

Interim report

January – Mars 2011

Ray Mauritsson, CEO & President

Fredrik Sjöstrand, CFO



www.axis.com

This is Axis

- > Founded in 1984
- > IT company driving the network video market
- > Focused on Network Video Solutions
 - Market leader
- > Global partnerships through distributors, resellers and system integrators
- > Worldwide presence in more than 30 countries, 983 employees*
- > Listed on NASDAQ OMX, Nordic under the ticker AXIS

*March 31, 2011

www.axis.com



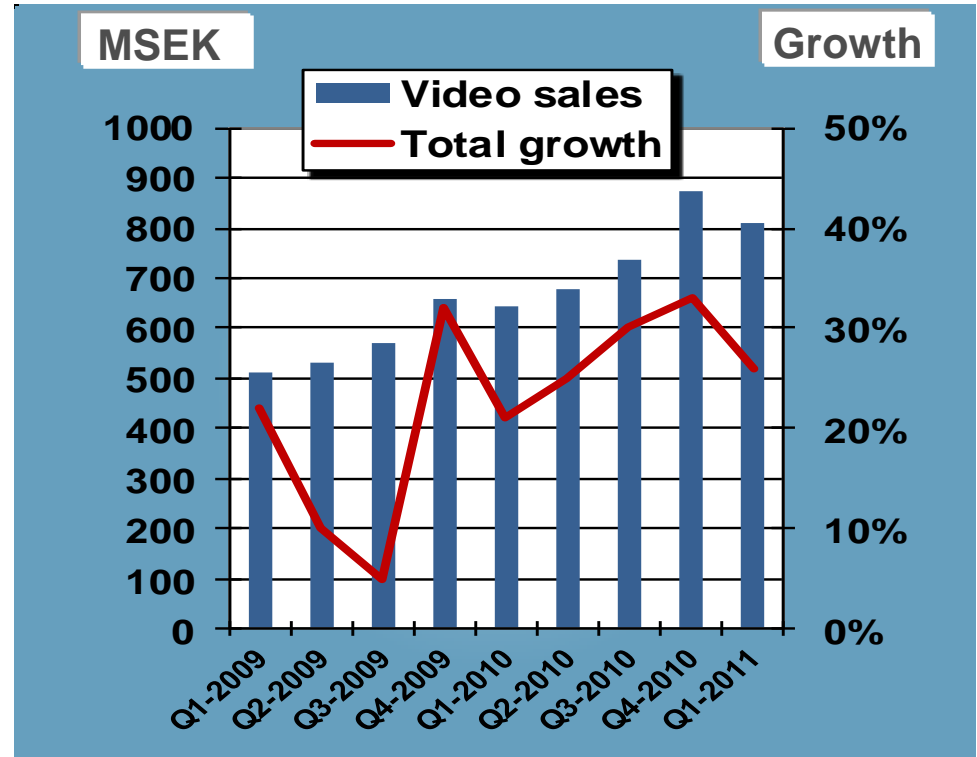
Highlights January – March 2011

- > A strong close in all regions due to high interest in installations of network video
- > Axis continues to broaden the product portfolio with strategic product releases
- > High pace in recruitment

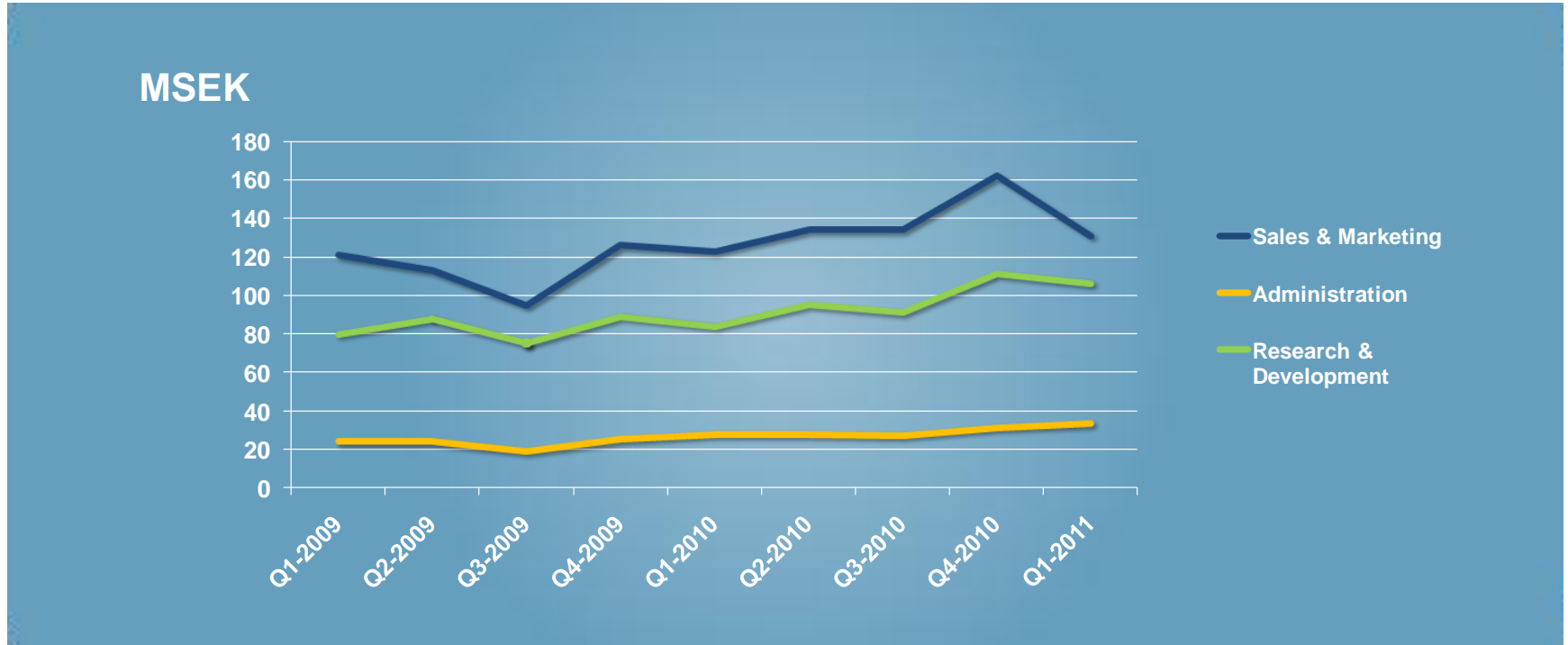


Sales

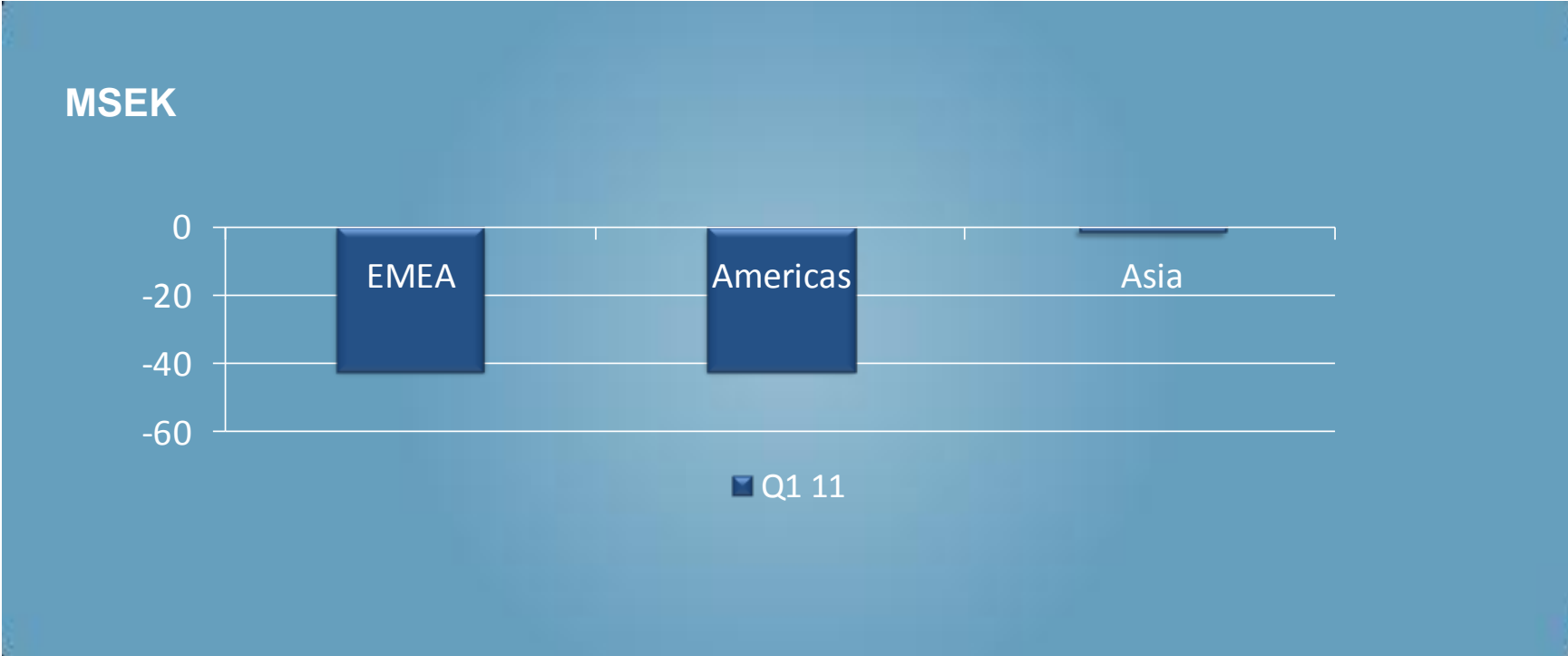
- > January - March
 - 808 MSEK (643)
 - Growth 26%
 - Currency effects, - 85 MSEK



Operating expenses Q1 2009 – Q1 2011

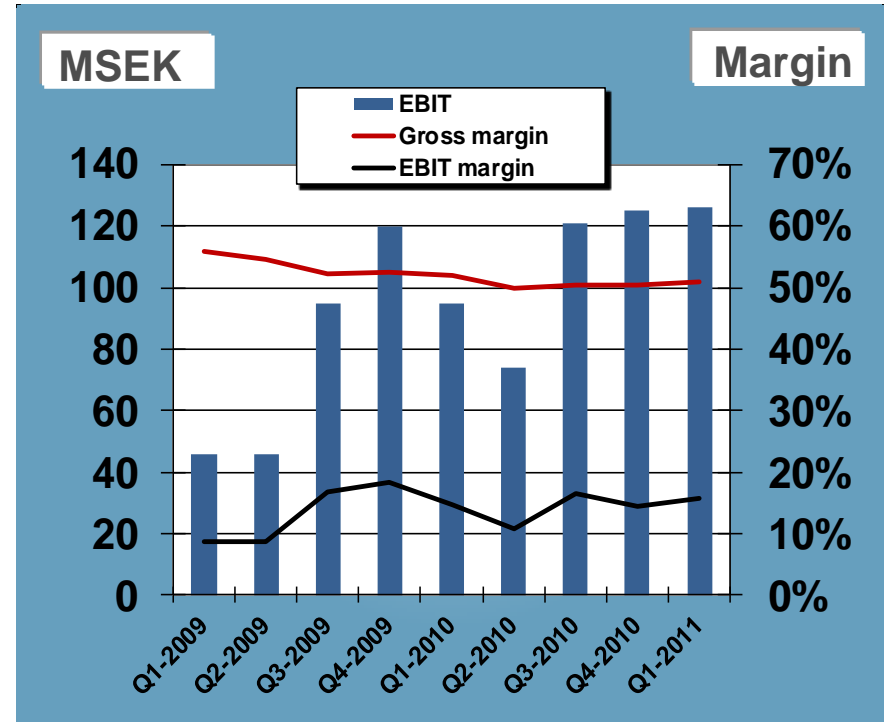


Currency effects on total sales by region



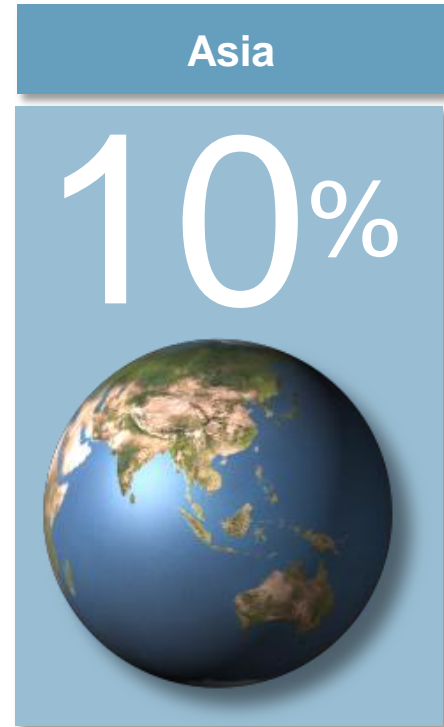
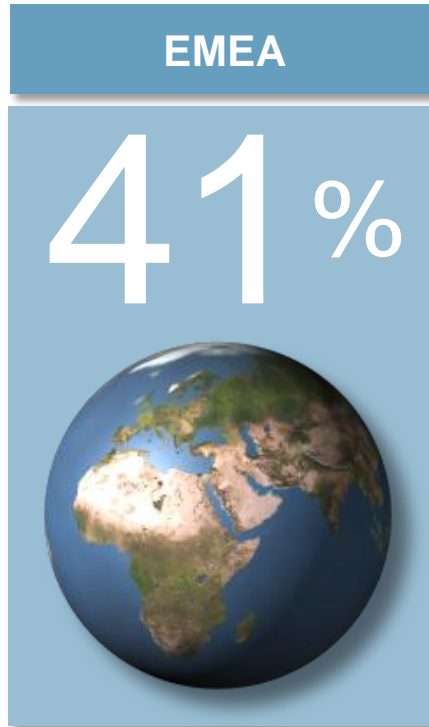
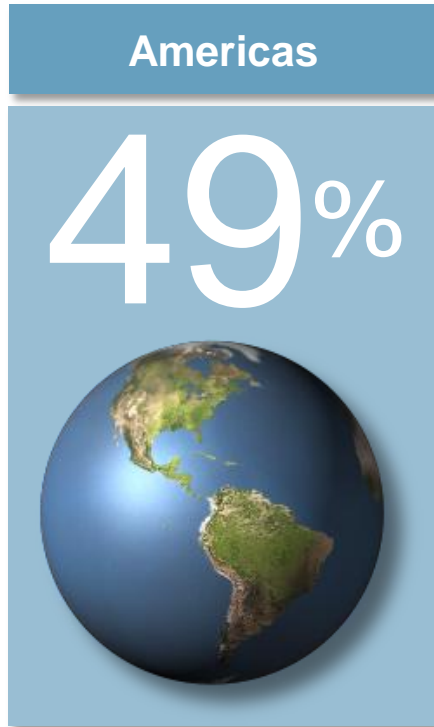
Margins*

- > Gross margin*
 - 50.9% (52.0%)
- > Operating margin
 - 15.6% (14.8%)
- > Profit margin
 - 15.6% (14.8%)



*Q1 2011

Sales in the regions*



*Q1 2011

Axis strategy

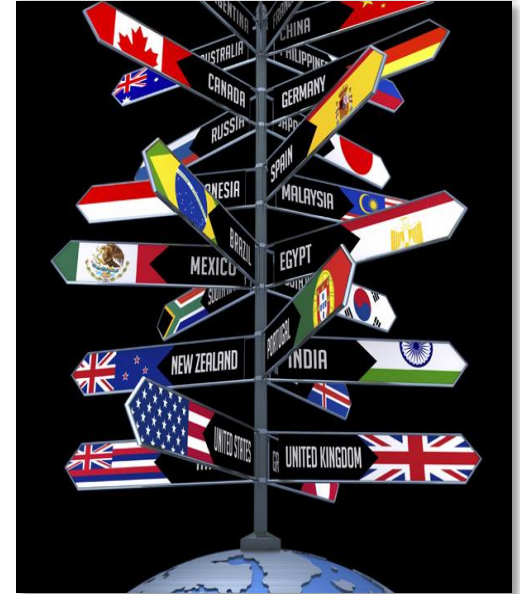
Partner network



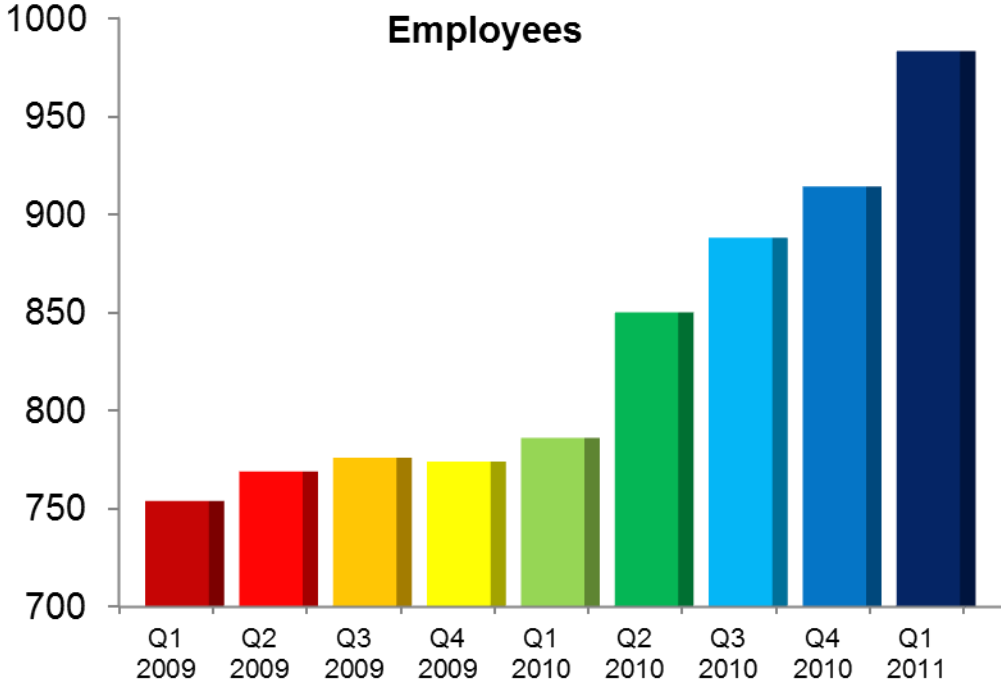
Broad and innovative product portfolio



Global expansion



Axis hiring 2009 – 2011 (Q1)



AXIS M50 Series

- > Pan, tilt & zoom capabilities for broad area coverage and flexibility
- > Ultra-discreet design
- > Excellent video HDTV quality

- > Application areas:
 - Retail stores, shopping malls
 - Hotels, restaurants, museums
 - Banks, office lobbies, warehouses
 - Schools, universities



Axis Video Hosting system (AVHS)

A platform for remote and local viewing of video for a large number of dispersed sites with few cameras per site

>An opportunity for alarm operators to develop an existing service offering

>An easy way to set-up a hosted video service

>Maintenance and storage handled by a service provider



Soluciones en **Vídeo Supervisión** vía internet



High interest for network video solutions

Retail



Transportation



City surveillance



Axis and sustainability

- > Sustainability is a long-term strategy for Axis' business operations, today and tomorrow.
- > Axis always acts in an ethical and sustainable way through the entire business process.
- > Axis' products and solutions contribute to security and safety in the society.



Outlook

Short-term perspective

- > Good market conditions for a continued positive development within network video, 25-30 percent growth
- > Risk of component shortages due to the situation in Japan
- > Strong and innovative product portfolio

Long-term perspective

- > Continued growth potential in the network video market
- > Axis' goals remain unchanged



Get the Axis picture. Stay one step ahead.

partner network
Axis
open
megapixel
camera
HDTV
competence
worldwide
network video
leader
easy installation
convergence
intelligent
Thank you!
safe
innovation
environment
protect
leader
thermal
global
outdoor
ease of use
H.264
integration
image usability
focus
video encoder