Project Arbor

Materials Prepared for Discussion

DRAFT | Confidential
Preliminary | Subject to Further Review and Evaluation
June 2012
Process Overview

- Since beginning the process, Arbor and Qatalyst have held discussions with 14 parties:
  - Strategies (6):
  - Financial Sponsors (8):

- In addition to the parties mentioned above, other strategic parties and financial sponsors reached out to Arbor and/or Qatalyst following the Bloomberg article on June 6th:
  - These parties are being qualified based on their specific interest and financial wherewithal, and guided towards working off of public information to deliver a more firm view on value before bringing them into the process.
  - Declined to engage in the process

- Nondisclosure agreements ("NDAs") have been entered into with 9 parties:
  - Strategies (1):
  - Financial Sponsors (8):

- Each of the above parties had a meeting with management and have conducted follow-up diligence. had a meeting with Arbor's CEO on Monday, June 18th, that did not include confidential information; they have not yet been asked to sign an NDA.

- Written indications of interest have been received from 4 parties, all financial sponsors:
  - Delivered a verbal indication

- The following parties continue to be engaged but have yet to submit an indication of interest:
  - Strategies (3):
  - Financial sponsors (3):
Summary of Preliminary Proposals

Price ($)

| $40.00 | $37.50 |
| $40.00 | $36.00 |
| $39.00 | $34.00 |
| $31.00 | $32.00 |
| $31.00 | $30.00 |
| $31.00 | $30.00 |

Equity Value

- $1,654 - $1,829
- $1,654 - $1,754
- $1,504 - $1,654
- $1,504 - $1,554
- $1,454 - $1,504

Premium to Unaffected

- 50% - 66%
- 3.7x - 4.0x
- 10.5x - 11.5x
- 50% - 59%
- 3.7x - 3.9x
- 10.5x - 11.1x
- 37% - 50%
- 3.3x - 3.7x
- 9.5x - 10.5x
- 37% - 41%
- 3.3x - 3.4x
- 9.5x - 9.9x
- 33% - 37%
- 3.2x - 3.3x
- 9.2x - 9.5x

Unaffected Price:
$22.63

(1) Unaffected price based on Arbut price of $22.63 as of June 5, 2012 (prior to Bloomberg leak).
(3) Multiples based on consensus analyst estimates as of June 21, 2012.
## Summary of Preliminary Proposals (Continued)

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bid</td>
<td>$34.00</td>
<td>$37.50</td>
<td>$34.00</td>
<td>$36.00</td>
<td>$31.00</td>
<td>$34.00</td>
<td>$31.00</td>
<td>$32.00</td>
<td>$30.00</td>
<td>$31.00</td>
</tr>
<tr>
<td>Initial Bid</td>
<td>$32.50</td>
<td>$35.00</td>
<td>$32.00</td>
<td>$34.00</td>
<td>(Verbal)</td>
<td>(Verbal)</td>
<td>(Verbal)</td>
<td>(Verbal)</td>
<td>(Verbal)</td>
<td>(Verbal)</td>
</tr>
<tr>
<td>Equity Value(1)</td>
<td>$1,654</td>
<td>$1,829</td>
<td>$1,654</td>
<td>$1,754</td>
<td>$1,504</td>
<td>$1,654</td>
<td>$1,504</td>
<td>$1,554</td>
<td>$1,454</td>
<td>$1,504</td>
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<tr>
<td><strong>Leverage Assumption(2)</strong></td>
<td>5.75x – 6.25x available(3), but proposal assumes 5.5x ($905 – $990MM available, but proposal assumes ~$870MM)</td>
<td>5.5x – 6.0x ($890 – $971MM)</td>
<td>5.75x (Verbal) ($930MM)</td>
<td>5.5x – 6.0x (Verbal) ($890 – $971MM)</td>
<td>5.5x – 6.0x ($890 – $971MM)</td>
<td></td>
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<tr>
<td><strong>Time Required</strong></td>
<td>3 – 4 weeks for diligence, 4 – 6 weeks for financing (but financing could be accelerated if necessary)</td>
<td>3 – 4 weeks for diligence</td>
<td>Could be in position to sign the week of July 16, 2012 (4 weeks)</td>
<td>6 weeks for diligence</td>
<td>N/A</td>
<td></td>
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</tr>
<tr>
<td><strong>Diligence</strong></td>
<td>Standard business and confirmatory diligence; commercial diligence (market sizing) has already been completed</td>
<td>Standard business and confirmatory diligence; commercial diligence (market sizing) not referenced as work to be completed</td>
<td>Standard business and confirmatory diligence; commercial diligence (market sizing) not referenced as work to be completed</td>
<td>Standard business and confirmatory diligence; commercial diligence (market sizing) needs to be completed</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Advisors</strong>(4)</td>
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</tbody>
</table>

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(2) Total leverage based on Management Case projected LTM EBITDA as of September 30, 2012, of $162MM, unless otherwise provided.

(3) Highly confident letter provided for $693MM of revolving under a $703MM senior secured credit facility and the issuance of $375 – $390MM of senior secured notes; leverage based on LTM EBITDA as of June 30, 2012.

(4) Lending advisors reflect only the lending sources contacted by each party prior to submitting their indications; each party would likely involve additional lenders going forward.

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Arbor Trading Performance During Process

April 19, 2012 (April Board Meeting) to June 21, 2012

4/25/12: Announced Q1 2012 Earnings and acquired a key competitor
Price reaction: +3%

5/14/12: Received Proposal from
Price reaction: +14%

5/18/12: Received Proposal from

6/6/12: Bloomberg leak
Price reaction: +11%

6/18/12: Proposal affirmation

6/20/12:

Price ($)

$40.00

$30.00

$20.00

$10.00

0.0

Volume (MM)

10.0

7.5

5.0

2.5

0.0

Indicators indexed to Arbor's 4/19/12 price

Unaffected price(1): $22.63

Current price: $26.53

Source: Capital IQ. Based on closing prices. Period from IPO of FB.

(1) Unaffected price based on Arbor price of $22.63 as of June 5, 2012 (prior to Bloomberg leak).

Selected Internet Leaders includes GOOG, AMZN, FB, EBAY, and YHOO. Selected e-Commerce includes EXPE, V, PPT, OPEN, and SFLY.

Selected Consumer Applications includes LNKD, ZNGA, NFLX, and P.

Selected Online Media and Consumer Services includes LACI, WMMD, MWW, ACTIV, ANGI, DHX, and DMD.

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Arbor Trading Performance Since Leak

June 5, 2012 (Day Prior to Bloomberg Leak) to June 21, 2012

Price ($)  Volume (MM)

$30.00  10.0

$28.00  7.5

$26.00  5.0

$24.00  2.5

$22.00  0.0

Indicators indexed to Arbor's 6/5/12 price

6/6/12: Bloomberg leak
Price reaction: +11%

6/18/12: Proposal announcement

6/20/12: Proposals from

Current price: $26.53

Unaffected price(1): $22.63

Source: Capital IQ. Based on closing prices.

(1) Unaffected price based on Arbor price of $22.63 as of June 5, 2012 (prior to Bloomberg leak).

Selected Internet Leaders include GOOG, AMZN, FB, EBAY, and PCLN.

Selected e-Commerce includes EXPE, V-PRTK, OPEN, and SFLY.

Selected Consumer Applications includes LNKD, ZNGA, NFLX, and P.

Selected Online Media and Consumer Services includes LACI, WMMD, MWW, ACTIV, ANGI, DHX, and DMD.
Arbor Trading Performance Since IPO

November 5, 2009 (Arbor IPO) to June 21, 2012

Price ($)  Arbor Prices

<table>
<thead>
<tr>
<th>Period</th>
<th>Spot</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unaffected (1)</td>
<td>$22.63</td>
<td>-</td>
</tr>
<tr>
<td>Current</td>
<td>26.53</td>
<td>-</td>
</tr>
<tr>
<td>Last 30 Days</td>
<td>26.43</td>
<td>24.12</td>
</tr>
<tr>
<td>LTM Average</td>
<td>-</td>
<td>27.32</td>
</tr>
<tr>
<td>LTM High</td>
<td>44.70</td>
<td>-</td>
</tr>
<tr>
<td>LTM Low</td>
<td>20.05</td>
<td>-</td>
</tr>
</tbody>
</table>

5/11/11: Priced secondary offering at $42.00
5/14/12: WDYTIA not renewed Price reaction (14%)
11/12/10: Priced secondary offering at $26.00
Proposal Range $30.00 - $37.50
Current price: $26.53
Unaffected price(1): $22.63
6/6/12: Bloomberg leak Price reaction: +11%

Source: Capital IQ. Based on closing prices.
(1) Unaffected price based on an Arbor price of $22.63 as of June 5, 2012 (prior to Bloomberg leak).
(c) 6/14/10 acquisition of Getline, Inc for SEK33MM, 8/6/10 acquisition of ProGenealogists, 9/23/10 announced acquisition of LArchives, 4/25/12 LArchives.com acquisition.

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# Illustrative Arbor Metrics At Various Prices

<table>
<thead>
<tr>
<th>Illustrative Share Price</th>
<th>Illustrative Arbor Valuation Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>$26.53</td>
<td><strong>Implied Transaction Premium</strong></td>
</tr>
<tr>
<td>$30.00</td>
<td><strong>Statistic</strong></td>
</tr>
<tr>
<td>$31.00</td>
<td>Premium to Price Prior to Bloom (LO)</td>
</tr>
<tr>
<td>$32.00</td>
<td>17%</td>
</tr>
<tr>
<td>$33.00</td>
<td>17%</td>
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<tr>
<td>$34.00</td>
<td>17%</td>
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<td>$35.00</td>
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<td>$36.00</td>
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<td>$37.00</td>
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<td>$38.00</td>
<td>17%</td>
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<tr>
<td>$39.00</td>
<td>17%</td>
</tr>
<tr>
<td>$40.00</td>
<td>17%</td>
</tr>
</tbody>
</table>

| Premium to Target E.V.   | $1,232                                  |
| Premium to LTM High      | $4,062                                  |
| Premium to LTM Low       | $27.32                                  |
| Premium to LTM Average   | $26.16                                  |

<table>
<thead>
<tr>
<th>Implied Valuation &amp; Multiples</th>
<th>$1,280</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully-Diluted Equity Value (1)</td>
<td>$1,454</td>
</tr>
<tr>
<td>Fully-Diluted Enterprise Value (2)</td>
<td>$1,504</td>
</tr>
<tr>
<td>Street Case</td>
<td></td>
</tr>
<tr>
<td>Reversal Multiples</td>
<td></td>
</tr>
<tr>
<td>CY1E</td>
<td>$466</td>
</tr>
<tr>
<td>CY1E + EBITDA</td>
<td>$165</td>
</tr>
<tr>
<td>CY1E - P/E for Ares.com (5)</td>
<td>188</td>
</tr>
<tr>
<td>Adjusted EBITDA Multiples</td>
<td></td>
</tr>
<tr>
<td>CY1E</td>
<td>$171</td>
</tr>
<tr>
<td>CY1E - P/E for Ares.com (5)</td>
<td>171</td>
</tr>
<tr>
<td>CY1E - EBITDA</td>
<td>210</td>
</tr>
</tbody>
</table>

**Note:** Current market prices as of June 31, 2012.

3. Arbor (Street Case) projections based on consensus analyst estimates as of June 31, 2012.
4. Arbor (Management Case) projections based on Arbor Management as of May 2012.
5. Assumes Ares.com 2012E full-year revenue and adjusted EBITDA contribution of $23MM and ($13MM), respectively.

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