to sign documents and do any thing to give effect to his obligations in this clause. The Company confirms that the Employee will continued to be covered by directors' and officers' insurance cover in respect of such directorships until the date of termination of such appointments.

11. **No admission of liability**

This Agreement is entered into without any admission on the part of the Company or any Group Company that it has or they have in any way breached any law or regulation or that the Employee has any claims against the Company or any Group Company or any of its or their current or former officers or employees.

12. **Miscellaneous**

12.1 This Agreement and the Non-Executive Appointment Letter set out the entire agreement between the Employee and the Company and, save as set out in clause 8.1 above, supersedes all prior arrangements, proposals, representations, statements and/or understandings between the Employee, the Company and any Group Company.

12.2 Except in relation to any Group Company and any current or former officer, director or employee of the Company and/or any Group Company, a person who is not a party to this Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999. Notwithstanding the Contracts (Rights of Third Parties) Act 1999 this Agreement may be varied by agreement between the Employee and the Company.

12.3 If any provision of this Agreement is held to be invalid or unenforceable, then such provision shall (so far as it is invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement. The parties shall then use all reasonable endeavours to replace the invalid or unenforceable provision by a valid and enforceable provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

12.4 This agreement is subject to English law. The Employee and the Company agree to submit to the exclusive jurisdiction of the English courts as regards any claim or matter arising in connection with these terms.

12.5 This Agreement is marked "Without Prejudice, Subject to Contract" but will upon signature by the Employer, the Employee and the Employee's legal advisor be treated as an open document evidencing a binding agreement.

/s/ Steve Smith
Signed by STEVE SMITH
for and on behalf of
EQUINIX GROUP LIMITED

/s/ Steve Smith
Signed by
for and on behalf of
EQUINIX, INC.

Signed as a DEED and DELIVERED by

/s/ Guy Willner
GUY WILLNER
in the presence of:

Witness signature: /s/ Virginie Borneus

Witness name: Borneus Virginie
Witness address:
Witness occupation:

LEGAL ADVISER'S CERTIFICATE

I, Jonathan Exten-Wright of DLA Piper, hereby confirm to Equinix Group Limited that I am an independent adviser for the purposes of section 203 of the Employment Rights Act 1996 and that I have advised Guy Willner as to the terms and effect of this Agreement and, in particular, its effect on his ability to pursue his rights before an employment tribunal. There was in force, when such advice was given, a policy of insurance covering the risk of a claim by Guy Willner in respect of loss arising in consequence of such advice.

/s/ Jonathan Exten-Wright
Jonathan Exten-Wright

22/4/08
dated 22 April 2008

Schedule 1

Supplemental Deed

THIS DEED is made on 1 June 2008

BETWEEN

(1) **EQUINIX GROUP LIMITED** whose registered office is situated at 41- 44 Great Queen Street, London, WC2B 5AD (the "**Company**"); and

(2) **GUY WILLNER** of 31 Cloncurry Street, London, SW6 6DR (the "**Employee**").

RECITALS

(A) The Employee entered into a compromise agreement dated 22 April 2008 made between the Employee and the Company (the "**Compromise Agreement**"), a copy of which is attached as schedule 1. The definitions in this supplemental deed (the "**Deed**") shall be the same as in the Compromise Agreement.

(B) The Employee has received independent legal advice from a qualified lawyer as to the terms and effect of this Deed.

(C) The purpose of this Deed is to give effect to clause 5.3 of the Compromise Agreement and for the Employee to re-confirm his waiver of claims against the Company and each Group Company as at the Termination Date.

THE PARTIES AGREE AS FOLLOWS:

1. The provisions of clauses 5.1 and 5.2 of the attached Compromise Agreement are hereby incorporated in this Deed as if they were repeated and restated in this clause and the Employee confirms the waiver and settlement of claims detailed at clauses 5.1 and 5.2 of the Compromise Agreement.

2. The Employee and his independent legal adviser hereby agree and confirm that the provisions of clause 6.1 to 6.3 inclusive of the Compromise Agreement remain correct as at the Termination Date.

3. Nothing in this Deed shall affect any rights or remedies that the parties may have under the terms of the Compromise Agreement and nothing in this Deed shall constitute a variation of the Compromise Agreement.

IN WITNESS whereof this agreement has been executed as a deed and delivered on the date first above written.

____

Signed as a DEED and DELIVERED by
GUY WILLNER
in the presence of:

Witness signature: _______________________
Witness name:
Witness address:

Witness occupation:

Signed by STEVE SMITH for and on
behalf of **EQUINIX GROUP LIMITED**

Signature: _______________________

SIGNATURE OF THE EMPLOYEE'S LEGAL ADVISER TO CONFIRM THE FACTS IN CLAUSE 2 OF THE SUPPLEMENTAL DEED

Signed by the Employee' Legal Advisor: _______________________

Name of law firm: _______________________

Date: _______________________

Strictly Private and Confidential

22 April 2008

Dear Guy,

On behalf of Equinix Group Limited (the**"Company"**), I am writing to confirm the terms on which you will provide services as a Non-Executive Director and Chairman of the Company (the **"Appointment"**) with effect from 1 June 2008. The terms of the Appointment are set out below.

Appointment

1. The Appointment will be for a period ending 1 March 2009 ('**Expiry Date**"). The parties may agree in writing to extend the Appointment beyond the Expiry Date. The Appointment will be subject to the Company's Articles of Association (a copy of which has been provided to you).

2. Notwithstanding the other provisions of this letter, the Appointment will terminate on the Expiry Date unless extended in accordance with paragraphs 1 or 9 of this letter. The Company may terminate the Appointment at any time prior to the Expiry Date by immediate notice in the event that you (a) commit any serious or repeated breach of your material obligations under this letter; (b) are guilty of conduct, which in the reasonable opinion of the Company, tends to bring yourself or the Company or any other Group Company into disrepute or is calculated or likely to materially and adversely affect the interests of the Company or any other Group Company; (c) commit an act of bankruptcy or compound with your creditors generally; (d) are convicted of a criminal offence (other than a road traffic offence not subject to a custodial sentence); or (e) are disqualified from acting as a director of a company by order of a competent court. The Appointment shall also terminate upon your resignation at any time. Upon such termination or resignation, you shall not be entitled to any damages for loss of office.

Time commitment

3. The Company anticipates a time commitment of no more than the equivalent of two business days per month, but you are aware that the nature of the role makes it impossible to be specific about the time commitment. This will include attendance at quarterly and emergency Board meetings. In addition, you will be expected to devote appropriate preparation time ahead of each meeting.

4. By accepting the Appointment, you confirm that you are able to allocate sufficient time to perform your role.

Role

5. As a Non-Executive Director you have the same general legal responsibilities to the Company as any other Director.

6. The Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Board:

   - provides entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
   - sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives, and reviews management performance; and
   - sets the Company's values and standards and ensures that its obligations to its shareholders and others are understood and met.

7. In addition to these requirements of all Directors, the role of the Non-Executive has the following key elements:

   - Strategy: Non-Executive Directors should constructively challenge and contribute to the development of strategy;
   - Performance: Non-Executive Directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance; and
   - Risk: Non-executive Directors should satisfy themselves that financial information is accurate and that financial controls and systems of risk management are robust and defensible.

Fees and benefits

8. You will not be paid a fee for the Appointment. However, you acknowledge that the consideration for your agreement to the terms set out in this letter is the agreement to accelerate the vesting of the 23,218 Restricted Stock Units and removal of the relevant performance conditions applicable to those Restricted Stock Units under the Compromise Agreement entered into between you, the Company and Equinix, Inc dated the same date as this letter (the "**Compromise Agreement**").

9. As set out in the Compromise Agreement, you will continue to hold the 8,000 RSUs granted to you on 14 September 2007 subject to the terms and performance conditions of the RSU Notice of Award dated 14 September 2008, the Restricted Stock Unit Agreement for Non-US Employees and the Equinix, Inc 2000 Equity Incentive Plan. In the event that, as at 1 March 2009, the Board of Directors of Equinix, Inc has not determined the 2008 revenue, EBITDA and CAPEX targets with respect to the Company, Equinix, Inc will procure that your appointment as Non-Executive Chairman will be extended until the first Trading Day (as defined in the Restricted Stock Unit Agreement for Non-US Employees) after the date on which the Board of Directors of Equinix, Inc does determine the 2008 revenue, EBITDA and CAPEX targets with respect to the Company.

10. Should the Appointment be extended beyond the Expiry Date (other than pursuant to paragraph 9 above), the Board will reasonably consider what fees should be appropriate for the provision of your services beyond that date.

11. Your (and, where applicable, your family's) entitlement under the Company's private medical cover will continue until 1 March 2009, or, if earlier, the termination of your appointment as Non-Executive Chairman of the Company.

Expenses

12. The Company will reimburse you for all reasonable and properly documented expenses you incur in performing your role. You should submit any details of expenses incurred to the Company Secretary.

Other directorships and business interests

13. You shall not, except with the prior written approval of the board of directors of Equinix, Inc, during the Appointment be directly or indirectly employed, engaged, concerned or interested in any other trade or business (or the setting up of any business) which is similar to or in competition with the business carried on by the Company or any other Group Company or any part of such business save that you may be interested as a holder or beneficial owner of not more than 3% of any class of stock, shares or debentures in any company whose stock, shares or debentures are listed or dealt in on a Recognised Investment Exchange (as defined by section 285 of the Financial Services and Markets Act 2000).

Confidentiality

14. You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which you come into contact by virtue of your position as a Non-Executive Director of the Company.

15. Your attention is drawn to the requirements under both legislation and regulation as to the disclosure of price-sensitive information. Consequently you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Company Secretary.

16. On termination of the Appointment you will deliver to the Company all books, documents, papers and other property of or relating to the business of the Company or any Group Company which are in your possession, custody or power by virtue of your position as a Non-Executive Director of the Company. The Company is able to arrange the disposal of papers which you no longer require.

Restrictions

17. The restrictions set out in the attached schedule will apply to you on termination of the Appointment (howsoever caused).

Insurance

18. During the Appointment you will be provided with directors' and officers' liability insurance, whether such cover is provided through an insurance policy taken out by the Company or any other Group Company.

For the purposes of this letter "**Group Company**" shall mean the Company and any of its subsidiaries or holding companies from time to time (and any other subsidiary of any of its holding companies), and "**holding company**" and "**subsidiary**" shall be as defined in section 1159 Companies Act 2006.

This appointment letter constitutes neither a contract for services nor a service contract.

Please confirm your agreement to the above by signing and returning to me the enclosed duplicate of this letter.

Yours sincerely

/s/ Steve Smith
STEVE SMITH

For and on behalf of **EQUINIX GROUP LIMITED**

I have read and agree to the above terms regarding my appointment as a Non-Executive Director of Equinix Group Limited.

/s/ Guy Willner
Signed as a DEED and DELIVERED
by **GUY WILLNER**
in the presence of:

Witness: /s/ Virginie Borneus
Name: Borneus Virginie
Date: 22 April 2008

SCHEDULE

1. In this Schedule the following words and expressions shall have the following meanings:

   "**Relevant Area**" means Europe;

   "**Relevant Period**" means the period of six months immediately prior to the Termination Date;

   "**Restricted Period**" means the period of six months starting with the Termination Date; and

   "**Termination Date**" means the date on which the Appointment terminates, for whatever reason and however caused.

2. You shall not without the prior written consent of the Company directly or indirectly at any time during the Restricted Period:

2.1 solicit away from the Company or any Group Company; or

2.2 endeavour to solicit away from the Company or any Group Company

any employee of the Company with whom you had regular dealings in the course of the Appointment at any time during the Relevant Period other than an employee employed in a purely administrative or secretarial role.

3. You shall not without the prior written consent of the Company directly or indirectly so as to affect the goodwill of, or compete with, the Company or any Group Company, at any time within the Restricted Period:

3.1 solicit the custom of; or

3.2 deal with

any customer or client of the Company or any Group Company with whom you had regular dealings in the course of the Appointment at any time during the Relevant Period.

4. You shall not without the prior written consent of the Company directly or indirectly at any time within the Restricted Period engage or be concerned or interested in any business within the Relevant Area which at any time during the Restricted Period:

   (a) competes; or

   (b) will compete

   with the business of the Company or of any Group Company.

5. You acknowledge that the provisions of this Schedule are fair, reasonable and necessary to protect the goodwill and interests of the Company and the Group Companies.

5.1 You acknowledge that the provisions of this Schedule including sub-clauses shall constitute severable undertakings given for the benefit of the Company and each Group Company and may be enforced by the Company on behalf of any of them.

5.2 If any restrictions or obligations contained in this Schedule is held to be invalid or unenforceable on the basis that it exceeds what is reasonable for the protection of the goodwill and interests of the Company and the Group Companies but would be valid and enforceable if part of the provision were deleted then such restrictions or obligations shall apply with such deletions as may be necessary to make them enforceable.

5.3 If any restriction or obligation contained in this Schedule is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this Schedule which shall remain in full force and effect.

5.4 You acknowledge and agree that you shall be obliged to draw the provisions of this Schedule to the attention of any third party who may at any time before or after termination of the Appointment hereunder offer to employ or engage you and for whom or with whom you intend to work within the Restricted Period.

Exhibit 10.34

April 15, 2008

Eric Schwartz

Dear Eric:

This letter describes your international assignment by Equinix Operating Co., Inc. (the "Company") to Equinix Services, ltd. in London, England, subject to the terms and conditions set forth in this letter agreement (the "Agreement"). The terms and conditions outlined in this letter are in effect only for the period of this Assignment (as defined below). At the end of the Assignment, upon repatriation to the United States, you will return to the normal terms and conditions of your regular employment, and will stop receiving the premiums, allowances, and differentials provided while on this Assignment. This Agreement shall constitute a modification of your existing terms and conditions of employment during the Assignment. To the extent any of the provisions of this Agreement conflict with any other contract of employment during the Assignment, the provisions of this Agreement will control.

International Assignment.

Your international assignment to London, England will begin on **June 1,** 2008, and is anticipated to continue for a period of approximately two (2) years, until approximately August 1, 2010 (the "Assignment"). At all times during the Assignment, you shall remain an employee of the Company, but you will be seconded to the UK subsidiary company. At the end of the Assignment, you shall return to the United States**.** The Company reserves the right to modify or terminate the Assignment at any time and repatriate you to the United States. The Company shall determine the timing of your repatriation upon the termination of the Assignment or at the conclusion of the Assignment, and your receipt of repatriation allowances or benefits is contingent upon your repatriation by the date designated by the Company. Your failure to repatriate upon the date determined by the Company shall constitute a breach of your obligations under this Agreement and shall be considered a resignation of your employment. During the Assignment, your employment shall continue to be "at-will," meaning that the Company may terminate your employment and this Agreement at any time without advance notice or without cause.

For purposes of your Assignment, your home country shall be the United States and your host country shall be England. While on this Assignment, it is expected that you will continue to abide by the Company's policies on an ongoing basis. Similarly, it is expected that you and your family members will abide by local laws in your host country. You also will continue to be bound by the Proprietary Information and Inventions Agreement (PIIA) that you signed on April 20, 2006. The Company may change its policies from time to time at its sole discretion. If the Company should change its policies as they relate to your assignment, you will be notified of the changes.

Duties and Responsibilities

As President, Equinix Europe, you will be responsible for all strategic, operational and financial results of the region. You will be required to travel on behalf of the Company in Europe and abroad, including visits to Company customers. You will be expected to work whatever hours are necessary to complete the job. You will report to Steve Smith, CEO & President. Of course, the Company may modify your position, title, duties, responsibilities and terms and conditions of employment from time to time as it deems necessary.

As President, Equinix Europe, you will be required to assume certain directorship positions in the Company's European subsidiary companies. You hereby agree to relinquish any of these directorships at the end of the Assignment.

Basic Salary and Benefits

Your base salary will be increased to $270,000 per year, effective June 1, 2008, less all required withholdings and deductions and compensates you for all hours worked. You will remain on the US payroll and payroll cycles.

During the Assignment, your salary plus an annual amount of $35,920 to address the higher cost of living in the host country will be paid semi-monthly in home country currency to the U.S. bank account designated by you. The cash payment will be net of your mandatory home country obligations such as medical benefits, hypothetical tax, or other home country obligations. The cost of living amount will be paid for the duration of the Assignment.

You will receive an annual performance review on your home country annual review date.

You will be eligible to participate in the following benefits programs: health care coverage, dental, 401(k), life insurance, vacation, etc., normally provided to employees in the United States, and your benefits eligibility will be based on your original seniority date with the Company. In addition, during the Assignment the Company will enroll you and your dependants in an international health plan.

Should you receive any legally required host country payments, they will be applied as offsets against your salary, or incentive compensation, or allowances and/or home country benefit entitlements.

Bonus

You will continue to participate in the **Equinix Cash Incentive Plan which includes 50%** bonus opportunity at target.

Long-Term Incentive Plan

Your eligibility in the Company's Long–Term Incentive Plan will continue.

Company Automobile

The Company will provide an allowance for leasing fees, insurance, and maintenance costs for one automobile, up to $21,900 annually, subject to all applicable withholding and payroll deductions. You will be responsible for gasoline costs and any traffic violations.

Familiarization Visit

The Company will pay for you and your spouse to visit the host country once prior to the estimated date of your family's relocation. Pet boarding is provided if needed. This trip is intended to acquaint you and your spouse with the new location and assist you in locating suitable housing. You are encouraged to incorporate this visit with a regular business trip.

During the familiarization visit, the Company will pay for round–trip premium economy–class airfare, hotel, meals, transportation, and laundry for up to seven days, excluding travel time.

Please advise the Human Resources Department prior to making your travel reservations to arrange home search assistance, in–country orientation and counseling.

Transportation

The Company will pay the cost of flying you and your family members to the host country (via premium economy class).

Temporary Living

Temporary living expenses will be reimbursed for reasonable expenses incurred by the international assignee and eligible dependents in preparation for leaving the home country and for expenses incurred when arriving in the host country while waiting for the arrival of household goods. Temporary living expenses will be limited to no more than the number of days necessary, but in no event shall it exceed thirty (30) days in total. You may determine how the days are allocated between Home and Host Country. Care should be exercised not to move out of the home country residence until the proper foreign visas and work permits are obtained.

The following temporary living expenses may be reimbursed:

- Lodging accommodations (hotel or apartment)
- Rental car or taxi fees
- Meals

You must coordinate temporary living arrangements with the International Relocation Consultant identified by the Company to obtain reimbursement of the above expenses. Reimbursements for Lodging or Transportation will not be made for days in which the assignee is also receiving a Housing or Transportation Allowance.

Moving Costs—Household Goods

The Company will pay to move your household goods by ocean freight from the home country to the host country. Direct pickups are limited to one from the residence and one from an office location, if applicable. Covered moving services include the cost of packing, shipping, insuring (up to US$9.00 per pound) and unpacking the household goods up to a maximum of 17,000 pounds or one 40–foot container. Office contents are exclusive of policy maximums and should be billed as a business expense.

The Company will consider shipping a portion of the household goods that are necessary for living (i.e., linens, kitchenware, clothing, etc.) by air freight. The portion of the goods shipped by air freight is not to exceed 500 pounds. In addition, any office contents that are being air shipped should be consolidated with personal effects.

Should temporary warehousing of your furnishings be necessary, the Company will pay the costs during the Assignment.

Settlement Allowance

A one–time, lump sum allowance in the net amount of $10,000 will be paid to you to assist you and your spouse while you are transitioning and settling in the host country.

Housing

You will receive Company-provided housing with a lease value up to $18,200 per month, in addition to the cost of normal and reasonable utilities and property insurance and the council tax being covered by the Company. You hereby acknowledge that the Company has paid a security deposit for your housing in London in the amount of $27,171. You hereby agree to repay the Company in full for the $27,171 security deposit, at the end of your Assignment, or if you voluntarily resign or are terminated for cause.

Before signing a real estate lease agreement in the host country, you must review the proposed document with a knowledgeable host country representative. You may not sign any lease without the Company's prior approval, and the Company will not pay any housing expenses without a Company-approved lease. The following term must be included as part of the lease agreement:

Should the tenant be required by his/her employer to relocate, the tenant may terminate the lease agreement without penalties with a six–month written notice.

Property Management

Since you are choosing to self-manage your home in the United States, the Company will provide you with reimbursement of your property management costs (up to a maximum of $ 4,800 per year) with proper documentation. While on this Assignment, the company will provide property management services in your home country to assist with the rental of your home.

Travel and Business Expenses

The Company will reimburse you for your reasonable business and travel expenses. All travel and business expenses must be submitted for reimbursement with appropriate documentation pursuant to Company policy.

Vacation/Home Leave

The Company will provide round-trip premium economy airfare for you and your family to visit your home country twice every twelve months. The Company will pay for the rental of a standard size car for the duration of your home leave. However, you are expected to pay for gas, oil, tolls, airport transportation, etc. You will be eligible for ten (10) days of home leave each year (in addition to your US PTO accruals). Home leave will not accrue or carry over into the following year.

You will continue your eligibility under your home country PTO policy. Because your home country will be managing your PTO accrual, please continue to report all PTO time used through United States payroll.

Emergency Leave

In the event that you need to return to your home country as a result of a serious illness or death in your immediate family, you will be authorized emergency leave. Additionally, if you or an immediate family member develops a medical problem that cannot be adequately treated in your host country, the Company will pay to send you to the nearest location equipped to provide the required treatment.

Education for Dependants

During your Assignment, the Company will pay the cost of tuition, books and school transportation for your dependents' K-12 schooling. You hereby acknowledge that the Company has paid a deposit to Abercorn School in London in the amount of £9,000 to reserve placement for the 2008 school year. This deposit will be refunded to you by Abercorn School upon your dependants' withdrawal from the school (at the termination of your Assignment or before). You hereby agree to repay the Company in full for the £9,000 deposit, within ten (10) business days of your receipt of the refund.

Country Orientation

Country orientation assistance is available in the host country to help acquaint you and your spouse with host country cultural differences, adjustment issues, communities, schools, places of worship, effective local shopping techniques, etc. Fees up to $5,250 associated with this service are paid directly by the Company.

Driver Training

The Company pays the cost of driver's education for employees and their dependents if the training is started within forty-five (45) days of arrival.

Tax Preparation

The Company will pay for the cost of preparing your and your dependants' home country and foreign tax returns throughout your Assignment up to and including the year following your repatriation. Upon approval of the CFO and with the recommendation of our outside tax consultants, the Company may continue to pay for tax preparation services for additional years after your repatriation. The tax preparation will be done by the Company's outside tax consultants. In the event of a tax audit covering those tax returns prepared by the Company's outside consultants, you hereby agree to cooperate fully with the Company's outside tax consultants and attorneys. The Company will be responsible for defending the tax positions taken in the tax returns in the event there is any challenge made by the tax authorities, and for paying any additional liabilities associated with these tax positions.

Prior to leaving on your Assignment, please arrange a departure interview with the BDO Seidman, LLP, the outside tax consultant used by the Company, in both your home country and England. Please contact your Human Resources Department in United States to obtain the name and phone number.

This meeting is very important since the BDO Seidman, LLP consultant in your home country will prepare your hypothetical tax calculation and will provide it to United States payroll, so your international payroll can be initiated.

Within the first week after your arrival in your host country, you should contact the local BDO Seidman, LLP consultant for your overseas entrance interview. The contact information will be provided to you during your departure interview.

Tax Equalization Program

The Tax Equalization Policy has two primary objectives:

- To minimize any tax advantages or disadvantages to an employee on an international assignment.
- To keep an employee's tax obligation approximately the same as if he/she had remained in the home country.

The Company maintains a policy of tax equalization, i.e., the Company calculates a "hypothetical" home country income tax on your annual base salary and equity compensation based on the number of exemptions you have claimed on your actual tax return (the "Hypothetical Tax"). The Hypothetical Tax will be deducted from your salary throughout the year and becomes your tax obligation from the Company's point of view. A hypothetical tax will also be withheld from any bonus payments. Hypothetical tax amounts will be adjusted annually. In turn, the Company then assumes financial responsibility for the tax obligation you incur in your home and host countries (with the exception of home country tax applicable to your non-Company sourced income). The Company's tax equalization policy does not apply to any investment income, including rental income, or to any negative tax consequences that occur due to your refusal to repatriate at the Company's request or at the conclusion of the Assignment and these remain solely your obligation.

Annually, once your home and host country tax returns are filed, the tax equalization reconciliations are prepared by BDO Seidman, LLP, comparing your actual tax liability to your hypothetical tax. This is done to ensure that your total amount of income tax paid approximates what you would have paid if you were working in your home country. The tax equalization reconciliation will determine if the Company owes you a tax equalization payment for the tax year or if you owe the Company additional hypothetical tax.

All foreign tax credits earned as a result of this Assignment belong to the Company. Any host country tax refunds must be forwarded to the Company.

In exchange for the tax equalization benefit, you hereby authorize the Company to deduct the hypothetical tax and any owed amounts from the tax reconciliation from your compensation, including any bonus compensation or any other amounts due to you from the Company.

Return To Home Country

At the end of the Assignment, the Company will repatriate you to the United States and will pay the transportation costs to bring you, your family, and household goods back to California, or another mutually agreed to location in the United States. Any repatriation costs borne by the Company are not related to your Assignment in the UK, but rather to your employment in the United States, and thus will not be subject to UK taxation. Upon repatriation, the Company cannot guarantee continued employment, but the Company will use reasonable efforts to find a comparable position for you in Foster City, California, in the United States, or another mutually agreed upon location. If, at that time, no comparable position is available for you within the Company in the United States, you will receive a severance payment equal to twelve (12) months' base salary and a payment that is representative of your pro-rata bonus for the year in which you return from Assignment, in exchange for a signed full waiver and release provided by the Company.

Should the Company terminate your employment within the duration of this Assignment for any reason other than for cause, or should you voluntarily terminate your employment during the Assignment and return promptly to your home country upon a date designated by the Company, the Company will pay the transportation costs to bring you, your family, and household goods back to the United States.

The Company will assume the entire relocation expense after the successful completion of the Assignment; provided, however, that your receipt of repatriation allowances or benefits is contingent upon your repatriation by the date designated by the Company. The Company will not pay the transportation costs to bring you and your household goods back to your home country if you accept a new job and the new employer has a policy that provides reimbursement for relocation expenses.

Statutory Termination Payments

In the event locally legislated termination payments become payable upon your transfer to a Company affiliate to accept a new assignment with its parent, a subsidiary, or a subsidiary or affiliate of its parent, you agree to forfeit your rights in writing to all such payments or, if you had received such payments, you will immediately return them to the Company. If for any reason you decide not to forfeit and/or return such payments, the Company reserves the right to offset fully the value of your termination payments from any other form of compensation due, and the Company will not provide relocation expenses.

Immigration

Your Assignment will be subject to your obtaining and maintaining any necessary business and work visas (including successful completion of your medical examination that may be required to obtain a work permit or visa) in the countries to which you will be traveling during the Assignment. The Assignment will immediately terminate and you will

be repatriated if any necessary immigration visa(s), work permit(s) and related documentation are either withheld or withdrawn or expire without renewal. The Company shall cover all immigration costs related to your relocation to your host country, including the costs of any pre-departure medical exam that is not covered by your medical insurance. Your Human Resources representative in the home country will refer you and your spouse to appropriate legal counsel to help you process your application for immigration. ***This should be your top priority since work permit approval is required prior to starting the Assignment and immigration proceedings can be very lengthy.***You should ensure timely provision of requested information to enable the application process to happen in the most timely and efficient manner as possible. It is your responsibility to ensure that you have a valid passport for travel to England.

You shall not use any immigration visa(s), work permit(s), or related documentation and permissions that you obtain pursuant to your Assignment other than in connection with your employment with the Company and you must relinquish all such documents to the Company upon the conclusion and/or termination of your Assignment.

Severability

If any provision of this agreement is held by any Court of competent jurisdiction to be invalid or unenforceable in whole or in part, the remaining provisions of this contract of employment shall continue in full force and effect.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of California.

Entire Agreement

This Agreement, together with your PIIA, constitutes the entire agreement between you and the Company regarding the terms of your Assignment and it is the complete, final, and exclusive embodiment of your agreement with regard to this subject matter and supersedes any other promises, warranties, representations or agreements, whether written or oral. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in a writing signed by an officer of the Company.

From time to time, the Company may modify or cancel its personnel policies or company benefits plans consistent with the needs of the business.

We hope the terms and conditions herein are acceptable. Please signify your acceptance of the foregoing by signing the duplicate enclosed copy of this Agreement and returning it to me by April 22, 2008.

Yours sincerely,

/s/ Steve Smith
Equinix
Steve Smith
CEO & President

Enclosure

Accepted and Agreed:

/s/ Eric Schwartz	4/22/08
Eric Schwartz	Date

Exhibit 10.35

SEVERANCE AGREEMENT

THIS AGREEMENT is entered into as of May 22, 2006 by and between **Eric Schwartz** (the "Executive") and **EQUINIX, INC.**, a Delaware corporation (the "Company").

1. **Term of Agreement**.

This Agreement shall remain in effect from the date hereof until the earlier of:

(a) The date the Executive's employment with the Company terminates for a reason other than a Qualifying Termination as described in Section 4(d); or

(b) The date the Company has met all of its obligations under this Agreement following a termination of the Executive's employment with the Company for a reason described in Section 4(d).

2. **Severance Payment**.

(a) **Severance Benefit**. If the Executive is subject to a Qualifying Termination, then the Company shall pay the Executive 100% of his or her annual base salary and target bonus (at the annual rate in effect at the time of the Qualifying Termination). Such severance benefit shall be paid in accordance with the Company's standard payroll procedures. The Executive will receive his or her severance payment in a cash lump-sum which will be made within ten (10) business days of the latest of the following dates:

(i) the date of Executive's Qualifying Termination;

(ii) the date of the Company's receipt of the Executive's executed General Release; and

(iii) the expiration of any rescission period applicable to the Executive's executed General Release.

(b) **Health Care Benefit**. If the Executive is subject to a Qualifying Termination, and if the Executive elects to continue his or her health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") following the termination of his or her employment, then the Company shall pay the Executive's monthly premium under COBRA until the earliest of (i) the close of the twelve-month period following cessation of his or her employment or (ii) the expiration of the Executive's continuation coverage under COBRA.

(c) **General Release**. Any other provision of this Agreement notwithstanding, Subsections (a) and (b) above shall not apply unless the Executive (i) has executed a general release (in a form prescribed by the Company) of all known and unknown claims that he or she may then have against the Company or persons affiliated with the Company and (ii) has agreed not to prosecute any legal action or other proceeding based upon any of such claims.

(d) The other provisions of Sections 2(a) and (b) above notwithstanding, the payment(s) under Section 2(a) and the COBRA reimbursements under Section 2(b) shall in no event commence prior to the earliest date permitted by section 409A(a)(2) of the Internal Revenue Code of 1986, as amended ("the Code"). If the commencement of such payments or reimbursements must be delayed, then any deferred installments shall be paid in a lump sum on the earliest practicable date permitted by section 409A(a)(2) of the Code.

3. Covenants.

(a) **Non-Solicitation**. During the Executive's employment with the Company and during the twelve-month period following his or her cessation of employment, the Executive shall not directly or indirectly, personally or through others, solicit or attempt to solicit the employment of any employee of the Company or any of the Company's affiliates, whether on the Executive's own behalf or on behalf of any other person or entity. The Executive and the Company agree that this provision is reasonably enforced as to any geographic area in which the Company conducts its business.

(b) **Non-Competition**. The Executive agrees that, during his or her employment with the Company, he or she shall not engage in any other employment, consulting or other business activity (whether full-time or part-time) that would create a conflict of interest with the Company.

(c) **Cooperation and Non-Disparagement**. The Executive agrees that, during the twelve-month period following his or her cessation of employment, he or she shall cooperate with the Company in every reasonable respect and shall use his or her best efforts to assist the Company with the transition of Executive's duties to his or her successor. The Executive further agrees that, during this twelve-month period, he or she shall not in any way or by any means disparage the Company, the members of the Company's Board of Directors or the Company's officers and employees.

4. Definitions.

(a) **Definition of "Cause."** For all purposes under this Agreement, "Cause" shall mean the Executive's unauthorized use or disclosure of trade secrets which causes material harm to the Company, the Executive's conviction of, or a plea of "guilty" or "no contest" to, a felony, or the Executive's gross misconduct. The foregoing shall not be deemed an exclusive list of all acts or omissions that the Company may consider as grounds for the termination of the Executive's employment without Cause.

(b) **Definition of "Change in Control."** For all purposes under this Agreement, "Change in Control" shall have the meaning ascribed to such term in Section 19.4 of the Company's 2000 Equity Incentive Plan.

(c) **Definition of "Good Reason."** For all purposes under this Agreement, "Good Reason" shall mean (i) a change in the Executive's position with the Company that materially reduces his or her authority or level of responsibility, (ii) a reduction in his or her level of compensation (including base salary and target bonus) other than pursuant to a reduction of compensation for other executive employees of the Company, or (iii) a relocation of his or her place of employment by more than 30 miles, provided and only if such change, reduction or relocation is effected by the Company without his or her consent.

(d) **Definition of "Qualifying Termination."** For all purposes under this Agreement, "Qualifying Termination" shall mean that one of the following events occurs within 18 months after a Change in Control of the Company:

(i) The Executive voluntarily resigns his or her employment for Good Reason; or

(ii) The Company terminates the Executive's employment for any reason other than Cause.

5. **Successors**.

(a) **Company's Successors**. The Company shall require any successor (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets, by an agreement in substance and form satisfactory to the Executive, to assume this Agreement and to agree expressly to perform this Agreement in the same manner and to the same extent as the Company would be required to perform it in the absence of a succession. For all purposes under this Agreement, the term "Company" shall include any successor to the Company's business and/or assets or which becomes bound by this Agreement by operation of law.

(b) **Executive's Successors**. This Agreement and all rights of the Executive hereunder shall inure to the benefit of, and be enforceable by, the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

6. **Miscellaneous Provisions**.

(a) **Other Severance Arrangements**. This Agreement supersedes any and all cash severance arrangements on change in control under any prior separation, severance and salary continuation arrangements, programs and plans which were previously offered by the Company to the Executive, including change in control severance arrangements pursuant to an employment agreement or offer letter. In no event shall any individual receive cash severance benefits under both this Agreement and any other severance pay or salary continuation program, plan or other arrangement with the Company.

(b) **Notice**. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and

postage prepaid or deposited with Federal Express Corporation, with shipping charges prepaid. In the case of the Executive, mailed notices shall be addressed to him or her at the home address which he or she most recently communicated to the Company in writing. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of its Secretary.

(c) **Waiver**. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by the Executive and by an authorized officer of the Company (other than the Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(d) **Withholding Taxes**. All payments made under this Agreement shall be subject to reduction to reflect taxes or other charges required to be withheld by law.

(e) **Severability**. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(f) **No Retention Rights**. Nothing in this Agreement shall confer upon the Executive any right to continue in service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company or any subsidiary of the Company or of the Executive, which rights are hereby expressly reserved by each, to terminate his or her service at any time and for any reason, with or without Cause.

(g) **Choice of Law**. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of California (other than their choice-of-law provisions).

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year first above written.

/s/ Eric Schwartz
Eric Schwartz

EQUINIX, INC.

By: /s/ Keri Crask
Keri Crask
Title: VP HR

Exhibit 10.36

April 25, 2008

Dear Pete,

On January 31, 2008, the Compensation Committee of the Board of Directors of Equinix, Inc. approved a 2008 bonus for you equal to 20% of your base salary for 2008 based upon quarterly revenue targets (the “Quarterly Revenue Bonus”). The Quarterly Revenue Bonus shall be in addition to any amounts you are entitled to receive under Equinix’s 2008 Annual Cash Incentive Plan.

The Quarterly Revenue Bonus shall be determined on the basis of Equinix’s performance against quarterly revenue goals for the U.S., as set forth in the Board of Directors-approved operating plan, which may be adjusted from time to time by the Board of Directors throughout the plan year. The revenue goals will exclude the impact of one-time events affecting the operating plan, such as expansion projects or acquisitions not contemplated in the operating plan, as determined in the sole discretion of the Board of Directors.

Each quarter, 25% of the Quarterly Revenue Bonus shall be funded if the applicable revenue target is met during the quarter and will be paid as soon after the close of the fiscal quarter as practical. No Quarterly Revenue Bonus will be funded for that quarter if revenue is less than the operating plan target for the quarter unless the operating plan target, determined on a cumulative basis year-to-date, has been met. Any bonus attributable to a shortfall from a prior quarter shall also be paid if the operating plan target, determined on a cumulative basis year-to-date, has been met. Accordingly, the maximum Quarterly Revenue Bonus for the first quarter may not exceed 25%, for the second quarter 50%, for the third quarter 75% and for the fourth quarter 100%, of the Quarterly Revenue Bonus. In no event shall payments of the Quarterly Revenue Bonus be made more than two and one-half months after the end of the fiscal year in which earned.

The Compensation Committee of the Board of Directors may modify or terminate the Quarterly Revenue Bonus at any time.

Sincerely,

/s/ Steve Smith
Steve Smith
Chief Executive Officer

Acknowledged and Agreed to:

/s/ Peter Ferris
Peter Ferris
President, Equinix U.S.

Exhibit 10.37

[*ON THE LETTERHEAD OF CIT CAPITAL FINANCE (UK) LIMITED*]

LETTER OF APPROVAL & CONSENT

To: Equinix Group Limited (formerly IXEurope Plc)
41-44 Great Queen Street
London
WC2B 5AD

FAO: James Marchbank

6 May 2008

Dear sirs

£82,000,000 facilities agreement dated 29 June 2007 between, amongst others (1) IXEurope Plc (the "Company") (as an original borrower), (2) CIT Bank Limited and (3) CIT Capital Finance (UK) Limited (the "Administrative Agent") (as administrative agent and security trustee) (as amended by an amendment letter dated 31 August 2007 and an amendment letter dated 26 October 2007) (the "Facilities Agreement")

We refer to the Facilities Agreement. Terms defined in the Facilities Agreement shall have the same meaning where used in this letter, unless the context requires otherwise.

1. The Company has requested that:

   (a) the Administrative Agent agrees to the appointment of James Marchbank as the "Finance Director, Europe" of the Group as of 1 January 2008 in replacement of Karen Bach;

   (b) the Administrative Agent confirms in writing that for the purposes of the Facilities Agreement it gave its prior consent to the making of intercompany loans (the **"Intercompany Loans"**) by Equinix Europe Limited, the Company's direct holding company, to the Company in an aggregate principal amount of £23,760,706.18 pending the capitalisation of the same; and

   (c) the Administrative Agent confirms the treatment of certain items, as set out below, for the purposes of the definition of "EBITDA" and the definition of "Cashflow Available For Debt Service" or "CAFDS" in clause 1.1 (*Definitions*) of the Facilities Agreement:

      (i) adjustments in respect of the Company's share options scheme and stock compensation scheme; and

(ii) the following costs (each such cost being an **"Incurred Cost"**):

Figures in GBP 000's	Month (2007) Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
IX Shares Option Scheme	364			772				**1,136**
NI on IX shares option scheme	719			1,002				**1,721**
Monthly SBC (Ongoing Stock Based Comp charges on Equinix RSU's and Options)				159	201	249	-162	**447**
Indigo costs (Transaction Costs)		228	343	4,041	114	-111	45	**4,660**
Total	**1,083**	**228**	**343**	**5,974**	**314**	**139**	**-117**	**7,964**

2. The Company has informed the Administrative Agent that, in repayment of the Intercompany Loans, the Company has issued to Equinix Europe Limited shares in the Company with an aggregate value equal to the aggregate amount of the Intercompany Loans (the **"Share Issue"**).

3. In addition, the Company and the Arranger have informed the Administrative Agent that pursuant to the Syndication Letter the Margin has been altered. As such, the Administrative Agent and the Company have requested that the definition of "Margin" be amended to reflect such alteration.

4. It is hereby agreed that:

(a) with immediate effect the Facilities Agreement shall be amended by deleting the definition of "Margin" in clause 1.1 (*Definitions*) of the Facilities Agreement and replacing it with the following:

"Margin" means:

(A) in relation to a Facility A Loan, 2.25 per cent. per annum;

(B) in relation to a Facility B Loan, 2.25 per cent. per annum; and

(C) in relation to a Facility C Loan, 2.125 per cent. per annum,

but if:

(1) no Event of Default has occurred and is continuing; and

(2) in relation to Facility A and Facility C, at any Quarter Date after the Closing Date and, in relation to Facility B, with effect from the Quarter Date falling on or after 30 June 2008, the ratio of Total Debt at the end of the most recently completed Relevant Period to Pro Forma Borrowing Group EBITDA for such Relevant Period is within a range set out in the table below,

then the Margin for each Loan will thereafter be the percentage per annum set out below opposite that range:

Total Debt to Pro Forma Borrowing Group EBITDA	Facility A Margin (% p.a.)	Facility B Margin (% p.a.)	Facility C Margin (% p.a.)
Greater than 3.75:1	2.25	2.25	2.125
Less than or equal to 3.75:1 but greater than 3.50:1	2.125	2.125	2.125
Less than or equal to 3.50:1 but greater than 3.00:1	1.875	1.875	1.875
Less than or equal to 3.00:1 but greater than 2.50:1	1.625	1.625	1.625
Less than or equal to 2.50:1 but greater than 2.00:1	1.375	1.375	1.375
Less than or equal to 2.00:1 but greater than 1.50:1	1.125	1.125	1.125
Less than or equal to 1.50:1	0.875	0.875	0.875

and;

(D) in relation to a Facility D Loan, the rate(s) agreed between the Obligors' Agent, the Administrative Agent and each Lender in respect of Facility D from time to time.

Any change in that Margin shall take effect from and on the fifth Business Day after receipt by the Administrative Agent of the Quarterly Financial Statements and Compliance Certificate for that Relevant Period.

If an Event of Default is outstanding, the Margin will be increased by 2.00 per cent. per annum above the then applicable rate (the **"Default Rate"**) provided that upon the remedy or waiver, as the case may be, of the said Event of Default, the said Margin will be recalculated on the basis set out above, and any change shall take effect as of the date the relevant Event of Default is remedied or waived.";

(b) for the purposes of clause 9.1 (*Calculation of interest*) of the Facilities Agreement, the Margin set out above shall be included in the calculation of the rate of interest applicable to all Loans outstanding on and after 29 November 2007; and

(c) with immediate effect the Facilities Agreement shall be amended by deleting clause 20.4.1 (*Budget*) of the Facilities Agreement and replacing it with the following:

"The Company shall supply to the Administrative Agent in sufficient copies for all the Lenders, as soon as the same becomes available but in any event not more than 30 days after the start of each of its financial years, an annual budget for that financial year."

5. With effect from the date (the **"Effective Date"**) on which the Administrative Agent receives the documents and other evidence listed in Part I (*Conditions Precedent*) of the Schedule in form and substance satisfactory to it and subject to the other terms of this letter, the Administrative Agent (acting on the instructions of the Majority Lenders):

(a) agrees to the appointment of James Marchbank as the "Finance Director, Europe" of the Group in replacement of Karen Bach;

(b) confirms that to the extent that payment for an Incurred Cost has been funded by the proceeds of the Intercompany Loans:

(i) that Incurred Cost shall be an exceptional item for the purposes of paragraph (D) of the definition of "EBITDA" in clause 1.1 (*Definitions*) of the Facilities Agreement;

(ii) the proceeds of the Intercompany Loans shall not be an addition under paragraph (B) of the additions listed in the definition of "Cashflow Available For Debt Service" or "CAFDS" in clause 1.1 (*Definitions*) of the Facilities Agreement; and

(iii) that Incurred Cost shall not be a deduction under paragraph (C) of the deductions listed in the definition of "Cashflow Available For Debt Service" or "CAFDS" in clause 1.1 (*Definitions*) of the Facilities Agreement;

(c) agrees that the Facilities Agreement shall be amended as follows:

(i) by adding the following new definition alphabetically in clause 1.1 (*Definitions*) of the Facilities Agreement:

"Chief Financial Officer" means the person with the title, in respect of the Group, of "Chief Financial Officer" or "Finance Director, Europe" or such other title as may be agreed between the Administrative Agent and the Company.";

(ii) by deleting the final line of the definition of "Cashflow Available For Debt Service" or "CAFDS" in clause 1.1 (*Definitions*) of the Facilities Agreement and replacing it with the following:

"and so that no amount shall be taken account of either as an addition or a deduction more than once and no amounts related to a B&S Finance Lease shall be added or deducted.

Notwithstanding that adjustments by the Group in respect of the Company's share option scheme and stock compensation scheme are exceptional items for the purposes of paragraph (D) of the definition of "EBITDA", no further adjustment shall be made in respect of the same under either paragraph (B) of the additions listed in this definition or under paragraph (C) of the deductions listed in this definition."; and

(iii) by deleting the final paragraph of the definition of "EBITDA" in clause 1.1 (*Definitions*) of the Facilities Agreement and adding the following:

"in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining profits of the Group from ordinary activities before taxation, but so that no amount shall be taken account of either as an addition or a deduction more than once in the calculation of EBITDA.

For the purposes of paragraph (D) of this definition, adjustments made by the Group in respect of the Company's share option scheme and stock compensation scheme shall be exceptional items.".

6. The Administrative Agent hereby confirms that for the purposes of the Facilities Agreement it gave its prior consent to the making of the Intercompany Loans, subject to the Share Issue being effected.

7.

(a) The Company shall provide to the Administrative Agent the documents and other evidence listed in Part II (*Conditions Subsequent*) of the Schedule in form and substance satisfactory to the Administrative Agent within 10 Business Days of the date of this letter.

(b) The Company acknowledges and agrees that failure to comply with its obligations under paragraph 7(a) above shall constitute an Event of Default for the purposes of the Facilities Agreement.

8. On the Effective Date, the Repeating Representations shall be deemed to be made by each Obligor by reference to the facts and circumstances then existing.

9. The amendments contained herein are made in accordance with Clause 38 (*Amendments and waivers*) of the Facilities Agreement.

10. By countersigning this letter you confirm as the Company and as Obligors' Agent that each Obligor confirms on the date of this letter and on the Effective Date that, save as expressly provided for in this letter:

(a) the Facilities Agreement; and

(b) its obligations under Clause 18 (*Guarantee and Indemnity*) of the Facilities Agreement,

shall remain and continue in full force and effect.

11. This letter may be signed in any number of counterparts, and this has the same effect as if the signatures on each counterpart were on a single copy of this letter.

12. This letter is hereby designated as a Finance Document.

13. This letter shall be governed by and construed in accordance with English Law.

Kindly acknowledge your acknowledgement of and agreement to the above by countersigning this letter.

Yours faithfully

/s/

For and on behalf of
CIT Capital Finance (UK) Limited
(as Administrative Agent for itself and the Finance Parties)

We hereby acknowledge, agree to and confirm the terms of this letter

/s/

Signed for and on behalf of
Equinix Group Limited
(as the Company and as Obligors' Agent
on behalf of each Obligor)

Dated: 6 May 2008

SCHEDULE

PART I – CONDITIONS PRECEDENT

1. A certified copy of the constitutional documents of the Company.
2. A certified copy of the resolutions of the board of directors (or other appropriate corporate body) of the Company:
   (a) approving the terms of, and the transactions contemplated by, the Intercompany Loans, the Share Issue and this letter (the documents evidencing and/or effecting the Intercompany Loans and the Share Issue together with this letter being referred to as the **"Documents"**) and resolving that it execute the Documents to which it is a party;
   (b) authorising a specified person or persons to execute the Documents to which it is a party on its behalf; and
   (c) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Documents to which it is a party.
3. A specimen of the signature of each person authorised by the resolutions referred to in paragraph 2 above in relation to the Documents.
4. A certified copy of a resolution of the sole member of the Company resolving to increase the authorised share capital of the Company as necessary to effect the Share Issue and authorising the allotment of the shares comprised in the Share Issue.
5. A certificate of the Company (signed by a director/authorised signatory) certifying that each copy document relating to it specified in this Schedule is correct, complete, up-to-date and in full force and effect as at a date no earlier than the Effective Date.
6. A certified copy of a letter from Equinix Europe Limited applying for the allotment of the shares issued pursuant to the Share Issue and waiving its rights in respect of the repayment of the Intercompany Loans.
7. A certificate of the Company setting out the relevant details of the Share Issue (including, but not limited to, the number, par value and class of such shares).
8. A copy of any other consent, approval or other authorisation necessary in connection with the entry into and performance by the Company of the transactions contemplated by the Documents to which it is and/or will be a party.

PART II – CONDITIONS SUBSEQUENT

1. A certified copy of the register of members of the Company which evidences that the Share Issue has been effected.

Exhibit 10.38

Execution Version

SECOND AMENDMENT AND ACCESSION AGREEMENT

dated as of June 6, 2008

among

EQUINIX SINGAPORE PTE. LTD.,
EQUINIX JAPAN K.K.,
EQUINIX AUSTRALIA PTY LIMITED ABN 25 092 807 264,
EQUINIX HONG KONG LIMITED,

as Borrowers

ABN AMRO Bank N.V., Singapore Branch,
ABN AMRO Bank N.V., Japan Branch,
ABN AMRO Australia Pty Limited ABN 78 000 862 797,
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Hong Kong Branch,

as Lenders

and

ABN AMRO BANK N.V.,
as Facility Agent, Arranger and Collateral Agent

SECOND AMENDMENT AND ACCESSION AGREEMENT

This SECOND AMENDMENT AND ACCESSION AGREEMENT (this "**Amendment**") dated as of June 6, 2008, among:

(1) EQUINIX SINGAPORE PTE. LTD., a Singaporean corporation ("**Equinix Singapore**");

(2) EQUINIX JAPAN K.K., a Japanese corporation ("**Equinix Japan**");

(3) EQUINIX AUSTRALIA PTY. LIMITED ABN 25 092 807 264, an Australian corporation ("**Equinix Australia**");

(4) EQUINIX HONG KONG LIMITED, a Hong Kong company ("**Equinix HK**") (Equinix Singapore, Equinix Japan, Equinix Australia, Equinix HK and such Additional Borrowers (as defined in the Amended Facility Agreement referred to below), each individually, a "**Borrower**" and collectively, "**Borrowers**");

(5) ABN AMRO Bank N.V., Singapore Branch (the "**Singapore Dollar Lender**");

(6) ABN AMRO Bank N.V., Japan Branch (the "**Yen Lender**");

(7) ABN AMRO Australia Pty Limited (the "**Australian Dollar Lender**");

(8) COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., HONG KONG BRANCH (the "**HK Dollar Lender**") (the Singapore Dollar Lender, the Yen Lender, the Australian Dollar Lender and the HK Dollar Lender each individually, a "**Lender**" and collectively, the "**Lenders**"); and

(9) ABN AMRO BANK N.V., as facility agent (in such capacity, "**Facility Agent**"), as arranger (in such capacity, "**Arranger**") and as collateral agent (in such capacity, "**Collateral Agent**") for the Secured Parties (as defined in the Amended Facility Agreement).

WITNESSETH:

(A) WHEREAS, Equinix Singapore, Equinix Japan, the Singapore Dollar Lender, the Yen Lender, the Facility Agent, Arranger and Collateral Agent entered into a Facility Agreement dated August 31, 2007 (the "**Facility Agreement**") pursuant to which the Singapore Dollar Lender and the Yen Lender agreed to extend credit to Equinix Singapore and Equinix Japan to fund the construction of their respective Internet Data Centers (as defined in the Facility Agreement).

(B) WHEREAS, Equinix Singapore, Equinix Japan, Equinix Australia, the Singapore Dollar Lender, the Yen Lender, the Australian Dollar Lender, the Facility Agent, Arranger and Collateral Agent entered into an Amendment and Accession Agreement dated January 31, 2008 (the "**First Amendment**") pursuant to which, among other matters, Equinix Australia became an Additional Borrower under the Facility Agreement and acceded to all the obligations and liabilities of a Borrower under the Facility Agreement (as amended by the First Amendment, the "**Amended Facility Agreement**").

(C) WHEREAS, pursuant to Section 2.03 of the Amended Facility Agreement, Equinix HK wishes to become an Additional Borrower and a Borrower under the Amended Facility Agreement, and accede to all the obligations and liabilities of a Borrower under the Amended Facility Agreement as provided herein.

(D) WHEREAS, Equinix HK has requested the HK Dollar Lender to make Additional Loans (as defined in the Amended Facility Agreement and effectively amended by this Amendment) to Equinix HK in an aggregate amount of up to the HK Dollar Equivalent (as defined below) of US$20,000,000 to fund the construction of its Internet Data Center.

(E) The HK Dollar Lender is willing to become an additional Lender and make such Additional Loans to Equinix HK under the terms of the Amended Facility Agreement and this Amendment, and accede to all the obligations and liabilities under the Amended Facility Agreement as provided herein.

(F) WHEREAS, it is the intention of the parties hereunder that (1) the Borrowers shall be jointly and severally liable for the Secured Obligations (as defined in the Amended Facility Agreement) and (2) the security arrangements established to secure performance by the Borrowers of their obligations under the Amended Facility Agreement and this Amendment shall benefit all the Lenders, including the HK Dollar Lender.

(G) WHEREAS, the parties hereto have agreed to further amend the Amended Facility Agreement in the manner set out below with effect from and on the date hereof.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 **Defined Terms**. Unless expressly defined in this Amendment, or the context otherwise requires, terms defined in the Amended Facility Agreement shall have the same meanings in this Amendment.

SECTION 1.02 **Rules of Construction**. The principles of construction and rules of interpretation set forth in Section 1.02 of the Amended Facility Agreement shall apply in this Amendment.

ARTICLE II

ACCESSION

SECTION 2.01 **Accession**. Each of the HK Dollar Lender and Equinix HK agrees with each other person who is or who becomes a party to the Amended Facility Agreement that, with effect on and from the date hereof, each of the HK Dollar Lender and Equinix HK will be bound by the Amended Facility Agreement as a party to the Amended Facility Agreement as of the date hereof in the capacity of "Lender", with respect to the HK Dollar Lender, and "Borrower", with respect to Equinix HK.

ARTICLE III

AMENDMENTS TO THE AMENDED FACILITY AGREEMENT

SECTION 3.01 **New Definitions**. The following new definitions are added to Section 1.01 (Defined Terms) of the Amended Facility Agreement in their proper alphabetical order:

*"**Agency Fee**" shall have the meaning assigned to such term in Section 2.06(c).*

*"**Equinix HK**" shall mean Equinix Hong Kong Limited, a company with limited liability incorporated under the laws of Hong Kong with its registered address at Suite 6208, 62/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.*

*"**Facility Set-up Fees**" shall have the meaning assigned to such term in Section 2.06(b).*

*"**HIBOR**" shall mean, with respect to any HK Dollar Borrowing for any Interest Period, the rate per annum for deposits in HK Dollars for a period equal to or that most closely approximates the duration of such Interest Period which appears on Reuters page "HIBOR=R"(or such other page(s) as may replace that page as determined by the Facility Agent) as of 11:00 a.m., Hong Kong time on the relevant Interest Rate Setting Date; provided that if such rate does not appear on that page, "HIBOR" shall mean the rate expressed as a percentage to be the arithmetic mean (rounded upwards, if necessary, to the nearest four decimal places) as supplied to the Facility Agent at its request quoted by at least two Reference Banks that are leading banks as the rate at which it is offered deposits in HK Dollars and for the required period in the Hong Kong interbank market at or about 11:00 a.m., Hong Kong time.*

*"**HK Deed of Charge**" shall mean that certain Deed of Charge executed by the HK Dollar Borrower and the Collateral Agent dated as of June 6, 2008.*

*"**HK Dollar Borrower**" shall mean, in its capacity as the borrower of HK Dollar Loans, Equinix HK.*

*"**HK Dollar Borrowing**" shall mean a borrowing comprised of HK Dollar Loans made by the HK Dollar Lenders pursuant to a Borrowing Request.*

*"**HK Dollar Equivalent**" shall mean at any time (a) as to any amount denominated in HK Dollars, the amount thereof at such time, and (b) as to any amount denominated in any other currency, the equivalent amount in HK Dollars calculated by the Facility Agent at such time using the Exchange Rate in effect on the Business Day of determination.*

*"**HK Dollar Lender**" shall mean each financial institution listed on Schedule 1.01(e) (as amended from time to time), as well as any financial institution that has become a "HK Dollar Lender" hereto pursuant to Section 2.03 or by the execution of an Assignment and Assumption in accordance with this Agreement, other than, in each case, any such financial institution that has ceased to be a party hereto pursuant to an Assignment and Assumption. For purposes of this Agreement, "Lender" includes each HK Dollar Lender unless the context otherwise requires.*

*"**HK Dollar Loan Commitment**" shall mean, with respect to each Lender, the commitment, if any, of such Lender to make HK Dollar Loans hereunder during the Availability Period in the amount set forth opposite such Lender's name on Schedule 1.01(e), or in the Assignment and Assumption pursuant to which such Lender shall have assumed its HK Dollar Loan Commitment, as applicable, as the same may be (a) increased pursuant to any Increased Commitment made by such Lender pursuant to Section 2.03 or (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 10.04. The initial aggregate amount of the HK Dollar Loan Commitment is the HK Dollar Equivalent of US$20,000,000.*

*"**HK Dollar Loans**" shall mean the term loans made by the HK Dollar Lenders to the HK Dollar Borrower pursuant to Section 2.01(d).*

*"**HK Dollars**" or "**HKD**" shall mean the lawful currency of Hong Kong.*

*"**HK Share Charge**" shall mean that certain Share Charge executed by Equinix Pacific Inc. and the Collateral Agent dated as of June 6, 2008.*

*"**Hong Kong**" shall mean the Hong Kong Special Administrative Region of the People's Republic of China.*

SECTION 3.02 **Deleted Definitions**. The definitions of *"**Amendment**"* and *"**Facility Set-up Fee**"* as found in the Amended Facility Agreement are deleted.

SECTION 3.03 **Amended Definitions**. The following definitions as found in the Amended Facility Agreement are deleted and replaced with the following in their proper alphabetical order:

*"**Approved Currency**" shall mean, with respect to (i) the Singapore Dollar Borrower, Singapore Dollars, (ii) the Yen Borrower, Yen, (iii) the Australian Dollar Borrower, Australian Dollars and (iv) the HK Dollar Borrower, HK Dollars.*

*"**Availability Period**" shall mean the period commencing on the date that all conditions precedent to the making of the initial Loans under Section 4.01 and Section 4.02 have been satisfied or waived and ending, (i) on August 31, 2008 with respect to the Singapore Dollar Loans and the Yen Loans, (ii) on January 31, 2009 with respect to the Australian Dollar Loans, and (iii) on June 6, 2009 with respect to the HK Dollar Loans.*

*"**Borrowing**" shall mean a Singapore Dollar Borrowing, a Yen Borrowing, an Australian Dollar Borrowing or a HK Dollar Borrowing.*

*"**Collateral**" shall include (i) the "Collateral" as such term is defined and used in the Debenture, (ii) the "Movables" as such term is defined and used in the Assignment of Movables, (iii) the Secured Property as such term is defined and used in the Australia Deed of Charge and Australia Share Mortgage, and (iv) the Security Assets as such term is defined and used in the HK Deed of Charge and HK Share Charge.*

*"**Fees**" shall mean the Commitment Fee, the Facility Set-up Fees and the Agency Fee.*

*"**Final Maturity Date**" shall mean, with respect to (i) the Singapore Dollar Loans and the Yen Loans, August 31, 2011 or, if such date is not a Business Day, the Business Day immediately preceding such date, (ii) the Australian Dollar Loans, January 31, 2012 or, if such date is not a Business Day, the Business Day immediately preceding such date, and (iii) the HK Dollar Loans, June 6, 2012 or, if such date is not a Business Day, the Business Day immediately preceding such date.*

*"**GAAP**" shall mean generally accepted accounting principles in the United States applied on a consistent basis; provided that, at the option of the relevant Borrower, (i) GAAP shall mean generally accepted accounting principles in Singapore applied on a consistent basis, in relation to the annual financial reports to be delivered by the Singapore Dollar Borrower in accordance with this Agreement, (ii) GAAP shall mean generally accepted accounting principles in Japan applied on a consistent basis in relation to the annual financial reports to be delivered by the Yen Borrower in accordance with this Agreement, (iii) GAAP shall mean generally accepted accounting principles in Australia applied on a consistent basis in relation to the annual financial reports to be delivered by the Australian Dollar Borrower in accordance with this Agreement, and (iv) GAAP shall mean generally accepted accounting principles in Hong Kong applied on a consistent basis in relation to the annual financial reports to be delivered by the HK Dollar Borrower in accordance with this Agreement.*

*"**Interest Payment Date**" shall mean with respect to (i) the Singapore Dollar Loans and the Yen Loans, the last day of November, February, May and August of each year, from August 31, 2007 until the relevant Final Maturity Date, (ii) the Australian Dollar Loans, the last day of April, July, October and January of each year, from April 30, 2008 until the*

relevant Final Maturity Date, and (iii) the HK Dollar Loans, the last day of September, December, March and June of each year, from September 30, 2008; provided that if any Interest Payment Date shall fall on a day other than a Business Day, such Interest Payment Date shall be on the next preceding Business Day.

*"**Interest Rate Setting Date**" shall mean two (2) Business Days before the start of any Interest Period, provided that in respect of any HK Dollar Loan, the Interest Rate Setting Date shall mean the first day of any Interest Period.*

*"**Material Indebtedness**" shall mean any Indebtedness (other than the Indebtedness under the Loan Documents) of any Borrower, any of their respective Subsidiaries or the Guarantor in an aggregate outstanding principal amount exceeding the US Dollar Equivalent of US$5,000,000.*

*"**Notes**" shall mean any notes evidencing the Singapore Dollar Loans, the Yen Loans, the Australian Dollar Loans or the HK Dollar Loans issued pursuant to this Agreement, if any, substantially in the form of Exhibits D-1, D-2, D-3 and D-4.*

*"**Payment Office**" means (i) with respect to Singapore Dollar Borrowings, the Facility Agent's office located at One Raffles Quay (ORQ) South Tower, Level 26, Singapore 048583, (ii) with respect to Yen Borrowings, the Facility Agent's office located at Atago Green Hills Mori Tower 31F, 5-1 Atago 2-Chome, Minato-Ku, Tokyo, Japan, (iii) with respect to Australian Dollar Borrowings, the Facility Agent's office located at Level 22, ABN AMRO Tower, 88 Philip Street, Sydney 2000 Australia, (iv) with respect to HK Dollar Borrowings, the Facility Agent's office located at 38/F, Cheung Kong Center, 2 Queen's Road Central, Hong Kong, or (v) at such other office or offices of the Facility Agent as may be designated in writing from time to time by the Facility Agent to Borrowers.*

*"**Reference Bank**" shall mean either (i) ABN AMRO Bank N.V. or (ii) Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Hong Kong Branch.*

*"**Required Lenders**" shall mean (i) Lenders having more than 66 2/3% of the sum of all Loans outstanding and unused Loan Commitments, (ii) and at least two Lenders that are not Affiliates of another (if any).*

*"**Security Agreements**" shall mean the (i) Assignment of Movables, (ii) Debenture, (iii) Japan Share Pledge, (iv) Singapore Share Charge, (v) Australia Deed of Charge, (vi) Australia Share Mortgage, (vii) HK Deed of Charge and (viii) HK Share Charge.*

*"**Site Leases**" shall mean the lease by Equinix Japan over the following premises: (i) TRC-C Building, B-Block, 4th & 5th Floors & one-half of 1st floor, 1-1 Heiwajima, 6-chome, Oota-ku, Tokyo 143-0006 Japan and (ii) 8-21, Higashi-Shinagawa 3-chome, Shinagawa-ku, Tokyo, Shinshuu Meitetsu Shinagawa Building; the lease by Equinix Singapore over the following premises: (i) Blk 20 Ayer Rajah Crescent #06-01, #06-05/06/07/08, #05-05/06/06A/07/07A/08, #03-05/06/07/08 and #05-01/02/02A/03/03A/04 Singapore 139964, (ii) Blk 20 Ayer Rajah Crescent, #03-01 to #03-04, Singapore 139964, (iii) Blk 20 Ayer Rajah Crescent #04-05/06/06A/07/07A/08 Singapore 139964, (iv) Blk 20 Ayer Rajah Crescent #06-04 Singapore 139964, (v) Blk 20 Ayer Rajah Crescent #02-03/04 Singapore 139964, (vi) Blk 20 Ayer Rajah Crescent #06-02/03 Singapore 139964, (vii) Rooftop, Blk 20 Ayer Rajah Crescent Singapore 139964 and (viii) Cargo Lift Shafts G and H, Blk 20 Ayer Rajah Crescent Singapore 139964; the lease by Equinix Australia over the*

following premises: Units B, C1 and C2 and ancillary car parking spaces, 639 Gardeners Road, Mascot, New South Wales; and the lease and/or occupation license agreement by Equinix HK over the following premises: (i) Units 2 & 3, 13th floor, Global Gateway (Hong Kong), 168 Yeung Uk Road and 98 Wang Lung Street, Tsuen Wan, New Territories, Hong Kong; (ii) Units 1, 2 & 3, 17th floor, Global Gateway (Hong Kong), 168 Yeung Uk Road and 98 Wang Lung Street, Tsuen Wan, New Territories, Hong Kong; (iii) Units 1A, 1B & 2, 18th floor, Global Gateway (Hong Kong), 168 Yeung Uk Road and 98 Wang Lung Street, Tsuen Wan, New Territories, Hong Kong and (iv) those parts known as (1) switch room H on carpark level 2, (2) portions of common area for the installation of chilled water pipes from 13th floor to rook floor (inclusive), (3) portions of common area on roof floor for the installation of chiller plants and ancillary equipment, (4) portions of common area for the installation of two busbar risers and telco trunkings from carpark level 1 to 27th floor (inclusive), (5) portions of common area on 13th floor for the installation of pre-action valve(s) and (6) portions of common area for the installation of metal trunking from 13th floor to 17th floor (inclusive) of Global Gateway (Hong Kong), 168 Yeung Uk Road and 98 Wang Lung Street, Tsuen Wan, New Territories, Hong Kong.

SECTION 3.04 **Commitments**. Section 2.01 (Commitments) of the Amended Facility Agreement is amended by:

(a) deleting the word "and" at the end of Section 2.01(c); and

(b) adding a new Section 2.01(d) as follows:

"(d) each HK Dollar Lender agrees, severally and not jointly, to make HK Dollar Loans to the HK Dollar Borrower during the Availability Period in the principal amount not to exceed such HK Dollar Lender's HK Dollar Loan Commitment; and".

SECTION 3.05 **Loans**. Section 2.02(b) of the Amended Facility Agreement is amended by:

(a) deleting the word "and" before "(iii)"; and

(b) adding the following language after "Sydney time,":

"and (iv) each HK Dollar Lender shall make each HK Dollar Loan to be made by it hereunder by wire transfer of immediately available funds to such account in Hong Kong as the Facility Agent may designate not later than 11:00 a.m., Hong Kong time,".

SECTION 3.06 **Borrowing Procedure**. Section 2.04 (Borrowing Procedure) of the Amended Facility Agreement is amended by:

(a) deleting the word "or" before "(iii)";

(b) adding the following language at the end of the second sentence of the first paragraph:

"or (iv) in the case of a HK Dollar Borrowing, not later than 11:00 a.m., Hong Kong time, three (3) Business Days before the date of the proposed Borrowing."; and

(c) deleting sub-paragraph (a) in its entirety and replacing it with the following:

"(a) whether the requested Borrowing is to be a Singapore Dollar Borrowing, a Yen Borrowing, an Australian Dollar Borrowing or a HK Dollar Borrowing; provided, however, that the Singapore Dollar Borrower, the Yen Borrower, the Australian Dollar Borrower and the HK Dollar Borrower may request only Singapore Dollar Borrowings, Yen Borrowings, Australian Dollar Borrowings and HK Dollar Borrowings, respectively;".

SECTION 3.07 **Promise to Repay**. Section 2.05(a) (Promise to Repay) of the Amended Facility Agreement is amended by:

(a) deleting the word "and" before "(iii)"; and

(b) adding the following language at the end of the second sentence:

"and (iv) to the Facility Agent for the account of each HK Dollar Lender, the principal amount of each HK Dollar Loan of such HK Dollar Lender as provided in Section 2.09."

SECTION 3.08 **Promissory Notes**. Section 2.05(c) (Promissory Notes) of the Amended Facility Agreement is amended by:

(a) replacing the word "or" before "D-3" with a ","; and

(b) inserting the words "*or D-4*" after "D-3".

SECTION 3.09 **Fees**. Section 2.06 (Fees) of the Amended Facility Agreement is amended by:

(a) deleting the last sentence in sub-paragraph (a) entirely and replacing it with the following:

"Commitment Fees shall be computed on the basis of a year of three hundred and sixty (360) days or (in respect of the HK Dollar Loan Commitments only) on the basis of a year of three hundred and sixty-five (365) days, and shall be payable for the actual number of days elapsed (including the first day but excluding the last day)."; and

(b) deleting sub-paragraphs (b) and (c) entirely and replacing them with the following:

"(b) Facility Set-up Fees. Borrowers agree to pay to the Arranger and the HK Dollar Lender for their own accounts, the administrative fees payable in the amounts and at the times separately agreed in facility set-up fees letters between Borrowers, the Arranger and the HK Dollar Lender (the "Facility Set-up Fees").

(c) Agency Fee. Borrowers agree to pay to the Facility Agent and the Collateral Agent for their own accounts, the agency fee payable in the amounts and at the times separately agreed in an agency fee letter between Borrowers, the Facility Agent and the Collateral Agent (the "Agency Fee").

(d) Payment. All Commitment Fees shall be paid on the dates due, in immediately available funds in US Dollars or any Approved Currency requested by the Facility Agent, to the Facility Agent for distribution, if and as appropriate, among the Lenders. The Facility Set-up Fee with respect to the Singapore Dollar Loans and Yen Loans shall be paid to the Arranger for its own account within five (5) Business Days from August 31, 2007. The Facility Set-up Fee with respect to the Australian Dollar Loans shall be paid to the Arranger for its own account within five (5) Business Days from January 31, 2008. The Facility Set-up Fees with respect to the HK Dollar Loans shall be paid to the Arranger and the HK Dollar Lender for their own accounts within five (5) Business Days from June 6, 2008, in accordance with the facility set-up fee letters signed between Equinix HK and the Arranger and between Equinix HK and the HK Dollar Lender respectively. The Agency Fee shall be paid annually in advance, with the first annual payment being made on June 6, 2008, and each subsequent annual payment being made on each anniversary of that date. Once paid, none of the Fees shall be refundable under any circumstances."

SECTION 3.10 **Interest on Loans**. Section 2.07 (Interest on Loans) of the Amended Facility Agreement is amended by:

(a) adding a new sub-paragraph (b)(iv), which shall read:

"(b)(iv) HK Dollar Loans. Subject to the provisions of Section 2.07(d), the HK Dollar Loans comprising each HK Dollar Borrowing shall bear interest (in HK Dollars) at a rate per annum equal to HIBOR for the Interest Period in effect for such Borrowing plus the Applicable Margin in effect from time to time."; and

(b) deleting the second sentence of paragraph (f) entirely and replacing it with the following:

"All interest hereunder shall be computed on the basis of a year of three hundred and sixty (360) days or (in respect of the HK Dollar Loans only) on the basis of a year of three hundred and sixty-five (365) days, and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day)."

SECTION 3.11 **Termination of Commitments**. Section 2.08 (Termination of Commitments) of the Amended Facility Agreement is amended by:

(a) inserting a new sentence immediately following the fourth sentence, which shall read:

"The HK Dollar Loan Commitments shall automatically terminate at 5:00 p.m., Hong Kong time, on the last day of the Availability Period."; and

(b) deleting the fifth sentence in its entirety and replacing it with the following:

"The Borrowers may, upon ten (10) Business Days' prior written notice to the Facility Agent, terminate in its entirety (but not in part) any of the Singapore Dollar Loan Commitment, the Yen Loan Commitment, the Australian Dollar Loan Commitment or the HK Dollar Loan Commitment, or all of such Loan Commitments, prior to the end of the Availability Period, subject to the receipt of evidence by the Facility Agent reasonably satisfactory to it demonstrating the availability of cash or alternative funding to the Borrowers (which may include cash or funding available to the Guarantor that the Guarantor can use for such purpose) sufficient to complete construction and equipping of the Internet Data Centers."

SECTION 3.12 **Repayment**. Section 2.09 (Repayment) of the Amended Facility Agreement is amended by:

(a) deleting the word "and" before "(c)"; and

(b) inserting before the word "together" the following language:

"and (d) each HK Dollar Loan equal to 1/12 of the aggregate principal amount (in HK Dollars) of such HK Dollar Loan outstanding as of the last day of the relevant Availability Period,".

SECTION 3.13 **Notice of Prepayment**. Section 2.10(c) (Notice of Prepayment) of the Amended Facility Agreement is amended by:

(a) deleting the word "or" before "(iii)"; and

(b) inserting after the words "Sydney time, of the relevant Business Day" the following language:

"or (iv) in the case of prepayment of a HK Dollar Borrowing, not later than 11:00 a.m., Hong Kong time, of the relevant Business Day".

SECTION 3.14 **Alternate Rate of Interest**. Section 2.11 (Alternate Rate of Interest) of the Amended Facility Agreement is amended by:

(a) in sub-paragraph (a), replacing the word "or" before the word "BBSY" with a ",";

(b) in sub-paragraph (a), adding the words "*or HIBOR*" after the word "BBSY";

(c) in sub-paragraph (b), replacing the word "or" before the word "BBSY" with a ","; and

(d) in sub-paragraph (b), adding the words "*or HIBOR*" after the word "BBSY".

SECTION 3.15 **Yield Protection**. Section 2.12(a) (Increased Costs Generally) of the Amended Facility Agreement is amended by:

(a) in sub-paragraph (iii), replacing the word "or" before the words "the Australian interbank market" with a ","; and

(b) in sub-paragraph (iii), adding the words "*or the Hong Kong interbank market*" after the words "the Australian interbank market".

SECTION 3.16 **Payments Generally**. Section 2.14(a) (Payments Generally) of the Amended Facility Agreement is amended by:

(a) in the last sentence, replacing the word "and" before the words "Australian Dollar Loans" with a ",";

(b) in the last sentence, adding the words "*and HK Dollar Loans*" after the words "Australian Dollar Loans";

(c) in the last sentence, replacing the word "and" before the words "Australian Dollars, respectively" with a ","; and

(d) in the last sentence, adding the words "*and HK Dollars*" before the word "respectively".

SECTION 3.17 **Pro Rata Treatment**. Section 2.14(b) (Pro Rata Treatment) of the Amended Facility Agreement is amended by adding a new sentence at the end of sub-paragraph (ii), which shall read:

"Each payment on account of principal of the HK Dollar Loans shall be allocated among the HK Dollar Lenders pro rata based on the principal amount of the HK Dollar Loans held by the HK Dollar Lenders."

SECTION 3.18 **Annual Reports**. Section 5.01(a) (Annual Reports) of the Amended Facility Agreement is amended by:

(a) inserting the word "Dollar" after the word "Singapore"; and

(b) inserting after the words " satisfactory to the Facility Agent" the following language:

", provided that such accounts in respect of the HK Dollar Borrower as at the end of December 31, 2006 and December 31, 2007 shall be furnished to the Facility Agent and each Lender on or before June 30, 2008 and September 30, 2008, respectively and shall not materially deviate from the management accounts in respect of the HK Dollar Borrower as of the end of such Fiscal Years furnished to the Facility Agent and each Lender".

SECTION 3.19 **Process Agent**. Section 5.15 (Process Agent) of the Amended Facility Agreement is amended by adding a new sentence at the end, which shall read:

"The HK Dollar Borrower shall deliver similar proof of appointment of a process agent to the Facility Agent within 30 days from June 6, 2008."

SECTION 3.20 **Restricted Payments**. Section 6.08(a) (Restricted Payments) of the Amended Facility Agreement is amended by deleting such section entirely and replacing it with the following:

"(a)(i) principal and interest payments on loans received by Equinix Japan or Equinix Singapore from an Affiliate of such Borrowers prior to August 31, 2007 for the purpose of (A) bridging the funding of Capital Expenditures incurred by either Equinix Japan or Equinix Singapore in connection with the expansion of either Borrower's Internet Data Centers and pursuant to the Wah Loon Construction Contract and the Kajima Construction Contract, or (B) bridging the funding of Other Expansion Costs may be made by either such Borrower; (ii) principal and interest payments on loans received by Equinix Australia from an Affiliate of Borrowers prior to January 31, 2008 for the purpose of (A) bridging the funding of Capital Expenditures incurred by Equinix Australia in connection with the expansion of such Borrower's Internet Data Centers, or (B) bridging the funding of Other Expansion Costs may be made by such Borrower; and (iii) principal and interest payments on loans received by Equinix HK from an Affiliate of Borrowers prior to June 6, 2008 for the purpose of (A) bridging the funding of Capital Expenditures incurred by Equinix HK in connection with the expansion of such Borrower's Internet Data Centers, or (B) bridging the funding of Other Expansion Costs may be made by such Borrower; and"

SECTION 3.21 **Financial Covenants**. Section 6.10 (Financial Covenants) of the Amended Facility Agreement is amended by replacing the table setting forth the minimum Consolidated EBITDA in sub-paragraph (c) with the following table:

Period	Consolidated EBITDA (in US Dollar Equivalent)	
July 1, 2007 – December 31, 2007	US$	1,900,000
January 1, 2008 – December 31, 2008	US$	5,500,000
January 1, 2009 – December 31, 2009	US$	14,600,000
January 1, 2010 and thereafter	US$	17,500,000

SECTION 3.22 **Events of Default**. Section 7.01 (Events of Default) of the Amended Facility Agreement is amended by:

(a) adding the following language at the end of sub-paragraph (j):

"(iii) failure to substantially complete construction of the HK Dollar Borrower's Internet Data Center located at Units 2 & 3, 13th floor, Global Gateway (Hong Kong), 168 Yeung Uk Road and 98 Wang Lung Street, Tsuen Wan, New Territories, Hong Kong by December 31, 2009;"; and

(b) adding the following language after the words "or obligation for the Obligations" at the end of sub-paragraph (l):

", or the performance by any Borrower or any other party to any Loan Document of its obligations thereunder or the exercise by any Secured Party of any of its rights, powers and remedies under any Loan Document shall become unlawful".

SECTION 3.23 **Amended Schedules and Exhibits**. The following Schedules and Exhibits of the Amended Facility Agreement are hereby deleted and replaced in their entirety with the Schedules and Exhibits appended to this Amendment.

Schedule 3.05(b)	Real Property
Schedule 3.09	Material Agreements
Schedule 3.11	Capital Expenditure Budget
Schedule 3.18	Insurance
Schedule 4.01(f)	List of Local and International Counsel
Schedule 6.01	Existing Indebtedness
Schedule 6.02(c)	Existing Liens
Schedule 6.04(a)	Existing Investments
Exhibit B	Borrowing Request
Exhibit C	Compliance Certificate
Exhibit D-1	Singapore Dollar Note
Exhibit D-2	Yen Note
Exhibit D-3	Australian Dollar Note

SECTION 3.24 **New Exhibit, Schedule**. There shall be a new Exhibit D-4 (Form of HK Dollar Note) and Schedule 1.01(e) (List of HK Dollar Lenders) to the Amended Facility Agreement in the form appended to this Amendment.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01 **Borrowers' Representations and Warranties**. Each of the Borrowers confirms the representations, warranties and agreements set forth in Article III of the Amended Facility Agreement (as amended by this Amendment) as if made on the date hereof (and after giving effect to any replacement Schedules provided by the Borrowers pursuant to Section 3.23 of this Amendment).

SECTION 4.02 **Financial Covenants**. The HK Borrower represents and warrants that the aggregate amount of the HK Dollar Borrowings that the HK Borrower anticipates borrowing pursuant to HK Dollar Commitments shall not, at the time such HK Dollar Borrowings are made, cause any breach of the financial covenants set forth in Section 6.10 of the Amended Facility Agreement (as amended by this Amendment).

ARTICLE V

PROVISIONS RELATING TO THE HK DOLLAR BORROWER AND THE HK DOLLAR BORROWING

SECTION 5.01 **Conditions to Initial Funding**. The conditions to initial borrowing as set forth in Section 4.01 of the Amended Facility Agreement shall apply, *mutatis mutandis*, to the HK Dollar Borrower. In addition, the obligation of the HK Dollar Lender to fund the HK Dollar Loans shall be subject to the prior or concurrent satisfaction of each of the following conditions precedents:

(a) Amendments and Confirmation of Security Documents. The Facility Agent shall have received amendments to the Guarantee, Assignment of Movables and Japan Share Pledge and Deeds of Confirmation in respect of the Singapore Share Charge and Debenture signed by the parties thereto, which amendments and deeds of confirmation shall confirm that the security interests created by the relevant Security Document shall secure the performance of the Secured Obligations (as such term is effectively amended by this Amendment), in form and substance satisfactory to the Facility Agent.

(b) HK Security Documents. The Facility Agent shall have received (i) an executed counterpart of each of the HK Deed of Charge and HK Share Charge, (ii) all documents to enable registration of the HK Deed of Charge with the Hong Kong Companies Registry and, if applicable, filing of a UCC Financing Statement in respect of the Share Mortgage in Delaware in the United States of America and (iii) a signed confirmation letter from each licensor, lessor or landlord as referred to in clause 5.4 of the HK Deed of Charge.

(c) Corporate Documents of Security Providers. The Facility Agent shall have received corporate documents referred to in Section 4.01(b) of the Amended Facility Agreement with respect to Equinix Pacific, Inc. and each Borrower.

(d) No Default. The Singapore Dollar Borrower, the Yen Borrower and the Australian Dollar Borrower shall be in compliance in all material respects with all the terms and provisions set forth in the Amended Facility Agreement and in each other Loan Document on its part to be observed or performed and at the time of and immediately after giving effect to the HK Dollar Borrowing and the application of the proceeds thereof, no Default or Event of Default shall have occurred and be continuing on such date. Any representation or warranty made or deemed made by Guarantor, the Singapore Dollar Borrower, the Yen Borrower or the Australian Dollar Borrower in any Loan Document to which such Guarantor or Borrower is a party is true and correct in all material respects on the date of the initial HK Dollar Borrowing, except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and accurate in all material respects on and as of such earlier date) and except for changes in factual circumstances specifically and expressly permitted hereunder.

(e) Fees. Payment of all fees and expenses payable under or in connection with any Loan Document, or evidence that they will be paid out of the first drawing of a HK Dollar Loan.

(f) Know your client. Any applicable "know your client" documentation which is required by a Secured Party to permit verification of the identity of each director of Equinix HK for the purposes of any anti-money laundering legislation or regulation binding upon any Secured Party.

(g) Amendments to constitutions. Special resolutions of the shareholder of Equinix HK approving the amendments to the articles of association of Equinix HK to dis-apply any provision giving the directors the discretion to refuse to register, or suspend the registration of, any transfer of shares the subject of any Security Agreement subject only to prior payment of applicable stamp duty in respect of such transfers, and evidence that a certified true copy of the amended articles of association of Equinix HK has been or will be delivered to the Hong Kong Companies Registry for filing within fifteen (15) days after the date of such special resolutions.

(h) Title Documents. The share certificates for all shares in Equinix HK (together with all other documents required to be delivered to the Collateral Agent pursuant to the HK Share Charge).

(i) Legal opinions. An opinion from Skadden, Arps, Slate, Meagher & Flom relating to the Hong Kong law governed Loan Documents and Equinix HK.

SECTION 5.02 **Conditions to All Borrowings**. The conditions to all borrowings as set forth in Section 4.02 of the Amended Facility Agreement shall apply, *mutatis mutandis*, to the HK Dollar Borrower. The condition to borrowing set forth in Section 4.03 of the Amended Facility Agreement shall not apply to the HK Dollar Borrower.

SECTION 5.03 **Application of Provisions of the Facility Agreement**. Other than Section 4.03 and Section 5.13 of the Amended Facility Agreement, all the terms and conditions of the Amended Facility Agreement shall apply, *mutatis mutandis*, to the HK Dollar Borrower, including without limitation the covenants set forth in Article 5 and Article 6 of the Amended Facility Agreement and the defaults set forth in Article 7 of the Amended Facility Agreement, and the HK Dollar Borrower shall observe and perform all such terms and conditions of the Amended Facility Agreement in accordance with the terms thereof.

SECTION 5.04 **Appointment of Administrative Borrower**. Without limiting the generality of any other provisions of this Amendment, the HK Dollar Borrower hereby confirms that it appoints the Singapore Borrower as the Administrative Borrower and its attorney-in-fact in accordance with Section 10.17 of the Amended Facility Agreement.

SECTION 5.05 **Waiver of Required Notice**. The Lenders hereby waive the requirement set forth in Section 2.03 (Additional Loans) of the Amended Facility Agreement of 30 days prior written notice to the Facility Agent for any requests of Additional Commitments.

ARTICLE VI

INTEGRATION

SECTION 6.01 **Integration**. From and after the date hereof, this Amendment and the Amended Facility Agreement shall be read as a single integrated document with all references in the Amended Facility Agreement to the "Facility Agreement" or "this Agreement" being read and construed as if they were references to the Amended Facility Agreement, as amended by this Amendment.

SECTION 6.02 **Confirmations**. Each of the parties hereto agrees and confirms that:

(a) except for the amendments set forth herein, the Amended Facility Agreement continues to be in full force and effect as of the date hereof;

(b) in the Amended Facility Agreement and this Amendment:

(i) a reference to "a Borrower" or "each Borrower" (wherever occurring) is a reference to Equinix Singapore, Equinix Japan, Equinix Australia, Equinix HK and an Additional Borrower each individually;

(ii) a reference to "Borrowers" (wherever occurring) is a reference collectively to Equinix Singapore, Equinix Japan, Equinix Australia, Equinix HK and all Additional Borrowers;

(iii) a reference to "either Borrower" (wherever occurring) is a reference to any of the Borrowers;

(iv) a reference to "a Lender" or "each Lender" (wherever occurring) is a reference to a Singapore Dollar Lender, a Yen Lender, an Australian Dollar Lender and a HK Dollar Lender each individually and a reference to "Lenders" (wherever occurring) is a reference collectively to the Singapore Dollar Lenders, the Yen Lenders, the Australian Dollar Lenders and the HK Dollar Lenders;

(v) a reference to "an Additional Borrower" (wherever occurring) is a reference to an Additional Borrower and Equinix HK each individually and a reference to "the Additional Borrowers" (wherever occurring) is a reference collectively to the Additional Borrowers and Equinix HK;

(vi) a reference to "an Additional Commitment" (wherever occurring) is a reference to an Additional Commitment and a HK Dollar Loan Commitment each individually and a reference to "the Additional Commitments" (wherever occurring) is a reference collectively to the Additional Commitments and the HK Dollar Loan Commitments; and

(vii) a reference to "an Additional Loan" (wherever occurring) is a reference to an Additional Loan and a HK Dollar Loan each individually and a reference to "the Additional Loans" (wherever occurring) is a reference collectively to the Additional Loans and the HK Dollar Loans;

(c) each of the following documents also constitutes a "Loan Document" (as such term is defined and used in the Amended Facility Agreement):

(i) this Amendment;

(ii) the amendments to the Guarantee, Assignment of Movables and Japan Share Pledge and Deeds of Confirmation in respect of the Singapore Share Charge and Debenture referred to in Section 5.01(a) (Amendments and Confirmation of Security Documents);

(iii) the HK Deed of Charge; and

(iv) the HK Share Charge.

ARTICLE VII

MISCELLANEOUS

SECTION 7.01 **Notices**. Notices shall be given under this Amendment in the manner set forth in Section 10.01 of the Facility Agreement. The address of Equinix HK and the HK Dollar Lender for the purposes of Section 10.01 of the Facility Agreement are as follows:

Equinix HK — Address: 9 Temasek Boulevard #17 02
Suntec Tower Two Singapore 038989

Attention: General Counsel
Tel No.: (65) 6622 0100
Fax: (65) 6821 5001

with a copy to:

Equinix, Inc.
301 Velocity Way, 5th Floor
Foster City, California 94404
Attention: General Counsel
Fax: 1 (650) 513-7913

HK Dollar Lender

Address: Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.
10/F York House
The Landmark
15 Queen's Road Central,
Central, Hong Kong

Attention: Head of TMI
Tel No: (852) 2103 2871
Fax: (852) 2103 4425

SECTION 7.02 **Headings**. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

SECTION 7.03 **Counterparts**. This Amendment may be executed in counterparts (and by the different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

SECTION 7.04 **Governing Law**. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Remainder of the page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

EQUINIX SINGAPORE PTE. LTD.

By: /s/
Name:
Title:

EQUINIX JAPAN K.K.

By: /s/
Name:
Title:

Executed in accordance with section 127
Of the Corporations Act 2001 by

EQUINIX AUSTRALIA PTY. LIMITED

By: /s/
Name:
Title:

By: /s/
Name:
Title:

EQUINIX HONG KONG LIMITED

By: /s/
Name:
Title:

ABN AMRO BANK N.V., as Facility Agent

By: /s/
Name:
Title:

By: /s/
Name:
Title:

ABN AMRO BANK N.V., as Arranger

By: /s/
Name:
Title:

By: /s/
Name:
Title:

ABN AMRO BANK N.V., as Collateral Agent

By: /s/
Name:
Title:

By: /s/
Name:
Title:

ABN AMRO BANK N.V., TOKYO BRANCH, as a Lender

By: /s/
Name:
Title:

By: /s/
Name:
Title:

ABN AMRO BANK N.V., SINGAPORE BRANCH, as a Lender

By: /s/
Name:
Title:

By: /s/
Name:
Title:

ABN AMRO AUSTRALIA PTY LIMITED, as a Lender

By: /s/
Name:
Title:

By: /s/
Name:
Title:

COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., HONG KONG BRANCH, as a Lender

By: /s/
Name:
Title:

By: /s/
Name:
Title:

Execution Version

AMENDMENT NO. 2 TO GUARANTEE

This AMENDMENT NO. 2 TO GUARANTEE (this "**Amendment**") dated as of June 6, 2008, is among:

(1) EQUINIX, INC., a Delaware corporation (the "**Guarantor**");

(2) ABN AMRO BANK N.V., as facility agent (in such capacity, the "**Facility Agent**"); and

(3) ABN AMRO BANK N.V., as collateral agent (in such capacity, the "**Collateral Agent**") for the Secured Parties (as defined in the Facility Agreement (as defined below)).

RECITALS:

(A) Pursuant to a Facility Agreement dated as of August 31, 2007 (the "**Facility Agreement**") (as amended by an Amendment and Accession Agreement dated as of January 31, 2008 (the "**First Amendment and Accession Agreement**")) among Equinix Singapore Pte. Ltd. ("**Equinix Singapore**"), Equinix Japan K.K. ("**Equinix Japan**"), Equinix Australia Pty. Limited ("**Equinix Australia**"), the financial institutions referred thereto as Lenders (the "**Lenders**"), the Facility Agent, ABN AMRO Bank N.V. as arranger and the Collateral Agent, the Lenders extended credit to Equinix Singapore, Equinix Japan and Equinix Australia to fund the construction of their respective Internet Data Centers (as defined in the Facility Agreement).

(B) Pursuant to a Guarantee dated as of August 31, 2007 (the "**Guarantee**") (as amended by an Amendment No. 1 To Guarantee dated as of January 31, 2008 (the "**Amendment No. 1 To Guarantee**") executed and delivered by the Guarantor to the Facility Agent and the Collateral Agent on behalf of the Secured Parties (as defined in the Facility Agreement), the Guarantor (among other things) unconditionally guaranteed the due and punctual payment and performance of the Secured Obligations (as defined in the Facility Agreement).

(C) Equinix Hong Kong Limited ("**Equinix HK**"), an indirect, wholly-owned subsidiary of the Guarantor, desires to become an Additional Borrower under the Facility Agreement (as amended by the First Amendment and Accession Agreement) and has requested the Lenders to make Additional Loans to Equinix HK in an aggregate amount of up to the HK Dollar Equivalent (as defined in the Facility Agreement) of US$20,000,000 to fund the construction of its Internet Data Center and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Hong Kong Branch (the "**HK Dollar Lender**") is willing to become a Lender under the Facility Agreement and is willing to extend credit to Equinix HK under the terms of the Facility Agreement.

(D) In order to accomplish the foregoing, Equinix Singapore, Equinix Japan, Equinix Australia, Equinix HK, the Lenders, the Facility Agent, the Arranger and the Collateral Agent have entered into a Second Amendment and Accession Agreement dated as of June 6, 2008 (the "**Second Amendment and Accession Agreement**").

(E) As a condition to the HK Dollar Lender extending such credit, the Guarantor is required to unconditionally guarantee the due punctual payment and performance of the obligations of Equinix HK under the Facility Agreement.

(F) The parties hereto have agreed to amend the Guarantee (as amended by the Amendment No. 1 To Guarantee, the "**Amended Guarantee**") in the manner set out herein with effect from and on the date hereof.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 1.01. Unless expressly defined in this Amendment, or the context otherwise requires, terms defined in the Amended Guarantee or the Facility Agreement shall have the same meanings in this Amendment.

SECTION 1.02. The principles of construction and rules of interpretation set forth in Section 1.02 of the Facility Agreement shall apply to this Amendment. Without prejudice to any rule of construction in the Facility Agreement, unless the context otherwise expressly requires, the term "Facility Agreement" means the Facility Agreement as amended by the First Amendment and Accession Agreement and the Second Amendment and Accession Agreement.

SECTION 1.03. In the interpretation of the Amended Guarantee and this Amendment, unless the context clearly indicates otherwise or unless otherwise provided herein:

(a) a reference to "a Borrower" or "each Borrower" (wherever occurring) is a reference to Equinix Singapore, Equinix Japan, Equinix Australia, Equinix HK and an Additional Borrower each individually; a reference to "Borrowers" (wherever occurring) is a reference collectively to Equinix Singapore, Equinix Japan, Equinix Australia, Equinix HK and all Additional Borrowers; and a reference to "either Borrower" (wherever occurring) is a reference to any of the Borrowers; and

(b) a reference to "a Lender" or "each Lender" (wherever occurring) is a reference to a Singapore Dollar Lender, a Yen Lender, an Australian Dollar Lender and a HK Dollar Lender each individually and a reference to "Lenders" (wherever occurring) is a reference collectively to the Singapore Dollar Lenders, the Yen Lenders, the Australian Dollar Lenders and the HK Dollar Lenders.

ARTICLE II

APPLICATION OF AMENDMENTS TO THE AMENDED GUARANTEE

SECTION 2.01. The Guarantor hereby confirms that the term "Secured Obligations" as used in the Amended Guarantee shall include the obligations of the HK Borrower under the Facility Agreement.

SECTION 2.02. The Guarantor hereby confirms that the Amended Guarantee continues to apply in all respects to the Facility Agreement (as amended by the First Amendment and Accession Agreement and the Second Amendment and Accession Agreement) as well as to each of the First Amendment and Accession Agreement and the Second Amendment and Accession Agreement itself.

ARTICLE III

AMENDMENTS TO THE AMENDED GUARANTEE

SECTION 3.01. Section 3.03(a) (Subordination) of the Amended Guarantee is amended by deleting the last sentence in its entirety and replacing it with the following:

"Notwithstanding the foregoing, pursuant to Section 6.08 of the Facility Agreement, so long as no Event of Default shall have occurred and be continuing, Guarantor may receive from Borrowers payments or repayments of principal and interest in relation to intercompany loans (i) made by Guarantor to Equinix Singapore or Equinix Japan for the purpose of bridging the funding of Capital Expenditures incurred by either such Borrower prior to August 31, 2007 in connection with the expansion of either such Borrower's Internet Data Center, (ii) made by Guarantor to Equinix Australia for the purpose of bridging the funding of Capital Expenditures incurred by such Borrower prior to January 31, 2008 in connection with the expansion of such Borrower's Internet Data Center and (iii) made by Guarantor to Equinix HK for the purpose of bridging the funding of Capital Expenditures incurred by such Borrower prior to June 6, 2008 in connection with the expansion of such Borrower's Internet Data Center."

SECTION 3.02. Section 3.03(b) (Subordination) of the Amended Guarantee is amended by deleting the last sentence in its entirety and replacing it with the following:

"Notwithstanding the foregoing, pursuant to Section 6.08 of the Facility Agreement, so long as no Event of Default shall have occurred and be continuing, Guarantor may receive from Borrowers payments or repayments of principal and interest in relation to intercompany loans (i) made by Guarantor to Equinix Singapore or Equinix Japan for the purpose of bridging the funding of Capital Expenditures incurred by either such Borrower prior to August 31, 2007 in connection with the expansion of either such Borrower's Internet Data Center, (ii) made by Guarantor to Equinix Australia for the purpose of bridging the funding of Capital Expenditures incurred by such Borrower prior to January 31, 2008 in connection with the expansion of such Borrower's Internet Data Center and (iii) made by Guarantor to Equinix HK for the purpose of bridging the funding of Capital Expenditures incurred by such Borrower prior to June 6, 2008 in connection with the expansion of such Borrower's Internet Data Center."

ARTICLE IV

WARRANTIES, REPRESENTATIONS, COVENANTS AND AGREEMENTS

SECTION 4.01. The Guarantor confirms the representations, warranties and agreements set forth in Section 2.05 of the Amended Guarantee as if made on the date hereof.

ARTICLE V

INTEGRATION

SECTION 5.01. From and after the date hereof, this Amendment and the Amended Guarantee shall be read as a single integrated document with all references in the Amended Guarantee and the other Loan Documents to the "Guarantee" or references in the Amended Guarantee to "this Guarantee" being read and construed as if they were references to the Amended Guarantee, as amended by this Amendment.

SECTION 5.02. Each of the parties to the Amended Guarantee agrees and confirms that (i) except for the amendments set forth herein, the Amended Guarantee continues to be in full force and effect as of the date hereof; (ii) this Amendment constitutes a "Loan Document" (as such term is defined and used in the Facility Agreement) and (iii) this Amendment, insofar as it constitutes the written consent of the Guarantor to the extension of the Amended Guarantee, shall not in any way create or establish a course of conduct with respect to any other extensions, restatements, supplements, amendments or any release from any of the terms of the Amended Guarantee or any other Loan Document in the future.

ARTICLE VI

MISCELLANEOUS

SECTION 6.01. Notices shall be given under this Amendment in the manner set forth in Section 4.01 of the Amended Guarantee.

SECTION 6.02. Article and Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting this Amendment.

SECTION 6.03. This Amendment may be executed in counterparts (and by the different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

SECTION 6.04. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Remainder of the page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

EQUINIX, INC., as Guarantor

By: /s/
Name:
Title:

ABN AMRO BANK N.V., as Facility Agent

By: /s/
Name:
Title:

By: /s/
Name:
Title:

ABN AMRO BANK N.V., as Collateral Agent

By: /s/
Name:
Title:

By: /s/
Name:
Title:

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Stephen M. Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Equinix, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 5, 2008

/s/ Stephen M. Smith

Stephen M. Smith
President and Chief Executive Officer

Exhibit 31.2

**CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Keith D. Taylor, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Equinix, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated: August 5, 2008

/s/ Keith D. Taylor

Keith D. Taylor
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Equinix, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen M. Smith, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Stephen M. Smith
Stephen M. Smith
President and Chief Executive Officer

August 5, 2008

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Equinix, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Keith D. Taylor, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Keith D. Taylor
Keith D. Taylor
Chief Financial Officer

August 5, 2008