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Spartan Chassis to Build New \$14.5 Million Cab & Chassis Production Facility

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Record Orders, Highlighted by Best-Ever Month in May
for Fire Truck Chassis, Spur Expansion

CHARLOTTE, Mich., June 15 /PRNewswire-FirstCall/ -- Spartan Chassis, Inc., a subsidiary of Spartan Motors, Inc. (Nasdaq: SPAR), will break ground in July 2006 on a new \$14.5 million, 102,000-square-foot manufacturing facility in Charlotte, Mich. The new plant will help Spartan meet increasing demand for fire truck chassis and fuel its entry into future specialty product segments, while also freeing up capacity for growth in its recreational vehicle and military chassis businesses.

Spartan Chassis also reported its best month of orders for fire truck chassis in the Company's 30-year history with 188 orders in May 2006. The Charlotte, Mich.-based manufacturer of custom chassis for recreational vehicles, fire trucks and military defense vehicles also reported it is on pace to achieve its third consecutive quarter of increased orders in the second quarter ending June 30, 2006.

"We continue to see order momentum building due in large part to our strategic partnerships with dealers and apparatus builders. As we continue to grow market share for our fire truck chassis, we need the plant capacity and production line efficiency to stay ahead of customer demand, and this new facility gives us just that," said Richard Schalter, president of Spartan Chassis.

The facility, which will begin producing chassis and cabs in May 2007, will feature multiple production lines, new and more efficient paint stations and a layout designed to accommodate lean manufacturing processes. The new plant is also expected to result in staff additions as production ramps up.

"In addition to the increased demand for our existing fire truck chassis, we have several product development initiatives which we expect to debut in 2007 that will require increased cab and chassis production capacity," said John Szykiel, president and CEO of Spartan Motors. "These product initiatives are based around the military business, as well as future specialty chassis products, illustrating our strategic vision to become North America's premier manufacturer of specialty vehicles and chassis."

Szykiel concluded: "Spartan Chassis has had excellent performance over the last several quarters and this investment underscores the Board's confidence in these new product initiatives and in Spartan Chassis' capacity to continue to grow shareholder value."

About Spartan Chassis, Inc.:

Spartan Chassis, Inc. (<http://www.spartanchassis.com>), a subsidiary of Spartan Motors, Inc. (Nasdaq: SPAR), is a leading developer and manufacturer of specialty chassis for recreational vehicles, fire trucks and military defense vehicles. Spartan Motors (<https://theshyftgroup.com>), which also manufactures emergency rescue vehicles under the brand names of Crimson Fire, Crimson Fire Aerials and Road Rescue, reported sales of \$343.0 million in 2005 and is focused on becoming the premier manufacturer of specialty vehicles and chassis in North America.

This release contains forward-looking statements, including, without limitation, statements concerning our business, future plans and objectives and the performance of our products. These forward-looking statements involve certain risks and uncertainties that ultimately may not prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Technical complications may arise that could prevent the prompt implementation of the plans outlined above. The company cautions that these forward-looking statements are further qualified by other factors including, but not limited to, those set forth in the company's Annual Report on Form 10-K filing and other filings with the United States Securities and Exchange Commission (available at <http://www.sec.gov>). Government contracts and subcontracts typically involve long payment and purchase cycles, competitive bidding, qualification requirements, delays or changes in funding, extensive specification development and changes, price negotiations and milestone requirements. An announced award of a governmental contract is not equivalent to a finalized executed contract and does not assure that orders will be issued and filled. Government agencies also often retain some portion of fees payable upon completion of a project and collection of contract fees may be delayed for long periods, which can negatively impact both prime contractors and subcontractors. The company undertakes no obligation to publicly update or revise any statements in this release, whether as a result of new information, future events or otherwise, except as required by law.

SOURCE Spartan Chassis, Inc.

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