

Board of Directors

Maurice M. Taylor Jr.	Chairman and CEO, Titan International, Inc.
Erwin H. Billig	Chairman, MSX International
Edward J. Campbell	Former President, Case Corporation
Richard M. Cashin Jr.	Managing Partner, One Equity Partners LLC
Albert J. Febbo	Former Vice President Corporate Marketing, GE Co.
Mitchell I. Quain	Senior Director, ACI Capital Corp.
Anthony L. Soave	President and CEO, Soave Enterprises LLC

TWI
LISTED
NYSE

Continental
OTR TIRES

GENERAL TIRE
OTR TIRES



TITAN



Report to Stockholders

First Quarter 2007

TITAN INTERNATIONAL, INC.
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(217) 228-6011



TITAN 2007 First Quarter Report

NYSE: TWI Titan International, Inc.

Dear Stockholders:

As a result of Titan's increasing market share in its off-highway segments, the company achieved all-time record net sales of \$226.3 million in the first quarter of 2007.

This is compared to \$182.6 million in first quarter 2006, a 24 percent increase. Titan reduced selling, general and administrative expenses, even with this record sales level, to \$11.3 million in the first quarter (5 percent of sales), compared to 2006's first quarter level of \$12.3 million (6.7 percent of sales).

Titan reduced debt by \$91.4 million in the first quarter of 2007, including the March conversion of \$81.2 million of senior convertible notes. The notes were converted into 6,577,200 shares of Titan common stock. Associated with the conversion, the company recorded a \$13.4 million non-cash convertible debt charge.

Titan continues to integrate the OTR (off-the-road) assets of Continental Tire North America Inc., acquired by Titan Tire Corporation of Bryan on July 31, 2006. The acquisition included the Bryan, Ohio, facility and an agreement for Titan to use the Continental and General trademarks on OTR tires. We are aligning synergies, which includes retooling, retraining personnel and redistribution of equipment at our Bryan, Ohio, Freeport, Illinois, and Des Moines, Iowa, facilities.

This OTR realignment decreased the company's gross margin for the first quarter of 2007, as labor costs that are normally dedicated to making products were instead diverted to these consolidation activities. Income from operations was \$14.3 million, compared to \$17.2 million at this time last year.

Titan's OTR segment will prove to be a major player going forward. In April, Titan announced the enlistment of Merrill Lynch to advise us on the financial feasibility of expanding OTR tire production to 57- and 63-inch sizes, both of which are in great demand in the mining industry. Mining companies have been asking for additional supply, and Titan can help meet their needs, provided we get the necessary commitments to invest in larger tire building equipment and molds.

We have much work to do, but with a strengthening outlook in the agricultural industry, paired with OTR demand suggests a positive future.



Maurice M. Taylor Jr.
Chairman and CEO



Erwin H. Billig
Vice Chairman

Consolidated Condensed Statements of Operations (unaudited)

	Three months ended	
	March 31,	
	2007	2006
<i>Amounts in thousands except earnings per share data</i>		
Net sales	\$226,287	\$182,577
Cost of sales	199,087	151,463
Gross profit	27,191	31,114
Selling, general and administrative	11,284	12,281
Royalty expense	1,564	1,625
Income from operations	14,343	17,208
Interest expense	(5,749)	(3,723)
Noncash convertible debt conversion charge	(13,376)	0
Other (expense) income	(185)	836
(Loss) income before income taxes	(4,967)	14,321
(Benefit) provision for income taxes	(2,484)	5,728
Net (loss) income	\$(2,483)	\$8,593
<u>(Loss) earnings per common share:</u>		
Basic	\$(.12)	\$.44
Diluted	(.12)	.36
<u>Average common shares outstanding:</u>		
Basic	20,814	19,584
Diluted	20,814	25,925

Consolidated Condensed Balance Sheets (unaudited)

	March 31, 2007	Dec. 31, 2006
Assets		
Current assets:		
Cash and cash equivalents	\$38,970	\$33,412
Accounts receivable	121,313	73,882
Inventories	143,958	154,604
Deferred income taxes	32,928	29,234
Prepaid and other current assets	17,551	18,801
Total current assets	354,720	309,933
Property, plant and equipment, net	181,978	184,616
Investment in Titan Europe Plc	63,988	65,881
Goodwill	11,702	11,702
Other assets	10,746	12,994
Total assets	\$623,134	\$585,126
Liabilities and Stockholders' Equity		
Current liabilities:		
Short-term debt	\$0	\$98
Accounts payable	50,158	25,884
Other current liabilities	47,909	36,942
Total current liabilities	98,067	62,924
Long-term debt	200,000	291,266
Deferred income taxes	27,261	27,924
Other long-term liabilities	15,700	15,835
Stockholders' equity	282,106	187,177
Total liabilities and stockholders' equity	\$623,134	\$585,126