

FOR:

Precision Auto Care, Inc.
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FOR IMMEDIATE RELEASE**PRECISION AUTO CARE ANNOUNCES
FIRST QUARTER FY 07 RESULTS**

LEESBURG, VA – November 8, 2006, Precision Auto Care, Inc. (OTCBB: PACI) announced its financial results for the first quarter of fiscal year ending June 30, 2007. Revenue was \$2.8 million and profit was \$169,000, or \$0.01 per share, compared with a profit of \$277,000, or \$0.01 per share, on revenue of \$3.0 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. Our balance sheet continues to get stronger every quarter. While the results are not as impressive as the numbers from last year, there are mitigating circumstances."

Lou Brown, Chairman of PACI, said, "The Board of Directors is pleased with the Company's progress and positive operating results. We are especially happy that new stores are opening and licenses are being sold in a variety of markets."

Precision Auto Care, Inc.'s affiliate, Precision Franchising LLC, is one of the world's leading franchisors of auto care centers, with 413 operating centers as of November 8, 2006. The Company franchises Precision Tune Auto Care centers around the world.

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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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Three Months Ending September 30th

000s except per share amounts

	<u>2006</u>	<u>2005</u>
Revenue	\$ 2,792	\$ 2,976
Net income	\$ 169	\$ 277
Diluted income per share	\$ 0.01	\$ 0.01
Shares outstanding - diluted	29,242	29,839

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