NEWS RELEASE

Terex Reports Third Quarter Net Income of $13.9 Million or $0.31 Per Share Before Special Items

10/24/2002

WESTPORT, Conn.--(BUSINESS WIRE)--Oct. 24, 2002--Terex Corporation (NYSE:TEX) today announced net income for the third quarter of 2002 of $9.8 million, or $0.22 per share, compared to a loss of $10.9 million, or $0.41 per share, for the third quarter of 2001. Excluding the impact of special items, income for the third quarter of 2002 was $13.9 million, or $0.31 per share, compared to $9.0 million, or $0.32 per share, for the third quarter of 2001. Special items in the third quarter of 2002 include: a loss on the early extinguishment of debt related to the refinancing of Terex's bank credit facility; restructuring actions primarily related to the consolidation of facilities within the light construction business; inventory valuation adjustments related to the acquisitions of Demag and Genie which do not reflect the ongoing performance of the businesses; the operating performance for certain businesses in the process of being sold or phased down, the equity loss on Terex's minority investment in Tatra, a.s.; and a foreign exchange loss related to a forward purchase of Euros to hedge the acquisition of Demag. These items were partially offset by a favorable ruling related to a patent infringement case within the Powerscreen group. Special items in the third quarter of 2001 included restructuring charges associated with the consolidation of 11 facilities and other cost reduction initiatives. Net loss for the nine months ended September 30, 2002 was $92.2 million, or $2.17 per share, compared to net income of $11.2 million, or $0.40 per share, for the comparable period in 2001. Income excluding special items for the nine months ended September 30, 2002 was $41.4 million, or $0.97 per share, compared to $35.6 million, or $1.29 per share, for the nine months ended September 30, 2001.

"Our third quarter performance reflects the reality that a recovery in the second half of 2002 has not materialized," commented Ronald M. DeFeo, Terex Chairman and Chief Executive Officer. "Despite this we were generally in line with our expectations, except for the performance at CMI and Atlas, which had operating losses for the quarter. At CMI the issue is revenue, as budget matters at the federal, state and local levels have negatively impacted public

works spending while non-residential spending continues to be off dramatically year over year. At Atlas, we are a quarter or two behind our operational restructuring goals but remain positive about the contribution potential from this business in 2003." Mr. DeFeo added, "Our base businesses, excluding special items, although down 13% on the top line, actually improved operating margins to 8.9% compared to 7.4% for the third quarter of 2001, reflecting results of the actions we have taken as a management team to reduce the cost structure of the company. We have also seen our operating margins improve from 8.5% in the second quarter of 2002 despite an 18% reduction in revenues."

Mr. DeFeo continued, "During the third quarter, we continued to put the building blocks of our future growth into place. We completed the acquisition of Demag on August 30, 2002 and the acquisition of Genie on September 18, 2002. These acquisitions had modest positive impact for the quarter, and given the seasonality of these businesses, particularly Genie, we anticipate that they will have a neutral impact for the full year. We also continued implementing our business model within our core and newly acquired operations. Several initiatives were implemented at existing operations to lower cost and eliminate duplicate or underutilized facilities. I expect this process to continue and perhaps even accelerate as we integrate Demag and Genie. In addition, we have developed several new products that will be introduced in the next few months that we believe will improve our competitiveness in 2003."

A financial summary is shown below:

	Three months ended September 30,			
	2002			
	(in millions, except per share amounts)			
	Reported	Special Items (1)	Excluding Special Items	Excluding Acquisitions & Special Items
Sales	$ 674.1	$ (8.7)	$ 665.4	$ 395.6
Gross profit	$ 88.7	$ 7.3	$ 96.0	$ 68.6
SG&A	54.7	(1.2)	53.5	33.3

Operating profit	34.0	8.5	42.5 $	35.3
Interest and other ...	(17.3)	(5.0)	(22.3)	
Income taxes	(5.3)	(1.0)	(6.3)	
Extraordinary loss on debt	(1.6)	1.6	---	
Net income ..... $	9.8 $	4.1 $	13.9	
Earnings per share ... $	0.22		$ 0.31	
EBITDA ..... $	43.4 $	8.5 $	51.9	
Backlog ..... $	409.2		$ 409.2	
Average Fully Diluted Shares Outstanding ...	45.2		45.2	

	Three months ended September 30,			
	2001			
	(in millions, except per share amounts)			
	Reported	Special Items (2)	Excluding Special Items	Excluding Acquisitions & Special Items
Sales ..... $	453.7 $	--- $	453.7 $	453.7
Gross profit ..... $	45.5 $	24.6 $	70.1 $	70.1
SG&A	41.8	(4.6)	37.2	37.2
Operating profit	3.7	29.2	32.9 $	32.9
Interest and other ...	(19.7)	---	(19.7)	
Income taxes	5.1	(9.3)	(4.2)	
Extraordinary loss on debt	---	---	---	
Net income ..... $	(10.9) $	19.9 $	9.0	

Earnings per share ...	$ (0.41)		$ 0.32
EBITDA	$ 12.5	$ 29.2	$ 41.7
Backlog	$ 142.6		$ 142.6
Average Fully Diluted Shares Outstanding ...	26.9		27.9

(1) Special items relate to the restructuring charge for debt extinguishment ($1.6 million), restructuring in light construction, CMI and Terex Cranes ($2.4 million), foreign exchange loss on Euros held for Demag acquisition ($0.9 million), equity loss on minority interest in Tatra ($1.2 million), Genie and Demag fair value accounting treatment ($2.5 million), and businesses held for sale or phase down ($0.9 million), offset by a favorable ruling on a legal claim ($5.4 million).

(2) Special items relate to the restructuring charge for the consolidation of 11 facilities and other cost reduction initiatives ($19.6 million) as well as businesses held for sale ($0.3 million).

Nine months ended September 30,

2002

(in millions, except per share amounts)

	Reported	Special Items (2)	Excluding Special Items	Excluding Acquisitions & Special Items
Sales	$ 1,946.3	$ (8.7)	$ 1,937.6	$ 1,334.6
Gross profit	$ 291.9	$ 20.9	$ 312.8	$ 219.8
SG&A	187.8	(1.8)	186.0	114.4
Operating profit	104.1	22.7	126.8	$ 105.4
Interest and other ...	(70.6)	4.5	(66.1)	
Income taxes	(10.7)	(8.6)	(19.3)	

Extraordinary loss on debt	(1.6)	1.6	---
Cumulative effect of accounting change (1)	(113.4)	113.4	---
Net income (loss)	$ (92.2)	$ 133.6	$ 41.4
Earnings (loss) per share	$ (2.17)		$ 0.97
EBITDA	$ 130.0	$ 22.7	$ 152.7
Backlog	$ 409.2		$ 409.2
Average Fully Diluted Shares Outstanding ...	42.5		42.5

Nine months ended September 30,

2001

(in millions, except per share amounts)

	Reported	Special Items (3)	Excluding Special Items	Excluding Acquisitions & Special Items
Sales	$ 1,370.4	$ 11.8	$ 1,382.2	$ 1,382.2
Gross profit	$ 204.3	$ 27.8	$ 232.1	$ 232.1
SG&A	123.4	(4.6)	118.8	118.8
Operating profit	80.9	32.4	113.3	113.3
Interest and other ...	(61.0)	---	(61.0)	
Income taxes	(6.4)	(10.3)	(16.7)	
Extraordinary loss on debt	(2.3)	2.3	---	
Cumulative effect of accounting change (1)	---	---	---	

Net income (loss)	$ 11.2	$ 24.4	$ 35.6
Earnings (loss) per share	$ 0.40		$ 1.29
EBITDA	$ 107.4	$ 32.4	$ 139.8
Backlog	$ 142.6		$ 142.6
Average Fully Diluted Shares Outstanding ...	27.7		27.7

(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 ($2.8 million), closure of the Standard Havens facility ($0.8 million), headcount reductions at Cedarapids ($0.6 million), restructuring in light construction, CMI and Terex Cranes ($2.4 million), extraordinary loss on debt ($1.6 million), equity loss on minority interest in Tatra ($1.2 million), Genie and Demag fair value accounting treatment ($2.5 million), businesses held for sale or phase down ($0.9 million), and the write down of certain assets within the light construction group, European lifting group and EarthKing subsidiary ($15.6 million), offset partially by a foreign exchange rate gain related to the Demag acquisition ($2.8 million) and a favorable ruling on a legal claim ($5.4 million).

(3) Relates to the extraordinary loss on the early extinguishment of debt ($2.3 million), a one-time charge for the cost associated with the return of five trucks by a mining customer ($2.2 million), the restructuring charge for the consolidation of 11 facilities and other cost reduction initiatives ($19.6 million), as well as businesses held for sale ($0.3 million).

Segment Performance (Excludes special items)

Terex Cranes

Three months ended September 30,

(dollars in millions)

	2002		2001	
		% of sales		% of sales
Net sales	$ 171.5		$ 123.0	
Gross profit (1)	$ 23.3	13.6%	$ 16.5	13.4%
SG&A	11.5	6.7%	9.2	7.5%
Operating profit (1)	$ 11.8	6.9%	$ 7.3	5.9%
Backlog	$ 186.4		$ 44.1	

Nine months ended September 30,

(dollars in millions)

	2002		2001	
		% of sales		% of sales
Net sales	$ 443.0		$ 402.6	
Gross profit (1)	$ 61.8	14.0%	$ 58.7	14.6%
SG&A	30.4	6.9%	29.6	7.4%
Operating profit (1)	$ 31.4	7.1%	$ 29.1	7.2%
Backlog	$ 186.4		$ 44.1	

(1) The third quarter and nine months of 2001 includes $0.3 million and $1.0 million of goodwill amortization, respectively.

Net sales in the Terex Cranes group increased $48.5 million to $171.5 million from $123.0 million in the third quarter of 2001. Excluding the impact of the Demag acquisition, net sales for the quarter increased 2% compared to the third quarter of last year. SG&A expenses increased $2.3 million to $11.5 million, or 6.7% of sales, from $9.2 million, or 7.5% of sales, in the third quarter of 2001, reflecting the impact of acquisitions. Excluding acquisitions, SG&A expenses decreased in dollars and as a percentage of sales to 6.2%. Operating profit increased 62% to $11.8 million from $7.3 million in

the third quarter of 2001, reflecting the impact of the acquisitions.

"The worldwide crane market remains challenging, with softness in many of our end markets," commented Fil Filipov, President - Terex Cranes. "Our mobile telescopic crane and lattice boom crane businesses face difficult market conditions, with double digit revenue declines during the quarter. These decreases have been offset by the acquisition of Demag, continued growth in our boom truck business and continued delivery on our material handler contract with the U.S. Marine Corps."

Mr. Filipov continued, "We are aggressively implementing our 100-day plan at Demag. The addition of Demag has not only transformed Terex into a global crane company, but also allows us to do things differently and take advantage of the larger manufacturing scale we now have in the Europe. We have begun to evaluate restructuring opportunities in the third quarter and expect to consolidate manufacturing operations and underutilized facilities and review how we go to market to take full advantage of cost savings and synergies beginning in the fourth quarter."

Terex Construction

	Three months ended September 30,			
	(dollars in millions)			
	2002		2001	
	% of sales		% of sales	
Net sales	$ 312.5		$ 183.9	
Gross profit (1)	$ 35.2	11.3%	$ 26.7	14.5%
SG&A	20.2	6.5%	13.4	7.3%
Operating profit (1)	$ 15.0	4.8%	$ 13.3	7.2%
Backlog	$ 88.6		$ 42.4	

	Nine months ended September 30,			
	(dollars in millions)			
	2002		2001	
	% of sales		% of sales	

Net sales	$ 923.8		$ 567.6	
Gross profit (1).....	$ 137.1	14.8%	$ 89.0	15.7%
SG&A	77.5	8.4%	40.2	7.1%
Operating profit (1)..	$ 59.6	6.5%	$ 48.8	8.6%
Backlog	$ 88.6		$ 42.4	

(1) The third quarter and nine months of 2001 includes $1.2 million and $3.5 million of goodwill amortization, respectively.

Net sales in the Terex Construction group increased $128.6 million to $312.5 million from $183.9 million in the third quarter of 2001, driven primarily by the impact of the acquisitions of Atlas and Schaeff and an 6% increase in its base businesses. The growth in the base businesses was led by strong performances at the Powerscreen group, Benford and the material handler businesses, as well as the continued growth and market penetration of the Terex loader backhoe. These increases were partially offset by a revenue decline in the off-highway truck business. SG&A expenses for the third quarter were $20.2 million, or 6.5% of sales, compared to $13.4 million, or 7.3% of sales, for the third quarter of 2001. Excluding acquisitions, SG&A expenses increased slightly to 7.9% of sales. Operating profit for the quarter was $15.0 million, compared to $13.3 million for the third quarter of 2001. Excluding the impact of acquisitions, operating profit increased to $14.0 million, or 7.2% of revenues. The decrease in operating margin for the quarter was due primarily to a shift in product mix and the revenue decline in the off-highway truck business.

"The Terex Construction Group had mixed results for the quarter," commented Colin Robertson, President - Terex Construction. "Our base businesses performed particularly well given the current market conditions, with the exception of our off-highway truck business, which had revenue declines approaching 10% during the quarter. 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. We are also seeing results in the U.K. from marketing Terex's expanded range of compact equipment products, from wheeled loaders to mini-excavators to dumpers and rollers to loader backhoes. This approach has been quite successful in leveraging existing customer relationships and cross selling other Terex products, primarily into the U.K. rental channels, and we plan to expand this approach to other countries. Finally, the Terex loader backhoe continues to perform well in the U.S."

Mr. Robertson continued, "The recent acquisitions in the Terex

Construction group have had mixed results to date. The Schaeff acquisition is performing as expected. Although there has been some softness in the top line at Schaeff, it has been offset by additional cost saving. Atlas, on the other hand, continues to perform at an operating loss. Although there has been a significant improvement from the run rate at the time it was acquired, we expect that it will take at least until the end of this year before it is a positive contributor to the Company's bottom line."

Terex Mining

	Three months ended September 30,			
	(dollars in millions)			
	2002		2001	
	% of sales		% of sales	
Net sales	$ 69.6		$ 91.7	
Gross profit (1).....	$ 9.4	13.5%	$ 14.8	16.1%
SG&A	6.3	9.1%	5.8	6.3%
Operating profit (1)..	$ 3.1	4.5%	$ 9.0	9.8%
Backlog	$ 21.7		$ 30.2	

	Nine months ended September 30,			
	(dollars in millions)			
	2002		2001	
	% of sales		% of sales	
Net sales	$ 208.1		$ 183.4	
Gross profit (1).....	$ 25.9	12.4%	$ 37.5	20.4%
SG&A	20.1	9.7%	23.2	12.6%
Operating profit (1)..	$ 5.8	2.8%	$ 14.3	7.8%
Backlog	$ 21.7		$ 30.2	

(1) The third quarter and nine months of 2001 includes $0.6 million and $2.1 million of goodwill amortization, respectively.

Net sales for the Terex Mining group decreased $22.1 million to $69.6 million from $91.7 million in the third quarter of 2001. The decrease in sales is primarily attributed to the decrease in the surface mining truck business, as the hydraulic shovel business continued to perform as expected. The decrease in operating profit from $9.0 million in the third quarter of 2001 to $3.1 million in the third quarter of 2002 relates to product mix, as sales of higher margin spare parts decreased by $12 million compared to unusually strong parts revenue in the third quarter of 2001, and to lower sales volume in the truck business.

"Although the mining environment continues to be challenging, we are beginning to see some of the results from the difficult decisions we made earlier in the year," commented Thys de Beer, President - Terex Mining. "The closure of the Tulsa facility is moving on schedule and we have already seen the impact of this decision, as operating margins increased to 4.5% of sales during the quarter from 1.5% of sales in the second quarter of 2002 despite a 5% reduction in revenues. By no means are we happy with these returns, and we will continue to look for ways to reduce our cost structure and investment in this business going forward as we manage through this downturn."

Terex Roadbuilding and Utility Products

	Three months ended September 30,			
	(dollars in millions)			
	2002		2001	
	% of sales		% of sales	
Net sales	$ 135.3		$ 69.6	
Gross profit (1)	$ 24.9	18.4%	$ 12.4	17.8%
SG&A	16.5	12.2%	8.4	12.1%
Operating profit (1)	$ 8.4	6.2%	$ 4.0	5.7%
Backlog	$ 104.6		$ 25.9	

	Nine months ended September 30,			

(dollars in millions)

	2002		2001	
		% of sales		% of sales
Net sales	$ 425.6		$ 259.4	
Gross profit (1)	$ 84.6	19.9%	$ 46.2	17.8%
SG&A	55.2	13.0%	25.6	9.9%
Operating profit (1)	$ 29.4	6.9%	$ 20.6	7.9%
Backlog	$ 104.6		$ 25.9	

(1) The third quarter and nine months of 2001 includes $0.8 million and $2.5 million of goodwill amortization, respectively.

Net sales for the Terex Roadbuilding and Utility Products group increased $65.7 million to $135.3 million from $69.6 million for the third quarter of 2001, driven primarily by the acquisitions of CMI, Advance Mixer, Pacific Utility, and EPAC. Excluding the impact of acquisitions, sales decreased approximately 14% as revenues declined in the Telelect and light construction businesses. SG&A expenses increased to $16.5 million, or 12.2% of sales, compared to $8.4 million, or 12.1% of sales, for the third quarter of 2001, reflecting the impact of the acquisitions. Excluding the impact of acquisitions, operating expenses actually decreased to $7.1 million, or 11.9% of sales. Operating profit for the quarter increased to $8.4 million, or 6.2% of sales, from $4.0 million, or 5.7% of sales, for the third quarter of 2001. Excluding the impact of acquisitions, operating profit was $7.8 million, or 13.0% of sales.

"The Terex Roadbuilding and Utility Products group continues to operate under difficult market conditions," commented Mr. DeFeo. "The roadbuilding sector continues to be impacted by budget issues at the federal, state, and local levels which have created uncertainty in the market place and by a decline in non-residential construction spending. The CMI business has been most directly impacted and has seen revenues decline approximately 30% for the quarter and reported an operating loss. Although we have taken significant costs out of this business, the decline in revenues has more than offset any benefit."

Mr. DeFeo continued, "The light construction business continues to face difficult times and declining revenues as it is impacted directly by the buying patterns of the large rental houses. We are in the process of consolidating facilities to reduce the cost structure of

this business. The Utility Products business is an area in which we see opportunities for tremendous upside, both in gaining market share as well as in cross selling other Terex products through this distribution network."

Terex Aerial Work Platforms

	Three months ended September 30,			
	(dollars in millions)			
	2002		2001	
	% of sales		% of sales	
Net sales	$ 20.6		$ ---	
Gross profit (1)	$ 3.8	18.4%	$ ---	
SG&A	1.6	7.8%	---	
Operating profit (1)	$ 2.2	10.7%	$ ---	
Backlog	$ 7.9		$ ---	

	Nine months ended September 30,			
	(dollars in millions)			
	2002		2001	
	% of sales		% of sales	
Net sales	$ 20.6		$ ---	
Gross profit (1)	$ 3.8	18.4%	$ ---	
SG&A	1.6	7.8%	---	
Operating profit (1)	$ 2.2	10.7%	$ ---	
Backlog	$ 7.9		$ ---	

The Terex Aerial Work Platforms group is a new business segment for Terex and represents the results of Genie Holdings, Inc. and its subsidiaries since their acquisition by Terex on September 18, 2002. This segment is headed by Bob Wilkerson, President-Terex Aerial Work Platforms, who was also President of Genie prior to the acquisition.

"Although Genie was only part of Terex for a short period in the third quarter, Genie was able to contribute to the bottom line during the quarter," commented Mr. Wilkerson. "We are aggressively implementing our 100-day plan at Genie and are committed to deliver on $25 million in cost savings. I remain excited about the opportunity of combining Genie and Terex and taking advantage of the best the two companies have to offer, whether by leveraging Terex's European manufacturing capability for production of Genie products or leveraging the direct sales force of Genie to sell and service other Terex products."

Capital Structure

"Cash flow from operations during the third quarter was neutral and was $8.3 million positive for the first nine months of 2002," commented Phil Widman, Chief Financial Officer. "As a percent of annualized sales, net working capital is 36%, including the recent acquisitions of Genie and Demag. We continue to focus on net working capital reductions with a near-term goal to reduce net working capital to a level of 30% of revenues."

Net debt at the end of the third quarter increased to $1,297.1 million from $817.0 million at the end of the second quarter of 2002, primarily reflecting the impact of the Demag and Genie acquisitions. During the third quarter, the company entered into an amended and restated credit facility with its bank-lending group. The revised agreement provided $375 million of term debt maturing in June 2009, a revolving credit facility of $300 million that is available through June 2007, and $210 million of incremental term debt maturing in December 2009. The proceeds from the refinancings were used to pay down existing term debt, fund the acquisitions of Demag and Genie, and for general corporate purposes. Terex also issued approximately 3.2 million shares of its common stock in conjunction with the Genie acquisition. Net debt to book capitalization at the end of the third quarter was 62.7%, compared to 57.5% at the end of 2001 and 63.8% at the end of the third quarter of 2001.

Outlook

"At this point in the year we had expected to see some general recovery in the economy," commented Mr. DeFeo. "Although I believe we are at the bottom of the trough, there is not enough visibility to predict the timing of any recovery. Given the current economic trends, the sense that consumer confidence remains fragile and the fact that

customers continue to delay purchasing decisions, I do not expect any improvement in our end markets in the near term. We anticipate overall performance for the fourth quarter of 2002 to be similar to that of the fourth quarter of 2001. We still remain cautiously optimistic about 2003, as we expect a meaningful benefit from Demag and Genie in the coming year."

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 pro forma 2001 annual revenues of $3.4 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, Demag, Fermec, Finlay, Franna, Fuchs, Genie, 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**.

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TEREX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2002	2001	2002	2001
Net sales	$ 674.1	$ 453.7	$ 1,946.3	$ 1,370.4
Cost of goods sold ...	585.4	408.2	1,654.4	1,166.1
Gross profit	88.7	45.5	291.9	204.3
Selling, general and administrative expenses	54.7	41.8	187.8	123.4
Income from operations	34.0	3.7	104.1	80.9
Other income (expense):				
Interest income ...	1.8	2.8	4.7	6.6
Interest expense ..	(22.3)	(21.9)	(66.9)	(66.1)
Other income				

(expense) - net ..	3.2	(0.6)	(8.4)	(1.5)
Income (loss) from continuing operations before income taxes & extraordinary items	16.7	(16.0)	33.5	19.9
Provision for income taxes	(5.3)	5.1	(10.7)	(6.4)
Income (loss) before extraordinary items	11.4	(10.9)	22.8	13.5
Extraordinary loss on retirement of debt	(1.6)	---	(1.6)	(2.3)
Cumulative effect of change in accounting principle	---	---	(113.4)	---
Net income (loss)	$ 9.8	$ (10.9)	$ (92.2)	$ 11.2
EARNINGS PER SHARE: -				
Basic:				
Income (loss) from operations	$ 0.26	$ (0.41)	$ 0.55	$ 0.50
Extraordinary loss on retirement of debt	(0.04)	---	(0.04)	(0.08)
Cumulative effect of change in accounting principle	---	---	(2.71)	---
Net income (loss)	$ 0.22	$ (0.41)	$ (2.20)	$ 0.42
Diluted:				
Income (loss) from operations	$ 0.25	$ (0.41)	$ 0.54	$ 0.48
Extraordinary loss on retirement of debt	(0.03)	---	(0.04)	(0.08)

Cumulative effect of change in accounting principle	---	---	(2.67)	---
Net income (loss)	$ 0.22	$ (0.41)	$ (2.17)	$ 0.40
Weighted average number of common and common equivalent shares outstanding in per share calculation				
Basic	44.5	26.9	41.8	26.9
Diluted	45.2	26.9	42.5	27.7

TEREX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(In millions, except par value)
(Unaudited)

	September 30, 2002	December 31, 2001
CURRENT ASSETS		
Cash and cash equivalents	$ 337.6	$ 250.4
Trade receivables	639.0	351.1
Inventories	1,133.7	704.8
Deferred taxes	49.0	23.7
Other current assets	136.2	53.0
Total Current Assets ..	2,295.5	1,383.0
LONG-TERM ASSETS		
Property, plant and equipment	265.3	173.9
Goodwill	604.5	620.1
Deferred taxes	94.6	75.4
Other assets	332.8	134.6

TOTAL ASSETS	$ 3,592.7	$ 2,387.0
CURRENT LIABILITIES		
Notes payable and current portion of long-term debt	$ 86.5	$ 34.7
Trade accounts payable	527.9	291.0
Accrued compensation and benefits	73.6	37.4
Accrued warranties and product liability	85.5	62.7
Other current liabilities	300.8	201.3
Total Current Liabilities	1,074.3	627.1
NON CURRENT LIABILITIES		
Long-term debt, less current portion	1,548.2	1,020.7
Other	198.1	143.8
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Equity rights	---	0.5
Common Stock, $0.01 par value -- Authorized 150.0 shares; issued 48.5 and 37.5 shares at September 30, 2002 and December 31, 2001, respectively	0.5	0.4
Additional paid-in capital	753.8	532.4
Retained earnings	107.7	199.9
Accumulated other comprehensive income	(72.1)	(120.3)
Less cost of shares of common stock in treasury (1.2 and 1.1 shares at September 30, 2002 and December 31, 2001, respectively) ..	(17.8)	(17.5)
Total Stockholders' Equity	772.1	595.4
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 3,592.7	$ 2,387.0

TEREX CORPORATION AND SUBSIDIARIES

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

	Nine Months Ended September 30,	
	2002	2001
OPERATING ACTIVITIES		
Net income (loss).....	$ (92.2)	$ 11.2
Adjustments to reconcile net income (loss) to cash provided by (used in) operating activities:		
Depreciation	23.1	16.2
Amortization.....	6.0	13.0
Extraordinary loss on retirement of debt	1.6	2.3
Gain on sale of fixed assets.....	(0.3)	(1.3)
Gain on foreign currency futures....	(3.8)	---
Restructuring charges.....	5.4	19.5
Impairment charges and asset write downs	140.8	---
Changes in operating assets and liabilities (net of effects of acquisitions):		
Trade receivables.....	(45.8)	13.8
Inventories.....	(61.4)	(56.4)
Trade accounts payable.....	84.8	5.4
Other, net.....	(49.9)	(47.7)
Net cash provided by (used in) operating activities	8.3	(24.0)
INVESTING ACTIVITIES		
Acquisition of businesses, net of cash acquired	(440.7)	(10.4)
Capital expenditures.....	(16.4)	(9.3)
Proceeds from sale of assets.....	3.6	3.7
Other.....	---	(3.4)

Net cash used in investing activities	(453.5)	(19.4)
FINANCING ACTIVITIES		
Proceeds from issuance of long-term debt, net of issuance costs	572.0	287.9
Issuance of common stock.....	113.3	---
Principal repayments of long-term debt	(218.1)	(194.2)
Net borrowings under revolving line of credit agreements	60.4	29.2
Other	(1.3)	(1.0)
Net cash provided by financing activities	526.3	121.9
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	6.1	0.9
NET / INCREASE IN CASH AND CASH EQUIVALENTS	87.2	79.4
CASH AND CASH EQUIVALENTS A AT BEGINNING OF PERIOD	250.4	181.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 337.6	$ 260.8

Contact:

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