Navistar Expands Hybrid Truck Line with New International® DuraStar Hybrid Tractor

New Fuel-Efficient Unit Designed for General Freight Haulers, Food and Beverage Distributors

SOUTH BEND, Ind. (October 13, 2008) – Navistar (NYSE: NAV) is continuing its commitment to innovation and development of environmentally responsible vehicles with the expansion of its industry-leading line of diesel electric hybrid trucks.

At this week's Hybrid Truck Users Forum in South Bend, Ind., Navistar unveiled an additional hybrid truck configuration – the International DuraStar Hybrid tractor – which targets general freight haulers and food/beverage distributors with diminishing loads.

Like the other trucks in the International DuraStar Hybrid line, this diesel electric hybrid Class 7 tractor has the proven capability to provide dramatic fuel savings from 20-25 percent on a standard in-city pickup and delivery applications. Every edge in fuel efficiency is important to truck customers as the average cost of diesel in 2008 has climbed a whopping 42 percent versus last year, according to the Energy Information Administration.

"This is the next step in providing expanded fuel efficiency options for customers as they face the new realities of high diesel costs and tough economic conditions," said Steve Guillaume, general manager, medium truck group, Navistar. "Saving 20-25 percent in fuel costs is nearly the equivalent of paying last year's price at the pump – which was \$2.88."

In addition to reducing the amount of fuel used, the International DuraStar Hybrid also reduces the amount of emissions released into the air. Overall the DuraStar Hybrid emits up to 33 percent less hydrocarbon emissions and 35 percent less nitrogen oxide emissions versus standard diesel trucks.

International DuraStar Hybrid trucks employ a parallel-type, diesel-electric hybrid architecture that is supplied by Eaton Corporation. It incorporates an electric motor/generator between the output of an automated clutch and input of the automated manual transmission. The hybrid-electric system recovers energy during braking, and can add power back into the driveline during start and acceleration. This capability makes the truck more efficient in standard driving, particularly in city and stop-and-go driving.

Navistar, which announced in November 2007 that it was the first company to enter line production of hybrid commercial trucks, currently has more than 300 International hybrid trucks and IC Bus hybrid school buses in operation around North America delivering improved fuel economy and reduced emissions.

Customers can learn more about hybrid trucks at www.InternationalTrucks.com/hybrid.

About Navistar

Navistar International Corporation (NYSE: NAV) is a holding company whose wholly owned subsidiaries produce 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.