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Autobytel Acquires Advanced Mobile to Provide Leading Mobile Capabilities to Automotive Manufacturers and Dealerships

Autobytel Expands Services with Robust, Innovative Mobile Technologies to Help Manufacturers and Dealers Better Connect with Car Buyers

IRVINE, Calif.--(BUSINESS WIRE)-- [Autobytel Inc.](#) (Nasdaq: ABTL), the company dedicated to helping consumers and dealers connect online, today announced it has acquired Advanced Mobile, LLC, a provider of innovative mobile communications services designed specifically for the automotive industry.

As a result of the acquisition, Autobytel will offer auto manufacturers and dealers the ability to connect with consumers using a preferred method of text communication via a secure platform that protects consumers' privacy. In addition, Autobytel will offer dealers a comprehensive suite of mobile products, including mobile apps, mobile websites, Send2Phone capabilities and text message marketing.

Founded in 2006 and based in King of Prussia, Pennsylvania, Advanced Mobile serves the automotive industry with a full range of advanced mobile technologies. These technologies facilitate communication between dealers and car buyers on smart phones and tablets at the time, place and in a manner preferred by consumers. This advanced platform will be the core of a wide array of mobile services Autobytel offers to its dealer and manufacturer customers, and will also be available to consumers through Autobytel's websites.

Since 1995 when Autobytel pioneered the automotive Internet, the company has grown to become a leading provider of new and used car leads and marketing services for dealers and manufacturers nationwide. The company's flagship website, [Autobytel.com](#), is one of the nation's leading online resources to help people research, shop for, buy, sell and own a car.

"We led the way nearly 20 years ago when we invented online car buying, and we now intend to lead the way in mobile," said Jeffrey Coats, President and Chief Executive Officer of Autobytel Inc. "Last year, more than 326 million U.S. wireless subscribers sent more than 2 trillion text messages, or more than 171 billion per month. We believe that the explosive growth in smart phone and tablet use represents significant mobile communications opportunities, especially for the automotive industry, which has been searching for ways to safely and legally utilize mobile technologies. This acquisition enables us to offer the industry the mobile resources it requires to successfully communicate with car buyers in a preferred manner.

"We expect the technology and team built by Advanced Mobile to be an important asset to Autobytel and to its dealer and manufacturer customers, allowing them to capitalize on the new frontier of mobile," Coats said. "Adding these new and innovative mobile technologies to the high-quality leads we deliver to customers—internally generated leads that convert to sales at roughly three times the estimated industry average—will help manufacturers and dealers sell more cars, more efficiently."

"We created Advanced Mobile to help clients cultivate a mobile eco-system to drive their businesses forward," said Bret J. Dunlap, President and Chief Executive Officer of Advanced Mobile. "We believe that our extensive suite of products and industry experience is highly valuable to auto dealers and manufacturers who are seeking the greatest possible returns for their marketing investments. Our goal of helping clients sell more cars is completely aligned with Autobytel's, and we look forward to continuing to help our customers realize the full benefits of mobile technology."

The initial consideration for the acquisition was \$2.5 million in cash. In addition, Advanced Mobile may earn up to an additional \$1.5 million in contingent payments based on the revenue and gross profit performance of the acquired business over a three-year period commencing January 1, 2014.

Dunlap will join Autobytel as Senior Vice President, Mobile. As an inducement for joining the company, Dunlap was granted an option to acquire 88,641 shares of Autobytel common stock at an exercise price of \$7.17 per share. The option will initially vest based on the revenue and gross profit performance of the acquired business over the next three years and then on Dunlap's time of service with Autobytel.

B. Riley & Co., LLC acted as Autobytel's exclusive financial advisor for this transaction.

About Autobytel Inc.

Autobyte Inc., an online leader offering consumer leads and marketing resources to car dealers and manufacturers and providing consumers with the information they need to purchase new and used cars, pioneered the automotive Internet when it launched its flagship website, www.autobyte.com, in 1995. Autobyte continues to offer innovative products and services to help consumers buy, and auto dealers and manufacturers sell, more used and new cars. Autobyte has helped tens of millions of automotive consumers research vehicles; connected thousands of dealers nationwide with motivated car buyers; and helped every major automaker market its brand online. Through its flagship website, network of automotive sites and respected online affiliates, Autobyte continues its dedication to innovating the industry's highest quality Internet programs to provide consumers with a comprehensive and positive automotive research and purchasing experience, and auto dealers, dealer groups and auto manufacturers with some of the industry's most productive and cost-effective customer referral and marketing programs.

Investors and other interested parties can receive Autobyte news releases and invitations to special events by accessing the online registration form at [Autobyte Investor Alerts](#).

Forward-Looking Statements Disclaimer

The statements contained in this press release that are not historical facts are forward-looking statements under the federal securities laws. These forward-looking statements, including, but not limited to, planned new product offerings and anticipated contributions of Advanced Mobile, 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. 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 the company's ability to integrate and market the acquired technology, changes in communications technologies and consumer preferences, 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 Autobyte; changes in laws and regulations; costs of legal matters, including, 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 the company's Annual Report on Form 10-K for the year ended December 31, 2012 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 Autobyte and the market price of the company's stock.

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