

Summary Document

Admission to Trading of Shares in Össur hf. on NASDAQ OMX Iceland

This document comprises a 'Summary Document' for the purpose of Directive 2003/71/EC (the "Prospectus Directive") which has been implemented into relevant Icelandic law.

Unless the context indicates otherwise, references in this Summary Document to "Össur" and "the Company" refer to Össur hf., national ID 560271-0189. References in this Summary Document to "NASDAQ OMX Iceland" and "the Exchange" refer to NASDAQ OMX Iceland hf.

This Summary Document has been prepared in connection with the admission to trading of shares in Össur on NASDAQ OMX Iceland. This Summary Document is not a part of a prospectus and is issued by NASDAQ OMX Iceland solely due to the fact that the shares are being admitted to trading at the initiative of NASDAQ OMX Iceland with reference to article 23 of the Icelandic Act on Stock Exchanges no. 110/2007. The Company has not been involved in preparing this Summary Document. The Financial Supervisory Authority – Iceland (FME) has not approved this Summary Document.

The Summary Document should be read in conjunction with information published by Össur in accordance with applicable law. Any decision to invest in the Össur shares should be based on consideration of the aforementioned information as a whole, and not solely on this Summary Document.

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The natural and legal persons who have prepared this Summary Document and have applied for its notification may be subject to civil liability, but only if this Summary Document is misleading, inaccurate or inconsistent when read together with information published by Össur in accordance with applicable law.

The purpose of this Summary Document is not to be an encouragement or advice to invest in Össur's shares. The Summary Document shall not be distributed outside Iceland, except in such circumstances where the distribution does not breach any local legislation.

The information in this Summary Document has been sourced from Össur's Consolidated Financial Statements December 31st 2010 (Financial Statements 2010), Össur's Annual Report 2010 (Annual Report 2010), other information published by Össur in accordance with law and the Company's website (www.ossur.com). The information in this Summary Document has been accurately reproduced and as far as NASDAQ OMX Iceland is aware and is able to ascertain from information published by Össur, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The most recent prospectus of Össur, published September 2005, and the financial information published by the Company pursuant to the Company's ongoing disclosure obligations can be obtained from the Exchange's website at <http://nasdaqomxnordic.com/news>.

This Summary Document can be obtained from a market notice published by NASDAQ OMX Iceland at the Exchange's website, <http://nasdaqomxnordic.com/news/marketnotices/iceland>.

Össur hf.

[Financial Statements 2010 (note 1), Annual Report 2010 (page 78)]

Össur hf. (the Company) is a global orthopaedics company, specializing in the development, manufacturing and sales of prosthetics, bracing and supports and compression therapy products.

Vision

[Annual Report 2010 (page 5) - references to “we” and “our” refer to Össur hf.]

Össur’s vision is to be a leading company in non-invasive orthopaedics. Össur’s business is focused on improving people’s mobility through the delivery of innovative technologies within the fields of bracing and supports, prosthetics and compression therapy. Össur creates value for customers, shareholders and employees by:

Increasing value through innovation

We increase value through innovation by delivering a steady, valuable and successful product pipeline, enabling our customers to live a life without limitations.

Gaining market share

Through our localized go-to-market strategy, committed to our customer’s needs, we plan to gain market share. We will benefit from our strong market position and positive industry growth drivers.

Growing through bolt-on acquisitions

We constantly monitor bolt-on acquisitions opportunities that can enhance our value chain.

Delivering strong profit and cash flow

We drive continuous improvements. We run efficient operations in most optimal locations, hire passionate people and deliver strong profit and cash flow.

Mission

[Annual Report 2010 (page 7)]

Össur’s mission is to improve people’s mobility. A global leader in providing non-invasive orthopaedics, Össur delivers advanced and innovative solutions within the fields of bracing and supports, prosthetics and compression therapy.

History

[Annual Report 2010 (page 7)]

Össur was founded in 1971 by prosthetist Össur Kristinsson. The Company served the domestic market in Iceland as a prosthetic workshop until 1986 when the first patent was obtained, and Össur began exporting its products. Following the listing of Össur's shares on the Icelandic stock exchange in 1999, the Company started expanding internationally through a series of strategic acquisitions. Significant investments in technology and innovation, along with strategic acquisitions, have been the foundation of Össur's growth.

With sales of USD 359 million in 2010, and a reputation for pioneering successful products, the Company's sales have increased twenty times since its 1999 listing, and Össur has transformed from a prosthetic company into a global leader in non-invasive orthopaedics. In September 2009, Össur was listed on NASDAQ OMX in Copenhagen. This listing made strong strategic sense for the Company as Copenhagen offers access to a community of international investors, and is a recognized market for healthcare companies.

Össur is headquartered in Reykjavik, Iceland.

Business Overview

[Financial Statements 2010 (note 1), Annual Report 2010 (page 78)]

The principal market areas of the Company are Americas, Europe, Middle East and Africa (EMEA) and Asia, which are served by subsidiaries in the United States, Canada, Sweden, Norway, the Netherlands, UK, France, Australia, Spain, Swiss, S-Africa and China in addition to the Iceland-based parent company.

[Annual Report 2010 (page 7)]

The Company's sales for the year 2010 were split as follows: 52% from the Americas, 43% from the EMEA (Europe, Middle East and Africa) and 5% from Asia. Össur employs a staff of around 1,700 in North America, Europe, Africa, Asia and Australia.

Össur is in the business of keeping people mobile with innovative, non-invasive products. Össur offers advanced products in three categories:

Bracing and Supports:

Products for therapeutic and preventive purposes

Prosthetics:

Artificial limbs and related products

Compression Therapy:
Products for treatment of vascular disorders, ulcers and oedema

[Annual Report 2010 (page 9)]

Össur Products

Prosthetics
45% of sales

Bracing and Supports
50% of sales

Compression Therapy
5% of sales

[Financial Statements 2010 (note 1), Annual Report 2010 (page 78)]

The main production of the Company is conducted at Össur hf. in Iceland, Gibaud Group (La Tour Finance) in St. Etienne, Trevoux in France, Össur Mexico in Tijuana Mexico and at Össur Americas in California USA. Part of the production is outsourced to Asia.

According to the Company's organizational structure, the consolidation is divided into four main functions; Corporate Finance, responsible for overall financial management; Manufacturing & Operations, responsible for quality control and all production, inventory management and distribution; Research & Development, responsible for product development and product management; Sales & Marketing, responsible for sales and marketing through the subsidiaries.

Research and Development (R&D)

[Annual Report 2010 (page 39)]

R&D is essential to Össur's future development. The Company maintains its technological competency through steady investment in research and development activities. In 2010 Össur's investment in R&D amounted to 19.7 million USD, or 5.5% of the Company's total sales.

[Annual Report 2010 (page 41) - reference to “IP” refers to intellectual property and reference to “IPR” refers to intellectual property rights.]

At the end of 2010, Össur’s IP portfolio consisted of 557 granted patents, 369 patent applications, 79 granted, and 14 pending design registrations.

A substantial part of Össur’s IPRs are trademarks, which are registered in selected markets, such as the US, the European Community, China and Japan. At the end of 2010, Össur’s trademark portfolio consisted of 485 registered trademarks and 66 pending registrations.

Board of Directors

[[www.ossur.com/Össur Corporate/Investor Relations/Corporate Governance /Board of Directors](http://www.ossur.com/Össur%20Corporate/Investor%20Relations/Corporate%20Governance/Board%20of%20Directors)]

Niels Jacobsen, Chairman of the Board of Directors

Thordur Magnusson, Vice Chairman of the Board of Directors

Arne Boye Nielsen, Member of the Board of Directors

Kristján Tómas Ragnarsson, Member of the Board of Directors

Svafa Gronfeldt, Member of the Board of Directors

CEO and Executive Management

[[www.ossur.com/Össur Corporate/Investor Relations/Corporate Governance/CEO and Executive Management](http://www.ossur.com/Össur%20Corporate/Investor%20Relations/Corporate%20Governance/CEO%20and%20Executive%20Management)]

Jón Sigurdsson, President & CEO

Egill Jonsson, Vice President of Manufacturing and Operations

Mahesh Mansukhani, President of Össur Americas

Hilmar Bragi Janusson, Vice President of Research and Development

Hjorleifur Palsson, Chief Financial Officer

Olafur Gylfason, Managing Director of Össur Europe (EMEA)

Auditors

[[www.ossur.com/Össur Corporate/Investor Relations/Corporate Governance/CEO and Executive Management/Auditors](http://www.ossur.com/Össur%20Corporate/Investor%20Relations/Corporate%20Governance/CEO%20and%20Executive%20Management/Auditors)]

The elected chartered accountant of Össur hf. is Deloitte hf., national ID 521098-2449, address: Smáratorg 3, 201 Kópavogur.

Articles of Association

[[www.ossur.com/Össur Corporate/Investor Relations/Corporate Governance/Articles of Association](http://www.ossur.com/Össur%20Corporate/Investor%20Relations/Corporate%20Governance/Articles%20of%20Association). The information provided on Össur's Articles of Association is sourced from an unauthorised translation of the Icelandic original Articles of Association. In the event of discrepancies, the original Icelandic version shall prevail.]

The Company's Articles of Associations are dated March 4, 2011.

Share Capital

[[www.ossur.com/Össur Corporate/Investor Relations/Corporate Governance/Articles of Association](http://www.ossur.com/Össur%20Corporate/Investor%20Relations/Corporate%20Governance/Articles%20of%20Association)]

Articles of Association, Article 2.01, paragraph 1

The share capital of the Company amounts to ISK 453,750,000 – fourhundredandfiftythreemillionandsevenhundredandfiftythousand Icelandic krónur – and is divided into the same amount of shares with a nominal value of ISK 1 each.

Articles of Association, Article 2.01, paragraph 2

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 170,858,310 – onehundredandseventymillioneighthundredandfiftyeightthousandthreehundredandten Icelandic krónur – in nominal value, as follows:

- A. By an amount of up to ISK 9,608,310 – ninemillionsixhundredandeightthousandthreehundredandten Icelandic krónur – in nominal value, to be sold with shareholders' preemptive 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 161,250,000 – one hundred and sixty one million and two hundred and fifty thousand 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.

Articles of Association, Article 2.01, paragraph 3

The Board of Directors is authorized to increase the share capital of the Company in stages by up to ISK 8,000,000 – eight million Icelandic krónur – 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 Companies Act No. 2/1995 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.

Articles of Association, Article 4.05, paragraph 1

At Shareholder's Meetings, each króna of share capital shall carry one vote.

Major Shareholders

[www.ossur.com/Össur Corporate/Investor Relations]

Shareholders that have announced holdings above 5% to the Company are:

William Demant Invest A/S, Investment Fund, Denmark	39.6%
Eyrir Invest ehf., Investment Company, Iceland	10.2%
ATP, Pension Fund, Denmark	6.2%
Fidelity Investments, Investment Fund, UK	6.0%

[Annual Report 2010 (page 13)]

At year end, the number of private investors was 2,618, plus 180 institutional investors.

Treasury Shares

[Annual Report 2010 (page 13)]

The Company holds 17,992 treasury shares.

[Refer to the Company's announcement made public on March 4, 2011]

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.

Stock Option Contracts and Obligations to Increase Share Capital

[Financial Statements 2010 (note 27), Annual Report 2010 (page 103)]

The Company has in place a share option plan, approved at the Company's Annual General Meetings, under which managers may be granted options to purchase ordinary shares at an exercise price, which is the average of the Company's share price twenty working days prior to the grant date.

Financial Overview

[Financial Statements 2010, Annual Report 2010 (page 69)]

		2010	2009	2008
Income Statement				
Net sales	USD '000	358,538	330,580	346,835
Gross profit	USD '000	222,622	201,815	214,203
Operating expenses ¹	USD '000	163,964	154,071	167,678
Profit from operations	USD '000	60,245	48,240	55,958
Net profit	USD '000	35,362	22,762	28,488
EBITDA	USD '000	74,358	66,988	79,440
Balance Sheet				
Total assets	USD '000	607,078	628,217	603,778
Equity	USD '000	343,558	312,223	249,648
Net interest-bearing debt (NIBD)	USD '000	132,816	157,633	234,281
Cash Flow				
Cash generated by operations	USD '000	64,331	85,770	71,460
Cash provided by operating activities	USD '000	39,995	69,155	52,835
Cash flows from investing activities	USD '000	(18,987)	(16,423)	(6,648)
Cash flows from financing activities	USD '000	(45,594)	(4,284)	(30,610)
Free Cash flow	USD '000	33,389	60,238	46,040

Notes

¹ Excluding other income

Information on the Financial Figures

[Financial Statements 2010, Annual Report 2010 (page 70)]

The total sales of the Össur Consolidation amounted to USD 358.5 million, compared to USD 330.6 million in the preceding year. This represents an increase in sales of approximately 8.5%. Net profit amounted to USD 35.4 million compared to USD 22.8 million in 2009. Diluted Earnings per Share amounted to US cents 7.8 compared to US cents 5.3 in 2009. Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to USD 74.4 million compared to USD 67.0 million in the preceding year.

The total assets of the Össur Consolidation amounted to USD 607.1 million at year end, liabilities were 263.5 million, and equity was 343.6 million. The equity ratio at year end was 57%, compared to 50% the preceding year.

Accounting Policies

[Financial Statements 2010, Annual Report 2010 (page 78)]

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Icelandic and Danish disclosure requirements for Consolidated Financial Statements for listed companies. The Financial Statements are presented in USD, which is the Company's functional currency.

Guidance 2011

[Annual Report 2010 (page 19)]

Management estimates LCY organic sales growth for 2011 to be in the range of 4-6%. EBITDA adjusted is estimated to be in the range of 20-21% for the year.

Recent Changes

[Refer to the Company's announcement made public on March 9, 2011]

On March 9, Össur signed an agreement with three international banks, ING Bank, Nordea and SEB, on long-term financing in the amount of USD 231 million.

Risk Factors

[The risk factors listed below are risk factors described in the Company's Annual Report 2010 (page 63-66). Investors are advised to read the full discussion regarding the Company's risk factors available in the Company's Annual Report 2010 and Financial Statements 2010.]

General Risks

- Össur's assumptions regarding market trends may prove incorrect.
- Össur is subject to risks related to its international operations.
- Product liability claims could adversely impact Össur's financial condition and results of operations, and impair its reputation.
- Össur's business is subject to healthcare industry reforms and legislative and regulatory changes that could result in reduced sales.
- Össur's failure to comply with regulatory requirements, or receive regulatory clearance, or approval for its products or operations, including healthcare fraud and abuse laws and regulations, would adversely affect Össur's sales and potential for future growth.
- Össur is exposed to litigation from international investors.

Risks Related to Corporate Finance

- Össur may fail to continue to grow through acquisitions.
- Össur is exposed to financing risk and financial markets instability.
- Össur's financing and tax structure is subject to laws and governmental approvals.
- Össur is dependent on IT systems.

Risks Related to Research & Development

- Össur may be adversely affected by developments in medicine.
- Össur may be unable to develop or secure the use of new technologies.
- Össur is subject to risks relating to the protection of intellectual property rights.

Risks Related to Sales & Marketing

- Össur relies on orthopaedic professionals and other agents in connection with the sale and distribution of its products.
- Össur's aim is to maintain and increase its position as a market leader in non-invasive orthopaedics.
- Össur relies on agents and third-party distributors in connection with the sale and distribution of its products.

Risks Related to Manufacturing & Operations

- Össur is vulnerable to disruptions to its production facilities and distribution facilities.
- Össur is dependent on certain raw materials.

Company Announcements January 1, 2011 through March 24, 2011

[<http://nasdaqomxnordic.com/news>]

2011-03-17 19:48:09 Össur hf. Insiders' dealing Össur hf. Insider trading

2011-03-11 12:12:54 Össur hf. Company Announcement Össur hf. Delisting from NASDAQ OMX Iceland accepted

2011-03-09 10:15:48 Össur hf. Company Announcement Össur hf. Refinancing

2011-03-04 12:20:38 Össur hf. Decisions of annual general meeting RESULTS OF ÖSSUR HF.'S ANNUAL GENERAL MEETING

2011-03-02 08:00:00 Össur hf. Notice to convene annual general meeting Össur hf. Candidates to the board of directors

2011-02-18 08:00:00 Össur hf. Notice to convene annual general meeting Össur hf. Final agenda and proposals for Össur's AGM

2011-02-15 15:19:02 Össur hf. Insiders' dealing Össur hf. Insider Trading

2011-02-11 20:56:54 Össur hf. Annual report/ annual accounts Össur hf. - Annual Report 2010

2011-02-11 16:08:14 Össur hf. Insiders' dealing Össur hf. - Insider Trading

2011-02-11 16:06:29 Össur hf. Insiders' dealing Össur hf. - Insider Trading

2011-02-11 06:08:00 Össur hf. Annual report/ annual accounts Össur hf - Annual Report 2010

2011-02-11 06:00:00 Össur hf. Notice to convene annual general meeting Össur hf. - Annual General Meeting 4 March 2011

2011-02-08 21:33:47 Össur hf. Financial Calendar Össur Reporting Calendar 2011

2011-02-07 20:45:32 Össur hf. Financial Statement Release Össur - Full Year Report 2010

2011-02-01 13:45:32 Össur hf. Financial Statement Release ÖSSUR Q4 AND FULL YEAR RESULTS FOR 2010

Admission to trading

NASDAQ OMX Iceland has decided to admit the shares of Össur hf. to trading as of March 28, 2011. The decision is made at the initiative of the Exchange. It is made on the basis of article 23 of the Act on Stock Exchanges no. 110/2007 which permits stock exchanges to admit securities to trading on a regulated market without the consent of the issuer if the securities have already been admitted to trading on another regulated market in the European Economic Area. The shares of Össur are traded on NASDAQ OMX Copenhagen.

The ISIN code for the shares is IS0000000040 and the trading symbol on NASDAQ OMX Iceland will be OSSRu. Trading in the shares of Össur will take place in Icelandic kronas (ISK) and be cleared and settled via the Icelandic Securities Depository.

Trading in Össur's shares will be subject to the same trading rules and the same market surveillance as trading in other shares on NASDAQ OMX Iceland. According to article 23 of the Act on Stock Exchanges, Össur is not under any obligation to provide information to NASDAQ OMX Iceland as the Company has not granted its consent for the admission to trading on the Exchange. The Company is, however, obligated to provide information to NASDAQ OMX Copenhagen. Therefore, its published announcements can be found at the NASDAQ OMX Nordic's website, www.nasdaqomxnordic.com/news.

For further information see NASDAQ OMX Iceland's market notices made public on March 11 and March 23, 2011.

Reykjavik, March 25, 2011