



Align Unveils Plan to Streamline Operations & Significantly Reduce Operating Losses

Santa Clara, Calif. - July 9, 2002 - Align Technology, Inc. (Nasdaq: ALGN), today announced a plan to streamline worldwide operations and reduce operating losses. As part of this new strategy, Align will eliminate costly redundancy in its manufacturing network and implement a more disciplined framework for international expansion, including resizing marketing efforts in regions where investment was substantially outpacing growth.

The plan will enable the Company to refocus on profitability without sacrificing customer programs and key corporate priorities. Specific reforms in the new strategy include:

- Closing of manufacturing and call center facilities in Pakistan and the United Arab Emirates and transitioning those operations to the United States and Costa Rica.
- Resizing of international structure and spending, and a more measured approach to expansion in Europe, Latin America and Asia-Pacific.
- A reduction in across-the-board operating costs and a reduction of approximately thirty-five percent of worldwide staff, including ten percent of the workforce at Align's Santa Clara headquarters.

Tom Prescott, Align president and chief executive officer, summarized the benefits of the new plan, saying, "These actions give us the platform to build a sustainable business, and position us to access the enormous potential of the markets our products address--in the U.S. and around the world."

The Company estimated that these broad strategic changes would result in one-time charges and costs of between \$7 million and \$9 million, to be spread largely over the third and fourth quarters of 2002. Invisalign product sales for the second quarter ended June 30, 2002 will come in at approximately \$16.2 to \$16.7 million, a greater than ten percent increase over the first quarter of 2002. Overall revenues for the second quarter of 2002 will be down slightly due to substantially lower training revenue, compared to the first quarter of 2002, as a result of the Company's transition from its former dental distributor. The Company expects revenue to grow at between ten and fifteen percent each quarter over the next two quarters and between five and ten percent each quarter in 2003 as the new strategy unfolds. Total revenues for the years 2002 and 2003 are expected to be \$73-76 million and \$100-105 million, respectively. The Company expects to reach positive cash flow by the fourth quarter of 2003, with substantially narrowed operating losses beginning in 2003.

Align Technology will host a webcast and conference call on Wednesday, July 10, 2002 at 6:30 a.m. PDT and 9:30 a.m. EDT to discuss specific elements of the new strategic plan, future operating trends, and guidance on the plan's impact on future operating results. To access the webcast, go to the investor relations portion of Align Technology's website at www.invisalign.com. An archived webcast replay of the call will also be available at that website. To access the conference call please dial (415) 537-1859 approximately ten minutes prior to the start of the call and enter reservation number 2079373. If you are unable to listen to the call, a taped replay will be available beginning approximately one hour after the call's conclusion and will remain available through 5:30 p.m. EDT on July 13, 2002. The replay can be accessed by dialing (800)633-8284 with reservation number 2079373. The replay may be accessed from international locations by dialing (858)812-6440 using the same reservation number.

About Align Technology, Inc.

Align Technology designs, manufactures and markets Invisalign, a proprietary new 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, please visit www.invisalign.com or call 1-800-INVISIBLE.

This news release contains forward-looking statements based on Align Technology's current expectations. Forward looking statements in this release include, without limitation, references to the effect the strategic changes will have on Align's revenue, expenses and cash burn rate, the rate at which Align expects its revenue to grow during the remainder of 2002 and 2003, Align's estimated total revenues for 2002 and 2003 and Align's estimate of when it will achieve positive cash flow. 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 increase revenues, the adoption by orthodontists, dentists, and consumers of Invisalign, Align's ability to control costs and continue to achieve efficiencies, Align's ability to achieve profitability and Align's successful enforcement of its intellectual property and avoidance

of infringement on third party patents. These factors, as well as other factors that could cause actual results to differ materially, are discussed in more detail in Align Technology's Annual Report on Form 10-K, as well as in other reports and documents filed from time to time with the Securities and Exchange Commission.