



January 12, 2004

Navistar Secures Large Order from United States Postal Service; Truck Manufacturer to Deliver More Than 1,700 Medium-Duty Trucks to Agency in 2004

WARRENVILLE, Ill., Jan 12, 2004 (BUSINESS WIRE) -- International Truck and Engine Corporation has reached an agreement to deliver more than 1,700 International(R) 4000 Series medium-duty trucks to the United States Postal Service, it was announced today. International Truck and Engine Corporation is the operating company of Navistar International Corporation (NYSE: NAV), the nation's largest combined commercial truck, school bus and mid-range diesel engine producer.

Under the terms of the agreement, International will manufacture approximately 1,700 International(R) 4400 model medium-duty trucks, which will be deployed in 2004 by the USPS as the newest additions to its fleet of cargo vans. Utilimaster Corporation will act as subcontractor for the manufacture and installation of the van bodies, which will be in 18- and 24-ft. configurations.

Dee Kapur, president of International Truck and Engine Corporation's truck group, said the agreement renews a relationship between two organizations with celebrated histories in the transportation industry, and provides International with strong forward momentum heading into 2004.

"The U.S. Postal Service operates one of the most sophisticated transport and delivery fleets in the world, so we're particularly pleased that our vehicles have been able to exceed their expectations for efficient, reliable operation and outstanding performance," said Kapur. "An order of this size also reaffirms our leadership position in the medium-duty truck market, where the International 4000 and 7000 Series vehicles have been steadily gaining market share."

The agreement between the two organizations also will allow the U.S. Postal Service to upgrade part of its medium-duty truck fleet to International DT 466 diesel engines compliant with stricter emissions requirements that went into effect on January 1, 2004. The agreement calls for all 1,700 vehicles to be equipped with 2004 emissions-compliant engines.

The vehicles manufactured for the U.S. Postal Service also will offer International Diamond Logic(TM) Technology, the multiplexed electrical system that self-diagnoses problems in the operation of a truck or its equipment, and helps reduce overall repair troubleshooting time by as much as 80 percent.

Since 1775, the U.S. Postal Service has connected friends, families, neighbors and businesses by mail. It is an independent federal agency that makes deliveries to about 140 million addresses every day and is the only service provider to deliver to every address in the nation. The Postal Service receives no taxpayer dollars for routine operations, but derives its operating revenues solely from the sale of postage, products and services. With annual revenues of more than \$67 billion, it is the world's leading provider of mail and delivery services, offering some of the most affordable postage rates in the world. The U.S. Postal Service delivers more than 43 percent of the world's mail volume - some 203 billion letters, advertisements, periodicals and packages a year - and serves seven million customers each day at its 38,000 retail locations nationwide.

International Truck and Engine Corporation is the operating company of Navistar International Corporation (NYSE: NAV). The company produces International(R) brand commercial trucks, mid-range diesel engines and IC brand school buses and is a private label designer and manufacturer of diesel engines for the pickup truck, van and SUV markets. With the broadest distribution network in North America, the company also provides financing for customers and dealers. Additionally, through a joint venture with Ford Motor Company, the company builds medium commercial trucks and sells truck and diesel engine service parts. Additional information is available at www.InternationalDelivers.com.

SOURCE: Navistar International Corporation

Navistar International Corporation

Media Contact:

Roy Wiley, 630-753-2627

Investor Contact:

Mark Oberle, 630-753-2406

www.nav-international.com

Customize your Business Wire news & multimedia to match your needs.

Get breaking news from companies and organizations worldwide.

Logon for FREE today at www.BusinessWire.com.

Copyright (C) 2004 Business Wire. All rights reserved.

News Provided by COMTEX