

IC Bus Hybrid Models Qualify for IRS Tax Credit - First and Only Bus Manufacturer to Make the List

School Districts and Commercial Customers Can Take Advantage of Tax Credits from \$3,000 up to \$12,000 per Hybrid Bus



WARRENVILLE, Ill. (October 28, 2008) – If improved fuel efficiency, reduced emissions and environmental responsibility weren't reason enough to purchase diesel hybrid electric buses, school districts and commercial customers now have one more incentive – tax credits.

The Internal Revenue Service (IRS) recently added ten IC Bus hybrid bus models to a list of vehicles that qualify for the Alternative Fuel Motor Vehicle Credit enacted by the Energy Policy Act of 2005. The ten qualifying models offered by IC Bus are the first and only school and commercial buses on the list, adding to a long list of IC Bus breakthroughs in environmental leadership.

Through this IRS program, purchasers of certain large hybrid vehicles can claim credits of \$3,000, \$6,000 or \$12,000 if they qualify for the Qualified Alternative Fuel Motor Vehicle Credit.

"These credits are significant because they can help to offset the price of hybrids," noted David Hillman, marketing director at IC Bus. "This tax credit will be appealing to schools and organizations looking for added incentive to purchase hybrid buses. Even tax-exempt customers like schools can take advantage of the federal program by working with their selling IC Bus dealer."

Products from IC Bus that meet the requirements for the Qualified Alternative Fuel Motor Vehicle Credit include:

- 2008 IC Bus CE Series Hybrid School Bus Equipped with the Enova Charge Depleting Hybrid Drive System GVW 14,001-26,000 lbs.
- 2008 IC Bus CE Series Hybrid School Bus Equipped with the Enova Charge Depleting Hybrid Drive System GVW 26,001-33,000 lbs.
- 2009 IC Bus CE Series Hybrid School Bus Equipped with Enova Charge Depleting Hybrid Drive System GVW 14,001-26,000 lbs.
- 2009 IC Bus CE Series Hybrid School Bus Equipped with the Enova Charge Depleting Hybrid Drive System GVW 26,001-33,000 lbs.
- 2008 IC Bus CE Series Commercial Bus Equipped with the Enova Charge Depleting Hybrid Drive System GVW 14,001-26,000 lbs.
- 2008 IC Bus CE Series Commercial Bus Equipped with the Enova Charge Depleting Hybrid System GVW 26,001-33,000 lbs.
- 2009 IC Bus CE Series Commercial Bus Equipped with the Enova Charge Depleting Hybrid Drive System GVW 14,001-26,000 lbs.
- 2009 IC Bus CE Series Commercial Bus Equipped with the Enova Charge Depleting Hybrid Drive System GVW 26,001-33,000 lbs.
- 2009 IC Bus HC Series Commercial Transit Bus Equipped with an Eaton 10HEV Hybrid System 13GSB GVW 14,001-26,000 lbs.
- 2009 IC Bus HC Series Commercial Transit Bus Equipped with an Eaton 10HEV Hybrid System 13GSB GVW 26,001-33,000 lbs.

IC Bus became the first and only company to enter line production of hybrid school and commercial buses in 2006. The diesel hybrid electric buses provide customers with up to 65 percent improvement in fuel efficiency and up to 40 percent reduction in greenhouse gas emissions.

"We are committed to the development of new technologies such as those incorporated into the hybrid buses that provide improvement in fuel economy and reduction in emissions. We strive to be the leader in developing energy-efficient transportation solutions in the school and commercial bus industries," said Hillman.

IC Bus

IC Bus, LLC of Warrenville, Ill., is a wholly owned affiliate of Navistar International Corporation (NYSE: NAV). The top manufacturer of school and commercial buses, IC Bus is a global leader in passenger protection, chassis design, engines and ergonomics. The company is also a producer of commercial buses. All IC Bus buses are sold, serviced and supported through a renowned dealer network that offers an integrated customer program encompassing parts, training and service. Additional information is available site at www.icbus.com.

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