



Ireland's Data Hosting Industry 2019 Q2 Report

"An Industry of Substance"



Host In Ireland

bitpower
energy solutions

Ireland's Data Hosting Industry

2019 Q2 Update

September 2019

Foreword

Quarter 2, 2019, has brought with it some positive news in the Irish datacentre industry continuing the trend of strong momentum across the sector.

€1bn in new datacentres is currently under construction with a further €3.5bn with planning permission expected to be completed by 2025. There are now a total of 34 new datacentres in the pipeline, 8 of which are in construction. There are 53 currently active.

With the continued growth in the datacentre sector in Ireland, the island has also seen subsequent investment and growth in the renewable energy sector. The need for more renewable energy sources has been cited by Eirgrid, SEAI and the Irish Academy of Engineers to ensure the sustainability of the sector which we welcome.

Specifically, on top of the additional capital investment from datacentre providers, a recent report from the Irish Academy of Engineers highlighted Ireland will require a €9bn investment in renewable energy sources by 2027.

The datacentre industry globally has progressively moved to a renewable first model and the industry in Ireland is no different. As recognition of this reality, we welcomed the Irish Government's commitment last quarter to achieve a 70% renewable energy target by 2030 but the government cannot drive that agenda alone.

We have seen in recent times several large scale investments in the renewable energy sector from leading datacentre operators such as Amazon and Microsoft. We expect these type of non subsidised investments to continue. Amazon only recently announced Cork as the location for a 23Mw wind farm development on top of an earlier investment in April this year in Donegal. Wind power already produces 37% of electricity on our grid and has seen a 100% increase in capacity since 2012.

In many ways, the economic benefits to datacentres are now four-pronged. Direct

investment in construction-related activity is now set to top €11.3bn by 2023.

Irish construction exports have increased significantly in recent years to €2bn and our expertise in datacentre construction is playing a positive part in that growth according to the Construction Industry Federation.

Meanwhile the value of ICT exports has grown to €69.8bn according to CSO figures in 2017. In addition, a recent IDA/Grant Thornton report from 2018 highlighted a multiplier effect of three times that of what has invested annually in the operations of DC's in Ireland creating thousands of jobs directly and supporting thousands more indirectly.

The challenges of success are increasingly becoming known in policymaking circles as the sector's footprint expands in Ireland. The principle challenge is that of sustainability. The datacentre industry in Ireland has been orientated to that purpose since its inception and will continue on its course to invest in renewable, sustainable energy solutions into the future.

The OECD in 2000 recognised Ireland as the number 1 software exporter in the world ahead of the US. 19 years later and Dublin has been recognised as the largest datacentre cluster in Europe. We have maintained our Tier 1 status because of our ability to change and innovate specifically around the world of data. In the same way that Ireland found solutions to the change from floppy disks to datacentres, we must now look at how we harness our natural resources including Wind, Wave, Biogas and Light to maintain Ireland's name as the "Data Isle".

We look forward to engaging with stakeholders on the issue of sustainability and energy requirements in the sector to ensure strong growth into the future ensuring Ireland's place as a global leader.

Garry Connolly

President & Founder - Host in Ireland



Q2 2019

Masterplans
7 Estimated
181 MW

Current Planning Applications
13 Currently in the Planning Process
191 MW

Planning Permission
26 with Planning Permission Approved
542 MW

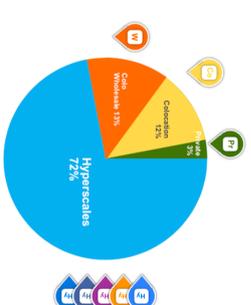
Under Construction
8 currently Under Construction
156 MW

Operational Data Centres
53 In Q2 2019
622 MW
Includes 20 MW Private

Digital Hosting 2019 Q2 Update

Data Centre Types

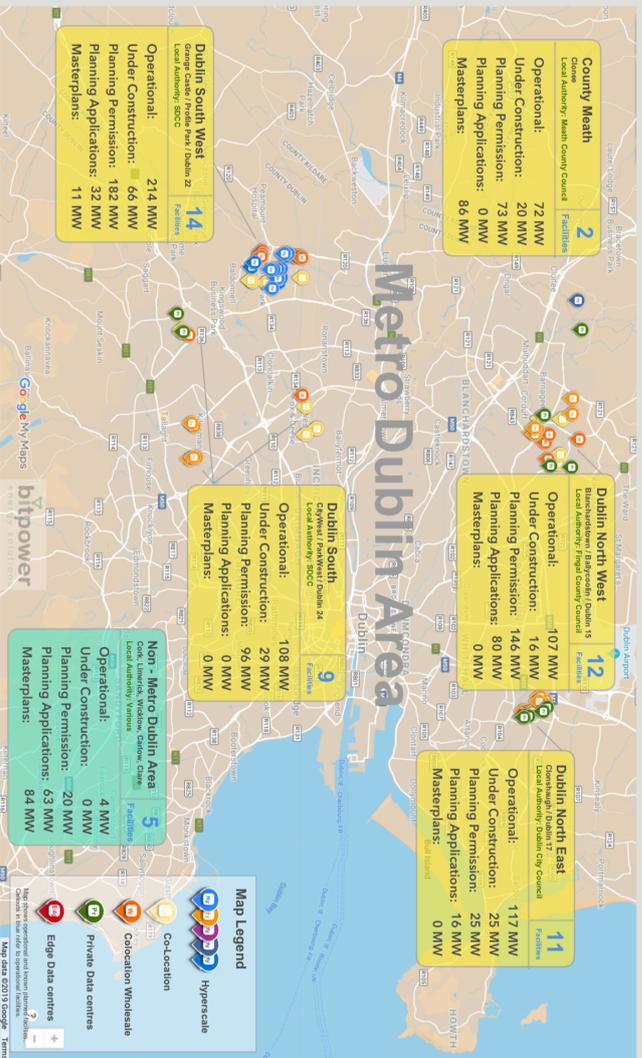
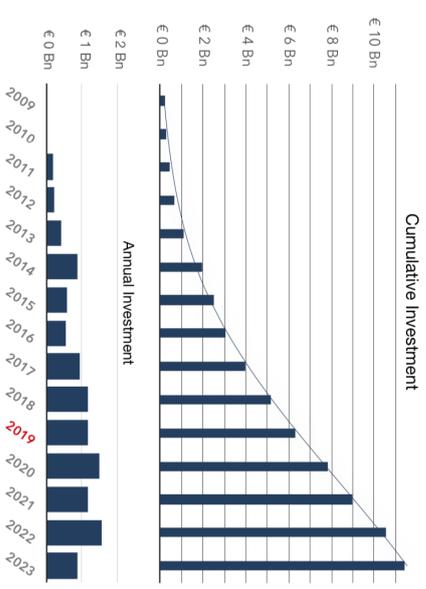
Operator business model



There were fifty-three data centres in operation in Ireland in Q2 2019. Hyperscales continued to dominate in terms of scale, with 72% of the MW capacity.

Construction Investment 2009 - 2023

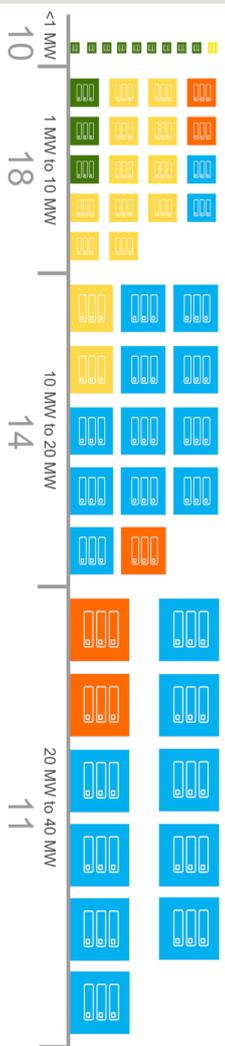
Cumulative and Annual Investments in data centres



Ireland Hosts Commercial Data Centres of all Sizes

Fifty-Three operational data centres in Ireland by Q2 2019

53



Highlights Q2 2019

The Big Picture

76 MW Newly Approved Data Centres	34 Data Centres in Development	€1.3 Billion Investment	602 MW Cloud & Managed Services
5 new data centres approved by Planning Authorities	Under Construction or with approved planning	Average annual investment expected for 2019-2022	Colocation, Wholesale, and Hyperscale Capacity



Host in Ireland Partners



About Host In Ireland

Host in Ireland is an award-winning strategic global initiative created to increase awareness of the benefits of hosting digital assets in Ireland as well as Irish companies that are designing, building, and operating data centres globally.

There are many benefits to hosting in Ireland- access to affordable power, redundant network and bandwidth capacity along with a variety of data centre providers that offer an array of services sustained by the “5 Ps”: Policy, People, Pedigree, Pipes, and Power.

On top of that is a very attractive business management structure, implemented by Ireland, which is keenly interested to bring new businesses into the market.

For more information about Host in Ireland, visit www.hostinireland.com.



Contacts:

Garry Connolly
Host in Ireland
garry@hostinireland.com
www.hostinireland.com

David McAuley
Bitpower
david@bitpower.ie
www.bitpower.ie

"An Industry of Substance"



Host In Ireland

bitpower
energy solutions