



Credit Acceptance Corporation Announces Completion of \$75 Million Secured Financing

Southfield, Michigan – October 3, 2002 – Credit Acceptance Corporation (Nasdaq: CACC) announced today the completion of a \$75 million non-recourse secured financing, its eighth asset-backed financing. Pursuant to this transaction, the Company contributed dealer advances having a net book value of approximately \$109 million to a wholly owned special purpose corporation (the “SPC”) and received approximately \$75 million in financing from the SPC through its financing source Variable Funding Capital Corporation, a multi-seller commercial paper conduit administered by Wachovia Securities, Inc. The proceeds of the financing were used to repay outstanding indebtedness. The financing bears interest at a floating rate equal to the commercial paper rate plus 75 basis points with a maximum rate of 6.25%, is anticipated to fully amortize within 13 months, and is secured by the dealer advances and the rights to collections on the related automobile loans receivable contributed to the SPC up to the sum of the related dealer advance and the Company’s servicing fee.

The Company will retain 6% of the cash flows related to the underlying automobile loans to cover servicing expenses. The remaining 94%, less amounts due to dealer-partners for payments of dealer-partner holdback, will be used to repay the indebtedness.

Using a unique financing structure, the Company’s contracted relationship with its dealer-partners remains unaffected with the dealer-partners’ rights to future payments of dealer holdback preserved. The Company will continue to receive its 20% servicing fee on amounts collected.

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.