NEWS RELEASE

Terex Announces Record Second Quarter Earnings of $1.30, Up 41 Percent

7/27/1999

Net sales increased 34 percent to $448 million
Net income increased 48 percent to $30.4 million

WESTPORT, Conn.--(BUSINESS WIRE)--July 27, 1999--Terex Corporation (NYSE: TEX) today reported second quarter net income of $30.4 million, or $1.30 per share, up $9.8 million over 1998's $20.6 million, or $0.92 per share. Net sales for this quarter reached $448.1 million, up $114.6 million or 34% over the second quarter of 1998. For the six-month period year-to-date, Terex reported net income of $56.4 million, or $2.45 per share, up $21.4 million over 1998's net income of $35.0(a) million or $1.57(a) per share. Year-to-date, net sales were $871.4 million, up $277.3 million or 47% over the comparable period of 1998.

(a)Before extraordinary charges of $38.3 million, or $1.72 per share related to debt retirement in 1998.

A financial summary is shown below:

Terex Corporation

	Second Quarter		
(dollars in millions, except per share amounts)			
	1999		1998
	% of sales		% of sales

Net sales	$ 448.1	---	$ 333.5	---
Gross profit	$ 76.7	17.1%	$ 60.6	18.2%
SG&A	29.7	6.6%	27.4	8.2%
Operating profit	47.0	10.5%	33.2	10.0%
Interest and other	(16.6)	3.7%	(12.6)	3.8%
Income before extraordinary Items	$ 30.4	6.8%	$ 20.6	6.2%
Earnings per share(1)	$ 1.30		$ 0.92	
EBITDA	$ 52.4	11.7%	$ 36.8	11.0%

	Year-to-Date			
(dollars in millions, except per share amounts)				
	1999		1998	
	% of sales		% of sales	
Net sales	$ 871.4	---	$ 594.1	---
Gross profit	$ 147.6	16.9%	$ 105.4	17.7%
SG&A	60.1	6.9%	48.4	8.1%
Operating profit	87.5	10.0%	57.0	9.6%
Interest and other	(31.1)	3.6%	(22.0)	3.7%
Income before extraordinary Items	$ 56.4	6.5%	$ 35.0	5.9%
Earnings per share(1)	$ 2.45		$ 1.57	
EBITDA	$ 98.2	11.3%	$ 64.0	10.8%

(1)Before extraordinary charges in 1998 for retirement of debt.

Second Quarter 1999 and Year-To-Date

"We are pleased with our strong performance during the first half of this year," said Ronald M. DeFeo, Chairman and CEO. "We keep building momentum driven by management intensity, operational improvements, the increasing strength of our product lines and the impact of the integration of our acquisitions. We continue to work

on our commitment to grow top line revenues and expand margins. We also continue with our product and geographic diversification with the announcement of the Powerscreen and Cedarapids acquisitions."

Net sales for the second quarter reached $448.1 million, compared with $333.5 million during 1998. Operating profit increased 42% to $47.0 million and operating margins expanded to 10.5% in the second quarter from 10.0% in 1998. Operating expenses as a percentage of sales dropped substantially to 6.6% in 1999 from 8.2% in 1998, further evidence of Terex's continuing focus on growing the business while reducing operating expenses. Net interest expense represented about 3.3% of revenues in the quarter, versus 3.4% for the second quarter last year. Fully diluted shares for the second quarter increased to 23.4 million reflecting the Amida acquisition and the successful 3.5 million share offering late in the quarter.

Net sales for the first six months of 1999 were $871.4 million or a 47% increase over 1998's $594.1 million. Internally generated growth from continuing operations represented about $143 million of this revenue increase while the acquired companies contributed about $134 million of this increase. Operating profit grew year over year reflecting increased throughput from operations, operational improvements and expense control. During the first six months, operating margins reached 10.0% versus 9.6% in 1998, while net income as a percentage of sales grew from 5.9% in 1998 to 6.5% in 1999.

On June 15, we announced the offer to acquire Powerscreen International plc, a manufacturer and marketer of screening and crushing equipment for the quarrying, construction and demolition industries. Also on July 20, we announced a definitive agreement to acquire Cedarapids, Inc., a manufacturer and marketer of mobile crushing and screening equipment, asphalt pavers and asphalt material mixing plants. Both acquisitions are scheduled to be completed this quarter.

"These acquisitions provide Terex with a leading market position in the crushing and screening equipment markets," commented Ron DeFeo. "These transactions are expected to be accretive to Terex's earnings, with additional benefits expected from cost savings as we integrate these businesses with Terex. Both acquisitions are an excellent fit with Terex's strategy of diversifying both the products and geographic range of our customer offerings. Furthermore, as a result of improved fiscal conditions at all levels of government and mandated increases in federal road and infrastructure spending over the next five years, demand for road building equipment should be at an early stage of the business cycle."

Business Unit Operating Performance

Terex Earthmoving

	Second Quarter			
	(dollars in millions)			
	1999		1998	
	% of sales		% of sales	
Net sales	$ 174.6	---	$ 140.8	---
Gross profit	32.7	18.7%	27.8	19.7%
SG&A	13.7	7.8%	15.8	11.2%
Operating profit	19.0	10.9%	12.0	8.5%
Backlog	165.6		61.0	

	Year-to-Date			
	(dollars in millions)			
	1999		1998	
	% of sales		% of sales	
Net sales	$ 355.3	---	$ 217.4	---
Gross profit	64.4	18.1%	42.2	19.4%
SG&A	27.9	7.9%	23.6	10.9%
Operating profit	36.5	10.3%	18.6	8.6%
Backlog	165.6		61.0	

Net sales in the Earthmoving segment reached $174.6 million during the quarter, a 24% increase from last year's $140.8. These results were driven by both Unit Rig's surface mining truck business and the construction business worldwide, somewhat offset by a soft hydraulic shovel business. Terex's truck business continues to deliver solid performance with sales up 12% versus the second quarter of 1998. The United States continues to be our strongest market followed by Europe, especially the United Kingdom.

Operating profit grew 58% to $19.0 million during the quarter led by the impact of the Coal India shipments, improved margins at Unit Rig, higher volumes in our truck business and continued improvements in both our manufacturing and SG&A costs. Operating margins benefited from all of the above improvements and reached 10.9% this quarter from 8.5% last year. Operating expenses declined approximately $2 million versus last year's quarter and as a percent of sales continued to show further improvement dropping to 7.8% from 11.2% in 1998.

The Coal India order remains on schedule. As of late July, 104 trucks have been shipped and the second quarter

results include 48 trucks that were shipped between mid-March and mid-May. Also during the quarter, Unit Rig received a $46 million order from Rio Tinto's biggest mine located in California, which is scheduled to be delivered during the second half of this year.

"Despite continued weakness in the mining industry which affected our hydraulic excavator performance, our mining business posted another quarterly record in terms of sales and operating profit," said Ernie Verebelyi, President of Terex Earthmoving. "Thanks to our strategy of providing our customers with a cost effective solution to their productivity needs, at a time when some commodity prices remain depressed, we expect the second half of 1999 to show some improvement in the original equipment hydraulic excavator business. Our new articulated truck product line and marketing program is making meaningful inroads on a worldwide basis."

Terex Lifting

Second Quarter

(dollars in millions)				
	1999		1998	
		% of sales		% of sales
Net sales	$ 263.0	---	$ 191.2	---
Gross profit	41.8	15.9%	32.5	17.0%
SG&A	13.6	5.2%	11.0	5.8%
Operating profit	28.2	10.7%	21.5	11.2%
Backlog	189.6		192.9	

Year-to-Date

(dollars in millions)				
	1999		1998	
		% of sales		% of sales
Net sales	$ 504.4	---	$ 373.7	---
Gross profit	81.2	16.1%	62.6	16.8%
SG&A	28.5	5.7%	22.7	6.1%
Operating profit	52.7	10.4%	39.9	10.7%
Backlog	189.6		192.9	

Net sales in the Lifting segment reached a new record of $263.0 million during the quarter, up 38% over the second quarter of 1998. These results were driven by the continued strong performance of our cranes and utility aerial devices. Hydraulic mobile cranes posted an 11% increase in revenues. Outside of North America, Terex's hydraulic cranes continue to experience increased market penetration in both Germany and Spain. Utility aerial devices added to the quarter with revenues up 52%. Our aerial work platforms posted a 30% increase in sales driven primarily by our European markets.

During the second quarter, acquisitions made during the second half of 1998 contributed approximately $40 million in revenue driven primarily by our lattice boom and tower cranes operations. American Crane performed well helped by the market acceptance of our upgraded product line and the successful introduction of the Japanese-manufactured 80-ton hydraulic crawler crane.

Operating profit jumped 31% to $28.2 million, an increase of $6.7 million over the second quarter of 1998, led by manufacturing efficiencies, the impact of the acquisitions and continued cost reductions efforts. Operating margin reached 10.7% for the second quarter, a decrease from 11.2% last year's second quarter. The Lifting results were negatively affected by the impact of Terex's North American aerial business. Excluding the impact of the Milwaukee plant, the Lifting segment's operating margin in the second quarter of 1999 would have been higher than last year's.

"We continue to make progress on a lot of fronts, and we are constantly looking at new opportunities to exceed our recent performance," said Fil Filipov, President of Terex Lifting. "The integration of the four acquisitions we made during the second half of 1998 is on track and we continue to perform well in most of the industries in which we operate. In fact, for the first half of this year, our total unit volume was up 22% versus last year."

Capital Structure

During the second quarter, we completed the sale of 3.5 million primary shares of common stock. Also during the quarter, we announced the offer to acquire Powerscreen which will be financed from the proceeds of a fully committed $325 million bank facility. On July 20, Terex announced a definitive agreement to acquire Cedarapids for $170 million. Cedarapids is expected to be financed from cash on hand and an additional $125 million of debt.

In addition, on July 26, in a transaction initiated by Wellington Management Company, LLP, we announced the sale of 2.0 million shares of common stock to a fund managed by Wellington.

Recent Development

As of the close of business in London on Monday, July 26, 1999, Terex received acceptances from shareholders in excess of 61% of the issued share capital of Powerscreen International plc. As a result, Terex's offer of 195.0 pence per share for Powerscreen has been declared unconditional and Terex will have effective control of Powerscreen immediately. The tender offer remains open, and we expect the remaining shares to be tendered in due course. "We are delighted about this latest development on Powerscreen and we are looking forward to implementing our integration plans," commented Ron DeFeo.

Outlook

Terex's major markets in North America are generally expected to post another year of growth in 1999 driven by strong construction spending and a relatively low interest rate environment. The European markets, which remained mixed during the first half of the year, should continue to improve modestly driven by lower interest rates and a weaker Euro exchange rate.

Despite continued weakness in some commodity prices, new mining orders from Rio Tinto, Cleveland Cliffs and potential new business solidifies our near term outlook and should enhance next year's prospects as current and new customers seek low cost productive solutions. Looking forward, we also expect the success of our totally redesigned articulated and rigid off-highway truck product lines to create marketing opportunities in new markets and with new customers.

The Lifting segment should continue to benefit from a strong North American market, a recovering European market and slight improvements in both Latin America and the Far East. Some product lines will strengthen and others may weaken as we complete 1999 and enter next year. We also expect continued penetration in North America of our tower crane and lattice boom crane businesses. We believe that our hydraulic cranes aerial work platforms and material handlers business in Europe should benefit from a pick-up in construction spending.

Ron DeFeo said, "Terex's product line is becoming increasingly diversified and geographically balanced. We believe that the "Terex model" which is designed to provide our customers with a higher return on their investment than our competitors, should continue to deliver results. We look forward to applying this approach at both Powerscreen and Cedarapids."

Terex Corporation is a diversified global manufacturer based in Westport, Connecticut, with 1998 revenues in excess of $1.2 billion. The Company is involved in a broad range of construction and mining-related capital equipment operating in two segments -- Terex Earthmoving and Terex Lifting. Terex Earthmoving manufactures and sells heavy-duty off-road trucks and high-capacity surface mining trucks under the brand names of Terex, Unit Rig and Payhauler, as well as large hydraulic mining shovels under the brand name O&K. Terex Lifting

manufactures and sells telescopic mobile cranes, lattice boom cranes, tower cranes, aerial work platforms, utility aerial devices, telescopic material handlers and truck mounted cranes, and related products, under the brand names Terex, Lorain, PPM, P&H, Marklift, Koehring, Bendini, Simon, RO, Telelect, Square Shooter, Holland Lift, American, Italmacchine, Peiner and Comedil.

The above contains forward-looking information based on the Company'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 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; and the continuing use of net operating loss carryovers; IRS audit; effect of debt and restrictive covenants; and other factors, risks and uncertainties more specifically set forth in Terex's public filings. 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 AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(in millions, except per share data)
(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	1999	1998	1999	1998
Net sales	$ 448.1	$ 333.5	$ 871.4	$ 594.1
Cost of goods sold	371.4	272.9	723.8	488.7
Gross profit	76.7	60.6	147.6	105.4
Selling, general and administrative expenses	29.7	27.4	60.1	48.4
Income from operations	47.0	33.2	87.5	57.0

Other income (expense):				
Interest income.....	0.7	0.7	1.2	0.8
Interest expense.....	(15.6)	(12.2)	(28.9)	(21.0)
Other income (expense) - net.....	(1.0)	(0.7)	(1.9)	(1.2)
Income before income taxes and extraordinary items.....	31.1	21.0	57.9	35.6
Provision for income taxes.....	(0.7)	(0.4)	(1.5)	(0.6)
Income before extraordinary items	30.4	20.6	56.4	35.0
Extraordinary loss on retirement of debt.....	---	---	---	(38.3)
Net income (loss).....	$ 30.4	$ 20.6	$ 56.4	$ (3.3)
EARNINGS PER SHARE:				
Basic				
Income before extraordinary items.....	$ 1.40	$ 1.00	$ 2.65	$ 1.70
Extraordinary loss on retirement of debt.....	---	---	---	(1.86)
Net income (loss).....	$ 1.40	$ 1.00	$ 2.65	$ (0.16)
Diluted				
Income before extraordinary items.....	$ 1.30	$ 0.92	$ 2.45	$ 1.57
Extraordinary loss on retirement of debt.....	---	---	---	(1.72)
Net income (loss).....	$ 1.30	$ 0.92	$ 2.45	$ (0.15)
Weighted average number of common and common equivalent shares outstanding in per share calculation				
Basic.....	21.7	20.7	21.3	20.6
Diluted.....	23.4	22.4	23.0	22.3

TEREX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(in millions, except par value)
(unaudited)

	June 30, 1999	December 30, 1998
ASSETS		
Current assets		
Cash and cash equivalents	$ 104.7	$ 25.1
Trade receivables (net of allowance of $5.1 at June 30, 1999 and $5.6 at December 31, 1998)	373.4	249.8
Net inventories	482.3	472.8
Other current assets	30.0	23.9
Total current assets	990.4	771.6
Long-term assets		
Property, plant and equipment - net.	97.5	99.5
Goodwill - net	270.5	240.9
Other assets - net	32.0	39.2
Total assets	$ 1,390.4	$1,151.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes payable and current portion of long-term debt	$ 27.9	$ 44.7
Trade accounts payable	275.1	226.9
Accrued compensation and benefits	24.2	24.7
Accrued warranties and product liability	37.4	36.0
Other current liabilities	105.5	93.1
Total current liabilities	470.1	425.4
Non-current liabilities		
Long-term debt, less current portion	639.5	586.6
Other	39.3	41.1
Commitments and contingencies		
Stockholders' equity		
Warrants to purchase common stock	0.8	0.8
Equity rights	3.1	3.1

Common stock, $.01 par value - authorized 150.0 shares; issued and outstanding 24.9 at June 30, 1999 and 20.8 at December 31, 1998, respectively.....	0.2	0.2
Additional paid-in capital.....	293.3	179.0
Accumulated deficit.....	(24.5)	(80.9)
Accumulated other comprehensive income	(31.4)	(4.1)
Total stockholders' equity.....	241.5	98.1
Total liabilities and stockholders' equity.....	$ 1,390.4	$1,151.2