MINDBODY, Inc.
Form 424B4
June 19, 2015

Filed Pursuant to Rule 424(b)(4)
Registration No. 333-204068

PROSPECTUS

7,150,000 Shares

CLASS A COMMON STOCK

MINDBODY, Inc. is offering 7,150,000 shares of its Class A common stock. This is our initial public offering, and no public market currently exists for our shares. The initial public offering price is $14.00 per share.

Following this offering, we will have two classes of authorized common stock, Class A common stock and Class B common stock. The rights of the holders of our Class A common stock and Class B common stock will be identical, except with respect to voting and conversion rights. Each share of our Class A common stock will be entitled to one vote. Each share of our Class B common stock will be entitled to 10 votes and will be convertible at any time into one share of our Class A common stock.

All shares of our capital stock outstanding immediately prior to this offering, including all shares held by our executive officers, employees and directors, and their respective affiliates, will be reclassified into shares of our Class B common stock immediately prior to this offering. The holders of our outstanding Class B common stock will hold approximately 97.8% of the voting power of our outstanding capital stock immediately following this offering.

Our Class A common stock has been approved for listing on The NASDAQ Global Market under the symbol MB.

We are an emerging growth company as defined under the U.S. federal securities laws and, as such, are subject to reduced public company reporting requirements. Investing in our Class A common stock involves risks. See Risk Factors beginning on page 17.

PRICE $14.00 A SHARE

	Price to Public	Underwriting Discounts and Commissions(1)	Proceeds to MINDBODY
Per Share	*$14.00*	*$0.98*	*$13.02*
Total	*$100,100,000*	*$7,007,000*	*$93,093,000*

(1) See Underwriting beginning on page 158 for additional information regarding underwriting compensation.
We have granted the underwriters the right to purchase up to an additional 1,072,500 shares of Class A common stock to cover over-allotments.

Certain entities associated with J.P. Morgan Investment Management Inc., one of our existing holders of greater than 5% of our common stock, have indicated an interest in purchasing up to $10.0 million of our Class A common stock in this offering, at the initial public offering price. Because these indications of interest are not binding agreements or commitments to purchase, such entities may elect to purchase fewer shares than they indicate an interest in purchasing or not to purchase any shares in this offering. In addition, the underwriters may elect to sell fewer shares or not to sell any shares in this offering to such entities. The underwriters will receive the same discount from any shares sold to such entities as they will from any other shares sold to the public in this offering.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Class A common stock to purchasers on June 24, 2015.

MORGAN STANLEY *CREDIT SUISSE* *UBS INVESTMENT BANK*

PACIFIC CREST SECURITIES *JMP SECURITIES*

June 18, 2015

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Through and including July 13, 2015 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer s obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

We have not authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside of the United States: Neither we nor the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus outside of the United States.

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PROSPECTUS SUMMARY

This summary highlights selected information that is presented in greater detail elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our Class A common stock. You should read this entire prospectus carefully, including the sections titled Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes included elsewhere in this prospectus, before making an investment decision. Unless the context otherwise requires, the terms MINDBODY, the company, we, us and our in this prospectus refer to MINDBODY and its consolidated subsidiaries.

MINDBODY, INC.

Our Vision

Our vision is to leverage technology to improve the wellness of the world.

Overview

We are the leading online wellness services marketplace with over 42,000 local business subscribers on our platform in 124 countries and territories employing over 250,000 practitioners who provide a variety of wellness services to over 24 million active consumers. Our integrated cloud-based business management software and payments platform for the wellness services industry helps our subscribers simplify the way they run their businesses, attract and engage more consumers, boost their revenues and focus more on what they love to do improving people s lives. Moreover, we help consumers more easily evaluate, engage and transact with these subscribers, enabling them to live healthier and happier lives. We are also a leading payments platform dedicated to the wellness services industry. In the 12 months ended March 31, 2015, $6.3 billion in transactions occurred between consumers and subscribers within our marketplace, of which $4.3 billion flowed through our payments platform.

Our platform is specifically designed for the wellness services industry. Wellness encompasses multiple dimensions of a person s well-being physical, emotional, social, occupational and spiritual, among others. As a result, we include health and fitness, integrative health, salon and spa, fine arts and children s activities as categories within the wellness services industry. According to a report that we commissioned from Frost and Sullivan, our addressable market is approximately 4.2 million wellness businesses worldwide. Based on their analysis, Frost and Sullivan estimates a $9.5 billion market for business management software solutions targeted at wellness businesses in 2015 and expects this market to grow to $15.3 billion in 2018, which implies a 17.1% compound annual growth rate, or CAGR. With over 42,000 local business subscribers, we estimate our current market penetration to be less than 1%.

We believe millions of wellness businesses around the world are looking for a simple, efficient and reliable way to manage their operations. Through our integrated cloud-based business management software and payments platform, we enable businesses to easily manage class and appointment schedules, staff members, client information, online bookings, inventory, payroll and retail sales all in a cost-effective manner. At the same time, we connect consumers with local businesses through our MINDBODY Connect platform, which powers a mobile interface that allows consumers to discover, evaluate, book and pay for wellness services, whether they are near their homes or traveling.

As employers become increasingly focused on wellness programs to improve the health, fitness and productivity of their employees, our MINDBODY Connect Workplace offering combines the power of our software platform with the ease of our Connect platform to enable employees to choose from a wide variety of

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on-site and local wellness services. We believe Connect Workplace helps employees live healthier, happier and more productive lives, while allowing employers to benefit from greater staff productivity, lower attrition and reduced healthcare costs.

We have enabled a rich partner ecosystem of over 600 developers and partners who extend the value of our platform in powerful ways. These developers and partners have built applications that supplement our capabilities in areas such as automation, marketing, mobile and social interaction. Several of these partners have created significant consumer-facing businesses that rely on our unique inventory of classes, scheduling and payments capabilities. All of this is enabled by our application programming interface, or API, through which we grant access to approved developers and partners. We believe that the opportunities and technology provided by our partners enhance the power of our marketplace and contribute to the attractiveness and critical position of MINDBODY within the wellness ecosystem.

As more local wellness businesses adopt our business management and payments platform, more subscriber listings appear on Connect. A larger critical mass of local wellness services on Connect attracts more consumers, which in turn attracts more local wellness businesses that want to engage with these consumers, thereby creating powerful network effects that benefit the entire ecosystem. Similarly, as more corporate wellness subscribers adopt Connect Workplace, their employees begin using our platform, which leads to increased demand from local wellness businesses to be listed on Connect. As more local wellness businesses appear on Connect, more employees use our platform to redeem their corporate incentives, which in turn leads to more corporate wellness subscribers being attracted to our platform. Finally, as we add more subscribers, consumers and employees to our wellness ecosystem, we attract more technology developers and partners who can use our API to develop additional apps that extend the capabilities of our open platform.

(1) We define active consumers as all unique consumers of our subscribers services who have used our platform to transact with our subscribers during the immediately preceding two years. While we do not directly monetize consumers of our subscribers services, we believe that growth in the number of active consumers on our platform also contributes to our subscriber growth.

Our financial performance reflects our significant subscriber growth and increasing revenue per subscriber. Our total revenue increased from $32.0 million in 2012, to $48.7 million in 2013 to $70.0 million in 2014, representing year-over-year increases of 52% and 44% in 2013 and 2014, respectively. For the three months ended March 31, 2014 and 2015, our revenue was $15.7 million and $22.3 million, respectively, representing a

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42% growth rate. Our net loss was $5.5 million, $16.2 million and $24.6 million for 2012, 2013 and 2014, respectively. For the three months ended March 31, 2014 and 2015, our net loss was $4.8 million and $7.9 million, respectively. Our Adjusted EBITDA was negative $2.5 million, negative $11.5 million and negative $18.8 million for 2012, 2013 and 2014, respectively. For the three months ended March 31, 2014 and 2015, our Adjusted EBITDA was negative $3.8 million and negative $5.3 million, respectively. For a reconciliation of Adjusted EBITDA to net loss, please see the section titled Summary Consolidated Financial and Other Data Non-GAAP Financial Measure.

Industry Background

Increasing Focus on Personal Health and Beauty is Fueling Global Demand for Wellness Services

An increased focus on personal health and beauty represents a major global trend among consumers and is driving growth in wellness services worldwide. As the desire for longer, healthier lives, attractive appearance and overall physical and emotional well-being grows, more and more people are adopting a lifestyle that incorporates a healthier diet, regular physical exercise, integrative health, salon, spa and other wellness services.

While over 2.1 billion people or nearly 30% of the world s population are overweight, consumers are becoming increasingly aware of the risks associated with obesity and the benefits of regular physical exercise and are therefore seeking to achieve a healthy weight and fitness level. In addition, while decades ago individual spending on exercise classes and spa and salon services was minimal, we believe consumers across generations today are increasingly willing to allocate a more significant portion of their disposable income to wellness services.

Moreover, people increasingly consume salon, spa and integrative health services to enhance emotional, social and physical wellness. We believe that while in developed markets, the aging population is demanding more salon, spa and integrative health services, in emerging markets, demand is driven by urbanization and the resulting increase in social interactions.

Growing Demand for Personalized Wellness Experiences has been Driving Industry Fragmentation

We believe consumers are increasingly seeking more personalized and effective wellness experiences and are opting for smaller businesses that are more conveniently located and cater to individual needs and preferences. As a result, the number of small wellness businesses has proliferated over the past decade, while all-inclusive facilities such as large health clubs now comprise only a small percentage of the wellness services industry s aggregate revenue. Meanwhile, the market share of smaller businesses has been growing rapidly, which can be seen in the increasing number of businesses that specialize in practices such as yoga, Pilates, barre, Zumba and CrossFit.

Escalating Healthcare Costs are Driving Employers Worldwide to Develop Corporate Wellness Programs that Incentivize the Use of Wellness Services

Healthcare costs for employers have been increasing significantly: According to healthcare research foundation The Commonwealth Fund, from 2003 to 2013, the annual cost of family coverage for U.S. employers rose 73% to an average of $16,029. A 2010 study published in the Journal of Occupational and Environmental Medicine estimated that the cost of obesity among full-time employees reaches $73.1 billion each year. To reduce rising healthcare expenses and excessive absenteeism as well as to improve their employees productivity, more and more organizations are implementing corporate wellness and other incentive programs to encourage healthy behavior. A 2012 study by RAND Health found that participation in a wellness program is associated with lower health care costs.

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Despite the wide availability of corporate wellness programs, the actual participation of employees in such programs remains limited. According to the Business Journal, Gallup reported that although more than 85% of large employers offer wellness programs, only 24% of employees at these companies actually participate in the programs. We believe this is due to the fact that employers lack effective tools to incentivize participation in wellness programs and often fail to satisfy a broad range of employee preferences.

Consumers Need a Single, Mobile Enabled Interface for their Wellness Services Needs

Due to the fragmented nature of the wellness services industry, consumers often find it complicated and time consuming to find and book wellness services. Consumers increasingly expect to be able to identify, research and schedule the desired wellness services using their mobile devices in a manner that allows them to view class schedules, practitioner details and consumer reviews, make bookings conveniently outside business hours through web or mobile interfaces and pay for these services seamlessly online.

Wellness Businesses Need an Integrated Software and Payments Platform that is Designed to Meet their Industry-Specific Needs

Wellness businesses have to manage online bookings, staff scheduling and payroll, and resource allocation. They also need to promote their wellness services, attract new consumers and nurture consumer relationships. In addition, business owners need to keep track of key business performance indicators and take action to increase revenue and improve profitability. Many wellness businesses use basic tools like paper forms or Excel spreadsheets to perform some of these functions, which can be time consuming and distracting. We have observed that the inability of business owners to focus on their core business often leads to lost revenue and lower consumer retention. To succeed in the marketplace, wellness businesses need an easy-to-use and integrated cloud-based software and payments solution that is specifically designed for their needs, is cost effective and can be accessed anytime from anywhere and on any device.

The MINDBODY Solution

Our integrated cloud-based business management software and payments platform is specifically designed to address the unique requirements of the wellness services industry. We help our subscribers simplify their operations, focus on their consumers and grow their revenue by enabling them to attract and retain consumers.

Integrated Software and Payments Platform Designed Specifically for the Needs of Local Wellness Businesses

We have developed a cloud-based software and payments platform with powerful functionality that addresses key aspects of operating a wellness business, including:

Client Scheduling and Online Booking. We believe we offer subscribers the most complete online client scheduling capability available on the market today. We are the only platform provider that enables all four different types of scheduling that wellness businesses typically encounter: appointments, open classes, enrollments and workshops and resource scheduling.

Staff Management. With our staff and resource scheduling software features, staff management is easy and organized. Subscribers keep the whole schedule in one place, allowing them to manage staff availability, hours, substitutions, commissions and other compensation, all of which is easily linked to payroll records.

Client Relationship Management. With our client relationship management features, subscribers have all their consumer information in one place and can take advantage of powerful consumer relationship and marketing tools.

Integrated Software and Payments. We offer our subscribers payment processing solutions at competitive rates. Our integrated payments platform allows for convenient and secure storage of consumer credit card information, which allows for seamless online bookings, recurring membership payments through our business management software and online store purchases through Connect.

Retail Point of Sale. Our point-of-sale capabilities help subscribers sell products and services, contracts and memberships, packages, workshops and store-branded gift cards.

Analytics and Reporting. We track key information that subscribers need to know to achieve their business goals, including revenue growth, contribution margin of classes, consumer retention rates, referral sources, return on investment for consumer retention campaigns and practitioner performance based on consumer loyalty and reviews by class or type of service.

Simple and Intuitive User Experience. We designed our business management software with a focus on developing a visually appealing interface that is simple, easy to use and requires little training, while offering subscribers powerful business management features.

Mobility. Our platform enables our subscribers to manage their operations anytime and anywhere via a number of mobile devices and operating systems, including Mac, iOS, Android and Windows.

Dynamic Cloud-Based Architecture. Our software platform is powered by a dynamic cloud-based architecture that requires low upfront investment and no maintenance and can easily scale with subscribers as their businesses grow.

Security and Compliance. We consistently earn a Level I Payment Card Industry Data Security Standard, or PCI DSS, and Health Insurance Portability and Accountability Act, or HIPAA, compliance rating.

Social Integration. Our platform integrates with popular social networks like Facebook and Twitter, allowing our subscribers to publish schedules on their Facebook page and enabling consumers to directly schedule appointments and classes via Facebook.

MINDBODY Connect

A key component of our platform is Connect, our consumer-facing mobile app. With Connect, consumers have a unified account to manage all aspects of their wellness activities with a single log in. They can discover local wellness services using a geo-located map function, view class and appointment descriptions, schedules and real-time availability, read practitioner biographies and user reviews written by consumers who have actually received the service, and then book and pay for their desired services in a few taps from their mobile device.

MINDBODY Connect Workplace

Our Connect Workplace offering is designed to allow corporate wellness subscribers to encourage healthy habits for their employees and measure the results. Subscribers to Connect Workplace use our platform to manage on-site wellness services, incentivize employees to take advantage of the local wellness businesses in our network and analyze aggregate employee attendance data.

Rich Partner Ecosystem

We have enabled a rich partner ecosystem of over 600 developers and partners who extend the value of our platform in powerful ways.

Open Platform for Third-Party App Development. We have built an open and extensible platform with an API that offers approved developers access to our unique inventory of classes, scheduling and payments capabilities.

Integration with Other Cloud-Based Partners. Our platform can be integrated with other cloud-based software that our subscribers may be using for critical business management tasks to extend the capabilities of our platform within a variety of focus areas such as automation, marketing, mobile and social.

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Key Benefits to Marketplace Constituents

Benefits to Subscribers and Practitioners.

Simplify business operations.

Focus more attention on clients and the quality of service they receive.

Grow loyal client base and recurring revenue.

Benefits to Consumers.

Convenient single interface that addresses their wellness services needs.

Time savings and excellent user experience increase engagement and achievement of wellness goals.

Central database for wellness activities facilitates fitness graph tracking.

Benefits to Employers.

Improve employee satisfaction and engagement by providing more personalized wellness options and built-in incentives.

Increase employee productivity and reduce long-term group healthcare costs with greater wellness activity participation.

Monitor and improve effectiveness by analyzing engagement and employee feedback.

Our Market Opportunity

According to IBISWorld, in 2014, the total revenue of gyms, health and fitness clubs in the United States was expected to reach $26.5 billion, and the U.S. salon market, consisting of haircutting services, hair coloring services, nail care services, skin care services and other services, was expected to reach $50.2 billion. The global markets for these services are significantly larger. In addition, the U.S. corporate wellness services market was expected to reach $7.4 billion in 2014, according to IBISWorld. According to a report that we commissioned from Frost and Sullivan, our addressable market is approximately 4.2 million wellness businesses worldwide. Based on their analysis, Frost and Sullivan estimates that the market for business management software solutions targeted at wellness businesses will grow to $9.5 billion in 2015 and expects this market to grow to $15.3 billion in 2018, which implies a 17.1% CAGR. In addition, we believe there are a significant number of individual practitioners worldwide who are not included in the 4.2 million addressable market estimate and can benefit from our business management software and payments platform. With over 42,000 local business subscribers, we estimate our current market penetration to be less than 1%. While we expect competition in the industry to increase and evolve over time, given our current market leadership, we believe that we are well positioned to compete for and capture a significant portion of global software and payments spending in the wellness services industry.

Our Competitive Strengths

The Leading Online Wellness Services Marketplace. We are the leading online wellness services marketplace with over 42,000 local business subscribers on our platform in 124 countries and territories employing over 250,000 practitioners who provide a variety of wellness services to over 24 million active consumers. Due to our unmatched global wellness network, Connect has become the go-to destination for consumers to manage their wellness services activities.

Industry-Specific Expertise. Our team of experts understands the detailed workflows and needs of each type of business within the wellness services industry, and has designed our integrated cloud-based business management software and payments platform specifically to address the unique requirements of these businesses.

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Powerful Network Effects. As more local wellness businesses use our platform, more subscriber listings appear on Connect. A larger critical mass of local wellness services on Connect attracts more consumers, which in turn attracts more local wellness businesses that want to engage with these consumers, thereby creating powerful network effects that benefit the entire ecosystem. Similarly, as more corporate wellness subscribers adopt Connect Workplace, more employees use our platform to redeem their corporate incentives, which in turn attracts both wellness businesses and corporate wellness subscribers. Finally, as we add more subscribers, consumers and employees to our wellness ecosystem, we attract more technology developers and partners who can use our API to develop additional apps that extend the capabilities of our open platform.

Integrated Cloud-Based Business Management Software and Payments Platform. The seamless integration between our business management software and payments platform provides a convenient one-stop solution for our subscribers. Subscribers save time and resources by avoiding the use of a separate payments platform and the associated burdensome manual reconciliations of transactions that result from a lack of automation. We believe that this integrated software and payments capability leads to higher subscriber engagement with our platform and a larger recurring revenue stream for us.

Ability to Scale with Subscribers Businesses. Our feature-rich software scales from individual practitioners to large, international organizations that have hundreds of locations. It is possible for an independent mobile practitioner starting her small business to begin with our entry level software, upgrade to our more robust offerings as she opens her first brick-and-mortar location, then add locations and ultimately create a substantial chain on our platform. This type of inspirational story has happened many times.

Critical Position in the Wellness Ecosystem. We have enabled a rich partner ecosystem of over 600 developers and partners who extend the value of our platform in powerful ways. Many of our technology partners and API platform partners have built successful businesses, or have significantly expanded their existing businesses, to cater to our subscribers and consumers via our platform. We believe the time, effort and dollars spent by these businesses to integrate with our platform point to the critical position that MINDBODY has established in the ecosystem.

Proprietary Data and Analytics. Our software and payments platform collects and presents critical information that enables subscribers to fine tune their business operations and enables us to observe macro level wellness services industry trends that inform our business decisions. With our software, subscribers can analyze their consumer data, including demographics, type and frequency of activities and spending habits. In addition, we help subscribers assess the performance of their staff. We also collect and display consumer reviews to both subscribers and consumers. This enables consumers to make more informed buying decisions and helps our subscribers improve their businesses. Due to our market leadership position, we have access to more proprietary data than our competitors, which helps us improve our platform and allows us to provide unique insights and analytical capabilities.

Exceptional Company Culture that Drives Performance. The MINDBODY team shares an exceptional company culture that incorporates our core values of being purpose driven, humble and helpful, caring and happy, committed to wellness, environmentally conscious, continuously evolving and committed to leadership. According to a report from Mashable based on data from Glassdoor in December 2014, MINDBODY has been named one of the Top 10 Best Tech Companies To Work For in 2015. We believe our culture gives us a competitive advantage in recruiting and retaining talent, driving innovation, enhancing productivity and improving customer experience.

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Our Growth Strategy

Given the increasing demand for wellness services among consumers today and a largely untapped market, we believe our opportunity is significant and growing. Key elements of our growth strategy include:

- Continuing to expand our subscriber base, both domestically and internationally;
- Deepening relationships with existing subscribers;
- Growing consumer adoption of Connect;
- Continuing to innovate and broaden our platform;
- Further developing our partnerships and wellness ecosystem;
- Increasing our presence in corporate wellness;
- Making strategic investments and select acquisitions; and
- Expanding our international reach via partnerships and investments in our salesforce.

Risks Associated with Our Business

Our business is subject to numerous risks and uncertainties, including those highlighted in the section titled Risk Factors immediately following this prospectus summary. These risks include, but are not limited to, the following:

- We have a history of losses, and our revenue growth rate may not sustain the levels experienced in recent years. As our costs increase, we may not be able to generate sufficient revenue to achieve and sustain profitability.
- We derive, and expect to continue to derive, a majority of our revenue and cash flows from our integrated cloud-based business management software and payments platform for the wellness services industry. If we fail to adapt this platform to changing market dynamics and subscriber preferences or to achieve increased market acceptance of our platform, our business, results of operations, financial condition and growth prospects would be adversely affected.

Our business depends substantially on our subscribers renewing their subscriptions to our platform. Any decline in the rate at which subscribers renew their subscriptions would harm our future operating results.

If we are not able to enhance our platform to achieve market acceptance and keep pace with technological developments, our business would be harmed.

Our payments platform is a core element of our business, and any failure to grow and develop our payment processing activities, or to anticipate changes in consumer behavior, could materially and adversely affect our business and financial results.

Our payment processing platform is subject to United States and international rules and regulations, many of which are still developing. If we fail to comply with such rules and regulations or if new laws, rules or practices applicable to payment systems restrict our ability to collect fees from our payment processing platform, our financial results could be materially and adversely effected.

If we incur an actual or perceived breach to our payment processing platform, we may incur significant liabilities and our brand and reputations may be damaged.

We are subject to risks related to our reliance on third-party processing partners to perform our payment processing services.

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We may undertake to directly perform certain payment processing services and expand the scope of payment processing services we provide, which may require a significant investment of time and resources, and expand our exposure to potential liabilities.

The dual class structure of our common stock has the effect of concentrating voting control with those stockholders who held our capital stock prior to the completion of this offering, including our executive officers, employees and directors and their affiliates, which will limit your ability to influence the outcome of important transactions, including a change in control. The holders of our outstanding Class B common stock will hold approximately 97.8% of the voting power of our outstanding capital stock following this offering.

Corporate Information

We were organized as a California limited liability company in February 2001 and converted into a California corporation in October 2004. We were reincorporated in Delaware in March 2015. Our principal executive offices are located at 4051 Broad Street, Suite 220, San Luis Obispo, California 93401, and our telephone number is (877) 755-4279. Our website address is www.mindbodyonline.com. Information contained on, or that can be accessed through, our website does not constitute part of this prospectus and inclusions of our website address in this prospectus are inactive textual references only.

Unless expressly indicated or the context requires otherwise, the terms MINDBODY, company, we, us, and our prospectus refer to MINDBODY, Inc., a Delaware corporation, and, where appropriate, its wholly owned subsidiaries. The Enso design logo, MINDBODY, MINDBODY Connect, Love Your Business, MINDBODY Connect Workplac and our other registered and common law trade names, trademarks and service marks are the property of MINDBODY, Inc. Other trademarks and trade names referred to in this prospectus are the property of their respective owners.

Emerging Growth Company

The Jumpstart Our Business Startups Act, or the JOBS Act, was enacted in April 2012 with the intention of encouraging capital formation in the United States and reducing the regulatory burden on newly public companies that qualify as emerging growth companies. We are an emerging growth company within the meaning of the JOBS Act. As an emerging growth company, we may take advantage of certain exemptions from various public reporting requirements, including the requirement that our internal control over financial reporting be audited by our independent registered public accounting firm pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, certain requirements related to the disclosure of executive compensation in this prospectus and in our periodic reports and proxy statements and the requirement that we hold a nonbinding advisory vote on executive compensation and any golden parachute payments. We may take advantage of these exemptions until we are no longer an emerging growth company.

We will remain an emerging growth company until the earliest to occur of (i) the last day of the fiscal year in which we have more than $1.0 billion in annual revenue; (ii) the date we qualify as a large accelerated filer, with at least $700 million of equity securities held by non-affiliates; (iii) the date on which we have issued, in any three-year period, more than $1.0 billion in non-convertible debt securities; and (iv) the last day of the fiscal year ending after the fifth anniversary of the completion of this offering.

See the section titled Risk Factors Risks Related to Ownership of Our Class A Common Stock and this Offering We are an emerging growth company and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors for certain risks related to our status as an emerging growth company.

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THE OFFERING

Class A common stock offered by us	7,150,000 shares
Class A common stock to be outstanding after this offering	7,150,000 shares
Class B common stock to be outstanding after this offering	31,967,544 shares
Over-allotment option offered by us	1,072,500 shares
Total Class A common stock and Class B common stock to be outstanding after this offering	39,117,544 shares (40,190,044 shares if the underwriters exercise their over-allotment option in full)
Use of proceeds	We estimate that the net proceeds from the sale of shares of our Class A common stock in this offering will be approximately $89.3 million (or approximately $103.3 million if the underwriters exercise their over-allotment option in full), based upon the initial public offering price of $14.00 per share, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. The principal purposes of this offering are to increase our capitalization and financial flexibility, create a public market for our Class A common stock and enable access to the public equity markets for us and our stockholders. We intend to use the net proceeds from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures. Additionally, we may use a portion of the net proceeds to acquire businesses, products, services or technologies. However, we do not have agreements or commitments for any material acquisitions at this time. See the section titled Use of Proceeds for additional information.
Voting rights	Following this offering, we will have two classes of authorized common stock, Class A common stock and Class B common stock. The holders of our Class A common stock are entitled to one vote per share, and the holders of our Class B common stock are entitled to 10

votes per share, on all matters that are subject to a stockholder vote.

All shares of our capital stock outstanding immediately prior to this offering, including all shares held by our executive officers, employees and directors, and their respective affiliates, will be reclassified into shares of

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	our Class B common stock immediately prior to this offering. Holders of our Class A common stock and Class B common stock will generally vote together as a single class, unless otherwise required by law or our amended and restated certificate of incorporation. The holders of our outstanding Class B common stock will hold approximately 97.8% of the voting power of our outstanding capital stock following this offering and will have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of our directors and the approval of any change in control transaction. See the sections titled Principal Stockholders and Description of Capital Stock for additional information.
Directed share program	At our request, the underwriters have reserved up to 5% of the Class A common stock being offered by this prospectus for sale at the initial public offering price to certain of our subscribers, vendors and business partners as well as to certain friends and family of our management team. None of our directors or executive officers will participate in the directed share program. The sales will be made by UBS Financial Services Inc., a selected dealer affiliated with UBS Securities LLC, an underwriter of this offering, through a directed share program. If any of these persons purchases $500,000 or greater of our Class A common stock in the directed share program, such shares will be subject to the applicable lock-up restrictions described in the section titled Shares Eligible for Future Sale. We do not know if these persons will choose to purchase all or any portion of these reserved shares, but any purchases they do make will reduce the number of shares available to the general public. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of Class A common stock.
NASDAQ trading symbol	MB

Certain entities associated with J.P. Morgan Investment Management Inc., one of our existing holders of greater than 5% of our common stock, have indicated an interest in purchasing up to $10.0 million of our Class A common stock in this offering, at the initial public offering price. Because these indications of interest are not binding agreements or commitments to purchase, such entities may elect to purchase fewer shares than they indicate an interest in purchasing or not to purchase any shares in this offering. In addition, the underwriters may elect to sell fewer shares or not to sell any shares in this offering to such entities. The underwriters will receive the same discount from any shares sold to such entities as they will from any other shares sold to the public in this offering. Any shares purchased by such entities will be subject to the applicable lock-up restrictions described in the section entitled Shares Eligible for Future Sale.

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The number of shares of our Class A common stock and Class B common stock that will be outstanding after this offering is based on no shares of our Class A common stock and 31,967,544 shares of our Class B common stock (including our redeemable convertible preferred stock on an as-converted basis) outstanding as of March 31, 2015, and excludes:

- 3,163,039 shares of our Class B common stock issuable upon the exercise of options to purchase shares of our Class B common stock outstanding as of March 31, 2015, with a weighted-average exercise price of $7.96 per share;
- 89,177 shares of our Class B common stock, on an as-converted basis, issuable upon the exercise of a warrant to purchase shares of our redeemable convertible preferred stock outstanding as of March 31, 2015, with an aggregate exercise price of approximately $151,603;
- 1,278,000 shares of our Class B common stock issuable upon the exercise of options to purchase shares of our Class B common stock granted after March 31, 2015, with an exercise price of $14.496 per share; and
- 5,481,954 shares of our common stock reserved for future issuance under our equity compensation plans, consisting of:
  - 4,698,818 shares of our Class A common stock reserved for future issuance under our 2015 Equity Incentive Plan, or our 2015 Plan; and
  - 783,136 shares of our Class A common stock reserved for future issuance under our 2015 Employee Stock Purchase Plan, or our ESPP.

Our 2015 Plan and ESPP each provide for annual automatic increases in the number of shares reserved thereunder, and our 2015 Plan also provides for increases to the number of shares that may be granted thereunder based on shares under our 2009 Plan that expire, are forfeited or otherwise repurchased by us, as more fully described in the section titled Executive Compensation Employee Benefit and Stock Plans.

Except as otherwise indicated, all information in this prospectus assumes:

- the filing and effectiveness of our amended and restated certificate of incorporation in Delaware and the effectiveness of our amended and restated bylaws, each of which will occur immediately prior to the completion of this offering;
- a 2.5-for-1 forward stock split of our common stock and our redeemable convertible preferred stock effected on June 4, 2015;

the reclassification of all outstanding shares of our common stock into an equivalent number of shares of our Class B common stock and the authorization of our Class A common stock, each of which will occur immediately prior to the completion of this offering;

the automatic conversion and reclassification of all outstanding shares of our redeemable convertible preferred stock into an aggregate of 20,673,680 shares of our Class B common stock, which will occur immediately prior to the completion of this offering;

the automatic conversion and reclassification of an outstanding warrant to purchase 87,500 shares of our redeemable convertible preferred stock into a warrant to purchase 89,177 shares of our Class B common stock, which will occur immediately prior to the completion of this offering; and

no exercise by the underwriters of their over-allotment option.

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SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The summary consolidated statements of operations data for the years ended December 31, 2012, 2013, and 2014 are derived from audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated statements of operations data for the three months ended March 31, 2014 and 2015 and the consolidated balance sheet data as of March 31, 2015 are derived from unaudited interim consolidated financial statements included elsewhere in this prospectus. The unaudited interim consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and reflect, in the opinion of management, all adjustments of a normal, recurring nature that are necessary for the fair presentation of the unaudited interim consolidated financial statements. Our historical results are not necessarily indicative of the results that may be expected in the future and are not necessarily indicative of results to be expected for the full year or any other period. The following summary consolidated financial and other data should be read with the section titled Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes included elsewhere in this prospectus.

	Year Ended December 31,			Three Months Ended March 31,	
	2012	2013	2014	2014	2015
	(in thousands, except share and per share data)				
Consolidated Statements of Operations Data:					
Revenue	$ 31,999	$ 48,687	$ 70,010	$ 15,653	$ 22,263