NEWS RELEASE

Terex Completes Acquisition of Reedrill

1/3/2005

WESTPORT, Conn., Jan 3, 2005 (BUSINESS WIRE) -- Terex Corporation (NYSE: TEX) announced today that it has completed its previously announced acquisition of the Reedrill division from Metso Corporation. Reedrill, headquartered in Sherman, Texas, is a leading manufacturer of surface drilling equipment for use in the mining, construction and utility industries, with estimated 2004 revenues of approximately $80 million. This transaction was completed on December 31, 2004.

"We are very excited about the opportunity in front of us," commented Rick Nichols, President - Terex Materials Processing and Mining. "We believe that the Reedrill product lines are a nice complement to our Terex Mining products, which include electric mining trucks and hydraulic mining shovels. This product extension helps us to better service our customers' needs and provides further penetration into the mining, construction and utility businesses." Mr. Nichols also stated, "We believe that there are cost saving opportunities to make this business more profitable, as we integrate the Reedrill product line into the Terex business model and our Materials Processing and Mining group." More information on Reedrill and their product line can be found at www.reedrill.com.

Safe Harbor Statement

The above contains forward-looking statements based on Terex's current expectations and projections about future events. 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, infrastructure and mining activity and products produced for the military 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 significant 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. In addition, until the review by Terex of its previously announced intercompany account imbalance is concluded, no assurance can be given with respect to the financial statement adjustments, impacts and periods resulting from such review, nor can there be assurance that additional adjustments to the financial statements will not be identified. 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 with 2003 net sales of $3.9 billion. The Company operates in five business segments: Terex Construction, Terex Cranes, Terex Aerial Work Platforms, Terex Materials Processing & Mining, and Terex Roadbuilding, Utility Products and Other. Terex manufactures a broad range of equipment for use in various industries, including the construction, infrastructure, quarrying, recycling, surface mining, shipping, transportation, refining, utility and maintenance industries. 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.

SOURCE: Terex Corporation

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