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SPAR Group Forms Joint Venture Partnership in Lithuania; New Agreement Complements Company's Existing Eastern European Coverage and Expands International Presence

TARRYTOWN, N.Y., Oct 5, 2005 -- SPAR Group, Inc. (SGRP), a diversified international marketing services company, today announced it has entered a joint venture agreement with Rinkos Skatinimo Sistemos, Lithuania.

SPAR said it will hold a 51% ownership interest in the new entity, which will operate under the name, SPAR RSS Baltic Ltd, providing merchandising and related marketing services to manufacturers and retailers throughout Lithuania, Latvia and Estonia.

"The agreement expands our international reach and complements our existing joint venture in Romania, which was formed in early 2005," said Robert G. Brown, SPAR Group's chairman and chief executive officer. "International expansion is an important component of SPAR Group's strategic growth plan. We are confident that our new agreement with RSS will further enhance our growth objectives, as well as provide valuable services to the local marketplace."

"The strong technology and merchandising expertise SPAR Group brings to our joint venture, along with our knowledge of the Lithuanian marketplace, will prove to be a winning combination," said Irena Kairiene, Managing Director of SPAR RSS Baltic. "We look forward to being able to better serve manufacturers and retailers throughout the country and to being part of a leading international organization."

With joint venture partners in Japan, Turkey, South Africa, India, Romania and China, as well as operations in Canada and the United States, SPAR Group, Inc. is a diversified international marketing services company, providing a broad array of services to help companies improve their sales, operating efficiency and profits at retail worldwide. The company provides in-store merchandising, in-store event staffing, RFID and other technology, as well as research to manufacturers and retailers covering all product classifications and all classes of trade, including mass market, drug store, electronic store, convenience store and grocery chains, throughout the United States and internationally. For more information, visit the company's Web site, www.sparinc.com.

Certain statements in this news release are forward-looking, including, but not limited to, the company's and its joint venture's ability to successfully penetrate the Lithuanian market. 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 successful implementation of the joint venture agreement, the economy in Lithuania, the continued strengthening of SPAR's selling and marketing functions, continued customer satisfaction and contract renewal, new product development, continued technological superiority over its competitors, continued availability of capable dedicated personnel, continued cost management, the success of its international efforts, success and availability of acquisitions, and other factors, as well as by factors applicable to most companies such as general economic, competitive and other business and civil conditions. Information respecting certain of these and other factors that could effect future results, performance or trends are discussed in SPAR Group's 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.

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