

FOR:

Precision Auto Care, Inc.
748 Miller Drive, SE
Leesburg, VA 20175
www.precisiontune.com

CONTACT:

Robert R. Falconi
President/CEO
(866) 944-8863, ext. 214

FOR IMMEDIATE RELEASE**PRECISION AUTO CARE ANNOUNCES
SHARE REPURCHASE**

LEESBURG, VA – January 12, 2011, Precision Auto Care, Inc. (Pink OTC Markets, Inc: PACI.PK) announced it completed the repurchase of 6,449,757 shares of its common stock from Desarrollo Integrado, S.A. de C.V. (Desarrollo), one of the company's largest shareholders.

Desarrollo, which initiated the sale, sold its common shares for an aggregate purchase price of \$2,579,902.80 (\$0.40 per common share). The Company also redeemed 4,507 Series A Cumulative Redeemable Preferred stock held by Desarrollo for \$46,692.52 (\$10.36 per preferred share).

The Company's President and CEO, Robert Falconi, stated, "Desarrollo came to us with a unique opportunity at the right time. The Company had the financial resources to purchase these shares in a single cash transaction. The repurchased shares will be cancelled and retired."

Lou Brown, Chairman of PACI, said, "While the Company has not established a formal share-repurchase program, the Board of Directors was pleased Desarrollo offered the Company this opportunity to purchase a large block of shares in one, simple transaction."

The Company's affiliate, Precision Franchising LLC, is a leading franchisor of automotive care centers, with approximately 346 centers operating around the world. Another affiliate of the Company, PTAC Operating Centers, Inc., also owns and operates twenty automotive care centers in the United States.

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 Pink OTC Markets, 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.