

ALIGN TECHNOLOGY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands except per share data)

| | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | YTD 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | YTD 2013 | Q1 2014 | Q2 2014 | Q3 2014 | YTD 2014 |
|--|------------|------------|------------|------------|-------------|-------------|------------|------------|------------|-------------|------------|------------|------------|-------------|
| Net Revenues | | | | | | | | | | | | | | |
| Clear Aligner: | | | | | | | | | | | | | | |
| North America | \$ 86,871 | \$ 92,997 | \$ 89,568 | \$ 91,686 | \$ 361,122 | \$ 97,045 | \$ 102,217 | \$ 103,888 | \$ 105,059 | \$ 408,209 | \$ 107,910 | \$ 111,648 | \$ 113,349 | \$ 332,907 |
| International | 29,700 | 32,883 | 29,700 | 32,513 | 124,796 | 31,818 | 40,320 | 38,983 | 50,595 | 161,716 | 49,848 | 55,988 | 53,439 | 159,275 |
| Non-case (1) | 6,757 | 7,789 | 7,457 | 8,660 | 30,663 | 12,709 | 10,766 | 10,679 | 10,570 | 44,724 | 10,481 | 12,099 | 11,350 | 33,930 |
| Total Clear Aligner Net Revenues | 123,328 | 133,669 | 126,725 | 132,859 | 516,581 | 141,572 | 153,303 | 153,550 | 166,224 | 614,649 | 168,239 | 179,735 | 178,138 | 526,112 |
| Scanner and Services: | | | | | | | | | | | | | | |
| North America | 11,120 | 11,752 | 9,439 | 9,940 | 42,251 | 11,952 | 10,454 | 10,875 | 11,980 | 45,261 | 12,313 | 12,698 | 11,579 | 36,590 |
| International | 631 | 205 | 332 | 41 | 1,209 | 56 | 71 | 81 | 88 | 296 | 94 | 98 | 159 | 351 |
| Total Scanner and Services Net Revenues | 11,751 | 11,957 | 9,771 | 9,981 | 43,460 | 12,008 | 10,525 | 10,956 | 12,068 | 45,557 | 12,407 | 12,796 | 11,738 | 36,941 |
| Total Net Revenues: | | | | | | | | | | | | | | |
| Total North America Net Revenues | 97,991 | 104,749 | 99,007 | 101,626 | 403,373 | 108,997 | 112,671 | 114,763 | 117,039 | 453,470 | 120,223 | 124,346 | 124,928 | 369,497 |
| Total International Net Revenues | 30,331 | 33,088 | 30,032 | 32,554 | 126,005 | 31,874 | 40,391 | 39,064 | 50,683 | 162,012 | 49,942 | 56,086 | 53,598 | 159,626 |
| Total Non-case Net Revenues | 6,757 | 7,789 | 7,457 | 8,660 | 30,663 | 12,709 | 10,766 | 10,679 | 10,570 | 44,724 | 10,481 | 12,099 | 11,350 | 33,930 |
| Total Worldwide Net Revenues | 135,079 | 145,626 | 136,496 | 142,840 | 560,041 | 153,580 | 163,828 | 164,506 | 178,292 | 660,206 | 180,646 | 192,531 | 189,876 | 563,053 |
| Cost of Net Revenues: | | | | | | | | | | | | | | |
| Cost of net revenues Clear Aligner | 25,939 | 28,052 | 28,391 | 28,229 | 110,611 | 32,245 | 33,179 | 30,887 | 33,503 | 129,814 | 35,156 | 38,032 | 37,021 | 110,209 |
| Cost of net revenues Scanner and Services | 8,380 | 8,774 | 7,755 | 8,133 | 33,042 | 8,486 | 6,958 | 8,529 | 8,313 | 32,286 | 8,239 | 9,023 | 7,801 | 25,063 |
| Total cost of net revenues | 34,319 | 36,826 | 36,146 | 36,362 | 143,653 | 40,731 | 40,137 | 39,416 | 41,816 | 162,100 | 43,395 | 47,055 | 44,822 | 135,272 |
| Gross profit | 100,760 | 108,800 | 100,350 | 106,478 | 416,388 | 112,849 | 123,691 | 125,090 | 136,476 | 498,106 | 137,251 | 145,476 | 145,054 | 427,781 |
| Operating Expenses: | | | | | | | | | | | | | | |
| Sales and marketing | 38,717 | 39,087 | 36,468 | 37,769 | 152,041 | 42,281 | 47,847 | 45,224 | 44,694 | 180,046 | 52,888 | 56,386 | 52,368 | 161,642 |
| General and administrative | 23,511 | 23,021 | 24,762 | 28,001 | 99,295 | 30,348 | 27,027 | 27,487 | 27,889 | 112,752 | 29,179 | 27,069 | 28,285 | 84,533 |
| Research and development | 10,526 | 10,880 | 9,952 | 11,711 | 42,869 | 11,282 | 10,916 | 10,915 | 10,970 | 44,083 | 13,380 | 13,289 | 12,854 | 39,523 |
| Impairment of goodwill | - | - | 24,665 | 11,926 | 36,591 | 40,693 | - | - | - | 40,693 | - | - | - | - |
| Impairment of long-lived assets | - | - | - | - | - | 26,320 | - | - | - | 26,320 | - | - | - | - |
| Total operating expenses | 72,754 | 72,788 | 95,847 | 89,407 | 330,796 | 150,924 | 85,790 | 83,626 | 83,553 | 403,894 | 95,447 | 96,744 | 93,507 | 285,698 |
| Operating Profit (loss): | | | | | | | | | | | | | | |
| Interest and other income (expense), net | 28,006 | 36,012 | 4,503 | 17,071 | 85,592 | (38,075) | 37,901 | 41,464 | 52,923 | 94,212 | 41,804 | 48,732 | 51,547 | 142,083 |
| Profit before provision for income taxes | (812) | 541 | (1,353) | (672) | (1,298) | (938) | (335) | 449 | (193) | (1,073) | 601 | (63) | (1,959) | (1,491) |
| Provision for income taxes | 27,194 | 36,553 | 4,150 | 16,359 | 84,296 | (39,063) | 37,566 | 41,913 | 52,724 | 93,139 | 42,405 | 48,639 | 49,548 | 140,892 |
| Provision for income taxes | 6,210 | 8,061 | 4,494 | 6,840 | 25,605 | 2,920 | 8,246 | 7,376 | 10,302 | 28,844 | 9,961 | 13,039 | 11,301 | 34,301 |
| Net profit (loss) | \$ 20,984 | \$ 28,492 | \$ (344) | \$ 9,559 | \$ 58,691 | \$ (41,983) | \$ 29,320 | \$ 34,537 | \$ 42,422 | \$ 64,295 | \$ 32,444 | \$ 35,600 | \$ 38,247 | \$ 106,291 |
| Net profit (loss) per share | | | | | | | | | | | | | | |
| - basic | \$ 0.26 | \$ 0.35 | \$ (0.00) | \$ 0.12 | \$ 0.73 | \$ (0.52) | \$ 0.36 | \$ 0.43 | \$ 0.53 | \$ 0.80 | \$ 0.40 | \$ 0.44 | \$ 0.47 | \$ 1.31 |
| - diluted | \$ 0.26 | \$ 0.34 | \$ (0.00) | \$ 0.12 | \$ 0.71 | \$ (0.52) | \$ 0.36 | \$ 0.42 | \$ 0.51 | \$ 0.78 | \$ 0.39 | \$ 0.43 | \$ 0.47 | \$ 1.29 |
| Shares used in computing net profit (loss) per share | | | | | | | | | | | | | | |
| - basic | 79,235 | 80,384 | 81,437 | 81,043 | 80,529 | 81,248 | 80,576 | 79,967 | 80,432 | 80,551 | 81,120 | 81,027 | 80,629 | 80,924 |
| - diluted | 81,856 | 82,954 | 81,437 | 82,981 | 83,040 | 81,248 | 82,149 | 81,848 | 82,438 | 82,589 | 82,817 | 82,341 | 82,014 | 82,443 |
| Margin Analysis: | | | | | | | | | | | | | | |
| Gross margin | 74.6% | 74.7% | 73.5% | 74.5% | 74.3% | 73.5% | 75.5% | 76.0% | 76.5% | 75.4% | 76.0% | 75.6% | 76.4% | 76.0% |
| - Clear Aligner | 79.0% | 79.0% | 77.6% | 78.8% | 78.6% | 77.2% | 78.4% | 79.9% | 79.8% | 78.9% | 79.1% | 78.8% | 79.2% | 79.1% |
| - Scanner and Services | 28.7% | 26.6% | 20.6% | 18.5% | 24.0% | 29.3% | 33.9% | 22.2% | 31.1% | 29.1% | 33.6% | 29.5% | 33.5% | 32.2% |
| Sales and marketing | 28.7% | 26.8% | 26.7% | 26.4% | 27.1% | 27.5% | 29.2% | 27.5% | 25.1% | 27.3% | 29.3% | 29.3% | 27.6% | 28.7% |
| General and administrative | 17.4% | 15.8% | 18.1% | 19.6% | 17.7% | 19.8% | 16.7% | 15.6% | 17.1% | 17.1% | 16.2% | 14.1% | 14.9% | 15.0% |
| Research and development | 7.8% | 7.3% | 7.3% | 8.2% | 7.7% | 7.3% | 6.7% | 6.6% | 6.2% | 6.7% | 7.4% | 6.9% | 6.8% | 7.0% |
| Impairment of goodwill | 0.0% | 0.0% | 18.1% | 0.0% | 6.5% | 26.5% | 0.0% | 0.0% | 0.0% | 6.2% | 0.0% | 0.0% | 0.0% | 0.0% |
| Impairment of long-lived assets | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 17.1% | 0.0% | 0.0% | 0.0% | 4.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Operating margin | 20.7% | 24.7% | 3.3% | 12.0% | 15.3% | -24.8% | 23.1% | 25.2% | 29.7% | 14.3% | 23.1% | 25.3% | 27.1% | 25.2% |
| Net margin | 15.5% | 19.6% | -0.3% | 6.7% | 10.5% | -27.3% | 17.9% | 21.0% | 23.8% | 9.7% | 18.0% | 18.5% | 20.1% | 18.9% |
| Year Over Year Analysis: | | | | | | | | | | | | | | |
| Net Revenues | 28.8% | 21.3% | 8.4% | 10.8% | 16.7% | 13.7% | 12.5% | 20.5% | 24.8% | 17.9% | 17.6% | 17.5% | 15.4% | |
| - Clear Aligner | 17.6% | 17.6% | 10.9% | 11.7% | 14.4% | 14.8% | 14.7% | 21.2% | 25.1% | 19.0% | 18.8% | 17.2% | 16.0% | |
| - Scanner and Services | - | 85.7% | -15.9% | 0.1% | N/A | 2.2% | -12.0% | 12.1% | 20.9% | 4.8% | 3.3% | 21.6% | 7.1% | |
| Gross profit | 22.5% | 19.4% | 8.6% | 11.4% | 15.3% | 12.0% | 13.7% | 24.7% | 28.2% | 19.6% | 21.6% | 17.6% | 16.0% | |
| Operating expense | 18.9% | -2.4% | 45.1% | 29.4% | 22.1% | 107.4% | 17.9% | -12.8% | -6.5% | 22.1% | -36.8% | 12.8% | 11.8% | |
| Operating profit (loss) | 33.2% | 117.0% | -82.9% | -35.4% | -5.3% | -236.0% | 5.2% | 820.8% | 210.0% | 10.1% | -209.8% | 28.6% | 24.3% | |
| Net profit (loss) | 32.5% | 155.3% | -101.8% | -53.3% | -12.0% | -300.1% | 2.9% | -10139.8% | 343.8% | 9.5% | -177.3% | 21.4% | 10.7% | |
| Quarter Over Quarter Analysis (Sequential): | | | | | | | | | | | | | | |
| Net Revenues | 4.8% | 7.8% | -6.3% | 4.6% | | 7.5% | 6.7% | 0.4% | 8.4% | | 1.3% | 6.6% | -1.4% | |
| - Clear Aligner | 3.7% | 8.4% | -5.2% | 4.8% | | 6.6% | 8.3% | 0.2% | 8.3% | | 1.2% | 6.8% | -0.9% | |
| - Scanner and Services | 17.8% | 1.8% | -18.3% | 2.1% | | 20.3% | -12.4% | 4.1% | 10.1% | | 2.8% | 3.1% | -8.3% | |
| Gross profit | 5.5% | 8.0% | -7.8% | 6.1% | | 6.0% | 9.6% | 1.1% | 9.1% | | 0.6% | 6.0% | -0.3% | |
| Operating expense | 5.3% | 0.0% | 31.7% | -6.7% | | 68.8% | -43.2% | -2.5% | -0.1% | | 14.2% | 1.4% | -3.3% | |
| Operating profit (loss) | 6.0% | 28.6% | -87.5% | 279.1% | | -323.0% | -199.5% | 9.4% | 27.6% | | -21.0% | 16.6% | 5.8% | |
| Net profit (loss) | 2.6% | 35.8% | -101.2% | 990300.0% | | -539.2% | -169.8% | 17.8% | 22.8% | | -23.5% | 9.7% | 7.4% | |

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

ALIGN TECHNOLOGY
NON-GAAP CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands except per share data)

| | Q2 2012 | Q3 2012 | Q4 2012 | YTD 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | YTD 2013 | Q1 2014 | Q2 2014 | Q3 2014 | YTD 2014 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|
| Net Revenues | | | | | | | | | | | | | |
| Clear Aligner: | | | | | | | | | | | | | |
| North America | \$ 92,997 | \$ 89,568 | \$ 91,686 | \$ 361,122 | \$ 97,045 | \$ 102,217 | \$ 103,888 | \$ 105,059 | \$ 408,209 | \$ 107,910 | \$ 111,648 | \$ 113,349 | \$ 332,907 |
| International | 32,883 | 29,700 | 32,513 | 124,796 | 31,818 | 40,320 | 38,983 | 50,595 | 161,716 | 49,848 | 55,988 | 53,439 | 159,275 |
| Non-case Net Revenues (1) | 7,789 | 7,457 | 8,660 | 30,663 | 12,709 | 10,766 | 10,679 | 10,570 | 44,724 | 10,481 | 12,099 | 11,350 | 33,930 |
| Total Clear Aligner Net Revenues | 133,669 | 126,725 | 132,859 | 516,581 | 141,572 | 153,303 | 153,550 | 166,224 | 614,649 | 168,239 | 179,735 | 178,138 | 526,112 |
| Scanner and Services: | | | | | | | | | | | | | |
| North America | 11,752 | 9,439 | 9,940 | 42,251 | 11,952 | 10,454 | 10,875 | 11,980 | 45,261 | 12,313 | 12,698 | 11,579 | 36,590 |
| International | 205 | 332 | 41 | 1,209 | 56 | 71 | 81 | 88 | 296 | 94 | 98 | 159 | 351 |
| Total Scanner and Services Net Revenues | 11,957 | 9,771 | 9,981 | 43,460 | 12,008 | 10,525 | 10,956 | 12,068 | 45,557 | 12,407 | 12,796 | 11,738 | 36,941 |
| Total Net Revenues: | | | | | | | | | | | | | |
| Total North America Net Revenues | 104,749 | 99,007 | 101,626 | 403,373 | 108,997 | 112,671 | 114,763 | 117,039 | 453,470 | 120,223 | 124,346 | 124,928 | 369,497 |
| Total International Net Revenues | 33,088 | 30,032 | 32,554 | 126,005 | 31,874 | 40,391 | 39,064 | 50,683 | 162,012 | 49,942 | 56,086 | 53,598 | 159,626 |
| Total Non-case Net Revenues | 7,789 | 7,457 | 8,660 | 30,663 | 12,709 | 10,766 | 10,679 | 10,570 | 44,724 | 10,481 | 12,099 | 11,350 | 33,930 |
| Total Worldwide Net Revenues | 145,626 | 136,496 | 142,840 | 560,041 | 153,580 | 163,828 | 164,506 | 178,292 | 660,206 | 180,646 | 192,531 | 189,876 | 563,053 |
| Cost of Net Revenues: | | | | | | | | | | | | | |
| Cost of net revenues Clear Aligner | 28,052 | 28,391 | 28,229 | 110,611 | 32,245 | 33,179 | 30,887 | 33,503 | 129,814 | 35,156 | 38,032 | 37,021 | 110,209 |
| Cost of net revenues Scanner and Services | 8,567 | 7,661 | 8,133 | 32,307 | 8,486 | 6,958 | 8,529 | 8,313 | 32,286 | 8,239 | 9,023 | 7,801 | 25,063 |
| Total cost of net revenues | 36,619 | 36,052 | 36,362 | 142,918 | 40,731 | 40,137 | 39,416 | 41,816 | 162,100 | 43,395 | 47,055 | 44,822 | 135,272 |
| Gross profit | 109,007 | 100,444 | 106,478 | 417,123 | 112,849 | 123,691 | 125,090 | 136,476 | 498,106 | 137,251 | 145,476 | 145,054 | 427,781 |
| Operating Expenses: | | | | | | | | | | | | | |
| Sales and marketing | 39,087 | 36,468 | 37,769 | 152,041 | 42,281 | 47,847 | 45,224 | 44,694 | 180,046 | 52,888 | 56,386 | 52,368 | 161,642 |
| General and administrative | 22,711 | 24,478 | 28,001 | 97,979 | 30,348 | 27,027 | 27,487 | 27,889 | 112,752 | 29,179 | 27,069 | 28,285 | 84,533 |
| Research and development | 10,680 | 9,952 | 11,711 | 42,869 | 11,282 | 10,916 | 10,915 | 10,970 | 44,083 | 13,380 | 13,289 | 12,854 | 39,523 |
| Total operating expenses | 72,478 | 70,898 | 77,481 | 292,889 | 83,911 | 85,790 | 83,626 | 83,553 | 336,880 | 95,447 | 96,744 | 93,507 | 285,698 |
| Operating Profit: | | | | | | | | | | | | | |
| Interest and other income (expense), net | 36,529 | 29,546 | 28,997 | 124,234 | 28,938 | 37,901 | 41,464 | 52,923 | 161,226 | 41,804 | 48,732 | 51,547 | 142,083 |
| Profit before provision for income taxes | 541 | (353) | (672) | (1,296) | (988) | (335) | 449 | (199) | (1,073) | 601 | (93) | (1,999) | (1,491) |
| Provision for income taxes | 37,070 | 29,193 | 28,325 | 122,938 | 27,950 | 37,566 | 41,913 | 52,724 | 160,153 | 42,405 | 48,639 | 49,548 | 140,592 |
| | 8,897 | 7,006 | 6,798 | 29,505 | 6,708 | 8,246 | 7,376 | 10,302 | 32,632 | 9,961 | 13,039 | 11,301 | 34,301 |
| Net profit | <u>\$ 28,173</u> | <u>\$ 22,187</u> | <u>\$ 21,527</u> | <u>\$ 93,433</u> | <u>\$ 21,242</u> | <u>\$ 29,320</u> | <u>\$ 34,537</u> | <u>\$ 42,422</u> | <u>\$ 127,521</u> | <u>\$ 32,444</u> | <u>\$ 35,600</u> | <u>\$ 38,247</u> | <u>\$ 106,291</u> |
| Net profit per share | | | | | | | | | | | | | |
| - basic | \$ 0.35 | \$ 0.27 | \$ 0.27 | \$ 1.16 | \$ 0.26 | \$ 0.36 | \$ 0.43 | \$ 0.53 | \$ 1.57 | \$ 0.40 | \$ 0.44 | \$ 0.47 | \$ 1.31 |
| - diluted | \$ 0.34 | \$ 0.26 | \$ 0.26 | \$ 1.13 | \$ 0.26 | \$ 0.36 | \$ 0.42 | \$ 0.51 | \$ 1.54 | \$ 0.39 | \$ 0.43 | \$ 0.47 | \$ 1.29 |
| Shares used in computing net profit per share | | | | | | | | | | | | | |
| - basic | 80,384 | 81,437 | 81,043 | 80,529 | 81,248 | 80,576 | 79,967 | 80,432 | 81,120 | 81,120 | 81,027 | 80,629 | 80,924 |
| - diluted | 82,954 | 83,906 | 82,981 | 83,040 | 83,003 | 82,149 | 81,848 | 82,438 | 82,589 | 82,817 | 82,341 | 82,014 | 82,443 |
| Margin Analysis: | | | | | | | | | | | | | |
| Gross margin | 74.9% | 73.6% | 74.5% | 74.5% | 73.5% | 75.5% | 76.0% | 76.5% | 75.4% | 76.0% | 75.6% | 76.4% | 76.0% |
| -Clear Aligner | 79.0% | 77.6% | 78.8% | 78.6% | 77.2% | 78.4% | 79.9% | 79.8% | 78.9% | 79.1% | 78.8% | 79.2% | 79.1% |
| -Scanner and Services | 28.4% | 21.6% | 18.5% | 25.7% | 29.3% | 33.9% | 22.2% | 31.1% | 29.1% | 33.6% | 29.5% | 33.5% | 32.2% |
| Operating Margin | 25.1% | 21.6% | 20.3% | 22.2% | 18.8% | 23.1% | 25.2% | 29.7% | 24.4% | 23.1% | 25.3% | 27.1% | 25.2% |
| Net Margin | 19.3% | 16.3% | 15.1% | 16.7% | 13.8% | 17.9% | 21.0% | 23.8% | 19.3% | 18.0% | 18.5% | 20.1% | 18.9% |
| Year Over Year Analysis: | | | | | | | | | | | | | |
| Net Revenues | 21.3% | 8.4% | 10.8% | 16.7% | 13.7% | 12.5% | 20.5% | 24.8% | 17.9% | 17.6% | 17.5% | 15.4% | |
| Gross profit | 19.5% | 8.3% | 10.6% | 15.1% | 11.5% | 13.5% | 24.5% | 28.2% | 19.4% | 21.6% | 17.6% | 16.0% | |
| Operating expense | 5.5% | 9.6% | 14.2% | 12.2% | 16.5% | 18.4% | 18.0% | 7.8% | 15.0% | 13.7% | 12.8% | 11.8% | |
| Operating profit | 62.3% | 5.3% | 2.1% | 22.4% | -0.8% | 3.8% | 40.3% | 82.5% | 29.8% | 44.5% | 28.6% | 24.3% | |
| Net Profit | 81.7% | 6.6% | -0.9% | 24.6% | -1.4% | 4.1% | 55.7% | 97.1% | 36.5% | 52.7% | 21.4% | 10.7% | |
| Quarter Over Quarter Analysis (Sequential): | | | | | | | | | | | | | |
| Net Revenues | 7.8% | -6.3% | 4.6% | | 7.5% | 6.7% | 0.4% | 8.4% | | 1.3% | 6.6% | -1.4% | |
| Gross profit | 7.7% | -7.9% | 6.0% | | 6.0% | 9.6% | 1.1% | 9.1% | | 0.6% | 6.0% | -0.3% | |
| Operating expense | 0.6% | -2.2% | 9.3% | | 0.6% | 2.2% | -2.5% | -0.1% | | 14.2% | 1.4% | -3.3% | |
| Operating profit (loss) | 25.3% | -19.1% | -1.9% | | -0.2% | 31.0% | 9.4% | 27.6% | | -21.0% | 16.6% | 5.8% | |
| Net profit | 30.8% | -21.2% | -3.0% | | -1.3% | 38.0% | 17.8% | 22.8% | | -23.5% | 9.7% | 7.4% | |
| Reconciliation of GAAP Net Profit to non-GAAP Net Profit: | | | | | | | | | | | | | |
| GAAP Net profit | \$ 28,492 | \$ (344) | \$ 9,559 | \$ 58,691 | \$ (41,983) | \$ 29,320 | \$ 34,537 | \$ 42,422 | \$ 64,295 | \$ 32,444 | \$ 35,600 | \$ 38,247 | \$ 106,291 |
| Acquisition and integration related costs related to cost of revenues | 72 | 55 | - | 261 | - | - | - | - | - | - | - | - | - |
| Severance and benefit costs related to cost of revenues | 135 | 39 | - | 474 | - | - | - | - | - | - | - | - | - |
| Acquisition and integration related costs related to operating expenses | 261 | 179 | - | 1,010 | - | - | - | - | - | - | - | - | - |
| Severance and benefit costs related to operating expenses | 49 | 105 | - | 306 | - | - | - | - | - | - | - | - | - |
| Impairment of goodwill | - | 24,665 | 11,926 | 36,591 | 40,693 | - | - | - | 40,693 | - | - | - | - |
| Impairment of long-lived assets | - | - | - | - | 26,320 | - | - | - | 26,320 | - | - | - | - |
| Income tax-related adjustments | (836) | (2,512) | 42 | (3,900) | (3,788) | - | - | - | (3,788) | - | - | - | - |
| Non-GAAP net profit | <u>\$ 28,173</u> | <u>\$ 22,187</u> | <u>\$ 21,527</u> | <u>\$ 93,433</u> | <u>\$ 21,242</u> | <u>\$ 29,320</u> | <u>\$ 34,537</u> | <u>\$ 42,422</u> | <u>\$ 127,521</u> | <u>\$ 32,444</u> | <u>\$ 35,600</u> | <u>\$ 38,247</u> | <u>\$ 106,291</u> |

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