

Navistar Defense Continues To Increase Truck Sales To U.S. Military

TACOM Contracts Totaling Nearly \$92 Million to Provide Tractor Trailers and Cargo Trucks for Iraq and Afghanistan



WARRENVILLE, Ill. (Sept. 4, 2008) Two new contracts of nearly \$92 million highlight the increased sales of Medium Tactical Vehicles to the U.S. military from Navistar Defense, LLC.

The two contracts, awarded by the U.S. Army today, are extensions to earlier military awards for Medium Tactical Vehicles and other variants of the

company's International® 7000 Series trucks. Navistar will provide 400 cargo trucks with increased payload – worth nearly \$70 million, and another for 120 tractor trailers – valued at approximately \$22 million.

“Navistar’s track record for providing quality vehicles and rapid customization capabilities to defend against evolving threats has helped positioned us as a leader in the defense industry,” said Bob Walsh, vice president, Navistar Defense. “The increased payload and seating capacity of these vehicles is just one example of Navistar’s ability to meet the changing mission needs of the U.S. military and its allies.”

The vehicles will be delivered to the U.S. Army TACOM Life Cycle Management Command for use in Iraq and Afghanistan. The 400 cargo trucks will be built on the International® 7400 Series platform and will have increased engine power and crew seating, as well as increased body length and payload. The award calls for three deliveries, the first of which will be approximately 150 units to be delivered in early calendar-year 2009. The vehicles will be powered by MaxxForce D 8.7L engines, which are a part of the same family of engines that power the International® MaxxPro™ Plus.

Under the second contract, approximately 120 International® 7600 Series tractor trailers, with Cummins ISM engines, will be delivered to TACOM.

Navistar will supply all required spare parts necessary to support several years of scheduled maintenance for both contracts. Previously known as International Military and Government, LLC, Navistar Defense is an affiliate of Navistar International Corporation.

Previous TACOM awards for use in Iraq and Afghanistan that have occurred in fiscal year 2008 include a \$1.3 billion contract award in May, as well as two July contracts for severe service and heavy equipment transport vehicles.

Navistar International Corporation (NYSE: NAV) is a holding company whose subsidiaries and affiliates produce International® brand commercial and military trucks, MaxxForce™ brand diesel engines, IC brand school and commercial buses, and Workhorse® brand chassis for motor homes and step vans. It also is a private-label designer and manufacturer of diesel engines for the pickup truck, van and SUV markets. The company also provides truck and diesel engine parts and service. Another affiliate offers financing services. Additional information is available at www.Navistar.com/newsroom.

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