

ÖSSUR HF.'S ANNUAL GENERAL MEETING

**WILL BE HELD ON FRIDAY 16 MARCH 2012 AT 9:00 AM (GMT)
AT THE COMPANY'S HEADQUARTERS AT GRJÓTHÁLS 5, REYKJAVÍK, ICELAND**

A. AGENDA

1. The Board of Directors' report on the activities of the Company for the preceding year.
2. Decision on the distribution of the net profit of the Company over the fiscal year 2011.
3. Submission of the Consolidated Financial Statements of the Company for the preceding year for confirmation.
4. Decision on remuneration to the Board of Directors for the preceding year and the current year.
5. Election of the Board of Directors.
6. Election of Auditors.
7. The Board of Directors' report on the remuneration and benefits of the Board of Directors and Executive Management, the expected costs related to share option agreements and execution of the previous remuneration policy.
8. Motion to approve the Remuneration Policy for the Company.
9. Motion to approve a new Share Incentive Scheme.
10. Motion to grant the Board of Directors authorization to purchase Treasury Shares in the Company.
11. Any other business lawfully submitted or accepted for discussion by the Annual General Meeting.



B. PROPOSALS

2. *Proposal on the disposal of the net profit of the Company.*

The Board of Directors proposes to carry over the net profit of the Company in the year 2011 to the following year.

3. *Proposal on confirmation of the Company's Consolidated Financial Statements.*

The Board of Directors proposes to approve the Company's Consolidated Financial Statements for 2011.

4. *Proposal on remuneration to the Board of Directors for the preceding year.*

The Board of Directors proposes the remuneration to the Board for the preceding year (2011) shall be increased by approximately 3% from the year before:

<i>"Chairman of the Board</i>	<i>USD 77,500</i>
<i>Vice Chairman of the Board</i>	<i>USD 46,500</i>
<i>Board Members</i>	<i>USD 31,000"</i>

The Board proposes the remuneration to the Board for the current year (2012) shall be increased by approximately 3% from last year:

<i>"Chairman of the Board</i>	<i>USD 80,000</i>
<i>Vice Chairman of the Board</i>	<i>USD 48,000</i>
<i>Board Members</i>	<i>USD 32,000"</i>

5. *Nomination of candidates to the Board of Directors.*

The Board of Directors proposes that its size remains unchanged and that all the current Board Members are re-elected; Mr. Niels Jacobsen, Mr. Þórður Magnússon, Mr. Arne Boye Nielsen, Dr. Kristján Tómas Ragnarsson and Dr. Svafa Grönfeldt.

Updated information on all candidates to the Board will be published no later than 2 days before the Annual General Meeting in accordance with Article 63 a. of the Icelandic Companies Act No. 2/1995.

6. *Nomination of Auditors.*

The Board of Directors (also acting as the Company's Audit Committee) proposes to re-elect Deloitte hf. as the Company's Auditors.

8. *Motion to approve a new Remuneration Policy for the Company.*

The Board of Directors proposes to approve the Remuneration Policy for the Company.

9. *Motion to approve a New Share Incentive Scheme.*

The Board of Directors proposes the following motion on share incentive scheme is approved:

"Type of share incentive scheme: Share options.



Participants: The CEO and other members of the Executive Management, the next level of management and candidates for future management.

Total number of shares: Up to 6,750,000 share options may be issued and outstanding each time.

Vesting time: 3 years from the grant date.

Exercise period: 1 year immediately after the share options have vested (during open trading windows).

Exercise price: The Company's average share price on NASDAQ OMX Copenhagen the 20 trading days prior to the grant date. The exercise price shall be adjusted for any dividend payments made by the Company after the grant date.

Other key terms and conditions:

If the share options cannot be settled with shares, e.g. due to currency restrictions, the Company shall pay to the participants the difference of the exercise price and the market price on the day of exercise.

Participants are required to hold shares, corresponding to 5% of the profit gained of the share options after deduction of taxes, until their employment with the Company is terminated (if share settlement is possible).

In general, the share options will lapse if the participants are no longer employed with the Company. The Company may decide to waive this condition, including if a participant becomes disabled or dies.

The Company shall not grant any loans or guarantees to participants in connection with the share options."

10. Motion to grant the Board of Directors authorization to purchase Treasury Shares in the Company.

The Board of Directors proposes that the following motion on purchase of Treasury Shares is approved:

"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."