



tobii

First quarter 2016

May 4, 2016



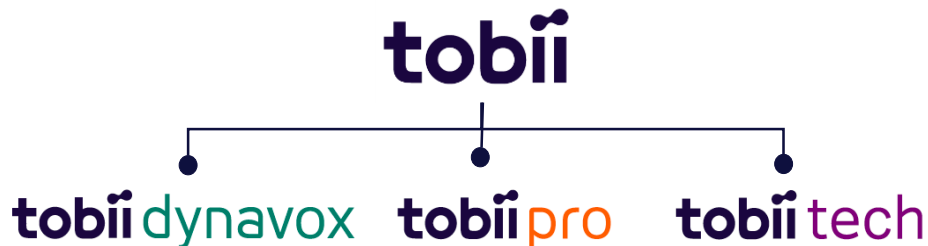
Henrik Eskilsson, CEO



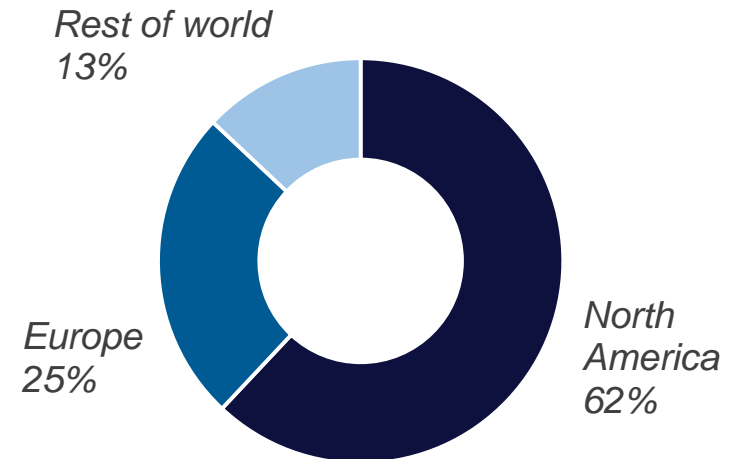
Esben Olesen, CFO

Tobii is the global leader in eye tracking

- World leader in eye tracking
- Founded in 2001
- Headquartered in Sweden, with 14 offices across Europe, North America and Asia
- 650+ employees
- Three strong business units:

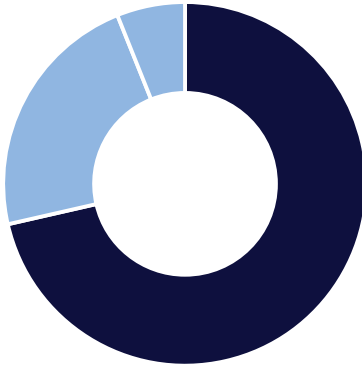


Sales per region (Q1 2016)



Tobii Dynavox

- Global leader in assistive technology for communication
- Market share close to 50%
- Provides products that enable tens of thousands of users with special needs to speak and communicate effectively
- Reimbursed through public and private insurance systems



*3/4 of Tobii
Group's sales*



Awareness and knowledge are key drivers for long-term growth



- Clip with Ian in Argentina:
<https://www.facebook.com/ajplusenglish/videos/673299416144902/>

- Clip with James and the fund raising for his eyegaze device:
<https://www.youtube.com/watch?v=MI4Gu8k0vt8&feature=youtu.be>
- Follow-up clip with James' teacher:
<https://www.youtube.com/watch?v=SHw3EnN5wKs>

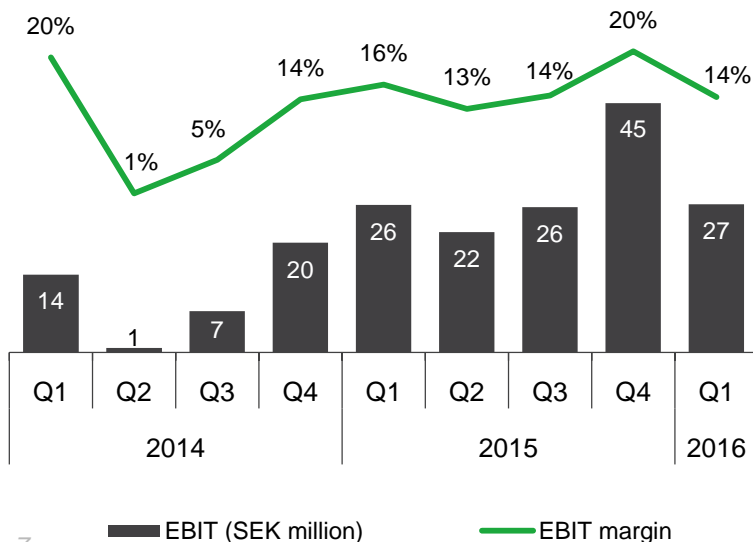
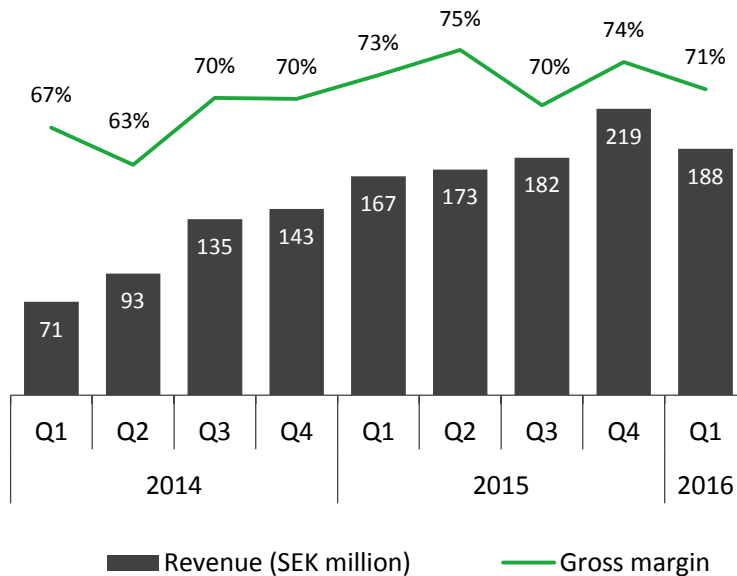
Product development

- Launched PCEye Mini, based on the new IS4 eye-tracker platform
- Launched a touch device specifically for the Chinese market
- Increasing R&D investments during 2016



PC Eye Mini

Q1 financials for Tobii Dynavox

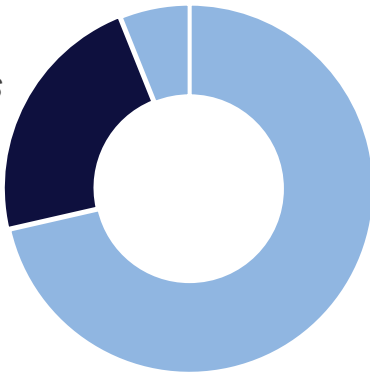


- Revenue increased 13% over Q1 2015, and by 12% adjusted for currency effects
 - Synergies from Dynavox acquisition
 - +4 MSEK one-time effect from Steve Gleason Act
- Gross margin decreased to 71% (73%)
 - Negatively impacted by 2 pp from reallocation of some costs from sales and admin to COGS
- EBIT margin was 14% (16%)
 - 5 MSEK one-time currency effect on working capital
 - +3 MSEK one-time effect from Steve Gleason Act
 - 20% increase in R&D spend

Tobii Pro

- World leader in eye tracking solutions for understanding human behavior
- Market share close to 50%
- Provides eye tracker hardware and analytics software, plus market research consulting
- 1,500 academic and 2,000 commercial customers

*1/5 of Tobii
Group's sales*



Glasses 2 opens up more segments



Simulators



Industrial processes

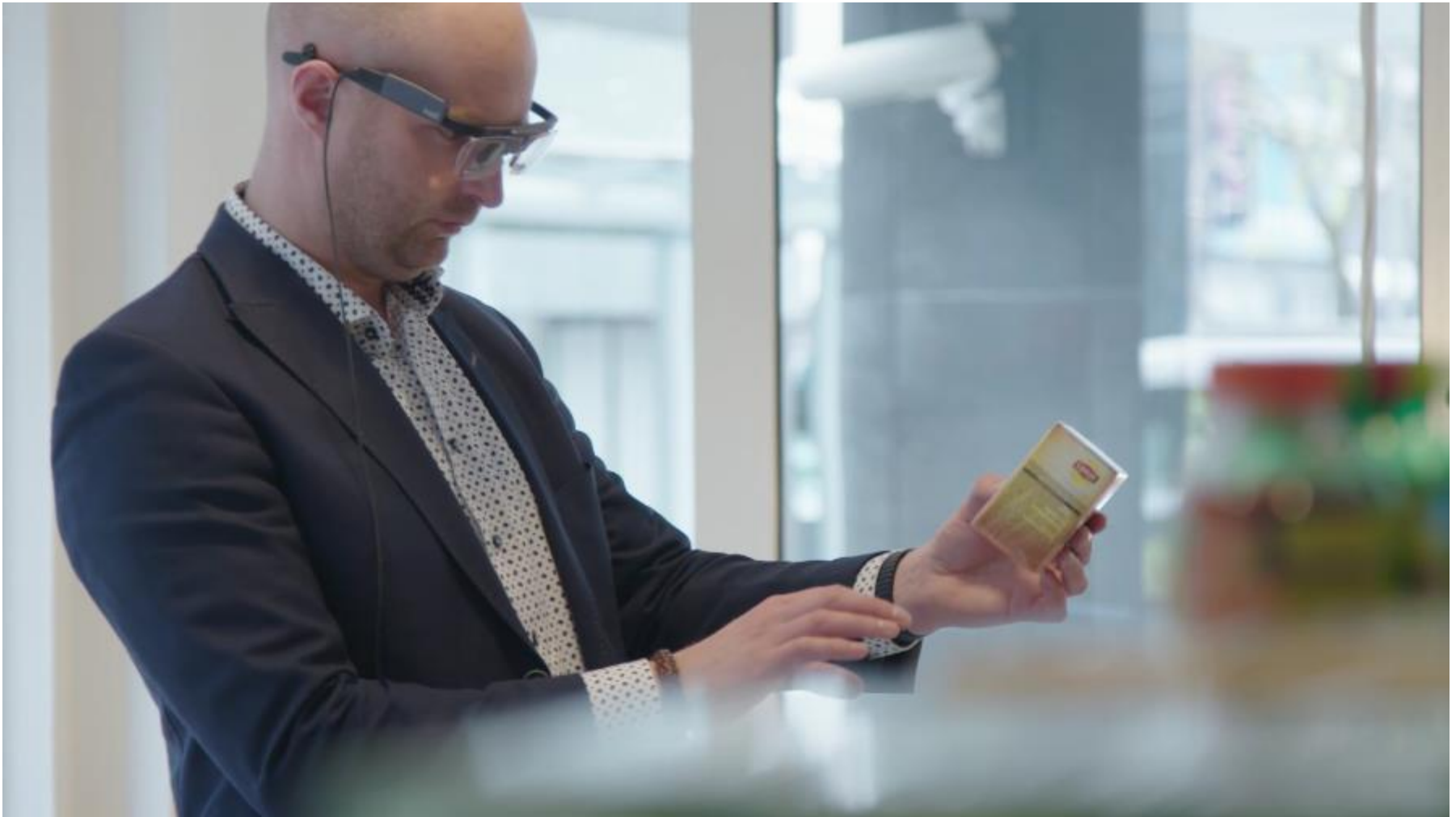


Sports



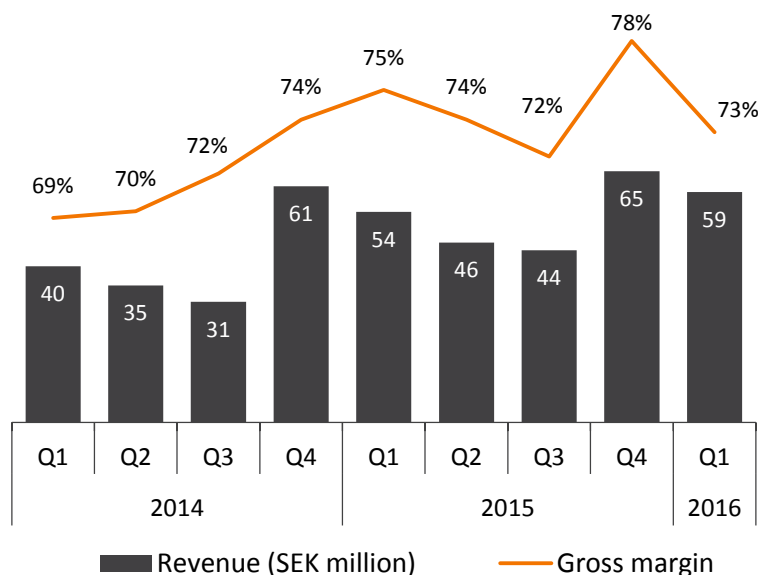
Ethnographic studies

Unilever on eye tracking

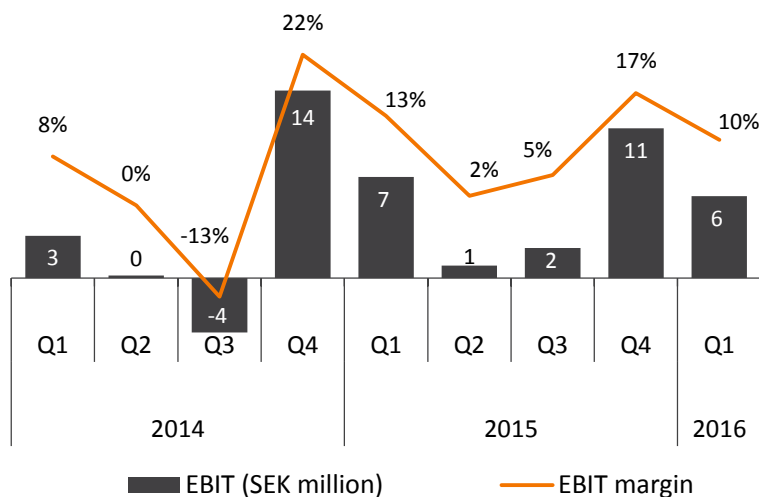


<http://tobii.23video.com/eye-tracking-in-consumer-research-with-unilever>

Q1 financials for Tobii Pro



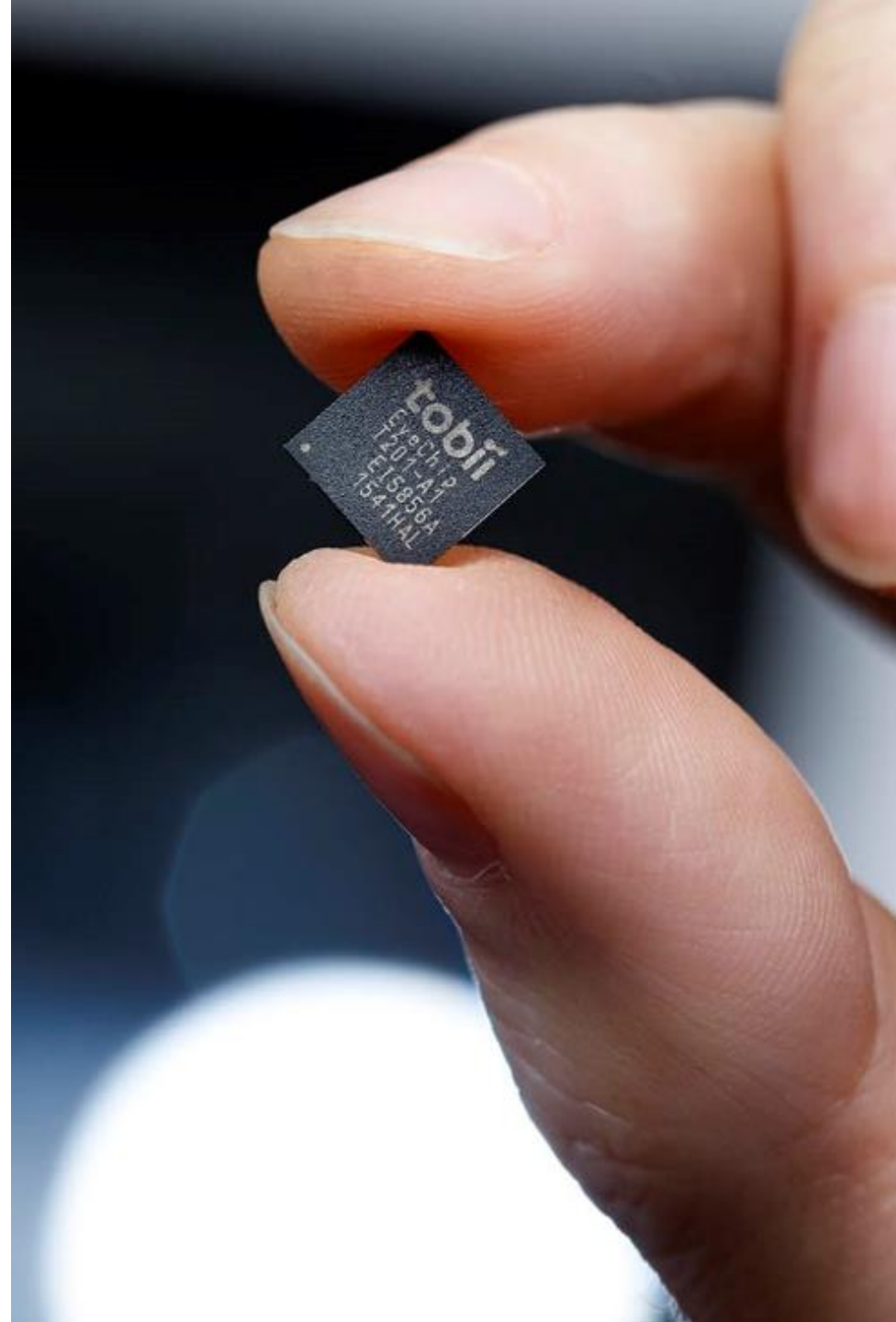
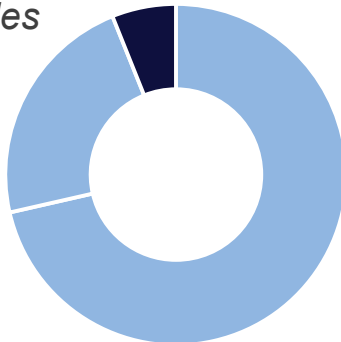
- For Tobii Pro, the 4th quarter tends to show significantly higher sales than other quarters
- Revenue increased 9% over Q1 2015, and by 8% adjusted for currency effects
 - Strong sales of Glasses 2 and X3-120
 - Strong sales of Insight research services
- Gross margin was 73% (75%)
 - Negatively impacted by reallocation of some costs from sales and admin to COGS
- EBIT margin was 10% (13%)
 - 42% higher net R&D spend – both higher absolute R&D as well as higher amortizations of capitalized R&D



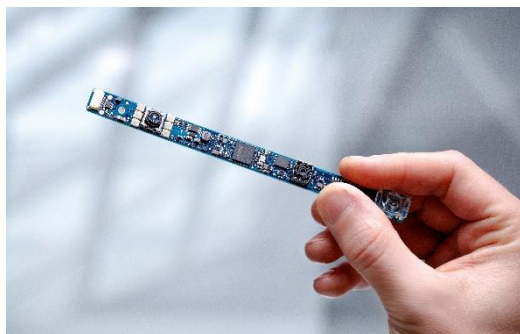
Tobii Tech

- Provides components and platforms for eyetracking to integration customers
- Targets new volume markets such as computer gaming, computers, virtual reality, automotive and medical devices

*~5% of Tobii
Group's sales*



Tobii Tech, Q1 Highlights



Tobii IS4 ready for volume production and first products to integrate the platform announced by Tobii Dynavox



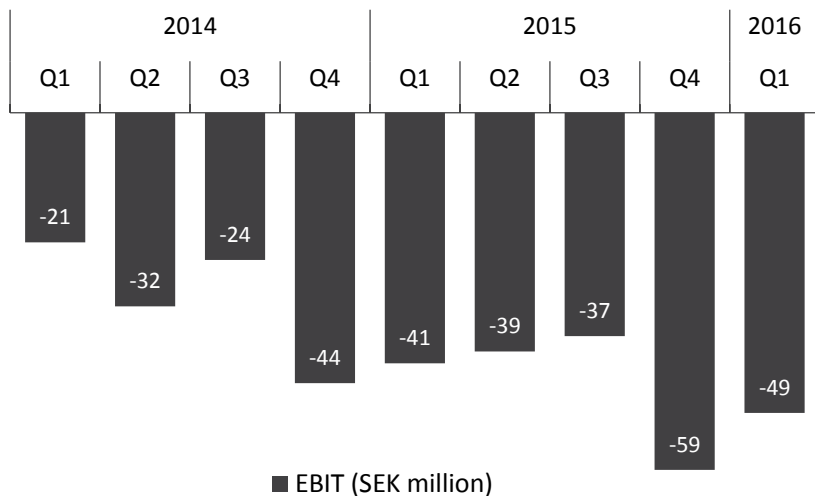
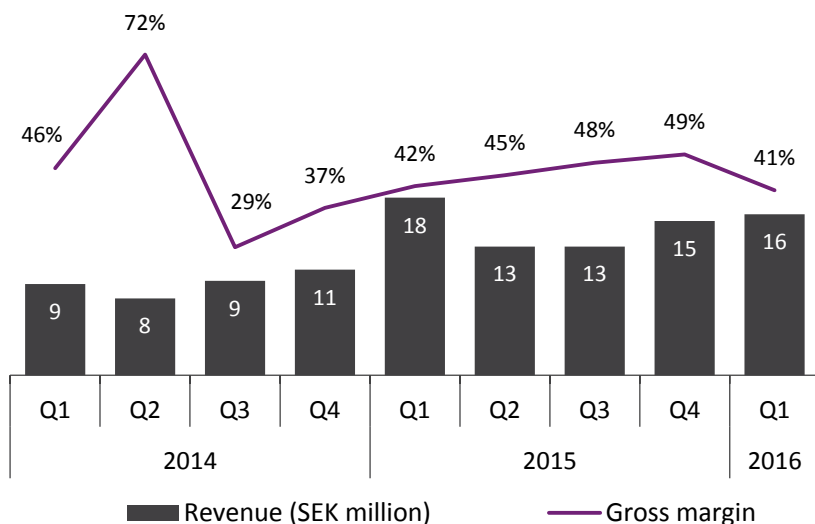
MSI launched the world's first gaming notebook with eyetracking – MSI GT72 Tobii



Ubisoft launched two blockbuster PC games with support for Tobii eye tracking – Tom Clancy's The Division and Assassin's Creed Syndicate

For a list of games supporting Tobii eye trackers, go to www.tobii.com/xperience/apps/

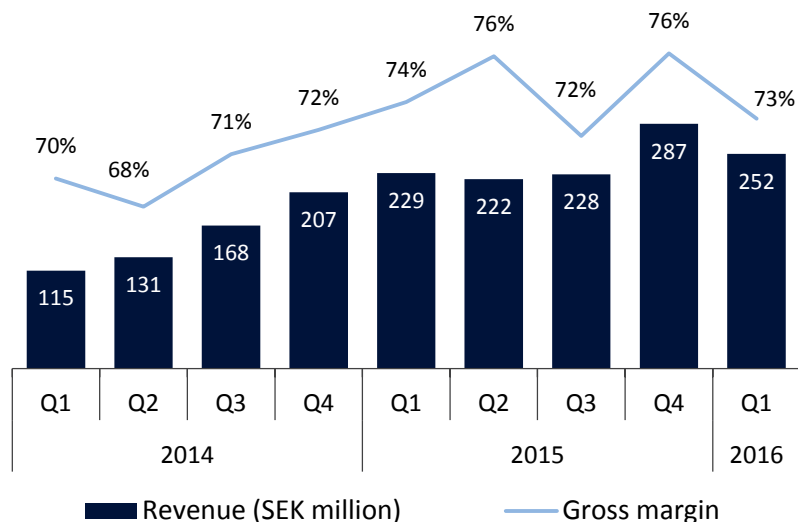
Q1 financials for Tobii Tech



- Revenue is still very modest, and a majority comes from sales of eye tracker platforms to Tobii Dynavox and Tobii Pro
- Revenue decreased by 9% from Q1 2015, and by 10% adjusted for currency effects
- Gross margin was 41% (42%)
- EBIT loss amounted to -49 MSEK (-41)
 - Increased net R&D spend due to lower capitalization of R&D
 - Increased investments in marketing and business development

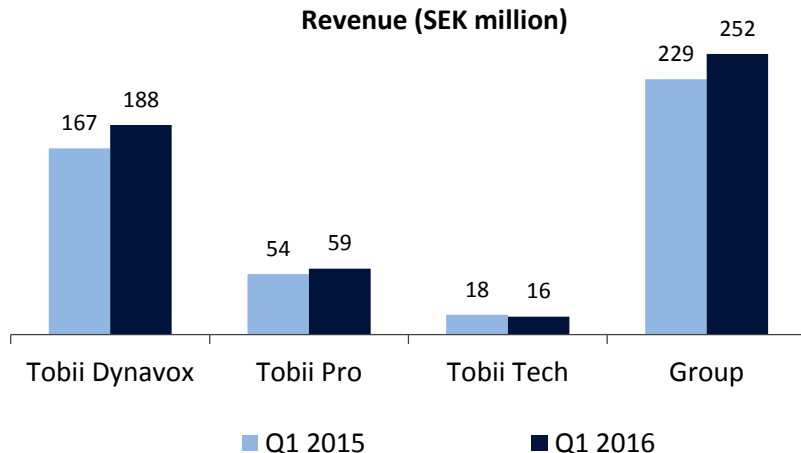
Tobii Group, Q1 2016

Revenue and Gross Margin

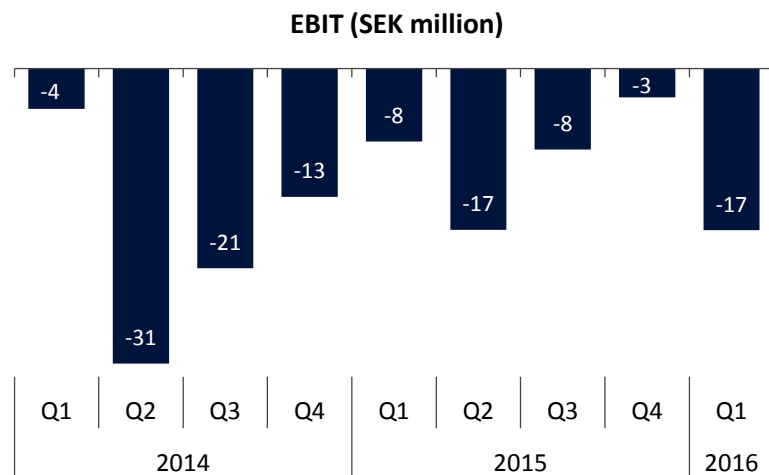


- Revenue increased 10% over 2015, and by 9% adjusted for currency effects
 - Organic revenue growth in Tobii Dynavox and Tobii Pro
 - Decline in Tobii Tech, due to reduction of paid development cost in Q1 2016
- Gross margin 73% compared to 74% last year.
 - Negatively impacted from reallocation of some costs from sales and admin to COGS

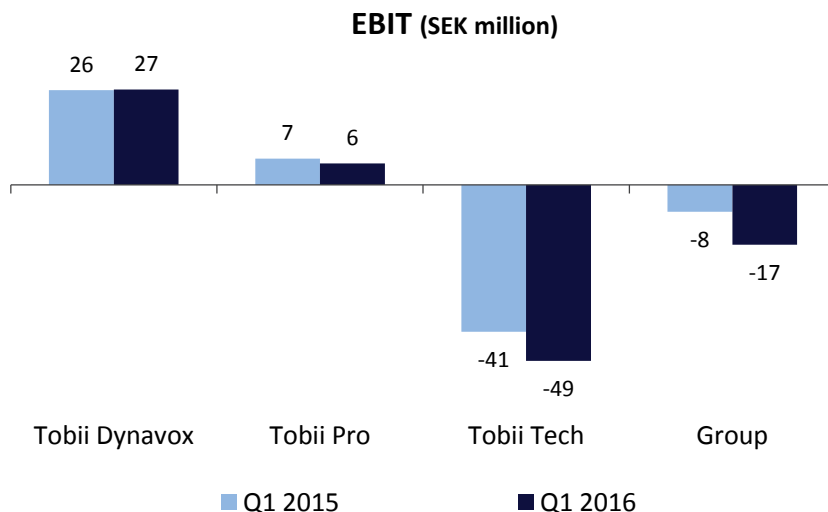
Revenue (SEK million)



Tobii Group, Q1 2016



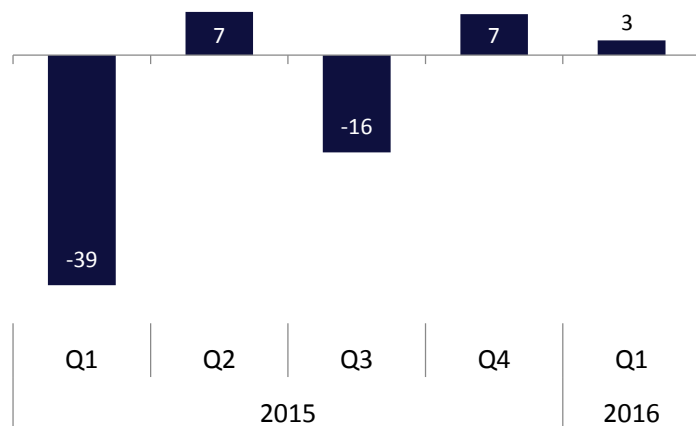
- Group EBIT -17 MSEK (-8)
- EBIT in Tobii Dynavox and Tobii Pro in line with last year.
- EBIT 8 MSEK lower than last year
 - Increased net R&D spend due to lower capitalization of R&D
 - Increased investments in marketing and business development



Balance Sheet & Cash Flow

Tobii Group (MSEK)	Q1 2016	Q1 2015
Total Assets	1 007	770
Equity	774	382
Equity Ratio	77%	50%
Net Cash (+)/Net Debt(-)	+371	-63
Cash flow after continuous investments	+2	-39

- Total Assets impacted by the IPO, where the company received 434 MSEK net cash
- Strong balance sheet with high Equity ratio of 77%
- Strong cash position +371 in Cash – no loans
 - Current unutilized bank facilities 170 MSEK
- Cash flow improved due to positive development in Trade Working Capital



■ Cash flow after Investments

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Q&A