



ALIGN TECHNOLOGY, INC.

Quarterly Financial Results Q2 2009

Align Technology Q2 FY2009 Conference Call

- Speakers:
 - Tom Prescott, president and CEO
 - Ken Arola, vice president of finance and CFO
- Moderator:
 - Shirley Stacy, senior director of investor relations
- Replay and Web cast Archive
 - Telephone replay will be available through 5:30pm ET August 6, 2009
 - Domestic callers: 877-660-6853
 - International callers: 201-612-7415
 - Account #292 and conference #327280
 - Audio web cast archive will be available at <http://investor.aligntech.com> for approximately 12 months

Safe Harbor and Forward Looking Statement

This presentation contains forward-looking statements, including statements regarding, certain business metrics for the third quarter of 2009, including anticipated revenue, gross margin, operating expense, operating income, earnings per share, case shipments and cash. Forward-looking statements contained in this news release and the tables below relating to expectations about future events or results are based upon information available to Align as of the date hereof. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. As a result, actual results may differ materially and adversely from those expressed in any forward-looking statement. Factors that might cause such a difference include, but are not limited to, difficulties predicting customer and consumer purchasing behavior as well as the willingness and ability of our customers to adopt the expected baseline requirements set forth in our recently announced proficiency program and the willingness and ability of our customers to maintain and/or increase utilization to meet the new proficiency standards in sufficient numbers, potential losses or damages arising from any legal settlements or judgments related to the Ormco litigation, including the issuance of a permanent injunction, or other equitable relief, the possibility that the development and release of new products does not proceed in accordance with the anticipated timeline, the possibility that the market for the sale of these new products may not develop as expected, the risks relating to Align's ability to sustain or increase profitability or revenue growth in future periods while controlling expenses, continued customer demand for Invisalign and new products, changes in consumer spending habits as a result of, among other things, prevailing economic conditions, levels of employment, salaries and wages and consumer confidence, the timing of case submissions from our doctors within a quarter, acceptance of Invisalign by consumers and dental professionals, Align's third party manufacturing processes and personnel, foreign operational, political and other risks relating to Align's international manufacturing operations, Align's ability to protect its intellectual property rights, competition from manufacturers of traditional braces and new competitors, Align's ability to develop and successfully introduce new products and product enhancements, and the loss of key personnel. These and other risks are detailed from time to time in Align's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, its Annual Report on Form 10-K for the fiscal year ended December 31, 2008, which was filed with the Securities and Exchange Commission on February 27, 2009. Align undertakes no obligation to revise or update publicly any forward-looking statements for any reason.



Q2 FY2009 Overview

Tom Prescott

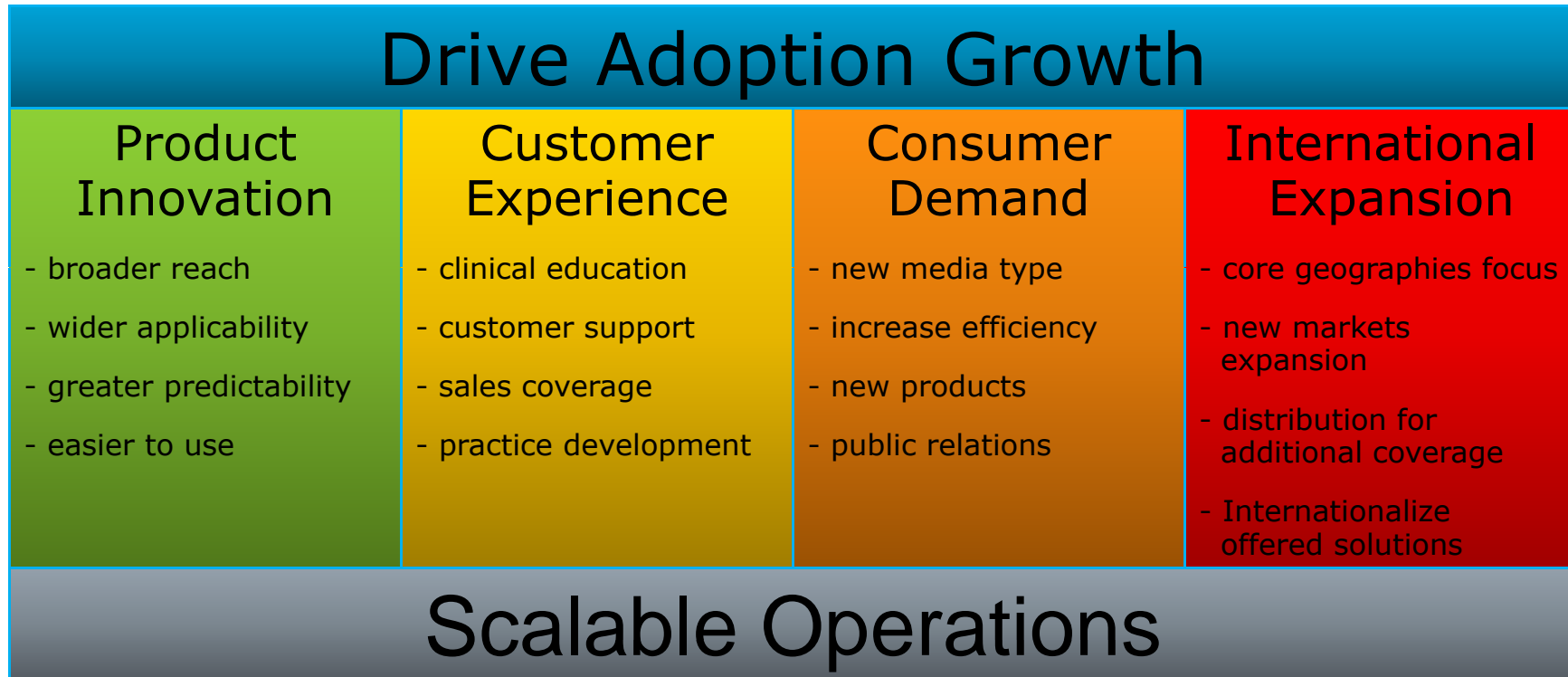
President and CEO

Q2 FY2009 Financial Highlights

- Revenues of \$76.3 million
 - +8.8% Q/Q, -4.5% Y/Y
- Case shipments of 53,005
 - +5.9% Q/Q, -3.4% Y/Y
- Growth led by International and Invisalign Teen
- Record gross margin of 76.0%
- Non-GAAP operating margin of 8.7%
- Non-GAAP net profit of \$4.8 million or \$0.07 per diluted share



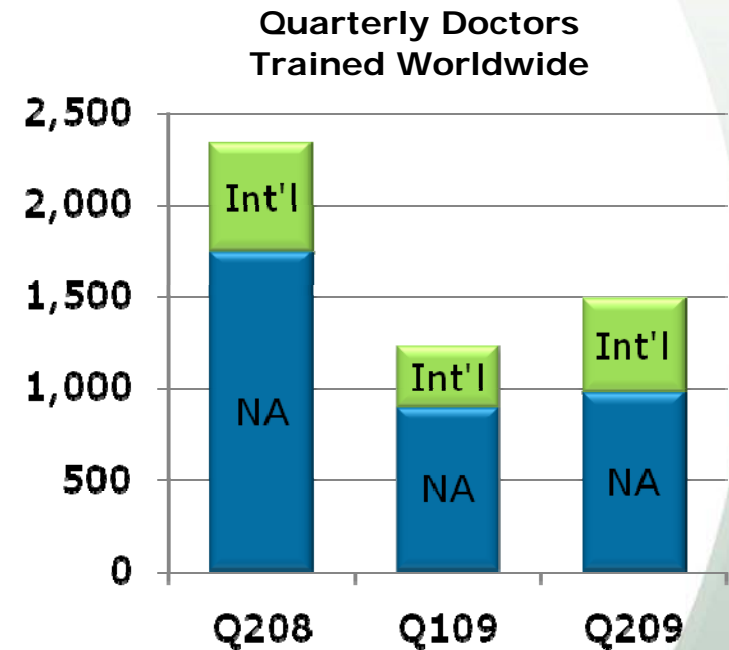
Our Strategy to Drive Adoption



Adoption Metrics

Training

- Q209 trained 1,480 new doctors
 - 965 in North America, 515 internationally
- Continue to evolve our approach to new doctor education with increased focus on ensuring that the doctors trained are more likely to integrate Invisalign into their practices
- With the new Invisalign Product Proficiency Requirements our overall continuing education focus has shifted a bit more towards supporting product adoption rather than expanding our customer base

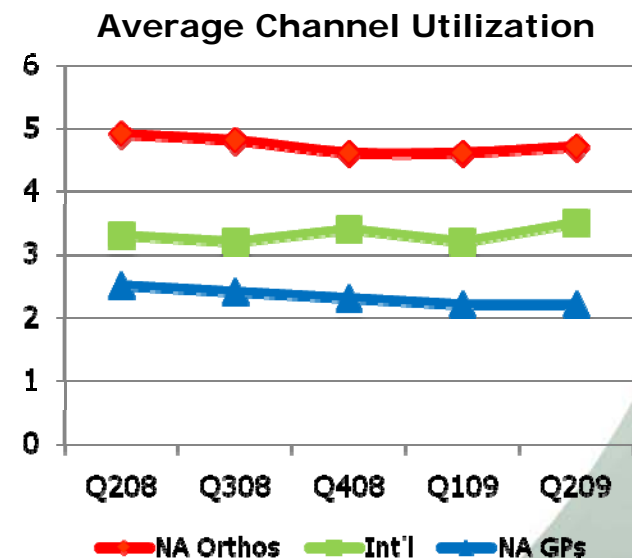


Adoption Metrics

Utilization

- Total utilization, or “same practice sales” for Q2 increased Q/Q and was down slightly Y/Y
- NA GPs: remain on the sidelines, procedure mix shifted to more traditional services rather than actively marketing Invisalign or other high value procedures
- NA Orthos: sequential growth of Invisalign Teen cases drove an increase, particularly for the core group of active customers who began using Invisalign Teen in the expanded pilot. Consistent with our view that Orthos will steadily adopt Invisalign into practice over time, as they experience outstanding clinical results from finished cases
- Int'l: Q2 sequential case growth was strong across all products and major countries, with Invisalign Teen contributing nicely. Y/Y case growth rate increased due to international availability of Invisalign Express and Teen

Utilization Rates	Q2 08	Q1 09	Q2 09
NA Ortho	4.9	4.6	4.7
NA GPs	2.5	2.2	2.2
International	3.3	3.2	3.6
Total	3.1	2.9	3.0



- Invisalign Teen is a key contributor
 - Cases +53% Q/Q to 11% of volume
- Not surprisingly, some North American Orthos are increasingly using Invisalign Teen, instead of the Full product, on their adult patients because they like its additional features
- Over time, trend may also extend to Europe as international doctors become more accustomed to using Invisalign Teen



- Invisalign Assist
 - Cases +35% Q/Q to 2% of volume



- Vivera retainers
 - Revenue +24% Q/Q



Consumer Demand Creation

- Invisalign Teen PR campaign
 - National PR and digital media including website, search, social media and mobile placements
 - Seeing lifts in ad awareness and familiarity for Invisalign Teen in the market place
 - Digital component driving a strong flow of new traffic to our website
 - Activity is helping drive better efficiency in creating demand, in the form of qualified leads, compared to last year
- Upcoming Media Events
 - [US Open Surfing](#) - hosting a "What Makes You Smile" booth where teens can record Invisalign Teen branded videos and photos and share them on social networks or via email
 - [Dew Tour](#) - hosting "What Makes Your Smile" booth at multi city action sporting event
 - [Back to School](#) media tour - showcasing Invisalign Teen on morning TV programs as part of live spots on "Cool Tech for Teens"



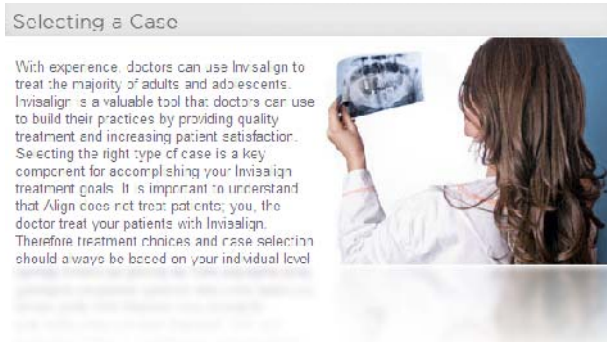
Our Vision

Creating Healthy, Beautiful Smiles



Invisalign Product Proficiency Requirements


- ≥ 10 Invisalign cases AND ≥ 10 Invisalign-specific CE credits each calendar year, beginning 12/31/09
- Proficiency Pathway created to ensure that our doctors have the necessary tools and support to be successful
- Doctors who choose not to meet the requirements can continue treating in-progress cases, but will not be eligible to submit new cases or use Invisalign resources
- Doctors can REACTIVATE their provider status by retaking Invisalign Clear Essentials training and meeting the proficiency requirements in the new calendar year



Invisalign Product Proficiency Requirements

- The Invisalign System is an evolving, skill-based technique that requires regular usage and education
- Along with ongoing improvements to our products and expansion of the product line-up, we continue to evolve our initial training, start-up, and ongoing support model programs to help ensure that Invisalign-trained doctors have the product knowledge and experience to fully integrate Invisalign into their practices
- We are committed to doing everything possible to help doctors achieve success with Invisalign, but ultimately, treatment outcome is in the hands of the doctor

Ormco Patent Litigation Update

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- 2003
- Ormco patent litigation began in 2003 when Ormco sued Align for patent infringement and Align won a sweeping summary judgment.
 - Ormco appealed that decision and in August 2007 the Federal Circuit Court of Appeals ruled that 86 of Ormco's 92 claims were invalid and not infringed by Align.
 - Ormco pursued the six remaining claims, which relate generally to a process of gathering and organizing tooth data, in a lawsuit against Align which was tried by jury June 9 to 25.
 - On June 25, the jury delivered a verdict in favor of Ormco. We believe that the facts and the law do not support the jury's findings of infringement and are seeking to overturn the verdict in post-trial motions.
 - As expected, Ormco has filed a motion for a permanent injunction and other injunctive relief against Align. We believe that Ormco's motion for a permanent injunction should be denied and will vigorously oppose it.
 - We're very disappointed with the verdict and believe that the jury got it wrong. However, this is just another phase of ongoing litigation with Ormco
 - We have successfully defended against Ormco's claims in the past and will continue with the process.
 - This verdict doesn't enable Ormco, or anyone else, to compete with us in clear aligner Orthodontics, as it does not affect Align's patents in any way.

Q2 FY2009 Financial Review

Ken Arola

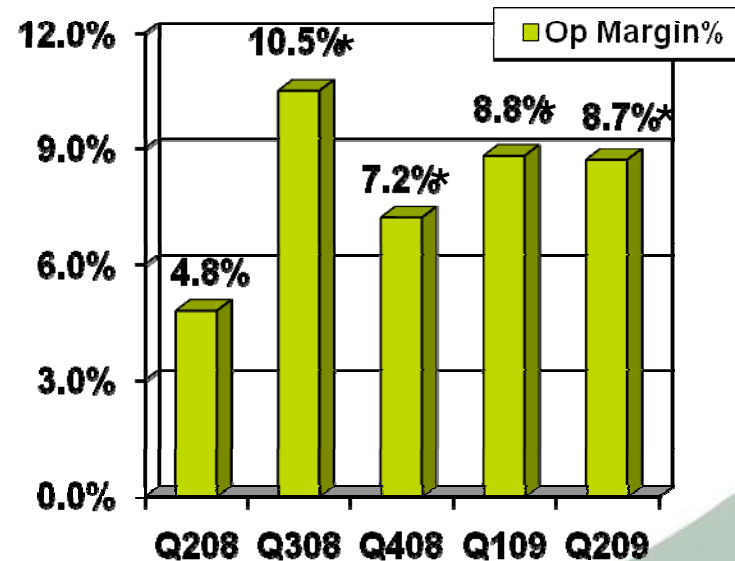
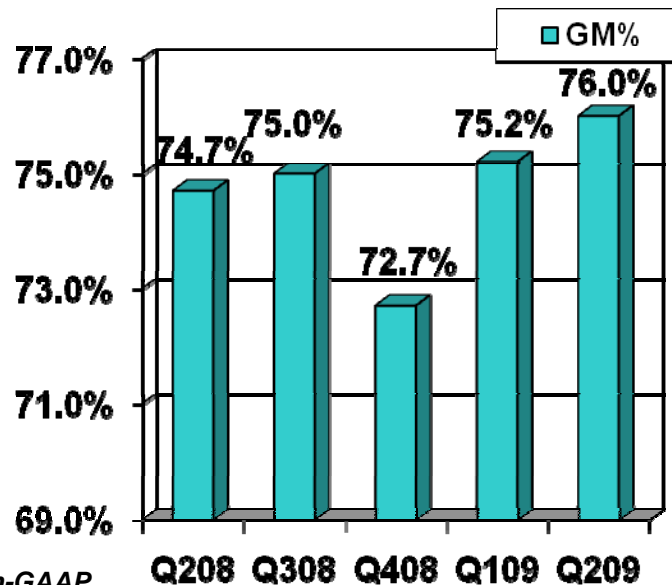
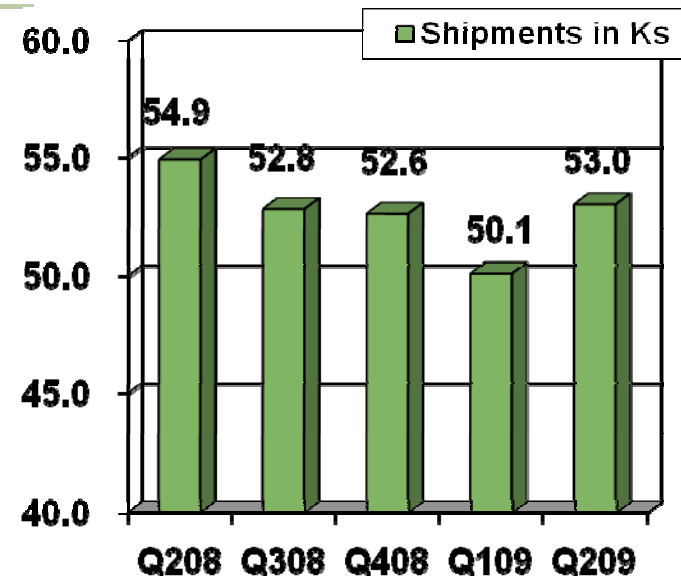
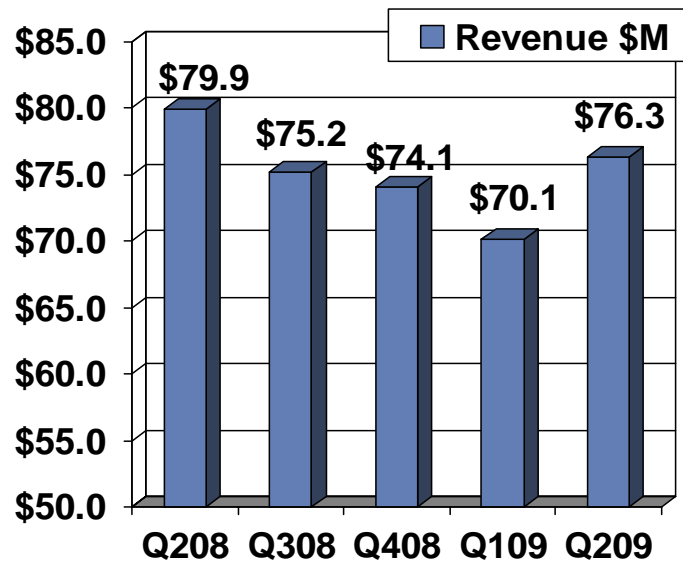
Vice President, Finance and CFO

Q2 09 Income Statement Highlights

	Q2 09	Q1 09	Sequential Change	Q2 08	Year/Year Change
Revenue	\$76.3M	\$70.1M	8.8%	\$79.9M	(4.5%)
Gross Margin	76.0%	75.2%	+0.8% pts	74.7%	+1.3% pts
Operating Expenses	\$51.7M	\$47.4M	9.1%	\$55.8M	(7.3)%
Operating Margin	8.2%	7.5%	+0.7% pts	4.8%	+3.4% pts
GAAP EPS, diluted	\$0.07	\$0.04	\$0.03	\$0.06	\$0.01
Non-GAAP Op Exp	\$51.3M	\$46.5M	10.3%	\$55.8M	(8.0%)
Non-GAAP Op Margin	8.7%	8.8%	-0.1% pts	4.8%	+3.9% pts
Non-GAAP EPS, diluted	\$0.07	\$0.05	\$0.02	\$0.06	\$0.01

A reconciliation of GAAP to Non-GAAP can be found at <http://investor.aligntech.com> under Financial Information > Quarterly Results for each respective quarter.

Q2 FY2009 Trended Financials



* Non-GAAP

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Q2 FY2009 Revenue and Cases by Channel

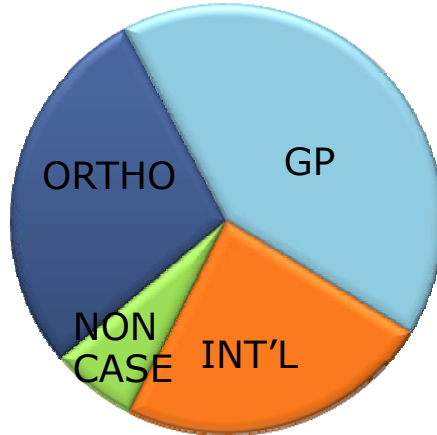
Q2 09 Revenue: \$76.3M

N.A. Ortho: 28.3%

- +2.3% Q/Q
- -6.2% Y/Y

N.A. GP: 41.6%

- +2.7% Q/Q
- -10.7% Y/Y



Non-case: 6.5%

- +27.6% Q/Q
- +0.7% Y/Y

Int'l: 23.6%

- +26.6% Q/Q
- +9.9% Y/Y

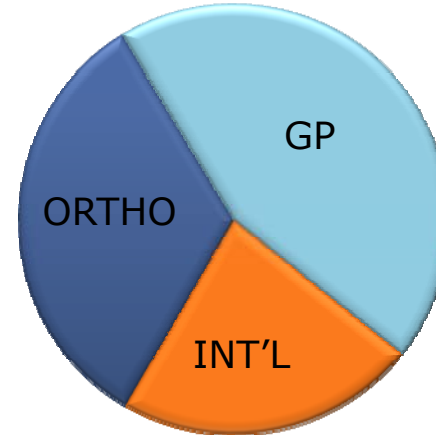
Q2 09 Case Shipments: 53,005

N.A. Ortho: 33.0%

- +3.4% Q/Q
- -3.4% Y/Y

N.A. GP: 44.4%

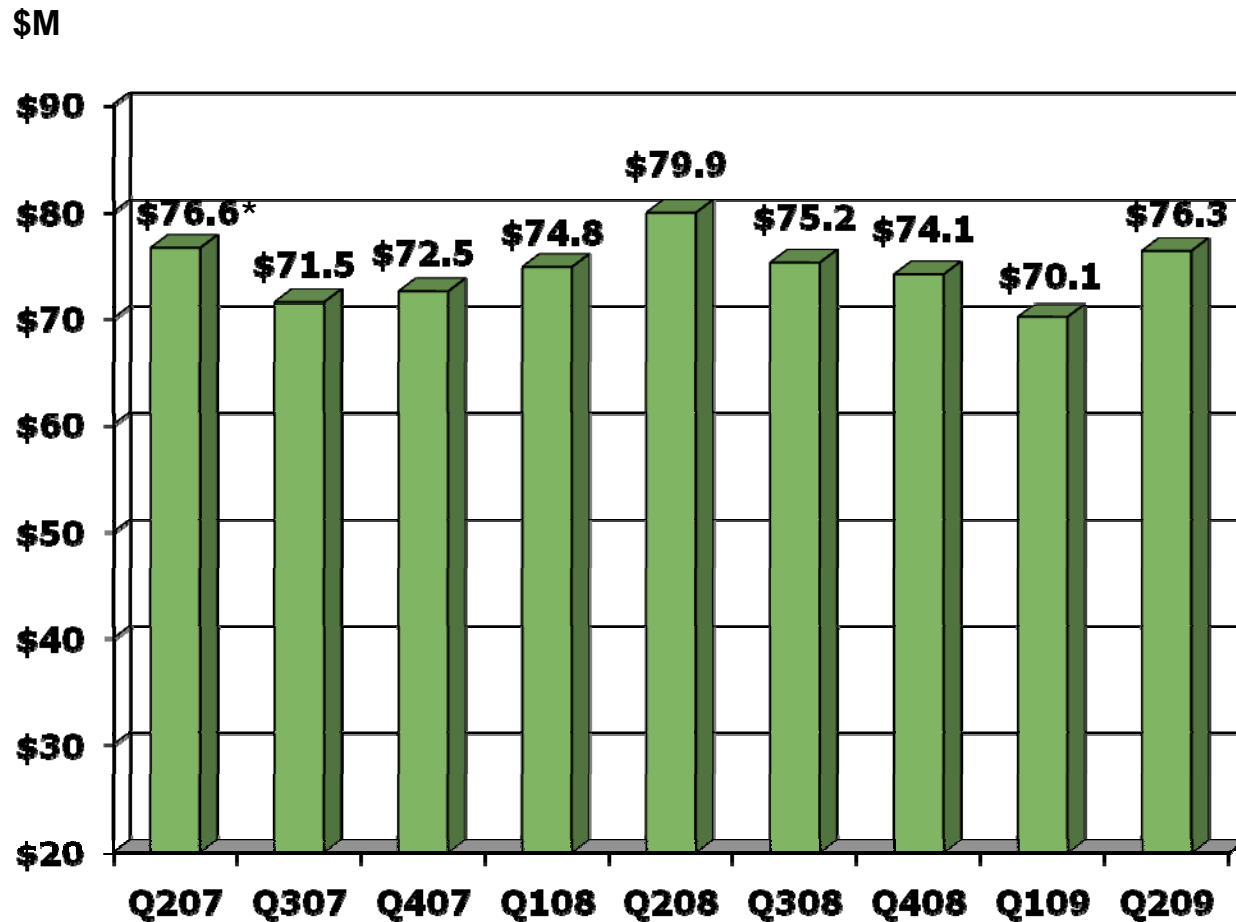
- +0.8% Q/Q
- -13.2% Y/Y



Int'l: 22.6%

- +22.1% Q/Q
- +24.1% Y/Y

Revenue Trend



*Q207 includes 4K cases or \$5.2M from the reduction of backlog caused by the allocation of capacity to the Patients First Program during Q406 and Q107.

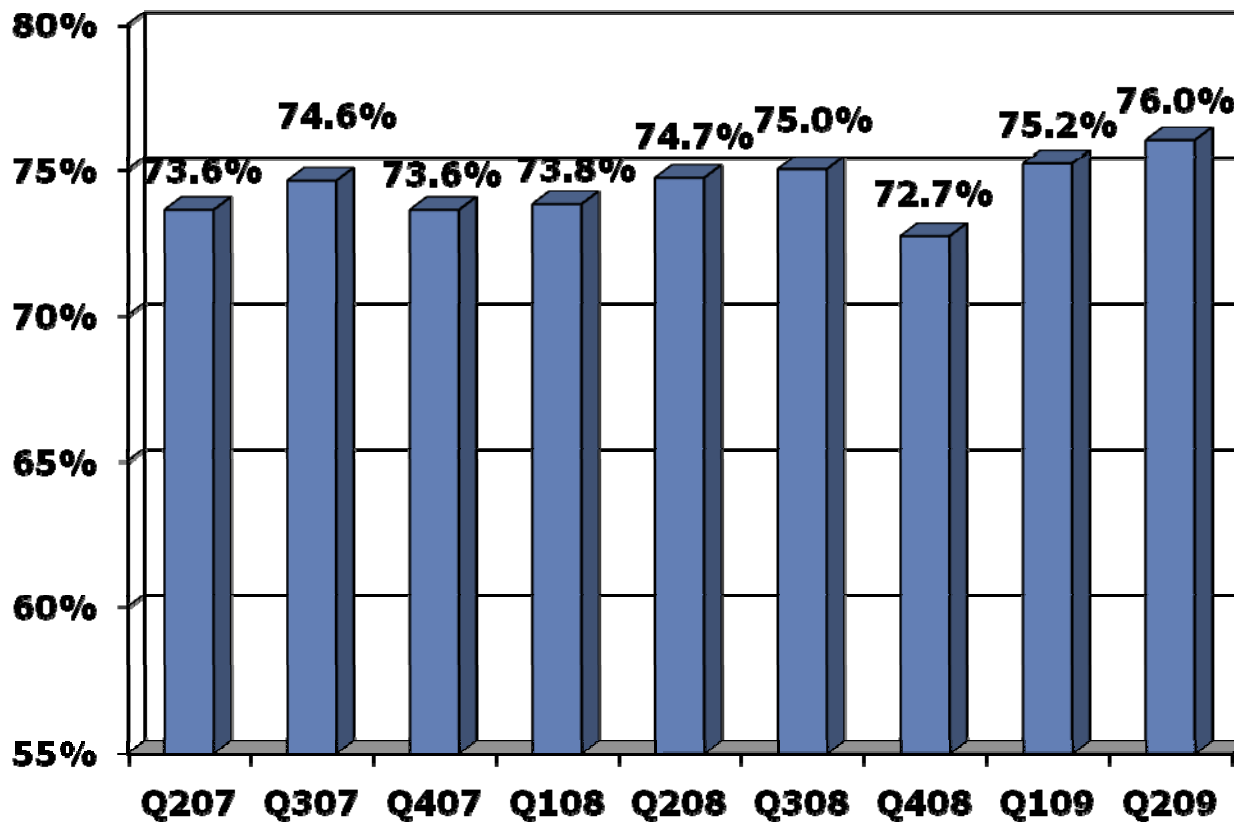
GAAP Financials

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Q209 Revenue Highlights

- Revenues +8.8% Q/Q, -4.5% Y/Y
- Strong sequential International growth and continued adoption of Invisalign Teen
 - Benefit from full quarter of shipments with higher ASP in North America and
 - Benefit from exchange rates associated with International shipments
 - Partially offset by an increased amount of revenue deferrals related to new products such as Teen
- International revenues +26.6% Q/Q, but only 9.9% Y/Y largely due to the impact of foreign exchange rates as the Dollar has strengthened against the Euro

Gross Margin Trend

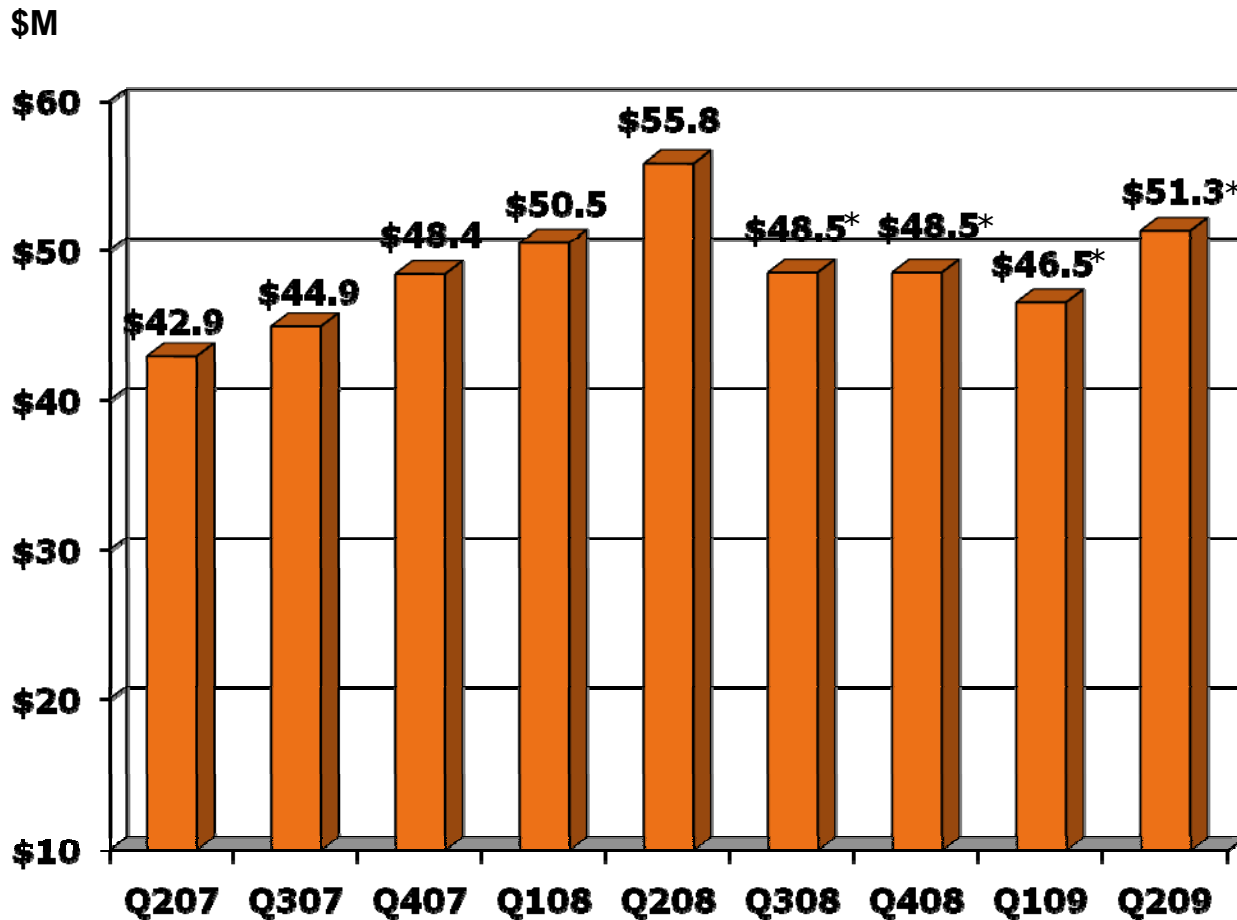


Q209 Gross Margin Highlights

- + 0.8% pts Q/Q
- + 1.3% pts Y/Y
- Gross margin largely reflects higher ASPs
- Includes \$406K in stock based compensation expense

GAAP Financials

Operating Expenses Trend



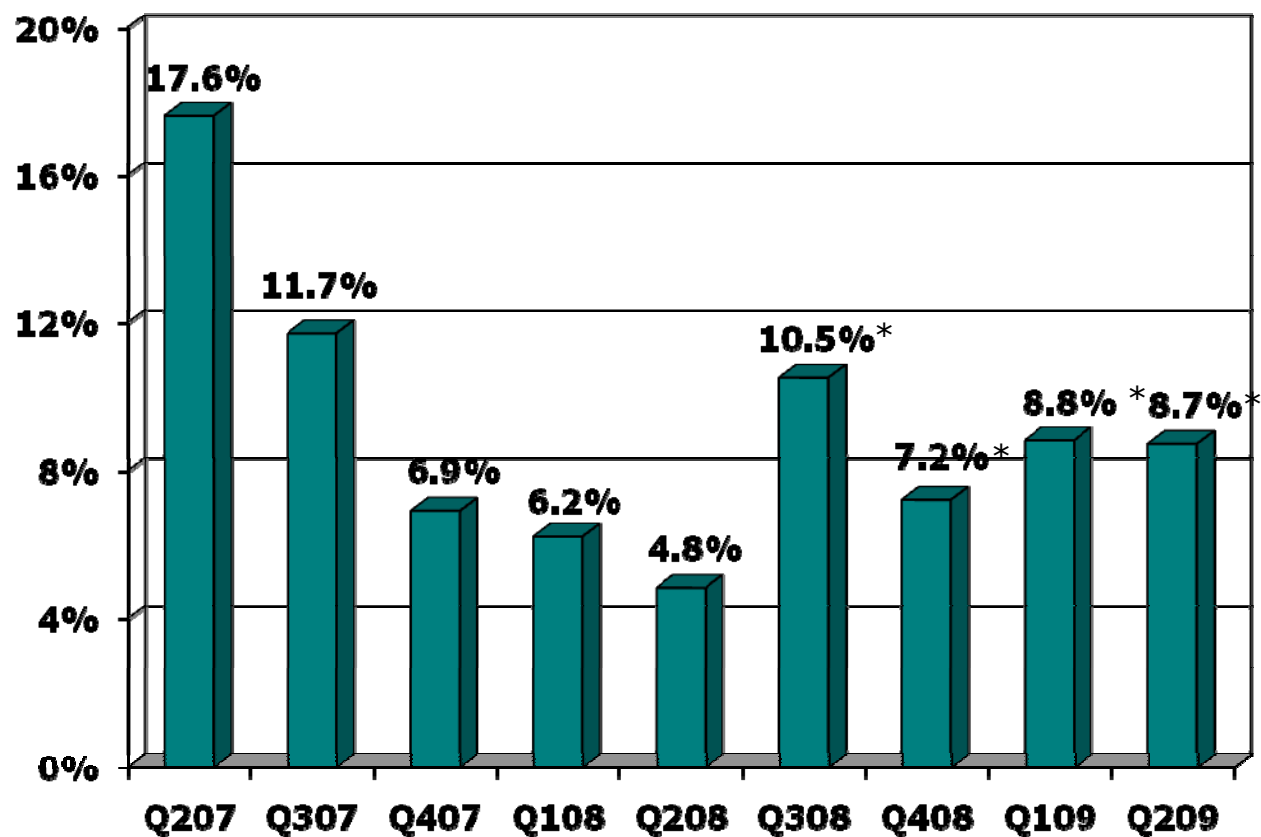
Q209 OpEx* Highlights

- Increased 10.3% Q/Q
- Decrease 8.0% Y/Y
- Reflects the increased spend associated with the Invisalign Teen PR campaign, customer events including our European summit and the AAO tradeshow, and costs related to the Ormco litigation
- Non-GAAP opex excludes restructuring charges of \$409K
- Q2 will be the last quarter that we will be recording restructuring charges related to the October 2008 actions

* Non-GAAP

A reconciliation of GAAP to Non-GAAP can be found at <http://investor.aligntech.com> under Financial Information > Quarterly Results for each respective quarter.

Operating Margin Trend



Q209 Op Margin* Highlights

- - 0.1% pts. Q/Q
- + 3.9% pts. Y/Y as a result of continued focus on operating expense management

* Non-GAAP

A reconciliation of GAAP to Non-GAAP can be found at <http://investor.aligntech.com> under Financial Information > Quarterly Results for each respective quarter.

Balance Sheet Highlights

	Q209	Q109	Q208
Cash, Cash Equivalents, & Short Term Marketable Securities	\$143.1	\$124.7	\$110.1M
Cash Flow from Operations	\$18.5M	\$10.6M	\$10.5M
DSOs	63 days	66 days	57days

- In Q2, deferred revenue on the balance sheet increased by \$3.5M to \$23.1M or 17.7% sequentially. This primarily represents the revenue deferrals associated with new products, Invisalign Teen, Assist and Vivera. Deferred revenue for new products will begin to be recognized in the P&L as the initial cases complete towards the end of 2009 and early 2010.

Financial Outlook

Q3 Fiscal 2009 Outlook

	Q3 09 Outlook	Fiscal 2009 Outlook
Revenue	\$71.0M – \$74.5M	
Case Shipments	51K – 53K	
Gross Margin	75.0% – 75.5%	
Operating Expenses	\$49.0M – \$50.5M	
Operating Margin	6% – 8%	
GAAP EPS, diluted	\$0.03 – \$0.05	
Effective tax rate	35% – 40%	
Stock based compensation	\$4.6M	\$16.8M
Diluted shares outstanding	68M	68M
Cash	\$150M - \$155M	
DSOs	Mid 60's	

Contact Align Technology Investors Relations at:

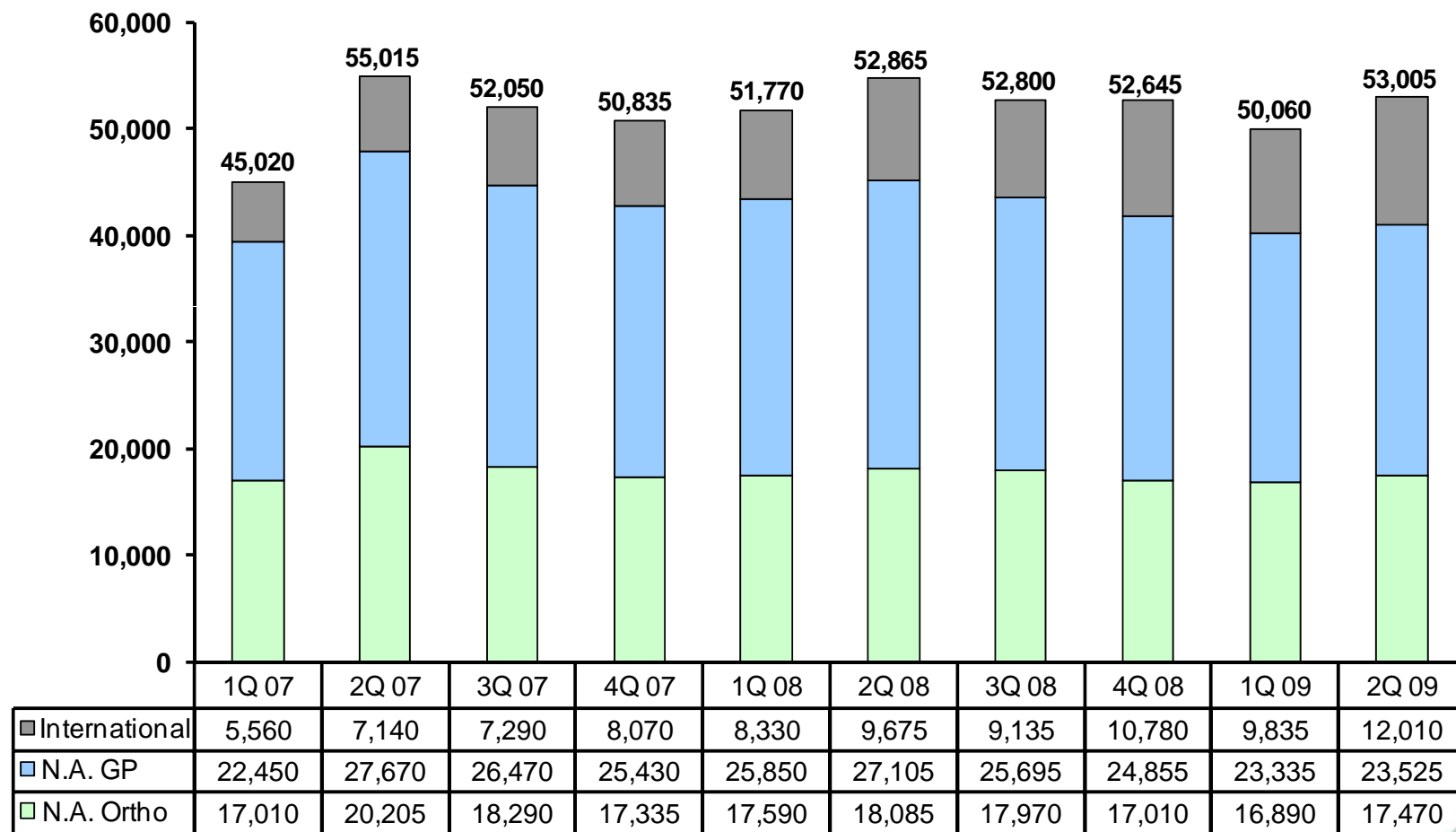
- Email: investorinfo@aligntech.com
- Tel: (408) 470-1000
- Shirley Stacy, Senior Director, Investor Relations
- Yin Cantor, Manager, Investor Relations

Additional Data

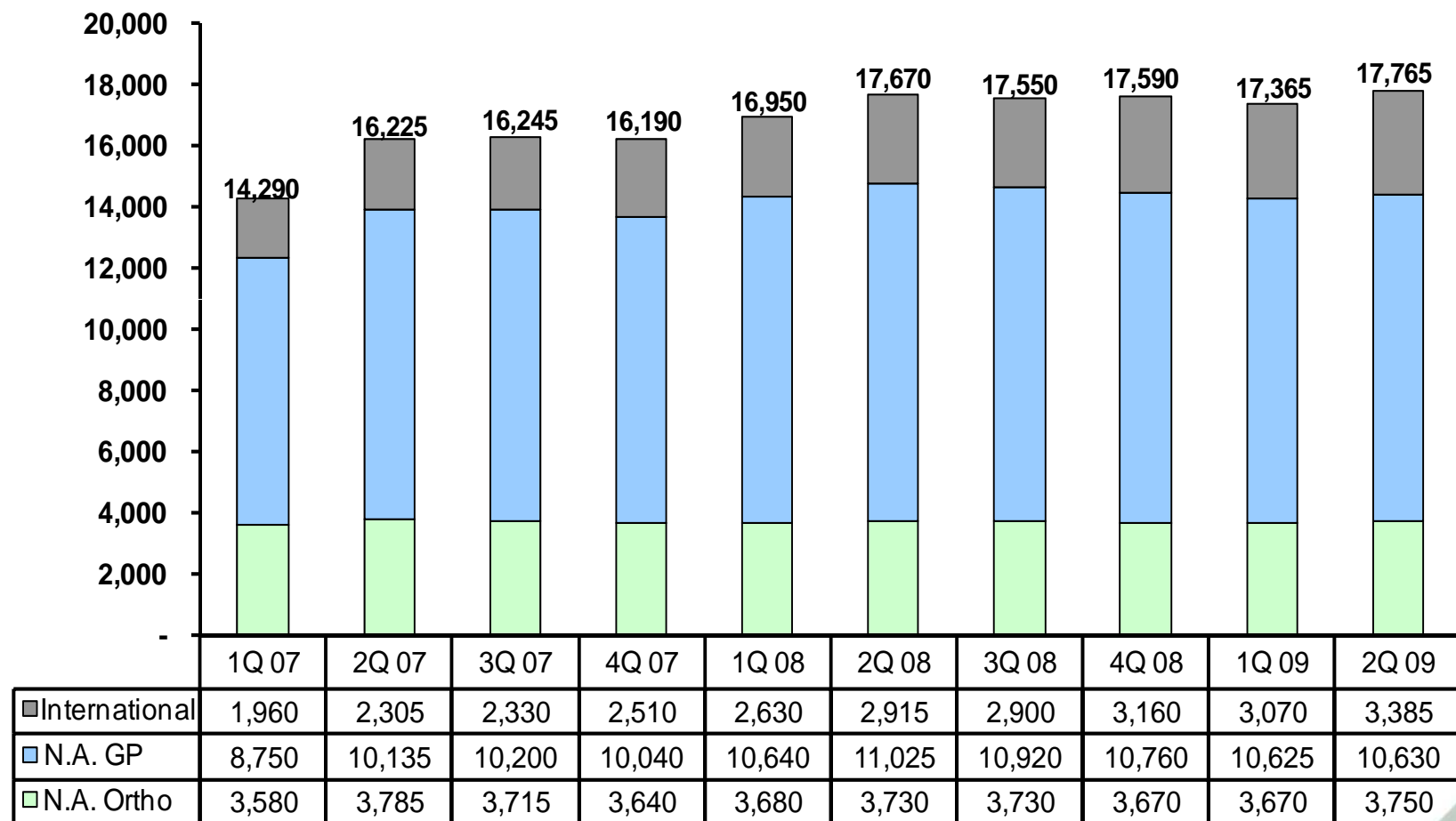
Historical Information as of 6/30/09

Note: Some previously provided historical information has been adjusted to reflect changes in rounding methodology.

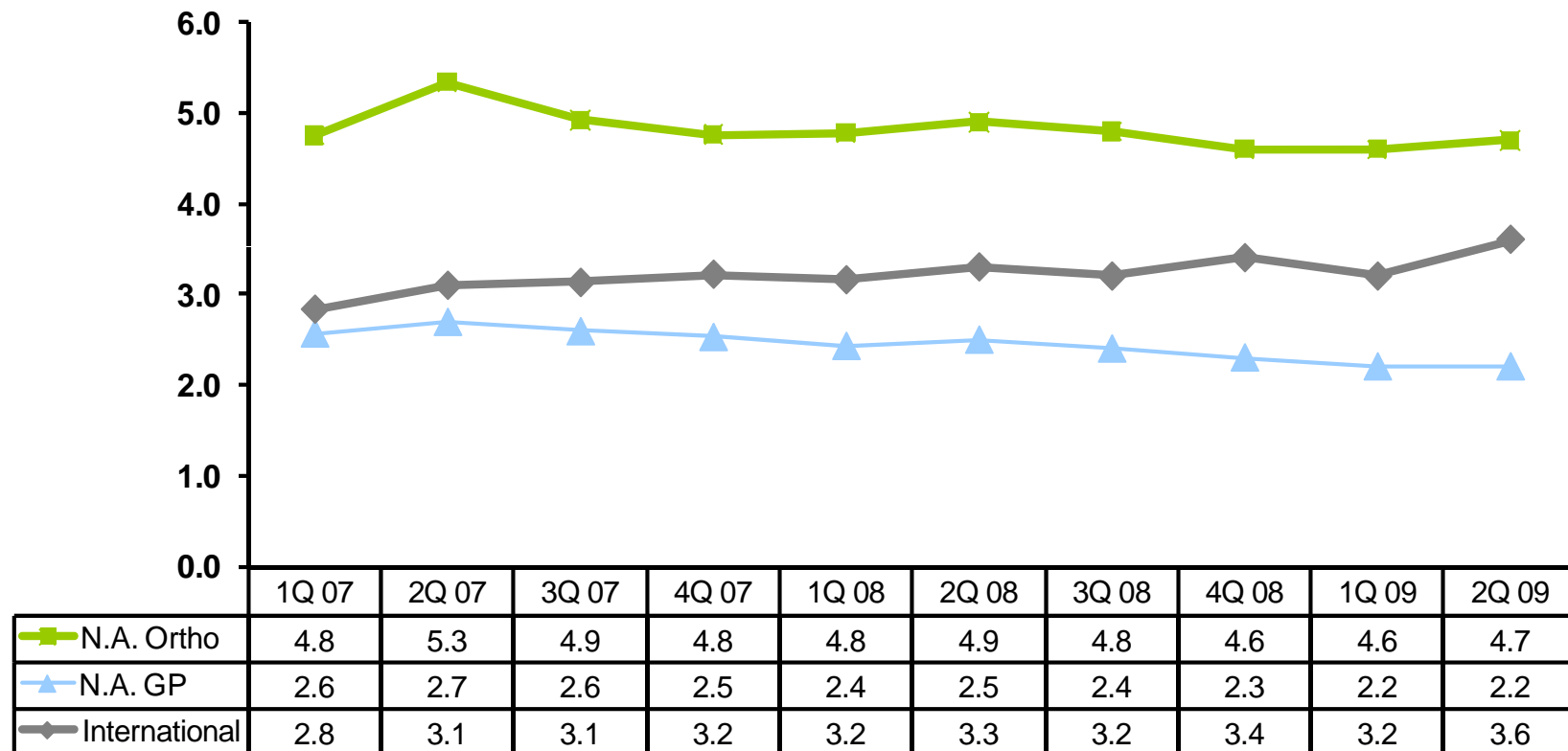
Cases Shipped By Channel



Total # of Doctors Cases Were Shipped To

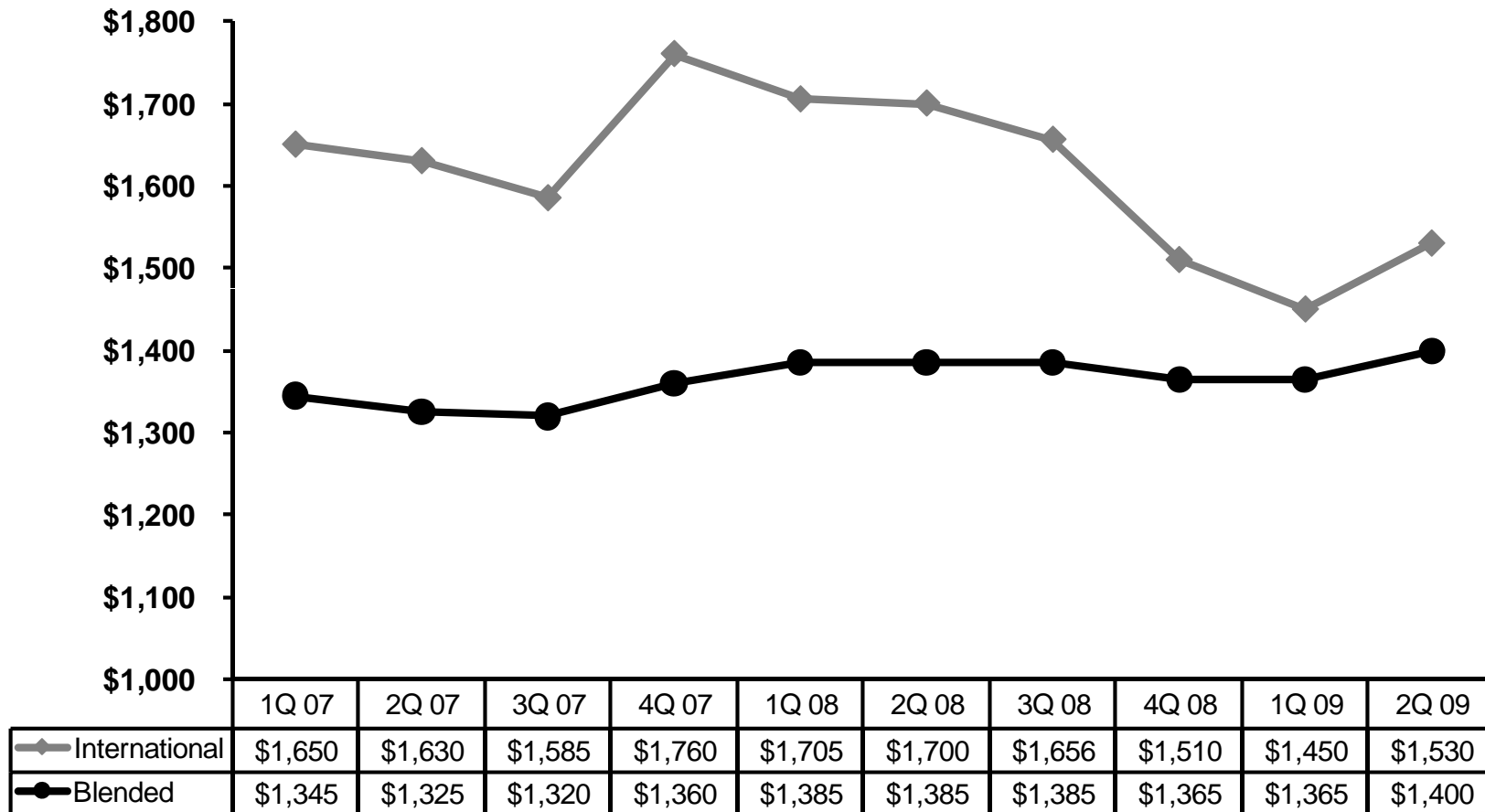


Utilization Rate*



*Utilization Rate = # of Cases Shipped / # of Doctors Cases Are Shipped To

Average Selling Price (ASP)



* Beginning in Q1 2008, ASPs reflect gross revenue prior to impact from new products deferrals

◆ Beginning in Q1 2009, blended ASPs do not include Align's retainer business



ALIGN TECHNOLOGY, INC.

Quarterly Financial Results Q2 FY2009