NEWS RELEASE

Terex Revises Earnings Expectations

9/26/2000

WESTPORT, Conn.--(BUSINESS WIRE)--Sept. 26, 2000--Terex Corporation (NYSE: TEX) today announced that it has revised its expected third quarter and full-year 2000 earnings per share from continuing operations as a result of external factors and lower than anticipated customer orders due to weaker than expected market conditions in the North American construction and global mining industries.

The Company anticipates that its third quarter earnings per share from continuing operations will be in the $0.60 to $0.70 range. Full-year earnings per share for 2000 are expected to be in the $2.90 to $3.10 range. On a comparable tax basis, Terex reported $0.75 per share for the third quarter of 1999.

Since reporting its second quarter results in late July, Terex has been impacted by an increasingly weak Euro/Dollar exchange rate, a decline in U.S. construction truck orders, the truckers' strike in both France and the United Kingdom, and a lack of anticipated orders for surface mining equipment worldwide. The combination of the weaker Euro and the truckers' strike impacted the earnings by an estimated $0.08-$0.10 per share during the third quarter. After six consecutive increases in interest rates in the United States, Terex is experiencing a slowdown in orders coming directly from its customers as well as from its dealer network and rental companies.

"The Terex franchise remains strong and profitable," said Ronald M. DeFeo, Terex's Chairman and Chief Executive Officer. "While the better performing segments of our business have slowed down, our softer segments have not yet recovered. However, we are not waiting for the markets to bail us out. We are currently addressing the weakness in the mining group by further integrating both our surface mining truck and hydraulic shovel businesses. The integration of these two businesses will strengthen our sales and marketing effectiveness with our customers, provide a more uniform manufacturing model and better utilize key financial, purchasing and aftermarket resources. This improvement plan will increase the overall effectiveness of the mining business and position us to

be more profitable and deal with the realities of the mining industry."

Ron DeFeo added, "Despite the lower than expected results for the second half of 2000, the Terex model of a higher proportion of variable costs and lower SG&A costs than the rest of the industry is helping us to mitigate the impact of lower volumes."

Terex expects that it will complete over the next week the sale of its truck-mounted forklift businesses to Partek Cargotec, a subsidiary of Partek Corporation of Finland, for $144 million in cash. The units divested by Terex include the truck-mounted forklift unit of Powerscreen (Moffett) that was acquired in mid-1999 and the Princeton/Kooi units that were acquired from Allegheny Teledyne in late-1999. The approximately $125 million of after-tax proceeds will be used to immediately repay long-term bank debt.

Terex will host a conference call today, September 26, at 10:00 am, Eastern Time. The call will also be broadcast live via the Internet at Terex's Website: http://www.terex.com.

The above contains forward-looking information based on the Company'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, the sensitivity of construction and mining activity to interest rates, government spending and general economic conditions; the success of the integration of acquired businesses; the retention of key management; foreign currency fluctuations; pricing, product initiatives, and other actions taken by competitors; the effect of changes in laws and regulations; and the continuing use of net operating loss carryovers; the effect of debt and restrictive covenants; and other factors, risks and uncertainties more specifically set forth in Terex's public filings with the SEC. 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 expected 2000 revenues in excess of $2 billion. Terex is involved in a broad range of construction, infrastructure 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 entered the infrastructure building business in 1999 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, truck mounted lift trucks, truck mounted cranes, and related products, under the brand names Terex, Lorain, PPM, P&H, Franna, Marklift, Koehring, Bendini, Simon, RO, Telelect,

Square Shooter, Holland Lift, American, Italmacchine, Peiner, Comedil, Matbro, Moffett, Kooi and Princeton.

TEREX CORPORATION (NYSE: TEX)

CONFERENCE CALL
Tuesday, September 26, 2000
10:00 a.m. Eastern Time

Terex Corporation will host a conference call today, Tuesday, September 26, 2000 at 10:00 a.m., Eastern Time.

To access it, call the MCI Conference Call Center at (888) 657-9406 at least 10 minutes before the call is scheduled to begin and specify the following:

- Your name and company
- Password TEX

To accommodate our audiences in earlier time zones or anyone unable to listen, MCI will provide a replay of the teleconference. The replay will be available immediately following the conclusion of the call and can be accessed until Friday, September 29, 2000 at 6:00 p.m., Eastern Time. To access the replay, please call (888) 568-0416, password: TEX or 839 on keypad.

International participants should call (712) 257-2868, password: TEX, at least 15 minutes before the start of the conference call. To access the replay, please call (402) 530-7952, password: TEX or 839 on keypad.

Also, a simultaneous, listen-only mode webcast of this conference call will be available on www.terex.com. Those who wish to listen to the conference call should visit the Investor Relations section of the company's Website at least 15 minutes prior to the event's broadcast. Then, follow the instructions provided to assure that the necessary audio applications are downloaded and installed. These programs can be obtained at no charge to the user. An audio file of the conference call will also be made available on the Terex Corporation Website.

For further information, please contact Elizabeth Gaal, Investor Relations Associate at (203) 222-5942.

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www.terex.com