

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: October 26, 2017
(Date of earliest event reported)

Align Technology, Inc.
(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction of incorporation)

0-32259
(Commission File Number)

94-3267295
(IRS Employer Identification Number)

2820 Orchard Parkway, San Jose, CA
(Address of principal executive offices)

95134
(Zip Code)

(408) 470-1000
(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:

- 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))

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 2.02. Results of Operations and Financial Condition

On October 26, 2017, Align Technology, Inc. ("Align") is issuing a press release and holding a conference call regarding its financial results for its third quarter ended September 30, 2017. The full text of the press release is furnished as Exhibit 99.1 to this Form 8-K.

This information shall not be deemed "filed" for purposes of Section 18 of the Securities and 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

[Press Release of Align Technology, Inc. dated October 26, 2017](#)

Signature

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.

Dated: October 26, 2017

Align Technology, Inc.

By: /s/ Roger E. George
Roger E. George
Vice President, Legal and Corporate
Affairs and General Counsel

Exhibit Index

Exhibit No.

99.1

Description

Press Release of Align Technology, Inc. dated October 26, 2017

Align Technology Announces Record Third Quarter 2017 Results

SAN JOSE, CA -- (Marketwired - October 26, 2017) -

-- Q3 revenues up 38.3% year-over-year, up 8.1% sequentially to a record

\$385.3 million

-- Q3 total Invisalign case shipments up 32.8% year-over-year to 236.1

thousand

-- Q3 Invisalign case shipments to teenage patients up 46.3% year-over-

year, up 26.5% sequentially

-- Q3 scanner and services revenues up 25.0% year-over-year, up 23.2%

sequentially to \$43.7 million

-- Q3 diluted EPS \$1.01, up 60.3% year-over-year

Align Technology, Inc. (NASDAQ: ALGN) today reported financial results for the third quarter ended September 30, 2017. Invisalign case shipments in the third quarter

Commenting on Align's Q3 2017 results, Align Technology President and CEO Joe Hogan said, "I'm pleased to report another strong quarter and results that exceeded our

GAAP Summary Financial Comparisons
Third Quarter Fiscal 2017

Q3'17 Q2'17 Q3'16 Q/Q Change Y/Y Change

Invisalign Case

Shipments* 236,065 231,890 177,755 +1.8% +32.8%

Net Revenues \$385.3M \$356.5M \$278.6M +8.1% +38.3%

Clear Aligner** \$341.6M \$321.0M \$243.7M +6.4% +40.2%

Scanner & Services \$43.7M \$35.4M \$34.9M +23.2% +25.0%

Net Profit \$82.6M \$69.2M \$51.4M +19.3% +60.7%

Diluted EPS \$1.01 \$0.85 \$0.63 +\$0.16 +\$0.38

Note: Changes and percentages are based on actual values and may affect totals due to rounding

* Invisalign Shipment figures do not include SmileDirectClub aligners

** Clear aligner revenue includes revenues from Invisalign clear aligners and SmileDirectClub aligners

As of September 30, 2017, Align had \$737.9 million in cash, cash equivalents and marketable securities compared to \$676.6 million as of June 30, 2017. During Q3'17,

Q3 2017 Business Highlights

-- Align Technology Introduces a New Brand Identity for iTero® Scanning

System and Tools: Align announced a new global brand identity for the

company's leading iTero® scanning system and innovative tools at the

recent bi-annual Invisalign GP Summit customer event. The introduction

of a new, vibrant brand identity for the iTero scanner reflects its

critical and central role in digital treatment and the practice of the

future.

-- Patterson Dental and Align Technology Announce Distribution Agreement

for iTero® Element Intraoral Scanning System: Align announced a

distribution agreement for Align's iTero Element intraoral scanning

system. This agreement provides access to Patterson's sales force and

general dentist customers who are looking to grow their business through

practice digitization. The iTero scanner enables dentists to scan in as

little as 60 seconds, visualize changes in dentition, and perform

restorative and orthodontic workflows that enhance their patient care

and help them grow their practice.

-- Align Technology Moves Corporate Headquarters to New Buildings in San

Jose, California: In August, Align relocated its corporate headquarters

to a new location at 2820 Orchard Parkway, San Jose, CA. The Company had

purchased the new buildings in January 2017 in anticipation of the lease

expiration for its prior location.

-- Align Technology Expands Its Presence in Raleigh, North Carolina with

Larger Office to Support Continued Headcount Growth: Align has opened a larger office in Raleigh, North Carolina to accommodate headcount growth and leverage the area's diverse and broad-based talent resources. Align intends to hire more than 200 employees over the next several years in Raleigh in various areas illustrating its commitment to driving continued innovation and supporting its expanding customer base globally.

-- Align Technology Opens First Office in Canada to Support Continued

Growth: In August, Align opened its' first office in Canada to support continued growth across the region. Canada is Align's second largest country market and has a large opportunity for expansion and accelerated growth. Sian Roberts, who joined Align earlier this year as VP and General Manager, will lead the strategy and execution for Canada.

Q4 2017 Business Outlook

For the fourth quarter of 2017 (Q4'17), Align provides the following guidance:

-- Invisalign case shipments in the range of 245 thousand to 250 thousand,

up approximately 29% to 32% over the same period a year ago.

-- Net revenues in the range of \$391 million to \$398 million, up

approximately 33% to 36% over the same period a year ago.

-- Diluted EPS in the range of \$0.92 to \$0.95.

Align Web Cast and Conference Call

Align will host a conference call today, October 26, 2017 at 4:30 p.m. ET, 1:30 p.m. PT, to review its third quarter 2017 results, discuss future operating trends and

about Align Technology, Inc.

Align Technology designs and manufactures the Invisalign® system, the most advanced clear aligner system in the world, and iTero® intraoral scanners and services. AI

For additional information about the Invisalign system or to find an Invisalign provider in your area, please visit www.invisalign.com. For additional information at

Forward-Looking Statement

This news release, including the tables below, contains forward-looking statements, including statements regarding certain business metrics for the fourth quarter of

ALIGN TECHNOLOGY, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

Three Months Ended Nine Months Ended

September 30, September 30, September 30, September 30,
2017 2016 2017 2016

Net revenues \$ 385,267 \$ 278,589 \$ 1,052,090 \$ 786,671

Cost of net revenues 92,779 69,387 253,060 191,626

Gross profit 292,488 209,202 799,030 595,045

Operating expenses:

Selling, general

and administrative 169,524 126,708 483,636 360,385

Research and

development 24,201 20,415 71,389 54,111

Total operating

expenses 193,725 147,123 555,025 414,496

Income from

operations 98,763 62,079 244,005 180,549

Interest and other

income (expense),

net 3,750 1,463 8,607 1,161

Net income before
provision for
income taxes and
equity in losses of
investee 102,513 63,542 252,612 181,710

Provision for income
taxes 18,344 11,698 26,508 39,172

Equity in losses of
investee, net of
tax 1,614 477 4,950 477

Net income \$ 82,555 \$ 51,367 \$ 221,154 \$ 142,061
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Net income per
share:
Basic \$ 1.03 \$ 0.64 \$ 2.76 \$ 1.78
=====

Diluted \$ 1.01 \$ 0.63 \$ 2.71 \$ 1.74
=====

Shares used in
computing net
income per share:
Basic 80,163 79,977 80,086 79,920
=====

Diluted 81,789 81,466 81,757 81,523
=====

ALIGN TECHNOLOGY, INC.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

September 30, December 31,

2017 2016

ASSETS

Current assets:

Cash and cash equivalents \$ 362,613 \$ 389,275

Marketable securities, short-term 316,454 250,981

Accounts receivable, net 321,328 247,415

Inventories 36,941 27,131

Prepaid expenses and other current assets 63,667 38,176

Total current assets 1,101,003 952,978

Marketable securities, long-term 58,842 59,783

Property, plant and equipment, net 295,901 175,167

Equity method investments 52,875 45,061

Goodwill and intangible assets, net 90,070 81,998

Deferred tax assets 73,532 67,844

Other assets 25,400 13,320

Total assets \$ 1,697,623 \$ 1,396,151
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$ 45,942	\$ 28,596
Accrued liabilities	173,851	134,332
Deferred revenues	241,576	191,407

Total current liabilities	461,369	354,335
Income tax payable	45,375	45,133
Other long-term liabilities	8,921	1,294

Total liabilities	515,665	400,762
Total stockholders' equity	1,181,958	995,389

Total liabilities and stockholders' equity	\$ 1,697,623	\$ 1,396,151
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ALIGN TECHNOLOGY, INC.
INVISALIGN BUSINESS METRICS*

	Q1	Q2	Q3	Q4
2016	2016	2016	2016	2016
Invisalign Average Selling Price (ASP):				
Worldwide ASP	\$ 1,255	\$ 1,285	\$ 1,285	\$ 1,230
International ASP	\$ 1,315	\$ 1,345	\$ 1,365	\$ 1,315
Invisalign Cases Shipped by Geography:				
North America	110,500	114,855	115,900	122,555
International	53,195	62,140	61,855	67,500

Total Cases Shipped	163,695	176,995	177,755	190,055
=====				
YoY % growth	25.2%	22.4%	20.5%	18.5%
QoQ % growth	2.1%	8.1%	0.4%	6.9%
Number of Invisalign Doctors Cases Were Shipped To:				
North America	22,355	22,575	22,570	23,265
International	11,280	12,485	12,720	13,635

Total Doctors Cases Shipped To	33,635	35,060	35,290	36,900
=====				
Invisalign Doctor Utilization Rates*:				
North America	4.9	5.1	5.1	5.3
North American Orthodontists	10.4	10.7	11.1	11.3
North American GP Dentists	3.0	3.1	3.0	3.2
International	4.7	5.0	4.9	5.0
Total Utilization Rates	4.9	5.1	5.0	5.2
* # of cases shipped/# of doctors to whom cases were shipped				
Number of Invisalign Doctors Trained:				
North America	875	1,125	1,300	1,420
International	1,605	1,760	1,315	2,280

Total Doctors Trained Worldwide	2,480	2,885	2,615	3,700
=====				
Total to Date Worldwide	106,270	109,155	111,770	115,470
=====				

Fiscal Q1 Q2 Q3

2016 2017 2017 2017

Invisalign Average Selling Price (ASP):

Worldwide ASP \$ 1,265 \$ 1,270 \$ 1,285 \$ 1,310

International ASP \$ 1,335 \$ 1,325 \$ 1,335 \$ 1,390

Invisalign Cases Shipped by Geography:

North America 463,810 132,885 146,510 144,870

International 244,690 75,175 85,380 91,195

Total Cases Shipped 708,500 208,060 231,890 236,065

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YoY % growth 21.5% 27.1% 31.0% 32.8%

QoQ % growth 9.5% 11.5% 1.8%

Number of Invisalign Doctors Cases Were

Shipped To:

North America 34,065 23,910 24,695 24,845

International 20,415 14,955 16,570 17,760

Total Doctors Cases Shipped To 54,480 38,865 41,265 42,605

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Invisalign Doctor Utilization Rates*:

North America 13.6 5.6 5.9 5.8

North American Orthodontists 36.6 12.6 13.6 13.8

North American GP Dentists 7.6 3.1 3.3 3.1

International 12.0 5.0 5.2 5.1

Total Utilization Rates 13.0 5.4 5.6 5.5

* # of cases shipped/# of doctors to

whom cases were shipped

Number of Invisalign Doctors Trained:

North America 4,720 980 1,620 1,460

International 6,960 2,280 3,255 2,820

Total Doctors Trained Worldwide 11,680 3,260 4,875 4,280

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Total to Date Worldwide 115,470 118,730 123,605 127,885

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Note: Historical public data may differ due to rounding. Additionally, rounding may affect totals.

*Invisalign business metrics exclude SmileDirectClub aligners.

ALIGN TECHNOLOGY, INC.

STOCK-BASED COMPENSATION

(in thousands)

Q1 Q2 Q3 Q4

2016 2016 2016 2016

Stock-based Compensation (SBC)

SBC included in Gross Profit \$ 961 \$ 932 \$ 995 \$ 1,078

SBC included in Operating Expenses 11,563 12,767 12,716 13,136

Total SBC Expense \$ 12,524 \$ 13,699 \$ 13,711 \$ 14,214

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Fiscal Q1 Q2 Q3

2016 2017 2017 2017

Stock-based Compensation (SBC)

SBC included in Gross Profit \$ 3,966 \$ 925 \$ 768 \$ 833

SBC included in Operating Expenses 50,182 13,887 13,477 14,134

Total SBC Expense \$ 54,148 \$ 14,812 \$ 14,245 \$ 14,967

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ALIGN TECHNOLOGY, INC.

BUSINESS OUTLOOK SUMMARY

(unaudited)

The outlook figures provided below and elsewhere in this press release are approximate in nature since Align's business outlook is difficult to predict. Align's future performance involves numerous risks and uncertainties and the company's results could differ materially from the outlook provided. Some of the factors that could affect Align's future financial performance and business outlook are set forth under "Forward Looking Information" above in this press release.

Financial Outlook

(in millions, except per share amounts and percentages)

Q4'17 Guidance

GAAP

Net Revenues \$391 - \$398

Gross Margin 75.0% - 75.5%

Operating Expenses \$198 - \$202

Operating Margin 24.3% - 24.8%

Net Income per Diluted Share \$0.92 - \$0.95 (1)

Business Metrics: Q4'17

Case Shipments 245K - 250K

Capital Expenditure \$55M - \$60M

Depreciation & Amortization \$10.5M - \$11M

Diluted Shares Outstanding 81.9M (2)

Stock Based Compensation Expense \$15.3M

Effective Tax Rate 22% (1)

(1) Includes the benefit from the adoption of the new accounting standard update for share-based compensation

(2) Excludes any stock repurchases during the quarter

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