U.S. Marine Corps Orders More MaxxPro™ MRAP Vehicles From Navistar Affiliate

\$509 Million Addition to May 2007 Order, Will Deliver 1,000 More Category 1 MRAP Units to Help Protect U.S. Military Personnel

Warrenville, IL (October 18, 2007)

The U.S. Marine Corps today ordered 1,000 additional International® MaxxPro™ military vehicles valued at approximately \$509 million from Navistar International Corporation (Other OTC: NAVZ).

The new order, through Navistar's International Military and Government, LLC affiliate, brings Navistar's total orders for Mine Resistant Ambush Protected (MRAP) vehicles to 2,971 MaxxPro vehicles. The additional order is for Category I MRAP vehicles to be delivered by the end of April 2008. MRAP vehicles are designed to protect troops from roadside bombs, improvised explosive devices (IEDs) and other threats.

"We are bringing to the U.S. Military Navistar's advantages in manufacturing, engineering, parts and service and more," said Daniel C. Ustian, chairman, president and chief executive officer of Navistar International Corporation. "We continue to work closely with the U.S. military and our supply base to meet the aggressive demand and expand production capacity at our facilities. We are honored to provide these mission critical vehicles to the U.S. military."

In just two months of production, the Navistar affiliate has delivered 188 MaxxPro vehicles to the military and is on a path to achieve production of 500 per month by February. In September Navistar was also awarded \$71.5 million to provide parts support for the Marine Corps'.

"We are leveraging our manufacturing expertise in the commercial truck and engine industry to provide quality, durable military vehicles as fast as possible," said Archie Massicotte, President of International Military and Government, LLC. "As the largest commercial truck and mid-range diesel engine manufacturer in North America, we offer a number of advantages: we produced more than 161,000 commercial vehicles last year, we know how to mass produce quality vehicles."

International utilizes a state of the art modular armor concept, developed in conjunction with Plasan Sasa, to armor its MaxxPro vehicles. Plasan Sasa, a world-class provider of armor solutions, is rapidly expanding its capacity and focusing dedicated resources on meeting the increasing MRAP demand for MaxxPro vehicles. The design positions the v-shaped crew compartment on top of International's proven heavy-duty truck chassis. The v-shaped hull is designed to deflect blasts away from the truck to minimize impact around the crew area.

"We are committed to delivering these MaxxPro's as soon as possible to help protect our military," said Massicotte.

About Navistar International Corporation

Navistar International Corporation (Other OTC: NAVZ) is a holding company whose wholly owned subsidiaries produce International® brand commercial trucks, MaxxForce brand diesel engines, IC brand school buses, 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 wholly owned subsidiary offers financing services. Additional information is available at www.Navistar.com.

About International Military and Government, LLC

International Military and Government LLC is a wholly-owned subsidiary of International Truck and Engine Corporation. IMG was established to focus on military and government opportunities. Additional information is available at www.InternationalMilitaryandGovernment.com.