

# Data Centers: Now Showing in a North Atlantic Island Nation Near You

*(Hint: It's not Greenland and it's not the Faroe Islands)*

Isaac Kato, CFO and Co-Founder  
February 2014



**verne**global

THE SMART DATA CENTER SOLUTION

Sometimes when you  
see a ripple in the ocean...



There's a lot more  
just below the surface...





And sometimes that

is just the beginning.

# Why Iceland?

# Data Centers – Nerve Center of the Knowledge Economy

**90%**

of all data was  
created in the  
last two years

*(IBM)*

**\$12B**

industry with  
15%-20%  
annual growth

*(J.P. Morgan)*

**25%**

of all  
enterprise IT  
expenditures

*(McKinsey)*

**2.0%**

of all energy  
produced in  
the US

*(US DOE)*

# A Power Intensive Industry

## “Energy Risk”:

- ▶ Expensive
- ▶ Unpredictable pricing
- ▶ Unstable Delivery
- ▶ Fossil Fuel
- ▶ Negative PR and Taxes



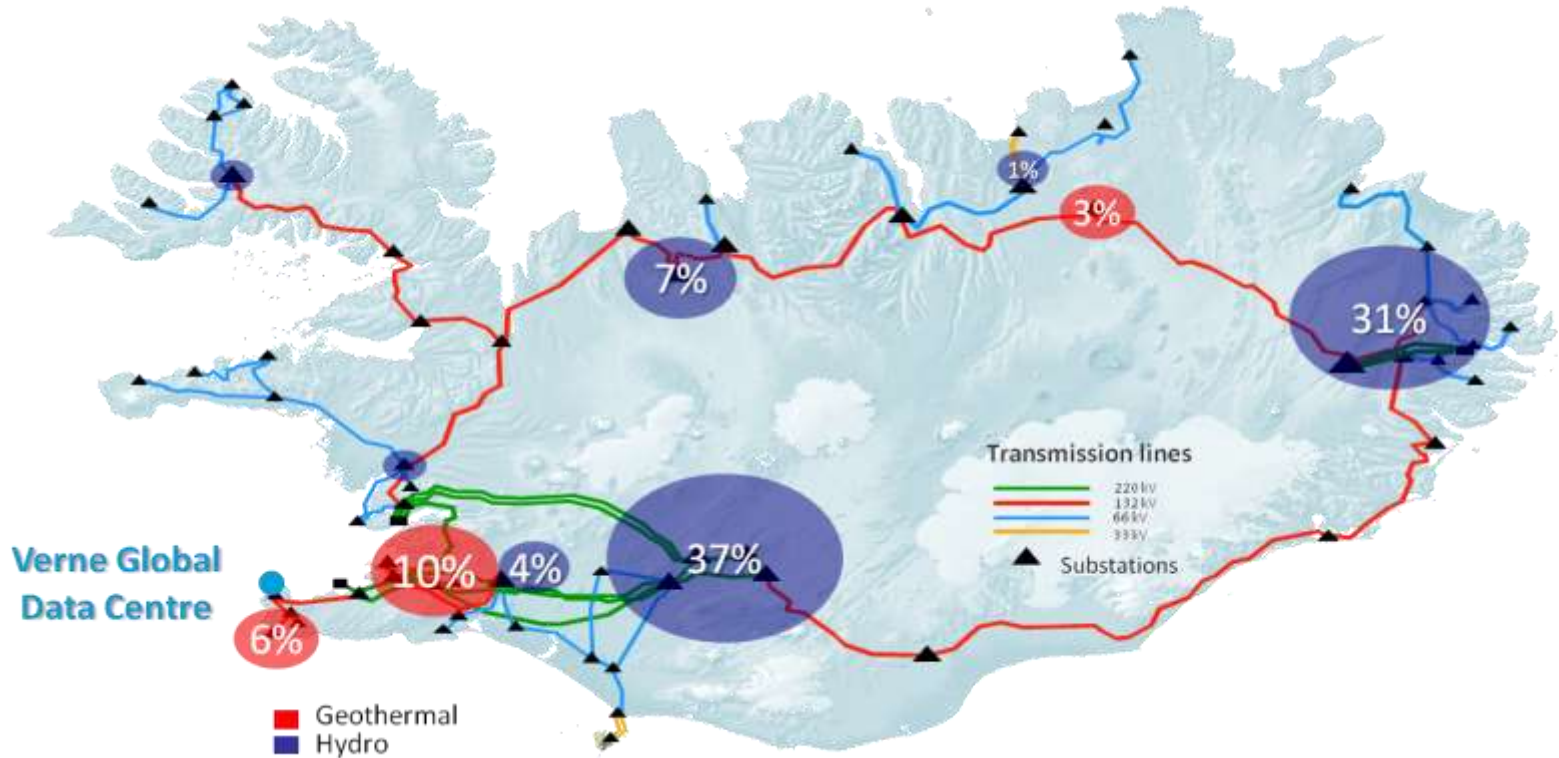
# Iceland Is Ideal

- ▶ Location
- ▶ Connectivity
- ▶ Workforce and Culture
- ▶ Environment
- ▶ Government
- ▶ **100% renewable, reliable, low-cost power**



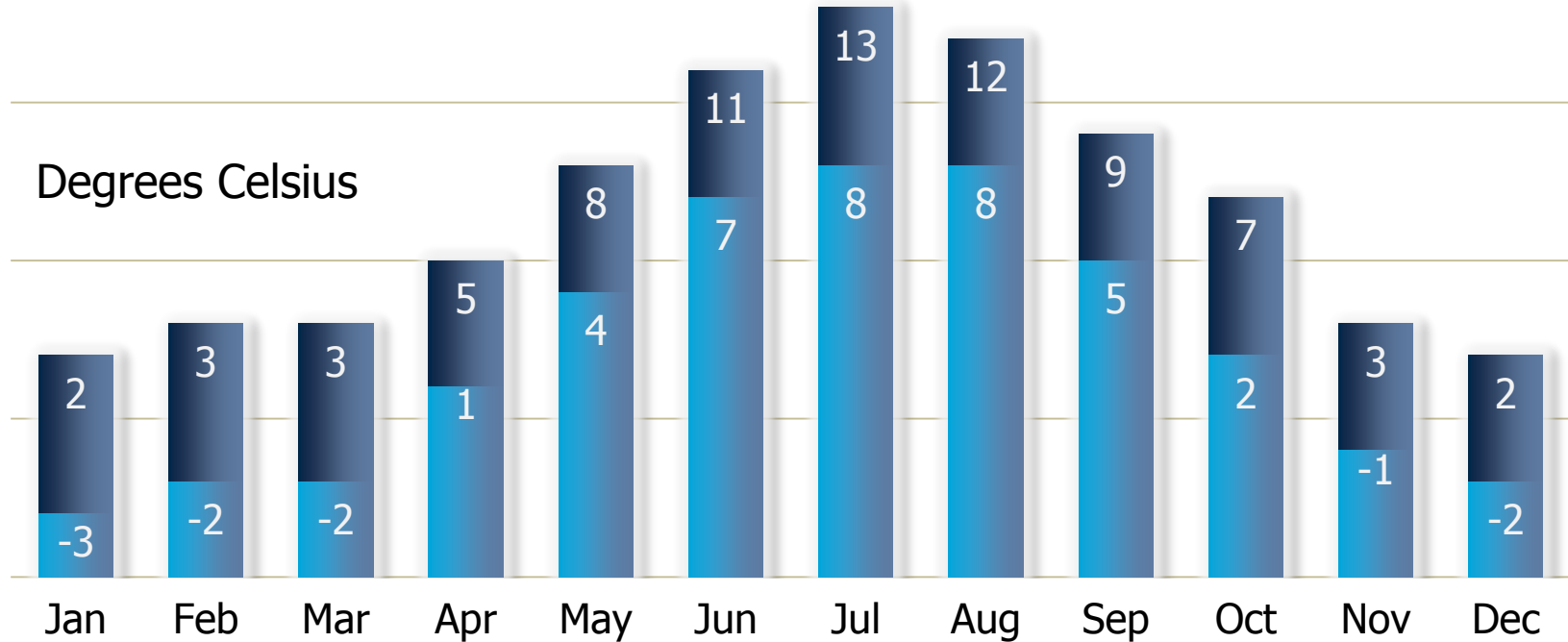


# Clean, Reliable Power



# Cool Opportunities for Efficiency

Average high and low temperatures in Keflavík





# Long Term Competitive Advantage

**TCO Savings**



**Price Stability**



**Low Risk**



**Renewable Power**

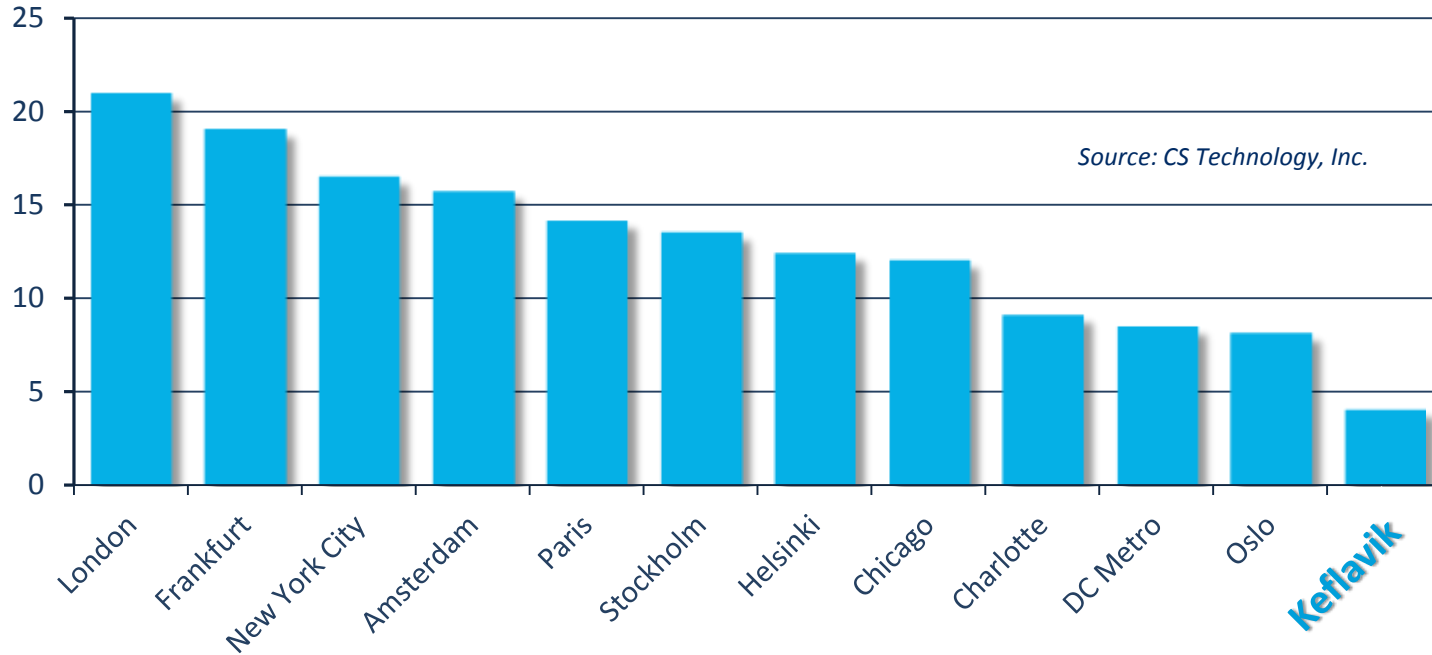


**verneglobal**  
THE DATA CENTRE SOLUTION

# Energy Cost Comparison

Millions (\$)

10 Year Energy Cost - 1MW IT Load

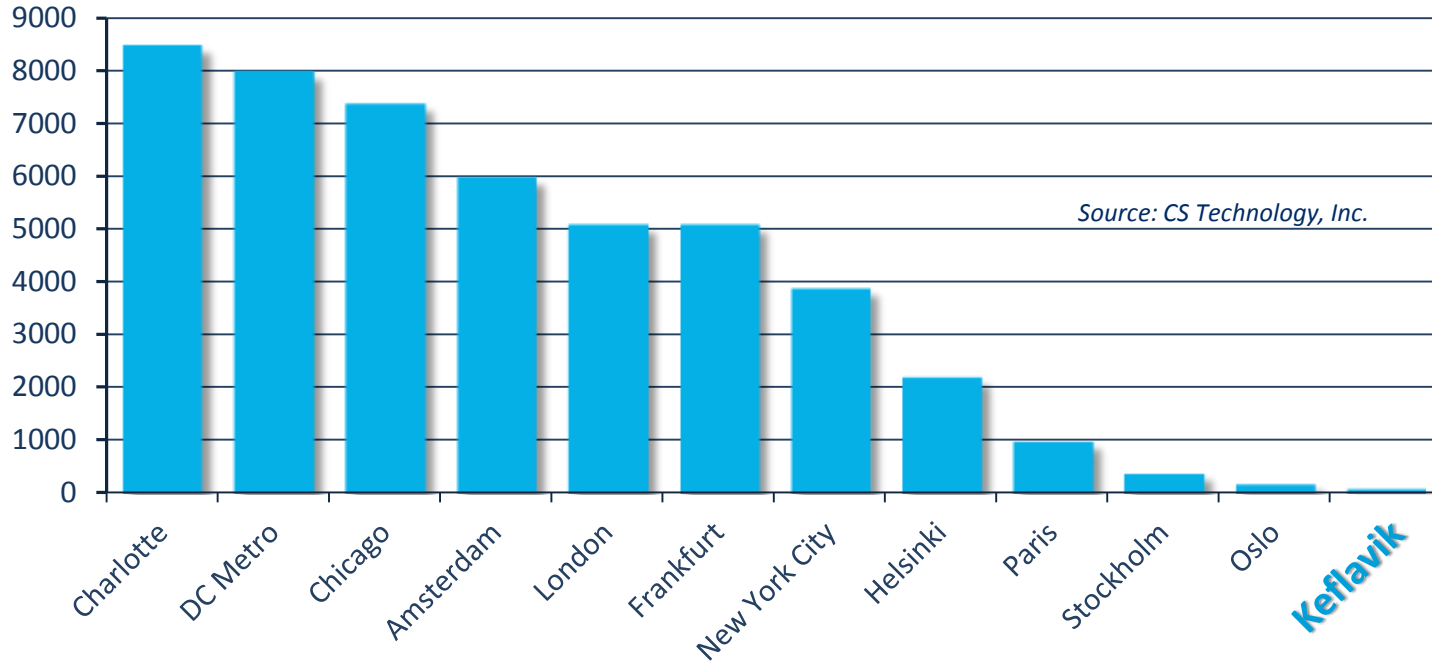


Source: CS Technology, Inc.

# Carbon Footprint Comparison

Tons CO2

10 Years – 1MW IT Load



A Viking longship with a dragon-headed prow is sailing on a dark, stormy sea. The ship has a large, multi-colored sail (purple, yellow, and red) and is surrounded by other smaller Viking ships in the distance. The sky is overcast and grey.

# The Keflavik Saga

(Just like Njáls Saga, but even bloodier)

# A Brief History of Verne



2007

**2008 (early)**

2008 (early)

20

- Iceland moves forward with Danice
- Verne Global is born
- Executives are hired
- Capital is raised
- Data center construction begins



# A Brief History of Verne



2008 (early)

**2008 (late)**

2008 (later)

20

- Iceland moves forward with Danice
- Executives are hired
- Riots, banking sector collapse
- Capital is raised
- Data center construction begins

# A Brief History of Verne



2008 (early)

**2008 (later)**

2009

20

- Perceived threats and hardships in Iceland lead to riots
- Verne goes into survival mode - riots, banking centers collapse

# A Brief History of Verne



2008 (later)

**2009**

2010

20

- Perceived total chaos and madness in Iceland
- Verne and more madness...
- Verne goes into survival mode...

# A Brief History of Verne



2009

2010

2011

20

- Things are starting to add up!
- Verne raises more money and restarts construction...

# A Brief History of Verne



- Things are starting to look up!
- Verne raises more money and restarts construction...

# A Brief History of Verne



2012

2013

2013

20

- Verne is scaling for business!
- adding customers and employees,
- and doubling capacity!

# A Brief History of Verne



2013

2013

2014

20

- Verne Global, major growth
- adding 100 employees,
- and doubling capacity!

# Icelandic Data Center





# Team Verne



# We're Getting Attention...



# And, We're Making an Impact...

- Single largest order in Opin Kerfi's 29-year history
- +20% year over year growth last year

# Why Now?

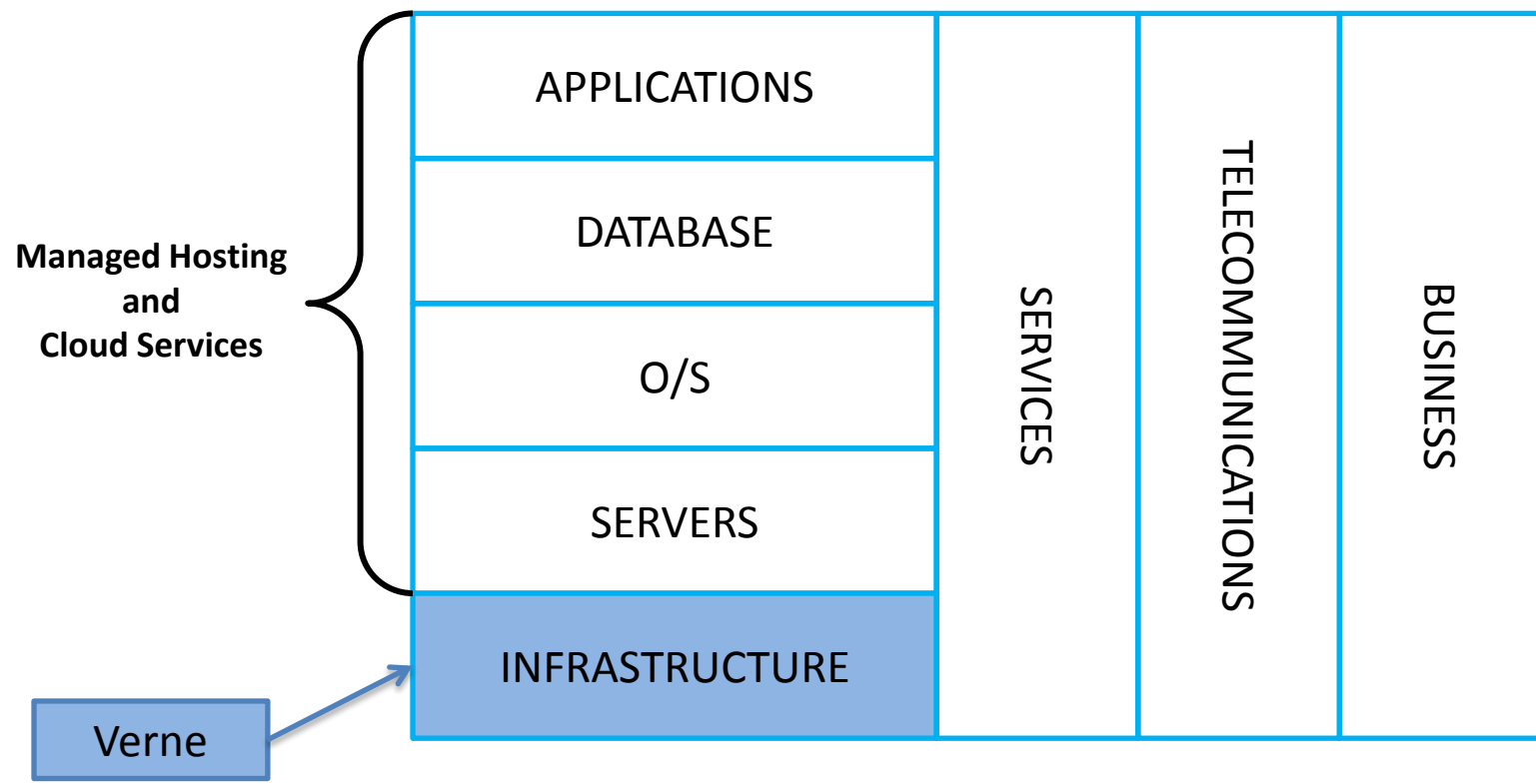
(One word...)

# VALIDATION!

# Validation

- Iceland has been de-risked
  - Macroeconomic improvement
  - Third party validation
- Value proposition has been validated
  - UK Electricity prices up 43%!
- The market has validated Iceland
  - BMW, RMS, Opera, etc.







# In Closing, Some Advice...



Takk Fyrir!

isaac@verneglobal.com



**verne**global

THE SMART DATA CENTER SOLUTION