

**ALIGN TECHNOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands except per share data)

	Q2 2021	Q3 2021	Q4 2021	Fiscal 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Fiscal 2022	Q1 2023	Q2 2023
<b>Net Revenues:</b>											
<i>Clear Aligner Net Revenues</i> <sup>(1)</sup>											
Americas	\$ 400,467	\$ 408,422	\$ 378,382	\$ 1,544,752	\$ 376,240	\$ 385,207	\$ 352,010	\$ 345,382	\$ 1,458,839	\$ 361,257	\$ 375,315
International	389,704	375,513	380,152	1,498,663	371,082	346,181	312,701	319,004	1,348,968	354,200	378,384
Non-case <sup>(2)</sup>	50,788	53,658	56,725	203,665	62,374	67,010	68,126	67,268	264,778	74,347	78,975
Total Clear Aligner Net Revenues	840,959	837,593	815,259	3,247,080	809,696	798,398	732,837	731,654	3,072,585	789,804	832,674
<i>Imaging Systems and CAD/CAM Services Net Revenues</i>	169,849	178,313	215,840	705,504	163,523	171,155	157,511	169,861	662,050	153,343	169,499
<b>Total Worldwide Net Revenues</b>	<b>1,010,808</b>	<b>1,015,906</b>	<b>1,031,099</b>	<b>3,952,584</b>	<b>973,219</b>	<b>969,553</b>	<b>890,348</b>	<b>901,515</b>	<b>3,734,635</b>	<b>943,147</b>	<b>1,002,173</b>
<b>Cost of Net Revenues:</b>											
Cost of net revenues Clear Aligner	194,294	199,424	210,254	772,707	204,000	213,153	213,450	213,812	844,415	223,665	229,423
Cost of net revenues Imaging Systems and CAD/CAM Services	57,976	61,326	76,282	244,522	59,873	68,841	57,729	70,002	256,445	58,828	59,141
Total cost of net revenues	252,270	260,750	286,536	1,017,229	263,873	281,994	271,179	283,814	1,100,860	282,493	288,564
Gross profit	758,538	755,156	744,563	2,935,355	709,346	687,559	619,169	617,701	2,633,775	660,654	713,609
<b>Operating Expenses:</b>											
Selling, general and administrative	431,921	428,409	451,195	1,708,640	439,457	426,398	398,547	410,067	1,674,469	439,691	453,193
Research and development	57,715	65,587	72,476	250,315	71,807	72,965	76,966	83,520	305,258	87,447	88,485
Restructuring and other charges	-	-	-	-	-	-	-	11,453	11,453	-	-
Total operating expenses	489,636	493,996	523,671	1,958,955	511,264	499,363	475,513	505,040	1,991,180	527,138	541,678
Operating Income	268,902	261,160	220,892	976,400	198,082	188,196	143,656	112,661	642,595	133,516	171,931
<b>Interest income and other income (expense), net:</b>											
Interest income	383	401	676	3,103	677	245	1,685	2,760	5,367	2,337	4,421
Other income (expense), net	(483)	427	(1,556)	32,920	(11,273)	(14,832)	(22,700)	(100)	(48,905)	87,447	(4,763)
Total interest income and other income (expense), net	(100)	828	(880)	36,023	(10,596)	(14,587)	(21,015)	2,660	(43,538)	1,108	(342)
Net income before provision for (benefit from) income taxes	268,802	261,988	220,012	1,012,423	187,486	173,609	122,641	115,321	599,057	134,624	171,589
Provision for (benefit from) income taxes	69,988	81,019	29,051	240,403	53,188	60,809	49,941	73,546	237,484	46,826	59,775
<b>Net Income</b>	<b>\$ 199,714</b>	<b>\$ 180,969</b>	<b>\$ 190,961</b>	<b>\$ 772,020</b>	<b>\$ 134,298</b>	<b>\$ 112,800</b>	<b>\$ 72,700</b>	<b>\$ 41,775</b>	<b>\$ 361,573</b>	<b>\$ 87,798</b>	<b>\$ 111,814</b>
Net Income per share											
- basic	\$ 2.53	\$ 2.29	\$ 2.42	\$ 9.78	\$ 1.71	\$ 1.44	\$ 0.93	\$ 0.54	\$ 4.62	\$ 1.14	\$ 1.46
- diluted	\$ 2.51	\$ 2.28	\$ 2.40	\$ 9.69	\$ 1.70	\$ 1.44	\$ 0.93	\$ 0.54	\$ 4.61	\$ 1.14	\$ 1.46
Shares used in computing net income per share											
- basic	79,008	78,904	78,759	78,917	78,742	78,395	78,093	77,541	78,190	76,921	76,524
- diluted	79,638	79,516	79,431	79,670	79,193	78,545	78,237	77,683	78,420	77,111	76,689
<b>Margin Analysis:</b>											
Gross margin	75.0%	74.3%	72.2%	74.3%	72.9%	70.9%	69.5%	68.5%	70.5%	70.0%	71.2%
-Clear Aligner	76.9%	76.2%	74.2%	76.2%	74.8%	73.3%	70.9%	74.2%	72.5%	71.7%	72.4%
-Imaging Systems and CAD/CAM Services	65.9%	65.6%	64.7%	65.3%	63.4%	59.8%	63.3%	58.8%	61.3%	61.6%	65.1%
Selling, general and administrative	42.7%	42.2%	43.8%	43.2%	45.2%	44.0%	44.8%	45.5%	44.8%	46.6%	45.2%
Research and development	5.7%	6.5%	7.0%	6.3%	7.4%	7.5%	8.6%	9.3%	8.2%	9.3%	8.8%
Restructuring and other charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	0.3%	0.0%	0.0%
Operating margin	26.6%	25.7%	21.4%	24.7%	20.4%	19.4%	16.1%	12.5%	17.2%	14.2%	17.2%
Net margin	19.8%	17.8%	18.5%	19.5%	13.8%	11.6%	8.2%	4.6%	9.7%	9.3%	11.2%
<b>Year Over Year Analysis:</b>											
Net Revenues	186.9%	38.4%	23.6%	59.9%	8.8%	-4.1%	-12.4%	-12.6%	-5.5%	-3.1%	3.4%
-Clear Aligner	181.9%	34.9%	16.3%	54.5%	7.5%	-5.1%	-12.5%	-10.3%	-5.4%	-2.5%	4.3%
-Imaging Systems and CAD/CAM Services	214.7%	57.3%	61.3%	90.4%	15.6%	0.8%	-11.7%	-21.3%	-6.2%	-6.2%	-1.0%
Gross profit	238.1%	41.4%	22.0%	66.5%	4.8%	-9.4%	-18.0%	-17.0%	-10.3%	-6.9%	3.8%
Operating expense	64.7%	38.4%	31.8%	42.4%	13.2%	2.0%	-3.7%	-3.6%	1.6%	3.1%	8.5%
Operating income (loss)	-468.4%	47.5%	3.6%	152.2%	-12.1%	-30.0%	-45.0%	-49.0%	-34.2%	-32.6%	-8.6%
Net income (loss)	-591.9%	29.8%	20.1%	-56.5%	-33.0%	-43.5%	-59.8%	-78.1%	-53.2%	-34.6%	-0.9%
<b>Quarter Over Quarter Analysis (Sequential):</b>											
Net Revenues	13.0%	0.5%	1.5%		-5.6%	-0.4%	-8.2%	1.3%		4.6%	6.3%
-Clear Aligner	11.6%	-0.4%	-2.7%		-0.7%	-1.4%	-8.2%	-0.2%		7.9%	5.4%
-Imaging Systems and CAD/CAM Services	20.0%	5.0%	21.0%		-24.2%	4.7%	-8.0%	7.8%		-9.7%	10.5%
Gross profit	12.0%	-0.4%	-1.4%		-4.7%	-3.1%	-9.9%	-0.2%		7.0%	8.0%
Operating expense	8.4%	0.9%	6.0%		-2.4%	-2.3%	-4.8%	6.2%		4.4%	2.8%
Operating income	19.3%	-2.9%	-15.4%		-10.3%	-5.0%	-23.7%	-21.6%		18.5%	28.8%
Net income	-0.3%	-9.4%	5.5%		-29.7%	-16.0%	-35.5%	-42.5%		110.2%	27.4%

(1) Americas region includes North America and LATAM. International region includes EMEA and APAC.

(2) Non-case net revenues include retention products, Invisalign training, adjusting tools used by dental professionals during the course of treatment and ancillary consumer products and other oral health products. We also offer in the U.S., Canada and Iberia, a Doctor Subscription Program which is a monthly subscription program based on the doctor's monthly need for retention or limited treatment.