



Life Without Limitations



OSSUR INVESTOR MEETING

29 JULY 2008



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ÖSSUR – Q2 2008

JON SIGURDSSON – PRESIDENT & CEO

HIGHLIGHTS Q2 2008



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- Sales 92.9 million
- Sales growth 6%
- EBITDA 20.5%
- Management changes at Ossur Americas
- Introduction of Ossur as a major player in both prosthetics and bracing and supports at the Leipzig trade show

MARKETS Q2 2008



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●● Americas*

- 7% sales decline,
- Sales in Americas challenging
- Distribution contract with MioMed

●● EMEA*

- 3% growth
- Prosthetics in traditional Europe growing healthy
- Compression therapy sales growth 6%
- Favorable exchange rate developments

●● Asia*

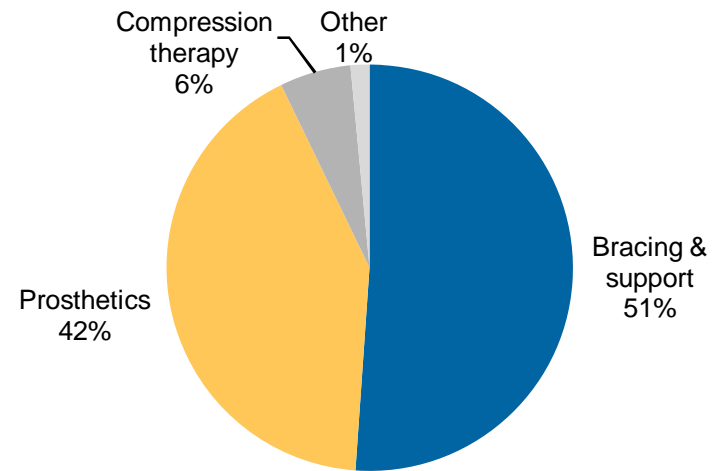
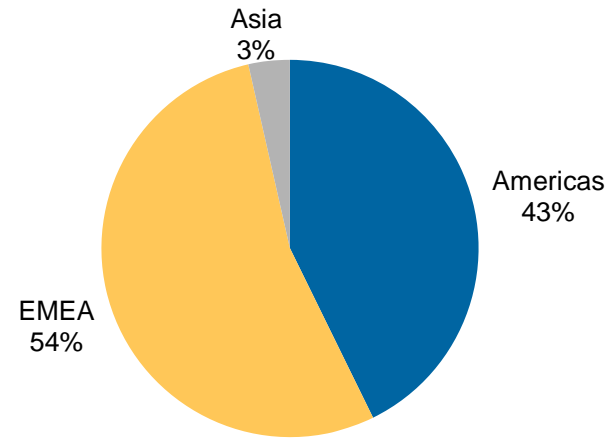
- Excellent 21% growth

* Growth in local currency

SALES SPLIT BY SEGMENT AND GEOGRAPHY Q2 2008



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MAIN PRODUCT ACTIVITIES 2008



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Bracing & Supports

Cti Vapor Model

5 new products in Q3

4 new products in Q4

8 products discontinued



Prosthetics

FCA

Seal-In

Icelock 551
552

Modular Socket

4 new products in Q3

2 new products in Q4

7 products discontinued



FINANCIALS: Q2 2008

HJORLEIFUR PALSSON – CFO

FINANCIAL HIGHLIGHTS Q2 2008



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- Sales 92.9 million, up 6% from Q2 last year
- Gross profit 54.2 million, up 7%
- Profit from operations 12.7 million, up 12%
- Net profit 3.9 million, up 166%
- EBITDA 19 million, up 10%
- EPS diluted 0.93 US cents, up 138%

INCOME STATEMENTS Q2 2008



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Income Statements (USD '000)	Q2 2008	% of sales	Q2 2007	% of sales	Change
Net sales	92,881	100.0%	88,037	100.0%	5.5%
Cost of goods sold	(38,634)	-41.6%	(37,141)	-42.2%	4.0%
Gross profit	54,247	58.4%	50,896	57.8%	6.6%
Other income	1,264	1.4%	197	0.2%	541.6%
Sales & marketing expenses	(23,388)	-25.2%	(21,053)	-23.9%	11.1%
Research & development expenses	(5,379)	-5.8%	(4,541)	-5.2%	18.5%
General & administrative expenses	(14,000)	-15.1%	(14,124)	-16.0%	-0.9%
Profit from operations	12,744	13.7%	11,376	12.9%	12.0%
Financial income	105	0.1%	292	0.3%	-64.0%
Financial expenses	(5,200)	8.2%	(9,818)	-11.2%	-47.0%
Profit before tax	7,649	8.2%	1,850	2.1%	313.5%
Income tax	(3,705)	-4.0%	(367)	-0.4%	909.5%
Net profit for the period	3,944	4.2%	1,483	1.7%	165.9%
EBITDA	19,040	20.5%	17,353	19.7%	9.7%

BALANCE SHEETS 30 JUNE 2008



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USD '000	30 June 2008	31 December 2007	% Change
Fixed assets	503,888	503,564	0%
Current assets	142,036	132,257	7%
Total assets	645,924	635,821	2%
<hr/>			
Stockholders' equity	268,931	250,282	7%
Long-term liabilities	244,362	239,361	2%
Current liabilities	132,631	146,178	-9%
Total equity and liabilities	645,924	635,821	2%
<hr/>			
Net Debt / EBITDA LTM	3.5	4.4	
Net Debt / EBITDA LTM adj.*	4.3	4.8	
Equity ratio	42%	39%	

*Adjusted for one-time income and expenses

CASH FLOW AND CAPEX

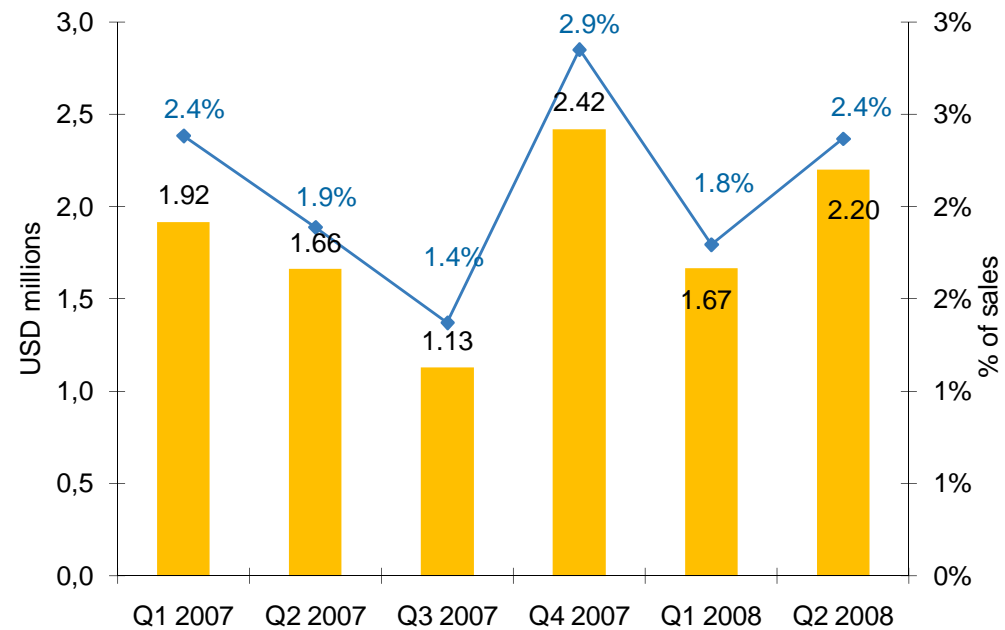


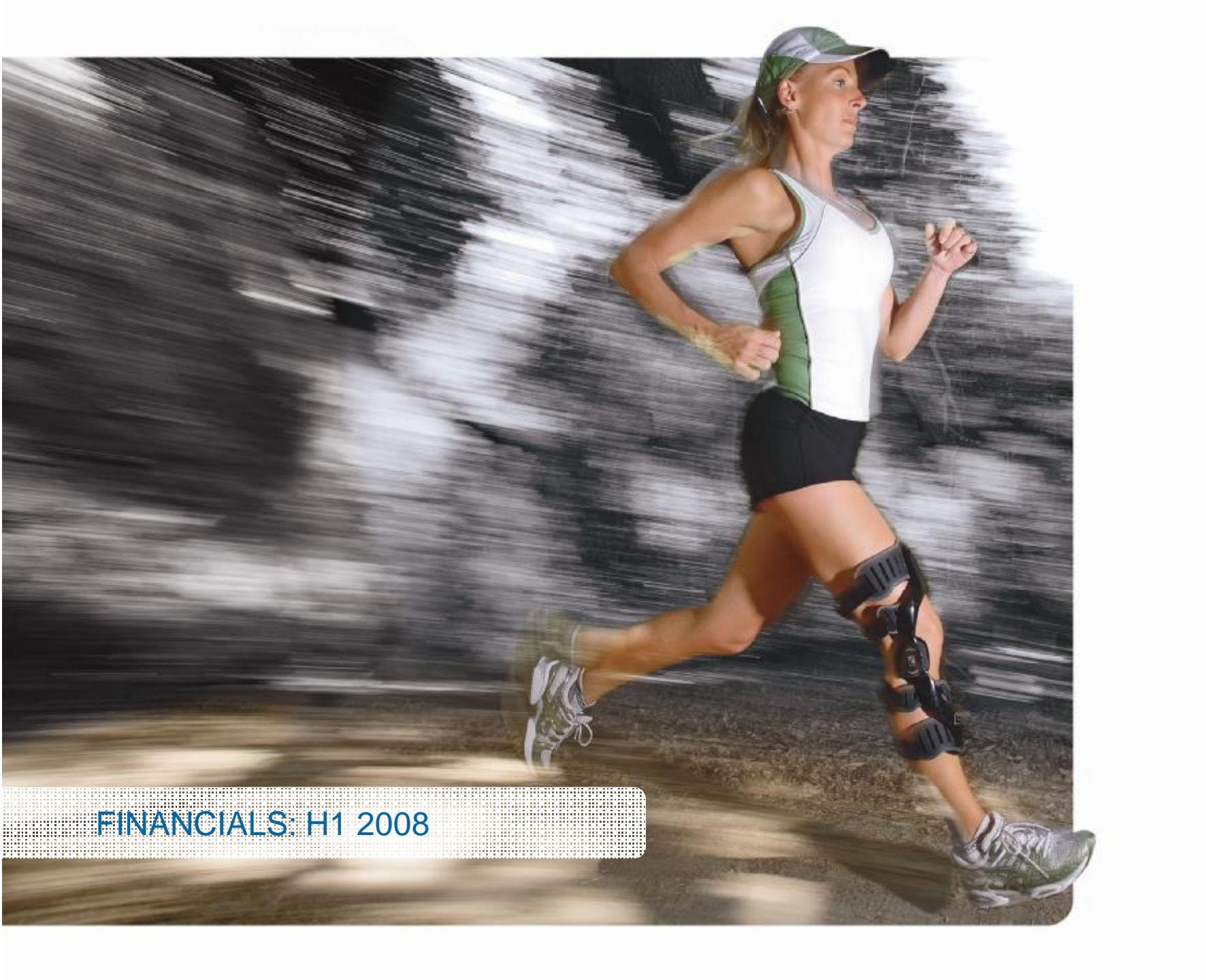
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Cash Flow (USD '000)	Q2 2008	% of sales	Q2 2007	% of sales	Change
Working capital provided by operating activities	13,352	14%	9,512	11%	40%
Net cash provided by operating activities	7,376	8%	11,284	13%	-35%

Capital Expenditure





FINANCIALS: H1 2008

FINANCIAL HIGHLIGHTS H1 2008



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- Sales 182.6 million, up 8% from last year
- Gross profit 107.4 million, up 13%
- Profit from operations 29.8 million, up 93%
- EBITDA 42 million, up 52%
- EPS diluted 2.51 US cents, compared to -0.32 US cents

INCOME STATEMENTS H1 2008



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Income Statements (USD '000)	YTD 2008	% of sales	YTD 2007	% of sales	Change
Net sales	182,635	100.0%	168,417	100.0%	8.4%
Cost of goods sold	(75,211)	-41.2%	(73,145)	-43.4%	2.9%
Gross profit	107,424	58.8%	95,272	56.6%	12.8%
Other income	7,003	3.8%	517	0.3%	1254.5%
Sales & marketing expenses	(46,887)	-25.7%	(43,286)	-25.7%	8.3%
Research & development expenses	(10,803)	-5.9%	(9,593)	-5.7%	12.6%
General & administrative expenses	(26,952)	-14.8%	(27,476)	-16.3%	-1.9%
Profit from operations	29,785	16.3%	15,434	9.2%	93.0%
Financial income	198	0.1%	581	0.3%	-65.9%
Financial expenses	(14,336)	-7.8%	(17,959)	-10.7%	-20.2%
Profit/(loss) before tax	15,647	8.6%	(1,944)	-1.2%	n/a
Income tax	(5,019)	-2.7%	721	0.4%	n/a
Net profit /(loss) for the period	10,628	5.8%	(1,223)	-0.7%	n/a
EBITDA	41,989	23.0%	27,593	16.4%	52.2%
EBITDA adjusted*	36,489	20.0%	28,881	17.1%	26.5%

MAIN SHAREHOLDERS 30 JUNE 2008



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Name		Shares	Percentage
William Demant Invest A/S	Investment Fund	145,252,402	34.34
Eyrir Invest ehf	Investment Company	84,040,215	19.87
Mallard Holding S.A.	Founder & Family	37,526,769	8.87
Vik Investment Holding S.a.r.L.	President & CEO	24,446,907	5.78
ATP-Arbejdmarkedets Tillægspens	Pension Fund	14,660,194	3.47
Gildi -lífeyrissjóður	Pension Fund	13,274,891	3.14
Lífeyrissjóður verslunarmanna	Pension Fund	7,870,283	1.86
Sameinaði lífeyrissjóðurinn	Pension Fund	7,673,288	1.81
Lífeyrissjóðir Bankastræti 7	Pension Fund	7,099,363	1.68
Arion safnreikningur	Custody Bank	6,616,547	1.56
BYR sparissjóður	Bank	4,913,746	1.16
Landsbanki Íslands hf	Bank	4,353,531	1.03
Kaupþing banki hf	Bank	3,929,323	0.93
Stafir lífeyrissjóður	Pension Fund	3,637,127	0.86
Mycenaean Holding S.a.r.L.	VP of R&D	3,560,347	0.84
Top 15 Shareholders		368,854,933	87.20
Others		54,145,067	12.80
Total number of shares		423,000,000	100.00

TEAM OSSUR GOING FOR GOLD



BEIJING 2008



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