Ossur Third Quarter Report for 2006

Life Without Limitations

Press release from Ossur hf.

Reykjavik, 30 October 2006

Third quarter highlights

- **Sales USD 62.8 million, up 41% from Q3 2005.**
- **Organic sales growth 5%.**
- **Pro forma sales growth 4%.**
- **EBITDA USD 12.1 million, up by 17% from Q3 2005.**
- **EBITDA ratio 19.3%, declining from 23.2% for Q3 2005.**
- **Net profit USD 5.4 million, up from USD 4.0 million for Q3 2005. Net profit excluding amortization of intangible assets relating to recent acquisitions USD 7.3 million, up from 4.8 million for Q3 2005 or by 52%.**
- **Cash earnings per share diluted 2.72 US cents (net profit plus depreciation and amortization per share diluted), increasing from 2.18 US cents for Q3 2005 or by 25%.**
- **Earnings per share diluted 1.40 US cents, increasing from 1.26 US cents for Q3 2005 or by 11%.**

Note: 2005 comparison numbers have been adjusted by excluding one-time unusual revenues, inventory step-up and restructuring cost related to acquisitions in the third quarter of 2005. Prior to this adjustment, profitability growth rates are significantly higher and comparison more favorable.

Jon Sigurdsson, President & CEO, comments:

"We are confident about achieving our targets for the year but our third quarter results are in the lower range of management expectations. In North America, we continue to see excellent growth in prosthetics while pro forma growth in bracing and support products is more in line with the overall market and below our long term goals. Integration and restructuring activities following our recent acquisitions are on track. During the quarter we closed down our facilities in Bothell, Washington and put significant effort into the restructuring of our bracing and support distribution network in North America. This had a temporary negative impact on sales in the region. We have been challenged in Europe and will see a more gradual improvement in that area. Our UK headquarters were moved from Blackburn to Manchester in the beginning of September and at the same time all UK distribution was moved to Eindhoven. We are steadily moving beyond the most challenging period. Ossur's long term prospects remain positive and we are confident that our strategy will allow us to reach our ambitious goals for future growth and profitability."

Third quarter operating results

Following are the principal operating results of the third quarter of 2006. Royce Medical, Inc. is included from August 11th 2005. Comparison numbers for 2005 have been adjusted by excluding inventory step-up, one-time restructuring cost and unusual revenue in the third quarter of 2005, unless otherwise indicated. Prior to this adjustment, profitability growth rates are significantly higher and comparison more favorable. A special account is given of the impact of amortization of intangible assets relating to the recent acquisitions of Royce Medical, Inc. and Innovation Sports, Inc. in the USA and IMP Holdings, Ltd. in the UK.

Income Statement Q3 2006 (USD '000)	Q3 2006 excl. amort.	% of sales	Q3 2005 excl. amort. & restr.	% of sales	Change
Net sales	62,755	100.0%	44,567	100.0%	40.8%
Cost of goods sold	-24,946	-39.8%	-16,985	-38.1%	46.9%
Gross profit	37,809	60.2%	27,582	61.9%	37.1%
Other income	121	0.2%	7	0.0%	1628.6%
Sales & marketing expenses	-15,811	-25.2%	-9,733	-21.8%	62.4%
Research & development expenses	-3,161	-5.0%	-2,685	-6.0%	17.7%
General & administrative expenses	-8,822	-14.1%	-6,348	-14.2%	39.0%
Restructuring expenses	0	0.0%	0	0.0%	0.0%
Profit from operations	10,136	16.2%	8,823	19.8%	14.9%
Financial income / (expenses)	-3,887	-6.2%	-1,861	-4.2%	108.9%
Profit / (loss) before tax	6,249	10.0%	6,962	15.6%	-10.2%
Income tax	1,001	1.6%	-2,137	-4.8%	
Net profit for the period	7,250	11.6%	4,825	10.8%	50.2%
EBITDA	12,138	19.3%	10,347	23.2%	17.3%

Overview of adjustments:

Income Statement Q3 2006 (USD '000)	Q3 2006	Adjust. amort.	Q3 2006 excl. amort.	Q3 2005	Adjust. restr. & amort.	Q3 2005 excl. amort. & restr.
Net sales	62,755		62,755	44,567		44,567
Cost of goods sold	-24,946		-24,946	-19,607	2,622	-16,985
Gross profit	37,809		37,809	24,960		27,582
Other income	121		121	1,007	-1,000	7
Sales & marketing expenses	-17,530	1,719	-15,811	-10,587	854	-9,733
Research & development expenses	-4,254	1,093	-3,161	-3,149	464	-2,685
General & administrative expenses	-9,085	263	-8,822	-6,430	82	-6,348
Restructuring expenses	0		0	-4,115	4,115	0
Profit from operations	7,061		10,136	1,686		8,823
Financial income / (expenses)	-3,887		-3,887	-1,861		-1,861
Profit / (loss) before tax	3,174		6,249	-175		6,962
Income tax	2,203	-1,202	1,001	987	-3,124	-2,137
Net profit for the period	5,377		7,250	812		4,825
EBITDA	12,138		12,138	4,610		10,347

Sales during the quarter amounted to USD 62.8 million, representing an increase of 41% from the third quarter of 2005, measured in US dollars. The impact of foreign exchange rate changes was positive by approximately USD 1 million and growth measured in local currency was 39%.

Organic growth was 5%, measured in US dollars and pro forma sales growth, including the recently acquired Royce, Innovation Sports and IMP, was 4%.

Total sales per business day amounted to USD 987 thousand, representing an increase of 43% from the third quarter of 2005, measured in US dollars.

Product groups

The division of sales between main product groups during the quarter was as follows:

USD '000	Q3 2006	Q3 2005	Change
Prosthetics	29,791	27,935	7%
Bracing & Support	32,798	16,510	99%
Other	166	122	36%
Total	62,755	44,567	41%

Sales of prosthetic products accounted for USD 29.8 million, representing over 47% of total sales and an increase of almost 7% from the third quarter of 2005.

Ossur clearly remains a technical leader in the prosthetics sector. The Bionic Power Knee™ and Proprio Foot™ were formally launched to market in September. The cutting edge Bionic products continue to receive deserved attention, as they have done since their initial pre-launch. As an example, an impressive feature on Proprio Foot™, the world's first intelligent foot module, was published in the New York Times on October 3rd, followed by an interactive graphic on nytimes.com showing the movements and detailed features of the foot.

Sales of bracing and support products accounted for USD 32.8 million, representing over 52% of total sales and an increase of 99% from the previous year. Overall pro forma growth in bracing and support was just over 1%. Significant integration and restructuring activities have had a temporary negative impact on sales, resulting in a growth rate well below the Company's long term goals, particularly in Europe.

Sales of the osteoarthritis brace Unloader®One, which was first introduced early this year, continues to be well received in the market. The Unloader®One is an example of the successful application of Ossur's technical knowledge from the prosthetics field into the field of bracing and support. The continuation of this is an important aspect of the Company's strategy. Development of new braces as well as redesigning of a number of current braces is in the pipeline and a key focus area of Ossur's research and development teams for 2007.

Geographical markets

The distribution of sales according to market regions during the quarter was as follows:

USD '000	Q3 2006	Q3 2005	Change in USD	Change in LCY
North America	39,247	26,768	47%	46%
Europe	19,030	13,305	43%	37%
Other markets	4,478	4,494	0%	0%
Total	62,755	44,567	41%	39%

Organizational changes were made in August to support the Company's continuing growth and strengthen the infrastructure. Ossur North America becomes Ossur Americas, responsible for sales in North America, Canada and Latin America. Ossur Europe is responsible for sales in Europe, including the Nordic region and former international markets in Europe. The newly established Ossur Asia is responsible for sales in Asia and Australia. Research and development activities will also be conducted in the new unit, as well as administration of the Company's outsourcing of manufacturing to Asia. Ossur Asia has opened an office in Shanghai. Managing director is Arni Alvar Arason who has been with Ossur since 1996.

Financial reporting by the new geographical segmentation will start 1 January 2007.

North America

North America represents 63% of total sales in the third quarter, compared to 60% for the third quarter of 2005. Sales were up by 47% from the third quarter of 2005, measured in US dollars. The strengthening of the Canadian dollar against the US dollar results in a slightly lower growth rate measured in local currency, or 46%. Sales per business day increased by 50%, measured in US dollars. Organic growth was 9%, measured in US dollars.

Prosthetics sales continue to grow significantly above the market, or by 17% from the third quarter of 2005. Overall sales of bracing and support products are up by 77% while pro forma growth is flat.

Integration and restructuring activities are on track. The Company's facilities in Bothell, Washington were closed down in September and custom knee brace manufacturing has been consolidated in Foothill Ranch, California. Consolidation

of back office functions is completed and outsourcing of off-the-shelf bracing and support products from North America to Asia is in progress. The number of Ossur employees in North America has been reduced by approximately 100. During the quarter, significant effort has been put into restructuring of the North American bracing and support distribution network, which has had a temporary negative impact on bracing and support sales in the region. The Company is steadily moving beyond the most challenging integration period.

In September, Ossur participated in the AOPA (American Orthopedic and Prosthetic Association) tradeshow. This was the first time Ossur and the recently acquired companies were jointly presented in North America. The main focus was on the new Bionic Technology which was very well received and the Company was successfully introduced to industry specialists.

Europe

Europe, including the Nordic countries, accounts for 30% of total sales. Sales growth in the European market was 43%, measured in US dollars. The strengthening of the Euro and the British Pound against the US dollar is the main reason for the lower growth rate of 37%, measured in local currency. Organic growth was 6%, measured in US dollars. Sales per business day increased by 46% from the third quarter of 2005, measured in US dollars.

Prosthetics sales growth was 2% in the third quarter, measured in US dollars. Sales of bracing and support products grew by 193% while pro forma sales growth was 5%. Integration is progressing according to schedule. The UK headquarters were moved from Blackburn to Manchester in the beginning of September and at the same time distribution was moved to Eindhoven. Centralization of back office functions is completed and Ossur's IT systems have been implemented. The number of employees has been reduced by 10.

Significant growth and demanding integration activities following recent acquisitions have been challenging for Ossur Europe but management is confident that a gradual but steady turnaround is on the horizon.

International markets

International sales account for 7% of total sales. Sales growth is flat compared to the third quarter of 2005 and organic sales declined. The recent organizational changes at the Company, including the establishment of Ossur Asia, will lead to an increased emphasis on these markets and facilitate exploitation of the vast opportunities present in this segment.

Gross profit

Gross profit amounted to 60.2% of sales, compared to 61.9% for the third quarter of 2005. The gross margin of IMP and Innovation Sports is considerably lower than at Ossur and Royce. The negative impact is slightly offset by positive exchange rate trends, mainly the weakening of the Icelandic krona against the US dollar.

Operating expenses

Amortization of intangible assets relating to the acquisition of Royce, IMP and Innovation Sports continues to have a significant impact on profit from operations and net profit for the period, although it does not affect cash flow and EBITDA. The amortization amounted to USD 3.1 million for the third quarter, compared to USD 1.4 million for the third quarter of 2005. Amortization reduces the ratio of operating profit to sales in the third quarter by 4.9 percentage points and net profit to sales by 3.0 percentage points. The amount is allocated to individual operating items as follows:

Expense item (USD '000)	Q3 2006 Amount	Q3 2006 % of sales	Q3 2005 Amount	Q3 2005 % of sales
Sales and marketing expenses	1,719	2.8%	854	1.9%
Research & development expenses	1,093	1.7%	464	1.0%
General & administrative expenses	263	0.4%	82	0.2%
Effect on profit from operations	-3,075	-4.9%	-1,400	-3.1%
Effect on net profit	-1.873	-3.0%	-842	-1.9%

The amortization of acquired intangible assets will continue for the next 4-5 years.

Sales and marketing expenses, excluding amortization of intangible assets, increased to 25% of sales, up from 22% for the third quarter of 2005, primarily due to the different cost structure of recently acquired companies.

Research and development expenses, excluding amortization of intangible assets, amounted to 5% of sales, as compared to 6% for the third quarter of 2005. The strengthening of the US dollar against the Icelandic krona has a positive effect, as the majority of Ossur's research and development activities are conducted in Iceland. Additionally, research and development cost ratios at Royce, IMP and Innovation Sports were considerably lower than at Ossur. All research and development costs continue to be expensed.

General and administrative expenses are 14% of sales, excluding amortization of intangible assets, the same as for the third quarter of 2005.

Financial expenses

Net financial expenses amounted to just short of USD 3.9 million, including USD 3.8 million interest on bank loans and USD 50 thousand in exchange rate differences.

Interest on bank loans increased by 64%, which represents the significant increase in leverage undertaken since the acquisition of Royce in August 2005. The Company's equity ratio was 36% at the end of the third quarter, compared to 17% at the end of the third quarter of 2005, when Ossur's USD 83 million equity offering was in progress and temporarily bridge financed. Ossur has entered into an interest rate swap agreement fixing the rates of USD 140 million and EUR 48.6 million of its long term debt at a weighted 5.99% per annum interest rate throughout the term of the loan.

Approximately 69% of Ossur's long term liabilities are in US dollars and 31% in Euros. The slight decrease in the Euro/US dollar spot rate from the end of the second quarter to the end of the third quarter of 2006 results in a positive exchange rate difference on long term liabilities in the amount of USD 242 thousand. This exchange rate difference was negative by USD 3.2 million in the second quarter of 2006.

Income tax

Significant deductions relating to recent acquisitions, as well as deductions relating to the internal financing structure of the Company, result in a net loss in North America and an overall positive effective tax rate of 69%.

Profit ratios

Gross profit amounted to 60.2% of sales, or 1.7 percentage points lower than for the third quarter of 2005. The main explanation for the decrease is the lower gross margin of IMP and Innovation Sports, which were acquired in the fourth quarter of 2005 and the first quarter of 2006, than that of Ossur and Royce.

The operating profit margin excluding amortization of intangible assets relating to recent acquisitions was 16.2% for the third quarter, as compared to 19.8% for the third quarter of 2005. The negative effect of increased cost of goods sold and sales and marketing expenses are partially offset by positive exchange rate trends.

The ratio of EBITDA to sales was 19.3% in the third quarter, as compared to 23.2% in the third quarter of 2005, excluding one-time revenue and expenses related to acquisitions in the third quarter of 2005.

Net profit amounted to USD 7.2 million or 11.6% of sales compared to USD 4.8 million and 10.8% of sales for the third quarter of 2005. The increase can be explained by the positive tax effect resulting from deductions related to recent acquisitions and the Company's financing structure.

January – September 2006 operating results

Income Statement YTD 2006 (USD '000)	2006 YTD excl. amort. & restr.	% of sales	2005 YTD excl. amort. & restr.	% of sales	Change
Net sales	188,289	100.0%	111,139	100.0%	69.4%
Cost of goods sold	-75,811	-40.3%	-43,349	-39.0%	74.9%
Gross profit	**112,478**	**59.7%**	**67,790**	**61.0%**	**65.9%**
Other income	244	0.1%	593	0.5%	-58.9%
Sales & marketing expenses	-45,811	-24.3%	-23,728	-21.3%	93.1%
Research & development expenses	-10,049	-5.3%	-7,887	-7.1%	27.4%
General & administrative expenses	-25,629	-13.6%	-17,044	-15.3%	50.4%
Restructuring expenses	0	0.0%	0	0.0%	
Profit from operations	**31,233**	**16.6%**	**19,724**	**17.7%**	**58.4%**
Financial income /(expenses)	-14,795	-7.9%	-2,543	-2.3%	481.8%
Profit/(loss) before tax	**16,438**	**8.7%**	**17,181**	**15.5%**	**-4.3%**
Income tax	1,166	0.6%	-4,568	-4.1%	-125.5%
Net profit for the period	**17,604**	**9.3%**	**12,613**	**11.3%**	**39.6%**
EBITDA	**36,877**	**19.6%**	**23,638**	**21.3%**	**56.0%**

Overview of adjustments

Income Statement YTD 2006 (USD '000)	YTD 2006	Adjust. amort. & restr.	2006 YTD excl. amort. & restr.	YTD 2005	Adjust. amort. & restr.	2005 YTD excl. amort. & restr.
Net sales	188,289		188,289	111,139		111,139
Cost of goods sold	-75,811		-75,811	-45,971	2,622	-43,349
Gross profit	112,478		112,478	65,168		67,790
Other income	244		244	1,593	-1,000	593
Sales & marketing expenses	-50,862	5,051	-45,811	-24,582	854	-23,728
Research & development expenses	-13,181	3,132	-10,049	-8,351	464	-7,887
General & administrative expenses	-26,380	751	-25,629	-17,126	82	-17,044
Restructuring expenses	-3,000	3,000	0	-4,115	4,115	0
Profit from operations	19,299		31,233	12,587		19,724
Financial income /(expenses)	-14,795		-14,795	-2,543		-2,543
Profit/(loss) before tax	4,504		16,438	10,044		17,181
Income tax	3,563	-2,397	1,166	-1,444	-3,124	-4,568
Net profit for the period	8,067		17,604	8,600		12,613
EBITDA	33,877		36,877	17,901		23,638

Sales during the first nine months of 2006 amounted to USD 188.3 million, representing an increase of 69% from the first nine months of 2005, measured in US dollars. Organic sales growth was 8% and pro forma sales growth was 6%.

Profit from operations, excluding one time restructuring expenses and amortization of intangible assets, was USD 31.2 million or 16.6% of sales, representing a 58.4% increase from the first nine months of 2005. EBITDA excluding one time revenue and expenses relating to acquisitions amounted to USD 36.9 million, compared to USD 23.6 million for the first nine months of 2005, increasing by 56%. The ratio of EBITDA to sales decreases from 21.3% in 2005 to 19.6% in 2006.

Cash EPS diluted, excluding one time restructuring expenses, was 6.36 US cents, increasing from 5.42 US cents for the first nine months of 2005, or by 17%.

Capital expenditure amounted to USD 6.9 million for the first nine months of 2006, corresponding to 3.6% of sales.

Balance sheet

Consolidated Balance Sheets (USD '000)	30 September 2006	31 December 2005	Change
Fixed assets	362,054	325,873	11.1%
Current assets	91,543	82,113	11.5%
Total assets	453,597	407,986	11.2%
Stockholders' equity	164,805	152,829	7.8%
Long-term liabilities	227,991	215,361	5.9%
Current liabilities	60,801	39,796	52.8%
Total equity and liabilities	453,597	407,986	11.2%

Total assets increased from USD 408 million at the end of 2005 to USD 453.6 million at the end of the third quarter, or by 11%. Innovation Sports was acquired in January 2006 for an acquisition price of USD 38.4 million which was partially financed by existing cash and partially by an addition to the Company's long term loan agreement. USD 20 millions are still undrawn and available.

The equity ratio at the end of the third quarter was 36%, as compared to 37% at the end of 2005. The ratio was 17% at the end of the third quarter of 2005, at which time Ossur's USD 83 million equity offering was in progress and temporarily bridge financed, explaining the low ratio.

Cash flow

Cash Flow (USD '000)	January-September 2006	January-September 2005
Working capital provided by operating activities	22,791	13,519
Cash generated by operations, before interest and taxes	22,704	16,581
Cash flows from investing activities	-46,271	-222,690
Cash flows from financing activities	25,897	247,276
Net change in cash and cash equivalents	-13,374	37,431

Cash generated by operations, before interest and taxes, amounted to USD 22.7 million in the first nine months of 2006, as compared to USD 16.6 million in the first nine months of 2005. The increase corresponds to 37%.

Financial ratios

Financial Ratios	YTD 2006	YTD 2005	Q3 2006	Q3 2005
EPS (US cents)	2.10	2.73	1.40	0.26
EPS diluted, adjusted (US cents)*	2.56	3.73	1.40	1.26
Cash EPS diluted (US cents)	5.89	4.41	2.72	1.18
Cash EPS diluted, adjusted (US cents)*	6.36	5.42	2.72	2.18

* Excluding unusual revenues, on-time restructuring cost and inventory-step up related to recent acquisitions.

Earnings per diluted share adjusted amounted to 1.40 US cents in the third quarter, up from 1.26 US cents in the third quarter of 2005, representing an 11% increase.

Cash earnings per diluted share are measured as net profit plus depreciation and amortization per diluted share. Cash earnings per diluted share adjusted, amounted to 2.72 US cents in the third quarter, up from 2.18 US cents, representing a 24% increase. Cash earnings per diluted share adjusted for the first nine months of 2006 amounted to 6.36 US cents, increasing from 5.42 US cents from the first nine months of 2005, or by 17%.

The effect of the increase in the Company's leverage associated with financing of recent acquisitions and the related significant increase in interest expenses should be considered when assessing changes in earnings per share.

Five year comparison

Five Year Comparison (USD '000)	Q3 2006	Q3 2005	Q3 2004	Q3 2003	Q3 2002
Net sales	62,755	44,567	30,674	22,398	21,391
Profit from operations	7,061	1,686	5,511	2,942	4,690
Financial income / (expenses)	-3,887	-1,861	210	-114	-150
Profit (loss) before tax	3,174	-175	5,721	2,828	4,542
Net profit	5,377	812	4,678	2,266	3,650
Stockholders' equity	164,805	66,062	54,236	46,900	36,967
Total assets	453,597	396,454	107,977	101,731	69,642
Working capital from operating activities YTD	22,791	13,519	17,925	9,424	10,623
Net cash provided by operating activities YTD	7,000	12,845	10,905	8,729	5,092
Return on common equity LTM	8%	20%	22%	20%	31%
Current ratio	1.5	0.9	2.1	2.2	2.3
Equity ratio	36%	17%	50%	46%	53%
Earnings per share (EPS) LTM	3.02	3.82	3.42	2.59	3.11
Price per share end of quarter (ISK)	126.0	85.5	91.5	53.5	50.5
Market value end of quarter (USD million)	692	441	410	231	195

Capital Market Day

On September 15th Ossur hosted its first Capital Market Day, introducing various aspects of the Company's business and activities to investors and other stakeholders. This was an important opportunity for management to give analysts and investors a clear picture of Ossur and its future goals. The Capital Market Day was well attended and well received by participants.

Presentations from the Capital Market Day can be found on Ossur's web site: http://www.ossur.com/cmd

First international analyst report

ABG Sundal Collier initiated coverage of Ossur 16 October 2006. Ossur's goal is to increase the international awareness of the Company and the number of foreign investors. The ABG Sundal Collier coverage is an important milestone.

Operating prospects

Operating prospects are positive and in line with management guidance given at the beginning of the year. It is estimated that Ossur's sales will be slightly over USD 250 million in 2006, with an EBITDA margin of approximately 20%, excluding restructuring cost in the first quarter. Integration and restructuring following recent acquisitions are proceeding according to plans and projected to return an annual operating efficiency of up to USD 8 million from 2007.

Long term prospects remain positive. Management is confident that the ambitious goals of future growth and profitability, USD 750 million in annual sales and EBITDA margin of 23%, will be reached by the end of 2010.

Approval of Financial Statements

The Ossur hf. Consolidated Financial Statements for the first nine months of 2006 were approved at a meeting of the Board of Directors today. The statements, prepared in compliance with the International Financial Reporting Standards (IFRS), have been reviewed and endorsed by the Company's auditors without comments.

Investor presentations

On Tuesday, October 31st, Ossur will host briefings for investors.

A telephone conference in English will be held at 13:00 GMT, 14:00 CET and 8:00 am Eastern Standard Time. The telephone conference can be heard on the Ossur website: www.ossur.com.

Please call the following telephone numbers to participate in the conference:

Telephone number for Europe: +44 (0) 20 7162 0025
Telephone number for the United States: +1 334 323 6201

Queries can also be sent to the meeting held in English by e-mail to investormeeting@ossur.com.

At 16:15 GMT, there will be an open meeting with Company management at the Grand Hotel at Sigtun in Reykjavik. At the meeting, Jon Sigurdsson, President and CEO, and Hjorleifur Palsson, CFO, will present and discuss the operations of the quarter.

Presentation material will be available on the Company's website www.ossur.com and the News System of the Iceland Stock Exchange www.icex.is.

Financial calendar 2006

Following are the estimated dates of publication of financial statements in 2006:

Fourth quarter	**7 February 2007**
2007 Annual General Meeting	**23 February 2007**

Ossur press releases by e-mail

If you wish to receive Ossur press releases by e-mail please register at the following web-site: http://www.ossur.com/investormailings.

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About Ossur
Ossur (Icelandic Stock Exchange: OSSR) is as much about helping people to live a *life without limitations* as it is about its orthopaedic products. A trusted and global leader in the development, manufacturing, distribution, sales and marketing of braces and support

products and prosthetics, Ossur creates award-winning designs – including its bionic technologies – and partners with the health practitioners who use them to deliver successful clinical and business outcomes. With headquarters in Reykjavik, Iceland, the company has operations and a distribution network throughout the world. The company allocates an industry record of 6-8 percent of its revenue to research and development to conceive and harness the most advanced technologies for incorporation in its product designs, and provides extensive education programs through the *Ossur Academy*. Website: www.ossur.com

Forward-Looking Statements

This press release includes "forward-looking statements" which involve risks and uncertainties that could cause actual results to differ materially from results expressed or implied by these statements. Ossur hf. undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after this press release. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.