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Spartan Chassis Executes Agreement With Lion Bus Inc. for Type C School Bus Chassis

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CHARLOTTE, Mich., Jun 16, 2011 (GlobeNewswire via COMTEX) --

Spartan Chassis, Inc., a subsidiary of Spartan Motors, Inc. (Nasdaq:SPAR), has executed a supply agreement with bus manufacturer Lion Bus Inc. of Saint-Jerome, Canada. Under the agreement, Spartan Chassis will supply conventional front-engine diesel chassis for use on Type C school buses in the United States and Canada.

Spartan Motors Vice President Dave Snitgen stated, "The top 25 school districts alone covered 397 million route miles in 2010, and 55 percent of the nation's school districts were faced with lower operating budgets. Clearly, there is significant demand for both durability and lower cost of operation. Together with Lion Bus, we have developed an exceptional product which offers considerably improved durability and a lower total cost of ownership, particularly lower maintenance costs."

Spartan's purpose-built chassis design improves durability and extends the duty-cycle of the bus. In addition, each chassis features:

- 65/66 and 71/72 passenger capacity configurations
- 2010 EPA-Certified Cummins(R) ISB 6.7L diesel engine with horsepower offerings of 200, 220 and 250
- 2500 PTS automatic Allison transmission
- Up to 31,000 lbs. gross vehicle weight rating
- 254" or 276" wheelbase
- Up to 50-degree wheel cut
- Tilt/telescopic steering column
- 50,000 psi frame rail strength
- Five-year chassis and seven-year body warranties
- Authorized Service Network throughout the U.S. and Canada

"Due to increasing safety regulations and the many financial challenges facing school districts and private contractors, we had to come up with an innovative product development strategy. We placed a premium on durability and lower maintenance costs, and delivered a value proposition that stands apart from anything on the market today. We have produced innovative solutions to very specific problem areas by utilizing materials and designs which stand up to the unique duty cycles found in the school bus market," said Marc Bedard, President of Lion Bus.

The Lion Bus offers a number of product attributes that are unique to the industry and which school districts and private fleet operators will find beneficial.

- Product lifecycle (bus body): 15 years
- Wider interior: 96-inch body width enables 18-inch aisle width using seat widths of 39 inches
- Safety: Three-point safety belts (lap & shoulder) can be installed without any capacity loss using seat widths of 42 inches
- Materials: Bus body is made of fiberglass composite material finished with gelcoat, a high-quality coating with proven anti-corrosion properties
- Roof construction: Bus roof is constructed of one piece (no joints) and

- is leak-free
- Body skirts: Formed using TPO, a durable, anti-corrosive material with a proven track record in commercial applications
- Door step-well: Manufactured using a durable one-piece polyethylene that will not corrode
- Battery tray/box: Constructed of acid-tolerant polyethylene that will not corrode
- Driver visibility: Significant improvements (windshield is 20 percent larger and hood slope is best in class)

Spartan Motors President and CEO John Szykiel explained, "This program and our relationship with Lion Bus are the result of our organic growth strategy and support our plan to continue the diversification of our revenue stream across multiple segments within the specialty vehicle market. Spartan's customer-focused approach, along with our speed and agility, allowed us to significantly accelerate this project from development through launch. We look forward to working closely with Lion Bus and supporting their products in the school bus industry."

Chassis will be manufactured at the Spartan Chassis facility in Charlotte, Mich., then shipped to the Lion Bus plant near Montreal for body installation and completion. The buses will be sold directly to dealers, school districts, and school bus contractors in the U.S. and Canada.

About Spartan Chassis

Spartan Chassis, Inc., a subsidiary of Charlotte, Mich.-based Spartan Motors, Inc. (Nasdaq:SPAR), is a world-class leader in the engineering, manufacturing and marketing of chassis and aftermarket parts for emergency-response, recreational vehicle (RV), defense and specialty vehicles. End users recognize and request the Spartan Chassis brand, which consistently delivers superior performance, exceptional safety ratings, and innovations which distinguish us from the competition. Visit Spartan Chassis at www.spartanchassis.com.

About Lion Bus

Lion Bus is managed by a team with extensive experience in manufacturing operations and in the school bus industry. The Lion Bus shareholders consist of the two company founders and a group of seasoned entrepreneurs. This ensures the company's long-term financial stability. Marc Bedard and Camile Chartrand are both visionary entrepreneurs. They have combined their complementary skill sets to develop a cutting-edge vehicle for the North American school bus industry. Visit Lion Bus at www.lionbuses.com.

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