

EARL SCHEIB, INC.

News Release [For immediate release]

EARL SCHEIB, INC. ANNOUNCES ODD LOT TENDER OFFER

Sherman Oaks, California, August 1, 2005. Earl Scheib, Inc. (Pink Sheets: ESHB) announced today that it is commencing a tender offer for the purchase of all shares of Capital Stock held by stockholders of the Company owning 99 shares or less, as of the close of business on July 15, 2005 up to an aggregate consideration for the tendered shares of \$100,000. The Company will pay \$4.25 for each share properly tendered. The price per share represents a 13% premium over the highest bid price of \$3.75 for the Company's Capital Stock as quoted on the Pink Sheets for the 30 trading days prior to today's date. The offer is scheduled to expire on September 2, 2005 at 5:00 p.m., New York City time, unless extended. Eligible stockholders who would like to accept the offer must tender all shares of Capital Stock that they own. Commencing today, documents describing the details of the offer are being mailed to all stockholders.

The Company terminated the registration of its Capital Stock under the Securities and Exchange Act of 1934, as amended ("Exchange Act") on April 7, 2005 and became a private, non-reporting company. After completion of this offer, the Company may further reduce its number of record stockholders and lessen the chance of the Company resuming its status as a reporting company under the Exchange Act. However, the Company intends to provide certain financial information to its stockholders on a quarterly and annual basis.

This announcement is not an offer to purchase or a solicitation of an offer to purchase with respect to the Capital Stock. The tender offer is being made upon the terms and subject to the conditions set forth in the Offer to Purchase and the accompanying Letter of Transmittal, each dated August 1, 2005. Information on the tender offer may be obtained free of charge from the Company or from Morrow & Co., the Information Agent for this tender offer. Questions or requests for documents may be directed to Morrow & Co. by calling (212) 754-800, or to the Company by calling (818) 981-9992.

"Safe-Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

Written statements made by the Company that are not historic in nature are "forward-looking statements" as defined under the Private Securities Litigation Reform Act of 1995, including statements made in this news release and in filings with the Securities and Exchange Commission. Generally, the words "believe," "expect," "hope," "intend," "estimate," "anticipate," "plan," "will,"

"project," and similar expressions identify forward-looking statements. All statements which address operating performance, events, developments or strategies that the Company expects or anticipates in

the future are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results or events to differ materially from the Company's past experience or current expectations. The risks and uncertainties that may impact forward-looking statements include the following: the outcome of the Company's tender offer and termination of registration under the Exchange Act, whether the Company will continue to remain a non-reporting company, uncertainty whether trading in the Company's Capital Stock will continue on the Pink Sheets or any other forum before or after the tender offer, whether the Company will realize significant savings from the termination of public reporting and successfully re-allocate management resources, and the other factors discussed in the Company's reports filed with the Securities and Exchange Commission. The Company undertakes no obligation to correct or update any forward-looking statements, whether as a result of new information, future events or otherwise.

About Earl Scheib, Inc.

Earl Scheib, Inc., founded in 1937, is a nationwide operator of 107 auto paint and body shops located in approximately 100 cities throughout the United States. In addition, through a wholly owned subsidiary, Earl Scheib, Inc. manufactures paint coating systems that are used not only by its paint and body shops, but are also sold to original equipment manufacturers. For more information, visit Earl Scheib on the web at www.earlscheib.com.

FORE MORE INFORMATION:

Information Agent:
Morrow & Co., Inc.
Gerard J. Mucha
Managing Director
(212) 754-8000

Depository:
**Continental Stock Transfer &
Trust Co.**
(212) 509-4000 Ext. 536

Company:
Earl Scheib, Inc.
John K. Minnihan
Vice President & Chief
Financial Officer
(818) 981-9992 Ext. 120