MARTY KETELAAR

Vice President, Investor Relations
Navistar International Corporation

Navistar WELCOMES you to the 2019 Investor Day!

Final Logistics

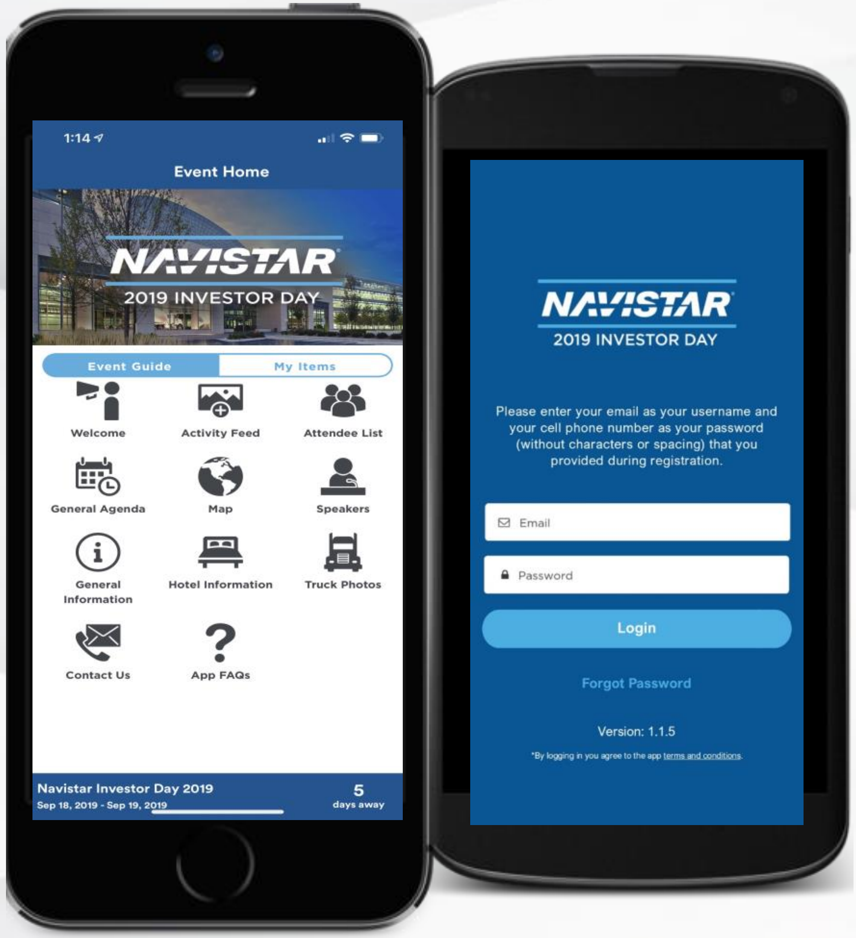
Emergency - Exit through any door, down the stairs and out through the main entrance atrium doors or into stairwells.

Please silence all electronic devices.

Restrooms - exit left doors, down the hallway, then on your right – look for a sign!

Refreshments are in the back of the room.

Download the APP! Easy as 1, 2, 3!



1. **Search your APP store for:**
   – **Navistar Investor Day 2019**
2. **To log in, enter:**
   – **Email:** used to register
   – **Password:** the mobile phone number used to register (no spaces or special characters)
3. **Useful Features Include:**
   – Full Agenda
   – Speaker Bios
   – Submitting Questions
   – Downloading Presentations
   – Take session notes and email them to yourself!

Today's Agenda

Start	End	
9:00 am	9:10 am	**Marty Ketelaar** Vice President, Investor Relations
9:10 am	9:40 am	**Troy Clarke** Chairman, President & CEO
9:40 am	10:05 am	**Persio Lisboa** Executive Vice President & COO
10:05 am	10:35 am	**Q&A / Break**
10:50 am	11:15 am	**Friedrich Baumann** President, Aftersales / Alliance Management
11:15 am	11:40 pm	**Walter Borst** Executive Vice President & CFO
11:40 pm	12:15 pm	**Q&A**
12:15 pm	12:20 pm	**Troy Clarke** Chairman, President & CEO
12:20 pm		**Lunch / Informal Discussion with Leadership Team**
1:00 pm		**Shuttles to O'Hare & Midway Airports Depart**

Safe Harbor Statement and Other Cautionary Notes

Information provided and statements contained in this presentation that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this presentation and the company assumes no obligation to update the information included in this presentation. Such forward-looking statements include information concerning our plans to increase EBITDA margin, our plans for market share growth through segmentation and lower product costs through increased modularization, our plans to build a new manufacturing plant and realize reduced logistics and manufacturing costs, our expectations from the TRATON alliance, our expectations for Aftersales revenue growth, our plans for de-levering the balance sheet and fully funding pension plans and other possible or assumed future results of operations, including further 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. For a further description of these factors, see the risk factors set forth in our filings with the Securities and Exchange Commission, including our annual report on Form 10-K for the fiscal year ended October 31, 2018, which was filed on December 18, 2018. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. All future written and oral forward-looking statements by us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to above. Except for our ongoing obligations to disclose material information as required by the federal securities laws, we do not have any obligations or intention to release publicly any revisions to any forward-looking statements to reflect events or circumstances in the future or to reflect the occurrence of unanticipated events.

The financial information herein contains audited and unaudited information and has been prepared by management in good faith and based on data currently available to the company.

Certain non-GAAP measures are used in this presentation to assist the reader in understanding our core manufacturing business. We believe this information is useful and relevant to assess and measure the performance of our core manufacturing business as it illustrates manufacturing performance. It also excludes financial services and other items that may not be related to the core manufacturing business or underlying results. Management often uses this information to assess and measure the underlying performance of our operating segments. We have chosen to provide this supplemental information to investors, analysts, and other interested parties to enable them to perform additional analyses of operating results. The non-GAAP numbers are reconciled to the most appropriate GAAP number in the appendix of this presentation.

NAVISTAR 4.0

PLAYING TO WIN

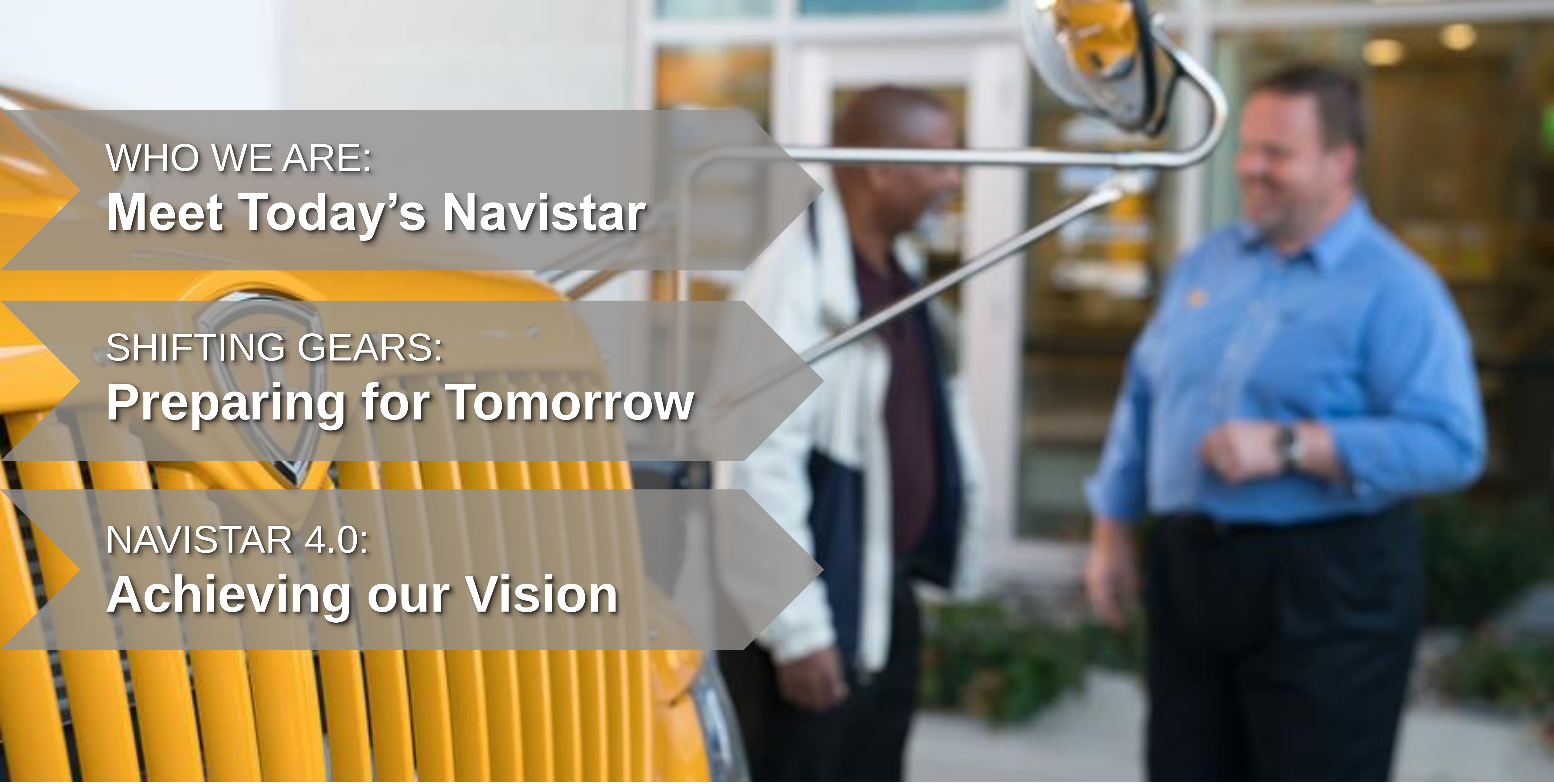
TROY CLARKE

Chairman, President and CEO

Navistar International Corporation

NAVISTAR

NAVISTAR



WHO WE ARE:
Meet Today's Navistar

SHIFTING GEARS:
Preparing for Tomorrow

NAVISTAR 4.0:
Achieving our Vision


TODAY'S
NAVISTAR

TODAY'S NAVISTAR

A Leading North American Truck Manufacturer

LARGEST DISTRIBUTION AND SERVICE NETWORK IN NORTH AMERICA

+700 LOCATIONS
U.S./Canada combined

Love's speedco

+300 LOCATIONS
U.S./Canada combined

INDUSTRY'S NEWEST AND MOST COMPLETE VEHICLE LINE-UP

LT SERIES

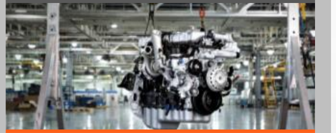
RH SERIES

LONESTAR

HX SERIES

HV SERIES

A26 ENGINE



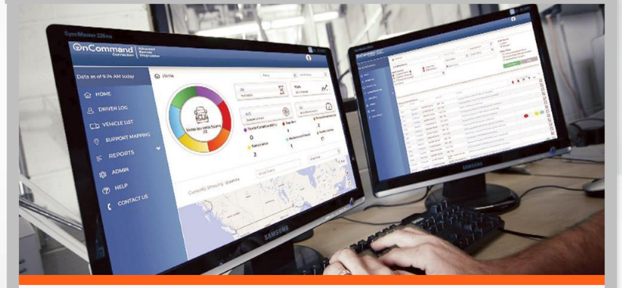
CV SERIES

MV SERIES

CE SERIES

RE SERIES

LEADING IN TELEMATICS & CONNECTED SERVICES



OnCommand Connection

NAVISTAR

Public

TODAY'S NAVISTAR

Operational Footprint Reflects North American Focus

NAVISTAR
World Headquarters
Lisle, IL

Bus Manufacturing
Tulsa, OK

Engine Manufacturing
Huntsville, AL

Truck Manufacturing
Escobedo, MX

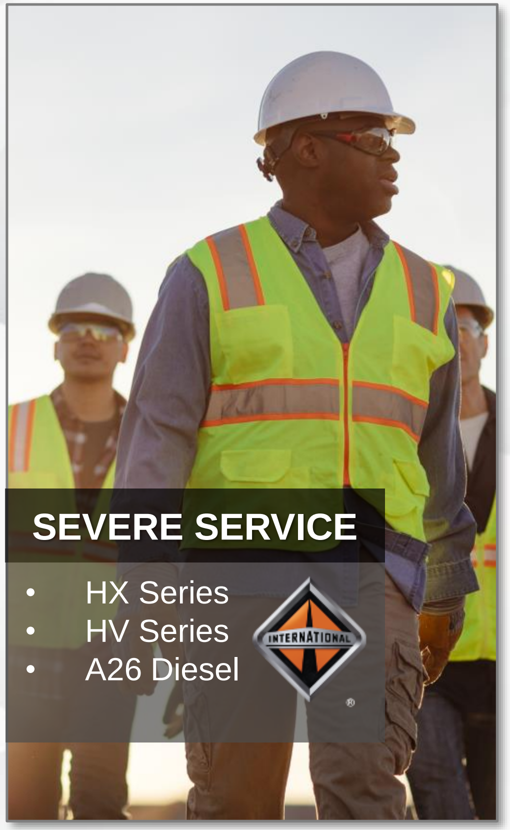
NAVISTAR
Proving Grounds
New Carlisle, IN

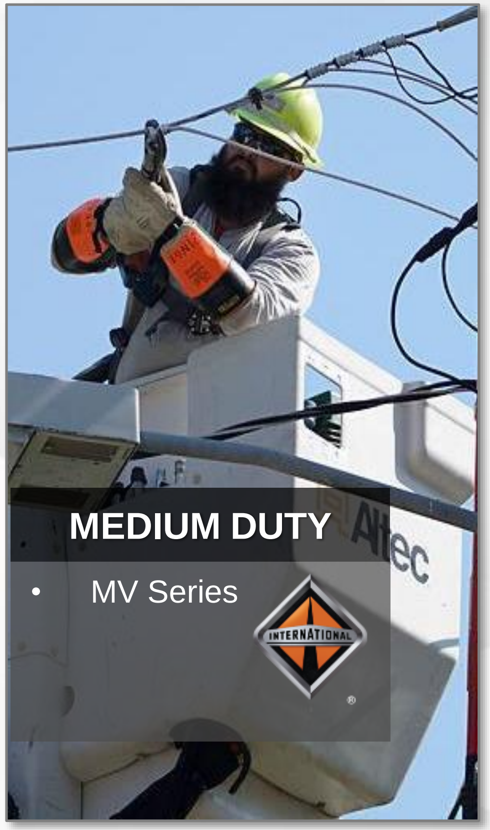
Truck Manufacturing
Springfield, OH

Engine Manufacturing
Sao Paulo, BR

TODAY'S NAVISTAR

Serving a Diverse Customer Base Across Industries



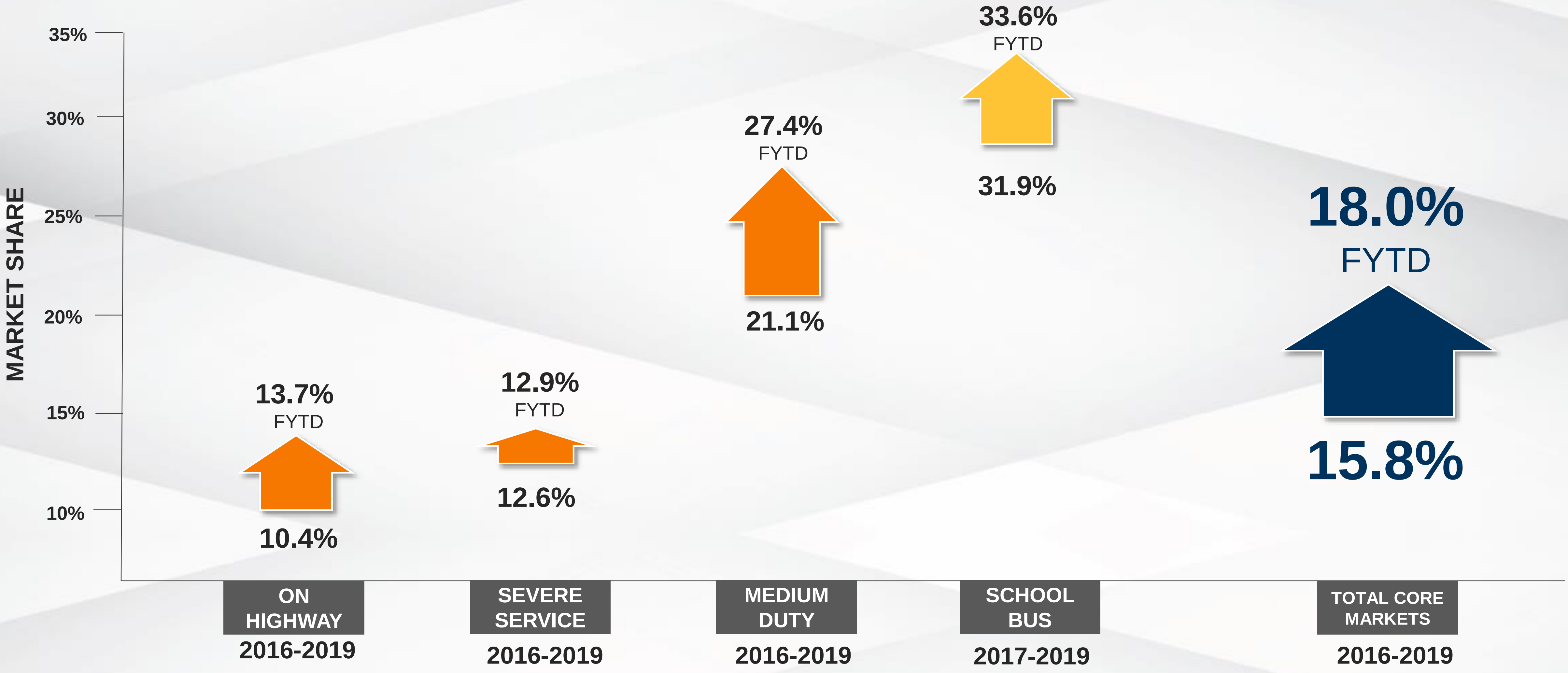


Providing Transportation Solutions to Leading Fleets

HEAVY	MEDIUM	SEVERE SERVICE
J.B. HUNT	PENSKE	UNITED STATES POSTAL SERVICE
SWIFT	Ryder	Altec
KNIGHT TRANSPORTATION	Sysco	CEMEX
WERNER	IDEALEASE	NEW YORK CITY DOT
U.S. XPRESS	PEPSICO	AMERICAN ELECTRIC POWER
SCHNEIDER	enterprise	CSX
C.R.England	Budget	GSA
PGT TRUCKING INC. The Proud Professionals	GSA	TEREX
Walmart	Curry Supply Co	ferrovial
XPO Logistics	Miller Industries	

TODAY'S NAVISTAR

Momentum with Profitable Share Growth Across Segments



2019 FYTD represents first nine months of fiscal 2019.

NAVISTAR

Public

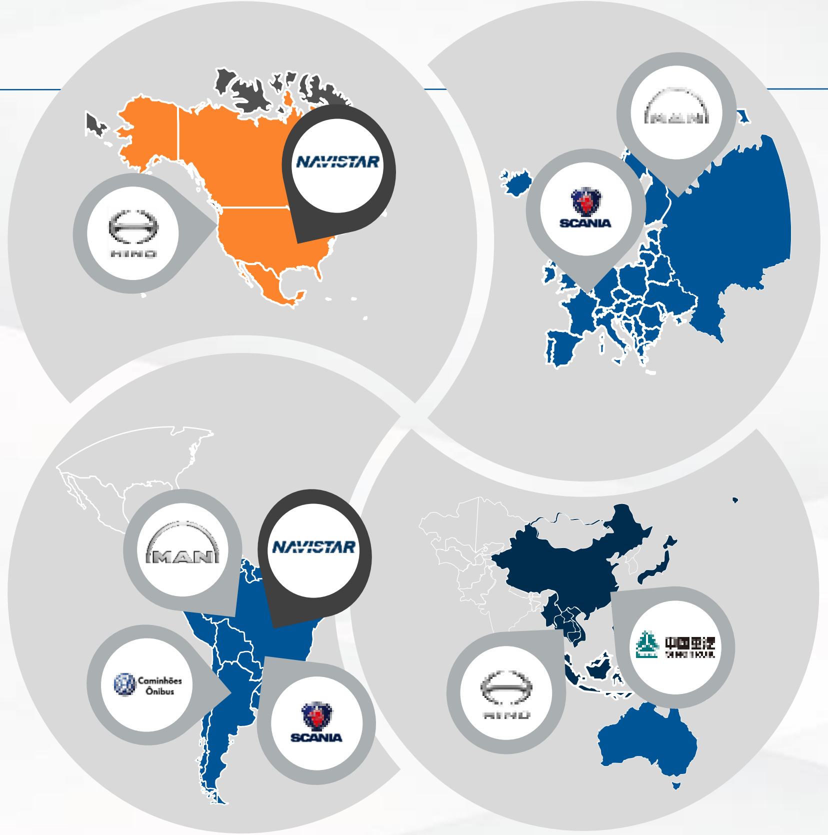
TODAY'S NAVISTAR

TRATON Alliance Delivering Today, Well Positioned for Tomorrow

NAVISTAR | TRATON GROUP

FOR **NAVISTAR**:

- **Procurement Joint Venture**
  - $500 million in first five years
  - Annual run rate of $200 million
- **Technology and Supply Partnership**
  - More efficient engineering spend
  - Proprietary parts opportunities
  - Accelerate speed to market



FOR **TRATON**:

- **Pivotal Role in TRATON "Global Champion" Strategy**
  - Economies of scale
  - Leading powertrain technology
  - Broad sales/service network

TODAY'S NAVISTAR

Pleased with Progress but Further Work is Required

	2014	2016	2018	2019
REVENUE	$10.8B	$8.1B	$10.3B	$11.25-11.75B
GROSS MARGIN	11.8%	16.0%	18.9%	17.7-18.0%
ADJUSTED EBITDA	$306M	$508M	$826M	$875-925M
ADJUSTED EBITDA MARGIN	**2.8%**	**6.3%**	**8.1%**	**7.8 – 7.9%**
MARKET SHARE	17.5%	15.8%	17.5%	18.5-19%
MANUFACTURING CASH	$497M	$804M	$1,320M	~$1,150M
WARRANTY AS % OF REVENUE	3.7%	3.6%	1.7%	~1.3%

~8%

Adj .EBITDA margin

2019 represents guidance.

2020-2022: SHIFTING GEARS, PREPARING FOR TOMORROW

SHIFTING GEARS

North American Market Entering a Transition Period

REPLACEMENT DEMAND

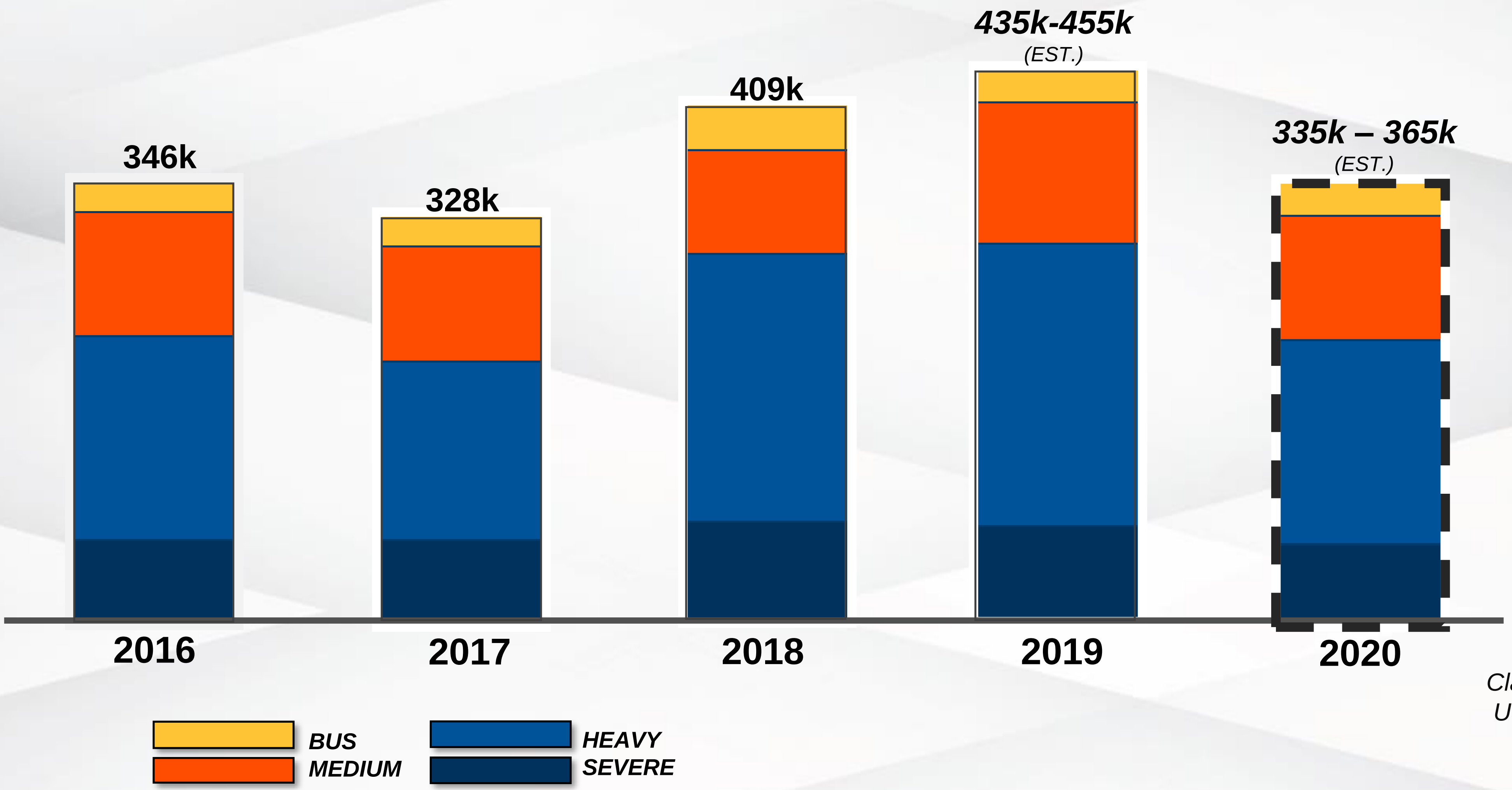
- GDP above 2% requires additional capacity
- Trucking industry has added significant capacity
- Several months required to integrate new trucks and turn over used
- 2020 will initially “feel” like a significant contraction

MANAGE TRANSITION

- Lower breakeven point
- Active cost management
- Lean enterprise progress
- Align investment timing
- Manufacturing capacity management
- Core business focus

SHIFTING GEARS

Industry Volume Projected to Fall Into Normal Range in 2020



Class 6-8 Core Markets US/Canada

2019 and 2020 represents guidance

SHIFTING GEARS

Grow Share and Margin Through Industry Transition

	2014	2016	2018	2019	2022
REVENUE	$10.8B	$8.1B	$10.3B	$11.25-11.75B	**$12B** Revenue
GROSS MARGIN	11.8%	16.0%	18.9%	17.7-18.0%	
ADJUSTED EBITDA	$306M	$508M	$826M	$875-925M	
ADJUSTED EBITDA MARGIN	**2.8%**	**6.3%**	**8.1%**	**7.8 – 7.9%**	**10%** Adjusted EBITDA Margin
MARKET SHARE	17.5%	15.8%	17.5%	18.5-19%	**+ 0.5-1%** share points gained per year
MANUFACTURING CASH	$497M	$804M	$1,320M	~$1,150M	
WARRANTY AS % OF REVENUE	3.7%	3.6%	1.7%	~1.3%	

2019 and 2022 represents guidance.

ACHIEVING OUR VISION: NAVISTAR 4.0

NAVISTAR 4.0

Macrotrends Impacting Economy and Culture

NAVISTAR 4.0

These Macrotrends Inform Evolving Transportation Landscape

1 E-MOBILITY

Regulations and awareness of climate change drive alternative power sources.

2 AUTONOMOUS

Digitalization and robotics enable enhanced safety and total vehicle automation

3 CONNECTED

Broad use of digital and connected applications means connectivity is the new normal

NAVISTAR 4.0

eMobility

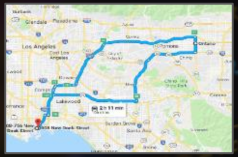
Electric Trucks and Buses

NAVISTAR ELECTRIC VEHICLE GO-TO-MARKET

1 CONSULTING

Simulate customer routes

Identify grants and other funding



2 CONSTRUCTING

Manufacture at Navistar facilities

3 CHARGING

Assess charging infrastructure

Assist in installation

4 CONNECTING

Monitor performance remotely

Leverage dealer service network

- Focus on school bus, medium duty
- Target customer profile
  - Geographies
  - Routes
  - Applications
  - Incentives
- Consultative approach
- Limited production in 2020-2021

Autonomous

ADAS and Autonomous Trucks

- Level 2 ADAS systems coming in 2020
- Fast follower approach
- Trucks designed for efficient autonomous integration
- Several test vehicles running with technology from leading start-ups

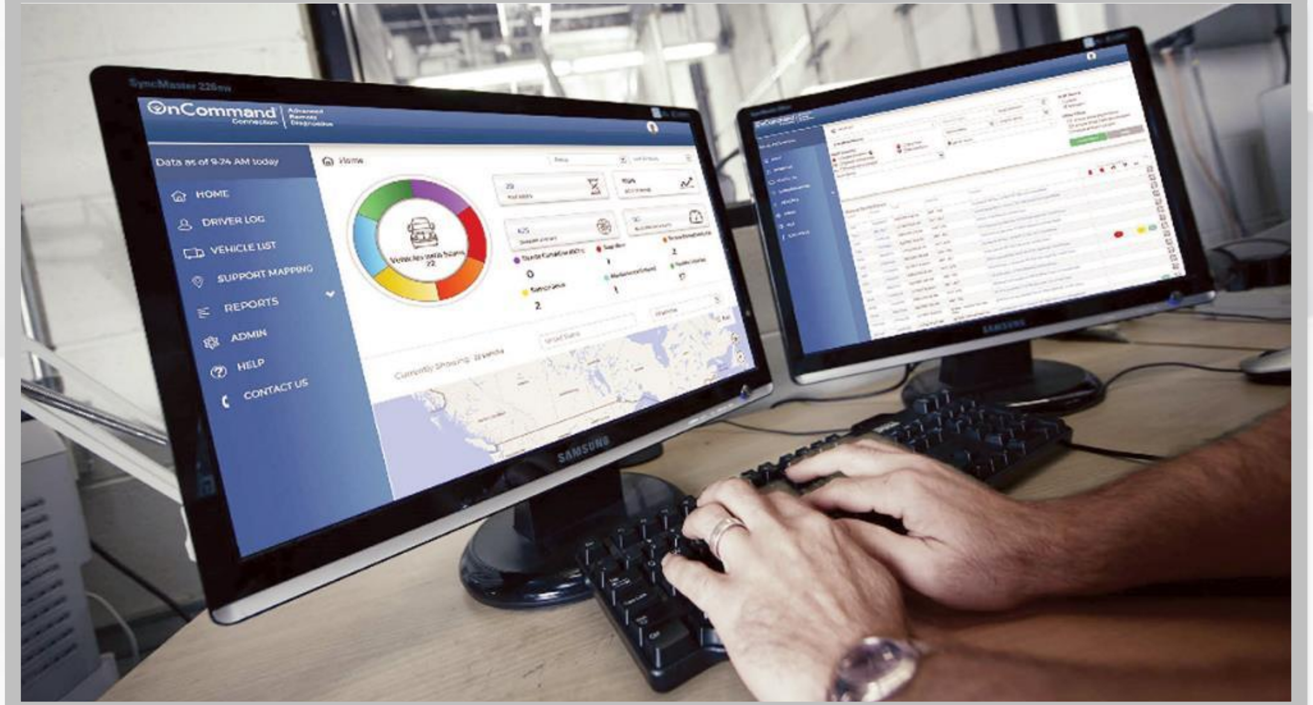
NAVISTAR 4.0

Connected

Leadership in Telematics and Connected Services

- Remote diagnostics
- Telematics hardware and services
- Predictive diagnostics
- Quality, warranty and engineering support
- Data ‘lake’ repository and advanced analytics

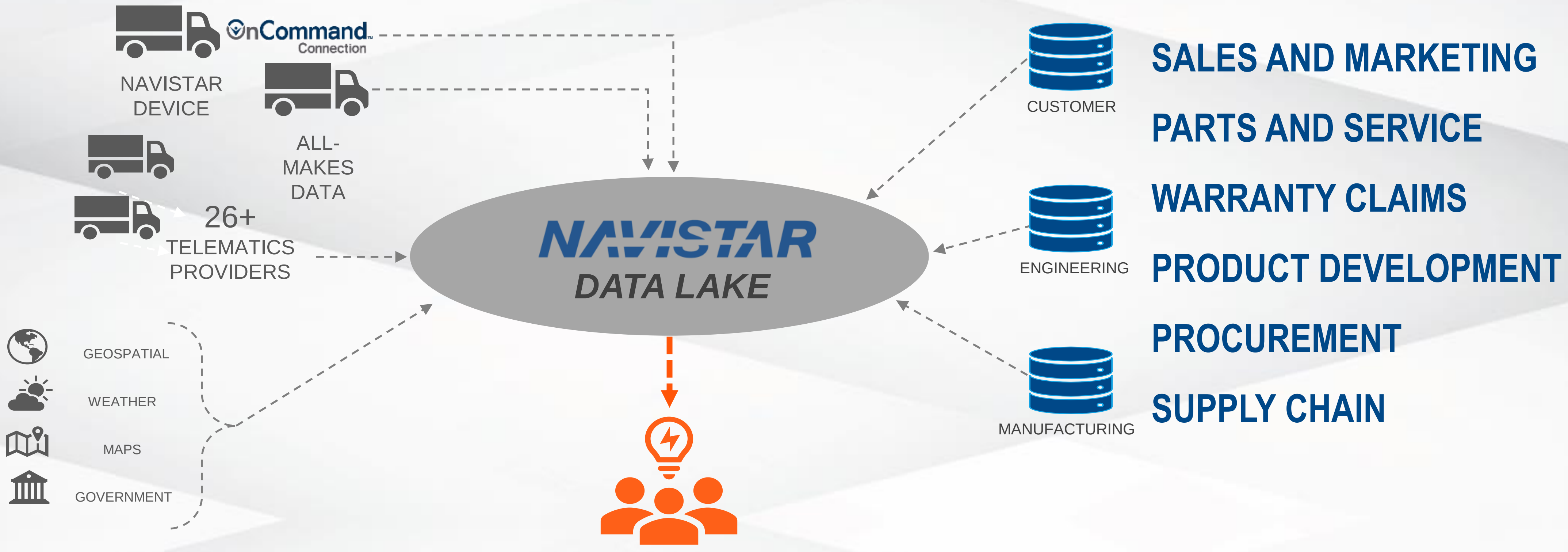
OnCommand Connection



NAVISTAR 4.0 | Connected | Data Lake and Advanced Analytics

EXTERNAL DATA

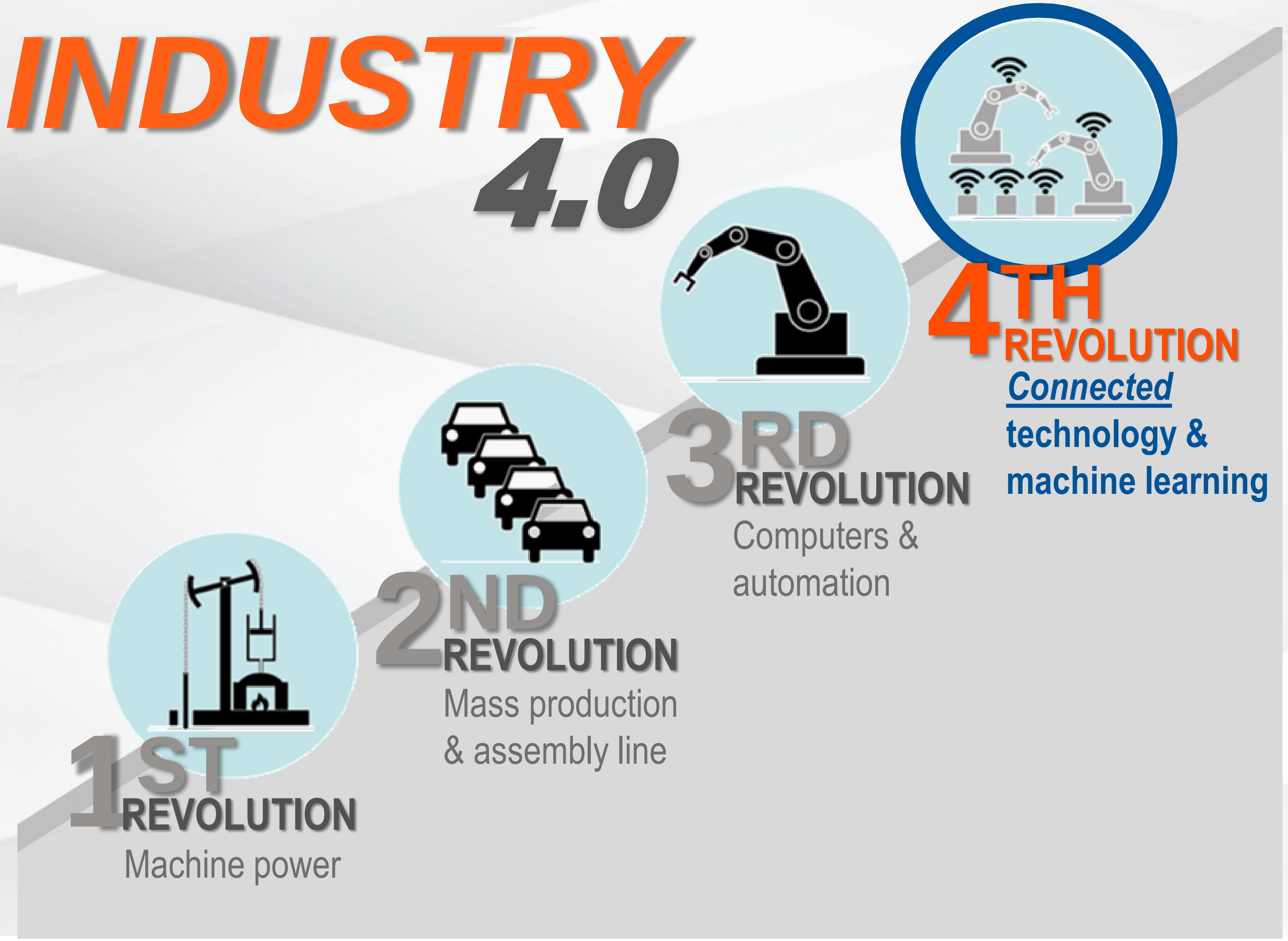
INTERNAL DATA



IMPROVED EFFICIENCY AND CUSTOMER VALUE

NAVISTAR 4.0

Industry 4.0 Thinking Inspires New Vision for Navistar



NAVISTAR 4.0

Public

Navistar 4.0 *Playing to Win* Strategy

NAVISTAR 4.0

Navistar 4.0 Strategic Transformation Requires Focus

- Building sustainable customer relationships
- Closing any “gap” to competition
- Growing share of products and services
- Strengthening the International brand
- Delivering superior shareholder return

PLAYING TO WIN

Playing to Win Means The Best Team Wins

PEOPLE

- We choose to work in teams
- Strong values and culture
- Lean enterprise
- Develop or recruit key leadership

Strong Senior Leadership Team

New to Navistar

New role since 2015

Persio Lisboa
Chief Operating Officer

Walter Borst
Chief Financial Officer

Curt Kramer
General Counsel

Donna Dorsey
Chief Human Resources Officer

Julie Ragland
Chief Information Officer

Phil Christman
President, Operations

Michael Cancelliere
President, Truck

Friedrich Baumann
President, Aftersales and Alliance Management.

Samara Strycker
SVP, Corporate Controller

George Letten
VP, Strategy and Planning

Marty Ketelaar
VP, Investor Relations

Bill McMenamin
President, Navistar Financial and Treasurer

Joe Kory
SVP, Parts

Tony Sutton
SVP, Global Product Development

Sajid Kunnummal
VP, Chief Procurement Officer

Mark Hernandez
SVP, Global Manufacturing and Supply Chain

Gary Horvat
VP, eMobility

NAVISTAR 4.0

Creating a Sustainable Performance Advantage

PERFORMANCE

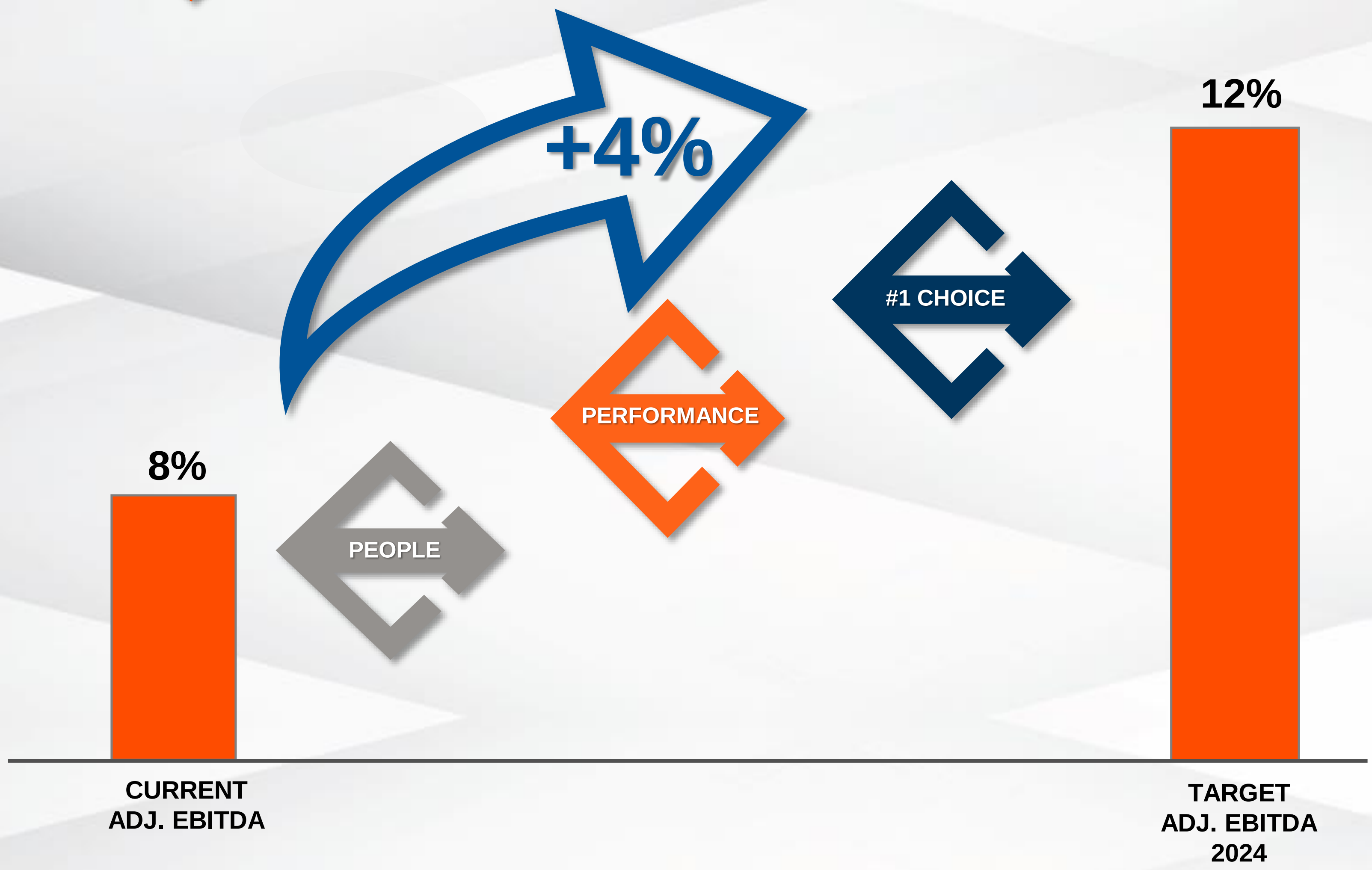
- Integrated Powertrains
- Enterprise Platform Strategy
- Advanced Modular Architecture
- Integrated Manufacturing
- Aftersales Acceleration

Customers See Us as the #1 Choice

- Market Segmentation
  - Identify where to play
  - Determine how to win
- Strengthening International brand
  - Listen-Understand-Deliver
  - Uptime/TCO leadership

NAVISTAR 4.0

Navistar 4.0 Improves Adj. EBITDA Margin by 4 Percentage Points



TODAY'S SPEAKERS:

Persio Lisboa

- Segmentation Strategy
- Enterprise Platform Strategy
- Advanced Modular Architecture
- Integrated Manufacturing

Friedrich Baumann

- Uptime/TCO
- Aftersales Acceleration

Walter Borst

- Financials and Guidance

NAVISTAR 4.0

Navistar 4.0: The Right Vision, The Right Strategy

SITUATION *Where we are today*	**STRATEGY** *Playing to Win*	**SUCCESS** *Navistar 4.0*
• **A leading North American truck manufacturer** • **Strong market position in key segments** • **New products driving share growth** • **Largest aftersales network in North America** • **Strategic alliance with TRATON**	• **People** • **Performance** • **#1 Choice** – Segmentation strategy – Brand reputation	• **"The Best Team"** • **Operating performance advantage** • **Leadership in key segments** • **Brand preference** • **<u>Adjusted EBITDA margin growth from 8% to 12%</u>**

NAVISTAR

INTERNATIONAL

PERSIO LISBOA

Executive Vice President and Chief Operating Officer
Navistar International Corporation

Navistar 4.0 – Roadmap to Sustainable Leadership

#1 CHOICE

- ✓ Continue on the Path of Success
- ✓ Segmentation Strategy
- ✓ Win in Target Segments

PERFORMANCE

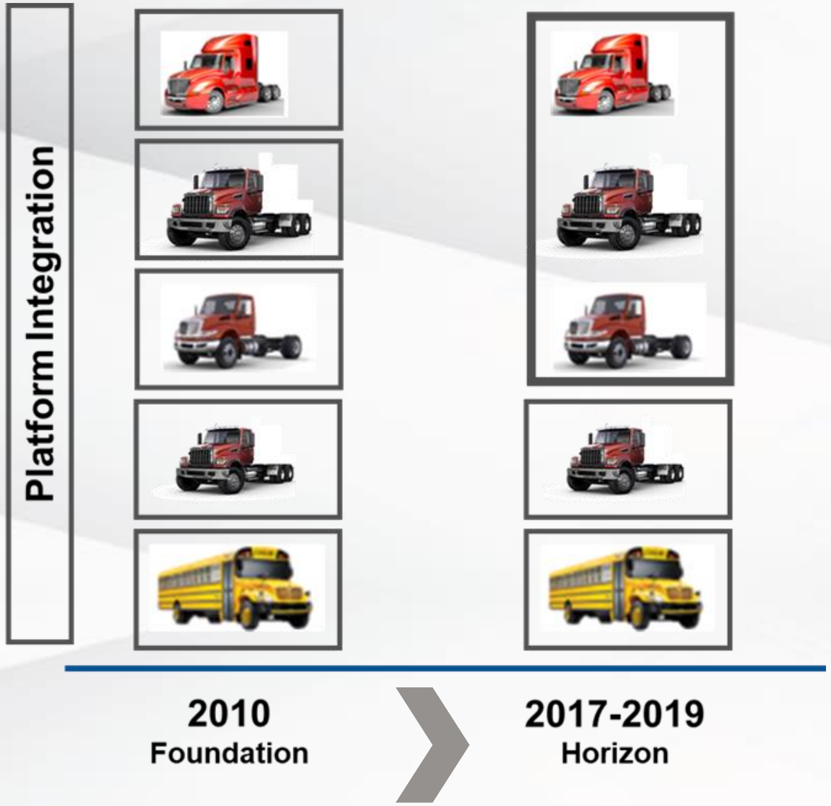
- ✓ Enterprise Platform Strategy
- ✓ Advanced Modular Architecture
- ✓ Integrated Manufacturing
- ✓ Integrated Powertrain


#1 CHOICE

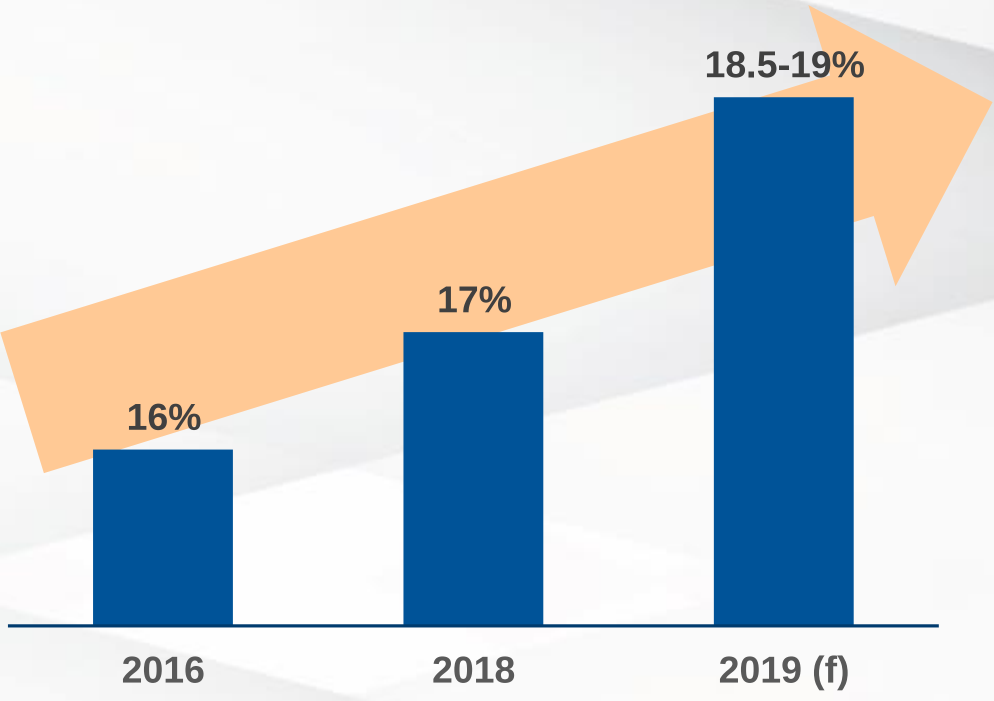
#1 CHOICE

Continue on the Path of Success

Fully Refreshed Product Line Horizon Project



Market Share[1] Evolution

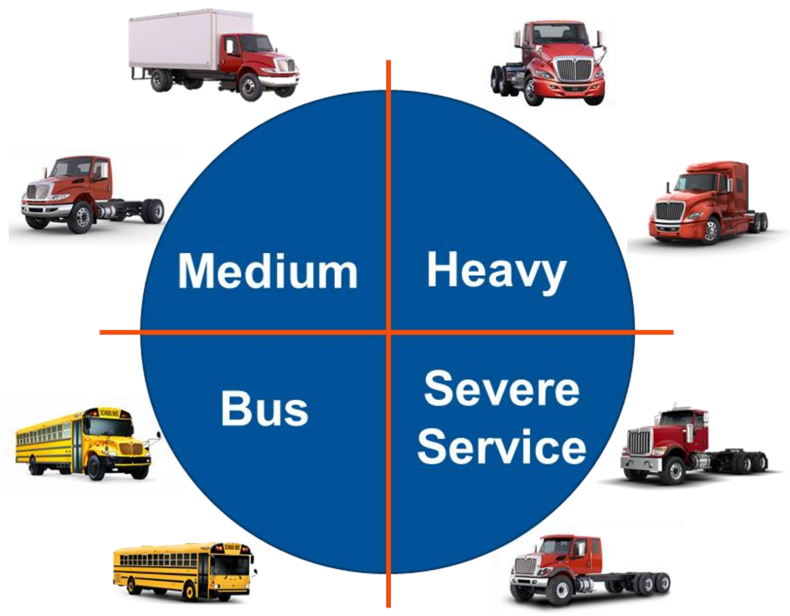


[1] Navistar's Core Markets

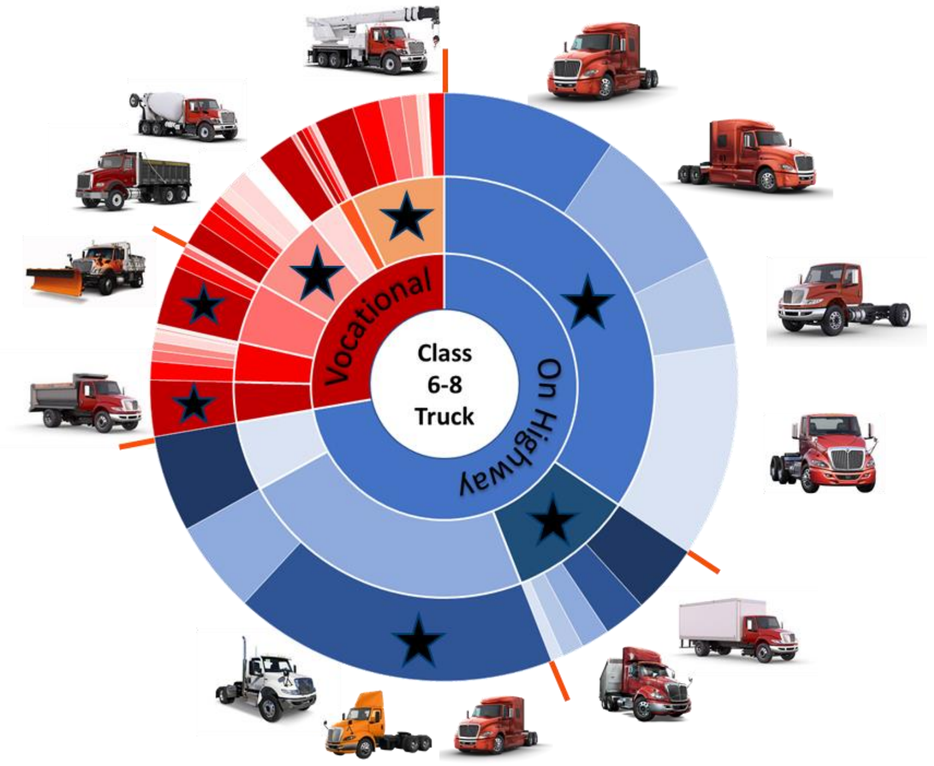
#1 CHOICE

Segmentation Strategy: Where to Play

“Broad” Product Line Focus



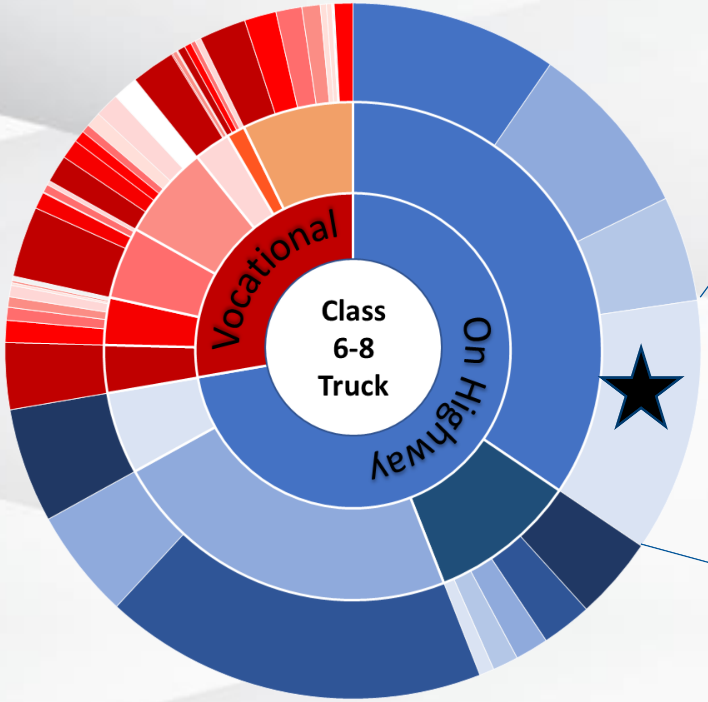
Customer Segment Based



#1 CHOICE

Segmentation Strategy: Playing to Our Strengths

Listen, Understand, Deliver



Deep Customer Knowledge

- ✓ Customer Business Model Understanding
- ✓ Channel Relationships
- ✓ Best-In-Class Sales Practices

Business & Technical Capabilities

- ✓ Segment-Focused Products & Services
- ✓ Uptime Leadership
- ✓ Connectivity Leadership
- ✓ Life Cycle Support

Segment Profit Potential

- ✓ Value-Based Selling
- ✓ High-Margin Sub-Segment Opportunities
- ✓ Superior Aftermarket Performance – Parts & Service

Superior Industry Expertise → **Leading Solutions** → **Distinguished Profitability**


#1 CHOICE
Segmentation Strategy: How We Win
Listen, Understand, Deliver
Vocational
Class
6-8
Truck
On Highway
Organization
Product
Investment
Commercial
Strategy
Service
Network
Sales Tools
Metrics
Customer
Satisfaction
Index

Business Unit Leaders

Mark Stasell

VP, Vocational Business Unit

Trish Reed

VP, Bus Business Unit

Chet Ciesielski

VP, On Highway Business Unit

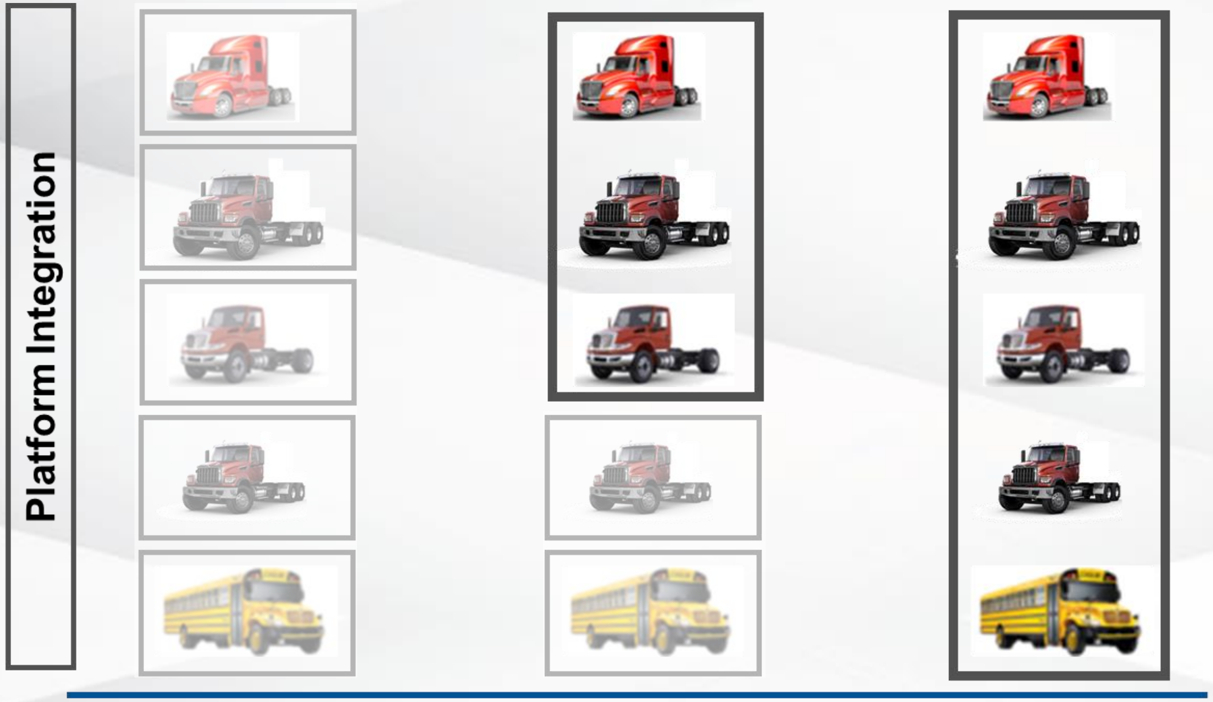
Gary Horvat

VP, E-Mobility

PERFORMANCE

Navistar Enterprise Platform Strategy

Breakthrough Path for Complexity Reduction



2010
Foundation

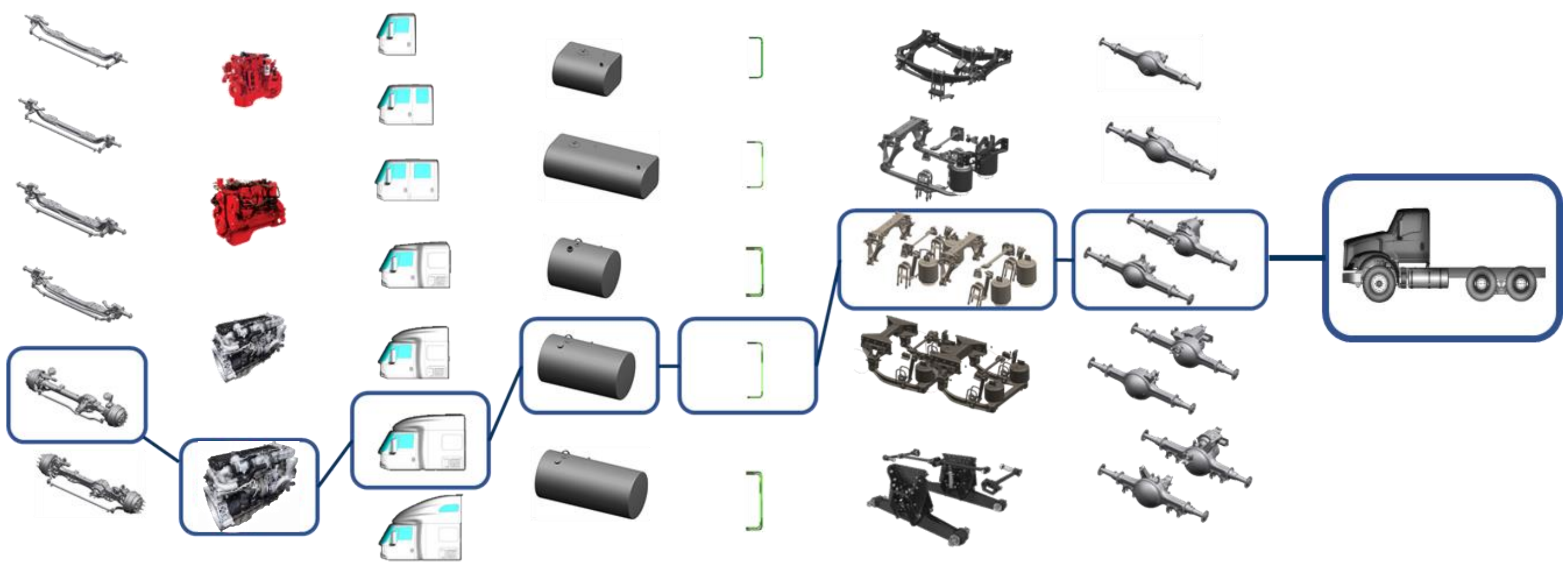
2017-2019
Horizon

2023 →
Enterprise Platform Strategy

Navistar Advantage:

- ✓ Optimal R&D Costs
- ✓ Best-in-Class Product Cost
- ✓ Innovation Scalability
- ✓ Universal Connectivity

Navistar Advanced Modular Architecture

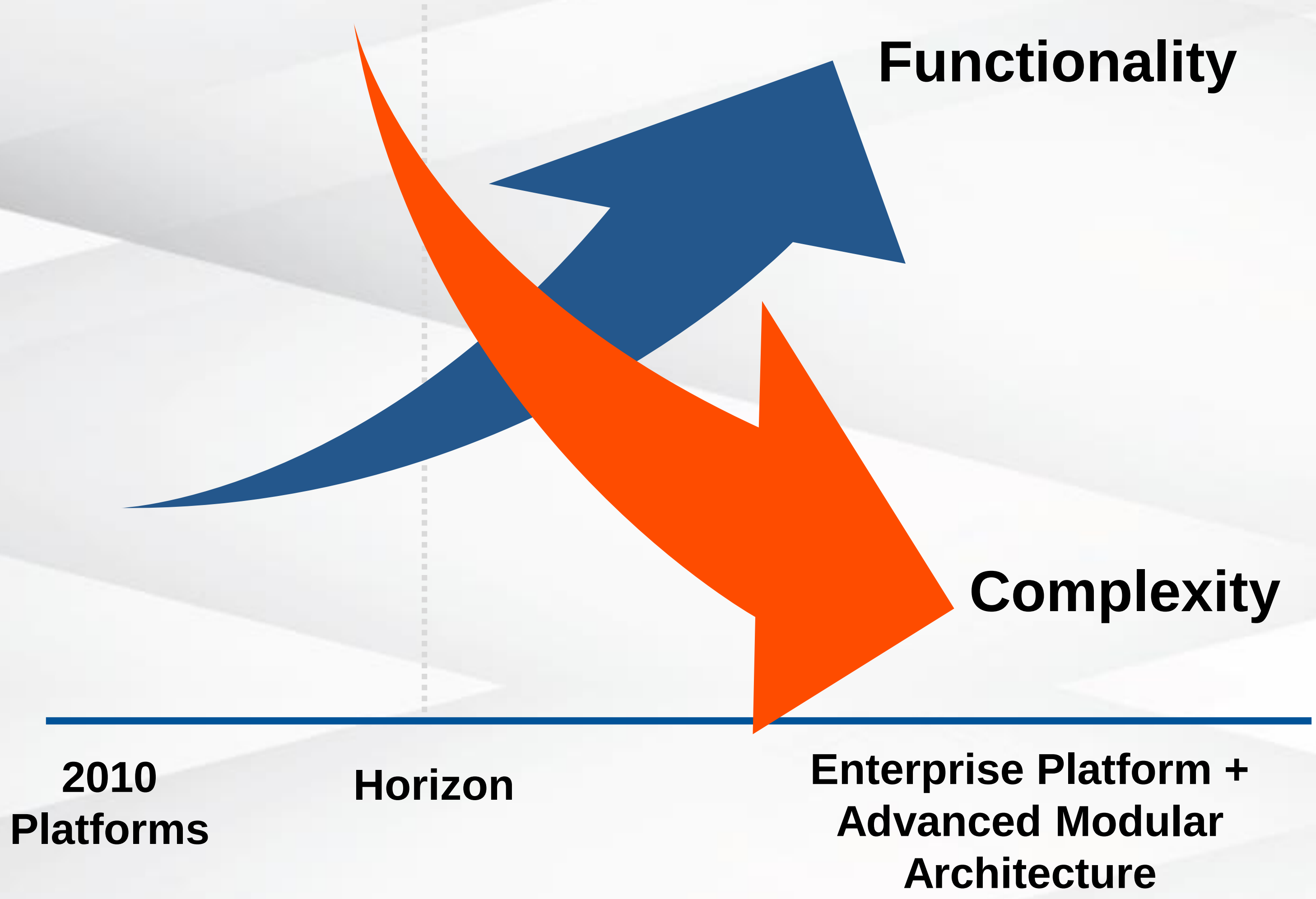


Navistar Advantage:

- ✓ Optimized Parts Re-use
  - 40% Parts Counts Reduction
- ✓ 25% Productivity Gains in Engineering and R&D
- ✓ Design for Manufacturing
  - Optimized Module Locations

PERFORMANCE

Enterprise Platform + Modular Architecture = Powerful Combination

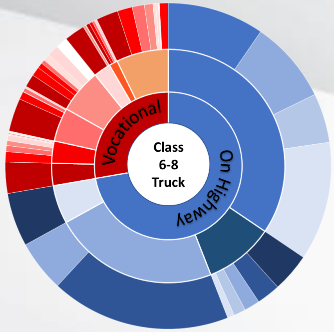


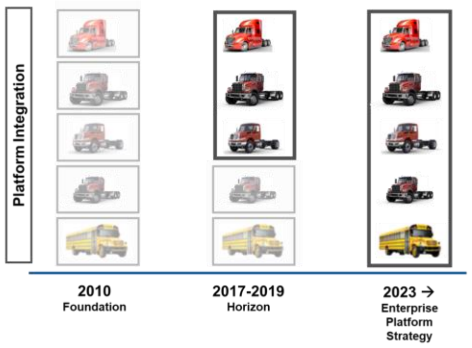
Navistar Advantage:

- ✓ Superior Availability of Custom Solutions
  - Permutation of Modules
- ✓ Faster to Market – 90% Pre-Engineered Solutions Prior to Order
- ✓ Breakout Quality & Reliability
  - Across All Platforms

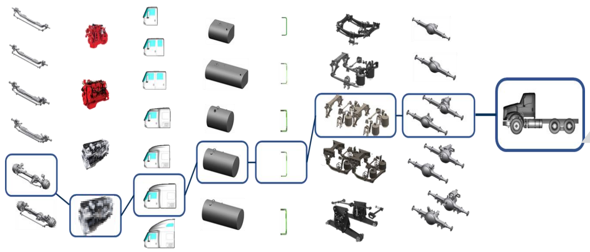
Navistar Integrated Manufacturing System

Segmentation Strategy





Enterprise Platform



Advanced Modular Architecture

Manufacturing Transformation

Flexibility
Productivity
Connectivity
Quality
Benchmark Cost

PERFORMANCE

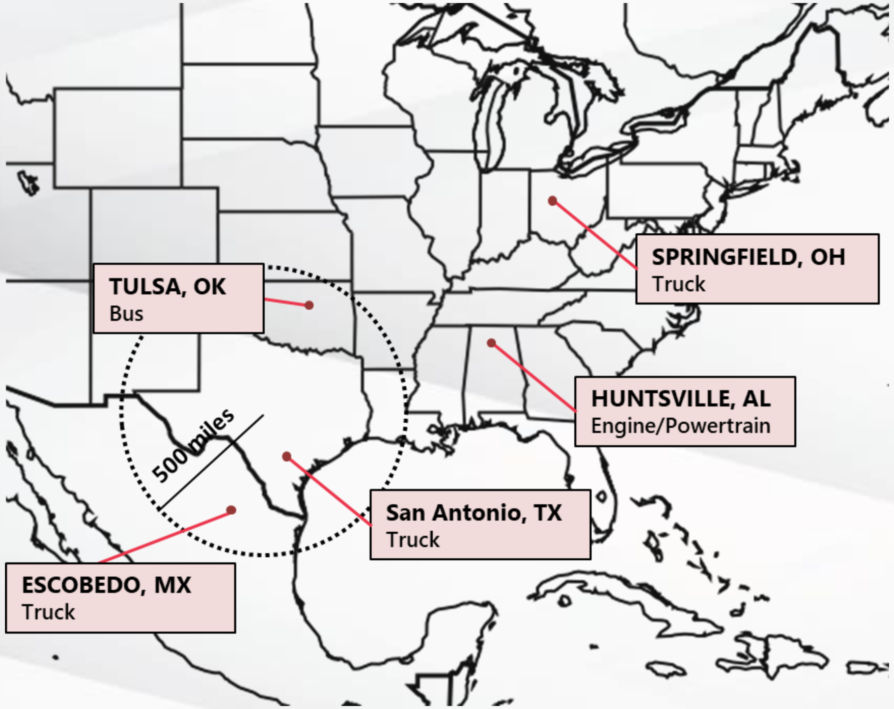
Benchmark Manufacturing Network

Texas Assembly Plant Investment: >$250 Mil

World Class New Truck Plant:

- ✓ Location: Texas
- ✓ Best-In-Class Lean Manufacturing
- ✓ Optimized Operations
  - HPU
  - Labor Costs
- ✓ Flexible - Enterprise Platform models
- ✓ Industry 4.0 Ready

Best In Class Supplier Footprint / Optimized Supply Chain



15% Improvement – Total Network Conversion Cost

Navistar Advantage:

- ✓ 15% Reduction Inbound Logistics Costs
- ✓ 20% Reduction Supply Base
  - Superior Scale for Supplier Partners
  - Optimized Supply Chain Costs
- ✓ 20% Improvement Order to Delivery
- ✓ 20% Improvement First Time Quality

Navistar Integrated Powertrain – TRATON Alliance

- ✓ Production Location: Huntsville, Alabama
- ✓ Global Scale: 170k Units / Year
- ✓ Manufacturing Investment: $125 Million
  - Developed for the world, ready for the Americas
  - Industry Most Modern Global Powertrain Since 2010
  - Best-in-Class Power-to-Weight ratio
  - Fully Integrated - Powertrain & Aftertreatment
  - Simplicity of Design & Reduced Complexity
    - Superior Reliability

Navistar 4.0 – Playing to Win

Key Takeaways

- ✓ Solid Foundation
- ✓ Customer Centric Segmentation
- ✓ Enterprise Platform Strategy
- ✓ Advanced Modular Architecture
- ✓ Integrated Powertrain
- ✓ Best-In-Class Lean Manufacturing

- ✓ Tracking Record
- ✓ Market Share
- ✓ Breakthrough Scale
- ✓ Superior Customer Value
- ✓ Global Scale, Profitability and Parts
- ✓ Unmatched Quality, Cost and Delivery

QUESTION AND ANSWER

NAVISTAR

INTERNATIONAL

FRIEDRICH BAUMANN

September 19, 2019

Vision 2025: The Customer at the Center of What We Do!

Vision 2025 is the Backbone to Aftersales Acceleration

Grow the parts business

Service sells trucks

From uptime to **TCO leadership**

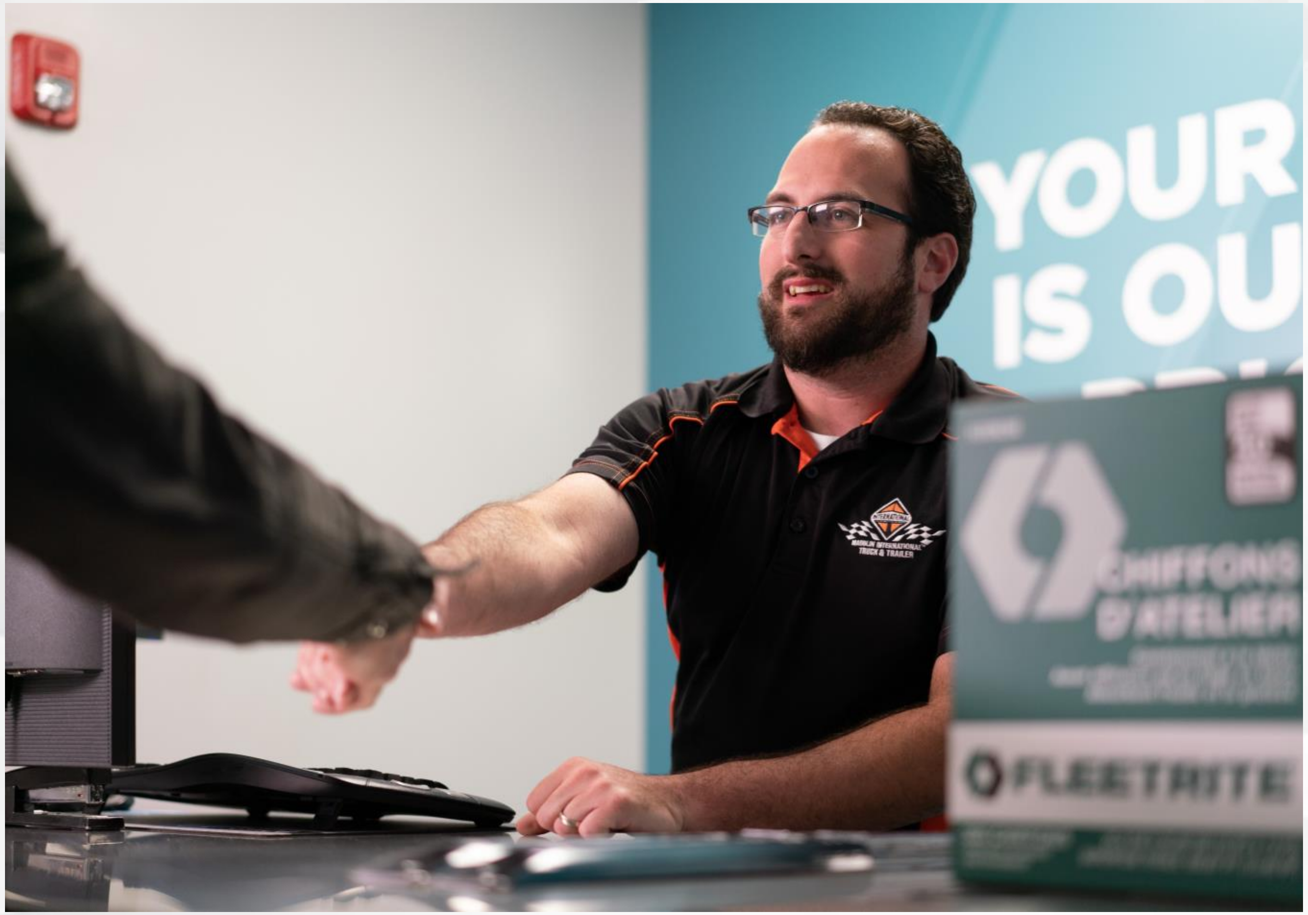
Vision 2025

Parts: Growth and New Initiatives Outpace the Runoff

U.S. and Canada Parts Revenue

- Revenue runoff impacted by vehicle age and current lack of proprietary engine mix
- “Organic” decline in revenue of more than $200M from 2015 through 2018
- Parts initiatives designed to offset revenue decline and grow the total business

Parts: Organically Grow the Parts Business



Commercial Acceleration Program (CAP)

- Increase sales 4% to 6%
- Increase dealer margins 2% to 3%

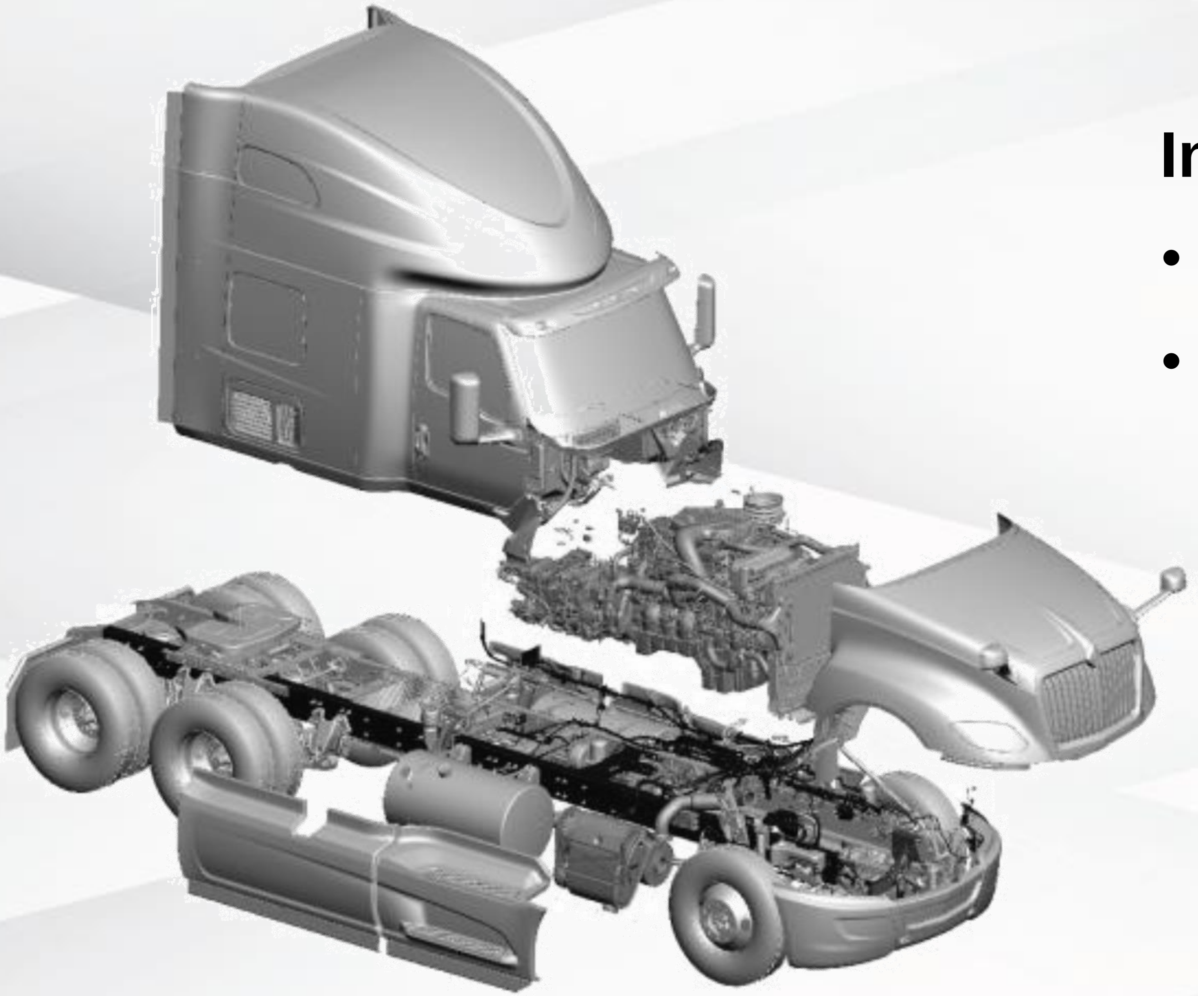
Attribute Based Pricing

- Pricing alignment and consistency

Segmentation Strategy Support

- Focus on key customers

Parts: Integrated Powertrain Will Increase Proprietary Parts



Integrated powertrains

- Will increase proprietary parts sales
- Will impact the parts business after warranty period ends

Grow the Parts Business

FLEETRITE

RENEWED

FLEETRITE Stores

CELEBRATING 50 YEARS OF DEDICATION TO UPTIME

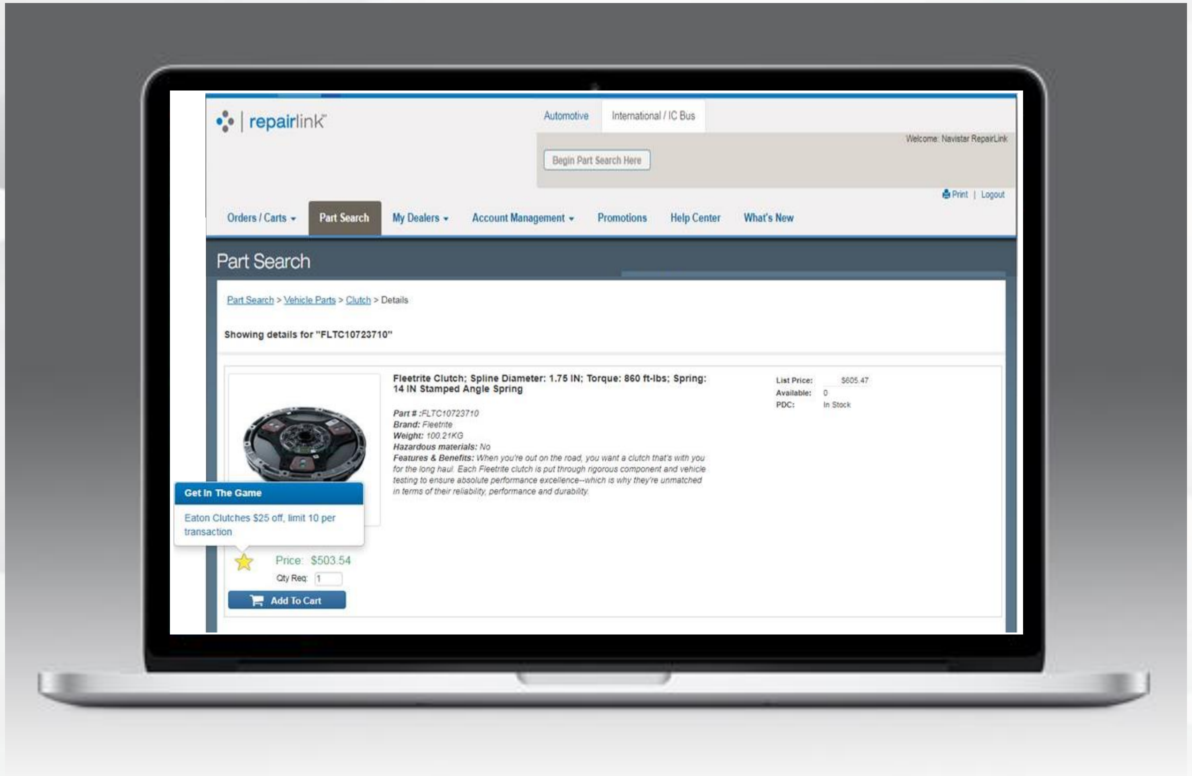
Fleetrite and ReNEWed Brands

- $500M Private Label brand business
- 13% growth of Fleetrite business per year (2014-2019)

All Makes Stores

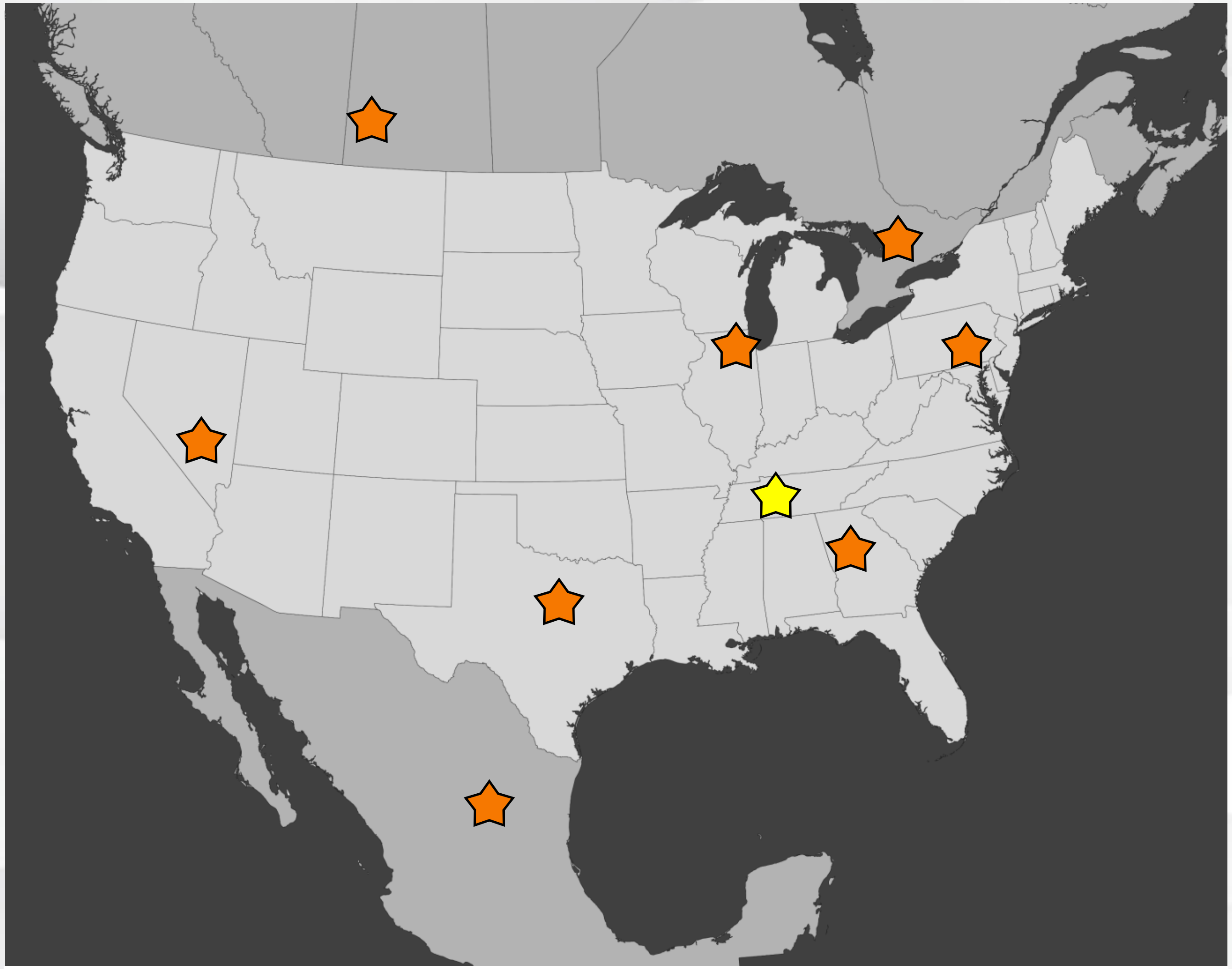
- More than 100 Fleetrite product lines
- 5 stores launched in 2019
- 50 locations expected by 2023

Parts: RepairLink E-Commerce Addresses Ease of Doing Business



- 2020 Dealer adoption to exceed 90%
- Active customers to exceed 15,000 by 2022
- Complete coverage of parts catalog
- Expected incremental revenue of $100M by 2022

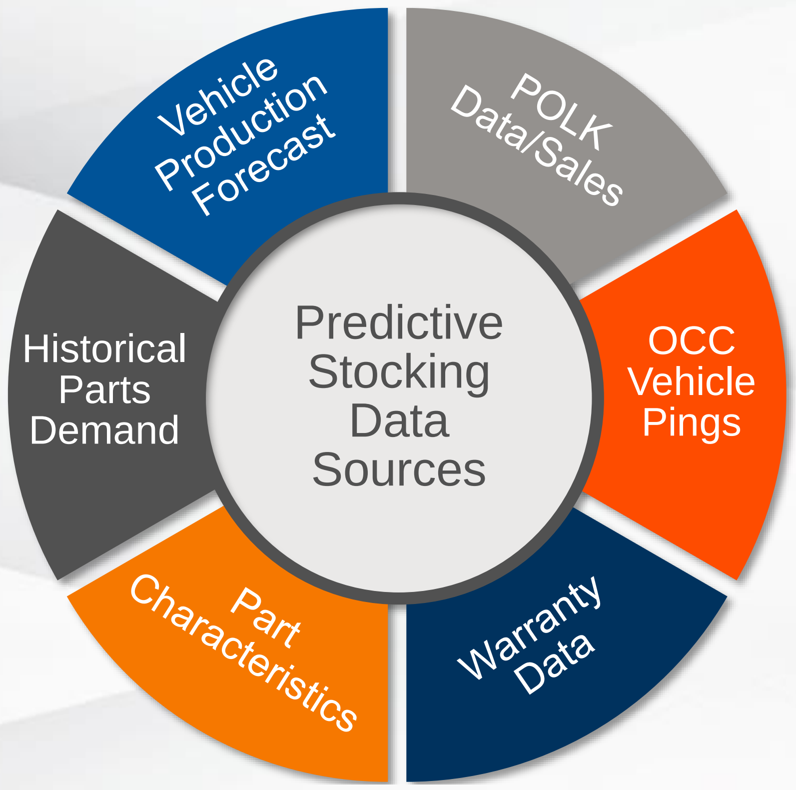
Parts: Improve Distribution Speed by Adding New PDCs



- Next day delivery to 95% of dealer locations
- Industry leading cutoff times
- Support 80% in 24 hours service target

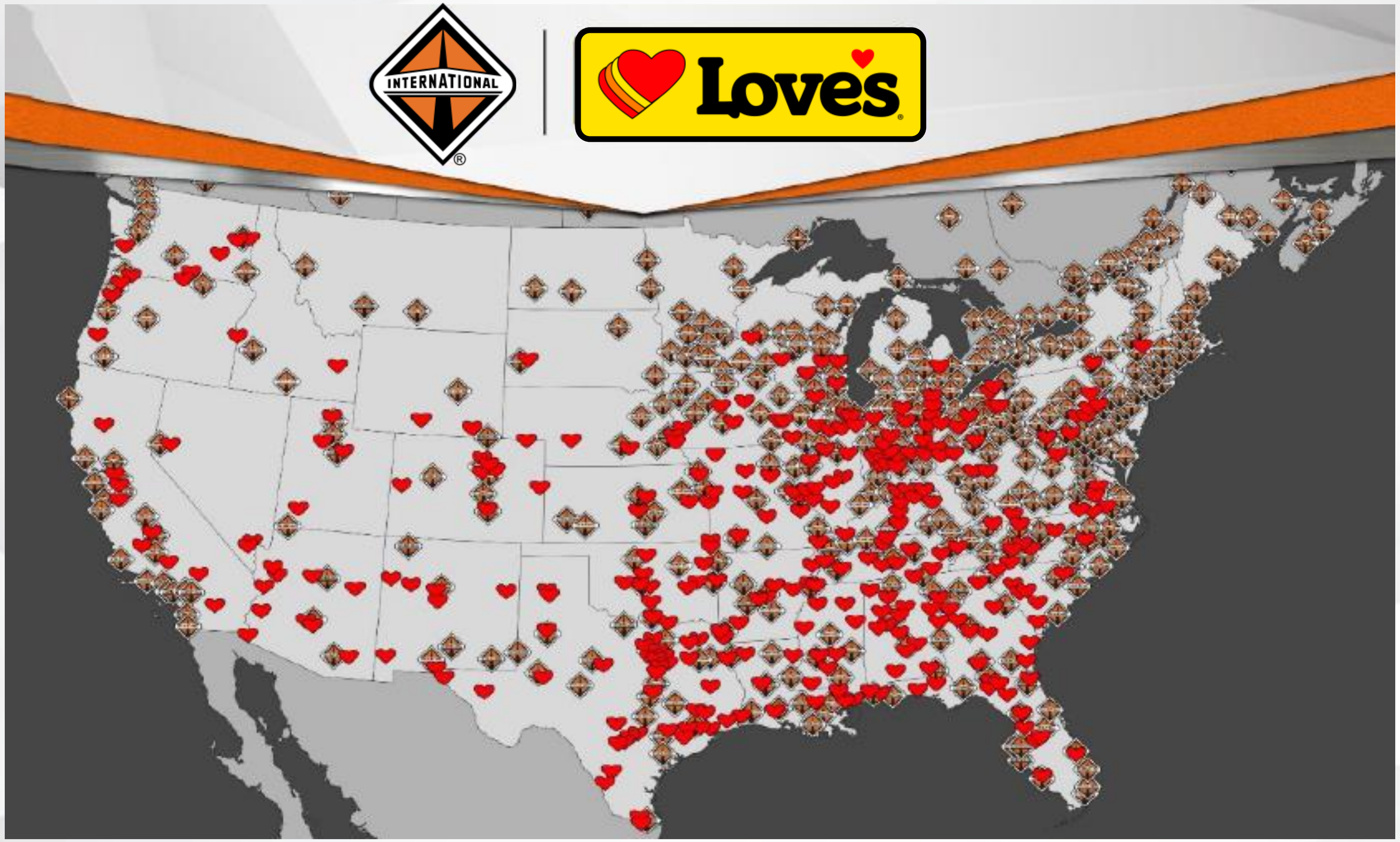
Parts: Predictive Stocking Transforming the Business

Conventional Way → **Demand Driven Reactive**



- Leading example of digitalization in Aftersales business
- 75%+ of the SKU/PDC combination have seen demand
- Fill rates on campaigns improved to 99%

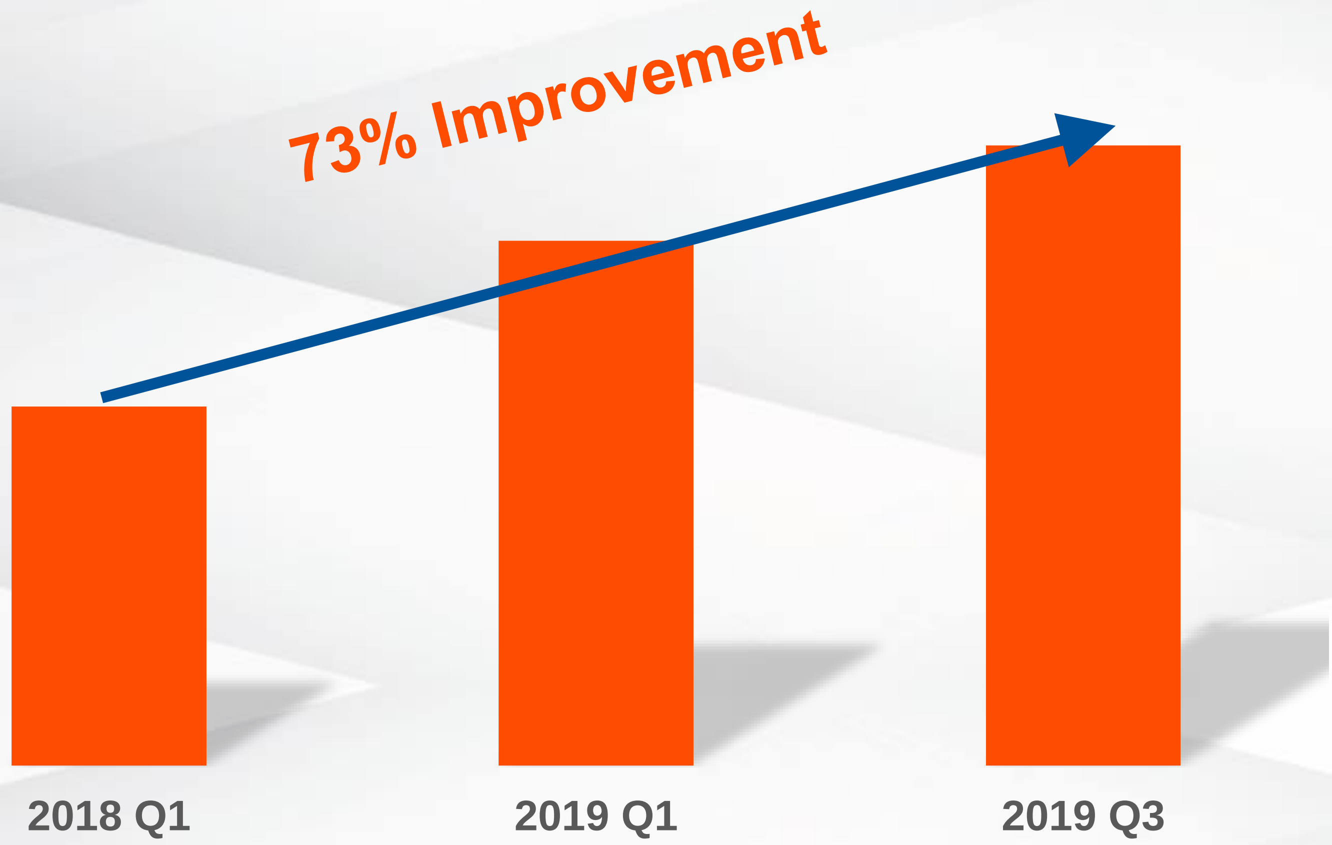
Service: Navistar and Love's Create Industry's Largest Service Network



- Additional 300+ service locations to the 700+ dealers
- 7,500 service bays and 8,500 techs
- Love service centers open 24/7
- Explore opportunities to expand relationship

Service: Lead Industry in Uptime

24 Hour Repair Velocity

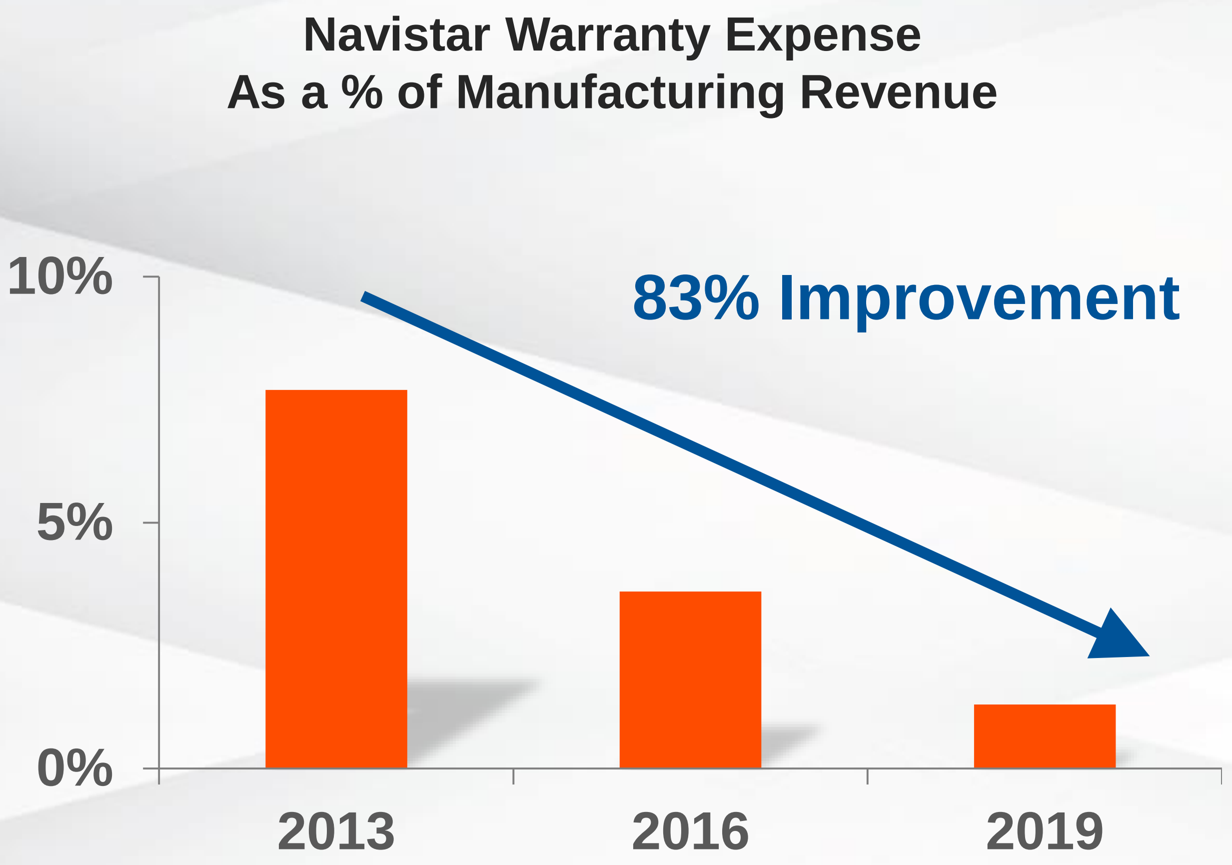


- Navistar is the industry leader for 24 hour Repair Velocity
- Key Uptime Initiatives:
  - Memphis PDC
  - Predictive Stocking
  - Love's Partnership
  - Lean Dealer Operations
  - "One View" Platform

Service: Creating New Level of Service Transparency

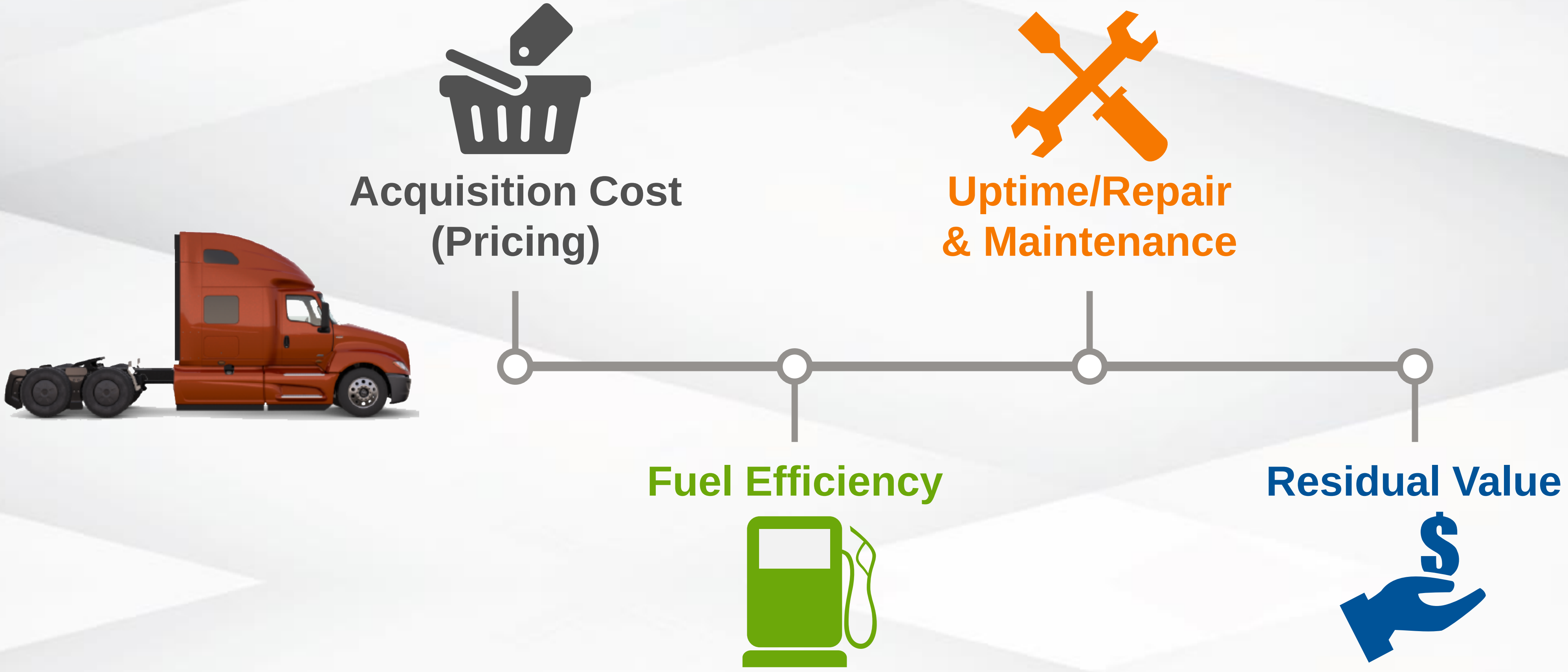
- Integrated network communications solution
- Realtime transparency for customers, dealers and Navistar
- Industry leading service experience – easy and simple

Warranty: Best In Class Warranty Exposure



- 83% improvement in warranty exposure from 2012 to 2019
- Significant product quality enhancements
- Warranty system upgrades

TCO: Moving From Uptime to TCO Leader



Aftersales Acceleration

- ☑ Grow the Parts Business
- ☑ Service Sells Trucks
- ☑ Leader in Total Cost of Ownership

WALTER BORST

Executive Vice President and CFO
Navistar International Corporation

Agenda

- Past
- Future
- Near-Term
- Balance Sheet

Past

Accomplishments on Our Journey

- Increase shareholder value
- Improve credit ratings
- De-lever balance sheet
- Generate free cash flow
- Return to profitability
- Lower breakeven point
- Grow margins
- Increase market share
- Form alliances / partnerships
- Renew product portfolio
- Focus on core business

#1 Choice

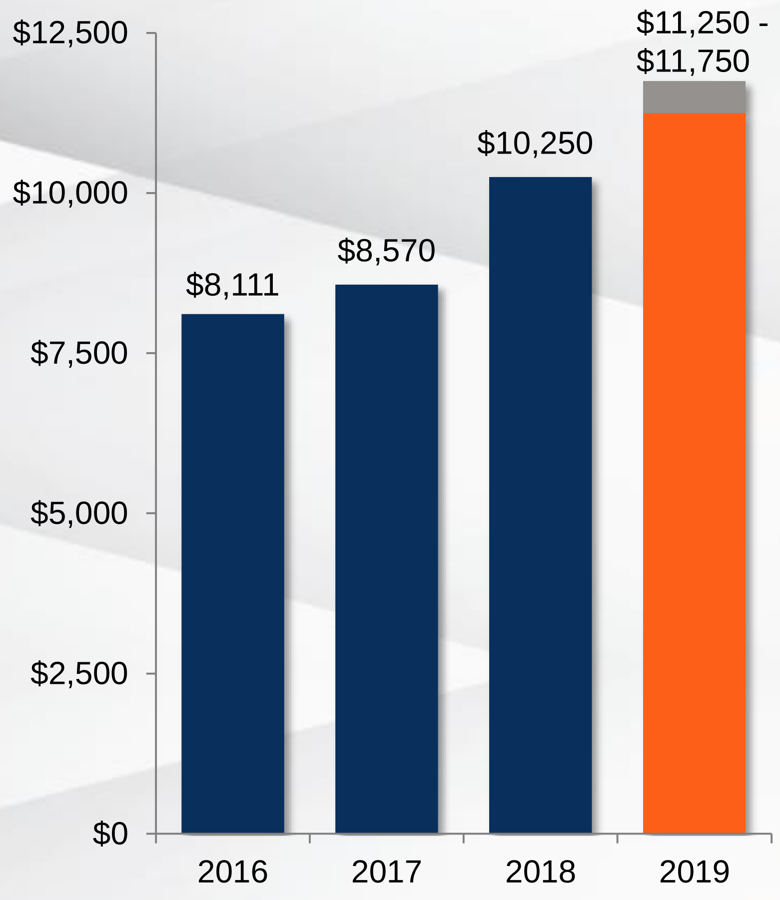
Growth

Transition

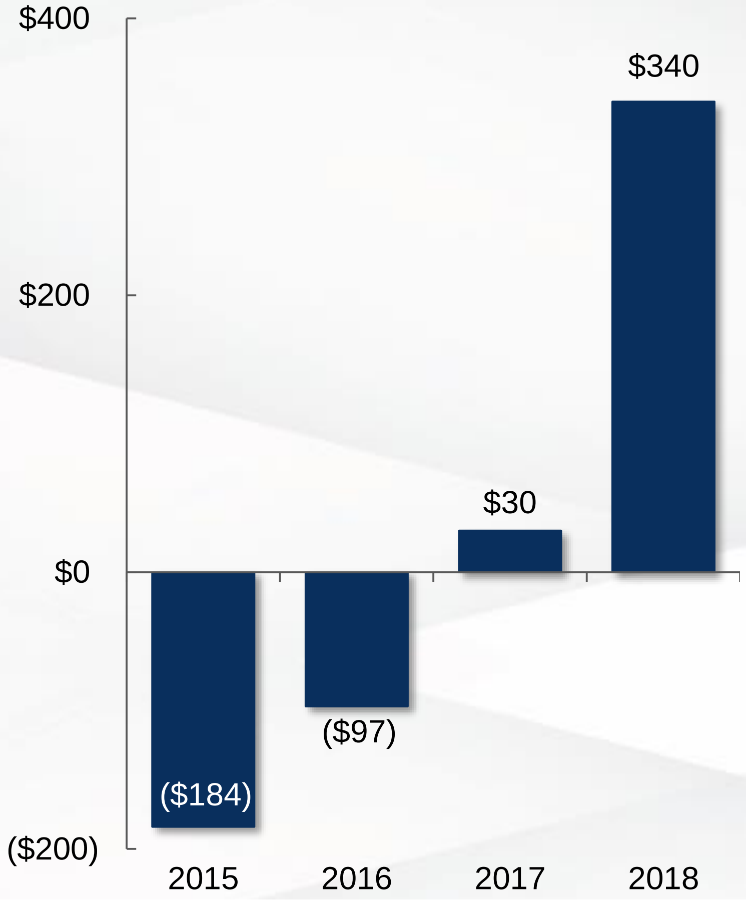
Past

Financial Breakthrough

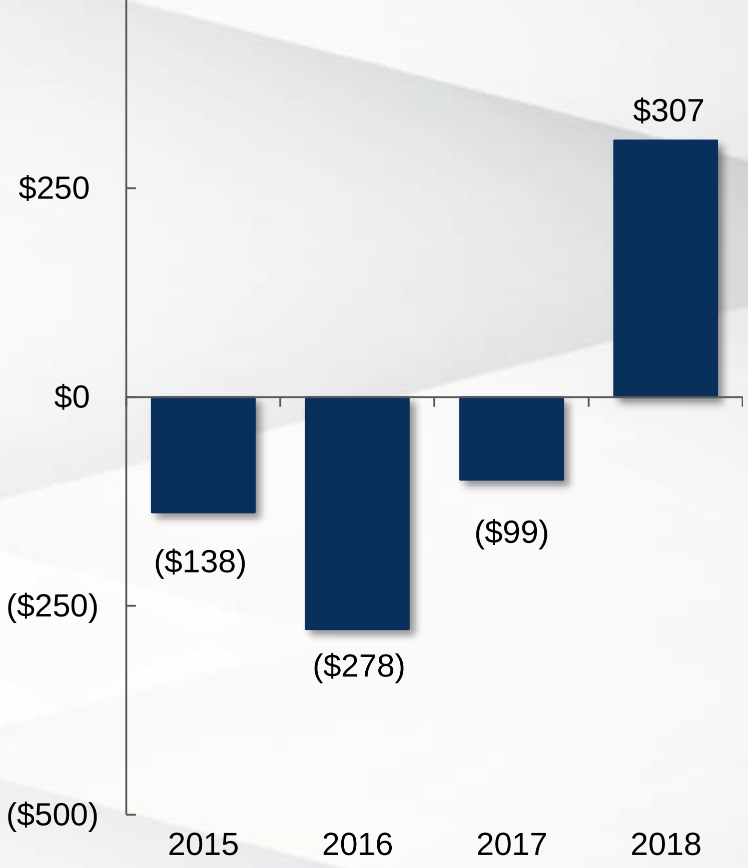
Revenue



Net Income



Manufacturing Free Cash Flow

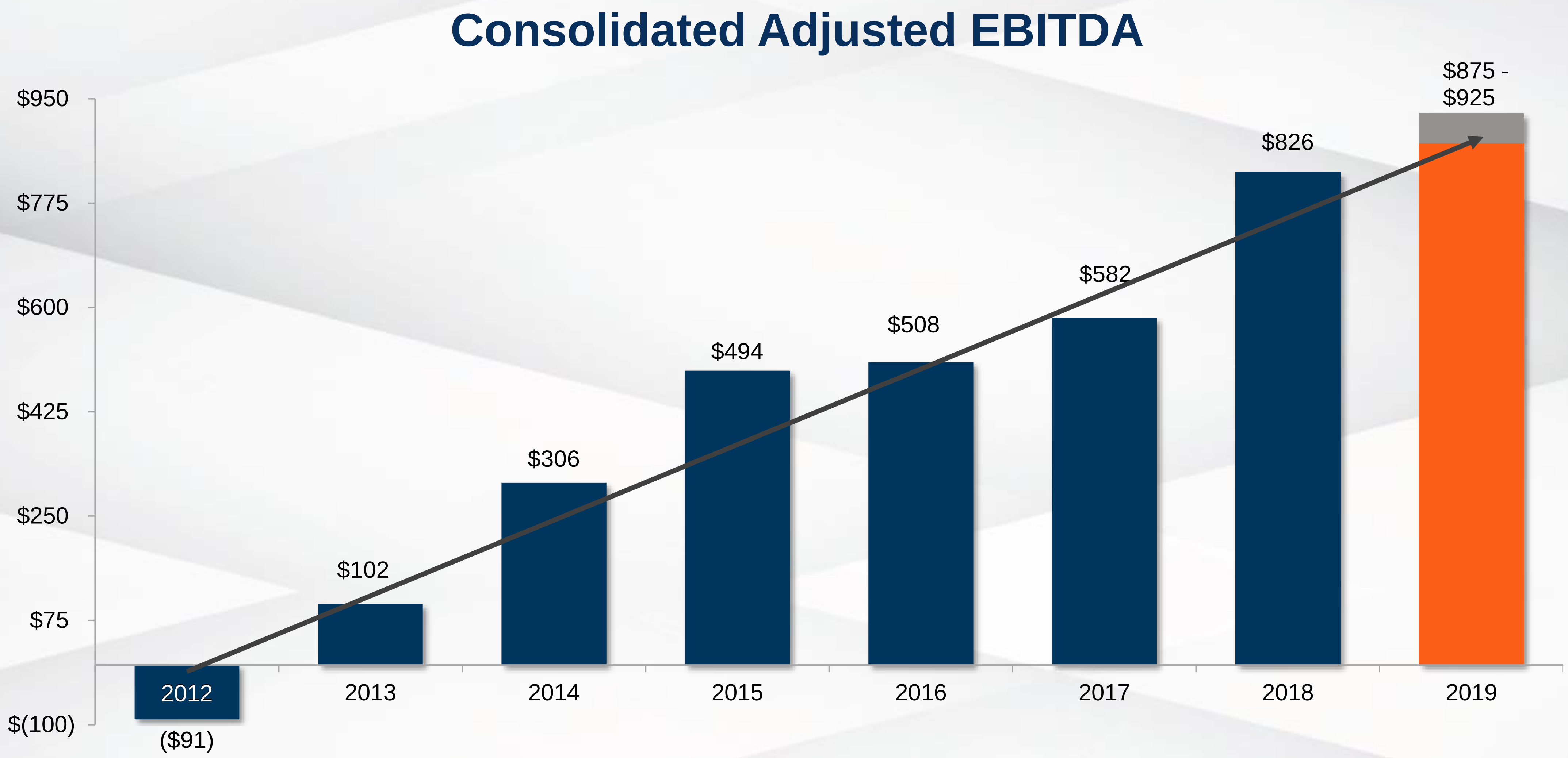


(Dollars in millions)
2019 reflects financial guidance.
Note: This slide contains non-GAAP information; please see the REG G in appendix for a detailed reconciliation.

Public

Past

Strong EBITDA Performance



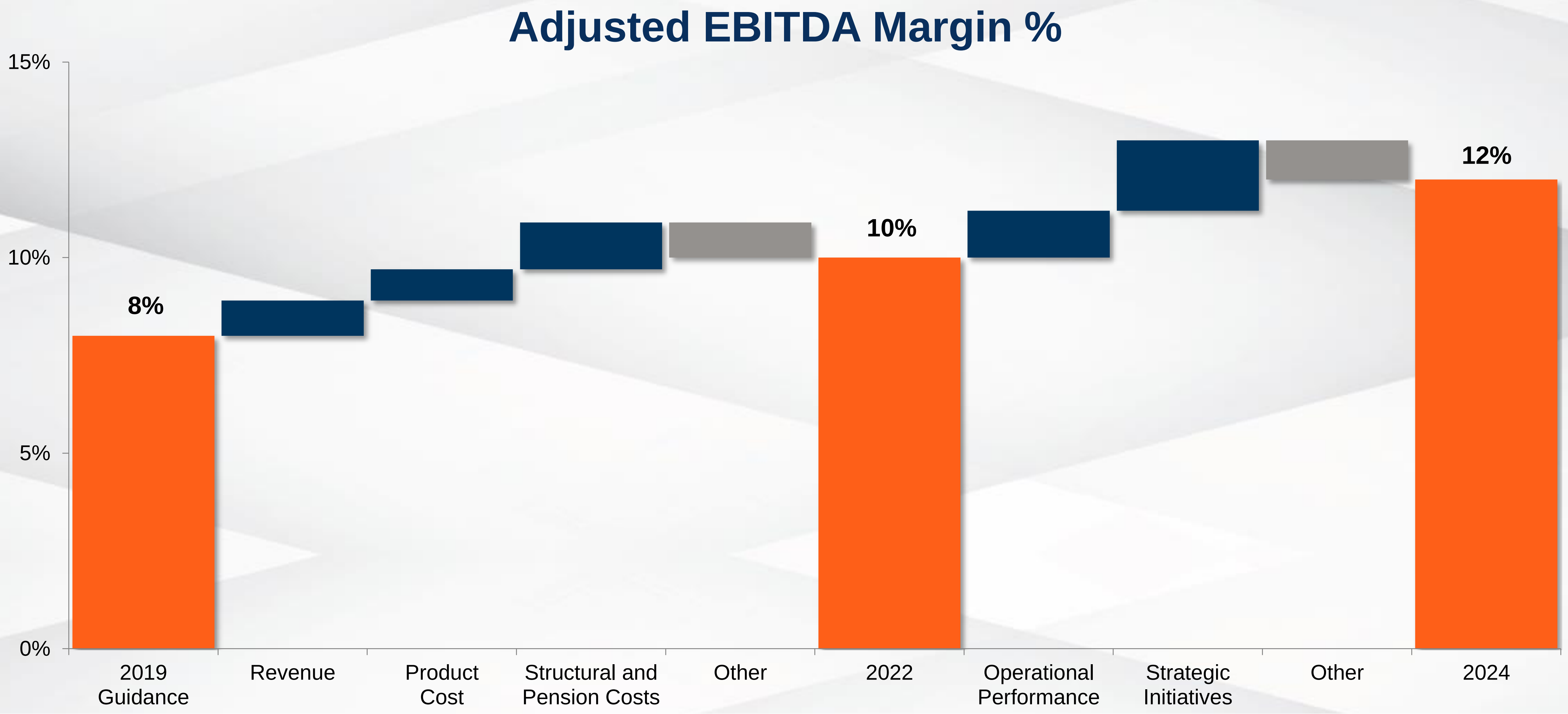
(Dollars in millions)
2019 reflects financial guidance.
Note: This slide contains non-GAAP information; please see the REG G in appendix for a detailed reconciliation.

Agenda

- Past
- **Future**
- Near-Term
- Balance Sheet

Future

Financial Path Forward

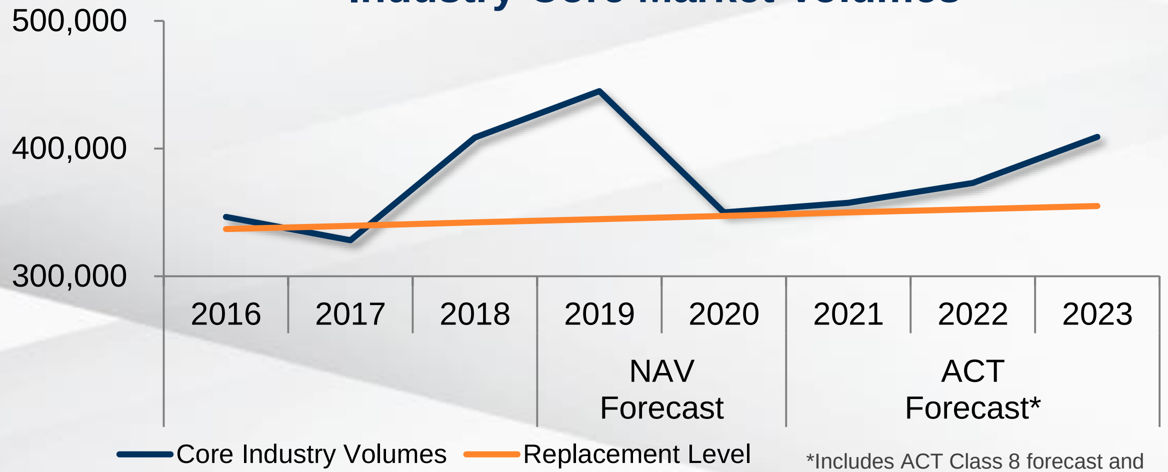


Reflects financial guidance.

Future

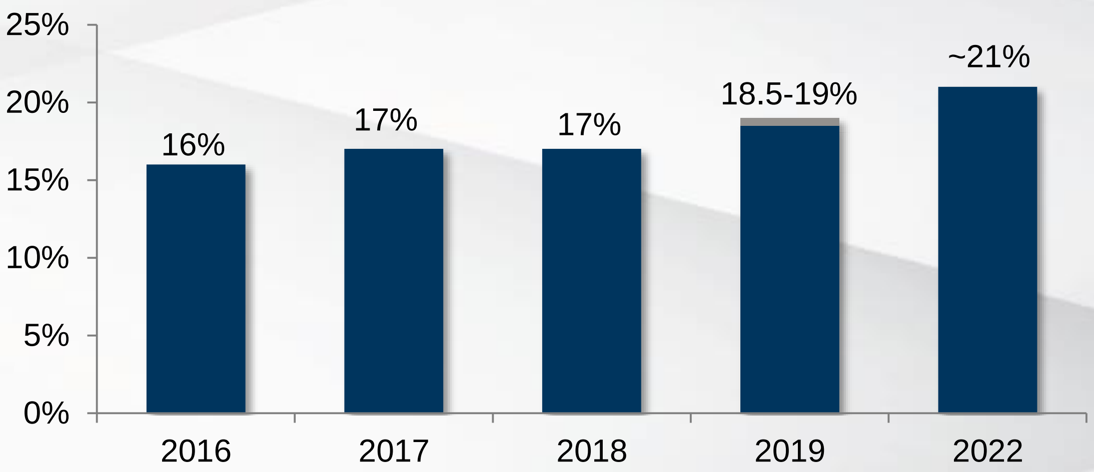
Revenue Improves to $12B by 2022

Industry Core Market Volumes

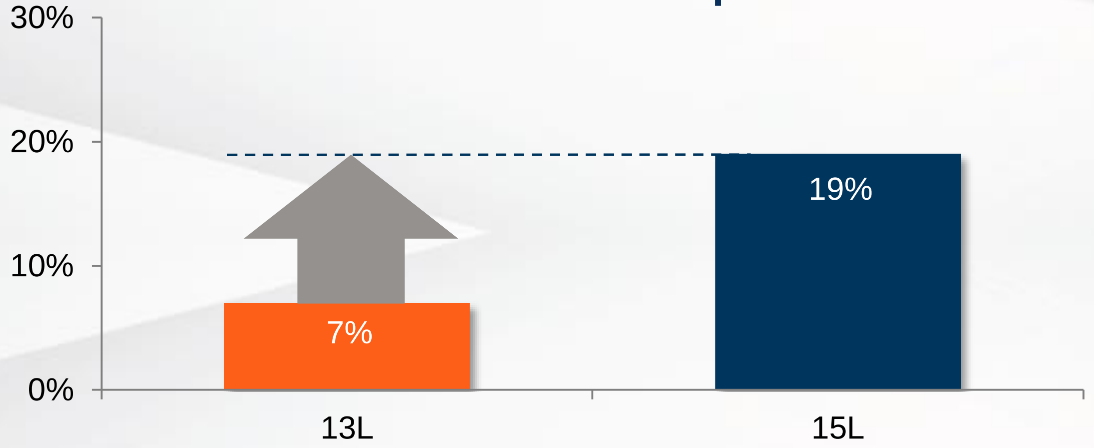


*Includes ACT Class 8 forecast and 120,000 units for Class 6/7 and bus.

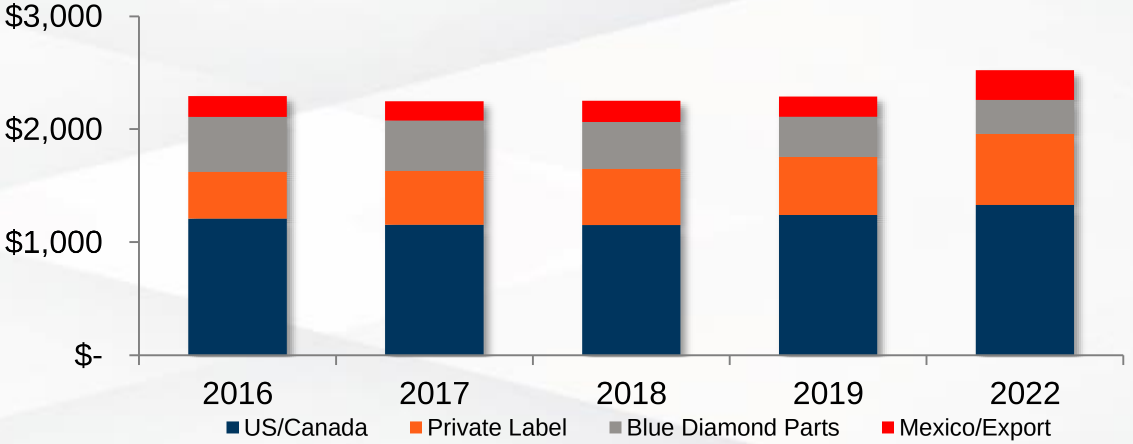
Navistar Retail Market Share Growth



A26 13L Penetration Upside



Parts Revenues

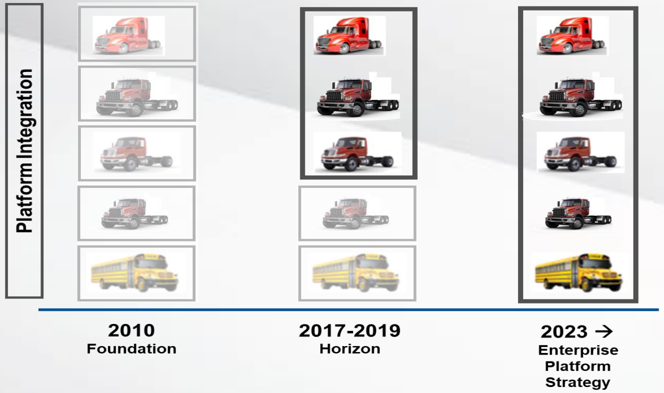


(Dollars in millions)
Core Markets includes U.S. and Canada School buses and Class 6-8 trucks.
2019 through 2022 reflects financial guidance.

Future

Strategic Initiatives Drive Lower Product Costs

- Alliance savings on track
- Achieved $225 million of savings since inception
- $500 million cumulative savings by year 5 (2022)



- Enterprise platform strategy enables modularity
- New San Antonio manufacturing plant
- Lean manufacturing
- Supply chain optimization

- Parts commercial acceleration program
- E-commerce
- Additional PDC capacity
- Love's service partnership

Future

Intense Focus on Costs to Fund Growth Initiatives

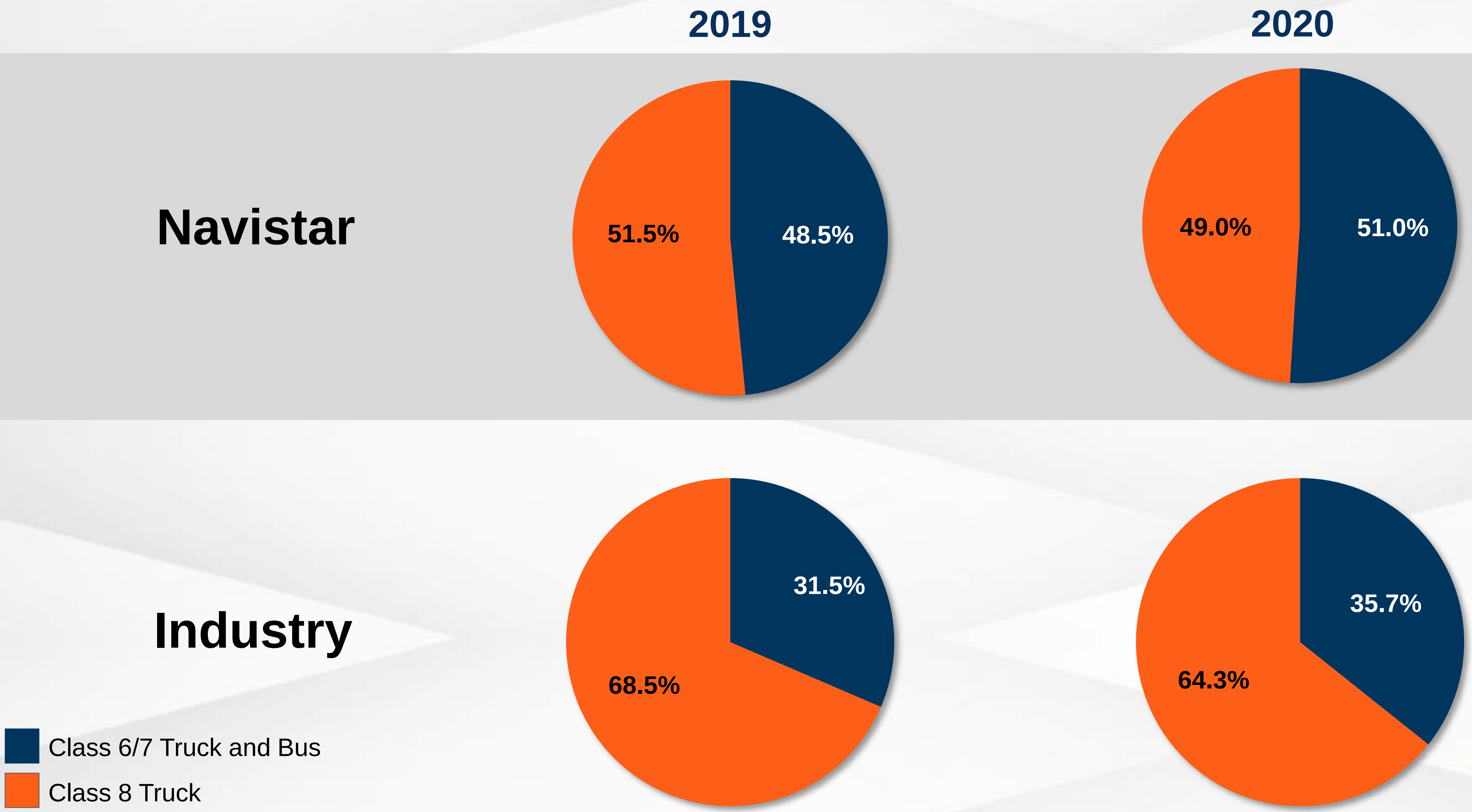
	Trend	
Engineering	⬆	• Fund integrated powertrains and advanced technology investments
SG&A	⬌	• Active cost management • Lean organization
Pension	⬇	• Lower interest expense • Better funded pension plans
Total	⬇	• Targeting 10% of revenues

Agenda

- Past
- Future
- **Near-Term**
- Balance Sheet

Near-Term

Cycle Exposure Reduced through Strong Class 6/7 and Bus Franchise



Balance on unit volumes.
2019 is year to date. 2020 reflects guidance.

Near-Term

Lower Truck Breakeven Volume

(Units in thousands)

	2017	2020	Recession Scenario
Core Industry Volume	328	335-365	280-310
Navistar Core Sales	57	~70	>55
Truck Breakeven Volume	57	55	<55
Units Above Breakeven	Breakeven	15	Breakeven

Profitable at All Points of the Cycle

2020 reflects guidance.

Agenda

- Past
- Future
- Near-Term
- **Balance Sheet**

Balance Sheet

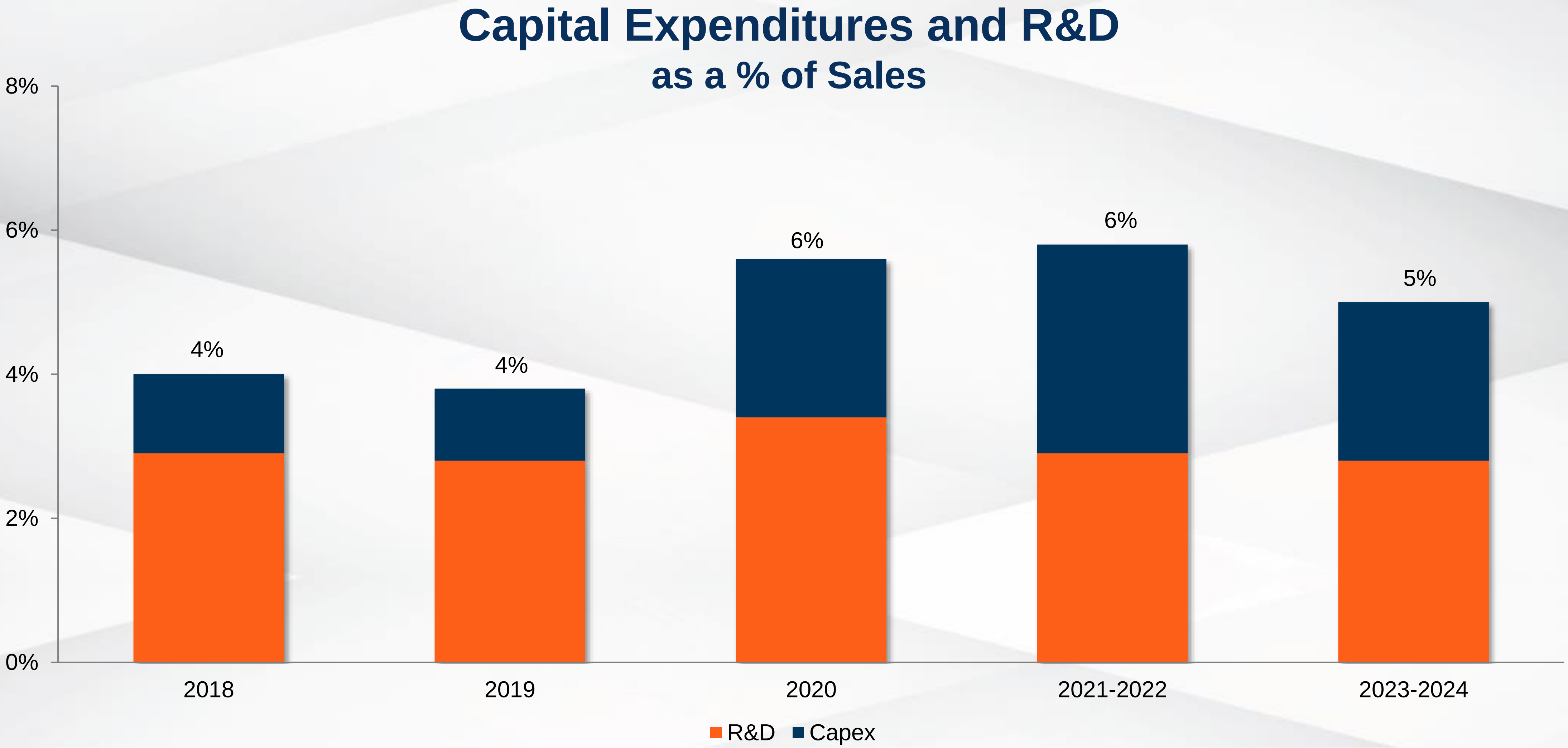
Free Cash Flow Generation

	2018	2019	2020
Revenue	$10.25B	$11.25-$11.75B	$10-$10.5B
Adjusted EBITDA	$826M	$875-$925M	$775-$825M
Warranty Spend > Expense	$141M	$90M	$75M
Capital Expeditures	$113M	$115M	$225M
Pension/OPEB Contributions > Expense	$81M	$85M	$140M
Manufacturing Interest Expense	$235M	$225M	$190M
Manufacturing Free Cash Flow	**$307M**	**Positive**	**Breakeven***

*Excluding the impact of net working capital and other one-time items

2019 and 2020 reflects financial guidance.
Note: This slide contains non-GAAP information; please see the REG G in appendix for a detailed reconciliation.

Capital Spending Supports Strategic Initiatives



2019 through 2022 reflects financial guidance.

De-Risking the Balance Sheet

	Actions To Date	Future
Cash	• > $1B	• Maintain ~$1B
Debt	• Repaid $600M in convertible notes • Extended maturities to 2025+	• Target investment grade (1.5x gross debt to EBITDA)
Pension / OPEB	• Reduced underfunded status from $3.1B to $2.1B in 2 years	• Fund Pension by 2025
Warranty	• Reduced liability from $1.3B to $0.5B • Expense is 1.3% of revenue	• Maintain best-in-class
Litigation	• MaxxForce settlement of $135M pending final court approval	• Satisfactory resolution of remaining litigation
Net Operating Loss	• $2.7B of U.S. federal NOL carryforwards	• Tax shield of $4 to $6 per share

Best Investment in Commercial Vehicle Space

	Trend	
Revenues	↑	• Market share improving • Best in class quality • Exceptional customer experience • Parts growth
EBITDA Margins	↑	• Lean operations • TRATON alliance • Strategic initiatives
Balance Sheet	↑	• Strong free cash flow • Efficient capital investments • Pay down debt and pension liabilities
Play to WIN!	↑	• **People** • **Performance** • **#1 Choice**

QUESTION AND ANSWER

NAVISTAR

INTERNATIONAL

Appendix

SEC Regulation G non-GAAP Reconciliations

SEC Regulation G Non-GAAP Reconciliation:
The financial measures presented below are unaudited and not in accordance with, or an alternative for, financial measures presented in accordance with U.S. generally accepted accounting principles ("GAAP"). The non-GAAP financial information presented herein should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP and are reconciled to the most appropriate GAAP number below.

Earnings (loss) Before Interest, Income Taxes, Depreciation, and Amortization ("EBITDA"):
We define EBITDA as our consolidated net income (loss) attributable to Navistar International Corporation plus manufacturing interest expense, income taxes, and depreciation and amortization. We believe EBITDA provides meaningful information as to the performance of our business and therefore we use it to supplement our GAAP reporting. We have chosen to provide this supplemental information to investors, analysts and other interested parties to enable them to perform additional analyses of operating results.

Adjusted Net Income and Adjusted EBITDA:
We believe that adjusted net income and adjusted EBITDA, which excludes certain identified items that we do not consider to be part of our ongoing business, improves the comparability of year to year results, and is representative of our underlying performance. Management uses this information to assess and measure the performance of our operating segments. We have chosen to provide this supplemental information to investors, analysts and other interested parties to enable them to perform additional analyses of operating results, to illustrate the results of operations giving effect to the non-GAAP adjustments shown in the below reconciliations, and to provide an additional measure of performance.

Manufacturing Cash, Cash Equivalents, and Marketable Securities:
Manufacturing cash, cash equivalents, and marketable securities, and free cash flow represents the Company's consolidated cash, cash equivalents, and marketable securities excluding cash, cash equivalents, and marketable securities of our financial services operations. We include marketable securities with our cash and cash equivalents when assessing our liquidity position as our investments are highly liquid in nature. We have chosen to provide this supplemental information to investors, analysts and other interested parties to enable them to perform additional analyses of our ability to meet our operating requirements, capital expenditures, equity investments, and financial obligations.

Gross Margin consists of Sales and revenues, net, less Costs of products sold.

Structural Cost consists of Selling, general and administrative expenses and Engineering and product development costs.

Manufacturing Free Cash Flow consists of Net cash from operating activities and Capital Expenditures, all from our Manufacturing operations.

Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by Sales and revenues, net.

SEC Regulation G non-GAAP Reconciliations

Manufacturing Free Cash Flow

(in millions)	Years Ended Oct. 31 2018	2017	2016	2015
Consolidated Net Cash from Operating Activities.............	$ 269	$ 109	$ 267	$ 46
Less: Net Cash from Financial Services Operations..........	(150)	107	431	73
Net Cash from Manufacturing Operations (A)	419	2	(164)	(27)
Capital Expenditures...	(112)	(101)	(114)	(111)
Manufacturing Free Cash Flow................................	$ 307	$ (99)	$ (278)	$ (138)

Manufacturing Cash

($ in millions)	Jul. 31, 2019
Manufacturing Operations:	
Cash and cash equivalents…………………………………………………….......	$ 1,112
Marketable securities……………………………………………………….........	3
Manufacturing Cash, Cash equivalents, and Marketable securities.......................	$ 1,115
Financial Services Operations:	
Cash and cash equivalents…………………………………………………….......	$ 48
Marketable securities……………………………………………………….........	-
Financial Services Cash, Cash equivalents, and Marketable securities…….........	$ 48
Consolidated Balance Sheet:	
Cash and cash equivalents…………………………………………………….......	$ 1,160
Marketable securities……………………………………………………….........	3
Consolidated Cash, Cash equivalents, and Marketable securities………….........	$ 1,163

SEC Regulation G non-GAAP Reconciliations

Adjusted EBITDA

(in millions)	2019*	2018	2017	2016	2015	2014	2013	2012
	Years Ended October 31							
Loss from continuing operations attributable to NIC, net of tax........	$ 119	$ 340	$ 29	$ (97)	$ (187)	$ (622)	$ (857)	$ (2,939)
Plus:								
Depreciation and amortization expense....................................	144	211	223	225	281	332	417	323
Manufacturing interest expense	160	235	265	247	233	243	251	171
Less:								
Income tax benefit (expense)..	(9)	(52)	(10)	(33)	(51)	(26)	171	(1,780)
EBITDA..	$ 432	$ 838	$ 527	$ 408	$ 378	$ (21)	$ (360)	$ (665)

The following table reconciles Manufacturing interest expense to the consolidated interest expense:

	2019*	2018	2017	2016	2015	2014	2013	2012
Interest expense...	$ 243	$ 327	$ 351	$ 327	$ 307	$ 314	$ 321	$ 259
Less: Financial services interest expense..	83	92	86	80	74	71	70	88
Manufacturing interest expense..	$ 160	$ 235	$ 265	$ 247	$ 233	$ 243	$ 251	$ 171

	2019*	2018	2017	2016	2015	2014	2013	2012
EBITDA (reconciled above)...	$ 432	$ 838	$ 527	$ 408	$ 378	$ (21)	$ (360)	$ (665)
Less: Significant items	231	(12)	55	100	116	327	462	574
Adjusted EBITDA..	$ 663	$ 826	$ 582	$ 508	$ 494	$ 306	$ 102	$ (91)
Adjusted EBITDA Margin..	7.8%	8.1%	6.8%	6.3%	4.9%	2.8%	0.9%	-0.7%

2019* is nine months ended

See the following slides for details on Significant items

SEC Regulation G non-GAAP Reconciliations

(in millions)	Years Ended October 31							
	2019*	2018	2017	2016	2015	2014	2013	2012
Expense (income):								
Adjustments to pre-existing warranties (1)	$ 7	$ (9)	$ (1)	$ 78	$ 4	$ 55	$ 404	$ 404
North America asset impairment charges (2)	6	14	13	26	20	24	97	16
Global asset impairment charges (3)	—	—	—	1	10	149	—	—
Restructuring of North American manufacturing operations (4)	1	(1)	13	7	—	41	—	7
Cost reduction and other strategic initiatives (5)	—	—	—	3	72	17	25	73
Gain on settlement (12)	(3)	(72)	—	—	(10)	—	—	—
Brazil truck business actions (6)	—	—	—	—	6	29	—	—
Debt refinancing charges (7)	6	46	5	—	14	12	13	8
One-time fee received (8)	—	—	—	(15)	—	—	—	—
Mahindra joint venture divestiture (9)	—	—	—	—	—	—	(26)	—
Legal Settlement (10)	128	1	31	—	—	—	(35)	—
Engineering integration costs (11)	—	—	—	—	—	—	—	66
Pension Settlement (13)	142	9	—	—	—	—	—	—
Gain on sale (14)	(56)	—	(6)	—	—	—	(16)	—
Total significant items impacting EBITDA	$ 231	$ (12)	$ 55	$ 100	$ 116	$ 327	$ 462	$ 574

[1] Adjustments to pre-existing warranties reflect changes in our estimate of warranty costs for products sold in prior periods. Such adjustments typically occur when claims experience deviates from historic and expected trends. Our warranty liability is generally affected by component failure rates, repair costs, and the timing of failures. Future events and circumstances related to these factors could materially change our estimates and require adjustments to our liability. In addition, new product launches require a greater use of judgment in developing estimates until historical experience becomes available.

[2] In the first nine months of 2019, we recorded $6 million of asset impairment charges relating to certain assets under operating leases in our Truck segment. During 2018, we recorded $14 million of impairment charges related to the exit of our railcar business in Cherokee, Alabama, certain long-lived assets and certain assets under operating leases in our Truck and Financial Services segments. During 2017, we recorded $13 million of asset impairment charges in our Truck segment relating to assets held for sale of our Conway, Arkansas fabrication business and for certain assets under operating leases. The 2016 charges primarily included $17 million related to certain long-lived assets and $8 million related to certain operating leases. During 2015, we recorded $11 million of asset impairment charges related to certain long-lived assets and $9 million related to certain operating leases. In 2014, the Truck segment recorded impairment charges related to certain amortizing intangible assets and long-lived assets which were determined to be fully impaired. In 2014, the Truck segment recognized asset impairment charges of $18 million. In 2013, the Truck segment recognized asset impairment charges consisting of $77 million related to the impairment of the Truck segment's entire goodwill balance, and $19 million which were primarily the result of our ongoing evaluation of our portfolio of assets to validate their strategic and financial fit, which led to the discontinuation of certain engineering programs related to products that were determined to be outside of our core operations or not performing to our expectations. In 2012, the Parts segment recognized asset impairment charges of $10 million that resulted from the decision to idle the WCC business.

[3] During 2016, we determined that $1 million of trademark asset carrying value was impaired. During 2015, we recognized a total non-cash charge of $7 million for the impairment of certain intangible and long-lived assets in the Global Operations segment, and $3 million for the impairment of the carrying value of a trademark asset. In 2014, we recognized a non-cash charge of $149 million for the impairment of certain intangible assets of our Brazilian engine reporting unit, including the entire $142 million balance of goodwill and $7 million of trademark.

Notes continue on the next slide.

2019* is nine months ended

SEC Regulation G non-GAAP Reconciliations

[4] In the first nine months of 2019, we recorded a restructuring charge of $1 million in our Truck segment. During 2018, we recognized a benefit of $1 million related to adjustments for restructuring in our Truck, Global Operations and Corporate segments. During 2017, we recorded charges of $13 million primarily attributable to $41 million of charges related to our plan to cease production at our Melrose Park Facility, a net benefit of $36 million related to the resolution of the closing agreement and wind up charges for our Chatham, Ontario plant, and the release of $1 million in other postretirement benefit liabilities in connection with the sale of our fabrication business in Conway, Arkansas. We also recorded $6 million of restructuring charges in Brazil related to cost reduction actions consisting of personnel costs for employee separation and related benefits. During 2016, we recorded $7 million of restructuring charges related to the 2011 closure of our Chatham, Ontario plant. In 2014 the Truck segment recorded $27 million of charges related to our anticipated exit from our Indianapolis, Indiana foundry facility and certain assets in our Waukesha, Wisconsin foundry operations. The charges included $13 million of restructuring charges, $7 million of fixed asset impairment charges and $7 million of charges for inventory reserves. In 2014, the Truck segment recorded $14 million of charges related to the 2011 closure of its Chatham, Ontario plant, based on a ruling received from the Financial Services Tribunal in Ontario Canada. In 2012, the Truck segment recorded $4 million of charges related to the planned closure of the Garland, Texas plant for personnel costs related to employee terminations and related benefits.

[5] Cost reduction and other strategic initiatives relates to costs associated with the divestiture of non-strategic facilities and efforts to optimize our cost structure. In 2015, we had $72 million of cost reduction and other strategic initiatives primarily consisting of restructuring charges. In 2015, we offered the majority of our U.S.-based non-represented salaried employees the opportunity to apply for a VSP, which resulted in $37 million of restructuring charges. In addition, we incurred restructuring charges of $23 million related to cost reduction actions, including a reduction-in-force in the U.S. and Brazil. In 2014, the Company recorded restructuring charges related to cost reduction actions that included a reduction-in-force in the U.S and Brazil. In 2013, the Company leveraged efficiencies identified through redesigning our organizational structure and implemented new cost-reduction initiatives, including an enterprise-wide reduction-in-force. As a result of these actions, the Company recognized restructuring charges of $25 million in the year ended October 31, 2013. In 2012, the Company announced actions to control spending across the Company with targeted reductions of certain costs. As a result of these actions, the Company recognized restructuring charges of $73 million in the quarter and year ended October 31, 2012.

[6] During 2015, we recorded $6 million in inventory charges to right size the Brazil Truck business. In 2014, the Global Operations segment recorded approximately $29 million in charges, primarily related to inventory, to right size the Brazil Truck business.

[7] In the first nine months of 2019, we recorded a charge of $6 million for the write off of debt issuance costs and discounts associated with NFC Term Loan. During 2018, we recorded a charge of $46 million for the write off of debt issuance costs and discounts associated with the repurchase of our 8.25% Senior Notes and the refinancing of our previously existing Term Loan. During 2017, we recorded a charge of $5 million related to third party fees and debt issuance costs associated with the replacement of our Term Loan with our Term Loan Credit Agreement and the refinancing of the revolving portion of the NFC bank credit facility in our Financial Services segment. In 2015, we recorded $14 million of third party fees and unamortized debt issuance costs associated with the refinancing of our Amended Term Loan Credit Facility with a new Senior Secured Term Loan Credit Facility. In 2014, we recorded $12 million of unamortized debt issuance costs and other charges associated with the repurchase of our 2014 Convertible Notes. In 2013, we recorded $13 million of unamortized debt issuance costs and other charges associated with the sale of additional Senior Notes and the refinancing of the Term Loan. In 2012, we recorded $8 million of unamortized debt issuance costs and other charges associated with our Senior Notes and Amended and Restated Asset-Based Credit Facility.

[8] During 2016, we received a $15 million one-time fee from a third party.

[9] In 2013, the Company sold its stake in the Mahindra Joint Ventures to Mahindra and the Global Operations segment recognized a gain of $26 million.

[10] In the first nine months of 2019, we recognized charge of $128 million related to MaxxForce Advanced EGR engine class action settlement and related litigation in our Truck segment. During 2018, we recognized an additional charge of $1 million for a jury verdict related to the MaxxForce engine EGR product litigation in our Truck segment. During 2017, we recognized a charge of $31 million related to that same jury verdict in our Truck segment .In 2013, as a result of the legal settlement with Deloitte and Touche LLP, the Company recognized a gain and received cash proceeds of $35 million.

[11] Engineering integrated costs related to the consolidation of our truck and engine engineering operations, as well as the relocation of our world headquarters. In 2012, the charges included restructuring charges of $23 million and other related costs of $43 million, primarily in our Truck segment.

[12] In the first nine months of 2019, we recorded interest income of $3 million, in Other income, net derived from the prior year settlement of a business economic loss claim relating to our former Alabama engine manufacturing facility in Corporate. During 2018, we settled a business economic loss claim relating to our Alabama engine manufacturing facility in which we will receive a net present value of $70 million, net of our fees and costs, from the Deepwater Horizon Settlement Program. We recorded the $70 million net present value of the settlement and related interest income of $2 million in Other Income, net. In the second quarter of 2015, the Global Operations segment recognized a $10 million net gain related to a settlement of a customer dispute. The $10 million net gain for the settlement included restructuring charges of $4 million.

[13] In the first nine months of 2019, we purchased group annuity contracts for certain retired pension plan participants resulting in plan remeasurements. As a result, we recorded pension settlement accounting charges of $142 million. During 2018, we purchased a group annuity contract for certain retired pension plan participants resulting in a plan remeasurement. As a result, we recorded a pension settlement accounting charge of $9 million in SG&A expenses.

[14] In the first nine months of 2019, we recognized a gain of $51 million related to the sale of a majority interest in the Navistar Defense business in our Truck segment, and a gain of $5 million related to the sale of our joint venture in China with JAC in our Global Operations segment. During 2017, we recognized a gain of $6 million related to the sale of a business line in our Parts segment. We recognized a gain of $16 million in the Truck segment in 2013, as a result of the divestiture of Bison.