SPAR

March 30, 2000

SPAR Group Reports Fourth-Quarter, Year-End Results

Significant Progress in Consolidating Merger of PIA and Transitioning Company

TARRYTOWN, N.Y.--March 30, 2000--SPAR Group Inc. (Nasdaq:SGRP), today announced resultsfor its fourth quarter and year ended Dec. 31, 1999, representing the second consolidated quarterly report since the merger of theprior SPAR Group and PIA Merchandising Services Inc. in July 1999.

For the fourth quarter, SPAR reported pro forma net income of $124,000, or $0.01 per pro forma diluted share, compared with pro forma net income of $2.0 million, or$0.15 per pro forma diluted share, in 1998. Revenues for the same period were $38.6 million compared with $12.3 million in the fourth quarter a year ago.

Results for the 1998 fourth quarter do not include a net loss of $2.9 million for the PIA Companies, which were merged with SPAR on July 9, 1999, and net income of$0.4 million for MCI, which was acquired by SPAR Group on Jan. 15, 1999.

For the year ended Dec. 31, 1999, SPAR reported pro forma net income of $1.2 million, or $0.08 per pro forma diluted share, compared with the nine months endedDec. 31, 1998, pro forma net income of $3.9 million, or $0.30 per pro forma diluted share. Revenues for the 12 months ended Dec. 31, 1999, were $116.5 millioncompared with nine months ended Dec. 31, 1998, of $32.6 million.

Results for the year ended Dec. 31, 1999, include six months of PIA operations and 11.5 months of MCI operations. Results for the nine months ended Dec. 31, 1998,do not include a pre-merger net loss of $3.2 million for PIA and a pre-acquisition income of $0.6 million for MCI.

"We continue to be encouraged by our progress in reducing the SG&A expenses associated with PIA and our success in converting its fixed field cost business modelto SPAR's variable field cost structure," said Bob Brown, SPAR Group's chairman and chief executive officer.

He noted that through December 1999, SPAR's operating initiatives have already reduced SG&A expenses by approximately $900,000 per month, with plans foradditional savings. Brown indicated that these reductions highlight the operational advantages of utilizing SPAR's proprietary Internet reporting and control services forits day-to-day field force operations, as well as overall corporate activities.

"In analyzing PIA's business, we determined certain of its merchandizing programs were expensive to manage, required high fixed costs and provided less added valueto the respective customers than SPAR would have designed. These programs will no longer continue in the year 2000. The discontinued programs representedapproximately 20 percent of 1999 sales.

"As we move forward, we will continue to focus on the rationalization and integration issues of the PIA transaction and develop merchandizing programs that provideappropriate financial returns to SPAR Group, as well as cost-effective and meaningful value-added information for our clients," Brown said.

As previously announced, the company recently formed a new Internet Division to market its proprietary software and related Internet applications to businesses withmultiple locations and large work forces -- with a particular emphasis on those organizations that require assistance with improving their day-to-day efficiency andoverall productivity.

SPAR Group Inc., a diversified marketing services company, provides a broad array of productivity-enhancing products and services to help Fortune 1000 companiesimprove their sales, operating efficiency and profits. Organized into three operating divisions, SPAR provides in-store merchandising, database and research servicesthrough its Merchandising Division in mass, drug and grocery chains.

Through its Incentive Division, the company provides a wide variety of consulting, creative, program administration, travel and merchandising fulfillment services tocompanies seeking to retain, train, and motivate employees to higher levels of productivity.

And through its Internet Division, the company provides a series of Internet productivity improvement applications designed to help companies increase operatingefficiencies and train employees in remote locations.

Certain statements in this news release are forward-looking and involve a number of risks and uncertainties. The company's actual results could differ materially fromthose indicated by such statements as a result of various factors, including the continued building of sales momentum, the ability to achieve expected synergies as a resultof its merger with PIA Merchandising Services, the success of marketing its Internet application software products and other factors discussed in SPAR Group's Form10-K, Form 10-Q, and other filings made with the SEC from time to time.

SPAR Group Inc.
(unaudited)
(in thousands, except per-share data)

Condensed Consolidated Statements of Operations

	Quarter Ended Dec. 31, 1999	Dec. 31, 1998(2)	Year Ended Dec. 31, 1999(1)	9 Months Ended Dec. 31, 1998(2)
Net revenue	$ 38,576	$ 12,344	$116,525	$ 32,601
Cost of revenues	28,367	5,846	81,288	16,217
Gross profit	10,209	6,498	35,237	16,384
Operating Expenses:				
Selling, general and administrative expenses	8,403	3,197	28,830	9,978
Depreciation and amortization	964	48	2,182	142
Total operating expenses	9,367	3,245	31,012	10,120
Operating income	842	3,253	4,225	6,264
Other expenses	513	147	1,572	155
Income before provision for income taxes	329	3,106	2,653	6,109
Provision for Income Taxes:				
Nonrecurring charge for termination of subchapter selection	--	--	3,100	--
Income taxes	25	--	48	--
Net income (loss)	$ 304	$ 3,106	$ (495)	$ 6,109
Unaudited pro forma information:				
Historical income before provision for income taxes	$ 329	$ 3,106	$ 2,653	$ 6,109
Pro forma provision for income taxes(3)	205	1,146	1,411	2,253
Pro forma net income	$ 124	$ 1,960	$ 1,242	$ 3,856
Pro forma basic earnings per				

share	$ 0.01	$ 0.15	$ 0.08	$ 0.30
Pro forma diluted earnings per share	$ 0.01	$ 0.15	$ 0.08	$ 0.30
Pro forma basic weighted average common shares	18,155	12,659	15,361	12,659
Pro forma diluted weighted average common shares	18,293	12,659	15,367	12,659

(1) Includes MCI results for 11.5 months and PIA results for six months.
(2) Results of PIA or MCI not included.
(3) The provision for income taxes is computed as though the company had been taxed as a C Corporation from the beginning of the period.

Spar Group Inc.
(unaudited)
(in thousands, except per-share data)

Condensed Balance Sheet

	Dec. 31, 1999	Dec. 31, 1998
ASSETS		
Cash and cash equivalents	$ 2,074	$ 910
Accounts receivable, net	28,858	10,628
Other current assets	4,621	2,208
Total current assets	35,553	13,746
Goodwill, net	23,767	0
Other assets	3,767	1,118
Total assets	$63,087	$14,864
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities	$35,335	$15,958
Non-current liabilities	16,866	311
Shareholders' equity	10,886	(1,405)
Total liabilities and shareholders' equity	$63,087	$14,864

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