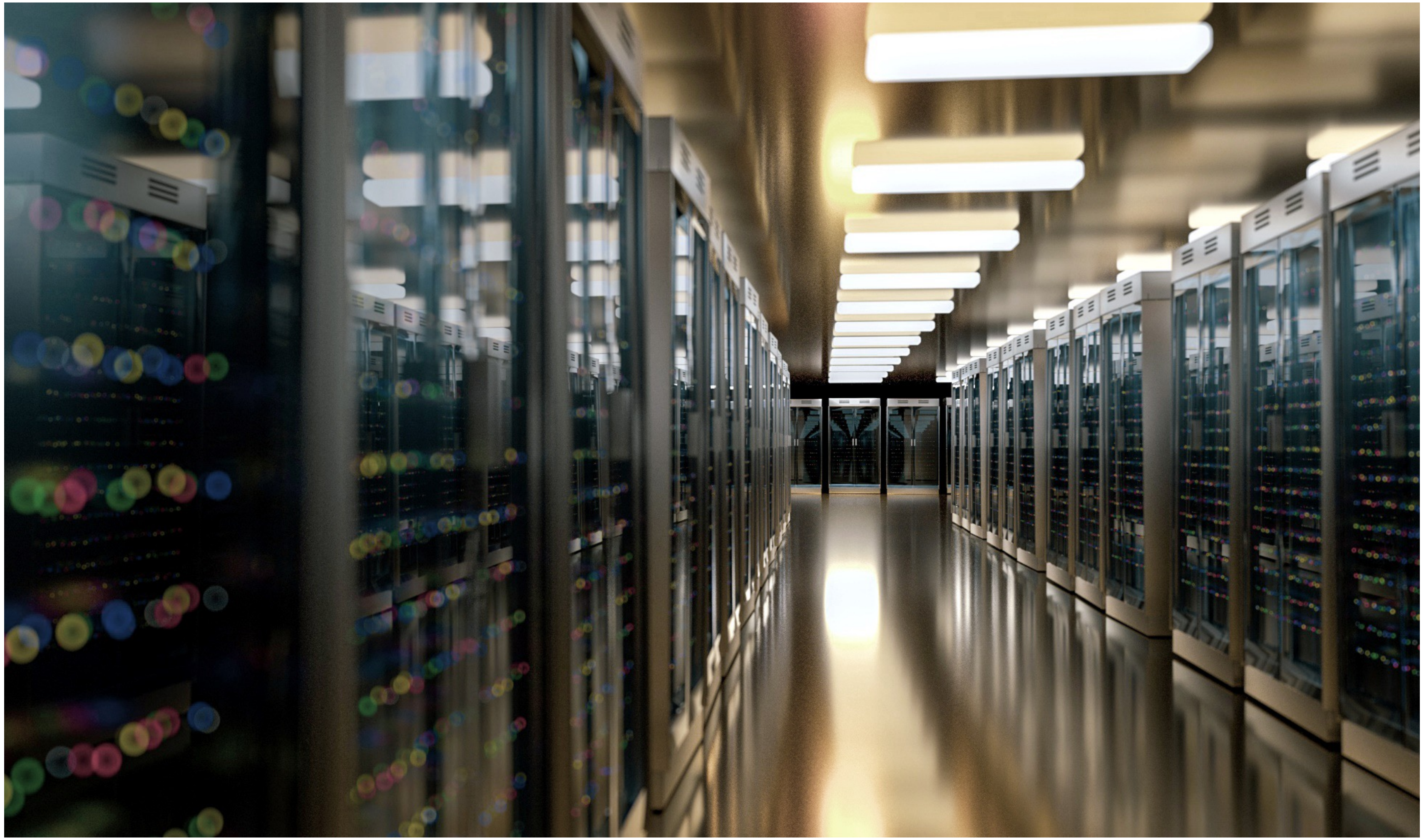
CBRE

Data Centres in Europe: Starting the Year on a High Note



Strong Take Up Expected For The Foreseeable Future Despite Market Constraints

February 2023

Take Up and New Supply to Grow Despite Weaker Economy

Full-Year Projected **FLAPD** Snapshot by the Numbers

Supply

3,301

MW
(+29.5% y-o-y / **549MW**)

Take-up

440

MW
(+16% y-o-y)

Vacancy

13.4

%
(+3.8% y-o-y)

Availability

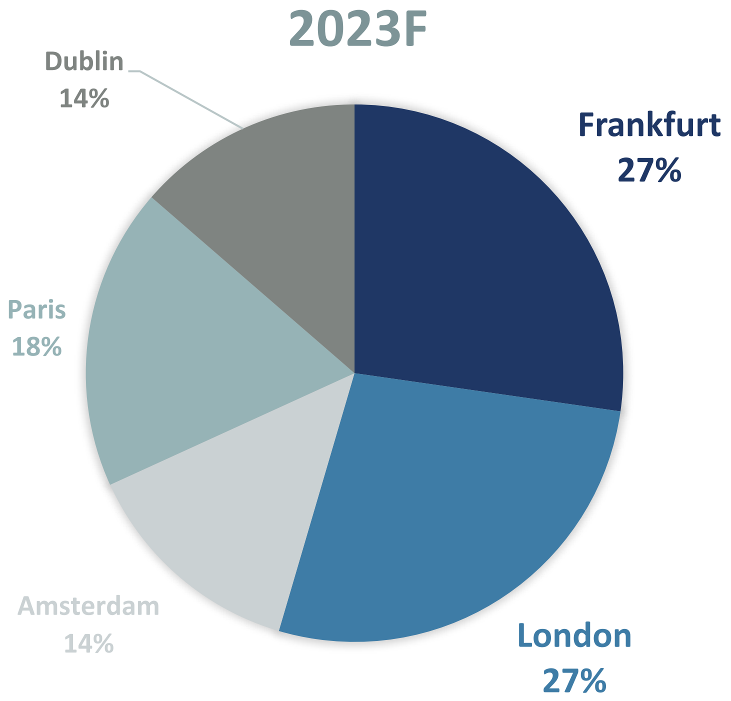
443

MW
(+25% y-o-y)

CBRE exclusively tracks third-party carrier neutral colocation data centres across Europe. Frankfurt, London, Amsterdam, Paris and Dublin are classified as Tier I markets.
Source: CBRE Research, 2023.

Rental Rates to Rise and Vacancy Levels Likely to Drop as Top Markets Remain Tight

Take Up by FLAPD Market



	London	Frankfurt	Amsterdam	Paris	Dublin
Total Capacity (MW)	1,088	861	579	510	264
2023F New Capacity (MW)	132	157	71	136	73
22-23 Colocation Rental Rates Outlook	▲	▲	△	▲	△
Vacancy	▽	△	▽	△	△

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Source: CBRE Research, 2023.

△ Medium impact ▲ High impact

Record volume of deals signed with colocation data centre operators across Europe’s largest markets last year

2022 SIGNINGS FAR SURPASSED 2021 TOTAL

694MW

Signings with colocation data centre operators across FLAPD

Source: CBRE Research, 2022

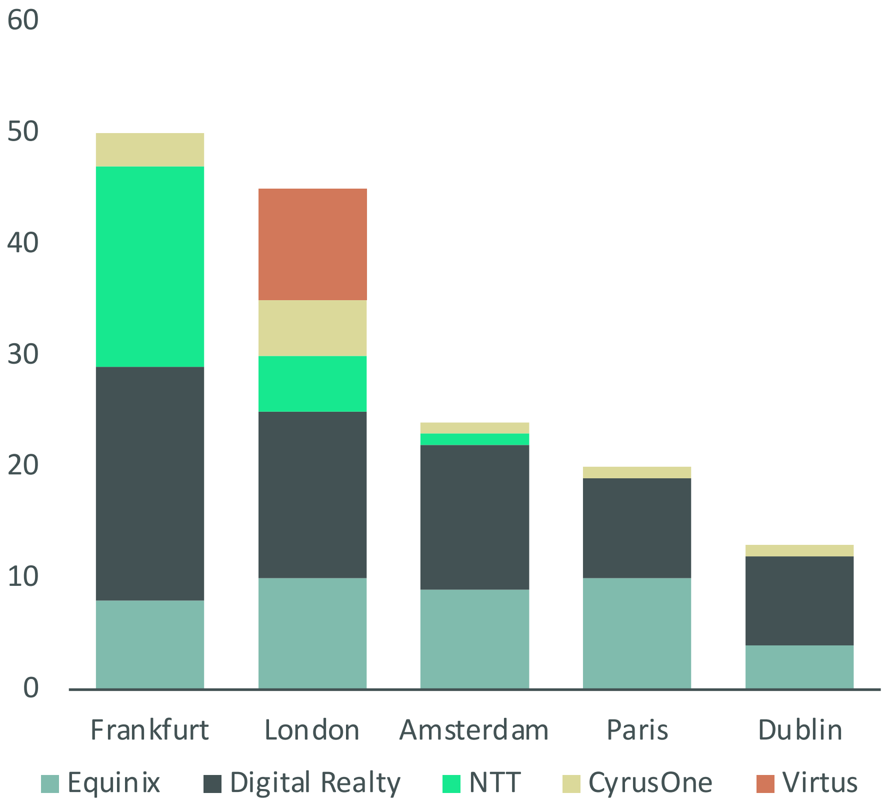
There were at least 15+ deals of 10MW or more in size recorded last year.

Hyperscalers / cloud service providers responsible for the huge volume of take up across Europe.

N.B. Headline signings are a measure of contracted capacity and pre-lets during a particular timeframe.

Top Operators Have Left their Imprint on the Region in Different Ways

Footprint of Major Colocation DC Operators (Number of Data Centres)



Presence in Tier I Markets

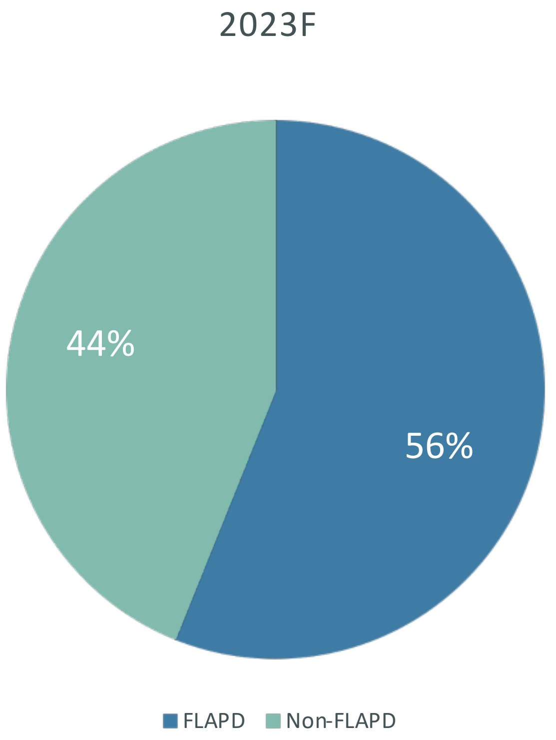
	# DCs	Total Capacity (MW)
Equinix	41	488
Digital Realty	66	458
NTT	24	275
CyrusOne	11	189
Virtus	10	167

* Total capacity is calculated as of Q3, 2022 across the top five Tier 1 markets in Europe by capacity: London, Frankfurt, Amsterdam, Paris and Dublin.
Source: CBRE Research, 2022.

Several Drivers of Tier Two Market Growth though FLAPD Markets Still Bigger Collectively

Top Secondary Data Centre Market Drivers

- Hyperscaler investment
- FLAPD market constraints
- Size of the Economy
- Well-situated markets
- Digital transformation
- Data protection



2.8 GW
2022 FLAPD TOTAL SUPPLY

2.2 GW
NON-FLAPD 2022 TOTAL SUPPLY

Thank you!

If you have any questions or comments, please send me a message.

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