

For Immediate Release

Eric Loughmiller
Executive Vice President & Chief Financial Officer
(317) 249-4254
eric.loughmiller@adesa.com

KAR Holdings, Inc. Reports Third Quarter 2007 Results

Carmel, IN, November 13, 2007 — KAR Holdings, Inc. today reported its financial results for the quarter ended September 30, 2007. For the third quarter of 2007, the company reported revenue of \$394.3 million as compared with third quarter 2006 revenue of \$356.4 million for the combined predecessor companies of ADESA, Inc. and Insurance Auto Auctions, Inc., an increase of 10.6%. Adjusted EBITDA, excluding pro forma adjustments, as defined in the company's senior credit facility dated April 20, 2007, increased 10.9% to \$97.7 million in the third quarter of 2007, as compared with third quarter 2006 adjusted EBITDA of \$88.1 million for the combined predecessor companies.

For the nine months ended September 30, 2007, the company reported revenue of \$1,190.5 million as compared with revenue of \$1,073.9 million for the combined predecessor companies for the comparable 2006 period, an increase of 10.9%. Adjusted EBITDA, excluding pro forma adjustments, for the nine months ended September 30, 2007, increased 6.0% to \$307.9 million as compared with adjusted EBITDA of \$290.4 million for the combined predecessor companies for the comparable 2006 period.

Earnings Conference Call Information

KAR Holdings, Inc. will also be hosting an earnings conference call Wednesday, November 14, 2007 at 11:00 a.m. EST (10:00 a.m. CST). The call will be hosted by KAR Holdings, Inc.'s Chairman and Chief Executive Officer Brian Clingen and Executive Vice President and Chief Financial Officer Eric Loughmiller. The conference call may be accessed by calling 888-245-0987 and entering participant passcode 4715390.

Financial statements for the third quarter 2007 can be found at the Web sites for ADESA, Inc. and Insurance Auto Auctions, Inc., at <http://www.adesainc.com> and <http://www.iaai.com>

About KAR Holdings, Inc.

KAR Holdings, Inc. is the holding company for ADESA, a leading provider of wholesale used vehicle auctions whose operations span North America with 58 used vehicle sites, Insurance Auto Auctions, Inc., a leader in total automotive loss control and specialty salvage services in the United States whose operations span North America with 137 sites and Automotive Finance Corporation, the premier capital funding source for the used vehicle industry with 91 sites across North America. For further information on ADESA, Insurance Auto Auctions, Inc. or Automotive Finance Corporation, visit the company's Web sites at <http://www.adesainc.com> and <http://www.iaai.com>.

KAR Holdings, Inc.
Consolidated Statements of Income
(In millions) (Unaudited)

	2007	2006	
	Successor	Predecessor	
	July 1 – September 30	ADESA July 1 – September 30	IAAI June 25 – September 24
Operating revenues			
ADESA	\$241.4	\$236.2	\$ --
IAAI	117.7	--	83.5
AFC	35.2	36.7	--
Total operating revenues	394.3	272.9	83.5
Operating expenses			
Cost of services (exclusive of depreciation and amortization)	221.8	137.8	60.4
Selling, general and administrative	82.5	64.7	11.6
Depreciation and amortization	39.6	12.1	6.6
Loss related to flood	--	--	0.3
Total operating expenses	343.9	214.6	78.9
Operating profit	50.4	58.3	4.6
Interest expense, net	56.3	5.4	8.1
Other (income) expense, net	(0.9)	(0.1)	0.3
Loss on extinguishment of debt	--	--	1.8
Income (loss) from continuing operations before income taxes	(5.0)	53.0	(5.6)
Income taxes	3.7	18.6	(1.3)
Income (loss) from continuing operations	(8.7)	34.4	(4.3)
Income (loss) from discontinued operations, net of income taxes	0.1	(0.3)	--
Net income (loss)	(\$8.6)	\$34.1	(\$4.3)

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KAR Holdings, Inc.
Consolidated Statements of Income
(In millions) (Unaudited)

	2007			2006	
	Successor	Predecessor		Predecessor	
	April 20 – September 30, 2007	ADESA January 1 – April 19, 2007	IAAI January 1 – April 19, 2007	ADESA January 1 – September 30, 2006	IAAI December 26, 2005 – September 24, 2006
Operating revenues					
ADESA	\$432.3	\$325.4	\$ --	\$726.3	\$ --
IAAI	208.4	--	114.8	--	239.5
AFC	63.7	45.9	--	108.1	--
Total operating revenues	704.4	371.3	114.8	834.4	239.5
Operating expenses					
Cost of services (exclusive of depreciation and amortization)	391.1	187.3	76.5	419.7	170.1
Selling, general and administrative	146.3	85.5	19.4	195.4	29.3
Depreciation and amortization	66.8	15.9	7.9	33.9	17.1
Loss related to flood	--	--	--	--	3.5
Transaction expenses	--	24.8	--	--	--
Total operating expenses	604.2	313.5	103.8	649.0	220.0
Operating profit	100.2	57.8	11.0	185.4	19.5
Interest expense, net	100.1	6.3	9.9	16.2	21.1
Other (income) expense, net	(2.4)	(0.4)	(0.1)	(0.3)	3.1
Loss on extinguishment of debt	--	--	--	--	1.8
Income (loss) from continuing operations before income taxes	2.5	51.9	1.2	169.5	(6.5)
Income taxes	6.5	30.5	1.5	62.6	(1.7)
Income (loss) from continuing operations	(4.0)	21.4	(0.3)	106.9	(4.8)
Loss from discontinued operations, net of income taxes	--	(0.1)	--	(0.4)	--
Net income (loss)	(\$4.0)	\$21.3	(\$0.3)	\$106.5	(\$4.8)

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KAR Holdings, Inc.
Consolidated Balance Sheets
(In millions)

	<u>Successor</u>	<u>Predecessor</u>	
	<u>September 30, 2007</u> <i>(Unaudited)</i>	<u>ADESA December 31, 2006</u>	<u>IAAI December 31, 2006</u>
Assets			
<i>Current assets</i>			
Cash and cash equivalents	\$344.4	\$195.7	\$14.0
Restricted cash	7.6	7.8	--
Trade receivables, net of allowances	360.1	192.8	56.6
Finance receivables, net of allowances	265.7	203.3	--
Retained interests in finance receivables sold	73.7	69.6	--
Deferred income tax assets	32.0	21.9	11.7
Other current assets	43.0	17.4	27.5
Total current assets	<u>1,126.5</u>	<u>708.5</u>	<u>109.8</u>
<i>Other assets</i>			
Goodwill	1,502.5	557.8	241.3
Other intangible assets, net of accumulated amortization	1,477.5	49.0	147.5
Unamortized debt issuance costs	84.9	5.2	8.1
Other assets	42.3	57.7	1.6
Total other assets	<u>3,107.2</u>	<u>669.7</u>	<u>398.5</u>
Property and equipment, net of accumulated depreciation	<u>795.7</u>	<u>597.1</u>	<u>80.2</u>
Total assets	<u><u>\$5,029.4</u></u>	<u><u>\$1,975.3</u></u>	<u><u>\$588.5</u></u>

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KAR Holdings, Inc.
Consolidated Balance Sheets
(In millions)

	<u>Successor</u>	<u>Predecessor</u>	
	<u>September 30, 2007</u>	<u>ADESA December 31, 2006</u>	<u>IAAI December 31, 2006</u>
	<i>(Unaudited)</i>		
Liabilities and Stockholders' Equity			
<i>Current liabilities</i>			
Accounts payable	\$453.9	\$249.6	\$37.5
Accrued employee benefits and compensation expenses	55.4	43.1	4.9
Accrued interest	40.1	1.0	5.5
Other accrued expenses	76.4	41.1	9.0
Income taxes payable	5.5	11.3	--
Current maturities of long-term debt	15.6	30.0	2.2
Current liabilities of discontinued operations	3.8	7.2	--
Total current liabilities	<u>650.7</u>	<u>383.3</u>	<u>59.1</u>
<i>Non-current liabilities</i>			
Long-term debt	2,605.0	322.5	342.6
Deferred income tax liabilities	648.8	58.8	36.1
Other liabilities	43.7	7.2	12.4
Total non-current liabilities	<u>3,297.5</u>	<u>388.5</u>	<u>391.1</u>
Commitments and contingencies	--	--	--
<i>Stockholders' equity</i>			
Preferred stock, \$0.01 par value:			
Authorized shares: 5,000,000 (successor)			
50,000,000 (Predecessor – ADESA)			
Issued shares: none	--	--	--
Common stock, \$0.01 par value:			
Authorized shares: 20,000,000 (Successor)			
500,000,000 (Predecessor – ADESA)			
100 (Predecessor – IAAI)			
Issued shares: 10,686,316 (2007)			
94,868,104 (2006 Predecessor – ADESA)			
100 (2006 Predecessor – IAAI)	0.1	1.0	--
Additional paid-in capital	1,057.6	673.3	151.4
Retained earnings (deficit)	(4.0)	580.0	(13.1)
Treasury stock, at cost (Predecessor – ADESA)			
Shares: 4,785,335	--	(100.4)	--
Accumulated other comprehensive income	27.5	49.6	--
Total stockholders' equity	<u>1,081.2</u>	<u>1,203.5</u>	<u>138.3</u>
Total liabilities and stockholders' equity	<u>\$5,029.4</u>	<u>\$1,975.3</u>	<u>\$588.5</u>

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KAR Holdings, Inc.
Consolidated Statements of Cash Flows
(In millions) (Unaudited)

	2007			2006	
	Successor	Predecessor		Predecessor	
		ADESA	IAAI	ADESA	IAAI
	April 20 – September 30, 2007	January 1 – April 19, 2007	January 1 – April 19, 2007	January 1 – September 30, 2006	December 26, 2005 – September 24, 2006
Operating activities					
Net income (loss)	(\$4.0)	\$21.3	(\$0.3)	\$106.5	(\$4.8)
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization	66.8	15.9	7.9	33.9	17.1
Bad debt expense	1.9	--	--	3.5	--
Deferred income taxes	--	3.4	1.3	3.8	(0.7)
Amortization of debt issuance costs	5.8	0.4	0.4	0.9	1.0
Stock-based compensation expense	0.7	6.4	2.6	4.5	1.4
Unrealized loss on interest rate swap	(6.7)	(0.1)	--	(0.2)	--
Other non-cash, net	0.7	1.3	--	1.7	0.7
Loss on extinguishment of debt	--	--	--	--	1.8
Changes in operating assets and liabilities, net of acquisitions:					
Finance receivables held for sale	(22.6)	(15.1)	--	(8.5)	--
Retained interests in finance receivables sold	(1.6)	(2.5)	--	(10.4)	--
Trade receivables and other assets	61.1	(164.6)	0.4	(82.3)	2.7
Accounts payable and accrued expenses	(12.3)	147.7	4.6	71.0	10.4
Net cash provided by operating activities	89.8	14.1	16.9	124.4	29.6
Investing activities					
Net increase (decrease) in finance receivables held for investment	6.1	(14.0)	--	(27.3)	--
Acquisition of businesses, net of cash acquired	(23.3)	--	(0.5)	(54.7)	(89.0)
Purchases of property, equipment and computer software	(31.1)	(11.3)	(5.4)	(24.2)	(12.1)
Purchase of other intangibles	(0.1)	(0.1)	--	(0.6)	--
Proceeds from the sale of property, equipment and computer software	0.1	--	0.1	--	1.4
Equity investments	--	--	--	(12.6)	--
Transfer from (to) restricted cash	9.2	(9.0)	--	(1.6)	--
Net cash used by investing activities	(39.1)	(34.4)	(5.8)	(121.0)	(99.7)
Financing activities					
Net increase in book overdrafts	63.5	46.2	--	53.4	--
Net decrease in borrowings from lines of credit	--	--	--	(50.0)	--
Payments on long-term debt	(3.9)	(7.5)	(0.5)	(22.5)	(33.5)
Proceeds from long term debt	--	--	--	--	113.9
Payments on capital leases	(0.2)	--	(0.1)	--	--
Payments for debt issuance costs	(1.0)	--	--	--	(1.5)
Proceeds from issuance of common stock under Stock plans	--	15.0	--	6.3	--
Contributed capital	3.0	--	--	--	0.1
Dividends paid to stockholders	--	--	--	(20.2)	--
Excess tax benefits from stock-based compensation	--	3.0	--	0.2	--
Repurchase of common stock	--	(0.2)	--	(0.1)	--
Net cash provided by (used by) financing activities	61.4	56.5	(0.6)	(32.9)	79.0
Effect of exchange rate changes on cash	(0.4)	(0.1)	--	0.5	--
Net increase (decrease) in cash and cash equivalents	111.7	36.1	10.5	(29.0)	8.9
Cash and cash equivalents at beginning of period	232.7	195.7	14.0	240.2	25.9
Cash and cash equivalents at end of period	\$344.4	\$231.8	\$24.5	\$211.2	\$34.8

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KAR Holdings, Inc.
EBITDA and Adjusted EBITDA

EBITDA and Adjusted EBITDA

EBITDA and Adjusted EBITDA, as presented herein, are supplemental measures of the Company's performance that are not required by, or presented in accordance with, generally accepted accounting principles in the United States ("GAAP"). They are not measurements of the Company's financial performance under GAAP and should not be considered as alternatives to revenues, net income (loss) or any other performance measures derived in accordance with GAAP or as alternatives to cash flow from operating activities as measures of the Company's liquidity.

EBITDA is defined as net income (loss), plus interest expense net of interest income, income tax provision (benefit), depreciation and amortization. The Company calculates Adjusted EBITDA by adjusting EBITDA for the items of income and expense and expected incremental revenue and cost savings as described in the Company's \$1,865 million senior credit facility. Per the Company's senior credit facility, Consolidated EBITDA for the quarters ending March 31, 2006, June 30, 2006 and September 30, 2006, is deemed to be \$102.9 million, \$99.4 million and \$88.1 million, respectively. Management believes that the inclusion of supplementary adjustments to EBITDA applied in presenting Adjusted EBITDA is appropriate to provide additional information to investors about certain covenants required pursuant to the Company's senior credit facilities and the notes. EBITDA and Adjusted EBITDA measures have limitations as analytical tools, and should not be considered in isolation, or as a substitute for analysis of the results as reported under GAAP. These measures may not be comparable to similarly titled measures reported by other companies.

The calculation of Adjusted EBITDA (per the credit agreement) for the last twelve months ended September 30, 2007, presented below, includes a pro forma adjustment for anticipated cost savings related to the merger totaling \$10.5 million net of realized cost savings. The adjustment relates to anticipated costs savings for redundant selling, general and administrative costs for the salvage operations. The following table reconciles EBITDA and Adjusted EBITDA for the periods presented:

(In millions) (Unaudited)	Three Months Ended				Twelve Months Ended
	December 31, 2006	March 31, 2007	June 30, 2007	September 30, 2007	September 30, 2007
Net income (loss)	\$18.2	\$38.4	(\$12.8)	(\$8.6)	\$35.2
Add back: discontinued operations	0.1	--	0.1	(0.1)	0.1
Income from continuing operations	18.3	38.4	(12.7)	(8.7)	35.3
Add back:					
Income taxes	14.5	24.6	10.2	3.7	53.0
Interest expense, net of interest income	13.8	13.6	46.6	56.3	130.3
Depreciation and amortization	19.4	18.7	32.2	39.6	109.9
EBITDA	66.0	95.3	76.3	90.9	328.5
Nonrecurring charges	5.2	1.1	5.6	5.0	16.9
Nonrecurring transaction charges	6.1	2.4	22.4	--	30.9
Noncash charges	2.5	5.2	1.0	0.9	9.6
Advisory services	0.2	0.1	0.8	0.9	2.0
Adjusted EBITDA	80.0	104.1	106.1	97.7	387.9
Pro forma impact of recent acquisitions	0.7	0.9	0.8	0.9	3.3
Pro forma cost savings per the credit agreement				7.2	7.2
Adjusted EBITDA per the credit agreement	\$80.7	\$105.0	\$106.9	\$105.8	\$398.4

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