



AutoWeb Reports Preliminary May & April 2020 Results

June 18, 2020

Revenues, Gross Margin and Adjusted EBITDA Continue to Improve During the Second Quarter

TAMPA, Fla., June 18, 2020 (GLOBE NEWSWIRE) -- AutoWeb, Inc. (Nasdaq: AUTO), a robust digital marketing platform providing advertising solutions for automotive dealers and OEMs, is reporting select preliminary unaudited results for May and April 2020.

Preliminary Unaudited Results (\$ in millions)

	May 2020	April 2020	% Change	
Total Revenues	\$ 5.8	\$ 5.3	9	%
Gross Profit	\$ 2.2	\$ 1.6	33	%
Gross Margin	37.4	% 30.8	% 660 bps	
Net Income/(Loss)	\$ (0.4)) \$ (1.0)) -	
Adjusted EBITDA	\$ 0.2	\$ (0.4)) -	
Cash ¹ at Month-End	\$ 5.3	\$ 5.7	(7)%

¹ Defined as cash, cash equivalents and restricted cash.

"Given the unprecedented circumstances surrounding the coronavirus pandemic, we are providing an intra-quarter update to be as transparent as we can with our stockholders," said Jared Rowe, President and CEO of AutoWeb. "We have continued to see improvements across our business over the past two months. Our retail dealer 'suspend' status has improved by nearly 70% since mid-April, and we have continued to serve as a strategic partner to both our dealer and OEM customers during this important time. I am incredibly proud of our team's effort to support the consumers and customers that rely upon us.

"The work we have done over the past two years to make AutoWeb a lean and efficient organization has enabled us to weather the various pandemic-related disruptions to the automotive industry. Consumer demand for new vehicles has dramatically improved since mid-April, and our results have steadily improved alongside those trends into June. If these current trends hold, we continue to believe that our balance sheet and liquidity will see us through this challenging period. In the months ahead, we will continue to prudently manage our costs and remain efficient with our resources. While our work is not done, our preliminary results reflect an important step forward and strong progress in our post-COVID recovery."

The unaudited preliminary financial results for May and April 2020 and the Non-GAAP reconciliation tables at the end of this press release represent the most current information available to the Company and are based on calculations or figures prepared internally, which have not been reviewed or audited by the Company's independent registered public accounting firm. The Company's actual results may differ materially from these unaudited preliminary financial results and non-GAAP reconciliations due to the completion of its financial closing procedures and reviews.

AutoWeb expects to report its second quarter results in August.

About AutoWeb, Inc.

AutoWeb, Inc. provides high-quality consumer leads, clicks and associated marketing services to automotive dealers and manufacturers throughout the United States. The company also provides consumers with robust and original online automotive content to help them make informed car-buying decisions. The company pioneered the automotive Internet in 1995 and has since helped tens of millions of automotive consumers research vehicles; connected thousands of dealers nationwide with motivated car buyers; and has helped every major automaker market its brand online.

Investors and other interested parties can receive AutoWeb news alerts by accessing the online registration form at investor.autoweb.com/alerts.cfm.

Note about Non-GAAP Financial Measures

AutoWeb has disclosed Adjusted EBITDA in this press release, which is a non-GAAP financial measure as defined by SEC Regulation G. The company defines Adjusted EBITDA as net loss before interest, taxes, depreciation, amortization, non-cash stock-based compensation, non-cash gains or losses, and other extraordinary items. A table providing a reconciliation of Adjusted EBITDA is included at the end of this press release.

The company's management believes that presenting Adjusted EBITDA provides useful information to investors regarding the underlying business trends and performance of the company's ongoing operations, as well as providing for more consistent period-over-period comparisons. This non-GAAP measure assists management in its operational and financial decision-making and monitoring the company's performance. In addition, we use Adjusted EBITDA as a measure for determining incentive compensation targets. Adjusted EBITDA is used in addition to and in conjunction with results presented in accordance with GAAP and should not be relied upon to the exclusion of GAAP financial measures. Management strongly encourages investors to review the company's consolidated financial statements in their entirety and to not rely on any single financial measure.

Forward-Looking Statements Disclaimer

The statements contained in this press release or that may be made during the conference call described above that are not historical facts are forward-looking statements under the federal securities laws. Words such as "anticipates," "could," "may," "estimates," "expects," "projects," "intends," "pending," "plans," "believes," "will" and words of similar substance, or the negative of those words, used in connection with any discussion of future operations or financial performance identify forward-looking statements. In particular, statements regarding expectations and opportunities, new product expectations and capabilities, projections, statements regarding future events, and our outlook regarding our performance and growth are forward-looking statements. These forward-looking statements, including, that (i) If current trends hold, the company continues to believe that its balance sheet and liquidity will see it through this challenging period; and (ii) in the months ahead, the company will continue to prudently manage its costs and remain efficient with its resources, are not guarantees of future performance and involve assumptions and risks and uncertainties that are

difficult to predict. Actual outcomes and results may differ materially from what is expressed in, or implied by, these forward-looking statements. AutoWeb undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Among the important factors that could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statements are changes in general economic conditions; the financial condition of automobile manufacturers and dealers; disruptions in automobile production; changes in fuel prices; the economic impact of terrorist attacks, political revolutions or military actions; failure of our internet security measures; dealer attrition; pressure on dealer fees; increased or unexpected competition; the failure of new products and services to meet expectations; failure to retain key employees or attract and integrate new employees; actual costs and expenses exceeding charges taken by AutoWeb; changes in laws and regulations; costs of legal matters, including, defending lawsuits and undertaking investigations and related matters; and other matters disclosed in AutoWeb's filings with the Securities and Exchange Commission. Investors are strongly encouraged to review the company's Annual Report on Form 10-K for the year ended December 31, 2019 and other filings with the Securities and Exchange Commission for a discussion of risks and uncertainties that could affect the business, operating results or financial condition of AutoWeb and the market price of the company's stock.

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AUTOWEB, INC.

RECONCILIATION OF ADJUSTED EBITDA

(Amounts in thousands)

	For the Month Ending May 31, 2020	For the Month Ending April 30, 2020
Net loss	(426)	(984)
Depreciation and amortization	404	398
Interest expense	69	69
Gain on government grant	-	(10)
Federal, state and local taxes	11	9
Non-cash stock compensation expense	171	168
Adjusted EBITDA	\$ 229	\$ (350)



Source: AutoWeb, Inc.