CANADIAN HOSTING AND IAAS CLOUD COMPUTING MARKET REPORT

2012 EDITION

NBI / MICHAEL SONE ASSOCIATES INC.

www.nbicanada.com

CANADIAN HOSTING & IaaS MARKET REPORT

2012 EDITION

TABLE OF CONTENTS

Section **Page**

CANADIAN HOSTING & IaaS MARKET REPORT

2012 EDITION

TABLE OF CONTENTS

Section **Page**

LIST OF EXHIBITS

Exhibit **Page**

CANADIAN HOSTING & IaaS MARKET REPORT

2012 EDITION

LIST OF EXHIBITS Continued

Exhibit **Page**

CANADIAN HOSTING & IaaS MARKET REPORT

2012 EDITION

LIST OF EXHIBITS Continued

Exhibit **Page**

CANADIAN HOSTING & IaaS MARKET REPORT

2012 EDITION

LIST OF EXHIBITS Continued

Exhibit **Page**

CANADIAN HOSTING & IaaS MARKET REPORT

2012 EDITION

ABOUT THIS REPORT

The ***Canadian Hosting & IaaS Cloud Computing Market Report, 2012 Edition*** is NBI/Michael Sone Associates' survey of the competitive landscape of the hosted infrastructure market in Canada. Well over one hundred pages in length and containing 21 quantitative exhibits, this report provides a background on the development of the hosting market as well as trends driving the market today. The size of the Canadian market and vendor market shares are discussed in terms of revenues, estimated in this report annually for the period 2009 to 2013.

We define the hosting market as out-sourced infrastructure operated in a data centre by a third-party, and segment this market into three areas – collocation, shared hosting and managed hosting. This segmentation is used in the exhibits throughout the report.

An emerging but nascent sub-category of managed hosting is called Infrastructure as a Service (IaaS), one form of cloud computing. This is an arrangement whereby a client outsources the IT equipment required to support its operations, including servers, storage and networking, to a service provider. Much like dedicated managed hosting, the IaaS service provider owns the equipment and is responsible for housing, operating and maintaining it. However, most IaaS services usually permit the dynamic scaling of resources according to the customer's needs, and the customer is typically charged on a per-use basis that is metered by one or more parameters reflecting the consumed computing resources. We include coverage of IaaS services offered by major Canadian telecommunications companies in this report.

ABOUT THIS REPORT, Continued

In-depth profiles of the 12 leading hosting service providers active in Canada are provided, examining the company's services, facilities and Canadian hosting revenues.

Each profile includes exhibits detailing the company's total and market segment revenues (collocation, shared and managed), and quantifies in terms of square footage the data centre operations by raised floor space, in-service floor space in each province where the company operates as of November 2011.

Exhibits for the overall market include industry revenues, market shares, revenue by service provider by market segment, data centre floor area by hosting service provider and overall data centre area by province.

This report is part of NBI/Michael Sone Associates' series of research reports on the Canadian telecommunications industry. Other reports cover Datacom services, Wireless services & devices, PBX, Ethernet equipment, Unified Communications, Local telecom and VoIP services, Internet services and Digital & IP-TV services.

As with all NBI/Michael Sone Associates reports, information has been gathered from primary sources. The information contained in this report is the result of numerous interviews, primarily with the hosting service providers themselves.

Please note that reported revenues represent proceeds from the operation of out-sourced infrastructure operated in data centre services by vendors active in the Canadian market. These revenues exclude consulting and professional services fees (other than what is required to provide service), such as business process outsourcing. Figures are in Canadian dollars unless otherwise noted.

Please also note that in accordance with industry practice, we use the Imperial unit of measure, the square foot, to quantify data centre area. One thousand square feet equals about 93 square meters; a 10,000 square foot data centre is thus about 930 square meters.

ABOUT THIS REPORT, Continued

We also use the units of Watt and VA (VoltAmperes) interchangeably when discussing data centre power capacities. This implicitly assumes that electrical loads are purely resistive, which may or may not be the case for any specific piece of equipment, system or data centre.