Lund, December 20, 2005

New Axis ETRAX FS Chip Integrated in Supply Chain RF Biosensor Solution

Axis Communications\' newly launched ETRAX FS chip has rapidly gained market acceptance and is being integrated in a chip-less RFID biosensor solution for Supply Chain Management. This new generation of ETRAX system-on-chip network processor was chosen by the Swedish company Bioett AB for the handheld scanner hardware of their Time-Temperature Management System. The initial part of the project was valued at 20,000 USD.

Bioett AB together with development partner Aditus Science AB decided to use ETRAX FS for the hand held scanner device, as the chip was designed to meet demands for low cost, easy implementation, and superior network performance. The ETRAX FS is Axis\' seventh-generation optimized system-on-a-chip solution for putting peripherals directly on the network.

The Bioett System is a new and unique way of monitoring the accumulated effect of temperature on products over time. By leveraging the network, this makes it possible for an operator to conduct live checks on the integrity of a temperature controlled supply chain from source to each critical point along the way to the end destination. A Time Temperature Biosensor (TTB) is attached to the goods and activated at the source. The biosensor registers the accumulated temperatures that the product has been exposed to; information that can be used to optimize and monitor the logistical chain. A scanner can read the biosensor via radio waves (RF) and also uniquely identify the goods using a barcode. The scanner also incorporates a software defined radio subsystem for regular RFID reading.

\"The feature set, low power consumption and performance were all important decision factors when choosing which embedded CPU platform to use. But the key decision factor was Axis\' ability to provide the complete range of design support; hardware reference designs, a complete and stable Linux distribution as well as debugging tools\", said Bernt Böhmer, Managing Director of Aditus Science AB.

Olle Hydbom, Project Manager of Bioett AB added: \"By using the well established Linux based development environment for the ETRAX platform that Axis itself uses for its range of IP based video surveillance equipment, we were able to develop the Bioett Scanner in a very cost efficient way; taking only 3 months from start to finish. This also included design and modeling of some fairly complex radio frequency electronics together with high speed digital signal processing. The rich feature set of ETRAX FS enables us to continuously improve and optimize the system going forward.\"

\"We are happy to release the ETRAX FS, specially noting that it has already received interest from other large vendors dealing in networking and printing solutions,\" said Kenneth Jonsson,

Vice President of Research and Development at Axis Communications. \"There is a great deal of escalating demand in the marketplace as more and more devices are connected to IP based networks.\"

Please refer to http://www.developer.axis.com/ for detailed information on ETRAX FS.

For further information, please contact:

Margareta Lantz, Investor Relations and Corporate Communications Manager
Phone: + 46 46 2721800, E-mail: margareta.lantz@axis.com

Lawrence de Guzman, Marketing and Public Relations Director
Phone: + 46 46 2721800, E-mail: lawrence.deguzman@axis.com

Olle Hydbom, Bioett AB
Phone : +46 (0)46 286 39 35, E-mail: olle.hydbom@bioett.com

Bernt Böhmer, Managing Director, Aditus Science AB
Phone: + 46 (0)46 540 62 11, E-mail: bernt@aditus.se

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.

About Bioett
Bioett, located in the foremost Swedish research park IDEON in Lund, provides innovative complete systems for cold-chain validation for the food industry. The system is based on a unique, in-house developed, biosensor technology. The system includes everything from sensor application equipment and measurement terminals to web-based customer data access systems.

About Aditus Science
Aditus Science AB is a consultancy company specialized in development of innovative electronic products. Throughout development of a product Aditus consultants always use the latest and most advanced tools for simulation and design. By combining the consultants experience with the use of advanced methods and tools, the quality of the product is optimized, time-to-market is kept as short as possible and development costs are reduced to a minimum. Aditus has deep knowledge in many different areas like analog design, embedded systems and signal processing. Our customers are found in many different business areas ranging from biotechnology to consumer electronics. Since the start in 1993, Aditus have been growing constantly and today employs a staff of 10 innovative consultants. More information about Aditus can be found at www.aditus.se.