International Newsroom

Navistar Issues Non-Binding Letter of Intent for Purchase of Certain Monaco Coach Assets

WARRENVILLE, Ill. (March 26, 2009) Navistar International Corporation (NYSE: NAV) announced today that the company has issued a non-binding letter of intent to purchase certain assets and assume certain liabilities primarily associated with the recreational vehicle manufacturing business of Monaco Coach Corporation (Other OTC: MCOAQ).

Monaco, one of the nation's leading recreational vehicle manufacturers, filed for Chapter 11 bankruptcy relief on March 5 in the District of Delaware. Headquartered in Coburg, Ore., Monaco has manufacturing facilities in Oregon and Indiana and offers a variety of RVs, from entry-level priced towables to custom-made luxury models under the Monaco, Holiday Rambler, Safari, Beaver, McKenzie and R-Vision brand names.

"If we are able to reach agreement, the purchase of certain Monaco assets would fit our strategy of leveraging our assets to expand our diesel business, serve the end customer and would also complement our Workhorse custom chassis business," said Jack Allen, president of Navistar's North American truck group. "Any asset purchase would fall within our current capital expenditure program for fiscal 2009."

The letter of intent contemplates that Navistar and Monaco will work to sign a definitive asset purchase agreement by mid-April. Following the completion of due diligence and the bankruptcy court approval process, Navistar and Monaco intend to close the transaction shortly after obtaining the entry of a final non-appealable sale order of the bankruptcy court pursuant to Section 363 of Title 11, authorizing the transfer of purchased assets to Navistar.

Monaco continues to work with other interested parties regarding the

acquisition of its Motorhome Resorts segment and other assets held for sale.

Monaco Coach Corporation (Other OTC: MCOAQ), a leading national manufacturer of motorized and towable recreational vehicles, is ranked as the number one producer of diesel-powered motorhomes. Dedicated to quality and service, Monaco Coach is a leader in innovative RVs designed to meet the needs of a broad range of customers with varied interests and offers products that appeal to RVers across generations.

Navistar Forward-Looking Statement

Information provided and statements contained in this report that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this report and the company assumes no obligation to update the information included in this report. 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," "estimate," or similar expressions. These statements are not guarantees of performance or results and they involve risks, uncertainties, and assumptions. For a further description of these factors, see Item 1A. Risk Factors of our Form 10-K for the fiscal year ended October 31, 2008, which was filed on December 30, 2008 as modified by Item 1A, Risk Factors of our Form 10-Q for the first quarter ended January 31, 2009, which was filed on March 11, 2009 . 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. All future written and oral forward-looking statements by us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or

referred to above. Except for our ongoing obligations to disclose material information as required by the federal securities laws, we do not have any obligations or intention to release publicly any revisions to any forward-looking statements to reflect events or circumstances in the future or to reflect the occurrence of unanticipated events.

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