

FOR:

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FOR IMMEDIATE RELEASE**PRECISION AUTO CARE ANNOUNCES
THIRD QUARTER FY 12 RESULTS
(January – March 2012)**

LEESBURG, VA – May 8, 2012, Precision Auto Care, Inc. (OTC Pink: PACI) announced its financial results for the third quarter of fiscal year ending June 30, 2012. For the quarter ending March 31, 2012, revenue was \$7.1 million and profit was \$225,000, or \$0.01 per share, compared with a profit of \$233,000, or \$0.01 per share, on revenue of \$5.4 million for the same period in the prior year.

The Company's President and CEO, Robert Falconi, stated, "While I am disappointed that profit was not higher given the increase in revenue, the company is taking the steps necessary to improve profitability."

Lou Brown, Chairman of PACI, said, "The Board of Directors is pleased with the Company's operating results for the first 3 quarters of FY12 and the prospects for the 4th quarter."

Precision Auto Care, Inc.'s affiliate, Precision Franchising LLC, is one of the world's leading franchisors of auto care centers, with 337 operating centers as of May 4, 2012. 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 website for the year ended June 30, 2011. Precision Auto Care, Inc. (OTC Pink: PACI) trades on the OTC Pink tier of the OTC market. Investors can find Real-Time quotes and market information for the Company on www.otcmarkets.com. 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 March 31,

000s except per share amounts

	<u>2012</u>	<u>2011</u>
Revenue	\$ 7,144	\$ 5,440
Net income	\$ 225	\$ 233
Diluted earnings per share	\$ 0.01	\$ 0.01
Shares outstanding – diluted	22,724	23,514

Nine Months Ending March 31,

000s except per share amounts

	<u>2012</u>	<u>2011</u>
Revenue	\$20,161	\$ 14,933
Net income	\$ 653	\$ 534
Diluted earnings per share	\$ 0.03	\$ 0.02
Shares outstanding - diluted	22,724	27,175