NEWS RELEASE

Terex Reports Second Quarter Net Income of $20.5 Million or $0.47 Per Share Before Restructuring and Other Special Items

7/25/2002

WESTPORT, Conn., Jul 25, 2002 (BUSINESS WIRE) --

-- Reports record quarterly revenues of $690 million

Terex Corporation (NYSE:TEX) today announced net income for the second quarter of 2002 of $5.2 million or $0.12 per share, compared to net income of $12.0 million or $0.43 per share for the second quarter of 2001. Excluding the impact of restructuring and other special items, income for the second quarter of 2002 was $20.5 million or $0.47 per share, compared to $14.2 million or $0.51 per share for the second quarter of 2001. Special items in the second quarter of 2002 relate primarily to the previously announced restructuring charge for the closure of the Terex Mining manufacturing facility in Tulsa, Oklahoma and the write down of certain assets within the light construction group, European lifting group and EarthKing subsidiary. These items were partially offset by a foreign exchange gain related to a forward purchase of Euros to hedge the Company's pending acquisition of Demag Mobile Cranes GmbH & Co. KG. Special items in the second quarter of 2001 included a one-time charge for the cost associated with the return of five trucks by a mining customer. Income excluding special items for the six months ended June 30, 2002 was $27.5 million or $0.67 per share, compared to $26.6 million or $0.96 per share for the six months ended June 30, 2001.

"We are encouraged by our performance in the second quarter and the first half of the year," commented Ronald M. DeFeo, Terex Chairman and Chief Executive Officer. "During the first six months we have continued to grow the

Terex franchise, both through acquisitions and by focusing and executing on our low cost manufacturing and low SG&A business model. We were able to grow our base business 8% during the quarter, as compared to the second quarter in 2001, and although our operating margins are down from the prior year, they have increased over two percentage points from the first quarter of 2002, giving me confidence that the worst may be behind us. Our recently completed acquisitions are generally on track and were accretive to earnings in the second quarter. We also generated $23 million in cash from operations and successfully accessed the capital markets during the past quarter, thereby improving the overall capital structure of the Company."

Mr. DeFeo continued, "All of these actions together enabled Terex to remain aggressive and opportunistic on acquisitions, taking advantage of market conditions and positioning Terex for continued growth in the future. Our most recent announcements regarding our planned Demag and Genie acquisitions are good examples of this. As we continue to operate in this difficult business environment, we cannot control the end markets and the timing of any recovery, but we can continue to execute on our business model, grow the Terex franchise and continue to look for ways to differentiate ourselves from our competition and create shareholder value."

A financial summary is shown below:

	Three months ended June 30,				
	2002		2001		
	(in millions, except per share amounts)				
	Reported	Excluding Special Items(1)	Special Items	Reported	Excluding Special Items(2)	Special Items
Sales	$ 690.2	$ ---	$ 690.2	$ 439.3	$ 11.8	$ 451.1
Gross profit	$ 111.9	$ 12.4	$ 124.3	$ 80.2	$ 3.2	$ 83.4
SG&A	73.3	(0.6)	72.7	41.0	---	41.0
Operating profit	38.6	13.0	51.6	39.2	3.2	42.4
Interest and other	(30.9)	9.5	(21.4)	(21.5)	---	(21.5)
Income taxes	(2.5)	(7.2)	(9.7)	(5.7)	(1.0)	(6.7)
Net income	$ 5.2	$ 15.3	$ 20.5	$ 12.0	$ 2.2	$ 14.2
Earnings per share	$ 0.12		$ 0.47	$ 0.43		$ 0.51
EBITDA	$ 47.8	$ 13.0	$ 60.8	$ 47.7	$ 3.2	$ 50.9
Backlog	$ 343.5		$ 343.5	$ 190.8		$ 190.8

Average Fully
Diluted Shares
Outstanding.... 43.6 43.6 27.8 27.8

(1) Special items relate to the restructuring charge for the closure of the Tulsa, Oklahoma facility ($4.2 million), headcount reductions at Cedarapids ($0.9 million), and write down of certain assets within the light construction group, European lifting group and EarthKing subsidiary ($22.9 million), offset partially by a foreign exchange rate gain related to the Demag acquisition ($5.5 million).

(2) Relates to the one-time charge for the cost associated with the return of five trucks by a mining customer.

	Six months ended June 30,					
	2002			2001		
	(in millions, except per share amounts)					
	Reported	Special Items(2)	Excluding Special Items	Reported	Special Items(3)	Excluding Special Items
Sales.....	$ 1,272.2	$ ---	$ 1,272.2	$ 916.7	$ 11.8	$ 928.5
Gross profit..	$ 203.2	$ 13.6	$ 216.8	$ 158.8	$ 3.2	$ 162.0
SG&A.....	133.1	(0.6)	132.5	81.6	---	81.6
Operating profit	70.1	14.2	84.3	77.2	3.2	80.4
Interest and other.....	(53.3)	9.5	(43.8)	(41.3)	---	(41.3)
Income taxes..	(5.4)	(7.6)	(13.0)	(11.5)	(1.0)	(12.5)
Extraordinary loss on debt	---	---	---	(2.3)	2.3	---
Cumulative effect of accounting change(1)....	(113.4)	113.4	---	---	---	---
Net income (loss).....	$ (102.0)	$129.5	$ 27.5	$ 22.1	$ 4.5	$ 26.6
Earnings (loss) per share....	$ (2.48)		$ 0.67	$ 0.80		$ 0.96
EBITDA.....	$ 86.6	$ 14.2	$ 100.8	$ 94.9	$ 3.2	$ 98.1
Backlog	$ 343.5		$ 343.5	$ 190.8		$ 90.8

Average Fully
Diluted Shares

Outstanding...	41.2	41.2	27.6	27.6

(1) Relates to the charge associated with the adoption of SFAS No. 142 "Goodwill and Other Intangible Assets" ($124.1 million) and the income associated with the adoption of SFAS No. 141 "Business Combination" ($10.7 million).

(2) Special items relate to the restructuring charge for the closure of the Tulsa, Oklahoma facility ($4.2 million), closure of the Standard Havens facility ($1.2 million), headcount reductions at Cedarapids ($0.9 million), and the write down of certain assets within the light construction group, European lifting group and EarthKing subsidiary ($22.9 million), offset partially by a foreign exchange rate gain related to the Demag acquisition ($5.5 million).

(3) Relates to the one-time charge for the cost associated with the return of five trucks by a mining customer.

Net sales excluding special items for the second quarter reached $690.2 million, compared to $451.1 million during the second quarter of 2001, an increase of 53%. The growth in the second quarter was substantially driven by the inclusion of acquired companies including CMI, Atlas, Schaeff, Pacific Utility, Telelect Southeast and Advance Mixer. Excluding the impact of acquisitions, net sales increased 8% in the second quarter of 2002 compared to the second quarter of 2001. Operating expenses excluding special items increased to $72.7 million, or 10.5% of sales, from $41.0 million, or 9.1% of sales, in the second quarter of last year, reflecting the higher cost structures of the acquired companies. Excluding the impact of acquisitions, operating expenses in the base businesses decreased to 8.9% of sales from 9.1% of sales in the second quarter of 2001 as management continues to focus on cost controls. Operating profit excluding special items was $51.6 million, a 22% increase from $42.4 million reported in the second quarter of 2001. As a percentage of sales, operating profit for the second quarter decreased to 7.5% from 9.4% in the second quarter of 2001. Operating margins for the base businesses, however, was 8.6%.

Net sales excluding special items for the six months increased 37% to $1,272.2 million from $928.5 million in the comparable period of 2001. The growth for the six months was attributable primarily to acquisitions, as the base businesses grew at a modest rate of 2% year over year. Operating profit excluding special items increased to $84.3 million from $80.4 million, but margins decreased to 6.6% of sales compared to 8.7% of sales in the six months ended June 2001.

"The base businesses had a solid performance during the quarter," said Mr. DeFeo. "Our performance for the quarter was driven by our management team executing plans put in place at the beginning of the year and not from any recovery in our end markets. We continue to focus on areas where we have relatively low market share and penetrate those sectors with our "return on invested capital-value proposition" to the customer. A good example of this is the Terex loader backhoe introduction in North America, and the recent introduction of the Terex mini-excavator and wheel loader under a "Why Pay More" ad campaign. We also had strong performance from

some of our more established businesses, such as the Powerscreen group and the lattice boom crane business, both of which reported double-digit revenue growth. It is not all positive out there, however, as the pluses have been partially offset by the continued weaknesses in the North American mobile telescopic crane and road building businesses."

Segment Performance (Excludes special items)
Terex Americas

	Second Quarter		Year-to-Date	
	(dollars in millions)			
	2002	2001	2002	2001
	% of sales	% of sales	% of sales	% of sales
Net sales	$ 322.8 ---	$ 235.5 ---	$ 612.8 ---	$ 473.8 ---
Gross profit(1)	$ 53.4 16.5%	$ 34.6 14.7%	$ 94.2 15.4%	$ 70.0 14.8%
SG&A	29.6 9.2%	16.8 7.1%	55.3 9.0%	33.1 7.0%
Operating profit(1)	$ 23.8 7.4%	$ 17.8 7.6%	$ 38.9 6.3%	$ 36.9 7.8%
Backlog	$ 165.7	$ 86.3	$ 165.7	$ 86.3

(1) The second quarter and six months of 2001 includes $0.8 and $2.0 million of goodwill amortization, respectively.

Net sales in the Terex Americas group increased $87.3 million to $322.8 million from $235.5 million in the second quarter of 2001. Excluding the impact of acquisitions, sales declined 3% compared to the second quarter of last year. Operating expenses increased $12.8 million to $29.6 million, or 9.2% of sales, from $16.8 million, or 7.1% of sales, in the second quarter of 2001, reflecting the impact of the acquired companies and their higher cost structure. Excluding acquisitions, operating expenses remained relatively flat in dollars and as a percentage of sales. Operating profit increased 34% to $23.8 million, or 7.4% of sales, from $17.8 million, or 7.6% of sales, in the second quarter of 2001, reflecting the impact of acquisitions.

"Although the base businesses in the Terex Americas group as a whole had a solid performance during the quarter, the individual businesses continue to perform at different levels," commented Ernie Verebelyi, Group President - Terex Americas. "Overall, the market in the Americas remains challenging with limited visibility. The North American mobile telescopic crane and road building businesses remain soft and reported revenue declines compared to the

second quarter of 2001. Our lattice boom crane and boom truck businesses continue to grow, as we believe we are taking market share from our competition. The Terex loader backhoe continues to be well received in the North American markets, with more units sold in the first six months of 2002 than in all of 2001. We also had a positive contribution from our most recent acquisitions, Advance Mixer, Pacific Utility and Telelect Southeast, during the quarter." Mr. Verebelyi added, "Terex is creating a stronger and broader construction equipment product offering and we will use our compelling value proposition to penetrate and grow these markets."

"The cost structure at CMI Terex is under control and we are looking for ways to grow this business," said Fil Filipov, Terex Executive Vice President. "Our cost saving initiatives have been implemented and the impact from these actions should continue to improve the operating performance of CMI Terex over the next six to nine months." Mr. Filipov added, "The road building sector remains somewhat soft given the uncertainty surrounding federal and state spending, but we see this as a long-term growth sector as funds are invested to provide the necessary improvement to the road and highway infrastructure in the U.S."

Terex Europe

	Second Quarter		Year-to-Date	
	(dollars in millions)			
	2002	2001	2002	2001
	% of sales	% of sales	% of sales	% of sales
Net sales	$ 386.6 ---	$ 231.0 ---	$ 680.7 ---	$ 454.9 ---
Gross profit(1).	$ 61.9 16.0%	$ 38.9 16.8%	$ 106.2 15.6%	$ 70.6 15.5%
SG&A	33.4 8.6%	15.7 6.8%	59.5 8.7%	31.4 6.9%
Operating profit (1).	$ 28.5 7.4%	$ 23.2 10.0%	$ 46.7 6.9%	$ 39.2 8.6%
Backlog.....	$ 189.3	$ 95.5	$ 189.3	$ 95.5

(1) The second quarter and six months of 2001 includes $1.6 and $2.5 million of goodwill amortization, respectively.

Net sales in Terex Europe increased 67% to $386.6 million from $231.0 million in the second quarter of 2001. Excluding acquisitions, sales in the base businesses increased $45.9 million, or 20%. Operating expenses increased to $33.4 million from $15.7 million in the second quarter of 2001. Excluding acquisitions, operating expenses

decreased to 6.1% of sales from 6.7% of sales in the second quarter of 2001, reflecting a continued emphasis on cost controls. Operating profit increased to $28.5 million, or 23%, from $23.2 million in the second quarter of 2001. Operating margins, however, decreased for the quarter as a result of the acquisitions, product mix and competitive pressures in some end markets. Excluding acquisitions, operating margins were 9.2%, an increase from 7.8% in the first quarter of 2002.

"The Terex Europe group posted solid results for the quarter during challenging times," commented Colin Robertson, President - Terex Europe. "The Powerscreen group continues to post impressive results, capitalizing on the trend in the market towards mobile tracked crushing and screening equipment and away from stationary plants to increase the customers' flexibility and productivity. The Benford products had another strong quarter, supported by increased purchasing by rental companies in the U.K. market. The European lifting business continues to benefit from investments made in the distribution network in Spain and the U.K., as well as a strong performance in Italy." Mr. Robertson added, "The business environment remains difficult but we continue to see improvement in the base businesses as sales and margins expanded for the second consecutive quarter. Although visibility is limited, we believe we are taking the necessary actions to differentiate ourselves from the competition, penetrate those markets where we have low market share and position the group for growth, even in difficult times."

Mr. Filipov stated, "The Schaeff and Atlas acquisitions remain on schedule through the first six months as we continue to implement the Terex model of low cost manufacturing and low SG&A. Although we are still working on executing our plan, the combined acquisitions were accretive during the quarter."

Terex Mining

	Second Quarter		Year-to-Date	
	(dollars in millions)			
	2002	2001	2002	2001
	% of sales	% of sales	% of sales	% of sales
Net sales	$73.2	$ 42.5	$ 138.5	$ 103.6
Gross profit(1)	$ 8.4	11.5% $ 11.0	25.9% 16.5	11.9% $ 22.7 21.9%
SG&A	7.3	10.0% 8.7	20.5% 13.8	10.0% 17.4 16.8%
Operating profit(1)	$ 1.1	1.5% $ 2.3	5.4% $ 2.7	1.9% $ 5.3 5.1%
Backlog	40.5	$ 24.2	40.5	$ 24.2

(1) The second quarter and six months of 2001 includes $0.6 and $1.5

million of goodwill amortization, respectively.

Net sales for the quarter increased $30.7 million to $73.2 million from $42.5 million in the second quarter of 2001. The increase in sales is primarily from the hydraulic shovel business, which also impacted the increase in backlog. The decrease in operating profit from $2.3 million to $1.1 million in the second quarter of 2002 relates to product mix, as sales of higher margin spare parts decreased from 60% of sales during the second quarter of 2001 to 47% of sales in the second quarter of 2002, and to manufacturing inefficiencies in the truck business resulting from low sales volume.

"The mining environment continues to be challenging, as commodity prices remain below the levels necessary to drive long term production increases," commented Thys de Beer, President - Terex Mining. "Although our hydraulic shovel business continued its strong performance during the quarter, the mining group as a whole was negatively impacted by the truck business due to low volumes in new truck orders and manufacturing inefficiencies at the Tulsa facility." Mr. de Beer added, "As we do not forecast any dramatic improvement in the surface mining truck industry at this point in time, we have taken steps to reduce our cost base and investment in this business to improve our returns. This includes the previously announced closure of our Tulsa facility, which will be implemented by the end of this year and for which we took a restructuring charge in the quarter of approximately $4.2 million."

FAS 142 "Goodwill and Other Intangible Assets"

Effective January 1, 2002 the Company was required to adopt Statement of Financial Accounting Standards (SFAS) No. 142, "Goodwill and Other Intangible Assets." This statement changed the accounting for goodwill and indefinite-lived intangible assets from the amortization approach to an impairment only approach. The SFAS No. 142 impairment test is a two-step process. First, it requires comparison of the book value of net assets to the fair value of the related reporting units. If the fair value is determined to be less than book value, a second step is performed to compute the amount of impairment. In the second step, the implied fair value of goodwill is estimated as the fair value of the reporting unit used in the first step less the fair values of all other tangible and intangible assets of the reporting unit. If the carrying amount of goodwill exceeds its implied fair market value, an impairment loss is recognized in an amount equal to that excess.

Under the SFAS No. 142 approach, the Company estimated the fair values of its reporting units using a discounted cash flow methodology and the assistance of independent valuation experts to fair value the tangible and intangible assets. As a result, the Company recorded a transitional goodwill impairment charge as of January 1, 2002 of $132.2 million ($124.1 million net of tax) as a cumulative effect of accounting change. This charge relates primarily to the Mining business ($105.8 million) and the light construction business ($26.2 million).

The charge associated with the adoption of SFAS No. 142 takes into account the current economic conditions in these industries as well as management's estimates for the future. The write-down for the Mining business relates primarily to the underperformance of the truck business and not the hydraulic shovel business, where the market outlook remains strong. The write-down in the light construction group relates to the difficult market conditions of that business. Management will continue to evaluate the long-term strategic role of this operation.

The valuation process under SFAS No. 142 also lead us to perform the required review under SFAS No. 144 "Accounting for the Impairment or Disposal of Long Lived Assets." The result of this review was a write-down of certain fixed assets within the light construction group. Additionally, the Company reduced the value of certain investments in its European lifting group as well as investments in its EarthKing subsidiary. This write down totaled $15.6 million, net of tax.

Capital Structure

"During the second quarter we generated approximately $23 million in cash from operations, as we continued to focus on better asset utilization," commented Joseph F. Apuzzo, Chief Financial Officer. "Although working capital was a net use of cash, as a percent of annualized sales it improved to 34% from 38% at year end. Our short-term goal is still to reduce working capital to 30% of revenues within the next six to nine months."
Net debt at the end of the quarter decreased to $817.0 million from $922.3 million at the end of the first quarter of 2002, primarily reflecting the impact of the April secondary offering of 5.3 million shares of common stock, which generated proceeds to the Company of approximately $113 million. Net debt to book capitalization at the end of the second quarter was 53.4%, compared to 57.5% at year-end.

On July 3, 2002, the Company entered into an amended and restated credit facility with its bank lending group. The revised agreement provides for $375 million of term debt maturing in June 2009 and a revolving credit facility of $300 million that is available through June 2007. The facility also includes provisions for an additional $250 million of term borrowings by the Company on terms similar to the current term loan debt under the facility. The revised credit agreement also includes adjustments to certain covenants and other provisions to allow the Company more flexibility.

Outlook

"Our environment remains challenging but we are continuing to build Terex's overall share," commented Mr. DeFeo. "Consumer confidence remains fragile and customers seem to be pushing off purchasing decisions until they have more comfort as to the status of their own projects and contracts. Although we are encouraged about performing ahead of expectations for the first half of 2002, our outlook remains unchanged for the full year earnings."

"After the first six months, I remain cautiously optimistic about 2002," added Mr. DeFeo. "I believe we have reached the bottom of the trough, but it is still difficult in the short term to predict the timing of any recovery. I continue to believe that we are a stronger company today than one year ago."

Recent Developments

On May 17, 2002, Terex announced that it has entered into an agreement to acquire Demag Mobile Cranes GmbH & Co. KG for approximately 160 million Euros (approximately $160 million). Demag, which manufactures and distributes telescopic and lattice boom cranes, is one of the leading mobile crane producers worldwide, with 2001 revenues of approximately $360 million. The transaction is subject to customary closing conditions, including regulatory approval, and is anticipated to close in the third quarter of 2002.

On July 19, 2002, Terex announced that it has signed an Agreement and Plan of Merger with Genie Holdings, Inc., a leading global manufacturer of aerial work platforms with 2001 revenues of $575 million. The purchase consideration will be $75 million, consisting of $64.9 million in Terex common stock and $10.1 million in cash, subject to adjustment. In accordance with the agreement, the exchange ratio of Terex common shares for Genie shares will be based upon the average closing price for Terex common stock for the ten consecutive trading days prior to the closing date. Based on the current share price of Terex common stock, Terex expects to issue approximately 3.2 million shares of its common stock to Genie shareholders. In addition, Terex will refinance approximately $195 million of Genie debt. The transaction is subject to customary closing conditions, including regulatory approval, and is anticipated to close in the third quarter of 2002.

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, 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
500 Post Road East, Suite 320, Westport, Connecticut 06880
Telephone: (203) 222-7170, Fax: (203) 222-7976, www.terex.com

TEREX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(in millions, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2002	2001	2002	2001

Net sales.....$	690.2	$ 439.3	$ 1,272.2	$ 916.7
Cost of goods sold.....	578.3	359.1	1,069.0	757.9
Gross profit..	111.9	80.2	203.2	158.8
Selling, general and administrative expenses.....	73.3	41.0	133.1	81.6
Income from operations....	38.6	39.2	70.1	77.2
Other income (expense):				
Interest income.....	2.1	1.8	2.9	3.8
Interest expense.....	(22.6)	(23.2)	(44.6)	(44.2)
Other income (expense) - net.....	(10.4)	(0.1)	(11.6)	(0.9)
Income from continuing operations before income taxes and extraordinary items.....	7.7	17.7	16.8	35.9
Provision for income taxes...	(2.5)	(5.7)	(5.4)	(11.5)
Income before extraordinary items.....	5.2	12.0	11.4	24.4
Extraordinary loss on retirement of debt.....	---	---	---	(2.3)
Cumulative effect of change in accounting principle.	---	---	(113.4)	---
Net income (loss).....$	5.2	$ 12.0	$ (102.0)	$ 22.1
EARNINGS PER SHARE: -				
Basic:				
Income				

from operations...$	0.12	$ 0.45	$ 0.28	$ 0.91
Extraordinary loss on retirement of debt.....	---	---	---	(0.09)
Cumulative effect of change in accounting principle...	---	---	(2.80)	--
Net income (loss)..$	0.12	$ 0.45	$ (2.52)	$ 0.82
Diluted:				
Income from operations...$	0.12	$ 0.43	$ 0.28	$ 0.88
Extraordinary loss on retirement of debt....	---	---	---	(0.08)
Cumulative effect of change in accounting principle...	---	---	(2.76)	---
Net income (loss)....$	0.12	$ 0.43	$ (2.48)	$ 0.80
Weighted average number of common and common equivalent shares outstanding in per share calculation				
Basic.....	42.7	26.9	40.4	26.8
Diluted.....	43.6	27.8	41.2	27.6

TEREX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(In millions, except par value)
(Unaudited)

	June 30, 2002	December 31, 2001

CURRENT ASSETS		
Cash and cash equivalents	$ 280.9	$ 250.4
Trade receivables	493.0	351.1
Inventories	780.6	704.8
Deferred taxes	25.3	23.7
Other current assets	75.9	53.0
Total Current Assets	1,655.7	1,383.0
LONG-TERM ASSETS		
Property, plant and equipment	179.2	173.9
Goodwill	596.4	620.1
Deferred taxes	90.7	75.4
Other assets	149.8	134.6
TOTAL ASSETS	$ 2,671.8	$ 2,387.0
CURRENT LIABILITIES		
Notes payable and current portion of long-term debt	$ 65.8	$ 34.7
Trade accounts payable	412.1	291.0
Accrued compensation and benefits	46.9	37.4
Accrued warranties and product liability.	62.6	62.7
Other current liabilities	184.0	201.3
Total Current Liabilities	771.4	627.1
NON CURRENT LIABILITIES		
Long-term debt, less current portion	1,032.1	1,020.7
Other	155.5	143.8
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Equity rights	---	0.5
Common Stock, $0.01 par value -- Authorized 150.0 shares; issued 45.3 and 37.5 shares at June 30, 2002 and December 31, 2001, respectively	0.5	0.4
Additional paid-in capital	691.5	532.4
Retained earnings	97.9	199.9
Accumulated other comprehensive income	(59.3)	(120.3)
Less cost of shares of common stock in treasury (1.2 and 1.1 shares at June 30, 2002 and December 31, 2001, respectively)	(17.8)	(17.5)
Total Stockholders' Equity	712.8	595.4
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 2,671.8	$ 2,387.0

CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions)
(unaudited)

	Six Months Ended June 30,	
	2002	2001
OPERATING ACTIVITIES		
Net income (loss)	$ (102.0)	$ 22.1
Adjustments to reconcile net income (loss) to cash provided by (used in) operating activities:		
Depreciation	15.7	11.0
Amortization	2.8	8.4
Extraordinary loss on retirement of debt	---	2.3
Gain on sale of fixed assets	---	(0.7)
Gain on foreign currency futures	(3.8)	---
Restructuring charges	3.5	---
Impairment charges and asset write downs	140.8	---
Changes in operating assets and liabilities (net of effects of acquisitions):		
Trade receivables	(90.0)	(25.3)
Inventories	(14.2)	(69.9)
Trade accounts payable	79.9	4.5
Other, net	(24.1)	(42.1)
Net cash provided by (used in) operating activities	8.6	(89.7)
INVESTING ACTIVITIES		
Acquisition of businesses, net of cash acquired	(89.5)	(7.7)
Capital expenditures	(10.1)	(7.3)
Proceeds from sale of assets	2.6	3.4
Net cash used in investing activities	(97.0)	(11.6)
FINANCING ACTIVITIES		
Issuance of common stock	113.3	---
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 borrowings under revolving line of credit agreements	0.2	27.8
Other	(0.4)	(0.8)

Net cash provided by financing activities	113.8	120.7
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS.....	5.1	(2.3)
NET / INCREASE IN CASH AND CASH EQUIVALENTS....	30.5	17.1
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	250.4	181.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD.....$	280.9	$ 198.5

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

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