

U.S. Marine Corps Ordering More Category 1 MRAP Units From International Military And Government, LLC

Navistar Company Gets \$414 Million Addition to May 2007 MRAP Order, Will Deliver 755 More Units to Help Protect U.S. Military Personnel

Warrenville, Illinois - July 23, 2007

Navistar International Corporation (Other OTC: NAVZ) announced today that its military subsidiary, International Military and Government, LLC, has received an incremental order from the U.S. Marine Corps for 755 additional Category I Mine Resistant Ambush Protected (MRAP) vehicles valued at approximately \$414 million to be delivered by the end of February 2008.

The current order brings International's total orders due by February 2008, to 1,971 MRAP's totaling over \$1.045 billion. The International® MaxxPro™ military vehicle is the Category I MRAP offering from International Military and Government designed to protect troops from roadside bombs and improvised explosive devices (IEDs).

"The urgency to rapidly deliver these life saving armored vehicles to our military forces is clear," said Daniel C. Ustian, chairman, president and chief executive officer of Navistar International Corporation. "We are working with the U.S. military and our supply base to increase our production capacity at our facilities to meet the aggressive demand and provide these MRAP vehicles into the hands of our Marines, soldiers and sailors as quickly as possible. Every day of production is critical. We are honored and proud to be providing these mission critical vehicles to the U.S. military."

"We are leveraging our manufacturing expertise in the commercial truck and engine industry to provide quality, durable military vehicles as fast as possible," said Archie Massicotte, President of International Military and Government, LLC. "As the largest commercial truck and mid-range diesel engine manufacturer in North America, we offer a number of advantages: we produced over 161,000 commercial vehicles last year, we know how to mass produce quality vehicles, we manufacture our own diesel engines, we've forged strong relationships with a number of key suppliers, and we provide comprehensive global parts and service support for these trucks. So when the U.S. military needs vehicles, we have a proven track record and existing infrastructure to deliver quickly and efficiently."

International utilizes a state of the art modular armor concept, developed in conjunction with Plasan Sasa, to armor its MaxxPro vehicles. Plasan Sasa, a world-class provider of armor solutions, is rapidly expanding its capacity and focusing dedicated resources on meeting the increasing MRAP demand for MaxxPro vehicles. The design positions the v-shaped crew compartment on top of International's proven heavy-duty truck chassis. The v-shaped hull is designed to deflect blasts away from the truck to minimize impact around the crew area.

"For the sake of our brave men and women serving in the Middle East, we are committed to delivering these MRAP vehicles as soon as possible," said Massicotte. "Our truck production team and armor experts in Texas and Mississippi are focused and dedicated to producing these MRAP units that save the lives of our Armed Forces. It is a privilege for us to be part of this important mission."

The MaxxPro powered by an International MaxxForce™ turbocharged diesel engine was designed around the following:

- **Crew survivability.** International's MaxxPro features unique and advanced armoring and design technology to protect occupants on the battlefield from today's threats.
- **Mission accomplishment.** International designed the MaxxPro vehicle with protection, versatility and reliability in mind.
- **Capability for immediate high rate of production.** As one of the largest commercial truck and engine manufacturers, International has a dedicated integration facility for military vehicle production and is able to rapidly ramp up production to meet the military's desired levels.
- **Ease of service and superior life cycle value.** It is vital for U.S. forces on the battlefield to get vehicles maintained and returned to action as quickly as possible. International's MRAP vehicles are designed with operational readiness in mind. Commonality and utilization of readily available and well proven truck components helps reduce the logistical footprint for parts and service which maximizes uptime.

About International Military and Government, LLC

International Military and Government LLC is a wholly-owned subsidiary of International Truck and Engine Corporation. IMG was established to focus on military and government opportunities. Additional information is available at www.InternationalMilitaryandGovernment.com.

About Navistar International Corporation

Navistar International Corporation (Other OTC: NAVZ) is a holding company whose wholly owned subsidiaries produce International® brand commercial trucks, MaxxForce brand diesel engines, IC brand school 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 wholly owned subsidiary offers financing services. Additional information is available at www.Navistar.com.
