

Navistar Impacted By UAW'S Strike At General Motors

Lost production of 5,000 vehicles adversely impacted the company's 2019 financial results

LISLE, Ill., Nov. 13, 2019 /PRNewswire/ -- Navistar International Corporation (NYSE: NAV) today announced that the six-week strike of the United Auto Workers (UAW) union at General Motors Corporation (GM) impacted the company's ability to deliver approximately 5,000 vehicles to customers during the company's fiscal fourth quarter of 2019. Due to Navistar's lost production, the company's 2019 revenue and adjusted EBITDA is expected to be impacted by approximately \$140 million and \$15 million, respectively.

"We are pleased that we have resumed production at our Springfield, Ohio truck assembly plant last week," said Walter G. Borst, executive vice president and chief financial officer, Navistar. "However, the shutdown of our Springfield plant affected our workforce and the delivery of certain units to customers. As a result, our 2019 full year revenue and adjusted EBITDA is now expected to be at the low end of our guidance range."

The UAW's six-week strike at GM impacted the delivery of certain components to Navistar's Springfield, Ohio truck assembly plant (Springfield plant) due to production shutdowns at GM facilities and affiliated suppliers. As a result, Navistar halted production at its Springfield plant on September 23, suspending production of GM-branded vehicles, as well as Navistar's own commercial trucks. On November 4, Navistar resumed production at its Springfield plant. Navistar's decision to halt production at the Springfield plant impacted approximately 1,500 plant workers and the delivery of approximately 5,000 vehicles to customers. The affected vehicles included the cutaway model of GM's G Vans, Class 4/5 trucks, and other commercial vehicles.

In late 2018, Navistar and GM signed a long-term agreement to develop and assemble medium-duty, conventional cab Class 4/5 commercial vehicles. The two companies also have an agreement under which Navistar manufactures the cutaway model of GM's G Van.

About Navistar

Navistar International Corporation (NYSE: NAV) is a holding company whose subsidiaries and affiliates produce International® brand commercial trucks, proprietary diesel engines, and IC Bus® brand school and commercial buses. An affiliate also provides truck and diesel engine service parts. Another affiliate offers financing services. Additional information is available at www.Navistar.com.

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 ("Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"), 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 the risk factors set forth in our filings with the Securities and Exchange Commission, including our annual report on Form 10-K for the fiscal year ended October 31, 2018, which was filed on December 18, 2018. 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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