NEWS RELEASE

Terex Corporation Awarded Second Multi-Year Mining Vehicle Contract From Rio Tinto

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WESTPORT, Conn.--(BUSINESS WIRE)--July 6, 2000--

Contract is Worth as Much as $100 Million

Terex Corporation (NYSE: TEX) today announced that it has entered into a multi-year supply contract with Rio Tinto for the sale of Terex Mining's hydraulic mining shovels. With over $9 billion in 1999 revenues, Rio Tinto is one of the world's leading international mining groups. The group operates over 43 open cast mines worldwide and its production volumes over the past ten years have been growing at a compound annual rate of seven percent. Rio Tinto's substantial interests in mining include copper, gold, iron ore, coal, aluminum, borates and titanium dioxide feedstock.

"We are very pleased that Terex Mining was awarded this important contract," commented Ronald M. DeFeo, Terex's Chairman and Chief Executive Officer. "For the second year in a row Rio Tinto has awarded one of our business units a long term supply agreement. Under this agreement, Terex Mining has been selected as the preferred supplier for new hydraulic shovels purchased by Rio Tinto mines over the next four years. The contract could be worth as much as $100 million in new business to Terex and we have already received initial orders as a result of it. When combined with last year's contract for surface mining trucks, this contractual agreement with Rio Tinto demonstrates the strategic benefits of Terex's acquisition of O&K Mining two years ago. More importantly, the world's largest mining companies are increasingly recognizing the value proposition being delivered by our package of surface mining trucks and hydraulic shovels. Furthermore, these contracts will continue to provide our mining group with a growing base of business well beyond 2000."

"This order is very significant for several reasons," said Ernie Verebelyi, President of Terex Earthmoving. "As the preferred supplier, Terex Mining will have a guaranteed share of Rio Tinto's hydraulic shovel business, with the opportunity to gain additional share. This agreement will also give us the opportunity to prove the cost and technical advantages of the RH400 shovel. At a time when commodity prices remain under pressure, our ability to deliver a more productive and cost effective material movement package through its life cycle should continue to provide us with additional business opportunities. Finally, our relationship with Rio Tinto should provide us with important production slot commitments, improved long term planning ability, assistance in technical development and a customer that understands and rewards value."

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; the continuing use of net operating loss carryovers; the effect of debt and restrictive covenants; and other factors, risks and 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.

Terex Corporation is a diversified global manufacturer based in Westport, Connecticut, with expected 2000 revenues in excess of $2 billion. Terex is involved in a broad range of construction, infrastructure 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 entered the infrastructure building business in 1999 with the acquisitions of Powerscreen and Cedarapids. Terex Lifting manufactures and sells telescopic mobile cranes, lattice boom cranes, tower cranes, aerial work platforms, utility aerial devices, telescopic material handlers, truck mounted lift trucks, truck mounted cranes, and related products, under the brand names Terex, Lorain, PPM, P&H, Franna, Marklift, Koehring, Bendini, Simon, RO, Telelect, Square Shooter, Holland Lift, American, Italmacchine, Peiner, Comedil, Matbro, Moffett, Kooi and Princeton.

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