UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2004

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from --------------- to ----------------

Commission File Number 000-20202

CREDIT ACCEPTANCE CORPORATION
(Exact name of registrant as specified in its charter)

MICHIGAN	38-1999511
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification)
25505 WEST TWELVE MILE ROAD, SUITE 3000 SOUTHFIELD, MICHIGAN	48034-8339
(Address of principal executive offices)	(zip code)

Registrant's telephone number, including area code: 248-353-2700

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [X] No [ ]

Indicate the number of shares outstanding of each of the issuer's class of common stock, as of the latest practicable date.

The number of shares outstanding of Common Stock, par value $.01, on April 30, 2004 was 39,239,103.

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ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

CREDIT ACCEPTANCE CORPORATION
CONSOLIDATED INCOME STATEMENTS
(UNAUDITED)

(Dollars in thousands, except per share data)	THREE MONTHS ENDED MARCH 31, 2004	THREE MONTHS ENDED MARCH 31, 2003
REVENUE:		
Finance charges	$ 29,754	$ 24,256
Ancillary product income	2,867	5,733
Lease revenue	647	2,336
Premiums earned	544	755
Other income	3,983	3,849
Total revenue	37,795	36,929
COSTS AND EXPENSES:		
Salaries and wages	8,796	8,517
General and administrative	5,507	5,484
Provision for credit losses	15,068	4,188
Sales and marketing	2,543	2,177
Interest	2,600	1,596
Stock-based compensation expense	567	375
Other expense	457	1,647
Total costs and expenses	35,538	23,984
Operating income	2,257	12,945
Foreign exchange gain	151	15
Income before provision for income taxes	2,408	12,960
Provision for income taxes	878	4,367
Net income	$ 1,530	$ 8,593
Net income per common share:		
Basic	$ 0.04	$ 0.20
Diluted	$ 0.04	$ 0.20
Weighted average shares outstanding:		
Basic	39,791,700	42,328,841
Diluted	42,159,338	42,407,981

See accompanying notes to consolidated financial statements.

CREDIT ACCEPTANCE CORPORATION
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(Dollars in thousands)	AS OF	
	MARCH 31, 2004	DECEMBER 31, 2003
ASSETS:		
Cash and cash equivalents	$ 17,595	$ 36,044
Loans receivable	956,867	875,417
Allowance for credit losses	(34,521)	(17,615)
Loans receivable, net	922,346	857,802
Notes receivable, net (including $1,600 and $1,583 from affiliates as of March 31, 2004 and December 31, 2003, respectively)	3,776	2,090
Lines of credit and floorplan receivables, net	3,458	4,472
Investment in operating leases, net	2,840	4,447
Property and equipment, net	18,598	18,503
Income taxes receivable	251	5,795
Other assets	13,973	14,627
Total Assets	$ 982,837	$ 943,780
LIABILITIES AND SHAREHOLDERS' EQUITY:		
LIABILITIES:		
Lines of credit	$ 66,200	$ -
Secured financing	83,434	100,000
Mortgage note	5,216	5,418
Capital lease obligations	1,608	1,049
Accounts payable and accrued liabilities	35,284	33,117
Dealer holdbacks, net	466,779	423,861
Deferred income taxes, net	14,972	22,770
Total Liabilities	673,493	586,215
SHAREHOLDERS' EQUITY:		
Preferred stock, $.01 par value, 1,000,000 shares authorized, none issued	-	-
Common stock, $.01 par value, 80,000,000 shares authorized, 39,239,103 and 42,128,087 shares issued and outstanding as of March 31, 2004 and December 31, 2003, respectively	392	421
Paid-in capital	75,538	125,078
Retained earnings	228,569	227,039
Accumulated other comprehensive income - cumulative translation adjustment	4,845	5,027
Total Shareholders' Equity	309,344	357,565
Total Liabilities and Shareholders' Equity	$ 982,837	$ 943,780

See accompanying notes to consolidated financial statements.

CREDIT ACCEPTANCE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 1,530	$ 8,593
Adjustments to reconcile cash provided by operating activities:		
Provision for credit losses	15,068	4,188
Depreciation	1,117	1,094
Depreciation of leased assets	438	1,548
Loss on retirement of property and equipment	150	--
Foreign currency gain on forward contracts	(151)	--
Credit for deferred income taxes	(7,798)	(3,035)
Stock-based compensation expense	567	375
Change in operating assets and liabilities:		
Accounts payable and accrued liabilities	1,690	2,868
Income taxes payable	--	4,732
Income taxes receivable	5,544	--
Lease payment receivable	95	238
Unearned commissions, insurance premiums and reserves	104	(130)
Deferred dealer enrollment fees, net	628	219
Other assets	654	1,823
Net cash provided by operating activities	19,636	22,513
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments - held to maturity	--	74
Principal collected on Loans receivable	111,669	90,905
Advances to dealers	(135,508)	(98,667)
Payments of dealer holdbacks	(7,654)	(7,628)
Accelerated payments of dealer holdbacks	(4,970)	(2,958)
Operating lease liquidations	1,074	2,256
Increase in notes receivable -- affiliates	(17)	(17)
Decrease (increase) in notes receivable -- non-affiliates	(1,759)	831
Decrease in lines of credit and floorplan receivables	769	1,475
Purchases of property and equipment	(557)	(1,200)
Net cash used in investing activities	(36,953)	(14,929)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net borrowings under lines of credit	66,200	12,072
Repayments of secured financings	(16,566)	(25,249)
Principal payments under capital lease obligations	(246)	(211)
Repayment of mortgage note	(202)	(190)
Repurchase of common stock	(50,650)	(58)
Proceeds from stock options exercised	514	35
Net cash used in financing activities	(950)	(13,601)
Effect of exchange rate changes on cash	(182)	(1,077)
Net decrease in cash and cash equivalents	(18,449)	(7,094)
Cash and cash equivalents, beginning of period	36,044	13,466
Cash and cash equivalents, end of period	$ 17,595	$ 6,372

SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS:		
Property and equipment acquired through capital lease obligations	$ 1,388	$ --
	=========	=========

See accompanying notes to consolidated financial statements.

CREDIT ACCEPTANCE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("generally accepted accounting principles" or "GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The results of operations for interim periods are not necessarily indicative of actual results achieved for full fiscal years. The consolidated balance sheet at December 31, 2003 has been derived from the audited financial statements at that date but does not include all the information and footnotes required by generally accepted accounting principles for complete financial statements. For further information, refer to the consolidated financial statements and footnotes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2003 for Credit Acceptance (the "Company"). Certain prior period amounts have been reclassified to conform to the 2004 presentation.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. SIGNIFICANT ACCOUNTING POLICIES

Finance Charges. The Company recognizes finance charge income in accordance with the provisions of Statement of Financial Accounting Standards ("SFAS") No. 91, "Accounting for Nonrefundable Fees and Costs Associated with Originating or Acquiring Loans and Initial Direct Costs of Leases (an Amendment of FASB Statements No. 13, 60, and 65 and a Rescission of FASB Statement No. 17)" ("SFAS No. 91"). SFAS No. 91 requires the Company to recognize finance charges under the interest method such that income is recognized on a level yield basis during the life of the underlying asset. During the first quarter of 2004, the Company revised its methodology for applying SFAS No. 91 such that finance charge income and the amount of the provision for earned but unpaid income at the time a retail installment contract (referred to as a "Loan") is transferred to non-accrual status can be calculated for each individual Loan. Prior to the first quarter of 2004, the Company calculated finance charge income and the provision for earned but unpaid revenue using a pooling methodology. The pooling methodology required the Company to make various assumptions and estimates which impacted the timing of income recognition and the classification of finance charge revenue and the provision for earned but unpaid revenue. The Company believes that this revised methodology improves the precision of the Company's calculation of finance charge revenue and the provision for earned but unpaid revenue. This revised methodology resulted in a change in the timing of revenue recognition as the actual term of contracts on a Loan by Loan basis was longer than the average Loan term as calculated under the pooling methodology, resulting in an approximately $3.5 million reduction in finance charges during the three months ended March 31, 2004, of which approximately $3.3 million relates to periods prior to December 31, 2003. In addition, the revised methodology resulted in a change in the amount of revenue recognized on a Loan prior to the Loan transferring to non-accrual status, resulting in an increase in finance charges and a corresponding increase in the provision for earned but unpaid revenue of approximately $3.5 million for the three months ended March 31, 2004. The Company does not believe the revised methodology will materially impact reported earnings in future periods.

Ancillary Product Income. The Company has relationships with third party service contract administrators ("TPAs") whereby the TPAs process claims on service contracts underwritten by third party insurers. The Company receives a commission for all such service contracts sold by its dealer-partners. The Company refers to dealers participating in the Company's financing program and sharing the Company's commitment to changing customers' lives as "dealer-partners". The Company recognizes the commission received from the TPAs in accordance with SEC Staff Accounting Bulletin No. 104, "Revenue Recognition" ("SAB 104"). Through December 31, 2003, the Company recognized ancillary product income for commissions received on the sale of third party vehicle service contracts upon the sale of the service contracts since: (i) delivery of the vehicle service contract occurs at this time, (ii) the Company bears no further obligation under the service contract, and (iii) the Company's commission is not subject to refund. During the first quarter of 2004, the Company entered into agreements with two new TPAs. The two new agreements differ from the prior agreement in three material respects: (i) the new agreements provide a commission to the Company on all vehicle service contracts sold by its dealer-partners, regardless of whether the vehicle service contract is financed by the Company, (ii) the new agreements pay a higher commission on vehicle service contracts financed by the Company, and (iii) the new agreements allow the Company to participate in underwriting profits depending on the level of future claims paid. Since the commission paid on financed vehicle service contracts is higher than the commission paid on non-financed vehicle service contracts, the Company concluded this difference in commissions rates was evidence of a multiple element revenue arrangement as defined under the provisions of SAB 104 and EITF 00-21, "Revenue Arrangements with Multiple Elements". As a result, the Company

2. SIGNIFICANT ACCOUNTING POLICIES -- (CONCLUDED)

considers the amount received from TPAs for financed vehicle service contracts to be comprised of two components, a component relating to the fair value of the commission (a "broker fee") and a larger component relating to providing the financing on the related Loan (a "financing premium").

The two new agreements also require that net premiums on the service contracts be placed in a trust account by the TPA. Funds in the trust account are utilized by the TPA to pay claims on the service contract. Underwriting profits, if any, on the service contracts are distributed to the Company after the term of the service contract has expired. Under FASB Interpretation No. 46, "Consolidation of Variable Interest Entities" ("FIN 46"), the Company is the primary beneficiary of the trusts. As a result, the assets and liabilities of the trust have been consolidated on the Company's balance sheet. As of March 31, 2004, the trust had $2.1 million in cash available to pay claims. These assets are included in cash and cash equivalents in the consolidated balance sheets. A third party insures claims in excess of available funds in the trust account.

Beginning January 1, 2004, broker fees generated under the two new agreements will be recognized over the life of the related vehicle service contract. Broker fees generated under the old agreement, which does not meet the requirements for consolidation under FIN 46, will be recognized upon the sale of the service contract. Under all three agreements, the financing premium will be deferred and amortized over the life of the underlying Loan as an adjustment to the yield consistent with the Company's accounting for finance charges under the interest method.

Under the new policy, the Company recognized $2.1 million in income during the three months ended March 31, 2004 and deferred $5.8 million of financing premiums. The Company estimates the deferred portion will be recognized as follows (in thousands):

2004	$ 2,311
2005	2,254
2006	1,135
2007	94
	$ 5,794

Loans Receivable and Allowance for Credit Losses. The Company maintains an allowance for credit losses that covers: (i) losses inherent in the Company's Loan portfolio, and (ii) earned but unpaid revenue on Loans in non-accrual status. Losses inherent in the Company's Loan portfolio result from Loans receivable determined to be uncollectible or that have expected future collections less than the full contractual amount, less any losses absorbed by dealer holdbacks. By definition, these losses equal the amount by which advances to dealer-partners plus accrued income (the "net investment") exceed the net present value of future cash flows related to the Loans receivable less the present value of estimated dealer holdback payments.

To record estimated losses on its Loan portfolio, as required under SFAS No. 114, "Accounting by Creditors for Impairment of a Loan - an amendment of FASB Statements No. 5 and 15", as amended by SFAS No. 118, "Accounting by Creditors for Impairment of a Loan- Income Recognition and Disclosures", the Company compares the present value of estimated future collections for each dealer-partner's Loan portfolio to the Company's net investment in that portfolio. During the quarter the Company developed a model for estimating the amount and timing of future dealer holdback payments and began to include the present value of expected future dealer holdback payments in its loss estimate. Considering estimated future dealer holdback payments increases the Company's loss estimate as cash flows used to evaluate impairment are reduced. This change resulted in a $9.4 million increase in the allowance for credit losses and reduced after-tax earnings by approximately $6.1 million. Deducting dealer holdback payments from the cash flows used to evaluate impairment will not increase the cash amount of losses or future charge-offs against the allowance.

3. LOANS RECEIVABLE

Loans receivable consisted of the following (in thousands):

	AS OF	
	MARCH 31, 2004	DECEMBER 31, 2003
Gross Loans receivable	$ 1,144,341	$ 1,035,681
Unearned finance charges	(184,813)	(157,707)
Unearned commissions, insurance premiums and reserves	(2,661)	(2,557)
Loans receivable	$ 956,867	$ 875,417
Non-accrual Loans	$ 195,070	$ 201,151
Non-accrual Loans as a percent of gross Loans receivable	17.0%	19.4%

A summary of the changes in gross Loans receivable is as follows (in thousands):

	THREE MONTHS ENDED MARCH 31,	
	2004	2003
Balance, beginning of period	$ 1,035,681	$ 910,417
Gross amount of Loans accepted	307,660	232,046
Net cash collections on Loans	(135,319)	(115,030)
Charge-offs *	(73,348)	(64,654)
Recoveries *	8,255	--
Net change in repossessed collateral	(82)	1,244
Currency translation	1,494	(681)
Balance, end of period	$ 1,144,341	$ 963,342

A summary of the changes in the allowance for credit losses is as follows (in thousands):

	THREE MONTHS ENDED MARCH 31,	
	2004	2003
Balance, beginning of period	$ 17,615	$ 20,991
Provision for credit losses	14,733	2,993
Charge-offs *	(1,042)	(1,021)
Recoveries *	3,109	--
Currency translation	106	(34)
Balance, end of period	$ 34,521	$ 22,929

* Charge-offs presented net of recoveries for the three months ended March 31, 2003

4. INVESTMENT IN OPERATING LEASES

Investment in operating leases consisted of the following (in thousands):

	AS OF MARCH 31, 2004	AS OF DECEMBER 31, 2003
Gross leased assets	$ 6,895	$ 10,274
Accumulated depreciation	(4,667)	(6,664)
Gross deferred costs	957	1,513
Accumulated amortization of deferred costs	(849)	(1,307)
Lease payments receivable	504	631
Investment in operating leases, net	$ 2,840	$ 4,447

A summary of the changes in the investment in operating leases is as follows (in thousands):

	THREE MONTHS ENDED MARCH 31, 2004	THREE MONTHS ENDED MARCH 31, 2003
Balance, beginning of period	$ 4,447	$ 17,879
Depreciation of operating leases	(438)	(1,548)
Lease payments receivable	690	2,349
Collections on operating leases	(784)	(2,587)
Provision for lease losses	--	(638)
Operating lease liquidations	(1,035)	(2,449)
Currency translation	(40)	193
Balance, end of period	$ 2,840	$ 13,199

5. OTHER ASSETS

Loans receivable are collateralized by the related vehicles. The Company has the right to repossess the vehicle in the event that the consumer defaults on the payment terms of the Loan. In accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", repossessed collateral is valued at the lower of the carrying amount of the receivable or estimated fair value, less estimated costs of disposition, and is classified in other assets in the consolidated balance sheets. As of March 31, 2004 and December 31, 2003, repossessed assets totaled approximately $6.1 million and $6.0 million, respectively.

6. DEALER HOLDBACKS

Dealer holdbacks, net consisted of the following (in thousands):

	AS OF MARCH 31, 2004	AS OF DECEMBER 31, 2003
Dealer holdbacks	$ 913,722	$ 828,720
Less: advances	(446,943)	(404,859)
Dealer holdbacks, net	$ 466,779	$ 423,861

7. RELATED PARTY TRANSACTIONS

In the normal course of its business, the Company regularly accepts assignments of Loans originated by affiliated dealer-partners owned by: (i) the Company's majority shareholder and Chairman; (ii) the Company's President; and (iii) a member of the Chairman's family. The Company accepts Loans from affiliated dealer-partners and nonaffiliated dealer-partners on the same terms. A summary of related party Loan activity is as follows (in thousands):

	Affiliated dealer-partner balance as of March 31, 2004	% of consolidated as of March 31, 2004	Affiliated dealer-partner balance as of December 31, 2003	% of consolidated as of December 31, 2003
Gross Loans receivable	$ 34,800	3.0%	$ 31,500	3.0%
Gross dealer holdbacks	$ 27,700	3.0%	$ 24,800	3.0%
Advance balance	$ 12,800	2.9%	$ 12,200	3.0%

	Affiliated dealer-partner activity for the three months ended March 31, 2004	% of consolidated for the three months ended March 31, 2004	Affiliated dealer-partner activity for the three months ended March 31, 2003	% of consolidated for the three months ended March 31, 2003
Loans accepted	$ 8,600	2.8%	$ 6,500	2.8%
Advances	$ 4,100	2.9%	$ 2,800	2.8%

In the normal course of business, the Company analyzes the viability of new products and services by first offering them to a small group of dealer-partners, which includes affiliated dealer-partners, prior to offering them to the entire network of dealer-partners.

Pursuant to an employment agreement with the Company's President dated April 19, 2001, the Company loaned the President's dealerships $850,000. The note, including all principal and interest, is due on April 19, 2011, bears interest at 5.22%, is unsecured, and is personally guaranteed by the Company's President. The balance of the note including accrued but unpaid interest was approximately $1,065,000 and $1,054,000 as of March 31, 2004 and December 31, 2003, respectively. In addition, pursuant to the employment agreement, the Company loaned the President approximately $478,000. The note, including all principal and interest, is due on April 19, 2011, bears interest at 5.22% beginning January 1, 2002, and is unsecured. The balance of the note including accrued interest was approximately $535,000 and $528,000 as of March 31, 2004 and December 31, 2003, respectively.

Total CAPS (the Company's Internet based Credit Approval Processing System) and dealer enrollment fees earned from affiliated dealer-partners were $14,000 and $17,000 for the three months ended March 31, 2004 and 2003, respectively.

The Company paid for air transportation services provided by a company owned by the Company's majority shareholder and Chairman totaling $21,000 and $15,000 for the three months ended March 31, 2004 and 2003, respectively.

Beginning in 2000, the Company offered a line of credit arrangement to certain dealers who were not participating in the Company's core business. These lines of credit are secured primarily by loans originated and serviced by the dealer, with additional security provided by the personal guarantee of the dealer's owner. The Company ceased offering this program to new dealers in the third quarter of 2001 and has been reducing the amount of capital invested in this program since that time. Beginning in 2002, entities owned by the Company's majority shareholder and Chairman began offering secured line of credit loans in a manner similar to the Company's prior program, at his dealerships and at two other dealers, one of whom also does business with the Company. The Company's majority shareholder and Chairman does not intend to expand his line of credit lending activities to additional dealers, except to dealerships which he owns or controls.

8. FORWARD CONTRACTS

In the third quarter of 2003, the Company entered into a series of forward contracts with a commercial bank to manage foreign currency exchange risk associated with the cash flows anticipated from the exit of the United Kingdom operation. As of March 31, 2004, the Company had contracts outstanding to deliver 12.1 million British pounds sterling to the commercial bank which will be exchanged into United States dollars at a weighted average exchange rate of 1.58 United States dollars per British pound sterling on a monthly basis through June 30, 2005. The Company believes that this transaction will minimize the currency exchange risk associated with an adverse change in the relationship between the United States dollar and the British pound sterling as it repatriates cash from the United Kingdom operation. As the Company has not designated these contracts as hedges as defined under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", as amended by SFAS No. 138 and SFAS No. 149, changes in the fair value of these forward contracts will increase or decrease net income. The fair value of the forward contracts were less than the notional amount of the contracts outstanding as of March 31, 2004 and December 31, 2003 by $2,665,000 and $2,816,000, respectively, due to the weakening of the United States dollar versus the British pound sterling since the date the contracts were entered into. During the first quarter of 2004, the Company recognized a foreign currency gain of $151,000 ($98,000 after-tax) related to the change in the fair value of the forward contracts due to the strengthening of the United States dollar versus the British pound sterling during the quarter.

9. INCOME TAXES

A reconciliation of the U.S. federal statutory rate to the Company's effective tax rate follows:

	THREE MONTHS ENDED MARCH 31,	
	2004	2003
U.S. federal statutory rate	35.0%	35.0%
State income taxes	(1.1)	0.3
Foreign income taxes	0.3	(1.2)
U.S. tax impact of foreign earnings	1.9	(0.4)
Other	0.4	-
Effective tax rate	36.5%	33.7%

The differences between the U.S. federal statutory rate and the Company's consolidated effective tax rate are primarily related to: (i) state income taxes that are included in the provision for income taxes, (ii) the impact of earnings generated by the Company's foreign operations, which are taxed at a different rate, and (iii) the impact of the exchange rate on the repatriation of foreign earnings. Repatriations of foreign earnings are taxed by the U.S. based on foreign exchange rates prevailing at the time of repatriation while foreign tax credits are calculated based on the exchange rates that prevailed when the income was originally earned.

10. BUSINESS SEGMENT INFORMATION

In the second quarter of 2003, the Company re-evaluated its business segments as a result of the decision to stop Loan originations in the United Kingdom and Canada. As a result, the Company has four reportable business segments: United States, United Kingdom, Automobile Leasing, and Other. Prior period amounts have been reclassified to conform to the current year presentation. The United States segment primarily consists of the Company's United States automobile financing business. The United Kingdom segment primarily consists of the Company's United Kingdom automobile financing business. The Automobile Leasing segment consists of the Company's automobile leasing business. The Other segment consists of the Company's Canadian automobile financing business and secured lines of credit and floorplan financing products. The Company is currently liquidating its operations in all segments other than the United States.

Selected segment information is set forth below (in thousands):

	THREE MONTHS ENDED MARCH 31,	
	2004	2003
Revenue:		
United States	$ 34,629	$ 29,349
United Kingdom	1,448	4,001
Automobile Leasing	1,382	2,629
Other	336	950
Total revenue	$ 37,795	$ 36,929
Income (loss) before provision (credit) for income taxes:		
United States	$ 1,738	$ 11,512
United Kingdom	322	1,751
Automobile Leasing	486	(514)
Other	(138)	211
Total income before provision for income taxes	$ 2,408	$ 12,960

11. NET INCOME PER SHARE

Basic net income per share has been computed by dividing net income by the weighted average number of common shares outstanding. Diluted net income per share has been computed by dividing net income by the total weighted average number of common shares and common stock equivalents outstanding. Common stock equivalents included in the computation represent shares issuable upon assumed exercise of stock options that would have a dilutive effect using the treasury stock method. The share effect is as follows:

	THREE MONTHS ENDED MARCH 31,	
	2004	2003
Weighted average common shares outstanding	39,791,700	42,328,841
Common stock equivalents	2,367,638	79,140
Weighted average common shares and common stock equivalents	42,159,338	42,407,981

The diluted net income per share calculation excludes stock options to purchase approximately 147,510 shares and 4,056,723 shares in the three months ended March 31, 2004 and 2003, respectively, as inclusion of these options would be anti-dilutive to the net income per share due to the relationship between the exercise prices and the average market price of common stock during these periods.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

EXECUTIVE SUMMARY

Since 1972, Credit Acceptance has provided auto loans to consumers, regardless of their credit history. The Company's product is offered through a nationwide network of automobile dealers who benefit by selling vehicles to consumers who otherwise could not obtain financing. The Company delivers credit approvals instantly through the Internet. The Company's revenues are generated primarily through the servicing fees it receives for the collection and administration of Loans assigned by dealer-partners to the Company, and to a lesser extent, through the fees it receives through the sale of third-party ancillary products.

The Company's strategy is to increase the amount of economic profit per share by increasing its return on capital and profitably growing its business. (See page 20 for the Company's definition of economic profit.) The Company believes it has been successful in improving the profitability of Loan originations in recent years as a result of increasing the spread between the forecasted collection rate and the advance rate, and increasing revenue from ancillary products. Consolidated Loan originations grew 33% while Loan originations in the United States grew 40% in the first quarter of 2004 compared to the same period in 2003 due to an increase in the number of active dealer-partners and an increase in the average Loan size. Since the Company believes it is the only financial services company offering "guaranteed credit approval" for automobile dealers on a national scale, and the Company presently serves only a small portion of its target market, the Company believes that it has a good opportunity to grow its business profitably in the future.

Critical success factors for the Company include its access to capital and its ability to accurately forecast Loan performance. The Company's strategy for accessing the capital required to grow its business is to: (i) maintain consistent financial performance, (ii) maintain modest financial leverage, and (iii) maintain multiple funding sources. The Company's current funded debt to equity ratio is 0.5/1.0 at March 31, 2004. The Company currently funds its business through a bank line of credit facility, privately placed secured financings and commercial bank conduit financed secured financings. The ability to accurately forecast Loan performance is critical to building a profitable company. On the day of Loan origination, the Company forecasts future expected cash flows from the Loan. Based on these forecasts, an advance is made to dealer-partners that allows the Company to achieve an acceptable return on capital. If Loan performance equals or exceeds the Company's original expectation, it is likely the Company's target return on capital will be achieved.

FORECASTING LOAN PERFORMANCE

The following table presents forecasted 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 March 31, 2004. The amounts presented are expressed as a percent of the original Loan amount by year of Loan origination.

	As of March 31, 2004			
Year	Forecasted Collection %	Advance %	Spread %	% of Forecast Realized
1992	81.5%	35.3%	46.2%	100.0%
1993	75.8%	37.3%	38.5%	100.0%
1994	61.9%	41.8%	20.1%	99.9%
1995	56.2%	45.9%	10.3%	99.3%
1996	56.6%	49.1%	7.5%	98.7%
1997	59.5%	49.1%	10.4%	98.3%
1998	67.9%	49.7%	18.2%	98.3%
1999	72.1%	53.6%	18.5%	98.3%
2000	71.2%	52.5%	18.7%	97.0%
2001	67.0%	49.3%	17.7%	87.6%
2002	68.8%	46.0%	22.8%	68.2%
2003	72.1%	47.0%	25.1%	30.9%

Accurately predicting future collection rates is critical to the Company's success. The risk of a forecasting error declines as Loans age. For example, the risk of a material forecasting error for business written in 1999 is very small since 98.3% of the total amount forecasted has already been realized. In contrast, the Company's forecast for recent Loan originations is less certain. If the Company produces disappointing operating results, it will likely be because the Company overestimated future Loan performance. The Company intends to make every effort to assess collection rates as accurately as possible.

A wider spread between the forecasted collection rate and the advance rate reduces the Company's risk of credit losses. Because collections are applied to advances on an individual dealer-partner basis, a wide spread does not eliminate the risk of losses, but it does reduce the risk significantly. The Company made no material changes in credit policy or pricing in the first quarter, other than routine changes designed to maintain current profitability levels.

One method for evaluating the reasonableness of the Company's forecast is to examine the trends in forecasted collection rates over time. The following table compares the Company's forecast of collection rates for Loans originated by year as of March 31, 2004 with the forecast as of December 31, 2003.

Year	March 31, 2004 Forecasted Collection %	December 31, 2003 Forecasted Collection %	Variance
1992	81.5%	81.5%	0.0%
1993	75.8%	75.7%	0.1%
1994	61.9%	61.8%	0.1%
1995	56.2%	56.2%	0.0%
1996	56.6%	56.5%	0.1%
1997	59.5%	59.3%	0.2%
1998	67.9%	67.7%	0.2%
1999	72.1%	71.9%	0.2%
2000	71.2%	71.0%	0.2%
2001	67.0%	66.9%	0.1%
2002	68.8%	69.1%	-0.3%
2003	72.1%	72.0%	0.1%

RESULTS OF OPERATIONS

The following is a discussion of the results of operations and income statement data for the Company on a consolidated basis and for each of the Company's four business segments, United States, United Kingdom, Automobile Leasing and Other.

Consolidated

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	% OF REVENUE	THREE MONTHS ENDED MARCH 31, 2003	% OF REVENUE
REVENUE:				
Finance charges	$ 29,754	78.8%	$ 24,256	65.8%
Ancillary product income	2,867	7.6	5,733	15.5
Lease revenue	647	1.7	2,336	6.3
Premiums earned	544	1.4	755	2.0
Other income	3,983	10.5	3,849	10.4
Total revenue	37,795	100.0	36,929	100.0
COSTS AND EXPENSES:				
Salaries and wages	8,796	23.2	8,517	23.0
General and administrative	5,507	14.6	5,484	14.9
Provision for credit losses	15,068	39.9	4,188	11.3
Sales and marketing	2,543	6.7	2,177	5.9
Interest	2,600	6.9	1,596	4.3
Stock-based compensation expense	567	1.5	375	1.0
Other expense	457	1.2	1,647	4.5
Total costs and expenses	35,538	94.0	23,984	64.9
Operating income	2,257	6.0	12,945	35.1
Foreign exchange gain	151	0.4	15	--
Income before provision for income taxes	2,408	6.4	12,960	35.1
Provision for income taxes	878	2.4	4,367	11.8
Net income	$ 1,530	4.0%	$ 8,593	23.3%

Three Months Ended March 31, 2004 Compared to Three Months Ended March 31, 2003

For the three months ended March 31, 2004, consolidated net income decreased to $1.5 million from $8.6 million for the same period in 2003. Consolidated net income for the three months ended March 31, 2004 included: (i) a decrease in net income in the United States business segment to $1.1 million in 2004 from $7.5 million in 2003, (ii) a decrease in net income in the United Kingdom business segment to $226,000 in 2004 from $1.3 million in 2003, (iii) an increase in net income in the Automobile Leasing business segment to $305,000 in 2004 from ($317,000) in 2003, and (iv) a decrease in net income in the Other business segment to ($103,000) in 2004 from $124,000 in 2003.

The decrease in net income in the United States was primarily due to an increase in the provision for credit losses to $14.8 million in 2004 from $2.8 million in 2003. The increase in provision for credit losses was primarily due to: (i) a $9.4 million increase due to the Company's change in estimate for recording losses on its Loan portfolio which now considers estimated future dealer holdback payments in its analysis of Loan impairment, and (ii) a $3.5 million increase in credit losses associated with the Company's revised methodology for calculating finance charge income and the related provision for earned but unpaid servicing fees, both as discussed in Note 2 to the consolidated financial statements. To a lesser extent, the decrease in net income is due to a decrease in ancillary product income to $2.9 million in 2004 from $4.8 million in 2003 due to the new policy for recognizing income on third-party service contracts sold, as discussed in Note 2 to the consolidated financial statements. Partially offsetting the decreases to income was an increase in finance charges to $28.1 million in 2004 from $20.8 million in 2003 as a result of increases in the average size of the Loan portfolio and the average annualized yield on the Company's Loan portfolio.

The decrease in net income for the United Kingdom was primarily due to the Company's decision to stop originating Loans effective June 30, 2003.

The results of operations for the Company as a whole are attributable to changes described by segment in the discussion of the results of operations in the United States, United Kingdom, Automobile Leasing, and Other business segments. The following discussion of the results of operations for interest expense is provided on a consolidated basis, as the explanation is not meaningful by business segment.

Interest. Consolidated interest expense increased to $2.6 million for the three months ended March 31, 2004 from $1.6 million for the same period in 2003. The increase in consolidated interest expense was due to: (i) an increase in the weighted average interest rate to 8.0% for the three months ended March 31, 2004 from 6.4% for the same period in 2003 as a result of an increase in the total effective cost of borrowings under the revolving facilities due to fixed fees and lower usage, and (ii) an increase in average outstanding debt as a result of stock repurchases and an increase in Loan originations.

United States

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	% OF REVENUE	THREE MONTHS ENDED MARCH 31, 2003	% OF REVENUE
REVENUE:				
Finance charges	$ 28,083	81.0%	$ 20,759	70.7%
Ancillary product income	2,867	8.3	4,848	16.5
Premiums earned	544	1.6	755	2.6
Other income	3,135	9.1	2,987	10.2
Total revenue	34,629	100.0	29,349	100.0
COSTS AND EXPENSES:				
Salaries and wages	7,952	23.0	7,290	24.8
General and administrative	4,855	14.0	4,517	15.4
Provision for credit losses	14,806	42.8	2,840	9.7
Sales and marketing	2,543	7.3	1,838	6.3
Interest	2,360	6.8	946	3.2
Stock-based compensation expense	522	1.5	296	1.0
Other expense	19	0.1	99	0.3
Total costs and expenses	33,057	95.5	17,826	60.7
Operating income	1,572	4.5	11,523	39.3
Foreign exchange gain (loss)	166	0.5	(11)	(0.1)
Income before provision for income taxes	1,738	5.0	11,512	39.2
Provision for income taxes	635	1.8	4,032	13.7
Net income	$ 1,103	3.2%	$ 7,480	25.5%

Finance Charges. Finance charges increased to $28.1 million for the three months ended March 31, 2004 from $20.8 million for the same period in 2003 primarily due to increases in: (i) the average size of the Loan portfolio resulting from an increase in Loan originations in 2003 and the first quarter of 2004 and (ii) the average annualized yield on the Company's Loan portfolio to 13.6% for the three months ended March 31, 2004 from 12.7% for the same period in 2003. The increase in Loan originations in the United States in the first quarter of 2004 is due to: (i) an increase in the number of active dealer-partners due to an increase in dealer-partner enrollments to 138 for the three months ended March 31, 2004 from 95 in the same period in 2003, and (ii) an increase in the average Loan size. The increase in the average yield was primarily due to a decrease in the percent of non-accrual Loans to 15.5% at March 31, 2004 from 19.0% at March 31, 2003 resulting primarily from the increase in Loan originations and, to a lesser extent, improvements in credit quality. Selected Loan origination data follows:

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31,		FOR THE YEARS ENDED DECEMBER 31,		
	2004	2003	2003	2002	2001
Loan originations	$307,660	$ 220,282	$ 785,667	$ 571,690	$ 646,572
Number of Loans originated	23,841	18,206	62,334	49,650	61,277
Number of active dealer-partners (1)	843	632	916	789	1,120
Loans per active dealer-partner	28.3	28.8	68.1	62.9	54.7
Average Loan size	$ 12.9	$ 12.1	$ 12.6	$ 11.5	$ 10.6

(1) Active dealer-partners are dealer-partners who submitted at least one Loan during the period.

Loan originations increased 40% in the three months ended March 31, 2004 compared to the same period in 2003, which is higher than the Company's expected long-term growth rate. For the month of April 2004, Loan origination growth slowed to 16% when compared to April 2003.

Ancillary Product Income. Ancillary product income decreased to $2.9 million for the three months ended March 31, 2004 from $4.8 million for the same period in 2003 primarily due to the new policy, implemented prospectively in the first quarter of 2004, for recognizing income on third-party service contracts sold that deferred approximately $5.8 million in commission revenue as discussed in Note 2 to the consolidated financial statements. This decrease was partially offset by an increase in the number of third party service contract products sold resulting from increases in Loan originations and penetration rates during 2004 compared to 2003, and increases in revenue per vehicle service contract.

Premiums Earned. Premiums earned decreased to $544,000 for the three months ended March 31, 2004 from $755,000 for the same period in 2003 primarily due to a decrease in penetration rates on the Company's in-house service contract and credit life and accident and health products. The Company discontinued offering its in-house service contract product in November 2003.

Salaries and Wages. Salaries and wages increased to $8.0 million for the three months ended March 31, 2004 from $7.3 million for the same period in 2003 primarily due to increases of: (i) $200,000 in servicing salaries due to an increase in servicing personnel as a result of an increase in the number of Loans serviced, (ii) $200,000 for corporate support salaries, and (iii) $100,000 in employee benefits. The Company expects that servicing salaries will grow at a rate commensurate with the growth in the number of Loans serviced.

General and Administrative. General and administrative expenses increased to $4.9 million for the three months ended March 31, 2004 from $4.5 million for the same period in 2003. The increases were primarily due to: (i) an increase of $300,000 in data processing expenses and (ii) $150,000 in losses on the termination of a lease of computer hardware in 2004.

Sales and Marketing. Sales and marketing expenses increased to $2.5 million for the three months ended March 31, 2004 from $1.8 million for the same period in 2003 due primarily to increased sales commissions as a result of increased unit volumes.

Stock-based Compensation Expense. Stock-based compensation expense increased to $522,000 for the three months ended March 31, 2004 from $296,000 for the same period in 2003. While the number of stock options outstanding declined from the prior year period, stock-based compensation expense increased as a result of a reduction in the period over which certain performance-based stock options are expected to vest.

Provision for Credit Losses. The provision for credit losses increased to $14.8 million for the three months ended March 31, 2004 from $2.8 million for the same period in 2003. The provision for credit losses consists of three components: (i) a provision for earned but unpaid revenue on Loans which were transferred to non-accrual status during the period, (ii) a provision to reflect losses inherent in the Company's Loan portfolio, and (iii) a provision for losses on notes receivable. The increase in the provision for credit losses for the three months ended March 31, 2004 was primarily due to: (i) a $9.4 million increase in credit losses associated with the Company's revised methodology for recording losses on its Loan portfolio which now considers estimated future dealer holdback payments in its analysis of Loan impairment, and (ii) a $3.5 million increase in credit losses associated with the Company's change in estimate for calculating finance charge income and the related provision for earned but unpaid servicing fees, both as discussed in Note 2 to the consolidated financial statements.

Foreign Exchange Gain (Loss). The foreign exchange gain increased to $166,000 for the three months ended March 31, 2004 from a loss of $11,000 for the same period in 2003. In the third quarter of 2003, the Company entered into forward contracts to ensure that currency fluctuations would not reduce the amount of United States dollars received from the liquidation of the United Kingdom operation. The foreign exchange gain for the three months ended March 31, 2004 was primarily the result of an increase in the fair value of these forward contracts since December 31, 2003, due to the strengthening of the United States dollar versus the British pound sterling during the period. The increase in fair value of the forward contracts was approximately offset by a decrease in shareholders' equity due to a decrease in the value of British pound sterling denominated net assets held.

Provision for Income Taxes. The effective tax rate increased to 36.5% for the three months ended March 31, 2004 from 35.0% for the same period in 2003. The increase in the effective tax rate for the three months ended March 31, 2004 was primarily due to the effects of foreign exchange rates on the taxes associated with the repatriation of foreign earnings.

United Kingdom

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	% OF REVENUE	THREE MONTHS ENDED MARCH 31, 2003	% OF REVENUE
REVENUE:				
Finance charges	$ 1,448	100.0%	$ 3,102	77.6%
Ancillary product income	--	--	885	22.1
Other income	--	--	14	0.3
Total revenue	1,448	100.0	4,001	100.0
COSTS AND EXPENESS:				
Salaries and wages	611	42.3	871	21.8
General and adminisrative	520	35.9	560	14.0
Provision for credit losses	(50)	(3.5)	--	--
Sales and marketing	--	--	306	7.6
Stock-based compensation expense	45	3.1	79	2.0
Other expense	--	--	434	10.8
Total costs and expenses	1,126	77.8	2,250	56.2
Income before provision for income taxes	322	22.2	1,751	43.8
Provision for income taxes	96	6.6	445	11.2
Net income	$ 226	15.6%	$ 1,306	32.6%

Effective June 30, 2003, the Company decided to stop originating Loans in the United Kingdom. As a result, the average size of the Loan portfolio in the United Kingdom has declined significantly. The decline in the revenues and expenses were primarily a result of this decision.

Automobile Leasing

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	% OF REVENUE	THREE MONTHS ENDED MARCH 31, 2003	% OF REVENUE
REVENUE:				
Lease revenue	$ 647	46.8%	$ 2,336	88.9%
Other income	735	53.2	293	11.1
Total revenue	1,382	100.0	2,629	100.0
COSTS AND EXPENSES:				
Salaries and wages	186	13.4	273	10.3
General and administrative	62	4.5	298	11.3
Provision for credit losses	--	--	638	24.3
Interest	195	14.1	412	15.7
Other expense	438	31.7	1,548	58.9
Total costs and expenses	881	63.7	3,169	120.5
Operating gain (loss)	501	36.3	(540)	(20.5)
Foreign exchange gain (loss)	(15)	(1.1)	26	0.9
Income (loss) before provision (credit) for income taxes	486	35.2	(514)	(19.6)
Provision (credit) for income taxes	182	13.2	(197)	(7.5)
Net income (loss)	$ 304	22.0%	$ (317)	(12.1)%

In January 2002, the Company decided to stop originating automobile leases. As a result, the average size of the lease portfolio has declined significantly. The decline in the revenues and expenses were primarily a result of this decision, except as discussed below.

Other Income. Other income, as a percent of revenue, increased to 53.2% for the three months ended March 31, 2004 from 11.1% in 2003 due to an increase in the average gain per lease termination.

Other

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	% OF REVENUE	THREE MONTHS ENDED MARCH 31, 2003	% OF REVENUE
REVENUE:				
Finance charges	$ 223	66.4%	$ 395	41.6%
Other income	113	33.6	555	58.4
Total revenue	336	100.0	950	100.0
COSTS AND EXPENSES:				
Salaries and wages	47	14.0	83	8.6
General and administrative	70	20.8	109	11.5
Provision for credit losses	312	92.9	276	29.1
Sales and marketing	--	--	33	3.5
Interest	45	13.4	238	25.1
Total costs and expenses	474	141.1	739	77.8
Income (loss) before provision (credit) for income taxes	(138)	(41.1)	211	22.2
Provision (credit) for income taxes	(35)	(10.4)	87	9.1
Net income (loss)	$ (103)	(30.7)%	$ 124	13.1%

The Other segment consists of the Company's Canadian automobile Loan business, floorplan, and secured line of credit financing businesses. Effective June 30, 2003, the Company decided to stop originating Loans in Canada. As a result, the average size of the Loan portfolio in Canada has declined significantly. The Company has also decided to significantly reduce its floorplan and secured line of credit portfolios since 2001. The decline in the revenues and expenses were primarily a result of these decisions.

AVERAGE CAPITAL ANALYSIS

The following presentation of financial results and subsequent analysis is based on analyzing the consolidated income statement as a percent of capital invested. This information provides an additional perspective on the financial performance of the Company in addition to the presentation of the Company's results as a percent of revenue. The Company believes this information provides a useful measurement of how effectively the Company is utilizing its capital on a consolidated basis.

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	% OF AVERAGE CAPITAL (1)	THREE MONTHS ENDED MARCH 31, 2003	% OF AVERAGE CAPITAL (1)
REVENUE:				
Finance charges	$ 29,754	26.0%	$ 24,256	22.6%
Ancillary product income	2,867	2.5	5,733	5.4
Lease revenue	647	0.6	2,336	2.2
Premiums earned	544	0.5	755	0.7
Other income	3,983	3.5	3,849	3.6
Total revenue	37,795	33.1	36,929	34.5
COSTS AND EXPENSES:				
Salaries and wages	8,796	7.7	8,517	8.0
General and administrative	5,507	4.8	5,484	5.1
Provision for credit losses	15,068	13.2	4,188	3.9
Sales and marketing	2,543	2.2	2,177	2.0
Interest	2,600	2.3	1,596	1.5
Stock-based compensation expense	567	0.5	375	0.4
Other expense	457	0.4	1,647	1.5
Total costs and expenses	35,538	31.1	23,984	22.4
Operating income	2,257	2.0	12,945	12.1
Foreign exchange gain	151	0.1	15	--
Income before provision for income taxes	2,408	2.1	12,960	12.1
Provision for income taxes	878	0.8	4,367	4.1
Net income	$ 1,530	1.3%	$ 8,593	8.0%
Average capital (1)	$ 456,491		$ 428,104	

(1) Average capital is equal to the average amount of debt and equity during the period, each calculated in accordance with generally accepted accounting principles. The calculation of average capital follows:

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	2003
Average debt	$ 129,542	$ 99,252
Average shareholders' equity	326,949	328,852
Average capital	$ 456,491	$ 428,104

RETURN ON CAPITAL ANALYSIS

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

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2004	2003
Net income	$ 1,530	$ 8,593
Interest expense after-tax	1,690	1,037
Net operating profit after-tax	3,220	9,630
Average capital	$ 456,491	$ 428,104
Return on capital	2.8%	9.0%

The decrease in return on capital was primarily a result of: (i) the Company's change in estimate for establishing the allowance for credit losses which now considers estimated future dealer holdback payments in its analysis of Loan impairment, which reduced the Company's return on capital by 5.6%; (ii) the Company's new policy for recognizing vehicle service contract commissions, which reduced the Company's return on capital by 3.4%; and (iii) the Company's revised methodology for recognizing finance charges and the provision for earned by unpaid income, which reduced the Company's return on capital by 2.0%. Absent these items, return on capital would have been 13.8% for the three months ended March 31, 2004. The average total capital invested in the United States as a percent of total capital invested was 92% and 81% for the three months ended March 31, 2004 and 2003, respectively.

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 its total capital, both debt and equity. To consider the cost of both debt and equity, the Company's calculation of economic profit deducts from net income as determined under GAAP 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 investing capital in its core business with the return they could expect if the Company returned capital to shareholders and they invested in other securities. The Company generated an economic profit (loss) of ($6,644,000), or ($0.16) per diluted share, for the three months ended March 31, 2004 compared to $372,000, or $0.01 per diluted share, for the same period in 2003.

The following table presents the calculation of the Company's economic profit (loss) for the periods indicated (dollars in thousands, except per share data):

	FOR THE THREE MONTHS ENDED MARCH 31,	
	2004	2003
ECONOMIC PROFIT		
Net income (1)	$ 1,530	$ 8,593
Imputed cost of equity at 10% (2)	(8,174)	(8,221)
Total economic profit (loss)	$ (6,644)	$ 372
Diluted weighted average shares outstanding	42,159,338	42,407,981
Economic profit (loss) per share (3)	$ (0.16)	$ 0.01

(1) Consolidated net income from the Consolidated Statement of Income. See "Item 1. Consolidated Financial Statements."

(2) Cost of equity is equal to 10% (on an annual basis) of average shareholders' equity, which was $326,949,000 and $328,852,000 for the three months ended March 31, 2004 and 2003, respectively.

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

CRITICAL ACCOUNTING POLICIES AND LOSS EXPERIENCE

The Company's consolidated financial statements are prepared in accordance with GAAP. The preparation of these financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, the Company evaluates its estimates, including those related to the recognition of finance charge revenue and the allowance for credit losses. Item 7 of the Company's Annual Report on Form 10-K discusses several critical accounting policies, which the Company believes involve a high degree of judgment and complexity. See Note 2 to the consolidated financial statements, which is incorporated herein by reference, for material changes to the estimates and judgments associated with the finance charge revenue, allowance for credit losses, and ancillary product income accounting policies during the three months ended March 31, 2004.

LOSS EXPERIENCE

The following sets forth the components of the provision for credit losses, charge-offs related to the Company's Loan portfolio, and the allowance for credit losses as a percentage of gross Loans receivable:

(Dollars in thousands)	FOR THE THREE MONTHS ENDED MARCH 31, 2004	2003
Provision for credit losses:		
Loans receivable (1)	$ 14,733	$ 2,993
Leased vehicles	--	638
Other	335	557
Total provision for credit losses	$ 15,068	$ 4,188
Net charge-offs related to the Company's Loan portfolio absorbed through:		
Dealer holdbacks	$ 54,267	$ 51,472
Unearned finance charges	12,893	12,161
Allowance for credit losses (2)	(2,067)	1,021
Total net charge-offs	$ 65,093	$ 64,654

(1) The increase in provision for credit losses was primarily due to: (i) the Company's change in estimate for recording losses on its Loan portfolio which now considers estimated future dealer holdback payments in its analysis of Loan impairment, and (ii) credit losses associated with the Company's revised methodology for calculating finance charge income and the related provision for earned but unpaid servicing fees, both as discussed in Note 2 to the consolidated financial statements.

(2) The net recoveries for the three months ended March 31, 2004 are primarily the result of changes to the Company's write-off policy, which was implemented in the third quarter of 2003.

The allowance for credit losses as a percentage of gross Loans receivable was 3.0% and 1.7% at March 31, 2004 and December 31, 2003, respectively.

LIQUIDITY AND CAPITAL RESOURCES

The Company's primary sources of capital are cash flows from operating activities, collections on Loans receivable and borrowings under the Company's line of credit and secured financings. The Company's principal need for capital is to fund cash advances made to dealer-partners in connection with the acceptance of Loans and for the payment of dealer holdbacks to dealer-partners who have repaid their advance balances.

The Company's cash and cash equivalents decreased to $17.6 million as of March 31, 2004 from $36.0 million at December 31, 2003 and the Company's total balance sheet indebtedness increased to $156.5 million at March 31, 2004 from $106.5 million at December 31, 2003. These changes are primarily a result of $50.7 million in stock repurchases during the period and an increase in advances to dealers resulting from an increase in Loan originations during the period. In the fourth quarter of 2003, the Board of Directors authorized the repurchase of 2.6 million common shares through a modified Dutch tender offer. Upon expiration of the tender offer in January 2004, the Company repurchased 2.2 million shares at a cost of $37.4 million.

The following table summarizes the Company's stock repurchases for the three months ended March 31, 2004:

PERIOD	TOTAL NUMBER OF SHARES PURCHASED	AVERAGE PRICE PAID PER SHARE	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	MAXIMUM NUMBER OF SHARES THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS
January 6, 2004 - January 30, 2004 (a) (b)	2,466,697	$ 17.00	2,466,697	247,242
February 4, 2004 - February 25, 2004 (b)	188,765	16.80	188,765	58,477
March 15, 2004 - March 31, 2004 (b)	302,246	18.07	302,246	756,231
	2,957,708	$ 17.10	2,957,708	

(a) On November 26, 2003, the Company announced a modified Dutch tender offer to purchase up to 2,600,000 shares of its common stock at a purchase price of not less than $12.50 per share and not greater than $17.00 per share. Upon the expiration of the tender offer on January 6, 2004, the Company repurchased all of the 2,201,744 tendered shares of its common stock at $17.00 per share.

(b) On August 5, 1999 the Company announced a stock repurchase program of up to 1,000,000 shares of the Company's common stock. The program authorized the Company to purchase common shares in the open market or in privately negotiated transactions at price levels the Company deems attractive. Since August 1999, the board of directors has authorized several increases to the stock repurchase program, the most recent occurring on March 10, 2004, which increased the total number of shares authorized to be repurchased to 7,000,000 shares.

Line of Credit Facility. At March 31, 2004, the Company had a $135.0 million credit agreement with a commercial bank syndicate. The facility has a commitment period through June 9, 2005. The agreement provides that, at the Company's discretion, interest is payable at either the eurodollar rate plus 140 basis points (2.50% at March 31, 2004), or at the prime rate (4.0% at March 31, 2004). The eurodollar borrowings may be fixed for periods of up to six months. Borrowings under the credit agreement are subject to a borrowing base limitation equal to 65% of advances to dealer-partners and leased vehicles (as reflected in the consolidated financial statements and related notes), less a hedging reserve (not exceeding $1.0 million), the amount of letters of credit issued under the line of credit, and the amount of other debt secured by the collateral which secures the line of credit. Currently, the borrowing base limitation does not inhibit the Company's borrowing ability under the line of credit. The credit agreement has certain restrictive covenants, including a minimum required ratio of the Company's assets to debt, its liabilities to tangible net worth, and its earnings before interest, taxes and non-cash expenses to fixed charges. Additionally, the agreement requires that the Company maintain a specified minimum level of net worth. Borrowings under the credit agreement are secured by a lien on most of the Company's assets. The Company must pay annual and quarterly fees on the amount of the commitment. As of March 31, 2004, there was $66.2 million outstanding under this facility. There were no amounts outstanding under this facility as of December 31, 2003. The weighted average interest rate on line of credit borrowings outstanding as of March 31, 2004 was 2.9%.

Secured Financing. In the second quarter of 2003, the Company's wholly-owned subsidiary, Credit Acceptance Funding LLC 2003-1 ("Funding 2003-1"), completed a secured financing transaction, in which Funding 2003-1 received $100.0 million in financing. In connection with this transaction, the Company conveyed, for cash and the sole membership interest in Funding 2003-1, dealer-partner advances having a carrying amount of approximately $134.0 million to Funding 2003-1, which, in turn, conveyed the advances to a trust, which issued $100 million in notes to qualified institutional investors. A financial insurance policy was issued in connection with the transaction. The policy guarantees the timely payment of interest and ultimate repayment of principal on the final scheduled distribution date. The notes are rated "AA" by Standard & Poor's Rating Services. The proceeds of the conveyance to Funding 2003-1 were used by the Company to reduce outstanding borrowings under the Company's line of credit. Until December 15, 2003, the Company and Funding 2003-1 received additional proceeds from the transaction by having the Company convey additional dealer-partner advances to Funding 2003-1 that were then conveyed by Funding 2003-1 to the trust and used by the trust as collateral to support additional borrowings. Additional dealer-partner advances having a carrying amount of approximately $35.0 million were conveyed by the Company after the completion of the initial funding. After December 15, 2003, the debt outstanding under the facility began to amortize. The total expected term of the facility is 16 months. The secured financing creates loans for which the trust is liable and which are secured by all the assets of the trust and of Funding 2003-1. Such loans are non-recourse to the Company, even though the trust, Funding 2003-1 and the Company are consolidated for financial reporting purposes. The notes bear interest at a fixed rate of 2.77%. The expected annualized cost of the secured financing, including underwriters fees, the insurance premium and other costs is approximately 6.8%. As Funding 2003-1 is organized as a separate legal entity from the Company, assets of Funding 2003-1 (including the conveyed dealer-partner advances) will not be available to satisfy the general obligations of the Company. All the assets of Funding 2003-1 have been encumbered to secure Funding 2003-1's obligations to its creditors. The Company receives a monthly servicing fee paid out of collections equal to 6% of the collections received with respect to the conveyed dealer-partner advances and related Loans. Except for the servicing fee and payments due to dealer-partners, the Company does not receive, or have any rights in, any portion of such collections until the trust's underlying indebtedness is paid in full, either through collections or through a prepayment of the indebtedness. Thereafter, remaining collections would be paid over to Funding 2003-1 as the sole beneficiary of the trust where they would be available to be distributed to the Company as the sole member of Funding 2003-1, or the Company may choose to cause Funding 2003-1 to repurchase the remaining dealer-partner advances from the trust and then dissolve, whereby the Company would become the owner of such remaining collections. As of March 31, 2004, there was $63.4 million outstanding under this facility.

In the third quarter of 2003, the Company's wholly-owned subsidiary, CAC Warehouse Funding Corp. II ("Warehouse Funding" or "2003-2"), completed a revolving secured financing transaction with an institutional investor, in which Warehouse Funding may receive up to $100.0 million in financing when the Company conveys dealer-partner advances to Warehouse Funding for equity in Warehouse Funding. Warehouse Funding will in turn pledge the dealer-partner advances as collateral to the institutional investor to secure loans that will fund the cash portion of the purchase price of the dealer-partner advances. During the first quarter of 2004, $32.2 million in dealer-partner advances were contributed, resulting in $20 million in financing proceeds. This revolving facility allows conveyances of dealer-partner advances by the Company and related borrowing by Warehouse Funding in which Warehouse Funding will receive 70% of the net book value of the contributed dealer-partner advances up to the $100.0 million facility limit. The facility has a commitment period through September 28, 2004. Provided that the commitment is renewed, there is a requirement that any amounts outstanding under the facility be refinanced, and the facility paid to zero, by December 23, 2004. If this does not occur, the transaction will cease to revolve, will amortize as collections are received and, at the option of the institutional investor, may be subject to acceleration and foreclosure. Upon completion of the refinancing and pay down, the full facility will again be available to Warehouse Funding. Although Warehouse Funding will be liable for any secured financing under the facility, the loans will be non-recourse to the Company, even though Warehouse Funding and the Company are consolidated for financial reporting purposes. Such loans will bear interest at a floating rate equal to the commercial paper rate plus 65 basis points, which has been limited to a maximum rate of 6.25% through an interest rate cap agreement executed in the fourth quarter of 2003. As Warehouse Funding is organized as a separate special purpose legal entity from the Company, assets of Warehouse Funding (including the conveyed dealer-partner advances) will not be available to satisfy the general obligations of the Company. All the assets of Warehouse Funding have been encumbered to secure Warehouse Funding's obligations to its creditors. The Company will receive a monthly servicing fee paid out of collections equal to 6% of the collections received with respect to the conveyed dealer-partner advances and related Loans. Except for the servicing fee and payments due to dealer-partners, the Company will not receive, or have any rights in, any portion of such collections until Warehouse Funding's underlying indebtedness is paid in full either through collections or through a prepayment of the indebtedness.

The Company has completed a total of ten secured financing transactions, eight of which have been repaid in full. Information about the currently outstanding secured financing transactions is as follows (dollars in thousands):

Issue Number	Close Date	Facility Limit	Secured Financing Balance at March 31, 2004	Secured Dealer Advance Balance at March 31, 2004	Balance as Percent of Original Balance
2003-1	June 2003	$100,000	$63,434*	$106,204	100%
2003-2	September 2003	$100,000	20,000	32,209	n/a

* Anticipated to fully amortize by October 31, 2004.

Mortgage Loan. The Company has a mortgage loan from a commercial bank that is secured by a first mortgage lien on the Company's headquarters building and an assignment of all leases, rents, revenues and profits under all present and future leases of the building. There was $5.2 million and $5.4 million outstanding on this loan as of March 31, 2004 and December 31, 2003, respectively. The loan, which matured on May 1, 2004, was extended until June 9, 2004 under its current terms and conditions. The Company expects to refinance the mortgage under similar terms and conditions on or before June 9, 2004. The loan bears interest at a fixed rate of 7.07%, and requires monthly payments of $99,582 and a balloon payment at maturity for the balance of the loan.

Capital Lease Obligations. As of March 31, 2004, the Company has various capital lease obligations outstanding for computer equipment, with monthly payments totaling $83,000. These capital lease obligations bear interest at rates ranging from 4.45% to 9.31% and have maturity dates between June 2004 and March 2008.

In addition to the balance sheet indebtedness as of March 31, 2004, the Company also has contractual obligations resulting in future minimum payments under operating leases. A summary of the total future contractual obligations requiring repayments is as follows (in thousands):

	PERIOD OF REPAYMENT				
CONTRACTUAL OBLIGATIONS	<1 YEAR	1-3 YEARS	3-5 YEARS	>5 YEARS	TOTAL
Long-term debt obligations	$ 88,650	$ 66,200	$ --	$ --	154,850
Capital lease obligations	404	1,106	98	--	1,608
Operating lease obligations	434	1,308	443	--	2,185
Purchase obligations (1)	236	99	--	--	335
Other long-term obligations (2)(3)	--	--	--	--	--
Total contractual obligations	89,724	68,713	541	$ --	158,978

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(1) Purchase obligations consist of a commitment the Company entered into in February 2004 for software that will be paid in four quarterly payments of $61,029 each and a monthly payment of $7,608 per month for 12 months commencing in June 2004. In addition, the Company will pay for time and materials associated with the implementation of the software which is estimated to be approximately $290,000.

(2) The Company has dealer holdback liabilities on its balance sheet; however, as payments of dealer holdbacks are contingent upon the receipt of customer payments on Loans receivable and the repayment of dealer advances, these obligations are excluded from the above table.

(3) The Company has entered into a series of forward contracts to deliver British pound sterling in exchange for United States dollars. As the forward contracts are derivatives that are recorded on the balance sheet at their fair value and as this fair value does not represent the amounts that will ultimately be received or paid under these contracts, these obligations are excluded from the above table.

Liquidation of Non-Core Businesses. As of March 31, 2004, the Company expects to receive approximately $26.6 million from the liquidation of its United Kingdom, Canadian, and Automobile Leasing businesses. The expected liquidation proceeds have been determined based on the Company's forecast of cash inflows and outflows during the estimated remaining years of operation for each business. Detail of expected future net liquidation proceeds follows:

(Dollars in thousands)	AS OF MARCH 31, 2004
United Kingdom	$ 22,500
Canada	3,000
Automobile Leasing	1,100
	$ 26,600

The Company intends to utilize proceeds from businesses being liquidated to: (i) fund dealer-partner advances on Loans originated in the United States and (ii) fund share repurchases. During the first quarter of 2004, the Company received $10.6 million in liquidation proceeds.

Based upon anticipated cash flows, management believes that cash flows from operations and its various financing alternatives will provide sufficient financing for debt maturities and for future operations. The Company's ability to borrow funds may be impacted by many economic and financial market conditions. If the various financing alternatives were to become limited or unavailable to the Company, the Company's operations could be materially and adversely affected.

FORWARD-LOOKING STATEMENTS

The Company makes forward-looking statements in this report and may make such statements in future filings with the Securities and Exchange Commission. It may also make forward-looking statements in its press releases or other public or shareholder communications. The Company's forward-looking statements are subject to risks and uncertainties and include information about its expectations and possible or assumed future results of operations. When the Company uses any of the words "believes," "expects," "anticipates," "estimates" or similar expressions, it is making forward-looking statements.

The Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all of its forward-looking statements. These forward-looking statements represent the Company's outlook only as of the date of this report. While the Company believes that its forward-looking statements are reasonable, actual results could differ materially since the statements are based on our current expectations, which are subject to risks and uncertainties. Factors that might cause such a difference include, but are not limited to, the following:

- the Company's potential inability to accurately forecast and estimate future collections and historical collection rates,
- 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 Loans,
- an increase in the amount or severity of litigation against the Company,
- the loss of key management personnel, and
- the effect of terrorist attacks and potential attacks.

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 forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS.

Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2003 for a complete discussion of the Company's market risk. There have been no material changes to the market risk information included in the Company's 2003 Annual Report on Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES.

As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rule 13a-15 of the Securities Exchange Act of 1934. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective to cause the material information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 to be recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms. There were no changes in the Company's internal controls over financial reporting during the quarter ended March 31, 2004 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

PART II. - OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES, USE OF PROCEEDS AND ISSUER PURCHASES OF EQUITY SECURITIES

The information required in Part II, Item 2 is incorporated by reference from the information in Part I, Item 2 under the caption "Liquidity and Capital Resources" in this Form 10-Q.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held its Annual Meeting of Shareholders on May 13, 2004 at which the shareholders considered: (i) the election of six directors, and (ii) the adoption of the Credit Acceptance Corporation Incentive Compensation Plan and the approval of the performance goals thereunder. The following table summarizes the votes for the election and proposal:

Nominee	Votes For	Votes Withheld
Donald A. Foss	38,782,908	3,505
Harry E. Craig	38,739,775	46,638
Glenda Flanagan	38,764,008	22,405
Daniel P. Leff	38,735,178	51,235
Brett A. Roberts	38,782,608	3,805
Thomas N. Tryforos	38,739,675	46,738

Proposal	Votes For	Votes Against	Votes Withheld
Incentive Compensation Plan	35,311,746	102,530	11,344

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

See Index of Exhibits following the signature page.

(b) Reports on Form 8-K

The Company filed a current report on Form 8-K pursuant to Items 5 and 7, dated January 7, 2004, reporting that the Company issued a press release announcing the preliminary results of its modified Dutch tender offer, a copy of which was filed as Exhibit 99.1.

The Company filed a current report on Form 8-K pursuant to Items 5 and 7, dated January 13, 2004, reporting that the Company issued a press release announcing the final results of its modified Dutch tender offer, a copy of which was filed as Exhibit 99.1.

The Company filed a current report on Form 8-K pursuant to Items 9 and 12, dated January 27, 2004, furnishing materials prepared for a presentation to an institutional investor occurring on January 27, 2004, a copy of which was filed as Exhibit 99.1. The information included in the report was furnished rather than filed with the SEC.

The Company filed a current report on Form 8-K pursuant to Items 7 and 12, dated January 28, 2004, reporting that the Company issued a press release announcing financial results for the three months and year ended December 31, 2003, a copy of which was filed as Exhibit 99.1. The information included in the report was furnished rather than filed with the SEC.

The Company filed a current report on Form 8-K pursuant to Items 5 and 7, dated March 10, 2004, reporting that the Company issued a press release announcing the expansion of the Company's stock repurchase program and an addition to the Company's board of directors, a copy of which was filed as Exhibit 99.1.

No financial statements were filed with the Forms 8-K.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CREDIT ACCEPTANCE CORPORATION
(Registrant)

By: /s/ Douglas W. Busk

Douglas W. Busk
Chief Financial Officer and Treasurer
May 14, 2004

(Principal Financial Officer, Accounting Officer and Duly Authorized Officer)

INDEX OF EXHIBITS

EXHIBIT NO.	DESCRIPTION
31(a)	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act.
31(b)	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act.
32(a)	Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350 and Rule 13a-14(b) of the Securities Exchange Act.
32(b)	Certification of Chief Financial Officer, pursuant to 18 U.S.C. Section 1350 and Rule 13a-14(b) of the Securities Exchange Act.

EXHIBIT 31(A)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO
RULE 13A-14(A) OF THE SECURITIES EXCHANGE ACT

I, Brett A. Roberts, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Credit Acceptance Corporation (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 14, 2004

By: /s/ Brett A. Roberts

Brett A. Roberts
Chief Executive Officer

EXHIBIT 31(B)

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO
RULE 13A-14(A) OF THE SECURITIES EXCHANGE ACT

I, Douglas W. Busk, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Credit Acceptance Corporation (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 14, 2004

By: /s/ Douglas W. Busk

Douglas W. Busk
Chief Financial Officer

EXHIBIT 32(A)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AND
RULE 13A-14(B) OF THE SECURITIES EXCHANGE ACT

In connection with the Quarterly Report of Credit Acceptance Corporation (the "Company") on Form 10-Q for the period ending March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brett A. Roberts, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

By: /s/ Brett A. Roberts

Brett A. Roberts
Chief Executive Officer
May 14, 2004

EXHIBIT 32(B)

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AND
RULE 13A-14(B) OF THE SECURITIES EXCHANGE ACT

In connection with the Quarterly Report of Credit Acceptance Corporation (the "Company") on Form 10-Q for the period ending March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Douglas W. Busk, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

By: /s/ Douglas W. Busk

Douglas W. Busk
Chief Financial Officer
May 14, 2004