International Newsroom

Navistar Affiliate Completes Purchase of Certain Monaco Coach Assets

New Company Will Be Named Monaco RV LLC

WARRENVILLE, Ill. (June 4, 2009) – Navistar International Corporation (NYSE: NAV) announced today that an affiliate has completed the purchase of certain assets of the recreational vehicle (RV) manufacturing business of Monaco Coach Corporation (Other OTC: MCOAQ). Purchase price is approximately $47 million.

“Navistar’s entry into the RV business through the purchase of certain Monaco Coach assets fits our strategy of leveraging our assets to expand our diesel business, serve the end customer through robust parts and service, and will complement our Workhorse chassis business,” said Jack Allen, president of Navistar’s North American truck group. “The Monaco brand is a market leader with a strong reputation and Navistar is pleased to add it to our portfolio of leading brands and businesses.”

Monaco Coach Corporation, one of the nation’s leading recreational vehicle manufacturers, filed for Chapter 11 bankruptcy relief last March 5 in the District of Delaware. Headquartered in Coburg, Ore., the company had manufacturing facilities in Oregon and Indiana and its RV offerings ranged from entry-level priced towables to custom-made luxury models under the Monaco, Holiday Rambler, Safari, Beaver, McKenzie and R-Vision brand names.

The new company, named Monaco RV LLC, will be a wholly-owned affiliate of Navistar Inc., Navistar’s principal operating company, and headquartered in Coburg, Ore.

Purchasing the Monaco Coach Corporation assets out of bankruptcy allowed

the assets, inventory and intellectual property to be purchased for a significant discount, while not assuming the liabilities of Monaco Coach. Facilities included in the purchase are located in Coburg, Ore.; Harrisburg, Ore.; Wakarusa, Ind., and; Milford, Ind.

Production at Monaco Coach Corporation was halted prior to the bankruptcy filing and Navistar said that Monaco RV will resume production at certain facilities in the coming months.

“Providing the RV market with the right vehicles at the right time will be Monaco RV’s first order of business,” added Allen. “Our management teams will spend these first few weeks ramping up the business at a pace commensurate with demand.”

Although the new company is not liable for any product sold by Monaco Coach Corporation prior to the purchase by Navistar, customer service representatives will be available to aid RV owners in providing service and support for their vehicles. Owners with questions should call 877-4MONACO for assistance.

Navistar announced on March 26 that it entered into a non-binding agreement to purchase certain Monaco Coach Corporation assets and would work through the bankruptcy court to purchase the assets. United States Bankruptcy Court for the District of Delaware, Bankruptcy Judge Kevin J. Carey approved a final Sale Order on May 22.

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