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Press release

Stockholm, November 24, 2016

Tobii announces terms for rights issue

Tobii AB (publ) (the “Company” or “Tobii”) announced on November 7, 2016, that the Board of Directors had resolved to, subject to the approval by the Extraordinary General Meeting, launch a rights issue for large-scale initiatives on eye tracking in virtual reality and smartphones. Today, Tobii’s Board of Directors announces the final terms and conditions for the rights issue.

Summary

- Shareholders in Tobii have preferential right to subscribe for one (1) new share per ten (10) existing shares, i.e. an issue ratio of 1:10.
- The subscription price is SEK 52 per new share, which results in total issue proceeds of approximately SEK 458 million before issue costs, assuming that the rights issue is fully subscribed¹.
- The rights issue is subject to approval by the Extraordinary General Meeting on November 30, 2016.
- The last day of trading in the Tobii share including the right to participate in the rights issue is November 30, 2016.

Terms and conditions for the rights issue

Those who are registered by Euroclear Sweden AB as shareholders in Tobii on the record date December 2, 2016, have preferential rights to subscribe for new shares in the rights issue. For each share held in Tobii one (1) subscription right is received. Ten (10) subscription rights entitle to subscription of one (1) new share. In addition, investors are offered to subscribe for shares without subscription rights.

If not all shares are subscribed for with support of subscription rights, the Board of Directors will resolve on the allocation of shares subscribed for without subscription rights as follows: firstly, allocation should be completed to those who have applied for subscription and subscribed for shares with support of subscription rights, regardless if the subscriber was a shareholder at the record date or not, and in case of over-subscription, in relation to the number of subscription rights each has exercised in the subscription of shares, and secondly allocation shall be completed to others who have applied for subscription without support from subscription rights and, in case of over-subscription, in relation to the number of shares indicated in each subscription application and in case this cannot be completed, by means of lottery.

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The record date of Euroclear Sweden AB for determining which holders of shares are entitled to receive subscription rights is December 2, 2016. The shares are traded including the right to participate in the rights issue up to and including November 30, 2016.

Assuming that the rights issue is fully subscribed, the share capital will be increased by a maximum of SEK 63,962.63 by a new issue of a maximum of 8,814,003 shares. Assuming full subscription, total issue proceeds amount to approximately SEK 458 million before issue costs¹⁾.

Subscription of new shares shall be made during the period from and including December 6, 2016, up to and including December 20, 2016. Tobii's Board of Directors has the right to extend the subscription period. Any extension will be published by the Company no later than December 20, 2016.

Shareholders who choose not to participate in the rights issue will have their ownership diluted by approximately 9 per cent, but are able to financially compensate themselves for this dilution by selling their subscription rights.

The rights issue is subject to approval by the Extraordinary General Meeting which will be held on November 30, 2016, at 15:00 a.m. CET at Nalen, Stacken conference room, David Bagares gata 17, Stockholm. Notice of the Extraordinary General Meeting was published on November 7, 2016, and is available on Tobii's website, www.tobii.com.

Timetable

November 30, 2016	Extraordinary General Meeting of Tobii
November 30, 2016	Last day of trading in the Tobii share including the right to participate in the rights issue
December 1, 2016	First day of trading in the Tobii share excluding the right to participate in the rights issue
December 2, 2016	Publication of the prospectus
December 2, 2016	Record date for the rights issue, that is, shareholders who are registered in the share register on this date will receive subscription rights that allow for participation in the rights issue
6 – 16 December 2016	Trading in subscription rights
6 – 20 December 2016	Subscription period
6 – 23 December 2016	Trading in paid subscribed shares (BTA)
December 23, 2016	Announcement of the outcome of the rights issue



Advisors in connection with the preferential rights issue

Carnegie Investment Bank AB is financial advisor to Tobii and Baker McKenzie is legal advisor in connection with the preferential rights issue.

1) Under the assumption that 437,000 recently exercised warrants are registered and converted to shares in time to be eligible for participation in the rights issue.

This information is information that Tobii AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, on November 24, 2016, at 8:00 a.m. CET.

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About Tobii

Tobii is the global leader in eye tracking. Our vision is a world where all technology works in harmony with natural human behavior. Tobii operates through three business units: Tobii Dynavox makes specially designed computers that are controlled by eye movement or touch screens for use by people with special needs due to spinal cord injuries, CP, ALS or other medical conditions. Tobii Pro develops and sells eye-tracking equipment and services used today by more than 3,000 companies and 2,000 research institutions, including all of the world's 50 highest ranked universities. Tobii Tech further develops Tobii's technology for new volume markets, such as computer games, personal computers, virtual reality and vehicles. Tobii is headquartered in Sweden and is listed on Nasdaq Stockholm (TOBII). The group has over 700 employees. For more information: www.tobii.com.

Important information

This announcement is not and does not form a part of any offer for sale of securities. Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Canada, New Zealand, Hong Kong, Japan, South Africa or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures. The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and accordingly may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. The Company does not intend to register any offering in the United States or to conduct a public offering of securities in the United States.

The Offering of securities referred to in this announcement will only be made by means of a prospectus. This announcement is not a prospectus for the purposes of Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "**Prospectus Directive**"). Investors should not invest in any securities referred to in this announcement except on

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the basis of information contained in the aforementioned prospectus. In any EEA Member State other than Sweden that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive, i.e., only to investors who can receive the offer without an approved prospectus in such EEA Member State.

This communication is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”) or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “**Relevant Persons**”). This communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe,” “expect,” “anticipate,” “intends,” “estimate,” “will,” “may,” “continue,” “should” and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.

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