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

FORM 10-Q

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

For the quarterly period ended June 30, 2007

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

For the transition period from ____________________ to ____________________

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.)
1000 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 a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer ____ Accelerated Filer X Non-accelerated filer ____

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2).

Yes ____ No X

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 August 1, 2007
Common stock, $.01 par value	32,646,105 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 adversely impacted 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 improved emissions standards could increase our research and development costs, increase the cost of components and lead to the temporary unavailability of engines.

- **Rapidly rising material and component costs and the Company's ability to mitigate such cost increases based upon our supply contracts or to recover such cost increases with increases in selling prices of its products**. Such increases in costs could have an adverse 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.

  - Increasing oil prices and the availability of oil may have an adverse impact on the RV market.

- **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.

- **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 Report. However, this list is not intended to be exhaustive; many other factors, including the risk factors disclosed in Item 1A "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2006, could impact our business and it is impossible to predict with any accuracy which factors could adversely affect the Company. Although we believe that the forward-looking statements contained in this Report are reasonable, we cannot provide you with any guarantee that the anticipated results will be achieved. All forward-looking statements in this Report 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 Report. 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 (UNAUDITED)

	June 30, 2007	December 31, 2006
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,583,932	$ 13,834,892
Accounts receivable, less allowance for doubtful accounts of $751,000 in 2007 and $373,000 in 2006	76,905,764	62,620,127
Inventories	78,748,365	64,173,194
Deferred income tax assets	4,370,657	4,566,657
Taxes receivable	2,974,282	--
Deposits on engines	2,746,426	10,900,000
Other current assets	1,365,908	1,881,706
Total current assets	168,695,334	157,976,576
Property, plant, and equipment, net	42,446,055	29,659,133
Goodwill	2,457,028	2,457,028
Other assets	506,256	554,774
Total assets	$ 214,104,673	$ 190,647,511

	June 30, 2007	December 31, 2006
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 40,468,357	$ 30,703,496
Accrued warranty	8,121,971	6,380,740
Accrued customer rebates	2,257,436	3,470,617
Accrued compensation and related taxes	5,831,069	7,712,421
Accrued vacation	1,766,592	1,483,389
Deposits from customers	5,380,001	7,465,422
Other current liabilities and accrued expenses	2,874,440	2,591,484
Taxes on income	--	1,565,629
Current portion of long-term debt	521,832	521,105
Total current liabilities	67,221,698	61,894,303
Other non-current liabilities	1,008,000	--
Long-term debt, less current portion	24,956,997	25,218,120
Deferred income tax liabilities	89,000	355,000
Shareholders' equity:		
Preferred stock, no par value: 2,000,000 shares authorized (none issued)	--	--
Common stock, $.01 par value: 40,000,000 and 23,900,000 shares authorized in 2007 and 2006, respectively. Issued 32,529,780 and 31,667,009 (post stock splits, see Note 1) shares in 2007 and 2006, respectively	325,298	316,670
Additional paid in capital	60,180,858	54,233,016
Retained earnings	60,322,822	48,630,402
Total shareholders' equity	120,828,978	103,180,088
Total liabilities and shareholders' equity	$ 214,104,673	$ 190,647,511

See Accompanying Notes to Condensed Consolidated Financial Statements.

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

	Three Months Ended June 30,	
	2007	2006
Sales	$ 152,582,845	$ 109,227,185
Cost of products sold	128,570,163	90,553,261
Gross profit	24,012,682	18,673,924
Operating expenses:		
Research and development	3,696,192	2,965,743
Selling, general and administrative	9,669,552	7,673,134
Operating income	10,646,938	8,035,047
Other income (expense):		
Interest expense	(436,011)	(30,120)
Interest and other income	192,315	210,795
Earnings before taxes on income	10,403,242	8,215,722
Taxes on income	3,887,740	3,222,925
Net earnings	$ 6,515,502	$ 4,992,797
Basic net earnings per share	$ 0.20	$ 0.17
Diluted net earnings per share	$ 0.20	$ 0.17
Basic weighted average common shares outstanding	32,073,000	28,865,000
Diluted weighted average common shares outstanding	32,947,000	29,599,000
Cash dividends per common share	0.05	0.05

See Accompanying Notes to Condensed Consolidated Financial Statements.

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

	Six Months Ended June 30,	
	2007	2006
Sales	$ 295,464,909	$ 212,893,116
Cost of products sold	246,760,668	177,451,550
Gross profit	48,704,241	35,441,566
Operating expenses:		
Research and development	7,485,771	5,810,954
Selling, general and administrative	19,151,674	14,728,932
Operating income	22,066,796	14,901,680
Other income (expense):		
Interest expense	(682,035)	(86,214)
Interest and other income	329,359	515,432
Earnings before taxes on income	21,714,120	15,330,898
Taxes on income	7,991,878	5,856,620
Net earnings	$ 13,722,242	$ 9,474,278
Basic net earnings per share	$ 0.43	$ 0.33
Diluted net earnings per share	$ 0.42	$ 0.32
Basic weighted average common shares outstanding	31,828,000	28,721,000
Diluted weighted average common shares outstanding	32,549,000	29,183,000
Cash dividends per common share	0.05	0.05

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,	
	2007	2006
Cash flows from operating activities:		
Net earnings	$ 13,722,242	$ 9,474,278
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation	1,691,884	1,339,684
(Gain)/loss on sale of assets	2,407	(19,586)
Deferred income taxes	(70,000)	--
Tax benefit from stock incentive plan transactions	(3,056,283)	(771,000)
Stock based compensation related to restricted stock	352,721	151,806
Decrease (increase) in operating assets:		
Accounts receivable	(14,285,637)	(17,974,476)
Inventories	(14,575,171)	(6,639,419)
Taxes receivable	(2,974,282)	1,297,195
Other assets	8,717,890	(4,108,379)
Increase (decrease) in operating liabilities:		
Accounts payable	9,764,861	10,913,384
Accrued warranty	1,741,231	216,014
Accrued compensation and related taxes	(1,881,352)	347,709
Accrued vacation	283,203	212,056
Deposits from customers	(2,085,421)	(1,817,346)
Other current liabilities and accrued expenses	(930,225)	781,542
Taxes on income	2,167,654	--
Total adjustments	(15,136,520)	(16,070,816)
Net cash used in operating activities	(1,414,278)	(6,596,538)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(14,490,713)	(2,905,445)
Proceeds from sale of property, plant and equipment	9,500	358,472
Proceeds from sale of investments	--	1,989,190
Net cash used in investing activities	(14,481,213)	(557,783)
Cash flows from financing activities:		
Proceeds from long-term debt	54,000,000	--
Payments on long-term debt	(54,260,396)	(26,267)
Proceeds from the exercise of stock options	2,547,466	4,984,794
Cash retained on taxes due to stock incentive plan transactions	3,056,283	771,000
Payment of dividends	(1,698,822)	(1,428,862)
Net cash provided by financing activities	3,644,531	4,300,665
Net decrease in cash and cash equivalents	(12,250,960)	(2,853,656)
Cash and cash equivalents at beginning of period	13,834,892	9,702,059
Cash and cash equivalents at end of period	$ 1,583,932	$ 6,848,403

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	Total Shareholders' Equity
Balance at December 31, 2006, as previously reported	31,667,009	$316,670	$54,233,016	$48,630,402	$103,180,088
Adjustment due to adoption of FIN 48	--	--	--	(331,000)	(331,000)
Balance at January 1, 2007	31,667,009	316,670	54,233,016	48,299,402	102,849,088
Issuance of common stock and the tax benefit of stock incentive plan transactions	674,303	6,743	5,597,006	--	5,603,749
Issuance of restricted stock	188,468	1,885	(1,885)	--	--
Stock based compensation expense related to restricted stock	--	--	352,721	--	352,721
Dividends paid	--	--	--	(1,698,822)	(1,698,822)
Net earnings	--	--	--	13,722,242	13,722,242
Balance at June 30, 2007	32,529,780	$325,298	$60,180,858	$60,322,822	$120,828,978

See Accompanying Notes to Condensed Consolidated Financial Statements.

Note 1 - GENERAL AND SUMMARY OF ACCOUNTING POLICIES

For a description of key accounting policies followed refer to the notes to the Spartan Motors, Inc. (the "Company") consolidated financial statements for the year ended December 31, 2006, included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 16, 2007. There have been no changes in such accounting policies.

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, 2007 and the results of operations and cash flows for the three-and six-months period ended June 30, 2007 and 2006.

The results of operations for the three- and six-months periods ended June 30, 2007 are not necessarily indicative of the results to be expected for the full year.

On November 2, 2006, the Company's Board of Directors declared a 3-for-2 stock split which was issued on December 15, 2006 to shareholders of record on November 15, 2006. On May 23, 2007, the Company's Board of Directors declared another 3-for-2 stock split which was issued on June 28, 2007 to shareholders of record on June 14, 2007. Earnings per share, all share data, common stock and additional paid in capital have been restated in all prior periods to reflect these stock splits.

Note 2 - INVENTORIES

Inventories are summarized as follows:

	June 30, 2007	December 31, 2006
Finished goods	$ 9,691,890	$ 14,937,698
Work in process	22,807,985	14,407,108
Raw materials and purchased components	48,646,585	37,274,183
Obsolescence reserve	(2,398,095)	(2,445,795)
	$ 78,748,365	$ 64,173,194

Note 3 - WARRANTIES

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 onto the end customer of the Company's products.

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:

	2007	2006
Balance of accrued warranty at April 1	$ 8,192,481	$ 4,780,878
Warranties accrued during the period	1,797,195	1,007,259
Cash settlements made during the period	(2,166,334)	(1,260,561)
Changes in liability for pre-existing warranties during the period, including expirations	298,629	191,210
Balance of accrued warranty at June 30	$ 8,121,971	$ 4,718,786

For the six months ended June 30:

	2007	2006
Balance of accrued warranty at January 1	$ 6,380,740	$ 4,502,772
Warranties accrued during the period	3,167,518	1,904,856
Cash settlements made during the period	(3,735,771)	(2,119,926)
Changes in liability for pre-existing warranties during the period, including expirations	2,309,484	431,084
Balance of accrued warranty at June 30	$ 8,121,971	$ 4,718,786

Note 4 - COMMITMENTS AND CONTINGENT LIABILITIES

The Company had repurchase agreements with certain third-party lending institutions that provided floor plan financing to customers. These agreements provided for the repurchase of products from the lending institution in the event of the customer's default. On December 31, 2006, the total contingent liability was approximately $200,000. There were no repurchase agreements in effect at June 30, 2007. 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 5 - ACCOUNTING FOR INCOME TAXES

On January 1, 2007, the Company adopted the provisions of FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 provides recognition criteria and a related measurement model for tax positions taken by companies. In accordance with FIN 48, a tax position is a position in a previously filed tax return or a position expected to be taken in a future tax filing that is reflected in measuring current or deferred income tax assets and liabilities. Tax positions are required to be recognized only when it is more likely than not (likelihood of greater than 50%), based solely on the technical merits, that the position will be sustained upon examination. Tax positions that meet the more likely than not threshold should be measured using a probability weighted approach as the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement.

Upon adoption of FIN 48 on January 1, 2007, the Company's liability related to uncertain tax positions amounted to $961,000. A portion of this liability, $331,000, was accounted for as a reduction to the January 1, 2007 balance of retained earnings. The remaining $630,000 was reclassified from current accrued taxes on income to other non-current liabilities. The Company recognizes interest and penalties accrued related to unrecognized tax benefits in tax expense. Total interest and penalties included in non-current liabilities at January 1, 2007 and June 30, 2007 amounted to $182,000 and $229,000, respectively, with the $47,000 increase being charged to taxes on income in the current six-month period. As of June 30, 2007, the Company has unrecognized tax benefits of $1,008,000, all of which if recognized would result in a reduction of the Company's effective tax rate.

On July 12, 2007, Michigan enacted a new business tax (Michigan Business Tax), which is a combined income tax and modified gross receipts tax. This tax replaces the Single Business Tax, which is similar to a value added tax and thus is not included in income tax expense by the Company. The new Michigan Business Tax, which is effective January 1, 2008 and applies to all business activity after December 31, 2007, is largely based on income and thus will be treated as an income tax by the Company. In accordance with Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes," deferred income tax assets and liabilities are required to be adjusted for the effect of a change in tax laws or rates with the effect included in income for the period that includes the enactment date. The Company is currently evaluating the impact of this change on its deferred income tax accounts that will be included in the Company's financial statements during the quarter ending September 30, 2007.

Note 6 - SHAREHOLDERS' RIGHTS PLAN

On June 14, 2007, the Company's Board of Directors authorized the adoption of a Series B Preferred Stock Purchase Rights Plan (Rights Plan) replacing the previous plan that expired on July 7, 2007. Under the Rights Plan, a dividend distribution of one Series B Preferred Stock Purchase Right (Right) was made for each outstanding share of common stock, payable to shareholders of record on July 9, 2007. The Rights Plan is designed to protect shareholders against unsolicited attempts to acquire control of the Company in a manner that does not offer a fair price to all shareholders.

Each Right entitles shareholders to purchase one one-hundredth of a share of preferred stock from the Company at a price of $125 per share, subject to adjustment. The Rights will become exercisable ten business days after a person or group (Acquiring Person) acquires 20% or more of the Company's common stock or ten business days after an acquiring person announces a tender offer that would result in ownership of 20% or more of the Company's common stock or ten business days after the Company's Board of Directors determines, pursuant to certain criteria set forth in the Rights Agreement, that a person beneficially owning 15% or more of the outstanding shares of Common Stock is an "Adverse Person".

The Company's Series B Preferred Stock consists of 2,000,000 shares authorized, at no par value, none of which are issued. Shares of preferred stock are reserved at a level sufficient to permit the exercise in full of all the outstanding Rights. Each share of Preferred Stock purchasable upon exercise of the Rights will have a minimum preferential quarterly dividend rate of $12.50 per share but will be entitled to an aggregate dividend of 100 times the dividend declared on the shares of Common Stock. In the event of liquidation, the holders of Preferred Stock will receive a minimum preferred liquidation payment of $250 per share but will be entitled to receive an aggregate liquidation payment equal to 100 times the payment made per share of Common Stock. Each share of Preferred Stock will have 100 votes, voting together with the Common Stock. In the event of any merger, consolidation or other transaction in which shares of Common Stock are exchanged, each share of Preferred Stock will be entitled to receive 100 times the amount received per share of Common Stock. Under terms specified in the Rights Plan, the Company has the right to redeem the Rights at one cent per Right. The Rights will expire on July 6, 2017, unless previously redeemed or exercised.

Note 7 - BUSINESS SEGMENTS

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

Three Months Ended June 30, 2007
(amounts in thousands)

	Business Segments			
	Chassis	EVTeam	Other	Consolidated
Motorhome chassis sales	$ 60,390	--	--	$ 60,390
Fire truck chassis sales	28,868	--	$ (5,585)	23,283
EVTeam product sales	--	$ 20,770	--	20,770
Other sales	48,140	--	--	48,140
Total Sales	$ 137,398	$ 20,770	$ (5,585)	$ 152,583
Interest expense (income)	$ 2	$ 370	$ 64	$ 436
Depreciation expense	407	299	160	866
Income tax expense (credit)	4,988	(525)	(575)	3,888
Segment earnings (loss)	8,078	(955)	(607)	6,516
Segment assets	137,184	53,326	23,594	214,104

Three Months Ended June 30, 2006
(amounts in thousands)

	Business Segments			
	Chassis	EVTeam	Other	Consolidated
Motorhome chassis sales	$ 59,210	--	--	$ 59,210
Fire truck chassis sales	26,765	--	$ (6,381)	20,384
EVTeam product sales	--	$ 19,762	--	19,762
Other sales	9,871	--	--	9,871
Total Net Sales	$ 95,846	$ 19,762	$ (6,381)	$ 109,227
Interest expense (income)	--	197	(167)	30
Depreciation expense	257	333	107	697
Income tax expense (credit)	3,383	(396)	236	3,223
Segment earnings (loss)	6,438	(766)	(679)	4,993
Segment assets	86,536	50,367	10,897	147,800

Six Months Ended June 30, 2007
(amounts in thousands)

	Business Segments			
	Chassis	EVTeam	Other	Consolidated
Motorhome chassis sales	$ 116,544	--	--	$ 116,544
Fire truck chassis sales	59,492	--	$ (12,116)	47,376
EVTeam product sales	--	$ 42,170	--	42,170
Other sales	89,375	--	--	89,375
Total Sales	$ 265,411	$ 42,170	$ (12,116)	$ 295,465
Interest expense (income)	$ 2	$ 678	$ 2	$ 682
Depreciation expense	792	608	292	1,692
Income tax expense (credit)	9,689	(884)	(813)	7,992
Segment earnings (loss)	16,438	(1,677)	(1,039)	13,722
Segment assets	137,184	53,326	23,594	214,104

Six Months Ended June 30, 2006
(amounts in thousands)

	Business Segments			
	Chassis	EVTeam	Other	Consolidated
Motorhome chassis sales	$ 112,791	--	--	$ 112,791
Fire truck chassis sales	48,723	--	$ (10,989)	37,734
EVTeam product sales	--	$ 39,460	--	39,460
Other sales	22,908	--	--	22,908

Total Net Sales	$ 184,422	$ 39,460	$ (10,989)	$ 212,893
Interest expense (income)	1	355	(270)	86
Depreciation expense	486	638	216	1,340
Income tax expense (credit)	6,345	(825)	337	5,857
Segment earnings (loss)	12,010	(1,598)	(938)	9,474
Segment assets	86,536	50,367	10,897	147,800

Note 8 - NEW ACCOUNTING STANDARDS

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, "Fair Value Measurements." This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The Company has not yet determined the impact, if any, of adopting SFAS No. 157 on its consolidated financial statements.

In June 2007, the FASB ratified the consensus reached by the Emerging Issues Task Force (EITF) on EITF 06-11, "Accounting for Income Tax Benefits of Dividends on Share-Based Payment Awards." EITF 06-11 requires companies to recognize the income tax benefit realized from dividends or dividend equivalents that are charged to retained earnings and paid to employees for nonvested equity-classified employee share-based payment awards as an increase in additional paid-in capital. The EITF should be applied prospectively to the income tax benefits of dividends on equity-classified employee share-based payment awards that are declared in fiscal years beginning after December 15, 2007, and interim periods within those fiscal years. The Company does not expect EITF 06-11 to have a material effect on its consolidated financial results of operations or its financial position.

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

OVERVIEW

The Company was organized as a Michigan corporation on September 18, 1975, and is headquartered in Charlotte, Michigan. The Company began development of its first product that same year and shipped its first fire truck chassis in October 1975.

The Company is known as a world leading, niche market engineer and manufacturer in the heavy duty, custom vehicles marketplace. The Company has four wholly owned subsidiaries: Spartan Motors Chassis, Inc., located at the corporate headquarters in Charlotte, Michigan ("Spartan Chassis"); Crimson Fire, Inc., headquartered in Brandon, South Dakota ("Crimson"); Crimson Fire Aerials, Inc., located in Lancaster, Pennsylvania ("Crimson Aerials"); and Road Rescue, Inc., located in Marion, South Carolina ("Road Rescue"). Crimson, Crimson Aerials and Road Rescue make up the Company's EVTeam. The Company's brand names, **Spartan™, Crimson Fire™** and **Road Rescue™,** are known for quality, value, service and innovation.

Spartan Chassis is a leading designer, engineer and manufacturer of custom heavy-duty chassis. The chassis consist of a frame assembly, engine, transmission, electrical system, running gear (wheels, tires, axles, suspension and brakes) and, for fire trucks and some specialty chassis applications, a cab. Chassis customers are original equipment manufacturers ("OEMs") who complete their heavy-duty vehicle product by mounting the body or apparatus on the Company's chassis except military vehicles where chassis components are attached to the armored shell. Crimson and Road Rescue engineer and manufacture emergency vehicles built on chassis platforms purchased from either Spartan Chassis or outside sources. Crimson Aerials engineers and manufactures aerial ladder components for fire trucks.

The Company's business strategy is to further diversify product lines and develop innovative design, engineering and manufacturing expertise in order to be the best value producer of custom vehicle products in the North American marketplace. Spartan Chassis sells its custom diesel chassis to three principal markets: fire truck, motorhome and specialty vehicles. Spartan Chassis believes that opportunities for growth remain strong for custom-built chassis and vehicles in each market.

The Company employs an innovative team focused on building lasting relationships with its customers. This is accomplished by striving to deliver premium custom vehicles and services that inspire customer loyalty. The Company believes that it can best carry out its long-term business plan and obtain optimal financial flexibility by using a combination of borrowings under the Company's credit facilities, as well as equity capital, as sources of expansion capital. A key metric in measuring our success is our Return on Invested Capital (ROIC). We define ROIC as operating income, less taxes, on an annualized basis, divided by total shareholders' equity.

The Company recognizes that annual unit sales of motorhome chassis have historically been substantially greater than that of the Company's other two principal chassis markets. Thus, in the past few years, management has placed special emphasis on further market penetration in the fire truck market and diversification into the specialty chassis market.

The Company expects future growth and earnings to come from:

- The growing strength of the Spartan brands, including Spartan Chassis, Crimson Fire and Road Rescue.
- EVTeam operational improvements as processes are reengineered to lower costs by eliminating non-value added activities.
- Further market share gain in the Class A motorhome market as the Company's chassis continue to lead the way in design features such as stability, ride, durability and dependability.
- Increased sales of Fire Truck chassis which incurred record orders in 2006.
- Opportunities in the areas of specialty vehicles, service parts and micro-niche markets. The Company's current backlog for specialty vehicles will support production into the first half of 2008. Additionally, the Company has received orders under the Mine Resistant Ambush Protected (MRAP) program and these units will be produced through the third and fourth quarters of 2007 and into 2008. There is an opportunity for increased service parts sales as the number of military vehicles in the field grows. The Company is guardedly optimistic about the potential for additional military business.
- Recent additions to manufacturing capacity for fire truck chassis cabs (107,000 square feet) and specialty vehicles (80,000 square feet) which expand our capability to fulfill current and future market needs.
- Potential for increased sales from its EVTeam due to the recent introduction of the "Boomer", an innovative, low cost product that will provide an aerial waterway for fire departments looking for a cost effective solution. It also offers other features such as

lifting and elevated lighting capabilities in addition to the necessary connections to operate vehicle extraction tools.

- The Company believes the major strength of its business model is market diversity and customization, with a growing foundation in emergency rescue. Geo-political events affect the recreational vehicle market more directly than the emergency rescue market, and it is in emergency rescue where the Company expects solid growth in the future.

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, 2007 compared to the three- and six-month periods ended June 30, 2006. 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 and in conjunction with the Company's annual report on Form 10-K filed with the Securities and exchange Commission on March 16, 2007.

RESULTS OF OPERATIONS

The following tables set forth, for the periods indicated, the components of the Company's business segment statements of operations, on an actual basis, as a percentage of sales:

Three months ended:

	June 30, 2007			June 30, 2006		
	Business Segments			Business Segments		
	Chassis	EVTeam	Consolidated	Chassis	EVTeam	Consolidated
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of product sold	83.4%	94.7%	84.3%	81.3%	95.4%	82.9%
Gross profit	16.6%	5.3%	15.7%	18.7%	4.6%	17.1%
Operating expenses:						
Research and development	2.2%	2.9%	2.4%	2.5%	2.6%	2.7%
Selling, general, and administrative	5.0%	8.2%	6.3%	5.9%	7.3%	7.0%
Operating income	9.4%	-5.8%	7.0%	10.3%	-5.3%	7.4%
Other income (expense)	0.0%	-1.3%	-0.3%	-2.9%	-0.5%	0.1%
Earnings before taxes on income	9.4%	-7.1%	6.7%	7.4%	-5.9%	7.5%
Taxes on income	3.5%	-2.5%	2.4%	3.5%	-2.0%	2.9%
Net earnings	5.9%	-4.6%	4.3%	3.9%	-3.9%	4.6%

Six months ended:

	June 30, 2007			June 30, 2006		
	Business Segments			Business Segments		
	Chassis	EVTeam	Consolidated	Chassis	EVTeam	Consolidated
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of product sold	82.6%	94.2%	83.5%	81.6%	95.9%	83.4%
Gross profit	17.4%	5.8%	16.5%	18.4%	4.1%	16.6%
Operating expenses:						
Research and development	2.4%	2.8%	2.5%	2.6%	2.7%	2.7%
Selling, general, and administrative	5.2%	7.9%	6.5%	5.9%	7.3%	6.9%

Operating income	9.8%	-4.9%	7.5%	9.9%	-5.9%	7.0%
Other income (expense)	0.0%	-1.2%	-0.1%	-2.9%	-0.3%	0.2%
Earnings before taxes on income	9.8%	-6.1%	7.4%	7.0%	-6.2%	7.2%
Taxes on income	3.6%	-2.1%	2.7%	3.4%	-2.1%	2.8%
Net earnings	6.2%	-4.0%	4.7%	3.6%	-4.1%	4.4%

Quarter Ended June 30, 2007, Compared to the Quarter Ended June 30, 2006

For the three months ended June 30, 2007, consolidated sales increased $43.4 million (39.7%) to $152.6 million, from $109.2 million in the second quarter of 2006. Chassis Group sales for this period increased by $41.6 million (43.4%) to $137.4 million, from $95.8 million in the second quarter of 2006. The increased sales reflect higher unit sales in all Spartan Chassis product lines. Compared to the same period in 2006, fire truck chassis sales increased $2.1 million (7.9%), other sales which include specialty chassis sales increased $38.3 million (387.7%) and motorhome chassis sales increased $1.2 million (2.0%). Fire truck orders were strong in 2006, resulting in higher production run rates in the later half of 2006 which have continued into 2007. The fourth quarter of 2006 also saw increased specialty orders which drove a strong first half in 2007.

EVTeam sales increased by $1.0 million (5.1%) to $20.8 million during the second quarter of 2007 compared with the prior year's second quarter. Road Rescue sales decreased while both Crimson Fire and Crimson Aerials sales increased.

Gross margin decreased from 17.1% for the quarter ended June 30, 2006 to 15.7% for the same period of 2007. This decrease is due primarily to a shift in product mix and margin pressures on specialty vehicle units due to increased competition. The average price of specialty vehicle units declined as expected due to changes in product mix as more and lower priced variations are being manufactured. This drop in average price continues to be more than offset by increased volume. Other factors contributing to the improved dollar gross profit are improved labor efficiencies and leveraged overhead due to higher volumes.

Operating expenses as a percentage of sales decreased from 9.7% in the second quarter of 2006 to 8.7% in the second quarter of 2007. Research and development expenses increased $0.7 million while selling and administrative expenses increased $2.0 million compared to the same period in 2006. R&D expenses increased to support higher sales volumes and also included higher compensation accruals for incentive plans reflecting the improved results year to date. The SG&A expense increase is also primarily due to higher incentive plan compensation accruals.

The effective income tax rate was 37.4% in the second quarter of 2007 and 39.2% in the second quarter of 2006. The 2006 rate reflected an increase in state taxes due. The effective tax rates for 2007 and 2006 are consistent with the applicable federal and state statutory tax rates.

Net earnings increased to $6.5 million ($0.20 per diluted share) in the second quarter of 2007 from $5.0 million ($0.17 per diluted share) in the second quarter of 2006 as a result of the factors discussed above.

Total chassis orders received during the second quarter of 2007 increased 23.6% compared to the same period in 2006. This reflects increases in specialty chassis orders partially offset by a 77.3% decrease in fire truck chassis orders. Motorhome orders were down 8.4%.

At June 30, 2007, the Company had $290.4 million in backlog, compared with a backlog of $241.8 million at June 30, 2006. This reflects an increase in Chassis Group backlog of $54.0 million, or 31.1%, partially offset by a decrease in EVTeam backlog of $5.5 million, or 8.0%. The Company anticipates filling its current backlog orders by April 2008.

While orders in the backlog are subject to modification, cancellation or rescheduling by customers, the Company has not experienced this 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 Months Ended June 30, 2007, Compared to the Six Months Ended June 30, 2006

For the six months ended June 30, 2007, consolidated sales increased $82.6 million (38.8%) to $295.5 million, from $212.9 million in the first quarter of 2006. Chassis Group sales for this period increased by $81.0 million (43.9%) to $265.4 million, from $184.4 million in the first six months of 2006. The increased sales reflect higher unit sales in all Spartan Chassis product lines. Compared to the same period in 2006, fire truck chassis sales increased $10.8 million (22.1%), other sales which include specialty chassis sales increased $66.5 million (290.1%) and motorhome chassis sales increased $3.8 million (3.3%). Fire truck orders were strong in 2006, resulting in higher production run rates in the later half of 2006 which have continued into 2007. The fourth quarter of 2006 also saw increased specialty orders which drove a strong first half in 2007.

EVTeam sales increased by $2.7 million (6.9%) to $42.2 million during the first six months of 2007 compared with the prior year's first six months. Road Rescue sales decreased by $0.8 million (8.7%); Crimson Fire's sales increased by $3.0 million (11.1%) and Crimson Aerials sales increased by $0.5 million (23.8%).

The gross margin for the first six months of 2007 was 16.5% compared to 16.6% for the same period of 2006. The slight decline was as expected due to a shift in product mix and margin pressures on specialty vehicle units due to increased competition. This drop in margin percentage continues to be more than offset by increased volume. The increased volume also contributed to the improved dollar gross profit generating improved labor efficiencies and better overhead utilization.

Operating expenses as a percentage of sales were 9.0% in the first six months of 2007 compared to 9.6% in the same period of 2006. Research and development expenses increased $1.7 million while selling and administrative expenses increased $4.4 million compared to the same period in 2006. R&D expenses increased to support higher sales volumes and also included higher compensation accruals for incentive plans reflecting the improved results year to date. The SG&A expense increase is also primarily due to higher incentive plan compensation accruals.

The effective income tax rate was 36.8% in the first six months of 2007 and 38.2% in the same period of 2006. The 2006 rate reflected an increase in state taxes due. The effective tax rates for 2007 and 2006 are consistent with the applicable federal and state statutory tax rates.

Net earnings increased to $13.7 million ($0.42 per diluted share) in the first six months of 2007 from $9.5 million ($0.32 per diluted share) in the same period of 2006.

Total chassis orders received during the first six months of 2007 increased 47.2% compared to the same period in 2006. This reflects increases in specialty chassis orders partially offset by a 59.6% decrease in fire truck chassis orders which had increased substantially in the first half of 2006. Motorhome orders were down 1.8%.

LIQUIDITY AND CAPITAL RESOURCES

The Company generated an ROIC of 22.5% in the first six months of 2007, compared to the ROIC of 22.2% for the same period in 2006. (The Company defines return on invested capital as operating income, less taxes, on an annualized basis, divided by total shareholders' equity.)

For the six months ended June 30, 2007, cash used in operating activities was $1.4 million, which was a $5.2 million decrease from the $6.6 million of cash used in operating activities for the six months ended June 30, 2006. Accounts receivable and inventories increased as a result of increased business levels. These uses of cash were partially offset by decreased engine deposits and increased payables. Additions to manufacturing facilities resulted in increased investments in property, plant and equipment totaling $14.5 million. Financing activities generated $3.6 million in cash as net repayments on long term debt of $0.3 million were more than offset by proceeds generated through the exercise of stock options and cash retained on taxes due to stock incentive plan transactions. The foregoing activities resulted in a net decrease of $12.3 million in cash leaving the Company with $1.6 million in cash as of June 30, 2007.

The Company's working capital increased $5.4 million from $96.1 million at December 31, 2006 to $101.5 million at June 30, 2007.

Shareholders' equity increased $17.6 million in the six months ended June 30, 2007 to $120.8 million from $103.2 million at December 31, 2006. Shareholders' equity increases of $13.7 million in net income and $5.9 million from the exercise of stock options and stock incentive compensation were partially offset by $1.7 million paid out in dividends. Shareholder's equity decreased by another $0.3 million due to an adjustment related to the Company's adoption of FIN 48 "Accounting for Uncertain Income Tax Positions", as of January 1, 2007.

On April 25, 2006, the Board of Directors authorized management to repurchase, over the course of the subsequent 12-month period, up to a total of 500,000 shares of its common stock in open market transactions. That authorization expired on April 24, 2007 with no shares being repurchased. On July 24, 2007, the Board of Directors authorized management to repurchase, over the course of the subsequent 12-month period, up to a total of 1,000,000 shares of its common stock in open market transactions. That authorization will expire on July 24, 2008.

At its March 12, 2007 meeting, the Board of Directors approved a $10.0 million increase in the Company's primary line of credit (revolving note payable) with JP Morgan Chase Bank, increasing the total line available to $35 million. The line of credit includes three one-year automatic extensions unless the bank provides notice of non-renewal 14 months in advance of the expiration date. The Company had borrowings of $17.5 million under this line at June 30, 2007.

The Company also has an unsecured fixed rate long term note which bears interest at 4.99%. At June 30, 2007 the total outstanding amount on this note was $6.2 million.

The Company also has a secured line of credit for $0.2 million, which expired on July 5, 2007. This line of credit is secured by accounts receivable, inventory and equipment. There were no borrowings under this line at June 30, 2007. The line of credit is being renewed and as of June 30, 2007, the Company was in compliance with all debt covenants.

The Company also has secured mortgage notes of which $1.2 million and $0.1 million are outstanding as of June 30, 2007. The mortgage notes carry an interest rate of 3.00% payable in monthly installments (for principal and interest) of $6,933 and $834, respectively, with balances due July 1, 2010 and March 1, 2009, respectively. These mortgage notes are secured by real estate and buildings.

At meetings on February 13, 2007 and March 12, 2007, the Board of Directors approved capital expenditure requests totaling $9.1 million to acquire and improve additional specialty vehicle manufacturing capacity and acquire a facility to house research and development activities. Both facilities are located in Charlotte, Michigan, close to existing Spartan facilities. At its April 26, 2007 meeting, the Board approved an additional $1.6 million in improvements to the recently acquired specialty chassis facilities. The Company will be financing these expenditures from working capital.

On April 26 2007, the Board of Directors approved 2007 regular dividends of $0.10 per share payable in the amount of $0.05 per share on June 15, 2007 and $0.05 per share on December 14, to shareholders of record on May 15, 2007 and November 14, 2007 respectively.

At June 30, 2007, the Company had outstanding commitments to purchase engines from its suppliers of which $2.7 million has been paid by the Company and recorded in current assets as Deposits on engines. This commitment was made to ensure an adequate supply of 2006 emission standard engines during the transition to engines meeting the new 2007 emission requirements.

The Company believes it has sufficient resources from cash flows from operating activities and, if necessary, from borrowings under its existing lines of credit or expansions of those lines, if required, to satisfy ongoing cash requirements for the next 12 months.

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, 2007. 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 and market conditions. 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 3 to the condensed consolidated financial statements included in Item 1 of this Form 10-Q.

Equity Compensation - SFAS 123(R), "Share-Based Payment", addresses the accounting for share-based employee compensation and was adopted by the Company on January 1, 2006 utilizing the modified prospective approach. The effect of applying SFAS 123(R) and further information on the Company's equity compensation plans, including inputs used to determine fair value of options is disclosed in the 2006 Form 10-K. SFAS 123(R) requires that share options awarded to employees are recognized as compensation expense based on their fair value at grant date. The fair market value of options granted under the Company's stock option plans was estimated on the date of grant using the Black-Scholes option-pricing model using assumptions for inputs such as interest rates, expected dividends, volatility measures and specific employee exercise behavior patterns based on statistical data. Some of the inputs we use are not market-observable and have to be estimated or derived from available data. Use of different estimates would produce different option values, which in turn would result in higher or lower compensation expense recognized. We have not run the model with alternative inputs to quantify their effects on the fair value of the options.

To value options, several recognized valuation models exist. None of these models can be singled out as being the best or most correct one. The model we apply is able to handle some of the specific features included in the options we grant, which is the reason for its use. If we were to use a different model, the option values would differ despite using the same inputs. Accordingly, using different assumptions coupled with using a different valuation model could have a significant impact on the fair value of employee stock options. Fair value could be either higher or lower than the ones produced by the model we apply and the inputs we used.

NEW AND PENDING ACCOUNTING POLICIES

See note 8 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 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.

There have been no material changes to our exposures to market risk since December 31, 2006. 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. At June 30, 2007, the Company had no debt outstanding under its variable rate short-term and $17.5 million outstanding under its variable rate long-term debt agreements. The Company does not enter into market risk sensitive instruments for trading purposes.

Item 4. Controls and Procedures.

An evaluation 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, 2007 was performed under the supervision and with the participation of the Company's Management, including the Chief Executive Officer and Chief Financial Officer. 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, 2007. During the Company's second quarter ended June 30, 2007, 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 23, 2007. The purpose of the meeting was to elect directors, to vote on a proposed amendment to the articles of incorporation to increase the Company's authorized shares of Common Stock, to vote on the Spartan Motors, Inc. Stock Incentive Plan of 2007, to ratify the appointment of BDO Seidman, LLP as the Company's independent registered public accounting firm for the current fiscal year, and to transact any other business that properly came before the meeting.

The name of each director elected to a term expiring in 2010 (along with the number of votes cast for or authority withheld) is as follows:

Elected Directors	For	Authority Withheld / Against
George Tesseris	18,050,797	1,049,860
David R. Wilson	18,050,624	1,050,033

The following persons continue to serve as directors: John E. Sztykiel, Charles E. Nihart, Kenneth Kaczmarek, Richard J. Schalter, Hugh W. Sloan, and William F. Foster.

The following proposals were acted on:

Proposal	For	Against	Abstain	Broker Non-Vote
To amend the Articles of Incorporation to increase the number of authorized shares of Common Stock	18,148,199	930,047	39,602	9,855
To approve the Spartan Motors, Inc. Stock Incentive Plan of 2007	8,038,750	8,005,211	53,717	3,030,026
To ratify the Audit Committee's appointment of BDO Seidman, LLP as the Company's independent registered public accounting firm for the current fiscal year	19,005,469	82,141	30,243	9,850

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.
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 June 30, 2003, and incorporated herein by reference.
10.1	Form of Restricted Stock Agreement. Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, and incorporated herein by reference.*
10.2	Form of Stock Appreciation Rights Agreement. Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, and incorporated herein by reference.*
10.3	Spartan Motors, Inc. Stock Incentive Plan of 2005. Previously filed as an exhibit to the Company's Form 10-Q Quarterly Report for the period ended September 30, 2005, and incorporated herein by reference.*
10.4	Spartan Motors, Inc. Stock Incentive Plan of 2007. Previously filed as Appendix A to Spartan's 2007 Proxy Statement filed on April 23, 2007.*
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 9, 2007

SPARTAN MOTORS, INC.

By /s/ James W. Knapp

James W. Knapp
Senior Vice President, Chief Financial Officer,
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 3.1

RESTATED ARTICLES OF INCORPORATION
of
SPARTAN MOTORS, INC.

ARTICLE I

The name of the corporation is:

SPARTAN MOTORS, INC.

ARTICLE II

The purpose or purposes for which the corporation is organized is to engage in any activity within the purposes for which corporations may be organized under the Michigan Business Corporation Act.

To conduct and be engaged in the business of manufacturing, producing, and sale, at wholesale and retail, of specialized motor vehicles and motor vehicle equipment and parts and all other related items.

To make, perform, and carry out contracts of every kind and description pertaining to the purpose of this corporation and for any lawful purposes necessary and expedient thereto with any person, firm, association, or corporation.

To acquire, own, hold, buy, sell and in every other manner deal in the shares of stock of other corporations, and to exchange shares of its own capital stock for any of the things, rights, and properties which it might otherwise lawfully acquire and hold.

To make contracts with any of the officers, directors, shareholders, or employees of this corporation, individually or otherwise, and without limitation, restriction, or prejudice, which contracts shall be considered and construed on the same basis as contracts with third persons, all in furtherance of the management, operation, objects, and purposes of the corporation.

To borrow and to issue bonds, debentures, notes, and other evidences of indebtedness and obligations from time to time for any lawful corporate purpose and to mortgage, pledge, and otherwise charge any or all of its properties, rights, privileges, and assets to secure the payment thereof.

ARTICLE III

The total number of shares of which the corporation shall have the authority to issue is forty two million (42,000,000) divided into two classes, as follows:

(1) Forty million (40,000,000) shares of common stock of the par value of One Cent ($.01), which shall be called "Common Stock."

(2) Two million (2,000,000) shares of preferred stock, having no par value, which shall be called "Preferred Stock."

The following provisions shall apply to the authorized stock of the corporation:

A. Provisions Applicable to Common Stock.

1. *No Preference.* None of the shares of the Common Stock shall be entitled to any preferences, and each share of Common Stock shall be equal to every other share of said Common Stock in every respect.

2. *Dividends.* After payment or declaration of full dividends on all shares having a priority over the Common Stock as to dividends, and after making all required sinking or retirement fund payments, if any, on all classes of preferred shares and on any other stock of the corporation ranking as to dividends or assets prior to the Common Stock, dividends on the shares of Common Stock may be declared and paid, but only when and as determined by the Board of Directors.

3. *Rights on Liquidation.* On any liquidation, dissolution, or winding up of the affairs of the corporation, after there shall have been paid to or set aside for the holders of all shares having priority over the Common Stock the full preferential amounts to which they are respectively entitled, the holders of the Common Stock shall be entitled to receive pro rata all the remaining assets of the corporation available for distribution to its shareholders.

4. *Voting.* At all meetings of shareholders of the corporation, the holders of the Common Stock shall be entitled to one vote for each share of Common Stock held by them respectively.

B. Provisions Applicable to Preferred Stock.

1. *Issuance in Series.* The authorized shares of Preferred Stock may be issued from time to time in one or more series, each of such series to have such designations, powers, preferences, and relative, participating, optional, or other rights, and such qualifications, limitations, or restrictions, as may be stated in a resolution or resolutions providing for the issue of such series adopted by the Board of Directors. Authority is hereby expressly granted to the Board of Directors, subject to the provision of this Article, to authorize the issuance of any authorized and unissued shares of Preferred Stock (whether or not previously designated as shares of a particular series, and including shares of any series issued and thereafter acquired by the corporation) as shares of one or more series of Preferred Stock, and with respect to each series to determine and designate by resolution or resolutions providing for the issuance of such series:

(a) The number of shares to constitute the series and the title thereof;

(b) Whether the holders shall be entitled to cumulative or noncumulative dividends, and, with respect to shares entitled to cumulative dividends, the date or dates from which such dividends shall be cumulative, the rate of the annual dividends thereon (which may be fixed or variable and may be made dependent upon facts ascertainable outside of the Restated Articles of Incorporation), the dates of payment thereof, and any other terms and conditions relating to such dividends;

(c) Whether the shares of such series shall be redeemable, and, if redeemable, whether redeemable for cash, property, or rights, including securities of any other corporation, and whether redeemable at the option of the holder or the corporation or upon the happening of a specified event, the limitations and restrictions with respect to such redemption, the time or times when, the price or prices or rate or rates at which, the adjustments with which, and the manner in which such shares shall be redeemable, including the manner of selecting shares of such series for redemption if less than all shares are to be redeemed, and the terms and amount of a sinking fund, if any, provided for the purchase or redemption of such shares;

(d) Whether the shares of such series shall be participating or nonparticipating, and, with respect to participating shares, the date or dates from which the dividends shall be participating, the rate of the dividends thereon (which may be fixed or variable and may be made dependent upon facts ascertainable outside of the Restated Articles of Incorporation), the dates of payment thereof, and any other terms and conditions relating to such additional dividends;

(e) The amount per share payable to holders upon any voluntary or involuntary liquidation, dissolution, or winding up of the affairs of the corporation;

(f) The conversion or exchange rights, if any, of such series, including, without limitation, the price or prices, rate or rates, and provisions for the adjustment thereof (including provisions for protection against the dilution or impairment of such rights), and all other terms and conditions upon which shares constituting such series may be converted into, or exchanged for, shares of any other class or classes or series;

(g) The voting rights per share, if any, of each such series, provided that in no event shall any shares of any series be entitled to more than one vote per share; and

(h) All other rights, privileges, terms, and conditions that are permitted by law and are not inconsistent with this Article.

All shares of Preferred Stock shall rank equally and be identical in all respects except as to the matters specified in this Article or any amendment thereto, or the matters permitted to be fixed by the Board of Directors, and all shares of any one series thereof shall be identical in every particular except as to the date, if any, from which dividends on such shares shall accumulate.

2. *Dividends*. The holders of shares of each series of Preferred Stock shall be entitled to receive, when, as, and if declared by the Board of Directors, dividends at, but not exceeding, the dividend rate fixed for such series by the Board of Directors pursuant to the provisions of this Article.

3. *Liquidation Preference*. Upon the liquidation, dissolution, or winding up of the affairs of the corporation, whether voluntary or involuntary, the holders of each series of Preferred Stock shall be entitled to receive in full out of the assets of the corporation available for distribution to shareholders (including its capital) before any amount shall be paid to, or distributed among, the holders of Common Stock, an amount or amounts fixed by the Board of Directors pursuant to the provisions of this Article. If the assets of the corporation legally available for payment or distribution to holders of the Preferred Stock upon the voluntary or involuntary liquidation, dissolution, or winding up of the affairs of the corporation are insufficient to permit the payment of the full preferential amount to which all outstanding shares of the Preferred Stock are entitled, then such assets shall be distributed ratably upon outstanding shares of the Preferred Stock in proportion to the full preferential amount to which each such share shall be entitled. After payment to holders of the Preferred Stock of the full preferential amount, holders of the Preferred Stock as such shall have no right or claim to any of the remaining assets of the corporation. The merger or consolidation of the corporation into or with any other corporation, or the merger of any other corporation into the corporation, or the sale, lease, or conveyance of all or substantially all of the property or business of the corporation, shall not be deemed to be a dissolution, liquidation, or winding up for purposes of this Section 3.

ARTICLE IV

The address of the current registered office of the corporation is 1000 Reynolds Road, Charlotte, Michigan 48813. The mailing address of the corporation is Post Office Box 440, Charlotte, Michigan 48813.

The name of the current resident agent is Mr. Richard J. Schalter.

ARTICLE V

When a compromise or arrangement or a plan of reorganization of this corporation is proposed between this corporation and its creditors or any class of them or between this corporation and its shareholders or any class of them, a court of equity jurisdiction within the state, on application of this corporation or of a creditor or shareholder thereof, or on application of a receiver appointed for the corporation, may order a meeting of the creditors or class of creditors or of the shareholders or class of shareholders to be affected by the proposed compromise or arrangement or reorganization, to be summoned in such manner as the court directs. If a majority in number representing 3/4 in value of the creditors or class of creditors, or of the shareholders or class of shareholders to be affected by the proposed compromise or arrangement or a reorganization, agree to a compromise or arrangement or a reorganization of this corporation as a consequence of the compromise or arrangement, the compromise or arrangement and the reorganization, if sanctioned by the court to which the application has been made, shall be binding on all of the creditors or class of creditors, or on all of the shareholders or class of shareholders and also on this corporation.

ARTICLE VI

Members of the Board of Directors of the corporation shall be selected, replaced, and removed as follows:

(1) Number of Directors. The number of the directors of the corporation shall be fixed from time to time by resolution adopted by a majority vote of the Board of Directors but shall not be less than three.

(2) Classification. The Board of Directors shall be divided into three classes as nearly equal in number as possible, with the term of office of one class expiring each year. At each annual meeting of the shareholders, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of shareholders held in the third year following the year of their election.

(3) Vacancies and Newly Created Directorships. Any vacancy occurring in the Board of Directors caused by resignation, removal, death, disqualification, or other incapacity, and any newly created directorships resulting from an increase in the number of directors, shall be filled by a majority vote of directors then in office, whether or not a quorum. Each director chosen to fill a vacancy or a newly created directorship shall hold office until the next election of the class for which such director shall have been chosen. When the number of directors is changed, any newly created or eliminated directorships shall be so apportioned by the Board of Directors among the classes as to make all classes as nearly equal in number as possible. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(4) Removal. Any director may be removed from office at any time, but only for cause, and only if removal is approved as set forth below.

Except as may be provided otherwise by law, cause for removal shall be construed to exist only if: (i) the director whose removal is proposed has been convicted of a felony by a court of competent jurisdiction and such conviction is no longer subject to direct appeal; (ii) such director has been adjudicated by a court of competent jurisdiction to be liable for negligence or misconduct in the performance of his duty to the corporation in a matter of substantial importance to the corporation and such adjudication is no longer subject to direct appeal; (iii) such director has become mentally incompetent, whether or not so adjudicated, which mental incompetency directly affects his ability as a director of the corporation; or (iv) such director's actions or failure to act are deemed by the Board of Directors to be in derogation of the director's duties.

Whether cause for removal exists shall be determined by the affirmative vote of two-thirds (2/3) of the total number of directors. Any action to remove a director pursuant to (i) or (ii) above shall be taken within one year of such conviction or adjudication. For purposes of this paragraph, the total number of directors will not include the director who is the subject of the removal determination, nor will such director be entitled to vote thereon.

ARTICLE VII

The corporation shall indemnify directors and executive officers of the corporation as of right to the fullest extent now or hereafter permitted by law in connection with any actual or threatened civil, criminal, administrative, or investigative action, suit, or proceeding (whether brought by or in the name of the corporation, a subsidiary, or otherwise) arising out of their service to the corporation, a subsidiary, or to another organization at the request of the corporation or a subsidiary. The corporation may indemnify persons who are not directors or executive officers of the corporation to the extent authorized by bylaw, resolution of the Board of Directors, or contractual agreement authorized by the Board of Directors. The corporation may purchase and maintain insurance to protect itself and any such director, officer, or other person against any liability asserted against him or her and incurred by him or her in respect of such service whether or not the corporation would have the power to indemnify him or her against such liability by law or under the provisions of this paragraph. The provisions of this paragraph shall apply to actions, suits, or proceedings, whether arising from acts or omissions occurring before or after the adoption of this Article VII, and to directors, officers, and other persons who have ceased to render such service, and shall inure to the benefit of the heirs, executors, and administrators of the directors, officers, and other persons referred to in this paragraph.

ARTICLE VIII

A director of the corporation shall not be personally liable to the corporation or its shareholders for monetary damages for breach of the director's fiduciary duty. However, this Article VIII shall not eliminate or limit the liability of a director for any of the following:

(1) A breach of the director's duty of loyalty to the corporation or its shareholders.

(2) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.

(3) A violation of Section 551(1) of the Michigan Business Corporation Act.

(4) A transaction from which the director derived an improper personal benefit.

(5) An act or omission occurring before the effective date of this Article VIII.

Any repeal or modification of this Article VIII by the shareholders of the corporation shall not adversely affect any right or protection of any director of the corporation existing at the time of, or with respect to, any acts or omissions occurring before such repeal or modification.

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 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 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 9, 2007

/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 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 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 9, 2007

/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, 2007 (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 9, 2007

/s/ John E. Sztykiel

John E. Sztykiel
President and Chief Executive Officer

Dated: August 9, 2007

/s/ James W. Knapp

James W. Knapp
Chief Financial Officer, Secretary and Treasurer