

Third Quarter 2022 Earnings Slides

November 1, 2022

Forward-Looking Statements

This presentation includes forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current expectations, are not guarantees of future performance and 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. Factors that could cause or contribute to such differences include those uncertainties regarding the impact of the COVID-19 pandemic on our business and the economy generally, and those other matters disclosed in the company's Securities and Exchange Commission filings. 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.

Third Quarter & Year-to-Date Results

KAR Q3 & YTD 2022 Highlights*

($ in millions, except per share amounts)

KAR	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Total operating revenues from continuing operations	$393.0	$347.1	$1,146.6	$1,092.9
Gross profit**	$183.4	$161.4	$514.3	$494.6
% of revenue*	*46.7%*	*46.5%*	*44.9%*	*45.3%*
SG&A	$109.1	$104.8	$352.1	$318.5
Other (income) expense, net	$1.2	$13.9	$6.4	($20.5)
EBITDA	$62.4	$42.5	$136.6	$196.0
Adjusted EBITDA	$69.5	$66.6	$174.7	$205.9
Income (loss) from continuing operations	$0.5	($26.9)	($13.3)	($16.0)
Income (loss) from continuing operations per share – diluted	($0.09)	($0.31)	($0.30)	($0.30)
Weighted average diluted shares	114.6	119.3	118.5	123.7
Operating adjusted net income (loss) from continuing operations per share – diluted	$0.09	($0.11)	$0.12	$0.15
Weighted average diluted shares – including assumed conversion of preferred shares	150.3	153.2	154.0	157.0
Effective tax rate	93.1%	-62.0%	37.3%	175.5%
Capital expenditures	$14.3	$15.0	$45.8	$47.6

* For a more complete explanation of these changes, see the MD&A in the company's supplemental financial information and Form 10-Q, both for the period ended September 30, 2022.

** Exclusive of depreciation and amortization

Marketplace Q3 & YTD 2022 Highlights*

($ in millions, except RPU)

Marketplace	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Auction fees	$88.9	$89.6	$289.5	$298.4
Service revenue	$159.2	$128.2	$444.0	$415.5
Purchased vehicle sales	$45.8	$53.7	$137.9	$169.0
Total Marketplace revenue from continuing operations	$293.9	$271.5	$871.4	$882.9
Gross profit**	$100.5	$99.6	$286.5	$325.6
*% of revenue, excluding purchased vehicles***	*40.5%*	*45.7%*	*39.1%*	*45.6%*
SG&A	$96.9	$96.3	$315.8	$292.4
Other (income) expense, net	$0.9	$3.0	($0.1)	$1.0
EBITDA	($8.0)	$0.1	($48.4)	$31.6
Adjusted EBITDA	$17.7	$10.6	$21.7	$72.6
% of revenue	*6.0%*	*3.9%*	*2.5%*	*8.2%*
Commercial vehicles sold	159,000	192,000	510,000	786,000
Dealer consignment vehicles sold	155,000	165,000	498,000	471,000
Total vehicles sold	314,000	357,000	1,008,000	1,257,000
Auction fees per vehicle sold	$283	$252	$287	$237
Gross profit per vehicle sold**	$320	$280	$284	$259

For a more complete explanation of these changes, see the MD&A in the company's supplemental financial information and Form 10-Q, both for the period ended September 30, 2022.
** Exclusive of depreciation and amortization

Finance Q3 & YTD 2022 Highlights*

($ in millions, except for revenue per loan transaction)

Finance	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Interest income	$53.4	$35.4	$143.1	$100.0
Fee income	$44.3	$35.8	$127.2	$108.0
Other revenue	$2.9	$2.2	$7.7	$6.4
Net recovery (provision) for credit losses	($1.5)	$2.2	($2.8)	($4.4)
Total Finance revenue	$99.1	$75.6	$275.2	$210.0
Gross profit**	$82.9	$61.8	$227.8	$169.0
*% of revenue***	*83.7%*	*81.7%*	*82.8%*	*80.5%*
SG&A	$12.2	$8.5	$36.3	$26.1
Other (income) expense, net	$0.3	$10.9	$6.5	($21.5)
EBITDA	$70.4	$42.4	$185.0	$164.4
Adjusted EBITDA	$51.8	$56.0	$153.0	$133.3
Loan transactions	397,000	351,000	1,170,000	1,079,000
Revenue per loan transaction	$250	$215	$235	$195
Provision for credit losses % of finance receivables	0.2%	(0.4%)	0.1%	0.3%
Managed receivables	$2,555.1	$2,191.7	$2,555.1	$2,191.7
Obligations collateralized by finance receivables	$1,707.8	$1,385.7	$1,707.8	$1,385.7

For a more complete explanation of these changes, see the MD&A in the company's supplemental financial information and Form 10-Q, both for the period ended September 30, 2022.

** Exclusive of depreciation and amortization

SG&A

($ in millions)

SG&A	Q1 2022	Q2 2022	Q3 2022
Marketplace Segment	$108.4	$110.5	$96.9
Finance Segment	10.5	13.6	12.2
Consolidated	118.9	124.1	109.1
Addbacks:			
Non-Cash Stock-Based Compensation	(5.2)	(14.5)	(3.5)
Other [1]	(11.6)	(5.4)	(9.7)
	$102.1	$104.2	$95.9

[1] Other comprises of expenses related to certain separation and reorganization activities.

September 30, 2022 Leverage
(US$ in millions)

	Balance	Maturity
Term Loan B-6 (Adjusted LIBOR + 2.25%)	$ -	2026
Revolving Credit Facility (Adjusted LIBOR + 1.75%)	116	2024
Senior Notes (Fixed 5.125%)	350	2025
Finance Leases & Other	21	
Total	487	
Less: Available Cash*	(153)	
Net Debt	334	

Senior Secured Net Leverage Ratio	**(0.1)**
Total Net Debt Ratio	**1.1**

Corporate Credit Ratings: S&P B, Moodys B1

* As defined in the Credit Agreement

HISTORICAL DATA

Consolidated Statement of Income – 2020

	Marketplace	Finance	Consolidated
Operating revenues	**$1,059.3**	**$267.6**	**$1,326.9**
Operating expenses			
Cost of services (exclusive of depreciation & amortization)	665.2	79.1	744.3
Selling, general, and administrative	337.9	36.6	374.5
Depreciation and amortization	96.6	12.5	109.1
Goodwill and other intangibles impairment	29.8	-	29.8
Total operating expenses	1,129.5	128.2	1,257.7
Operating profit (loss)	**(70.2)**	**139.4**	**69.2**
Interest expense	89.1	39.1	128.2
Other (income) expense, net	5.9	(0.1)	5.8
Intercompany	1.1	(1.1)	-
Income (loss) from continuing operations before income taxes	(166.3)	101.5	(64.8)
Income taxes	(33.1)	21.9	(11.2)
Income (loss) from continuing operations	**($133.2)**	**$79.6**	**($53.6)**
Income (loss) from discontinued operations, net of income taxes	54.1	-	54.1
Net income (loss)	**($79.1)**	**$79.6**	**$0.5**

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Consolidated Statement of Income – Q1 2021

	Marketplace	Finance	Consolidated
Operating revenues	**$304.0**	**$65.8**	**$369.8**
Operating expenses			
Cost of services (exclusive of depreciation & amortization)	190.3	13.5	203.8
Selling, general, and administrative	98.5	8.8	107.3
Depreciation and amortization	24.5	2.4	26.9
Total operating expenses	313.3	24.7	338.0
Operating profit (loss)	**(9.3)**	**41.1**	**31.8**
Interest expense	21.5	9.3	30.8
Other (income) expense, net	(5.4)	(44.3)	(49.7)
Intercompany	0.1	(0.1)	-
Income (loss) from continuing operations before income taxes	(25.5)	76.2	50.7
Income taxes	5.0	19.5	24.5
Income (loss) from continuing operations	**($30.5)**	**$56.7**	**$26.2**
Income (loss) from discontinued operations, net of income taxes	24.7	-	24.7
Net income (loss)	**($5.8)**	**$56.7**	**$50.9**

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Consolidated Statement of Income – Q2 2021

	Marketplace	Finance	Consolidated
Operating revenues	**$307.4**	**$68.6**	**$376.0**
Operating expenses			
Cost of services (exclusive of depreciation & amortization)	195.1	13.7	208.8
Selling, general, and administrative	97.6	8.8	106.4
Depreciation and amortization	24.9	2.5	27.4
Total operating expenses	317.6	25.0	342.6
Operating profit (loss)	**(10.2)**	**43.6**	**33.4**
Interest expense	21.6	9.4	31.0
Other (income) expense, net	3.4	11.9	15.3
Intercompany	0.1	(0.1)	-
Income (loss) from continuing operations before income taxes	(35.3)	22.4	(12.9)
Income taxes	(3.3)	5.7	2.4
Income (loss) from continuing operations	**($32.0)**	**$16.7**	**($15.3)**
Income (loss) from discontinued operations, net of income taxes	26.8	-	26.8
Net income (loss)	**($5.2)**	**$16.7**	**$11.5**

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Consolidated Statement of Income – Q3 2021

	Marketplace	Finance	Consolidated
Operating revenues	**$271.5**	**$75.6**	**$347.1**
Operating expenses			
Cost of services (exclusive of depreciation & amortization)	171.9	13.8	185.7
Selling, general, and administrative	96.3	8.5	104.8
Depreciation and amortization	25.2	2.2	27.4
Total operating expenses	293.4	24.5	317.9
Operating profit (loss)	**(21.9)**	**51.1**	**29.2**
Interest expense	21.6	10.3	31.9
Other (income) expense, net	3.0	10.9	13.9
Intercompany	-	-	-
Income (loss) from continuing operations before income taxes	(46.5)	29.9	(16.6)
Income taxes	3.4	6.9	10.3
Income (loss) from continuing operations	**($49.9)**	**$23.0**	**($26.9)**
Income (loss) from discontinued operations, net of income taxes	25.9	-	25.9
Net income (loss)	**($24.0)**	**$23.0**	**($1.0)**

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Consolidated Statement of Income – Q4 2021

	Marketplace	Finance	Consolidated
Operating revenues	**$278.5**	**$79.2**	**$357.7**
Operating expenses			
Cost of services (exclusive of depreciation & amortization)	179.8	14.4	194.2
Selling, general, and administrative	93.1	9.1	102.2
Depreciation and amortization	25.9	2.3	28.2
Total operating expenses	298.8	25.8	324.6
Operating profit (loss)	**(20.3)**	**53.4**	**33.1**
Interest expense	21.5	10.5	32.0
Other (income) expense, net	3.5	4.5	8.0
Intercompany	-	-	-
Income (loss) from continuing operations before income taxes	(45.3)	38.4	(6.9)
Income taxes	(31.5)	9.4	(22.1)
Income (loss) from continuing operations	**($13.8)**	**$29.0**	**$15.2**
Income (loss) from discontinued operations, net of income taxes	(10.1)	-	(10.1)
Net income (loss)	**($23.9)**	**$29.0**	**$5.1**

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Consolidated Statement of Income – 2021

	Marketplace	Finance	Consolidated
Operating revenues	**$1,161.4**	**$289.2**	**$1,450.6**
Operating expenses			
Cost of services (exclusive of depreciation & amortization)	737.1	55.4	792.5
Selling, general, and administrative	385.5	35.2	420.7
Depreciation and amortization	100.5	9.4	109.9
Total operating expenses	1,223.1	100.0	1,323.1
Operating profit (loss)	**(61.7)**	**189.2**	**127.5**
Interest expense	86.2	39.5	125.7
Other (income) expense, net	4.5	(17.0)	(12.5)
Intercompany	0.2	(0.2)	-
Income (loss) from continuing operations before income taxes	(152.6)	166.9	14.3
Income taxes	(26.4)	41.5	15.1
Income (loss) from continuing operations	**($126.2)**	**$125.4**	**($0.8)**
Income (loss) from discontinued operations, net of income taxes	67.3	-	67.3
Net income (loss)	**($58.9)**	**$125.4**	**$66.5**

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Marketplace Metrics

	3Q22	2Q22	1Q22	2021	4Q21	3Q21	2Q21	1Q21
Revenue[1]	$293.9	$292.3	$285.2	$1,161.4	$278.5	$271.5	$307.4	$304.0
Commercial vehicles sold	159	177	174	948	162	192	274	320
Dealer consignment vehicles sold	155	166	177	651	180	165	168	138
Total vehicles sold	314	343	351	1,599	342	357	442	458
Auction fees per vehicle sold	$283	$289	$289	$250	$294	$252	$240	$224
Gross profit per vehicle sold	$320	$282	$255	$265	$288	$280	$254	$248
Gross profit percentage[1]	34.2%	33.0%	31.3%	36.5%	35.4%	36.7%	36.5%	37.4%
Gross profit percentage, excluding purchased vehicles	40.5%	39.2%	37.4%	45.1%	43.6%	45.7%	45.4%	45.7%
Income (loss) from continuing operations	($35.8)	($36.3)	($39.4)	($126.2)	($13.8)	($49.9)	($32.0)	($30.5)
Adjusted EBITDA	$17.7	$5.0	($1.0)	$84.3	$11.7	$10.6	$22.1	$39.9
Digital dealer-to-dealer vehicles sold (N.A.)	121	126	133	550[2]	135[2]	143[2]	147[2]	125[2]
Gross auction proceeds ($B)	$5.5	$6.2	$6.5	$28.0	$6.3	$6.0	$7.8	$7.8

[1] Includes purchased vehicle sales
[2] Includes vehicles sold by CARWAVE pre-acquisition

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Finance Metrics

	3Q22	2Q22	1Q22	2021	4Q21	3Q21	2Q21	1Q21
Interest income	$53.4	$46.5	$43.2	$139.7	$39.7	$35.4	$33.1	$31.5
Fee income	$44.3	$42.7	$40.2	$144.4	$36.4	$35.8	$35.1	$37.1
Other revenue	$2.9	$2.6	$2.2	$8.6	$2.2	$2.2	$2.2	$2.0
Net recovery (provision) for credit losses	($1.5)	$0.1	($1.4)	($3.5)	$0.9	$2.2	($1.8)	($4.8)
Total Finance revenue	$99.1	$91.9	$84.2	$289.2	$79.2	$75.6	$68.6	$65.8
Loan Transaction Units (LTU)	397	401	372	1,421	342	351	356	372
Revenue per Loan Transaction	$250	$229	$226	$204	$232	$215	$193	$177
Income (loss) from continuing operations	$36.3	$30.9	$31.0	$125.4	$29.0	$23.0	$16.7	$56.7
Adjusted EBITDA	$51.8	$51.1	$50.1	$185.9	$52.6	$56.0	$40.0	$37.3
Ending Managed Finance Receivables	$2,555.1	$2,681.6	$2,757.8	$2,529.0	$2,529.0	$2,191.7	$2,108.9	$1,984.4
Ending Obligations Collateralized by Finance Receivables	$1,707.8	$1,781.3	$1,866.6	$1,692.3	$1,692.3	$1,385.7	$1,324.2	$1,239.1

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APPENDIX

Non-GAAP Financial Measures

EBITDA is defined as net income (loss), plus interest expense net of interest income, income tax provision (benefit), depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for the items of income and expense and expected incremental revenue and cost savings as described in the company's senior secured credit agreement covenant calculations. 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 measures of performance used by the company's creditors. In addition, management uses EBITDA and Adjusted EBITDA to evaluate the company's performance.

Depreciation expense for property and equipment and amortization expense of capitalized internally developed software costs relate to ongoing capital expenditures; however, amortization expense associated with acquired intangible assets, such as customer relationships, software, tradenames and non-compete agreements are not representative of ongoing capital expenditures but have a continuing effect on our reported results. Non-GAAP financial measures of operating adjusted net income (loss) and operating adjusted net income (loss) per share, in the opinion of the company, provide comparability to other companies that may not have incurred these types of non-cash expenses or that report a similar measure. In addition, net income (loss) and net income (loss) per share have been adjusted for certain other charges, as seen in the following reconciliation.

EBITDA, Adjusted EBITDA, operating adjusted net income (loss) and operating adjusted net income (loss) per share 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.

2020 Adjusted EBITDA Reconciliation

($ in millions)

	Year ended December 31, 2020		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($133.2)**	**$79.6**	**($53.6)**
Add back:			
Income taxes	(33.1)	21.9	(11.2)
Interest expense, net of interest income	87.6	39.0	126.6
Depreciation and amortization	96.6	12.5	109.1
Intercompany interest	1.1	(1.1)	-
EBITDA	**$19.0**	**$151.9**	**$170.9**
Non-cash stock-based compensation	10.5	2.3	12.8
Acquisition related costs	7.7	-	7.7
Securitization interest	-	(27.3)	(27.3)
(Gain)/Loss on asset sales	0.2	-	0.2
Severance	5.4	0.4	5.8
Foreign currency (gains)/losses	4.9	-	4.9
Goodwill and other intangibles impairment	29.8	-	29.8
Contingent consideration adjustment	6.8	-	6.8
Other	1.5	0.4	1.9
Total Addbacks/(Deductions)	66.8	(24.2)	42.6
Adjusted EBITDA	**$85.8**	**$127.7**	**$213.5**
Revenue	$1,059.3	$267.6	$1,326.9
Adjusted EBITDA % margin	8.1%	47.7%	16.1%

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Q1 2021 Adjusted EBITDA Reconciliation

($ in millions)

	Three Months ended March 31, 2021		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($30.5)**	**$56.7**	**$26.2**
Add back:			
Income taxes	5.0	19.5	24.5
Interest expense, net of interest income	21.3	9.3	30.6
Depreciation and amortization	24.5	2.4	26.9
Intercompany interest	0.1	(0.1)	-
EBITDA	**$20.4**	**$87.8**	**$108.2**
Non-cash stock-based compensation	4.4	0.7	5.1
Acquisition related costs	1.3	-	1.3
Securitization interest	-	(6.8)	(6.8)
(Gain)/Loss on asset sales	-	(0.8)	(0.8)
Severance	0.2	0.2	0.4
Foreign currency (gains)/losses	2.2	-	2.2
Contingent consideration adjustment	11.2	-	11.2
Net change in unrealized (gains) losses on investment securities	-	(43.5)	(43.5)
Other	0.2	(0.3)	(0.1)
Total Addbacks/(Deductions)	19.5	(50.5)	(31.0)
Adjusted EBITDA	**$39.9**	**$37.3**	**$77.2**
Revenue	$304.0	$65.8	$369.8
Adjusted EBITDA % margin	13.1%	56.7%	20.9%

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Q2 2021 Adjusted EBITDA Reconciliation

($ in millions)

	Three Months ended June 30, 2021		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($32.0)**	**$16.7**	**($15.3)**
Add back:			
Income taxes	(3.3)	5.7	2.4
Interest expense, net of interest income	21.4	9.4	30.8
Depreciation and amortization	24.9	2.5	27.4
Intercompany interest	0.1	(0.1)	-
EBITDA	**$11.1**	**$34.2**	**$45.3**
Non-cash stock-based compensation	3.7	0.6	4.3
Acquisition related costs	1.6	-	1.6
Securitization interest	-	(6.8)	(6.8)
Severance	0.6	-	0.6
Foreign currency (gains)/losses	0.4	-	0.4
Contingent consideration adjustment	4.5	-	4.5
Net change in unrealized (gains) losses on investment securities	-	11.9	11.9
Other	0.2	0.1	0.3
Total Addbacks/(Deductions)	11.0	5.8	16.8
Adjusted EBITDA	**$22.1**	**$40.0**	**$62.1**
Revenue	$307.4	$68.6	$376.0
Adjusted EBITDA % margin	7.2%	58.3%	16.5%

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Q3 2021 Adjusted EBITDA Reconciliation

($ in millions)

	Three Months ended September 30, 2021		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($49.9)**	**$23.0**	**($26.9)**
Add back:			
Income taxes	3.4	6.9	10.3
Interest expense, net of interest income	21.4	10.3	31.7
Depreciation and amortization	25.2	2.2	27.4
Intercompany interest	-	-	-
EBITDA	**$0.1**	**$42.4**	**$42.5**
Non-cash stock-based compensation	3.0	0.6	3.6
Acquisition related costs	2.1	-	2.1
Securitization interest	-	(7.9)	(7.9)
Severance	0.8	-	0.8
Foreign currency (gains)/losses	0.1	-	0.1
Contingent consideration adjustment	4.4	-	4.4
Net change in unrealized (gains) losses on investment securities	-	20.9	20.9
Other	0.1	-	0.1
Total Addbacks/(Deductions)	10.5	13.6	24.1
Adjusted EBITDA	**$10.6**	**$56.0**	**$66.6**
Revenue	$271.5	$75.6	$347.1
Adjusted EBITDA % margin	3.9%	74.1%	19.2%

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Q4 2021 Adjusted EBITDA Reconciliation

($ in millions)

	Three Months ended December 31, 2021		
	Marketplace	Finance	Consolidated
Income (loss) from continuing operations	**($13.8)**	**$29.0**	**$15.2**
Add back:			
Income taxes	(31.5)	9.4	(22.1)
Interest expense, net of interest income	21.2	10.5	31.7
Depreciation and amortization	25.9	2.3	28.2
Intercompany interest	-	-	-
EBITDA	**$1.8**	**$51.2**	**$53.0**
Non-cash stock-based compensation	1.0	0.3	1.3
Acquisition related costs	2.1	-	2.1
Securitization interest	-	(8.3)	(8.3)
(Gain)/Loss on asset sales	0.1	-	0.1
Severance	1.3	0.2	1.5
Foreign currency (gains)/losses	1.1	-	1.1
Contingent consideration adjustment	4.2	-	4.2
Net change in unrealized (gains) losses on investment securities	-	9.3	9.3
Other	0.1	(0.1)	-
Total Addbacks/(Deductions)	9.9	1.4	11.3
Adjusted EBITDA	**$11.7**	**$52.6**	**$64.3**
Revenue	$278.5	$79.2	$357.7
Adjusted EBITDA % margin	4.2%	66.4%	18.0%

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2021 Adjusted EBITDA Reconciliation

($ in millions)

	Year ended December 31, 2021		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($126.2)**	**$125.4**	**($0.8)**
Add back:			
Income taxes	(26.4)	41.5	15.1
Interest expense, net of interest income	85.3	39.5	124.8
Depreciation and amortization	100.5	9.4	109.9
Intercompany interest	0.2	(0.2)	-
EBITDA	**$33.4**	**$215.6**	**$249.0**
Non-cash stock-based compensation	12.1	2.2	14.3
Acquisition related costs	7.1	-	7.1
Securitization interest	-	(29.8)	(29.8)
(Gain)/Loss on asset sales	0.1	(0.8)	(0.7)
Severance	2.9	0.4	3.3
Foreign currency (gains)/losses	3.8	-	3.8
Contingent consideration adjustment	24.3	-	24.3
Net change in unrealized (gains) losses on investment securities	-	(1.4)	(1.4)
Other	0.6	(0.3)	0.3
Total Addbacks/(Deductions)	50.9	(29.7)	21.2
Adjusted EBITDA	**$84.3**	**$185.9**	**$270.2**
Revenue	$1,161.4	$289.2	$1,450.6
Adjusted EBITDA % margin	7.3%	64.3%	18.6%

KAR AUCTION SERVICES℠

Q1 2022 Adjusted EBITDA Reconciliation

($ in millions)

	Three Months ended March 31, 2022		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($39.4)**	**$31.0**	**($8.4)**
Add back:			
Income taxes	(15.1)	10.4	(4.7)
Interest expense, net of interest income	13.2	12.3	25.5
Depreciation and amortization	23.9	2.1	26.0
Intercompany interest	0.1	(0.1)	-
EBITDA	**($17.3)**	**$55.7**	**$38.4**
Non-cash stock-based compensation	4.4	0.8	5.2
Acquisition related costs	0.3	-	0.3
Securitization interest	-	(10.4)	(10.4)
(Gain)/Loss on asset sales	(0.1)	-	(0.1)
Severance	3.2	0.2	3.4
Foreign currency (gains)/losses	1.2	-	1.2
Net change in unrealized (gains) losses on investment securities	-	3.0	3.0
Professional fees related to business improvement efforts	7.3	0.8	8.1
Total Addbacks/(Deductions)	16.3	(5.6)	10.7
Adjusted EBITDA	**($1.0)**	**$50.1**	**$49.1**
Revenue	$285.2	$84.2	$369.4
Adjusted EBITDA % margin	(0.4%)	59.5%	13.3%

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Q2 2022 Adjusted EBITDA Reconciliation

($ in millions)

	Three Months ended June 30, 2022		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($36.3)**	**$30.9**	**($5.4)**
Add back:			
Income taxes	(20.2)	10.3	(9.9)
Interest expense, net of interest income	9.0	16.2	25.2
Depreciation and amortization	23.8	2.1	25.9
Intercompany interest	0.6	(0.6)	-
EBITDA	**($23.1)**	**$58.9**	**$35.8**
Non-cash stock-based compensation	11.7	2.8	14.5
Loss on extinguishment of debt	7.7	-	7.7
Acquisition related costs	0.3	-	0.3
Securitization interest	-	(14.3)	(14.3)
Severance	3.1	0.2	3.3
Foreign currency (gains)/losses	3.3	-	3.3
Net change in unrealized (gains) losses on investment securities	-	3.2	3.2
Professional fees related to business improvement efforts	0.7	0.1	0.8
Other	1.3	0.2	1.5
Total Addbacks/(Deductions)	28.1	(7.8)	20.3
Adjusted EBITDA	**$5.0**	**$51.1**	**$56.1**
Revenue	$292.3	$91.9	$384.2
Adjusted EBITDA % margin	1.7%	55.6%	14.6%

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Q3 2022 Adjusted EBITDA Reconciliation

($ in millions)

	Three Months ended September 30, 2022		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($35.8)**	**$36.3**	**$0.5**
Add back:			
Income taxes	(5.6)	12.3	6.7
Interest expense, net of interest income	8.6	22.3	30.9
Depreciation and amortization	22.4	1.9	24.3
Intercompany interest	2.4	(2.4)	-
EBITDA	**($8.0)**	**$70.4**	**$62.4**
Non-cash stock-based compensation	2.8	0.7	3.5
Loss on extinguishment of debt	9.3	-	9.3
Acquisition related costs	0.3	-	0.3
Securitization interest	-	(20.2)	(20.2)
Severance	1.4	0.1	1.5
Foreign currency (gains)/losses	4.1	-	4.1
Net change in unrealized (gains) losses on investment securities	-	0.3	0.3
Professional fees related to business improvement efforts	2.7	0.5	3.2
Other	5.1	-	5.1
Total Addbacks/(Deductions)	25.7	(18.6)	7.1
Adjusted EBITDA	**$17.7**	**$51.8**	**$69.5**
Revenue	$293.9	$99.1	$393.0
Adjusted EBITDA % margin	6.0%	52.3%	17.7%

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YTD 2022 Adjusted EBITDA Reconciliation

($ in millions)

	Nine Months ended September 30, 2022		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($111.5)**	**$98.2**	**($13.3)**
Add back:			
Income taxes	(40.9)	33.0	(7.9)
Interest expense, net of interest income	30.8	50.8	81.6
Depreciation and amortization	70.1	6.1	76.2
Intercompany interest	3.1	(3.1)	-
EBITDA	**($48.4)**	**$185.0**	**$136.6**
Non-cash stock-based compensation	18.9	4.3	23.2
Loss on extinguishment of debt	17.0	-	17.0
Acquisition related costs	0.9	-	0.9
Securitization interest	-	(44.9)	(44.9)
(Gain)/Loss on asset sales	(0.1)	-	(0.1)
Severance	7.7	0.5	8.2
Foreign currency (gains)/losses	8.6	-	8.6
Net change in unrealized (gains) losses on investment securities	-	6.5	6.5
Professional fees related to business improvement efforts	10.7	1.4	12.1
Other	6.4	0.2	6.6
Total Addbacks/(Deductions)	70.1	(32.0)	38.1
Adjusted EBITDA	**$21.7**	**$153.0**	**$174.7**
Revenue	$871.4	$275.2	$1,146.6
Adjusted EBITDA % margin	2.5%	55.6%	15.2%

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YTD 2021 Adjusted EBITDA Reconciliation

($ in millions)

	Nine Months ended September 30, 2021		
	Marketplace	**Finance**	**Consolidated**
Income (loss) from continuing operations	**($112.4)**	**$96.4**	**($16.0)**
Add back:			
Income taxes	5.1	32.1	37.2
Interest expense, net of interest income	64.1	29.0	93.1
Depreciation and amortization	74.6	7.1	81.7
Intercompany interest	0.2	(0.2)	-
EBITDA	**$31.6**	**$164.4**	**$196.0**
Non-cash stock-based compensation	11.1	1.9	13.0
Acquisition related costs	5.0	-	5.0
Securitization interest	-	(21.5)	(21.5)
(Gain)Loss on asset sales	-	(0.8)	(0.8)
Severance	1.6	0.2	1.8
Foreign currency (gains)/losses	2.7	-	2.7
Contingent consideration adjustment	20.1	-	20.1
Net change in unrealized (gains) losses on investment securities	-	(10.7)	(10.7)
Other	0.5	(0.2)	0.3
Total Addbacks/(Deductions)	41.0	(31.1)	9.9
Adjusted EBITDA	**$72.6**	**133.3**	**$205.9**
Revenue	$882.9	$210.0	$1,092.9
Adjusted EBITDA % margin	8.2%	63.5%	18.8%

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Operating Adjusted Net Income (Loss) per Share Reconciliation

($ in millions, except per share amounts), (unaudited)

	Three Months ended September 30,		Nine Months ended September 30,	
	2022	2021	2022	2021
Net income (loss) from continuing operations [1]	**$0.5**	**($26.9)**	**($13.3)**	**($16.0)**
Acquired amortization expense	8.2	8.0	25.0	24.8
Loss on extinguishment of debt	9.3	-	17.0	-
Contingent consideration adjustment	-	4.4	-	20.1
Income taxes [2]	(4.3)	(2.0)	(10.3)	(6.1)
Operating adjusted net income (loss) from continuing operations	**$13.7**	**($16.5)**	**$18.4**	**$22.8**
Net income (loss) from discontinued operations	**($6.3)**	**$25.9**	**$217.4**	**$77.4**
Acquired amortization expense	-	4.4	8.8	16.8
Income taxes [2]	-	(1.1)	(2.2)	(4.1)
Operating adjusted net income (loss) from discontinued operations	**($6.3)**	**$29.2**	**$224.0**	**$90.1**
Operating adjusted net income	**$7.4**	**$12.7**	**$242.4**	**$112.9**
Operating adjusted net income (loss) from continuing operations per share - diluted	**$0.09**	**($0.11)**	**$0.12**	**$0.15**
Operating adjusted net income (loss) from discontinued operations per share – diluted	**(0.04)**	**0.19**	**1.45**	**0.57**
Operating adjusted net income per share - diluted	**$0.05**	**$0.08**	**$1.57**	**$0.72**
Weighted average diluted shares	150.3	153.2	154.0	157.0

(1) The Series A Preferred Stock dividends and undistributed earnings allocated to participating securities have not been included in the calculation of operating adjusted net income (loss) and operating adjusted net income (loss) per diluted share.

(2) An effective tax rate of 24.5% was used to determine the amount of income tax benefit on the acquired amortization expense and the loss on extinguishment of debt. There was no income tax benefit related to the contingent consideration adjustment because this item is not deductible for income tax purposes.

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