Equinix Inc (EQIX)

Updated February 15th, 2026 by Quinn Mohammed

Key Metrics

Current Price:	$956	**5 Year CAGR Estimate:**	11.7%	**Market Cap:**	$94 B
Fair Value Price:	$995	**5 Year Growth Estimate:**	9.0%	**Ex-Dividend Date:**	02/25/2026
% Fair Value:	96%	**5 Year Valuation Multiple Estimate:**	0.8%	**Dividend Payment Date:**	03/18/2026
Dividend Yield:	2.2%	**5 Year Price Target:**	$1,531	**Years of Dividend Growth:**	11
Dividend Risk Score:	B	**Sector:**	Real Estate	**Rating:**	Buy

Overview & Current Events

Equinix (composed from the words "equality", "neutrality" and "internet exchange") is a real estate investment trust (REIT) which specializes in data centers. The trust operates 280 data centers across 36 countries serving over 10,500 customers. More than half of the data centers are outright owned by Equinix, and these generate 70% of recurring revenues. EQIX reports revenue in several segments, including colocation, interconnection, managed infrastructure, and other. The Interconnection Solutions segment allow customers to connect directly, securely, and dynamically within and between other EQIX data centers around the globe. There are currently 500,000+ total interconnections. Customers of EQIX are telecommunications carriers, mobile and network service providers, cloud and IT service providers, digital media and content providers, and financial services companies. Equinix boasts of 99.99% operational uptime across its global data centers.

Equinix was incorporated on June 22nd, 1998 and made the conversion to a REIT beginning in 2015. The corporation is headquartered in Redwood City, California. It trades under the ticker symbol EQIX on the NASDAQ and its market capitalization is $94 billion. In 2025, 95% of total revenue was recurring.

On February 11th, 2026, Equinix declared a 10% increase to the dividend to $5.16 quarterly per share.

Equinix announced on July 22nd, 2024, that it will expand into the Philippines by acquiring three data centers from Total Information Management for 180 million cash. The company aims to expand its business and capitalize on the rapidly growing Southeast Asia market.

On October 1st, 2024, Equinix announced it signed a new JV with GIC and CPP Investments to raise more than $15 billion to grow the Equinix xScale data center portfolio. GIC and CPP Investments will own 37.5% of the JV, and Equinix will own 25%.

Equinix reported fourth quarter 2025 results on February 11th, 2026. For the quarter, the company announced a 7% increase in revenue compared to Q4 2024 to $2.42 billion. It has thus achieved 92 consecutive quarters of revenue growth. And its AFFO per share increased 13% compared to the previous year quarter to $8.91.

Equinix continues to expand on its platform and has 52 major projects in development globally.

Management initiated its 2026 annual guidance and expects full-year revenues of $10.12 billion to $10.22 billion, AFFO of $4,158 million to $4,238 million, and AFFO per share to increase by approximately 10.5% at the midpoint.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
AFFO	$15.06	$18.53	$20.69	$22.81	$24.76	$27.11	$29.55	$32.11	$35.02	$38.33	***$42.34***	***$65.15***
DPS	$7.00	$8.00	$9.12	$9.84	$10.64	$11.48	$12.40	$14.49	$17.04	$18.76	***$20.64***	***$31.76***
Shares[1]	70.8	77.6	80.2	84.7	88.4	90.4	91.8	94.0	96.8	98.4	***99.9***	***115.0***

Equinix has grown its revenues for the past 23 years in a row, and the company's bottom line has been steadily increasing for more than a decade. Over the past nine and five years, Equinix has been able to grow its AFFO per share at an average annual rate of 11% and 9%, respectively. Special dividends were paid in 2014 and 2015 due to the corporation converting to a REIT. The trust has achieved eleven years of consecutive dividend growth.

[1] In millions

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We expect that Equinix will be able to grow its AFFO per share and dividend concurrently from here on out, at an average rate of 9%. We also expect the share count to increase as it raises capital to fund some growth projects, but for the time being, FFO should cover capex costs due to the low payout ratio. Equinix will achieve growth by expanding its global platform, adding new data centers to its portfolio, and increasing interconnections and other data services.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/AFFO	22.8	23.1	20.0	21.8	28.1	28.3	22.7	23.2	23.8	21.6	***22.6***	***23.5***
Avg. Yld.	2.0%	1.8%	2.1%	1.9%	1.5%	1.5%	1.7%	1.8%	1.9%	2.2%	***2.2%***	***2.1%***

The current P/AFFO of 22.6 based on 2026's forecasted AFFO is below the ten-year average of 23.5. We peg fair value at 23.5 times AFFO, which would result in a small valuation tailwind from here. We believe EQIX earns its premium valuation given its successful technology focus, and the massive demand for AI.

Safety, Quality, Competitive Advantage, & Recession Resiliency

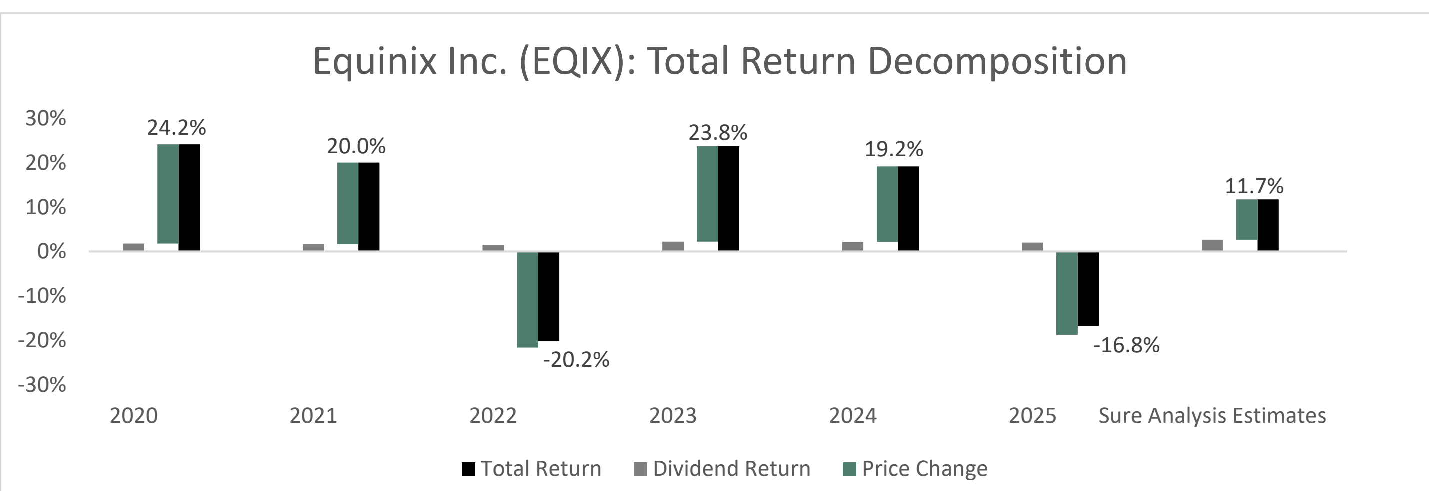
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	46%	43%	44%	43%	43%	42%	42%	45%	49%	49%	***49%***	***49%***

The forecasted payout ratio of 49% for 2026 is well covered, and leaves plenty of room for growth. The trust's competitive advantage among the world of data center REITs is its global platform spanning 36 countries and which contains the industry's largest and most active ecosystem of partners in its centers, creating a network effect that improves performance and lowers cost for customers. The trust has an S&P credit Rating of BBB+, and a consolidated net debt-to-adjusted-EBITDA of 3.8X, within the 3 – 4X range set by management. EQIX was negatively affected by the Great Recession as net income dipped nearly in half, but the corporation paid no dividend at the time. It took until 2012 to surpass the net income levels seen in 2008. The COVID pandemic had the opposite effect of the Great Financial Crisis on EQIX as technology and data use increased significantly with stay-at-home orders and remote work and school, effectively boosting adjusted funds from operations.

Final Thoughts & Recommendation

Equinix is the largest data center REIT and is well diversified geographically and by revenue segment. EQIX became a REIT eleven years ago and has grown its dividend since, which we expect to continue. The share price of EQIX has decreased by 4% in the trailing one year. We believe the stock trades slightly below fair value, and forecast annualized total returns of 11.7%. Most of this return will come from growth as the yield is low for a REIT at 2.2%. We rate EQIX as a buy for investors interested in growth.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	3,612	4,368	5,072	5,562	5,999	6,636	7,263	8,188	8,748	9,217
Gross Profit	1,791	2,175	2,466	2,752	2,924	3,163	3,512	3,960	4,281	2,704
Gross Margin	49.6%	49.8%	48.6%	49.5%	48.7%	47.7%	48.3%	48.4%	48.9%	29.3%
SG&A Exp.	1,133	1,328	1,460	1,586	1,809	2,043	2,285	2,510	2,657	0.00
D&A Exp.	837	1,042	1,227	1,285	1,423	1,656	1,736	1,845	2,009	2,066
Operating Profit	658	848	1,006	1,166	1,115	1,120	1,226	1,451	1,624	282.00
Op. Margin	18.2%	19.4%	19.8%	21.0%	18.6%	16.9%	16.9%	17.7%	18.6%	3.1%
Net Profit	127	233	365	507	370	500	704	969	815	1,348
Net Margin	3.5%	5.3%	7.2%	9.1%	6.2%	7.5%	9.7%	11.8%	9.3%	14.6%
Free Cash Flow	-94	61	-281	-87	27	-204	685	436	183	(400)
Income Tax	45	54	68	185	146	109	125	155	161	160

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	12608	18,691	20,245	23,966	27,007	27,919	30,311	32,650	35,080	40,140
Cash & Equivalents	748	1,413	606	1,870	1,605	1,536	1,906	2,096	3,081	3,522
Account Receivable	396	576	630	689	677	682	855	1,004	949	7,300
Total Liabilities	8,243	11,842	13,025	15,125	16,373	17,037	18,805	20,140	21,530	25,960
Accounts Payable	60	102	97	52	78	84	116	162	133	
Long-Term Debt	5,248	8,381	9,814	10,320	10,538	11,604	12,762	13,730	15,210	22,570
Total Equity	4,366	6,850	7,219	8,841	10,634	10,882	11,506	12,490	13,530	14,160
LTD/E Ratio	1.20	1.22	1.36	1.17	0.99	1.07	1.11	1.10	1.12	1.605

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.1%	1.5%	1.9%	2.3%	1.5%	1.8%	2.4%	3.1%	2.4%	3.6%
Return on Equity	3.6%	4.2%	5.2%	6.3%	3.8%	4.6%	6.3%	8.1%	6.2%	9.7%
ROIC	1.4%	1.9%	2.3%	2.8%	1.8%	2.3%	3.0%	3.8%	3.0%	3.9%
Shares Out.	70.8	77.6	80.2	84.7	88.4	90.4	91.8	94.0	95.83	98.12
Revenue/Share	51.01	56.34	63.24	65.69	67.85	73.39	79.09	87.10	91.29	93.93
FCF/Share	-1.33	0.78	-3.50	-1.03	0.31	-2.26	7.46	4.63	1.91	-4.076

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.