UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended **June 30, 2005**	Commission File Number **0-13611**

SPARTAN MOTORS, INC.
(Exact Name of Registrant as Specified in Its Charter)

Michigan (State or Other Jurisdiction of Incorporation or Organization)	**38-2078923** (I.R.S. Employer Identification No.)
1165 Reynolds Road **Charlotte, Michigan** (Address of Principal Executive Offices)	**48813** (Zip Code)

Registrant's Telephone Number, Including Area Code: **(517) 543-6400**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes __X__ No _______

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes __X__ No _______

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 31, 2005
Common stock, $.01 par value	12,527,264 shares

SPARTAN MOTORS, INC.

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FORWARD-LOOKING STATEMENTS

This Form 10-Q contains statements that are not historical facts. These statements are called "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements involve important known and unknown risks, uncertainties and other factors and can be identified by phrases using "estimate," "anticipate," "believe," "project," "expect," "intend," "predict," "potential," "future," "may," "should" and similar expressions or words. Our future results, performance or achievements may differ materially from the results, performance or achievements discussed in the forward-looking statements. There are numerous factors that could cause actual results to differ materially from the results discussed in forward-looking statements, including, among others:

- Changes in existing products liability, tort or warranty laws or the introduction of new laws, regulations or policies that could affect our business practices: these laws, regulations or policies could impact our industry as a whole, or could impact only those portions in which we are currently active, for example, laws regulating the design or manufacture of emergency vehicles or regulations issued by the National Fire Protection Association; in either case, our profitability could be injured due to an industry-wide market decline or due to our inability to compete with other companies that are unaffected by these laws, regulations or policies.

- Changes in environmental regulations: these regulations could have a negative impact on our earnings; for example, laws mandating greater fuel efficiency could increase our research and development costs, increase the cost of components and lead to the temporary unavailability of engines.

- Rapidly rising steel and component costs and the Company's ability to mitigate such cost increases based upon its supply contracts or to recover such cost increases with increases in selling prices of its products: such increases in costs could have a negative impact on our earnings.

- Changes in economic conditions, including changes in interest rates, financial market performance and our industry: these types of changes can impact the economy in general, resulting in a downward trend that impacts not only our business, but all companies with which we compete; or, the changes can impact only those parts of the economy upon which we rely in a unique fashion, including, by way of example:

    - Factors that impact our attempts to expand internationally, such as the introduction of trade barriers in the United States or abroad.

- Changes in relationships with major customers: an adverse change in our relationship with major customers would have a negative impact on our earnings and financial position.

- Armed conflicts and other military actions: the considerable political and economic uncertainties resulting from these events could adversely affect our order intake and sales, particularly in the motorhome market.

- Factors that we have discussed in previous public reports and other documents filed with the Securities and Exchange Commission.

This list provides examples of factors that could affect the results described by forward-looking statements contained in this Form 10-Q. However, this list is not intended to be exhaustive; many other factors could impact our business and it is impossible to predict with any accuracy which factors could result in which negative impacts. Although we believe that the forward-looking statements contained in this Form 10-Q are reasonable, we cannot provide you with any guarantee that the anticipated results will be achieved. All forward-looking statements in this Form 10-Q are expressly qualified in their entirety by the cautionary statements contained in this section and you are cautioned not to place undue reliance on the forward-looking statements contained in this Form 10-Q. In addition to the risks listed above, other risks may arise in the future, and we disclaim any obligation to update information contained in any forward-looking statement.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

SPARTAN MOTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2005	December 31, 2004
ASSETS	(Unaudited)	(Audited)
Current assets:		
Cash and cash equivalents	$ 16,333,272	$ 10,463,454
Marketable securities	1,499,535	1,506,570
Accounts receivable, less allowance for doubtful accounts of $180,000 in 2005 and $400,000 in 2004	38,051,137	32,358,950
Inventories	36,362,061	32,441,712
Deferred income tax assets	2,939,456	2,939,456
Taxes receivable	1,285,639	1,956,535
Other current assets	1,061,583	1,548,806
Total current assets	97,532,683	83,215,483
Property, plant, and equipment, net	18,257,197	18,238,884
Goodwill	4,543,422	4,543,422
Deferred income tax assets	870,000	870,000
Other assets	135,056	44,921
Total assets	$ 121,338,358	$ 106,912,710

	June 30, 2005	December 31, 2004
LIABILITIES AND SHAREHOLDERS' EQUITY	(Unaudited)	(Audited)
Current liabilities:		
Accounts payable	$ 24,364,146	$ 19,247,899
Accrued warranty	4,235,334	3,670,761
Accrued compensation and related taxes	2,821,489	3,264,737
Accrued vacation	1,216,860	1,087,414
Deposits from customers	13,566,506	8,588,134
Other current liabilities and accrued expenses	4,485,490	3,397,389
Current portion of long-term debt	5,799	5,713
Total current liabilities	50,695,624	39,262,047
Long-term debt, less current portion	137,094	139,545
Shareholders' equity:		
Preferred stock, no par value: 2,000,000 shares authorized (none issued)	--	--
Common stock, $.01 par value: 23,900,000 shares authorized, issued 12,523,664 and 12,532,909 shares in 2005 and 2004, respectively	125,237	125,329
Additional paid in capital	36,737,583	36,210,602
Retained earnings	33,654,194	31,182,253
Accumulated other comprehensive loss	(11,374)	(7,066)
Total shareholders' equity	70,505,640	67,511,118
Total liabilities and shareholders' equity	$ 121,338,358	$ 106,912,710

See Accompanying Notes to Condensed Consolidated Financial Statements.

SPARTAN MOTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Three Months Ended June 30,	
	2005	2004
Sales	$ 89,341,252	$ 78,205,924
Cost of products sold	76,968,885	66,793,246
Gross profit	12,372,367	11,412,678
Operating expenses:		
Research and development	2,212,026	1,840,231
Selling, general and administrative	6,398,731	6,038,768
Operating income	3,761,610	3,533,679
Other income (expense):		
Interest expense	(30,862)	(103,029)
Interest and other income	178,325	158,179
Earnings before taxes on income	3,909,073	3,588,829
Taxes on income	1,351,893	1,322,020
Net earnings	2,557,180	2,266,809
Basic net earnings per share	$ 0.20	$ 0.18
Diluted net earnings per share	$ 0.20	$ 0.18
Basic weighted average common shares outstanding	12,492,000	12,268,000
Diluted weighted average common shares outstanding	12,737,000	12,665,000

See Accompanying Notes to Condensed Consolidated Financial Statements.

SPARTAN MOTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Six Months Ended June 30,	
	2005	2004
Sales	$ 178,242,385	$ 140,311,023
Cost of products sold	154,136,028	119,639,621
Gross profit	24,106,357	20,671,402
Operating expenses:		
Research and development	4,466,329	3,628,690
Selling, general and administrative	12,718,422	11,703,623
Operating income	6,921,606	5,339,089
Other income (expense):		
Interest expense	(76,919)	(206,247)
Interest and other income	339,909	264,102
Earnings before taxes on income	7,184,596	5,396,944
Taxes on income	2,581,598	1,804,060
Net earnings	4,602,998	3,592,884
Basic net earnings per share	$ 0.37	$ 0.29
Diluted net earnings per share	$ 0.36	$ 0.28
Basic weighted average common shares outstanding	12,506,000	12,245,000
Diluted weighted average common shares outstanding	12,760,000	12,614,000
Cash dividends per common share	$ 0.11	$ 0.08

See Accompanying Notes to Condensed Consolidated Financial Statements.

SPARTAN MOTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(UNAUDITED)

	Number of Shares	Common Stock	Additional Paid In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
Balance at January 1, 2005	12,532,909	$125,329	$36,210,602	$31,182,253	$ (7,066)	$67,511,118
Net proceeds from exercise of stock options, including related income tax benefit	90,755	908	816,981	--	--	817,889
Purchase and constructive retirement of stock	(100,000)	(1,000)	(290,000)	(759,235)	--	(1,050,235)
Dividends paid ($0.11 per share)				(1,371,822)		(1,371,822)
Comprehensive income:						
Net earnings	--	--	--	4,602,998	--	4,602,998
Other comprehensive items:						
Unrealized loss on marketable securities	--	--	--	--	(4,308)	(4,308)
Total comprehensive Income						4,598,690
Balance at June 30, 2005	12,523,664	$125,237	$36,737,583	$33,654,194	$(11,374)	$70,505,640

See Accompanying Notes to Condensed Consolidated Financial Statements.

SPARTAN MOTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Six Months Ended June 30,	
	2005	2004
Cash flows from operating activities:		
Net earnings from operations	$ 4,602,998	$ 3,592,884
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation	1,233,730	1,118,122
Loss on sales of property, plant and equipment	--	1,871
Tax benefit from stock options exercised	83,000	149,000
Deferred income taxes	--	500,500
Decrease (increase) in operating assets:		
Accounts receivable	(5,692,187)	(7,781,582)
Inventories	(3,920,349)	(4,813,841)
Taxes receivable	670,896	(484,895)
Other assets	397,088	703,039
Increase (decrease) in operating liabilities:		
Accounts payable	5,116,247	14,131,526
Accrued warranty	564,573	(47,708)
Accrued compensation and related taxes	(443,248)	22,602
Accrued vacation	129,446	128,050
Accrued customer rebates	1,075,419	60,079
Deposits from customers	4,978,372	2,384,181
Other current liabilities and accrued expenses	12,682	246,041
Total adjustments	4,197,053	6,316,985
Net cash provided by operating activities	8,800,051	9,909,869
Cash flows from investing activities:		
Purchases of property, plant and equipment	(1,252,043)	(2,566,330)
Proceeds from sales of property, plant and equipment	--	19,984
Purchases of marketable securities	--	(2,800,000)
Proceeds from sales of marketable securities	2,727	--
Net cash used in investing activities	(1,245,008)	(5,346,346)
Cash flows from financing activities:		
Proceeds from long-term debt	--	148,053
Payments on long-term debt	(2,365)	--
Purchase and retirement of stock	(1,050,235)	(453,435)
Proceeds from the exercise of stock options	734,889	894,740
Payment of dividends	(1,371,822)	(966,059)
Net cash used in financing activities	(1,689,533)	(376,701)
Net increase in cash and cash equivalents	5,869,818	4,186,822
Cash and cash equivalents at beginning of period	10,463,454	18,480,770

Cash and cash equivalents at end of period	$ 16,333,272	$ 22,667,592

See Accompanying Notes to Condensed Consolidated Financial Statements.

Note 1

For a description of the accounting policies followed refer to the notes to the Spartan Motors, Inc. (the "Company") consolidated financial statements for the year ended December 31, 2004, included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 16, 2005.

Note 2

The accompanying unaudited interim condensed consolidated financial statements reflect all normal and recurring adjustments that are necessary for the fair presentation of the Company's financial position as of June 30, 2005 and the results of operations and cash flows for the three- and six-month periods ended June 30, 2005 and 2004.

Note 3

The results of operations for the six-month period ended June 30, 2005 are not necessarily indicative of the results to be expected for the full year.

Note 4

Inventories consist of raw materials and purchased components, work in process and finished goods and are summarized as follows:

	June 30, 2005	December 31, 2004
Finished goods	$ 6,362,117	$ 6,079,748
Work in process	9,592,274	6,494,250
Raw materials and purchased components	22,992,620	22,107,721
Obsolescence reserve	(2,584,950)	(2,240,007)
	$ 36,362,061	$ 32,441,712

Note 5

The Company's products generally carry limited warranties, based on terms that are generally accepted in the marketplace. Some components included in the Company's end products (such as engines, transmissions, tires, etc.) may include manufacturers' warranties. These manufacturers' warranties are generally passed on to the end customer of the Company's products.

Note 5 (continued)

The Company's policy is to record a provision for the estimated cost of warranty-related claims at the time of the sale and periodically adjust the provision to reflect actual experience. The amount of warranty liability accrued reflects management's best estimate of the expected future cost of honoring the Company's obligations under the warranty agreements. Historically, the cost of fulfilling the Company's warranty obligations has principally involved replacement parts, labor and sometimes travel for field retrofit campaigns. The Company's estimates are based on historical experience, the number of units involved and the extent of features and components included in product models.

Certain warranty and other related claims involve matters of dispute that ultimately are resolved by negotiation, arbitration or litigation. Infrequently, a material warranty issue can arise which is beyond the scope of the Company's historical experience. The Company provides for any such warranty issues as they become known and are estimable. It is reasonably possible that additional warranty and other related claims could arise from disputes or other matters beyond the scope of the Company's historical experience.

Changes in the Company's warranty liability were as follows:

For the three months ended June 30:

	2005	2004
Balance of accrued warranty at March 31	$ 3,959,085	$ 2,341,425
Warranties issued during the period	676,393	579,181
Cash settlements made during the period	(911,712)	(825,933)
Changes in liability for pre-existing warranties during the period, including expirations	511,568	395,823
Balance of accrued warranty at June 30	$ 4,235,334	$ 2,490,496

For the six months ended June 30:

	2005	2004
Balance of accrued warranty at January 1	$ 3,670,761	$ 2,538,204
Warranties issued during the period	1,334,914	1,040,097
Cash settlements made during the period	(1,579,110)	(1,502,956)
Changes in liability for pre-existing warranties during the period, including expirations	808,769	415,151
Balance of accrued warranty at June 30	$ 4,235,334	$ 2,490,496

Note 6

The Company has repurchase agreements with certain third-party lending institutions that have provided floor plan financing to customers. These agreements provide for the repurchase of products from the lending institution in the event of the customer's default. The total contingent liability on June 30, 2005 was $0.2 million. Historically, losses under these agreements have not been significant and it is management's opinion that any future losses will not have a material effect on the Company's financial position or future operating results.

Note 7

The effective income tax rate was 34.6% in the second quarter of 2005 and 36.8% in the second quarter of 2004. These rates are consistent with the applicable federal and state statutory tax rates.

The effective income tax rate was 35.9% in the first half of 2005 and 33.4% in the first half of 2004. The 2005 rate is consistent with the applicable federal and state statutory tax rates. The 2004 rate differs from federal and state statutory tax rates primarily as a result of a reduction in the capital loss valuation allowance for the amount that was realized on the gain on disposal of the Company's building in Mexico.

Note 8

The Company follows Accounting Principles Board (APB) Opinion No. 25*, Accounting for Stock Issued to Employees*, in accounting for its stock option plans. Under APB Opinion No. 25, no compensation expense is recognized because the exercise price of the Company's stock options equals the market price of the underlying stock on the date of grant. Had compensation cost for the Company's stock-based compensation plans been determined based on the fair value at the grant dates for awards under those plans consistent with the method of Statement of Financial Accounting Standards (SFAS) No. 123, *Accounting for Stock-Based Compensation*, the Company's net earnings and net earnings per share for the three and six months ended June 30, 2005 and 2004 would have been the pro forma amounts indicated below.

	Three Months Ended June 30,			
	2005		2004	
Net earnings				
As reported	$	2,557,180	$	2,266,809
Deduct: Compensation expense - fair value method		(24,587)		(98,790)
Add: Income tax benefit for disqualifying dispositions associated with incentive stock options previously expensed.		95,131		85,928
Pro forma	$	2,627,724	$	2,253,947
Basic net earnings per share				
As reported	$	0.20	$	0.18
Pro forma		0.21		0.18
Diluted net earnings per share				
As reported	$	0.20	$	0.18
Pro forma		0.21		0.18

Note 8 (continued)

	Six Months Ended June 30,	
	2005	2004
Net earnings		
As reported	$ 4,602,998	$ 3,592,884
Deduct: Compensation expense - fair value method	(37,192)	(111,272)
Add: Income tax benefit for disqualifying dispositions associated with incentive stock options previously expensed.	132,280	161,053
Pro forma	$ 4,698,086	$ 3,642,665
Basic net earnings per share		
As reported	$ 0.37	$ 0.29
Pro forma	0.38	0.30
Diluted net earnings per share		
As reported	$ 0.36	$ 0.28
Pro forma	0.37	0.29

Note 9

Sales and other financial information by business segment are as follows:

Three Months Ended June 30, 2005
(amounts in thousands)

	Business Segments			
	Chassis	EVTeam	Other	Consolidated
Motorhome chassis sales	$ 47,307			$ 47,307
Fire truck chassis sales	22,151		$ (3,195)	18,956
EVTeam product sales	--	$ 19,848	--	19,848
Other sales	3,230	--	--	3,230
Total Net Sales	$ 72,688	$ 19,848	$ (3,195)	$ 89,341
Interest expense	--	224	(193)	31
Depreciation expense	228	280	106	614
Income tax expense (credit)	1,833	(418)	(63)	1,352
Segment earnings (loss)	3,356	(826)	27	2,557
Segment assets	46,724	45,273	29,341	121,338

Note 9 (continued)

Three Months Ended June 30, 2004
(amounts in thousands)

	Business Segments			
	Chassis	EVTeam	Other	Consolidated
Motorhome chassis sales	$ 42,155			$ 42,155
Fire truck chassis sales	21,953		$ (2,620)	19,333
EVTeam product sales	--	$ 14,987	(171)	14,816
Other sales	1,902	--	--	1,902
Total Net Sales	$ 66,010	$ 14,987	$ (2,791)	$ 78,206
Interest expense	6	202	(105)	103
Depreciation expense	228	243	104	575
Income tax expense (credit)	1,762	(440)	--	1,322
Segment earnings (loss)	3,133	(696)	(170)	2,267
Segment assets	40,012	36,801	34,858	111,671

Six Months Ended June 30, 2005

	Business Segments			
	Chassis	EVTeam	Other	Consolidated
Motorhome chassis sales	$ 106,693			$ 106,693
Fire truck chassis sales	38,841		$ (6,563)	32,278
EVTeam product sales	--	$ 33,576	--	33,576
Other sales	5,695	--	--	5,695
Total Net Sales	$ 151,229	$ 33,576	$ (6,563)	$ 178,242
Interest expense	--	450	(373)	77
Depreciation expense	450	570	214	1,234
Income tax expense (credit)	3,696	(961)	(153)	2,582
Segment earnings (loss)	6,768	(1,883)	(282)	4,603
Segment assets	46,724	45,273	29,341	121,338

Note 9 (continued)

Six Months Ended June 30, 2004
(amounts in thousands)

	Business Segments			
	Chassis	EVTeam	Other	Consolidated
Motorhome chassis sales	$ 78,006			$ 78,006
Fire truck chassis sales	39,395		$ (7,356)	32,039
EVTeam product sales	--	$ 27,062	(171)	26,891
Other sales	3,375	--	--	3,375
Total Net Sales	$ 120,776	$ 27,062	$ (7,527)	$ 140,311
Interest expense	8	412	(214)	206
Depreciation expense	442	467	209	1,118
Income tax expense (credit)	3,105	(1,043)	(258)	1,804
Segment earnings (loss)	5,520	(1,695)	(232)	3,593
Segment assets	40,012	36,801	34,858	111,671

Note 10

New and Pending Accounting Pronouncements. In December 2004, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 123 (revised 2004), *Share-Based Payment* (SFAS No. 123R), which replaces SFAS No. 123 and supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*. SFAS No. 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. The pro forma disclosures previously permitted under SFAS No. 123 no longer will be an alternative. The Company is required to adopt SFAS No. 123R no later than January 1, 2006. Under SFAS No. 123R, the Company must determine the appropriate fair value model to be used for valuing share-based payments, the amortization method for compensation cost and the transition method to be used at date of adoption. The permitted transition methods include either retrospective or prospective adoption. Under the retrospective option, prior periods may be restated either as of the beginning of the year of adoption or for all periods presented. The prospective method requires that compensation expense be recorded for all unvested stock options at the beginning of the first quarter of adoption of SFAS No. 123R, while the retrospective methods would record compensation expense for all unvested stock options beginning with the first period presented. The Company believes the adoption of SFAS No. 123(R) will have an impact on the Company's consolidated results of operations and financial position but has not yet determined whether adoption will result in compensation expense materially different than the amounts disclosed in Note 8 above to the condensed consolidated financial statements included in Item 1 of this Form 10-Q.

Note 10 (continued)

In November 2004, the FASB issued SFAS No. 151, *Inventory Costs an amendment of ARB No. 43, Chapter 4*. SFAS No. 151 amends the guidance in ARB No. 43, Chapter 4, *Inventory Pricing*, to clarify the accounting for abnormal amounts of idle facility expense, handling costs and wasted material (spoilage). Among other provisions, the new rule requires that such items be recognized as current-period charges, regardless of whether they meet the criterion of "so abnormal" as stated in ARB No. 43. SFAS No. 151 is effective for fiscal years beginning after June 15, 2005. The Company does not expect that adoption of SFAS No. 151 will have a material effect on its consolidated financial position, consolidated results of operations, or liquidity.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following is a discussion of the major elements impacting the Company's financial and operating results for the three- and six-month periods ended June 30, 2005 compared to the three-and six-month periods ended June 30, 2004. The comments that follow should be read in conjunction with the Company's condensed consolidated financial statements and related notes contained in this Form 10-Q.

RESULTS OF OPERATIONS

The following table sets forth, for the periods indicated, the components of the Company's consolidated statements of operations, on an actual basis, as a percentage of sales:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Sales	100.0%	100.0%	100.0%	100.0%
Cost of product sold	86.2%	85.4%	86.5%	85.3%
Gross profit	13.8%	14.6%	13.5%	14.7%
Operating expenses:				
Research and development	2.5%	2.4%	2.5%	2.6%
Selling, general, and administrative	7.1%	7.7%	7.1%	8.3%
Operating income	4.2%	4.5%	3.9%	3.8%
Other income (expense)	0.2%	0.1%	0.1%	0.0%
Earnings before taxes on income	4.4%	4.6%	4.0%	3.8%
Taxes on income	1.5%	1.7%	1.4%	1.2%
Net earnings	2.9%	2.9%	2.6%	2.6%

Quarter Ended June 30, 2005, Compared to the Quarter Ended June 30, 2004

For the three months ended June 30, 2005, consolidated sales increased $11.1 million (14.2%) to $89.3 million, from $78.2 million in the second quarter of 2004. Chassis Group sales for this period increased by $6.7 million (10.1%) to $72.7 million, from $66.0 million in the second quarter of 2004. The majority of this increase was due to higher sales of motorhome chassis. During the second quarter of 2005, motorhome chassis sales were $5.2 million (12.2%) higher than in the second quarter of 2004. This increase was primarily due to the fact that the Chassis Group had secured additional business from its top two customers.

Fire truck chassis sales in the second quarter of 2005 increased $0.2 million (0.9%) over the same period of 2004. The fire truck market remains strong in 2005, with a continuing focus by fire departments on making sure their equipment is sufficient to respond to the variety of emergencies that are on their growing list of responsibilities.

EVTeam sales increased by $4.9 million (32.4%) during the second quarter of 2005 compared with the prior year's second quarter. Road Rescue sales were up by $3.0 million (77.8%), Crimson Fire Aerials sales were up by $0.4 million (243.9%) and Crimson Fire's sales were up by $1.5 million (13.1%). The increase at Road Rescue was due primarily to the production ramp up at Road Rescue to a higher run rate. Crimson Fire Aerials, a newly formed corporation in 2003, had minimal sales in the second quarter of 2004. Crimson Fire's sales were higher due primarily to improved production throughput.

Gross margin decreased from 14.6% for the quarter ended June 30, 2004 to 13.8% for the same period of 2005. This decrease is due primarily to the steel surcharges experienced by the Company during 2005. In addition, lower margins were recorded by the Chassis Group resulting from favorable pricing given in conjunction with the additional business from its top two customers.

Operating expenses as a percentage of sales decreased from 10.1% for the second quarter of 2004 to 9.6% for the second quarter of 2005. This decrease is primarily due to higher sales levels coupled with the Company's efforts to better leverage systems across all of its subsidiaries, a continued focus on keeping the base operating expense level low and efforts to control costs.

The effective income tax rate was 34.6% in the second quarter of 2005 and 36.8% in the second quarter of 2004. These rates are consistent with the applicable federal and state statutory tax rates.

Net earnings increased to $2.6 million ($0.20 per diluted share) in the second quarter of 2005 from $2.3 million ($0.18 per diluted share) in the second quarter of 2004 as a result of the factors discussed above.

Total chassis orders received during the second quarter of 2005 increased 5.4% compared to the same period in 2004. This is due to a 13.7% decrease in motorhome chassis orders combined with a 40.1% increase in fire truck chassis orders. Based on average order lead-time, the Company estimates that approximately one-half of the motorhome and none of the fire truck chassis orders received during the three-month period ended June 30, 2005 were produced and delivered by June 30, 2005.

At June 30, 2005, the Company had $156.3 million in backlog, compared with a backlog of $110.3 million at June 30, 2004. This was due to an increase in Chassis Group backlog of $33.8 million, or 52.5%, combined with an increase in EVTeam backlog of $12.2 million, or 26.6%.

While orders in the backlog are subject to modification, cancellation or rescheduling by customers, the Company has not experienced significant modification, cancellation or rescheduling of orders in the past. Although the backlog of unfilled orders is one of many indicators of market demand, several factors, such as changes in production rates, available capacity, new product introductions and competitive pricing actions, may affect actual sales. Accordingly, a comparison of backlog from period to period is not necessarily indicative of eventual actual shipments.

Six-Month Period Ended June 30, 2005, Compared to the Six-Month Period Ended June 30, 2004

For the six months ended June 30, 2005, consolidated sales increased $37.9 million (27.0%) to $178.2 million, from $140.3 million in the first six months of 2004. Chassis Group sales for this period increased by $30.5 million (25.2%). The majority of this increase was due to higher sales of motorhome chassis. During the first half of 2005, motorhome chassis sales were $28.7 million (36.8%) higher than the first half of 2004. This increase was due primarily to the fact that the Chassis Group secured additional business from its two largest customers and production related to this additional business began late in the second quarter of 2004.

The increase in motorhome chassis sales was offset by a slight decrease in fire truck chassis sales. Fire truck chassis sales in the first half of 2005 were down $0.6 million (1.4%) over the same period of 2004, which was a record period for the Company's fire truck sales. The fire truck market remains strong in 2005, with a continuing focus by fire departments on making sure their equipment is sufficient to respond to the variety of emergencies that are on their growing list of responsibilities.

EVTeam sales in the first half of 2005 increased by $6.5 million, or 24.1%, from the first six months of 2004. Road Rescue sales were up by $4.4 million (55.6%), Crimson Fire Aerials sales were up by $1.0 million (578.9%) and Crimson Fire's sales were up by $1.1 million (6.0%). The increase at Road Rescue was due to the production ramp up at Road Rescue to a higher run rate. Crimson Fire Aerials, a newly formed corporation in 2003, had minimal sales in the first six months of 2004. Crimson Fire's sales were higher due to improved production throughput.

Gross margin decreased from 14.7% for the six months ended June 30, 2004 to 13.5% for the same period of 2005. This decrease is due primarily to lower gross margins at the Chassis Group. These lower margins resulted primarily from increases in steel surcharges, a change in customer mix and favorable pricing given in conjunction with additional business gained from two of its largest customers. The EVTeam also experienced a decrease in margins, due in part to the negative impact of physical inventory and other costing adjustments made at an EVTeam location.

Operating expenses as a percentage of sales decreased from 10.9% for the six months ended June 30, 2004 to 9.6% for same period in 2005. This decrease is primarily due to higher sales levels coupled with a Company focus on keeping the base operating expense level low.

The effective income tax rate was 35.9% in the first half of 2005 and 33.4% in the first half of 2004. The 2005 rate is consistent with the applicable federal and state statutory tax rates. The 2004 rate differs from federal and state statutory tax rates primarily as a result of a reduction in the capital loss valuation allowance for the amount that was realized on the gain on disposal of the Company's building in Mexico.

Total chassis orders received during the first six months of 2005 increased 37.4% compared to the same period in 2004. This is due to a 26.6% increase in motorhome chassis orders combined with a 39.7% increase in fire truck chassis orders. Based on average order lead-time, the Company estimates that approximately seventy percent of the motorhome and none of the fire truck chassis orders received during the six-month period ended June 30, 2005 were produced and delivered by June 30, 2005.

At June 30, 2005, the Company had $156.3 million in backlog, compared with a backlog of $110.3 million at June 30, 2004. This was due to an increase in Chassis Group backlog of $33.8 million, or 52.5%, combined with an increase in EVTeam backlog of $12.2 million, or 26.6%.

While orders in the backlog are subject to modification, cancellation or rescheduling by customers, the Company has not experienced significant modification, cancellation or rescheduling of orders in the past. Although the backlog of unfilled orders is one of many indicators of market demand, several factors, such as changes in production rates, available capacity, new product introductions and competitive pricing actions, may affect actual sales. Accordingly, a comparison of backlog from period to period is not necessarily indicative of eventual actual shipments.

LIQUIDITY AND CAPITAL RESOURCES

For the six months ended June 30, 2005, cash provided by operating activities was $8.8 million, which was a $1.1 million (11.1%) change from the $9.9 million of cash provided by operating activities for the six months ended June 30, 2004. See the Condensed Consolidated Statements of Cash Flows contained in Item 1 of this Form 10-Q for further details. The cash on hand at December 31, 2004, cash provided by operations of $8.8 million and cash provided from the exercise of stock options of $0.7 million allowed the Company to fund $1.3 million in property, plant and equipment purchases, to repurchase $1.0 million of the Company's stock and to pay a dividend of $1.4 million. The Company's working capital increased $2.8 million from $44.0 million at December 31, 2004 to $46.8 million at June 30, 2005. Cash and cash equivalents increased $5.8 million, from $10.5 million at December 31, 2004 to $16.3 million at June 30, 2005.

Shareholders' equity increased $3.0 million in the six months ended June 30, 2005 to $70.5 million from $67.5 million at December 31, 2004. This change resulted from the $4.6 million in net comprehensive income of the Company and the receipt of $0.8 million from the exercise of stock options including the corresponding tax benefit net with $1.0 million for the repurchase of Company stock and $1.4 million for the payment of a dividend.

On April 26, 2005, the Board of Directors authorized management to repurchase up to a total of 500,000 shares of its common stock in open market transactions. Repurchase of common stock is contingent upon market conditions. The authorization for this repurchase program expires on April 26, 2006. If the Company were to repurchase the 500,000 shares of stock at current prices, this would cost the Company approximately $5.5 million. The Company believes that it has sufficient cash reserves to fund this stock buyback.

The Company's primary line of credit is a $15.0 million revolving note payable to a bank that expires on October 31, 2005. The Company expects to extend or refinance this line of credit in

2005. There were no borrowings under this line at June 30, 2005. Under the terms of the line of credit agreement, the Company is required to maintain certain financial ratios and other financial conditions. The agreement also prohibits the Company from incurring additional indebtedness, limits certain acquisitions, investments, advances or loans, and restricts substantial asset sales. At June 30, 2005, the Company was in compliance with all debt covenants.

The Company also has a secured line of credit for $0.2 million. The $0.2 million line carries an interest rate of 1% above the bank's prime rate (prime rate at June 30, 2005 was 6.25%) and has an expiration date of October 31, 2005. This line of credit is secured by accounts receivable, inventory and equipment. There were no borrowings under this line at June 30, 2005.

The Company also has a secured mortgage note for $150,000. The mortgage note carries an interest rate of 3.00% and is payable in monthly installments of $834 with the balance due March 1, 2009. This mortgage note is secured by land.

The Company believes it has sufficient resources from cash flows from operating activities and, if necessary, from borrowings under its lines of credit to satisfy ongoing cash requirements for the next 12 months. Proceeds from existing credit facilities and anticipated renewals, along with cash flows from operations, are expected to be sufficient to meet capital needs in the foreseeable future.

CRITICAL ACCOUNTING POLICIES

The following discussion of accounting policies is intended to supplement Note 1, General and Summary of Accounting Policies, of the Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 16, 2005. These policies were selected because they are broadly applicable within the Company's operating units, and they involve additional management judgment due to the sensitivity of the methods, assumptions and estimates necessary in determining the related income statement, asset and/or liability amounts.

Revenue Recognition - The Company recognizes revenue in accordance with SEC Staff Accounting Bulletin (SAB) No. 104, Revenue Recognition. Accordingly, revenue is recognized when title to the product and risk of ownership passes to the buyer. This occurs when the unit has been completed in accordance with purchase order specifications and has been tendered for delivery to the customer. Sales are shown net of returns, discounts and sales incentives, which historically have not been significant. The collectibility of any related receivable is reasonably assured before revenue is recognized.

Inventory - Estimated inventory allowances for slow-moving and obsolete inventory are based upon current assessments about future demands, market conditions and related management initiatives. If market conditions are less favorable than those projected by management, additional inventory allowances may be required.

Warranties - The Company's policy is to record a provision for the estimated cost of warranty-related claims at the time of the sale, and periodically adjust the provision to reflect actual experience. The amount of warranty liability accrued reflects management's best estimate of the expected future cost of honoring the Company's obligations under the warranty agreements. The Company's estimates are based on historical experience, the number of units involved and the extent of features and components included in product models. See also Note 5 to the condensed consolidated financial statements included in Item 1 of this Form 10-Q.

NEW AND PENDING ACCOUNTING POLICIES

See Note 10 to the condensed consolidated financial statements included in Item 1 of this Form 10-Q.

EFFECT OF INFLATION

Inflation affects the Company in two principal ways. First, the Company's debt, if any, is tied to the prime and LIBOR interest rates so that increases in those interest rates would be translated into additional interest expense. Second, general inflation impacts prices paid for labor, parts and supplies. Whenever possible, the Company attempts to cover increased costs of production and capital by adjusting the prices of its products. However, the Company generally does not attempt to negotiate inflation-based price adjustment provisions into its contracts. Since order lead times can be as much as six months, the Company has limited ability to pass on cost increases to its customers on a short-term basis. In addition, the markets the Company serves are competitive in nature, and competition limits the Company's ability to pass through cost increases in many cases. The Company strives to minimize the effects of inflation through cost reductions and improved productivity.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The Company's primary market risk exposure is a change in interest rates in connection with its outstanding variable rate short-term and long-term debt. However, at June 30, 2005, the Company had no debt outstanding under its variable rate short-term and long-term debt agreements. The Company does not enter into market risk sensitive instruments for trading purposes.

Item 4. Controls and Procedures.

An evaluation was performed under the supervision and with the participation of the Company's Management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of June 30, 2005. Based on the evaluation required by Rule 13a-15(b), the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures were adequate and effective as of June 30, 2005. During the Company's second fiscal quarter ended June 30, 2005, there was no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders.

The annual meeting of shareholders of Spartan Motors, Inc. was held on May 24, 2005. The purpose of the meeting was to elect directors, to ratify the appointment of Ernst & Young LLP as independent auditors for the current fiscal year, to consider and vote on the approval of the Stock Incentive Plan of 2005 and to transact any other business that properly came before the meeting.

The name of each director elected to a term expiring in 2008 (along with the number of votes cast for or authority withheld) is as follows:

Elected Directors	For	Authority Withheld / Against
William F. Foster	10,430,223.67	949,533.47
Richard J. Schalter	11,054,863.14	324,894.00

The following persons continue to serve as directors: Charles E. Nihart, Kenneth Kaczmarek, John E. Sztykiel, George Tesseris and David R. Wilson.

The following proposal was acted on:

Proposal	For	Against	Abstain	Broker Non-Vote
Proposal to approve the Stock Incentive Plan of 2005	6,936,141.720	2,123,976.42	21,166.00	2,298,474.00

The following proposal was acted on:

Proposal	For	Against	Abstain	Broker Non-Vote
Proposal to ratify the Audit Committee's appointment of Ernst & Young LLP as independent auditors for the current fiscal year.	11,127,040.14	233,370.00	19,348.00	0

Item 6. Exhibits

(a) Exhibits. The following documents are filed as exhibits to this report on Form 10-Q:

Exhibit No.	Document
3.1	Spartan Motors, Inc. Restated Articles of Incorporation, as amended to date. Previously filed as an exhibit to the Company's Form 10-Q Quarterly Report for the period ended March 31, 2005, and incorporated herein by reference.
3.2	Spartan Motors, Inc. Bylaws, as amended to date. Previously filed as an exhibit to the Company's Form 10-Q Quarterly Report for the period ended March 31, 2003, and incorporated herein by reference.
10.1	Form of Restricted Stock Agreement.*
10.2	Form of Stock Appreciation Rights Agreement.*
10.3	Spartan Motors, Inc. Stock Incentive Plan of 2005. Previously filed as Appendix A to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Shareholders held on May 24, 2005, and incorporated herein by reference.*
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act.
32	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. § 1350.

*Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 4, 2005

SPARTAN MOTORS, INC.

By /s/ James W. Knapp

James W. Knapp
Chief Financial Officer, Senior Vice President,
Secretary and Treasurer
(Principal Accounting and Financial Officer and
duly authorized signatory for the registrant)

EXHIBIT INDEX

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*Management contract or compensatory plan or arrangement.

EXHIBIT 10.1

Grantee:	______________________________	Date of Award:	______________________
			("**Date of Award**")
Address:	______________________________		
	______________________________		
Number of Shares: ______________		Restricted Stock Number: _____________	

RESTRICTED STOCK AGREEMENT

This Restricted Stock Agreement ("**Agreement**") is made as of _________________, 200__ between SPARTAN MOTORS, INC., a Michigan corporation ("**Spartan Motors**"), and ______________________("**Grantee**").

The Spartan Motors, Inc. Stock Incentive Plan of 200__ (the "**Plan**") is administered by the Compensation Committee of Spartan Motors's Board of Directors (the "**Committee**"). The Committee has determined that Grantee is eligible to participate in the Plan. The Committee agrees to award restricted stock to Grantee, subject to the terms and conditions contained in this Agreement and in the Plan.

Grantee acknowledges receipt of a copy of the Plan and the Plan Description, and accepts this restricted stock award subject to all of the terms, conditions, and provisions of this Agreement and the Plan.

1. Award. Spartan Motors hereby awards to Grantee, as of the Date of Award, ______ shares of Spartan Motors' common stock, $.01 par value, subject to conditions and restrictions imposed under this Agreement and the Plan (the "**Restricted Stock**").

2. Transferability. Until the restrictions lapse as set forth in paragraph 3 below, the Plan provides that Restricted Stock granted under this Agreement is generally not transferable by Grantee except by will or according to the laws of descent and distribution, and further provides that all rights with respect to the Restricted Stock are exercisable during Grantee's lifetime only by Grantee, Grantee's guardian, or legal representative. Spartan Motors shall place an appropriate legend upon any certificate representing shares of Restricted Stock awarded under this Agreement and may also issue appropriate stop transfer instructions to its transfer agent with respect to such shares.

3. Lapsing of Restrictions. Except as otherwise provided in this Agreement, the restrictions imposed on the Restricted Stock awarded pursuant to this Agreement shall lapse as follows: ______ shares of the Restricted Stock will vest on __________, 200__; _______ shares of the Restricted Stock will vest on ___________, 200__ (_______ shares vested) and ______ shares of the Restricted Stock will vest on ___________, 200__ (______ shares vested). The periods during which Restricted Stock is subject to restrictions imposed by the Plan and under this Agreement shall be known as "**Restricted Periods**."

4. Securities Laws.

(a) The Restricted Stock award under this Agreement is conditional upon (ii) the effective registration of the Plan and the Restricted Stock granted thereunder under the Securities Act of 1933 and the effective registration or exemption of the Plan and the Restricted Stock granted thereunder under applicable state or foreign securities laws, and (ii) the effective listing of the stock on any applicable securities exchange or quotation system.

(b) Grantee hereby represents and warrants that Grantee is acquiring the Restricted Stock awarded under this Agreement for Grantee's own account and investment and without any intent to resell or distribute the Restricted Stock. Grantee shall not resell or distribute the Restricted Stock after any Restricted Period except in compliance with such conditions as Spartan Motors may reasonably specify to ensure compliance with federal and state securities laws.

5. Termination of Employment or Officer/Director Status. Subject to certain exemptions as set forth in the Plan, the Plan generally provides that if Grantee terminates employment (and directorship status, if applicable) with Spartan Motors during any Restricted Period for any reason other than Grantee's death, Disability (as defined in the Plan), Retirement (as defined in the Plan), or termination for cause, all Restricted Stock still subject to restrictions at the date of termination shall automatically be forfeited and returned to Spartan Motors. The Plan also generally provides that if Grantee terminates employment (and directorship status, if applicable) with Spartan Motors because of death or Disability, during any Restricted Period, then (1) any shares of Restricted Stock subject to a Restricted Period of one year or less from the date of Grantee's death or disability will vest in accordance with their terms, and (2) any Restricted Stock subject to a Restricted Period of more than one year from the date of Grantee's death or disability will be forfeited and returned to Spartan Motors. The Plan provides that if Grantee retires from Spartan Motors during any Restricted Period, then Grantee's Restricted Stock granted under the Plan will vest in accordance with its terms.

6. Employment by Spartan Motors. The award of Restricted Stock under this Agreement shall not impose upon Spartan Motors any obligation to retain Grantee in its employ for any given period or upon any specific terms of employment. Spartan Motors may at any time dismiss Grantee from employment, free from any liability or claim under the Plan or this Agreement, unless otherwise expressly provided in any written agreement with Grantee.

7. Shareholder Rights. During the Restricted Period, Grantee shall have all voting, dividend, liquidation, and other rights with respect to the Restricted Stock held of record by Grantee as if Grantee held unrestricted common stock; *provided, however,* that the unvested portion of any Restricted Stock award shall be subject to any restrictions on transferability or risks of forfeiture imposed pursuant to this Agreement or the Plan. Any noncash dividends or distributions paid with respect to shares of unvested Restricted Stock shall be subject to the same restrictions as the shares to which such dividends or distributions relate. After the restrictions applicable to the Restricted Stock lapse, Grantee shall have all shareholder rights, including the right to transfer the shares, subject to such conditions as Spartan Motors may reasonably specify to ensure compliance with federal and state securities laws.

8. Withholding. Spartan Motors shall be entitled to (a) withhold and deduct from Grantee's future wages (or from other amounts that may be due and owing to Grantee from Spartan Motors), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all federal, state, and local withholding and employment-related tax requirements attributable to the Restricted Stock award under this Agreement, including, without limitation, the award or vesting of, or payments of dividends with respect to, the Restricted Stock; or (b) require Grantee promptly to remit the amount of such withholding to Spartan Motors before taking any action with respect to the Restricted

Stock. Unless the Committee provides otherwise, withholding may be satisfied by withholding common stock to be received or by delivery to Spartan Motors of previously owned common stock of Spartan Motors.

9. Effective Date. This Agreement shall be effective as of ____________, 20___.

10. Amendment. This Agreement shall not be modified except in a writing executed by the parties to this Agreement.

11. Agreement Controls. The Plan is incorporated in this Agreement by reference. Capitalized terms not defined in this Agreement will have those meanings provided in the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the provisions of this Agreement will control as long as the provision of this Agreement does not violate a limitation of the Plan or the law. If any provision of this Agreement does violate a limitation of the Plan or the law, that limitation will control.

SPARTAN MOTORS, INC.

By ______________________________

Its ______________________________

GRANTEE

By ______________________________

Its ______________________________

EXHIBIT 10.2

Grantee: ______________________ Grant Date: ______________________

Address: ______________________ Expiration Date: ______________________

______________________ Base Price per Share: ______________________

Number of Shares: ______________________ SAR No.: ______________________

STOCK APPRECIATION RIGHTS AGREEMENT

This Stock Appreciation Rights Agreement ("**Agreement**") is made as of the Grant Date set forth above (the "**Grant Date**") between SPARTAN MOTORS, INC., a Michigan corporation ("**Spartan**"), and the grantee named above ("**Grantee**").

The Spartan Motors, Inc. Stock Incentive Plan of 2005 (the "**Plan**") is administered by the Compensation Committee of Spartan's Board of Directors (the "**Committee**"). The Committee has determined that Grantee is eligible to participate in the Plan. The Committee has granted stock appreciation rights to Grantee, subject to the terms and conditions contained in this Agreement and in the Plan. This Agreement is intended to comply with the provisions governing stock appreciation rights under Internal Revenue Service Notice 2005-1 in order to exempt the stock appreciation rights from application of Section 409A of the Internal Revenue Code ("**Section 409A**").

Grantee acknowledges receipt of a copy of the Plan and accepts the stock appreciation rights subject to all of the terms, conditions and provisions of this Agreement and the Plan.

1. Grant. Spartan grants to Grantee stock appreciation rights (the "**Stock Appreciation Rights**") with respect to the number of shares of Spartan's common stock, $.01 par value ("**Common Stock**") equal to the Number of Shares set forth above. A Stock Appreciation Right is a right awarded to Grantee that entitles Grantee to receive Common Stock having a value on the date the Stock Appreciation Right is exercised equal to the excess of (a) the Market Value (as defined in the Plan) of a share of Common Stock at the time of exercise over (b) the Base Price per Share set forth above, which equals the Market Value of the Common Stock on the Grant Date. The Stock Appreciation Rights consist of a single Stock Appreciation Right for each share of Common Stock.

2. Price. The per-share base price of the Stock Appreciation Rights shall equal the Base Price per Share set forth above (subject to adjustment as provided in the Plan).

3. Term and Vesting. The right to exercise the Stock Appreciation Rights shall vest immediately and shall terminate on the Expiration Date set forth above, unless earlier terminated pursuant to the terms of the Plan.

4. Exercise. Grantee shall exercise the Stock Appreciation Rights by giving Spartan a written notice of the exercise of the Stock Appreciation Rights in the form of **Exhibit A** to this Agreement and providing any other documentation that the Committee may require from time to time. The notice shall set forth the number of shares with respect to which Grantee is exercising the Stock Appreciation Rights. The notice shall be effective when received at Spartan's main office. The Stock

Appreciation Rights will be considered exercised with respect to the number of shares specified in the notice on the latest of (i) the date of exercise designated in the notice, (ii) if the date so designated is not a business day, the first business day following such date or (iii) the earliest business day by which Spartan has received the notice and all documentation required by the Committee. Spartan shall deliver to Grantee a certificate or certificates for the shares received upon exercise of the Stock Appreciation Rights: *provided, however,* that the time of delivery may be postponed for such period as may be required for Spartan with reasonable diligence to comply with any requirements or provisions of the Securities Act of 1933 or the Securities Exchange Act of 1934, any law, order or regulation of any governmental authority, or any rule or regulation of, or agreement of Spartan with, any applicable securities exchange or quotation system. If at any time the number of shares to be received upon exercise of the Stock Appreciation Rights includes a fractional share, the number of shares actually issued shall be rounded down to the nearest whole share. If Grantee fails to accept delivery or tender of all or any of the shares to be received upon exercise of the Stock Appreciation Rights specified in the notice, Grantee's right to exercise the Stock Appreciation Rights with respect to such unaccepted shares shall terminate.

5. Withholding. Spartan shall be entitled to (a) withhold and deduct from Grantee's future wages (or from other amounts that may be due and owing to Grantee from Spartan), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all federal, state, and local withholding and employment-related tax requirements attributable to the Stock Appreciation Rights under this Agreement, including without limitation, attributable to the award, vesting or exercise of the Stock Appreciation Rights; or (b) require Grantee promptly to remit the amount of such withholding to Spartan before taking any action with respect to the Stock Appreciation Rights. Grantee acknowledges that Grantee is obligated to pay the amount of such withholding. Unless the Committee provides otherwise, withholding may be satisfied by withholding shares to be received upon exercise of the Stock Appreciation Rights or by delivery to Spartan of previously owned Common Stock.

6. Transferability. The Plan provides that the Stock Appreciation Rights are generally not transferable by Grantee except by will or according to the laws of descent and distribution, and are exercisable during Grantee's lifetime only by Grantee or Grantee's guardian. Spartan may, in the event it deems the same desirable to assure compliance with applicable federal and state securities laws, place an appropriate restrictive legend upon any certificate representing shares received upon exercise of the Stock Appreciation Rights, and may also issue appropriate stop-transfer instructions to its transfer agent with respect to such shares.

7. Termination of Employment or Director Status. The Stock Appreciation Rights shall terminate as provided in the Plan with respect to the death of Grantee or the termination of the employment or director status (or both, if applicable) of Grantee with Spartan or any of its subsidiaries.

8. Acceleration. The Stock Appreciation Rights shall be immediately exercisable in the event of any Change in Control (as defined in the Plan) of Spartan.

9. Shareholder Rights. Grantee shall have no rights as a shareholder by reason of the Stock Appreciation Rights or with respect to any shares to be received upon exercise of the Stock Appreciation Rights until the date of issuance of a stock certificate to Grantee for such shares.

10. Employment by Spartan. The grant of the Stock Appreciation Rights shall not impose upon Spartan or any subsidiary any obligation to retain Grantee in its employ for any given period or upon any specific terms of employment. Spartan or any subsidiary may at any time dismiss Grantee from employment, free from any liability or claim under the Plan, except as otherwise expressly provided in any written agreement with Grantee.

11. Certifications. Grantee hereby represents and warrants that Grantee is acquiring the shares to be received upon exercise of the Stock Appreciation Rights for Grantee's own account and investment and without any intent to resell or distribute such shares upon such exercise. Grantee shall not resell or distribute the shares received upon exercise of the Stock Appreciation Rights except in compliance with such conditions as Spartan may reasonably specify to ensure compliance with federal and state securities laws.

12. Effective Date. The Stock Appreciation Rights Agreement shall be effective as of the Grant Date.

13. Amendment. Neither the Stock Appreciation Rights nor this Agreement shall be modified except in a writing executed by the parties to this Agreement and except as Spartan, upon advice of legal counsel, determines is necessary or advisable because of the promulgation of, or change in or of the interpretation of, any law or governmental rule or regulation, including without limitation, Section 409A and any applicable federal or state securities laws.

14. Agreement Controls. The Plan is incorporated in this Agreement by reference. Capitalized terms not defined in this Agreement shall have those meanings provided in the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement shall control.

15. Corporate Changes. In the event of any stock dividend, stock split or other increase or reduction in the number of shares of Common Stock outstanding, the number and class of shares that may be received upon exercise of the Stock Appreciation Rights, and the Base Price per Share, are subject to adjustment as provided in the Plan; *provided however, that* no adjustment shall be contrary to Section 409A or shall be effected in a manner that would subject Grantee to taxes and penalties under Section 409A.

16. Administration. The Committee has full power and authority to interpret the provisions of the Plan, to supervise the administration of the Plan and to adopt forms and procedures for the administration of the Plan, except as limited by the Plan. All determinations made by the Committee shall be final and conclusive.

17. Illegality. Grantee shall not exercise the Stock Appreciation Rights, and Spartan shall not be obligated to issue any shares of Common Stock to Grantee pursuant to the exercise of the Stock Appreciation Rights, if the exercise thereof or the issuance of such shares would constitute a violation by Grantee or Spartan of any provisions of the Securities Act of 1933 or the Securities Exchange Act of 1934, any other law, order or regulation of any governmental authority, or any rule or regulation of, or agreement of Spartan with, any applicable securities exchange or quotation system. Spartan will in no event be obligated to take any affirmative action in order to cause the exercise of the Stock Appreciation Rights or the resulting issuance of shares of Common Stock to comply with any such law, order, rule, regulation or agreement.

18. Governing Law. This Agreement will be governed by, and construed in accordance with, the internal laws of the State of Michigan, without regard to conflict of law principles. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Michigan in the counties of Kent and Eaton, in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

SPARTAN MOTORS, INC.

By

James W. Knapp
Chief Financial Officer

GRANTEE

Signature

Print or type name

EXHIBIT A

____
Date

Spartan Motors, Inc.
ATTN: Chief Financial Officer
1165 Reynolds Road
Charlotte, Michigan 48813

Dear _________:

Effective on ________, 2____, I hereby exercise SAR No. ___ granted to me on ___________ with respect to ____ shares of Common Stock of Spartan Motors, Inc., having a base price per share of $____________.

I hereby represent to you that it is my intention to acquire these shares for investment and not for resale or distribution.

Very truly yours,

____
Signature of Grantee

____
Social Security Number

____
Other Name, if Joint Ownership

EXHIBIT 31.1

CERTIFICATION

I, John E. Sztykiel, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spartan Motors, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2005

/s/ John E. Sztykiel

John E. Sztykiel
President and Chief Executive Officer
Spartan Motors, Inc.

EXHIBIT 31.2

CERTIFICATION

I, James W. Knapp, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spartan Motors, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2005

/s/ James W. Knapp

James W. Knapp
Chief Financial Officer, Secretary and Treasurer
Spartan Motors, Inc.

EXHIBIT 32

CERTIFICATION

Each of the undersigned hereby certifies in his capacity as an officer of Spartan Motors, Inc. (the "Company"), pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350 that:

1. The Quarterly Report on Form 10-Q of the Company for the three month period ended June 30, 2005 (the "Report") fully complies with the requirements of Section 13(a) of the Securities and Exchange Act of 1934 (15 U.S.C. 78m); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition at the end of such period and results of operations of the Company for such period.

Dated: August 4, 2005

/s/ John E. Sztykiel

John E. Sztykiel
President and Chief Executive Officer

Dated: August 4, 2005

/s/ James W. Knapp

James W. Knapp
Chief Financial Officer, Secretary and Treasurer