

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) July 20, 2005

ALIGN TECHNOLOGY, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

0-32259

(Commission File Number)

94-3267295

(IRS Employer Identification No.)

881 Martin Avenue, Santa Clara, California

(Address of Principal Executive Offices)

95050

(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 (see General Instruction A.2. below):

- 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))

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On July 20, 2005, Align Technology, Inc. ("Align") is issuing a press release and holding a conference call regarding its financial results for its second quarter ended June 30, 2005. 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.

Align is making reference to non-GAAP financial information in both the press release and the conference call. A reconciliation of non-GAAP financial measures contained in this press release to the comparable GAAP financial measures is contained in the attached press release and a reconciliation of these and other non-GAAP financial information provided on the conference call is contained on the Investor Relations section of our website at investor.aligntech.com.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) EXHIBITS.

| EXHIBIT NO. | DESCRIPTION |
|-------------|-------------------------------------------------------------|
| 99.1 | Press Release of Align Technology, Inc. dated July 20, 2005 |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 20, 2005

ALIGN TECHNOLOGY, INC.

By: /s/ Eldon M. Bullington

Eldon M. Bullington
Vice President of Finance and
Chief Financial Officer

INDEX TO EXHIBITS

EXHIBIT NO.

DESCRIPTION

99.1

Press Release of Align Technology, Inc. dated July 20, 2005

ALIGN TECHNOLOGY, INC. REPORTS Q2 2005 REVENUES OF \$53.9M AND EPS OF \$0.01

SANTA CLARA, Calif., July 20 /PRNewswire-FirstCall/ -- Align Technology, Inc. (Nasdaq: ALGN), the inventor of Invisalign(R), a proprietary method of straightening teeth without wires and brackets, today reported financial results for the second quarter of 2005. Total revenues for the second quarter of 2005 were \$53.9 million, compared to \$44.2 million in the second quarter of 2004, an increase of 22.0 percent.

"We are pleased with our financial results for the second quarter 2005, especially given the emergence of competition in the marketplace," stated Thomas M. Prescott, Align Technology's President and CEO. "Align is on track to execute key strategic programs, and our employees are as excited and committed as ever to building a great company for our customers and shareholders."

The net profit for the second quarter of 2005, as reported on a GAAP basis, was \$538 thousand, or earnings per share (EPS) of \$0.01. This compares to a GAAP net profit of \$3.8 million for the second quarter of 2004, or EPS of \$0.06 per share. For comparison purposes, this also compares to a non-GAAP net profit of \$5.6 million for the second quarter of 2004 or non-GAAP EPS of \$0.09. Non-GAAP net profit excludes the effects of stock-based compensation. The reconciliation of the GAAP to non-GAAP measurements for net profit and EPS is set forth below within Align Technology's financial statements.

As of June 30, 2005, Align had \$73.4 million in cash and cash equivalents, compared to \$70.0 million as of December 31, 2004.

Align Webcast and Conference Call

Align Technology will host a webcast and conference call today, July 20, 2005 at 10:00 a.m. EDT, 7:00 a.m. PDT, to review the second quarter of 2005 results and discuss future operating trends and guidance. To access the webcast, click on "Webcasts & Presentations" on Align Technology's Investor Relations web site at <http://investor.aligntech.com>. To access the conference call, please dial 201-689-8341 approximately fifteen minutes prior to the start of the call. If you are unable to listen to the call, an archived web cast will be available beginning approximately one hour after the call's conclusion and will be available on our website. Additionally, a telephonic replay of the call can be accessed by dialing 877-660-6853 with account number 292 followed by # and conference number 151233 followed by #. The replay may be accessed from international locations by dialing 201-612-7415 and using the same account and conference numbers referenced above. The telephonic replay will be available through 5:30 p.m. EDT on August 3, 2005.

About Align Technology, Inc.

Align Technology designs, manufactures and markets Invisalign, a proprietary method for treating malocclusion, or the misalignment of teeth. Invisalign corrects malocclusion using a series of clear, nearly invisible, removable appliances that gently move teeth to a desired final position. Because it does not rely on the use of metal or ceramic brackets and wires, Invisalign significantly reduces the aesthetic and other limitations associated with braces. Invisalign is appropriate for treating adults and older teens. Align Technology was founded in April 1997 and received FDA clearance to market Invisalign in 1998.

To learn more about Invisalign or to find a certified Invisalign doctor in your area, please visit www.invisalign.com or call 1-800-INVISIBLE.

Forward-Looking Statements

This news release contains forward-looking statements, including statements regarding Align's statement that it is on track to execute key strategic programs. Forward-looking statements contained in this news release 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, risks relating to Align's ability to sustain or increase profitability or revenue growth in future periods while controlling expenses, Align's limited operating history, competition from

manufacturers of traditional braces and new competitors, including OrthoClear, demand for Invisalign and acceptance of Invisalign and any new enhancements or new products by consumers and dental professionals, our ability to develop and successfully introduce new products, Align's ability to protect its intellectual property rights, potential intellectual property or product liability claims or litigation, and the loss of key personnel including members of Align's direct sales force. 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, 2004, which was filed with the Securities and Exchange Commission on March 3, 2005, and its Quarterly Reports on Form 10-Q. Align undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

ALIGN TECHNOLOGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

| (in thousands, except per share data) | Three Months Ended | | Six Months Ended | |
|-----------------------------------------------|--------------------|------------------|------------------|------------------|
| | June 30, 2005 | June 30, 2004 | June 30, 2005 | June 30, 2004 |
| Revenues | \$ 53,940 | \$ 44,204 | \$ 105,095 | \$ 83,409 |
| Cost of revenues | 16,620 | 14,250 | 32,098 | 27,643 |
| Gross profit | 37,320 | 29,954 | 72,997 | 55,766 |
| Operating expenses: | | | | |
| Sales and marketing | 21,049 | 13,399 | 40,183 | 26,671 |
| General and administrative | 9,723 | 8,656 | 19,234 | 16,933 |
| Research and development | 5,355 | 3,558 | 10,258 | 6,904 |
| Total operating expenses | 36,127 | 25,613 | 69,675 | 50,508 |
| Profit from operations | 1,193 | 4,341 | 3,322 | 5,258 |
| Interest and other income (expense), net | (238) | (175) | (298) | (402) |
| Provision for income taxes | (417) | (394) | (623) | (527) |
| Net profit | \$ 538 | \$ 3,772 | \$ 2,401 | \$ 4,329 |
| Net profit per share | | | | |
| - basic | \$ 0.01 | \$ 0.06 | \$ 0.04 | \$ 0.07 |
| - diluted | \$ 0.01 | \$ 0.06 | \$ 0.04 | \$ 0.07 |
| Shares used in computing net profit per share | | | | |
| - basic | 61,484 | 59,692 | 61,367 | 59,391 |
| - diluted | 62,953 | 64,461 | 62,939 | 64,392 |

ALIGN TECHNOLOGY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

| (in thousands) | June 30, 2005 | December 31, 2004 |
|-----------------------------------------------|------------------|----------------------|
| ----- | | |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 73,014 | \$ 69,659 |
| Restricted cash | 402 | 303 |
| Accounts receivable, net | 35,207 | 28,809 |
| Inventories, net | 3,125 | 2,852 |
| Other current assets | 7,857 | 5,211 |
| Total current assets | 119,605 | 106,834 |
| Property and equipment, net | 22,150 | 21,702 |
| Other long-term assets | 3,480 | 2,176 |
| Total assets | \$ 145,235 | \$ 130,712 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 4,256 | \$ 3,361 |
| Accrued liabilities | 28,023 | 23,481 |
| Deferred revenue | 20,196 | 16,257 |
| Debt obligations, current portion | 847 | 1,849 |
| Total current liabilities | 53,322 | 44,948 |
| Other long term liabilities | 43 | 25 |
| Total liabilities | 53,365 | 44,973 |
| Total stockholders' equity | 91,870 | 85,739 |
| Total liabilities and stockholders' equity | \$ 145,235 | \$ 130,712 |

ALIGN TECHNOLOGY, INC.
NON-GAAP CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

Use of Non-GAAP Financial Information

To supplement our condensed consolidated financial statements presented on a GAAP basis, Align uses a non-GAAP measure of net profit, which is adjusted to exclude certain costs and expenses and any associated tax effects of such adjustments. We believe that our non-GAAP net profit gives an indication of our baseline performance before other charges that are considered by management to be outside of our core operating results. In addition, our non-GAAP net profit is among the primary indicators management uses as a basis for our planning and forecasting of future periods. The presentation of this additional information should not be considered in isolation or as a substitute for net profit prepared in accordance with generally accepted accounting principles in the United States of America.

| (in thousands, except per share data) | Three Months Ended | | Six Months Ended | |
|--------------------------------------------------|--------------------|------------------|------------------|------------------|
| | June 30, 2005 | June 30, 2004 | June 30, 2005 | June 30, 2004 |
| Revenues | \$ 53,940 | \$ 44,204 | \$ 105,095 | \$ 83,409 |
| Cost of revenues | 16,620 | 13,931 | 32,098 | 26,926 |
| Gross profit | 37,320 | 30,273 | 72,997 | 56,483 |
| Operating expenses: | | | | |
| Sales and marketing | 21,049 | 13,172 | 40,177 | 26,150 |
| General and administrative | 9,723 | 7,712 | 19,228 | 14,834 |
| Research and development | 5,355 | 3,266 | 10,258 | 6,242 |
| Total operating expenses | 36,127 | 24,150 | 69,663 | 47,226 |
| Profit from operations | 1,193 | 6,123 | 3,334 | 9,257 |
| Interest and other income (expense), net | (238) | (175) | (298) | (402) |
| Provision for income taxes | (417) | (394) | (623) | (527) |
| Net profit | \$ 538 | \$ 5,554 | \$ 2,413 | \$ 8,328 |
| Net profit per share | | | | |
| - basic | \$ 0.01 | \$ 0.09 | \$ 0.04 | \$ 0.14 |
| - diluted | \$ 0.01 | \$ 0.09 | \$ 0.04 | \$ 0.13 |
| Shares used in computing net profit per share | | | | |
| - basic | 61,484 | 59,692 | 61,367 | 59,391 |
| - diluted | 62,953 | 64,461 | 62,939 | 64,392 |

ALIGN TECHNOLOGY, INC.
 RECONCILIATION OF GAAP NET PROFIT TO ADJUSTED NON-GAAP NET PROFIT
 (unaudited)

| (in thousands) | Three Months Ended | | Six Months Ended | |
|-------------------------------------------------------------|--------------------|------------------|------------------|------------------|
| | June 30, 2005 | June 30, 2004 | June 30, 2005 | June 30, 2004 |
| Calculation of non-GAAP net profit excluding special items: | | | | |
| Net profit | \$ 538 | \$ 3,772 | \$ 2,401 | \$ 4,329 |
| Items: | | | | |
| Stock-based compensation expense included in: (A) | | | | |
| - cost of revenues | -- | 319 | -- | 717 |
| - sales and marketing | -- | 227 | 6 | 521 |
| - general and administrative | -- | 944 | 6 | 2,099 |
| - research and development | -- | 292 | -- | 662 |
| Non-GAAP net profit excluding special items | \$ 538 | \$ 5,554 | \$ 2,413 | \$ 8,328 |

(A) Stock-based compensation expense represents the amortization of deferred stock-based compensation recorded in connection with the granting of stock options to employees and non-employees.

CONTACT:

| | |
|----------------------------|--------------------------------|
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