NEWS RELEASE

Terex Corporation to Acquire Cedarapids, Inc.

7/20/1999

WESTPORT, CT--(BUSINESS WIRE)--July 20, 1999--Terex Corporation (NYSE:TEX) today announced that it has signed a definitive agreement to acquire Cedarapids, Inc. for $170 million in cash. Cedarapids is a leading manufacturer of mobile crushing and screening equipment, asphalt pavers and asphalt material mixing plants. Cedarapids is being sold by the Raytheon Company and the transaction is expected to close in the third quarter of 1999.

``Following on the steps of the recent Powerscreen announcement, the acquisition of Cedarapids provides Terex with leading positions in the crushing and screening equipment markets,'' said Ronald M. DeFeo, Terex's Chairman and Chief Executive Officer. ``This transaction is expected to be accretive to Terex's earnings, given the current performance and implemented cost reduction opportunities at Cedarapids as a stand-alone entity. In addition, the acquisition is a strategic fit with Powerscreen's screening and crushing businesses, which creates new additional opportunities for revenue growth and cost reduction. With approximately $200 million in Cedarapids revenues, we expect substantial cost reductions as we integrate Cedarapids and Powerscreen with Terex.''

Mr. DeFeo continued, ``The acquisition of Cedarapids is 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, Terex believes that demand for Cedarapids' equipment is at an early stage of the business cycle and is expected to grow.''

``This acquisition is a significant addition to Terex,'' added Ron DeFeo. ``The majority of Cedarapids' products are marketed to customers engaged in quarrying and infrastructure development, markets we already serve. These products are also sold through distribution channels that complement Terex's existing distribution network. Cedarapids is one of only two U.S. competitors offering a comprehensive package to turn rock into road, including

crushing and screening, asphalt plants and pavers. This acquisition will allow us to broaden our product line offerings to our customers with shovels and trucks to move aggregate to the crusher and vibratory compaction equipment to provide final compaction after paving.''

Cedarapids operates in three product segments: mobile crushing and screening (60%), pavers (25%) and asphalt plants (15%). Cedarapids manufactures crushing, screening and paving equipment in a 710,000 square foot facility in Cedarapids, Iowa, and asphalt plants in a 140,000 square foot facility in Glasgow, Missouri.

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.