

# Iron Mountain (NYSE: IRM)

Location: New York

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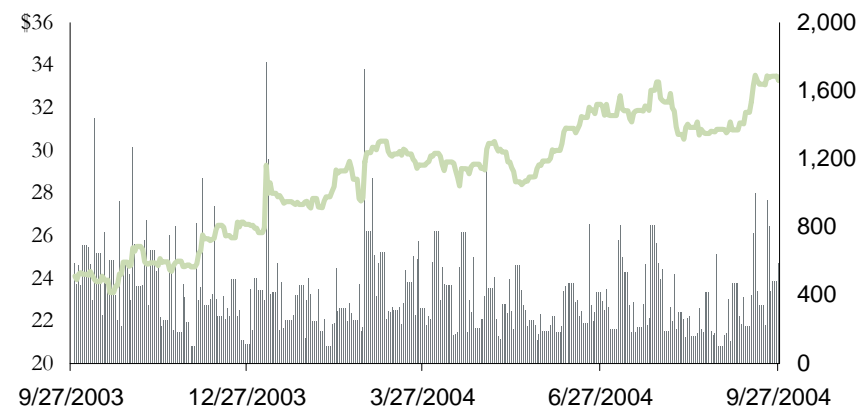
## BUSINESS DESCRIPTION

Iron Mountain Incorporated provides records and information management, and related services. The company's records management services include records management program development and implementation to help customers comply with specific regulatory requirements; implementation of policy-based programs; digital archiving services for secure and legally compliant long term archiving of electronic records; secure shredding services that ensure privacy and a secure chain of record custody; and specialized services for vital records, film and sound, and regulated industries, such as healthcare, energy, and financial services.

## INVESTMENT THESIS

Iron Mountain is the industry leader in the document management space, commanding a 50% market share in the U.S. The Company has also achieved considerable market share in Europe and South America. Management has succeeded in achieving top line growth while at the same time improving operating efficiency. While the Company has taken on considerable leverage as a result of a string of acquisitions, Iron Mountain's stable cash flows should allow it to delever quickly, increasing returns to the equity holders.

## STOCK PRICE PERFORMANCE



## FINANCIAL SUMMARY

Results of Operations	FY Ended Dec 31,			
	2001	2002	2003	LTM(1)
Revenue	\$1,185.7	\$1,318.5	\$1,501.3	\$1,669.6
<i>Growth</i>	20.2%	11.2%	13.9%	NA
EBITDA	301.4	363.1	436.9	436.9
<i>EBITDA Margin</i>	25.4%	27.5%	29.1%	29.0%
EBIT	142.9	249.2	302.4	334.0
<i>EBIT Margin</i>	12.0%	18.9%	20.1%	20.0%
D&A	158.5	113.9	134.6	150.6
CapEx	(268.4)	(246.4)	(584.4)	(737.6)
Interest Expense	134.7	136.6	150.5	164.6

Balance Sheet Data	
Total Debt	\$2,278.9
Cash & Equivalents	40.0
Net Debt	2,238.8
Credit Stats	
	LTM
Total Debt/EBITDA	5.2x
Net Debt/EBITDA	5.1x
EBITDA/Interest	2.7x

Trading Statistics	
Share Price (9/28/04)	\$33.27
Diluted Shares Outstanding (6/30/04)	130.5
52 Week High	33.53
52 Week Low	23.33
Equity Market Value	4,342.9
Net Debt, Preferred & Minority Interest	2,238.8
Enterprise Value (EV)	\$6,581.7

Valuation Multiples	2001	2002	2003	LTM <sup>(1)</sup>
EV/Revenue	5.6x	5.0x	4.4x	3.9x
EV/EBITDA	21.8x	18.1x	15.1x	15.1x
EV/EBIT	46.1x	26.4x	21.8x	19.7x

(1) Figures as of 6/30/04