Credit Acceptance Announces: Third Quarter 2005 and Restated Prior Year Earnings

SOUTHFIELD, Mich., Jan 27, 2006 (PRIMEZONE via COMTEX News Network) -- Credit Acceptance Corporation (Pink Sheets:CACC) (the "Company") announced financial results for the three and nine month periods ended September 30, 2005, and restated financial results for 2000 through 2004.

Impact of Restatement

(Dollars in thousands) For the Years Ended December 31,

	2004	2003	2002	2001	2000
Net income (As Previously Reported)	$ 37,014(a)	$ 25,832(a)	$28,365	$ 28,415	$ 22,379
Net income (As Restated)	57,325	24,669	29,774	24,671	22,463
Increase (Decrease)	$ 20,311	$ (1,163)	$ 1,409	$ (3,744)	$ 84

(a) As previously reported in the Company's March 24, 2005 press release.

The cumulative impact of the restatement reduced retained earnings at December 31, 1999, by $7.7 million.

Financial Results for the Nine Months Ended September 30, 2005

(Dollars in thousands, except per share data)

	For the Nine Months Ended		
	Sept. 30, 2005	Sept. 30, 2004	% Change
Net income	$ 47,361	$ 43,393	9.1
Net income per common share:			
Basic	1.28	1.11	15.3
Diluted	1.21	1.05	15.2
Net operating profit after-tax	54,518	48,760	11.8
Average capital	521,668	472,684	10.4
Return on capital	13.9%	13.8%	0.7
Economic profit	23,004	19,706	16.7
Total revenue	$151,200	$129,801	16.5

-- The Company's effective tax rate increased to 37.8% for the 2005 period from 32.7% for the same period of 2004 due primarily to a change in the Company's international tax structure during 2004 which included a one-time benefit of $2.7 million.

-- The provision for credit losses for the 2005 period includes a $2.9 million pre-tax charge related to a reduction in forecasted collection rates resulting from Hurricanes Katrina and Rita.

Financial Results for the Three Months Ended September 30, 2005

(Dollars in thousands, except per share data)

	For the Three Months Ended		
	Sept. 30, 2005	Sept. 30, 2004	% Change
Net income	$ 14,594	$ 14,268	2.3
Net income per common share:			
Basic	0.39	0.37	5.4
Diluted	0.38	0.35	8.6
Net operating profit after-tax	16,970	16,183	4.9
Average capital	536,588	498,423	7.7
Return on capital	12.7%	13.0%	(2.3)
Economic profit	6,044	6,313	(4.3)
Total revenue	$ 52,368	$ 45,474	15.2

-- The provision for credit losses for the 2005 period includes a $2.9 million pre-tax charge related to a reduction in forecasted collection rates resulting from Hurricanes Katrina and Rita.

Restatement of Prior Periods

As previously reported, on April 1, 2005, the Company's former independent registered public accounting firm, Deloitte & Touche LLP ("Deloitte"), informed the Company that Deloitte's National Office was reviewing the Company's accounting for loans. On April 8, 2005, Deloitte informed the Company that it believed the Company should not account for loans as an originator of loans to consumers but should instead account for its loans as a lender to its dealer-partners. The Company had accounted for its loans as a consumer loan originator since 1992, and believed such accounting was in accordance with generally accepted accounting principles ("GAAP"). On April 26, 2005, the Company submitted a letter to the staff of the Office of the Chief Accountant of the Securities and Exchange Commission ("the SEC") requesting guidance.

On June 24, 2005, the SEC informed the Company that its method for recording loans should be changed from that of an originator of consumer loans to that of a servicer of loans generated by dealer-partners and a lender to those dealer-partners. As a result of this determination, the Company was required to restate its previously reported financial results. The Annual Report on form 10-K for the year ended December 31, 2004, which the Company filed today, reflects this restatement of prior periods. The Company also filed today its Quarterly Report on Form 10-Q for the quarters ended March 31, 2005, June 30, 2005, and September 30, 2005. The Company intends to apply to list its shares on the NASDAQ National Market as soon as practicable.

Additional details regarding the financial restatement are included in the Company's SEC filings.

Overview of New Accounting

-- The Company's business -- providing auto loans to consumers -- has not changed; only the accounting has changed. The Company is an indirect lender, meaning the loan is originated by the dealer-partner and immediately assigned to the Company. The compensation paid to the automobile dealer in exchange for the auto loan is paid in two parts. The first part (the "advance") is paid at the time of origination, and the second part (the "dealer holdback" is paid over time based on the performance of the loan.

-- For accounting purposes, the Company is now considered a lender to the dealer-partner for its United States and Canadian business. Previously, the Company was considered a lender to the consumer.

- Under our new accounting, the cash amount advanced to the dealer-partner is recorded as an asset included in "Loans Receivable" on the Company's balance sheet. The aggregate amount of all advances to an individual dealer-partner, plus finance charge revenue recognized, less repayments made by the consumer, comprises the dealer loan balance.

- The Company's primary source of revenue is called finance charges. Finance charge revenue equals the cash collections from the consumer loan less the amount paid to the dealer-partner (initial advance plus dealer holdback). In other words, finance charge revenue equals the cash inflows from the consumer loan less the cash outflows required to acquire the consumer loan.

- Finance charge revenue is recorded over the life of the dealer loan on a level yield basis.

- An initial expected yield is assigned to each dealer advance. The yield is the rate that, when applied to expected future cash flows from the underlying consumer loan, results in a present value equal to the initial cash amount of the advance. (The expected future cash flows are the expected collections from the consumer loan, less the amount of expected future dealer holdback payments.)

- A yield is maintained for each dealer loan balance. The yield is adjusted each period based on the most recent expectation of future cash flows from the underlying consumer loans. The yield for any dealer loan balance cannot be reduced below the initial weighted average yield. If a favorable change in expected future cash flows occurs (as compared to the expectation at inception), the yield is adjusted upwards. If an unfavorable change occurs, an allowance for credit losses is established which reduces the net asset value (dealer loan balance less the allowance) to the discounted value of future cash flows at the weighted average initial yield.

- Because the Company is required to treat favorable changes in expected cash flows differently from unfavorable changes, the Company believes its new accounting method may produce reported results that differ from its economic performance. To provide shareholders with a more complete picture of its performance, the Company will report "Floating Yield" earnings in this and in future press releases. Floating Yield earnings will be identical to the Company's GAAP earnings except that both favorable and unfavorable changes in expected future cash flows will be treated as yield adjustments. Although the differences between Floating Yield earnings and GAAP earnings are small for the periods presented in this release, the Company is not confident this will continue to be the case going forward.

- The Company's future financial results are likely to be more volatile than the financial results reported in this release because the initial yields established for prior periods as part of this restatement benefit from the Company's knowledge of actual results. Prospectively, without the benefit of hindsight, the actual yields will likely vary more from the initial yields than in the restated periods.

Comparison of GAAP Return on Capital to Floating Yield Return on Capital

The following table presents selected financial data that compares the Company's GAAP basis financial results to a non-GAAP measure. The non-GAAP measure ("Floating Yield") is identical to our GAAP basis results except that, under the Floating Rate method, changes in expected cash flows are treated as yield adjustments. Under GAAP, favorable changes in expected cash flows are treated as yield adjustments, while unfavorable changes are recorded as a current period expense. The GAAP treatment always results in a lower carrying value of the loan receivable asset, but may result in either higher or lower earnings for any given period depending on the timing and amount of expected cash flow changes.

(Dollars in thousands)

	Nine Months ended Sept. 30, 2005	For the Years Ended Dec. 31, 2004	2003
GAAP Return on Capital	13.9%	13.6%	6.9%
Floating Yield Return on Capital	13.7%	13.3%	7.1%
Difference	0.2%	0.3%	-0.2%
GAAP net operating profit after-tax	$ 54,518	$ 64,904	$ 29,905
Adjustment to Floating Yield	22	(58)	1,384
Floating Yield net operating profit after-tax	$ 54,540	$ 64,846	$ 31,289
GAAP average capital	$ 521,668	$ 478,345	$ 431,973
Adjustment to Floating Yield	7,671	8,731	7,933
Floating Yield average capital	$ 529,339	$ 487,076	$ 439,906

Consumer Loan Performance in the United States

The United States is the Company's only business segment that continues to originate Dealer Loans. The following table presents forecasted Consumer Loan collection rates, advance rates, the spread (the forecasted collection rate less the advance rate), and the percentage of the forecasted collections that have been realized as of September 30, 2005 for the United States business segment. The data presented in the table has been changed from similar data previously disclosed in the Company's filings in order to conform to the Company's new accounting methodology. The changes are as follows: (1) Collection and advance rates included in the table are calculated as a percentage of funded loans, defined as Consumer Loans on which an advance has been paid to the dealer-partner. Previously, collection and advance rates were calculated as a percentage of Consumer Loans assigned to the Company. As a result, collection rates are higher than previously reported. This reflects the change in presentation rather than a change in loan performance. (2) Advance rates included in the table below represent the cash amount paid to the dealer-partner or paid to third parties for ancillary products. Previously, advance rates presented in the table included non-cash commissions and fees that were retained by the Company. As a result of this change, the advance rates presented in the table are lower than previously reported. (3) Forecasted collection rates included in the table are based on a new forecasting methodology. This change had only a small impact on collection rates reported in the table.

	As of September 30, 2005	
Year of	Forecasted	% of Forecast

Origination	Collection%	Advance%	Spread%	Realized
1992	80.2%	37.1%	43.1%	100.0%
1993	75.3%	37.1%	38.2%	100.0%
1994	61.0%	40.5%	20.5%	100.0%
1995	54.9%	44.2%	10.7%	100.0%
1996	55.0%	46.9%	8.1%	99.6%
1997	58.4%	47.9%	10.5%	98.9%
1998	67.7%	46.1%	21.6%	98.2%
1999	72.8%	48.9%	23.9%	97.3%
2000	73.2%	48.0%	25.2%	96.5%
2001	67.2%	45.8%	21.4%	96.0%
2002	70.2%	42.2%	28.0%	92.6%
2003	74.0%	43.4%	30.6%	78.3%
2004	73.4%	44.0%	29.4%	51.3%

Financial Results for the Year Ended December 31, 2004

(Dollars in thousands, except per share data)

	For the Years Ended December 31, 2004	2003	% Change
Net income	$ 57,325	$ 24,669	132.4
Net income per common share:			
Basic	1.48	0.58	155.2
Diluted	1.40	0.57	145.6
Net operating profit after-tax	64,904	29,905	121.5
Average capital	478,345	431,973	10.7
Return on capital	13.6%	6.9%	97.1
Economic profit (loss)	26,204	(8,153)	421.4
Total revenue	$ 176,715	$ 152,227	16.1

-- 2003 results were impacted by impairment expenses of $10.5 million that were recognized following the decision to liquidate the United Kingdom operation.

-- The Company's effective tax rate decreased to 34.8% in 2004 compared to 52.1% in 2003 due to a change in the Company's international tax structure during 2004 and the impact of the repatriation of foreign earnings in 2003.

-- The 2004 period includes a foreign exchange gain of $1.7 million in 2004 compared to a foreign exchange loss of $2.8 million in 2003 primarily due to changes in the fair value of forward contracts entered into during the third quarter of 2003.

Although the Company was not in compliance with its debt covenants due to its inability to timely file its Annual Report on Form 10-K for the year ended December 31, 2004 and its Quarterly Report on Form 10-Q for the quarters ended March 31, 2005, June 30, 2005, and September 30, 2005, the Company has received waivers of this requirement on its debt facilities and these waivers become permanent upon the filing of such reports.

Cautionary Statement Regarding Forward Looking Information

Certain statements in this release that are not historical facts, such as those using terms like "believes," "expects," "anticipates," "assumes," "forecasts," "estimates" and those regarding the Company's future results, plans and objectives, are "forward-looking statements" within the meaning of the federal securities laws. These forward-looking statements represent the Company's outlook only as of the date of this release. While the Company believes that its forward-looking statements are reasonable, actual results could differ materially since the statements are based on current expectations, which are subject to risks and uncertainties. Factors that might cause such a difference include the following:

- the Company's potential inability to accurately forecast and estimate the amount and timing of future collections,
- increased competition from traditional financing sources and from non-traditional lenders,
- the unavailability of funding at competitive rates of interest,
- the Company's potential inability to continue to obtain third party financing on favorable terms,
- the Company's potential inability to generate sufficient cash flow to service its debt and fund its future operations,
- adverse changes in applicable laws and regulations,
- adverse changes in economic conditions,
- adverse changes in the automobile or finance industries or in the non-prime consumer finance market,
- the Company's potential inability to maintain or increase the volume of automobile loans,
- an increase in the amount or severity of litigation against the Company,
- the loss of key management personnel or the inability to hire qualified personnel,
- the effect of natural disasters, terrorist attacks and other potential disasters or attacks; and
- various other factors discussed in the Company's reports filed with the Securities and Exchange Commission.

Other factors not currently anticipated by management may also materially and adversely affect the Company's results of operations. The Company does not undertake, and expressly disclaims any obligation, to update or alter its statements whether as a result of new information, future events or otherwise, except as required by applicable law.

Description of Credit Acceptance Corporation

Since 1972, Credit Acceptance has provided auto loans to consumers, regardless of their credit history. Our product is offered through a nationwide network of automobile dealers who benefit from sales of vehicles to consumers who otherwise could not obtain financing; from repeat and referral sales generated by these same customers; and from sales to customers responding to advertisements for our product, but who actually end up qualifying for traditional financing.

Without our product, consumers may be unable to purchase a vehicle or they may purchase an unreliable one, or they may not have the opportunity to improve their credit standing. As we report to the three national credit reporting agencies, a significant number of our customers improve their lives by improving their credit score and move on to more traditional sources of financing. Credit Acceptance is publicly traded on the Pink Sheets under the symbol CACC. For more information, visit www.creditacceptance.com.

CREDIT ACCEPTANCE CORPORATION
CONSOLIDATED INCOME STATEMENTS
(UNAUDITED)

(Dollars in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Revenue:				
Finance charges	$ 45,360	$ 39,718	$ 132,453	$ 113,552

License fees	2,658	1,519	6,870	4,147
Other income	4,350	4,237	11,877	12,102
Total revenue	52,368	45,474	151,200	129,801
Costs and expenses				
Salaries and wages	9,595	9,243	27,779	26,523
General and administrative	5,617	5,268	17,462	15,729
Sales and marketing	4,160	3,042	10,956	8,606
Provision for credit losses	4,231	1,466	6,127	4,726
Interest	3,655	2,946	11,011	8,257
Stock-based compensation expense	511	747	1,817	2,178
Other expense	489	270	890	1,013
Total costs and expenses	28,258	22,982	76,042	67,032
Operating income	24,110	22,492	75,158	62,769
Foreign currency (loss) gain	(8)	674	1,019	1,731
Income before provision for income taxes	24,102	23,166	76,177	64,500
Provision for income taxes	9,508	8,898	28,816	21,107
Net income	$ 14,594	$ 14,268	$ 47,361	$ 43,393
Net income per common share:				
Basic	$ 0.39	$ 0.37	$ 1.28	$ 1.11
Diluted	$ 0.38	$ 0.35	$ 1.21	$ 1.05
Weighted average shares outstanding:				
Basic	37,020,020	38,679,011	36,962,724	39,234,974
Diluted	38,912,822	40,943,604	39,249,304	41,506,320

CREDIT ACCEPTANCE CORPORATION
CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except per share data)

	As of	
	Sept. 30, 2005 (Unaudited)	Dec. 31, 2004
ASSETS:		

Cash and cash equivalents	$ 14,336	$ 614
Restricted cash and cash equivalents	26,805	23,927
Restricted securities available for sale	3,483	928
Loans receivable	704,976	667,394
Allowance for credit losses	(138,582)	(141,383)
Loans receivable, net	566,394	526,011
Property and equipment, net	18,950	19,706
Income taxes receivable	1,490	9,444
Other assets	7,896	10,683
Total Assets	$ 639,354	$ 591,313

LIABILITIES AND SHAREHOLDERS' EQUITY:

Liabilities:		
Accounts payable and accrued liabilities	$ 55,313	$ 49,384
Dealer reserve payable, net	6,007	15,675
Line of credit	46,000	7,700
Secured financing	138,747	176,000
Mortgage note and capital lease obligations	9,322	9,847
Deferred income taxes, net	34,815	31,817
Total Liabilities	290,204	290,423
Shareholders' Equity:		
Preferred stock, $.01 par value, 1,000,000 shares authorized, none issued	--	--
Common stock, $.01 par value, 80,000,000 shares authorized, 37,023,080 and 36,897,242 shares issued and outstanding as of September 30, 2005 and December 31, 2004, respectively	370	369
Paid-in capital	29,298	25,640
Unearned stock-based compensation	(1,697)	--
Retained earnings	319,273	271,912
Accumulated other comprehensive income	1,906	2,969
Total Shareholders' Equity	349,150	300,890
Total Liabilities and Shareholders' Equity	$ 639,354	$ 591,313

CREDIT ACCEPTANCE CORPORATION
CONSOLIDATED INCOME STATEMENTS

(Dollars in thousands, except per share data)

	For the Years Ended December 31,	
	2004	2003

Revenue:		
Finance charges	$ 154,859	$ 127,853
Lease revenue	1,507	6,432
License fees	5,835	3,836
Other income	14,514	14,106
Total revenue	176,715	152,227
Costs and expenses:		
Salaries and wages	34,961	31,970
General and administrative	22,195	20,705
Sales and marketing	11,915	8,949
Provision for credit losses	5,757	9,639
Interest	11,660	8,057
Stock-based compensation	2,725	3,583
United Kingdom asset impairment expense	--	10,493
Other expense	1,270	4,517
Total costs and expenses	90,483	97,913
Operating income	86,232	54,314
Foreign exchange gain (loss)	1,650	(2,767)
Income before provision for income taxes	87,882	51,547
Provision for income taxes	30,557	26,878
Net income	$ 57,325	$ 24,669
Net income per common share:		
Basic	$ 1.48	$ 0.58
Diluted	$ 1.40	$ 0.57
Weighted average shares outstanding:		
Basic	38,617,787	42,195,340
Diluted	41,017,205	43,409,007

CREDIT ACCEPTANCE CORPORATION
CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except per share data)

	(Dollars in Thousands) December 31, 2004	2003
ASSETS:		
Cash and cash equivalents	$ 614	$ 1,136
Restricted cash and cash equivalents	23,927	37,275
Restricted securities available for sale	928	--
Loans receivable (including $1,653 and $1,583 from affiliates in 2004 and 2003, respectively)	667,394	619,437
Allowance for credit losses	(141,383)	(143,309)

Loans receivable, net	526,011	476,128
Property and equipment, net	19,706	18,541
Income taxes receivable	9,444	--
Other assets	10,683	11,768
Total Assets	$ 591,313	$ 544,848

LIABILITIES AND SHAREHOLDERS' EQUITY:

Liabilities:		
Accounts payable and accrued liabilities	$ 49,384	$ 38,862
Dealer reserve payable, net	15,675	35,198
Line of credit	7,700	--
Secured financing	176,000	100,000
Mortgage note and capital lease obligations	9,847	6,447
Income taxes payable	--	2,086
Deferred income taxes, net	31,817	18,960
Total Liabilities	290,423	201,553
Shareholders' Equity:		
Preferred stock, $.01 par value, 1,000,000 shares authorized, none issued	--	--
Common stock, $.01 par value, 80,000,000 shares authorized, 36,897,242 and 42,128,087 shares issued and outstanding at year-end 2004 and 2003, respectively	369	421
Paid-in capital	25,640	125,077
Retained earnings	271,912	214,587
Accumulated other comprehensive income, net of tax of $0 and $1,760 at year-end 2004 and 2003, respectively	2,969	3,210
Total Shareholders' Equity	300,890	343,295
Total Liabilities and Shareholders' Equity	$ 591,313	$ 544,848

CREDIT ACCEPTANCE CORPORATION
SUMMARY FINANCIAL DATA
(Dollars in thousands, except per share data)

Quarterly Financial Highlights

	For the Three Months Ended June 30, 2005	June 30, 2004	% Change
Net income	$ 17,053	$ 17,173	(0.7)%
Net income per common share:			
Basic	0.46	0.44	4.5
Diluted	0.44	0.41	7.3
Net operating profit after-tax	19,401	18,788	3.3
Average capital	529,159	477,654	10.8
Return on capital	14.7 %	15.7 %	(6.4)

Economic profit	8,919	9,340	(4.5)
Total revenue	$ 50,678	$ 43,647	16.1

	For the Three Months Ended March 31, 2005	March 31, 2004	% Change
Net income	$ 15,714	$ 11,952	31.5 %
Net income per common share:			
Basic	0.43	0.29	48.3
Diluted	0.40	0.28	42.9
Net operating profit after-tax	18,147	13,789	31.6
Average capital	502,565	444,672	13.0
Return on capital	14.4%	12.4%	16.5
Economic profit	8,031	4,074	97.1
Total revenue	$ 48,154	$ 40,680	18.4

Return on Capital

The return on capital is equal to net operating profit after-tax (net income plus interest expense after-tax) divided by average capital as follows:

	Three Months Ended 9/30/2005	6/30/2005	3/31/2005
Net income	$ 14,594	$ 17,053	$ 15,714
Interest expense after-tax	2,376	2,348	2,433
Net operating profit after-tax	$ 16,970	$ 19,401	$ 18,147
Average debt	$ 194,571	$ 203,800	$ 195,238
Average shareholders' equity	342,017	325,359	307,327
Average capital	$ 536,588	$ 529,159	$ 502,565
Return on capital	12.7%	14.7%	14.4%

CREDIT ACCEPTANCE CORPORATION
SUMMARY FINANCIAL DATA CONTINUED
(Dollars in thousands, except per share data)

	Three Months Ended 12/31/2004	9/30/2004	6/30/2004	3/31/2004
Net income	$ 13,932	$ 14,268	$ 17,173	$ 11,952
Interest expense after-tax	2,212	1,915	1,615	1,837
Net operating profit after-tax	$ 16,144	$ 16,183	$ 18,788	$ 13,789
Average debt	$ 203,261	$ 180,208	$ 164,338	$ 129,537
Average shareholders'				

equity	293,889	318,215	313,316	315,135
Average capital	$ 497,150	$ 498,423	$ 477,654	$ 444,672
Return on capital	13.0%	13.0%	15.7%	12.4%

	Nine Months Ended	
	9/30/2005	9/30/2004
Net income	$ 47,361	$ 43,393
Interest expense after-tax	7,157	5,367
Net operating profit after-tax	$ 54,518	$ 48,760
Average debt	$ 196,904	$ 156,859
Average shareholders' equity	324,764	315,825
Average capital	$ 521,668	$ 472,684
Return on capital	13.9%	13.8%

	For the Years Ended December 31,	
	2004	2003
Net income	$ 57,325	$ 24,669
Interest expense after-tax	7,579	5,236
Net operating profit after-tax	$ 64,904	$ 29,905
Average debt	$ 167,137	$ 103,757
Average shareholders' equity	311,208	328,216
Average capital	$ 478,345	$ 431,973
Return on capital	13.6%	6.9%

Economic Profit

The Company defines economic profit as net operating profit after-tax less an imputed cost of equity. Economic profit measures how efficiently the Company utilizes capital. To consider the cost of both debt and equity, the Company's calculation of economic profit deducts from net income a cost of equity equal to 10% of average equity, which approximates the S&P 500's rate of return since 1965. Management uses economic profit to assess the Company's performance as well as to make capital allocation decisions. Management believes this information is important to shareholders because it allows shareholders to compare the returns earned by the Company with the return they could expect if the Company returned capital to shareholders and they invested in other securities.

CREDIT ACCEPTANCE CORPORATION
SUMMARY FINANCIAL DATA CONTINUED
(Dollars in thousands, except per share data)

The following table presents the calculation of the Company's economic profit for the periods indicated:

Three Months Ended

	9/30/2005	6/30/2005	3/31/2005
Net income	$ 14,594	$ 17,053	$ 15,714
Imputed cost of equity at 10% (a)	(8,550)	(8,134)	(7,683)
Total economic profit	$ 6,044	$ 8,919	$ 8,031
Diluted weighted average shares outstanding	38,912,822	39,064,886	39,457,287
Economic profit per diluted share (b)	$ 0.16	$ 0.23	$ 0.20

	Three Months Ended			
	12/31/2004	9/30/2004	6/30/2004	3/31/2004
Net income	$ 13,932	$ 14,268	$ 17,173	$ 11,952
Imputed cost of equity at 10% (a)	(7,347)	(7,955)	(7,833)	(7,878)
Total economic profit	$ 6,585	$ 6,313	$ 9,340	$ 4,074
Diluted weighted average shares outstanding	39,473,105	40,943,604	41,413,308	42,159,338
Economic profit per diluted share (b)	$ 0.17	$ 0.15	$ 0.23	$ 0.10

	Nine Months Ended	
	9/30/2005	9/30/2004
Net income	$ 47,361	$ 43,393
Imputed cost of equity at 10% (a)	(24,357)	(23,687)
Total economic profit	$ 23,004	$ 19,706
Diluted weighted average shares outstanding	39,249,304	41,506,320
Economic profit per diluted share (b)	$ 0.59	$ 0.47

For the Years Ended December 31,

	2004	2003
Net income	$ 57,325	$ 24,669
Imputed cost of equity at 10% (a)	(31,121)	(32,822)
Total economic profit	$ 26,204	$ (8,153)
Diluted weighted average shares outstanding	41,017,205	43,409,007
Economic profit per diluted share (b)	$ 0.64	$ (0.19)

(a) Cost of equity is equal to 10% (on an annual basis) of average shareholders' equity, as disclosed in the Return on Capital calculation.

(b) Economic profit per diluted share equals the economic profit divided by the diluted weighted average number of shares outstanding.

CREDIT ACCEPTANCE CORPORATION
SUMMARY FINANCIAL DATA CONTINUED
(Dollars in thousands)

Loans Receivable

A summary of changes in loan receivable is as follows:

	Three Months Ended September 30, 2005			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 665,279	$ 27,396	$ 3,766	$696,441
New loans	111,656	3,716	--	115,372
Dealer holdback payments	13,367	--	--	13,367
Net cash collections on loans	(113,181)	(3,879)	--	(117,060)
Write-offs	(1,786)	(2,188)	--	(3,974)
Recoveries	--	562	--	562
Net change in floorplan receivables, notes receivable and lines of credit	--	--	79	79
Other	--	337	--	337
Currency translation	52	(200)	--	(148)
Balance, end of period	$ 675,387	$ 25,744	$ 3,845	$704,976

	Three Months Ended September 30, 2004			
	Dealer	Consumer	Other	Total

	Loans	Loans	Loans	
Balance, beginning of period	$ 601,935	$ 49,910	$ 6,552	$658,397
New loans	105,983	2,153	--	108,136
Dealer holdback payments	7,918	--	--	7,918
Net cash collections on loans	(91,047)	(5,562)	--	(96,609)
Write-offs	(2,008)	(5,065)	--	(7,073)
Recoveries	--	397	--	397
Net change in floorplan receivables, notes receivable and lines of credit	--	--	(1,360)	(1,360)
Other	--	115	--	115
Currency translation	80	(72)	--	8
Balance, end of period	$ 622,861	$ 41,876	$ 5,192	$669,929

	Nine Months Ended September 30, 2005			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 626,284	$ 36,760	$ 4,350	$667,394
New loans	358,005	10,392	--	368,397
Dealer holdback payments	37,880	--	--	37,880
Net cash collections on loans	(338,542)	(13,097)	--	(351,639)
Write-offs	(8,100)	(9,222)	--	(17,322)
Recoveries	--	1,734	--	1,734
Net change in floorplan receivables, notes receivable, and lines of credit	--	--	(505)	(505)
Other	--	707	--	707
Currency translation	(140)	(1,530)	--	(1,670)
Balance, end of period	$ 675,387	$ 25,744	$ 3,845	$704,976

	Nine Months Ended September 30, 2004			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 537,671	$ 75,098	$ 6,668	$619,437
New loans	335,521	5,400	--	340,921
Dealer holdback payments	23,165	--	--	23,165
Net cash collections on loans	(268,015)	(22,450)	--	(290,465)
Write-offs	(5,069)	(18,587)	--	(23,656)
Recoveries	--	1,435	--	1,435
Net change in floorplan receivables, notes receivable, and lines of credit	--	--	(1,476)	(1,476)
Other	--	458	--	458
Currency translation	(412)	522	--	110
Balance, end of period	$ 622,861	$ 41,876	$ 5,192	$669,929

CREDIT ACCEPTANCE CORPORATION
SUMMARY FINANCIAL DATA CONTINUED
(Dollars in thousands)

A summary of Allowance for credit losses is as follows:

	Three Months Ended September 30, 2005			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 130,744	$ 5,693	$ --	$136,437
Provision for credit losses(a)	4,360	(504)	(43)	3,813
Write-offs	(1,785)	(363)	--	(2,148)
Recoveries	--	444	--	444
Other changes in floorplan receivables, notes receivable, and lines of credit	--	--	43	43
Currency translation	69	(76)	--	(7)
Balance, end of period	$ 133,388	$ 5,194	$ --	$138,582

	Three Months Ended September 30, 2004			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 136,343	$ 6,575	$ 479	$143,397
Provision for credit losses(a)	1,356	(130)	(20)	1,206
Write-offs	(2,009)	(192)	--	(2,201)
Recoveries	--	364	--	364
Other changes in floorplan receivables, notes receivable, and lines of credit	--	--	(135)	(135)
Currency translation	72	(9)	--	63
Balance, end of period	$ 135,762	$ 6,608	$ 324	$142,694

	Nine Months Ended September 30, 2005			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 134,599	$ 6,774	$ 10,000	$151,373
Provision for credit losses(b)	6,847	(1,327)	(63)	5,457
Write-offs	(8,100)	(1,572)	(157)	(9,829)
Recoveries	--	1,860	437	2,297
Other changes in floorplan receivables, notes				

receivable, and lines of credit	--	--	(10,139)	(10,139)
Currency translation	42	(541)	(78)	(577)
Balance, end of period	$ 133,388	$ 5,194	$ --	$138,582

	Nine Months Ended September 30, 2004			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 136,514	$ 6,689	$ 106	$143,309
Provision for credit losses(b)	4,292	(436)	162	4,018
Write-offs	(5,069)	(999)	--	(6,068)
Recoveries	--	1,312	--	1,312
Other changes in floorplan receivables, notes receivable, and lines of credit	--	--	56	56
Currency translation	25	42	--	67
Balance, end of period	$ 135,762	$ 6,608	$ 324	$142,694

(a) Does not include a provision for earned but unpaid revenue related to license fees $418 and $260 for the three months ended September 30, 2005 and 2004, respectively.

(b) Does not include a provision for earned but unpaid revenue related to license fees $670 and $708 for the nine months ended September 30, 2005 and 2004, respectively.

CREDIT ACCEPTANCE CORPORATION
SUMMARY FINANCIAL DATA CONTINUED
(Dollars in thousands)

A summary of changes in loans receivable is as follows:

	Year Ended December 31, 2004			
	Dealer Loans	Consumer Loan	Other Loans	Total
Balance, beginning of period	$ 537,671	$ 75,098	$ 6,668	$ 619,437
New loans	427,866	7,938	--	435,804
Dealer holdback payments	33,326	--	--	33,326
Net cash collections on loans	(365,119)	(27,615)	--	(392,734)
Write-offs	(7,104)	(23,783)	--	(30,887)
Recoveries	--	2,157	--	2,157
Net change in floorplan receivables, notes receivable and lines of credit	--	--	(2,318)	(2,318)
Other	--	584	--	584
Currency				

translation	(356)	2,381	--	2,025
Balance, end of period	$ 626,284	$ 36,760	$ 4,350	$ 667,394

	Year Ended December 31, 2003			
	Dealer Loans	Consumer Loan	Other Loans	Total
Balance, beginning of period	$ 462,508	$ 122,567	$ 12,326	$ 597,401
New loans	334,720	27,519	--	362,239
Dealer holdback payments	27,403	--	--	27,403
Net cash collections on loans	(285,522)	(46,221)	--	(331,743)
Write-offs	(2,468)	(39,106)	--	(41,574)
Recoveries	--	1,168	--	1,168
Net change in floorplan receivables, notes receivable and lines of credit	--	--	(5,658)	(5,658)
Other	--	837	--	837
Currency translation	1,030	8,334	--	9,364
Balance, end of period	$ 537,671	$ 75,098	$ 6,668	$ 619,437

CREDIT ACCEPTANCE CORPORATION
SUMMARY FINANCIAL DATA CONCLUDED
(Dollars in thousands)

A summary of the allowance for credit losses is as follows:

	For the Year Ended December 31, 2004			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 136,514	$ 6,689	$ 106	$ 143,309
Provision for credit losses (a)	5,094	(978)	1,174	5,290
Write-offs	(7,104)	(1,305)	--	(8,409)
Recoveries	--	2,023	--	2,023
Other change in floorplan receivables, notes receivable, and lines of credit	--	--	(1,270)	(1,270)
Currency translation	95	345	--	440
Balance, end				

of period	$ 134,599	$ 6,774	$ 10	$ 141,383

	For the Year Ended December 31, 2003			
	Dealer Loans	Consumer Loans	Other Loans	Total
Balance, beginning of period	$ 132,658	$ 6,550	$ 1,285	$ 140,493
Provision for credit losses (b)	6,109	744	1,100	7,953
Write-offs	(2,468)	(2,179)	--	(4,647)
Recoveries	--	1,123	--	1,123
Other change in floorplan receivables,notes receivable, and lines of credit	--	--	(2,279)	(2,279)
Currency translation	215	451	--	666
Balance, end of period	$ 136,514	$ 6,689	$ 106	$ 143,309

(a) Does not include a provision of $467 for earned but unpaid revenue related to license fees.
(b) Does not include a provision of $1,686 primarily related to the Company?s lease portfolio.

SOURCE: Credit Acceptance Corporation

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