NEWS RELEASE

Terex Announces Manufacturing and Supply Agreement with Daewoo

7/18/2003

WESTPORT, Conn.--(BUSINESS WIRE)--July 18, 2003--Terex Corporation (NYSE: TEX) today announced that it has entered into an agreement with Daewoo Heavy Industries and Machinery to distribute crawler excavators and wheel loaders under the Terex brand in North America. The agreement includes crawler excavators from 13 to 47-ton operating weights and wheel loaders with bucket capacities from 2.0 to 5.3 cubic yards.

Terex Chairman and Chief Executive Officer Ronald M. DeFeo commented, "This agreement fills a gap in our product line with cost-effective and reliable products, and now our full product offering is one of the most complete in the industry. Our dealers can now focus on a full Terex product line and deliver on our mission of providing the highest investment returns for users of construction equipment."

Jae-Shin Yang, President and CEO of Daewoo, commented, "We are pleased to have Terex as a partner in this important market in addition to our existing distribution network. Customers in North America are increasingly recognizing the superior value of our products, and working with Terex will accelerate that market recognition."

Terex expects to begin offering these Terex branded crawler excavators and wheel loaders during the fourth quarter of 2003.

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: Terex's business is highly cyclical and weak general

economic conditions may affect the sales of its products and its financial results; the sensitivity of construction and mining activity to interest rates and government spending; the ability to successfully integrate acquired businesses; the retention of key management personnel; Terex's businesses are very competitive and may be affected by pricing, product initiatives and other actions taken by competitors; the effects of changes in laws and regulations; Terex's business is international in nature and is subject to changes in exchange rates between currencies, as well as international politics; the ability of suppliers to timely supply Terex parts and components at competitive prices; the financial condition of suppliers and customers, and their continued access to capital; Terex's ability to timely manufacture and deliver products to customers; Terex's substantial amount of debt and its need to comply with restrictive covenants contained in Terex's debt agreements; compliance with applicable environmental laws and regulations; and other factors, risks, uncertainties more specifically set forth in Terex's public filings with the SEC. Actual events or the actual future results of Terex may differ materially from any forward looking statement due to those and other risks, uncertainties and significant factors. 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.

Terex Corporation is a diversified global manufacturer based in Westport, Connecticut, with 2002 revenues of $2.8 billion. Terex is involved in a broad range of construction, infrastructure, recycling and mining-related capital equipment under the brand names of Advance, American, Amida, Atlas, Bartell, Bendini, Benford, Bid-Well, B.L. Pegson, Canica, Cedarapids, Cifali, CMI, Coleman Engineering, Comedil, CPV, Demag, Fermec, Finlay, Franna, Fuchs, Genie, Grayhound, Hi-Ranger, Italmacchine, Jaques, Johnson-Ross, Koehring, Lectra Haul, Load King, Lorain, Marklift, Matbro, Morrison, Muller, O&K, Payhauler, Peiner, Powerscreen, PPM, Re-Tech, RO, Royer, Schaeff, Simplicity, Square Shooter, Telelect, Terex, and Unit Rig. Terex offers a complete line of financial products and services to assist in the acquisition of Terex equipment through Terex Financial Services. More information on Terex can be found at www.terex.com.

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