

Strong Close to 2009

Year-end Report 2009

Ray Mauritsson, CEO & President

Fredrik Sjöstrand, CFO



This is Axis

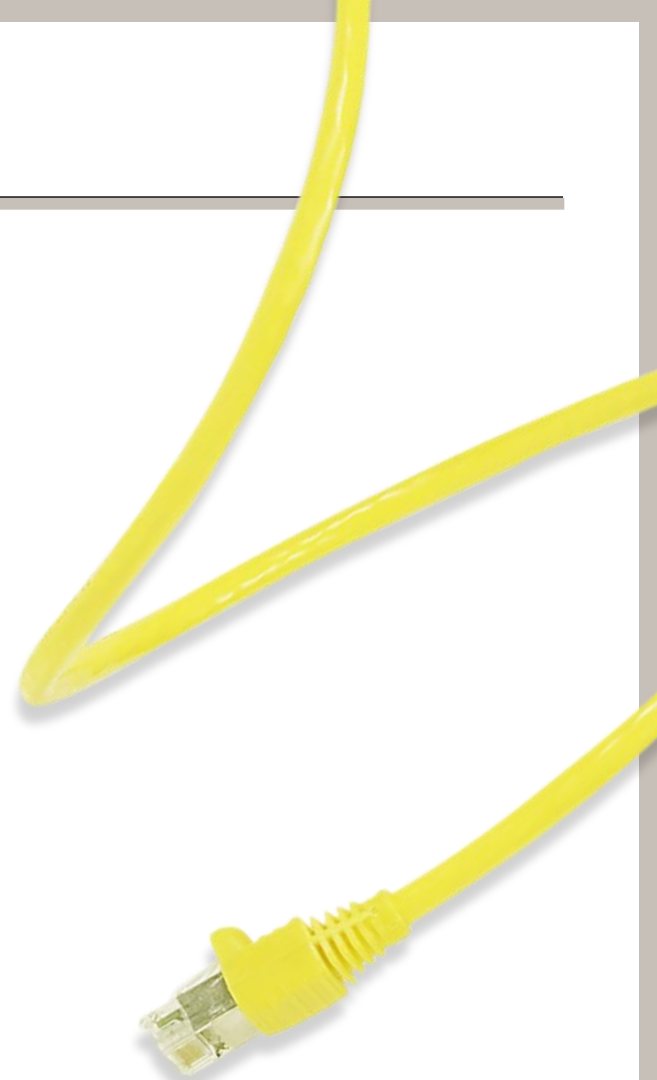
- > Founded in 1984
- > IT company driving the network video market
- > Worldwide presence in more than 20 countries, 774 employees*
- > Focused on Network Video Solutions (98%)
- > Global partnerships through distributors, resellers and system integrators
- > Listed on NASDAQ OMX, Nordic under the ticker AXIS



* December 31, 2009

Agenda

- > 2009 – a summary
- > Financials
- > Thermal Network Camera
- > Activities on the market
- > Outlook



Axis long-term strategy

Partner network



Broad and innovative product portfolio



Global expansion



2009 – Outlook & outcome

Outlook	Outcome
Negative market outlook, hard to predict	Growth 17%, boosted by currency effects
Short term perspective	Stable incremental growth every quarter
Continued strong partnerships	24,000 → 30,000 global partners
High product launch pace	+20 new network video products, (new platform, HDTV, H.264)
Global expansion	58 new employees(+8%), new local offices, opening of CLC 4 in US
High interest in network video installations	Successful installations in all customer segments
Positive long-term outlook	Network video penetration continued

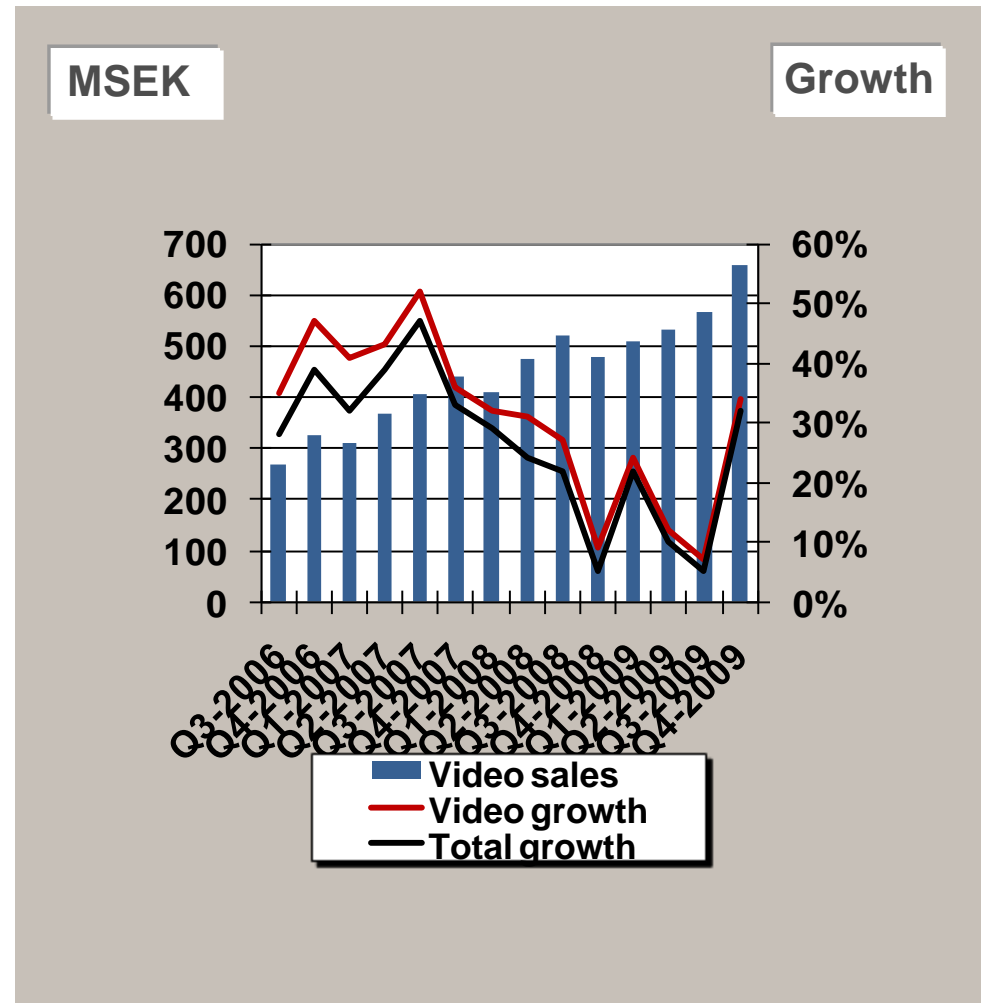
Sales

> Full year 2009

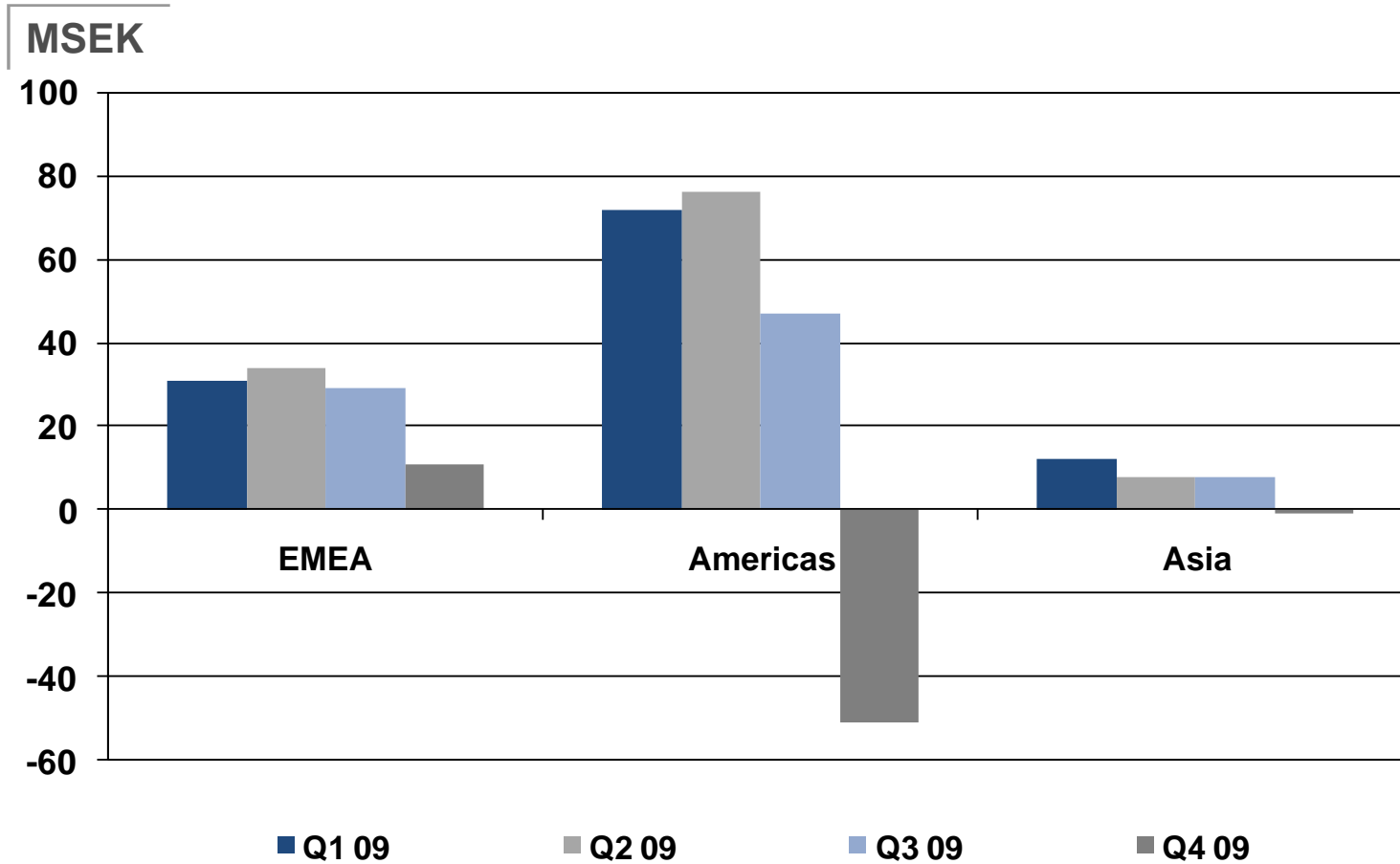
- 2 301 MSEK (1 975)
- Growth 17%
- Currency effects, 275 MSEK

> October-December, Q4

- 659 MSEK (501)
- Growth 34%
- Currency effects - 41 MSEK

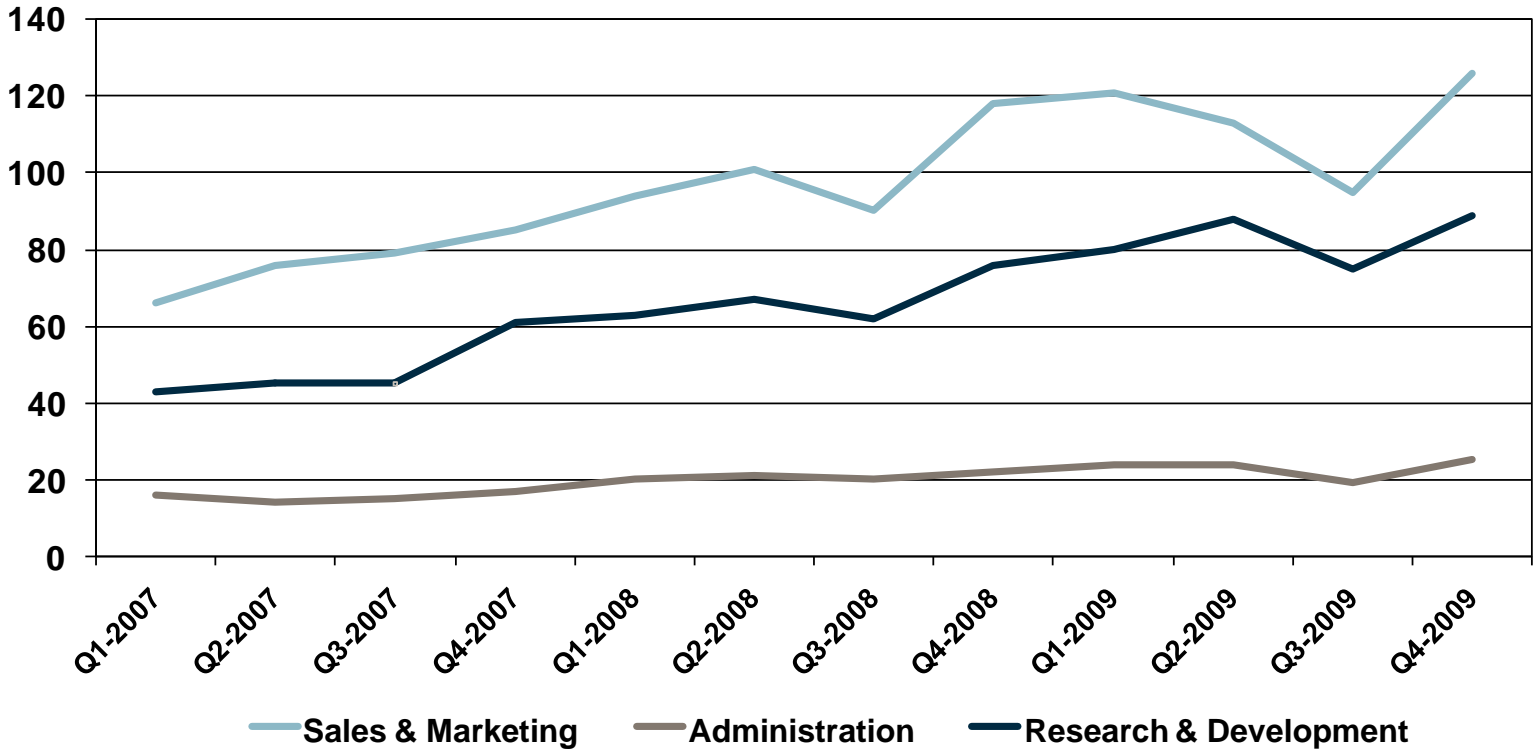


Currency effects on total sales by region



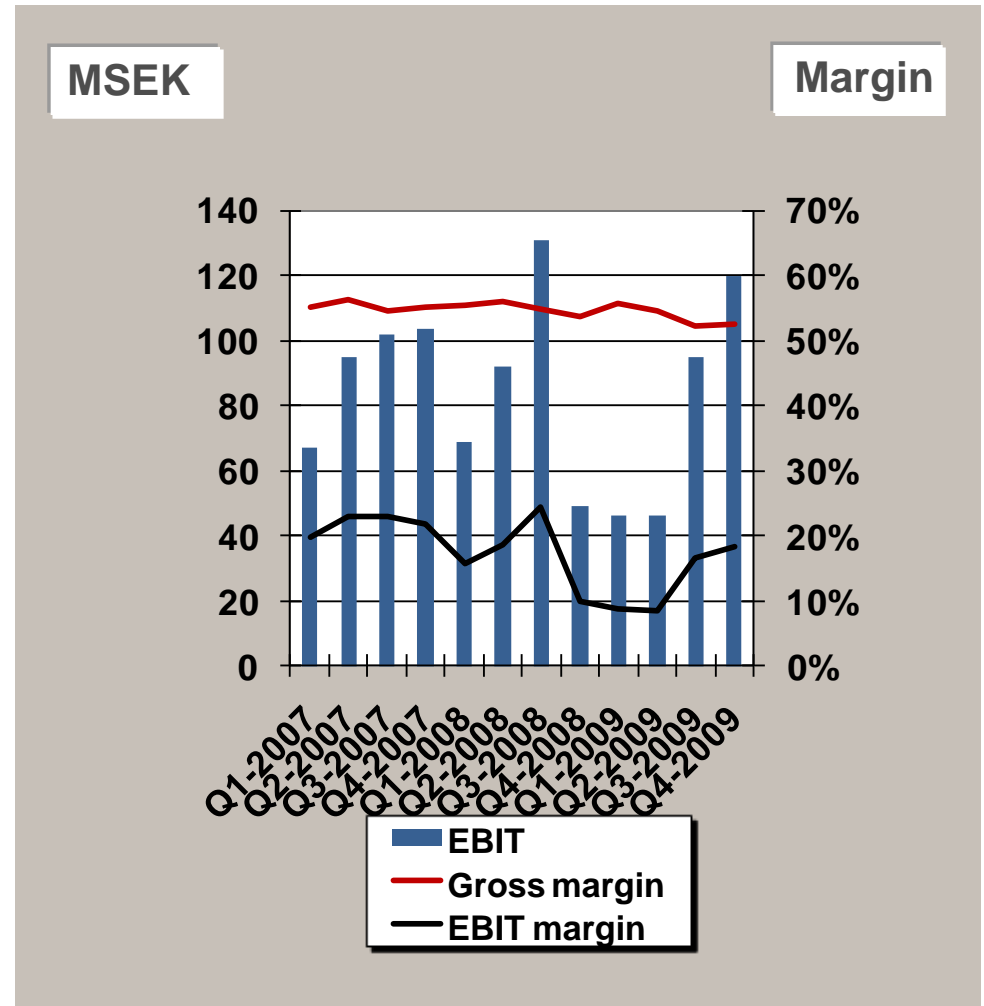
Operating expenses, Q1, 2007- Q4, 2009

MSEK



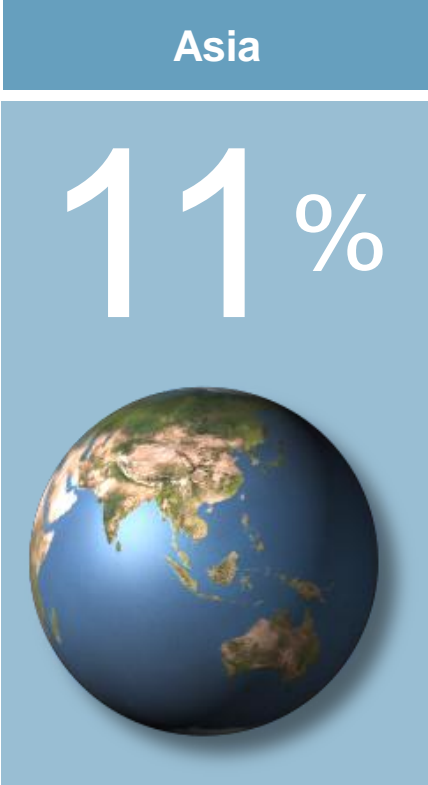
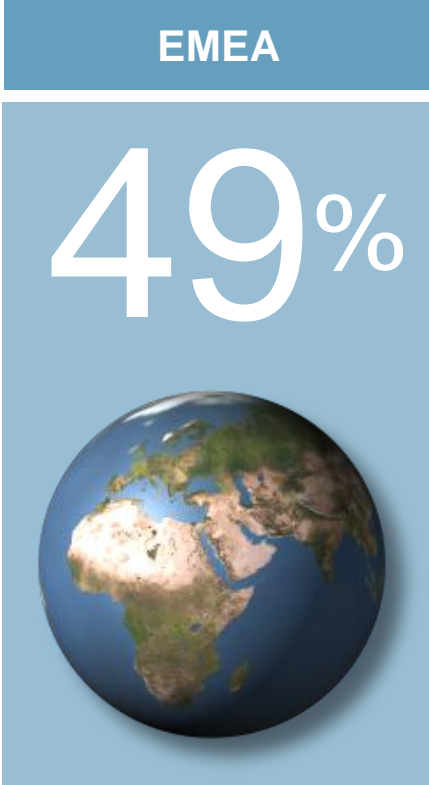
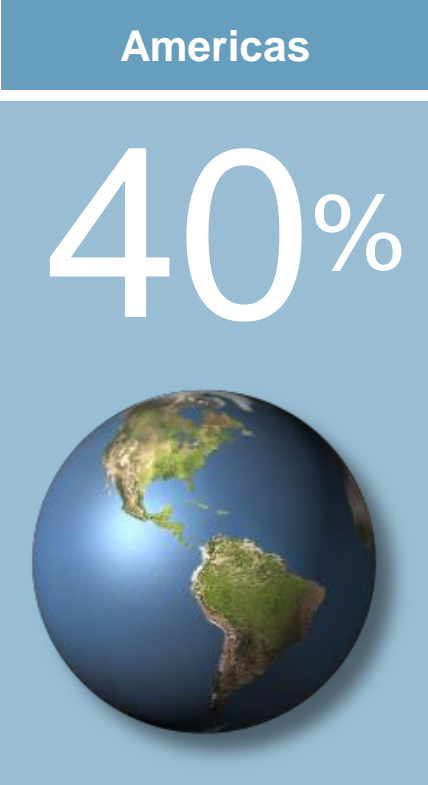
Margins*

- > Gross margin*
 - 52.5% (53.8%)
- > Operating margin
 - 18.3% (9.9%)
- > Profit margin
 - 18.2% (9.8%)



*Q4 2009

Sales in the regions*



*Q4 2009

Product launches during 2009



Of innovative high quality network video products

AXIS Q1910/-E Thermal Network Cameras



Reliable detection in dark and challenging conditions

Benefits of Axis thermal network camera

- > World's first true thermal network camera
 - PoE
 - H.264, Motion JPEG
 - Distributed intelligence
 - Audio
- > Detect objects in
 - Total darkness
 - Difficult weather conditions
 - Smoke
- > You can never hide from thermal imaging
- > As there are no lights, there are limited shadows
- > A “greener” choice, since there is no need for energy-consuming floodlights



Axis' focus areas for thermal cameras

- > **Government**, to protect critical infrastructure, buildings, prisons, etc.
- > **Transportation**, to protect railways, airports, ports, docks and highways
- > Potential verticals where thermal cameras are very rare today
 - **City surveillance**
 - **Education**
- > Useful areas
 - Perimeter protection
 - Area protection
 - Building security & emergency management



Securing Australian trains and Portuguese schools

Press release, October, 21

- > Network cameras for Sydney's new suburban fleet
- > Total installation, approx. 7000 AXIS 209MFD-R
- > Installation roll-out during coming 3-4 years



Press release, December 4

- > Network cameras in 1200 schools in Portugal to increase security in public schools in a cost-effective way
- > 12,000 AXIS 225FD & AXIS 221 Network Cameras
- > Installation started August 2009 and continue during 2010



Axis network cameras on buses in Prague

Press release, February 3

- > Network cameras for buses in Prague
- > Total installation order estimated at approximately 3400 network cameras
- > AXIS 209FD-R Network Camera
- > Installation
 - Started November 2009 and continues until 2014



The market situation today

Short-term perspective

- > Continued expansion
 - Product portfolio
 - Partner program
 - Recruitment
- > Continued risk of component shortage

Long-term perspective

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



Questions & Answers

Thank you!

