

Navistar Defense Wins Foreign Military Sale From Israel

Company Also Receives Second MRAP Support Contract; Awards Equate to \$90 Million



WARRENVILLE, Ill. (January 5, 2010) Navistar Defense, LLC today announced that it has made a new foreign military sale to the Israel Ministry of Defense. Under the \$12 million contract, Navistar will deliver 114 medium tactical vehicles by June 2010.

In addition to the Israel contract, the company also received a second four-year, System Technical Support (STS) contract for up to \$78 million to support its International® MaxxPro® Mine Resistant Ambush Protected (MRAP) vehicles.

“Medium tactical vehicles provide a solid base for our U.S. business and our ability to customize these vehicles allows Navistar to also support the mission needs of allied armed forces,” said Archie Massicotte, president, Navistar Defense. “We are honored to help serve U.S. allies and we will continue to focus on growing our foreign military sales in 2010.”

Based on Navistar’s commercial International® WorkStar®, or 7000 Series platform, vehicle variants for Israel will include cargo, recovery and tow trucks. Parts and service are not included in the contract.

Though the company will target growth in markets outside the United States as part of its 2010 strategy, the company remains dedicated to its U.S. customers. Under Navistar’s four-year STS contract, the company will provide hardware to accompany work conducted under the previous MRAP STS engineering award announced November 9, which is also a four-year contract for up to \$78 million. Navistar’s STS awards allow the company to improve MaxxPro MRAP vehicle reliability, support combat issues encountered in theater, as well as provide new vehicle enhancements.

“As one of the leading providers of MRAP vehicles, we have a duty to evolve our vehicles to help counter changing in-theater threats,” said Massicotte. “Both our STS contracts will enable us to quickly serve those who require new vehicle features to tackle the road - or lack of road - in Afghanistan.”

The company currently supports several vehicle fleets for the U.S. armed forces, including more than 6,400 MaxxPro MRAP vehicles.

Navistar International Corporation (NYSE: NAV) is a holding company whose subsidiaries and affiliates produce International® brand commercial and military trucks, MaxxForce® brand diesel engines, IC Bus™ brand school and commercial buses, Monaco RV brands of recreational vehicles, 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 service parts. Another affiliate offers financing services. Additional information is available at www.Navistar.com/newsroom.

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