

July 29, 2016

To whom it may concern,

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**Announcement of Execution of the Exclusive Distribution Agreement
For “Ovation Abdominal Stent Graft”**

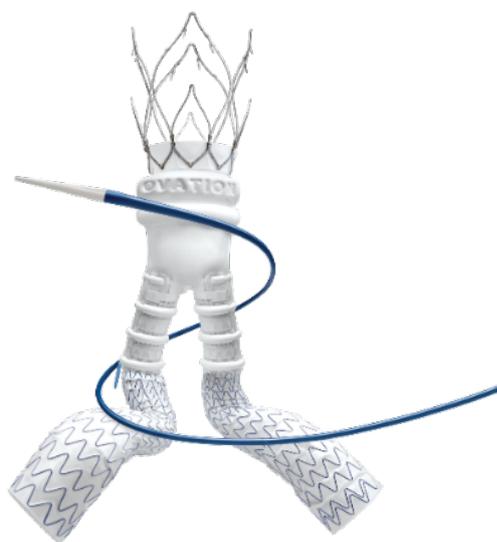
Japan Lifeline Co., Ltd. (“JLL”) has executed an exclusive distribution agreement in Japan with Endologix, Inc. (the United States) on July 4th, 2016 regarding stent graft for the treatment of abdominal aortic aneurysms (AAA) – “Ovation Abdominal Stent Graft (“Ovation”)", and it has started preparing for its introduction to the Japanese market in the fiscal year 2017. JLL entered the abdominal stent graft market with “AFX Endovascular AAA System” in January, 2016, and it will expand its product portfolio in the abdominal stent graft market with Ovation.

Ovation’s unique stent graft design made with nitinol stent and PTFE graft realized reduction of its outer diameter profile upon delivery and also made it highly flexible, and its delivery system has the lowest profile amongst any commercially available devices. These features enhance deliverability of the stent graft through narrow or tortuous anatomies.

Ovation also has a unique design for fixation and sealing. When fixing the stent graft to the vessel wall, the graft’s O-rings filled with polymer conforms to the vessel wall irregularities. This fixation technology with the O-rings provides customized, circumferential seal for various anatomies and avoid endoleaks.

In addition to Ovation, JLL is working to introduce the next-generation abdominal stent graft developed by Endologix, “Nellix Endovascular Aneurysm Sealing System”, which treats abdominal aortic aneurysms by sealing entire aneurysmal sac with polymer.

JLL has a wide range of product lineup for the treatment of aortic diseases, which includes self-manufactured vascular grafts and open stent grafts for open-heart surgeries and also minimally invasive thoracic and abdominal stent grafts from overseas manufacturers. The company continuously provides excellent medical devices that meet various needs of patients and medical professionals.



Ovation Abdominal Stent Graft

About Endologix, Inc.

Endologix, Inc. is headquartered in Irvine, California in the United States and conducts research and development into endovascular stent grafts, which are advanced and minimally invasive treatment devices for abdominal aortic aneurysms. The Company has a product portfolio with novel technologies, such as “AFX Endovascular AAA Stent Graft System”, “Ovation Abdominal Stent Graft” and “Nellix Endovascular Aneurysm Sealing System”.

Abdominal aortic aneurysm (AAA)

Abdominal aortic aneurysm (AAA) is a disease where the wall of the abdominal aorta is weakened by arteriosclerosis and grows into an aneurysm because of high pressure in the artery. Once an aortic aneurysm is formed, it continues to grow by arterial pressure, and it results in massive hemorrhage and is typically fatal when it ruptures. The number of cases of stent graft treatment for AAA in Japan was estimated over 10,000 cases in 2015.