

Milestone Press Release



The Open Platform Company

Milestone Outperforms Market Growth and Gains Market Share to Retain Number One Global Position

This latest surveillance market analysis from IMS Research finds Milestone Systems continues for the fifth year in a row as the world leader for open platform IP video management software.

COPENHAGEN – 7 September 2009. Milestone Systems once again stands out as the number one provider of open platform IP video management software, according to the latest IMS Research report: *The World Market for CCTV and Video Surveillance Equipment 2009 Edition*.

The report found that Milestone Systems has retained its top position of the last half decade in similar categories and gained additional market share in the video surveillance industry – particularly noteworthy in light of the constrained financial climate of the past year. Milestone holds a strong leadership position for open platform Video Management Software (VMS) with 10% market share. In the category of software-only VMS vendors, Milestone increased its market share from 19.5% to 25.8%.

"Milestone Systems continued to grow extremely fast and strong in 2008 with an increase in revenue of 42% compared to 2007. Relating this to the general market growth of 29% during that period indicates how Milestone has significantly surpassed the competition again," states Lars Thinggaard, President & CEO at Milestone Systems.

The recession has affected some markets more than others, which is always a challenge for international companies. Milestone software is sold through authorized partners in 107 countries and has its own offices in 11 of these. The expanding Milestone eco-system includes well-developed partner programs with training and certifications, solution partner integrations, and alliance manufacturer support.

"The patterns of growth in the surveillance market are very different from previous years due to the tough financial conditions. For a global company like Milestone, fluctuating conversion rates are closely watched, and we strictly control our cash flow while making focused investments that position us to continue to do well in the future," explains Thinggaard. "The external investment from Index Ventures in July of 2008 further strengthened the foundation that helps maintain momentum in our strategic growth plans."

"Despite current economic woes, Milestone has continued to grow healthily and increase its market share. As the global leading open video management software vendor by market share, Milestone is well positioned to build on its success through 2009 and into 2010 as market conditions improve," concludes Alastair Hayfield, Senior Market Research Analyst at IMS Research.

The IMS report shows that a very large percentage of market revenues in 2008 were accounted for by open platform solutions, indicating the underlying trend toward open platforms. They estimate that by 2013 these will account for the majority of market revenues, due to the fact that 'open platform solutions offer far superior functionality and scope for integration than proprietary systems do.'

The Milestone Systems open platform provides a well-documented Software Development Kit which has garnered Systems Integrators and Milestone Solution Partners internationally: over 150 integrated solutions with Milestone XProtect™ IP video software exist today, providing seamless interoperability with access control, Point-of-Sales, analytics, biometrics, lighting or gate controls, alarms, fire alerts, baggage claims, production systems, and more.

IMS Research reports are based on comprehensive interviews with more than 100 international companies in the security industry, as well as data and statistics derived from relevant news sources, annual reports and the internet.

About IMS Research:

IMS Research is a leading market research provider for the global electronics industry. Founded in the late 1980s, IMS has established a reputation for providing reliable, detailed market data. The IMS research portfolio extends to areas such as semiconductors, industrial, electronic security, communications, automotive, consumer and power electronics. Further information can be found at www.imsresearch.com.

About Milestone:

Founded in 1998, Milestone Systems is the leading global developer of open platform IP video management software. XProtect™ gives users a powerful surveillance solution that is easy to manage, reliable and proven in 50,000 customer installations. With support for the industry's widest choice in network hardware and integration with other systems, XProtect provides best-of-breed solutions to "video enable" organizations - reducing costs, optimizing processes, protecting people and assets. With headquarters in Denmark and ten international offices, Milestone software is sold through authorized partners in more than 100 countries.

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