Navistar Selected As Partner in Development of DOE "Super Truck"

\$37.3 Million Department of Energy Project Seeks to Improve Efficiency of On-Highway Trucks

WARRENVILLE, III. (January 12, 2010) – Navistar (NYSE: NAV) today announced it will receive more than \$37 million in federal funding to partner with the U.S. Department of Energy (DOE) to pioneer new fuel efficiency and emissions-reducing technologies. The goal of the project is to develop a "Super Truck" featuring a 50 percent improvement in fuel efficiency.

"Navistar is proud of its fuel efficiency leadership and we're delighted to work with the DOE on a project that will improve truck and trailer aerodynamics and reduce our nation's dependence on foreign oil," said Dee Kapur, president, Navistar Truck Group. "The International® ProStar® is currently the industry's Class 8 leader in fuel efficiency and aerodynamics and this project positions Navistar to take its leadership to the next level."

Through the DOE project, Navistar will be developing and demonstrating technologies to improve truck and trailer aerodynamics, combustion efficiency, waste heat recovery, hybridization, idle reduction, and reduced rolling resistance tires.

Currently, the transportation sector accounts for 28 percent of total U.S. energy use. Improving the fuel efficiency of heavy-duty commercial trucks would be an important step in reducing U.S. energy consumption and would also have a significant impact in reducing greenhouse gas emissions.

With more than 80 percent of the nation's diesel fuel consumed by heavy-duty on-highway Class 8 trucks, the DOE's development of a "Super Truck" has enormous energy-saving potential as well as significant environmental benefits.

"Our selection to participate in the 'Super Truck' program recognizes the outstanding contributions of our company-wide product development organization," said Ramin Younessi, Navistar group vice president, product development and strategy. "Our leadership in designing and developing clean, energy-efficient engines combined with our achievements in vehicle aerodynamics will provide a solid foundation as we work to deliver the 'Super Truck' program goals."

As these vehicle technologies are adopted broadly across the country, they could save more than 100 million gallons of gasoline and diesel per day, and reduce carbon emissions from on-road vehicles by 20 percent by 2030.

"We'll continue to work closely with the DOE in the weeks ahead as additional details are finalized on funding, allocation of resources and timing," added Younessi.

About Navistar

Navistar International Corporation (NYSE: NAV) is a holding company whose wholly-owned 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 parts and service. Another affiliate offers financing services. Additional information is available at <u>www.Navistar.com/newsroom</u>.

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