

1541 Reynolds Rd. Charlotte, MI 48813 P: 517.543.6400 SPARTANMOTORS.COM

Spartan Motors USA, Inc. Awarded ILAV Contract by BAE Systems

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CHARLOTTE, Mich., Nov. 10, 2015 (GLOBE NEWSWIRE) -- Spartan Specialty Vehicles ("Spartan"), a business unit of <u>Spartan Motors, Inc.</u> (NASDAQ:SPAR), announced today that its <u>Defense and Government</u> operating group has been awarded a contract from defense contractor BAE Systems to support the production of 29 International Light Armored Vehicles (ILAVs) and validates Spartan's expertise and capacity to manufacture and assemble some of the world's most specialized vehicles.

The ILAV vehicles being manufactured under this agreement perform specialized, mission-critical tasks such as supporting convoy operations, investigating possible improvised explosive devices (IEDs), and combatting terrorism. Under the terms of the contract, Spartan will provide automotive integration, final assembly, Government inspection, and delivery to the Government. Production for the units will begin in February, 2016 with an expected completion of June, 2016.

"This contract is another confirmation that Spartan Motors maintains the operational excellence and high skill level required to execute to the exacting standards of military vehicle production," said Steve Guillaume, President, Spartan Specialty Vehicles. "Spartan is in a unique position to provide leading defense contractors, like BAE Systems, with the manufacturing prowess needed to deliver the highest quality vehicles available, for mission-critical and often life-saving deployments. We acknowledge and appreciate the confidence BAE Systems has placed in us, over our long partnership."

This award to Spartan from BAE Systems, in support of a Foreign Military Sales award from the Government, demonstrates Iraq's effort to combat the ISIS foothold movement and terrorism itself. This award is only the latest in a series of Spartan orders for advanced tactical vehicles that also includes the Mine Resistant Ambush Protected (MRAP) and Medium Mine Protected Vehicle (MMPV) programs. Spartan continues to support prime contractors and the U.S. Government with spare and replacement parts for these and other mine-protected vehicles produced at Spartan, including RG 33 Armored Utility Vehicles, Joint Explosive Ordnance Disposal Rapid Response Vehicles (JERRV), RG 33 Heavy Armored Ground Ambulances (HAGA), and RG 33 Special Operations Command vehicles (SOCOM).

For the past six (6) years, the Spartan Parts and Accessories operating group has been honored by the U.S. Defense Logistics Agency (DLA) as one of the Government's top suppliers, earning the DLA's Gold Award each year. This recognition reaffirms that Spartan supplies the highest quality product the Government can trust, year after year.

About Spartan Motors

Spartan Motors, Inc. designs, engineers and manufactures specialty chassis, specialty vehicles, truck bodies and aftermarket parts for the recreational vehicle (RV), emergency response, government services, defense, and delivery and service markets. The Company's brand names – Spartan Motors, Spartan Specialty Vehicles, Spartan Emergency Response, Spartan Parts and Accessories, and Utilimaster®, a Spartan Motors Company – are known for quality, performance, service and first-to-market innovation. The Company employs approximately 1,700 associates at facilities in Michigan, Pennsylvania, South Dakota and Indiana. Spartan reported sales of \$507 million in 2014 and is focused on becoming a global leader in the design, engineering and manufacture of specialty vehicles and chassis. Visit Spartan Motors at theshyftgroup.com.

Russell T. Chick Corporate Director of Marketing Spartan Motors, Inc. 517.997.3852



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