

SPARTECH CORPORATION

DIVIDEND

REINVESTMENT

PLAN

SPARTECH CORPORATION DIVIDEND REINVESTMENT PLAN

TO OUR SHAREHOLDERS:

Spartech Corporation (“Spartech” or the “Company”) is pleased to announce the implementation of a Dividend Reinvestment Plan (the “Plan”) which allows you to automatically invest your cash dividends in stock of Spartech Corporation. The Plan provides a means of acquiring additional shares in a systematic and convenient manner. The costs of brokerage commissions on purchased shares and administrative fees are paid by the Company while you are a participant.

The Plan is administered by Mellon Bank N.A. (the “Agent”) as your representative agent for the Plan. Certain aspects of the administrative support functions will be provided by ChaseMellon Shareholder Services, L.L.C. who serves as the registered stock transfer agent for Spartech. Participation in this Plan is entirely voluntary, and you may join or withdraw at any time.

The Plan was established in response to shareholder interest received in support of such a program. This brochure describes in detail how the plan works and its benefits to you as a participant. If you have any questions concerning the Plan, you may write or call the Agent or Spartech directly.



Bradley B. Buechler
President and Chief
Executive Officer

May 1997

HOW DO I JOIN THE PLAN?

Any owner of Spartech common stock is eligible to participate in the Plan. Simply sign and mail the Authorization for Dividend Reinvestment Plan card (the "Authorization Card") included with this brochure. Be sure to sign your name exactly as it appears on your stock certificate. If the stock is jointly owned, each of the joint owners must sign the Authorization Card.

If your Spartech stock is held by a broker or in a brokerage account in nominee or "street" name, you may be able to participate by making arrangements with your broker or bank to participate in the Plan on your behalf through the Depository Trust Company Dividend Reinvestment Service. If the broker or bank does not provide for participation through this service, you will need to transfer the stock certificates into your own name as the stockholder of record to participate directly.

WHEN CAN I JOIN?

You may sign up for the Plan at any time. If the completed Authorization Card returned by a shareholder of record is received by the Agent on or before the record date for the next dividend, that dividend will be reinvested in shares of Spartech common stock for the participant. If the Authorization Card is received by the Agent after the record date, that dividend will be paid in cash to the shareholder and investment under the Plan will begin with the next dividend.

HOW DOES THE PLAN WORK?

The Authorization Card directs the Agent, as your agent, to use the cash dividends on shares held under the Plan to purchase additional shares of Spartech common stock for you. Shares are purchased on the open market.

WHAT ARE THE BENEFITS OF THE PLAN?

Automatic Dividend Reinvestment — The Plan provides participants with a simple and regular method of purchasing common stock of the Company.

Simplified Recordkeeping — Regular quarterly statements of account will provide simplified recordkeeping on your holdings and activity for the period.

No Cost of Purchases to Shareholder — Spartech will pay all service charges for administering the Plan and brokerage commissions incurred on purchases. Participants pay brokerage fees only upon the sale of shares from the Plan.

Dividends on Fractional Shares — When you are a participant in the Plan, the entire amount of your dividend is invested. If the amount is not equal to an exact number of full shares, a fraction of a share is credited to your

account along with the full shares. A fractional share participates proportionately in all subsequent dividends.

Safekeeping of Shares — Common stock is credited to a participant's account and held by the Agent. Certificates for such shares are only issued to a participant if the participant requests in writing to receive certificates from the Agent. You may also deposit other certificates of Spartech stock with the Agent for safekeeping, free of charge. These shares will be credited to your account, and dividends will continue to be reinvested in Spartech common stock.

WHAT ABOUT INCOME TAXES?

The amount of your dividends reinvested under the Plan is subject to federal and state income taxes just as if you had received them in cash. In addition, the Internal Revenue Service (the "IRS") has ruled that the brokerage commissions and service charges paid by Spartech on your behalf are to be treated as dividend income to you. The IRS has further ruled that the amount paid for brokerage commissions should be included in the cost basis of shares purchased.

WHO HOLDS VOTING RIGHTS FOR SHARES HELD IN THE PLAN?

You can vote shares acquired under the Plan whether the shares are held by you or by the Agent for you. You will also receive all annual reports, proxy materials, and other stockholder information on a regular basis.

HOW CAN I WITHDRAW FROM THE PLAN?

You may withdraw from the Plan by giving written notice to the Agent. Upon withdrawal, you will receive a stock certificate for the number of full shares credited to your Plan account and a check for any fractional share (valued at the then current market price of the stock). If you prefer, the Agent will sell the shares held for you under the Plan and send you a check for the proceeds net of brokerage commissions and other costs of sale.

HOW CAN I GET ADDITIONAL INFORMATION?

Any notices, questions, or other communications regarding the Plan should be addressed to:

ChaseMellon Shareholder Services
Investment Services
P.O. Box 3338
South Hackensack, NJ 07606-1939
(888) 213-0965

Please make reference to Spartech Corporation in all communications.

TERMS AND CONDITIONS

1. Purchase of Shares — As agent for each participant in the Plan, Mellon Bank N.A. (the “Agent”) will apply all dividends on shares of Spartech common stock (including both certificate shares held by the participant and shares credited under the Plan) to purchase shares of common stock for the participant’s account.

Shares of common stock will be purchased by the Agent in open market transactions by a broker designated by the Agent or through privately negotiated transactions with persons not affiliated with the Company.

Dividends on Spartech common stock are normally paid in early January, April, July, and October of each year. Dividends will be reinvested by purchases at times selected by the Agent during the thirty calendar days commencing with the dividend payment date. The price per share purchased for each participant’s account shall be the weighted average price of all shares purchased for that period.

2. Participant Account Statements — A statement describing cash dividends reinvested, the number of shares purchased, the price per share, and the total shares accumulated under the Plan will be mailed to each participant by the Agent each quarter following the investment of dividends.

3. Stock Certificates — Normally, certificates for shares of common stock purchased under the Plan will not be issued to participants. The number of shares of common stock credited to a participant’s account under the Plan will be shown on the participant’s statement of account. The policy regarding issuance of stock certificates protects against loss, theft, or destruction of stock certificates.

Certificates for any number of whole shares of common stock credited to an account under the Plan will be issued to a participant upon the written request of the participant to the Agent. Issuance of such certificates will not terminate participation in the Plan, including the continued allocation to a participant’s account of future dividends. Certificates for fractions of shares will not be issued under any circumstance.

Shares credited to the account of a participant under the Plan may not be pledged as collateral or otherwise transferred. A participant who wishes to pledge or transfer such shares must request that certificates for such shares be issued in the participant’s name.

Participants may deposit Spartech stock certificates with the Agent for safekeeping, free of charge. These shares will be credited to the participant's account and dividends will continue to be reinvested in common stock.

4. *Participant Withdrawals* — Participants may withdraw from the Plan all shares held in their account, or a portion thereof, at any time. All requests for withdrawal must be made in writing to the Agent prior to the dividend record date. The dividend record dates are generally in late March, June, September, and December. Withdrawal requests received on or after the dividend record date but before the dividend payment date will be processed after the dividend is credited to a participant's account.

Upon withdrawal, a participant will receive a certificate for the number of full shares credited to such participant's account (or the portion requested to be withdrawn) and a check for any fraction of a share, valued at the then current market price of the stock. Alternatively, a participant may request that the Agent sell the shares that have been credited to the participant's account under the Plan and send the participant a check for the proceeds net of brokerage commissions and other costs of sale.

5. *Voting of Shares* — Each holder of record of shares of common stock allocated to a participant's account will be sent a proxy card and will be entitled to vote any shares of Spartech common stock held by the Agent for the participant's account.

6. *Stock Splits, Dividends, and Rights* — Any full shares or fractional interest resulting from any stock dividend or stock split on shares held under the Plan by the Agent will be credited to the participant's account. If the participant holds the certificates for any shares, certificates for any full shares resulting from any Spartech stock dividend or Spartech stock split will be distributed directly to the participant, along with a check for any fractional shares.

In the event that Spartech makes available to its stockholders rights to purchase additional shares, the rights attributable to whole shares will be distributed to the participants. The Agent will sell all fractional rights and invest the proceeds of such a sale in additional shares on the next investment date.

7. *Federal Income Taxes* — In general, the amount of cash dividends paid by the Company is still includable in income even though reinvested under the Plan. The tax basis for federal income tax purposes of any shares acquired through the Plan will include the price at which

the shares are credited by the Agent to the account of the participant. Brokerage commissions and service charges paid by the Company on a participant's behalf will be treated as distributions subject to income tax in the same manner as dividends. The amounts paid for brokerage commissions are also includable in the tax basis of shares purchased. The informational return sent to participants and the Internal Revenue Service (the "IRS") at year-end, if so required, will show such amounts paid on their behalf.

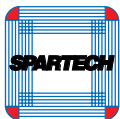
A 1099-DIV form sent to participants and the IRS at year-end will show the total amount of the participant's taxable income consisting of dividends and brokers commissions and services charges paid on such participant's behalf. The Agent is required to report to the IRS and the participant any sales of stock by it on behalf of a participant for the year.

The above rules may not be applicable to certain participants in the Plan, such as tax-exempt entities and foreign stockholders. These particular participants, as well as all participants in the Plan, are advised to consult their own tax advisor with respect to the tax consequences (including federal, state, local, & other tax laws, and U.S. tax withholding laws) applicable to their particular situations.

8. *Limitation on Liability* — Spartech and the Agent shall not be liable under the Plan for any act done in good faith or for any good faith omission to act including, without limitation, any claims for liability: (1) arising out of failure to terminate a participant's participation in the Plan upon participant's death prior to receipt of notice in writing of such, and (2) with respect to the prices at which shares are purchased or sold for participants' account and the time such purchases or sales are made.

9. *Applicable Law* — The terms and conditions of the Plan and its operation shall be governed by the internal laws of the State of Missouri.

10. *Termination or Amendment of Plan* — Spartech has the right to amend, suspend, modify or terminate the Plan at any time without the approval of the participants. Notice of any such amendment, suspension, modification or termination will be sent to all participants who shall, in all events, have the right to withdraw from the Plan.



SPARTECH Corporation

7733 Forsyth • Suite 1450 • Clayton, Missouri 63105-1817