

Singapore, July 1, 2009

Axis Communications Strengthens Presence in South Asia Pacific Region

Axis Communications, global market leader in network video, today announced that the company is strengthening its presence in South Asia Pacific Region due to the development potential of the market and growing local interest in network video solutions. The first to launch network cameras, Swedish-based Axis has come a long way in its 25 years of history and today holds the No.1 position in the network video cameras market with 33.5 per cent market share, according to IMS Research.

Bodil Sonesson Gallon, Vice President, Sales of Axis Communications AB, said during the Axis Press Forum, "Today the market throughout the region is seeing tremendous growth. Many companies and institutions see the enhanced benefits of IP-based digital surveillance solutions, and Axis is committed to lead the shift from analog to IP in this emerging sector that IMS forecasts will continue to grow over the next few years."

She continued, "We've built on our strong heritage of innovation and excellence in network solutions to become the global market leader in IP-based network video surveillance, delivering professional and intelligent video monitoring solutions to businesses and consumers worldwide. Axis pioneered the networking surveillance market with the launch of the world's first network camera in 1996. Our culture of continued innovation and unrivalled experience in network video has resulted in powerful networking functionality, highest level of network security and advanced features that include motion detection, tampering alarm, power over Ethernet, megapixel, audio, active tampering alarm and video analytics.

In April this year, Axis unveiled its new generation of high performing, flexible and scalable network video solutions which comes with H.264 video compression. The highly efficient H.264 compression format greatly optimizes bandwidth and storage use without compromising image quality. Motion JPEG is also supported for increased flexibility.

The security surveillance market is driven in part by increasing public and private surveillance awareness, as well as the increasingly networked infrastructure that forms the fabric of the modern society. Technologies are shifting from analog to IP surveillance. The advantages of digital technology are significant. In video surveillance, superior image quality, simple installation and integration, enhanced security, functionality-rich features, scalability and flexibility all contribute towards a lower total cost of ownership. This open system enables a more productive and cost-effective means to surveillance than was ever possible.

"We are seeing an increase in digital surveillance with tremendous growth, especially with sectors like government, infrastructure, transportation and retail, where security is a key concern, are booming. In Asia, IMS Research pegged the market for CCTV and video surveillance

equipment to be worth US\$2342.8 million in 2006, and this is forecasted to grow at a compound annual growth rate (CAGR) of 12.0% to US\$4122.8 million in 2011,” said Oh Tee Lee, Regional Director, South Asia Pacific.

“Network connectivity is becoming prevalent and soon, a standard for any modern society that seeks to be competitive. Countries like Korea, Japan and Hong Kong are already connected via broadband. In Singapore, the government has pledged island-wide broadband network connectivity by 2015 with the Next Generation National Broadband Network. With broadband network connectivity, the imperative to move to digital network video surveillance and monitoring to deliver substantial improvements is unequivocal, and Axis is well-positioned to continue its lead in the market with its professional and intelligent network video solutions,” Lee said.

Axis’ end users range from large multinational corporations to small-to-midsize enterprises, which use Axis’ products and systems solutions in their installations to optimize their business processes. Axis prioritizes six primary end-user segments for products sold under Axis’ own brands. The segments cover education, banking & finance, retail, transportation, government and industrial.

In Asia Pacific, Axis has customers in all vertical segments which include Sydney Airport, Swinburne University Australia, Hyundai Motor, Hatyai Municipal Office & Bangkok Metropolitan administration in Thailand, as well as LG Chemical.

A leading expert in network video, Axis develops innovative products, and offers the market’s broadest network cameras portfolio. Axis’ range of products includes network cameras, video encoders, video management software, and a full range of audio and video accessories.

Starting out as a two-man company in 1984, Axis is now selling in more than 70 countries and has more than one million network cameras installed worldwide. Axis has continually worked with their partner networks as part of its business model, having established loyalty with system integrators and resellers worldwide through its extensive experience and more than 20 sales offices. Currently Axis has a network of more than 25,000 channel partners worldwide, including 2,397 partners in Asia. Asia also has the largest number of application development partners for network video.

About Axis

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 more than 20 countries and cooperating with partners in more than 70 countries. Founded in 1984, Axis is listed on the NASDAQ OMX Stockholm under the ticker AXIS. For more information about Axis, please visit our website at www.axis.com

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