Safe Harbor Statement and Non-GAAP Disclosures

The statements made in the accompanying conference call or contained in this presentation 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, and our outlook regarding our performance and growth are forward-looking statements. These forward-looking statements, including, that (i) the company expects gross margin to remain in the mid-30% range over the coming quarters as it focuses on increased traffic and technology development, as well as the optimization of traffic acquisition costs; (ii) the company expects its opex as a percentage of revenue to continue in the low 30% range as the company increases investment in technology, sales and marketing resources in 2017; (iii) the company intends to continue to invest in the usedcars.com domain to make it the premier used vehicle destination for consumers; (iv) the company expects to focus on investments in technology, including investment in our consumer acquisition technology, the AutoWeb ad platform, and its consumer facing websites – which include car.com, autoweb.com, Autobytel.com and usedcars.com; (v) the company expects to continue to strengthen its U.S. and Guatemalan development teams to further accelerate the growth of the company’s click and core leads products, especially the usedcars.com website; (vi) the company expects that these investments to ultimately enhance and simplify the consumer’s path to purchase of new or used cars and trucks, while providing access to high-intent, in-market car buyers for the company’s dealer and OEM customers; and (vii) the company currently expects revenue to range between $156 million and $160 million, an increase of approximately 4% to 7% from 2016, and the company expects non-GAAP income to range between $16.8 million and $17.3 million, representing an increase of up to approximately 3%, with non-GAAP diluted EPS ranging between $1.24 and $1.28 on 13.5 million shares (noting that for comparative purposes, the foregoing percentage growth calculations, and the 2016 non-GAAP diluted EPS, exclude 2016 revenues, non-GAAP income and non-GAAP EPS related to the company’s specialty finance leads product that was divested on December 31, 2016), 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. Autobytel 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 Autobytel; changes in laws and regulations; costs of legal matters, including, defending lawsuits and undertaking investigations and related matters; and other matters disclosed in Autobytel’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, 2016, 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 Autobytel and the market price of the Company’s stock.

This presentation includes non-GAAP financial measures as defined by SEC Regulation G. Autobytel’s definitions of the non-GAAP financial measures used in this presentation and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures can be found in the appendix of this presentation. Autobytel’s management believes that these non-GAAP financial measures provide useful information to investors regarding the underlying business trends and performance of the Company’s ongoing operations and are better metrics for monitoring the Company’s performance given the effects of the Company’s net operating loss carryforwards, acquisitions and non-cash stock-based compensation. These non-GAAP financial measures are 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.

Copyright © 2017 Autobytel Inc.
### Key Stats: ABTL (NASDAQ)

#### Trading Data (May 9, 2017)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock Price</td>
<td>$11.80</td>
</tr>
<tr>
<td>52 Wk. High/Low</td>
<td>$18.39/10.72</td>
</tr>
<tr>
<td>Avg. Daily Vol. (3 mo)</td>
<td>92,311</td>
</tr>
<tr>
<td>Shares Outstanding</td>
<td>11.1M</td>
</tr>
<tr>
<td>Institutional Holdings</td>
<td>65%</td>
</tr>
<tr>
<td>Insider Holdings</td>
<td>16%</td>
</tr>
</tbody>
</table>

#### Valuation Measures

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Cap</td>
<td>$130.6M</td>
</tr>
<tr>
<td>Enterprise Value</td>
<td>$115.2M</td>
</tr>
<tr>
<td>EV/Revenue</td>
<td>0.9x</td>
</tr>
<tr>
<td>Adj. 2017F P/E</td>
<td>9x</td>
</tr>
</tbody>
</table>

#### Financial Highlights (Dec 31, 2016)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$150.4M</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>37.4%</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>$0.26</td>
</tr>
<tr>
<td>Non-GAAP EPS</td>
<td>$1.27</td>
</tr>
<tr>
<td>Cash &amp; Equiv.</td>
<td>$38.5M</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$165.3M</td>
</tr>
<tr>
<td>Total Debt</td>
<td>$23.1M</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$45.7M</td>
</tr>
<tr>
<td>Total Equity</td>
<td>$119.6M</td>
</tr>
</tbody>
</table>

#### We are a Growth Company

- **Revenue**: $150M
- **Non-GAAP EPS**
  - FY13: $0.45
  - FY14: $0.76
  - FY15: $1.19
  - FY16: $1.27

---


1. For comparative purposes, these figures exclude contribution from the company’s specialty finance leads product, which was divested on Dec 31, 2016.
2. Enterprise value calculated using net debt as of Dec 31, 2016.
3. P/E calculated with midpoint of 2017F Adj. EPS.
4. See appendix for a reconciliation of this non-GAAP measure.
Who We Are

- Autobytel is a leading provider of internet automotive marketing services and the top auto leads generator in the U.S.

- Millions of vehicle shoppers visit our desktop and mobile sites every month

- Portfolio of ROI-driven products
  - Lead Generation
    - Created the top lead marketplace in the auto industry for franchise dealers and manufacturer dealer programs
  - Pay-per-Click Advertising
    - Our programmatic pay-per-click platform targets high intent auto shoppers at scale
  - Display Advertising & Marketing Analytics

- Strong management team with decades of proven experience building successful auto, tech and internet media companies

---

1) For comparative purposes, all chart figures exclude contribution from the company’s specialty finance leads product, which was divested on Dec 31, 2016.
Autobytel’s Large Addressable Market

Total US Automotive Digital Ad Spend Estimate for 2017

$9.13 Billion

- Search & pay-per-click: $3.33 B
- Video, media & banner display: $3.14 B
- Lead generation & directories: $0.83 B

Source: eMarketer.com estimates.

Addressable Market Grows By Entering Pay-per-Click Market
All Digital ROI Driven Ad Channels are Growing

Vehicle Digital Ad Spend by Channel

Source: eMarketer.com estimates.

Autobytel Focusing In Highest Demand Channels

Market Size

2016

$9B

2020

$15B
• **Q1’17 Advertising:** Up 112% YoY due to continued strong growth of click revenues.

• **Q1’17 Automotive Leads & Services:** Down 5% YoY due to systematic reduction of lower quality leads supply over the course of 2016.

1) For comparative purposes, all prior results exclude the company’s specialty finance leads product, which was divested on December 31, 2016.
Click Product Continues to Accelerate

- Q1 click revenues up 152% YoY, reflecting significant volume growth and expanding revenue per click

1) Acquired AutoWeb October 1, 2015.
Autobytel Leads Drive Car Sales

- Consumers submitting leads via Autobytel network accounted for 3.3 million+ new retail sales from 2011-2016
  - This represents an **average of ~4% of all U.S. Light Vehicle New Retail Sales from 2011-2015**
  - **Increased to ~5% of U.S. LV New Retail Sales for 2016**

- Consumers submitting leads via Autobytel network accounted for an **average of ~2% of all U.S. used car sales from 2011-2016**

- Consistent growth despite minimal investment in the used car business from 2011-2016

**U.S. LV New & Used Retail Sales by Autobytel Consumers**

<table>
<thead>
<tr>
<th>Year</th>
<th>Retail Used</th>
<th>Retail New</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>435,221</td>
<td>469,422</td>
<td>837,430</td>
</tr>
<tr>
<td>2013</td>
<td>501,688</td>
<td>483,923</td>
<td>985,611</td>
</tr>
<tr>
<td>2014</td>
<td>590,087</td>
<td>539,775</td>
<td>1,130,862</td>
</tr>
<tr>
<td>2015</td>
<td>606,302</td>
<td>614,349</td>
<td>1,220,651</td>
</tr>
<tr>
<td>2016</td>
<td>748,404</td>
<td>837,430</td>
<td>1,585,834</td>
</tr>
</tbody>
</table>
Total dealer count now reflects our entire dealer network, including both OEM/wholesale and retail dealers.

Autobytel delivers leads to approximately 77% of all franchise dealers in the U.S.

Sequential increase driven by greater demand for high-quality leads from our OEM and wholesale partners, demonstrating they understand the high ROI our leads can provide.

1) The decrease in dealer count in Q4’16 was driven by Toyota’s discontinuation of the Scion brand.
High Buy Rates

- **We estimate** buy rates that reflect how many leads submitted by consumers through the Autobytel network convert to purchases, and how many leads were lost to other dealers.

- **Most competitors rely only on feedback from dealers/manufacturers with minimal attribution.**

- **Buy rate information provides the ability to drive pricing with dealers, as well as incremental lead volume.**

- Internally generated leads account for ~80% of leads sold by Autobytel.

---

**Lead Conversions**

(Consumers who Submitted a New Vehicle Lead & Bought New)

Internally-generated Autobytel leads have a buy rate of 18% to 29% — significantly higher than those we source from 3rd parties or purchase from our competitors.

<table>
<thead>
<tr>
<th>Source</th>
<th>Buy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autobytel.com Website</td>
<td>29%</td>
</tr>
<tr>
<td>All ABTL Internally Generated</td>
<td>18%</td>
</tr>
<tr>
<td>Other 3rd Party Supplier</td>
<td>14%</td>
</tr>
<tr>
<td>Competitor/Supplier A</td>
<td>14%</td>
</tr>
<tr>
<td>Competitor/Supplier B</td>
<td>8%</td>
</tr>
<tr>
<td>Competitor/Supplier C</td>
<td>3%</td>
</tr>
</tbody>
</table>

---

1) Estimated buy rates based on vehicle registration data and internal analysis. Buy rates are calculated using a three-month rolling average of 90 day close rates.
High ROI for Dealers

- Given Autobytel’s high conversion rates, our cost per lead model provides a favorable ROI for dealers.

- The higher the conversion rate, the greater the price disparity.

- Estimated historical average close rate for auto industry is 6-8%
  - Autobytel estimated buy rate is 18-29%.

- Autobytel cost to dealer represents about half of all dealers’ normal marketing expense at $628\(^1\).

---

1) National Automobile Dealer Association (NADA), 2016.
2) Calculated with an average cost of $22 per lead.
## The Competitive Landscape

<table>
<thead>
<tr>
<th></th>
<th>New Car</th>
<th>Used Car</th>
<th>Advertising</th>
<th>Specialty Finance</th>
<th>Revenue Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autobytel</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Pay-per-lead</td>
</tr>
<tr>
<td>Kelley Blue Book</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Subscription</td>
</tr>
<tr>
<td>Edmunds</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Subscription</td>
</tr>
<tr>
<td>TRUECar</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Pay-per-sale</td>
</tr>
<tr>
<td>Autotrader</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Subscription</td>
</tr>
<tr>
<td>Cars.com</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Subscription</td>
</tr>
<tr>
<td>Yahoo! Autos</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Pay-per-lead</td>
</tr>
<tr>
<td>eBay Motors</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Subscription</td>
</tr>
<tr>
<td>CarsDirect</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Pay-per-lead / Subscription</td>
</tr>
</tbody>
</table>
## Financial Overview

1. For comparative purposes, prior year results (with the exception of Cash Flow From Operations), exclude the company’s specialty finance leads product, which was divested on December 31, 2016.

2. Non-GAAP Income is equal to net income/(loss) plus amortization of acquired intangibles, non-cash stock compensation, income taxes, gain or loss on investment or sale, severance costs and acquisition related expenses, plus litigation settlements. See appendix for reconciliation.

3. Non-GAAP EPS is non-GAAP income divided by weighted average diluted shares outstanding. See appendix for reconciliation.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th></th>
<th></th>
<th></th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
</tr>
<tr>
<td>Revenue ($M)</td>
<td>$34.6</td>
<td>$34.6</td>
<td>$42.2</td>
<td>$39.0</td>
<td>$37.3</td>
</tr>
<tr>
<td>Gross Profit ($M)</td>
<td>$13.2</td>
<td>$13.5</td>
<td>$15.3</td>
<td>$14.2</td>
<td>$12.9</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>38.2%</td>
<td>39.1%</td>
<td>36.2%</td>
<td>36.5%</td>
<td>34.6%</td>
</tr>
<tr>
<td>Operating Expenses ($M)</td>
<td>$14.2</td>
<td>$12.7</td>
<td>$11.2</td>
<td>$12.4</td>
<td>$11.7</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>-2.9%</td>
<td>2.4%</td>
<td>9.7%</td>
<td>4.8%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Net Income ($M)</td>
<td>($0.7)</td>
<td>$0.4</td>
<td>$2.6</td>
<td>$1.4</td>
<td>$0.5</td>
</tr>
<tr>
<td>EPS Diluted</td>
<td>($0.07)</td>
<td>$0.03</td>
<td>$0.20</td>
<td>$0.10</td>
<td>$0.04</td>
</tr>
<tr>
<td>Non-GAAP Income ($M)²</td>
<td>$2.8</td>
<td>$3.0</td>
<td>$6.3</td>
<td>$4.7</td>
<td>$3.5</td>
</tr>
<tr>
<td>Non-GAAP EPS³</td>
<td>$0.21</td>
<td>$0.23</td>
<td>$0.47</td>
<td>$0.35</td>
<td>$0.26</td>
</tr>
<tr>
<td>Cash ($M)</td>
<td>$24.0</td>
<td>$27.1</td>
<td>$32.7</td>
<td>$38.5</td>
<td>$39.6</td>
</tr>
<tr>
<td>Cash Flow From Operations ($M)</td>
<td>$1.6</td>
<td>$4.6</td>
<td>$5.9</td>
<td>$6.2</td>
<td>$3.5</td>
</tr>
<tr>
<td>Closing Stock Price</td>
<td>$17.36</td>
<td>$13.87</td>
<td>$17.80</td>
<td>$13.45</td>
<td>$12.53</td>
</tr>
</tbody>
</table>

The above financials are impacted by rounding to the nearest $0.1M.
Balance Sheet Supports Growth

- $39.6 million cash
- $11.4 million term loans, $8.0 million revolving line of credit, $1.0 million convertible note
- As of Dec 31, 2016, $106.3 million net operating loss carryforwards
  - $75.8 million federal; $30.5 million state
  - Federal NOLs do not expire until 2025 and beyond

### Select Balance Sheet Items

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>$39.6</td>
<td>$38.5</td>
</tr>
<tr>
<td>Receivables</td>
<td>28.5</td>
<td>33.6</td>
</tr>
<tr>
<td>Net deferred tax assets</td>
<td>25.6</td>
<td>19.5</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>165.7</td>
<td>165.3</td>
</tr>
<tr>
<td>Debt</td>
<td>20.4</td>
<td>23.1</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>37.7</td>
<td>45.7</td>
</tr>
<tr>
<td>Total stockholders’ equity</td>
<td>128.0</td>
<td>119.6</td>
</tr>
</tbody>
</table>

$39.6 Million in Cash, $106.3 Million in Net Operating Loss Carryforwards
Lead Generation is the Largest Channel of our Business

Autobytel Growth Initiatives: Lead Volume Expansion

- ~85% of Autobytel leads go to new car sales – **significant untapped opportunity** in used car market
- Sustained investment in lead acquisition and SEM will drive in-market buyers, increasing conversion of page views to leads
- Several major OEMs increasing lead programs with Autobytel as primary supplier
- ~80% of lead volume is internally generated
  - Generates higher quality leads through enhanced long-tail search
  - One strong lead can be sold to multiple dealers

**Autobytel Lead Volume**

<table>
<thead>
<tr>
<th>Year</th>
<th>Used Car Leads (millions)</th>
<th>New Car Leads (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>4.7</td>
<td>5.1</td>
</tr>
<tr>
<td>2014</td>
<td>0.8</td>
<td>6.6</td>
</tr>
<tr>
<td>2015</td>
<td>1.5</td>
<td>8.8</td>
</tr>
<tr>
<td>2016</td>
<td>7.9</td>
<td>9.3</td>
</tr>
</tbody>
</table>

Lead Volume 22% CAGR 2013-2016
Autobytel Growth Initiatives:
Expansion into Pay-per-Click Marketplace

- Acquired AutoWeb October 2015
- Fast growing pay-per-click business.
- Targeting the rapidly growing multi-billion paid search vehicle market
- Profitable business model, cash flow positive
  - 3+ million monthly search queries
  - Strong gross margins
- Renowned management team & advisory board with proven track record of scaling online businesses

AutoWeb Quarterly Click Volume

AutoWeb Quarterly Click Volume

Q3’14 – Q1’17 Up 713%

AutoWeb – Global Brand

auto + web

AutoWeb = Same definition in 100+ languages

Expanding into the Multi-Billion Dollar Pay-Per-Click Market
2017 Outlook^{1,2}

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$156.0</td>
<td>$160.0</td>
</tr>
<tr>
<td><strong>Growth</strong></td>
<td>4%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Non-GAAP Income^{3}</strong></td>
<td>$16.8</td>
<td>$17.3</td>
</tr>
<tr>
<td><strong>Growth</strong></td>
<td>~ flat</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Non-GAAP Diluted EPS</strong></td>
<td>$1.24</td>
<td>$1.28</td>
</tr>
<tr>
<td><strong>Growth</strong></td>
<td>(2%)</td>
<td>1%</td>
</tr>
</tbody>
</table>

1) Guidance updated and effective only on May 4, 2017.

2) For comparative purposes, all growth calculations and chart figures exclude contribution from the company’s specialty finance leads product, which was divested on Dec 31, 2016.

3) Non-GAAP Income is defined as net income/(loss), plus amortization of acquired intangibles, non-cash stock compensation, income taxes, gain or loss on investment or sale, severance costs and acquisition related expenses, plus litigation settlements, and non-GAAP EPS is defined as non-GAAP income divided by weighted average diluted shares outstanding (see appendix for reconciliation). The company has not provided a reconciliation of its 2017 non-GAAP diluted EPS guidance to the most directly comparable GAAP financial measure because the effect, timing and potential significance of the effects of tax considerations, primarily related to the company’s net operating loss carryforwards, are out of the company’s control and/or cannot be reasonably predicted. Consequently, a reconciliation to the corresponding GAAP financial measure is not available without unreasonable effort.
### Key Takeaways

- **Leading convergence** of high quality leads, clicks and display advertising
- **Expanding into the multi billion dollar pay-per-click marketplace**
- **Verified superior product performance** among peer group
- **Largest combined retail & wholesale lead distribution network in U.S.**
- **Rolling out next-generation**, high-margin proprietary technologies to drive top and bottom line growth

### We are a Growth Company

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>Non-GAAP EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td>$72M</td>
<td>$0.45</td>
</tr>
<tr>
<td>FY14</td>
<td></td>
<td>$0.76</td>
</tr>
<tr>
<td>FY15</td>
<td>$127M</td>
<td>$1.19</td>
</tr>
<tr>
<td>FY16</td>
<td></td>
<td>$1.27</td>
</tr>
</tbody>
</table>

1) Non-GAAP EPS is defined as net income, plus amortization of acquired intangibles, non-cash stock compensation, taxes, gain on investment, severance costs and acquisition related expenses, plus litigation settlements, divided by weighted average diluted shares outstanding.

2) For comparative purposes, all chart figures exclude contribution from the company’s specialty finance leads product, which was divested on Dec 31, 2016.
Contact Us

COMPANY CONTACT
Autobytel
Kimberly Boren
Chief Financial Officer
949-862-1396
kimb@autobytel.com

AUTObYTEL
18872 MacArthur Blvd
Irvine, CA 92612

INVESTOR RELATIONS
Liolios
Cody Slach or Sean Mansouri
949-574-3860
ABTL@liolios.com

About Autobytel Inc.
Autobytel Inc. provides high quality consumer leads 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 with its flagship website www.autobytel.com, 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 Autobytel news alerts and special event invitations by accessing the online registration form at investor.autobytel.com/alerts.cfm.
Appendix

- Autobytel Timeline
- AutoWeb Team
- Acquisitions
- Digital Ad/Internet Market (23-26)
- Retail Auto Sales Forecast
- Avg Buy Rates
- Complementary Growth Initiatives
- Specialty Finance Divestiture
- Reconciliation Tables (34-37)
Autobytel Timeline

1995

Autobytel is Founded

1st internet company to advertise a 30s Super Bowl commercial

1995

~$100 million IPO
Autobytel’s & its operating model survives Dot Com Bust

2000

Recorded 1st operating profit

2005

Acquires Stoneage Corporation with domain: Car.com

2005

Strategic investment in Autoweb

2010

Acquires top-ranked provider of auto sales leads Dealix®

2015

Acquires leading auto pay-per-click company

2015

Divests Specialty Finance Leads Business
AutoWeb Team

Founders Track Record
Matias de Tezanos, Jose Vargas, Julio Gonzalez
BrokersWeb
INC 500 #20 fastest revenue growth company (2010 and 2011). From $0 to $56 million in revenue during 1st 3 years of the company
Pay per click business like Autoweb
Acquired by VC backed VantageMedia

ClickDiario
Large Online AdNetwork in Latin America acquired by FOX International Channels

BlueKite
Fast growing cross-border bill payments platform acquired by Nasdaq: Xoom

Hoteles.com
Popular Hotel reservation site for Hispanics, acquired by Expedia

Founders are cross-industry global entrepreneurs

Vast Knowledge in Online Media

15 Years Building Internet Companies

Online Media
Travel
Insurance
Automobile

Scaled Companies in Several Industry Verticals in the US and International

Knowledge & Expertise in the Automotive Industry

Management team with +20 years Experience in the automotive industry

World Class Technology Development Team

Unprecedented capacity to grow and develop high quality technology
Acquisitions

• Acquired Autoweb, a leading automotive pay per click company, in an all-stock transaction on Oct 1, 2015

• Autoweb brings a proven track record at scaling pay per click platforms at favorable costs, positioning Autobytel well in this growing segment of the online marketing space

• Transaction expected to become accretive to net income in 2016

• Acquired Dealix, a top-ranked provider of auto sales leads, for $25M in May 2015, including $6.8 million of working capital (accretive to net income in 2015)

• With the acquisitions of Dealix (2015), AutoUSA (2014) and Cyber Ventures (2010), Autobytel created the top leads marketplace by volume/buy rate for dealers and OEMs in the U.S.
Nearly 80% of U.S. New Light Vehicle Consumers use the Internet as Primary Research & Shopping Tool¹

Traditional Print Advertising
- Lack of consumer data
- Inability to track conversion rates
- Limited consumer use/reach

New Era of Digital Media/Internet
- Mobile Access & Reach
- Highly Targeted Marketing
- Generates Valuable Consumer Data

Market Transformation Underway

Traditional Marketing Budgets Transitioning Online

1) 2014 Automotive Buyer Influence Study
Digital Channel Outlook

**Pay per Click**

**Expected to Grow Dramatically**
Ad spending in 2013 was $2.1 billion. Expecting to quadruple by 2018 to $9.1 billion.
- Customer directed to advertiser website
- Pay per high intent visitor

**Search Listings**
Pay per Visit
Pay per Visit

**Pay per Lead**

**Expected to Grow**
Market is more sophisticated, generating leads through own websites.
- Customer data collected, high intent customers
- Multiple buyers for same lead, quality is key

**Lead Forms**
Lead submission

**Display & Video**

**Expected to Grow**
Programmatic display and video media buys continue
- Fixed price for multiple displays
- Rich media formats

**Display Ads**
Banner Ad
Video Ad

Digital Advertising Driving Better ROI than Traditional Media
We are Positioned to Disrupt Vehicle Ad Spend

Disruptors in Different Industries


Autobytel: Disrupting The Growing Vehicle Market Again
Consumers Prefer Digital For Vehicle Research

Multiple channels used by vehicle shoppers

- **Autobytel** owns and operates several leading comparison shopping sites like UsedCars.com, Car.com, Autobytel.com and AutoWeb.com

- **66%** of new car buyers and **81%** of used car buyers are now using online comparison shopping sites more than any other source

- A growing number of dealers and OEMs are looking to participate in comparison shopping sites like Autobytel’s in order to reach car shoppers online

---

**Over Two-Thirds of Vehicle Shoppers Are Online**

Source: Borrell 2014, eMarketer.com
April 2017 SAAR for total sales:
- 17.5 million units
- Flat YoY

April 2017 projected SAAR for retail sales:
- 14.2 million units
- Down 0.7% YoY
Annual Retail Auto Sales Forecast

U.S. LV Sales Forecast – 2008 to 2017E

- 2017 U.S. light vehicle sales forecast down slightly to 17.5 million units
  - Down 0.1% YoY
- 2017 U.S. retail light vehicle sales forecast up slightly to 14.2 million units
  - Up 0.2% YoY

1) J.D Power/LMC Automotive

Autobytel On Track to Exceed Industry Growth
Average Buy Rate\(^1\)

- **We have a proven track record** of providing high quality leads

- Autobytel’s leading edge SEM practice featured in several Google White Papers

- We have consistently maintained these high buy rates since Q1 2011
  - Autobytel.com avg. buy rate = 25%
  - All internally generated avg. buy rate = 18%

---

1) Contribution from Dealix began in 2016.
Autobytel Growth Initiatives: Complementary Revenue Streams

- **Display with Jumpstart**: sells fixed placement advertising across all of our websites to auto advertisers
  - Formed commercial agreement Sept. 2013
  - Reaches 21 million unique visitors/month
  - Works with every major auto manufacturer
  - **Revenue flows through at 99% margin**

- **Autobytel Mobile**: suite of mobile products & services
  - Text Marketing
  - Mobile Websites
  - TextShield®: Centralized and Controlled 2-way text conversations
  - Dealer Branded Apps
  - Send2Phone: Tactical mobile landing pages to cell phones via SMS.

- **Other Dealer Products**
  - Sale Move: Dealer-Customer Interaction Platform (Video, Text, Chat, Phone)
  - GoMoto: Interactive digital solution to drive customer engagement and increase conversion
  - PaymentPro: Shop by Payment Platform – Pre-qualified customers
Specialty Finance Leads Divestiture

- Sold Specialty Finance Leads (SFL) business to Internet Brands on Dec 31, 2016
- Received $3.2 million cash plus transition licensing income totaling $1.6 million over a 5-year period
  - For 2016, SFL revenue was $6.3 million, with $0.5 million contribution to operating income
  - For 2015, SFL revenue was $6.5 million with $0.5 million contribution to operating income
- Key takeaways:
  - Enables us to focus on our fastest growing initiatives – vehicle lead + click products
  - Removes regulatory exposure associated with subprime consumer market
### Reconciliation of Specialty Finance Divestiture – Schedule A

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$66.8</td>
<td>$78.4</td>
<td>$106.3</td>
<td>$133.2</td>
<td>$156.7</td>
</tr>
<tr>
<td>Finance Leads</td>
<td>$6.2</td>
<td>$6.2</td>
<td>$6.9</td>
<td>$6.5</td>
<td>$6.3</td>
</tr>
<tr>
<td>Adjusted Revenue</td>
<td>$60.6</td>
<td>$72.2</td>
<td>$99.4</td>
<td>$126.7</td>
<td>$150.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-GAAP Income¹</td>
<td>$3.7</td>
<td>$5.1</td>
<td>$9.3</td>
<td>$15.4</td>
<td>$17.3</td>
</tr>
<tr>
<td>Finance Leads</td>
<td>$0.7</td>
<td>$0.3</td>
<td>$0.8</td>
<td>$0.4</td>
<td>$0.5</td>
</tr>
<tr>
<td>Adjusted Non-GAAP Income</td>
<td>$2.9</td>
<td>$4.7</td>
<td>$8.5</td>
<td>$15.0</td>
<td>$16.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-GAAP EPS²</td>
<td>$0.40</td>
<td>$0.48</td>
<td>$0.83</td>
<td>$1.22</td>
<td>$1.30</td>
</tr>
<tr>
<td>Finance Leads</td>
<td>$0.08</td>
<td>$0.03</td>
<td>$0.07</td>
<td>$0.03</td>
<td>$0.03</td>
</tr>
<tr>
<td>Adjusted Non-GAAP EPS</td>
<td>$0.32</td>
<td>$0.45</td>
<td>$0.76</td>
<td>$1.19</td>
<td>$1.27</td>
</tr>
</tbody>
</table>

The above financials are impacted by rounding to the nearest $0.1M.

1) Non-GAAP Income is equal to net income/(loss) plus amortization of acquired intangibles, non-cash stock compensation, income taxes, gain or loss on investment or sale, severance costs and acquisition related expenses, plus litigation settlements. See appendix for reconciliation.

2) Non-GAAP EPS is non-GAAP income divided by weighted average diluted shares outstanding. See appendix for reconciliation.
Reconciliation of Specialty Finance Divestiture – Schedule B

The above financials are impacted by rounding to the nearest $0.1M.

1) Tax provision for specialty finance leads standalone is computed using consolidated effective tax rate multiplied by finance leads income before income tax.

2) Non-GAAP Income is equal to net income/(loss) plus amortization of acquired intangibles, non-cash stock compensation, income taxes, gain or loss on investment or sale, severance costs and acquisition related expenses, plus litigation settlements. See appendix for reconciliation.

3) Non-GAAP EPS is non-GAAP income divided by weighted average diluted shares outstanding. See appendix for reconciliation.
## Non-GAAP Income & EPS Reconciliation

The above financials are impacted by rounding to the nearest $0.1M.

1) Non-GAAP Income is equal to net income/(loss) plus amortization of acquired intangibles, non-cash stock compensation, income taxes, gain or loss on investment or sale, severance costs and acquisition related expenses, plus litigation settlements.

2) Non-GAAP EPS is non-GAAP income divided by weighted average diluted shares outstanding.