

| ALIGN TECHNOLOGY | | | | | | | | | | NDQ-ALGN | | RECENT PRICE | 287.36 | P/E RATIO | NMF (Trailing:NMF Median: 31.0) | RELATIVE P/E RATIO | NMF | DIV'D YLD | Nil | VALUE LINE |
|--|--|------|-----------------|--|------|------|------|------|------|----------|-------|--------------|--------|-----------|---------------------------------|--------------------|-----|-----------|--------------------|------------|
| TIMELINESS | | 3 | Raised 2/21/20 | High: 18.8 | 21.4 | 25.9 | 39.8 | 60.0 | 65.1 | 68.5 | 102.1 | 266.4 | 398.9 | 334.6 | 326.4 | | | | Target Price Range | |
| SAFETY | | 3 | Raised 2/24/12 | Low: 6.1 | 13.2 | 14.3 | 22.4 | 25.6 | 43.3 | 51.7 | 57.3 | 88.6 | 188.6 | 169.8 | 127.9 | | | | 2023 2024 2025 | |
| TECHNICAL | | 2 | Raised 8/14/20 | LEGENDS 25.0 x "Cash Flow" p sh Relative Price Strength Options: Yes Shaded area indicates recession | | | | | | | | | | | | | | | 640 | |
| BETA | | 1.30 | (1.00 = Market) | | | | | | | | | | | | | | | | 480 | |
| 18-Month Target Price Range | | | | | | | | | | | | | | | | | | | 400 | |
| Low-High | | | | | | | | | | | | | | | | | | | 320 | |
| Midpoint (% to Mid) | | | | | | | | | | | | | | | | | | | 240 | |
| \$182-\$432 | | | | | | | | | | | | | | | | | | | 200 | |
| \$307 (5%) | | | | | | | | | | | | | | | | | | | 160 | |
| 2023-25 PROJECTIONS | | | | | | | | | | | | | | | | | | | 120 | |
| Price Gain Ann'l Total | | | | | | | | | | | | | | | | | | | 80 | |
| High Low 430 285 (+50%) (Nil) 10% Nil | | | | | | | | | | | | | | | | | | | 60 | |
| Institutional Decisions | | | | | | | | | | | | | | | | | | | | |
| 3Q2019 4Q2019 1Q2020 | | | | | | | | | | | | | | | | | | | | |
| to Buy 274 333 299 | | | | | | | | | | | | | | | | | | | | |
| to Sell 372 278 350 | | | | | | | | | | | | | | | | | | | | |
| Hld's(000) 65979 67485 67733 | | | | | | | | | | | | | | | | | | | | |
| Percent shares traded | | | | | | | | | | | | | | | | | | | | |
| 45 | | | | | | | | | | | | | | | | | | | | |
| 30 | | | | | | | | | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | | | | | | | | | |
| 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 | | | | | | | | | | | | | | | | | | | | |
| 2.84 3.34 3.18 4.14 4.63 4.19 5.07 6.09 6.95 8.19 9.50 10.64 13.57 18.41 24.65 30.69 25.65 36.55 | | | | | | | | | | | | | | | | | | | | |
| .30 .19 .12 .24 .48 .52 .96 1.15 1.37 1.80 2.04 2.04 2.69 4.44 5.70 6.29 3.70 7.90 | | | | | | | | | | | | | | | | | | | | |
| .14 .02 .40 .50 .31 .41 .80 .97 1.17 1.54 1.77 1.77 2.33 3.89 4.92 5.18 2.65 6.80 | | | | | | | | | | | | | | | | | | | | |
| -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- | | | | | | | | | | | | | | | | | | | | |
| .15 .22 .15 .11 .22 .10 .24 .39 .48 .24 .30 .67 .89 2.45 2.80 1.91 1.80 2.55 | | | | | | | | | | | | | | | | | | | | |
| 1.41 1.21 1.29 2.35 3.33 3.66 4.95 6.23 7.21 7.87 9.39 10.67 12.51 14.37 15.70 17.16 20.00 26.65 | | | | | | | | | | | | | | | | | | | | |
| 60.88 62.08 64.86 68.64 65.63 74.57 76.39 78.78 80.61 80.58 80.21 79.50 79.55 80.04 79.78 78.43 78.75 78.75 | | | | | | | | | | | | | | | | | | | | |
| NMF NMF -- 41.5 35.3 29.1 21.9 21.8 25.7 26.7 30.5 33.9 34.9 40.7 59.5 48.3 | | | | | | | | | | | | | | | | | | | | |
| NMF NMF -- 2.20 2.12 1.94 1.39 1.37 1.64 1.50 1.61 1.71 1.83 2.05 3.21 2.61 | | | | | | | | | | | | | | | | | | | | |
| -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- | | | | | | | | | | | | | | | | | | | | |
| CAPITAL STRUCTURE as of 6/30/20 | | | | | | | | | | | | | | | | | | | | |
| Total Debt None | | | | | | | | | | | | | | | | | | | | |
| Leases, Uncapitalized Annual rentals \$18.4 mill. | | | | | | | | | | | | | | | | | | | | |
| No Defined Benefit Pension Plan | | | | | | | | | | | | | | | | | | | | |
| Pfd Stock None | | | | | | | | | | | | | | | | | | | | |
| Common Stock 78,753,161 shs. as of 2/21/20 | | | | | | | | | | | | | | | | | | | | |
| MARKET CAP: \$22.6 billion (Large Cap) | | | | | | | | | | | | | | | | | | | | |
| CURRENT POSITION | | | | | | | | | | | | | | | | | | | | |
| 2018 2019 6/30/20 | | | | | | | | | | | | | | | | | | | | |
| (\$MILL.) | | | | | | | | | | | | | | | | | | | | |
| Cash Assets 735.4 868.6 404.4 | | | | | | | | | | | | | | | | | | | | |
| Receivables 439.0 550.3 473.3 | | | | | | | | | | | | | | | | | | | | |
| Inventory (FIFO) 55.6 112.1 131.3 | | | | | | | | | | | | | | | | | | | | |
| Other 72.5 102.5 140.3 | | | | | | | | | | | | | | | | | | | | |
| Current Assets 1302.5 1633.5 1149.2 | | | | | | | | | | | | | | | | | | | | |
| Accts Payable 64.3 87.3 95.0 | | | | | | | | | | | | | | | | | | | | |
| Debt Due 627.8 883.7 846.6 | | | | | | | | | | | | | | | | | | | | |
| Other 692.1 971.0 941.6 | | | | | | | | | | | | | | | | | | | | |
| Current Liab. | | | | | | | | | | | | | | | | | | | | |
| ANNUAL RATES | | | | | | | | | | | | | | | | | | | | |
| Past Past Est'd '17-'19 | | | | | | | | | | | | | | | | | | | | |
| of change (per sh) | | | | | | | | | | | | | | | | | | | | |
| 10 Yrs. 5 Yrs. to '23-'25 | | | | | | | | | | | | | | | | | | | | |
| Sales 19.0% 24.5% 16.5% | | | | | | | | | | | | | | | | | | | | |
| "Cash Flow" 25.5% 26.0% 16.0% | | | | | | | | | | | | | | | | | | | | |
| Earnings 27.5% 25.5% 17.0% | | | | | | | | | | | | | | | | | | | | |
| Dividends -- -- Nil | | | | | | | | | | | | | | | | | | | | |
| Book Value 17.5% 14.0% 15.0% | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | | | | | | | | | | | | | | | | | | | | |
| QUARTERLY SALES (\$ mill.) | | | | | | | | | | | | | | | | | | | | |
| Mar.31 Jun.30 Sep.30 Dec.31 Full Year | | | | | | | | | | | | | | | | | | | | |
| 2017 310.3 356.5 385.3 421.3 1473.4 | | | | | | | | | | | | | | | | | | | | |
| 2018 436.9 490.3 505.3 534.0 1966.5 | | | | | | | | | | | | | | | | | | | | |
| 2019 549.0 600.7 607.3 649.8 2406.8 | | | | | | | | | | | | | | | | | | | | |
| 2020 551.0 352.3 659.7 659.7 2060 | | | | | | | | | | | | | | | | | | | | |
| 2021 595 655 775 885 2880 | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | | | | | | | | | | | | | | | | | | | | |
| EARNINGS PER SHARE A | | | | | | | | | | | | | | | | | | | | |
| Mar.31 Jun.30 Sep.30 Dec.31 Full Year | | | | | | | | | | | | | | | | | | | | |
| 2017 .85 .85 1.01 1.18 3.89 | | | | | | | | | | | | | | | | | | | | |
| 2018 1.17 1.30 1.24 1.21 4.92 | | | | | | | | | | | | | | | | | | | | |
| 2019 1.17 1.26 1.22 1.53 5.18 | | | | | | | | | | | | | | | | | | | | |
| 2020 .73 d.52 .78 1.66 2.65 | | | | | | | | | | | | | | | | | | | | |
| 2021 1.58 1.75 1.75 1.72 6.80 | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | | | | | | | | | | | | | | | | | | | | |
| QUARTERLY DIVIDENDS PAID | | | | | | | | | | | | | | | | | | | | |
| Mar.31 Jun.30 Sep.30 Dec.31 Full Year | | | | | | | | | | | | | | | | | | | | |
| 2016 | | | | | | | | | | | | | | | | | | | | |
| 2017 | | | | | | | | | | | | | | | | | | | | |
| 2018 | | | | | | | | | | | | | | | | | | | | |
| 2019 | | | | | | | | | | | | | | | | | | | | |
| 2020 | | | | | | | | | | | | | | | | | | | | |
| NO CASH DIVIDENDS BEING PAID | | | | | | | | | | | | | | | | | | | | |
| BUSINESS: Align Technology, Inc., engages in the design, manufacture, and marketing of Invisalign aligners, and related orthodontic scanners and services. The product has three primary components: the iTero scanner, the ClinCheck treatment protocol and the aligners. Aligners are thin, clear and removable dental appliances that are used in sets to progressively straighten teeth. Has 11,660 employees. Officers and directors own 1.2% of common stock; Gordon Gund Family Trust and affiliates, 7.1%, BlackRock, 8.2%; The Vanguard Group, 10.2% (4/20 proxy). Chairman: C. Raymond Larkin, Jr. President and CEO: Joseph Hogan. Inc.: DE. Address: 2560 Orchard Parkway, San Jose, CA 95131. Telephone: 408-470-1000. Internet: www.aligntech.com. | | | | | | | | | | | | | | | | | | | | |
| Align Technology posted notably weak results for the second quarter, due to COVID-19. The onset of the coronavirus in late March forced the closure of many dentists' and orthodontists' offices, interrupting patient access to the company's products. New patients must have their dentition scanned or molded so that Align can create a set of custom fit aligners. The impact is evident in the results. Net revenues declined 41.1% year to year to \$352.3 million, generating an operating loss of \$70.0 million, and a net loss of \$40.6 million, or \$0.35 per share. Both segments were under heavy pressure. Clear Aligner segment revenues decreased 39.9% to \$298.3 million, in line with the 41.2% decline in Invisalign case shipments. Revenues of the Imaging Systems and CAD/CAM Services segment fell 48.1% to \$54.0 million. We expect the company to regain lost ground in the third quarter and recover in the fourth. With second-quarter results, management indicated most practitioners in every region were open and treating patients. We note the onset of the pandemic coincided with the trial release of two products used for virtual patient care, Invisalign Virtual Appointment and Invisalign Virtual Care. The company also held a large number of virtual training and promotional events to foster adoption of its technology. During the quarter, more than 20,000 practitioners or potential patients attended 150 such events. In short, management reacted in numerous ways to the disruption. Still, we have reduced our share-net estimates for 2020 and 2021 by \$1.15 and \$0.60, respectively, to \$2.65 and \$6.80. Align continues to develop and promote digital products for use with its aligners. For nearly a decade, the company has offered scanners that make three-dimensional images of a patient's dentition with software that enables planned treatment of his or her bite. On April 1st, it completed its acquisition of exocad [sic] Global Holdings GmbH for \$340 million. It augments Align's digital platform, leveraging exocad's restorative dentistry. Ranked 3 (Average) for Timeliness, Align shares have subpar appreciation potential to 2023-2025. Glenn Pierr Johnson August 14, 2020 | | | | | | | | | | | | | | | | | | | | |
| (A) Diluted earnings. Next earnings report due late October. Quarterly earnings may not sum due to rounding. Excludes net nonrecurring gains and (losses) of \$0.78 in 2013 and \$0.28) and \$0.35 in 2019. (B) Includes intangibles. In 12/31/19, \$75.7 million/\$0.97 a share. (C) In millions. | | | | | | | | | | | | | | | | | | | | |
| Company's Financial Strength B++ | | | | | | | | | | | | | | | | | | | | |
| Stock's Price Stability 30 | | | | | | | | | | | | | | | | | | | | |
| Price Growth Persistence 100 | | | | | | | | | | | | | | | | | | | | |
| Earnings Predictability 60 | | | | | | | | | | | | | | | | | | | | |
| To subscribe call 1-800-VALUELINE | | | | | | | | | | | | | | | | | | | | |