



March 2, 2006

## Navistar Does Not Intend to Negotiate with Bondholders over Cash Tender Offers, Consent Solicitations

WARRENVILLE, Ill., Mar 02, 2006 (BUSINESS WIRE) -- Navistar International Corporation (NYSE:NAV) announced today that in the spirit of fairness, it is not in negotiations with the ad hoc committee purporting to own a majority of the company's 6 1/4 percent senior notes, nor does it intend to enter into negotiations with any bondholders concerning the cash tender offers and consent solicitations it launched on February 21, 2006.

The consent solicitations are scheduled to expire today, as of 5:00 p.m., Eastern Standard Time. Holders who validly tender their notes and do not withdraw on or prior to that time will be entitled to receive the total consideration offered by the company in the tender offers and consent solicitations. Holders who validly tender after the consent time will receive only the tender consideration offered by the company.

Robert C. Lannert, Navistar vice chairman and chief financial officer, said "I repeat what the company said last week - by tendering at no less than par, Navistar is meeting its full obligation to bondholders."

Navistar announced on Wednesday, February 22, that it had signed a definitive three year senior unsecured term loan agreement totaling \$1.5 billion. The unsecured loan was arranged by Credit Suisse, and includes Banc of America Securities, Citigroup Corporate and Investment Banking and J.P. Morgan Chase Bank. Borrowings under the loan agreement are subject to the satisfaction of customary conditions and will be used to repurchase or refinance the company's outstanding debt securities.

Navistar announced on January 17th that it would not file its Annual Report on Form 10-K for fiscal year ended 2005 by the filing deadline because of an ongoing review of a number of complex and technical accounting items. To assist in the ongoing efforts to complete the company's financial statements, the company has retained external consultants, including Huron Consulting Group and Skadden, Arps, Slate, Meagher & Flom, LLP. Navistar continues to work toward a resolution of these items and the company believes that progress is being made with the assistance of these external consultants.

Navistar International Corporation (NYSE:NAV) is the parent company of International Truck and Engine Corporation. The company produces International(R) brand commercial trucks, mid-range diesel engines and IC brand school buses, Workhorse brand chassis for motor homes and step vans, and is a private label designer and manufacturer of diesel engines for the pickup truck, van and SUV markets. Navistar is also a provider of truck and diesel engine parts and service sold under the International(R) brand. A wholly owned subsidiary offers financing services. Additional information is available at: [www.nav-international.com](http://www.nav-international.com).

### Forward Looking Statements

Information provided and statements made in this press release that are not purely historical are forward-looking. Such forward-looking statements only speak as of the date of this press release and we assume no obligation to update the information included in this report, whether as a result of new information, future events or otherwise. Such forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions. These statements are not guarantees of performance or results and they involve risks, uncertainties and assumptions which could have a material adverse effect on the company's liquidity position and financial condition. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many other factors that could cause actual results to differ materially from those in the forward-looking statements, including the risk of continued delay in the completion of our financial statements and the consequences thereof. For a further description of these and other factors, see Exhibit 99.1 to our Form 10-K for the fiscal year ended October 31, 2004.

SOURCE: Navistar International Corporation

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