

International Newsroom

No Contract Agreement Reached Between International Truck and Engine Corporation and UAW

Employees Reporting to Work as Normally Scheduled

Warrenville, Illinois - October 01, 2007

International Truck and Engine Corporation announced that UAW-represented employees are reporting to work as normally scheduled today, though no agreement has been reached on a new labor contract to replace those that expired earlier today.

“At this point, we feel it’s in everyone’s best interest to keep talking and see if we can close the gaps that remain,” said Jeff Bowen, vice president, human resources operations, International. “Both teams worked through the night and our employees continue to work.”

The UAW represents approximately 3,700 employees at nine facilities in Indianapolis, Ind. (engine assembly and foundry), Melrose Park, Ill. (engine assembly and engine engineering), Springfield, Ohio (truck assembly), Atlanta, Baltimore and Dallas (parts distribution centers) and Fort Wayne, Ind. (truck engineering). Total worldwide employment at Navistar is 16,000.

Forward Looking Statements

Information provided and statements contained in this news release that are not purely historical are forward -looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act, and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this news release and the company assumes no obligation to update the information included in the presentation. Such forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “goal,” “estimate” or similar expressions. These

statements are not guarantees of performance or results and they involve risks, uncertainties and assumptions, including the risk that a prolonged strike might affect production schedules, as well as the risk of continued delay in the completion of our financial statements and the consequences thereof, the availability of funds, either through cash on hand or the company's other liquidity sources, to repay any amounts due should any of the company's debt become accelerated, and decisions by suppliers and other vendors to restrict or eliminate customary trade and other credit terms for the company's future orders and other services, which would require the company to pay cash and which could have a material adverse effect on the company's liquidity position and financial condition. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. For a further description of these factors, see Exhibit 99.1 to our Form 8-K filed on April 12, 2006. In addition, until the previously announced review by the company of its accounts is concluded, no assurance can be given with respect to the financial statement adjustments or impacts resulting from such review.

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