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**INSURANCE AUTO AUCTIONS ANNOUNCES ACQUISITION AND
CONSOLIDATION IN CHARLESTON, SOUTH CAROLINA**

WESTCHESTER, Ill., June 29, 2005 — Insurance Auto Auctions, Inc., a leading provider of automotive salvage and claims processing services in the United States, today announced the acquisition of Sadisco of Charleston, located just outside Charleston, in Ravenel, South Carolina. The 32-acre facility includes an indoor inspection center and additional space for future expansion. The acquisition will allow IAA to service the Charleston and surrounding area more efficiently with the expanded acreage and more versatile building space.

“We remain focused on identifying opportunities to enhance our customer service levels, and this acquisition will allow us to do that in the Charleston area, as well as throughout the state of South Carolina,” said Tom O’Brien, CEO of IAA. “We are excited by the outstanding returns our auction methodology is generating for our customers and the opportunity to continue to improve our service offering and expand our geographic coverage in the future.”

Insurance Auto Auctions, Inc., founded in 1982, a leader in automotive total loss and specialty salvage services in the United States, provides insurance companies with cost-effective, turnkey solutions to process and sell total-loss and recovered-theft vehicles. The Company currently has 80 sites across the United States.

Additional information about Insurance Auto Auctions, Inc. is available on the World Wide Web at
www.iaai.com