COMPANY CONTACT:
Endologix, Inc.
Robert Krist, CFO
(949) 595-7200
www.endologix.com

INVESTOR CONTACTS:
Lippert/Heilshorn & Associates, Inc.
Bruce Voss (bvoss@lhai.com)
Jody Cain (jcain@lhai.com)
(310) 691-7100

ENDOLOGIX REPORTS 134% DOMESTIC PRODUCT REVENUE INCREASE FOR 2006 FOURTH QUARTER

IRVINE, Calif. (January 9, 2007) – Endologix, Inc. (Nasdaq: ELGX), developer and manufacturer of the Powerlink® System endoluminal stent graft (ELG) for the minimally invasive treatment of abdominal aortic aneurysms (AAA), today reported record domestic product revenue for the fourth quarter of 2006.

Domestic product revenue for the 2006 fourth quarter of $4.1 million was up 134%, compared with $1.7 million for the fourth quarter of 2005, and up 21% from $3.4 million for the third quarter of 2006. Domestic product revenue for the full year 2006 was $12.3 million, a 152% increase from $4.8 million in 2005.

"This represents eight consecutive quarters of sequential growth in U.S. revenues, which we believe reflects the strength of our accelerated U.S. launch strategy and gains in Powerlink system market acceptance," said Endologix President and Chief Executive Officer Paul McCormick. "While executing well in the domestic market, as announced last month we put in place a new distribution arrangement with LeMaitre Vascular for select European markets, which is in keeping with our strategy to drive future international sales.

"Our total cash and marketable securities as of December 31, 2006 are expected to be a minimum of $20 million. We believe these funds are sufficient to take us through cash flow breakeven as we continue to execute on our aggressive growth strategy," added Mr. McCormick.

Endologix expects to report full financial results for the fourth quarter and full year 2006, to provide revenue guidance for the 2007 year and to hold an investment-community conference call on February 27th at 2:00 PM PST.

About Endologix

Endologix, Inc. develops and manufactures minimally invasive treatments for vascular diseases. Endologix Powerlink System is an endoluminal stent graft (ELG) for treating 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 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 75%, making it the thirteenth leading cause of death in the U.S. In October

2004, Endologix received approval to market the Powerlink System in the U.S. Additional information can be found on Endologix's Web site at www.endologix.com.

Except for historical information contained herein, this news release contains unaudited financial estimates; and forward-looking statements, the accuracy of which are necessarily subject to risks and uncertainties, all of which are difficult or impossible to predict accurately and many of which are beyond the control of Endologix. Many factors may cause actual results to differ materially from anticipated results including the success of sales efforts for the Powerlink System, product research and development efforts, and other economic, business, competitive and regulatory factors. The Company undertakes no obligation to update its forward looking statements. Please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2005, and the Company's other filings with the Securities and Exchange Commission, for more detailed information regarding these risks and other factors that may cause actual results to differ materially from those expressed or implied.

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