



DexCom, Inc. Announces Acquisition of SweetSpot Diabetes Care, Inc.

SAN DIEGO--(BUSINESS WIRE)-- DexCom, Inc. (Nasdaq:DXCM) announced today that it has entered into a definitive agreement to acquire SweetSpot Diabetes Care, Inc., a healthcare-focused information technology company, in an all stock transaction, with initial consideration of up to \$4.5 million and performance milestone-based earnout consideration of up to an additional \$4 million. SweetSpot has an advanced cloud-based platform for uploading and processing data and specializes in turning raw output from patient devices into powerful information for healthcare providers, patients and researchers. The SweetSpot platform is comprised of the 510(k) cleared SweetSpot Diabetes Data Management Service, a secure end-to-end solution for diabetes data management, automating the retrieval of data from numerous patient devices; managing, processing and storing data in the cloud; and integrating into electronic medical records and other clinical systems for information delivery. The platform is vendor-neutral and data from most common blood glucose meters can be retrieved during a step-by-step session at a physical kiosk in a clinic or through a web-based application. As we work with SweetSpot to build out the platform, we expect to incorporate CGM and insulin data with simplified reporting capabilities and easy, secure data access for patients and their healthcare providers.

"The acquisition of SweetSpot represents another step forward in our mission to make the lives of people living with diabetes, and those caring for them, more convenient," said Terrance H. Gregg, Chief Executive Officer of DexCom. "Our customers consistently ask for new and better tools to support the gathering and interpretation of health-related data, as it is clear that diabetes care must and will be transformed with the help of connected monitoring devices and more sophisticated, yet simplified, use of data by healthcare providers, patients and payers." Mr. Gregg continued, "While we believe we are firmly entrenched as the world's leading glucose sensor technology, from a competitive perspective, our two missing pieces remain insulin pump integration in the U.S. and a universal data management system. Our acquisition of SweetSpot combined with our insulin pump partnerships will fill these voids. Our ultimate objective is to move a patient's CGM data directly and seamlessly from the patient's phone or CGM receiver to our cloud-based platform. Not only will this cloud-based data provide patients and providers with much more useful information, it will greatly enhance DexCom's ability to monitor our product performance and measure patient utilization patterns."

The SweetSpot platform is currently deployed in the U.S. on a limited basis and, in addition to building out our data management platform, SweetSpot will continue to pursue its pre-acquisition business strategy, marketing the data management service directly to clinics and other customers, including leading academic research centers and integrated delivery networks, such as the VA Medical System. SweetSpot will operate largely independently from DexCom. SweetSpot's offices and employees will remain in Portland, Oregon and will operate as a wholly owned subsidiary of DexCom. We expect the acquisition will close within the next several weeks.

Conference Call

Management will hold a conference call today starting at 4:30 p.m. (Eastern Time). The conference call will be concurrently webcast. The link to the webcast will be available on the DexCom, Inc. website at www.dexcom.com under the investor webcast section and will be archived for future reference. To listen to the conference call, please dial (800) 447-0521 (US/Canada) or (847) 413-3238 (International) and use the participant code "31317641" approximately five minutes prior to the start time.

About DexCom, Inc.

DexCom, Inc., headquartered in San Diego, California, is developing and marketing continuous glucose monitoring systems for ambulatory use by patients with diabetes and by healthcare providers in the hospital.

Cautionary Statement Regarding Forward Looking Statements

DexCom is a medical device company with a limited operating history. Successful commercialization and sale of the company's products is subject to numerous risks and uncertainties, including product performance, a lack of acceptance in the marketplace by physicians and patients, the company's inability to manufacture products in commercial quantities at an acceptable cost and quality level, possible delays in the company's development programs, the inability of patients to receive reimbursement from third-party payors and inadequate financial and other resources. Certain of these risks and uncertainties, in addition to other risks, are more fully described in the company's annual report on Form 10-K for the period ended December 31, 2011, as filed with the Securities and Exchange Commission on February 23, 2012.

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