

The logo for ARI, consisting of the letters 'A', 'R', and 'I' in a bold, white, sans-serif font. The letters are set against a dark blue background on the left side of a horizontal bar that transitions into a green gradient on the right. The bar is framed by a dark blue border.

ARI

2011 Annual Shareholder Meeting

December 20th, 2011

A faint, light-colored graphic in the background, resembling a stylized line drawing of a mountain range or a series of peaks and valleys. It is positioned behind the date text and extends across the lower half of the slide.

Safe Harbor Statement

Statements in this news release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. The forward-looking statements can generally be identified by words such as "believes," "anticipates," "expects" or words of similar meaning. Forward-looking statements also include statements relating to the Company's future performance, such as future prospects, revenues, profits and cash flows. The forward-looking statements are subject to risks and uncertainties, which may cause actual results to be materially different from any future performance suggested in the forward-looking statements. Such risks and uncertainties include those factors described in Part 1A of the Company's annual report on Form 10-K for fiscal year ended July 31, 2011, filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements are made only as of the date hereof, and the Company undertakes no obligation to publicly release the result of any revisions to these forward-looking statements. For more information, please refer to the Company's filings with the Securities and Exchange Commission.

During this presentation, we will discuss GAAP measure such as Net Income, as well as certain non-GAAP measures such as EBITDA. We have posted on the Investor Relations tab of our website, www.arinet.com, a reconciliation of these no-GAAP financial measures to the most comparable financial measures under GAAP.

Shareholder Proposals

Proposal # 1:

Election of directors

<u>Nominee</u>	<u>For</u>	<u>Withheld</u>
Brian E. Dearing	3,281,327	576,622
Roy W. Olivier	3,813,255	44,694
P. Lee Poseidon	3,827,074	30,875

Proposal # 2:

Ratification of auditors

<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Broker Non-Vote</u>
6,181,941	16,473	537	0

- Review FY11 Outlook vs. Actual
- ARI Overview
- Management Presentation
- Questions

Business Improvement Opportunities

- **Additional Focus Needed**
 - Improve our cash flow and gross margin
 - Further reduce customer churn
 - Pricing of products not aligned with value of product or competition
 - Simplify the business
 - Sharpen focus on 3 core products and services
 - Continue to drive down cost structure

FY11 Outlook

- Expect a slow recovery in several ARI verticals
- Expect revenues to be consistent with FY10 levels
 - \$800K+ in deferred revenue (non-cash) in FY10 results
- Expect continued improvement in operating income & EBITDA
- Continue to improve cash flow from operations
- Expect to launch a new product to drive revenue growth in FY12
- Expect to reduce churn through increased focus and product enhancements

Increasing Shareholder Value

- Launched an aggressive IR plan
- Stock price up 89% with an intraday high of \$3.00
- Conference call participation up 100%
- 3 new institutional investors
- 107% increase in volume

Roy W. Olivier – President and CEO

ARI OVERVIEW AND FY11 REVIEW

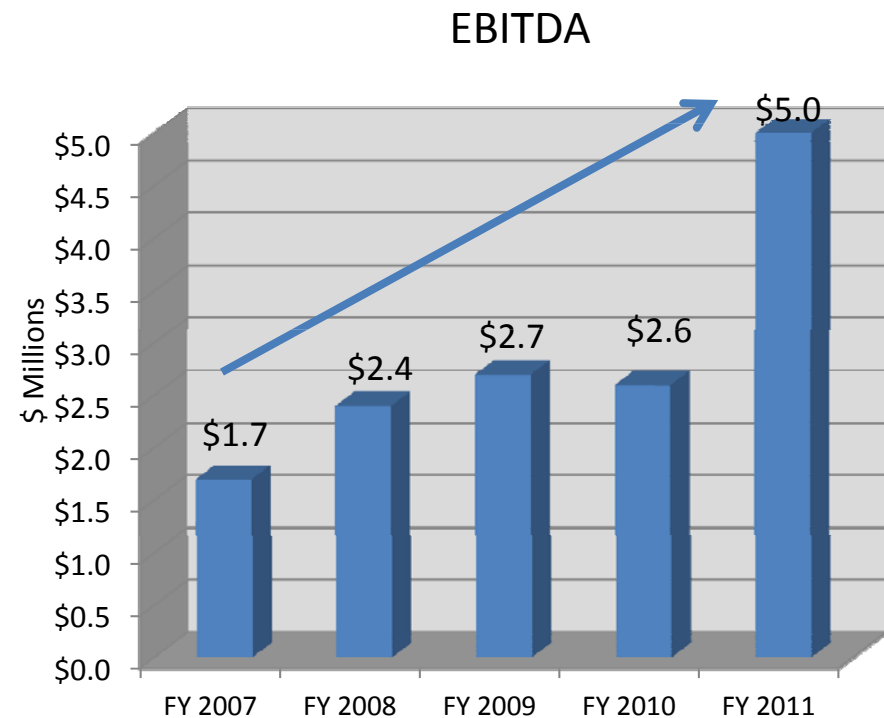
Company Overview

- ARI develops multi-industry, multi-brand, SaaS solutions that drive the sales of whole goods, parts, garments, and accessories in select vertical markets.
- We provide eCommerce products and services that connect and enable interaction between consumers, dealers, distributors and OEM's in the markets we serve.
- Significant untapped growth opportunity in the markets we serve
- Proven business model
 - Recurring Revenue Model
 - Direct relationships with over 18,000 dealers, 125 Distributors, and 150 OEMs
 - Unmatched knowledge of the verticals we serve
- “Must have” nature of solutions
- Industry Leader with high barriers to entry:
 - Largest content library in the verticals we serve
 - Leading technology
 - Large install base with leading share of top dealers and top OEMs
- Strong, experienced management team



Company Highlights

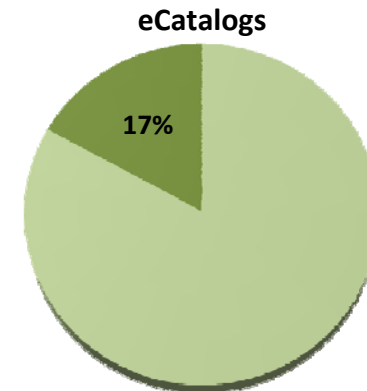
- More than 85% of our revenues are RECURRING
- FY11 EPS growth of 210% Y/Y
 - \$0.31 vs. \$0.10
- FY11 EBITDA growth of 92% Y/Y
 - \$5.0 M vs. \$2.6 M
- FY11 Cash Flow from Ops increased 119% Y/Y
 - \$3.5 M vs. \$1.6 M
- Monthly Recurring Revenue (MRR) increased 30% Y/Y
- Churn improvement Y/Y by 25%



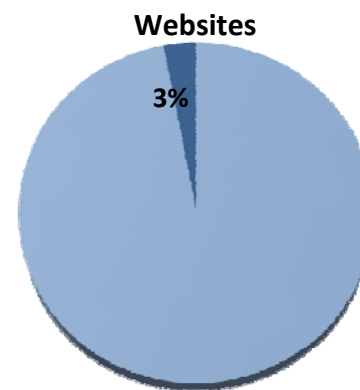
Lead Generation	Lead Management	Web Sites	eCatalogs
<p>Value</p> <ul style="list-style-type: none"> • Optimizes paid search campaigns • Organic optimization for local results • Measureable ROI <p>Result</p> <ul style="list-style-type: none"> • Increases sales through incremental web site and foot traffic 	<p>Value</p> <ul style="list-style-type: none"> • Provides lead consolidation and distribution • Enables marketing automation • Connects the OEM and Dealer channel • BMS integration <p>Result</p> <ul style="list-style-type: none"> • Increases sales through greater conversion rates 	<p>Value</p> <ul style="list-style-type: none"> • Drives leads and e-commerce traffic • Optimized for search engine 'findability' • BMS integration <p>Result</p> <ul style="list-style-type: none"> • Increases sales through e-commerce sales and lead generation 	<p>Value</p> <ul style="list-style-type: none"> • Broadest library of available content • Fastest solution in the marketplace • Systems integration • Only multi-line dealer solution <p>Result</p> <ul style="list-style-type: none"> • Increases sales and profitability through time savings and systems integration
<p>Future Growth Drivers</p>		<p>Core Business</p>	

Market Opportunity

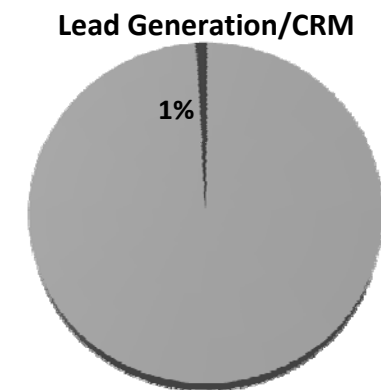
- Significant growth opportunities in existing markets
- Direct relationships with more than 18,000 dealers, 125 distributors and 150 OEMs
- Unmatched knowledge of the verticals we serve



ARI Penetration = 17%



ARI Penetration = 3%



ARI Penetration = 1%



Three Sales Channels

- OEM sales
- Dealer inside sales
- International sales

Two Geographic Markets

- Americas
- EMEA

Appliances



Marine & RV



Outdoor Power



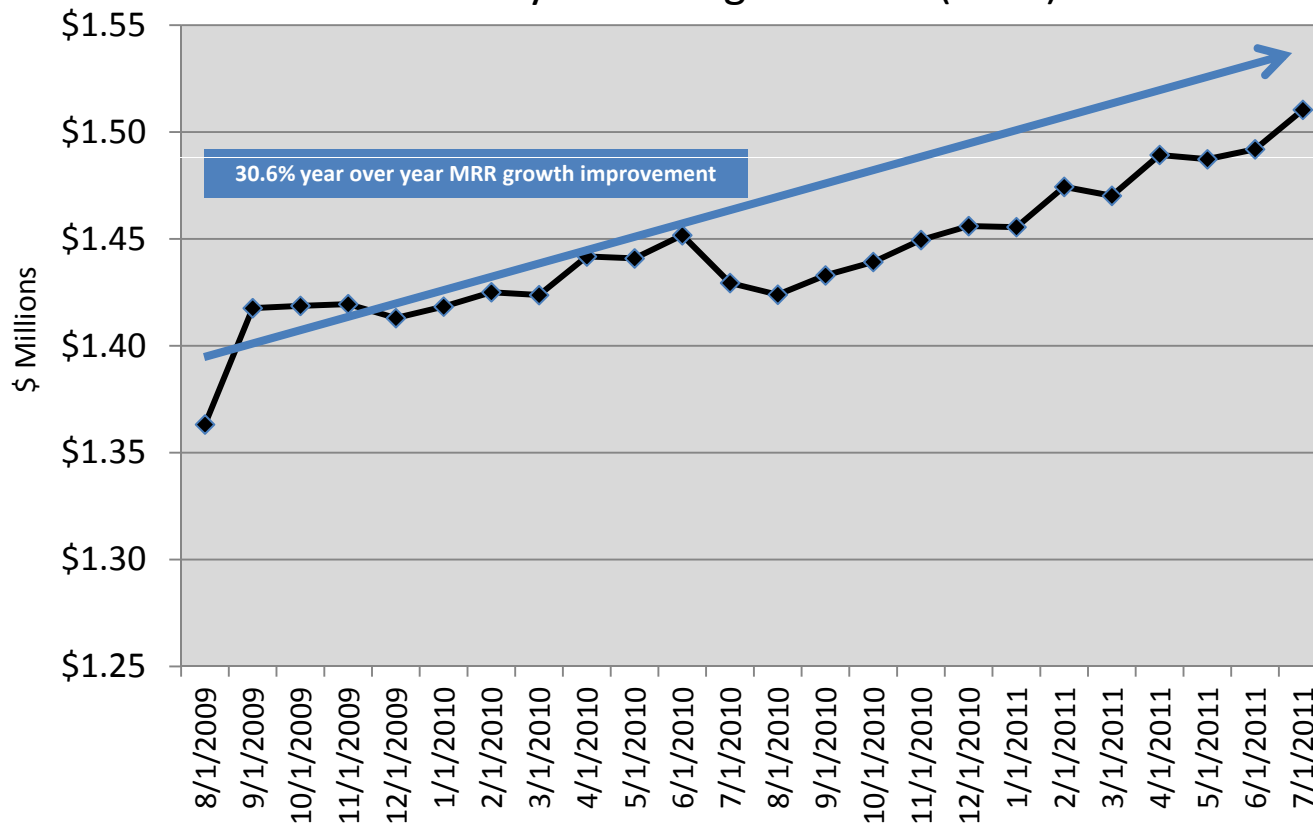
Power Sports



	Lead Generation	Lead Management	Websites	E-Catalogs
ARI Network Services	✓	✓	✓	✓
Snap-On				✓
ADP		✓	✓	
Dominion		✓	✓	
50-Below			✓	
HLSM				✓
Yellow Pages/DIY	✓			
Ad Agency	✓		✓	

Increase Monthly Recurring Revenue (MRR)

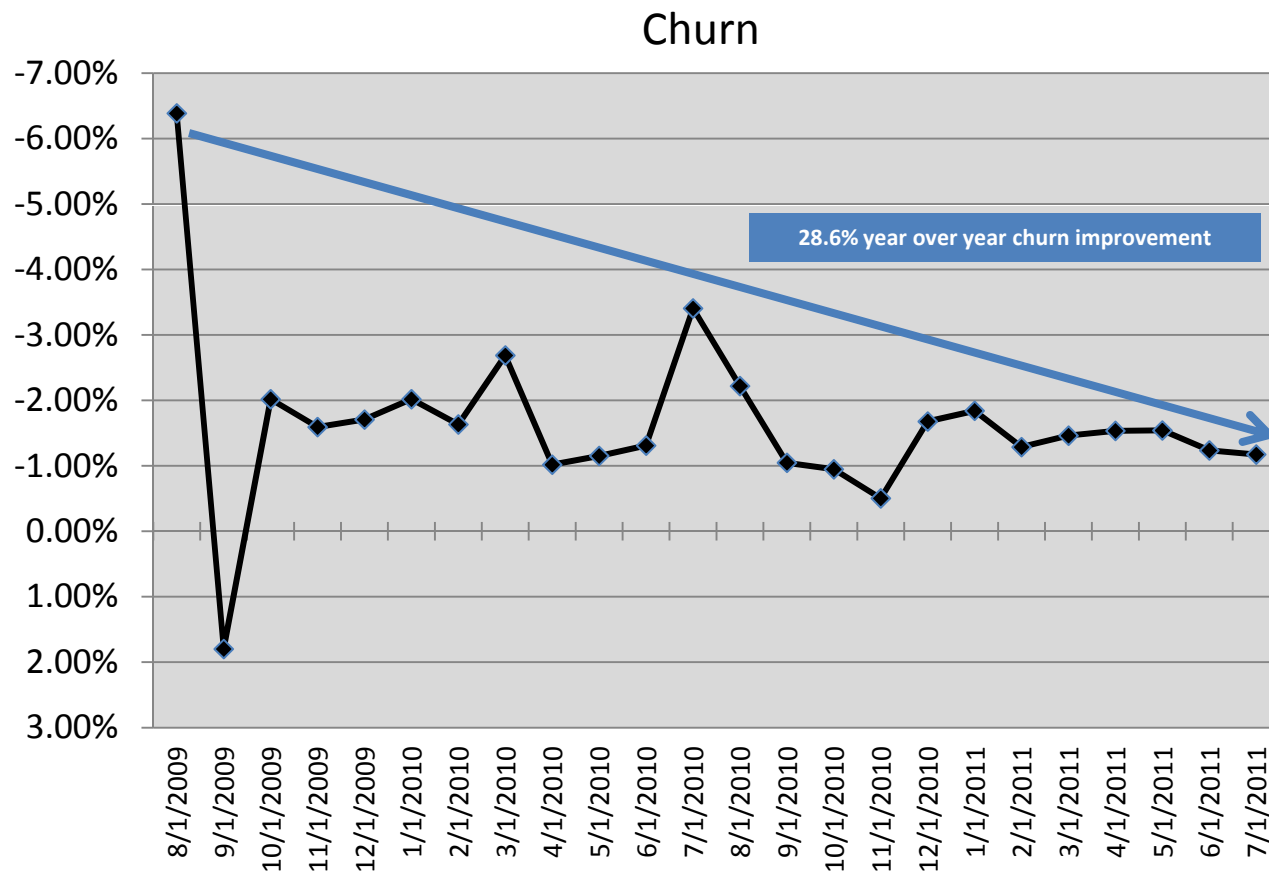
Monthly Recurring Revenue (MRR)



Increased Focus on MRR

- Updated compensation plans
- Updated product pricing
- Renewal team expansion
- Product roadmaps being updated to include “upsells”

MRR is a non GAAP measure, it is a key performance indicator that management uses to gauge the health of the business.

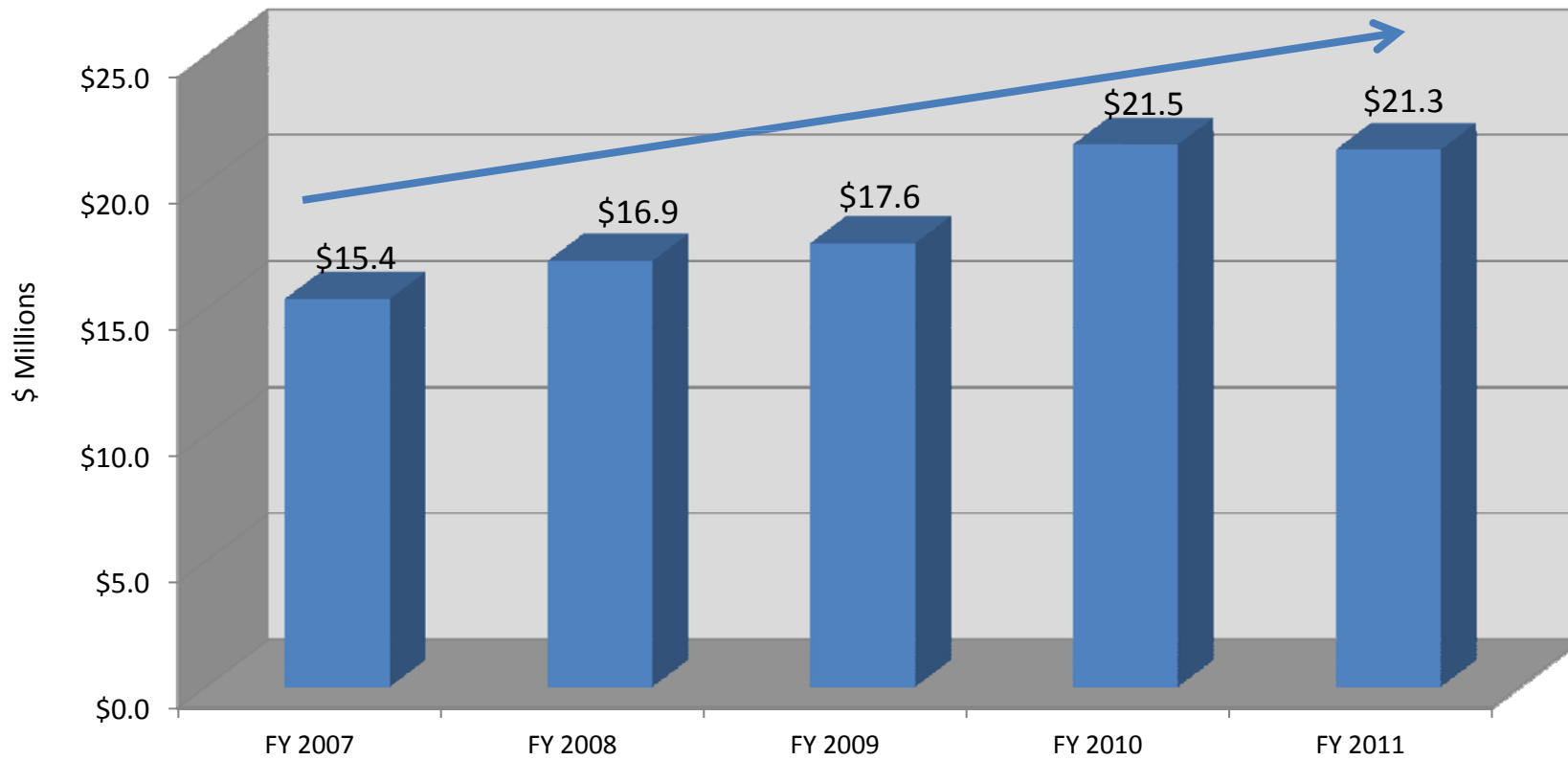


Good progress on controllable churn

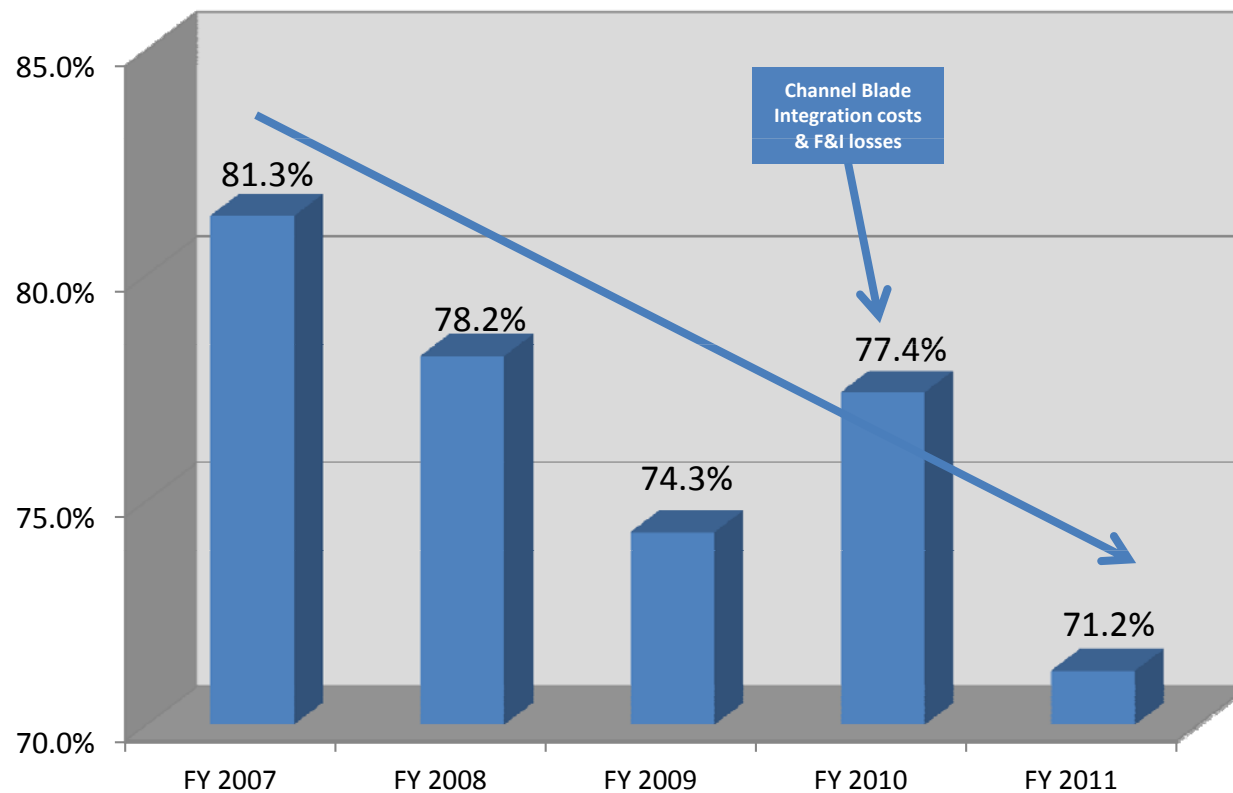
- Dedicated team
- Improvements in publishing and software
- World class service and support

Churn is a non GAAP measure, it is a key performance indicator that management uses to gauge the health of the business.

Revenue



Operating Expense as a % of Revenues



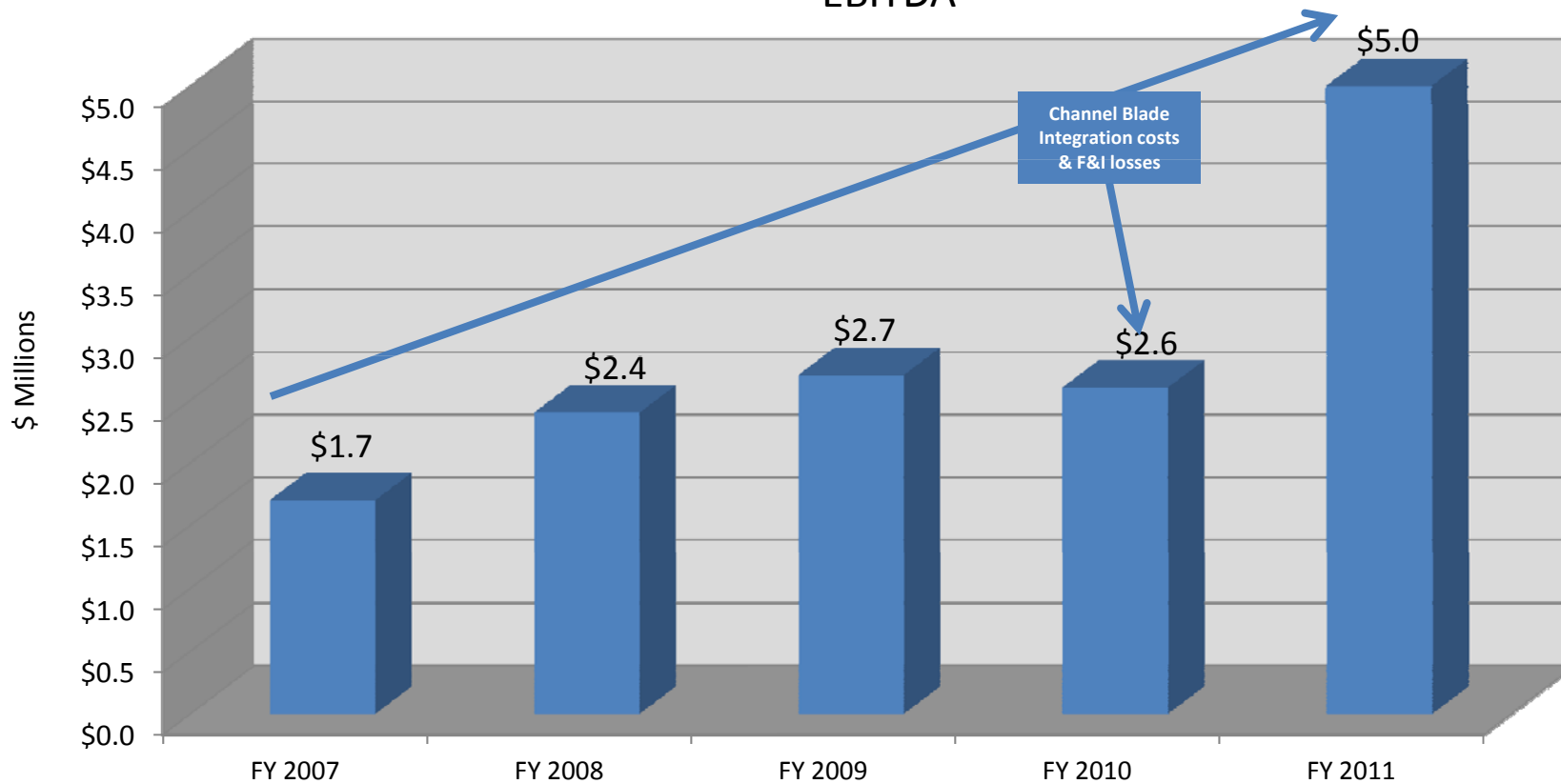
Lowered costs

- Staff reductions
- Sold F&I business

Addressed underperforming products

- Adjusting pricing on all products
- Discontinued two non-core products
- Piloted project to improve one key product's gross margin by almost 2x
- Sharpened focus on 3 core products (Catalog, Footsteps, and the Website Platform Products)

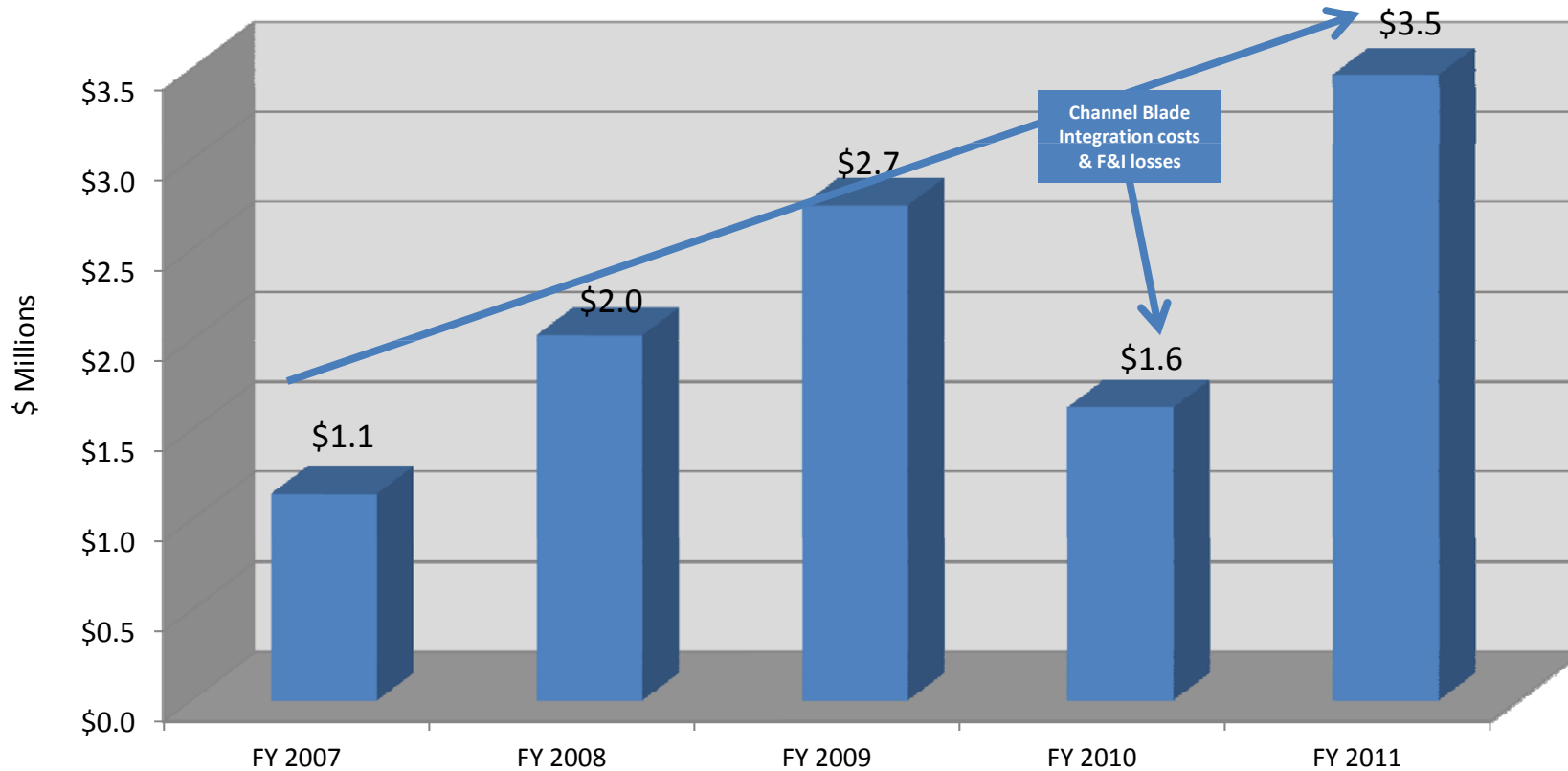
EBITDA



A reconciliation of net income to EBITDA to net income is posted on our website, www.arinet.com, under "Investor Relations".

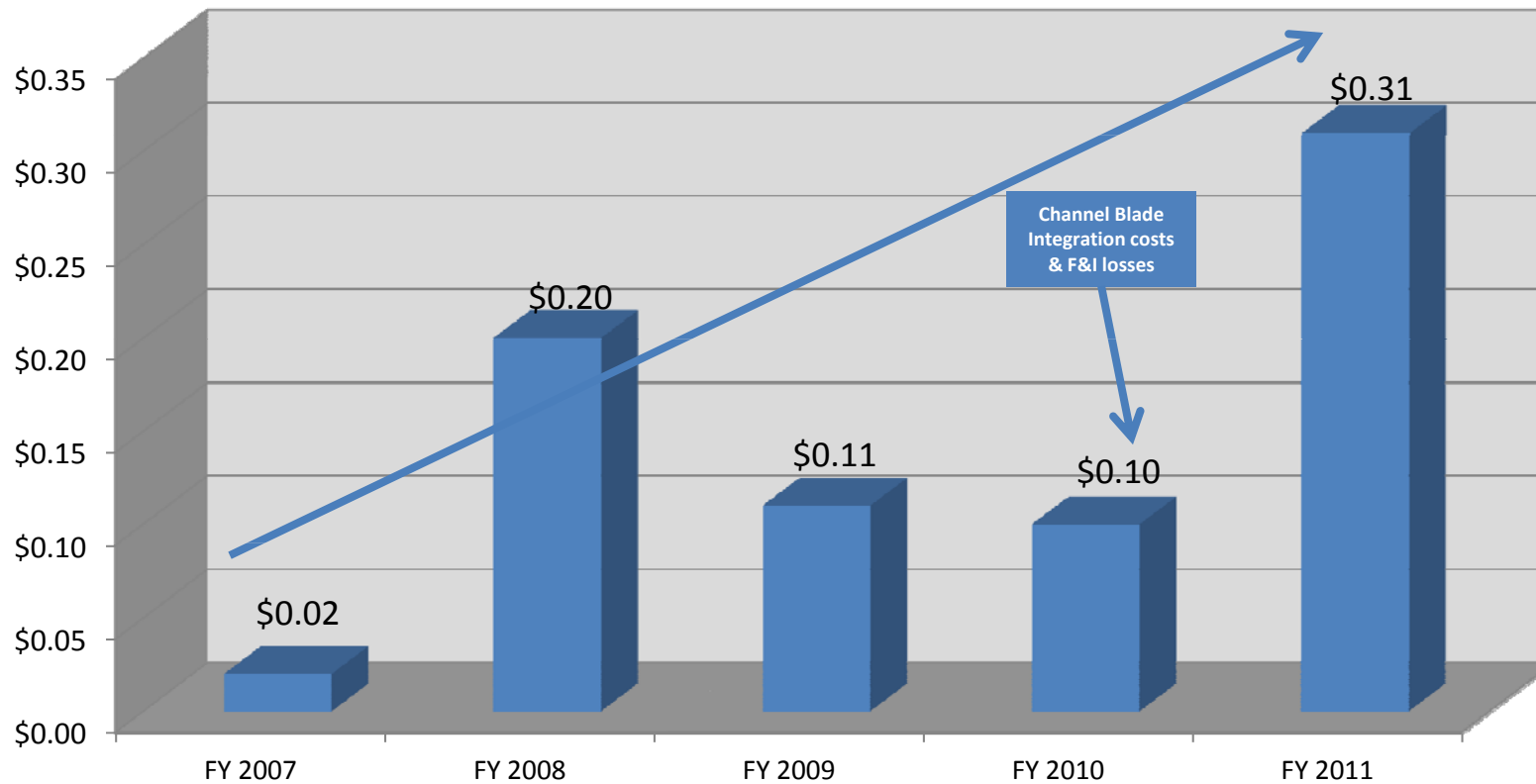
Operating Cash Flow

Operating Cash Flow



Diluted Earnings per Share

Diluted EPS



- Expect a gradual recovery in several ARI verticals
- Expect revenue growth in FY12
- Expect continued improvement in operating income & EBITDA¹
- Continue to improve cash flow from operations¹
- Expect to launch product changes to support the go to market strategy and drive international growth (BRIC)
- Continue to reduce churn through increased focus and product enhancements

¹ Before investments to build a more scalable infrastructure.

Summary & Highlights

- Significant untapped growth opportunity in the markets we serve
- Proven business model
 - Recurring Revenue Model
 - Direct relationship with over 18,000 OEMs, Distributors, and Dealers
 - Unmatched knowledge of the verticals we serve
- “Must have” nature of solutions
- Industry Leader with high barriers to entry:
 - Largest content library in the verticals we serve
 - Leading technology
 - Large install base with leading share of top dealers and top OEMs
- Strong, experienced management team
- Proven acquisition experience
- We believe we are undervalued at current share price

Roy W. Olivier – President and CEO

FY12 STRATEGY AND GOALS

- Accomplishments
 - Operating income growth
 - Net income growth
 - EBITDA growth
 - Improvement in cash flow
 - Operating costs down
 - EPS \$0.31 vs. \$0.10 FY10
 - Launched aggressive IR plan

FY12 Business Improvement Opportunities

- Additional Focus Needed
 - Top Line Revenue Growth
 - Continue to reduce churn
 - Upsells must offset churn
 - Execute on sales plan (new logos)
 - Position company for growth in international - BRIC
 - Accelerate adoption of ARI technology through Freemium/Premium offerings
 - Content, Content, Content

Go Forward Strategy

- Nurture and retain existing customers through world class customer service and product feature upgrades
- Drive organic growth through innovative new service offerings, differentiated content and geographic expansion
- Lead the market with open integration to related platforms
- Successfully execute acquisitions that align with our core strategy

Increasing Shareholder Value

- We run the business to increase shareholder value...
 - Grow revenue with fiscal discipline
 - Achieve double digit sales growth
 - Increase ARI visibility in the investment community
- ...but the market sets the price
 - Our perspective
 - We are undervalued (using industry valuation norms)
 - Continued strategic focus and business execution can drive a return to fair value
 - We believe that we are doing the right strategic and operational things to increase shareholder value

ARI

Thank You!