



NEWS RELEASE

Terex Corporation Agrees to a Recommended Offer to Acquire Powerscreen International PLC

6/15/1999

WESTPORT, Conn.--(BUSINESS WIRE)--June 15, 1999--Terex Corporation (NYSE: TEX) today announced that it has agreed with the Board of Directors of Powerscreen International plc on the terms of a recommended cash offer to acquire all of the issued and to be issued ordinary share capital of Powerscreen International plc for a total consideration of 195.0 pence per share (approximately \$3.17 per share), valuing the entire issued capital of Powerscreen at approximately (pound)181 million (approximately \$294 million). The acquisition of Powerscreen will be fully financed by new banking facilities provided by Credit Suisse First Boston and Dresdner Bank AG. Powerscreen International plc is one the world's leaders in the manufacturing and marketing of screening and crushing equipment for the quarrying, construction and demolition industries. Powerscreen is headquartered in Dungannon, Northern Ireland. The transaction is subject to normal regulatory approvals and is expected to close in the third quarter of 1999.

Commenting on the offer, Ronald M. DeFeo, Terex's Chairman and Chief Executive Officer, said, "We are very pleased to have reached an agreement with Powerscreen on the terms of an offer. Powerscreen provides Terex with leading market positions in the markets for screening, crushing and material handling equipment and significantly extends the range of products we are able to offer our customers. For the fiscal year ended March 31, 1999, Powerscreen reported sales of approximately \$365 million and an operating margin of 11%. Powerscreen has historically been profitable and we expect this acquisition to be accretive to Terex's earnings in 1999, with additional benefits expected from the integration of the businesses. We expect substantial cost savings over the next six months as we integrate these businesses with Terex."

Mr. DeFeo continued, "The acquisition of Powerscreen is an excellent fit with Terex's strategy of extending both the

product type and geographic range of our customer offerings. The majority of Powerscreen's products are marketed to customers engaged in mining and construction activity, markets we already serve. These products are also sold through distribution channels that complement Terex's existing distribution network. Powerscreen will broaden the strategic position of Terex Earthmoving, Terex Lifting and our emerging light equipment business. We expect to integrate the screening and crushing businesses with Terex Earthmoving, the material handling business with Terex Lifting, and Benford light equipment business with our recent Terex Amida acquisition."

Powerscreen manufactures screening and crushing equipment in the United Kingdom, the Irish Republic and the United States. It also manufactures and markets mobile and static screening equipment used for sorting and grading sand and gravel in quarries and waste materials on landfill sites. Crushing equipment is used for processing rock into sand, and gravel and construction waste into re-useable materials. The screening and crushing equipment business represented approximately 60% of Powerscreen's fiscal 1999 revenues. The remaining 40% of revenues were generated by the sale of truck-mounted material handlers, dumper trucks, compaction equipment and mixers. For the year ended March 31, 1999, Powerscreen International plc reported from continuing operations under U.K. GAAP, turnover of (pound)225.1 million, operating profit of (pound)25.2 million, net debt of (pound)4 million and shareholder funds of (pound)50.5 million.

Terex Corporation is a diversified global manufacturer based in Westport, Connecticut, with 1998 revenues in excess of \$1.2 billion. Terex 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.

Certain information in this announcement includes forward-looking statements regarding future events or the future performance of the Company that involve certain contingencies and uncertainties. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual events or performance to differ materially from those reflected in such forward-looking statements. Such risks and uncertainties, many of which are beyond the Company's control, include, among others: the ability of the Company to successfully integrate new businesses; the ability of suppliers to provide components on a timely basis; the effects of changes in laws and regulations; the effect of interest rates, government spending and general economic conditions on construction and mining activity; the national and international political climate; and other factors, risks and uncertainties set forth in more detail in the Company's public filings. Actual events or performance may differ materially from any

forward-looking statement due to these and other risks, uncertainties and significant factors.

Terex Corporation

Fact Sheet

Overview:

Terex Corporation is a diversified global manufacturer of a broad range of Lifting and Earthmoving equipment for the construction, infrastructure and surface mining industries. Terex's products are manufactured in 21 manufacturing operations in the United States and Europe and are marketed in more than 50 countries.

Over the past three years, the Company has been growing at a compounded annual growth rate (CAGR) of 35% from \$501 million of revenues in 1995 to \$1.23 billion in 1998. The Company's operating profit in the same time period has grown from \$12.8 million in 1995 to \$122.0 million in 1998, a CAGR of 112%.

This very rapid growth rate has been supported by an aggressive acquisition strategy. Since 1995, Terex has invested approximately \$460 million (excluding today's announcement) in 11 strategic acquisitions.

Terex has the number 1 position in the US, French, Italian, and Spanish crane markets. The Company also has the number 1 market position in large hydraulic excavators. The Company currently has the number 1 position in surface mining trucks and the number 3 position in off-highway rigid and articulated trucks. In fact, over 50% of Terex's revenues are generated by product lines where the Company has either the number one or number two-market share position.

With expected 1999 revenues in excess of \$1.6 billion, Terex Corporation derives approximately 50% of its revenues from North America, 35% from Europe and the remaining 15% from other parts of the world.

Terex's cost of capital is approximately 9% on a pre-tax basis, while its return on invested capital over the past two years has been in excess of 20%. This has resulted in a substantial amount of economic value being created, which has led to a substantial increase in Terex's stock price.

Over the past five years (1993-1998), Terex has been one of the best performing machinery stocks in the industry. One hundred dollars invested in Terex Corporation on January 1, 1993 would have amounted to \$451.5 by December 31, 1998 vs. \$294.9 for the S&P 500 and \$192.3 for Terex's peer group.

Summary:

Financial (year ended December 31, 1998)

Total revenues	\$1,233 million
Operating profit	\$122 million
Earnings per share	\$3.25 (from continuing operations)
Market capitalization	\$693 million (as of June 14, 1999)

Stock:

Symbol: TEX

Traded on the New York Stock Exchange (NYSE).

22.5 million shares, fully diluted, as of March 31, 1999.

Geographic location of Terex's manufacturing operations:

China (joint venture)	Italy
England	The Netherlands
France	Scotland
Germany	The United States
Ireland	

Employees:

4,122 as of June 1, 1999

Management:

Ronald M. DeFeo, Chairman and Chief Executive Officer

Fil Filipov, President, Terex Lifting

Ernest R. Verebelyi, President, Terex Earthmoving

Joseph F. Apuzzo, Vice President, Corporate Finance

Headquarters:

Terex Corporation
500 Post Road East
Suite 320

Westport, CT 06880

Tel: (203) 222-7170

Fax: (203) 222-7976

www.terex.com

Contacts for Investors and Media: Jack Lascar, Vice President (203) 222-5943 Elizabeth Gaal, Associate (203) 222-5942

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Powerscreen International

Fact Sheet

Overview:

Powerscreen International is one of the world's leading manufacturers and distributors of mobile screening and crushing equipment for quarrying and recycling industries, with strong brand names in materials handling such as Moffett and Benford.

Powerscreen's products are manufactured in parallel locations in the U.K., Ireland and the United States and are marketed in more than 40 countries through a wide independent distribution chain of over 100 distributors.

Screening equipment is used for grading sand and gravel in quarries, and waste recycled materials in landfill sites. Crushers are largely used for processing rock into sand and gravel, together with turning construction waste into re-useable sub base materials. Moffett specializes in truck-mounted forklifts for a variety of industries including building materials, beverage and poultry industries. Benford is a U.K. market leader in the manufacture and distribution of dumpers and compaction equipment.

Moffett Mouny truck-mounted forklift holds a dominant 50% share of the world market, while Benford has a substantial share of the dumper and compaction market and are looking to expand more this year into the U.S. market.

With fiscal year 1999 revenues of \$365 million, Powerscreen derives 50% of its revenues from Europe, 39% from North America and 11% from the rest of the world.

Summary:

Financial (year ended March 31, 1998)

Total revenues	\$366 million
Operating profit	\$40.6 million
Earnings per share	\$0.41
Market capitalization	\$255 million

Stock:

Symbol: PSI

Traded on the London Stock Exchange (LSE) and Dublin Stock Exchange (DSE) 93 million shares, fully diluted, as of March 31, 1999

Geographic location of Powerscreen's manufacturing operations:

England

Irish Republic

Ireland

United States

Wales

Employees:

2,128 as of June 1, 1999

Management:

John E. Craig, Chairman

B. Kearney, Chief Executive Officer

Hubert J. Watson, Chief Operating Officer

John F. Kennerley, Group Finance Director Headquarters:

207 Coalisland Road

Dungannon

County Tyrone

Northern Ireland, BT71 4DR

Tel: 44 1 868 740701

Fax: 44 868 748 816