Safe Harbor Statement and Non-GAAP Disclosures

The statements made in the accompanying discussion 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,” “plans,” “believes,” “will” and words of similar substance 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, 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.

This presentation includes non-GAAP financial measures as defined by SEC Regulation G. AutoWeb’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. The company’s management believes that presenting Adjusted EBITDA and the adjusted year-over-year comparisons and prior year results 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. These non-GAAP measures also assist 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. This non-GAAP financial measure 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.
AUTOWEB OVERVIEW
AUTOWEB’S CORE PRODUCTS INCLUDE

NEW & USED CAR LEAD GENERATION

Search arbitrage drives our core lead generation business. We generate ~400k+ new and used car leads monthly on average.

CUSTOMIZED EMAIL CAMPAIGNS

Customized email campaigns can be delivered after the lead form is completed, reinforcing the value of the car, dealer, or OEM.

BRANDED CLICK PRODUCT INTEGRATION

Click product exposes consumers who begin a lead and abandon the process to highly relevant advertisers.

1ST PARTY DATA FOR RETARGETING

1st party data can be used to retarget and reengage consumers by both AUTO and our strategic partners.
THAT SERVE AN ATTRACTIVE AUDIENCE SEGMENT

**GENDER**
- Male: 54%
- Female: 46%

**MARITAL STATUS**
- Single: 37%
- Married: 63%

**EDUCATION**
- College: 29%
- High School: 57%
- Graduate School: 13%
- Technical: 1%

**URBAN VS. NON**
- Urban: 84%
- Non-Urban: 16%

**INCOME**
- Percent of List Total
- Percent of Marketing Area Total
- Index

**AGE**
- Age 18 - 25
- Age 26 - 35
- Age 36 - 45
- Age 46 - 55
- Age 56 - 65
- Age 66 - 75
- Over 75 Years

SOURCE: ACXIOM DATA APPEND OF 676K CONSUMERS IN AUTO’S DATABASE AS OF AUGUST 2018.
AUTOWEB’S 20+ YEAR HISTORY

1995

Autobytel is Founded

2000

Recorded 1st operating profit

Acquires Stoneage Corporation with domain:

2005

Acquires top-ranked provider of auto sales leads

2010

Strategic investment in

2015

Acquires leading auto pay-per-click company

2017

Divests Specialty Finance Leads Business

2018

Initiates corporate rebranding to Autoweb

Jared Rowe appointed as new President & CEO

~$100 million IPO

Autobytel & its operating model survive Dot Com Bust

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

"Autobytel & its operating model survive Dot Com Bust"
AUTOWEB HAS A TALENTEO TEAM WITH RELEVANT EXPERIENCE

CEO
- Extensive automotive and digital marketing experience.
- Successful track record of driving cost efficiency while generating topline growth.
- Operated complex and distributed companies in both public and private environments.

CFO
- 20+ years of media and technology experience.
- Served as CFO of several publicly traded entities.
- Began his career with privately held Lambert Television, where he served in a variety of roles including Chief Operating Officer and Chief Financial Officer.

CLO
- Has served as Executive Vice President, Chief Legal Officer and Secretary since 2009.
- Has spent time in both private legal practice and in a variety of executive corporate legal roles.
- Operated in both private and public company environments.

COO
- Broad technology and automotive digital media experience.
- Led the evolution of KBB’s pricing algorithm and consumer data visualization. This included KBB’s ICO.
- Prior to joining AUTO, led the global expansion of Kelley Blue Book.

CPO
- Comprehensive human resources administrative and strategic experience.
- Led large scale integration and change management processes.
- Prior to transitioning into industry, practiced employment law at Kilpatrick Townsend & Stockton LLP, Dow Lohnes PLLC, and Alston & Bird LLP.
WE HAVE RESET AUTOWEB’S FOUNDATION

Added operational leverage, top-graded talent, hardened operational capabilities, and repositioned for business transformation.
MARKET OPPORTUNITY
MEDIA SPEND IS IN TRANSITION, SEEKING EFFICIENCY

Enhanced targeting to drive marketing spend efficiency has occurred across all forms of media spend – traditional and digital.

SOURCE: MARYANN KELLER & ASSOCIATES (MK&A), "MK&A FRANCHISE DEALER ADVERTISING STUDY," 1/25/19 - NOTE: n=85; *PAST FIVE YEARS; **NEXT TWO YEARS.
The industry is moving towards pay-for-performance. 

A pay-for-performance model aligns the needs of consumers, clients, and media providers. Further, it drives media efficiency which is critical to retail profitability.
NO ONE IS FULLY MEETING THE NEEDS OF THE MARKET

There are two types of sites operating today, and neither is perfectly positioned to take advantage of where the market is headed.

- Most automotive digital media properties monetize through impression-based approaches that do not align with how consumers and dealers define success. Essentially, these models monetize the inefficiency of the shopping process as opposed to making the transaction more efficient for both consumers and dealers.

- Digital retailing is focused on improving the efficiency of the vehicle transactions for both consumers and dealers. However, it is not fundamentally changing the process.

- Most of the innovation in the industry is focused on software solutions that facilitate digital transactions. Very little innovation is occurring around how you identify consumer preferences and then match them to the appropriate process and retailer.
HOWEVER, SOMEONE WILL REPOSITION TO ENABLE DIGITAL RETAILING AT SCALE

• Integrated marketing platform focused on transactional matchmaking at scale.
• Supports all elements of the sale: (1) vehicle selection and pricing; (2) trade-in valuation, (3) transaction type selection; and (4) dealer experience preference.
• Pay-for-performance economics and media attribution align key stakeholder goals.

Transaction-oriented, VIN-specific matchmaking delivered on a pay-for-performance basis is the future of automotive digital marketing.
SIMILAR VERTICALS HAVE ALREADY TRANSITIONED

- **Real Estate Sites** – Evolving from MLS aggregation, to integrated purchase solution providers that are highly specialized, vertically integrated, and configurable to optimize to a desired outcome.
- **Travel Sites** – Evolved from flight aggregation, to integrated travel solution providers that are highly specialized and configurable to optimize to a desired outcome.
- **Insurance Sites** – Evolved from policy discovery, to solution providers that are highly specialized and configurable to optimize to a desired outcome.
- **Dating Sites** – Evolved from simple profile-based searching, to algorithmic matching that is highly specialized and configurable to optimize to a desired outcome.
- **Employment Sites** – Evolved from profile-based searching, to algorithmic matching that is highly specialized and configurable to optimize to a desired outcome.
- **Home Improvement Sites** – Evolved from review-based searching, to algorithmic matching based on price and scheduling availability.

*Other verticals have already transitioned from commodity matching to a matchmaker approach to create and capture more value.*
WE ARE WELL POSITIONED TO TRANSFORM AND GROW

**Attractive Assets and Capabilities**

- **Large & Targeted Consumer Audience**
  - We have 5-7m unique visits per month.

- **Large Distribution Channel**
  - AUTO delivers leads to ~70% of all US franchise dealers.
  - AUTO sells leads to 33 out of 43 OEM’s (~79%).

- **High Sales Conversion Rates**
  - AUTO organic leads sales conversion rate is ~3x greater than estimated industry rate of 3-6%.
  - Demonstrably better sales conversion rate supports positive rate/volume discussions with clients.
  - AUTO organic leads account for ~80% of total lead volume.

- **Large Growth Opportunity**
  - AUTO is underpenetrated in the retail channel.
  - Top 150 dealership groups represent a unique opportunity for retail growth.

- **Demonstrably Positive Client ROI**
  - AUTO’s cost-per-lead model is aligned with our client’s goals.
  - AUTO’s estimated sales conversion rate is ~15-17%.

**Market Opportunity**

**Differentiated Value**
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 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 AutoWeb news alerts and special event invitations by accessing the online registration form at investor.autoweb.com/alerts.cfm.
• $8.5 million total cash and equivalents @ 6/30/20
• $20 million revolving line of credit with CIT Northbridge Credit
• Net operating loss carryforwards (NOLs) as of Dec 31, 2019:
  o $100.5 million federal NOLs
  o Federal NOLs do not expire until 2025 and beyond
  o Although NOLs have a full valuation allowance due to accounting rules, we still have the full value available to us

### Select Balance Sheet Items

<table>
<thead>
<tr>
<th></th>
<th>30-Jun-20</th>
<th>31-Mar-20</th>
<th>31-Dec-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>$8.5</td>
<td>$7.4</td>
<td>$0.9</td>
</tr>
<tr>
<td>Receivables</td>
<td>14.7</td>
<td>20.8</td>
<td>24.1</td>
</tr>
<tr>
<td>Total assets</td>
<td>37.7</td>
<td>43.6</td>
<td>44.9</td>
</tr>
<tr>
<td>Debt&lt;sup&gt;1&lt;/sup&gt;</td>
<td>7.2</td>
<td>6.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>21.0</td>
<td>26.0</td>
<td>23.8</td>
</tr>
<tr>
<td>Total stockholders’ equity</td>
<td>16.7</td>
<td>17.5</td>
<td>21.1</td>
</tr>
</tbody>
</table>

<sup>1</sup> Does not include funding received under the Paycheck Protection Program as part of the enacted Coronavirus Aid, Relief, and Economic Security Act

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## FINANCIAL OVERVIEW

**AUTOWEB, INC.**
**AUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**
(Amounts in thousands, except share and per share data)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended</th>
<th></th>
<th>Six Months Ended</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30, 2020</td>
<td>2019</td>
<td>June 30, 2020</td>
<td>2019</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lead generation</td>
<td>$14,263</td>
<td>$21,691</td>
<td>$32,723</td>
<td>$47,389</td>
</tr>
<tr>
<td>Digital advertising</td>
<td>2,756</td>
<td>5,432</td>
<td>8,768</td>
<td>11,310</td>
</tr>
<tr>
<td>Other</td>
<td>14</td>
<td>19</td>
<td>14</td>
<td>47</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>17,033</td>
<td>27,142</td>
<td>41,505</td>
<td>58,746</td>
</tr>
<tr>
<td><strong>Cost of revenues</strong></td>
<td>10,993</td>
<td>21,758</td>
<td>30,108</td>
<td>47,605</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>6,040</td>
<td>5,384</td>
<td>11,397</td>
<td>11,141</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>2,026</td>
<td>2,956</td>
<td>4,158</td>
<td>5,834</td>
</tr>
<tr>
<td>Technology support</td>
<td>1,786</td>
<td>2,182</td>
<td>3,643</td>
<td>4,962</td>
</tr>
<tr>
<td>General and administrative</td>
<td>2,901</td>
<td>4,026</td>
<td>6,344</td>
<td>8,316</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>559</td>
<td>1,201</td>
<td>1,281</td>
<td>2,440</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>7,727</td>
<td>10,365</td>
<td>15,926</td>
<td>21,552</td>
</tr>
<tr>
<td><strong>Operating loss</strong></td>
<td>(1,232)</td>
<td>(4,981)</td>
<td>(4,529)</td>
<td>(10,411)</td>
</tr>
<tr>
<td>Interest and other (expense) income:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest (expense) income:</td>
<td>(204)</td>
<td>(36)</td>
<td>(1,026)</td>
<td>(25)</td>
</tr>
<tr>
<td>Other income (expense)</td>
<td>62</td>
<td>69</td>
<td>130</td>
<td>138</td>
</tr>
<tr>
<td><strong>Loss before income tax provision</strong></td>
<td>(1,374)</td>
<td>(4,948)</td>
<td>(5,435)</td>
<td>(10,308)</td>
</tr>
<tr>
<td><strong>Income taxes provision</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net loss and comprehensive loss</strong></td>
<td>$1,374</td>
<td>$4,953</td>
<td>$(5,435)</td>
<td>$(10,313)</td>
</tr>
</tbody>
</table>
# FINANCIAL OVERVIEW

## AUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Amounts in thousands, except share and per share data)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended June 30,</th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
</tr>
<tr>
<td><strong>Basic and diluted loss per share:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic loss per common share</td>
<td>$ (0.10)</td>
<td>$ (0.38)</td>
</tr>
<tr>
<td>Diluted loss per common share</td>
<td>$ (0.10)</td>
<td>$ (0.38)</td>
</tr>
<tr>
<td><strong>Shares used in computing net loss per share:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>13,133</td>
<td>12,892</td>
</tr>
<tr>
<td>Diluted</td>
<td>13,133</td>
<td>12,892</td>
</tr>
</tbody>
</table>
## Non-GAAP Reconciliation

**AutoWeb, Inc.**

**Reconciliation of Adjusted EBITDA**

(Amounts in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended</th>
<th>Three Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>March 31, 2020</td>
<td>March 31, 2019</td>
</tr>
<tr>
<td>Net loss</td>
<td>$(4,061)</td>
<td>$(5,360)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,213</td>
<td>1,787</td>
</tr>
<tr>
<td>Interest income</td>
<td>$(12)</td>
<td>$(6)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>844</td>
<td>5</td>
</tr>
<tr>
<td>Other income (expense)</td>
<td>$(6)</td>
<td>-</td>
</tr>
<tr>
<td>Income taxes</td>
<td>$(186)</td>
<td>-</td>
</tr>
<tr>
<td>Non-cash stock compensation expense</td>
<td>509</td>
<td>551</td>
</tr>
<tr>
<td>Gain on government grant</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Personnel Restructuring</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td><strong>$(1,699)</strong></td>
<td><strong>$(-3,023)</strong></td>
</tr>
</tbody>
</table>

|                      | June 30, 2020     | June 30, 2019     |
| Net loss             | $(1,374)           | $(4,953)           |
| Depreciation and amortization | 1,066          | 1,723              |
| Interest income      | -                  | $(20)              |
| Interest expense     | 205                | 56                 |
| Other income (expense) | -                  | -                  |
| Income taxes         | $(34)              | 77                 |
| Non-cash stock compensation expense | 518         | 560                |
| Gain on government grant | -                  | -                  |
| Personnel Restructuring | -                  | 496                |
| **Adjusted EBITDA**  | **$371**           | **$(2,061)**       |

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