NASDAQ: **AUTO**

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Investor Presentation

Nov 2018

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," "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, including, that the company (i) believes that the auto environment we experienced for several years has been unsustainable, and the reality is beginning to settle in; (ii) believes that revenue growth and margin expansion will ultimately come from the execution of the following initiatives: (1) audience growth, (2) improved audience acquisition efficiency, (3) retail dealer count and lead capacity growth, (4) operational integration and simplification; and (5) enhanced consumer-to-client matchmaking; (iii) believes that moving away from commodity matching of buyers and sellers and toward more data-driven approaches to connect a specific, targeted buyer with a specific, targeted seller can help the company differentiate itself in the market, as well as improve both the margin and volume characteristics of the company's business; (iv) intends to take advantage of modern approaches to content optimization, of which the company has not availed itself historically and expects these investments to continue over the near-term as the company works to optimize its traffic acquisition methods, improve lead and click conversion and return to growth; (v) plans to grow its retail dealer count and capacity through better market segmentation and that the company believes it has a very compelling and cost effective solution for this client segment; (vi) intends to invest in its IT infrastructure and better integrate its operations in order to minimize redundancies, improve the velocity of change, and gain better control over internal investments and outcomes; and (vii) has every expectation of returning to growth and margin expansion in 2019, 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, 2017, 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. In addition to the foregoing non-GAAP financial measures, for year-over-year comparisons, prior year results for all periods presented are adjusted to exclude the company's specialty finance leads product, which was divested on December 31, 2016, which comparisons and prior year results are also non-GAAP financial measures as defined by SEC Regulation G. The company's management believes that presenting non-GAAP income, non-GAAP EPS, adjusted gross profit, and adjusted gross margin 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, the company uses non-GAAP and non-GAAP EPS as a measure for determining incentive compensation targets. 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.

We Are a Digital Marketing Platform

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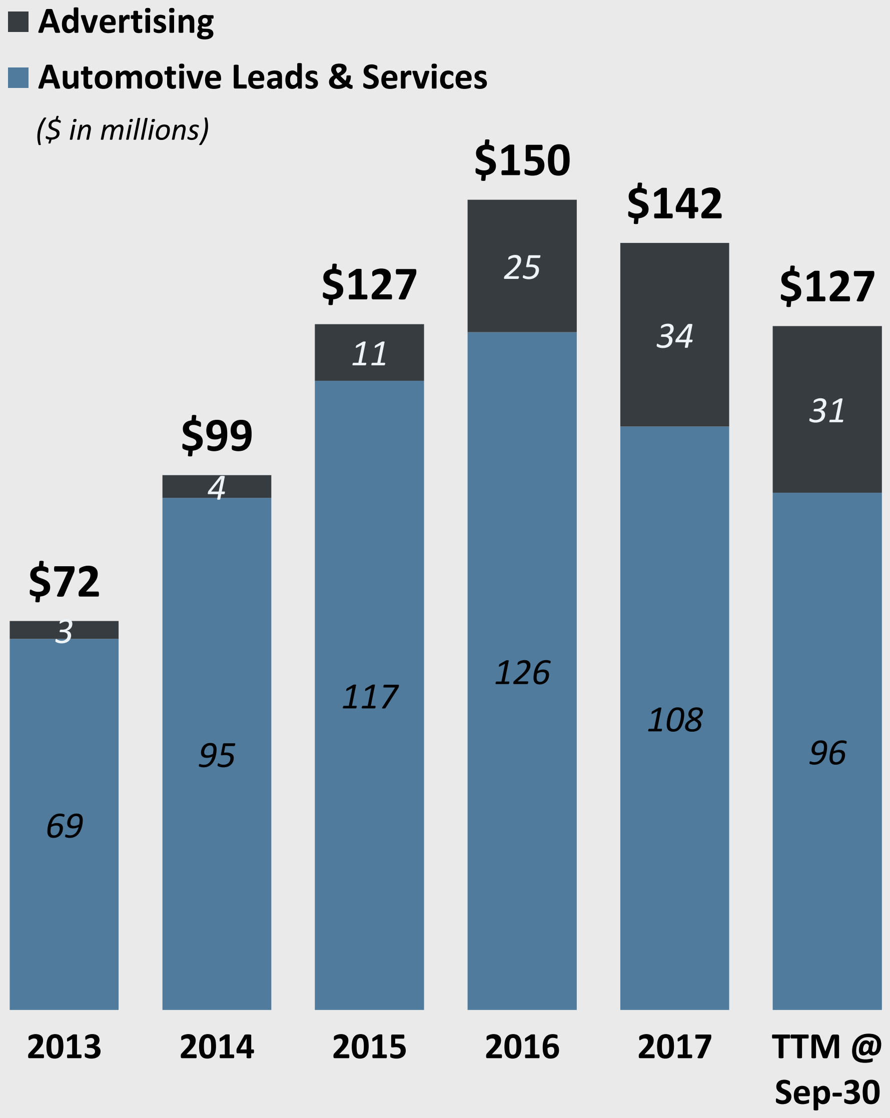
- **AutoWeb is a digital marketing platform** providing advertising solutions for auto dealers & OEMs
- **We have an integrated suite of products:** leads, clicks, emails
  - **Lead Generation** – the top lead marketplace in the auto industry for franchise dealers and OEM dealer programs
  - **Pay-per-Click Advertising** – programmatic pay-per-click platform targeting high-intent auto shoppers at scale
  - **Email Remarketing Campaigns**
- **We connect millions of vehicle shoppers to our dealer distribution network** – includes 73% of all U.S. franchise dealers
- **New management in place** with strong track record of growing automotive digital marketing companies

Category Revenue Contributions[1]

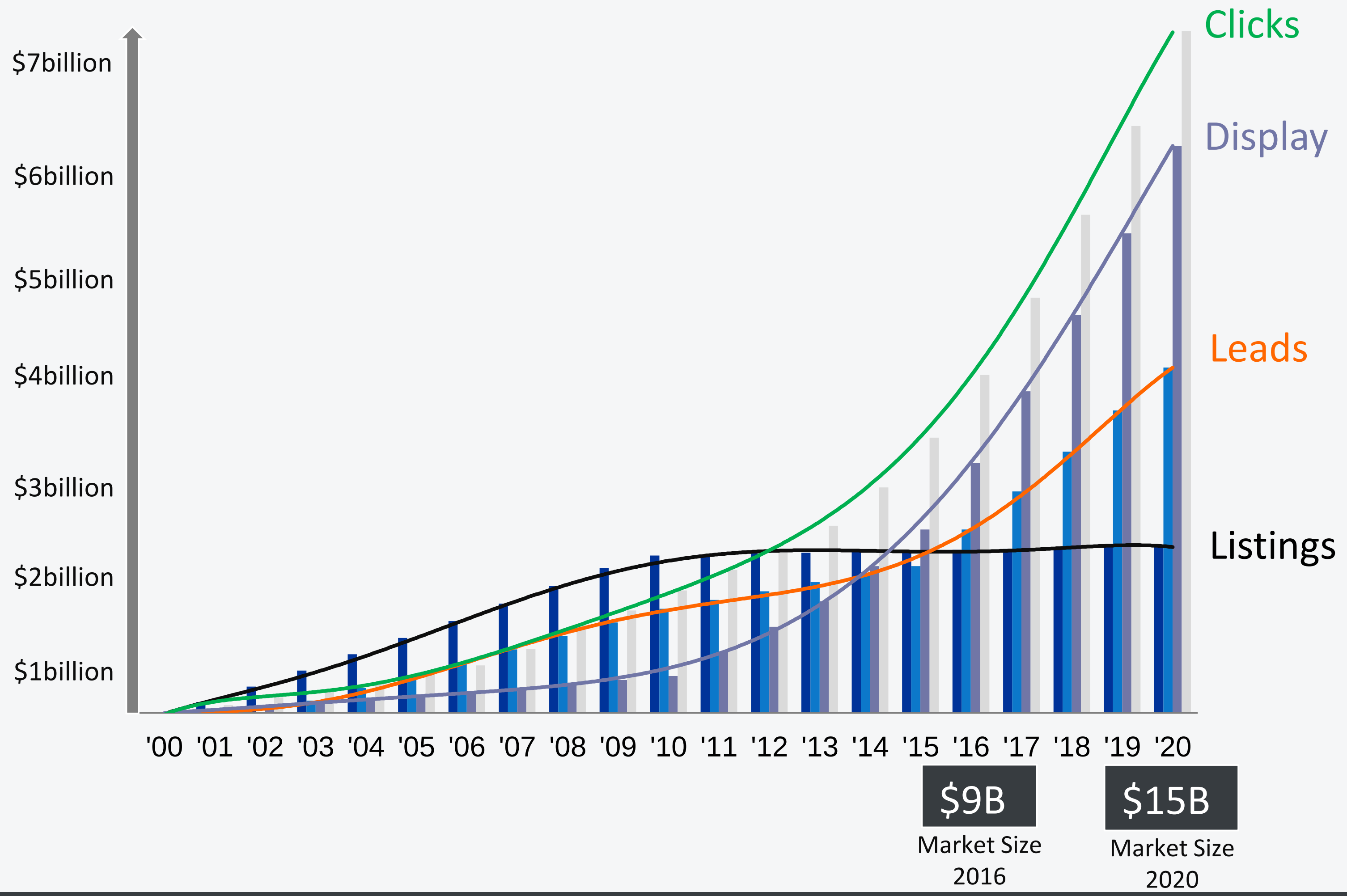


1) For comparative purposes, all chart figures exclude contribution from the company's specialty finance leads product, which was divested on Dec 31, 2016.

Focused on the Growing Ad Channels

- Total automotive digital ad spend to reach $15B by 2020
  - Growing at a ~14% CAGR from 2016-2020
- E-mail marketing still accounts for ~10% of dealer online ad spend[2]
- Growth largely driven by core product channels, not listings
- Consumer shopping behavior continues to shift online
- Avg dealership visits prior to purchase:
  - 2005 – 5 dealerships
  - 2015 – 1.6 dealerships

Automotive Digital Ad Spend by Channel[1]



1) eMarketer.com estimates.
2) 2017 Borrell Automotive Outlook

Digital Ad Channels are Consistently Growing

We Have a Large Automotive Consumer Audience

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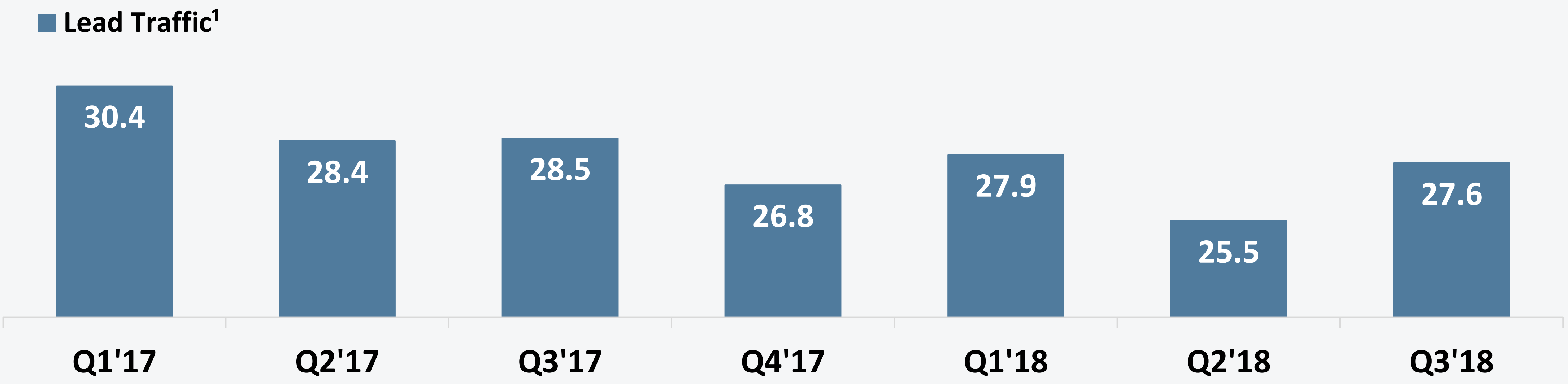

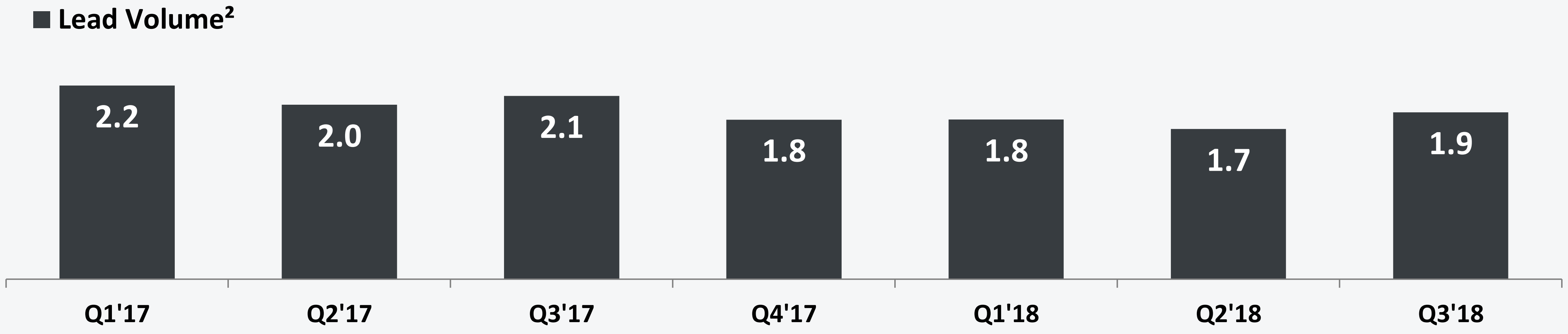

1) Lead traffic = total visits to AutoWeb's owned lead websites.
2) Lead volume = total new and used vehicle leads invoiced to retail and wholesale customers.

Targeting a Return to Lead & Traffic Growth

We Sell Millions of Clicks Every Year

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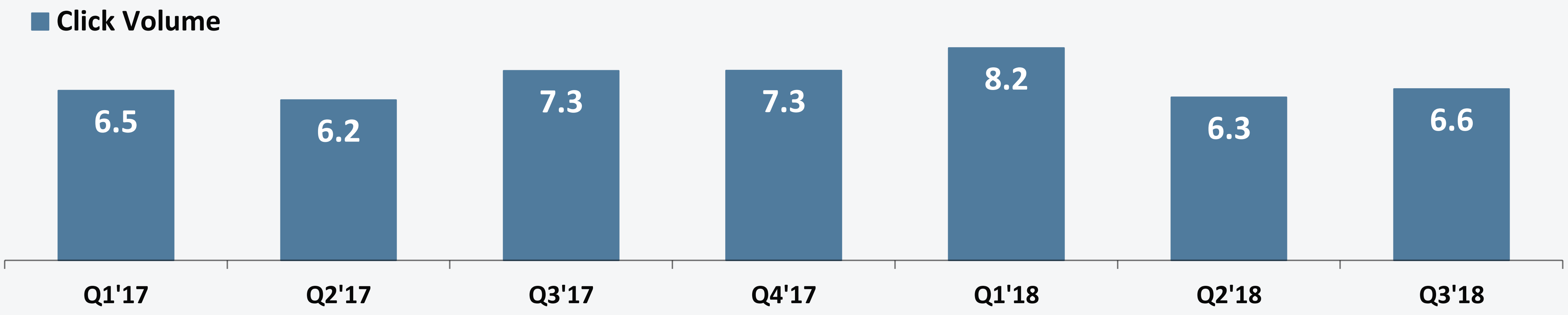
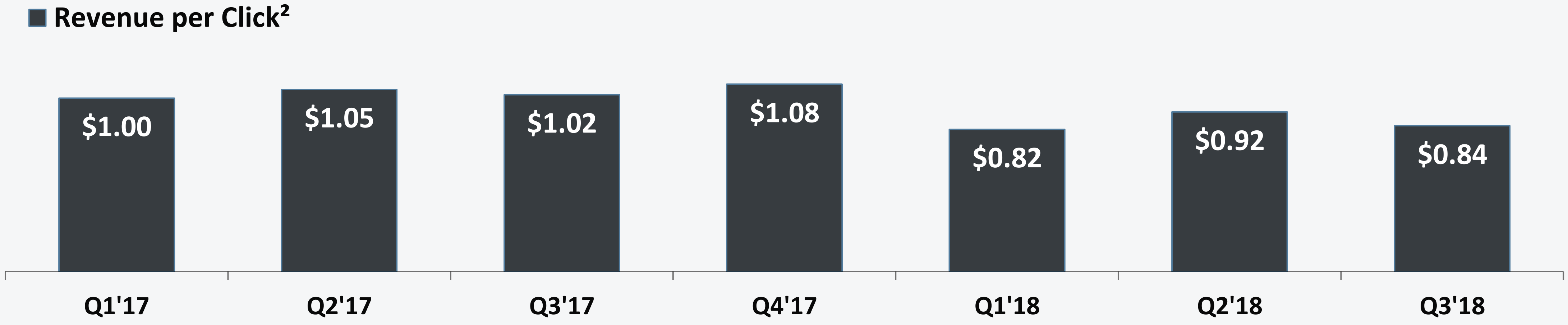
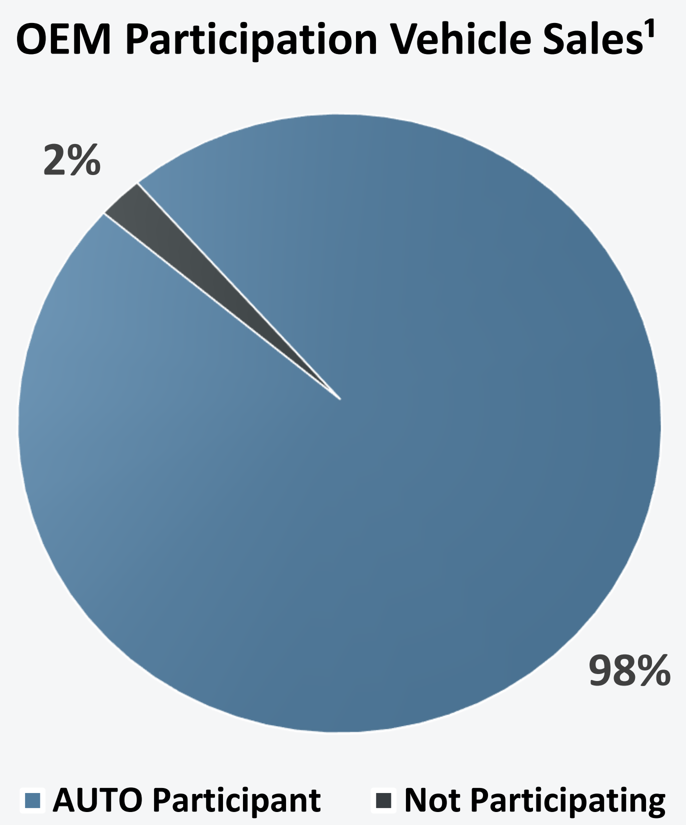


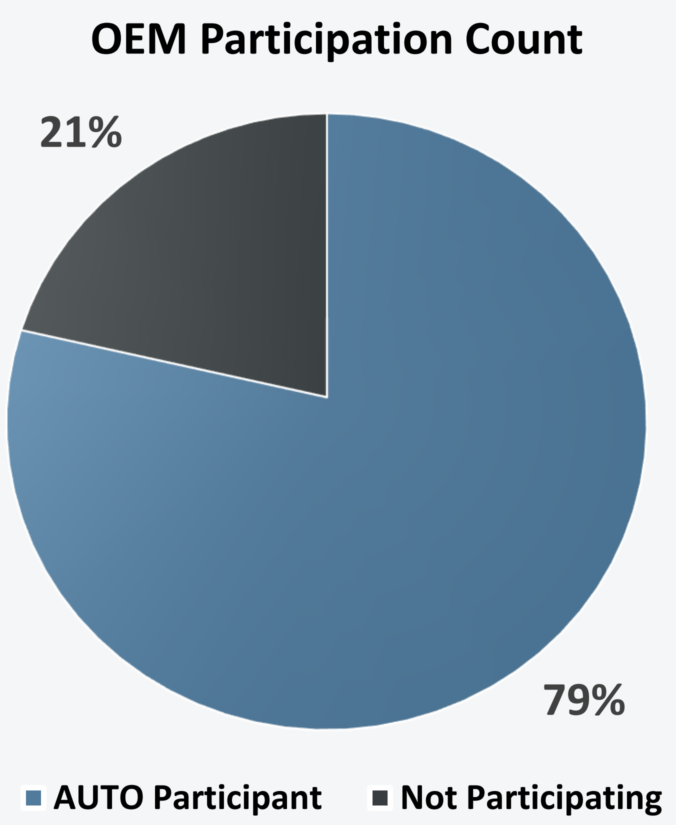


1) Click Volume = the number of times during the applicable quarter that consumers clicked on advertisements on AutoWeb's click referral websites.
2) Revenue per click = total click revenue divided by click volume.

Lack of Product Investment has led to Consistent Declines

A Large OEM Distribution Channel



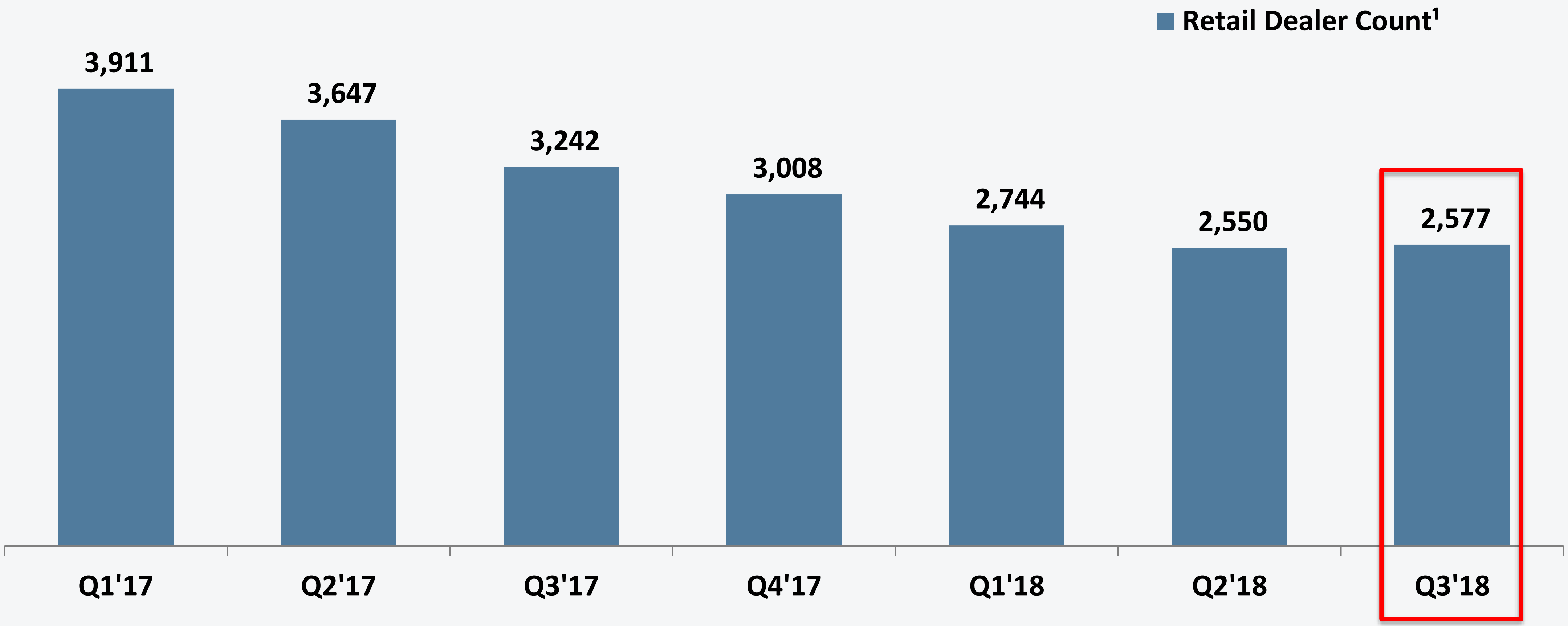


- We sell new vehicle leads to 33 of the 42 automotive OEMs (approx. 79%)
- These 33 OEMs that participate in our new vehicle lead program represent 98% of total new vehicle sales in the U.S.

1) Automotive News; July 2018 YTD total U.S. new vehicle sales.

We Sell Leads to Nearly Every OEM with a Corporate Leads Program, Representing 98% of Total New Vehicle Sales

Retail Distribution Channel has been Undermanaged



- AutoWeb delivers leads to approximately 73% of all franchise dealers in the U.S.
- Opportunity to return to dealer count growth by targeted market segmentation and pricing rationalization

1) Retail dealer count = the number of franchised dealers contracted for delivery of retail new vehicle leads plus the number of vehicle dealers (franchised or independent) contracted for delivery of retail used vehicle leads.

Returned to Dealer Count Growth in Q3 for the First Time in ~3 Years

Whitespace for Retail Dealer Growth

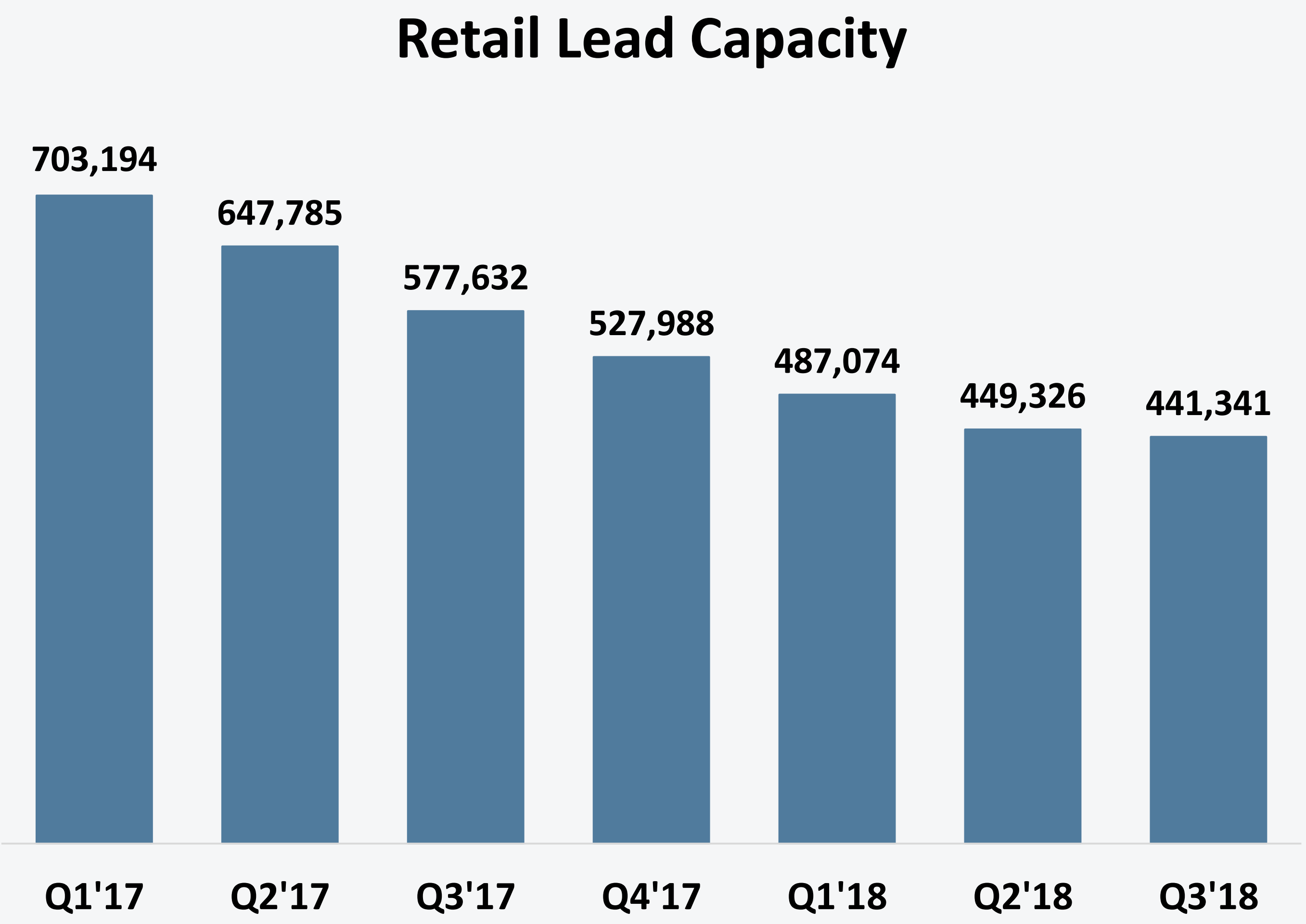
- The top 150 dealer groups have approximately 3,660 dealers combined
- AutoWeb sells leads to less than 10% of those dealers
- It's estimated that the top 150 dealer groups account for over 25% of all U.S. new car sales
- Provides unique opportunity to take a segmented approach in growing our dealer network

Top 150 Dealer Groups

AUTO is Underpenetrated in the Top 150 Dealer Groups

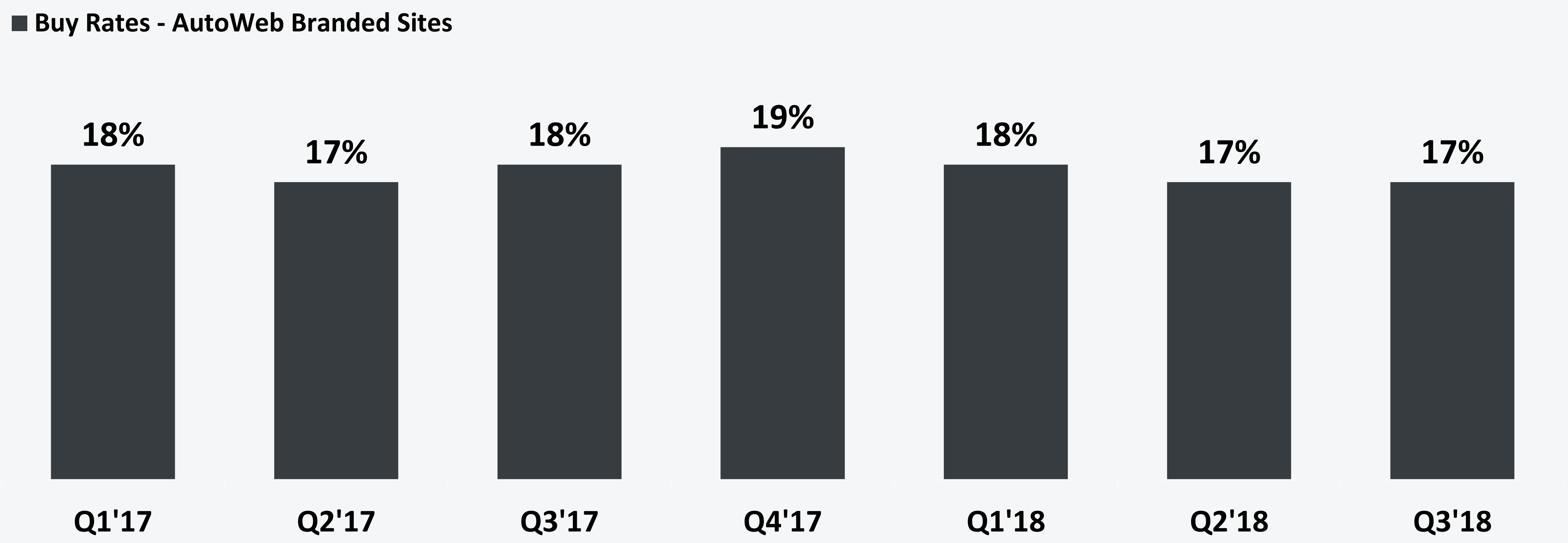
And Whitespace for Increased Capacity

- **Retail Lead Capacity** = the total number of lead requests from our retail dealer network (our max target)
- **AutoWeb has not grown its retail lead capacity target since Q4’15**
- **We expect to improve lead capacity** by growing our retail dealer network, re-investing in our products and enhancing our consumer-to-client matchmaking processes



AutoWeb has Room to Grow within its Current Dealer Footprint

Our Differentiator – High Buy Rates



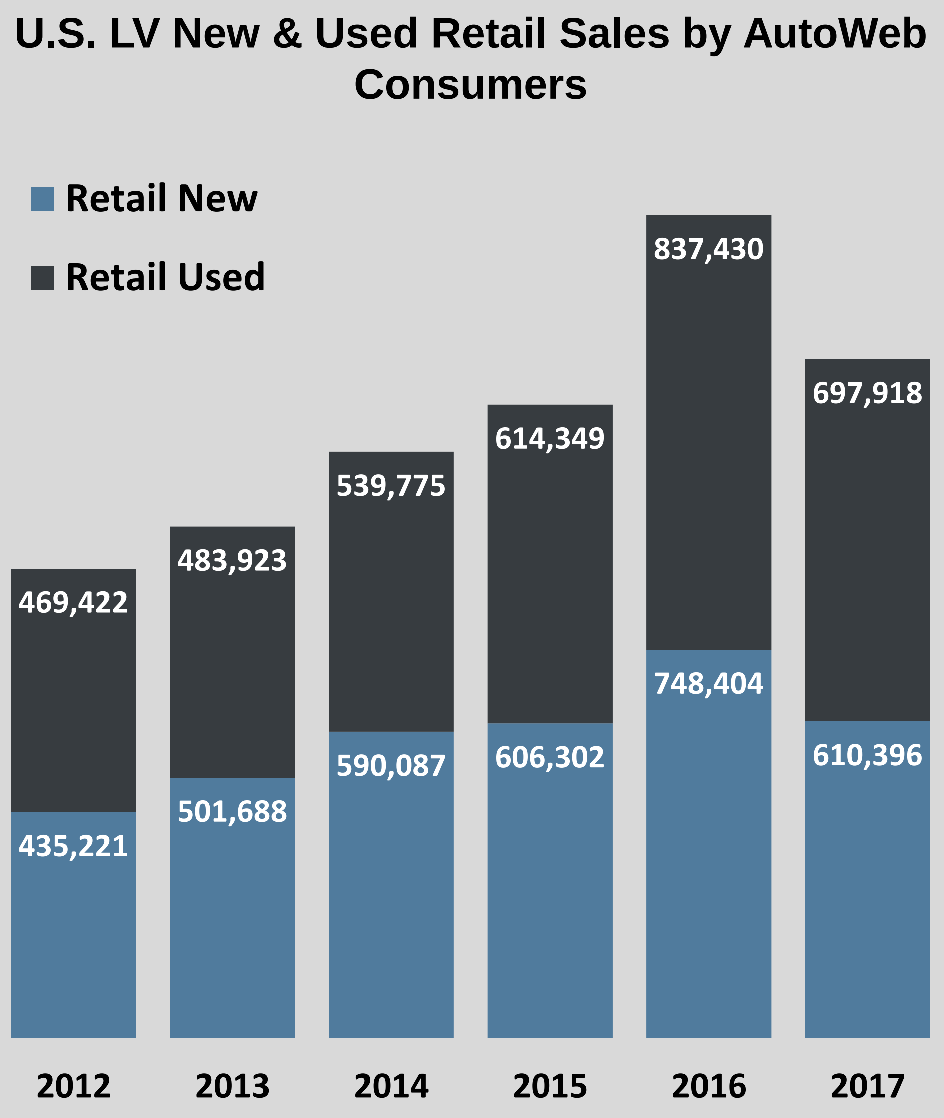
- We estimate[1] buy rates that reflect how many consumers who submitted leads through AutoWeb sites purchased vehicles, and how many consumers were lost to other dealers
- Most competitors rely only on feedback from dealers/manufacturers with minimal attribution
- ~80% of leads generated from one of our branded websites, with the other ~20% coming from third-party lead providers

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.

Track Record of Providing Consistent Lead Quality

We Help Sell Cars

- New cars: Consumers submitting leads via AutoWeb network accounted for 3.5 million+ new retail sales from 2012-2017
  - This represents an average of ~4% of all U.S. Light Vehicle New Retail Sales from 2012-2017
- Used cars: Monetization model focused on cost per lead vs. typical subscription/listings model



AutoWeb Consumers Accounted for ~4% of Annual US LV New Retail Sales

Financial Performance can be Improved

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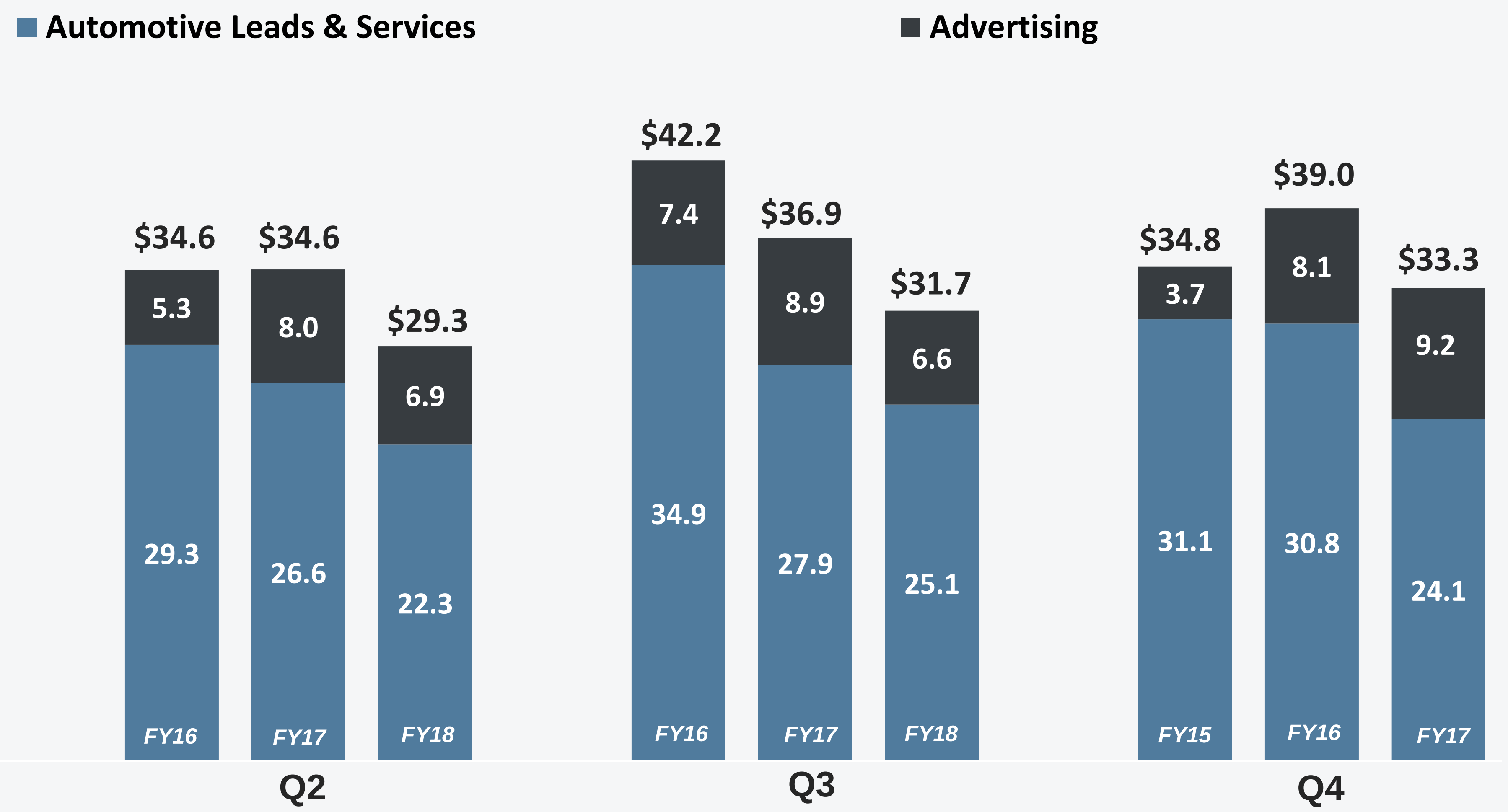
($ in millions)



- Q3'18 – We continue to experience lower revenues resulting from lower retail dealer count and lower lead & click volumes
- Working to improve our product quality, market segmentation and traffic acquisition strategies to return to growth

1) For comparative purposes, all chart figures exclude contribution from the company's specialty finance leads product, which was divested on Dec 31, 2016. See appendix for reconciliation.

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Our New Guiding Principles

Vision/Mission

- Re-establish AutoWeb as a premier matchmaker of consumers and automotive providers through our data-driven platform
- Simplify the online car shopping experience by creating innovative digital media solutions that market our clients' brand ahead of our own
- Integrate our product suite to better serve our dealer & OEM clients with high-quality performance-managed campaigns that include detailed attribution
- Provide ourselves with the best opportunity to monetize every ad impression we generate across each of our product categories

How We Get There: *5 Key Pillars*

Grow our Audience
(traffic)

Expand Distribution
(retail dealer count & capacity)

Improve Efficiency
(audience acquisition)

Operational Integration
(simplification)

Product Innovation
(enhance consumer-client matchmaking)

5 Key Pillars to Return AutoWeb to its Premier Market Position

Contact Us

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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.

Appendix

- *Key Stats*
- *Balance Sheet*
- *Retail Auto Sales Forecast*
- *OEM Sales*
- *Financial Overview*
- *Reconciliation Tables*

Key Stats[1]

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Trading Data *(Nov 7, 2018)*

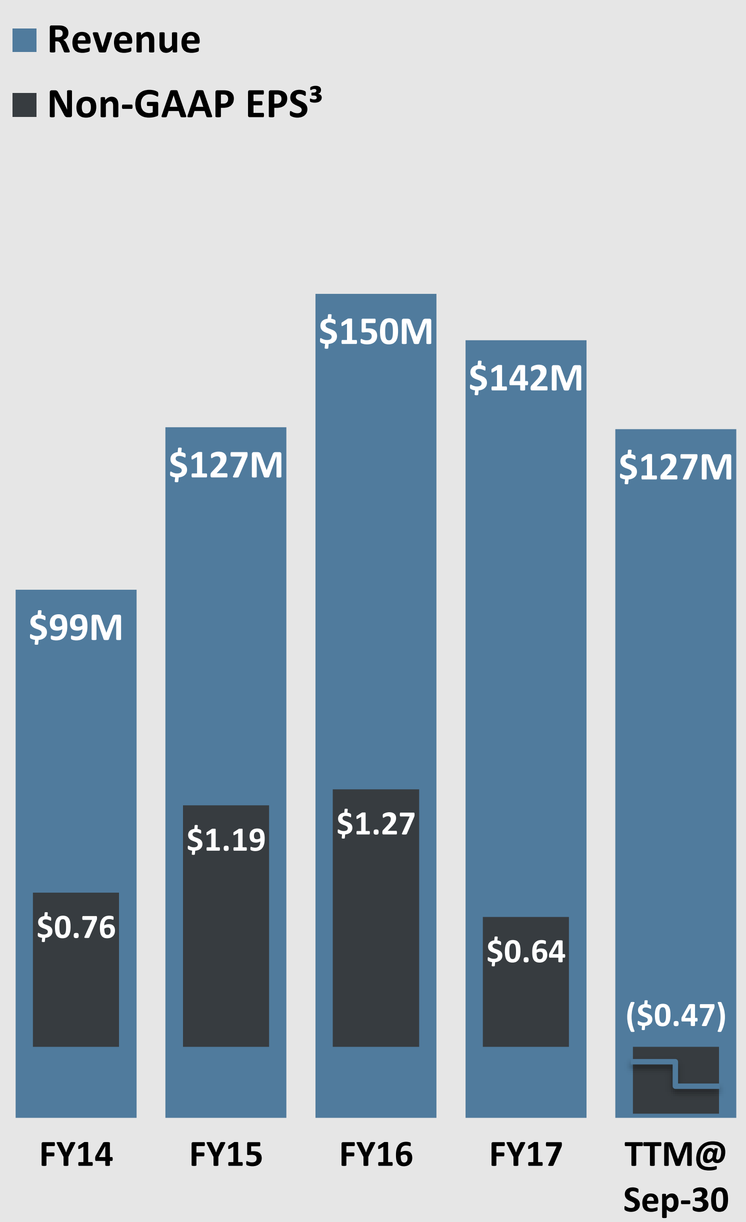
Stock Price	***$2.37***
52 Wk. High/Low	*$9.91/$2.24*
Avg. Daily Vol. (3 mo)	*41,347*
Shares Outstanding	*12.9M*
Institutional Holdings	*42%*
Insider Holdings	*23%*

Valuation Measures

Market Cap	***$30.7M***
Enterprise Value	*$15.9M*
EV/Revenue	*0.1x*

Financial Highlights *(ttm @ Sep 30, 2018)*

Revenues	***$126.7M***
Gross Margin	*14.0%*
Adj. Gross Margin[2]	*21.1%*
Diluted EPS	*$(7.86)*
Non-GAAP EPS[3]	*$(0.47)*
Cash & Equiv.	***$15.8M***
Total Assets	*$60.6M*
Total Debt	*$1.0M*
Total Liabilities	*$22.3M*
Total Equity	*$38.3M*



Data sources: Yahoo! Finance, S&P Capital IQ, company filings.

1) For comparative purposes, all chart figures exclude contribution from the company's specialty finance leads product, which was divested on Dec 31, 2016.
2) Adjusted gross margin is defined as GAAP gross margin excluding the impact of the one-time cost of revenues-impairment charge due to the DealerX platform license.
3) 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. See appendix for reconciliation.

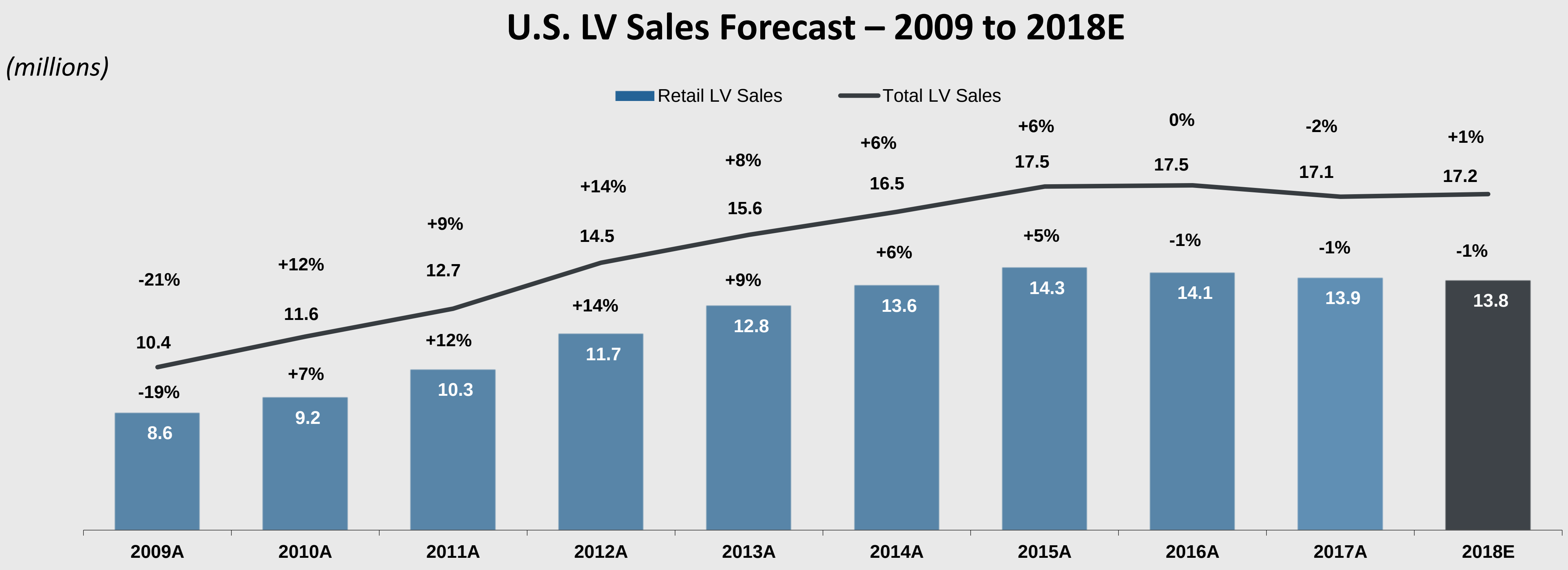
Balance Sheet Supports Growth

- $15.8 million cash
- $8.0 revolving line of credit repaid by Mar 31, 2018; $1.0 million convertible note due Jan 31, 2019
- As of Dec 31, 2017, $100.2 million net operating loss carryforwards
  - $74.0 million federal; $26.2 million state
  - Federal NOLs do not expire until 2025 and beyond
  - Although NOLs have a full valuation allowance due to accounting rules, we still have the full value available to us

Select Balance Sheet Items

$ Millions	Sep 30, 2018	Jun 30, 2018	Mar 31, 2018	Dec 31, 2017
Cash & cash equivalents	$15.8	$18.3	$15.2	$25.0
Receivables	25.3	24.1	25.0	25.9
Net deferred tax assets	-	-	-	-
Total assets	**60.6**	**74.8**	**75.0**	**92.9**
Debt	1.0	1.0	1.0	9.0
Total liabilities	**22.3**	**20.2**	**16.4**	**25.7**
Total stockholders' equity	**38.3**	**54.5**	**58.6**	**67.2**

Annual Retail Auto Sales Forecast[1]



- 2018 U.S. light vehicle sales forecast up slightly to 17.2 million units
  - **:Up ~1% YoY**
- 2018 U.S. retail light vehicle sales forecast down slightly to 13.8 million units
  - **Down ~1% YoY**

1) J.D Power/LMC Automotive, Oct 2018.

AutoWeb Drives OEM Sales

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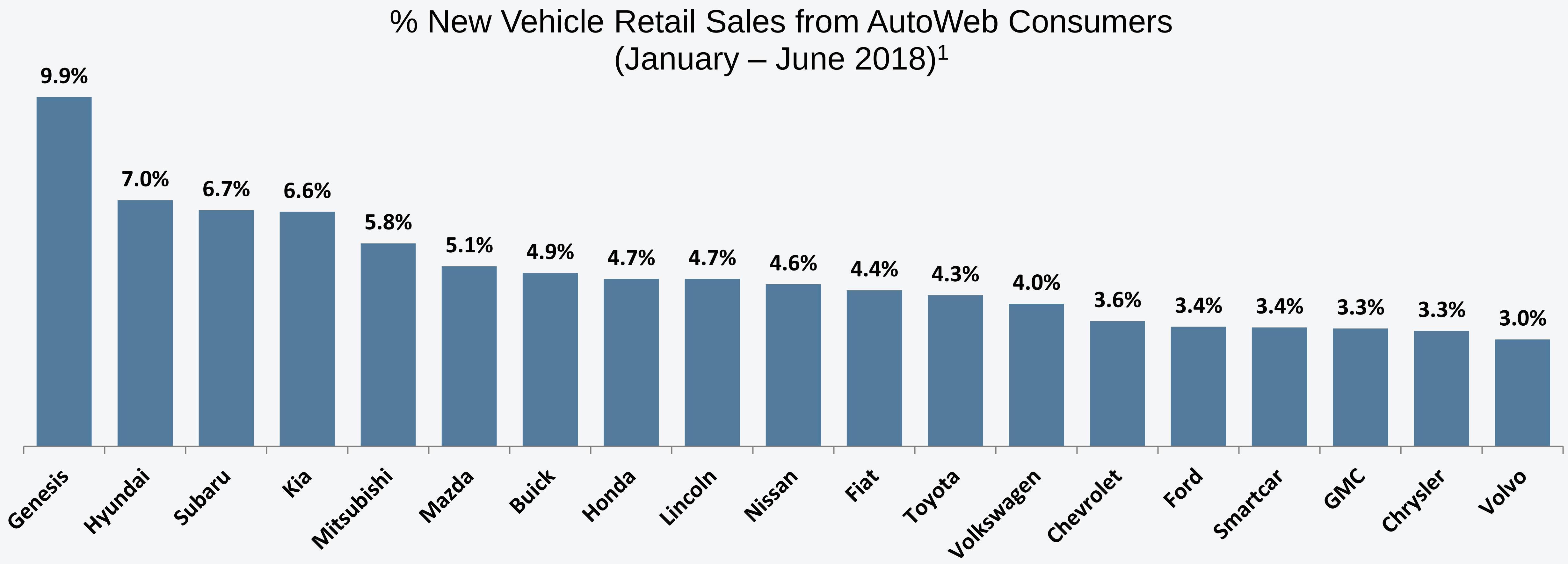

- AutoWeb is one of the largest providers of leads for OEMs with a leads program
- For most of these OEMs, AutoWeb leads generate 4% - 7% of their total sales

1) Reflects sales in the first 6 months of 2018 from leads submitted in October 2017 to June 2018.

Quality Third Party Leads are Essential to OEMs & Dealers

Financial Overview[1]

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	2017				2018		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue ($M)	$37.3	$34.6	$36.9	$33.3	$32.3	$29.3	$31.7
Gross Profit ($M)	$12.9	$10.6	$11.1	$8.1	$7.7	$5.5	($3.6)
Adjusted Gross Profit ($M)[1]	$12.9	$10.6	$11.1	$8.1	$7.7	$5.5	$5.4
Gross Margin	34.6%	30.7%	30.1%	24.4%	23.8%	18.9%	-11.4%
Adjusted Gross Margin[2]	34.6%	30.7%	30.1%	24.4%	23.8%	18.9%	17.1%
Operating Expenses ($M)	$11.7	$10.4	$10.8	$48.4	$18.0	$10.9	$14.4
Operating Margin	3.2%	0.7%	0.7%	-120.9%	-31.8%	-18.5%	-56.8%
Net Income/(Loss) ($M)	$0.5	$0.3	$0.1	($65.8)	($10.3)	($5.2)	($18.0)
GAAP EPS Diluted	$0.04	$0.02	$0.01	($5.55)	($0.81)	($0.41)	($1.41)
Non-GAAP Income ($M)[3]	$3.5	$2.5	$2.4	$0.1	($0.9)	($2.8)	($2.4)
Non-GAAP EPS[4]	$0.26	$0.19	$0.18	$0.01	($0.07)	($0.22)	($0.19)
Cash ($M)	$39.6	$44.6	$44.7	$25.0	$15.2	$18.3	$15.8
Cash Flow From Operations ($M)	$3.5	$6.5	$2.5	($1.0)	($4.5)	($0.0)	($2.0)
Closing Stock Price	$12.53	$12.61	$6.89	$9.01	$2.98	$4.52	$2.96

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

1) Adjusted Gross Profit is GAAP gross profit less Cost of revenues - impairment charges - see Adjusted gross profit and gross margin reconciliation in the appendix.
2) Adjusted Gross Margin is GAAP gross margin less impact of Cost of revenues - impairment charges - see Adusted gross profit and gross margin reconciliation in the appendix.
3) Non-GAAP Income/(Loss) 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.
4) Non-GAAP EPS is non-GAAP income/(loss) divided by weighted average diluted shares outstanding. See appendix for reconciliation.

Reconciliation of Specialty Finance Divestiture – Schedule A

($ millions)

	FY 2014	FY 2015	FY 2016
Revenue	$106.3	$133.2	$156.7
Finance Leads	$6.9	$6.5	$6.3
Adjusted Revenue	$99.4	$126.7	$150.4

	FY 2014	FY 2015	FY 2016
Non-GAAP Income	$9.3	$15.4	$17.3
Finance Leads	$0.8	$0.4	$0.5
Adjusted Non-GAAP Income	$8.5	$15.0	$16.8

	FY 2014	FY 2015	FY 2016
Non-GAAP EPS	$0.83	$1.22	$1.30
Finance Leads	$0.07	$0.03	$0.03
Adjusted Non-GAAP EPS	$0.76	$1.19	$1.27

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, acquisition related expenses, goodwill impairment, plus litigation settlements. See appendix for reconciliation.
2) Non-GAAP EPS is non-GAAP income divided by weighted average diluted shares outstanding.

Reconciliation of Specialty Finance Divestiture – Schedule B

	2015	2016			
($ millions)	Q4	Q1	Q2	Q3	Q4
Revenue	$36.4	$36.2	$36.1	$43.9	$40.4
Finance Leads	$1.6	$1.6	$1.6	$1.7	$1.4
Adjusted Revenue	$34.8	$34.6	$34.6	$42.2	$39.0

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

Non-GAAP EPS Reconciliation

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	2017				2018		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net Income/(Loss) ($M)	$0.5	$0.3	$0.1	($65.8)	($10.3)	($5.2)	($18.0)
Amortization of Acquired Intangibles ($M)	$1.4	$1.4	$1.3	$1.7	$1.7	$1.7	$1.6
Non-Cash Stock Compensation ($M)	$1.0	$0.9	$1.0	$1.2	$1.6	$0.9	$1.8
Income Taxes ($M)	$0.6	($0.2)	$0.1	$24.9	$0.0	$0.0	$0.0
Litigation Settlements ($M)	($0.0)	($0.0)	($0.0)	($0.0)	($0.0)	($0.0)	($0.0)
(Gain) loss on Investment ($M)	$0.0	$0.0	$0.0	$0.6	$0.0	($0.1)	$0.1
Long-lived asset impairments	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$11.0
Goodwill impairment	$0.0	$0.0	$0.0	$37.7	$5.1	$0.0	$0.0
Acquisition / Severance Expenses / Goodwill ($M)	$0.0	$0.1	$0.0	$0.0	$1.0	$0.0	$1.1
Non-GAAP Income ($M)	$3.5	$2.5	$2.4	$0.1	($0.9)	($2.8)	($2.4)
Weighted Average Diluted Shares (k)	13,309	13,344	13,201	13,452	12,617	12,726	12,787
Non-GAAP EPS	$0.26	$0.19	$0.18	$0.01	($0.07)	($0.22)	($0.19)

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

Adjusted Gross Profit Reconciliation

($ millions)	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
Total Revenues	$31.7	$36.9	$93.3	$108.8
Cost of revenues	26	26	75	74
Cost of revenues - impairment	9	-	9	-
Gross (loss) profit	(4)	11	10	35
Non-GAAP adjustments:				
Cost of Revenue - impairment	9	-	9	-
Adjusted gross profit	$5.4	$11.1	$18.6	$34.6
Gross margin	-11.3%	30.1%	10.3%	31.8%
Non-GAAP adjustments:				
Cost of Revenue - impairment	28.4%	0.0%	9.7%	0.0%
Adjusted gross margin	17.1%	30.1%	20.0%	31.8%

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