

Navistar Defense Receives \$362 Million Contract for 400 More MRAP Vehicles

Company Ready to Actively Participate in Next Generation of MRAP Vehicle Program



WARRENVILLE, Ill., (December 11, 2008) As the U.S. military moves forward with industry proposals for the next generation of lighter, more mobile Mine Resistant Ambush Protected (MRAP) vehicles, Navistar Defense, LLC was awarded 400 additional MaxxPro™ Dash units Wednesday designed for urgent operations in Afghanistan.

Navistar will complete delivery of all 400 units while the testing and evaluation of vehicles for the MRAP All-Terrain Vehicle (M-ATV) program is underway. The U.S. military announced its M-ATV program in November. The company will also deliver a previous September award of 822 MaxxPro Dash vehicles a full month ahead of schedule at the end of January. Work on the additional 400 units is to be completed by the end of May.

“The M-ATV is an exciting evolution of the military’s MRAP vehicle program; an off-road, lighter and more maneuverable vehicle with MRAP-level protection,” said Archie Massicotte, president, Navistar Defense. “From the advent of MRAP vehicle program to today, Navistar continues to leverage our manufacturing and engineering expertise to quickly adapt our MRAP vehicle for the evolving threats in theater; it’s our core strength.”

The contract for 400 MaxxPro Dash units is valued at \$362 million. Production of the units will begin at the company’s West Point, Miss., plant in late January, shortly after the company completes delivery of the original 822 units.

The company also is dedicated to the sustainment of all its MaxxPro vehicles and will support the renewal of field service representatives (FSRs) in Iraq and Afghanistan with last week’s \$53.6 million contract award from the U.S. Marines. The award will also be used to provide parts, engineering enhancements and FSR publications needed for MaxxPro vehicles in theater.

Navistar Defense is an affiliate of Navistar International Corporation (NYSE: NAV), a holding company whose subsidiaries and affiliates produce International® brand commercial and military vehicles, MaxxForce™ brand diesel engines, IC brand school and commercial buses, and Workhorse® brand chassis for motor homes and step vans. Navistar is also 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.

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