International Newsroom

Navistar Announces Plans For Expanded Partnership With Chinese Truck Maker JAC

Navistar, JAC Sign Letters of Intent to Distribute, Design and Develop School Buses in China, Export JAC Commercial Trucks through Navistar Dealers in Brazil

BEIJING, CHINA – April 24, 2012 – This week at the Beijing International Automotive Exhibition (Auto China 2012), Navistar, Inc. announced its plans to expand its collaboration with Chinese truck maker Anhui Jianghuai Automobile Co. Ltd. (JAC). At a signing ceremony in conjunction with the tradeshow, Navistar and JAC signed non-binding letters of intent (LOI) to partner on new commercial vehicle opportunities:

• Design, development, manufacturing and distribution of school buses for the Chinese market

• Light-duty truck export opportunities from JAC in China to Navistar dealers in Brazil

School Bus Opportunities

Through the agreement, Navistar will collaborate with JAC Motor and its related party, a leading Chinese bus and chassis manufacturer, on a number of school bus opportunities including potentially importing IC Bus™ brand school buses into China as well as the design, development and distribution of school buses manufactured in China for the Chinese market. Navistar would also partner with JAC and Chinese government officials to lend its school bus safety expertise and share best practices.

“Navistar is excited to be sharing our experience and school bus safety expertise with China and we look forward to additional opportunities in the future,” said John McKinney, president, Navistar Global Bus Group.

The transportation of students in China has received significant attention in recent months. China’s State Council recently announced the adoption of new regulations governing transportation safety for students. As China works to

implement a world-class student transportation system to meet the unique local conditions and requirements, Navistar has an opportunity to partner with JAC and lend its expertise in school bus design and manufacturing.

The United States and Canada have a well established student transportation system, traffic laws, school bus design and manufacturing requirements, funding mechanism and a framework for operating the student transportation network. Navistar, through its IC Bus subsidiary is a recognized global leader in school bus manufacturing and the leading manufacturer of school buses in the United States and Canada with market share of more than 48 percent.

IC Bus is also a founder and co-chair of the American School Bus Council, a coalition of the school transportation community—including concerned parents, public and private transportation providers, school bus manufacturers and local government officials responsible for student transportation.

Commercial Truck Export Opportunities from China to Brazil
Navistar and JAC are exploring new export opportunities for certain models of JAC's light- and medium-duty truck line to select Navistar truck dealers in Brazil. Through these potential opportunities, JAC would export certain light- and medium-duty cab-over commercial trucks to complement the existing medium- and heavy-duty aero-nose commercial trucks sold under Navistar's International® truck brand in those markets.

"We have an ongoing partnership with JAC to produce MaxxForce® diesel engines and this new agreement adds further collaboration between our companies," said Waldey Sanchez, president, Navistar South America. "This agreement will result in new business opportunities for Navistar's International® truck dealer network in Brazil, boosting our product portfolio with new truck models."

"As we await the final authorizations of our joint venture agreements with JAC, we are excited to enter the Chinese market and bring our expertise to China,"

said Troy Clarke, president, Navistar Asia Pacific. “As part of the next stage of our collaboration, we’re excited for the opportunity to import JAC trucks into a key growth market like Brazil.”

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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