NEWS RELEASE

Terex Reorganizes North American Scissor Lift Production

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MILWAUKEE--(BUSINESS WIRE)--December 14, 1999--Terex Corporation (NYSE: TEX) today announced that its Terex Lifting division intends to consolidate its aerial work platform manufacturing capacity in the United States by closing its scissors manufacturing plant in Milwaukee, Wisconsin. The scissors product line, which is essentially a rental product, will be transferred to the Terex Light Construction group based in Rock Hill, South Carolina. This manufacturing consolidation will strengthen Terex's competitive position by combining the scissors product line with other rental products. Terex intends to sell the property and building which it owns. Terex also expects to take a one time fourth quarter charge for excess and obsolete inventory related to its aerial work platform business.

Commenting on this action, Terex's Chairman and CEO, Ronald M. DeFeo, said "the selection process and consolidation of purchasing that has taken place among the largest rental companies has resulted in Terex losing business to the larger more established brands of scissor lifts. We believe our product is competitive but the guaranteed buybacks, extended terms and low prices common in this market suggest that we should re-trench and target customers where our proposition still makes sense and where we can make money."

Mr. DeFeo continued, "the Milwaukee factory was built for a very large production volume, and we expect this closure will pay back in less than one year. Our aerials work platform business incurred operating losses of approximately $2.5 million for the combined second and third quarters of this year, and we also expect that this restructuring will result in this business operating on a break-even or slightly positive basis in 2000. By consolidating the production with our other "light construction products" in Rock Hill, SC, we remain in the business and focused on growth of our product offerings which cater to the rental companies."

Terex Corporation is a diversified global manufacturer based in Westport, Connecticut, with pro forma annual

revenues in excess of $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 recently entered the infrastructure building business 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 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, Comedil, Matbro, Moffett and Princeton.

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 successful integration of acquired businesses; foreign currency fluctuations and international politics; product initiatives and other actions taken by competitors; general economic conditions; 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.