

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

	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FY 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008	Q1 2009	Q2 2009	Q3 2009	YTD 2009
N.A. Ortho Revenue	\$ 21,323	\$ 24,733	\$ 22,257	\$ 21,204	\$ 89,517	\$ 22,551	\$ 22,994	\$ 21,951	\$ 20,826	\$ 88,322	\$ 21,087	\$ 21,574	\$ 22,722	\$ 65,383
YOY % growth	23.5%	39.8%	37.2%	21.6%	30.5%	5.8%	-7.0%	-1.4%	-1.8%	-1.3%	-6.5%	-6.2%	3.5%	
QOQ % growth	22.3%	16.0%	-10.0%	-4.7%		6.4%	2.0%	-4.5%	-5.1%		1.3%	2.3%	5.3%	
N.A GP Revenue	29,248	35,727	34,129	32,694	131,798	33,935	35,577	33,861	32,095	135,468	30,916	31,756	33,908	96,580
YOY % growth	29.7%	48.2%	50.4%	33.3%	40.4%	16.0%	-0.4%	-0.8%	-1.8%	2.8%	-8.9%	-10.7%	0.1%	
QOQ % growth	19.2%	22.2%	-4.5%	-4.7%		3.8%	4.8%	-4.8%	-5.2%		-3.7%	2.7%	6.8%	
International Non-case Revenue*	9,178	11,635	11,539	14,202	46,554	14,196	16,436	15,128	16,248	62,008	14,267	18,058	18,460	50,785
	4,012	4,508	3,526	4,417	16,463	4,094	4,895	4,233	4,956	18,178	3,862	4,928	4,179	12,969
Revenues	63,761	76,603	71,451	72,517	284,332	74,776	79,902	75,173	74,125	303,976	70,132	76,316	79,269	225,717
YOY % growth	30.4%	43.9%	45.7%	31.4%	37.8%	17.3%	4.3%	5.2%	2.2%	6.9%	-5.2%	-4.5%	5.4%	
QOQ % growth	15.5%	20.1%	-6.7%	1.5%		3.1%	6.9%	-5.9%	-1.4%		-5.4%	8.8%	3.9%	
Cost of revenues	17,529	20,247	18,132	19,127	75,035	19,608	20,243	18,766	20,233	78,850	17,425	18,338	20,268	56,031
Gross profit	46,232	56,356	53,319	53,390	209,297	55,168	59,659	56,407	53,892	225,126	52,707	57,978	59,001	169,686
Operating Expenses:														
Sales and marketing	23,150	24,353	24,226	26,502	98,231	28,059	32,464	28,214	26,325	115,062	27,854	29,108	27,687	84,649
General and administrative	12,185	11,880	13,949	15,266	53,280	15,188	16,322	14,395	16,249	62,154	13,468	16,539	16,224	46,231
Research and development	5,693	6,675	6,749	6,610	25,727	7,295	7,001	5,918	5,951	26,165	5,191	5,669	5,611	16,471
Restructuring Charges	-	-	-	-	-	-	-	2,189	4,042	6,231	910	409	-	1,319
Patient first program	(1,796)	-	-	-	(1,796)	-	-	-	-	-	-	-	-	-
Litigation settlement costs	-	-	-	-	-	-	-	-	-	-	-	-	69,673	69,673
Total operating expenses	39,232	42,908	44,924	48,378	175,442	50,542	55,787	50,716	52,567	209,612	47,423	51,725	119,195	218,343
Profit (loss) from operations	7,000	13,448	8,395	5,012	33,855	4,626	3,872	5,691	1,325	15,514	5,284	6,253	(60,194)	(48,657)
Interest and other income (expense), net	455	680	1,108	852	3,095	966	443	264	(1,111)	1,562	148	557	(271)	434
Profit (loss) before provision for income taxes	7,455	14,128	9,503	5,864	36,950	5,592	4,315	5,955	1,214	17,076	5,432	6,810	(60,465)	(48,223)
Provision for (benefit) from income taxes	477	510	43	196	1,226	288	285	788	(64,282)	(62,911)	2,796	2,855	(10,523)	(5,462)
Net profit (loss)	6,978	13,618	9,460	5,668	35,724	5,304	4,030	5,167	65,496	79,987	2,636	4,545	(49,942)	(42,761)
Net profit (loss) per share														
- basic	\$ 0.11	\$ 0.20	\$ 0.14	\$ 0.08	\$ 0.53	\$ 0.08	\$ 0.06	\$ 0.08	\$ 0.99	\$ 1.20	\$ 0.04	\$ 0.07	\$ (0.72)	\$ (0.64)
- diluted	\$ 0.10	\$ 0.19	\$ 0.13	\$ 0.08	\$ 0.50	\$ 0.07	\$ 0.06	\$ 0.08	\$ 0.98	\$ 1.18	\$ 0.04	\$ 0.07	\$ (0.72)	\$ (0.64)
Shares used in computing net profit (loss) per share														
- basic	65,433	66,696	67,970	68,562	67,176	69,053	68,581	67,367	66,440	66,812	65,983	66,285	69,528	67,278
- diluted	69,331	71,207	72,230	71,864	71,444	70,860	69,916	68,704	66,816	68,064	66,447	67,373	69,528	67,278
<b>Margin Analysis:</b>														
Gross Margin	72.5%	73.6%	74.6%	73.6%	73.6%	73.8%	74.7%	75.0%	72.7%	74.1%	75.2%	76.0%	74.4%	75.2%
Sales and Marketing	36.3%	31.8%	33.9%	36.5%	34.5%	37.5%	40.6%	37.5%	35.5%	37.9%	39.7%	38.1%	34.9%	37.5%
General and administrative	19.1%	15.5%	19.5%	21.1%	18.7%	20.3%	20.4%	19.1%	21.9%	20.4%	19.2%	21.7%	20.5%	20.5%
Research and development	8.9%	8.7%	9.4%	9.1%	9.0%	9.8%	8.8%	7.9%	8.0%	8.6%	7.4%	7.4%	7.1%	7.3%
Restructuring	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.9%	5.5%	2.0%	1.3%	0.5%	0.0%	0.6%
Patients First Program and Settlement Costs (credits)	-2.8%	0.0%	0.0%	0.0%	-0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	87.9%	0.0%
Operating Margin	11.0%	17.6%	11.7%	6.9%	11.9%	6.2%	4.8%	7.6%	1.8%	5.1%	7.5%	8.2%	-75.9%	-21.6%
Net Margin	10.9%	17.8%	13.2%	7.8%	12.6%	7.1%	5.0%	6.9%	88.4%	26.3%	3.8%	6.0%	-63.0%	-18.9%
<b>Year Over Year Analysis</b>														
Revenue	30.4%	43.9%	45.7%	31.4%	37.8%	17.3%	4.3%	5.2%	2.2%	6.9%	-6.2%	-4.5%	5.4%	
Profit (Loss) from Operations	-234.3%	-508.6%	-176.6%	-127.7%	-190.2%	-33.9%	-71.2%	-32.2%	-73.6%	-54.2%	14.2%	61.5%	-1157.7%	
Operating Expense	-1.5%	7.2%	4.0%	-13.7%	-2.1%	28.8%	30.0%	12.9%	8.7%	19.5%	-6.2%	-7.3%	135.0%	
Net Profit (Loss)	-246.5%	-621.7%	-191.7%	-132.8%	-202.2%	-24.0%	-70.4%	-45.5%	1055.5%	123.9%	-50.3%	12.8%	-1068.4%	
<b>Quarter Over Quarter Analysis (Sequential)</b>														
Revenue	15.5%	20.1%	-6.7%	1.5%		3.1%	6.9%	-5.9%	-1.4%		-5.4%	8.8%	3.9%	
Profit (Loss) from Operations	-138.7%	92.1%	-37.6%	-40.3%		-7.7%	-16.3%	47.0%	-76.7%		298.8%	18.3%	-1062.6%	
Operating Expense	-30.0%	9.4%	4.7%	7.7%		4.5%	10.4%	-9.1%	3.6%		-9.8%	9.1%	130.4%	
Net Profit (Loss)	-140.4%	95.2%	-30.5%	-40.1%		-6.4%	-24.0%	28.0%	1170.0%		-96.0%	72.4%	-1198.8%	

\* Non-case revenue includes the retainer business, training revenues, and ancillary offerings

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

	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FY 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008	Q1 2009	Q2 2009	Q3 2009	YTD 2009
N.A. Ortho Revenue	\$ 21,323	\$ 24,733	\$ 22,257	\$ 21,204	\$ 89,517	\$ 22,551	\$ 22,994	\$ 21,951	\$ 20,826	\$ 88,322	\$ 21,087	\$ 21,574	\$ 22,722	\$ 65,383
YOY % growth	23.5%	39.8%	37.2%	21.6%	30.5%	5.8%	-7.0%	-1.4%	-1.8%	-1.3%	-6.5%	-6.2%	3.5%	
QOQ % growth	22.3%	16.0%	-10.0%	-4.7%	6.4%	2.0%	-4.8%	-5.1%	1.3%	2.3%	5.3%	2.3%	5.3%	
N.A. GP Revenue	29,248	35,727	34,129	32,694	131,798	33,935	35,577	33,861	32,095	135,468	30,916	31,756	33,908	96,580
YOY % growth	29.7%	46.2%	50.4%	33.3%	40.4%	16.0%	-0.4%	-0.8%	-1.8%	2.8%	-8.9%	-10.7%	0.1%	
QOQ % growth	19.2%	22.2%	-4.5%	-4.7%	3.8%	4.8%	-4.8%	-5.2%	6.8%	3.7%	2.7%	6.8%	6.8%	
International	9,178	11,635	11,539	14,202	46,554	14,196	16,436	15,128	16,248	62,008	14,267	18,058	18,460	50,785
Non-case Revenue*	4,012	4,508	3,526	4,417	16,463	4,094	4,895	4,233	4,956	18,178	3,862	4,928	4,179	12,969
Revenues	63,761	76,603	71,451	72,517	284,332	74,776	79,902	75,173	74,125	303,976	70,132	76,316	79,269	225,717
Cost of revenues	17,529	20,247	18,132	19,127	75,035	19,608	20,243	18,766	20,233	78,850	17,425	18,338	18,362	54,125
Gross Profit	46,232	56,356	53,319	53,390	209,297	55,168	59,659	56,407	53,892	225,126	52,707	57,978	60,907	171,592
Operating Expenses:														
Sales and marketing	23,150	24,353	24,226	26,502	98,231	28,059	32,464	28,214	26,325	115,062	27,854	29,108	27,687	84,649
General and administrative	12,185	11,880	13,949	15,266	53,280	15,188	16,322	14,395	16,249	62,154	13,468	16,539	16,224	46,231
Research and development	5,693	6,675	6,749	6,610	25,727	7,295	7,001	5,918	5,951	26,165	5,191	5,669	5,611	16,471
Total operating expenses	41,028	42,908	44,924	48,378	177,238	50,542	55,787	48,527	48,525	203,381	46,513	51,316	49,522	147,351
Profit from operations	5,204	13,448	8,395	5,012	32,059	4,626	3,872	7,880	5,367	21,745	6,194	6,662	11,385	24,241
Interest and other income (expense), net	455	680	1,108	852	3,095	966	443	264	(111)	1,562	148	557	(271)	434
Profit before provision for income taxes	5,659	14,128	9,503	5,864	35,154	5,592	4,315	8,144	5,256	23,307	6,342	7,219	11,114	24,675
Provision for income taxes	434	510	43	196	1,183	288	285	884	369	1,826	3,151	2,392	2,208	7,751
Net profit	5,225	13,618	9,460	5,668	33,971	5,304	4,030	7,260	4,887	21,481	3,191	4,827	8,906	16,924
Net profit per share														
- basic	\$ 0.08	\$ 0.20	\$ 0.14	\$ 0.08	\$ 0.51	\$ 0.08	\$ 0.06	\$ 0.11	\$ 0.07	\$ 0.32	\$ 0.05	\$ 0.07	\$ 0.13	\$ 0.25
- diluted	\$ 0.08	\$ 0.19	\$ 0.13	\$ 0.08	\$ 0.48	\$ 0.07	\$ 0.06	\$ 0.11	\$ 0.07	\$ 0.32	\$ 0.05	\$ 0.07	\$ 0.13	\$ 0.25
Shares used in computing net profit per share														
- basic	65,433	66,696	67,970	68,562	67,176	69,053	68,581	67,367	66,440	66,812	65,983	66,285	69,528	67,278
- diluted	69,331	71,207	72,230	71,864	71,444	70,860	69,916	68,704	66,816	68,064	66,447	67,373	70,926	68,338
Margin Analysis:														
Gross Margin	72.5%	73.6%	74.6%	73.6%	73.6%	73.8%	74.7%	75.0%	72.7%	74.1%	75.2%	76.0%	76.8%	76.0%
Operating Margin	8.2%	17.6%	11.7%	6.9%	11.3%	6.2%	4.8%	10.5%	7.2%	7.2%	8.8%	8.7%	14.4%	10.7%
Net Margin	8.2%	17.8%	13.2%	7.8%	11.9%	7.1%	5.0%	9.7%	6.6%	7.1%	4.5%	6.3%	11.2%	7.5%
Year Over Year Analysis														
Revenue	30.4%	43.9%	45.7%	31.4%	37.8%	17.3%	4.3%	5.2%	2.2%	6.9%	-6.2%	-4.5%	5.4%	
Profit from Operations	-273.0%	-1412.0%	-196.6%	-420.9%	-324.5%	-11.1%	-71.2%	-6.1%	7.1%	-32.2%	33.9%	72.1%	44.5%	
Net Profit	-353.5%	4058.7%	217.6%	841.4%	389.4%	3.2%	-70.4%	23.2%	13.8%	-36.8%	-39.8%	19.8%	22.7%	
Quarter Over Quarter Analysis (Sequential)														
Revenue	15.5%	20.1%	-6.7%	1.5%	3.1%	6.9%	-5.9%	-1.4%			-5.4%	8.8%	3.9%	
Gross Profit	21.1%	21.9%	-5.4%	0.1%	3.3%	8.1%	-5.5%	-4.5%			-2.2%	10.0%	5.1%	
Operating Expense	3.2%	4.6%	4.7%	7.7%	4.5%	10.4%	-13.0%	0.0%			-4.1%	10.3%	-3.5%	
Net Profit	772.6%	160.6%	-30.5%	-40.1%	-6.4%	-24.0%	80.1%	32.7%			-34.7%	51.3%	84.5%	
Reconciliation of GAAP Net Profit (Loss) to non-GAAP Net Profit:														
GAAP Net profit (loss)	6,978	13,618	9,460	5,668	35,724	5,304	4,030	5,157	65,496	79,987	2,636	4,545	(49,942)	(42,761)
Patient first program	(1,796)	-	-	-	(1,796)	-	-	-	-	-	-	-	-	-
Ormcio royalties	-	-	-	-	-	-	-	-	-	-	-	-	1,906	1,906
Litigation settlement costs	-	-	-	-	-	-	-	-	-	-	-	-	69,673	69,673
Restructuring	-	-	-	-	-	-	-	2,189	4,042	6,231	910	409	-	1,319
Release of tax valuation allowance	-	-	-	-	-	-	-	-	(64,608)	(64,608)	-	-	-	-
Tax impact on non GAAP adjustments	43	-	-	-	43	-	-	(86)	(43)	(129)	(35)	(127)	(12,731)	(13,213)
Non-GAAP net profit	5,225	13,618	9,460	5,668	33,971	5,304	4,030	7,260	4,887	21,481	3,191	4,827	8,906	16,924

\* Non-case revenue includes the retainer business, training revenues, and ancillary offerings