

Navistar Delivers First eStar All-Electric Trucks to California Electric Company

Pacific Gas and Electric Becomes First Utility Company to Purchase eStar Trucks

SACRAMENTO, Calif. (June 22, 2010) – In the capitol of California, a state known for its green thinking, Navistar, Inc. today delivered some of its first eStar™ vehicles—the only full-production, purpose-built all-electric trucks—to Pacific Gas and Electric Company (PG&E).

“A state as green as California can appreciate the amazing potential of the eStar all-electric truck when it comes to clean, energy-efficient transportation,” said Shane Terblanche, general manager, Navistar-Modec Electric Vehicle Alliance LLC, the joint venture between Navistar Inc. and Modec Limited of the United Kingdom. “We are excited to bring one of the coolest vehicles on the road to the people of California.”

Navistar’s eStar arrived on the steps of the state capitol to give lawmakers and local officials a close-up look at this first-of-its kind vehicle. The eStar is designed and built from the ground up to serve the large Class 2c-3 segment of the light- and medium-duty trucking market with an environmentally friendly option.

“For businesses, municipalities and other organizations that demonstrate their environmental commitment, the eStar provides them with a smart option,” added Terblanche. “Navistar brought the eStar to market to meet the needs of responsible customers who strive to have a positive impact on the environment through energy efficiency.”

“PG&E is pleased to add the eStar all-electric truck to our diversified portfolio of alternative fuel technologies,” said Ed Bedwell, PG&E’s senior director of state and local government relations. “This clean electricity vehicle is part of our continuing commitment to reduce the impact of our operations and improve the air quality in the communities we serve.”

California has long been the U.S. leader in clean vehicle technology development and in establishing energy-efficiency policies and standards. In addition, California is the only state that has dedicated funding to help make clean vehicle technology more affordable.

Navistar also announced its first eStar dealer for the California market—Riverview International Trucks, Inc., of West Sacramento. With the eStar truck making its debut in Sacramento today, Navistar is fully capable to support its customers through select dealers networked in its initial launch regions. Full production of the eStar began in May at the company’s Wakarusa, Ind., facility. Navistar’s initial customer—FedEx—has four of the trucks in use in the Los Angeles area. Navistar plans to deliver 400 units to additional customers by the end of 2010.

With a range of 100 miles per charge, the eStar is ideal for many urban applications. When it returns to its home base at the end of the day, customers can plug it in for a full recharge within approximately six to eight hours.

The eStar all-electric truck transitioned from concept to reality in August 2009, when President Barack Obama visited Navistar’s manufacturing plant in Indiana to announce a \$39.2 million grant funded by the American Recovery and Reinvestment Act and administered by the Department of Energy to develop and deploy electric trucks. Less than one year later, Navistar completed testing and validation, developed and delivered prototype vehicles, and received U.S. Environmental Protection Agency and CARB certifications.

With zero tailpipe emissions, each eStar truck can reduce greenhouse gas emissions by as much as 10 tons annually. Drivers will be able to experience the ultimate in ergonomic design as the windshield provides nearly 180-degree visibility. The low-floor design also provides easy loading/unloading, and the noise level is near zero, which makes this nimble vehicle ideal for urban areas facing noise challenges.

About Navistar

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. The company also provides truck and diesel engine service parts. Another affiliate offers financing services. Additional information is available at www.Navistar.com/newsroom.

About Pacific Gas and Electric Company

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation (NYSE:PCG), is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with 20,000 employees, the company delivers some of the nation's cleanest energy to 15 million people in Northern and Central California. For more information, visit www.pge.com/about/.

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