



Life Without Limitations

OSSUR INVESTOR PRESENTATION

31 JULY 2007



Life Without Limitations

ÖSSUR – Q2 2007

JON SIGURDSSON – PRESIDENT & CEO

HIGHLIGHTS Q2 2007



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- Sales USD 88 million, up by 34% from Q2 2006
- Organic sales growth 8%
- Pro forma sales growth 7%
- EBITDA USD 17.4 million, up by 32% from Q2 2006
- EBITDA margin 19.7% compared to 20.1% in Q2 2006
- Restructuring in Americas on track
- Turnaround in Europe



MARKETS Q2 2007



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Americas

- Major focus on restructuring sales channels
- Prosthetics 14% growth
- Bracing & Support 4% pro forma sales decline but signs of turnaround

EMEA

- Handsome organic growth of 11% in local currency
- Decline at Gibaud , situation under control
- Somas sales on track, integration completed
- Prosthetics 5% growth in local currency
- Bracing & Support 5% pro forma growth in local currency
- Compression Therapy 8% pro forma sales decline in local currency

Asia

- Double digit pro forma sales growth

PRODUCT INTRODUCTIONS Q2 2007



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Bracing & Support

- Unloader ®One OTS
- CTi® - both custom made and OTS
 - Successful application of silicone technology
 - Increased comfort and better compliance
- FlexEdge™Dorsal Night Splint
 - Increased comfort and better compliance
 - Universal size, fits most sizes



Prosthetics

- Iceross®Synergy
 - Outstanding stability for active users
 - Available with waves for easier flexing at the knee
- Mauch®Knee
 - Redesigned, applying Ossur's advanced technology

AWARDS AND RECOGNITIONS



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Medical Design Excellence Award

- Received for PROPRIO FOOT™
- The premier awards program for the medical technology community

BusinessWeek

- Ossur nominated for cutting edge design
- Hilmar B. Janusson VP of R&D named one of the top 10 cutting edge designers of the year

CNN International

- CNN International featured a piece on Ossur's Bionic Technology

IR Nordic Awards

- Ossur wins the awards for best IR by an Icelandic company for the fourth time
- Ossur's CEO and CFO won the awards for best IR support by an Icelandic company





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FINANCIALS: Q2 & H1 2007

HJORLEIFUR PALSSON – CFO

INCOME STATEMENTS Q2 2007



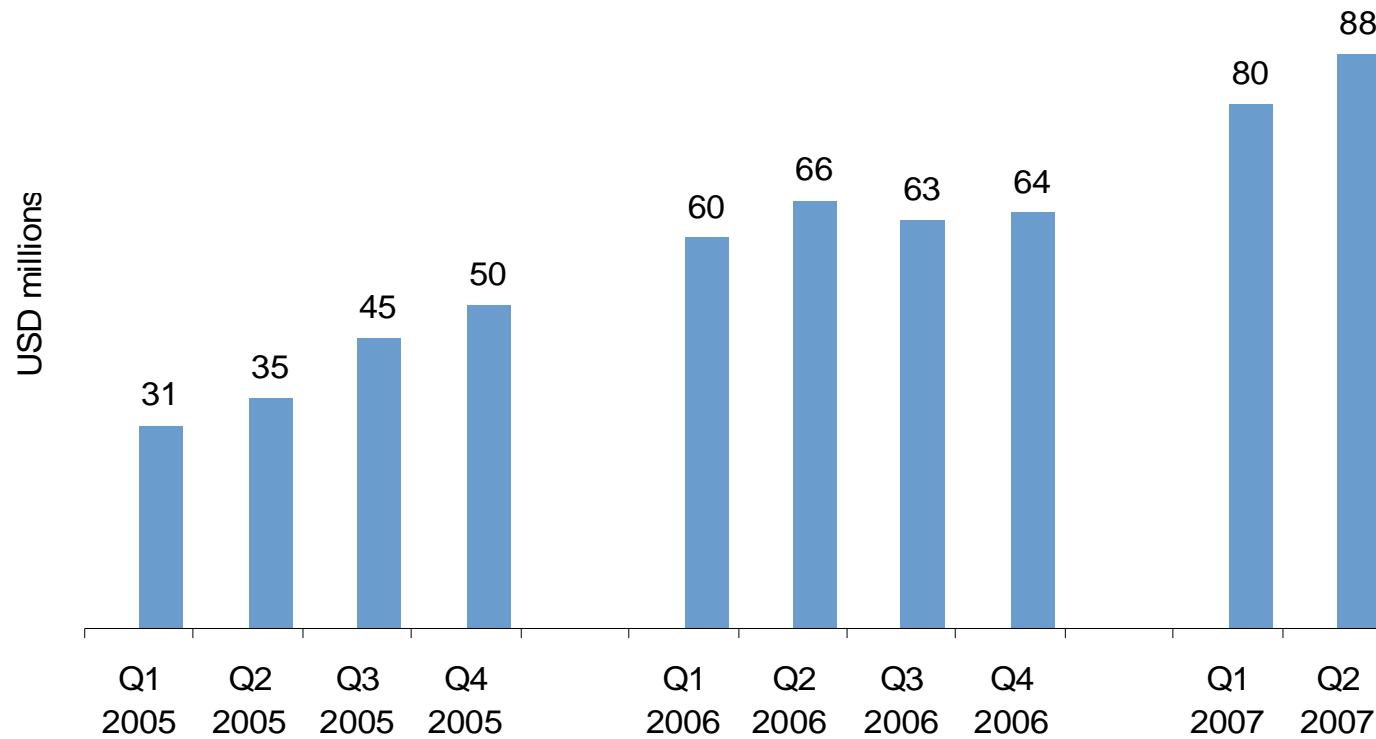
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Income Statements (USD '000)	Q2 2007	% of sales	Q2 2006	% of sales	Change
Net sales	88,037	100.0%	65,500	100.0%	34.4%
Cost of goods sold	(34,916)	-39.7%	(26,787)	-40.9%	30.3%
Gross profit	53,121	60.3%	38,713	59.1%	37.2%
Other income	197	0.2%	69	0.1%	185.5%
Sales & marketing expenses	(21,261)	-24.2%	(17,323)	-26.4%	22.7%
Research & development expenses	(4,599)	-5.2%	(4,228)	-6.5%	8.8%
General & administrative expenses	(16,082)	-18.3%	(8,753)	-13.4%	83.7%
Profit from operations	11,376	12.9%	8,478	12.9%	34.2%
Financial income /(expenses)	(9,526)	-10.8%	(5,987)	-9.1%	59.1%
Profit/(loss) before tax	1,850	2.1%	2,491	3.8%	-25.7%
Income tax	(367)	-0.4%	(372)	-0.6%	-1.3%
Net profit for the period	1,483	1.7%	2,119	3.2%	-30.0%
EBITDA	17,353	19.7%	13,144	20.1%	32.0%

NET SALES BY QUARTER 2005 – 2007



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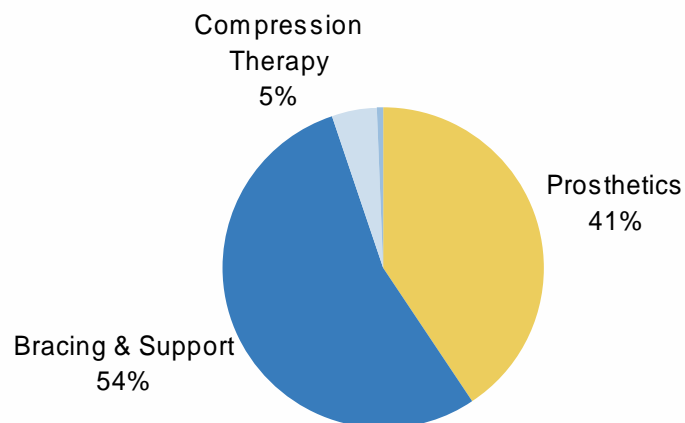


SALES BY BUSINESS SEGMENT Q2 2007

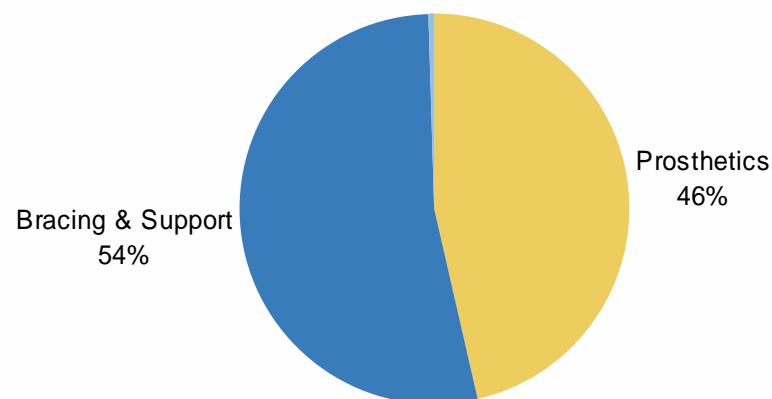


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Q2 2007



Q2 2006



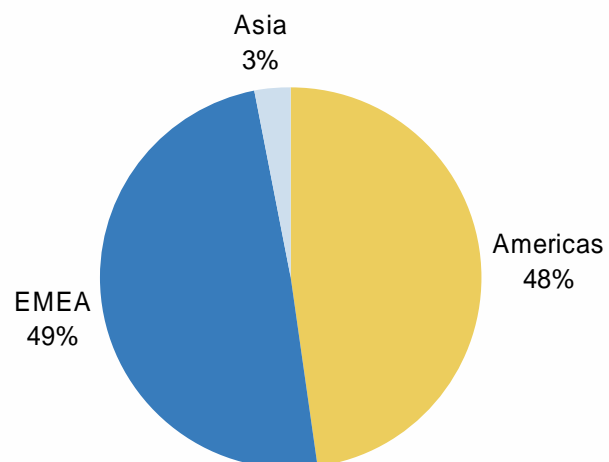
USD '000	Q2 2007	Q2 2006	Growth in USD	Growth in LCY
Prosthetics	35,789	31,977	12%	9%
Bracing & Support	47,564	33,213	43%	38%
Compression therapy	4,279	0	n/a	n/a
Other	405	310	31%	25%
Total	88,037	65,500	34%	30%

SALES BY GEOGRAPHICAL MARKET Q2 2007

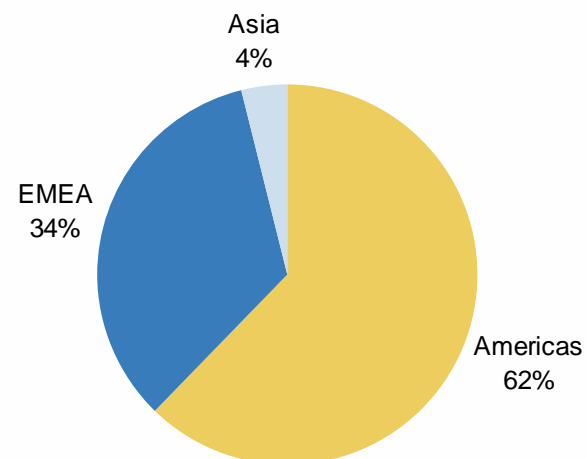


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Q2 2007



Q2 2006

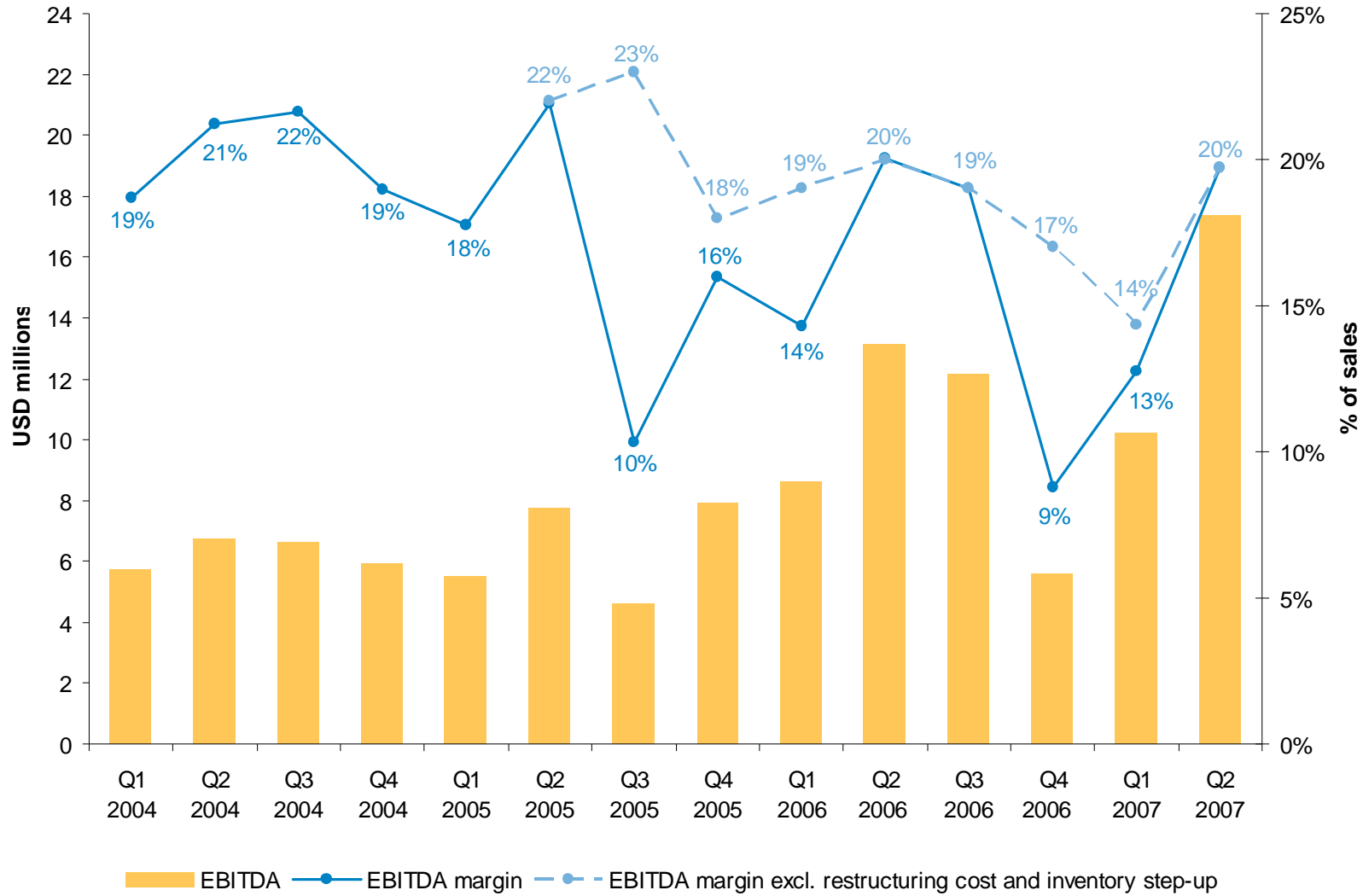


USD '000	Q2 2007	Q2 2006	Growth in USD	Growth in LCY
Americas	42,134	40,766	3%	3%
EMEA	43,110	22,747	94%	82%
Asia	2,793	2,487	12%	6%
Total	88,037	65,500	34%	30%

EBITDA AND EBITDA RATIO 2004 - 2007



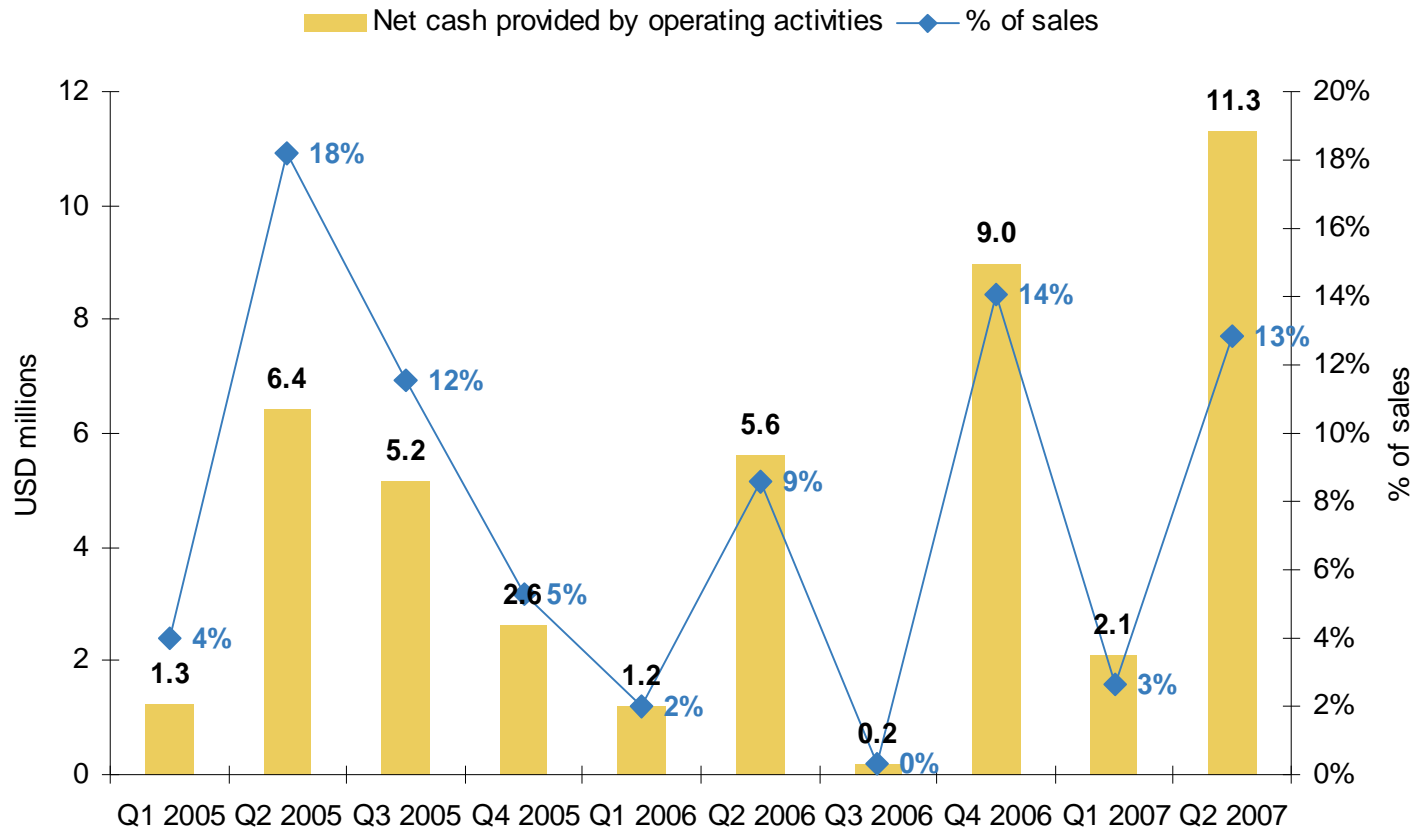
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NET CASH PROVIDED BY OPERATING ACTIVITIES



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BALANCE SHEETS 30 JUNE 2007



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USD '000	30 June 2007	31 December 2006	% Change
Fixed assets	495,799	489,319	1%
Current assets	139,141	123,433	13%
Total assets	634,940	612,752	4%
Stockholders' equity	166,347	161,639	3%
Long-term liabilities	240,809	234,538	3%
Current liabilities*	227,784	216,575	5%
Total equity and liabilities	634,940	612,752	4%
Current ratio*	0.6	0.6	
Equity ratio*	26%	26%	

* A 100 million euro bridge loan facility agreement entered into in December 2006 to finance the acquisition of the Gibaud Group is included in current liabilities.

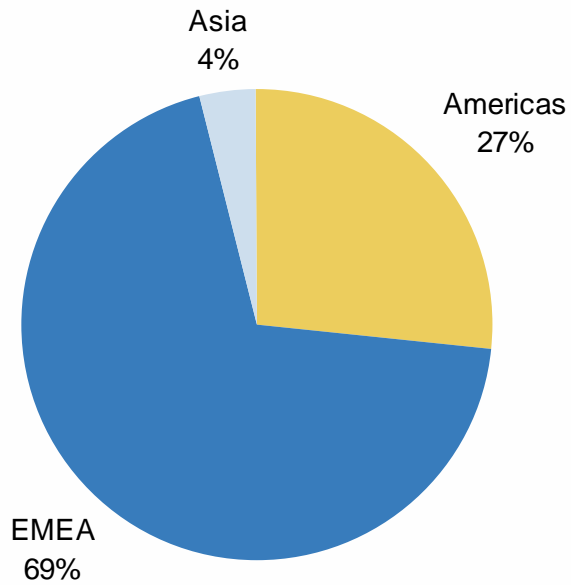
CAPITAL INVESTMENTS Q2 2007



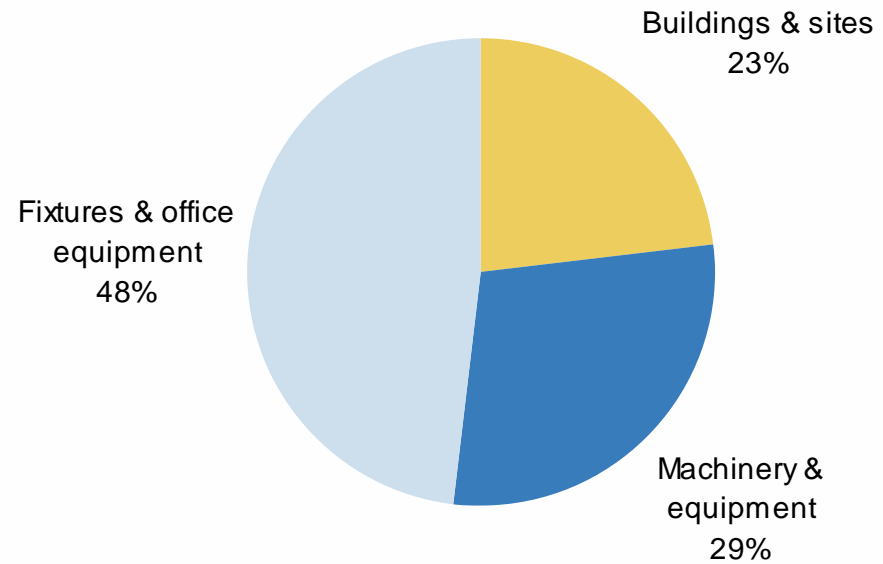
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Capital investments amounted to USD 1.7 million in Q2 2007, or 1.9% of sales

By location



By category



FINANCIAL HIGHLIGHTS H1 2007



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- Total sales USD 168.4 million, up 34% from H1 2006
- Organic sales growth 6% in USD, 3% in local currency
- Pro forma sales growth 7% in USD, 3% in local currency
- Profit from operations USD 15.4 million, up 26% from H1 2006
- EBITDA 16.4% compared to 17.3% in H1 2006
- Net loss USD 1.2 million compared to net profit USD 2.7 million in H1 2006
- Cash EPS diluted 2.84 US cents, down by 10%
- EPS diluted -0.32 US cents



INCOME STATEMENTS H1 2007



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Income Statement H1 2007 (USD '000)	H1 2007	% of sales	H1 2006	% of sales	% change
Net sales	168,417	100.0%	125,534	100.0%	34.2%
Cost of goods sold	(69,309)	-41.2%	(50,865)	-40.5%	36.3%
Gross profit	99,108	58.8%	74,669	59.5%	32.7%
Other income	517	0.3%	123	0.1%	320.3%
Sales & marketing expenses	(43,239)	-25.7%	(33,332)	-26.6%	29.7%
Research & development expenses	(9,593)	-5.7%	(8,927)	-7.1%	7.5%
General & administrative expenses	(31,359)	-18.6%	(17,295)	-13.8%	81.3%
Restructuring expenses			(3,000)	-2.4%	
Profit from operations	15,434	9.2%	12,238	9.7%	26.1%
Financial income /(expenses)	(17,378)	-10.3%	(10,908)	-8.7%	59.5%
Profit/(loss) before tax	(1,944)	-1.2%	1,330	1.1%	
Income tax	721	0.4%	1,360	1.1%	-47.0%
Net profit for the period	(1,223)	-0.7%	2,690	2.1%	
EBITDA	27,593	16.4%	21,738	17.3%	26.9%

MAIN SHAREHOLDERS 30 JUNE 2007



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		Nominal value	%
William Demant Invest A/S	Investment Fund	144,952,402	37.66
Eyrir Invest ehf	Investment Company	84,040,215	21.83
Mallard Holding S.A.	Founder and Family	37,526,769	9.75
Vik Investment Holding S.a.r.L.	President & CEO	24,446,907	6.35
Lífeyrissjóður verslunarmanna	Pension Fund	7,870,283	2.04
Arion safnreikningur	Custody Bank	7,657,747	1.99
Landsbanki Íslands hf, aðalstöðv	Bank	3,805,239	0.99
Mycenaean Holding S.a.r.L.	VP of R&D	3,560,347	0.92
BYR sparisjóður	Bank	3,154,984	0.82
Sameinaði lífeyrissjóðurinn	Pension Fund	2,878,361	0.75
GLB Hedge	Hedge Fund	2,703,174	0.70
Fidelity Funds	Investment Fund	2,243,500	0.58
Ker Holding S.a.r.L.	President of Ossur Asia	2,124,450	0.55
Cyclops Holding S.a.r.L.	President of Ossur Americas	2,027,900	0.53
Gnúpur fjárfestingafélag hf	Investment Company	2,000,000	0.52
Top 15 shareholders		330,992,278	85.98
Others (2.840)		53,948,169	14.02
Total number of shares		384,940,447	100.00

