NEWS RELEASE

Terex Reports First Quarter Net Income Before Special Items of $7.0 Million or $0.18 Per Share

4/23/2002

WESTPORT, Conn.--(BUSINESS WIRE)--April 23, 2002--Terex Corporation (NYSE: TEX) today announced first quarter 2002 net income of $16.9 million or $0.44 per share, compared to $10.1 million or $0.37 per share for the first quarter of 2001.

Excluding special items, income for the first quarter of 2002 was $7.0 million, or $0.18 per share, compared to $12.4 million, or $0.45 per share, for the first quarter of 2001. Special items in the first quarter of 2002 include a $1.2 million restructuring charge and $10.7 million of income related to the write-off of negative goodwill, while the first quarter of 2001 includes $2.3 million related to a loss on retirement of debt. Fully diluted weighted average shares outstanding for the first quarter of 2002 was 38.7 million, compared to 27.4 million for the first quarter of 2001. Net sales for the first quarter of 2002 were $582.0 million, a 22% increase over the first quarter of 2001.

A financial summary is shown below:

Terex Corporation:

First Quarter			
(Dollars in millions, except per share amounts)			
2002		2001	
	% of Sales		% of Sales

Sales	$ 582.0		$ 477.4	
Gross profit (1)	$ 91.3	15.7%	$ 78.6	16.5%
SG&A	59.8	10.3%	40.6	8.5%
Operating profit (1)	31.5	5.4%	38.0	8.0%
Interest & other	(22.4)	3.8%	(19.8)	4.1%
Income taxes	(2.9)	0.5%	(5.8)	1.2%
Loss on retirement of debt	---	---	(2.3)	0.5%
Change in accounting principle (2).	10.7	1.8%	---	---
Net income	$ 16.9	2.9%	$ 10.1	2.1%
Earnings per share	$ 0.44		$ 0.37	
Earnings per share, excluding special items (3)	$ 0.18		$ 0.45	
Backlog	$ 299.9		$ 191.5	
EBITDA (4)	$ 40.0	6.9%	$ 47.2	9.9%
Shares outstanding	38.7		27.4	

(1) Includes $1.2 million in restructuring charges for the first quarter of 2002.

(2) Represents the write-off of negative goodwill related to the adoption of FAS 141 "Business Combinations."

(3) Excludes $1.2 million ($0.8 million, net of income taxes) in restructuring charges and $10.7 million income for change in accounting principle in 2002 and $2.3 million in loss on retirement of debt for 2001.

(4) Excludes $1.2 million in restructuring charges in 2002.

First Quarter 2002

Net sales for the first quarter reached $582.0 million, compared to $477.4 million during the first quarter of 2001, an increase of 22%. The growth in the first quarter was driven primarily by acquisitions, as the results of Atlas Terex and CMI Terex were included for a full quarter and the results of Schaeff and Pacific Utility Equipment Company were added during the first quarter of 2002. Pacific Utility Equipment Company, based in Portland, Oregon, performs final assembly, distribution, equipment rental, and after-market service for the utility,

telecommunications and municipal markets. Excluding the impact of acquisitions, net sales decreased approximately 4% quarter over quarter. Operating expenses increased to $59.8 million, or 10.3% of revenues, from $40.6 million, or 8.5% of revenues, in the first quarter of last year. Excluding acquisitions, operating expenses decreased to $38.4 million, or 8.5% of revenues, reflecting management's continued emphasis on cost control. Operating profit was $31.5 million during the quarter compared to $38.0 million in the first quarter of last year, due to a $1.2 million restructuring charge related to the previously announced consolidation of Terex's hot mix asphalt plant businesses, double digit revenue declines in the North American mobile hydraulic crane and Cedarapids businesses, a shift in product mix and a competitive pricing environment in some end markets. Net interest expense increased to $21.2 million during the quarter from $19.0 million in the first quarter of 2001, as higher average debt balances more than offset the effects of lower interest rates. Other expense for the quarter was ($1.2) million compared to ($0.8) million in the first quarter of 2001, primarily related to the amortization of debt issuance costs. The effective tax rate for the first quarter of 2002 was 32%, equal to last year's first quarter rate. Fully diluted average shares outstanding was 38.7 million for the quarter, compared to 27.4 million in the first quarter of 2001, reflecting the impact of the Company's offering of 5.75 million shares in December 2001 and certain stock issued in connection with the Company's recent acquisitions.

"It is encouraging that we completed the first quarter somewhat ahead of our expectations, but our environment remains challenging and we must continue to execute our growth plan while keeping our costs in line," commented Ronald M. DeFeo, Terex Chairman and Chief Executive Officer. "The initiatives underway within Terex support both our short and long-term goals. We are building a broader, more geographically diverse company with significant franchise value while continuing to improve our balance sheet."

Mr. DeFeo added, "We believe the company is positioned to take advantage of the eventual economic recovery. The integration of our acquisitions is on schedule and contributed in excess of $125 million in revenues and, as expected, the acquisitions in total were slightly dilutive to earnings for the first quarter. Plant consolidations and restructurings and other cost saving initiatives are on or ahead of schedule. We are growing our market share where we see opportunities and holding share in virtually all of our product groups. Our recent equity offering of 5.35 million shares in April 2002 positions the Company to seize growth opportunities that may from time to time present themselves in the market place. We believe that achieving our goal of doubling the size of the Company by 2005 will be financed through a balance between debt and equity, which is consistent with our commitment to maintain a balance between growth and leverage."

Segment Performance

Terex Americas

	First Quarter			
	(Dollars in millions)			
	2002		2001	
		% of Sales		% of Sales
Net Sales	$ 290.0		$ 238.3	
Gross profit	$ 40.8	14.1%	$ 35.4	14.9%
SG&A	25.7	8.9%	16.3	6.8%
Operating profit	$ 15.1	5.2%	$ 19.1	8.0%
Backlog	$ 115.1		$ 102.5	

Net sales in the Terex Americas group for the quarter increased $51.7 million to $290.0 million from $238.3 million in the first quarter of 2001. Excluding the impact of acquisitions, sales declined approximately 4% compared to the first quarter of last year. Net sales were impacted by double digit declines within the mobile hydraulic crane and Cedarapids businesses, partially offset by growth in the off-highway construction truck and lattice boom businesses as well as the continued growth and penetration of the Terex loader backhoe in the North American market.

Operating profit for the quarter was $15.1 million, or 5.2% of revenues, compared to $19.1 million, or 8.0% of revenues, in the first quarter of 2001. Operating profit and operating margins were negatively impacted by a $1.2 million restructuring charge related to the previously announced consolidation of Terex's hot mix asphalt plant businesses and volume declines in the mobile hydraulic crane, Cedarapids and light construction businesses. Product mix also had an impact during the quarter, as products that are distributed but not manufactured in the Americas made up a larger portion of the total revenue base. Operating expenses increased to $25.7 million, or 8.9% of revenues, from $16.3 million, or 6.8% of revenues, in the first quarter of 2001. Excluding acquisitions, operating expenses decreased to $15.5 million, or 6.8% of revenues.

"The market in the Americas remains challenging, with a mixture of results across our businesses," commented Ernie Verebelyi, Group President - Terex Americas. "The plant consolidations and restructurings announced in the third quarter of 2001 are on or ahead of schedule and cost reductions and operating improvements are well underway in the Americas with our recent acquisitions of Schaeff, Fuchs, and Pacific Utility. Even in these difficult times, however, we still see opportunities to grow our franchise. Our distribution business in the Americas, which includes the off-highway construction truck business, the Powerscreen group and the Terex loader backhoe

business, is up approximately 65% quarter over quarter. Our loader backhoe business has received almost as many orders in the first quarter of 2002 as in all of last year. The products from the recent acquisitions of Atlas Terex and Schaeff have been introduced, where appropriate, under the Terex brand name in the Americas, and our rigid truck business is off to a good start in 2002. We will continue to grow the Terex franchise as we focus on penetrating and growing those markets where we have relatively low share and significant growth opportunity."

"The integration of CMI Terex is well underway," commented Fil Filipov, Terex Executive Vice President. "Through our facility rationalizations and cost saving initiatives, we have achieved annual cost savings of $25 million. Our focus now is increasing production and growing the business. We believe we have a great product offering and will look to expand and grow market share."

Terex Europe

	First Quarter			
	(Dollars in millions)			
	2002		2001	
		% of Sales		% of Sales
Net Sales	$ 294.1		$ 223.9	
Gross profit	$ 44.3	15.1%	$ 31.7	14.2%
SG&A	26.1	8.9%	15.7	7.0%
Operating profit	$ 18.2	6.2%	$ 16.0	7.1%
Backlog	$ 182.4		$ 89.9	

Net sales for the Terex Europe group reached $294.1 million during the quarter, a 31% increase from $223.9 million in last year's first quarter. Excluding the impact of acquisitions and divestitures, net sales were up approximately 4% quarter over quarter, reflecting the strong performance at the Benford and Powerscreen group businesses and improvements within the lifting group, primarily in Spain and the United Kingdom.

Operating profit was $18.2 million, or 6.2% of revenues, compared to $16.0 million, or 7.1% of revenues, for last year's first quarter. Excluding acquisitions, operating margin actually increased to 7.8% of revenues. Operating expenses were $26.1 million, or 8.9% of revenues, compared to $15.7 million, or 7.0% of revenues, in the first

quarter of 2001, reflecting the higher cost structure of recently acquired businesses included in the 2002 results. Excluding acquisitions, operating expenses actually decreased to $15.0 million, or 6.7% of sales.

"Despite the challenging markets we compete in today, the Terex Europe group posted solid results for the quarter," commented Colin Robertson, President - Terex Europe. "The investments we have made in our lifting distribution are beginning to pay dividends as we have seen growth in both the U.K. and Spanish markets. The Powerscreen group continues to grow as we see the market moving more towards mobile plants from stationary plants to increase flexibility and productivity. We have seen improvements in the U.K. market for the Benford products as rental companies began buying again in the first quarter of 2002. The German market remains weak, but we remain optimistic about revenue growth within Europe as we broaden the Terex franchise, continue integrating the recently acquired businesses and expand cross selling of our products through our worldwide distribution channels."

"We completed the acquisition of Schaeff in January 2002 and we are swiftly executing on our integration plan," commented Fil Filipov. "Schaeff and Atlas Terex provide a strong distribution network for us in Germany with over 60 dealers. Even though the German market is down, we see growth opportunities for Terex and have already began offering other Terex products through this distribution network." Mr. Filipov added, "We have positioned these companies for growth and see tremendous opportunities to grow our franchise in those markets where we have low market share."

Terex Mining

	First Quarter			
	(Dollars in millions)			
	2002		2001	
		% of Sales		% of Sales
Net Sales	$ 65.3		$ 61.1	
Gross profit	$ 8.1	12.4%	$ 11.7	19.1%
SG&A	6.5	10.0%	8.7	14.2%
Operating profit	$ 1.6	2.5%	$ 3.0	4.9%
Backlog	$ 43.5		$ 19.2	

Net sales in the Terex Mining group were $65.3 million in the quarter, compared to $61.1 million in the first quarter of 2001, reflecting increases in both the truck and shovel businesses. Operating profit for the quarter decreased to $1.6 million, or 2.5% of revenues, compared to $3.0 million, or 4.9% of revenues, for the first quarter of 2001. The decrease in operating profit and operating margin was driven primarily by product mix within the shovel business for both new machines and spare parts. Also impacting the comparisons quarter over quarter was the reclassification of service expenses from operating expenses to cost of sales.

"The general uncertainty in the global economies and depressed commodity prices has created a very difficult operating environment," commented Thys de Beer, President - Terex Mining. "Although there is a tremendous amount of bidding activity going on in the market, there have been very few orders placed worldwide on the truck side of the business. The shovel business, on the other hand, is doing quite well and has orders through the second quarter of 2002. Although the market is difficult, we continue to remain customer focused and are looking for ways to improve our cost structure and increase profitability in the current economic environment."

Capital Structure

"During the first quarter we used approximately $14 million in cash from operations, reflecting the general seasonality of our business as we go into the selling season," commented Joseph F. Apuzzo, Chief Financial Officer. "Working capital as a percent of annualized sales decreased to 36% from 38% at year end. Our short-term goal is still to reduce working capital to 30% of revenues within the next 12-15 months," Mr. Apuzzo added. "Reducing working capital remains a focus of management. We are committed to reducing financial leverage and risk through better asset utilization and conversion of operating profit into cash flow."

Net debt at the end of the quarter increased to $922.3 million from $805.0 million at year-end, primarily reflecting the impact of recent acquisitions. Taking into account the effect of the April 2002 equity offering, net debt would decrease to approximately $809 million and net debt to book capitalization would decrease to 51.5% from 57.5% at year end.

Outlook

"After the first quarter results, I remain cautiously optimistic about 2002," stated Ronald DeFeo. "I believe we have reached the bottom of the trough, but visibility is still difficult in the short term to predict the specific timing of any recovery. I remain comfortable with our previous 2002 full year earnings guidance after you adjust for the recent equity offering, which has a dilutive effect of approximately 5% on the full year. Furthermore, I would like to emphasize that we are an overall stronger company today than a year ago both from a customer and growth potential point of view."

Recent Developments

On April 18, 2002, Terex announced that it had completed the sale of 5 million shares of common stock at a price to the public of $21.75 per share. The underwriters of the offering subsequently exercised their option to purchase an additional 346,700 shares of common stock from the Company. Net proceeds to Terex from this offering of approximately $113 million will be used to repay outstanding indebtedness and for general corporate purposes, including potential acquisitions.

Safe Harbor Statement

The above contains forward-looking information based on Terex'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: Terex's business is highly cyclical and weak general economic conditions may affect the sales of its products and its financial results; the sensitivity of construction and mining activity to interest rates, government spending and general economic conditions; the ability to successfully integrate acquired businesses; the retention of key management personnel; foreign currency fluctuations; Terex's businesses are very competitive and may be affected by pricing, product initiatives and other actions taken by competitors; the effects of changes in laws and regulations; Terex's business is international in nature and is subject to changes in exchange rates between currencies, as well as international politics; the ability of suppliers to timely supply Terex parts and components at competitive prices; the financial condition of suppliers and customers, and their continued access to capital; Terex's ability to timely manufacture and deliver products to customers; Terex's substantial amount of debt and its need to comply with restrictive covenants contained in Terex's debt agreements; compliance with applicable environmental laws and regulations; and other factors, risks, uncertainties more specifically set forth in Terex's public filings with the SEC. Actual events or the actual future results of Terex may differ materially from any forward looking statement due to those and other risks, uncertainties and significant factors. 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 2001 annual revenues in excess of $1.8 billion. Terex is involved in a broad range of construction, infrastructure, recycling and mining-related capital equipment under the brand names of Advance, American, Amida, Atlas, Bartell, Bendini, Benford, Bid-Well, B.L. Pegson, Canica, Cedarapids, Cifali, CMI, Coleman Engineering, Comedil, CPV, Fermec, Finlay, Franna, Fuchs, Grayhound, Hi-Ranger, Italmacchine, Jaques, Johnson-Ross, Koehring, Lectra Haul, Load King, Lorain, Marklift, Matbro, Morrison, Muller, O&K, Payhauler, Peiner, P&H, Powerscreen, PPM, Re-Tech, RO, Royer, Schaeff,

Simplicity, Square Shooter, Telelect, Terex, and Unit Rig. More information on Terex can be found at www.terex.com.

TEREX CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(in millions, except per share data)
(unaudited)

	For the Three Months Ended March 31,	
	2002	2001
Net sales	$ 582.0	$ 477.4
Cost of goods sold	490.7	398.8
Gross profit	91.3	78.6
Selling, general and administrative expenses	59.8	40.6
Income from operations	31.5	38.0
Other income (expense):		
Interest income	0.8	2.0
Interest expense	(22.0)	(21.0)
Other income (expense) - net	(1.2)	(0.8)
Income before income taxes and extraordinary items	9.1	18.2
Provision for income taxes	(2.9)	(5.8)
Income before extraordinary items	6.2	12.4
Extraordinary loss on retirement of debt	---	(2.3)
Cumulative effect of change in accounting principle	10.7	---
Net income	$ 16.9	$ 10.1

EARNINGS PER SHARE:		
Basic:		
Income before extraordinary items	$ 0.16	$ 0.46
Extraordinary loss on retirement of debt	---	(0.09)
Cumulative effect of change in accounting principle	0.28	---
Net income	$ 0.44	$ 0.37
Diluted:		
Income before extraordinary items	$ 0.16	$ 0.45
Extraordinary loss on retirement of debt	---	(0.08)
Cumulative effect of change in accounting principle	0.28	---
Net income	$ 0.44	$ 0.37
Weighted average number of common and common equivalent shares outstanding in per share calculation		
Basic	38.0	26.8
Diluted	38.7	27.4

TEREX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(In millions, except par value)
(Unaudited)

	March 31, 2002	December 31, 2001
CURRENT ASSETS		
Cash and cash equivalents	$ 158.8	$ 250.4
Trade receivables	437.5	351.1
Inventories	743.3	704.8
Deferred taxes	24.9	23.7
Other current assets	56.6	53.0

Total Current Assets	1,421.1	1,383.0
LONG-TERM ASSETS		
Property, plant and equipment	167.6	173.9
Goodwill	712.4	620.1
Deferred taxes	81.2	75.4
Other assets	151.8	134.6
TOTAL ASSETS	$ 2,534.1	$ 2,387.0
CURRENT LIABILITIES		
Notes payable and current portion of long-term debt	$ 50.3	$ 34.7
Trade accounts payable	346.6	291.0
Accrued compensation and benefits	40.6	37.4
Accrued warranties and product liability	60.8	62.7
Other current liabilities	202.3	201.3
Total Current Liabilities	700.6	627.1
NON CURRENT LIABILITIES		
Long-term debt, less current portion	1,030.8	1,020.7
Other	154.0	143.8
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Equity rights	0.5	0.5
Common Stock, $0.01 par value -- Authorized 150.0 shares; issued 39.7 and 37.5 shares at March 31, 2002 and December 31, 2001, respectively	0.4	0.4
Additional paid-in capital	575.1	532.4
Retained earnings	216.8	199.9
Accumulated other comprehensive income	(126.3)	(120.3)
Less cost of shares of common stock in treasury (1.2 and 1.1 shares at March 31, 2002 and December 31, 2001, respectively)	(17.8)	(17.5)
Total Stockholders' Equity	648.7	595.4

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 2,534.1	$ 2,387.0

TEREX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions)
(unaudited)

	Three Months Ended March 31,	
	2002	2001
OPERATING ACTIVITIES		
Net income	$ 16.9	$ 10.1
Adjustments to reconcile net income to cash provided by (used in) operating activities:		
Depreciation	6.9	5.6
Amortization	1.4	4.2
Extraordinary loss on retirement of debt	---	2.3
Gain on sale of fixed assets	---	(0.1)
Changes in operating assets and liabilities (net of effects of acquisitions):		
Trade receivables	(53.3)	(15.9)
Inventories	(12.0)	(33.8)
Trade accounts payable	34.3	18.6
Other, net	(8.7)	(16.6)
Net cash used in operating activities	(14.5)	(25.6)
INVESTING ACTIVITIES		
Acquisition of businesses, net of cash acquired	(72.5)	(7.7)
Capital expenditures	(5.9)	(3.6)
Proceeds from sale of assets	0.4	0.8
Net cash used in investing activities	(78.0)	(10.5)
FINANCING ACTIVITIES		

Proceeds from issuance of long-term debt, net of issuance costs	---	287.9
Principal borrowings (repayments) of long-term debt	0.7	(194.2)
Net repayments under revolving line of credit agreements	1.6	(0.5)
Other	(0.3)	(0.6)
Net cash provided by financing activities	2.0	92.6
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(1.1)	(1.6)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(91.6)	54.9
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	250.4	181.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 158.8	$ 236.3

CONTACT: Terex Corporation, Westport
Kevin O'Reilly, 203/222-5943