



## Second Quarter 2010 Results

---

August 12, 2010

## Safe Harbor Statement and Non-GAAP Disclosures

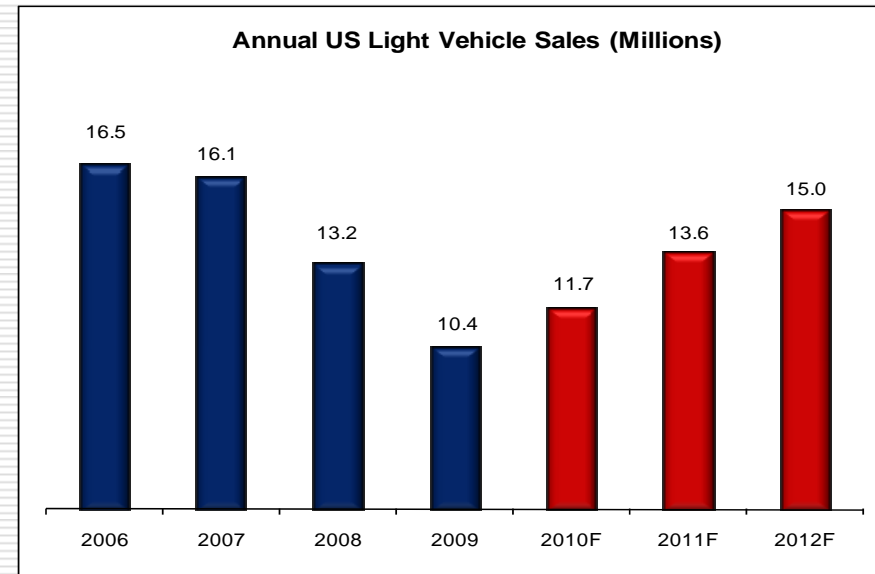
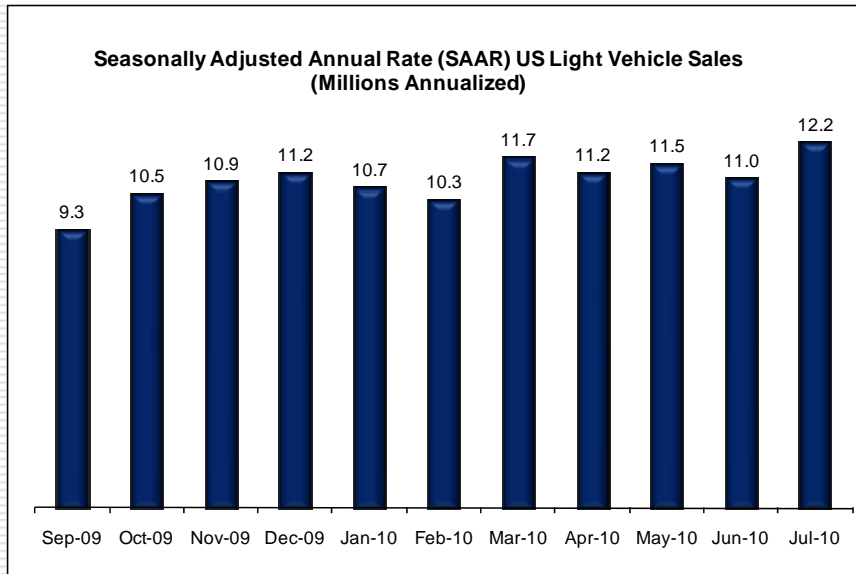
---

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, actual costs and expenses exceeding 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, 2009, 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. In addition, the current year financial information could be subject to a change as a result of subsequent events or the finalization of our financial statement close which culminates with the filing of our Form 10-K.

This presentation includes a discussion of "Adjusted EBITDA" and "Adjusted OPEX", which are non-GAAP financial measures. The Company defines EBITDA as net income before (a) investment and other income (expense); (b) income tax provision (benefit); and (c) depreciation and amortization. The Company defines Adjusted EBITDA as a further adjustment of EBITDA to exclude share-based compensation expense related to the Company's grant of stock options and other equity instruments. The Company defines OPEX as GAAP operating expenses adjusted for unusual, infrequent or non-recurring items. The Company believes these non-GAAP financial measures provide important supplemental information to management and investors. These non-GAAP financial measures reflect an additional way of viewing aspects of the Company's operations that, when viewed with the GAAP results and the accompanying reconciliations to corresponding GAAP financial measures, provide a more complete understanding of factors and trends affecting the Company's business and results of operations. 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. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. In addition, the Company expects to continue to incur expenses similar to the non-GAAP adjustments described above, and exclusion of these items from the Company's non-GAAP measures should not be construed as an inference that these costs are unusual, infrequent or non-recurring.



# Auto Industry Sales



Source: Automotive News, JD Power & Associates

## Comments

- The 2010 Automotive market has been choppy in recovery
- Q2 2010 was a strong quarter, with vehicle sales up 18% versus Q2 2009 JD Power estimates, as a result of increased fleet sales and heavy retail incentives
- 2010 US light vehicle sales up 12.5% to 11.7M
- Monthly rate of 0.9M Light Vehicles sold in July 2010 equates to a 12.2M Seasonally Adjusted Annual Rate

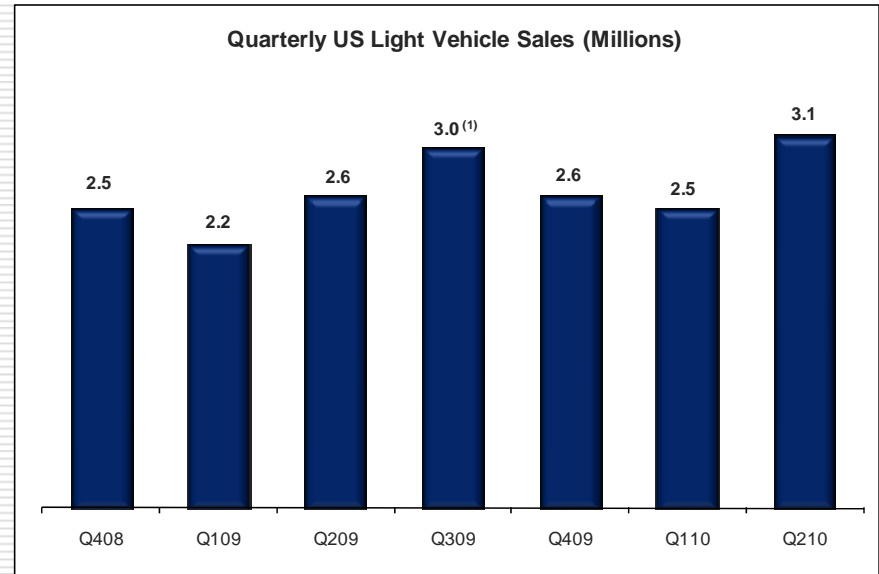
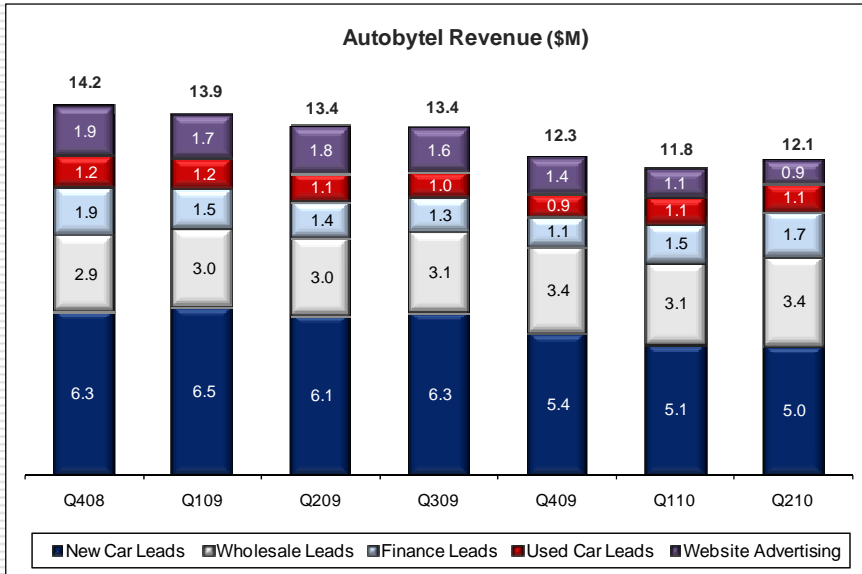
# Financial Overview

	Q109	Q209	Q309	Q409	Q110	Q210
<b>Revenue (\$M)</b>	\$13.9	\$13.4	\$13.4	\$12.3	\$11.8	\$12.1
<b>Gross Margin</b>	36%	33%	35%	39%	40%	35%
<b>Operating Expenses (\$M)</b>	\$5.5	\$6.6	\$6.2	\$5.9	\$4.1	\$7.5
<i>% of Revenue</i>	40%	49%	46%	48%	35%	62%
<b>Income / Loss from Continuing Ops (\$M)</b>	(\$0.4)	(\$1.0)	(\$1.2)	(\$1.0)	\$0.8	(\$3.0)
<b>Discontinued Operations (\$M)</b>	\$0.0	\$0.8	\$0.4	\$0.0	\$0.0	\$0.0
<b>Net Income / (Loss) (\$M)</b>	(\$0.4)	(\$0.3)	(\$0.8)	(\$1.0)	\$0.8	(\$3.0)
<b>Change in Cash Balance (\$M)</b>	(\$1.6)	\$1.0	(\$1.5)	(\$0.1)	\$1.0	(\$2.2)
<b>Operating Cash Flow (\$M)</b>	(\$1.6)	(\$0.8)	(\$2.0)	(\$0.2)	\$1.4	(\$2.2)
<b>Closing Stock Price</b>	\$0.27	\$0.43	\$0.70	\$1.00	\$1.05	\$1.14
<b>Headcount</b>	109	107	115	112	126	137

(\$M)	Q109	Q209	H109	Q110	Q210	H210
<b>Net Income / (Loss)</b>	(\$0.4)	(\$0.3)	(\$0.7)	\$0.8	(\$3.0)	(\$2.2)
Depreciation & Amortization	\$0.5	\$0.4	\$0.9	\$0.3	\$0.3	\$0.6
Share-based Compensation	\$0.3	\$0.3	\$0.5	\$0.2	\$0.3	\$0.6
Income Taxes*	\$0.0	(\$0.5)	(\$0.5)	\$0.0	\$0.0	\$0.0
<b>Adjusted EBITDA</b>	\$0.4	(\$0.1)	\$0.3	\$1.4	(\$2.3)	(\$1.0)

\*Includes effect of income tax provision restatement for Q209 for effect of DISCO tax benefit that was restated in 2009 10K

# Revenue Results



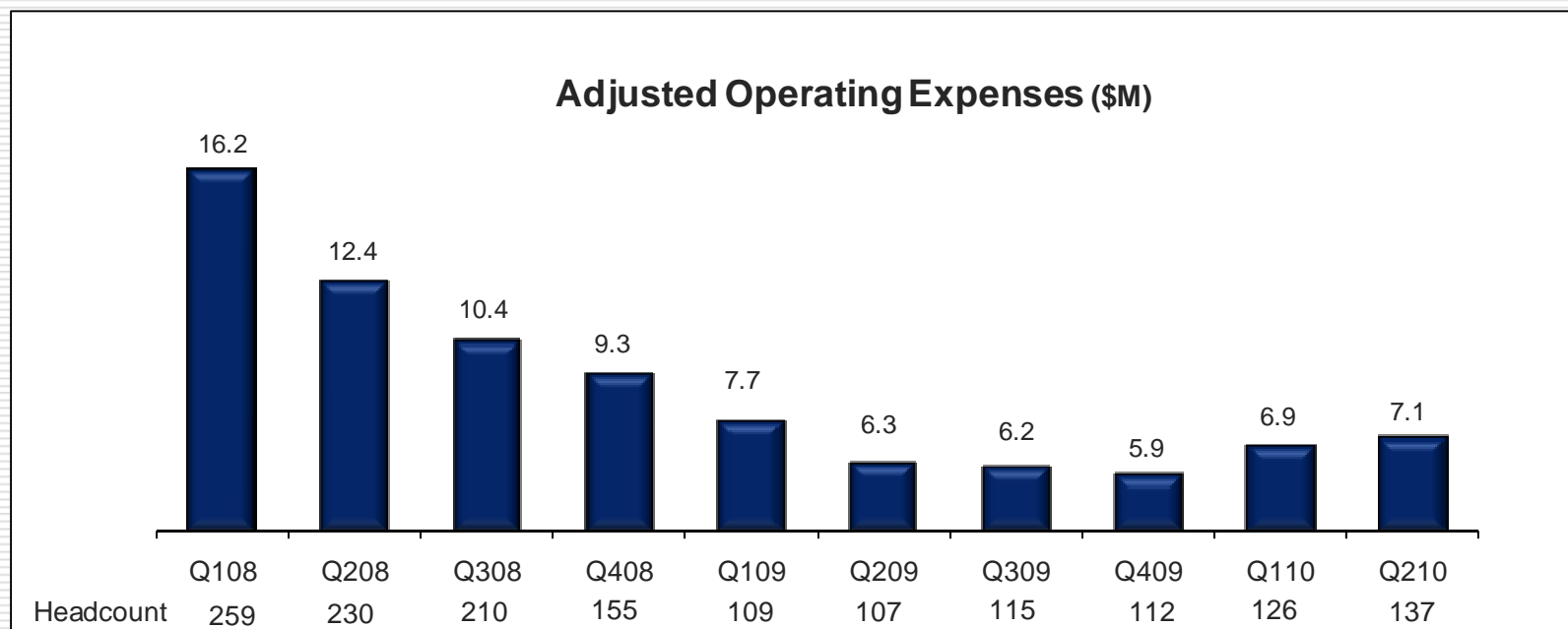
Source: Automotive News  
 (1) Cash for Clunkers Program occurred in Q3 2009

## Comments

- Wholesale/OEM Lead Revenue up 13.6% over the prior year and 9% sequentially
- Finance Lead Revenue up 27.1% over the prior year and 18% sequentially
- Used Car Lead Revenue stabilizing



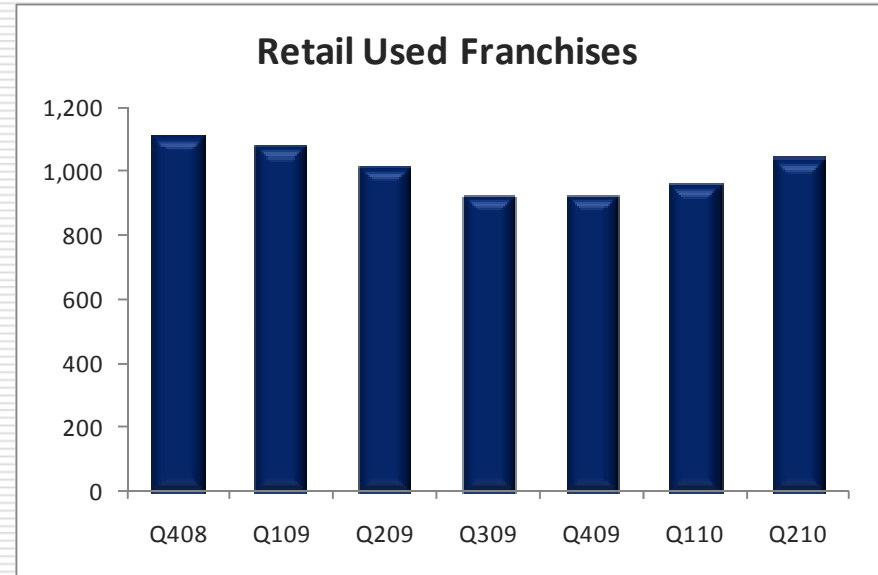
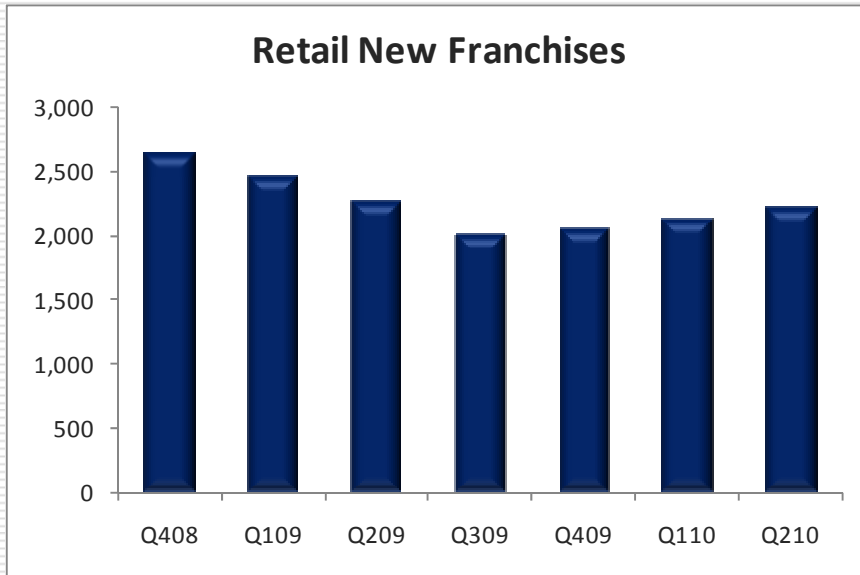
# Cost Reductions



## GAAP Reconciliation

	Q108	Q208	Q308	Q408	Q109	Q209	Q309	Q409	Q110	Q210	Q210 YOY
GAAP OPEX	\$13.5	\$64.5	\$12.2	\$15.3	\$5.5	\$6.6	\$6.2	\$5.9	\$4.1	\$7.5	\$0.9
Patent Settlement	2.7				2.7				2.8	0.0	\$0.0
Impairment Charges		(52.1)		(1.2)							\$0.0
Severance			(1.8)	(4.8)	(0.5)					(0.4)	(\$0.4)
Tender Defense						(0.3)					\$0.3
<b>Adjusted OPEX</b>	<b>\$16.2</b>	<b>\$12.4</b>	<b>\$10.4</b>	<b>\$9.3</b>	<b>\$7.7</b>	<b>\$6.3</b>	<b>\$6.2</b>	<b>\$5.9</b>	<b>\$6.9</b>	<b>\$7.1</b>	<b>\$0.8</b>

# Dealer Franchises

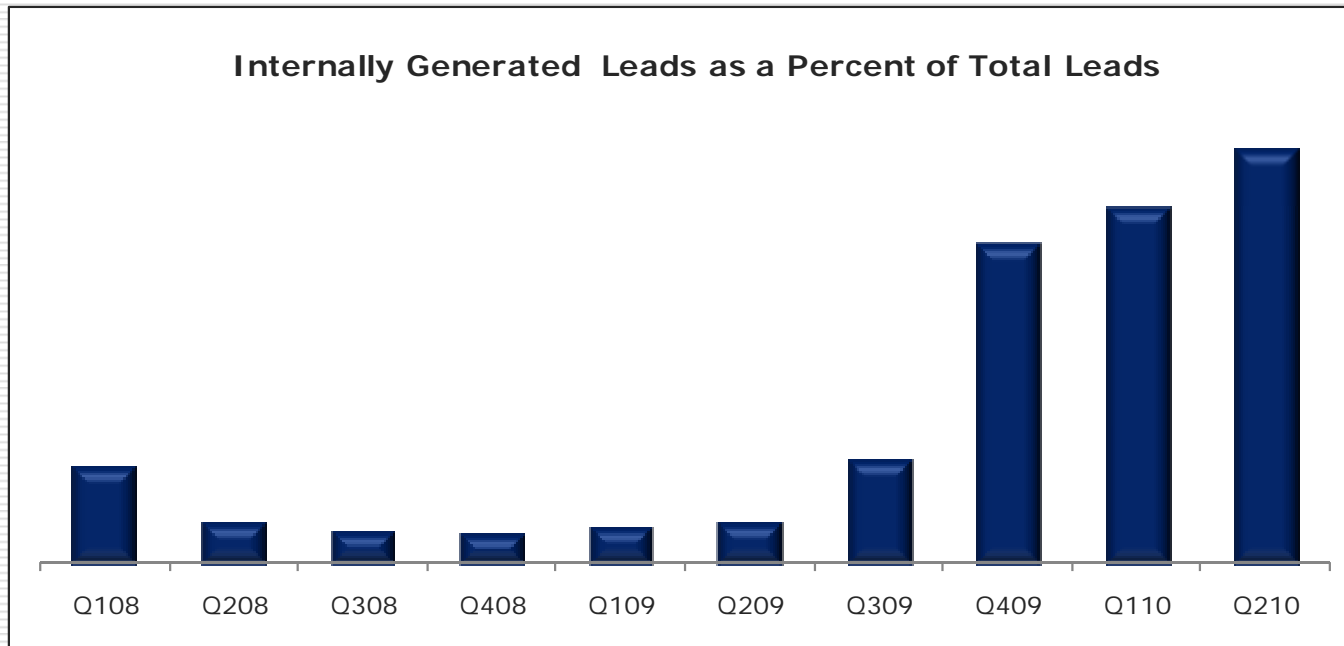


## Comments

- Retail New Franchises are up 4% sequentially and up a total of 10% over the previous three quarters
- Retail Used Franchises are up 8% sequentially and up 13% over the previous three quarters

# Website Leads Increasing

---



## Comments

- Internally generated lead volume continued with upward momentum, exceeding 35% of total leads
- Lead volume should continue at current or improved levels as we further optimize for SEO and Direct to Site traffic



# Website Roadmap



## Q3 2010

- Contracted leading digital agency (Wunderman)
- Launched interactive video pilot
- Car advisor tool
- Consumer article comments
- Custom RSS feeds
- Multivariate website testing
- Numerous SEO enhancements
- Completed commercial agreement with Driverside

## Q4 2010

- Dynamic redesigning of Autobytel.com with highly consumer-centric products and services
- Public testing of redesigned Autobytel.com
- Initiate Autobytel-sponsored ride-and-drive events
- Develop integrated multiplatform strategy (social media, mobile platforms)
- Re-launch My Garage® powered by Driverside



## Q1/Q2 2011

- Official industry launch of Autobytel.com at NADA
- Deployment of social and mobile strategies
- Ramp up Autobytel-sponsored ride-and-drive events
- Establish online network to connect shoppers with current owners
- Vehicle reliability ratings
- Dealer ratings

