

PROPOSED RESOLUTIONS AND REMARKS ON EACH ITEM OF THE AGENDA

1. The Board of Directors' report on the activities of the Company for the preceding year

The report will be presented by Mr. Niels Jacobsen, the Chairman of the Board of Directors.

2. Decision on the distribution of the net profit of the Company over the fiscal year 2015

The Board of Directors proposes the Company pays a dividend of DKK 0.12 per share to the shareholders for the year 2015, corresponding to approximately 16% of the Company's net profits. The Ex-Date is 11 March 2016, the Record Date is 14 March 2016 and the Payment Date is 22 March 2016.¹

The Board proposes that the remaining net profits in 2015 are carried over to the following year.

In addition, the Board has submitted a separate motion on granting an authorization to initiate share buyback programs, see item 11 on the agenda.

The motions are made in conformity with the Company's Capital Structure and Dividend Policy as updated by the Board of Directors in February 2016:

"Össur's policy is to maintain a healthy balance sheet and a level of net interest bearing debt of 0.5x-1.5x to EBITDA.

Excess capital is returned to shareholders via annual cash dividends and/or purchase of own shares.

Össur's policy is to distribute a relatively stable cash dividend. The cash dividend will be decided annually in DKK per share.

Return of capital to shareholders is based on objectives of maintaining a solid financial position, operational outlook and investment requirements."

Shareholders, who have their Össur shares on a Danish (non-Icelandic) custody account, will receive the dividends in DKK.

Shareholders, who have their Össur shares on an Icelandic custody account, can elect to receive the dividend in DKK if they notify the Company no later than on the date of the AGM by email to ir@ossur.com which includes information on the shareholder's DKK bank account, i.e. the

¹ **Ex-Date:** The day when trading commences without dividends (the next business day after the AGM).

Record Date: The day shareholders have to be registered in the share registry to be entitled to receive dividends (the second business day after the AGM). This means that shareholders that have purchased shares on the day of the AGM will receive dividends, see comment on Ex-Date above.

Payment Date: The day when dividends are paid out to shareholders (twelve days after the AGM).

account holder's name and address, IBAN number and SWIFT code. If no request is received which fulfills the aforementioned conditions, the dividend will be paid out to the relevant shareholders in ISK as per the Icelandic Central Bank's official mid-DKK exchange rate on the date of the AGM.

3. Submission of the Consolidated Financial Statements of the Company for the preceding year for confirmation

The Board of Directors proposes the Consolidated Financial Statements for 2015 are approved. The Consolidated Financial Statements are available on the Company's website, www.ossur.com/investors/AGM

The Consolidated Financial Statements for 2015 will be presented by Mr. Jón Sigurðsson, President and CEO.

4. The Board of Directors' report on remuneration and benefits

A report on the remuneration and benefits of the Board of Directors, the CEO and the Executive Management, the expected costs related to share option agreements and the execution of the Remuneration Policy.

The report will be presented by Mr. Niels Jacobsen, the Chairman of the Board of Directors.

5. Decision on the Company's Remuneration Policy

The Board of Directors proposes that the Company's current Remuneration Policy, approved at the Annual General Meeting in 2015, is approved without any changes.

The Remuneration Policy is available on the Company's website, www.ossur.com/investors/AGM

6. Decision on remuneration to the Board of Directors for 2016

The Board of Directors proposes the following Board remuneration for 2016:

<i>Chairman of the Board</i>	<i>USD 88,500</i>
<i>Vice Chairman of the Board</i>	<i>USD 53,000</i>
<i>Board Members</i>	<i>USD 35,500</i>

In addition, the Company will pay statutory related expenses as before.

The proposal constitutes an increase of approximately 4% from the Board remuneration last year.

7. Election of the Board of Directors

When evaluating its size and composition, the Board of Directors takes into account the Company's operations, policies and practices and the knowledge, experience and expertise of each Board Member.

The Board proposes that its size shall remain unchanged and that all the current Board Members are re-elected:

Mr. Niels Jacobsen

Dr. Kristján Tómas Ragnarsson

Mr. Arne Boye Nielsen

Mrs. Guðbjörg Edda Eggertsdóttir

Dr. Svafa Grönfeldt

In the Board's opinion the proposed size and composition complies with the Board's aim to discharge its duties in an efficient manner with integrity in the best interest of the Company.

Further information on the Board candidates is available on the Company's website, www.ossur.com/investors/AGM.

Shareholders are advised that according to Article 63 a. of the Icelandic Companies Act No. 2/1995, written notices on candidature to the Board of Directors can be made until five days before the Annual General Meeting. Thus, updated information on all candidates to the Board of Directors will be made available to the shareholders no later than two days before the Annual General Meeting.

8. Election of an Auditor

The Board of Directors proposes, in conformity with the Audit Committee's recommendations to the Board, to re-elect Deloitte ehf. as the Company's Auditor.

9. Motion to renew and amend authorizations to increase the Company's share capital

The Board of Directors proposes to renew and amend its authorizations in Article 5 of the Company's Articles of Association to increase the Company's share capital. The existing authorizations will expire on 4 March 2016.

The proposal entails the following:

- a) The authorization to increase the share capital in connection with acquisitions, without shareholders' pre-emptive rights being applicable, is lowered significantly from ISK 161,250,000 to ISK 67,000,000, corresponding to approx. 15% of the Company's current share capital.
- b) The authorization to increase the share capital in connection with acquisitions, where shareholders' pre-emptive rights are applicable, is not renewed (the existing authorization is ISK 9,608,310).
- c) The authorization to increase the share capital to fulfill share option agreement is renewed without any amendments. The existing authorization is ISK 8,000,000, corresponding to approx. 2% of the Company's current share capital.

Accordingly, it is proposed that Article 5 of the Company's Articles of Association is renewed and amended and shall state as follows:

“In connection with acquisitions, the Board of Directors of the Company is authorized to increase the share capital of the Company in stages over five years by an amount of up to ISK 67,000,000 – sixtysevenmillionIcelandicrónur – in nominal value, through the sale of new shares without the provision on pre-emptive rights of Article 34 of the Icelandic Act No. 2/1995 on Limited Liabilities Companies being applicable. The Board of Directors determines the offer price of these shares, the terms of sale, the subscription deadline and deadline for payment. The Board of Directors may decide that subscribers pay for the new shares partly or fully in cash.

The Board of Directors is authorized to increase the share capital of the Company in stages over five years by up to ISK 8,000,000 – eightmillionIcelandicrónur – in nominal value. The authorization shall only be utilized to fulfill share option agreements with employees et al. in accordance with the Company’s share incentive schemes. The pre-emptive rights provision of Article 34 of the Icelandic Act No. 2/1995 on Limited Liabilities Companies is not applicable. The share price and the rules governing the purchase of shares shall be in accordance with the terms of the option agreements.

If the motion is approved, Article 5 of the Company’s original Articles of Association in Icelandic will also be renewed and amended and shall state as follows:

„Í tengslum við fyrirtækjakaup er stjórn félagsins heimilt að auka hlutafé félagsins í áföngum á fimm árum um allt að kr. 67.000.000 – sextíuogsjömilljónirkróna – að nafnverði, með sölu nýrra hluta án þess að forgangsréttarákvæði 34. gr. laga um hlutafélög nr. 2/1995 eigi við. Stjórn félagsins ákveður útboðsgengi þessara hluta og sölureglur hverju sinni, fresti til áskriftar og fresti til greiðslu þeirra. Stjórn félagsins er heimilt að ákveða að áskrifendur greiði fyrir hina nýju hluti að hluta eða öllu leyti með öðru en reiðufé.

Stjórn félagsins er heimilt að auka hlutafé félagsins í áföngum á fimm árum um allt að kr. 8.000.000 – áttamilljónirkróna – að nafnverði. Heimildin skal aðeins nýtt til að uppfylla kaupréttarsamninga sem gerðir hafa verið við starfsmenn o.fl. í samræmi við kaupréttaráætlanir félagsins. Forgangsréttarákvæði 34. gr. laga um hlutafélög nr. 2/1995 eiga ekki við. Kaupgengi hlutanna og sölureglur skulu vera í samræmi við efni kaupréttarsamninga.“

10. Motion to reduce the Company’s share capital

The Board of Directors proposes to reduce the Company’s share capital by ISK 3,292,688 nominal value by way of cancelling 3,292,688 of the Company’s own shares of ISK 1 each.

The own shares that are proposed to be cancelled were acquired: (i) on 6 November 2015 – 1,765,000 shares for DKK 22.2 each; (ii) in December 2015 through the Company’s “Safe Harbor” share buyback program – 127,688 shares for an average price of DKK 23.4 each; and (iii) on 11 February 2016 – 1,400,000 shares for ISK 420 each. The total purchase price of the shares was approx. DKK 73 million (approx. USD 11 million). The purpose of the transactions was to adjust the capital structure in line with the Company’s desired capital level of net interest bearing debt in accordance with the Company’s Capital Structure and Dividend Policy.

As a result of the capital reduction, it is proposed that Article 4, paragraph 1, of the Company’s Articles of Association is amended and shall state as follows:

"The share capital of the Company amounts to ISK 443,000,557 – fourhundredfortythree-millionandfivehundredfiftysevenIcelandickrónur – and is divided into the same amount of shares with a nominal value of ISK 1 each."

If the motion is approved, Article 4, paragraph 1, of the Company's original Articles of Association in Icelandic will be amended accordingly and shall state as follows:

„Hlutafé félagsins er kr. 443.000.557 – fjögurhundruðfjörutíuogþrjúarmilljónirogfirm-hundruðfimmtíuogsjökrónur – að nafnverði og skiptist í jafnmarga hluti að nafnverði 1 króna hver.“

As of 18 February 2016, the Company held 4,137,035 own shares. If the motion is approved, the Company will hold 844,347 own shares that may be used to settle share options vesting in 2016.

11. Motion to grant an authorization to initiate share buyback programs

The Board of Directors proposes that the Annual General Meeting approves the following motion:

"The Board of Directors is authorized, until the next Annual General Meeting 9 March 2017, to allow the Company to initiate one or more share buyback programs (the "Programs") that comply with the provisions of the European Commission's regulation No. 2273/2003 (the "Safe Harbor rules"). The main purpose of the Programs shall be to reduce the Company's share capital, but the shares purchased may also be used to meet the Company's obligations under share incentive programs with employees. The Company may purchase up to 20,000,000 shares in total under the Programs, corresponding to 4.5% of the current share capital. The total consideration for shares purchased under the Programs shall not exceed USD 40 million. The Company shall not purchase more than 50% of the average volume of the shares each trading day based on the average volume the 20 trading days preceding the date of purchase on the regulated market where the purchase is carried out. The purchase price shall not be higher than the price of the last independent trade or the highest current independent bid, whichever is higher, on the regulated market where the transaction is carried out. Each Program shall be managed by an investment firm or a credit institution which makes its trading decisions in relation to the Company's shares independently of, and without influence by, the Company with regard to the timing of the purchases. The Company's purchases under the Programs shall be disclosed in accordance with law and regulations."

This proposal is made in accordance with the Company's Capital Structure and Dividend Policy and is materially in line with the authorization to initiate share buyback programs approved at the Annual General Meeting 2015 that will expire on 10 March 2016. If the motion is approved, it will be up to the Board to grant the Company an authorization to initiate one or more Programs within the limits set out in the proposal.

12. Any other business lawfully submitted or accepted for discussion by the Annual General Meeting

No other business has been submitted.

Shareholders have the right to put items on the agenda of the Annual General Meeting and submit proposed resolutions, provided a written or electronic request thereof has been made no later than Monday 29 February 2016.

Further information on shareholders' rights, including the requirements to exercise the rights, is available on the Company's website, www.ossur.com/investors/AGM.