

Announcement from Össur hf. No. 21/2017
Reykjavík, 09 March 2017

RESULTS

1. The meeting approved that the Company pays a dividend of DKK 0.12 per share to shareholders for the year 2016, corresponding to approximately 15% of the Company's net profits. The Ex-Date is 10 March 2017, the Record Date is 13 March 2017 and the Payment Date is 23 March 2017. The remaining net profits in 2016 shall be carried over to the following year.
2. The meeting approved the Consolidated Financial Statements for the year 2016.
3. The meeting approved the Company's Remuneration Policy. See attachment.
4. The meeting made the following decision on remuneration to the Board of Directors for the year 2017:

Chairman of the Board	USD 91,200
Vice Chairman of the Board	USD 54,600
Board Members	USD 36,600

5. The meeting elected the following individuals to serve on the Board of Directors until the next Annual General Meeting:

Mr. Arne Boye Nielsen
Mrs. Guðbjörg Edda Eggertsdóttir
Dr. Kristján Tómas Ragnarsson
Mr. Niels Jacobsen
Dr. Svafa Grönfeldt

6. The meeting elected Deloitte ehf. as the Company's auditor.
7. The meeting approved a motion to reduce the share capital by ISK 5,837,832 nominal value by way of cancelling 5,837,832 of the Company's own shares of ISK 1 each. Thus the share capital was decreased from 443,000,557 nominal value to 437,162,725 nominal value.

As a result of the capital reduction, Article 4, paragraph 1, of the Company's Articles of Association was amended and now states as follows:

"The share capital of the Company amounts to ISK 437,162,725 – fourhundredthirtyseven-milliononehundredsixtytwothousandsevenhundredtwentyfivecelandickrónur – and is divided into the same amount of shares with a nominal value of ISK 1 each."

Article 4, paragraph 1, of the Company's original Articles of Association in Icelandic now states as follows:

„Hlutafé félagsins er kr. 437.162.725 – fjögurhundruðþrjátíuogsjömilljónireitthundrað-sextíuogtvöþúsundsjöhundruðtuttuguogfimmkrónur – að nafnverði og skiptist í jafnmarga hluti að nafnverði 1 króna hver.“

8. The meeting approved the following motion on an authorization to initiate share buyback programs:

The Board of Directors is authorized, until the next Annual General Meeting 8 March 2018, to allow the Company to initiate one or more share buyback programs (the “Programs”) that comply with the provisions of Regulation No. 596/2014 of the European Parliament and of the Council on market abuse (“MAR”) and the Commission’s delegated regulation 2016/1052. The main purpose of the Programs shall be to reduce the Company’s share capital, but the shares purchased may also be used to meet the Company’s obligations under share incentive programs with employees. The Company may purchase up to 20,000,000 shares in total under the Programs, corresponding to 4.5% of the current share capital. The total consideration for shares purchased under the Programs shall not exceed USD 40 million. The Company shall not purchase more than 50% of the average volume of the shares each trading day based on the average volume the 20 trading days preceding the date of purchase on the regulated market where the purchase is carried out. The purchase price shall not be higher than the price of the last independent trade or the highest current independent bid, whichever is higher, on the regulated market where the transaction is carried out. Each Program shall be managed by an investment firm or a credit institution which makes its trading decisions in relation to the Company’s shares independently of, and without influence by, the Company with regard to the timing of the purchases. The Company’s purchases under the Programs shall be disclosed in accordance with law and regulations.