Navistar Enters Engine Supply Agreement with Developer of Daewoo Commercial Buses

MaxxForce® diesels will power new transit buses for global markets



MELROSE PARK, III. (USA), April 28, 2009 – Navistar Engine Group, an operating unit of Navistar, Inc. (NYSE: NAV), has entered a supply agreement to develop and produce diesel engines for two new Daewoo Bus brand commercial buses for Korea and other global markets. Under the agreement, Navistar's Brazilian affiliate MWM International Indústria de Motores da América do Sul Ltda. will supply the MaxxForce® brand engines to Clark ENG Ltd., which develops bus products for Korea-based Daewoo Bus Corporation. With production in mid 2011, annual volumes are projected to reach nearly 25,000 by 2014.

"Customers have come to expect quality, performance and reliability from Daewoo buses, which has powered the brand's growth in recent years," said Moon-Kyu Choi, managing director, Clark ENG Ltd. "These new engines will bring clean diesel power, fuel efficiency and reliability to our market-leading buses."

The new MaxxForce Sprint model in-line four-cylinder engines will power 6.0-ton GVW and 5.5-ton GVW Daewoo Bus brand light buses. The 3.2-liter turbodiesels feature four valves per cylinder and comply with Euro III, IV and V emissions standards.

"Navistar is excited to partner with a leader like Daewoo Bus which has a solid and growing global footprint and customer base," said Navistar Engine Group vice president and general manager Eric Tech. "This is another important step in the execution of our strategy, as Navistar's Engine Group expands its global reach and diversifies its customer base."

Clark ENG Ltd. is an independent developer of bus products for Daewoo Bus Corporation and forklift products for Clark Material Handling International, Inc. All three companies are owned by Young An Company, a Bucheon, South Korea-based diversified holding company. More information about Daewoo Bus Corporation is available at: www.daewoobus.com.

Navistar International Corporation (NYSE: NAV) produces International® brand commercial and military vehicles, MaxxForce® brand diesel engines, IC Bus brand school and commercial buses, and Workhorse® brand chassis for motor homes and step vans, and is a private label designer and manufacturer of diesel engines for global consumer and commercial vehicle markets. Navistar is also a provider of truck and diesel engine parts. Another affiliate offers financing services. Additional information is available at: www.navistar.com. More information about Navistar Engine Group is available at: www.navistarengines.com.

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