

Lund, March 7, 2008

## Axis AB: Notice of Annual General Meeting

**Axis AB (publ) is holding its Annual General Meeting at 5:00 p.m. on Thursday, April 17, 2008, at Edison Park, Emdalavägen 14, LUND.**

### Participation

To be entitled to participate in the Annual General Meeting, shareholders shall

- be registered in their own name in the transcription of the share register kept by VPC AB (Swedish Securities Register Center) as of Friday, April 11, 2008, and
- give notice of attendance to the Company not later than 1:00 p.m. Friday, April 11, 2008

### Inclusion in the share register

Shareholders whose shares are registered in the name of a nominee must ensure that the nominee registers the shares in the shareholder's own name, so that the shareholder is registered on April 11, 2008. Such registration may be temporary.

### Notification of attendance

Notification should include name, Swedish personal identity number or corporate registration number, address and telephone number and the number of shares represented. Notification should also state the number of assistants (however, not more than two) that the shareholder wishes to attend the Meeting. If a shareholder is represented by proxy, the power of attorney and – if the shareholder is a legal entity – certified copy of the certificate of registration, or other document demonstrating the signatory's authority to sign for the legal entity, must be sent to the Company in good time prior to the Meeting. The power of attorney may not be more than one year old. The power of attorney form is available on the Company's website.

Notification of attendance shall be made in writing to Axis AB, Attn: Adrienne Jacobsen, Emdalavägen 14, SE-223 69 Lund, Sweden; or by telephone to Axis AB's head office, tel. +46 46 272 18 00; or via the Company's website: [www.axis.com](http://www.axis.com)

Any questions relating to participation in the Meeting will be answered by Ray Mauritsson, President, Axis AB, or by Adrienne Jacobsen.

### Proposed agenda

1. Opening of the Meeting.
2. Election of the Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of the Agenda.
5. Election of one or two persons approving the minutes.
6. Determination as to whether the Meeting has been duly convened.
7. Presentation of

- a) the annual report and the auditors' report, and the consolidated accounts and the auditors' report on the consolidated accounts,
  - b) auditors' statement as to whether the principles for determining remuneration to senior executives which applied since the previous Meeting have been followed,
  - c) the Board of Director's proposal for distribution of profits and statement of explanation.
8. Report by the President.
9. Resolutions:
- a) concerning the adoption of the income statement and the balance sheet, and of the consolidated income statement and the consolidated balance sheet,
  - b) concerning the disposition of the Company's profit as set forth in the approved balance sheet,
  - c) concerning the discharge of liability for the members of the Board of Directors and of the President.
10. Determination of the number of members and deputy members of the Board of Directors.
11. Determination of the fees payable to the Board of Directors and Auditors.
12. Election of Board members and Chairman.
13. Resolution regarding the Board of Directors' proposal regarding principles for determining salaries and other remuneration to the President and other members of company management.
14. Resolution regarding the Board of Directors' proposal regarding the procedure for appointing the members of the Nomination Committee, etc.
15. Resolution regarding the Board of Directors' proposal for an authorization to the Board of Directors to decide upon new issues of shares.
16. Other issues to be addressed by the Meeting in accordance with the Swedish Companies Act or the Articles of Association.
17. Closing of the Meeting.

### **The number of shares and votes**

The total number of shares and votes in Axis AB amounts to 69,373,700 shares as at March 14, 2008.

### **Proposal regarding election of the Chairman of the Meeting (Item 2)**

The Nomination Committee, comprising Therese Karlsson, Martin Gren and Christer Brandberg, representing more than 44,11 % of the total number of votes in the Company, proposes that Lars-Erik Nilsson be elected Chairman of the Meeting.

### **Proposal regarding dividend (Item 9b)**

The Board of Directors proposes a dividend for the fiscal year 2007 of SEK 4.50 per share, of which SEK 1.25 is an ordinary dividend and SEK 3.25 an extra dividend. April 22, 2008 is proposed as the record date for the dividend. If the Annual General Meeting resolves in accordance with the proposal, it is expected that the dividend will be disbursed by VPC AB on April 25, 2008.

### **Proposals regarding election of the Board of Directors and fees (Items 10-12)**

The Nomination Committee proposes

- that five (5) Board members shall be elected without any deputy members;
- that the Board members Lars-Erik Nilsson, Charlotta Falvin, Martin Gren, Olle Isberg and Göran Jansson shall be re-elected,

- that Lars-Erik Nilsson be re-elected Chairman of the Board,
- that a fee totaling SEK 1,050,000 shall be paid to the Board of Directors to be distributed among members who are not employees of the Company, with SEK 450,000 to the Chairman and SEK 200,000 to each of the other Board members.

It is to be noted that Öhrlings PricewaterhouseCoopers AB, with Authorised Public Accountant Bertil Johanson as Senior Auditor, was elected as Auditor at the Annual General Meeting in 2007, for a period of four years.

The Board of Directors proposes that the fees to the auditor are paid against approved invoices.

**Proposal regarding principles for determining salaries and other remuneration to the President and other members of the company management (Item 13)**

The Board of Directors proposes the following principles for determining salaries and other remuneration to the President and other persons in the company management.

Remuneration to the President and other persons in the company management (that is, the seven persons who jointly with the President comprise the Group Management) comprises basic salary, variable salary and pension. Other benefits and other remuneration are received on the same basis as for other employees.

The objective of the Company's remuneration policy for the members of the senior management is to offer compensation that promotes retaining and recruiting qualified expertise to the Company.

The basic salary is determined on the basis that it should be competitive. The absolute level depends on the specific position and the individual's performance.

Bonus to the President and the other members of the senior management is based on financial goals for the Group and is calculated as a function of the sales growth and the operating margin. The bonus to the President is maximized at 240 percent of the annual salary (for 2008) and for the other members of the senior management the highest individual bonus amount is a maximum of 100 percent of the annual salary (for 2008).

The pension age for the President is 65. Pension premiums shall amount to 35 percent of pension-based salary up to 28.5 base amounts. A premium of 25 percent is paid for salary exceeding 28.5 base amounts. The ITP agreement is applied for the other members of the senior management, with a pension age of 65.

In the event of termination of employment, a six-month mutual termination period applies for the President. In termination of employment of the President by the Company, severance pay corresponding to twelve cash monthly salaries is paid after the close of the termination period. Other income is not deducted from the severance pay. In the event of termination notice by the President, no severance payment is made.

Between the Company and the other members of the senior management, a mutual termination period of three to six months applies. In the event of termination by the Company, severance pay

corresponding to six cash monthly salaries is paid to certain other members of the senior management, whereas other members of the senior management are not entitled to severance pay. In the event of termination by any of the other members of the senior management, no severance payment is made.

Deviations from the principles specified above may be decided by the Board of Directors, if there are specific reasons in individual cases.

**Proposal regarding the procedure for appointing the members of the Nomination Committee, etc. (Item 14)**

The Board of Directors proposes that the Annual General Meeting resolves that the procedure currently applicable for appointing the members of the Nomination Committee, etc., shall also apply for 2008, that is, that members of the Nomination Committee shall be appointed in accordance with the following:

The three largest shareholders in the Company as of August 31 of the year before the Annual General Meeting shall, on September 30 the year before or at the latest six months before the Annual General Meeting, elect a representative each as a member of the Nomination Committee. The Nomination Committee shall then internally elect one of the members as the Chairman. In the event that any of the three largest shareholders waives its rights to elect a representative to the Nomination Committee, the fourth largest shareholder shall instead elect a representative or, if the fourth largest shareholder also declines, the shareholders shall thereafter, in a descending order, elect a representative until three representatives are appointed. In the event that a member leaves the Nomination Committee before the work of the Nomination Committee is completed, the shareholder that appointed that member shall appoint a new member. In the event that this shareholder declines to appoint a new representative, the fourth largest shareholder shall instead elect a representative or, if the fourth largest shareholder also declines, the shareholders shall thereafter, in a descending order, elect a representative until a new representative is appointed.

The Nomination Committee shall draw up and present proposals to the Annual General Meeting for resolution on the following matters:

1. Election of the Chairman of the Meeting.
2. Determination of the Board of Directors' fees.
3. Election of the Chairman and other Board members.
4. Any proposals for changes in the procedures for appointing the Nomination Committee.

No fee is to be paid to the Nomination Committee. However, the Company is responsible for all reasonable costs related to carrying out the Nomination Committee's assignment.

**Proposal for an authorization to the Board of Directors to decide upon new issues of shares (Item 15)**

The Board of Directors proposes to the Annual General Meeting that the Board of Directors be authorized, during the period until the next Annual General Meeting, to decide upon, on one or more occasions, new issues of shares totaling not more than 6,868,000 shares. In this regard, the Board of Directors shall have the right to waive the preferential rights of shareholders and the provision stated in Chapter 13, § 5, paragraph 1, item 6 of the Swedish Companies Act. The

authorisation does not permit a cash issue. The issue price for the new shares shall, in each instance, be set as close as possible to the market price of the Company's share. The Board of Director's further proposes that the Board or those appointed by the Board shall be authorised by the Meeting to make the minor amendments to the Annual General Meeting's resolutions that may prove necessary in relation to registration at the Swedish Companies Registration Office.

The purpose of the authorization is to enable corporate acquisitions to be made with payment entirely or partly in Axis shares. Full exercise of the authorization would result in a maximum dilution of the Company's share capital of 9.9 percent (excluding possible dilution that may result from the exercise of those warrants that entitle the holders to subscribe for shares during the valid period of authorization up until the next Annual General Meeting, that is warrants 2000/2010, which dilution could amount to a maximum of 0.23 percent).

### **Majority required for approval**

The Annual General Meeting's approval in regard to item 15 is valid only if supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the Meeting.

### **Documents available prior to the Annual General Meeting**

The Annual Report and Auditors' Report and other documents that will be put forward to the Meeting according to item 7 of the proposed agenda will be available at the Company's head office at Emdalavägen 14 in Lund, Sweden, as from April 3, 2008 and will be sent to shareholders upon request.

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Lund, March 2008

The Board of Directors of Axis AB (publ)

#### ***About Axis Communications***

*Axis is an IT company offering network video solutions for professional installations. The company is the global market leader in network video, driving the ongoing shift from analog to digital video surveillance. Axis products and solutions focus on security surveillance and remote monitoring, and are based on innovative, open technology platforms.*

*Axis is a Swedish-based company, operating worldwide with offices in 18 countries and cooperating with partners in more than 70 countries. Founded in 1984, Axis is listed on the OMX Nordic Exchange, Large Cap and Information Technology. For more information about Axis, please visit our website at [www.axis.com](http://www.axis.com).*