



Q2 2021 Conference Call
July 30, 2021



EXECUTE • INNOVATE • GROW

Forward Looking Statements



Certain information in this presentation includes forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995) regarding future events or our future financial performance that involve certain contingencies and uncertainties, including those discussed in our Annual Report on Form 10-K for the year ending December 31, 2020, and subsequent reports we file with the U.S. Securities and Exchange Commission from time to time, in the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingencies and Uncertainties." In addition, when included in this presentation or in documents incorporated herein by reference, the words "may," "expects," "should," "intends," "anticipates," "believes," "plans," "projects," "estimates," "will" and the negatives thereof and analogous or similar expressions are intended to identify forward-looking statements. However, the absence of these words does not mean that the statement is not forward-looking. We have based these forward-looking statements on current expectations and projections about future events. These statements are not guarantees of future performance. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual results to differ materially from those reflected in such forward-looking statements. Such risks and uncertainties, many of which are beyond our control, include, among others:

- our business has been, and could be further, adversely impacted by global health pandemics such as the outbreak of a new strain of coronavirus ("COVID-19");
- our business is highly competitive and is affected by our cost structure, pricing, product initiatives and other actions taken by competitors;
- we are dependent upon third-party suppliers, making us vulnerable to supply shortages and price increases;
- our operations are subject to a number of potential risks that arise from operating a multinational business, including compliance with changing regulatory environments and political instability;
- a material disruption to one of our significant facilities;
- our business is sensitive to government spending;
- our business is affected by the cyclical nature of markets we serve;
- our financial results could be adversely impacted by the United Kingdom's ("U.K.") departure from the European Union ("E.U.");
- changes affecting the availability of the London Interbank Offered Rate ("LIBOR") may have consequences on us that cannot yet reasonably be predicted;
- our need to comply with restrictive covenants contained in our debt agreements;
- our ability to generate sufficient cash flow to service our debt obligations and operate our business;
- our ability to access the capital markets to raise funds and provide liquidity;
- the financial condition of suppliers and customers, and their continued access to capital;
- exposure from providing financing and credit support for some of our customers;
- we may experience losses in excess of recorded reserves;
- our business is global and subject to changes in exchange rates between currencies, commodity price changes, regional economic conditions and trade relations;
- our retention of key management personnel;
- possible work stoppages and other labor matters;
- changes in import/export regulatory regimes, imposition of tariffs, escalation of global trade conflicts and unfairly traded imports, particularly from China, could continue to negatively impact our business;
- compliance with changing laws and regulations, particularly environmental and tax laws and regulations;
- litigation, product liability claims and other liabilities;
- our compliance with the United States ("U.S.") Foreign Corrupt Practices Act and similar worldwide anti-corruption laws;
- increased regulatory focus on privacy and data security issues and expanding laws;
- our ability to comply with an injunction and related obligations imposed by the U.S. Securities and Exchange Commission ("SEC");
- our ability to successfully implement our strategy:
- disruption or breach in our information technology systems and storage of sensitive data; and
- other factors.

Actual events or our actual future results may differ materially from any forward-looking statement due to these and other risks, uncertainties and material factors. The forward-looking statements contained herein speak only as of the date of this presentation and the forward-looking statements contained in documents incorporated herein by reference speak only as of the date of the respective documents. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained or incorporated by reference in this presentation to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Non-GAAP Measures: Terex from time to time refers to various non-GAAP (generally accepted accounting principles) financial measures in this presentation. Terex believes that this information is useful to understanding its operating results and the ongoing performance of its underlying businesses without the impact of special items. See the appendix at the end of this presentation as well as the Terex second quarter 2021 earnings release on the Investor Relations section of our website www.terex.com for a description and/or reconciliation of these measures.

Total amounts in tables of this presentation may not add due to rounding.

Zero Harm Culture & Terex Way Values



<p>Integrity integritás Intégrité Integridad Integrität Integrità Integrität 诚信负责</p>	<p>Egymás megbecsülése Respect Respeto Respekt 理解尊重 Rispetto Respect</p>
<p>Fejlődés Amélioration 锐意进取 Verbesserung Mejora Miglioramento Improvement</p>	<p>Servant Leadership Leadership au service des autres Segítőképz vezető Liderazgo servicial 精诚服务、树立榜样 Führung als Dienst an anderen Leadership al servizio degli altri</p>
<p>Mut Courage Talpraesettség 勇于奋斗 Courage Coraje Coraggio</p>	<p>Gesellschaftliche Verantwortung 回报社会 Responsabilité sociale Együttműködő-készség Citizenship Cívismo Responsabilità sociale</p>

Safety is an absolute way of life whether you work for us, supply us, use our equipment, or receive our services

Global team members are social distancing and following safety protocols to **safely serve customers**

ZERO HARM SAFETY CULTURE IS FOUNDATIONAL TO TEREX'S CULTURE

Q2 2021 Financial Highlights



End-Markets remain strong

- Sales up 50% year-over-year
- Sales up 20% sequentially

Customer demand continues to increase

- Bookings up 218% year-over-year
- Backlog up 199% year-over-year

Double-digit company margins of 11.8%

- AWP margins of 11.0%; MP margins of 16.4%
- Exceeded Q2'19 adjusted operating margin by 170bps

EPS positively impacted by improved sales and margins

- EPS for continuing operations of \$1.02 reflects \$1.07 improvement year-over-year

Free Cash Flow generated by excellent working capital management

- Positive Free Cash Flow of \$101 million driven by net working capital at 16.5% of sales



New Genie® Micro-Electric Drive Scissor Lift

STRONG Q2 RESULTS DRIVING FURTHER INCREASE IN FULL-YEAR GUIDANCE



Operational Excellence

- Continued **aggressive management of SG&A** to be below targeted full-year SG&A percent to sales of ~12.5%
- **Supply chain disruptions** continue to impact production
 - Working to **mitigate material cost inflation**
- Future **global cost competitiveness** as Monterrey, Mexico facility construction prepares for operational go live in 2H 2021

Purposeful Innovation

- New AWP products launched including **Genie micro-electric drive scissors and Utilities digger derrick**
- MP continuing to implement and rollout **Connected Dealer Inventory, Telematics, Predictive Services, and eCommerce**

Growth

- High level of **customer engagement** as commercial teams leverage digital capabilities
- MP completed acquisition of MDS International to **expand product portfolio**

WELL POSITIONED TO EXECUTE ON GROWTH PLANS

End-Markets Update



AERIAL WORK PLATFORMS



- **Continued strong global demand** driven by fleet replacement and growth
- **Increased electrical grid investment** is a tailwind for Utilities

MATERIALS PROCESSING



- **Robust end-market demand** across minerals processing, material handling and lifting, environmental, and concrete
- **Demand remains strong** across multiple geographies with continuing adoption of Terex solutions

SEGMENTS DELIVERING ON STRATEGIC OPERATIONAL PRIORITIES

Q2 2021: Operating Results



USD Millions, except Earnings per Share	Q2 2021	Q2 2020
Net Sales	\$ 1,038.7	\$ 690.5
<i>% Change vs 2020</i>	50.4%	
Gross Profit	231.6	107.1
<i>% of Sales</i>	22.3%	15.5%
SG&A	(109.1)	(99.7)
<i>% of Sales</i>	(10.5%)	(14.4%)
Income (loss) from Operations	122.5	7.4
<i>Operating Margin</i>	11.8%	1.1%
Interest & Other Income (Expense)	(35.8)	(13.6)
<i>Effective Tax Rate</i>	16.6%	48.4%
Earnings (loss) per Share	1.02	(0.05)
EBITDA	134.3	17.7
<i>% Net Sales</i>	12.9%	2.6%
Free Cash Flow	101.4	71.2

Note: Results shown are for Continuing Operations. See the appendix for reconciliation of EBITDA and Free Cash Flow to U.S. GAAP

Q2 2021 Financial Call-Outs

Operating Profit

\$4 million of benefits from the release of a financing receivable reserve and tax receivable, offset by charges for business impairment and restructuring of \$1 million

Interest and Other

\$26 million of costs in connection with the refinancing of a significant portion of the capital structure

CONTINUED STRONG EXECUTION

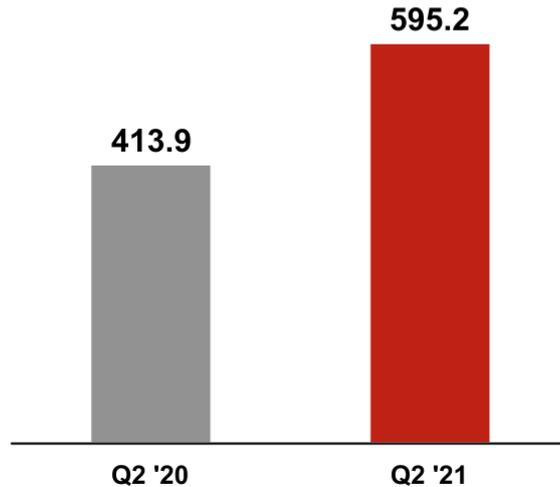
Q2 2021: AWP Segment Results



USD Millions

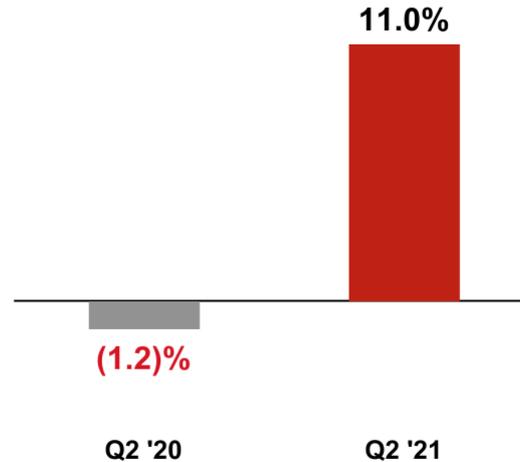
Sales

43.8% YoY



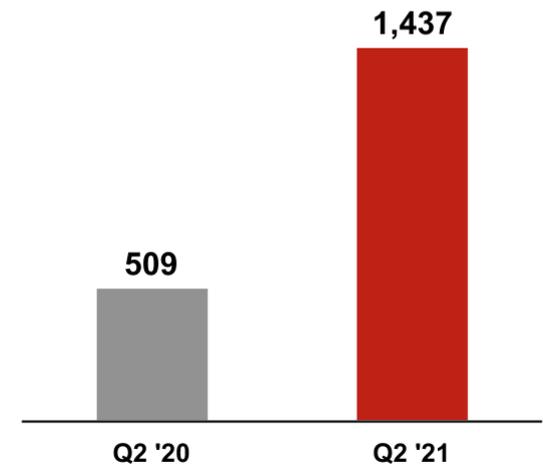
Operating Margin

+1,220bps YoY



Backlog

+182% YoY



Results Drivers

- Global end-markets continue to strengthen
- Aggressively rightsized Aerials cost structure
- Supply chain challenges persist
- Backlog increased in both Genie and Utilities businesses

SIGNIFICANTLY IMPROVED OPERATING MARGINS AND BACKLOG

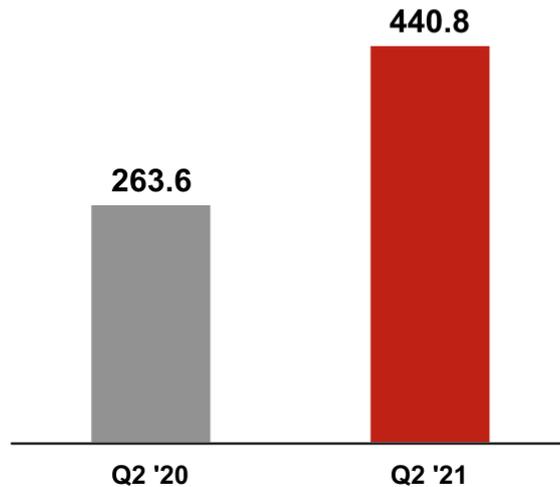
Q2 2021: MP Segment Results



USD Millions

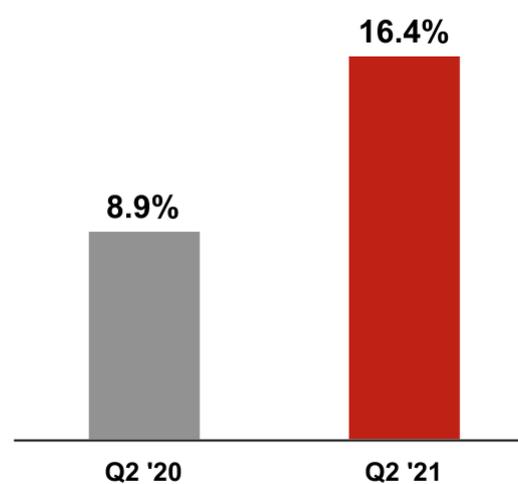
Sales

+67.2% YoY



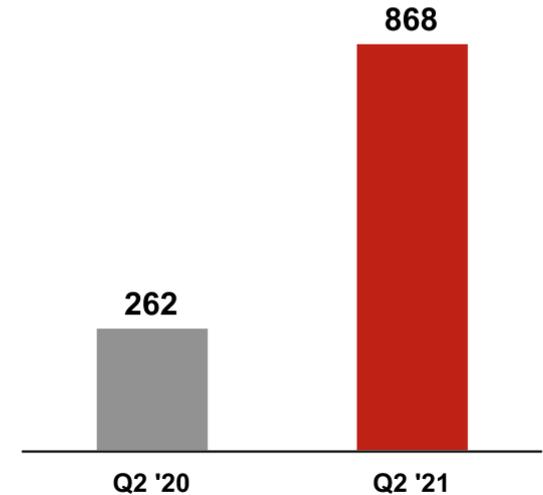
Operating Margin

+750bps YoY



Backlog

+231% YoY



Results Drivers

- Global markets reflect positive customer sentiment
- Continued strong margin performance despite input cost pressures
- Successfully mitigating persistent supply chain challenges
- Backlog up across all MP businesses

EXCELLENT EXECUTION ACROSS PORTFOLIO OF BUSINESSES

Full-Year 2021 Updated Outlook



USD Millions, except Earnings per Share

Terex Outlook ⁽¹⁾	2021 Outlook PREVIOUS	2021 Outlook UPDATED
Net Sales	~\$3,700	~\$3,900
SG&A % to Sales	~12.25%	~11.75%
Operating Margin	~7.75%	~8.5%
EPS ⁽²⁾	~\$2.35 - \$2.55	~\$2.85 - \$3.05
Interest/Other Expense	~\$75	~\$75
Tax Rate	~19%	~19%
Depreciation/Amortization ⁽³⁾	~\$45	~\$45
Free Cash Flow	~\$150	~\$200
Corp & Other OP ⁽⁴⁾	~(\$65)	~(\$65)

Outlook ⁽¹⁾	2021 Outlook PREVIOUS		2021 Outlook UPDATED	
	Net Sales	Operating Margin	Net Sales	Operating Margin
Aerial Work Platforms	~\$2,125	~7%	~\$2,175	~7.5%
Materials Processing	~\$1,550	~13%	~\$1,700	~13.75%

2021 Updated Outlook Drivers

Overall

Updated operating margin and EPS outlook includes Q2 out-performance

Operating Profit

Operating profit contribution on additional sales volume, partially offset by higher material costs and incentive compensation

Interest & Other Expense

Reduced interest expense from revised capital structure; Capital structure charges of ~\$26 million

Free Cash Flow

Working capital aligned with customer demand and supporting sales growth

(1) Excludes the impact of future acquisitions, divestitures, restructuring and other unusual items

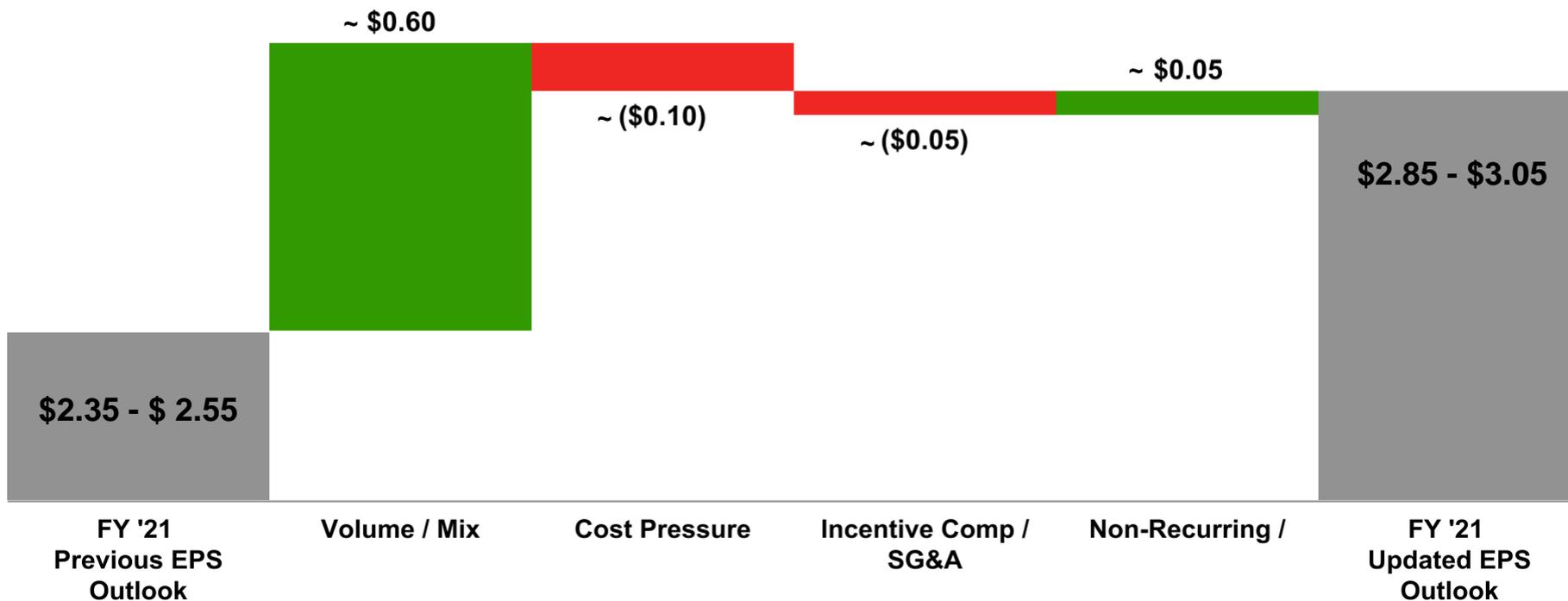
(2) Based on average diluted share count of ~71 million

(3) Depreciation / Amortization excludes ~\$5 million of bank fee amortization not included in income/(loss) from operations

(4) 2021 Outlook for Corporate & Other Net Sales of ~\$25 million

OUTLOOK REFLECTS STRONG DEMAND AND SUPPLY CHAIN CHALLENGES

Increased Full-Year 2021 EPS Outlook



RAISING 2021 EPS OUTLOOK RANGE TO \$2.85 - \$3.05

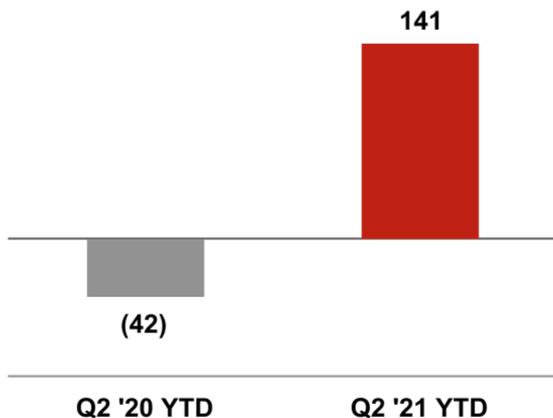
Disciplined Capital Allocation



USD Millions

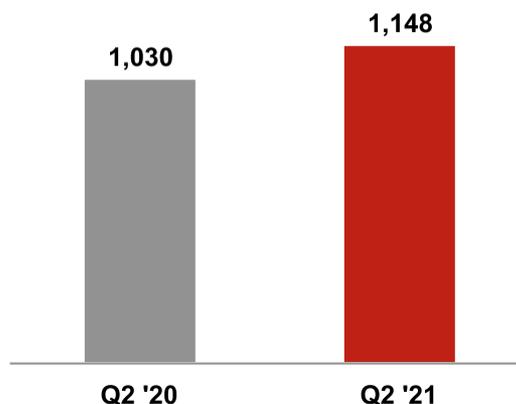


Free Cash Flow



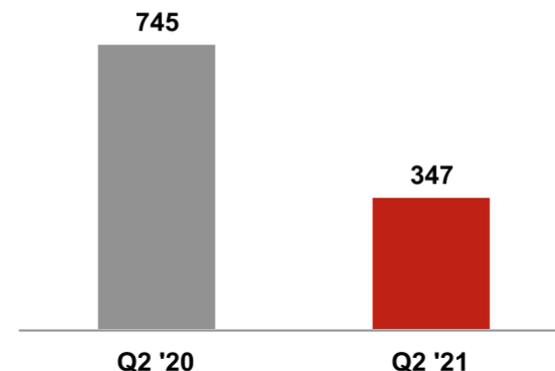
- Continued, positive YTD free cash flow
- Aggressively managing net working capital

Liquidity



- Rating agency upgrade of credit rating in 1H
- Strong liquidity even after prepaying Term Loans

Net Debt



- Bond coupon of 5% fixed until 2029
- Prepaid \$83M of Term Loans in Q2

REDUCED LEVERAGE POSITIONS TEREX TO GROW

Summary

EXECUTE

- Safety, Health and Customer Engagement
- Maintaining focus on cost structure to achieve targeted margins
- Driving strong free cash flow and liquidity

INNOVATE

- Delivering innovative product solutions to our customers

GROW

- Business portfolio is well positioned for both organic and inorganic growth

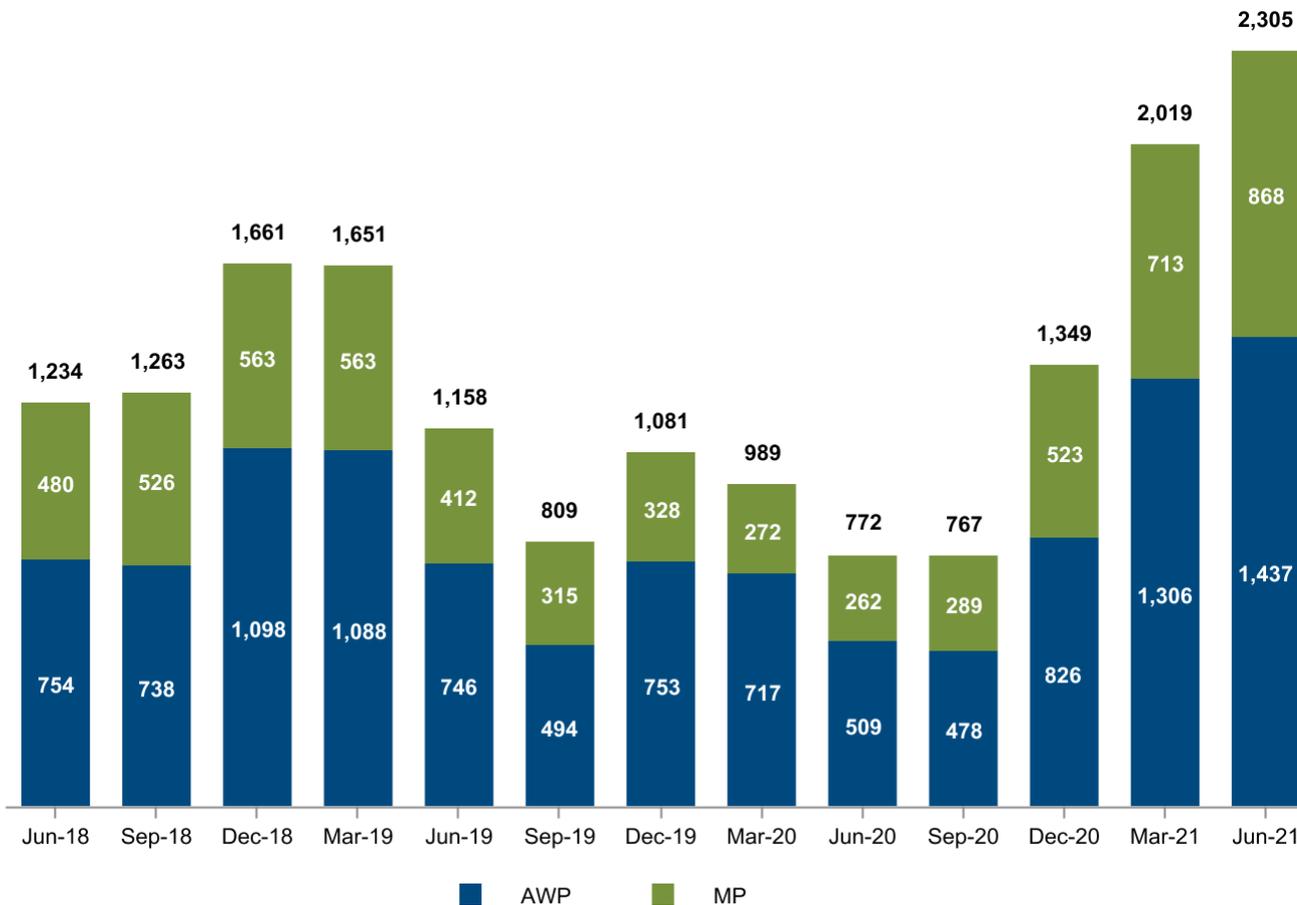




APPENDIX

Backlog Trend

USD Millions



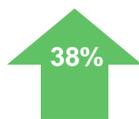
	Sequential		Year on Year	
	\$	%	\$	%
AWP	131	10%	928	182%
MP	155	22%	606	231%
Total	286	14%	1,533	199%

Q2 Sales by Geography ('21 vs. '20)

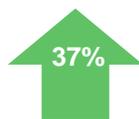


North America

Actual



FX-Adj.



Western Europe

Actual

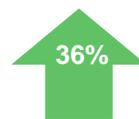


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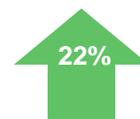


Asia / Pacific

Actual



FX-Adj.

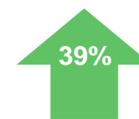


Rest of World

Actual



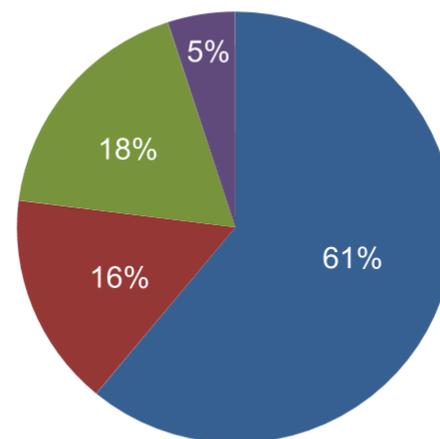
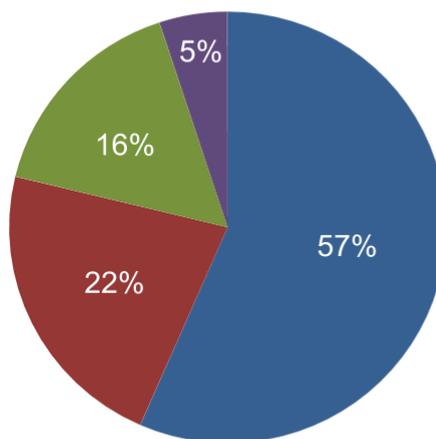
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Q2 2021

Q2 2020

- North America
- Western Europe
- Asia / Pacific
- Rest of World



YTD Sales by Geography ('21 vs. '20)



North America

Actual

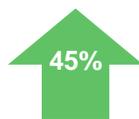


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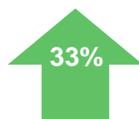


Western Europe

Actual

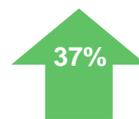


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Asia / Pacific

Actual

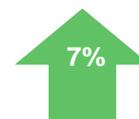


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Rest of World

Actual



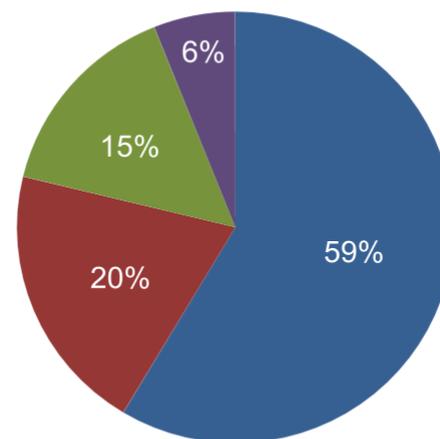
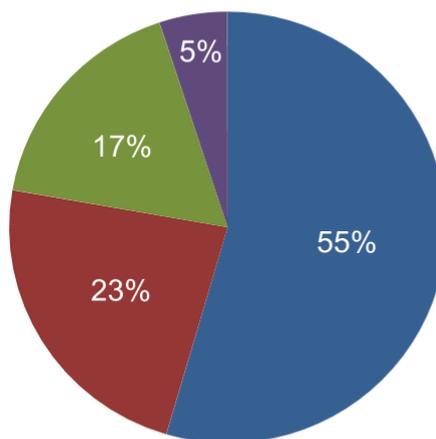
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YTD'21

YTD'20

- North America
- Western Europe
- Asia / Pacific
- Rest of World



AWP & MP Segment Results



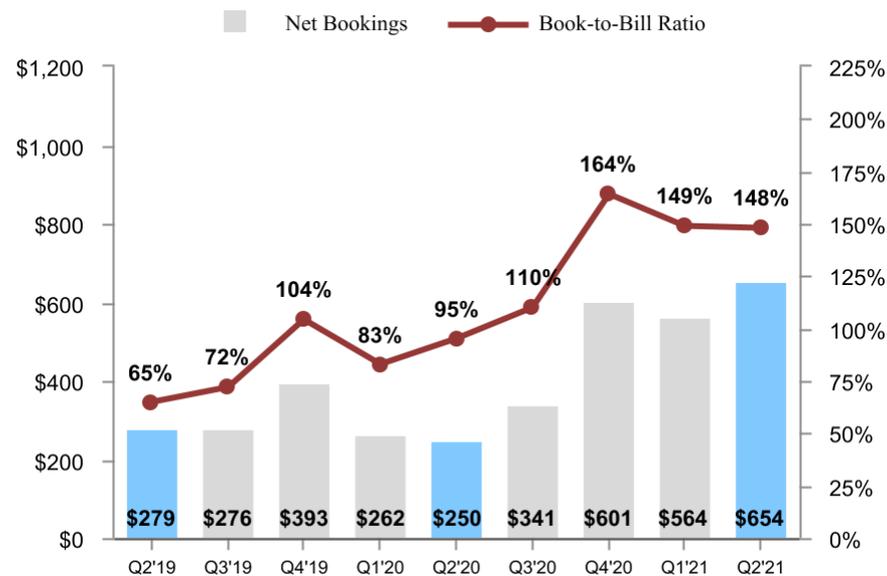
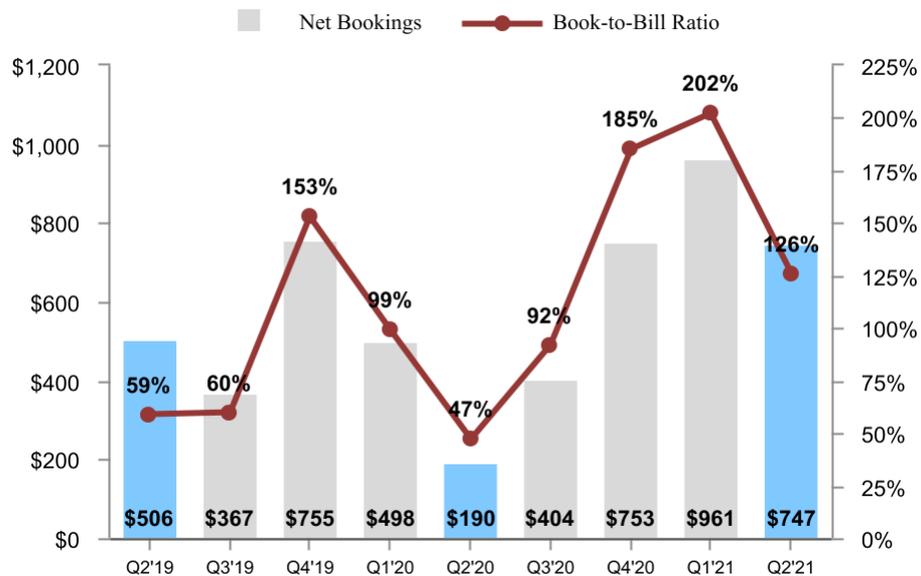
USD Millions

AERIAL WORK PLATFORMS

	Q2 '21	Q2 '20	YTD'21	YTD'20
Net Sales	\$595.2	\$413.9	\$1,071.9	\$925.6
<i>% Change vs. '20</i>	43.8%		15.8%	
Operating Profit (Loss)	\$65.2	(\$5.0)	\$91.8	(\$10.9)
<i>Operating Margin %</i>	11.0%	(1.2)%	8.6%	(1.2)%
Backlog	\$1,437	\$509		
<i>% Change vs. '20</i>	182%			

MATERIALS PROCESSING

	Q2 '21	Q2 '20	YTD'21	YTD'20
Net Sales	\$440.8	\$263.6	\$819.0	\$579.2
<i>% Change vs. '20</i>	67.2%		41.4%	
Operating Profit (Loss)	\$72.1	\$23.4	\$121.2	\$48.4
<i>Operating Margin %</i>	16.4%	8.9%	14.8%	8.4%
Backlog	\$868	\$262		
<i>% Change vs. '20</i>	231%			



Q2 2021: YTD Operating Results



USD Millions, except Earnings per Share

	YTD'21	YTD'20
Net Sales	\$1,902.9	\$1,524.1
<i>% Change vs 2020</i>	24.9%	
Gross Profit	\$407.0	\$243.8
<i>% of Sales</i>	21.4%	16.0%
SG&A	(\$223.0)	(\$243.5)
<i>% of Sales</i>	(11.7)%	(16.0)%
Income (loss) from Operations	\$184.0	\$0.3
<i>Operating Margin</i>	9.7%	—%
Interest & Other Income (Expense)	(\$49.9)	(\$32.0)
<i>Effective Tax Rate</i>	16.5%	12.0%
Earnings (loss) per Share	\$1.58	(\$0.40)
EBITDA	\$207.2	\$21.1
<i>% Net Sales</i>	10.9%	1.4%

Q2 2019: Operating Results



USD Millions, except Earnings per Share

	Q2 2019 As Reported	Q2 2019 As Adjusted
Net Sales	\$1,306.9	\$1,306.9
<i>% Change vs 2019</i>		
Gross Profit	\$271.8	\$274.6
<i>% of Sales</i>	<i>20.8%</i>	<i>21.0%</i>
SG&A	(\$145.8)	(\$142.9)
<i>% of Sales</i>	<i>(11.2%)</i>	<i>(10.9%)</i>
Income (loss) from Operations	\$126.0	\$131.7
<i>Operating Margin</i>	<i>9.6%</i>	<i>10.1%</i>
Interest & Other Income (Expense)	(\$24.1)	(\$21.7)
<i>Effective Tax Rate</i>	<i>19.9%</i>	<i>21.0%</i>
Earnings (loss) per Share	\$1.14	\$1.21

Q2 2019: Adjustments



USD Millions, except Earnings per Share

	Q2 2019 As Reported	Restructuring & Related	Transformation	Deal Related	Other	Tax & Interim Period	Q2 2019 As Adjusted
Net Sales	\$1,306.9	—	—	—	—	—	\$1,306.9
Gross Profit	271.8	2.8	—	—	—	—	274.6
SG&A	(145.8)	5.9	4.0	(7.0)	—	—	(142.9)
Income (loss) from Operations	126.0	8.7	4.0	(7.0)	—	—	131.7
Net Interest (Expense)	(22.8)	—	—	—	—	—	(22.8)
Other (Expense)	(1.3)	—	—	—	2.4	—	1.1
Income (Loss) from Cont. Ops. Before Taxes	101.9	8.7	4.0	(7.0)	2.4	—	110.0
Benefit from (Provision for) Income Taxes	(20.3)	(1.9)	(0.7)	0.3	—	(0.5)	(23.1)
Income (Loss) from Continuing Operations	\$81.6	6.8	3.3	\$(6.7)	2.4	(0.5)	\$86.9
Earnings (loss) per Share	\$1.14	\$0.09	\$0.05	\$(0.09)	\$0.03	\$(0.01)	\$1.21

Glossary



In an effort to provide investors with additional information regarding the Company's results, Terex refers to various GAAP (U.S. generally accepted accounting principles) and non-GAAP financial measures which management believes provides useful information to investors. These non-GAAP measures may not be comparable to similarly titled measures disclosed by other companies. In addition, the Company believes that non-GAAP financial measures should be considered in addition to, and not in lieu of, GAAP financial measures. Terex believes that this non-GAAP information is useful to understanding its operating results and the ongoing performance of its underlying businesses. Management of Terex uses both GAAP and non-GAAP financial measures to establish internal budgets and targets and to evaluate the Company's financial performance against such budgets and targets.

The amounts described below are unaudited, are reported in millions of U.S. dollars (except per share data and percentages), and are as of or for the period ended June 30, 2021, unless otherwise indicated.

As changes in foreign currency exchange rates have a non-operating impact on our financial results, we believe excluding effects of these changes assists in assessment of our business results between periods. We calculate the translation effect of foreign currency exchange rate changes by translating current period results using rates that the comparable prior periods were translated at to isolate the foreign exchange component of the fluctuation from the operational component. Similarly, the impact of changes in our results from acquisitions and divestitures that were not included in comparable prior periods may be subtracted from the absolute change in results to allow for better comparability of results between periods.

Glossary: Free Cash Flow



USD Millions

Free Cash Flow - We calculate a non-GAAP measure of free cash flow. We define free cash flow as Net cash provided by (used in) operating activities, plus (minus) increases (decreases) in Terex Financial Services finance receivables consisting of sales-type leases and commercial loans ("TFS Assets"), less Capital expenditures, net of proceeds from sale of capital assets. We believe this measure of free cash flow provides management and investors further useful information on cash generation or use in our primary operations.

	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	2021	2020	2021	2020
Net cash provided by (used in) operating activities	\$ 131.1	101.0	\$ 269.2	\$ 12.3
Increase (decrease) in TFS Assets	(13.1)	(18.1)	(105.6)	(22.1)
Capital expenditures, net of proceeds from sale of capital assets	(16.6)	(11.7) ⁽¹⁾	(22.7)	(31.9) ⁽¹⁾
Free cash flow	\$ 101.4	\$ 71.2	\$ 140.9	\$ (41.7)

(1) Includes \$4.5 million and \$9.0 million of proceeds from sale of capital assets within Proceeds (payments) from the disposition of discontinued operations in the Condensed Consolidated Statement of Cash Flows for the three and six months ended June 30, 2020, respectively.

Glossary: Debt & Net Debt



USD Millions

Debt is calculated using the Condensed Consolidated Balance Sheet amounts for Current portion of long-term debt plus Long-term debt, less current portion plus debt from liabilities held for sale. **Net Debt** is calculated as Debt less Cash and cash equivalents, including amounts in assets held for sale. These measures aid in the evaluation of the Company's financial condition.

	<i>June 30, 2021</i>	<i>December 31, 2020</i>
Long-term debt, less current portion	\$ 888.5	\$ 1,166.2
Current portion of long-term debt	5.7	7.6
Debt	894.2	1,173.8
Less: Cash and cash equivalents	(542.2)	(665.0)
Less: Cash and cash equivalents in assets held for sale	(5.3)	(5.1)
Net Debt	\$ 346.7	\$ 503.7

Glossary: EBITDA



USD Millions

EBITDA is defined as earnings, before interest, other non-operating income (loss), income (loss) attributable to non-controlling interest, taxes, depreciation and amortization. The Company calculates this by subtracting the following items from Net income (loss): (Gain) loss on disposition of discontinued operations- net of tax; and (Income) loss from discontinued operations – net of tax. Then adds the Provision for (benefit from) income taxes; Interest & Other (Income) Expense; the Depreciation and Amortization amounts reported in the Consolidated Statement of Cash Flows less amortization of debt issuance costs that are recorded in Interest expense.

Terex believes that disclosure of EBITDA will be helpful to those reviewing its performance, as EBITDA provides information on Terex's ability to meet debt service, capital expenditure and working capital requirements, and is also an indicator of profitability.

	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Net income (loss)	\$73.9	(\$9.2)	\$114.0	(\$34.1)
(Income) loss from discontinued operations - net of tax	—	1.0	—	1.2
(Gain) loss on disposition of discontinued operations- net of tax	(1.6)	5.0	(2.0)	5.0
Income (loss) from continuing operations	72.3	(3.2)	112.0	(27.9)
Provision for (benefit from) income taxes	14.4	(3.0)	22.1	(3.8)
Interest & Other (Income) Expense	10.2	13.6	22.2	32.0
Loss on early extinguishment of debt	25.6	—	27.7	—
Income (loss) from operations	122.5	7.4	184.0	0.3
Depreciation	11.3	9.9	22.3	19.9
Amortization	1.2	1.8	2.9	3.4
Non-Cash Interest Costs	(0.7)	(1.3)	(2.0)	(2.5)
EBITDA	\$134.3	\$17.7	\$207.2	\$21.1

Glossary: ROIC



ROIC and other Non-GAAP Measures (as calculated below) assist in showing how effectively we utilize capital invested in our operations. ROIC is determined by dividing the sum of NOPAT for each of the previous four quarters by the average of Debt less Cash and cash equivalents plus Terex Corporation stockholders' equity for the previous five quarters. NOPAT for each quarter is calculated by multiplying Income (loss) from operations as adjusted by one minus the annualized effective tax rate.

In the calculation of ROIC, we adjust income (loss) from operations, annualized effective tax rate, and Terex Corporation stockholders' equity to remove the effects of the impact of certain transactions in order to create a measure that is useful to understanding our operating results and the ongoing performance of our underlying business without the impact of unusual items as shown in the tables below. Cash and cash equivalents and Debt are adjusted to include amounts recorded as held for sale.

Furthermore, we believe returns on capital deployed in Terex Financial Services ("TFS") do not represent our primary operations and, therefore, TFS assets and results from operations have been excluded from the Non-GAAP Measures. Debt is calculated using amounts for Current portion of long-term debt plus Long-term debt, less current portion. We calculate ROIC using the last four quarters' adjusted NOPAT as this represents the most recent 12-month period at any given point of determination. In order for the denominator of the ROIC ratio to properly match the operational period reflected in the numerator, we include the average of five quarters' ending balance sheet amounts so that the denominator includes the average of the opening through ending balances (on a quarterly basis) thereby providing, over the same time period as the numerator, four quarters of average invested capital.

Glossary: ROIC *Continued*



USD Millions

See reconciliation of adjusted amounts below on the following ROIC tables. Amounts are as of and for the three months ended for the period referenced in the tables.

	Jun '21	Mar '21	Dec '20	Sep '20	Jun '20
Annualized effective tax rate, as adjusted ⁽¹⁾	18.5 %	18.5 %	18.2 %	18.2 %	
Income (loss) from operations, as adjusted	\$ 117.3	\$ 55.4	\$ 30.6	\$ 34.7	
Multiplied by: 1 minus annualized effective tax rate	81.5 %	81.5 %	81.8 %	81.8 %	
NOPAT, as adjusted	\$ 95.6	\$ 45.2	\$ 25.0	\$ 28.4	
Debt	\$ 894.2	\$ 979.2	\$ 1,173.8	\$ 1,174.5	\$ 1,174.5
Less: Cash and cash equivalents, as adjusted	(547.5)	(577.8)	(670.1)	(512.6)	(429.9)
Debt less Cash and cash equivalents, as adjusted	346.7	401.4	503.7	661.9	744.6
Total Terex Corporation stockholders' equity, as adjusted	1,011.3	914.6	802.5	732.6	665.7
Debt less Cash and cash equivalents plus Total Terex Corporation stockholders' equity, as adjusted	\$ 1,358.0	\$ 1,316.0	\$ 1,306.2	\$ 1,394.5	\$ 1,410.3

June 30, 2021 ROIC	14.3 %
NOPAT, as adjusted (last 4 quarters)	\$ 194.2
Average Debt less Cash and cash equivalents plus Terex Corporation stockholders' equity, as adjusted (5 quarters)	\$ 1,357.0

(1) The annualized effective tax rate for 2020 periods represents the actual full year 2020 effective tax rate.

Glossary: ROIC Continued



USD Millions

	Three months ended 6/30/21	Three months ended 3/31/21	Three months ended 12/31/20	Three months ended 9/30/20
Reconciliation of income (loss) from operations:				
Income (loss) from operations, as reported	\$ 122.5	\$ 61.5	31.6	36.5
Adjustments:				
(Income) loss from TFS	(5.2)	(6.1)	(1.0)	(1.8)
Income (loss) from operations, as adjusted	\$ 117.3	\$ 55.4	\$ 30.6	\$ 34.7

	As of 6/30/21	As of 3/31/21	As of 12/31/20	As of 9/30/20	As of 6/30/20
Reconciliation of Cash and cash equivalents:					
Cash and cash equivalents - continuing operations	\$ 542.2	\$ 572.9	\$ 665.0	\$ 508.3	\$ 426.0
Cash and cash equivalents - assets held for sale	5.3	4.9	5.1	4.3	3.9
Cash and cash equivalents, as adjusted	\$ 547.5	\$ 577.8	\$ 670.1	\$ 512.6	\$ 429.9
Reconciliation of Terex Corporation stockholders' equity:					
Terex Corporation stockholders' equity as reported	\$ 1,033.9	\$ 946.1	\$ 921.5	\$ 852.7	\$ 800.4
TFS assets	(8.3)	(21.4)	(113.9)	(115.8)	(131.9)
Effects of Adjustments, net of tax:					
(Income) loss from TFS	(14.3)	(10.1)	(5.1)	(4.3)	(2.8)
Terex Corporation stockholders' equity, as adjusted	\$ 1,011.3	\$ 914.6	\$ 802.5	\$ 732.6	\$ 665.7

Six Months Ended June 30, 2021	Income (loss) from continuing operations before income taxes	(Provision for) benefit from income taxes	Income tax rate
Reconciliation of annualized effective tax rate:			
As reported	\$ 134.1	\$ (22.1)	16.5%
Effect of Adjustments:			
Tax related	—	(2.7)	
As adjusted	\$ 134.1	\$ (24.8)	18.5%

Glossary: Working Capital



USD Millions

Working Capital is calculated using the Consolidated Balance Sheet amounts for Trade receivables (net of allowance) plus Inventories less Trade accounts payable and Customer advances. The Company views excessive working capital as an inefficient use of resources, and seeks to minimize the level of investment without adversely impacting the ongoing operations of the business. For the periods below, working capital was:

	<i>June 30, 2021</i>
Inventories	<u>\$711.7</u>
Trade Receivables	546.5
Less: Trade Accounts Payables	(548.7)
Less: Customer Advances	<u>(22.5)</u>
Total Working Capital	<u>\$687.0</u>

Trailing Three Months Annualized Net Sales is calculated using the net sales for the quarter multiplied by four.

3 months Sales	\$1,038.7
Number of quarters	x <u>4.0</u>
Annualized Quarterly Sales	<u>\$4,154.8</u>
WC % of Annualized Quarterly Sales	16.5 %

The ratio is calculated by dividing working capital by trailing three months annualized net sales. The Company believes this measures its resource use efficiency.