

Lund, January 19, 2006

US Retailer Installs Axis Network Cameras in Stores

Axis Communications, the global leader in the network video market, announced today that Axis network cameras are being installed by a major national retailer to monitor approximately 200 of the chain's more than 1,000 stores. The deal includes more than 1,000 Axis network cameras, with 9,000 additional cameras expected for coming years.

The retailer is installing the Axis network cameras in new and remodeled stores and is retrofitting other locations with the technology. The cameras will primarily be used for store security and loss prevention and are replacing an analog camera and digital video recorder system previously used by the retailer.

"Axis has seen an increasing number of retailers migrating their surveillance systems to IP-based platforms," said Ray Mauritsson, President Axis Communications. "This is primarily because the technology is more manageable, scalable and cost effective than analog systems, and retailers can integrate it with other critical systems such as inventory control and point of sale."

The rollout of this installation began after the completion of an extensive pilot program in which Axis network cameras were tested against products from other manufacturers. The retailer chose an IP-based system due to overall lower system costs and superior image quality as compared to the existing analog cameras.

Axis network cameras connect directly to IP-based networks and contain built-in Web servers and operating systems that enable the transmission of real-time images over the Internet. Unlike analog systems, network video systems eliminate the need for expensive coaxial cabling because they utilize Ethernet for video transport over local area networks (LANs) and the Internet. In addition, network video systems use standard PC server hardware for monitoring and recording video, which provides a cost-efficient and scalable architecture that is suitable for a system of any size.

For further information, please contact:

Margareta Lantz, Investor Relations and Corporate Communications Manager, Axis Communications. Phone: + 46 46 2721800, e-mail: pressoffice@axis.com

About Axis

Axis increases the value of network solutions. The company is an innovative market leader in network video and print servers. Axis' products and solutions are focused on applications such as security, surveillance, remote monitoring and document management. The products are based on in-house developed chip technology, which is also sold to third parties. Axis was founded in 1984 and is listed on the O-list (Attract 40) of Stockholmsbörsen (XSSE: AXIS). Axis operates globally with offices in 16 countries and in cooperation with distributors, system integrators and OEM partners in 70 countries. Markets outside Sweden account for more than 95% of sales. Information about Axis can be found at www.axis.com.