



QUALITY FOR LIFE

Management

Press Release

February 18, 2008

Cutting-edge technology and global presence drive Otto Bock's growth

“This has been the most exciting period in the history of the company”

In 2007, the consolidated turnover of the Otto Bock Group rose from 541 to 560 million euros. This constitutes a currency adjusted sales growth of 9.4%. Otto Bock HealthCare, the Group's flagship company, increased its sales from 447 to 460 million euros (9.6% when adjusted for exchange rate differences). About 30% of Otto Bock's sales came from the US. Worldwide, the company employed 4,142 people, of whom 3,700 work at Otto Bock HealthCare.

Professor Hans Georg Näder, Chairman and CEO of the Group, explained that innovation and global presence will remain the company's primary drivers of growth, as always. The C-Leg[®], for example, is the world's first leg microprocessor-controlled lower limb prosthesis system and has established itself as a standard prosthesis around the world. More than 20,000 people worldwide are now using the C-Leg[®].

In 2007, the company showcased a prototype of the first thought-powered arm prosthesis, a technological sensation. The prosthesis receives messages for complex movements from the very same nerves that control a healthy arm. The company's sales target for 2008 is 502.2 million euros, with 44% of this growth originating from 30 new products. Investments in research and development reached 30 million euros again this year.

“This has been our most exciting period of development since the company was founded by my grandfather in 1919,” says Dr. Hans Georg Näder. Otto Bock HealthCare is planning to set up a new



QUALITY FOR LIFE

Management

production facility in Tijuana, Mexico. Along with the production site in Salt Lake City, the new facility will help hedge currency risks by manufacturing products in the US dollar region. This move will not affect jobs at German sites. Medical technology has a great potential for growth thanks to recent world demographic developments.

In April 2008, Otto Bock will lay the foundation for its Medical Technology Competence Centre, which the company is building between Potsdamer Platz and Brandenburger Gate in the heart of Berlin. A key part of the concept is to provide an exciting, interactive space where visitors can experience the world of health and mobility up close.

Otto Bock will deploy 130 orthopaedic technicians at the Paralympics in Beijing (from 6 to 17 September 2008). The company will rely on this multicultural team for its exclusive service workshops, which are staffed by experts from subsidiaries in 40 different countries around the world.

Investment in China

In Changzhou, China, a city north of Shanghai, Otto Bock Kunststoff is currently investing some 15 million euros in a foam production facility that is scheduled to begin operations in 2008. This plant will primarily supply China's automotive supplier industry and other Asian markets. China is already producing more than 5 million automobiles a year. The new factory will be launched in 2008 and will go on to reach its maximum capacity of 15,000 tons per year in the period between 2010 and 2012.

In 2007, the turnover of Otto Bock Kunststoff, including Technogel, a joint venture with Italian manufacturer Selle Royal, reached 104 million euros.

Sycor GmbH, a provider of information and communications technology services, achieved outstanding growth in 2007. The company's sales were up 29.2%, from 22.8 to 29.3 million euros. The overall performance for all three divisions was 594 million euros. The company's overall goal for 2008 is 635 million euros.

Based on provisional results for 2007, predicted targets have been met. Final figures will be published once balance sheets have been closed.



QUALITY FOR LIFE

Management

Additional Information:

Joachim F. Hamacher

Director Corporate Communications / Company Spokesman

Otto Bock HealthCare GmbH, Max-Näder-Str. 15, 37115 Duderstadt

Phone: +49 (0) 5527 848-1239, Fax: +49 (0) 5527 848-3360

e-mail: joachim.hamacher@ottobock.de