

International Newsroom

Navistar, JAC to Explore Diesel Engine Joint Venture in China

WARRENVILLE, Ill. (Oct. 30, 2009) – Navistar, Inc. and Anhui Jianghuai Automobile Co. Ltd. (“JAC”) will explore a potential engine joint venture to develop, build and market advanced diesel engines for commercial vehicles in China. The potential joint venture, if formed, would have a 50/50 ownership between Navistar, a leading U.S.-based maker of commercial vehicles, motor coaches and diesel engines, and JAC, a leading China-based maker of commercial and consumer vehicles and engines.

The proposed JV would establish a research and design center in China’s Anhui province for application engineering development, product design and technology advancements. Diesel engines produced by the new venture would primarily be used in China, as well as certain export markets.

“This proposed joint venture would bring together the resources of two leaders, JAC in China’s commercial vehicle segment and Navistar in the global diesel engine business,” said Eric Tech, president, Navistar Engine Group. “The result would yield outstanding advanced technology products for commercial truck owners throughout the region.”

“This key initiative would not only give JAC access to world-class engine products, technology and management but would also support our long-term business growth strategy,” said Zuo Yanan, Chairman, JAC.

Formation of the joint venture is subject to the completion of due diligence, approval by each party’s board of directors, negotiation of definitive agreements, corporate and regulatory approvals. Management structure would consist of eight directors, four from JAC and four from Navistar.

About JAC

Anhui Jianghuai Automobile Co. Ltd. (JAC) is principally engaged in the development, manufacture and sale of sport recreational vehicles, passenger cars, commercial vehicles and related parts. The company offers business vehicles under the brand name of Refine, light and heavy trucks, sports recreation vehicles (SRVs) under the brand name of Rein, carriage chassis and cars. <http://jacen.jac.com.cn>.

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