

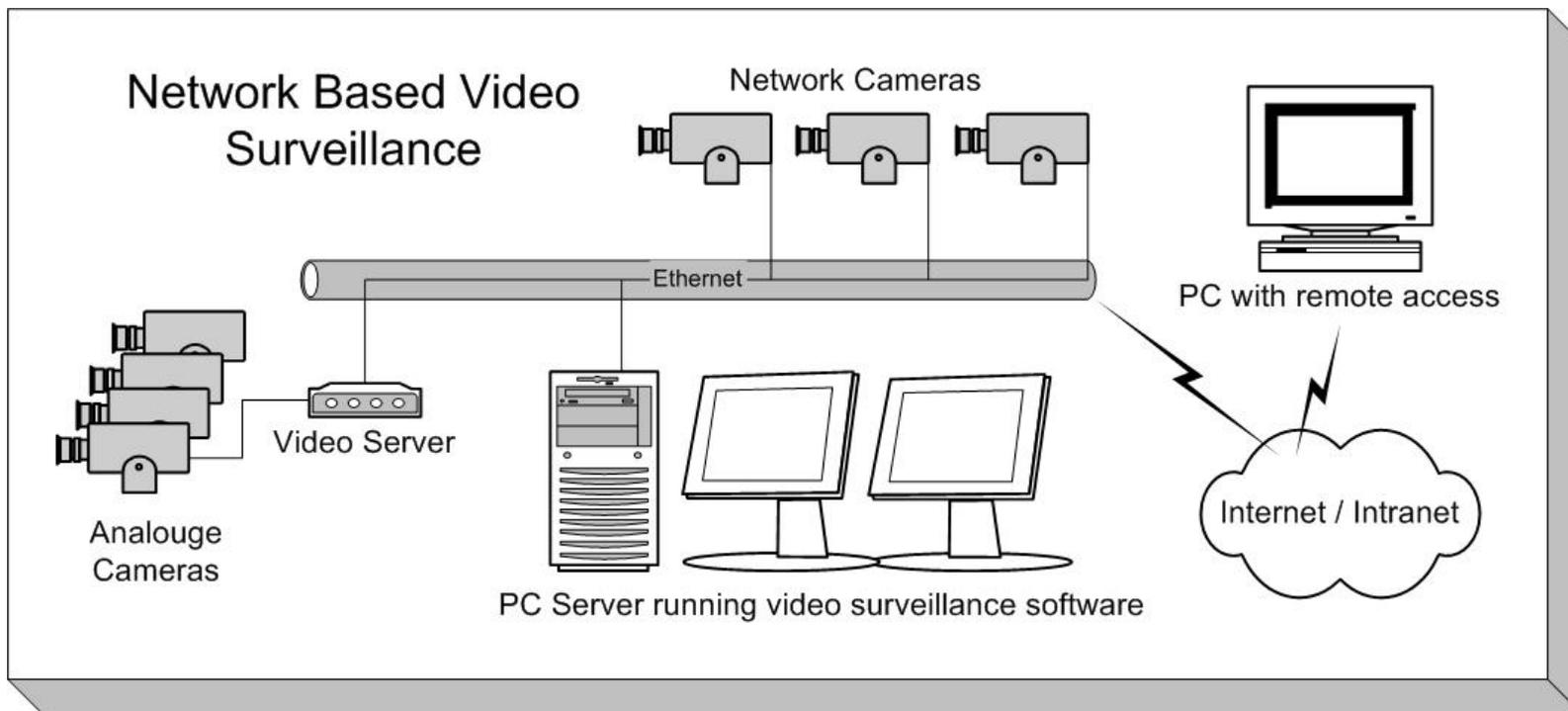


**Milestone
Systems**

**XProtect
Product
OVERVIEW**
August 2005



Overview of IP video surveillance solution

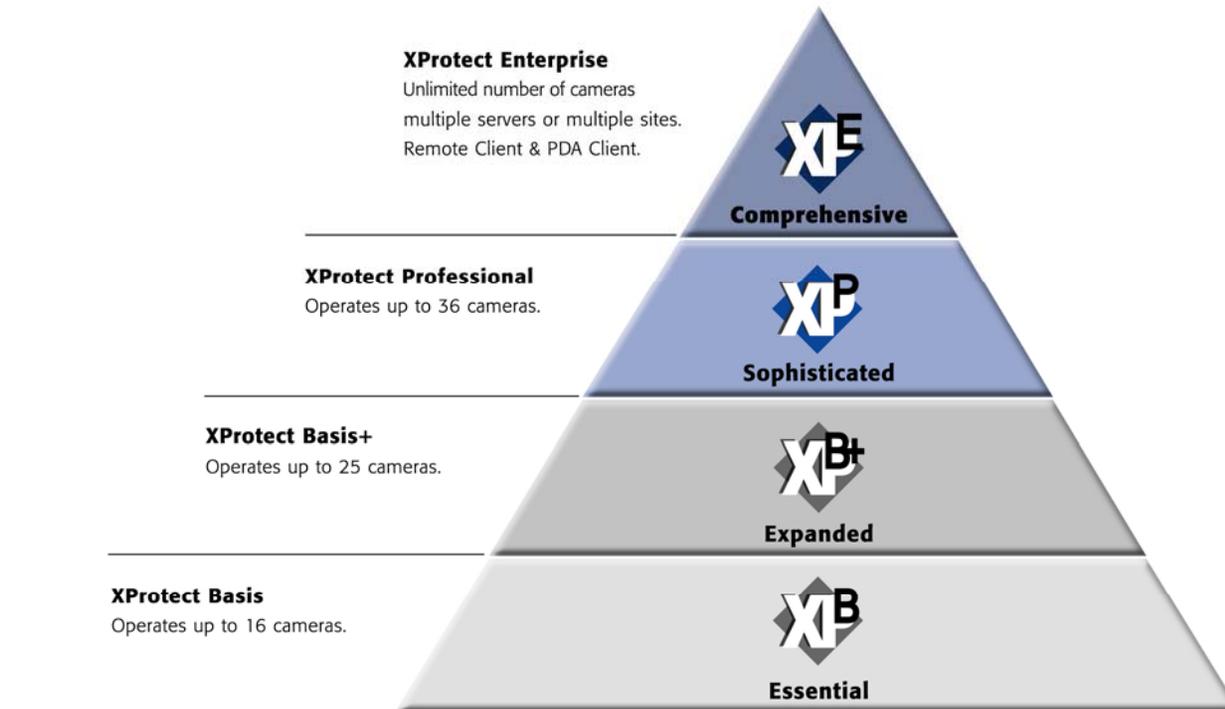


XProtect software is a market leader in the global security industry.

- ❖ IP video surveillance at its best
- ❖ Robust and proven operating 90,000 cameras
- ❖ Supports the widest selection of network cameras
- ❖ Scales to handle unlimited cameras, multiple servers & multiple sites
- ❖ Supports both JPEG and MPEG4 video streams
- ❖ Intelligent functionality and remote access
- ❖ Integration options with other devices or systems
- ❖ Sold in more than 50 countries



XProtect products are scaled to fit varied customer location and budget needs



Choose additional options to integrate with these surveillance engines, adding value by handling greater needs or industry-specific demands:

XProtect Matrix allows distribution of live video streams from any camera to any monitor on the network with the option of a spot monitor set-up like a Control Room.

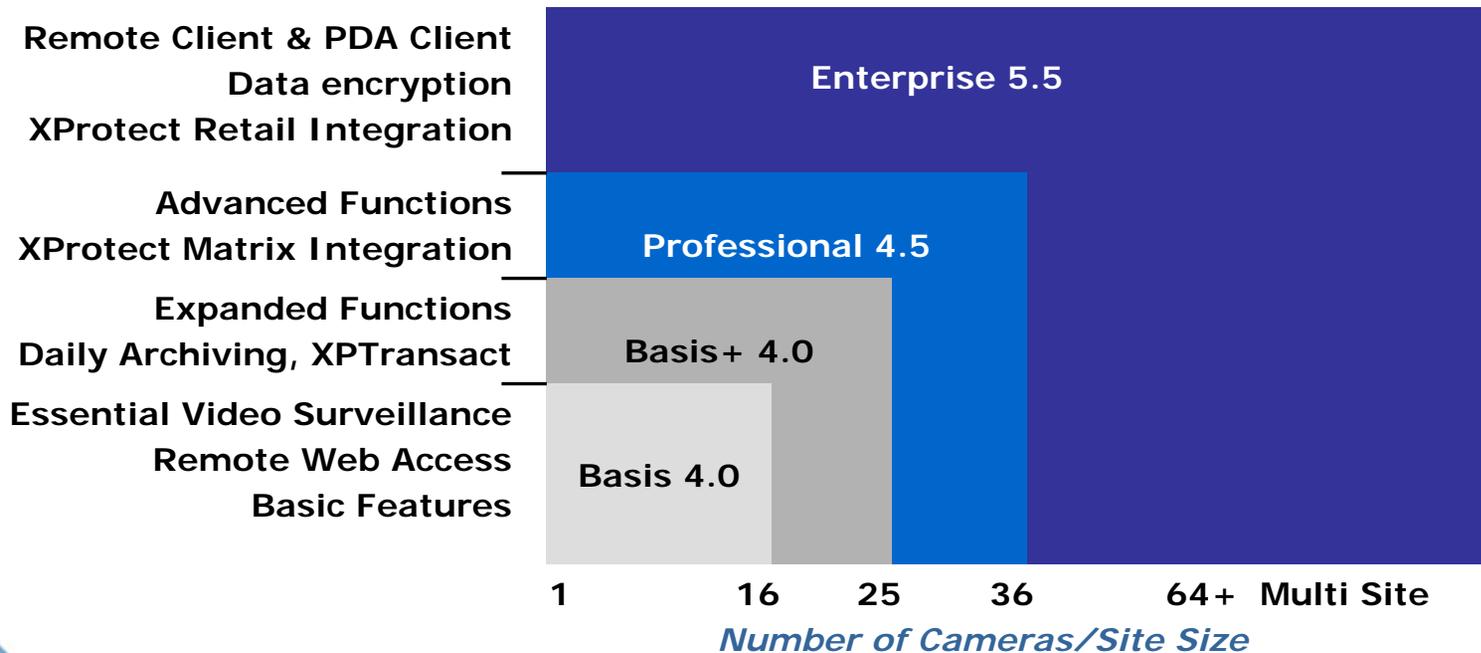
XProtect Retail and XProtect Transact handle shrinkage and fraud detection through video evidence combined with time-linked POS cash register or ATM transaction data, and a choice of central or local management.



XProtect offerings target all sectors

- ❖ the high-volume low and middle range of the market, and
- ❖ the more sophisticated high-end enterprise market

Features



All-purpose Digital Video Surveillance

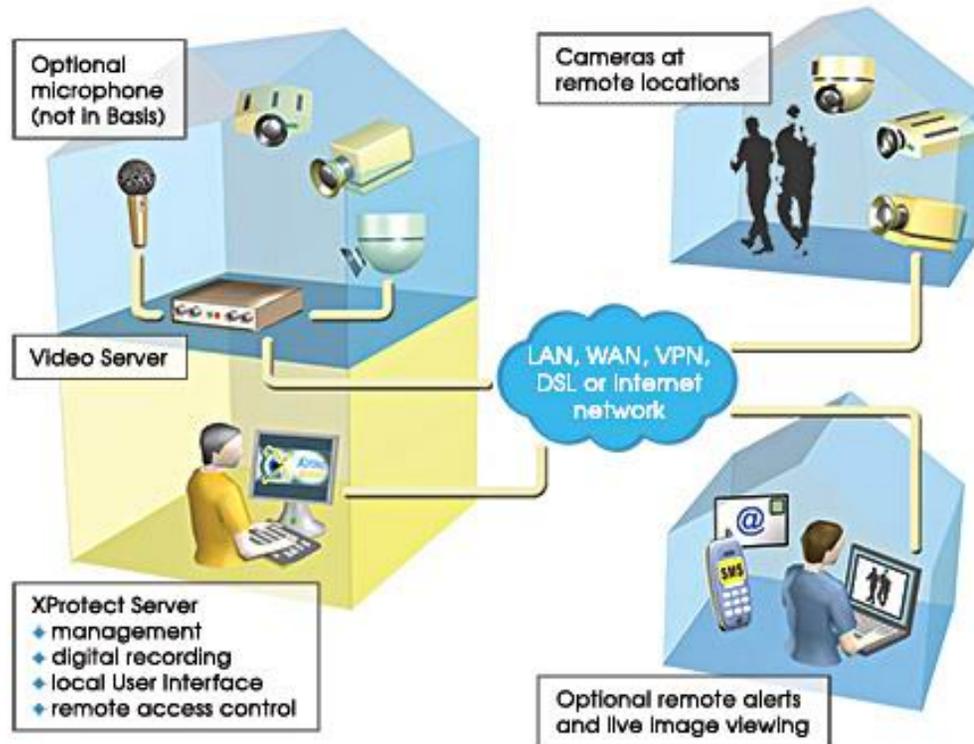
- ❖ **XProtect Basis 4.0**
solid performance, low-priced, for the SOHO market; essential feature set; 1-16 cameras
- ❖ **XProtect Basis+ 4.0**
robust performance, attractively-priced, for the SMB market; expanded feature set; 1-25 cameras
- ❖ **XProtect Professional 4.5**
advanced, high performance for the professional market; full feature set; 1-36 cameras
- ❖ **XProtect Enterprise 5.5**
comprehensive, scalable, top performance for the high-end market; 1-64 cameras per server; multi-server; multi-site



XProtect general software illustration

Xprotect Basis, Basis+, Professional

IP Video Surveillance for video and audio recording with remote access



XProtect Basis: Solid performance & low-priced for the SOHO (Small Office and Home) market.



Essential features:

- ❖ Viewing and Recording for 1-16 JPEG and MPEG4 Cameras
- ❖ Video recording:
 - Max. 600,000 images per camera
 - Motion activated recording
- ❖ Playback recordings: 1 camera viewing
- ❖ Manual PTZ control
- ❖ Motion alerting via email
- ❖ JPEG and AVI export formats
- ❖ Remote access: 1 channel Web server
- ❖ PC Specs: single CPU system
- ❖ OS Specs: Windows 2000/XP Pro/2003
- ❖ Licenses: 16 cameras



XProtect Basis 4.0 stems from the stable and proven Milestone software line started in 1998.

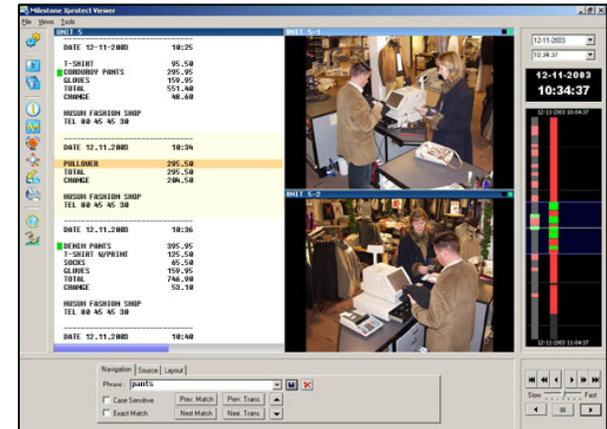




XProtect Basis+ : Robust performance, attractive price for the SMB (Small-Medium Business) market.

Expanded features:

- ❖ Viewing and Recording for 1-25 JPEG and MPEG4 Cameras
- ❖ Video recording:
 - Max. 600,000 images/camera/day
 - Motion/Event activated recording
 - Speed up recording on motion or event
 - Daily/multiple archiving of recordings
- ❖ Playback recordings: 1-4 camera viewing
- ❖ Audio: 1 channel recording with listen-in
- ❖ Advanced PTZ control with preset positions
- ❖ Input event control
- ❖ Motion/Event alerting via email
- ❖ JPEG and AVI export formats
- ❖ Remote Access:
 - 4-Channel built-in Web server
 - ❖ XProtect Transact Option
- ❖ Password protection
 - ❖ PC Specs: single CPU system
 - ❖ OS Specs: Windows 2000/XP pro/2003
 - ❖ Licenses: 4, 9, 16 and 25 cameras



XProtect Basis+ 4.0 includes an option for XProtect Transact to combine video recordings with POS or ATM data



XProtect Professional: high performance, advanced product for a sophisticated business market.

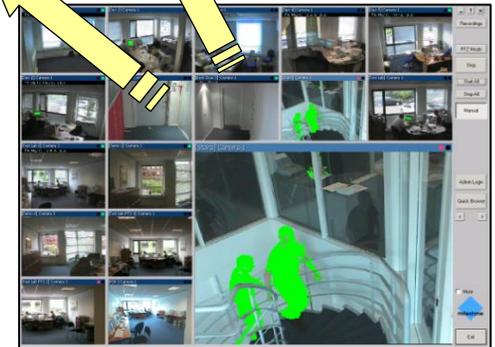


Sophisticated features:

- ❖ Viewing and Recording for 1-36 JPEG & MPEG4 camera
- ❖ Video recording:
 - Max. 600,000 images/camera/day
 - Motion or event activated recording w/ speed up
 - Daily archiving of recordings w/network support
- ❖ Playback recordings: 1-4 camera viewing
- ❖ Audio: multi-channel recording with listen-in
- ❖ Intelligent PTZ with 50 preset positions and patrolling
- ❖ Input/Output event control
- ❖ Motion/Event alerting via email or SMS messages
- ❖ JPEG, AVI, WAV and DB export formats
- ❖ Remote Access 4-channel Web server or Remote Client w/ individual user profiles
- ❖ Password protection



XProtect Professional 4.5 includes XProtect Matrix option



Matrix controls video displayed on other computer screens, providing spot monitor functionality

- ❖ XProtect Transact option
- ❖ XProtect Matrix option
- ❖ PC Specs: single/dual CPU systems
- ❖ OS Specs: Windows 2000/XP Pro/2003
- ❖ Licenses: 1, 4, 9, 16, 25 and 36 cameras
- ❖ Option: PMA Product Maintenance Agreement

OPTION:  IPIX SECURITY

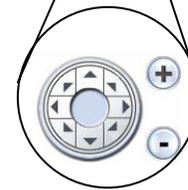




XProtect Enterprise: top performance, scalable product for the enterprise or large campus market.

Comprehensive features:

- ❖ Viewing and Recording for 1-64 cameras per server
- ❖ Video recording:
 - Limitless capacity
 - JPEG & MPEG4 video stream combined views
 - Motion or event activated recording w/ speed up
 - Hourly/Daily archiving w/network support
- ❖ Recordings: 1-16 camera viewing
- ❖ Audio: multi-channel recording with listen-in
- ❖ Intelligent PTZ with 50 preset positions
- ❖ PTZ Patrolling on event and with pause control
- ❖ Multiple patrolling schedules per camera/day
- ❖ Input/Output event control
- ❖ Email or SMS alerting
- ❖ JPEG, AVI, WAV and DB Export Formats
- ❖ Password protection and data encryption
- ❖ Remote Client 16-Channel/multiple servers
- ❖ Individual user profiles and activity logging



Enlarged View

XProtect Enterprise 5.5 includes the Remote Client for advanced remote access up to 16 channels.

- ❖ XProtect PDA Client and XProtect Matrix options
- ❖ XProtect Transact and XProtect Retail options
- ❖ PC Specs: single or multiple CPU systems
- ❖ OS Specs: Windows 2000/XP Pro/2003
- ❖ Licenses: flexible multi-site any #cameras
- ❖ 6 month PMA included



IPIX SECURITY

**360 degree
Quad View**

XPROTECT REMOTE CLIENT:

*** setting new industry standards for remote access!**

Exciting features:

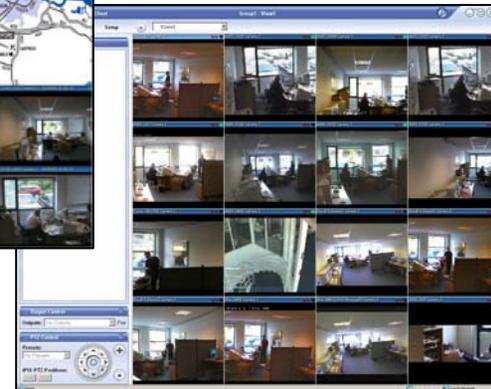
- ❖ Recording and live camera viewing for 1-16 simultaneous cameras
- ❖ User definable views in various layouts
- ❖ View/playback cameras from multiple servers simultaneously in same view
- ❖ Individual user profiles & activity logs
- ❖ Event/alarm preview window
- ❖ PTZ controls: point-and-click, zoom to marked rectangle, slow scanning
- ❖ IPIX 360 Quad View
- ❖ Optional keyboard control
- ❖ Control output port operation
- ❖ Import static/active HTML maps
- ❖ Print reports
- ❖ Videostream compression saves bandwidth

Licenses for Remote Client:

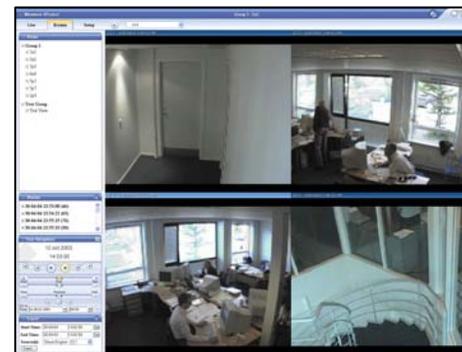
- ❖ Advanced Version: Functionality as described above delivered w/ XProtect Enterprise v. 5.5
- ❖ Basic Version: View of max. 4 cameras simultaneously on same server, included w/ XProtect Professional version 4.5



HTML maps can be imported into views. 2+8 camera view shown here.



View live video from up to 16 cameras, and from multiple servers simultaneously.



Recordings from 1-16 cameras can be played back simultaneously.

*** Remote access via new Smart Client also available in XPE v. 5.6 due in the fall 2005!**

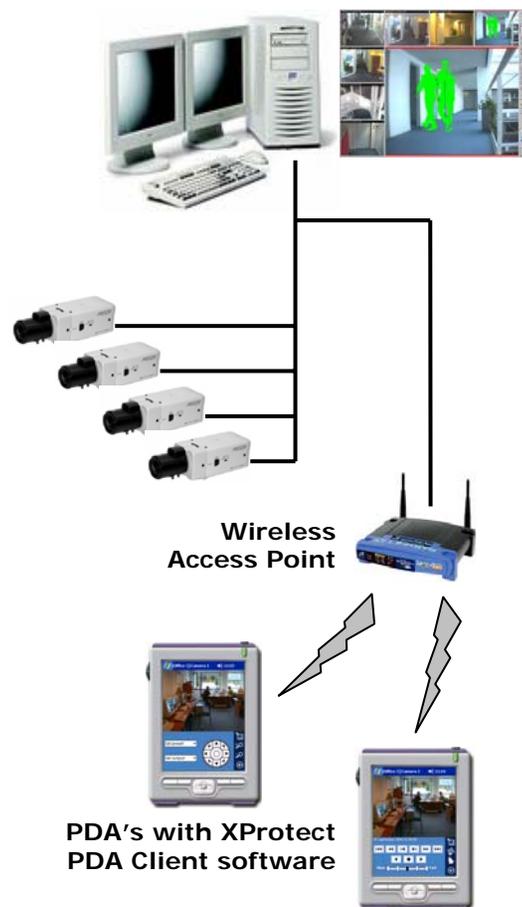


XProtect PDA Client:

mobile, wireless access to IP surveillance for fast response!

Advanced Features:

- ❖ View video recording or live cameras in your system – single or multi-server
- ❖ Video compression from server to PDA optimizes bandwidth usage
- ❖ Log on profile determines access determines access rights
- ❖ Live camera viewing: PTZ control manually or using preset positions; control output relays
- ❖ Viewing recordings: jump to specific time/date, single step, playback, jump to next detected motion, motion alarm overview
- ❖ PDA connects to XProtect Enterprise server using any IP connection, typically wireless
- ❖ PDA OS: Microsoft Windows Pocket PC 2003



XProtect Matrix: command performance!

Highly scalable IP video Matrix solution for control rooms, remotely located guards, management or other operators



Instant transmission of live video streams from any camera to any PC monitor on the network

- ❖ Direct video-to-screen in many ways:
 - ❖ Manually from XProtect Professional/Enterprise screens
 - ❖ Manually from a web page
 - ❖ Automatically activated via external sensor
 - ❖ Automatically activated via Video Motion Detection
- ❖ View up to four cameras on the same screen

XProtect Matrix operates with XProtect Professional or XProtect Enterprise.



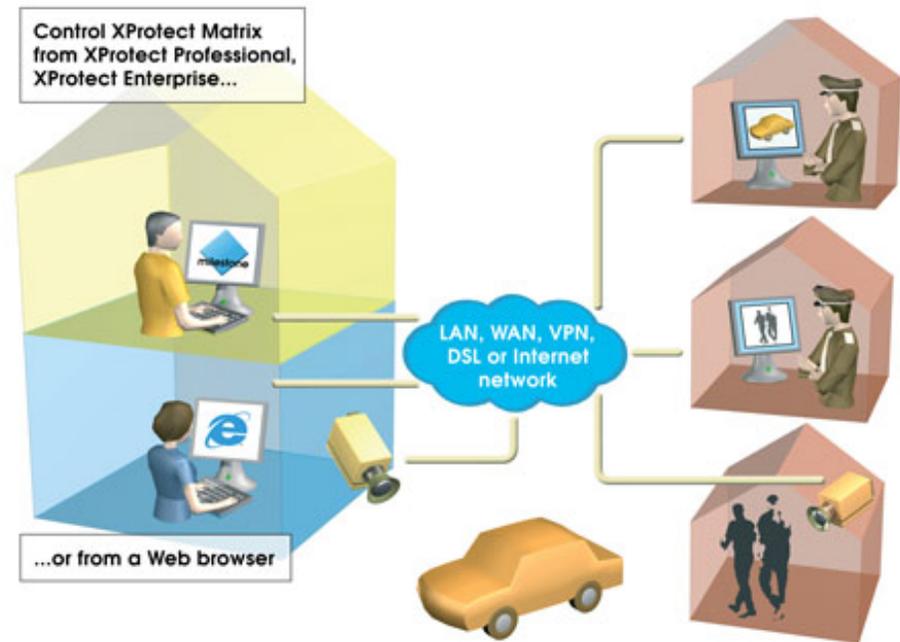
XProtect Matrix illustration

You can make selected PC screens show live images from any IP camera on command.

Imagine instant live video images on any number of monitors when a bank teller presses an alarm or strangers enter a secured area.

XProtect Matrix

Instant transmission of live video streams to any network monitor!
Send commands to XProtect Matrix on other PCs to connect to chosen cameras.



XProtect Transact for the retail industry improves profit margins by reducing fraud & shrinkage!



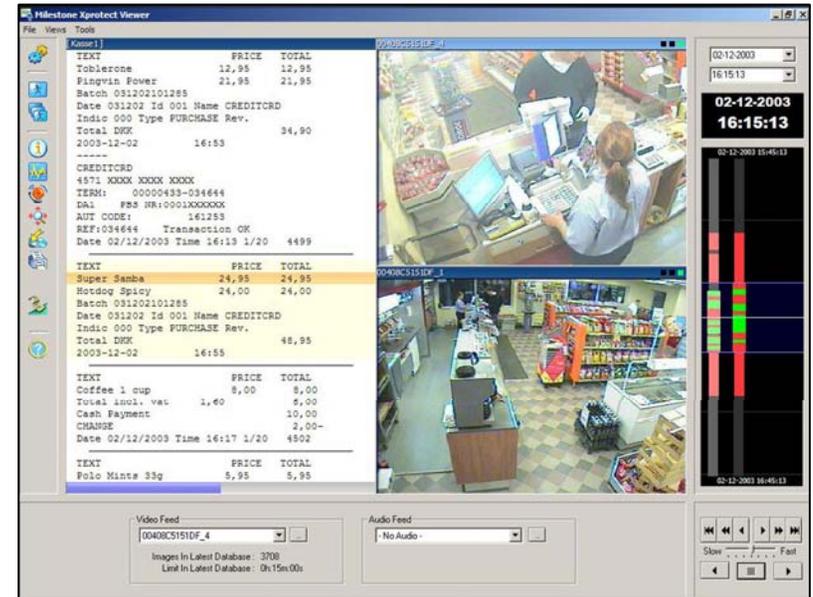
**Integrates POS or ATM transaction data
with digital video images of events
for simultaneous viewing and proof.**

All surveillance features from XProtect
Basis+, Professional, or Enterprise **plus**:

- ❖ Input from one or multiple POS or ATM machines via RS-232 interface
- ❖ Simultaneous viewing of time-linked transactions and 1-2 video cameras
- ❖ Transaction searching and 'go to' next or previous match
- ❖ Print transaction reports with linked video images

Available:

- ❖ 1 license per POS/ATM
- ❖ 1 connection hardware package
- ❖ PMA



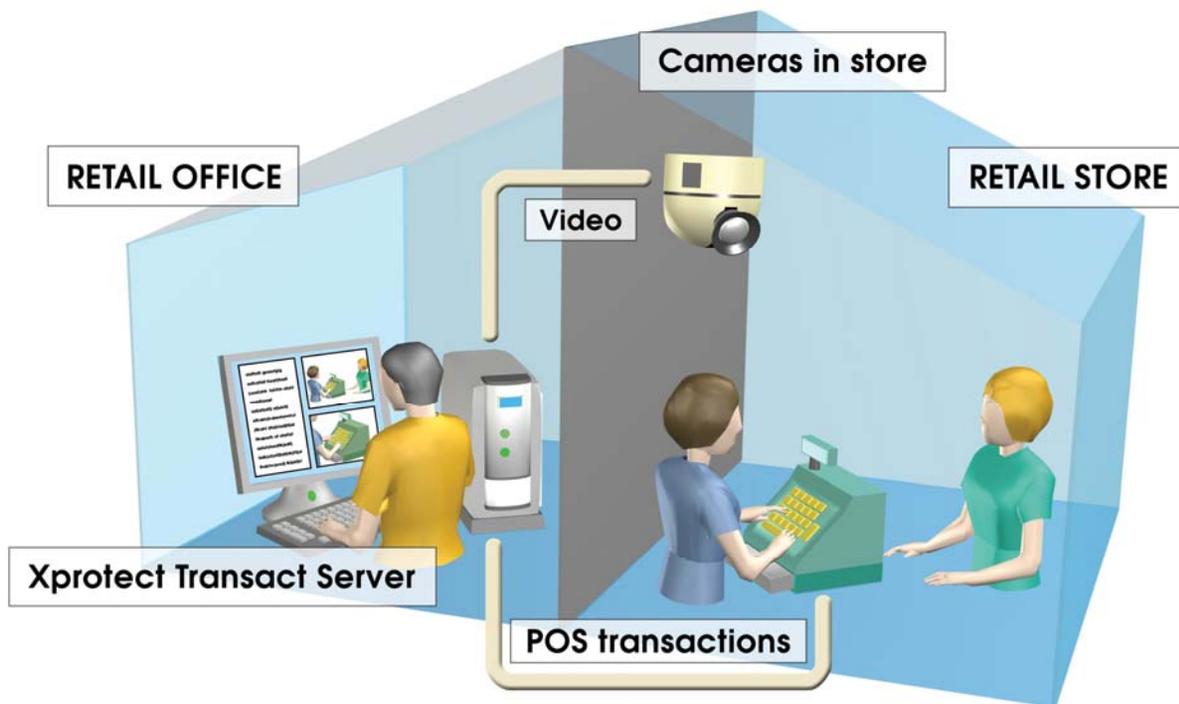
**Standard product for local management;
operates with XProtect Basis+, XProtect
Professional, or XProtect Enterprise.**



XProtect Transact retail illustration

Xprotect® Transact POS

Integrate IP surveillance video recordings with all Point of Sale transactions: stored in a local database, they are fast and easy to search and view together.

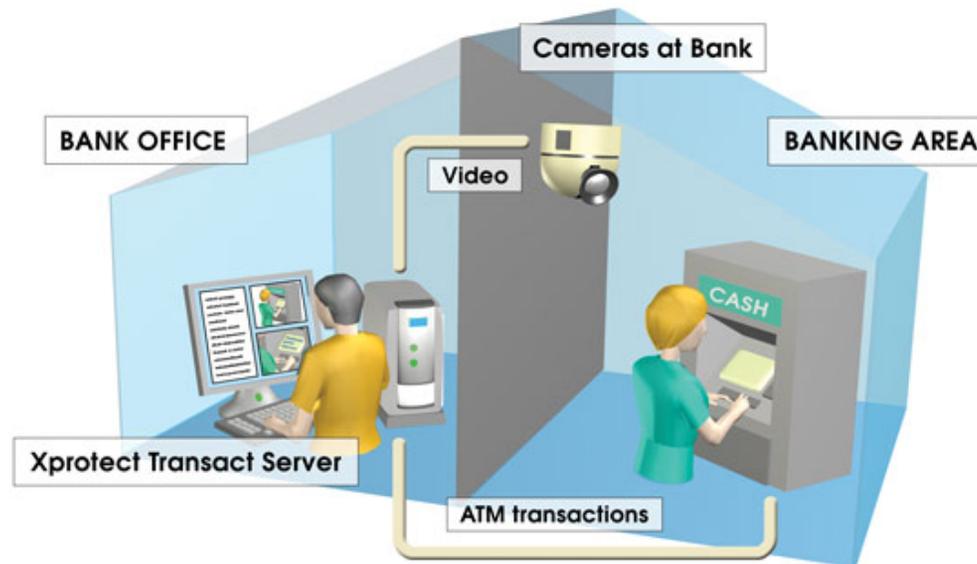


XProtect Transact for the banking industry

- ❖ Integrates ATM transaction data with digital video images of the events linked by time & date, easy to search & view.
- ❖ Provides evidence for determining fraud, combined with IP video surveillance for protecting people and property.

Xprotect® Transact ATM

Integrate IP surveillance video recordings with all ATM transactions: stored in a local database, they are fast and easy to search and view together.



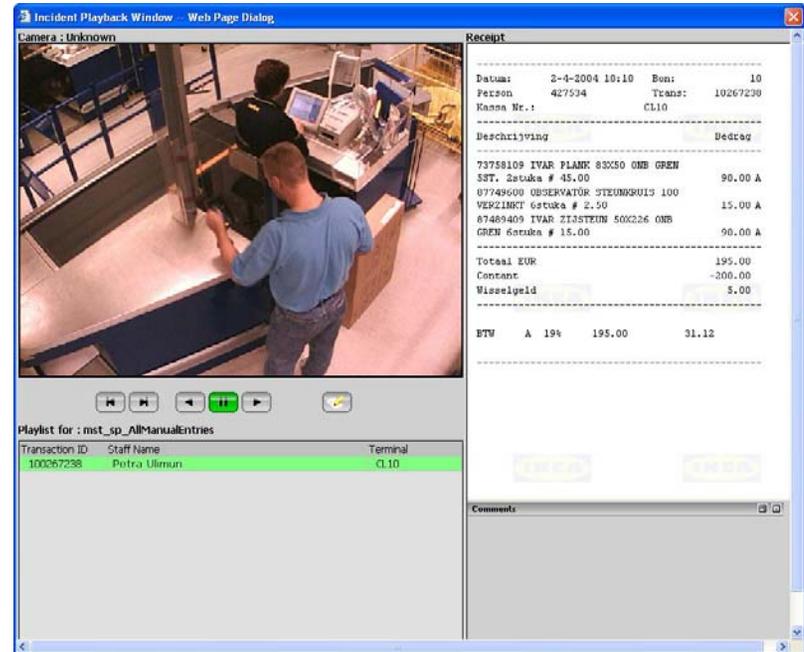
XProtect Retail: Reduce fraud & shrinkage!



Integrates POS transaction data with networked IP video surveillance for easy tracking in larger scale solutions.

Features everything from XProtect Enterprise product *plus*:

- ❖ Input from cash registers via integration with cash register software or back office system
- ❖ Advanced, customizable transaction search and filters
- ❖ 'Go to' next or previous match
- ❖ Exception handling
- ❖ Investigations possible at store level or centrally from HQ



Customized product for central and/or local management; operates with XProtect Enterprise.



XProtect Retail: from suspicion to evidence to enlightenment!

Easily search, track & analyze
POS data on transaction
exceptions by **UNLIMITED**
types, for example:

- ❖ Cancellations
- ❖ 'As is' items
- ❖ Returned items
- ❖ Discounted items
- ❖ Void/cash register opened
- ❖ Transactions over/under specified amounts or time periods
- ❖ Manual entries
- ❖ Stolen credit cards
- ❖ ...or any other criteria you wish!

The screenshot displays the Milestone Digital Retail System interface. On the left, there are search filters for Time, Staff, and Actions. The main area shows a table of transactions with columns for Date, Staff ID, and Terminal. A video feed on the right shows a retail store with a person at a counter. Below the video feed, there is a summary of the transaction, including a list of items and their prices.

Date	Staff ID	Terminal
29-03-2003 11:10:23	399570	1
29-03-2003 12:00:56	399578	1
03-04-2003 12:24:44	600600	1
03-04-2003 20:00:47	371151	1
05-04-2003 15:03:15	401028	1
10-04-2003 20:29:21	462613	1
14-05-2003 20:10:45	427146	1
22-05-2003 21:12:10	450703	1
30-05-2003 14:03:17	350264	1
30-05-2003 14:55:33	350264	1
30-05-2003 14:56:40	350264	1
03-06-2003 16:28:50	350264	1
07-06-2003 16:58:53	398321	1
13-06-2003 13:53:49	401976	1
28-07-2003 11:09:10	99	1
01-08-2003 11:55:18	99	1
01-08-2003 11:24:44	99	1
01-08-2003 11:26:15	99	1
01-08-2003 11:28:20	99	1
01-08-2003 11:30:03	99	1
01-08-2003 11:33:02	99	1
01-08-2003 11:41:25	99	1
01-08-2003 11:47:20	99	1
01-08-2003 17:11:05	99	1
04-08-2003 15:53:22	99	1
04-08-2003 15:54:09	99	1
04-08-2003 17:12:07	99	1
08-08-2003 08:44:40	99	1
12-08-2003 14:32:04	99	1
12-08-2003 14:34:31	99	1
13-08-2003 20:54:04	99	1
13-08-2003 21:01:25	99	1
16-09-2003 11:16:50	99	1

Playing Incident

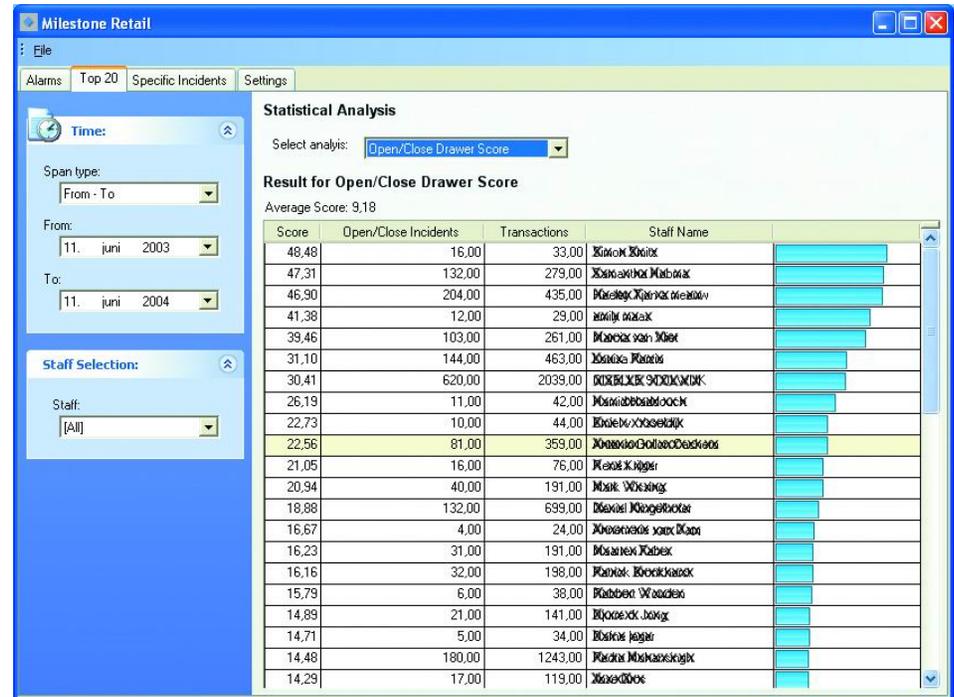
PMS Terminal : 1 Trans ID = 1001400
Operator : Durith de Leeuw

Item	Qty	price	total	disc
DRAGON CUTLERY SET 24 PCS STNLS	* -1.00	(29.00)	= -29.00	
VOYANR TOOL SEAT PZ PAT	* -1.00	(15.00)	= -15.00	
GISA LAGOM PILLOW 50000 MPE	* -2.00	(2.00)	= -5.00	
FRANZ CD BACK ISSIG ASST CIL	* -2.00	(2.00)	= -5.00	
PLASTIS DESH-WASHING BRUSH AS/MMALE	* -1.00	(1.00)	= -1.00	
Total = -55.00				
Amount Saved = 2.00				

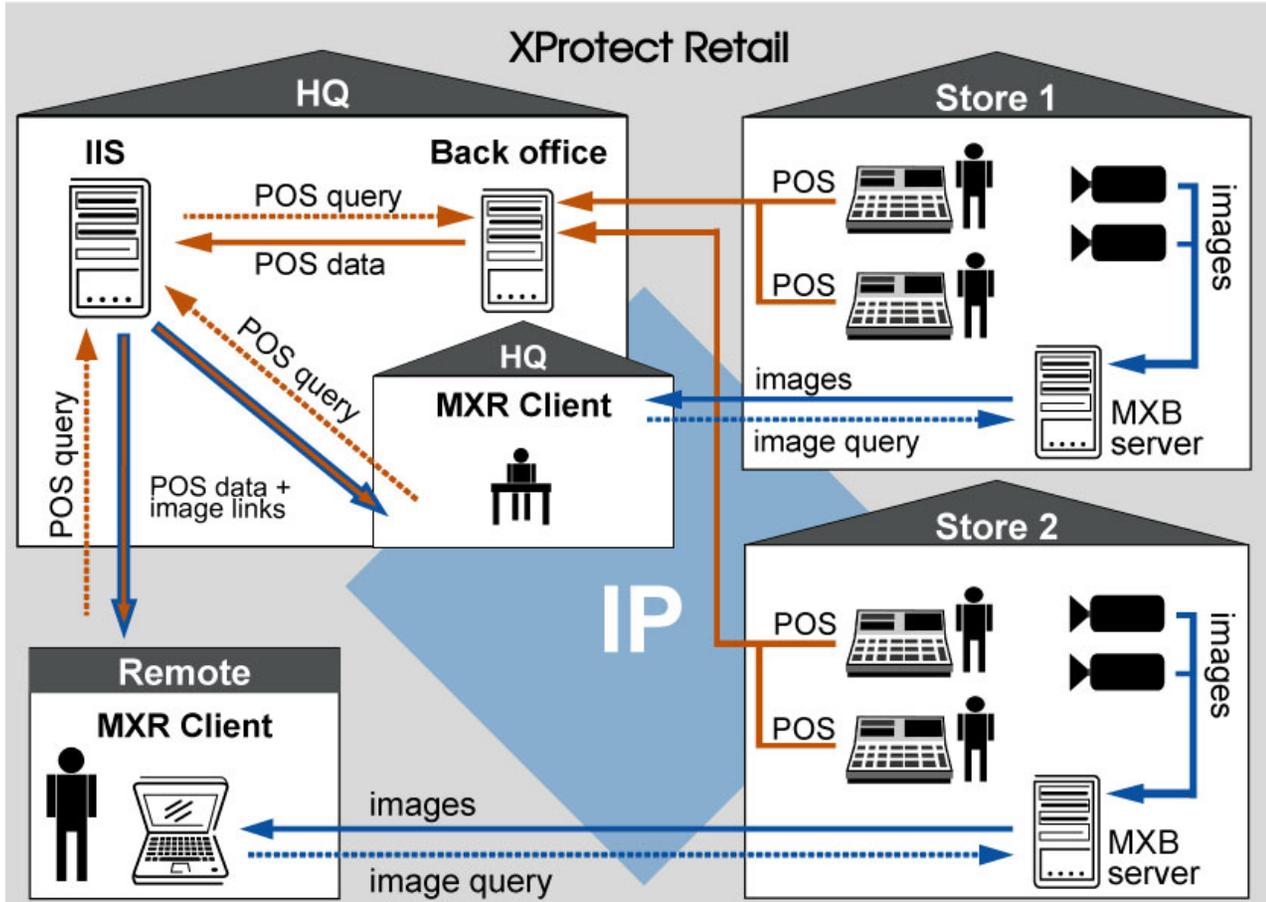
Returns : Cash
Amount : -55.00

XProtect Retail: pro-active reduction of fraud and preventive behavior change management

- ❖ Score employees on criteria set up as i.e. 'Open/Close Drawer' (no transaction).
- ❖ Management reports
- ❖ Money saved by resolving and preventing fraud
- ❖ Simultaneous protection of store goods, property, personnel and customers.



XProtect Retail – solution diagram



Milestone XProtect software advantages

Purely Digital Solution

Networking Benefits

Computerized Intelligence

much more...

- ❖ Top quality recordings
 - ❖ No quality loss during storage
- ❖ Supports high resolution image cameras
 - ❖ Mega Pixel resolutions
- ❖ Fast retrieval of recordings
 - ❖ No searching through tapes
- ❖ Ease of maintenance
 - ❖ No maintenance of daily tape changes as required on VCRs



Milestone XProtect software benefits

Purely Digital Solution

Networking Benefits

Computerized Intelligence

much more...

- ❖ Scalable capacity and performance
 - ❖ Scale solution according to your business needs, now or future
- ❖ Use existing infrastructure
 - ❖ Use existing servers, switches, cabling and analog cameras
- ❖ Distant cameras
 - ❖ Connect via WAN/Internet/Wireless
 - ❖ Ideal for large or separate areas
- ❖ Remote/PDA access
 - ❖ View recordings or live images from central site or anywhere



Milestone XProtect software benefits

Purely Digital Solution

Networking Benefits

Computerized Intelligence

Much more...

- ❖ Management system
 - ❖ One management system for all cameras/scheduling of cameras
- ❖ Video stream analysis
 - ❖ Video Motion Detection activated
 - ❖ Excluded areas within images
- ❖ Intelligent PTZ control
 - ❖ Automatic/event patrolling
 - ❖ Pause, Point&Click, to zone
- ❖ Active alerts
 - ❖ Save time
 - ❖ Respond faster
 - ❖ Replace operators



Milestone XProtect software benefits

Purely Digital Solution

Networking Benefits

Computerized Intelligence

Much more...

- ❖ Data integration
 - ❖ POS, ATM, ERP
 - ❖ Access Control, Alarms
- ❖ Equipment integration
 - ❖ Integrate with gates, doors, lights, ventilation, etc.
- ❖ Central management
 - ❖ of many locations
 - ❖ for backup/upgrade routines

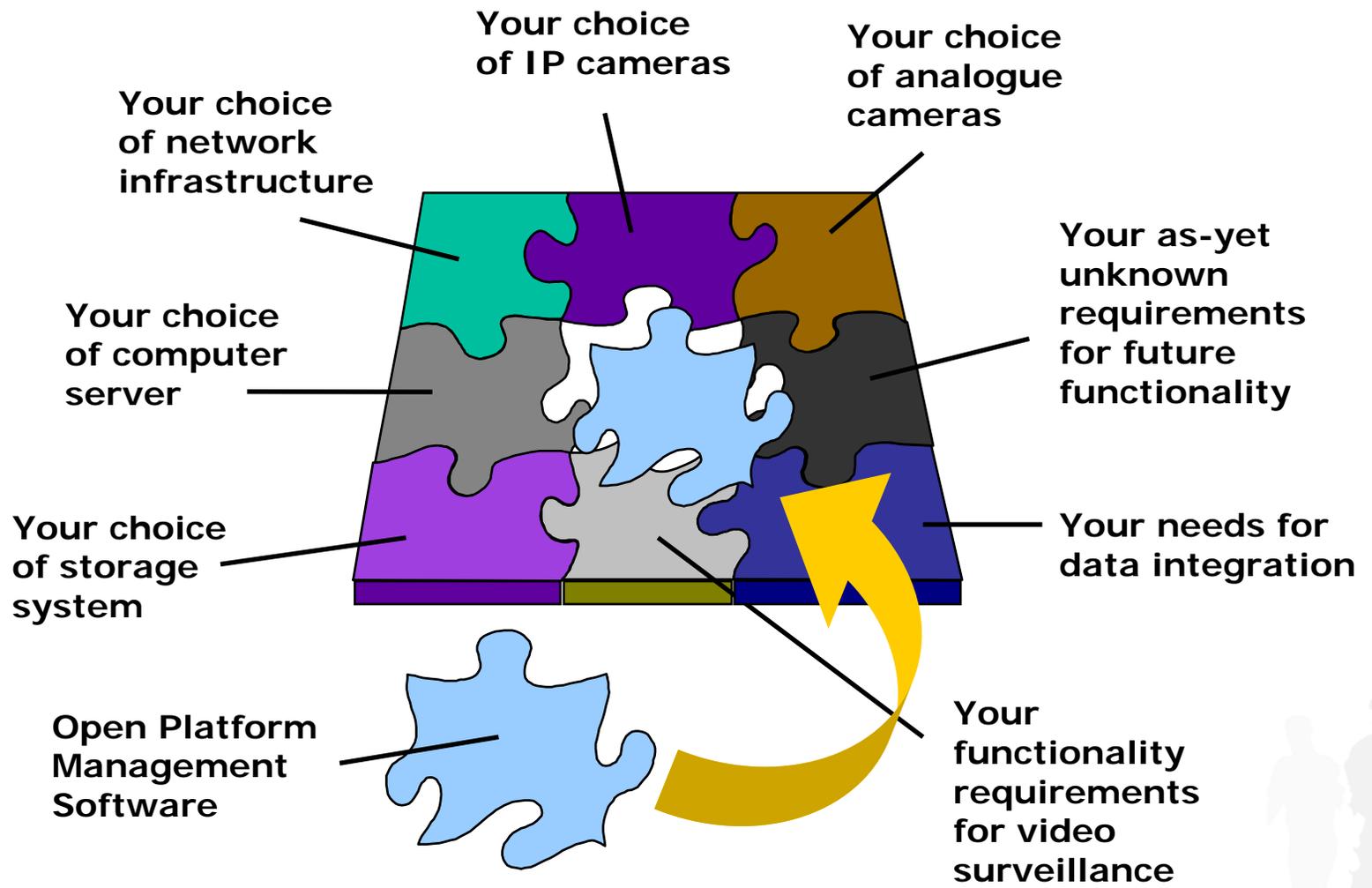


XProtect software provides flexibility and freedom of choice

- ❖ **Mix analog cameras with IP cameras.**
- ❖ **Mix cameras from multiple manufacturers – widest choice of IP models.**
- ❖ **Buy your preferred brand of network and computer hardware.**
- ❖ **Use CAT5, fiber, wireless or existing cable.**
- ❖ **Operate multiple cameras via the same cable.**
- ❖ **Buy the product that suits your needs now and easily scale up in future: performance & capacity only dependent on PC and network specs:**
 - ❖ **Need more performance? Upgrade your hardware.**
 - ❖ **Need more capacity? Add additional disks.**
 - ❖ **Want new features? Upgrade your software.**



The software is the core of the solution, federating all the system components





Milestone IP video surveillance applications *for more than just security.....*

- ❖ **Traditional security monitoring for**
 - ❖ Intrusion, theft, burglary, robbery
 - ❖ Vandalism, destruction of property
 - ❖ Fire alarm verification
 - ❖ Disorderly behavior, fights, rape
 - ❖ Hostage or terrorist situation overview
 - ❖ Traffic control and accidents
- ❖ **Newer uses for the technology**
 - ❖ Loss prevention and shrinkage reduction
 - ❖ Customer flow and people-counting
 - ❖ Internal fraud and error control
 - ❖ Procedure monitoring
 - ❖ Production Quality Assurance
 - ❖ Shipping & Delivery monitoring/dispute handling
 - ❖ Employee/Insurance claims resolution
 - ❖ Virtual inspections by authorities
 - ❖ Training

...protecting property, assets, and people.

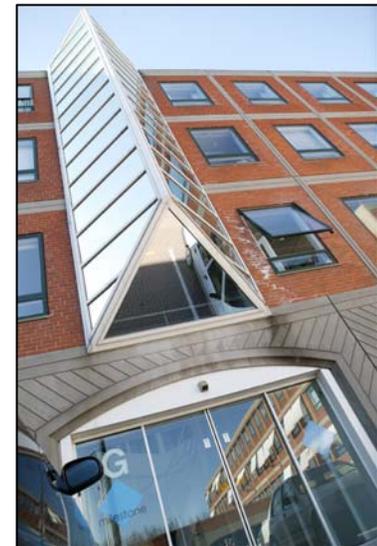


Milestone Systems – globally leading IP video surveillance software developer.

- ❖ Established in 1998 with 5 staff.
- ❖ 52 employees as of July 2005 (70% in R&D).
- ❖ Subsidiaries: Italy 2003 and USA 2005.
- ❖ Economically independent: revenue generated solely through the sale of software licences, consultant hours and maintenance.
- ❖ Multiple vendor support of 100+ IP hardware products from 20+ manufacturers.
- ❖ 9,000+ customers worldwide.
- ❖ Operating 90,000+ IP video cameras globally.
- ❖ Indirect sales channel in 55 countries through 170+ partners and distributors.



Milestone Headquarters



Milestone alliance partners



Milestone Customer References



Mallory Distribution Centers



See more at www.milestonesys.com!