



# Autobyte

## Q3 2009 Results





## Safe Harbor Statement

The statements contained in this presentation that are not historical facts are forward-looking statements under the federal securities laws. These forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from what is expressed in, or implied by, such forward-looking statements. Autobyte! 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 continuing adverse general economic conditions, the economic impact of terrorist attacks or military actions, increased dealer attrition, pressure on dealer fees, increased or unexpected competition, the failure to successfully launch new products and services, failure to retain key employees or attract and integrate new employees, that actual costs and expenses exceed the charges taken by Autobyte!, changes in laws and regulations, costs of defending lawsuits and undertaking investigations and related matters and other matters disclosed in Autobyte!'s filings with the Securities and Exchange Commission. Investors are strongly encouraged to review our annual report on Form 10-K for the year ended December 31, 2008, and other filings with the Securities and Exchange Commission for a discussion of risks and uncertainties that could affect operating results and the market price of the company's stock.



# Financial Overview

\$ Millions, except gross margin

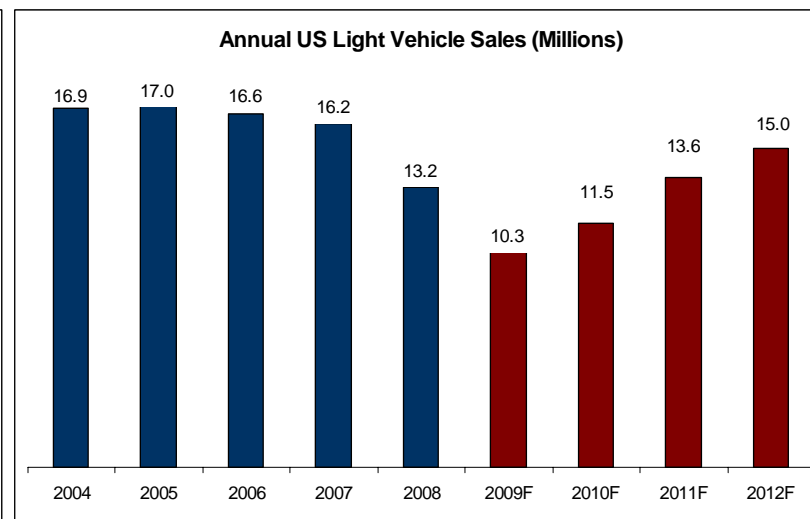
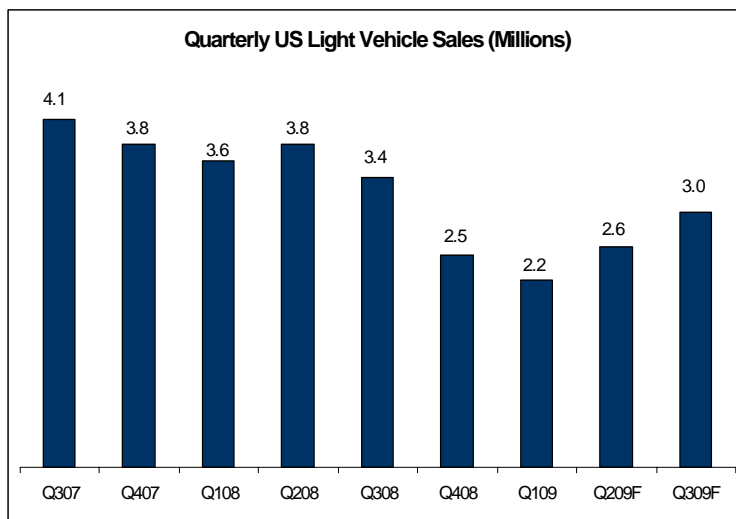
	Q108	Q208	Q308	Q408	Q109	Q209	Q309
<b>Revenue</b>	\$20.7	\$19.0	\$17.3	\$14.2	\$13.9	\$13.4	\$13.4
<b>Gross Margin <sup>(1)</sup></b>	33%	36%	36%	32%	36%	33%	35%
<b>Adjusted OPEX <sup>(2)</sup></b>	\$16.2	\$12.4	\$10.4	\$9.2	\$7.7	\$6.3	\$6.2
<i>% of Revenue</i>	78%	65%	60%	65%	56%	47%	46%
<b>Adjusted Loss from Cont Ops <sup>(3)</sup></b>	<b>(\$8.8)</b>	<b>(\$5.3)</b>	<b>(\$4.0)</b>	<b>(\$4.5)</b>	<b>(\$2.6)</b>	<b>(\$1.2)</b>	<b>(\$1.4)</b>
<i>Reconciling Items</i>	\$2.7	(\$52.1)	(\$1.8)	(\$10.6)	\$2.2	(\$0.3)	\$0.0
<b>Loss from Continuing Ops</b>	<b>(\$6.1)</b>	<b>(\$57.4)</b>	<b>(\$5.8)</b>	<b>(\$15.1)</b>	<b>(\$0.4)</b>	<b>(\$1.5)</b>	<b>(\$1.4)</b>
<b>Discontinued Operations</b>	\$4.1	\$0.1	\$0.2	\$0.0	\$0.0	\$1.3	\$0.6
<b>Net Loss</b>	<b>(\$2.0)</b>	<b>(\$57.3)</b>	<b>(\$5.6)</b>	<b>(\$15.1)</b>	<b>(\$0.4)</b>	<b>(\$0.3)</b>	<b>(\$0.8)</b>
<b>Change in Cash Balance</b>	\$1.5	\$6.6	(\$3.5)	(\$4.8)	(\$1.6)	\$1.0	(\$1.5)
<b>Operating Cash Flow</b>	(\$5.6)	(\$6.7)	(\$2.9)	(\$4.8)	(\$1.6)	(\$0.8)	(\$2.0)

1 - Excludes MyRide.com impairment charges of \$4.3M and severance of \$300k in Q4 2008

2 - See slide #6 in this set for GAAP to Adjusted OPEX reconciliation

3 - See slide #11 for GAAP to Adjusted Loss from Continuing Ops reconciliation

# Auto Industry Sales

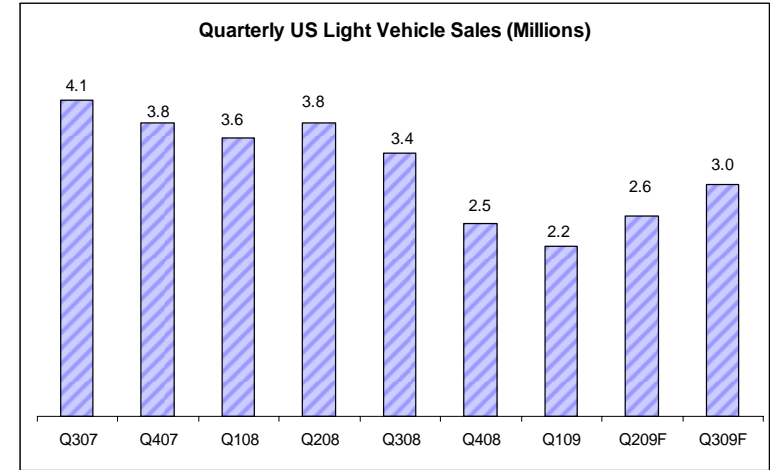
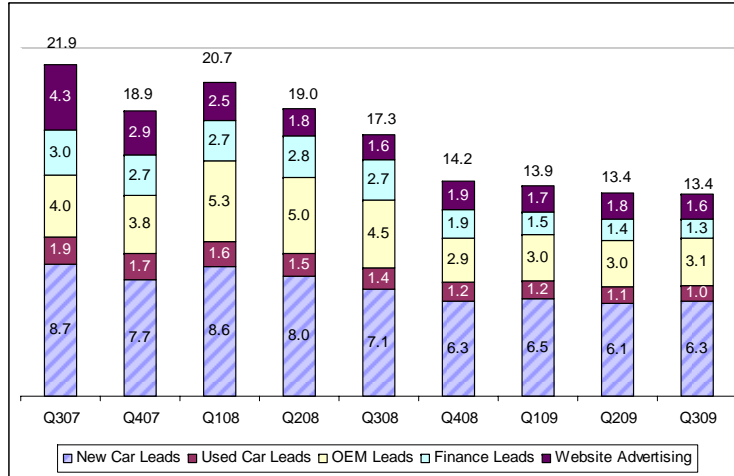


Source: Automotive News, JD Power & Associates

## Comments

- July / August vehicle sales boosted by “Cash for Clunkers”
  - Significant drop in September (Sales “pulled forward” / lack of dealer inventory)
- In September 2009, JD Power forecast 2009 and 2010 US light vehicle sales of 10.3M and 11.5M, respectively

# Revenue Results



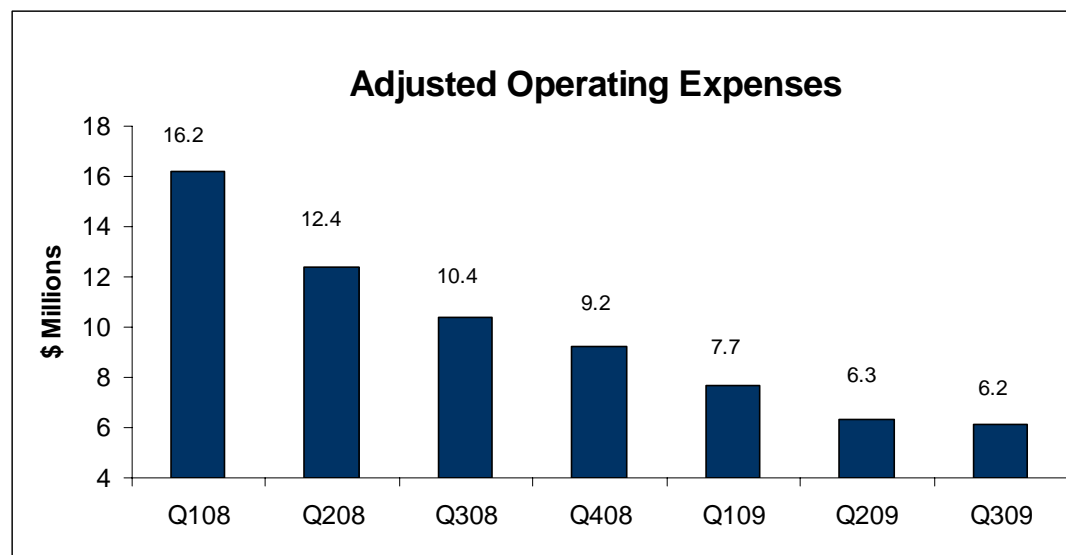
Source: Automotive News

## Comments

- OEM revenue stable
- Advertising revenue stable



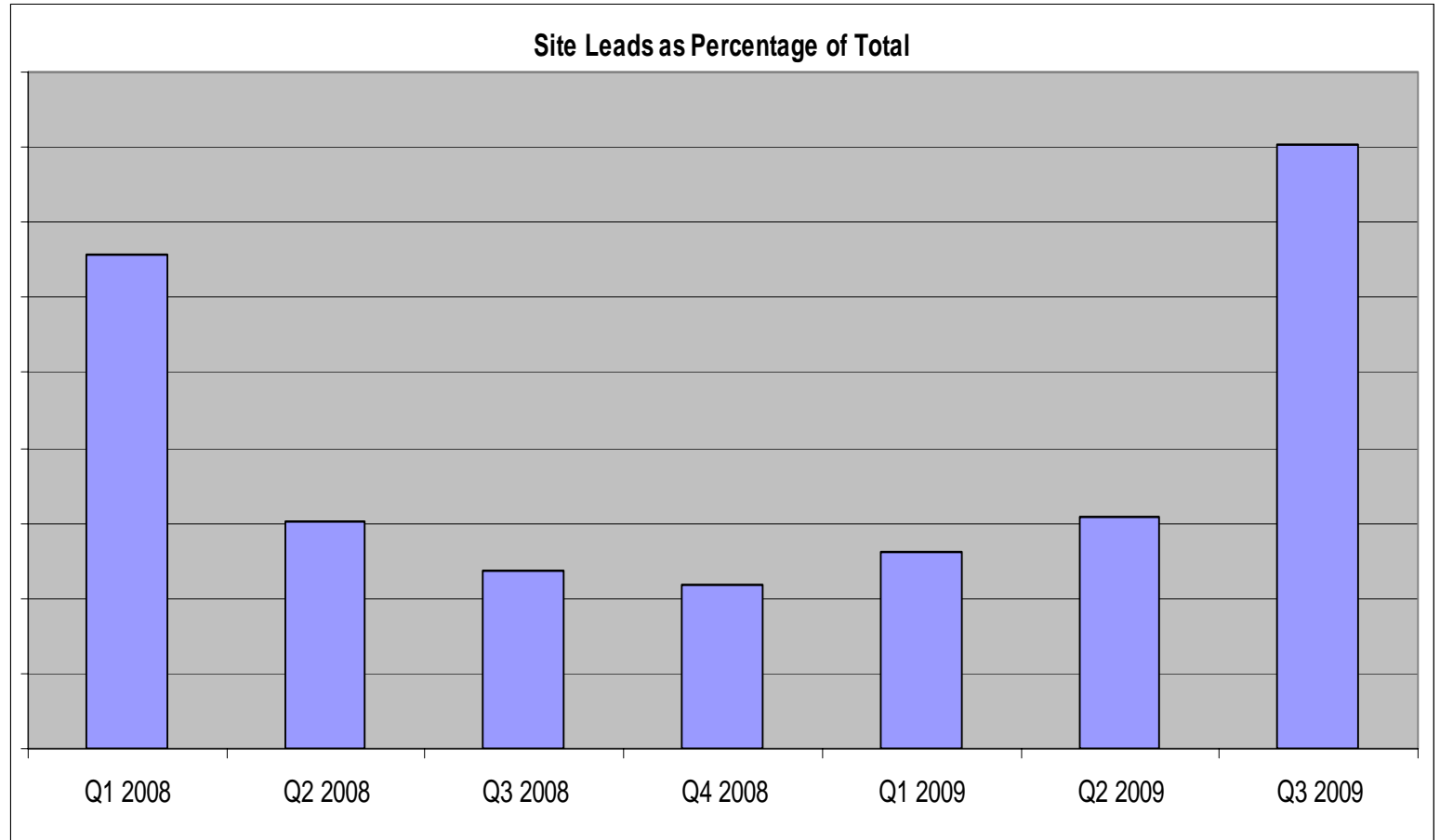
# Cost Reductions



## GAAP Reconciliation

	Q108	Q208	Q308	Q408	Q109	Q209	Q309	Q3 YOY
GAAP OPEX	\$13.5	\$64.5	\$12.2	\$15.2	\$5.5	\$6.6	\$6.2	
Dealix	2.7				2.7			
Impairment Charges		(52.1)		(1.2)				
Severance			(1.8)	(4.8)	(0.5)			
Tender Defense						(0.3)		
<b>Adjusted OPEX</b>	<b>\$16.2</b>	<b>\$12.4</b>	<b>\$10.4</b>	<b>\$9.2</b>	<b>\$7.7</b>	<b>\$6.3</b>	<b>\$6.2</b>	<b>-40%</b>

# Website Leads Increasing (Percentages)

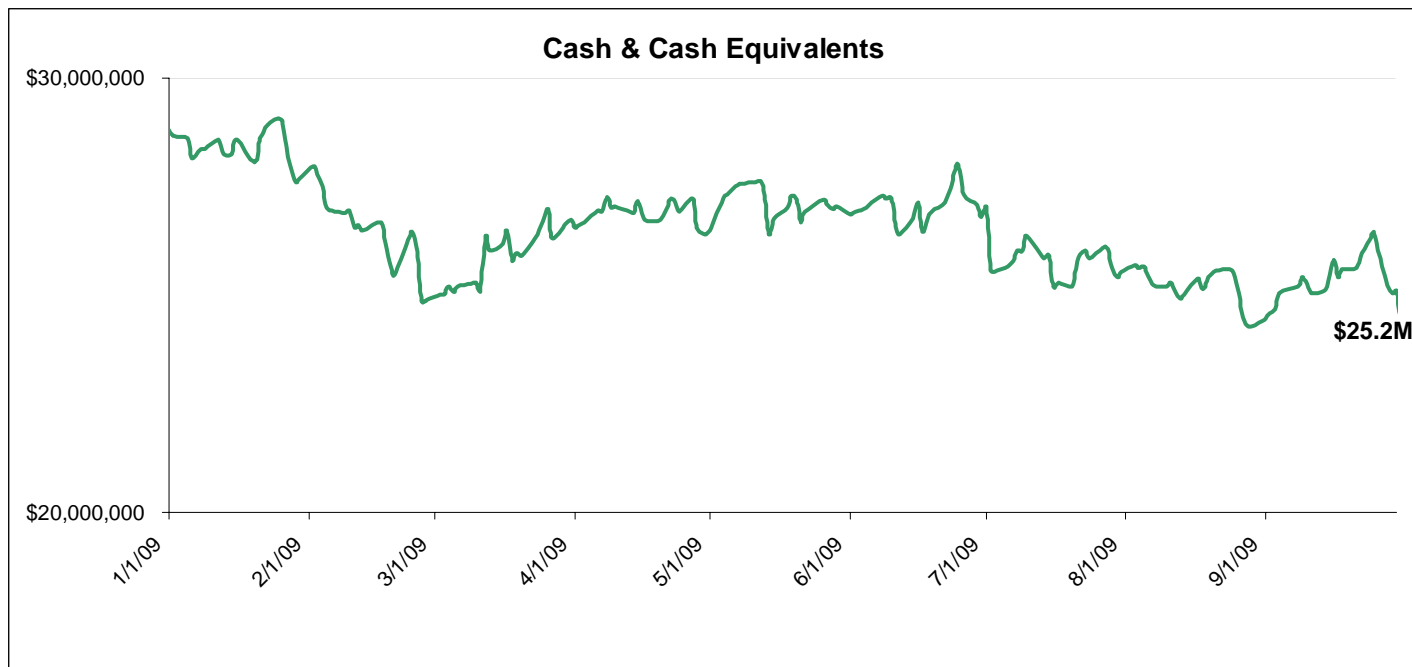




# Website Roadmap

Actual			Expected	
Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010
<ul style="list-style-type: none"> <li>•Rebuilt website leadership team to upgrade web presence</li> <li>•Improved infrastructure and reporting</li> </ul>	<ul style="list-style-type: none"> <li>•Moved MyRide onto Core platform (performance improvements, cost savings)</li> <li>•Brought paid search in-house (eliminate negative ROI Search spend)</li> </ul>	<ul style="list-style-type: none"> <li>•Placed used car inventory on kbb.com (more used car leads)</li> <li>•Added more ways to search used car section (more used car leads)</li> <li>•Improved new car lead form (better conversion)</li> <li>•Leading Cash-for-Clunkers section (more leads &amp; page views); highlighted on NBC News, USA Today, and CNN</li> <li>•News &amp; Articles section (more content, better user experience)</li> </ul>	<ul style="list-style-type: none"> <li>•Autodata data conversion (more comprehensive data set: car photos, car colorizations, regional incentives, etc.)</li> <li>•Re-launch Autobytel.com (better user experience, better lead conversion, more page views, etc.)</li> <li>•Edmunds content integration (more content and page views)</li> </ul>	<ul style="list-style-type: none"> <li>•Re-launch Car.com, Autosite.com, and Autoweb.com (site differentiations, better user experience)</li> <li>•New Car Inventory (improve volume and quantity of leads)</li> <li>•Certified Pre-Owned (CPO) section with inventory (more leads and advertising opportunities)</li> <li>•Launch consumer retention programs (email, etc.)</li> </ul>

# Cash



**Comments**

**Cash Per Share**

• Cash balance at September 30, 2009 equaled \$25.2M .....	<b>\$0.56</b>
• Additional sources of cash not carried on balance sheet	
• Final Dealix patent settlement payment of \$2.7M due in Q1 2010 .....	<b><u>\$0.06</u></b>
	<b>\$0.62</b>

## Q3 Summary

- Margin improvement
- Increase page views and lead conversion
- Continued operating expense reductions
- Reinvesting and positioned for economic recovery



# Appendix

## Reconciliation of GAAP Loss from Continuing Operations to Adjusted Loss from Continuing Operations

	Q108	Q208	Q308	Q408	Q109	Q209	Q309
<b>GAAP Loss from Cont. Ops.</b>	<b>(\$6.1)</b>	<b>(\$57.4)</b>	<b>(\$5.8)</b>	<b>(\$15.1)</b>	<b>(\$0.4)</b>	<b>(\$1.5)</b>	<b>(\$1.4)</b>
Reconciling Items							
Dealix Settlement	2.7	0.0	0.0	0.0	2.7	0.0	0.0
Impairment Charges	0.0	(52.1)	0.0	(5.5)	0.0	0.0	0.0
Severance	0.0	0.0	(1.8)	(5.1)	(0.5)	0.0	0.0
Tender Offer Costs	0.0	0.0	0.0	0.0	0.0	(0.3)	0.0
<b>Total Reconciling Items</b>	<b>\$2.7</b>	<b>(\$52.1)</b>	<b>(\$1.8)</b>	<b>(\$10.6)</b>	<b>\$2.2</b>	<b>(\$0.3)</b>	<b>\$0.0</b>
<b>Adjusted Loss from Cont. Ops.</b>	<b>(\$8.8)</b>	<b>(\$5.3)</b>	<b>(\$4.0)</b>	<b>(\$4.5)</b>	<b>(\$2.6)</b>	<b>(\$1.2)</b>	<b>(\$1.4)</b>