



October 2, 2002

## **Navistar-UAW Modify Labor Contract Extension**

WARRENVILLE, Ill., Oct. 2 /PRNewswire-FirstCall/ -- International Truck and Engine Corporation and the United Auto Workers union today agreed to briefly recess negotiations until Monday of next week.

The extension, that was previously announced, will continue on a day-to- day basis, subject to termination with 24 hours advance notice by either the company or the union. International Truck and Engine is the operating company of Navistar International Corporation (NYSE: NAV).

International Truck and Engine and the UAW began negotiation towards new labor agreements in late July in Louisville, Ky., which was selected by mutual agreement as the site for the 2002 talks. Truck and diesel engine production will continue at current levels during the contract extension.

The UAW represents approximately 7,200 employees in manufacturing plants in Indianapolis, Ind., Melrose Park, Ill. and Springfield, Ohio; parts distribution centers in Atlanta, Baltimore and Dallas and at the truck technical center in Fort Wayne, Ind.

Dan Ustian, Navistar president and chief operating officer, said the recess would allow both sides to regroup and reflect upon their basic positions.

We still are looking to reach an agreement that provides an affordable cost structure that includes profitability throughout the cycle through production flexibility and manageable health care costs, Ustian said. Our goal is to get a contract that makes us competitive.

Headquartered in Warrenville, Ill., International Truck and Engine Corporation is a leading producer of mid-range diesel engines, medium trucks, heavy trucks, severe service vehicles and a provider of parts and service sold under the International brand. IC Corporation, a wholly owned subsidiary, produces school buses. The company also is a private label designer and manufacturer of diesel engines for the pickup truck, van and SUV markets. Additional information can be found on the company's web site at [www.nav-international.com](http://www.nav-international.com).