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

FORM 8-K/A

CURRENT REPORT

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

Date of Report (Date of Earliest Event Reported): December 6, 2016

EQUINIX, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	000-31293	77-0487526
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

One Lagoon Drive, Redwood City, California 94065
(Address of Principal Executive Offices) (Zip Code)

(650) 598-6000
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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

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

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

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

This Form 8-K/A is filed as an amendment to the Current Report on Form 8-K filed by Equinix, Inc. ("Equinix") on December 6, 2016 (the "Initial 8-K") and the amendment to the Initial 8-K filed on March 7, 2017 (the "Amended 8-K"). In the Amended 8-K, Equinix included the consolidated abbreviated financial statements of the Selected Verizon Data Center Business as Exhibit 99.1, the consolidated financial statements of Telecity Group Limited as Exhibit 99.2 and the unaudited pro forma financial information as Exhibit 99.3. In the Initial 8-K, Equinix announced its entry into a transaction agreement (the "Transaction Agreement") with Verizon Communications Inc. ("Verizon"), pursuant to which Equinix agreed, subject to the terms and conditions set forth in the Transaction Agreement, to acquire Verizon's colocation services business consisting of 29 data center buildings, located in the United States, Brazil and Colombia (the "Selected Verizon Data Center Business") for a cash purchase price of $3.6 billion, subject to certain adjustments described in the Transaction Agreement (the "Transaction"). The Transaction was completed on May 1, 2017.

Item 9.01. Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired.

The consolidated abbreviated financial statements of the Selected Verizon Data Center Business are attached hereto as Exhibit 99.1 and are incorporated herein by reference.

(b) Pro Forma Financial Statements.

The unaudited pro forma financial information is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

(d) Exhibits

Exhibit No.	Description
99.1	Reviewed statements of assets acquired and liabilities assumed of the Selected Sites of Verizon's Colocation and Data Center Interconnect Operations as of March 31, 2017 and December 31, 2016 and the related statements of net revenues and direct expenses for the three months in the periods ended March 31, 2017 and 2016.
99.2	Unaudited pro forma condensed combined financial information.

SIGNATURES

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

EQUINIX, INC.

By:	/s/ Keith D. Taylor
Name:	Keith D. Taylor
Title:	Chief Financial Officer

Date: November 7, 2017

EXHIBIT INDEX

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99.2	Unaudited pro forma condensed combined financial information.

Exhibit 99.1

Selected Sites of Verizon's Colocation
and Data Center Interconnect Operations

Abbreviated Financial Statements

At March 31, 2017
And For the Three Months Ended
March 31, 2017 and 2016

Selected Sites of Verizon's Colocation and Data Center Interconnect Operations
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Selected Sites of Verizon's Colocation and Data Center Interconnect Operations
Statements of Assets Acquired and Liabilities Assumed
(in thousands) (unaudited)

	At March 31, 2017	At December 31, 2016
Assets acquired		
Accounts receivable, net of allowance for uncollectibles of $665 and $648, respectively	$ 12,500	$ 12,196
Prepaid customer installations	2,094	2,378
Other current assets	53	53
Total current assets	14,647	14,627
Plant, property and equipment, net	817,939	834,084
Prepaid customer installations	1,372	1,471
Lease deposits	—	648
Other non-current assets	436	458
Total assets acquired	$ 834,394	$ 851,288
Liabilities assumed		
Accrued property taxes	$ 3,834	$ 3,877
Deferred rent	332	297
Lease obligation	376	372
Advanced billings	19,321	20,038
Total current liabilities	23,863	24,584
Deferred rent	1,118	1,009
Lease obligation	6,705	6,801
Advanced billings	1,621	1,723
Asset retirement obligations	6,743	6,753
Total liabilities assumed	40,050	40,870
Net assets acquired	$ 794,344	$ 810,418

The accompanying notes are an integral part of these abbreviated financial statements.

Selected Sites of Verizon's Colocation and Data Center Interconnect Operations
Statements of Net Revenues and Direct Expenses
(in thousands) (unaudited)

Three Months Ended March 31,	2017	2016
Net Revenues (including $3,615 and $4,530 from affiliates, respectively)	$ 108,245	$ 111,249
Direct expenses:		
Cost of services (exclusive of items shown below)	34,911	32,257
Selling, general and administrative expense	11,042	10,099
Depreciation expense	17,283	18,151
Total direct expenses	63,236	60,507
Net revenues less direct expenses	$ 45,009	$ 50,742

The accompanying notes are an integral part of these abbreviated financial statements.

1. Organization

Verizon Communications Inc.'s ("Verizon") data center and cloud services business ("Data Center Business") was a component of its Wireline segment and was a global provider of managed IT solutions with data centers in the United States, Europe, Asia and Latin America. The Data Center Business provided carrier neutral colocation, managed services, cloud services, security services and exchange point services to more than 2,200 customers worldwide across a broad range of sectors, including enterprises, government agencies, systems integrators, Internet content and portal companies and network providers.

The Data Center Business included 54 owned and leased customer facing data centers, including 23 in the United States, two in Canada, 18 in Europe, Middle East and Africa, nine in Asia Pacific and two in South America. The Data Center Business acquired eight of these facilities through Verizon's acquisition of Terremark in 2011. The Data Center Business' primary products or services included colocation, data center interconnect services, managed services, cloud services, security services and exchange point services.

Verizon's Colocation and Data Center Interconnect Operations was comprised of the colocation and certain data center interconnect revenue and direct expenses generated by certain Data Center Business locations, including the related owned and leased data center assets. Data center interconnect revenue was comprised of data center network transport and data center network switch fabric services.

The sale of Selected Sites of Verizon's Colocation and Data Center Interconnect Operations ("Group") to Equinix, Inc. ("Acquirer") closed on May 1, 2017 ("Closing").

2. Basis of Presentation and Significant Accounting Policies

Verizon and Equinix, Inc. entered into a transaction agreement ("TA") dated December 6, 2016 whereby, the Acquirer agreed to purchase the operations and certain operating assets, as defined, related to the Group in return for approximately $3.6 billion in cash.

The Group includes the following data center sites:

United States

- Ashburn, VA
- Atlanta, GA
- Billerica, MA
- Carteret, NJ
- Culpeper, VA (four buildings total)*
- Doral, FL
- Elmsford, NY
- Englewood, CO
- Herndon, VA
- Houston, TX
- Irving, TX
- Kent, WA
- Manassas, VA
- Miami, FL
- Norcross, GA
- Piscataway, NJ*
- Richardson (Alma), TX
- Richardson (Parkway), TX*
- Santa Clara, CA (Three buildings total)
- San Jose, CA
- Torrance, CA
- Westmont, IL

* these sites exclude certain assets that will not be acquired by the Acquirer.

Latin America

- Sao Paolo, Brazil
- Bogota, Colombia

The Group is not a separate legal entity and has never operated as a separate entity, subsidiary or division of Verizon. The Group's operations do not represent a substantial portion of Verizon's operations, assets or liabilities. Verizon has never maintained distinct and separate accounts necessary to prepare either stand-alone or carve-out financial statements. Due to such limitations, it is not practical to prepare full financial statements for the Group in accordance with the requirements of the Securities and Exchange

Commission's ("SEC") Regulation S-X. Accordingly, abbreviated financial statements were derived from the operating activities directly attributed to the Group's operations from Verizon's historical accounting records. The abbreviated financial statements reflect the assets acquired and liabilities assumed by the Acquirer, revenues and direct costs related to the Group's operations, and exclude costs not directly involved in the revenue producing activity, such as corporate overhead, interest and income taxes. As the Group has historically been managed as part of the operations of Verizon and has not been operated on a stand-alone basis, it is not practical to prepare historical cash flow information regarding the Group's operating, investing and financing cash flows. As such, statements of cash flows are not presented. The abbreviated financial statements have been prepared for the purpose of complying with the rules and regulations of the SEC for inclusion in Form 8-K/A of the Acquirer in connection with Verizon's sale of the Group to the Acquirer. The Acquirer has obtained permission from the SEC to provide abbreviated financial statements in satisfaction of the requirements of Rule 3-05 of Regulation S-X.

The accompanying abbreviated financial statements include Statements of Assets Acquired and Liabilities Assumed, Statements of Net Revenues and Direct Expenses and accompanying notes ("Abbreviated Financial Statements"). The Abbreviated Financial Statements include either specifically identified balances related to the Group's operations or the application of an allocation methodology that best reflects the Group's share of the respective balances and activities. Revenues were determined based on the product level billing data for colocation and data center interconnect services, net of credits for such customers. Customer credits were either specifically identified or allocated based on the percentage of the Group's revenue relative to total customer revenue within Verizon for which such credits were granted. Cost of services primarily includes compensation expense, other employee benefits expense, plant and facilities expense and lease costs. Selling, general and administrative expense primarily includes compensation expense, other employee benefits expense, property taxes and advertising and promotion expense. Compensation expense and other employee benefits expense were determined based on identification of the people that directly support the Group's operations and for those employees that partially support the Group's operations by applying an allocation methodology that best reflects the Group's share of such costs. Lease costs were determined based on identification of the specific leases related to the Group. The remaining expenses, which include certain other employee related expenses, contractor services, bad debt expense, property taxes, and plant and facilities expenses were either specifically identified or an allocation methodology was applied that best reflects the Group's share of the respective activities at Verizon. Depreciation expense was determined based on the specifically identified asset categories that support the Group's operations at the Group's sites. All intercompany accounts and transactions within the Group have been eliminated. The accompanying unaudited abbreviated financial statements have been prepared based upon Securities and Exchange Commission (SEC) rules that permit reduced disclosure for interim periods. For a more complete discussion of significant accounting policies and certain other information, you should refer to the audited abbreviated financial statements of the Group, which comprise the Statements of Assets Acquired and Liabilities Assumed as of December 31, 2016 and 2015, the related Statements of Net Revenues and Direct Expenses for each of the three years in the period ended December 31, 2016 included in Equinix's Current Report Form 8-K/A dated March 7, 2017. These financial statements reflect all adjustments that are necessary for a fair presentation of results of operations and financial condition for the interim periods shown including normal recurring accruals and other items. The results for the interim periods are not necessarily indicative of results for the full year.

The historical cost and accumulated depreciation of plant, property and equipment were determined based on specifically identifying asset categories that support the Group's business at the Group's sites except for certain assets that will not be acquired by the Acquirer. The remaining balance sheet accounts were either specifically identified or an allocation methodology was applied that best reflects the Group's share of the respective balances at Verizon.

The Statements of Net Revenues and Direct Expenses exclude allocations of Verizon's corporate overhead, including items such as human resources, legal services, information technology, accounting, compliance, finance, tax and treasury functions that are managed by Verizon. Additionally, foreign currency translation gains and losses, interest expense and income taxes have also been excluded from the Abbreviated Financial Statements.

Although management is unable to determine all of the actual costs, expenses and resultant operating results associated with the Group's operations as a stand-alone, separate entity, the allocation described in these statements is considered reasonable in all material respects by management. The Abbreviated Financial Statements of the Group are not intended to be a complete presentation of the financial statements of the Group and are not necessarily indicative of the financial position and results of operations that would have been achieved if the Group had operated as a separate, stand-alone business.

The Group has evaluated subsequent events through August 15, 2017, the date these Abbreviated Financial Statements were available to be issued.

Subsequent to the issuance of the December 31, 2016 abbreviated financial statements, but prior to the closing, it was determined that Lease deposits were excluded assets. Accordingly, the Statement of Assets Acquired and Liabilities Assumed at March 31, 2017 does not include lease deposits.

The following matters, which were addressed or concluded in conjunction with the Closing, are not reflected in these abbreviated financial statements:

(a) Verizon leased space from the Acquirer at the Selected Sites under separate agreements.

(b) Based on the terms of the TA, the land and building assets for the Richardson (Parkway), TX site are defined as excluded assets; however, the remaining assets and operations for this site are included assets. Prior to the transaction closing, Verizon and the Acquirer failed to negotiate the terms of the Richardson site lease terms. As a result of the Richardson lease not being finalized by the transaction closing, (i) the Richardson leasehold site was not considered a transferred site under the terms of the TA or any ancillary agreements, (ii) all transferred customer contracts, shared customer contracts, transferred tenant leases, as defined in the TA, and associated revenues, expenses, assets and liabilities, to the extent pertaining to the Richardson site, were deemed excluded without any further action by Verizon or the Acquirer, and (iii) the purchase price was adjusted, accordingly. The adjustment to the assets, liabilities and income statement activity associated with the Richardson site are not material to the Group.

(c) Verizon and the Acquirer entered into a transaction service agreement ("TSA"), pending novation or consent, pursuant to which the Acquirer will act as a subcontractor to Verizon for performance of all obligations of Verizon under certain of the government contracts, as defined in the TA, and other customer contracts ("Contracts"). The terms of the TSA will continue until the earlier of the novation or assignment of the Contracts subject to the TSA, or the satisfaction of all obligations of Verizon under the Contracts subject to the TSA. For Contracts, Verizon and the Acquirer will use reasonable best efforts to provide all notices and obtain all consents and approvals needed from the customers in connection with performance under the TSA and, if not received, to cooperate to set up alternative arrangements and cause the applicable contracts to be novated.

Use of Estimates

The preparation of these Abbreviated Financial Statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts. Such estimates include allowance for uncollectibles, depreciable lives, the assessment of recoverability of long-lived assets and asset retirement obligations. Actual results could differ from these estimates. The Abbreviated Financial Statements include allocations and estimates that are not necessarily indicative of the amounts that would have resulted if the Group had been operated as a stand-alone entity.

Plant, Property and Equipment and Depreciation

The Group records plant, property and equipment at cost. Plant, property and equipment are generally depreciated on a straight-line basis.

Leasehold improvements are amortized over the shorter of the estimated life of the improvement or the remaining term of the related lease, calculated from the time the asset was placed in service.

Impairment of Long-lived Assets

Plant, property and equipment are depreciated over their useful lives. These assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If any indicators of impairment are present, the Group tests for recoverability by comparing the carrying amount of the asset to the net undiscounted cash flows expected to be generated from the asset group. If those net undiscounted cash flows do not exceed the carrying amount (i.e., the asset is not recoverable), the Group performs the next step, which is to determine the fair value of the asset group and record an impairment, if any. No impairment charges were recorded within the three month period ended March 31, 2017 and 2016.

Asset Retirement Obligations

The Group recognizes a liability for the estimated fair value of asset retirement obligations, which are primarily associated with contractual obligations to remediate leased property on which the Group's data center sites are located and decommissioning and removal costs for leasehold improvements. The fair value of the obligation is also capitalized as plant, property and equipment and then amortized over the estimated remaining useful life of the associated asset.

Revenue Recognition

Revenues principally consist of monthly recurring fees for colocation and data center interconnect services. Revenues from colocation and data center interconnect services are recognized ratably over the term of the contract. Installation fees and related direct costs are deferred and recognized ratably over the expected life of the customer installation which is estimated to be 36 to 48 months. Such deferred amounts are included in prepaid customer installations on the Statement of Assets Acquired and Liabilities Assumed.

The Group may sell colocation and data center interconnect services individually or in bundled arrangements. When more than one element, such as installation and colocation services, is contained in a single arrangement we allocate revenue to each deliverable using a relative selling price which is based on our standalone selling price for each product or service.

Revenue is recognized when there is persuasive evidence of an arrangement, the fee is fixed or determinable, services have been rendered, and collection of the receivable is reasonably assured. We assess collectability based on a number of factors, including past transaction history with the customer and the credit-worthiness of the customer.

Revenue is reported net of credits of $6.5 million and $7.1 million for the three month periods ended March 31, 2017 and 2016 respectively.

Net revenues include transactions with various Verizon entities for rendering services related to colocation and data center services. These services were priced based on negotiated contract terms or actual costs incurred by the Group. These transactions do not necessarily represent arm's length transactions and may not represent all revenues that would be present if the Group operated on a stand-alone basis.

Foreign Currency Translation

The activities of the Group are accounted for in their respective local currencies. The assets and liabilities of these operations are translated to U.S. dollars at the period-end exchange rates. Revenue and direct cost accounts are translated to U.S. dollars using the average exchange rates prevailing during the period.

Recently Issued Accounting Standards

In February 2016, the accounting standard update related to leases was issued. This standard update intends to increase transparency and improve comparability by requiring entities to recognize assets and liabilities on the balance sheet for all leases, with certain exceptions. In addition, through improved disclosure requirements, the standard update will enable users of financial statements to further understand the amount, timing, and uncertainty of cash flows arising from leases. This standard update is effective as of the first quarter of 2019; however, early adoption is permitted. The Group has not determined the impact that this standard update will have on the abbreviated financial statements.

In May 2014, the accounting standard update related to the recognition of revenue from contracts with customers was issued. This standard update along with related subsequently issued updates clarifies the principles for recognizing revenue and develops a common revenue standard for U.S. GAAP. The standard update also amends current guidance for the recognition of costs to obtain and fulfill contracts with customers such that incremental costs of obtaining and direct costs of fulfilling contracts with customers will be deferred and amortized consistent with the transfer of the related good or service. The standard update intends to provide a more robust framework for addressing revenue issues; improve comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets; and provide more useful information to users of financial statements through improved disclosure requirements. The two permitted transition methods under the new standard are the full retrospective method, in which case the standard would be applied to each prior reporting period presented and the cumulative effect of applying the standard would be recognized at the earliest period shown, or the modified retrospective method, in which case the standard is applied only to the most current period presented and the cumulative effect of applying the standard would be recognized at the date of initial application. In August 2015, an accounting standard update was issued that delayed the effective date of this standard until the first quarter of 2018. The Group has not determined the impact that this standard update will have on the abbreviated financial statements.

3. Plant, Property and Equipment, net

Plant, property and equipment are summarized as follows (in thousands):

At March 31,	Useful Lives	2017
	(in years)	
Network equipment	5-15	$ 325,875
Outside plant and equipment	25-30	1,868
Data processing hardware	3-5	16,008
Furniture and fixtures	5-10	43,680
Leasehold improvements	7-15	97,344
Buildings and building equipment	7-45	844,148
Land	—	48,868
		$ 1,377,791
Accumulated depreciation		(559,852)
Plant, property and equipment, net		$ 817,939

4. Commitments and Contingencies

In the ordinary course of business, the Group is involved in various commercial litigation and regulatory proceedings in its jurisdictions. Where it is determined, in consultation with counsel based on litigation and settlement risks, that a loss is probable and estimable in a given matter, the Group establishes an accrual. During the three month periods ended March 31, 2017 and 2016, no accruals were required to be established. Any exposure related to certain claims described in the TA are defined as excluded liabilities and do not transfer to the Acquirer.

Exhibit 99.2

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial statements of Equinix, Inc. (“Equinix” or the “Company”) are presented to illustrate the estimated effects of (i) the acquisition of the colocation business (the "Selected Sites of Verizon's Colocation and Data Center Interconnect Operations" or the “Selected Verizon Data Center Business”) consisting of 29 data center buildings, from Verizon Communications Inc. (the "Verizon Data Center Acquisition”) for a cash purchase price of approximately $3.6 billion that was completed on May 1, 2017; (ii) the issuance of one or more series of unsecured senior notes in the aggregate principal amount of $1.250 billion on March 22, 2017; (iii) the issuance of6,069,444 shares of the Company’s common stock in a public offering on March 14, 2017; (iv) the borrowing of the €1.0 billion Term B-2 Loan, or approximately $1.06 billion, on January 6, 2017 (clauses (ii), (iii), and (iv) referred to as the “Financings”); and (v) the acquisition of Telecity Group Limited, formerly Telecity Group plc, ("TelecityGroup") that was completed on January 15, 2016 (the "TelecityGroup Acquisition"). The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2016 and the nine months ended September 30, 2017 combine the historical consolidated statements of operations of the Company and the statements of net revenues and direct expenses of the Selected Sites of Verizon's Colocation and Data Center Interconnect Operations, giving effect to the Verizon Data Center Acquisition, the Financings and the TelecityGroup Acquisition as if they had been completed on January 1, 2016. The pro forma financial information is based in part on certain assumptions regarding the foregoing transactions that we believe are factually supportable and are expected to have a continuing impact on our consolidated results. For purposes of the unaudited pro forma condensed combined statements of operations, certain reclassifications and adjustments have been made to the historical abbreviated financial statements of the Selected Sites of Verizon's Colocation and Data Center Interconnect Operations in order to conform to the Company’s statements of operations presentation. The unaudited pro forma condensed combined statements of operations should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined statements of operations. In addition, the unaudited pro forma condensed combined financial information was based on, and should be read in conjunction with, the following historical financial statements and accompanying notes:

- Equinix’s Current Report on Form 8-K filed on December 6, 2016 including exhibits thereto, which describes the proposed acquisition of the Selected Verizon Data Center Business;

- Equinix’s Current Report on Form 8-K/A filed on March 7, 2017 including exhibits thereto, which provides additional information and exhibits concerning the proposed acquisition of the Selected Verizon Data Center Business;

- The section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Equinix’s Annual Report on Form 10-K for the year ended December 31, 2016 filed on February 27, 2017;

- Equinix's Current Report on Form 8-K filed on August 3, 2017 including exhibits thereto, present the Company's recast consolidated financial statements, which include the recast consolidated statements of cash flows for the three years ended December 31, 2016 resulting from the retrospective application of accounting pronouncements adopted in the first quarter of fiscal 2017;

- Unaudited condensed consolidated financial statements of Equinix as of and for the nine months ended September 30, 2017, which are included in Equinix’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2017;

- The section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Equinix’s Quarterly Report on Form 10-Q for the nine months ended September 30, 2017;

- Audited statements of assets acquired and liabilities assumed of the Selected Sites of Verizon's Colocation and Data Center Interconnect Operations as of December 31, 2016 and 2015 and the related statements of net revenues and direct expenses for each of the three years in the period ended December 31, 2016, which are attached as Exhibit 99.1 to Equinix's Current Report on Form 8-K/A filed on March 7, 2017;

- Unaudited statements of assets acquired and liabilities assumed of the Selected Sites of Verizon's Colocation and Data Center Interconnect Operations at March 31, 2017 and the related statements of net revenues and direct expenses for the three months ended March 31, 2017 and 2016, which are attached as Exhibit 99.1 to this Current Report on Form 8-K/A; and

- Audited consolidated balance sheets of Telecity Group Limited (formerly Telecity Group plc) as of December 31, 2015 and 2014 and the related consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flow for each of the three years in the period ended December 31, 2015, which are attached as Exhibit 99.2 to Equinix's Current Report on Form 8-K/A filed on March 7, 2017.

The unaudited pro forma condensed combined statements of operations have been prepared by Equinix, as the acquirer, using the acquisition method of accounting in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). The acquisition method of accounting is dependent upon certain valuation and other studies that have yet to progress to a stage where there is sufficient information for a definitive measurement. The assets and liabilities of the Selected Verizon Data Center Business have been measured based on various provisional estimates using assumptions that Equinix believes are reasonable. The provisional purchase price allocation for the Selected Verizon Data Center Business is subject to revision as a more detailed analysis is completed and additional information on the fair value of the Selected Verizon Data Center Business' assets and liabilities becomes available. The final allocation of the purchase price, which will be based upon actual tangible and intangible assets acquired as well as liabilities assumed could differ materially from the unaudited pro forma condensed combined financial statements presented here. Any change in the fair value of the net assets of the Selected Verizon Data Center Business will change the amount of the purchase price allocable to goodwill. The pro forma adjustments are provisional and have been made solely for the purpose of providing unaudited pro forma condensed combined financial statements prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC").

The unaudited pro forma condensed combined statements of operations have been presented for information purposes only. The unaudited pro forma condensed combined statements of operations do not purport to represent the actual results of operations that Equinix and the Selected Verizon Data Center Business would have achieved had the Verizon Data Center Acquisition, the Financings and the TelecityGroup Acquisition occurred on the date indicated above, and is not intended to project the future results of operations that the combined company may achieve after the Verizon Data Center Acquisition. The unaudited pro forma condensed combined statements of operations do not reflect any potential cost savings that may be realized as a result of the Verizon Data Center Acquisition and also do not reflect any restructuring, acquisition or integration-related costs. The unaudited pro forma condensed combined statements of operations do not reflect revenue associated with service agreements entered into with Verizon on the date of acquisition for periods prior to the date of acquisition. Prior to the acquisition date, no historical transactions between Equinix and the Selected Verizon Data Center Business during the periods presented in the unaudited pro forma condensed combined statements of operations have been identified at this time.

UNAUDITED PRO FORMA CONDENSED COMBINED
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016
(in thousands)

	Historical		Pro Forma	
	Equinix	Selected Verizon Data Center Business	Pro Forma Adjustments	Combined
		(Note 2)	(Note 5)	
Revenues	$ 3,611,989	$ 451,962	$ 5,995 (a)	$ 4,069,946
Costs and operating expenses:				
Cost of revenues	1,820,870	207,477	38,286 (b)	2,066,633
Sales and marketing	438,742	16,302	115,689 (c)	570,733
General and administrative	694,561	24,453	3,299 (d)	722,313
Acquisition costs	64,195	—	(49,519) (e)	14,676
Impairment charges	7,698	—	—	7,698
Gain on asset sales	(32,816)	—	—	(32,816)
Total costs and operating expenses	2,993,250	248,232	107,755	3,349,237
Income from operations	618,739	$ 203,730	(101,760)	720,709
Interest income	3,476		—	3,476
Interest expense	(392,156)		(105,931) (f)	(498,087)
Other expense	(57,924)		—	(57,924)
Loss on debt extinguishment	(12,276)		—	(12,276)
Income from continuing operations before income taxes	159,859		(207,691)	155,898
Income tax expense	(45,451)		(4,583) (g)	(50,034)
Net income from continuing operations	114,408		(212,274)	105,864
Net income from discontinued operations, net of tax	12,392		—	12,392
Net income	$ 126,800		$ (212,274)	$ 118,256
Earnings per share ("EPS"):				
Basic EPS from continuing operations	$ 1.63			$ 1.39
Basic EPS from discontinued operations	0.18			0.16
Basic EPS	$ 1.81			$ 1.55
Weighted-average shares -basic	70,117		6,069 (h)	76,186
Diluted EPS from continuing operations	$ 1.62			$ 1.38
Diluted EPS from discontinued operations	0.17			0.16
Diluted EPS	$ 1.79			$ 1.54
Weighted-average shares -diluted	70,816		6,069 (h)	76,885

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

UNAUDITED PRO FORMA CONDENSED COMBINED
STATEMENT OF OPERATIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017
(in thousands)

	Historical		Pro Forma	
	Equinix	Selected Verizon Data Center Business	Pro Forma Adjustments	Combined
		(Note 2)	(Note 5)	
Revenues	$ 3,168,207	$ 143,794	$ (2,620) (a)	$ 3,309,381
Costs and operating expenses:				
Cost of revenues	1,573,524	68,988	9,361 (b)	1,651,873
Sales and marketing	428,112	5,868	37,840 (c)	471,820
General and administrative	558,090	8,801	(111) (d)	566,780
Acquisition costs	31,510	—	(27,602) (e)	3,908
Total costs and operating expenses	2,591,236	83,657	19,488	2,694,381
Income from operations	576,971	$ 60,137	(22,108)	615,000
Interest income	9,820		—	9,820
Interest expense	(352,554)		(9,528) (f)	(362,082)
Other income	545		—	545
Loss on debt extinguishment	(42,103)		—	(42,103)
Income from operations before income taxes	192,679		(31,636)	221,180
Income tax expense	(24,912)		(1,764) (g)	(26,676)
Net income	$ 167,767		$ (33,400)	$ 194,504
Earnings per share ("EPS"):				
Basic EPS	$ 2.20			$ 2.50
Weighted-average shares -basic	76,283		1,601 (h)	77,884
Diluted EPS	$ 2.18			$ 2.48
Weighted-average shares -diluted	76,948		1,601 (h)	78,549

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

1. Description of the transaction and basis of pro forma presentation

On May 1, 2017, the Company completed the acquisition of certain colocation business from Verizon Communications Inc.'s ("Verizon") consisting of 29 data center buildings located in the United States, Brazil and Colombia, for a cash purchase price of approximately $3.6 billion (the "Verizon Data Center Acquisition"). The Selected Verizon Data Center Business includes real property interests in 29 data center buildings across 15 metro areas located in the United States, Brazil and Colombia. The Company funded the Verizon Data Center Acquisition with proceeds of debt and equity financings, which closed in January and March 2017. The Verizon Data Center Acquisition constitutes a business under the accounting standard for business combinations and therefore was accounted for as a business combination using the acquisition method of accounting.

The colocation business at the selected data centers to be acquired includes services provided to Verizon under arrangements that would have terminated at the closing of the Verizon Data Center Acquisition. As the terms and conditions of these arrangements were not finalized before the Verizon Data Center Acquisition, the operating results from these arrangements are not included in the abbreviated financial statements of the Selected Sites of Verizon's Colocation and Data Center Interconnect Operations. Pursuant to the acquisition agreement, the Company formalized agreements to provide pre-existing space and services to Verizon at the acquired data centers. The Company included these arrangements in the provisional fair valuation of the intangible assets. For the nine months ended September 30, 2017, the Company recognized approximately $223.7 million of revenue attributable to the Verizon Data Center Acquisition, which included these arrangements.

As of September 30, 2017, the Company has not completed the detailed valuation analysis to derive the fair value of the following items including but not limited to, property, plant and equipment, intangible assets and deferred taxes. Therefore, the allocation of the purchase price to assets acquired and liabilities assumed is based on provisional estimates and is subject to continuing management analysis, with assistance from third party valuation advisers (see Note 3).

The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2016 and nine months ended September 30, 2017 combine the results of operations of Equinix and the statements of net revenues and direct expenses of the Selected Sites of Verizon's Colocation and Data Center Interconnect Operations as if the Verizon Data Center Acquisition, the Financings (see Note 4), and the TelecityGroup Acquisition had been consummated on January 1, 2016. Certain statement of operations reclassifications have also been reflected in order to conform to the Company’s statement of operations presentation. Refer to Note 2 for a discussion of these reclassification adjustments.

The historical consolidated financial information has been adjusted in the accompanying unaudited pro forma condensed combined financial information to give effect to pro forma events that are (i) directly attributable to the Verizon Data Center Acquisition, the Financings and the TelecityGroup Acquisition that was completed on January 15, 2016, (ii) factually supportable, and (iii) with respect to the unaudited pro forma condensed combined statements of operations, expected to have a continuing impact on the consolidated results.

The acquisition method of accounting, based on Accounting Standards Codification Topic ("ASC") 805, "Business Combinations", uses the fair value concepts defined in ASC 820, “Fair Value Measurement” (“ASC 820”). Fair value is defined in ASC 820 as the “price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.” This is an exit price concept for the valuation of an asset or liability. Market participants are assumed to be buyers or sellers in the most advantageous market for the asset or liability. Fair value measurement for an asset assumes the highest and best use by these market participants, and as a result, assets may be required to be recorded which are not intended to be used or sold and/or to value assets at a fair value measurement that do not reflect management’s intended use for those assets. Fair value measurements can be highly subjective and it is possible the application of reasonable judgment could develop different assumptions resulting in a range of alternative estimates using the same facts and circumstances.

ASC 805 requires, among other things, that assets acquired and liabilities assumed in a business combination be recognized at fair value as of the acquisition date. As of the date of this filing, the accompanying unaudited pro forma purchase price allocation is preliminary and is subject to further adjustments as additional information becomes available and as additional analyses are performed.

2. Selected Sites of Verizon's Colocation and Data Center Interconnect Operations' Statement of Net Revenues and Direct Expenses

The following schedule summarizes the necessary material adjustments to conform the Selected Verizon Data Center Business' statement of net revenues and direct expenses for the year ended December 31, 2016 to the basis of presentation of Equinix's consolidated statement of operations for the year ended December 31, 2016 (in thousands):

	Selected Verizon Data Center Business	ReclassificationAdjustments		Selected Verizon Data Center Business after Adjustments
Net revenues	$ 451,962	$ —		$ 451,962
Direct expenses:				
Cost of services (exclusive of items shown below)	135,764	71,713	(i)	207,477
Selling, general and administrative expense	40,755	(40,755)	(j)	—
Depreciation expense	71,713	(71,713)	(i)	—
Sales and marketing	—	16,302	(j)	16,302
General and administrative	—	24,453	(j)	24,453
Total direct expenses	248,232	—		248,232
Net revenues less direct expenses	$ 203,730	$ —		$ 203,730

(i) Reclassifies $71.7 million of depreciation expense to cost of services to conform to the Company's financial statement presentation.

(j) Reclassifies $16.3 million of selling, general, and administrative expense to sales and marketing expense and$24.5 million of selling, general, and administrative expense to general and administrative expense to conform to the Company's financial statement presentation.

The following schedule summarizes the necessary material adjustments to estimate the Selected Verizon Data Center Business' statement of net revenues and direct expenses for the three months ended March 31, 2017 through May 1, 2017, the date of acquisition, and to conform to the basis of presentation of Equinix's condensed consolidated statement of operations for the nine months ended September 30, 2017 (in thousands):

	Selected Verizon Data Center Business for the Three Months Ended March 31, 2017	Adjustments for the month of April 2017 (k)	Reclassification Adjustments		Selected Verizon Data Center Business after Adjustments
Net revenues	$ 108,245	$ 35,549	$ —		$ 143,794
Direct expenses:					
Cost of services (exclusive of items shown below)	34,911	11,033	23,044	(l)	68,988
Selling, general and administrative expense	11,042	3,627	(14,669)	(m)	—
Depreciation expense	17,283	5,761	(23,044)	(l)	—
Sales and marketing	—	—	5,868	(m)	5,868
General and administrative	—	—	8,801	(m)	8,801
Total direct expenses	63,236	20,421	—		83,657
Net revenues less direct expenses	$ 45,009	$ 15,128	$ —		$ 60,137

(k) Net revenues, cost of revenues and direct expenses for the month of April 2017 were estimated based on actual results recorded for May 2017. Actual results of operations of the Selected Verizon Data Center Business are included in the Company's results of operations beginning May 1, 2017.

(l) Reclassifies $23.0 million of depreciation expense to cost of services to conform to the Company's financial statement presentation.

(m) Reclassifies $5.9 million of selling, general, and administrative expense to sales and marketing expense and $8.8 million of selling, general, and administrative expense to general and administrative expense to conform to the Company's financial statement presentation.

3. Purchase Price - Selected Verizon Data Center Business

Under the acquisition method of accounting, the total purchase price is allocated to the assets acquired and liabilities assumed measured at fair value on the date of acquisition. As of September 30, 2017, the Company has not completed the detailed valuation analysis to derive the fair value of the following items including but not limited to, property, plant and equipment, intangible assets and deferred taxes. Therefore, the allocation of the purchase price to assets acquired and liabilities assumed is based on provisional estimates and is subject to continuing management analysis, with assistance from third party valuation advisers. The preliminary purchase price allocation is as follows (in thousands):

Preliminary Purchase Price Allocation			
Cash and cash equivalents	$	1,073	
Accounts receivable		319	
Other current assets		7,319	
Property, plant and equipment		841,401	
Intangible assets:			
Customer relationships		1,706,100	(n)
Goodwill		1,083,789	
Total assets acquired		3,640,001	
Accounts payable and accrued liabilities		(1,725)	
Other current liabilities		(320)	
Capital lease and other financing obligations		(17,659)	
Deferred tax liabilities		(19,544)	
Other liabilities		(6,067)	
	$	3,594,686	

(n) A provisional amount of $1.7 billion has been allocated to customer relationships with an estimated useful life of 15 years. Included in this amount is a customer relationship intangible asset for Verizon totaling $246.1 million. Pursuant to the acquisition agreement, the Company formalized agreements to provide pre-existing space and services to Verizon at the acquired data centers.

A provisional estimate of $1.1 billion has been allocated to goodwill. Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired. The provisional purchase price allocation for the Verizon Data Center Acquisition is subject to revision as more detailed analysis is completed and additional information on the fair values of the Selected Verizon Data Center Business' assets and liabilities becomes available. Any changes in the fair value of the net assets of the Selected Verizon Data Center Business will change the amount of the purchase price allocable to goodwill. The final allocation of the purchase price may differ materially from the unaudited pro forma condensed combined financial statements presented here.

4. Verizon Data Center Acquisition Financings

Concurrently, and in connection with entering into the acquisition agreement with Verizon, Equinix entered into a commitment letter (the “Commitment Letter”), dated December 6, 2016, with JPMorgan Chase Bank, N.A., Bank of America, N.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “Commitment Parties”), pursuant to which the Commitment Parties committed to provide a senior unsecured bridge facility in aggregate principal amount of $2.0 billion for the purposes of funding (i) a portion of the cash consideration for the Verizon Data Center Acquisition and (ii) the fees and expenses incurred in connection with the Verizon Data Center Acquisition. Following the completion of the debt and equity financings associated with the Verizon Data Center Acquisition in March 2017, the Company terminated the Commitment Letter. The financing commitments of the Commitment Parties are subject to various conditions set forth in the Commitment Letter.

The unaudited pro forma condensed combined statements of operations consist of the permanent financings for the Verizon Data Center Acquisition:

- The full amount of the €1.0 billion Term B-2 Loan was borrowed on January 6, 2017 which translated to US $1.0598 billion. The Term B-2 Loan bore interest at an index rate based on LIBOR plus a margin of 3.25%. The Term B-2 Loan was issued at par. The Term B-2 Loan must be repaid in equal quarterly installments of 0.25% of the original principal amount of the Term B-2 Loan, with the remaining amount outstanding to be repaid in full on the seventh anniversary of the funding date of the Term B-2 Loan.

- The issuance of $1.25 billion aggregate principal amount of 10-year fixed rate senior notes with an interest rate of 5.375%. For the purpose of these unaudited pro forma condensed combined financial statements, the debt issuance costs related to the senior notes were approximately $16.8 million and will be amortized to interest expense using the effective interest method over the 10-year terms of the notes.

- The sale of 6.1 million shares of Equinix common stock at a price of $360.00 per share resulting in estimated proceeds of $2,185.0 million before deducting estimated discounts and commissions and offering expenses of $58.7 million.

5. Pro Forma Adjustments

The accompanying unaudited pro forma condensed combined financial statements have been prepared as if the transactions described above were completed on January 1, 2016 for statements of operations purposes.

The unaudited pro forma condensed combined statements of operations give effect to the following pro forma adjustments:

(a) Represents the following adjustments to revenues (in thousands):

	Year ended December 31, 2016	Nine months ended September 30, 2017
Revenue adjustment in connection with TelecityGroup acquisition	$ 16,666	$ —
Revenue adjustment for Richardson Parkway	(7,277)	(1,827)
Revenue adjustment related to deferred installation revenues	(3,394)	(793)
Total revenue adjustments	$ 5,995	$ (2,620)

The adjustment of $16.7 million to revenues for the year ended December 31, 2016 is for the purpose of presenting a full-year result of operations for TelecityGroup, which was acquired by Equinix on January 15, 2016. The revenue adjustment for Richardson Parkway removes revenues from the Selected Verizon Data Center Business' net revenues as this data center site was not acquired by the Company. The revenue adjustment related to deferred installation revenues reflects purchase accounting adjustment.

(b) Represents the following adjustments to cost of revenues (in thousands):

	Year ended December 31, 2016	Nine months ended September 30, 2017
Depreciation adjustment in connection with fair value of property, plant and equipment	$ 30,638	$ 11,073
Cost of revenues adjustment in connection with TelecityGroup acquisition	11,969	—
Cost of revenues adjustment for Richardson Parkway	(2,572)	(1,120)
Lease expense adjustments relating to capital lease and financing obligations	(1,749)	(592)
Total cost of revenues adjustments	$ 38,286	$ 9,361

The depreciation adjustment is in connection with the fair value adjustment to the Selected Verizon Data Center Business' property, plant and equipment. The property, plant and equipment are depreciated based on an estimated weighted average useful life of 11.0 years. The adjustment of $12.0 million to cost of revenues is for the purpose of presenting a full-year result of operations for

TelecityGroup, which was acquired by Equinix on January 15, 2016. The cost of revenues adjustment for Richardson Parkway removes cost of revenues from the Selected Verizon Data Center Business' direct expenses as this data center site was not acquired by the Company.

(c) Represents the following adjustments to sales and marketing (in thousands):

	Year ended December 31, 2016	Nine months ended September 30, 2017
Amortization adjustment in connection with fair value of intangible assets	$ 113,740	$ 37,913
Sales and marketing adjustment in connection with TelecityGroup acquisition	2,225	—
Sales and marketing adjustment for Richardson Parkway	(276)	(73)
Total sales and marketing adjustments	$ 115,689	$ 37,840

The amortization adjustment is in connection with the fair value of the acquired intangible assets. Customer relationships are amortized based on an estimated useful life of 15 years.

(d) Represents the following adjustments to general and administrative (in thousands):

	Year ended December 31, 2016	Nine months ended September 30, 2017
General and administrative adjustment in connection with TelecityGroup acquisition	$ 3,713	$ —
General and administrative adjustment for Richardson Parkway	(414)	(111)
Total general and administrative adjustments	$ 3,299	$ (111)

(e) Reflects the elimination of non-recurring transaction costs of $7.0 million and $42.5 million incurred during the year ended December 31, 2016 that are directly related to the Verizon Data Center Acquisition and the TelecityGroup Acquisition, respectively, and non-recurring transaction costs of $27.6 million incurred during the nine months ended September 30, 2017 that are directly related to the Verizon Data Center Acquisition.

(f) Reflects the additional interest expense associated with the senior notes offering and Term B-2 Loan, the reversal of commitment fees relating to the bridge loan and the interest expense adjustments relating to capital lease and financing obligations (in thousands):

	Year ended December 31, 2016	Nine months ended September 30, 2017
Interest expense and amortization of debt issuance costs associated with senior notes as if they were issued on January 1, 2016	$ (68,834)	$ (15,483)
Interest expense and amortization of debt issuance costs associated with Term B-2 loan as if they were borrowed on January 1, 2016 [(1)]	(38,018)	(1,447)
Reversal of commitment fees relating to the Commitment Letter	2,174	7,826
Interest expense adjustments relating to capital lease and financing obligations	(1,253)	(424)
Total interest expense adjustments	$ (105,931)	$ (9,528)

(1) An 1/8% increase in the Libor rate would result in an increase to interest expense of $1.4 million for the year ended December 31, 2016 and $1.0 million for the nine months ended September 30, 2017.

(g) Reflects an income tax impact of pro forma adjustments of $4.6 million and $1.8 million for the year ended December 31, 2016 and for the nine months ended September 30, 2017, respectively. The Company assumed a blended income tax rate of 32% and 12% for the year ended December 31, 2016 and for the nine months ended September 30, 2017, respectively. The decrease in the effective income tax rate from the year ended December 31, 2016 to the nine months ended September 30, 2017 is primarily due to the realization of unrecognized tax benefits in the current period related to the Company's tax positions as a result of the expiration of the statute of limitations. The effective tax rate of the combined company could be significantly different depending upon post-acquisition activities of the combined company.

(h) Reflects adjustment to the weighted-average shares outstanding for purposes of calculating basic and diluted earnings per share. Reflects the impact from the issuance of 6.1 million shares of common stock in connection with the Financings (see Note 4). Only common shares issued which are directly attributable to the Financings are included in the calculation of basic and diluted pro forma earnings per share.