Credit Acceptance Corporation Reports 4TH Quarter Earnings of $7,241,000 or $0.17 per share 2001 Earnings of $29,203,000 or $0.68 per Share

Southfield, Michigan - January 23, 2002 -Acceptance Corporation (Nasdaq: CACC) Credit Acceptance Corporation (the "Company") announced today that consolidated net income for the three months ended December 31, 2001 was $7,241,000 or $0.17 per diluted share compared to $5,667,000 or $0.13 per diluted share for the same period in 2000, representing 27.8% and 26.0% increases in net income and earnings per share, respectively. For the year ended December 31, 2001, consolidated net income was $29,203,000 or $0.68 per diluted share compared to $23,650,000 or $0.53 per diluted share for the same period in 2000 representing 23.5% and 26.5% increases in net income and earnings per share, respectively. Return on capital was 7.5% and 8.4% for the three months and year ended December 31, 2001 compared to 7.8% and 8.0% for the same period in 2000.

Subsequent to year-end, the Company elected to discontinue originating automobile lease contracts. As a result of this decision, earnings for the three months and year ended December 31, 2001 include an after tax charge of $471,000 for the impairment of certain assets. The Company originally entered the automobile leasing market in order to capitalize on certain structural advantages of leasing compared to the Company's core automobile lending business. The decision to stop originating lease contracts was based on the conclusion that, in spite of these advantages, the Automobile Leasing Segment was unlikely to produce a higher return over the long-term than the Company's core business.

Excluding the operations of the Automotive Leasing business segment ("Non-leasing Operations"), the Company's consolidated net income for the three months ended December 31, 2001 was $8,012,000 or $0.18 per diluted share compared to $6,487,000 or $0.15 per diluted share for the same period in 2000, representing 23.5 % and 21.8 % increases in net income and earnings per share, respectively. For the year ended December 31, 2001, the Non-leasing Operations' consolidated net income was $31,832,000 or $0.74 per diluted share compared to $25,139,000 or $0.57 for the same period in 2000 representing increases of 26.6 % and 29.8 % in net income and earnings per share, respectively. The Company's Non-leasing Operations' return on capital was 8.5% and 9.2% for the three months and year ended December 31, 2001 compared to 8.6% and 8.4% for the same period in 2000.

Fourth quarter 2001 results reflect a reclassification of both current and prior period state taxes of $3,869,000 from selling, general and administrative expenses to provision for income taxes required as a result of a change in the characterization of income for state tax purposes.

In addition, the Company announced two promotions, Michael Knoblauch to Chief Operating Officer and Keith McCluskey to President. Brett Roberts, the Company's Chief Executive Officer stated "Both Mike and Keith have distinguished themselves as committed leaders of our business. I look forward to continuing to work with both of them to build a great business."

Analysis of Economic Profit or Loss Economic profit or loss represents operating profit after tax less the cost of all capital used to produce those profits. The Company's goal is to maximize the amount of economic profit per share.

The Company's economic loss improved to ($1,838,000) and ($5,962,000) or ($0.04) and ($0.14) per diluted share for the three months and year ended December 31, 2001 compared to ($2,720,000) and ($10,724,000) or ($0.06) and ($0.24) per diluted share for the same period in 2000, respectively. The improvements in the economic loss were primarily due to a reduction in the weighted average cost of capital, and for the year ended December 31, 2001, due to an improvement in the return on capital.

The reduction in the weighted average cost of capital for the three months and year ended December 31, 2001 compared to the same periods in 2000 was primarily due to lower average interest rates on the Company's borrowings as a result of an overall reduction in market rates during the periods. The Company's return on capital decreased to 7.5% for the three months ended December 31, 2001 from 7.8% for the same period in 2000, primarily due to the 2001 after tax charge for the impairment of certain lease assets. The Company's return on capital increased to 8.4% for the year ended December 31, 2001 from 8.0% for the same period in 2000, primarily due to a reduction in the amount advanced to dealers as a percent of the gross loan amount, partially offset by losses incurred in the Company's leasing business.

The table below illustrates the calculation of the Company's economic loss for the periods indicated (unaudited).

See Table 1: Analysis of Economic Profit or Loss

Summary of Operations Results for the Company's three business segments are discussed below.

CAC North America Business Segment See Table 2: CAC North America Business Segment

The North America Business Segment ("North America Operations") automobile loan originations were $148,781,000 and $680,184,000 for the three months and year ended December 31, 2001 compared with $85,518,000 and $403,032,000 for the same periods in 2000, representing increases of 74.0% and 68.8%, respectively. The increases reflect: (i) an increase in the average loan size to $11,896 and $10,853 for the three months and year ended December 31, 2001 compared with $8,353 and $8,464 for the same periods in 2000, reflecting a shift to newer vehicles financed over longer initial loan terms; and (ii) an increase in the average number of loans originated per active dealer to 16.5 and 53.6 for the three months and year ended December 31, 2001 compared with 12.5 and 39.6 for the same periods in 2000. The increases were partially offset by a decrease in the number of active dealers to 756 and 1,170 for the three months and year ended December 31, 2001 compared with 817 and 1,202 for the same periods in 2000.

North America Operations' return on capital decreased to 8.3% for the three months ended December 31, 2001 from 8.9% for the same period in 2000. The decline in return on capital was primarily the result of an increase in operating expenses. North America Operations' return on capital increased to 9.2% for the year ended December 31, 2001 from 8.6% for the same period in 2000, primarily due to a reduction in the amount advanced to dealers as a percent of the gross loan amount.

CAC United Kingdom Business Segment See Table 3: CAC United Kingdom Business Segment

The Company's United Kingdom Business Segment ("United Kingdom Operations") originated $27,339,000 and $125,890,000 in automobile loans for the three months and year ended December 31, 2001 compared with $34,246,000 and $144,992,000 for the same periods in 2000, representing decreases in 2001 of 20.2% and 13.2%, respectively. The decreases were a result of the Company discontinuing its relationship with certain dealers.

The United Kingdom Operations' return on capital improved to 8.9% and 9.3% for the three months and year ended December 31, 2001 compared with 7.8% and 7.3% for the same periods in 2000. The improvement in return on capital was primarily the result of a decrease in the provision for credit losses associated with discontinuing its' relationship with certain dealers.

CAC Automotive Leasing Business Segment See Table 4: CAC Automotive Leasing Business Segment

Subsequent to year-end the Company stopped originating automotive leases.

Cautionary Statement Regarding Forward Looking Information Certain statements in this release that are not historical facts, including those regarding the Company's future plans and objectives, are "forward-looking statements" within the meaning of the federal securities laws. These forward-looking statements represent our outlook only as of the date of this release. While we believe any forward-looking statements we have made are reasonable, actual results could differ materially since the statements are based on our current expectations and are subject to risks and uncertainties. These risks and uncertainties, include, among others, competition from traditional financing sources and from non-traditional lenders, unavailability of funding at competitive rates of interest, 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 ability to maintain or increase the volume of automobile loans, the Company's potential inability to accurately forecast and estimate future collections and historical collection rates, the Company's potential inability to accurately estimate the residual values of the lease vehicles, an adverse outcome in the ongoing Internal Revenue Service examination of the Company, an increase in the amount or severity of litigation against the Company, the loss of key management personnel, the Company's ability to continue to obtain third party financing on favorable terms and the various other factors discussed in the Company's reports filed with the Securities and Exchange Commission. Readers are cautioned to consider these factors when relying on such forward-looking information. 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.

Description of Credit Acceptance Corporation Credit Acceptance is a financial services company specializing in products and services for a network of automobile dealer-partners in North America and Europe. Credit Acceptance provides its dealer-partners with financing sources for consumers with limited access to credit and delivers credit approvals instantly through the internet. Other dealer-partner services include marketing, sales training and a wholesale purchasing cooperative. Through its financing program, Credit Acceptance helps consumers change their lives by providing them an opportunity to strengthen and reestablish their credit standing by making timely monthly payments. Credit Acceptance is publicly traded on NASDAQ under the symbol CACC.