



February 28, 2018

Align Technology Rejects SmileDirectClub Claim That Invisalign Store Pilot Constitutes Breach of Non-Compete and Confidentiality Provisions

SAN JOSE, CA -- (Marketwired) -- 02/28/18 -- Align Technology, Inc. (NASDAQ: ALGN) today announced that it included the following disclosure in its Form 10-K for the year ended December 31, 2017. Align is currently evaluating the potential impact that this could have on our consolidated financial statements; however, Align does not anticipate this matter to impact its expected volumes and revenues from SmileDirectClub (SDC) for 2018.

In February 2018, we received a communication on behalf of SDC Financial LLC, SmileDirectClub LLC, and the Members of SDC Financial LLC other than Align (collectively, the "SDC Entities") alleging that the launch and operation of our Invisalign store pilot program constitutes a breach of non-compete provisions applicable to the members of SDC Financial LLC, including Align. As a result of this alleged breach, SDC Financial LLC has notified Align that its members (other than Align) seek to exercise a right to repurchase all of Align's SDC Financial LLC membership interests for a purchase price equal to the current capital account balance of Align. The SDC Entities also allege that Align has breached confidentiality provisions applicable to the SDC Financial LLC members and demands that Align cease all activities related to the Invisalign store pilot project, close existing Invisalign stores and cease using SDC's confidential information. Align disputes the allegations that it has breached its obligations to the SDC Entities, including the allegation that the SDC Entities are entitled to exercise a repurchase right. Pursuant to the parties' agreement, the dispute will be arbitrated if it is not resolved through negotiations.

Commenting on today's filing, Align Technology President and CEO Joe Hogan said, "We are surprised that SmileDirectClub (SDC) has asserted that the launch of our Invisalign pilot stores violates our non-compete or confidentiality agreements with SDC. The Invisalign pilot store is the evolution of years of Invisalign consumer marketing designed to connect interested consumers with Invisalign doctor-led offices for treatment. Align has consistently acted in good faith and will work to resolve these allegations as quickly as possible. This dispute does not impact Align's existing supply agreement with SDC which remains in place through 2019 and includes a minimum volume commitment. We are currently evaluating the potential impact that this could have on our consolidated financial statements and we do not anticipate this matter to impact expected volumes and revenues from SDC for 2018. Align will continue to operate its Invisalign store pilot program, which includes a pilot store in San Francisco and a new pilot store that opened in San Jose, California last week."

Forward Looking Statement:

This release may contain forward-looking statements based on Align Technology's current expectations. These forward-looking statements involve risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include, uncertainties involved in any contract dispute resolution and the possibility of Align choosing to settle the litigation for business or other reasons. These factors, as well as other factors that could cause actual results to differ materially, are discussed in more detail in Align Technology's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission on February 28, 2018, as well as in other reports and documents filed from time to time with the Securities and Exchange Commission.

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. Align's products help dental professionals achieve the clinical results they expect and deliver effective, cutting-edge dental options to their patients. Visit www.aligntech.com for more information.

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

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