



Össur hf. Q1 2014

Investor Meeting

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FORWARD LOOKING STATEMENTS



This presentation contains forward-looking statements, which reflect the Management's current views with respect to certain future events and financial performance. Although the statements are based upon estimates the Management believes to be reasonable, there is no assurance that these statements will be achieved.

Statements containing the financial outlook for 2014 and the following years naturally involve risks and uncertainties, and consequently actual results will differ, and may differ materially, from those projected or implied in the forward-looking statements.

The risks and uncertainties may include unexpected developments in the international currency exchange and securities markets, financing, market driven price decreases for Össur's products, delay or failure of development products, production problems and unexpected cost increases, development of new technologies by competitors, the introduction of competing products within Össur's core areas, exposure to product liability and other lawsuits, changes in reimbursement rules and governmental laws.

HIGHLIGHTS Q1 2014

SALES
USD 121 m



- 24% growth LCY, 6% organic LCY
- B&S 28% growth LCY, 2% organic LCY
- Prosthetics 19% growth LCY, 12% organic LCY

OPERATIONS
EBITDA USD 20 m



- Gross profit margin 63%
- EBITDA margin 17%
- EBITDA growth 50%, increase of USD 7 m
- Net profit growth 96%, increase of USD 6 m

HIGHLIGHTS

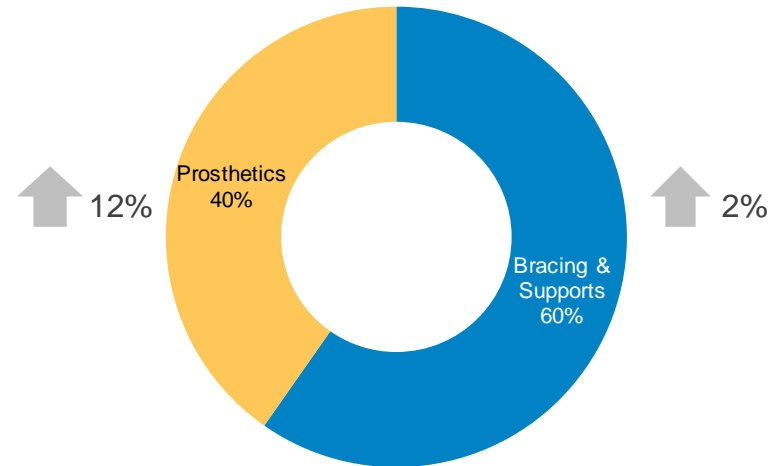
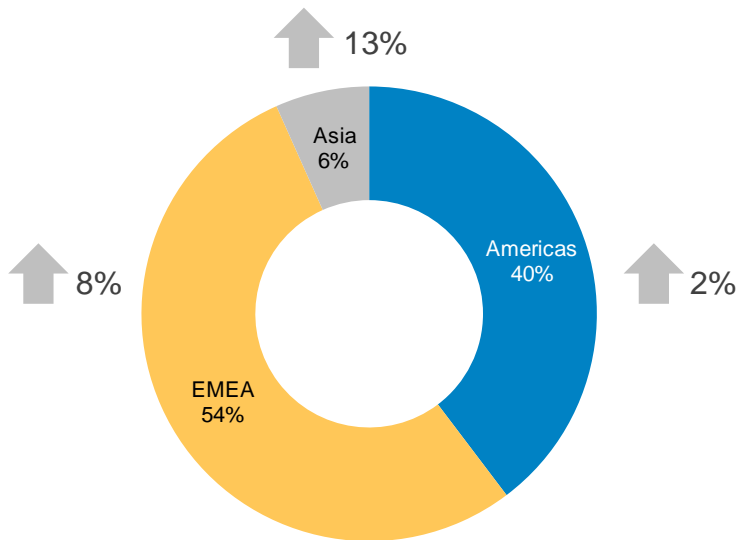


- Extension of financing
- Rheo Knee 3 well received

GROWTH BY SEGMENTS AND GEOGRAPHY

Sales by geography

Sales by segments



Note: All growth numbers are organic growth in local currency

Q1 SEGMENT HIGHLIGHTS

	AMERICAS	EMEA	ASIA
Bracing and supports	<ul style="list-style-type: none">•• Soft sales•• Weak sales to some large customers	<ul style="list-style-type: none">•• Growth across all major markets•• Impact from acquisitions	<ul style="list-style-type: none">•• Continued strong growth in Australia and China•• Small acquisition
Prosthetics	<ul style="list-style-type: none">•• Customers adapting to new environment•• Growth in direct sales	<ul style="list-style-type: none">•• Growth across all markets and product lines•• Good bionics sales•• Impact from acquisitions	<ul style="list-style-type: none">•• Main markets contributing

NEW PRODUCTS IN Q1 2014

*11 Products were launched during the quarter
8 in bracing and supports products and 3 prosthetic products*

RHEO KNEE 3



Enhanced support and broader user profile



Financials Q1 2014

FINANCIALS Q1

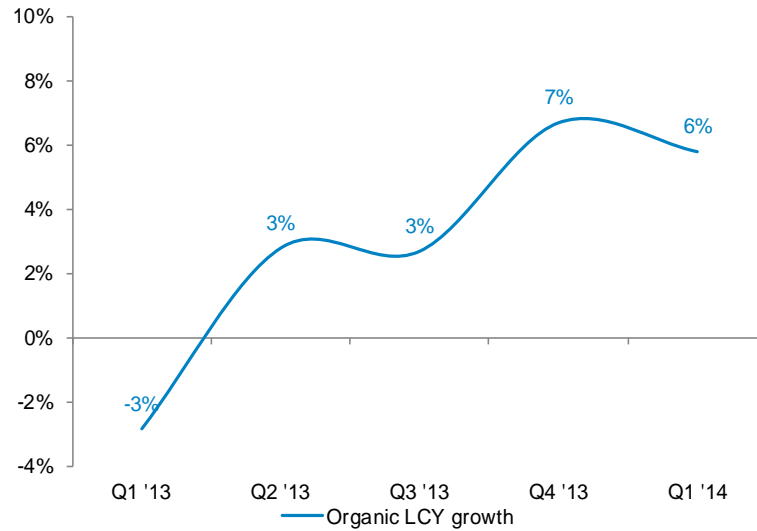
Financials USD millions	Q1 2014	Q1 2013
Net Sales	121	97
Gross profit	76 63%	60 62%
Profit from operations	16 13%	10 10%
Net profit for the period	11 9%	6 6%
EBITDA	20 17%	14 14%
Net debt/EBITDA	1.4	1.2
Cash generated by operations	12 10%	9 9%

- 24% sales growth, LCY
- 6% organic sales growth, LCY
- EBITDA increase of 50%
- Net profit up by 96%

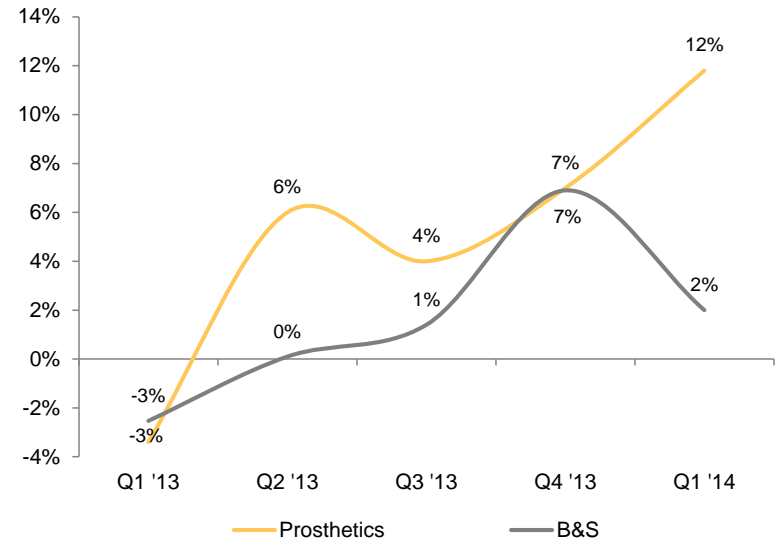
SALES 6% ORGANIC GROWTH



SALES

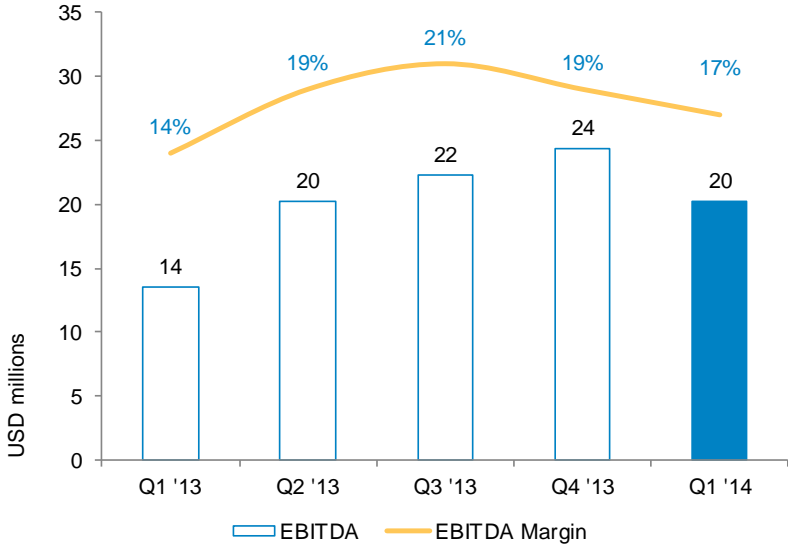


SALES BY SEGMENTS



Note: Organic growth in LCY

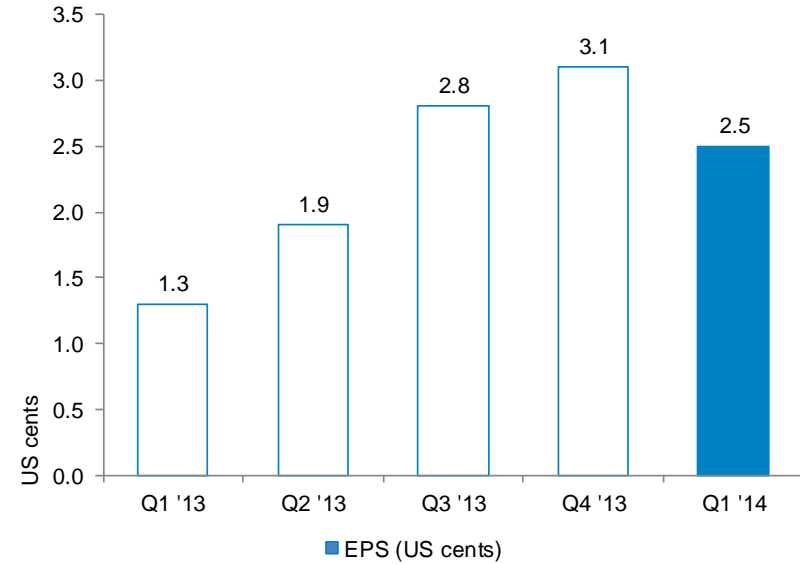
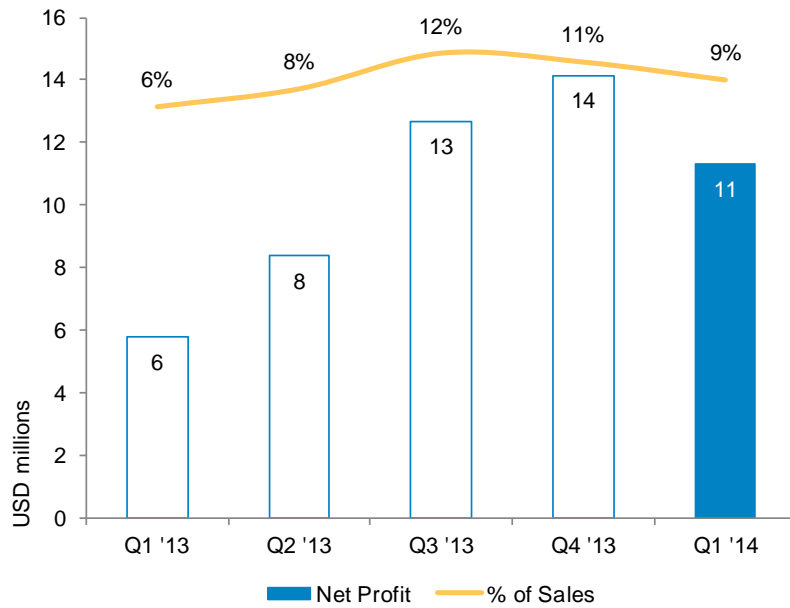
EBITDA MARGIN 17%



- Growth in EBITDA 50%
- Seasonality in recently acquired companies

Note: Adjusted EBITDA margin

NET PROFIT AND EPS



GUIDANCE

	Q1 2014	Guidance 2014
Sales growth LCY	24%	14 - 16%
Sales growth Organic LCY	6%	2 - 4%
EBITDA margin	17%	17 - 19%

WE IMPROVE PEOPLE'S MOBILITY

