Insulet Corporation

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Town of Acton, Massachusetts

October 6, 2016

Confidential

Insulet Corporation

- Insulet Corporation is an innovative medical device company based in Billerica, MA;
- Founded in 2000 with the mission of improving the lives of people with diabetes, specifically through its revolutionary OmniPod Insulin Management System;
- The Company is in rapid growth mode and anticipates revenue growth of more than 30% this year;
- Current MA headcount of approximately 500 full-time employees:
  - Average MA compensation of $154k* per employee;
  - Total MA based compensation of $77MM*; and,
- Manufacturing operations are currently in China.

* Includes wages, taxable stock compensation and estimated bonuses.

The Project - Approach

- Expand presence within the U.S.;
- Assess available real estate alternatives in multiple states with a current focus on MA and TX;
- Focus on existing manufacturing facilities with office space;
- Conduct preliminary review and detailed site selection analysis;
- Commence with manufacturing by 4th Quarter 2018 which requires:
  - Site acquisition by end of 2016
  - Site ready by 4th Quarter of 2017
- Include economic incentive values in financial analysis.

The Project

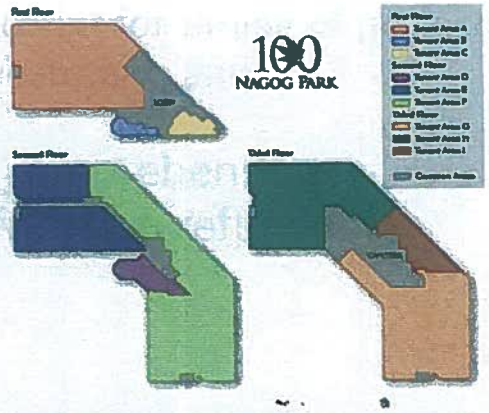
- Insulet desires to create a manufacturing facility within the U.S. market;
- Facility must house manufacturing, contain multiple clean rooms and office space;
- Approximate size needed is 300k sq/ft
  - 150k sq/ft office space
  - 150k sq/ft manufacturing/warehousing
- Multi-state search has identified options in MA and North TX;
  - MA option would include relocation of existing MA positions within the Commonwealth; and,
  - TX option would result in relocation of significant number of current MA positions to Texas.

The Project – Estimated Project Parameters

- Total project investment estimated to exceed $140,000,000 over a 5-year period;
  - Real estate acquisition and improvement costs estimated to be $40,000,000;
  - New Machinery and Equipment estimated to be $100,000,000;
- Estimated new headcount could reach 1,000 full-time positions over a 5-year period.
  - MA option would result in a majority of positions being located in MA;
  - TX option would result in relocation of approximately 200 to 500 existing MA positions to TX;
- Average wages of new employees would be approximately $80k per year; and,
- Comprehensive benefits package provided.

Massachusetts Option

- Location: 100 Nagog Park, Acton MA
- Asking Price: $7,000,000
- Sq./Ft.: 194,800
- Other: Vacant for extended period



Public – Private Partnership

- Economic development incentives will be a significant determining factor in final location decision;
- Commitment to deliver most aggressive incentives package and ability to act quickly will be extremely important;
- Ability to be innovative and creative relative to the comprehensive incentive package offer is critical;
  - Incentive package should maximize benefits to account for timing of project phases and subsequent levels of new jobs and investment; and,
- The Company would like to receive preliminary comprehensive incentive package offer by mid-October with a focus on refundable credits.

Next Steps

- Finalize TX site selection review and coordinate incentive discussion;
- Obtain Commonwealth and local incentive offers to include the following potential programs:
  - Life Sciences Program
  - Local Tax Increment Financing

Insulet Corporation Team

Mr. Patrick Sullivan

- President, CEO, and Director

Mr. Michael Levitz

- Senior Vice President and CFO

Mr. Charles Alpuche

- Senior Vice President, Global Manufacturing and Operations

Thank you!