

INSULET CORP  
 Form 424B2  
 June 05, 2014  
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Filed Pursuant to Rule 424(b)(2)  
 Registration Statement No. 333-196486

### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
Convertible Senior Notes due 2019	\$201,250,000(2)	100.00%	\$201,250,000	\$25,921.00(1)
Common Stock, par value \$0.001 per share, underlying Convertible Senior Notes due 2019	(3)	(3)	(3)	(4)
Series A Junior Participating Cumulative Preferred Stock Purchase Rights(5)				

- (1) This filing fee is calculated in accordance with Rules 457(o) and 457(r) under the Securities Act of 1933, as amended (the Securities Act). This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the registrant's Registration Statement on Form S-3 (File No. 333-196486).
- (2) Equals the aggregate principal amount of Convertible Senior Notes due 2019 (the Convertible Notes) to be registered hereunder, including \$26,250,000 in aggregate principal amount of Convertible Notes that may be offered and sold pursuant to the exercise in full of the underwriters' option to cover overallotments.
- (3) Includes shares of common stock issuable upon conversion of the registered Convertible Notes. No separate consideration will be received for any shares of common stock so issued upon conversion. Pursuant to Rule 416 under the Securities Act, such number of shares of common stock registered hereby shall include an indeterminate number of shares of common stock that may be issued in connection with stock splits, stock dividends, recapitalizations or similar capital adjustments.
- (4) Pursuant to Rule 457(i) under the Securities Act, no separate registration fee is required for the shares of common stock underlying the Convertible Notes because no additional consideration is to be received in connection with the exercise of the conversion privilege.
- (5) Includes the rights to purchase Series A Junior Participating Cumulative Preferred Stock, par value \$0.001 per share, of the registrant that are attached to all shares of common stock issued pursuant to the terms of the registrant's Shareholder Rights Agreement, dated November 14, 2008, as amended on September 25, 2009. Until the occurrence of certain prescribed events, the rights are not exercisable, are evidenced by the certificates for the common stock and will be transferred with and only with such common stock. Because no separate consideration is paid for the rights, the registration fee therefore is included in the fee for common stock.

**Table of Contents****Prospectus*****\$175,000,000******2.00% Convertible Senior Notes due 2019*****Interest payable June 15 and December 15**

We are offering \$175,000,000 principal amount of our 2.00% Convertible Senior Notes due 2019, or the notes. The notes will bear interest at a rate of 2.00% per year, payable semiannually in arrears on June 15 and December 15 of each year, beginning on December 15, 2014. The notes will mature on June 15, 2019, unless earlier purchased, redeemed or converted.

Holders may convert their notes at their option at any time prior to the close of business on the business day immediately preceding March 15, 2019 only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ending on September 30, 2014 (and only during such calendar quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on and including the last trading day of the immediately preceding calendar quarter is equal to or greater than 130% of the conversion price on each applicable trading day; (2) during the five business day period after any five consecutive trading day period, or the measurement period, in which the trading price (as defined below) per \$1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; (3) if we call any or all of the notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or (4) upon the occurrence of specified corporate events described below. On or after March 15, 2019 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their notes at any time, regardless of the foregoing circumstances. Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election, as described in this prospectus.

The conversion rate will initially be 21.5019 shares of common stock per \$1,000 principal amount of notes (equivalent to an initial conversion price of approximately \$46.51 per share of common stock). The conversion rate will be subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain corporate events that occur prior to the maturity date, we will increase the conversion rate for a holder who elects to convert its notes in connection with such a corporate event in certain circumstances.

We may not redeem the notes prior to June 20, 2017. We may redeem the notes, at our option, in whole or in part, (1) on or after June 20, 2017 if the last reported sale price of our common stock has been at least 150% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending within five trading days prior to the date on which we provide notice of redemption and (2) on or after June 20, 2018 regardless of the sale price condition described above, in each case at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. No sinking fund is provided for the notes.

If we undergo a fundamental change, holders may require us to purchase for cash all or part of their notes at a purchase price equal to 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest to, but excluding, the fundamental change purchase date.

The notes will be our senior unsecured obligations and will rank senior in right of payment to any of our indebtedness that is expressly subordinated in right of payment to the notes; equal in right of payment to any of our indebtedness that is not so subordinated; effectively junior in right of payment to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future liabilities of our subsidiaries.

We do not intend to apply to list the notes on any securities exchange or any automated dealer quotation system. Our common stock is listed on The NASDAQ Global Select Market under the symbol `PODD`. The last reported sale price of our common stock on The NASDAQ Global Select Market on June 2, 2014 was \$35.11 per share.

See **Risk factors** beginning on page 9 for a discussion of certain risks that you should consider in connection with an investment in the notes.

	<b>Per note</b>	<b>Total</b>
Public offering price(1)	\$ 1,000	\$ 175,000,000
Underwriting discounts and commissions(2)	\$ 30	\$ 5,250,000

Proceeds, before expenses, to us(2)	\$ 970	\$ 169,750,000
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(1) Plus accrued interest, if any, from June 9, 2014

(2) See Underwriting for a description of the arrangements under which the underwriter will reimburse us for approximately \$1.8 million in respect of our out-of-pocket expenses associated with the fees of the financial advisors. To the extent the over-allotment option granted to the underwriter described below is exercised, the fees payable to the financial advisors (and the corresponding expense reimbursement to us from the underwriter) will be proportionately increased.

We have granted the underwriter the right to purchase, exercisable within a 30-day period, up to an additional \$26,250,000 principal amount of notes, solely to cover over-allotments, if any.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company for the accounts of its participants on or about June 9, 2014.

*Sole Book-Running Manager*

**J.P. Morgan**

*Financial Advisors to Insulet Corporation*

**J. Wood Capital Advisors**

June 4, 2014.

**Perella Weinberg Partners**

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We have not and the underwriter has not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus or any relevant free writing prospectus prepared by or on behalf of us or to which we have referred you. We and the underwriter take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not, and the underwriter is not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus, the documents incorporated by reference in this prospectus, and in any free writing prospectus that we have authorized for use in connection with this offering, is accurate only as of the date of those respective documents. Our business, financial condition, results of operations and prospects may have changed since those dates. To the extent there is a conflict between the information contained in this prospectus, on the one hand, and the information contained in any document incorporated by reference that was filed with the Securities and Exchange Commission, or the SEC, before the date of this prospectus, on the other hand, you should rely on the information in this prospectus. If any statement in one of these documents is inconsistent with a statement in another document having a later date for example, a document incorporated by reference in the prospectus the statement in the document having the later date modifies or supersedes the earlier statement.

You should read this prospectus, the documents incorporated by reference in this prospectus, and any free writing prospectus that we have authorized for use in connection with this offering, in their entirety before making an investment decision. You should also read and consider the information in the documents to which we have referred you in the sections of this prospectus entitled Where you can find more information and Incorporation of certain documents by reference.

Unless expressly stated otherwise, all references in this prospectus to the Company, Insulet, we, us, our or similar references mean Insulet Corporation and its subsidiaries on a consolidated basis.

We have registered the trademarks INSULET, OMNIPOD and the OMNIPOD design with the U.S. Patent and Trademark Office on the Principal Register. This prospectus also includes or incorporates by reference trademarks, service marks and trade names of other companies, which are the property of their respective owners.

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## Cautionary statement regarding forward-looking statements

This prospectus and the documents incorporated by reference herein and therein contain, or will contain, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. We may, in some cases, use words such as anticipate, believe, contemplate, could, estimate, expect, intend, may, plan, predict, project, should, target, will, would or other words that convey uncertainty of future events or outcomes in these forward-looking statements. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to:

risks associated with our dependence on the OmniPod System;

our ability to reduce production costs and increase customer orders and manufacturing volumes;

adverse changes in general economic conditions;

impact of healthcare reform laws;

our inability to raise additional funds in the future on acceptable terms or at all;

potential supply problems or price fluctuations with sole source or third-party suppliers on which we are dependent;

risks related to the establishment of competitive bidding programs for diabetes testing supplies and conventional insulin pumps;

failure to retain supplier pricing discounts and achieve satisfactory gross margins;

failure to retain key supplier and payor partners;

international business risks;

our inability to secure or retain adequate coverage or reimbursement for the OmniPod System by third-party payors and potential adverse changes in reimbursement rates or policies relating to the OmniPod System;

failure to retain key payor partners and their members;

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failure to retain and manage successfully our Medicare and Medicaid business;

potential adverse effects resulting from competition with competitors;

technological change and product innovation adversely affecting our business;

potential termination of our license to incorporate a blood glucose meter into the OmniPod System or our inability to enter into new license agreements;

our ability to protect our intellectual property and other proprietary rights;

conflicts with the intellectual property of third-parties, including claims that our current or future products infringe or misappropriate the proprietary rights of others;

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adverse regulatory or legal actions relating to the OmniPod System;

failure of our contract manufacturers or component suppliers to comply with the U.S. Food and Drug Administration's quality system regulations;

the potential violation of federal or state laws prohibiting kickbacks or protecting the confidentiality of patient health information, or any challenge to or investigation into our practices under these laws;

product liability lawsuits that may be brought against us;

reduced retention rates of our customer base;

unfavorable results of clinical studies relating to the OmniPod System or the products of our competitors;

potential future publication of articles or announcement of positions by diabetes associations or other organizations that are unfavorable to the OmniPod System;

the concentration of substantially all of our operations at a single location in China and substantially all of our inventory at a single location in Massachusetts;

our ability to attract and retain personnel;

our ability to manage our growth;

fluctuations in quarterly results of operations;

risks associated with potential future acquisitions or investments in new businesses;

our ability to generate sufficient cash to service all of our indebtedness;

the expansion of our distribution network;

our ability to successfully maintain effective internal control over financial reporting;

the volatility of the market price of our common stock;

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risks related to future sales of our common stock or the conversion of our 3.75% convertible senior notes due 2016 (the 2016 notes );

potential limitations on our ability to use our net operating loss carryforwards;

anti-takeover provisions in our organizational documents; and

other risks and uncertainties described in our Annual Report on Form 10-K, which was filed with the Securities and Exchange Commission on February 28, 2014 in the section entitled Risk Factors, and in our other filings from time to time with the Securities and Exchange Commission.

Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. You should not place undue reliance on these forward-looking statements because such statements speak only as to the date when made. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements.

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## **Prospectus summary**

*This summary highlights information contained elsewhere in this prospectus or incorporated by reference herein. Because this section is only a summary, it does not contain all of the information that may be important to you or that you should consider before making an investment decision. We encourage you to read this entire prospectus, as well as the information to which we refer you and the information incorporated by reference herein, before making an investment decision.*

### **Our business**

We are a medical device company that is primarily engaged in the development, manufacturing and sale of our proprietary OmniPod Insulin Management System (the OmniPod System), an innovative, discreet and easy-to-use insulin infusion system for people with insulin-dependent diabetes. The OmniPod System is the only commercially-available insulin infusion system of its kind. The OmniPod System features a unique disposable tubeless OmniPod, which is worn on the body for approximately three days at a time, and our handheld, wireless Personal Diabetes Manager (PDM). Conventional insulin pumps require people with insulin-dependent diabetes to learn to use, manage and wear a number of cumbersome components, including up to 42 inches of tubing. In contrast, the OmniPod System features only two discreet, easy-to-use devices that eliminate the need for a bulky pump, tubing and separate blood glucose meter, provides for virtually pain-free automated cannula insertion, communicates wirelessly and integrates a blood glucose meter. We believe that the OmniPod System's unique proprietary design offers significant lifestyle benefits to people with insulin-dependent diabetes.

To support our sales of the OmniPod System, in June 2011, we acquired Neighborhood Holdings, Inc. and its wholly-owned subsidiaries (collectively, Neighborhood Diabetes) in order to expand our full suite diabetes management product offerings and obtain access to a larger number of insulin dependent patients. Through Neighborhood Diabetes, we are able to provide customers with blood glucose testing supplies, insulin pumps, pump supplies and pharmaceuticals and have the ability to process claims as either durable medical equipment or through pharmacy benefits.

The U.S. Food and Drug Administration, or FDA, approved the OmniPod System in January 2005. We began commercial sale of the OmniPod System in the United States in October 2005. We sell the OmniPod System and other diabetes management supplies in the United States through direct sales to customers or through our distribution partners. The OmniPod system is available in multiple countries in Europe through our exclusive distribution partner, Ypsomed Distribution AG (Ypsomed) and in Canada through our exclusive distribution partner GlaxoSmithKline (GSK). Under these distribution agreements, we supply OmniPods and PDMs to Ypsomed and GSK, and they are responsible for the sale to the customer, including distribution, reimbursement and customer support. In August 2011 we received CE Mark approval, and in December 2012 we received 510(k) clearance from FDA for the new OmniPod System. The new OmniPod System maintains all of the features of the original OmniPod System but is approximately one-third smaller in size and one-quarter lighter in weight. We began selling the new OmniPod to new customers in the United States in the first quarter of 2013 and began converting our existing customer base during the second quarter of 2013. We completed the transition of our U.S. customer base to the new OmniPod System as of December 31, 2013.

On May 7, 2014, we reported our financial results for the period ended March 31, 2014. During the three months ended March 31, 2014, our revenue increased 21% to \$69.2 million, compared to \$57.4 million for the three months ended March 31, 2013. Gross profit for the three months ended March 31, 2014 was \$32.8 million, representing a 47% gross margin, compared to a gross profit of \$25.2 million, or a 44% gross margin, for the

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three months ended March 31, 2013. Operating loss for the three months ended March 31, 2014 was \$1.9 million, a 70% improvement compared to an operating loss of \$6.2 million for the three months ended March 31, 2013. Total operating expenses were \$34.7 million for the three months ended March 31, 2014, compared to \$31.4 million for the three months ended March 31, 2013. Other expense, net was \$4.2 million for the three months ended March 31, 2014 compared to \$4.3 million for the same period in 2013. Net loss for the first quarter of 2014 was \$6.1 million, or \$0.11 per share, compared to a net loss of \$10.7 million, or \$0.20 per share, for the first quarter of 2013.

**Our corporate information**

Insulet Corporation is a Delaware corporation formed in 2000. Our principal offices are located at 9 Oak Park Drive, Bedford, Massachusetts 01730, and our telephone number is (781) 457-5000. Our website address is <http://www.insulet.com>. We do not incorporate the information on, or accessible through, our website into this prospectus, and you should not consider it part of this prospectus.

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**The offering**

*The following summary describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of the notes section of this prospectus contains a more detailed description of the terms and conditions of the notes. As used in this section, we, our, and us refer only to Insulet Corporation and not to its consolidated subsidiaries.*

<b>Issuer</b>	Insulet Corporation, a Delaware corporation.
<b>Securities</b>	\$175,000,000 principal amount of 2.00% Convertible Senior Notes due 2019 (plus up to an additional \$26,250,000 principal amount to cover over-allotments).
<b>Maturity</b>	June 15, 2019, unless earlier purchased, redeemed or converted.
<b>Interest</b>	2.00% per year. Interest will accrue from June 9, 2014 and will be payable semiannually in arrears on June 15 and December 15 of each year, beginning on December 15, 2014. We will pay additional interest, if any, at our election as the sole remedy relating to the failure to comply with our reporting obligations as described under Description of the notes Events of default.
<b>Conversion rights</b>	<p>Holders may convert their notes at their option prior to the close of business on the business day immediately preceding March 15, 2019, in multiples of \$1,000 principal amount, only under the following circumstances:</p> <ul style="list-style-type: none"> <li>during any calendar quarter commencing after the calendar quarter ending on September 30, 2014 (and only during such calendar quarter), if the last reported sale price of the common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is equal to or greater than 130% of the conversion price on each applicable trading day; or</li> <li>during the five business day period after any five consecutive trading day period, or the measurement period, in which the trading price (as defined under Description of the notes Conversion rights Conversion upon satisfaction of trading price condition ) per \$1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; or</li> <li>if we call any or all of the notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date, but only with respect to the notes called for redemption; or</li> <li>upon the occurrence of specified corporate events described under Description of the notes Conversion rights Conversion upon specified corporate events.</li> </ul>

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On or after March 15, 2019 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their notes, in multiples of \$1,000 principal amount, at the option of the holder regardless of the foregoing circumstances.

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The conversion rate for the notes is initially 21.5019 shares per \$1,000 principal amount of notes (equivalent to an initial conversion price of approximately \$46.51 per share of common stock), subject to adjustment as described in this prospectus.

Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election. If we satisfy our conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and shares of our common stock, the amount of cash and shares of common stock, if any, due upon conversion will be based on a daily conversion value (as described herein) calculated on a proportionate basis for each trading day in a 25 trading day observation period (as described herein). See Description of the notes Conversion rights Settlement upon conversion.

In addition, following certain corporate events that occur prior to the maturity date we will increase the conversion rate for a holder who elects to convert its notes in connection with such a corporate event in certain circumstances as described under Description of the notes Conversion rights Adjustment to shares delivered upon conversion upon a make-whole fundamental change.

You will not receive any additional cash payment or additional shares representing accrued and unpaid interest, if any, upon conversion of a note, except in limited circumstances. Instead, interest will be deemed to be paid by the cash, shares of our common stock or a combination of cash and shares of our common stock paid or delivered, as the case may be, to you upon conversion of a note.

**Redemption at our option**

We may not redeem the notes prior to June 20, 2017. We may redeem the notes, at our option, in whole or in part, (1) on or after June 20, 2017 if the last reported sale price of our common stock has been at least 150% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period ending within five trading days prior to the date on which we provide notice of redemption and (2) on or after June 20, 2018 regardless of the sale price condition described above, in each case at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. No sinking fund is provided for the notes, which means that we are not required to redeem or retire the notes periodically.

We will give notice of redemption not less than 40 nor more than 60 calendar days before the redemption date to the trustee, the paying agent and each holder of notes. See Description of the notes Optional redemption.

**Fundamental change**

If we undergo a fundamental change (as defined in this prospectus under Description of the notes Fundamental change permits holders to require us to purchase notes ), subject to certain conditions, holders may require us to purchase for cash all or part of their notes in principal amounts of \$1,000 or a

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multiple thereof. The fundamental change purchase price will be equal to 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest to, but excluding the fundamental change purchase date. See Description of the notes Fundamental change permits holders to require us to purchase notes.

**Additional amounts**

If we consolidate with or merge with or into, or sell, convey, transfer or lease our consolidated properties and assets substantially as an entirety to, another company and the resulting, surviving or transferee company is not organized and existing under the laws of the United States of America, any State thereof or the District of Columbia (such company or any successor thereto, the surviving entity ), then all payments made by the surviving entity under or with respect to the notes will be made without withholding or deduction for taxes unless the surviving entity is legally required to do so, in which case, subject to certain exceptions and limitations, the surviving entity will pay such additional amounts as may be necessary so that the net amount received by beneficial owners of the notes after such withholding or deduction shall equal the amount that would have been received in the absence of such withholding or deduction.

**Ranking**

The notes will be our senior unsecured obligations and will rank:

senior in right of payment to any of our indebtedness that is expressly subordinated in right of payment to the notes;

equal in right of payment to any of our indebtedness that is not so subordinated;

effectively junior in right of payment to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and

structurally junior to all existing and future liabilities of our subsidiaries.

As of March 31, 2014, we and our subsidiaries had total consolidated indebtedness of \$151.2 million (none of which was secured), and our subsidiaries had \$8.2 million of indebtedness and other liabilities (including trade payables but excluding intercompany obligations and liabilities of a type not required to be reflected on a balance sheet of such subsidiaries in accordance with U.S. generally accepted accounting principles, or GAAP) to which the notes would have been structurally subordinated. As of March 31, 2014 after giving effect to the issuance of the notes (assuming no exercise of the underwriter's over-allotment option and no repurchase of our 2016 notes), our total consolidated indebtedness would have been \$326.2 million.

The indenture governing the notes will not limit the amount of debt that we or our subsidiaries may incur.

**Use of proceeds**

We estimate that the net proceeds from this offering will be approximately \$169.3 million (or \$194.7 million if the underwriter exercises its over-allotment option in full), after deducting the underwriter's discount and estimated offering expenses payable by us (after giving effect to the expense reimbursement to us



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from the underwriter). See [Underwriting](#) . We intend to use approximately \$120 million of the net proceeds of this offering to repurchase approximately \$86 million principal amount of our outstanding 2016 notes from holders of these notes in privately negotiated transactions, which repurchases are expected to occur concurrently with this offering. The amount paid to repurchase these notes includes approximately \$1.6 million of accrued interest. We intend to use the remainder of the net proceeds from this offering for general corporate purposes, which may include financing redemptions, repurchases and/or the settlement of conversions of the 2016 notes. See [Use of proceeds](#).

**Book-entry form**

The notes will be issued in book-entry form and will be represented by permanent global certificates deposited with, or on behalf of, The Depository Trust Company, or DTC, and registered in the name of a nominee of DTC. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated securities, except in limited circumstances.

**Absence of a public market for the notes**

The notes will be new securities and there is currently no established market for the notes. Accordingly, we cannot assure you as to the development or liquidity of any market for the notes. The underwriter has advised us that it currently intends to make a market in the notes. However, it is not obligated to do so, and it may discontinue any market making with respect to the notes without notice. We do not intend to apply for a listing of the notes on any securities exchange or any automated dealer quotation system.

**U.S. federal income tax considerations**

For U.S. federal income tax considerations relating to the holding, disposition and conversion of the notes, and the holding and disposition of shares of our common stock, see [Material U.S. federal income tax considerations](#).

**Risk factors**

See [Risk factors](#) beginning on page 9 of this prospectus and other information included or incorporated by reference in this prospectus for a discussion of the factors you should carefully consider before deciding to invest in the notes.

**NASDAQ Global Select Market symbol for our common stock**

Our common stock is listed on The NASDAQ Global Select Market under the symbol [PODD](#).

**Trustee, paying agent and conversion agent**

Wells Fargo Bank, National Association.

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The summary historical consolidated financial data as of December 31, 2012 and 2013 and for the years ended December 31, 2011, 2012 and 2013 are derived from our audited consolidated financial statements and the related notes, which are incorporated by reference herein. The summary historical consolidated financial data as of March 31, 2014 and for the three months ended March 31, 2013 and 2014 have been derived from our unaudited consolidated financial statements and the related notes, which are incorporated by reference herein. These unaudited consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements. In the opinion of management, the unaudited summary historical consolidated financial data reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair statement of the results for those periods. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year or any future period. Historical results are not necessarily indicative of the results to be expected in the future.

The following summary information should be read in conjunction with Capitalization. In addition, this information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes thereto, each of which is incorporated by reference herein from our Annual Report on Form 10-K for the year ended December 31, 2013 and our Quarterly Report on Form 10-Q for the three months ended March 31, 2014.

(in thousands, except share and per share data)	Year ended December 31,			Three months ended March 31,	
	2011	2012	2013	2013	2014
<b>Consolidated statements of operations data:</b>					
Revenue	\$152,255	\$211,369	\$247,084	\$57,356	\$69,161
Cost of revenue	85,543	119,033	134,683	32,201	36,353
Gross profit	66,712	92,336	112,401	25,155	32,808
Operating expenses:					
Research and development	21,863	24,359	21,765	4,396	6,779
General and administrative	44,083	51,240	64,077	13,094	14,259
Sales and marketing	43,233	52,708	55,694	13,871	13,656
Total operating expenses	109,179	128,307	141,536	31,361	34,694
Operating loss	(42,467)	(35,971)	(29,135)	(6,206)	(1,886)
Other expense, net	(14,576)	(15,684)	(15,739)	(4,328)	(4,193)
Income tax benefit (expense)	11,212	(212)	(100)	(131)	(65)
Net loss	\$(45,831)	\$(51,867)	\$(44,974)	\$(10,665)	\$(6,144)
Net loss per share basic and diluted	\$(0.98)	\$(1.08)	\$(0.83)	\$(0.20)	\$(0.11)
Weighted-average number of shares used in calculating net loss per share	46,689,880	47,924,324	54,010,887		