

International Trucks and Engines Will Comply With 2010 Emissions Standards Without SCR

Technology Approach to Emissions Compliance Will Keep Customer Costs Low

WARRENVILLE, Ill. – October 31, 2007 – International Truck and Engine Corporation, a Navistar company, today announced that MaxxForce™ brand diesel engines will meet the stringent U.S. federal 2010 emissions standards for all its core applications without the use of selective catalytic reduction (SCR) systems. The company's strategy is designed to provide customer driven solutions to reduce costs and maintenance needs for buyers of International® brand vehicles when the next EPA on-highway emission standards take effect. International is North America's largest combined commercial truck, school bus and mid-range diesel engine producer.

International has spent years studying and evaluating SCR, an emissions after-treatment technology that involves additional vehicle hardware, sensors, electronic calibrations and the use of urea injection, which will require a North American delivery infrastructure to be operationally mature when 2010 vehicles are on the road. While the company has found SCR to be a way to effectively meet 2010 emissions standards, it adds to the cost and complexity of use of commercial vehicles for truck and bus fleet operators.

"I have publicly been an advocate of customer friendly emissions control solutions which do not add additional costs to our truck and bus customers. While SCR is a means to achieve the NOx reduction requirement for 2010, it comes with a steep cost to our customers," said Daniel C. Ustian, Navistar chairman, president and chief executive officer. "Our ability to achieve our goals without adding customer cost and inconvenience is a competitive advantage for International."

Instead of SCR, International intends to address 2010 emissions requirements for its core applications through advanced fuel system, air management, combustion and controls. In addition, no incremental NOx after-treatment beyond the current technology will be required on any core International on-highway application in 2010. All MaxxForce on-highway diesel engines used in International's core applications will be fully certified to the EPA 2010 emission standards.

"This approach will best serve our core customers who value reduced product and service complexity as well as business planning continuity through another period of industry uncertainty," said Jack Allen, president, International Engine Group. "Coming so soon after 2007 EPA standards, which mandated new engines and after-treatment systems that drove up the price of commercial vehicles, 2010 promises to be a less taxing time for International customers."

Today, MaxxForce engine-powered International brand commercial trucks and IC brand buses in North America offer proven air- and fuel-management technologies, exhaust-gas recirculation systems and advanced after-treatment systems necessary to deliver uncompromised performance while meeting stringent 2007 U.S. EPA emissions standards for on-highway diesel engines.

"International's long standing record of innovation in the area of maintaining the performance advantage of diesel while addressing the environmental needs of society has driven International to develop best-in-class solutions in the areas of combustion, fuel system integration, air management and electronic controls," said Dr. Helmut Endres, vice president engineering and product development, International Engine Group. "This level of expertise will again be evident in not burdening our customers with SCR after-treatment."

By focusing on three core goals: providing environmentally sound solutions with improved performance, never sacrificing reliability or durability and preserving the fuel economy advantage of diesel, International continues to be a frontrunner in the production of near-zero emissions diesel engines and a leader in the diesel industry's efforts to improve the nation's air quality.

MaxxForce is the signature brand of International on-highway Class 4 to Class 8 commercial truck engines. In North America, the MaxxForce product line ranges from a 4.5-liter V-6 to two new MaxxForce big-bore Class 8 engines that will launch in early 2008.

About International Truck and Engine Corporation

International Truck and Engine Corporation is the operating company of Navistar International Corporation (Other OTC: NAVZ). The company produces International® brand commercial trucks, mid-range diesel engines and IC brand school buses, Workhorse™ brand chassis for motor homes and step vans. The company is also a provider of truck and diesel engine parts and service sold under the International® and MaxxForce™ brands.

The International Engine Group consists of North American and South American operations, with MWM-International (South America), being a wholly owned subsidiary of International. The North American operations focuses on EPA compliant on-highway products ranging from 200 -475 horsepower, while the South American operations produces a broad line of high speed and medium speed EURO certified diesel engines ranging form 50 – 375 horsepower. The following markets are served: pickup trucks, SUV's, vans, light, medium and heavy trucks and buses as well as agricultural, marine and stationary power units. Global engine group customers include Ford Motor Company, General Motors, Volkswagen, Volvo, Nissan, CHN and AGCO, among others. Additional information is available at www.navistar.com.
