



Q4 2020 Earnings Call

February 24, 2021



Forward Looking Statements

We have made statements in this presentation lease that constitute "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995 and other securities laws. These forward-looking statements concern our operations, economic performance, financial condition, goals, beliefs, future growth strategies, investment objectives, plans and current expectations, such as our (1) 2021 guidance as well as our expectations for growth, including growth opportunities and growth rates for revenue by segment, organic revenue, organic volume and other metrics, (2) expectations and assumptions regarding the impact from the COVID-19 pandemic on us and our customers, including on our businesses, financial position, results of operations and cash flows, (3) expected benefits, costs and actions related to, and timing of, Project Summit, (4) expectations as to our capital allocation strategy, including our future investments, leverage ratio, dividend payments and possible funding sources (including real estate monetization) and capital expenditures, (5) expectations regarding the closing of pending acquisitions and investments, and (6) other forward-looking statements related to our business, results of operations and financial condition.

These forward-looking statements are subject to various known and unknown risks, uncertainties and other factors, and you should not rely upon them except as statements of our present intentions and of our present expectations, which may or may not occur. When we use words such as "believes," "expects," "anticipates," "estimates," "plans" or similar expressions, we are making forward-looking statements. Although we believe that our forward-looking statements are based on reasonable assumptions, our expected results may not be achieved, and actual results may differ materially from our expectations. In addition, important factors that could cause actual results to differ from expectations include, among others: (i) the severity and duration of the COVID-19 pandemic and its effects on the global economy, including its effects on us, the markets we serve and our customers and the third parties with whom we do business within those markets; (ii) our ability to execute on Project Summit and the potential impacts of Project Summit on our ability to retain and recruit employees; (iii) our ability to remain qualified for taxation as a real estate investment trust for United States federal income tax purposes; (iv) changes in customer preferences and demand for our storage and information management services, including as a result of the shift from paper and tape storage to alternative technologies that require less physical space; (v) our ability or inability to execute our strategic growth plan, including our ability to invest according to plan, incorporate new digital information technologies into our offerings, achieve satisfactory returns on new product offerings, continue our revenue management, expand internationally, complete acquisitions on satisfactory terms, integrate acquired companies efficiently and grow our business through joint ventures; (vi) changes in the amount of our capital expenditures; (vii) our ability to raise debt or equity capital and changes in the cost of our debt; (viii) the cost and our ability to comply with laws, regulations and customer demands, including those relating to data security and privacy issues, as well as fire and safety and environmental standards; (ix) the impact of litigation or disputes that may arise in connection with incidents in which we fail to protect our customers' information or our internal records or information technology systems and the impact of such incidents on our reputation and ability to compete; (x) changes in the price for our storage and information management services relative to the cost of providing such storage and information management services; (xi) changes in the political and economic environments in the countries in which our international subsidiaries operate and changes in the global political climate, particularly as we consolidate operations and move records and data across borders; (xii) our ability to comply with our existing debt obligations and restrictions in our debt instruments; (xiii) the impact of service interruptions or equipment damage and the cost of power on our data center operations; (xiv) the cost or potential liabilities associated with real estate necessary for our business; (xv) failures in our adoption of new IT systems; (xvi) other trends in competitive or economic conditions affecting our financial condition or results of operations not presently contemplated; and (xvii) the other risks described in our periodic reports filed with the SEC, including under the caption "Risk Factors" in Part I, Item 1A of our Annual Report. Except as required by law, we undertake no obligation to update any forward-looking statements appearing in this report.

Reconciliation of Non-GAAP Measures:

Throughout this presentation, Iron Mountain will discuss (1) Adjusted EBITDA, (2) Adjusted Earnings per Share ("Adjusted EPS"), (3) Funds from Operations ("FFO Nareit"), (4) FFO (Normalized) and (5) Adjusted Funds from Operations ("AFFO"). These measures do not conform to accounting principles generally accepted in the United States ("GAAP"). These non-GAAP measures are supplemental metrics designed to enhance our disclosure and to provide additional information that we believe to be important for investors to consider in addition to, but not as a substitute for, other measures of financial performance reported in accordance with GAAP, such as operating income, income (loss) from continuing operations, net income (loss) attributable to Iron Mountain Incorporated or cash flows from operating activities from continuing operations (as determined in accordance with GAAP). The reconciliation of these measures to the appropriate GAAP measure, as required by Regulation G under the Securities Exchange Act of 1934, as amended, and their definitions are included in the Supplemental Reporting Information.

2020 accomplishments

We managed the crisis, the crisis did not manage us

- ✓ We continued to **serve our customers**
- ✓ We maintained our focus on **Project Summit**
- ✓ We **accelerated our growth** in data center leasing
- ✓ We continued our investment in **new products and innovation**
- ✓ We are seeing good returns from our **Global Strategic Accounts** organization

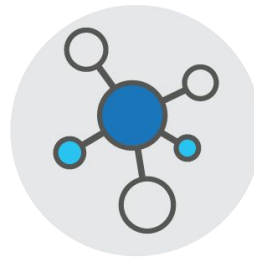
Reflecting on our resilience



COVID-19



**PROVIDED
ESSENTIAL
SERVICES**



**INVESTED IN
INNOVATION AND
CULTURE**



**EXPANDED AND
SCALED OUR
DIGITAL SOLUTIONS**



**ADOPTED A
SOLUTION-DRIVEN
MINDSET TO OVERCOME
OLD BARRIERS**

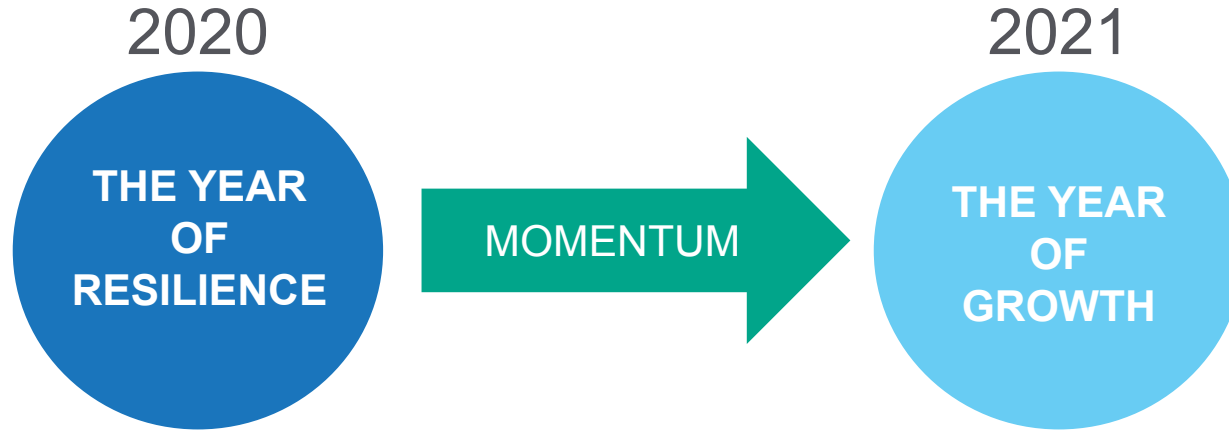


**MOUNTAINEERS ARE
MORE CONNECTED
THAN EVER BEFORE**

**EMERGING FROM 2020
STRONGER THAN EVER**



Momentum to GO BEYOND

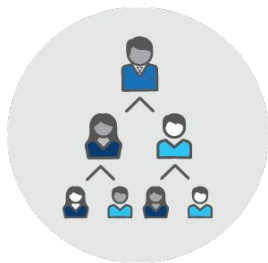


- *Investments in innovation, culture, I&D - powered by Project Summit*
- *Business growth in IMDC, Fine Art & Entertainment Services, Consumer, Global RIM*

Our exciting growth opportunities



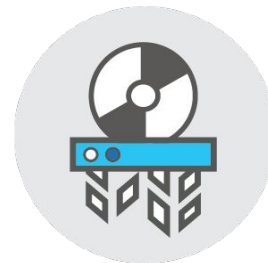
Content Service
Platform



Small & Medium
Business



Secure Offline
Storage



Secure IT Asset
Disposition
(SITAD)



Fine Art &
Entertainment Services



Data Centers



Consumer
Storage

Five-year growth momentum (2015-2020)

Data Centers

- Expansion to 15 facilities in 3 continents since 2017
- Total Addressable Market (TAM): \$20B

Consumer

- Joint venture with Makespace in 2019
- Since 2019: 2.1M CF to 7.3M CF (3x growth)
- TAM: \$35+B

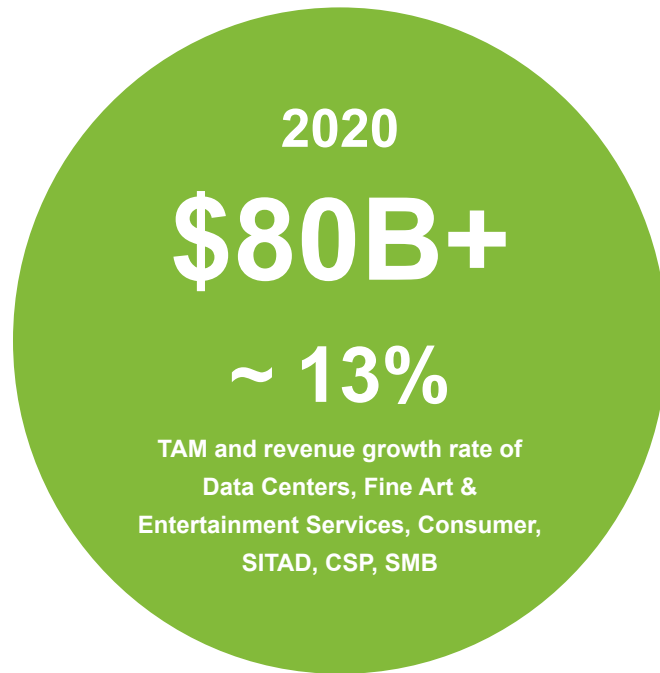
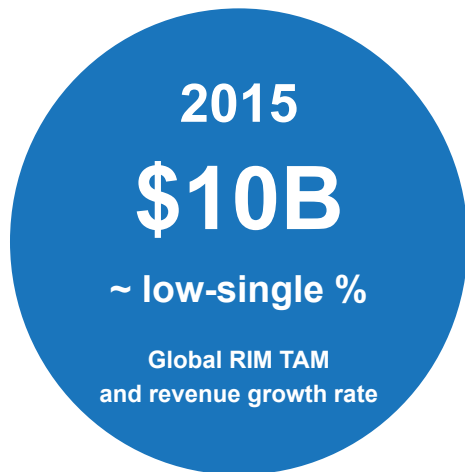
Fine Art & IMES

- Entertainment Services TAM: ~\$1B
- Fine Art TAM: ~\$1B

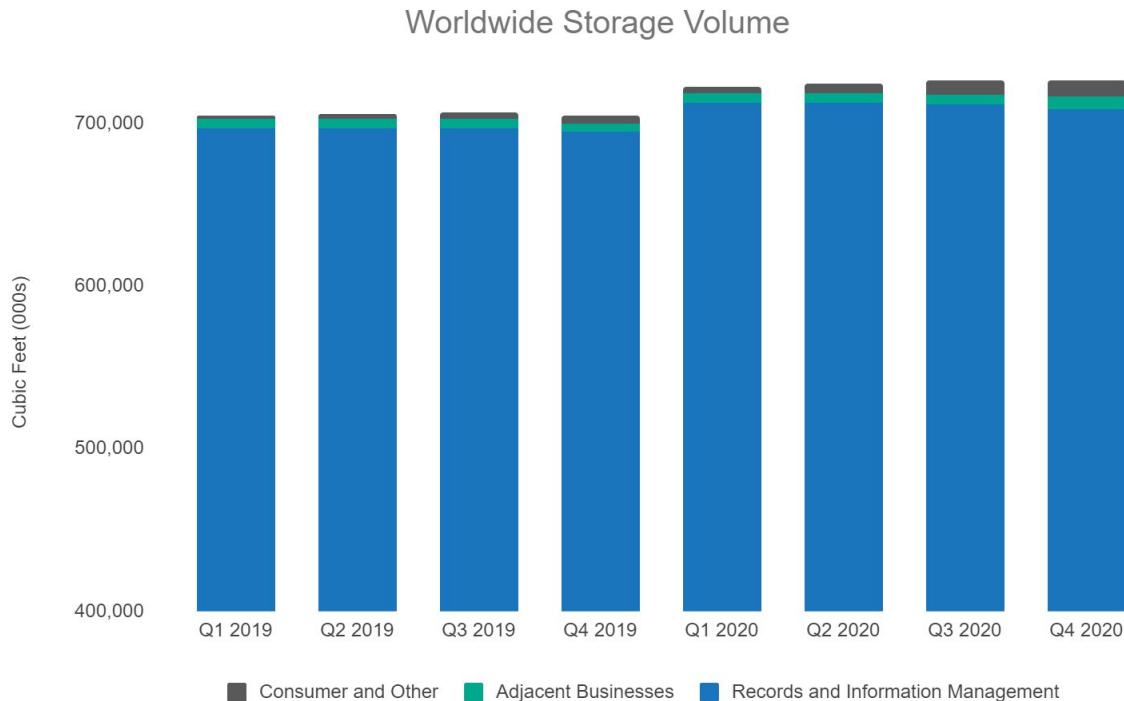
SITAD

- Media destruction, E-waste recycling, IT asset remarketing
- TAM: \$10B

Our Total Addressable Market (TAM)



Durable global physical storage portfolio



Data center trends positive

Commercial success⁽¹⁾



58+ MW leased



73 new logos



1,300+ customers

Development activity⁽¹⁾



10+ MW commissioned



15 operating data centers



13 markets across 3 continents

Geographic expansion⁽²⁾

IRON MOUNTAIN®
DATA CENTERS



IRON MOUNTAIN®

(1) As of 12/31/20

(2) Subject to the closing of our investment in Web Werks

Strong 2020 in challenging environment

(\$ in millions, except per share data)			
	Full-Year Ended		
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>Y/Y % Change</u>
Storage Rental Revenue	\$2,754	\$2,681	3%
Service Revenue	\$1,393	\$1,581	(12)%
Total Revenue	\$4,147	\$4,263	(3)%
Adjusted EBITDA ⁽¹⁾	\$1,476	\$1,469	0%
Adjusted EBITDA margin	35.6%	34.5%	+110bps
AFFO ⁽¹⁾	\$888	\$867	2%
AFFO per share ⁽¹⁾	\$3.07	\$3.01	2%

Note: all non-GAAP figures utilize our new definitions and updated methodology.

(1) Reconciliations for Adjusted EBITDA and AFFO to their respective GAAP measures can be found in the Supplemental Financial Information on pages 16 and 19, respectively.



Non-GAAP methodology changes

	Q4 2020			Full-Year 2020			Change with New Method?		
<i>\$s in millions, Except Per Share Data</i>	Prior Method	New Method	New vs. Prior	Prior Method	New Method	New vs. Prior	Unconsolidated Joint Ventures	Stock-Based Compensation	Growth Capital
Adjusted EBITDA	\$374	\$374	-	\$1,450	\$1,476	\$26	✓	✓	
Adjusted EPS	\$0.29	\$0.29	-	\$1.11	\$1.19	\$0.08	✓	✓	
FFO (Nareit)	\$44	\$44	-	\$319	\$319	-	✓		
FFO (Normalized)	\$173	\$173	-	\$675	\$698	\$23	✓	✓	
AFFO	\$187	\$191	\$4	\$881	\$888	\$7	✓		✓

Non-GAAP metrics methodology change

- Over the last year, we have evaluated feedback as to our non-GAAP metrics, considered the impact of certain recent developments in our business, and how these should be presented to best represent our underlying performance
- After a comprehensive review, we determined that some of our definitions for non-GAAP metrics could be evolved to make them more comparable with our peer group and how we believe the metrics should be used to interpret performance
- The updates include the following items:
 1. **Unconsolidated Joint Ventures**: We have historically excluded minority investments (i.e. JVs) from non-GAAP metrics. This exclusion is generally inconsistent with our peers. With recent investments adding to our number of unconsolidated joint ventures, we believe including our proportional share of these unconsolidated joint ventures in our non-GAAP metrics going forward best represents our true performance.
 2. **Stock-Based Compensation**: Going forward we will deduct stock based compensation from our non-GAAP metrics. The vast majority of our REIT and Data Center peers exclude stock-based compensation from their non-GAAP metrics, whereas we have only excluded from AFFO.
 3. **Growth Capital**: A portion of our growth capital, Non-Real Estate Growth Capital, has historically been deducted from AFFO. Peers generally do not deduct this form of capital. In fact, investors frequently ask why we make this deduction. A portion of this has been reclassified as Recurring and will continue to be deducted from AFFO. A portion of this has been reclassified as Real Estate Growth and will no longer be deducted from AFFO given its discretionary nature.

Note: All figures in this presentation are utilizing the new methodology, unless otherwise stated.

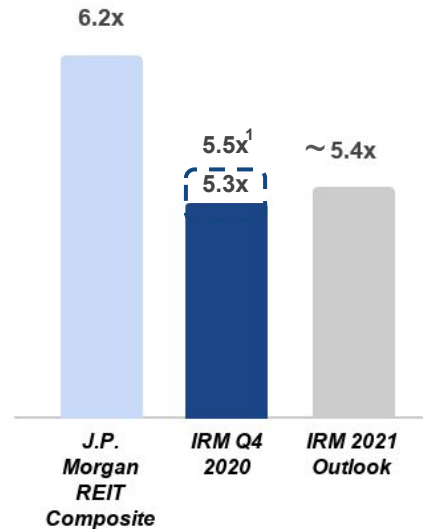


Balance sheet remains well positioned

Balance Sheet Highlights as of 12/31/20

- ~\$2 billion of liquidity
- ~87% Fixed Rate Debt
- 4.7% weighted average interest rate
- 7.6 years weighted-average maturity

Net Lease Adjusted Leverage



(1) Excluding the approximately \$260 million of proceeds from a large sale leaseback transaction in the fourth quarter of 2020 that we plan to invest in 2021, net lease adjusted leverage was 5.5x.

Source: J.P. Morgan REIT Weekly U.S. Real Estate report January 4, 2021 and company reports

Capital allocation strategy has not changed

- **Sustain** the dividend at current level
- Long-term **target AFFO payout ratio** of low to mid-60s
- Long-term **target leverage ratio** of 4.5x – 5.5x
- **Reinvest** in the business through growth Capital Expenditures
- Invest in **accretive M&A**
- Growth capital from **capital recycling** as well as **debt finance** in line with Adjusted EBITDA growth

2021 Guidance

(\$ in millions, except per share data)

	2020 Results	2021 Guidance ⁽¹⁾	Y/Y % Change
Total Revenue	\$4,147	\$4,325 - \$4,475	4% - 8%
Adjusted EBITDA	\$1,476	\$1,575 - \$1,625	7% - 10%
AFFO	\$888	\$945 - \$995	7% - 12%
AFFO Per Share	\$3.07	\$3.25 - \$3.42	6% - 11%

2021 Guidance assumes:

- Organic storage rental revenue growth of 2% - 4%
- Growth capital expenditures of ~ \$410 million, of which data center development is expected to be ~\$300 million
- Recurring capital expenditures of ~ \$140 million
- Capital Recycling proceeds of ~ \$125 million
- Project Summit restructuring charges of ~ \$200 million
- Project Summit Adjusted EBITDA benefits of ~ \$150 million

(1) Iron Mountain does not provide a reconciliation of non-GAAP measures that it discusses as part of its annual guidance or long term outlook because certain significant information required for such reconciliation is not available without unreasonable efforts or at all, including, most notably, the impact of exchange rates on Iron Mountain's transactions, loss or gain related to the disposition of real estate and other income or expense. Without this information, Iron Mountain does not believe that a reconciliation would be meaningful.

Key takeaways

- Investments in innovation and new products provide opportunity for accelerated growth on both top and bottom line
- Deliberate focus on shifting our culture as part of Project Summit, with increased commitments to Diversity & Inclusion
- Continued drive towards carbon neutrality
- Project Summit progressing well; on track to realize structural cost savings of \$375 million per year exiting 2021
- Expanded the total addressable market we now compete in to over \$80 billion

Appendix



Q4 2020 financial performance

<i>In millions, except per-share data</i>	Q4-20	Q4-19	Y/Y %	Constant Currency Y/Y%	Organic Growth ⁽¹⁾
Revenue	\$1,060	\$1,080	-1.8%	-2.2%	-3.4%
Storage	\$697	\$676	3.2%	2.9%	1.7%
Service	\$362	\$404	-10.3%	-10.8%	-12.1%
Gross Profit	\$610	\$620	-1.6%	-1.9%	
<i>Gross Profit Margin</i>	<i>57.6%</i>	<i>57.4%</i>	<i>20 bps</i>		
SG&A Expenses	\$236	\$234	1.2%	1.0%	
Income (Loss) from Continuing Operations	\$247	\$37	565.0%		
Adjusted EBITDA⁽²⁾	\$374	\$393	-4.8%	-5.3%	
<i>Adjusted EBITDA Margin</i>	<i>35.3%</i>	<i>36.4%</i>	<i>-110 bps</i>		
Net Income (Loss)	\$247	\$37	565.0%		
Adjusted EPS ⁽²⁾	\$0.29	\$0.33	-12.1%		
AFFO⁽²⁾	\$191	\$233	-18.2%		
<i>AFFO Per Share⁽²⁾</i>	<i>\$0.66</i>	<i>\$0.81</i>	<i>-18.5%</i>		
Dividend/Share	\$0.62	\$0.62	0.0%		
Fully Diluted Shares Outstanding	289	288	0.4%		

Note: all non-GAAP figures utilize our new definitions and updated methodology.

(1) Constant currency excluding impact from business acquisitions and divestitures.

(2) Reconciliations for Adjusted EBITDA, Adjusted EPS and AFFO to their respective GAAP measures can be found in the Supplemental Financial Information on pages 16, 17 and 20, respectively.



Full-year 2020 financial performance

<i>In millions, except per-share data</i>	2020	2019	Y/Y %	Constant Currency Y/Y%	Organic Growth ⁽¹⁾
Revenue	\$4,147	\$4,263	-2.7%	-1.7%	-3.3%
Storage	\$2,754	\$2,681	2.7%	3.8%	2.4%
Service	\$1,393	\$1,581	-11.9%	-11.0%	-12.8%
Gross Profit⁽²⁾	\$2,390	\$2,429	-1.6%	-0.7%	
<i>Gross Profit Margin</i>	<i>57.6%</i>	<i>57.0%</i>	<i>60 bps</i>		
SG&A Expenses ⁽³⁾	\$949	\$992	-4.3%	-3.4%	
Income (Loss) from Continuing Operations	\$343	\$268	27.9%		
Adjusted EBITDA⁽⁴⁾	\$1,476	\$1,469	0.5%	1.3%	
<i>Adjusted EBITDA Margin</i>	<i>35.6%</i>	<i>34.5%</i>	<i>+110 bps</i>		
Net Income (Loss)	\$343	\$268	27.9%		
Adjusted EPS ⁽⁴⁾	\$1.19	\$1.11	7.2%		
AFFO⁽⁴⁾	\$888	\$867	2.4%		
AFFO Per Share ⁽⁴⁾	\$3.07	\$3.01	2.0%		
Dividend/Share	\$2.47	\$2.45	0.8%		
Fully Diluted Shares Outstanding	289	288	0.3%		

Note: all non-GAAP figures utilize our new definitions and updated methodology.

(1) Constant currency excluding impact from business acquisitions and divestitures.

(2) Includes \$7.6M of direct and incremental costs related to COVID-19 in 2020.

(3) Includes \$1.6M of direct and incremental costs related to COVID-19 in 2020.

(4) Reconciliations for Adjusted EBITDA, Adjusted EPS and AFFO to their respective GAAP measures can be found in the Supplemental Financial Information on pages 16, 17 and 21, respectively.



Historical Non-GAAP Metrics | New vs. Prior Method Reconciliations

Adjusted EBITDA Methodology Changes

<i>\$s in millions</i>	FY2020	FY2019
Prior Definition Adjusted EBITDA	\$1,450	\$1,438
Unconsolidated Joint Ventures	(9)	(5)
Stock-Based Compensation	34	36
Growth Capital	-	-
New Definition Adjusted EBITDA	\$1,476	\$1,469
<i>Increase / Decrease from Definition Change</i>	\$26	\$31

Reconciliation of Operating Income to Adjusted EBITDA

	Prior Methodology									
	FY2020	FY2019	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Income (Loss) from Continuing Operations	\$343.1	\$268.2	\$246.8	\$38.6	(\$7.1)	\$64.9	\$37.1	\$108.3	\$92.3	\$30.5
Add / (Deduct):										
Intangible Impairments	23.0	-	-	-	-	23.0	-	-	-	-
Provision (Benefit) for Income Taxes	29.6	59.9	(3.7)	13.9	9.7	9.7	16.8	21.9	10.6	10.6
Other Expense (Income), Net	143.5	33.9	77.1	83.5	25.7	(42.7)	47.3	(13.4)	(15.2)	15.2
Interest Expense, Net	418.5	419.3	105.1	104.3	103.5	105.6	104.9	106.7	105.3	102.4
(Gain) Loss on Disposal/Write-Down of PP&E, Net (Including Real Estate)	(363.5)	(63.8)	(285.4)	(75.8)	(1.3)	(1.1)	(46.7)	(9.3)	(8.4)	0.6
Depreciation and Amortization	652.1	658.2	168.4	157.3	163.9	162.6	173.8	157.6	164.3	162.5
Significant Acquisition Costs	-	13.3	-	-	-	-	4.7	3.9	1.9	2.7
Restructuring Charges	194.4	48.6	65.7	48.4	39.3	41.0	48.6	-	-	-
COVID-19 Costs	9.3	-	-	-	9.3	-	-	-	-	-
Adjusted EBITDA	\$1,450.0	\$1,437.6	\$374.0	\$370.0	\$342.9	\$363.1	\$386.5	\$375.7	\$350.9	\$324.5

Reconciliation of Operating Income to Adjusted EBITDA

	New Methodology									
	FY2020	FY2019	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Income (Loss) from Continuing Operations	\$343.1	\$268.2	\$246.8	\$38.6	(\$7.1)	\$64.9	\$37.1	\$108.3	\$92.3	\$30.5
Add / (Deduct):										
Intangible Impairments	23.0	-	-	-	-	23.0	-	-	-	-
Provision (Benefit) for Income Taxes	29.6	59.9	(3.7)	13.9	9.7	9.7	16.8	21.9	10.6	10.6
Other Expense (Income), Net, Excluding Our Share of Losses (Gains) from our Unconsolidated Joint Ventures	133.6	25.7	74.2	81.2	23.2	(45.0)	45.2	(16.4)	(18.0)	14.9
Interest Expense, Net	418.5	419.3	105.1	104.3	103.5	105.6	104.9	106.7	105.3	102.4
(Gain) Loss on Disposal/Write-Down of PP&E, Net (Including Real Estate)	(363.5)	(63.8)	(285.4)	(75.8)	(1.3)	(1.1)	(46.7)	(9.3)	(8.4)	0.6
Depreciation and Amortization	652.1	658.2	168.4	157.3	163.9	162.6	173.8	157.6	164.3	162.5
Significant Acquisition Costs	-	13.3	-	-	-	-	4.7	3.9	1.9	2.7
Restructuring Charges	194.4	48.6	65.7	48.4	39.3	41.0	48.6	-	-	-
COVID-19 Costs	9.3	-	-	-	9.3	-	-	-	-	-
Stock-Based Compensation Expense	34.3	36.2	2.2	8.1	18.9	5.1	8.1	7.1	12.5	8.5
Our Share of Adjusted EBITDA Reconciling Items from our Unconsolidated Joint Ventures	1.4	3.4	0.9	0.2	0.2	0.1	0.7	1.0	0.9	0.8
Adjusted EBITDA	\$1,475.7	\$1,469.0	\$374.2	\$376.0	\$359.5	\$366.0	\$393.1	\$380.8	\$361.6	\$333.5

Adjusted EPS Methodology Changes

	FY2020	FY2019
Prior Definition Adjusted EPS	\$1.11	\$1.02
Unconsolidated Joint Ventures	(0.04)	(0.04)
Stock-Based Compensation	0.12	0.13
Growth Capital	-	-
New Definition Adjusted EPS	\$1.19	\$1.11
<i>Increase / Decrease from Definition Change</i>	<i>\$0.08</i>	<i>\$0.09</i>

Reconciliation of Reported Earnings per Share to Adjusted Earnings per Share

Prior Methodology

	FY2020	FY2019	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Reported EPS - Fully Diluted from Continuing Operations	\$1.19	\$0.93	\$0.86	\$0.13	(\$0.02)	\$0.22	\$0.13	\$0.37	\$0.32	\$0.10
Add / (Deduct):										
Intangible Impairments	0.08	-	-	-	-	0.08	-	-	-	-
Other Expense (Income), Net	0.50	0.11	0.27	0.29	0.09	(0.15)	0.16	(0.05)	(0.05)	0.05
(Gain) Loss on Disposal/Write-Down of PP&E, Net (Including Real Estate)	(1.25)	(0.22)	(0.99)	(0.26)	-	-	(0.16)	(0.03)	(0.03)	-
Significant Acquisition Costs	-	0.05	-	-	-	-	0.02	0.01	0.01	0.01
Restructuring Charges	0.67	0.17	0.23	0.17	0.14	0.14	0.17	-	-	-
COVID-19 Costs	0.03	-	-	-	0.03	-	-	-	-	-
Tax Impact of Reconciling Items and Discrete Tax Items	(0.11)	(0.02)	(0.07)	(0.01)	(0.01)	(0.02)	(0.01)	-	(0.01)	-
Adjusted EPS - Fully Diluted from Continuing Operations	\$1.11	\$1.02	\$0.29	\$0.31	\$0.22	\$0.28	\$0.31	\$0.32	\$0.23	\$0.17

Reconciliation of Reported Earnings per Share to Adjusted Earnings per Share

New Methodology

	FY2020	FY2019	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Reported EPS - Fully Diluted from Continuing Operations	\$1.19	\$0.93	\$0.86	\$0.13	(\$0.02)	\$0.22	\$0.13	\$0.37	\$0.32	\$0.10
Add / (Deduct):										
Intangible Impairments	0.08	-	-	-	-	0.08	-	-	-	-
Other Expense (Income), Net, Excluding our Share of Losses (Gains) from our Unconsolidated Joint Ventures	0.46	0.09	0.26	0.28	0.08	(0.16)	0.15	(0.06)	(0.06)	0.05
(Gain) Loss on Disposal/Write-Down of PP&E, Net (Including Real Estate)	(1.25)	(0.22)	(0.99)	(0.26)	-	-	(0.16)	(0.03)	(0.03)	-
Significant Acquisition Costs	-	0.05	-	-	-	-	0.02	0.01	0.01	0.01
Restructuring Charges	0.67	0.17	0.23	0.17	0.14	0.14	0.17	-	-	-
COVID-19 Costs	0.03	-	-	-	0.03	-	-	-	-	-
Tax Impact of Reconciling Items and Discrete Tax Items	(0.11)	(0.03)	(0.06)	(0.02)	(0.02)	(0.02)	(0.01)	-	(0.02)	(0.01)
Stock-Based Compensation Expense	0.12	0.13	0.01	0.03	0.07	0.02	0.03	0.02	0.04	0.03
Adjusted EPS - Fully Diluted from Continuing Operations	\$1.19	\$1.11	\$0.29	\$0.33	\$0.27	\$0.27	\$0.33	\$0.33	\$0.26	\$0.19

FFO (Normalized) Methodology Changes

<i>\$s in millions</i>	FY2020	FY2019
Prior Definition Normalized FFO	\$675	\$659
Unconsolidated Joint Ventures	(10)	(7)
Stock-Based Compensation ⁽¹⁾	33	33
Growth Capital	-	-
New Definition Normalized FFO	\$698	\$685
<i>Increase / Decrease from Definition Change</i>	\$23	\$27

(1) Net of tax impact resulting from definitional change.

Reconciliation of Net Income to FFO (Normalized)

	Prior Methodology									
	FY2020	FY2019	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net Income	\$343.1	\$268.3	\$246.8	\$38.6	(\$7.1)	\$64.9	\$37.1	\$108.3	\$92.5	\$30.5
Add / (Deduct):										
Real Estate Depreciation	298.9	303.4	74.6	72.0	75.7	76.6	83.2	72.9	74.2	73.1
Gain on Sale of Real Estate, Net of Tax	(365.7)	(99.2)	(288.2)	(75.9)	(1.1)	(0.5)	(58.9)	(9.7)	(30.5)	-
Data Center Lease-Based Intangible Asset Amortization	42.6	46.7	10.5	10.4	10.4	11.4	11.4	11.4	11.4	12.6
FFO (Nareit)	\$319.0	\$519.2	\$43.6	\$45.1	\$77.9	\$152.3	\$72.8	\$182.8	\$147.5	\$116.1
Add / (Deduct):										
Significant Acquisition Costs	-	13.3	-	-	-	-	4.7	4.0	1.9	2.7
Restructuring Charges	194.4	48.6	65.7	48.4	39.3	41.0	48.6	-	-	-
Intangible Impairments	23.0	-	-	-	-	23.0	-	-	-	-
Loss (Gain) on Disposal/Write-Down of PP&E, Net (Excluding Real Estate)	2.5	40.8	2.9	0.0	(0.2)	(0.2)	12.2	0.4	27.6	0.6
Other Expense (Income), Net	143.5	33.9	77.1	83.5	25.7	(42.7)	47.3	(13.4)	(15.2)	15.2
COVID-19 Costs	9.3	-	-	-	9.3	-	-	-	-	-
Real Estate Financing Lease Depreciation	13.8	13.4	3.7	3.5	3.4	3.2	3.6	3.1	3.1	3.5
Tax Impact of Reconciling Items and Discrete Tax Items	(30.7)	(10.2)	(19.6)	(4.3)	(3.2)	(6.8)	(2.0)	1.3	(10.2)	(0.7)
(Income) Loss from Discontinued Operations, Net of Tax	-	(0.1)	-	-	-	-	-	-	(0.1)	0.0
FFO (Normalized)	\$674.8	\$658.8	\$173.4	\$176.2	\$152.2	\$169.8	\$187.2	\$178.1	\$154.6	\$137.5

Reconciliation of Net Income to FFO (Normalized)

	New Methodology									
	FY2020	FY2019	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net Income	\$343.1	\$268.3	\$246.8	\$38.6	(\$7.1)	\$64.9	\$37.1	\$108.3	\$92.5	\$30.5
Add / (Deduct):										
Real Estate Depreciation	298.9	303.4	74.6	72.0	75.7	76.6	83.2	72.9	74.2	73.1
Gain on Sale of Real Estate, Net of Tax	(365.7)	(99.2)	(288.2)	(75.9)	(1.1)	(0.5)	(58.9)	(9.7)	(30.5)	-
Data Center Lease-Based Intangible Asset Amortization	42.6	46.7	10.5	10.4	10.4	11.4	11.4	11.4	11.4	12.6
Our Share of FFO (Nareit) Reconciling Items from our Unconsolidated Joint Ventures	-	1.3	-	-	-	-	0.3	0.3	0.3	0.3
FFO (Nareit)	\$319.0	\$520.5	\$43.6	\$45.1	\$77.9	\$152.3	\$73.1	\$183.2	\$147.8	\$116.5
Add / (Deduct):										
Significant Acquisition Costs	-	13.3	-	-	-	-	4.7	3.9	1.9	2.7
Restructuring Charges	194.4	48.6	65.7	48.4	39.3	41.0	48.6	-	-	-
Intangible Impairments	23.0	-	-	-	-	23.0	-	-	-	-
Loss (Gain) on Disposal/Write-Down of PP&E, Net (Excluding Real Estate)	2.5	40.8	2.9	-	(0.2)	(0.2)	12.2	0.4	27.6	0.6
Other Expense (Income), Net, Excluding Our Share of Losses (Gains) from our Unconsolidated Joint Ventures	133.6	25.7	74.2	81.2	23.2	(45.0)	45.2	(16.4)	(18.0)	14.9
Stock-based Compensation Expense	34.3	36.2	2.2	8.1	18.9	5.1	8.1	7.1	12.5	8.5
COVID-19 Costs	9.3	-	-	-	9.3	-	-	-	-	-
Our Share of FFO (Normalized) Reconciling Items from our Unconsolidated Joint Ventures	-	0.1	-	-	-	-	(0.1)	0.1	0.1	-
Real Estate Financing Lease Depreciation	13.8	13.4	3.7	3.5	3.4	3.2	3.6	3.1	3.1	3.5
Tax Impact of Reconciling Items and Discrete Tax Items	(31.8)	(13.1)	(18.8)	(4.6)	(5.7)	(7.3)	(2.5)	1.1	(11.5)	(2.1)
(Income) Loss from Discontinued Operations, Net of Tax	-	(0.1)	-	-	-	-	-	-	(0.1)	-
FFO (Normalized)	\$698.0	\$685.4	\$173.5	\$181.7	\$166.2	\$172.1	\$192.9	\$182.6	\$163.4	\$144.7

AFFO Methodology Changes

<i>\$s in millions</i>	FY2020	FY2019
Prior Definition AFFO	\$881	\$857
Unconsolidated Joint Ventures	(9)	(6)
Stock-Based Compensation	-	-
Growth Capital	16	16
New Definition AFFO	\$888	\$867
<i>Increase / Decrease from Definition Change</i>	\$7	\$10

Reconciliation of FFO (Normalized) to AFFO

Prior Methodology

	FY2020	FY2019	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
FFO (Normalized)	\$ 674.8	\$ 658.8	\$ 173.4	\$ 176.2	\$ 152.2	\$ 169.8	\$ 187.2	\$ 178.1	\$ 154.6	\$ 137.5
Add / (Deduct):										
Non-Real Estate Depreciation	134.8	139.5	34.5	32.6	33.8	33.9	33.0	32.1	36.4	38.0
Amortization Expense	137.8	136.1	38.1	33.3	34.5	31.9	37.6	33.8	33.3	31.3
Amortization of Deferred Financing Costs	17.4	16.7	4.2	4.1	4.5	4.5	4.5	4.1	4.1	4.1
Revenue Reduction Associated with Amortization of Permanent Withdrawal Fees and Above - and Below-Market Leases	9.9	13.7	2.3	2.4	2.6	2.7	3.3	3.2	3.5	3.6
Non-Cash Rent Expense (Income)	10.2	4.8	1.9	2.8	3.0	2.5	1.4	1.4	2.6	(0.6)
Reconciliation to Normalized Cash Taxes	20.4	5.5	(0.2)	(5.4)	27.0	2.2	12.4	4.6	(6.3)	(3.9)
Stock-Based Compensation Expense	34.3	36.2	2.2	8.1	18.9	5.1	8.1	7.1	12.5	8.5
Less:										
Non-Real Estate Growth Investment CapEx	69.5	62.0	28.7	20.7	11.8	8.4	33.1	15.8	3.7	9.4
Real Estate, Data Center and Non-Real Estate Recurring CapEx	89.2	92.5	40.7	20.3	15.2	13.0	25.7	23.4	27.6	15.8
AFFO	\$ 880.8	\$ 856.9	\$ 187.0	\$ 213.1	\$ 249.5	\$ 231.3	\$ 228.6	\$ 225.3	\$ 209.6	\$ 193.4

Reconciliation of FFO (Normalized) to AFFO

New Methodology

	FY2020	FY2019	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
FFO (Normalized)	\$698.0	\$685.4	\$173.5	\$181.7	\$166.2	\$172.1	\$192.9	\$182.6	\$163.4	\$144.7
Add / (Deduct):										
Non-Real Estate Depreciation	134.8	139.5	34.5	32.6	33.8	33.9	33.0	32.1	36.4	38.0
Amortization Expense	137.8	136.1	38.1	33.3	34.5	31.9	37.6	33.8	33.3	31.3
Amortization of Deferred Financing Costs	17.4	16.7	4.2	4.1	4.5	4.5	4.5	4.1	4.1	4.1
Revenue Reduction Associated with Amortization of Permanent Withdrawal Fees and Above - and Below-Market Leases	9.9	13.7	2.3	2.4	2.6	2.7	3.3	3.2	3.5	3.6
Non-Cash Rent Expense (Income)	10.2	4.8	1.9	2.8	3.0	2.5	1.4	1.4	2.6	(0.6)
Reconciliation to Normalized Cash Taxes	21.5	8.4	(0.9)	(5.1)	29.5	2.6	12.8	4.8	(4.9)	(2.5)
Iron Mountain's Share of reconciling items related to AFFO	1.1	0.5	0.8	0.1	0.1	0.1	0.2	0.2	0.1	0.1
Less:										
Recurring Capital Expenditures	143.1	138.1	63.6	35.4	24.4	19.7	52.5	36.3	24.8	24.6
AFFO	\$887.5	\$867.0	\$190.8	\$216.4	\$249.7	\$230.7	\$233.1	\$225.8	\$213.9	\$194.2