

Navistar Showcases LCOE Truck at Waste Expo

Vehicle will be Produced by Potential Alliance with American LaFrance



LAS VEGAS, Nev. (June 9, 2009) – Navistar (NYSE: NAV) today showcased an addition to its line-up of International® trucks, a vehicle based on an existing American LaFrance low cab-over engine (LCOE) platform.

While Navistar, Inc. and American LaFrance, LLC continue to work toward a definitive agreement on a joint venture to develop, manufacture and support LCOE vocational trucks, the two companies were eager to show the waste industry what a potential end-product could look like.

The two companies plan to work collaboratively to make enhancements to the existing LCOE chassis. While these modifications may appear seamless to customers today, over time, the joint venture will help produce more noticeable changes, including the integration of MaxxForce® engines and Advanced EGR technology to meet EPA 2010 emissions requirements.

The joint venture will build upon the engineering platform of American LaFrance and further enhance the product offering with proprietary Navistar components. Navistar's MaxxForce Advanced EGR engines will be incorporated within the product offering, providing a clear advantage for the new line of trucks heading into the 2010 EPA emission requirements. The International LCOE truck will be the only LCOE chassis on the market without a urea-based SCR (selective catalytic reduction) system.

"We believe the strengths of our vocational line are exponentially enhanced when combined with the proprietary components, engines and distribution of Navistar," said Patriarch Partners Chief Executive Lynn Tilton. "This will be an exciting journey to build a broad global product offering and we are honored to combine the talents and names of Navistar and American LaFrance."

The initial product focus will target the waste and construction segments with future products planned for additional vocational markets. Through the venture, the American LaFrance Summerville, SC, manufacturing facility will become the manufacturing hub for the new products.

"Working with American LaFrance is another example of Navistar's strategy of growth through leveraging our own assets and those that others have built," said Jack Allen, president of Navistar's North American Truck Group. "This relationship provides us with a new opportunity to further grow our business and meet the needs of customers through a new line of vocational vehicles."

The companies have commissioned teams to focus on truck and engine opportunities. The initiatives contemplated by the Term Sheet are subject to completion of due diligence, execution of definitive agreements and regulatory approvals.

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 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.

About American LaFrance

American LaFrance, LLC, is a leading manufacturer of fire, rescue and vocational vehicles. Through its predecessor entities, the Company is one of the oldest fire apparatus manufacturers in the United States, dating back to its founding in 1832. The Company manufactures all product lines out of its headquarters located in Summerville, SC. The Company has over 200 parts and service locations throughout North America to service fire and vocational products.

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