



Align Technology Announces Fourth Quarter and Year-End 2000 Results

Santa Clara, Calif. - February 26, 2001 -- Align Technology, Inc. (Nasdaq: ALGN) the inventor of the Invisalign® System, a proprietary method of straightening teeth without unsightly wires and brackets, today announced results for the fourth quarter and full year ended December 31, 2000.

Revenues for the fourth quarter of 2000 were \$3.3 million, a sequential increase of 128% from \$1.4 million in the quarter ended September 30, 2000 and an 881% increase over revenues of \$0.3 million in the same period last year.

The company incurred a net loss in the fourth quarter as it continued to execute its strategy through the expansion of its manufacturing capacity, the funding of its national consumer advertising campaign and the continued development of product and manufacturing process technology. The pro forma net loss, which excludes non-cash charges for all periods presented, for the fourth quarter of 2000 was \$29.0 million or \$4.78 per share, compared to a pro forma net loss of \$6.6 million or \$1.41 per share for the same period a year ago, and a pro forma net loss of \$17.1 million or \$3.01 per share for the third quarter of fiscal 2000. Assuming the conversion of preferred stock into common stock as of the beginning of each period for all periods presented, pro forma net loss, as adjusted, per share for the fourth quarter of 2000 was \$0.92, compared to a pro forma net loss, as adjusted, per share of \$0.32 for the fourth quarter of 1999. Refer to the financial tables provided with this press release for further details regarding non-cash charges.

Revenue for the year-ended December 31, 2000 increased to \$6.7 million from \$0.4 million of revenue reported for the prior year period. The pro forma net loss, which excludes non-cash charges for all periods presented, for 2000 was \$66.3 million, or \$11.95 per share, compared with a pro forma net loss of \$15.0 million, or \$3.56 per share for 1999. Pro forma net loss, as adjusted, per share for fiscal 2000 was \$2.47, compared to a pro forma net loss, as adjusted, per share of \$0.90 for 1999.

"We are very pleased with the results we reported today, and with the many key milestones we achieved to date which are critical to our future and provide support for our core strategies," said Zia Chishti, chief executive officer of Align Technology. "We have made significant strides in executing our strategy to educate orthodontists nationwide on our proprietary technology, the Invisalign System. In particular, we have trained over 70 percent of the practicing orthodontists in the U.S. and Canada to prescribe the Invisalign System."

In January 2001, Align Technology completed its initial public offering of 10 million shares of its common stock. Net proceeds to Align Technology from the offering totaled approximately \$120.9 million. As of December 31, 2000, the company had cash and short and long-term marketable securities of \$18.7 million, total assets of \$70.6 million and stockholders' deficit of \$84.7 million.

Align Technology will host a webcast and conference call on Monday, February 26, 2001 at 9:00 a.m. EST, 6:00 a.m. PST to review fourth quarter and full year 2000 results, as well as future operating trends and guidance on the outlook for the future. To access the webcast, go to the investor relations portion of Align Technology's website at www.invisalign.com, and to access the conference call please dial (415) 537-1802. An archived webcast replay of the call will also be available at that website.

About Align Technology, Inc.

Align Technology designs, manufactures and markets the Invisalign System, a proprietary new method for treating malocclusion, or the misalignment of teeth. The Invisalign System 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, the Invisalign System significantly reduces the aesthetic and other limitations associated with braces. Invisalign is appropriate for treating adults and older teens. Align Technology was founded in March 1997 and received FDA clearance to market the Invisalign System in 1998.

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 Align Technology's ability to achieve profitability, the adoption by orthodontists and consumers of the Invisalign System, Align Technology's successful enforcement of its intellectual property and avoidance of infringement on third party patents, Align Technology's ability to establish and maintain reliable, high-volume manufacturing capacity in the U.S. and internationally and Align Technology's ability to manage its significant growth and retain its key personnel. These factors, as well as other factors that could cause actual results to differ materially, are discussed in more detail in Align Technology's registration statement on Form S-1, as well as other reports and documents filed from time to time with the Securities and Exchange Commission.



Pro forma net loss for all periods presented excludes stock based compensation expense. In addition, pro forma net loss for the quarter and year-ended 2000 excludes the dividend related to the beneficial conversion feature of preferred stock and related interest charges from the subordinated notes on the preferred stock.

Shares used in computing pro forma net loss per share per common stockholder assumes the conversion of preferred stock into common stock as of the beginning of each period for all periods presented.



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