

ÖSSUR HF.'S ANNUAL GENERAL MEETING

**WILL BE HELD ON FRIDAY, 4 MARCH 2011, AT 9:00 AM (GMT)
AT THE COMPANY'S HEADQUARTERS AT GRJÓTHÁLS 5, REYKJAVÍK, ICELAND**

A. AGENDA

1. The Board of Directors' report on the activities of the Company for the preceding year.
2. Decision on the distribution of the net profit of the Company over the fiscal year 2010.
3. Submission of the Consolidated Financial Statements of the Company for the preceding year for confirmation.
4. Decision on remuneration to the Board of Directors for the preceding year.
5. Elections to the Board of Directors.
6. Election of Auditors.
7. The Board of Directors' report on the remuneration and benefits of the Board of Directors and Executive Management, the expected costs related to share option agreements and execution of the previous remuneration policy.
8. Motion to approve a new Remuneration Policy for the Company.
9. Motion to grant the Board of Directors authorization to purchase Treasury Shares in the Company.
10. Motions to amend the Company's Articles of Association. Main subject of the motions:
 - a. Art. 2.01, para. 2 – Renewal of the Board of Directors' current authorization to increase the share capital of the Company, which from now on may only be used in connection with acquisitions.
 - b. Art. 2.01, para. 3 – Deletion of the Board of Directors' authorization to increase the share capital of the Company. The authorization expires on 23 February 2011.
 - c. Art. 4.01, para. 3 - Letters of proxy shall not be valid for longer than 1 year from their date of issue.
 - d. Art. 4.03, para. 4 – Shareholders holding a minimum of 1/20 of the shares of the Company can request a Shareholders' Meeting.
 - e. Art. 4.07, para. 1 – The final agenda, as well as all major proposals to be voted on, shall be made public no later than two weeks before an Annual General Meeting.
11. Motion to approve the Board of Directors' decision to request the Company's shares to be removed from trading on NASDAQ OMX in Iceland.
12. Any other business lawfully submitted or accepted for discussion by the Annual General Meeting.



B. PROPOSALS

2. *Proposal on the disposal of the net profit of the Company.*

The Board of Directors proposes to carry over the net profit of the Company in the year 2010 to the following year.

3. *Proposal on confirmation of the Company's Consolidated Financial Statements.*

The Board of Directors proposes to approve the Company's Consolidated Financial Statements for the year 2010.

4. *Proposal on remuneration to the Board of Directors for the preceding year.*

The Board of Directors proposes the remuneration to the Board of Directors for the preceding year shall remain unchanged from last year:

Chairman of the Board	USD 75,000
Vice Chairman of the Board	USD 45,000
Board Members	USD 30,000

5. *Nomination of candidates to the Board of Directors.*

The Board of Directors proposes that its size remains unchanged and that all the current Board Members are re-elected; Mr. Niels Jacobsen, Mr. Þórður Magnússon, Mr. Arne Boye Nielsen, Dr. Kristján Tómas Ragnarsson and Ms. Svafa Grönfeldt.

Updated information on all candidates to the Board of Directors will be published no later than 2 days before the Annual General Meeting in accordance with Article 63 a. of the Icelandic Companies Act No. 2/1995.

6. *Nomination of an Auditor.*

The Board of Directors (also acting as the Company's Audit Committee) proposes to re-elect Deloitte hf. as the Company's Auditor for the next year.

8. *Motion to approve a new Remuneration Policy for the Company.*

The Board of Directors proposes to approve a new Remuneration Policy.

9. *Motion to grant the Board of Directors authorization to purchase Treasury Shares in the Company.*

The Board of Directors proposes that the following motion on purchase of Treasury Shares is approved:

"The Board of Directors is authorized, until the next Annual General Meeting, to allow the Company to acquire Treasury Shares of up to 10% of the Company's share capital. The purchase price shall be determined in accordance with the closing price on NASDAQ OMX the day before the agreement is made. This authorization is granted in accordance with Article 55 of the Icelandic Companies Act No. 2/1995."



10. *Motions to amend the Company's Articles of Association.*

The Board of Directors proposes that the Annual General Meeting approves the motions to amend the Company's Articles of Association as set out in items a – e below.

a. *Proposed renewal and amendment to Article 2.01, paragraph 2.*

It is proposed that the paragraph reads as follows:

"In connection with acquisitions, the Board of Directors of the Company is authorised to increase the share capital of the Company in stages over five years by an amount of up to ISK 178,858,310 – onehundredandseventyeightmilliononeighthundredandfiftyeightthousandthreehundredandten Icelandic krónur – in nominal value, as follows:

A. By an amount of up to ISK 9,608,310 – ninemillionsixhundredandeighththousandthreehundredandtenIcelandickrónur – in nominal value, to be sold with shareholders' pre-emptive rights pursuant to the Company's Articles of Association and Chapter V of the Companies Act No. 2/1995. The Board of Directors will decide the offering price of these shares and rules of the sale at each time, deadlines for subscription and deadlines for payment.

B. By an amount of up to ISK 169,250,000 – onehundredandsixtyninemillionandtwohundredandfiftythousand Icelandic krónur – in nominal value, through the sale of new shares without the provision on pre-emptive rights of Article 34 of Act No. 2/1995 on Public Limited Liability Companies, being applicable. The Company's Board of Directors determines the offer price of these shares, the terms of sale, the subscription deadline and deadline for payment. The Company's Board of Directors may decide that subscribers pay for the new shares partly or wholly in cash."

b. *Proposed deletion of Article 2.01, paragraph 3.*

It is proposed that the paragraph is deleted.

c. *Proposed amendment to Article 4.01, paragraph 3.*

It is proposed that the paragraph reads as follows:

"Letter of proxy shall not be valid for longer than 1 year from its date of issue. A letter of proxy cannot be revoked with effect for the Company after it has been submitted on delivery of the documents of the meeting, or after the Shareholders' Meeting has been called to order, whichever occurs first."

d. *Proposed amendment to Article 4.03, paragraph 4.*

It is proposed that the paragraph reads as follows:

"Meetings shall be convened at the discretion of the Board of Directors, by a resolution of a meeting, or if the elected Auditors or shareholders holding a minimum of 1/20 of the shares of the Company request a meeting and state the business of the meeting."

e. *Proposed amendment to Article 4.07, paragraph 1.*

It is proposed that the paragraph reads as follows:

"The final agenda, as well as all major proposals to be voted on at the Shareholders' Meetings, shall be published on the Company's website and laid open to all shareholders for inspection at the Company's office no later than one week before a Shareholders' Meeting (two weeks before an Annual General Meeting)."



11. Motion to approve the Board of Directors' decision to request the Company's shares to be removed from trading on NASDAQ OMX in Iceland.

All members of the Board of Directors, except for Mr. Þórður Magnússon, were in favor of the Board of Directors' decision to request the Company's shares to be removed from trading on NASDAQ OMX in Iceland and propose that the Annual General Meeting approves the decision.

