ALIGN TECHNOLOGY NON-GAAP CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands except per share data)

	Q1* 2013	Q2 2013	Q3 2013	Q4 2013	Fiscal 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Fiscal 2014	Q1 2015	Q2 2015	Q3 2015
Net Revenues Clear Aligner Net Revenues:													
North America	\$ 97,045	\$ 102,217	\$ 103,888	\$ 105,059	\$ 408,209	\$ 107,910	\$ 111,648	\$ 113,349	\$ 113,670	\$ 446,577	\$ 118,844	\$ 126,137	\$ 124,085
International Non-case Net Revenues (1)	31,818 12,709	40,320 10,766	38,983 10,679	50,595 10,570	161,716 44,724	49,848 10,481	55,988 12,099	53,439 11,350	60,467 12,300	219,742 46,230	55,920 12,265	61,896 12,784	61,265 12,942
Total Clear Aligner Net Revenues	141,572	153,303	153,550	166,224	614,649	168,239	179,735	178,138	186,437	712,549	187,029	200,817	198,292
Scanner and Services Net Revenues	12,008	10,525	10,956	12,068	45,557	12,407	12,796	11,738	12,163	49,104	11,057	8,671	9,344
Total Worldwide Net Revenues	153,580	163,828	164,506	178,292	660,206	180,646	192,531	189,876	198,600	761,653	198,086	209,488	207,636
Cost of Net Revenues:													
Cost of net revenues Clear Aligner	32,245	33,179	30,887	33,503	129,814	35,156	38,032	37,021	39,451	149,660	39,069	43,480	42,087
Cost of net revenues Scanner and Services Total cost of net revenues	8,486 40,731	6,958 40,137	8,529 39,416	8,313 41,816	32,286 162,100	8,239 43,395	9,023 47,055	7,801 44,822	8,487 47,938	33,550 183,210	7,927 46,996	7,374 50,854	7,973 50,060
Gross profit	112,849	123,691	125,090	136,476	498,106	137,251	145,476	145,054	150,662	578,443	151,090	158,634	157,576
Operating Expenses:	70.000	74.074	70 744	70.500	292.797	00.007	00.455	00.052	05.000	222.000	00.004	100.625	404.754
Selling, general and administrative Research and development	72,629 11,282	74,874 10,916	72,711 10,915	72,583 10,970	44,083	82,067 13,380	83,455 13,289	80,653 12,854	85,893 13,276	332,068 52,799	88,281 13,885	15,684	101,751 17,779
Total operating expenses	83,911	85,790	83,626	83,553	336,880	95,447	96,744	93,507	99,169	384,867	102,166	116,309	119,530
Operating Profit:	28.938	37.901	41,464	52,923	161,226	41,804	48.732	51.547	51.493	193.576	48.924	42.325	38.046
Interest and other income (expense), net	(988)	(335)	449	(199)	(1,073)	601	(93)	(1,999)	(1,716)	(3,207)	(1.452)	174	(1,568)
Profit before provision for income taxes	27,950	37,566	41,913	52,724	160,153	42,405	48,639	49,548	49,777	190,369	47,472	42,499	36,478
Provision for income taxes	6,708	8,246	7,376	10,302	32,632	9,961	13,039	11,301	10,236	44,537	11,295	11,149	8,862
Net profit	\$ 21,242	\$ 29,320	\$ 34,537	\$ 42,422	\$ 127,521	\$ 32,444	\$ 35,600	\$ 38,247	\$ 39,541	\$ 145,832	\$ 36,177	\$ 31,350	\$ 27,616
Net profit per share	• • • • •	•	• • •			• • • •	• • • • •		• • • •			•	• • • • •
- basic - diluted	\$ 0.26 \$ 0.26	\$ 0.36 \$ 0.36	\$ 0.43 \$ 0.42	\$ 0.53 \$ 0.51	\$ 1.57 \$ 1.54	\$ 0.40	\$ 0.44	\$ 0.47	\$ 0.49	\$ 1.81 \$ 1.77	\$ 0.45 \$ 0.44	\$ 0.39	\$ 0.35 \$ 0.34
- diluted	\$ 0.26	\$ 0.36	\$ 0.42	\$ 0.51	\$ 1.54	\$ 0.39	\$ 0.43	\$ 0.47	\$ 0.48	\$ 1.77	\$ 0.44	\$ 0.39	\$ 0.34
Shares used in computing net profit per share													
- basic - diluted	81,248 83,003	80,576 82,149	79,967 81,848	80,432 82,438	81,120 82,589	81,120 82,817	81,027 82,341	80,629 82,014	80,266 81,691	80,754 82,283	80,459 81,824	80,257 81,394	79,808 81,092
- diluted	83,003	82,149	81,848	82,438	02,309	82,817	82,341	82,014	81,091	02,203	81,824	81,394	81,092
Margin Analysis:	=====		=0.00/	=====		====	== 00/	=0.404	== 00/	==	=0.00/	====	
Gross margin -Clear Aligner	73.5% 77.2%	75.5% 78.4%	76.0% 79.9%	76.5% 79.8%	75.4% 78.9%	76.0% 79.1%	75.6% 78.8%	76.4% 79.2%	75.9% 78.8%	75.9% 79.0%	76.3% 79.1%	75.7% 78.3%	75.9% 78.8%
-Scanner and Services	29.3%	33.9%	22.2%	31.1%	29.1%	33.6%	29.5%	33.5%	30.2%	31.7%	28.3%	15.0%	14.7%
Operating Margin	18.8%	23.1%	25.2%	29.7%	24.4%	23.1%	25.3%	27.1%	25.9%	25.4%	24.7%	20.2%	18.3%
Net Margin	13.8%	17.9%	21.0%	23.8%	19.3%	18.0%	18.5%	20.1%	19.9%	19.1%	18.3%	15.0%	13.3%
Year Over Year Analysis:													
Net Revenues	13.7%	12.5%	20.5%	24.8%	17.9%	17.6% #		15.4%	11.4%	15.4%	9.7%	8.8%	9.4%
Gross profit Operating expense	11.5% 16.5%	13.5% 18.4%	24.5% 18.0%	28.2% 7.8%	19.4% 15.0%	21.6% 13.7%	17.6% 12.8%	16.0% 11.8%	10.4% 18.7%	16.1% 14.2%	10.1% 7.0%	9.0% 20.2%	8.6% 27.8%
Operating profit	-0.8%	3.8%	40.3%	82.5%	29.8%	44.5%	28.6%	24.3%	-2.7%	20.1%	17.0%	-13.1%	-26.2%
Net Profit	-1.4%	4.1%	55.7%	97.1%	36.5%	52.7%	21.4%	10.7%	-6.8%	14.4%	11.5%	-11.9%	-27.8%
Quarter Over Quarter Analysis (Sequential):													
Net Revenues	7.5%	6.7%	0.4%	8.4%		1.3% #		-1.4%	4.6%		-0.3%	5.8%	-0.9%
Gross profit	6.0%	9.6%	1.1%	9.1%		0.6%	6.0%	-0.3%	3.9%		0.3%	5.0%	-0.7%
Operating expense Operating profit (loss)	8.3% -0.2%	2.2% 31.0%	-2.5% 9.4%	-0.1% 27.6%		14.2% -21.0%	1.4% 16.6%	-3.3% 5.8%	6.1% -0.1%		3.0% -5.0%	13.8% -13.5%	2.8% -10.1%
Net profit	-0.2% -1.3%	31.0%	9.4% 17.8%	22.8%		-21.0% -23.5%	9.7%	5.8% 7.4%	-0.1% 3.4%		-5.0% -8.5%	-13.5%	-10.1%
Defeat Describer (OAAD) and OAAD (alto Fine dall)							2 /0				/0	/ 0	

^{*} Refer to Reconciliation of GAAP to non-GAAP for Key Financial Metrics table for Q1 2013

⁽¹⁾ Non-case net revenues includes the retainer business, training revenues, and ancillary offerings under our Clear Aligner product lines

ALIGN TECHNOLOGY CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands except per share data)

	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Fiscal 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Fiscal 2014	Q1 2015	Q2 2015	Q3 2015
Net Revenues													
Clear Aligner Net Revenues:													
North America	\$ 97,045	\$ 102,217	\$ 103,888	\$ 105,059	\$ 408,209	\$ 107,910	\$ 111,648	\$ 113,349	\$ 113,670	\$ 446,577	\$ 118,844	\$ 126,137	\$ 124,085
International	31,818 12,709	40,320 10,766	38,983 10,679	50,595 10,570	161,716 44,724	49,848 10,481	55,988 12.099	53,439 11,350	60,467 12,300	219,742 46,230	55,920 12,265	61,896 12.784	61,265 12,942
Non-case (1) Total Clear Aligner Net Revenues	141,572	153,303	153,550	166,224	614,649	168,239	179,735	178,138	186,437	712,549	187,029	200,817	198,292
					1								
Scanner and Services Net Revenues Total Worldwide Net Revenues	12,008 153,580	10,525 163,828	10,956 164,506	12,068 178,292	45,557 660,206	12,407 180,646	12,796 192,531	11,738 189,876	12,163 198,600	49,104 761,653	11,057 198,086	8,671 209,488	9,344 207,636
Cost of Net Revenues:													
Cost of net revenues Clear Aligner	32,245	33,179	30,887	33,503	129,814	35,156	38,032	37,021	39,451	149,660	39,069	43,480	42,087
Cost of net revenues Scanner and Services	8,486	6,958	8,529	8,313	32,286	8,239	9,023	7,801	8,487	33,550	7,927	7,374	7,973
Total cost of net revenues	40,731	40,137	39,416	41,816	162,100	43,395	47,055	44,822	47,938	183,210	46,996	50,854	50,060
Gross profit	112,849	123,691	125,090	136,476	498,106	137,251	145,476	145,054	150,662	578,443	151,090	158,634	157,576
Operating Expenses													
Operating Expenses: Selling, general and administrative	72,629	74.874	72.711	72.583	292,797	82.067	83,455	80,653	85,893	332,068	88.281	100,625	101.751
Research and development	11,282	10,916	10,915	10,970	44,083	13,380	13,289	12,854	13,276	52,799	13,885	15,684	17,779
Impairment of goodwill	40,693	-	-	-	40,693	-	-	-			-	-	-
Impairment of long-lived assets	26,320				26,320					-			
Total operating expenses	150,924	85,790	83,626	83,553	403,893	95,447	96,744	93,507	99,169	384,867	102,166	116,309	119,530
Operating Profit (loss):	(38,075)	37,901	41,464	52,923	94,213	41,804	48,732	51,547	51,493	193,576	48,924	42,325	38,046
Interest and other income (expense), net	(988)	(335)	449	(199)	(1,073)	601	(93)	(1,999)	(1,716)	(3,207)	(1,452)	174	(1,568)
Profit before provision for income taxes Provision for income taxes	(39,063)	37,566	41,913 7,376	52,724 10,302	93,140	42,405 9,961	48,639	49,548	49,777 10,236	190,369 44,537	47,472 11,295	42,499	36,478
Provision for income taxes	2,920	8,246	7,376	10,302	28,844	9,961	13,039	11,301	10,236	44,557	11,295	11,149	8,862
Net profit (loss)	\$ (41,983)	\$ 29,320	\$ 34,537	\$ 42,422	\$ 64,296	\$ 32,444	\$ 35,600	\$ 38,247	\$ 39,541	\$ 145,832	\$ 36,177	\$ 31,350	\$ 27,616
Net profit (loss) per share	6 (0.50)	f 0.00	0 0 10						0 0 10		0 0.45		
- basic	\$ (0.52) \$ (0.52)	\$ 0.36	\$ 0.43 \$ 0.42	\$ 0.53 \$ 0.51	\$ 0.80 \$ 0.78	\$ 0.40 \$ 0.39	\$ 0.44 \$ 0.43	\$ 0.47 \$ 0.47	\$ 0.49 \$ 0.48	\$ 1.81 \$ 1.77	\$ 0.45 \$ 0.44	\$ 0.39 \$ 0.39	\$ 0.35 \$ 0.34
- diluted	\$ (0.52)	\$ 0.36	\$ 0.42	\$ 0.51	\$ 0.78	\$ 0.39	\$ 0.43	\$ 0.47	\$ 0.48	\$ 1.77	\$ 0.44	\$ 0.39	\$ 0.34
Shares used in computing net profit (loss) per share													
- basic	81,248	80,576	79,967	80,432	80,551	81,120	81,027	80,629	80,266	80,754	80,459	80,257	79,808
- diluted	81,248	82,149	81,848	82,438	82,589	82,817	82,341	82,014	81,691	82,283	81,824	81,394	81,092
Manustra Amakas ta													
Margin Analysis: Gross margin	73.5%	75.5%	76.0%	76.5%	75.4%	76.0%	75.6%	76.4%	75.9%	75.9%	76.3%	75.7%	75.9%
-Clear Aligner	77.2%	78.4%	79.9%	79.8%	78.9%	79.1%	78.8%	76.4% 79.2%	78.8%	79.0%	76.3% 79.1%	78.3%	75.9% 78.8%
-Scanner and Services	29.3%	33.9%	22.2%	31.1%	29.1%	33.6%	29.5%	33.5%	30.2%	31.7%	28.3%	15.0%	14.7%
Selling, general and administrative	47.3%	45.7%	44.2%	40.7%	44.3%	45.4%	43.3%	42.5%	43.2%	43.6%	44.6%	48.0%	49.0%
Research and development	7.3%	6.7%	6.6%	6.2%	6.7%	7.4%	6.9%	6.8%	6.7%	6.9%	7.0%	7.5%	8.6%
Impairment of goodwill	26.5%	0.0%	0.0%	0.0%	6.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impairment of long-lived assets	17.1%	0.0%	0.0%	0.0%	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating margin Net margin	-24.8% -27.3%	23.1% 17.9%	25.2% 21.0%	29.7% 23.8%	14.3% 9.7%	23.1% 18.0%	25.3% 18.5%	27.1% 20.1%	25.9% 19.9%	25.4% 19.1%	24.7% 18.3%	20.2% 15.0%	18.3% 13.3%
rect margin	-21.370	17.5%	21.0/0	23.070	3.170	10.0%	10.5%	20.1/0	13.370	13.170	10.5/6	13.0%	13.370
Year Over Year Analysis:													
Net Revenues	13.7%	12.5%	20.5%	24.8%	17.9%	17.6%	17.5%	15.4%	11.4%	15.4%	9.7%	8.8%	9.4%
-Clear Aligner	14.8%	14.7%	21.2%	25.1%	19.0%	18.8%	17.2%	16.0%	12.2%	15.9%	11.2%	11.7%	11.3%
-Scanner and Services Gross profit	2.2% 12.0%	-12.0% 13.7%	12.1% 24.7%	20.9% 28.2%	4.8% 19.6%	3.3% 21.6%	21.6% 17.6%	7.1% 16.0%	0.8% 10.4%	7.8%	-10.9% 10.1%	-32.2% 9.0%	-20.4% 8.6%
Operating expense	107.4%	17.9%	-12.8%	-6.5%	22.1%	-36.8%	12.8%	11.8%	18.7%	16.1% -4.7%	7.0%	20.2%	27.8%
Operating expense Operating profit (loss)	-236.0%	5.2%	820.8%	210.0%	10.1%	-209.8%	28.6%	24.3%	-2.7%	105.5%	17.0%	-13.1%	-26.2%
Net profit (loss)	-300.1%	2.9%	-10143.8%	343.8%	9.6%	-177.3%	21.4%	10.7%	-6.8%	126.8%	11.5%	-11.9%	-27.8%
Quarter Over Quarter Analysis (Sequential):													
Net Revenues	7.5%	6.7%	0.4%	8.4%		1.3%	6.6%	-1.4%	4.6%		-0.3%	5.8%	-0.9%
-Clear Aligner	6.6%	8.3%	0.2%	8.3%		1.2%	6.8%	-0.9%	4.7%]	0.3%	7.4%	-1.3%
-Scanner and Services	20.3%	-12.4%	4.1%	10.1%		2.8%	3.1%	-8.3%	3.6%]	-9.1%	-21.6%	7.8%
Gross profit	6.0%	9.6%	1.1%	9.1%		0.6%	6.0%	-0.3%	3.9%		0.3%	5.0%	-0.7%
Operating expense	68.8%	-43.2%	-2.5% 9.4%	-0.1%		14.2%	1.4%	-3.3%	6.1%		3.0%	13.8%	2.8%
Operating profit (loss) Net profit (loss)	-323.0% -539.2%	-199.5% -169.8%	9.4% 17.8%	27.6% 22.8%		-21.0% -23.5%	16.6% 9.7%	5.8% 7.4%	-0.1% 3.4%		-5.0% -8.5%	-13.5% -13.3%	-10.1% -11.9%
Net profit (1055)	-559.2%	-109.6%	17.6%	ZZ.0%		-23.3%	9.7%	1.4%	3.4%		-0.3%	-13.3%	-11.9%

⁽¹⁾ Non-case net revenues includes the retainer business, training revenues, and ancillary offerings under our Clear Aligner product lines