

Lund, March 1, 2005

Axis Communications honored with 2005 Frost & Sullivan Market Leadership Award

Axis Communications, the global leader in the network video market, announced today that the company has received the 2005 Frost & Sullivan Market Leadership Award for network video. Frost & Sullivan found Axis to be the definitive market leader in both the global network camera market and the global video server market. The combined worldwide network video market is expected to grow at an annual rate of 40 percent and reach \$1.2 billion by 2010.

The Frost & Sullivan Market Leadership Award is given to the company that has exhibited market share leadership and substantial revenue growth, while driving market and technological innovation. The Award is based on data derived from interviews conducted by Frost & Sullivan and from proprietary data extensively researched by the firm.

"Since becoming the first company to launch a network camera in 1996, Axis has remained at the forefront of the fast growing network video market," said Soumilya Banerjee, research analyst for Frost & Sullivan. "Through consistent performance and continuous innovation, the company has been able to build and retain its leadership position."

Axis focuses on the professional segment of the network video market with customers in education, transportation, government, retail, banking and industrial. Axis network video solutions are based on open standards and work with proven industry equipment such as Ethernet networks and PC servers for video monitoring and storage. By using standard IT infrastructure, network video systems deliver scalable, flexible, cost-effective and future-proof systems.

"We are honored that Frost & Sullivan recognized Axis as the leader in the network video market," said Ray Mauritsson, CEO of Axis Communications. "Through our substantial research and development investments and market education efforts, Axis will remain as the market leader and continue to exceed user requirements in the professional network video market."

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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.