

Natural Communication

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TANDBERG

See: productivity

See: passion

See: performance

Market Analysis Q307: SUMMARY (1/3)

■ MARKET SIZES:

- Total endpoints market size: \$298M (Group: \$271M; Executive Desktop: \$27M)
 - Up 44% Year over Year (YoY)
- Total endpoints units: 54,700 (Group: 46,700; Executive Desktop: 8,000)
 - Up 34% YoY
- Total infrastructure market size: \$76.8M
 - Up 16% YoY

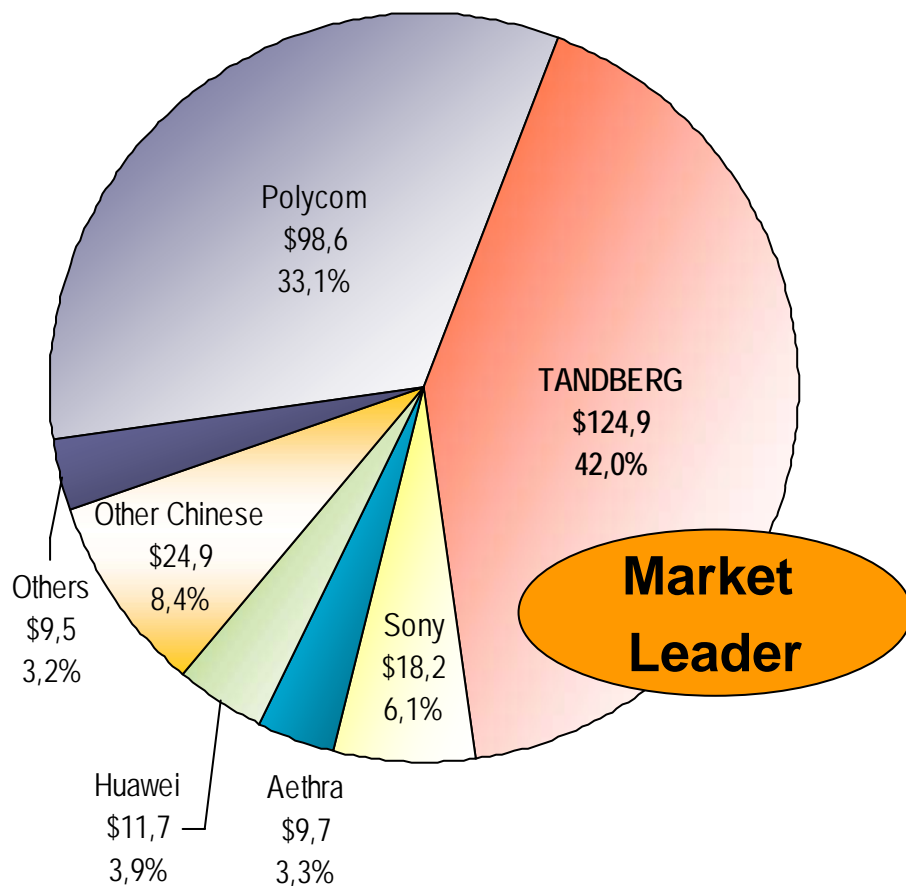
■ GLOBAL ENDPOINTS MARKET SHARES (based on revenue):

- TAA: 42% (Global Market Leader) (up from 40% in Q2)
- PLCM: 33% (down from 38% in Q2)
- Sony: 6%
- Aethra: 3.3%
- Huawei: 4%
- Other Chinese: 8%
- Other Non-Chinese (LifeSize + VCON, etc.): 3.2%

Q307 GLOBAL ENDPOINTS MARKET: TANDBERG HAS #1 MARKET SHARE BASED ON REVENUES WITH 42%, 28% BASED ON UNITS

Global Endpoints Revenues, \$Millions

100% = \$297.5M

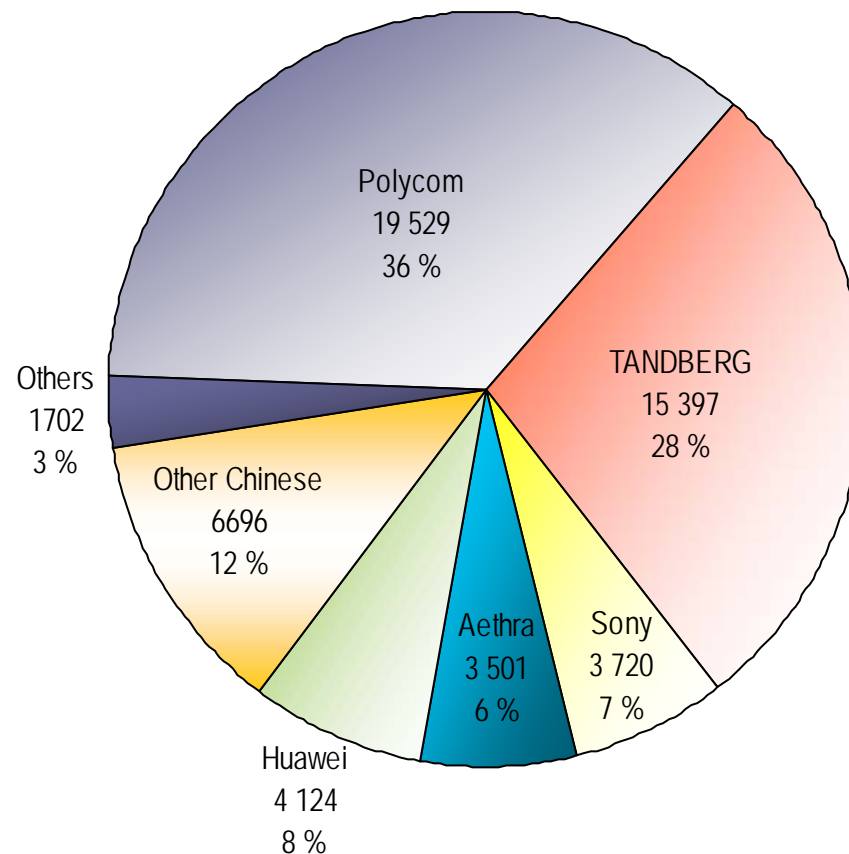


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Global Endpoints Units

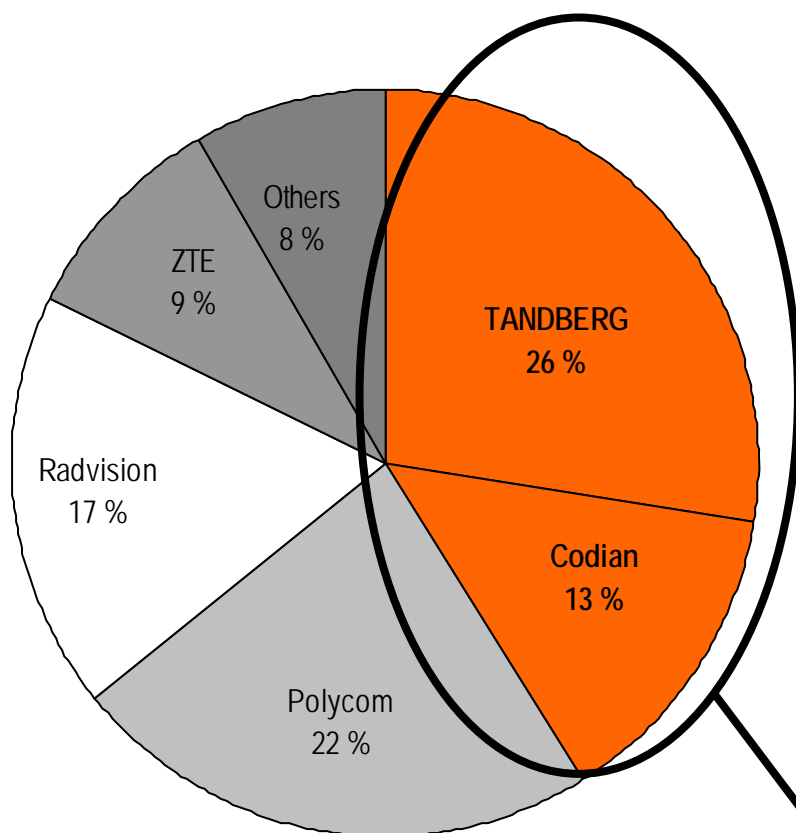
100% = 54,669



Q307 GLOBAL INFRASTRUCTURE MARKET: TANDBERG HAD #1 MARKET SHARE IN ALL INFRASTRUCTURE WITH 26% (39% including Codian)

Total Infrastructure Revenues

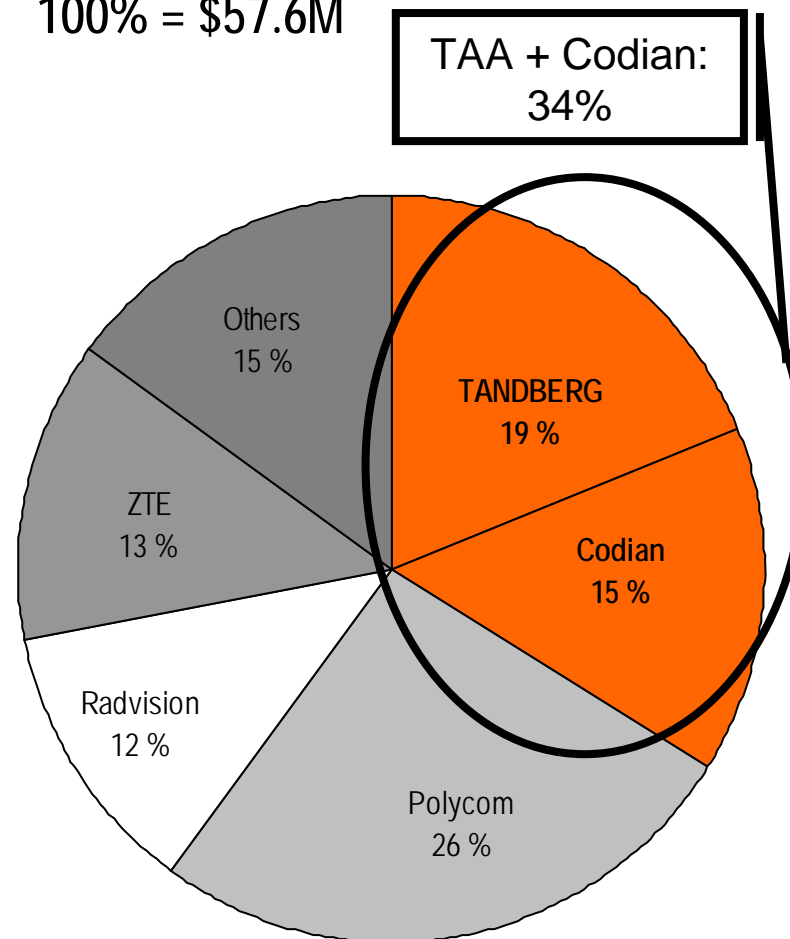
100% = \$76.8M



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MCU-Only Revenues

100% = \$57.6M



TAA + Codian:
34%

TAA + Codian:
39%

Why Are We Here Today?

- **Video – A strategic tool for collaboration**

- Driving productivity through better communication
- Demonstrated return
 - Most clients achieve ROI in under one year



See: productivity

- **The technology is ready for prime time**

- High-quality, reliable tools
 - High Definition
- Bandwidth more available
 - The ongoing cost of communication is decreasing
 - Everyone in an organization can engage



See: passion



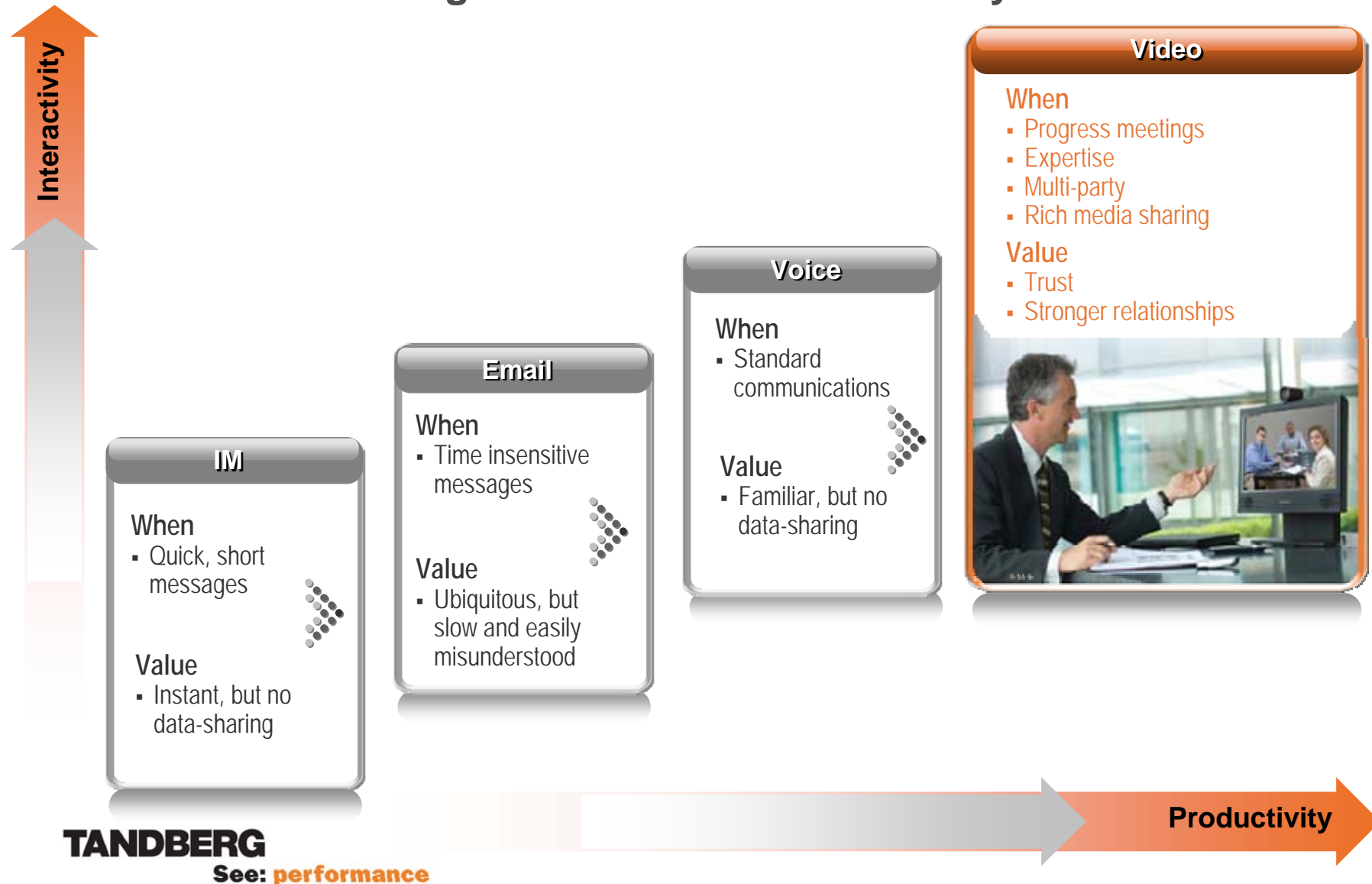
See: performance

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See: performance

Collaboration Is Key to Performance

But Being There in Person isn't Always Possible




Keeping Up with the Pace of Business

Revenue Growth

Increasing sales while reducing costs
Creating more products, faster
Competing with new entrants to the market

Customers

Deepening relationships
Reaching new markets
Accessing experts and resources



**Your organization is
faced with pressures
every day**

Corporate Communication

Delivering CEO messages or HR announcements
Training the workforce
Planning for business continuity
Integrating mergers and acquisitions

Distributed Organization

Coordinating supply chain
Enabling home workers
Decreasing travel costs (people, capital, environment)

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See: **performance**

Drivers that Improve Performance

Accelerating Decision Making

Share ideas and materials
Improve multi-channel delivery
Shorten time to market
Ensure business continuity

Scaling Knowledge

Compress global markets
Deploy troubleshooting,
training, subject matter experts
Develop value-added services

Unifying the Organization

Cement corporate culture, and goals
Share information in real time
One message, no misinterpretation

Improving Work/ Life Balance

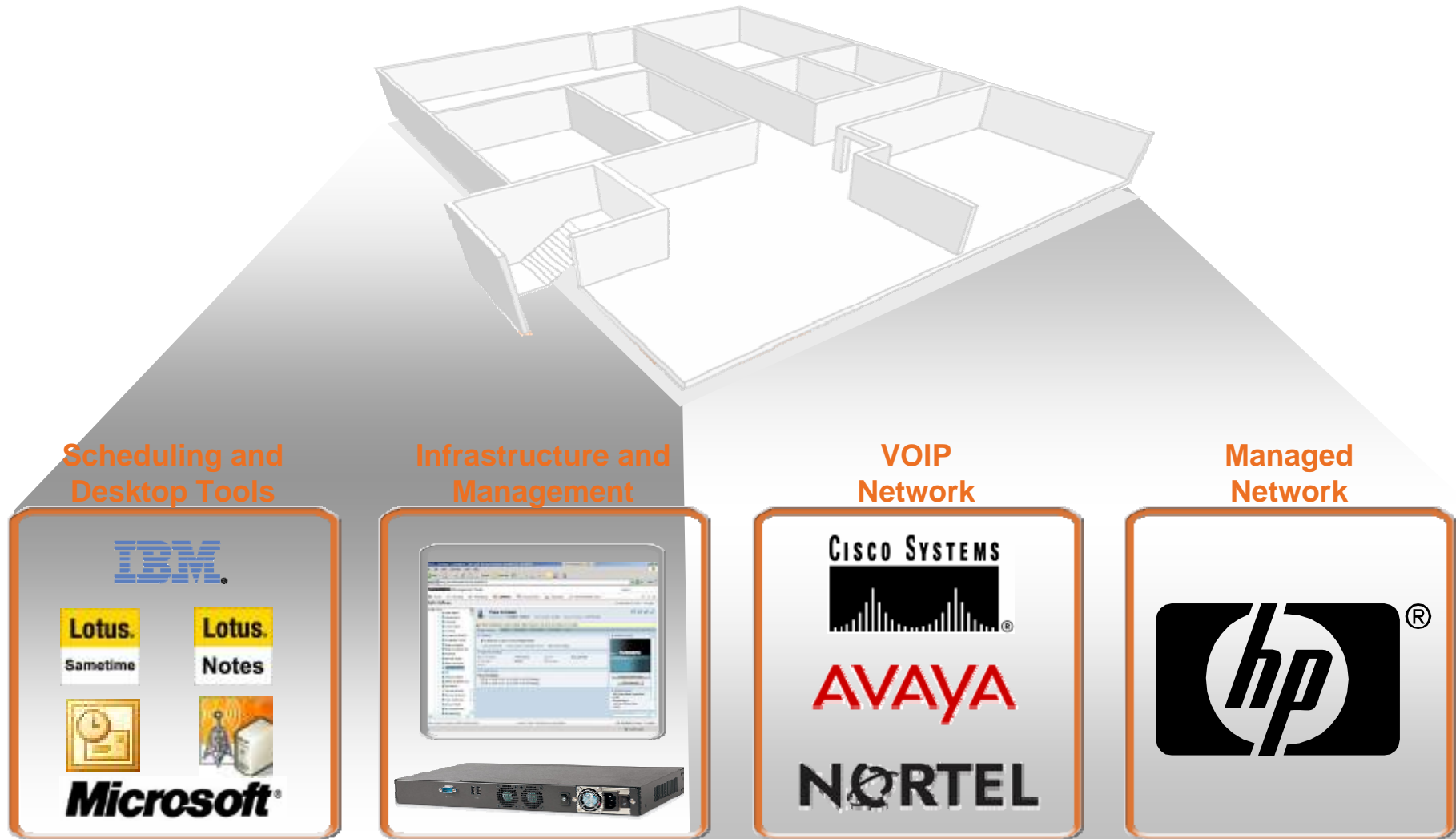
Increase job satisfaction
with less time on the road
Compete for scarce human resources
Impact corporate social responsibility



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Integrated into Your Existing Environment



Performance in Manufacturing



Volkswagen – *Global automobile manufacturer*

Cut vehicle repair time by over 50% and reduced costs by 30%, by deploying experts via video.



BJB – *Market-leading lighting manufacturer*

With international project teams, customers, and suppliers weighing in on design via video, cut time to market by four (4) months.



DSM NeoResins – *European supplier of synthetic resins*

With cross-functional, international teams, travel had a negative impact on staff. It has saved 30% on its annual travel budget, more than covering a video purchase, and improved the work/life balance.

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See: **performance**

Performance in Finance



New England Credit Union – *Largest inland community credit union in Australia*

Helps top management stay in touch with staff as the organization grows, allowing them to maintain the corporate culture.



Calyon – *Financial institution with 15,000 employees*

Now reaches a wider customer base with financial specialists, allowing it to compete with larger banks. "Instead of 3 days to service our branches, it takes 3 seconds."



Vineyard Bank – *Entrepreneurial community bank*

Videoconferencing eased the transition of a vast banking merger and promotes the company's mission and values to staff across six continents.

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Performance in Education



NYU Medical Center – *Top medical school*

Video allows 2 to 3 times the number of medical residents to participate in ongoing medical training, while staying close to their patients.



University of Plymouth – *Academic hub with 30,000 students*

Academic lectures, research collaboration, job interviews, PhD viva exams, and administrative planning are moving to video, saving the university £200,000 (\$365,000) per year.



Broward County Schools – *6th largest U.S. school district*

With the help of E-rate funding, the school system was able to expand its offering of services, improve the quality of services delivered, and increase productivity of staff.

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Performance in Healthcare



Astra Zeneca – *Global pharmaceutical manufacturer*

It's very important to save people time and energy, so they are less stressed."



Grampains – *Rural Health Alliance Network*

Connects specialists with patients in remote areas, using video to display X-rays, tissue samples and MRIs.



Alameda County Medical Center – *Major California hospital*

Reduced time spent on doctor/patient language interpretation by 50%, allowing for quicker diagnosis and more patients seen.

Performance in Enterprise



Vodafone – *One of the world's largest network providers*

"Instead of spending the evening waiting at the airport...employees can go home and spend time with their families." Vodafone reduced costs by 30% and recouped its investment in one year.



Blue Fox Enterprises – *Software maker with 11 subsidiaries*

Instead of sending CD-Roms in the mail, with video products are tested in real time, so international teams can discuss materials, patterns and sizes.



Contech Stormwater – *Comprehensive treatment technologies*

Merging offices on opposite coasts, video resulted in an annual cost savings of \$60,000 in travel and halved the time it estimated to unify the organization.

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Performance in Public Sector



EPA Emergency Operations – *Hub for disaster response*

After Hurricane Katrina “affected regions were able to stay in touch via e-mail, voice and video, sharing data visually and in real time, as well as coordinate with other agencies.”



German Airforce – *Training for pilots and ground operations*

Rather than waiting three months to review training exercises, pilots now receive feedback, data, and images of their performance in real-time.



Norwegian Armed Forces – *Peacekeeping around the world*

In addition to saving 100 million NOK in annual travel, “video meetings are shorter and more constructive, and people come better prepared.”

Thank you

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