Navistar Issues Statement on Fuel Efficiency and Greenhouse Gas Regulations for Heavy Trucks

Company Will Work Together with Government, Industry Leaders to Evaluate Proposed Legislation

WARRENVILLE, III. (October 25, 2010) - In response to the regulatory proposal to improve fuel efficiency and reduce greenhouse gas (GHG) emissions from medium and heavy-duty trucks and buses released today by the U. S. Environmental Protection Agency (EPA) and the U. S. Department of Transportation (DOT), Navistar issued the following statement:

"As a leader in manufacturing medium and heavy-duty engines and vehicles in the United States, Navistar has been actively engaged in providing solutions for improved fuel efficiency and reduced greenhouse gas emissions," said Daniel C. Ustian, Navistar chairman, president and chief executive officer. "While it's too soon to evaluate all elements of the proposed regulations, we are committed to engaging with the EPA and DOT on this issue. We look forward to working together with government and industry leaders in the months ahead to implement changes that will benefit the customers and communities we serve with cleaner, more fuel efficient commercial vehicles."

Navistar will work closely with the EPA and DOT to ensure this program expands the use of existing technologies to reduce CO2 emissions, improves overall fuel efficiency, and properly incentivizes the early introduction of advanced technologies.

Navistar's History of Environmental Leadership

Throughout its history, Navistar has been focused on producing products that meet the commercial needs of our customers as efficiently and cost-effectively as possible. Navistar has a long and successful record of working cooperatively with EPA and DOT and other regulatory agencies.

For decades, Navistar has demonstrated its commitment to clean technologies that benefit the environment and its customers. Navistar was the first Original Equipment Manufacturer (OEM) to release the smokeless diesel engine and was the first engine manufacturer to gain EPA certification for meeting 2007 particulate and hydrocarbon emissions standards—six years ahead of schedule. Navistar was also the first OEM to enter assembly line production of diesel-hybrid commercial trucks and school buses in North America.

For its ongoing leadership, Navistar was honored with the 2007 Blue Sky Award from WestStart-CALSTART for its contributions to the commercial development of diesel-hybrid technology. This preeminent award is presented each year by WestStart-CALSTART, the nation's leading advanced transportation technology industry organization working to support and accelerate the growth of companies developing clean and energy-efficient transportation technologies.

Navistar became the first OEM to receive dual certification through the U.S. Environmental Protection Agency (EPA) SmartWay Program for helping to reduce greenhouse gas (GHG) emissions. Navistar produces two industry-leading Class 8 trucks with SmartWay certification, International® LoneStar® and International® ProStar®, a distinction they received for their superior aerodynamics and fuel economy. While the ProStar is recognized as the most fuel-efficient Class 8 tractor on the market, in June 2009, the groundbreaking LoneStar became the first classic-styled Class 8 tractor to receive the SmartWay certification. In January 2009, Navistar also became a SmartWay Transport Partner, becoming the first OEM with SmartWay-certified tractors to also be certified as a transport partner. The SmartWay Transport Partnership is a voluntary program that recognizes partners for setting and achieving greenhouse gas (GHG) reduction goals in freight transport. The program also helps lower operating costs by reducing fuel surcharges and offers customers EPA-certified, fuel-efficient tractors.

Most recently, Navistar continued its "green" product development leadership with the introduction of the eStar all-electric truck—the first medium-duty commercial vehicle to receive U.S. Environmental Protection Agency (EPA) certification as a clean fuel fleet vehicle as well as California Air Resources Board (CARB) certification as a zero emissions vehicle.

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 federal stimulus grant to build electric trucks. A year later, Navistar has completed testing and validation, developed and delivered prototype vehicles, and received EPA and CARB certifications. With no tailpipe emissions, each eStar truck can reduce greenhouse gas emissions by as much as 10 tons annually.

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.

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