

KAR Holdings, Inc.

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# Analyst Day

February 19, 2008

# *Forward-Looking Statements*

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*This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks, trends, and uncertainties that could cause actual results to differ materially from those projected, expressed or implied by such forward-looking statements. Many of these risk factors are outside of the company's control, and as such, they involve risks which are not currently known to the company that could cause actual results to differ materially from forecasted results. The forward-looking statements in this document are made as of the date hereof and the company does not undertake to update its forward-looking statements.*

# AGENDA

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- **Industry Update - Tom Kontos**
- Corporate Update - Eric Loughmiller
- Q&A

# *Used Vehicle Market Conditions and Outlook*

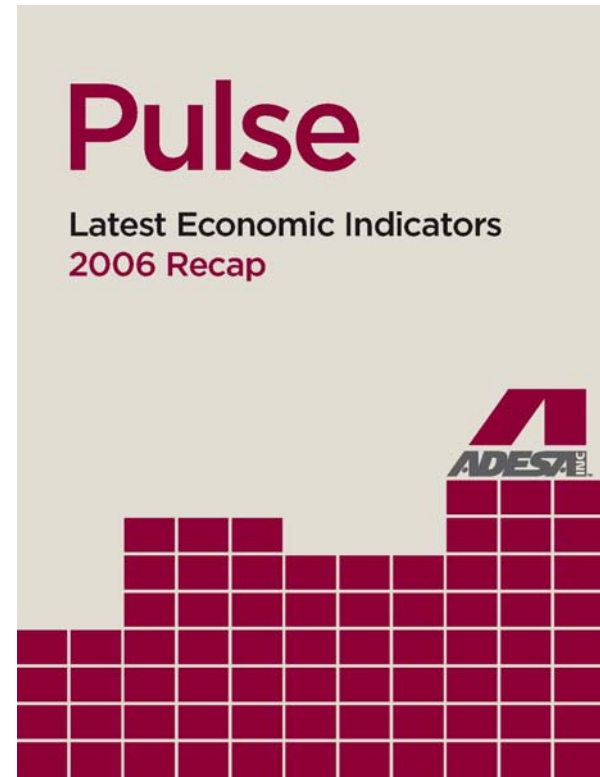
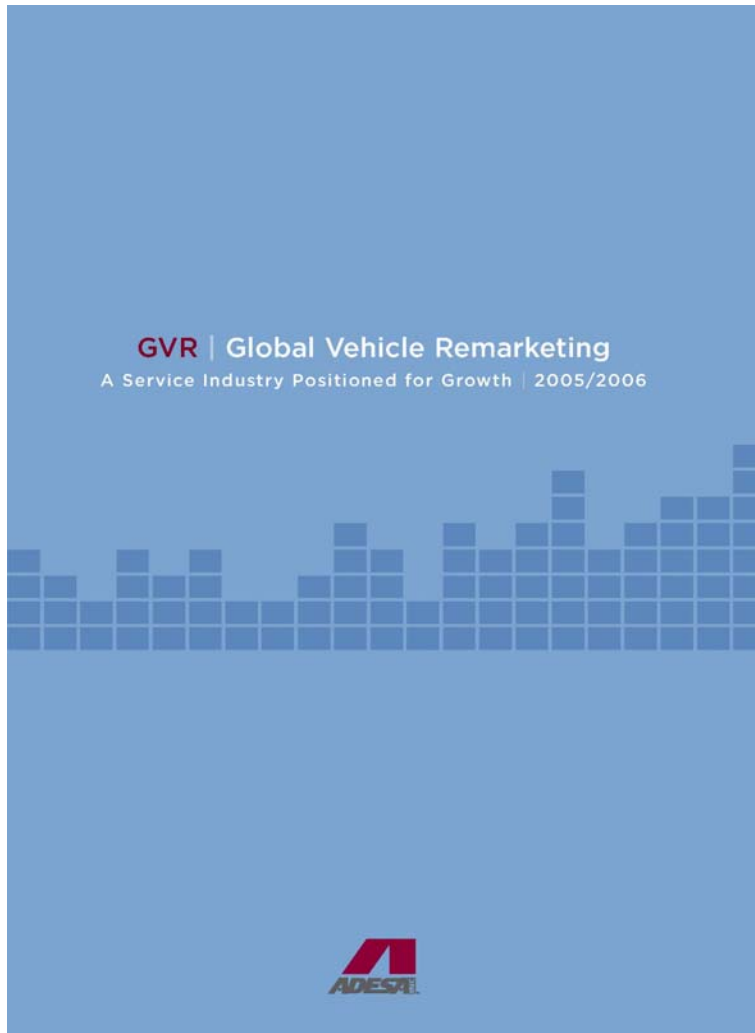
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Tom Kontos  
Executive Vice-President  
Customer Strategies and  
Analytics  
ADESA  
February 2008

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# ADESA Analytical Services Reports

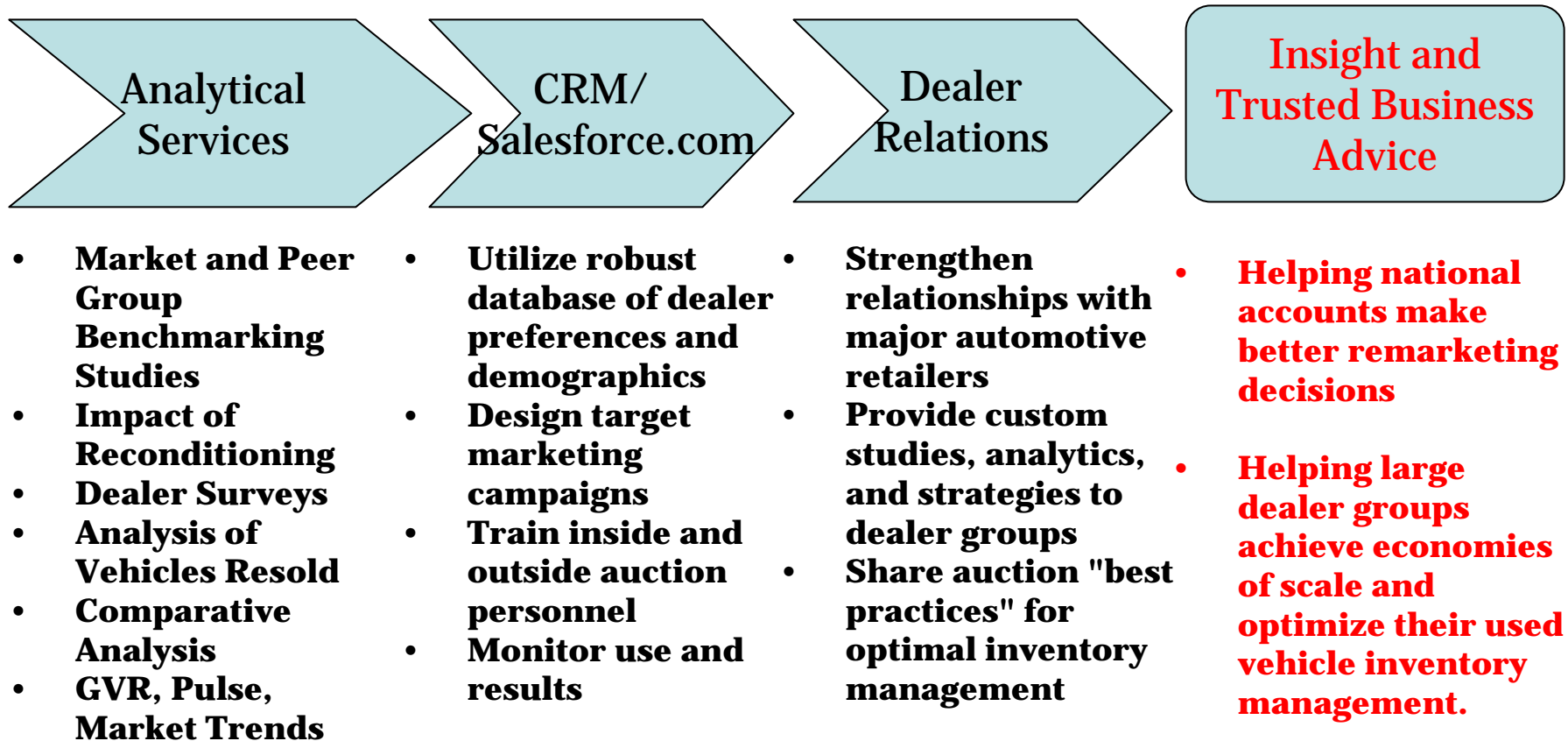
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*Plus monthly postings on:  
[www.adesa.com/kontoskorner](http://www.adesa.com/kontoskorner)*

*Contact Tom Kontos  
[tkontos@adesa.com](mailto:tkontos@adesa.com)  
317/249-4235*

# Customer Strategies and Analytics

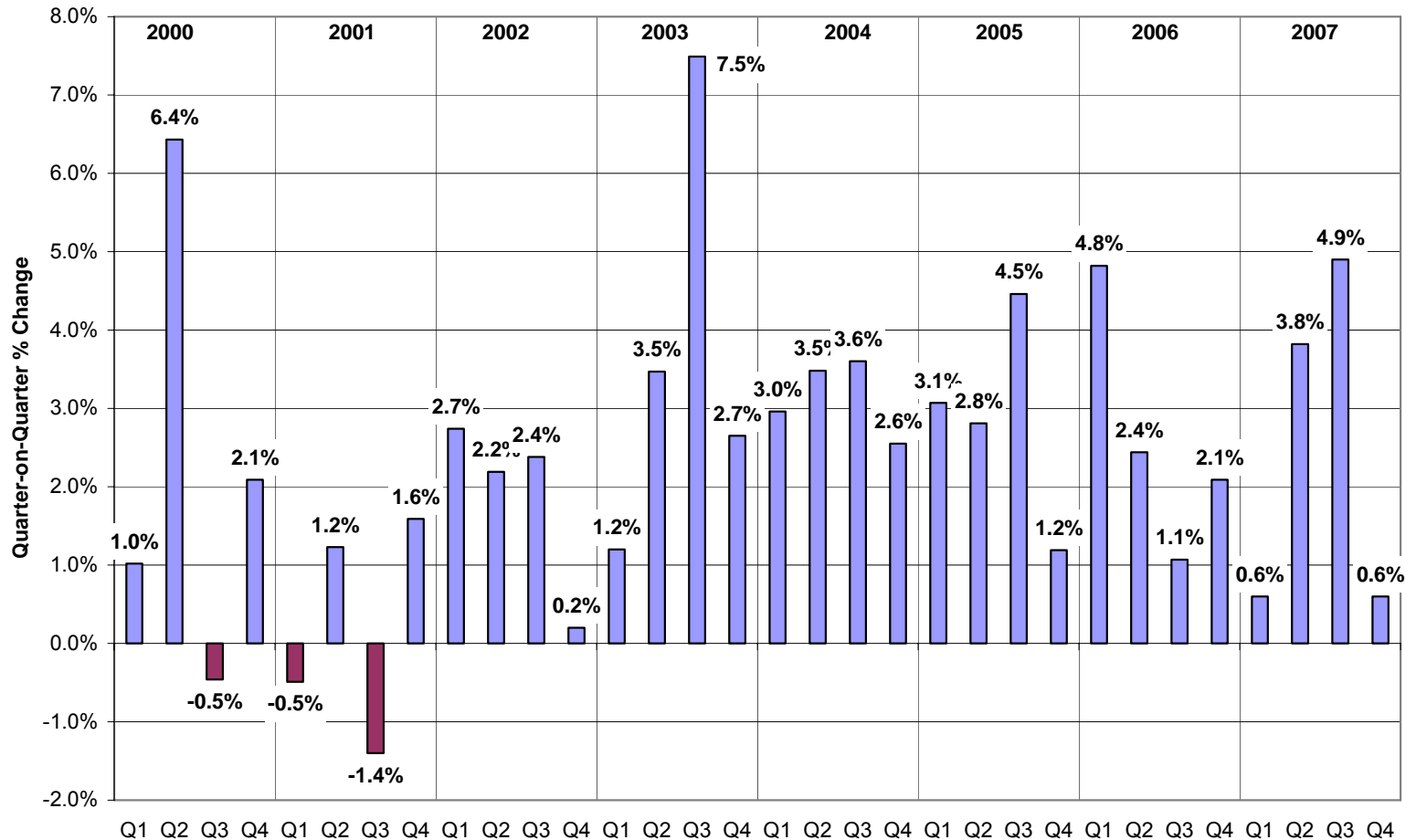


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# General Economy

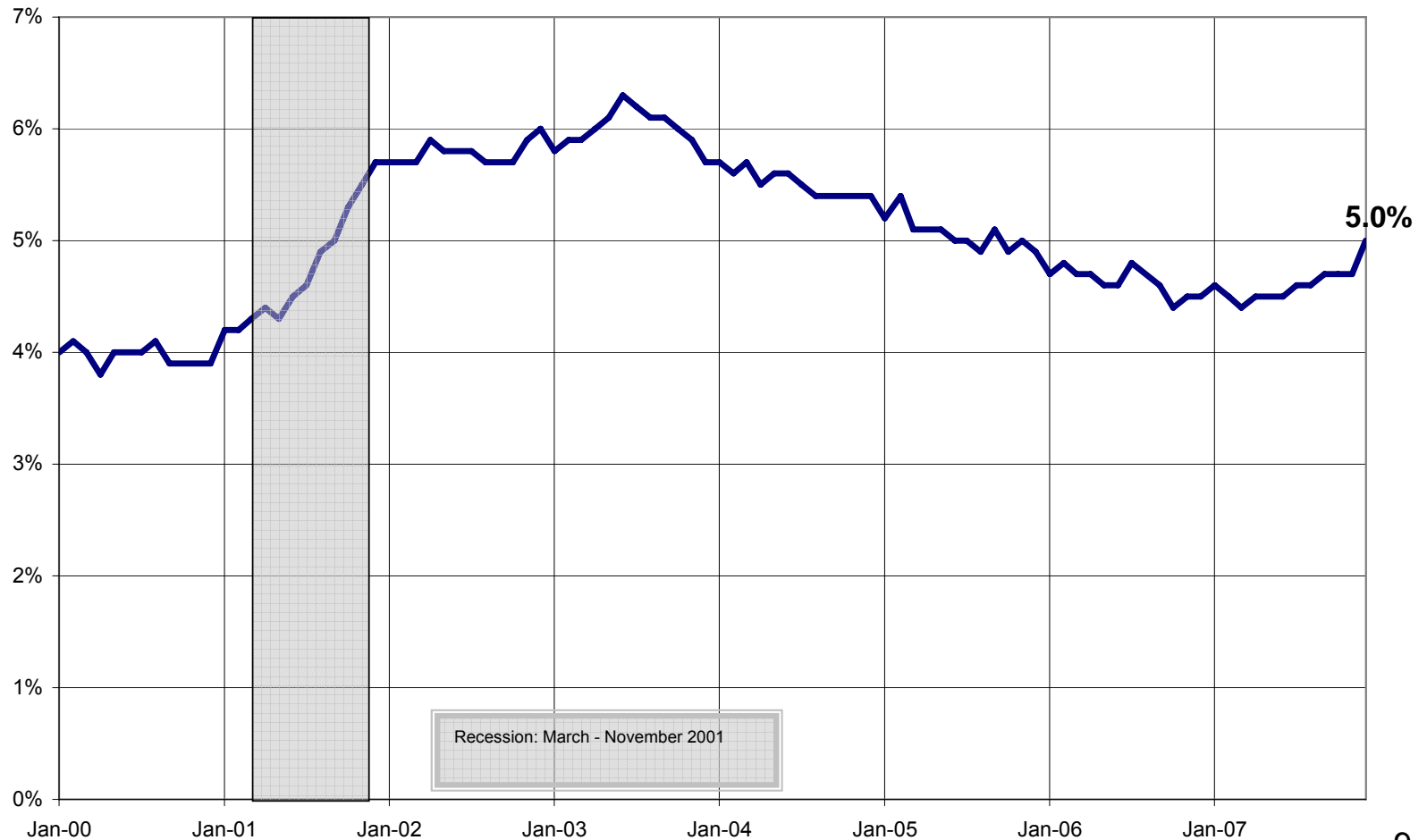
# GDP growth rates are expected to slow to below 1.0% from year-end 2007 into early 2008.

Real GDP Growth Rates



# Unemployment is creeping up as employment growth has slowed somewhat this year.

Unemployment Rate



# Manufacturing has slowed and may be contracting.

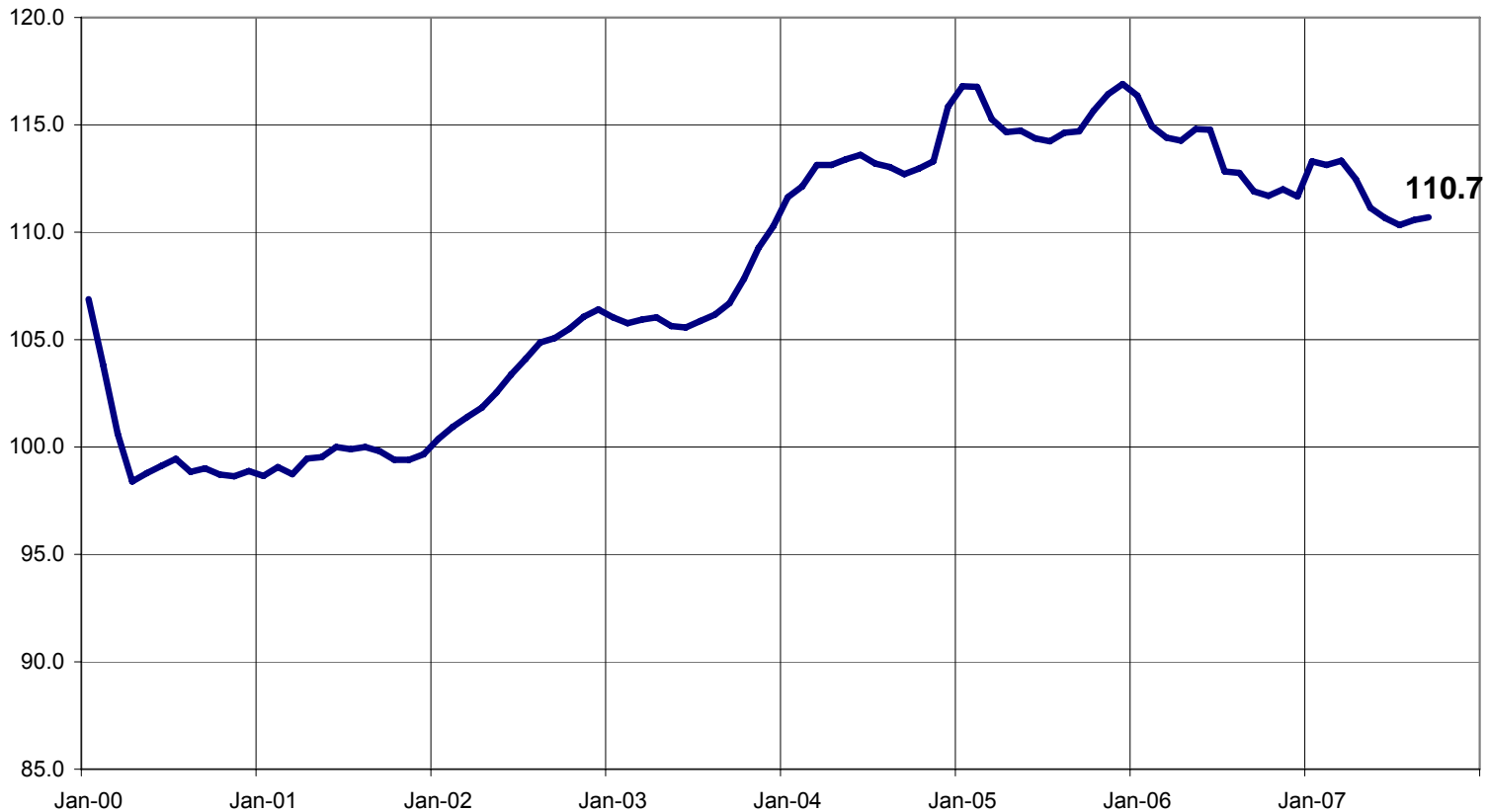
ISM/Purchasing Managers' Index



# Freight volumes have decreased significantly from their peak volumes in 2005.

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Truck Tonnage Index\*  
(2000 = 100)

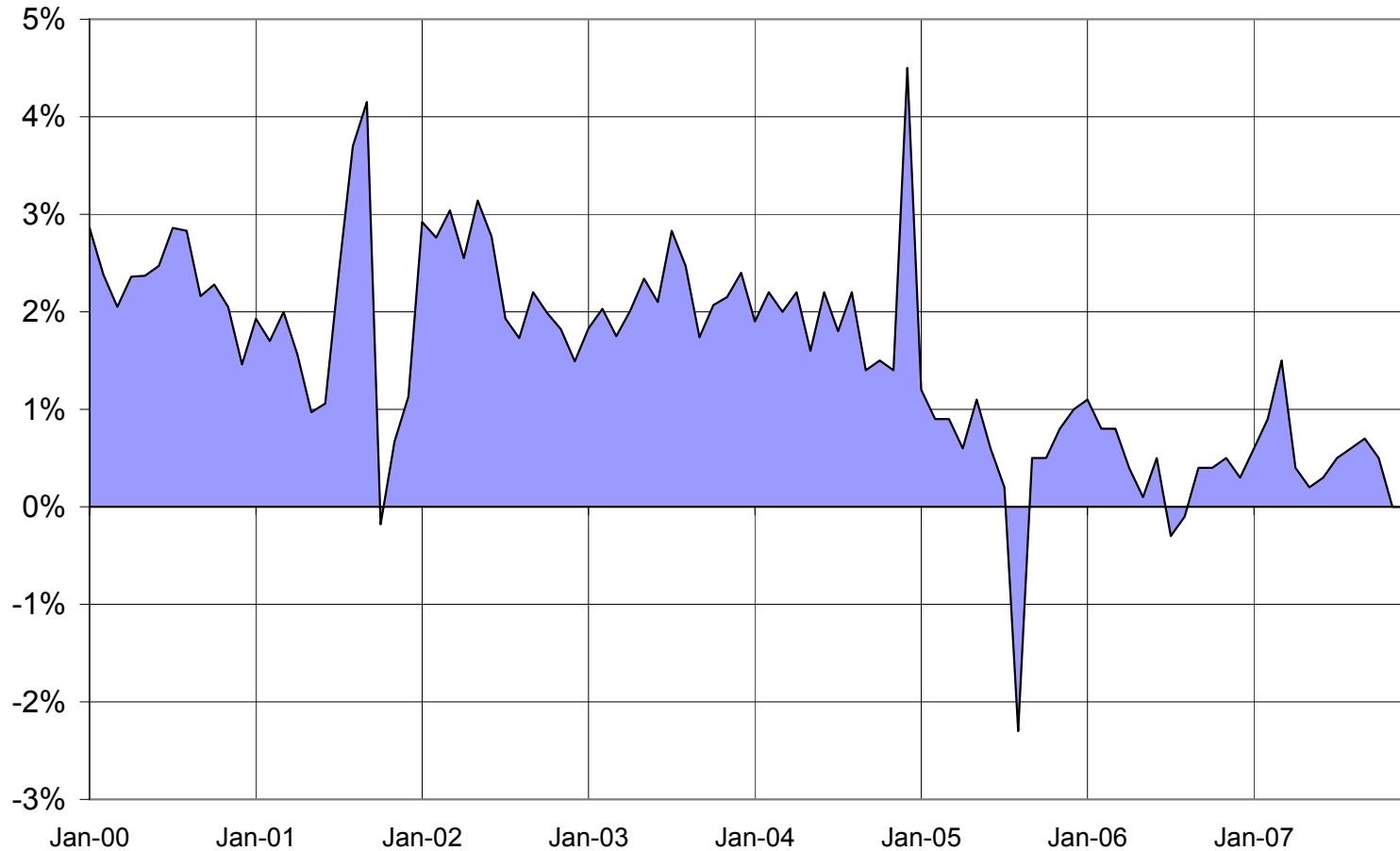


\*Seasonally adjusted. Three-month moving average.

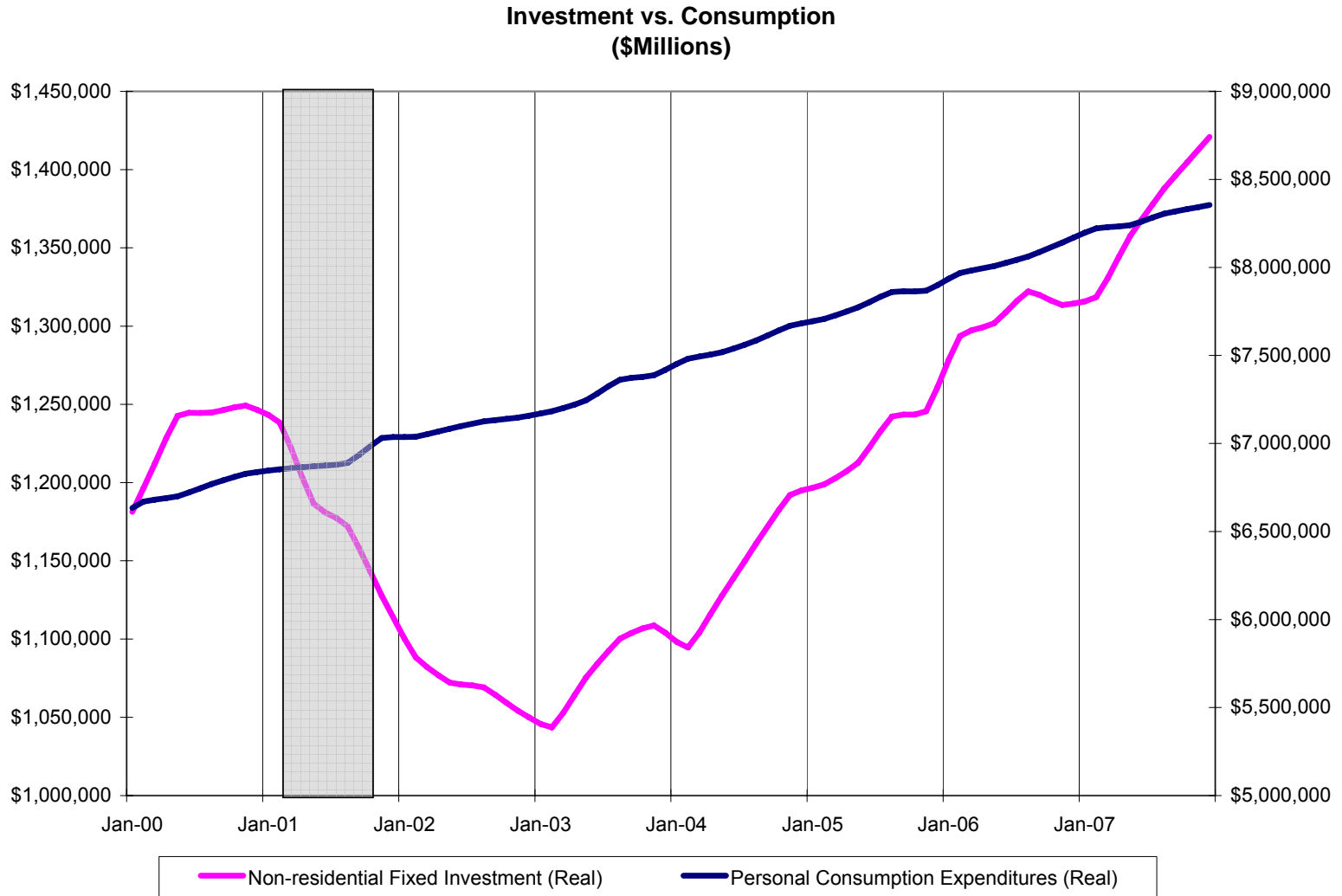
# Low savings rates indicate that consumers are “spent-up, not pent-up.”

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**Personal Saving as a Percent of Disposable Income**

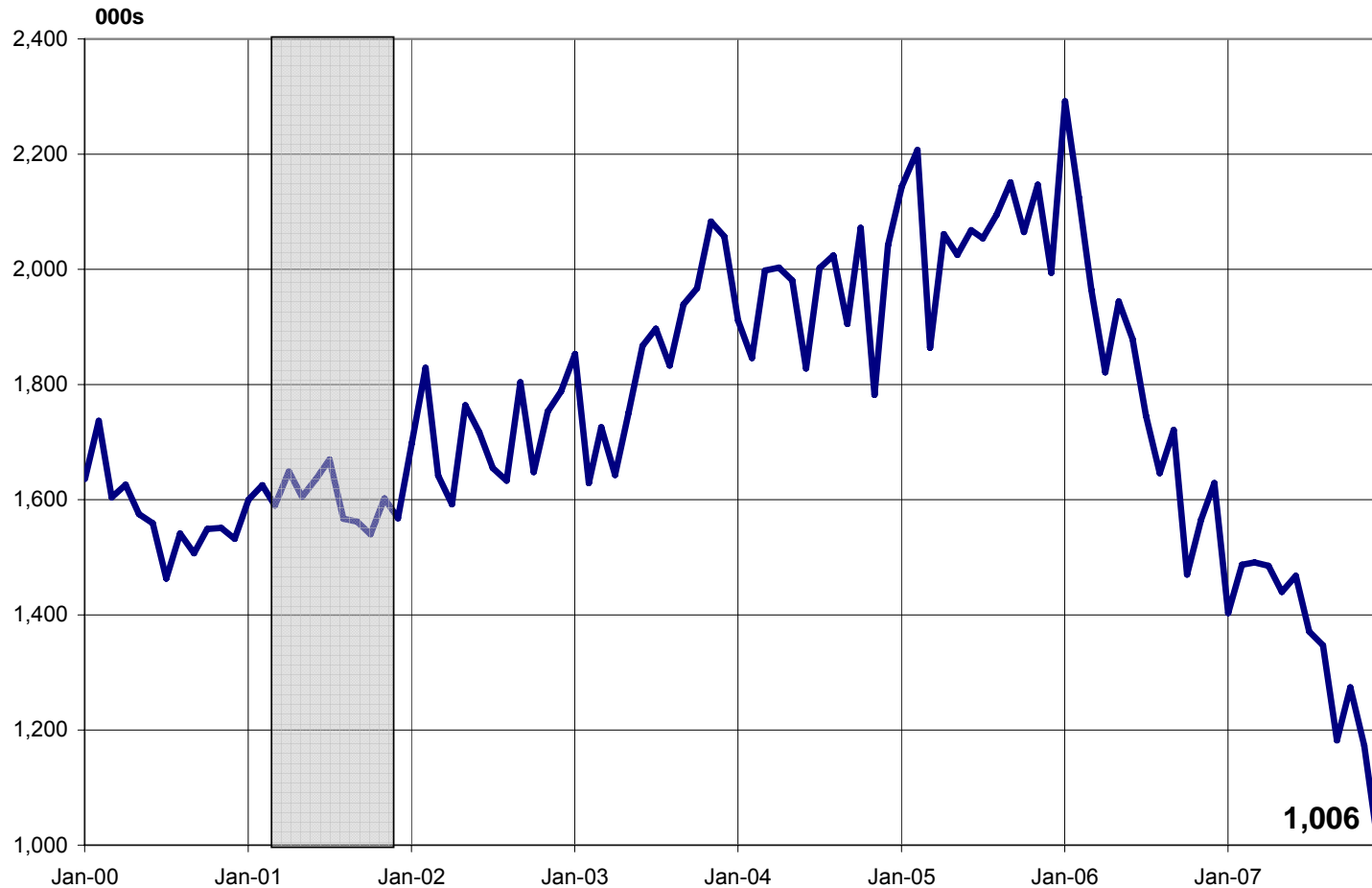


# Business investment is supplementing consumer spending nicely.

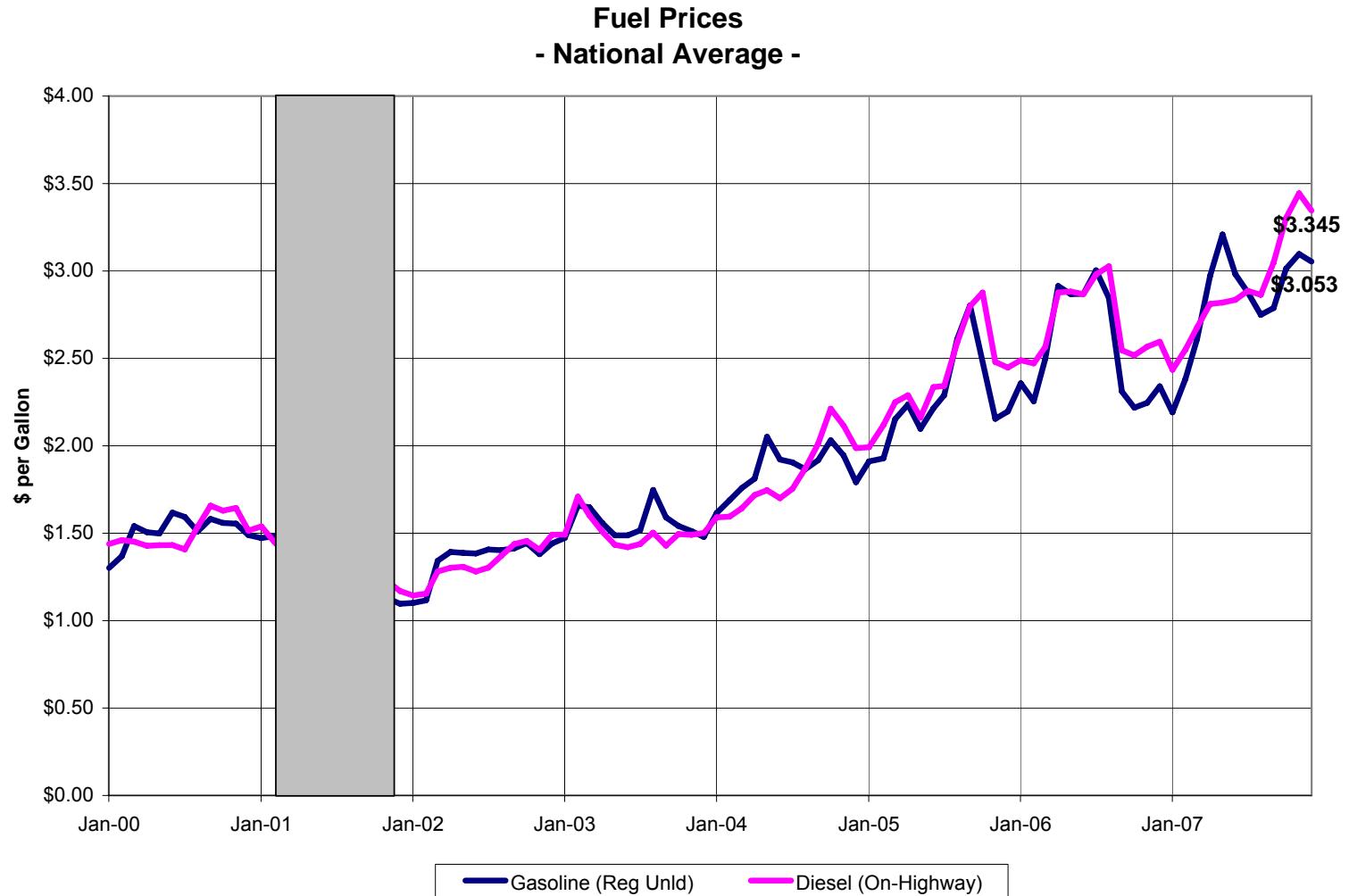


Low residential construction is costing the economy around 100 basis points of growth, but this is necessary to reduce unsold home inventories.

Housing Starts



# Supply and demand conditions suggest high fuel prices for the foreseeable future.



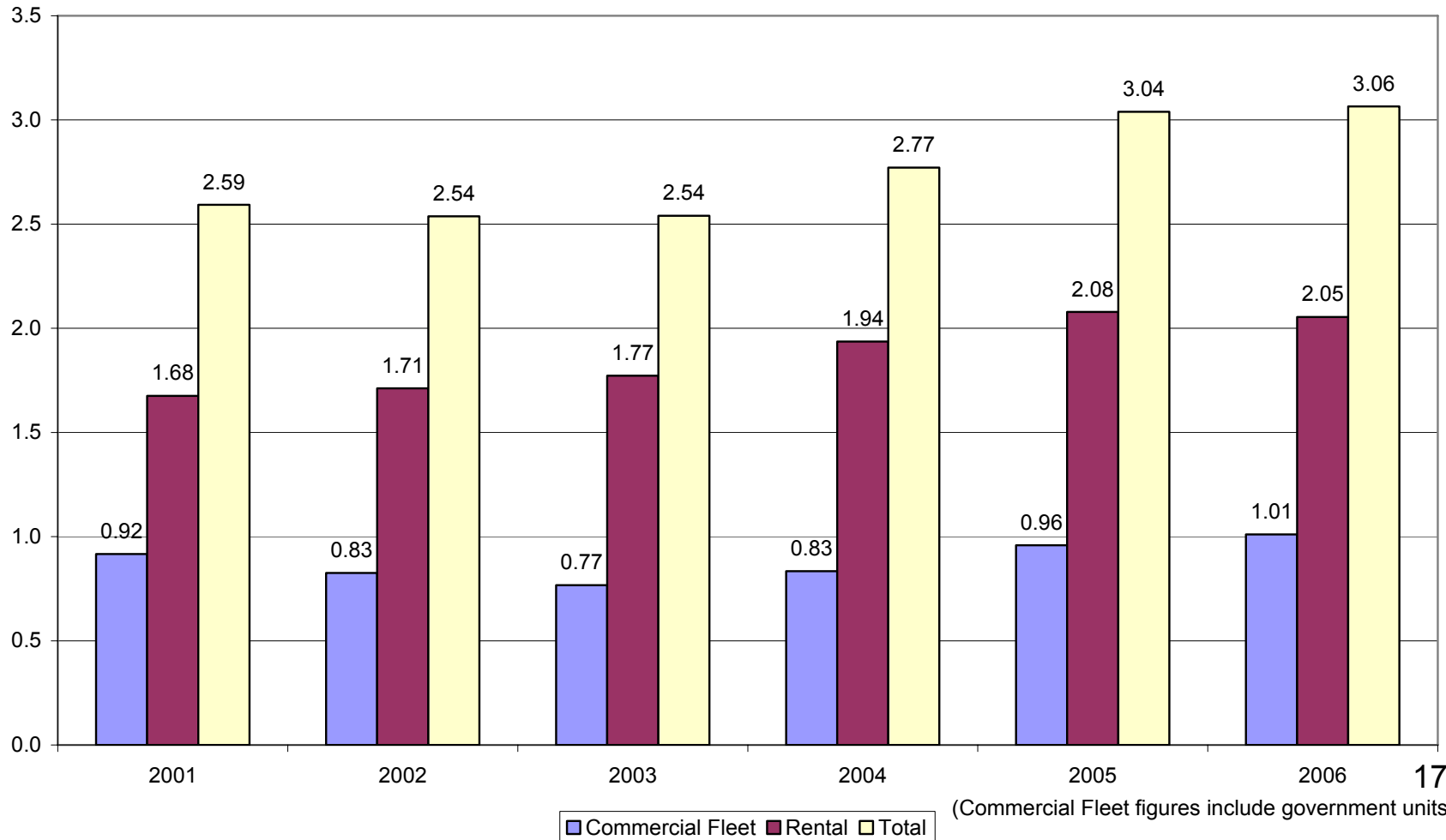
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# Remarketing Industry Supply

# Fleet sales grew by 500,000 units between 2003 and 2005 and were steady in 2006.

**Fleet Sales by Manufacturers  
(Millions of Units)**

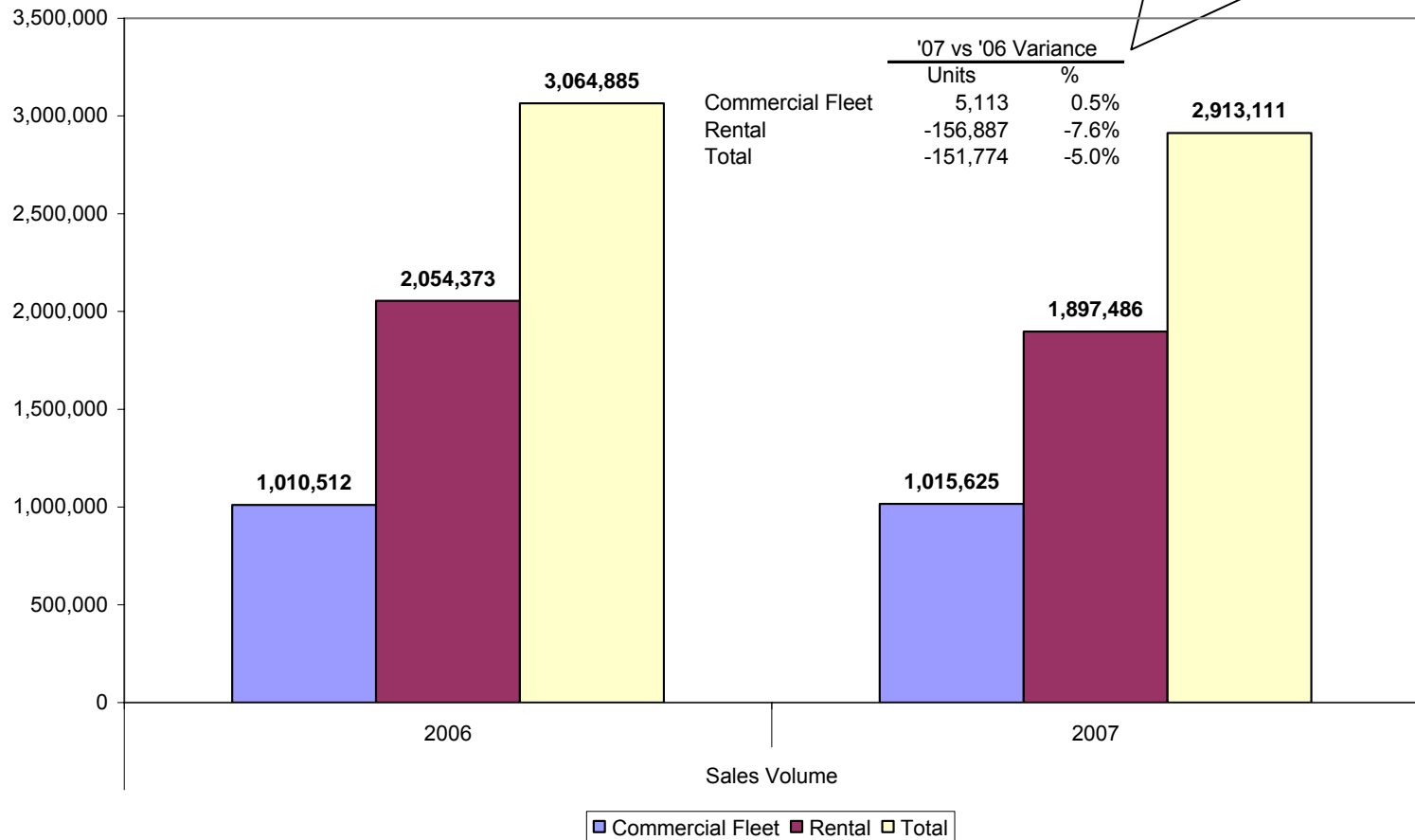
	'06 vs '05 Variance	
	Units	%
Commercial Fleet	51,809	5.4%
Rental	-25,302	-1.2%
Total	26,507	0.9%



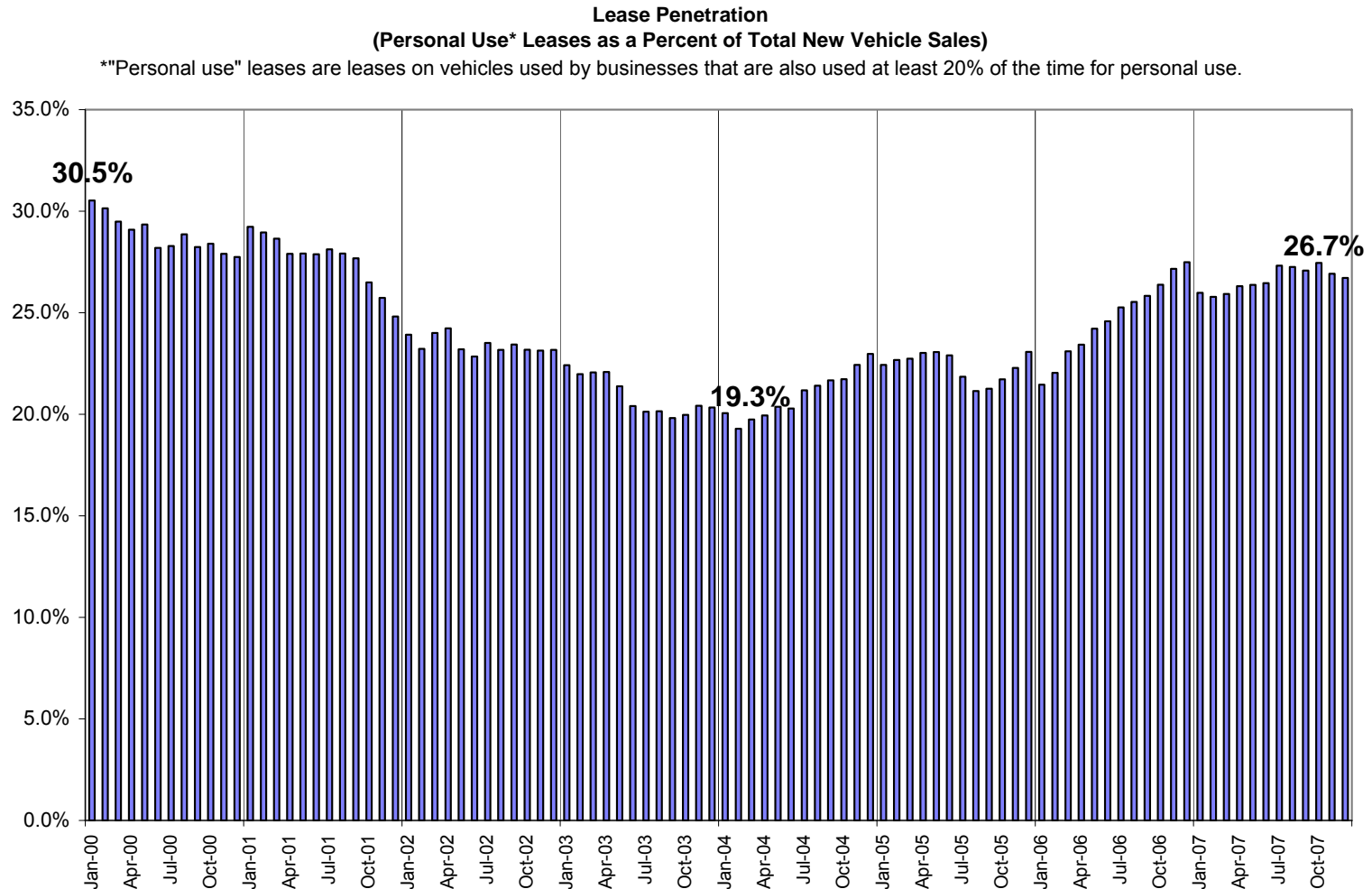
# Rental fleet sales dropped in 2007. Commercial fleet sales were up a bit.

Fleet Sales by Manufacturers  
- YTD Through December -

Domestics down ~269K;  
Japanese & Koreans up  
~112K

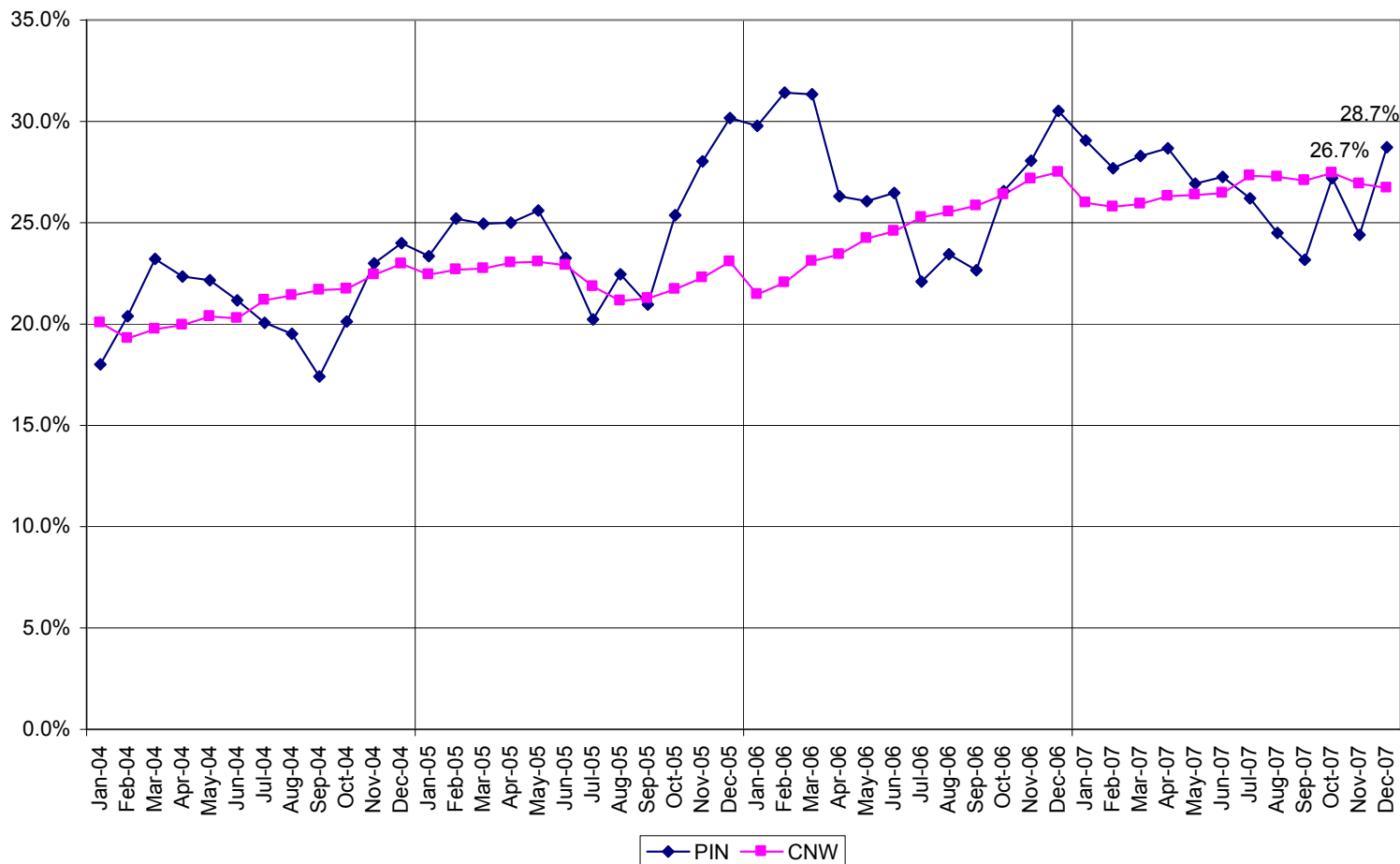


# Lease penetration is now above the 25% level we anticipated when interest rates started to rise.



# PIN data corroborates that lease penetration has grown since 2004.

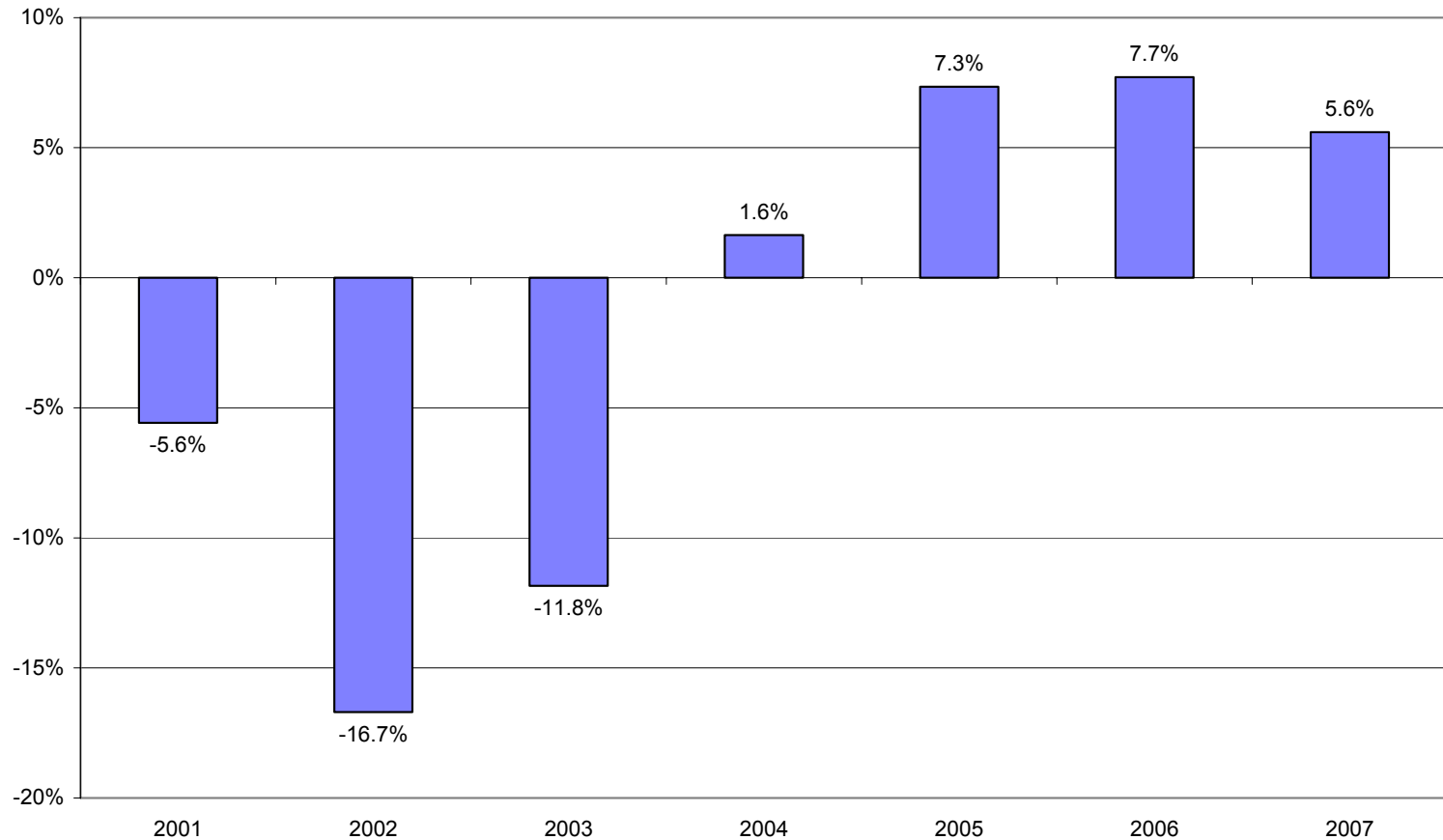
PIN and CNW Lease Penetration Data



# Lease origination volume began growing in 2004 and has grown strongly since.

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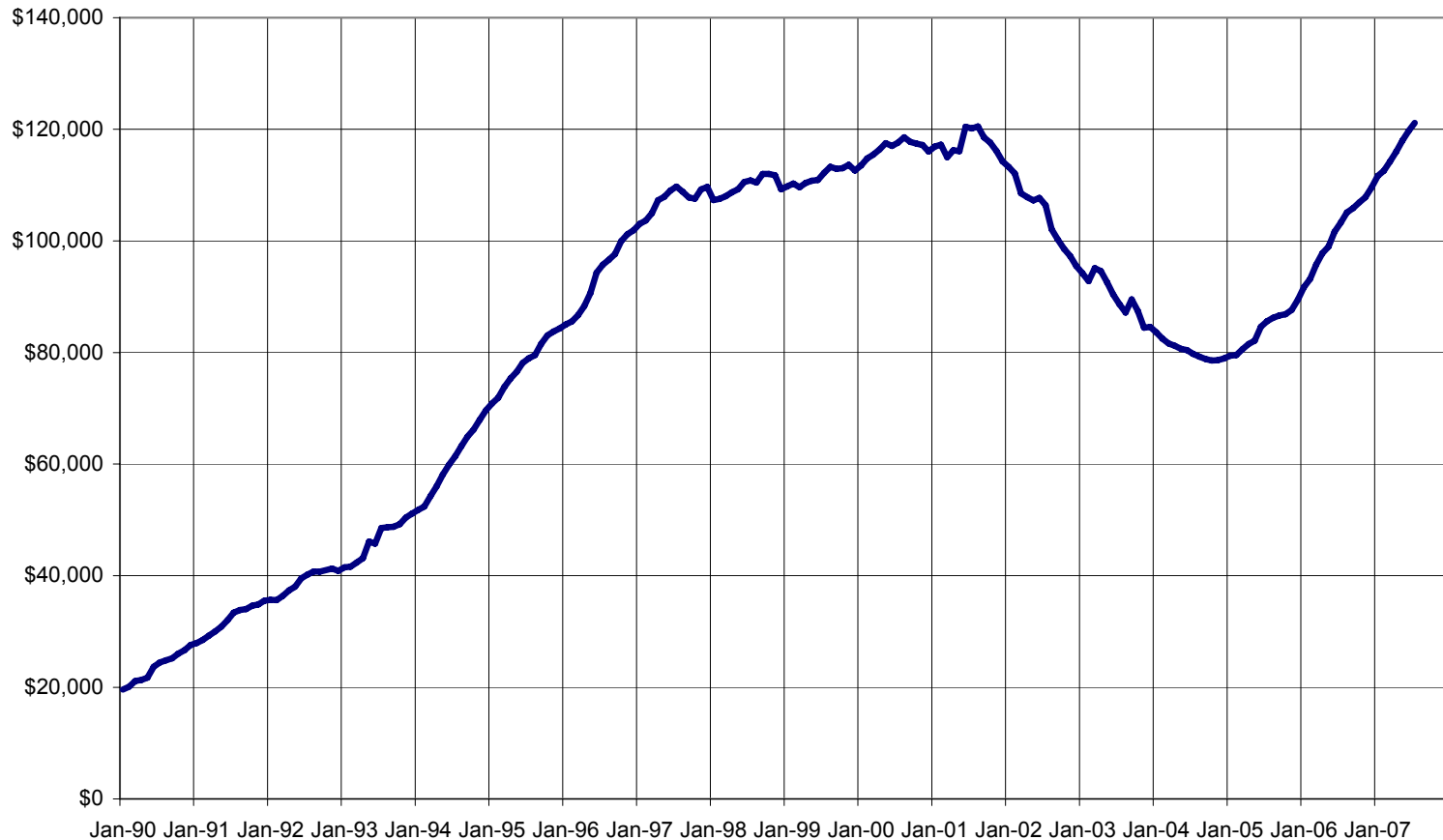
**New Lease Volume  
(Percent Change from Prior Year)**



# Fed data corroborates that leasing is increasing.

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Federal Reserve Board Consumer Leases Outstanding  
(\$Millions)



# The Consumer Price Index for lease payments has come down over the last few years.

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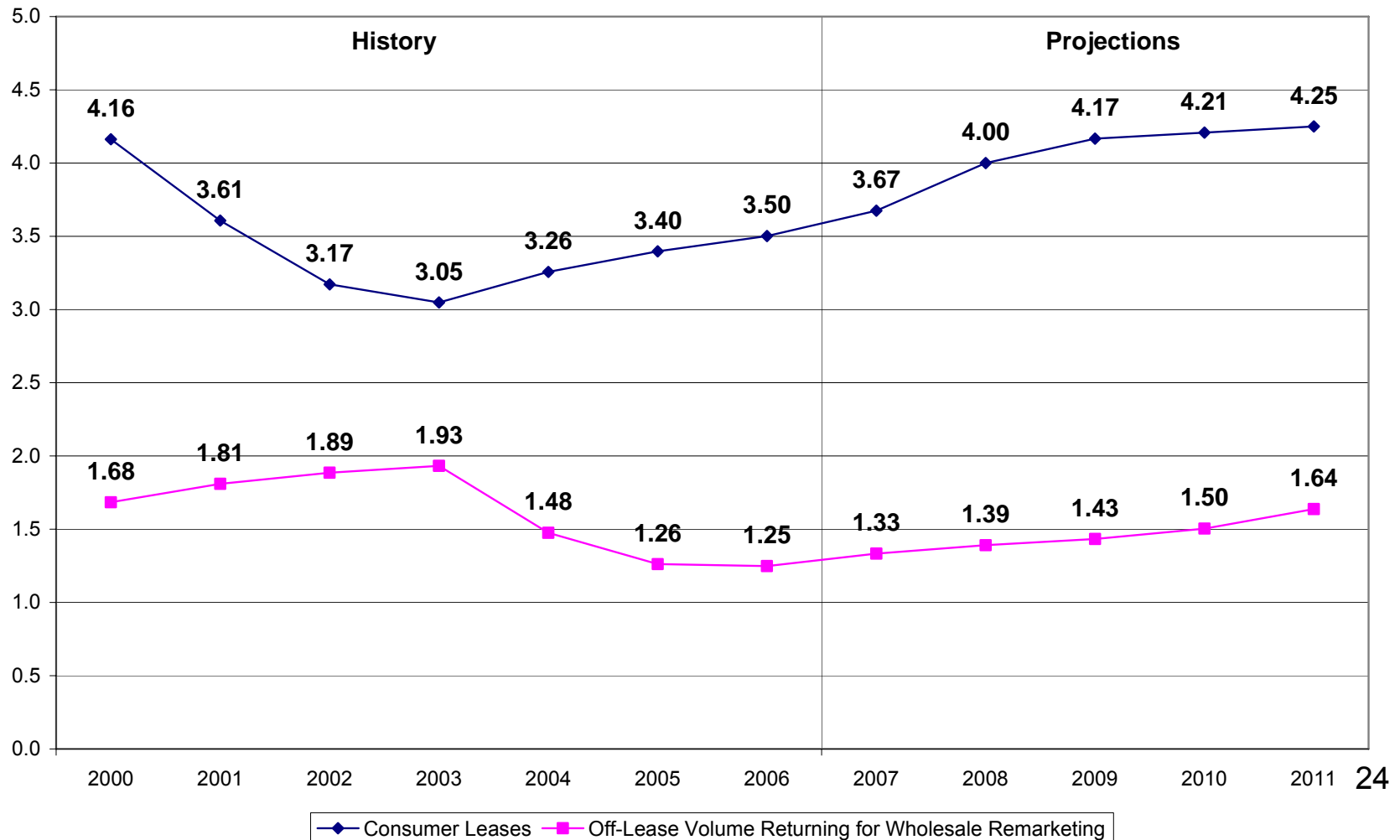
Lease Payment Consumer Price Index  
(Dec 2001=100)



Source: U.S. Bureau of Labor Statistics. Data series began in January 2002.

# More off-lease units entered the market in 2007.

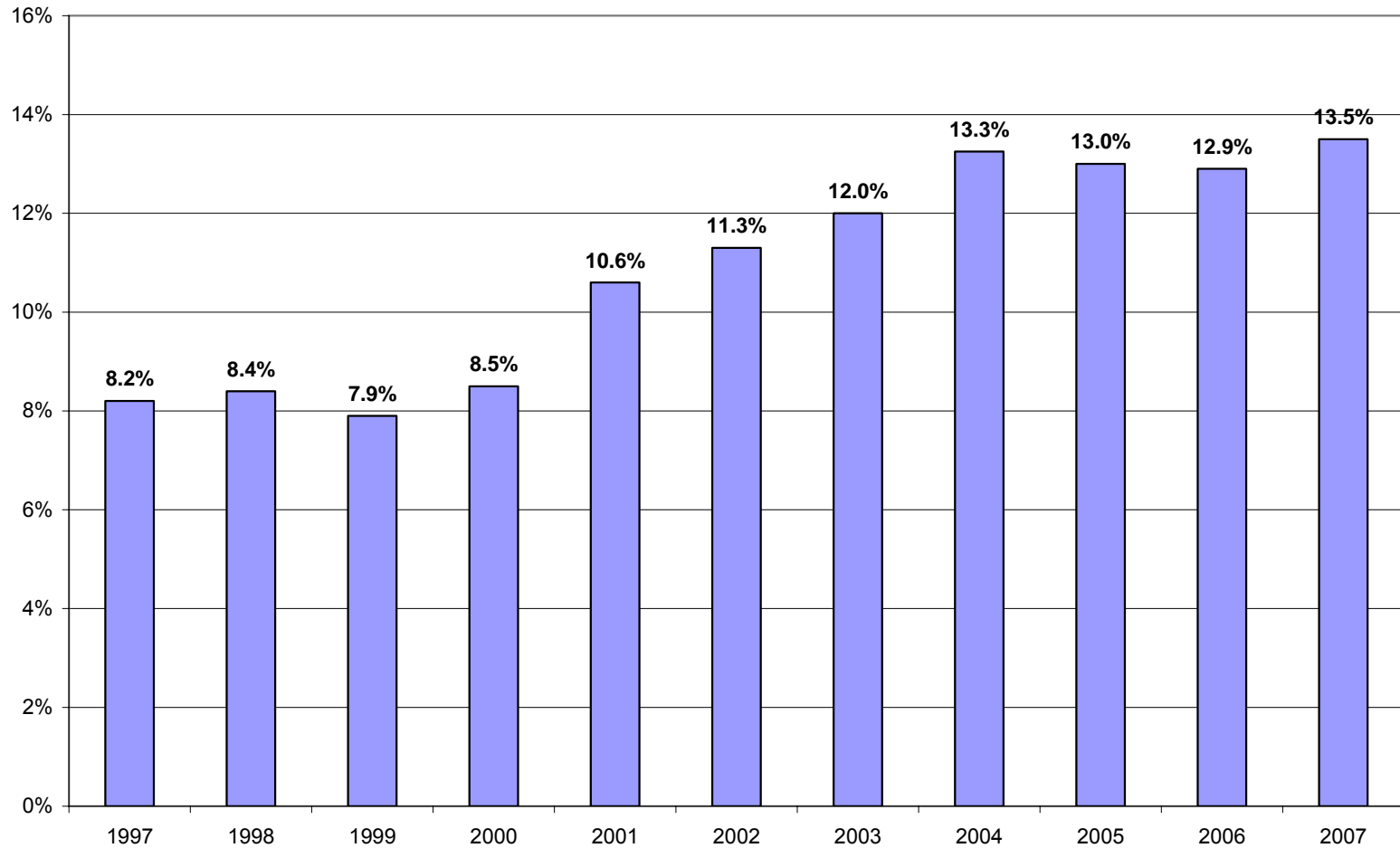
Consumer Leases and Off-Lease Volumes Returning for Wholesale Remarketing (Millions)



# The percentage of claims resulting in total losses continues at all-time-high levels.

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Percentage of Insurance Claims Resulting in Total Loss



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# Retail Vehicle Markets

# Retail sales have been weak.

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## New and Used Vehicle Sales - U.S. (000s of Units Sold)

	YTD Through Dec		Increase/(Decrease)	
	2007	2006	Amount	%
New Vehicle Sales	16,154	16,561	(407)	-2.5%
<u>Used Vehicle Sales</u>	41,419	42,566	(1,147)	-2.7%
Franchised Dealers	14,285	14,319	(34)	-0.2%
Independent Dealers	13,077	13,710	(633)	-4.6%
Private Individuals	14,056	14,536	(480)	-3.3%
Total Vehicle Sales	57,573	59,127	(1,554)	-2.6%

Source: Automotive News Data Center, CNW Marketing/Research, and ADESA Analytical Services.

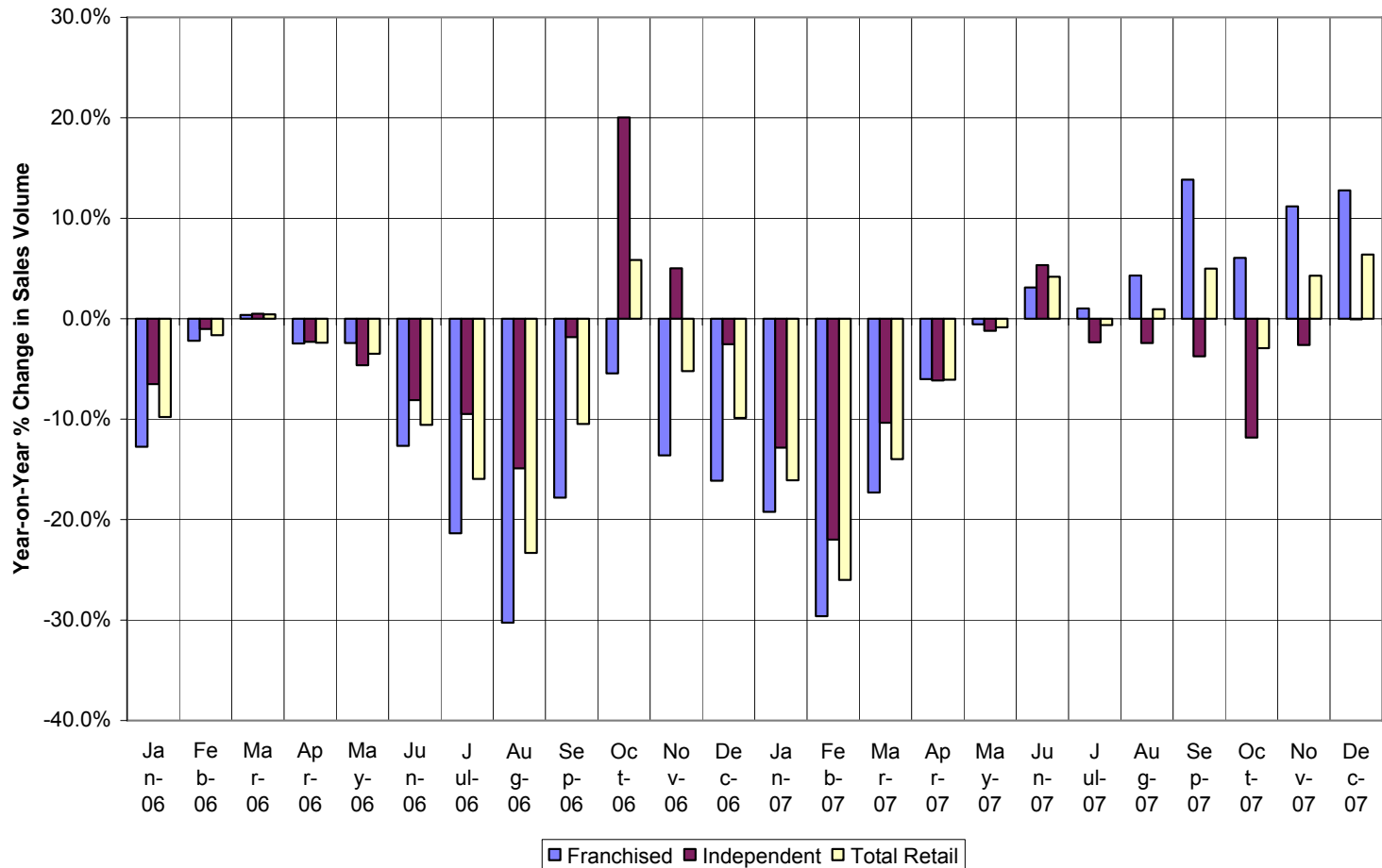
# Reasons for weak retail used vehicle sales:

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- Used cars priced high relative to discounted new vehicles. More price adjustment is necessary to jump start used vehicle sales.
- Maturation of economic cycle/slower economic growth.
- More folks are upside down on their longer term vehicle loans.
- Vehicle longevity has improved and more people own longer lasting and lightly challenged trucks and SUVs.
- Lots of used vehicles were bought in 2005 during the employee discount period, which brought lots of young trade-ins to franchised dealerships. This brought forward sales that would have otherwise occurred in 2006 or 2007.
- Hurricane-replacement vehicles were bought in late 2005 as well.

# A recovery in used vehicle sales for franchised dealers may be underway.

Retail Used Vehicle Sales Trends



New vehicle incentives have been relatively stable after dropping in 2006. This is good news for vehicle remarketers.

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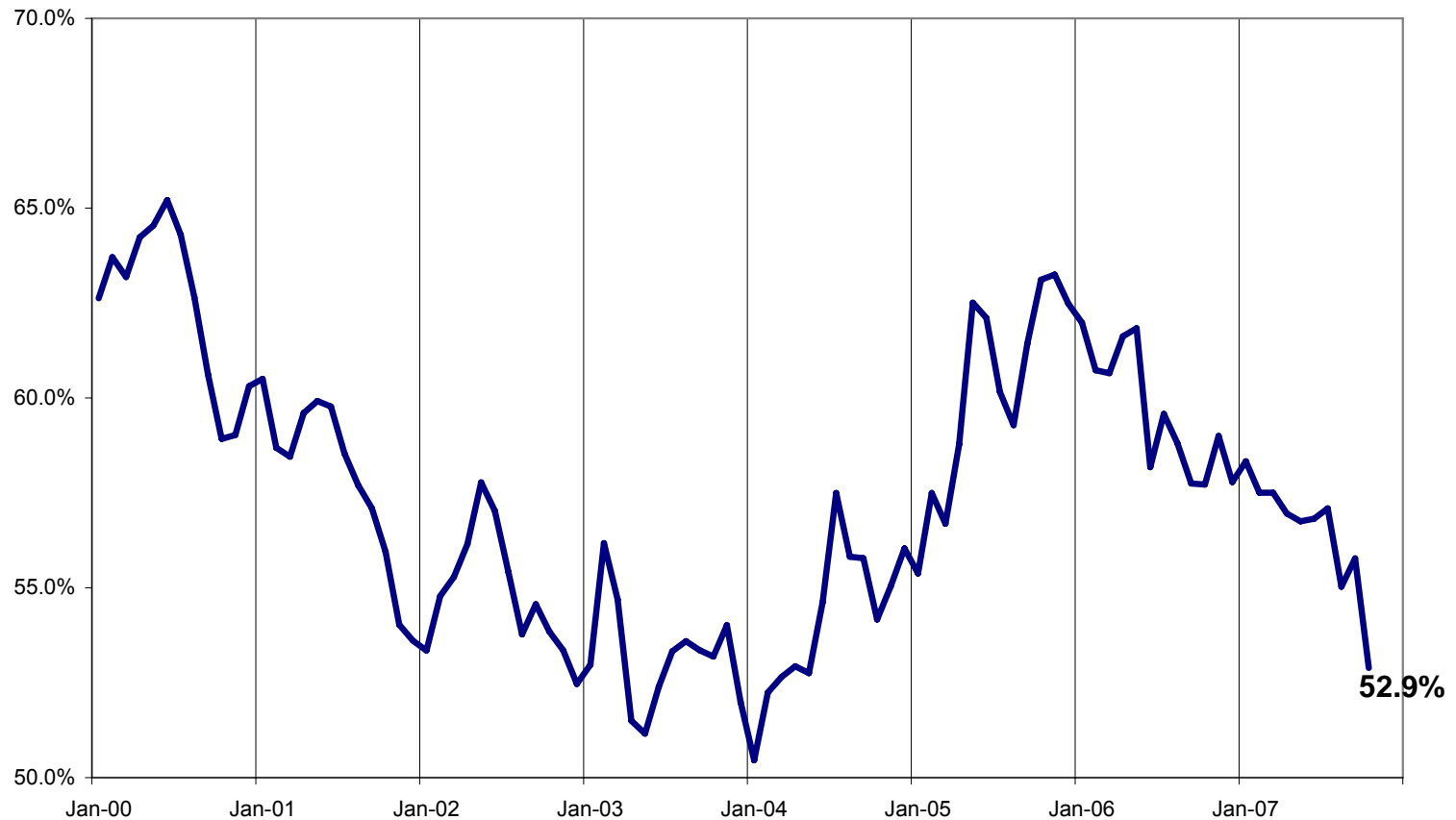
Average New Vehicle Incentives According to Edmunds



# Used car prices are becoming more competitive relative to new car prices.

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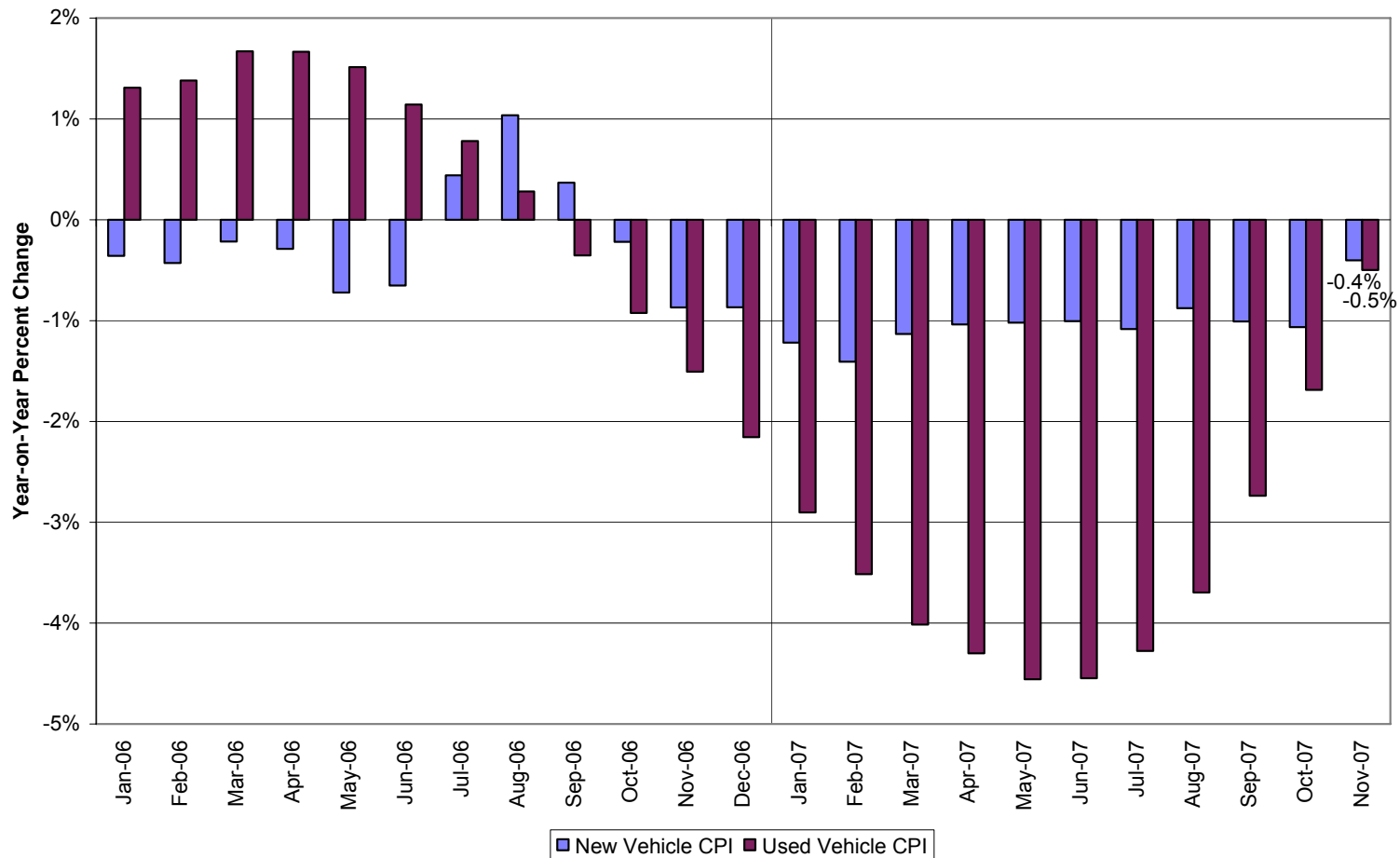
**Used Vehicle Price as a % of New Vehicle Price\***



\*Based on vehicles financed by domestic captive finance companies.

# Retail used vehicle prices are coming down faster than new vehicle prices. Both look like they're leveling off.

Comparison of New and Used Vehicle Consumer Price Indices

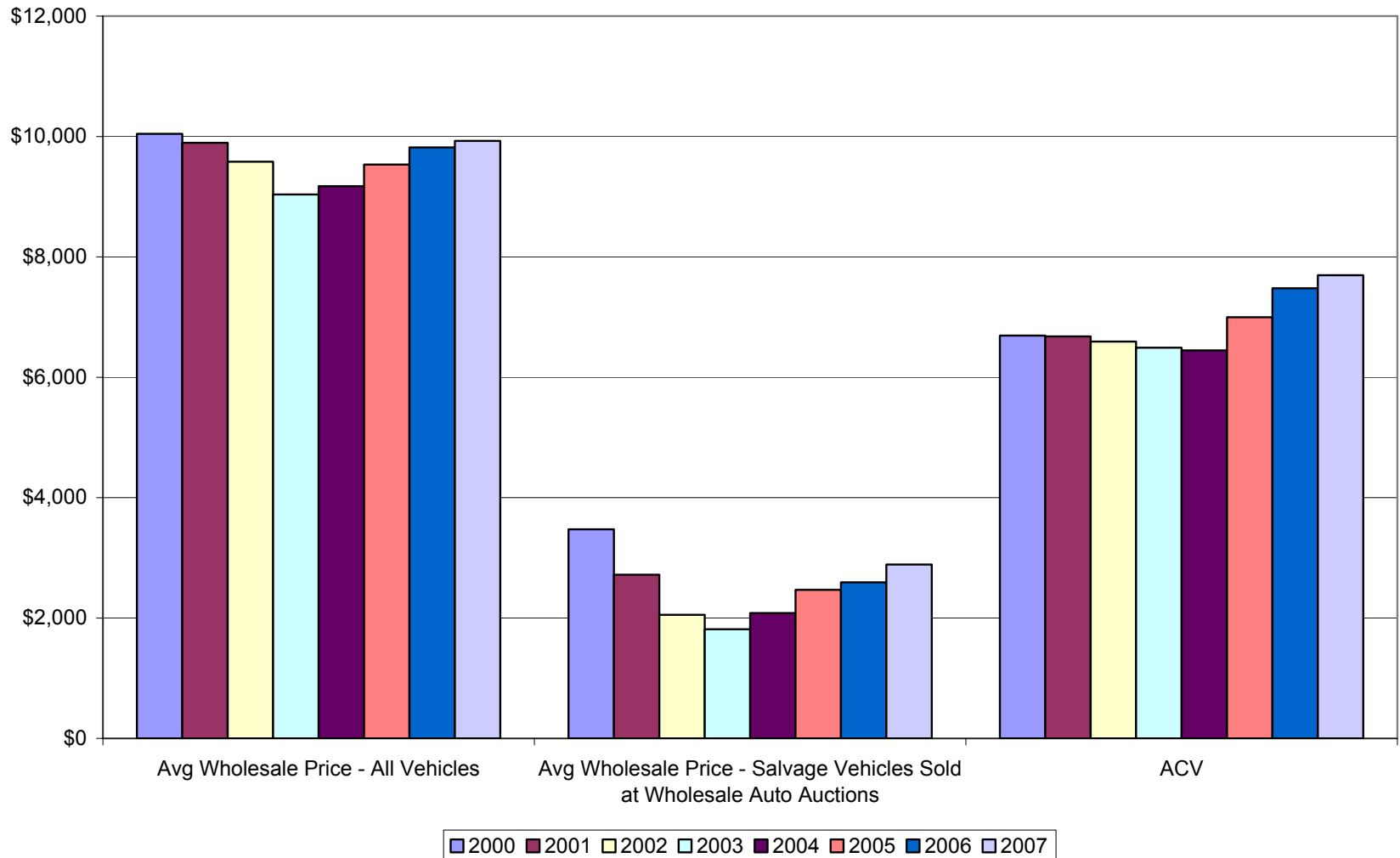


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# Wholesale Vehicle Markets

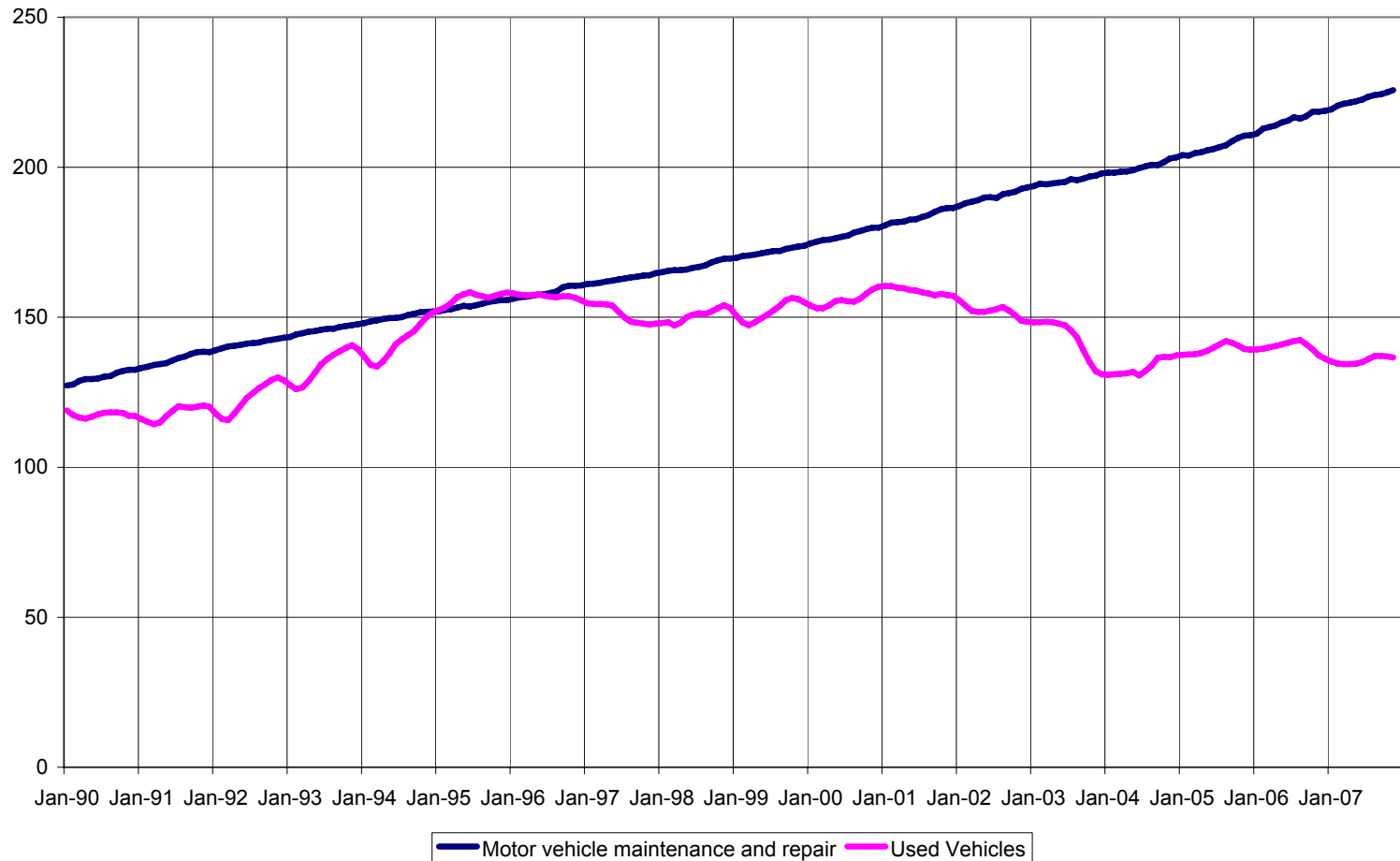
# As wholesale used vehicle prices rose from 2004-07, so did salvage prices and recoveries.

Comparison of Wholesale Prices and Assessed Values for Wholecar and Salvage Units



# Maintenance and repair costs have been rising faster than used vehicle values leading to more total losses.

Comparison of Consumer Price Indexes for Maintenance/Repairs to Used Vehicle Prices



# Scrap metal prices have fallen from peak levels, but remain high by historical standards.

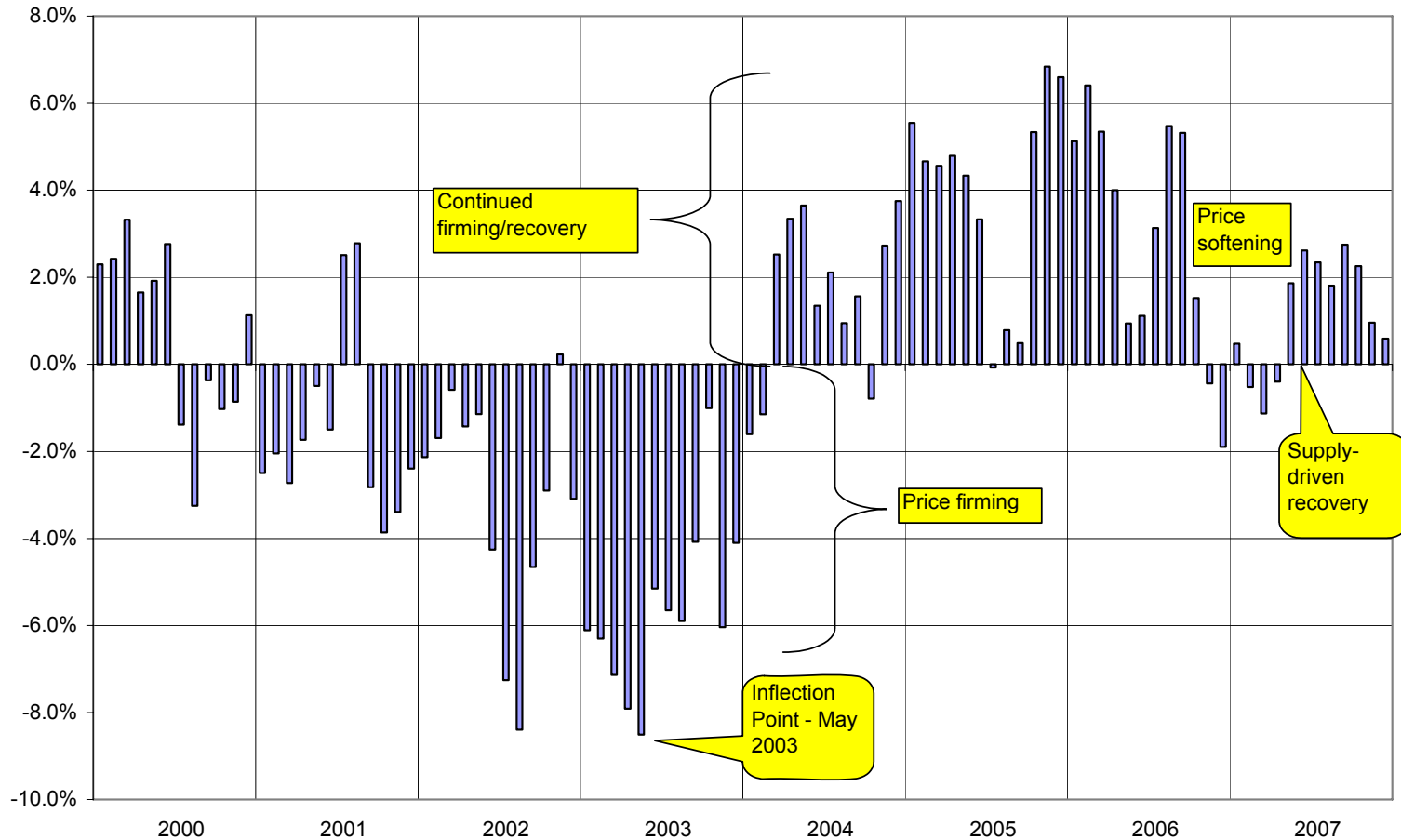
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Scrap Metal Price Trends (Broker Prices for Shredded Auto Scrap) - Boston  
(\$/Ton)



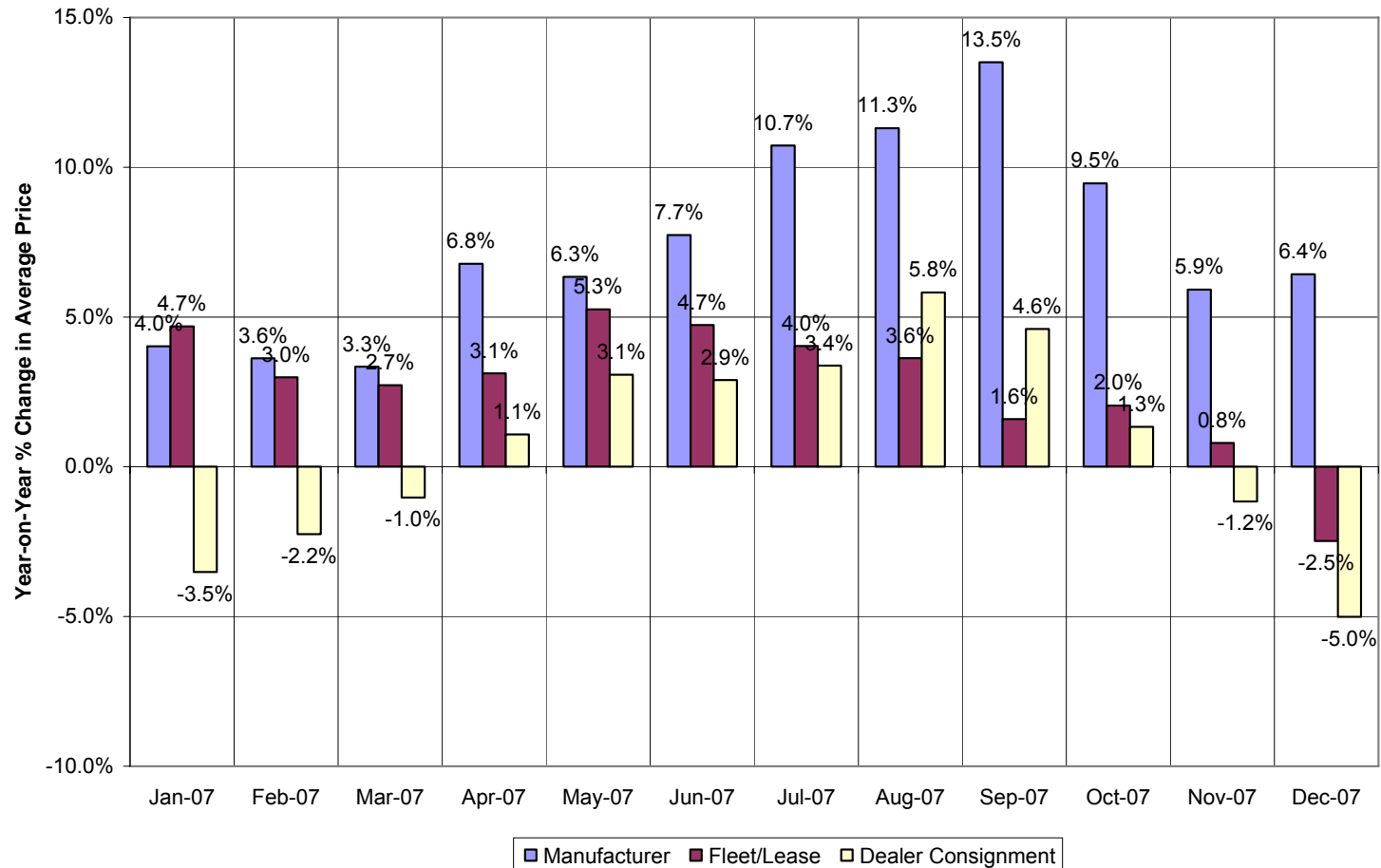
# Prices are up in recent months primarily due to low supply of program units this year.

Year-on-Year Percent Change in Average Auction Prices



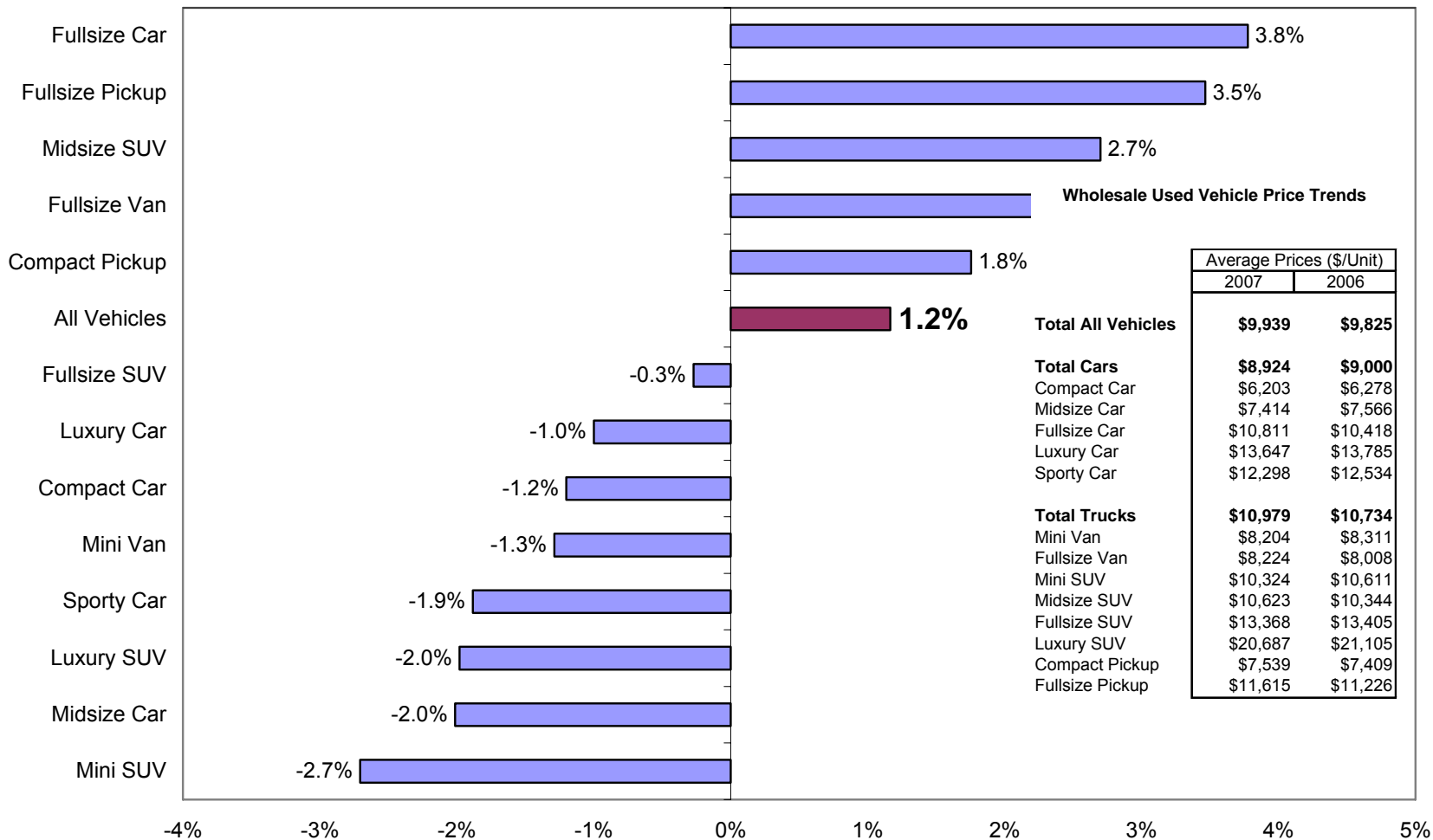
# Prices are strongest for the off-rental units sold by manufacturers that are in short supply.

AuctionNet Price Trends by Sale Type



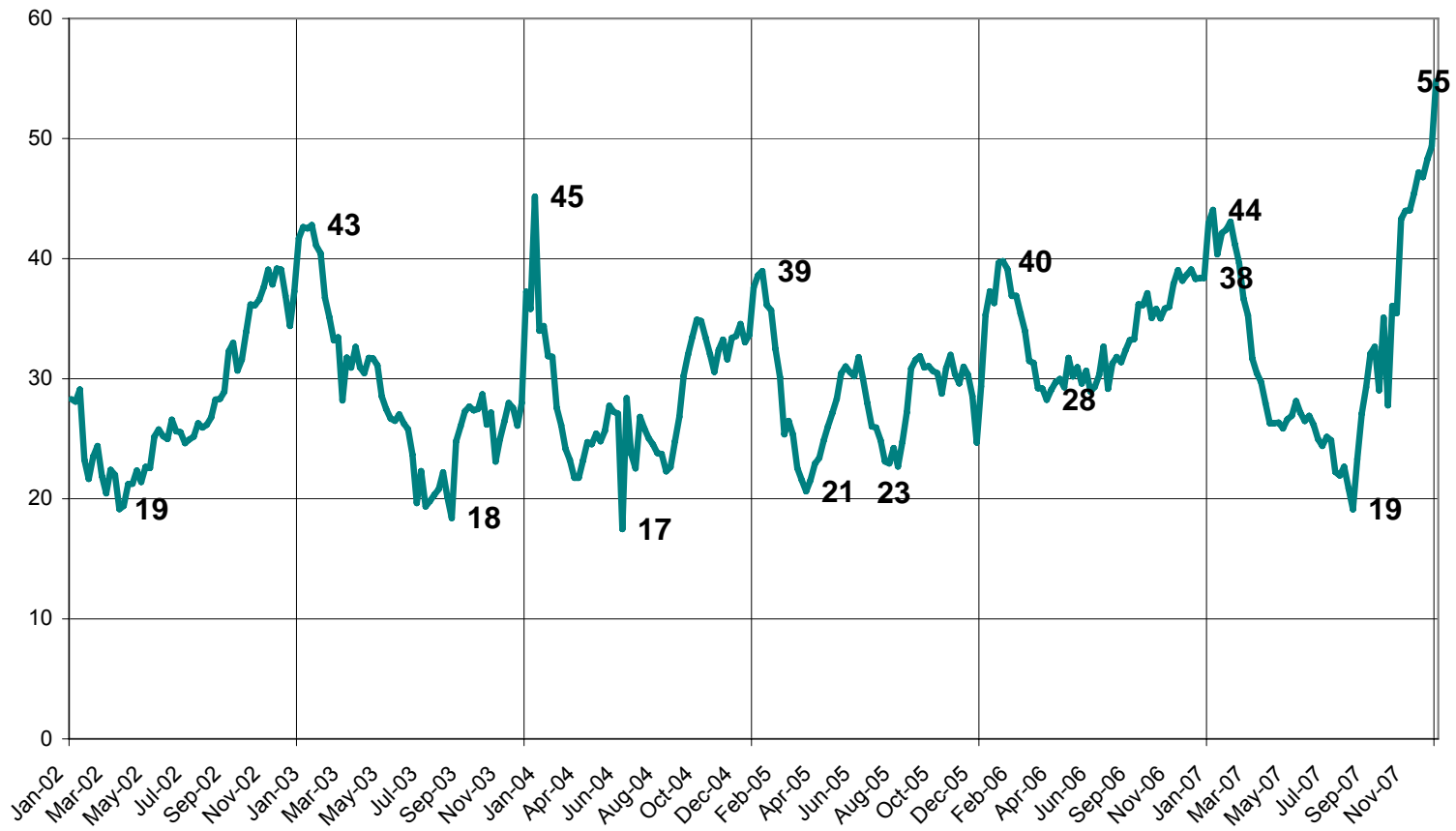
# “Performance may vary” based on model class as well.

Percent Change in Average AuctionNet Price by Model Class - 2007 vs. 2006 (YTD Dec)



# High inventory levels will exert downward pressure on prices.

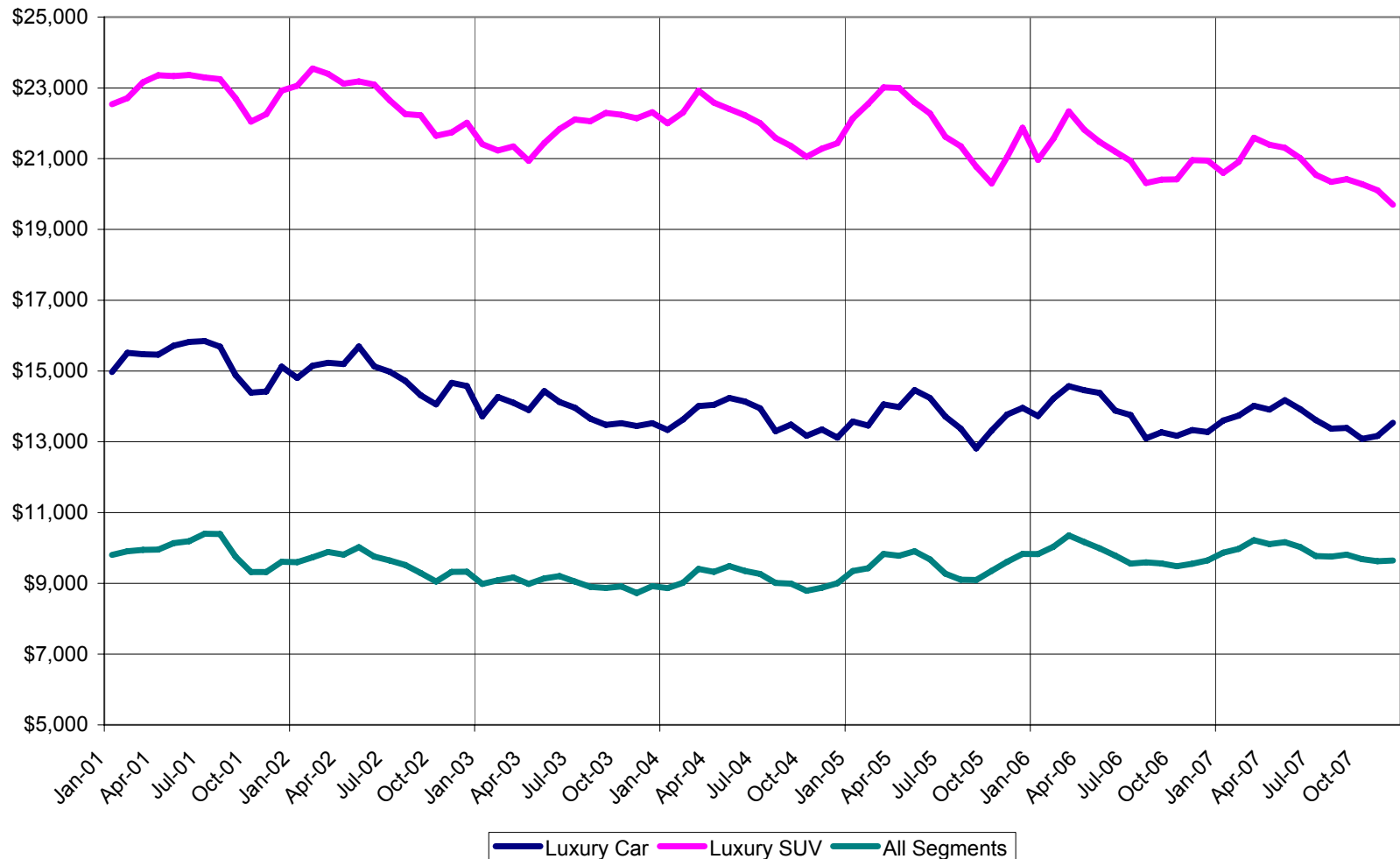
Estimated Auction Industry Inventory Days\*



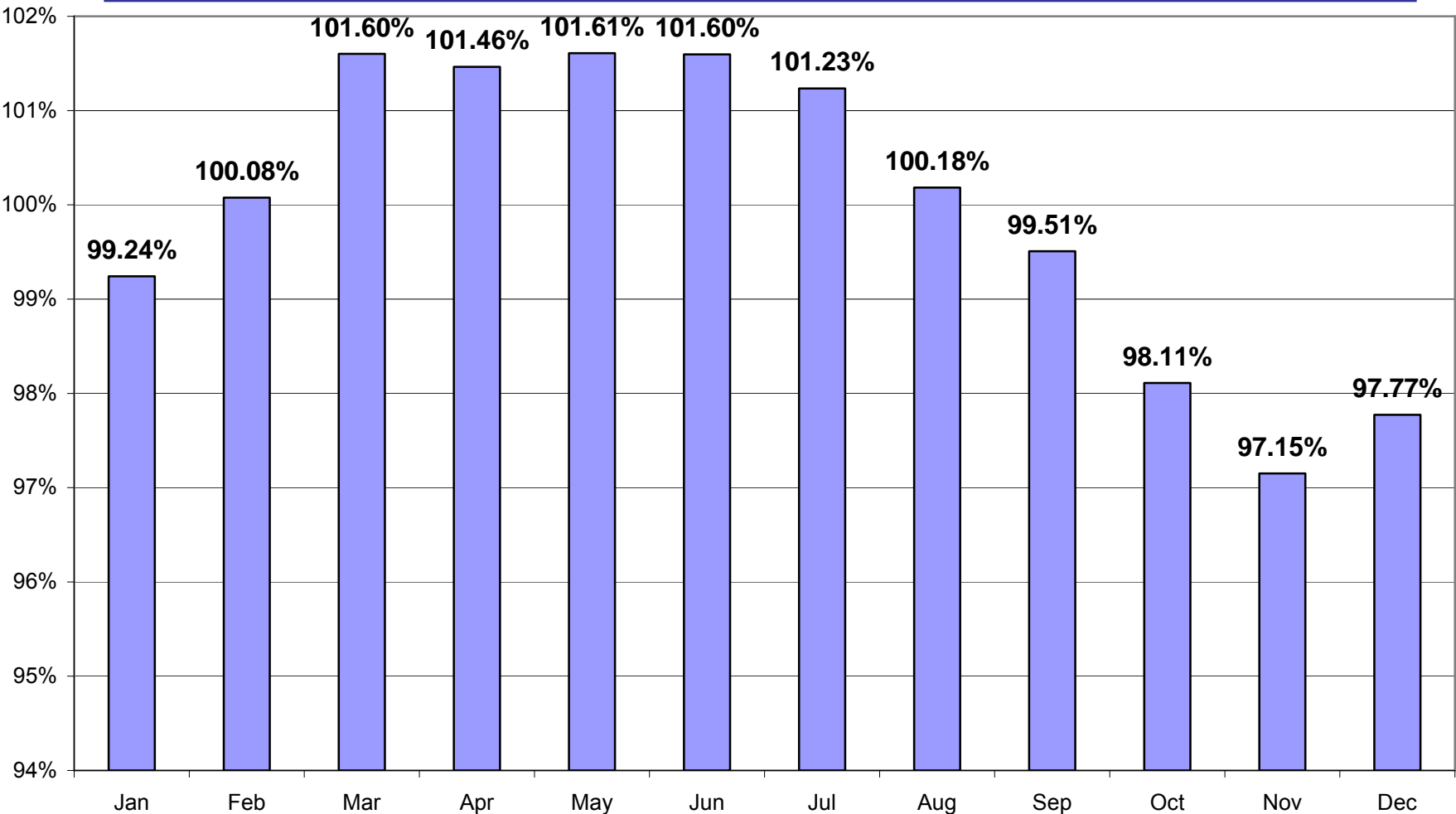
\* Based on estimated auction industry inventory and sales levels for manufacturer and captive finance units only.

# Luxury SUV prices have trended down compared to market of late; Luxury car prices have trended up.

Price Trends in Luxury Segments Compared to Total Market



**Monthly Prices as a % of Annual Average Price  
Based on 1993-2006 AuctionNet Data\***



\*On vehicles seven model years old or less.

# In Summary:

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- The macro economy is still in slow-growth mode.
- Wholesale vehicle supply will increase.
- Retail demand is weak.
- Anticipate softer wholesale prices for first half of 2008.

# AGENDA

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- Industry Update - Tom Kontos
- **Corporate Update - Eric Loughmiller**
- Q&A

# Company Overview

(\$ in millions)

**KAR Holdings, Inc.**  
**Total 2007 Revenue: \$1,588.9**  
**Total 2007 PF Adjusted EBITDA: \$405.2**

**ADESA Whole Car**  
 2007 Revenue: \$965.5

**IAAI Salvage**  
 2007 Revenue: \$482.5

**Automotive Finance Corp.  
 (AFC)**  
 2007 Revenue: \$140.9

- ◆ Used vehicle auctioneer
  - Remarkets used vehicles from large institutions and dealers

- ◆ Salvage vehicle auctioneer
  - Remarkets vehicles deemed a total-loss by insurance companies

- ◆ Provides short-term inventory-secured financing, known as floorplan financing, for independent used vehicle dealers in North America

Auction Sites: 59  
 Market Position: #2  
 Market Share: 18%

Auction Sites: 145  
 Market Position: #2  
 Market Share: 35%

Offices: 91  
 Market Position: Leader  
 Market Share: NA

# Experienced and Committed Management Team

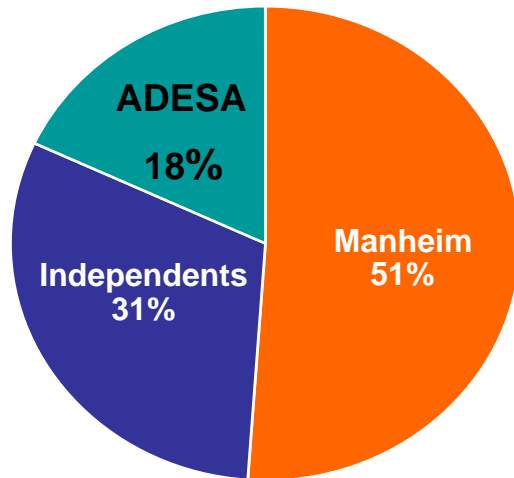
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<u>Name</u>	<u>Position</u>	<u>Years in Industry</u>
Brian Clingen	Chairman and CEO	8
Jim Hallett	President and CEO – ADESA Whole Car	32
Tom O'Brien	President and CEO – IAAI Salvage	16
Curt Phillips	President and CEO – AFC	9
John Nordin	EVP and CIO	5
Eric Loughmiller	EVP and CFO	2
Becca Polak	EVP, General Counsel & Secretary	3

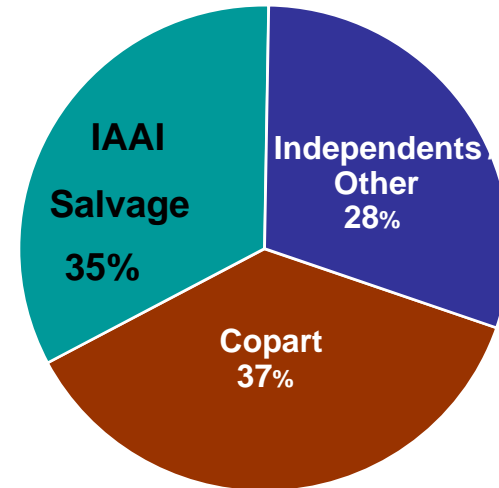
# Leading Market Positions

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**North American Whole Car Auction Market**



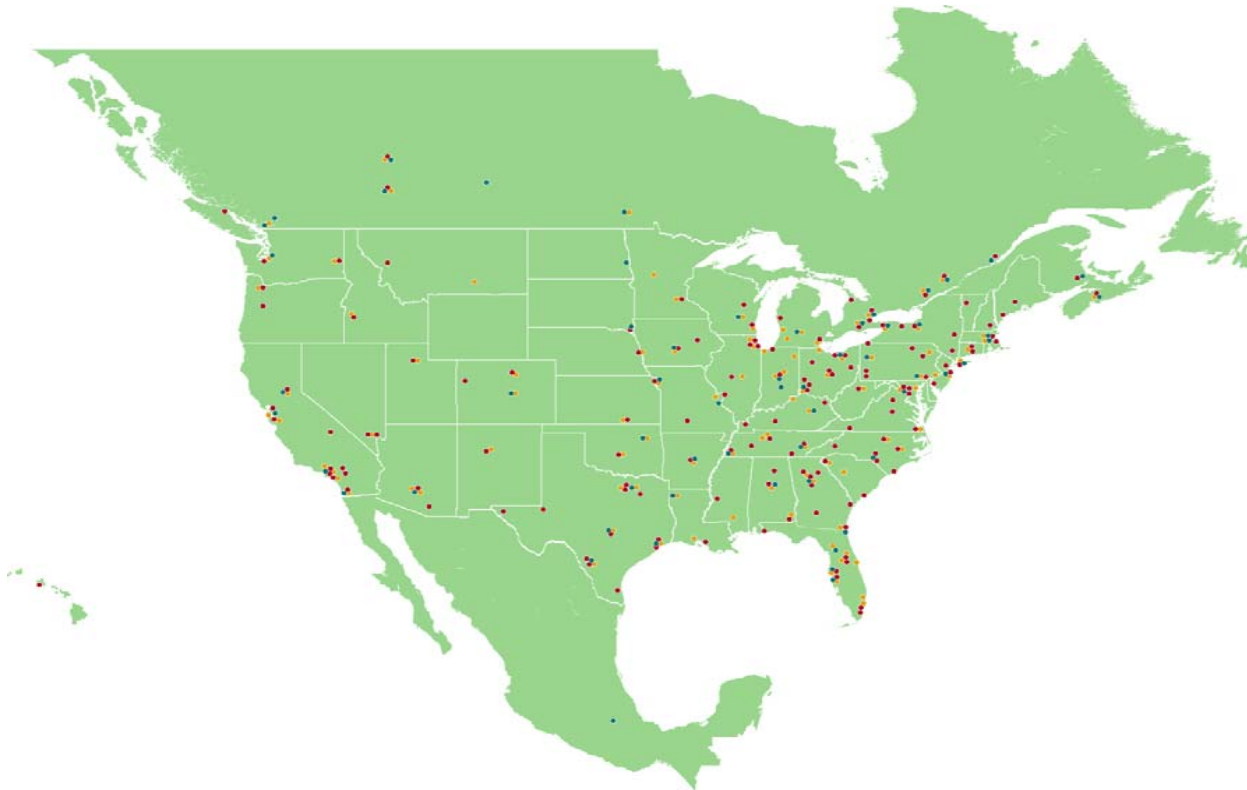
**North American Salvage Auction Market**



**The Company operates the largest network of used and salvage vehicle auctions in North America and is a leader in the independent dealer floorplan financing market.**

# Broad Geographic Footprint

**The Company is 1 of 2 whole car & salvage providers that has a broad N.A. footprint**



- Own 46 whole car and 13 salvage sites
- Operate 10 shared sites (whole car and salvage)
- ADESA Whole Car—59 auction sites
- IAAI Salvage—145 auction sites
- AFC—91 loan production offices

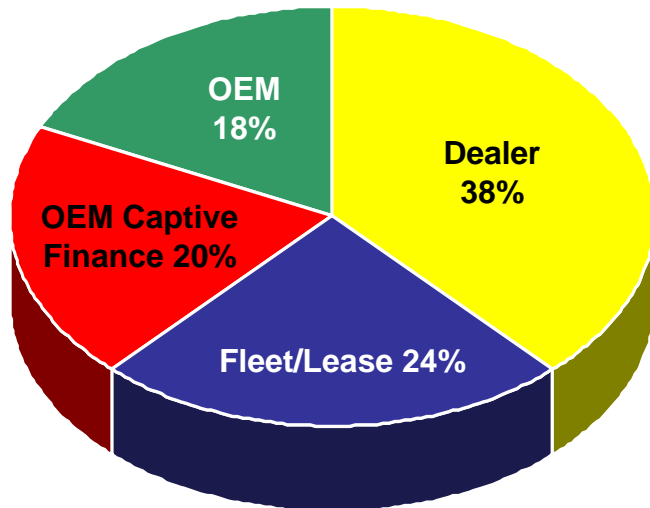
**Broad geographic footprint positions the Company as the preferred auction & floorplan financing provider for its customers.**

# ADESA Whole Car

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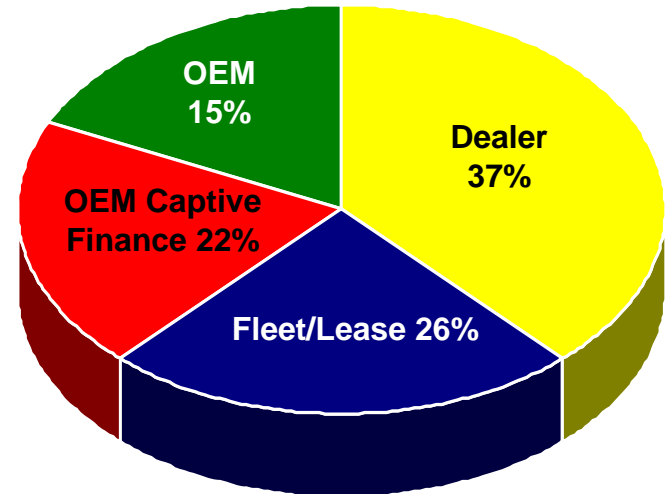
**2006 Whole Car Suppliers**

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**2007 Whole Car Suppliers**

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Auctions strive to maximize the auction sales price for sellers by effectively and efficiently transferring the vehicles, paperwork and funds as quickly as possible.

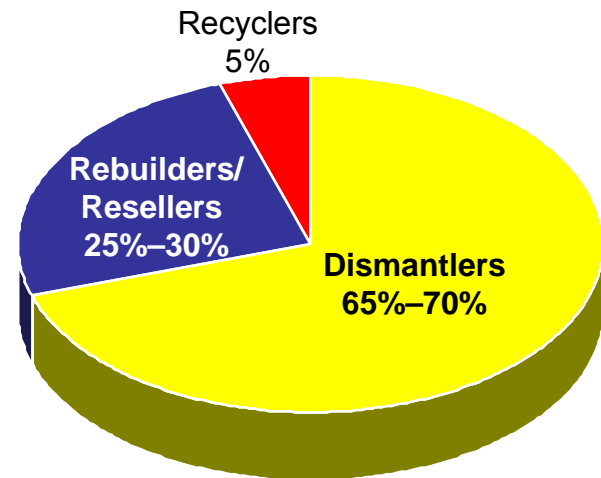
# IAAI Salvage

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- One of only two salvage auctioneers with a national footprint:
  - Operates 145 facilities in 44 states and 6 provinces in Canada
  - Serves 74 of top 75 U.S. metropolitan markets
- Hybrid auction format, combining Internet and live auctions:
  - Leads to higher proceeds for suppliers
  - Increases international buyers
- Provides wide array of value-added total-loss services that drive efficient vehicle remarketing:
  - Tracking systems and real-time status reports through CSA Today
  - Vehicle inspection centers operated by insurance companies at salvage auction sites

## 2007 Salvage Buyers

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**Auctions strive to maximize the auction sales price for insurance company sellers and reduce their administrative costs and claim recovery cycle time.**

# AFC

- Specializes in providing floorplan financing to independent dealers
  - Typical loan terms are 30 to 60 days and are secured by vehicle
  - Significant portion of revenue from fees
- Network of 91 loan production offices services over 600 auctions
- Diverse customer base with no significant concentration
  - Approximately 9,000 customers
- Low credit risk
  - Centralized credit decisions using proprietary scoring model with additional corporate oversight
  - Perfected security interest and personal guaranty from principals of independent dealers
- Low-cost, reliable funding through bankruptcy-remote, off-balance sheet securitization conduit
  - Utilized to finance over 60% of receivables



<i>Dollars in millions</i>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Total A/R (principal)</b>	<b>\$552.9</b>	<b>\$619.0</b>	<b>\$736.2</b>	<b>\$802.6</b>
>60 days to Total A/R	1.1%	1.0%	0.6%	1.2%
Net Write-offs	\$17.2	\$17.3	\$16.5	\$23.0
<b>Net Write-offs to Total A/R</b>	<b>3.1%</b>	<b>2.8%</b>	<b>2.2%</b>	<b>2.9%</b>

**Facilitates growth of vehicle sales at auction and allows ADESA and IAAI to have larger role in entire vehicle redistribution industry.**

# Major Initiatives

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- Project Pride
- Salvage Integration
- Acquisitions & Relocations
- Whole Car Market Share Gains

# Project Pride

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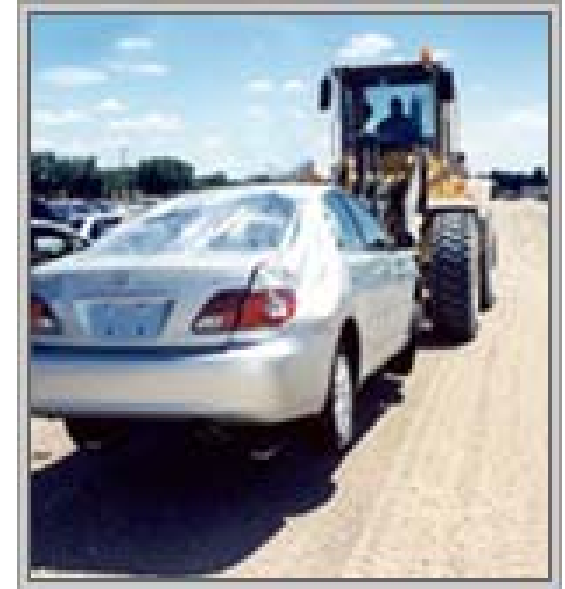
- Whole car initiative led by management in tandem with Synergetics
- 3 regionally focused teams implementing the “MAP” at all locations
- Roll-out commenced Q4
- 6 sites completed to date
  - Cost savings of \$4.6M achieved
- 30 additional sites scheduled for 2008



# Salvage Integration

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- All U.S. Impact sites integrated
- Canada integration in 2008
- Integration of recently acquired branches to be completed in 2008
- Redundant overhead eliminated
- Developing shared sites with ADESA Auctions
- Now offering AFC financing to qualified buyers



# Acquisitions

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## 2007

- \*Syracuse, NY
- \*Fargo, ND
- \*Sioux Falls, SD
- \*Quebec City
- \*Dent Demon, LLC

## 2008

- \*Las Vegas, NV
- \*York, PA
- \*Verastar
  - ❖ Georgia (5 sites)
  - ❖ Tennessee (3 sites)
  - ❖ Kentucky (2 sites)
  - ❖ North Carolina (1 site)

# Relocations

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- ❖ Kansas City, KS
- ❖ Toronto, CA (Salvage)
- ❖ Dallas, TX
- ❖ Phoenix, AZ

# Whole Car Market Share Gains

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- Significant institutional customer wins
- Substantial improvement of e-business systems
- Site expansions & improvements in meeting customer needs
- Improved business information systems to enhance customer reporting
- Increased dealer consignment sales

# Investor Update

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## Financial Review

# Long-Term Debt Structure

*\$ in Millions*

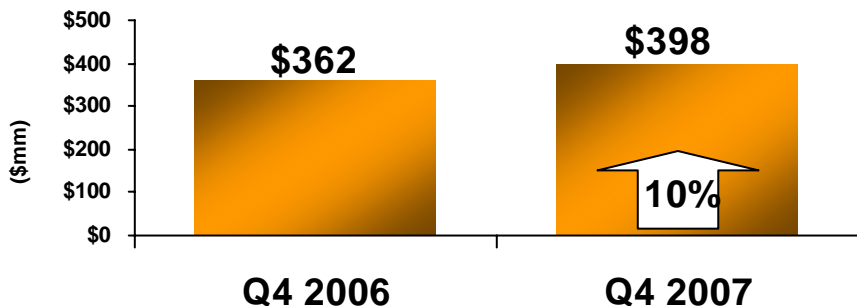
<u>Description</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>
Term B Loan - Hedged*	\$ 800.0	5.34% + 225	
Term B Loan - Unhedged	757.2	Libor + 225	
<b>Senior Credit Facility</b>	<b>\$ 1,557.2</b>		2013
Floating Rate Senior Notes	\$ 150.0	Libor + 400	2014
Fixed Rate Senior Notes	450.0	8.75%	2014
Senior Subordinated Notes	425.0	10.00%	2015
<b>Senior Notes</b>	<b>\$ 1,025.0</b>		
<b>Total Long-Term Debt**</b>	<b>\$ 2,582.2</b>		
Net Available Cash	(81.6)		
<b>Net Debt</b>	<b>\$ 2,500.6</b>		
LTM PF Adjusted EBITDA at Dec. 31, 2007	\$ 405.2	***	
<b>Total Leverage Ratio (Net Debt)</b>	<b>6.17x</b>		

\* 2-year hedge

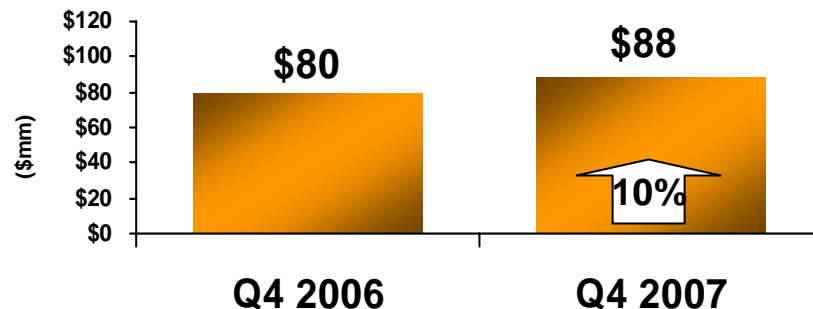
\*\* Excludes \$34.5M capital lease obligation

# KAR Holdings, Inc. Financial Highlights - Consolidated

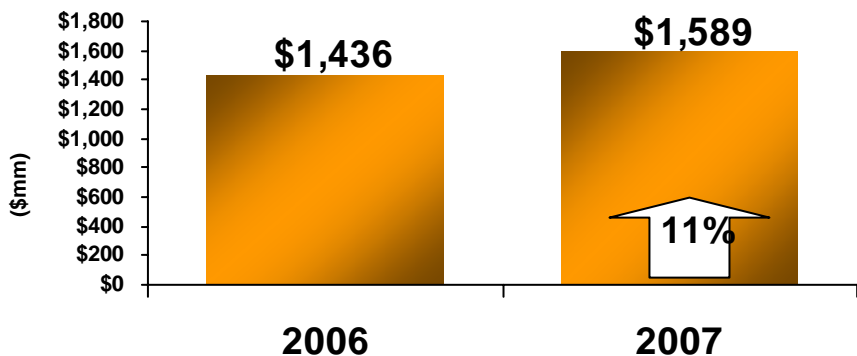
## Q4 Revenue



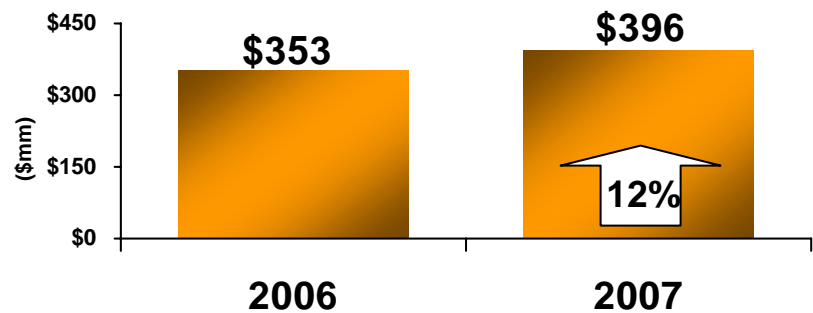
## Q4 Adjusted EBITDA <sup>1</sup>



## Annual Revenue



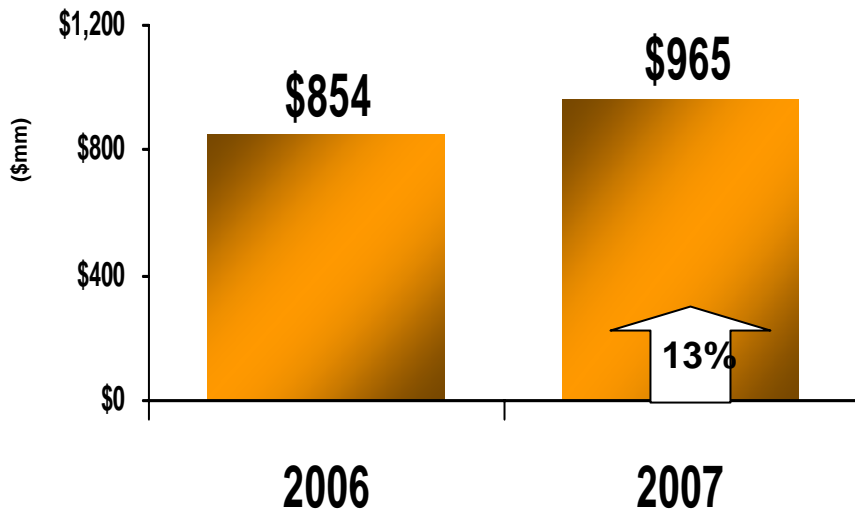
## Annual Adjusted EBITDA <sup>1</sup>



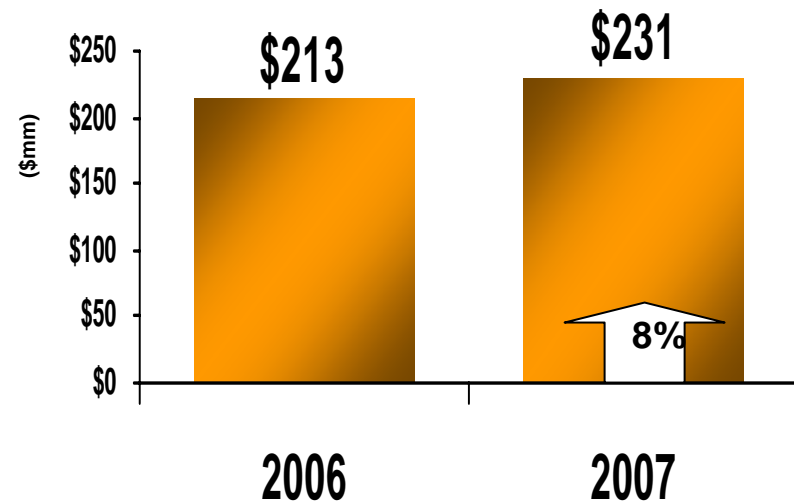
<sup>1</sup> As defined in the Company's senior credit facility; however, results have been adjusted to eliminate pro forma adjustments.

# KAR Holdings, Inc. Financial Highlights - Whole Car

## Annual Revenue



## Annual Adjusted EBITDA <sup>1</sup>

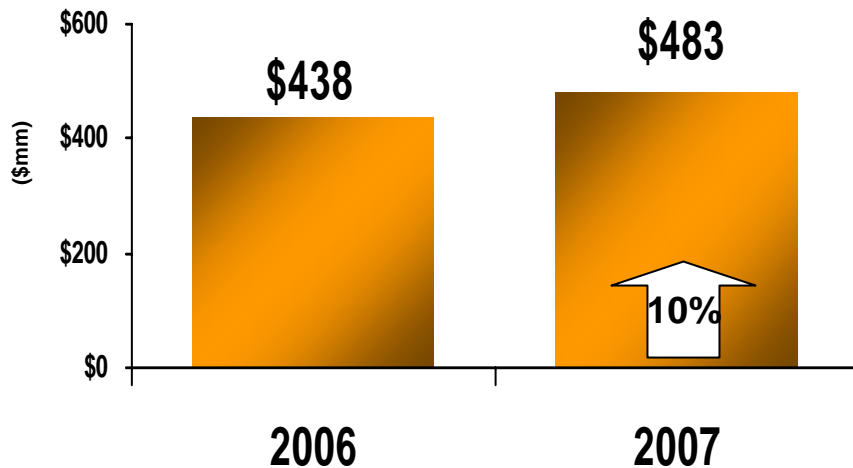


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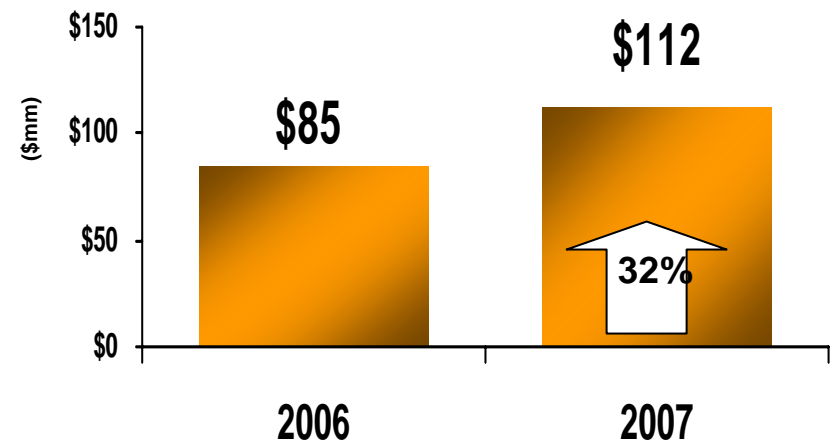
# KAR Holdings, Inc. Financial Highlights - IAAI

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## Annual Revenue



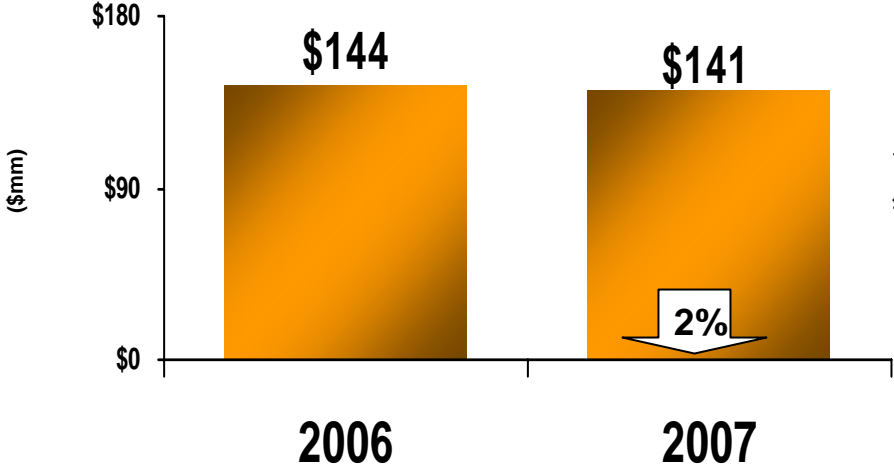
## Annual Adjusted EBITDA <sup>1</sup>



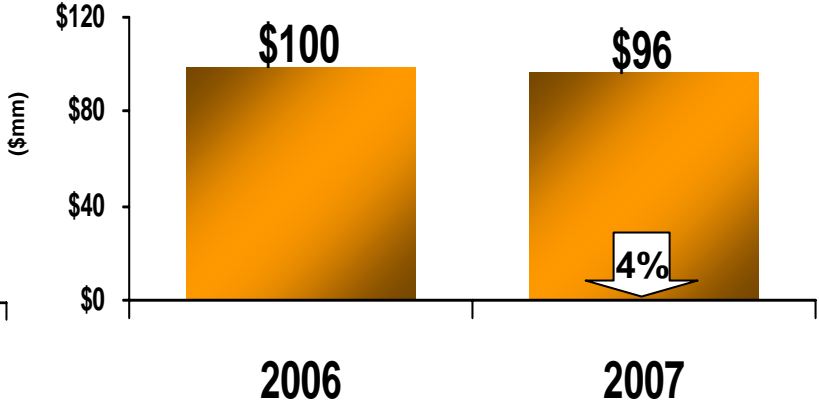
<sup>1</sup> As defined in the Company's senior credit facility; however, results have been adjusted to eliminate pro forma adjustments.

# KAR Holdings, Inc. Financial Highlights - AFC

**Annual Revenue**



**Annual Adjusted EBITDA <sup>1</sup>**



<sup>1</sup> As defined in the Company's senior credit facility

# Investment Highlights

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- Stable Industry Fundamentals
- Recurring Revenue Stream
- Leading Market Positions with Broad Geographic Footprint
- Strong Competitive Position
- Consistent Historical Financial Performance
- Established Relationships with Vehicle Suppliers & Buyers
- Increasing Market Share via Organic Growth & Acquisitions
- Experienced and Committed Management Team
- Strong Cash Flow Generation

# AGENDA

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- Industry Update - Tom Kontos
- Corporate Update - Eric Loughmiller
- **Q&A**

# Appendix

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## **Discussion of Non-GAAP Measures:**

Pro forma combined presentation of segment results – This appendix includes pro forma combined presentations of the Company's segment results for the fiscal years ended December 31, 2007 and 2006 as well as for the fourth quarter of 2006. The pro forma segment results for the year ended December 31, 2007 are based on ADESA and IAAI's unaudited financial statements for the periods from January 1, 2007 to April 19, 2007 and KAR Holdings' unaudited financial statements for the period from January 1, 2007 to December 31, 2007, as adjusted to combine the financial statements of ADESA Impact and IAAI on a historical basis. The unaudited pro forma combined segment results of operations for the quarter and year ended December 31, 2006 are representative of the results of ADESA and IAAI. KAR Holdings had no operations during the period of January 1, 2007 to April 19, 2007. The Company's management believes that presenting pro forma segment results is important for comparing results between reporting periods. The pro forma information can assist in making meaningful period-over-period comparisons and in identifying operating trends that might otherwise be masked or distorted. The most directly comparable financial measure calculated and presented in accordance with GAAP is net income (loss).

EBITDA, Adjusted EBITDA and Adjusted EBITDA per the Credit Agreement – The Company's management believes that EBITDA is a useful supplement and meaningful indicator of earnings performance to be used by its investors, financial analysts and others to analyze the Company's financial performance and results of operations over time. Management believes that the inclusion of supplementary adjustments to EBITDA applied in presenting Adjusted EBITDA is appropriate to provide additional information to investors about one of the principal internal measures of performance used by the Company. Management uses the Adjusted EBITDA measure to evaluate the performance of the Company and to evaluate results relative to incentive compensation targets. Adjusted EBITDA per the Credit Agreement adds the pro forma impact of recent acquisitions and the pro forma cost savings per the credit agreement to Adjusted EBITDA. This measure is used by the Company's creditors in assessing debt covenant compliance and management believes its inclusion is appropriate to provide additional information to investors about certain covenants required pursuant to the Company's senior secured credit facility and notes. The most directly comparable financial performance measure calculated and presented in accordance with GAAP is net income (loss). A reconciliation of net income (loss) to EBITDA, Adjusted EBITDA and Adjusted EBITDA per the Credit Agreement is contained in this appendix.

# KAR Holdings, Inc.

## Adjusted EBITDA Reconciliation

### For the Quarters Ended December 31, 2007 and 2006

	Three Months Ended December 31, 2007	Pro Forma Combined Three Months Ended December 31, 2006		
	KAR	ADESA	IAAI	Total
Net income (loss)	\$ (40.2)	\$ 15.9	\$ 1.6	\$ 17.5
Add back: discontinued operations	0.1	0.1	-	0.1
Income from continuing operations	(40.1)	16.0	1.6	17.6
Add back:				
Income taxes	(12.1)	12.5	2.5	15.0
Interest expense, net of interest income	56.0	4.7	9.1	13.8
Depreciation and amortization	61.3	11.3	8.1	19.4
EBITDA	65.1	44.5	21.3	65.8
Nonrecurring charges	12.3	4.0	1.2	5.2
Nonrecurring transaction charges	-	6.1	-	6.1
Noncash charges	9.5	2.0	0.5	2.5
Advisory services	0.8	-	0.2	0.2
<b>Adjusted EBITDA</b>	<b>\$ 87.7</b>	<b>\$ 56.6</b>	<b>\$ 23.2</b>	<b>\$ 79.8</b>

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 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.

# KAR Holdings, Inc.

## Adjusted EBITDA Reconciliation

For the Year Ended December 31, 2007

	<u>ADESA</u>	<u>IAAI</u>	<u>AFC</u>	<u>Holding Company</u>	<u>Consolidated</u>
Net income (loss)	\$ 64.8	\$ 7.1	\$ 42.7	\$ (132.3)	\$ (17.7)
Add back: discontinued operations	0.3	-	-	-	0.3
Income from continuing operations	65.1	7.1	42.7	(132.3)	(17.4)
Add back:					
Income taxes	53.1	6.9	28.0	(67.2)	20.8
Interest expense, net of interest income	(0.5)	9.6	-	163.1	172.2
Depreciation and amortization	80.2	49.4	17.8	4.5	151.9
Intercompany	19.2	22.1	1.8	(43.1)	-
EBITDA	217.1	95.1	90.3	(75.0)	327.5
Nonrecurring charges	7.3	11.3	4.0	1.4	24.0
Nonrecurring transaction charges	3.5	0.7	0.7	19.9	24.8
Noncash charges	2.6	5.2	0.8	8.0	16.6
Advisory services	-	0.1	-	2.5	2.6
<b>Adjusted EBITDA</b>	<b>\$ 230.5</b>	<b>\$ 112.4</b>	<b>\$ 95.8</b>	<b>\$ (43.2)</b>	<b>\$ 395.5</b>
Pro forma impact of recent acquisitions					4.7
Pro forma cost savings per the credit agreement					5.0
<b>Adjusted EBITDA per the credit agreement</b>					<b>\$ 405.2</b>

EBITDA, Adjusted EBITDA and Adjusted EBITDA per the Credit Agreement, 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, Adjusted EBITDA and Adjusted EBITDA per the Credit Agreement 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.

# KAR Holdings, Inc.

## Adjusted EBITDA Reconciliation

For the Year Ended December 31, 2006

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	<u>ADESA</u>	<u>IAAI</u>	<u>AFC</u>	<u>Holding Company</u>	<u>Consolidated</u>
Net income (loss)	\$ 89.7	\$ 5.8	\$ 57.2	\$ (33.6)	\$ 119.1
Add back: discontinued operations	0.5	-	-	-	0.5
Income from continuing operations	90.2	5.8	57.2	(33.6)	119.6
Add back:					
Income taxes	56.4	6.3	32.7	(19.4)	76.0
Interest expense, net of interest income	(0.3)	30.2	-	21.2	51.1
Depreciation and amortization	37.8	28.3	3.5	0.8	70.4
Intercompany reallocations	21.5	3.4	4.7	(29.6)	-
EBITDA	205.6	74.0	98.1	(60.6)	317.1
Nonrecurring charges	3.5	6.1	0.5	7.3	17.4
Nonrecurring transaction charges	-	-	-	6.1	6.1
Noncash charges	4.0	4.2	0.9	2.5	11.6
Advisory services	-	0.6	-	-	0.6
<b>Adjusted EBITDA</b>	<b>\$ 213.1</b>	<b>\$ 84.9</b>	<b>\$ 99.5</b>	<b>\$ (44.7)</b>	<b>\$ 352.8</b>

The intercompany reallocations represent certain human resources and information technology costs that ADESA had historically allocated to its segments and certain professional fees historically recorded at the segments. These reallocations are necessary to make 2006 results comparable to 2007 results.

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 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.