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SPAR Group Secures New Joint Venture in China

SPAR Group, Inc. (Nasdaq:SGRP)(the "Company" or "SPAR"), a leading supplier of retail merchandising and other marketing services throughout the United States and internationally, today announced the structuring of a new Joint Venture in China with its new partner Shanghai Wedone Marketing Consulting Co., Ltd. The new joint venture will provide merchandising and marketing services and have national market presence in the country.

The new joint venture will be called SPAR (Shanghai) Marketing Management Company Ltd. and SPAR will own 51% of the Joint Venture while Shanghai Wedone Marketing Consulting will own 49% in accordance with the laws of the People's Republic of China. The new company will provide merchandising and related marketing services to manufacturers and retailers throughout China.

Shanghai Wedone Marketing Consulting is a comprehensive marketing management company that provides brand communication and retail marketing management service in China. The company works with more than 50 international brands such as Coca-Cola, Unilever, Johnson & Johnson, Swatch and several prominent Chinese brands such as Meng Niu Dairy, Guan Sheng Yuan and Dong-e E-jiao. Their business covers all tier 1, 2 and 3 cities in China equating to more than 150 cities throughout the country.

"We are excited to join forces with SPAR to offer a national merchandising and marketing services group, providing our client manufacturing companies in China with a strategic advantage in one of the world's largest and fastest growing consumer markets. Our new venture provides for unlimited opportunities to capitalize on the growth of the region," stated James Qian, CEO of Shanghai Wedone Marketing.

Gary Raymond, President and Chief Executive Officer of SPAR Group, stated, "It is no secret that China is one of the fastest growing economies and most promising markets for our marketing and specialty merchandising services. We have researched diligently to find a synergistic partner to maximize the value of our presence in China and are pleased to reach an agreement with Shanghai Wedone. We believe the team at Shanghai Wedone Marketing is the optimal partner to continue our growth in China."

Mr. Raymond continued, "Our strategy internationally has been to partner with companies that would benefit from our enhanced technology and expertise and combine that with an experienced local management team. Each subsidiary uses the same powerful proprietary U.S. based technology allowing logistics, communication and reporting, translated into their local language. This strategy remains in line with our objective to increase top line growth while improving our gross margins and profits. We see tremendous expansion potential not only in China, but in several other emerging market countries that we hope to take advantage of in the future."

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 11 of the most populated countries, including China and India. For more information, visit the SPAR Group's Web site at <http://www.sparinc.com/>.

Certain statements in this news release are forward-looking, including (without limitation) growing revenues and profits through domestic growth and domestic and international 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 acceptable acquisition 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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