



VisualGate Systems and Panasonic Recognize Global Market Opportunity for Surveillance Video Over Powerline

VisualGate Systems To Utilize Panasonic HD-PLC Technology For Product Expansion

Toronto – June 4, 2007 – VisualGate Systems today announced their intention to expand surveillance video over Powerline product offerings by adopting Panasonic's HD-PLC technology. VisualGate Systems and Panasonic will be demonstrating the integrated system at the HD-PLC booth at Computex B1226 being held in Taipei from June 5-9th.

VisualGate Systems develops and manufactures professional-grade video surveillance products and has recently launched the PL-VUE system, the first commercial application that embeds and optimizes Powerline technology. With the addition of Panasonic's HD-PLC technology, VisualGate Systems will continue in their development efforts to produce leading-edge Powerline solutions by improving on the system performance, robustness and functionality in order to meet the rigorous market demands of the security industry. Panasonic's ongoing development of the HD-PLC platform will also provide VisualGate Systems with the opportunity to further leverage this technical expertise in the future.

"This relationship underscores the commitment by both VisualGate Systems and Panasonic to expand and diversify the applications for this breakthrough Powerline technology," said David Kerzner, President and CEO of VisualGate Systems, "and we are excited about working with Panasonic to bring another innovative solution to the video surveillance market."

Both VisualGate Systems and Panasonic recognize that there is significant global market opportunity with this revolutionary advancement in technology, due to the confluence of the growth and demand for video surveillance and home monitoring, and the ability to deliver this in an uncomplicated and instantly functional solution, with minimal infrastructure costs.

"Panasonic is delighted that VisualGate Systems has selected HD-PLC as the Powerline communication technology to be adopted in its upcoming line of products which provide truly unique solutions for video surveillance," said Robin Sweeten, Group Manager, Strategic Marketing for the Panasonic Industrial Company. "VisualGate is a pioneer in using Powerline communication for security video applications, having discovered that the elimination of new wiring installation brought tremendous value, savings and convenience to its clients. For this reason, we are particularly pleased that they have joined the growing number of companies

supporting HD-PLC as the technology of choice for the throughput speed and stability it delivers”.

Powerline technology can set up instant networking within buildings by utilizing the existing electrical wiring. This allows video, audio and control data to be transmitted over the building’s wiring, which eliminates the need for additional cabling for video surveillance applications. This secure, non-invasive environment will benefit both commercial and residential customers.

About VisualGate Systems Inc.

VisualGate Systems Inc. is a market leader in the development and manufacturing of security grade video surveillance products and solutions over Powerline for commercial, government and residential applications. Both hardware and software solutions enable the reliable, commercial grade transmission of high quality audio and video signals over existing electrical wiring in any building, without having to run any video or LAN type cabling. Headquartered in Toronto, VisualGate Systems has international representation and serves a customer base around the globe. For more information about VisualGate Systems and its products, please visit the website at www.visualgatesystems.com.

About HD-PLC

HD-PLC, which stands for High Definition Power Line Communication, is a revolutionary new technology developed by Panasonic (Matsushita Electric Industrial Co., Ltd.), to provide seamless interactivity between consumer electronics and other products in the home. It permits secure, high-speed connectivity over existing home power lines. Available in the marketplace since 2006, the HD-PLC standard is winning worldwide attention as an easy-to-use, affordable home networking solution. For more information, visit: www.hd-plc.org

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