

FOR:

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FOR IMMEDIATE RELEASE

PRECISION AUTO CARE ANNOUNCES DECISION TO RUN COMPANY OWNED CENTER

LEESBURG, VA – October 26, 2006, Precision Auto Care, Inc. (OTCBB: PACI) announced that it had purchased an existing Precision Tune Auto Care center in Manassas, Virginia.

The Company's President and CEO, Robert Falconi, stated, "I am very excited about the purchase of this store. With the experience of running a company owned store, we will be able to better serve our franchisees as we can use this center as a testing ground for new marketing and operational ideas to enhance revenue and profit. I am confident that we will be able to increase sales and profitability at the store and take the lessons that we learn from this experience and open up more company owned stores. This purchase is consistent with the Company's goal to increase top and bottom lines while improving the value proposition for franchisees."

Precision Auto Care, Inc.'s affiliate, Precision Franchising LLC, is one of the world's leading franchisors of auto care centers, with 414 operating centers as of September 22, 2006. 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 are in the Company's filings with the Securities and Exchange Commission and in its Annual Report on Form 10-KSB for the year ended June 30, 2006. 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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