

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 2014

The Board of Directors proposes the Company pays a dividend of DKK 0.12 per share to shareholders for the year 2014, corresponding to approximately 14% of the Company's net profits. The Ex-Date is 13 March 2015, the Record Date is 16 March 2015 and the Payment Date is 26 March 2015.¹

The Board proposes the remaining net profits in 2014 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 12 on the agenda.

The motions are made in conformity with the Company's Capital Structure and Dividend Policy approved by the Board of Directors in February 2015:

"Össur's policy is to maintain a healthy balance sheet and a level of net interest bearing debt of USD 50-140 million.

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 dividends 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 account holder's name and address, IBAN number and SWIFT code. If no request is received

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 (two weeks after the AGM).

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 2014 are approved.

The Consolidated Financial Statements are available on the Company's website, www.ossur.com/investors/AGM

The Consolidated Financial Statements for 2014 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 Executive Management, the expected costs related to share option agreements and 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 2014, 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 2015

The Board of Directors proposes the following Board remuneration for 2015:

<i>Chairman of the Board</i>	<i>USD 85,000</i>
<i>Vice Chairman of the Board</i>	<i>USD 51,000</i>
<i>Board Members</i>	<i>USD 34,000</i>

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

The proposal constitutes an increase of approximately 3% from the Board remuneration for 2014 approved at the Annual General Meeting in 2014.

7. Motion to approve a new share incentive program

The Board of Directors proposes the following motion on a new share incentive program is approved:

"Type of share incentive program: Share options.

Participants: The CEO and other members of the Executive Management, their direct reports (with exceptions) and key specialists in strategic positions.

Total number of share options: Up to 6,000,000 share options, for one share each, may be granted and be in effect at each time under the program. If any share options lapse prior to their vesting date, new share options may be granted instead.

Granting time: The share options shall be granted periodically. No more than 3,000,000 share options shall be granted and be in effect under the program in 2015.

Vesting time: 3 years from the grant date.

Exercise period: 1 year immediately after the share options have vested (during open trading windows).

Exercise price: The Company's average share price on NASDAQ OMX Copenhagen, the 20 trading days prior to the grant date.

Other key terms and conditions:

If the share options cannot be settled with shares, e.g. due to currency restrictions, the Company shall pay to the participants the difference of the exercise price and the market price on the day of exercise.

Participants are required to hold shares, corresponding to 5% of the profit gained of the share options after deduction of taxes, until their employment with the Company is terminated (if share settlement is possible).

In general, the share options will lapse if the participants are no longer employed with the Company. The Company may decide to waive this condition, including if a participant becomes disabled or dies.

The Company shall not grant any loans or guarantees to participants in connection with the share options."

The vast majority of share options granted to the CEO, the Executive Management and the management team under the current share incentive program, approved at the Annual General Meeting in 2012, will be vesting in the first half of 2015. As a result, most of the Company's management will no longer have any share options with the Company later this year.

When the current share incentive program was introduced in 2012, it was stated that the plan was to have a continuing program and present a new program in 2015. The proposal above is designed in the same way as the current program, with the exception that the share options shall be granted periodically, and no more than 3,000,000 share options shall be granted and be in effect under the program in 2015. In addition, the number of share options has been

reduced from 6,750,000 to 6,000,000. As before, the plan is to have a continuing program and present a new program in 2018.

The purpose of the share incentive program is to attract and retain management team and key leaders and reward for delivery of long-term strategy. That way the interest of the shareholders and management are aligned and the Company is provided with competitive compensation tool to drive and motivate team performance culture.

The Company's cost of the proposed new share incentive program is estimated to be USD 3.5 million in total, based on the option pricing model of Black-Scholes. The cost of each granted option is expensed evenly over three years from the grant date.

8. 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.

9. 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.

10. Motion to reduce the Company's share capital

The Board of Directors proposes to reduce the Company's share capital by ISK 7,456,755 nominal value by way of cancelling 7,456,755 of the Company's own shares of ISK 1 each.

If the motion is approved, the Company will hold 4,650,000 own shares that may be used to settle share options vesting in 2015.

The own shares that are proposed to be cancelled were acquired 17 November 2014 for ISK 364 each. The total purchase price of those shares was ISK 2,714,258,820 (approx. DKK 130 million / USD 21.8 million). The purpose of the transaction 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 shall be amended and state as follows:

"The share capital of the Company amounts to ISK 446,293,245 – fourhundredfortysix-milliontwohundrednintythreethousandtwohundredfortyfivelcelandickrónur – and is divided into the same amount of shares with a nominal value of ISK 1 each."

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

"Hlutfé félagsins er kr. 446.293.245 – fjögurhundruðfjörutíuogsexmilljónirtvöhundruð-níutíuogþrjúþúsundtvöhundruðfjörutíuogfimmkrónur – að nafnverði og skiptist í jafnmarga hluti að nafnverði 1 króna hver."

11. Motion to grant an authorization to purchase own shares

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

"The Board of Directors is authorized, at any time in the next 5 years, to allow the Company to purchase own shares of up to 10% of the Company's share capital as it stands each time. 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."

This authorization is granted in accordance with Article 55 of the Icelandic Act No. 2/1995 on Limited Liability Companies."

Shareholders are advised that the authorization may, for example, be utilized to purchase own shares with the intent to maintain a desired capital level in line with the Company's Capital Structure and Dividend Policy, see comments on item 2 on the agenda, and/or to meet the Company's obligations under share incentive programs.

Own shares may, for example, be purchased in share buyback programs (provided that the Board's motion to grant an authorization to initiate such programs is approved, see item 12 on the agenda), in block trades or otherwise within the limits of the applicable law and rules.

12. 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 10 March 2016, 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 4.4% 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 assumes that the Board's motion to grant an authorization to purchase own shares is approved, see item 11 on the agenda. 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.

13. 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 2 March 2015.

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