

IRON MOUNTAIN INC
Form PREM14A
August 25, 2015

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)

[Contents](#)

[CONSOLIDATED FINANCIAL REPORT for the year ended 30 June 2015](#)

[FINANCIAL REPORT for the year ended 30 June 2014](#)

[Table of Contents](#)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ☒

Filed by a Party other than the Registrant ☐

Check the appropriate box:

- ☒ Preliminary Proxy Statement
- ☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- ☐ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material under §240.14a-12

Iron Mountain Incorporated

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☐ No fee required.
- ☒ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common stock, par value \$0.01 per share, of Iron Mountain Incorporated (the "common stock")

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

- (2) Aggregate number of securities to which transaction applies:
55,637,820 shares of the common stock, being the maximum number of shares of the common stock issuable upon consummation of the business combination transaction described herein.
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
Solely for purposes of determining the filing fee, the underlying value of the transaction was calculated in accordance with Exchange Act Rules 14a-6(i)(1) and 0-11 as the sum of: (i) \$326,535,750, the aggregate cash portion of the consideration payable by Iron Mountain assuming that the cash election is fully exercised and based on the exchange ratio between the United States dollar and the Australian dollar as of August 12, 2015; and (ii) the product of 50,682,017 shares of the common stock multiplied by \$30.15 per share (value of one share of the common stock, based on the closing market price of the common stock of Iron Mountain as reported on the New York Stock Exchange on August 19, 2015). In accordance with Section 14(g) of the U.S. Securities Exchange Act of 1934, as amended, the filing fee was determined by multiplying .0001162 by the maximum aggregate value of the transaction sum under item (4) below.
- (4) Proposed maximum aggregate value of transaction:
\$1,854,598,563
- (5) Total fee paid:
\$215,504.35
- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:
-

Table of Contents

Preliminary Proxy Statement
Subject to completion, dated August 24, 2015

[*****], 2015

PROPOSED TRANSACTION YOUR VOTE IS VERY IMPORTANT

The board of directors of Iron Mountain Incorporated ("Iron Mountain") has unanimously approved and declared advisable a Scheme Implementation Deed (the "Transaction Agreement"), dated as of June 8, 2015, by and between Iron Mountain and Recall Holdings Limited ("Recall"), pursuant to which Recall will propose a scheme of arrangement under Australian corporate law between it and its shareholders (the "Scheme") that, if approved by Recall shareholders and the Federal Court of Australia, Sydney Registry (or such other competent court agreed by Iron Mountain and Recall) and implemented, will have the effect that an Australian wholly-owned subsidiary of Iron Mountain ("Iron Mountain Sub") will acquire all of the outstanding shares of Recall in exchange for cash and newly issued shares of Iron Mountain common stock provided by Iron Mountain pursuant to a Deed Poll to be executed by Iron Mountain and Iron Mountain Sub in favor of all Recall shareholders ("Deed Poll"), and Recall will become a wholly-owned subsidiary of Iron Mountain Sub (the "Transaction"). Upon completion of the Transaction, shares of Iron Mountain common stock representing approximately 19% to 21% of the outstanding common stock of Iron Mountain will be issued to former Recall shareholders and the shares of common stock held by existing Iron Mountain stockholders will represent approximately 79% to 81% of the outstanding common stock of Iron Mountain immediately after the completion of the Transaction. We are sending you the accompanying proxy statement to ask you to attend a special meeting of the stockholders of Iron Mountain, or to vote your shares by proxy, in respect of the following proposals in connection with the Transaction:

to approve the issuance of shares of Iron Mountain common stock to Recall shareholders pursuant to the Scheme and Deed Poll and as contemplated by the Transaction Agreement; and

to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies if there are insufficient votes at the time of the special meeting to approve the proposal above.

After careful consideration, Iron Mountain's board of directors has determined that it is advisable and in the best interests of Iron Mountain and its stockholders to consummate the Transaction pursuant to the Scheme and Deed Poll and as contemplated by the Transaction Agreement, and unanimously recommends that you vote "FOR" each of the foregoing proposals.

The accompanying proxy statement provides you with information about the Transaction Agreement, the Scheme and Deed Poll, the Transaction and the special meeting of Iron Mountain's stockholders. Iron Mountain encourages you to read the proxy statement carefully and in its entirety, including the Transaction Agreement, which is attached as Annex A. **Before deciding how to vote, you should consider the "Risk Factors" beginning on page 49 of the proxy statement.** You may also obtain more information about Iron Mountain from documents Iron Mountain has filed with the Securities and Exchange Commission as described under "Where You Can Find More Information" beginning on page 137 of the proxy statement.

Your vote is important.

The Transaction cannot be completed unless the proposal to approve the issuance of Iron Mountain common stock to Recall shareholders in the Transaction is approved by the affirmative vote of the holders of a majority of the votes cast on the proposal at the special meeting of Iron Mountain stockholders. Accordingly, whether or not you plan to attend the special meeting, you are requested to promptly vote your shares by completing, signing and dating the enclosed proxy card or voting instruction form and returning it in the postage-paid envelope provided, or by voting over the telephone or via the Internet as instructed in these materials. If you sign, date and mail your proxy card without indicating how you wish to vote, your vote will be counted as a vote "FOR" each of the proposals described above.

Thank you for your cooperation and continued support.

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Sincerely,
William L. Meaney
Chief Executive Officer

This proxy statement is dated [*****], 2015 and, together with the accompanying proxy card, is first being mailed or otherwise distributed to stockholders of Iron Mountain on or about [*****], 2015.

Table of Contents

One Federal Street
Boston, Massachusetts 02110

NOTICE OF
SPECIAL MEETING OF STOCKHOLDERS

To Be Held On [*****], 2015

A special meeting of stockholders of Iron Mountain Incorporated will be held at [*****] on [*****], 2015, at [*****] a.m. local time, for the purpose of considering and voting upon the following proposals:

1. to approve the issuance of shares of Iron Mountain common stock to Recall shareholders pursuant to the Scheme and Deed Poll and as contemplated by the Transaction Agreement; and
2. to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies if there are insufficient votes at the time of the special meeting to approve proposal 1 above.

[*****], 2015 has been fixed as the record date for the determination of Iron Mountain stockholders who are entitled to notice of, and to vote at, the special meeting or any adjournment or postponement thereof. Only holders of Iron Mountain common stock of record as of the close of business on [*****], 2015 are entitled to notice of, and to vote at, the special meeting or any adjournment or postponement thereof.

Your vote is important. Each of the proposals to be considered and voted upon at the special meeting is subject to a separate vote by Iron Mountain's stockholders. The Transaction cannot be completed unless the proposal to approve the issuance of Iron Mountain common stock to Recall shareholders in the Transaction is approved by the affirmative vote of the holders of a majority of the votes cast on the proposal at the special meeting of Iron Mountain stockholders. Accordingly, whether or not you plan to attend the special meeting, you are requested to promptly vote your shares by completing, signing and dating the enclosed proxy card or voting instruction form and returning it in the postage-paid envelope provided, or by voting over the telephone or via the Internet as instructed in these materials. If you sign, date and mail your proxy card without indicating how you wish to vote, your vote will be counted as a vote "FOR" each of the proposals described above.

Instructions on the different ways to vote are found on the enclosed proxy card or voting instruction form. Please vote each and every proxy card or voting instruction form you receive. You may revoke your proxy at any time before it is voted at the special meeting by following the procedures set forth in the accompanying proxy statement.

Iron Mountain's board of directors has determined that it is advisable and in the best interests of Iron Mountain and its stockholders to consummate the Transaction as contemplated by the Transaction Agreement, and unanimously recommends that you vote "FOR" each of the proposals to be considered and voted upon at the special meeting.

By Order of the Board of Directors,

Ernest W. Cloutier
Secretary

Boston, Massachusetts
[*****], 2015

Table of Contents

IMPORTANT VOTING INSTRUCTIONS

Your vote is important, no matter how many shares you own. Iron Mountain urges you to sign, date, and return the enclosed WHITE proxy card today.

If your shares of Iron Mountain common stock are registered in your own name, please sign and date the enclosed WHITE proxy card and return it in the enclosed postage-paid envelope.

If your shares of Iron Mountain common stock are held with a broker, you are considered the beneficial owner of the shares, and the proxy materials, together with a WHITE voting instruction form, are being forwarded to you by your broker. Your broker cannot vote your shares of Iron Mountain common stock on your behalf without your instructions. Please sign, date and return the WHITE voting instruction form in the enclosed postage-paid envelope.

Whether your shares of Iron Mountain common stock are registered in your name or held with a broker, you should be able to vote either via the Internet or by toll-free telephone. In order to vote via the Internet or toll-free telephone, you will need your "control number." Your "control number" appears on your WHITE proxy card and/or WHITE voting instruction form. Please refer to the enclosed instructions on how to vote electronically.

Please vote each and every WHITE proxy card or WHITE voting instruction form you receive.

If you have any questions or need assistance voting your WHITE proxy card, please contact:

437 Madison Avenue, 28th Floor
New York, New York 10022
Banks and Brokerage Firms, Please Call: (212) 297-0720
Stockholders and All Others, Call Toll Free: (877) 279-2311
Email: info@okapipartners.com

Table of Contents

TABLE OF CONTENTS

<u>SUMMARY</u>	<u>1</u>
<u>The Companies</u>	<u>1</u>
<u>Special Meeting of Iron Mountain Stockholders</u>	<u>2</u>
<u>The Transaction</u>	<u>4</u>
<u>Selected Historical Consolidated Financial Data of Iron Mountain</u>	<u>12</u>
<u>Selected Unaudited Historical Consolidated Financial Information of Recall</u>	<u>16</u>
<u>SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN IFRS AND U.S. GAAP</u>	<u>17</u>
<u>UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION</u>	<u>18</u>
<u>COMPARATIVE PER SHARE DATA</u>	<u>36</u>
<u>COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION</u>	<u>38</u>
<u>QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING PROPOSALS</u>	<u>43</u>
<u>RISK FACTORS</u>	<u>49</u>
<u>Risks Related to the Transaction</u>	<u>49</u>
<u>Risks Related to Recall and Iron Mountain</u>	<u>54</u>
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>57</u>
<u>THE SPECIAL MEETING</u>	<u>58</u>
<u>Date, Time and Place</u>	<u>58</u>
<u>Purpose</u>	<u>58</u>
<u>Board Recommendation</u>	<u>58</u>
<u>Record Date; Outstanding Shares; Shares Entitled to Vote</u>	<u>58</u>
<u>Quorum</u>	<u>59</u>
<u>Security Ownership of Certain Beneficial Owners and Management</u>	<u>59</u>
<u>Required Vote</u>	<u>62</u>
<u>Voting by Proxy</u>	<u>62</u>
<u>How to Vote</u>	<u>63</u>
<u>Revoking Your Proxy</u>	<u>63</u>
<u>Voting in Person at the Special Meeting</u>	<u>64</u>
<u>Adjournments and Postponements</u>	<u>64</u>
<u>Householding</u>	<u>64</u>
<u>Solicitation of Proxies</u>	<u>65</u>
<u>Other Business</u>	<u>65</u>
<u>Assistance</u>	<u>65</u>
<u>THE TRANSACTION</u>	<u>66</u>
<u>Structure of the Transaction</u>	<u>66</u>
<u>Background of the Transaction</u>	<u>66</u>
<u>Iron Mountain's Reasons for the Transaction</u>	<u>73</u>
<u>Recommendations of the Iron Mountain Board of Directors</u>	<u>75</u>
<u>Opinion of Financial Advisor to the Iron Mountain Board of Directors</u>	<u>75</u>
<u>Summary of Certain Financial Projections Provided to the Iron Mountain Board and Iron Mountain's Financial Advisors</u>	<u>82</u>
<u>Interests of Iron Mountain Executive Officers and Directors in the Transaction</u>	<u>87</u>
<u>Accounting Treatment</u>	<u>87</u>
<u>Board of Directors of Iron Mountain Following the Transaction</u>	<u>87</u>
<u>Federal Securities Laws Consequences; Stock Transfer Restrictions</u>	<u>87</u>
<u>Material United States Federal Income Tax Consequences of the Transaction</u>	<u>88</u>
<u>Guarantee of Recall Obligations to Brambles</u>	<u>88</u>
<u>NO APPRAISAL RIGHTS</u>	<u>89</u>
<u>REGULATORY AND OTHER APPROVALS REQUIRED FOR THE TRANSACTION</u>	<u>90</u>
<u>Recall Shareholder Approval</u>	<u>90</u>

Table of Contents

<u>Australian Regulatory Matters</u>	90
<u>U.S. Antitrust Approval</u>	91
<u>Australian Antitrust Approval</u>	92
<u>UK Antitrust Approval</u>	92
<u>NYSE and ASX Listing</u>	93
<u>INFORMATION ABOUT THE COMPANIES</u>	94
<u>Iron Mountain Incorporated</u>	94
<u>Recall Holdings Limited</u>	94
<u>Recall Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	94
<u>THE TRANSACTION AGREEMENT, SCHEME AND DEED POLL</u>	114
<u>Form of the Scheme and Scheme Consideration</u>	114
<u>The Scale Back Mechanism</u>	115
<u>Ineligible Foreign Shareholders</u>	116
<u>Status of Newly Issued Shares of Iron Mountain Common Stock</u>	116
<u>Conditions Precedent to the Scheme</u>	116
<u>Representations and Warranties</u>	118
<u>Conduct of Business</u>	122
<u>Additional Obligations</u>	126
<u>Board Recommendation</u>	128
<u>Exclusivity</u>	128
<u>Termination</u>	130
<u>Reimbursement Fees</u>	131
<u>Costs and Expenses</u>	132
<u>Governing Law</u>	132
<u>Amendment and Waiver</u>	132
<u>Scheme</u>	133
<u>Deed Poll</u>	133
<u>PROPOSAL 1</u>	
<u>ISSUANCE OF IRON MOUNTAIN SHARES IN CONNECTION WITH THE TRANSACTION</u>	134
<u>Required Vote and Board of Directors' Recommendation</u>	134
<u>PROPOSAL 2</u>	
<u>ADJOURNMENT OF SPECIAL MEETING</u>	135
<u>Required Vote and Board of Directors' Recommendation</u>	135
<u>FUTURE IRON MOUNTAIN STOCKHOLDER PROPOSALS AND NOMINATIONS</u>	136
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	137
<u>Where Stockholders Can Find More Information About Iron Mountain</u>	137
<u>Where Stockholders Can Find More Information About Recall</u>	138

LIST OF ANNEXES

<u>Annex A</u>	<u>Scheme Implementation Deed</u>
<u>Annex B</u>	<u>Recall Unaudited Financial Statements</u>
<u>Annex C</u>	<u>Opinion of Iron Mountain's Financial Advisor</u>

Table of Contents

SUMMARY

*This proxy statement is being furnished to the stockholders of Iron Mountain Incorporated ("Iron Mountain") in connection with the solicitation of proxies by Iron Mountain's board of directors for use at a special meeting of stockholders to be held on [*****], 2015 at [*****] a.m. local time and at any reconvened meeting following any adjournment or postponement thereof. The special meeting will be held at [*****]. The purpose of the special meeting is for Iron Mountain's stockholders to consider and vote upon certain proposals in connection with the transaction contemplated by the Scheme Implementation Deed, dated as of June 8, 2015, as it may be amended or supplemented (the "Transaction Agreement"), by and between Iron Mountain and Recall Holdings Limited ("Recall"), pursuant to which Recall will propose a scheme of arrangement under Australian corporate law between it and its shareholders (the "Scheme") that, if approved by Recall shareholders and the Federal Court of Australia, Sydney Registry (the "Sydney Federal Court") (or such other competent court agreed by Iron Mountain and Recall), and implemented, will have the effect that each outstanding ordinary share of Recall capital stock will be acquired by an Australian wholly-owned subsidiary of Iron Mountain ("Iron Mountain Sub") in exchange for cash or a combination of newly issued shares of Iron Mountain common stock and cash provided by Iron Mountain pursuant to a Deed Poll to be executed by Iron Mountain and Iron Mountain Sub in favor of all Recall shareholders ("Deed Poll"), and Recall will become a wholly-owned subsidiary of Iron Mountain Sub (the "Transaction").*

The following summary highlights selected information in this proxy statement and may not contain all of the information that may be important to you. Accordingly, you are urged to read carefully this entire proxy statement, including the attached annexes, and the other documents to which this proxy statement refers you in order for you to fully understand the Transaction. See "Where You Can Find More Information" beginning on page 137 of this proxy statement. Each item in this summary refers to the page of this proxy statement on which that subject is discussed in more detail.

The functional currency of Iron Mountain and Recall is the United States ("U.S.") dollar. Unless otherwise specified, all references to "dollars," "\$," or "US\$" shall mean U.S. dollars. All references to "A\$" shall mean Australian dollars. Unless otherwise specified, all amounts are presented in thousands (except share and per-share data).

The Companies

This summary highlights information contained elsewhere in this proxy statement and may not contain all of the information that is important to you. Iron Mountain urges you to read carefully the remainder of this proxy statement, including the annexes, the exhibits, the documents incorporated by reference and the other documents to which Iron Mountain has referred you because this summary does not provide all of the information that might be important to you with respect to the Transaction and the other matters being considered at the Iron Mountain special meeting. See also the section entitled "Where You Can Find More Information" beginning on page 137.

Iron Mountain Incorporated (see page 94)

Iron Mountain Incorporated, headquartered in Boston, Massachusetts, is a Delaware corporation that specializes in the storage of records, primarily paper documents and data backup media, and provides information management services that help organizations around the world protect their information, lower storage rental costs, comply with regulations, enable corporate disaster recovery, and better use their information for business advantages, regardless of its format, location or lifecycle stage. Iron Mountain offers comprehensive records and information management services and data management services, along with the expertise and experience to address complex storage and information management challenges such as rising storage rental costs, and increased litigation, regulatory compliance and disaster recovery requirements. The Iron Mountain board of directors

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Table of Contents

unanimously approved Iron Mountain's conversion to a real estate investment trust ("REIT") for federal income tax purposes for the taxable year beginning January 1, 2014. In connection with Iron Mountain's conversion to a REIT and, in particular, to impose ownership limitations customary for REITs, on January 20, 2015, Iron Mountain completed a merger with its predecessor and all outstanding shares of Iron Mountain's predecessor's common stock were converted into a right to receive an equal number of shares of Iron Mountain common stock.

The principal trading market for Iron Mountain's common stock (NYSE: IRM) is the New York Stock Exchange ("NYSE"). Iron Mountain's principal executive offices are located at One Federal Street, Boston, MA 02110. Its telephone number is (617) 535-4766. Iron Mountain's website is located at www.ironmountain.com (the contents of which are not part of this proxy statement).

Recall Holdings Limited (see page 94)

Recall Holdings Limited, headquartered in the Atlanta, Georgia, metropolitan area, is an Australian public company limited by shares and registered in New South Wales under Australian law. Recall provides information management solutions in the Americas, Europe, Australia and New Zealand, and Asia. Recall manages its customers' physical and digital information assets. It offers document management solutions, data protection services, secure destruction services, and digital solutions that enable organizations to manage the life cycle of their information, comply with regulation, recover from disaster, and manage their information. It is involved in the collection, indexing, and storage of physical documents and records, as well as digital information assets; protection and back-up of computer data and other media; and secure destruction of information assets.

The principal trading market for Recall's shares (ASX: REC) is the Australian Securities Exchange ("ASX"). Recall's principal executive offices are located at One Recall Center, 180 Technology Parkway, Norcross, GA 30092. Its telephone number is (770) 776-1000. Recall's website is located at www.recall.com.au (the contents of which are not part of this proxy statement).

Special Meeting of Iron Mountain Stockholders

The Special Meeting (see page 58)

Iron Mountain's stockholders are being asked to consider and vote upon the following proposals in connection with the Transaction:

1. to approve the issuance of shares of Iron Mountain common stock to Recall shareholders pursuant to the Scheme and Deed Poll and as contemplated by the Transaction Agreement; and
2. to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies if there are insufficient votes at the time of the special meeting to approve proposal 1 above.

Proposal 1 above is referred to herein as the "Transaction Proposal."

The Iron Mountain stockholder vote on such proposals will take place at a special meeting to be held at [*****] a.m. local time on [*****], 2015, at [*****].

Record Date for the Special Meeting (see page 58)

You can vote at the special meeting all of the shares of Iron Mountain's common stock you held of record as of the close of business on [*****], 2015, which is the record date for the special meeting. As of the close of business on the record date, there were [*****] shares of Iron Mountain's common stock outstanding.

Table of Contents

Recommendations of the Iron Mountain Board of Directors (see page 75)

Iron Mountain's board of directors unanimously recommends that you vote "**FOR**" each of the proposals to be considered and voted upon at the special meeting. In connection with its decision to recommend that you vote "**FOR**" each of the proposals, Iron Mountain's board of directors has determined that it is advisable and in the best interests of Iron Mountain and its stockholders to issue the Iron Mountain shares in connection with the Transaction. See "*The Transaction Iron Mountain's Reasons for the Transaction*" beginning on page 73 of this proxy statement and "*The Transaction Recommendations of the Iron Mountain Board of Directors*" beginning on page 75 of this proxy statement for more information about the factors considered by Iron Mountain's board of directors.

Required Vote (see page 62)

Each share of Iron Mountain's common stock is entitled to one vote at the special meeting. The holders of issued and outstanding shares of Iron Mountain's common stock representing a majority of the votes entitled to be cast at the special meeting, present in person or represented by proxy, will constitute a quorum for the transaction of business at the special meeting. Abstentions will be counted for purposes of determining the presence of a quorum at the special meeting but will not be considered as votes cast. Banks, brokers and other nominees that hold their customers' shares in street name may not vote their customers' shares on "non-routine" matters without instructions from their customers. As each of the proposals to be voted upon at the special meeting is considered "non-routine," such organizations do not have discretion to vote on any proposal for which they do not receive instructions from their customers (this is referred to in this context as a "broker non-vote"). As a result, if you fail to provide your broker, bank or other nominee with any instructions regarding how to vote your shares, your shares will not be considered present at the special meeting, will not be counted for purposes of determining the presence of a quorum and will not be voted on any of the proposals. If you provide instructions to your broker, bank or other nominee which indicate how to vote your shares with respect to one proposal but not with respect to the other proposal, your shares will be considered present at the special meeting and will be counted for purposes of determining the presence of a quorum but will not be voted with respect to that other proposal.

Approval of the proposals presented at the special meeting will require the following:

Approval of the Transaction Proposal will require the affirmative vote of the holders of a majority of the shares of Iron Mountain's common stock properly cast on the proposal at the special meeting. An abstention from voting or a broker non-vote on the Transaction Proposal will have no effect on the outcome of the vote on this proposal.

Approval of one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies if there are insufficient votes at the time of the special meeting to approve the Transaction Proposal, will require the affirmative vote of the holders of a majority of the shares of Iron Mountain's common stock properly cast on the proposal at the special meeting. An abstention from voting or a broker non-vote on this proposal will have no effect on the outcome of the vote on this proposal.

Security Ownership of Certain Beneficial Owners and Management (see page 59)

As of the close of business on March 31, 2015, the current directors and executive officers of Iron Mountain were deemed to beneficially own 3,537,956 shares of Iron Mountain's common stock, which represented approximately 1.7% of the shares of Iron Mountain's common stock outstanding on that date. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission ("SEC"), as described below under "*The Special Meeting Security Ownership of Certain Beneficial Owners and Management*" beginning on page 59 of this proxy statement.

Table of Contents

The Transaction

Structure of the Transaction (see page 66)

On June 8, 2015, Iron Mountain and Recall entered into the Transaction Agreement, pursuant to which Recall will propose the Scheme that, if approved by Recall shareholders and the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) and implemented, will have the effect that Iron Mountain Sub will acquire all of the outstanding ordinary shares of Recall. As contemplated by the Transaction Agreement and subject to the terms and conditions of the Scheme and the Deed Poll to be executed by Iron Mountain and Iron Mountain Sub in favor of all Recall shareholders, upon the completion of the Transaction, each ordinary share of Recall outstanding immediately prior to the completion of the Transaction will be transferred to Iron Mountain Sub in exchange for the Australian dollar equivalent of US\$0.50 in cash (the "Cash Supplement") as well as either (1) 0.1722 of a newly issued share of Iron Mountain common stock or (2) A\$8.50 less the Australian dollar equivalent of US\$0.50 in cash (the "Cash Election"). The Cash Election is subject to a proration mechanism that will cap the total amount of cash paid to Recall shareholders opting for the Cash Election at A\$225,000 (the "Cash Election Cap"). Amounts paid to Recall shareholders that represent the Cash Supplement are excluded from the calculation of the Cash Election Cap.

As a result of the Transaction, Recall will become a wholly-owned subsidiary of Iron Mountain Sub. A copy of the Transaction Agreement is attached as Annex A to this proxy statement. A copy of the draft Scheme forms Annexure 2 to the Transaction Agreement, and a copy of the draft Deed Poll forms Annexure 3 to the Transaction Agreement. Iron Mountain encourages you to read the Transaction Agreement, the Scheme and the Deed Poll carefully and in their entirety, as they are the principal legal documents that govern the Transaction.

The Transaction is expected to be completed in the first half of 2016 subject to the satisfaction or waiver of the various closing conditions set forth in the Transaction Agreement. See "*The Transaction Agreement, Scheme and Deed Poll Conditions Precedent to the Scheme*" beginning on page 116 of this proxy statement for more information regarding the conditions to closing the Transaction.

Consideration (see page 114)

Iron Mountain stockholders. Iron Mountain stockholders will continue to own their existing shares of Iron Mountain common stock after the Transaction. Iron Mountain stockholders should *not* return their stock certificates with the enclosed proxy card.

Recall shareholders. As contemplated by the Transaction Agreement and subject to the terms and conditions of the Scheme and the Deed Poll to be executed by Iron Mountain and Iron Mountain Sub in favor of all Recall shareholders, upon the completion of the Transaction, Iron Mountain has agreed to pay the Cash Supplement as well as either (1) 0.1722 of a newly issued share of Iron Mountain common stock or (2) the Cash Election for each Recall share. The Cash Election is subject to the Cash Election Cap. Amounts paid to Recall shareholders that represent the Cash Supplement are excluded from the calculation of the Cash Election Cap. Immediately after the completion of the Transaction, depending upon the extent to which the Cash Election is made, Iron Mountain's existing stockholders collectively will own approximately 79% to 81% of the outstanding common stock of Iron Mountain, and Recall's former shareholders collectively will own approximately 19% to 21% of the outstanding common stock of Iron Mountain.

Treatment of Performance Rights and Retention Rights (see page 114)

Recall represented in the Transaction Agreement that, immediately prior to the completion of the Transaction, there will be no outstanding rights to acquire any ordinary shares of Recall under Recall's equity incentive arrangements. In that regard, following the date when the Scheme becomes effective but prior to the Recall record date, Recall will take such actions as are necessary to ensure that any

Table of Contents

unvested performance rights and retention rights vest and convert into Recall shares prior to such record date (including accelerating the exercise period under such rights such that all rights convert or are exercised prior to such record date and notifying such holders of such acceleration prior to the Recall shareholders meeting). In addition, prior to such record date, Recall must issue the number of Recall shares required by the terms of such performance rights and retention rights on such vesting, so that the relevant former holders of the performance rights or retention rights, as the case may be, can participate in the Transaction.

Opinion of Financial Advisor to the Iron Mountain Board of Directors (see page 75)

On June 6, 2015, Goldman, Sachs & Co. ("Goldman Sachs") rendered its oral opinion, subsequently confirmed in writing by delivery of a written opinion dated as of June 8, 2015, that, as of the date of its opinion and based upon and subject to the factors, assumptions, considerations, limitations and other matters set forth in Goldman Sachs' written opinion, the Aggregate Consideration (as defined in the written opinion) to be paid by a subsidiary of Iron Mountain pursuant to the Transaction Agreement was fair, from a financial point of view, to Iron Mountain.

The full text of the written opinion of Goldman Sachs, dated June 8, 2015, which sets forth the assumptions made, procedures followed, matters considered, qualifications and limitations on the review undertaken in connection with the opinion, is attached to this proxy statement as Annex C. The summary of the Goldman Sachs opinion provided in this proxy statement is qualified in its entirety by reference to the full text of Goldman Sachs' written opinion. Goldman Sachs' advisory services and opinion were provided for the information and assistance of the board of directors of Iron Mountain in connection with its consideration of the Transaction and the opinion does not constitute a recommendation as to how any stockholder of Iron Mountain should vote with respect to the Transaction Proposal or any other matter.

Accounting Treatment (see page 86)

Iron Mountain will account for the acquisition using the acquisition method of accounting, as prescribed in Accounting Standards Codification No. 805, *Business Combinations*, ("ASC 805"), under U.S. generally accepted accounting principles ("U.S. GAAP").

Board of Directors Following the Transaction (see page 87)

The Iron Mountain board of directors is currently comprised of ten (10) members. Pursuant to the terms of the Transaction Agreement, Iron Mountain shall, on or before the implementation date of the Transaction (referred to herein as the "Implementation Date"), appoint two existing Recall directors to the Iron Mountain board of directors (conditional on the Scheme becoming effective). The Iron Mountain board of directors has the right to increase or decrease the size of the board, but, pursuant to the terms of the Transaction Agreement, may not increase the size of the board beyond twelve (12) members prior to the Implementation Date. Iron Mountain has also agreed to nominate such Recall directors for election at the first annual meeting of Iron Mountain stockholders following the consummation of the Transaction.

Regulatory and Other Approvals (see page 90)

Recall Shareholder Approval

Subject to the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall), at a first court hearing (the "First Court Hearing") granting orders (1) that a meeting of Recall shareholders be convened to consider and vote upon a resolution to approve the Transaction and (2) approving the distribution of the explanatory memorandum about the Transaction (the "Scheme Booklet") to Recall shareholders, Recall intends to convene a meeting of its shareholders to

Table of Contents

be held on or about [*****], 2015. The resolution to approve the Transaction must be passed by the requisite majorities of the Recall shareholders under Section 411(4)(a)(ii) of the Corporations Act of 2001 (Cth) ("Corporations Act") (both (i) by a majority in number of Recall shareholders that are present and voting in person or by proxy, by attorney or, in the case of a corporation, by its duly appointed corporate representative, at the meeting, and (ii) by 75% of the votes cast on the resolution). The Deed Poll will be executed by Iron Mountain and Iron Mountain Sub prior to dispatch of the Scheme Booklet to Recall shareholders, but the obligations of each of Iron Mountain and Iron Mountain Sub under the Deed Poll will remain subject to the Scheme becoming effective.

Australian Regulatory Matters

Under the Corporations Act, the Transaction must be approved by Recall shareholders and by the Supreme or Federal Court of Australia (expected to be the Sydney Federal Court or such other competent court agreed by Iron Mountain and Recall) to become effective. The Corporations Act expressly prevents a court from granting approval unless:

the Australian Securities and Investments Commission ("ASIC") provides the court with a statement that it has no objection to the Transaction; or

the court is satisfied that the Transaction has not been proposed for the purpose of enabling any person to avoid the operation of any of the provisions of Chapter 6 of the Corporations Act (which relates to takeovers).

Recall intends to apply to the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall), at the First Court Hearing for orders (1) that a meeting of Recall shareholders be convened to consider and vote upon a resolution to approve the Transaction and (2) approving the distribution of the Scheme Booklet to Recall shareholders. Recall must give ASIC at least fourteen days' notice before the First Court Hearing and must allow ASIC a reasonable opportunity to review the Scheme Booklet and to make submissions to the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) with respect to it. Provided that ASIC is satisfied with the terms of the Transaction documents (including the Transaction Agreement, draft Scheme and draft Deed Poll) and the Scheme Booklet, Recall expects that ASIC will provide to the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) at the First Court Hearing a letter stating that, while ASIC reserves its rights until it has had an opportunity to observe the entire scheme process, it does not at that point in time intend to oppose the scheme at the second court hearing (the "Second Court Hearing"). The Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) will consider the terms of the Transaction documents (including the Transaction Agreement, draft Scheme and draft Deed Poll) at the First Court Hearing and may require changes to any of those documents as a condition to the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) granting the orders sought. Recall must not consent to any changes to, or the imposition by the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) of conditions on, the draft Scheme or draft Deed Poll without the prior written consent of Iron Mountain.

Pursuant to the orders made by the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) at the First Court Hearing, Recall will convene a meeting of Recall shareholders to vote on a resolution to approve the Transaction. The resolution to approve the Transaction must be passed by both (i) a majority in number of Recall shareholders that are present and voting in person or by proxy, by attorney or, in the case of a corporation, by its duly appointed corporate representative, at the meeting, and (ii) by 75% of the votes cast on the resolution. Subject to the orders being made by the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) at the First Court Hearing, the Recall shareholders meeting is scheduled to occur on or about [*****], 2015.

Table of Contents

If the resolution to approve the Transaction is passed at the Recall shareholders meeting and all other conditions to the Transaction are satisfied or waived, Recall will seek to obtain court approval of the Transaction at the Second Court Hearing. Recall intends to apply to ASIC for ASIC to provide to the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) a written statement that it has no objection to the Transaction. Recall expects that ASIC will provide to the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) at the Second Court Hearing a letter stating that ASIC has no objection to the Transaction.

Subject to all other conditions to the Transaction being satisfied or waived, the Second Court Hearing is scheduled to occur on or about [*****], 2015 (the "Second Court Date"). However, Iron Mountain and Recall have agreed under the Transaction Agreement that it is desirable that the Implementation Date occur within the first 30 days of any given fiscal quarter of Iron Mountain, and that to achieve that timing the Second Court Date will be determined appropriately. If the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) approves the Transaction at the Second Court Hearing, a copy of the court order will be filed with ASIC and the Scheme will become binding on all Recall shareholders (including those who voted against the resolution to approve the Transaction) on filing of that court order with ASIC (referred to herein as the "Effective Date of the Scheme"). On the Effective Date of the Scheme, the obligations of each of Iron Mountain and Iron Mountain Sub under the Deed Poll will take effect and be binding.

It is expected that trading in ordinary shares of Recall on the ASX will be suspended from the close of trading on the Effective Date of the Scheme, which is expected to be shortly after the Second Court Date. A record date (which will be on or about the fifth business day following the suspension of trading of Recall shares on ASX) will be set to determine the Recall shareholders who will transfer their Recall shares and be entitled to receive consideration under the Transaction. It is scheduled that the Transaction consideration will be provided to Recall shareholders four business days after such record date (or such other date as agreed between Iron Mountain and Recall) and the Transaction will be deemed to have been completed or implemented on that date.

U.S. Antitrust Approval (see page 91)

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), certain transactions may not be completed until each party has filed a Notification and Report Form with the Antitrust Division of the U.S. Department of Justice (the "DOJ") and with the U.S. Federal Trade Commission (the "FTC") and the waiting period under the HSR Act has expired or early termination of the waiting period has been granted. The Transaction is subject to the HSR Act.

Iron Mountain and Recall filed the requisite HSR Act Premerger Notification and Report Forms on June 22, 2015. The DOJ has initiated a preliminary investigation of the Transaction, which is not atypical for transactions of this type. With Recall's prior consent, Iron Mountain voluntarily withdrew its HSR Act notification and refiled its HSR Act notification on July 24, 2015 to provide the DOJ additional time to consider information provided by Iron Mountain and Recall. On August 24, 2015, Iron Mountain and Recall each received a request for additional information and documentary material, often referred to as a "second request," from the DOJ in connection with the Transaction. The effect of the second request is to extend the waiting period imposed by the HSR Act until 30 days after Iron Mountain and Recall have substantially complied with this request, unless that period is extended voluntarily by the parties or terminated sooner by the DOJ. The second request was expected, and Iron Mountain and Recall intend to cooperate fully with this request.

Table of Contents

At any time before or after the Transaction is completed, the DOJ, the FTC, or others (including states and private parties) could attempt to take action under the antitrust laws, including seeking to prevent the Transaction, to rescind the Transaction, or to conditionally approve the completion of the Transaction upon the divestiture of assets of Iron Mountain and Recall. There can be no assurance that the Transaction will be completed. The Transaction could be prevented from occurring if challenged successfully on antitrust grounds or if the DOJ or FTC requires a divestiture of assets in the United States and Canada above the US\$30,000 threshold agreed to by Iron Mountain to address antitrust concerns. Iron Mountain has agreed to pay Recall a reimbursement fee of A\$76,500 if antitrust/competition approval is not obtained.

Australian Antitrust Approval (see page 92)

Section 50 of the Competition and Consumer Act 2010 (Cth) (the "CCA") prohibits the acquisition of shares or assets that would have the likely effect of substantially lessening competition in any Australian market. The Australian Competition & Consumer Commission ("ACCC") is responsible for enforcing Section 50 of the CCA. The ACCC investigates proposed acquisitions either at the request of the parties or by initiating its own investigation.

There are no compulsory filing or regulatory approval requirements for clearance under Section 50 of the CCA. In practice, persons intending to make an acquisition normally seek voluntary informal clearance. This is a process under which the ACCC provides an assurance that it does not intend to intervene in the transaction either on an unconditional or conditional basis, including potentially requiring divestitures. There is no statutory time period within which the ACCC must make a decision; there is a pre-assessment stage (typical duration 2 - 4 weeks), which may lead to first-phase review (typical duration 6 - 12 weeks), which may lead to second-phase review (typical duration 6 - 12 weeks); therefore the time could range from 2 - 24 weeks or more, depending on the complexity of the issues. Approval from the ACCC is a condition to closing the Transaction. Iron Mountain has agreed to any divestments required to receive competition/antitrust approval outside the United States and Canada, but there can be no assurance that the Transaction will be completed if the ACCC does not approve a divestiture of assets to address antitrust concerns and successfully challenges the Transaction on antitrust grounds.

If the ACCC takes the view that the Transaction will breach Section 50 of the CCA, it may seek a range of remedies including an injunction to prevent the Transaction, or orders for divestiture of shares or assets. Private parties may also take action under the CCA seeking to prevent the Transaction, require divestitures or seek damages. The ACCC or a private party must bring divestiture proceedings within three years of the Implementation Date. Actions for recovery of penalties or compensation must be brought within six years of the Implementation Date.

Iron Mountain and Recall filed an application for informal clearance with the ACCC on August 13, 2015. The necessary competition approval from the ACCC has yet to be obtained. The ACCC is considering Iron Mountain's application for informal clearance.

UK Antitrust Approval (see page 92)

Under the *Enterprise Act 2002*, as amended (the "Enterprise Act"), Iron Mountain and Recall are free to close the Transaction prior to the receipt of approval from the Competition and Markets Authority ("CMA"). The Enterprise Act provides that notification to the CMA is voluntary, and the CMA has until four months following the date of the public announcement of closing to refer the Transaction for an in-depth second phase investigation. Iron Mountain and Recall have decided to make a voluntary notification filing with the CMA. Iron Mountain and Recall intend to submit an initial draft notification to the CMA in late August or early September 2015. Following confirmation from the CMA that the filing is deemed complete, the CMA would then have 40 business days to

Table of Contents

conduct an initial (first phase) investigation. If the CMA is of the view that the Transaction might result in a substantial lessening of competition, it may refer the Transaction for an in depth (second phase) investigation, which (in the ordinary course) could last up to 24 weeks. Approval from the CMA is a condition to closing the Transaction.

At any time before, or until four months after the Implementation Date, the CMA could attempt to take action under the Enterprise Act, including seeking to prevent the Transaction, rescind the Transaction, or conditionally approve the completion of the Transaction upon the divestiture of assets of Iron Mountain and Recall. Iron Mountain has agreed to any divestments required to receive competition/antitrust approval outside the United States and Canada, but there can be no assurance that the Transaction will be completed if the CMA does not approve a divestiture of assets to address antitrust concerns or otherwise challenges the Transaction on antitrust grounds.

Listing of Iron Mountain Common Stock (see page 93)

Iron Mountain has agreed to obtain listing approval from the NYSE for the Iron Mountain shares that will be issued in the Transaction. Iron Mountain has also agreed to establish a secondary listing on the ASX to allow Recall shareholders to trade Iron Mountain shares via CHESS Depository Interests (the "Iron Mountain CDIs") on the ASX.

Where a Recall shareholder has a registered address in Australia and is to receive Iron Mountain common stock as consideration under the Transaction, that Recall shareholder will receive Iron Mountain CDIs that will be tradable on ASX, but may request to receive that consideration in the form of Iron Mountain common stock (or a mix of Iron Mountain CDIs and Iron Mountain common stock).

Where a Recall shareholder's address on the Recall register is located outside of Australia and that shareholder is to receive Iron Mountain common stock as consideration under the Transaction, that Recall shareholder will receive Iron Mountain common stock that will be tradable on the NYSE, but may request to receive Iron Mountain CDIs (or a mix of Iron Mountain CDIs and Iron Mountain common stock), except that a Recall shareholder with an address outside Australia, New Zealand, the United Kingdom, Hong Kong, Singapore, Canada or the U.S. (an "Ineligible Foreign Shareholder") will not receive either Iron Mountain CDIs or Iron Mountain common stock. See "*The Transaction Agreement, Scheme and Deed Poll Ineligible Foreign Shareholders*" beginning on page 116 of this proxy statement for more information about the consideration Ineligible Foreign Shareholders will receive in the Transaction.

No Appraisal Rights (see page 89)

Under Delaware law, holders of shares of Iron Mountain common stock are not entitled to appraisal rights in connection with the Transaction or any of the matters to be acted on at the special meeting.

Conditions to Completion of the Transaction (see page 116)

As more fully described in this proxy statement and in the Transaction Agreement, completion of the Transaction is conditioned on the satisfaction or, where legally permissible, waiver of a number of conditions, including among others:

requisite Recall shareholder approval of the Transaction;

requisite Iron Mountain stockholder approval of the Transaction Proposal;

approval of the Transaction by the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall);

Table of Contents

receipt of certain required approvals and consents from the Australian Foreign Investment Review Board and New Zealand Overseas Investment Office;

approval by the NYSE and ASX of the listing of the Iron Mountain shares and Iron Mountain CDIs that will be issued in the Transaction; and

expiration or early termination of any applicable waiting period under the HSR Act and receipt of certain other competition law approvals.

Each party's obligation to complete the Transaction is subject to certain other conditions, including the absence of any injunction, restraint or governmental restriction prohibiting the Transaction, the accuracy of the other party's representations and warranties contained in the Transaction Agreement subject to certain materiality qualifiers, material compliance by the other party with its obligations under the Transaction Agreement, and the absence of a material adverse effect related to the other party. Iron Mountain cannot be certain when, or if, the conditions to the Transaction will be satisfied or waived, or that the Transaction will be completed.

Iron Mountain's obligation to complete the Transaction is not conditioned on Iron Mountain's receipt of any financing. Iron Mountain's present intention is that the cash consideration to be paid to Recall shareholders will be funded out of some combination of Iron Mountain's existing cash reserves, availability under its revolving credit facility and public or private debt financing.

Non-Solicitation of Other Offers (see page 128)

The Transaction Agreement obliges each party to abide by certain restrictions on such party's ability to solicit competing proposals from third parties and to provide non-public information to and enter into discussions or negotiations with third parties regarding competing proposals. Notwithstanding this obligation, each party may under certain circumstances furnish information to and engage in discussions or negotiations with third parties with respect to unsolicited competing proposals if such company's board of directors determines, acting in good faith and in consultation with its financial advisor and outside legal counsel, that the competing proposal constitutes, or would reasonably be expected to result in, a superior proposal, as defined in the Transaction Agreement, and that not taking such action would likely be inconsistent with the directors' duties owed under applicable laws or would otherwise be unlawful.

Termination of the Transaction Agreement (see page 130)

The Transaction Agreement may be terminated by either Iron Mountain or Recall if:

before 8am (eastern Australia time) on the day of the Second Court Hearing, if the other party has materially breached any clause of the Transaction Agreement (other than the breaching party's respective representations and warranties) and the breach continues to exist for 20 business days (or any shorter period ending at 5pm (eastern Australia time) on the day before the Second Court Hearing) after a notice is given by the non-breaching party to the breaching party;

before 8am (eastern Australia time) on the day of the Second Court Hearing, if the other party has breached any of its respective representations and warranties such that the condition to close relating to the breaching party's representations and warranties could not be satisfied prior to June 8, 2016 (subject to extension in limited circumstances) and the breach continues to exist for 20 business days (or any shorter period ending at 5pm (eastern Australia time) on the day before the Second Court Hearing) after notice is given by the non-breaching party to the breaching party; and

Table of Contents

a condition to closing described above under " *Conditions to Completion of the Transaction*" becomes incapable of being satisfied, and the parties are unable to reach an agreement to resolve the matter within ten business days of becoming aware of the relevant occurrence or by June 8, 2016 (subject to extension in limited circumstances).

Iron Mountain may terminate the Transaction Agreement if (1) the Iron Mountain board of directors has changed, withdrawn or modified its recommendation of the Transaction Proposal in accordance with the Transaction Agreement, (2) the Recall board of directors withdraws or adversely modifies its recommendation that Recall shareholders vote in favor of the Transaction or (3) the Recall board of directors recommends or supports any competing transaction.

Recall may terminate the Transaction Agreement if (1) the Recall board of directors has changed, withdrawn or modified its recommendation of the Transaction in accordance with the Transaction Agreement or (2) if the Iron Mountain board of directors has changed, withdrawn or adversely modified its recommendation in favor of the Transaction Proposal.

Expenses and Reimbursement Fees (see page 131)

In certain circumstances described under "*The Transaction Agreement, Scheme and Deed Poll Reimbursement Fees*" beginning on page 131 of this proxy statement, Iron Mountain may be obligated to pay Recall a reimbursement fee of A\$25,500 and Recall may be obligated to pay Iron Mountain a reimbursement fee of A\$25,500. If the Transaction Agreement is terminated because of a failure to obtain certain competition approvals under the HSR Act and certain other competition laws that are a condition to closing under the Transaction Agreement, Iron Mountain may be obligated to pay Recall a reimbursement fee of A\$76,500. The Transaction Agreement generally provides that each party will bear its costs and expenses, except as described under "*The Transaction Agreement, Scheme and Deed Poll Costs and Expenses*" beginning on page 132 of this proxy statement.

Questions

If you have additional questions about the Transaction or other matters discussed in this proxy statement after reading this proxy statement, you should contact Okapi Partners LLC, Iron Mountain's proxy solicitation agent. The address of Okapi Partners LLC is 437 Madison Avenue 28th Floor, New York, New York 10022. You can call Okapi Partners LLC at 877-279-2311.

Table of Contents

Selected Historical Consolidated Financial Data of Iron Mountain

The following selected historical consolidated statements of operations of Iron Mountain for each of the fiscal years during the three-year period ended December 31, 2014 and the selected historical consolidated balance sheet data as of December 31, 2014 and December 31, 2013, respectively, have been derived from Iron Mountain's audited consolidated financial statements as of and for the fiscal year ended December 31, 2014 contained in its Current Report on Form 8-K filed with the SEC on May 7, 2015 (the "Iron Mountain May 7th Current Report"), which is incorporated by reference into this proxy statement. The selected historical consolidated statements of operations for each of the fiscal years ended December 31, 2011 and December 31, 2010, respectively, and the selected historical consolidated balance sheet data as of December 31, 2012, December 31, 2011 and December 31, 2010, respectively, have been derived from Iron Mountain's audited consolidated financial statements as of and for such years contained in Iron Mountain's other reports filed with the SEC, which are not incorporated by reference into this proxy statement.

The selected historical consolidated statements of operations for each of the six-month periods ended June 30, 2015 and June 30, 2014 and the selected historical consolidated balance sheet data as of June 30, 2015 have been derived from Iron Mountain's unaudited consolidated financial statements as of and for the three and six months ended June 30, 2015 contained in Iron Mountain's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2015 filed with the SEC on July 30, 2015 (the "Iron Mountain Quarterly Report on Form 10-Q"), which is incorporated by reference into this proxy statement. The selected historical consolidated balance sheet data as of June 30, 2014 have been derived from Iron Mountain's unaudited consolidated financial statements as of and for the three and six months ended June 30, 2014 contained in Iron Mountain's Quarterly Report on Form 10-Q for the three and six months ended June 30, 2014 filed with the SEC on July 31, 2014, which is not incorporated by reference into this proxy statement. In Iron Mountain's view, the unaudited consolidated financial statements include all adjustments (consisting of normal recurring adjustments) necessary for fair presentation of the interim June 30, 2015 financial information. Interim results as of and for the six-month period ended June 30, 2015 are not necessarily indicative of, and are not projections for, the results to be expected for the fiscal year ended December 31, 2015.

The information set forth below is only a summary and is not necessarily indicative of the results of future operations of Iron Mountain, including following completion of the Transaction, and you should read the following information together with Iron Mountain's consolidated financial statements, the related notes and sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in the Iron Mountain May 7th Current Report and the Iron Mountain Quarterly Report on Form 10-Q, which are incorporated by reference into this proxy

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Table of Contents

statement, and in Iron Mountain's other reports filed with the SEC. For more information, see the section entitled "Where You Can Find More Information" beginning on page 137.

	Year Ended December 31,					Six Months Ended June 30,	
	2010(1)(2)	2011(1)(2)	2012(1)(2)	2013(1)(2)	2014	2014	2015
	(In thousands)						
Consolidated Statements of Operations Data:							
Revenues:							
Storage rental	\$ 1,598,718	\$ 1,682,990	\$ 1,733,138	\$ 1,784,721	\$ 1,860,243	\$ 925,778	\$ 920,081
Service	1,292,431	1,330,613	1,270,817	1,239,902	1,257,450	631,240	588,939
Total Revenues	2,891,149	3,013,603	3,003,955	3,024,623	3,117,693	1,557,018	1,509,020
Operating Expenses:							
Cost of sales (excluding depreciation and amortization)	1,192,862	1,245,200	1,277,113	1,288,878	1,344,636	672,106	647,937
Selling, general and administrative	772,811	834,591	850,371	924,031	869,572	428,587	412,299
Depreciation and amortization	304,205	319,499	316,344	322,037	353,143	175,374	173,500
Intangible impairments(3)	85,909	46,500					
(Gain) loss on disposal/write-down of property, plant and equipment (excluding real estate), net	(9,906)	995	4,661	430	1,065	1,045	848
Total Operating Expenses	2,345,881	2,446,785	2,448,489	2,535,376	2,568,416	1,277,112	1,234,584
Operating Income	545,268	566,818	555,466	489,247	549,277	279,906	274,436
Interest Expense, Net	204,559	205,256	242,599	254,174	260,717	124,513	130,985
Other Expense, Net	8,768	13,043	16,062	75,202	65,187	479	24,353
Income from Continuing Operations Before Provision (Benefit) for Income Taxes and Gain on Sale of Real Estate	331,941	348,519	296,805	159,871	223,373	154,914	119,098
Provision (Benefit) for Income Taxes	166,720	105,139	114,304	62,127	(97,275)	(153,041)	23,352
Gain on Sale of Real Estate, Net of Tax	(786)	(2,361)	(206)	(1,417)	(8,307)	(7,468)	
Income from Continuing Operations	166,007	245,741	182,707	99,161	328,955	315,423	95,746
(Loss) Income from Discontinued Operations, Net of Tax	(219,417)	(47,439)	(6,774)	831	(209)	(938)	
Gain (Loss) on Sale of Discontinued Operations, Net of Tax		200,619	(1,885)				
Net (Loss) Income	(53,410)	398,921	174,048	99,992	328,746	314,485	95,746
Less: Net Income Attributable to Noncontrolling Interests	4,908	4,054	3,126	3,530	2,627	1,181	1,320
Net (Loss) Income Attributable to Iron Mountain Incorporated	\$ (58,318)	\$ 394,867	\$ 170,922	\$ 96,462	\$ 326,119	\$ 313,304	\$ 94,426

	Year Ended December 31,						Six Months Ended June 30,	
	2010(1)	2011(1)	2012(1)	2013(1)	2014	2014	2015	
	(In thousands, except per share data)							
Earnings (Losses) per Share Basic:								
Income from Continuing Operations	\$ 0.82	\$ 1.26	\$ 1.05	\$ 0.52	\$ 1.68	\$ 1.64	\$ 0.45	
Total (Loss) Income from Discontinued Operations	\$ (1.09)	\$ 0.79	\$ (0.05)	\$	\$	\$		

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Net (Loss) Income Attributable to Iron Mountain Incorporated	\$	(0.29)	\$	2.03	\$	0.98	\$	0.51	\$	1.67	\$	1.63	\$	0.45
--	----	--------	----	------	----	------	----	------	----	------	----	------	----	------

Earnings (Losses) per Share Diluted:

Income from Continuing Operations	\$	0.82	\$	1.25	\$	1.04	\$	0.52	\$	1.67	\$	1.63	\$	0.45
-----------------------------------	----	------	----	------	----	------	----	------	----	------	----	------	----	------

Total (Loss) Income from Discontinued Operations	\$	(1.09)	\$	0.78	\$	(0.05)	\$		\$		\$	
--	----	--------	----	------	----	--------	----	--	----	--	----	--

Net (Loss) Income Attributable to Iron Mountain Incorporated	\$	(0.29)	\$	2.02	\$	0.98	\$	0.50	\$	1.66	\$	1.62	\$	0.45
--	----	--------	----	------	----	------	----	------	----	------	----	------	----	------

Weighted Average Common Shares Outstanding Basic	201,991	194,777	173,604	190,994	195,278	192,130	210,468
--	---------	---------	---------	---------	---------	---------	---------

Weighted Average Common Shares Outstanding Diluted	201,991	195,938	174,867	192,412	196,749	193,298	212,163
--	---------	---------	---------	---------	---------	---------	---------

Dividends Declared per Common Share	\$	0.3750	\$	0.9375	\$	5.1200	\$	1.0800	\$	5.3713	\$	0.5405	\$	0.9499
-------------------------------------	----	--------	----	--------	----	--------	----	--------	----	--------	----	--------	----	--------

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Table of Contents

	Year Ended December 31,					Six Months Ended June 30,	
	2010(1)	2011(1)	2012(1)	2013(1)	2014	2014	2015
	(In thousands)						
Other Data:							
Adjusted OIBDA(4)	\$ 925,476	\$ 949,339	\$ 910,917	\$ 894,581	\$ 925,797	\$ 470,373	\$ 454,446
Adjusted OIBDA Margin(4)	32.0%	31.5%	30.3%	29.6%	29.7%	30.2%	30.1%
Ratio of Earnings to Fixed Charges	2.2 x	2.2 x	1.9 x	1.5 x	1.7 x	2.0 x	1.7 x

	As of December 31,					As of June 30,	
	2010(1)	2011(1)	2012(1)	2013(1)	2014	2014	2015
	(in thousands)						
Consolidated Balance Sheet Data:							
Cash and Cash Equivalents	\$ 258,693	\$ 179,845	\$ 243,415	\$ 120,526	\$ 125,933	\$ 145,343	\$ 117,098
Total Assets	6,416,393	6,041,258	6,358,339	6,653,005	6,570,342	6,735,124	6,422,577
Total Long-Term Debt (including Current Portion of Long-Term Debt)	3,008,207	3,353,588	3,825,003	4,171,722	4,663,531	4,354,546	4,789,150
Total Equity	1,949,022	1,249,742	1,157,148	1,051,734	869,955	1,297,150	722,225

Reconciliation of Operating Income to Adjusted OIBDA (in thousands):

	Year Ended December 31,					Six Months Ended June 30,	
	2010(1)(2)	2011(1)(2)	2012(1)(2)	2013(1)(2)	2014	2014	2015
Operating Income	\$ 545,268	\$ 566,818	\$ 555,466	\$ 489,247	\$ 549,277	\$ 279,906	\$ 274,436
Add: Depreciation and Amorization	304,205	319,499	316,344	322,037	353,143	175,374	173,500
Intangible Impairments	85,909	46,500					
(Gain) loss on disposal/write-down of property, plant and equipment (Excluding Real Estate), Net	(9,906)	995	4,661	430	1,065	1,045	848
REIT Costs		15,527	34,446	82,867	22,312	14,048	
Recall Costs							5,662
Adjusted OIBDA	\$ 925,476	\$ 949,339	\$ 910,917	\$ 894,581	\$ 925,797	\$ 470,373	\$ 454,446

- (1) During the second quarter of 2014, Iron Mountain identified contract billing inaccuracies arising from a single location which occurred over numerous years that resulted in an overstatement of prior years' reported revenue by an aggregate of \$10.0 million, as described in Note 2.y. to Notes to Consolidated Financial Statements included in the Iron Mountain May 7th Current Report. Revenue and Adjusted OIBDA, as defined below, for the years ended December 31, 2010, 2011, 2012 and 2013 have been restated to reflect a reduction in revenues of \$1.2 million, \$1.1 million, \$1.3 million and \$1.3 million, respectively, to correct the billing inaccuracies. The remaining overstated amount of \$5.1 million relates to the periods prior to 2010. The impact to income from continuing operations and net income is a reduction of \$0.7 million, \$0.7 million, \$0.8 million and \$0.8 million, respectively, for the after tax impact of the contract billing inaccuracies for the years ended December 31, 2010, 2011, 2012 and 2013, respectively. Earnings (loss) per share basic and earnings (loss) per share diluted have also been restated to reflect the restatement. In addition, total equity at December 31, 2010, 2011, 2012 and 2013 has been reduced by \$3.8 million, \$4.5 million, \$5.3 million and \$6.1 million, respectively, to account for the contract billing inaccuracies.
- (2) As a result of Iron Mountain's conversion to a REIT and in accordance with the SEC rules applicable to REITs, Iron Mountain no longer reports (gain) loss on sale of real estate as a component of operating income, but will continue to report it as a component of income (loss) from continuing operations. Iron Mountain will continue to report the (gain) loss on sale of property, plant and equipment (excluding real estate), along with any impairment, write-downs or involuntary conversions related to real estate, as a component of operating income. The results for the years ended December 31, 2010, 2011, 2012 and 2013 have been reclassified to conform to this presentation.
- (3) For the year ended December 31, 2010, Iron Mountain recorded a non-cash goodwill impairment charge of \$85.9 million related to its technology escrow services business, which Iron Mountain continues to own and operate and which was previously reflected in Iron Mountain's former worldwide digital business segment and is now reflected as a component of Iron Mountain's North American Records and Information Management Business

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

segment. For the year ended December 31, 2010, Iron Mountain recorded a \$197.9 million non-cash goodwill impairment charge related to its former worldwide digital business that is included in loss from discontinued operations, net of tax. For the year ended December 31, 2011, Iron Mountain recorded a non-cash goodwill impairment charge of \$46.5 million in its Continental Western Europe reporting unit, which is a component of Iron Mountain's Western European Business segment.

(4)

Adjusted OIBDA and Adjusted OIBDA Margin are non-GAAP measures. Adjusted OIBDA is defined as operating income before depreciation, amortization, intangible impairments, (gain) loss on disposal/write-down of property, plant and equipment, net (excluding real estate), REIT Costs (as defined below) and Recall Costs (as defined below). Adjusted OIBDA Margin is calculated by dividing Adjusted OIBDA by total revenues. REIT Costs includes costs associated with Iron Mountain's 2011 proxy contest, the previous work of the former Strategic Review Special Committee of the board of directors and costs associated with Iron Mountain's conversion to a REIT, excluding REIT compliance costs beginning January 1, 2014 which Iron Mountain expects to recur in future periods. Recall Costs includes costs associated with Iron Mountain's proposed acquisition of Recall, including costs

Table of Contents

to complete the acquisition (including advisory and professional fees) as well as costs incurred once Iron Mountain closes the Transaction to integrate Recall with Iron Mountain's existing operations (including moving, severance, facility upgrade, REIT conversion and system upgrade costs).

Iron Mountain believes Adjusted OIBDA and Adjusted OIBDA Margin provide current and potential investors with relevant and useful information regarding its ability to generate cash flow to support business investment. These measures are an integral part of the internal reporting system used to assess and evaluate the operating performance of its business. Adjusted OIBDA does not include certain items that Iron Mountain believes are not indicative of its core operating results, specifically: (1) (gain) loss on disposal/write-down of property, plant and equipment (excluding real estate), net; (2) (gain) loss on sale of real estate, net of tax; (3) intangible impairments; (4) Recall Costs; (5) REIT Costs; (6) other expense (income), net; (7) income (loss) from discontinued operations, net of tax; (8) gain (loss) on sale of discontinued operations, net of tax; and (9) net income (loss) attributable to noncontrolling interests.

Adjusted OIBDA also does not include interest expense, net and the provision (benefit) for income taxes. These expenses are associated with its capitalization and tax structures, which Iron Mountain does not consider when evaluating the operating profitability of its core operations. Finally, Adjusted OIBDA does not include depreciation and amortization expenses, in order to eliminate the impact of capital investments, which Iron Mountain evaluates by comparing capital expenditures to incremental revenue generated and as a percentage of total revenues. Adjusted OIBDA and Adjusted OIBDA Margin should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with U.S. GAAP, such as operating or net income (loss) or cash flows from operating activities from continuing operations as determined in accordance with U.S. GAAP.

Table of Contents**Selected Unaudited Historical Consolidated Financial Information of Recall**

The following selected unaudited historical consolidated income statement of Recall for the years ended June 30, 2015 and June 30, 2014 and the selected unaudited historical consolidated balance sheet data as of June 30, 2015 and June 30, 2014 have been derived from Recall's year ended June 30, 2015 unaudited historical financial statements and related notes, which are included in Annex B to this proxy statement. The selected unaudited historical consolidated financial data of Recall for the fiscal year ended June 30, 2013 and the selected unaudited balance sheet data as of June 30, 2013 have been derived from Recall's year ended June 30, 2014 unaudited historical financial statements and related notes, which is included in Annex B to this proxy statement. The historical income statement and balance sheet data as of and for Recall's fiscal years ended June 30, 2012 and June 30, 2011, respectively, are not presented below as such information was not available absent unreasonable effort.

The information set forth below is only a summary and is not necessarily indicative of the results of future operations of Recall, including following completion of the Transaction, and you should read the following information together with Recall's unaudited consolidated financial statements, the related notes and sections entitled "*Information about the Companies Recall Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 94 of this proxy statement.

Consolidated Income Statement

US\$M	(Unaudited) Year Ended June 30,(1)		
	2015	2014	2013
Revenues	\$ 827.8	\$ 613.7	\$ 225.3
Gain on sale of business	2.1	0.0	0.0
Operating expenses	(723.3)	(539.3)	(161.4)
Share of results of joint venture	0.1	0.2	0.0
Operating profit	106.7	74.6	63.9
Net finance costs	(21.6)	(12.3)	(0.6)
Profit before tax	85.1	62.3	63.3
Tax expense	(20.1)	(20.3)	(20.0)
Net Income	\$ 65.0	\$ 42.0	\$ 43.3
Depreciation and amortization (included in Operating expenses)	\$ 69.8	\$ 47.1	\$ 13.1
Weighted Average Number of Shares Basic (millions)	313.4	208.7	42.3
Weighted Average Number of Shares Diluted (millions)	317.4	209.8	42.3
Basic earnings per share	\$ 0.21	\$ 0.20	\$ 1.02
Diluted earnings per share	\$ 0.21	\$ 0.20	\$ 1.02
Dividend per share (Australian dollar)	\$ 0.19	\$ 0.08	\$
Balance Sheet			
Cash and Cash Equivalents	\$ 88.5	\$ 72.1	\$ 6.1
Total Assets	\$ 1,504.0	\$ 1,468.0	\$ 305.9
Total Long-Term Debt (including Current Portion)	\$ 648.5	\$ 552.2	\$ 0.0
Total Equity	\$ 549.2	\$ 599.4	\$ 241.7

(1)

As a result of the demerger with Brambles, the Recall 2015, 2014 and 2013 unaudited financial information only reflects results of entities acquired as part of the demerger from the date of their respective acquisition from Brambles. Therefore, Recall's statutory financial performance for the years ended June 30, 2013 and June 30, 2014, as presented in the table above, includes results of a number of material Recall entities for only part of the respective financial year in which they were acquired. For a more detailed comparison of Recall's unaudited statutory results see "*Information about the Companies Recall Management's Discussion and Analysis of Financial Condition and Results of Operations*," beginning on page 94 of this proxy statement.

Table of Contents

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN IFRS AND U.S. GAAP

The financial information of Recall included in this proxy statement has been prepared and presented in accordance with International Financial Reporting Standards (as promulgated by the International Accounting Standards Board) ("IFRS"). Certain differences exist between IFRS and U.S. GAAP which might be material to the financial information included in this proxy statement.

The principal differences between U.S. GAAP and IFRS which might be material in the preparation of Recall's consolidated financial statements are described below. Because Iron Mountain did not have any access to non-public business or detailed financial information of Recall, Iron Mountain cannot be sure that the differences described below are complete or would in fact be the accounting principles creating the most significant differences between financial information of Recall prepared under IFRS and U.S. GAAP. The following summary does not include all differences that exist between IFRS and U.S. GAAP and is not intended to provide a comprehensive listing of all such differences specifically related to Iron Mountain, Recall or the industry in which Iron Mountain and Recall operate.

The differences described below reflect only those differences in accounting policies in force at the time of the preparation of the historical financial information of Recall. There has been no attempt to identify future differences between IFRS and U.S. GAAP as the result of prescribed changes in accounting standards, transactions or events that may occur in the future.

Deferred Tax

In accordance with IFRS, on a jurisdictional basis all deferred tax assets ("DTAs") and deferred tax liabilities ("DTLs") are netted together, and the net DTA or DTL is recorded on the balance sheet as a noncurrent DTA or DTL, respectively. Under U.S. GAAP, jurisdictional netting of DTAs and DTLs are performed on a current vs. noncurrent basis.

Exit Activities

Under IFRS, liabilities for plant closures, lease terminations and other exit costs may generally be recognized when an entity has formally committed to a plan. U.S. GAAP prohibits the recognition of a liability based solely on an entity's commitment to a plan, and recognition of a provision for lease termination usually is upon the date the property is no longer used and most categories of exit costs are recognized as incurred.

Debt Issuance Costs

Under IFRS, when a financial liability is not carried at fair value, transaction costs including third party costs and creditor fees are deducted from the carrying value of the financial liability and are not recorded as separate assets. Under U.S. GAAP, third party fees related to debt issuance are classified as assets.

Table of Contents

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following unaudited pro forma consolidated financial statements are derived from and should be read in conjunction with historical consolidated financial statements and related notes of Iron Mountain, which are incorporated by reference, and Recall, which are included in this proxy statement.

The unaudited pro forma consolidated balance sheet as of June 30, 2015, and the unaudited pro forma consolidated statements of operations for the six months ended June 30, 2015 and the year ended December 31, 2014, are presented herein. The unaudited pro forma consolidated balance sheet combines the unaudited consolidated balance sheets of Iron Mountain and Recall as of June 30, 2015 and gives effect to the Transaction as if it had been completed on June 30, 2015. The unaudited pro forma consolidated statements of operations combine the historical results of Iron Mountain and Recall for the six months ended June 30, 2015 and the year ended December 31, 2014 and give effect to the Transaction as if it occurred on January 1, 2014. The historical financial information has been adjusted to give effect to pro forma adjustments that are (i) directly attributable to the Transaction, (ii) factually supportable, and (iii) with respect to the unaudited consolidated statements of operations, expected to have a continuing impact on the consolidated results.

The unaudited pro forma consolidated financial statements presented are based on the assumptions and adjustments described in the accompanying notes. The unaudited pro forma consolidated financial statements are presented for illustrative purposes and do not purport to represent what the financial position or results of operations would actually have been if the Transaction occurred as of the dates indicated or what financial position or results of operations would be for any future periods. The unaudited pro forma consolidated financial statements are based upon the respective historical consolidated financial statements of Iron Mountain and Recall, and should be read in conjunction with (1) the accompanying notes to the unaudited pro forma consolidated financial information, (2) the unaudited consolidated financial statements for the six months ended June 30, 2015 and notes thereto of Iron Mountain included in the Iron Mountain Quarterly Report on Form 10-Q, filed with the SEC on July 30, 2015, (3) the audited consolidated financial statements for the fiscal year ended December 31, 2014 and notes thereto included in the Iron Mountain May 7th Current Report, and (4) the unaudited consolidated financial statements and notes thereto for the fiscal years ended June 30, 2015 and June 30, 2014 of Recall, which are included in Annex B to this proxy statement.

The unaudited pro forma consolidated statements of operations also include certain purchase accounting adjustments, including items expected to have a continuing impact on the combined results, such as increased amortization expense on acquired intangible assets. The unaudited pro forma consolidated statements of operations do not include the impact of any revenue, cost or other operating synergies that may result from the acquisition or any related restructuring costs.

Table of Contents

IRON MOUNTAIN INCORPORATED
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET
AS OF JUNE 30, 2015
(In thousands, except share and per share data)

	Iron Mountain	Recall (IFRS) (Note 3)	Historical U.S. GAAP Adjustments (Note)	Recall (U.S. GAAP)	Purchase Accounting Adjustments (Note)	Financing Adjustment (Note)	Pro Forma
ASSETS							
Current Assets:							
Cash and cash equivalents	\$ 117,098	\$ 88,500		\$ 88,500	\$ (326,536)	7(a)	\$ 7(j)
Accounts receivable, net	596,252	183,200		183,200			
Deferred income taxes	21,609		17,389	17,389	(471)	7(h)	
Prepaid expenses and other	139,768	18,600		18,600			
Total Current Assets	874,727	290,300	17,389	307,689	(327,007)		
Property, Plant and Equipment:							
Property, plant and equipment	4,681,792	836,400		836,400	(229,867)	7(b)	
Less Accumulated depreciation	(2,188,779)	(423,300)		(423,300)	423,300	7(b)	
Property, Plant and Equipment, net	2,493,013	413,100		413,100	193,433	7(b)	
Other Assets, net:							
Goodwill	2,388,697	677,200		677,200	309,800	7(c)	
Customer relationships and acquisition costs	595,468	109,500		109,500	1,099,500	7(d)	
Deferred financing costs	43,827		6,091	6,091	(6,091)	7(e)	7(j)
Other	26,845	13,900	(4,520)	9,380	51,276	7(d)(h)	
Total Other Assets, net	3,054,837	800,600	1,571	802,171	1,454,485		
Total Assets	\$ 6,422,577	\$ 1,504,000	\$ 18,960	\$ 1,522,960	\$ 1,320,911		\$
LIABILITIES AND EQUITY							
Current Liabilities:							
Current portion of long-term debt	\$ 70,235	\$ 21,800		\$ 21,800			\$ 7(j)
Accounts payable	162,238	135,730		135,730	(1,497)	7(f)	
Accrued expenses	333,811	39,700	(19,552)	20,148	21	7(h)	7(j)
Deferred revenue	185,851	29,970		29,970			
Total Current Liabilities	752,135	227,200	(19,552)	207,648	(1,476)		
Long-term Debt, net of current portion	4,718,915	626,700	6,091	632,791			7(j)
Other Long-Term Liabilities	79,124	20,881	8,234	29,115	13,890	7(g)	
Deferred Rent	100,336	11,351		11,351	(11,351)	7(f)	
Deferred Income Taxes	49,842	68,668	11,531	80,199	373,914	7(h)	
Equity:							
Iron Mountain Incorporated Stockholders' Equity:							
Common stock	2,108				507	7(i)	
Additional paid-in capital	1,603,278	380,600		380,600	1,126,683	7(i)	
(Distributions in excess of earnings)							
Earnings in excess of distributions	(766,849)	246,100	12,656	258,756	(258,756)	7(i)	
Accumulated other comprehensive items, net	(129,750)	(77,500)		(77,500)	77,500	7(i)	
	708,787	549,200	12,656	561,856	945,934		

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Total Iron Mountain Incorporated

Stockholders' Equity

Noncontrolling Interests 13,438

Total Equity 722,225 549,200 12,656 561,856 945,934

Total Liabilities and Equity \$ 6,422,577 \$ 1,504,000 \$ 18,960 \$ 1,522,960 \$ 1,320,911 \$ \$

See accompanying notes to unaudited pro forma consolidated financial information.

Table of Contents

IRON MOUNTAIN INCORPORATED
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014
(In thousands, except per share data)

	Iron Mountain	Historical Recall (IFRS) (Note 3)	U.S. GAAP Adjustments (Note)	Recall (U.S. GAAP) Adjustments (Note)	Purchase Accounting Adjustments (Note)	Financing Adjustments (Note)	Pro Forma
Revenues:							
Storage rental	\$ 1,860,243	\$ 457,900	\$	\$ 457,900	\$	\$	\$
Service	1,257,450	398,900		398,900			
Total Revenues	3,117,693	856,800		856,800			
Operating Expenses:							
Cost of sales (excluding depreciation and amortization)	1,344,636	454,200	(8,700)	5(b) 445,500	(655)	8(a)	
Selling, general and administrative	869,572	228,200		228,200	(7,100)	8(b)	
Depreciation and amortization	353,143	70,800		70,800	81,574	8(c)(d)	
Loss (gain) on disposal/write-down of property, plant and equipment (excluding real estate), net	1,065	5,800		5,800			
Total Operating Expenses	2,568,416	759,000	(8,700)	750,300	73,819		
Operating Income (Loss)	549,277	97,800	8,700	106,500	(73,819)		
Interest Expense, Net	260,717	20,100		20,100		8(g)	
Other Expense (Income), Net	65,187	(1,600)		(1,600)			
Income (Loss) from Continuing Operations Before Provision (Benefit) for Income Taxes and (Gain) Loss on Sale of Real Estate	223,373	79,300	8,700	88,000	(73,819)		
(Benefit) Provision for Income Taxes	(97,275)	26,300	2,436	5(b) 28,736	(20,669)	8(e)	
(Gain) Loss on Sale of Real Estate, Net of Tax	(8,307)						
Income (Loss) from Continuing Operations	328,955	53,000	6,264	59,264	(53,150)		
(Loss) Income from Discontinued Operations, Net of Tax	(209)						
Net Income (Loss)	328,746	53,000	6,264	59,264	(53,150)		
Less: Net Income (Loss) Attributable to Noncontrolling Interests	2,627						
Net Income (Loss) Attributable to Iron Mountain Incorporated	\$ 326,119	\$ 53,000	\$ 6,264	\$ 59,264	\$ (53,150)	\$	\$
Earnings per Share Basic	\$ 1.67						\$
Earnings per Share Diluted	\$ 1.66						\$
Weighted Average Common Shares Outstanding Basic	195,278				50,682	8(f)	
Weighted Average Common Shares Outstanding Diluted	196,749				50,682	8(f)	

See accompanying notes to unaudited pro forma consolidated financial information.

Table of Contents

IRON MOUNTAIN INCORPORATED
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In thousands, except per share data)

	Iron Mountain	Historical Recall (IFRS) (Note 3)	U.S. GAAP Adjustments (Note)	Recall (U.S. GAAP)	Purchase Accounting Adjustments (Note)	Financing Adjustments (Note)	Pro Forma
Revenues:							
Storage rental	\$ 920,081	\$ 217,200	\$	\$ 217,200	\$	\$	\$
Service	588,939	183,600		183,600			
Total Revenues	1,509,020	400,800		400,800			
Operating Expenses:							
Cost of sales (excluding depreciation and amortization)	647,937	207,800	(11,083) 5(b)	196,717	(328) 8(a)		
Selling, general and administrative	412,299	113,600		113,600	(16,051) 8(b)		
Depreciation and amortization	173,500	33,700		33,700	42,487 8(c)(d)		
Loss (gain) on disposal/write-down of property, plant and equipment (excluding real estate), net	848	(1,500)		(1,500)			
Total Operating Expenses	1,234,584	353,600	(11,083)	342,517	26,108		
Operating Income (Loss)	274,436	47,200	11,083	58,283	(26,108)		
Interest Expense, Net	130,985	11,800		11,800		8(g)	
Other Expense (Income), Net	24,353	1,700		1,700			
Income (Loss) from Continuing Operations Before Provision (Benefit) for Income Taxes and (Gain) Loss on Sale of Real Estate	119,098	33,700	11,083	44,783	(26,108)		
Provision (Benefit) for Income Taxes	23,352	1,200	3,103 5(b)	4,303	(7,310) 8(e)		
(Gain) Loss on Sale of Real Estate, Net of Tax							
Income (Loss) from Continuing Operations	95,746	32,500	7,980	40,480	(18,798)		
(Loss) Income from Discontinued Operations, Net of Tax							
Net Income (Loss)	95,746	32,500	7,980	40,480	(18,798)		
Less: Net Income (Loss) Attributable to Noncontrolling Interests	1,320						
Net Income (Loss) Attributable to Iron Mountain Incorporated	\$ 94,426	\$ 32,500	\$ 7,980	\$ 40,480	\$ (18,798)	\$	\$
Earnings per Share Basic	\$ 0.45						\$
Earnings per Share Diluted	\$ 0.45						\$
Weighted Average Common Shares Outstanding Basic	210,468				50,682 8(f)		
Weighted Average Common Shares Outstanding Diluted	212,163				50,682 8(f)		

See accompanying notes to unaudited pro forma consolidated financial information.

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION**

(In thousands, except share and per share amounts)

NOTE 1 DESCRIPTION OF THE TRANSACTION

On June 8, 2015, Iron Mountain and Recall entered into the Transaction Agreement, pursuant to which Recall will propose a scheme of arrangement under Australian corporate law between it and its shareholders that, if approved by Recall shareholders and the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) and implemented, will have the effect that Iron Mountain Sub will acquire all of the outstanding shares of Recall. The Iron Mountain stockholders have to approve the Transaction Proposal. As a result of the Transaction, Recall will become a wholly-owned subsidiary of Iron Mountain.

Subject to the terms and conditions of the Transaction Agreement, upon the completion of the Transaction, Recall shareholders shall be entitled to receive for each outstanding share of Recall common stock the Australian dollar equivalent of US\$0.50 in cash (the "Cash Supplement") as well as either (1) 0.1722 of a newly issued share of Iron Mountain common stock (the "Equity Election") or (2) A\$8.50 less the Australian dollar equivalent of US\$0.50 in cash (the "Cash Election"). The Cash Election is subject to a proration mechanism that will cap the total amount of cash paid to Recall shareholders opting for the Cash Election at A\$225,000 (the "Cash Election Cap") with the remainder to be received as newly issued Iron Mountain common stock. Amounts paid to Recall shareholders that represent the Cash Supplement are excluded from the calculation of the Cash Election Cap.

NOTE 2 BASIS OF PRESENTATION

The accompanying unaudited pro forma consolidated financial statements were prepared in accordance with Article 11 of SEC Regulation S-X. The unaudited pro forma consolidated balance sheet was prepared using the historical balance sheets of Iron Mountain and Recall as of June 30, 2015. Recall's fiscal year ends on June 30 and Iron Mountain's fiscal year ends on December 31. As the fiscal years differ by more than 93 days, financial information for Recall for the year ended December 31, 2014 and the six months ended June 30, 2015 has been derived for purposes of the preparation of the unaudited pro forma consolidated financial statements. The unaudited pro forma consolidated statements of operations were prepared using:

the historical unaudited statement of operations of Iron Mountain for the six months ended June 30, 2015;

the historical audited statement of operations of Iron Mountain for the year ended December 31, 2014;

the historical unaudited consolidated income statement of Recall for the twelve months ended December 31, 2014, which has been derived by adding the financial data from the historical unaudited consolidated income statement for the six months ended December 31, 2014, to the financial data from the historical unaudited consolidated income statement for the fiscal year ended June 30, 2014, and subtracting the financial data from the historical unaudited consolidated income statement for the six months ended December 31, 2013; and

the historical unaudited consolidated income statement of Recall for the six months ended June 30, 2015, which has been derived by subtracting the financial data from the historical unaudited consolidated income statement for the six months ended December 31, 2014 from the historical unaudited consolidated income statement for the fiscal year ended June 30, 2015.

The unaudited pro forma consolidated financial information was prepared using the acquisition method of accounting with Iron Mountain treated as the acquiring entity. Accordingly, the historical consolidated financial information has been adjusted to give effect to the impact of the consideration

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 2 BASIS OF PRESENTATION (Continued)

issued in connection with the Transaction. In the unaudited pro forma consolidated balance sheet, Iron Mountain's purchase price has been allocated to the assets acquired and liabilities assumed based upon management's preliminary estimate of their respective fair values as of the date of the Transaction. Any differences between the fair value of the consideration issued and the fair value of the assets acquired and liabilities assumed will be recorded as goodwill. The amounts allocated to the assets acquired and liabilities assumed in the unaudited pro forma consolidated financial statements are based on management's preliminary valuation estimates. Definitive allocations will be performed and finalized based on certain valuations and other studies that will be performed by Iron Mountain with the services of outside valuation specialists after the closing of the Transaction. Accordingly, the purchase price allocation adjustments and related depreciation and amortization reflected in the unaudited pro forma consolidated financial statements are preliminary, have been made solely for the purpose of preparing these statements and are subject to revision based on a final determination of fair value upon the closing of the Transaction.

The unaudited pro forma consolidated statements of operations also include certain purchase accounting adjustments, including items expected to have a continuing impact on the combined results, such as increased amortization expense on acquired intangible assets. The unaudited pro forma consolidated statements of operations do not include the impacts of any revenue, cost or other operating synergies that may result from the Transaction or any related restructuring costs. Iron Mountain and Recall have just recently begun collecting information in order to formulate detailed integration plans to deliver planned synergies. However, at this time, the integration plans are in their preliminary stages and the related acquisition related costs are not yet estimable and, therefore, are not factually supportable for purposes of inclusion in the unaudited pro forma consolidated financial information.

Financing Arrangement

Prior to, and conditioned upon the closing of the Transaction, Iron Mountain intends to enter into a financing arrangement (the "Recall Financing"), the proceeds of which will be used to finance a portion of the cash consideration of the purchase price to be paid in exchange for Recall common stock pursuant to the Transaction Agreement, and to repay Recall's outstanding indebtedness at the time of closing. These unaudited pro forma consolidated financial statements do not yet reflect the entry into and consummation of the Recall Financing or the use of proceeds therefrom to repay Recall's outstanding indebtedness as, at the time of filing of this proxy statement, the form and amount of indebtedness to be outstanding under the Recall Financing is not factually supportable. The Recall financing may not be available on favorable terms, if at all. If Iron Mountain is unable to obtain sufficient financing and consummate the Transaction, Iron Mountain may be subject to significant monetary or other damages under the Transaction Agreement. Iron Mountain intends to give effect to the Recall Financing in an amendment to this proxy statement once the amount and terms of the Recall Financing are factually supportable.

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 3 RECLASSIFICATIONS

Certain balances presented in the historical Recall financial statements included within these unaudited pro forma consolidated financial statements were reclassified to conform their presentation to that of Iron Mountain as indicated in the tables below:

Balance Sheet as of June 30, 2015

Item	Amount	Presentation in Recall's IFRS Statutory Financial Statements	Presentation in Unaudited Pro Forma Consolidated Financial Statements
Inventories	\$ 2,100	Inventories	Prepaid expenses and other
Other assets	16,500	Other assets	Prepaid expenses and other
Customer relationships	78,900	Intangible assets	Customer relationships and acquisition costs
Customer acquisition costs	30,600	Intangible assets	Customer relationships and acquisition costs
Other intangible assets	2,000	Intangible assets	Other
Computer software	23,300	Intangible assets	Property, plant and equipment, net
Deferred revenue	29,970	Trade and other payables	Deferred revenue
Deferred rent	11,351	Other liabilities	Deferred rent

The following balances have been included in other assets, accrued expenses and other long-term liabilities as follows:

Item	Amount	Presentation in Unaudited Pro Forma Consolidated Financial Statements
Other receivables	\$ 6,700	Other
Deferred tax assets	4,804	Other
Derivative financial instruments	100	Other
Other assets	296	Other
Taxes payable	7,500	Accrued expenses
Provisions	32,200	Accrued expenses
Derivative financial instruments	800	Other long-term liabilities
Provisions	12,000	Other long-term liabilities
Other liabilities	8,081	Other long-term liabilities

Unaudited Pro Forma Consolidated Statements of Operations Adjustments:

Certain line items in Recall's consolidated income statements have been reclassified to conform to Iron Mountain's presentation in the unaudited pro forma consolidated statements of operations as follows:

Operating expenses have been reclassified to selling, general and administrative, cost of sales and depreciation and amortization;

Gain on sale of business has been reclassified to (loss) gain on disposal/write-down of property, plant and equipment (excluding real estate), net;

Share of results of joint venture have been reclassified to selling, general and administrative;

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 3 RECLASSIFICATIONS (Continued)

Finance revenue has been reclassified to interest expense, net; and

Finance costs have been reclassified to interest expense, net and other expense (income), net.

NOTE 4 PURCHASE PRICE

For the purpose of preparing the accompanying unaudited pro forma consolidated balance sheet as of June 30, 2015, the preliminary estimate of the purchase price was calculated as follows:

Recall shares issued and outstanding prior to closing of the Transaction(1)		323,100,000
Closing price per share of Iron Mountain common stock on August 12, 2015	\$	29.75
Exchange ratio		0.1722

Consideration per share for Equity Election (rounded)	\$	5.12295
---	----	---------

Cash price per share in Australian dollars	A\$	8.50
Australian dollar to U.S. dollar exchange rate as of August 12, 2015		0.73327

Cash price per share in U.S. dollars	\$	6.23280
Less: Cash Supplement per share		(0.50)

Consideration per share for Cash Election (rounded)	\$	5.73280
---	----	---------

Fair value of Cash Supplement in U.S. dollars(2)	\$	161,550
Fair value of consideration for Cash Election in U.S. dollars(3)		164,986
Fair value of consideration for Equity Election in U.S. dollars(4)		1,507,790

Total estimated purchase price in U.S. dollars	\$	1,834,326
--	----	-----------

The estimated purchase price reflected in these unaudited pro forma consolidated financial statements does not purport to represent what the actual purchase price will be when the Transaction is consummated. In accordance with ASC 805, the fair value of equity securities issued as part of the consideration transferred will be measured on the closing date of the Transaction at the then-current market price. This requirement will likely result in a per-share equity component different from the \$29.75 assumed in these unaudited pro forma consolidated financial statements and that difference may be material. Iron Mountain believes that an increase or decrease of 24% in the market price of Iron Mountain's common stock on the closing date of the Transaction as compared to the market price of Iron Mountain's common stock assumed for purposes of these unaudited pro forma consolidated financial statements is possible based upon the recent history of the market price of Iron Mountain's common stock. This amount was derived based on historical volatility of Iron Mountain's common stock and is not indicative of Iron Mountain's future stock performance. Assuming that Recall shareholders elect the Cash Election up to the Cash Election Cap, a change of this

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

magnitude would increase or decrease the purchase price by approximately \$360,000, which would result in a corresponding increase or decrease to goodwill in these unaudited pro forma consolidated financial statements.

(1)

In accordance with the Transaction Agreement, prior to the completion of the Transaction, all outstanding rights to acquire any ordinary shares of Recall under Recall's equity incentive arrangements, including all unvested performance rights and retention rights (the "Recall Equity Awards") will vest and Recall will issue the number of Recall shares required by the Recall Equity

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 4 PURCHASE PRICE (Continued)

Awards so that the relevant former holders of the Recall Equity Awards can participate in the Transaction. The number of Recall shares included in the table above represents the number of Recall shares outstanding as if the Transaction was completed as of June 30, 2015, including approximately 313,675,000 Recall shares outstanding as of June 30, 2015, as well as 9,425,000 Recall shares to be issued in connection with the Recall Equity Awards (inclusive of approximately 2,330,000 Recall shares related to Recall Equity Awards expected to be granted between June 30, 2015 and the close of the Transaction, as mutually agreed to by Recall and Iron Mountain).

- (2) The aggregate amount of the Cash Supplement upon the closing of the Transaction has been calculated as follows:

Cash Supplement per share of Recall common stock	\$ 0.50
Recall shares issued and outstanding prior to closing of the Transaction	323,100,000
Total Cash Supplement	\$ 161,550

- (3) As noted in the table above, the estimated per-share consideration for the Equity Election based on the closing market price of Iron Mountain common stock as of August 12, 2015 is less than the estimated Cash Election per share based on the closing market price of Iron Mountain's common stock and the Australian dollar to U.S. dollar exchange rate of A\$0.73327 to \$1.00 in effect as of August 12, 2015. As a result, for the purpose of preparing these unaudited pro forma consolidated financial statements, Iron Mountain has assumed that Recall shareholders would elect the Cash Election up to the Cash Election Cap of \$164,986 (A\$225,000 translated at the exchange rate of A\$0.73327 to \$1.00 as of August 12, 2015).

Aggregate Cash Election amount	\$ 164,986
Cash Election consideration per share of Recall common stock (rounded)	5.73280
Shares of Recall common stock allocated to Cash Election	28,779,330

- (4) Represents the portion of consideration to be paid assuming a closing price of Iron Mountain common stock on August 12, 2015 of \$29.75 per share as follows:

Recall shares issued and outstanding prior to closing of the Transaction	323,100,000
Shares of Recall common stock allocated to the Cash Election	(28,779,330)
Remaining Recall shares allocated to the Equity Election	294,320,670
Fair value of total consideration per Recall share for Equity Election (rounded)	5.12295
Fair value of consideration for Equity Election	\$ 1,507,790

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Fair value of consideration for Equity Election	\$	1,507,790
Divided by Closing price per share of Iron Mountain common stock on August 12, 2015		29.75
Total Iron Mountain shares issued to satisfy Equity Election		50,682,017

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 4 PURCHASE PRICE (Continued)

The following is a summary of the preliminary allocation of the above purchase price as reflected in the unaudited pro forma consolidated balance sheet as of June 30, 2015:

Cash and cash equivalents	\$ 88,500
Accounts receivable, net	183,200
Prepaid expenses and other	18,600
Property, plant and equipment	606,533
Customer relationship intangible asset	1,209,000
Other intangible assets	48,940
Deferred income tax assets, including current portion	21,538
Other assets long term	7,096
Accounts payable	(134,233)
Accrued expenses	(19,917)
Deferred revenue	(29,970)
Long-term debt, including current portion	(654,591)
Unfavorable lease liabilities	(13,890)
Other long-term liabilities	(29,115)
Deferred income tax liabilities, including current portion	(454,365)
Estimated fair value of net assets acquired	847,326
Preliminary allocation to goodwill	987,000
Estimated purchase price	\$ 1,834,326

The goodwill balance is primarily attributed to the assembled workforce, expanded market opportunities and cost and other operating synergies anticipated upon the integration of the operations of Iron Mountain and Recall. See Note 7 for a discussion of the methods used to determine the fair value of Recall's identifiable assets.

NOTE 5 IFRS TO U.S. GAAP ADJUSTMENTS

(a)

Reflects adjustments to the presentation of deferred income taxes as a result of the application of U.S. GAAP. In accordance with IFRS, on a jurisdictional basis all deferred tax assets ("DTAs") and deferred tax liabilities ("DTLs") are netted together, and the net DTA or DTL is recorded on the balance sheet as a noncurrent DTA or DTL, respectively. Under U.S. GAAP, jurisdictional netting of DTAs and DTLs are performed on a current vs. noncurrent basis. The following table reflects the adjustments to current and noncurrent DTAs and DTLs as a result of the application of U.S. GAAP.

	Amount	Balance Sheet Classification
Current deferred tax assets	\$ 19,370	Deferred income taxes
Long-term deferred tax assets	423	Other
Current deferred tax liabilities	231	Accrued expenses
Uncertain tax position liability	8,234	Other long-term liabilities
Long-term deferred tax liabilities	11,328	Deferred income taxes

(b)

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Reflects adjustments to reverse accrued expenses and related tax effects for restructuring actions taken by Recall during the year ended December 31, 2014 and the six months ended June 30, 2015 due to differences in the timing of recognition of such liabilities permitted under IFRS and U.S. GAAP. Under IFRS, liabilities for plant closures, lease terminations and other exit costs may

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 5 IFRS TO U.S. GAAP ADJUSTMENTS (Continued)

generally be recognized when an entity has formally committed to a plan. U.S. GAAP prohibits the recognition of a liability based solely on an entity's commitment to a plan, and recognition of a provision for lease termination usually is upon the date the property is no longer used and most categories of exit costs are recognized as incurred.

Unaudited Pro Forma Balance Sheet Adjustments

	Adjustment	Balance Sheet Classification
Current deferred tax assets	\$ (1,981)	Deferred income taxes
Long-term deferred tax assets	(4,943)	Other
Accrued expenses	(19,783)	Accrued expenses
Long-term deferred tax liabilities	203	Deferred income taxes
Earnings in excess of distributions	12,656	Earnings in excess of distributions

Unaudited Pro Forma Statement of Operations Adjustments Year Ended December 31, 2014

	Adjustment
Cost of sales	\$ (8,700)
Provision for income taxes	2,436

Unaudited Pro Forma Statement of Operations Adjustments Six Months Ended June 30, 2015

	Adjustment
Cost of sales	\$ (11,083)
Provision for income taxes	3,103

(c)

Reflects an adjustment to reclassify \$6,091 of unamortized debt issuance costs associated with Recall's outstanding indebtedness that were presented as a reduction of the debt liability. Under IFRS, when a financial liability is not carried at fair value, transaction costs including third party costs and creditor fees are deducted from the carrying value of the financial liability and are not recorded as separate assets. Under U.S. GAAP, third party fees related to debt issuance are classified as assets.

NOTE 6 CONFORMING ACCOUNTING POLICIES

At this time, except for the adjustments noted in (i) Note 5 to restate the consolidated financial statements of Recall previously issued under IFRS to be consistent with U.S. GAAP and (ii) Note 3 to reclassify certain balances presented in the historical financial statements of Recall to conform their presentation to that of Iron Mountain, Iron Mountain is not aware of any material differences between the accounting policies of the two companies that would continue to exist subsequent to the application of purchase accounting. Following the Transaction, Iron Mountain will conduct a more detailed review of Recall's accounting policies in an effort to determine if differences in accounting policies require further reclassification of Recall's results of operations or reclassification of assets or liabilities to conform to Iron Mountain's accounting policies and classifications. As a result, Iron Mountain may identify additional differences between the accounting policies of the two companies that, when conformed, could have a material impact on these unaudited pro forma consolidated financial statements.

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 7 UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET ADJUSTMENTS

Purchase Accounting Adjustments:

- (a) Reflects the cash portion of the purchase price paid to Recall common shareholders, calculated as follows:

Cash paid to Recall common shareholders pursuant to Cash Supplement	\$ 161,550
Cash paid to Recall common shareholders pursuant to Cash Election	164,986
Total cash consideration	\$ 326,536

- (b) Reflects an increase in book value for Recall's property, plant and equipment balance to reflect their acquisition-date fair values of \$193,433 (consisting primarily of an increase in the value of racking structures of \$171,006), resulting in a total fair value of acquired property, plant and equipment of \$606,533. The fair value estimate for property, plant and equipment is preliminary and has been determined based on the assumptions that management believes market participants would use in pricing an asset, based on the most advantageous market for the asset (i.e., its highest and best use). This preliminary fair value estimate could include assets that are not intended to be used, may be sold or are intended to be used in a manner other than their highest and best use. For purposes of the accompanying unaudited pro forma consolidated financial statements, it is assumed that all assets will be used in a manner that represents their highest and best use. The final fair value determination for property, plant and equipment may differ materially from this preliminary determination.

- (c) Goodwill is calculated as the difference between the fair value of the purchase price and the values assigned to the identifiable tangible and intangible assets acquired and liabilities assumed. See Note 4 for the calculation of the amount of goodwill recognized in connection with the Transaction.

- (d) Reflects identifiable intangible assets expected to be recognized in connection with the Transaction, consisting of the following:

Description	Estimated Fair Value	Balance Sheet Classification
Customer relationships	\$ 1,209,000	Customer relationships and acquisition costs
Recall trade name	34,000	Other
Favorable leases	14,940	Other
Total identifiable intangible assets	\$ 1,257,940	

The fair value of the customer relationships intangible asset was valued using a multi-period excess earnings method, a form of the income approach, which incorporates the estimated future cash flows to be generated from Recall's existing customer base. Excess earnings are the earnings remaining after deducting the market rates of return on the estimated values of contributory assets, including debt-free net working capital, tangible assets, and other identifiable intangible assets. The excess earnings are thereby calculated for each year of a multi-year projection period and discounted to present value. Accordingly, the primary components of this method

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

consist of the determination of excess earnings and an appropriate rate of return.

The Recall trade name was valued using the relief from royalty method under the income approach, which estimates the cost savings generated by a company related to the ownership of an

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 7 UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET ADJUSTMENTS (Continued)

asset for which it would otherwise have had to pay royalties or license fees on revenues earned through the use of the asset. The discount rate used is determined at the time of measurement based on an analysis of the implied internal rate of return of the transaction, weighted average cost of capital and weighted average return on assets.

The estimated value of favorable lease assets is \$14,940 and reflects leases with contractual rents that are less than current market rents.

The fair value estimate for all identifiable intangible assets is preliminary and is based on assumptions that management believes market participants would use in pricing an asset, based on the most advantageous market for the asset (i.e., its highest and best use). This preliminary fair value estimate could include assets that are not intended to be used, may be sold or are intended to be used in a manner other than their highest and best use. For purposes of the accompanying unaudited pro forma consolidated financial statements, it is assumed that all assets will be used in a manner that represents their highest and best use. The final fair value determinations for identifiable intangible assets may differ from this preliminary determination and those differences may be material.

- (e) Reflects the removal of capitalized borrowing costs of \$6,091 associated with Recall's outstanding indebtedness as a result of the application of purchase accounting.
- (f) Reflects an adjustment to eliminate the previously existing current and long-term deferred rent liabilities of Recall of \$1,497 and \$11,351 as a result of the application of purchase accounting.
- (g) Reflects an adjustment to record the fair value of unfavorable lease obligations of \$13,890 for leases with contractual rents that are greater than current market rents. The final fair value determination for unfavorable lease obligations may differ from this preliminary determination and those differences may be material.
- (h) Reflects the adjustments to record the step up of deferred income tax assets and liabilities resulting from pro forma fair value adjustments for the assets acquired and liabilities assumed as follows:

	Amount	Balance Sheet Classification
Current deferred tax assets	\$ (471)	Deferred income taxes
Long-term deferred tax assets	4,336	Other
Current deferred tax liabilities	21	Accrued expenses
Long-term deferred tax liabilities	373,914	Deferred income taxes

This estimate of deferred taxes was determined based on the changes in the book basis of the net assets to be acquired compared to the historical basis reflected in Recall's financial statements using a blended statutory tax rate of 28%. This statutory tax rate does not assume that the U.S. subsidiary of Recall will qualify as a REIT for U.S. income tax reporting purposes, as it is not factually supportable at this time. If the U.S. subsidiary of Recall were to qualify as a REIT, the estimated net deferred tax liability recorded at acquisition would be reduced by approximately \$228,000. Adjustments to established deferred tax assets and liabilities due to refined determination of statutory rates as well as the recognition of additional deferred tax assets and liabilities upon detailed analysis of the acquired assets and assumed liabilities may occur in conjunction with the finalization of the purchase accounting and these items could be material.

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 7 UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET ADJUSTMENTS (Continued)

- (i) Reflects an adjustment of \$561,856 to eliminate Recall's historical stockholders' equity, which represents the historical book value of Recall's net assets, as a result of the application of purchase accounting.

Reflects adjustments of \$507 and \$1,507,283 to common stock and additional paid-in capital, respectively, to reflect the issuance of 50,682,017 shares of Iron Mountain common stock with a par value of \$0.01 per share to satisfy the Equity Election pursuant to the Transaction Agreement, assuming a closing price of Iron Mountain common stock on August 12, 2015 of \$29.75 per share (see Note 4).

Financing Adjustments

- (j) Prior to, and conditioned upon, the closing of the Transaction, Iron Mountain intends to enter into the Recall Financing, the proceeds of which will be used to finance a portion of the cash consideration of the purchase price to be paid in exchange for Recall common stock pursuant to the Transaction Agreement and to repay Recall's outstanding indebtedness at the time of closing. Iron Mountain expects that the loans under the Recall Financing will bear interest at LIBOR plus a margin ranging from [•] to [•]. Upon consummation of the Transaction, Iron Mountain expects outstanding borrowings under the Recall Financing to be approximately [\$ •], and that the cash proceeds to Iron Mountain will be approximately [\$ •] (net of an estimated [\$ •] of financing costs that are expected to be deferred and amortized over the term of the Recall Financing to interest expense).

The pro forma adjustment reflects the entry into and receipt of net proceeds from the Recall Financing as well as the repayment of [\$ •] of Recall's outstanding indebtedness as of June 30, 2015.

NOTE 8 UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS ADJUSTMENTS

- (a) Reflects adjustments to cost of sales of \$655 and \$328 for the year ended December 31, 2014 and the six months ended June 30, 2015, respectively, representing a net decrease in rent expense related to the amortization of favorable and unfavorable lease assets and liabilities recognized as part of purchase accounting related to above- or below-market leases.

- (b) Reflects an adjustment to selling, general and administrative expense of \$11,451 for the six months ended June 30, 2015 representing the elimination of the advisory, legal and accounting expenses incurred by both Iron Mountain and Recall in connection with the Transaction, which are not expected to have a continuing impact on results of operations.

Reflects adjustments to selling, general and administrative expense of \$7,100 and \$4,600 related to 7,107,730 and 7,071,410 performance and retention rights outstanding during the year ended December 31, 2014 and the six months ended June 30, 2015, respectively, representing the elimination of the Recall share-based compensation expense for each respective period as, in accordance with the Transaction Agreement, prior to the completion of the Transaction, all Recall Equity Awards will vest and Recall will issue the number of Recall shares required by the Recall Equity Awards so that the relevant former holders of the Recall Equity Awards can participate in

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 8 UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS ADJUSTMENTS (Continued)

the Transaction. The unaudited pro forma consolidated statements of operations assume that the vesting and settlement of these awards occurred prior to January 1, 2014.

(c)

Reflects adjustments to depreciation and amortization expense of \$70,750 and \$34,025 for the year ended December 31, 2014 and the six months ended June 30, 2015, respectively, representing an increase in amortization expense related to the fair value of identified intangible assets with definite lives. The following table shows the pre-tax impact on amortization expense:

Description	Estimated Useful Life	Estimated Fair Value	Amortization Expense	
			Year Ended December 31, 2014	Six Months Ended June 30, 2015
Customer relationships	15	\$ 1,209,000	\$ 80,600	\$ 40,300
Recall trade name	8	34,000	4,250	2,125
Amortization expense			84,850	42,425
Less: Recall historical amortization			(14,100)	(8,400)
Additional amortization expense			\$ 70,750	\$ 34,025

Preliminary estimated future amortization expense, based upon Iron Mountain's newly acquired intangible assets at June 30, 2015, is as follows:

Year ending December 31,	Amount
Remaining 2015	\$ 42,425
2016	84,850
2017	84,850
2018	84,850
2019	84,850
Thereafter	861,175
Total	\$ 1,243,000

(d)

Reflects adjustments to depreciation and amortization of \$10,824 and \$8,462 for the year ended December 31, 2014 and the six months ended June 30, 2015, respectively, representing increased

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 8 UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS ADJUSTMENTS (Continued)

depreciation expense related to the fair value step-up of property, plant and equipment, with estimated lives ranging from 3 to 35 years, as follows:

Description	Estimated Useful Life	Estimated Fair Value	Depreciation Expense	
			Year Ended December 31, 2014	Six Months Ended June 30, 2015
Racking	12	\$ 373,406	\$ 31,117	\$ 15,559
Land	N/A	22,251	N/A	N/A
Warehouse equipment and vehicles	4	42,700	10,675	5,338
Computer hardware and software	3	31,600	10,533	5,267
Buildings	35	73,576	2,102	1,051
Other property, plant and equipment	5	63,000	13,097	6,547
Depreciation expense			67,524	33,762
Less: Recall historical depreciation			(56,700)	(25,300)
Additional depreciation expense			\$ 10,824	\$ 8,462

- (e) Reflects adjustments to provision for income taxes of \$20,669 and \$7,310 for the year ended December 31, 2014 and six months ended June 30, 2015, respectively, to reflect the tax effect of the pro forma adjustments based on an estimated blended statutory tax rate of 28%. This statutory tax rate does not assume that the U.S. subsidiary of Recall will qualify as a REIT for U.S. income tax reporting purposes, as it is not factually supportable at this time. Because the tax rate used for these unaudited pro forma consolidated financial statements is an estimate, it will likely vary from the effective rate in periods subsequent to the completion of the Transaction and those differences may be material.
- (f) The weighted average shares outstanding used to compute basic and diluted net loss per share for the year ended December 31, 2014 and the six months ended June 30, 2015 have been adjusted to give effect to the issuance of 50,682,017 shares of Iron Mountain common stock to satisfy the Equity Election (assuming a closing price of Iron Mountain common stock on August 12, 2015 of \$29.75 per share) as if such issuances had occurred on January 1, 2014.

Financing Adjustments

- (g) Reflects the following adjustments to interest expense resulting from the anticipated Recall Financing entered into by Iron Mountain upon the closing of the Transaction as well as the repayment in full of Recall's outstanding indebtedness:
- (i) increase to interest expense of [\$ •] and [\$ •] for the year ended December 31, 2014 and six months ended June 30, 2015, respectively, reflecting estimated interest expense associated with the Recall Financing using a weighted average interest rate of [• %] per year;
- (ii)

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

increase to interest expense reflecting amortization of estimated deferred financing costs of [\$ •] and [\$ •] for the year ended December 31, 2014 and the six months ended June 30, 2015, respectively, associated with the establishment of the Recall Financing; and

(iii)

the elimination of interest expense of [\$ •] and [\$ •] for the year ended December 31, 2014 and the six months ended June 30, 2015, respectively, related to Recall's outstanding indebtedness that will be repaid in full upon the closing of the Transaction, which is assumed,

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 8 UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS ADJUSTMENTS (Continued)

for the purposes of the unaudited pro forma consolidated statements of operations, to have occurred on January 1, 2014.

A 1/8th percent increase in the assumed rates would result in an aggregate increase to the above noted interest expense of [\$ •].

The unaudited pro forma consolidated statement of operations adjustments for the year ended December 31, 2014 have not been adjusted to remove the one-time net tax benefit recorded by Iron Mountain during the year ended December 31, 2014 as discussed in Note 7 to the consolidated financial statements included within the Iron Mountain May 7th Current Report, which has been incorporated by reference into this proxy statement, as this adjustment is not directly attributable to the Transaction.

NOTE 9 SUPPLEMENTARY UNAUDITED PRO FORMA CONSOLIDATED REVENUE INFORMATION

The following tables provide certain unaudited supplementary data for Iron Mountain, Recall and the combined company on a pro forma basis. See Note 2 within the notes to the unaudited pro forma consolidated financial information beginning on page 22 for information concerning how the historical consolidated statement of operations information of Iron Mountain and Recall for the twelve months ended December 31, 2014 and the six months ended June 30, 2015 were derived.

Revenues by Geography

	Iron Mountain (as reported for the six months ended June 30, 2015)	Recall (for the six months ended June 30, 2015)	Pro Forma (for the six months ended June 30, 2015)
North America(1)	\$ 1,097,635	\$ 161,700	\$ 1,259,335
Latin America(2)	116,569	30,500	147,069
Europe(3)	250,208	88,800	339,008
Asia Pacific(4)	44,608	119,800	164,408
	\$ 1,509,020	\$ 400,800	\$ 1,909,820

	Iron Mountain (as reported for the year ended December 31, 2014)	Recall (for the twelve months ended December 31, 2014)	Pro Forma (for the year ended December 31, 2014)
North America(1)	\$ 2,199,148	\$ 306,900	\$ 2,506,048
Latin America(2)	247,318	69,700	317,018
Europe(3)	569,018	214,700	783,718
Asia Pacific(4)	102,209	265,500	367,709
	\$ 3,117,693	\$ 856,800	\$ 3,974,493

- (1)
Includes the United States and Canada.
- (2)
Includes Argentina, Brazil, Chile, Colombia, Mexico and Peru.
- (3)
Includes Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Netherlands, Norway, Poland, Romania, Russia, Serbia, Slovakia, Spain, Sweden, Switzerland, Turkey, Ukraine and the United Kingdom.
- (4)
Includes Australia, India, China, Hong Kong-SAR, Malaysia, New Zealand, Singapore, Taiwan and Thailand.

Table of Contents

**NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION (Continued)**

(In thousands, except share and per share amounts)

NOTE 9 SUPPLEMENTARY UNAUDITED PRO FORMA CONSOLIDATED REVENUE INFORMATION (Continued)

Revenues by Product and Service Line

	Iron Mountain (as reported for the six months ended June 30, 2015)	Recall (for the six months ended June 30, 2015)	Pro Forma (for the six months ended June 30, 2015)
Records Management(1)(2)	\$ 1,128,065	\$ 311,100	\$ 1,439,165
Data Management(1)(3)	262,636	41,800	304,436
Destruction(1)(4)	118,319	47,900	166,219
	\$ 1,509,020	\$ 400,800	\$ 1,909,820

	Iron Mountain (as reported for the year ended December 31, 2014)	Recall (for the twelve months ended December 31, 2014)	Pro Forma (for the year ended December 31, 2014)
Records Management(1)(2)	\$ 2,329,546	\$ 658,500	\$ 2,988,046
Data Management(1)(3)	531,516	88,700	620,216
Destruction(1)(4)	256,631	109,600	366,231
	\$ 3,117,693	\$ 856,800	\$ 3,974,493

-
- (1) Each of the offerings within the product and service lines has a component of revenue that is storage rental related and a component that is service revenues, except the Destruction service offering, which does not have a storage component.
- (2) Includes business records management, compliant records management and consulting services, document management solutions, fulfillment services, health information management solutions, energy data services, dedicated facilities management and technology escrow services.
- (3) Includes data protection and recovery services and entertainment services.
- (4) Includes secure shredding and compliant information destruction.

Table of Contents**COMPARATIVE PER SHARE DATA**

The table set forth below depicts the basic and diluted earnings per share, cash dividends declared per share and book value per share for (a) Iron Mountain and Recall on a historical basis, (b) the combination of Iron Mountain and Recall on an unaudited pro forma consolidated basis and (c) Recall in comparison with the equivalent pro forma net income and book value per share attributable to 0.1722 of a newly issued share of Iron Mountain common stock that will be received for each ordinary share of Recall exchanged in the Transaction, based on the closing market price of Iron Mountain's common stock as well as the exchange ratio between the U.S. dollar and the Australian dollar as of August 12, 2015, and assuming the Cash Election is fully utilized. The unaudited pro forma consolidated data of the combined company was derived by combining the historical consolidated financial information of Iron Mountain and Recall using the acquisition method of accounting for business combinations as described in the section of this proxy statement entitled, "*Accounting Treatment*." For a discussion of the assumptions and adjustments made in the preparation of the unaudited pro forma consolidated financial information presented in this proxy statement, see the section entitled "*Unaudited Pro Forma Consolidated Financial Information*" beginning on page 18 of this proxy statement.

Recall's consolidated financial statements are prepared in accordance with IFRS, which differs in a number of significant respects from U.S. GAAP. For a general discussion of the significant differences between IFRS and U.S. GAAP, please see the section entitled "*Summary of Significant Differences between IFRS and U.S. GAAP*" on page 17 of this proxy statement.

You should read the information presented in the table below together with the historical financial statements of Iron Mountain and Recall and the related notes and the Unaudited Pro Forma Consolidated Financial Information appearing elsewhere in this proxy statement or incorporated herein by reference. The pro forma data are unaudited and for illustrative purposes only. The companies may have performed differently had they always been combined. You should not rely on this information as being indicative of the historical results that would have been achieved had the companies always been combined or the future results that the combined company will achieve after the consummation of the Transaction.

Historical Data Per Share

The historical book value per share data for Iron Mountain presented below is computed by dividing total Iron Mountain Incorporated stockholders' equity of \$856.4 million on December 31, 2014 and \$708.8 million on June 30, 2015, by the number of shares outstanding on those dates.

	Iron Mountain	
	As of and for Year Ended December 31, 2014	As of and for Six Months Ended June 30, 2015
Income (loss) from continuing operations per common share		
Basic	\$ 1.68	\$ 0.45
Diluted	1.67	0.45
Shares used in calculating basic and diluted income (loss) from continuing operations per common share		
Basic	195,278	210,468
Diluted	196,749	212,163
Book value per share	\$ 4.08	\$ 3.36

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Table of Contents

The historical book value per share data for Recall presented below is computed by dividing total Recall Holdings Limited total equity of \$599.4 million on June 30, 2014 and \$549.2 million on June 30, 2015, respectively, by the number of shares outstanding on those dates.

	Recall	
	As of and for Year Ended June 30, 2014	As of and for Year Ended June 30, 2015
Earnings per share		
Basic	\$ 0.20	\$ 0.21
Diluted	0.20	0.21
Shares used in calculating basic and diluted earnings per common share		
Basic	208,700	313,400
Diluted	209,800	317,400
Book value per share	\$ 1.92	\$ 1.75

Unaudited Pro Forma Consolidated Data Per Share

The pro forma book value per share as of June 30, 2015 is computed by dividing pro forma consolidated Iron Mountain Incorporated Stockholders' Equity of [•] on June 30, 2015 by the pro forma number of shares assumed to be outstanding on that date.

	Iron Mountain & Recall Pro Forma Consolidated	
	As of and for Year Ended December 31, 2014	As of and for Six Months Ended June 30, 2015
Income (loss) from continuing operations per common share		
Basic	\$ [•]	\$ [•]
Diluted	[•]	[•]
Shares used in calculating basic and diluted income (loss) from continuing operations per common share		
Basic	[•]	[•]
Diluted	[•]	[•]
Book value per share(1)		\$ [•]

(1)

Pro forma book value per share is only calculated for a June 30, 2015 Transaction date.

Table of Contents**COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION**

Shares of Iron Mountain common stock are currently listed and principally traded on the NYSE under the symbol "IRM." Ordinary shares of Recall are currently listed and principally traded on the ASX under the symbol "REC." The following table sets forth, for the periods indicated, the high and low sales prices per share of Iron Mountain common stock and Recall ordinary shares as reported on the NYSE and the ASX, respectively. Price per share information for Recall ordinary shares is presented in Australian dollars.

Iron Mountain:

Fiscal Year Ending December 31, 2015	High	Low
Third Quarter (through August 12, 2015)	\$ 32.25	\$ 28.34
Second Quarter	\$ 38.49	\$ 30.95
First Quarter	\$ 41.53	\$ 35.60

Fiscal Year Ended December 31, 2014	High	Low
Fourth Quarter	\$ 40.41	\$ 31.11
Third Quarter	\$ 37.10	\$ 31.17
Second Quarter	\$ 31.15	\$ 25.95
First Quarter	\$ 30.48	\$ 25.74

Fiscal Year Ended December 31, 2013	High	Low
Fourth Quarter	\$ 30.80	\$ 25.03
Third Quarter	\$ 29.12	\$ 25.53
Second Quarter	\$ 39.71	\$ 25.91
First Quarter	\$ 36.67	\$ 31.45

Recall:

Fiscal Year Ended June 30, 2016	High	Low
First Quarter (through August 12, 2015)	A\$ 7.30	A\$ 6.88

Fiscal Year Ended June 30, 2015	High	Low
Fourth Quarter	A\$ 7.85	A\$ 6.88
Third Quarter	A\$ 8.06	A\$ 6.87
Second Quarter	A\$ 7.38	A\$ 5.48
First Quarter	A\$ 5.60	A\$ 4.68

Fiscal Year Ended June 30, 2014	High	Low
Fourth Quarter	A\$ 4.86	A\$ 4.40
Third Quarter	A\$ 4.65	A\$ 4.04
Second Quarter (from December 10, 2013)	A\$ 4.50	A\$ 4.05

The table below sets forth the closing sale prices of Iron Mountain common stock and Recall ordinary shares as reported on the NYSE and ASX, respectively, on April 27, 2015 (the last trading day prior to the announcement of an agreement in principle between Iron Mountain and Recall pursuant to which Iron Mountain would acquire Recall), on June 5, 2015 (the last trading day prior to the public announcement of the Transaction), and August 12, 2015. The table also shows the implied value of one ordinary share of Recall, which was calculated by multiplying the closing price of Iron Mountain common stock on that date by the exchange ratio of 0.1722 (the "exchange ratio") and adding the Cash

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Table of Contents

Supplement (except in the case of April 27, 2015 because the Cash Supplement was not included in the agreement in principle announced by the parties on April 28, 2015). The market prices of Iron Mountain common stock and Recall ordinary shares likely will fluctuate between the date of this proxy statement and the time of the Iron Mountain and Recall shareholder approvals and the completion of the Transaction. No assurance can be given concerning the market prices of Iron Mountain common stock or Recall ordinary shares before the completion of the Transaction or the market price of Iron Mountain common stock after the completion of the Transaction.

The Transaction consideration is fixed in the Transaction Agreement and will not be adjusted for changes in the market value of the Iron Mountain common stock or Recall ordinary shares. As a result, the market value of the Iron Mountain common stock that Recall shareholders will receive in the Transaction may vary significantly from the prices shown in the table below.

Date	Recall Ordinary Share (A\$)(3)	Iron Mountain Common Stock (US\$)(4)	Share Conversion Ratio	Cash Supplement (US\$)(5)	U.S. dollar to Australian dollar exchange rate(6)	Implied Value of Recall Ordinary Share (A\$)
April 27, 2015(1)	\$ 7.69	\$ 36.24	0.1722		0.7812	\$ 7.99
June 5, 2015(2)	\$ 7.02	\$ 32.65	0.1722	\$ 0.50	0.7724	\$ 7.93
August 12, 2015	\$ 6.88	\$ 29.75	0.1722	\$ 0.50	0.7333	\$ 7.67

- (1) Represents the last trading day prior to announcement of an agreement in principle between Iron Mountain and Recall whereby Iron Mountain would acquire 100% of the issued share capital of Recall.
- (2) Represents the last trading day prior to announcement of the Transaction Agreement.
- (3) Trading price of Recall common stock upon the close of trading on the ASX on the date indicated.
- (4) Trading price of Iron Mountain common stock upon the close of trading on the NYSE on the date indicated.
- (5) Represents the Cash Supplement as agreed upon in the Transaction Agreement. Cash Supplement is not included for the April 27, 2015 calculation as the Cash Supplement was not contemplated in the original agreement in principle.
- (6) Historical exchange rates based on ending exchange rate for the date indicated per Oanda.com.

Iron Mountain stockholders should obtain current market prices for shares of Iron Mountain common stock and Recall ordinary shares in deciding whether to vote for the approval of the Transaction Proposal.

Dividends

Iron Mountain

In February 2010, the Iron Mountain board of directors adopted a dividend policy under which Iron Mountain has paid, and in the future intends to pay, quarterly cash dividends on its common stock. Declaration and payment of future quarterly dividends is at the discretion of the Iron Mountain board of directors.

On September 15, 2014, Iron Mountain announced a special distribution of \$700,000 (the "Special Distribution") payable to stockholders of record as of September 30, 2014. The Special Distribution represented the remaining amount of Iron Mountain's undistributed earnings and profits attributable to all taxable periods ending on or prior to December 31, 2013, which in accordance with tax rules applicable to REIT conversions, Iron Mountain was required to pay to its stockholders on or before December 31, 2014. The Special Distribution also included certain items of taxable income that Iron Mountain recognized in 2014, such as depreciation recapture in respect of accounting method changes commenced in Iron Mountain's pre-REIT period as well as foreign earnings and profits recognized as

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Table of Contents

dividend income. The Special Distribution followed an initial special distribution of \$700,000 paid to Iron Mountain stockholders in November 2012.

The Special Distribution was paid on November 4, 2014 (the "Payment Date") to stockholders of record as of September 30, 2014 in a combination of common stock and cash. Stockholders had the right to elect to be paid their pro rata portion of the Special Distribution in all common stock or all cash, with the total cash payment to stockholders limited to no more than \$140,000 or 20% of the total Special Distribution, not including cash paid in lieu of fractional shares. Based on stockholder elections, Iron Mountain paid \$140,000 of the Special Distribution in cash, not including cash paid in lieu of fractional shares, with the balance paid in the form of common stock. Iron Mountain's shares of common stock were valued for purposes of the Special Distribution based upon the average closing price on the three trading days following October 24, 2014, or \$35.55 per share, and as a result, Iron Mountain issued approximately 15,750,000 shares of common stock in the Special Distribution. These shares impacted weighted average shares outstanding from the date of issuance, and thus impact Iron Mountain's earnings per share data prospectively from the Payment Date.

In November 2014, the Iron Mountain board of directors declared a distribution of \$0.255 per share (the "Catch-Up Distribution") payable on December 15, 2014 to stockholders of record on November 28, 2014. The Iron Mountain board of directors declared the Catch-Up Distribution because Iron Mountain's cash distributions paid from January 2014 through July 2014 were declared and paid before the Iron Mountain's board of directors had determined that Iron Mountain would elect REIT status effective January 1, 2014 and were therefore less than they otherwise would have been if the final determination to elect REIT status effective January 1, 2014 had been made prior to such distributions.

In 2013, 2014 and during the first six months of 2015, the Iron Mountain board of directors declared and paid the following dividends:

Declaration Date	Dividend Per Share	Record Date	Total Amount (in thousands)	Payment Date
March 14, 2013	\$ 0.2700	March 25, 2013	\$ 51,460	April 15, 2013
June 6, 2013	0.2700	June 25, 2013	51,597	July 15, 2013
September 11, 2013	0.2700	September 25, 2013	51,625	October 15, 2013
December 16, 2013	0.2700	December 27, 2013	51,683	January 15, 2014
March 14, 2014	0.2700	March 25, 2014	51,812	April 15, 2014
May 28, 2014	0.2700	June 25, 2014	52,033	July 15, 2014
September 15, 2014	0.4750	September 25, 2014	91,993	October 15, 2014
September 15, 2014(1)	3.6144	September 30, 2014	700,000	November 4, 2014
November 17, 2014(2)	0.2550	November 28, 2014	53,450	December 15, 2014
November 17, 2014	0.4750	December 5, 2014	99,617	December 22, 2014
February 19, 2015	0.4750	March 6, 2015	99,795	March 20, 2015
May 28, 2015	0.4750	June 12, 2015	100,119	June 26, 2015

- (1)
Represents Special Distribution
- (2)
Represents Catch-Up Distribution

During the years ended December 31, 2012, 2013 and 2014, Iron Mountain's board of directors declared distributions to Iron Mountain stockholders of \$886,896, \$206,365 and \$1,048,905 respectively. These distributions represent approximately \$5.12 per share, \$1.08 per share and \$5.37 per share for the years ended December 31, 2012, 2013 and 2014, respectively, based on the weighted average number of common shares outstanding during each respective year. For each of 2012 and 2014, total amounts distributed included special distributions of \$700,000 or \$4.07 and \$3.61 per share,

Edgar Filing: IRON MOUNTAIN INC - Form PREM14A

Table of Contents

respectively, associated with Iron Mountain's conversion to a REIT. A portion of these distributions were paid to Iron Mountain stockholders in the form of Iron Mountain common stock.

For federal income tax purposes, distributions to Iron Mountain's stockholders are generally treated as nonqualified ordinary dividends, qualified ordinary dividends or return of capital. The United States Internal Revenue Service (the "IRS") requires historical C corporation earnings and profits to be distributed prior to any REIT distributions, which may affect the character of each distribution to Iron Mountain stockholders, including whether and to what extent each distribution is characterized as a qualified or nonqualified ordinary dividend. For the years ended December 31, 2012, 2013 and 2014, the dividends Iron Mountain paid on its common stock were classified as follows:

	Year Ended December 31,		
	2012	2013	2014
Nonqualified ordinary dividends	0.0%	0.0%	26.4%
Qualified ordinary dividends	100.0%	100.0%	56.4%
Return of capital	0.0%	0.0%	17.2%
	100.0%	100.0%	100.0%

Recall

On August 24, 2014, the Recall board of directors adopted a dividend policy under which Recall has paid, and in the future intends to pay, certain dividends on its shares. Recall's dividend policy has a long-term target dividend pay-out ratio of 55-70% of underlying net profit after tax, after taking account of the future funding needs of the business. Recall established a Dividend Reinvestment Plan in August 2014. However, Recall has not yet activated that plan.

Under the Corporations Act, Recall may not pay a dividend unless Recall's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend, the payment of the dividend is fair and reasonable to Recall shareholders as a whole and the payment of the dividend does not materially prejudice Recall's ability to pay creditors. Subject to the Corporations Act, the constitution of Recall and the terms of issue or rights of any shares with special rights to dividends, the Recall directors may declare or determine that a dividend is payable, fix the amount and the time for payment and authorize the payment or crediting by Recall to, or at the direction of, each Recall shareholder entitled to that dividend.

In 2014 and 2015, the Recall board of directors declared and paid the following dividends:

Balance Date	Dividend Per Share		Record Date	Total Amount (in thousands)		Payment Date
June 30, 2015	A\$	0.10	October 7, 2015	A\$	31,370	October 27, 2015
December 31, 2014	A\$	0.09	April 7, 2015	A\$	28,200	April 24, 2015
June 30, 2014	A\$	0.08	October 1, 2014	A\$	25,100	October 23, 2014

In the 2013-14 financial year, the Recall board of directors determined to pay a dividend of A\$0.08 per Recall share. The dividend was unfranked and 100% was classified as conduit foreign income.

In the first half of the 2014-15 financial year, the Recall board of directors determined to pay a dividend of A\$0.09 per Recall share. The dividend was 30% franked and 70% was classified as conduit foreign income. In the second half of the 2014-15 financial year, the Recall board of directors determined to pay a dividend of A\$0.10 per Recall share. The dividend was 40% franked and 60% was classified as conduit foreign income.

In December 2013, Brambles Limited, an Australian public company limited by shares ("Brambles"), implemented a demerger transaction by way of a distribution of shares of Recall to

Table of Contents

Brambles' shareholders (the "Demerger"). As part of the Demerger process, Recall paid a dividend of \$23,800 to Brambles on December 18, 2013. This dividend was unfranked.

As part of Recall's dividend policy, Recall intends to frank future dividends to the extent practicable, which is likely to mean partial franking in the medium term. The unfranked component of Recall's dividends paid to non-Australian residents is intended to be conduit foreign income to the extent possible and therefore not subject to Australian withholding tax. However, there is a risk that some, or all, of the unfranked component may be subject to Australian withholding tax.

On the basis that the Transaction will become effective after December 31, 2015, the Recall board of directors intends to pay a dividend for the period from July 1, 2015 to December 31, 2015 (i.e. first half of 2016) subject to law and consistent with Recall's existing dividend policy.

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING PROPOSALS

The following are some questions that you, as a stockholder of Iron Mountain, may have regarding the Transaction and the other matters being considered at the special meeting of Iron Mountain stockholders, as well as answers to those questions. Iron Mountain urges you to read this proxy statement carefully and in its entirety because the information in this section does not provide all of the information that might be important to you with respect to the Transaction. Additional important information is also contained in the annexes to, and the documents incorporated by reference into, this proxy statement.

Q:
Why am I receiving this proxy statement?

A:
Iron Mountain is proposing to acquire Recall in the Transaction pursuant to the terms and conditions of the Transaction Agreement, the Scheme and the Deed Poll that are described in this proxy statement. In the Transaction, Iron Mountain Sub will acquire all of the outstanding ordinary shares of Recall in exchange for cash and newly issued shares of Iron Mountain common stock pursuant to a scheme of arrangement under Australian corporate law. As a result, Recall will become a wholly-owned subsidiary of Iron Mountain Sub. Upon the completion of the Transaction, shares of Iron Mountain common stock representing approximately 19% to 21%, depending upon the extent to which the Cash Election is made, of the outstanding common stock of Iron Mountain will be issued to former Recall shareholders, and the shares of common stock held by existing Iron Mountain stockholders will represent approximately 79% to 81% of the outstanding common stock of Iron Mountain immediately after the completion of the Transaction. A copy of the Transaction Agreement is attached to this proxy statement as Annex A. A copy of the draft Scheme forms Annexure 2 to the Transaction Agreement, and a copy of the draft Deed Poll forms Annexure 3 to the Transaction Agreement.

In order to complete the Transaction, Recall shareholders and the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall) must approve the Transaction and all other conditions to the Transaction must be satisfied or waived.

Iron Mountain will hold a special meeting of its stockholders to obtain the required approval of its stockholders, and Recall will hold a separate special meeting of its shareholders to obtain the required approval of its shareholders.

Q:
What will I receive in the Transaction?

A:
Iron Mountain stockholders will continue to own their existing shares of Iron Mountain common stock after the Transaction. Immediately after the completion of the Transaction, Iron Mountain's existing stockholders will collectively own approximately 79% to 81%, depending upon the extent to which the Cash Election is made, of the outstanding common stock of Iron Mountain, and Recall's former shareholders will collectively own approximately 19% to 21% of the outstanding common stock of Iron Mountain.

Q:
When and where will Iron Mountain hold its special meeting?

A:
The special meeting will be held at [*****] a.m. local time on [*****], 2015, at [*****], to consider and vote on each of the proposals described below.

Q:
What will the Iron Mountain stockholders be asked to vote upon at the special meeting?

A:
At the special meeting, Iron Mountain's stockholders will be asked to consider and vote upon the following proposals:

1. the Transaction Proposal; and

Table of Contents

2.

to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies if there are insufficient votes at the time of the special meeting to approve the Transaction Proposal.

Q:

What will the Recall shareholders be asked to vote upon?

A:

Recall shareholders will not be asked to vote on any of the proposals to be considered and voted upon at the Iron Mountain special meeting. Rather, if, at the First Court Hearing, the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall), grants the necessary orders to convene a meeting of Recall shareholders to consider and vote upon a resolution to approve the Transaction, Recall will hold a separate special meeting of its shareholders pursuant to those orders.

Q:

Who is eligible to vote at the special meeting?

A:

Holders of Iron Mountain common stock as of the close of business on [*****], 2015, the record date for the special meeting, are eligible to vote.

Q:

How many votes do Iron Mountain's stockholders have?

A:

Holders of Iron Mountain's common stock are entitled to cast one vote on each proposal properly brought before the special meeting for each share of Iron Mountain common stock that such holder owned at the close of business on the record date.

Q:

What constitutes a quorum for the special meeting?

A:

A majority of the outstanding shares of Iron Mountain common stock entitled to vote being present in person or represented by proxy constitutes a quorum for the special meeting. Abstentions will be counted for purposes of determining the presence of a quorum at the special meeting but will not be considered as votes cast. Banks, brokers and other nominees that hold their customers' shares in street name may not vote their customers' shares on "non-routine" matters without instructions from their customers. As each of the proposals to be voted upon at the special meeting is considered "non-routine," such organizations do not have discretion to vote on any proposal for which they do not receive instructions from their customers (this is referred to in this context as a "broker non-vote"). As a result, if you fail to provide your broker, bank or other nominee with any instructions regarding how to vote your shares, your shares will not be considered present at the special meeting, will not be counted for purposes of determining the presence of a quorum and will not be voted on any of the proposals. If you provide instructions to your broker, bank or other nominee which indicate how to vote your shares with respect to a proposal but not with respect to the other proposal, your shares will be considered present at the special meeting and be counted for purposes of determining the presence of a quorum but will not be voted with respect to the other proposal.

If a quorum is not present at the meeting, the chairman of the meeting may adjourn the meeting to continue to solicit proxies.

Q:

What vote by the Iron Mountain stockholders is required to approve the Transaction Proposal?

A:

Pursuant to Section 312.03 of the NYSE Listed Company Manual, approval of the Transaction Proposal will require the affirmative vote of, in person or by proxy, holders of a majority of the total votes cast with respect to the Transaction Proposal.

Table of Contents

Q: **Why is my vote important?**

A: In order to complete the Transaction, Iron Mountain stockholders must approve the Transaction Proposal.

Q: **Why am I being asked to consider and vote upon the Transaction Proposal?**

A: Because Iron Mountain common stock is listed for trading on the NYSE, issuances of shares of Iron Mountain common stock are subject to the NYSE Listed Company Manual. Section 312.03 of the NYSE Listed Company Manual requires stockholder approval for the issuance of shares of Iron Mountain common stock in instances where the number of securities issued or issuable in payment of the purchase price in a transaction exceeds 20% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis before the new issuance. Because the Transaction Agreement, the Scheme and Deed Poll contemplate the issuance of shares of Iron Mountain common stock in excess of this threshold on a non-diluted basis, Iron Mountain is asking you to approve the Transaction Proposal.

Q: **Will the newly issued shares of Iron Mountain common stock be traded on an exchange?**

A: It is a condition to the completion of the Transaction that the shares of common stock of Iron Mountain to be issued pursuant to the Transaction be approved for listing on the NYSE and on the ASX.

Accordingly, Iron Mountain has agreed to obtain listing approval from the NYSE for the Iron Mountain shares that will be issued in the Transaction. Iron Mountain has also agreed to establish a secondary listing on the ASX to allow Recall shareholders to trade Iron Mountain shares via Iron Mountain CDIs on the ASX.

Q: **What are Iron Mountain and Recall's reasons for proposing the Transaction and entering into the Transaction Agreement?**

A: The Iron Mountain board of directors concluded that there are significant potential benefits in the Transaction, including, among other things, an expanded global footprint, increased economies of scale, significant synergies and the potential future share appreciation of Iron Mountain, that outweigh the uncertainties, risks and potentially negative factors relevant to the Transaction. For a more detailed discussion of the reasoning of Iron Mountain's board of directors, see "*The Transaction Iron Mountain's Reasons for the Transaction*" beginning on page 73 of this proxy statement and "*The Transaction Recommendations of the Iron Mountain Board of Directors*" beginning on page 75 of this proxy statement.

Q: **What is a scheme of arrangement?**

A: A scheme of arrangement is a statutory procedure under Australian corporate law that allows companies to carry out transactions with shareholders and court approval that becomes binding on all shareholders by operation of law. The scheme of arrangement that is being proposed by Recall will allow Iron Mountain Sub to acquire all of the outstanding Recall ordinary shares.

Q: **How does Iron Mountain's board of directors recommend that I vote?**

A: Iron Mountain's board of directors unanimously recommends that you vote "**FOR**" each of the proposals to be considered and voted upon at the special meeting.

Table of Contents

Q:
What do I need to do now?

A:
Please read this proxy statement carefully, including its annexes, to consider how the Transaction affects you. After you read this proxy statement, you should complete, sign and date your proxy card and mail it in the enclosed return envelope or submit your proxy over the telephone or over the Internet as soon as possible so that your shares can be voted at the special meeting. If you sign, date and mail your proxy card without indicating how you wish to vote, your vote will be counted as a vote "**FOR**" each of the proposals being considered and voted upon at the special meeting. If your shares are held in "street name" by your broker, bank or other nominee, you should follow the directions provided by your broker, bank or other nominee. Your broker, bank or other nominee will vote your shares only if you provide instructions on how you would like your shares to be voted.

Q:
How do I vote?

A:
If you are a stockholder of record, you may vote in any of the following ways:

To vote in person, come to the special meeting and you will be able to vote by ballot. To ensure that your shares are voted at the special meeting, Iron Mountain's board of directors recommends that you submit a proxy even if you plan to attend the special meeting.

To vote using the enclosed proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the enclosed return envelope. If you return your signed proxy card to Iron Mountain before the special meeting, Iron Mountain will vote your shares as you direct.

To vote by telephone, dial the toll-free telephone number located on the enclosed proxy card and follow the recorded instructions. You will be asked to provide the company number and control number from the enclosed proxy card. Your vote must be received by 11:59 pm (eastern U.S. time) on [*****], 2015 to be counted.

To vote over the Internet, go to the web address located on the enclosed proxy card to complete an electronic proxy card. You will be asked to provide the company number and control number from the enclosed proxy card. Your vote must be received by 11:59 pm (eastern U.S. time) on [*****], 2015 to be counted.

If your shares of common stock are held in "street name" by your broker, bank or other nominee, you should have received a voting instruction form with these proxy materials from that organization rather than from Iron Mountain. Your broker, bank or other nominee will vote your shares only if you provide instructions to that organization on how to vote. You should provide your broker, bank or other nominee with instructions regarding how to vote your shares by following the enclosed procedures provided by that organization. Your shares will not be voted with respect to any proposal for which you fail to provide instructions, which will have no effect on approval of the proposals.

A control number, located on your proxy card or voting instruction form, is designed to verify your identity and allow you to vote your shares of Iron Mountain common stock, and to confirm that your voting instructions have been properly recorded when voting over the Internet or by telephone.

Q:
What does it mean if I receive more than one set of materials?

A:
This means you own shares of Iron Mountain common stock that are registered under different names. For example, you may own some shares directly as a stockholder of record and other shares through a broker or you may own shares through more than one broker, bank or other nominee. In these situations, you will receive multiple sets of proxy materials. You must complete,

Table of Contents

sign, date and return each of the proxy cards and voting instruction forms that you receive, or vote all of your shares over the telephone or over the Internet in accordance with the instructions above in order to vote all of the shares you own. Each proxy card you receive comes with its own prepaid return envelope and control number(s). If you vote by mail, make sure you return each proxy card in the return envelope that accompanies that proxy card or voting instruction form, and if you vote by telephone or via the Internet, please follow the enclosed instructions and use your control number(s).

Q:

What happens if I sell my shares of common stock before the special meeting?

A:

The record date for stockholders entitled to vote at the special meeting is earlier than the date of the special meeting. If you transfer your shares of Iron Mountain common stock after the record date, but before the date of the special meeting, you will retain your right to vote at the special meeting unless special arrangements are made between you and the person to whom you transfer your shares.

Q:

May I vote in person?

A:

If you are the stockholder of record of shares of Iron Mountain common stock, you have the right to vote in person at the special meeting with respect to those shares. If you are the beneficial owner of shares of Iron Mountain common stock, you are invited to attend the special meeting but, since you are not the stockholder of record, you may not vote these shares in person at the special meeting, unless you obtain a document called a "legal proxy" from your broker, bank or other nominee giving you the right to vote the shares at the special meeting. **Even if you plan to attend the special meeting as a stockholder of record, Iron Mountain recommends that you also submit your proxy card or voting instructions as described above under "How do I vote?" so that your vote will be counted if you later decide not to attend the special meeting.**

Q:

How can I change or revoke my vote?

A:

You have the right to revoke a proxy delivered by mail, by telephone, or over the Internet at any time before it is exercised by voting again at a later date through any of the methods available to you, by delivering written notice of revocation to Iron Mountain's Corporate Secretary by the time the special meeting begins, or by attending the special meeting and voting in person.

Q:

Am I entitled to appraisal rights?

A:

No. Under Delaware law, holders of shares of Iron Mountain common stock are not entitled to appraisal rights in connection with the Transaction or any of the matters to be acted on at the special meeting.

Q:

Is completion of the Transaction subject to any conditions?

A:

Yes. Iron Mountain and Recall are not required to complete the Transaction unless a number of conditions are satisfied or waived, including receipt of the required approvals from the Iron Mountain stockholders, Recall shareholders and the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall). See "*The Transaction Agreement, Scheme and Deed Poll Conditions Precedent to the Scheme*" beginning on page 116 of this proxy statement for a more complete summary of the conditions that must be satisfied or waived prior to completion of the Transaction.

Table of Contents

Q:
When is the Scheme expected to be completed?

A:
The Scheme is expected to be completed in the first half of 2016 subject to the satisfaction or waiver of the various closing conditions set forth in the Transaction Agreement. In order for the Scheme to be completed, it must first become effective. To become effective it must (among other things) be approved by the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall), at the Second Court Hearing. Recall will apply to the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall), for an order approving the Scheme if the Scheme is approved by the requisite majorities of Recall shareholders voting at the Recall special meeting and all other conditions precedent to the Scheme (other than approval of the Sydney Federal Court or such other competent court agreed by Iron Mountain and Recall) have been satisfied or waived.

If the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall), approves the Scheme, Recall will lodge a copy of the court orders with ASIC under section 411(10) of the Corporations Act. On the date on which the copies of the court orders approving the Scheme are lodged with ASIC, the Scheme will become effective. This is expected to occur on, or on the business day after, the date of issue of the court orders approving the Scheme.

It is expected that trading in ordinary shares of Recall on the ASX will be suspended from the close of trading on the Effective Date of the Scheme. A record date (which will be on or about the fifth business day following the suspension of trading of Recall shares on ASX) will be set to determine the Recall shareholders who will transfer their Recall shares and be entitled to receive consideration under the Transaction. It is scheduled that the Transaction consideration will be provided to Recall shareholders four business days after such record date (or such other date as agreed between Iron Mountain and Recall) and the Transaction will be deemed to have been completed or implemented on that date.

Q:
What happens if the Scheme is not completed?

A:
If the Scheme does not proceed, Recall shareholders will not receive shares of Iron Mountain common stock, the Iron Mountain CDIs or cash; Recall will remain listed on ASX, the market price of Iron Mountain common stock may fall in the short term; and, in certain circumstances, Iron Mountain may have to pay Recall a reimbursement fee. In certain other circumstances, Recall may have to pay Iron Mountain a reimbursement fee if the Scheme does not proceed.

Q:
Who can help answer my questions?

A:
The information provided above in the question-and-answer format is for your convenience only and is merely a summary of some of the information in this proxy statement. You should carefully read the entire proxy statement, including its annexes. If you would like additional copies of this proxy statement, without charge, or if you have questions about the Transaction, including the procedures for voting your shares, you should contact Okapi Partners LLC, Iron Mountain's proxy solicitation agent. The address of Okapi Partners LLC is 437 Madison Avenue 28th Floor, New York, New York 10022. You can call Okapi Partners LLC at 877-279-2311.

You may also wish to consult your legal, tax and/or financial advisors with respect to any aspect of the Transaction, the Transaction Agreement, the Scheme or Deed Poll or other matters discussed in this proxy statement.

Table of Contents

RISK FACTORS

You should carefully consider the following risk factors related to the Transaction and the anticipated business of Iron Mountain after the closing of the Transaction, as well as the other information contained in this proxy statement, including the attached annexes, in evaluating whether to approve the Transaction Proposal. If any of the risks described below, or elsewhere in this proxy statement, actually occurs, the business, financial results, financial condition, operating results or stock price of Iron Mountain could be materially adversely affected.

Risks Related to the Transaction

The integration of Recall will subject Iron Mountain to liabilities that may exist at Recall or may arise in connection with the consummation of the Transaction.

The integration of Recall with Iron Mountain may pose special risks, including one-time write-offs or restructuring charges, unanticipated costs, and the loss of key employees. There can be no assurance that the integration of Iron Mountain and Recall will be accomplished effectively or in a timely manner. In addition, the integration of Recall will subject Iron Mountain to liabilities (including tax liabilities) that may exist at Recall or may arise in connection with the consummation of the Transaction, some of which may be unknown. Although Iron Mountain and its advisors have conducted due diligence on the operations of Recall, there can be no guarantee that Iron Mountain is aware of any and all liabilities of Recall. These liabilities, and any additional risks and uncertainties related to the Transaction not currently known to Iron Mountain or that Iron Mountain may currently deem immaterial or unlikely to occur, could negatively impact Iron Mountain's future business, financial condition and results of operations.

The price of Iron Mountain's common stock and Iron Mountain's results of operations after the Transaction may be affected by factors different from those currently affecting the price of Iron Mountain common stock and Iron Mountain's results of operations.

Recall's business is different in certain ways from that of Iron Mountain, and Iron Mountain's results of operations, as well as the price of Iron Mountain's common stock after the Transaction, may be affected by factors different from those currently affecting Iron Mountain's results of operations and the price of Iron Mountain common stock. The price of Iron Mountain's common stock may fluctuate significantly following the Transaction, including as a result of factors over which Iron Mountain and Recall have no control. See " *Risks Related to Recall and Iron Mountain*" beginning on page 54 of this proxy statement for a discussion of Recall's business and certain factors to consider in connection with such business.

Iron Mountain will incur significant transaction and combination-related costs in connection with the Transaction.

Iron Mountain and Recall expect to incur significant costs associated with the Transaction and combining the operations of the two companies. Iron Mountain's fees and expenses related to the Transaction include financial advisors' fees, filing fees, legal and accounting fees, soliciting fees and regulatory fees, some of which will be paid regardless of whether the Transaction is completed. Furthermore, Iron Mountain will incur costs associated with combining the operations of the two companies. However, it is difficult to predict the amount of these costs before Iron Mountain begins the integration process. Iron Mountain may incur additional unanticipated costs as a consequence of difficulties arising from efforts to integrate the companies.

Table of Contents

Iron Mountain will need additional financing, which may not be available on favorable terms, if at all, in order to consummate the Transaction.

Iron Mountain currently anticipates that it will need to raise additional debt financing to consummate the Transaction. Such additional financing may not be available on favorable terms, if at all. If Iron Mountain is unable to obtain sufficient financing and consummate the Scheme, Iron Mountain may be subject to significant monetary or other damages under the Transaction Agreement.

The Transaction Agreement limits Iron Mountain's ability to pursue alternatives to the Transaction, and in certain instances requires payment of a reimbursement fee, which could deter a third party from proposing an alternative transaction to the Transaction.

While the Transaction Agreement is in effect, subject to certain limited exceptions, Iron Mountain is prohibited from soliciting, initiating, encouraging or entering into certain transactions, such as a merger, sale of assets or other business combination, with any third party. See "*The Transaction Agreement, Scheme and Deed Poll Exclusivity*"; beginning on page 128 of this proxy statement for a description of the foregoing limitations. As a result of these limitations, Iron Mountain may lose opportunities to enter into a more favorable transaction than the Transaction.

Moreover, under specified circumstances, Iron Mountain could be required to pay Recall a reimbursement fee of A\$25,500 in connection with the termination of the Transaction Agreement. See "*The Transaction Agreement, Scheme and Deed Poll Reimbursement Fees*" beginning on page 131 of this proxy statement for a description of the foregoing limitations. The reimbursement fee could deter a third party from proposing an alternative to the Transaction.

The Transaction is subject to conditions to closing that could result in the Transaction being delayed or not completed and the Transaction Agreement can be terminated in certain circumstances, each of which could negatively impact the price of the Iron Mountain common stock and Iron Mountain's future business and operations.

Consummation of the Transaction is subject to conditions, including, among others:

the approval by the Recall shareholders of the Transaction;

the approval by Iron Mountain's stockholders of the Transaction Proposal;

the approval of the Scheme by the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall);

the absence of any law, order or injunction that would prohibit, restrain or make illegal the Transaction;

the receipt of regulatory approvals;

the approval for listing on the NYSE of the Iron Mountain common stock to be issued in the Transaction and the establishment of a secondary listing on the ASX to allow shareholders of Recall to trade Iron Mountain CDI's on the ASX;

the accuracy of the representations and warranties and compliance with the respective covenants of the parties, subject to specified materiality qualifiers; and

no events having occurred that would have a material adverse effect on Recall or Iron Mountain.

In addition, Iron Mountain and Recall each has the right, in certain circumstances, to terminate the Transaction Agreement. If the Transaction Agreement is terminated or any of the conditions to closing are not satisfied and, where permissible, not waived, the Transaction will not be completed.

Table of Contents

Failure to complete the Transaction or any delay in the completion of the Transaction or any uncertainty about the completion of the Transaction may adversely affect the price of Iron Mountain's common stock or have an adverse impact on Iron Mountain's future business and operations.

If the Transaction is not completed, Iron Mountain's ongoing business may be adversely affected and, without realizing any of the benefits of having completed the Transaction, Iron Mountain would be subject to a number of risks, including the following:

negative reactions from the financial markets;

incurring and paying significant expenses in connection with the Transaction, such as financial advisors' fees, filing fees, legal and accounting fees, soliciting fees, regulatory fees and other related expenses;

paying a reimbursement fee of A\$25,500 if the Transaction Agreement is terminated in certain circumstances; and

paying a reimbursement fee of A\$76,500 if the Transaction Agreement is terminated due to Iron Mountain being unable to obtain the necessary antitrust/competition approvals required to consummate the Transaction.

In addition, Iron Mountain could be subject to litigation related to any failure to complete the Transaction or seeking to require Iron Mountain to perform its obligations under the Transaction Agreement, the Scheme or the Deed Poll.

The exchange ratio is fixed and will not be adjusted in the event of any change in either Recall's share price or Iron Mountain's stock price.

Subject to the terms and conditions set forth in the Transaction Agreement, after the Effective Date of the Scheme and upon the completion of the Transaction, each outstanding ordinary share of Recall will be transferred to Iron Mountain in exchange for the Cash Supplement and either (1) 0.1722 of a newly issued share of Iron Mountain common stock or (2) the Cash Election, subject to the Cash Election Cap. The exchange ratio is fixed and will not be adjusted for changes in the market price of either Recall shares or Iron Mountain's shares. Changes in the price of Iron Mountain's shares prior to completion of the Scheme may affect the market value that holders of Recall shares will receive on the date of the effective time for the Scheme. Share price changes may result from a variety of factors (many of which are beyond Iron Mountain's or Recall's control).

If the share price of Iron Mountain's common stock increases before the closing of the Transaction, Recall shareholders will receive shares of Iron Mountain common stock that have a market value that is greater than the current market value of such shares. Alternatively, if the share price of Iron Mountain's common stock decreases before the closing of the Transaction, Recall shareholders will receive shares of Iron Mountain's common stock that have a market value that is less than the current market value of such shares. Therefore, because the exchange ratio is fixed, prior to the closing of the Transaction, Iron Mountain stockholders and Recall shareholders cannot be sure of the market value of the share consideration that will be paid to Recall shareholders upon completion of the Transaction.

Obtaining required governmental and court approvals necessary to satisfy closing conditions may delay or prevent completion of the Transaction.

Completion of the Transaction is conditioned upon the receipt of certain governmental authorizations, consents, orders or other approvals, including approvals, clearances, filings or expiration or termination of waiting periods required in relation to the Transaction under antitrust laws of Australia, the United States and the United Kingdom. The Transaction must also be approved by the Sydney Federal Court (or such other competent court agreed by Iron Mountain and Recall). No

Table of Contents

assurance can be given that the approvals will be obtained. Even if such approvals or conditional approvals are obtained, no assurance can be given as to the terms, conditions and timing of the approvals or that they will satisfy the terms of the Transaction Agreement. Iron Mountain has agreed to pay a reimbursement fee of A\$76,500 if antitrust/competition approval is not obtained. See "*The Transaction Agreement, Scheme and Deed Poll Conditions Precedent to the Scheme*" beginning on page 116 for a discussion of the conditions to the completion of the Transaction.

The pro forma financial information is presented for illustrative purposes only and may not be an indication of Iron Mountain's financial condition or results of operations following the Transaction.

The unaudited pro forma consolidated financial information contained in this proxy statement is presented for illustrative purposes only and may not be an indication of Iron Mountain's financial condition or results of operations following the Transaction for several reasons. For example, the unaudited pro forma consolidated financial information has been derived from the historical financial statements of Iron Mountain and Recall and certain adjustments and assumptions have been made regarding Iron Mountain after giving effect to the Transaction. The information upon which these adjustments and assumptions have been made is preliminary, and these kinds of adjustments and assumptions are difficult to make with complete accuracy. Moreover, the unaudited pro forma consolidated financial information does not reflect all costs that are expected to be incurred by Iron Mountain in connection with the Transaction. For example, the impact of any incremental costs incurred in integrating Iron Mountain and Recall is not reflected in the unaudited pro forma consolidated financial information. As a result, the actual financial condition and results of operations of Iron Mountain following the Transaction may not be consistent with, or evident from, the unaudited pro forma consolidated financial information. Additionally, the purchase price used in preparing the pro forma financial information is based on the closing market price of Iron Mountain's shares, as well as the exchange rate between the U.S. dollar and the Australian dollar, as of August 12, 2015, which may be materially different from the closing price of Iron Mountain's shares and the exchange rate between the U.S. dollar and the Australian dollar on the completion date of the Transaction. The assumptions used in preparing the unaudited pro forma consolidated financial information may not prove to be accurate, and other factors may affect Iron Mountain's financial condition or results of operations following the Transaction. Iron Mountain's stock price may be adversely affected if the actual results of Iron Mountain fall short of the historical results reflected in the unaudited pro forma consolidated financial information contained in this proxy statement. See "*Unaudited Pro Forma Consolidated Financial Information*" beginning on page 18 of this proxy statement.

Recall's public filings are subject to Australian disclosure standards, which differ from SEC requirements.

Recall is an Australian issuer that is required to prepare and file its periodic and other filings in accordance with Australian securities laws. As a result, certain of the information about Recall, including any management's discussion and analysis, that is contained in this proxy statement was prepared in conjunction with Recall's financial statements that were prepared in accordance with IFRS and other Australian disclosure regulations, rather than the requirements that would apply in the United States. Because Australian disclosure requirements are different from SEC requirements, the information about Recall contained in this proxy statement may not be comparable to similar information available about Iron Mountain or other United States issuers.

Following the Transaction, Iron Mountain's exposure to foreign exchange translation risk will be increased.

Iron Mountain is currently subject to foreign exchange translation risk because it conducts business operations in several foreign countries through its foreign subsidiaries or affiliates, which conduct business in their respective local currencies. Recall conducts a significant portion of its operations outside of the United States through its foreign subsidiaries or affiliates, which also operate in their

Table of Contents

respective local currencies. Therefore, following the completion of the Transaction, Iron Mountain's international operations will account for a more significant portion of Iron Mountain's overall operations than they do presently. Because Iron Mountain's financial statements will continue to be presented in U.S. dollars subsequent to the Transaction, the local currencies will be translated into U.S. dollars at the applicable exchange rates for inclusion in Iron Mountain's consolidated financial statements. The results of operations of, and certain of Iron Mountain's intercompany balances associated with, Iron Mountain's international storage and information management services businesses will continue to be exposed to foreign exchange rate fluctuations, and due to the Transaction, Iron Mountain's exposure to exchange rate fluctuations will increase. Upon translation, operating results may differ materially from expectations, and significant shifts in foreign currencies can impact Iron Mountain's short-term results, as well as Iron Mountain's long-term forecasts and targets.

Because the Transaction will be completed after the date of the special meeting, at the time of the special meeting, you will not know the exact market value of the Iron Mountain shares that Recall shareholders will receive upon completion of the Transaction.

If the share price of Iron Mountain common stock increases between the date of the Iron Mountain special meeting and the completion of the Transaction, Recall shareholders will receive Iron Mountain shares that have a market value that is greater than the market value of such shares at the time of the approval of the Transaction Proposal by Iron Mountain stockholders. If the share price of Iron Mountain common stock decreases between the date of the Iron Mountain special meeting and the completion of the Transaction, Recall shareholders will receive Iron Mountain shares that have a market value that is less than the market value of such shares at the time of the approval of the Transaction Proposal by Iron Mountain stockholders. Therefore, because the exchange ratio is fixed, Iron Mountain stockholders cannot be sure at the time of the special meeting of the market value of the share consideration that will be paid to Recall shareholders upon completion of the Transaction.

In certain circumstances, if the Transaction Agreement is terminated without any payment of a termination payment by Recall, Iron Mountain may not be fully reimbursed for its out of pocket expenses.

Under the Transaction Agreement, Recall would be required to reimburse Iron Mountain for Iron Mountain's reasonable, documented out of pocket expenses actually incurred in connection with the Transaction up to a maximum of \$5,000 if (i) the Recall board of directors withdraws or adversely modifies its recommendation that Recall shareholders vote in favor of the resolution to approve the Transaction as a result of the report of the independent expert opining that the Transaction is not in the best interests of Recall's shareholders (other than where the reason for such opinion is a Recall competing transaction) and (ii) the Transaction Agreement is terminated by Recall or Iron Mountain prior to the Recall shareholders meeting. Given that such reimbursed expenses cannot exceed \$5,000 Iron Mountain may not be fully reimbursed for its out of pocket expenses in the event of such a termination.

Iron Mountain's due diligence of Recall may have failed to identify key issues that could have an adverse effect on Iron Mountain's performance and financial condition.

Before executing the Transaction Agreement, Recall and Iron Mountain undertook a period of mutual due diligence for the purpose of negotiating the terms of the Transaction. Although Recall and Iron Mountain decided to proceed with the Transaction following that due diligence exercise, there is a risk that the due diligence undertaken was insufficient or failed to identify key issues. Furthermore, after implementation of the Transaction, Iron Mountain will be subject to any unknown liabilities of Recall which could have an adverse effect on Iron Mountain's performance and financial condition.

Table of Contents

Iron Mountain will guarantee certain obligations of Recall to Brambles relating to Brambles' prior demerger transaction.

On December 18, 2013, Brambles implemented the Demerger of Recall from Brambles. Prior to and in connection with the Demerger, Brambles spun off certain of its United States and Canadian subsidiaries, directly or indirectly, to Recall. Such spin-offs were intended to be tax-free or tax-deferred under United States and Canadian tax laws, respectively, and Brambles obtained rulings from the IRS (with respect to the United States spin-off) and the Canada Revenue Agency (with respect to the Canadian spin-off), as well as opinions of its tax advisors, to such effect. However, the tax-free status of the spin-off of such United States subsidiaries could be adversely affected under certain circumstances if a 50% or greater interest in such United States subsidiaries were acquired as part of a plan or series of related transactions that included such spin-off. Similarly, the tax-deferred status of the spin-off of the Canadian subsidiaries could be adversely affected under certain circumstances if control of such subsidiaries were acquired as part of a series of transactions or events that included such spin-off.

In connection with the Demerger, Recall agreed to indemnify Brambles and certain of its affiliates for taxes to the extent that actions by Recall (e.g., an acquisition of Recall shares) resulted in the United States spin-off or the Canadian spin-off described above failing to qualify as tax-free or tax-deferred for United States or Canadian tax purposes, respectively. In addition, Recall agreed, among other things, that it would not, within two years of the 2013 spin-offs, enter into a proposed acquisition transaction, merger or consolidation (with respect to the United States spin-off) or take any action that could reasonably be expected to jeopardize, directly or indirectly, any of the conclusions reached in the Canadian tax ruling or opinion, without obtaining either a supplemental tax ruling from the relevant taxing authority, the consent of Brambles or an opinion of a tax advisor, acceptable to Brambles in its reasonable discretion, that such transaction should not result in the spin-offs failing to be tax-free under United States federal income tax law or Canadian tax law, respectively. Recall has obtained or intends to obtain such tax opinions, based on, among other things, representations and warranties made by Recall and Iron Mountain. Such opinions, once accepted by Brambles, do not affect Recall's obligation to indemnify Brambles for an adverse impact on the tax-free status of such prior spin-offs. The delivery of those opinions is a condition to Iron Mountain's obligation to consummate the Transaction.

Iron Mountain has agreed, contingent on the consummation of the Transaction, to guarantee the foregoing indemnification obligations of Recall. Consistent with the foregoing tax opinions, Iron Mountain believes that the Transaction is not part of a plan or series of related transactions, or part of a series of transactions or events, that included the United States spin-off or the Canadian spin-off, respectively. However, if the IRS or the Canadian Revenue Agency were to prevail in asserting a contrary view, Iron Mountain and Recall would be liable for the resulting taxes, which could be material.

Risks Related to Recall and Iron Mountain

The failure to integrate successfully the businesses of Iron Mountain and Recall in the expected time frame would adversely affect Iron Mountain's future results.

The success of the Transaction will depend, in large part, on the ability of Iron Mountain to realize the anticipated benefits, including cost savings from combining the businesses of Iron Mountain and Recall. To realize these anticipated benefits, the businesses of Iron Mountain and Recall must be successfully integrated. This integration will be complex and time-consuming. The failure to integrate successfully and to manage successfully the challenges presented by the integration process may result in Iron Mountain not fully achieving the anticipated benefits of the Transaction.

Table of Contents

Potential difficulties that may be encountered in the integration process include the following:

- challenges and difficulties associated with managing the larger, more complex, combined company;
- conforming standards, controls, procedures and policies, business cultures and compensation structures between the entities;
- integrating personnel from the two entities while maintaining focus on developing, producing and delivering consistent, high quality services;
- consolidating corporate and administrative infrastructures;
- coordinating geographically dispersed organizations;
- potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the Transaction;
- performance shortfalls at one or both of the entities as a result of the diversion of management's attention caused by completing the Transaction and integrating the entities' operations; and
- the ability of Iron Mountain to deliver on its strategy going forward.

The financial analyses and forecasts considered by Iron Mountain and provided to its financial advisor may not be realized, which may adversely affect the market price of Iron Mountain common stock following the Transaction.

In performing its financial analysis and rendering its opinion regarding the fairness, from a financial point of view, of the Aggregate Consideration (as defined in the written opinion), the financial advisor to Iron Mountain was provided with and relied on with Iron Mountain's consent, among other things, internal stand-alone and pro forma financial analyses and forecasts prepared by Iron Mountain's management. See "The Transaction Summary of Certain Financial Projections Provided to the Iron Mountain Board and Iron Mountain's Financial Advisors" beginning on page 82 of this proxy statement for additional information. These analyses and forecasts were prepared by, or as directed by, the management of Iron Mountain. None of these analyses or forecasts were prepared with a view towards public disclosure or compliance with the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. These projections are inherently based on various estimates and assumptions that are subject to the judgment of those preparing them. These projections are also subject to significant economic, competitive, industry and other uncertainties and contingencies, all of which are difficult or impossible to predict and many of which are beyond the control of Iron Mountain and Recall. Accordingly, there can be no assurance that Iron Mountain's financial condition or results of operations will be consistent with those set forth in such analyses and forecasts prepared by Iron Mountain's management, which could have a material adverse effect on the market price of Iron Mountain or on the combined company's ordinary shares following the Transaction.

Iron Mountain would incur adverse tax consequences if the combined company following the Transaction failed to qualify as a REIT for United States federal income tax purposes.

Iron Mountain believes that, following the Transaction, Iron Mountain will integrate Recall's assets and operations in a manner that will allow Iron Mountain to timely satisfy the REIT income, asset, and distribution tests applicable to Iron Mountain. However, if Iron Mountain fails to do so, it could jeopardize or lose its qualification for taxation as a REIT, particularly if Iron Mountain were ineligible to utilize relief provisions set forth in the Internal Revenue Code of 1986, as amended (the "Code"). For any taxable year that Iron Mountain fails to qualify for taxation as a REIT, Iron Mountain would not be allowed a deduction for distributions to Iron Mountain stockholders in computing its taxable