

JAC and Navistar Sign Two Integrated Joint Venture Agreements to Produce and Market Commercial Trucks and Diesel Engines

MaxxForce® Engines to Make Debut in China

Beijing (Sept. 16, 2010) – An affiliate of Navistar International Corporation (NYSE: NAV) and Anhui Jianghuai Automobile Co. Ltd. (JAC) today signed a joint venture agreement to develop, build and market advanced diesel commercial engines in China. An affiliate of NC2, a joint venture between Navistar and Caterpillar, Inc. also signed today a joint venture agreement with JAC to develop, build and market advanced commercial vehicles in China.

The deal is pending approval by the necessary Chinese Government authorities.

Navistar is a leading U.S.-based maker of commercial vehicles, motor coaches and diesel engines, and JAC is a leading China-based maker of commercial and consumer vehicles and engines.

The engine joint venture will establish a research and design center in China's Anhui Province for application engineering development, product design and technology advancements, to support the truck joint venture and other engine requirements of JAC's product portfolio. A dedicated manufacturing facility in Hefei, Anhui Province of China will be constructed to produce JAC and the Navistar-designed MaxxForce® brand diesel engines. The truck joint venture will build vehicles at an existing 800,000 square foot JAC manufacturing facility dedicated to medium and heavy duty trucks.

Through this partnership, Navistar's integrated truck and engine businesses continues its global growth and diversification efforts by establishing a strong presence in the fastest growing automotive and commercial vehicle market in the world. The ability to partner with JAC in a combined truck and engine agreement will allow both companies to accelerate product development for the Chinese market.

The engine joint venture will focus on meeting emerging needs of the Chinese commercial truck market with Euro IV and Euro V compliant technology. The MaxxForce line of engines will provide JAC customers with durable and fuel efficient clean air technology. MaxxForce technology will assure owners that they are driving a product that is clean, capable and efficient, meeting the demands of the Chinese marketplace. JAC's 2010 vehicle sale estimates in the combined commercial vehicle segments of light heavy trucks are 200,000 units. Diesel engines produced by the new venture will be used in China.

The truck and engine agreements are integrated to support the advanced technology power requirements of a number of medium and heavy duty vehicles, which include the JAC Sword and Gallop brands and International® Brand TranStar®, positioning JAC products in China to meet the ever increasing demands of the Chinese market. Engines supporting the full range of commercial trucks include the JAC existing products and a wide range of Navistar MaxxForce® brand engines.

Daniel C. Ustian, chairman, president and chief executive officer, Navistar said, "These joint ventures represent a significant step in Navistar's global growth." He went on to say, "This is consistent with our strategic platform of leveraging the technical capabilities and assets of great companies. Navistar recognizes the importance of the Chinese market and this venture with a strong partner such as JAC enables us to establish a firm foothold in China as we grow our business in the Asia Pacific region."

Zuo Yan An, chairman, JAC, said, "Partnership with Navistar will bring cutting-edge diesel and commercial truck technology providing products with great fuel economy and durability and will enable JAC to continue leading in the commercial vehicle market in China and to grow globally."

Formation of the joint ventures is subject to finalization of certain procedural steps and the finalization of certain ancillary commercial agreements among the parties.

About JAC

Anhui Jianghuai Automobile Co. Ltd. (JAC) is principally engaged in the development, manufacture and sale of sport recreational vehicles, passenger cars, commercial vehicles and related parts. The company offers business vehicles under the brand name of Refine, light and heavy trucks, sports recreation vehicles (SRVs) under the brand name of Rein, carriage chassis and cars. <http://jacen.jac.com.cn>.

About Navistar

Navistar, Inc., the operating company of Navistar International Corporation (NYSE: NAV), produces International® brand commercial vehicles, 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. Additional information is available at www.Navistar.com/newsroom.

Forward-Looking Statement

Information provided and statements contained in this report that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this report and the company assumes no obligation to update the information included in this report. Such forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” or similar expressions. These statements are not guarantees of performance or results and they involve risks, uncertainties, and assumptions. For a further description of these factors, see Item 1A, Risk Factors of our Form 10-K for the fiscal year ended October 31, 2009, which was filed on December 21, 2009. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. All future written and oral forward-looking statements by us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to above. Except for our ongoing obligations to disclose material information as required by the federal securities laws, we do not have any obligations or intention to release publicly any revisions to any forward-looking statements to reflect events or circumstances in the future or to reflect the occurrence of unanticipated events.

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