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Spartan Motors Receives Mine Resistant Vehicle Orders From BAE

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CHARLOTTE, Mich., Jan 20, 2010 /PRNewswire via COMTEX/ -- Spartan Motors Chassis, Inc., a subsidiary of Spartan Motors, Inc. (Nasdaq: SPAR), has been awarded subcontract orders from defense contractor BAE Systems to support the production of advanced tactical vehicles under the Mine Resistant Ambush Protected (MRAP), Iraqi Light Armored Vehicle (ILAV) and Medium Mine Protected (MMPV) or Panther programs. Total value of the combined awards is in excess of \$14 million.

"Improvised explosive devices - IEDs - continue to be the number one threat to American troops serving overseas," said John Szykiel, president and CEO of Spartan Motors. "Spartan is proud to continue its work in support of protecting our service men and women against this powerful enemy."

Under the terms of the MRAP subcontract, the Mich.-based custom chassis manufacturer will supply and integrate key chassis components, including independent suspension systems, for eight United States Special Operations Command, or SOCOM, MRAP vehicles. The Category 1 RG33s are scheduled for completion in the first quarter of 2010.

Under the ILAV program, Spartan Chassis will produce 109 ILAVs in three different configurations. These mine protected vehicles, provided to the United States Government as part of a Foreign Military Sales contract with BAE Systems, are scheduled to be completed in the third quarter of 2010. Spartan has a proven history of building ILAVs for BAE Systems since 2006.

The terms of the Panther subcontract require Spartan to deliver two additional MMPVs in the Prophet vehicle variant. In the MMPV program, Spartan provides automotive integration kits to BAE Systems' assembly operations at Letterkenny Army Depot. These kits are configured so they can be easily integrated into the vehicle production stations.

In addition to this new award, Spartan also continues its ongoing support of MRAP prime contractors and the U.S. Government by providing spare/replacement parts for many of the vehicles built at Spartan during the MRAP program.

About Spartan Motors Chassis, Inc.

Spartan Motors Chassis, Inc., (theshyftgroup.com) a subsidiary of Spartan Motors, Inc. (Nasdaq: SPAR), designs, engineers and manufactures custom chassis, specialty vehicles and truck bodies and aftermarket parts for the outdoor recreation/RV, emergency-response, defense, delivery and service markets. The company's brand names - Spartan(TM), Crimson Fire(TM), Crimson Fire Aerials(TM), Road Rescue(TM) and Utilimaster(R) - are known for quality, value, service and being the first to market with innovative products. The company employs approximately 1,500 at facilities in Michigan, Pennsylvania, South Carolina, South Dakota, Indiana and Texas. Spartan reported sales of \$844.4 million in 2008 and is focused on becoming a global leader in the manufacture of specialty vehicles and chassis.

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 Motors, Inc.