



## **Align Technology and OrthoClear Complete Definitive Agreement; OrthoClear to Cease Aligner Operations Worldwide**

SANTA CLARA, Calif., Oct 16, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Align Technology, Inc. (Nasdaq: ALGN), the inventor of Invisalign(R), a proprietary method of straightening teeth without wires or brackets, announced today that it has signed two definitive agreements with OrthoClear, Inc., OrthoClear Holdings, Inc., and OrthoClear Pakistan Pvt. Ltd. ("OrthoClear") to close the settlement previously announced on September 28, 2006. The agreements executed include a Settlement Agreement and Mutual Releases and an Intellectual Property Transfer Agreement (collectively, the "Definitive Agreement"). The Definitive Agreement, consistent with the Confidential and Binding Settlement Term Sheet executed by the parties on September 27, 2006 ("Term Sheet"), ends all pending litigation between the parties. In addition, OrthoClear has obtained the requisite approval from its shareholders and is now required by the terms of the Definitive Agreement to immediately discontinue all design, manufacture, marketing and sales of removable dental aligners worldwide.

Effective September 28, 2006, OrthoClear stopped accepting new patient cases for treatment. Pursuant to the Definitive Agreement, OrthoClear consents to the entry of an order by the International Trade Commission (ITC), prohibiting importation of OrthoClear aligners into the United States, and assigns and transfers to Align all intellectual property rights with application to the correction of malocclusion.

The Definitive Agreement, as earlier agreed in the Term Sheet, includes the following additional terms:

- OrthoClear and Zia Chishti, its CEO, and Charlie Wen, its President, have transferred and assigned to Align all intellectual property rights with application to the treatment of malocclusion;
- OrthoClear principals Zia Chishti, Charlie Wen, Peter Riepenhausen, and Christopher Kawaja have signed 5-year, global non-compete agreements in the field of removable aligner therapy products and related software market;
- OrthoClear employees Joe Breeland and Jeff Tunnell have signed 5-year U.S. non-compete agreements prohibiting their personal participation in the removable aligner therapy product and related software market;
- Align has offered to make Invisalign treatment available to OrthoClear patients in the United States, Canada and Hong Kong at no charge from Align;
- The Parties will dismiss all pending litigation against each other and release all related claims;
- Align has made a one-time cash payment of \$20 million to OrthoClear Holdings, Inc.

"This settlement is an excellent outcome for Align's shareholders, customers and employees. In addition, it allows us to extend a helping hand to the doctors and patients left stranded by OrthoClear's decision to settle and cease operations rather than proceed with litigation and risk an ITC exclusion order," said Thomas M. Prescott, president and CEO of Align Technology. "By offering new Invisalign treatment at no charge, Align is absorbing most of the cost and inconvenience doctors and patients would have incurred to replace their OrthoClear treatment. We look forward to working with these doctors and their patients to achieve their treatment goals as we continue to develop the market for clear aligner therapy."

Align is currently developing the Patients First Program to start OrthoClear patients in Invisalign treatment at no charge to the patient or doctor. Doctors can begin registering and submitting their OrthoClear patients for treatment at the end of October. More information is available to doctors by calling Align's program hotline at 1-866-703-6698 or at <http://www.invisalign.com>. Align can not answer questions regarding OrthoClear's customer or business relationships. Align did not acquire OrthoClear or any of its liabilities; all business and financial obligations remain OrthoClear's.

## 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 March 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 <http://www.invisalign.com> or call 1-800-INVISIBLE.

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