UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

November 9, 2015

INOGEN, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-36309**	**33-0989359**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

326 Bollay Drive
Goleta, California 93117
(Address of principal executive offices, including zip code)

(805) 562-0500
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On November 9, 2015, Inogen, Inc. (the "Company") and ATLAS 35-75 INDUSTRIAL, LP, a Texas limited partnership, as successor in interest to TCIT Dallas Industrial, Inc., entered into an amendment (the "Amendment") to the lease agreement dated as of December 4, 2014 (the "Lease") relating to the lease of manufacturing and office space located at 1225-1249 Commerce Drive, Richardson, Texas 75081. The Amendment provides for the following:

- the lease of additional space located at 1221 Commerce Drive, Richardson, Texas 75081, containing approximately 13,294 rentable square feet, in addition to an HVAC utility room of approximately 667 square feet that is not included for purposes of rentable square footage calculations (the "Expansion Premises");
- the term of the lease shall begin on the date that is the later of January 1, 2016 or the date by which the landlord delivers actual possession of the Expansion Premises, and shall end on January 31, 2022 (the "Expansion Premises Term"), or otherwise on the expiration or earlier termination of the Lease;
- payment by the Company of monthly base rent for the Expansion Premises of approximately $6,925 beginning in March of 2016 and increasing to approximately $8,020 by 2022;
- payment by the Company of certain operating expenses during the Expansion Premises Term; and
- the existing renewal option contained in the Lease shall also apply to the Expansion Premises.

The summary above is not intended to be complete and is qualified in its entirety by reference to the complete text of the Amendment attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 2.02. Results of Operations and Financial Condition.

On November 10, 2015, the Company issued a press release reporting its financial results for the third quarter ended September 30, 2015. A copy of the press release is furnished herewith as Exhibit 99.1 to this Current Report on Form 8-K.

The information furnished in this Current Report under Item 2.02 and the exhibit attached hereto as Exhibit 99.1 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	First Amendment and Expansion of Premises entered into as of November 9, 2015, by and between Inogen, Inc. and ATLAS 35-75 INDUSTRIAL, LP.
99.1	Press Release, dated November 10, 2015.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INOGEN, INC.

By: /s/Alison Bauerlein
Alison Bauerlein
Executive Vice President, Finance, Chief Financial Officer, Secretary and Treasurer

Date: November 10, 2015

EXHIBIT INDEX

Exhibit No.	Description
10.1	First Amendment and Expansion of Premises entered into as of November 9, 2015, by and between Inogen, Inc. and ATLAS 35-75 INDUSTRIAL, LP.
99.1	Press Release, dated November 10, 2015.

Exhibit 10.1

FIRST AMENDMENT
AND EXPANSION OF PREMISES

THIS FIRST AMENDMENT AND EXPANSION OF PREMISES (this "**Amendment**") is made and entered into as of November 9, 2015, by and between **ATLAS 35-75 INDUSTRIAL, LP**, a Texas limited partnership ("**Landlord**"), and **INOGEN, INC.**, a Delaware corporation ("**Tenant**").

RECITALS

A. Landlord (as successor in interest to TCIT Dallas Industrial, Inc, a Delaware corporation) and Tenant are parties to that certain Lease dated December 4, 2014 (the "**Lease**"). Pursuant to the Lease, Landlord has leased to Tenant space currently containing approximately **23,890** rentable square feet (the "**Premises**") in the building located at 1225-1249 Commerce Drive, Richardson, Texas 75081 (the "**Building**").

B. Pursuant to Exhibit E of the Lease, Tenant was granted a Right of First Offer on certain additional space located at 1221 Commerce Drive, Richardson, Texas 75081, containing approximately **13,294** rentable square feet of space, in addition to an HVAC utility room of approximately 667 square feet that is not included for purposes of rentable square footage calculations (the "**Expansion Premises**"), as depicted in Exhibit E of the Lease, located in the building at 1221 Commerce Drive, Richardson, Texas 75081, that is a part of the Project (the "**Expansion Premises Building**"). All references in the Lease to the "Building" shall also apply to the Expansion Premises Building.

C. Tenant has exercised its Right of First Offer to Lease the Expansion Premises and the parties desire to amend the Lease to memorialize the addition of the Expansion Premises to the Lease, all on the following terms and conditions.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord agrees to lease the Expansion Premises to Tenant and Tenant agrees to lease the Expansion Premises from Landlord as follows:

1. **Expansion Premises Term**. The Expansion Premises shall be leased to Tenant for a term beginning on the date that is the later of January 1, 2016 or the date by which Landlord delivers actual possession of the Expansion Premises to Tenant in good, vacant and broom clean condition, with all building systems in good working order, in compliance with all laws, and with Landlord's Work substantially complete (the "**Expansion Premises Commencement Date**") and shall end on January 31, 2022 (the "**Expansion Premises Term**"), or otherwise on the expiration or earlier termination of the Lease. Except as otherwise specified herein, Tenant shall lease the Expansion Premises in accordance with all of the terms and conditions of the Lease, and the Expansion Premises together with the Premises shall be collectively referred to as the "Premises". So long as such access does not interfere with Landlord's construction of the Landlord's Work, Tenant shall have the right to access the Expansion Premises upon execution of this Amendment prior to the Expansion Premises Commencement Date for the purpose of performing the Work, installing cabling, furniture and equipment and otherwise preparing the Expansion Premises for occupancy, which access shall be subject to all of the terms and conditions of the Lease except for the payment of Rent.

2. **Expansion Premises Base Rent**. In addition to the existing Monthly Base Rent due under the Lease, as of the Expansion Premises Commencement Date, the schedule of the Monthly Base Rent payable with respect to the Expansion Premises during the Expansion Premises Term is the following:

01/01/2016 – 02/29/2016:	$0.00*	$0.00 NNN PSF
03/01/2016 – 01/31/2017:	$6,923.96	$6.25 NNN PSF
02/01/2017 – 01/31/2018:	$7,134.45	$6.44 NNN PSF
02/01/2018 – 01/31/2019:	$7,344.94	$6.63 NNN PSF
02/01/2019 – 01/31/2020:	$7,566.50	$6.83 NNN PSF
02/01/2020 – 01/31/2021:	$7,788.07	$7.03 NNN PSF
02/01/2021 – 01/31/2022:	$8,020.71	$7.24 NNN PSF

*The abatement of Monthly Base Rent provided herein shall apply to Monthly Base Rent only and shall not include Operating Expenses or any other costs, charges or expenses payable by Tenant which Tenant shall pay in accordance with the Lease.

All such Monthly Base Rent for the Expansion Premises shall be payable by Tenant in accordance with the terms of the Lease, as amended hereby.

3. **Additional Security Deposit**. No additional Security Deposit shall be required in connection with this Amendment.

4. **Operating Expenses**. For the period commencing on the Expansion Premises Commencement Date and ending upon the expiration of the Expansion Premises Term, Tenant shall pay all additional rent payable under the Lease with respect to the Expansion Premises, including Tenant's Proportionate Share of Operating Expenses, in accordance with the terms of the Lease, as amended hereby, which is estimated as of the date of this Amendment to be $1.82 per rentable square foot of space in the Expansion Premises. Controllable Operating Expenses for the Expansion Premises shall be subject to the same limits as contained in Paragraph 6 of the Lease. In addition, Tenant's responsibility for HVAC maintenance in the Expansion Premises shall be subject to the limitations contained in Paragraph 11 of the Lease, provided, however, Paragraph 11 shall not apply to the new HVAC units and related systems installed as part of Landlord's Work identified on Exhibit B to this Amendment.

5. **Tenant Improvements.** Landlord shall provide to Tenant an improvement allowance not to exceed Twenty-Thousand Dollars ($20,000) (the "**Improvement Allowance**") for certain work to the Expansion Premises described in Exhibit A of this Amendment, which final plans for such work shall be mutually agreed upon between Landlord and Tenant in writing prior to the commencement thereof (the "**Work**"). The plans for the Work must also be reasonably approved by Landlord's construction manager. All Work shall be subject to the supervision of, and coordination with, Landlord's construction manager. The Improvement Allowance shall be spent in full no later than the date that is six (6) months after the Expansion Premises Commencement Date, after which time the Improvement Allowance shall be deemed no longer available. The Improvement Allowance shall be payable to Tenant within thirty (30) days after Tenant completes the Work in accordance with the final plans, and all applicable laws, and provides Landlord with (i) a final certificate of occupancy (if applicable), (ii) final invoices evidencing proof of payment in full for the Work, (iii) final unconditional lien waivers from the contractor and all subcontractor's performing any portion of the Work and (iv) certificates from Tenant's contractor and architect certifying that all Work has been completed in accordance with the final plans for the Work. Tenant, with Landlord's reasonable written approval, may select the contractor and architect for the Work provided they carry the insurance reasonably required by Landlord. Landlord hereby approves of ElleCo Construction as Tenant's contractor. If the total construction costs for the Work exceed the Improvement Allowance, Tenant shall be solely responsible for any such costs. If Tenant shall desire any changes to the plans for the Work after such plans are approved, Tenant shall so advise Landlord in writing and Landlord shall determine whether such changes can be made in a reasonable and feasible manner. Any and all costs of reviewing any requested changes, and any and all costs of making any changes to the Work which Tenant may request and which Landlord may agree to shall be at Tenant's sole cost and expense. Notwithstanding anything to the contrary herein, Tenant may surrender, and will not be required to remove the Work at the expiration or earlier termination of the Lease. In addition to the Improvement Allowance, Landlord, at its cost, will complete the work as described in Exhibit B of this Amendment, prior to the Expansion Premises Commencement Date ("**Landlord's Work**").

The Landlord's Work shall be constructed in accordance with the approved plans and all applicable laws, in a good and workmanlike manner, free of defects and using new materials and equipment of good quality. Within ten (10) business days after the Landlord's Work is complete and Landlord has delivered written notice of completion to Tenant (which may be sent by electronic mail), Tenant shall have the right to submit a written "punch list" to Landlord, setting forth any defective item of construction, and Landlord shall promptly cause such items to be corrected. Subject to the foregoing, Tenant accepts the Expansion Premises "as is" without any agreements, representations, understandings or obligations on the part of Landlord to perform any other alterations, repairs or improvements. Tenant acknowledges that Landlord has not made any representation or warranty, either express or implied, as to the habitability, merchantability, suitability, quality, condition or fitness for any particular purpose (collectively, the "**Disclaimed Warranties**") with regard to the Expansion Premises and Tenant hereby waives, to the extent permitted by law, the Disclaimed Warranties.

6. **Expansion Premises Additional Parking**. Subject to the terms of the Lease, Tenant's employees have the right to utilize an additional 15 spaces for parking in the area highlighted on Exhibit C to this Amendment, which, when added together with the existing parking for the Premises shall constitute a total of 77 parking spaces.

7. **Renewal Option**. Tenant's existing renewal option contained in Exhibit F to the Lease shall also apply to the Expansion Premises, in accordance with the same terms and conditions of Exhibit F.

8. **<u>Other Pertinent Provisions</u>**. Landlord and Tenant agree that, effective as of the date of this Amendment, the Lease shall be amended in the following additional respects:

8.1 **Rent Payment Address.** The address for payments of Monthly Base Rent and additional rent is hereby amended as follows:

Atlas 35-75 Industrial, LP
P.O. Box No. 678798
Dallas, Texas 75267-8798
Account No. 2111040057

8.2 **Landlord's Address.** Landlord's Address for notices under the Lease is hereby amended as follows:

Atlas 35-75 Industrial, LP
P.O. Box 601117
Dallas, Texas 75360
Attention: David Cartwright
with a copy to:

Cedar Ridge Services, LLC
12001 N. Central Expressway, Suite 875
Dallas, TX 75243
Attention David Cartwright.

9. **<u>Miscellaneous.</u>**

9.1 This Amendment sets forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.

9.2 Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect, and are hereby ratified and confirmed by Landlord and Tenant.

9.3 In the case of any inconsistency between the provisions of the Lease and this Amendment, the provisions of this Amendment shall govern and control.

9.4 Submission of this Amendment by Landlord is not an offer to enter into this Amendment but rather is a solicitation for such an offer by Tenant. Landlord shall not be bound by this Amendment until Landlord has executed and delivered the same to Tenant.

9.5 The capitalized terms used in this Amendment shall have the same definitions as set forth in the Lease to the extent that such capitalized terms are defined therein and not redefined in this Amendment.

9.6 Tenant hereby represents to Landlord that Tenant has dealt with no broker in connection with this Amendment other than Holt Lunsford Commercial representing Landlord and Lee and Associates representing Tenant. Tenant agrees to indemnify and hold Landlord and the Landlord Entities harmless from all claims of any other brokers claiming to have represented Tenant in connection with this Amendment. Landlord agrees to indemnify and hold Tenant harmless from all claims of any other brokers claiming to have represented Landlord in connection with this Amendment.

9.7 Landlord and Tenant each represents to the other that the person signing this Amendment on its behalf has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting. Tenant hereby represents and warrants that neither Tenant, nor, to Tenant’s current actual knowledge, any persons or entities holding any legal or beneficial interest whatsoever in Tenant, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("**OFAC**"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of

Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time during the Expansion Premises Term, an Event of Default under the Lease will be deemed to have occurred, without the necessity of notice to Tenant.

9.8 This Amendment may be executed in any number of counterparts and delivered by electronic mail, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

9.9 This Amendment shall inure to the benefit of and be binding upon, the parties and their respective successors and permitted assigns, provided, however, that (except as expressly provided in Section 17 of the Lease, which applies to this Amendment) Tenant shall not assign or delegate (directly or indirectly) this Amendment or any of its rights or obligations created hereunder without the prior written consent of Landlord, which consent shall be at Landlord's reasonable discretion.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Landlord and Tenant have entered into and executed this Amendment to be effective as of the date first written above.

LANDLORD:

ATLAS 35-75 INDUSTRIAL LP,
a Texas limited partnership

By: ATLAS 35-75 INDUSTRIAL GP, LLC,
a Delaware limited liability company,
its general partner

By: /s/ David Cartwright
David Cartwright, Managing Member

TENANT:

INOGEN, INC.,
a Delaware corporation

By: /s/ Matthew Scribner
Name: Matthew Scribner
Title: Executive Vice President, Operations

EXHIBIT A

Description of the Work

PROPOSAL

To: Rick Jennings
Inogen

From: Stephen L. Sloan
ElleCo Construction

October 21, 2015

Project Name: Inogen Expansion
Project Address: 1221 Commerce
Richardson, TX.
Schedule(days):
Construction Type: Remodel, Taxable on Project

Item	Cost	Description of Work
General Conditions	$ 3,710.00	To include onsite/offsite supervision/fuel surcharge, clerical, insurance and work comp fees.
Permit Fees		
Sitework/Demolition	$ 4,470.00	Demo ceilings, duct work, misc. items, and set dumpster.
Protective Materials	$ 300.00	Install Poly/Masonite on carpet to remain, corridor walls etc. for protection during demo.
General/Final Clean	$ 1,500.00	Final Clean space, clean interior doors/windows etc.
Concrete	$ 3,000.00	Power scrub and seal existing concrete floors.
Containment Curb		
Dock Pits		
Metals/Handrails/Fencing		
Structural Steel		
Wood/Plastics/Millwork		
Solid Surface		
Thermal/Moisture Protection	$ 15,300.00	Pin weld roof structure above to match existing .
Interior Doors	$ 1,900.00	Install (1) new door at expansion space, (1) door into newly constructed conference room, and repair other doors for correct operation. (includes $600 for repair)
Glass/Glazing	ALTERNATE	
Window		
Exterior Doors		
Drywall	$ 4,000.00	Pony up existing production room walls to deck to create enclosed warehouse area, patch back from demo and prep to receive paint.
Ceilings	$ 1,500.00	Punch out stained or damaged ceiling tiles. Tiles will not match, we will utilize existing tiles being removed as our patching tiles and isolate rooms.
Carpet/VCT/Base	$ 6,310.00	Install $16 per yard allowance with carpet base, VCT at wet areas with rubber base. Power scrub production room and warehouse floor and seal using acrylic sealer. (See alternate)
Ceramic Tile	EXCLUDED	
Tape/Bed/Painting	$ 2,934.00	Tape and bed new walls paint space.
Warehouse Work	$ 7,547.00	White box warehouse walls, excluding decking.
Wallcovering		
Specialties	$ 1,500.00	Replace missing ADA Accessories.
Lift Fees	$ 2,500.00	Scissor lift fees for construction.
Appliances		
Furnishings/Window Coverings	ALTERNATE	
Special Construction		
Phone/Data Cabling	EXCLUDED	NO PHONE, DATA, LOW VOLTAGE, NO REMOVAL, RED TAGS DUE TO PHONE BY OTHERS.
Plumbing		
HVAC	$ 10,500.00	Install new spiral duct work from existing units to feed production room, after penetrating wall reduce back to sheet metal and relocate stats as needed. ***No work to existing Roof mounted/Chiller system)
Fire Protection	EXCLUDED	
Electrical	$ 21,000.00	Demo, switch hallway at new opening, raise up junction boxes at production area, install (7) SO Drop cord drops at 20A each, and install (24) 6 lamp Fixtures to match adjacent side.
Roof Work	EXCLUDED	
Fire Alarm		
Subtotal	$ 87,971.00	
Contractor Fee	$ 5,278.26	
Sales Tax	$ 7,693.06	
Total Base Bid	$ 100,942.32	**Price quoted is good for 30 days**

Alternates: (Contractor Fee and Sales Tax Included in Prices Below)
1.) Remove wall bisecting warehouse from production room, ADD $ 3,306.22 (includes deduct for pony wall)
2.) In lieu of spiral duct work install externally lined duct work, DEDUCT $ 3203.74
3.) Install (1) window to match the others, ADD $ 730.69

EXHIBIT B

Description of the Landlord's Work

To: Josh Barnes
Holt Lunsford

From: Stephen L. Sloan
ELLECO CONSTRUCTION

Project Name:	Inogen LL HVAC repairs	
Project Address:	1221 Commerce Drive, Richardson	
ITEM	**SCOPE OF WORK**	**COST**
HVAC:	Demo old duct work, sheetmetal, interior units, copper, exterior condensors, and install	
	(3) 10 ton units, (1) replacement 6ton unit, (2) new exhaust fans.	$ 43,796.00
Electrical:	Install power and disconnects for (4) new units.	$ 8,396.00
Roofing:	Roof in (3) new units, (6) pitch pans.	$ 7,196.00
Gas:	Install gas to (4) new units.	$ 5,196.00
	Subtotal	$ 64,584.00
	Sales Tax	$ 5,328.18
	Total	$ 69,912.18

EXHIBIT C

Premises Parking

Exhibit 99.1

NewsRelease Inogen

FOR IMMEDIATE RELEASE

Inogen Announces Third Quarter 2015 Financial Results

- Q3 2015 Revenue Growth of 38.7% Over the Same Period in 2014 -
- Raises 2015 Revenue Guidance and Provides 2016 Revenue Guidance-

Goleta, California, November 10, 2015 — Inogen, Inc. (NASDAQ: INGN), a medical technology company offering innovative respiratory products for use in the homecare setting, today reported financial results for the three months ended September 30, 2015.

Third Quarter 2015 Highlights

- Total revenue of $40.8 million, up 38.7% over the same period in 2014.
  - Sales revenue of $29.2 million, up 50.6% over the same period in 2014.
  - Rental revenue of $11.5 million, up 15.7% over the same period in 2014.
- Adjusted EBITDA of $8.2 million, representing 14.0% growth over the same period in 2014 and a 20.2% return on revenue.
- Net income of $2.7 million, reflecting a 26.4% increase over the same period in 2014.
- Total units sold in Q3 2015 were 14,700, an increase of 67.0% over the same period in 2014, reflecting the continued strong consumer demand for the Company's products across all channels.
- Rental patient population increased to 32,400 as of September 30, 2015, reflecting growth of 20.9% over the third quarter of 2014.

"Results in the third quarter of 2015 once again included revenue growth across all of our channels. Direct-to-consumer sales revenue represented 63.7% growth over the same period in the prior year, highlighting the strength of our model," said President and Chief Executive Officer, Raymond Huggenberger. "I am delighted with the number of qualified sales candidates we were able to bring on board in the quarter, meaningfully expanding our capacity for the future, while at the same time, continuing to provide a strong profit in the current period. We also continued to invest in product innovation, which we expect will enable us to maintain our leadership position in the portable oxygen concentrator market. I believe these strategic investments position us well as we look towards continued growth opportunities in 2016."

Third Quarter Financial Results

Total revenue for the three months ended September 30, 2015 rose 38.7% to $40.8 million, from $29.4 million in the third quarter of 2014. Total sales revenue in the third quarter of 2015 rose 50.6% from the third quarter of 2014. Domestic business-to-business sales grew 77.1% over the same period in 2014 and represented the fastest growing channel in the quarter, primarily due to increasing private label and reseller demand for the Company's portable oxygen concentrators. International business-to-business sales grew in line with the Company's expectation at 15.4% over the same period in 2014, which was a difficult comparative due to the unusually strong third quarter in 2014 following reimbursement approval of the Inogen One G3 in France. Direct-to-consumer sales rose 63.7% over the same period in 2014, primarily due to the impact of the sales headcount the Company added at the end of 2014 and in 2015. Direct-to-consumer rental revenue grew 15.7% over the same period in 2014, as the Company continues to shift sales capacity towards consumer sales instead of rentals, primarily due to the upcoming additional Medicare reimbursement cuts expected in 2016. The Company's total rental patients on service increased by 5,600 net patients in the third quarter of 2015 compared to the third quarter of 2014.

Gross margin was $19.4 million, or 47.5% of revenue, in the third quarter of 2015 compared to $14.6 million, or 49.8% of revenue in the comparative period in 2014. Sales gross margin was $13.2 million, or 45.1% of revenue in the third quarter of 2015 versus $9.3 million, or 47.8% of revenue in the third quarter of 2014. The decline in sales gross margin percentage was primarily related to a shift in sales mix towards lower gross margin business-to-business sales domestically versus direct-to-consumer sales. In addition, average-selling prices declined across business-to-business sales as volume increased to resellers, private label partners, and international customers. Rental gross margin was 53.5% in the third quarter of 2015 versus 53.9% in the third quarter of 2014, primarily due to lower net revenue per rental patient, partially offset by lower servicing costs per rental patient.

Operating expense was $15.7 million, or 38.4% of revenue, in the third quarter of 2015 versus $11.1 million, or 37.7% of revenue, in the third quarter of 2014 as the Company made strategic investments in additional sales headcount and support personnel. Research and development expense was $1.1 million in the quarter versus $0.8 million in 2014, primarily due to increased personnel-related expenses and product development expenses for engineering projects. Sales and marketing expense was $8.1 million in the quarter versus $5.6 million in 2014, primarily due to increased direct-to-consumer personnel-related expenses, media expenses, and related customer and clinical services personnel-related expenses. The Company expanded sales capacity due to favorable current results and in anticipation of additional growth opportunities in 2016. General and administrative expense was $6.4 million in the quarter, compared to $4.7 million in 2014, primarily due to increased personnel-related expenses.

Adjusted EBITDA for the three months ended September 30, 2015 rose 14.0% to $8.2 million from $7.2 million in the third quarter of 2014.

Net income for the three months ended September 30, 2015 increased 26.4% to $2.7 million from $2.1 million in the third quarter of 2014, or $0.13 per diluted common share compared to $0.11 in the third quarter of 2014. In the third quarter of 2015, Inogen's effective tax rate was 26.7%, primarily due to a decrease in the valuation allowance related to California net operating costs, compared to an effective tax rate of 38.6% in the third quarter of 2014.

Cash, cash equivalents and short-term investments were $74.1 million as of September 30, 2015, an increase of $8.1 million from June 30, 2015. This increase in cash, cash equivalents and short-term investments was partially offset by investments in property and equipment of $2.0 million during the quarter, primarily for the Company's rental fleet additions.

Financial Outlook for 2015 and 2016

Inogen is increasing its 2015 revenue guidance to a range of $150 to $153 million, which represents year-over-year growth of 33.3% to 36.0%. This compares to the previous revenue expectation of $145 to $149 million.

Inogen confirmed its 2015 Adjusted EBITDA estimate to range from $29 to $32 million, representing an approximate increase of 21.1% to 33.6% over 2014 and its 2015 net income to be in the range of $8.5 to $10 million, representing an approximate increase of 24.5% to 46.5% over 2014.

The Company expects an effective tax rate in 2015 of approximately 34%.

The Company confirmed its expectation of net positive cash flow for 2015 with no additional equity capital required to meet its current plan.

Inogen is also providing a guidance range for the full year 2016 total revenue of $177 to $183 million, representing 16.8% to 20.8% growth over the 2015 guidance mid-point of $151.5 million.

Conference Call

Individuals interested in listening to the conference call today at 1:30pm PT/4:30pm ET may do so by dialing (855) 427-4393 for domestic callers or (484) 756-4258 for international callers and reference Conference ID: 46886862. To listen to a live webcast, please visit the investor relations section of Inogen's website at: www.inogen.com.

A replay of the call will be available beginning November 10, 2015 at 3:30pm PT/6:30pm ET through midnight on November 11, 2015. To access the replay, dial (855) 859-2056 or (404) 537-3406 and reference Conference ID: 46886862. The webcast will also be available on Inogen's website for one year following the completion of the call.

Inogen has used, and intends to continue to use, its Investor Relations website, http://investor.inogen.com/, as a means of disclosing material non-public information and for complying with its disclosure obligations under the Securities and Exchange Commission's Regulation FD. For more information, including a copy of our most recent Corporate Presentation, visit http://investor.inogen.com/.

About Inogen

Inogen is innovation in oxygen therapy. We are a medical technology company that develops, manufactures and markets innovative oxygen concentrators used to deliver supplemental long-term oxygen therapy to patients suffering from chronic respiratory conditions.

For more information, please visit www.inogen.com.

Cautionary Note Concerning Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others, statements regarding market opportunities for Inogen’s products, anticipated growth opportunities, Inogen’s competitive position, reductions in Medicare reimbursement rates, Inogen's current estimates of full year 2015 revenue, Adjusted EBITDA, effective tax rate, cash flow, needs for equity financing and net income and full year 2016 revenue. Forward-looking statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from currently anticipated results, including but not limited to, risks arising from the possibility that Inogen will not realize anticipated revenue; the impact of reduced reimbursement rates, including in connection with the implementation of the competitive bidding and the Center for Medicare and Medicaid Services (CMS) rules; the possible loss of key employees, customers, or suppliers; and intellectual property risks if Inogen is unable to secure and maintain patent or other intellectual property protection for the intellectual property used in its products. In addition, Inogen's business is subject to numerous additional risks and uncertainties, including, among others, risks relating to market acceptance of its products; its ability to successfully launch new products and applications; competition; its sales, marketing and distribution capabilities; its planned sales, marketing, and research and development activities; interruptions or delays in the supply of components or materials for, or manufacturing of, its products; seasonal variations in customer operations; unanticipated increases in costs or expenses; and risks associated with international operations. Information on these and additional risks, uncertainties, and other information affecting Inogen's business and operating results are contained in Inogen's Annual Report on Form 10-K for the year ended December 31, 2014 and in Inogen's subsequent reports on Form 10-Q and Form 8-K, filed with the Securities and Exchange Commission, including Inogen’s Quarterly Report on Form 10-Q for the period ended September 30, 2015 to be filed with the Securities and Exchange Commission. These forward-looking statements speak only as of the date hereof. Inogen disclaims any obligation to update these forward-looking statements except as may be required by law.

Use of Non-GAAP Financial Measures

Inogen has presented certain financial information in accordance with U.S. GAAP and also on a non-GAAP basis for the three and nine months ended September 30, 2015 and 2014. Management believes that non-GAAP financial measures, taken in conjunction with U.S. GAAP financial measures, provide useful information for both management and investors by excluding certain non-cash and other expenses that are not indicative of Inogen's core operating results. Management uses non-GAAP measures to compare Inogen's performance relative to forecasts and strategic plans and to benchmark Inogen's performance externally against competitors. Non-GAAP information is not prepared under a comprehensive set of accounting rules and should only be used to supplement an understanding of Inogen's operating results as reported under U.S. GAAP. Inogen encourages investors to carefully consider its results under U.S. GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. Reconciliations between U.S. GAAP and non-GAAP results are presented in the accompanying table of this release. For future periods, Inogen is unable to provide a reconciliation of Adjusted EBITDA to net income as a result of the uncertainty regarding, and the potential variability of, the amounts of interest income, interest expense, depreciation and amortization, stock-based compensation, provisions for income taxes, and certain other infrequently occurring items, such as acquisition related costs, that may be incurred in the future.

Investor Relations Contact:
ir@inogen.net
805-562-0500 ext. 7

Media Contact:
Byron Myers
805-562-0503

-- Financial Tables Follow --

Balance Sheet
(unaudited)
(amounts in thousands)

	September 30, 2015	December 31, 2014
Assets		
Current assets		
Cash and cash equivalents	$ 55,090	$ 56,836
Short-term investments	19,028	—
Accounts receivable	20,890	19,349
Inventories	9,357	7,616
Deferred cost of revenue	474	515
Income tax receivable	2,161	2,129
Deferred tax asset - current	5,540	4,976
Prepaid expenses and other current assets	1,896	1,122
Total current assets	114,436	92,543
Property and equipment, net	31,709	31,927
Intangible assets, net	227	270
Deferred tax asset - noncurrent	11,002	15,248
Other assets	97	97
Total assets	$ 157,471	$ 140,085
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable and accrued expenses	$ 14,303	$ 11,273
Accrued payroll	4,639	4,066
Current portion of long-term debt	311	299
Warranty reserve - current	1,172	781
Deferred revenue – current	2,412	2,316
Total current liabilities	22,837	18,735
Warranty reserve - noncurrent	616	334
Deferred revenue - noncurrent	3,695	2,176
Long-term debt - noncurrent	80	315
Other noncurrent liabilities	321	375
Total liabilities	27,549	21,935
Stockholders' equity		
Common stock	19	19
Additional paid-in capital	178,869	174,824
Accumulated deficit	(48,966)	(56,693)
Total stockholders' equity	129,922	118,150
Total liabilities and stockholders' equity	$ 157,471	$ 140,085

Statements of Operations
(unaudited)
(amounts in thousands, except share and per share amounts)

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Revenue				
Sales revenue	$ 29,248	$ 19,425	$ 84,682	$ 54,746
Rental revenue	11,530	9,968	33,877	28,673
Total revenue	40,778	29,393	118,559	83,419
Cost of revenue				
Cost of sales revenue	16,046	10,146	46,501	28,369
Cost of rental revenue, including depreciation of $3,029 and $2,752 for three months ended and $8,929 and $7,512 for the nine months ended, respectively	5,357	4,598	15,838	13,349
Total cost of revenue	21,403	14,744	62,339	41,718
Gross profit	19,375	14,649	56,220	41,701
Operating expense				
Research and development	1,116	798	2,954	2,312
Sales and marketing	8,132	5,587	22,623	17,656
General and administrative	6,413	4,697	19,066	12,654
Total operating expense	15,661	11,082	44,643	32,622
Income from operations	3,714	3,567	11,577	9,079
Other income (expense)				
Interest expense	(5)	(104)	(18)	(440)
Interest income	28	10	66	28
Change in fair value of preferred stock warrant liability	—	—	—	36
Other income (expense)	(59)	1	(215)	12
Total other expense, net	(36)	(93)	(167)	(364)
Income before provision for income taxes	3,678	3,474	11,410	8,715
Provision for income taxes	982	1,341	3,683	3,408
Net income	$ 2,696	$ 2,133	$ 7,727	$ 5,307
Basic net income per share attributable to common stockholders	$ 0.14	$ 0.12	$ 0.40	$ 0.24
Diluted net income per share attributable to common stockholders	$ 0.13	$ 0.11	$ 0.37	$ 0.22
Weighted-average number of shares used in calculating net income per share attributable to common stockholders:				
Basic common shares	19,428,653	18,286,208	19,303,057	15,340,877
Diluted common shares	20,783,550	20,213,102	20,690,499	17,293,833

Supplemental Financial Information
(unaudited)
(in thousands, except units and patients)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
Revenue by region and category				
Business-to-business domestic sales	$ 9,794	$ 5,529	$ 25,590	$ 14,467
Business-to-business international sales	7,871	6,821	26,840	17,423
Direct-to-consumer domestic sales	11,583	7,075	32,252	22,856
Direct-to-consumer domestic rentals	11,530	9,968	33,877	28,673
Total revenue	$ 40,778	$ 29,393	$ 118,559	$ 83,419
Additional non-GAAP financial measures				
Units sold	14,700	8,800	42,100	24,300
Net rental patients as of period-end	32,400	26,800	32,400	26,800

Reconciliation of U.S. GAAP to Pro-Forma and Non-GAAP Financial Information
(unaudited)
(in thousands, except share and per share amounts)

	Three months ended September 30,		Nine months ended September 30,	
EBITDA and Adjusted EBITDA	2015	2014	2015	2014
Net income	$ 2,696	$ 2,133	$ 7,727	$ 5,307
Non-GAAP adjustments:				
Interest expense	5	104	18	440
Interest income	(28)	(10)	(66)	(28)
Provision for income taxes	982	1,341	3,683	3,408
Depreciation and amortization	3,560	3,193	10,468	8,779
EBITDA	7,215	6,761	21,830	17,906
Change in fair value of preferred stock warrant liability	—	—	—	(36)
Stock-based compensation	1,016	457	2,343	1,123
Adjusted EBITDA	$ 8,231	$ 7,218	$ 24,173	$ 18,993
Pro-forma non-GAAP results of EPS calculation				
Net income attributable to common stockholders before preferred rights dividend (diluted)	$ 2,696	$ 2,133	$ 7,727	$ 4,320
Add deemed dividend on redeemable convertible preferred stock	—	—	—	987
Pro-forma net income	$ 2,696	$ 2,133	$ 7,727	$ 5,307
Pro-forma net income per share - basic common stock	$ 0.14	$ 0.12	$ 0.40	$ 0.30
Pro-forma net income per share - diluted common stock	$ 0.13	$ 0.11	$ 0.37	$ 0.27
Denominator:				
Pro-forma weighted-average common shares - basic common stock	19,428,653	18,286,208	19,303,057	17,637,741
Pro-forma weighted-average common shares - diluted common stock	20,782,479	20,213,102	20,690,499	19,590,565