
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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): September 9, 2019

INOGEN, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-36309

(Commission File Number)

33-0989359
(IRS Employer
Identification No.)

**326 Bollay Drive,
Goleta, CA**
(Address of Principal Executive Offices)

93117
(Zip Code)

Registrant's Telephone Number, Including Area Code: (805) 562-0500

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	INGN	The NASDAQ Stock Market LLC (NASDAQ Global Select Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01. Regulation FD Disclosure.

Investor Conferences

As previously announced, the officers of Inogen, Inc. (the “Company”) will participate in the Morgan Stanley Global Healthcare Conference in New York City, which begins on Monday, September 9, 2019 at 8:00am ET. The Company’s officers are scheduled to present at the conference on Wednesday, September 11, 2019 at 1:00pm ET. During the conference and in separate sessions with analysts and investors, the Company’s officers will refer to an updated slide presentation. A copy of this updated slide presentation is attached hereto as Exhibit 99.1 and is incorporated herein by reference. Included in this updated slide presentation is updated information regarding 2018 Medicare data and certain additional information with respect to the oxygen therapy market. Interested parties can access the live audio webcast of this conference presentation from the Events section of the Investor Relations page on the Company’s website at www.inogen.com.

The information furnished pursuant to this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended (the “Securities Act”) or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Description
99.1	Investor Presentation
104	The cover page of this Current Report on Form 8-K, formatted in Inline XBRL

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.

Date: September 9, 2019

By: /s/ Alison Bauerlein

Alison Bauerlein

Executive Vice President, Finance,

Chief Financial Officer, Secretary and Treasurer



Company Overview

September 2019

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Notice regarding forward-looking statements

These slides and the accompanying oral presentation (the "Presentation") include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are based on current expectations, estimates and projections based on information currently available to management. These forward-looking statements include, among others, statements relating to our GAAP and non-GAAP guidance as of August 7, 2019, including our estimates of 2019 revenue, Adjusted EBITDA, net income, operating income, tax rate, and related margin expectations; our expectations regarding decreasing reimbursement rates on both our rental revenue and the oxygen therapy market generally; the size and estimates of growth in the oxygen therapy market; our estimates concerning market penetration; our expectation regarding market headwinds and the impact on HME providers; our hiring expectations; product development; and our expectations for positive cash flow and our needs for additional capital and our expectations related to our recent acquisition of New Aera and the TAV technology. All statements other than statements of historical facts contained in this Presentation, including statements regarding our future results of operations and financial position, business strategy, prospective products, plans and objectives of management for future operations, and future results of current and anticipated products are forward-looking statements. Forward-looking statements are typically identified by words like "believe," "anticipate," "could," "should," "estimate," "expect," "intend," "plan," "project," "will," "forecast," "budget," "pro forma," and similar terms. 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 we will not realize anticipated revenue; the impact of reduced reimbursement rates; the possible loss of key employees, customers, or suppliers; and intellectual property risks if we are unable to secure and maintain patent or other intellectual property protection for the intellectual property used in our products. In addition, our business is subject to numerous additional risks and uncertainties, including, among others, risks relating to market acceptance of our products; our ability to successfully launch new products and applications; competition; our sales, marketing and distribution capabilities; our planned sales, marketing, and research and development activities; interruptions or delays in the supply of components or materials for, or manufacturing of, our products; seasonal variations; unanticipated increases in costs or expenses; and risks associated with international operations. The known risks and uncertainties are described in detail under the caption "Risk Factors" and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2018. Additional information is also set forth in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 and our subsequent reports filed with the Securities and Exchange Commission, or SEC. Accordingly, our actual results may materially differ from our current expectations, estimates and projections. Unless otherwise specified herein, forward-looking statements represent our management's beliefs and assumptions only as of our August 7, 2019 earnings release, and we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. For more complete information about Inogen, Inc., please read our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other documents that we have filed and may file from time to time with the SEC. These documents can be obtained by visiting EDGAR on the SEC Web site at www.sec.gov.

Use of Non-GAAP Financial Measures

This Presentation includes certain non-GAAP financial measures as defined by SEC rules. The non-GAAP financial measures are not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP. 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, to benchmark Inogen's performance externally against competitors, and for certain compensation decisions. Because the non-GAAP measures included in this presentation relate to future periods, we are unable to provide a quantitative reconciliation of these non-GAAP financial measures without unreasonable effort as a result of the uncertainty regarding, and the potential variability of, the amounts of interest income, interest expense, provision for income taxes, depreciation and amortization, stock-based compensation, and certain other infrequently occurring items that may be incurred in the future. Reconciliations between U.S. GAAP and non-GAAP results for prior periods are presented in the accompanying tables to this presentation and tables within our earnings release dated August 7, 2019.

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Inogen POC offers freedom and mobility

Delivery Model

Stationary oxygen concentrator



Regular oxygen tank delivery



Inogen Model

Portable oxygen concentrator (POC)



Inogen One G4[®]

- 2.8 pounds (single battery)
- Run time up to 5 hours with a double battery
- A/C adaptable
- Conforms to all applicable FAA requirements
- Suitable for overnight use

Inogen[®] offers a single solution, freedom and independence

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Traditional O₂ therapy challenged by market dynamics

	Traditional O ₂	Inogen	Relevance today
Enables quality of life	✗	✓	<ul style="list-style-type: none"> Baby boomer expectations ↑ Consumer involvement in healthcare decisions Enables travel and mobility
Cost effective	✗	✓	<ul style="list-style-type: none"> >50% reduction to Medicare reimbursement rates Oxygen delivery has high infrastructure and variable costs
Maximizes mobility	✗	✓	<ul style="list-style-type: none"> Ambulatory O₂ → 2x survival; 60% fewer hospital days¹ Utilizers of oxygen therapy have lower deaths, hospitalizations, and days in the hospital than those who have a health condition that would support oxygen but do not use it²

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Note 1: Retrospective Review of the 1980 Nocturnal Oxygen Therapy Trial Group led by Dr. Tom Petty published in 2000

Note 2: www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSCompetitiveBid/Monitoring.html

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Product performance drives leadership position

		Inogen One G5®	Inogen One G4®	Inogen One G3®
Design Effectiveness	Launch Date	April 2019	May 2016	September 2012
	Minimum Advertised Retail Price	\$2,395	\$2,295	\$2,295
	O ₂ capacity	1,260 ml/min	630 ml/min	1,050 ml/min
	Overnight	✓	✓	✓
	Single Solution	✓	✓	✓
	User Replaceable Batteries	✓	✓	✓
	Sieve Life Extending Technology	✓	✓	✓
Convenience	Weight (lbs)	4.7 (single battery) 5.7(double battery)	2.8 (single battery) 3.3 (double battery)	4.8 (single battery) 5.8 (double battery)
	Battery duration	Up to 13 hours on a double battery	Up to 5 hours on a double battery	Up to 10 hours on a double battery
	Sound level (on flow setting 2)	38 dBA	40 dBA	39 dBA

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Building the Inogen brand

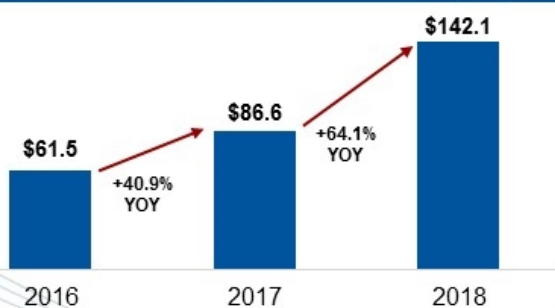
Targeted advertising



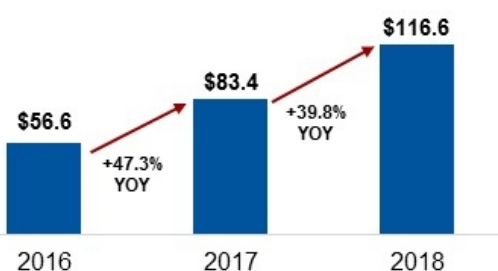
Consumer preference



Domestic direct-to-consumer sales (\$M)



Domestic business-to-business sales (\$M)



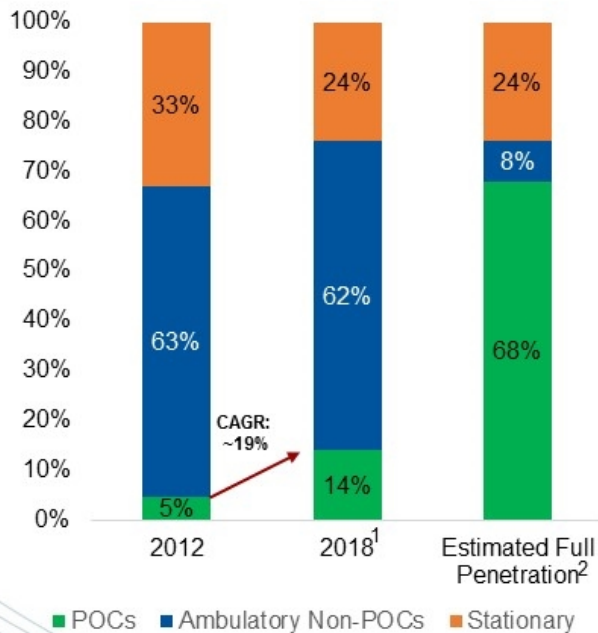
Founded in patient preference

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U.S. market dynamics continue to favor POC adoption by traditional HME providers

Estimated Penetration of POCs¹



Note 1: Based on 2018 U.S. Medicare claims data and our estimates of the ratio of the Medicare market to the total market. Value excludes Medicare Advantage, Medicaid, cash pay and private insurance.

Note 2: Based on 2018 U.S. Medicare claims data, ambulatory patients account for 76% of total patients. Inogen estimates a full POC penetration rate of up to 90% of the existing ambulatory patient population based on Inogen's analysis of the patients who have contacted the Company and their clinical needs.

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Average total monthly reimbursement



Market Dynamics

- Lower monthly reimbursement will continue to challenge the oxygen delivery model and favor POC adoption
- HME restructuring challenges, capital constraints, and limited cash flow lead to lumpy order activity

Globally diversified revenue

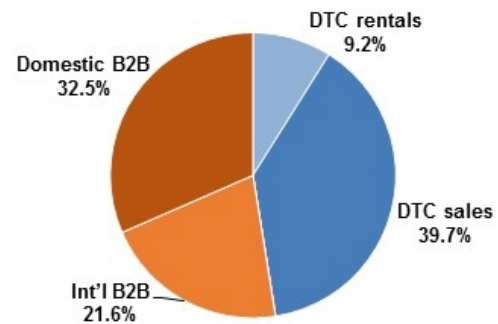
Sales in 47 countries



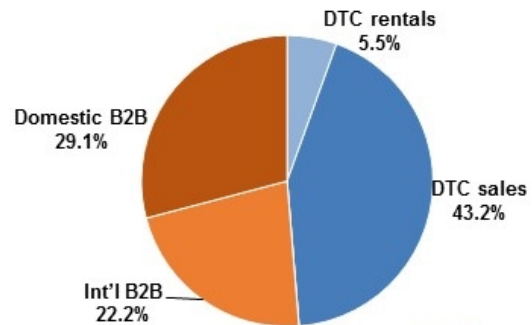
2018 Revenue: \$358.1M
1H 2019 Revenue: \$191.3M

Growing worldwide revenue

2018 Revenue Breakdown



Six Months Ended June 30, 2019 Revenue Breakdown

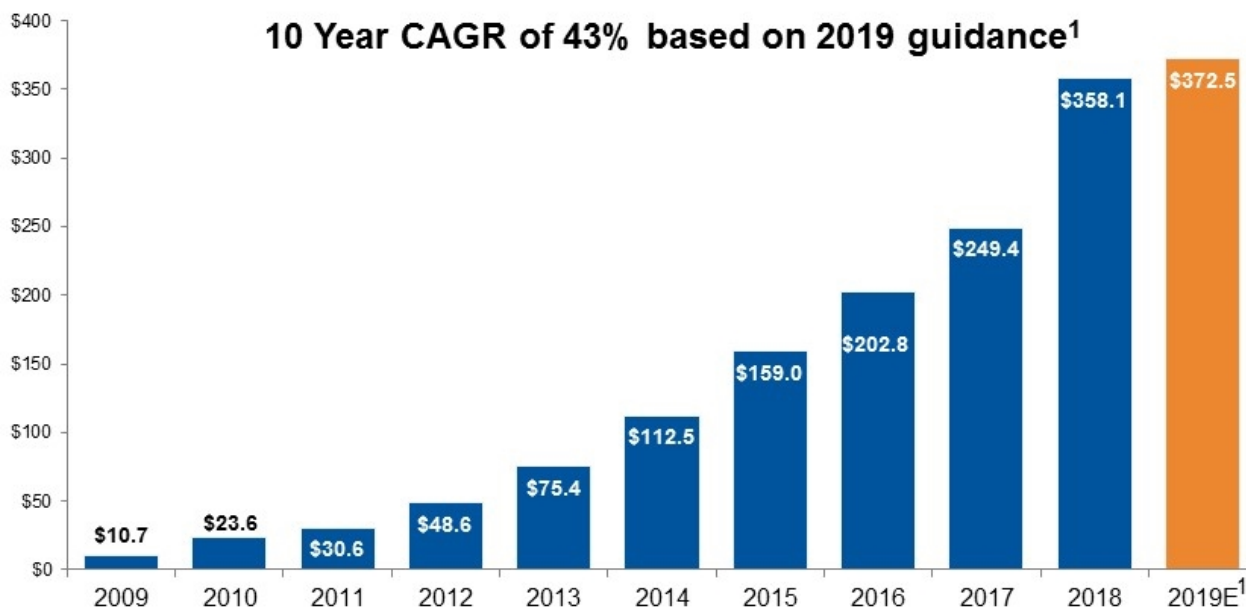


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Historical Revenue

Revenue (\$M)



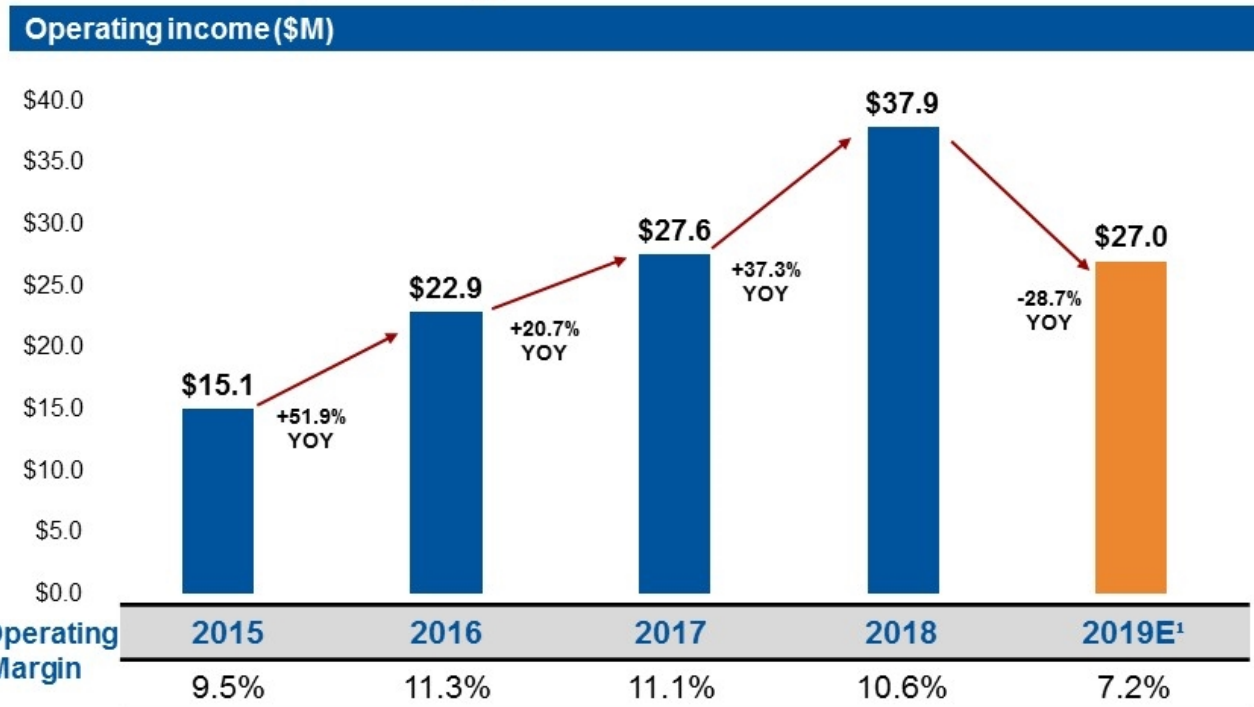
2019 revenue growth has slowed due to US B2B and DTC challenges, but we believe we can execute on our plan to return to double-digit growth in 2020

¹2019 estimated revenue of \$372.5M based on the midpoint of guidance provided in the Company's press release dated August 7, 2019 of \$370M - \$375M. This outlook represents the Company's guidance only as of that date.

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Historical Operating Income



2019 operating income decline primarily due to higher sales & marketing costs & \$5.2M New Aera costs

¹2019 operating income of \$27M based on the midpoint of guidance provided in the Company's press release dated August 7, 2019 of \$26M - \$28M. 2019 operating income guidance includes \$5.2M of estimated costs associated with the New Aera transaction including \$2.9M intangible amortization, \$1.5M operating expenses, and \$0.8M transaction costs. This outlook represents the Company's guidance only as of that date.

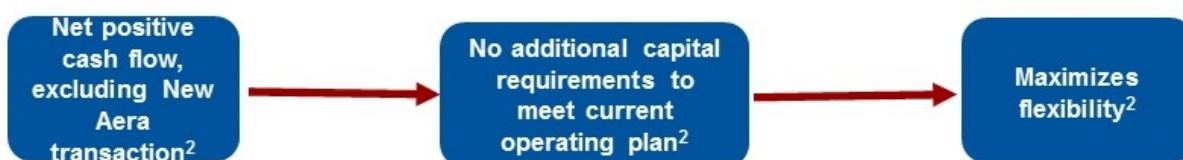
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Balance sheet overview

Summary as of June 30, 2019	
Cash, cash equivalents & marketable securities on hand	\$256.1M
Debt	\$0.0M
2019 New Aera transaction use of cash ¹	\$70.4M

2019 Expectations



¹\$70.4 million cash payment, subject to customary purchase price and escrow adjustments, and potential earn-out payments of up to \$31.4 million based on future sales performance and certain regulatory clearances to acquire New Aera and certain intellectual property assets from an affiliate of New Aera. This transaction closed in August 2019.

²2019 expectations are based on guidance provided in the Company's press release dated August 7, 2019. This outlook represents the Company's guidance only as of that date.

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Multiple avenues to drive future revenue growth

Direct-to-consumer expansion

- 446 inside sales reps*; however, there was a decline in sales reps as of 6/30/2019.
- 20 outside physician sales & support team members*
- Focusing on sales rep productivity & creating a separate rental team to focus exclusively on new rental additions

Increase domestic & international B2B adoption

- 9 U.S. B2B sales & support team*
- Inogen Capital, an HME financing platform
- Strong private label partnership
- Distribution in 46 international countries
- 7 Int'l B2B sales & support team members*
- Developing regulatory & sales pathways to capture opportunities in emerging markets

New products

- Inogen One G5 launched in April 2019 DTC
- Inogen Connect platform in Inogen One G4 & G5
- SideKick® TAV® technology opens up adjacent NIV and early-stage cash-pay COPD markets & we plan to integrate TAV technology into our concentrators
- Focused on disruptive products and evaluating potential acquisition targets that offer unique solutions

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*Headcount provided as of December 31, 2018

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New Aera - SideKick® Tidal Assist® Ventilator (TAV®)

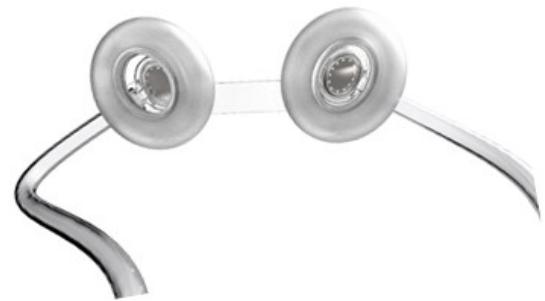
- Non-invasive ventilator (NIV) for select patients with chronic lung diseases (Rx required)
- Compatible with certain oxygen concentrators, oxygen cylinders, wall gas, and certain medical air sources
- Delivers higher flow and pressure versus traditional oxygen therapy
- Proprietary micro nasal pillow design with built-in entrainment for maximum flow
- New Aera has 12 issued patents and 18 pending patent applications*

* Patents and trademarks as of August 1, 2019

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Strategic value of New Aera



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Reimbursement environment creates opportunity for cost-effective & patient-preferred products

Medicare Reimbursement

- Uncapped Medicare monthly rental for NIV (E0466) at \$934 to \$1,099 reimbursement rate¹
- HCPCS code E0467 established January 1, 2019 for multi-function ventilator (including ventilator with oxygen), with uncapped Medicare monthly rates varying by area at \$1,222 average reimbursement rate in non-rural areas¹

Competitive Bidding

- CMS announced that NIV will be included in the 2021 round
- First time NIV to be included in the competitive bidding program

We believe reimbursement pressure will create an opportunity to disrupt the NIV market with a cost-effective and patient-preferred product offering

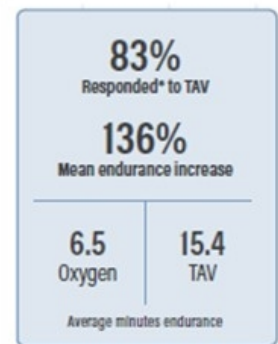
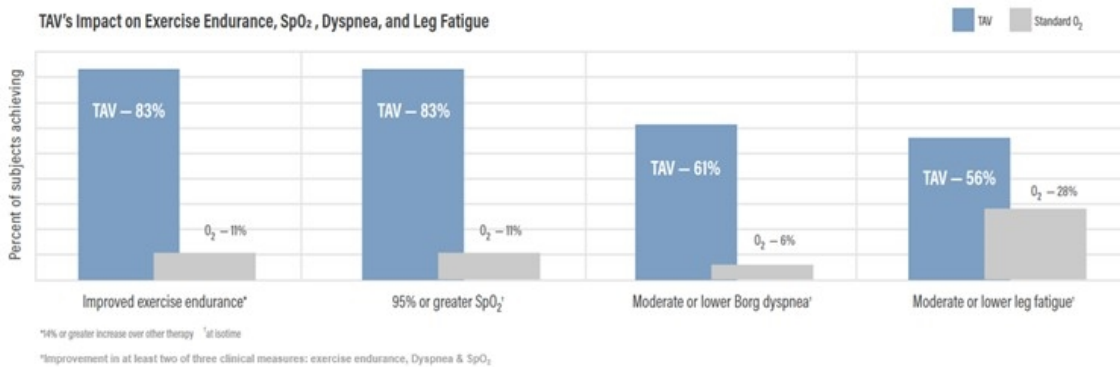
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¹ Calculations exclude Puerto Rico where monthly reimbursement rates are \$1,827.24 for E0466 and \$2,017.58 for E0467

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Benefits of TAV[®] vs standard oxygen

Patients exercised longer, with markedly better oxygenation and less dyspnea and leg fatigue, on TAV therapy than on oxygen therapy alone.



- The trial was a randomized, open-label crossover study comparing TAV vs. standard oxygen for its impact on exercise endurance, oxygen saturation, and Borg dyspnea
- 18 subjects included moderate to very severe COPD or interstitial lung disease patients studied at a pulmonary rehabilitation site
- Primary endpoint was exercise endurance, secondary endpoints included SpO₂, Borg dyspnea scores, leg fatigue scores, and heart rate

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Company highlights

Market leader in large, global, underpenetrated market

DTC model enables innovation and customer access

Differentiated product portfolio with commitment to R&D

Seasoned management team with proven track record

Attractive financial profile

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Supplemental Information

September 2019

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High standards of compliance and regulations

Accredited home care provider



- Accredited Home Medical Equipment Provider by the Accreditation Commission for Health Care (ACHC)

Billing / DTC



- Licensed to provide directly to patients & bill Medicare in 50 states & District of Columbia
- State by state licensure requirements
- Advanced Beneficiary Notices (ABNs) are not required when selling directly to patients for cash as purchase of oxygen equipment is statutorily non-covered
- Plan to bid in 129 of 130 competitive bid areas in Round 2021

Key regulatory approvals



- 510(k) clearance by the FDA
- FDA registered manufacturing facilities
- Conforms to all applicable FAA requirements for use on commercial aircraft
- Quality Management System certified to comply with ISO 13485 for the design, development, manufacture, distribution and service of oxygen concentrators and accessories

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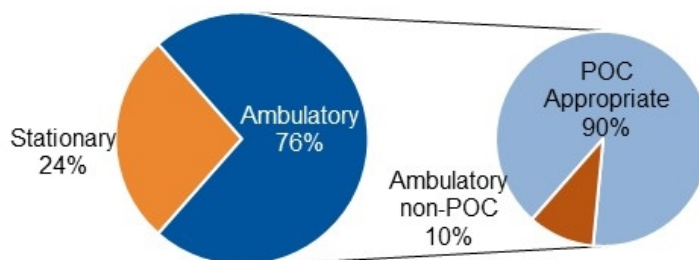
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Estimated U.S. Medicare penetration of portable oxygen concentrators

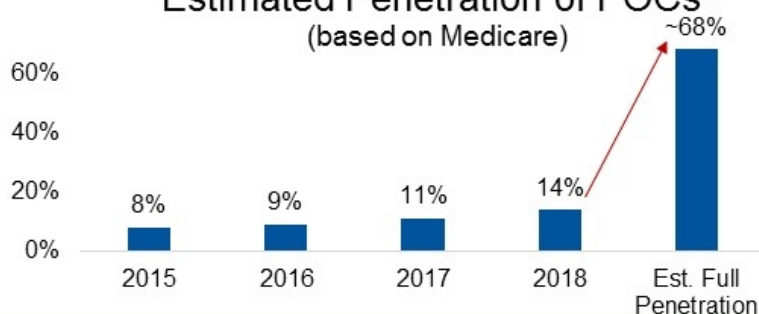
We believe POCs remain under penetrated

- Based on 2018 U.S. Medicare claims data, ambulatory patients account for 76% of total LTOT patients. Inogen estimates a full POC penetration rate to be 90% of the existing ambulatory patient population, or ~68% of the total¹
- Based on 2018 U.S. Medicare claims data, we estimate the penetration rate for POCs was ~14%²
- Inogen estimates the U.S. oxygen therapy market to reach full POC penetration in 5+ years
- Inogen's POC useful life is 5 years

Estimated Full POC Penetration Rate¹



Estimated Penetration of POCs¹ (based on Medicare)



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Note 1: Based on 2018 U.S. Medicare claims data, ambulatory patients account for 76% of total patients. Inogen estimates a full POC penetration rate of up to 90% of the existing ambulatory patient population.
Note 2: 2018 U.S. Medicare claims data does not include Medicaid, cash sales, private insurance or Medicare Advantage patients

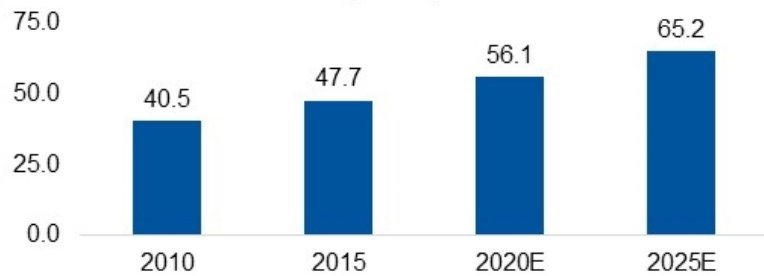
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U.S. COPD macro trends

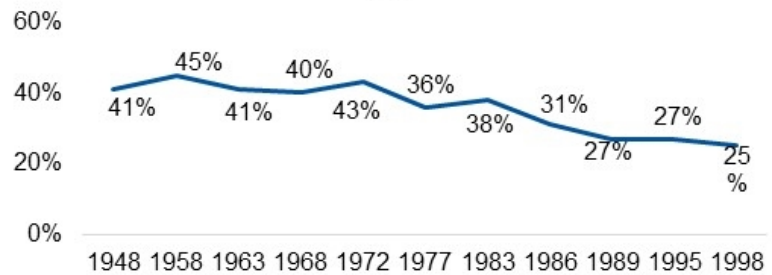
Senior population + smoking + air pollution

- The 65+ age group is expected to increase 3% annually through 2025¹
- The 65+ age group is expected to account for 19% of the total population by 2025, up from 15% in 2015¹
- The leading cause of COPD is smoking ³
- People entering the 65+ age group are from a generation when smoking was more prevalent than in 2016, when the rate was 15.5%⁴
- Annual exposure of 5 micrograms per cubic meter of particle pollution ages lungs by two years⁵

U.S. Senior Population - 65 years and over¹
(millions)



% of US Adults who Smoked Cigarettes, 1948-1998²



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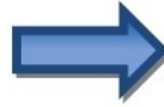
Note 1: U.S Census Bureau, 2017
Note 2: Gallup, 2012
Note 3: www.nhlbi.nih.gov/health-topics/copd

Note 4: CDC.gov "Current Cigarette Smoking Among Adults in the United States," 2018
Note 5: European Respiratory Journal, 2019 "Air pollution, lung function and COPD: results from the population-based UK Biobank study"

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Design expertise & intellectual property

- Trade secrets & know-how
 - Automation
 - Connectivity
 - Compressor design & air separation
 - Encoded software



- Increase functionality
- Improve design
- Ease-of-use
- Reduce production costs

- 33 patents issued
 - System design and assembly
 - Control systems
 - Advanced compressor technologies
 - Sieve bed designs and life prediction
- 11 pending patent applications
 - POC design improvements
 - Improved user replaceable sieve bed designs
 - Design features for improved manufacturability



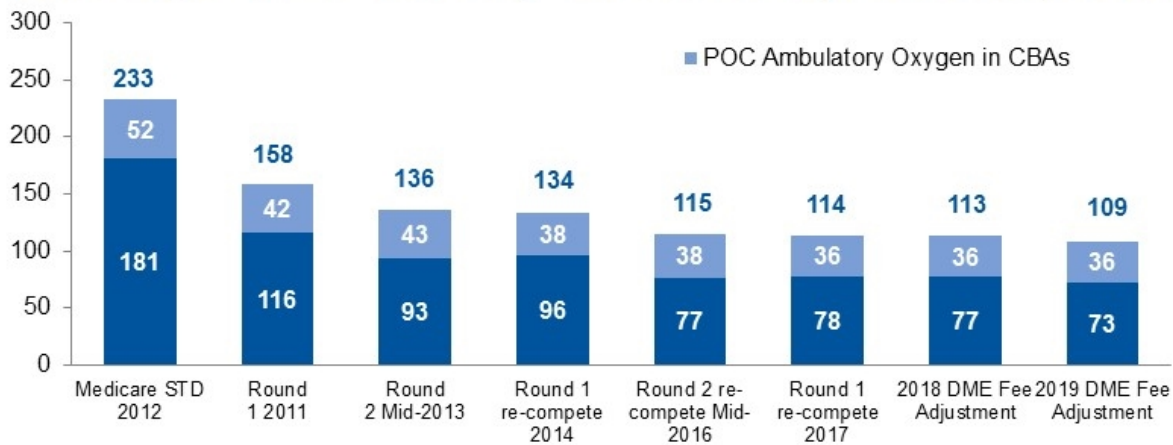
- Product differentiation
- Long-term protection of existing portfolio
- Design features for patient preference
- Reduced service costs
- Reduced part count and ease of assembly

Patents and pending patents as of June 30, 2019

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Average non-delivery ambulatory monthly rates

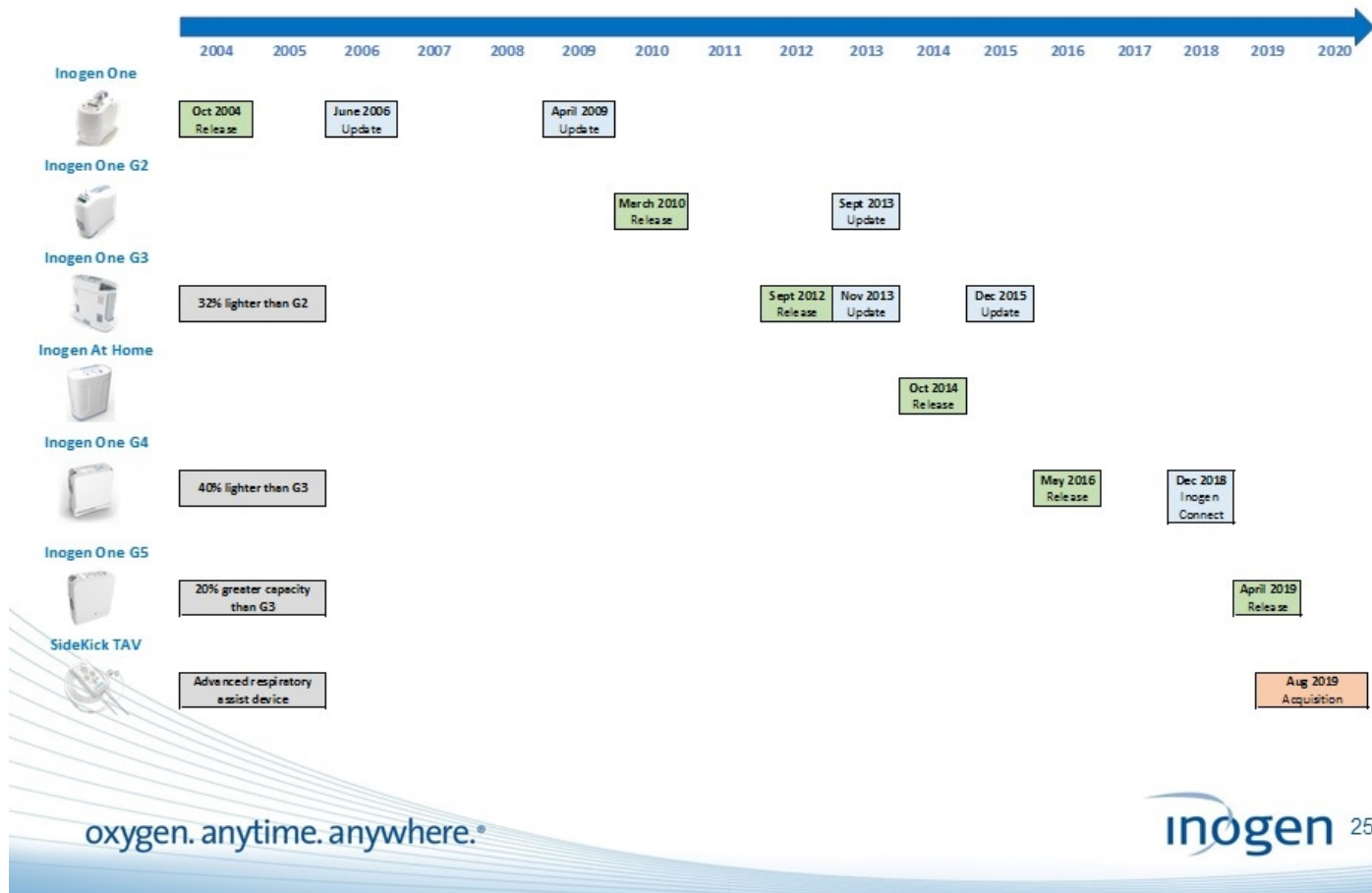


- We believe lower reimbursement rates will drive conversion to non-delivery solutions, although there are challenges to HME provider adoption short-term
- POC reimbursement rates are still a 20% premium compared to tanks in 36-month rental period
- Competitive Bidding Round 2021 will set reimbursement rates based on maximum winning bid for lead items, compared to median rate of a composite
- Competitive Bidding contracts expired at the end of 2018. Beneficiaries may currently receive DME equipment from any Medicare enrolled supplier until new contracts go into effect 1/1/21

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Continuous innovation to stay at the forefront of customer preference



A proven team built for success

Scott Wilkinson

President, Chief Executive Officer,
BOD Member

- 30 years of leadership with Johnson & Johnson, Kimberly-Clark, Invacare in operations, R&D, product management, sales & marketing

Ali Bauerlein

Chief Financial Officer, Executive
Vice President, Finance, Corporate
Secretary & Corporate Treasurer

- Co-founder of Inogen with over 15 years experience in treasury, finance, accounting, risk management as well as strategic and tactical cost analysis and forecasting

Byron Myers

Executive Vice President,
Sales & Marketing

- Co-founder of Inogen with over 15 years experience with direct responsibility for sales, marketing and product management operations
- MBA, UCSD Rady School of Management

Brenton Taylor

Executive Vice President,
Engineering

- Co-founder of Inogen with over 15 years of experience in medical device product development and manufacturing
- Successfully obtained 26 issued U.S. patents for POC development

Bart Sanford

Executive Vice President,
Operations

- 30 years of manufacturing and operations leadership experience, with 18 years in Danaher Corporation (Cepheid, Molecular Devices, Fluke Corporation)

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2019 Guidance

August 2019	Low	% Growth	High
Revenue ¹	\$370M	4.0%	\$375M
Net Income ²	\$23M	-53.7%	\$25M
Operating Income ³	\$26M	-28.7%	\$28M
Adjusted EBITDA ⁴	\$49M	-18.4%	\$51M

¹2019 estimated revenue of \$372.5M based on the midpoint of guidance provided in the Company's press release dated August 7, 2019 of \$370M - \$375M.

²2019 estimated net income of \$24M based on the midpoint of guidance provided in the Company's press release dated August 7, 2019 of \$23M - \$25M.

³2019 operating income of \$27M based on the midpoint of guidance provided in the Company's press release dated August 7, 2019 of \$26M - \$28M. 2019 operating income guidance includes \$5.2M of estimated costs associated with the New Aera transaction including \$2.9M intangible amortization, \$1.5M operating expenses, and \$0.8M transaction costs

⁴2019 estimated Adjusted EBITDA of \$50M based on the midpoint of guidance provided in the Company's press release dated August 7, 2019 of \$49M - \$51M.

Note: This outlook represents the Company's guidance only as of August 7, 2019.

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