

International® ProStar™, New Flagship Aerodynamic Tractor, Rolling Off Assembly Line

Quality Built-In to Every Step for Increased Customer Satisfaction

Warrenville, Illinois - January 30, 2007

- International Truck's new industry-leading aerodynamic class 8 tractor, the flagship International® ProStar™, is rolling off the assembly line as scheduled at the company's state-of-the-art Chatham, Ontario, plant. A gradual ramp-up is planned to ensure the highest quality for this new-from-the-tires-up vehicle.

Five years in development, the new International ProStar is designed to provide best-in-class fuel economy, unparalleled driver satisfaction, unprecedented uptime and the lowest cost of ownership. Assisting the company's on-schedule performance has been a major \$270 million modernization of the Chatham facility, including a complete reconfiguration of the assembly line. The plant and its experienced workforce play a significant part in the tractor's dynamic innovations.

"In all my years working with vehicles, I've never seen a product launch this flawless. We've tested and retested the product design and production process under every possible scenario to be sure we're ready for full production," said Tom Baughman, vice president and general manager, Heavy Truck Group, at International. "Our unparalleled assembly process sets the standard for manufacturing heavy trucks. The additional time being spent on quality control delivers what our customers are looking for and more."

In addition to the pre-production quality build last fall, International has planned a gradual ramp up to full production. International started with 10 units a day to ensure an exceptionally high build quality is maintained. Production began on January 29. The plant will continue to ramp up in discrete steps during the first 60 days to reach a level of 30 units a day. Further production increases will be dependent on the strength of the over-the-highway tractor demand by late spring. At full production, the facility expects to manufacture more than 100 trucks a day and employ two shifts. International will release the first production units to customers in early March.

The renovated Chatham plant, which employs nearly 750 workers, includes state-of-the-art equipment and technology, a research-and-development facility and advanced skills and training. The reconfigured assembly line is streamlining the ProStar tractor's production in several ways by, among other things, accommodating the ProStar's more modular production process. For instance, modules for its battery box/air tank, fuel tank module, pre-assembled and pre-painted chassis skirts and bottom-hinged, pre-assembled bumpers are all part of the new process design that improves line throughput and efficiencies.

Among other modernizing steps, a new chassis spray-paint booth improves paint coverage while reducing paint usage and also makes environmental improvements. And International officials have been working with ergonomic experts to identify and make jobs as productive, quality-conducive and ergonomically efficient as possible. Further, a relentless pursuit of continuous improvement in safety has been underway to ensure the plant and its employees adapt to a changing workplace.

International Truck has used a comprehensive ProStar training program that encompasses all functions and upgrades the skills of plant employees in a variety of areas, using a custom-made curriculum. The 576 workers who are building the ProStar all have more than 10 years of truck assembly experience, underscoring how International is driving quality in the production of the ProStar.

Further, as the Chatham plant aims to establish a workplace model for making long-haul and other trucks, the company has established a final-product quality audit for each shift. The audit reviews five tractors per shift with an extensive list of features and characteristics that are important to customers, such as visibility, seat comfort and belly room and fit-and-finish.

INTERNATIONAL TRUCK GROUP: An affiliate of Navistar International Corp. (NYSE: NAV), International Truck is a leading producer of medium and heavy trucks for various markets including over-the-road, pickup and delivery, construction, utility and governments. Based in Warrenville, Ill., International offers its products, parts and services through a network of nearly 1,000 dealer outlets in North America and from more than 60 dealers in 90 countries throughout the world. Additional information is available at www.internationaltrucks.com
