



CyrusOne Announces Cost Reduction Initiative and European Leadership Transition

January 13, 2020

DALLAS--(BUSINESS WIRE)--Jan. 13, 2020-- CyrusOne Inc. (NASDAQ: CONE), a premier global data center REIT, today announced a workforce reduction, effective immediately, that impacts 55 employees, representing approximately 12% of the Company's workforce. Affected employees will receive severance, and customary transition assistance will be provided.

"This step to rightsize the organization, while not an easy decision, will result in enhanced margins and higher profitability over time, strengthening our position in the current environment as we maintain our focus on driving organic growth," said Gary Wojtaszek, president and chief executive officer of CyrusOne. "In recognition of the continued moderation in demand from hyperscale customers, a trend we first identified in late 2018, we believe it is appropriate to reduce our cost structure to more closely align the business with current market conditions. We continually evaluate our expense structure and have been very proactive in identifying opportunities to generate efficiencies, which this action further supports."

Additionally, the Company announced that it has mutually agreed with Tesh Durvasula, President of Europe, that he will leave CyrusOne to pursue other interests, effective March 1, 2020, and remain in a consulting role through June 30, 2020. Matt Pullen, Managing Director of Europe, will assume his responsibilities.

"I greatly appreciate Tesh's leadership and dedication over the last seven years and his tremendous contribution to the growth and success of CyrusOne," said Wojtaszek. "Since he joined, the company's revenue has nearly quintupled, we have successfully expanded internationally, and we are now the third largest data center provider in the world. He has been a great partner and friend, and I wish him the best in his future endeavors. I am excited that Matt, one of the original Zenium principals, will now be leading our continuing European expansion, leveraging his extensive experience in the region."

Annualized cash compensation and benefit savings as a result of these events is approximately \$10.7 million, and the Company expects to incur an estimated charge of approximately \$5.9 million with respect to such matters in the first quarter of 2020. CyrusOne will provide guidance for full year 2020 in its fourth quarter 2019 earnings release, which is scheduled to be issued after the market closes on February 19, 2020.

Safe Harbor Note

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with these safe harbor provisions. All statements, other than statements of historical facts, are statements that could be deemed forward-looking statements. These statements are based on current expectations, estimates, forecasts, and projections about the industries in which the Company operates and the beliefs and assumptions of the Company's management. Words such as "expects," "anticipates," "predicts," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "endeavors," "strives," "may," variations of such words and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections of the Company's future financial performance, the Company's anticipated growth and trends in the Company's businesses, and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned these forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which could cause the Company's actual results to differ materially and adversely from those reflected in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in this release and those discussed in other documents the Company files with the Securities and Exchange Commission (the "SEC"). More information on potential risks and uncertainties is available in the Company's recent filings with the SEC, including the Company's Form 10-K report, Form 10-Q reports, and Form 8-K reports. The Company disclaims any obligation other than as required by law to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors or for new information, data or methods, future events or other changes.

About CyrusOne

CyrusOne (NASDAQ: CONE) is a real estate investment trust (REIT) specializing in highly reliable enterprise-class, carrier-neutral data center properties. The Company provides mission-critical data center facilities that protect and ensure the continued operation of IT infrastructure for approximately 1,000 customers, including more than 200 Fortune 1000 companies.

With a track record of meeting and surpassing the aggressive speed-to-market demands of hyperscale cloud providers, as well as the expanding IT infrastructure requirements of the enterprise, CyrusOne provides the flexibility, reliability, security, and connectivity that foster business growth. CyrusOne offers a tailored, customer service-focused platform and is committed to full transparency in communication, management, and service delivery throughout its nearly 50 data centers worldwide. Additional information about CyrusOne can be found at www.CyrusOne.com.

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