

BEAM INC
Form PREM14A
February 04, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
SCHEDULE 14A
(RULE 14A-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

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

BEAM INC.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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

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

Common Stock, \$3.125 par value per share, of Beam Inc. (which we refer to as Beam common stock)

(2) Aggregate number of securities to which transaction applies:

169,826,447 shares of Beam common stock, which consists of (a) 165,233,644 shares of Beam common stock as of January 30, 2014, (b) 3,763,708 shares of Beam common stock subject to issuance upon exercise of outstanding options with exercise prices below \$83.50 as of January 30, 2014 and (c) 829,095 shares of Beam common stock with respect to outstanding awards of restricted stock units, and performance shares and deferred stock units as of January 30, 2014 (which we refer to as incentive shares). The calculation of the aggregate amount of outstanding awards of performance units and performance shares assumes the satisfaction of the applicable performance goal(s) at the target level.

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

In accordance with Exchange Act Rule 0-11, the filing fee of \$1,801,532.52 was determined by multiplying 0.00012880 by the proposed maximum aggregate value of the transaction. The proposed maximum aggregate value of the transaction was calculated as the sum of (a) 165,233,644 shares of Beam common stock multiplied by \$83.50 per share, (b) options to purchase 3,763,708 shares of Beam common stock with exercise prices below \$83.50 per share, multiplied by \$32.10 per share (which is the difference between \$83.50 and the weighted average exercise price per share of \$51.40) and (c) 829,095 incentive shares multiplied by \$83.50 per share.

(4) Proposed maximum aggregate value of transaction:

\$13,987,053,733.30

(5) Total fee paid:

\$1,801,532.52

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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[], 2014

Dear Fellow Stockholder:

A special meeting of stockholders of Beam Inc., a Delaware corporation (*Beam*), will be held on [], 2014, at [] a.m. Central Time at []. You are cordially invited to attend. The purpose of the meeting is to consider and vote on proposals relating to the proposed acquisition of Beam by Suntory Holdings Limited, a Japanese corporation (*Suntory Holdings*), for \$83.50 per share in cash. Regardless of whether you plan to attend the meeting, we encourage you to vote your shares by mail, by telephone or through the Internet following the procedures outlined below.

On January 12, 2014, Beam entered into an Agreement and Plan of Merger (the *merger agreement*) with Suntory Holdings and SUS Merger Sub Limited, a Delaware corporation and a wholly-owned subsidiary of Suntory Holdings (*Sub*), providing for, subject to the satisfaction or waiver of specified conditions, the acquisition of Beam by Suntory Holdings at a price of \$83.50 per share in cash. Subject to the terms and conditions of the merger agreement, Sub will be merged into Beam (the *merger*), with Beam surviving the merger as a wholly-owned subsidiary of Suntory Holdings. At the special meeting, Beam will ask you to adopt the merger agreement.

At the effective time of the merger, each share of Beam common stock issued and outstanding immediately prior to the effective time (other than (i) shares held by stockholders of Beam who have properly exercised and perfected appraisal rights under Delaware law and (ii) shares that are held in the treasury of Beam or owned of record by any wholly-owned subsidiary of Beam, Suntory Holdings or any wholly-owned subsidiary of Suntory Holdings) will be converted into the right to receive \$83.50 per share in cash, without interest, subject to any applicable withholding taxes.

The proxy statement accompanying this letter provides you with more specific information concerning the special meeting, the merger agreement, the merger and the other transactions contemplated by the merger agreement. We encourage you to carefully read the accompanying proxy statement and the copy of the merger agreement attached as Annex A to the proxy statement.

The board of directors of Beam (the *Board*) carefully reviewed and considered the terms and conditions of the merger agreement, the merger and the other transactions contemplated by the merger agreement. By a unanimous vote, the Board (i) approved the merger agreement, (ii) declared the merger agreement and the transactions contemplated thereby, including the merger, to be advisable and in the best interests of Beam and its stockholders, (iii) directed that a proposal to adopt the merger agreement be submitted to a vote at a meeting of Beam stockholders and (iv) recommended that Beam stockholders vote for the adoption of the merger agreement. **Accordingly, the Board unanimously recommends a vote FOR the proposal to adopt the merger agreement.**

Your vote is important. Whether or not you plan to attend the special meeting and regardless of the number of shares you own, your careful consideration of, and vote on, the proposal to adopt the merger agreement is important, and we encourage you to vote promptly. The merger cannot be completed unless the merger agreement is adopted by stockholders holding at least a majority of the outstanding shares of Beam common stock entitled to vote on such matter. **The failure to vote will have the same effect as a vote AGAINST the proposal to adopt the merger agreement.**

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After reading the accompanying proxy statement, please make sure to vote your shares promptly by completing, signing and dating the accompanying proxy card and returning it in the enclosed prepaid envelope or by voting by telephone or through the Internet by following the instructions on the accompanying proxy card. Instructions regarding all three methods of voting are provided on the proxy card. If you hold shares through an account with a bank, broker, trust or other nominee, please follow the instructions you receive from it to vote your shares.

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Thank you in advance for your continued support and your consideration of this matter.

A.D. David Mackay
Chairman, Board of Directors

Matthew J. Shattock
President and Chief Executive Officer

Neither the United States Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the merger, passed upon the merits or fairness of the merger or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

The accompanying proxy statement is dated [], 2014 and is first being mailed to Beam stockholders on or about [], 2014.

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BEAM INC.

510 Lake Cook Road

Deerfield, Illinois 60015

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held on [], 2014

To the Stockholders of Beam Inc.:

A special meeting of stockholders of Beam Inc. (*Beam*) will be held on [], 2014, at [] a.m. Central Time, at [], for the following purposes:

1. To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of January 12, 2014 and as amended from time to time (the *merger agreement*), by and among Beam, Suntory Holdings Limited, a Japanese corporation (*Suntory Holdings*), and SUS Merger Sub Limited, a Delaware corporation and a wholly-owned subsidiary of Suntory Holdings;
2. To consider and vote on a proposal to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to Beam's named executive officers that is based on or otherwise relates to the merger contemplated by the merger agreement (the *merger*); and
3. To consider and vote on a proposal to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Stockholders of record at the close of business on [], 2014 are entitled to notice of, and to vote at, the special meeting and any adjournments or postponements thereof.

For more information concerning the special meeting, the merger agreement, the merger and the other transactions contemplated by the merger agreement, please review the accompanying proxy statement and the copy of the merger agreement attached as Annex A to the proxy statement.

The board of directors of Beam (the *Board*) carefully reviewed and considered the terms and conditions of the merger agreement, the merger and the other transactions contemplated by the merger agreement. By a unanimous vote, the

Board (i) approved the merger agreement, (ii) declared the merger agreement and the transactions contemplated thereby, including the merger, to be advisable and in the best interests of Beam and its stockholders, (iii) directed that a proposal to adopt the merger agreement be submitted to a vote at a meeting of Beam stockholders and (iv) recommended that Beam stockholders vote for the adoption of the merger agreement.

The Board unanimously recommends that at the special meeting you vote FOR the proposal to adopt the merger agreement, FOR the approval, by a non-binding advisory vote, of the compensation that may be paid or become payable to Beam's named executive officers that is based on or otherwise relates to the merger and FOR the proposal to adjourn the special meeting if necessary or appropriate, including to solicit additional proxies.

To assure that your shares are represented at the special meeting, regardless of whether you plan to attend the special meeting in person, please fill in your vote, sign and mail the enclosed proxy card as soon as possible. We have enclosed a return envelope, which requires no postage if mailed in the United States. Alternatively, you may vote by telephone or through the Internet. Instructions regarding each of the methods of voting are provided on the enclosed proxy card. If you are voting by telephone or through the Internet, then your voting instructions must be received by 11:59 p.m. Eastern Time on the day before the special meeting. Your proxy is being solicited by the Board.

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If you have any questions about the merger or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, please call our proxy solicitor, Innisfree M&A Incorporated, toll-free at (877) 687-1875.

If you fail to return your proxy, vote by telephone or through the Internet or attend the special meeting in person, your shares will not be counted for purposes of determining whether a quorum is present at the special meeting and will have the same effect as a vote AGAINST the proposal to adopt the merger agreement.

By Order of the Board of Directors

Kenton R. Rose, Senior Vice President,
General Counsel, Chief Administrative Officer
and Secretary

Deerfield, Illinois

[], 2014

Please Vote Your Vote is Important

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Annex A Agreement and Plan of Merger, dated as of January 12, 2014

Annex B Opinion of Centerview Partners LLC

Annex C Opinion of Credit Suisse Securities (USA) LLC

Annex D Section 262 of the General Corporation Law of the State of Delaware

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*This summary highlights certain information in this proxy statement, but may not contain all of the information that may be important to you. You should carefully read the entire proxy statement and the attached Annexes and the other documents to which this proxy statement refers you for a more complete understanding of the matters being considered at the special meeting. In addition, this proxy statement incorporates by reference important business and financial information about Beam Inc. You may obtain the information incorporated by reference in this proxy statement without charge by following the instructions in the section entitled *Where You Can Find More Information*. Unless the context otherwise indicates, we refer to Beam Inc. as **Beam**, **we**, **us** or **our**.*

The Parties (see page 18)

Beam Inc. is a leading premium spirits company that, through its consolidated subsidiaries, makes and sells branded distilled spirits products in major markets worldwide. Our principal products include bourbon whiskey, tequila, Scotch whisky, Canadian whisky, vodka, cognac, rum, cordials, and ready-to-drink pre-mixed cocktails. Our diverse portfolio includes several of the world's top premium spirits brands. Beam's principal executive offices are located at 510 Lake Cook Road, Deerfield, Illinois 60015, and our telephone number is (847) 948-8888.

Suntory Holdings Limited (which we refer to as **Suntory Holdings**) is a privately held Japanese corporation, the subsidiary companies of which (which we refer to as the **Suntory Group**) are leading producers and distributors of alcoholic and non-alcoholic beverages. The Suntory Group commenced its business in Osaka, Japan in 1899 and currently operates in Asia, Oceania, Europe, the Americas and Africa. Suntory Group's alcoholic beverage business encompasses whisky, beer, wine and ready-to-drink brands. Suntory Holdings' headquarters are located at 2-3-3 Daiba, Minato-ku Tokyo 135-8631, Japan, and its phone number is 81-3-5579-1150.

SUS Merger Sub Limited, a Delaware corporation and a wholly-owned subsidiary of Suntory Holdings (which we refer to as **Sub**), was formed by Suntory Holdings solely for the purpose of engaging in the transactions contemplated by the merger agreement (as defined below). Upon completion of the merger (as defined below), Sub will merge with and into Beam, and Sub will cease to exist.

The Merger (see page 27)

On January 12, 2014, Beam, Suntory Holdings and Sub entered into an Agreement and Plan of Merger (which, as amended from time to time, we refer to as the **merger agreement**). Under the terms of the merger agreement, subject to the satisfaction or waiver of specified conditions, Sub will merge with and into Beam (which we refer to as the **merger**). Beam will survive the merger as a wholly-owned subsidiary of Suntory Holdings (which we refer to as the **surviving corporation**).

Upon completion of the merger, each issued and outstanding share of Beam common stock, par value \$3.125 per share (which we refer to as **Beam common stock**), that is issued and outstanding immediately prior to the effective time of the merger (other than (i) shares held by stockholders of Beam who have properly exercised and perfected appraisal rights under Delaware law and (ii) shares that are held in the treasury of Beam or owned of record by any wholly-owned subsidiary of Beam, Suntory Holdings or any wholly-owned subsidiary of Suntory Holdings) will automatically be canceled, cease to exist, and will be converted into the right to receive \$83.50 per share, in cash, without interest (which we refer to as the **merger consideration**), subject to any applicable withholding taxes.

Following the completion of the merger, Beam will cease to be a publicly traded company and will become a wholly-owned subsidiary of Suntory Holdings.

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The Special Meeting (see page 19)

The special meeting will be held on [], 2014, at [] a.m. Central Time, at []. At the special meeting, you will be asked to, among other things, vote for the proposal to adopt the merger agreement. See the section entitled "The Special Meeting," beginning on page 19, for additional information on the special meeting, including how to vote your shares of Beam common stock.

Stockholders Entitled to Vote; Vote Required to Adopt the Merger Agreement (see page 19)

You may vote at the special meeting if you were a holder of record of shares of Beam common stock as of the close of business on [], which is the record date for the special meeting (which we refer to as the **record date**). You will be entitled to one vote for each share of Beam common stock that you held and owned on the record date. As of the record date, there were [] shares of Beam common stock issued and outstanding and entitled to vote at the special meeting. The adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Beam common stock entitled to vote on such matter.

How to Vote

Stockholders of record have a choice of voting by proxy by completing a proxy card and mailing it in the prepaid envelope provided, by calling a toll-free telephone number or through the Internet. Please refer to your proxy card or the information forwarded by your bank, broker, trust or other nominee to see which options are available to you. The telephone and Internet voting facilities for stockholders of record will close at 11:59 p.m. Eastern Time on the day before the special meeting.

If you wish to vote by proxy and your shares are held by a bank, broker, trust or other nominee, you must follow the voting instructions provided to you by your bank, broker, trust or other nominee. Unless you give your bank, broker, trust or other nominee instructions on how to vote your shares of Beam common stock, your bank, broker, trust or other nominee will not be able to vote your shares at the special meeting.

If you wish to vote in person at the special meeting and your shares are held in the name of a bank, broker or other holder of record, you must obtain a legal proxy, executed in your favor, from the bank, broker or other holder of record authorizing you to vote at the special meeting.

YOU SHOULD NOT SEND IN YOUR STOCK CERTIFICATE(S) WITH YOUR PROXY CARD. A letter of transmittal with instructions for the surrender of certificates representing shares of Beam common stock will be mailed to stockholders if the merger is completed.

For additional information regarding the procedure for delivering your proxy, see the sections entitled "The Special Meeting How to Vote," beginning on page 21 and "The Special Meeting Solicitation of Proxies," beginning on page 22. If you have more questions about the merger or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, please call our proxy solicitor, Innisfree M&A Incorporated, toll-free at (877) 687-1875.

Recommendation of the Board; Reasons for Recommending the Adoption of the Merger Agreement (see page 36)

After careful consideration, Beam's board of directors (which we refer to as the **Board**) unanimously declared the merger agreement and the transactions contemplated thereby, including the merger, to be advisable and in the best

interests of Beam and its stockholders. **Accordingly, the Board unanimously recommends that at the special meeting you vote FOR the proposal to adopt the merger agreement, FOR the approval, by a non-binding advisory vote, of the compensation that may be paid or become payable to Beam's named executive officers that is based on or otherwise relates to the merger and FOR the proposal to adjourn the special meeting if necessary or appropriate, including to solicit additional proxies.**

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For a discussion of the material factors considered by the Board in reaching its conclusions, see the section entitled "The Merger - Reasons for Recommending the Adoption of the Merger Agreement," beginning on page 36. In addition, in considering the recommendation of the Board with respect to the merger agreement, you should be aware that some of our directors and executive officers have interests that may be different from, or in addition to, the interests of Beam stockholders generally. See the section entitled "The Merger - Interests of Directors and Executive Officers in the Merger," beginning on page 51.

Opinions of Our Financial Advisors (see page 42)

Opinion of Centerview Partners LLC

On January 12, 2014, Centerview Partners LLC (which we refer to as "*Centerview*") delivered to the Board its oral opinion, subsequently confirmed in a written opinion dated January 12, 2014, to the effect that, as of such date, based upon and subject to the various assumptions and limitations set forth in the written opinion, the per share merger consideration to be paid to the holders of the outstanding shares of Beam common stock (other than shares held in the treasury of Beam or owned of record by any of our wholly-owned subsidiaries or owned of record by Suntory Holdings or any of its wholly-owned subsidiaries, and other than dissenting shares and other than any other shares beneficially owned by any subsidiary of Beam and any other shares beneficially owned by Suntory Holdings or any of its affiliates (which we collectively refer to as "*excluded shares*")), pursuant to the merger agreement was fair, from a financial point of view, to such holders.

The full text of the written opinion of Centerview, dated January 12, 2014, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Centerview in connection with its opinion, is attached as Annex B to this proxy statement and is incorporated by reference into this proxy statement in its entirety. Centerview provided its opinion for the information and assistance of the Board (in their capacity as directors and not in any other capacity) in connection with and for purposes of its consideration of the merger and the other transactions contemplated by the merger agreement (which are referred to collectively throughout this paragraph as the "*transaction*"), and its opinion only addresses the fairness, from a financial point of view, as of the date of such written opinion, to the holders of the outstanding shares of Beam common stock (other than excluded shares) of the merger consideration to be paid to such holders pursuant to the merger agreement. Centerview's opinion does not address any other term or aspect of the merger agreement or the transaction and does not constitute a recommendation to any Beam stockholder as to how any such holder or any other person should vote with respect to the merger or otherwise act with respect to the transaction or any other matter. The summary of the written opinion of Centerview set forth below is qualified in its entirety by reference to the full text of such written opinion.

We encourage you to carefully read the written opinion of Centerview described above in its entirety for a description of the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Centerview in connection with such opinion.

Opinion of Credit Suisse Securities (USA) LLC

In connection with the merger, the Board received a written opinion, dated January 12, 2014, of Credit Suisse Securities (USA) LLC (which we refer to as "*Credit Suisse*") as to the fairness, from a financial point of view and as of the date of such opinion, of the per share merger consideration to be received by holders of Beam common stock (other than Suntory Holdings, Sub and their respective affiliates). The full text of Credit Suisse's written opinion, dated January 12, 2014, is attached to this proxy statement as Annex C and sets forth, among other things, the assumptions

made, procedures followed, matters considered and limitations on the review undertaken by Credit Suisse in connection with such opinion. **The description of Credit Suisse's opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of Credit Suisse's opinion. Credit Suisse's opinion was provided to the Board (in its capacity as such) for its information in**

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connection with its evaluation of the per share merger consideration from a financial point of view and did not address any other aspect of the proposed merger, including the relative merits of the merger as compared to alternative transactions or strategies that might be available to Beam or the underlying business decision of Beam to proceed with the merger. Under the terms of its engagement, Credit Suisse has acted as an independent contractor, not as an agent or fiduciary. Credit Suisse's opinion does not constitute advice or a recommendation to any Beam stockholder as to how such stockholder should vote or act on any matter relating to the proposed merger or otherwise.

Market Price and Dividend Data (see page 93)

Beam common stock is traded on the New York Stock Exchange (which we refer to as the *NYSE*) under the symbol *BEAM*. On January 10, 2014, the last full trading day prior to the public announcement of the merger, the closing price for Beam common stock was \$66.97 per share. On February 3, 2014, the last full trading day prior to the date of this proxy statement, the closing price for Beam common stock was \$83.22 per share.

Certain Effects of the Merger (see page 57)

Upon completion of the merger, Sub will be merged with and into Beam upon the terms set forth in the merger agreement. As the surviving corporation in the merger, Beam will continue to exist following the merger as a wholly-owned subsidiary of Suntory Holdings.

Following the completion of the merger, shares of Beam common stock will no longer be traded on the NYSE or any other public market. In addition, the registration of shares of Beam common stock under the Securities Exchange Act of 1934, as amended (which we refer to as the *Exchange Act*), will be terminated.

Consequences if the Merger is Not Completed (see page 58)

If the proposal to adopt the merger agreement does not receive the required approval from Beam stockholders, or if the merger is not completed for any other reason, you will not receive any consideration from Suntory Holdings or Sub for your shares of Beam common stock. Instead, Beam will remain a public company, and Beam common stock will continue to be listed and traded on the NYSE.

In addition, if the merger agreement is terminated under specified circumstances, Beam is required to pay Suntory Holdings a termination fee of \$425,000,000 (or a reduced termination fee of \$275,000,000 in connection with the termination of the merger agreement to enter into a definitive acquisition agreement with respect to a superior proposal (as such term is defined in the merger agreement and described below) prior to 5:00 p.m. U.S. Central time on February 26, 2014). See the section entitled *The Agreement and Plan of Merger Termination Fees*, beginning on page 85.

Treatment of Equity Awards (see page 65)

Except as otherwise agreed to in writing between Suntory Holdings and any holder of an option to purchase shares of Beam common stock granted pursuant to any of our company stock plans (which we refer to as *Stock Options*), restricted stock units (which we refer to as *RSUs*) or performance-based awards with respect to our shares (which we refer to as *Performance Awards*), immediately prior to the effective time of the merger,

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each Stock Option that is then outstanding will vest in full (or, in the case of Stock Options granted after the date of the merger agreement, vest on a prorated basis) and be canceled and, in exchange, each holder of any such canceled Stock Option will be entitled to receive a cash payment, without interest and less any applicable withholding taxes, in an amount equal to the product of (i) the vested portion of the total number of shares of Beam common stock subject to such canceled Stock Option and (ii) the excess, if any, of the merger consideration of \$83.50 per share over the exercise price per share of such canceled Stock Option;

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each award of RSUs with respect to shares of Beam common stock (each, an *RSU Award*) granted pursuant to our company stock plans that is then outstanding will vest in full (or, in the case of any RSU Award granted after the date of the merger agreement, vest on a prorated basis) and be canceled and, in exchange, each holder of any such canceled RSU Award will be entitled to receive a cash payment, without interest and less any applicable withholding taxes, in an amount equal to the sum of (A) the product of (i) the merger consideration of \$83.50 per share and (ii) the vested portion of the number of RSUs subject to such RSU Award and (B) all dividend equivalents accrued with respect to such underlying vested RSUs to the extent such dividend equivalents are required by the terms and conditions set forth in the applicable award agreement for such RSUs;

each award of deferred stock units (which we refer to as *DSUs*) with respect to shares of Beam common stock (each, a *DSU Award*) granted pursuant to any of our company stock plans that is then outstanding will be canceled and, in exchange, each holder of any such canceled DSU Award will be entitled to receive a cash payment, without interest and less any applicable withholding taxes, in an amount equal to the sum of (A) the product of (i) the merger consideration of \$83.50 per share and (ii) the number of DSUs subject to such canceled DSU Award and (B) all dividend equivalents accrued with respect to such DSUs to the extent such dividend equivalents are required by the terms and conditions set forth in the applicable award agreement for such DSUs; and

each Performance Award that is then outstanding will become vested on a prorated basis and the applicable performance goal(s) will be deemed to have been satisfied at 100% of the target level of performance, and such then outstanding Performance Awards will be canceled and, in exchange, each holder of any such canceled Performance Award will be entitled to receive a cash payment, without interest and less any applicable withholding taxes, in an amount equal to the sum of (A) the product of (i) the merger consideration of \$83.50 per share and (ii) the number of performance shares earned or deemed to have been earned in accordance with the terms of the merger agreement and (B) all dividend equivalents accrued with respect to such prorated number of performance shares subject to such Performance Award to the extent such dividend equivalents are required by the terms and conditions set forth in the applicable award agreement for such Performance Award.

All Stock Options, RSUs and Performance Awards and any cash-based long-term incentive awards granted after the date of the merger agreement will vest on a prorated basis at the effective time of the merger, and any portion that does not vest at the effective time of the merger will be forfeited for no consideration.

Interests of Directors and Executive Officers in the Merger (see page 51)

In considering the recommendation of the Board that you vote **FOR** the proposal to adopt the merger agreement, you should be aware that some of our directors and executive officers have interests that may be different from, or in addition to, the interests of Beam stockholders generally. The Board was aware of these interests and considered them at the time it approved the merger agreement and made its recommendation to Beam stockholders.

Conditions to the Merger (see page 82)

Each party's obligations to complete the merger are subject to the satisfaction or waiver (where permitted) of the following conditions:

receipt of the affirmative vote of the holders of a majority of the outstanding shares of Beam common stock to adopt the merger agreement;

(i) any applicable waiting period (or any extensions thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (which we refer to as the *HSR Act*), relating to the consummation of the merger having expired or been terminated and (ii) receipt of antitrust approval from the European Commission; and

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no governmental entity having issued, enacted, entered, promulgated or enforced any law or order that is in effect and renders the merger illegal, or prohibits, enjoins or otherwise prevents the merger.

The obligations of Suntory Holdings and Sub to complete the merger are also subject to the satisfaction or waiver by Suntory Holdings of additional conditions, including:

subject to, in certain cases, certain materiality qualifiers, the accuracy of each of our representations and warranties;

our performance and compliance in all material respects with all agreements and covenants required to be performed or complied with by us under the merger agreement; and

since the date of the merger agreement, there not having occurred any changes, circumstances, events or effects, that individually or in the aggregate have had or would reasonably be expected to have a material adverse effect on Beam.

Our obligations to complete the merger are also subject to the satisfaction or waiver by us of additional conditions, including:

subject to certain materiality qualifiers, the accuracy of each of the representations and warranties of Suntory Holdings and Sub; and

Suntory Holdings and Sub's performance and compliance in all material respects with all agreements and covenants required to be performed or complied with by them under the merger agreement.

Regulatory Approvals (see page 62)

Under the merger agreement, the respective obligations of Beam, Suntory Holdings and Sub to complete the merger are subject to, among other things, the expiration of the waiting period (and any extension thereof) or the granting of early termination applicable to the completion of the merger under the HSR Act and the receipt of antitrust approval from the European Commission. In the event that the merger has not closed by June 11, 2014, by reason of the failure to obtain the antitrust approvals that are conditions to closing under the merger agreement, then the deadline for completing the merger may be extended by either Beam or Suntory Holdings from time to time by written notice to the other party up to a date not beyond August 7, 2014. For a description of Beam's and Suntory Holdings' respective obligations under the merger agreement with respect to regulatory approvals, see the section entitled "The Agreement and Plan of Merger - Efforts to Complete the Merger," beginning on page 77.

Financing (see page 58)

We anticipate that the total funds needed to complete the merger, including the funds needed to pay Beam stockholders and holders of other equity-based interests the amounts due to them under the merger agreement, which would be approximately \$14.2 billion based upon the number of shares of Beam common stock (and our other equity-based interests) outstanding as of January 30, 2014, will be funded through a combination of Suntory Holdings cash on-hand and up to \$12.5 billion of debt financing. Suntory Holdings has entered into a debt commitment letter,

dated as of January 13, 2014, with The Bank of Tokyo-Mitsubishi UFJ (which we refer to as **BTMU**). Pursuant to and subject to the terms of the debt commitment letter, BTMU has committed to arrange and underwrite multi-currency, unsubordinated, unsecured credit facilities in an aggregate amount of up to \$12.5 billion. Although the debt financing described above is not subject to a due diligence or market out, the obligation of BTMU to provide debt financing under the debt commitment letter is subject to a number of conditions, and such financing should not be considered assured.

The completion of the merger is not conditioned upon Suntory Holdings receipt of financing.

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Restriction on Solicitation of Competing Proposals (see page 74)

The merger agreement generally restricts Beam's ability to solicit, directly or indirectly, potential competing proposals from third parties, or engage in discussions or negotiations with, or furnish non-public information regarding Beam or any of our subsidiaries to, third parties regarding any potential competing proposal. In addition, the merger agreement restricts Beam's ability to reimburse the expenses of any other person with respect to any competing proposal or offer that could reasonably be expected to lead to a competing proposal. Under certain circumstances, however, and in compliance with certain obligations contained in the merger agreement, Beam is permitted to furnish information with respect to Beam and our subsidiaries and participate in discussions or negotiations with third parties making a competing proposal that the Board determines in good faith, after consultation with our outside financial advisors and outside legal counsel, constitutes or could reasonably be expected to lead to a superior proposal and that the failure to furnish information to or participate in discussions or negotiations with respect to such competing proposal would be inconsistent with the Board's fiduciary duties under applicable law. Under certain circumstances, Beam is permitted to terminate the merger agreement, in order to enter into a definitive acquisition agreement with respect to a superior proposal, upon payment by Beam to Suntory Holdings of either a \$275,000,000 termination fee, if Beam terminates the merger agreement prior to 5:00 p.m. U.S. Central Time on February 26, 2014, or \$425,000,000 if Beam terminates the merger agreement after such time.

Termination of the Merger Agreement (see page 84)

The merger agreement may be terminated at any time by the mutual written consent of Suntory Holdings and Beam. The merger agreement may also be terminated by either Suntory Holdings or Beam if:

the merger has not been consummated on or before June 11, 2014, except that if, on June 11, 2014, the conditions relating to receipt of required United States and European Union antitrust approvals have not been satisfied, but all of the other conditions to closing have been satisfied (or are reasonably capable of being satisfied at closing), then such date may be extended from time to time upon written notice by either Beam or Suntory Holdings up to a date that is not beyond August 7, 2014 (which we refer to as the *outside date*) but in no event to a date less than five business days after the date of such written notice;

Beam stockholders have not adopted the merger agreement at the stockholder meeting at which a vote on the adoption of the merger agreement was taken, or at any adjournment or postponement of such meeting; or

any governmental entity of competent jurisdiction has issued, enacted, entered, promulgated or enforced any law or order permanently enjoining, restraining or prohibiting the merger, and such law or order has become final and non-appealable; provided that this termination right will only be available to a party that has complied with certain of the requirements described in the section entitled "The Agreement and Plan of Merger Efforts to Complete the Merger," beginning on page 77.

Beam may also terminate the merger agreement if:

the Board in compliance with the merger agreement has authorized Beam to enter into a definitive acquisition agreement with respect to a superior proposal, Beam has paid the requisite termination fee and

immediately following the termination of the merger agreement Beam enters into such definitive agreement with respect to such superior proposal; or

at any time (i) there is an inaccuracy in Suntory Holdings or Sub's representations or warranties contained in the merger agreement or Suntory Holdings or Sub fails to perform its covenants or other agreements under the merger agreement, in either case, such that a condition to closing relating to the accuracy of Suntory Holdings and Sub's representations and warranties or Suntory Holdings and Sub's performance or compliance with its covenants and agreements would not be satisfied and (ii) Suntory Holdings or Sub fails to cure such inaccuracy or failure to perform, or such inaccuracy or failure to perform is not capable of being cured, within a specified time period.

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Suntory Holdings may also terminate the merger agreement if:

at any time prior to the meeting of Beam stockholders with respect to the merger, (i) the Board has made a change of Company recommendation (as defined below under the section entitled "The Agreement and Plan of Merger - Obligation of the Board of Directors with Respect to Its Recommendation," beginning on page 76), (ii) we have failed to recommend against certain publicly made competing proposals within 10 business days after the commencement of such competing proposal or (iii) the Board has failed to unconditionally reaffirm the Board's recommendation in favor of the transactions contemplated by the merger agreement within 10 business days after Suntory Holdings delivers to us a written request to do so after a competing proposal has been publicly disclosed or has become publicly known; or

at any time (i) there is an inaccuracy in our representations or warranties contained in the merger agreement or we fail to perform our covenants or other agreements under the merger agreement, in either case, such that a condition to closing relating to the accuracy of our representations and warranties or our performance or compliance with our covenants and agreements would not be satisfied and (ii) we fail to cure such inaccuracy or failure to perform, or such inaccuracy or failure to perform is not capable of being cured, within a specified time period.

Termination Fees (see page 85)

Upon termination of the merger agreement under specified circumstances, we will be required to pay Suntory Holdings a termination fee of \$425,000,000. We will be required to pay Suntory Holdings a termination fee of \$275,000,000 if, prior to 5:00 p.m. U.S. Central Time on February 26, 2014, we terminate the merger agreement after the Board, in compliance with the obligations described in the merger agreement, has authorized Beam to enter into a definitive acquisition agreement with respect to a superior proposal and immediately following the termination of the merger agreement Beam enters into such definitive agreement with respect to such superior proposal.

Appraisal Rights (see page 88)

Under Delaware law, holders of shares of Beam common stock are entitled to appraisal rights in connection with the merger, provided that such holders meet all of the conditions set forth in Section 262 of the Delaware General Corporation Law (which we refer to as the "DGCL"). A holder of Beam common stock who properly seeks appraisal and complies with the applicable requirements under Delaware law (which we refer to as "dissenting stockholders") will forego the merger consideration and instead receive a cash payment equal to the fair value of his, her or its shares of Beam common stock in connection with the merger. Fair value will be determined by the Delaware Court of Chancery following an appraisal proceeding. Dissenting stockholders will not know the appraised fair value at the time such holders must elect whether to seek appraisal. The ultimate amount dissenting stockholders receive in an appraisal proceeding may be more or less than, or the same as, the amount such holders would have received under the merger agreement. A detailed description of the appraisal rights available to holders of Beam common stock and procedures required to exercise statutory appraisal rights is included in the section entitled "Appraisal Rights," beginning on page 88.

To seek appraisal, a Beam stockholder of record must deliver a written demand for appraisal to Beam before the vote on the merger agreement at the Beam special meeting, not vote in favor of the proposal to adopt the merger agreement, continuously hold the shares of Beam common stock through the date the merger is completed, and otherwise comply with the procedures set forth in Section 262 of the DCGL. Failure to follow exactly the procedures

specified under Delaware law will result in the loss of appraisal rights.

Litigation Related to the Merger (see page 62)

Beam, the Board, Sub and, in some cases, Suntory Holdings have been named as defendants in certain lawsuits brought by purported Beam stockholders seeking, among other things, to enjoin the proposed merger.

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Material U.S. Federal Income Tax Consequences of the Merger (see page 59)

The receipt of cash for shares of Beam common stock pursuant to the merger generally will be a taxable transaction for U.S. federal income tax purposes. In general, a U.S. holder (as such term is defined below in the section entitled "The Merger Material U.S. Federal Income Tax Consequences of the Merger," beginning on page 59) who receives cash in exchange for shares of Beam common stock in the merger will recognize gain or loss equal to the difference, if any, between the cash received and the U.S. holder's adjusted tax basis in the shares converted into the right to receive cash in the merger. Gain or loss will be determined separately for each block of shares of Beam common stock (that is, shares acquired for the same cost in a single transaction). You should refer to the discussion in the section entitled "The Merger Material U.S. Federal Income Tax Consequences of the Merger," beginning on page 59 and consult your tax advisor with respect to the U.S. federal, state, local and foreign tax consequences of the merger.

Additional Information (see page 98)

You can find more information about Beam in the periodic reports and other information we file with the U.S. Securities and Exchange Commission (which we refer to as the *SEC*). The information is available at the SEC's public reference facilities and at the website maintained by the SEC at www.sec.gov.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGER

The following questions and answers are intended to briefly address some commonly asked questions regarding the special meeting of stockholders and the merger. These questions and answers do not address all questions that may be important to you as a Beam stockholder. Please refer to the more detailed information contained elsewhere in this proxy statement, the Annexes to this proxy statement and the documents referred to in this proxy statement.

Q: Why am I receiving this proxy statement?

A: On January 12, 2014, Beam entered into the merger agreement with Suntory Holdings and Sub. You are receiving this proxy statement in connection with the solicitation of proxies by the Board in favor of the proposal to adopt the merger agreement.

Q: As a stockholder, what will I receive in the merger?

A: If the merger is completed, you will be entitled to receive \$83.50 in cash, without interest and subject to any applicable withholding taxes, for each share of Beam common stock you own as of immediately prior to the effective time of the merger.

The receipt of cash for shares of Beam common stock pursuant to the merger generally will be a taxable transaction for U.S. federal income tax purposes. Please see the discussion in the section entitled "The Merger - Material U.S. Federal Income Tax Consequences of the Merger," beginning on page 59, for a more detailed description of the U.S. federal income tax consequences of the merger. You should consult your own tax advisor for a full understanding of how the merger will affect your U.S. federal, state, local and foreign taxes.

Q: What will happen to outstanding Beam equity compensation awards in the merger?

A: For information regarding the treatment of outstanding Beam equity awards, see the section entitled "The Agreement and Plan of Merger - Treatment of Stock Options, Restricted Stock Units, Deferred Stock Units, Performance Awards and Equity Plans," beginning on page 65.

Q: When and where will the special meeting of stockholders be held?

A: The special meeting of Beam stockholders will be held at [] on [], 2014, at [] a.m. Central Time.

Q: Who is entitled to vote at the special meeting?

A: Only holders of record of Beam common stock as of the close of business on [], the record date for the special meeting, are entitled to vote at the special meeting. You will be entitled to one vote on each of the proposals presented in this proxy statement for each share of Beam common stock that you held on the record date.

Q: What proposals will be considered at the special meeting?

At the special meeting, you will be asked to consider and vote on:

a proposal to adopt the merger agreement;

a proposal to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to Beam's named executive officers that is based on or otherwise relates to the merger, as discussed in the section entitled "The Merger - Interests of Directors and Executive Officers in the Merger," beginning on page 51; and

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a proposal to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Q: What vote is required to approve each of the proposals?

A: The proposal to adopt the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Beam common stock entitled to vote on such matter. Abstentions, failures to vote and broker non-votes will have the same effect as a vote **AGAINST** the proposal to adopt the merger agreement. The approval of the non-binding compensation advisory proposal requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. Although the Board intends to consider the vote resulting from this proposal, the vote is advisory only and, therefore, is not binding on Beam or Suntory Holdings or any of their respective subsidiaries, and, if the merger agreement is adopted by Beam stockholders and the merger is completed, the compensation that is based on or otherwise relates to the merger will be payable to our named executive officers even if this proposal is not approved. Broker non-votes will have no effect on approval of the proposal; however, the abstention from voting will have the same effect as a vote **AGAINST** the proposal.

The approval of the proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter may adjourn the meeting to another place, date or time. In each case, broker non-votes will have no effect on approval of the proposal; however, the abstention from voting will have the same effect as a vote **AGAINST** the proposal.

Q: How does the Board recommend that I vote on the proposals?

A: Upon careful consideration, the Board has unanimously determined that the merger agreement and the transactions contemplated thereby, including the merger, are in the best interests of Beam and its stockholders, and unanimously recommends that you vote **FOR** the proposal to adopt the merger agreement, **FOR** the non-binding compensation advisory proposal and **FOR** the proposal to adjourn the special meeting if necessary or appropriate.

For a discussion of the factors that the Board considered in determining to recommend the adoption of the merger agreement, please see the section entitled "The Merger Reasons for Recommending the Adoption of the Merger Agreement," beginning on page 36. In addition, in considering the recommendation of the Board with respect to the merger agreement, you should be aware that some of our directors and executive officers have interests that may be different from, or in addition to, the interests of Beam stockholders generally. See the section entitled "The Merger Interests of Directors and Executive Officers in the Merger," beginning on page 51.

Q: Do I need to attend the special meeting in person?

A: No. It is not necessary for you to attend the special meeting in order to vote your shares. You may vote by mail, by telephone or through the Internet, as described in more detail below.

Q: How many shares need to be represented at the special meeting?

A: The presence at the special meeting, in person or by proxy, of the holders of a majority of the voting power of the shares of Beam common stock issued and outstanding and entitled to vote constitutes a quorum for

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the purpose of considering the proposals. As of the close of business on the record date, there were [] shares of Beam common stock outstanding. If you are a Beam stockholder as of the close of business on the record date and you vote by mail, by telephone, through the Internet or in person at the special meeting, you will be considered part of the quorum. If you are a street name holder of shares of Beam common stock and you provide your bank, broker, trust or other nominee with voting instructions, then your shares will be counted in determining the presence of a quorum. If you are a street name holder of shares and you do not provide your bank, broker, trust or other nominee with voting instructions, then your shares will not be counted in determining the presence of a quorum.

All shares of Beam common stock held by stockholders that are present in person, or represented by proxy, and entitled to vote at the special meeting, regardless of how such shares are voted or whether such stockholders have indicated on their proxy that they are abstaining from voting, will be counted in determining the presence of a quorum. In the absence of a quorum, the special meeting may be adjourned.

Q: Why am I being asked to consider and cast a non-binding advisory vote to approve the compensation that may be paid or become payable to Beam's named executive officers that is based on or otherwise relates to the merger?

A: In July 2010, the SEC adopted rules that require companies to seek a non-binding advisory vote to approve certain compensation that may be paid or become payable to their named executive officers that is based on or otherwise relates to corporate transactions such as the merger. In accordance with the rules promulgated under Section 14A of the Exchange Act, Beam is providing its stockholders with the opportunity to cast a non-binding advisory vote on compensation that may be paid or become payable to Beam's named executive officers in connection with the merger. For additional information, see the section entitled Proposal 2: Non-Binding Compensation Advisory Proposal, beginning on page 25.

Q: What will happen if Beam stockholders do not approve the non-binding compensation advisory proposal?

A: The vote to approve the non-binding compensation advisory proposal is a vote separate and apart from the vote to adopt the merger agreement. Approval of the non-binding compensation advisory proposal is not a condition to completion of the merger, and it is advisory in nature only, meaning that it will not be binding on Beam or Suntory Holdings or any of their respective subsidiaries. Accordingly, if the merger agreement is adopted by Beam's stockholders and the merger is completed, the compensation that is based on or otherwise relates to the merger will be payable to our named executive officers even if this proposal is not approved.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this proxy statement and the Annexes attached to this proxy statement, please vote your shares of Beam common stock in one of the ways described below as soon as possible. You will be entitled to one vote for each share of Beam common stock that you held and owned on the record date.

Q: How do I vote if I am a stockholder of record?

A: You may vote by:

submitting your proxy by completing, signing and dating each proxy card you receive and returning it by mail in the enclosed prepaid envelope;

submitting your proxy by using the telephone number printed on each proxy card you receive;

submitting your proxy through the Internet voting instructions printed on each proxy card you receive; or

by appearing in person at the special meeting and voting by ballot.

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If you are submitting your proxy by telephone or through the Internet, your voting instructions must be received by 11:59 p.m. Eastern Time on the day before the special meeting.

Submitting your proxy by mail, by telephone or through the Internet will not prevent you from voting in person at the special meeting. You are encouraged to submit a proxy by mail, by telephone or through the Internet even if you plan to attend the special meeting in person to ensure that your shares of Beam common stock are represented at the special meeting.

If you return your signed proxy card, but do not mark the boxes showing how you wish to vote, your shares will be voted **FOR** the proposal to adopt the merger agreement, **FOR** the approval of the non-binding compensation advisory proposal and **FOR** the approval of the proposal to adjourn the special meeting if necessary or appropriate.

Q: If my shares are held for me by a bank, broker, trust or other nominee, will my bank, broker, trust or other nominee vote those shares for me with respect to the proposals?

A: Your bank, broker, trust or other nominee will not have the power to vote your shares of Beam common stock at the special meeting unless you provide instructions to your bank, broker, trust or other nominee on how to vote. You should instruct your bank, broker, trust or other nominee on how to vote your shares with respect to the proposals, using the instructions provided by your bank, broker, trust or other nominee. You may be able to vote by telephone or through the Internet if your bank, broker, trust or other nominee offers these options.

Q: What if I fail to instruct my bank, broker, trust or other nominee how to vote?

A: Your bank, broker, trust or other nominee will **NOT** be able to vote your shares of Beam common stock unless you have properly instructed your bank, broker, trust or other nominee on how to vote. Because the proposal to adopt the merger agreement requires the affirmative vote of a majority of the outstanding shares of Beam common stock, the failure to provide your nominee with voting instructions will have the same effect as a vote **AGAINST** the proposal to adopt the merger agreement. Furthermore, your shares will not be included in the calculation of the number of shares of Beam common stock present at the special meeting for purposes of determining whether a quorum is present.

Q: May I change my vote after I have mailed my proxy card or after I have submitted my proxy by telephone or through the Internet?

A: Yes. You may revoke your proxy or change your vote at any time before it is voted at the special meeting. You may revoke your proxy by delivering a signed written notice of revocation stating that the proxy is revoked and bearing a date later than the date of the proxy to Beam's Corporate Secretary at 510 Lake Cook Road, Deerfield, Illinois 60015. You may also revoke your proxy or change your vote by submitting another proxy by telephone or through the Internet in accordance with the instructions on the enclosed proxy card. You may also submit a later-dated proxy card relating to the same shares of Beam common stock. If you voted by completing, signing, dating and returning the enclosed proxy card, you should retain a copy of the voter control number found on the

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proxy card in the event that you later decide to revoke your proxy or change your vote by telephone or through the Internet. Alternatively, your proxy may be revoked or changed by attending the special meeting and voting in person. However, simply attending the special meeting without voting will not revoke or change your proxy.

Street name holders of shares of Beam common stock should contact their bank, broker, trust or other nominee to obtain instructions as to how to revoke or change their proxies.

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If you have instructed a bank, broker, trust or other nominee to vote your shares, you must follow the instructions received from your bank, broker, trust or other nominee to change your vote.

All properly submitted proxies received by us before the special meeting that are not revoked or changed prior to being exercised at the special meeting will be voted at the special meeting in accordance with the instructions indicated on the proxies or, if no instructions were provided, **FOR** each of the proposals.

Q: What does it mean if I receive more than one proxy?

A: If you receive more than one proxy, it means that you hold shares of Beam common stock that are registered in more than one account. For example, if you own your shares in various registered forms, such as jointly with your spouse, as trustee of a trust or as custodian for a minor, you will receive, and you will need to sign and return, a separate proxy card for those shares because they are held in a different form of record ownership. Therefore, to ensure that all of your shares are voted, you will need to submit your proxies by mailing in each proxy card you receive or by telephone or through the Internet by using the different voter control number(s) on each proxy card.

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

A: The record date for the special meeting is earlier than the expected date of the merger. If you own shares of Beam common stock as of the close of business on the record date but transfer your shares prior to the special meeting, you will retain your right to vote at the special meeting, but the right to receive the merger consideration will pass to the person who holds your shares as of immediately prior to the effective time of the merger.

Q: May I exercise dissenters' rights or rights of appraisal in connection with the merger?

A: Yes. In order to exercise your appraisal rights, you must follow the requirements set forth in Section 262 of the DGCL. Under Delaware law, holders of record of Beam common stock who do not vote in favor of adopting the merger agreement will have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery if the merger is completed. Appraisal rights only will be available to these holders if they deliver a written demand for an appraisal to Beam prior to the vote on the proposal to adopt the merger agreement at the special meeting and they comply with the procedures and requirements set forth in Section 262 of the DGCL, which are summarized in this proxy statement. The appraisal amount could be more than, the same as or less than the amount a stockholder would be entitled to receive under the terms of the merger agreement. A copy of Section 262 of the DGCL is included as Annex D to this proxy statement. For additional information, see the section entitled "Appraisal Rights," beginning on page 88.

Q: If I hold my shares in certificated form, should I send in my stock certificates now?

A: No. Shortly after the merger is completed, you will be sent a letter of transmittal that includes detailed written instructions on how to return your stock certificates. You must return your stock certificates in accordance with such instructions in order to receive the merger consideration. **PLEASE DO NOT SEND IN YOUR STOCK CERTIFICATE(S) NOW.**

Q: Should I send in my Stock Options, RSUs, DSUs or Performance Awards now?

A: No. Shortly after the merger is completed, your Stock Options, RSUs, DSUs and Performance Awards will either be automatically exchanged for the applicable consideration, or you will receive further instructions for such exchange.

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Q: When is the merger expected to be completed?

A: We and Suntory Holdings are working toward completing the merger as quickly as possible. We currently anticipate that the merger will be completed during the second quarter of 2014, but we cannot be certain when or if the conditions to the merger will be satisfied or, to the extent permitted, waived. The merger cannot be completed until the conditions to closing are satisfied (or, to the extent permitted, waived), including the adoption of the merger agreement by Beam stockholders and the receipt of certain regulatory approvals. For additional information, see the section entitled *The Agreement and Plan of Merger Conditions to the Merger*, beginning on page 82.

Q: What happens if the merger is not completed?

A: If the proposal to adopt the merger agreement is not approved by the holders of a majority of the outstanding shares of Beam common stock entitled to vote on the matter or if the merger is not completed for any other reason, you will not receive any consideration from Suntory Holdings or Sub for your shares of Beam common stock. Instead, Beam will remain a public company, and Beam common stock will continue to be registered under the Exchange Act and listed and traded on the NYSE. We expect that our management will operate our business in a manner similar to that in which it is being operated today and that holders of shares of Beam common stock will continue to be subject to the same risks and opportunities to which they are currently subject with respect to their ownership of Beam common stock. Under certain circumstances, if the merger is not completed, we may be obligated to pay Suntory Holdings a termination fee. For additional information, see the section entitled *The Merger Consequences if the Merger is Not Completed*, beginning on page 58.

Q: What if I am a participant in the Beam Retirement Savings Plan?

A: We are mailing this proxy statement and a proxy card to participants in the Beam Retirement Savings Plan (which we refer to as the *Savings Plan*) who invest in the Beam Stock Fund under the Savings Plan. The trustee, as record holder of Beam common stock held in the Savings Plan, will vote whole shares attributable to your interest in the Beam Stock Fund in accordance with your directions given on the proxy card, by telephone or through the Internet. If you invest in the Beam Stock Fund under the Savings Plan and you sign and return the enclosed proxy card, we will forward it to the trustee of the Savings Plan. The proxy card will serve as instructions to the trustee to vote the whole shares attributable to your interest in the manner you indicate on the proxy card. If you do not timely return the proxy card, the trustee will vote the shares attributable to your interest in the Beam Stock Fund in the same manner and proportion as the interest with respect to which voting instructions have been timely received, unless contrary to applicable law. If you return a signed proxy card that covers shares attributable to your interest in the Beam Stock Fund but do not provide voting instructions for some or all of the matters to be voted on, your shares will be voted on all uninstructed matters in accordance with the recommendations of the Board.

Q: Are there any requirements if I plan on attending the special meeting?

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A: If you wish to attend the special meeting, you may be asked to present valid photo identification. Please note that if you hold your shares in street name, you will need to bring a copy of your voting instruction card or brokerage statement reflecting your stock ownership as of the record date and check in at the registration desk at the meeting. Cameras, sound or video recording devices or any similar equipment, or the distribution of any printed materials, will not be permitted at the meeting without the approval of Beam.

Q: Where can I find more information about Beam?

A: Beam files periodic reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our

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SEC filings are also available to the public at the SEC's website at www.sec.gov. For a more detailed description of the information available, see the section entitled "Where You Can Find More Information," beginning on page 98.

Q: Who can help answer my questions?

A: For additional questions about the merger, assistance in submitting proxies or voting shares of Beam common stock, or additional copies of the proxy statement or the enclosed proxy card, please contact our proxy solicitor:

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, New York 10022

Stockholders call toll-free: (877) 687-1875

Banks and Brokers call collect: (212) 750-5833

If your shares are held for you by a bank, broker, trust or other nominee, you should also call your bank, broker, trust or other nominee for additional information.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Any statements in this proxy statement about expectations, beliefs, plans, objectives, prospects, assumptions or future events or performance that are not historical facts, including statements regarding the expected timing, completion and effects of the merger, are forward-looking statements. These statements are often, but not always, made through the use of words or phrases such as believe, anticipate, should, intend, plan, will, expect(s), estimate(s), positioned, strategy, outlook and similar expressions. All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual results or outcomes to differ materially from the results or outcomes expressed in the statements. Among the key factors that could cause actual results or outcomes to differ materially from those projected in the forward-looking statements are the following: the parties' ability to satisfy the conditions to the completion of the merger, including the receipt of approval by Beam stockholders; the parties' ability to obtain regulatory approvals on the terms expected and on the anticipated schedule; unanticipated difficulties or expenditures relating to the transactions contemplated by the merger agreement; legal proceedings instituted against Beam and others following announcement of the merger agreement; disruptions of current plans and operations caused by the announcement of the merger agreement and pendency of the transactions contemplated by the merger agreement; potential difficulties in employee retention as a result of the announcement of the merger agreement and pendency of the transactions contemplated by the merger agreement; the response of customers, distributors, suppliers and competitors to the announcement of the merger agreement; the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement, including a termination of the merger agreement under circumstances that could require Beam to pay a termination fee; the parties' ability to complete the transactions contemplated by the merger agreement in a timely manner or at all; the diversion of management's attention from ongoing business concerns; limitations placed on Beam's ability to operate its business under the merger agreement; and the factors described in Item 1A of Beam's annual report on Form 10-K for the year ended December 31, 2012 and in the other filings and reports that Beam makes with the SEC as described in the section entitled "Where You Can Find More Information," beginning on page 98. Because the factors referred to above and other factors, including general industry and economic conditions and the effect of future or existing local or federal laws or regulations affecting the spirits industry, could cause actual results or outcomes to differ materially from those expressed or implied in any forward-looking statements, you should not place undue reliance on any such forward-looking statements. Further, any forward-looking statement speaks only as of the date of this proxy statement, based on information available to Beam as of the date of this proxy statement, and Beam undertakes no obligation to update any forward-looking statement to reflect events or circumstances after such date.

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PARTIES TO THE MERGER

Beam

Beam Inc. is a leading premium spirits company that, through its consolidated subsidiaries, makes and sells branded distilled spirits products in major markets worldwide. Our principal products include bourbon whiskey, tequila, Scotch whisky, Canadian whisky, vodka, cognac, rum, cordials, and ready-to-drink pre-mixed cocktails. Our diverse portfolio includes several of the world's top premium spirits brands.

Beam became a stand-alone public spirits company in October 2011. Shares of Beam common stock are listed on the NYSE and trade under the symbol *BEAM*.

Beam's principal executive offices are located at 510 Lake Cook Road, Deerfield, Illinois 60015, and our telephone number is (847) 948-8888. Our website address is www.beamglobal.com. The information provided on our website is not part of this proxy statement and is not incorporated by reference in this proxy statement by this or any other reference to our website in this proxy statement.

Additional information about Beam is contained in our public filings, which are incorporated by reference in this proxy statement. See the section entitled "Where You Can Find More Information," beginning on page 98, for more information.

Suntory Holdings

Suntory Holdings is a privately held Japanese corporation, and its subsidiaries comprising the Suntory Group are leading producers and distributors of alcoholic and non-alcoholic beverages. Suntory Group commenced its business in Osaka, Japan in 1899 and currently operates in Asia, Oceania, Europe, the Americas and Africa. Suntory Group's alcoholic beverage business encompasses whisky, beer, wine and ready-to-drink brands.

The Suntory Holdings headquarters are located at 2-3-3 Daiba, Minato-ku Tokyo 135-8631, Japan, its phone number is 81-3-5579-1150 and its website address is www.suntory.com. The information provided on Suntory Holdings website is not part of this proxy statement and is not incorporated by reference in this proxy statement.

Sub

Suntory Holdings formed SUS Merger Sub Limited, a Delaware corporation and a wholly-owned subsidiary of Suntory Holdings, on January 8, 2014, solely for the purpose of engaging in the transactions contemplated by the merger agreement. Sub has not carried on any activities on or prior to the date of this proxy statement, except for activities incidental to its formation and activities undertaken in connection with Suntory Holdings' acquisition of Beam. Upon completion of the merger, Sub will merge with and into Beam, and Sub will cease to exist. Sub's principal executive offices are located at 2-3-3 Daiba, Minato-ku, Tokyo, 135-8631, Japan, and its telephone number is 81-3-5579-1150.

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THE SPECIAL MEETING

We are furnishing this proxy statement as part of the solicitation of proxies by the Board for use at the special meeting and at any properly convened meeting following an adjournment or postponement of the special meeting.

Date, Time and Place of the Special Meeting

The special meeting will be held on [], 2014, at [] a.m. Central Time, at [].

Beam stockholders who wish to attend the special meeting may be asked to present valid photo identification. Please note that if you hold your shares of Beam common stock in street name (*i.e.*, in the name of a bank, broker, trust or other nominee) you will need to bring a copy of your voting instruction card or brokerage statement reflecting your stock ownership as of the record date and check in at the registration desk at the meeting. Cameras, sound or video recording devices or any similar equipment, or the distribution of any printed materials, will not be permitted at the meeting without the approval of Beam.

Purpose of the Special Meeting

At the special meeting, Beam's stockholders of record will be asked to consider and vote on:

1. A proposal to adopt the merger agreement, pursuant to which, subject to the satisfaction or waiver of certain specified conditions, Sub will merge with and into Beam, with Beam continuing as the surviving corporation;
2. A proposal to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to Beam's named executive officers that is based on or otherwise relates to the merger, as discussed in the section entitled "The Merger Interests of Directors and Executive Officers in the Merger," beginning on page 51; and
3. A proposal to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Recommendation of the Board

The Board carefully reviewed and considered the terms and conditions of the merger agreement, the merger and the other transactions contemplated by the merger agreement. By a unanimous vote, the Board approved the merger agreement, declared that, on the terms and subject to the conditions set forth in the merger agreement, the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable and in the best interests of, Beam and its stockholders, directed that a proposal to adopt the merger agreement be submitted to a vote at a meeting of Beam stockholders and recommended that Beam stockholders vote for adoption of the merger agreement. Accordingly, the Board unanimously recommends a vote **FOR** the proposal to adopt the merger agreement.

The Board also unanimously recommends a vote **FOR** the non-binding compensation proposal and **FOR** the approval of the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

Record Date and Quorum

Each holder of record of shares of Beam common stock as of the close of business on [], which is the record date for the special meeting, is entitled to receive notice of, and to vote at, the special meeting. You will

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be entitled to one vote for each share of Beam common stock that you held and owned on the record date. As of the record date, there were [] shares of Beam common stock issued and outstanding and entitled to vote at the special meeting. The presence at the special meeting, in person or by proxy, of the holders of [] shares of Beam common stock (a majority of the voting power of the shares of Beam common stock issued and outstanding and entitled to vote) constitutes a quorum for the special meeting.

If you are a Beam stockholder of record and you vote by mail, by telephone or through the Internet or in person at the special meeting, then your shares of Beam common stock will be counted as part of the quorum. If you are a street name holder of shares of Beam common stock and you provide your bank, broker, trust or other nominee with voting instructions, then your shares will be counted in determining the presence of a quorum. If you are a street name holder of shares and you do not provide your bank, broker, trust or other nominee with voting instructions, then your shares will not be counted in determining the presence of a quorum.

All shares of Beam common stock held by stockholders of record that are present in person, or represented by proxy and entitled to vote at the special meeting, regardless of how such shares are voted or whether such stockholders abstain from voting, will be counted in determining the presence of a quorum. In the absence of a quorum, the special meeting may be adjourned.

Vote Required for Approval

Merger Agreement Proposal. The proposal to adopt the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Beam common stock entitled to vote on such matter.

Non-Binding Compensation Advisory Proposal. The approval of the non-binding compensation advisory proposal requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. The vote is advisory only and, therefore, is not binding on Beam or Suntory Holdings or any of their respective subsidiaries, and, if the merger agreement is adopted by Beam stockholders and the merger is completed, the compensation that is based on or otherwise relates to the merger will be payable to our named executive officers even if this proposal is not approved.

Adjournment Proposal. The approval of the proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter may adjourn the meeting to another place, date or time.

Effect of Abstentions and Broker Non-Votes

The proposal to adopt the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Beam common stock entitled to vote on such matter. Therefore, the failure to vote or the abstention from voting will have the same effect as a vote **AGAINST** the proposal to adopt the merger agreement.

The approval of the non-binding compensation advisory proposal requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. Consequently, broker non-votes will have no effect on approval of the proposal. However, the abstention from voting will have the same effect as a vote **AGAINST** the proposal.

The proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. Consequently, broker non-votes will have no effect on approval

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of the proposal. However, the abstention from voting will have the same effect as a vote **AGAINST** the proposal. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter may adjourn the meeting to another place, date or time. In that case, broker non-votes will have no effect on approval of the proposal; however, the abstention from voting will have the same effect as a vote **AGAINST** the proposal.

Under NYSE rules, all of the proposals in this proxy statement are non-routine matters. Accordingly, if your shares are held in street name, a bank, broker, trust or other nominee will NOT be able to vote your shares of Beam common stock (referred to as a **broker non-vote**), and your shares will not be counted in determining the presence of a quorum unless you have properly instructed your bank, broker, trust or other nominee on how to vote. Because the proposal to adopt the merger agreement requires the affirmative vote of a majority of the outstanding shares of Beam common stock, the failure to provide your bank, broker, trust or other nominee with voting instructions will have the same effect as a vote **AGAINST** the proposal to adopt the merger agreement. Because the approval of each of (1) the non-binding compensation advisory proposal and (2) the proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter, and because your bank, broker, trust or other nominee does not have discretionary authority to vote on either proposal, the failure to provide your bank, broker, trust or other nominee with voting instructions will have no effect on approval of that proposal.

How to Vote

Stockholders have a choice of voting by proxy by completing a proxy card and mailing it in the prepaid envelope provided, by calling a toll-free telephone number or through the Internet. Please refer to your proxy card or the information forwarded by your bank, broker, trust or other nominee to see which options are available to you. The telephone and Internet voting facilities for stockholders of record will close at 11:59 p.m. Eastern Time on the day before the special meeting.

If you submit your proxy by mail, by telephone or through the Internet voting procedures, but do not include **FOR**, **AGAINST** or **ABSTAIN** on a proposal to be voted, your shares of Beam common stock will be voted in favor of that proposal. If you indicate **ABSTAIN** on a proposal to be voted, it will have the same effect as a vote **AGAINST** that proposal. **If you wish to vote by proxy and your shares are held by a bank, broker, trust or other nominee, you must follow the voting instructions provided to you by your bank, broker, trust or other nominee.** Unless you give your bank, broker, trust or other nominee instructions on how to vote your shares of Beam common stock, your bank, broker, trust or other nominee will not be able to vote your shares on the proposals.

If you wish to vote in person at the special meeting and your shares are held in the name of a bank, broker or other holder of record, you must obtain a legal proxy, executed in your favor, from the bank, broker or other holder of record authorizing you to vote at the special meeting.

If you do not submit a proxy or otherwise vote your shares of Beam common stock in any of the ways described above, it will have the same effect as a vote **AGAINST** the proposal to adopt the merger agreement, but will have no effect on approval of the non-binding compensation advisory proposal or the approval of the proposal to adjourn the special meeting if necessary or appropriate.

If you have any questions about how to vote or direct a vote in respect of your shares of Beam common stock, you may contact our proxy solicitor, Innisfree M&A Incorporated, toll-free at: (877) 687-1875.

YOU SHOULD NOT SEND IN YOUR SHARE CERTIFICATE(S) WITH YOUR PROXY CARD. A letter of transmittal with instructions for the surrender of certificates representing shares of Beam common stock will be mailed to stockholders if the merger is completed.

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Revocation of Proxies

Any proxy given by a Beam stockholder may be revoked at any time before it is voted at the special meeting by doing any of the following:

by submitting another proxy by telephone or through the Internet, in accordance with the instructions on the proxy card;

by delivering a signed written notice of revocation bearing a date later than the date of the proxy to Beam's Corporate Secretary at 510 Lake Cook Road, Deerfield, Illinois 60015, stating that the proxy is revoked;

by submitting a later-dated proxy card relating to the same shares of Beam common stock; or

by attending the special meeting and voting in person (your attendance at the special meeting will not, by itself, revoke your proxy; you must vote in person at the special meeting).

Street name holders of shares of Beam common stock should contact their bank, broker, trust or other nominee to obtain instructions as to how to revoke or change their proxies.

Adjournments and Postponements

Although it is not currently expected, the special meeting may be adjourned or postponed one or more times to a later day or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the merger agreement. Your shares will be voted on any adjournment proposal in accordance with the instructions indicated in your proxy.

If a quorum is present at the special meeting, the special meeting may be adjourned if there is an affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter may adjourn the meeting to another place, date or time. In either case, the adjourned meeting may take place without further notice other than by an announcement made at the special meeting unless the adjournment is for more than 30 days or, if, after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the special meeting. If a quorum is not present at the special meeting, or if a quorum is present at the special meeting but there are insufficient votes at the time of the special meeting to adopt the merger agreement, then Beam may seek to adjourn the special meeting. In addition, the Board may, after consultation with Suntory Holdings, postpone the special meeting upon public announcement made prior to the date previously scheduled for the special meeting for the purpose of soliciting additional proxies or as otherwise permitted under the merger agreement.

Solicitation of Proxies

Beam is soliciting the enclosed proxy card on behalf of the Board, and Beam will bear the expenses in connection with the solicitation of proxies. In addition to solicitation by mail, Beam and its directors, officers and employees may solicit proxies in person, by telephone or by electronic means. These persons will not be specifically compensated for doing this.

Beam has retained Innisfree M&A Incorporated to assist in the solicitation process. Beam will pay Innisfree M&A Incorporated a fee of approximately \$25,000 plus reimbursement of certain specified out-of-pocket expenses. Beam also has agreed to indemnify Innisfree M&A Incorporated against various liabilities and expenses that relate to or arise out of its solicitation of proxies (subject to certain exceptions).

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Beam will ask banks, brokers, trusts and other nominees to forward Beam's proxy solicitation materials to the beneficial owners of shares of Beam common stock held of record by such banks, brokers, trusts or other nominees. Beam will reimburse these banks, brokers, trusts or other nominees for their customary clerical and mailing expenses incurred in forwarding the proxy solicitation materials to the beneficial owners.

Stockholder List

A list of Beam stockholders entitled to vote at the special meeting will be available for examination by any Beam stockholder at the special meeting. At least ten days prior to the date of the special meeting, this stockholder list will be available for inspection by Beam stockholders, subject to compliance with applicable provisions of Delaware law, during ordinary business hours at our corporate offices located at 510 Lake Cook Road, Deerfield, Illinois 60015.

Questions and Additional Information

If you have more questions about the merger or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, please call our proxy solicitor, Innisfree M&A Incorporated, toll-free at (877) 687-1875.

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PROPOSAL 1: ADOPTION OF THE MERGER AGREEMENT

As discussed elsewhere in this proxy statement, Beam stockholders will consider and vote on a proposal to adopt the merger agreement. You should carefully read this proxy statement in its entirety for more detailed information concerning the merger agreement and the merger. In particular, you should read in its entirety the merger agreement, which is attached as Annex A to this proxy statement. In addition, see the sections entitled The Merger, beginning on page 27, and The Agreement and Plan of Merger, beginning on page 64.

The Board unanimously recommends that Beam stockholders vote **FOR** the proposal to adopt the merger agreement.

If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your shares of Beam common stock represented by such proxy card will be voted **FOR** the proposal to adopt the merger agreement.

Under our restated certificate of incorporation and Delaware law, the proposal to adopt the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Beam common stock entitled to vote on such proposal.

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PROPOSAL 2: NON-BINDING COMPENSATION ADVISORY PROPOSAL

Under Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, we are required to provide stockholders the opportunity to vote to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Beam's named executive officers that is based on or otherwise relates to the merger, as disclosed in the section entitled "The Merger: Interests of Directors and Executive Officers in the Merger: Golden Parachute Compensation," beginning on page 54 including the table entitled "Golden Parachute Payment" and accompanying footnotes. Accordingly, Beam stockholders are being provided with the opportunity to cast an advisory vote on such payments.

As an advisory vote, this proposal is not binding upon Beam or the Board, and approval of this proposal is not a condition to completion of the merger. Because the merger-related executive compensation to be paid in connection with the merger is based on the terms of the merger agreement as well as the contractual arrangements with the named executive officers, such compensation will be payable, regardless of the outcome of this advisory vote, if the merger agreement is adopted (subject only to the contractual conditions applicable thereto). However, Beam seeks your support and believes that your support is appropriate because Beam has a comprehensive executive compensation program designed to link the compensation of our executives with Beam's performance and the interests of Beam's stockholders. Accordingly, we ask that you vote on the following resolution:

RESOLVED, that the stockholders of Beam Inc. approve, on an advisory, non-binding basis, the compensation that may be paid or become payable to the named executive officers of Beam Inc. that is based on or otherwise relates to the merger, as disclosed pursuant to Item 402(t) of Regulation S-K under the heading "The Merger: Interests of Directors and Executive Officers in the Merger: Golden Parachute Compensation," beginning on page 54 (which disclosure includes the Golden Parachute Compensation Table required pursuant to Item 402(t) of Regulation S-K).

The Board unanimously recommends that Beam stockholders vote **FOR** the non-binding compensation advisory proposal.

If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your shares of Beam common stock represented by such proxy card will be voted **FOR** the non-binding compensation advisory proposal.

The approval of the non-binding compensation advisory proposal requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. The vote is advisory only and, therefore, not binding on Beam or Suntory Holdings or any of their respective subsidiaries, and, if the merger agreement is adopted by Beam's stockholders and the merger is completed, the compensation that is based on or otherwise relates to the merger will be payable to our named executive officers even if this proposal is not approved.

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PROPOSAL 3: AUTHORITY TO ADJOURN THE SPECIAL MEETING

Beam stockholders may be asked to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

The Board unanimously recommends that stockholders vote **FOR** the proposal to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the merger agreement if there are insufficient votes at the time of the special meeting to adopt the merger agreement.

If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your shares of Beam common stock represented by such proxy card will be voted **FOR** the proposal to adjourn the special meeting to a later date or time if necessary or appropriate.

The approval of the proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter, may adjourn the meeting to another place, date or time.

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THE MERGER

Overview

Beam is seeking the adoption by Beam stockholders of the merger agreement Beam entered into on January 12, 2014 with Suntory Holdings and Sub. Under the terms of the merger agreement, subject to the satisfaction or waiver of specified conditions, Sub will merge with and into Beam. Beam will survive the merger as a wholly-owned subsidiary of Suntory Holdings. The Board has approved the merger agreement and unanimously recommends that Beam stockholders vote **FOR** the proposal to adopt the merger agreement.

Upon completion of the merger, each share of Beam common stock that is issued and outstanding immediately prior to the effective time of the merger (other than (i) shares held by stockholders of Beam who have properly exercised and perfected appraisal rights under Delaware law and (ii) shares that are held in the treasury of Beam or owned of record by any wholly-owned subsidiary of Beam, Suntory Holdings or any wholly-owned subsidiary of Suntory Holdings) will automatically be canceled, cease to exist, and will be converted into the right to receive \$83.50 per share, in cash, without interest and subject to any applicable withholding taxes.

Following the completion of the merger, Beam will cease to be a publicly traded company and will become a wholly-owned subsidiary of Suntory Holdings.

Background of the Merger*

Over the years, the Board has regularly reviewed Beam's strategy with respect to its portfolio, distribution alliances and potential step-up combinations. With the approval of the Board, since Beam became a standalone spirits company in October 2011, Beam management has met periodically with various industry participants to develop relationships and occasionally discuss potential commercial opportunities and industry consolidation scenarios, and Beam management has provided periodic updates to the Board regarding strategy initiatives and these industry dialogues. As part of its review of Beam's strategic opportunities, the Board has, from time to time, consulted with Centerview and Credit Suisse, each of which has a long-standing relationship with Beam.

On November 6, 2013, representatives of Beam, including Mr. Matthew J. Shattock, Beam's President and Chief Executive Officer, met with Suntory Holdings representatives in Tokyo, Japan regarding the parties' ongoing business relationship, including Beam's distribution arrangement in Japan with Suntory Liquors Ltd., a wholly-owned subsidiary of Suntory Holdings. During the course of discussions, Mr. Nobutada Saji, Suntory Holdings' President and Chairman, requested a separate, confidential meeting with Mr. Shattock. During that separate meeting, Mr. Saji informed Mr. Shattock that Suntory Holdings desired to contact Beam's Chairman to discuss Suntory Holdings' potential interest in purchasing Beam. In response, Mr. Shattock stated that this was a matter for the Board and that he would send Mr. Saji the contact information for Mr. A. D. David Mackay, Beam's Chairman.

On November 7, 2013, Suntory Holdings sent the following letter to the Board:

* All dates are provided as of U.S. Central Time.

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PRIVATE & CONFIDENTIAL

Board of Directors

Beam Inc.

510 Lake Cook Road, Deerfield, IL 60015 USA

Attention: Mr. David Mackay

Chairman of the Board of Directors

November 7, 2013

Ladies and Gentlemen:

Today, I would like to present Suntory Holdings Limited's (Suntory) strong interest in pursuing a business combination with Beam Inc. (Beam or the Company). We believe that a combination of our two companies (i) makes compelling business sense, (ii) presents an attractive opportunity to increase the size and improve the efficiency of our overall positions in the markets that we serve, and (iii) is in the best interests of each company and its respective shareholders, customers and employees.

As such, we are pleased to present the following proposal to acquire Beam (Proposal). Our Proposal has been constructed in order to provide Beam shareholders with premium value without undue delay.

Summary of Offer

We are prepared to pursue an acquisition of all of the outstanding shares of Beam common stock in an all-cash transaction at a price of \$78 per share, representing a total aggregate value of \$15 billion. This offer reflects a premium of approximately 20% to the average closing share price over the last three months, and a price that is higher than the all-time high trading price since the spin-off of Beam from Fortune Brands of \$70.30 per share. It also represents an aggregate value to FY2013E EBITDA multiple of 19x (using the FY2013E EBITDA based on equity research consensus). We are confident that this presents a compelling value proposition for your shareholders.

Financing

Suntory intends to fund the transaction through a combination of cash on hand and new credit facilities provided by Bank of Tokyo-Mitsubishi UFJ (BTMU). We attach a highly confident letter furnished by BTMU with respect to the financing for our Proposal. We anticipate receipt of fully executed commitment letters from our financing banks prior to the announcement of any transaction.

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Due Diligence and Timeline

The offer is subject to the satisfactory completion of our customary due diligence with respect to Beam. We are prepared to move forward immediately to commence our confidential due diligence and given our significant experience in this sector, we would be capable of conducting an efficient diligence process with minimum disruption to Beam. We have assembled appropriate internal and external diligence teams, and Suntory is prepared to commit all necessary resources to proceed in an expedited manner. We believe that with adequate access to the necessary information and Beam management we can complete all required due diligence concurrently with the negotiation of a definitive agreement, all within a period of approximately three weeks.

Suntory Approvals

The members of the Suntory Board of Directors, including myself, have unanimously approved the making of this Proposal and are enthusiastic about pursuing the transaction. While the approval of the Suntory Board of Directors would be required for the execution of a definitive merger agreement, no shareholder approval on Suntory's part would be required.

Regulatory Approvals

We do not anticipate any regulatory issues that would delay the expeditious completion of the transaction. We are prepared to make the appropriate anti-trust filings promptly after execution of definitive agreements, and envisage the prompt clearance of the transaction by regulators.

Strategy for the Combined Business

Building on our longstanding successful business relationship, the collaboration of our product portfolios and operating platforms will establish the basis for significant business opportunities to successfully compete and participate in the future growth of the industry. Our business has a balanced footprint in the North American and Asian markets and will have a strong position to further expand in Europe and capture future growth in Asian and South American emerging markets.

We would like to re-emphasize that we view Beam as the ideal global platform to further expand Suntory's operations in the spirits industry. We have an extremely high regard for Beam's existing management, employees, operations, market positioning and its history. We pursue a highly decentralized approach with respect to operations and management. Additionally we neither have a desire to reduce the scale of Beam's existing platform nor to initiate restructuring measures resulting in major workforce reductions. Our Orangina acquisition in 2009 provides an excellent example of how we foresee the potential partnership with Beam. Suntory has retained and further strengthened the Orangina platform, respecting the expertise of existing management and employees which resulted in the strong performance of the company since being part of the broader Suntory family.

Others

We have retained Morgan Stanley as our financial advisor and Cleary Gottlieb Steen & Hamilton as our legal advisor.

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This letter and any subsequent discussions or contact with Suntory as well as its advisors should be kept strictly confidential. Our proposal is conditioned upon, among other things, confirmatory due diligence and the negotiation and execution of mutually acceptable definitive transaction documents containing terms and conditions customary for transactions of this type. This letter is not intended to give rise to any legally binding obligations of either Suntory or Beam. Those obligations will arise only upon entering into definitive agreements providing for a transaction.

Based on our enthusiasm for pursuing this transaction, we are looking forward to further discuss the Proposal and the path forward with you and would hope to hear back from you shortly. Again, we are willing to dedicate considerable time and resources to this process, and our offer has the full support and all required approvals from our Board of Directors.

We believe this is a unique opportunity to deliver significant value for Beam's shareholders and better position the combined business to compete globally. We hope that the Beam Board of Directors shares our enthusiasm, and we are prepared to meet with your management team and the Beam Board at your earliest convenience.

Sincerely,

Suntory Holdings Limited

/s/ Nobutada Saji
Nobutada Saji
President and Chairman of the Board

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That same day, the Board held a special telephonic meeting at which representatives of Sidley Austin LLP, Beam's outside legal counsel (which we refer to as *Sidley Austin*), were present. During the meeting, Mr. Shattock described his conversation with Mr. Saji on November 6, 2013, and the Board engaged in preliminary discussions regarding the proposal to acquire all of the outstanding shares of Beam common stock for \$78.00 per share in cash, as set forth in the November 7, 2013 letter from Suntory Holdings (which we refer to as the *November 7 Proposal*). In addition, representatives of Sidley Austin discussed with the Board its fiduciary duties in the context of considering Beam's strategic alternatives, including a potential sale of Beam. The Board determined to assemble a team of advisors, including Centerview and Credit Suisse as financial advisors to Beam, based on a number of factors, including Centerview's and Credit Suisse's long-standing relationship with Beam and familiarity with Beam and its industry. Each of Centerview and Credit Suisse was understood not to have provided any investment banking services to Suntory Holdings or any of its subsidiaries during the preceding two years.

On November 11, 2013, the Board held another special telephonic meeting at which representatives of Centerview, Credit Suisse and Sidley Austin were present to continue discussion of the November 7 Proposal. During the meeting, representatives of Sidley Austin summarized their previous advice regarding the Board's fiduciary duties, and Centerview and Credit Suisse discussed certain financial matters relating to the November 7 Proposal. Mr. Shattock and Mr. Robert F. Probst, Beam's Senior Vice President and Chief Financial Officer, then provided management's perspective as to the November 7 Proposal and the potential opportunities and risks relating to Beam's three-year strategic plan. During the course of discussions at this meeting, the Board identified additional information that might assist the Board in determining whether to engage in any discussions with Suntory Holdings on the basis of the terms of the November 7 Proposal.

On November 12, 2013, in keeping with the Board's direction to nurture relationships with key industry representatives, Mr. Shattock had a periodic update meeting with a representative of another company in the industry (which we refer to as *Party X*), which had been scheduled in early October 2013. During the meeting, the Party X representative stated that Party X might consider a business combination with Beam but that it was unlikely that Party X would be interested in acquiring all of Beam. There was no discussion of valuation in connection with any such business combination.

On November 14, 2013, the Board held a special in-person meeting at which representatives of Centerview, Credit Suisse and Sidley Austin were present. During the meeting, Messrs. Probst and Shattock presented Beam's current business outlook and management's strategic plan for 2014 through 2016, summarizing the potential risks and opportunities in the plan. Messrs. Shattock and Probst then provided their perspective as to the November 7 Proposal, and Mr. Shattock described the November 12, 2013 meeting with Party X. Centerview and Credit Suisse discussed their preliminary financial review of the November 7 Proposal and potential alternative strategies and discussed with the Board potential next steps. After discussion, the Board unanimously determined not to proceed with discussions with Suntory Holdings on the basis of the November 7 Proposal, and the Board directed Mr. Mackay and Mr. Shattock to communicate this decision to Mr. Saji. The Board also directed Beam's financial advisors to communicate to Suntory Holdings' financial advisor, Morgan Stanley & Co. LLC acting together with Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (which we refer to collectively as *Morgan Stanley*), the Board's decision and rationale.

Messrs. Shattock and Mackay arranged for a call with Mr. Saji on November 19, 2013. During this call, Messrs. Shattock and Mackay thanked Mr. Saji for Suntory Holdings' interest in Beam and informed him that the Board had unanimously determined not to proceed with discussions with respect to the potential sale of Beam on the basis of the November 7 Proposal.

Shortly thereafter on November 19, 2013, in accordance with the Board's directives, a representative of Centerview met with a representative of Morgan Stanley (with a representative of Credit Suisse participating by telephone) to inform the Morgan Stanley representative of the Board's decision not to proceed with discussions on the basis of the November 7 Proposal.

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On November 20, 2013, Mr. Kenton R. Rose, Senior Vice President, General Counsel, Chief Administrative Officer and Secretary of Beam, sent a memorandum to the Board providing an update on discussions with Suntory Holdings.

On November 29, 2013, a Morgan Stanley representative sent an email to Centerview and Credit Suisse representatives stating that the Morgan Stanley representative hoped to deliver a revised proposal on behalf of Suntory Holdings on December 2, 2013.

On December 1, 2013, at the request of a Morgan Stanley representative, representatives of Morgan Stanley and Centerview met in person (with a Credit Suisse representative participating by telephone). During the meeting, the Morgan Stanley representative reiterated Suntory Holdings' interest in acquiring Beam and stated that Suntory Holdings believed that the November 7 Proposal was compelling and in the best interests of Beam's stockholders. The Morgan Stanley representative confirmed that Suntory Holdings desired a negotiated transaction and stated that Suntory Holdings was increasing its proposed purchase price to \$82.00 per share of Beam common stock (which we refer to as the *December 1 Proposal*). During the meeting, the Morgan Stanley representative stated that Suntory Holdings' lenders would provide a U.S.-style commitment letter at the appropriate time. The Morgan Stanley representative further indicated that Suntory Holdings desired to conduct due diligence for two to four weeks, including meetings with Beam's management and a financial review.

On December 2, 2013, Mr. Rose sent an update to the Board regarding the December 1 Proposal and Suntory Holdings' request to conduct due diligence.

On December 3, 2013, a Morgan Stanley representative contacted Centerview and Credit Suisse representatives to provide Beam with more information and certainty regarding Suntory Holdings' financing. The Morgan Stanley representative reiterated BTMU's willingness to prepare debt financing commitment papers, subject to the completion of due diligence, and indicated that, given the costs involved, Suntory Holdings desired confirmation that the Board desired to proceed on the basis of the December 1 Proposal.

Also on December 3, 2013, at Beam's request, a Credit Suisse representative contacted a representative of Party X to follow up on the November 12, 2013 conversation between Mr. Shattock and a Party X representative. The Party X representative indicated that the November 12, 2013 conversation had been a preliminary conceptual discussion rather than a proposal and that Party X was not in a position to make any proposal at that time.

On December 4, 2013, the Board held a regularly scheduled in-person meeting at which representatives of Centerview, Credit Suisse and Sidley Austin were present. During the meeting, Centerview and Credit Suisse summarized communications with Suntory Holdings and its financial advisor since the previous board meeting and discussed their preliminary financial review of the December 1 Proposal, and the Board discussed potential responses to the December 1 Proposal. The Credit Suisse representative also described the informal conversation with the Party X representative on December 3, 2013. Sidley Austin representatives reviewed the fiduciary duties of the Board in connection with a potential change of control of Beam. Messrs. Shattock and Probst provided the Board with management's thoughts with respect to the December 1 Proposal. In addition, the Board directed the representatives of Centerview and Credit Suisse to convey to representatives of Morgan Stanley that Beam would not enter into a definitive agreement with respect to the sale of Beam unless Suntory Holdings meaningfully increased its proposed purchase price reflected in the December 1 Proposal, and the Board authorized management to meet with Suntory Holdings representatives if Suntory Holdings understood this message.

Also on December 4, 2013, representatives of Centerview and Credit Suisse contacted a representative of Morgan Stanley to convey the message, as directed by the Board, that Suntory Holdings would need to meaningfully increase the proposed purchase price reflected in the December 1 Proposal in order for the Board to consider approving a sale

of Beam.

On December 6, 2013, a Morgan Stanley representative contacted a Centerview representative and stated that Suntory Holdings believed that the December 1 Proposal reflected a full and fair offer, sufficient to permit

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Suntory Holdings to conduct some due diligence, that Suntory Holdings already had increased its proposed purchase price once and that Suntory Holdings did not want to further increase its proposal at that time. During that call, as directed by the Board, the Centerview representative communicated to the Morgan Stanley representative that Suntory Holdings would need to meaningfully increase its proposed purchase price in order for Beam to proceed with a potential transaction.

On December 8 and 9, 2013, a Morgan Stanley representative contacted representatives of Centerview and Credit Suisse and stated that Suntory Holdings understood Beam's message and rationale, including that a transaction would not occur unless the purchase price was meaningfully higher than reflected in the December 1 Proposal. The Morgan Stanley representative also requested, on behalf of Suntory Holdings, a meeting with Beam's management, which meeting was proposed to be held at Sidley Austin's Chicago, Illinois offices following execution of a mutually acceptable confidentiality agreement.

On December 9, 2013, a draft confidentiality agreement was sent on behalf of Beam to a Morgan Stanley representative.

On December 10, 2013, Mr. Rose sent a memorandum to the Board on behalf of Mr. Mackay providing an update on discussions with Suntory Holdings.

On December 15, 2013, Suntory Holdings and Beam entered into a confidentiality agreement containing a customary standstill provision, and representatives of Beam's and Suntory Holdings' respective managements, together with representatives of Morgan Stanley, Centerview and Credit Suisse, as well as a translator, met at the offices of Sidley Austin in Chicago, Illinois. At the meeting, Beam's management presented detailed information regarding Beam's business and outlook, and Suntory Holdings made a presentation on its historical background, structure, strengths and activities. The Suntory Holdings representatives concluded their remarks by stating their belief that a combination with Beam would provide significant growth opportunities and that Mr. Saji was interested in retaining Beam's management team. Prior to this meeting, Beam's management had been instructed by the Board not to discuss with Suntory Holdings any executive employment or compensation arrangements until authorized by the Board. There was no such discussion during this meeting.

From December 15, 2013 to December 17, 2013, representatives of Centerview and Credit Suisse held several conversations with a representative of Morgan Stanley to follow up on the management meeting and, as directed by the Board, reiterated the need for Suntory Holdings to meaningfully increase its proposed purchase price in order to proceed with a transaction involving Beam.

On December 17, 2013, Mr. Shattock sent a memorandum to the Board providing an update regarding the December 15, 2013 meeting with Suntory Holdings.

Also on December 17, 2013, a Morgan Stanley representative contacted a Credit Suisse representative and requested a call on December 19, 2013 between Mr. Saji and Messrs. Mackay and Shattock.

From December 17, 2013 to December 19, 2013, representatives of Centerview and Credit Suisse held further conversations with a representative of Morgan Stanley to follow up on the management meeting and, as directed by the Board, to reiterate the need for Suntory Holdings to meaningfully increase its proposed purchase price in order to proceed with a transaction involving Beam.

On December 19, 2013, Mr. Saji and Messrs. Mackay and Shattock had a call, during which Mr. Saji stated that while he believed \$82.00 per share of Beam common stock reflected the full value of Beam, Suntory Holdings would

increase its proposed purchase price to \$83.50 per share of Beam common stock (which we refer to as the ***December 19 Offer***), but that \$83.50 per share was Suntory Holdings' final offer. Mr. Mackay replied that Beam would respond to Suntory Holdings in due course.

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On December 21, 2013, the Board held a special telephonic meeting at which representatives of Centerview, Credit Suisse and Sidley Austin were present. At the meeting, Beam's management reported on its December 15, 2013 meeting with Suntory Holdings, and Messrs. Mackay and Shattock reported on their December 19, 2013 conversation with Mr. Saji. Centerview and Credit Suisse discussed their preliminary financial review of the December 19 Offer. The Credit Suisse representative reported to the Board that a representative of an investment bank that historically had represented another company in the industry (which we refer to as **Party Y**) had contacted Credit Suisse regarding rumors of a potential transaction between Beam and a company in the industry other than Suntory Holdings. During the conversation, the representative of such investment bank indicated that Party Y would likely require a partner for any acquisition of Beam but, in any event, Party Y was at that time unlikely to be in a position to make such an acquisition. The Credit Suisse representative also reported on a follow-up conversation between the Credit Suisse representative, on behalf of Beam, with a Party X representative on December 18, 2013 in which the Party X representative stated that Party X had determined that the desired business combination with Beam was not feasible. After discussion, the Board determined that the informal conversations with representatives of Party X and Party Y did not warrant further discussion. In addition, after discussion, the Board determined to permit Suntory Holdings to conduct due diligence.

Also on December 21, 2013, at the direction of the Board, a representative of Centerview contacted a representative of Morgan Stanley to inform him that the Board was prepared to allow Suntory Holdings to conduct due diligence, but that there was an expectation of a further price increase, without which Beam would expect a go-shop provision in the merger agreement with a low termination fee. The Centerview and Morgan Stanley representatives agreed that Morgan Stanley would provide a due diligence request list from Suntory Holdings.

On December 22, 2013, Morgan Stanley sent Beam's financial