NEWS RELEASE

Terex Corporation Reports 1998 Net Income Of $72.8 Miilion, Or $3.25 Per Share, On Revenues Of $1.23 Billion

3/2/1999

- Earnings per share in 1998 more than doubled versus 1997.
- Earnings per share in the fourth quarter rose 80 percent to $0.81.

Westport, CT, March 2, 1999 - Terex Corporation (NYSE: TEX) today reported full year income before extraordinary charges of $72.8 million, or $3.25 per share, up $42.5 million over 1997's income before extraordinary charges of $30.3 million, or $1.62 per share. Both income and earnings per share are before charges of $1.71 in 1998 and $1.02 in 1997 for the retirement of debt and preferred stock. Terex Corporation recorded sales of $1,233.2 million in 1998, up $391 million, or 46% over last year.

Fourth quarter income reached $18.1 million or $0.81 per share, up $8.1 million over 1997's fourth quarter income before extraordinary charges of $10.0 million, or $0.45 per share. Sales for the fourth quarter were $320.4 million, up $100.7 million, or 46% over last year's fourth quarter.

"This was a year of progress for Terex," said Ronald M. DeFeo, Chairman and CEO of Terex Corporation. "Despite industry concerns and economic instability in Asia, we kept building momentum driven by operational improvements and the continued integration of our acquisitions. We grew our revenues by approximately 17% before acquisitions and we doubled our earnings per share. We acquired seven businesses and strengthened our competitive position in both the Lifting and Earthmoving segments. We substantially brought down our cost of capital during the year and continued to improve our capital structure. While we still have a lot more work ahead of us, we remain dedicated to deliver on our commitments for 1999."

A financial summary is shown below:

Terex Corporation

	Fourth Quarter		Full Year	
	(dollars in millions, except per share amounts)			
	1998	1997	1998	1997
	% of sales	% of sales	% of sales	% of sales
Net sales....	$320.4	$219.7	$1,233.2	$842.3
Gross profit...	61.7 19.3%	36.8 16.8%	225.8 18.3%	139.6 16.6%
SG&A.....	29.4 9.2%	17.4 7.9%	103.8 8.4%	68.5 8.1%
Operating profit.....	32.3 10.1%	19.4 8.8%	122.0 9.9%	71.1 8.4%
Interest and other.....	(13.4) 4.2%	(9.1) 4.1%	(47.5) 3.9%	(40.1) 4.8%
Income before extraordinary Items.....	18.1 5.6%	10.0 4.6%	72.8 5.9%	30.3 3.6%
Earnings per share(1).....	0.81	0.45	3.25	1.62

(1) Before extraordinary charges in 1998 and 1997 for retirement of debt and special charges related to the redemption of preferred stock in the fourth quarter of 1997.

Fourth Quarter and Full Year 1998

Net sales for the fourth quarter reached $320.4 million, compared with $219.7 million during last year's fourth quarter. Operating profit increased 66% to $32.3 million and operating margin expanded to 10.1% during the quarter compared to 8.8% in last year's quarter. Operating expenses as a percentage of net sales increased to 9.2 % during the quarter primarily reflecting operating expenses of Italmacchine, Peiner and Comedil acquired at the end of the quarter. We expect our operating expenses as a percentage of sales to fall below 8.5% again during the first quarter of 1999 as the Coal India truck order starts having an impact on the revenue line and the integration plans for our three lifting acquisitions are implemented. Net interest expense was $12.4 million during the quarter and represented about 3.9% of revenues, down from 4.1% for last year's quarter. As a result, net margin for the quarter grew from 4.6% in 1997 to 5.6% in 1998.

Net sales in 1998 increased 46% to $1,233.2 million over last year's $842.3 million. Internally generated growth represented approximately $146 million of this revenue increase while the acquired companies contributed about $245 million of the total $391 million revenue increase. Operating profit of $122 million jumped over 71%, reflecting increased volume in the Lifting segment and the impact of acquisitions. As a result, operating margin for the year increased to 9.9% while our net margin grew 2.3 percentage points from 3.6% in 1997 to 5.9% in 1998.

"We delivered strong results in 1998 and we remain committed to grow revenues and expand our margins," added Mr. DeFeo. "Our backlog of business jumped to $418.2 million at year-end from $216.8 million last year driven by the Coal India order, acquisitions and a 9% increase in the backlog of the Lifting business."

Segment Performance

Terex Earthmoving

	Fourth Quarter				Full Year			
	(dollars in millions)							
	1998		1997		1998		1997	
	% of sale		% of sale		% of sale		% of sale	
Net sales....	$109.0	---	$63.4	---	$456.4	---	$288.4	---
Gross profit...	26.7	24.5%	12.9	20.3%	96.5	21.1%	50.7	17.6%
SG&A.....	16.0	14.7%	7.0	11.0%	54.8	12.0%	26.0	9.0%
Operating profit.....	10.7	9.8%	5.9	9.3%	41.7	9.1%	24.7	8.6%
Backlog.....	196.4	---	30.3	---	196.4	---	30.3	---

Revenues in the Earthmoving segment for 1998 reached $456.4 million, a 58% increase from last year's $288.4 million. The O&K acquisition and the impact of its integration plan, as well as improved results at our Terex truck operation led the improvement. Operating profit grew 69% to $41.7 million from $24.7 million in 1997. As a result, operating margins grew to 9.1% from 8.6% for all of 1997. Fourth quarter revenues reached $109 million with an operating profit of $10.7 million.

During the year, we established Terex Mining, which includes the operations of Unit Rig and O&K. "The sales and marketing integration steps in the United States, United Kingdom, South Africa and Australia were implemented,

and we reduced headcount by approximately 140," commented Fred Kreigenfeld, President of Terex Mining. "We have more to do in terms of outsourcing and working capital levels." The acquisition of O&K contributed over $150 million in revenues and $13 million of operating profit during the first nine months of Terex ownership. "The mining equipment industry remains weak," said Ernie Verebelyi, President of Terex Earthmoving. "But the combination of O&K Mining and Unit Rig under the Terex Mining umbrella has given us great global visibility and significant credibility in the mining world."

The $157 million Coal India order that we received in October 1998 for 160 rear dump mining trucks enhances our market position significantly and provides a meaningful increase in the backlog of the Earthmoving business. Production and shipments are on schedule and ahead of our contract commitments. The entire order is expected to be delivered in 1999. This order should add several million dollars of higher-margin parts revenues per year over at least the next ten years.

"The construction equipment unit had a good quarter and a good year," said Colin Robertson, Managing Director of Terex Equipment Limited. "We introduced several new products during the year, including a new twenty-five ton (TA 25) and a thirty-five ton (TA 35) articulated truck. The totally redesigned articulated line includes a new electronic engine and transmission and compares very favorably against our major competitors in terms of performance and value. We believe we can continue to grow our market share by providing the best return for our customers' investment."

Terex Lifting

	Fourth Quarter			Full Year			
	(dollars in millions)						
	1998		1997		1998		1997	
	% of sales		% of sales		% of sales		% of sales	
Net sales....	$210.0	---	$154.9	---	$770.9	---	$548.0	---
Gross profit...	35.0	16.7%	23.8	15.4%	128.5	16.7%	87.2	15.9%
SG&A.....	13.3	6.3%	10.1	6.5%	46.4	6.0%	40.0	7.3%
Operating profit.....	21.7	10.3%	13.7	8.8%	82.1	10.7%	47.2	8.6%
Backlog.....	221.8	---	186.5	--	221.8	---	186.5	---

Revenues in the Lifting segment in 1998 increased significantly to $770.9 million, a 41% increase from last year's

$548 million. Operating profit grew 74%, to $82.1 million from last year's $47.2 million driven by higher volumes in the crane and the utility aerial device businesses and persistent expense control. The U.S. crane market remains strong and we are experiencing good demand conditions in Spain, Italy and Germany. Operating margin reached 10.7%, a 2.1 percentage point increase from last year's 8.6%. Fourth quarter revenues grew to $210 million with an operating profit of $21.7 million.

"We continue our worldwide market penetration in the lifting business, not only in North America but also in Europe," said Fil Filipov, President of Terex Lifting. "We gained additional share in the U.S. crane market, we established a leadership position in Spain and improved our competitive position in Germany. We expect our simple, available and cost effective strategy to help us continue to grow market share."

The aerial work platform business had a strong year with significant growth in Europe. Worldwide revenues increased 62% in 1998 to $143 million. The American Crane integration plan is going well and we have booked more orders in the past few months than American shipped over the past two years. The utility aerial device and material handling businesses each had a solid year with revenues increasing over 70% during 1998. "We have grown our business in both product lines since last year by gaining new customers and penetrating new markets," added Mr. Filipov.

Acquisitions

On November 5, 1998, the Company closed the acquisition of Italmacchine, S.p.A., a manufacturer and marketer of telescopic material handlers for construction and agricultural applications, based near Perugia, Italy. With $23 million in revenues, this acquisition provides an entry into the European telescopic handler market, which is larger than the North American market and adds a product line with superior cost and performance. The addition of the 360 degree rotating construction and the agricultural models, which Terex does not currently offer, should be well received by our rental customers.

On November 11 and December 18, 1998, respectively, the Company acquired Peiner HTS and Gru Comedil S.p.A., two full range manufacturers of tower cranes used in the construction industry. Peiner is based in Trier, Germany and Gru Comedil is based in Pordenone, Italy. The companies generated combined sales of approximately $45 million in 1998. Both companies have competitive product offerings, with Peiner's distribution strong in Germany and Northern Europe, and Comedil's in Southern Europe and the Middle East. Peiner and Comedil each produces a complete line of tower cranes, including self-erecting cranes, standard tower cranes, and luffing-jib tower cranes. "Terex now offers the most diversified lines of lifting products in the world, and these two acquisitions provide an opportunity to aggressively introduce tower cranes to North and South America," added Mr. Filipov.

On February 16, 1999, the Company signed a definitive agreement to acquire Amida Industries, Inc., a leading

manufacturer of light construction equipment sold primarily to rental companies. Amida manufactures mobile light towers, concrete screeds, motorized front dumpers, and directional arrow boards in a 120,000 square foot facility in Rock Hill, SC, and had 1998 sales of approximately $30 million. "Amida has industry leading market shares in each of its product categories, and will expand our business base in the rapidly growing rental segment of the construction equipment industry." commented Mr. DeFeo.

Recent Development

Terex has recently made significant progress with its Internal Revenue Service ("IRS") audit. Terex has previously reported that its federal income tax returns for the years 1987 through 1989 are currently being audited by the IRS, and that Terex had received an IRS examination report proposing a large tax based primarily on lack of substantiation of tax deductions and the denial of Terex's right to use certain pre-1987 net operating loss carryovers ("NOLs"). The IRS has recently advised Terex that it is no longer challenging Terex's right to use its pre-1987 NOLs. Terex is currently in the process of substantiating the amount of pre-1987 NOLs, which it is entitled to use. While Terex may lose or have to use some of its NOLs as a result of the audit, we believe that this development substantially reduces Terex's exposure related to the IRS audit.

Joseph F. Apuzzo, Vice President-Corporate Finance of Terex, commented "This is a significant positive development for Terex. It not only will reduce Terex's risk related to the IRS audit, but also provides a basis upon which we will attempt to resolve the balance of the IRS audit issues. While the possibility remains that Terex will have to pay some amount to the IRS to resolve this matter, we do not believe that the amount ultimately paid will be materially adverse to our financial condition or results of operations."

Outlook and Commentary

The outlook for the North American construction equipment market remains strong driven by a favorable interest rate environment and sustained levels of commercial and industrial economic activity. This outlook is strengthened by the new U.S. highway bill that will increase infrastructure spending and should have a positive impact on both our lifting and construction units. Both segments should continue to benefit from a strong North American market, a selectively improving European market as well as the increased market penetration that some of our product lines are experiencing. Despite the continued weakness of the mining equipment business, we believe the results of our acquisitions coupled with the Coal India truck order should have a meaningful impact on our 1999 results.

Two months into the new year, we remain committed to meet or exceed 1999 expectations. The belief in our ability to meet 1999 expectations is based on the fact that Terex's product line is diversified and increasingly balanced geographically. We also know that our cost structure provides us with a marketing advantage by providing our customers a greater return on their investment than our competitors.

Safe Harbor Statement

Certain information in this announcement includes forward-looking statements regarding future events or the future performance of the Company, and the markets in which the Company participates. 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 successful integration of acquired businesses; the ability of the Company to meet production and delivery schedules; the ability of supplier to provide components on a timely basis; foreign currency fluctuations and international politics; product initiatives and other actions taken by competitors; general economic conditions; IRS audit; 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 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, aerial work platforms, utility aerial devices, telescopic material handlers, truck mounted cranes, tower 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.

TEREX CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(In millions, except per share data)
(unaudited)

	Fourth Quarter		Full Year	
	1998	1997	1998	1997
Net sales	$ 320.4	$ 219.7	$ 1,233.2	$ 842.3
Cost of goods sold	258.7	182.9	1,007.4	702.7
Gross profit	61.7	36.8	225.8	139.6
Engineering, selling & administrative expenses	29.4	17.4	103.8	68.5

Income from operations.....	32.3	19.4	122.0	71.1
Interest and other expenses, net...	(13.4)	(9.1)	(47.5)	(40.1)
Income before income taxes and extraordinary items.....	18.9	10.3	74.5	31.0
Provision for income taxes.....	(0.8)	(0.3)	(1.7)	(0.7)
Income before extraordinary items..	18.1	10.0	72.8	30.3
Extraordinary loss on retirement of debt.....	---	---	(38.3)	(14.8)
Net income.....	18.1	10.0	34.5	15.5
Less preferred stock accretion.....	---	(3.6)	---	(4.8)
Income applicable to common stock..	$ 18.1	$ 6.4	$ 34.5	$ 10.7

PER COMMON AND COMMON EQUIVALENT SHARE:

Basic				
Income before extraordinary items.....	$ 0.87	$ 0.32	$ 3.52	$ 1.57
Extraordinary loss on retirement of debt.....	---	---	(1.85)	(0.91)
Net income.....	$ 0.87	$ 0.32	$ 1.67	$ 0.66
Diluted				
Income before extraordinary items (1).....	$ 0.81	$ 0.30	$ 3.25	$ 1.44
Extraordinary loss on retirement of debt.....	---	---	(1.71)	(0.84)
Net income.....	$ 0.81	$ 0.30	$ 1.54	$ 0.60

(1) Includes special charges related to the redemption of preferred stock in the 4th quarter of 1997 of $3.2 million.

Weighted average common shares outstanding including dilutive securities

Basic.....	20.8	19.9	20.7	16.2
Diluted.....	22.3	21.5	22.4	17.7

TEREX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(in millions, except par value)
(unaudited)

	December 31,	
	1998	1997

CURRENT ASSETS		
Cash and cash equivalents	$ 25.1	$ 28.7
Trade receivables (less allowance $5.6 and $4.5 as of December 31, 1998 and 1997, respectively)	249.8	139.3
Net inventories	472.8	232.1
Other current assets	23.9	26.4
Total Current Assets	771.6	426.5
LONG-TERM ASSETS		
Property, plant and equipment - net	99.5	47.8
Goodwill - net	240.9	88.4
Other assets - net	39.2	25.8
TOTAL ASSETS	$1,151.2	$ 588.5
CURRENT LIABILITIES		
Notes payable and current portion of long-term debt	$ 44.7	$ 26.6
Trade accounts payable	226.9	138.1
Accrued compensation and benefits	24.7	16.4
Accrued warranties and product liability	36.0	25.3
Other current liabilities	93.1	29.7
Total Current Liabilities	425.4	236.1