

Lund, April 14, 2016

## Axis AB: Interim report January-March 2016

### The first quarter

Net sales increased during the first quarter by 16 percent to SEK 1,567 M (1,354). Net sales increased by 13 percent in local currencies.

Operating profit increased to SEK 153 M (145), which corresponds to an operating margin of 9.8 percent (10.7).

Profit after tax amounted to SEK 114 M (104).

Earnings per share amounted to SEK 1.64 (1.50).

On February 1, Axis announced the acquisition of the French company Citilog, which is specialized in intelligent transport solutions.

### President's comments

The first few months of 2016 were dominated by several releases of new products and solutions, and by the acquisition of the French transport and video analytics company Citilog. Both the acquisition and the product releases show how we are broadening our offering, which is important for our future performance and in order to capitalize on the opportunities available in the growing market.

For example, AXIS Site Designer Tool is a strategically important application that simplifies planning and design of video surveillance solutions. The continued advancement of our Zipstream technology, which lowers bandwidth and storage requirements, is also important as it can be applied in more and more camera models.

On February 1, we announced the acquisition of Citilog, which has specialist competence in intelligent video monitoring of traffic and transport. The acquisition strengthens both our offering in the transportation segment and our opportunities in the growing market for traffic analytics. We can now offer our customers an overall solution, which meets the strict demands of the traffic market.

Overall growth during the first quarter was in line with the expected development, but with some variation among the regions. We saw the best performance in EMEA, and particularly in Northern Europe and the Middle East.

We will also continue to develop and broaden our offering going forward. The market for

network surveillance still has great potential. We have a clear ambition to strengthen our marketleading position by developing our partner network, attracting skilled employees and releasing leading security solutions.

*Ray Mauritsson*  
*President*

The full report is available on:

<http://www.axis.com/about-axis/investor-relations/financial-reports>

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*The information in this interim report is such that Axis is required to disclose in accordance with the Securities Market Act. Submitted for publication at 08.00 a.m. (CET) on 14th of April 2016.*

***About Axis Communications***

*Axis offers intelligent security solutions that enable a smarter, safer world. As the market leader in network video, Axis is driving the industry by continually launching innovative network products based on an open platform - delivering high value to customers through a global partner network. Axis has long-term relationships with partners and provides them with knowledge and ground-breaking network products in existing and new markets. Axis has more than 2,100 dedicated employees in more than 50 countries around the world, supported by a global network of over 80,000 partners. Founded in 1984, Axis is a Sweden-based company listed on NASDAQ Stockholm under the ticker AXIS. For more information about Axis, please visit our website [www.axis.com](http://www.axis.com).*