Competition Hurdles Cleared for Proposed Acquisition of Recall by Iron Mountain

Supplementary Scheme Booklet released and Recall Scheme Meeting remains scheduled for 19 April 2016

Recall Directors continue to unanimously recommend that Recall shareholders vote in favour of the Scheme

The Independent Expert considers that the Scheme continues to be in the best interests of Recall shareholders

Sydney, Australia: 1 April, 2016 Recall Holdings Limited (ASX: REC), a global leader in information management, today announced outcomes with competition and antitrust regulators in the United States and Canada related to its proposed acquisition by Iron Mountain Incorporated (NYSE: IRM) and ASIC has registered the Supplementary Scheme Booklet in relation to the proposed acquisition of Recall by Iron Mountain Incorporated by way of a Scheme of Arrangement (the Scheme).

The proposed acquisition was reviewed by the Australian Competition and Consumer Commission (ACCC), the United States Department of Justice (DOJ), the Canada Competition Bureau (CCB) and the United Kingdom (UK) Competition and Markets Authority (CMA). To address competition concerns raised by these regulators, Iron Mountain has agreed to divest portions of Recall's business in the United States, portions of both its and Recall's businesses in Canada and the majority of Iron Mountain's records management business in Australia, and to place Recall's entire business in the UK in a hold separate arrangement from the closing until the conclusion of the CMA's review.

ASIC has registered the Supplementary Scheme Booklet in relation to the proposed acquisition of Recall by Iron Mountain and a copy of the Supplementary Scheme Booklet, including the updated Independent Expert's Report, is attached to this announcement and will be mailed to Recall shareholders on or about 6 April 2016. The Independent Expert has concluded that the Scheme is in the best interests of Recall shareholders, in the absence of a Superior Proposal.

The Scheme Meeting is currently scheduled to be held at 10.00am on Tuesday, 19 April 2016 at the Museum of Sydney, Corner Phillip Street & Bridge Street, Sydney. Recall Directors continue to unanimously recommend that Recall shareholders vote in favour of the Scheme, in the absence of a Superior Proposal.

All Recall shareholders are encouraged to vote either by attending the Scheme Meeting in person, or by lodging a proxy vote by 10.00am on Sunday, 17 April 2016. Details of how to lodge a proxy vote are included on the proxy form and in the Supplementary Scheme Booklet.

Iron Mountain Update on competition approvals as well as synergy and accretion estimates

On 30 March 2016, Iron Mountain announced that it had obtained the ACCC's approval in respect of its proposed undertakings and the UK Competition and Market Authority announced its conditional consent for the Scheme to be implemented subject to a hold separate arrangement.

The approval of the implementation of the Scheme by the United States Department of Justice and the Canadian Competition Bureau was announced by Iron Mountain on 31 March 2016 (EDT).

For more information on competition approvals refer to section 6 of this Supplementary Scheme Booklet.

Updated synergy and accretion estimates are discussed in section 9 of this Supplementary Scheme Booklet. Additionally you may refer to the conference call to be hosted by Iron Mountain on 1 April 2016 at 8.30 am EDT. The investor presentation, script and webcast of the conference will be available on www.ironmountain.com.

Recall Shareholder Information Line

For further information in relation to the Supplementary Scheme Booklet or the Scheme, Recall shareholders can contact the Recall Shareholder Information Line on 1800 209 118 (within Australia), or +61 1800 209 118 (outside Australia), between 8.30am and 5.30pm (Sydney time), Monday to Friday.

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recall™

RECALL HOLDINGS LIMITED
ABN 27 116 537 832

SUPPLEMENTARY SCHEME BOOKLET

For a recommended scheme of arrangement in relation to the proposed acquisition of all of your shares in Recall Holdings Limited by a wholly-owned Australian Subsidiary of Iron Mountain Incorporated

VOTE IN FAVOUR

The Recall Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal

The Independent Expert has concluded that the Scheme is in the best interests of Recall Shareholders, in the absence of a Superior Proposal

TIME AND DATE OF SCHEME MEETING

Time: 10.00am

Date: 19 April 2016

Place: Museum of Sydney, Corner Phillip Street & Bridge Street, Sydney NSW 2000

This document is important for all Recall Shareholders and requires your immediate attention. If you are in doubt as to how to deal with it, you should seek advice from independently and appropriately licensed financial, legal and taxation advisers.

If you have any questions in relation to this Supplementary Booklet or the Scheme, you should call the **Recall Shareholder Information Line** on **1800 209 118** (within Australia), or **+61 1800 209 118** (outside Australia), between 8.30am and 5.30pm, Monday to Friday.

UBS Merrill Lynch

FINANCIAL ADVISERS

Allens > < Linklaters

AUSTRALIAN LEGAL ADVISER

Important Notices and Disclaimers

GENERAL

This Supplementary Booklet supplements the scheme booklet dated 23 October 2015 issued by Recall in connection with the proposed scheme between Recall and Recall Shareholders (the ***Scheme Booklet***). It is intended that this Supplementary Booklet be read together with the Scheme Booklet.

You should carefully read this Supplementary Booklet and the Scheme Booklet in their entirety before deciding how to vote on the Scheme. If you are in any doubt as to what you should do, you should seek advice from independent and appropriately licensed financial, legal and taxation advisers before making any decision regarding the Scheme.

PURPOSE OF THIS SUPPLEMENTARY BOOKLET

The purpose of this Supplementary Booklet is to provide Recall Shareholders with additional material information concerning:

- overview of the status of competition and other regulatory approvals, including details of certain divestments that Iron Mountain has committed to make in order to obtain those competition approvals;
- updated overviews of Recall, Iron Mountain and the Combined Group;
- updated financial information for Recall, Iron Mountain and the Combined Group, including an updated amount of the synergies that Iron Mountain expects will result from the Proposed Transaction;
- updated timeline of key events in relation to the implementation of the Scheme;
- updated Independent Expert's Report; and
- updated Investigating Accountant's Report.

SCHEME MEETING

The Scheme Meeting is currently scheduled to be held at 10.00am on 19 April 2016 at the Museum of Sydney, Corner Phillip Street & Bridge Street, Sydney NSW 2000.

Recall Shareholders are encouraged to attend the Scheme Meeting or appoint a proxy by completing and returning the proxy form (enclosed within this Supplementary Booklet) by no later than 10.00am on 17 April 2016.

Proxy forms and cash election forms that have been validly submitted (whether lodged online or by mail, fax or hand) remain valid for the rescheduled Scheme Meeting. If you have completed and submitted a proxy form or cash election form, and you do not wish to change your instructions or election, then you do not need to do anything. If you have completed and submitted a proxy form or cash election form and you wish to change your instructions or election, you can do so by completing and submitting a replacement proxy form or cash election form and submitting that form in the same manner as your initial form (whether online or by mail, fax or hand).

To be effective, your replacement proxy form must be received at the address shown on that form by 10.00am on 17 April 2016, and your replacement cash election form must be received at the address shown on that form by 5.00pm on 22 April 2016. To request a replacement proxy form or cash election form, please call the Recall Shareholder Information Line on 1800 209 118 (within Australia), or +61 1800 209 118 (outside Australia), between 8.30am and 5.30pm, Monday to Friday.

If you have not yet lodged a proxy form and you are unable to attend the Scheme Meeting on 19 April 2016, you are encouraged to appoint a proxy to vote on your behalf by completing a proxy form, and lodging it in accordance with the instructions on the form.

For further information regarding how to vote at the Scheme Meeting, including how to appoint a proxy, attorney, or, if applicable, a corporate representative to vote on your behalf, see Appendix 5 of the Scheme Booklet. For further information regarding how to make a cash election see Section 15.2 of the Scheme Booklet.

RESPONSIBILITY FOR INFORMATION

Other than as set out below, this Supplementary Booklet has been prepared by, and is the responsibility of, Recall:

- the Iron Mountain Information, including the information contained in Sections 6, 8, 9 and, to the extent it has been prepared by Iron Mountain, Section 10 has been prepared by, and is the responsibility of, Iron Mountain. The Recall Parties do not assume any responsibility for the accuracy or completeness of the Iron Mountain Information;
- the Supplementary Independent Expert's Report contained in Appendix 1 has been prepared by, and is the responsibility of, the Independent Expert. The Recall Parties and the Iron Mountain Parties do not assume any responsibility for the accuracy or completeness of the Supplementary Independent Expert's Report; and
- the Supplementary Investigating Accountant's Report contained in Appendix 2 has been prepared by, and is the responsibility of, the Investigating Accountant. The Recall Parties and the Iron Mountain Parties do not assume any responsibility for the accuracy or completeness of the Supplementary Investigating Accountant's Report.

ROLE OF ASIC AND ASX

A copy of this Supplementary Booklet was provided to ASIC for examination and has been lodged with ASIC. Recall has asked ASIC to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court on the Second Court Date.

A copy of this Supplementary Booklet has also been lodged with ASX.

None of ASIC, ASX or any of their officers takes any responsibility for the content of this Supplementary Booklet.

FORWARD LOOKING STATEMENTS

This Supplementary Booklet contains certain forward looking statements. You should be aware that there are risks (both known and unknown), uncertainties, assumptions and other important factors that could cause the actual conduct, results, performance or achievements of Recall, Iron Mountain or the Combined Group to be materially different from the future conduct, results, performance or achievements expressed or implied by such statements or that could cause the future conduct to be materially different from historical conduct. Deviations as to future conduct, market conditions, results, performance and achievements are both normal and to be expected. Further details on the risks associated with the Scheme are set out in Section 10 of this Supplementary Booklet.

None of the Recall Parties, the Iron Mountain Parties or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this Supplementary Booklet will actually occur. You are cautioned against relying on any such forward looking statements.

The forward looking statements in this Supplementary Booklet reflect views held only as at the date of this Supplementary Booklet. Additionally, statements of the intentions of Iron Mountain reflect present intentions as at the date of this Supplementary Booklet and may be subject to change.

Subject to the Corporations Act and any other applicable laws or regulations, Recall and Iron Mountain disclaim any duty to update any forward looking statements other than with respect to information that they become aware of prior to the Scheme Meeting which is material to making a decision whether or not to vote in favour of the Scheme.

IMPLIED VALUE

You may receive some of your Scheme Consideration as New Iron Mountain Securities. The value of your Scheme Consideration will therefore vary based on changes in the Iron Mountain Share Price and the AUD/USD exchange rate. Any reference to the implied value of the Scheme Consideration should not be taken as an indication that the implied value is fixed.

If you are an Ineligible Foreign Shareholder, this also applies to the New Iron Mountain Shares which will be remitted to the Sale Agent to sell on your behalf. Any cash remitted to you under the Sale Facility will depend on the market price of Iron Mountain Shares and the AUD/USD exchange rate at the time of sale by the Sale Agent.

DEFINED TERMS

In this Supplementary Booklet, terms beginning with a capital letter that are not otherwise defined in Section 13 of this Supplementary Booklet have the meaning given in Section 17 of the Scheme Booklet.

TIMETABLE AND DATES

All references to times in this Supplementary Booklet are references to the time in Sydney, Australia, unless otherwise stated.

ADDITIONAL INFORMATION

If you have any questions in relation to this Supplementary Booklet or the Scheme, you should call the Recall Shareholder Information Line on 1800 209 118 (within Australia), or +61 1800 209 118 (outside Australia), between 8.30am and 5.30pm, Monday to Friday.

This Supplementary Booklet is dated 1 April 2016.

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A

Summary of the Scheme

1 Key Times and Dates

A | Summary of the Scheme
B | Updated Information about the Scheme
C | Supplementary Independent Expert's Report
D | Supplementary Investigating Accountant's Report

As noted in Recall's ASX announcement on 2 March 2016, the indicative timetable for the Scheme that was contained in the Scheme Booklet changed as a consequence of the postponement of the Scheme Meeting. The revised timetable is set out below and includes a new Scheme Meeting date of 19 April 2016, Second Court Date of 21 April 2016, and Implementation Date of 2 May 2016. These new dates override all of the original dates contained in the Scheme Booklet.

EVENT	INDICATIVE TIME AND DATE
Date of this Supplementary Booklet	1 April 2016
Deadline for receipt of the Scheme Meeting Proxy Form	10.00am on 17 April 2016
Voting Record Date Determination of eligibility to vote at the Scheme Meeting	7.00pm on 17 April 2016
Scheme Meeting	10.00am on 19 April 2016
If the Scheme is approved by Recall Shareholders, and all other Conditions Precedent (other than Court approval of the Scheme) are satisfied or waived (if applicable), on or before 21 April 2016, the following key dates will apply:	
Second Court Hearing Court hearing for approval of the Scheme	9.15am on 21 April 2016
Effective Date Last date Recall Shares will trade on ASX	21 April 2016
Election Date Deadline for receipt of the Election Form	5.00pm on 22 April 2016
Commencement of trading of New Iron Mountain CDIs on ASX under the symbol INM (deferred settlement basis)[1]	22 April 2016
Record Date Determination of entitlement of Scheme Shareholders to receive the Scheme Consideration	27 April 2016
Implementation Date Transfer of all Scheme Shares to Iron Mountain and issue or payment (as applicable) of Scheme Consideration to Scheme Shareholders	2 May 2016
Despatch of holding statements for New Iron Mountain Securities	2 May 2016
Commencement of trading of New Iron Mountain CDIs on ASX under the symbol INM (normal settlement basis) Commencement of trading of New Iron Mountain Shares on NYSE	3 May 2016

If the Scheme is approved by Recall Shareholders, but any Conditions Precedent remain outstanding on the scheduled date for the Second Court Hearing (other than Court approval of the Scheme), the Second Court Hearing will be held as soon as reasonably practicable after those Conditions Precedent have been satisfied or waived (if applicable).

These dates and times are indicative only and are subject to change. The actual timetable will depend on many factors outside the control of Recall, including approvals from the Court and Regulatory Authorities. Any changes to the above timetable will be announced to the ASX and published on Recall's website at www.recall.com.

Iron Mountain and Recall have agreed that, in order to facilitate REIT compliance measures, the Implementation Date should occur on or prior to 2 May 2016. Accordingly, if there is a delay in satisfying any of the Conditions Precedent which delays the Implementation Date beyond 2 May 2016, implementation of the Scheme may be delayed until July 2016.

1 The exact number of New Iron Mountain Securities to be issued to you will not be known until after the Record Date and will not be communicated to you until after you receive your holding statements following the Implementation Date. Therefore, please be aware that, if you trade in New Iron Mountain CDIs during the deferred settlement period and prior to receipt of your holding statement, you do so at your own risk. See Section 12.4.5 of the Scheme Booklet for further details.

2 Supplementary Letter from the Chairman of Recall

1 April 2016

Dear Recall Shareholder,

On 23 October 2015, we issued the Scheme Booklet in relation to the proposed acquisition of all the outstanding issued share capital of Recall by Iron Mountain. The Scheme Meeting to vote on the Proposed Transaction was originally scheduled to be held in December 2015, but had to be deferred because of delays in obtaining competition and other regulatory approvals for the transaction across a number of jurisdictions. Those approvals have now been finalised, or are close to being finalised, and the purpose of this Supplementary Booklet is to assist you in making an informed decision as to how to vote on the Scheme ahead of the rescheduled Scheme Meeting on 19 April 2016.

This Supplementary Booklet sets out the new material information about the Scheme, including an:

- overview of the status of competition and other regulatory approvals, including details of certain divestments that Iron Mountain has committed to make in order to obtain those competition approvals;
- updated overviews of Recall, Iron Mountain and the Combined Group;
- updated financial information for Recall, Iron Mountain and the Combined Group;
- updated timeline of key events in relation to the implementation of the Scheme;
- updated Independent Expert's Report; and
- updated Investigating Accountant's Report.

Your Directors continue to believe that the Scheme is expected to generate meaningful synergies and accretion for the Combined Group. The updated information in relation to the Combined Group includes updated estimates of the levels of synergies and accretion that Iron Mountain expects will result from the Proposed Transaction. These amounts of synergies and accretion are less than what was originally expected by Iron Mountain at the time of the Scheme Booklet. This is due primarily to the divestments required to receive regulatory approvals, as referred to above, as well as changes in foreign currency exchange rates and other factors. See Section 9.2 of this Supplementary Booklet for further information.

THE RECALL DIRECTORS CONTINUE TO UNANIMOUSLY RECOMMEND YOU VOTE IN FAVOUR OF THE SCHEME

The Recall Board's position in relation to the Scheme is unchanged. The Recall Board continues to believe that the combination of Recall and Iron Mountain makes strong commercial sense and represents a compelling opportunity.

UPDATED INDEPENDENT EXPERT'S REPORT

The Scheme Booklet included a report from KPMG Corporate Finance as Independent Expert who undertook an independent assessment of the Scheme. The Independent Expert concluded that the Scheme is in the best interests of Recall Shareholders in the absence of a Superior Proposal.

In light of the impact on the Combined Group of the divestments committed to be made by Iron Mountain in order to obtain competition approvals and the amount of time since their report was completed, the Recall Board commissioned KPMG Corporate Finance as Independent Expert to provide an updated independent assessment of the Scheme. The Independent Expert has concluded that the Scheme continues to be in the best interests of Recall Shareholders, in the absence of a superior proposal.

The Independent Expert has assessed the standalone value of Recall on a control basis to be in the range of A$6.82 to A$7.64 per Recall Share.[2] This compares to the value of the Standard Consideration, which was assessed by the Independent Expert to be in the range of A$7.23 to A$8.36 per Recall Share, and the Cash Alternative of A$8.50 cash per Recall Share (noting that the Cash Alternative is subject to the Scale Back Mechanism). The Independent Expert's valuation of the Standard Consideration was based on a value range for Iron Mountain Shares of US$29.00 to US$34.00 (on a minority interest basis) and an AUD/USD exchange rate of 0.76.

A copy of the Supplementary Independent Expert's Report is set out in Appendix 1 of this Supplementary Booklet.

RECAP OF THE SCHEME CONSIDERATION THAT YOU WILL RECEIVE

If the Scheme is approved and implemented, you will be entitled to receive the Standard Consideration for each Recall Share you hold on the Record Date.[3] The Standard Consideration will comprise US$0.50[4] cash, plus 0.1722 New Iron Mountain Securities per Recall Share.[5,6] As at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet, the implied value of the Standard Consideration was A$8.21 per Recall Share.[7]

2 Based on an AUD/USD exchange rate of 0.76 as at 29 March 2016.

3 Currently scheduled to be 27 April 2016.

4 To be paid in Australian dollars, based on the AUD/USD exchange rate on the Record Date.

5 Ineligible Foreign Shareholders will not be entitled to receive any New Iron Mountain Shares and will instead receive cash under the Sale Facility for any New Iron Mountain Shares that they would otherwise have been entitled to receive.

6 Unless they request otherwise, Scheme Shareholders whose address on the Recall Share Register is within Australia will receive New Iron Mountain CDIs, which are tradeable on the ASX, and are described in detail in the Scheme Booklet. Recall Shareholders whose address on the Recall Share Register is outside Australia, and who are not Ineligible Foreign Shareholders, will receive New Iron Mountain Shares tradeable on NYSE. For further details on making a request to receive New Iron Mountain Securities other than in the form determined by reference to a Scheme Shareholder's registered address, see Section 15.4 of the Scheme Booklet.

7 Based on the Iron Mountain Share Price of US$33.50 and the AUD/USD exchange rate of 0.7631 as at the close of trading on the NYSE on 29 March 2016. Calculations of value in this Supplementary Booklet are subject to the effect of rounding.

As an alternative to the Standard Consideration, you can make a Cash Election to receive the Cash Alternative of A$8.50 cash per Recall Share you hold on the Record Date. The total Cash Pool that is available to satisfy such Cash Elections is capped at A$225 million.[8]

If the Cash Pool is not sufficient to satisfy all Cash Elections, the Scale Back Mechanism will apply. In calculating any scale back, preferential access to the Cash Pool is expected for the first 5,000 Scheme Shares[9] held by each Scheme Shareholder on the Recall Share Register as at 11 June 2015,[10] provided such shareholders continue to hold those shares until the Record Date.

If you make a Cash Election and are subject to the Scale Back Mechanism,[11] you will receive A$8.50 in cash per Scheme Share for that proportion of your Scheme Shares that is able to be satisfied out of the Cash Pool, plus the Standard Consideration for that remaining proportion of your Scheme Shares that is not.[12]

If you do not make a Cash Election, you will automatically receive the Standard Consideration for each Recall Share you hold on the Record Date.

The above is a summary only. For further information on the Scheme Consideration (including the Standard Consideration, the Cash Alternative and the Scale Back Mechanism) see Section 7 of the Scheme Booklet.

SCHEME MEETING

The Scheme Meeting is currently scheduled to be held at 10.00am on 19 April 2016 at the Museum of Sydney, Corner Phillip Street & Bridge Street, Sydney NSW 2000.

I encourage you to attend the Scheme Meeting or appoint a proxy by completing and returning the proxy form (enclosed with the Supplementary Booklet) by no later than 10.00am on 17 April 2016.

If you have already validly completed and returned the proxy form which was enclosed within the Scheme Booklet, and you do not wish to change your instructions, your proxy form will remain valid. If you have already returned the proxy form, and you wish to change your instructions, you can do so by completing and submitting a replacement proxy form prior to the cut-off time for proxies.

Your vote is important regardless of how many Recall Shares you own and I encourage you to vote on the Scheme. Information on how to vote is set out in Section 3 of this Supplementary Booklet.

FURTHER INFORMATION

Please read this Supplementary Booklet carefully and in conjunction with the Scheme Booklet which was released on 23 October 2015 and which is available on Recall's website at www.recall.com.au and via the ASX at www.asx.com.au. They will assist you in making an informed decision on how to vote. If you are in any doubt as to what you should do, I would encourage you to seek advice from independent and appropriately licensed financial, legal and taxation advisers before making your decision in relation to your Recall Shares.

If you have any questions in relation to the Scheme, please contact the Recall Shareholder Information Line on 1800 209 118 (within Australia), or +61 1800 209 118 (outside Australia), between 8.30am and 5.30pm, Monday to Friday.

On behalf of the Recall Board, I would like to reiterate our support for the Scheme. We believe that it represents a compelling opportunity and attractive value for Recall Shareholders, and encourage you to vote in favour of the Scheme, in the absence of a Superior Proposal.

I would also like to take this opportunity to thank you for your continued support of Recall, including throughout this process to implement the Scheme.

Yours sincerely,

Ian Blackburne
Chairman

8 The Cash Alternative of A$8.50 per Scheme Share includes the Cash Supplement Amount (being US$0.50 in cash to be paid in Australian dollars, based on the AUD/USD exchange rate on the Record Date), plus the Cash Base Amount. The payment of the Cash Supplement Amount per Scheme Share is not sourced from the A$225 million Cash Pool.

9 Or such lower number if 5,000 Preferential Access Shares would cause the Cash Pool of A$225 million to be exceeded, including as a result of Recall exercising its discretion to allow Nominee Shareholders to make Cash Elections in respect of multiple underlying beneficial holdings. See Sections 7.3.4 and 15.2.5 of the Scheme Booklet for further details.

10 Being three ASX trading days after the date of the announcement in the US of the proposed Scheme, namely, 8 June 2015.

11 The total Cash Pool of A$225 million represents approximately 9% of the cash which would be required if all Recall Shareholders made Cash Elections, based on an AUD/USD exchange rate of 0.7631 as at the close of trading on the NYSE on 29 March 2016, being the last practicable date before the date of this Supplementary Booklet. Accordingly, Scheme Shareholders may be subject to material scale back in respect of Scheme Shares that do not have preferential access to the Cash Pool.

12 Ineligible Foreign Shareholders will not be entitled to receive any New Iron Mountain Shares and will instead receive cash under the Sale Facility for any New Iron Mountain Shares that they would otherwise have been entitled to receive.

3 What should you do?

There are three steps that you should take in relation to the Scheme:

STEP 1 **CAREFULLY READ THE SCHEME BOOKLET AND THIS SUPPLEMENTARY BOOKLET IN THEIR ENTIRETY AND SEEK ADVICE IF YOU HAVE ANY QUESTIONS;**

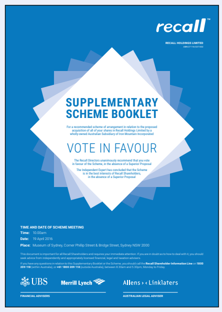
STEP 2 **VOTE ON THE SCHEME; AND**

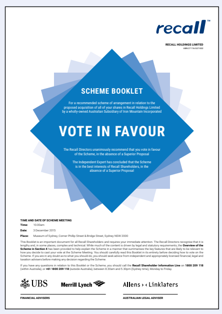
STEP 3 **REGARDLESS OF YOUR VOTE, DECIDE WHETHER TO MAKE A CASH ELECTION.**

STEP 1

CAREFULLY READ THE SCHEME BOOKLET AND THIS SUPPLEMENTARY BOOKLET IN THEIR ENTIRETY AND SEEK ADVICE IF YOU HAVE ANY QUESTIONS

- You should carefully read the Scheme Booklet and this Supplementary Booklet in their entirety to assist you in making an informed decision on how to vote on the Scheme.
- The Scheme Booklet and this Supplementary Booklet contain important information, including:
  - the reasons for the Recall Directors' recommendation;
  - the reasons why you may choose to vote for or against the Scheme;
  - information about the status of the Competition Approvals and the Divestments;
  - information about the Scheme Consideration;
  - information about Recall, Iron Mountain and the Combined Group;
  - key risks associated with the Scheme and investing in the Combined Group; and
  - the Supplementary Independent Expert's Report.
- If you have further questions, you can call the Recall Shareholder Information Line on 1800 209 118 (within Australia), or +61 1800 209 118 (outside Australia), between 8.30am and 5.30pm, Monday to Friday.
- If you are in any doubt as to what you should do, you should seek advice from independent and appropriately licensed financial, legal and taxation advisers before making any decision regarding the Scheme.

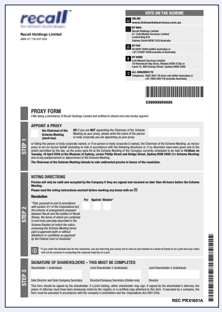




STEP 2

VOTE ON THE SCHEME

- If you are a Recall Shareholder on the Voting Record Date, which is scheduled to be 7.00pm on 17 April 2016, you are entitled to vote on the Scheme.
- You can vote in person, or by appointing a proxy, attorney or, if applicable, corporate representative to vote on your behalf.
- The Scheme Meeting will be held at the Museum of Sydney, Corner Phillip Street & Bridge Street, Sydney NSW 2000 on 19 April 2016 at 10.00am.



HOW TO VOTE

Recall Shareholders can vote:

- **in person**, by attending the Scheme Meeting;
- **by proxy**, by completing, signing and lodging the original Scheme Meeting Proxy Form in accordance with the instructions set out on the form. You should arrange to have your proxy or proxies attend if you are appointing a person other than the Chairman of the Scheme Meeting as your proxy;
- **by attorney**, by appointing an attorney to attend and vote at the Scheme Meeting on your behalf, and providing a duly executed power of attorney to the registered office of Recall by 10.00am on Sunday, 17 April 2016; or
- **by corporate representative** (if you are a body corporate), by appointing a corporate representative to attend and vote at the Scheme Meeting on your behalf, and providing a duly executed certificate of appointment (in accordance with sections 250D and 253B of the Corporations Act) prior to admission to the Scheme Meeting.

Further details on how to vote on the Scheme, including how to appoint a proxy, attorney, or, if applicable, corporate representative to vote on your behalf are set out in Appendix 5 of the Scheme Booklet.

If you wish to lodge your Scheme Meeting Proxy Form, to be valid it must be received by 10.00am (Sydney time) on Sunday, 17 April 2016. You can lodge a Scheme Meeting Proxy Form:

online at www.recall.com.au or www.linkmarketservices.com.au;

by mail to Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 (using the reply paid envelope provided) or the registered office of Recall;

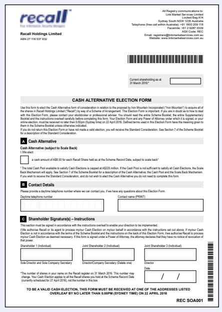
by fax to 02 9287 0309 (within Australia), or +61 2 9287 0309 (outside Australia); or

in person during business hours to the Recall Registry at Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

If you have already validly completed and returned the proxy form which was enclosed within the Scheme Booklet, and you do not wish to change your instructions, your proxy form will remain valid. If you have already returned the proxy form, and you wish to change your instructions, you can do so by completing and submitting a replacement proxy form, prior to the cut-off time for proxies.

STEP 3

REGARDLESS OF YOUR VOTE, DECIDE WHETHER TO MAKE A CASH ELECTION



You may make a Cash Election to receive the Cash Alternative by submitting the Election Form by the Election Date. If you do not make a Cash Election, you will receive the Standard Consideration for each Recall Share you hold on the Record Date. You do not need to submit the Election Form to receive the Standard Consideration.

If you make a Cash Election, it will apply to all of your Recall Shares.

The total Cash Pool available to satisfy Cash Elections is capped at A$225 million.[13] If the Cash Pool is not sufficient to satisfy all Cash Elections, the Scale Back Mechanism will apply.

The above is a summary only. See Section 7 of the Scheme Booklet for more detailed information regarding the Scheme Consideration, and specifically Section 7.2 of the Scheme Booklet for further details on the Cash Alternative and Section 7.3 of the Scheme Booklet for further details on the Scale Back Mechanism.

You can make a Cash Election even if you choose to vote against the Scheme or not to vote. This is because, if the Scheme is implemented, all Scheme Shareholders will receive the Scheme Consideration, whether they voted for or against the Scheme, or did not vote.

HOW TO SUBMIT THE ELECTION FORM (IF REQUIRED)

If you wish to submit the Election Form, it must be completed in accordance with the instructions specified in this Supplementary Booklet and in the Election Form. An Election Form was enclosed in the Scheme Booklet, and an updated Election Form has been enclosed in this Supplementary Booklet. Completed Election Forms must be submitted by one of the methods stated below and received by the Recall Registry prior to 5.00pm (Sydney time) on the Election Date:

- online at www.recall.com.au or www.linkmarketservices.com.au;
- by mail to Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 (using the reply paid envelope provided) or the registered office of Recall;
- by fax to 02 9287 0309 (within Australia), or +61 2 9287 0309 (international); or
- in person during business hours to the Recall Registry at Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

If you have already validly completed and returned the Election Form which was enclosed within the Scheme Booklet, and you do not wish to change your election, your Election Form will remain valid. If you have already returned the Election Form, and you wish to change your election, you can do so by completing and submitting a replacement Election Form prior to the cut-off time for elections.

An Election Form that is not submitted in accordance with the instructions specified in this Supplementary Booklet and in the Election Form (including if the Election Form is not received by the Recall Registry prior to 5.00pm on the Election Date) will not be a valid Cash Election for the purpose of the Scheme and will not be recognised by Recall or Iron Mountain for any purpose. In addition, Recall may, with the agreement of Iron Mountain, settle as it thinks fit any difficulty, matter of interpretation or dispute which may arise in connection with determining the validity of any Cash Election, and any such decision will be conclusive and binding on the relevant Recall Shareholder.

13 The Cash Alternative of A$8.50 per Scheme Share includes the Cash Supplement Amount (being US$0.50 in cash to be paid in Australian dollars, based on the AUD/USD exchange rate on the Record Date), plus the Cash Base Amount. The payment of the Cash Supplement Amount per Scheme Share is not sourced from the A$225 million Cash Pool.

4 Overview of the Scheme

WHAT IS THE SCHEME?

Under the Proposed Transaction, Iron Mountain would, through a wholly-owned Australian Subsidiary, acquire all of the outstanding issued share capital of Recall. If the Scheme becomes Effective, all Scheme Shareholders will receive the Scheme Consideration (as summarised below and in more detail in Section 7 of the Scheme Booklet) and Recall will be delisted from the ASX and will become a wholly-owned Australian Subsidiary of Iron Mountain.

WHO IS IRON MOUNTAIN?

Iron Mountain is a leading global provider of storage and information management solutions, with more than 170,000 customers in 41 countries on six continents as at the date of this Supplementary Booklet. Iron Mountain is listed on the NYSE with a market capitalisation of approximately US$7.1 billion.[14] Iron Mountain is organised and operated as a REIT for US federal income tax purposes. For further details on Iron Mountain, see Section 8 of this Supplementary Booklet and Section 10 of the Scheme Booklet.

WHAT WILL YOU RECEIVE?

If the Scheme is approved and implemented, you will be entitled to receive the Standard Consideration for each Recall Share you hold on the Record Date:

STANDARD CONSIDERATION
US$0.50 cash[15] **+** **0.1722 New Iron Mountain Securities**[16]
Received by all Scheme Shareholders unless you make a Cash Election

Alternatively, you can make a Cash Election to receive the Cash Alternative for each Recall Share you hold on the Record Date.

CASH ALTERNATIVE
A$8.50 cash
The total Cash Pool available to satisfy Cash Elections is capped at A$225 million.[17] If the Cash Pool is not sufficient to satisfy all Cash Elections, the Scale Back Mechanism will apply. *For those Recall Shareholders on the Recall Share Register as at 11 June 2015, preferential access to the Cash Pool is expected for their first 5,000 Scheme Shares, provided such shareholders continue to hold those shares until the Record Date.* *If you make a Cash Election and are subject to the Scale Back Mechanism,[18] you will receive A$8.50 in cash per Scheme Share for that proportion of your Scheme Shares that is able to be satisfied out of the Cash Pool, plus the Standard Consideration for that remaining proportion of your Scheme Shares that is not.[16]*

The above is a summary only. For further information on the Scheme Consideration (including the Standard Consideration, the Cash Alternative and the Scale Back Mechanism), see Section 7 of the Scheme Booklet. For an illustrative example of the operation of the Scale Back Mechanism for different Recall Shareholders, see Section 7.3.3 of the Scheme Booklet.

14 Based on the Iron Mountain Share Price of US$33.50 and 211.9 million Iron Mountain Shares on issue as at the close of trading on the NYSE on 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet.

15 To be paid in Australian dollars, based on the AUD/USD exchange rate on the Record Date.

16 Ineligible Foreign Shareholders will not be entitled to receive any New Iron Mountain Shares, and will instead receive cash under the Sale Facility for any New Iron Mountain Shares that they would otherwise have been entitled to receive.

17 The Cash Alternative of A$8.50 per Scheme Share includes the Cash Supplement Amount (being US$0.50 in cash to be paid in Australian dollars, based on the AUD/USD exchange rate on the Record Date), plus the Cash Base Amount. The payment of the Cash Supplement Amount per Scheme Share is not sourced from the A$225 million Cash Pool.

18 The total Cash Pool of A$225 million represents approximately 9% of the cash which would be required if all Recall Shareholders made Cash Elections, based on an AUD/USD exchange rate of 0.7631 as at the close of trading on the NYSE on 29 March 2016, being the last practicable date before the date of this Supplementary Booklet. Accordingly, Scheme Shareholders may be subject to material scale back in respect of Scheme Shares that do not have preferential access to the Cash Pool.

WHAT IS THE RECOMMENDATION OF THE RECALL BOARD?

The Recall Board's position in relation to the Scheme is unchanged. The Recall Board continues to believe that the combination of Recall and Iron Mountain makes strong commercial sense and represents a compelling opportunity. The Recall Directors continue to unanimously recommend that Recall Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal.

WHAT IS THE RECOMMENDATION OF THE INDEPENDENT EXPERT?

The Independent Expert has also reviewed the additional information in this Supplementary Booklet and has confirmed that it has not altered or withdrawn its finding that the Scheme is in the best interests of Recall Shareholders, in the absence of a Superior Proposal.

Appendix 1 contains the Supplementary Independent Expert's Report confirming this.

REASONS TO VOTE IN FAVOUR OF THE SCHEME

- ✓ The Recall Directors believe that the Scheme delivers immediate value to Recall Shareholders for their shares including some of the longer term potential from expected synergies in the Combined Group
- ✓ The Independent Expert has concluded that the Scheme is in the best interests of Recall Shareholders, in the absence of a Superior Proposal
- ✓ The implied value of the Scheme Consideration is at a significant premium to the trading prices of Recall Shares on ASX prior to rumours of a potential transaction
- ✓ The Scheme will create a leading global provider of document storage and information management services
- ✓ The Scheme is expected to generate meaningful synergies and accretion for the Combined Group
- ✓ Recall Shareholders are expected to benefit from Iron Mountain's attractive dividend profile, supported by its REIT structure
- ✓ The Scheme provides flexibility to make a Cash Election (subject to the Scale Back Mechanism)
- ✓ If the Scheme does not proceed, the Recall Share Price may fall
- ✓ Recall Shareholders resident in Australia for tax purposes may be eligible for CGT roll-over relief in respect of New Iron Mountain Securities received

Further details on the reasons to vote in favour of the Scheme are set out in Section 8.2 of the Scheme Booklet.

REASONS WHY YOU MAY NOT WANT TO VOTE IN FAVOUR OF THE SCHEME

- × You may disagree with the Recall Directors' recommendation and the Independent Expert's conclusion and prefer Recall to continue to operate as a standalone entity
- × You may consider that the divestments the Combined Group is or may be required to make in order to obtain the Competition Approvals, and the impact on the Combined Group arising from regulatory outcomes, reduces the benefits of the Scheme
- × The value of the New Iron Mountain Securities which form part of the Standard Consideration is not certain
- × If you make a Cash Election, the amount of cash that you receive may be subject to the Scale Back Mechanism
- × There are risks associated with implementing the Scheme which you may consider exceed the benefits of the Scheme
- × There are risks associated with a shareholding in the Combined Group that are different from those associated with your shareholding in Recall
- × You may consider that there is a possibility that a Superior Proposal could emerge in relation to Recall in the foreseeable future
- × The tax consequences of the Scheme may not be suitable to your financial position

Further details on the reasons why you may not want to vote in favour of the Scheme are set out in Section 8.3 of the Scheme Booklet.

IMPLIED VALUE OF THE STANDARD CONSIDERATION

As at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet, the implied value of the Standard Consideration was A$8.21 per Scheme Share. [19] That implied value comprises:

- A$0.66 – being the Australian dollar equivalent of US$0.50; [20] and
- A$7.56 – being the Australian dollar equivalent of the price of 0.1722 Iron Mountain Shares. [21]

19 Calculations of value in this Supplementary Booklet are subject to the effect of rounding.
20 Based on the AUD/USD exchange rate of 0.7631 as at the close of trading on the NYSE on 29 March 2016.
21 Based on the Iron Mountain Share Price of US$33.50 and the AUD/USD exchange rate of 0.7631 as at the close of trading on the NYSE on 29 March 2016.

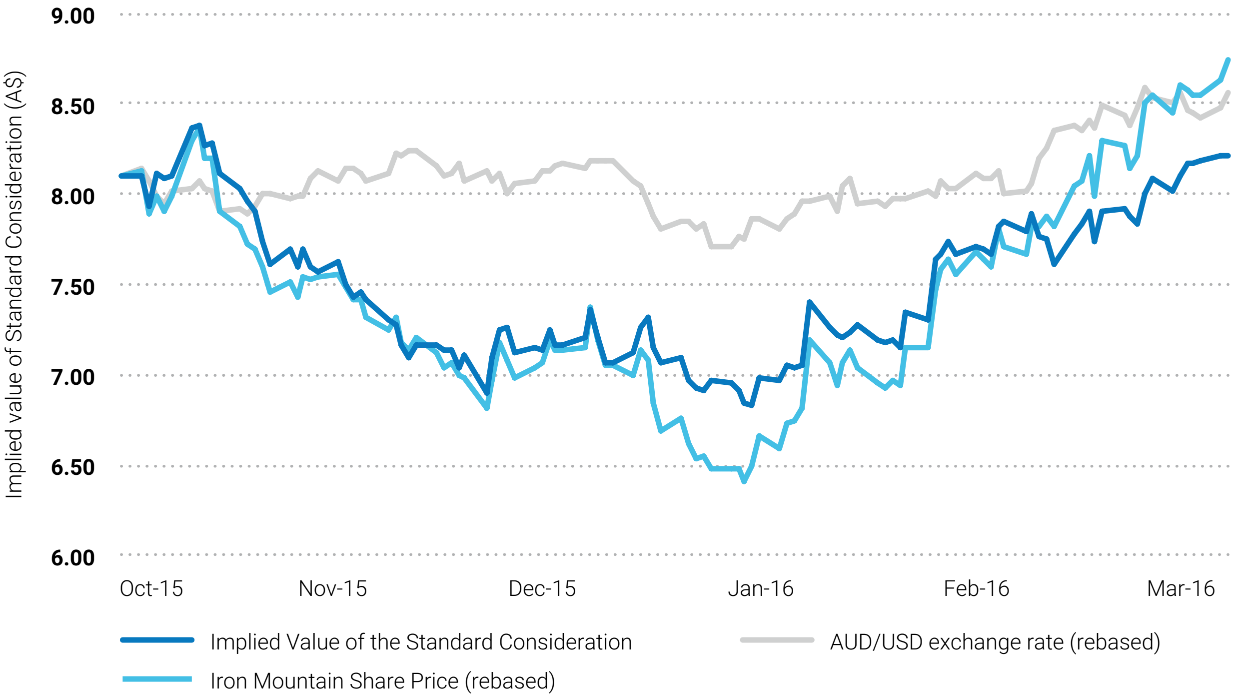
As noted in the Scheme Booklet, it is important to understand that the Australian dollar value of both:

- the cash component of the Standard Consideration (i.e. US$0.50) will vary over time (due to it being determined based on the AUD/USD exchange rate); and
- the New Iron Mountain Securities component of the Standard Consideration will vary over time (due to changes in the prevailing Iron Mountain Share Price, as well as the AUD/USD exchange rate given that Iron Mountain Shares are traded on NYSE in US dollars).

Variations in the implied value of the Standard Consideration due to fluctuations in the price of Iron Mountain Shares and the AUD/USD exchange rate will continue until the Standard Consideration is provided on the Implementation Date. As a result of changes in these factors, the implied value of the Standard Consideration is likely to change, including between the date of this Supplementary Booklet, the date of the Scheme Meeting, the Election Date and the Implementation Date (the latter being the date on which the Standard Consideration is received).

The figures below summarise the implied value of the Standard Consideration based on movements in the Iron Mountain Share Price and the AUD/USD exchange since the Scheme Booklet was issued.

Figure 1 – Movements in the implied value of the Standard Consideration from 23 October 2015 to the date of this Supplementary Booklet



Source: IRESS data as at 29 March 2016. Rebased to the implied value of the Standard Consideration.

Given this, Recall Shareholders should carefully consider the trading price of Iron Mountain Shares on the NYSE prior to the Election Date, as well as the potential for that price to fall or rise before the New Iron Mountain Securities are issued on the Implementation Date, before deciding whether to vote in favour of the Scheme or whether to make a Cash Election.

Under the Scheme, the AUD/USD exchange rate used to determine the Australian dollar equivalent of the cash component of the Standard Consideration (i.e. US$0.50) on the Record Date will be the mid-point of the buy/sell price quoted in The Australian Financial Review.

A table setting out how future changes in the Iron Mountain Share Price and the AUD/USD exchange rate may impact the value of the Standard Consideration is set out below for illustrative purposes.

Figure 2 – Impact of changes in Iron Mountain Share Price and the AUD/USD exchange rate on the implied value of the Standard Consideration (A$ per Recall Share)

AUD/USD	IRON MOUNTAIN SHARE PRICE (US$)				
EXCHANGE RATE	**25.00**	**27.50**	**30.00**	**32.50**	**35.00**
0.60	8.01	8.73	9.44	10.16	10.88
0.65	7.39	8.05	8.72	9.38	10.04
0.70	6.86	7.48	8.09	8.71	9.32
0.75	6.41	6.98	7.55	8.13	8.70
0.80	6.01	6.54	7.08	7.62	8.16

5 Frequently Asked Questions

TOPIC	FURTHER INFORMATION
Details of the Scheme	
1. Why have I received this Supplementary Booklet? You have received this Supplementary Booklet because you are a Recall Shareholder and you are being asked to vote on the Scheme, in respect of the proposed acquisition of Recall by a wholly-owned Australian Subsidiary of Iron Mountain. This Supplementary Booklet is a supplement to the Scheme Booklet that was dated 23 October 2015. Due to the deferral of the Scheme Meeting because of delays resulting from obtaining the regulatory approvals required in connection with the Scheme, and the Divestments that have been agreed in order to obtain certain of those regulatory approvals, this Supplementary Booklet sets out: • additional disclosure in relation to the status of the regulatory approvals, and in particular the Competition Approvals; • the impact arising or expected to arise for the Combined Group from the Divestments that have been agreed or are expected to be made; and • the most recent financial information in respect of Recall, Iron Mountain and the Combined Group since the Scheme Booklet was issued.	**Section 4 of this Supplementary Booklet**
2. What do the Recall Directors recommend? The Recall Directors continue to unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal. Each of the Recall Directors intends to vote any Recall Shares held or controlled by them in favour of the Scheme, in the absence of a Superior Proposal.	**Section 4 of this Supplementary Booklet** **Section 8 of the Scheme Booklet**
3. What is the Independent Expert's opinion? The Recall Board appointed KPMG Corporate Finance as Independent Expert to undertake an independent assessment of the Scheme. The Independent Expert has concluded that the Scheme is in the best interests of Recall Shareholders, in the absence of a Superior Proposal. The Independent Expert has assessed the standalone value of Recall on a control basis to be in the range of A$6.82 to A$7.64 per Recall Share.[22] This compares to the value of the Standard Consideration, which was assessed by the Independent Expert to be in the range of A$7.23 to A$8.36 per Recall Share, and the Cash Alternative of A$8.50 cash per Recall Share (noting that the Cash Alternative is subject to the Scale Back Mechanism). The Independent Expert's valuation of the Standard Consideration was based on a value range for Iron Mountain Shares of US$29.00 to US$34.00 (on a minority interest basis) and an AUD/USD exchange rate of 0.76. The Supplementary Independent Expert's Report is set out in Appendix 1.	**Appendix 1 of this Supplementary Booklet**
4. Where and when is the Scheme Meeting? The Scheme Meeting is scheduled to be held at the Museum of Sydney, Corner Phillip Street & Bridge Street, Sydney NSW 2000 at 10.00am (Sydney time) on 19 April 2016.	**Section 3 of this Supplementary Booklet**
5. What are the key risks associated with the Scheme and the Combined Group? The key risks associated with the Scheme and the Combined Group are described in Section 12 of the Scheme Booklet. There are a number of new risks identified since the Scheme Booklet was released, and material updates to key risks described in the Scheme Booklet, which are described in detail in Section 10 of this Supplementary Booklet.	**Section 10 of this Supplementary Booklet** **Section 12 of the Scheme Booklet**

22 Based on an AUD/USD exchange rate of 0.76 as at 29 March 2016.

TOPIC	FURTHER INFORMATION
Scheme timing	
6. What is the timing for implementation of the Scheme? The Implementation Date is currently scheduled to be 2 May 2016. Please note however that this date is indicative only and subject to change.	**Section 1 of this Supplementary Booklet**
7. When will the Scheme Consideration be issued or paid? If the Scheme is implemented, the Scheme Consideration will be issued or paid (as applicable) to Scheme Shareholders (other than Ineligible Foreign Shareholders) on the Implementation Date, which is currently scheduled to be 2 May 2016. Further detail regarding the treatment of Ineligible Foreign Shareholders is set out in Section 7.4 of the Scheme Booklet. Cash payments (if any) will be made either by sending you a cheque or by electronic funds transfer into your nominated bank account used for dividend payments.	**Sections 15.8.8 and 15.10 of the Scheme Booklet**
8. Can a Nominee Shareholder make a separate Cash Election on behalf of an underlying beneficial owner? A Nominee Shareholder who holds a parcel of Recall Shares on behalf of an underlying beneficial owner of the shares may be able to make a separate Cash Election in respect of that parcel. See Sections 7.3.4 and 15.2.5 of the Scheme Booklet for further information regarding how to make such Cash Elections and the evidence required by the Recall Registry. Nominee Shareholders who wish to make such separate Cash Elections should note that Recall has discretion as to whether or not to accept those separate Cash Elections, and whether or not to allow those Nominee Shareholders preferential access for the first 5,000 Scheme Shares in relation to the underlying beneficial holdings.	**Sections 7.3.4 and 15.2.5 of the Scheme Booklet**
9. What is the implied value of the Standard Consideration? As at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet, the implied value of the Standard Consideration was A$8.21 per Recall Share, comprising:[23] • A$0.66 – being the Australian dollar equivalent of US$0.50;[24] and • A$7.56 – being the Australian dollar equivalent of the price of 0.1722 Iron Mountain Shares.[25] The implied value of the Standard Consideration will vary over time depending on the prevailing Iron Mountain Share Price and the AUD/USD exchange rate. Variations will continue until the Standard Consideration is provided on the Implementation Date.	**Section 4 of this Supplementary Booklet** **Section 12.2.1 of the Scheme Booklet**
10. What are the New Iron Mountain Securities? The New Iron Mountain Securities comprise either New Iron Mountain Shares or New Iron Mountain CDIs. If your address as shown in the Recall Share Register as at the Record Date is: • in Australia, you will receive any New Iron Mountain Securities in the form of New Iron Mountain CDIs; and • outside Australia, you will receive any New Iron Mountain Securities in the form of New Iron Mountain Shares. You may request to receive New Iron Mountain Shares rather than New Iron Mountain CDIs, or vice versa; see Section 15.4 of the Scheme Booklet.	**Sections 5, 7.1.3, 15.3 and 15.4 of the Scheme Booklet**

23 Calculations of value in this Supplementary Booklet are subject to the effect of rounding.
24 Based on the AUD/USD exchange rate of 0.7631 as at the close of trading on the NYSE on 29 March 2016.
25 Based on the Iron Mountain Share Price of US$33.50 and the AUD/USD exchange rate of 0.7631 as at the close of trading on the NYSE on 29 March 2016.

TOPIC	FURTHER INFORMATION
11. What is a CDI? CDIs, or CHESS depositary interests, are instruments through which shares of foreign companies such as Iron Mountain Shares can be traded on ASX. Each New Iron Mountain CDI will represent a beneficial interest in one Iron Mountain Share. Section 15.3 of the Scheme Booklet contains further information about the key features of New Iron Mountain CDIs and how they differ from New Iron Mountain Shares.	**Sections 5, 15.3.2 and 15.3.3 of the Scheme Booklet**
12. What happens if there are delays in satisfying any of the Conditions Precedent? While any Conditions Precedent (other than Court approval of the Scheme) remain unsatisfied and have not been waived (if applicable), there is a risk that the Second Court Hearing (currently scheduled for 21 April 2016) will be delayed, until as soon as reasonably practicable after those Conditions Precedent have been satisfied or waived (if applicable). If the Second Court Hearing is delayed, this may in turn delay the Implementation Date, which is currently scheduled to be 2 May 2016. Further, Iron Mountain and Recall have agreed that, in order to facilitate REIT compliance measures, the Implementation Date should occur on or prior to 2 May 2016. Accordingly, if there are delays in satisfying any of the Conditions Precedent which delays the Implementation Date beyond 2 May 2016, implementation of the Scheme may be delayed until July 2016. In addition, the Scheme will not proceed if the Conditions Precedent are not satisfied or waived (if applicable) by the End Date. The End Date is 8 June 2016, subject to that date being extended in certain circumstances, but in any event will not be later than 30 July 2016.	**Section 10.2.2 of this Supplementary Booklet**
13. When does the Scheme become Effective? In order to become Effective, the Scheme must be approved by the Court at the Second Court Hearing. Recall will apply to the Court for an order approving the Scheme, if the Scheme is approved by the requisite majorities of Scheme Shareholders voting at the Scheme Meeting and all other Conditions Precedent (other than approval of the Court) have been satisfied or waived. If the Court makes orders approving the Scheme, Recall will lodge a copy of those orders with ASIC under section 411(10) of the Corporations Act. As soon as 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 next Business Day after, the date on which the Court issues orders approving the Scheme (currently scheduled to be 21 April 2016).	**Sections 15.8.6 and 15.8.8 of the Scheme Booklet**

TOPIC	FURTHER INFORMATION
Regulatory approvals	
14. What Competition Approvals are required? Certain notices and/or filings under competition, antitrust or fair trade laws in certain jurisdictions have been lodged, including with the ACCC in Australia, the Federal Trade Commission and the DOJ in the US, the CMA in the UK and the CCB in Canada for the purpose of obtaining the Competition Approvals.	**Sections 12.2.3, 15.13.8 and 15.14.1 of the Scheme Booklet**
15. What is the status of the Competition Approvals? As at the date of this Supplementary Booklet: • the DOJ has approved the implementation of the Scheme on the basis that Iron Mountain has agreed to make certain divestments of US assets of the Combined Group described in Section 6.2.1 of this Supplementary Booklet; • the CMA has granted its consent for the Scheme to be implemented prior to the CMA issuing its final decision in its regulatory review as described in Section 6.2.2 of this Supplementary Booklet. That consent was granted on the basis that Iron Mountain agreed to place Recall's entire business in the UK in a Hold Separate arrangement from the Implementation Date until the conclusion of the CMA's review. Following the completion of the CMA's review, the CMA may order divestments of UK assets by the Combined Group as an appropriate remedy; • the ACCC has announced that it will not oppose the Scheme after accepting an undertaking from Iron Mountain pursuant to which Iron Mountain will divest its Australian businesses, other than certain assets, as described in Section 6.2.3 of this Supplementary Booklet; and • the CCB has announced that it has approved the implementation of the Scheme on the basis of the registration of a Consent Agreement with Iron Mountain pursuant to which Iron Mountain will make certain divestments of Canadian assets of the Combined Group described in Section 6.2.4 of this Supplementary Booklet.	**Section 6 of this Supplementary Booklet**
16. What is the expected impact of the Divestments on the Combined Group? The expected annual net impact of the Divestments is estimated by Iron Mountain to be a US$120 million reduction of the revenue and an associated US$35 million reduction of OIBDA for the Combined Group (or approximately 3% of the Combined Group's pro forma revenue and OIBDA for the year ended 31 December 2015). In addition to the direct loss of revenue and OIBDA discussed in the immediately preceding paragraph, the Divestments are expected to result in an additional US$40 million annual reduction in OIBDA for the Combined Group, due to a loss in potential synergies resulting from the Proposed Transaction. Iron Mountain's estimate (which incorporates current market conditions) of the proceeds the Combined Group will receive in relation to the Divestments is approximately US$220 million. However, there can be no assurance that the Combined Group will receive this amount of proceeds from the sales of the Divestments and the proceeds may be materially different from this amount. Upon the successful completion of the Divestments, Iron Mountain anticipates using the net proceeds to repay outstanding borrowings under its Revolving Credit Facility and ultimately to reinvest those proceeds in the Combined Group's business.	**Section 9.2.3 of this Supplementary Booklet**
17. What is the impact of the Divestments on the expected synergies and accretion? The Recall Directors continue to believe that the Scheme is expected to generate meaningful synergies and accretion for the Combined Group. The updated information in relation to the Combined Group includes updated estimates of the levels of synergies and accretion that Iron Mountain expects will result from the Proposed Transaction. These amounts of synergies and accretion are less than what was originally expected by Iron Mountain at the time of the Scheme Booklet. This is due primarily to the divestments required to receive regulatory approvals, as referred to above, as well as changes in foreign currency exchange rates and other factors. See Section 9.2 of this Supplementary Booklet for further information.	**Section 9.2 of this Supplementary Booklet**

TOPIC		FURTHER INFORMATION
18.	**What have Iron Mountain and Recall agreed to in relation to divestments and restrictions?** Iron Mountain has made undertakings under the Scheme Implementation Deed that it will agree to divestments of businesses, service lines or assets of the Recall Group and the Iron Mountain Group, and operational or other restrictions on the Recall Group and the Iron Mountain Group, in each case, if required for the purpose of obtaining the Competition Approvals. The obligations on Iron Mountain to make divestments and agree to such restrictions in the US and Canada are limited to the extent that they would require the disposition of any assets of the records management business of Iron Mountain, Recall or any of their respective subsidiaries in the US and Canada that, in the aggregate, generated more than US$30 million of revenue during the 12 month period prior to the date of the Scheme Implementation Deed. Although the parties anticipate that the Divestments in the US and Canada will exceed such amount, Iron Mountain and Recall intend to proceed with the implementation of the Scheme. No such limitations apply in respect of divestments or restrictions required for the purpose of obtaining the Competition Approvals in any other jurisdiction. This is most relevant in respect of the UK where no divestments have yet been determined pending the outcome of the CMA Review.	**Section 6 of this Supplementary Booklet**
19.	**What other regulatory approvals are required in addition to the Competition Approvals?** The Scheme will not proceed unless approvals from all the relevant regulatory bodies, including FIRB, NZ OIO, ASX and NYSE are obtained. As at the date of this Supplementary Booklet, all of those other regulatory approvals have been obtained but for FIRB. Iron Mountain has been informed by FIRB that it will not approve the Scheme until the ACCC has completed its review of the Scheme. Subject to this, FIRB has indicated that it does not intend to oppose the Scheme. Given the approval of the ACCC was obtained on 31 March 2016, Iron Mountain expects its FIRB application to be dealt with prior to the Scheme Meeting.	**Section 11.1 of this Supplementary Booklet**
20.	**What is the potential impact of the timing of receipt of the regulatory approvals on the timing of implementation of the Scheme?** Implementation of the Scheme is currently scheduled to occur on 2 May 2016. However, until all necessary regulatory approvals are obtained, there is a risk that the Second Court Hearing (currently scheduled for 21 April 2016) will be delayed, which may in turn delay the Implementation Date. Further, Iron Mountain and Recall have agreed that, in order to facilitate REIT compliance measures, the Implementation Date should occur on or prior to 2 May 2016. Accordingly, if there are delays in the receipt of the regulatory approvals which delay the Implementation Date beyond 2 May 2016, implementation of the Scheme may be delayed until July 2016. In addition, the Scheme will not proceed if all necessary regulatory approvals are not obtained by the End Date.	**Section 10.2.2 of this Supplementary Booklet**

TOPIC	FURTHER INFORMATION
Other considerations	
21. What are Recall's transaction costs associated with the Scheme? Recall is expected to have incurred one-off transaction costs of approximately US$38 million, which will be payable by Recall regardless of whether the Scheme is implemented or not. These costs are expected to comprise adviser, legal, accounting and expert fees, employee payments and various other costs. These costs exclude success-based fees and other costs which are contingent upon the successful implementation of the Scheme.	**Section 10.3.1 of this Supplementary Booklet**
22. When will Recall Shares cease trading on ASX? Provided the Scheme becomes Effective, Recall Shares are expected to be suspended from trading on ASX from the close of trading on the Effective Date (which is currently scheduled to be 21 April 2016).	**Section 1 of this Supplementary Booklet**
23. Who can I contact if I have further questions in relation to the Scheme? If you have any further questions, you should seek advice from independent and appropriately licensed financial, legal and taxation advisers. You may also call the Recall Shareholder Information Line on 1800 209 118 (within Australia), or +61 1800 209 118 (outside Australia), between 8.30am and 5.30pm, Monday to Friday.	**Section 3 of this Supplementary Booklet**

B

Updated Information about the Scheme

6 Competition Approvals

6.1 OVERVIEW

As noted in Section 15.14.1(iii) of the Scheme Booklet, under the Scheme Implementation Deed, the Scheme will not proceed unless the Competition Approvals have been obtained.

In order to obtain the Competition Approvals, Iron Mountain and Recall have been in discussions with the ACCC, DOJ, CMA and CCB in relation to obtaining the Competition Approvals in respect of the Scheme. To obtain these Competition Approvals, Iron Mountain is proposing to make certain divestments in the US, Australia and Canada and may be required to make divestments in the UK following the conclusion of the regulatory review process in the UK (***Divestments***). The Divestments and the status of the regulatory review process in the UK are described below.

In addition, Sections 9.1 and 9.2 of this Supplementary Booklet provides further information about the anticipated impact of the Divestments on the Combined Group.

6.2 DIVESTMENTS

6.2.1 DOJ – United States

Divestment package

On 31 March 2016, DOJ announced its approval of the implementation of the Scheme, on the basis that the following divestments will be made by the Combined Group following implementation of the Scheme:

- Recall's records and information management facilities, including all associated tangible and intangible assets, in the following 13 US cities: Buffalo, New York; Charlotte, North Carolina; Detroit, Michigan; Durham, North Carolina; Greenville/Spartanburg, South Carolina; Kansas City, Missouri; Nashville, Tennessee; Pittsburgh, Pennsylvania; Raleigh, North Carolina; Richmond, Virginia; San Antonio, Texas; Tulsa, Oklahoma; and San Diego, California (the ***Initial US Divestments***); and
- certain of Recall's records and information management facilities, including associated tangible and intangible assets, in Seattle, Washington and Atlanta, Georgia (the ***Seattle/Atlanta Divestments***).

The Initial US Divestments and the Seattle/Atlanta Divestments (collectively, the ***US Divestments***) will each be effected by way of a sale of the tangible and intangible assets associated with the relevant facilities, which include warehouse space as well as customer contracts. It is expected that Recall employees associated with the relevant facilities the subject of the US Divestments will be offered continued employment on terms to be agreed with the relevant buyer.

The anticipated impact of the US Divestments on the Combined Group is described in Sections 9.1.2 and 9.2.3 of this Supplementary Booklet.

Sale Process

DOJ's approval of the implementation of the Scheme was granted on the basis that Iron Mountain agreed with the DOJ to (i) sell the assets subject of the Initial US Divestments to a single buyer who has been approved by DOJ prior to the date of this Supplementary Booklet, and (ii) to enter into a binding agreement and complete the Seattle/Atlanta Divestments following a set time from the receipt of DOJ's approval of the implementation of the Scheme, unless extended by DOJ.

Iron Mountain has reached an agreement to divest the Initial US Divestments to Access CIG, LLC, a privately held provider of information management services throughout the United States approved by DOJ as a buyer for the Initial US Divestments, for total consideration of $80 million, subject to adjustments. The transaction is subject to customary closing conditions and is anticipated to close shortly after the closing of the proposed Recall acquisition. In addition, Iron Mountain is in discussions with potential buyers for the facilities and related assets in Seattle and Atlanta.

Management Pending Sale

Iron Mountain and Recall have agreed to place the assets and employees subject of the US Divestments in a Hold Separate arrangement from the Implementation Date until the US Divestments are completed.

Pursuant to DOJ's approval, Iron Mountain and Recall are required to:

- Preserve, maintain, and continue to operate the assets subject of the US Divestments as independent, ongoing, economically viable competitive businesses, with management, sales and operations of such assets held entirely separate, distinct and apart from those of Iron Mountain's other operations, and not be influenced by Iron Mountain.
- Use all reasonable efforts to maintain and increase the sales and revenues of the products or services produced by, provided from, or sold under assets subject of the US Divestments.
- Provide sufficient working capital and lines and sources of credit to continue to maintain the assets subject of the US Divestments.
- Not transfer or reassign Recall's employees with primary responsibility for the operation and management of the assets subject of the US Divestments or the sale of records management services provided from the assets subject of the US Divestments, except for transfer bids initiated by employees pursuant to Recall's regular, established job posting policy.
- Appoint, subject to DOJ approval, a person or persons to oversee the assets subject of the US Divestments, and who will be responsible for Iron Mountain and Recall's compliance with this section. This person shall have complete managerial responsibility for the assets subject of the US Divestments, subject to the provisions of DOJ's approval.

6.2.2 CMA – United Kingdom

Status of CMA Review

On 14 January 2016, the CMA referred the Proposed Transaction for further investigation and report by a group of CMA panel members. The investigation and report would, amongst other things, determine whether the Proposed Transaction may be expected to result in a substantial lessening of competition within the relevant UK markets (which may include markets for records management services, off-site data protection services and ancillary services) (***CMA Review***).

The statutory deadline for completion of the CMA Review is 29 June 2016, with the provisional findings due in late April 2016.

The CMA has not yet indicated whether, and if so what, remedies might be appropriate should the outcome of the CMA Review be a decision that the Proposed Transaction may be expected to result in a substantial lessening of competition within any of the relevant UK markets. Under the *Enterprise Act 2002* (UK), the CMA has the power to order divestments in the UK by the Combined Group as an appropriate remedy. Those divestments may include the sale by the Combined Group of single facilities, the shares of subsidiaries that operate relevant assets or business units, or entire business units, including all associated assets and employees. The scope of any remedies ordered will depend on the geographic scope of any overlaps between the parties' operations where the CMA considers there will be insufficient competition from third parties.

As such, the final outcome of the CMA's Review will not impact the ability of Iron Mountain and Recall to complete the implementation of the Scheme, but may impact the Combined Group's ongoing operations in the UK following implementation of the Scheme.

As the CMA Review is ongoing, no definitive view can be given at this stage as to the outcome of the CMA Review and the scope and timing of any divestments that may be required by the CMA with respect to the Combined Group's UK business. Iron Mountain believes that the maximum scope of any required divestments by the Combined Group in the UK is unlikely to exceed operations and assets which generated 1% of the Combined Group's pro forma revenue for the year ended 31 December 2015. However, Iron Mountain remains confident that the CMA Review will result in divestments by the Combined Group in the UK significantly less than that estimated maximum.

Further information on the potential impact of divestments in the UK by the Combined Group as a result of the CMA Review is described in Sections 9.1.2 and 9.2.3 of this Supplementary Booklet.

Consent to Hold Separate

On 30 March 2016, the CMA announced its conditional consent for the Scheme to be implemented prior to the CMA's issuance of its final decision following the CMA Review (***CMA Consent***).

The completion of CMA's regulatory review of a transaction is often completed after the parties have completed the relevant transaction and, where appropriate, placed the UK business to be acquired in a Hold Separate arrangement agreed to by the CMA.

Pursuant to the CMA Consent, Iron Mountain and Recall have agreed to place the entire Recall business located in the UK in a Hold Separate arrangement from or prior to the Implementation Date until the conclusion of the CMA Review (currently anticipated for 29 June 2016) and any subsequent period that might be required for the final implementation of any remedies that may be ordered by the CMA (***Hold Separate Period***).

Pursuant to the CMA Consent, during the Hold Separate Period, Iron Mountain and Recall have agreed to preserve Recall's entire UK business as a separate and independent viable going concern, and to keep Recall's entire UK business operationally and financially separate from Iron Mountain.

6.2.3 ACCC – Australia

Divestment Package

On 31 March 2016, the ACCC announced that it will not oppose the Scheme, after accepting an undertaking from Iron Mountain pursuant to section 87B of the *Australian Competition and Consumer Act 2010* (Cth) (***ACCC Undertaking***).

Pursuant to the ACCC Undertaking, Iron Mountain will divest the majority of the operations of Iron Mountain Australia by way of a share sale, which effectively involves the sale of the following businesses operated by Iron Mountain in Australia:

- Physical Document Management Services: The safe custody and storage of physical documents in an orderly manner facilitating their identification and retrieval for subsequent use, archiving or destruction; and
- Digital Document Management Services: Scanning and electronically storing large numbers of physical records for easier retrieval, archiving or as part of a business process such as a mail room,

(together, the ***IRM Australia Divestment Business***).

Prior to the Implementation Date, Iron Mountain will transfer out of Iron Mountain Australia all assets related to:

- Iron Mountain's Physical Document Management Services and Digital Document Management Services businesses in the Northern Territory (other than in relation to customers who have holdings in other Australian states or territories); and
- Data Protection Services business: The secure storage of backup or archival data on tapes, disk and/or cloud mediums,

(together, the ***IRM Australian Retained Business***), so that those assets will remain owned by the Combined Group after implementation of the Scheme.

Pursuant to the ACCC Undertaking, Iron Mountain may only sell the IRM Australia Divestment Business to a person who is independent of the Combined Group and has been approved by the ACCC (***Approved Purchaser***). In addition, under the ACCC Undertaking, Iron Mountain must for a reasonable transitional period and at the option of the Approved Purchaser, ensure the continued supply by Iron Mountain to the Approved Purchaser of any services and technical assistance required by the Approved Purchaser in order for the Approved Purchaser to be established as a viable, effective, stand-alone, independent and long-term competitor in the markets for the supply of Physical Document Management Services in Australia or otherwise operate the IRM Australia Divestment Business. If the Approved Purchaser requires any such services or technical assistance, Iron Mountain will provide those services at cost under an agreement approved by the ACCC

The anticipated impact of the sale of the IRM Australia Divestment Business on the Combined Group is described in Sections 9.1.2 and 9.2.3 of this Supplementary Booklet.

Sale Process

The ACCC Undertaking provides that Iron Mountain will sell the IRM Australia Divestment Business within a set period of time from the Implementation Date. If the sale of the IRM Australia Divestment Business is not completed within that period, Iron Mountain must appoint an independent sale agent approved by the ACCC to effect the sale of the IRM Australia Divestment Business. There is no minimum price at which the independent sale agent must sell the IRM Australia Divestment Business.

As at the date of this Supplementary Booklet, Iron Mountain has not yet selected a preferred purchaser of the IRM Australia Divestment Business. Once a preferred purchaser of the IRM Australia Divestment Business is identified, that preferred purchaser will be presented to the ACCC for its approval.

Management Pending Sale

From the Implementation Date, and until the IRM Australia Divestment Business is sold to the Approved Purchaser, Iron Mountain will be required to preserve the IRM Australia Divestment Business as a separate and independently viable going concern.

In addition, from the Implementation Date, and until the IRM Australia Divestment Business is sold to the Approved Purchaser, the IRM Australia Divestment Business will be managed by an independent manager selected by Iron Mountain and approved by the ACCC (***Approved Independent Manager***). During that period, the Approved Independent Manager will:

- have the sole authority to manage and operate the IRM Australia Divestment Business according to a separation and management plan approved by the ACCC; and
- be required to ensure that the IRM Australia Divestment Business is managed and operated in the ordinary course of business as a fully operational, competitive going concern and in such a way that preserves the economic viability, marketability, competitiveness and goodwill of the IRM Australia Divestment Business.

Under the separation and management plan, the Approved Independent Manager will be required to separate the IRM Australia Divestment Business from the IRM Australian Retained Business (to the extent that this has not already occurred prior to the Implementation Date) and manage and operate the IRM Australia Divestment Business independently of Iron Mountain and the IRM Australian Retained Business. Any material changes to the IRM Australia Divestment Business made by the Approved Independent Manager will require the ACCC's prior approval.

The Approved Independent Manager will have broad powers in performing its role, including the power to renew or replace upon expiry material contracts of the IRM Australia Divestment Business and to engage, redeploy or make redundant personnel employed by the IRM Australia Divestment Business as the Approved Independent Manager determines necessary.

As at the date of this Supplementary Booklet, Iron Mountain has not yet selected a preferred person to act as the independent manager of the IRM Australia Divestment Business. Iron Mountain intends to commence a process to select a preferred person to act as the independent manager of the IRM Australia Divestment Business prior to the implementation of the Scheme. Once that person is identified by Iron Mountain, they will be presented to the ACCC for its approval.

Similarly, as at the date of this Supplementary Booklet, Iron Mountain has not finalised a separation and management plan, and intends to commence discussions on those terms prior to implementation of the Scheme.

Iron Mountain must also appoint an independent auditor to audit and report upon Iron Mountain's compliance with the ACCC Undertaking. As at the date of this Supplementary Booklet, Iron Mountain has not yet selected a preferred person to act as the independent auditor. Iron Mountain intends to commence a process to select a preferred person to act as the independent auditor prior to the implementation of the Scheme. Once that person is identified by Iron Mountain, they will be presented to the ACCC for their approval.

6.2.4 CCB – Canada

Divestment Package

On 31 March 2016, the CCB announced that it has approved the implementation of the Scheme on the basis of the registration of a Consent Agreement with Iron Mountain pursuant to sections 92 and 105 of the Competition Act (R.S.C., 1985, c. C-34) (***CCB Consent Agreement***).

The CCB Consent Agreement will require the Combined Group to divest the following assets following implementation of the Scheme:

- Recall's document management services facilities, including associated tangible and intangible assets and employees, in Edmonton, Alberta and Laval, Quebec and certain of Recall's document management services facilities, including associated tangible and intangible assets and employees, in Calgary, Alberta and Toronto, Ontario; (the ***Recall Divestments***) and
- One of Iron Mountain's document management services facilities in Burnaby, British Columbia and two of Iron Mountain's document management services facilities in Ottawa, Ontario, including associated tangible and intangible assets and employees,

(collectively, the ***Canadian Divestments***).

The Canadian Divestments will be effected by way of a sale of only the tangible and intangible assets associated with the relevant facilities, which include warehouse space as well as customer contracts. It is expected that Iron Mountain and Recall employees associated with the relevant facilities subject of the Canadian Divestments will be offered continued employment on terms to be agreed with the relevant buyer.

The anticipated impact of the Canadian Divestments on the Combined Group is described in Sections 9.1.2 and 9.2.3 of this Supplementary Booklet.

Sale Process

Under the terms of the CCB Consent Agreement, the assets subject of the Canadian Divestments will be acquired by a single buyer to be approved by the Commissioner of Competition (***Commissioner***).

As at the date of this Supplementary Booklet, Iron Mountain has not yet selected a preferred purchaser for the assets subject of Canadian Divestments. Once a preferred purchaser for the assets subject of Canadian Divestments is identified, that preferred purchaser will be presented to the Commissioner for pre-approval.

Management Pending Sale

Pursuant to the terms of the CCB Consent Agreement, in order to preserve the business of Canadian Divestments pending completion of the Canadian Divestments, the Combined Group must maintain the economic viability and marketability of the business of Canadian Divestments, Iron Mountain shall be required to hold the Recall Divestments separate from those of the Combined Group's other operations.

The business of the Recall Divestments will be managed by an independent manager (***Canadian Independent Manager***) selected by Iron Mountain and approved by the Commissioner. The Canadian Independent Manager will:

- have the sole authority to manage and operate the business of the Recall Divestments; and
- be required to ensure that the business of Recall Divestments is preserved as a separate and independently viable going concern and is kept operationally and financially separate from the Combined Group.

As at the date of this Supplementary Booklet, the Canadian Independent Manager has not been selected. Pending completion of the Canadian Divestments, the Combined Group must not, without the Commissioner's prior written approval:

- create any new encumbrances on the Canadian Divestments, other than ordinary course obligations that are not due or delinquent;
- enter into, withdraw from, amend or otherwise take steps to alter any obligations in material contracts relating to the Canadian Divestments, except as necessary to comply with the CCB Consent Agreement; or
- make any material changes to the Canadian Divestments, except as required to comply with the CCB Consent Agreement.

Pursuant to the terms of the CCB Consent Agreement, a person will be appointed by the CCB to monitor the Combined Group's compliance with the CCB Consent Agreement. As at the date of this Supplementary Booklet, a monitor has not been appointed. The Combined Group is responsible for all reasonable fees and expenses properly charged or incurred by the monitor in the course of carrying out its duties under the CCB Consent Agreement.

7 Updated overview of Recall

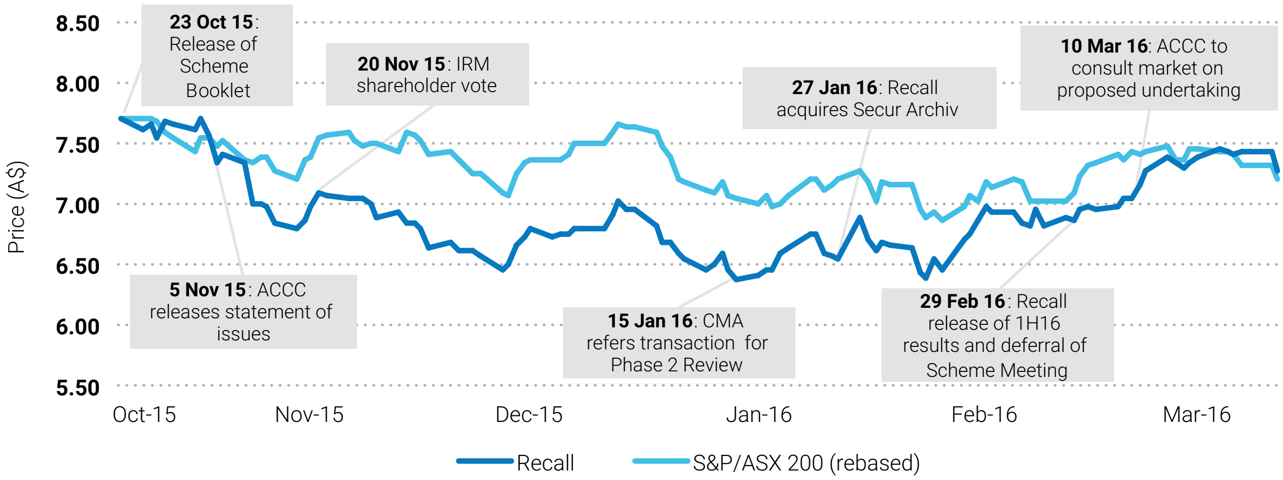
7.1 OVERVIEW

Section 9 of the Scheme Booklet provides an overview of Recall, including its business, strategy, board and senior management, dividend history, capital structure and historical financial information. This Section 7 of the Supplementary Booklet is intended to supplement Section 9 of the Scheme Booklet and contains information about material changes to Recall since the date of the Scheme Booklet. You should read this Section 7 of the Supplementary Booklet together with Section 9 of the Scheme Booklet.

7.2 RECALL'S TRADING PERFORMANCE

Recall's trading price performance since the date of the Scheme Booklet is outlined in the chart below.

Figure 3 – Recall Share Price and S&P/ASX 200 performance since Scheme Booklet released on 23 October 2015



Source: IRESS data as at 29 March 2016. Rebased to Recall Share Price.

As at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet:

- the last recorded trading price of Recall Shares was A$7.28;
- the one month volume weighted average price of Recall Shares was A$7.22;
- the three month volume weighted average price of Recall Shares was A$6.90; and
- the lowest and highest closing prices of Recall Shares during the previous three months were A$6.38 and A$7.45, respectively.

7.3 FINANCIAL INFORMATION

7.3.1 Overview

This Section 7.3 contains supplementary Recall financial information, which is comprised of the ***Recall Pro Forma Historical Financial Information***, being:

- Recall pro forma historical income and cash flow statement for the half-year ended 31 December 2015 (***Recall Pro Forma Historical Income Statement*** and ***Recall Pro Forma Historical Cash Flow Statement***); and
- Recall balance sheet as at 31 December 2015 (***Recall Balance Sheet***).

The Recall Pro Forma Historical Financial Information should be read in conjunction with the Recall Pro Forma Historical Financial Information included in Section 9 of the Scheme Booklet.

The Recall Pro Forma Historical Financial Information has been reviewed by the Investigating Accountant. The Supplementary Investigating Accountant's Report is included in Appendix 2. Recall Shareholders should note the comments made in relation to the scope and limitations of the Supplementary Investigating Accountant's Report.

As part of the management discussion and analysis of the historical financial performance, this Section 7.3 also contains Recall's pro forma historical income statements for the half-year ended 31 December 2014 and the half-year ended 31 December 2015 on a constant currency basis.

This Section 7.3 should be read in conjunction with the risks to which Recall is subject and the risks associated with the Scheme, as set out in Section 10 of this Supplementary Booklet.

The financial statements for the half-year ended 31 December 2015 were reviewed by PwC in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, who issued an unqualified review opinion.

7.3.2 Basis of preparation

(i) Overview

The Recall Pro Forma Historical Financial Information included in this Section 7.3 is intended to present shareholders with information to assist them in understanding the underlying historical financial performance, cash flows and financial position of Recall. The Recall Board is responsible for the preparation and presentation of the Supplementary Recall Pro Forma Historical Financial Information.

The Recall Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles under Australian Accounting Standards (including Australian Accounting Interpretations) issued by the AASB, which are consistent with the recognition and measurement principles of the IFRS and interpretations adopted by the International Accounting Standards Board. The accounting policies used in preparation of the Recall Pro Forma Historical Financial Information are consistent with those set out in the Recall annual report for the year ended 30 June 2015 and the Scheme Booklet dated 23 October 2015.

The Recall Pro Forma Historical Financial Information for the half-year ended 31 December 2015 has been derived from the Recall interim financial report for the half-year ended 31 December 2015 incorporating financial statements for the half-year ended 31 December 2015. Consistent with the financial information for the year ended 30 June 2015, it has been adjusted for the impact of the significant items as set out in Note 6 to Recall's interim financial report for the half-year ended 31 December 2015. A reconciliation of reported and pro forma earnings is set out in Figure 6 in Section 7.3.3(iii).

The Recall Pro Forma Historical Cash Flow Statement for the half-year ended 31 December 2015 is presented as net operating cash flows after capital expenditure.

The earnings and cash flows of the entities that comprise the Recall Group are translated into US dollars using the average exchange rates for the period. Assets and liabilities of the entities that comprise the Recall Group are translated into US dollars at the exchange rate ruling at the balance sheet date.

Certain historical financial performance in this Section 7.3 is presented on a constant currency basis. Constant currency financial information is a non-IFRS measure and does not form part of the Recall Pro Forma Historical Financial Information.

Where financial reports have been used to extract historical financial information, complete versions of these reports are available from Recall's website, www.recall.com, or ASX's website, www.asx.com.au.

(ii) Recall Pro Forma Historical Financial Information

The Recall Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles under Australian Accounting Standards (including Australian Accounting Interpretations) issued by the AASB, other than that it includes adjustments which have been prepared in a manner consistent with Australian Accounting Standards and other generally accepted accounting practices in Australia, that reflect:

(A) the recognition of certain items in periods different from the applicable period under Australian Accounting Standards and other generally accepted accounting practices in Australia; and

(B) the exclusion of certain transactions that occurred in the relevant periods.

Reconciliations of the reviewed statutory historical financial information to the Recall Pro Forma Historical Financial Information are provided in Section 7.3.3(iii).

7.3.3 Financial performance

(i) Underlying financial performance

The table below sets out Recall's underlying financial performance for the half-year ended 31 December 2015.

Figure 4 – Recall Pro Forma Historical Income Statement for the half-year ended 31 December 2015

US$ MILLIONS	NOTES	H1FY16 PRO FORMA[2]
Document management services		307.8
Secure destruction services		47.4
Data protection services		42.4
Sales revenue		**397.6**
Employment costs		(140.3)
Occupancy		(70.7)
Service suppliers		(68.5)
Other		(26.7)
Operating expenses		**(306.2)**
EBITDA	1	**91.4**
Depreciation and amortisation		(35.6)
Underlying profit		**55.8**
Net financing costs		(13.3)
Tax expense		(12.5)
Pro forma net profit		**30.0**

NOTES

1 EBITDA (earnings before interest, taxation, depreciation and amortisation).

2 H1FY16 has had certain pro forma adjustments applied to them in order to reflect the underlying performance of Recall. A reconciliation of reported and underlying results is set out in Section 7.3.3(iii).

(ii) Management discussion and analysis of historical financial performance

Recall's interim financial report for the half-year ended 31 December 2015 contains a full commentary on the results of Recall for that period within the operational and financial review section. These are available from Recall's website, at www.recall.com, or ASX's website at www.asx.com.au. The following is a summary of the key financial highlights as presented within the Recall financial statements.

The table below sets out Recall's financial performance for the half year ended 31 December 2015 and the half year ended 31 December 2014, both expressed at the average exchange rates as experienced in H1FY15 to allow for comparison of the underlying business performance without the impacts of foreign exchange movements.

Figure 5 – Pro Forma Historical Results for H1FY15 and H1FY16 at constant exchange rates

US$ MILLIONS	H1FY15[1] PRO FORMA	H1FY16 PRO FORMA CONSTANT FX[2]
Document management services	330.4	353.5
Secure destruction services	53.3	51.2
Data protection services	43.3	46.2
Sales revenue	**427.0**	**450.9**
Employment costs	(145.6)	(155.7)
Occupancy	(74.7)	(80.1)
Service suppliers	(77.5)	(76.7)
Other	(27.7)	(31.4)
Operating expenses	**(325.5)**	**(343.9)**
EBITDA	**101.5**	**107.0**
Depreciation and amortisation	(36.1)	(39.2)
Underlying profit	**65.4**	**67.8**

NOTES

1 H1FY15 includes the financial contribution of the SDS Germany business, which was sold in December 2014.

2 H1FY16 results have been adjusted to remove the impact of movements in average exchange rates between H1FY15 and H1FY16.

Sales revenue

Recall generated constant currency revenue growth of 5.6% (6.7% excluding the impact of the sale of the SDS Germany business in December 2014) driven by a combination of organic growth and the impact of acquisitions. During the period Recall completed five acquisitions.

Revenue growth was achieved across each of our four regions and across all service lines. DMS revenues grew 7.0% on the back of acquisitions and increases in organic carton holdings.

Underlying profit

Constant currency underlying profit grew by 3.7% (4.9% excluding the impact of the sale of the SDS German business) from a combination of organic and acquisition revenue growth as described above. Inflationary and other cost increases were able to be offset by strong cost management initiatives, business improvement programs and the benefits associated with our facility optimisation programs.

(iii) Adjustments made to reported financial performance

Figure 6 sets out the adjustments made to reported financial performance in order to reflect the underlying performance of the business.

Figure 6 – Reconciliation of pro forma financial information to reported financial information

US$ MILLIONS	NOTES	H1FY16 PRO FORMA
Reported Operating Profit		35.4
Significant items	1	20.4
Pro forma Underlying Profit		**55.8**
Reported net financing costs		(13.3)
Revised capital structure		–
Pro forma net financing costs		**(13.3)**
Reported tax expense		(5.4)
Pro forma adjustment to tax expense	2	(7.1)
Pro forma tax expense		**(12.5)**
Reported net profit after tax		16.7
Impact of pro forma adjustments on NPAT		13.3
Pro forma underlying profit after tax		**30.0**

NOTES

1 Significant items are items of income or expense which are, either individually or in aggregate, material to Recall or to the relevant business segment and outside the ordinary course of business or part of the ordinary activities of the business but unusual due to their size and nature. Further details of the significant items adjusted here are set out in note 6 to the financial statements in Recall's Interim Financial Report for the half-year ended 31 December 2015.

2 Pro forma adjustment to tax effect the pro forma adjustment for significant items.

7.3.4 Recall Balance Sheet

The pro forma consolidated historical balance sheet shown in Figure 7 is based on the reviewed statutory consolidated balance sheet as at 31 December 2015.

Figure 7 – Recall Balance Sheet as at 31 December 2015

US$ MILLIONS	31 DECEMBER 2015
Current assets	
Cash and cash equivalents	159.4
Trade and other receivables	181.9
Inventories	2.2
Other assets	18.9
Total current assets	**362.4**
Non-current assets	
Other receivables	6.0
Investments	–
Property, plant and equipment	376.8
Goodwill	665.8
Intangible assets	141.0
Other assets	5.2
Total non-current assets	**1,194.8**
Total assets	**1,557.2**
Current liabilities	
Trade and other payables	(137.3)
Tax payable	(11.9)
Provisions	(24.5)
Other financial liabilities	(70.5)
Total current liabilities	**(244.2)**
Non-current liabilities	
Borrowings	(706.8)
Derivative financial instruments	(0.1)
Provisions	(10.3)
Deferred tax liabilities	(62.5)
Other liabilities	(17.8)
Total non-current liabilities	**(797.5)**
Total liabilities	**(1,041.7)**
Net assets	**515.5**

7.3.5 Underlying cash flows

Figure 8 – Recall Pro Forma Historical Cash Flow Statement for the half-year ended 31 December 2015

US$ MILLIONS	NOTES	H1FY16
Pro forma EBITDA	1	91.4
Pro forma change in working capital		(32.6)
Pro forma proceeds from disposals		2.9
Pro forma other (including provisions)		2.2
Net operating cash flows, before capital expenditure, financing costs and tax		**63.9**
Pro forma capital expenditure		(33.8)
Net operating cash flows, before financing costs and tax		**30.1**

NOTES

1 Details of the basis of preparation of pro forma EBITDA are set out in Figure 4 in Section 7.3.3(i).

7.4 MATERIAL CHANGES IN RECALL'S FINANCIAL POSITION SINCE LAST ACCOUNTS PUBLISHED

Other than as disclosed in this Supplementary Booklet, within the knowledge of the Recall Board, as at the date of this Supplementary Booklet, the financial position of Recall has not materially changed since 31 December 2015, being the last balance sheet for the accounts of Recall for the six months ended 31 December 2015.

8 Updated overview of Iron Mountain

8.1 OVERVIEW

Section 10 of the Scheme Booklet provides an overview of Iron Mountain, including its business, strategy, board and senior management, REIT status, dividend history, capital structure and historical financial information. This Section 8 is intended to supplement Section 10 of the Scheme Booklet and contains information about material changes to Iron Mountain since the date of the Scheme Booklet. You should read this Section 8 together with Section 10 of the Scheme Booklet.

8.2 UPDATED FINANCIAL POSITION OF IRON MOUNTAIN

Iron Mountain remains listed on the NYSE and has a market capitalisation of US$7.1 billion.[26]

In the year ended 31 December 2015, Iron Mountain's sales revenue was US$3,008 million and its Adjusted OIBDA (where Adjusted OIBDA means operating income before depreciation, amortisation, intangible impairments, (gain) loss on disposal/write-down of property, plant and equipment, net (excluding real estate), Recall Costs and REIT Costs) and net profit after tax were US$920 million and US$123 million, respectively. As at 31 December 2015, the Iron Mountain Group's consolidated total assets were approximately US$6,351 million and consolidated net assets were approximately US$529 million.

8.3 RECENT ACQUISITIONS BY THE IRON MOUNTAIN GROUP

Iron Mountain has strengthened and expanded its service offerings and geographic footprint with certain acquisitions since the date of the Scheme Booklet. Of particular note, on 1 December 2015 Iron Mountain completed the acquisition of Crozier Fine Arts (***Crozier***), a storage, logistics and transportation business for high-value paintings, photographs and other types of art belonging to individual collectors, galleries and art museums, for approximately US$74.2 million.

In December 2015, in order to enhance its existing operations in India, Iron Mountain acquired the stock of Navbharat Archive XPress Private Limited (***NAX***), a storage and records management company, for approximately US$16.1 million (of which approximately US$8.9 million was funded by Iron Mountain, while the remaining US$7.2 million was contributed by the noncontrolling interest shareholder of Iron Mountain's business in India).

In addition to the acquisitions of Crozier and NAX noted above, during 2015 and through to the date of this Supplementary Booklet, Iron Mountain completed 14 acquisitions and joint venture investments for total consideration of approximately US$50 million. These acquisitions included 11 storage and records management companies, 2 storage and data management companies and one personal storage company. The individual purchase prices of these acquisitions ranged from less than US$1 million to approximately US$15 million.

8.4 DIVIDENDS DECLARED IN 2015 AND TO DATE

8.4.1 Dividend distribution and history

Set out below are the dividends declared by Iron Mountain in 2015 and to 29 March 2016:

Figure 9 – Iron Mountain dividends in 2015 and to date

DECLARATION DATE	DIVIDEND PER IRON MOUNTAIN SHARE (US$)	RECORD DATE	TOTAL AMOUNT (US$ IN MILLIONS)	PAYMENT DATE
19 February 2015	0.4750	6 March 2015	99.795	20 March 2015
28 May 2015	0.4750	12 June 2015	100.119	26 June 2015
27 August 2015	0.4750	11 September 2015	100.213	30 September 2015
29 October 2015	0.4850	1 December 2015	102.438	15 December 2015
17 February 2016	0.4850	7 March 2016	102.651	21 March 2016

26 Based on the Iron Mountain Share Price of US$33.50 and 211.9 million Iron Mountain Shares on issue as at the close of trading on the NYSE on 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet.

8.4.2 Characterisation of 2015 dividends

The IRS requires historical 'C corporation' earnings and profits to be distributed prior to any distributions of REIT earnings and profits, which may affect the character of each distribution to Iron Mountain stockholders, including whether and to what extent each distribution is characterised as a qualified or nonqualified ordinary dividend (as further described in Section 10.6.2 of the Scheme Booklet). Other distributions may be characterised as capital gain distributions or returns of capital. Set out below are the characterisations of dividends paid by Iron Mountain in the year ended 31 December 2015.

Figure 10 – Characterisation of Iron Mountain dividends paid in 2015

	YEAR ENDED 31 DECEMBER 2015
Nonqualified ordinary dividends	49.3%
Qualified ordinary dividends	39.1%
Return of capital	11.6%
	100%

8.5 CHANGES TO REIT LEGISLATION

As noted in Section 10.6 of the Scheme Booklet, Iron Mountain has been organised and has operated as a real estate investment trust for US federal income tax purposes (***REIT***) since its taxable year beginning 1 January 2014.

Tax legislation enacted in December 2015 made a number of changes to the US federal income taxation of REITs and their shareholders. A summary of the new legislation, including its impact on Iron Mountain's qualification for taxation as a REIT and on the acquisition, ownership and disposition of New Iron Mountain Securities, and other updates regarding Iron Mountain's qualification and taxation as a REIT, are included in Iron Mountain's tax disclosure contained in Exhibit 99.1 of Iron Mountain's Current Report on Form 8-K/A filed with the SEC on 18 March 2016 (US Eastern standard time), which is publicly available at the SEC website at www.sec.gov.

Sections 10.6.2 and 13.2.2 of the Scheme Booklet disclosed that a non-US Holder (as defined in the Scheme Booklet) that holds or has held more than 5% of the shares of Iron Mountain may be subject to special rules on the receipt of specified distributions and proceeds from the sale of such non-US Holder's Iron Mountain stock. The ownership threshold for these special rules has been increased to 10%. Further, proceeds from the disposition of such stock are potentially subject to an increased withholding rate of 15%. These special rules may not apply to a non-US Holder that is a "qualified shareholder", a "qualified foreign pension fund", or an entity wholly owned by one or more qualified foreign pension funds, each as defined in the United States Internal Revenue Code of 1986, as amended. Non-US Holders are urged to consult with their own tax advisers to determine the impact of US federal, state, local and non-US tax laws, including any tax return filing and other reporting requirements, with respect to their ownership of New Iron Mountain Securities.

8.6 FINANCIAL INFORMATION

8.6.1 Introduction

This Section 8.6 contains a summary of the Iron Mountain financial information which is comprised of the ***Iron Mountain Historical Financial Information***, being:

- Iron Mountain audited historical income statement and historical cash flow statement for the year ended 31 December 2015 (***Iron Mountain Historical Income Statement*** and ***Iron Mountain Historical Cash Flow Statement***), and
- Iron Mountain audited historical balance sheet as at 31 December 2015 (***Iron Mountain Historical Balance Sheet***).

The Iron Mountain Historical Financial Information should be read in conjunction with the Iron Mountain Historical Financial Information included in Section 10 of the Scheme Booklet.

The Iron Mountain Historical Financial Information has been reviewed by the Investigating Accountant. The Supplementary Investigating Accountant's Report is included in Appendix 2. You should note the comments made in relation to the scope and limitations of the Supplementary Investigating Accountant's Report.

As part of the management discussion and analysis of historical financial performance in Section 8.6.3, this Section 8.6 also contains Iron Mountain's historical income statements for the year ended 31 December 2014.

This Section 8.6 should be read in conjunction with the risks to which Iron Mountain is subject and the risks associated with the Scheme, as set out in Section 10 of this Supplementary Booklet.

The financial statements for the year ended 31 December 2015 were audited by Deloitte & Touche LLP as Independent Registered Public Accounting Firm for Iron Mountain in accordance with the standards of the Public Company Accounting Oversight Board (United States). The audit opinion relating to these financial statements was unqualified.

8.6.2 Basis of preparation

Overview

The Iron Mountain Historical Financial Information included in this Section 8.6 is intended to present potential investors with information to assist them in understanding the historical financial performance, cash flows and financial position of Iron Mountain. The management of Iron Mountain Incorporated is responsible for the preparation and presentation of the Iron Mountain financial information.

The Iron Mountain Historical Financial Information has been prepared under accounting principles generally accepted in the US (US GAAP) but is presented in an abbreviated form insofar as it does not include all the disclosures, statements or comparative information that are required by US GAAP or Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the AASB.

The Iron Mountain Historical Cash Flow Statement for the year ended 31 December 2015 are presented as net operating cash flows.

Where Iron Mountain financial reports have been used to extract historical financial information, complete versions of these reports are available from Iron Mountain's website, www.ironmountain.com, or the SEC's website, www.sec.gov.

Iron Mountain Historical Financial Information

The Iron Mountain Historical Financial Information has been prepared in accordance with US GAAP and derived from Iron Mountain's audited consolidated financial statements as of and for the year ended 31 December 2015 contained in its Annual Report on Form 10-K as filed with the SEC on 26 February 2016. The accounting policies used in preparation of the Iron Mountain Historical Financial Information are consistent with those set out in the Iron Mountain Annual Report on Form 10-K.

The non GAAP information referred to in this Section 8.6 includes Adjusted OIBDA. Iron Mountain management determines Adjusted OIBDA as operating income before depreciation, amortisation, impairment of intangibles, (gain) loss of disposal/write-down of property, plant and equipment, net (excluding real estate), Recall Costs and REIT Costs. In addition, investor communications also use:

- normalised funds from operations or Normalised FFO, which comprises net income excluding depreciation on real estate assets; gain on sale of real estate, net of tax; (gain) loss on disposal/write down of property, plant and equipment (excluding real estate); net intangible impairments; Recall Costs; REIT Costs; other expenses (income), net; deferred income taxes and REIT tax adjustments; income (loss) from discontinued operations, net of tax; and gain (loss) on sale of discontinued operations, net of tax; and
- adjusted funds from operations or AFFO, which is Normalised FFO excluding non cash rent expense or income, plus depreciation on non real estate assets, amortisation expense (including amortisation of deferred financing (costs)) and non cash equity compensation costs, less maintenance capital expenditures and non real estate investments.

8.6.3 Financial performance

Reported financial performance

Iron Mountain Historical Income Statements shown below are based on the audited consolidated income statements for the years ended 31 December 2014 and 31 December 2015:

Iron Mountain Historical Income Statements

US$ MILLIONS	YEAR ENDED 31 DECEMBER 2014	YEAR ENDED 31 DECEMBER 2015
Total revenues	3,117.7	3,008.0
Operating expenses	(2,215.3)	(2,138.0)
OIBDA	**902.4**	**870.0**
Depreciation and amortisation	(353.1)	(345.5)
Operating income	**549.3**	**524.5**
Interest expense, net	(260.7)	(263.9)
Other expense, net	(65.2)	(98.6)
Income from continuing operations, before (provision) benefit for income taxes and gain on sale of real estate	**223.4**	**162.0**
(Provision) benefit for income taxes	97.3	(37.7)
Gain on sale of real estate	8.3	0.9
Income from continuing operations	**329.0**	**125.2**
Income (loss) from discontinued operations, net of tax	(0.2)	–
Net income	**328.8**	**125.2**
Less: Net income (loss) attributable to noncontrolling interest	2.6	2.0
Net income (loss) attributable to Iron Mountain Incorporated	**326.2**	**123.2**

Management discussion and analysis of historical financial performance

Iron Mountain's Annual Report Form 10-K as filed on 26 February 2016 for the year ended 31 December 2015 contains a full commentary on the historical results of Iron Mountain for those periods. This report is available from Iron Mountain's website, at www.ironmountain.com, or the SEC's website at www.sec.gov. The information provided in Iron Mountain's SEC filings (or available on Iron Mountain's website) is not part of this Supplementary Booklet and is not incorporated by reference.

The following is a summary of the key financial highlights as presented within the Iron Mountain annual reports.

Significant items impacting historical financial performance

The following details significant items that had an impact on the Iron Mountain Historical Financial information:

Cost Optimisation Plan

During the third quarter of 2015, Iron Mountain implemented a plan that called for certain organisational realignments to reduce its overhead costs, particularly in its developed markets, in order to optimise its selling, general and administrative cost structure and to support investments to advance its growth strategy (***Transformation Initiative***), which is expected to be completed by the end of 2017. As a result of the Transformation Initiative, Iron Mountain recorded costs of US$10.2 million for the year ended 31 December 2015, primarily related to employee severance and associated benefits. The Transformation Initiative costs are included within operating expenses on the Iron Mountain Historical Income Statement.

Recall Costs

The operating and capital expenditures associated with Iron Mountain's proposed acquisition of Recall, including costs to complete the Proposed Transaction, including advisory and professional fees, as well as costs incurred to integrate Recall into Iron Mountain's existing operations, including moving, severance, facility upgrade, REIT conversion and system upgrade costs (collectively, ***Recall Costs***) approximated US$47.1 million for the year ended 31 December 2015 (US$24.7 million of costs to complete the Proposed Transaction and US$22.4 million of costs incurred to integrate Recall into Iron Mountain's existing operations), including approximately US$47 million of operating expenditures and approximately US$0.1 million of capital expenditures. These costs were included within the Iron Mountain Historical Income Statement.

2015 results

Revenues

US$ MILLIONS	YEAR ENDED 31 DECEMBER 2014	YEAR ENDED 31 DECEMBER 2015	DOLLAR CHANGE	PERCENTAGE CHANGE ACTUAL	PERCENTAGE CHANGE CONSTANT CURRENCY	INTERNAL GROWTH
Storage rental	1,860.2	1,837.9	(22.3)	(1.2)%	4.0%	2.7%
Service	1,257.5	1,170.1	(87.4)	(6.9)%	(0.9)%	(0.4)%
Total revenues	**3,117.7**	**3,008.0**	**(109.7)**	**(3.5)%**	**2.1%**	**1.5%**

The consolidated revenues of Iron Mountain decreased US$109.7 million, or 3.5%, to US$3,008 million for the year ended 31 December 2015 from US$3,117.7 million for the year ended 31 December 2014. On a constant dollar basis, the consolidated revenues of Iron Mountain increased by 2.1% for the year ended 31 December 2015 compared to the year ended 31 December 2014. With respect to Iron Mountain's results for the year ended 31 December 2015, constant currency growth rates were calculated by translating the 2014 results at the 2015 average exchange rates. For the year ended 31 December 2015, foreign currency exchange rate fluctuations decreased Iron Mountain's reported consolidated revenues by 5.6% compared to the same prior year period, primarily due to the weakening of the Australian dollar, Brazilian real, British pound sterling, Canadian dollar and the Euro against the US dollar, based on an analysis of weighted average rates for the comparable period. This decrease was partially offset by consolidated revenue internal growth of 1.5% as well as the net impact of acquisitions/divestments of 0.6% in the year ended 31 December 2015 compared to the year ended 31 December 2014.

Operating expenses

US$ MILLIONS	YEAR ENDED 31 DECEMBER 2014	YEAR ENDED 31 DECEMBER 2015	DOLLAR CHANGE	PERCENTAGE CHANGE ACTUAL	PERCENTAGE CHANGE CONSTANT CURRENCY	% OF CONSOLIDATED REVENUES 2014	% OF CONSOLIDATED REVENUES 2015
Cost of sales							
Labour	674.7	647.1	(27.6)	(4.1)%	2.8%	21.6%	21.5%
Facilities	440.4	425.9	(14.5)	(3.3)%	2.7%	14.1%	14.2%
Transportation	118.0	101.2	(16.8)	(14.2)%	(9.5)%	3.8%	3.4%
Product cost of sales and other	111.5	115.8	4.3	3.8%	12.9%	3.6%	3.9%
Total cost of sales	**1,344.6**	**1,290.0**	**(54.6)**	**(4.1)%**	**2.5%**	**43.1%**	**42.9%**
Selling, general and administrative expenses							
General and administrative	538.7	516.0	(22.7)	(4.2)%	0.5%	17.3%	17.2%
Sales, marketing and account management	213.5	214.0	0.5	0.2%	5.0%	6.8%	7.1%
Information technology	103.2	99.6	(3.6)	(3.4)%	1.1%	3.3%	3.3%
Bad debt expense	14.2	15.3	1.1	7.9%	10.6%	0.5%	0.5%
Total selling, general and administrative expenses	**869.6**	**844.9**	**(24.7)**	**(2.8)%**	**1.9%**	**27.9%**	**28.1%**

Labour expense decreased to US$647.1 million (21.5% of consolidated revenues) for the year ended 31 December 2015 compared to US$674.7 million (21.6% of consolidated revenues) for the year ended 31 December 2014. Labour costs were favourably impacted by 6.9% due to currency rate changes during the year ended 31 December 2015. Labour expense for the year ended 31 December 2015 increased by 2.8% on a constant dollar basis compared to the year ended 31 December 2014. This increase was primarily due to a US$14.6 million increase in labour costs in Iron Mountain's Other International Business segment, primarily associated with the impact of recent acquisitions, and a US$7 million increase in labour costs in Iron Mountain's North American Records and Information Management Business segment, primarily associated with an increase in medical expenses. These increases were partially offset by a US$1.2 million reduction in restructuring costs, primarily associated with Iron Mountain's North American Records and Information Management Business segment in the year ended 31 December 2015 compared to the year ended 31 December 2014.

Facilities costs increased as a percentage of consolidated revenue to US$425.9 million (14.2% of consolidated revenues) for the year ended 31 December 2015 compared to US$440.4 million (14.1% of consolidated revenues) for the year ended 31 December 2014. Facilities costs were favourably impacted by 6% due to currency rate changes during the year ended 31 December 2015. Rent expense increased by US$6.7 million on a constant dollar basis for the year ended 31 December 2015 compared to the year ended 31 December 2014, primarily driven by increased costs in Iron Mountain's Other International Business segment. Other facilities costs increased by US$4.6 million on a constant dollar basis for the year ended 31 December 2015 compared to the year ended 31 December 2014, primarily due to higher property taxes and common area charges of US$3.4 million and building maintenance and security costs of US$4.4 million, partially offset by a decrease in insurance costs of US$3.6 million, primarily associated with insurance deductibles related to a fire at one of Iron Mountain's facilities in Buenos Aires, Argentina in February 2014.

Transportation expenses decreased to US$101.2 million (3.4% of consolidated revenues) for the year ended 31 December 2015 compared to US$118 million (3.8% of consolidated revenues) for the year ended 31 December 2014. On a constant dollar basis, transportation expenses decreased by US$10.6 million for the year ended 31 December 2015 compared to the year ended 31 December 2014, primarily as a result of decreased fuel and insurance costs of US$7.9 million and US$3.2 million, respectively. Transportation expenses were favourably impacted by 4.7% due to currency rate changes during the year ended 31 December 2015.

Product cost of sales and other, which includes cartons, media and other service, storage and supply costs, is highly correlated to service revenue streams, particularly project revenues. For the year ended 31 December 2015, product cost of sales and other increased by US$4.3 million compared to the year ended 31 December 2014 on an actual basis, primarily due to an increase in costs associated with special projects. These costs were favourably impacted by 9.1% due to currency rate changes during the year ended 31 December 2015.

General and administrative expenses decreased to US$516 million (17.2% of consolidated revenues) during the year ended 31 December 2015 compared to US$538.7 million (17.3% of consolidated revenues) in the year ended 31 December 2014. On a constant dollar basis, general and administrative expenses increased by US$2.8 million during the year ended 31 December 2015 compared to the year end 31 December 2014, primarily as a result of a US$47 million increase in Recall Costs, and a US$6.1 million increase in costs associated with the cost optimisation plan, partially offset by a US$22.3 million decrease in costs associated with Iron Mountain's conversion to a REIT, excluding REIT compliance costs beginning 1 January 2014 which Iron Mountain expects to recur in future periods (***REIT Costs***), a US$10.4 million decrease in general and administrative expenses, primarily related to professional fees, associated with Iron Mountain's Corporate and Other Business segment, a US$9.9 million decrease in professional fees associated with Iron Mountain's North American Records and Information Management Business segment, a US$3 million decrease in general and administrative expenses associated with Iron Mountain's Other International Business segment and a US$1.8 million decrease in restructuring costs. General and administrative expenses were favourably impacted by 4.7% due to currency rate changes during the year ended 31 December 2015.

Sales, marketing and account management expenses increased to US$214 million (7.1% of consolidated revenues) during the year ended 31 December 2015 compared to US$213.5 million (6.8% of consolidated revenues) in the year ended 31 December 2014. On a constant dollar basis, sales, marketing and account management expenses during the year ended 31 December 2015 increased by US$10.2 million compared to the year ended 31 December 2014, primarily due to an increase in compensation expenses of US$7.6 million, primarily associated with higher sales commissions in Iron Mountain's North American Data Management Business segment, as well as an increase in marketing expenses of US$2.1 million. Sales, marketing and account management expenses were favourably impacted by 4.8% due to currency rate changes during the year ended 31 December 2015.

Information technology expenses decreased to US$99.6 million (3.3% of consolidated revenues) for the year ended 31 December 2015 compared to US$103.2 million (3.3% of consolidated revenues) for the year ended 31 December 2014. On a constant dollar basis, information technology expenses increased US$1.1 million during the year ended 31 December 2015 compared to the year ended 31 December 2014, primarily due to increased compensation expenses of US$1.7 million. Information technology expenses were favourably impacted by 4.5% due to currency rate changes during the year ended 31 December 2015.

Consolidated bad debt expense for the year ended 31 December 2015 increased US$1.1 million to US$15.3 million (0.5% of consolidated revenues) from US$14.2 million (0.5% of consolidated revenues) for the year ended 31 December 2014. Iron Mountain maintains an allowance for doubtful accounts that is calculated based on past loss experience, current and prior trends in the aged receivables, current economic conditions, and specific circumstances of individual receivable balances. Iron Mountain continues to monitor its customers' payment activity and make adjustments based on their financial condition and in light of historical and expected trends.

Depreciation and amortisation

Within the Iron Mountain Financial Information presented in tabular form in this Section 8.6, depreciation and amortisation expense includes depreciation of property, plant and equipment, amortisation of intangible assets as well as loss (gain) on the disposal/write-down of property, plant and equipment (excluding real estate), net.

Depreciation expense increased US$12.5 million on a constant dollar basis for the year ended 31 December 2015 compared to the year ended 31 December 2014, primarily due to the increased depreciation of property, plant and equipment acquired through business combinations.

Amortisation expense increased US$0.5 million on a constant dollar basis for the year ended 31 December 2015 compared to the year ended 31 December 2014, primarily due to the increased amortisation of customer relationship intangible assets acquired through business combinations.

Consolidated loss on disposal/write-down of property, plant and equipment (excluding real estate), net was US$3 million for the year ended 31 December 2015 and consisted primarily of US$1.8 million of losses associated with the write-off of certain property associated with Iron Mountain's Western European Business segment and US$1.5 million of losses associated with the write-off of certain assets primarily associated with Iron Mountain's North American Records and Information Management Business segment, partially offset by gains on the retirement of leased vehicles accounted for as capital lease assets primarily associated with Iron Mountain's North American Records and Information Management Business segment. Consolidated loss on disposal/write-down of property, plant and equipment (excluding real estate), net was US$1.1 million for the year ended 31 December 2014 and consisted primarily of losses associated with the write-off of certain software associated with Iron Mountain's North American Records and Information Management Business segment.

Operating income

As a result of the foregoing factors, consolidated operating income decreased US$24.8 million, or 4.5%, to US$524.5 million (17.4% of consolidated revenues) for the year ended 31 December 2015 from US$549.3 million (17.6% of consolidated revenues) for the year ended 31 December 2014.

8.6.4 Balance sheet

The Iron Mountain Historical Balance Sheet shown below is based on the audited consolidated balance sheet as of 31 December 2015:

Iron Mountain Historical Balance Sheet

US$ MILLIONS	31 DECEMBER 2015
Current assets	
Cash and cash equivalents	128.4
Accounts receivable	564.4
Deferred income taxes	22.1
Prepaid expenses and other	143.0
Total current assets	**857.9**
Property, plant and equipment, net	2,497.2
Goodwill	2,361.0
Customer relationships and customer inducements	603.3
Other	31.2
Total assets	**6,350.6**
Current liabilities	
Current portion of long-term debt	(88.1)
Accounts payable	(219.6)
Accrued expenses	(351.0)
Deferred revenue	(183.1)
Total current liabilities	**(841.8)**
Long-term debt, net of current portion	(4,757.6)
Other long-term liabilities	(71.9)
Deferred rent	(95.7)
Deferred income taxes	(55.0)
Total liabilities	**(5,822.0)**
Net assets	**528.6**

8.6.5 Cash flows

Iron Mountain Historical Cash Flow Statements shown below are based on the audited consolidated cash flows for the years ended 31 December 2014 and 31 December 2015:

Iron Mountain Historical Cash Flow Statements

US$ MILLIONS	YEAR ENDED 31 DECEMBER 2014	YEAR ENDED 31 DECEMBER 2015
Income from continuing operations	329.0	125.2
Depreciation and amortisation (includes deferred financing costs and bond discounts)	361.2	354.7
(Benefit) provision for deferred income taxes	(270.8)	(7.5)
Other adjustments to reconcile net income (loss) to cash flows from operating activities	86.6	112.7
Changes in assets and liabilities (exclusive of acquisitions)	(33.1)	(43.3)
Cash flows from operating activities – continuing operations	**472.9**	**541.8**
Cash flows from operating activities – discontinued operations	–	–
Cash flows from operating activities	472.9	541.8
Capital expenditure	(361.9)	(290.2)
Net operating cash flows	**111.0**	**251.6**

Cash flows from operating activities

Net cash provided by operating activities was US$541.8 million for the year ended 31 December 2015 compared to US$472.9 million for the year ended 31 December 2014. The 14.5% year-over-year increase resulted primarily from an increase in net income, including non cash charges and realised foreign exchange losses, of US$79.2 million, partially offset by an increase in cash used in working capital of US$10.4 million primarily related to the payments and timing of certain accrued expenses and deferred revenue liabilities.

8.6.6 Material changes in Iron Mountain's financial position since last accounts published

Other than as disclosed in this Supplementary Booklet, within the knowledge of the Iron Mountain management, the financial position of Iron Mountain has not materially changed since 31 December 2015.

8.6.7 Financing

Long-term debt comprised the following as at the indicated dates:

	31 DECEMBER 2015	
US$ MILLIONS	CARRYING AMOUNT [9]	FAIR VALUE
Revolving Credit Facility [1]	775.0	784.4
Term Loan [1]	243.8	243.8
6% Senior Notes due 2020 (the ***6% Notes due 2020***) [2, 3, 5]	983.9	1,052.5
6⅛% CAD Senior Notes due 2021 (the ***CAD Notes***) [2, 4]	142.2	147.1
6⅛% GBP Senior Notes due 2022 (the ***GBP Notes***) [2, 5, 6]	583.4	606.9
6% Senior Notes due 2023 (the ***6% Notes due 2023***) [2, 3]	591.6	618.0
5¾% Senior Subordinated Notes due 2024 (the ***5¾% Notes***) [2, 3]	988.1	961.2
Real estate mortgages, capital leases and other [7]	332.5	333.6
Accounts Receivable Securitisation Program [8]	205.2	205.9
Total long-term debt	4,845.7	
Less current portion	(88.1)	
Long-term debt, net of current portion	4,757.6	

NOTES

1 The capital stock or other equity interests of most of Iron Mountain's US subsidiaries, and up to 66% of the capital stock or other equity interests of Iron Mountain's first-tier foreign subsidiaries, are pledged to secure these debt instruments, together with all intercompany obligations (including promissory notes) of subsidiaries owed to Iron Mountain or to one of its US subsidiary guarantors. In addition, Iron Mountain Canada Operations ULC (***Canada Company***) has pledged 66% of the capital stock of its subsidiaries, and all intercompany obligations (including promissory notes) owed to or held by it, to secure the Canadian dollar sub-facility under the Revolving Credit Facility (defined below). The fair value of these debt instruments approximates the carrying value (as borrowings under these debt instruments are based on current variable market interest rates (plus a margin that is subject to change based on Iron Mountain's consolidated leverage ratio)), as of 31 December 2015.

2 The fair values of these debt instruments are based on quoted market prices for these notes on 31 December 2015.

3 Collectively, the ***Parent Notes***. Iron Mountain is the direct obligor on the Parent Notes, which are fully and unconditionally guaranteed, on a senior or senior subordinated basis, as the case may be, by Iron Mountain's direct and indirect 100% owned US subsidiaries that represent the substantial majority of Iron Mountain's US operations (***Guarantors***). These guarantees are joint and several obligations of the Guarantors. Canada Company, Iron Mountain Europe PLC and the remainder of Iron Mountain's subsidiaries do not guarantee the Parent Notes.

4 Canada Company is the direct obligor on the CAD Notes, which are fully and unconditionally guaranteed, on a senior basis, by Iron Mountain and the Guarantors. These guarantees are joint and several obligations of Iron Mountain and the Guarantors.

5 The 6% Notes due 2020 and the GBP Notes have not been registered under the US Securities Act of 1933, as amended (***Securities Act***), or under the securities laws of any other jurisdiction. Unless they are registered, the 6% Notes due 2020 and the GBP Notes may be offered only in transactions that are exempt from registration under the Securities Act or the securities laws of any other jurisdiction.

6 Iron Mountain Europe PLC is the direct obligor on the GBP Notes, which are fully and unconditionally guaranteed, on a senior basis, by Iron Mountain and the Guarantors. These guarantees are joint and several obligations of Iron Mountain and the Guarantors.

7 Includes (a) real estate mortgages of US$2.7 million as of 31 December 2015, which bear interest at approximately 4.9% and are payable in various instalments through 2021, (b) capital lease obligations of US$235.3 million as of 31 December 2015, which bear a weighted average interest rate of 7.2% at 31 December 2015, and (c) other various notes and other obligations, which are assumed by us as a result of certain acquisitions, of US$95.5 million as of 31 December 2015, and bear a weighted average interest rate of 12.6% as of 31 December 2015. Iron Mountain believes the fair value of this debt approximates its carrying value.

8 The Special Purpose Subsidiaries (as defined below) are the obligors under this program. Iron Mountain believes the fair value of this debt approximates its carrying value.

9 Carrying amount is net of unamortised deferred financing fees of US$58.3 million.

Credit Agreement

On 2 July 2015, Iron Mountain entered into a credit agreement (***Credit Agreement***) to refinance Iron Mountain's then existing credit agreement (***Former Credit Agreement***) which consisted of a revolving credit facility (***Former Revolving Credit Facility***) and a term loan (***Former Term Loan***) and was scheduled to terminate on 27 June 2016. The Credit Agreement consists of a revolving credit facility (***Revolving Credit Facility***) and a term loan (***Term Loan***). The Revolving Credit Facility is supported by a group of 25 banks and enables Iron Mountain and certain of its US and foreign subsidiaries to borrow in US dollars and (subject to sublimits) a variety of other currencies (including Canadian dollars, British pounds sterling, Euros and Australian dollars, among other currencies) in an aggregate outstanding amount not to exceed US$1.5 billion. The Term Loan is to be paid in quarterly instalments in an amount equal to US$3.1 million per quarter, with the remaining balance due on 3 July 2019. The Credit Agreement includes an option to allow Iron Mountain to request additional commitments of up to US$500 million, in the form of term loans or through increased commitments under the Revolving Credit Facility, subject to the conditions as defined in the Credit Agreement. The Credit Agreement terminates on 6 July 2019, at which point all obligations become due, but may be extended by one year at Iron Mountain's option, subject to the conditions set forth in the Credit Agreement. Borrowings under the Credit Agreement may be prepaid without penalty or premium, in whole or in part, at any time.

Iron Mountain and the Guarantors guarantee all obligations under the Credit Agreement. The interest rate on borrowings under the Credit Agreement varies depending on Iron Mountain's choice of interest rate and currency options, plus an applicable margin, which varies based on Iron Mountain's consolidated leverage ratio. Additionally, the Credit Agreement requires the payment of a commitment fee on the unused portion of the Revolving Credit Facility, which fee ranges from between 0.25% to 0.4% based on Iron Mountain's consolidated leverage ratio and fees associated with outstanding letters of credit.

As of 31 December 2015, Iron Mountain had US$784.4 million and US$243.8 million of outstanding borrowings under the Revolving Credit Facility and the Term Loan, respectively. Of the US$784.4 million of outstanding borrowings under the Revolving Credit Facility, 480.4 million was denominated in US dollars, 190 million was denominated in Canadian dollars, 105.3 million was denominated in Euros and 71.6 million was denominated in Australian dollars. In addition, Iron Mountain also had various outstanding letters of credit totalling US$36.6 million. The remaining amount available for borrowing under the Revolving Credit Facility as of 31 December 2015, based on Iron Mountain's leverage ratio, the last 12 months' earnings before interest, taxes, depreciation and amortisation and rent expense (***EBITDAR***), other adjustments as defined in the Credit Agreement and current external debt, was US$678.9 million (which amount represents the maximum availability as of such date). The average interest rate in effect under the Credit Agreement was 2.7% as of 31 December 2015. The average interest rate in effect under the Revolving Credit Facility was 2.8% and ranged from 2.3% to 4.8% as of 31 December 2015 and the interest rate in effect under the Term Loan as of 31 December 2015 was 2.5%. For the year ended 31 December 2015, Iron Mountain recorded commitment fees and letter of credit fees of US$3.7 million, based on the unused balances under the Revolving Credit Facility and the Accounts Receivable Securitisation Program (as defined below).

The Credit Agreement, Iron Mountain's indentures and other agreements governing Iron Mountain's indebtedness contain certain restrictive financial and operating covenants, including covenants that restrict its ability to complete acquisitions, pay cash dividends, incur indebtedness, make investments, sell assets and take certain other corporate actions. The covenants do not contain a rating trigger. Therefore, a change in Iron Mountain's debt rating would not trigger a default under the Credit Agreement, its indentures or other agreements governing their indebtedness. The Credit Agreement uses EBITDAR based calculations as the primary measures of financial performance, including leverage and fixed charge coverage ratios. Iron Mountain's Credit Agreement net total lease adjusted leverage ratio was 5.6 as of 31 December 2015, compared to a maximum allowable ratio of 6.5, and its net secured debt lease adjusted leverage ratio was 2.6 as of 31 December 2015, compared to a maximum allowable ratio of 4.0. Iron Mountain's bond leverage ratio (which is not lease adjusted), per the indentures, was 5.5 as of 31 December 2015, compared to a maximum allowable ratio of 6.5. Iron Mountain's Credit Agreement fixed charge coverage ratio was 2.4 at 31 December 2015, compared to a minimum allowable ratio of 1.5 under the Credit Agreement.

As noted above, Iron Mountain's maximum allowable net total lease adjusted leverage ratio under the Credit Agreement is 6.5. The Credit Agreement also contains a provision which limits, in certain circumstances, Iron Mountain's dividends in any four consecutive fiscal quarters to 95% of Funds From Operations (as defined in the Credit Agreement) for such four fiscal quarters or, if greater, the amount that Iron Mountain would be required to pay in order to continue to be qualified for taxation as a REIT or to avoid the imposition of income or excise taxes on Iron Mountain. This limitation only is applicable when Iron Mountain's net total lease adjusted leverage ratio exceeds 6.0.

Non-compliance with these leverage and fixed charge coverage ratios would have a material adverse effect on Iron Mountain's financial condition and liquidity.

Notes Issued under Indentures

As of 31 December 2015, Iron Mountain had five series of senior subordinated or senior notes issued under various indentures, three of which are direct obligations of the parent company, Iron Mountain (the Parent Notes); one (the CAD Notes) is a direct obligation of Canada Company and one (the GBP Notes) is a direct obligation of Iron Mountain Europe PLC; and all are pari passu with debt outstanding under the Credit Agreement, except the 5¾% Notes which are subordinated to the Credit Agreement:

- US$1 billion principal amount of notes maturing on 1 October 2020 and bearing interest at a rate of 6% per annum, payable semiannually in arrears on 1 April and 1 October;
- 200 million Canadian dollar principal amount of notes maturing on 15 August 2021 and bearing interest at a rate of 6⅛% per annum, payable semiannually in arrears on 15 February and 15 August;
- 400 million British pounds sterling principal amount of notes maturing on 15 September 2022 and bearing interest at a rate of 6⅛% per annum, payable semiannually in arrears on 15 March and 15 September;
- US$600 million principal amount of notes maturing on 15 August 2023 and bearing interest at a rate of 6% per annum, payable semiannually in arrears on 15 February and 15 August; and
- US$1 billion principal amount of notes maturing on 15 August 2024 and bearing interest at a rate of 5¾% per annum, payable semiannually in arrears on 15 February and 15 August.

The Parent Notes, the CAD Notes and the GBP Notes are fully and unconditionally guaranteed, on a senior or senior subordinated basis, as the case may be, by the Guarantors. These guarantees are joint and several obligations of the Guarantors. The remainder of Iron Mountain's subsidiaries do not guarantee the Parent Notes, the CAD Notes or the GBP Notes. Additionally, Iron Mountain guarantees the CAD Notes and the GBP Notes. Canada Company and Iron Mountain Europe PLC do not guarantee the Parent Notes.

In September 2015, Iron Mountain completed a private offering of US$1 billion in aggregate principal amount of the 6% Notes due 2020. The net proceeds to Iron Mountain of US$985 million, after paying the initial purchasers' commissions and expenses, were used to redeem all of the 6¾% Euro Senior Subordinated Notes due 2018, 7¾% Senior Subordinated Notes due 2019 and 8⅜% Senior Subordinated Notes due 2021, in October 2015. The remaining net proceeds were used for general corporate purposes, including acquisitions. Iron Mountain recorded a charge to other expense, net of US$25.1 million in the fourth quarter of 2015 related to the early extinguishment of this debt. This charge consists of call premiums, original issue discounts and unamortised deferred financing costs.

Each of the indentures for the notes provides that Iron Mountain may redeem the outstanding notes, in whole or in part, upon satisfaction of certain terms and conditions. In any redemption, Iron Mountain is also required to pay all accrued but unpaid interest on the outstanding notes.

The following table presents the various redemption dates and prices of the senior or senior subordinated notes. The redemption dates reflect the date at or after which the notes may be redeemed at Iron Mountain's option at a premium redemption price. After these dates, the notes may be redeemed at 100% of face value:

REDEMPTION DATE	6% NOTES DUE 2020 1 OCTOBER,	CAD NOTES 15 AUGUST,	GBP NOTES 15 SEPTEMBER,	6% NOTES DUE 2023 15 AUGUST,	5¾% NOTES 15 AUGUST,
2015	–	–	–	–	–
2016	–	–	–	–	–
2017	103.000% [1]	103.063% [1]	104.594% [1]	–	102.875% [1]
2018	101.500%	101.531%	103.063%	103.000% [1]	101.917%
2019	100.000%	100.000%	101.531%	102.000%	100.958%
2020	100.000%	100.000%	100.000%	101.000%	100.000%
2021	–	100.000%	100.000%	100.000%	100.000%
2022	–	–	100.000%	100.000%	100.000%
2023	–	–	–	100.000%	100.000%
2024	–	–	–	–	100.000%

NOTES

1 Prior to this date, the relevant notes are redeemable, at Iron Mountain's option, in whole or in part, at a specified make whole price.

Each of the indentures for the notes provides that Iron Mountain must repurchase, at the option of the holders, the notes at 101% of their principal amount, plus accrued and unpaid interest, upon the occurrence of a 'Change of Control', which is defined in each respective indenture. Except for required repurchases upon the occurrence of a Change of Control or in the event of certain asset sales, each as described in the respective indenture, Iron Mountain is not required to make sinking fund or redemption payments with respect to any of the notes.

Accounts Receivable Securitisation Program

In March 2015, Iron Mountain entered into a US$250 million accounts receivable securitisation program (***Accounts Receivable Securitisation Program***) involving several of its wholly-owned subsidiaries and certain financial institutions. Under the Accounts Receivable Securitisation Program, certain of Iron Mountain's subsidiaries sell substantially all of their US accounts receivable balances to Iron Mountain's wholly-owned special purpose entities, Iron Mountain Receivables QRS, LLC and Iron Mountain Receivables TRS, LLC (***Special Purpose Subsidiaries***). The Special Purpose Subsidiaries use the accounts receivable balances to collateralise loans obtained from certain financial institutions. The Special Purpose Subsidiaries are consolidated subsidiaries of Iron Mountain. The Accounts Receivable Securitisation Program is accounted for as a collateralised financing activity, rather than a sale of assets, therefore:
(a) accounts receivable balances pledged as collateral are presented as assets and borrowings are presented as liabilities on the Iron Mountain Balance Sheet, (b) Iron Mountain's Historical Income Statement reflects the associated charges for bad debt expense related to pledged accounts receivable (a component of selling, general and administrative expenses) and reductions to revenue due to billing and service related credit memos issued to customers and related reserves, as well as interest expense associated with the collateralised borrowings and (c) receipts from customers related to the underlying accounts receivable are reflected as operating cash flows and borrowings and repayments under the collateralised loans are reflected as financing cash flows within Iron Mountain's Historical Cash Flow Statements. Iron Mountain Information Management, LLC retains the responsibility of servicing the accounts receivable balances pledged as collateral in this transaction and provides a performance guaranty. The Accounts Receivable Securitisation Program terminates on 6 March 2018, at which point all obligations become due. The maximum availability allowed is limited by eligible accounts receivable, as defined under the terms of the Accounts Receivable Securitisation Program. As of 31 December 2015, the maximum availability allowed and amount outstanding under the Accounts Receivable Securitisation Program was US$205.9 million. The interest rate in effect under the Accounts Receivable Securitisation Program was 1.3% as of 31 December 2015. Commitment fees at a rate of 40 basis points are charged on amounts made available but not borrowed under the Accounts Receivable Securitisation Program.

Maturities of long-term debt as of 31 December 2015

YEAR	US$ MILLIONS
2016	88.1
2017	98.1
2018	260.8
2019	1,015.6
2020	1,017.8
Thereafter	2,423.6
	4,904.0
Net deferred financing costs	(58.3)
Total long-term debt (including current portion)	4,845.7

8.7 CAPITAL STRUCTURE

As at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet, Iron Mountain is party to obligations under which it has agreed to issue new Iron Mountain Shares in the future (not in connection with the Scheme) as set out in the table below:

GRANT TYPE	MAXIMUM NUMBER OF IRON MOUNTAIN SHARES UNDERLYING ALL EQUITY AWARDS	NUMBER OF IRON MOUNTAIN SHARES UNDERLYING VESTED EQUITY AWARDS
Performance Units	1,083,038	0
Restricted Stock Units	1,301,460	0
Stock Options	4,882,767	2,695,867
Total number of Iron Mountain Shares underlying vested equity awards		**2,695,867**

See Section 10.14 of the Scheme Booklet for further information about Iron Mountain's capital structure.

8.8 SUBSTANTIAL HOLDERS

Based on public quarterly filings made by institutional investment managers as well as information obtained by Iron Mountain, Iron Mountain is aware that the following persons held more than 5% of all Iron Mountain Shares on issue as at 31 December 2015:

STOCKHOLDER	NUMBER OF IRON MOUNTAIN SHARES	% OF ALL IRON MOUNTAIN SHARES ON ISSUE
The Vanguard Group, Inc.	30,793,809	14.58
Capital World Investors (US)	22,148,914	10.5
Vincent J. Ryan	15,425,081	7.3
T. Rowe Price Associates, Inc.	14,855,974	7.0
Capital International Investors	14,656,924	6.9
BlackRock, Inc.	13,294,196	6.3
Parnassus Investments	11,417,308	5.41

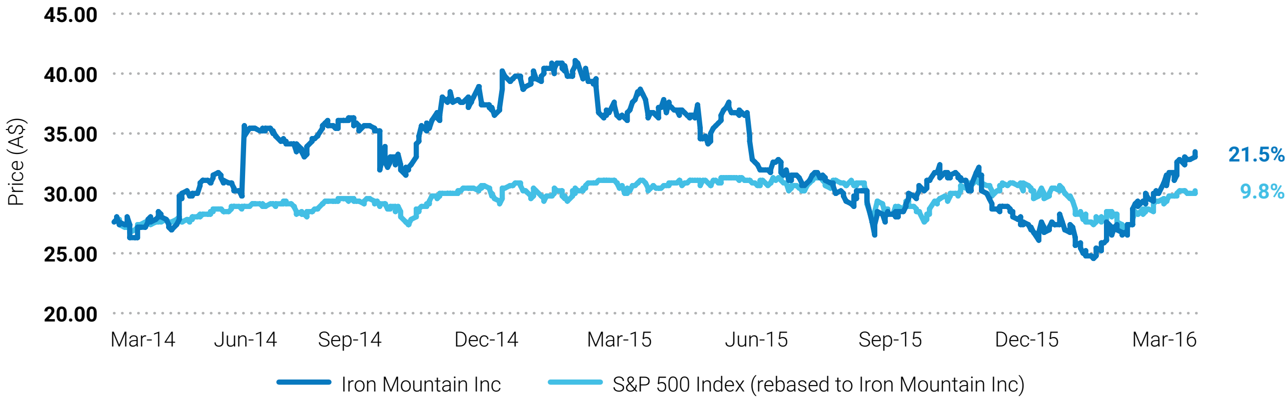
8.9 RECENT IRON MOUNTAIN SHARE PRICE PERFORMANCE

Iron Mountain is a member of the S&P 500 index, and the below chart shows the performance of Iron Mountain Shares on NYSE over the last two years, as compared to the S&P 500 index during the same period. As a member of the S&P 500 index, Iron Mountain regularly compares the trading price of Iron Mountain Shares against the performance of that index.

As at the close of trading on the NYSE on 29 March 2016, being the last practicable day before the date of this Supplementary Booklet:

- the last recorded trading price of Iron Mountain Shares on NYSE was US$33.50; and
- the lowest and highest closing prices of Iron Mountain Shares during the previous three months were US$24.56 and US$33.50, respectively.

Figure 11 – Recent Iron Mountain Share Price performance (last two years)



Source: IRESS data as at 29 March 2016. Rebased to the Iron Mountain Share Price.

8.10 EMPLOYEE INCENTIVE SCHEMES

As described in Section 10.17 of the Scheme Booklet, Iron Mountain sponsors two equity incentive plans under which awards may be granted:

- the Iron Mountain Incorporated 2014 Stock and Cash Incentive Plan (***2014 Plan***); and
- the Iron Mountain Incorporated 2002 Stock Incentive Plan (***2002 Plan***).

The total number of incentive stock options, non-qualified stock options, restricted stock units and performance units (collectively, ***Awards***) issued and outstanding under the 2014 Plan have increased from 1,467,470 to 3,751,556 since the date of the Scheme Booklet. The total number of shares of Iron Mountain common stock remaining available for grant under the 2002 Plan has increased from 432,753 to 512,805, with 3,140,308 Awards issued and outstanding as at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet. The total amount of common stock that may be granted to any single person in any calendar year under the 2014 Plan may not exceed in the aggregate, 1.25 million shares. Generally, if an Award lapses or is forfeited, the shares subject to such Award will again become available for grant.

See Section 10.17 of the Scheme Booklet for more information about Iron Mountain's employee incentive schemes.

9 Updated overview of the Combined Group

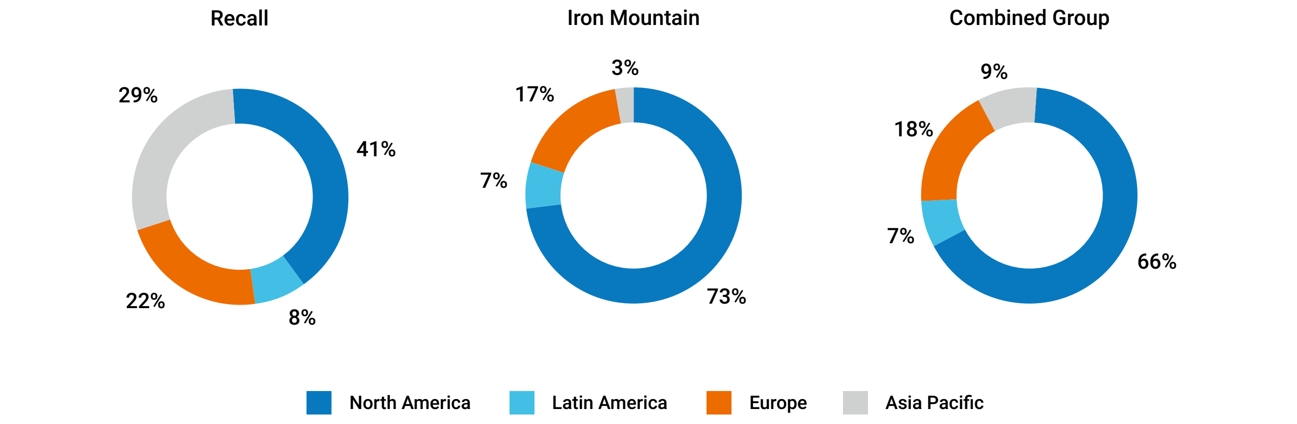
9.1 UPDATED OVERVIEW OF THE BUSINESS OF THE COMBINED GROUP

Section 11 of the Scheme Booklet provides a comprehensive overview of the combined business of Iron Mountain and Recall. This Section 9 is intended to supplement Section 11 of the Scheme Booklet and contains information about the anticipated impact of the Divestments on the business and assets of the Combined Group based on the status known at the date of this Supplementary Booklet. You should read this Section 9 together with Section 11 of the Scheme Booklet.

9.1.1 Updated business overview

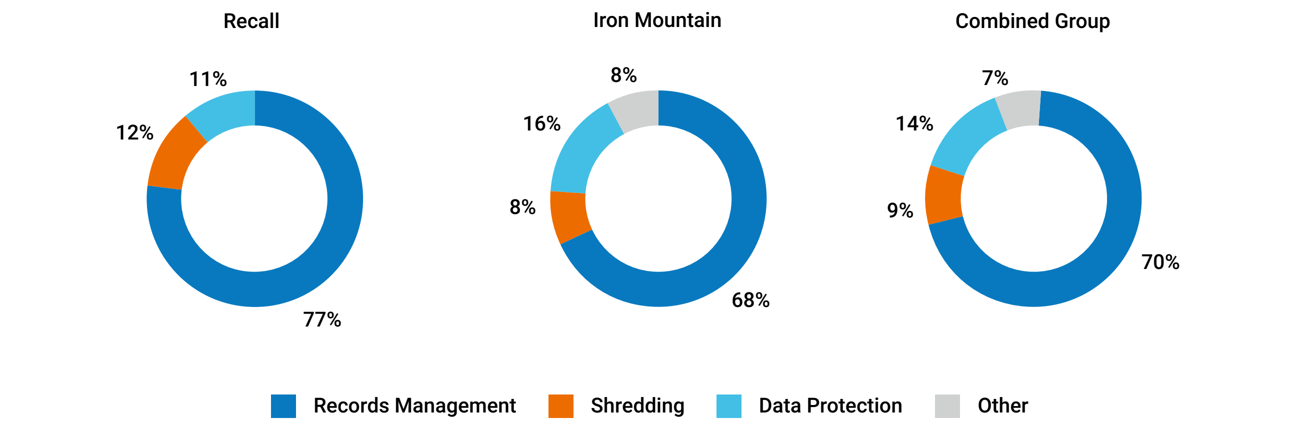
As disclosed in Section 11.1.2 of the Scheme Booklet, the Combined Group is expected to operate a global business that will create a strong platform to pursue growth opportunities. The below chart depicts the revenue by geography of Recall, Iron Mountain and the Combined Group for the 12 month period ended 31 December 2015:

Figure 12 – Combined Group's revenue by geography for the 12 month period ended 31 December 2015



As disclosed in Section 11.1.3 of the Scheme Booklet, the operational profile of the Combined Group will be similar to Recall's current operational profile, with a slightly increased exposure to data management solutions, and decreased exposure to information destruction services. The below chart depicts the operational profile of Recall, Iron Mountain and the Combined Group for the 12 month period ended 31 December 2015:

Figure 13 – Combined Group's operational profile for the 12 month period ended 31 December 2015



The two charts above do not reflect the impact of the Divestments on the business of the Combined Group, which is described in Section 9.1.2 below.

9.1.2 Expected impact of Divestments on the business of the Combined Group

As described in Section 6 of this Supplementary Booklet, the Divestments need to be made to address competition concerns raised by the ACCC, DOJ and CCB in respect of the Scheme and that may be raised by the CMA in respect of the Scheme at the conclusion of the CMA Review.

Iron Mountain does not expect that the Divestments will have a material detrimental effect on the service offerings of the Combined Group described in Section 11.1.1 of the Scheme Booklet. Similarly, the Divestments will not reduce the countries in which the Combined Group will operate as described in Section 9.1.1 above and Section 11.1.2 of the Scheme Booklet. In this regard, the Combined Group is expected to offer information management services, data management solutions and information destruction services to the respective customers of Iron Mountain and Recall in 46 countries across North America, Europe, Latin America, Africa and the Asia Pacific Region.

See Section 9.2.3 of this Supplementary Booklet for further information about the impact the Divestments are expected to have on the revenue of the Combined Group and on certain expected benefits of the Scheme.

The anticipated impact of the Divestments on the business and assets of the Combined Group in the relevant jurisdictions are described below.

United States

The DOJ's approval of the implementation of the Scheme was granted on the basis that Iron Mountain has agreed to complete the US Divestments as described in Section 6.2.1 of this Supplementary Booklet.

The US Divestments will result in the Combined Group divesting Recall's document management services facilities, including all associated tangible and intangible assets, in a total of 15 US locations.

As a result, following completion of the US Divestments, the Combined Group's operations in the United States will comprise both Recall's and Iron Mountain's existing operations in all but the 15 US Divestments locations.

In certain of the 15 US Divestments locations, the Combined Group's operations will consist primarily of Iron Mountain's existing operations.

United Kingdom

The CMA Review remains ongoing and no definitive view can be given at this stage as to its outcome and the scope and timing of any divestments that may be required by the CMA with respect to the Combined Group's UK business.

Iron Mountain believes that the maximum scope of any required divestments by the Combined Group in the UK is unlikely to exceed operations and assets which generated 1% of the Combined Group's pro forma revenue for the year ended 31 December 2015. Iron Mountain expects the Combined Group's operations in the UK to be:

- the largest supplier of records management services in the UK; and
- the largest supplier of off-site data protection services in the UK.

The Combined Group's operations in the UK are expected to consist of:

- Iron Mountain's entire UK operations as they stood prior to implementation of the Scheme; and
- the majority of Recall's UK business.

Australia

The ACCC's approval of the implementation of the Scheme was granted on the basis that Iron Mountain has agreed to divest the Australian Divestments Business as described in Section 6.2.3 of this Supplementary Booklet.

The IRM Australia Divestment Business which is to be divested comprises Iron Mountain's Physical Document Management Services and Digital Document Management Services businesses throughout Australia, with the exception of the majority of its Physical Document Management Services and Digital Document Management Services businesses in the Northern Territory. The Combined Group will retain Iron Mountain's data protection services business throughout Australia.

As a result, the Combined Group's operations in Australia following the Divestments will primarily consist of Recall's operations as they stood prior to implementation of the Scheme, Iron Mountain's Northern Territory operations and Iron Mountain's data protection services business throughout Australia.

Canada

The CCB's approval of the implementation of the Scheme was granted on the basis that Iron Mountain has agreed to complete the Canadian Divestments as described in Section 6.2.4 of this Supplementary Booklet.

The Canadian Divestments consist of nine document management services facilities, in a total of six cities in Canada, comprised of six Recall document management services facilities and three Iron Mountain document management services facilities, including in each case associated tangible and intangible assets and employees.

As a result, following the Canadian Divestments:

- in each of Edmonton, Alberta and Laval, Quebec, the Combined Group's operations will primarily comprise only Iron Mountain's operations in those locations as they stood prior to implementation of the Scheme;
- in each of Calgary, Alberta and Toronto, Ontario, the Combined Group's operations will primarily constitute Iron Mountain's operations as they stood prior to implementation of the Scheme, with the addition of one of Recall's facilities and certain associated customers in Calgary, Alberta and three of Recall's facilities and certain associated customers in Toronto, Ontario; and
- in each of Vancouver, British Columbia and Ottawa, Ontario, the Combined Group's operations will primarily constitute all of Recall's and Iron Mountain's operations as they stood prior to implementation of the Scheme, with the exception of one Iron Mountain facility and certain associated customers in Burnaby, British Columbia, and two Iron Mountain facilities and certain associated customers in Ottawa, Ontario.

9.2 SYNERGIES AND ACCRETION

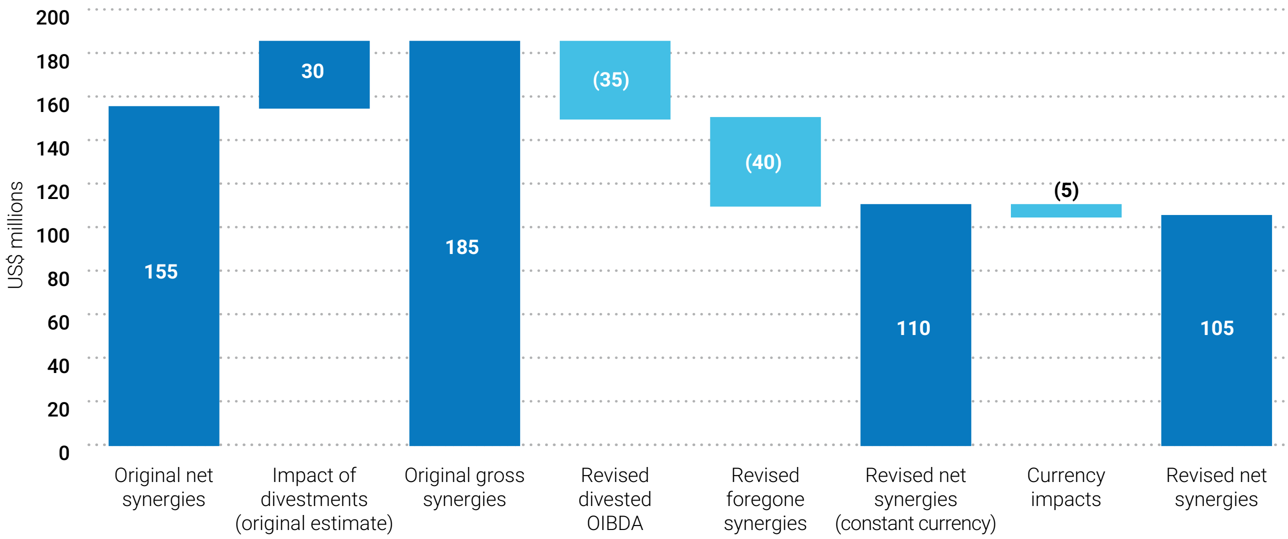
Section 11.2 of the Scheme Booklet provided an overview of the expected benefits of the Scheme in respect of the realisation of material costs savings and earnings accretion for Iron Mountain stockholders. The overview was prepared before Iron Mountain and Recall had agreed to the Divestments and was based on certain underlying assumptions regarding divestitures which should be modified in light of the Divestments.

Set out below is an updated analysis of synergies and earnings accretion reflective of the anticipated impact of the Divestments.

9.2.1 Synergies

The Proposed Transaction is expected to create meaningful value for shareholders of both Recall and Iron Mountain through the realisation of material cost savings. When the Proposed Transaction was originally announced in June 2015, Iron Mountain estimated annual net synergies of US$155 million, which assumed divestitures of businesses with approximately US$30 million of annual OIBDA when synergies are fully realised. Based on analysis undertaken by it to the date of this Supplementary Booklet, however, Iron Mountain now estimates annual net synergies as a result of the Proposed Transaction will be US$105 million per annum when synergies are fully achieved. Iron Mountain's updated estimated net synergies translate to approximately 4% of the Combined Group's pro forma 2015 operating expenses.

Figure 14 – Movement between original and revised net synergies



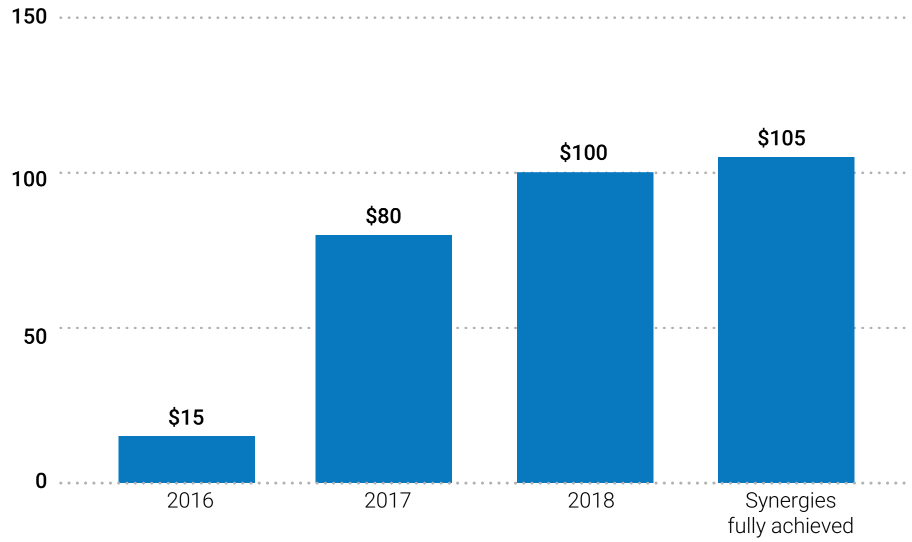
The difference between these estimates is primarily due to an estimated reduction of US$75 million OIBDA as a result of the anticipated Divestments (see Section 9.2.3 below). In addition, the net synergies have been reduced by approximately US$5 million due to the continued appreciation of the US dollar against several non-US currencies in geographies where those synergies were expected to be realised.

The estimated net synergies reflects the impact of the targeted effects of cost savings from integrating the operations, overhead savings from the consolidation of corporate and support costs, real estate benefits from increased scale of the business and potential tax favourability due to the REIT structure on the Combined Group's profitability; offset by expected impacts from pass through of benefits to customers, the impact of the Divestments, and potential customer attrition. Sensitivity analysis indicates a US$10 million change in achieved synergies is expected to result in a change in Adjusted EPS accretion of 1.5%-2.0% in the same direction.

Iron Mountain estimates that approximately 90% of these expected synergies will be achieved in the first three years following implementation of the Scheme, with approximately US$80 million realised in calendar year 2017 and US$100 million realised in calendar year 2018. The estimated time to achieve these expected synergies reflects the complexity of integrating two global businesses.

9 Updated overview of the Combined Group continued

Figure 15 – Total expected net synergies (US$ millions) [1]



NOTE

1 Synergies and accretion exclude one-off costs to achieve synergies and integrate the businesses.

Estimates of potential net synergies available as a result of the Proposed Transaction are preliminary and will become more certain following ongoing analysis and refinement. After the implementation of the Scheme, the Combined Group will commence implementing arrangements to seek to achieve these expected synergies.

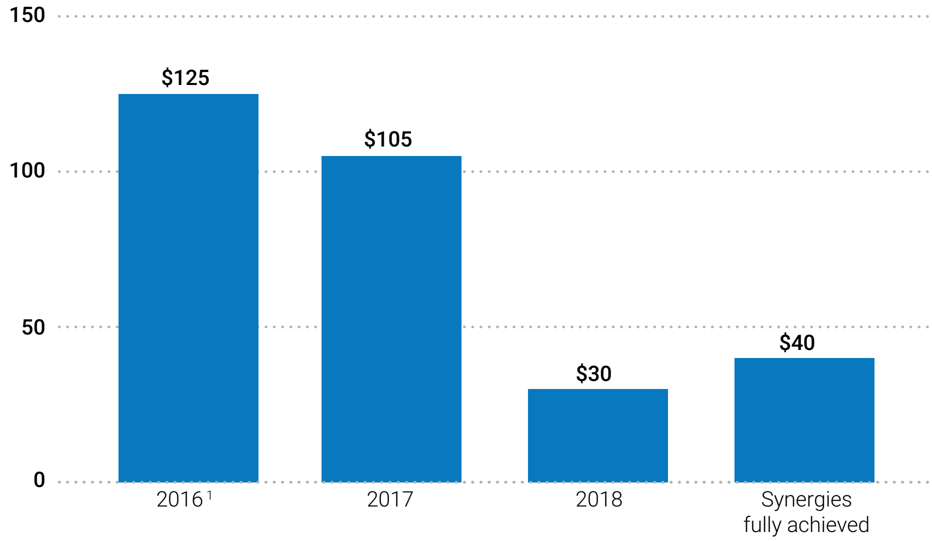
Figure 16 – Key areas of expected synergies

Overhead synergies	Overhead synergies are expected to be achieved by implementing a number of measures, including: ◆ integrating board, management and executive teams; ◆ consolidating corporate costs and headquarters; ◆ integration of back office transactional support; and ◆ integration of reporting and IT systems. The majority of these savings are expected to be generated from consolidation of corporate and support costs.
Cost of sales synergies	Cost of sales synergies are expected to be achieved by implementing a number of measures, including: ◆ staff cost savings through the elimination of duplicative functions; ◆ procurement efficiencies through scale benefits of the Combined Group; ◆ cost optimisation at an individual facility level; and ◆ routing and other logistics optimisation. Cost of sales synergies are expected to be partially offset by potential customer attrition and other potential losses.
Real estate synergies	Real estate synergies are expected to be created through: ◆ consolidation of adjacent facilities; ◆ negotiation of improved terms at existing facilities; and ◆ ability to exit underperforming facilities and improve utilisation across the facility network.
Tax synergies	Iron Mountain's REIT status provides beneficial US tax status for storage profits generated in the US. Companies brought into the REIT structure can also generally repatriate storage profits to the US without additional taxation. A small proportion of the total net synergies is therefore expected to be generated through tax efficiencies generated through the integration of the two companies.
Other potential synergies	Following implementation of the Scheme, there may be the potential for synergies to be realised beyond those identified above. These may include, but are not limited to: ◆ potential revenue benefits from the enhanced product and services cross-selling to the Combined Group's broadened customer base; ◆ additional reductions in real estate costs as leases for the Combined Group's facilities are renewed and the potential for facility consolidation in some locations arises; and ◆ enhanced capabilities to accelerate development of new solutions and services for clients given enhanced scale of the Combined Group.

9.2.2 Costs to achieve expected synergies

Iron Mountain anticipates a total of approximately US$300 million in one-off costs to integrate the businesses and achieve the expected synergies. Approximately US$220 million is expected to be treated as operating expenses and US$80 million is expected to be treated as capital expenditures. The majority of these costs will be associated with the integration of the two businesses. These costs are also expected to include moving, racking and severance costs, costs related to the facilities upgrade program, REIT conversion and systems integration costs. Finally, included in these costs will also be costs to complete the Divestments on the terms agreed with the relevant Regulatory Authorities as well as to perform any transitional services that may be required to support the divested businesses during a reasonable transition period. Even though Iron Mountain's current estimate of synergies is lower than its original estimate, Iron Mountain continues to estimate total costs to integrate the businesses and achieve the expected synergies of approximately US$300 million due, in part, to uncertainty regarding the costs to complete the Divestments.

Figure 17 –Estimated one-off costs (including operating and capital expenditures) (US$ millions)



NOTE

1 2016 numbers include integration expenses incurred in 2015.

9.2.3 Divestments

As discussed in Section 6 of this Supplementary Booklet, the Divestments will need to be made to address competition concerns raised by the ACCC, DOJ and CCB in respect of the Scheme and that may be raised by the CMA in respect of the Scheme at the conclusion of the CMA Review. The expected annual net impact of the Divestments is estimated by Iron Mountain to be a US$120 million reduction of the revenue and an associated US$35 million reduction of OIBDA for the Combined Group (or approximately 3% of the Combined Group's pro forma revenue and OIBDA for the year ended 31 December 2015 set forth in Section 9.3.4 of this Supplementary Booklet).

In addition to the direct loss of revenue and OIBDA discussed in the immediately preceding paragraph, the Divestments are expected to result in an additional US$40 million annual reduction in OIBDA for the Combined Group, due to a loss in potential synergies resulting from the Proposed Transaction. The aggregate reduction of US$75 million in annual OIBDA is reflected in the US$105 million estimate of annual net synergies as a result of the Proposed Transaction described in Section 9.2.1 of this Supplementary Booklet. The proportionally higher amount of synergies expected to be lost are due to the Divestments being in markets and regions that generally have greater overlap of the Iron Mountain and Recall businesses and thus would provide more benefits from integration.

As of the date of this Supplementary Booklet, the Divestments the Combined Group may need to undertake in the UK have not been determined. Accordingly, the estimate of annual net synergies of the Scheme, as well as earnings accretion described below in Section 9.2.4, reflects Iron Mountain's estimate, which incorporates information provided by Recall, with respect to the impact of the Divestments that may be required in the UK.

Iron Mountain's estimate (which incorporates current market conditions) of the proceeds the Combined Group will receive in relation to the Divestments is approximately US$220 million. However, there can be no assurance that the Combined Group will receive this amount of proceeds from the sales of the Divestments and the proceeds may be materially different from this amount. Iron Mountain estimates that for every US$25 million change in proceeds, Adjusted EPS accretion will change approximately 0.3% in the same direction.

Upon the successful completion of the Divestments, Iron Mountain anticipates using the net proceeds to repay outstanding borrowings under its Revolving Credit Facility and ultimately to reinvest those proceeds in the Combined Group's business.

9 Updated overview of the Combined Group continued

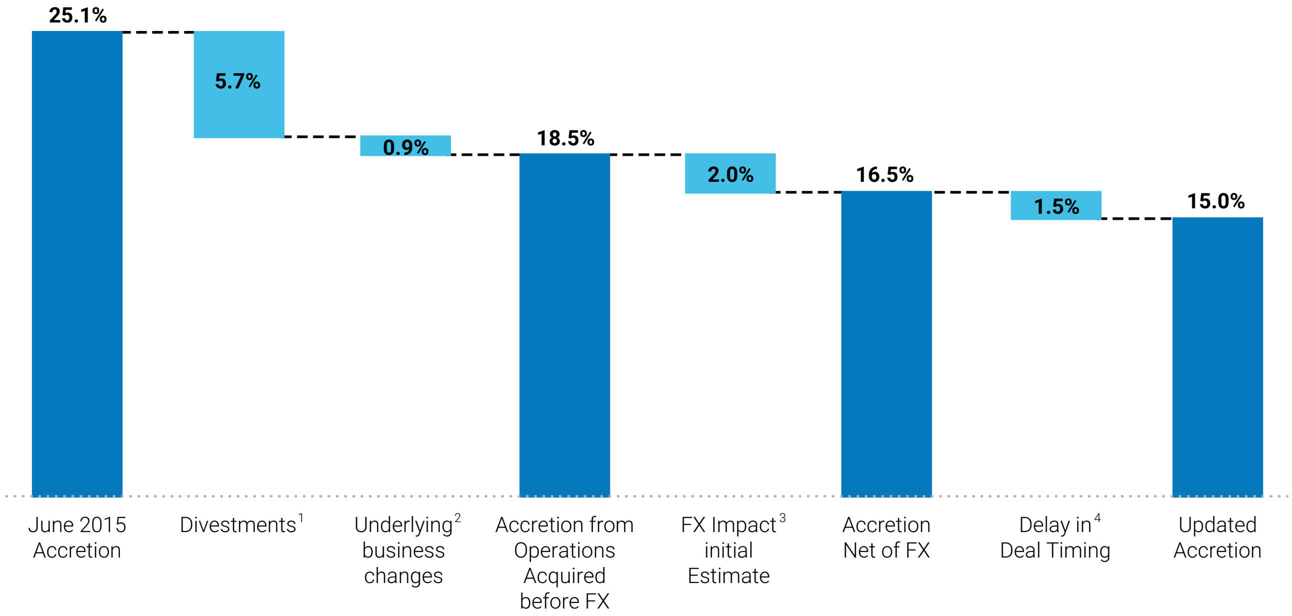
9.2.4 Earnings accretion

In June 2015 when the Scheme was first announced, earnings accretion was estimated to be approximately 25% by 2018. While the Scheme is still expected to generate significant earnings accretion, Iron Mountain estimates that the anticipated impact of the Divestments (see Section 9.2.3 above) will be to reduce that estimate by approximately 570 basis points on a fully synergised basis.

In addition, exposure to changes in foreign currency exchange rates will result in a further 200 basis point reduction from the initial estimate as the strengthening of the US dollar against most other currencies has also impacted Recall disproportionately when compared to Iron Mountain due to Recall's higher exposure to non-US currencies.

Delays in realisation of the synergies is due to a delay in the expected closing in the Proposed Transaction, movements in commodity prices, updated performance and expectations in connection with completed acquisitions have impacted both businesses and have led to a 240 basis point reduction in expected accretion, resulting in a revised expectation of approximately 15.0% Adjusted EPS accretion in 2018.

Figure 18 – 2018 Adjusted EPS accretion bridge



NOTES

1. The 570 basis points impact of Divestments on Adjusted EPS accretion is comprised of a 300 basis points impact from incremental divested OIBDA and 270 basis points of incremental divested synergies potential including an estimated increase in proceeds from the Divestments.
2. Underlying Business Changes relates primarily to acquisitions completed by Iron Mountain and Recall, Iron Mountain's refinancing of indebtedness, and changes in commodity prices and the performance of the businesses compared.
3. The 200 basis points impact of movements in foreign exchange rates is comprised of an 80 basis points impact on the combined stand-alone Iron Mountain and Recall business and a 120 basis points impact of expected synergies.
4. The estimated impact of the Delay in Deal Timing is due to a delay in the expected closing of the Proposed Transaction; it does not imply any change in the fully synergised accretion numbers.

Excluding the impact of estimated non cash purchase accounting adjustments (consisting of non cash purchase accounting adjustments associated with (i) the accounting for Iron Mountain's acquisition of Recall and (ii) the anticipated impact of the Divestments) and one-off costs to achieve the expected synergies, Iron Mountain estimates the Scheme to be 14.2% accretive to Adjusted EPS in 2017, 15.0% in 2018 and 15.6% when the US$105 million per annum of expected net synergies are fully achieved.

On 14 October 2015, Iron Mountain communicated its intent to pursue additional value creating initiatives (cost optimisation plan) beyond those considered for the Adjusted EPS calculations in this Section 9.2.4, including:

- an updated transformation program;
- expanded multi-year plans for developed markets, emerging markets, and adjacent businesses; and
- real estate portfolio expansion.

Iron Mountain estimates that these initiatives will create approximately US$60 million of additional earnings by 2018 and a proportional increase in Normalised FFO and AFFO. These initiatives are expected to benefit Iron Mountain independent of the Proposed Transaction. Iron Mountain estimates that these initiatives will increase the base earnings of Iron Mountain as well as the Combined Group. As a result, the estimated realised accretion of the Proposed Transaction, when Iron Mountain's forecast is updated with this expanded set of initiatives (relative to the base earnings of Iron Mountain), will be lower than the numbers forecasted in this Supplementary Booklet. For additional information on the cost optimisation plan, see Iron Mountain's Investor Presentation posted on its website, www.ironmountain.com, under "Company" "Investor", at http://investors.ironmountain.com/company/for-investors/events-and-presentations/events/default.aspx on 31 March 2016 (US Eastern standard time).

Iron Mountain also expects the Scheme to be accretive to Normalised FFO and AFFO, which are key metrics for REIT investors.

Non GAAP measures

As part of regular reporting to their respective stockholders and shareholders, Iron Mountain and Recall disclose a number of financial measures that are not in compliance with either US GAAP or IFRS, which they believe to be important to investors to consider when evaluating their respective financial performance and that of the Combined Group. These non GAAP measures should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with US GAAP or IFRS.

The non GAAP information referred to in this Section 9.2.4 are as follows:

- Adjusted EPS is defined as reported earnings per share from continuing operations excluding (gain) loss on disposal/write-down of property, plant and equipment (excluding real estate), net; gain on sale of real estate, net of tax; intangible impairments, Recall Costs, REIT Costs, other expense (income), net; and the tax impact of reconciling items and discrete tax items;
- normalised funds from operations or Normalised FFO, which comprises net income excluding depreciation on real estate assets; gain on sale of real estate, net of tax; (gain) loss on disposal/write down of property, plant and equipment (excluding real estate), net; intangible impairments; Recall Costs; REIT Costs; other expenses (income), net; deferred income taxes and REIT tax adjustments; income (loss) from discontinued operations, net of tax; and gain (loss) on sale of discontinued operations, net of tax; and
- adjusted funds from operations or AFFO, which is Normalised FFO excluding non cash rent expense or income, plus depreciation on non real estate assets, amortisation expense (including amortisation of deferred financing (costs)) and non cash equity compensation costs, less maintenance capital expenditures and non real estate investments.

Recall Shareholders who receive Iron Mountain Securities will have the opportunity to benefit from any potential earnings accretion.

Recall Shareholders should note that if the Scheme is implemented, Iron Mountain is expected to apply purchase price accounting adjustments which are expected to result in fair value adjustments associated with Recall's tangible and intangible assets in accordance with US GAAP. These adjustments are expected to result in an increase in depreciation and amortisation expenses of approximately US$64 million per annum before considering the impact of any Divestments, which will impact the Combined Group's reported earnings per share. These adjustments are non cash in nature and do not impact the fair value assessment of the transaction. Further details on the purchase price accounting adjustments expected as a result of the Scheme are set out in Section 9.3 of this Supplementary Booklet.

Iron Mountain's expected level of Adjusted EPS, Normalised FFO and AFFO accretion is set out in the charts below:

Figure 19 – Iron Mountain Adjusted EPS accretion [1]

2016	2017	2018	SYNERGIES FULLY ACHIEVED
(0.2)%	14.2%	15.0%	15.6%

Adjusted EPS accretion, including the expected purchase price accounting adjustments, is expected to be 1.8% in 2017, 3.7% in 2018 and 6.1% on a fully synergised basis.

Figure 20 – Iron Mountain Normalised FFO accretion [1]

2016	2017	2018	SYNERGIES FULLY ACHIEVED
2.8%	7.1%	6.7%	7.2%

Normalised FFO accretion, including the expected purchase price accounting adjustments, is expected to be 2.2% in 2017, 2.2% in 2018 and 3.5% on a fully synergised basis.

Figure 21 – Iron Mountain AFFO accretion[1]

2016	2017	2018	SYNERGIES FULLY ACHIEVED
0.9%	5.5%	5.3%	5.7%

AFFO does not incorporate depreciation or amortisation charges and therefore is not impacted by purchase price accounting adjustments (or the expected accounting impact of the Divestments) except as far as the incremental depreciation and amortisation provides a benefit by reducing the effective taxable income.

NOTE

1 Accretion estimates assume weighted average Iron Mountain Shares outstanding of 267 million at year end 2016, AUD/USD exchange rate of 0.74 and an effective tax rate of approximately 19%. Accretion estimates do not include operating and capital expenditures related to integration, as these are one time in nature and will be excluded from Adjusted EPS, Normalised FFO and AFFO. These assumptions represent analysis as at the date of this Supplementary Booklet and are subject to change.

9.3 FINANCIAL INFORMATION

9.3.1 Introduction

The financial information set out in this Section 9.3 has been prepared by Iron Mountain. Since the date of the Scheme Booklet, a number of assumptions in relation to the pro forma historical financial information for the Combined Group, primarily the expected impact of purchase price accounting and the financial impact of Iron Mountain's anticipated financing arrangements have been updated. The financial information in this section reflects these changes and replaces the financial information contained in Section 10.11 of the Scheme Booklet. This Section 9.3 includes the following financial information:

- ***Pro Forma Historical Income Statement*** for the Combined Group for the year ended 31 December 2015, as described in Section 9.3.4;
- ***Pro Forma Historical Balance Sheet*** for the Combined Group at 31 December 2015, as described in Section 9.3.5; and
- ***Pro Forma Historical Cash Flow Statement*** for the Combined Group for the year ended 31 December 2015, as described in Section 9.3.6.

The Pro Forma Historical Income Statement, the Pro Forma Historical Balance Sheet and the Pro Forma Historical Cash Flow Statement are together the ***Pro Forma Historical Financial Information*** for the Combined Group. The Pro Forma Historical Financial Information is unaudited.

As discussed in Section 6 of this Supplementary Booklet, Iron Mountain has undertaken to make the Divestments. The Pro Forma Historical Financial Information does not include any impact regarding the Divestments. See Sections 6 and 9.1.2 of this Supplementary Booklet for further information about the Divestments.

As discussed in Section 9.4.2 of the Scheme Booklet, the underlying financial statements for Recall for the year ended 30 June 2015 were audited and the interim financial statements for the six months ended 31 December 2014 and 31 December 2015 were reviewed by PwC. The underlying financial statements for Iron Mountain for the year ended 31 December 2015 were audited by Deloitte & Touche LLP as Independent Registered Public Accounting Firm for Iron Mountain.

The Iron Mountain Board and Recall Board appointed PricewaterhouseCoopers Securities Ltd as the Investigating Accountant to prepare a Supplementary Investigating Accountant's Report in relation to the Pro Forma Historical Financial Information for the Combined Group. A copy of the Supplementary Investigating Accountant's Report is contained in Appendix 2.

9.3.2 Basis for preparation

The Pro Forma Historical Financial Information has been prepared under accounting principles adopted by Iron Mountain consistent with its financial statements, US GAAP and the accounting policies detailed in Section 10.11.2 of the Scheme Booklet. If the Scheme is implemented, existing Recall Shareholders will receive Iron Mountain financial information prepared under US GAAP. US GAAP financial information was also the basis for the Adjusted EPS, Normalised FFO and AFFO accretion calculations discussed in Section 9.2.4 of this Supplementary Booklet.

The Pro Forma Historical Financial Information has been derived from:

- Recall's audited financial statements for the year ended 30 June 2015 and Recall's reviewed financial statements for the six months ended 31 December 2014 and 31 December 2015; and
- Iron Mountain's audited financial statements for the year ended 31 December 2015.

Pro forma adjustments have been made to the financial information to provide the financial information consistently with US GAAP, to align the financial year end to Iron Mountain's year end, to exclude transaction costs, to show the impact of purchase price accounting and to show the impact of the post transaction capital structure.

The Pro Forma Historical 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 issued in connection with the Scheme. In the Pro Forma Historical Balance Sheet, Iron Mountain's purchase price has been allocated to Recall's assets acquired and liabilities assumed based upon Iron Mountain management's preliminary estimate of their respective fair values as of the Implementation Date. 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 Pro Forma Historical Financial Information are based on Iron Mountain management's preliminary valuation estimates. Definitive allocations will be performed and finalised 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 Scheme. Accordingly, the purchase price allocation adjustments and related depreciation and amortisation reflected in the Pro Forma Historical Financial Information are preliminary, have been made solely for the purpose of preparing the Pro Forma Historical Financial Information for the Combined Group and are subject to revisions based on a final determination of fair value upon the closing of the Scheme.

The Pro Forma Historical Income Statement includes certain purchase accounting adjustments, including items expected to have a continuing impact on the combined results, such as increased amortisation expense on acquired intangible assets. The Pro Forma Historical Income Statement does not include the impacts of any revenue, cost or other operating synergies that may result from the Scheme or any related restructuring costs. Iron Mountain and Recall have 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 associated acquisition related costs are estimates and not yet factually supportable for the purposes of inclusion in the Pro Forma Historical Financial Information.

The financial information in this Section 9.3 is presented in an abbreviated form insofar as it does not include all of the presentation disclosures, statements or comparative information as required by US GAAP.

The Pro Forma Historical Financial Information in this Section 9.3 has been prepared in accordance with the recognition and measurement requirements of US GAAP, other than that it includes adjustments which have been prepared in a manner consistent with US GAAP to reflect the impact of certain transactions had they occurred on or before 1 January 2015 in the Pro Forma Historical Income Statement and the Pro Forma Historical Cash Flow Statement or as at 31 December 2015 in the Pro Forma Historical Balance Sheet.

In order to assess the impact of potential differences between US GAAP and Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the AASB, which are consistent with the recognition and measurement principles of the IFRS and interpretations adopted by the International Accounting Standards Board, Iron Mountain compared its own applied accounting policies under US GAAP with Recall's applied accounting policies under Australian Accounting Standards and also assessed fundamental differences between US GAAP and Australian Accounting Standards. Based on this analysis, Iron Mountain determined that the material differences between US GAAP and Australian Accounting Standards are limited to the following:

- US GAAP requires real estate assets to be carried on the balance sheet at amortised cost with depreciation over the useful life recognised through earnings. Australian Accounting Standards give REITs the option of recording real estate assets at either fair value or amortised cost. Iron Mountain concluded that with a policy choice of recording real estate assets at amortised cost no material difference exists. If the real estate assets are carried at amortised cost, Australian Accounting Standards require the disclosure of the fair value of these assets in the notes to the financial statements. Based on a 31 December 2015 valuation date, the fair value of Iron Mountain's real estate assets is US$3,629 million, which includes US$1,504 million of racking assets, US$1,703 million of real property and US$422 million of personal and other property; and
- Australian Accounting Standards to US GAAP adjustments for Recall which have been identified in Note 1 of Section 9.3.4 and Note 2 of Section 9.3.5 were also considered in Iron Mountain's review of its own assessment of US GAAP to Australian Accounting Standards differences. The following adjustments from Australian Accounting Standards to US GAAP were identified for Recall:
  - the jurisdictional netting of deferred tax assets and liabilities;
  - the timing of the recognition of liabilities related to exit costs; and
  - the accounting for a lease as a financing obligation.

As part of this review, Iron Mountain has determined that each of the adjustments made for Recall noted above is not material in relation to Iron Mountain's or the Combined Group's historical financial information.

Information provided in this Section 9.3 should be read in conjunction with the risk factors outlined in Section 10 of this Supplementary Booklet and Section 12 of the Scheme Booklet.

Non GAAP measures

As part of regular reporting to its stockholders, Iron Mountain discloses a number of financial measures that are not in compliance with either US GAAP or Australian Accounting Standards, which they believe to be important to investors to consider when evaluating their respective financial performance and that of the Combined Group. These non GAAP measures should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with US GAAP or Australian Accounting Standards.

The non GAAP information referred to in this Section 9.3 includes Adjusted OIBDA. Iron Mountain management determines Adjusted OIBDA as operating income before depreciation, amortisation, impairment of intangibles, (gain) loss on disposal/write-down of property, plant and equipment (excluding real estate), net, Recall Costs and REIT Costs. In addition, Iron Mountain investor communications also use Normalised FFO and AFFO, as further defined in Section 9.2.4 of this Supplementary Booklet.

Financing Arrangements

As at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet, approximately US$687 million is drawn under Recall's existing multi-bank syndicated debt finance facility (***Recall Debt Facility***). Iron Mountain intends to repay the Recall Debt Facility on or soon after implementation of the Scheme.

9.3.3 Purchase price

For the purpose of preparing the accompanying Pro Forma Historical Balance Sheet as of 31 December 2015, the preliminary estimate of the purchase price was calculated as follows:

ITEM	UNIT	AMOUNT
Recall shares issued and outstanding prior to implementation of the Scheme [1]	M	323.3
Closing price per share of Iron Mountain common stock on 4 March 2016	US$	29.99
Closing date exchange ratio	#	0.1722
Consideration per share for Equity Election	**US$**	**5.16428**
Cash Alternative price	A$	8.50
AUD/USD as at 4 March 2016	#	0.7323
Cash Alternative price	**US$**	**6.22455**
Cash Supplement Amount per Recall Share	US$	(0.50)
Consideration per share for Cash Election	**US$**	**5.72455**
Fair value of Cash Supplement Amount [2]	US$M	161.7
Fair value of consideration for Cash Election [3]	US$M	164.8
Fair value of consideration for Equity Election [4]	US$M	1,520.9
Total estimated purchase price	**US$M**	**1,847.4**

The estimated purchase price reflected in the Pro Forma Historical Financial Information does not purport to represent what the actual purchase price will be when the Scheme is implemented. In accordance with the Accounting Standards Codification 805, *Accounting for Business Combinations*, the fair value of equity securities issued as part of the consideration transferred will be measured on the Implementation Date at the then current market price. This requirement will likely result in a per-share equity component different from the US$29.99 assumed in the Pro Forma Historical Financial Information 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 Implementation Date as compared to the market price of Iron Mountain's common stock assumed for the purposes of the Pro Forma Historical Financial Information 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 make a Cash Election up to the total Cash Pool, a change of this magnitude would increase or decrease the purchase price by approximately US$365 million, which would result in a corresponding increase or decrease to goodwill in the Pro Forma Historical Financial Information.

NOTES

1 In accordance with the Scheme Implementation Deed, prior to the implementation of the Scheme, all outstanding rights to acquire any ordinary shares of Recall under Recall's equity incentive arrangements, including all unvested performance rights and retention rights (***Recall Equity Awards***) will vest and Recall will issue the number of Recall Shares required by the Recall Equity Awards prior to the Record Date. 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 31 December 2015, including approximately 314 million Recall Shares outstanding as of 31 December 2015, as well as an additional nine million Recall Shares issued and not yet vested.

2 The aggregate amount of the Cash Supplement Amount upon the closing of the Scheme has been calculated as follows:

ITEM	UNIT	AMOUNT
Cash Supplement Amount per Recall Share	US$	0.50
Recall shares issued and outstanding prior to closing of the Scheme	M	323.3
Total Cash Supplement Amount	**US$M**	**161.7**

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 4 March 2016 is less than the estimated Cash Election per Recall Share based on the closing market price of Iron Mountain's common stock and the AUD/USD exchange rate of 0.7323 as of 4 March 2016. As a result, for the purpose of preparing the Pro Forma Historical Financial Information, Iron Mountain has assumed that Recall Shareholders would elect the Cash Alternative up to the total Cash Pool of US$161.7 million (A$225 million at the AUD/USD exchange rate of 0.7323 as of 4 March 2016).

ITEM	UNIT	AMOUNT
Aggregate Cash Election amount	US$M	164.8
Cash Election consideration per Recall Share	US$	5.725
Recall Shares allocated to Cash Election	**M**	**28.8**

4 Represents the portion of consideration to be paid assuming a closing price of Iron Mountain common stock on 4 March 2016 of US$29.99 per share as follows:

ITEM	UNIT	AMOUNT
Recall Shares issued and outstanding prior to closing of the Scheme	M	323.3
Recall Shares allocated to Cash Election	M	(28.8)
Remaining Recall Shares to be purchased after Cash Election	**M**	**294.5**
Fair value of total consideration per Recall Share for Equity Election	US$	5.16428
Fair value of consideration for Equity Option	**US$M**	**1,520.9**
Fair value of consideration for Equity Option	US$M	1,520.9
Closing price per share of Iron Mountain common stock on 4 March 2016	US$	29.99
Total Iron Mountain shares issued to satisfy Equity Election	**M**	**50.7**

The following is a summary of the preliminary allocation of the above purchase price as reflected in the Pro Forma Historical Balance Sheet as of 31 December 2015:

ITEM	US$ MILLIONS
Cash and cash equivalents	159.4
Accounts receivable, net	181.9
Prepaid expenses and other current assets	21.1
Property, plant and equipment	711.2
Customer relationship intangible asset	948.5
Other intangible assets	52.8
Deferred income tax assets, including current portion	8.4
Other assets – long-term	6.5
Accounts payable	(116.6)
Accrued expenses	(22.9)
Deferred revenue	(19.0)
Long-term debt, including current portion	(776.2)
Unfavourable lease liability	(23.7)
Other long-term liabilities	(56.8)
Deferred income tax liabilities, including current portion	(423.3)
Estimated fair value of net assets acquired	**651.3**
Preliminary allocation to goodwill	1,196.1
Estimated purchase price	**1,847.4**

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 6 in Section 9.3.5 of this Supplementary Booklet for a discussion of the methods used to determine the fair value of Recall's identifiable assets.

9.3.4 Financial performance

Pro forma performance of the Combined Group

The Pro Forma Historical Income Statement for the year ended 31 December 2015 set out in this Section 9.3.4 assumes the Scheme had been implemented on 1 January 2015 and comprises:

- Recall's consolidated statement of financial performance for the year ended 31 December 2015 – extracted from Recall's audited financial reports for the year ended 30 June 2015 and Recall's reviewed half year results for the six months ended 31 December 2014 and 31 December 2015. Adjustments were made to Recall's consolidated statement of financial performance to align Recall's year end to Iron Mountain's 31 December year-end;
- Iron Mountain's consolidated income statement for the year ended 31 December 2015 – extracted from Iron Mountain's audited financial statement for the year ended 31 December 2015;
- US GAAP adjustments – the impact of conversion of Recall's consolidated statement of financial performance to US GAAP;
- merger adjustments – the impact arising from implementing the Scheme; and
- financing adjustments – the impact of the extinguishment of Recall's existing debt and Iron Mountain's new debt to fund the cash portion of the purchase consideration.

Updated overview of the Combined Group continued

Pro Forma Historical Income Statement for the Combined Group

For the 12 months ended 31 December 2015

US$ MILLIONS	RECALL IN IFRS	US GAAP ADJUST-MENTS	NOTES	RECALL IN US GAAP	IRON MOUNTAIN	MERGER ADJUST-MENTS	NOTES	FINANCING ADJUST-MENTS	NOTES	COMBINED GROUP
Total revenues	798.4	–		798.4	3,008.0	–		–		3,806.4
Operating expenses	(646.3)	6.8	*1a,b*	(639.5)	(2,138.0)	75.7	*2,3,4*	–		(2,701.8)
OIBDA	**152.1**	**6.8**		**158.9**	**870.0**	**75.7**		**–**		**1,104.6**
Depreciation and amortisation	(69.3)	(0.4)	*1b*	(69.7)	(345.5)	(64.3)	*5,6*	–		(479.4)
Operating income	**82.8**	**6.4**		**89.2**	**524.5**	**11.5**		**–**		**625.2**
Interest expense, net	(22.7)	(2.1)	*1b*	(24.8)	(263.9)	0.4	*7*	(44.6)	*9*	(332.9)
Other expense, net	(4.1)	–		(4.1)	(98.6)	–		–		(102.7)
Income from continuing operations, before provision (benefit) for income taxes and gain on sale of real estate	**56.0**	**4.4**		**60.4**	**162.0**	**11.8**		**(44.6)**		**189.6**
(Provision) benefit for income taxes	(6.6)	(1.2)	*1a,b*	(7.8)	(37.7)	(3.1)	*8*	(5.8)	*9*	(54.4)
Gain on sale of real estate	–	–		–	0.9	–		–		0.9
Income from continuing operations	**49.4**	**3.2**		**52.6**	**125.2**	**8.7**		**(50.4)**		**136.1**
(Loss) income from discontinued operations, net of tax	–	–		–	–	–		–		–
Net (loss) income	**49.4**	**3.2**		**52.6**	**125.2**	**8.7**		**(50.4)**		**136.1**
Less: Net income (loss) attributable to noncontrolling interests	–	–		–	(2.0)	–		–		(2.0)
Net income (loss) attributable to Iron Mountain Incorporated	**49.4**	**3.2**		**52.6**	**123.2**	**8.7**		**(50.4)**		**134.1**

Amounts may not add due to rounding.

NOTES

1 **Australian Accounting Standards to US GAAP adjustments**

(a) Reflects an adjustment of US$5 million to decrease operating expenses for the reversal of accrued expenses and an increase in the provision for income taxes of US$1.3 million for related tax effects related to restructuring actions taken by Recall during the year ended 31 December 2015 due to differences in the timing of recognition of such liabilities permitted under Australian Accounting Standards and US GAAP. Under Australian Accounting Standards, liabilities for plant closures, lease terminations and other exit costs may generally be recognised when an entity has formally committed to a plan. US 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 recognised as incurred.

(b) Reflects adjustments to decrease operating expenses by US$1.8 million related to a decrease in rent expense, an increase in depreciation expense of US$0.4 million, an increase to interest expense of US$2.1 million and an decrease of US$0.1 million in the provision for income tax. These adjustments are related to an existing Recall operating lease that is considered a financing obligation under US GAAP. Under US GAAP, Recall was deemed to be the accounting owner during the construction period and upon completion Recall determined that the lease did not meet the criteria for "sale-leaseback" treatment. Under US GAAP, Recall must continue to record an asset and corresponding financing obligation. As a result, contractual payments related to the leased property are reversed from rent expense and recorded through the income statement as depreciation expense, ground rent expense and interest expense.

2 **Rent expense**

Reflects adjustments to operating expenses of US$1.5 million for the year ended 31 December 2015 representing a net increase in rent expense related to the amortisation of favourable and unfavourable lease assets and liabilities recognised as part of purchase accounting related to above- or below-market leases.

3 **Transaction costs**

Reflects an adjustment to operating expenses of US$66.9 million for the year ended 31 December 2015, representing the elimination of the advisory, legal and accounting expenses incurred by both Iron Mountain and Recall in connection with the Scheme, which are not expected to have a continuing impact on the results of the Combined Group.

4 **Share-based compensation**

Reflects adjustments to operating expenses of US$10.3 million related to 8.7 million performance and retention rights outstanding during the year ended 31 December 2015 representing the elimination of the Recall share-based compensation expense. In accordance with the Scheme Implementation Deed, prior to the completion of the Scheme, all outstanding rights to acquire any ordinary shares of Recall under the 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 the Scheme. The Pro Forma Historical Financial Information assumes that the vesting and settlement of these awards occurred prior to 1 January 2015.

5 **Intangible asset amortisation**

Reflects adjustments to depreciation and amortisation expense of US$47.9 million for the year ended 31 December 2015 representing an increase in amortisation expense related to the fair value of identified intangible assets with definite lives. The following table shows the pre-tax impact on amortisation expense:

DESCRIPTION	ESTIMATED USEFUL LIFE (YEARS)	ESTIMATED FAIR VALUE (US$ MILLIONS)	AMORTISATION EXPENSE YEAR ENDED 31 DECEMBER 2015 (US$ MILLIONS)
Customer relationships	15	948.5	63.2
Recall trade name	8	17.3	2.2
Amortisation expense			65.4
Less: Recall historical amortisation			(17.5)
Additional amortisation expense			47.9

Preliminary estimated future amortisation expense, based upon Iron Mountain's newly acquired intangible assets at 31 December 2015, is as follows:

YEAR ENDING 31 DECEMBER,	AMOUNT (US$ MILLIONS)
2016	65.4
2017	65.4
2018	65.4
2019	65.4
2020	65.4
Thereafter	638.8
Total	965.8

6 **Depreciation of property, plant and equipment**

Reflects adjustments to depreciation and amortisation of US$15.9 million for the year ended 31 December 2015 representing increased net depreciation expense related to the fair value step-up of property, plant and equipment, excluding "sale-leaseback" property, with estimated lives ranging from three to 35 years, as follows:

DESCRIPTION	ESTIMATED USEFUL LIFE (YEARS)	ESTIMATED FAIR VALUE (US$ MILLIONS)	DEPRECIATION EXPENSE YEAR ENDED 31 DECEMBER 2015 (US$ MILLIONS)
Racking	12	394.1	32.8
Land	N/A	20.4	N/A
Warehouse equipment and vehicles	4	41.6	10.4
Computer hardware and software	3	37.0	12.3
Buildings	35	89.8	2.6
Other property and equipment	11	104.6	9.5
Depreciation expense			67.6
Less: Recall historical depreciation			(51.7)
Additional depreciation expense (excluding "sale-leaseback" property)			15.9

The adjustment to depreciation and amortisation reflects an additional increase of US$0.5 million related to the fair value step-up of Recall's property which did not meet criteria for "sale-leaseback" treatment, for which Recall must continue to record the asset.

7 **Interest expense**

Reflects an adjustment to interest expense US$0.4 million related to the fair value step-up of Recall's financing obligation related to the property which did not meet the criteria for "sale-leaseback" treatment. Under US GAAP, Recall must continue to record the financing obligation related to the asset.

8 **Income tax expense**

Reflects adjustments to provision for income taxes of US$3.1 million for the year ended 31 December 2015 to reflect the tax effect of the pro forma adjustments based on an estimated blended statutory tax rate of 26.5%. This statutory tax rate does not assume that the US subsidiary of Recall will qualify as a REIT for US income tax reporting purposes, as it is not factually supportable at this time. Because the tax rate used for the Pro Forma Historical Financial Information 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. The change in the income tax expense as a result of the election of certain of the Recall subsidiaries to be treated as a REIT is not expected to be material to Iron Mountain's consolidated income tax expense.

9 **Financing adjustments**
Reflects the following adjustments to interest expense resulting from the anticipated financing arrangements entered into by Iron Mountain, which will consist of new public or private debt financing of US$850 million (sources of which are to be determined by Iron Mountain) and US$215 million drawn under the Revolving Credit Facility (***Recall Financing***), upon implementation of the Scheme as well as the repayment in full of Recall's outstanding indebtedness:

(i) increase to interest expense of US$46.5 million for the year ended 31 December 2015 reflecting estimated interest expense associated with the Recall Financing using a weighted average interest rate of 3.85% per year;

(ii) increase to interest expense resulting from deferred financing costs of US$7.1 million being capitalised and amortised to interest expense over one year beginning with funding on 1 January 2015 associated with the establishment of the Recall Financing;

(iii) increase to interest expense of US$12.8 million during the year ended 31 December 2015 for the accretion of fees to be paid upon extinguishment of the Recall Financing; and

(iv) the elimination of interest expense of US$21.8 million and a corresponding tax expense of US$5.8 million for the year ended 31 December 2015 related to Recall's outstanding indebtedness that would be repaid in full upon the closing of the Scheme, which is assumed, for the purposes of the Pro Forma Historical Income Statement to have occurred on 1 January 2015.

The Recall Financing is denominated in US dollars and is expected to be borrowed by Iron Mountain (the parent company of the Iron Mountain Group). As Iron Mountain qualifies as a REIT, the pro forma interest expense and amortisation of deferred financing costs associated with the Recall Financing do not reflect a corresponding tax benefit.

An ⅛% increase in the assumed rates would result in an aggregate increase to the above noted interest expense, of US$5.3 million for the year ended 31 December 2015.

9.3.5 Balance Sheet

The Pro Forma Historical Balance Sheet as at 31 December 2015 set out in this Section 9.3.5 assumes the Scheme had been implemented and comprises:

- Recall's consolidated balance sheet as at 31 December 2015 – extracted from Recall's reviewed financial report for the half year ended 31 December 2015;
- Iron Mountain's audited consolidated balance sheet as at 31 December 2015 – extracted from Iron Mountain's audited financial report for the year ended 31 December 2015;
- reclassification – to align the presentation of Recall's consolidated balance sheet to Iron Mountain's presentation;
- US GAAP adjustments – the impact of conversion of Recall's consolidated statement of financial position to US GAAP;
- merger adjustments – the impact arising from implementing the Scheme; and
- financing adjustments – the impact of the extinguishment of Recall's existing debt and Iron Mountain's new debt to fund the cash portion of the purchase consideration.

Pro forma financial position

Pro Forma Historical Balance Sheet for the Combined Group as of 31 December 2015

US$ MILLIONS	RECALL IN IFRS [1]	US GAAP ADJUST-MENTS	*NOTES*	RECALL IN US GAAP	IRON MOUNTAIN	MERGER ADJUST-MENTS	*NOTES*	FINANCING ADJUST-MENTS	*NOTES*	COMBINED GROUP
Current assets										
Cash and cash equivalents	159.4	–		159.4	128.4	(326.5)	*3*	289.7	*13*	251.0
Restricted cash	–	–		–	–	–		–		–
Accounts receivable	181.9	–		181.9	564.4	–		–		746.3
Deferred income taxes	–	8.7	*2a,b*	8.7	22.1	(0.5)	*11*	–		30.3
Prepaid expenses and other	21.1	–		21.1	143.0	–		–		164.1
Total current assets	**362.4**	**8.7**		**371.1**	**857.9**	**(327.0)**		**289.7**		**1,191.7**
Property, plant and equipment, net	399.9	15.5	*2c*	415.4	2,497.2	295.9	*4*	–		3,208.5
Goodwill	665.8	–		665.8	2,361.0	530.3	*5*	–		3,557.1
Customer relationships and customer inducements	117.4	–		117.4	603.3	831.1	*6*	–		1,551.8
Other	11.7	(4.5)	*2a,b,c*	7.2	31.2	52.4	*6, 11*	–		90.8
Total assets	**1,557.2**	**19.7**		**1,576.9**	**6,350.6**	**1,382.7**		**289.7**		**9,599.9**
Current liabilities										
Current portion of long-term debt	(70.5)	–		(70.5)	(88.1)	–		(992.0)	*13*	(1,150.6)
Accounts payable	(118.3)	–		(118.3)	(219.6)	1.7	*9*	–		(336.2)
Accrued expenses	(36.4)	13.5	*2b*	(22.9)	(351.0)	–		–		(373.9)
Deferred revenue	(19.0)	–		(19.0)	(183.1)	–		–		(202.1)
Total current liabilities	**(244.2)**	**13.5**		**(230.7)**	**(841.8)**	**1.7**		**(992.0)**		**(2,062.8)**
Long-term debt, net of current portion	(706.8)	(19.6)	*2c*	(726.4)	(4,757.6)	(13.4)	*7,8*	702.3	*13*	(4,795.1)
Other long-term liabilities	(17.5)	(5.3)	*2a*	(22.8)	(71.9)	(23.7)	*10*	–		(118.4)
Deferred rent	(10.7)	3.2	*2c*	(7.5)	(95.7)	7.5	*9*	–		(95.7)
Deferred income taxes	(62.5)	(3.0)	*2a,b,c*	(65.5)	(55.0)	(357.9)	*11*	–		(478.4)
Total liabilities	**(1,041.7)**	**(11.2)**		**(1,052.9)**	**(5,822.0)**	**(385.8)**		**(289.7)**		**(7,550.4)**
Equity										
Iron Mountain Incorporated Stockholders' Equity:										
Common stock	–	–		–	(2.1)	(0.5)	*12*	–		(2.6)
Additional paid in capital	(386.2)	–		(386.2)	(1,623.8)	(1,134.2)	*12*	–		(3,144.2)
(Distributions in excess of earnings)/ Earnings in excess of distributions	(240.5)	(8.5)	*2b,c*	(249.0)	942.2	249.0	*12*	–		942.2
Accumulated other comprehensive income, net	111.2	–		111.2	174.9	(111.2)	*12*	–		174.9
Total Iron Mountain Incorporated Stockholders' Equity	**(515.5)**	**(8.5)**		**(524.0)**	**(508.8)**	**(996.9)**		**–**		**(2,029.7)**
Noncontrolling interests	–	–		–	(19.8)	–		–		(19.8)
Total equity	**(515.5)**	**(8.5)**		**(524.0)**	**(528.6)**	**(996.9)**		**–**		**(2,049.5)**
Total liabilities and equity	**(1,557.2)**	**(19.7)**		**(1,576.9)**	**(6,350.6)**	**(1,382.7)**		**(289.7)**		**(9,599.9)**

Amounts may not add due to rounding.

NOTES

1 **Reclassifications to conform Recall's consolidated balance sheet presentation to Iron Mountain's consolidated balance sheet presentation**

Certain balances presented in the historical financial statements of Recall included within the Pro Forma Historical Balance Sheet as at 31 December 2015 were reclassified to conform their presentation to that of Iron Mountain as indicated in the tables below:

ITEM	AMOUNT (US$ IN MILLIONS)	PRESENTATION IN RECALL'S IFRS STATUTORY FINANCIAL STATEMENTS	PRESENTATION IN PRO FORMA HISTORICAL BALANCE SHEET
Inventories	2.2	Inventories	Prepaid expenses and other
Other assets	18.9	Other assets	Prepaid expenses and other
Customer relationships	89.4	Intangible assets	Customer relationships and customer inducements
Customer acquisition costs	28.0	Intangible assets	Customer relationships and customer inducements
Computer software	23.1	Intangible assets	Property, plant and equipment, net
Deferred revenue	19.0	Trade and other payables	Deferred revenue
Deferred rent	10.7	Other liabilities	Deferred rent

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

ITEM	AMOUNT (US$ IN MILLIONS)	PRESENTATION IN PRO FORMA HISTORICAL BALANCE SHEET
Other Intangibles	0.5	Other
Other receivables	6.0	Other
Deferred tax assets	4.7	Other
Derivatives	0.2	Other
Other assets	0.3	Other
Taxes payable	11.9	Accrued expenses
Provisions	24.5	Accrued expenses
Derivatives	0.1	Other long-term liabilities
Other provisions	10.3	Other long-term liabilities
Other liabilities	7.1	Other long-term liabilities

2 **Australian Accounting Standards to US GAAP adjustments**

(a) Reflects adjustments to the presentation of deferred income taxes as a result of the application of US GAAP. In accordance with Australian Accounting Standards, 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 US GAAP, jurisdictional netting of DTAs and DTLs are performed on a current versus noncurrent basis. The following table reflects the adjustments to current and noncurrent DTAs and DTLs as a result of the application of US GAAP:

	AMOUNT (US$ IN MILLIONS)	PRESENTATION IN PRO FORMA HISTORICAL BALANCE SHEET
Current deferred tax assets	10.5	Deferred income taxes
Long-term deferred tax assets	(7.0)	Other
Uncertain tax position liability	5.3	Other long-term liabilities
Long-term deferred tax liabilities	(1.8)	Deferred income taxes

(b) Reflects adjustments to reverse accrued expenses and related tax effects for restructuring actions taken by Recall during the year ended 31 December 2015 due to differences in the timing of recognition of such liabilities permitted under Australian Accounting Standards and US GAAP. Under Australian Accounting Standards, liabilities for plant closures, lease terminations and other exit costs may generally be recognised when an entity has formally committed to a plan. US 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 recognised as incurred.

	AMOUNT (US$ IN MILLIONS)	PRESENTATION IN PRO FORMA HISTORICAL BALANCE SHEET
Current deferred tax assets	(1.8)	Deferred income taxes
Long-term deferred tax assets	(2.4)	Other
Accrued expenses	(13.5)	Accrued expenses
Long-term deferred tax liabilities	0.1	Deferred income taxes
Earnings in excess of distributions	9.1	Earnings in excess of distributions

(c) Reflects adjustments to increase property, plant and equipment, net, increase a financing obligation, and to record the related tax effects for an existing Recall operating lease that is considered a financing obligation under US GAAP. Under US GAAP, Recall was deemed to be the accounting owner during the construction period. Upon completion of the construction Recall determined that the lease did not meet the criteria for "sale-leaseback" treatment and continued to record an asset and corresponding financing obligation. As a result, the building has been capitalised on the balance sheet with a corresponding financing obligation.

	AMOUNT (US$ IN MILLIONS)	PRESENTATION IN PRO FORMA HISTORICAL BALANCE SHEET
Property, plant and equipment, net	15.5	Property, plant and equipment, net
Long-term deferred tax assets	4.9	Other
Lease financing obligation	19.6	Long-term debt, net of current portion
Deferred rent	(3.2)	Deferred rent
Long-term deferred tax liabilities	4.7	Deferred income taxes
Earnings in excess of distributions	(0.6)	Earnings in excess of distributions

3 **Cash and cash equivalents**
Reflects the cash portion of the purchase price paid to Recall common shareholders, calculated as follows:

	AMOUNT (US$ IN MILLIONS)
Cash paid to Recall Shareholders pursuant to Cash Supplement Amount	161.7
Cash paid to Recall Shareholders pursuant to Cash Election	164.8
Total cash consideration	**326.5**

4 **Property, plant and equipment, net**
Reflects an increase in book value for Recall's property, plant and equipment, net balance to reflect their acquisition-date fair values of US$295.9 million (consisting primarily of an increase in the value of racking structures of US$197.9 million), resulting in a total fair value of acquired property, plant and equipment of US$711.3 million, including the fair value of the property which did not meet the criteria for "sale-leaseback" treatment for which Recall must continue to record as an asset. The fair value estimate for property, plant and equipment is preliminary and has been determined based on the assumptions that Iron Mountain 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 the purposes of the accompanying Pro Forma Historical Financial Information, 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.

5 **Goodwill**
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 Section 9.3.3 of this Supplementary Booklet for the calculation of the amount of goodwill recognised in connection with the Scheme.

6 **Customer relationships and customer inducements and other**
Reflects identifiable intangible assets expected to be recognised in connection with the Scheme, consisting of the following:

DESCRIPTION	ESTIMATED FAIR VALUE (US$ IN MILLIONS)	PRESENTATION IN PRO FORMA HISTORICAL BALANCE SHEET
Customer relationships	948.5	Customer relationships and customer inducements
Recall trade name	17.3	Other
Favourable leases	35.6	Other
Total identifiable intangible assets	**1,001.4**	

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 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 asset for which it would otherwise have had to pay royalties or licence 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 favourable lease assets is US$35.6 million 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 Iron Mountain 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 the purposes of the accompanying Pro Forma Historical Financial Information, 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.

7 **Deferred financing costs**
Reflects the removal of US$5.3 million to long-term debt, net of current portion related to capitalised borrowing costs associated with Recall's outstanding indebtedness as a result of the application of purchase accounting.

8 **Financing obligation**
Reflects an adjustment of US$8.1 million to increase long-term debt, net of current portion for the step-up in fair value to the financing obligation related to Recall's lease which did not meet the criteria for "sale-leaseback" for which Recall must continue to record the financing obligation related to the asset.

9 **Deferred rent**
Reflects an adjustment to eliminate the previously existing current and long-term deferred rent liabilities of Recall of US$1.7 million and US$7.5 million, respectively, as a result of the application of purchase accounting.

10 **Unfavourable leases**
Reflects an adjustment to record the fair value of unfavourable lease obligations of US$23.7 million for leases with contractual rents that are greater than current market rents. The final fair value determination for unfavourable lease obligations may differ from this preliminary determination and those differences may be material.

11 **Deferred taxes**
Reflects the adjustments to record the step up of deferred income tax assets and liabilities resulting from the pro forma fair value adjustments for the assets acquired and liabilities assumed as follows:

	AMOUNT (US$ IN MILLIONS)	PRESENTATION IN PRO FORMA HISTORICAL BALANCE SHEET
Current deferred tax assets	(0.5)	Deferred income taxes
Long-term deferred tax assets	0.1	Other
Long-term deferred tax liabilities	357.9	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 the local statutory rate for each jurisdiction for which a step-up in historical basis was made, resulting in a blended statutory tax rate of 26.5%. This statutory tax rate does not assume that the US subsidiary of Recall will qualify as a REIT for US income tax reporting purposes, as it is not factually supportable at this time. If the US subsidiary of Recall were to qualify as a REIT, the estimated net deferred tax liability recorded at acquisition would be reduced by approximately US$212 million. Adjustments to established deferred tax assets and deferred tax liabilities due to refined determination of statutory rates as well as the recognition of additional deferred tax assets and deferred tax liabilities upon detailed analysis of the acquired assets and assumed liabilities may occur in conjunction with the finalisation of the purchase accounting and these items could be material.

12 **Stockholders' equity and the Scheme**
Reflects an adjustment of US$524.0 million to eliminate Recall 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 US$0.5 million and US$1,520.5 million to common stock and additional paid-in capital, respectively, to reflect the issuance of 50.7 million shares of New Iron Mountain Securities with a par value of US$0.01 per share to satisfy the Equity Election pursuant to the Scheme Implementation Deed, assuming a closing price of Iron Mountain Shares on 4 March 2016 of US$29.99 per share.

13 **Financing**
Prior to, and conditioned upon, the closing of the Scheme, Iron Mountain intends to enter the Recall Financing, the proceeds of which will be used to substantially finance the cash portion of the consideration to be paid in exchange for Recall Shares pursuant to the Scheme, and to repay Recall's outstanding indebtedness at the time of closing. Upon implementation of the Scheme, Iron Mountain expects outstanding borrowings under the Recall Financing to be approximately US$1,065 million, consisting of US$215 million drawn under the Revolving Credit Facility and US$850 million in new public or private debt financing (sources of which are to be determined by Iron Mountain), and that the cash proceeds to Iron Mountain will be approximately US$1,057.8 million (net of approximately US$7.2 million of financing costs that are expected to be deferred and amortised over the term of the Recall Financing to interest expense). Iron Mountain expects that the public or private debt financing under the Recall Financing will bear interest at LIBOR plus a margin of 325 basis points which increases by 50 basis points quarterly, and the Revolving Credit Facility bears interest at LIBOR plus a margin of 225 basis points, resulting in a weighted average interest rate of 3.85% per annum. In addition, the borrowings will be subject to fees including a structuring fee of US$0.9 million, a commitment fee of 50 basis points and a funding fee of 25 basis points. The adjustment reflects the entry into the Recall Financing as well as the repayment of US$768.1 million of Recall's outstanding indebtedness at 31 December 2015.

9.3.6 Cash Flows

Pro forma historical cash flow

Pro Forma Historical Cash Flow Statement for the Combined Group
For the 12 months ended 31 December 2015

US$ MILLIONS	RECALL IN IFRS	US GAAP ADJUST-MENTS	NOTES	RECALL IN US GAAP	IRON MOUNTAIN	MERGER ADJUST-MENTS	NOTES	COMBINED GROUP
Pro forma OIBDA	152.1	6.8	1	158.9	870.0	75.7	2	1104.6
Pro forma change in working capital	(18.0)			(18.0)	(14.7)			(32.7)
Net operating cash flows, before capital expenditure, financing costs and tax	**134.1**	**6.8**		**140.9**	**855.3**	**75.7**		**1071.9**
Pro forma capital expenditure	(68.0)			(68.0)	(290.2)			(358.2)
Net operating cash flows, before financing costs and tax	**66.1**	**6.8**		**72.9**	**565.1**	**75.7**		**713.7**

NOTES

1 **Australian Accounting Standards to US GAAP adjustments**
As mentioned in Note 1 of Section 9.3.4 of this Supplementary Booklet under US GAAP (i) the timing of recognition of certain exit related activities is different from when these activities would be recognised under Australian Accounting Standards; and (ii) Recall was deemed to be the accounting owner during the construction period and upon completion Recall determined that the lease did not meet the criteria for "sale-leaseback" treatment. Under US GAAP, Recall must continue to record an asset and corresponding financing obligation. This adjustment reflects the elimination of exit activity costs and rent expense for the year ended 31 December 2015.

2 **Purchase accounting adjustments**
As mentioned in Notes 2, 3 and 4 of Section 9.3.4 of this Supplementary Booklet, the adjustment of US$75.7 million for the year ended 31 December 2015 primarily relates to a decrease of US$66.9 million in transaction costs related to the combination, a net increase of US$1.5 million in rent expense related to the amortisation of favourable and unfavourable leases assets and a decrease of US$10.3 million representing the elimination of the Recall share-based compensation expense.

9.4 FINANCING

Section 11.7 of the Scheme Booklet provides an overview of Iron Mountain's and Recall's financing sources that will remain in place following implementation of the Scheme.

As at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet, approximately US$687 million is drawn under the Recall Debt Facility. Section 11.7 of the Scheme Booklet stated that Iron Mountain was exploring various options in respect of the Recall Debt Facility, including whether that facility will be refinanced or repaid. As at the date of this Supplementary Booklet, Iron Mountain is planning on repaying the Recall Debt Facility on or soon after implementation of the Scheme using financing arrangements to be entered into by Iron Mountain, which Iron Mountain expects will consist of new public or private debt financing (sources of which are to be determined by Iron Mountain) of US$850 million described in more detail above.

9.5 IRON MOUNTAIN'S INTENTIONS

Section 11.4 of the Scheme Booklet contains information about Iron Mountain's intentions in relation to Recall and the Combined Group. Other than as set out in this Supplementary Booklet, Iron Mountain's intentions have not changed since the date of the Scheme Booklet.

9.6 FORWARD LOOKING STATEMENTS

This Supplementary Booklet includes forward looking statements in respect of the Combined Group, such as the information on potential synergies and earnings accretion set out in Section 9.2. In addition to those forward looking statements, Iron Mountain has given careful consideration as to whether forecast financial information can and should be included in this Supplementary Booklet in respect of the Combined Group. In particular, Iron Mountain has considered whether there is a reasonable basis for the preparation and disclosure in this Supplementary Booklet of reliable and useful forecast financial statements. Iron Mountain has concluded that forecast financial statements for the Combined Group cannot be provided in this Supplementary Booklet as Iron Mountain does not have a reasonable basis for such forecasts as required by applicable law and practice, and that inclusion of such forecasts could be potentially misleading. The considerations which have resulted in this conclusion include:

- changes in variables which are beyond the control of Iron Mountain, such as the competitive environment and general economic conditions, can have a material impact on the reliability of any forecasts produced;
- Iron Mountain and Recall do not have a like-for-like forecasting track record and process;
- at the date of this Supplementary Booklet, the extent and timing of opportunities, benefits and costs that are associated with combining Iron Mountain and Recall are not fully known to Iron Mountain; and
- exchange rates, which are subject to material change from time to time, are not known.

For further discussion on the risk factors impacting the Combined Group, refer to Section 10 of this Supplementary Booklet.

10 Key Risks

This Section 10 updates the key risks contained in Section 12 of the Scheme Booklet associated with the implementation of the Scheme and the operations of the Combined Group.

This Section 10 also describes new risks associated with material developments since the date of the Scheme Booklet, including in relation to the Divestments.

A significant number of the risks contained in Section 12 of the Scheme Booklet and this Section 10 are, or will be, risks to which Recall Shareholders are already exposed. However, as the nature of the Combined Group's business will change from that of the standalone business of Recall, Recall Shareholders will potentially be exposed to additional risks in respect of the Combined Group.

The information set out in this Section 10 should be considered in conjunction with other information contained in the Scheme Booklet, including Section 12, and this Supplementary Booklet and is not, and should not be relied on as, an exhaustive list of the risks that Recall Shareholders may face or to which they may be exposed.

These risks are general in nature and have been prepared without reference to the investment objectives, financial and taxation situation or particular needs of any Recall Shareholder or any other person.

Additional risks and uncertainties that Recall and Iron Mountain are currently unaware of, or that may currently be considered immaterial, may also become important factors that can adversely affect the Combined Group's operating and financial performance.

10.1 RISKS ASSOCIATED WITH THE DIVESTMENTS

As described in Section 6 of this Supplementary Booklet, to address those concerns raised by regulators as part of the process to obtain the Competition Approvals, Iron Mountain is proposing to make the Divestments in the US, Australia and Canada and may be required to make Divestments in the UK following conclusion of the regulatory review process in the UK. The Divestments create certain risks for stockholders of the Combined Group following implementation of the Scheme, including the risks described below.

10.1.1 Impact of Divestments on the Combined Group

As described in Section 9.2 of this Supplementary Booklet, Iron Mountain has (incorporating information provided by Recall) made estimates of the expected impact of the Divestments on the Combined Group, including the costs to complete the Divestments, as well as the expected impact on (i) the synergies created by the Scheme (ii) the Combined Group's future expected revenue, and (iii) the estimated earnings accretion generated by the Scheme. However, those expected impacts and costs are uncertain and the actual impacts and costs of the Divestments on the Combined Group may vary from the expectations of Iron Mountain as at the date of this Supplementary Booklet. Should the impacts of the Divestments on the Combined Group be less favourable to the Combined Group than expected by Iron Mountain, or the costs to complete the Divestments be more than expected by Iron Mountain, this may have an adverse effect on the Combined Group's performance and financial condition, particularly with respect to synergies and earnings accretion described more fully in Section 9.2 of this Supplementary Booklet.

10.1.2 Proceeds of Divestments

As described in Section 9.2.3 of this Supplementary Booklet, Iron Mountain has (incorporating information provided by Recall) made estimates of the expected proceeds of the Divestments, which includes an estimate of the scope of the Divestments that may be required in the UK. However, sale agreements to effect the Divestments in each of Australia and Canada, and in respect of the Seattle/Atlanta Divestments in the US, have not yet been agreed with a buyer. Similarly, as any Divestments that may be required in the UK have not yet been determined, no sale agreement has been agreed in respect of any such Divestments. Further, the costs incurred to complete the Divestments may be higher than expected by Iron Mountain as at the date of this Supplementary Booklet. As such, the expected proceeds of the Divestments are uncertain and the actual net proceeds of the Divestments may differ from the net proceeds expected by Iron Mountain as at the date of this Supplementary Booklet. Should the net proceeds of the Divestments be less than expected by Iron Mountain, this may have an adverse effect on the Combined Group's performance and financial condition, particularly with respect to synergies and earnings accretion described more fully in Section 9.2 of this Supplementary Booklet.

10.1.3 Terms of Australian, Canadian, Seattle/Atlanta and UK Divestments

Sale agreements to effect the Divestments in each of Australia and Canada, and in respect of the Seattle/Atlanta Divestments in the US, have not yet been agreed with a buyer. Similarly, as any Divestments that may be required in the UK have not yet been determined, no sale agreement has been agreed in respect of any such Divestments. This creates a risk that the eventual terms of those sale agreements once entered into may be less favourable to the Combined Group than expected by Iron Mountain as at the date of this Supplementary Booklet. Should the terms of the Divestments be less favourable to the Combined Group than expected by Iron Mountain, this may have an adverse effect on the Combined Group's performance and financial condition.

10.1.4 Completion of Divestments

The completion of the Divestments in each of the US, Australia and Canada will be subject to the conditions to completion, among other terms, set forth in the sale agreement relating to such Divestment, the satisfaction of some of which conditions will not be in the control of Iron Mountain or Recall. Similarly, once any Divestments required in the UK are determined, the sale agreement to effect those Divestments may contain conditions to completion. The satisfaction of some of those conditions to completion of the Divestments may be delayed as a result of events outside of the control of the Combined Group, which may have an adverse effect on the Combined Group's performance and financial condition.

10.1.5 UK Divestments

The CMA Review remains ongoing and no definitive view can be given at this stage as to its outcome and the scope and timing of any Divestments required by the CMA with respect to the Combined Group's UK business. However, the actual Divestments required by the CMA with respect to the Combined Group's UK business may vary from the Divestments expected by Iron Mountain and Recall as at the date of this Supplementary Booklet. Should the actual Divestments required by the CMA with respect to the Combined Group's UK business be greater than the Divestments expected by Iron Mountain and Recall, this may have an adverse effect on the Combined Group's performance and financial condition, particularly with respect to synergies and earnings accretion described more fully in Section 9.2 of this Supplementary Booklet.

10.1.6 Hold Separate arrangements

As described in Section 6 of this Supplementary Booklet, as part of the Divestments, Iron Mountain has agreed to, or expects to agree to, Hold Separate arrangements in the US, the UK, Australia and Canada. Those Hold Separate arrangements limit the manner in which the Combined Group may operate the relevant assets and businesses the subject of the arrangements pending completion of the Divestments. Those limitations as well as costs incurred in implementing and monitoring the arrangements may have a detrimental impact on the operations of the Combined Group that are not subject of the Divestments. Further, a number of the Hold Separate arrangements involve third parties managing the relevant assets and businesses on behalf of the Combined Group. There is a risk that the management of those assets and businesses by such third parties may have a detrimental impact on the operations of Iron Mountain and Recall that are not the subject of the Divestments. These impacts may have an adverse effect on the Combined Group’s performance and financial condition, particularly with respect to synergies and earnings accretion described more fully in Section 9.2 of this Supplementary Booklet.

10.2 RISKS ASSOCIATED WITH IMPLEMENTATION OF THE SCHEME

10.2.1 Uncertain exact value of the Standard Consideration

Recall Shareholders who receive the Standard Consideration will receive US$0.50[27] in cash, plus 0.1722 New Iron Mountain Securities, for each Scheme Share. As at the date of this Supplementary Booklet, the implied value of the Standard Consideration was A$8.21 per Recall Share.[28]

The implied value of the Standard Consideration will vary over time depending on the prevailing Iron Mountain Share Price and the AUD/USD exchange rate. As a result of changes in these factors, the implied value of the Standard Consideration is likely to change, including between the date of this Supplementary Booklet, the date of the Scheme Meeting, the Election Date and the Implementation Date (being the date on which the Standard Consideration is received).

Following implementation of the Scheme, the price of any New Iron Mountain Securities received will continue to rise or fall based on market conditions and the Combined Group’s financial and operating performance.

10.2.2 Conditions Precedent

The implementation of the Scheme is subject to a number of Conditions Precedent, which are summarised in Section 15.14 of the Scheme Booklet. Therefore, there is a timing risk associated with satisfaction of the Conditions Precedent.

The Scheme will not proceed to a Second Court Hearing unless the Conditions Precedent are satisfied, which may require postponement of the Second Court Hearing and in turn delay the Implementation Date.

Further, Iron Mountain and Recall have agreed that, in order to facilitate REIT compliance measures, the Implementation Date should occur on or prior to 2 May 2016. Accordingly, if there is a delay in the satisfaction of the Conditions Precedent which delays the Implementation Date beyond 2 May 2016, implementation of the Scheme may be delayed until July 2016.

In addition, the Scheme will not proceed if the Conditions Precedent are not satisfied by the End Date.

As such, a failure to satisfy any of the Conditions Precedent or a delay in satisfaction of the Conditions Precedent and implementation of the Scheme, may adversely affect the price of Recall Shares or Iron Mountain Shares.

10.2.3 Iron Mountain’s need for additional financing to implement the transaction

As described in Section 9.4 of this Supplementary Booklet and Section 11.7 of the Scheme Booklet, Iron Mountain intends to use a combination of its cash reserves, availability under its Revolving Credit Facility and new public or private debt financing (sources of which are to be determined by Iron Mountain) in order to:

- fund the total amount of cash to be paid to Recall shareholders as part of the Scheme consideration;
- fund transaction costs (such as adviser fees and filing fees) associated with implementation of the Scheme, which are expected to total approximately US$80 million;
- refinance the Recall Debt Facility (under which approximately US$687 million is drawn as at 29 March 2016, being the last practicable date prior to the date of this Supplementary Booklet) on or after implementation of the Scheme; and
- following implementation of the Scheme, fund Iron Mountain integration costs, currently estimated to be approximately US$300 million.

There is a risk that the new public or private debt financing may not be available on favourable terms, if at all. If Iron Mountain is unable to obtain sufficient financing, it may have an adverse impact on the Combined Group following implementation of the Scheme.

27 To be paid in Australian dollars, based on the AUD/USD exchange rate on the Record Date.

28 Based on the Iron Mountain Share Price of US$33.50 and the AUD/USD exchange rate of 0.7631 as at the close of trading on the NYSE on 29 March 2016, being the last practicable date before the date of this Supplementary Booklet. Calculations of value in this Supplementary Booklet are subject to the effect of rounding.

10.3 SCHEME RISKS ASSOCIATED WITH THE OPERATIONS OF THE COMBINED GROUP

10.3.1 Integration and transaction costs

Iron Mountain anticipates that it will incur material one-off transaction costs of approximately US$80 million in implementing the Scheme.

Recall is expected to have incurred one-off transaction costs of approximately US$38 million, which will be payable by Recall regardless of whether the Scheme is implemented or not.

These costs are expected to comprise adviser, legal, accounting and expert fees, employee payments and various other costs. These costs exclude success-based fees and other costs which are contingent upon the successful implementation of the Scheme.

Iron Mountain anticipates a total of approximately US$300 million in one-off costs to integrate the businesses and achieve the estimated level of synergies. It is difficult to predict the amount of these costs. The Combined Group may incur additional unanticipated costs as a consequence of difficulties arising from efforts to integrate the two companies.

The total integration and transaction costs actually incurred may exceed the costs described above, including costs arising both prior to and after the Implementation Date related to the implementation and monitoring of Hold Separate arrangements. The incurring of such integration and transaction costs may have an adverse effect on the Combined Group’s performance and financial condition.

10.4 RISKS ASSOCIATED WITH IRON MOUNTAIN'S TAXATION AS A REIT

10.4.1 Extensive use of TRSs, including for certain international operations, may impact the ability to remain qualified as a REIT

At least 75% of Iron Mountain's gross income for each taxable year as a REIT must be derived from real estate, which principally includes gross income from providing customers with secure storage space.

Consequently, no more than 25% of gross income may consist of dividend income from TRSs and other non qualifying types of income.

Thus, the ability to receive distributions from TRSs may be limited, and may impact the ability to fund distributions to shareholders using cash flows from TRSs.

As disclosed in Section 12.6.5 of the Scheme Booklet, there may also be limitations on the ability to accumulate earnings in TRSs and the accumulation or reinvestment of significant earnings in TRSs could result in adverse tax treatment. In particular, if the accumulation of cash in Iron Mountain's TRSs causes the fair market value of its securities in its TRSs and other non qualifying assets to exceed 25% of the fair market value of Iron Mountain's assets, or from and after Iron Mountain's 2018 taxable year causes (1) the fair market value of its securities in its TRSs to exceed 20% of the fair market value of Iron Mountain's assets or (2) the fair market value of its securities in its TRSs and other non qualifying assets to exceed 25% of the fair market value of Iron Mountain's assets, then Iron Mountain will fail to remain qualified for taxation as a REIT.

11 Additional Information

11.1 OTHER CONDITIONS PRECEDENT

The Scheme will not proceed unless all of the Conditions Precedent are satisfied or waived (if applicable) in accordance with the Scheme Implementation Deed. As at the date of this Supplementary Booklet, Recall and Iron Mountain are not aware of any circumstances which would cause these conditions to not be satisfied.

NO.	CONDITION PRECEDENT	STATUS
1	**Competition Approvals**: approvals from all the relevant Competition Authorities required for the Scheme.	See Section 6 of this Supplementary Booklet for a status update regarding the Competition Approvals.
2	**Other regulatory approvals**: approvals from all the relevant regulatory bodies, including FIRB, NZ OIO, ASX and NYSE required for the Scheme.	As at the date of this Supplementary Booklet, all other regulatory approvals have been obtained but for FIRB. Iron Mountain was informed that FIRB will not approve the Scheme until the ACCC has completed its review of the Scheme and indicated that it does not intend to oppose the Scheme. Given the approval of the ACCC was obtained on 31 March 2016, Iron Mountain expects its FIRB application to be dealt with prior to the Scheme Meeting. Iron Mountain confirmed to Recall that the NZ OIO approval was obtained on 10 March 2016.
3	**Recall Shareholder approval**: Recall Shareholders approve the Scheme Resolution.	The Scheme Meeting to consider the Scheme Resolution will be held at the Museum of Sydney, Corner Phillip Street & Bridge Street, Sydney NSW 2000 commencing at 10.00am on 19 April 2016.
4	**Iron Mountain Stockholder Approval**: Iron Mountain stockholders approve the issue of New Iron Mountain Securities in connection with the Scheme.	As noted in Recall's ASX announcement on 20 November 2015, Iron Mountain stockholders approved the issue of New Iron Mountain Securities on 19 November 2015.
5	**Court approval**: Court approval of the Scheme in accordance with section 411(4)(b) of the Corporations Act.	As at the date of this Supplementary Booklet, the Second Court Hearing is scheduled for 21 April 2016.
6	**Other prescribed events**: the following do not occur between the date of the Scheme Implementation Deed and 8.00am on the Second Court Date: • no applicable law enacted and no final and non-appealable order which prevents, makes illegal or prohibits the Scheme; • no Iron Mountain Material Adverse Change; • no Recall Material Adverse Change; • no Recall Prescribed Occurrence; or • no Iron Mountain Prescribed Occurrence.	As at the date of this Supplementary Booklet, neither Iron Mountain nor Recall is aware of anything that will cause these Conditions Precedent not to be satisfied.
7	**Representations and warranties**: the representations and warranties given by each of Recall and Iron Mountain are true and correct as required under the Scheme Implementation Deed.	As at the date of this Supplementary Booklet, neither Recall nor Iron Mountain is aware of any breach of this Condition Precedent.
8	**Tax matters**: a Distribution Tax Opinion (as defined in the Tax Matters Agreement) and a Supplementary Canadian Tax Opinion (as defined in the Demerger Deed) have been delivered in accordance and in compliance with the Tax Matters Agreement and the Demerger Deed, respectively.	The Distribution Tax Opinion and the Supplementary Canadian Tax Opinion were delivered in accordance and in compliance with the Tax Matters Agreement and the Demerger Deed, respectively on 30 March 2016.
9	**Australian tax ruling**: before 8.00am on the Second Court Date, Recall has received confirmation from the ATO that it is prepared to issue a class ruling confirming that Recall Shareholders will be eligible to choose roll-over relief under the *Income Tax Assessment Act 1997* (Cth) to the extent to which they receive New Iron Mountain Securities.	Recall's tax advisers have received a confidential draft from the ATO of the class ruling which they may issue after completion of the Scheme. Recall's tax advisers have provided comments on that draft to the ATO. In accordance with the ATO's standard practice, that draft has been provided for discussion purposes and may not be relied upon or disclosed.

12 Other Information

12.1 CONSENTS AND WAIVERS

The following parties have given and have not before the date of this Supplementary Booklet withdrawn their written consent to:

- be named in this Supplementary Booklet in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names or the references to those reports or statements in the form and context in which they are included in this Supplementary Booklet; and
- the inclusion of other statements in this Supplementary Booklet which are based on or referable to other statements made by those persons in the form and context in which they are included:

NAME OF PERSON	NAMED AS	REPORTS OR STATEMENTS
Iron Mountain Incorporated	Iron Mountain	Iron Mountain Information
Allens	Australian legal adviser and Australian taxation adviser to Recall	–
Herbert Smith Freehills	Australian legal adviser to the Recall Board	–
Perkins Coie LLP	US legal adviser to the Recall Board	–
Merrill Lynch Markets (Australia) Pty Limited	Financial adviser to Recall	–
UBS AG, Australia Branch	Financial adviser to Recall	–
KPMG Corporate Finance	Independent Expert	Supplementary Independent Expert's Report set out in Appendix 1
Link Market Services Limited	Recall Registry	–
PricewaterhouseCoopers Securities Ltd	Investigating Accountant	Supplementary Investigating Accountant's Report set out in Appendix 2
PwC	Auditor of Recall	Statements in relation to its role as auditor of Recall
Deloitte & Touche LLP	Independent Registered Public Accounting Firm for Iron Mountain	Statements in relation to its role as Independent Registered Public Accounting Firm of Iron Mountain's financial statements for the year ended 31 December 2015

Each of the above persons:

- does not make, or purport to make, any statement in this Supplementary Booklet or any statement on which a statement in this Supplementary Booklet is based, other than a statement or report included in this Supplementary Booklet with the consent of that party; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Supplementary Booklet, other than, in the case of:
  - Iron Mountain;
  - the Independent Expert;
  - Deloitte & Touche LLP as Independent Registered Public Accounting Firm of Iron Mountain's financial statements for the year ended 31 December 2015;
  - PricewaterhouseCoopers Securities Ltd as Investigating Accountant; and
  - PwC as auditor of Recall, Recall's financial statements for the year ended 31 December 2015 and comparative financial information for the year ended 31 December 2015,

a statement or report included in this Supplementary Booklet with the consent of that party.

Iron Mountain has given, and has not withdrawn before the date of this Supplementary Booklet, its consent to be named in this Supplementary Booklet in the form and context in which it is named and to the inclusion of the Iron Mountain Information (including that contained in Section 9), on the basis set out in the 'Responsibility for information' statement contained in the 'Important Notices and Disclaimers' included at the start of this Supplementary Booklet.

12.2 SUPPLEMENTARY INFORMATION

To the extent required by the Listing Rules, the Corporations Act or any other applicable law, Recall will issue a supplementary document if it becomes aware of any of the following between the date of this Supplementary Booklet and the Effective Date:

- a material statement in this Supplementary Booklet is or becomes false or misleading;
- a material omission from this Supplementary Booklet;
- a significant change affecting a matter included in this Supplementary Booklet; or
- a significant new matter has arisen and it would have been required to be included in this Supplementary Booklet if it had arisen before the date of this Supplementary Booklet.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, Recall may circulate and publish any supplementary document by:

- placing an advertisement in a prominently published newspaper that is circulated generally throughout Australia (e.g. The Australian Financial Review);
- posting the supplementary document on Recall's website, www.recall.com;
- making an announcement to ASX; or
- issuing a supplementary document.

13 Glossary

The meanings of the terms used in this Supplementary Booklet are set out below.

TERM	MEANING
2002 Plan	The Iron Mountain Incorporated 2002 Stock Incentive Plan.
2014 Plan	The Iron Mountain Incorporated 2014 Stock and Cash Incentive Plan.
5¾% Notes	Has the meaning given in Section 8.6.7 of this Supplementary Booklet.
6% Notes due 2020	Has the meaning given in Section 8.6.7 of this Supplementary Booklet.
6% Notes due 2023	Has the meaning given in Section 8.6.7 of this Supplementary Booklet.
ACCC	Australian Competition and Consumer Commission.
ACCC Undertaking	The undertaking given by Iron Mountain to the ACCC pursuant to section 87B of the *Australian Competition and Consumer Act 2010* (Cth).
Accounts Receivable Securitisation Program	US$250 million accounts receivable securitisation program entered into by Iron Mountain in March 2015.
Adjusted EPS	Reported earnings per share from continuing operations excluding (gain) loss on disposal/write-down of property, plant and equipment (excluding real estate), net; gain on sale of real estate, net of tax; intangible impairments, Recall Costs, REIT Costs, other expense (income), net; and the tax impact of reconciling items and discrete tax items.
Adjusted OIBDA	Operating income before depreciation, amortisation, intangible impairments, (gain) loss on disposal/write-down of property, plant and equipment, net (excluding real estate), Recall Costs and REIT Costs.
AFFO	Normalised FFO excluding non cash rent expense or income, plus depreciation on non real estate assets, amortisation expense (including amortisation of deferred financing (costs)) and non cash equity compensation costs, less maintenance capital expenditures and non real estate investments.
Approved Independent Manager	An independent manager selected by Iron Mountain and approved by the ACCC to manage the IRM Australia Divestment Business.
Approved Purchaser	A purchaser independent of Iron Mountain and approved by the ACCC to whom Iron Mountain may sell the IRM Australia Divestment Business in accordance with the ACCC Undertaking.
Awards	Incentive stock options, non-qualified stock options, restricted stock units and performance units.
CAD Notes	Has the meaning given in Section 8.6.7 of this Supplementary Booklet.
Canada Company	Iron Mountain Canada Operations ULC.
Canadian Divestments	Includes both of: • the Recall Divestments; and • One of Iron Mountain's document management services facilities in each of Burnaby, British Columbia and two of Iron Mountain's document management service facilities in Ottawa, Ontario, including associated tangible and intangible assets, and employees.
CCB	Canadian Competition Bureau.
CCB Consent Agreement	The Consent Agreement between Iron Mountain and the CCB pursuant to sections 92 and 105 of the Competition Act (R.S.C., 1985, c. C-34).
CMA	United Kingdom Competition & Markets Authority.
CMA Consent	CMA consent for Iron Mountain and Recall to complete the implementation of the Scheme prior to the issuance of its final decision in its regulatory review.
CMA Review	The review by the CMA to, amongst other things, determine whether the Proposed Transaction may be expected to result in a substantial lessening of competition within the relevant UK markets.
Commissioner	Has the meaning given to the term in Section 6.2.4 of this Supplementary Booklet.
Credit Agreement	Credit agreement Iron Mountain entered into on 2 July 2015 to refinance the Former Credit Agreement.

TERM	MEANING
Crozier	Crozier Fine Arts.
Data Protection Services	The secure storage of backup or archival data on tapes, disk and/or cloud mediums.
Digital Document Management Services	Scanning and electronically storing large numbers of physical records for easier retrieval, archiving or as part of a business process such as a mail room.
Divestments	The divestments of the business and assets of Iron Mountain or Recall that Iron Mountain has committed, or will commit, to make in order to obtain competition approvals, as described in or contemplated by Section 6 of this Supplementary Booklet.
DOJ	United States Department of Justice.
DTAs	Deferred tax assets.
DTLs	Deferred tax liabilities.
EBITDAR	Earnings before interest, taxes, depreciation and amortisation and rent expense.
Effective Date	21 April 2016, which is the date on which the Scheme is currently scheduled to become Effective.
Former Credit Agreement	Iron Mountain's existing credit agreement that was refinanced by the Credit Agreement.
Former Revolving Credit Facility	A revolving credit facility that together with the Former Term Loan formed the Former Credit Agreement.
Former Term Loan	A term loan that together with the Former Revolving Credit Facility formed the Former Credit Agreement.
GBP Notes	Has the meaning given in Section 8.6.7 of this Supplementary Booklet.
Guarantors	Iron Mountain's direct and indirect 100% owned US subsidiaries that represent the substantial majority of Iron Mountain's US operations.
Hold Separate	An arrangement under which part of a business is kept operationally and financially separate from the rest of the business.
Hold Separate Period	The period from the Implementation Date until the conclusion of the CMA Review (currently anticipated for 29 June 2016) and any subsequent period that might be required for the final implementation of any remedies that may be ordered by the CMA.
Initial US Divestments	Recall's document management services facilities, including all associated tangible and intangible assets, in the following 13 US cities: Buffalo, New York; Charlotte, North Carolina; Detroit, Michigan; Durham, North Carolina; Greenville/Spartanburg, South Carolina; Kansas City, Missouri; Nashville, Tennessee; Pittsburgh, Pennsylvania; Raleigh, North Carolina; Richmond, Virginia; San Antonio, Texas; Tulsa, Oklahoma; and San Diego, California.
IRM Australia Divestment Business	The following businesses operated by Iron Mountain Australia: • Physical Document Management Services; and • Digital Document Management Services, but excluding the IRM Australian Retained Business.
IRM Australian Retained Business	The following businesses being retained by the Combined Group: • Iron Mountain's Physical Document Management Services and Digital Document Management Services businesses in the Northern Territory (other than in relation to customers who have holdings in other Australian states or territories); and • Data Protection Services business.
Iron Mountain Australia	Iron Mountain Australia Holdings Pty Ltd (ACN 116 568 033) and its subsidiaries.
Iron Mountain Historical Balance Sheet	Iron Mountain audited balance sheet as at 31 December 2015.
Iron Mountain Historical Cash Flow Statement	Iron Mountain audited historical cash flows statement for the year ended 31 December 2015.
Iron Mountain Historical Financial Information	Iron Mountain Historical Income Statement, Iron Mountain Historical Cash Flow Statement and Iron Mountain Historical Balance Sheet.

TERM	MEANING
Iron Mountain Historical Income Statement	Iron Mountain audited historical income statement for the year ended 31 December 2015.
Iron Mountain Information	Has the meaning given in the Scheme Booklet, and also includes the information provided by Iron Mountain to Recall in writing for inclusion in the Supplementary Booklet regarding: • the Divestments; • Iron Mountain; and • the Combined Group, which includes the information contained in Sections 6, 8, 9 and, to the extent it has been prepared by Iron Mountain, Section 10 of this Supplementary Booklet, but excludes the Supplementary Independent Expert's Report or the Supplementary Investigating Accountant's Report.
NAX	Navbharat Archive XPress Private Limited.
Normalised FFO	Net income excluding depreciation on real estate assets; gain on sale of real estate, net of tax; (gain) loss on disposal/write down of property, plant and equipment (excluding real estate); net intangible impairments; Recall Costs; REIT Costs; other expenses (income), net; deferred income taxes and REIT tax adjustments; income (loss) from discontinued operations, net of tax; and gain (loss) on sale of discontinued operations, net of tax.
Parent Notes	Has the meaning given in Section 8.6.7 of this Supplementary Booklet.
Physical Document Management Services	The safe custody and storage of physical documents in an orderly manner facilitating their identification and retrieval for subsequent use, archiving or destruction.
Pro Forma Historical Balance Sheet	Has the meaning given in Section 9.3.1 of this Supplementary Booklet.
Pro Forma Historical Cash Flow Statement	Has the meaning given in Section 9.3.1 of this Supplementary Booklet.
Pro Forma Historical Financial Information	Has the meaning given in Section 9.3.1 of this Supplementary Booklet.
Pro Forma Historical Income Statement	Has the meaning given in Section 9.3.1 of this Supplementary Booklet.
Proposed Transaction	The proposed transaction under which Iron Mountain would, through a wholly-owned Australian Subsidiary, acquire all of the issued share capital of Recall by way of the Scheme.
Recall Balance Sheet	Has the meaning given in Section 7.3 of this Supplementary Booklet.
Recall Costs	The operating and capital expenditures associated with Iron Mountain's proposed acquisition of Recall, including costs to complete the Proposed Transaction, including advisory and professional fees, as well as costs incurred once Iron Mountain closes the transaction to integrate Recall into its existing operations, including moving, severance, facility upgrade, REIT conversion and system upgrade costs.
Recall Debt Facility	Has the meaning given in Section 9.3.2 of this Supplementary Booklet.
Recall Divestments	Recall's document management services facilities, including associated tangible and intangible assets and employees, in Edmonton, Alberta and Laval, Quebec and certain of Recall's document management services facilities, including all associated tangible and intangible assets and employees, in Calgary, Alberta and Toronto, Ontario.
Recall Equity Awards	Outstanding rights to acquire any ordinary shares of Recall under Recall's equity incentive arrangements, including all unvested performance rights and retention rights.
Recall Financing	Has the meaning given in Section 9.3.4 of this Supplementary Booklet.
Recall Pro Forma Historical Cash Flow Statement	Has the meaning given in Section 7.3 of this Supplementary Booklet.
Recall Pro Forma Historical Financial Information	Has the meaning given in Section 7.3 of this Supplementary Booklet.
Recall Pro Forma Historical Income Statement	Has the meaning given in Section 7.3 of this Supplementary Booklet.
REIT	Real Estate Investment Trust for US federal income tax purposes.

TERM	MEANING
REIT Costs	Costs associated with Iron Mountain's conversion to a REIT, excluding REIT compliance costs beginning 1 January 2014 which Iron Mountain expects to recur in future periods.
Revolving Credit Facility	A revolving credit facility that together with the Term Loan forms the Credit Agreement.
Scheme Booklet	The scheme booklet dated 23 October 2015 issued by Recall in connection with the proposed scheme between Recall and Recall Shareholders.
Scheme Meeting	The scheme meeting of Recall Shareholders to be convened by the Court in relation to the Scheme under section 411(1) of the Corporations Act to be held at the Museum of Sydney, Corner Phillip Street & Bridge Street, Sydney NSW 2000 at 10.00am on 19 April 2016.
Seattle/Atlanta Divestments	Certain of Recall's document management services facilities, including associated tangible and intangible assets, in Seattle, Washington and Atlanta, Georgia.
SEC	United States Securities and Exchange Commission.
Securities Act	The US Securities Act of 1933, as amended.
Special Purpose Subsidiaries	Iron Mountain's wholly-owned special purpose entities, Iron Mountain Receivables QRS, LLC and Iron Mountain Receivables TRS, LLC.
Supplementary Booklet	This supplementary booklet dated 1 April 2016, including all of the Appendices to and the forms which accompany this Supplementary Booklet.
Supplementary Independent Expert's Report	The Supplementary Independent Expert's Report contained in Annexure 1.
Supplementary Investigating Accountant's Report	The Supplementary Investigating Accountant's Report contained in Annexure 2.
Term Loan	A term loan that together with the Revolving Credit Facility forms the Credit Agreement.
Transformation Initiative	A plan implemented by Iron Mountain in 2015 involving certain organisational realignments to reduce its overhead costs, particularly in its developed markets, in order to optimise its selling, general and administrative cost structure and to support investments to advance its growth strategy.
TRSs	Taxable REIT subsidiaries.
US Divestments	The Initial US Divestments and the Seattle/Atlanta Divestments, collectively.
Voting Record Date	7.00pm on 17 April 2016, being the time and date for determining eligibility to vote at the Scheme Meeting.

C

APPENDIX 1

Supplementary Independent Expert's Report

KPMG

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The Directors
Recall Holdings Limited
Level 2, 170-180 Bourke Road
Alexandria NSW 2015

1 April 2016

Dear Directors

SUPPLEMENTARY INDEPENDENT EXPERT'S REPORT AND FINANCIAL SERVICES GUIDE

PART ONE – SUPPLEMENTARY INDEPENDENT EXPERT'S REPORT

1 Introduction

On 8 June 2015, Recall Holdings Limited (Recall) announced that it had entered into a Scheme Implementation Deed (Scheme Implementation Deed) with Iron Mountain Incorporated (Iron Mountain), under which it is proposed that Iron Mountain will acquire all of the issued capital of Recall, subject to certain shareholder and regulatory approvals and other conditions (the Scheme).

Under the terms of the Scheme, Recall Shareholders (Recall Shareholders) as at the Record Date[1], other than those that elect the Cash Alternative (Cash Alternative), will receive:

- the Australian dollar equivalent of US$0.50[2], plus
- 0.1722 New Iron Mountain Securities (New Iron Mountain Securities)

for each Recall Share (Recall Share) held on the Record Date (the Standard Consideration).

Recall Shareholders may receive New Iron Mountain Securities as either New Iron Mountain Shares or New Iron Mountain CDIs. New Iron Mountain Shares issued under the Scheme will be fully paid common shares in the capital of Iron Mountain and will be listed and traded on the New York Stock Exchange (NYSE) in US dollars. If the Scheme is implemented, Iron Mountain will establish a secondary

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[1] Record Date refers to 5.00pm (Sydney time) on the fifth business day after the date on which the Scheme becomes effective (Effective Date), or such later date as may be agreed to in writing by Iron Mountain and Recall, being the date and time which determines the entitlement of Recall Shareholders to Scheme Consideration for implementation of the Scheme (Record Date).
[2] Based on the A$/US$ exchange rate as at the Record Date (the Cash Supplement Amount).

listing on the Australian Securities Exchange (ASX) to allow shareholders to trade New Iron Mountain Shares on the exchange in Australian dollars as New Iron Mountain CDIs. Each New Iron Mountain CDI will represent a beneficial interest in one Iron Mountain Share and will have rights which are economically equivalent to the rights attaching to an Iron Mountain Share. New Iron Mountain CDIs can be converted into Iron Mountain Shares at any time and vice versa.

Recall Shareholders who elect the Cash Alternative will, subject to any scale back, receive a total of A$8.50 cash, comprising:

- the Australian dollar equivalent of US$0.50, plus
- an amount equal to A$8.50 less the Australian dollar equivalent of US$0.50 (the Cash Base Amount)

for each Recall Share held on the Record Date (the Cash Alternative).

The aggregate amount of the Cash Base Amounts available to satisfy elections for the Cash Alternative is subject to a Scale Back Mechanism (Scale Back Mechanism) which is capped at A$225 million (Cash Pool). Further details regarding the operation of the Scale Back Mechanism are set out in Section 7.3 of the original Scheme Booklet dated 23 October 2015 (the Original Scheme Booklet).

Iron Mountain is a global leader in the provision of storage and information management solutions, operating a network of more than 69.9 million square feet of space in approximately 1,100 facilities across 37 countries. It services a high quality, diversified customer base across numerous industries and government organisations. Iron Mountain is listed on the NYSE with a market capitalisation of US$7.1 billion as at 29 March 2016.

Implementation of the Scheme will result in the combination of Recall Group and Iron Mountain Group, to form the Combined Group (Combined Group). Post-implementation, Recall Shareholders will hold an aggregate interest of up to approximately 21% in the Combined Group. Pursuant to the Scheme Implementation Deed two Directors of Recall, specifically Neil Chatfield and Wendy Murdock, will also join the Board of Iron Mountain.

The Scheme is subject to the satisfaction of a number of conditions which are outlined in Section 11.1 of the Supplementary Scheme Booklet.

KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Corporate Finance is a division) (KPMG Corporate Finance) prepared an Independent Expert's Report, dated 23 October 2015[3], in relation to the Scheme for the benefit of Recall Shareholders (the Original IER). The Original IER concluded that, in the absence of a superior proposal, the Scheme was in the best interests of Recall Shareholders.

On 25 November 2015, Recall announced the deferral of the Scheme Meeting, originally scheduled for 3 December 2015, at which Recall Shareholders were to vote on the proposed acquisition of Recall by Iron Mountain, to allow competition and other regulatory approvals to be finalised, or be close to being finalised prior to the Scheme Meeting.

[3] Appendix 1 of the Original Scheme Booklet.

As a consequence, the Directors of Recall have requested KPMG Corporate Finance to prepare a Supplementary Independent Expert's Report (Supplementary IER) for the benefit of Recall Shareholders setting out whether, in our opinion, the Scheme continues to be in the best interests of Recall Shareholders. In preparing our Supplementary IER, we have focussed our discussions on the principal matters which have changed since the issue of our Original IER. As such, we have not included all matters covered in that report, and therefore our Supplementary IER should be read in conjunction with our Original IER.

This report sets out the opinion of KPMG Corporate Finance as to the merits or otherwise of the Scheme. This report should be considered in conjunction with, and not independently of, the information contained in the Original Scheme Booklet and the Supplementary Scheme Booklet.

Further information regarding KPMG Corporate Finance as it pertains to the preparation of this report is set out in Appendix 1.

KPMG Corporate Finance's Financial Services Guide is contained in Part Two of this report.

We note a separate fairness opinion was prepared by Goldman, Sachs & Co for the benefit of Iron Mountain shareholders to consider the Scheme from Iron Mountain's perspective. On 19 November 2015, Iron Mountain shareholders endorsed the acquisition of Recall by approving the issuance of the New Iron Mountain Securities that will be issued to Recall Shareholders on implementation of the Scheme.

2 Opinion

In our opinion, we consider the Scheme **continues to be in the best interests of Recall Shareholders**, in the absence of a superior proposal.

In arriving at this opinion, we have assessed whether we consider the Scheme continues to be:

- *fair*, by comparing our assessed value of the Standard Consideration (based on the value of an Iron Mountain Share on a minority interest basis) and the Cash Alternative to our assessed value of a Recall Share on a controlling interest basis. This approach is in accordance with the guidance set out in RG 111
- *reasonable*, by assessing the implications of the Scheme for Recall Shareholders, the alternatives to the Scheme which are available to Recall and Recall Shareholders, and the consequences for Recall Shareholders of not approving the Scheme.

Our assessment has formed the view that the Scheme remains fair and reasonable. As such, we have in accordance with RG 111, concluded that the Scheme continues to be in the best interests of Recall Shareholders.

In forming our view as to the value of Recall and Iron Mountain, we have considered a range of factors including their earnings profile, size and market position, growth prospects, foreign currency exposure and operating structure. As required by RG 111, we have valued Recall on a controlling interest basis and Iron Mountain on a minority interest basis. This is required because Iron Mountain is obtaining control of Recall, and Recall Shareholders are receiving consideration in the form of a share in Iron Mountain, which represents a minority interest.

Recall and Iron Mountain have been considered natural transaction parties for some time and speculation of a possible transaction first emerged on 30 September 2014. As a result, trading in the shares of both parties has been impacted by the market's assessment of a possible transaction, as well as a series of result announcements, acquisitions, overall equity market conditions, and other events that have occurred since that date. Whilst our valuation of Recall has been completed on a first principles basis, as if the Scheme had not been proposed, our assessment of the value of a share in Iron Mountain has been complicated by this extended period of 'compromised' trading. Notwithstanding, we have determined the value of the Standard Consideration having regard to the trading value of an Iron Mountain Share, which reflects the nature of the consideration Recall Shareholders will receive.

This analysis indicates that our value range for the Standard Consideration is A$7.23 to A$8.36 with our assessed value range for a Recall Share being A$6.82 to A$7.64. As both the value attributed to the Standard Consideration and the value of the Cash Alternative either fall within or exceed our assessed value range for a Recall Share, we consider the Scheme to be fair. In forming our opinion we have had to make a series of judgements as to future events based on the facts which we currently know. It is inevitable that circumstances will change in the future given the length of time between completion of this report, the voting by Recall Shareholders, receipt of all conditions precedent, finalisation of all regulatory and competition approval outcomes, and the Scheme ultimately being implemented. Any change in circumstances may impact on the trading price of an Iron Mountain Share at the time the Standard Consideration is ultimately paid to Recall Shareholders.

Our analysis of the fairness of the Scheme is detailed further in Section 2.1 below.

In accordance with RG 111, an offer is reasonable if it is fair. As we have assessed the Scheme to be fair, this would imply that the Scheme is reasonable. However, irrespective of the statutory obligation to conclude that the Scheme is reasonable, we have considered a range of other factors which are relevant to assessing the reasonableness of the Scheme which on balance in our opinion support a reasonableness conclusion in isolation of our fairness opinion.

These include:

- the consideration offered under the Scheme represents a substantial premium to the trading price of Recall pre speculation of a transaction
- the value of the Standard Consideration is not certain as the value of an Iron Mountain Share as well as the A$/US$ exchange rate will fluctuate prior to the issue of the Standard Consideration to Recall Shareholders upon implementation of the Scheme
- the Cash Alternative is higher than our value range for a Recall Share, however the Cash Pool available is capped at A$225 million and therefore the Cash Alternative may be subject to scale back
- the combination will create a leading global provider of document storage and information management services, with greater operational and geographical diversification with enhanced financial strength and scale, that is better placed to deal with the significant challenges facing the document management industry

- the synergies expected to be generated by the Combined Group post implementation and transaction costs remain significant post the expected competition approval outcomes. However, uncertainty remains as to the ultimate value that will be achieved in relation to the divestments and also the expected synergies
- the likelihood of a superior proposal appears to be low, given that no alternative proposal has emerged since speculation of a possible transaction with Iron Mountain first arose in September 2014. Other contributing factors include the level of unique synergies realisable by Iron Mountain post the regulatory outcomes and the rights available to Iron Mountain under the Scheme in relation to the possible emergence of alternative proposals
- the risks of the Combined Group will differ to those currently experienced by Recall, including increased gearing, a different geographical diversification, exposure to a REIT structure and changed shareholder rights
- the Combined Group will have a significantly higher level of gearing relative to Recall's current level. However, it is expected that the realisation of synergies and resultant earnings accretion will increase the debt covenants headroom and enable the Combined Group to deleverage over time
- the risk that the shareholder base of New Iron Mountain CDIs will migrate over time to Iron Mountain Shares which may reduce liquidity in the trading of New Iron Mountain CDIs, which in turn may result in New Iron Mountain CDIs trading at a discount to Iron Mountain Shares
- the general tax implications associated with the Scheme, and tax implications of holding Iron Mountain Shares and CDIs regarding future disposals and the treatment of dividends. Specifically, Recall Shareholders resident in Australia for tax purposes may be eligible for CGT roll-over relief in respect of New Iron Mountain Securities received.

There are also other matters which Recall Shareholders should consider, including:

- there are a number of conditions, including competition and other regulatory approvals, which if not satisfied will result in the Scheme not being implemented even if the Scheme has been approved by Recall Shareholders. In this case, Recall Shareholders would continue to hold their existing shareholding[4]
- while any conditions precedent remain unsatisfied or are not waived there is a risk that the implementation date of the Scheme will be delayed
- Recall will incur transaction costs relating to adviser, legal, accounting and expert fees, employee payments and other costs associated with the Scheme, irrespective of whether the Scheme is implemented
- in the event that the Scheme is not approved or any conditions precedent prevent the Scheme from being implemented, Recall will continue to operate in its current form and its share price is likely to fall to levels consistent with trading prices prior to the emergence of speculation of a potential

[4] Refer to Section 11.1 of the Supplementary Scheme Booklet

transaction, subject to consideration for any company specific changes and broader trends in equity markets.

Our analysis of those factors where changes have occurred in relation to the reasonableness of the Scheme is detailed further in Section 2.2 below.

The decision to approve the Scheme or not is a matter for individual shareholders based on their views as to value, expectations about future market conditions and their particular circumstances including investment strategy and portfolio, risk profile and tax position. Recall Shareholders should consult their own professional adviser, if in doubt, regarding the action they should take in relation to the Scheme.

2.1 The Scheme remains fair

We have valued 100% of the equity in Recall in the range of US$1,677 million to US$1,877 million, which corresponds to a value of A$6.82 to A$7.64 per Recall Share at an exchange rate of 0.76 A$/US$[5]. Our valuation reflects 100% ownership of Recall and therefore incorporates a control premium. Given the inclusion of a control premium, we would expect the valuation to be in excess of the value of Recall implied by its trading price in the absence of a takeover offer. Our valuation is set out in Section 7 of this report and summarised below.

Table 1: Valuation of Recall

US$ million (unless otherwise stated)	Section reference	Value range Low	Value range High
Value of business operations	7.2	2,300	2,500
Less: Net debt	7.3	(623)	(623)
Value of equity		**1,677**	**1,877**
Fully diluted shares on issue (millions)		323.3	323.3
Value per Recall Share (US$)		5.19	5.81
A$/US$ as at 29 Mar 2016		0.76	0.76
Value per Recall Share (A$)		**6.82**	**7.64**

Source: KPMG Corporate Finance analysis
Note: Table may not sum due to rounding

The key factors considered in our assessment of the value of Recall are set out below.

- *Earnings profile*. Recall's operating business, particularly its document management services business, is highly characterised by recurring, contractual revenue streams generated from a diverse customer base which supports a relatively stable earnings profile. Recall's geographical diversification also supports a more stable earnings profile as the relatively lower growth prospects of developed markets are balanced by the relatively higher growth prospects of the emerging markets in which Recall operates
- *Size and market position*. Recall has leading market positions in most of its regions and is significantly larger in size than most of its peers. This scale provides a number of benefits to Recall, including the ability to compete for and service larger national and/or global clients, the availability

[5] As at 29 March 2016.

of efficiencies from economies of scale and an advantageous funding capacity. However, relative to Iron Mountain, Recall is only approximately one quarter of the size (in terms of market capitalisation) and has a significantly lower EBITDA margin, which is also a reflection of the substantially smaller portion of storage facilities owned by Recall

- *Growth prospects*. Following Recall's demerger from Brambles in December 2013, management has demonstrated its capability to re-position Recall for growth and improve profitability. Key drivers of Recall's earnings growth prospects include:
  - Recall has considerable debt capacity available to fund inorganic growth opportunities given its relatively low levels of gearing. As a result of the maturity of the information management industry, particularly in developed markets, inorganic growth has become a key driver of the financial performance of leading industry participants, and the highly fragmented nature of the industry is expected to provide further opportunity for industry participants to improve growth, scale and efficiency through industry consolidation
  - Recall has introduced two facility optimisation programs and identified further margin improvement initiatives as part of its strategic plan, which are expected to enhance earnings growth prospects. However, there is a general trend to enhance cost control and asset utilisation, particularly in mature developed markets given constraints on organic growth opportunities, as evidenced by the transformation program announced by Iron Mountain in June 2015
  - Recall has a relatively high exposure to emerging markets. Organic growth opportunities in emerging markets are expected to be greater than in developed markets due to higher economic growth rates and increasing trends towards outsourcing of information management solutions supported by increasingly sophisticated regulatory environments
  - Recall has complemented its service offering with digital solutions to mitigate the risks associated with an increased digitisation, allowing it to participate in the opportunities provided by digital information management services.
- *Foreign currency exposure*. Recall's high geographical diversification increases the risk of earnings volatility driven by foreign exchange rate fluctuations. The expected further strengthening of the US Dollar may therefore dilute some of the growth expected to be achieved by Recall on a constant dollar basis. This is evidenced in the results reported for the six months to 31 December 2015
- *Synergies*. Our valuation assumes 100% ownership of Recall and therefore incorporates a control premium. In assessing an appropriate premium for control in accordance with RG 111, we have only considered those synergies and benefits which would be available to more than one potential purchaser (or a pool of potential purchasers) of Recall. As such, we have not included the value of special benefits that may be unique to Iron Mountain. Whilst it is likely that other industry participants could achieve synergies of a similar nature to Iron Mountain, it is unlikely that they could achieve synergies to the same degree as none of them have the same geographic overlap with Recall or a REIT structure. Accordingly, our valuation of Recall has been determined without regard to the specific bidder, and any special benefits have been considered separately

- *Industry outlook*. The long term outlook for the information management industry is difficult to predict given the uncertainties associated with the extent and timing of the impact of increased digitisation on the industry, particularly with regard to physical document storage and secure document destruction. However, the current regulatory landscape and uncertainty around technology security are expected to continue to be a key driver of demand for traditional information management services, at least over the medium term. Further, industry participants will continue to complement their service offerings with digital solutions to mitigate the risks associated with increased digitisation. The longer term growth prospects of the industry are also supported by the significant opportunity to increase the penetration of the unvended market. In addition, the highly fragmented nature of the industry will continue to provide inorganic growth opportunities through further industry consolidation.

Under the Scheme, Recall Shareholders will have the option to receive for each Recall Share held on the Record Date either:

- the Standard Consideration, comprising the Australian dollar equivalent of US$0.50 in cash, plus 0.1722 New Iron Mountain Securities; or
- the Cash Alternative of A$8.50, subject to the Cash Pool and the Scale Back Mechanism.

We have attributed a value to the Standard Consideration of A$7.23 to A$8.36 per Recall Share based on a value range for Iron Mountain Shares (on a minority interest basis) of US$29.00 to US$34.00 and an exchange rate of 0.76 A$/US$ as set out in Section 8 of this report and summarised below.

Table 2: Valuation of the Standard Consideration

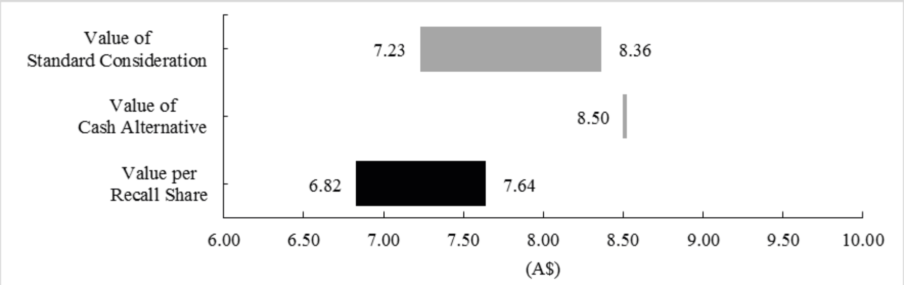
US$ (unless otherwise stated)	Section reference	Value range Low	Value range High
Value per Iron Mountain Share (minority interest basis)	8.2	29.00	34.00
Exchange ratio	1	0.1722	0.1722
Value of the scrip component of the Standard Consideration		4.99	5.85
Add: Cash component of the Standard Consideration	1	0.50	0.50
Value of Standard Consideration		5.49	6.35
A$/US$ as at 29 Mar 2016		0.76	0.76
Value of Standard Consideration (A$)		**7.23**	**8.36**

Source: KPMG Corporate Finance analysis

The value range we have assessed for Iron Mountain Shares is wider than that for Recall Shares, reflecting the recently increased volatility in the trading price of Iron Mountain and the perceived uncertainties associated with the Scheme, particularly in terms of implementation risks, the timing and value of synergies, and costs of integration.

A comparison of our assessed value per Recall Share on a control basis to the value attributed to the Standard Consideration and the Cash Alternative is illustrated below.

Figure 1: Fairness assessment



Source: KPMG Corporate Finance analysis

According to RG 111, the Scheme should be considered fair if the consideration offered to Recall Shareholders is equal to or higher than our assessed value of a Recall Share. **As both the value attributed to the Standard Consideration and the value of the Cash Alternative either fall within or exceed our assessed value range for a Recall Share, we consider the Scheme continues to be fair.**

However, the value of the Standard Consideration under the Scheme will vary with movements in the Iron Mountain share price and fluctuations in the A$/US$ exchange rate. Accordingly, until the New Iron Mountain Securities are issued under the Scheme, Recall Shareholders who elect to receive the Standard Consideration, or are subject to the Scale Back Mechanism, are exposed to changes in overall equity market conditions, fluctuations in the A$/US$ exchange rate and company specific events that may affect the Iron Mountain share price. The table below illustrates the sensitivity of the implied value of the Standard Consideration to changes in the Iron Mountain share price and the A$/US$ exchange rate.

Table 3: Sensitivity of the implied value of the Standard Consideration

		Iron Mountain share price (US$)						
		24.00	26.50	29.00	31.50	34.00	36.50	39.00
	0.68	6.81	7.45	8.08	8.71	9.35	9.98	10.61
A$/US$	0.72	6.43	7.03	7.63	8.23	8.83	9.42	10.02
Exchange rate	0.76	6.10	6.66	7.23	7.80	8.36	8.93	9.49
	0.80	5.79	6.33	6.87	7.41	7.94	8.48	9.02
	0.84	5.52	6.03	6.54	7.05	7.57	8.08	8.59

Source: KPMG Corporate Finance analysis

Whilst fluctuations in the A$/US$ exchange rate would impact the implied value of the Standard Consideration as illustrated under the above analysis, it is important to recognise that fluctuations in the A$/US$ exchange rate are less relevant for the purposes of our fairness assessment. This is because the underlying fair values of both Recall and Iron Mountain are determined in US dollars and then translated into Australian dollars at the current spot rate, and therefore exchange rate fluctuations will impact both sides of the fairness assessment without affecting the relativity of that assessment.

In the event that short term volatility in overall equity market conditions drives the implied value of the Standard Consideration below our assessed value range per Recall Share, we would expect the Scheme to remain fair if it is reasonable to believe that trading in Recall Shares in the absence of a takeover offer would have been similarly affected by the changes in overall equity market conditions. Further, short term volatility in trading prices would also need to be assessed against the fundamental longer term prospects of the Combined Entity, as Recall Shareholders who receive and retain New Iron Mountain Securities will be able to participate in the benefits associated with the significant synergies and earnings accretion expected from a combination of Recall and Iron Mountain (as further discussed in the reasonableness section of this report). However, the timing and extent of these benefits will largely depend on the ability of the management of Iron Mountain to successfully integrate Recall in a timely manner.

Finally, in our opinion, there is upside potential in Iron Mountain's Shares from their current trading level as:

- the market is unlikely to attribute full value to the net benefits expected from the Scheme until competition approvals are obtained, communicated and benefits are realised, albeit this upside potential is reduced by the extent to which the market has not already factored in the deterioration of expected synergies driven by the increased level of divestments required to obtain the necessary competition approvals
- the quantum of expected synergies is still significant and there remains potential upside
- whilst independent of the Scheme, the benefits expected from the initiatives announced in the second half of 2015, including the Transformation Program, are unlikely to be fully reflected in current trading until substantial project milestones are achieved.

2.2 The Scheme remains reasonable

In accordance with RG 111, an offer is reasonable if it is fair. As we consider the Scheme continues to be fair, this would imply that the Scheme also remains reasonable. However, irrespective of the statutory obligation to conclude the Scheme is reasonable, in our Original IER we considered a range of factors which on balance in our opinion supported a reasonableness conclusion in isolation of our fairness opinion.

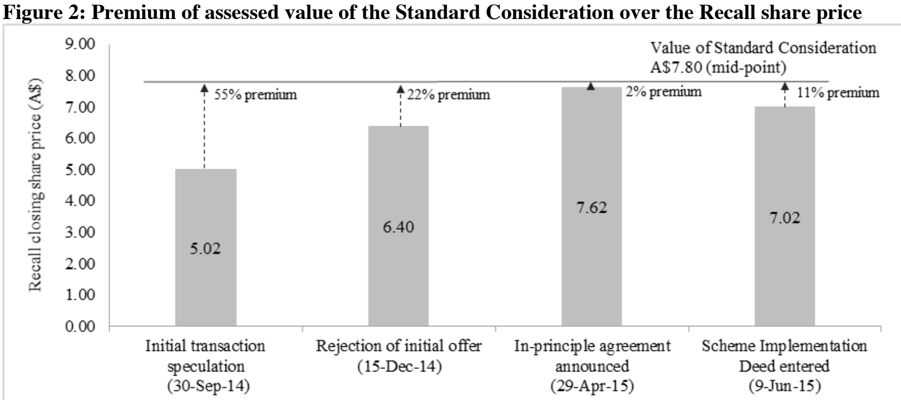
The principal factors supporting this reasonableness conclusion remain consistent with those which were outlined in the Original IER. We have however updated the below factors due to either the emergence of further information since the date of our Original IER or because of the updated date of our assessment.

The consideration offered under the Scheme represents a substantial premium to the trading price of Recall pre speculation of a transaction

The mid-point of our assessed value range of the Standard Consideration represents a substantial premium to the Recall volume weighted average share prices one day prior (55%), one week prior (53%) and one month prior (57%) to 29 September 2014, being the last day prior to the emergence of speculation as to a possible transaction. The premiums are higher when assessed based on the Cash Alternative, as the consideration under the Cash Alternative (A$8.50) is higher than the mid-point of our assessed value range of the Standard Consideration (A$7.80).

Given the time that lapsed since emergence of speculation as to a possible transaction between Recall and Iron Mountain, we have also considered the premium to Recall's closing share price on the trading day prior to the announcement of the rejected takeover offer on 15 December 2014, the in-principle agreement on 29 April 2015, and the Scheme Implementation Deed on 9 June 2015. This analysis is illustrated below.

Figure 2: Premium of assessed value of the Standard Consideration over the Recall share price



Source: S&P Capital IQ; KPMG Corporate Finance analysis
Note: The premiums illustrated above have been calculated based on Recall's closing share price on the trading day prior to when each of the above announcements were made

With regard to our assessment of the premium implied by the Standard Consideration and the Cash Alternative, we note:

- it is commonly accepted that acquirers of 100% of a business should pay a premium over the value implied by the trading price of a share to reflect their ability to obtain control over the target's strategy and operations, as well as extract synergies from integration. Observations from transaction evidence indicate that takeover premiums concentrate around a range between 20% and 35% for completed takeovers depending on the individual circumstances. In transactions where it was estimated that the combined entity would be able to achieve significant synergies, the takeover premium was frequently estimated to be in excess of this range
- the substantial premium offered by Iron Mountain over Recall's trading price pre takeover speculation reflects in part the unique synergies realisable through a combination of Recall and Iron Mountain, which are unlikely to be replicable by other industry participants due to their lack of size and limited geographic overlap with Recall. In addition, the significant strengthening of the US$ over the last 18 months, which appreciated in value against the A$ by approximately 14.5% between 29 September 2014 and 29 March 2016, has enhanced the premium offered to Recall Shareholders on an A$ basis
- the premium declined over time which is not unexpected as it reflects the market's re-rating of Recall Shares based on the increased likelihood attributed to the possible occurrence of a control transaction. The premium that is observed subsequent to the announcement of the Scheme Implementation Deed reflects the market's assessment of the implementation risks of the Scheme, i.e. we consider it unlikely that the market would attribute the full value of the consideration under the Scheme until acceptable regulatory clearances are obtained

- unlike the premium implied by the Cash Alternative, the value of the Standard Consideration is not certain and the actual premium received upon issuance of the New Iron Mountain Securities under the Scheme could therefore exceed, or be less than, the premium implied by our assessed value range of the Standard Consideration.

Holding Iron Mountain Shares will allow Recall Shareholders to share in significant synergies and accretion expected to be generated by the Combined Group

A key benefit of the proposed acquisition of Recall by Iron Mountain is the potential to realise significant synergies. The level of synergies able to be achieved by participants in the information management industry is largely a function of the degree of geographic overlap and the opportunity to eliminate overhead costs and optimise facility utilisation. Whilst it is likely that other industry participants could achieve synergies of a similar nature to Iron Mountain, it is unlikely that they could achieve synergies to the same degree as none of them have the same geographic overlap with Recall or a REIT structure.

Recall and Iron Mountain have undertaken a detailed review of the potential synergies that could be achieved by the Combined Group. Synergies were identified in relation to real estate, cost of sales, overhead and tax. The identified synergies, if fully realised, are expected to amount to US$105 million per annum. One-off costs associated with obtaining these benefits are expected to be US$300 million[6]. Since the release of the Original Scheme Booklet, the expected synergies of the Scheme have been revised downward from US$155 million per annum primarily resulting from competition approval requirements to divest a number of facilities and businesses in those markets and regions that generally have the greatest overlap. Expected one-off costs however remained unchanged due, in part, to uncertainty regarding the costs to complete the required divestments.

Further, uncertainty remains as to:

- the ultimate value that will be received from the divestments, currently estimated at US$220 million, as this is not guaranteed
- the level of synergies which will ultimately be achieved. As the divestments the Combined Group will have to undertake in the UK are still being negotiated, the current estimate reflects Iron Mountain's best estimate at this point in time.

The estimated synergies however remain significant and amount to approximately 4% of the Combined Group's pro-forma 2015 operating expenses. The downward revision has prolonged the period before net benefits of the Scheme are expected to flow to the Combined Group, i.e. it is now expected to take more than four years to recover the one-off integration costs at the assumed rate of synergy realisation. Recall Shareholders who receive and retain Iron Mountain Shares have the opportunity to benefit from any value accretion as the synergies are realised over time.

The implementation of the Scheme and realisation of synergies is expected to generate earnings accretion for Iron Mountain across all relevant financial metrics, including adjusted Earnings Per Share (EPS), and cash flow measured by normalised Funds From Operations (FFO) and Adjusted Funds From Operations

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[6] Refer to Section 6.2 of this report for a more detailed description of the synergies and integration costs

(AFFO). As set out below, this earnings accretion remains significant, albeit lower than that which was expected at the date of the Original Scheme Booklet, with downward revisions primarily associated with the divestment requirements.

Table 4: Accretion estimates (excluding purchase price accounting adjustments)

Metric	CY16	CY17	CY18	Synergies fully achieved
EPS (adjusted)				
Original Scheme Booklet	2%	20%	25%	26%
Supplementary Scheme Booklet	(0%)	14%	15%	16%
FFO (normalised)				
Original Scheme Booklet	0%	12%	15%	16%
Supplementary Scheme Booklet	3%	7%	7%	7%
AFFO				
Original Scheme Booklet	(2%)	8%	11%	13%
Supplementary Scheme Booklet	1%	6%	5%	6%

Source: Original Scheme Booklet, Supplementary Scheme Booklet
Note 1: Accretion figures above exclude the one-off costs to achieve and integrate, and therefore are considered 'normalised' accretion estimates
Note 2: The above accretion estimates do not include the impact of additional amortisation and depreciation as a result of the purchase price accounting required on completion of the transaction. Inclusion of these items would reduce EPS and normalised FFO during these periods, however, given that the additional amortisation and depreciation represent expenses for accounting purposes and are non-cash in nature, we consider the above accretion estimates more closely reflect the impact of the Scheme on shareholder value post implementation
Note 3: Accretion estimates assume weighted average Iron Mountain Shares outstanding of 267 million at year end 2016, A$/US$ exchange rate of 0.74 and an effective tax rate of approximately 19%
Note 4: Accretion estimates are based on the Iron Mountain plan excluding any benefits from the Transformation Program and other initiatives

In addition, the Scheme may also result in potential for:

- further synergies to be identified during the implementation process
- dividend growth and enhanced share price performance as integration milestones are met and realised synergies deliver the expected earnings accretion.

As Iron Mountain operates as a REIT, Recall Shareholders will also benefit from a higher dividend payout ratio. As a REIT, Iron Mountain must distribute at least 90% of its REIT taxable income. This compares to Recall's current payout ratio of 55% to 70% of underlying profit after finance costs and tax (and after taking into account the future funding needs of the business).

The Combined Group will have a substantially higher gearing than Recall

Implementation of the Scheme will result in Iron Mountain's pro forma gearing[7] at 31 December 2015 declining from approximately 89.9% to 73.5%. Recall had gearing of 54.5% as at 31 December 2015, and therefore the Combined Group will have a substantially higher gearing than Recall Shareholders' current exposure. This increase in gearing exposes the business to higher interest expenses and additional related risks including:

- a larger portion of cash from operating activities will be required to pay interest expenses
- adverse economic, credit and financial market conditions will more likely have a negative effect given the level of gearing. Refinancing risk of the Combined Group will also be higher than for Recall
- the flexibility to react to changes in the business and industry may be more limited due to the available cash flow remaining after the commitment to pay principal and interest on the debt facilities and to fund dividends required in order to maintain the REIT status
- the Combined Group may face greater challenges to fund future growth initiatives than Recall on a standalone basis or may require equity injections which is a common feature of REIT structures.

However, we do not consider the increase in gearing to be a significant risk to Recall Shareholders for the following reasons:

- although it is an increase in gearing from a Recall Shareholder's perspective, it results in a gearing level for the Combined Group which is within industry levels and meets standard covenant measures
- Iron Mountain had US$679 million in undrawn debt capacity at 31 December 2015.

2.3 Other considerations

In forming our opinion, we have also considered a number of other factors. Whilst we do not necessarily consider these to impact our assessment of the reasonableness of the Scheme, we consider it necessary to address these considerations in arriving at our opinion. On an exceptions basis to the factors raised in our Original IER, we note the following:

The Scheme is subject to the satisfaction of a number of conditions

There are a number of conditions which if not satisfied will result in the Scheme not being implemented as set out in Section 11.1 of the Supplementary Scheme Booklet. The key outstanding condition relates to competition approvals, with the implementation of the Scheme contingent upon obtaining regulatory clearance from the Australian Competition and Consumer Commission (ACCC), the US Department of Justice (DOJ), the UK Competition and Markets Authority (CMA) and the Canadian Competition Bureau (CCB). It is therefore possible that if these competition approvals are not obtained, the Scheme will not be implemented even if the Scheme has been approved by Recall Shareholders.

[7] Gearing is calculated based on net debt divided by net assets plus net debt

In this regard we note that since the release of the Original Scheme Booklet, Iron Mountain and Recall have been progressing necessary regulatory approvals across a number of jurisdictions. Iron Mountain has committed to making a number of divestments as set out in Section 6.2 of the Supplementary Scheme Booklet to address competition concerns.

While any conditions precedent remain unsatisfied or are not waived by the various competition authorities there is a risk that the second court hearing could be delayed until such point in time as they are satisfied or waived. This may delay the implementation date of the Scheme. Further, in order to facilitate REIT compliance measures the implementation date should occur within the first 40 days of any quarter. Depending on the timing of having all conditions precedent satisfied or waived this may further delay implementation until July 2016.

If competition approvals cannot be obtained, then Recall will be eligible for an antitrust reimbursement fee from Iron Mountain totalling A$76.5 million. In this case, Recall Shareholders would continue to hold their existing shareholding.

One-off transaction costs

Recall management has estimated total one-off transaction costs in relation to the Scheme to be approximately US$79 million on a pre-tax basis, of which approximately US$38 million will have been paid, or committed, prior to the Scheme Meeting.

One-off transaction costs associated with the Scheme primarily relate to adviser, legal, accounting and expert fees, employee payments and other costs associated with the Scheme.

Iron Mountain will also incur one-off transaction costs in relation to the Scheme which management has estimated to be approximately US$80 million. If the Scheme is implemented, these costs will be incurred in addition to the approximately US$300 million of one-off integration-related costs which the Combined Group is anticipated to incur in order to realise the expected synergies.

2.4 Consequences if the Scheme does not proceed

In the event that the Scheme is not approved or any conditions precedent prevent the Scheme from being implemented, the consequences remain the same as outlined in our Original IER, except for the increase in one-off transaction costs incurred, or committed to, prior to the Scheme Meeting.

3 Other matters

In forming our opinion, we have considered the interests of Recall Shareholders as a whole. This advice therefore does not consider the financial situation, objectives or needs of individual Recall Shareholders. It is not practical or possible to assess the implications of the Scheme on individual Recall Shareholders as their financial circumstances are not known. The decision of Recall Shareholders as to whether or not to approve the Scheme is a matter for individuals based on, amongst other things, their risk profile, liquidity preference, investment strategy and tax position. Individual Recall Shareholders should therefore consider the appropriateness of our opinion to their specific circumstances before acting on it. As an individual's decision to vote for or against the proposed resolution may be influenced by his or her particular circumstances, we recommend that individual Recall Shareholders including residents of foreign jurisdictions seek their own independent professional advice.

This report has been prepared solely for the purpose of assisting Recall Shareholders in considering the Scheme. We do not assume any responsibility or liability to any other party as a result of reliance on this report for any other purpose.

Neither the whole nor any part of this report or its attachments or any reference thereto may be included in or attached to any document, other than the Supplementary Scheme Booklet to be sent to Recall Shareholders in relation to the Scheme, without the prior written consent of KPMG Corporate Finance as to the form and context in which it appears. KPMG Corporate Finance consents to the inclusion of this report in the form and context in which it appears in the Supplementary Scheme Booklet.

Our opinion is based solely on information available as at the date of this report as set out in Appendix 2 of our Original IER. We note that we have not undertaken to update our report for events or circumstances arising after the date of this report other than those of a material nature which would impact upon our opinion. We refer readers to the limitations and reliance on information as set out in Section 6.3 of our Original IER.

Throughout this report, Australian dollars and United States dollars have been referred to as A$ and US$ respectively. References to an Australian financial year (i.e. the 12 months to 30 June) have been abbreviated to FY, references to calendar years have been abbreviated to CY, and references to the six months ended 31 December 2015 have been abbreviated 1H16.

The above opinion should be considered in conjunction with and not independently of the information set out in the remainder of this report, including the appendices, and our Original IER.

Yours faithfully

Ian Jedlin	Sean Collins
Authorised Representative	Authorised Representative

Recall Holdings Limited
Supplementary Independent Expert's Report
1 April 2016

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4 Updated profile of Recall

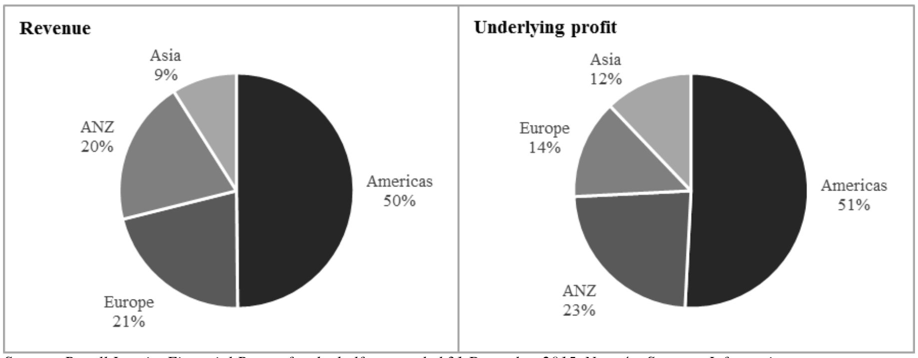
This section provides an update of material changes to the Recall business since the date of the Original IER. The updated financial information reflects Recall's announcement of its interim results for the six months to 31 December 2015 (1H16) on 29 February 2016.

4.1 Business operations

4.1.1 Overview

The composition of Recall's 1H16 revenue and underlying profit by geographical segment is illustrated below.

Figure 3: 1H16 Revenue and underlying profit by geographical segment



Source: Recall Interim Financial Report for the half year ended 31 December 2015, Note 4 – Segment Information

4.1.2 Operating facilities

At 31 December 2015, Recall's property portfolio comprised 328 facilities, with floor space totalling 19.5 million square feet. The majority of these facilities are leased (307), with the remainder being owned (21). The average remaining lease tenure was 4.0 years, although facility operating leases generally include lease extension options. After including planned lease extensions, the average remaining lease term was 7.5 years.

During 1H16, there was a net increase of 8 facilities operated by Recall. This net increase was driven by the addition of 8 facilities through acquisitions, the opening of 8 new facilities, less 8 facilities which were either vacated or closed, including 5 related to Recall's first Facility Optimisation Program (FOP 1).

Facility utilisation is a means by which Recall measures its operating efficiency. Facility utilisation is assessed by reference to racking utilisation[8] and building utilisation[9]. Utilisation during FY15 and 1H16 by region is set out below.

Table 5: Facility utilisation

	Racking utilisation (%)			Building utilisation (%)		
Segment	**FY15**	**1H16**	**Change**	**FY15**	**1H16**	**Change**
Americas	94.2	94.2	0.0	87.4	86.0	(1.4)
ANZ	92.0	90.7	(1.3)	88.6	87.3	(1.3)
Europe	88.4	84.3	(4.1)	78.3	78.7	0.4
Asia	96.4	96.6	0.2	84.3	85.6	1.3
Total Recall	92.7	91.5	(1.2)	85.2	84.5	(0.7)

Source: Recall Interim Financial Report for the half year ended 31 December 2015

Overall facility utilisation trends have generally been improving, however there have been some temporary declines during 1H16 driven by lower levels of utilisation in acquired businesses and temporary duplication in capacity to facilitate carton moves required by FOP 1 and FOP 2. Once fully completed, closure of FOP sites is expected to improve both racking and building utilisation.

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[8] The amount of racking that is being used to store customer materials compared to the capacity of the racking that has been installed.

[9] The amount of racking that is being used to store customer materials compared to the capacity of the entire building assuming it was fully racked.

4.2 Financial performance

Summarised below is the financial performance of Recall for FY14 and FY15, and the six months to 31 December 2015 on a real and constant currency basis.

Table 6: Financial performance

For the period ended US$ million unless otherwise stated	12 months 30-Jun-14 Actual	12 months 30-Jun-15 Actual	6 months 31-Dec-15 Constant FX	6 months 31-Dec-15 Actual
Revenue	836.1	827.8	450.9	397.6
Operating costs	(703.0)	(692.1)	(383.1)	(341.8)
Underlying profit (EBIT)	133.1	135.7	67.8	55.8
Depreciation and amortisation	66.5	69.8	39.2	35.6
Underlying EBITDA	**199.6**	**205.5**	**107.0**	**91.4**
Continuing business				
Exclude SDS Germany[1]	0.5	(2.7)	-	-
EBITDA excl. SDS Germany	**200.1**	**202.8**	**107.0**	**91.4**
Results before significant items				
Underlying profit (EBIT)	133.1	135.7	67.8	55.8
Finance costs	(21.2)	(21.6)	(14.9)	(13.3)
Underlying profit before tax	**111.9**	**114.1**	**52.9**	**42.5**
Tax expense[2]	(41.9)	(38.7)	(14.6)	(12.5)
Underlying profit after tax	**70.0**	**75.4**	**38.3**	**30.0**
Underlying Basic EPS (US cents)	**22.4**	**24.0**	**12.2**	**9.6**
Statistics				
Revenue growth (%)	*3.6%*	*(1.0%)*	*6.7%*[3]	*(6.9%)*
Underlying profit (EBIT) margin (%)	*15.9%*	*16.4%*	*15.0%*	*14.0%*
Underlying EBITDA growth excl. SDS Germany (%)		*1.3%*	*6.6%*	*(9.0%)*
Underlying EBITDA margin excl. SDS Germany (%)	*24.3%*	*24.6%*	*23.7%*	*23.0%*

Source: Recall Annual Report 2015, Recall Interim Financial Report for the half year ended 31 December 2015
Note 1: Recall SDS business in Germany was divested in December 2014, the adjustment includes trading performance and profit on divestment
Note 2: Tax expense of US$38.7 million does not include one-off US$10 million benefit from Australian tax basis reset
Note 3: Growth rate based on prior comparable period excluding any contribution from the SDS Germany business which was divested in December 2014

In relation to the financial performance of Recall for 1H16, we note:[10]

- overall, the financial performance of Recall was slightly below management's initial full year guidance on a constant currency basis. The slower growth reflects constraint in acquisition activity in order to assist the regulatory review process and delays in client decision-making due to the uncertainty associated with the Iron Mountain transaction. The lack of margin improvement was attributed to the delay in realisation of synergy benefits on lower margin acquisitions and the temporary duplication of occupancy costs under the facility optimisation programs

[10] Commentary on the financial performance of Recall for FY14 and FY15 is included in our Original IER.

- revenue increased by 6.7% on a constant currency basis, driven by organic growth of 1.8% and growth derived from acquisitions of 4.9%. Retention revenue increased by 7.9% and activity revenue increased by 5.1%. Revenue performance was underpinned by growth across all service lines and regions. DMS revenue increased by 7.0%, with positive net organic carton growth across all regions. Pricing was broadly flat, although some price pressure was experienced in Europe. Revenue growth generated by the DPS and SDS service lines of 6.6% and 5.1% respectively was largely driven by acquisitions
- operating costs increased by 7.1% on a constant currency basis, resulting in a slightly reduced underlying EBITDA margin of 23.7%. The largest increase was in employment costs, which was largely a result of acquisitions and increased costs associated with the STI bonus scheme and annual inflation and merit based increases
- the general strengthening of the US dollar against all key currencies persisted into 1H16, creating a negative revenue impact of approximately US$53 million, a reduction of approximately 11.8%. The currency impact was primarily driven by the declining Australian dollar (US$16.4 million), Brazilian Real (US$13.2 million) and the Euro (US$6.8 million).

The significant items excluded by Recall in arriving at the underlying earnings measures are set out below.

Table 7: Significant items

For the period ended US$ million unless otherwise stated	12 months 30-Jun-14 Actual	12 months 30-Jun-15 Actual	6 months 31-Dec-15 Constant FX	6 months 31-Dec-15 Actual
Demerger related expenses	16.7	4.5	1.4	1.3
Restructuring	17.1	15.8	-	-
Acquisition related expenses	1.9	2.9	3.3	2.9
IT asset impairment	3.3	-	-	-
Iron Mountain transaction expenses	-	5.8	16.9	16.2
Significant items - before tax	**39.0**	**29.0**	**21.6**	**20.4**
Reset of tax base	-	(10.1)	-	-
Tax effect of other significant items	(13.1)	(8.5)	(7.4)	(7.1)
Significant items - after tax	**25.9**	**10.4**	**14.2**	**13.3**

Source: Recall Annual Report 2015, Recall Interim Financial Report for the half year ended 31 December 2015

In relation to the significant items set out above, demerger expenses primarily related to long term management retention scheme costs and professional fees, and restructuring costs primarily related to the facility optimisation programs.

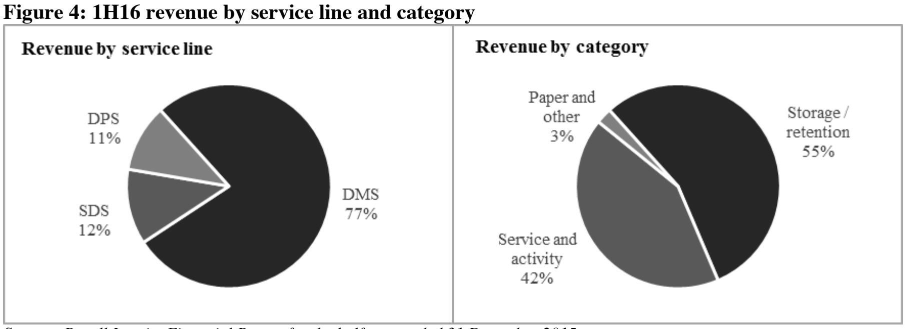
Recall management has estimated total one-off transaction costs in relation to the Scheme to be approximately US$79 million on a pre-tax basis, of which approximately US$22 million had been incurred prior to 31 December 2015.

4.2.1 Composition of revenue

Recall's revenue can be categorised in terms of service lines and by revenue category as described in Section 7.2.2 of the Original IER.

The composition of Recall's 1H16 revenue by service line and category is illustrated below.

Figure 4: 1H16 revenue by service line and category



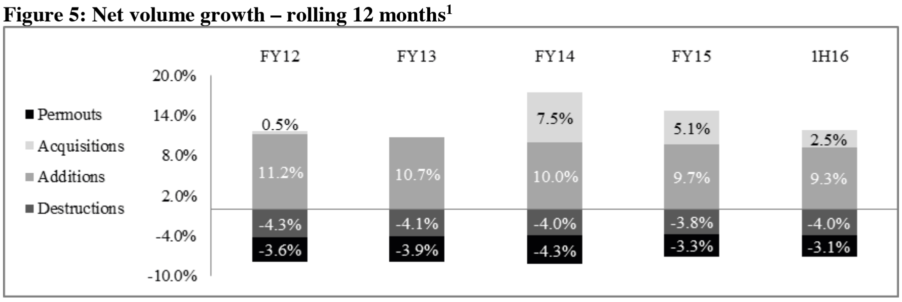
Source: Recall Interim Financial Report for the half year ended 31 December 2015

Approximately two-thirds of Recall's revenue is characterised by stable, recurring, non-cyclical revenue generated from physical document management services.

4.2.2 Net volume growth

The key driver of the DMS service line is the net volume growth in cartons stored. Net volume growth represents new storage volume from both new and existing customers, additional volumes from acquisitions, after subtracting reductions in volume associated with destructions, permanent withdrawals and customer terminations. The composition of Recall's net volume growth during each of the four years to 30 June 2015, and the year to 31 December 2015 (on a trailing 12 month basis) is set out below.

Figure 5: Net volume growth – rolling 12 months[1]



	FY12	FY13	FY14	FY15	1H16
Net organic carton growth	3.3%	2.7%	1.6%	2.6%	2.2%
Total net carton growth	3.8%	2.7%	9.2%	7.7%	4.8%

Source: Recall Annual Reports 2014 & 2015, Recall Interim Financial Report for the half year ended 31 December 2015
Note 1: Excludes the impact of one million cartons damaged in Citi storage fire

During the periods set out above, Recall's net organic volume growth ranged between 1.6% and 3.3%. In the year to 31 December 2015, net organic growth of 2.2% was achieved, attributable primarily from additions from new major contracts and a continued reduction in permouts[11]. Recall attributes the reduction in permouts to a renewed focus on customer service.

Volume growth from acquisitions made a significant contribution to overall growth in FY14 and FY15, being 7.5% and 5.1% respectively. Acquisition led growth decreased to 2.5% in the trailing 12 months to 31 December 2015 as it was constrained by the Iron Mountain transaction.

4.2.3 Recent acquisitions

On 12 January 2016, Recall expanded into Switzerland through the acquisition of Secur' Archiv SA for a total consideration of US$21.1 million. The integration of this business is expected to add US$14 million of annualised revenue and a total of 856,000 carton equivalents.

Including Secur' Archiv, Recall has completed six acquisitions to date inFY16, one each in Brazil, France, New Zealand, Scotland, Switzerland and the US. The combined purchase price of all six acquisitions was approximately US$56 million (net of cash), and on a post synergy basis, represented an EBITDA multiple of less than 7.0 times. The acquisitions are expected to generate annualised revenue of approximately US$28 million and a total of 2.6 million carton equivalents. In FY16, these acquisitions are expected to contribute approximately US$19 million of revenue.

[11] Represents permanent withdrawals of cartons upon termination of customer contracts.

4.3 Financial position

The financial position of Recall as at 30 June 2014 and 2015, and 31 December 2015 is summarised below.

Table 8: Financial position

As at US$ million	30-Jun-14	30-Jun-15	31-Dec-15
Current assets			
Cash and cash equivalents	72.1	88.5	159.4
Trade and other receivables	177.5	183.2	181.9
Inventories	2.5	2.1	2.2
Other assets	16.1	16.5	18.9
Total current assets	**268.2**	**290.3**	**362.4**
Non-current assets			
Other receivables	7.4	6.7	6.0
Investments	0.7	-	-
Property, plant and equipment	432.3	389.8	376.8
Goodwill	651.0	677.2	665.8
Intangible assets	107.6	134.8	141.0
Deferred tax assets	0.3	4.8	4.7
Derivative financial instruments	-	0.1	0.2
Other assets	0.5	0.3	0.3
Total non-current assets	**1,199.8**	**1,213.7**	**1,194.8**
Total assets	**1,468.0**	**1,504.0**	**1,557.2**
Current liabilities			
Trade and other payables	174.5	165.7	137.3
Tax payable	8.3	7.5	11.9
Provisions	26.3	32.2	24.5
Borrowings	-	21.8	70.5
Total current liabilities	**209.1**	**227.2**	**244.2**
Non-current liabilities			
Borrowings	552.2	626.7	706.8
Derivative financial instruments	0.7	0.8	0.1
Provisions	10.1	12.0	10.3
Deferred tax liabilities	75.2	68.7	62.5
Other liabilities	21.3	19.4	17.8
Total non-current liabilities	**659.5**	**727.6**	**797.5**
Total liabilities	**868.6**	**954.8**	**1,041.7**
Net assets	**599.4**	**549.2**	**515.5**
Statistics			
Book gearing [1]	*44.5%*	*50.5%*	*54.5%*
Market gearing [2]	*25.4%*	*25.1%*	*28.0%*

Source: Recall Annual Report 2015, Recall Interim Financial Report for the half year ended 31 December 2015
Note 1: Book gearing is calculated based on net debt divided by net assets plus net debt
Note 2: Market gearing is calculated based on net debt divided by market capitalisation at the balance date plus net debt

With regard to the financial position of Recall as at 31 December 2015, we note:[12]

- cash and cash equivalents increased by US$70.9 million since 30 June 2015 as a result of the refinance of intercompany loans into the cash pool, and funds being raised for the acquisition of Secur' Archiv SA which was completed post 31 December 2015
- trade and other payables decreased by US$28.4 million since 30 June 2015, associated with decreases in deferred revenue, accrued employee costs, trade creditors and accrued capital expenditure.

As at the date of this report, Recall has advised that its financial position has not materially changed since 31 December 2015.

4.3.1 Borrowings

Recall's financing facilities as at 31 December 2015 are set out below.

Table 9: Financing facilities

US$ million	Total facilities	Facilities used[1]	Facilities available	Maturity
Bank overdrafts, unsecured bank loans	45.6	1.5	44.1	Less than one year[2]
Unsecured bank loans	1,050.0	702.3	347.7	Three to four years[3]
Total	**1,095.6**	**703.8**	**391.8**	

Source: Recall
Note 1: Facilities used represents the principal value of loan notes and borrowings debited against the relevant facilities to reflect the correct amount of funding headroom
Note 2: Cash pool overdrafts are collateralised by cash balances within the pool as opposed to a separate bank arrangement. Facilities do not include US$64.3 million of cash pool overdrafts
Note 3: Recall has an unconditional right to defer settlement of US$702 million of unsecured bank loans for at least 12 months after the balance sheet date, and as a result this amount has been classified as non-current borrowings

In relation to the above facilities, we note:

- net debt as at 31 December 2015 was US$623.2 million, comprised of total borrowings of US$782.6 million (excluding capitalised borrowing costs of US$5.3 million) less cash and cash equivalents of US$159.4 million. The increase in net debt since 30 June 2015 was due to increased borrowings to fund acquisitions, growth capital expenditure and costs associated with the Iron Mountain transaction, partially offset by the appreciation of the US$ and the utilisation of operating cash flow to repay outstanding debt balances
- Recall's borrowings are shown net of capitalised borrowing costs of US$5.3 million and also include capital leases of US$14.5 million (which comprises current and non-current amounts)
- if Recall is acquired by Iron Mountain, the providers of the unsecured bank loans would have the option to terminate their loan agreements and demand repayment of all outstanding balances no later than 90 days following completion of the acquisition. As set out in the Supplementary Scheme Booklet, Iron Mountain is planning on repaying Recall's unsecured bank loans on or soon after implementation of the Scheme.

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[12] Commentary on the financial position of Recall as at 30 June 2014 and 2015 is included in the Original IER.

KPMG

Details of the financial covenants relating to the debt portfolio are set out below, together with Recall's performance with respect to each covenant.

Table 10: Financial covenants

	Threshold	FY15	1H16
Net debt to pro forma EBITDA	Maximum 3.5x	2.6x	3.1x
Pro forma EBITDA to net finance costs	Minimum 3.5x	9.5x	7.3x

Source: Recall Annual Report 2015, Recall Interim Financial Report for the half year ended 31 December 2015

As set out above, Recall has operated well within its financial covenants during FY15 and 1H16, and has significant headroom and debt capacity to continue pursuing inorganic growth opportunities, albeit the headroom in covenants has decreased since 30 June 2015, compounded by unfavourable exchange rate movements.

4.4 Capital structure and ownership

As at 31 December 2015, Recall's issued capital comprised the following:

- 314,618,837 units of ordinary shares on issue
- 8,651,888 performance share rights issued under Recall's incentive plans.

Under the terms of the Scheme, Recall must take the appropriate action between the Effective Date and Record Date to ensure that any performance share rights which have not already vested, do vest and convert prior to the Record Date. Accordingly, upon implementation of the Scheme, the total number of shares on a fully diluted basis is estimated to be 323.3 million.

4.5 Share price performance

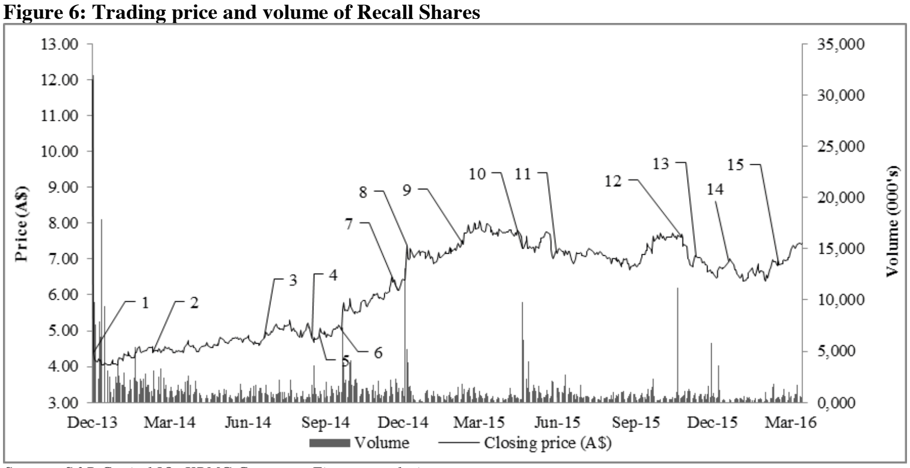
In assessing Recall's share price performance, we have:

- analysed Recall's share price and trading volume since the demerger from Brambles and its separate listing on the ASX on 10 December 2013 to 29 March 2016
- compared the share price performance of Recall to the ASX 100 Industrials Index over the same corresponding period, and
- analysed the trading liquidity of Recall Shares.

4.5.1 Share price and trading volume

Recall's share price and trading volume since the demerger from Brambles and its separate listing on the ASX on 10 December 2013 to 29 March 2016 is illustrated below.

Figure 6: Trading price and volume of Recall Shares



Source: S&P Capital IQ; KPMG Corporate Finance analysis

During the period illustrated above, Recall's share price ranged between a low of A$4.04 in January 2014 and a high of A$8.06 in March 2015. Key events which influenced Recall's share price and trading volume during this period include:

1-11 Commentary on key events labelled 1 to 11 are included in our Original IER.

12 5 November 2015, the Australian Competition and Consumer Commission (ACCC) released a Statement of Issues in relation to Iron Mountain's proposed acquisition of Recall with a preliminary view that it would raise competition concerns. In the eight trading days to 16 November 2016, the share price decreased by 10.4% to A$6.79, with a total turnover of 6.9 million shares, underperforming the S&P/ASX 100 Industrials Index by 6.9%.

13 19 November 2015, Iron Mountain shareholders endorsed the acquisition of Recall by approving the issuance of New Iron Mountain Securities that will be issued to Recall Shareholders under the Scheme.

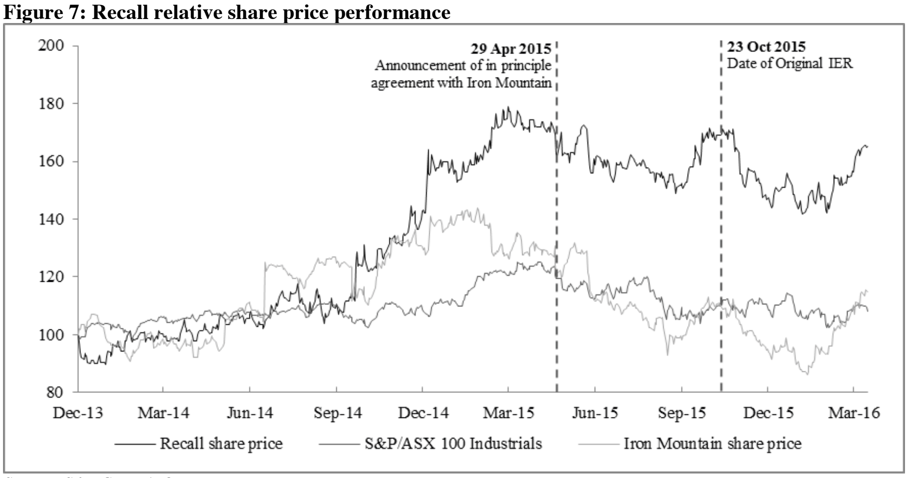
14 30 December 2015, the UK Competition and Markets Authority (CMA) announced its decision to refer Iron Mountain's proposed acquisition of Recall for an in-depth (phase 2) investigation, unless Iron Mountain was able to offer acceptable undertakings to address competition concerns identified by the CMA in its preliminary review. In the seven trading days to 11 January 2016, the share price decreased by 8.0% to A$6.46, with a total turnover of 2.6 million shares, underperforming the S&P/ASX 100 Industrials Index by 1.0%. Subsequently on 15 January 2016, Recall announced that the CMA had decided to refer the transaction for an in-depth phase 2 review.

15 29 February 2016, Recall released its half year results for the period ended 31 December 2015. Overall, the financial performance of Recall was slightly below management's initial full year guidance on a constant currency basis. As a result, Recall downgraded its earnings guidance for FY16. In the five trading days following the release, Recall's share price increased by 1.0%, although it underperformed the S&P/ASX 100 Industrials Index by approximately 2.7%.

4.5.2 Relative share price performance

The trading performance of Recall over the period from 10 December 2013 to 29 March 2016 relative to the S&P/ASX 100 Industrials Index and Iron Mountain's share price is illustrated below.

Figure 7: Recall relative share price performance



Source: S&P Capital IQ

In relation to the relative share price performance of Recall post issuance of our Original IER, we note:[13]

- since the announcement of the in principle agreement with Iron Mountain on 29 April 2015, the share price of Recall is primarily driven by the share price performance of Iron Mountain (due to the scrip based nature of the Scheme) and fluctuations in the A$/US$ exchange rate
- shortly after the issuance of our Original IER, Recall and Iron Mountain Shares significantly underperformed the S&P/ASX Industrials Index primarily driven by the concerns raised by regulators in relation to the approval of Iron Mountain's proposed acquisition of Recall. Concerns regarding the impact of rising interest rates have further contributed to negative market sentiment, particularly in relation to US REIT stocks
- more recently, Iron Mountain Shares recovered from the lows recorded in January 2016, supported by solid earnings announcements, including a stabilisation in the margins of its services business, and

[13] Commentary on the relative share price performance of Recall pre 23 October 2015 is included in the Original IER.

statements by Iron Mountain indicating the continued progress in obtaining the necessary competition approvals. Whilst Iron Mountain currently trades at levels above those recorded at the date of our Original IER, Recall Shares have not recovered to the same extent, which is broadly consistent with the performance of the S&P/ASX Industrials Index over this period. This implies that the discount at which Recall Shares have traded relative to the implied value of the Standard Consideration under the Scheme has widened from approximately 6% to 11% since the issuance of our Original IER, indicating an increased level of uncertainty relating to the outcomes of the regulatory review process and the associated impact of any divestments required for implementation of the Scheme.

4.5.3 Liquidity and Volume Weighted Average Price

The trading liquidity and Volume Weighted Average Price (VWAP) of Recall Shares is summarised below for the approximate ten month period since listing to 29 September 2014 (being the day prior to when market speculation arose regarding a potential transaction between Recall and Iron Mountain), and for the 12 months to 29 March 2016.

Table 11: Liquidity and VWAP

Period	Price (low) A$	Price (high) A$	Price VWAP A$	Cumulative value A$m	Cumulative volume m	% of issued capital
Period ended 29 March 2016						
1 week	7.22	7.50	7.35	17.1	2.3	0.7
1 month	6.77	7.54	7.22	99.2	13.7	4.4
3 months	6.25	7.54	6.92	223.6	32.3	10.3
6 months	6.25	7.80	7.06	629.3	89.1	28.3
12 months	6.25	7.92	7.19	1,495.4	207.9	66.2
Period ended 29 September 2014						
1 week	4.96	5.18	5.09	28.2	5.5	1.8
1 month	4.78	5.18	4.97	100.7	20.3	6.5
3 months	4.54	5.33	4.98	299.3	60.2	19.4
6 months	4.37	5.33	4.82	555.8	115.3	49.8
10 months (approximately)	3.65	5.33	4.47	1448.4	323.8	165.0

Source: S&P Capital IQ; KPMG Corporate Finance analysis

We consider the percentage of shares traded over the 12 month period to 29 March 2016 indicates that Recall Shares are sufficiently liquid. In assessing the liquidity in trading of Recall Shares, it is noted that the free float as at 29 March 2016 exceeded 80%.

The percentage of issued capital traded during the approximate ten month period to 29 September 2014 was 165.0%. This percentage is high relative to trading during the six months to the same date (49.8%) and the 12 months to 29 March 2016 (66.2%). The relatively high level of trading was likely reflective of a significant amount of register transitioning following the demerger from Brambles in December 2013.

4.6 Dividends

Recall announced a dividend of 9.5 Australian cents per share, paying out approximately 70% of underlying net profit after tax for the six month period ended 31 December 2015. The dividend will be 30% franked, with Recall's franking credit balance being US$3.4 million as at 31 December 2015. The dividend is expected to be paid on 20 April 2016 to shareholders on the Recall share register on 1 April 2016.

4.7 Outlook

4.7.1 Guidance

Recall continues to pursue its long-term strategy as set out in the Original IER. However, Recall revised its financial guidance for FY16 and now expects the business to deliver, on a constant currency basis, revenue growth approaching high single digits and EBITDA growth in line with revenue growth. The guidance was downgraded as part of the release of Recall's financial performance for the six month period to 31 December 2015, from previous estimates of double digit revenue growth and EBITDA growth at least in line with revenue growth. The lower guidance is associated with deliberately slowed acquisition growth to assist the regulatory review process associated with the Scheme.

4.7.2 Broker consensus forecasts

In order to provide an indication of the expected future financial performance of Recall, we have considered brokers' forecasts for Recall. Summarised below are the consensus forecasts for Recall for FY16, FY17 and FY18.

Table 12: Broker consensus forecasts

US$m unless otherwise stated	FY16	FY17	FY18
Revenue	807	851	904
EBITDA	200	217	235
Operating profit	131	147	164
Capital expenditure	79	67	67
Statistics			
Revenue growth (%)	*-2.5%*	*5.5%*	*6.2%*
EBITDA growth (%)	*-2.4%*	*8.3%*	*8.5%*
EBITDA margin (%)	*24.8%*	*25.4%*	*26.0%*
Operating profit growth (%)	*-4.0%*	*12.3%*	*11.6%*
Operating profit margin (%)	*16.2%*	*17.2%*	*18.1%*
Capital expenditure to revenue ratio (%)	*9.8%*	*7.9%*	*7.4%*

Source: Broker reports, KPMG Corporate Finance analysis
Note: Based on the median of broker forecasts

In relation to the table above, we note Recall is followed by 13 brokers eight of which are represented in the consensus forecasts above. The remaining five brokers have not released research on Recall since the 1H16 results were reported on 29 February 2016.

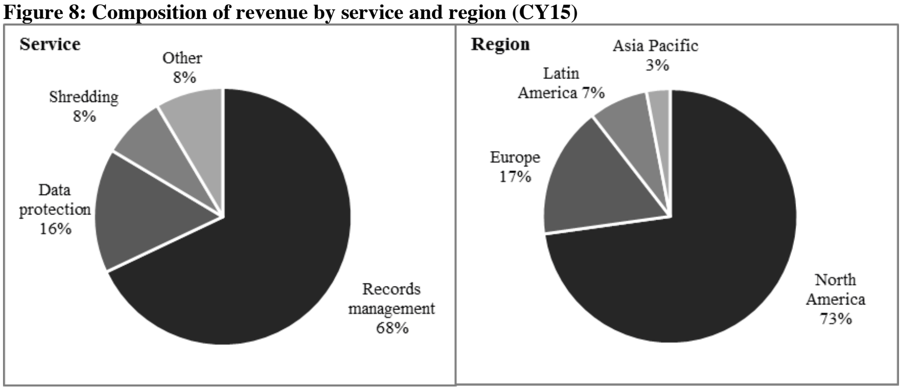
5 Updated profile of Iron Mountain

This section provides an update of material changes to the Iron Mountain business since the date of the Original IER. The updated financial information reflects Iron Mountain's announcement of its full year results for CY15 on 25 February 2016.

5.1 Business operations

The composition of Iron Mountain's revenue by service offering and region in CY15 is illustrated below.

Figure 8: Composition of revenue by service and region (CY15)



Source: Iron Mountain 'Earnings Commentary and Supplemental Information, Fourth Quarter 2015

5.2 Financial performance

The financial performance of Iron Mountain for CY13, CY14 and CY15 is summarised below.

Table 13: Historical financial performance

For the period ended US$ million	12 months 31-Dec-13	12 months 31-Dec-14	12 months 31-Dec-15
Storage rental revenue	1,785	1,860	1,838
Service revenue	1,240	1,257	1,170
Total revenue	**3,025**	**3,118**	**3,008**
Cost of sales	(1,289)	(1,345)	(1,290)
Selling, general and administrative	(924)	(870)	(845)
Depreciation and amortisation	(322)	(353)	(345)
Loss on disposal/write-down of PPE excluding real estate, net	(0)	(1)	(3)
Total operating expenses	**(2,535)**	**(2,568)**	**(2,483)**
Operating income	**489**	**549**	**525**
Interest expense, net	(254)	(261)	(264)
Other expense, net	(75)	(65)	(99)
Income from continuing operations before income taxes and sale of real estate	**160**	**223**	**162**
Benefit (provision) for income taxes	(62)	97	(38)
Gain on sale of real estate, net of tax	1	8	1
Net income from continuing operations	**99**	**329**	**125**
Income (loss) from discontinued operations, net of tax	1	(0)	-
Net income	**100**	**329**	**125**
Net income attributable to non-controlling interests	4	3	2
Net income attributable to Iron Mountain	**96**	**326**	**123**
Adjusted OIBDA [1]	*895*	*926*	*920*
Adjusted OIBDA margin	*29.6%*	*29.7%*	*30.6%*

Source: Iron Mountain Annual Report 2015; Iron Mountain, Earnings Commentary and Supplemental Information, Fourth Quarter 2014 & Fourth Quarter 2015

Note 1: Represents adjusted operating income before depreciation, amortisation, intangible impairments, (gain) loss on disposal/write-down of property, plant and equipment (excluding real estate), net Recall costs and REIT costs

In relation to the financial performance of Iron Mountain for CY15, we note:[14]

- overall, the financial performance of Iron Mountain was in line with management's full year guidance on a constant currency basis. Slower growth was largely due to reduced acquisition activity given its focus on the proposed Recall transaction. However, this was partly offset by operating margin improvements driven by benefits from the initiated Transformation Program and better operating performance
- revenue increased by 2.1% on a constant currency basis, driven by internal growth of 1.5% and growth derived from acquisitions of 0.6%. Revenue performance was underpinned by storage rental

[14] Commentary on the financial performance of Iron Mountain for CY13 and CY14 is included in our Original IER.

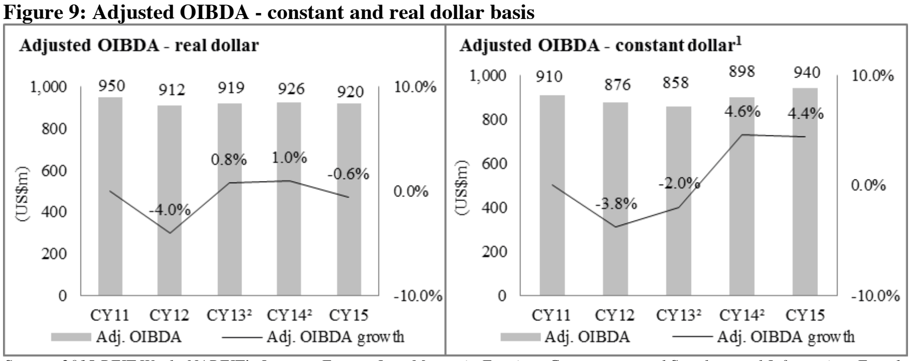
revenue gains of 4.0%, with growth across all regions, whilst service revenue declined by 0.9% due to reduced service activity levels as the storage business becomes more archival in nature

- revenue and expenses are subject to variations caused by the net effect of foreign currency translation on the financial performance of operations outside of the US. For each of the periods presented above, reported revenues and earnings have been negatively impacted by the general strengthening of the US dollar against all key currencies. During CY15, foreign exchange rate fluctuations negatively impacted revenue by 5.6% compared to the corresponding prior year period
- the Transformation Program initiated in June 2015 incurred US$10.2 million of transformation related charges in CY15, with a further net US$7 million of charges expected to be incurred in the first quarter of CY16. The program achieved a US$50 million run-rate of savings in 2015, which is expected to be fully realised in 2016. Ultimately, the program is expected to deliver US$125 million of cumulative savings by 2017.

Adjusted OIBDA performance

The figure below illustrates Iron Mountain's historical Adjusted OIBDA and Adjusted OIBDA growth on a constant and real dollar basis, and provides insights as to how the underlying business performed, including and excluding the effect of foreign currency fluctuations.

Figure 9: Adjusted OIBDA - constant and real dollar basis



Source: 2015 REIT Week: NAREIT's Investor Forum; Iron Mountain Earnings Commentary and Supplemental Information, Fourth Quarter 2015
Note 1: Constant dollar translation is based on 2015 foreign exchange rates as of January 2015
Note 2: Adjusted OIBDA for CY13 and CY14 exclude restructuring charges of US$23 million and US$3 million, respectively

On a constant dollar basis, Adjusted OIBDA has experienced improved growth in the two years to CY15 over the growth rate in prior years. However, in both years, the strengthening of the US dollar had a negative impact on Adjusted OIBDA in real terms, reducing growth by 3.6% to 1.0% in CY14, and by 5.0% to -0.6% in CY15.

REIT performance measures

Since conversion to a REIT, Iron Mountain has reported its financial performance in terms of REIT specific performance metrics. These metrics include Funds From Operations (FFO), FFO (on a normalised basis) and Adjusted Funds From Operations (AFFO).

Iron Mountain's financial performance in relation to these REIT performance metrics for CY14 and CY15 is summarised below.

Table 14: REIT performance metrics

For the period ended US$ million	12 months 31-Dec-14	12 months 31-Dec-15
Net income	**329**	**125**
Add:		
Real estate depreciation	184	179
(Gain) loss from disposition of real estate, net of tax	(8)	(1)
FFO[1]	**505**	**303**
Add:		
(Gain) loss on disposal / write-down of PP&E (excluding real estate), net	1	3
FX (gains) losses	58	71
Other (income) expense	7	28
Deferred taxes and current REIT tax adjustments	(144)	(6)
(Income) loss from discontinued operations, net of tax	0	-
Recall costs	-	47
REIT costs	22	-
FFO (normalised)	**449**	**446**
Add:		
Non-real estate depreciation	120	122
Amortisation expense	57	53
Non-cash rent expense (income)	(0)	(3)
Non-cash equity compensation expense (income)	30	28
Less:		
Non-real estate investment	51	48
Real estate and non-real estate maintenance capex	77	76
AFFO[2]	**527**	**522**

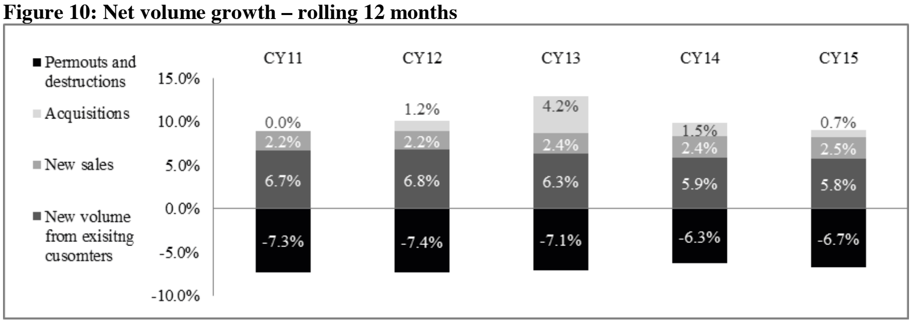
Source: Iron Mountain, Earnings Commentary and Supplemental Information, Fourth Quarter 2015
Note 1: FFO as defined by the National Association of Real Estate Investment Trusts (NAREIT) as net income, excluding gains and losses on the sale or write-down of real estate assets, plus depreciation on real estate assets
Note 2: AFFO is defined as FFO (normalised), excluding non-cash rent expense or income, plus depreciation on non-real estate assets, amortisation expense (including amortisation of deferred financing costs) and non-cash equity compensation costs, less maintenance capital expenditures and non-real estate investments

Iron Mountain discloses FFO (on a normalised basis) which excludes items that it believes do not appropriately reflect underlying operations, including foreign exchange gains and losses, real estate depreciation, and one-off costs associated with REIT conversion and/or the Recall transaction. This measure aims to provide investors with a clearer view of the underlying operating performance. On this basis, FFO and AFFO were relatively consistent in CY14 and CY15.

5.2.1 Storage rental business

The key driver of the storage rental business is the net volume growth of records stored. Net volume growth represents new storage volume from existing customers, plus volume from new customers and volume from acquisitions, offset by volume related to destructions, permanent withdrawals and customer terminations, as illustrated below for the 5 years to CY15.

Figure 10: Net volume growth – rolling 12 months



	CY11	CY12	CY13	CY14	CY15
Net organic carton growth	1.6%	1.6%	1.6%	2.0%	1.6%
Total net carton growth	1.6%	2.7%	5.8%	3.5%	2.3%

Source: Iron Mountain full year earnings announcements

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In the five years to CY15, Iron Mountain's year-on-year net volume growth, including acquisitions, has ranged between 1.6% and 5.8%, whilst organic net volume growth has ranged between 1.6% and 2.0%.

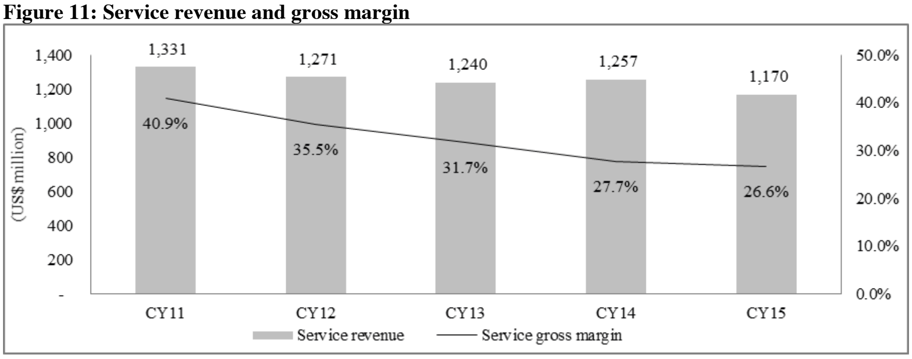
At 31 December 2015, Iron Mountain stored 530 million cubic feet of records, spread across the North American (71.1%), Western European (11.9%) and Other International (17.0%) business segments. Key observations include:

- net volume growth rates in North America were 0.5% and 1.2% for CY14 and CY15 respectively. Growth was predominantly driven organically, with few acquisitions as the business completed the integration of Cornerstone Records Management, LLC which was purchased in October 2013. Net volume growth excluding acquisitions was 0.5% and 0.2% for CY14 and CY15 respectively
- net volume growth rates in the Other International Business segment have outperformed other regions, at 17.6% and 6.1% for CY14 and CY15 respectively. CY14 growth benefited from a 9.5% increase in volume from acquisitions, while CY15 growth was organically driven.

5.2.2 Services business

Iron Mountain's service revenue and service gross margin for the five years ended CY15 are outlined below.

Figure 11: Service revenue and gross margin



Source: Iron Mountain Annual Report 2015 & Earnings Commentary and Supplemental Information Fourth Quarter 2015; Iron Mountain and Recall Co-CEO Roadshow, July 14 - 16, 2015; 2015 REIT Week: NAREIT's Investor Forum, June 15, 2015

Iron Mountain has experienced declines in service gross margins from 40.9% in CY11 to 26.6% in CY15. The services business has been negatively impacted by declining activity rates as stored records are becoming more archival in nature. Iron Mountain has observed a trend that customers are reducing the frequency in which records are retrieved, thereby decreasing retrieval / re-file activity and related transportation, resulting in the declining services revenue and gross margins illustrated in the figure above.

Management has indicated that for the records management business, service activity has begun to stabilise in recent periods, while in the data management business, service declines are reflecting more recent reductions in activity levels. Further, Iron Mountain is currently undertaking an initiative to align the services business cost structure with activity declines, with the goal of maintaining and improving service gross margins. Planned measures include greater ability to vary labour costs, more efficient use of third-party logistics suppliers, and leveraging technology to improve route optimisation and efficiency.

5.2.3 Recent acquisitions

Summarised below are details of acquisitions completed by Iron Mountain since 30 June 2015:

- In December 2015, in order to expand its offerings in its Adjacent Businesses, Iron Mountain acquired Crozier Fine Arts, a storage logistics and transportation business for high value paintings, photographs and other types of art belonging to individual collectors, galleries and art museums for approximately US$74.2 million
- In December 2015, in order to enhance its existing operations in India, Iron Mountain acquired the stock of Navbharat Archive XPress Private Limited, a storage and records management company with operations in India, for approximately US$16.1 million, of which approximately US$8.9 million was funded by Iron Mountain, whilst the remaining US$7.2 million was contributed by the non-controlling interest shareholder of Iron Mountain's business in India
- In March 2016, Iron Mountain acquired Lithuanian document storage and archiving firm Archyvu Sistemos, significantly expanding its presence in The Baltics. With the acquisition, Iron Mountain

adds more than 400 customers throughout Lithuania, Estonia and Latvia, assuming the responsibility for managing their complete inventory of 700,000 cubic feet of hardcopy records as well as continuing to offer secure archiving and destruction services.

5.3 Financial position

The financial position of Iron Mountain as at 31 December 2013, 2014 and 2015 is summarised below.

Table 15: Financial position

As at US$ million	31-Dec-13	31-Dec-14	31-Dec-15
Cash and cash equivalents	121	126	128
Restricted cash	34	34	-
Accounts receivable	617	604	564
Deferred income taxes	18	14	22
Prepaid expenses and other	145	139	143
Total current assets	934	918	858
Property, plant and equipment	2,578	2,551	2,497
Goodwill	2,463	2,424	2,361
Customer relationships and customer inducements	605	608	603
Other	27	23	31
Total non-current assets	5,673	5,606	5,493
Total assets	**6,607**	**6,523**	**6,351**
Long-term debt (current portion)	53	52	88
Accounts payable	216	203	220
Accrued expenses	461	404	351
Deferred revenue	239	197	183
Total current liabilities	969	857	842
Long-term debt (non-current portion)	4,073	4,564	4,758
Other long-term liabilities	68	74	72
Deferred rent	104	104	96
Deferred income taxes	341	55	55
Total non-current liabilities	4,586	4,797	4,980
Total liabilities	**5,555**	**5,653**	**5,822**
Net assets	**1,052**	**870**	**529**
Common stock	2	2	2
Additional paid-in capital	980	1,589	1,624
Earnings in excess of distributions	68	(660)	(942)
Accumulated other comprehensive items, net	(9)	(75)	(175)
Parent entity interest	1,041	856	509
Non controlling interest equity	10	14	20
Total equity	**1,052**	**870**	**529**
Statistics			
Book gearing [1]	*79.2%*	*83.8%*	*89.9%*
Market gearing [2]	*40.6%*	*35.5%*	*45.3%*

Source: Iron Mountain Annual Report 2015
Note 1: Book gearing is calculated based on net debt divided by net assets plus net debt
Note 2: Market gearing is calculated based on net debt divided by market capitalisation at the balance date plus net debt
Note 3: Table may not sum due to rounding

In relation to the financial position of Iron Mountain as at 31 December 2015, we note:

- property, plant and equipment primarily comprises racking structures, buildings, computer hardware and software, leasehold improvements and land
- in CY15, goodwill on a constant currency basis increased due to a number of acquisitions, however, this increase has been outweighed by the negative impact of foreign exchange rate fluctuations.

As at the date of this report, Iron Mountain has advised that its financial position has not materially changed since 31 December 2015.

5.3.1 Long term debt

Details of the committed financing facilities available and debt maturity profile of Iron Mountain as at 31 December 2015 are set out below.

Table 16: Financing facilities at 31 December 2015

	Currency	Rate	Total facilities US$m	Amount drawn US$m	Available facility US$m	Maturity	Security
Revolving credit facility	Various[1]	2.80%[2]	1,500	784	679[3]	2019[4]	Secured
Term loan	Various[1]	2.50%[2]	244	244	-	2019[4]	Secured
Senior notes	USD	6.00%	1,000	1,000	-	2020	Unsecured
Senior notes	CAD	6.125%	144	144	-	2021	Unsecured
Senior notes	GBP	6.125%	592	592	-	2022	Unsecured
Senior notes	USD	6.00%	600	600	-	2023	Unsecured
Senior subordinated notes	USD	5.75%	1,000	1,000	-	2024	Unsecured
Total			**5,080**	**4,365**	**679**		

Source: Iron Mountain Annual Report 2015 & Iron Mountain Supplemental Report Fourth Quarter 2015
Note 1: The revolving credit facility and term loan enable Iron Mountain to borrow in US dollars and (subject to sub-limits) a variety of other currencies, including Canadian dollars, British pounds sterling, Euros and Australian dollars
Note 2: The average interest rate in effect as of 31 December 2015
Note 3: The available facility balance includes outstanding letters of credit totalling $37 million
Note 4: The revolving credit facility and term loan were refinanced in July 2015 and as a result, the new maturity date is July 2019, with a one year extension option at Iron Mountain's discretion

In relation to Iron Mountain's long-term debt, we note:

- at 31 December 2015, Iron Mountain had total debt facilities available of US$5,080 million, comprising a revolving credit facility, term loan, and notes denominated in various currencies. Total undrawn facilities amounted to US$679 million
- the interest rate on borrowings under the revolving credit facility and term loan vary depending upon the choice of interest rate and currency options, plus an applicable margin which varies based on Iron Mountain's consolidated leverage ratio
- at 31 December 2015, Iron Mountain's weighted average cost of debt was 5.3%
- on 2 July 2015, Iron Mountain entered into a new credit agreement to refinance its existing US$1.5 billion revolving credit agreement, and its US$250 million term loan (amortised to US$248 million at 30 June 2015), which were scheduled to mature on 27 June 2016. The new credit agreement allows

Iron Mountain to request additional commitments of up to US$500 million in the form of term loans (subject to certain conditions), for a total of US$2.25 billion of availability under the new credit agreement. The new credit agreement terminates in July 2019, with a one-year conditional extension option

- at 31 December 2015, Iron Mountain's long term debt also included an amount relating to its accounts receivables securitisation program of US$205.9 million, and an amount relating to real estate mortgages, capital leases and other items totalling US$333.6 million.

Details of the financial covenants relating to the secured credit facility and term loan are set out below, together with Iron Mountain's actual performance with respect to each of these covenants as of 31 December 2013, 2014 and 2015.

Table 17: Financial covenants

Financial covenant	Covenant	31-Dec-13	31-Dec-14	31-Dec-15
Net total lease adjusted leverage ratio	less than 6.5	5.0	5.4	5.6
Net secured debt lease adjusted leverage ratio	less than 4.0	2.2	2.6	2.6
Bond leverage ratio (not lease adjusted)	less than 6.5	5.1	5.7	5.5
Fixed charge coverage ratio	greater than 1.5	2.5	2.5	2.4

Source: Iron Mountain Annual Report 2014 and 2015

Iron Mountain's financial ratios have consistently been within the financial covenant thresholds.

5.4 Capital structure and ownership

As at 31 December 2015, Iron Mountain's issued capital comprised the following:

- 211,340,296 of common stock
- 3,688,814 of outstanding stock options
- 1,217,597 of non-vested restricted stock, and restricted stock units (RSUs)
- 433,805 performance unit (PU) awards.

The total number of shares on a fully diluted basis is approximately 212.1 million, which includes those options capable of being exercised.

5.5 Share price performance

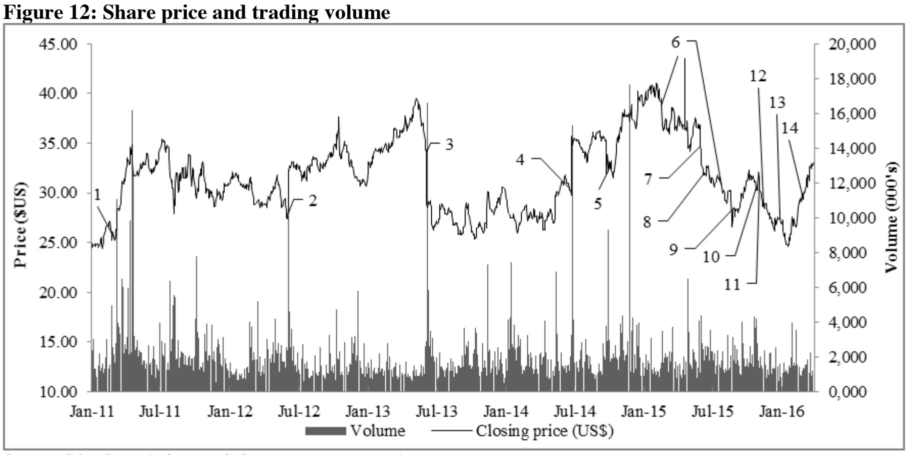
In assessing Iron Mountain's share price performance, we have:

- analysed Iron Mountain's history and volume of trading over the period from 3 January 2011 to 29 March 2016
- compared the share price performance of Iron Mountain to the S&P 500 Index over the same corresponding period, and
- analysed the trading liquidity of Iron Mountain Shares for the 12 months to 29 March 2016.

5.5.1 Share price and trading volume

Iron Mountain's share price and trading volume over the period from 3 January 2011 to 29 March 2016 is illustrated below.

Figure 12: Share price and trading volume



Source: S&P Capital IQ; KPMG Corporate Finance analysis

During the period from 3 January 2011 to 29 March 2016, the Iron Mountain share price ranged between a high of US$41.09 in February 2015 and lows of US$24.39 and US$24.56 reached in January 2011 and January 2016 respectively. Key events which have influenced the share price and trading volume of Iron Mountain during this period include:

1-9 Commentary on key events labelled 1 to 9 are included in our Original IER.

10 30 October 2015, third quarter 2015 results were released. In the two trading days to 2 November 2015, the share price increased by 5.0% to $31.81, with a turnover of 3.7 million shares, outperforming the S&P 500 Index by 4.3%.

11 5 November 2015, Iron Mountain announced that the ACCC had released a Statement of Issues in relation to the proposed acquisition of Recall, with a preliminary view that it would raise competition concerns. In the six trading days to 13 November 2016, the share price decreased by 9.0% to $28.61, with a total turnover of 7.4 million shares, underperforming the S&P 500 Index by 5.4%.

12 19 November 2015, Iron Mountain held a special meeting at which its shareholders voted on, and approved, the acquisition of Recall by approving the issuance of New Iron Mountain Securities that will be issued to Recall Shareholders under the Scheme.

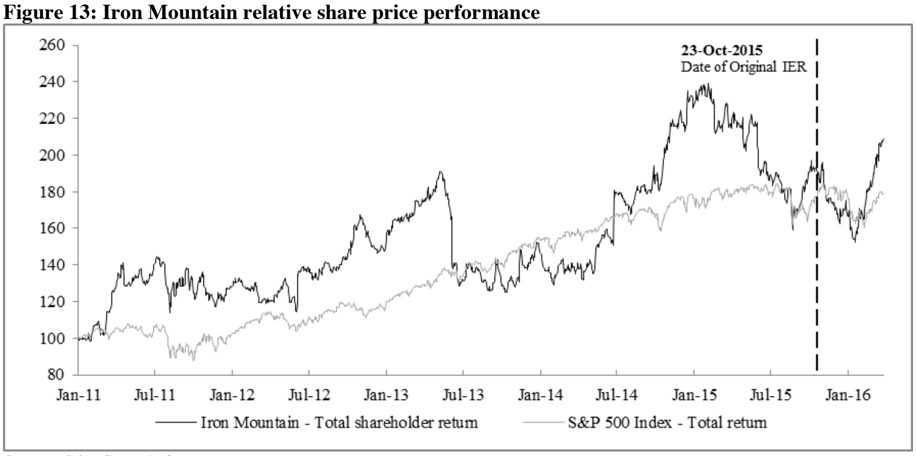
13 30 December 2015, the CMA announced its decision to refer Iron Mountain's proposed acquisition of Recall for an in-depth (phase 2) investigation subject to Iron Mountain offering acceptable undertakings to address competition concerns.

14 25 February 2015, results for the fourth quarter 2015 and the full year ended 31 December 2015 were released. On this day, the share price increased by 2.7% to $29.93, with a turnover of 1.2 million shares, outperforming the S&P 500 Index by 1.6%.

5.5.2 Relative share price performance

Iron Mountain is a member of a number of indices, including the S&P 500 Index. The share price performance of Iron Mountain (on a total shareholder return basis) over the period from 3 January 2011 to 29 March 2016 relative to the S&P 500 Index (on a total return basis) is illustrated below.

Figure 13: Iron Mountain relative share price performance



Source: S&P Capital IQ

In relation to the relative share price performance of Iron Mountain post the date of issue of our Original IER, we note:[15]

- shortly after the issuance of our Original IER, Iron Mountain Shares significantly underperformed the S&P 500 Index primarily driven by the concerns raised by regulators in relation to the approval of Iron Mountain's proposed acquisition of Recall. Concerns regarding the impact of rising interest rates have further contributed to negative market sentiment, particularly in relation to US REIT stocks
- more recently, Iron Mountain Shares recovered from their low of $24.46 on 20 January 2016, supported by solid earnings announcements, including a stabilisation in the margins of its services business, combined with a general recovery in global equity markets. The share price of Iron Mountain closed at US$33.50 on 29 March 2016, representing an increase of 7.9% relative to the closing price at the date of our Original IER. Over this period, Iron Mountain Shares outperformed the S&P 500 Index by approximately 8.8%.

[15] Commentary on the relative share price performance of Iron Mountain pre 23 October 2015 is included in the Original IER.

5.5.3 Trading liquidity and VWAP

An analysis of the trading liquidity and VWAP of Iron Mountain Shares for the 12 months to 29 March 2016 is summarised in the table below.

Table 18: Iron Mountain VWAP and liquidity analysis

Period	Price (low) $	Price (high) $	Price VWAP $	Cumulative value $m	Cumulative volume m	% of issued capital
1 week	32.38	33.52	32.91	128.0	3.9	1.8
1 month	29.16	33.52	31.50	808.9	25.7	12.1
3 months	23.64	33.52	28.32	2,303.5	81.4	38.5
6 months	23.64	33.52	29.06	5,277.1	181.6	86.0
12 months	23.64	38.49	30.91	12,266.1	396.8	188.2

Source: S&P Capital IQ

We consider the percentage of shares traded over the 12 months to 29 March 2016 indicates that Iron Mountain is a highly liquid stock. In assessing the liquidity in trading of Iron Mountain Shares, it is noted that the free float at 29 March 2016 exceeds 95%, and Iron Mountain Shares have higher liquidity compared with the trading in Recall Shares.

5.6 Dividends

On 29 October 2015, Iron Mountain increased its quarterly cash dividend by 1 cent to US$0.485 per share, taking total dividends for CY15 to US$1.91 per share. Subsequently, Iron Mountain declared a cash dividend of $0.485 per share for the first quarter of CY16, which was paid on 21 March 2016.

5.7 Outlook

5.7.1 Guidance

Iron Mountain's guidance for CY16 in constant dollars, on a standalone basis (i.e. ignoring any effects of the potential acquisition of Recall) is set out below.

Table 19: Earnings guidance

US$ million unless otherwise stated	CY16
Operating performance	
Revenue	3,000 - 3,080
Adjusted EBITDA	950 - 970
Adjusted EPS - fully diluted[1] (US$)	1.24 - 1.32
FFO applicable to Iron Mountain (normalised)	455 - 470
FFO applicable to Iron Mountain (normalised) per share[1] (US$)	2.15 - 2.22
AFFO applicable to Iron Mountain	515 - 530
Estimated capital allocation	
Real estate investment	265
Non-real estate investment	70
Real estate and non-real estate maintenance	80
Business and customer acquisitions	140 - 180
Total capital expenditures and investments (excluding dividends)	**555 - 595**

Source: Iron Mountain Full Year Report December 2015
Note 1: Assumes 212 million shares outstanding

Upon release of its full year 2015 financial performance, Iron Mountain issued its guidance for CY16, with total revenue growth expected to range between 3% and 6%, and Adjusted OIBDA growth expected to range between 6% and 8%, both on a constant dollar basis, which is in line with Iron Mountain's strategic plan. As this guidance is based on constant FX rates, it does not reflect the risk associated with a continued strengthening of the US dollar. Adjusted EPS, FFO, and FFO (normalised) per share are expected to grow roughly in line with growth in revenue.

5.7.2 Broker consensus forecasts

In order to provide an indication of the expected future financial performance of Iron Mountain, we have considered brokers' forecasts for Iron Mountain. Summarised below are the consensus forecasts for Iron Mountain for CY16 and CY17 by brokers that follow Iron Mountain.

Table 20: Broker consensus forecasts

US$ million unless otherwise stated	CY16	CY17
Revenue	3,040	3,104
OIBDA	956	1,017
FFO (normalised)	463	507
AFFO	516	525
EPS (US$)	1.27	1.39
Statistics		
Revenue growth (%)	*1.0%*	*2.1%*
OIBDA growth (%)	*3.9%*	*6.3%*
OIBDA margin (%)	*31.5%*	*32.8%*
FFO (normalised) growth (%)	*3.6%*	*9.5%*
AFFO growth (%)	*(1.3%)*	*1.8%*

Source: Broker reports; KPMG Corporate Finance analysis
Note: Based on the median of broker forecasts

In relation to the table above, we note:

- Iron Mountain is followed by ten brokers of which six are represented in the consensus forecasts above. The remaining four brokers have not released research on Iron Mountain since the fourth quarter and full year results for CY15 were reported on 25 February 2016
- not all brokers publish forecasts in relation to REIT specific performance measures, including FFO and AFFO.

6 The Combined Group

The Combination of Recall and Iron Mountain has a number of significant strategic benefits and will create a leading global document storage and information services group.

If the Scheme is implemented, Recall Shareholders will own up to approximately 21% of the Combined Group, subject to all Recall Shareholders electing to receive the Standard Consideration. Recall Shareholders who receive and retain New Iron Mountain Shares or New Iron Mountain CDIs will gain exposure to the investment characteristics of the Combined Group, including:

- significant diversification and global footprint
- potential to realise substantial synergies and accretion
- high dividend yield supported by the REIT structure.

Summarised below are the key changes to the investment characteristics and associated risk profile of the Combined Group subsequent to our Original IER, which primarily relate to the proposed regulatory undertakings and their impact on the synergy and accretion estimates for the Combined Group.

Further detail in relation to the Combined Group is contained in Section 9 of the Supplementary Scheme Booklet, which also includes updated pro-forma financials for the Combined Group.

6.1 Proposed competition and other regulatory undertakings

Since the release of the Original Scheme Booklet on 23 October 2015, Iron Mountain and Recall have been progressing the necessary regulatory approvals across a number of jurisdictions, including the US, Australia, Canada and the UK. Finalisation of these approvals necessitated the deferral of the Scheme Meeting and resulted in Iron Mountain committing to make a number of divestments to address competition concerns that had been identified. The proposed divestments are summarised below and further detailed in Section 6 of the Supplementary Scheme Booklet, which also sets out the sale process associated with the proposed divestments.

Australia

In order to obtain the required competition approval for the Scheme in Australia, Iron Mountain has proposed an undertaking to the ACCC to divest the majority of the operations of Iron Mountain Australia by way of a share sale. The ACCC announced on 31 March 2016 that on this basis it will not oppose the Scheme. Divestitures will include Iron Mountain's physical document management services and digital document management services businesses across Australia, with the exception of the businesses in the Northern Territory (other than in relation to customers who have holdings in other Australian states or territories). Pursuant to the proposed ACCC undertaking, the Combined Group would also retain Iron Mountain's data protection services business across Australia.

Accordingly, the Combined Group's Australian operations will primarily comprise Recall's operations as they stood prior to implementation of the Scheme, with the addition of Iron Mountain's Northern Territory operations, and Iron Mountain's Australia wide data protection services businesses.

United States

In order to obtain the required competition approval for the Scheme from the DOJ, Iron Mountain has proposed to divest Recall's Document Management Services facilities, including all associated tangible and intangible assets, in 13 US cities as detailed in the Supplementary Scheme Booklet. Iron Mountain expects to reach an agreement to divest these facilities to a privately held provider of information management services throughout the US, approved by the DOJ, for a total consideration of US$80 million, subject to adjustments. The transaction will be subject to customary closing conditions and is anticipated to close shortly after the closing of the proposed Recall acquisition.

In addition, Iron Mountain has proposed to divest certain of Recall's Document Management Services facilities, including associated tangible and intangible assets, in Seattle, Washington and Atlanta, Georgia. DOJ's approval of the implementation of the Scheme is anticipated to be granted on the basis that Iron Mountain will agree to enter into a binding agreement and complete the Seattle/Atlanta divestments following a set time from the implementation of the Scheme, unless extended by the DOJ.

Iron Mountain expects the DOJ to approve the implementation of the Scheme on this basis on or before 2 April 2016. Further, Iron Mountain and Recall will agree to place the assets and employees subject of the US divestments in a 'hold separate' arrangement from the implementation date of the Scheme until the US divestments are completed.

Canada

Iron Mountain expects the CCB to approve the implementation of the Scheme on the basis of the registration of a Consent Agreement with Iron Mountain pursuant to sections 92 and 105 of the Competition Act. The CCB Consent Agreement is expected to require the Combined Group to divest nine document management services facilities in a total of six Canadian cities as detailed in the Supplementary Scheme Booklet, comprised of six Recall facilities and three Iron Mountain facilities, including in each case associated tangible and intangible assets and employees. Under the expected terms of the CCB Consent Agreement, the Canadian divestments will be acquired by a single buyer to be approved by the Commissioner of Competition, by way of a sale of only the tangible and intangible assets associated with the relevant facilities.

United Kingdom

On 30 March 2016, the CMA announced its conditional consent for the Scheme to be implemented prior to CMA's issuance of its final decision in its regulatory review (for which the statutory deadline is 29 June 2016, with the provisional findings due in late April 2016).

In order to obtain the CMA consent, Iron Mountain and Recall have agreed to place the entire Recall business located in the UK in a 'hold separate' arrangement from or prior to the implementation date of the Scheme until the conclusion of CMA's review and any subsequent period that may be required for the final implementation of any remedies that may be ordered by the CMA. During the 'hold separate' period, Iron Mountain and Recall have agreed to preserve Recall's entire UK business as a separate and independent viable going concern, and to keep Recall's entire UK business operationally and financially separate from Iron Mountain.

The CMA has not yet indicated whether, and if so what, remedies might be appropriate should the outcome of its review be a decision that the proposed transaction may be expected to result in a substantial lessening of competition within any of the relevant UK markets. Under the Enterprise Act 2002 (UK), the CMA has the power to order divestments in the UK by the Combined Group as an appropriate remedy.

As such, the final outcome of CMA's review will not impact the ability of Iron Mountain and Recall to complete the implementation of the Scheme, but may impact the Combined Group's ongoing operations in the UK following implementation of the Scheme.

As CMA's review is ongoing, no definitive view can be given at this stage as to the outcome of its review and the scope and timing of any divestments that may be required by the CMA with respect to the Combined Group's UK business. Iron Mountain believes that the maximum scope of any required divestments by the Combined Group in the UK is unlikely to exceed operations and assets which generated 1% of the Combined Group's pro forma revenue for CY15.

6.1.1 Impact of the divestments

The expected annual net impact of the proposed divestitures is estimated by Iron Mountain to be a US$120 million reduction in revenue and an associated US$35 million reduction in OIBDA, which equates to approximately 3% of the Combined Group's revenue and OIBDA for CY15. The proposed divestitures have also caused the synergies expected to be available from a combination of Recall and Iron Mountain to be revised downwards by approximately US$40 million from the synergy estimates published in the Original Scheme Booklet. The proportionally higher amount of synergies expected to be lost is due to the divestments being in markets and regions that generally have greater overlap of the Iron Mountain and Recall businesses and thus would provide more benefits from integration.

As part of the negotiations with the regulatory agencies, Iron Mountain has identified and negotiated with a specific buyer in the US and has held preliminary discussions with potential buyers in other markets and estimates it will receive approximately US$220 million in total proceeds from the proposed divestments. This amount is not guaranteed and there remains a possibility that the proceeds may be materially different from that amount. Pursuant to the successful completion of the divestments, Iron Mountain anticipates using the net proceeds to repay outstanding borrowings under its Revolving Credit Facility and ultimately to reinvest those proceeds in the Combined Group's business.

6.1.2 Risks associated with the divestments

Section 9.5 of our Original IER outlined the changes in risk profile for Recall Shareholders who convert their existing shareholdings into New Iron Mountain Shares or CDIs. The proposed regulatory undertakings and associated divestments have since added to the risks which should be considered in addition to those set out in our Original IER.

The divestments proposed by Iron Mountain to the regulatory agencies in Australia, Canada and the US in order to obtain the required competition approvals for the Scheme in those jurisdictions still bear execution risk. If such divestments are delayed, the final receipt of the competition approvals and the date of the second court hearing may be delayed, which may in turn delay the implementation date of the

Scheme. In addition, there is currently no assurance as to the precise amount of proceeds that Iron Mountain will receive in connection with the proposed divestments.

Although the final outcome of CMA's review will not impact the ability of Iron Mountain and Recall to complete the implementation of the Scheme, no definitive view can be given as to the outcome of the regulatory review and the scope and timing of any divestitures required by the CMA with respect to Recall's UK business. As such, there is currently no assurance as to the amount of proceeds that Iron Mountain will receive in connection with these divestments.

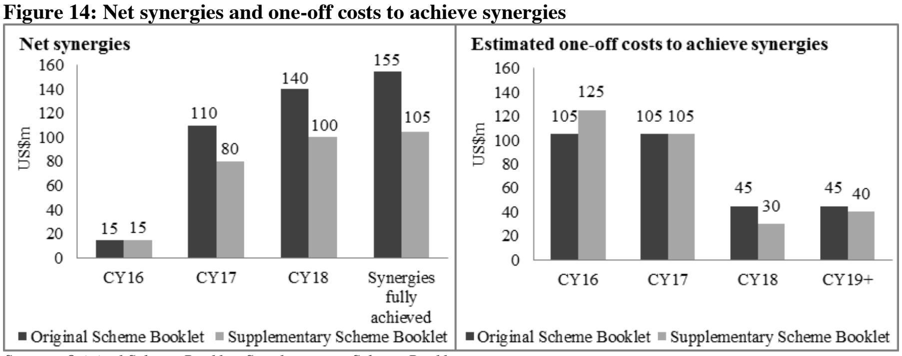
In addition, the proposed divestments will change the ultimate geographical and operational diversification of the Combined Group relative to that assumed in the Original Scheme Booklet. However as the expected net impact of the divestments is relatively small (approximately 3% of the Combined Group's revenue and OIBDA for CY15) the changes in the diversification of the Combined Group are unlikely to be significant.

6.2 Updated synergies and integration costs

A key benefit of the proposed acquisition of Recall by Iron Mountain is the potential to realise significant synergies. The level of synergies able to be achieved by participants in the information management industry is largely a function of the degree of geographic overlap and the opportunity to eliminate overhead costs and optimise facility utilisation. Whilst it is likely that other industry participants could achieve synergies of a similar nature to Iron Mountain, it is unlikely that they could achieve a similar level of gross synergies as none of them have the same degree of geographic overlap with Recall.

However, subsequent to our Original IER, the net synergies expected to be achieved from a combination of Recall and Iron Mountain have been revised downwards primarily as a result of the divestments occurring in markets and regions where Iron Mountain and Recall have greater overlap, whilst the associated one-off integration costs remained unchanged due, in part, to uncertainty regarding the costs to complete the divestments, as illustrated in the figure below.

Figure 14: Net synergies and one-off costs to achieve synergies



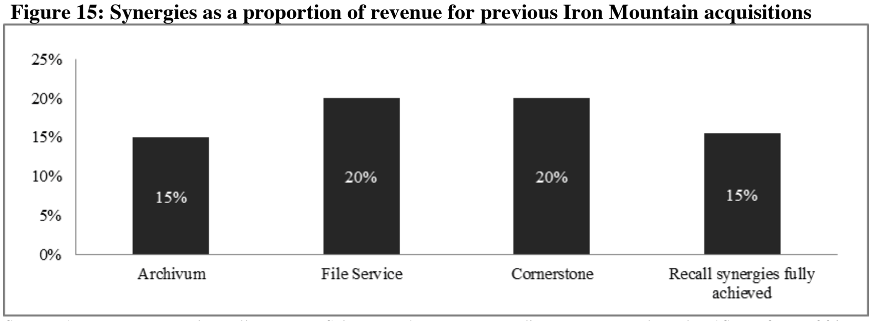
Source: Original Scheme Booklet; Supplementary Scheme Booklet
Note: CY16 numbers include integration expenses incurred in 2015

In relation to the updated expected synergies and integration costs, we note:

- *Quantum of synergies*. The Combined Group is expected to achieve approximately US$105 million in annual net synergies once synergies are fully achieved, representing approximately 4% of the Combined Group's pro forma CY15 operating expenses. The majority of these synergies relate to overhead and cost of sales reductions, and approximately 90% of the synergies are expected to be achieved in the first three years following implementation of the Scheme. When the transaction was initially announced in June 2015, Iron Mountain estimated potential annual net synergies of US$155 million, which was inclusive of an expectation to divest approximately US$30 million of annual OIBDA when synergies are fully realised. The synergy estimates have since been revised downwards to reflect the loss of potential synergies associated with the increased scope of divestments proposed to obtain the necessary competition approvals, and the impact of unfavourable foreign exchange rate movements. The quantum of synergies at US$105 million, notwithstanding the reduction, still remains significant
- *Dis-synergies*. The synergies quantified in the Supplementary Scheme Booklet are presented net of an allowance for:
  - potential revenue dis-synergies which may result from price reductions driven by the harmonisation of pricing arrangements for customers that are currently served by both Recall and Iron Mountain
  - proposed divestments required to obtain the necessary competition approvals for the Scheme, thereby resulting in a reduction in earnings upon formation of the Combined Group.

  To the extent that the impact from harmonisation of pricing arrangements or any required divestments is less than anticipated, net synergies would exceed the updated expectations presented in the Supplementary Scheme Booklet
- *Timing of synergies*. Synergies which are expected to be achieved shortly after formation of the Combined Group include overhead cost savings associated with integrating board, management and executive teams and consolidation of corporate head office functions. Synergies which are expected to be realised over the short to medium term include those relating to tax synergies and operating cost efficiencies through optimisation of facilities and logistic services. Synergies to be realised over the longer term include real estate synergies through consolidation of facilities, improved leasing terms due to the scale of the Combined Group and improved utilisation across the network
- *Proven ability of realising synergies*. In its previous acquisitions of Archivum Comercial Ltda., File Service S.A., and Cornerstone Records Management LLC, Iron Mountain realised synergies as a proportion of revenue at a similar or slightly higher level to that expected to be achievable through the Scheme. This is illustrated in the figure below.

Figure 15: Synergies as a proportion of revenue for previous Iron Mountain acquisitions



Source: 'Iron Mountain and Recall Enter into Scheme Implementation Deed', presentation released to ASX on 9 June 2015
Note: The ratio for the proposed Recall acquisition is based on expected fully achieved synergies of US\$105 million, divided by Recall's revenue for the 12 months to 31 December 2015 of US\$798 million, adjusted for the expected revenue loss of US\$120 million associated with the proposed divestments

Relative to Iron Mountain's previous acquisitions referenced above, the acquisition of Recall will provide additional synergies through eliminating costs associated with Recall being a listed company. However, Recall also generates significant revenues in geographical areas where there is little or no overlap with Iron Mountain, which reduces the synergy potential expressed as a proportion of total revenue relative to previous Iron Mountain acquisitions which were generally more fold-in acquisitions in nature. In addition, the level of synergies that can be achieved through site management depends on the existing rack and site utilisation as well as lease arrangements which will change with each acquisition. Further, whilst management has extensive experience with integrating acquisitions and realising synergies, Iron Mountain is yet to undertake a public acquisition of the scale of Recall and therefore the risks associated with realising the expected synergies may be higher as compared to the previous Iron Mountain acquisitions

- *Upside potential*. There may be the potential for synergies to be realised beyond those quantified above, including revenue synergies driven by an enhanced product and service offering and an increased ability to penetrate the global un-vended market, further reductions in real estate costs driven by further facility optimisation, and enhanced capabilities to accelerate development of new solutions and services in a more efficient manner than on a standalone basis
- *Integration costs*. The Combined Group is expected to incur a total of approximately US\$300 million in integration related one-off costs for synergies to be fully achieved. These costs have been categorised as 'cost to achieve' which include moving, racking and severance costs, and 'cost to integrate' which include the facilities upgrade program, REIT conversion and systems integration. These costs will include a mixture of operating expenses and capital expenditures and are expected to be debt financed as incurred. Despite a reduction in the expected synergies, integration cost estimates remain unchanged from those assumed in the Original Scheme Booklet. This implies that integration cost reductions as a result of the reduced scope of potential synergies are expected to be offset by higher costs to transact on the expected regulatory remedies as well as the cost to perform any transitional services as may be required to support the divested businesses during a reasonable transition period.

6.3 Updated earnings accretion

The implementation of the Scheme and realisation of synergies is still expected to generate significant earnings accretion for Iron Mountain across all relevant financial metrics, including adjusted EPS, and cash flow measured by normalised FFO and AFFO.

However, subsequent to our Original IER, the expected earnings accretion as a result of the reduced synergies has been revised downwards across all relevant financial metrics as summarised in the table below. The assumed reduction is primarily driven by the increased scope of divestments proposed to obtain the necessary competition approvals, but also reflects delays in expected synergy realisation due to deal timing as well as exposure to changes in foreign currency exchange rates, changes in commodity prices, and updated performance and expectations in relation to recently completed acquisitions.

Table 21: Accretion estimates (excluding purchase price accounting adjustments)

Metric	CY16	CY17	CY18	Synergies fully achieved
EPS (adjusted)				
Original Scheme Booklet	2%	20%	25%	26%
Supplementary Scheme Booklet	(0%)	14%	15%	16%
FFO (normalised)				
Original Scheme Booklet	0%	12%	15%	16%
Supplementary Scheme Booklet	3%	7%	7%	7%
AFFO				
Original Scheme Booklet	(2%)	8%	11%	13%
Supplementary Scheme Booklet	1%	6%	5%	6%

Source: Original Scheme Booklet; Supplementary Scheme Booklet
Note 1: Accretion figures above exclude the one-time costs to achieve and integrate, and therefore are considered 'normalised' accretion estimates
Note 2: Accretion estimates assume weighted average Iron Mountain Shares outstanding of 267 million at year end 2016, A$/US$ exchange rate of 0.74 and an effective tax rate of approximately 19%
Note 3: Accretion estimates are based on the Iron Mountain plan excluding any benefits from the Transformation Program and other initiatives

The above estimates do not include the impact of additional amortisation and depreciation as a result of the purchase price accounting. Inclusion of these items would reduce EPS and normalised FFO during these periods as set out in the Supplementary Scheme Booklet. The additional amortisation and depreciation represent expenses for accounting purposes and are non-cash in nature.

Recall Shareholders who receive the Standard Consideration, and continue to hold New Iron Mountain Shares or CDIs, will participate in the benefits arising from the realisation of earnings accretion by the Combined Group, including:

- potential for enhanced share price performance as integration milestones are met and realised synergies deliver earnings accretion
- capacity to grow future dividends
- additional cash being available to fund future investment in the Combined Group's operations and real estate holdings

- improved ability of the Combined Group to deleverage over time.

In addition, Iron Mountain communicated in October 2015 its intent to pursue further value enhancing initiatives (cost optimisation plan) beyond those associated with implementation of the Scheme, including:

- an updated transformation plan
- expanded multi-year plans for developed markets, emerging markets and adjacent businesses
- real estate portfolio expansion.

These initiatives, while independent of the Scheme, are expected to create approximately US$60 million of additional earnings by 2018 and a proportional increase in normalised FFO and AFFO.

7 Valuation of Recall

7.1 Summary

We have valued the equity in Recall in the range of US$1,677 million to US$1,877 million, which corresponds to a value of A$6.82 to A$7.64 per Recall Share at an exchange rate of 0.76 A$/US$. Our valuation assumes 100% ownership of Recall and therefore incorporates a control premium. Given the inclusion of a control premium, we would expect the valuation to be in excess of the value of Recall implied by its trading price in the absence of a takeover offer.

The assessed value for Recall reflects the estimated market value of Recall's business operations less net debt. Our valuation of Recall is summarised in the table below and detailed in the remainder of this section.

Table 22: Valuation summary

US$ million (unless otherwise stated)	Section reference	Value range Low	High
Value of business operations	7.2	2,300	2,500
Less: Net debt	7.3	(623)	(623)
Value of equity		**1,677**	**1,877**
Fully diluted shares on issue (millions)		323.3	323.3
Value per Recall Share (US$)		5.19	5.81
A$/US$ as at 29 Mar 2016		0.76	0.76
Value per Recall Share (A$)		**6.82**	**7.64**

Source: KPMG Corporate Finance analysis
Note: Table may not sum due to rounding

7.2 Value of business operations

7.2.1 Summary

As summarised in the table below, KPMG Corporate Finance has determined the enterprise value of Recall's business operations to be in the range of US$2,300 million to US$2,500 million.

Table 23: Valuation of business operations

US$ million	Section reference	Value range Low	High
Maintainable earnings (EBITDA)	7.2.2	200.0	200.0
EBITDA multiple (on a controlling basis)	7.2.3	11.5	12.5
Value of business operations		**2,300**	**2,500**

Source: KPMG Corporate Finance analysis

The valuation of Recall's business operations was determined using a Capitalised Earnings approach, based on a maintainable EBITDA of US$200 million and a capitalisation multiple of 11.5 to 12.5 times. The basis for each of these assumptions is discussed in the sections below, whilst our adopted methodology is detailed in Section 10.2 of our Original IER.

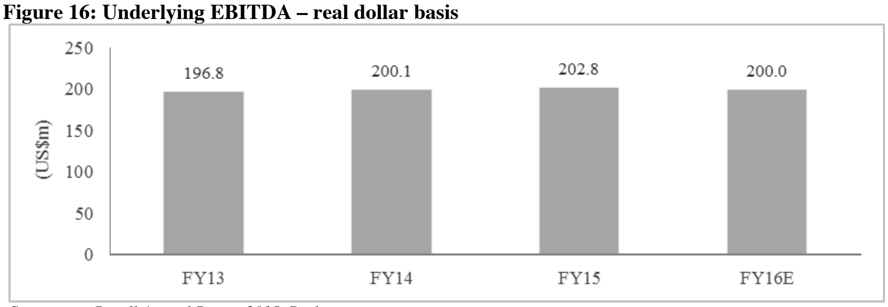
The selected EBITDA multiple range factors in a control premium, and hence the enterprise value of Recall's business operations has been determined on a controlling basis.

7.2.2 Maintainable earnings

Maintainable earnings represents the level of earnings that the business can sustainably generate in the future. We consider an EBITDA level of US$200 million to represent a reasonable proxy for Recall's maintainable earnings, which is consistent with the current median broker consensus forecast for FY16. In making this assessment, we have had regard to the factors outlined in our Original IER and the following subsequent developments:

- *release of results for 1H16*. On 29 February 2016, Recall announced its interim results for the six months to 31 December 2015, reporting an underlying EBITDA on a constant and real dollar basis of US$107.0 million and US$91.4 million respectively. The general strengthening of the US dollar against all key currencies persisted into 1H16, creating a negative EBITDA impact of approximately US$15.6 million, a reduction of approximately 14.6%. The financial performance of Recall was slightly below management's initial full year guidance on a constant currency basis. The slower growth reflects constraint in acquisition activity in order to assist the competition approval process and delays in client decision-making due to the uncertainty associated with the Iron Mountain transaction. The lack of margin leverage was attributed to the delay in realisation of synergy benefits on lower margin acquisitions and the temporary duplication of occupancy costs under the facility optimisation programs
- *acquisitions*. Despite the deliberately slowed acquisition activity, Recall has completed six acquisitions to date in FY16, with a combined purchase price of approximately US$56 million. The acquisitions are expected to generate annualised revenue of approximately US$28 million of which approximately US$19 million is expected to be recorded in FY16. However, delays in the realisation of synergy benefits on lower margin acquisitions have created short term profitability headwinds
- *updated guidance*. Recall continues to pursue its long-term strategy as set out in our Original IER. However, Recall revised its financial guidance for FY16 and now expects the business to deliver, on a constant currency basis, revenue growth approaching high single digits and EBITDA growth in line with revenue growth. The guidance was downgraded as part of the release of Recall's financial performance for 1H16, from previous estimates of double digit revenue growth and EBITDA growth at least in line with revenue growth. The lower guidance is associated with deliberately slowed acquisition activity to assist the competition approval process associated with the Scheme
- *updated broker estimates*. Subsequent to the release of Recall's results for 1H16 and its updated guidance, brokers have updated their financial forecasts for Recall, which resulted in a reduction of the EBITDA forecast for FY16 from US$220 million (as at the date of our Original IER) to US$200 million based on the current median broker consensus forecast. The reduction primarily accounts for unfavourable currency effects and the slowdown in growth associated with the delays in implementing the Scheme. Nevertheless, the updated consensus EBITDA forecast for FY16 is consistent with the relatively stable level of earnings generated by Recall over the last three financial years as illustrated in the figure below.

Figure 16: Underlying EBITDA – real dollar basis



Source: Recall Annual Report 2015, Broker reports
Note 1: Underlying EBITDA for FY14 and FY15 excludes SDS Germany
Note 2: Underlying EBITDA for FY16 represents the median of broker forecasts

- *facility optimisation programs*. Recall is currently executing two facility optimisation programs which are intended to improve the utilisation of its facilities and in turn the profitability of its business. However, temporary duplication in capacity to facilitate carton moves required by the facility optimisation programs have created short term profitability headwinds. Nevertheless, FOP 1 is expected to realise an annualised EBITDA benefit of US$9.4 million upon completion in December 2016, of which approximately US$7 million is expected to be recorded in FY16. FOP 2 will only contribute minimal benefits in FY16, but upon completion in September 2017, an annualised EBITDA benefit of US$6.5 million is expected
- *growth outlook*. Recall's underlying EBITDA has been relatively flat over recent years, primarily driven by unfavourable currency effects and, more recently, temporary headwinds created by the delays in implementing the Scheme and as a result of the facility optimisation programs. However, we consider there continues to be a number of factors that indicate potential for upside in the absence of the Scheme, including inorganic growth options provided by the highly fragmented information management industry, the higher growth potential of the emerging markets in which Recall operates and the potential for margin improvement driven by the introduced facility optimisation programs and further initiatives identified as part of Recall's strategic plan. These factors, as well as any potential downside risks to future profitability, such as the trend to increased digitisation and a further strengthening of the US Dollar, have been captured in our selection of the appropriate multiple by reference to the growth profile expected for comparable companies.

We note that we have not adjusted maintainable earnings for potential cost savings associated with being a publicly listed company and/or duplicated head office functions which are available to any acquirer of 100% of Recall, as these types of general synergies are commonly subsumed within a premium for control that we have incorporated in our selection of the appropriate multiple.

7.2.3 EBITDA multiple

The multiple applied in a Capitalised Earnings methodology should reflect the return expected by an investor in the business. Returns are dependent on various factors including a business' operational risks, growth profile, profitability, size and external environment, amongst others.

In selecting the multiple range to be applied, consideration is generally given to market evidence derived from listed comparable companies and recent transactions involving comparable businesses/assets, with an appropriate adjustment to reflect the specific characteristics of the business being valued.

We have detailed in our Original IER the factors we have considered in determining an appropriate multiple range for assessing the value of Recall's business operations and therefore, we have focussed our analysis on any changes in those factors over the period subsequent to our Original IER in order to assess whether an adjustment to our original EBITDA multiple range of 11.5 to 12.5 times may be warranted.

Consideration of updated market evidence

The updated EBITDA multiples for the listed comparable companies identified in our Original IER are summarised below and set out in more detail in Appendix 2.

Multiples based on share prices of listed comparable companies reflect the value of portfolio interests in the underlying company and are commonly assumed to exclude a premium for control.

Table 24: Sharemarket evidence

Company	Geographic focus	Market Cap US$m	Revenue growth NTM	EBITDA growth NTM	EBITDA margin NTM	EBITDA multiple[1] LTM	EBITDA multiple[1] NTM
Recall[2]	Global	1,732	3.8%	7.5%	25.1%	12.2	11.3
Iron Mountain	Global	7,086	1.0%	3.9%	31.5%	12.9	12.4
Freightways Limited	ANZ	654	5.4%	3.7%	19.8%	11.7	11.3
Restore PLC	UK	411	26.4%	35.7%	23.4%	17.1	12.8

Source: S&P Capital IQ (data as at 29 March 2016); KPMG Corporate Finance analysis
Note 1: EBITDA multiples defined as Enterprise Value (the gross capitalisation comprising the sum of the market capitalisation adjusted for minority interests, preferred equity, plus borrowings less cash) divided by EBITDA
LTM = Last Twelve Months, NTM = Next Twelve Months
Note 2: The NTM figures of Recall are based on the average of the median broker consensus forecasts for FY16 and FY17

In relation to the table above, we note:[16]

- overall, global equity markets have experienced an increased level of volatility over the period subsequent to our Original IER. Nevertheless, the current levels of the broader sharemarket indices in the US and Australia are relatively similar to those at the date of our Original IER
- we continue to consider Iron Mountain to be the most comparable company, particularly in terms of operational and geographical diversification. Iron Mountain's current EBITDA multiples are broadly similar to those at the date of our Original IER. However, due to its REIT status, Iron Mountain's EBITDA multiples cannot be directly applied to Recall without appropriate adjustment. Based on our analysis of the sharemarket evidence as set out in our Original IER, we would expect Iron Mountain to trade in the current market environment at an implied LTM EBITDA multiple of around 10 to 11 times in the absence of REIT conversion and takeover speculation. Within this range we consider the key driver to be the growth prospects attributed to Iron Mountain by the market, which have slightly

[16] Further commentary in relation to the EBITDA multiples observed for the identified listed comparable companies is set out in our Original IER, including a historic analysis of the change in multiples over time.

deteriorated since our Original IER (based on updated broker consensus forecasts) primarily driven by the continued headwinds from unfavourable foreign currency fluctuations

- the movement in Recall's implied multiples since the in-principle agreement with Iron Mountain is primarily driven by the share price performance of Iron Mountain (due to the scrip based nature of the Scheme), which has also been affected by the competition concerns raised by regulators in relation to the Scheme and associated uncertainty as to whether the initially announced synergies were still achievable. The increase in Recall's implied multiples relative to those set out in our Original IER is a result of the continued effect of unfavourable foreign currency fluctuations which impact the earnings and outlook of Recall. Prior to the emergence of takeover speculation on 30 September 2014, Recall traded at an implied LTM EBITDA multiple in the range of approximately 9 to 10 times as analysed in our Original IER. At the time, Recall's earnings and growth prospects on a real dollar basis as well as the broader sharemarket indices in the US and Australia were at levels similar to those at present
- Restore and Freightways continue to be less comparable, particularly in terms of size, operational and geographical diversification, and in Restore's case also in terms of growth prospects. Further, Restore's LTM EBITDA multiple is less meaningful given Restore has recently completed a relatively sizeable acquisition (as detailed below) that is not fully reflected in its underlying historic earnings base.

The price paid in transactions is widely considered to represent the market value of a controlling interest in the company. The difference between the value of a controlling interest and a minority interest (as implied by the share price) is referred to as a premium for control.

We have updated our search for transactions involving companies operating in the information management industry and only identified one comparable transaction in addition to those discussed in our Original IER where sufficient information was publicly available to derive an implied EBITDA multiple.

On 8 December 2015, Restore completed the acquisition of the records management business of Wincanton plc, Wincanton Records Management (WRM), for cash consideration of £57.3 million at an implied historic EBITDA multiple of 10.6 times[17] (after central support charges). WRM was a trading subdivision of Wincanton plc and provides document management, scanning and shredding services. WRM is one of the largest UK records management companies, which also has a significant presence in Ireland. Subsequently, on 10 March 2016, Restore completed the disposal of the Irish assets of WRM to Offsite Archive Storage and Integrated Services (Ireland) Limited for cash consideration of £27.8 million. The Irish assets contributed approximately 47% of WRM's EBIT (before central support charges) of £4.9 million for the 12 months to 31 March 2015.

The implied multiple of the WRM acquisition is consistent with the implied EBITDA multiple range observed for the smaller transactions of 8.0 to 10.7 times as identified in our Original IER and disclosed in Appendix 2. However, given Recall's size and geographical diversification, including its exposure to higher growth emerging markets, we would expect an appropriate EBITDA multiple for Recall's business operations (on a controlling basis) to concentrate around the higher end of the multiple range observed for

[17] Equivalent to an implied historic EBITDA multiple of 8.4 times before central support charges

the comparable transactions disclosed in Appendix 2 and further discussed in Section 10.3.3 of our Original IER.

Company specific considerations

In addition to the company specific considerations set out in our Original IER, we have taken into account the following subsequent developments in determining an appropriate EBITDA multiple for Recall:

- although brokers have reduced their forecasts for Recall to account for continued unfavourable currency effects and the slowdown in growth associated with the delays in implementing the Scheme, Recall is still expected to provide favourable growth prospects over the short to medium term. Our Original IER outlined the key factors contributing to Recall's growth prospects to which we add the following comments:
  - the experienced slowdown in growth in 1H16 primarily related to deliberately slowed acquisition activity to assist the competition approval process as well as delays in client decision-making due to the uncertainty associated with the Iron Mountain transaction, both of which are temporary in nature and would not have occurred in the absence of the Scheme
  - Recall still has considerable debt capacity available to fund inorganic growth opportunities supported by its relatively low gearing, albeit the headroom in covenants has decreased since 30 June 2015, compounded by unfavourable exchange rate movements
  - Recall is on track to deliver the margin improvements associated with the two facility optimisation programs. However, temporary duplication in capacity to facilitate carton moves required by the facility optimisation programs have created profitability headwinds, which again are only short term in nature.
- Relative to Iron Mountain, Recall has a larger exposure to earnings volatility driven by foreign exchange rate fluctuations, due to its high geographical diversification. This is evidenced by Recall's results for 1H16, as the continued strengthening of the US dollar against all key currencies created a negative EBITDA impact of approximately US$15.6 million, a reduction of approximately 14.6%.

Control premium considerations

When assessing the available market information to determine a value for Recall on a controlling interest basis, it is necessary to consider an appropriate control premium to apply. We consider an appropriate control premium to be around the upper end of the 20% to 35% range (on an equity value basis) typically observed in successful takeovers in Australia, having regard to the factors set out in our Original IER, which continue to apply.

Selected multiple range

On balance, having regard to the factors detailed above in combination with those set out in our Original IER, and including a premium for control, we consider an appropriate EBITDA multiple for Recall's business operations remains in the range of 11.5 to 12.5 times.

In incorporating an appropriate premium for control in accordance with RG 111, we have only considered those synergies and benefits which would be available to more than one potential purchaser (or a pool of potential purchasers) of Recall. As such, we have not included the value of special benefits that may be unique to Iron Mountain. Accordingly, our valuation of Recall has been determined without regard to the specific bidder.

7.3 Net debt

Recall's net debt for valuation purposes is US$623.2 million as set out in the table below.

Table 25: Net debt

US$ million	31-Dec-15
Total debt[1]	782.6
Less: Cash	(159.4)
Net debt	**623.2**

Source: Recall Interim Financial Report for the half year ended 31 December 2015
Note 1: Excludes capitalised borrowing costs of US$5.3 million

7.4 Other considerations

Surplus assets and liabilities are those assets and liabilities not required to sustain the adopted level of maintainable earnings. Based on our discussions with Recall management, we are not aware of any material surplus assets or liabilities that require consideration in our valuation of Recall.

7.5 Valuation cross-check

Consistent with our Original IER, we have applied the following high-level cross-checks to support the robustness of our valuation of Recall derived from our primary Capitalised Earnings methodology:

- high-level DCF analysis
- share price analysis.

Section 10.6 of our Original IER details the approach and key assumptions underlying our applied valuation cross-checks.

In updating our cross-check analysis for the purposes of this report, we made the following key observations:

- our assessed US dollar value range for Recall's business operations derived from our primary Capitalised Earnings methodology has not changed significantly compared to our Original IER
- the key assumptions underlying our high-level DCF analysis have not changed significantly over the period subsequent to our Original IER
- the broader sharemarket indices in the US and Australia are currently trading at levels broadly similar to those prevailing at the date of our Original IER
- Recall's growth prospects and financial performance (in terms of underlying EBITDA on a real dollar basis) have not changed significantly since initial speculation about a potential transaction with Iron

Mountain arose on 30 September 2014, when considering the headwinds created by the delays in implementing the Scheme are temporary in nature and would not have occurred in the absence of the Scheme.

Consistent with the above observations, the resultant value range under both our updated high-level DCF analysis and our updated high-level share price analysis in our view supports our assessed valuation of Recall derived from our primary Capitalised Earnings methodology and therefore we consider our valuation of Recall to be reasonable.

8 Valuation of the Standard Consideration

8.1 Summary

Under the terms of the Scheme, Recall Shareholders (other than those that elect the Cash Alternative) will receive the Standard Consideration, comprising:

- the Australian dollar equivalent of US$0.50 in cash, plus
- 0.1722 New Iron Mountain Securities

for each Recall Share held on the Record Date.

Recall Shareholders who elect the Cash Alternative will receive a total of A$8.50 cash for each Recall Share held on the Record Date, subject to the Cash Pool and the Scale Back Mechanism.

We have attributed a value to the Standard Consideration of A$7.23 to A$8.36 per Recall Share based on a value range for Iron Mountain Shares (on a minority interest basis) of US$29.00 to US$34.00 and an exchange rate of 0.76 A$/US$ as set out below.

Table 26: Valuation of the Standard Consideration

US$ (unless otherwise stated)	Section reference	Value range Low	Value range High
Value per Iron Mountain Share (minority interest basis)	8.2	29.00	34.00
Exchange ratio	1	0.1722	0.1722
Value of the scrip component of the Standard Consideration		4.99	5.85
Add: Cash component of the Standard Consideration	1	0.50	0.50
Value of Standard Consideration		5.49	6.35
A$/US$ as at 29 Mar 2016		0.76	0.76
Value of Standard Consideration (A$)		**7.23**	**8.36**

Source: KPMG Corporate Finance analysis

As indicated in our Original IER, the value of the Standard Consideration under the Scheme will vary with movements in the Iron Mountain share price and fluctuations in the A$/US$ exchange rate. Accordingly, until the New Iron Mountain Securities are issued under the Scheme, Recall Shareholders who elect to receive the Standard Consideration or are subject to the Scale Back Mechanism are exposed to changes in overall equity market conditions, fluctuations in the A$/US$ exchange rate and company specific events that may affect the Iron Mountain share price. Table 3 included in Section 2.1 of this report illustrates the sensitivity of the implied value of the Standard Consideration to changes in the Iron Mountain share price and the A$/US$ exchange rate.

8.2 Analysis of trading in Iron Mountain Shares

We consider the approach in determining our valuation range for the Standard Consideration as set out in our Original IER remains appropriate. In utilising the post announcement market price of Iron Mountain Shares as a basis for estimating the value of the scrip component of the Standard Consideration, we have re-considered the following, focussing on those factors subsequent to the date of our Original IER:

- the recent trading in Iron Mountain Shares

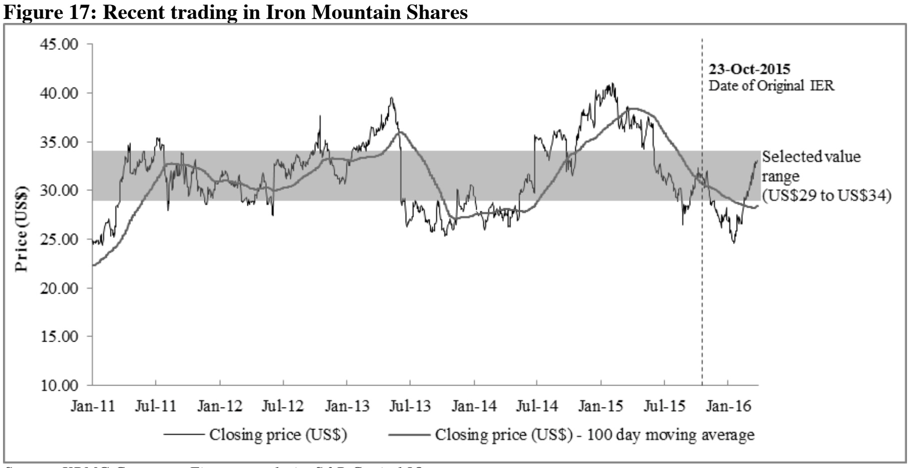
- the performance of Iron Mountain Shares relative to the market
- the liquidity and VWAP of Iron Mountain Shares
- the publicly available information in relation to Iron Mountain and the Scheme
- the potential impact of the Scheme on Iron Mountain
- other factors which we consider relevant to assessing the value of Iron Mountain Shares.

Our updated analysis of each of these factors is outlined below.

Recent trading in Iron Mountain Shares

The historical trading prices of Iron Mountain Shares for the period from 4 January 2011 to 29 March 2016 are illustrated below, together with our selected value range of US$29 to US$34.

Figure 17: Recent trading in Iron Mountain Shares



Source: KPMG Corporate Finance analysis; S&P Capital IQ

With regard to the above analysis, we note in relation to the period subsequent to our Original IER:[18]

- Iron Mountain is a NYSE listed entity and a member of major indices, including the S&P 500 Index, the MSCI REIT Index and a number of FTSE NAREIT indices. Iron Mountain's share price performance since the date of our Original IER is discussed in Section 5.5 of this report
- Iron Mountain's share price closed at US$33.50 on 29 March 2016, representing a 7.9% increase to the level recorded at the date of our Original IER (US$31.06 on 23 October 2015). However, the volatility in Iron Mountain's share price was significantly higher than the volatility observed for major indices over the period subsequent to our Original IER. The increased volatility is likely to be

[18] Commentary on the period prior to 23 October 2015 is included in our Original IER.

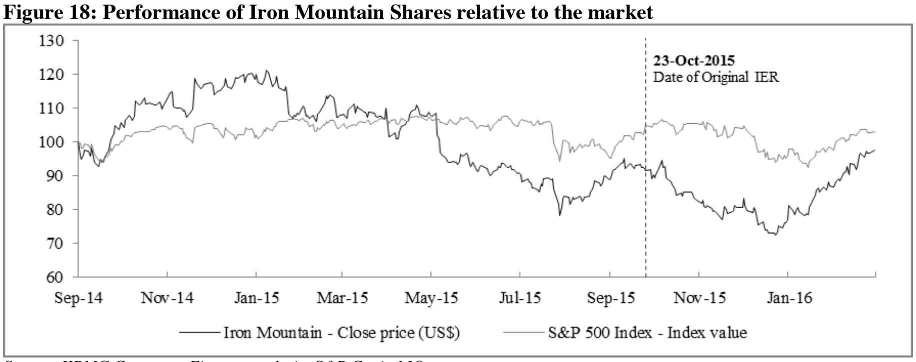
attributed to the uncertainties associated with the regulatory approvals required for implementation of the Scheme, including whether the previously announced synergies were still achievable. Concerns regarding the impact of rising interest rates have further contributed to volatility, particularly in relation to US REIT stocks

- with the announcement of the competition concerns raised by the ACCC in relation to Iron Mountain's proposed acquisition of Recall on 5 November 2015, Iron Mountain's share price commenced a downward trend which was compounded by the general downturn in global equity markets. The negative market sentiment deteriorated further when the CMA announced on 30 December 2015 its decision to refer Iron Mountain's proposed acquisition of Recall for an in-depth (phase 2) investigation
- co-inciding with the recent general recovery in global equity markets, Iron Mountain's share price commenced the recovery from its low of US$24.56 on 20 January 2016, supported by solid earnings announcements, including a stabilisation in the margins of its services business, and statements by Iron Mountain indicating the continued progress in obtaining the necessary competition approvals.

Performance of Iron Mountain Shares relative to the market

The following figure illustrates the performance of Iron Mountain Shares relative to the S&P 500 Index for the period from 29 September 2014 (the day prior to when initial market speculation arose regarding a potential transaction between Recall and Iron Mountain) to 29 March 2016.

Figure 18: Performance of Iron Mountain Shares relative to the market



Source: KPMG Corporate Finance analysis; S&P Capital IQ

With regard to the above analysis, we note in relation to the period subsequent to our Original IER:[19]

- between 23 October 2015 and 20 January 2016, Iron Mountain underperformed the S&P Index by approximately 10.5%, which we consider to be largely attributed to the competition concerns raised by regulators in relation to Iron Mountain's proposed acquisition of Recall and associated uncertainty as to whether the previously announced synergies were still achievable. Concerns regarding the

[19] Commentary on the period prior to 23 October 2015 is included in our Original IER.

impact of rising interest rates have further contributed to negative market sentiment, particularly in relation to US REIT stocks

- more recently, Iron Mountain shares recovered from their low of $24.46 on 20 January 2016, supported by solid earnings announcements including a stabilisation in the margins of its services business, combined with a general recovery in global equity markets. The share price of Iron Mountain closed at US$33.50 on 29 March 2016, outperforming the S&P 500 Index by approximately 8.8% over the period subsequent to our Original IER
- Iron Mountain continues to be on track to deliver the proposed benefits of its Transformation Program and to improve the margins of its services business, which will provide further support for Iron Mountain's share price over the near term.

Liquidity and VWAP of Iron Mountain Shares

The trading liquidity and VWAP of Iron Mountain Shares is summarised below for the 12 months to 29 September 2014 (the day prior to when initial market speculation arose regarding a potential transaction between Recall and Iron Mountain), and for the 12 months to 29 March 2016.

Table 27: Liquidity and VWAP of Iron Mountain Shares

Period	Price (low) US$	Price (high) US$	Price VWAP US$	Cumulative value US$m	Cumulative volume m	% of issued capital
Period ended 29 March 2016						
1 week	32.38	33.52	32.88	127.4	3.9	1.8
1 month	29.16	33.52	31.49	808.3	25.7	12.1
3 months	23.64	33.52	28.31	2,302.9	81.3	38.5
6 months	23.64	33.52	29.06	5,276.5	181.6	86.0
12 months	23.64	38.49	30.91	12,265.5	396.8	188.2
Period ended 29 September 2014						
1 week	31.17	36.15	33.93	740.0	21.8	11.3
1 month	31.17	37.10	34.79	1,430.7	41.1	21.3
3 months	31.17	37.10	34.73	3,602.1	103.7	53.7
6 months	25.95	37.10	32.32	7,274.1	225.1	116.9
12 months	25.03	37.10	30.00	13,401.4	446.7	232.8

Source: S&P Capital IQ; KPMG Corporate Finance analysis

With regard to the above analysis, we note:

- the percentage of Iron Mountain Shares which was traded during the 12 months to 29 March 2016 indicates that there is sufficient liquidity in the market for these securities to suggest that recent performance and expectations are reflected in current trading prices
- the trading liquidity in Iron Mountain Shares remained at similar levels pre and post the date when initial market speculation arose regarding a potential transaction between Recall and Iron Mountain. Accordingly, there is nothing to indicate any specific abnormal trading in Iron Mountain Shares associated with the takeover speculation or subsequent takeover offer for Recall
- on 29 March 2016, trading in Iron Mountain Shares closed at a price of US$33.50, with the 3 month and 12 month VWAP to 29 March 2016 ranging from US$28.31 to US$30.91. By comparison the

range observed for the 3 month and 12 month VWAP to 29 September 2014 (prior to commencement of takeover speculation) was $30.00 to $34.73.

Publicly available information in relation to Iron Mountain and the Scheme

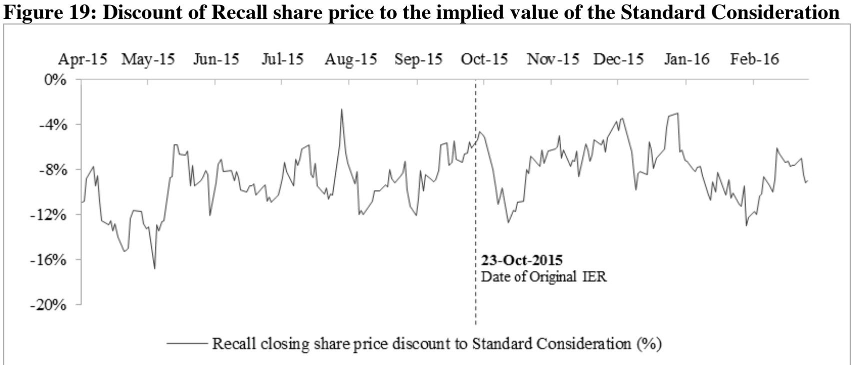
We continue to consider there to be sufficient information available in the public domain to enable a well-informed market to form a rational view on pricing for Iron Mountain Shares, as indicated by the factors set out in our Original IER associated with disclosure requirements of a publicly listed entity, disclosure in relation to the Scheme, and broker coverage.

Impact of the Scheme on Iron Mountain

As indicated in our Original IER, we consider there to be upside potential in Iron Mountain Shares from their current trading level as the uncertainty perceived by the market in relation to the implementation and benefits of the Scheme reduces.

Implementation of the Scheme is subject to, amongst other factors, regulatory clearance from competition authorities in the US, Canada, Australia and the UK. Whilst the Supplementary Scheme Booklet, once published, will further inform the market about the divestments expected to be required in order to obtain the respective competition approvals for implementation of the Scheme, in the absence of any further regulatory announcements in the meantime, uncertainty will remain in the market as to whether the competition approvals can be obtained and whether any required divestments will be acceptable. Accordingly, we consider it unlikely that the market would currently attribute full value to the net benefits associated with the Scheme until acceptable competition approvals are obtained and communicated. The impact of the perceived implementation risks of the Scheme on current trading prices can also be observed for Recall Shares by comparison to the implied value of the Standard Consideration, as illustrated below.

Figure 19: Discount of Recall share price to the implied value of the Standard Consideration



Source: S&P Capital IQ; KPMG Corporate Finance analysis

Since the announcement on 29 April 2015 of the in-principle agreement between Recall and Iron Mountain, Recall's share price has traded at an average discount of approximately 8.7% to the implied value of the Standard Consideration, calculated based on Iron Mountain's share price and the prevailing

A$/US$ exchange rate. It is also noted that the discount increased significantly immediately after the competition concerns were announced by the ACCC and the CMA. Once competition approvals are obtained and communicated, we expect both Recall and Iron Mountain Shares to benefit from a market re-rating.

However, whilst Iron Mountain still expects to achieve a substantial US$105 million in annual net synergies from a combination with Recall (once synergies are fully achieved), the expected value of synergies has deteriorated from the original estimate of US$155 million primarily driven by the increased level of divestments expected to be required to obtain the necessary competition approvals. Whilst the reduction in synergy estimates will deteriorate the value to be generated from a combination with Recall in the long term, the overall level of synergies remains significant. We also consider it likely that the market places less weight on the value of synergies when determining the market price for Iron Mountain Shares in the short to medium term given the substantial amount of time and costs expected to be required to realise the potential synergies.

Despite this, we consider the timing and quantum of synergies expected by Iron Mountain to be potentially conservative, having regard to:

- the fact that a significant proportion of the synergies relate to overhead costs, which will be achieved through the rationalisation of corporate head office and senior management functions. These costs should be able to be eliminated relatively soon after implementation of the Scheme, and therefore may be realised earlier than current expectations suggest
- there may be potential for synergies to be realised in excess of the expected US$105 million per annum, including revenue synergies driven by an enhanced product and service offering and an increased ability to penetrate the global un-vended market, further reductions in real estate costs driven by further facility optimisation, and enhanced capabilities to accelerate development of new solutions and services in a more efficient manner than on a standalone basis
- in its rejection of the initial takeover offer by Iron Mountain on 15 December 2014, Recall management estimated US$250 million of synergies to be achievable from a combination with Iron Mountain, which was significantly higher than the US$155 million of synergies originally estimated by Iron Mountain.

Other factors

In June 2015, Iron Mountain announced its Transformation Program which aims to drive significant reductions in overhead expenses. As part of its full year results for CY15, Iron Mountain announced that the program incurred US$10.2 million of transformation related charges in CY15, with a further net US$7 million of charges expected to be incurred in the first quarter of CY16. The program achieved a US$50 million run-rate of savings in 2015, which is expected to be fully realised in 2016. Ultimately, the program is expected to deliver US$125 million of cumulative savings by 2017.

In addition, Iron Mountain communicated in October 2015 its intent to pursue further value enhancing initiatives beyond those associated with implementation of the Scheme, including expanded multi-year plans for developed markets, emerging markets and adjacent businesses, as well as the expansion of its real estate portfolio.

These initiatives, while independent of the Scheme, are expected by Iron Mountain to further enhance the earnings and cash flows of the Combined Group beyond the earnings accretion expected from the Recall acquisition. Whilst it is unlikely that the current trading price of Iron Mountain would fully reflect the benefits expected from these initiatives prior to any evidence of substantial project milestones being achieved, these initiatives should provide further support for Iron Mountain's current trading levels, and in turn our selected valuation range for Iron Mountain Shares.

Conclusion

Upon implementation of the Scheme, the scrip consideration received by Recall Shareholders will represent minority interests in Iron Mountain. It is common practice to utilise the post announcement market price as a basis for estimating the value of an offer with a scrip component, as that represents the value at which Recall Shareholders can realise their interest post completion of the Scheme.

About 18 months have lapsed since initial market speculation arose regarding a potential transaction between Recall and Iron Mountain. During this time, trading in Iron Mountain Shares has been impacted by:

- the release of its financial results for CY14 and CY15, as well as its guidance for CY16
- market uncertainty as to whether the Scheme will obtain the required approvals to be implemented
- uncertainty over the expected impacts associated with the Scheme, particularly with regard to the value of expected synergies and the associated timing and cost of realising them.

Nevertheless, there is no evidence to suggest that the Iron Mountain share price does not reflect the rational view of an informed market or that Iron Mountain is trading on a basis relative to its listed peers that is not sustainable (as analysed in Section 8.3.1 below). Further, both Iron Mountain and Recall are relatively transparent entities and broadly followed by brokers. There has been sufficient time and information available for the market to assess the Scheme and its expected implications for Iron Mountain.

On balance, we consider an Iron Mountain share price in the range of US$29.00 to US$34.00 on a minority interest basis to be a reasonable estimate in current market conditions for the purposes of assessing the fairness of the Scheme.

Whilst the low end of our selected valuation range broadly reflects the recent trading in Iron Mountain Shares (based on a 6 months VWAP to 29 March 2016 of US$29.06), we also recognise the upside potential in Iron Mountain's Shares from their recent trading level as we consider:

- the market is unlikely to attribute full value to the net benefits expected from the Scheme until competition approvals are obtained, communicated and benefits are realised, albeit this upside potential is reduced by the extent to which the market has not already factored in the deterioration of expected synergies driven by the increased level of divestments required to obtain the necessary competition approvals
- the quantum of expected synergies expected by Iron Mountain is still significant and there remains potential upside

- whilst independent of the Scheme, the benefits expected from the initiatives announced in the second half of 2015, including the Transformation Program, are unlikely to be fully reflected in the trading price of Iron Mountain until substantial project milestones being achieved.

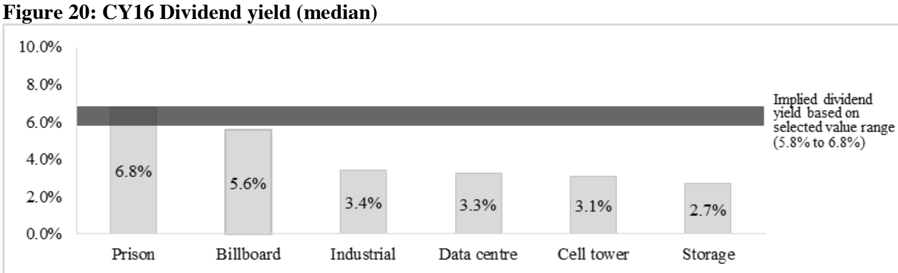
Our selected valuation range for Iron Mountain Shares is also supported by the current target prices of brokers covering Iron Mountain as analysed in Section 8.3.2 below.

8.3 Valuation cross-check

8.3.1 Comparison to listed US REITs

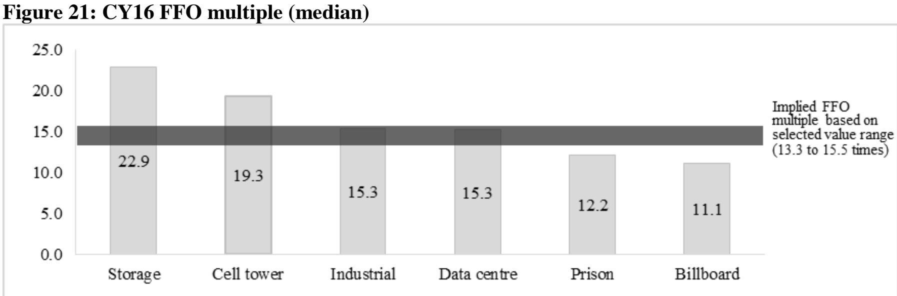
In order to cross-check our selected valuation range for Iron Mountain Shares, we have compared the implied valuation metrics (in terms of dividend yield, FFO and AFFO multiples) to market evidence derived from various categories of US listed REITs. Based on this analysis, the valuation metrics implied by our selected valuation range for Iron Mountain Shares falls within the range observed for the various categories of US listed REITs, as illustrated below.

Figure 20: CY16 Dividend yield (median)



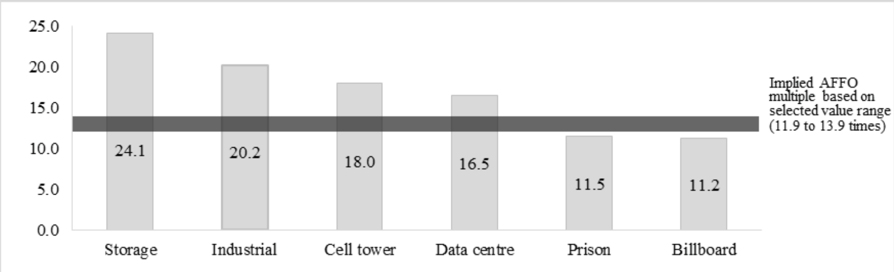
Source: KPMG Corporate Finance analysis; S&P Capital IQ

Figure 21: CY16 FFO multiple (median)



Source: KPMG Corporate Finance analysis; S&P Capital IQ

Figure 22: CY16 AFFO multiple (median)



Source: KPMG Corporate Finance analysis; S&P Capital IQ

With regard to the above comparisons, we note:[20]

- all US listed REITs have announced their full year financial results for CY15 subsequent to our Original IER and brokers have updated their earnings and cash flow forecasts for the respective US listed REITs based on this new information. Whilst the forecast multiples presented in our Original IER were based on broker consensus forecasts for CY15 (comprised of six months of actuals and forecasts respectively), the updated forecast multiples presented above are based on broker consensus forecasts for CY16 (comprising 12 months of forecasts). This increase in the forward looking nature of the presented multiples has generally led to an increase in dividend yields and a decrease in FFO/AFFO multiples relative to the levels set out in our Original IER. On a like-for-like comparison basis multiples would have remained at similar levels. Details of each REIT category, together with the individual REITs included in each category, are set out in Appendix 2
- given the similarities outlined in our Original IER in terms of business model and associated risk profile, the nature of the underlying facilities and the characteristics of the customer relationship, we continue to consider Iron Mountain to be most closely comparable to data centre REITs. The FFO and AFFO multiple implied by our selected valuation range for Iron Mountain Shares is not inconsistent with the multiples observed for data centre REITs.

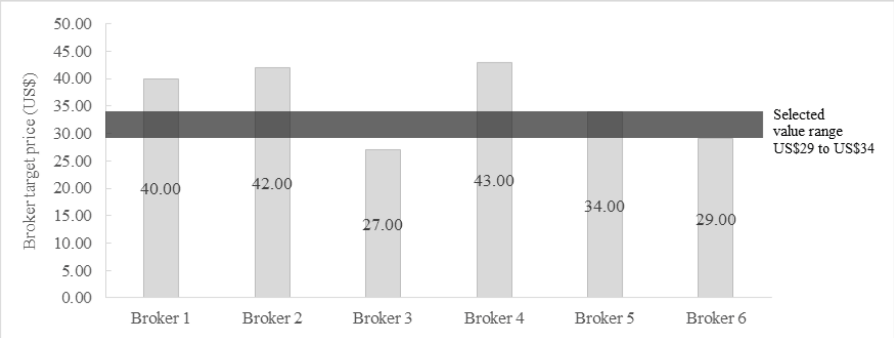
Based on the analysis outlined above and in our Original IER, we consider that the market evidence derived from various categories of US listed REITs supports our selected valuation range for Iron Mountain Shares.

[20] Further commentary in relation to the comparability of Iron Mountain to the various REIT categories is included in our Original IER.

8.3.2 Comparison to broker target prices

As a final valuation cross-check, we have compared our selected valuation range for Iron Mountain Shares to current broker target prices. This comparison is illustrated below.

Figure 23: Broker target prices



Source: Broker reports; KPMG Corporate Finance analysis

With regard to the above comparison, we note:

- the target prices have been sourced from the latest available broker reports. Except for Broker 3, all reports were published after Iron Mountain's release of its full year results for CY15 on 25 February 2016 and therefore, we consider that these target prices reflect the most recent financial information publicly available for Iron Mountain
- none of the brokers changed their target prices subsequent to our Original IER, albeit the range in target prices is relatively wide, ranging from US$27 to US$43, with a median target price of US$37. Our selected valuation range falls within the lower end of the range of broker target prices
- at its closing price on 29 March 2016 of US$33.50, Iron Mountain is trading below the median broker target price of US$37. However, it is noted that target prices represent forward looking 12 month targets
- it is unclear to what extent the brokers have reflected the estimated impacts of the Scheme in their target prices (particularly in relation to expected synergy and accretion benefits, and the associated costs and risks relating to implementation and integration).

Whilst our selected valuation range for Iron Mountain Shares sits at the lower end of the broker target price range, we consider it appropriate given the current trading levels of Iron Mountain Shares and the forward looking nature of broker target prices.

Appendix 1 – KPMG Corporate Finance Disclosures

Qualifications

Our report has been prepared in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board (APESB). The individuals responsible for preparing this report on behalf of KPMG Corporate Finance are Ian Jedlin and Sean Collins. Each has a significant number of years' experience in the provision of corporate financial advice, including specific advice on valuations, mergers and acquisitions, as well as the preparation of expert reports.

Disclaimers

It is not intended that this report should be used or relied upon for any purpose other than KPMG Corporate Finance's opinion as to whether the Scheme is in the best interests of Recall Shareholders. KPMG Corporate Finance expressly disclaims any liability to any Recall Shareholder who relies or purports to rely on the report for any other purpose and to any other party who relies or purports to rely on the report for any purpose whatsoever.

Other than this report, neither KPMG Corporate Finance nor the KPMG Partnership has been involved in the preparation of the Supplementary Scheme Booklet or any other document prepared in respect of the Scheme other than our Original IER. Accordingly, we take no responsibility for the content of the Supplementary Scheme Booklet as a whole or other documents prepared in respect of the Scheme.

We note that the forward-looking financial information prepared by the Recall and Iron Mountain does not include estimates as to the potential impact of any future changes in taxation legislation in Australia. Future taxation changes are unable to be reliably determined at this time.

Independence

KPMG Corporate Finance and the individuals responsible for preparing this report have acted independently.

In addition to the disclosures in our Financial Services Guide, it is relevant to a consideration of our independence that, during the course of this engagement, KPMG Corporate Finance provided draft copies of this report to management of Recall and Iron Mountain for comment as to factual accuracy, as opposed to opinions which are the responsibility of KPMG Corporate Finance alone. Changes made to this report as a result of those reviews have not altered the opinions of KPMG Corporate Finance as stated in this report.

Consent

KPMG Corporate Finance consents to the inclusion of this report in the form and context in which it is included with the Supplementary Scheme Booklet to be issued to the shareholders of Recall. Neither the whole nor any part of this report nor any reference thereto may be included in any other document without the prior written consent of KPMG Corporate Finance as to the form and context in which it appears.

Appendix 2 – Market evidence

Sharemarket evidence – Information management industry

The table below summarises updated trading multiples of listed companies that are broadly comparable to Recall and Iron Mountain.

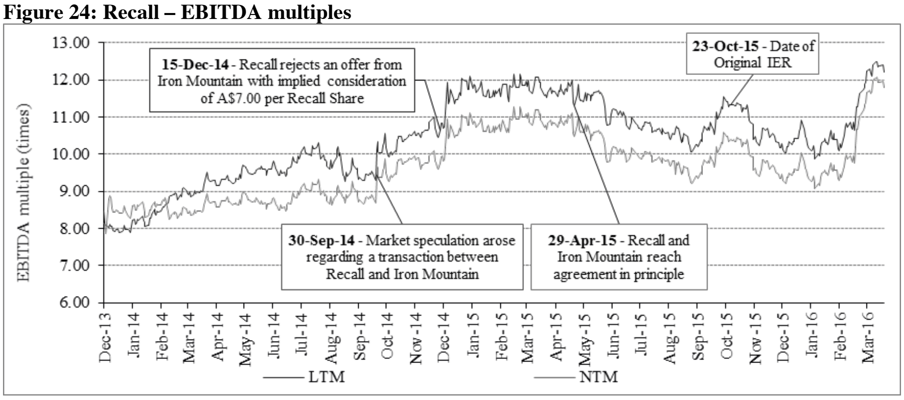
Table 28: Comparable companies

Company	Geographic focus	Market Cap US $m	Revenue growth NTM	EBITDA growth NTM	EBITDA margin NTM	EBITDA multiple[1] LTM	EBITDA multiple[1] NTM
Recall[2]	Global	1,732	3.8%	7.5%	25.1%	12.2	11.3
Iron Mountain	Global	7,086	1.0%	3.9%	31.5%	12.9	12.4
Freightways Limited	ANZ	654	5.4%	3.7%	19.8%	11.7	11.3
Restore PLC	UK	411	26.4%	35.7%	23.4%	17.1	12.8

Source: S&P Capital IQ (data as at 29 March 2016); KPMG Corporate Finance analysis
Note 1: EBITDA multiples defined as Enterprise Value (the gross capitalisation comprising the sum of the market capitalisation adjusted for minority interests, preferred equity, plus borrowings less cash) divided by EBITDA
LTM = Last Twelve Months, NTM = Next Twelve Months
Note 2: The NTM figures of Recall are based on the average of the median broker consensus forecasts for FY16 and FY17

Updated figures in relation to the change in the implied EBITDA multiples over time, based on rolling LTM and NTM earnings figures, are illustrated below for each of the comparable companies, whilst profiles of the comparable companies are set out in our Original IER.

Figure 24: Recall – EBITDA multiples



Source: S&P Capital IQ; KPMG Corporate Finance analysis

KPMG

Recall Holdings Limited
Supplementary Independent Expert's Report
1 April 2016

Figure 25: Iron Mountain – EBITDA multiples

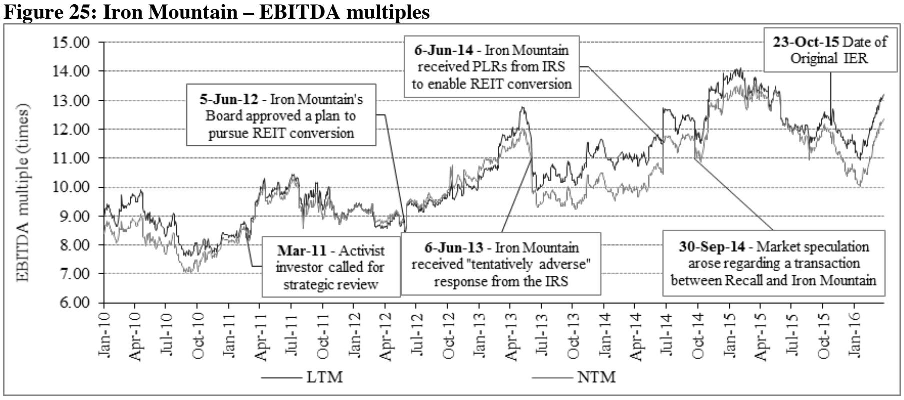


Figure 26: Restore – EBITDA multiples

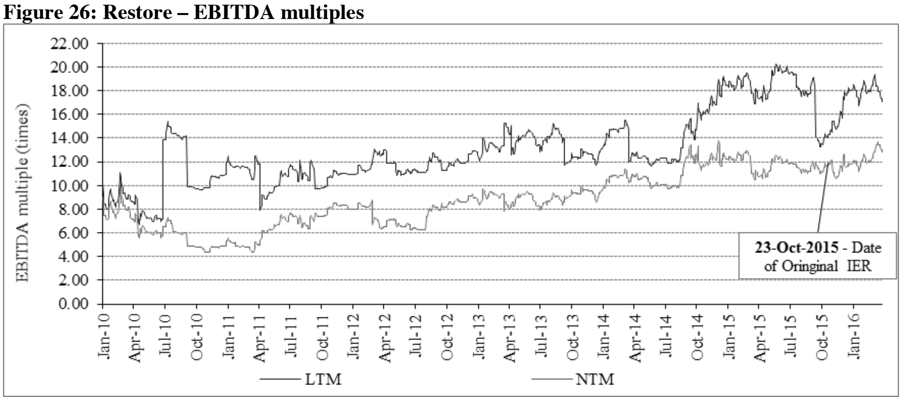
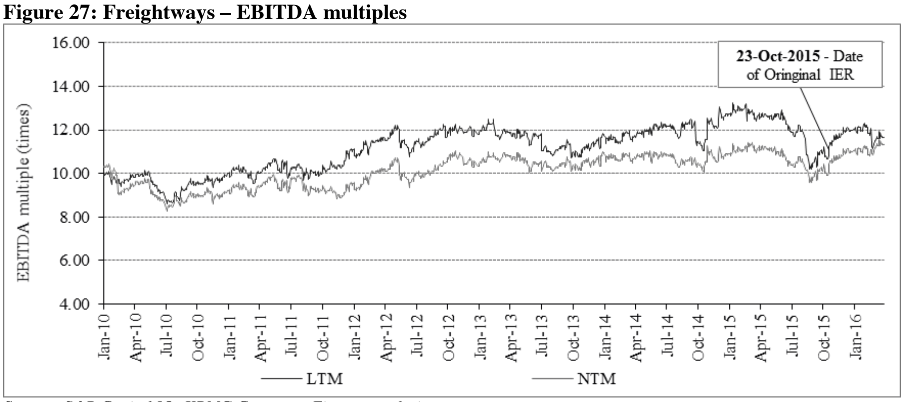


Figure 27: Freightways – EBITDA multiples



Source: S&P Capital IQ; KPMG Corporate Finance analysis

Transaction evidence – Information management industry

The following table sets out historic EBITDA multiples implied by recent transactions which involved companies operating in the information management industry within Australia and internationally.

Table 29: Transaction evidence

Date closed	Acquirer	Target	Geographic focus[1]	Percentage acquired	Transaction value (US$m)[2]	EBITDA multiple LTM[3]
08-Dec-15	Restore PLC	Wincanton Records Management	UK	100%	86.4	10.6[6]
01-Oct-15	Stericycle, Inc.	Shred-it International Inc.	US/CA/EU	100%	2,300.0	12.9[4]
06-Nov-14	Restore PLC	Cintas Document Management UK Limited	UK	100%	37.8	nmf
17-Oct-13	Iron Mountain Information Management, LLC	Cornerstone Records Management LLC	US	100%	191.0	9.6
29-Aug-13	Iron Mountain Peru S.A.	File Service, S.A.	PE	100%	16.0	10.7
29-Feb-12	Restore PLC	Harrow Green Limited	UK	100%	20.5	9.2
16-Dec-05	Recall Corporation	Ausdoc Group Pty Limited	AU/NZ	100%	193.2	n/a[5]
16-Jul-03	Iron Mountain Europe Limited	Hays Information Management Services	UK/EU/US	100%	295.9	9.6
26-Sep-02	ABN AMRO Capital Australia	Ausdoc Group Pty Limited	AU/NZ	100%	179.9	8.0
01-Feb-00	Iron Mountain Incorporated	Pierce Leahy Corp.	US/CA	100%	1,207.4	12.2
13-Sep-99	Britannia Data Management Limited	Stortext, Document Storage Business	UK	100%	15.9	9.0
28-Jun-99	Lason International, Inc.	M-R Group	UK	100%	133.1	9.8

Source: Company financial statements and announcements; S&P Capital IQ; KPMG Corporate Finance analysis
Note 1: US = United States; CA = Canada; EU = Europe; PE = Peru; UK = United Kingdom; AU = Australia; NZ = New Zealand
Note 2: Transaction value refers to enterprise values as of the date of completion
Note 3: LTM multiples calculated based on EBITDA from most recently available results as at the transaction announcement date, after normalisation adjustments
Note 4: Based on operating EBITDA which includes adjustments for full year contribution for acquisitions completed, and related synergies achieved, during the 12 months to 29 March 2015, but excludes the remaining portion of identified synergies expected to be realised by the end of CY16
Note 5: Sufficient information is not publicly available to imply the EBITDA multiple relating to this transaction. Based on Ausdoc's FY05 underlying EBITA of A$16 million, the implied multiple is 16.3 times
Note 6: Multiple is based on EBITDA after central support charges of £1.4 million. Excluding this charge, the implied EBITDA multiple would decrease to 8.4 times.

A brief description of Restore's recent acquisition of Wincanton Records Management is outlined below, with the remainder of the identified comparable transactions being described in our Original IER.

Acquisition of Wincanton Records Management by Restore PLC

On 8 December 2015, Restore plc (Restore) completed the acquisition of the records management business of Wincanton plc, Wincanton Records Management (WRM), for cash consideration of £57.3 million. WRM was a trading subdivision of Wincanton plc and provides document management, scanning and shredding services. WRM is one of the largest UK records management companies, which also has a significant presence in Ireland.

Subsequently, on 10 March 2016, Restore completed the disposal of the Irish assets of WRM to Offsite Archive Storage and Integrated Services (Ireland) Limited for cash consideration of £27.8 million. The

Irish assets contributed approximately 47% of WRM's EBIT (before central charges) of £4.9 million for the 12 months to 31 March 2015.

Sharemarket evidence – US listed REIT sector

The table below summarises updated dividend yields and trading multiples of listed REITs.

Table 30: US listed REITs

Company	Market cap (US$m)	Dividend Yield CY16 (F)	P/FFO mulitple CY16 (F)	P/AFFO mulitple CY16 (F)
Storage REITs				
Public Storage	47,531	2.6%	28.7	29.6
Extra Space Storage Inc.	11,627	2.7%	22.9	24.1
CubeSmart	5,808	2.6%	23.4	24.8
Sovran Self Storage Inc.	4,639	3.1%	21.6	24.0
National Storage Affiliates	476	3.9%	8.4	8.4
Industrial REITs				
Prologis, Inc.	23,020	3.5%	16.5	21.2
EastGroup Properties Inc.	1,910	4.1%	14.8	19.2
DCT Industrial Trust Inc.	3,543	2.9%	17.7	25.1
PS Business Parks Inc.	2,744	3.0%	14.4	18.8
First Industrial Realty Trust Inc.	2,556	3.3%	15.3	20.2
Duke Realty Corporation	7,828	3.4%	18.8	21.1
Liberty Property Trust	4,860	5.7%	13.2	18.4
First Potomac Realty Trust	535	4.6%	8.9	12.5
Rexford Industrial Realty, Inc.	1,010	3.0%	19.2	25.3
STAG Industrial, Inc.	1,362	7.0%	11.7	12.0
Terreno Realty Corp.	1,012	3.1%	22.0	26.8
Cell Tower REITs				
American Tower Corporation	43,204	2.1%	19.1	17.8
Crown Castle International Corp.	28,797	4.1%	19.5	18.2
Data Centre REITs				
CoreSite Realty Corporation	2,115	3.1%	12.1	14.3
Cyrusone Inc.	3,457	3.4%	17.6	17.5
DuPont Fabros Technology, Inc.	3,004	4.7%	13.2	13.1
Digital Realty Trust Inc.	12,955	4.0%	15.6	18.1
Equinix, Inc.	22,692	2.1%	27.0	21.9
QTS Realty Trust, Inc.	1,932	3.1%	14.9	15.4
Billboard REITs				
Lamar Advertising Co.	5,882	5.0%	12.4	12.3
Outfront Media Inc.	2,840	6.1%	9.7	10.0
Prison REITs				
Corrections Corporation of America	3,857	6.4%	12.7	13.0
The GEO Group, Inc.	2,520	7.2%	11.6	9.9
Median - Storage REITs		*2.7%*	*22.9*	*24.1*
Median - Industrial REITs		*3.4%*	*15.3*	*20.2*
Median - Cell tower REITs		*3.1%*	*19.3*	*18.0*
Median - Data centre REITs		*3.3%*	*15.3*	*16.5*
Median - Billboard REITs		*5.6%*	*11.1*	*11.2*
Median - Prison REITs		*6.8%*	*12.2*	*11.5*

Source: S&P Capital IQ (data as at 29 March 2016); KPMG Corporate Finance analysis

A brief description of each of these REIT categories is outlined in our Original IER.

Appendix 3 – Glossary

Abbreviation	Description
ACCC	Australian Competition and Consumer Commission
AFFO	Adjusted funds from operations
APESB	Accounting Professional & Ethical Standards Board
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ABN 98 008 624 691) or the financial market that it operates (that is the Australian Securities Exchange), as the context requires
A$/US$	Australian dollar US dollar exchange rate
Business Day	A weekday on which trading banks in Sydney and New York are open for trading and the ASX and NYSE are open for trading
Cash Alternative	In respect of a Recall Share, the Australian dollar equivalent of US$0.50 plus the Cash Base Amount (subject to the Scale Back Mechanism)
Cash Base Amount	In respect of a Recall Share, an amount equal to A$8.50 less the Australian dollar equivalent of US$0.50, subject to the Scale Back Mechanism
Cash Pool	The aggregate amount of the Cash Base Amounts available to satisfy Cash Elections, being A$225 million
Cash Supplement Amount	The Australian dollar equivalent of US$0.50 based on the A$/US$ exchange rate as at the Record Date (the Cash Supplement Amount)
CCB	Canadian Competition Bureau
CDI	A CHESS depository interest, being a unit of beneficial interest in shares of a foreign company registered in the name of the CDI Nominee
CDI Nominee	CHESS Depository Nominees Pty Limited (ACN 071 346 506)
CHESS	The clearing house electronic subregister system of share transfers operated by ASX Settlement.
CGT	Capital gains tax
CMA	UK Competition and Markets Authority
Combined Group	The combined Recall Group and Iron Mountain Group following implementation of the Scheme
Corporations Act, or the Act	Corporations Act 2001 (Cth)
CY	Calender year
DCF	Discounted cash flow
DMS	Document management solutions
DOJ	US Department of Justice
DPS	Document protection services
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
Effective Date	The date on which the Scheme becomes effective
EPS	Earnings per share
FFO	Funds from operations as defined by the NAREIT, as net income excluding gains and losses on the sale or write-down of real estate assets plus depreciation on real estate assets
FOP 1	Recall's first Facility Optimisation Program
FOP 2	Recall's second Facility Optimisation Program
FY	Financial year ended 30 June
1H16	Six month period ended 31 December 2015
IER	Independent Expert's Report

Abbreviation	Description
Iron Mountain	Iron Mountain Incorporated
Iron Mountain Group	Iron Mountain and its related bodies corporate
Iron Mountain Share	A validly issued, fully paid and non-assessable share of Iron Mountain common stock
KPMG Corporate Finance	KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Corporate Finance is a division)
LTM	Last twelve months of available financial information
n/a	Not available
NAREIT	National Association of Real Estate Investment Trusts
NASDAQ	NASDAQ Stock Market
New Iron Mountain Security	A New Iron Mountain Share or New Iron Mountain CDI (as applicable) to be issued as Scheme Consideration
NPAT	Net profit after tax
NYSE	New York Stock Exchange
OIBDA	Operating income before depreciation and amortisation
Original IER	KPMG's Independent Expert's Report dated 23 October 2015 included in Recall's Scheme Booklet also dated 23 October 2015, provided to Recall Shareholders regarding the Scheme
Recall	Recall Holdings Limited (ABN 27 116 537 832)
Recall Group	Recall and its subsidiaries
Recall Performance Right	A performance right in respect of a Recall Share granted under the Recall Performance Share Plan prior to 8 June 2015
Recall Share	A fully paid ordinary share in the issued capital of Recall
Recall Shareholder	Each person who is recorded in the Recall Share Register as the legal holder of a Recall Share
Record Date	5.00pm (Sydney time) on the fifth Business Day after the Effective Date, or such later date as may be agreed to in writing by Iron Mountain and Recall, being the date and time which determines the entitlement of Recall Shareholders to Scheme Consideration for implementation of the Scheme
REIT	Real estate investment trust
RG 111	Regulatory Guide 111 'Content of expert reports'
Scheme	The members' scheme of arrangement under Part 5.1 of the Corporations Act between Recall and the Recall Shareholders pursuant to which Recall Shareholders will transfer each of their Recall Shares to a wholly owned Australian subsidiary of Iron Mountain in exchange for the Scheme Consideration
Scheme Booklet	The document dated 23 October 2015 provided to Recall Shareholders regarding the Scheme, including all of the appendices and forms which accompany the document
Scheme Consideration	The consideration to be provided by Iron Mountain to Recall Shareholders under the Scheme for the transfer of each Recall Share held on the Record Date
SDS	Secure destruction services
Standard Consideration	0.1722 New Iron Mountain Securities plus the Cash Supplement Amount
Supplementary IER	KPMG's Supplementary Independent Expert's Report dated 1 April 2016 included in Recall's Supplementary Scheme Booklet also dated 1 April 2016, provided to Recall Shareholders regarding the Scheme
Supplementary Scheme Booklet	The document dated 1 April 2016 provided to Recall Shareholders regarding the Scheme, including all of the appendices and forms which accompany the document
UK	United Kingdom
US	United States of America
VWAP	Volume weighted average price

KPMG Corporate Finance
A division of KPMG Financial Advisory Services (Australia) Pty Ltd
Australian Financial Services Licence No. 246901
10 Shelley Street
Sydney NSW 2000

P O Box H67
Australia Square 1215
Australia

ABN: 43 007 363 215
Telephone: +61 2 9335 7000
Facsimile: +61 2 9335 7001
DX: 1056 Sydney
www.kpmg.com.au

Part Two – Financial Services Guide

Dated 1 April 2016

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by KPMG Financial Advisory Services (Australia) Pty Ltd **ABN 43 007 363 215**, Australian Financial Services Licence Number 246901 (of which KPMG Corporate Finance is a division) **(KPMG Corporate Finance)** and Mr Ian Jedlin as an authorised representative of KPMG Corporate Finance, authorised representative number 404177 and Mr Sean Collins as an authorised representative of KPMG Corporate Finance, authorised representative number 404189 **(Authorised Representative)**.

This FSG includes information about:

- KPMG Corporate Finance and its Authorised Representative and how they can be contacted
- the services KPMG Corporate Finance and its Authorised Representative are authorised to provide
- how KPMG Corporate Finance and its Authorised Representative are paid
- any relevant associations or relationships of KPMG Corporate Finance and its Authorised Representative
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and the compensation arrangements that KPMG Corporate Finance has in place.

The distribution of this FSG by the Authorised Representative has been authorised by KPMG Corporate Finance.
This FSG forms part of an Independent Expert's Report (Report) which has been prepared for inclusion in a disclosure document or, if you are offered a financial product for issue or sale, a Product Disclosure Statement (PDS). The purpose of the disclosure document or PDS is to help you make an informed decision in relation to a financial product. The contents of the disclosure document or PDS, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

Financial services that KPMG Corporate Finance and the Authorised Representative are authorised to provide

KPMG Corporate Finance holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for the following classes of financial products:

- deposit and non-cash payment products;
- derivatives;
- foreign exchange contracts;
- government debentures, stocks or bonds;
- interests in managed investment schemes including investor directed portfolio services;
- securities;
- superannuation;
- carbon units;
- Australian carbon credit units; and
- eligible international emissions units,

to retail and wholesale clients. We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of financial products. The Authorised Representative is authorised by KPMG Corporate Finance to provide financial product advice on KPMG Corporate Finance's behalf.

KPMG Corporate Finance and the Authorised Representative's responsibility to you

KPMG Corporate Finance has been engaged by Recall Holdings Limited (Client) to provide general financial product advice in the form of a Report to be included in Scheme Booklet (Document) prepared by the Client in relation to scheme of arrangement involving Iron Mountain Incorporated (Transaction).
You have not engaged KPMG Corporate Finance or the Authorised Representative directly but have received a copy of the Report because you have been provided with a copy of the Document. Neither KPMG Corporate Finance nor the Authorised Representative are acting for any person other than the Client.
KPMG Corporate Finance and the Authorised Representative are responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General Advice

As KPMG Corporate Finance has been engaged by the Client, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.
You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.
You should also consider the other parts of the Document before making any decision in relation to the Transaction.

Fees KPMG Corporate Finance may receive and remuneration or other benefits received by our representatives

KPMG Corporate Finance charges fees for preparing reports. These fees will usually be agreed with, and paid by, the Client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the Client has agreed to pay KPMG Corporate Finance $200,000 for preparing the Report. KPMG Corporate

Finance and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of the Report.

KPMG Corporate Finance officers and representatives (including the Authorised Representative) receive a salary or a partnership distribution from KPMG's Australian professional advisory and accounting practice (the KPMG Partnership). KPMG Corporate Finance's representatives (including the Authorised Representative) are eligible for bonuses based on overall productivity. Bonuses and other remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

Referrals

Neither KPMG Corporate Finance nor the Authorised Representative pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures KPMG Corporate Finance is controlled by and operates as part of the KPMG Partnership. KPMG Corporate Finance's directors and Authorised Representatives may be partners in the KPMG Partnership. The Authorised Representative is a partner in the KPMG Partnership. The financial product advice in the Report is provided by KPMG Corporate Finance and the Authorised Representative and not by the KPMG Partnership.

From time to time KPMG Corporate Finance, the KPMG Partnership and related entities (KPMG entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

KPMG entities have provided, and continue to provide, a range of tax and advisory services to the Client and to the Australian subsidiary of Iron Mountain Incorporated for which professional fees are received. Over the past two years professional fees of $592,924 and $141,655 have been received from the Client and the Australian subsidiary of Iron Mountain Incorporated respectively, excluding our Original IER. None of those services have related to the transaction or alternatives to the transaction.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, the Client or has other material financial interests in the transaction.

Complaints resolution

Internal complaints resolution process

If you have a complaint, please let either KPMG Corporate Finance or the Authorised Representative know. Formal complaints should be sent in writing to The Complaints Officer, KPMG, PO Box H67, Australia Square, Sydney NSW 1213. If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer on 02 9335 7000 and they will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

External complaints resolution process

If KPMG Corporate Finance or the Authorised Representative cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly at:

Address: Financial Ombudsman Service Limited, GPO Box 3, Melbourne Victoria 3001
Telephone: 1300 78 08 08
Facsimile: (03) 9613 6399 Email: info@fos.org.au.

The Australian Securities and Investments Commission also has a freecall infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

KPMG Corporate Finance has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact Details

You may contact KPMG Corporate Finance or the Authorised Representative using the contact details:

KPMG Corporate Finance
A division of KPMG Financial Advisory Services (Australia) Pty Ltd
10 Shelley St
Sydney NSW 2000

PO Box H67
Australia Square
NSW 1213
Telephone: (02) 9335 7000
Facsimile: (02) 9335 7200

Ian Jedlin
C/O KPMG
PO Box H67
Australia Square
NSW 1213
Telephone: (02) 9335 7000
Facsimile: (02) 9335 7000

D

APPENDIX 2

Supplementary Investigating Accountant's Report

The Directors
Recall Holdings Limited
Level 2, 170 -180 Bourke Road
Alexandria NSW 2015
Australia

The Directors
Iron Mountain Incorporated
One Federal Street
Boston MA 02110
USA

1 April 2016

Dear Directors

Investigating Accountant's Report

Independent Limited Assurance Report on Recall, Iron Mountain and the Combined Group historical and pro forma historical financial information and Financial Services Guide

We have been engaged by Recall Holdings Limited (**Recall**) and Iron Mountain Incorporated (**Iron Mountain**) (collectively, the **Companies**) to report on the historical and pro forma historical financial information of the Companies and the Combined Group (as described in the Supplementary Scheme Booklet) for inclusion in the Supplementary Scheme Booklet dated on or about 1 April 2016 and relating to the proposed transaction under which the shares of Recall will be acquired by Iron Mountain by way of a scheme of arrangement (**Merger**).

Expressions and terms defined in the Supplementary Scheme Booklet have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian financial services licence under the Corporations Act 2001. PricewaterhouseCoopers Securities Ltd, which is wholly owned by PricewaterhouseCoopers holds the appropriate Australian financial services licence under the Corporations Act 2001. This report is both an Investigating Accountant's Report, the scope of which is set out below, and a Financial Services Guide, as attached at Appendix A.

PricewaterhouseCoopers Securities Ltd, ACN 003 311 617, ABN 54 003 311 617, Holder of Australian Financial Services Licence No 244572
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T +61 2 8266 0000, F +61 2 8266 9999, www.pwc.com.au

Scope

Financial Information

You have requested PricewaterhouseCoopers Securities Ltd to review the following historical and pro forma historical financial information of Recall, Iron Mountain and the Combined Group (as described in the Supplementary Scheme Booklet) following the implementation of the Merger included in the Supplementary Scheme Booklet:

a. **Recall Pro Forma Historical Financial Information** being the:

   i. Recall Balance Sheet as at 31 December 2015;
   ii. Recall Pro Forma Historical Income Statement for the half-year ended 31 December 2015; and
   iii. Recall Pro Forma Historical Cash Flow Statement for the half-year ended 31 December 2015.

   Recall management has made a number of adjustments, primarily to remove the impact of significant items, which are defined by paragraph 15(v)(iii) of ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information* as pro forma in nature.

b. **Iron Mountain Historical Financial Information** being the:

   i. Iron Mountain Historical Balance Sheet as at 31 December 2015;
   ii. Iron Mountain Historical Income Statement for the year ended 31 December 2015; and
   iii. Iron Mountain Historical Cash Flow Statement for the year ended 31 December 2015.

c. **Pro Forma Historical Financial Information for the Combined Group** being the:

   i. Pro Forma Historical Balance Sheet for the Combined Group as at 31 December 2015;
   ii. Pro Forma Historical Income Statement for the Combined Group for the year ended 31 December 2015; and
   iii. Pro Forma Historical Cash Flow Statement for the Combined Group for the year ended 31 December 2015.

(collectively **Financial Information**).

The Financial Information has been prepared in accordance with the stated basis of preparation, being:

a. The **Recall Pro Forma Historical Financial Information** has been derived from Recall's interim financial report for the half-year ended 31 December 2015 (the **Recall Financial Report**), after adjusting for the effects of pro forma adjustments described in section 7.3 of the Supplementary Scheme Booklet. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and Recall's adopted accounting policies applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in section 7.3 of the Supplementary pwc

Scheme Booklet, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Recall Pro Forma Historical Financial Information does not represent Recall's actual or prospective financial position, financial performance, and/or cash flows. The Recall Financial Report was reviewed by PricewaterhouseCoopers in accordance with the Australian Auditing Standards. PricewaterhouseCoopers issued an unmodified review opinion on the Recall Financial Report.

b. The **Iron Mountain Historical Financial Information** has been derived from Iron Mountain's financial statements as at and for the year ended 31 December 2015 (the **Iron Mountain Financial Report**). The stated basis of preparation is the recognition and measurement principles contained in Accounting Principles Generally Accepted in the United States (**US GAAP**) and Iron Mountain's adopted accounting polices applied to the historical financial information, as described in section 8.6 of the Supplementary Scheme Booklet. Due to its nature, the Iron Mountain Historical Financial Information does not represent Iron Mountain's prospective financial position, financial performance, and/or cash flows. The Iron Mountain Financial Report was audited by Deloitte & Touche LLP in accordance with the standards of the Public Company Accounting Oversight Board (United States). Deloitte & Touche LLP issued an unqualified audit opinion on the Iron Mountain Financial Report.

c. The **Pro Forma Historical Financial Information for the Combined Group** has been derived from Recall's Financial Report and Iron Mountain's Financial Report, after adjusting for the effects of pro forma adjustments described in section 9.3 of the Supplementary Scheme Booklet. The stated basis of preparation is the recognition and measurement principles contained in US GAAP and Iron Mountain's adopted accounting polices applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in section 9.3 of the Supplementary Scheme Booklet, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information for the Combined Group does not represent the Combined Group's actual or prospective financial position, financial performance, and/or cash flows.

The Financial Information is presented in the Supplementary Scheme Booklet in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Directors' responsibility

As described in sections 7.3, 8.6 and 9.3 in the Supplementary Scheme Booklet responsibility for the Financial Information is as follows:

- the directors of Recall are responsible for the preparation of the Recall Pro Forma Historical Financial Information, including its basis of preparation and the selection and determination of adjustments included in the Recall Pro Forma Historical Financial Information. This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the Recall directors determine are necessary to enable the preparation of Recall Pro Forma Historical Financial Information that are free from material misstatement.

- the directors of Iron Mountain are responsible for the preparation of the Iron Mountain Historical Financial Information, including its basis of preparation. This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the Iron Mountain directors determine are necessary to enable the preparation of the Iron Mountain Historical Financial Information that are free from material misstatement.

- the directors of Iron Mountain are responsible for the preparation of the Pro Forma Historical Financial Information for the Combined Group, including its basis of preparation and the selection and determination of pro forma adjustments included in the Pro Forma Historical Financial Information for the Combined Group. This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the directors determine are necessary to enable the preparation of Pro Forma Historical Financial Information for the Combined Group that are free from material misstatement.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Financial Information as described in sections 7.3, 8.6 and 9.3 of the Supplementary Scheme Booklet, and comprising:

a. **Recall Pro Forma Historical Financial Information** being the:

   i. Recall Balance Sheet as at 31 December 2015;
   ii. Recall Pro Forma Historical Income Statement for the half-year ended 31 December 2015; and
   iii. Recall Pro Forma Historical Cash Flow Statement for the half-year ended 31 December 2015

   Recall management has made a number of adjustments, primarily to remove the impact of significant items, which and are defined by paragraph 15(v)(iii) of ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information* as pro forma in nature.

b. **Iron Mountain Historical Financial Information** being the:

   i. Iron Mountain Historical Balance Sheet as at 31 December 2015;
   ii. Iron Mountain Historical Income Statement for the year ended 31 December 2015; and
   iii. Iron Mountain Historical Cash Flow Statement for the year ended 31 December 2015

c. **Pro Forma Historical Financial Information for the Combined Group** being the:

   i. Pro Forma Historical Balance Sheet for the Combined Group as at 31 December 2015;
   ii. Pro Forma Historical Income Statement for the Combined Group for the year ended 31 December 2015; and
   iii. Pro Forma Historical Cash Flow Statement for the Combined Group for the year ended 31 December 2015

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in sections 7.3, 8.6 and 9.2 of the Supplementary Scheme Booklet being:

a. in the case of the Recall Pro Forma Historical Financial Information, the recognition and measurement principles contained in Australian Accounting Standards and Recall's adopted accounting policies applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in section 7.3 of the Supplementary Scheme Booklet, as if those events or transactions had occurred as at the date of the historical financial information;

b. in the case of the Iron Mountain Historical Financial Information, the recognition and measurement principles contained in US GAAP and Iron Mountain's adopted accounting policies applied to the historical financial information, as described in section 8.6 of the Supplementary Scheme Booklet; and

c. in the case of the Pro Forma Historical Financial Information for the Combined Group, the recognition and measurement principles contained in US GAAP and Iron Mountain's adopted accounting policies applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in section 9.3 of the Supplementary Scheme Booklet, as if those events or transactions had occurred as at the date of the historical financial information.

Notice to investors outside Australia

Under the terms of our engagement this report has been prepared solely to comply with Australian Auditing Standards applicable to review engagements.

This report does not constitute an offer to sell, or a solicitation of an offer to buy, any securities. We do not hold any financial services licence or other licence outside Australia. We are not recommending or making any representation as to suitability of any investment to any person.

Restriction on Use

Without modifying our conclusions, we draw attention to section 9.3 of the Supplementary Scheme Booklet, which describes the purpose of the financial information, being for inclusion in the Supplementary Scheme Booklet. As a result, the financial information may not be suitable for use for another purpose.

Consent

PricewaterhouseCoopers Securities Ltd has consented to the inclusion of this assurance report in the public document in the form and context in which it is included.

Liability

The liability of PricewaterhouseCoopers Securities Ltd is limited to the inclusion of this report in the Supplementary Scheme Booklet. PricewaterhouseCoopers Securities Ltd makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the Supplementary Scheme Booklet.

Independence or Disclosure of Interest

PricewaterhouseCoopers Securities Ltd does not have any interest in the outcome of this transaction other than the preparation of this report and participation in due diligence procedures for which normal professional fees will be received.

Financial Services Guide

We have included our Financial Services Guide as Appendix A to our report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our report.

Yours faithfully

Sean Gregory
Authorised Representative of
PricewaterhouseCoopers Securities Ltd

PRICEWATERHOUSECOOPERS SECURITIES LTD

FINANCIAL SERVICES GUIDE

This Financial Services Guide is dated 1 April 2016

1. About us

PricewaterhouseCoopers Securities Ltd (ABN 54 003 311 617, Australian Financial Services Licence no 244572) (**PwC Securities**) has been engaged by Recall Holdings Limited (**Recall**) and Iron Mountain Incorporated (**Iron Mountain**) to provide a report in the form of an *Independent Accountant's Report* in relation to the proposed transaction under which the shares of Recall will be acquired by Iron Mountain by way of a scheme of arrangement (the **Report**) for inclusion in the Supplementary Scheme Booklet dated on or around 1 April 2016.

You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

2. This Financial Services Guide

This Financial Services Guide (**FSG**) is designed to assist retail clients in their use of any general financial product advice contained in the Report. This FSG contains information about PwC Securities generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the Report, and how complaints against us will be dealt with.

3. Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities, interests in managed investment schemes, derivatives, superannuation products, foreign exchange contracts, insurance products, life products, managed investment schemes, government debentures, stocks or bonds, and deposit products.

4. General financial product advice

The Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs.

You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

5. Fees, commissions and other benefits we may receive

PwC Securities charges fees to produce reports, including this Report. These fees are negotiated and agreed with the entity who engages PwC Securities to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this Report our fees are charged on an hourly basis and as at the date of this Report amount to A$350k.

Directors or employees of PwC Securities, PricewaterhouseCoopers, or other associated entities, may receive partnership distributions, salary or wages from PricewaterhouseCoopers.

6. Associations with issuers of financial products

PwC Securities and its authorised representatives, employees and associates may from time to time have relationships with the issuers of financial products. For example, PricewaterhouseCoopers may be the auditor of, or provide financial services to, the issuer of a financial product and PwC Securities may provide financial services to the issuer of a financial product in the ordinary course of its business. PricewaterhouseCoopers is the auditor of Recall.

7. Complaints

If you have a complaint, please raise it with us first, using the contact details listed below. We will endeavour to satisfactorily resolve your complaint in a timely manner. In addition, a copy of our internal complaints handling procedure is available upon request.

If we are not able to resolve your complaint to your satisfaction within 45 days of your written notification, you are entitled to have your matter referred to the Financial Ombudsman Service ("**FOS**"), an external complaints resolution service. FOS can be contacted by calling 1300 780 808. You will not be charged for using the FOS service.

8. Contact Details

PwC Securities can be contacted by sending a letter to the following address:

Sean Gregory
201 Sussex Street, Sydney, NSW, 2000

Corporate Directory

RECALL HOLDINGS LIMITED

(ABN 27 116 537 832)

Level 2
170-180 Bourke Road
Alexandria NSW 2015

RECALL DIRECTORS

Ian Blackburne (Independent Chairman)
Neil Chatfield (Independent Non-Executive Director)
Tahira Hassan (Independent Non-Executive Director)
Wendy Murdock (Independent Non-Executive Director)
Doug Pertz (President and CEO)

RECALL REGISTRY

Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000

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Sydney NSW 2000

UBS AG, Australia Branch
Chifley Tower
2 Chifley Square
Sydney NSW 2000

AUSTRALIAN LEGAL ADVISER

Allens
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Sydney NSW 2000

AUSTRALIAN LEGAL ADVISER TO THE RECALL BOARD

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ANZ Tower
161 Castlereagh Street
Sydney NSW 2000

US LEGAL ADVISER TO THE RECALL BOARD

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