International Newsroom

Due to Rising Commodity and Supplier Costs, IC Coproration will Increase Bus Prices in 2007

Warrenville, IL (December 13, 2006) The rising costs of commodities such as rubber, steel and plastic, combined with increased prices from suppliers, have forced IC Corporation to raise its bus prices in 2007. The company estimates that bus prices will increase $2,500-$3,000 per unit, effective Feb. 1, 2007. This increase is in addition to the previously announced increases, which also included the costs associated with 2007 emissions.

A high percentage of the material value of a bus consists of steel and petrochemical products. Since 2003, all commodity prices have increased: steel and oil have doubled, copper has risen 150 percent, aluminum has increased more than 50 percent and platinum, which goes into new after-treatment devices, has also gone up significantly.

"IC Corporation is making this announcement as early as possible to allow for customers, especially school districts who are already confined to tight budgets, to plan accordingly," said Michael Cancelliere, vice president and general manager, IC Corporation. "As a company, we're continuing our attempts to absorb as much of the rising material costs as possible, while at the same time working to improve our manufacturing process and products. All efforts are being taken to minimize passing these cost increases on to our customers."

About IC Corporation

IC CORPORATION: IC Corporation, headquartered in Warrenville, Ill., is an affiliate of Navistar International Corp. (NYSE:NAV). The nation's largest integrated manufacturer of school buses, IC Corporation is a leader in passenger protection, chassis design, engines and ergonomics. The company is also a leading producer of commercial buses for several markets. All IC

Corporation buses are sold, serviced and supported through a renowned dealer network that offers an integrated customer program encompassing parts, training and service.

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