



Fourth quarter and full year 2015

Feb. 16, 2016



Henrik Eskilsson, CEO



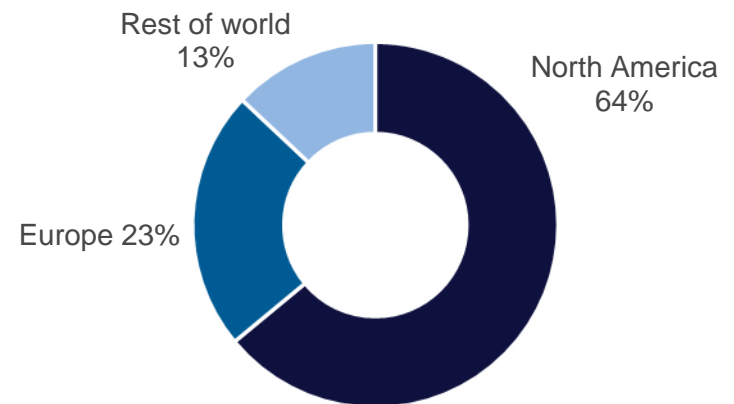
Esben Olesen, CFO

Tobii is the global leader in eye tracking

- World leader in eye tracking
- Founded in 2001
- Headquartered in Sweden, with offices in the US, China, Japan, Germany, UK, Norway, South Korea and Taiwan
- >600 employees
- IPO on Nasdaq Stockholm April 2015
- Three strong business units:

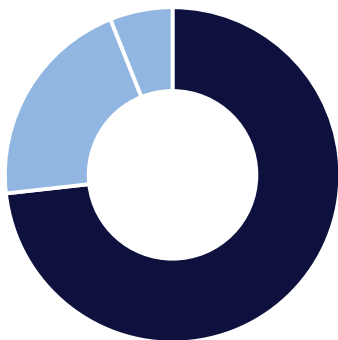


Sales per Region, 2015



Tobii Dynavox

- Global leader in assistive technology for communication, with close to 50% market share
- Provides products that enable several tens of thousands of users with special needs to speak and communicate effectively
- Reimbursed through public and private insurance systems
- Doubled size of business unit through acquisition of DynaVox Systems LLC in May 2014



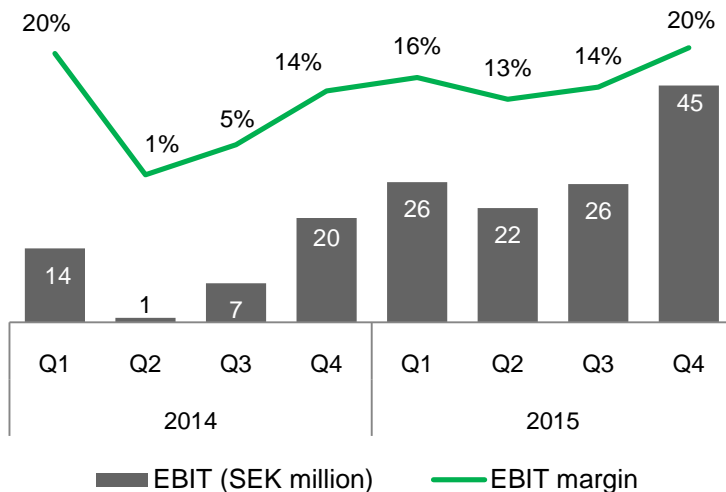
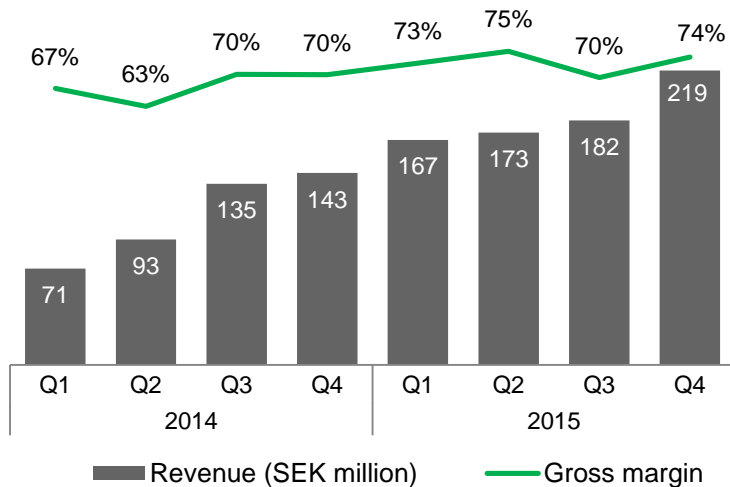
*3/4 of Tobii
Group's sales*



Tobii Dynavox, Q4 Highlights

- Growth in both North America and Europe
- Growth in all main segments: eye tracking, touch devices and special education software
- Steve Gleason Act took effect in October. A concrete effect of this was a one-time impact on revenue as Medicare converted many rental contracts to purchase

Tobii Dynavox, Q4 Financials



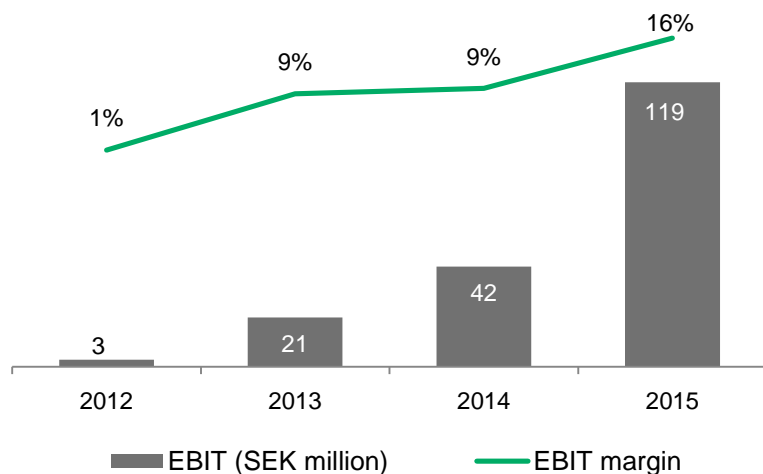
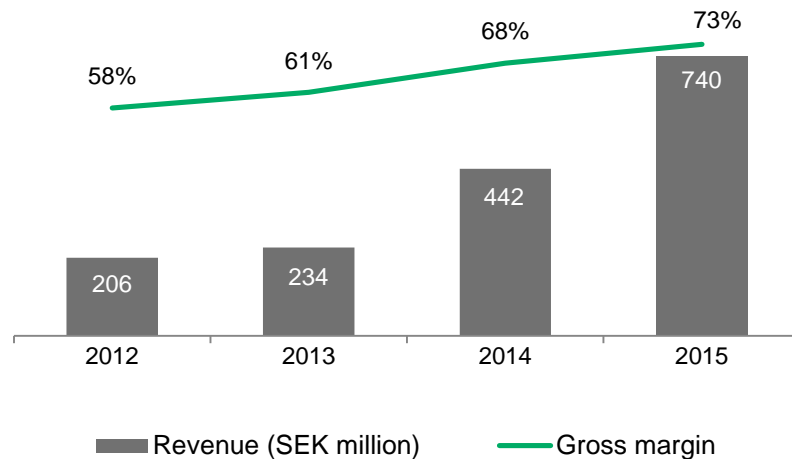
- Revenue increased 54% over Q4 2014, and by 43% adjusted for currency effects
- 23 MSEK of revenue was a one-time effect from Steve Gleason Act. Adjusted for this and currency, growth was 26%
- Gross margin improved to 74% from 70%
 - Increased share of direct sales
 - Positive synergy effects
- EBIT margin improved to 20% from 14% in Q4 2014
 - One-time effect from Steve Gleason Act contributed to EBIT with ~15 MSEK
 - Organic growth, improved gross margin and synergies contributed favorably
 - 11 MSEK increase in net R&D
 - Currency effects had no significant impact on EBIT margin

Tobii Dynavox, Full Year Highlights

- Successful integration of Dynavox Systems into Tobii Dynavox
 - Acquisition in May 2014 doubled the size of the business unit
 - During 2015 finished deep integration of sales, R&D and back-end/operations organizations
 - Strong synergy effects evident in revenue growth and margin improvements
- Steve Gleason Act improves funding through Medicare
 - Championed by Tobii Dynavox, the ALS Association, the American Speech-Language Hearing Association and several other interest groups
 - One-time revenue impact in Q4 2015 from rental conversions, but also expect positive long-term effects
- High pace of new product introductions
 - I-series+, T7, T10+, PC Eye Explore, Communicator 5, several versions of Compass software, Accessible Literacy Learning (ALL), Boardmaker curriculum content as well as many other feature improvements and upgrades



Tobii Dynavox, Full Year Financials

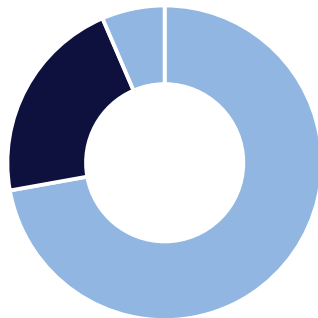


- Revenue increased 68% over 2014, and by 51% adjusted for currency effects
 - Only 7 months of Dynavox Systems revenue in 2014 numbers
 - 23 MSEK one-time effect from Steve Gleason Act
 - Sales synergy effects
 - Organic growth
- Gross margin improved to 73% from 68%
 - Increased share of direct sales
 - Increased production efficiency
- EBIT margin improved to 16% from 9%
 - One-time effect from Steve Gleason Act contributed to EBIT with ~15 MSEK
 - Organic growth, improved gross margin and synergies contributed favorably
 - Currency effects had no significant impact on EBIT margin

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 projects
- 1,500 academic and 2,000 commercial customers

*1/5 of Tobii
Group's sales*

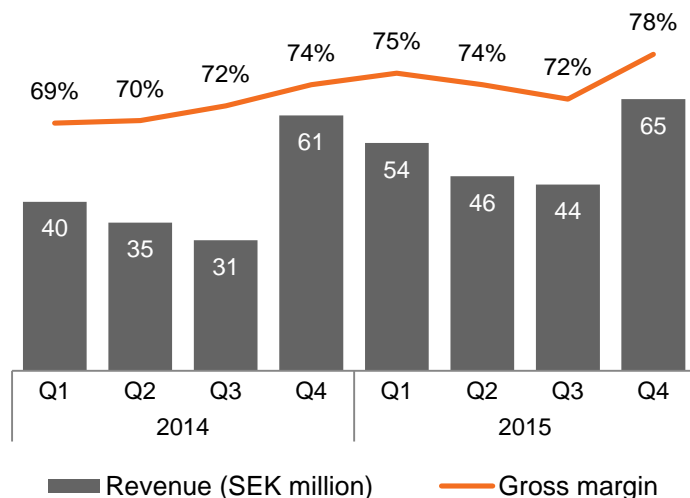


Tobii Pro, Q4 Highlights

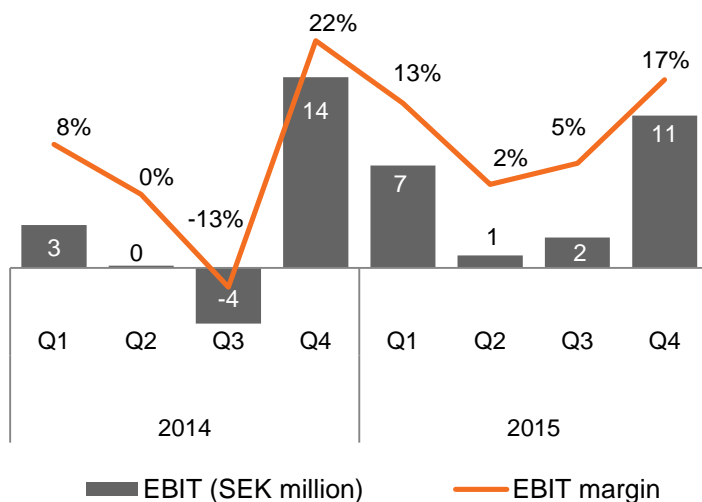
- Continued strong momentum for Glasses 2 sales
- Strong sales of new X3-120 eye tracker
- Strong quarter for Tobii Insight services sales
- Launched 100 hz version of Glasses 2 product, as well as several additional improvements to the Glasses 2 HW+SW solution



Tobii Pro, Q4 Financials



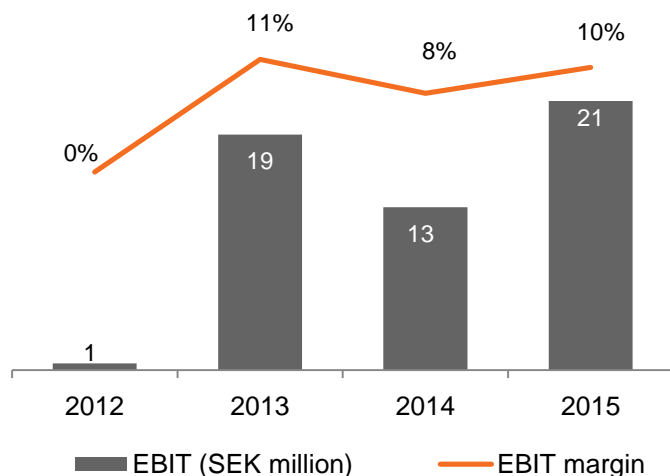
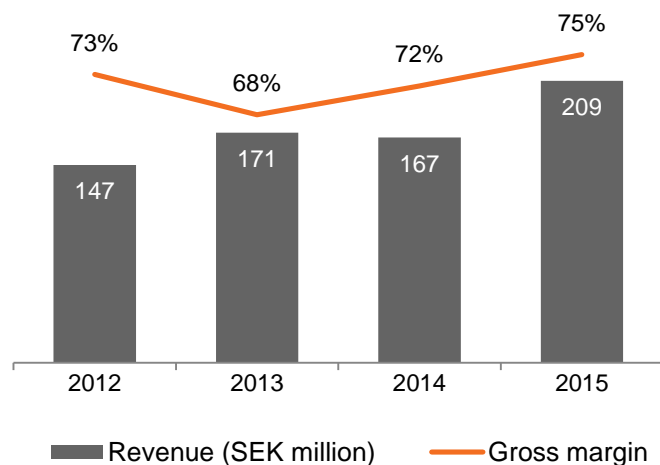
- For Tobii Pro, 4th quarter tends to show significantly higher sales than other quarters – also the case in 2015
- Revenue increased 6% over Q4 2014, and by 6% adjusted for both currency effects and order backlog effects
- Gross margin improved to 78% from 74%
 - Production efficiencies
 - Positive currency effects
- EBIT margin declined to 17% from 22% in Q4 last year
 - Lower capitalization and higher amortization of R&D contributed with -8 MSEK EBIT effect



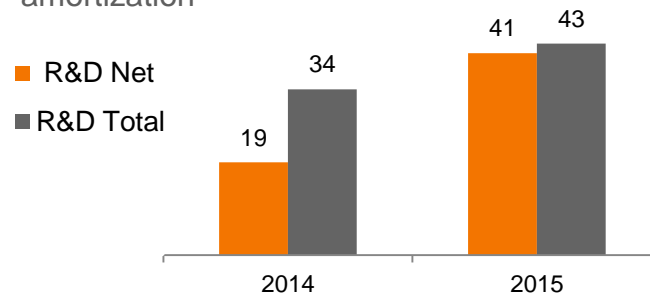
Tobii Pro, Full Year Highlights

- Glasses 2 a great success – has led to significant increase in sales and estimated market share in wearable eye tracking
- Continued price reductions led to lower sales of low/mid end screen-based eye trackers
- Reinforced Tobii Insight services business
 - Conducted over 150 eye-tracking research projects during the year
- Increased investments in product development
 - Launched numerous improvements to the Glasses 2 solution
 - Launched X3-120 eye tracker
 - Invested in developments that will lead to new hardware and software products in 2016
- Significant positive currency impact on both revenue and margins

Tobii Pro, Full Year Financials



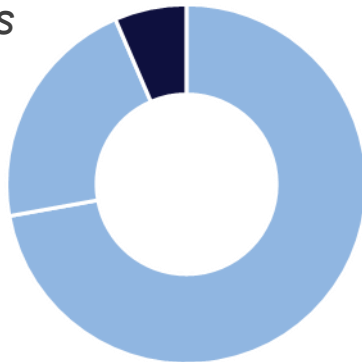
- Revenue increased 25% over 2014, and by 6% adjusted for both currency and order backlog effects
- Gross margin improved to 75% from 72%
 - Increased production efficiency
 - Positive currency effects
 - Lower unit costs for new products
- EBIT margin improved to 10% from 8%
 - Driven by higher sales and improved gross margins
 - Despite significantly higher net R&D spend, which in turn is combination of higher total R&D expenditures, lower capitalization and higher amortization



Tobii Tech

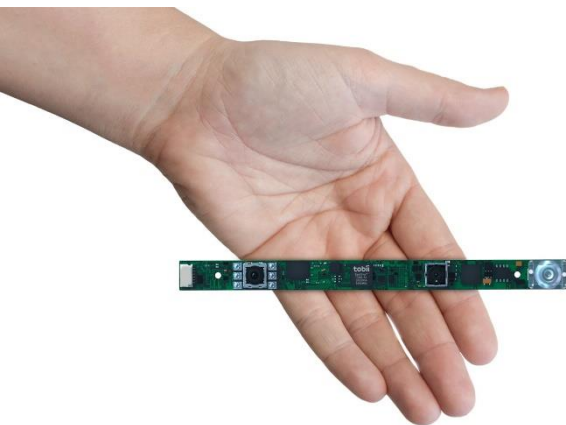
- Provides components and platforms for eyetracking to OEM customers
- Targets new volume markets such as computer gaming, computers, virtual reality, automotive and medical devices

~6% of Tobii Group's sales

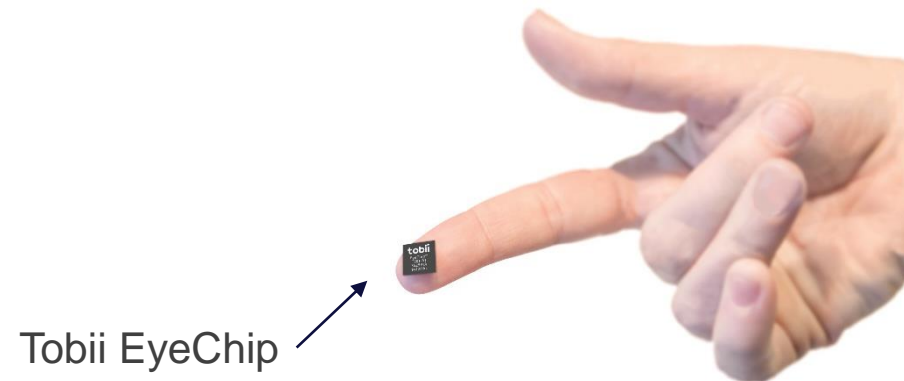


Tobii Tech, Q4 Highlights

- First order from game PC manufacturer MSI
 - In Jan 2016, MSI launched the MSI GT72 Tobii
 - Very high-end device implies low sales volumes
- Announced the Tobii IS4 eye tracker platform, and the Tobii EyeChip (world's first ASIC for eye tracking)



Tobii IS4 platform



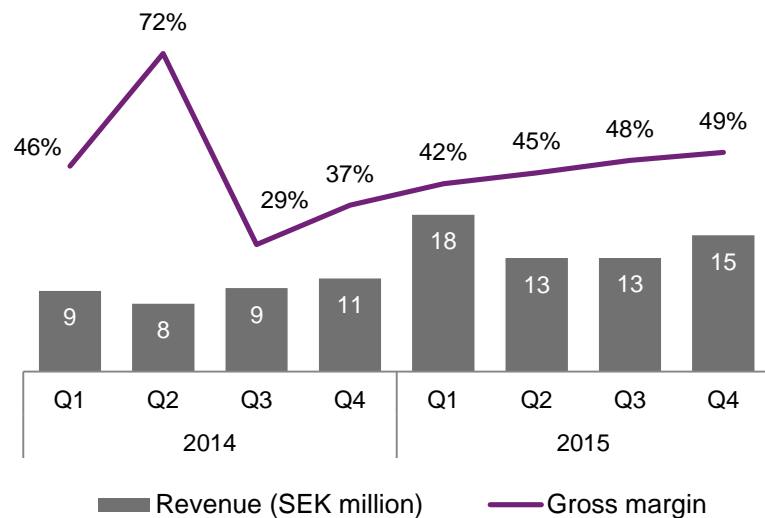
Tobii EyeChip

Tobii Tech, Q4 Highlights, cont.

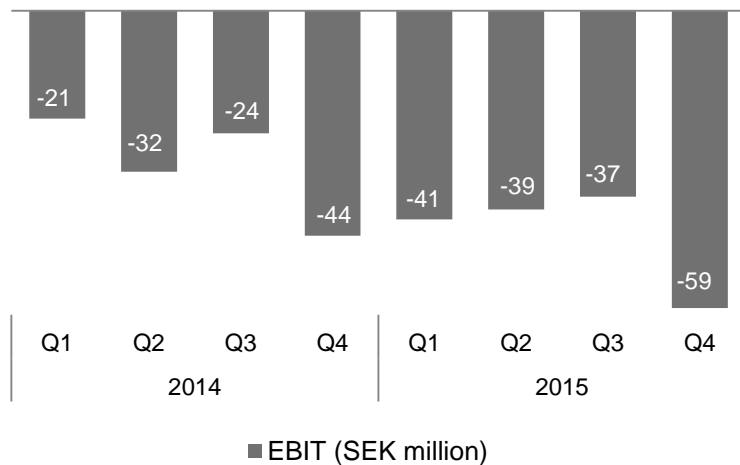
- Microsoft has validated Tobii's eye-tracking sensor for Windows Hello face login
- In Jan 2016, we announced that two major game titles from Ubisoft – *The Division* and *Assassin's Creed Syndicate* – will feature eye tracking integration
- Signed agreement with an optometry device company to supply eye-tracking platforms. Estimated order value 7-18 MSEK
- Acquired a patent family related to eye tracking user experiences



Tobii Tech, Q4 Financials



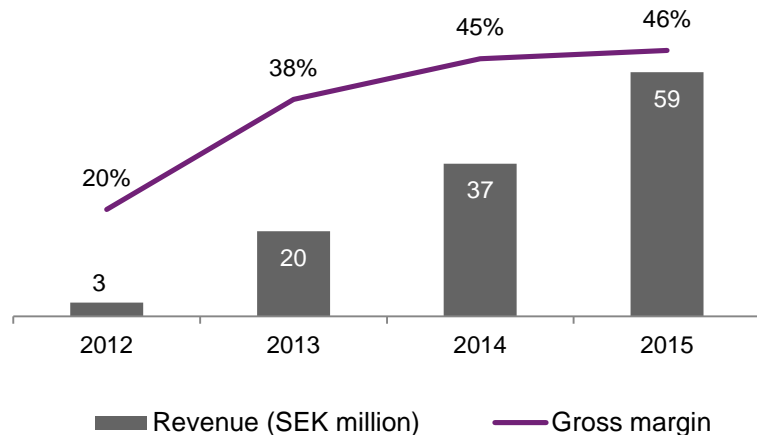
- Revenue increased 46% over Q4 2014, and by 33% adjusted for currency effects
- Revenue is still very modest, and a majority comes from sales of eye tracker platforms to Tobii Dynavox and Tobii Pro
- Gross margin improved to 49% from 37%
- EBIT loss amounted to -59 million (-44)
 - Increased sales and marketing investments, primarily to encourage and collaborate with game developers
 - Increased net R&D spend



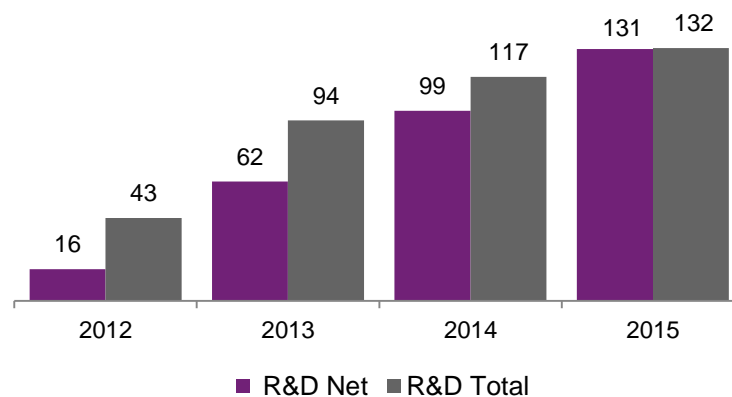
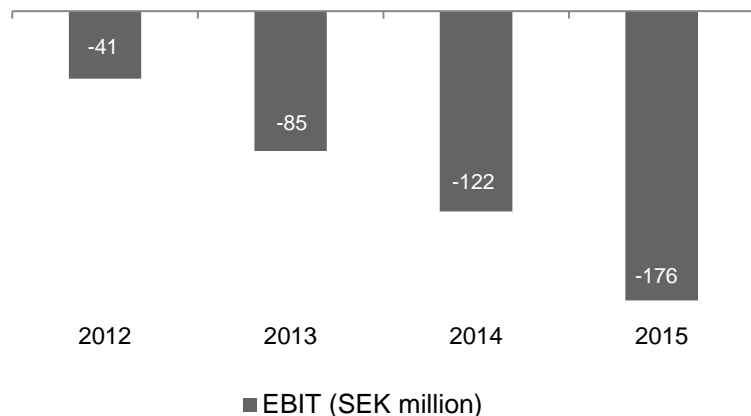
Tobii Tech, Full Year Highlights

- Development of IS4 eye tracker platform and EyeChip
- Development of own software to enable new user experiences using eye tracking
- Marketing activities, primarily towards game studios, to encourage and incentivize them to integrate eye tracking into games
- First three major game titles that integrate Tobii eye tracking (plus two in Jan 2016)
- First order from computer manufacturer (MSI) for integration of Tobii eye tracking into gaming laptops
- Development of eye tracking technology for virtual reality
- Reliable and high-quality supply of eye tracker platforms to Tobii Dynavox and Tobii Pro

Tobii Tech, Full Year Financials

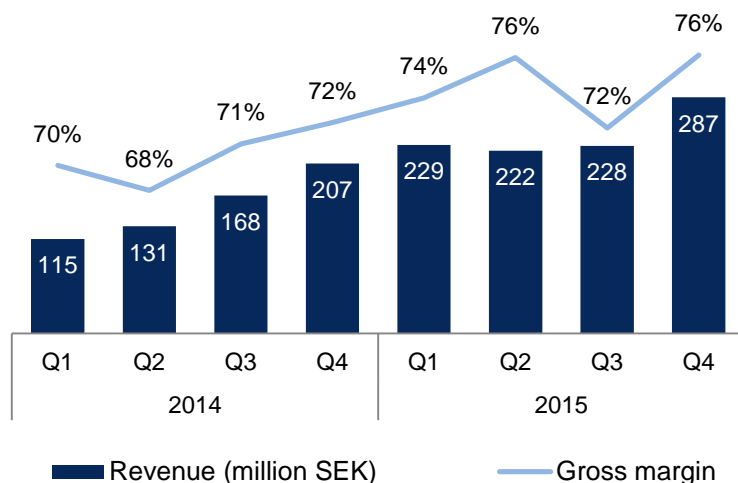


- Revenue increased 60% over 2014, and by 43% adjusted for currency effects
- Gross margin was 46% (45%)
- Net R&D spend increased to 131 MSEK (99)
 - Higher total R&D spend
 - Lower capitalization of R&D
- EBIT loss amounted to -176 MSEK (-122)



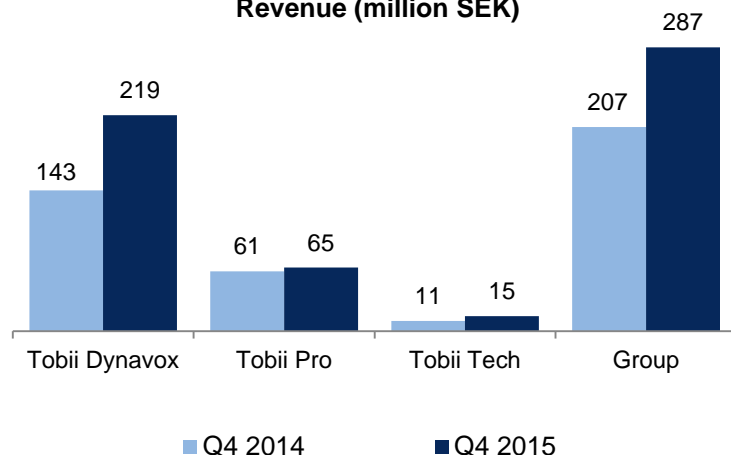
Tobii Group, Q4 2015

Revenue and Gross Margin



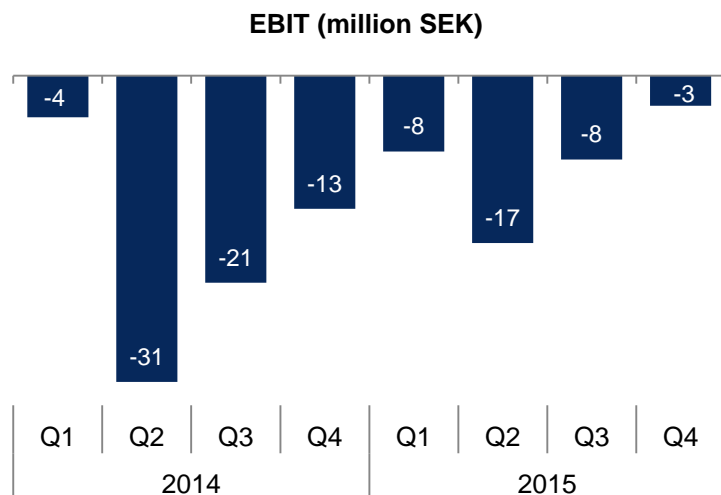
- Revenue increased 39% over 2014, and by 29% adjusted for currency effects
 - Organic revenue growth in all three business units
 - 23 MSEK one-time effect from Steve Gleason Act
 - “Q4 effect” in Tobii Pro

Revenue (million SEK)

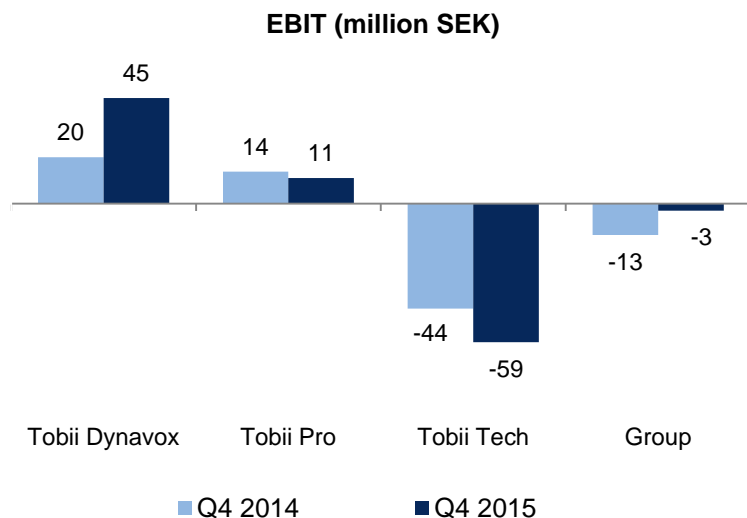


- Gross margin improved to 76% from 72%

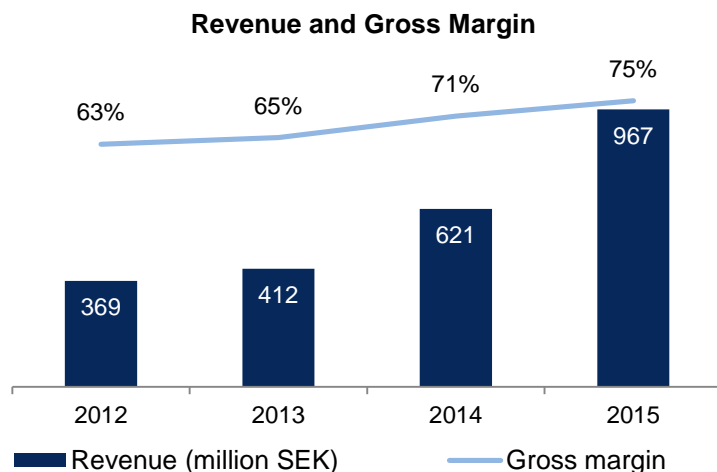
Tobii Group, Q4 2015



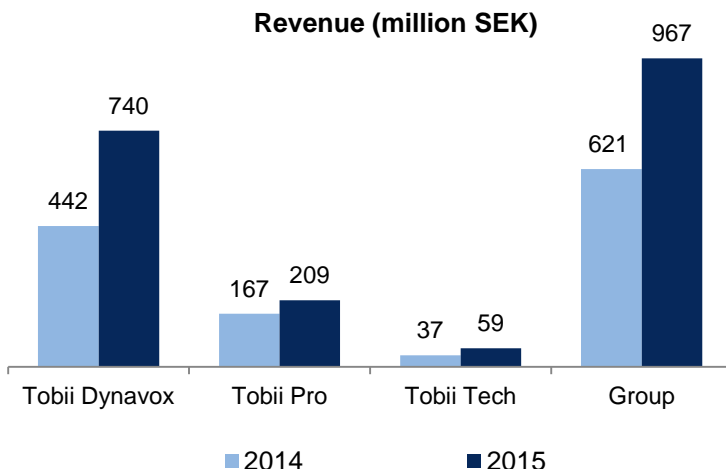
- Group EBIT improved to -3 MSEK (-13)
- Significantly improved EBIT and EBIT margin in Tobii Dynavox, in part by ~15 MSEK one-time EBIT effect from Steve Gleason Act
- Increased investments into Tobii Tech
- Lower capitalization and higher amortization of R&D



Tobii Group, Full Year 2015

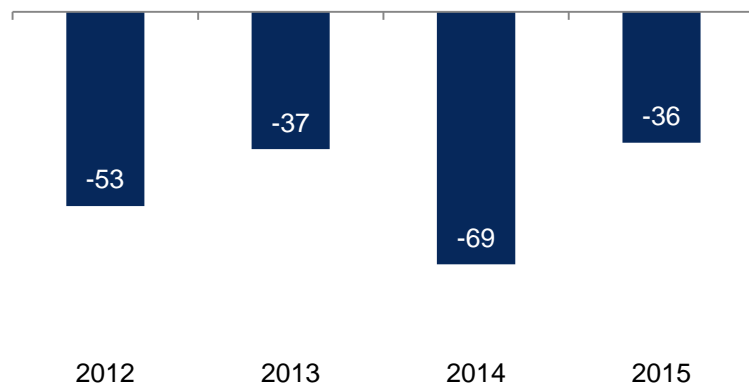


- Revenue increased 56% over 2014, and by 41% adjusted for currency effects
- Only 7 months of Dynavox Systems revenue in comparison year 2014
- Organic revenue growth in all three business units
- Gross margin improved to 75% from 71%



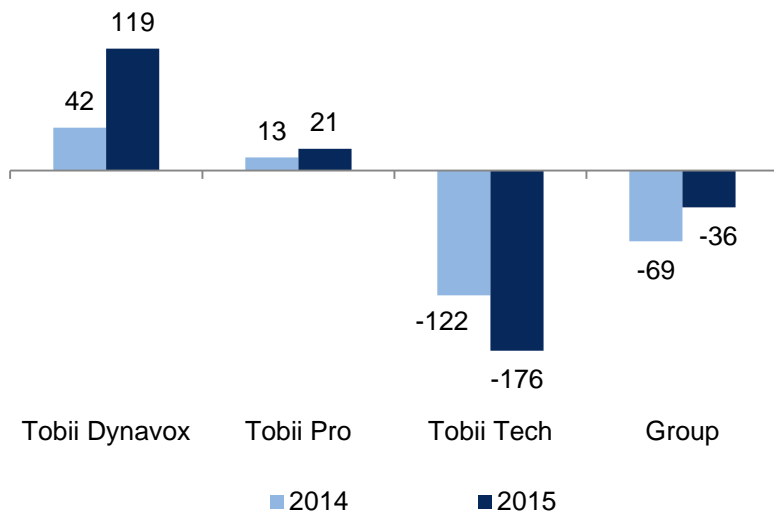
Tobii Group, Full Year 2015

EBIT (million SEK)

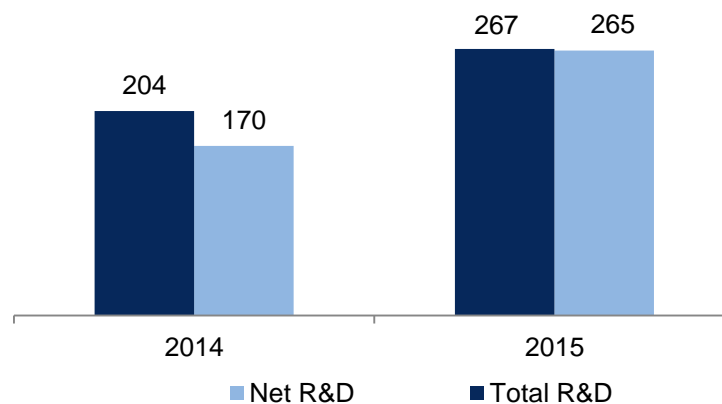


- Group EBIT improved to -36 MSEK (-69)
- Significantly improved EBIT and EBIT margin in Tobii Dynavox and Tobii Pro
- Increased investments into Tobii Tech
- Lower capitalization and higher amortization of R&D

EBIT (million SEK)



Total and Net R&D (million SEK)



Balance Sheet & Cash Flow

Tobii Group (MSEK)	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014
Total Assets	1 035	1 040	1 053	770	753
Equity	794	802	810	382	389
Equity Ratio	77%	77%	77%	50%	52%
Net Cash (+)/Net Debt(-)	+371	+365	+383	-63	-15
Cash flow after continuous investments	+7	-16	+7	-36	-45

- Total Assets impacted by the IPO, where the company received 429 MSEK net cash
- Strong balance sheet with high Equity ratio of 77%
- Strong cash position +371 MSEK in Cash – no loans
 - Current unutilized bank facilities 170 MSEK
- Cash flow improved due to positive development in Tobii Dynavox and Tobii Pro

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Q&A