Titan Machinery Inc. Comments on Closing of $150 Million Convertible Senior Notes

WEST FARGO, N.D., Apr 24, 2012 (BUSINESS WIRE) --Titan Machinery Inc. (Nasdaq: TITN), a leading network of full-service agricultural and construction equipment stores, today commented on the closing of its previously announced private offering of $150.0 million convertible senior notes due 2019. The notes were offered and sold in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Act").

The net proceeds from the offering were approximately $145.2 million after deducting the initial purchasers' discounts and commissions and estimated expenses payable by Titan Machinery.

Mark Kalvoda, Titan Machinery's Chief Financial Officer, commented, "The convertible notes include specific features such as net share settlement and a call option in order to minimize the dilutive impact of this transaction on our financial results. Due to the inclusion of such features, we will not be adjusting our previously issued guidance range for the full year ending January 31, 2013 of $2.55 to $2.75 per diluted share."

David Meyer, Titan Machinery's Chairman and Chief Executive Officer, stated, "The successful closing of our $150 million convertible senior notes offers us added flexibility within our capital structure, increases our liquidity and provides fixed rate long-term financing that will enable us to fund future opportunities at an attractive rate. Fiscal 2012 was a record year for our company and we are confident that we are well positioned to build upon our positive momentum and generate another year of record revenue and earnings in fiscal 2013."

About Titan Machinery Inc.

Titan Machinery Inc., founded in 1980 and headquartered in West Fargo, North Dakota, is a multi-unit business with mature locations and newly-acquired locations. The Company owns and operates a network of full service agricultural and construction equipment stores in the United States and Europe. The Titan Machinery network consists of 96 North American dealerships in North Dakota, South Dakota, Iowa, Minnesota, Montana, Nebraska, Wyoming, Wisconsin, and Colorado, including two outlet stores, as well as 10 European dealerships in Romania and Bulgaria. The Titan Machinery dealerships represent one or more of the CNH Brands (NYSE: CNH), a majority-owned subsidiary of Fiat Industrial (Milan: FI.MI), including Case IH, New Holland Agriculture, Case Construction, New Holland Construction, Kobelco and CNH Capital. Additional information about Titan Machinery Inc. can be found at www.titanmachinery.com.

Forward-Looking Statements

Except for historical information contained herein, the statements in this release are forward looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements made herein, which include statements regarding the benefits and impact of the offering of our convertible notes, the Company's ability to capitalize on opportunities, growth and profitability expectations, and the expected results of operations for the fiscal year ending January 31, 2013, involve known and unknown risks and uncertainties that may cause Titan Machinery's actual results in current or future periods to differ materially from forecasted results. The Company's risks and uncertainties include, among other things, the impact of conversion features of our convertible senior notes, a substantial dependence on a single distributor, the continued availability of organic growth and acquisition opportunities, potential difficulties integrating acquired stores, industry supply levels, fluctuating agriculture and construction industry economic conditions, the success of recently implemented initiatives within the Company's Construction segment, the uncertainty and fluctuating conditions in the capital and credit markets, difficulties in conducting international operations, governmental agriculture policies, seasonal fluctuations, climate conditions, disruption in receiving ample inventory financing, and increased competition in the geographic areas served. These and other risks are more fully described in Titan Machinery's filings with the Securities and Exchange Commission, including the Company's most recently filed Annual Report on Form 10-K. Titan Machinery conducts its business in a highly competitive and rapidly changing environment. Accordingly, new risk factors may arise. It is not possible for management to predict all such risk factors, nor to assess the impact of all such risk factors on Titan Machinery's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Titan Machinery disclaims any obligation to update such factors or to publicly announce results of revisions to any of the forward-looking statements contained herein to reflect future events or developments.

SOURCE: Titan Machinery Inc.

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4/24/2012