

**FOR:**

Precision Auto Care, Inc.  
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**FOR IMMEDIATE RELEASE**

**PRECISION AUTO CARE ANNOUNCES  
SECOND QUARTER FY 11 RESULTS  
(October – December 2010)**

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**LEESBURG, VA – February 7, 2011, Precision Auto Care, Inc.** (OTC Markets Group Inc: PACI.PK) announced its financial results for the second quarter of fiscal year ending June 30, 2011. For the quarter-ending December 31, 2010, revenue was \$4.7 million and profit was \$75,000, or \$0.00 per share, compared with a profit of \$151,000, or \$0.01 per share, on revenue of \$3.3 million for the same period in the prior year.

The Company's President and CEO, Robert Falconi, stated, "I am pleased with PACI's financial performance for the second quarter of FY11. Revenues are up significantly because of the company owned stores and those revenues will continue to go up as we add more company stores. The Company made a solid profit given that these numbers include the expense associated with our bi-annual convention and I expect that the Company will continue to operate profitably for the balance of FY 2011."

Lou Brown, Chairman of PACI, said, "The Board of Directors is pleased with the Company's operating results and the prospects for increased revenues and profits the balance of the fiscal year."

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**Precision Auto Care Announces 2<sup>nd</sup> Quarter FY 11 Results**

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**Precision Auto Care, Inc.**'s affiliate, Precision Franchising LLC, is one of the world's leading franchisors of auto care centers, with 339 operating centers as of February 7, 2011. The Company franchises Precision Tune Auto Care centers around the world.

**Cautionary Statement:** The statements in this press release contain forward-looking statements within the meaning of the Securities Act of 1933 or the Securities Exchange Act of 1934. These statements are based on the Company's current expectations, estimates and projections. Statements that are not historical facts are forward-looking statements and typically are identified by words like "believe," "anticipate," "could," "estimate," "expect," "intend," "plan," "project," "will" and similar terms. These statements are not guarantees of future performance, events or results and involve potential risks and uncertainties. Accordingly, actual results may differ from current expectations, estimates and projections. The Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Important factors that may impact the Company's actual results include: (i) business conditions and the general economy; (ii) the federal, state and local regulatory environment; (iii) increased competitive pressure in the automotive after-market services business; (iv) significant automotive technology advances; (v) management's ability to execute the Company's business plan; and (vi) the Company's ability to sell franchises in each state. Additional information concerning risks and uncertainties that could cause actual results to differ materially from those projected or suggested in the forward-looking statements is in the Company's postings to the OTC Markets Group Inc. website for the year ended June 30, 2010. The forward-looking statements contained in this prospectus represent the Company's judgment as of the date of this prospectus, and you should not unduly rely on these statements.

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**Three Months Ending December 31,**

000s except per share amounts

	<u>2010</u>	<u>2009</u>
Revenue	\$ 4,749	\$ 3,327
Net income	\$ 75	\$ 151
Diluted earnings per share	\$ 0.00	\$ 0.01
Shares outstanding - diluted	28,994	28,994

**Six Months Ending December 31,**

000s except per share amounts

	<u>2010</u>	<u>2009</u>
Revenue	\$ 9,493	\$ 6,832
Net income	\$ 301	\$ 332
Diluted earnings per share	\$ 0.01	\$ 0.01
Shares outstanding - diluted	28,994	28,994

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