

ICELAND – DATA CENTER FACTSHEET 2014

Renewable energy - Connectivity - Climate - Taxes - Labour force

ENERGY

Multi-year fixed-price contracts available at highly competitive prices underpin low and predictable OPEX. 100% renewable electricity provides security of supply without dependence on fuel purchases and availability.

BUSINESS ENVIRONMENT

Iceland's pro-business government welcomes data centers with a corporate income tax rate of 20% and competitive incentives.

NATURAL ENVIRONMENT

Iceland's unique environment is free of hurricanes, thunderstorms, tornadoes, wildfires, heat waves and large tsunamis. Predictable seismic activity and volcanic eruptions occur far from urban areas and key infrastructure is robust and redundant.

AVAILABLE LAND

Iceland has an area of 103,000 square kilometers/39,769 square miles with 325,000 inhabitants. Most municipalities have scalable sites available, often zoned and close to necessary infrastructure such as electricity grid supply points, substations and fiber.

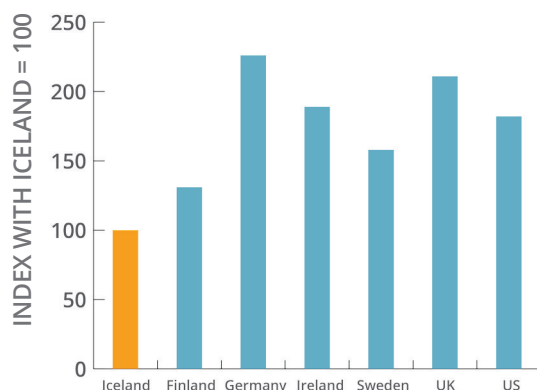
LABOUR FORCE

The country has a young and well educated workforce ranked highly for Technological readiness and Higher Education and Training in the Global Competiveness Report 2014-2015, published by the World Economic Forum, ICT and engineering are the most popular in Icelandic Universities which are open for direct cooperation with the data center industry. English is very widely spoken.

COOL YEAR-ROUND CLIMATE

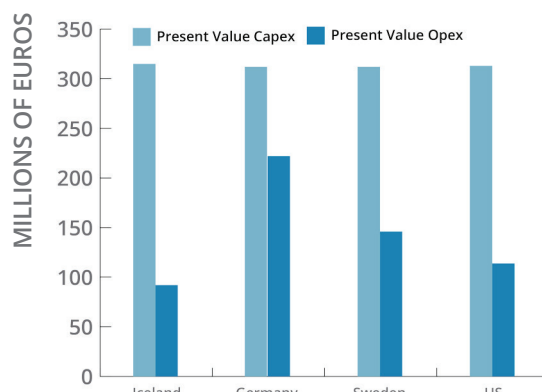
Iceland's unique temperate oceanic climate makes year-round ambient cooling possible and thus optimizes the Power Usage Effectiveness (PUE) to save energy and costs.

10 year cost of data center operations.



Source: BroadGroup, Data Centre Analysis and Benchmarking of Iceland, June 2013.

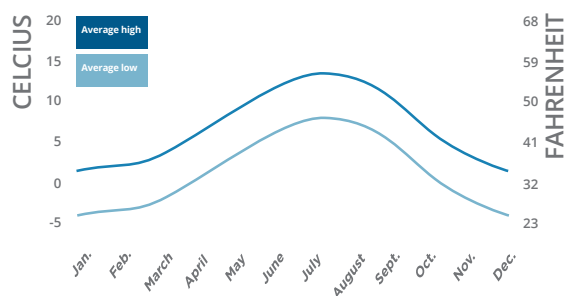
Present Value of total capital investment and 15-year operating expenditure by country*.



Source: PriceWaterhouseCoopers comparative research, July 2012.

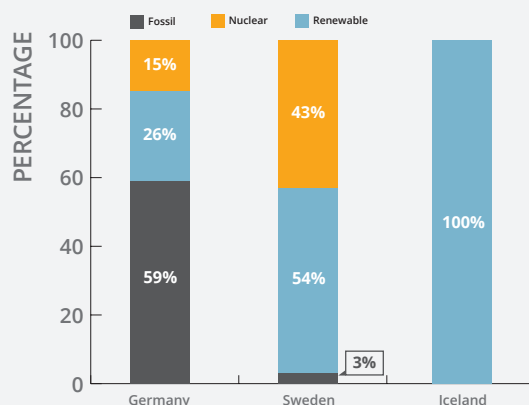
*Discount factor 12%

Average in Iceland on a celcius/fahrenheit scale



100% RENEWABLE ENERGY

All electricity on the Icelandic grid is produced using renewable hydro- and geothermal energy. In 2013 the total electricity production was 18 TWh. GWh, 71% from hydro and 29% from geothermal.



Source: International Energy Authority, National Energy Authority of Iceland.

NETWORK

THE ELECTRICITY GRID

Iceland's Energy Infrastructure ranks number 1 in Europe according to IMD's World Competitiveness Yearbook 2014. Iceland's electricity transmission grid is operated by Landsnet. The grid is circular and with redundant routes to ensure high uptimes.



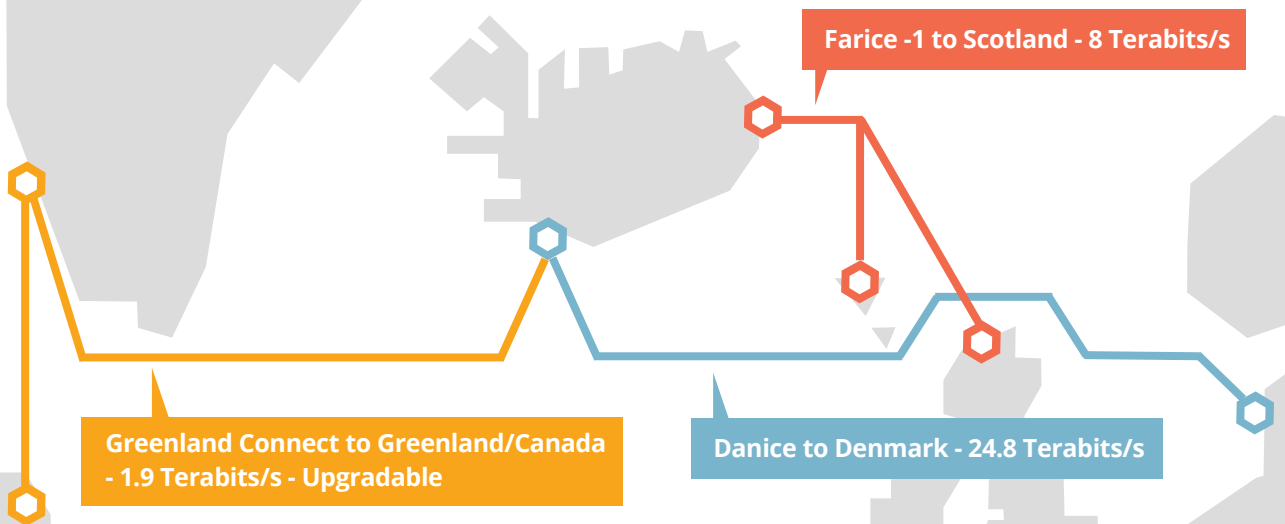
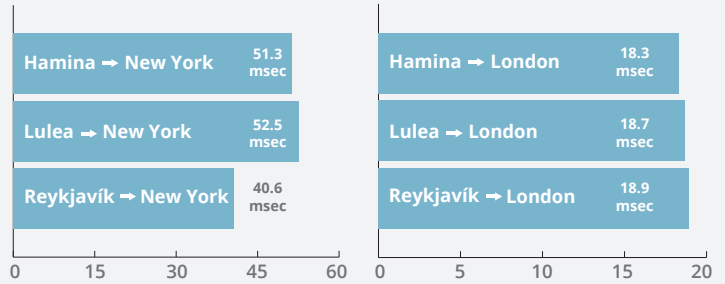
DOMESTIC FIBER NETWORK

The main national fiber network, operated by Mila is 1,800km/1,118 miles and based on ring structures for redundancy. The initial capacity is 40x10Gb/s. The total optical fiber in the trunk network is over 4,000 km/2,485 miles and Mila operates an extensive microwave trunk network.

INTERNATIONAL CONNECTIONS

Iceland is connected to both North America and Europe with high bandwidth submarine fiber cables. Both the overseas connection and the backhaul is redundant. Even further trans-Atlantic high speed connections, with links to Iceland, are planned.

LATENCY



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