Navistar Defense To Provide Severe Service Vehicles For Use In Iraq Security Efforts

Delivery Orders Worth Up To \$37 Million



WARRENVILLE, III. (July 1, 2008) Navistar Defense, LLC continues to support security efforts in Iraq with six more delivery orders for severe service vehicles. The contract, combined with two previous delivery orders placed on September 28, 2007, are collectively worth up to \$37 million.

Under the contract, awarded by the U.S. Army TACOM Life Cycle Management Command, Navistar will supply vehicles built on its severe service International® 7000 Series platform to the Iraq Ministry of Defense to be used by the Iraqi Army

to support security efforts. This contract follows a \$1.3 billion contract from TACOM awarded in May 2008, for Medium Tactical Vehicles.

"Navistar's strong performance in providing quality vehicles and reliable service has positioned us as a leader in the defense industry," said Bob Walsh, vice president, Navistar Defense. "We will continue to deliver on our commitment to provide for U.S. military and its allies with a comprehensive value solution that includes military vehicles, and worldwide parts and field service support."

As of today, the eight confirmed delivery orders for the three-year contract are valued at approximately \$37 million for 291 vehicles and parts.

Navistar will supply several vehicle variants, including water tankers and diesel fuel trucks. In addition, Navistar will supply all required spare parts necessary to support scheduled maintenance.

Navistar International Corporation (NYSE: NAV), a *Fortune* 500 global company with roots stemming back more than 175 years, produces International® brand commercial and military trucks, MaxxForce™ brand diesel engines, IC brand school and commercial buses, and Workhorse® brand chassis for motor homes and step vans. It also is a private-label designer and manufacturer of diesel engines for the pickup truck, van and SUV markets. The company also provides truck and diesel engine parts and service. Another affiliate offers financing services. Additional information is available at www.Navistar.com/newsroom.

Media Contacts: Roy Wiley, 630-753-2627 Investor contact: Heather Kos, 630-753-2406

Website: www.Navistar.com/newsroom