

Lund, July 12, 2017

## Axis AB: Half-year report January-June 2017

### Second quarter

Net sales increased during the second quarter by 20 percent to SEK 2,119 M (1,763). Net sales increased by 12 percent in local currencies.

Operating profit amounted to SEK 209 M (167), which corresponds to an operating margin of 9.9 percent (9.5).

Profit after tax amounted to SEK 149 M (123).

Earnings per share amounted to SEK 2.14 (1.77).

### The first half of 2017

Net sales increased during the period by 25 percent to SEK 4,146 M (3,330). Net sales increased by 16 percent in local currencies.

Operating profit amounted to SEK 443 M (320), which corresponds to an operating margin of 10.7 percent (9.6).

Profit after tax amounted to SEK 326 M (237).

Earnings per share amounted to SEK 4.69 (3.41).

### President's comment

During the second quarter, sales increased to SEK 2,119 M, which represented the highest ever sales for Axis in a quarter. Growth was positively impacted by a strong US dollar and by revenue from companies we acquired during 2016. However, even not including these factors, we still see a stable growth rate.

Enhanced Zipstream technology, explosion-protected cameras and new Wide Dynamic Range technology are examples of innovations released during the second quarter. Several of these innovations were unveiled at the major trade exhibitions ISC West and IFSEC. At these exhibitions, it was also noted how cyber security has become an increasingly important question both in the market and for society in general. Therefore it feels reassuring that this has been a prioritized focus area at Axis for a long time.

As a result of last year's acquisition of the video analytics company Cognimatics, we released two new solutions in May – Axis Loss Prevention and Axis Store Optimization. This is an example of our increased focus on the retail sector, and also an example of how we can create added value for our customers through overall solutions.

Turning to future growth, the analysis company IHS presented its yearly report on the video surveillance market in June 2017. In brief, the report showed continued growth in our sector. By continued innovation and investments in overall solutions, we are also well-equipped to lead the future development of our industry.

Ray Mauritsson  
President

Read the full report here.

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***About Axis Communications***

*Axis offers intelligent security solutions that enable a smarter, safer world. As the market leader in network video, Axis is driving the industry by continually launching innovative network products based on an open platform - delivering high value to customers through a global partner network. Axis has long-term relationships with partners and provides them with knowledge and ground-breaking network products in existing and new markets.*

*Axis has more than 2,700 dedicated employees in more than 50 countries around the world, supported by a global network of over 90,000 partners. Founded in 1984, Axis is a Sweden-based company listed on NASDAQ Stockholm under the ticker AXIS. For more information about Axis, please visit [www.axis.com](http://www.axis.com).*