



Pep Boys Receives Commitment for \$200 Million Financing

PHILADELPHIA – December 16, 2005 – The Pep Boys – Manny, Moe & Jack (NYSE: "PBK"), the nation's leading automotive aftermarket retail and service chain, announced today that Wachovia Bank, National Association and Wachovia Capital Markets, LLC have agreed to underwrite and syndicate a \$200 million senior secured term loan facility, expected to be completed in January or February 2006. The proceeds from the facility will be used to repay \$43 million and \$100 million in outstanding medium term notes that mature in 2006 and reduce borrowings under the Company's revolving credit facility.

By retiring the medium term notes (through defeasance or repayment), the Company will eliminate certain indenture restrictions on its ability to sell, encumber or otherwise utilize its real estate portfolio, a portion of which will be used to secure the new Wachovia facility.

The closing of the Wachovia facility is subject to the execution of definitive agreements, the absence of any material adverse change in the Company's business or the financial markets and certain other customary closing conditions.

CFO Harry Yanowitz said, "Pre-financing our 2006 maturities will ensure that the Company can execute on our strategy to optimize our retail and service operations and, in turn, improve long-term shareholder value. In addition, the new facility's prepayment and collateral substitution rights will allow the Company to continue the process of improving capital allocation, ensuring that each of its properties can be developed to its highest and best use."

About Pep Boys

Pep Boys has 593 stores and more than 6,000 service bays in 36 states and Puerto Rico. Along with its vehicle repair and maintenance capabilities, the Company also serves the commercial auto parts delivery market and is one of the leading sellers of replacement tires in the United States. Customers can find the nearest location by calling 1-800 -PEP-BOYS or by visiting pepboys.com.

Certain statements contained herein constitute "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. The word "guidance," "expect," "anticipate," "estimates," "forecasts" and similar expressions are intended to identify such forward-looking statements. Forward-looking statements include management's expectations regarding future financial performance, automotive aftermarket trends, levels of competition, business development activities, future capital expenditures, financing sources and availability and the effects of regulation and litigation. Although the Company believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be achieved. The Company's actual results may differ materially from the results discussed in the forward-looking statements due to factors beyond the control of the Company, including the strength of the national and regional economies, retail and commercial consumers' ability to spend, the health of the various sectors of the automotive aftermarket, the weather in geographical regions with a high concentration of the Company's stores, competitive pricing, the location and number of competitors' stores, product and labor costs and the additional factors described in the Company's filings with the SEC. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

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