

Navistar Awarded Department of Energy Funding for Plug-in Hybrid School Bus



WARRENVILLE, ILL., (April 20, 2009) – Continuing its leadership in the development of hybrid commercial vehicles, Navistar was selected by the U.S. Department of Energy to participate in a project that will develop and deliver energy-efficient and environmentally friendly plug-in hybrid school buses.

The U.S. Department of Energy announced late on Friday that it had selected Navistar for a cost-shared award of up to \$10 million—half of the total projected cost. As part of the Plug-in Hybrid Electric Vehicle (PHEV) Technology Acceleration and Deployment Activity program, Navistar will develop and deploy 60 plug-in electric hybrid buses to fleets across the nation during a multi-year program.

“Navistar is proud to work with the Department of Energy on a project that will help reduce fuel consumption and emissions while reducing the country’s dependence on foreign oil,” said Daniel C. Ustian, Navistar chairman, president and chief executive officer. “By using plug-in electric vehicle technology in school buses, we have the privilege and opportunity to allow a generation of U.S. children to grow up with the expectation that, as part of their everyday commute to school, electric transportation is a reality.”

Navistar’s IC Bus is the only bus manufacturer that currently offers a plug-in hybrid school bus. In the proposed project, Navistar will work to further develop the plug-in hybrid bus into a vehicle capable of all-electric drive for extended periods. This proposed vehicle will have engine-off driving capability, saving fuel and reducing emissions while traveling on electricity only.

“These projects will help move technologies from the laboratory to the marketplace by improving their durability, reducing their costs, and validating their performance in real-world settings,” Energy Secretary Steven Chu said in a statement released on Friday.

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 Bus 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.

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