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Form 10-Q

TITAN INTERNATIONAL INC - TWI

Filed: May 05, 2016 (period: March 31, 2016)

Quarterly report with a continuing view of a company's financial position

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549



FORM
10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For Quarterly Period Ended: March 31, 2016
or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-12936

TITAN INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

36-3228472
(I.R.S. Employer Identification No.)

2701 Spruce Street, Quincy, IL 62301
(Address of principal executive offices, including Zip Code)

(217) 228-6011
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒
Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

Indicate the number of shares of Titan International, Inc. outstanding: 53,984,344 shares common stock, \$0.0001 par value, as of April 20, 2016.

TITAN INTERNATIONAL, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

TITAN INTERNATIONAL, INC. CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS (UNAUDITED) (All amounts in thousands, except per share data)

	Three months ended March 31,	
	2016	2015
Net sales	\$ 321,794	\$ 402,059
Cost of sales	289,906	359,265
Gross profit	31,888	42,794
Selling, general and administrative expenses	35,062	35,674
Research and development expenses	2,479	3,086
Royalty expense	2,294	3,225
Income (loss) from operations	(7,947)	809
Interest expense	(8,512)	(8,756)
Foreign exchange gain	4,823	5,966
Other income	3,905	2,317
Income (loss) before income taxes	(7,731)	336
Provision for income taxes	1,004	1,396
Net loss	(8,735)	(1,060)
Net income (loss) attributable to noncontrolling interests	417	(1,292)
Net income (loss) attributable to Titan	\$ (9,152)	\$ 232
Redemption value adjustment	(5,208)	(2,930)
Net loss applicable to common shareholders	(14,360)	(2,698)
Earnings per common share:		
Basic	\$ (.27)	\$ (.05)
Diluted	\$ (.27)	\$ (.05)
Average common shares and equivalents outstanding:		
Basic	53,854	53,663
Diluted	53,854	53,663
Dividends declared per common share:		
	\$.005	\$.005

See accompanying Notes to Consolidated Financial Statements.

TITAN INTERNATIONAL, INC.
CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(All amounts in thousands)

	Three months ended	
	March 31,	
	2016	2015
Net loss	\$ (8,735)	\$ (1,060)
Currency translation adjustment, net	17,584	(45,386)
Pension liability adjustments, net of tax of \$(171) and \$(100), respectively	287	9
Comprehensive income (loss)	9,136	(46,437)
Net comprehensive income (loss) attributable to redeemable and noncontrolling interests	5,400	(3,013)
Comprehensive income (loss) attributable to Titan	<u>\$ 3,736</u>	<u>\$ (43,424)</u>

See accompanying Notes to Consolidated Financial Statements.

TITAN INTERNATIONAL, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(All amounts in thousands, except share data)

	March 31, 2016	December 31, 2015
	(unaudited)	
Assets		
Current assets		
Cash and cash equivalents	\$ 191,097	\$ 200,188
Accounts receivable, net	216,423	177,389
Inventories	265,173	269,791
Prepaid and other current assets	60,759	62,633
Total current assets	733,452	710,001
Property, plant and equipment, net	458,005	450,020
Deferred income taxes	6,864	5,967
Other assets	109,644	109,203
Total assets	<u>\$ 1,307,965</u>	<u>\$ 1,275,191</u>
Liabilities		
Current liabilities		
Short-term debt	\$ 88,783	\$ 31,222
Accounts payable	138,126	123,154
Other current liabilities	125,034	115,721
Total current liabilities	351,943	270,097
Long-term debt	419,509	480,404
Deferred income taxes	15,505	14,509
Other long-term liabilities	89,781	88,324
Total liabilities	876,738	853,334
Redeemable noncontrolling interest		
	96,774	77,174
Equity		
Titan stockholders' equity		
Common stock (\$0.0001 par value, 120,000,000 shares authorized, 55,253,092 issued, 53,957,160 outstanding)	—	—

Additional paid-in capital	483,366	497,008
Retained earnings	39,915	49,297
Treasury stock (at cost, 1,295,932 and 1,339,583 shares, respectively)	(12,028)	(12,420)
Treasury stock reserved for deferred compensation	(1,075)	(1,075)
Accumulated other comprehensive loss	(174,863)	(187,751)
Total Titan stockholders' equity	335,315	345,059
Noncontrolling interests	(862)	(376)
Total equity	334,453	344,683
Total liabilities and equity	\$ 1,307,965	\$ 1,275,191

See accompanying Notes to Consolidated Financial Statements.

TITAN INTERNATIONAL, INC.
CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
(All amounts in thousands, except share data)

	Number of common shares	Additional paid-in capital	Retained earnings	Treasury stock	Treasury stock reserved for deferred compensation	Accumulated other comprehensive income (loss)	Total Titan Equity	Noncontrolling interest	Total Equity
Balance January 1, 2016	53,913,509	\$ 497,008	\$ 49,297	\$ (12,420)	\$ (1,075)	\$ (187,751)	\$ 345,059	\$ (376)	\$ 344,683
Net loss *			(9,152)				(9,152)	(163)	(9,315)
Currency translation adjustment, net of tax *						16,092	16,092	(283)	15,809
Pension liability adjustments, net of tax						287	287		287
Dividends on common stock			(270)				(270)		(270)
Restricted stock awards	8,750	(79)		79			—		—
Acquisition of additional interest		(8,548)	40			(3,491)	(11,999)	(40)	(12,039)
Redemption value adjustment		(5,208)					(5,208)		(5,208)
Stock-based compensation		370					370		370
Issuance of treasury stock under 401(k) plan	34,901	(177)		313			136		136
Balance March 31, 2016	<u>53,957,160</u>	<u>\$ 483,366</u>	<u>\$ 39,915</u>	<u>\$ (12,028)</u>	<u>\$ (1,075)</u>	<u>\$ (174,863)</u>	<u>\$ 335,315</u>	<u>\$ (862)</u>	<u>\$ 334,453</u>

* Net loss excludes \$580 of net gain attributable to redeemable noncontrolling interest. Currency translation adjustments excludes \$1,775 of currency translation related to redeemable noncontrolling interest.

See accompanying Notes to Consolidated Financial Statements.

TITAN INTERNATIONAL, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
(All amounts in thousands)

	Three months ended March 31,	
	2016	2015
Cash flows from operating activities:		
Net loss	\$ (8,735)	\$ (1,060)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	15,249	18,480
Deferred income tax provision	(278)	(3,901)
Stock-based compensation	370	312
Excess tax benefit from stock-based compensation	—	388
Issuance of treasury stock under 401(k) plan	136	151
Foreign currency translation (gain) loss	(4,000)	4,346
(Increase) decrease in assets:		
Accounts receivable	(32,150)	(56,153)
Inventories	12,019	5,958
Prepaid and other current assets	3,335	4,374
Other assets	(1,119)	2,516
Increase (decrease) in liabilities:		
Accounts payable	9,747	24,066
Other current liabilities	7,796	5,736
Other liabilities	(37)	(12,180)
Net cash provided by operating activities	2,333	(6,967)
Cash flows from investing activities:		
Capital expenditures	(7,149)	(11,419)
Other	771	2,334
Net cash used for investing activities	(6,378)	(9,085)
Cash flows from financing activities:		
Proceeds from borrowings	110	11,102
Payment on debt	(7,288)	(1,456)
Excess tax benefit from stock-based compensation	—	(388)
Dividends paid	(270)	(269)
Net cash provided by (used for) financing activities	(7,448)	8,989
Effect of exchange rate changes on cash	2,402	(3,837)
Net decrease in cash and cash equivalents	(9,091)	(10,900)
Cash and cash equivalents, beginning of period	200,188	201,451
Cash and cash equivalents, end of period	\$ 191,097	\$ 190,551

Supplemental information:

Interest paid	\$	2,179	\$	4,589
Income taxes paid, net of refunds received	\$	1,137	\$	(3,763)

See accompanying Notes to Consolidated Financial Statements.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

**1. ACCOUNTING
POLICIES**

In the opinion of Titan International, Inc. (Titan or the Company), the accompanying unaudited consolidated condensed financial statements contain all adjustments, which are normal and recurring in nature and necessary for a fair statement of the Company's financial position as of March 31, 2016, and the results of operations and cash flows for the three months ended March 31, 2016 and 2015.

Accounting policies have continued without significant change and are described in the Description of Business and Significant Accounting Policies contained in the Company's 2015 Annual Report on Form 10-K. These interim financial statements have been prepared pursuant to the Securities and Exchange Commission's rules for Form 10-Q's and, therefore, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 2015 Annual Report on Form 10-K.

Sales

Sales and revenues are presented net of sales taxes and other related taxes.

Fair value of financial instruments

The Company records all financial instruments, including cash and cash equivalents, accounts receivable, notes receivable, accounts payable, and other accruals at cost, which approximates fair value due to their short term or stated rates. Investments in marketable equity securities are recorded at fair value. The 6.875% senior secured notes due 2020 (senior secured notes due 2020) and 5.625% convertible senior subordinated notes due 2017 (convertible notes) are carried at cost of \$400.0 million and \$60.2 million at March 31, 2016, respectively. The fair value of the senior secured notes due 2020 at March 31, 2016, as obtained through an independent pricing source, was approximately \$324.0 million.

Cash dividends

The Company declared cash dividends of \$.005 per share of common stock for each of the three months ended March 31, 2016 and 2015. The first quarter 2016 cash dividend of \$.005 per share of common stock was paid April 15, 2016, to stockholders of record on March 31, 2016.

Use of estimates

The policies utilized by the Company in the preparation of the financial statements conform to accounting principles generally accepted in the United States of America and require management to make estimates, assumptions and judgments that affect the reported amount of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from these estimates and assumptions.

Recently issued accounting standards

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." This update supersedes the revenue recognition requirements in Topic 605, Revenue Recognition. The core principle of this guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance also requires disclosure about the nature, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amendments in this update were deferred by ASU No. 2015-14, "Revenue from Contracts with Customers (Topic 606) Deferral of Effective Date", and are now effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. The Company will adopt the guidance in the year beginning on January 1, 2018, and is currently assessing the impact that adopting this new accounting guidance will have on the Company's consolidated financial statements.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)." This update was issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this update are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company is currently assessing the impact that adopting this new accounting guidance will have on the Company's consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-07, "Simplifying the Transition to Equity Method of Accounting." This update eliminates the requirement to retroactively adopt the equity method of accounting when an investment qualifies for use of the equity method as a result of the increase in the level of ownership. The amendments in this update are effective for fiscal years, including interim periods within those years, beginning after December 15, 2016. Early application is permitted. The Company is currently assessing the impact that adopting this new accounting guidance will have on the Company's consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, "Improvements to Employee Share-Based Payment Accounting." This update involves several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The amendments in this update are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted in any interim or annual period. The Company is currently assessing the impact that adopting this new accounting guidance will have on the Company's consolidated financial statements.

Reclassification

Certain amounts from prior years have been reclassified to conform to the current year's presentation. The Company has implemented new technology resources which allow for more accurate segregation of sales and profit by segment. The previous year segment information has been updated to be consistent.

2. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following (amounts in thousands):

	March 31, 2016	December 31, 2015
Accounts receivable	\$ 221,334	\$ 181,916
Allowance for doubtful accounts	(4,911)	(4,527)
Accounts receivable, net	<u>\$ 216,423</u>	<u>\$ 177,389</u>

Accounts receivable are reduced by an allowance for doubtful accounts which is based on historical losses.

3. INVENTORIES

Inventories consisted of the following (amounts in thousands):

	March 31, 2016	December 31, 2015
Raw material	\$ 72,172	\$ 85,490
Work-in-process	33,334	31,866
Finished goods	162,639	158,997
	268,145	276,353
Adjustment to LIFO	<u>(2,972)</u>	<u>(6,562)</u>
	<u>\$ 265,173</u>	<u>\$ 269,791</u>

Inventories are valued at lower of cost or market. The majority of inventories are valued under the first-in, first-out (FIFO) method or average cost method. At March 31, 2016, and December 31, 2015, approximately 8% of the Company's inventories were valued under the last-in, first-out (LIFO) method.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, net consisted of the following (amounts in thousands):

	March 31, 2016	December 31, 2015
Land and improvements	\$ 49,162	\$ 46,776
Buildings and improvements	249,055	241,666
Machinery and equipment	555,424	540,549
Tools, dies and molds	105,725	102,723
Construction-in-process	39,700	36,500
	999,066	968,214
Less accumulated depreciation	(541,061)	(518,194)
	<u>\$ 458,005</u>	<u>\$ 450,020</u>

Depreciation on fixed assets for the three months ended March 31, 2016 and 2015, totaled \$14.2 million and \$17.2 million, respectively.

Included in the total building and improvements are capital leases of \$3.8 million and \$3.7 million at March 31, 2016, and December 31, 2015, respectively. Included in the total of machinery and equipment are capital leases of \$34.4 million and \$33.0 million at March 31, 2016, and December 31, 2015, respectively.

5. INTANGIBLE ASSETS

The components of intangible assets consisted of the following (amounts in thousands):

	Weighted Average Useful Lives (in Years)	March 31, 2016	December 31, 2015
Amortizable intangible assets:			
Customer relationships	11.4	14,080	13,413
Patents, trademarks and other	8.6	13,968	13,237
Total at cost		28,048	26,650
Less accumulated amortization		(9,838)	(8,852)
		<u>18,210</u>	<u>17,798</u>

Amortization related to intangible assets for the three months ended March 31, 2016 and 2015, totaled \$0.7 million and \$0.8 million, respectively. Intangible assets are included as a component of other assets in the Consolidated Condensed Balance Sheet.

The estimated aggregate amortization expense at March 31, 2016, is as follows (amounts in thousands):

April 1 - December 31, 2016	\$ 1,748
2017	2,096
2018	2,096

2019	2,096
2020	2,096
Thereafter	8,078
	<u>\$ 18,210</u>

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

6. WARRANTY

Changes in the warranty liability consisted of the following (amounts in thousands):

	2016	2015
Warranty liability, January 1	\$ 23,120	\$ 28,144
Provision for warranty liabilities	1,813	2,526
Warranty payments made	(2,790)	(3,914)
Warranty liability, March 31	<u>\$ 22,143</u>	<u>\$ 26,756</u>

The Company provides limited warranties on workmanship of its products in all market segments. The majority of the Company's products have a limited warranty that ranges from zero to ten years, with certain products being prorated after the first year. The Company calculates a provision for warranty expense based on past warranty experience. Warranty accruals are included as a component of other current liabilities on the Consolidated Condensed Balance Sheets.

7. REVOLVING CREDIT FACILITY AND LONG-TERM DEBT

Long-term debt consisted of the following (amounts in thousands):

	March 31, 2016	December 31, 2015
6.875% senior secured notes due 2020	\$ 400,000	\$ 400,000
5.625% convertible senior subordinated notes due 2017	60,161	60,161
Titan Europe credit facilities	39,533	38,059
Other debt	6,899	11,531
Capital leases	1,699	1,875
	508,292	511,626
Less amounts due within one year	88,783	31,222
	<u>\$ 419,509</u>	<u>\$ 480,404</u>

Aggregate maturities of long-term debt at March 31, 2016, were as follows (amounts in thousands):

April 1 - December 31, 2016	\$ 28,300
2017	74,410
2018	2,822
2019	1,106
2020	401,537
Thereafter	117
	<u>\$ 508,292</u>

6.875% senior secured notes due 2020

The Company's 6.875% senior secured notes (senior secured notes due 2020) are due October 2020. These notes are secured by the land and buildings of the following subsidiaries of the Company: Titan Tire Corporation, Titan Tire Corporation of Bryan, Titan Tire Corporation of Freeport, and Titan Wheel Corporation of Illinois. The Company's senior secured notes due 2020 outstanding balance was \$400.0 million at March 31, 2016.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

5.625% convertible senior subordinated notes due 2017

The Company's 5.625% convertible senior subordinated notes (convertible notes) are due January 2017. The initial base conversion rate for the convertible notes is 93.0016 shares of Titan common stock per \$1,000 principal amount of convertible notes, equivalent to an initial base conversion price of approximately \$10.75 per share of Titan common stock. If the price of Titan common stock at the time of determination exceeds the base conversion price, the base conversion rate will be increased by an additional number of shares (up to 9.3002 shares of Titan common stock per \$1,000 principal amount of convertible notes) as determined pursuant to a formula described in the indenture. The base conversion rate will be subject to adjustment in certain events. See the indenture incorporated by reference to the Company's most recent Form 10-K for additional information. The Company's convertible notes balance was \$60.2 million at March 31, 2016.

Titan Europe credit facilities

The Titan Europe credit facilities contain borrowings from various institutions totaling \$39.5 million at March 31, 2016. Maturity dates on this debt range from less than one year to nine years and interest rates range from 5% to 6.9%. The Titan Europe facilities are secured by the assets of its subsidiaries in Italy, Spain, Germany and Brazil.

Revolving credit facility

The Company's \$150 million revolving credit facility (credit facility) with agent Bank of America, N.A. has a December 2017 termination date and is collateralized by the accounts receivable and inventory of certain Titan domestic subsidiaries. Titan's availability under this domestic facility may be less than \$150 million as a result of eligible accounts receivable and inventory balances at certain of its domestic subsidiaries. At March 31, 2016, the amount available was \$53.4 million as a result of the outstanding letters of credit and the Company's decrease in sales, which impacted both accounts receivable and inventory balances. During the first three months of 2016 and at March 31, 2016, there were no borrowings under the credit facility.

Other debt

Titan Brazil has working capital loans for the Sao Paulo, Brazil manufacturing facility totaling \$6.9 million at March 31, 2016. Maturity dates on this debt range from less than one year to two years and interest rates range from 5.5% to 8%.

8. DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses financial derivatives to mitigate its exposure to volatility in foreign currency exchange rates. These derivative financial instruments are recognized at fair value. The Company has not designated these financial instruments as hedging instruments. Any gain or loss on the re-measurement of the fair value is recorded as an offset to currency exchange gain/loss. For the three months ended March 31, 2016, the Company recorded currency exchange gain of \$0.1 million related to these derivatives.

9. REDEEMABLE NONCONTROLLING INTEREST

The Company has a shareholders' agreement with One Equity Partners (OEP) and the Russian Direct Investment Fund (RDIF) which was used for the acquisition of Voltyre-Prom, a leading producer of agricultural and industrial tires in Volgograd, Russia. The agreement contains a settlement put option which is exercisable beginning in July of 2018 and may require Titan to purchase the shares of OEP and RDIF at a value set by the agreement.

The redemption features of the settlement put option are not solely within the Company's control and the noncontrolling interest is presented as redeemable noncontrolling interest separately from total equity in the Consolidated Balance Sheet at the redemption value of the settlement put option. If the redemption value is greater than the carrying value of the noncontrolling interest, the increase is adjusted directly to retained earnings of the affected entity, or additional paid-in capital if there are no available retained earnings applicable to the redeemable noncontrolling interest.

In the first quarter of 2016, the Company acquired \$25 million of additional shares in the consortium owning Voltyre-Prom, increasing Titan's ownership to 43% from 30%. The acquisition of shares was transacted through the conversion of an intercompany note previously held by Titan. As a result of the ownership change, the balance of the redeemable noncontrolling interest increased by \$12 million which is comprised of a \$3.5 million reclassification of currency translation and an \$8.5 million reclassification of other equity.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

The following is a reconciliation of redeemable noncontrolling interest as of March 31, 2016 and 2015 (amounts in thousands):

	2016	2015
Balance at January 1	\$ 77,174	\$ 71,192
Reclassification as a result of ownership change	12,039	—
Income attributable to redeemable noncontrolling interest	580	149
Currency translation	1,773	(1,641)
Redemption value adjustment	5,208	2,930
Balance at March 31	<u>\$ 96,774</u>	<u>\$ 72,630</u>

This obligation approximates the cost if all remaining shares were purchased by the Company on March 31, 2016, and is presented in the Consolidated Condensed Balance Sheet in redeemable noncontrolling interest, which is treated as mezzanine equity.

10. LEASE COMMITMENTS

The Company leases certain buildings and equipment under operating leases. Certain lease agreements provide for renewal options, fair value purchase options, and payment of property taxes, maintenance and insurance by the Company.

At March 31, 2016, future minimum rental commitments under noncancellable operating leases with initial terms of at least one year were as follows (amounts in thousands):

April 1 - December 31, 2016	\$ 1,637
2017	3,315
2018	1,897
2019	1,452
2020	996
Thereafter	520
Total future minimum lease payments	<u>\$ 9,817</u>

At March 31, 2016, the Company had assets held as capital leases with a net book value of \$8.0 million included in property, plant and equipment. Total future capital lease obligations relating to these leases are as follows (amounts in thousands):

April 1 - December 31, 2016	\$ 785
2017	496
2018	217
2019	151
2020	18
Thereafter	32
Total future capital lease obligation payments	<u>1,699</u>

Less amount representing interest	(32)
Present value of future capital lease obligation payments	<u>\$ 1,667</u>

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

11. EMPLOYEE BENEFIT PLANS

The Company has three frozen defined benefit pension plans covering certain employees or former employees of three U.S. subsidiaries. The Company also has pension plans covering certain employees of several foreign subsidiaries. The Company also sponsors a number of defined contribution plans in the U.S. and at foreign subsidiaries. The Company contributed approximately \$0.9 million to the pension plans during the three months ended March 31, 2016, and expects to contribute approximately \$3.7 million to the pension plans during the remainder of 2016.

The components of net periodic pension cost consisted of the following (amounts in thousands):

	Three months ended	
	March 31,	
	2016	2015
Service cost	\$ 106	\$ 172
Interest cost	1,237	1,224
Expected return on assets	(1,393)	(1,519)
Amortization of unrecognized prior service cost	34	34
Amortization of net unrecognized loss	765	729
Net periodic pension cost	<u>\$ 749</u>	<u>\$ 640</u>

12. VARIABLE INTEREST ENTITIES

The Company holds a variable interest in three joint ventures for which the Company is the primary beneficiary. Two of the joint ventures operate distribution facilities which primarily distribute mining products. One of these facilities is located in Canada and the other is located in Australia. The Company's variable interest in these joint ventures relates to sales of Titan product to these entities, consigned inventory and working capital loans. The third joint venture is the consortium which owns Voltyre-Prom, a leading producer of agricultural and industrial tires in Volgograd, Russia. Titan is acting as operating partner with responsibility for Voltyre-Prom's daily operations. The Company has also provided working capital loans to Voltyre-Prom.

As the primary beneficiary of these variable interest entities (VIEs), the entities' assets, liabilities and results of operations are included in the Company's consolidated financial statements. The other equity holders' interests are reflected in "Net loss attributable to noncontrolling interests" in the Consolidated Condensed Statements of Operations and "Noncontrolling interests" in the Consolidated Condensed Balance Sheets.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

The following table summarizes the carrying amount of the entities' assets and liabilities included in the Company's Consolidated Condensed Balance Sheets at March 31, 2016 and December 31, 2015 (amounts in thousands):

	March 31, 2016	December 31, 2015
Cash and cash equivalents	\$ 7,712	\$ 9,245
Inventory	7,854	7,993
Other current assets	19,919	13,763
Property, plant and equipment, net	26,642	25,181
Other noncurrent assets	5,331	5,179
Total assets	\$ 67,458	\$ 61,361
Current liabilities	\$ 13,939	\$ 12,850
Noncurrent liabilities	3,618	2,865
Total liabilities	\$ 17,557	\$ 15,715

All assets in the above table can only be used to settle obligations of the consolidated VIE, to which the respective assets relate. Liabilities are nonrecourse obligations. Amounts presented in the table above are adjusted for intercompany eliminations.

13. ROYALTY EXPENSE

The Company has trademark license agreements with Goodyear to manufacture and sell certain farm tires under the Goodyear name. These agreements cover sales in North America, Latin America, Europe, the Middle East, Africa, Russia and other Commonwealth of Independent States countries. The North American and Latin American farm tire royalties were prepaid through March 2018 as a part of the 2011 Goodyear Latin American farm tire acquisition. The Company also has a trademark license agreement with Goodyear to manufacture and sell certain non-farm tire products in Latin America. Royalty expenses were \$2.3 million and \$3.2 million for the three months ended March 31, 2016 and 2015, respectively.

14. OTHER INCOME

Other income consisted of the following (amounts in thousands):

	Three months ended March 31, 2016	2015
Gain on sale of assets	2,342	—
Wheels India Limited equity income (loss)	497	(7)
Discount amortization on prepaid royalty	459	611
Interest income	411	608
Building rental income	362	240
Other income (expense)	(166)	865

	\$	3,905	\$	2,317
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TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

15. INCOME TAXES

The Company recorded income tax expense of \$1.0 million and \$1.4 million for the quarters ended March 31, 2016 and 2015, respectively. The Company's effective income tax rate was (13%) and 415% for the three months ended March 31, 2016 and 2015, respectively.

The Company's 2016 income tax expense and rate differs from the amount of income tax determined by applying the U.S. Federal income tax rate to pre-tax income primarily as a result of U.S. and certain foreign jurisdictions that incurred a full valuation allowance on deferred tax assets created by current year projected losses. In addition, certain profitable foreign jurisdictions have lower statutory tax rates as compared to the U.S. tax rate.

The Company's 2015 income tax expense and rate differs from the amount of income tax determined by applying the U.S. Federal income tax rate to pre-tax income primarily as a result of certain foreign jurisdictions that incurred a full valuation allowance on deferred tax assets created by current year projected losses and foreign income taxed in the U.S. offset by net discrete benefits related to a U.S. check the box election and tax law enactments. In addition, the Company's high effective tax rate is driven by a modest or almost break even consolidated pre-tax accounting income for the period.

The Company continues to monitor the realization of its deferred tax assets and assess the need for a valuation allowance. The Company analyzes available positive and negative evidence to determine if a valuation allowance is needed based on the weight of the evidence. This objectively verifiable evidence includes profit and loss positions and weighs this analysis to determine if a valuation allowance is needed. This process requires management to make estimates, assumptions and judgments that are uncertain in nature. The Company has established valuation allowances on U.S. and certain foreign jurisdictions and continues to monitor and assess potential valuation allowances in all its jurisdictions.

16. EARNINGS PER SHARE

Earnings per share (EPS) were as follows (amounts in thousands, except per share data):

	Three months ended	
	March 31,	
	2016	2015
Net loss attributable to Titan	\$ (9,152)	\$ 232
Redemption value adjustment	(5,208)	(2,930)
Net loss applicable to common shareholders	<u>\$ (14,360)</u>	<u>\$ (2,698)</u>
Determination of Shares:		
Weighted average shares outstanding (basic and diluted)	<u>53,854</u>	<u>53,663</u>
Earnings per share:		
Basic and diluted	(0.27)	(0.05)

The effect of stock options/trusts has been excluded for the three months ended March 31, 2016 and 2015, as the effect would have been antidilutive. The weighted average share amount excluded was 0.2 million for each of the three months ended March 31, 2016 and 2015.

The effect of convertible notes has been excluded for the three months ended March 31, 2016 and 2015, as the effect would have been antidilutive. The weighted average share amount excluded for convertible notes totaled 5.6 million shares for the three months ended March 31, 2016 and 2015.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

17. LITIGATION

The Company is a party to routine legal proceedings arising out of the normal course of business. Although it is not possible to predict with certainty the outcome of these unresolved legal actions or the range of possible loss, the Company believes at this time that none of these actions, individually or in the aggregate, will have a material adverse effect on the consolidated financial condition, results of operations or cash flows of the Company. However, due to the difficult nature of predicting unresolved and future legal claims, the Company cannot anticipate or predict the material adverse effect on its consolidated financial condition, results of operations or cash flows as a result of efforts to comply with or its liabilities pertaining to legal judgments.

18. SEGMENT INFORMATION

The table below presents information about certain operating results of segments for the three months ended March 31, 2016 and 2015 (amounts in thousands):

	Three months ended	
	March 31, 2016	2015
Revenues from external customers		
Agricultural	\$ 152,825	\$ 193,728
Earthmoving/construction	131,704	158,526
Consumer	37,265	49,805
	<u>\$ 321,794</u>	<u>\$ 402,059</u>
Gross profit		
Agricultural	\$ 19,277	\$ 22,808
Earthmoving/construction	9,778	12,957
Consumer	2,833	7,029
	<u>\$ 31,888</u>	<u>\$ 42,794</u>
Income (loss) from operations		
Agricultural	\$ 11,357	\$ 13,168
Earthmoving/construction	(667)	717
Consumer	(745)	3,446
Corporate	(17,892)	(16,522)
Income (loss) from operations	<u>(7,947)</u>	<u>809</u>
Interest expense	(8,512)	(8,756)
Foreign exchange gain	4,823	5,966
Other income, net	<u>3,905</u>	<u>2,317</u>

Income (loss) before income taxes	\$ (7,731)	\$ 336
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Assets by segment were as follows (amounts in thousands):

	March 31, 2016	December 31, 2015
Total assets		
Agricultural	\$ 432,178	\$ 426,498
Earthmoving/construction	458,175	432,616
Consumer	147,971	137,227
Unallocated corporate	269,641	278,850
	<u>\$ 1,307,965</u>	<u>\$ 1,275,191</u>

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

19. FAIR VALUE MEASUREMENTS

Accounting standards for fair value measurements establish a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers are defined as:

Level 1 – Quoted prices in active markets for identical instruments.

Level 2 – Inputs other than quoted prices in active markets that are either directly or indirectly observable.

Level 3 – Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Assets and liabilities measured at fair value on a recurring basis consisted of the following (amounts in thousands):

	March 31, 2016				December 31, 2015			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Contractual obligation investments	\$ 9,262	\$ 9,262	\$ —	\$ —	\$ 9,480	\$ 9,480	\$ —	\$ —
Derivative financial instruments asset	210	—	210	—	66	—	66	—
Preferred stock	250	—	—	250	250	—	—	250
Derivative financial instruments liability	(7)	—	(7)	—	(8)	—	(8)	—
Total	\$ 9,715	\$ 9,262	\$ 203	\$ 250	\$ 9,788	\$ 9,480	\$ 58	\$ 250

The following table presents the changes during the periods presented in Titan's Level 3 investments that are measured at fair value on a recurring basis (amounts in thousands):

	Preferred stock
Balance at December 31, 2015	\$ 250
Total realized and unrealized gains and losses	—
Balance as of March 31, 2016	\$ 250

20. RELATED PARTY TRANSACTIONS

The Company sells products and pays commissions to companies controlled by persons related to the chief executive officer of the Company. The related party is Mr. Fred Taylor, Mr. Maurice Taylor's brother. The companies which Mr. Fred Taylor is associated with that do business with Titan include the following: Blackstone OTR, LLC; FBT Enterprises; and OTR Wheel Engineering. Sales of Titan products to these companies were approximately \$0.3 million for the three months ended March 31, 2016, as compared to \$0.7 million for the three months ended March 31, 2015. Titan had trade receivables due from these companies of approximately \$0.0 million at March 31, 2016, and approximately \$0.4 million at December 31, 2015. Sales commissions paid to above companies were approximately \$0.6 million for each of the three months ended March 31, 2016 and 2015.

Mr. Fred Taylor is also associated with Green Carbon, Inc. Titan owns 60% and Green Carbon, Inc. owns 10% in Titan Tire Reclamation Corporation, which is located in Alberta Canada.

In July 2013, the Company entered into a Shareholders' Agreement between One Equity Partners (OEP) and the Russian Direct Investment Fund (RDIF) to acquire Voltyre-Prom, a leading producer of agricultural and industrial tires located in Volgograd, Russia. Mr. Richard M. Cashin, a director of the Company, is President of OEP which owns 21.4% of the joint venture. The Shareholder's agreement contains a settlement put option which may require the Company to purchase shares from OEP and RDIF at a value set by the agreement. See Note 9 for additional information.

The Company has a 34.2% equity stake in Wheels India Limited, a company incorporated in India and listed on the National Stock Exchange in India.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

21. ACCUMULATED OTHER COMPREHENSIVE LOSS

Accumulated other comprehensive loss consisted of the following (amounts in thousands):

	Currency Translation Adjustments	Unrecognized Losses and Prior Service Cost	Total
Balance at January 1, 2016	\$ (161,030)	\$ (26,721)	\$ (187,751)
Currency translation adjustments	16,092	—	16,092
Defined benefit pension plan entries:			
Amortization of unrecognized losses and prior			
service cost, net of tax of \$(0)		287	287
Reclassification as a result of ownership change	(3,491)		(3,491)
Balance at March 31, 2016	\$ (148,429)	\$ (26,434)	\$ (174,863)

22. SUBSIDIARY GUARANTOR FINANCIAL INFORMATION

The Company's 6.875% senior secured notes due 2020 and 5.625% convertible senior subordinated notes are guaranteed by the following 100% owned subsidiaries of the Company: Titan Tire Corporation, Titan Tire Corporation of Bryan, Titan Tire Corporation of Freeport, and Titan Wheel Corporation of Illinois. The note guarantees are full and unconditional, joint and several obligations of the guarantors. The guarantees of the guarantor subsidiaries are subject to release in limited circumstances only upon the occurrence of certain customary conditions. See the indenture incorporated by reference to the Company's most recent Form 10-K for additional information. The following condensed consolidating financial statements are presented using the equity method of accounting. Certain sales and marketing expenses recorded by non-guarantor subsidiaries have not been allocated to the guarantor subsidiaries.

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

Consolidating Condensed Statements of Operations
For the Three Months Ended March 31, 2016

(Amounts in thousands)

	Titan Intl., Inc. (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net sales	\$ —	\$ 144,034	\$ 177,760	\$ —	\$ 321,794
Cost of sales	494	125,146	164,266	—	289,906
Gross profit (loss)	(494)	18,888	13,494	—	31,888
Selling, general and administrative expenses	2,382	16,685	15,995	—	35,062
Research and development expenses	—	768	1,711	—	2,479
Royalty expense	292	1,196	806	—	2,294
Income (loss) from operations	(3,168)	239	(5,018)	—	(7,947)
Interest expense	(8,283)	—	(229)	—	(8,512)
Intercompany interest income (expense)	290	—	(290)	—	—
Foreign exchange gain (loss)	—	(2)	4,825	—	4,823
Other income	362	85	3,458	—	3,905
Income (loss) before income taxes	(10,799)	322	2,746	—	(7,731)
Provision for income taxes	379	191	434	—	1,004
Equity in earnings of subsidiaries	2,443	—	(2,005)	(438)	—
Net income (loss)	(8,735)	131	307	(438)	(8,735)
Net income noncontrolling interests	—	—	417	—	417
Net income (loss) attributable to Titan	\$ (8,735)	\$ 131	\$ (110)	\$ (438)	\$ (9,152)

Consolidating Condensed Statements of Operations
For the Three Months Ended March 31, 2015

(Amounts in thousands)

	Titan Intl., Inc. (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net sales	\$ —	\$ 193,973	\$ 208,086	\$ —	\$ 402,059
Cost of sales	231	167,951	191,083	—	359,265
Gross profit (loss)	(231)	26,022	17,003	—	42,794

Source: TITAN INTERNATIONAL INC, 10-Q, May 05, 2016

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Selling, general and administrative expenses	2,634	15,379	17,661	—	35,674
Research and development expenses	—	1,000	2,086	—	3,086
Royalty expense	—	1,924	1,301	—	3,225
Income (loss) from operations	(2,865)	7,719	(4,045)	—	809
Interest expense	(8,115)	—	(641)	—	(8,756)
Intercompany interest income (expense)	142	—	(142)	—	—
Foreign exchange gain (loss)	4,515	(341)	1,792		5,966
Other income (expense)	882	(38)	1,473	—	2,317
Income (loss) before income taxes	(5,441)	7,340	(1,563)	—	336
Provision (benefit) for income taxes	2,389	2,693	(3,686)	—	1,396
Equity in earnings of subsidiaries	6,770	—	(163)	(6,607)	—
Net income (loss)	(1,060)	4,647	1,960	(6,607)	(1,060)
Net loss noncontrolling interests	—	—	(1,292)	—	(1,292)
Net income (loss) attributable to Titan	<u>\$ (1,060)</u>	<u>\$ 4,647</u>	<u>\$ 3,252</u>	<u>\$ (6,607)</u>	<u>\$ 232</u>

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

Consolidating Condensed Statements of Comprehensive Income (Loss)
For the Three Months Ended March 31, 2016

(Amounts in thousands)

	Titan Intl., Inc. (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net income (loss)	\$ (8,735)	\$ 131	\$ 307	\$ (438)	\$ (8,735)
Currency translation adjustment, net	17,584	—	17,584	(17,584)	17,584
Pension liability adjustments, net of tax	287	265	22	(287)	287
Comprehensive income (loss)	9,136	396	17,913	(18,309)	9,136
Net comprehensive income attributable to redeemable and noncontrolling interests	—	—	5,400	—	5,400
Comprehensive income (loss) attributable to Titan	<u>\$ 9,136</u>	<u>\$ 396</u>	<u>\$ 12,513</u>	<u>\$ (18,309)</u>	<u>\$ 3,736</u>

Consolidating Condensed Statements of Comprehensive Income (Loss)
For the Three Months Ended March 31, 2015

(Amounts in thousands)

	Titan Intl., Inc. (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net income (loss)	\$ (1,060)	\$ 4,647	\$ 1,960	\$ (6,607)	\$ (1,060)
Currency translation adjustment, net	(45,386)	—	(45,386)	45,386	(45,386)
Pension liability adjustments, net of tax	9	427	(418)	(9)	9
Comprehensive income (loss)	(46,437)	5,074	(43,844)	38,770	(46,437)
Net comprehensive loss attributable to redeemable and noncontrolling interests	—	—	(3,013)	—	(3,013)
Comprehensive income (loss) attributable to Titan	<u>\$ (46,437)</u>	<u>\$ 5,074</u>	<u>\$ (40,831)</u>	<u>\$ 38,770</u>	<u>\$ (43,424)</u>

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

Consolidating Condensed Balance Sheets
March 31, 2016

(Amounts in thousands)

	Titan Intl., Inc. (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Cash and cash equivalents	\$ 131,314	\$ 4	\$ 59,779	\$ —	\$ 191,097
Accounts receivable, net	—	75,272	141,151	—	216,423
Inventories	—	75,053	190,120	—	265,173
Prepaid and other current assets	9,592	21,180	29,987	—	60,759
Total current assets	140,906	171,509	421,037	—	733,452
Property, plant and equipment, net	7,085	134,139	316,781	—	458,005
Investment in subsidiaries	731,081	—	97,202	(828,283)	—
Other assets	31,364	1,172	83,972	—	116,508
Total assets	\$ 910,436	\$ 306,820	\$ 918,992	\$ (828,283)	\$ 1,307,965
Liabilities and Stockholders' Equity					
Short-term debt	\$ 60,161	\$ —	\$ 28,622	\$ —	\$ 88,783
Accounts payable	3,416	16,168	118,542	—	138,126
Other current liabilities	35,382	40,016	49,636	—	125,034
Total current liabilities	98,959	56,184	196,800	—	351,943
Long-term debt	400,000	—	19,509	—	419,509
Other long-term liabilities	30,031	19,706	55,549	—	105,286
Intercompany accounts	46,132	(269,628)	223,496	—	—
Redeemable noncontrolling interest	—	—	96,774	—	96,774
Titan stockholders' equity	335,314	500,558	327,726	(828,283)	335,315
Noncontrolling interests	—	—	(862)	—	(862)
Total liabilities and stockholders' equity	\$ 910,436	\$ 306,820	\$ 918,992	\$ (828,283)	\$ 1,307,965

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

Consolidating Condensed Balance Sheets
December 31, 2015

(Amounts in thousands)

	Titan Intl., Inc. (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Cash and cash equivalents	\$ 142,401	\$ 4	\$ 57,783	\$ —	\$ 200,188
Accounts receivable, net	—	59,933	117,456	—	177,389
Inventories	—	81,993	187,798	—	269,791
Prepaid and other current assets	11,101	21,133	30,399	—	62,633
Total current assets	153,502	163,063	393,436	—	710,001
Property, plant and equipment, net	8,015	138,351	303,654	—	450,020
Investment in subsidiaries	724,676	—	98,660	(823,336)	—
Other assets	34,141	1,181	79,848	—	115,170
Total assets	\$ 920,334	\$ 302,595	\$ 875,598	\$ (823,336)	\$ 1,275,191
Liabilities and Stockholders' Equity					
Short-term debt	\$ —	\$ —	\$ 31,222	\$ —	\$ 31,222
Accounts payable	2,215	12,386	108,553	—	123,154
Other current liabilities	30,466	41,818	43,437	—	115,721
Total current liabilities	32,681	54,204	183,212	—	270,097
Long-term debt	460,161	—	20,243	—	480,404
Other long-term liabilities	29,881	20,628	52,324	—	102,833
Intercompany accounts	52,552	(271,930)	219,378	—	—
Redeemable noncontrolling interest	—	—	77,174	—	77,174
Titan stockholders' equity	345,059	499,693	323,643	(823,336)	345,059
Noncontrolling interests	—	—	(376)	—	(376)
Total liabilities and stockholders' equity	\$ 920,334	\$ 302,595	\$ 875,598	\$ (823,336)	\$ 1,275,191

TITAN INTERNATIONAL, INC.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

Consolidating Condensed Statements of Cash Flows
For the Three Months Ended March 31, 2016

(Amounts in thousands)

	Titan Intl., Inc. (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated
Net cash provided by (used for) operating activities	\$ (11,182)	\$ 1,969	\$ 11,546	\$ 2,333
Cash flows from investing activities:				
Capital expenditures	365	(1,969)	(5,545)	(7,149)
Other, net	—	—	771	771
Net cash provided by (used for) investing activities	365	(1,969)	(4,774)	(6,378)
Cash flows from financing activities:				
Proceeds from borrowings	—	—	110	110
Payment on debt	—	—	(7,288)	(7,288)
Dividends paid	(270)	—	—	(270)
Net cash used for financing activities	(270)	—	(7,178)	(7,448)
Effect of exchange rate change on cash	—	—	2,402	2,402
Net increase (decrease) in cash and cash equivalents	(11,087)	—	1,996	(9,091)
Cash and cash equivalents, beginning of period	142,401	4	57,783	200,188
Cash and cash equivalents, end of period	\$ 131,314	\$ 4	\$ 59,779	\$ 191,097

Consolidating Condensed Statements of Cash Flows
For the Three Months Ended March 31, 2015

(Amounts in thousands)

	Titan Intl., Inc. (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated
Net cash provided by (used for) operating activities	\$ 9,788	\$ 1,481	\$ (18,236)	\$ (6,967)
Cash flows from investing activities:				
Capital expenditures	(181)	(1,456)	(9,782)	(11,419)
Other, net	—	16	2,318	2,334
Net cash used for investing activities	(181)	(1,440)	(7,464)	(9,085)
Cash flows from financing activities:				
Proceeds from borrowings	—	—	11,102	11,102
Payment on debt	—	—	(1,456)	(1,456)

Excess tax benefit from stock-based compensation	(388)	—	—	(388)
Dividends paid	(269)	—	—	(269)
Net cash provided by (used for) financing activities	(657)	—	9,646	8,989
Effect of exchange rate change on cash	—	—	(3,837)	(3,837)
Net increase (decrease) in cash and cash equivalents	8,950	41	(19,891)	(10,900)
Cash and cash equivalents, beginning of period	129,985	4	71,462	201,451
Cash and cash equivalents, end of period	<u>\$ 138,935</u>	<u>\$ 45</u>	<u>\$ 51,571</u>	<u>\$ 190,551</u>

TITAN INTERNATIONAL, INC.
Management's Discussion and Analysis of
Financial Condition and Results of Operations

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's discussion and analysis of financial condition and results of operations (MD&A) is designed to provide a reader of these financial statements with a narrative from the perspective of the management of Titan International, Inc. (Titan or the Company) on Titan's financial condition, results of operations, liquidity and other factors which may affect the Company's future results. The MD&A in this quarterly report should be read in conjunction with the MD&A in Titan's 2015 annual report on Form 10-K filed with the Securities and Exchange Commission on February 25, 2016.

FORWARD-LOOKING STATEMENTS

This Form 10-Q contains forward-looking statements, including statements regarding, among other items:

- Anticipated trends in the Company's business
- Future expenditures for capital projects
- The Company's ability to continue to control costs and maintain quality
- Ability to meet conditions of loan agreements
- The Company's business strategies, including its intention to introduce new products
- Expectations concerning the performance and success of the Company's existing and new products
- The Company's intention to consider and pursue acquisition and divestiture opportunities

Readers of this Form 10-Q should understand that these forward-looking statements are based on the Company's expectations and are subject to a number of risks and uncertainties (including, but not limited to, the factors discussed in Item 1A, Risk Factors, of the Company's most recent annual report on Form 10-K), certain of which are beyond the Company's control.

Actual results could differ materially from these forward-looking statements as a result of certain factors, including:

- The effect of a recession on the Company and its customers and suppliers
- Changes in the Company's end-user markets as a result of world economic or regulatory influences
- Changes in the marketplace, including new products and pricing changes by the Company's competitors
- Ability to maintain satisfactory labor relations
- Unfavorable outcomes of legal proceedings
- Availability and price of raw materials
- Levels of operating efficiencies
- Unfavorable product liability and warranty claims
- Actions of domestic and foreign governments
- Geopolitical and economic uncertainties relating to Russia and Brazil could have a negative impact on the Company's sales and results of operations at the Company's Russian and Brazilian operations
- Results of investments
- Fluctuations in currency translations

- Climate change and related laws and regulations
- Risks associated with environmental laws and regulations

Any changes in such factors could lead to significantly different results. Any assumptions that are inaccurate or do not prove to be correct could have a material adverse effect on the Company's ability to achieve the results as indicated in forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks and uncertainties, there can be no assurance that the forward-looking information and assumptions contained in this document will in fact transpire.

TITAN INTERNATIONAL, INC.
Management's Discussion and Analysis of
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OVERVIEW

Titan International, Inc. and its subsidiaries are leading manufacturers of wheels, tires, wheel and tire assemblies, and undercarriage systems and components for off-highway vehicles used in the agricultural, earthmoving/construction and consumer segments. Titan manufactures both wheels and tires for the majority of these market applications, allowing the Company to provide the value-added service of delivering complete wheel and tire assemblies. The Company offers a broad range of products that are manufactured in relatively short production runs to meet the specifications of original equipment manufacturers (OEMs) and/or the requirements of aftermarket customers.

Agricultural Segment: Titan's agricultural rims, wheels, tires and undercarriage systems and components are manufactured for use on various agricultural equipment, including tractors, combines, skidders, plows, planters and irrigation equipment, and are sold directly to OEMs and to the aftermarket through independent distributors, equipment dealers and Titan's own distribution centers.

Earthmoving/Construction Segment: The Company manufactures rims, wheels, tires and undercarriage systems and components for various types of off-the-road (OTR) earthmoving, mining, military, construction and forestry equipment, including skid steers, aerial lifts, cranes, graders and levelers, scrapers, self-propelled shovel loaders, articulated dump trucks, load transporters, haul trucks, backhoe loaders, crawler tractors, lattice cranes, shovels and hydraulic excavators.

Consumer Segment: Titan manufactures bias truck tires in Latin America and light truck tires in Russia. Titan also offers select products for ATVs, turf, and golf cart applications.

The Company's major OEM customers include large manufacturers of off-highway equipment such as AGCO Corporation, Caterpillar Inc., CNH Global N.V., Deere & Company, and Kubota Corporation, in addition to many other off-highway equipment manufacturers. The Company distributes products to OEMs, independent and OEM-affiliated dealers, and through a network of distribution facilities.

The table provides highlights for the quarter ended March 31, 2016, compared to 2015 (amounts in thousands):

	2016	2015	% Increase (Decrease)
Net sales	\$ 321,794	\$ 402,059	(20)%
Gross profit	31,888	42,794	(25)%
Income (loss) from operations	(7,947)	809	N/A
Net loss	(8,735)	(1,060)	(724)%

The Company recorded sales of \$321.8 million for the first quarter of 2016, which were 20% lower than the first quarter 2015 sales of \$402.1 million. Sales volume was down 11% as both the agricultural and earthmoving/construction segments remain in a cyclical downturn. The consumer segment was affected by the decrease in high-speed brake sales related to lower Chinese infrastructure investment and by lower sales related to economic stress in Brazil. Unfavorable currency translation affected sales by 6%, and a reduction in price mix of 3% further eroded sales.

The Company's gross profit was \$31.9 million, or 9.9% of net sales, for the first quarter of 2016, compared to \$42.8 million, or 10.6% of net sales, in 2015. Loss from operations was \$7.9 million for the first quarter of 2016, compared to income of \$0.8 million in 2015. Net loss was \$8.7 million for the first quarter of 2016, compared to \$1.1 million in 2015. Basic earnings per share was \$(.27) in the first quarter of 2016, compared to \$(.05) in 2015.

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CRITICAL ACCOUNTING ESTIMATES

Preparation of the financial statements and related disclosures in compliance with accounting principles generally accepted in the United States of America requires the application of appropriate technical accounting rules and guidance, as well as the use of estimates. The Company's application of these policies involves assumptions that require difficult subjective judgments regarding many factors, which, in and of themselves, could materially impact the financial statements and disclosures. A future change in the estimates, assumptions or judgments applied in determining the following matters, among others, could have a material impact on future financial statements and disclosures.

Asset and Business Acquisitions

The allocation of purchase price for asset and business acquisitions requires management estimates and judgment as to expectations for future cash flows of the acquired assets and business and the allocation of those cash flows to identifiable intangible assets in determining the estimated fair value for purchase price allocations. If the actual results differ from the estimates and judgments used in determining the purchase price allocations, impairment losses could occur. To aid in establishing the value of any intangible assets at the time of acquisition, the Company typically engages a professional appraisal firm.

Inventories

Inventories are valued at lower of cost or market. Market value is estimated based on current selling prices. The majority of steel material inventory in North America is accounted for under the LIFO method. The remaining inventories were valued under the first-in, first-out (FIFO) method or average cost method. At March 31, 2016, approximately 8% of the Company's inventories were valued under the last-in, first-out (LIFO) method. Estimated provisions are established for slow-moving and obsolete inventory.

Impairment of Long-Lived Assets

The Company reviews fixed assets to assess recoverability from future operations whenever events and circumstances indicate that the carrying values may not be recoverable. Factors that could result in an impairment review include, but are not limited to, a current period cash flow loss combined with a history of cash flow losses, current cash flows that may be insufficient to recover the investment in the property over the remaining useful life, or a projection that demonstrates continuing losses associated with the use of a long-lived asset, significant changes in the manner of use of the assets or significant changes in business strategies. Impairment losses are recognized in operating results when expected undiscounted cash flows are less than the carrying value of the asset. Impairment losses are measured as the excess of the carrying value of the asset over the discounted expected future cash flows or the estimated fair value of the asset.

As a result of the continued downturns in the Company's markets and overall operating loss, the Company determined in the fourth quarter of 2015 that events and circumstances indicated that the carrying value of fixed assets may not be recoverable. Certain long-lived assets were reviewed for recoverability. No impairment was identified. The Company's impairment testing includes uncertainty because it requires management to make assumptions and to apply judgment to estimated future cash flows and asset fair values. If actual results are not consistent with estimates and assumptions used in estimating future cash flows and asset fair values, Titan may be exposed to impairment charges in the future, which could be material to the Company's results of operations.

Income Taxes

Deferred income tax provisions are determined using the liability method whereby deferred tax assets and liabilities are recognized based upon temporary differences between the financial statement and income tax basis of assets and liabilities. The Company assesses the realizability of its deferred tax asset positions and recognizes and measures uncertain tax positions in accordance with accounting standards for income taxes.

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Retirement Benefit Obligations

Pension benefit obligations are based on various assumptions used by third-party actuaries in calculating these amounts. These assumptions include discount rates, expected return on plan assets, mortality rates and other factors. Revisions in assumptions and actual results that differ from the assumptions affect future expenses, cash funding requirements and obligations. The Company has three frozen defined benefit pension plans in the United States and pension plans in several foreign countries. During the first quarter of 2016, the Company contributed cash funds of \$0.9 million to its pension plans. Titan expects to contribute approximately \$3.7 million to these pension plans during the remainder of 2016. For more information concerning these costs and obligations, see the discussion of the "Pensions" and Note 26 to the Company's financial statements on Form 10-K for the fiscal year ended December 31, 2015.

Product Warranties

The Company provides limited warranties on workmanship of its products in all market segments. The majority of the Company's products have a limited warranty that ranges from zero to ten years, with certain products being prorated after the first year. The Company calculates a provision for warranty expense based on past warranty experience. Actual warranty expense may differ from historical experience. The Company's warranty accrual was \$22.1 million at March 31, 2016, and \$23.1 million at December 31, 2015. The Company's warranty accrual amount decreased as the result of lower sales and a decrease in warranty experience resulting from efforts to increase quality.

RESULTS OF OPERATIONS

Highlights for the three months ended March 31, 2016, compared to 2015 (amounts in thousands):

	Three months ended March 31,	
	2016	2015
Net sales	\$ 321,794	\$ 402,059
Cost of sales	289,906	359,265
Gross profit	31,888	42,794
Gross profit percentage	9.9%	10.6%

Net Sales

Net sales for the quarter ended March 31, 2016, were \$321.8 million, compared to \$402.1 million in 2015, a decrease of 20%. Sales declined across all reported segments. Sales volume was down 11% as both the agricultural and earthmoving/construction segments remain in a cyclical downturn. The consumer segment was affected by the decrease in high-speed brake sales related to lower Chinese infrastructure investment and by lower sales related to economic stress in Brazil. Unfavorable currency translation affected sales by 6% and a reduction in price mix of 3% further eroded sales.

Cost of Sales and Gross Profit

Cost of sales was \$289.9 million for the quarter ended March 31, 2016, compared to \$359.3 million in 2015. Gross profit for the first quarter of 2016 was \$31.9 million, or 9.9% of net sales, compared to \$42.8 million, or 10.6% of net sales for the first quarter of 2015. Gross profit margins continue to remain around 10% as there is a continued focus on improving productivity efficiency, rationalizing expenditures, finding lower cost material, improving quality, and optimizing prices.

Selling, General and Administrative Expenses

Selling, general and administrative (SG&A) expenses for the first quarter of 2016 were \$35.1 million, or 10.9% of net sales, compared to \$35.7 million, or 8.9% of net sales, for 2015.

Research and Development Expenses

Research and development (R&D) expenses for the first quarter of 2016 were \$2.5 million, or 0.8% of net sales, compared to \$3.1 million, or 0.8% of net sales, for 2015.

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Royalty Expense

The Company has trademark license agreements with Goodyear to manufacture and sell certain farm tires under the Goodyear name. These agreements cover sales in North America, Latin America, Europe, the Middle East, Africa, Russia and other Commonwealth of Independent States countries. The North American and Latin American farm tire royalties were prepaid through March 2018 as a part of the 2011 Goodyear Latin American farm tire acquisition. The Company also has a trademark license agreement with Goodyear to manufacture and sell certain non-farm tire products in Latin America.

Royalty expenses were \$2.3 million and \$3.2 million for the quarters ended March 31, 2016 and 2015, respectively.

Income/Loss from Operations

Loss from operations for the first quarter of 2016, was \$7.9 million, or (2.5)% of net sales, compared to income of \$0.8 million, or 0.2% of net sales, in 2015. This decrease was the net result of the items previously discussed.

Interest Expense

Interest expense was \$8.5 million and \$8.8 million for the quarters ended March 31, 2016 and 2015, respectively.

Foreign Exchange Gain

Foreign currency gain in the first quarter of 2016 and 2015 primarily reflects the translation of intercompany loans at certain foreign subsidiaries denominated in currencies other than their functional currencies. Since such loans are expected to be settled in cash at some point in the future, these loans are adjusted each reporting period to reflect the current exchange rates.

Other Income

Other income was \$3.9 million for the quarter ended March 31, 2016, as compared to \$2.3 million in 2015. For the quarter ended March 31, 2016, the Company recorded a gain on the sale of assets of \$2.3 million, Wheels India Limited equity income of \$0.5 million, discount amortization on prepaid royalty of \$0.5 million, and interest income of \$0.4 million. For the quarter ended March 31, 2015, the Company recorded discount amortization on prepaid royalty of \$0.6 million and interest income of \$0.6 million.

Provision for Income Taxes

The Company recorded income tax expense of \$1.0 million and \$1.4 million for the quarters ended March 31, 2016 and 2015, respectively. The Company's effective income tax rate was (13%) and 415% for the three months ended March 31, 2016 and 2015, respectively.

The Company's 2016 income tax expense and rate differs from the amount of income tax determined by applying the U.S. Federal income tax rate to pre-tax income primarily as a result of U.S. and certain foreign jurisdictions that incurred a full valuation allowance on deferred tax assets created by current year projected losses. In addition, certain profitable foreign jurisdictions have lower statutory tax rates as compared to the U.S. tax rate.

The Company's 2015 income tax expense and rate differs from the amount of income tax determined by applying the U.S. Federal income tax rate to pre-tax income primarily as a result of certain foreign jurisdictions that incurred a full valuation allowance on deferred tax assets created by current year projected losses and foreign income taxed in the U.S. offset by net discrete benefits related to a U.S. check the box election and tax law enactments. In addition, the Company's high effective tax rate is driven by a modest or almost break even consolidated pre-tax accounting income for the period.

The Company continues to monitor the realization of its deferred tax assets and assess the need for a valuation allowance. The Company analyzes available positive and negative evidence to determine if a valuation allowance is needed based on the weight of the evidence. This objectively verifiable evidence includes profit and loss positions and weights this analysis to determine if a valuation allowance is needed. This process requires management to make estimates, assumptions and judgments that are uncertain in nature. The Company has established valuation allowances on U.S. and certain foreign jurisdictions and continues to monitor and assess potential valuation allowances in all its jurisdictions.

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Net Loss

Net loss for the first quarter of March 31, 2016, was \$8.7 million, compared to \$1.1 million in 2015. For the quarters ended March 31, 2016 and 2015, basic and diluted earnings per share were \$(.27) and \$(.05), respectively. The Company's greater net loss and lower earnings per share were due to the items previously discussed.

Agricultural Segment Results

Agricultural segment results were as follows (amounts in thousands):

	Three months ended March 31,	
	2016	2015
Net sales	\$ 152,825	\$ 193,728
Gross profit	19,277	22,808
Income from operations	11,357	13,168

Net sales in the agricultural market were \$152.8 million for the quarter ended March 31, 2016, as compared to \$193.7 million in 2015, a decrease of 21%. Agriculture sales experienced reductions in volume of 12% and price/mix of 3% as a consequence of decreased demand for new agricultural equipment. Unfavorable currency translation decreased sales by 6%.

Gross profit in the agricultural market was \$19.3 million for the quarter ended March 31, 2016, as compared to \$22.8 million in 2015. Income from operations in the agricultural market was \$11.4 million for the quarter ended March 31, 2016, as compared to \$13.2 million in 2015. Despite the large overall sales erosion resulting from the agricultural and mining cyclical downturns, the Business Improvement Framework instituted in 2014 has continued to help soften the margin impact. Initiatives born from the framework helped to drive headcount reductions, expenditure rationalization, increased productivity, lower raw material costs, lower warranty costs, and pricing optimization.

Earthmoving/Construction Segment Results

Earthmoving/construction segment results were as follows (amounts in thousands):

	Three months ended March 31,	
	2016	2015
Net sales	\$ 131,704	\$ 158,526
Gross profit	9,778	12,957
Income (loss) from operations	(667)	717

The Company's earthmoving/construction market net sales were \$131.7 million for the quarter ended March 31, 2016, as compared to \$158.5 million in 2015, a decrease of 17%. Earthmoving/Construction sales experienced reductions in volume of 8% and price/mix of 5%. Unfavorable currency translation decreased sales by 4%.

Gross profit in the earthmoving/construction market was \$9.8 million for the quarter ended March 31, 2016, as compared to \$13.0 million in 2015. The Company's earthmoving/construction market loss from operations was \$0.7 million for the quarter ended March 31, 2016, as compared to income of \$0.7 million in 2015.

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Consumer Segment Results

Consumer segment results were as follows (amounts in thousands):

	Three months ended March 31,	
	2016	2015
Net sales	\$ 37,265	\$ 49,805
Gross profit	2,833	7,029
Income (loss) from operations	(745)	3,446

Consumer market net sales were \$37.3 million for the quarter ended March 31, 2016, as compared to \$49.8 million in 2015. Sales in the consumer market decreased primarily as the result of unfavorable currency translation of 16%. Lower sales volume of 13% offset partially by a better price/mix of 4% make up the remaining difference in sales. Lower sales were the result of economic stress in Brazil as well as lower sales of high-speed brakes to China.

Gross profit from the consumer market was \$2.8 million for the quarter ended March 31, 2016, as compared to \$7.0 million in 2015. Consumer market loss from operations was \$0.7 million for the quarter ended March 31, 2016, as compared to income of \$3.4 million in 2015.

Segment Summary (amounts in thousands)

Three months ended March 31, 2016	Agricultural	Earthmoving/ Construction	Consumer	Corporate Expenses	Consolidated Totals
Net sales	\$ 152,825	\$ 131,704	\$ 37,265	\$ —	\$ 321,794
Gross profit (loss)	19,277	9,778	2,833	—	31,888
Income (loss) from operations	11,357	(667)	(745)	(17,892)	(7,947)
Three months ended March 31, 2015					
Net sales	\$ 193,728	158,526	\$ 49,805	\$ —	\$ 402,059
Gross profit (loss)	22,808	12,957	7,029	—	42,794
Income (loss) from operations	13,168	717	3,446	(16,522)	809

Corporate Expenses

Income from operations on a segment basis does not include corporate expenses totaling \$17.9 million for the quarter ended March 31, 2016, as compared to \$16.5 million for 2015. Corporate expenses were composed of selling and marketing expenses of approximately \$8 million and \$7 million for the quarters ended March 31, 2016 and 2015, respectively; and administrative expenses of approximately \$10 million and \$9 million for the quarters ended March 31, 2016 and 2015, respectively. Increases were driven by investments in advertising to support the LSW program as well as legal expenses for anti-dumping litigation.

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MARKET RISK SENSITIVE INSTRUMENTS

The Company's risks related to foreign currencies, commodity prices and interest rates are consistent with those for 2015. For more information, see the "Market Risk Sensitive Instruments" discussion in the Company's Form 10-K for the fiscal year ended December 31, 2015.

PENSIONS

The Company has three frozen defined benefit pension plans covering certain employees or former employees of three U.S. subsidiaries. The Company also has pension plans covering certain employees of several foreign subsidiaries. These plans are described in Note 26 of the Company's Notes to Consolidated Financial Statements in the 2015 Annual Report on Form 10-K.

The Company's recorded liability for pensions is based on a number of assumptions, including discount rates, rates of return on investments, mortality rates and other factors. Certain of these assumptions are determined by the Company with the assistance of outside actuaries. Assumptions are based on past experience and anticipated future trends. These assumptions are reviewed on a regular basis and revised when appropriate. Revisions in assumptions and actual results that differ from the assumptions affect future expenses, cash funding requirements and the carrying value of the related obligations. Titan expects to contribute approximately \$3.7 million to these pension plans during the remainder of 2016.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

As of March 31, 2016, the Company had \$191.1 million of cash.

(Amounts in thousands)

	March 31, 2016	December 31, 2015	Change
Cash	\$ 191,097	\$ 200,188	\$ (9,091)

The cash balance decreased by \$9.1 million from December 31, 2015, due to the following items:

Operating Cash Flows

Summary of cash flows from operating activities:

(Amounts in thousands)

	Three months ended March 31, 2016	2015	Change
Net loss	\$ (8,735)	\$ (1,060)	\$ (7,675)
Depreciation and amortization	15,249	18,480	(3,231)
Deferred income tax provision	(278)	(3,901)	3,623
Foreign currency translation (gain) loss	(4,000)	4,346	(8,346)
Accounts receivable	(32,150)	(56,153)	24,003
Inventories	12,019	5,958	6,061
Prepaid and other current assets	3,335	4,374	(1,039)
Accounts payable	9,747	24,066	(14,319)
Other current liabilities	7,796	5,736	2,060
Other liabilities	(37)	(12,180)	12,143
Other operating activities	(613)	3,367	(3,980)
Cash provided by (used for) operating activities	\$ 2,333	\$ (6,967)	\$ 9,300

In the first quarter of 2016, operating activities provided \$2.3 million of cash, including an increase in accounts receivable of \$32.2 million, offset by a decrease in inventories of \$12.0 million. Included in net loss of \$8.7 million were noncash charges for depreciation and amortization of \$15.2 million.

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Operating cash flows increased \$9.3 million when comparing the first quarter of 2016 to the first quarter of 2015. The net loss in the first quarter of 2016 was a \$7.7 million decrease from the loss in the first quarter of 2015. When comparing the first quarter of 2016 to the first quarter of 2015, cash flows from accounts receivable increased \$24.0 million, which was partially offset by decreased cash flows from accounts payable of \$14.3 million.

The Company's inventory balance was lower at March 31, 2016, as compared to December 31, 2015. Days sales in inventory increased to 80 days at March 31, 2016, from 77 days at December 31, 2015. The Company's accounts receivable balance was higher at March 31, 2016, as compared to December 31, 2015. Days sales outstanding increased to 60 days at March 31, 2016, from 52 days at December 31, 2015.

Investing Cash Flows

Summary of cash flows from investing activities:

(Amounts in thousands)

	Three months ended March 31,		
	2016	2015	Change
Capital expenditures	\$ (7,149)	\$ (11,419)	\$ 4,270
Other investing activities	771	2,334	(1,563)
Cash used for investing activities	<u>\$ (6,378)</u>	<u>\$ (9,085)</u>	<u>\$ 2,707</u>

Net cash used for investing activities was \$6.4 million in the first quarter of 2016, as compared to \$9.1 million in the first quarter of 2015. The Company invested a total of \$7.1 million in capital expenditures in the first quarter of 2016, compared to \$11.4 million in 2015. The 2016 and 2015 expenditures represent various equipment purchases and improvements to enhance production capabilities of Titan's existing business and maintaining existing equipment.

Financing Cash Flows

Summary of cash flows from financing activities:

(Amounts in thousands)

	Three months ended March 31,		
	2016	2015	Change
Proceeds from borrowings	\$ 110	\$ 11,102	\$ (10,992)
Payment on debt	(7,288)	(1,456)	(5,832)
Excess tax benefit from stock-based compensation	—	(388)	388
Dividends paid	(270)	(269)	(1)
Cash provided by (used for) financing activities	<u>\$ (7,448)</u>	<u>\$ 8,989</u>	<u>\$ (16,437)</u>

In the first quarter of 2016, \$7.4 million of cash was used for financing activities. This cash was primarily used on payment of debt of \$7.3 million.

In the first quarter of 2015, \$9.0 million of cash was provided by financing activities. This cash was primarily provided by proceeds from borrowings of \$11.1 million.

Financing cash flows decreased by \$16.4 million when comparing the first quarter of 2016 to 2015. This decrease was primarily attributable to payments on debt and decrease in borrowings.

Debt Restrictions

The Company's revolving credit facility (credit facility) contains various restrictions, including:

- Limits on dividends and repurchases of the Company's stock
- Restrictions on the ability of the Company to make additional borrowings, or to consolidate, merge or otherwise fundamentally change the ownership of the Company
- Limitations on investments, dispositions of assets and guarantees of indebtedness

- Other customary affirmative and negative covenants

These restrictions could limit the Company's ability to respond to market conditions, to provide for unanticipated capital investments, to raise additional debt or equity capital, to pay dividends or to take advantage of business opportunities, including future acquisitions.

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Other Issues

The Company's business is subject to seasonal variations in sales that affect inventory levels and accounts receivable balances. Historically, Titan tends to have higher production levels in the first and second quarters.

Liquidity Outlook

At March 31, 2016, the Company had \$191.1 million of cash and cash equivalents and no outstanding borrowings on the Company's \$150 million credit facility. Titan's availability under this domestic facility may be less than \$150 million as a result of outstanding letters of credit and eligible accounts receivable and inventory balances at certain domestic subsidiaries. At March 31, 2016, the amount available was \$53.4 million as a result of the Company's decrease in sales which impacted both accounts receivable and inventory balances. The cash and cash equivalents balance of \$191.1 million includes \$59.3 million held in foreign countries. The Company's current plans do not demonstrate a need to repatriate the foreign amounts to fund U.S. operations. However, if foreign funds were needed for U.S. operations, the Company would be required to accrue and pay taxes to repatriate the funds.

Capital expenditures for the remainder of 2016 are estimated to be approximately \$20-25 million. Cash payments for interest are currently forecasted to be approximately \$30 million for the remainder of 2016 based on March 31, 2016 debt balances. The forecasted interest payments are comprised primarily of the semi-annual payments of \$13.8 million (due April 1) and \$13.8 million (due October 1) for the 6.875% senior secured notes.

The Company's convertible notes, of which \$60.2 million are outstanding, are due January 2017 and have been reclassified to short-term debt.

In the future, Titan may seek to grow by making acquisitions which will depend on the ability to identify suitable acquisition candidates, to negotiate acceptable terms for their acquisition and to finance those acquisitions.

Subject to the terms of indebtedness, the Company may finance future acquisitions with cash on hand, cash from operations, additional indebtedness, issuing additional equity securities and divestitures.

Cash on hand, anticipated internal cash flows from operations and utilization of remaining available borrowings are expected to provide sufficient liquidity for working capital needs, debt maturities, capital expenditures and potential acquisitions.

RECENTLY ISSUED ACCOUNTING STANDARDS

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." This update supersedes the revenue recognition requirements in Topic 605, Revenue Recognition. The core principle of this guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance also requires disclosure about the nature, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amendments in this update were deferred by ASU No. 2015-14, "Revenue from Contracts with Customers (Topic 606) Deferral of Effective Date", and are now effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. The Company will adopt the guidance in the year beginning on January 1, 2018, and is currently assessing the impact that adopting this new accounting guidance will have on the Company's consolidated financial statements.

In February 2016, the FASB issued Accounting Standards Update ASU No. 2016-02, "Leases (Topic 842)." This update was issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this update are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company is currently assessing the impact that adopting this new accounting guidance will have on the Company's consolidated financial statements.

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In March 2016, the FASB issued ASU No. 2016-07, "Simplifying the Transition to Equity Method of Accounting." This update eliminates the requirement to retroactively adopt the equity method of accounting when an investment qualifies for use of the equity method as a result of the increase in the level of ownership. The amendments in this update are effective for fiscal years, including interim periods within those years, beginning after December 15, 2016. Early application is permitted. The Company is currently assessing the impact that adopting this new accounting guidance will have on the Company's consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, "Improvements to Employee Share-Based Payment Accounting." This update involves several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The amendments in this update are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted in any interim or annual period. The Company is currently assessing the impact that adopting this new accounting guidance will have on the Company's consolidated financial statements.

MARKET CONDITIONS AND OUTLOOK

In the first quarter of 2016, Titan experienced lower sales when compared to the first quarter of 2015. The lower sales levels were primarily the result of decreased demand for new equipment used in the agricultural market, which remains in a cyclical downturn, and unfavorable currency translation. In addition, competitive pressures and lower raw material prices, passed to customers in some instances, negatively impacted sales.

Energy, raw material and petroleum-based product costs have been volatile and may negatively impact the Company's margins. Many of Titan's overhead expenses are fixed; therefore, lower seasonal trends may cause negative fluctuations in quarterly profit margins and affect the financial condition of the Company.

AGRICULTURAL MARKET OUTLOOK

Agricultural market sales were lower in the first quarter of 2016 when compared to the first quarter of 2015 due to decreased demand for new equipment used in the agricultural market. Farm net income is generally expected to decline moderately through 2016 based upon lower forecasted cash receipts offset somewhat by lower production costs (fuel, oil, chemical, feed, etc.). Lower income levels are putting pressure on the demand for large farm equipment. More specifically, large equipment sales are expected to continue to decline through 2016. The mix shift to lower horsepower tractors has a negative impact on revenue and margin performance. Most major OEMs are forecasting 2016 equipment sales to be below 2015 within most regions. North American used equipment levels remain relatively high with some decreases recently from peak levels. Excess used equipment inventory and values can also negatively impact the new equipment market. Many variables, including weather, grain prices, export markets, currency and government policies and subsidies can greatly influence the overall health of the agricultural economy.

EARTHMOVING/CONSTRUCTION MARKET OUTLOOK

Earthmoving/construction market sales were lower in the first quarter of 2016 when compared to the first quarter of 2015 due to unfavorable currency translation and weak market conditions. Demand for larger products used in the mining industry is expected to remain depressed throughout 2016, with demand for our products in this market expected to remain similar to 2015. Demand for small and medium sized earthmoving/construction equipment used in the housing and commercial construction sectors is expected to be flat or down slightly. The earthmoving/construction segment is affected by many variables, including commodity prices, road construction, infrastructure, government appropriations, housing starts and other macroeconomic drivers.

CONSUMER MARKET OUTLOOK

Consumer market sales were lower in the first quarter of 2016 when compared to the first quarter of 2015. Sales in the consumer market decreased primarily as the result of unfavorable currency translation and price/mix from competitive pressures. The consumer market is expected to remain highly competitive throughout 2016. Economic stress in Brazil has affected and may continue to affect the Company's consumer sales. The consumer segment is affected by many variables including consumer spending, interest rates, government policies and other macroeconomic drivers.

TITAN INTERNATIONAL, INC.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See the Company's 2015 Annual Report filed on Form 10-K (Item 7A). There has been no material change in this information.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Titan management, including the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined under Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) as of the period covered by this Form 10-Q and concluded that, because of a material weakness in Titan's internal control over financial reporting of the Company's entity level controls described below, disclosure controls and procedures were not effective as of the period covered by this Form 10-Q. Notwithstanding the material weakness described below, the Company's management, including the Chief Executive Officer and Chief Financial Officer, has concluded that the consolidated condensed financial statements included in the Quarterly Report and in this Form 10-Q are fairly stated, in all material respects, in accordance with generally accepted accounting principles in the United States for each of the periods presented herein.

Previously Disclosed Material Weakness

Management previously reported a material weakness in the Company's internal control over financial reporting in the Form 10-K for the year ended December 31, 2015. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. Based on this evaluation, including consideration of the control deficiencies discussed below, management has concluded that internal control over financial reporting was not effective as of December 31, 2015, due to the fact that there was a material weakness in internal control over financial reporting. Specifically, through assessment and evaluation, as discussed above, management identified the following points amplified the potential for deficiency: (i) rapid global growth, (ii) increased complexity in accounting and reporting infrastructure and (iii) economic and market downturn. The material weakness was previously identified and reported in the Form 10-K for the year ended December 31, 2014, and is further defined below.

Titan has experienced significant business changes over the past three years, including rapid global growth from a U.S. based company to a large, multinational organization, operating in more than 16 countries, resulting in unique and discrete complex accounting matters. This growth has introduced a significant increase in the complexity of Titan's accounting and reporting infrastructure for collecting and analyzing financial information. Additionally, Titan has been experiencing an economic and market downturn, adding to the complexity of assessing goodwill and fixed asset impairments, valuation of inventory and other complex accounting transactions from a global perspective. Titan's current accounting and reporting infrastructure does not possess the proper resources, processes and systems to effectively address the complex accounting transactions, resulting from its recent international growth and economic/market decline.

Remediation Plan

Management has been actively engaged in developing remediation plans to address the above control deficiencies. The remediation efforts expected to be implemented include the following:

- People - enhance Titan's current accounting and reporting infrastructure by augmenting the team with professionals who possess the commensurate accounting skillsets.
- Processes - strengthen Titan's current control environment and overall business processes to ensure risk mitigation and materially accurate financial statement reporting, including increased levels of management review and updated financial policies.
- Systems - augment Titan's current system infrastructure to ensure accurate, timely data is reported.

Management has developed a detailed plan and timetable for implementing the foregoing remediation efforts and will monitor the implementation closely. Additionally, under the direction of the Chief Financial Officer, management will continue reviewing and making the necessary changes to the overall design and operation of the Company's internal control environment, as well as to policies and procedures to improve the overall effectiveness of internal control over financial reporting.

TITAN INTERNATIONAL, INC.

Management believes the aforementioned efforts will effectively remediate the material weakness. As the Company continues evaluating and improving internal control over financial reporting, Titan may determine additional measures are necessary to address control deficiencies and will modify the remediation plan described above, as required.

Changes in Internal Controls

Other than the remediation steps described above, there were no material changes in internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the first quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluations of the effectiveness to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

TITAN INTERNATIONAL, INC.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company is a party to routine legal proceedings arising out of the normal course of business. Although it is not possible to predict with certainty the outcome of these unresolved legal actions or the range of possible loss, the Company believes at this time that none of these actions, individually or in the aggregate, will have a material adverse effect on the consolidated financial condition, results of operations or cash flows of the Company. However, due to the difficult nature of predicting unresolved and future legal claims, the Company cannot anticipate or predict the material adverse effect on its consolidated financial condition, results of operations or cash flows as a result of efforts to comply with or its liabilities pertaining to legal judgments.

Item 1A. Risk Factors

See the Company's 2015 Annual Report filed on Form 10-K (Item 1A) filed on February 25, 2016. There has been no material change in this information.

Item 6. Exhibits

10.1*	Trademark License Agreement dated April 1, 2011 by and among The Goodyear Tire & Rubber Company, Goodyear Canada Inc., and Titan International, Inc.
10.2	Titan International, Inc. Annual Incentive Compensation Plan
31.1	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

*Confidential treatment has been requested with respect to certain portions of this exhibit. Omitted portions have been filed separately with the Securities and Exchange Commission.

TITAN INTERNATIONAL, INC.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TITAN INTERNATIONAL, INC.
(Registrant)

Date:	<u>May 4, 2016</u>	By:	<u>/s/ MAURICE M. TAYLOR JR.</u> Maurice M. Taylor Jr. Chairman and Chief Executive Officer (Principal Executive Officer)
		By:	<u>/s/ JOHN HRUDICKA</u> John Hrudicka Chief Financial Officer (Principal Financial Officer)

TRADEMARK LICENSE AGREEMENT

(AMERICAS - GOODYEAR BRAND)

THIS TRADEMARK LICENSE AGREEMENT (this “Agreement”), dated April 1, 2011 (the “Effective Date”), is made and entered into by and among The Goodyear Tire & Rubber Company, an Ohio corporation (“Goodyear”), Goodyear Canada Inc., an Ontario corporation and a subsidiary of Goodyear (“Goodyear Canada”), on the one hand, and Titan International, Inc., an Illinois corporation (“Licensee”), on the other hand. Each of Goodyear and Goodyear Canada are sometimes referred to herein as a “Licensor” and collectively as the “Licensors.” Each Licensor and Licensee is sometimes referred to herein as a “Party” and collectively as the “Parties.”

RECITALS

- A. Goodyear and Titan Tire Corporation, an Illinois corporation (“Buyer”), are parties to the Purchase Agreement - Latin America, dated as of December 13, 2010, by and among Goodyear and Buyer (the “Purchase Agreement”);
- B. Pursuant to the Purchase Agreement, Goodyear or an Affiliate sold to Buyer certain assets located in South America associated with the manufacture, distribution and sale of Farm Tires;
- C. On December 28, 2005, Goodyear and Buyer entered into a Trademark License Agreement under which Goodyear granted Buyer a license to use certain marks in connection with the manufacture, distribution and sale of farm tires in North America (the “2005 Trademark License”);
- D. The Parties desire to terminate and supersede the 2005 Trademark License and the Bilateral Supply Agreement dated as of December 28, 2005, as amended and restated, between Goodyear and Buyer (the “2005 Supply Agreement”).
- E. Licensors together own all of the Licensed Marks identified on Exhibit A-1 and Exhibit A-2 and own or otherwise have the right to license the Licensed Marks identified on Exhibit A-3 attached hereto, which Licensed Marks have been used by Licensors in connection with the Business;
- F. Pursuant to the terms and conditions of the Purchase Agreement, Goodyear and Licensee are obligated to execute and deliver this Agreement; and
- G. With this Agreement, Licensee has agreed to acquire and Licensors have agreed to grant a license to use the Licensed Marks in North America and South America, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual promises and obligations contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1

DEFINITIONS

- 1.1 Terms and Conditions. Terms used in this Agreement shall have the following meanings:

“2005 Trademark License” has the meaning set forth in the Recitals. “2005 Supply Agreement” has the meaning set forth in the Recitals.

“Affiliate” means, with respect to any person, at the time in question, any other person controlling, controlled by or under common control with the person. For purposes of this definition, “control” (including, but not limited to, the terms “controlling,” “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise.

“Business” means the manufacture, distribution and sale of Farm Tires in the jurisdictions listed on Exhibit B by Goodyear and its Affiliates.

“Business Day” means any day other than Saturday or Sunday on which commercial banks are not required or authorized by law to close in the City of New York, State of New York, USA.

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Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

“Buyer” has the meaning set forth in the Recitals.

“Change of Control” means the occurrence of any of the following events unless Licensors consent in advance: (1) a Person acquires direct or indirect beneficial ownership (as defined in the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder) of more than fifty (50%) percent of the outstanding voting securities of Licensee or its direct or indirect parent (each, a “Parent”), or (2) the shareholders of Licensee approve, or Licensee otherwise effects, enters into or approves, (A) a merger or consolidation of Licensee with or into any other Person, (B) an agreement for the sale or disposition (in one transaction or a series of transactions) of all or substantially all of the assets of Licensee or Parent, (C) a plan of complete liquidation of Licensee or Parent or (D) any transaction similar to any of the foregoing, other than, in the case of both (2)(A) and (2)(B) above, a merger, consolidation or sale that would result in the voting securities of Licensee or Parent outstanding immediately prior thereto controlling or continuing to represent, directly or indirectly, either by remaining outstanding or by being converted into equity securities of the surviving Person, at least fifty percent (50%) of the total outstanding voting securities of Licensee, Parent or the surviving Person outstanding immediately after such transaction.

“Confidential Information” means proprietary information of the Parties related to the Licensed Marks or the manufacture, sale or delivery of Licensed Products or which the providing Party can demonstrate was provided in connection with this Agreement, including but not limited to: (i) price, quantity and technical information relating to products, equipment and manufacturing methods of the Parties; (ii) the Parties’ manufacturing and other costs; (iii) either Party’s business plans, strategies and projections, and all other business statistics; (iv) any list of customers of a Party; (v) passwords and other security information permitting access to either Party’s data processing systems; (vi) business and logistics methods and procedures used by the Parties; (vii) other data processing systems information that the Parties have exchanged during the negotiation of, and will later exchange during the term of, this Agreement; and (viii) trade secrets, know-how, drawings, designs, data, inventions, processes, procedures, formulas, specifications, and the like.

Confidential Information does not include information: (i) the recipient’s files and records establish as having been in its possession at the time the information was received; (ii) which is publicly available at the time it is disclosed to the recipient by the discloser or which later becomes so available other than as a result of the recipient’s action or inaction; (iii) which becomes known to the recipient from a third party who has the right to disclose such information without breach of an obligation of trust or confidence to the discloser; (iv) which is disclosed by the recipient with the other party’s prior written approval; or (v) which is required to be disclosed under applicable Law, provided that the Party subject to the requirement of disclosure complies with Section 13.2.

“Customer Inquiries” has the meaning set forth in Section 8.8. “Earned Royalties” has the meaning set forth in Section 4.3.

“Effective Date” has the meaning set forth in the first paragraph.

“Farm Tires” means the tires described in Goodyear’s Farm Tire Handbook 2003 (excluding the specific tires set forth on Schedule A of the Purchase Agreement) and the additional tires listed on Schedule B of the Purchase Agreement. Copies of those schedules are attached hereto as Exhibit C.

“Farm Tire Supply Agreement (Colombia)” means the Farm Tire Supply Agreement (Colombia) entered into on _____, 2010, between [Goodyear] and [Licensee], under which Goodyear or its Affiliates supply Farm Tires to [Licensee].

“Force Majeure” has the meaning set forth in Section 16.1.

“Goodyear” has the meaning set forth in the first paragraph.

“Goodyear Canada” has the meaning set forth in the first paragraph.

“Goodyear Trademarks” means those Licensed Marks identified on Exhibit A-1 and Exhibit A-2 consisting of any one or more of:

the word
GOODYEAR,

the winged foot
design, or

the blimp
design.

“Governmental Authority” means any federal, state, local or foreign government, governmental, regulatory or administrative authority, agency or commission, or any court, tribunal or judicial or arbitral body of the United States or any country.

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Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

“Infringement” has the meaning set forth in Section 7.1(b).

“Initial Term” has the meaning set forth in Section 3.1.

“Law” means any law, rule, regulation, order or other requirement of or issued by any Governmental Authority, in each case as from time to time amended or replaced.

“Licensed Marks” means all of the trademarks identified on Exhibit A-1 and Exhibit A-2, which exhibits may be amended from time to time as provided herein, the Unregistered Marks and any and all names, symbols, designs and other insignia which include the Licensed Marks identified in Exhibit A-1 and Exhibit A-2 or the Unregistered Marks identified in Exhibit A-3 that are embedded in the tire molds transferred to Licensee under the Purchase Agreement and the Asset Purchase Agreement, dated as of February 28, 2005, by and among the Goodyear Parties (as defined therein) and Licensee. For the avoidance of doubt, trademarks owned by Licensee or its Affiliates are not Licensed Marks.

“Licensed Products” means Farm Tires that (a) bear one or more Licensed Marks, and/or (b) are packaged, advertised, promoted, or marketed in conjunction with the Licensed Marks such that a reasonable purchaser would understand the Farm Tires to be those offered by, endorsed by, affiliated with, or sponsored by Licensors; provided, however, that “Licensed Products” does not include any product or service, or portion of a product, that happens to be combined with Farm Tires (by way of example and not limitation, Licensed Products does not include the wheel on which the Farm Tire is mounted and does not include the services of mounting the Farm Tire on the wheel, but would only include the Farm Tire). For the avoidance of doubt, some of the products identified in the column “Application/Registration” on Exhibit A-1 and Exhibit A-2 are not Licensed Products.

“Licensed Territory” means, for each Licensed Mark, only the country or countries in which such Licensed Mark is currently registered and/or filed, as identified on Exhibit A-1 or Exhibit A-2.

“Licensee” has the meaning set forth in the first paragraph.

“Licensee-Made Licensed Products” means Licensed Products manufactured by the Licensee or its Affiliates.

“Licensee Permitted Users” has the meaning set forth in Section 2.5.

“Licensor” or “Licensors” has the meaning set forth in the first paragraph.

“Licensor-Made Licensed Products” means Licensed Products manufactured by a Licensor or its Affiliates.

“Minimum Guarantee” has the meaning set forth in Section 4.4.

“Net Sales” means the gross amount invoiced to customers by Licensee or its Affiliates (but excluding the gross amount invoiced to a Licensor or its Affiliates) for sales of the Licensed Products in the Licensed Territory, less only (a) returns actually made and credited as properly supported by documentation (provided, however, that returns shall not exceed ***** in any calendar quarter), (b) the deductions described in Exhibit D hereto, and (c) the gross amount invoiced to customers by Licensee or its Affiliates for sales of the Licensed Products bearing the Unregistered Marks and no other Licensed Marks.

“Notice” has the meaning set forth in Section 17.1.

“Other Intellectual Property” has the meaning set forth in Section 2.6.

“Party” or “Parties” has the meaning set forth in the first paragraph.

“Pre-Paid Royalty” has the meaning set forth in Section 4.1.

“Purchase Agreement” has the meaning set forth in the Recitals.

“Related Agreements” has the meaning set forth in the Purchase Agreement.

“Renewal Term” has the meaning set forth in Section 3.4.

“Return Rate” has the meaning set forth in Section 8.6.

“Tax” or “Taxes” means any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance,

portions are marked by a series of asterisks.

stamp, occupation, premium, windfall profits, environmental (including taxes under Tax Code §59A), customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

“Taxing Authority” means any applicable Governmental Authority responsible for the imposition of Taxes.

“Technology Agreement” means the Americas Farm Patent and Know-How License Agreement between Goodyear and Licensee dated as of _____, 2010.

“Term” has the meaning set forth in Section 3.4.

“Unregistered Marks” means all of the trademarks identified on Exhibit A-3, which exhibit may be amended from time to time as provided herein.

1.2 Other Definitions. Capitalized terms used and not otherwise defined in this Agreement shall have the definition set forth in the Purchase Agreement.

ARTICLE 2

TERMS AND CONDITIONS GRANT OF LICENSE

2.1 Grant.

Nature and Scope of Grant

- (i) Goodyear grants to Licensee the right to use the trademarks identified on Exhibit A-1 and Exhibit A-3 in the applicable Licensed Territory upon or in relation to the Licensed Products and to grant sublicenses to Licensee’s Affiliates in the applicable Licensed Territory, provided that Licensee shall cause all such Affiliates granted a sublicense hereunder to comply with the provisions herein.
- (ii) Goodyear Canada grants to Licensee the right to use the trademarks identified on Exhibit A-2 in the applicable Licensed Territory upon or in relation to the Licensed Products and to grant sublicenses to Licensee’s Affiliates in the applicable Licensed Territory, provided that Licensee shall cause all such Affiliates granted a sublicense hereunder to comply with the provisions herein.
- (iii) Licensors covenant that they shall not use the Licensed Marks in the Licensed Territory for the Licensed Products, and that any use is limited solely as set forth in Section 2.12.

(The grant of rights in the Licensed Marks is transferable as permitted by this Agreement.

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- (v) Licensee may engage subcontractors in connection with the operations of its business and, to the extent the use of such subcontractors involves use of the Licensed Marks, the grant of rights in Section 2.1(a)(i) and (ii) includes the use by such subcontractors. Such use shall be under the supervision and control of Licensee and Licensee shall remain responsible to Licensors for proper use of the Licensed Marks by such subcontractors. Use by subcontractors is not a sublicense and is not use by an Affiliate.
- (vi) Licensors acknowledges that this grant of rights in the Licensed Marks is in connection with, and is material to, Licensee’s purchase of the Business. Each Licensors represents that this Agreement does not conflict with any existing security agreement or credit agreement to which it is a party. If Licensors enter into a new credit facility or materially amend their existing credit facility, they shall ask the lenders to acknowledge in the new credit agreement or amendment that the lenders will not foreclose on or otherwise affect Licensee’s rights with respect to this Agreement in connection with any enforcement of the lenders’ rights if Licensee is in compliance with all material provisions of this Agreement.

The grant of rights in this Section 2.1 is in addition to the permitted uses set forth elsewhere in this Agreement, including Sections 2.4 and 2.5.

4

Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

- (b) All rights not specifically granted to Licensee under this Section 2.1 are reserved by Licensors. Subject to Section 2.1(a)(vi), nothing in this Agreement shall restrict Licensors' current or future commitments under secured lending or financing arrangements pledging the Licensed Marks as collateral under such obligations and Licensee acknowledges that the Licensed Marks are subject to liens and encumbrances, the terms of which may be amended from time to time, arising as a result of such obligations.

2.2 2005 Trademark License; 2005 Supply Agreement. The Parties acknowledge and agree that this Agreement terminates and supersedes the 2005 Trademark License and the 2005 Supply Agreement.

2.3 Specifically Prohibited Uses of the Licensed Marks. Unless expressly authorized by this Agreement, Licensee will not use any of the Licensed Marks or any confusingly similar terms or marks:

- (a in any corporate names, trade names, business names, domain names
) or URLs,

- (b) in connection with any service or repair other than the service or repair to the Licensed Products bearing the applicable Licensed Marks, or

in the white pages of telephone and other business directories.

2.4 Permitted Use of the Licensed Marks in Advertising and Distribution. Subject to Sections 2.3 and 8.3, Licensee shall be entitled to use the Licensed Marks in the Licensed Territory to advertise, describe, solicit, demonstrate, sell, distribute, manufacture, package and otherwise promote the sale, repair and service of the Licensed Products in all media now known or later developed. At no time shall Licensee use the Goodyear Trademarks without the descriptive terms comprising the Licensed Products (e.g., "Goodyear Farm Tires"), provided however that Licensee shall not use the term "Goodyear Tires."

2.5 Use by Persons in the Distribution Network. In addition to the limited right to sublicense granted to Licensee in Section 2.1 and subject to the terms of this Section 2.5, Licensee's dealers, distributors, resellers and others in Licensee's distribution network of the Licensed Products (together with Licensee's Affiliates, the "Licensee Permitted Users") may use the Licensed Marks in connection with the sale, repair, service, promotion, marketing, advertising, and distribution of the Licensed Products within the applicable Licensed Territory during the Term; provided that, none of Licensee's Affiliates or any other Licensee Permitted User may use any Licensed Mark in a way that Licensee would be prohibited from using such Licensed Mark pursuant to the terms of this Agreement.

2.6 [Intentionally
Omitted]

2.7 No Other Right To Licensed Marks or Licensors' other Intellectual Property. This Agreement conveys to Licensee no rights with respect to the Licensed Marks other than as specifically set forth herein. Licensee acknowledges that Licensors are the owners of certain trademarks, trade dress, copyrights, design patents, utility patents, trade secrets and other intellectual property rights that are not included in the Licensed Marks ("Other Intellectual Property"). Licensee understands and agrees that this Agreement does not give Licensee authorization to use the Other Intellectual Property in any manner whatsoever, nor does this Agreement grant to Licensee rights to the intellectual property of any other party.

2.8 Renewal and Maintenance Costs. Licensors shall maintain the registration of the Licensed Marks that are in existence on the Effective Date during the Term at Licensors' sole cost and expense. Notwithstanding the terms of this Section 2.8, Licensee shall reimburse Licensors for governmental fees and reasonable legal expenses Licensors incur to maintain or renew any Licensed Mark exclusively related to the Business. If, during the Term of this Agreement, a Lensor elects to cease its use of a Licensed Mark and determines to let the registration for such Licensed Mark lapse or to cease paying continuation, renewal or similar fees with respect to such Licensed Mark, Goodyear, on behalf of the Licensors, shall notify Licensee in writing of such determination (prior to the expiration or lapse of the registration of such Licensed Mark) and, for a period of 30 days following receipt of such notice, Licensee shall have the right to notify Goodyear in writing of Licensee's desire to have such Licensed Mark assigned to Licensee, at Licensee's expense but for no additional consideration to Licensors. From and after Licensee's receipt of notice from Goodyear as contemplated above, Licensors shall have no further obligation to

maintain or renew the registration for such Licensed Mark and Licensee shall be responsible for all costs associated with its continuing use of such Licensed Mark. Licensee shall provide Licensors with such reasonable assistance as Licensors may require in renewing and maintaining the Licensed Marks at Licensee's expense.

- 2.9 Licensee's Use of Own Name. Nothing in this Agreement limits the right of Licensee to use its own name on or in connection with the Licensee-Made Licensed Products so as to accurately identify itself as the manufacturer of the Licensed

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Products, including but not limited to the phrase “MADE BY TITAN” or “MANUFACTURED BY TITAN” or other such accurate description of source.

2.10 No Grant of Conflicting Rights.

Subject to:

the rights reserved under
Section 2.12;

- (b) the authorization granted to ANLAS Anadolu Lastik San ve Tic AS and Alliance Tire Company pursuant to off take agreements under which such entities provide tires bearing the Licensed Marks only to Goodyear and its Affiliates, as described with particularity on Exhibit E hereto; and
- (c) the rights, including security interests, of persons that have heretofore provided, or that may, from time to time after the date hereof, provide financing to one or more of the Licensors,

each Licensor agrees that it will not, during the Term hereof, grant any license to any person to use the Licensed Marks with respect to Licensed Products (or products identical to the Licensed Products) in the Licensed Territory.

2.11 [Intentionally Omitted]

2.12 Licensors’ Rights within the Licensed Territory. Except for tires owned by Licensors or their Affiliates on the Closing Date, and except for tires mounted on original equipment vehicles outside the Licensed Territory or tires manufactured within the Licensed Territory for sale outside the Licensed Territory, tires furnished or sold by Licensors to Licensee or its Affiliates under the Farm Tire Supply Agreement (Colombia) and tires the ownership or sale of which is permitted under the Purchase Agreement, Licensors agree that they possess no right to sell the Licensed Products (a) themselves, (b) to exporters, or (c) directly or indirectly to others for resale or reshipment within the Licensed Territory. If Licensors or their Affiliates become aware that any party to whom they sell the Licensed Products intends to sell or ship, or is selling or shipping directly or indirectly, the Licensed Products into the Licensed Territory, Licensors shall take all necessary actions which are legally permissible to prevent such sales or shipments.

2.13 Licensee’s Rights Outside Licensed Territory. Except for tires mounted on original equipment vehicles within the Licensed Territory, Licensee agrees that it possesses no rights to sell the Licensed Products (a) itself, (b) to exporters, or (c) directly or indirectly to others for resale or reshipment outside the Licensed Territory. If Licensee becomes aware that any party to whom it sells the Licensed Products intends to sell or ship, or is selling or shipping directly or indirectly, the Licensed Products outside of the Licensed Territory, Licensee shall take all necessary actions which are legally permissible to prevent such sales or shipments.

2.14 Modifications to Licensed Marks. Licensors will not discontinue the GOODYEAR word mark during the Term. In the event Licensors modify the format of the GOODYEAR word or design mark, Licensee will modify molds as they are replaced. Licensee shall be authorized to sell goods bearing the earlier versions of the GOODYEAR word or design mark subsequent to such modifications for a period not to exceed five years.

2.15 Notice Requirements for Licensed Marks. Licensee shall take the following actions with respect to the marketing of the Licensed Products or the registration, renewal or evidence of use of the Licensed Marks to protect Licensors’ rights in the Licensed Marks, and Licensors shall cooperate with Licensee in its compliance with this Section 2.15. Licensee’s actions shall include:

- (a) notwithstanding Article 13, recording this Agreement in applicable trademark offices, in a short form to the extent possible;
- (b providing affidavits of Licensee’s rights as reasonably requested by Licensors;
)

- (c) affixing on Licensed Products and all materials used in the advertising, packaging, sale and distribution thereof all notices required under applicable law or reasonably requested by a Licensor, including the use of symbols ® and TM as appropriate (or the comparable symbols of a local jurisdiction), affixing language to indicate the existence of the licensing arrangement with Licensors, and to provide any other reasonable notice requested by Licensors on Licensed Products using the Licensed Marks; and
- (d) providing any other reasonable assistance and cooperation requested by the Licensors; provided that, in the case of this subsection (d), Licensors shall reimburse Licensee's reasonable out-of-pocket expenses.

2.16 OEM

Customers .

Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

- (a) Licensee for itself and its Affiliates hereby grants to Licensors the right to allow original equipment manufacturers to import into any country in the Licensed Territory vehicles fitted outside the Licensed Territory with any Licensed Products manufactured, distributed, and or sold by Licensors or Licensors' Affiliates. Further, Licensee will not object to the import of such original equipment vehicles into the Licensed Territory.
- (b) Licensors for themselves and their Affiliates hereby grant to Licensee the right to allow original equipment manufacturers to import into any country outside the Licensed Territory vehicles fitted in the Licensed Territory with any Licensed Products manufactured, distributed, and/or sold by Licensee or Licensee's Affiliates. Further, Licensors will not object to the import of such original equipment vehicles to any country outside the Licensed Territory.

ARTICLE 3

TERM

- 3.1 Initial Term. This Agreement shall be effective as of the Effective Date and shall expire on the seventh anniversary of the Effective Date unless sooner terminated under operation of Law or in accordance with the terms and conditions herein (the "Initial Term").
- 3.2 Contract Periods. Contract Period one begins on the Effective Date and ends twelve months later. Each consecutive twelve-month period thereafter shall be deemed a Contract Period.
- 3.3 Notice of Termination. Either Goodyear or Licensee may in their respective sole discretion terminate this Agreement by giving written notice of termination to the other Party not less than three years before the end of any Contract Period beginning with Contract Period four.
- 3.4 Renewal Term. The term of this Agreement shall automatically extend for one additional seven year period (the "Renewal Term" and together with the Initial Term, the "Term") unless:
 - (a) Licensee provides written notice to Goodyear of its intent not to extend the term of this Agreement for the Renewal Term at least twelve months before the seventh anniversary of the Effective Date; or
 - (the Agreement has been terminated pursuant to Section 3.3 or
 - b Section 11.1.
 -)

ARTICLE 4

ROYALTY

- 4.1 Pre-Paid Royalty. The Parties hereby agree that a portion of the Purchase Price paid by Licensee under the Purchase Agreement has been allocated by the Parties as an up-front, one-time, payment of royalties (the "Pre-Paid Royalty") by Licensee to Licensors for use of the Licensed Marks in connection with Licensed Products for the Initial Term as contemplated herein. The Pre-Paid Royalty is subject to a Pre-Paid Royalty Adjustment as defined in the Technology Agreement.
- 4.2 [Intentionally Omitted]
- 4.3 Royalty During Renewal Term. In each Contract Period during the Renewal Term, Licensee shall pay to Goodyear a ***** royalty based on the Net Sales of all Licensed Products sold (the "Earned Royalties"). For purposes of this Agreement, a Licensed Product shall be considered sold on the date upon which such Licensed Product is billed, invoiced, shipped, or paid for, or when title passes to the buyer, whichever occurs first.
- 4.4 Minimum Guarantee .

- (a) During the Renewal Term, Licensee shall pay to Goodyear the minimum guaranteed royalties specified in this Section 4.4 (“ Minimum Guarantee ”). For each Contract Period during the Renewal Term, the Minimum Guarantee shall be *****.

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- 4.5 No Deductions. Unless specified otherwise in the definition of Net Sales, computation of Net Sales (including the computation of the gross price invoiced to customers) shall not include deductions for returns greater than *****, uncollectible accounts, new store allowance(s), advertising allowance(s), co-op allowance(s), costs incurred in the manufacture, sale, distribution, advertising, promotion, or exploitation of the Licensed Products, or any indirect or overhead expense of any kind whatsoever. Similarly, such deductions and costs shall not be deducted from gross sales or Earned Royalties.
- 4.6 Sales to Licensee's Affiliates and No Charge Sales. If Licensee (a) sells or provides the Licensed Products to third parties at no charge or less than the regular price charged to similar third parties in the same or similar locality or (b) sells or provides Licensed Products to entities affiliated with Licensee, or in any way directly or indirectly related to or under the common control of Licensee, at no charge or less than the regular price charged to similar parties in the same or similar locality, the Earned Royalties shall be computed on the basis of the regular price charged to other parties; provided, however, that this Section shall not apply to any Contract Period where the value of such sales or provision of Licensed Products would amount to \$50,000 or less.

ARTICLE 5

STATEMENTS AND PAYMENTS

5.1 Statements.

- (a) Statement Content. Within 30 days following the last day of each calendar quarter, Licensee shall furnish to Goodyear a complete and accurate statement (in the format attached as Exhibit F) of sales of Licensed Products by Licensee and its Affiliates during the preceding calendar quarter. Such statement shall be certified as accurate by Licensee's Chief Financial Officer and shall indicate the following for each Licensed Product by country: (a) a description of the Licensed Product, including SKU number; (b) gross sales price of the Licensed Product; (c) the number of units sold; (d) any itemized deductions from gross sales price which are expressly permitted hereunder; (e) Net Sales of the Licensed Product distributed and/or sold by Licensee during the quarter; and (f) aggregate returns made and credited during the preceding calendar quarter.
- (b) Statement Requirements. Such statements shall be submitted whether or not any sales of the Licensed Products occurred during the preceding calendar quarter. The receipt or acceptance by Goodyear of any of the statements furnished pursuant to this Agreement shall not preclude Goodyear from auditing, questioning or objecting to the accuracy of such statements at any time. If any inconsistencies or mistakes are discovered in such statements, they shall immediately be rectified.

5.2 Inspection of Records .

- (a) Inspection. Licensee shall keep complete, accurate, and verifiable books and records at its principal place of business showing all transactions relating to this Agreement. Such books and records shall include numerically sequenced invoices. Goodyear or its duly authorized representatives shall have the right, upon no less than five Business Days' notice, and during normal business hours, to inspect Licensee's books and records and all other documents and material in the possession of or under the control of Licensee in order to verify the accuracy of Licensee's sales reports. Goodyear shall have access thereto for such purposes and shall be permitted to make copies thereof. In the absence of any intentional misconduct by Licensee, Goodyear shall be entitled only to contest Licensee's payments under this Agreement for the then-current Contract Period plus one (1) previous Contract Period.
- (b) Maintenance After Expiration. For each Contract Period, all books and records relative to Licensee's obligations hereunder shall be maintained and kept accessible and available to Goodyear for inspection for at least three years after the conclusion of that Contract Period.

5.3 Payment.

- (a) Payment Requirements. During the Renewal Term, Licensee shall remit within 30 days following the last day of each calendar quarter, together with the statement required for that quarter, a payment of the Earned Royalties due from sales during the preceding quarter. For any Contract Period where the Earned Royalties do not meet

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or exceed the Minimum Guarantee, in the fourth quarterly payment for that Contract Period (such payment to be made within 30 days following the last day of the fourth calendar quarter), Licensee shall pay the additional amount required to meet the Minimum Guarantee. All payments made under this Agreement shall be in United States currency (converted from any foreign currency at the spot rate of exchange for United States Dollars as published by The Wall Street Journal in New York, NY, USA, as of the last Business Day of the quarter for which payment is being made) and shall be remitted by wire transfer of immediately available funds into such account as is designated by Goodyear. Goodyear reserves the right to reject any other form of payment. Except for money owed between the Parties under this Agreement, Licensee shall have no right to set off any money owed to Licensee by Licensors against any money owed by Licensee to Licensors hereunder.

- (b) Late Payments. If any payments due under Section 4.3 are not timely paid, Licensee shall pay interest on the amount owed at a rate of 7% per annum (or the maximum rate allowed by law if lower) from the date such amount was due until it is paid. If it becomes necessary for Goodyear to undertake legal action to collect any such payments, Licensee shall pay Licensors' outside legal fees and costs of the action and related negotiations if the legal action undertaken results in a determination that the payments were due.
- (c) All Payments. All amounts due to Goodyear under this Agreement shall be paid by Licensee and no other entity.

[Intentionally
Omitted]

ARTICLE 6

OWNERSHIP, GOODWILL AND PROTECTION OF RIGHTS

- 6.1 Acknowledgment. Licensee shall not at any time during the Term of this Agreement or thereafter do or permit to be done any act or thing which impairs the rights of Licensors with respect to such Licensed Marks. Licensee will not represent that it has any ownership in the Licensed Marks or in any registration of them and shall not attempt to register the Licensed Marks alone or as part of its own trademark or service mark in any jurisdiction. Licensee will use the Licensed Marks only in the manner specified by Goodyear and this Agreement. Licensee agrees that it will not, during the Term of this Agreement or thereafter, challenge the validity or distinctiveness of the Licensed Marks. The Parties expressly intend and agree that all use of the Licensed Marks shall inure to the sole benefit of the Licensors and that Licensee shall neither acquire nor be allowed to claim any rights to the Licensed Marks. Licensee further agrees that it shall not oppose or seek to cancel any of the Licensed Marks or challenge the ownership or validity of any of the Licensed Marks in any court or agency, including, but not limited to, any trademark office in any country in the Licensed Territory.
- 6.2 Confusingly Similar Marks. Licensee shall not, either during or after the Term of this Agreement, use or authorize the use of any configuration, mark, name, design, logo or other designation identical or confusingly similar to any Licensed Mark. Should Licensee, during the Term or at any time thereafter, assert ownership in any mark, name, design, logo or other designation in any jurisdiction which is the same as, or confusingly similar to, any of the Licensed Marks, Licensee will, upon request by Goodyear, transfer or assign all of Licensee's right, title, and interest that it asserts in such mark, name, design, logo or other designation, including but not limited to any registrations, to the applicable Licensors or its designee, at Licensee's sole cost and expense.
- 6.3 Registrations. Licensee agrees that it shall not, on the basis of its use of the Licensed Marks, oppose or seek to cancel any registration for any of the Licensed Marks.

- 6.4 Modifications By Licensee. Licensee shall not develop or authorize the development of variations of the Licensed Marks or elements included within the Licensed Marks without the prior express written consent of Goodyear, which consent may be withheld in Goodyear's sole discretion, for any or no reason. In the event that Goodyear grants the consent contemplated in this Section, any designs created shall be included in the Licensed Marks licensed hereunder, the applicable Licensor shall own all the rights in such new design, and Licensee shall execute any documents required to transfer such rights to such Licensor. All uses and rights of and to the new designs shall inure to the exclusive benefit of such Licensor and such Licensor may register and protect the same in its own name, as it deems necessary or appropriate.
- 6.5 Goodwill. The Parties recognize the value of the publicity and goodwill associated with the Licensed Marks and that all related rights and goodwill belong exclusively to Licensors. Licensee agrees that it shall not take any action or produce any goods, services or materials that:

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in any way question a Licensor's ethics or lawful practices,

(b) reflects adversely upon a Licensor, the Licensed Products, or the Licensed Marks; or

dilutes the Licensed Marks.

ARTICLE 7

LICENSED MARKS PROTECTION

7.1 Third Party Unauthorized Use of Licensed Marks .

(a) Notification of Unauthorized Use. Licensee shall notify Goodyear in writing of any manufacture, distribution, sale or advertisement of any product or service of the same general type or class as the Licensed Products that Licensee, in its reasonable judgment, believes may constitute an infringement upon Licensors' rights within thirty (30) days after such manufacture, sale or advertisement has come to its attention. Licensee shall not commence, prosecute or institute any action or proceeding against any Person alleging infringement, imitation or unauthorized use of the Licensed Marks without the prior written consent of Goodyear.

(b) Appropriate Action With Respect to the Licensed Marks other than the Goodyear Trademarks. Goodyear shall have the initial right to determine the appropriate action to be taken against any infringement, imitation (including any third-party registration or application to register) or any or other unauthorized use (" Infringement ") of the Licensed Marks other than the Goodyear Trademarks (which are addressed in Section 7.1(c) below) including whether to settle any claims or controversy arising out of such claims. Licensee shall have no claim against any Licensor for failure to bring an action for any Infringement or alleged Infringement of the Licensed Marks. If Goodyear fails, within a reasonable period of time, to take action regarding an Infringement, after providing written notice to Goodyear, Licensee may institute, maintain and direct an action to enjoin such Infringement and to recover damages, and Goodyear agrees to be named as a party to such action if required under applicable Law. Subject to the provisions of this Section 7.1(b) and Section 7.2, actions with respect to Infringement of such Licensed Marks may be commenced by a Licensor, Licensee, or, if the Parties agree, by Licensors and Licensee jointly. Any and all awards or settlements recovered in any such action or proceeding shall be divided as follows:

(i) Each Party will recover an equal percentage of its legal expenses, up to 100% of such) expenses;

(ii) The Party(ies) who commenced the case shall recover its/their demonstrated economic damages if they exceed the combined legal expenses. If Licensor(s) and Licensee commenced the case jointly, each plaintiff will recover an equal percentage of its respective demonstrated economic loss, up to 100% of such loss; and

(ii) Any additional awards or settlements shall be awarded to the Party(ies) who i) commenced the case.

(c) Appropriate Action With Respect to the Goodyear Trademarks. Notwithstanding the provisions of Section 7.1(b), Goodyear shall have the sole right to determine the appropriate action to be taken against any Infringement of the Goodyear Trademarks, including whether to settle any claims or any controversy arising out of such claims. Goodyear shall bear the expense of any actions and shall be entitled to any and all settlements, damages or benefits received arising from such any action.

7.2 Reasonable Assistance .

- (b) In connection with any action regarding an Infringement commenced, maintained or directed by Licensee as permitted pursuant to Section 7.1(b), Licensors shall provide Licensee with such reasonable assistance as Licensee may request in connection with such action, provided that Licensee shall reimburse Licensors for their expenses incurred in providing such assistance.

ARTICLE 8

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QUALITY CONTROL

- 8.1 **Quality Requirements.** Licensee warrants that the Licensee-Made Licensed Products will have performance characteristics and be of a quality equal to the Licensed Product sold by the Business as of the Effective Date. Licensee warrants that it will manufacture the Licensee-Made Licensed Products according to Licensee's approved standard quality control and manufacturing procedures and requirements in place in each case on the date hereof, and shall meet all applicable Laws and the then current industry standards relating to such products (if such industry standards were met prior to the Effective Date). Licensee must provide written notice to Goodyear prior to the production of any new products which are to bear Licensed Marks. Any such products must also be added to the quarterly reports issued by Licensee. The Parties agree that products currently made or sold by Licensee are not "new products" under this section, and that for a Farm Tire to be a "new product" it must bear a new SKU designation (a mere redesignation of the SKU for an existing product does not, however, constitute the product a "new product" hereunder). Except to the extent consistent with the practices and policies of the Business prior to the date hereof, Licensee shall not offer for sale, advertise, promote, distribute, or use for any purpose any Licensee-Made Licensed Products or packaging that are damaged, defective, seconds, or that otherwise fail to meet the quality requirements described in this Agreement.
- 8.2 **Product Sample Testing.** Goodyear, at its reasonable discretion, may require Licensee to submit up to five samples of such Licensee-Made Licensed Products to an independent laboratory or test facility for the sole purpose of testing compliance of such Licensee Made Licensed Products with the quality standards required by this Agreement. All costs associated with any independent sampling, inspection, testing and analysis pursuant to this Section 8.2 shall be borne by Licensee and the results of all such inspections, testing, and analysis shall be submitted to Goodyear with a copy reasonably promptly delivered to Licensee. Any testing laboratory engaged by Licensee for the purposes set forth herein shall be required to enter into a confidentiality agreement with Licensee protecting the confidential and proprietary information of Licensee prior to engaging in any testing activities.
- 8.3 **Review of Marketing Materials Incorporating Licensed Marks.** Goodyear may request Licensee to provide samples of all packaging, promotional materials, and advertisements associated with the Licensee-Made Licensed Products and containing any Licensed Mark and any other information or materials containing, displaying, or used in conjunction with the Licensed Marks for Goodyear's inspection and approval. Such inspection shall be restricted solely to the use of the Licensed Marks.
- 8.4 [Intentionally Omitted]
- 8.5 **Quality Maintenance/Inspection of Facilities.** During the Term of this Agreement, to ensure that the quality of Licensee-Made Licensed Products is being maintained in accordance with this Agreement, Licensee or their authorized representatives shall have the right to enter and inspect the facilities of Licensee or its Affiliates during reasonable hours on three Business Days' notice.
- 8.6 **Substandard Quality .**
- (a) If the quality of any particular Licensee-Made Licensed Product falls below the requisite quality level set forth in Section 8.1, Licensee shall, upon written notice from Goodyear, have 60 days to either (i) return the quality level of such Licensee-Made Licensed Product to the requisite quality level or (ii) provide Goodyear with a plan reasonably acceptable to Goodyear to return the quality level of such Licensee-Made Licensed Product to the requisite quality level. If Licensee fails to do either (i) or (ii) within the 60 day period, then Licensee shall immediately discontinue the production, sale, distribution and marketing of such Licensee-Made Licensed Product until such time the Licensee-Made Licensed Product is brought up to the quality standards described in Section 8.1.

- (b) Without limiting the requirements of Section 8.6(a), a particular Licensee-Made Licensed Product will be deemed to have fallen below the requisite quality level set forth in Section 8.1 if returns of such Licensee-Made Licensed Product due to substandard quality exceed ***** of Licensee's Net Sales of such Licensee-Made Licensed Product in any Contract Period (the "Return Rate"). Licensee shall promptly notify Goodyear in writing if returns of any Licensee-Made Licensed Product exceed the Return Rate.

8.7 Disposal of Substandard Products. Licensee shall destroy, and upon Goodyear's written request certify such destruction in writing, all substandard Licensee-Made Licensed Products that do not meet the quality levels described in this Article 8. Notwithstanding the foregoing sentence, with the prior written consent of Goodyear, Licensee instead may dispose of

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the substandard Licensee-Made Licensed Products at its own discretion as long as no use of or reference to the Licensed Marks is made in connection with such products. In such event, prior to disposal, Licensee must completely remove all labels, tags and marks that would identify any Licensor or any of the Licensed Marks from the substandard products to be disposed of.

- 8.8 Customer and Consumer Inquiries. Licensee shall, at its sole cost, establish and maintain procedures satisfactory to Goodyear for the handling of all customer and consumer complaints about quality or product warranty issues, relating to any of the Licensee-Made Licensed Products (collectively “Customer Inquiries”). Licensors may forward to Licensee for handling any and all Customer Inquiries that they receive relating to the Licensee-Made Licensed Products. Licensee shall submit to Goodyear a written quarterly report summarizing all Customer Inquiries and the manner in which they were handled.
- 8.9 Recalls. Licensee is solely responsible for ensuring Licensee-Made Licensed Products comply with all applicable standards of any Governmental Authority, including all costs and recall activities associated with Licensee-Made Licensed Products that do not conform to Governmental standards. In addition, Licensee shall notify Goodyear in writing immediately upon determining, or becoming aware of any Governmental Authority claiming, that any Licensee-Made Licensed Products fail to comply with any Law.

ARTICLE 9

USE OF OTHER MARKS WITH THE LICENSED MARKS

- 9.1 Use of Other Marks. Licensee may add the words “Made by Titan” to all molds bearing any of the Licensed Marks. Except for use of “Made by Titan” and the use of “Titan” as part of Licensee’s corporate name in conjunction with the sale of Licensed Products or as otherwise provided in this Agreement, Licensee shall not use any trademark, service mark, trade name, logo, symbol or device in combination with the Licensed Marks without the prior written consent of Goodyear, which consent may be withheld in Goodyear’s sole discretion, for any or no reason. Licensee shall not attempt to obtain or register the copyright or trademark in any artwork which contains or is derived from any of the Licensed Marks without the prior written consent of Goodyear (on behalf of the relevant Licensor), which consent may be withheld, in its sole discretion, for any or no reason. At Goodyear’s request, Licensee shall remove from any Licensed Product or associated materials bearing the Licensed Marks and under Licensee’s control or access, any element which Goodyear believes will harm, dilute or otherwise weaken the Licensed Marks or such Licensor’s reputation. Licensee shall not be required to remove any marks, or alter any Licensed Products or associated materials if such goods or materials have previously been consented to by Licensors, unless such Licensed Product or associated materials must be changed pursuant to any Law. Nothing herein is intended to prevent Licensee from complying with applicable Laws.

ARTICLE 10

INDEMNIFICATION

- 10.1 Indemnification of Licensors. Except as specifically provided in Section 10.2, Licensors assume no liability to Licensee or any third parties with respect to Licensee-Made Licensed Products, whether or not bearing a Licensed Mark. Licensee agrees to hold harmless, defend and indemnify Licensors and their respective Affiliates, officers, shareholders, employees and agents against third party claims, liabilities, demands, judgments or causes of action, and costs and expenses related thereto (including, but not limited to, reasonable attorneys’ fees and costs), arising out of the manufacture, distribution, advertising, use, sale or marketing of the Licensee-Made Licensed Products, whether or not bearing a Licensed Mark, or the use of the Licensed Marks, by Licensee, provided that (a) prompt written notice is given to Licensee of any suit or claim of infringement, (b) Licensee shall have the option and right to undertake and conduct the defense of any such suits or claims brought against Licensor, and (c) no settlement of any suit or claim brought by a third-party with respect to Licensee’s use of the Licensee-Made Licensed Products is made or entered into without the prior express written consent of Licensee, which consent shall not be unreasonably withheld.
- 10.2 Indemnification of Licensee. Goodyear agrees to hold harmless, defend and indemnify Licensee, its affiliates, officers, shareholders, employees and agents against third party claims, liabilities, demands, judgments, or causes of action and costs and expenses related thereto (including but not limited to reasonable attorneys’ fees and costs) arising out of any third-party claim alleging trademark, trade dress or copyright infringement, or unfair competition, related to Licensee’s use of the Licensed Marks (except for the Unregistered Marks) as expressly authorized by this Agreement. This indemnification shall not apply to actions arising out of the unauthorized use of Licensed Marks, including the use of the

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Licensed Marks in territories that are not Licensed Territories for the products on which they are used or the application of the Licensed Marks to Licensed Products intended for sale within the Licensed Territory where application of the Licensed Marks is performed outside of the Licensed Territory.

ARTICLE 11

TERMINATION AND EXPIRATION

11.1 Licensors' Right of Termination .

- (a) Unless otherwise provided herein, Goodyear, on behalf of the Licensors, shall have the right to terminate this Agreement if Licensee materially breaches this Agreement and Licensee fails to cure such breach or to adopt a plan reasonably designed to cure such breach within 60 days after receipt of written notice of such breach from Goodyear. Material breach includes, without limitation, any of the following:
 - (i) Licensee breaches any provision in Article 8 (Quality Control) or Article 9 (Use of Other Marks with Licensed Mark);
 - (ii) any Licensed Product is recalled for any reason and Licensee fails or refuses to correct the condition or defect which caused the recall;
 - (iii) except under federal bankruptcy laws, Licensee files a petition in bankruptcy, is adjudicated as bankrupt or insolvent, makes an assignment for the benefit of creditors or an arrangement pursuant to any bankruptcy law, or a receiver is appointed for Licensee's business;

Licensee breaches its confidentiality obligations in Article 13;

- (v) Licensee sells Licensed Products outside the Licensed Territory except as allowed in Section 2.13, Section 2.16, or otherwise by this Agreement or the Purchase Agreement, the Farm Tire Supply Agreement (Colombia), or the Related Agreements; or
 - (vi) Licensee ceases or threatens to cease to carry on all or any material part of its business or the Business.
- (b) Goodyear, on behalf of the Licensors, may also terminate this Agreement immediately upon notice to Licensee if Licensee undergoes a Change of Control; provided, however, that
 - (i) Licensee shall notify Goodyear in writing (A) promptly after it becomes aware of any Change of Control described in Clause (1) of the definition of Change of Control hereunder or (B) not less than 60 days prior to the proposed closing date with respect to any proposed Change of Control other than a Change of Control described in such Clause (1) of the definition; and
 - (ii) if Licensee provides the notice referred to in Clause (i) of this Section 11.1(b), Goodyear may exercise the termination right provided in this Section 11.1(b) within 30 days after its receipt of such notice.
 - (iii) Notwithstanding anything to the contrary in this Agreement, if Licensee undergoes a Change of Control by a Person who is not a competitor of Goodyear or its Affiliates, then Goodyear on behalf of the Licensors may exercise its termination rights under Section 11.1(b) only if Goodyear also terminates all other Related Agreements.

11.2 Licensee's Right of Termination. Licensee shall have the right to terminate this Agreement if Licensors materially breach this Agreement and fail to cure such breach, or to adopt a plan reasonably designed to cure such breach within 60 days after receipt of such notice. Material breach includes, without limitation, the following:

- (a) Except under federal bankruptcy laws, Goodyear files a petition in bankruptcy, is adjudicated as bankrupt or insolvent, makes an assignment for the benefit of creditors or an arrangement pursuant to any bankruptcy law, discontinues all or a significant portion of its business, or its business is appointed a receiver, or

11.3 Duties Upon
Termination .

- (a) Termination of this Agreement shall be without prejudice to any rights that the terminating Party may otherwise have against the other Parties. Upon termination of this Agreement by Goodyear, on behalf of Licensors, pursuant to Section 11.1(a), Licensee shall immediately discontinue the use of the Licensed Marks.

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- (b) Upon termination of this Agreement by Goodyear, on behalf of Licensors, pursuant to Section 11.1(b) or by Licensee pursuant to Section 11.2, Licensee shall do the following:
- (i) No later than six months after such termination (the “Initial Transition Period”), Licensee shall remove and change signage, retool molds (provided that such retooled molds shall not infringe any of Licensors’ intellectual property), change and substitute promotional or advertising material in whatever medium, change stationery and packaging and take all such other steps as may be required or appropriate to cease use of the Licensed Marks, and
 - (ii) No later than 18 months after such termination, Licensee shall sell-off its inventory of Licensed Products manufactured before the end of the Initial Transition Period; provided, however, if a termination pursuant to Section 11.1(b) occurs due to a Change of Control to a Competitor of Goodyear or its Affiliates, no later than 12 months after such termination, Licensee shall sell-off its inventory of Licensed Products manufactured before the effective date of termination. During such sell-off period, Licensee shall be entitled to use the Licensed Marks as authorized by this Agreement in connection with the promotion, marketing, advertising, packaging, distribution and sale of Licensed Products. Licensee may not sell molds, plates, dies or the like bearing Licensed Marks to a third party absent the express written consent of Licensor. During the sell-off period, Licensee shall pay Earned Royalties on its sales of Licensed Products.
- (c) Upon termination of this Agreement by Goodyear, on behalf of Licensors, pursuant to Section 11.1(b), Licensee shall be entitled to a refund within 60 days of the Discontinuation Date of that portion of the Pre-Paid Royalty (including, without limitation, any Pre-Paid Royalty allocated to any royalties due under the Technology Agreement) determined by multiplying the Pre-Paid Royalty by a fraction, the numerator of which is the number of calendar days remaining in the Initial Term following the Discontinuation Date and the denominator of which is the number of calendar days in the Initial Term.

For purposes of this Section 11.3(c), the Discontinuation Date shall mean that date (i) after the termination of this Agreement by Goodyear, on behalf of Licensors, under Section 11.1(b), and (ii) after which Licensee discontinues all use of the Licensed Marks including, without limitation, any use permitted under Article 11. Any payment made under this Section 11.3(c) shall be in U.S. currency and shall be remitted by wire transfer of immediately available funds into such account as is designated by Licensee.

- 11.4 Duties Upon Expiration; Sell-off. Effective on the expiration date of this Agreement, Licensee shall discontinue all use of the Licensed Marks; provided, however, Licensee shall have one (1) year within which to dispose of any existing inventory of the Licensed Products. Thereafter, Licensee shall promptly discontinue the sale or distribution of the Licensed Products using the Licensed Marks and shall remove the Licensed Marks (if practical) from the Licensed Products. If it is not practical to remove the Licensed Marks from the Licensed Products, Licensee shall, at Goodyear’s direction, ship to Goodyear or destroy, with written confirmation to Goodyear, all Licensee’s inventory of Licensed Products existing on the expiration date of this Agreement.
- 11.5 Retooling of Molds and Other Materials Upon Expiration or Termination. Following the termination or expiration of this Agreement, Licensee shall, at Licensee’s discretion, retool all molds containing the Licensed Marks, to fully remove the Licensed Marks from the molds, or ship to Goodyear all such molds. Further, Licensee shall remove the Licensed Marks from all goods in progress, designs, plates, dies, screens, and advertising/promotional materials, within 180 days after termination or expiration of this Agreement. An officer of Licensee shall certify such removal, destruction or shipment in writing to Goodyear.
- 11.6 Commercialization by Licensee. During the Term of this Agreement, Licensee shall diligently distribute, promote, and sell the Licensed Products, and Licensee will make and maintain adequate arrangements for the distribution of the Licensed Products throughout the entire Licensed Territory. Any determination that Licensee has failed to diligently manufacture, distribute, promote, or sell any single Licensed Product in any country within the Licensed Territory at any given time during the Term shall permit Licensors to terminate the license granted under this Agreement with respect to that Licensed Product and/or Licensed Territory.

ARTICLE 12

INJUNCTIVE AND OTHER EQUITABLE RELIEF

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- 12.1 Injunctive Relief. It is expressly agreed that Licensors would suffer irreparable harm from a breach by Licensee of any of its covenants contained in this Agreement, and that remedies other than injunctive relief cannot fully compensate or adequately protect Licensors for or from such a violation. Therefore, without limiting the right of Licensors to pursue all other legal and equitable remedies available for violation of this Agreement, in the event of actual or threatened breach by Licensee of any of the provisions of this Agreement, Licensee agrees that Licensors shall be entitled to injunctive or other relief in order to enforce this Agreement or prevent any violation or continuing violation thereof without necessity of posting bond or other security, any requirements therefore being expressly waived by Licensee. Licensee agrees not to raise the defense of an adequate remedy at law in any such proceeding. Licensee acknowledges and agrees that the provisions of this Section are reasonably necessary and commensurate with the need to protect Licensors against irreparable harm and to protect their legitimate and proprietary business interests and property.

ARTICLE 13

CONFIDENTIALITY

13.1 Confidential Information .

- (a) During the term of this Agreement and for a period of seven years following the expiration or termination of this Agreement, the Parties agree not to disclose to others the subject matter of this Agreement (except to Licensee's lenders or as required by the rules and regulations of the Securities and Exchange Commission) or any Confidential Information of the other Party without the prior written consent of the other Party.
- (b) Each of the Parties shall exercise care to prevent the disclosure of Confidential Information to any third party, using the same standard of care which it employs with its own confidential information of similar character. The Parties also shall limit internal dissemination of Confidential Information within their own organization in strict conformity with each Party's established internal policies and procedures regarding the protection of confidential information. Each Party further agrees that it shall be liable to the other Party for unauthorized disclosures or use of Confidential Information of the other Party by any of its employees; provided, however, that the Parties shall not be liable to one another for disclosures or use of Confidential Information of the other Party by any employee of a Party who makes such disclosure or engages in such use more than ten years after the termination of the employee's employment with such Party.

- 13.2 Compelled Disclosures. If a Party believes that it is legally required to disclose any Confidential Information, that Party (the " Initial Party ") will promptly notify the other Party. Unless the other Party within 10 days of receipt of that notice gives notice to the Initial Party that the other Party intends to seek a protective order or act in some other way to prevent disclosure of the information in question, the Initial Party may disclose the information without a violation of this Agreement. After giving the notice referred to in the preceding sentence, the other Party must act promptly to contest the obligation of disclosure, notify the Initial Party of its actions and give the Initial Party notice if it does not successfully contest the obligation of disclosure in time to permit the Initial Party to disclose the information without violation of Law or contempt of any Governmental Authority. If compelled to disclose any Confidential Information, the Initial Party will disclose only such Confidential Information as to which disclosure is required and will use all commercially reasonable efforts to ensure that the Confidential Information required to be disclosed is accorded confidential treatment by the person, entity or Governmental Authority to whom or to which such Confidential Information is disclosed.

- 13.3 Rights to Documents. Each Party acknowledges that all documents and digital materials setting forth any Confidential Information of the other Party will be and remain the property of the other Party.

- 13.4 Public Announcements. Subject to the terms of, and in addition to the requirements imposed by, the Confidentiality Agreement, the Parties shall:

- (a) consult with each other prior to issuing any other press release or any written public statement with respect to this Agreement or any of the Related Agreements or the contemplated transactions; and
- (b) not issue any such press release or written public statement prior to review and approval by the other Party; provided, however, that prior review and approval shall not be required if (i) in the reasonable judgment of the Party seeking to issue such release or public statement, prior review and approval would prevent the timely dissemination

of such release or announcement in violation of any applicable Law or any rule, regulation or policy of any securities exchange on which the securities of such Party are traded, and (ii) the Party seeking to

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issue such press release or public statement provides notice of the content and proposed timing thereof to the other Party, as promptly as practicable.

ARTICLE 14

WARRANTIES

14.1 Licensors' Warranty .

- (a) Each Licensor respectively represents and warrants, severally and not jointly, that it has the full right, power, and authority to enter into and perform this Agreement, that it is not a Party to any agreement or understanding which would conflict with this Agreement, and that it owns, controls, or has previously been granted the necessary rights in and to the Licensed Marks (other than the Unregistered Marks) which enable such Licensor to grant to Licensee the rights granted herein. Each Licensor respectively further represents and warrants, severally and not jointly, that it is in, and shall remain within, compliance with all applicable Laws required for performance of its obligations under this Agreement. Except for the Licensed Marks identified in Exhibit G , each Licensor further represents that, as of the Effective Date, it is not aware of any infringements of its Licensed Marks in the Licensed Territory, and that, to the best of its knowledge, information and belief, the Licensed Marks are noninfringing.

Except as otherwise set forth in this Agreement,
each Licensor:

makes no other representation or warranty,
express or implied;

- (ii) assumes no liability with respect to any infringement of any patent or other right of third parties resulting from Licensee's activities under the license granted hereby; and
- (iii) assumes no liability with regard to any claim, specious or otherwise, arising out of alleged side effects or any other alleged performance defect arising out of the use or misuse of the Licensed Products.

14.2 Licensee's Warranty .

- (a) Licensee represents and warrants that it has the full right, power, and authority to enter into and perform this Agreement and that it is not a party to any agreement or understanding that prevents it or restrains its ability to comply with its obligations under this Agreement.
- (b) Licensee represents and warrants that, with respect to any improvements or modifications to Licensed Products after the Effective Date, prior to using the Licensed Marks on such improved or modified Licensed Products, it will own or have acquired all intellectual property rights that, to its knowledge, it requires to manufacture, promote, market, distribute, and/or sell to manufacture, promote, market, distribute, and/or sell such improved or modified Licensed Products.
- (c) Licensee represents and warrants that it is in, and shall remain within, compliance with all applicable Laws required for its conduct of the Business and its performance of its obligations under this Agreement. Before accruing any rights to use the Licensed Marks, all of Licensee's sublicensees, Affiliates and (to the extent applicable) the Licensee Permitted Users and the Licensee Permitted Manufacturers shall be required to make (in writing) to the Licensee for the benefit of Licensors the same representations and warranties set forth in this Section 14.2(c) as the Licensee.
- (d) Except as otherwise set forth in this Agreement, none of Licensee, its sublicensees, Affiliates, or the Licensed Permitted Users:

makes any other representation or warranty, express
or implied, or

- (ii) assumes any liability with respect to any infringement of any patent or other right of third parties resulting from Licensors' activities under the license granted hereby.

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ARTICLE 15

GOVERNING LAW; JURISDICTION; DISPUTES

- 15.1 **Governing Law.** This Agreement will be governed and construed in accordance with the substantive Laws of the State of New York, except for any Laws of that state that would require the application of the substantive Laws of a different jurisdiction.
- 15.2 **Jurisdiction.** To the extent subject matter jurisdiction exists, Licensee and Goodyear agree that any action arising out of or relating to this Agreement shall be brought in any United States District Court having jurisdiction over the Parties. Each Party irrevocably consents to the jurisdiction and venue of such courts (and of the appropriate appellate courts thereof) in any such action, claim or proceeding and irrevocably waives, to the fullest extent permitted by Law, any objection that it may now or hereafter have to the laying of the venue of any such action, suit or proceeding in any such court or that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such action, suit or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.
- 15.3 **Requirement for Mutual Consultation.** Subject to Section 12.1, in the event of a dispute between or among the Parties arising out of or in connection with this Agreement, the Parties will make every effort to resolve, promptly and in good faith, such dispute. If the dispute cannot be resolved, either Party may notify the other of the existence of a possible deadlock by sending a letter signed by management responsible for the operation of this Agreement to management of the other Party. Within 15 Business Days after receipt of that notice, management of the Parties shall arrange to meet at a mutually agreeable time and place, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute. If responsible management have not been successful in resolving the dispute within 90 days from the date of the first meeting, either Party may initiate an action or take such other action as is permitted under this Agreement in accordance with the time periods set out elsewhere in this Agreement, or, in each case, under any of the Related Agreements. Except as otherwise set forth herein or therein, each Party shall be responsible for its own legal fees and expenses.
- 15.4 **Extraordinary Remedies.** Notwithstanding the requirement for mutual consultation, (a) either Party may at any time initiate an action to prevent the disclosure of its Confidential Information; and (b) either Party may initiate an action in respect of any of the equitable remedies to which it is entitled.
- 15.5 **Legal Fees and Expense.** Each Party shall be responsible for its own legal fees and expenses.

ARTICLE 16

FORCE MAJEURE

- 16.1 **Force Majeure Events.** Neither Licensee nor Licensors will be liable to the other for any delay in the performance of, or failure to perform, any action required under this Agreement, whether in whole or in part, to the extent that such delay or failure is caused by any of the following causes: war; acts of terrorism; strike, work stoppage, lockout or other labor disturbance; fire; severe weather; extraordinary natural occurrence; earthquake; extraordinary governmental action (whether or not valid) or similarly extraordinary occurrences, whether foreseeable or unforeseeable (collectively, “ Force Majeure ”).
- 16.2 **Duty of Affected Party.** The affected Party will use its best efforts to (a) eliminate the effects of the Force Majeure as soon as possible and resume full performance hereunder and (b) perform to the fullest extent possible prior to the elimination of such effects.

- 16.3 Force Majeure Delay Exceeding 60 Days. If either Party's performance under this Agreement should be prevented, delayed or impaired, whether in whole or in part, by reason of Force Majeure for a period of 60 days or more, then the other Party, by written notice to the Party affected by the Force Majeure event, may elect to do any one or more of the following: (a) suspend this Agreement, either in whole or in part, until the affected Party is able to resume full performance; or (b) terminate this Agreement by notice to the affected Party, but such right of termination, if not exercised, shall expire immediately upon the discontinuance of the event of Force Majeure.

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ARTICLE 17

NOTICES

- 17.1 Notices. Notices, demands and other communications which may or are required to be given or made by either Party to the other in connection with this Agreement shall be in writing (including fax or other similar writing) and shall be deemed to have been duly given or made: (a) if sent by registered or certified mail, three days after the posting thereof with first class postage attached; (b) if sent by hand or overnight delivery, upon the delivery thereof; and (c) if sent by fax, upon confirmation of receipt of such telex or fax, in each case addressed to the respective Parties as follows:

if to Goodyear:

The Goodyear Tire & Rubber Company
1144 East Market Street
Akron, Ohio 44316-0001
Attn: Corporate Secretary
Fax No.: 330-796-7861

in each case with a copy to (which copy shall not constitute notice):

Associate General Counsel Intellectual Property
The Goodyear Tire & Rubber Company
1144 East Market Street
Akron, Ohio 44316-0001
Fax No.: 330-796-7861

and

Squire, Sanders & Dempsey L.L.P.
4900 Key Center
127 Public Square
Cleveland, Ohio 44114-1291
Attn: Carolyn J. Buller
Cipriano S. Beredo
Fax No.: 216-479-8780

if to Licensee:

Maurice M. Taylor, Jr. Titan International, Inc.
2701 Spruce Street
Quincy, IL 62301
Fax: (217) 228-3166

in each case with a copy to (which copy shall not constitute notice):

Cheri T. Holley
General Counsel
Titan International, Inc.
2701 Spruce Street
Quincy, IL 62301
Fax: (217) 228-3040

with a second copy to:

Robert J. Diehl, Jr.
Bodman LLP
6th Floor at Ford Field
1901 St. Antoine Street
Detroit, MI 48226
Fax: (313) 393-7579

or to such other address and to the intention of such other Persons as may be designated from time to time by such other Party hereto by notice given in the manner provided in this section.

ARTICLE 18

MISCELLANEOUS

- 18.1 Interpretation. In interpreting this Agreement, the following principles will apply:
- (a) All references to persons or entities in this Agreement include individuals and all legal entities, including but not limited to corporations, companies, partnerships, unincorporated associations, estates, trusts, unincorporated organizations, and governmental or quasi-governmental authorities or bodies.
 - (b) All words that are singular include the plural, and a word in any one gender includes the other genders, as the context may require.
 - (c) The headings and captions that appear in this Agreement have been inserted for the convenience of the reader and do not limit or in any other way affect the meaning of its terms and conditions.
- 18.2 Entire Agreement. This Agreement, together with the Purchase Agreement, the Related Agreements, and the documents and instruments referred to herein, contains the entire agreement made by the Parties with respect to the subject matter, superseding any and all prior or contemporaneous representations, warranties and agreements, whether oral or written.
- 18.3 Amendment. This Agreement may be amended or varied only by a written instrument signed by duly authorized representatives of both Parties.
- 18.4 Parties in Interest; Assignment. This Agreement will be binding upon, and inure to the benefit of, the Parties and their permitted successors and assigns, and nothing herein is intended to or shall confer any right, benefit or remedy on any other person or entity, except for the Affiliates of Goodyear and Licensee, which are intended beneficiaries of, and shall be entitled to enforce, this Agreement and the persons and entities entitled to indemnification hereunder, which are intended beneficiaries of, and shall be entitled to enforce, the indemnity obligations set forth herein. Licensee may not assign its rights under this Agreement or delegate performance hereunder to another person or entity without the written consent of Goodyear; provided, however, that Goodyear will be deemed to have given its consent to an assignment in connection with Licensee's Change of Control if Goodyear fails to exercise its termination right provided in Section 11.1(b).
- 18.5 No Partnership. Nothing contained in this Agreement will be deemed or construed by the Parties, or by any other person or entity, to create the relationship of principal and agent, or of partnership, strategic alliance, fiduciary or joint venture.
- 18.6 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

- 18.7 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any rule of law or public policy, all other conditions and provisions of this Agreement shall remain in full force and effect, so long as the economic and legal substance of the transactions contemplated are not affected in a manner materially adverse to either Party. Upon any determination that any such term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated be consummated as originally contemplated to the fullest extent possible.

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- 18.8 Action to be Taken by Affiliates. The Parties shall cause their respective Affiliates to comply with all the obligations that may be specified in this Agreement to be performed by such Affiliates.
- 18.9 Limitation on Certain Remedies. In no event will any Party hereto be responsible to any other Party for any indirect, consequential, special, punitive, exemplary or other similar losses for any reason.
- 18.10 Survival. Unless otherwise expressly provided herein, all of the Parties' representations, warranties, and covenants set forth in this Agreement shall survive for the Term. Notwithstanding the foregoing,
- (a) indemnification in Article 10 shall survive the expiration or termination of this Agreement until the end of the statute of limitations period applicable to the indemnified claim;
 - (b) the sell-off period in Section 11.3 shall survive six months from the expiration or termination of this Agreement;
 - (c) retooling of molds in Section 11.5 shall survive 180 days from the expiration or termination of this Agreement; and
 - (d) confidentiality provisions of Article 13 shall survive ten years from the expiration or termination of this Agreement.

Upon expiration of such periods, neither Party shall have any further right to indemnification relating to such representations, warranties, and covenants, provided, however, that to the extent that written notice specifically setting forth a claim for indemnification is provided with respect to an indemnifiable matter prior to the date that the representation or warranty claimed to have been breached would have expired, then such claim shall survive until its resolution.

[Remainder of page intentionally left blank. Signature page to follow.]

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the day and year first above written.

LICENSORS:

THE GOODYEAR TIRE & RUBBER COMPANY

By: /s/ Laura Thompson
(Signature)
Name: Laura Thompson
(Print)
Title: Vice President of Finance

Date: April 1, 2011

ATTEST:

/s/ Anthony E. Miller
Assistant Secretary

LICENSEE:

TITAN INTERNATIONAL, INC.

By: /s/ Maurice Taylor
(Signature)
Name: Maurice Taylor
(Print)
Title: Chairman/CEO

Date: April 1, 2011

GOODYEAR CANADA INC.

By: /s/ Douglas S. Hamilton
(Signature)
Name: Douglas S. Hamilton
(Print)
Title: President

Date: April 1, 2011

By: /s/ Caroline A. Pajot
(Signature)
Name: Caroline A. Pajot
(Print)
Title: Comptroller

Date: April 1, 2011

[Signature Page to Trademark License Agreement (Americas-Goodyear Brand)]

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Attachments:

Exhibit A-1: Goodyear Licensed Marks

Exhibit A-2: Goodyear Canada Licensed Marks

Exhibit A-3: Unregistered Marks

Exhibit B: Locations of the Business

Exhibit C: Farm Tires [Copies of Schedules A and B from Purchase Agreement]

Exhibit D: Deductions to Reach Net Sales

Exhibit E: Description of ANLAS Anadolu Lastik San ve Tic AS and Alliance Tire Company Authorizations

Exhibit F: Sales Report Format

Exhibit G: Marks subject to opposition proceedings

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Exhibit A-1

Americas - GOODYEAR Brand
Owner: The Goodyear Tire & Rubber Company

Licensed Marks

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Exhibit A-2

Americas - GOODYEAR Brand
Owner: Goodyear Canada, Inc.

Licensed Marks

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Exhibit A-3

Americas - GOODYEAR Brand
Unregistered Marks

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Exhibit B

(Americas)

Locations of the Business

The following countries together with their territories and possessions:

The United States of America
Canada
Mexico

Latin America

1. Argentina
2. Bolivia
3. Brazil
4. Chile
5. Colombia
6. Ecuador
7. Guyana
8. Paraguay
9. Peru
10. Suriname
11. Uruguay
12. Venezuela
13. Antigua and Barbuda
14. The Bahamas
15. Barbados
16. Belize
17. Costa Rica
18. Cuba
19. Dominica

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20. Dominican Republic
21. El Salvador
22. Grenada
23. Guatemala
24. Haiti
25. Honduras
26. Jamaica
27. Nicaragua
28. Panama
29. Saint Kitts and Nevis
30. Saint Lucia
31. Saint Vincent and the Grenadines
32. Trinidad and Tobago

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Exhibit C

Schedule A to Purchase Agreement

Tires Omitted from Sale

1. All-Terrain Vehicle tires, more particularly described on pages 94 to 101, inclusive, of the Farm Tire Handbook, and any replacements therefore or tires similar thereto.
2. Golf Car Tires, more particularly described on page 102 of the Farm Tire Handbook, and any replacements therefore or tires similar thereto.
3. Tires for the Hummer, more particularly described below, and any replacements therefore, or tires similar thereto:

Product Code	Size	Description
309-552-321-00000	36-1250-165C	WRL RT II BL NYTL (Bias Hummer Tire)

4. Tires for the rubber track assembly more particularly described below and any replacements therefore or similar tires thereto:

Product Code	Size	Description
705-005-010	17.5/95D16	10 Trackman CG TL
705-004-010	10.5/95D16	10 Trackman CG TL

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FARM SKU's NOT INCLUDED IN THE 2003 FARM HANDBOOK

Brand	Region	Industry Cod	Tire Type	Commercial Name	Size	Euro/Lat Code	Manufacturing	In 2003 Farm Handbook
GOODYEAR	LAT	I1	Rib Tread	ALL SERVICE	6.50-16	B0004	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R3	Drive Wheel, Shallow Tread	ALL WEATHER	13.6-16.1	600131	Outsourced Titan	Not included in 2003 farm databook
GOODYEAR	LAT	R3	Drive Wheel, Shallow Tread	ALL WEATHER	23.1-30	F0028	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R3	Drive Wheel, Shallow Tread	ALL WEATHER	560/80D26	F0678	Colombia	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	10.0/75-15.3	600467	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	10.0/75-15.3	600471	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	10.0/80-12	600461	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	10.5/80-18	600141	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	10.5/80-18	600521	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	11.5/80-15.3	600476	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	11.5/80-15.3	600479	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	12.5/80-15.3	606481	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	12.5/80-18	601456	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	12.5/80-18	601457	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	13.0/65-18	600130	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	13.0/65-18	600514	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	15.0/55-17	600135	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	15.0/55-17	600517	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	19.0/45-17	602166	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	19.0/45-17	606586	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	6.00-16	600499	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	6.50-16	600503	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	AM IMPLEMENT	7.00-12	600087	Poland	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	AM IMPLEMENT	7.50-16	600507	Poland	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	4.00-15SL	600463	Outsourced Anlas	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	4.00-16	600487	Outsourced Anlas	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	4.50-16SL	600489	Outsourced Anlas	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	5.50-16	600491	Outsourced Anlas	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	6.00-16	600498	Outsourced Anlas	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	6.00-19	601895	Outsourced Anlas	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	6.50-16	600502	Outsourced Anlas	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	6.50-20	600530	Poland	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	7.50-16	600504	Outsourced Anlas	Not included in 2003 farm databook
FULDA	EMEA	F2	Agricultural Multiple-Rib Tread	AS FRONT	7.50-20	600531	Poland	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	11.2-24	600541	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	11.2-28	600560	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	12.4-28	600563	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	12.4-32	600600	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	13.6-28	600997	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	13.6-36	601897	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	14.9-28	600570	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	14.9-30	600577	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	16.9-30	600582	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	18.4-30	600591	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	9.5-24	600540	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	9.5-32	600598	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1	Drive Wheel, Regular Tread	AS PIONIER	9.5-36	600613	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	11.2R24	605745	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	11.2R28	605746	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	12.4R24	600544	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	12.4R28	605747	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	13.6R24	600546	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	13.6R28	601512	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	13.6R36	600615	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	13.6R38	600617	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	14.9R24	601511	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	14.9R28	600571	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	16.9R28	601513	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	16.9R30	600584	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	16.9R34	600605	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	16.9R38	600619	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	18.4R34	605748	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	18.4R38	600625	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL	20.8R38	601514	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 65	480/65R24	607291	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 65	480/65R28	607290	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 65	540/65R28	607289	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 65	540/65R30	607286	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 65	600/65R38	607288	Outsourced Alliance	Not included in 2003 farm databook

Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 65	650/65R38	607287	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	320/70R24	601548	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	360/70R28	601551	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	380/70R24	601407	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	380/70R28	601408	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	420/70R24	601549	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	420/70R28	601409	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	480/70R24	601550	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	480/70R28	601410	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	480/70R30	601799	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	480/70R34	601800	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	480/70R38	601411	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	520/70R34	601801	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	520/70R38	601802	Outsourced Alliance	Not included in 2003 farm databook
FULDA	EMEA	R1W	Drive Wheel, Wet Traction Tread	AS PIONIER RADIAL 70	580/70R38	601412	Outsourced Alliance	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	DT195	12.4-28	606401	India GY	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	DT195	18.4-30	606390	India GY	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DT195	13.6-28	F0715	India GY	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	DT810	420/70R30	600240	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	DT820	620/75R34	600611	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	DT820	750/65R26	600355	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	DT822	650/75R32	601438	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	DT822	800/65R32	601566	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	DYNA RIB	6.00-16	B0010	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	DYNA RIB	6.50-16	B0012	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	DYNA RIB	7.50-18	B0145	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	DYNA RIB	7.50-20	B0022	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE II	11.2-24	F0105	Sao Paulo/Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE II	11.2-28	F0106	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE II	12.4-24	F0108	Sao Paulo/Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE II	12.4-28	F0111	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE II	12.4-36	F0112	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	DYNA TORQUE II	14.9-38	601826	South Africa	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	Dyna Torque II	14.9-38	601826	South Africa	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE II	15.5-38	F0120	Colombia/South Africa	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE III	15.5-38	F0637	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE III	23.1-26	F0307	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE III	23.1-30	F0306	Sao Paulo/Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	DYNA TORQUE III	24.5-32	F0311	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	FRONT RIB	5.00-16	600490	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	FRONT RIB	5.50-16	600490	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	FRONT RIB	6.00-16	600496	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	FRONT RIB	6.50-16	600500	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	FRONT RIB	7.50-16	600683	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	FRONT RIB	7.50-18	600136	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	FS24	340/65R18	601189	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	FS24	400/70R20	601866	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	HARVEST TORQUE	30.5L-32	606846	Outsourced Titan	Not included in 2003 farm databook
GOODYEAR	LAT	I1	Rib Tread RIB TREAD	IMPLEMENT	11.25-28	F0197	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	I1	Rib Tread	IMPLEMENTO RAYADA	11.00-16	B0032	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	I1	Rib Tread	IMPLEMENTO RAYADA	6.00-16	B0029	Sao Paulo/Peru	Not included in 2003 farm databook
GOODYEAR	EMEA	I3	Traction Tread	INDUSTRIAL IMPLEMENT	16.5/85-28	600757	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	INDUSTRIAL RIB	400/60-15.5	606501	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	INDUSTRIAL SURE GRIP	14.9-24	601242	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	INDUSTRIAL SURE GRIP	16.9-24	607328	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	INDUSTRIAL SURE GRIP	16.9-30	600244	Turkey	Not included in 2003 farm databook
GOODYEAR	LAT	R4	Drive Wheel, Industrial Tractor Tread	INDUSTRIAL SURE GRIP	18.4-26	F0332	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	INDUSTRIAL SURE GRIP	16.9-28	601034	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	INDUSTRIAL SURE GRIP	16.9-34	605370	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS10	445/70R24	600730	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS20	320/80R18	604943	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS20	340/80R20	601606	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS20	400/70R18	604944	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS20	400/70R20	601436	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS20	400/80R24	605233	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS20	420/75R20	601568	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS20	440/80R28	601677	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS20	500/70R28	605822	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS30	320/80R18	604791	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS30	400/70R24	600855	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS30	405/70R18	608108	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS30	405/70R20	608106	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS30	440/80R24	605350	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS30	440/80R28	601567	Amiens	Not included in 2003 farm databook

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GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	ITS30	500/70R28	605650	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	IT620T	460/70R24	608128	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	II	Rib Tread	MOHAWK	10.5/80-15.3	602186	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	250/85R24	607479	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	280/85R20	607477	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	280/85R24	605931	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	280/85R28	606079	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	320/85R24	605793	Amiens/Turkey/Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	320/85R28	606077	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	320/85R36	607292	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	340/85R24	605795	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	340/85R28	605882	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	340/85R36	607316	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	340/85R38	605844	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	380/85R24	605797	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	380/85R24	F0618	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	380/85R28	605780	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	380/85R30	606146	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	420/85R24	605880	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	420/85R28	605390	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	420/85R30	605884	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	420/85R34	605799	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	420/85R38	605811	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	460/85R26	607481	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	460/85R30	605848	Amiens/Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	460/85R34	605842	Amiens/Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	460/85R38	605782	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	460/85R42	606358	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	520/85R38	605680	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	520/85R42	605846	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT806	520/85R42	F0721	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	200/70R16	604730	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	240/70R16	604731	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	260/70R16	606106	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	260/70R20	606109	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	280/70R16	606107	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	280/70R18	606108	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	280/70R20	604732	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	320/70R20	604229	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	480/70R30	602066	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	480/70R34	602068	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	480/70R38	602070	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	520/70R34	602069	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	520/70R38	601926	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT812	620/70R42	603286	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	240/65R16	604226	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	260/65R16	604227	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	280/65R16	604210	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	300/65R16	604137	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	300/65R18	604136	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	340/65R18	604204	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	340/65R20	604211	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	420/65R20	604196	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	420/65R24	603813	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	440/65R20	604203	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	440/65R24	603776	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	440/65R28	603902	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	480/65R24	603837	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	480/65R28	603841	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	540/65R24	603780	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	540/65R28	603926	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	540/65R30	604028	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	540/65R38	603814	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	600/65R34	603901	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	600/65R38	603783	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	650/65R38	603927	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818	650/65R42	603898	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	440/65R24	608664	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	440/65R28	608656	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	480/65R24	608662	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	480/65R28	608648	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	540/65R24	608658	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	540/65R28	608646	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	540/65R30	608644	Amiens	Not included in 2003 farm databook

Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	540/65R34	608654	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	540/65R38	608650	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	600/65R34	608652	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	600/65R38	608642	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	650/65R38	608640	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT818 HIGH SPE	650/65R42	608638	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	600/65R28	603842	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	600/65R28	F0513	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	600/70R30	606356	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	620/70R28	604161	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	620/75R26	605600	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	620/75R26	F0720	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	620/75R30	608257	Outsourced Titan	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	620/75R30	F0756	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	650/75R32	F0705	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	650/75R34	F0718	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	650/75R38	605300	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	650/85R38	604167	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	710/70R38	605741	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	710/70R38	F0563	Outsourced Titan/Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	710/70R42	605520	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT824	710/75R34	606416	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT830	710/65R30	606360	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT830	750/50R26	605533	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT830	750/55R26	604156	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT830	800/65R32	F0648	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT830	800/70R32	606966	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT830	800/70R38	F0606	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT830	800/75R32	606886	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC DT830	900/50R42	605620	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	540/65R28	607336	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	540/65R30	608717	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	540/75R28	606946	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	600/70R28	608986	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	600/70R30	607344	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	620/75R30	607340	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	650/65R34	607346	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	650/75R34	606736	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	650/75R38	607338	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	650/85R38	607342	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	710/65R30	608719	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	710/70R42	608626	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	710/75R42	607256	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	OPTITRAC R+	800/70R38	608636	Amiens	Not included in 2003 farm databook
GOODYEAR	LAT	I1	Rib Tread	PAPALEGUAS G8	7.50-18	B0174	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	POWER TORQUE	13.6-38	F0186	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	POWER TORQUE	14.9-28	F0188	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	POWER TORQUE	16.9-28	F0677	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	POWER TORQUE	18.4-26	F0189	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	POWER TORQUE	18.4-38	601476	South Africa	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	POWER TORQUE	20.8-38	601478	South Africa	Not included in 2003 farm databook
FULDA	EMEA	I1	Rib Tread	RADIAL IMPLEMENT	340/65R18	601194	Turkey	Not included in 2003 farm databook
GOODYEAR	LAT	I1	Rib Tread	RAIADO MAQUINAS AGRIGO	7.50-16	B0068	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	RIB TRACTOR	6.00-16	B0198	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	RIB TRACTOR	7.50-16	B0182	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	RIB TRACTOR	7.50-18	B0196	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	RIB TRACTOR	9.00-16	B0199	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	HF-1	Shallow Tread	SOFT TRAC	38X14.00-20	650148	Outsourced Titan	Not included in 2003 farm databook
GOODYEAR	EMEA	I2	Moderate Traction Tread	SOFT TRAC 2	21.5L16.1	600696	Outsourced Titan	Not included in 2003 farm databook
GOODYEAR	LAT	R2	Cane & Rice Tread	SPECIAL SURE GRIP TD-8	13.6-38	F0216	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R2	Cane & Rice Tread	SPECIAL SURE GRIP TD-8	23.1-34	F0597	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R2	Cane & Rice Tread	SUPER ARROCERO TD-8	18.4-34	F0225	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R2	Cane & Rice Tread	SUPER ARROZEIRO	23.1-26	F0228	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	SUPER CUARTEADORA	9.5-24	F0232	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	SUPER FLOTATION	10.5/65-16	606482	Poland	Not included in 2003 farm databook
GOODYEAR	LAT	I1	Rib Tread	SUPER FLOTATION	10.5/80-18	B0041	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	I1	Rib Tread	SUPER FLOTATION	13.0/65-18	600146	Poland	Not included in 2003 farm databook
GOODYEAR	LAT	HF-2	Regular Lug Tread	SUPER FLOTATION	400/60-15.5	B0125	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	HF-2	Regular Lug Tread	SUPER FLOTATION	500/60-22.5	F0546	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	HF-2	Regular Lug Tread	SUPER FLOTATION	600/50-22.5	F0547	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	HF-2	Regular Lug Tread	SUPER FLOTATION	710/40-22.5	F0548	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	HF-2	Regular Lug Tread	SUPER FLOTATION 2	400/60-15.5	B0179	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	SUPER GUIA	5.00-15	B0048	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	SUPER GUIA	7.50-16	B0045	Peru	Not included in 2003 farm databook

Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	SUPER LAMEIRO	12.4-38	F0245	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	10.00-16	600121	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	11.00-16	600126	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	4.00-15	600091	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	4.00-19	600149	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	5.00-15	600092	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	5.50-16	600106	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	6.00-16	600107	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	6.00-19	600150	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	6.50-16	600110	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	6.50-20	600152	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	7.50-16	600113	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	7.50-18	600138	Outsourced Anlas	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	7.50-20	600706	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	F2	Agricultural Multiple-Rib Tread	SUPER RIB	9.00-16	600119	Poland	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	SUPER RIB TRACTOR	7.50-16	B0051	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	SUPER RIB TRACTOR	9.00-16	B0053	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	SUPER TRACCION SEGURA	14.9-28	F0527	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	SUPER TRACCION SEGURA	16.9-30	F0261	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	SUPER TRACCION SEGURA	18.4-38	F0266	Colombia	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SUPER TRACTION	7.50-16	600985	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SUPER TRACTION	7.50-18	600990	Poland	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	SUPER TRACTION RADIAL	11.2R20	600154	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	SUPER TRACTION RADIAL	14.9R26	600198	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	SUPER TRACTION RADIAL	15.5R38	600289	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	SUPER TRACTION RADIAL	16.9R24	600192	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1W	Drive Wheel, Wet Traction Tread	SUPER TRACTION RADIAL	9.5R24	600167	Amiens	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	11.2-24	600339	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	11.2-28	600335	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	12.4-24	600543	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	12.4-28	600561	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	12.4-32	600341	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	12.4-36	600341	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	13.6-28	600340	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	13.6-36	601153	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	13.6-38	600338	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	14.9-24	600912	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	14.9-28	600336	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	14.9-30	600574	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	16.9-30	600578	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	18.4-30	601003	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	8.3-24	600163	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	9.5-20	600707	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	SURE GRIP ALL SERVICE	9.5-24	600165	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP HAULAGE	16.9-28	601852	South Africa	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP HAULAGE	18.4-34	601853	South Africa	Not included in 2003 farm databook
GOODYEAR	EMEA	I3	Traction Tread	SURE GRIP IMPLEMENT	16.0/70-20	600159	Sao Paulo/Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	I4	Traction Tread	SURE GRIP IMPLEMENT	16.5/85-28	601291	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP INDUSTRIAL TR	16.9-28	600849	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP INDUSTRIAL TR	16.9-30	605840	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP INDUSTRIAL TR	18.4-26	603746	India GY	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP LUG	10.5/80-18	600140	Poland	Not included in 2003 farm databook
GOODYEAR	LAT	I3	Traction Tread	SURE GRIP LUG	10.5/80-18	B0056	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	I3	Traction Tread	SURE GRIP LUG	12.5/80-18	608097	Poland/Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP LUG	16.0/70-20	600534	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP LUG	18.4-30	600249	Turkey	Not included in 2003 farm databook
GOODYEAR	EMEA	HF-2	Regular Lug Tread	SURE GRIP LUG	27X10.50-15	650067	Outsourced Titan	Not included in 2003 farm databook
GOODYEAR	EMEA	HF-2	Regular Lug Tread	SURE GRIP LUG	27X8.50-15	650065	Outsourced Titan	Not included in 2003 farm databook
GOODYEAR	EMEA	R4	Drive Wheel, Industrial Tractor Tread	SURE GRIP LUG	500/60-22.5	600326	Outsourced Alliance	Not included in 2003 farm databook
GOODYEAR	EMEA	I3	Traction Tread	SURE GRIP TRACTION IMPL	8.25-16	600508	Poland	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	TORQUE GRIP	14.9-24	F0288	Colombia	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	TORQUE GRIP	18.4-26	601855	South Africa	Not included in 2003 farm databook
GOODYEAR	EMEA	I3	Traction Tread	TRACTION IMPLEMENT	550/60-22.5	600538	Outsourced Alliance	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	TRACTION SURE GRIP	13.6-24	600175	South Africa	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	TRACTION SURE GRIP	16.9-34	601472	South Africa	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	TRACTION SURE GRIP	18.4-26	601239	Turkey	Not included in 2003 farm databook
GOODYEAR	LAT	LS-2	Intermediate Tread	TRACTOCANERA L/F	23.1-26	F0552	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	R1	Drive Wheel, Regular Tread	TRACTOR CULTIVADORA	13.6-38	F0293	Colombia	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	TRIPLE GUIA TRACTOR	7.50-16	B0061	Peru	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	TRIPLE GUIA TRACTOR	7.50-18	B0062	Peru	Not included in 2003 farm databook
GOODYEAR	LAT	F2	Agricultural Multiple-Rib Tread	TRIPLO RAIADO	5.50-16	B0148	Sao Paulo	Not included in 2003 farm databook
GOODYEAR	EMEA	R1	Drive Wheel, Regular Tread	ULTRA TORQUE RADIAL	420/90R30	606156	Outsourced Titan	Not included in 2003 farm databook
GOODYEAR	EMEA	HF-2	Regular Lug Tread	XTRA TRACTION	29X12.50-15	650110	Outsourced Titan	Not included in 2003 farm databook

Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

EXHIBIT D

DEDUCTIONS TO REACH NET SALES

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Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

EXHIBIT E

DESCRIPTION OF ANLAS ANADOLU LASTIK SAN ve TIC AS and ALLIANCE TIRE COMPANY AUTHORIZATIONS

Agreement, undated, between Goodyear Lastikleri TAS and Anlas Anadolu Lastik San ve TIC AS, as amended, under which Anlas makes bias front farm tires for Goodyear

Offtake Agreement, dated August 20, 2003, between Goodyear Dunlop Tires Germany GmbH and Alliance Tire Company, under which Alliance makes various tires for Goodyear, including farm tires

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Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

EXHIBIT F

SALES AND ROYALTY REPORT FORM-SUMMARY PAGE

Page 1 of 2

To:

From: (LICENSEES) _____
Equity: (LICENSOR) _____
Quarter: From: _____

[illegible]

Page# []

(Summary of each Royalty Report page)

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Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

EXHIBIT F

SALES AND ROYALTY REPORT FORM

Page 2 of 2

To:

From: (Licensee) _____
Equity: (Licensor) _____
Quarter: From: _____

Country	Item No. SKU	Product Description including scale or size if applicable	Units Sold (A)	Gross Unit Price (B)	Net		Total Sales (A) x (D) (E)
					Discounts/ Deductions (C)	Unit Price (B)-(C) (D)	

Totals: USD \$

Less Offset Credits \$ _____

\$ _____

This Royalty Report is certified to be true and correct by the above named Licensee

Name: _____

Signature: _____

Title: _____

Date: _____

Page # []
(Use Separate Page for Each Royalty Rate and Territory)
*We need subtotals by country.

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Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

Exhibit G

Americas - GOODYEAR Brand

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Portions of this exhibit were omitted and filed separately with the Secretary of the Commission pursuant to an application for confidential treatment filed with the Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934. Such portions are marked by a series of asterisks.

TITAN INTERNATIONAL, INC.
ANNUAL INCENTIVE COMPENSATION PLAN

This Annual Incentive Compensation Plan is established by Titan International, Inc., a Delaware corporation, for the benefit of certain employees who may become eligible to participate in this Plan.

SECTION 1
RECITALS

1.1 Purpose. The purpose of the Plan is to enhance the Company's competitiveness and the Company's ability to attract, motivate and retain top talent; to recognize the role of senior leadership in the success of the Company; to reward annual financial and individual performance that complements the Company's longer-term strategic focus; and to encourage collaboration and teamwork across the Company thereby increasing shareholder value and the success of the Company.

1.2 Section 162(m) Compliance. The Plan is designed with the intention that the incentives paid hereunder to certain executive officers of the Company are deductible under Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations and interpretations promulgated thereunder. However, the Company can not guarantee that awards under the Plan will qualify for exemption under Code Section 162(m) and circumstances may present themselves under which Awards under the Plan do not comply with Code Section 162(m) whether intended or not.

1.3 General Compliance. This Plan is intended to be exempt from Code Section 409A under Treas. Reg. §1.409A-1(b)(4). This Plan is intended to be exempt from ERISA pursuant to ERISA Regulation Section 2510.3-2(c).

SECTION 2
DEFINITIONS

2.1 Defined Terms. As used in this Plan, the following terms shall have the following meanings.

(a) **Award** means an award granted pursuant to this Plan, the payment of which shall be contingent on the attainment of Performance Goals, with respect to a Performance Period. All Awards shall be made in writing and shall specify the Performance Goals, Target Incentive Opportunity and Payout Formula.

(b) **Board** means the Board of Directors of the Company.

(c) **Code** means the Internal Revenue Code of 1986, as amended.

(d) **Committee** means the Compensation Committee of the Board.

(e) **Company** means Titan International, Inc., a Delaware corporation, its successors and assigns.

(f) **Effective Date** means May 1, 2016.

(g) **Employee** means mean any person who is employed by the Company.

(h) **ERISA** means the Employee Retirement Income Security Act of 1974, as amended.

(i) **Executive Officer** means the individual serving as the chief executive officer or acting in such capacity, or among the four (4) highest compensated officers, other than the chief executive officer. For purposes determining whether an individual is among the executive officers listed in this subsection, the executive

compensation disclosure rules under the Securities Exchange Act of 1934 shall apply.

(j) **FMLA** means the Family and Medical Leave Act of 1993, as amended.

(k) **Fiscal Year** means the fiscal year of the Company.

(l) **Payout Formula** means, as to any Performance Period, the formula or payout matrix established by the Committee to determine the amount to be paid to Participants, if any. The formula or matrix may differ from Participant to Participant.

(m) **Performance Period** means a Fiscal Year, or any longer or shorter period determined by the Committee.

(n) **Performance Goal** means the goal or goals determined by the Committee to be applicable to a Participant for a Performance Period. As determined by the Committee, the Performance Goal(s) may provide for a targeted level or levels of achievement using the performance criteria specified by the Committee. For Awards intended to qualify as performance-based compensation under Code Section 162(m), such Performance Goal criteria shall be based on one or more of the performance metrics set forth in Appendix A.

(o) **Plan** means this plan established and continued by the Company, as it may be amended, in the form of this document and designated as the Titan International, Inc. Annual Incentive Compensation Plan.

(p) **Target Incentive Opportunity** means the target amount payable to a Participant for the Performance Period expressed as a percentage of Participant's annual base salary as of the end of the Performance Period or a specific dollar amount, as determined by the Committee.

2.2 Interpretation. Except as otherwise expressly provided, the following rules of interpretation shall apply to this Plan.

(a) The singular includes the plural and the plural includes the singular except when the context otherwise requires.

(b) The masculine, feminine or neuter gender shall also mean all or any of the other genders except when the context otherwise requires.

(c) Capitalized words and phrases used in this Plan shall have the meaning given to them in Section 2.1, unless the language or context clearly indicates that a different meaning is intended.

(d) The recitals as set forth in this Plan are incorporated as material terms of this Plan.

(e) A reference to a law includes any amendment or modification to such law and any rules or regulations issued thereunder.

(f) Notwithstanding any provision of this Plan to the contrary, the obligation to make payments and the time and form of those payments as required by this Plan or in an Award that constitute deferred compensation for purposes of Code Section 409A and which are not otherwise exempt from Code Section 409A are intended to comply with Code Section 409A and the interpretive guidance thereunder. This Plan will be construed and interpreted with such intent. If any provision of this Plan needs to be revised or restricted to the extent and in a manner necessary to be in compliance with the requirements of Code Section 409A, then such provision shall be modified or restricted to the extent necessary to be in compliance the requirements of Code Section 409A and any modification will attempt to maintain the same economic results as were intended under this Plan.

SECTION 3 PARTICIPATION

3.1 Eligibility. The Committee, in its sole discretion, will select from Employees who will be Participants for any Performance Period. Participation in the Plan is in the sole discretion of the Committee, on a Performance Period by Performance Period basis.

3.2 Performance-based Compensation. For awards intended to qualify as performance-based compensation under Code Section 162(m), Participants shall be designated no later than the earlier of the 90th day of the Performance Period or the date on which 25% of the Performance Period has elapsed.

3.3 Mid-Performance Period Selection. A newly hired or newly selected Employee may be designated as a Participant and eligible to receive a pro-rated Award (based on the number of days such employee is eligible for an Award during the Performance Period) if the date such Employee becomes eligible to participate in the Plan is no later than the date on which 75% of the Performance Period has elapsed.

3.4 Leaves of Absence. If a Participant is on a leave of absence for a portion of a Performance Period, to the extent permissible by applicable law including FMLA, the Participant will be eligible to receive only a pro-rated Award reflecting participation for the period during which he or she was actively employed and not any period when the Participant was on leave.

3.5 No Guaranty of Continued Participation. An Employee who is a Participant for a given Performance Period in no way is guaranteed or assured of being selected for participation in any subsequent Performance Period or Periods.

SECTION 4 AWARDS AND PAYMENT

4.1 Determination of Award. The Committee, in its sole discretion, will establish a Performance Goal, a Target Incentive Opportunity and a Payout Formula for each Participant for each Performance Period. The Committee will establish the Performance Goal, Target Incentive Opportunity and Payout Formula prior to, or reasonably promptly following the commencement of such Performance Period and for Awards intended to qualify as performance-based compensation under Code Section 162(m), no later than the period provided in Section 3.2. Notwithstanding the foregoing, the maximum amount payable under any individual Award subject to Code Section 162(m) shall not exceed _____ dollars (\$xx,xxx.xx) and in the aggregate the maximum amount which may be paid under the Plan is five million dollars (\$5,000,000.00).

4.2 Certification of Performance. After the end of each Performance Period the Committee shall certify the extent to which the Performance Goals applicable to each Participant for the Performance Period were achieved or exceeded, as determined by the Committee. To the extent an Award is intended to qualify as performance-based compensation under Code Section 162(m), the Committee's certification shall be in writing, and shall include the extent to which the applicable Performance Goals have been achieved.

4.3 Adjustment. The Committee may reduce or eliminate the amount that would otherwise would be payable under the Award, or increase the amount payable under the Award provided that the Award is not intended to qualify as performance-based compensation under Code Section 162(m).

4.4 Payment. Payment pursuant to an Award shall be made as soon as practicable after the end of the Performance Period during which the Award was earned and, if necessary, after the performance is certified by the Committee, but in no event following the later of:

(a) the fifteenth (15th) day of the third (3rd) month of the Fiscal Year immediately following the Fiscal Year in which the Participant's Award has been earned, and

(b) March 15 of the calendar year immediately following the calendar year in which the Participant's Award has been earned.

4.5 Forfeiture. A Participant must be employed on the date that actual payment is made pursuant to this Plan. If a Participant is not employed on the actual date of payment, the Participant shall forfeit any and all amounts to which the Participant may have been entitled pursuant an Award.

4.6 Form of Payment. The amount which may be payable pursuant to an Award shall be paid in cash in a single sum payment.

4.7 Withholding and Payroll Practices. All payments made shall be subject to all applicable federal, state, and local withholding taxes, rules, and regulations and the Company's regular payroll practices, including the timing of such payments.

4.8 Clawback. Notwithstanding any other provisions in this Plan, any Award that is subject to recovery under any law, government regulation, or stock exchange listing requirement will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation, or stock exchange listing requirement.

SECTION 5 FUNDING

5.1 Funding. All payments made pursuant to this Plan shall come from the general assets of the Company. The payment of any amount is not secured by any specific assets of the Company. This Plan shall not be construed to require the Company to fund any of the benefits provided hereunder or to establish a trust or purchase an insurance policy or other product for such purpose. The Company may make such arrangements as it desires to provide for the payment of benefits.

5.2 Right to Assets. The Participant shall not have any rights against the Company with respect to any portion of a benefit which may become payable under this Plan except as a general unsecured creditor.

5.3 Sufficiency. Nothing contained in this Plan shall constitute a guarantee of the Company, any other entity or person, that the assets of the Company will be sufficient to pay the benefit.

SECTION 6 ADMINISTRATION

6.1 Authority. The Plan shall be administered by the Committee, subject to Section 6.3, which shall consist of at least two members, all of whom are "outside directors" as defined in Code Section 162(m). The Committee shall have all powers and discretion necessary or appropriate to administer the Plan and to control its operation, including (without limitation) the power to:

- (a) determine which Employees shall be granted awards,
- (b) prescribe the terms and conditions of the awards,
- (c) interpret the Plan,
- (d) adopt rules, policies and procedures for the administration, interpretation and application of the Plan, and
- (e) interpret, amend or revoke any such rules, policies and procedures.

6.2 Binding Nature of Committee Decisions. All determinations and decisions made by the Committee, the Board or any delegate of the Committee pursuant to the provisions of the Plan shall be final, conclusive and binding on all persons and shall be given the maximum deference permitted by law.

6.3 Delegation. The Committee, on such terms and conditions as it may provide, may delegate all or part of its authority and powers under the Plan to one or more directors and/or employees of the Company, however, the Committee may not delegate its responsibility to make Awards to Executive Officers, make Awards that are intended to constitute qualified performance-based compensation under Code Section 162(m), or certify the satisfaction of the performance pursuant to Section 4.2 applicable to Awards intended to qualify as performance-based compensation under Code Section 162(m), in each case, other than to a committee of the Board, consisting of at least two members, all of whom are “outside directors” as defined in Code Section 162(m).

SECTION 7 AMENDMENT

7.1 Amendment, Suspension and Termination. The Board or the Committee may amend, suspend or terminate the Plan, or any part thereof, at any time and for any reason; provided that no amendment that requires stockholder approval in order for the Plan to continue to comply with Code Section 162(m) shall be effective unless approved by the requisite vote of the Company’s stockholders.

7.2 Effect of Amendment, Suspension or Termination. No amendment shall adversely affect the rights of any Participant to an Award allocated prior to such amendment, suspension or termination. No Award may be granted during any period of suspension or after termination of the Plan.

SECTION 8 MISCELLANEOUS

8.1 Employee’s Rights. Nothing contained in this Plan shall be deemed to give any Participant the right to be retained in the service of the Company or to interfere with any right of the Company to discharge the Participant at any time regardless of the effect which such discharge shall have upon the Participant under this Agreement.

8.2 Effect on Other Benefits. Amounts deferred under this Plan or distributed pursuant to the terms of this Plan shall not be taken into account in the calculation of a Participant’s benefits under any employee pension or welfare benefit program or under any other compensation practice maintained by the Company, except to the extent provided in such program or practice.

8.3 Alienation. No benefit which shall be payable to a Participant shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge the same shall be void; and no such benefit shall in any manner be liable for or subject to, the debt, contracts, liabilities, engagements or torts of any such person, nor shall it be subject to attachment or legal process for or against such person, and the same shall not be recognized by the Company, except to such extent as may be required by law.

8.4 Construction. This Plan shall be construed and enforced according to the laws of the State of Delaware except to the extent that such laws are preempted by the laws of the United States, in which case the laws of the United States shall apply.

8.5 Severability. If any provision of this Plan shall be held by any court of competent jurisdiction to be invalid or unenforceable, the remaining provisions hereof shall continue to be fully effective, unless the removal of the invalid or unenforceable provision would substantially defeat the basic intent, purpose and spirit of this Plan.

8.6 Liability. Nothing contained in this Plan shall impose on any officer, director or employee of the Company any personal liability for any benefit due an Employee pursuant to this Plan.

Appendix A

The Committee may establish Performance Goals derived from the following metrics for Awards intended to qualify as performance-based compensation under Section 162(m) of the Code:

Economic value added

Return on assets, investment or capital employed

Net Operating Profit, after tax

Sales, gross or net of adjustments

CERTIFICATION

I, Maurice M. Taylor Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Titan International, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2016

By: /s/ MAURICE M. TAYLOR JR.

Maurice M. Taylor Jr.
Chairman and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION

I, John Hrudicka, certify that:

- 1 I have reviewed this quarterly report on Form 10-Q of Titan International, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2016

By: /s/ JOHN HRUDICKA

John Hrudicka
Chief Financial Officer
(Principal Financial Officer)

CERTIFICATION

In connection with the Quarterly Report of Titan International, Inc. on Form 10-Q for the period ended March 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned hereby certifies that, to the best of their knowledge, this Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in this report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

TITAN INTERNATIONAL, INC.
(Registrant)

Date: May 4, 2016 _____

By: /s/ MAURICE M. TAYLOR JR. _____

Maurice M. Taylor Jr.
Chairman and Chief Executive Officer
(Principal Executive Officer)

By: /s/ JOHN HRUDICKA _____

John Hrudicka
Chief Financial Officer
(Principal Financial Officer)

