

Improved sales over quarters

January - September 2009

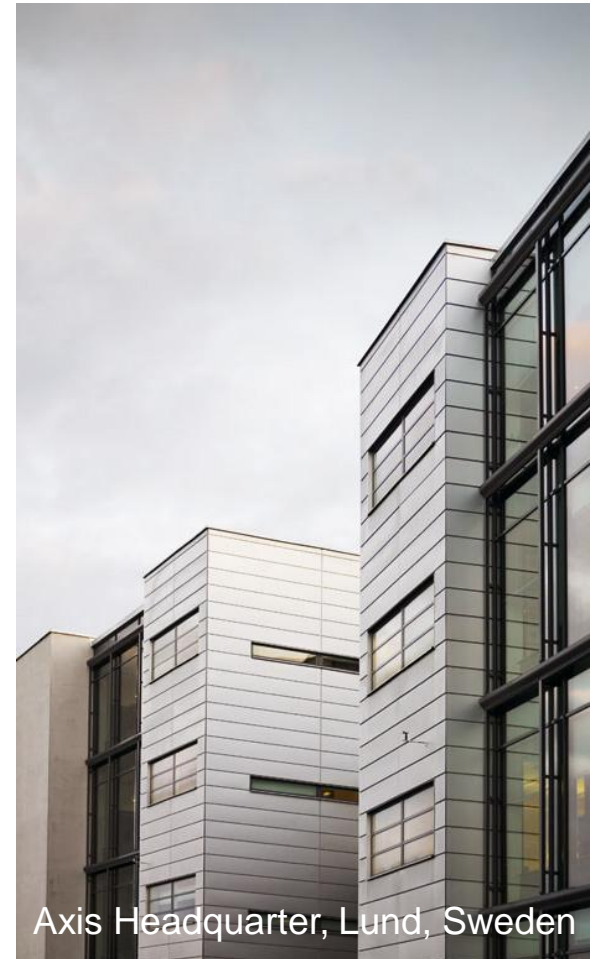
Ray Mauritsson, CEO & President

Fredrik Sjöstrand, CFO



This is Axis

- > Founded in 1984, 25 years ago
- > IT company driving the network video market
- > Worldwide presence in more than 20 countries, 776 employees*
- > Focused on Network Video Solutions (98%)
- > Global partnerships through distributors, resellers and system integrators
- > Listed on NASDAQ OMX, Nordic under the ticker AXIS



Axis Headquarter, Lund, Sweden

* September, 30

Highlights

- > Financials
- > Axis supply chain
- > Axis product portfolio
 - New products
 - New open platform
- > IMS report
- > Outlook



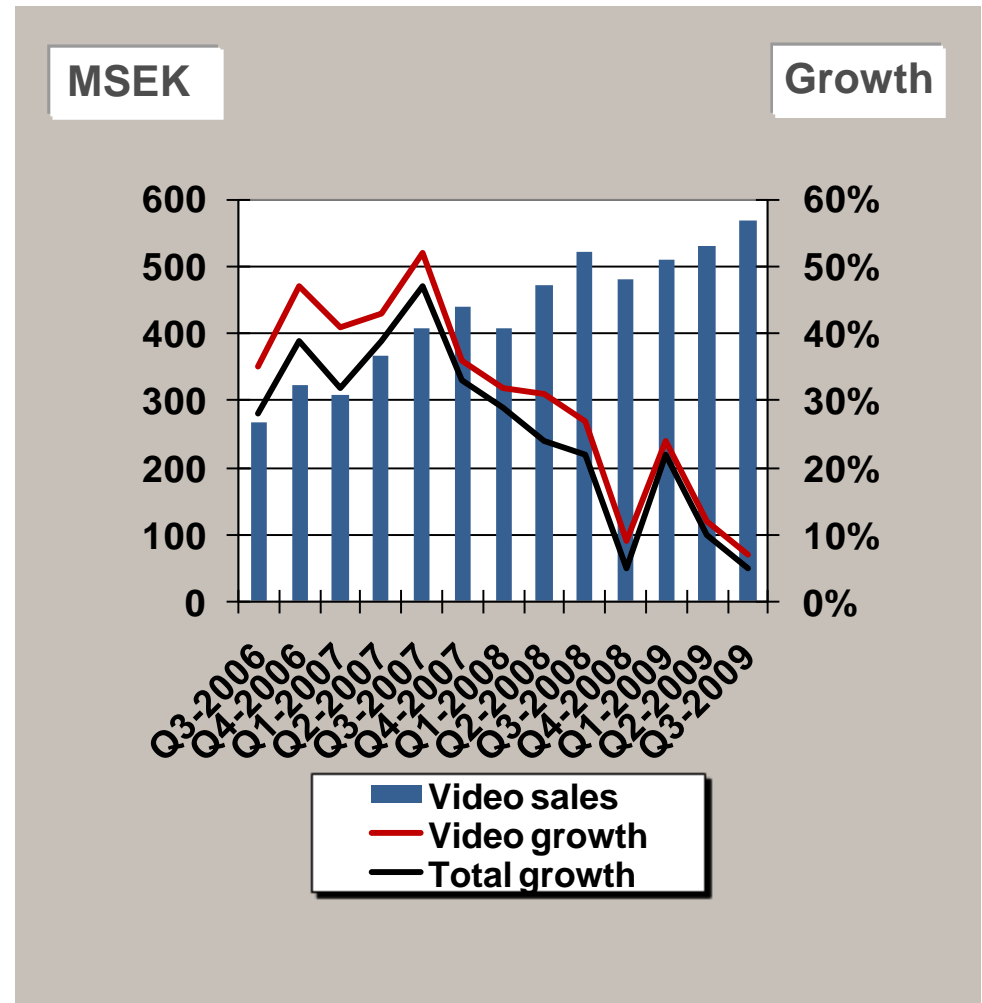
Sales

> January - September

- 1 642 MSEK (1 474)
- Growth 11%
- Currency effects , 316 MSEK

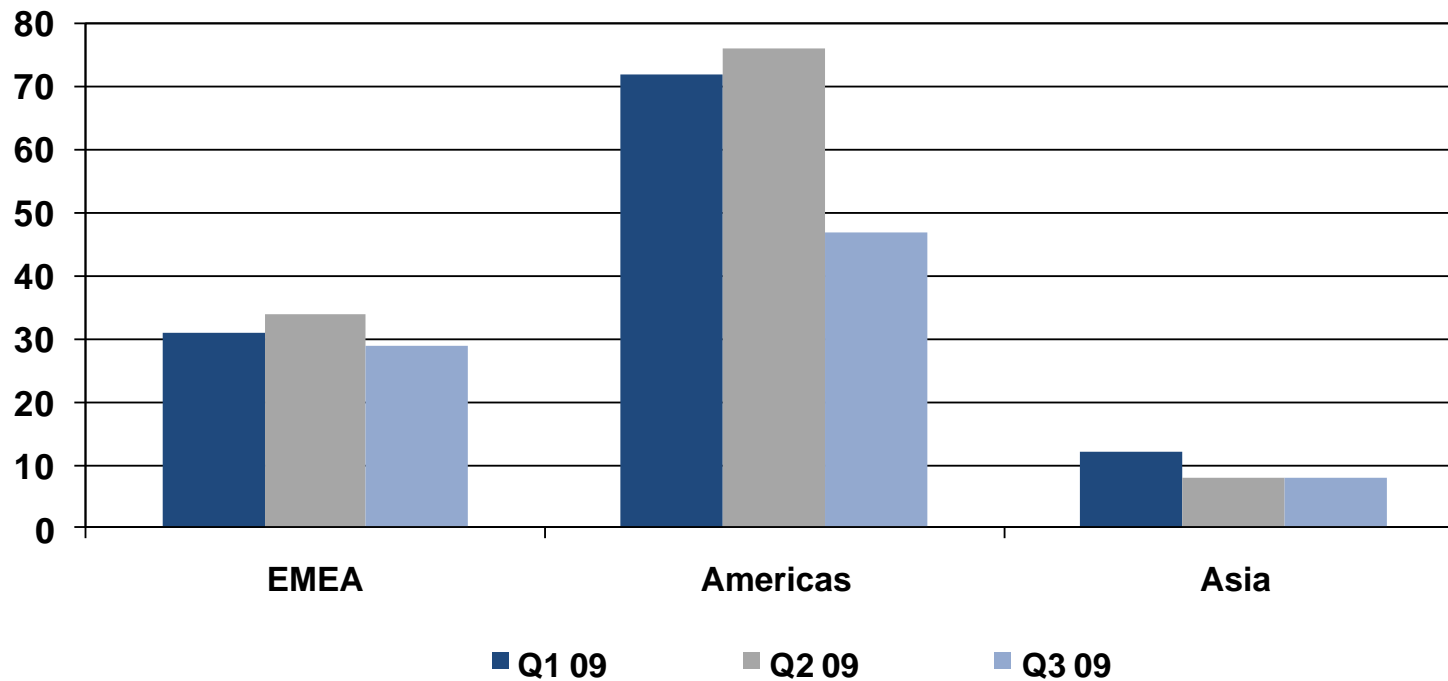
> July - September, Q3

- 568 MSEK (543)
- Growth 5%
- Growth -11% (local currency)



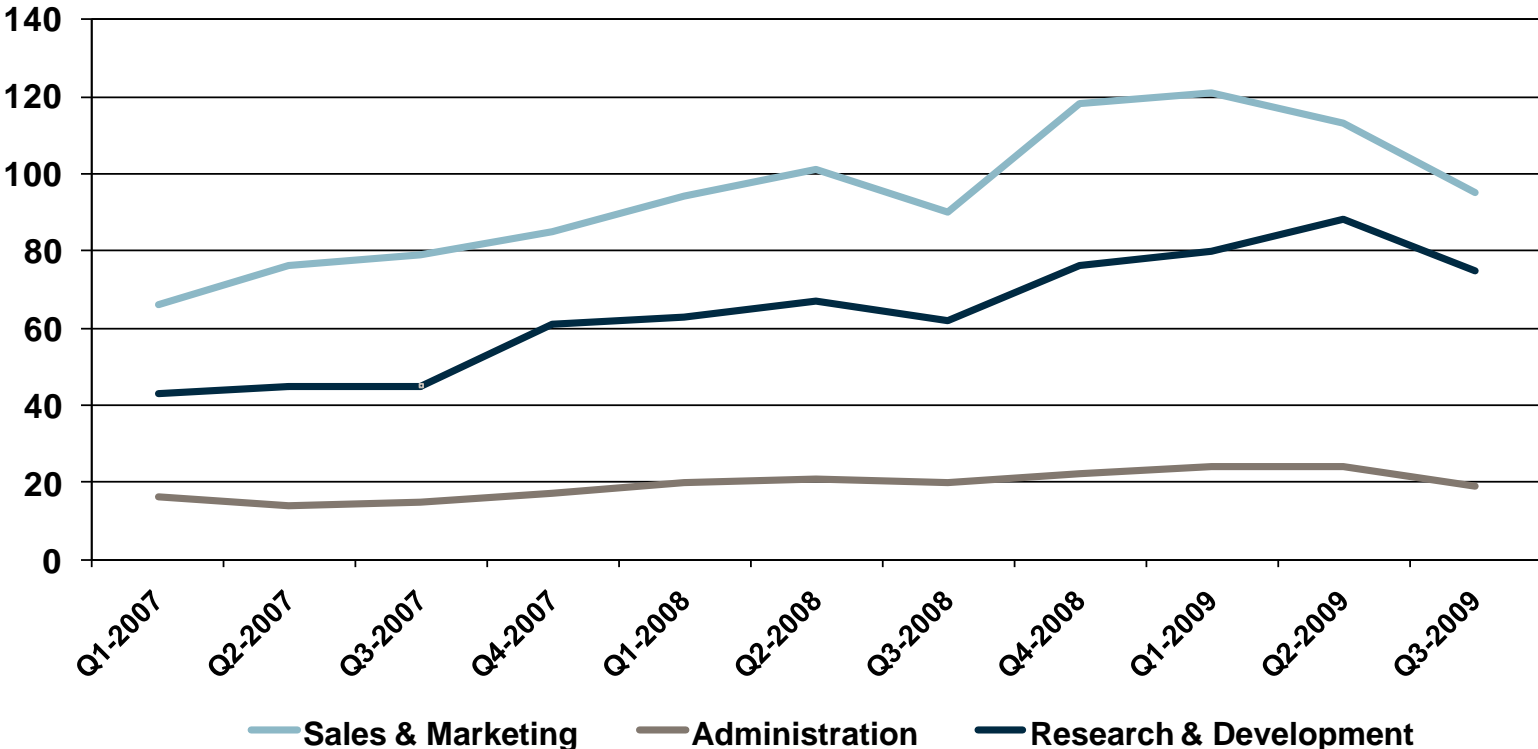
Currency effects on total sales by region

MSEK



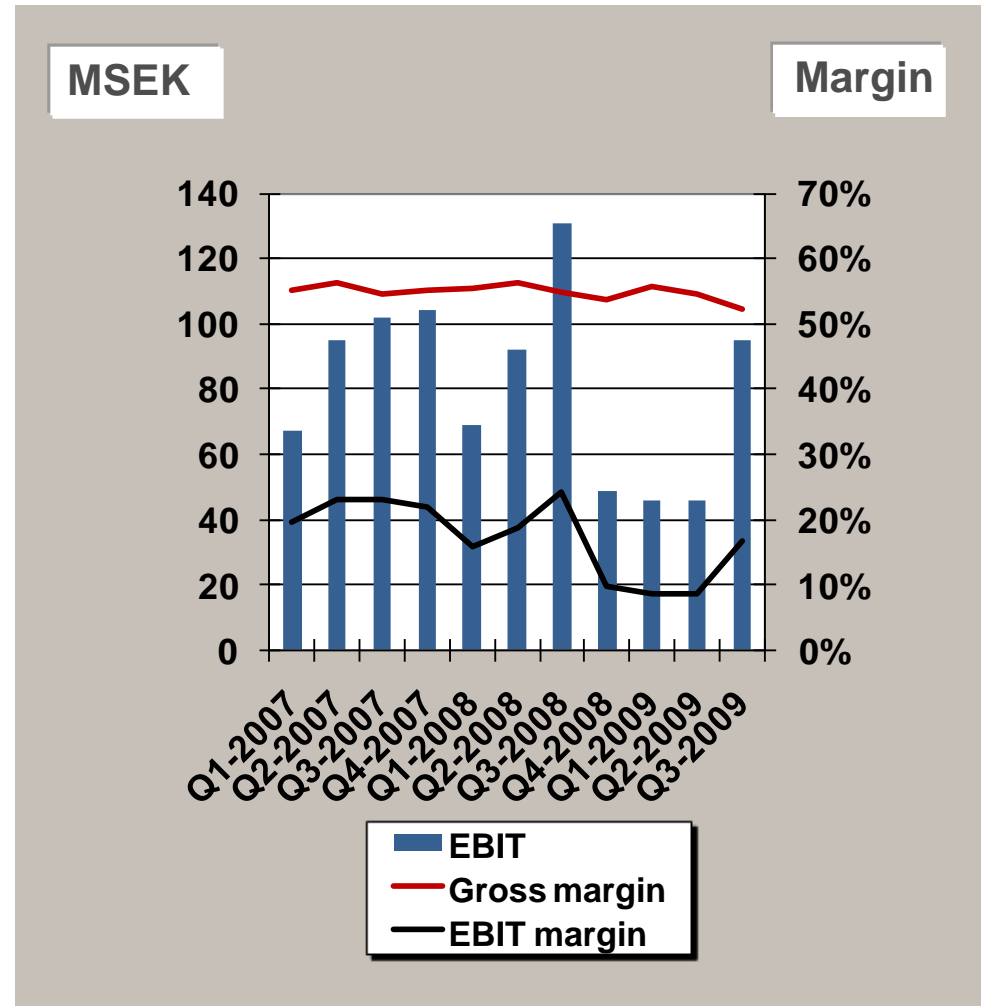
Operating expenses, Q1, 2007- Q3, 2009

MSEK



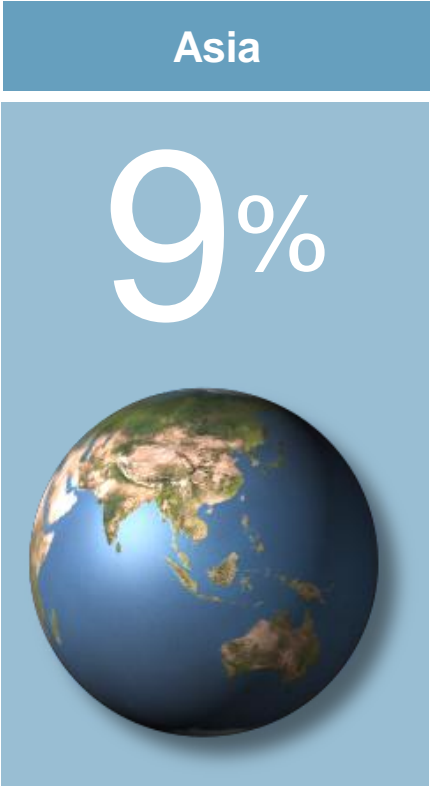
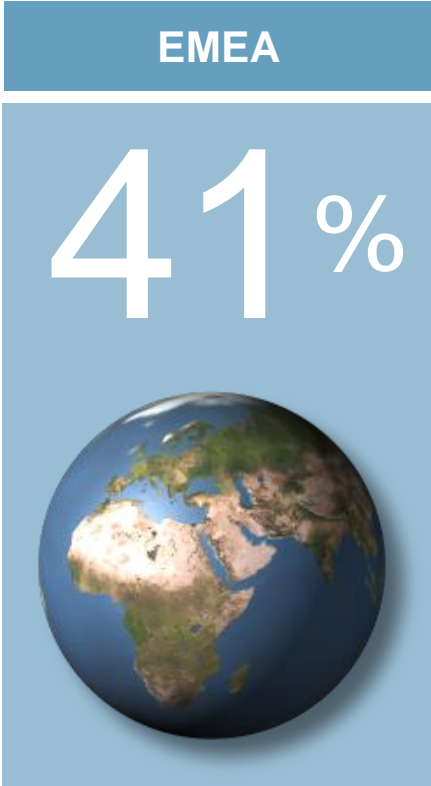
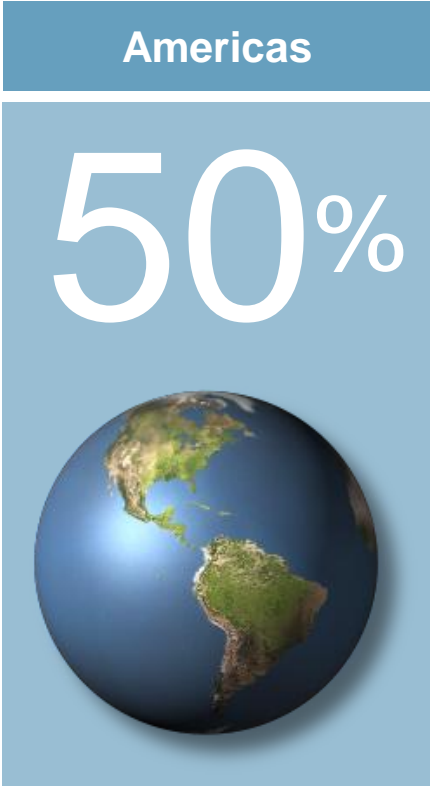
Margins*

- > Gross margin*
 - 52.3% (54.8%)
- > Operating margin
 - 16.7% (24.1%)
- > Profit margin
 - 16.6% (24.1%)



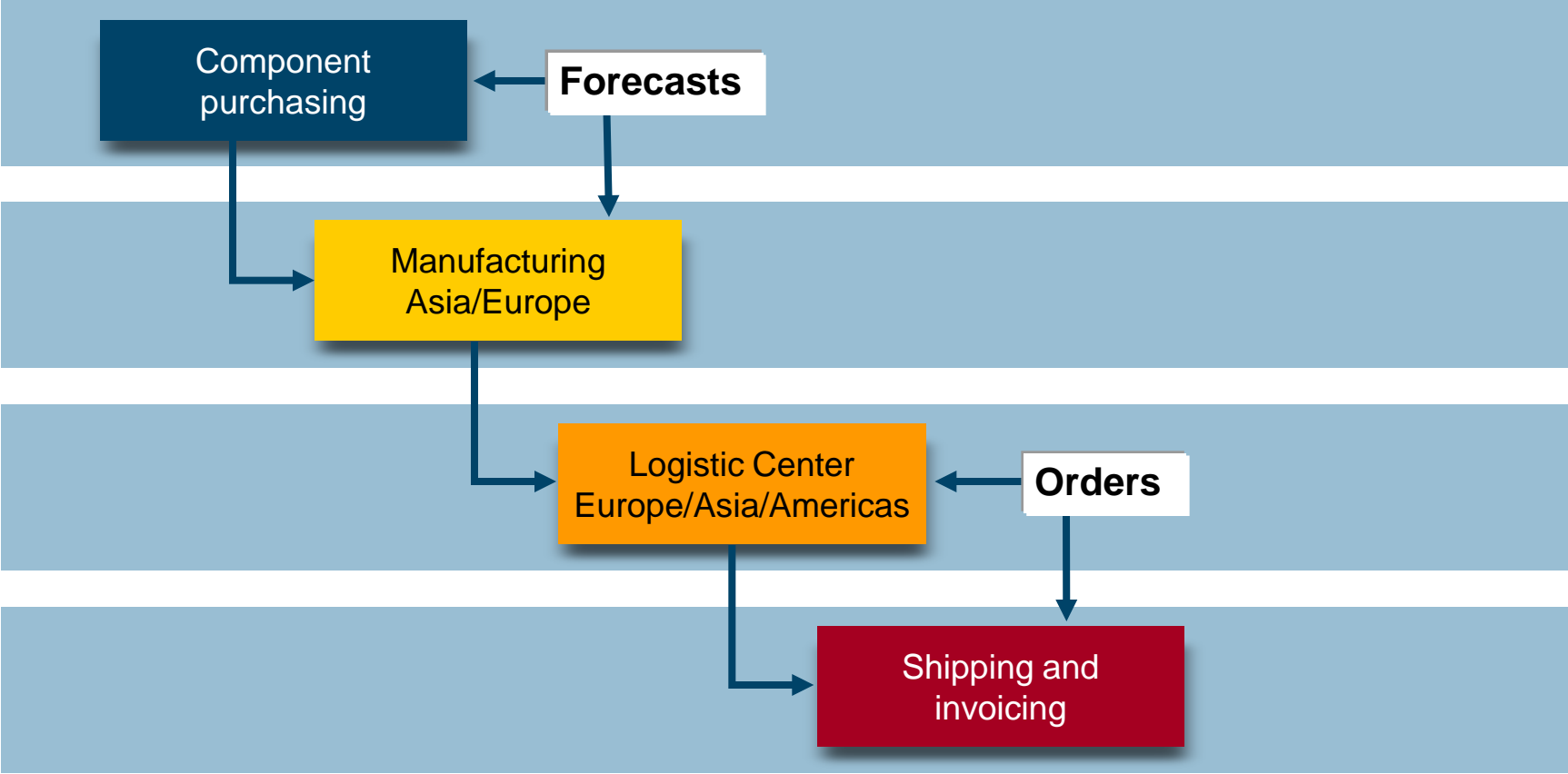
*Q3 2009

Sales in the regions*



*Q3 2009

Scalable process



Product announcements Q1-Q3, 2009

Fixed network cameras	Fixed dome cameras	Video encoders	PTZ Dome cameras
 <p>AXIS P1343 AXIS P1344 AXIS P1346</p>	<p>AXIS M3014 AXIS P3343 AXIS P3343-V AXIS P3343-VE AXIS P3344 AXIS P3344-V AXIS P3344-VE</p> 	 <p>AXIS M7001 AXIS Q7404</p> <p>AXIS P7701 Decoder</p>	 <p>AXIS Q6032-E AXIS P5534</p>
<p>Video Management Software AXIS Mobile Monitor AXIS Camera Station 3.20</p> 		<p>Accessories AXIS T92A20 Housing AXIS P8221 I/O Audio Module AXIS T8412 Installation Monitor</p> 	

Introducing AXIS Camera Application Platform

- > To open the Axis cameras and encoders for third-party applications
- > Meeting a wide range of end user needs
- > Platform support in AXIS P3301 Fixed Dome Network Camera
- > The platform will be implemented in the majority of Axis products during 2010
- > Benefits for all parties
 - Application developers
 - Integrators & Resellers
 - End users



ONVIF - Open Network Video Interface Forum

- > Founded 2008 by Axis, Bosch and Sony
- > An open industry forum for the development of a global standard for the interface of network video products
- > Around **100** industry members
- > First ONVIF conformant products announced, for example
 - Axis Communications
 - Merit Lilin



Driving network video through global standardization



Market shares for video surveillance equip. in 2008

Rank	Supplier 2008
1	Panasonic (PSS)
2	Pelco
3	Bosch Security Systems
4	Axis Communications
5	Honeywell
6	GE Security
7	Tyco Fire & Security
8	Samsung Electronics
9	Hikvision
10	Samsung Techwin
	Others



Source: IMS Research 2009

Market shares for all cameras in 2008

Rank	Supplier 2008
1	Panasonic (PSS)
2	Pelco
3	Axis Communications
4	Bosch Security Systems
5	Sony
6	Samsung Electronics
7	Honeywell
8	GE Security
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Source: IMS Research 2009

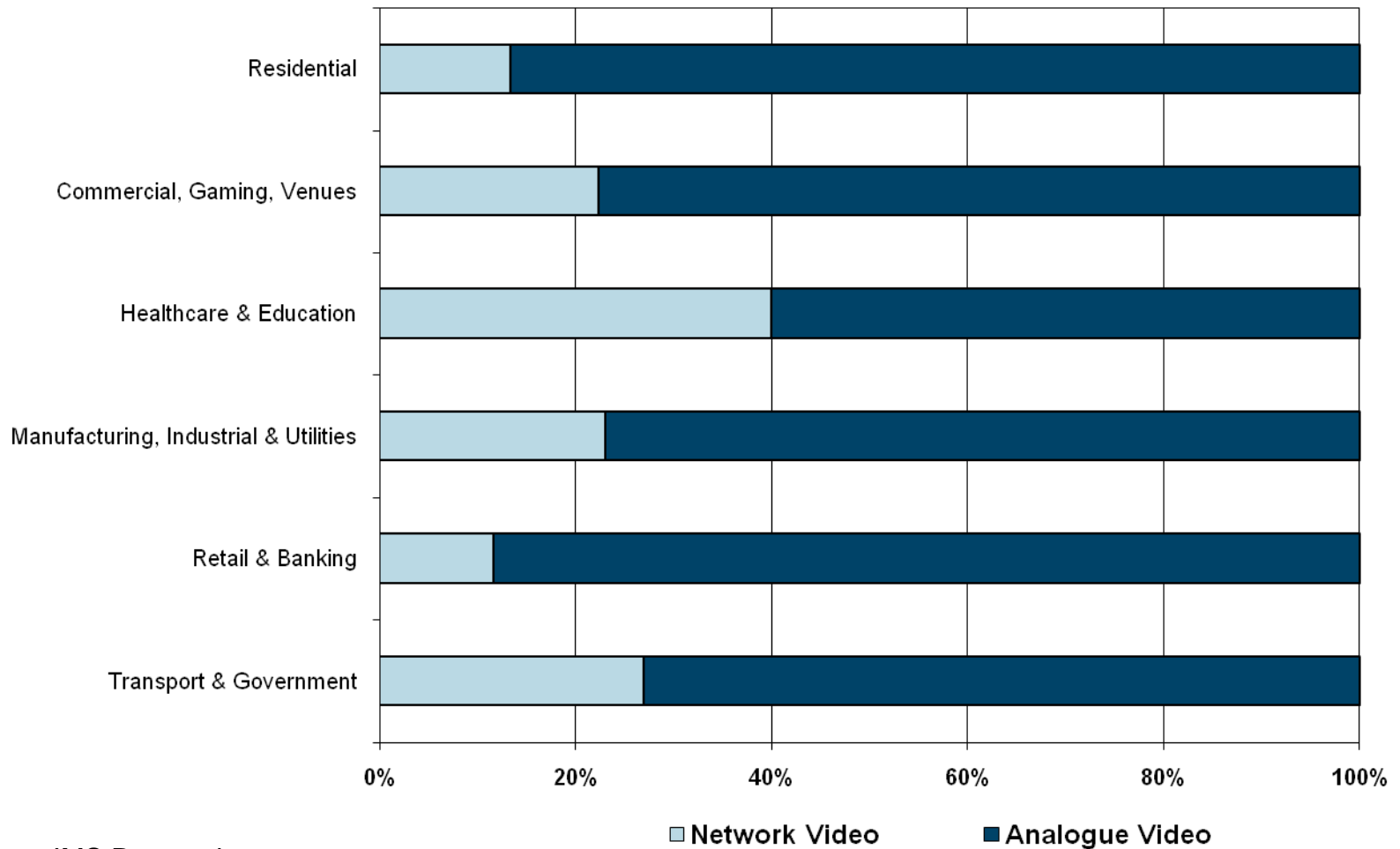
Market shares for network cameras in 2008

Rank	Supplier 2008	Share
1	Axis Communications	31,2%
2	Sony	
3	Panasonic (PCC)	
4	Mobotix	
5	Panasonic (PSS)	
6	ACTi Corporation	
7	Bosch Security Systems	
8	D-Link	
9	Vivotek	
10	DVTel	
	Others	



Source: IMS Research 2009

Convergence rates by end-user industry 2008



Source: IMS Research

The market situation today

Short-term perspective

- > Continued expansion of product portfolio
- > Stable flow of new projects
- > More suppliers competing in each project
- > Semiconductor suppliers announcing longer component lead times, risk of component shortage

Long-term perspective

- > Continued high growth potential for network video
- > Axis' goals remain unchanged



Questions & Answers

Q&A

