

Titan Tire Purchases Assets of Goodyear

QUINCY, Ill.—Titan Tire Corporation of Union City, a subsidiary of Titan International, Inc. (NYSE: TWI), has purchased the physical assets of Goodyear's Union City closed tire plant. Titan notified Goodyear of its interest in certain equipment after discovering that Goodyear was selling the assets. Following are the general terms of the agreement:

1. Titan purchased approximately 480 acres of land.
2. Titan purchased the building consisting of approximately 2.1 million square feet.
3. Titan agrees it will not produce radial passenger or SUV tires at the factory.
4. Titan agrees to scrap all curing presses and tire building equipment that Goodyear requests to be scrapped. Titan will retain the scrap value.
5. Goodyear will have until June 2012 to remove the equipment they wish to retain. Goodyear employees and its contractors will have access to the facility to remove retained equipment.
6. Titan has immediate access to the factory to allow inspection of the condition of all banbury equipment and steel and fabric calendar lines. Titan will evaluate what needs to be done with the equipment.

“Titan has not yet decided how it plans to utilize the Tennessee location except to warehouse farm and OTR tires and to have a single equipment rebuilding operation for the machines. The decision on whether Titan will keep the equipment in Union City or move the equipment to other Titan tire factory locations will not be made until mid 2012. The mixing capacity with the equipment Titan purchased could allow an additional \$1 billion in future sales and increase Titan's output of farm and OTR tires going forward when, as stated, a decision is made. This transaction happened fast so we have a lot of work to do to see what gives Titan the largest savings,” stated Maurice Taylor, Chairman and CEO of Titan International.

“Titan paid Goodyear approximately \$9 million for this acquisition, but we do not know yet how much we will get back from all the scrap machinery. I appreciate there have been a lot of comments on this acquisition but until we have decided exactly what we plan to do this is really all we can say.”

Titan International, Inc., a holding company, owns subsidiaries that supply wheels, tires and assemblies for off-highway equipment used in agricultural, earthmoving/construction and consumer (including all terrain vehicles) applications. For more information, visit www.titan-intl.com.

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