



Endologix Announces Preliminary Financial Results for First Quarter 2020

April 6, 2020

IRVINE, Calif.--(BUSINESS WIRE)--Apr. 6, 2020-- Endologix, Inc. (the "Company") (NASDAQ: ELGX), a developer and marketer of innovative treatments for aortic disorders, today announced that its preliminary unaudited revenue for the first quarter ended March 31, 2020 is expected to be approximately \$28.5 million.

Total cash, cash equivalents, and restricted cash as of March 31, 2020 are expected to be approximately \$42.4 million, including approximately \$10.5 million outstanding under the Company's revolving credit facility with certain affiliates of Deerfield Management Company, L.P.

In March, the Company began to experience deferrals of abdominal aortic aneurysm (AAA) procedures as healthcare systems shifted focus to treating COVID-19 patients. To date, these deferrals have impacted smaller-diameter, less-severe aneurysms more acutely than larger-diameter or ruptured aneurysms that require scheduled or immediate intervention. The Company believes that the majority of the aforementioned aneurysms will require treatment in the future as the healthcare system regains capacity and that these AAA cases have been deferred and not permanently cancelled.

Management is closely monitoring the Company's balance sheet and evaluating options to improve liquidity to mitigate the impact of deferred AAA procedures.

Fiscal Year 2020 Financial Guidance

The COVID-19 pandemic will continue to have a negative impact on the Company's financial results and business operations. Due to the uncertainty surrounding the magnitude, trajectory and duration of COVID-19's spread and evolution, and the present inability to accurately forecast the ultimate impact to the Company's operations, management is withdrawing the Company's previously issued financial guidance for 2020.

About Endologix, Inc.

The Company develops and manufactures minimally invasive treatments for aortic disorders. The Company's focus is in endovascular stent grafts for the treatment of abdominal aortic aneurysms (AAA). AAA is a weakening of the wall of the aorta, the largest artery in the body, resulting in a balloon-like enlargement. Once an AAA develops, it continues to enlarge and, if left untreated, becomes increasingly susceptible to rupture. The overall patient mortality rate for ruptured AAA is approximately 80%, making it a leading cause of death in the U.S. For more information, visit www.endologix.com.

Cautions Regarding Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified by the use of words such as "anticipate," "expect," "could," "may," "will," "believe," "estimate," "forecast," "goal," "project," "continue," "outlook," "guidance," "future," other words of similar meaning and the use of future dates. Forward-looking statements include all statements other than statements of historical fact contained in this press release, including statements regarding the Company's first quarter FY2020 revenue estimates, the Company's estimated total cash, cash equivalents, and restricted cash as of March 31, 2020, the Company's belief that the majority of AAA procedures have been deferred (not cancelled) and will require treatment in the future as the healthcare system regains capacity, and the continuing negative impact of the COVID-19 pandemic on the Company's financial results and business operations, the accuracy of which are necessarily subject to risks and uncertainties that may cause the Company's actual results to differ materially and adversely from the statements contained herein. Some of the potential risks and uncertainties that could cause actual results to differ materially and adversely from anticipated results include risks to the Company's business and results of operations associated with the COVID-19 pandemic, continued market acceptance, endorsement and use of the Company's products, the Company's continued compliance with its financial covenants and other operating restrictions under its lending facilities, the Company's ability to access the capital markets on terms acceptable to it or at all, the Company's abilities to service its indebtedness and to satisfy and discharge its indebtedness as such indebtedness comes due, the success of clinical trials relating to the Company's products, product research and development efforts, reports by third parties in respect of the performance of the Company's products, uncertainty in the process of obtaining and maintaining regulatory approval for the Company's products, the Company's ability to protect its intellectual property rights and proprietary technologies and to defend itself against third party intellectual property infringement claims, the Company's ability to retain its key executive, sales and other personnel, and other economic, business, competitive, and regulatory factors. Forward-looking statements represent our management's current expectations and predictions about trends affecting our business and industry and are based on information available as of the time such statements are made. The forward-looking statements contained in this press release speak only as of the date of this press release. The Company undertakes no obligation to update any forward-looking statements contained in this press release to reflect new information, events or circumstances after the date they are made, or to reflect the occurrence of unanticipated events. Please refer to the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2019, for more detailed information regarding these risks and uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements.

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INVESTOR CONTACT:
Endologix, Inc.
Vaseem Mahboob, CFO

(949) 595-7200

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