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RUSH ENTERPRISES TO DIVEST OF CERTAIN OPERATIONS AND ACQUIRE THREE PETERBILT DEALERSHIPS

SAN ANTONIO—November 12, 2002-- Rush Enterprises, Inc. (NASDAQ: RUSHA & RUSHB), which operates the largest network of Peterbilt heavy-duty truck dealerships in North America, John Deere construction equipment dealerships in Texas and Michigan, and three of the largest farm and ranch superstores ("D&D") in America, today announced that it plans to discontinue the operations of D&D and its Michigan John Deere construction equipment dealerships, and has signed a non-binding letter of intent to acquire Orange County Truck and Trailer, Inc. ("Orange County"), a Peterbilt dealer in central Florida.

The Company expects the net loss from discontinued operations will be between $7.8 million, or $0.54 per diluted share, to $9.0 million or $0.62 per diluted share, and will be recorded during the fourth quarter of 2002. The loss range is dependent upon a number of factors, including but not limited to, the liquidation of inventory, the sale of real estate and costs associated with closing versus selling the operations. The Company's preliminary plans are to close the D&D facilities in Hockley and Denton, Texas by March 31, 2003 and to sell the D&D Seguin store by December 31, 2003. The Company has signed a non-binding letter of intent to sell the Michigan John Deere construction equipment dealerships.

D&D recorded a pretax loss of $4.0 million for the year ended December 31, 2001, and a $1.2 million pretax loss for the nine months ended September 30, 2002. The Michigan John Deere construction equipment dealerships recorded a combined pretax loss of $0.6 million for the year ended December 31, 2001, and a $0.9 million pretax loss for the nine months ended September 30, 2002.

The Company signed a non-binding letter of intent to purchase the stock of Orange County. The pending acquisition will provide Rush with the exclusive rights to sell Peterbilt trucks and parts from three new locations in central Florida, including Orlando and Tampa Bay. Rush currently operates 35 truck locations in 7 states.

Rush intends to operate the acquired company as a full-service Peterbilt franchise, and will begin to integrate their operations into the Rush Truck Center system upon completion of the transaction. Rush had revenues of $784.3 million during 2001 while Orange County had revenues of approximately $55.7 million for the same period and $39.7 million during the first nine months of 2002. Rush anticipates the total purchase price for Orange County will be approximately $6.0 million.

In making this announcement, W. Marvin Rush, Chairman and Chief Executive Officer of Rush Enterprises, Inc. stated, "Given the successful southwestern United States expansion of our truck center network, the planned acquisition of Orange County is exciting because it will give Rush its first foothold into the eastern sunbelt states. While the divestitures are obviously disappointing, I believe it is in the best interest of our shareholders and our Company. By discontinuing these under performing operations our core businesses will be strategically poised in our targeted geographical regions. I would like to sincerely thank the employees of these operations for their hard work and efforts. "

Certain statements contained herein, are ``forward-looking'' statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). Because such statements include risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, competitive factors, general economic conditions, political factors, cyclicality, economic conditions in the new and used truck and construction equipment markets, customer relations, relationships with vendors, the interest rate environment, governmental regulation and supervision, seasonality, distribution networks, product introductions and acceptance, technological change, changes in industry practices, onetime events and other factors contained in filings made by the company with the Securities and Exchange Commission.