NEWS RELEASE

Terex Announces CMI Restructuring Plan

10/5/2001

WESTPORT, Conn., Oct 5, 2001 (BUSINESS WIRE) -- Terex Corporation (NYSE: TEX) today announced its plans for restructuring the operations of CMI Corporation, which Terex acquired on October 1, 2001.

The plan calls for integrating the production of four existing CMI facilities into CMI's Oklahoma City location, as well as other cost reduction initiatives. The restructuring plan will reduce personnel by approximately 500 and is expected to generate cost savings in excess of $20 million. The restructuring plan will be implemented immediately with full integration accomplished within nine months. The four CMI facilities impacted by the integration are located in Brownwood, Texas, Champaign, Illinois, Cedar Falls, Iowa and Opglabbeek, Belgium.

"The integration of these facilities will improve capacity utilization at the Oklahoma City facilities, which have over 700,000 square feet of covered space. We will also reduce overhead costs," commented Fil Filipov, Terex Executive Vice President and President of CMI. "In spite of today's challenging business environment, we believe there are opportunities to grow the business. We will accomplish this by executing our restructuring plan, which we anticipate will deliver both cost savings and improved quality and product support in order to better meet the needs of the customer."

Terex Corporation is a diversified global manufacturer based in Westport, Connecticut, with 2000 revenues in excess of $2 billion. Terex is involved in a broad range of construction, infrastructure, recycling and mining-related capital equipment under the brand names of Terex, Unit Rig, Payhauler, O&K, Fermec, Benford, Powerscreen, Finlay, B.L. Pegson, Simplicity, Cedarapids, Grayhound, CMI, Bid-Well, Load King, Cifali, Jaques, Canica-Jaques, Lorain, PPM, P&H, Franna, Marklift, Koehring, Bendini, RO, Telelect, Square Shooter, American, Italmacchine, Peiner, Comedil, Matbro, Amida, Bartell, Coleman, Muller and Morrison. More information on Terex can be found at www.terex.com.

Safe Harbor Statement

The above contains forward-looking information based on Terex's current expectations. Because forward-looking statements involve risks and uncertainties, actual results could differ materially. Such risks and uncertainties, many of which are beyond Terex's control, include among others, the sensitivity of construction and mining activity to interest rates, government spending and downward economic cycles and general economic conditions; the success of the integration of acquired businesses; the retention of key management; foreign currency fluctuations; pricing, product initiatives, and other actions taken by competitors; the effect of changes in laws and regulations, including environmental laws and regulations; the effect of debt and restrictive covenants; and other factors, risks, uncertainties more specifically set forth in Terex's public filings with the SEC. The forward-looking statements herein speak only as of the date of this release. Terex expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement included in this release to reflect any changes in Terex's expectations with regard thereto or any changes in events, conditions, or circumstances on which any such statement is based.

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