

January 26, 2012

To all U.S. and Canada Dealers

In the past several weeks, once again our competitors are taking their best shots at Navistar. Why? Because Navistar continues to succeed in the market with International® trucks equipped with the industry's only customer-friendly emissions solution. We are gaining momentum, customer confidence and by doing so, proving our competitors wrong.

So let's set the record straight.

- All trucks sold in CY 2012 will be certified to operate in all 50 states and Canada.
- Navistar will submit a 0.2g NOx in-cylinder Big Bore engine for production certification in the coming weeks. We have been working with the EPA for several months in anticipation of our submission and expect production of the engine to begin later this year.
- While the EPA is processing this submission, Navistar will continue to build engines with credits we've earned by producing and selling cleaner engines in advance of the regulation requirements. In the event this process takes longer, the EPA has recently published a rule, as was always contemplated in the Clean Air Act, that provides multiple paths for companies to continue producing engines.
- When submissions and certification is complete: *Navistar will be the only manufacturer in the world* who has achieved a 0.2g NOx solution without SCR and our products will continue to represent the best solution for our customers.
- We believe the burden of emissions requirements is an OEM's responsibility and thus, our compliance strategies remain focused on providing solutions without the complexity and operating hassles associated with SCR.
- The true mark of a leader is to continue to move ahead of the competition by understanding and anticipating where the market is going. Watch for our announcement on Natural Gas next week to see where Navistar is headed next.

Thank you for your continued support.

