

# TEREX®

## Q4 2024

### Earnings Conference Call

February 6, 2025

EXECUTE • INNOVATE • GROW



# Forward Looking Statements

Certain information in this presentation includes forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 (the “Exchange Act”) and the Private Securities Litigation Reform Act of 1995) regarding future events or our future financial performance that involve certain contingencies and uncertainties, including those discussed in our Annual Report on Form 10-K for the year ended December 31, 2024, and subsequent reports we file with the U.S. Securities and Exchange Commission from time to time, in the sections entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Contingencies and Uncertainties.” In addition, when included in this press release, the words “may,” “expects,” “should,” “intends,” “anticipates,” “believes,” “plans,” “projects,” “estimates,” “will” and the negatives thereof and analogous or similar expressions are intended to identify forward-looking statements. However, the absence of these words does not mean that the statement is not forward-looking. We have based these forward-looking statements on current expectations and projections about future events. These statements are not guarantees of future performance. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual results to differ materially from those reflected in such forward-looking statements. Such risks and uncertainties, many of which are beyond our control, include, among others:

- the imposition of new or increased international tariffs;
- our business is sensitive to general economic conditions, government spending priorities and the cyclical nature of markets we serve;
- we have a significant amount of debt outstanding and need to comply with covenants contained in our debt agreements;
- our ability to generate sufficient cash flow to service our debt obligations and operate our business;
- our ability to access the capital markets to raise funds and provide liquidity;
- our consolidated financial results are reported in United States (“U.S.”) dollars while certain assets and other reported items are denominated in the currencies of other countries, creating currency exchange and translation risk;
- the financial condition of customers and their continued access to capital;
- exposure from providing credit support for some of our customers;
- we may experience losses in excess of recorded reserves;
- we may be unable to successfully integrate acquired businesses, including the Environmental Solutions Group business;
- we may not realize expected benefits for any acquired businesses within the timeframe anticipated or at all;
- our ability to successfully implement our strategy and the actual results derived from such strategy;
- our industry is highly competitive and subject to pricing pressure;
- our operations are subject to a number of potential risks that arise from operating a multinational business, including political and economic instability and compliance with changing regulatory environments;
- changes in the availability and price of certain materials and components, which may result in supply chain disruptions;
- consolidation within our customer base and suppliers;
- our business may suffer if our equipment fails to perform as expected;
- a material disruption to one of our significant facilities;
- increased cybersecurity threats and more sophisticated computer crime;
- issues related to the development, deployment and use of artificial intelligence technologies in our business operations, information systems, products and services;
- increased regulatory focus on privacy and data security issues and expanding laws;
- litigation, product liability claims and other liabilities;
- our compliance with environmental regulations and failure to meet sustainability requirements or expectations;
- our compliance with the U.S. Foreign Corrupt Practices Act and similar worldwide anti-corruption laws;
- our ability to comply with an injunction and related obligations imposed by the U.S. Securities and Exchange Commission (“SEC”);
- our ability to attract, develop, engage and retain qualified team members;
- possible work stoppages and other labor matters; and
- other factors.

Actual events or our actual future results may differ materially from any forward-looking statement due to these and other risks, uncertainties and material factors. The forward-looking statements contained herein speak only as of the date of this press release. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this press release to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

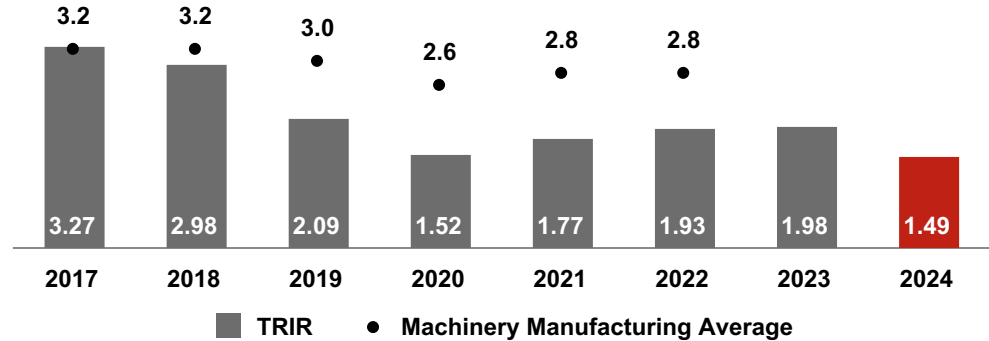
Non-GAAP Measures: Terex from time to time refers to various non-GAAP (generally accepted accounting principles) financial measures in this presentation. Terex believes that this information is useful to understanding its operating results and the ongoing performance of its underlying businesses without the impact of special items. See the appendix at the end of this presentation as well as the Terex fourth quarter and year-end 2024 earnings release on the Investor Relations section of our website [www.terex.com](http://www.terex.com) for a description and/or reconciliation of these measures.

Total amounts in tables of this presentation may not add due to rounding.

# Strong Commitment to Zero Harm Culture and Terex Values



Total Recordable Incident Rate (TRIR)



## TEREX WAY VALUES...

- Integrity
- Respect
- Improvement
- Servant Leadership
- Courage
- Citizenship

## SUPPORT A STRONG COMPANY CULTURE

- Guide team members' actions with all stakeholders, so the Company performs at the highest level
- Drive our unwavering focus on Zero Harm safety, strong governance, responsible environmental stewardship, and support for the communities where we live and work

# FY 2024 Financial Highlights



**\$5.1B**

*Sales*



**11.3%**

*Adjusted  
Operating  
Margin\**



**12.5%**

*Adjusted EBITDA  
Margin\**



**19.4%**

*Adjusted ROIC\**



**\$6.11**

*Adjusted  
EPS\**

# ESG Performance and Integration On Track

## Compelling Strategic Logic



Adds meaningful scale and significantly reduces cyclicality



Growth, cash flow, EBITDA margin, and EPS accretive



Tangible cost and revenue synergies



Market leader in waste and recycling solutions



Adds attractive addressable market in North America



Reduces capital intensity








## The Latest...

- Strong Q4 results
- Leadership team in place
- Integration process underway
- On track to deliver synergies

# Market Strength in Waste & Recycling, Utilities and Infrastructure

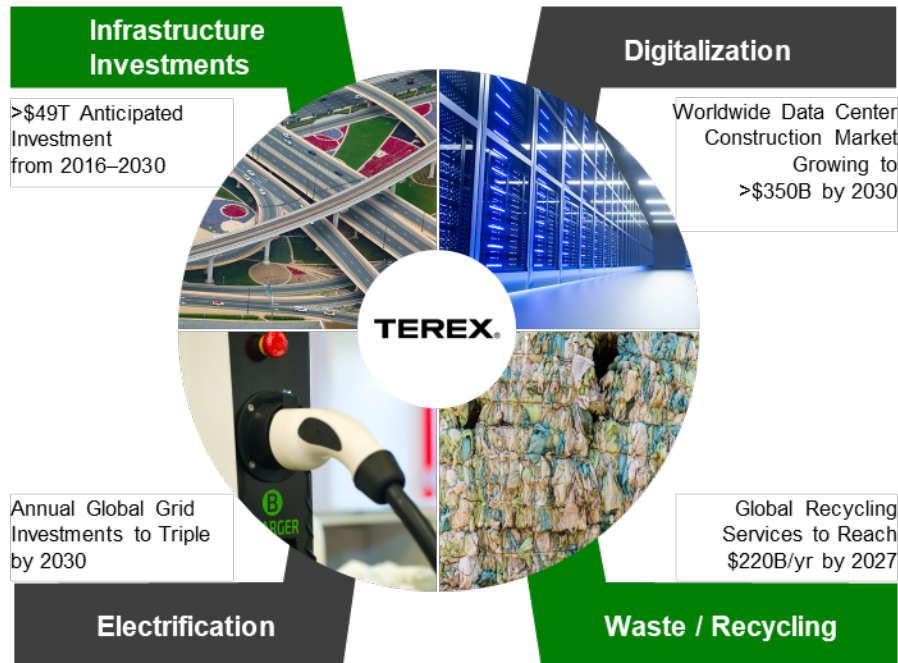
## Macro Tailwinds

## Macro Headwinds




	<b>Waste &amp; Recycling</b>	<ul style="list-style-type: none"> <li>• \$4 Billion addressable equipment market<sup>1</sup></li> <li>• Steady growth, low cyclical</li> </ul>	<ul style="list-style-type: none"> <li>• Economic weakness in Europe impacting scrap material handling demand</li> </ul>
	<b>Utilities</b>	<ul style="list-style-type: none"> <li>• Electrification and transmission investments continue to ramp up</li> </ul>	<ul style="list-style-type: none"> <li>• Slow permitting and approval processes causing delays, impacting rental channel - expecting improvement</li> </ul>
	<b>Infrastructure</b>	<ul style="list-style-type: none"> <li>• IIJA &amp; IRA spending</li> <li>• U.S. construction spending continues to grow and employment remains high</li> </ul>	<ul style="list-style-type: none"> <li>• Slow permitting - expecting improvement</li> <li>• Potential re-prioritization within IRA may cause delays</li> </ul>
	<b>General Construction</b>	<ul style="list-style-type: none"> <li>• Post election surge in Construction Confidence Index</li> <li>• U.S. on-shoring manufacturing continues</li> </ul>	<ul style="list-style-type: none"> <li>• High interest rates and uncertain outlook impacting private construction projects</li> </ul>
	<b>Industrial &amp; Commercial</b>	<ul style="list-style-type: none"> <li>• Positive small business and consumer confidence post election</li> <li>• Positive U.S. employment and wage growth</li> </ul>	<ul style="list-style-type: none"> <li>• U.S. PMI improving but remains low</li> <li>• Low economic growth in Europe</li> </ul>

# Well-Positioned for Sustained Growth

## ...From Megatrends



## ...From Government Investment

U.S. Bill	Total Associated Spending	Terex Opportunity
Infrastructure Investment and Jobs Act	\$1.2T Over 10 Years	Roads & Bridges Airports and Waterways Railways Environmental Power Grids
Inflation Reduction Act	\$369B, Anticipated to Spur \$1.3T In Energy Spending	Clean Power Clean Energy Demonstration Clean Energy Manufacturing
Chips Act	\$53B Over 5 Years Including \$39B On Factories	Chip Manufacturing
		

# Strategic Priorities

## Build on Strong Foundation and Accelerate Profitable Growth

### Maximize Through Cycle Performance and Shareholder Returns



#### Execute

- Leverage Terex Operating System
- Optimize global footprint
- Reduce fixed costs to improve through-cycle performance

#### Innovate

- Bring new products and services to market that maximize customer ROI
- Leverage digital to continue to improve operational efficiency
- Invest in robotics and electrification

#### Grow

- Integrate ESG and leverage commercial synergies
- Leverage diverse portfolio to enter new geographies, new customer segments
- Add strong businesses in attractive markets through disciplined M&A



# Innovative New Terex Equipment

- ✓ Next Generation Genie GS™ Slab Scissor Lifts previewing at ARA
- ✓ Heil RevAMP eASL All-electric Refuse Collection Vehicle Body on route
- ✓ Terex Green-Tec CT8 Brush Chipper devouring cherry logs in New Hampshire



# Q4 Financial Performance

<i>USD Millions, except Earnings per Share</i>	<b>Q4 2024</b>	<b>Q4 2023</b>
<b>Net Sales</b>	<b>\$ 1,241</b>	<b>\$ 1,223</b>
<i>% Change vs 2023</i>	<i>+1.5%</i>	
<b>Income (loss) from Operations*</b>	<b>97</b>	<b>133</b>
<i>Operating Margin*</i>	<i>7.8%</i>	<i>10.9%</i>
<i>Effective Tax Rate*</i>	<i>10.9%</i>	<i>18.7%</i>
<b>Earnings (loss) per Share*</b>	<b>0.77</b>	<b>1.41</b>
<b>EBITDA*</b>	<b>114</b>	<b>151</b>
<i>% Net Sales</i>	<i>9.2%</i>	<i>12.3%</i>
<b>Free Cash Flow*</b>	<b>129</b>	<b>135</b>

<b>Q4 2024 Financial Call-Outs</b>	<b>EPS</b>
<b>GAAP</b>	<b>\$(0.03)</b>
Accelerated Vesting / Severance	0.04
Deal Related	0.21
Purchase Price Accounting	0.43
Tax	0.12
<b>Adjusted</b>	<b>\$0.77</b>



# Full Year Financial Performance

<i>USD Millions, except Earnings per Share</i>	<b>FY 2024</b>	<b>FY 2023</b>
<b>Net Sales</b>	<b>\$ 5,127</b>	<b>\$ 5,152</b>
<i>% Change vs 2023</i>	<i>(0.5%)</i>	
<b>Income (loss) from Operations*</b>	<b>582</b>	<b>652</b>
<i>Operating Margin*</i>	<i>11.3%</i>	<i>12.7%</i>
<i>Effective Tax Rate*</i>	<i>17.2%</i>	<i>18.2%</i>
<b>Earnings (loss) per Share*</b>	<b>6.11</b>	<b>7.06</b>
<b>EBITDA*</b>	<b>642</b>	<b>706</b>
<i>% Net Sales</i>	<i>12.5%</i>	<i>13.7%</i>
<b>Free Cash Flow*</b>	<b>190</b>	<b>366</b>

<b>FY 2024 Financial Call-Outs</b>	<b>EPS</b>
<b>GAAP</b>	<b>\$4.96</b>
Accelerated Vesting / Severance	0.17
Deal Related	0.33
Purchase Price Accounting	0.43
Mark-to-Market	0.10
Tax	0.12
<b>Adjusted</b>	<b>\$6.11</b>



# AWP Financial Highlights



	Sales		Adj. Operating Margin*		Adj. EBITDA*	
	2024	2023	2024	2023	2024	2023
<b>FY</b>	2,996	2,922	11.6%	12.7%	378	403
	+2.5% YoY		(110) bps		(6.2)% YoY	
<b>Q4</b>	573	660	3.3%	9.5%	27	75
	(13.2)% YoY		(620) bps		(64)% YoY	

- Second half channel adjustments impacted sales growth
- Q4 margins consistent with previous outlook, impacted by aggressive production cuts, product moves and unfavorable mix in Aerials
- Leverage global manufacturing footprint, drive operational efficiency and introduce new products

# MP Financial Highlights



	Sales		Adj. Operating Margin*		Adj. EBITDA*	
	2024	2023	2024	2023	2024	2023
<b>FY</b>	1,902	2,227	13.6%	16.4%	276	381
	<i>(14.6)% YoY</i>		<i>(280) bps</i>		<i>(27.6)% YoY</i>	
<b>Q4</b>	439	555	10.9%	16.2%	52	94
	<i>(20.9)% YoY</i>		<i>(530) bps</i>		<i>(44.7)% YoY</i>	

- Challenging European market and channel inventory adjustments impacted sales
- Lower production and unfavorable mix put pressure on margins

# ESG Financial Highlights



	Sales	Adj. Operating Margin*	Adj. EBITDA*
	2024	2024	2024
<b>Q4</b> <i>(post Oct.8 close)</i>	228	21.9%	51

- Great execution in the Q4 post-close period
- Results reflect growth and margin improvement compared with the prior year period

# Solid Balance Sheet and Flexible Capital Structure

- ✓ Funded ESG acquisition, and maintained a solid balance sheet
- ✓ Achieved ROIC\* of 19.4% on a TTM basis
- ✓ Flexible capital structure with no debt maturities until 2029
- ✓ 2024 Free Cash Flow\* of \$190 million
- ✓ Continued to invest in CAPEX, funding innovation and productivity across Terex
- ✓ Returned \$92 million to shareholders through share repurchases and dividends



# Returning to Normal Ordering Patterns

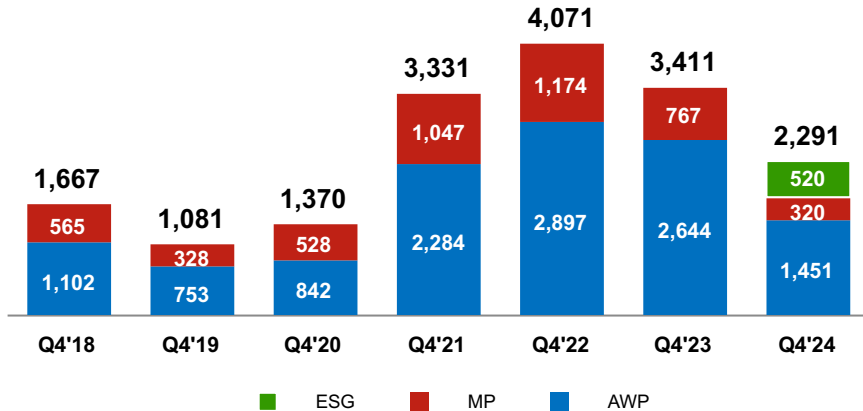
## Backlog at \$2.3B

- ESG backlog up 16% year over year
- MP and AWP backlog in line with historical norms
- Backlog coverage consistent with historical norms and lower lead times, supportive of 2025 revenue outlook

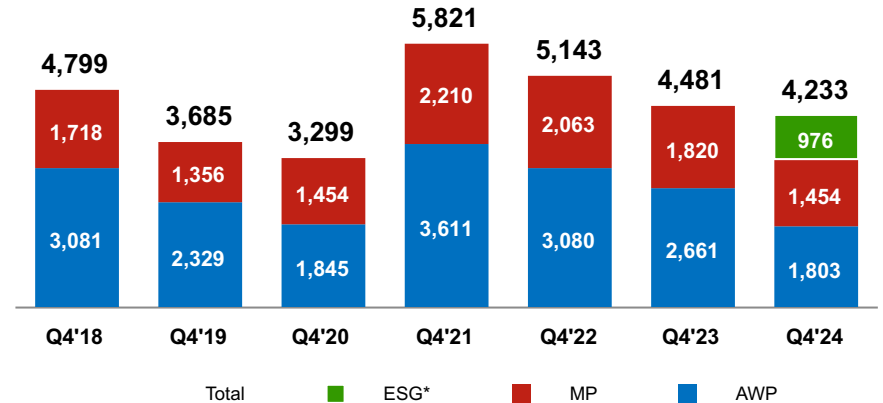
## Q4 Book to Bill ratio of 116%

- Return to normal seasonality with strong national account bookings in AWP. Aerials Q4 book to bill of 153%
- MP Q4 book to bill of 89%, up from 78% prior year
- ESG Q4 book to bill of 112%, up from 91% prior year

Backlog Trend



Bookings Trend (LTM)





# 2025 Outlook

## Terex Outlook

USD Millions, except Earnings per Share

Net Sales	\$5,300 - \$5,500
Segment Operating Margin <sup>1,2</sup>	~12%
EBITDA <sup>1</sup>	~\$660
Interest / Other Expense	~\$175
Tax Rate <sup>1</sup>	~20%
EPS <sup>1,3</sup>	\$4.70 - \$5.10
Depreciation / Amortization	~\$160
Free Cash Flow <sup>1,4</sup>	\$300 - \$350

<sup>1</sup> Presented as Adjusted. Refer to the appendix for GAAP to non-GAAP reconciliation.

<sup>2</sup> Excludes Corp & Other OP of ~(\$75M)

<sup>3</sup> Share Count ~67 M.

<sup>4</sup> Capital expenditures, net of proceeds from sale of capital assets ~\$120M

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## Segment Revenue Outlook

### Aerials



(LDD)

### Materials Processing



(HSD)

### Environmental Solutions



MSD

2024 comparable revenue:

Aerials: \$2,410M

MP: \$1,902M

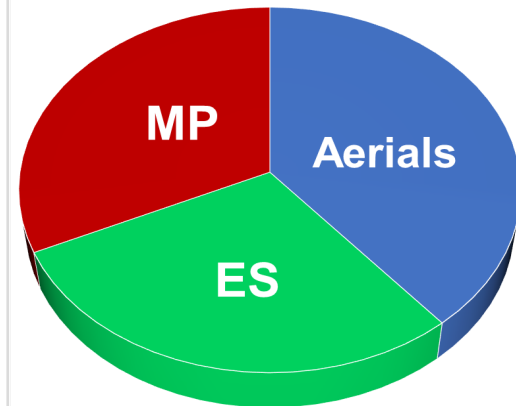
ES Proforma: \$1,500M

(LDD) = revenue down low double digits

(HSD) = revenue down high single digits

MSD = revenue up mid single digits

## Revenue Mix



# Positioned to Deliver Long-Term Value

- ✓ Diversified industrial leader well-positioned for profitable growth
- ✓ Market-leading business with attractive end markets and long-term growth drivers
- ✓ Significantly improved through-cycle financial performance
- ✓ Strong balance sheet and cash flow support future growth and return of capital to shareholders
- ✓ Team with deep industry experience and proven ability to create value



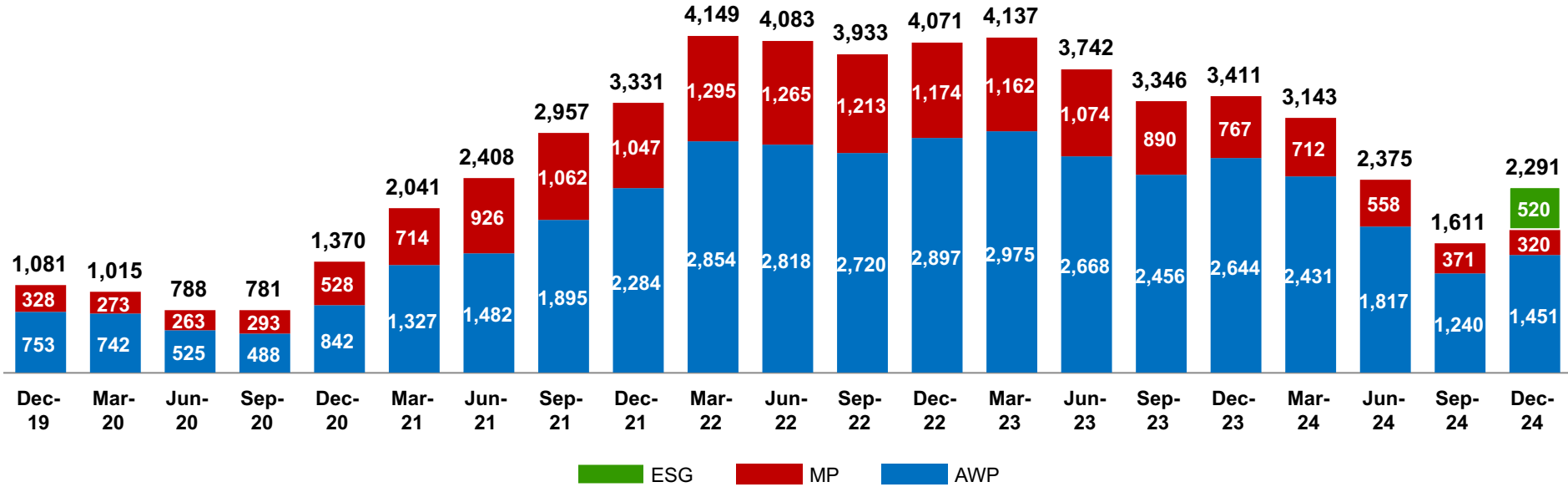
# TEREX®

## Appendix



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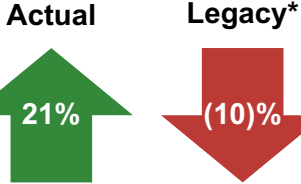
# Backlog Trend



	Sequential		Year on Year	
ESG	\$520		\$520	
MP	(51)	(14%)	(447)	(58%)
AWP	211	17%	(1,193)	(45%)
<b>Total</b>	<b>\$680</b>	<b>42%</b>	<b>\$(1,120)</b>	<b>(33%)</b>

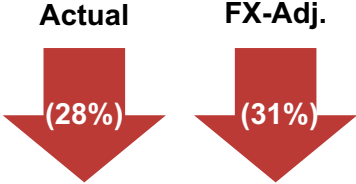
# Q4 Sales by Geography (2024 vs. 2023)

## North America

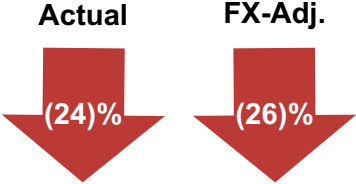


\*Legacy excludes ESG

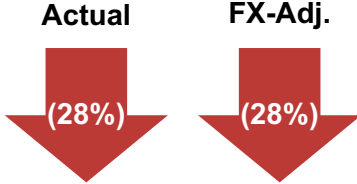
## Western Europe



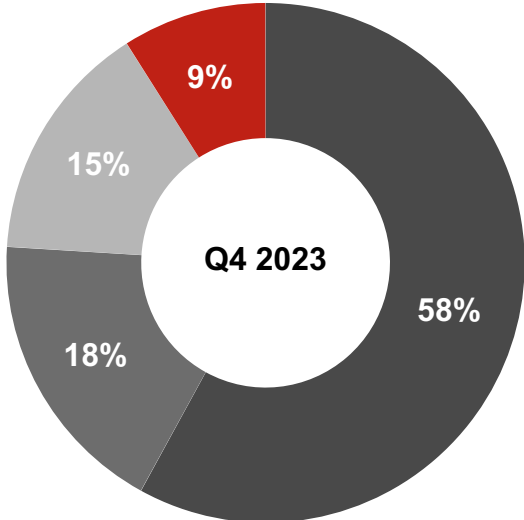
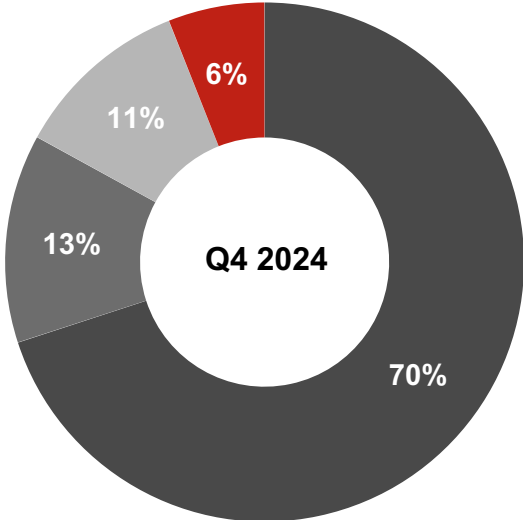
## Asia / Pacific



## Rest of World

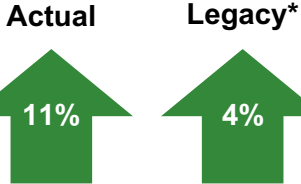


- North America
- Western Europe
- Asia / Pacific
- Rest of World



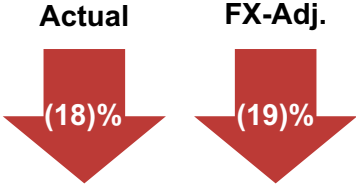
# Full-Year Sales by Geography (2024 vs. 2023)

## North America

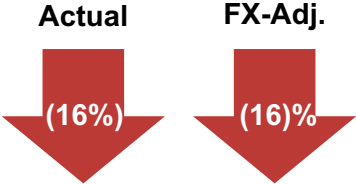


\*Legacy excludes ESG

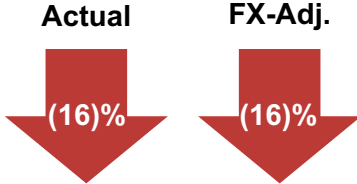
## Western Europe



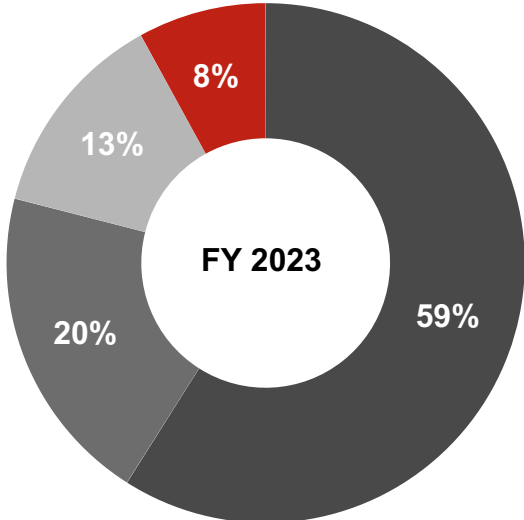
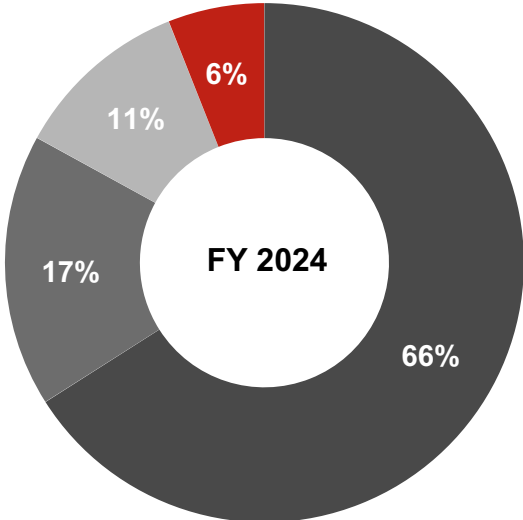
## Asia / Pacific



## Rest of World



- North America
- Western Europe
- Asia / Pacific
- Rest of World

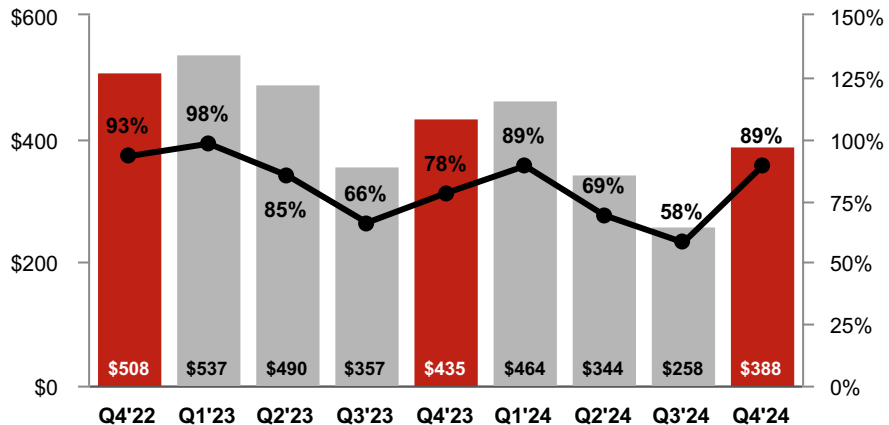


# Segment Results

## MATERIALS PROCESSING

	Q4 '24	Q4 '23	FY '24	FY '23
<b>Net Sales</b>	\$439	\$555	\$1,902	\$2,227
<i>% Change vs. '23</i>	(20.9%)		(14.6%)	
<b>Operating Profit (Loss)*</b>	\$48	\$90	\$258	\$365
<i>Operating Margin %</i>	10.9%	16.2%	13.6%	16.4%
<b>Backlog</b>	\$320	\$767		
<i>% Change vs. '23</i>	(58%)			

■ Net Bookings    ● Book-to-Bill Ratio

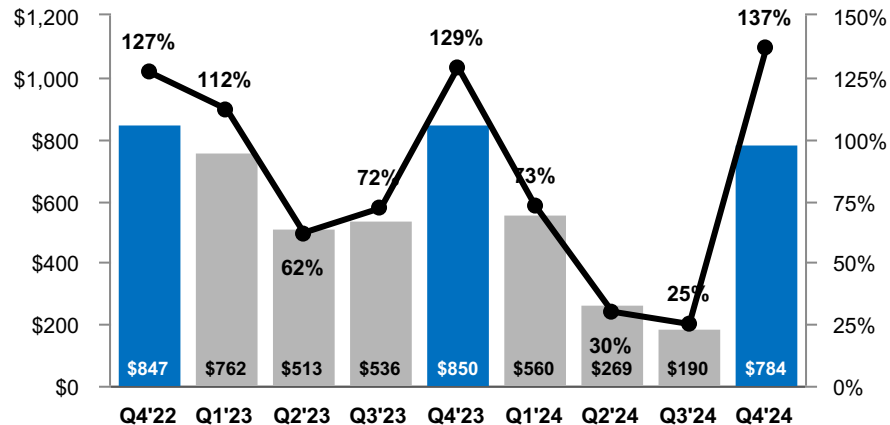


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## AERIAL WORK PLATFORMS

	Q4 '24	Q4 '23	FY '24	FY '23
<b>Net Sales</b>	\$573	\$660	\$2,996	\$2,922
<i>% Change vs. '23</i>	(13.2%)		2.5%	
<b>Operating Profit (Loss)*</b>	\$19	\$63	\$347	\$371
<i>Operating Margin %</i>	3.3%	9.5%	11.6%	12.7%
<b>Backlog</b>	\$1,451	\$2,644		
<i>% Change vs. '23</i>	(45%)			

■ Net Bookings    ● Book-to-Bill Ratio



Figures in USD Millions

\*Presented as adjusted. Refer to the appendix for GAAP to non-GAAP reconciliation. AWP Income from Operations on a GAAP and non-GAAP basis are the same for FY 2023.

# Glossary

In an effort to provide investors with additional information regarding the Company's results, Terex refers to various GAAP (U.S. generally accepted accounting principles) and non-GAAP financial measures which management believes provides useful information to investors. These non-GAAP measures may not be comparable to similarly titled measures being disclosed by other companies. In addition, the Company believes that non-GAAP financial measures should be considered in addition to, and not in lieu of, GAAP financial measures. Terex believes that this non-GAAP information is useful to understanding its operating results and the ongoing performance of its underlying businesses. Management of Terex uses both GAAP and non-GAAP financial measures to establish internal budgets and targets and to evaluate the Company's financial performance against such budgets and targets.

The amounts described below are unaudited, are reported in millions of U.S. dollars (except per share data and percentages), and are as of or for the period ended December 31, 2024, unless otherwise indicated.

## 2025 Outlook

The Company's 2025 outlook for earnings per share is a non-GAAP financial measure because it excludes potential future acquisitions, divestitures, restructuring, and other unusual items. The Company is not able to reconcile this forward-looking non-GAAP financial measure to its most directly comparable forward-looking GAAP financial measures without unreasonable efforts because the Company is unable to predict with a reasonable degree of certainty the exact timing and impact of such items. The unavailable information could have a significant impact on the Company's full-year 2025 GAAP financial results. This forward looking information provides guidance to investors about the Company's EPS expectations excluding unusual items that the Company does not believe is reflective of its ongoing operations.



# GAAP to Non-GAAP Reconciliation: Q4 2024

	Q4 2024 GAAP	Accelerated Vesting / Severance	Deal Related	Purchase Price Accounting	Tax	Q4 2024 Non-GAAP
Net Sales	\$1,241	—	—	—	—	\$1,241
Gross Profit	197	1	—	38	—	236
<i>% of Sales</i>	15.9%					19.0%
SG&A	(144)	3	2	—	—	(139)
<i>% of Sales</i>	(11.6%)					(11.2%)
Income (Loss) from Operations	\$53	4	2	38	—	\$97
<i>Operating Margin</i>	4.3%					7.8%
Net Interest (Expense)	(41)	—	—	—	—	(41)
Other (Expense)	(14)	—	16	—	—	2
Income (Loss) from Cont. Ops. Before Taxes	(2)	4	18	38	—	58
Benefit from (Provision for) Income Taxes	—	(1)	(4)	(9)	8	(6)
<i>Effective Tax Rate</i>	1.3 %					10.9 %
Income (Loss) from Continuing Operations	(\$2)	3	14	29	8	\$52
Earnings (Loss) per Share	(\$0.03) \$	0.04 \$	0.21 \$	0.43 \$	0.12	\$0.77

# GAAP to Non-GAAP Reconciliation: Q4 2023

	Q4 2023 GAAP	Accelerated Vesting / Severance	Product Liability Verdict	Mark-to- Market	Tax	Q4 2023 Non-GAAP
Net Sales	\$1,223	—	—	—	—	\$1,223
Gross Profit	263	—	4	—	—	267
<i>% of Sales</i>	21.5%					21.8%
SG&A	(147)	13	—	—	—	(134)
<i>% of Sales</i>	(12.0%)					(11.0%)
Income (Loss) from Operations	\$116	13	4	—	—	\$133
<i>Operating Margin</i>	9.5%					10.9%
Net Interest (Expense)	(14)	—	—	—	—	(14)
Other (Expense)	4	—	—	(5)	—	(1)
Income (Loss) from Cont. Ops. Before Taxes	106	13	4	(5)	—	118
Benefit from (Provision for) Income Taxes	22	(1)	(1)	—	(42)	(22)
<i>Effective Tax Rate</i>	(21.0%)					18.7%
Income (Loss) from Continuing Operations	\$128	12	3	(5)	(42)	\$96
Earnings (Loss) per Share	\$1.88	\$ 0.17	\$ 0.05	\$(0.07)	\$(0.62)	\$1.41

# GAAP to Non-GAAP Reconciliation: FY 2024

	FY 2024 GAAP	Accelerated Vesting / Severance	Deal Related	Purchase Price Accounting	Mark-to- Market	Tax	FY 2024 Non-GAAP
Net Sales	\$5,127	—	—	—	—	—	\$5,127
Gross Profit	1,068	6	—	38	—	—	1,112
<i>% of Sales</i>	20.8%						21.7%
SG&A	(542)	10	2	—	—	—	(530)
<i>% of Sales</i>	(10.6%)						(10.3%)
Income (Loss) from Operations	\$526	16	2	38	—	\$ —	\$582
<i>Operating Margin</i>	10.3%						11.3%
Net Interest (Expense)	(76)	—	—	—	—	—	(76)
Other (Expense)	(42)	—	26	—	9	—	(7)
Income (Loss) from Cont. Ops. Before Taxes	408	16	28	38	9	—	499
Benefit from (Provision for) Income Taxes	(73)	(4)	(6)	(9)	(2)	8	(86)
<i>Effective Tax Rate</i>	17.8%						17.2%
Income (Loss) from Continuing Operations	\$335	12	22	29	7	8	\$413
Earnings (Loss) per Share	\$4.96	\$ 0.17	\$ 0.33	\$ 0.43	\$ 0.10	0.12	\$6.11

# GAAP to Non-GAAP Reconciliation: FY 2023

	FY 2023 GAAP	Accelerated Vesting / Severance	Product Liability Verdict	OKC Sale Gain	Mark-to- Market	Tax	FY 2023 Non-GAAP
Net Sales	\$5,152	—	—	—	—	—	\$5,152
Gross Profit	1,177	—	4	—	—	—	1,181
<i>% of Sales</i>	22.8%						22.9%
SG&A	(540)	13	—	(2)	—	—	(529)
<i>% of Sales</i>	(10.5%)						(10.3%)
Income (Loss) from Operations	\$637	13	4	(2)	—	—	\$652
<i>Operating Margin</i>	12.4%						12.7%
Net Interest (Expense)	(56)	—	—	—	—	—	(56)
Other (Expense)	(1)	—	—	—	(6)	—	(7)
Income (Loss) from Cont. Ops. Before Taxes	580	13	4	(2)	(6)	—	589
Benefit from (Provision for) Income Taxes	(63)	(1)	(1)	—	—	(42)	(107)
<i>Effective Tax Rate</i>	10.9%						18.2%
Income (Loss) from Continuing Operations	\$517	12	3	(2)	(6)	(42)	\$482
Earnings (Loss) per Share	\$7.56	\$ 0.17	\$ 0.05	\$(0.02)	\$(0.08)	\$(0.62)	\$7.06

# Segment Operating Profit and Adjusted Operating Profit: Q4 2024 and 2023

	Three Months Ended December 31,				
	2024			2023	
	<i>AWP</i>	<i>MP</i>	<i>ESG</i>	<i>AWP</i>	<i>MP</i>
Income (loss) from operations	\$18	\$47	\$12	\$61	\$84
Accelerated Vesting / Severance	1	1	—	2	2
Purchase Price Accounting	—	—	38	—	—
Product Liability Verdict	—	—	—	—	4
Adjusted Income (loss) from operations	19	48	50	63	90
Net Sales	573	439	228	660	555
OP Margin %	3.1 %	10.7 %	5.3 %	9.2 %	15.1 %
Adjusted OP Margin %	3.3 %	10.9 %	21.9 %	9.5 %	16.2 %

# Segment Operating Profit and Adjusted Operating Profit: FY 2024 and 2023

	<i>Twelve Months Ended December 31,</i>					
	<i>2024</i>			<i>2023</i>		
	<i>AWP</i>	<i>MP</i>	<i>ESG</i>	<i>AWP</i>	<i>MP</i>	
Income (loss) from operations	\$342	\$252	\$12	\$371	\$359	
Accelerated Vesting / Severance	5	6	—	2	2	
Purchase Price Accounting	—	—	38	—	—	
Product Liability Verdict	—	—	—	—	4	
OKC Sale Gain	—	—	—	(2)	—	
Adjusted Income (loss) from operations	347	258	50	371	365	
Net Sales	2,996	1,902	228	2,922	2,227	
OP Margin %	11.4 %	13.2 %	5.3 %	12.7 %	16.1 %	
Adjusted OP Margin %	11.6 %	13.6 %	21.9 %	12.7 %	16.4 %	

# Free Cash Flow

We calculate a non-GAAP measure of free cash flow. We define free cash flow as Net cash provided by (used in) operating activities less Capital expenditures, net of proceeds from sale of capital assets. We believe this measure of free cash flow provides management and investors further useful information on cash generation or use in our primary operations.

	<i>Three Months Ended December 31,</i>		<i>Twelve Months Ended December 31,</i>		<i>Year Ended December 31,</i>
	2024	2023	2024	2023	2025 Outlook
Net cash provided by (used in) operating activities	\$ 177	\$ 191	\$ 326	\$ 459	\$ 445
Capital expenditures, net of proceeds from sale of capital assets	(48)	(56)	(136)	(93)	(120)
Free cash flow (use)	\$ 129	\$ 135	\$ 190	\$ 366	\$ 325

*Note: 2025 Outlook free cash flow represents the mid-point of the range*

# EBITDA

**EBITDA** is defined as earnings, before interest, other non-operating income (loss), income (loss) attributable to non-controlling interest, taxes, depreciation and amortization. The Company calculates this by subtracting the following items from Net income (loss): (Gain) loss on disposition of discontinued operations- net of tax; and (Income) loss from discontinued operations – net of tax. Then adds the Provision for (benefit from) income taxes; Interest & Other (Income) Expense; the Depreciation and Amortization amounts reported in the Consolidated Statement of Cash Flows less amortization of debt issuance costs that are recorded in Interest expense. Adjusted EBITDA is defined as EBITDA plus certain SG&A and other income/expenses.

Terex believes that disclosure of EBITDA and Adjusted EBITDA will be helpful to those reviewing its performance, as EBITDA provides information on Terex's ability to meet debt service, capital expenditure and working capital requirements, and is also an indicator of profitability.



# EBITDA and Adjusted EBITDA

	<i>Three Months Ended December 31,</i>		<i>Twelve Months Ended December 31,</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
Net income (loss)	(\$2)	\$127	\$335	\$518
(Gain) loss on disposition of discontinued operations - net of tax	—	1	—	(1)
Income (loss) from continuing operations	(2)	128	335	517
Provision for (benefit from) income taxes	—	(22)	73	63
Interest & Other (Income) Expense	55	10	118	57
Income (loss) from operations	53	116	526	637
Depreciation	16	18	58	52
Amortization	21	1	24	4
Non-Cash Interest Costs	(2)	(1)	(3)	(2)
EBITDA	88	134	605	691
Accelerated Vesting / Severance	4	13	15	13
Project Related	2	—	2	—
Purchase Price Accounting	20	—	20	—
Product Liability Verdict	—	4	—	4
OKC Sale Gain	—	—	—	(2)
Adjusted EBITDA	114	151	642	706
Net Sales	1,241	1,223	5,127	5,152
EBITDA Margin %	7.1 %	11.0 %	11.8 %	13.4 %
Adjusted EBITDA Margin %	9.2 %	12.3 %	12.5 %	13.7 %

# Segment EBITDA and Adjusted EBITDA: Q4 2024 and 2023

*Three Months Ended December 31,*

	<i>2024</i>			<i>2023</i>	
	<i>AWP</i>	<i>MP</i>	<i>ESG</i>	<i>AWP</i>	<i>MP</i>
Income (loss) from operations	\$18	\$47	\$12	\$61	\$84
Depreciation	8	3	1	12	3
Amortization	—	1	18	—	1
Non-Cash Interest Costs	—	—	—	—	—
EBITDA	26	51	31	73	88
Accelerated Vesting / Severance	1	1	—	2	2
Purchase Price Accounting	—	—	20	—	—
Product Liability Verdict	—	—	—	—	4
Adjusted EBITDA	27	52	51	\$ 75	\$ 94
Net Sales	573	439	228	660	555
EBITDA Margin %	4.5 %	11.6 %	13.6 %	11.1 %	15.9 %
Adjusted EBITDA Margin %	4.7 %	11.8 %	22.4 %	11.4 %	16.9 %

# Segment EBITDA and Adjusted EBITDA: FY 2024 and 2023

	Twelve Months Ended December 31,				
	2024			2023	
	AWP	MP	ESG	AWP	MP
Income (loss) from operations	\$342	\$252	\$12	\$371	\$359
Depreciation	31	16	1	32	14
Amortization	—	2	18	—	2
Non-Cash Interest Costs	—	—	—	—	—
EBITDA	373	270	31	403	375
Accelerated Vesting / Severance	5	6	—	2	2
Purchase Price Accounting	—	—	20	—	—
Product Liability Verdict	—	—	—	—	4
OKC Sale Gain	—	—	—	(2)	—
Adjusted EBITDA	378	276	51	403	381
Net Sales	2,996	1,902	228	2,922	2,227
EBITDA Margin %	12.4 %	14.2 %	13.6 %	13.8 %	16.8 %
Adjusted EBITDA Margin %	12.6 %	14.5 %	22.4 %	13.8 %	17.1 %

# ROIC

ROIC and other Non-GAAP Measures (as calculated below) assist in showing how effectively we utilize capital invested in our operations. ROIC is determined by dividing the sum of NOPAT for each of the previous four quarters by the average of Debt less Cash and cash equivalents plus Stockholders' equity for the previous five quarters. NOPAT for each quarter is calculated by multiplying Income (loss) from operations by one minus the full year 2024 effective tax rate as adjusted. Debt is calculated using amounts for Current portion of long-term debt plus Long-term debt, less current portion. We calculate ROIC using the last four quarters' NOPAT as this represents the most recent 12-month period at any given point of determination. In order for the denominator of the ROIC ratio to properly match the operational period reflected in the numerator, we include the average of five quarters' ending balance sheet amounts so that the denominator includes the average of the opening through ending balances (on a quarterly basis) thereby providing, over the same time period as the numerator, four quarters of average invested capital.

In the calculation of ROIC, we adjust income (loss) from operations, effective tax rate, and stockholders' equity to remove the effects of the impact of certain transactions in order to create a measure that is more useful to understanding our operating results and the ongoing performance of our underlying business excluding the impact of unusual items as shown in the tables below. Our management and Board of Directors use ROIC as one measure to assess operational performance, including in connection with certain compensation programs. We use ROIC as a metric because we believe it measures how effectively we invest our capital and provides a better measure to compare ourselves to peer companies to assist in assessing how we drive operational improvement. We believe ROIC measures return on the amount of capital invested in our businesses and is an accurate and descriptive measure of our performance. We also believe adding Debt less Cash and cash equivalents to Stockholders' equity provides a better comparison across similar businesses regarding total capitalization, and ROIC highlights the level of value creation as a percentage of capital invested. As the tables below show, our ROIC at December 31, 2024 was 19.4%.

# ROIC *Continued*

Amounts described below are reported in millions of U.S. dollars, except for the Effective Tax Rate. Amounts are as of and for the three months ended for the periods referenced in the tables below.

	Dec '24	Sep '24	Jun '24	Mar '24	Dec '23
Effective tax rate as adjusted	15.6 %	15.6 %	15.6 %	15.6 %	
Income (loss) from operations as adjusted	\$ 97	\$ 127	\$ 196	\$ 162	
Multiplied by: 1 minus effective tax rate as adjusted	84.4 %	84.4 %	84.4 %	84.4 %	
Net operating income (loss) after tax as adjusted	<u>\$ 82</u>	<u>\$ 107</u>	<u>\$ 165</u>	<u>\$ 137</u>	
Debt	\$ 2,584	\$ 628	\$ 666	\$ 724	\$ 623
Less: Cash and cash equivalents	(388)	(352)	(319)	(365)	(371)
Debt less Cash and cash equivalents	2,196	276	347	359	252
Stockholders' equity as adjusted	1,918	1,993	1,850	1,751	1,682
Debt less Cash and cash equivalents plus Stockholders' equity as adjusted	<u>\$ 4,114</u>	<u>\$ 2,269</u>	<u>\$ 2,197</u>	<u>\$ 2,110</u>	<u>\$ 1,934</u>

December 31, 2024 ROIC	19.4 %
NOPAT as adjusted (last 4 quarters)	\$ 491
Average Debt less Cash and cash equivalents plus Stockholders' equity (5 quarters)	\$ 2,525

# ROIC *Continued*

	12/31/24	09/30/24	06/30/24	03/31/24
Reconciliation of income (loss) from operations:				
Income (loss) from operations as reported	53	122	193	158
Adjustments:				
Accelerated vesting / Severance	4	5	3	4
Purchase price accounting	38	—	—	—
Deal related	2	—	—	—
Income (loss) from operations as adjusted	<u>\$ 97</u>	<u>\$ 127</u>	<u>\$ 196</u>	<u>\$ 162</u>

	As of 12/31/24	As of 9/30/24	As of 6/30/24	As of 3/31/24	As of 12/31/23
Reconciliation of Stockholders' equity:					
Stockholders' equity as reported	1,832	1,957	1,824	1,732	1,672
Effects of adjustments, net of tax:					
Accelerated vesting / severance	25	21	17	14	11
Purchase price accounting	32	—	—	—	—
Deal related	16	2	2	—	—
Product liability	3	3	3	3	3
Mark-to-market	10	10	4	2	(4)
Stockholders' equity as adjusted	<u>\$ 1,918</u>	<u>\$ 1,993</u>	<u>\$ 1,850</u>	<u>\$ 1,751</u>	<u>\$ 1,682</u>

# ROIC *Continued*

Twelve Months Ended December 31, 2024	Income (loss) from continuing operations before income taxes	(Provision for) benefit from income taxes	Income tax rate
Reconciliation of the full year 2024 effective tax rate:			
As reported	\$ 408	\$ (73)	17.8%
Effect of Adjustments:			
Accelerated vesting / severance	16	(4)	
Purchase price accounting	38	(6)	
Deal related	28	(6)	
Mark-to-Market	9	(2)	
Tax related to Swiss deferred tax assets	—	8	
Foreign tax redetermination UTP	—	5	
As adjusted	\$ 499	\$ (78)	15.6%