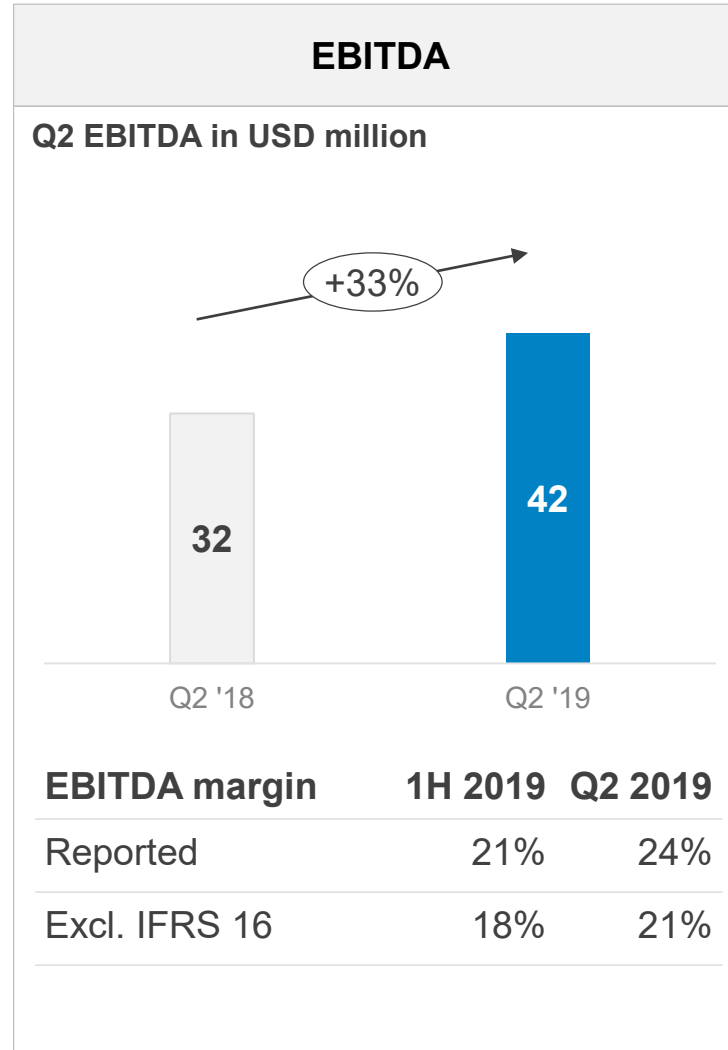
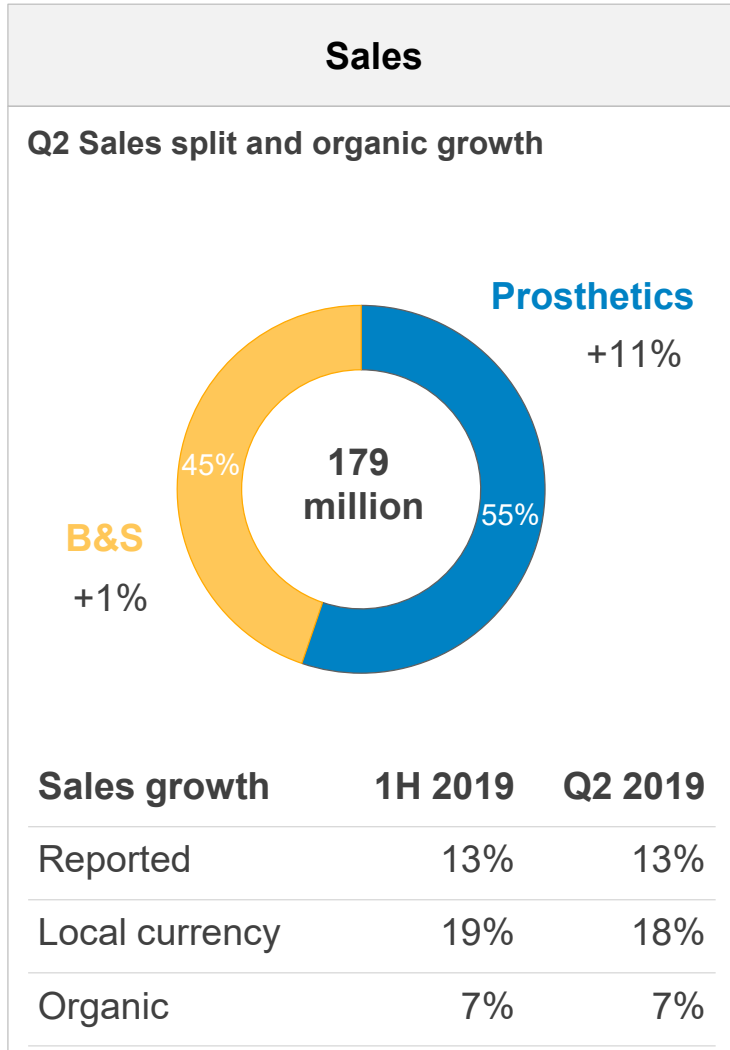


Q2 2019
Investor Presentation

Jon Sigurdsson, President & CEO
Sveinn Solvason, CFO

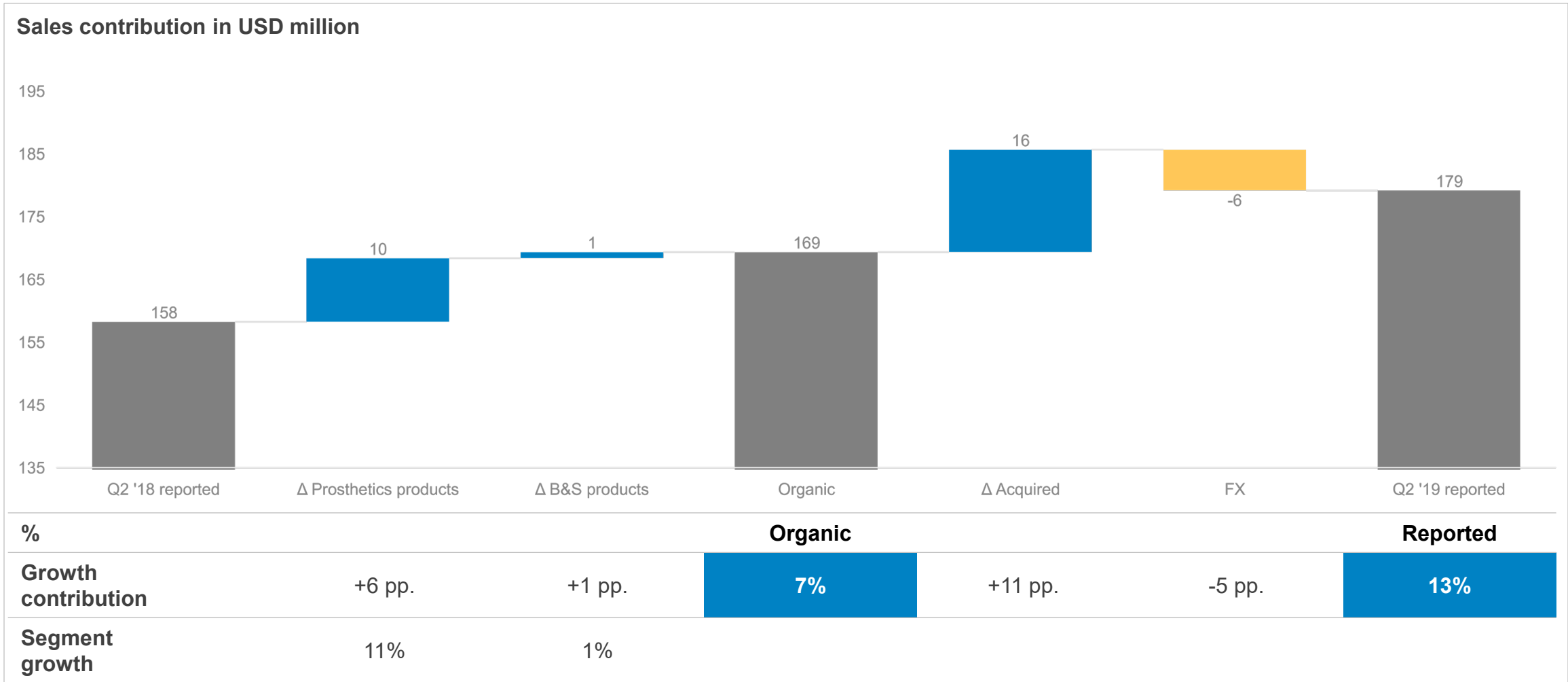
25 July 2019

Highlights in Q2 2019



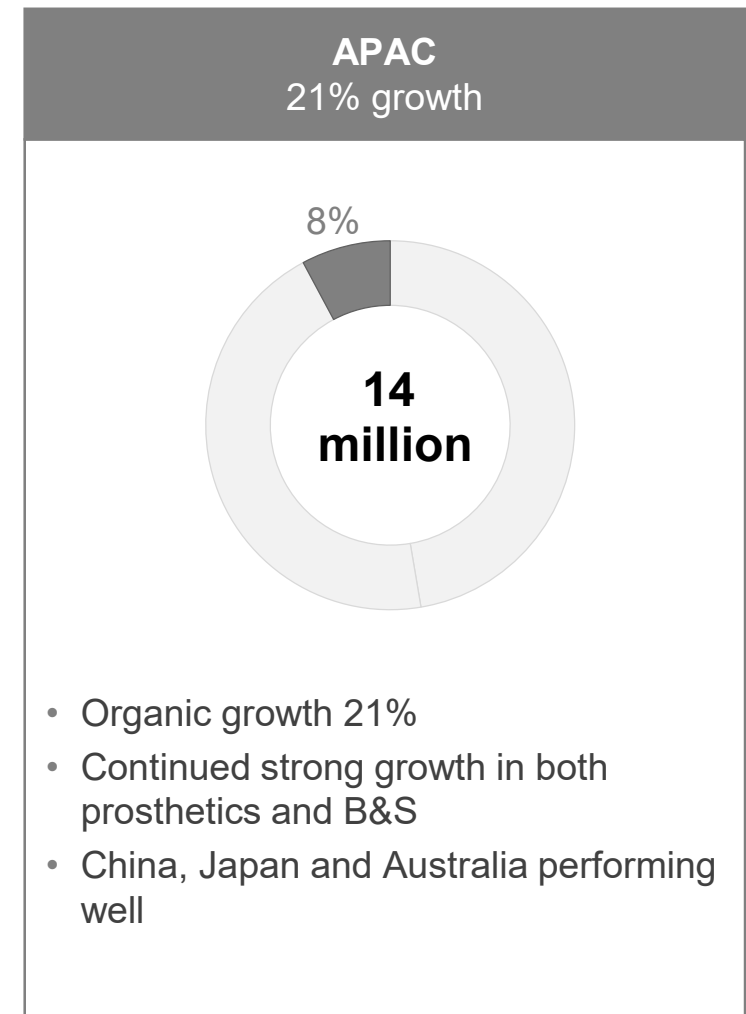
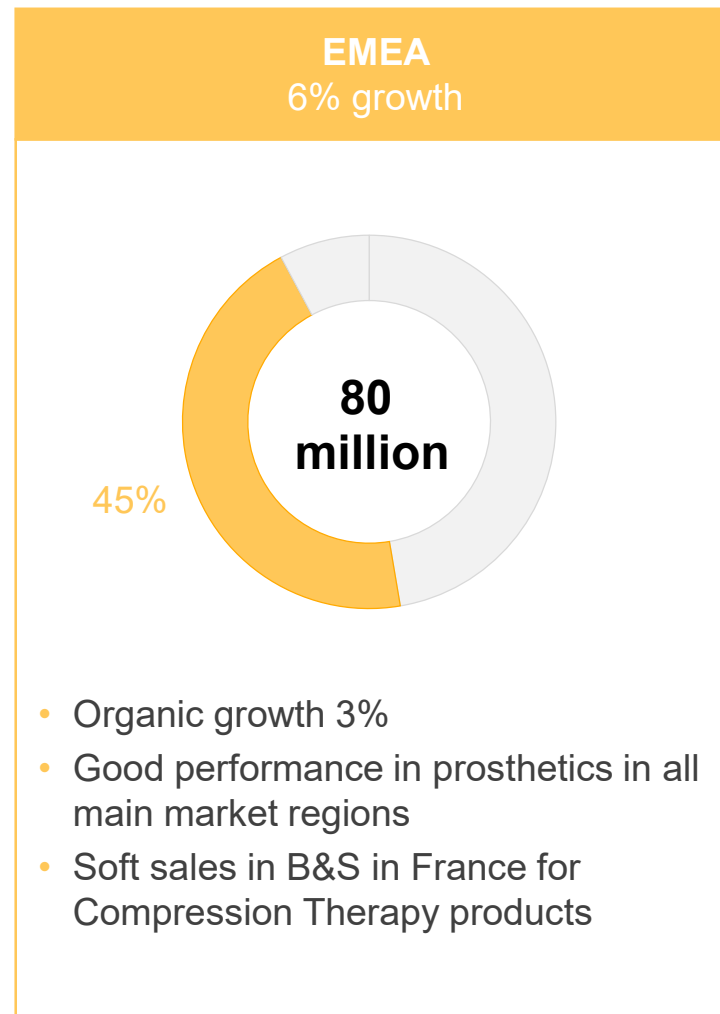
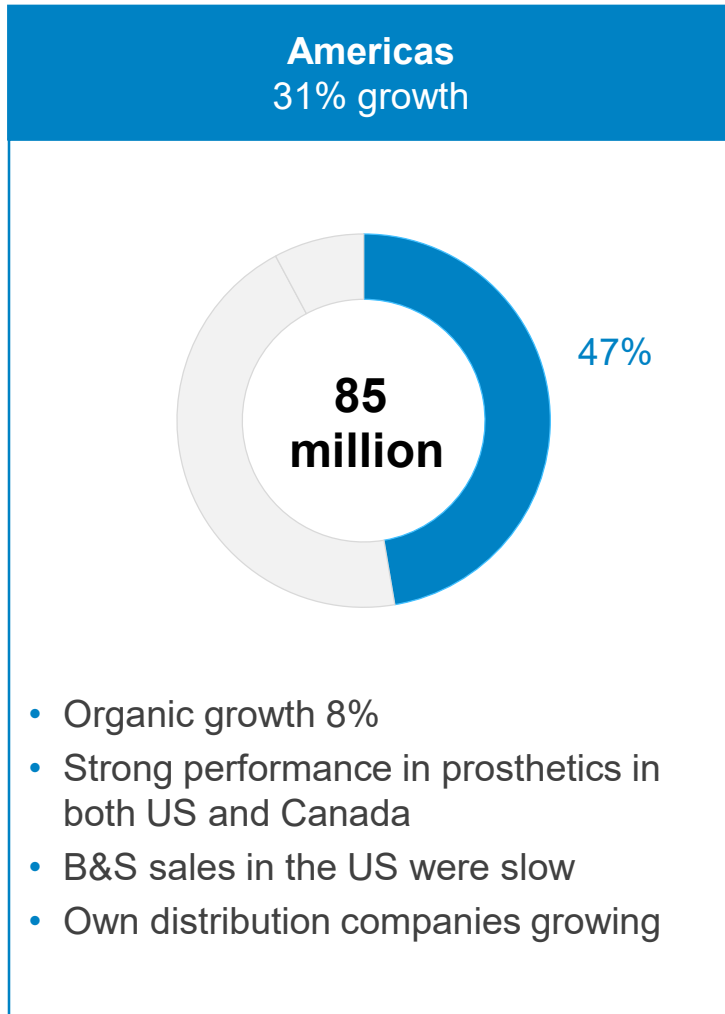
- ### Highlights
- Sales**
- Strong growth in prosthetics in all market regions with recently launched products driving growth
 - Soft sales in B&S with challenges in the US and France markets
- Profitability**
- Increase in EBITDA margin in 1H driven by positive product mix, efficiency initiatives and contribution from IFRS16
- Other**
- Guidance for organic growth for the FY 2019 upgraded to 5-6% (previous 4-5%)
 - Össur signs agreement to acquire College Park Industries, closing expected later in 2019

Sales by business segments



Note: Bridge is an approximation for growth contribution

Sales by geography



Note: Amounts are in USD and all growth numbers refer to quarter-on-quarter growth including acquisitions (in local currency) unless otherwise stated
Percentages next to charts refer to % of total sales

Income statement

Financial results						
USD million	1H '19	1H '18	Q2 '19	IFRS 16 impact	Q2 '19 excl. IFRS 16	Q2 '18
Sales	339	300	179	-	179	158
Reported growth	13%	9%	13%		13%	9%
Organic growth	7%	4%	7%		7%	6%
Gross profit	218	188	115	0	115	99
Gross profit margin	64%	63%	64%		64%	63%
EBITDA	72	52	42	5	37	32
EBTDA margin	21%	17%	24%		21%	20%
EBITDA growth	40%	9%	33%		17%	18%
EBIT margin	15%	13%	18%		17%	17%
Effective tax rate	24%	23%	18%		24%	23%
Net profit	37	30	23	0	23	20
Net profit margin	11%	10%	13%		13%	12%
Net profit growth	23%	28%	15%		15%	49%

Sales

- Organic growth of 7%
- Local currency growth of 18%
- Reported growth of 13%

Profitability

- Gross profit margin increasing, both for H1 and Q2. Positive development in product mix, savings from the efficiency initiatives, and scalability
- OPEX growing in line with sales, mainly driven by the addition of the acquisitions and investments in new business development

Net profit

- Effective tax rate of 24% compared to 23% in Q2 2018
- Net profit margin of 13% and net profit growing by 15%
- EPS growing by 15% in the quarter

Q2 EBITDA margin bridge

Gross profit

- Positive change in product mix, savings from ongoing efficiency initiatives, and scalability

S&M

- Impact from acquisitions
- Investments in new business development

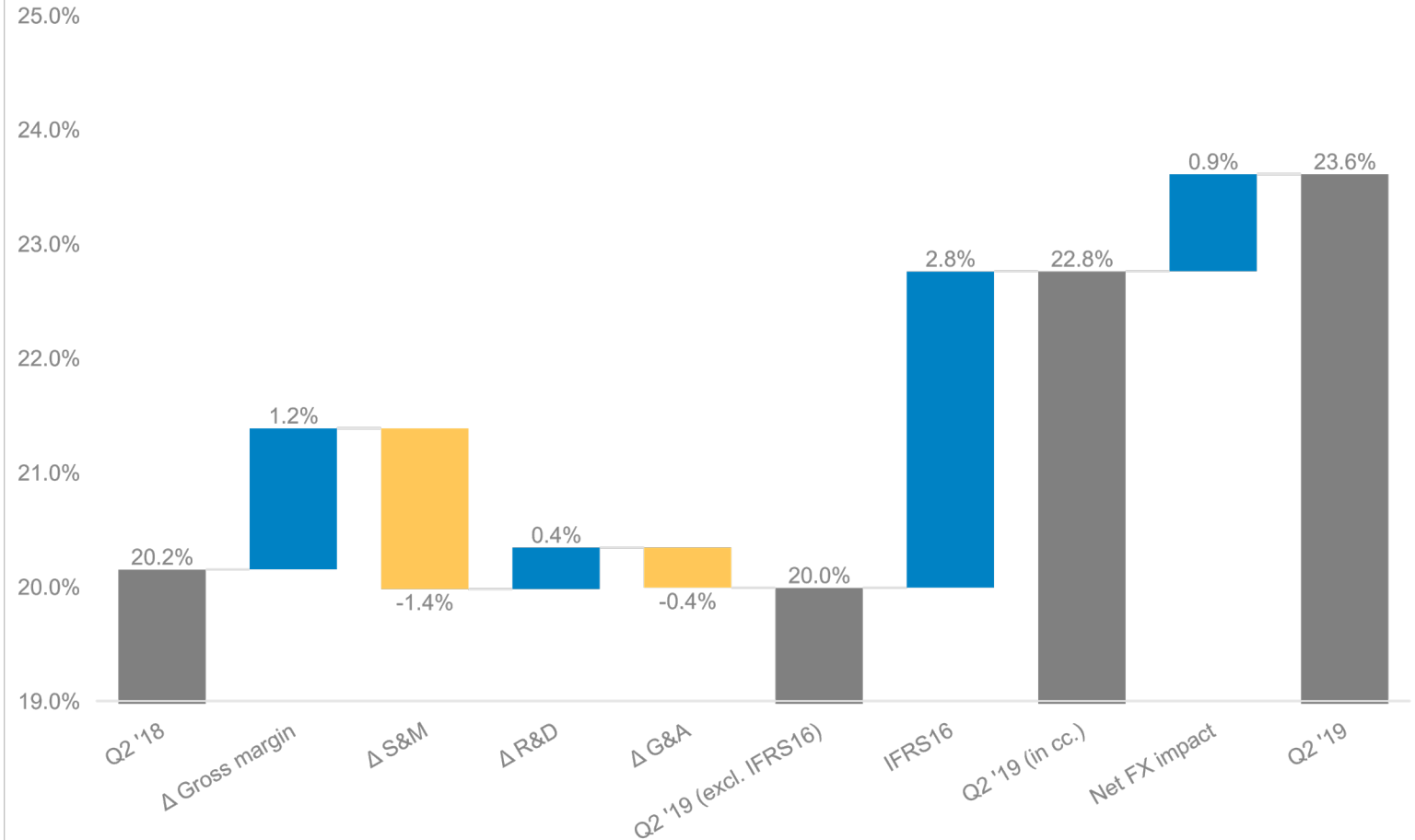
R&D

- Higher cost levels expected for the second half of 2019

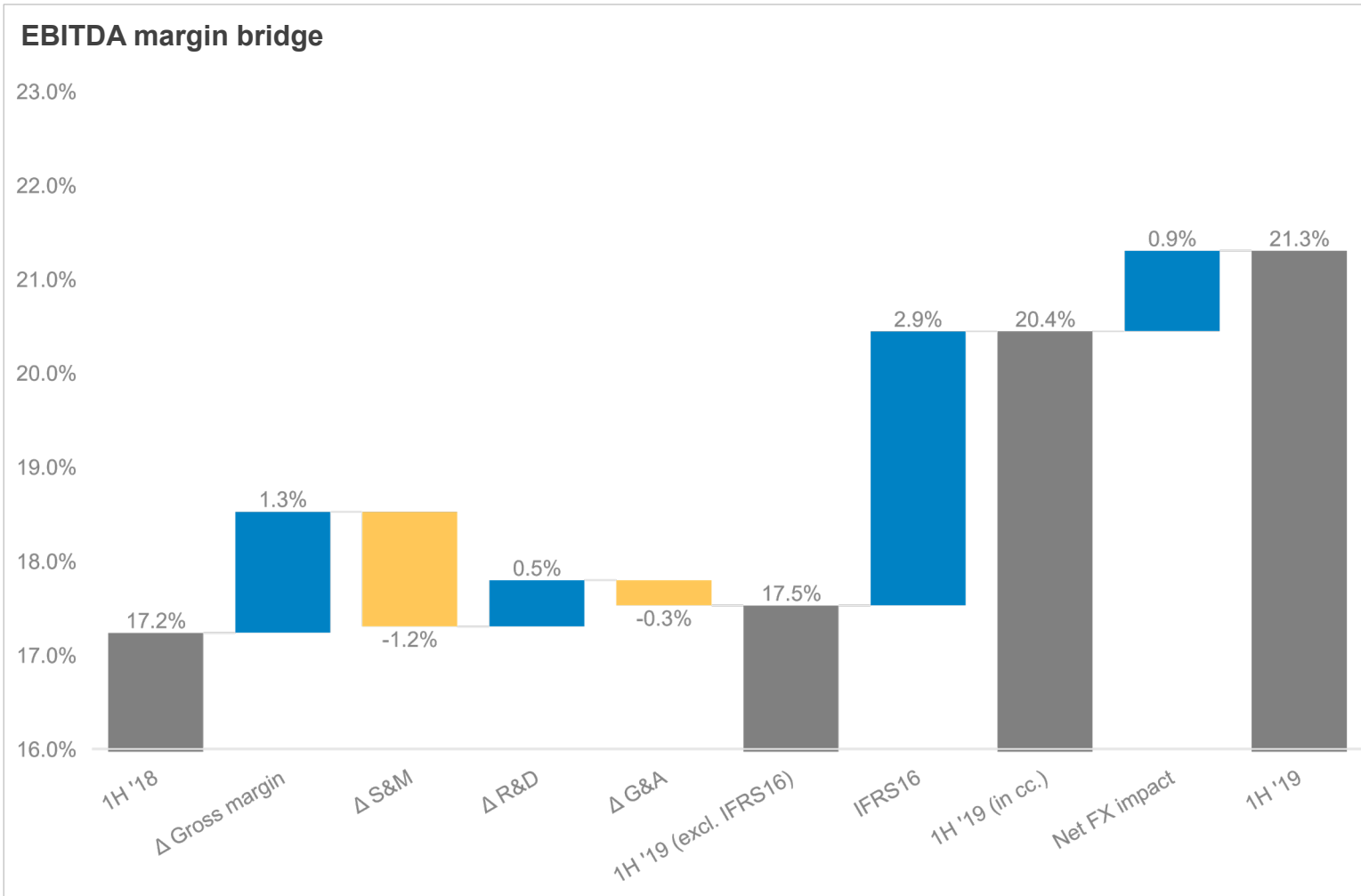
G&A

- Impact from acquisitions

EBITDA margin bridge



YTD EBITDA bridge



Q2 Free cash flow bridge

Operating profit

- Strong operational results with positive contribution from acquisitions

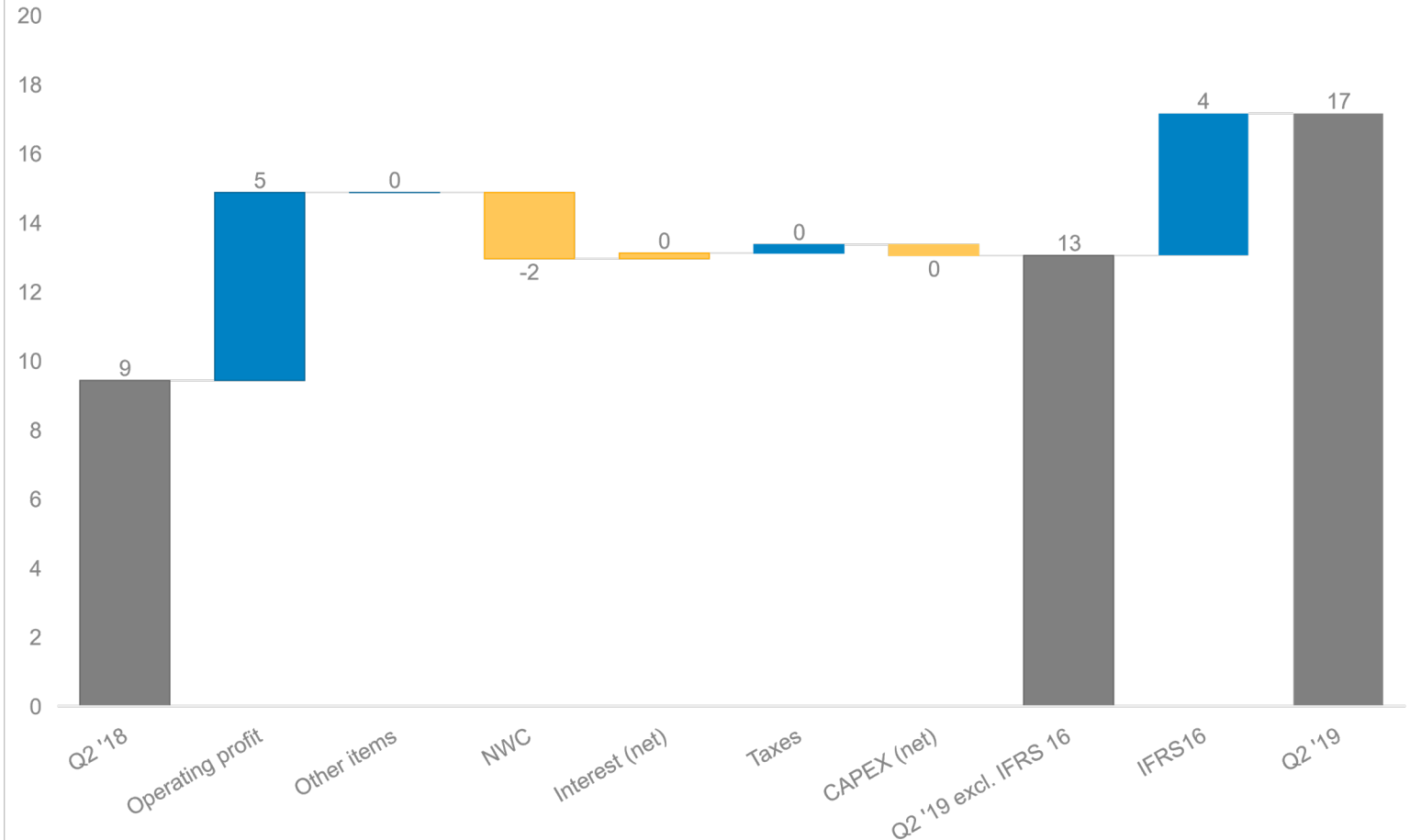
NWC

- High inventory levels due to efficiency initiatives

CAPEX

- Investments in relation to the efficiency initiatives and the integration of a new CRM software

Free cash flow bridge in USD million*



* Before special items, acquisitions, and changes in financial assets

Note: Changes in net working capital (NWC) include provisions, other receivables and payables

Guidance for full year 2019

	Actual 2018	YTD 2019	Guidance (new)	Guidance (previous)
Sales growth Organic	5%	7%	5-6%	4-5%
EBITDA margin Before special items	19%	21% (~18% excl. IFRS16)	~23% (~20% excl. IFRS16)	~23% (~20% excl. IFRS16)
CAPEX % of sales	5%	4%	4-5%	4-5%
Tax Effective tax rate	24%	24%	23-24%	23-24%



Sales

- Strong growth in prosthetics in all market regions with recently launched products driving growth
- Soft sales in B&S with challenges in the US and France markets

Profitability

- Increase in EBITDA margin in 1H driven by positive product mix, efficiency initiatives and contribution from IFRS16

Other

- Guidance for organic growth for the FY 2019 upgraded to 5-6% (previous 4-5%)
- Össur signs agreement to acquire College Park Industries, closing expected later in 2019



Financial calendar and upcoming events & conferences

Meet with us

Goldman Sachs 16th Annual European Medtech and Healthcare Conference (UK)	4-5 September 2019
Össur Capital Markets Day (DK)	24 September 2019
ABGSC Small & Midcap Seminar (DK)	25 September 2019
Danske Bank Winter Seminar (DK)	4 December 2019
DNB Nordic American Life Science conference (US)	5 December 2019
SEB Nordic Seminar	7-8 January 2020

Financial calendar

Interim Report Q3 2019	22 October 2019
Interim Report Q4 2019 and Annual Report for 2019	4 February 2020
Annual General Meeting	12 March 2020



Further information

David Hreidarsson
Investor Relations Manager
e-mail: dhreidarsson@ossur.com
Tel: +354 515 1380

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Forward-looking statement

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 2019 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.