

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

SHEET METAL WORKERS LOCAL 32) Case No.
PENSION FUND, Individually and on Behalf)
of All Others Similarly Situated,) CLASS ACTION COMPLAINT FOR
Plaintiff,) VIOLATIONS OF FEDERAL SECURITIES
) LAWS
vs.)
)
TEREX CORPORATION, RONALD M.)
DEFEO, PHILIP WIDMAN and THOMAS J.)
RIORDAN,)
Defendants.)
_____)

Plaintiff has alleged the following based upon the investigation of Plaintiff's counsel, which included a review of United States Securities and Exchange Commission ("SEC") filings by Terex Corporation ("Terex" or the "Company"), as well as regulatory filings and reports, securities analysts' reports and advisories about the Company, press releases and other public statements issued by the Company, and media reports about the Company, and Plaintiff believes that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal class action on behalf of purchasers of the common stock of Terex between February 20, 2008 and September 4, 2008, inclusive (the "Class Period"), seeking to pursue remedies under the Securities Exchange Act of 1934 (the "Exchange Act").

JURISDICTION AND VENUE

2. The claims asserted herein arise under and pursuant Sections 10(b) and 20(a) of the Exchange Act [15 U.S.C. §§78j(b) and 78t(a)] and Rule 10b-5 promulgated thereunder by the SEC [17 C.F.R. §240.10b-5].

3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331 and Section 27 of the Exchange Act.

4. Venue is proper in this District pursuant to Section 27 of the Exchange Act and 28 U.S.C. §1391(b). Many of the acts charged herein, including the preparation and dissemination of materially false and misleading information, occurred in substantial part in this District.

5. In connection with the acts alleged in this Complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications and the facilities of the national securities markets.

PARTIES

6. Plaintiff Sheet Metal Workers Local 32 Pension Fund, as set forth in the accompanying certification and incorporated by reference herein, purchased the common stock of Terex during the Class Period and has been damaged thereby.

7. Defendant Terex is incorporated in Delaware and maintains its headquarters at 200 Nyala Farm Road, Westport, CT 06880. The Company operates as a diversified global manufacturer. The Company manufactures a range of equipment for use in various industries, including the construction, infrastructure, quarrying, surface mining, shipping, transportation, refining, and utility industries.

8. (a) Defendant Ronald M. DeFeo (“DeFeo”) is, and was at all relevant times, Executive Chairman and Chief Executive Officer of Terex.

(b) Defendant Philip Widman (“Widman”) is, and was at all relevant times, Chief Financial Officer and Senior Vice President of Terex.

(c) Defendant Thomas J. Riordan (“Riordan”) is, and was at all relevant times, President and Chief Operating Officer of Terex.

(d) Defendants DeFeo, Widman and Riordan are referred to herein as the “Individual Defendants.”

9. During the Class Period, the Individual Defendants, as senior executive officers and/or directors of Terex, were privy to confidential and proprietary information concerning Terex, its operations, finances, financial condition and present and future business prospects. The Individual Defendants also had access to material adverse non-public information concerning Terex, as discussed in detail below. Because of their positions with Terex, the Individual Defendants had access to non-public information about its business, finances, products, markets and present and future business prospects via internal corporate documents, conversations and connections with other

corporate officers and employees, attendance at management and/or board of directors meetings and committees thereof and via reports and other information provided to them in connection therewith. Because of their possession of such information, the Individual Defendants knew or recklessly disregarded that the adverse facts specified herein had not been disclosed to, and were being concealed from, the investing public.

10. The Individual Defendants are liable as direct participants in the wrongs complained of herein. In addition, the Individual Defendants, by reason of their status as senior executive officers and/or directors, were “controlling persons” within the meaning of Section 20(a) of the Exchange Act and had the power and influence to cause the Company to engage in the unlawful conduct complained of herein. Because of their positions of control, the Individual Defendants were able to and did, directly or indirectly, control the conduct of Terex’s business.

11. The Individual Defendants, because of their positions with the Company, controlled and/or possessed the authority to control the contents of its reports, press releases and presentations to securities analysts and through them, to the investing public. The Individual Defendants were provided with copies of the Company’s reports and press releases alleged herein to be misleading, prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Thus, the Individual Defendants had the opportunity to commit the fraudulent acts alleged herein.

12. As senior executive officers and/or directors and as controlling persons of a publicly traded company whose common stock was, and is, registered with the SEC pursuant to the Exchange Act, and was, and is, traded on the New York Stock Exchange (“NYSE”) and governed by the federal securities laws, the Individual Defendants had a duty to promptly disseminate accurate and truthful information with respect to Terex’s financial condition and performance, growth, operations, financial statements, business, products, markets, management, earnings and present and future

business prospects, and to correct any previously issued statements that had become materially misleading or untrue, so that the market price of Terex's common stock would be based upon truthful and accurate information. The Individual Defendants' misrepresentations and omissions during the Class Period violated these specific requirements and obligations.

13. The Individual Defendants are liable as participants in a fraudulent scheme and course of conduct that operated as a fraud or deceit on purchasers of Terex's common stock by disseminating materially false and misleading statements and/or concealing material adverse facts. The scheme: (i) deceived the investing public regarding Terex's business, operations and management and the intrinsic value of Terex's securities; (ii) enabled certain Company insiders to collectively sell 128,662 shares of their personally-held Terex common stock for gross proceeds in excess of \$8.6 million; and (iii) caused Plaintiff and members of the Class to purchase Terex common stock at artificially inflated prices.

CLASS ACTION ALLEGATIONS

14. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all those who purchased the common stock of Terex between February 20, 2008 and September 4, 2008, inclusive, and who were damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

15. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Terex common stock was actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified

from records maintained by Terex or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

16. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law complained of herein.

17. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class action and securities litigation.

18. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business and operations of Terex;

(c) whether the price of Terex common stock was artificially inflated during the Class Period; and

(d) to what extent the members of the Class have sustained damages and the proper measure of damages.

19. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

SUBSTANTIVE ALLEGATIONS

Background

20. Defendant Terex describes itself as a “diversified global manufacturer [that] operates in four business segments: Terex Aerial Work Platforms, Terex Construction, Terex Cranes, and Terex Materials Processing & Mining. Terex manufactures a broad range of equipment for use in various industries, including the construction, infrastructure, quarrying, surface mining, shipping, transportation, refining and utility industries.”

21. Through December 31, 2008, the Company operated in five reportable segments: (i) Terex Aerial Work Platforms, (ii) Terex Construction, (iii) Terex Cranes, (iv) Terex Materials Processing & Mining and (v) Terex Roadbuilding, Utility Products and Other.

22. The Company’s “Construction segment” designs, manufactures and markets two primary categories of construction equipment and their related components and replacement parts: (i) heavy construction equipment, including off-highway trucks, scrapers, hydraulic excavators, large wheel loaders and material handlers; and (ii) compact construction equipment, including loader backhoes, truck-mounted articulated hydraulic cranes, compaction equipment, mini and midiexcavators, site dumpers, compact track loaders, skid steer loaders and wheel loaders.

23. The Company’s “Roadbuilding, Utility Products and Other segment” designs, manufactures and markets asphalt and concrete equipment (including pavers, transfer devices, plants, mixers, reclaimers/stabilizers, placers and cold planers), landfill compactors, bridge inspection and utility equipment (including digger derricks, aerial devices and cable placers), as well as related components and replacement parts.

Materially False and Misleading Statements Issued During the Class Period

24. The Class Period begins on February 20, 2008. On that date, Terex issued a press release announcing its financial results for the fourth quarter and year end of 2007, the period ended

December 31, 2007. For the quarter, the Company reported net income of \$174.0 million, or \$1.67 per share. Defendant DeFeo commented on the results, stating, in pertinent part, as follows:

For Terex, 2007 was a very strong year in terms of financial performance, with our best sales quarter of the year coming in the fourth quarter. ***This was a transformational year for our Company, as it demonstrated that the changes made as part of the journey we embarked on a few years back are taking hold and working.*** We achieved a full year operating margin of 10.5%, net sales grew 19.5% and income from continuing operations was up 55% when compared with 2006. These achievements place us well ahead of the pace we communicated a year earlier in conjunction with our medium term financial goals, and yet the operating margin improvement is still below the potential that we think exists in the Company. We achieved these goals while continuing to have certain product lines of the Company face challenging market conditions in their particular niche. We have benefited from strong global markets, as well as a relatively small exposure to the U.S. housing market; in fact non-U.S. net sales represented 70% of our total net sales for the full year 2007.

We continue to build a better and stronger operating company while keeping honed the skills of a targeted acquirer of assets. The supply chain and component shortages we are facing continue, but we are making steady progress. We continue to invest in improvement projects at an aggressive rate, such as marketing knowledge, sales and service changes, information technology, new product planning processes and the Terex Business System. While these initiatives may not produce immediate benefits, they collectively comprise the cornerstone of our future successes as we build a great company. In 2008, we will build start-up factories in India and China, and potentially other developing markets. In 2007 we successfully acquired Superior Highwall Miners, and expect to close the acquisition of A.S.V., Inc. in the near future. Combined, these facilities and recent acquisitions will provide targeted growth platforms. In 2007, we had a growth rate for net sales of approximately 13% excluding the translation effect of foreign currency exchange rate changes. And while our ROIC level of 43.3% for the year was outstanding, we think this result must be balanced against continued growth to achieve the appropriate mix of growth and returns.

Included in this release is our initial outlook for the 2008 fiscal year. ***Reflecting on where we are today with respect to our objective of \$12 billion in sales and a 12% operating margin by 2010, we feel we are ahead of our original timeline. And while news headlines continue to broadcast slowing economic conditions in North America and Western Europe, we remain optimistic about prospects for our businesses in both of these markets and continue to see very healthy indicators for continued economic expansion from the developing markets, notably in Asia, Eastern Europe and the Middle East.*** [Emphasis added.]

With regard to the Company's backlog, the press release stated, in pertinent part, as follows:

Backlog: Backlog for orders deliverable during the next twelve months was \$4,180.9 million at December 31, 2007, an increase of approximately 53% versus the fourth

quarter of 2006. The increase was mainly driven by the continued sharp increase in crane orders, which are outpacing the Company's ability to manufacture and deliver products to its customers. ***Construction backlog more than doubled over the prior year, in response to strong European and Middle Eastern demand.*** Materials Processing & Mining segment backlog increased almost 75% over the prior year reflecting global infrastructure requirements. The Aerial Work Platforms segment backlog was relatively flat overall versus the prior year period. With regards to Terex Roadbuilding, Utility Products and Other (RBUO) backlog, RBUO backlog at December 31, 2006 included Terex Government Programs of \$38.4 million. Backlog of \$52.8 million at December 31, 2007 relating to Terex Government Programs was allocated to the respective manufacturing divisions to better reflect the product being sold rather than the distribution channel being utilized.

With regard to the Company's outlook for 2008, Defendant DeFeo stated, in pertinent part, as follows:

We are poised to have another record financial performance in 2008. We expect generally strong global markets to continue to drive demand for our equipment. Add to that our expectation that we will have the ability to produce at greater volumes and with improved productivity, and 2008 looks to be a significant step forward towards our corporate 2010 objective. ***It is our expectation that Terex's total revenue for 2008 will be between \$10.0 and \$10.5 billion, and earnings per share in the range of \$6.65 to \$7.15 per share. Expectations are for earnings in the first and second half of 2008 to be approximately equal. Additionally, we expect our first quarter results to be approximately 35% - 40% of our first half guidance.*** [Emphasis added.]

25. Following the issuance of the press release, Defendants held a conference call with analysts and investors to discuss the Company's earnings and operations. During the conference call, Defendants made numerous positive statements about the Company's business, operations and prospects.

26. In response to the Company's announcement and the conference call, the price of Terex stock rose \$4.52 per share, or 7%, to close at \$66.73 per share.

27. On April 23, 2008, Terex issued a press release announcing its financial results for the first quarter of 2008, the period ended March 31, 2008. For the quarter, the Company reported net income of \$163.3 million, or \$1.59 per share, and net sales of \$2,362.7 million. Defendant DeFeo commented on the results, stating, in pertinent part, as follows:

We are pleased with the first quarter's results, with both net sales and net income growth posting solid double digit percentage increases versus the prior year. The strength of international end markets and the continued strength of the domestic U.S. 'in-the-air' products yielded excellent results in our Aerial Work Platforms and Cranes business segments. Continued demand for commodities drove favorable results for our Materials Processing & Mining business segment. The performance of the balance of our businesses, namely the Construction, Roadbuilding and Utility operations, were somewhat disappointing for the quarter. ***We believe, however, that the near term outlook is positive for the Construction segment, and that its operating margin will improve in the mid-year period and lead to good margin expansion on a year-over-year basis in 2008. In general, we think that all of our operations continue to have solid prospects heading into the remainder of the year.***

In February, we provided earnings guidance for our 2008 performance, indicating that we anticipated earnings per share to be between \$6.65 and \$7.15 and net sales to be between \$10.0 and \$10.5 billion. Given our strong performance this quarter, balanced against the uncertainties surrounding some of our end markets and increased input costs, ***we now anticipate earnings per share for 2008 to be towards the middle to high end of our previously announced range, or \$6.85 to \$7.15 per share, on net sales of \$10.5 to \$10.9 billion.*** [Emphasis added.]

Defendant Riordan added, in pertinent part, as follows:

We remain confident about our business outlook for the remainder of 2008. Looking forward, we can see challenges in material costs, especially as we move into the second half of 2008. We intend to address these cost increases through pricing actions to recover lost margin arising from higher component costs. While we anticipate that we will be able to implement these pricing actions timely and effectively, we realize that there is a certain level of risk and exposure that may materialize in the second half of the year.

With regard to the Company's backlog, the press release stated, in pertinent part, as follows:

Backlog: Backlog for orders deliverable during the next twelve months was \$4,815.6 million at March 31, 2008, an increase of approximately 41.1% versus the first quarter of 2007, and an increase of 15.2% versus the December 31, 2007 level. The increase from December 31, 2007 was reflected across all business segments. The increase versus the prior year's first quarter was aided substantially by the continued strength of Crane orders, which are outpacing the Company's ability to manufacture and deliver products to its customers. ***Also meaningfully contributing to the increase was the Construction business, as that segment's backlog increased 48% over the prior year period, in response to strong Eastern European and Middle East demand, continued strong demand for material handlers in response to higher steel prices, and continued ramp-up challenges on certain product lines.*** Materials Processing & Mining segment backlog increased 27% over the prior year period, reflecting global infrastructure requirements. Backlog for the Aerial Work Platforms segment showed a modest improvement, while the Roadbuilding, Utility Products and Other segment declined somewhat from the prior year's first quarter. Further details are contained in the Glossary. With regard to the reported backlog, it

should be noted that Terex has not accepted firm orders for rough terrain crane delivery to take place after January 1, 2009. This was designed to ensure that prices for 2009 delivery sufficiently reflect the demand environment and potential input cost increases of the business. Production volumes for the first quarter of 2009 that have not been included in backlog approximate \$210 million. The Company does not anticipate establishing pricing for rough terrain cranes for 2009 delivery until the third quarter of 2008.

With regard to the Company's "Construction" and "Roadbuilding, Utility Products and Other" segments, the press release stated, in pertinent part, as follows:

Construction: Net sales for the Construction segment for the first quarter of 2008 increased \$40.5 million, or 9.9%, to \$448.3 million versus the first quarter of 2007. Excluding the translation effect of foreign currency exchange rate changes of \$29.8 million and ASV sales since its acquisition of \$21.3 million, net sales decreased approximately 2.6%. The U.S. market remained relatively weak and the European market was moderately slower. This decline was mostly offset with positive developments in the Middle East and Eastern Europe. Additionally, the larger construction-class off-highway truck business in Motherwell, Scotland experienced a slow-down in production rates due to challenges that arose during the shift to a mixed model production line. This shortfall is expected to be temporary, and the net result of this activity is still expected to yield significant volume opportunity and cost reduction.

* * * *

Roadbuilding, Utility Products and Other: Net sales for the Roadbuilding, Utility Products and Other (RBUO) segment for the first quarter of 2008 decreased \$9.6 million, or 5.4%, to \$169.2 million versus the first quarter of 2007. This is directly related to the decrease in concrete mixer truck demand resulting from continued softness in the North American housing construction market. Additionally, the prior year's results reflected an unusual positive effect of the Tier III engine changeover which resulted in an elevated level of customer demand ahead of the introduction of the higher cost, stricter emissions engine. Order quoting activity remains strong for both the asphalt plant and utility product businesses and shipments are expected to increase in the second quarter. The lower net sales volume in the first quarter of 2008 had a negative impact on Gross Margin and operating margin. The Company will continue to monitor the estimated fair value of the roadbuilding business for purposes of determining whether an impairment is evidenced.

28. Following the issuance of the press release, Defendants held a conference call with analysts and investors to discuss the Company's earnings and operations. During the conference call, Defendants made numerous positive statements about the Company's business, operations and prospects.

29. On July 15, 2008, the Company issued a press release announcing that Terex's board of directors authorized the repurchase of \$500 million worth of stock, increasing its current program to \$1.2 billion. Defendant DeFeo, commenting on the repurchase program, stated, in pertinent part, as follows:

This action represents the second step-up in our share repurchase program since the program began. We continue to believe that investing in our shares provides an attractive return. Terex has the financial strength today to expand the share repurchase program without affecting our ability to implement internal or external initiatives. We remain optimistic about meeting our long-term goals, and are committed to enhancing shareholder value.

30. Moreover, according to Goldman Sachs Group analyst Terry Darling, the "timing of the [repurchase] announcement foreshadows better-than-expected outlook commentary on Terex's upcoming second-quarter conference call."

31. In response to the repurchase announcement, shares of the Company's stock rose \$5.81 per share, or 14%, to close at \$48.47 per share.

32. On July 23, 2008, Terex issued a press release announcing its financial results for the second quarter of 2008, the period ended June 30, 2008. For the quarter, the Company reported net income of \$236.3 million, or \$2.32 per share, and net sales of \$2,935.9 million. Defendant DeFeo commented on the results, stating, in pertinent part, as follows:

Results this quarter demonstrate the continued strength of our global franchise. The infrastructure and commodity boom is driving strong demand for our cranes and mining equipment. Based on our increasing backlog for these products, we expect these positive trends to continue. Also, as expected, this was partially offset by slower growth trends in the Aerial Work Platforms (AWP) segment and further softening in the Construction segment. Though both AWP and Construction experienced growth this past quarter, slower growth in Western Europe impacted their performance.

Not surprisingly, input costs continue to present challenges for us. To offset this, we are implementing various price increases and maintaining cost discipline. While in total we expect higher pricing will largely offset the cost increases that we have already incurred, as well as additional cost increases that we expect to incur during the second half of 2008, we do expect that there will be a lag between when higher costs are incurred and price increases to our customers take effect. Accordingly, we

anticipate some reduction in operating margin in our business during the remainder of 2008.

The power of our strategy of product and geographic diversity is illustrated in our results. We have been able to continue to grow net sales and income through an evolving sales mix. The Cranes and Materials Processing & Mining (MPM) segments grew dramatically during the period. Geographically, we continue to see significant growth in developing markets in line with global infrastructure development. Over time, our percentage of sales to developing markets has steadily increased, with first half 2008 net sales in these regions representing approximately 22% of our total sales.

We expect our performance for 2008 to be within our previously announced range for earnings per share of \$6.85 to \$7.15 and net sales of \$10.5 to \$10.9 billion. We expect strong infrastructure and commodity demand trends for our Cranes and MPM segments to continue, which will drive a higher portion of our net sales and income for the balance of 2008.

Our global and product diversification has allowed the Company to perform well despite the difficult economic conditions in the U.S., softening of the markets in Western Europe and increasing input costs. Demand remains strong for many of our products, and we are continuing to invest in our business for today and tomorrow, particularly in developing markets such as China and India. We expect world demand for infrastructure, energy and mining products to continue, while at the same time we are positioning our businesses for the eventual recovery in the U.S. market. ***We remain confident in our ability to achieve our previously stated goal of '12 by 12 in 10', which is \$12 billion in revenues with a 12% operating margin by 2010.*** By quickly adapting to changing market conditions in all of our segments and geographies, we are showing that we can provide products that meet our customers' needs worldwide, and at the same time improve our financial performance and invest in growth for the Company.

Defendant Riordan added, in pertinent part, as follows:

We are progressing well with our key internal initiatives. We continue to invest in appropriate capacity expansion, focusing on up-cycle businesses such as cranes and mining equipment and developing markets, and at the same time we are keenly focused on improving existing capacity and our cost structure to better meet changes in demand and customer needs. As appropriate, headcount and overhead levels are being adjusted globally in line with changes in product demand and the Company's evolving global manufacturing footprint. Finally, we have successfully gone live with the implementation of the Terex Management System at three businesses in the U.S., Germany and U.K. We believe that this new enterprise wide system will contribute to improved efficiency in our operations over the long term, as we consolidate our information systems.

With regard to the Company's backlog, the press release stated, in pertinent part, as follows:

Backlog: Backlog for orders deliverable during the next twelve months was \$4,224.8 million at June 30, 2008, an increase of approximately 11.2% versus the second quarter of 2007, and a decrease of 12.3% versus March 31, 2008.

With regard to the reported backlog, it should be noted that Terex has not accepted firm orders for a variety of crane types, primarily rough terrain cranes, which have scheduled delivery after January 1, 2009. This was designed to ensure that prices for 2009 delivery sufficiently reflect the demand environment and potential input cost increases of the business. Production volumes for 2009 that have not been included in backlog approximate \$484 million, based on current pricing levels. The Company anticipates establishing pricing for these cranes in the third quarter of 2008.

AWP backlog decreased 46.8% as compared to June 30, 2007, and decreased 40.2% as compared to March 31, 2008, due to softening demand, particularly in Western Europe.

Construction segment backlog decreased 2.6% versus the comparable prior year period and decreased 26.5% as compared to March 31, 2008. Slowing compact construction demand in Western Europe, combined with the easing of some supplier constraints (which allowed for increased production levels), contributed to the decreased backlog.

As compared to June 30, 2007 levels, Cranes segment backlog increased 45.5%, due primarily to strong global demand. Compared to March 31, 2008 levels, Cranes backlog decreased 6.0%, due to crane orders received for 2009 delivery which are not included in the backlog because they have yet to be priced (as noted above).

MPM backlog increased 24.4% versus June 30, 2007 and increased 7.4% as compared to March 31, 2008, as global commodity market strength is driving higher demand for mining equipment.

Roadbuilding, Utility Products and Other (RBUO) segment backlog declined 12.6% versus June 30, 2007 and declined 6.2% as compared to March 31, 2008, as concrete mixer truck orders slowed.

With regard to the Company's "Construction" and "Roadbuilding, Utility Products and Other" segments, the press release stated, in pertinent part, as follows:

Construction: Net sales for the Construction segment for the second quarter of 2008 increased 23.6% to \$620.9 million versus the second quarter of 2007. Excluding the translation effect of foreign currency exchange rate changes of approximately \$44 million and acquisition related sales during the second quarter of 2008 of \$58.5 million, net sales increased approximately 3% versus the prior year period.

Weakness in the U.S. construction market continued during the second quarter of 2008, while compact construction equipment sales slowed in Western Europe. Demand remains solid for rigid frame dump trucks as well as material handlers (a product used by scrap steel yards). Additionally, demand trends in developing

markets remain favorable for Construction, particularly in the Middle East, Africa, and Eastern Europe.

Construction operating margin decreased to 2.8% for the second quarter of 2008 from 4.7% for the comparable period in 2007. Rising input costs pressured operating margin during the second quarter of 2008. Additionally, investments in global sales and support structure, as well as initiatives in aftermarket services and engineering, continue to progress, and are expected to contribute to operating margin expansion over the next two to three years.

* * * *

Roadbuilding, Utility Products and Other: Net sales for the RBUO segment for the second quarter of 2008 increased 13.3%, to \$191.3 million, versus the second quarter of 2007. Excluding the translation effect of foreign currency exchange rate changes, net sales increased approximately 11%. The Utility Products, Roadbuilding and Government Programs businesses all witnessed sales growth, although concrete mixer truck sales were essentially flat when compared to the second quarter of 2007.

Trends in the Company's Utility Products business are positive. Roadbuilding net sales remained soft, as U.S. infrastructure spending remains weak, resulting in the continued implementation of cost containment strategies within this business. The Company will continue to monitor the estimated fair value of the Roadbuilding business for purposes of determining whether a goodwill impairment is evidenced.

RBUO operating margin was 5.1% in the second quarter of 2008 versus 2.4% for the comparable period in 2007. Increased volume combined with cost containment, particularly manufacturing efficiencies recognized within the Utility Products business, resulted in improved operating margin for the entire segment.

33. Following the issuance of the press release, Defendants held a conference call with analysts and investors to discuss the Company's earnings and operations. During the conference call, Defendants made numerous positive statements about the Company's business, operations and prospects.

34. The statements referenced above in ¶¶24, 27, 29 and 32 were each materially false and misleading when made because they misrepresented and failed to disclose the following adverse facts, which were known to Defendants or recklessly disregarded by them:

(a) that the Company failed to properly and timely account for impaired assets in its "Construction" and "Roadbuilding, Utility Products and Other" segments;

(b) that the Company was experiencing declining demand for its products in its Construction, Materials Processing and Aerial Work Platforms segments; and

(c) as a result of the foregoing, Defendants lacked a reasonable basis for their positive statements about the Company and its prospects.

35. On September 4, 2008, Terex issued a press release updating its “2008 full year guidance and providing quarterly guidance due to changing market conditions.” In that regard, the press release stated, in pertinent part, as follows:

Full year 2008 earnings per share are expected to be between \$6.35 and \$6.65 compared to \$5.85 for the full year 2007, a 9% to 14% increase. ***Net sales for 2008 are expected to be in the range of \$10.2 to \$10.6 billion.*** This guidance compares to the previously announced range for 2008 earnings per share of \$6.85 to \$7.15 and net sales of \$10.5 to \$10.9 billion.

Earnings per share are expected to be between \$1.26 and \$1.38 for the third quarter of 2008 and between \$1.20 and \$1.33 in the fourth quarter of 2008. This outlook reflects an effective tax rate of approximately 33% and the continued benefit of reduced share count from the Company’s share repurchase program. All per share amounts are on a fully diluted basis.

Defendant DeFeo, commenting on the lowered guidance, stated, in pertinent part, as follows:

While our Cranes and Materials Processing & Mining segments continue to perform better than our expectations, continued market softening and input costs in the Aerial Work Platforms and Construction segments in Western Europe and the United States are expected to more than offset those positive factors.

36. In response to these statements which revealed various adverse factors negatively impacting Terex’s business, the price of Terex stock fell \$9.30 per share, or 20%, to close at \$38.02 per share.

37. On October 22, 2008, Terex issued a press release announcing its financial results for the third quarter of 2008, the period ended September 30, 2008. For the quarter, the Company reported net income for the third quarter of 2008 of \$93.8 million, or \$0.96 per share, and net sales of \$2,514.6 million. Defendant DeFeo commented on the results, stating, in pertinent part, as follows:

While we continue to make progress on our improvement initiatives, the current environment is challenging, marked by a continued global credit crisis and worsening economic conditions, particularly in the U.S. and Western Europe. Input costs continue to present challenges for us, although we expect these to moderate over time. At this time, our price increases have not yet fully offset our total material cost increases. We are taking aggressive actions to better position the Company for the expected reduced net sales levels of the next twelve months, in particular in the AWP, Construction, and Materials Processing businesses. At the same time, we are continuing to invest in developing markets and our improvement initiatives, as well as increasing Cranes and Mining capabilities to meet the growing demand in those areas.

We expect 2009 net sales, including the effect of announced acquisitions, to be similar to 2008 full year net sales, driven by continued strong results in Cranes and Mining, offset by lower net sales in AWP, Materials Processing and Construction. The Cranes and Mining businesses continue to grow, in particular in developing markets, where we expect current positive trends to continue. Beginning in the fourth quarter of 2008, for the next twelve months we expect net sales for AWP to be down 30%-40%, for Materials Processing to be down 15%-20% and for Construction to be down 25%-35% versus the prior twelve month period. In light of these overall expectations, we have taken or initiated several actions to properly size our organization and production levels. Additionally, we have further heightened our focus on cash generation during this time of uncertain access to credit.”

Defendant Riordan added, in pertinent part, as follows:

We are taking a series of actions to aggressively reduce costs and inventories in the businesses listed below. We expect that by early 2009 we will achieve working capital levels closer to 22% of trailing three month annualized net sales, versus the approximately 25% level we experienced at the end of the third quarter.

Defendant Widman, commenting on the results and the Company’s reduced outlook, stated, in pertinent part, as follows:

Given that external access to credit remains uncertain, we must focus on our cash management. The adjustments to production levels and curtailment of incoming material in the AWP, Construction and Materials Processing businesses are expected to reduce inventory levels, and we will carefully manage incoming material in Cranes and Mining to match the growth expectations of these businesses. We are delaying certain capital spending projects and are not currently purchasing shares under our previously announced share repurchase program. However, during the third quarter, we repurchased approximately \$200 million, or 4.2 million shares, and we remain committed to the share repurchase program when access to the capital markets is clearer.

With the actions we are taking to reduce costs and maintain liquidity, we expect to have sufficient flexibility to execute our key business plans.

With regard to the Company's outlook for the fourth quarter and year end of 2008, the press release stated, in pertinent part, as follows:

The Company is revising its estimated fourth quarter 2008 earnings per share guidance to reflect changing market conditions, mainly in North America and Western Europe for the AWP and Construction segments, to between \$0.80 and \$0.90, resulting in full year 2008 earnings per share guidance between \$5.69 and \$5.79. Corresponding full year 2008 net sales are expected to be between \$10.0 and \$10.3 billion. These estimates include a total of \$0.12 per share in charges through the third quarter 2008 for the crane repair program and headcount reductions. The full year 2008 guidance does not include additional charges that may be required to implement further cost reduction activities. Management's previous earnings per share guidance for the fourth quarter was between \$1.20 and \$1.33 and full year 2008 earnings per share guidance was between \$6.35 and \$6.65.

With regard to the Company's "Construction" and "Roadbuilding, Utility Products and Other" segments, the press release stated, in pertinent part, as follows:

Construction: Net sales for the Construction segment for the third quarter of 2008 increased 4.9% to \$474.2 million versus the third quarter of 2007. Excluding the translation effect of foreign currency exchange rate changes of approximately \$16 million and acquisition related net sales during the third quarter of 2008 of approximately \$49 million, net sales decreased approximately 10% versus the prior year period.

Commercial construction remains weak in North America and continues to weaken in Western Europe, resulting in lower net sales for compact construction equipment. Developing market demand remains strong, particularly in Africa, the Middle East and Eastern Europe, but is not of significant scope to offset the weakness in developed markets. Large infrastructure and mining projects continue to demand rigid frame dump trucks.

Construction experienced a negative operating margin of 6.0% for the third quarter of 2008 as compared to a positive operating margin of 3.1% for the comparable period in 2007. The operating loss was due to increased input costs combined with lower net sales volume (excluding the impact of acquisitions). Pricing actions have been taken to offset input cost increases and the recent volatility in steel pricing has begun to moderate, but slowing demand in developed markets has resulted in production cuts and reductions in employment levels. Given the near term performance, the Company will continue to monitor the estimated fair value of the Construction business for purposes of determining whether a goodwill impairment is evidenced.

* * * *

Roadbuilding, Utility Products and Other: Net sales for the RBUO segment for the third quarter of 2008 increased 17.7%, to \$175.3 million, versus the third quarter of

2007. Excluding the translation effect of foreign currency exchange rate changes, net sales increased approximately 14%. The Utility Products, Roadbuilding and Government Programs businesses all witnessed net sales growth.

Demand for Utility Products remains favorable from electrical utility customers. Aging utility infrastructure and the replacement cycle of existing equipment is supporting demand. Roadbuilding net sales increased during the third quarter of 2008 as compared to the third quarter of 2007 due to strong sales from the Brazilian operation combined with moderate sales growth in the U.S. This sales growth was partially offset by lower concrete mixer truck sales.

Due to the low level of road building and infrastructure funding in the U.S., the Company remains cautious regarding the sales outlook for Roadbuilding, and management continues to execute cost containment strategies within this business. The Company will continue to monitor the estimated fair value of the Roadbuilding business for purposes of determining whether goodwill impairment is evidenced.

RBUO operating margin was 2.4% in the third quarter of 2008 versus an operating loss of 1.7% for the comparable period in 2007. Increased volume for Utility Products and the Brazilian based road building operation contributed to stronger margins for the third quarter of 2008. A bad debt charge of approximately \$4 million was incurred in the comparable period in 2007, for the Company's re-rental operation, a business that has since been wound down.

38. In response to these statements which revealed various adverse factors negatively impacting Terex's business, the price of Terex stock fell \$4.03 per share, or 26%, over the next two trading days, to close at \$12.69 per share.

39. On February 3, 2009, Terex issued a press release updating its earnings guidance for 2008. In that regard, the press release stated, in pertinent part, as follows:

Terex [] expects its earnings for 2008 to be approximately 5% below the low end of its previous full year guidance of between \$5.69 and \$5.79 per fully diluted share.

This revised guidance excludes charges associated with the reduction of our production levels, asset impairments and certain other items. Comparable earnings for the full year 2007 were \$5.85 per fully diluted share.

Although not yet finalized, the Company expects to record a non-cash impairment charge of certain of the Company's goodwill, identifiable intangibles and other non current assets principally related to its Construction, Roadbuilding and Utilities businesses. This impairment charge is estimated to be approximately \$600 million, only a portion of which will be tax affected. We are currently in compliance with all of the financial covenants under our bank credit facilities and indentures and this impairment charge will not affect our compliance.

Defendant DeFeo, commenting on the lowered guidance, stated, in pertinent part, as follows:

Our fourth quarter 2008 results were affected by the rapid change in global economic conditions more than we anticipated, as well as continued input cost pressure. We continue to feel the negative effect that credit availability has on customer sentiment and demand for our products, particularly in our Construction, Materials Processing and Aerial Work Platforms businesses, as well as our smaller crane and tower crane product lines.

In response to the present economic environment, we are taking and will continue to take aggressive actions to reduce costs and inventories in all of our businesses. We feel we have responded appropriately with significant actions already in progress, many of which we began late last summer and fall. Our actions include reductions in force, significantly curtailed production schedules in affected businesses, including temporary and permanent factory shutdowns, facility consolidations, the rescheduling of incoming raw materials and reducing executive compensation costs.

40. Then, on February 11, 2009, Terex issued a press release announcing its financial results for the fourth quarter and year end of 2008, the period ended December 31, 2008. For the quarter, the Company reported a net loss of \$421.5 million, or \$4.46 per share, and net sales of \$2.08 billion. For the year, the Company reported net income of \$71.9 million, or \$0.72 per share. Moreover, the Company reported goodwill impairment charges that reduced net income by \$4.60 per share for the full year, and other pre-tax charges totaling \$25.8 million, primarily related to adjustment of the Company's production levels, which decreased full year 2008 net income by \$0.18 per share. For the year, net sales were \$9.89 billion. Defendant DeFeo commented on the results, stating, in pertinent part, as follows:

This past year has been like no other – the first half of the year exhibited robust growth and expansion, while the second half of the year was severely impacted by the global credit crisis and economic deterioration, which drove significant declines in customer demand in our businesses. For the full year, net sales increased significantly in our Cranes and Mining businesses, but were offset by the results in our Aerial Work Platforms, Construction, and Materials Processing businesses, which experienced considerable weakness in the second half of the year. Excluding the goodwill impairment charges, our net income for the year was good given the economic environment. Although we are disappointed with our current working capital levels, we have taken aggressive actions to adjust our production to meet reduced customer demand. We maintained a strong cash position and ended the year with a solid balance sheet and sufficient liquidity to execute our key business plans.

Given the current market conditions, it is difficult to project 2009 performance with a reasonable degree of certainty. However, we are planning for continued softness in demand. We are experiencing increasing levels of cancellations in our backlog for

crane and mining products, as well as delays in acceptance of deliveries, as our customers in these areas are not immune to the effects of the global economic downturn. ***Based on what we know today, we expect our net sales for 2009 to decline by 30% to 35% from 2008. The translation effect of foreign currency exchange rate changes is expected to contribute approximately 13% of this decline. Given the uncertainty and volatility in today's environment, we are not providing earnings guidance until we have better visibility; however, we will continue to take aggressive actions to reduce operating costs and improve our cash flow.***

With regard to the Company's backlog, the press release stated, in pertinent part, as follows:

Backlog: Backlog of orders deliverable during the next twelve months was \$2.96 billion at December 31, 2008, a decrease of 29.3% and 18.5% versus December 31, 2007 and September 30, 2008, respectively. The decrease was mainly driven by significant reductions in orders for the Aerial Work Platforms, Materials Processing, and Construction businesses, as well as the translation effect of foreign currency exchange rate changes. During the fourth quarter, the Company also experienced softening demand and cancellations and rescheduling of orders in the Cranes and Mining businesses, as the Company confirmed delivery expectations for production in 2009. The above numbers do not incorporate the approximate \$648 million Cranes backlog adjustment at September 30, 2008 discussed below.

Aerial Work Platforms (AWP) segment backlog decreased 87.3% as compared to December 31, 2007, and decreased 67.7% as compared to September 30, 2008, primarily due to a significant decline in demand during the fourth quarter as construction activity has dramatically slowed and many of the segment's end markets have experienced 40% to 50% declines in demand. Many of the segment's customers are aging their rental fleets until there is greater clarity in their future business prospects.

Construction segment backlog decreased 64.8% versus the comparable prior year period and decreased 45.1% as compared to September 30, 2008, primarily due to a significant reduction in construction activity in most end markets for this segment's products. Backlog was also impacted by the translation effect of foreign currency exchange rate changes.

Cranes segment backlog decreased 4.0% when compared to December 31, 2007 levels, and was flat as compared to September 30, 2008 levels. As of September 30, 2008, Cranes had not accepted firm orders for a variety of crane types, primarily rough terrain cranes that were scheduled for delivery after January 1, 2009. Production volume for which firm orders had not yet been accepted, and therefore not included in backlog at September 30, 2008, approximated \$648 million. A significant portion of these orders were cancelled during the fourth quarter of 2008 due to customer uncertainty regarding the global economic crisis. Backlog was also negatively impacted by a continued softening in orders for tower cranes.

Materials Processing & Mining (MPM) segment backlog decreased 14.0% versus December 31, 2007, primarily due to the translation effect of foreign currency exchange rate changes, and decreased 31.6% as compared to September 30, 2008,

primarily due to recent softness in global commodity demand and continued weak demand for Materials Processing products.

Roadbuilding, Utility Products and Other (RBUO) segment backlog declined 24.7% versus December 31, 2007 and declined 17.4% as compared to September 30, 2008, mainly due to reduced demand for North American asphalt plants and concrete mixer trucks.

With regard to the Company's "Construction" and "Roadbuilding, Utility Products and Other" segments, the press release stated, in pertinent part, as follows:

Construction: Net sales for the Construction segment for the fourth quarter of 2008 decreased \$202.2 million, or 37.0%, to \$343.9 million versus the fourth quarter of 2007. Excluding the translation effect of foreign currency exchange rate changes and acquisition related net sales during the fourth quarter of 2008, net sales decreased approximately 34% versus the prior year period. Weakness in Western Europe that developed very quickly during the third quarter of 2008 and continued into the fourth quarter was the primary driver of lower net sales. Demand for construction equipment remained soft as residential and non-residential construction experienced increasing weakness globally.

In the fourth quarter of 2008, Construction experienced an operating loss of \$66.8 million, excluding impairment charges of \$364.4 million, as compared to operating income of \$12.5 million for the comparable period in 2007. Lower volume and, to a lesser extent, higher input costs, mainly steel, and costs associated with reductions in production levels, primarily drove the decrease as compared to the fourth quarter of 2007.

* * * *

Roadbuilding, Utility Products and Other: Net sales for the RBUO segment for the fourth quarter of 2008 increased \$2.8 million, or 1.6%, to \$182.1 million versus the fourth quarter of 2007. Excluding the translation effect of foreign currency exchange rate changes and acquisitions, net sales increased approximately 4%. Sales of utility products increased modestly during the fourth quarter of 2008 versus the comparable period in 2007, and increased net sales of roadbuilding equipment manufactured in Latin America more than offset weaker concrete mixer truck sales and softer sales of roadbuilding equipment in North America.

Operating income for the fourth quarter of 2008, excluding impairment charges of \$95.5 million, was \$0.4 million, an improvement compared to the operating loss of \$4.7 million for the comparable period in 2007. Operating income in the fourth quarter of 2008 benefitted from cost reductions implemented earlier in the year, and was partially offset by costs associated with a reduction in production levels. During the fourth quarter of 2007, the winding down of the Company's re-rental business negatively impacted operating profit by approximately \$2 million.

Effective January 1, 2009, the Roadbuilding businesses will be consolidated within the Construction segment, the Utility Products businesses will be consolidated within the AWP segment and the RBUO segment will cease to be a reportable segment.

41. In response to the Company's financial results and bleak forecast, the price of Terex stock fell \$4.17 per share, or 31%, to close at \$9.45 per share.

42. On February 27, 2009, the Company filed its Annual Report on Form 10-K with the SEC. With regard to the asset impairment charge, the Annual Report stated, in pertinent part, as follows:

As of October 1, 2008, we performed our annual goodwill impairment test, which resulted in a non-cash impairment charge for goodwill of \$459.9 million and represented all of the goodwill recorded in the Construction and RBUO segments. This goodwill impairment charge was necessary, as the fair value of the reporting units within these segments had significantly declined, reflecting reduced estimated future cash flows for these businesses based on lower expectations for growth and profitability, primarily as a result of the current global economic downturn.

43. The market for Terex common stock was open, well-developed and efficient at all relevant times. As a result of these materially false and misleading statements and failures to disclose, Terex common stock traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Terex common stock relying upon the integrity of the market price of Terex common stock and market information relating to Terex, and have been damaged thereby.

44. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of Terex common stock, by publicly issuing false and misleading statements and omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and misleading. Said statements and omissions were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about the Company, its business and operations, as alleged herein.

45. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused, or were a substantial contributing cause of, the

damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false or misleading statements about Terex’s business, prospects and operations. These material misstatements and omissions had the cause and effect of creating in the market an unrealistically positive assessment of Terex and its business, prospects and operations, thus causing the Company’s common stock to be overvalued and artificially inflated at all relevant times. Defendants’ materially false and misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company’s common stock at artificially inflated prices, thus causing the damages complained of herein.

Additional Scienter Allegations

46. As alleged herein, Defendants acted with scienter in that Defendants knew that the public documents and statements issued or disseminated in the name of the Company were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, Defendants, by virtue of their receipt of information reflecting the true facts regarding Terex, their control over, and/or receipt and/or modification of Terex’s allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Terex, participated in the fraudulent scheme alleged herein.

47. Defendants were further motivated to engage in this course of conduct in order to allow certain Company insiders to collectively sell 128,662 shares of their personally-held Terex common stock for gross proceeds in excess of \$8.6 million. The following chart sets forth the insider trading:

Insider	Date	Shares	Price	Proceeds
---------	------	--------	-------	----------

Insider	Date	Shares	Price	Proceeds
G. CHRIS ANDERSEN	03/13/08	2,300	\$65.50	\$150,650
	03/13/08	1,800	\$65.65	\$118,170
	03/13/08	1,700	\$65.55	\$111,435
	03/13/08	1,600	\$65.57	\$104,912
	03/13/08	1,300	\$65.33	\$84,929
	03/13/08	1,100	\$65.39	\$71,929
	03/13/08	1,000	\$65.56	\$65,560
	03/13/08	1,000	\$65.45	\$65,450
	03/13/08	800	\$65.47	\$52,376
	03/13/08	800	\$65.48	\$52,384
	03/13/08	400	\$65.64	\$26,256
	03/13/08	400	\$65.62	\$26,248
	03/13/08	400	\$65.63	\$26,252
	03/13/08	400	\$65.52	\$26,208
	03/13/08	400	\$65.35	\$26,140
	03/13/08	300	\$65.44	\$19,632
	03/13/08	300	\$65.36	\$19,608
	03/13/08	200	\$65.51	\$13,102
	03/13/08	100	\$65.78	\$6,578
	03/13/08	100	\$65.54	\$6,554
	03/13/08	100	\$65.53	\$6,553
	03/13/08	100	\$65.49	\$6,549
	03/17/08	3,300	\$65.60	\$216,480
	03/17/08	100	\$65.61	\$6,561
		20,000		\$1,310,516
KEVIN BARR	03/11/08	1,400	\$62.31	\$87,234
	03/11/08	1,100	\$62.39	\$68,629
	03/11/08	700	\$62.40	\$43,680
	03/11/08	700	\$62.41	\$43,687
	03/11/08	700	\$62.28	\$43,596
	03/11/08	676	\$62.26	\$42,088
	03/11/08	600	\$62.33	\$37,398
	03/11/08	500	\$62.35	\$31,175
	03/11/08	400	\$62.29	\$24,916
	03/11/08	200	\$62.38	\$12,476
	03/11/08	200	\$62.36	\$12,472
	03/11/08	100	\$62.44	\$6,244
	03/11/08	100	\$62.42	\$6,242
	03/11/08	100	\$62.43	\$6,243
	03/11/08	100	\$62.37	\$6,237
	03/11/08	100	\$62.32	\$6,232
	03/11/08	100	\$62.23	\$6,223
	05/08/08	6,200	\$71.96	\$446,152
	05/08/08	158	\$71.94	\$11,367
	05/08/08	100	\$71.97	\$7,197
		14,234		\$949,487
JONATHAN CARTER	04/18/08	1,324	\$70.00	\$92,680
	05/06/08	1,199	\$75.00	\$89,925
		2,523		\$182,605
ERIC COHEN	05/02/08	13,000	\$72.30	\$939,900

Insider	Date	Shares	Price	Proceeds
	05/02/08	400	\$72.37	\$28,948
	05/02/08	300	\$72.31	\$21,693
	05/02/08	300	\$72.32	\$21,696
		14,000		\$1,012,237
STEVE STOYAN FILIPOV	02/28/08	2,278	\$69.90	\$159,232
	02/28/08	1,000	\$69.94	\$69,940
	02/28/08	700	\$69.91	\$48,937
	02/28/08	500	\$69.89	\$34,945
	02/28/08	400	\$69.88	\$27,952
	02/28/08	300	\$69.93	\$20,979
	02/28/08	200	\$69.95	\$13,990
	02/28/08	100	\$69.96	\$6,996
	02/28/08	100	\$69.92	\$6,992
	05/15/08	500	\$72.10	\$36,050
	05/15/08	400	\$72.16	\$28,864
	05/15/08	400	\$72.21	\$28,884
	05/15/08	400	\$72.42	\$28,968
	05/15/08	300	\$72.04	\$21,612
	05/15/08	300	\$72.05	\$21,615
	05/15/08	300	\$72.60	\$21,780
	05/15/08	300	\$72.78	\$21,834
	05/15/08	300	\$72.88	\$21,864
	05/15/08	200	\$72.00	\$14,400
	05/15/08	200	\$72.02	\$14,404
	05/15/08	200	\$72.12	\$14,424
	05/15/08	200	\$72.13	\$14,426
	05/15/08	200	\$72.19	\$14,438
	05/15/08	200	\$72.20	\$14,440
	05/15/08	200	\$72.28	\$14,456
	05/15/08	200	\$72.30	\$14,460
	05/15/08	200	\$72.41	\$14,482
	05/15/08	200	\$72.44	\$14,488
	05/15/08	200	\$72.55	\$14,510
	05/15/08	200	\$72.59	\$14,518
	05/15/08	193	\$72.74	\$14,039
	05/15/08	100	\$71.80	\$7,180
	05/15/08	100	\$71.85	\$7,185
	05/15/08	100	\$72.01	\$7,201
	05/15/08	100	\$72.03	\$7,203
	05/15/08	100	\$72.06	\$7,206
	05/15/08	100	\$72.08	\$7,208
	05/15/08	100	\$72.11	\$7,211
	05/15/08	100	\$72.17	\$7,217
	05/15/08	100	\$72.23	\$7,223
	05/15/08	100	\$72.26	\$7,226
	05/15/08	100	\$72.31	\$7,231
	05/15/08	100	\$72.34	\$7,234
	05/15/08	100	\$72.35	\$7,235
	05/15/08	100	\$72.40	\$7,240
	05/15/08	100	\$72.43	\$7,243
	05/15/08	100	\$72.45	\$7,245
	05/15/08	100	\$72.47	\$7,247

Insider	Date	Shares	Price	Proceeds
	05/15/08	100	\$72.48	\$7,248
	05/15/08	100	\$72.49	\$7,249
	05/15/08	100	\$72.51	\$7,251
	05/15/08	100	\$72.54	\$7,254
	05/15/08	100	\$72.62	\$7,262
	05/15/08	100	\$72.63	\$7,263
	05/15/08	100	\$72.64	\$7,264
	05/15/08	100	\$72.65	\$7,265
	05/15/08	100	\$72.67	\$7,267
	05/15/08	100	\$72.70	\$7,270
	05/15/08	100	\$72.72	\$7,272
	05/15/08	100	\$72.76	\$7,276
	05/15/08	100	\$72.77	\$7,277
	05/15/08	100	\$72.80	\$7,280
	05/15/08	100	\$72.85	\$7,285
	05/15/08	100	\$72.86	\$7,286
	05/15/08	100	\$72.90	\$7,290
		14,771		\$1,055,213
TIMOTHY FORD	05/19/08	3,000	\$74.00	\$222,000
	05/19/08	2,000	\$75.00	\$150,000
		5,000		\$372,000
BRIAN HENRY	03/26/08	5,100	\$63.09	\$321,759
	03/26/08	2,000	\$63.10	\$126,200
	03/26/08	1,700	\$63.15	\$107,355
	03/26/08	1,100	\$63.12	\$69,432
	03/26/08	1,000	\$63.13	\$63,130
	03/26/08	800	\$63.22	\$50,576
	03/26/08	800	\$63.14	\$50,512
	03/26/08	600	\$63.16	\$37,896
	03/26/08	600	\$63.07	\$37,842
	03/26/08	300	\$63.21	\$18,963
	03/26/08	300	\$63.05	\$18,915
	03/26/08	200	\$63.18	\$12,636
	03/26/08	200	\$63.11	\$12,622
	03/26/08	200	\$63.06	\$12,612
	03/26/08	100	\$63.20	\$6,320
		15,000		\$946,770
DONALD JACOBS	02/22/08	2,800	\$67.06	\$187,768
	02/22/08	2,800	\$66.94	\$187,432
	02/22/08	900	\$66.95	\$60,255
	02/22/08	800	\$67.00	\$53,600
	02/22/08	700	\$67.04	\$46,928
	02/22/08	600	\$67.03	\$40,218
	02/22/08	500	\$67.09	\$33,545
	02/22/08	300	\$66.97	\$20,091
	02/22/08	200	\$67.07	\$13,414
	02/22/08	200	\$66.96	\$13,392
	02/22/08	100	\$67.08	\$6,708
	02/22/08	100	\$67.02	\$6,702
		10,000		\$670,053

Insider	Date	Shares	Price	Proceeds
HYERYUN LEE PARK	05/05/08	13,597	\$72.50	\$985,783
	05/05/08	32	\$72.52	\$2,321
		13,629		\$988,103
RICHARD NICHOLS	03/04/08	1,400	\$65.09	\$91,126
	03/04/08	1,100	\$65.02	\$71,522
	03/04/08	1,000	\$65.10	\$65,100
	03/04/08	300	\$65.07	\$19,521
	03/04/08	258	\$65.04	\$16,780
	05/19/08	2,100	\$73.81	\$155,001
	05/19/08	1,469	\$73.72	\$108,295
	05/19/08	300	\$73.69	\$22,107
	05/19/08	300	\$73.71	\$22,113
	05/19/08	200	\$73.90	\$14,780
	05/19/08	131	\$73.75	\$9,661
	05/19/08	100	\$73.68	\$7,368
	05/19/08	100	\$73.70	\$7,370
	05/19/08	100	\$73.73	\$7,373
	05/19/08	100	\$73.74	\$7,374
	05/19/08	100	\$74.00	\$7,400
	08/01/08	2,947	\$45.38	\$133,735
	08/27/08	7,500	\$48.71	\$365,325
	11/04/08	1,559	\$17.48	\$27,251
	12/12/08	10,000	\$16.96	\$169,600
		19,505		\$1,131,951
		128,662		\$8,618,936

Loss Causation/Economic Loss

48. During the Class Period, as detailed herein, Defendants engaged in a scheme to deceive the market and a course of conduct that artificially inflated the prices of Terex common stock and operated as a fraud or deceit on Class Period purchasers of Terex common stock by failing to disclose and misrepresenting the adverse facts detailed herein. When Defendants' prior misrepresentations and fraudulent conduct were disclosed and became apparent to the market, the price of Terex common stock fell precipitously as the prior artificial inflation came out. As a result of their purchases of Terex common stock during the Class Period, Plaintiff and the other Class members suffered economic loss, i.e., damages, under the federal securities laws.

49. By failing to disclose to investors the adverse facts detailed herein, Defendants presented a misleading picture of Terex's business and prospects. Defendants' false and misleading

statements had the intended effect and caused Terex common stock to trade at artificially inflated levels throughout the Class Period, reaching as high as \$74.80 per share on May 6, 2008.

50. As a direct result of Defendants' disclosure on September 4, 2008, the price of Terex common stock fell precipitously, falling by \$9.30 per share, or 20%. This drop removed the inflation from the price of Terex common stock, causing real economic loss to investors who had purchased Terex common stock during the Class Period.

51. The 20% decline was a direct result of the nature and extent of Defendants' fraud finally being revealed to investors and the market. The timing and magnitude of the price decline in Terex common stock negates any inference that the loss suffered by Plaintiff and the other Class members was caused by changed market conditions, macroeconomic or industry factors or Company-specific facts unrelated to Defendants' fraudulent conduct. The economic loss, i.e., damages, suffered by Plaintiff and the other Class members was a direct result of Defendants' fraudulent scheme to artificially inflate the prices of Terex common stock and the subsequent significant decline in the value of Terex common stock when Defendants' prior misrepresentations and other fraudulent conduct were revealed.

**Applicability of Presumption of Reliance:
Fraud on the Market Doctrine**

52. At all relevant times, the market for Terex common stock was an efficient market for the following reasons, among others:

- (a) Terex common stock met the requirements for listing, and was listed and actively traded on the NYSE, a highly efficient and automated market;
- (b) as a regulated issuer, Terex filed periodic public reports with the SEC and the NYSE;
- (c) Terex regularly communicated with public investors via established market communication mechanisms, including regular disseminations of press releases on the national

circuits of major newswire services and other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and

(d) Terex was followed by several securities analysts employed by major brokerage firms who wrote reports which were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

53. As a result of the foregoing, the market for Terex common stock promptly digested current information regarding Terex from all publicly available sources and reflected such information in the prices of the stock. Under these circumstances, all purchasers of Terex common stock during the Class Period suffered similar injury through their purchase of Terex common stock at artificially inflated prices and a presumption of reliance applies.

No Safe Harbor

54. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. Many of the specific statements pleaded herein were not identified as “forward-looking statements” when made. To the extent there were any forward-looking statements, there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. Alternatively, to the extent that the statutory safe harbor does apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements were made, the particular speaker knew that the particular forward-looking statement was false, and/or the forward-looking statement was authorized and/or approved by an executive officer of Terex who knew that those statements were false when made.

COUNT I

Violation of Section 10(b) of the Exchange Act and Rule 10b-5 Promulgated Thereunder Against All Defendants

55. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

56. During the Class Period, Defendants disseminated or approved the materially false and misleading statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

57. Defendants: (a) employed devices, schemes, and artifices to defraud; (b) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (c) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's common stock during the Class Period.

58. Plaintiff and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for Terex common stock. Plaintiff and the Class would not have purchased Terex common stock at the prices they paid, or at all, if they had been aware that the market prices had been artificially and falsely inflated by Defendants' misleading statements.

59. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their purchases of Terex common stock during the Class Period.

COUNT II

Violation of Section 20(a) of the Exchange Act Against the Individual Defendants

60. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

61. The Individual Defendants acted as controlling persons of Terex within the meaning of Section 20(a) of the Exchange Act as alleged herein. By reason of their positions as officers and/or directors of Terex, and their ownership of Terex stock, the Individual Defendants had the power and authority to cause Terex to engage in the wrongful conduct complained of herein. By reason of such conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act.

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

A. Determining that this action is a proper class action, designating Plaintiff as Lead Plaintiff and certifying Plaintiff as a Class representative under Rule 23 of the Federal Rules of Civil Procedure and Plaintiff's counsel as Lead Counsel;

B. Awarding compensatory damages in favor of Plaintiff and the other Class members against all Defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

C. Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

D. Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

DATED: December 18, 2009

JONATHAN P. WHITCOMB

DISERIO MARTIN O'CONNOR &
CASTIGLIONI LLP
JONATHAN P. WHITCOMB
One Atlantic Street
Stamford, CT 06901
Telephone: 203/358-0800
203/348-2321 (fax)

COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
SAMUEL H. RUDMAN
DAVID A. ROSENFELD
MARIO ALBA JR.
58 South Service Road, Suite 200
Melville, NY 11747
Telephone: 631/367-7100
631/367-1173 (fax)

SUGARMAN & SUSSKIND
HOWARD S. SUSSKIND
100 Miracle Mile, Suite 300
Coral Gables, FL 33134
Telephone: 305/529-2801
305/447-8115 (fax)

Attorneys for Plaintiff