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SPAR Group Signs Joint Venture in India

Clients Include Wal-Mart Stores, Kraft Foods, Unilever

TARRYTOWN, NY -- (MARKET WIRE) -- 07/12/11 -- SPAR Group, Inc. (NASDAQ: SGRP) today announced the signing of a joint venture agreement with Krognos Integrated Marketing Services Private Limited to expand its operations in India. The new venture, in which SPAR will hold a 51% ownership interest, expects to operate under the name SPAR Krognos Marketing India Private Ltd. The agreement is projected to generate \$3 million in annualized profitable revenue over the next twelve months, while providing leading-edge merchandising and marketing, services to manufacturers and retailers throughout India.

The New Venture has numerous marquis clients such as Unilever, Wal-Mart Stores, Kraft Foods, ITC Limited, and Tata Motors that will provide immediate profitable revenues and credibility to the newly formed endeavor. The Company will specialize in the areas of in-store merchandising, demonstrations, and sampling.

"SPAR Group is extremely pleased to partner with the Management of Krognos in forming this New Venture allowing SPAR to enhance its merchandising service offerings within the rapidly growing India marketplace," stated Gary Raymond, Chief Executive Officer of SPAR Group. "This agreement is a key step in expanding our high margin international business while improving the overall profitability of the company. We believe that Krognos is the ideal partner to leverage India's emerging growth economy. As a combined entity we possess both the superior knowledge of the local market, and highly measurable, cost-effective merchandising solutions to manufacturers and retailers in India."

About SPAR Group

SPAR Group, Inc. is a diversified international merchandising and marketing services company that provides a broad array of services worldwide to help companies improve their sales, operating efficiency and profits at retail locations. SPAR Group provides product services, project services, in-store events, radio frequency identification ("RFID"), technology services and marketing research covering all product and trade classifications, including mass market, drug store, convenience store and grocery chains. Product services include product additions; placement, reordering, replenishment, labeling, evaluation and deletions, and project services include seasonal and special product promotions, product recalls and complete setups of departments and stores. The company operates throughout the United States and internationally in 9 of the most populated countries, including China and India. For more information, visit the SPAR Group's Web site at www.sparinc.com.

Forward Looking Statements

Certain statements in this news release and such conference call are forward-looking, including (without limitation) growing revenues and profits through organic growth and acquisitions, attracting new business that will increase SPAR Group's revenues, continuing to maintain costs and consummating any transactions. Undue reliance should not be placed on such forward-looking statements because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond the company's control. The company's actual results, performance and trends could differ materially from those indicated or implied by such statements as a result of various factors, including (without limitation) the continued strengthening of SPAR Group's selling and marketing functions, continued customer satisfaction and contract renewal, new product development, continued availability of capable dedicated personnel, continued cost management, the success of its international efforts, success and availability of acquisitions, availability of financing and other factors, as well as by factors applicable to most companies such as general economic, competitive and other business and civil conditions. Information regarding certain of those and other risk factors and cautionary statements that could affect future results, performance or trends are discussed in SPAR Group's most recent annual report on Form 10-K, quarterly reports on Form 10-Q, and other filings made with the Securities and Exchange Commission from time to time. All of the company's forward-looking statements are expressly qualified by all such risk factors and other cautionary statements.

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