

Year-end Report 2013.

Ray Mauritsson, CEO

Fredrik Sjöstrand, CFO



The market leader in network video

Founded in
1984

65,000
partnerships in
179 countries

Own offices
in more than
40 countries

Total sales*

SEK

4.7
billion

Employees*

1627

*Year-end result 2013

Highlights Q4

- > Stable gross margin
- > Continued even inflow of new projects
- > Lower stock levels at distributors in US
- > Full year development in line with expectations



Sales Q4, 2013

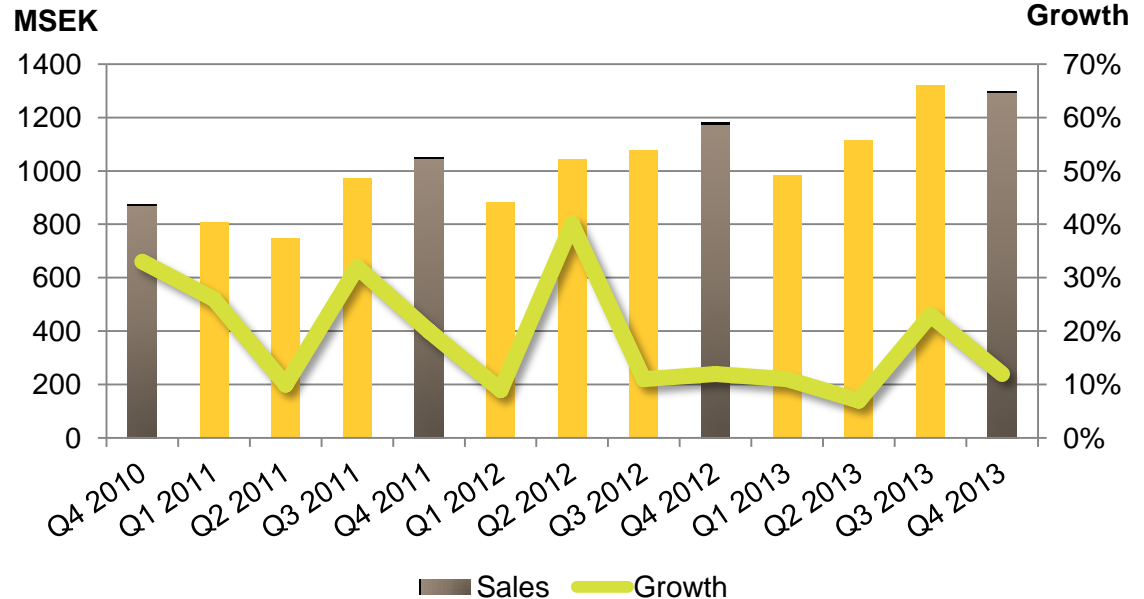
Underlying market trend remains unchanged

> January - December

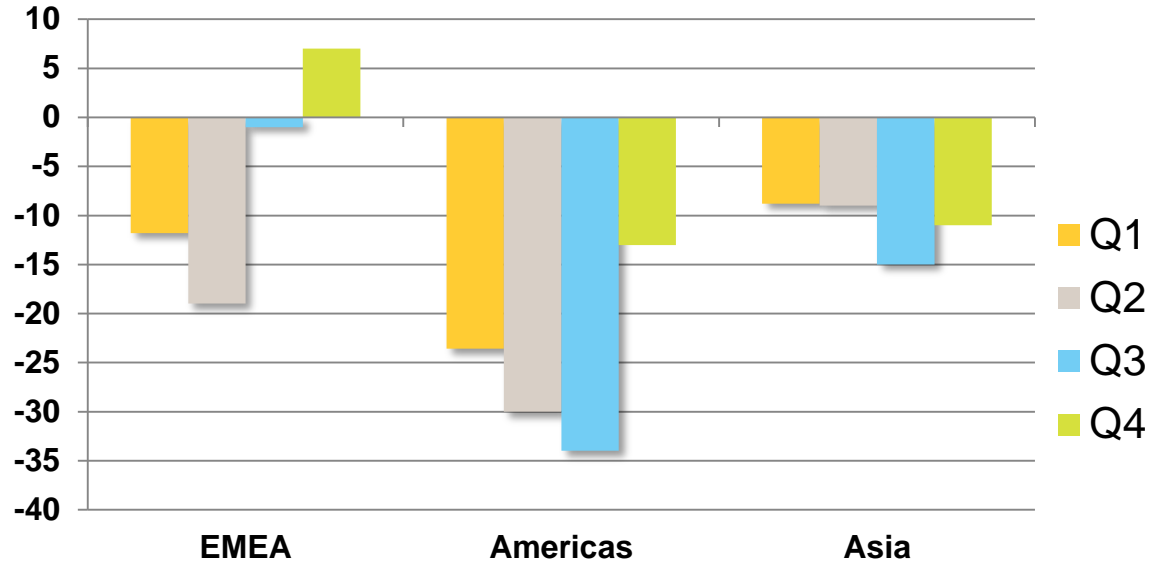
- Sales of 4,717 MSEK (4,184)
- YoY growth of 13%
- YoY growth of 17% in local currencies

> October - December

- Sales of 1,299 MSEK (1,180)
- YoY growth of 10%
- YoY growth of 12% in local currencies

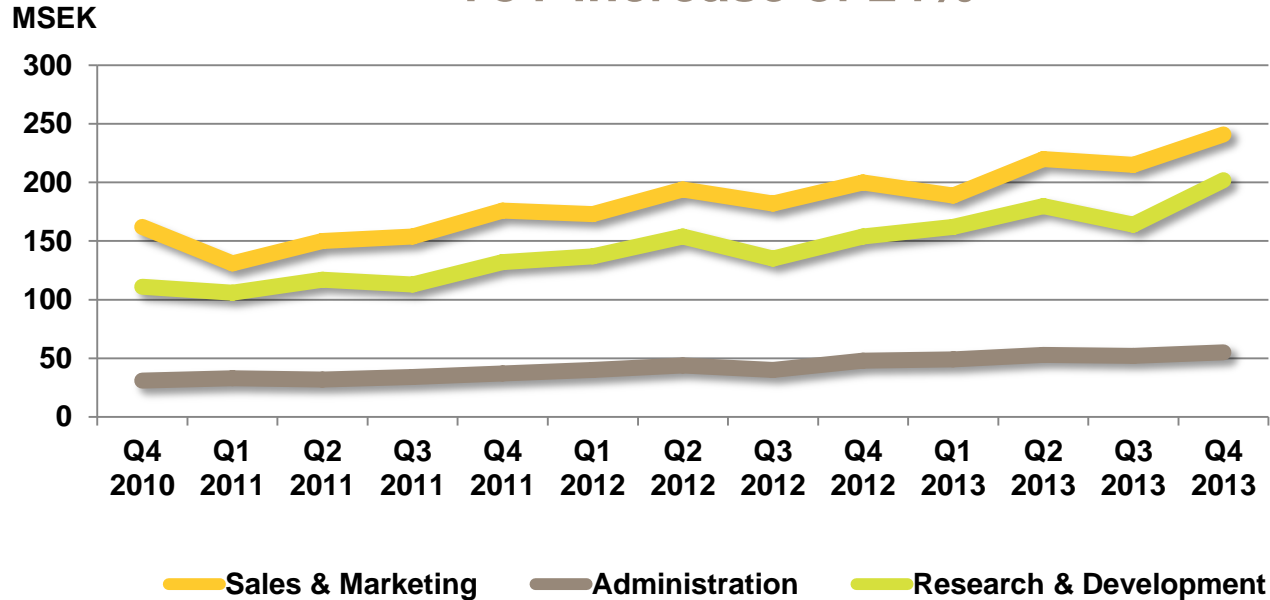


Regional currency effects Q4, 2013



Operating expenses Q4 2010 – Q4 2013

OPEX expenses of 498 MSEK
YoY increase of 24%

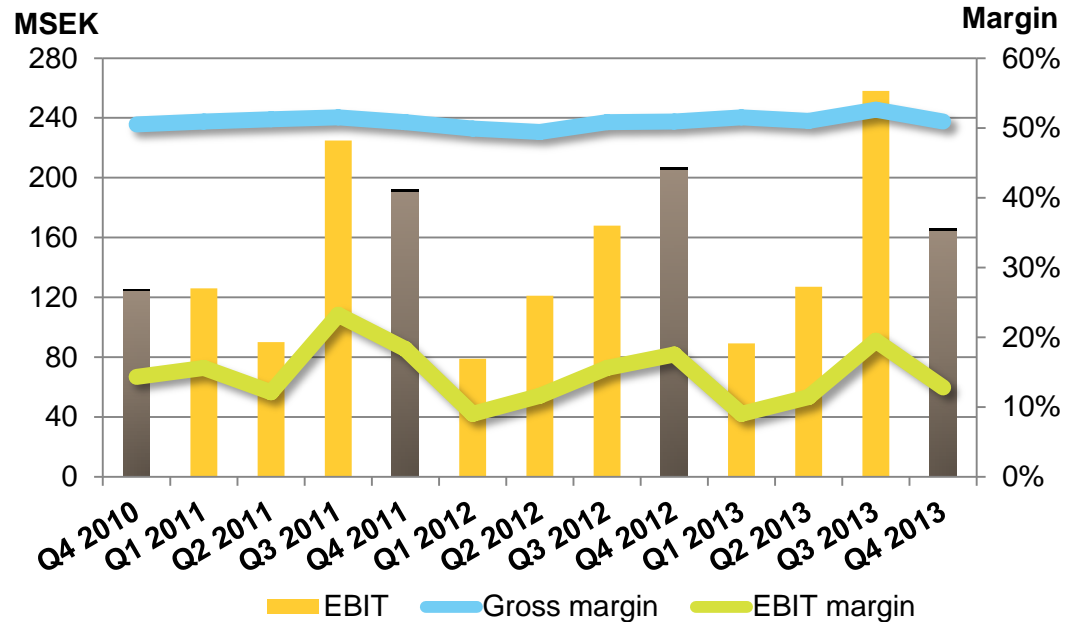


Margins Q4, 2013

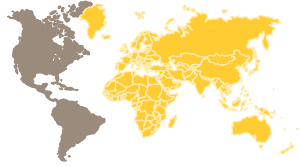
Gross margin on stable level

> October - December

- Gross margin of 50.9 %
(50.9 %)
- EBIT margin of 12.8 %
(17.5 %)
- Profit margin of 12.7 %
(17.4 %)

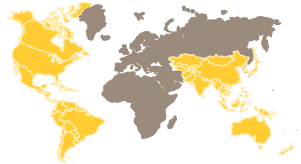
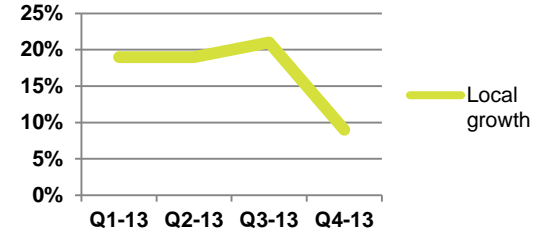


Regional development Q4, 2013



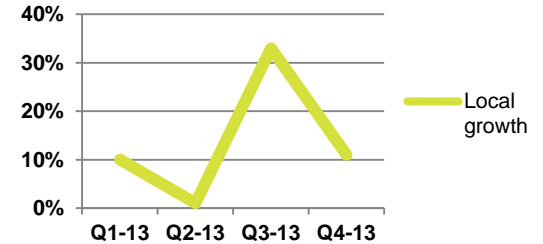
Americas
45%

- > Total sales of 580 MSEK (556)
- > Local growth of 9%



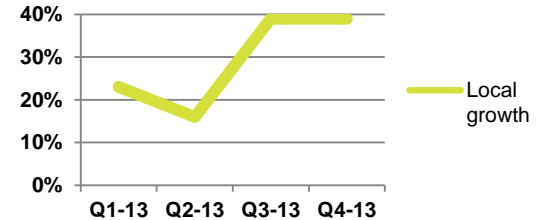
EMEA
41%
of sales

- > Total sales of 537 MSEK (485)
- > Local growth of 11%



Asia
14%
of sales

- > Total sales of 181 MSEK (139)
- > Local growth of 39%



Selection of product releases Q4, 2013

AXIS P5415-E



- > Unique wall mounting design
- > Ideal for out-door surveillance in most environments

AXIS Q1614



- > Twice the normal frame rate to capture fast moving objects
- > Lightfinder and Wide Dynamic Range technology

ARTPEC 5



- > More processing power
- > Reduced power consumption

Focus on growth

Small systems



- > Strong offering with AXIS Camera Companion & hosted solutions
- > Leverage broad base of partners
- > Several successful M-line product introductions

Emerging markets



- > Ambitious growth targets
- > High recruitment rate
- > Leverage knowledge and experience

New use of network video



- > Video analytics
- > Proactive solutions
- > Intelligent surveillance

Outlook

Short-term perspective

- > Stable project pipe line-growth
- > Remained short term outlook
- > Continued expansion and recruitment

Long-term perspective

- > Good market conditions for a continued positive development within network video, 20-25% growth
- > Strong focus on innovation for future network video opportunities



