



The Business of Near Zero Emissions

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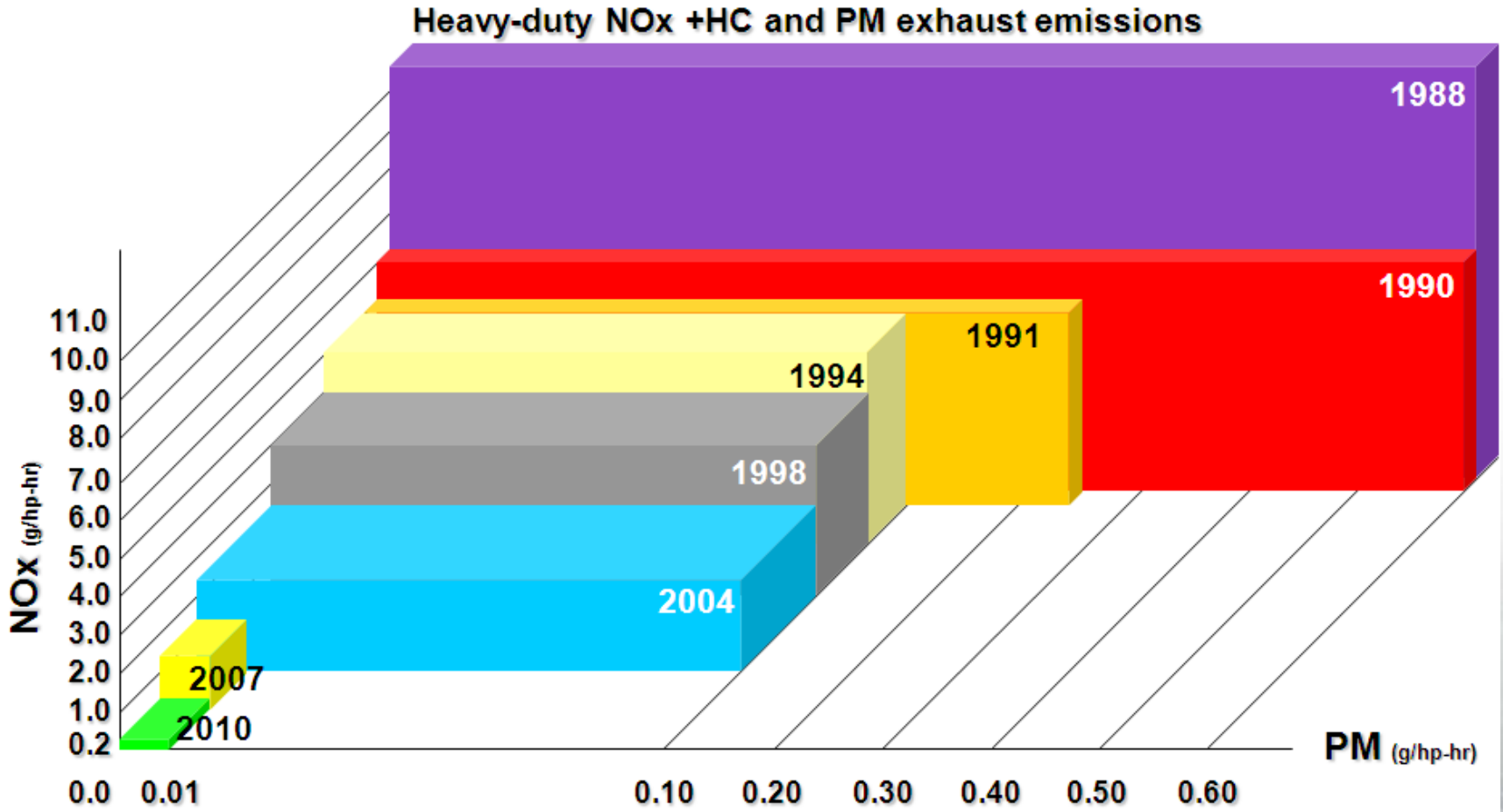
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 - Parts and service for trucks, diesel engines
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Today's Vehicles Have Achieved Near Zero Emissions



Industry Advances Emissions Technology

- Technologies Implemented
- Successful Introduction of Ultra-low Sulfur Diesel Fuel
 - Capability to make and deliver
 - Cost

Quiz Time



What's the most effective emissions tool ever utilized?

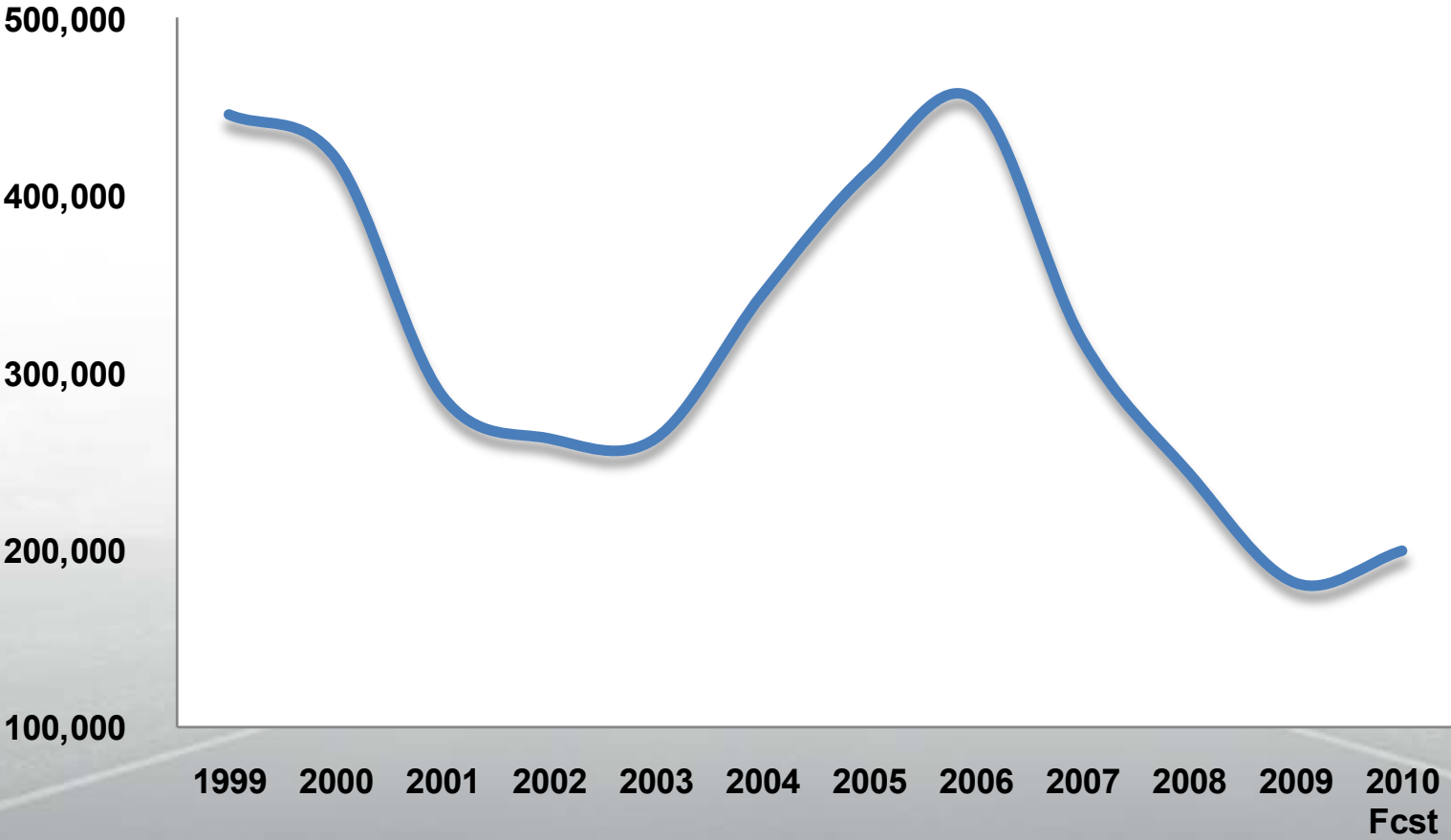
Technological Capability At A Cost

<u>Year</u>	<u>Cost of Emissions</u>	<u>% of Truck Price</u>
2004	\$5,400	7%
2007	\$7,600	10%
2010	<u>\$7,000 to \$10,000</u>	<u>11%</u>
Total Since 2004:	\$21,500	28%

- The cost of emissions compliance alone has increased 25% to 30% since 2004
- Class 8 impact: over \$20,000

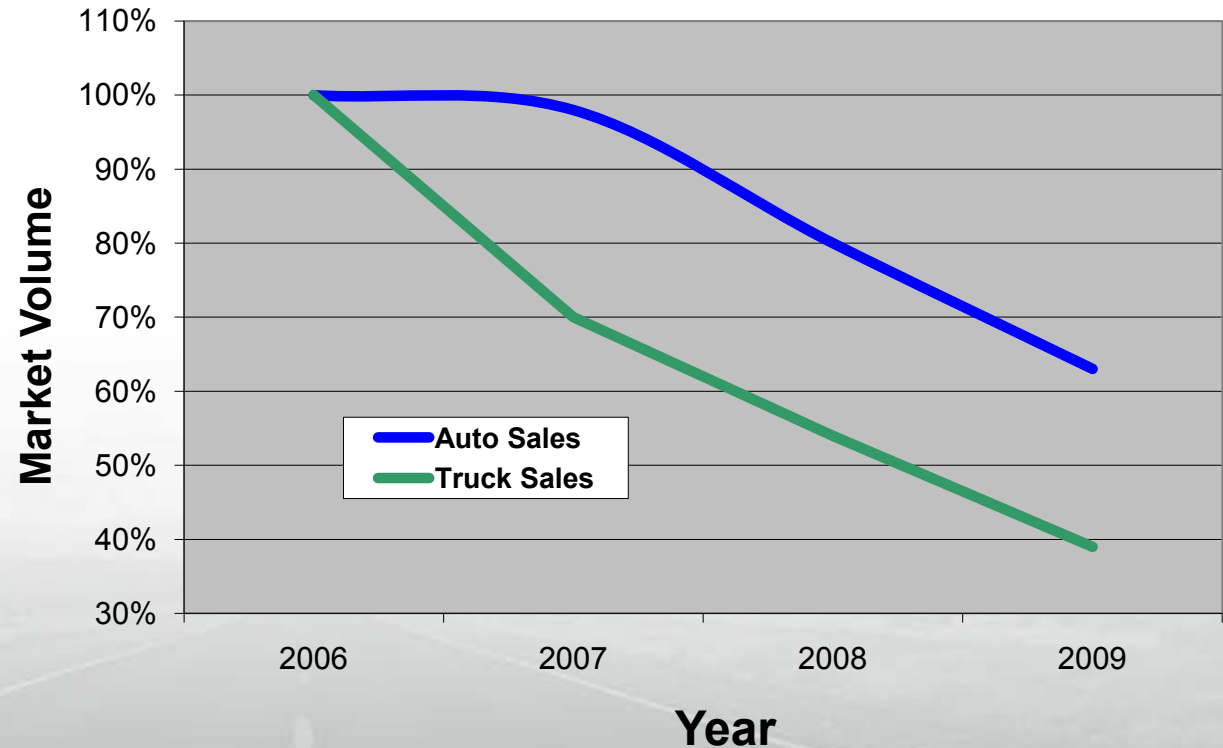
Economy + Emissions Costs = Perfect Storm; Lowest U.S. Truck Sales Since 1962

U.S. and Canada Class 6-8 Retail Industry

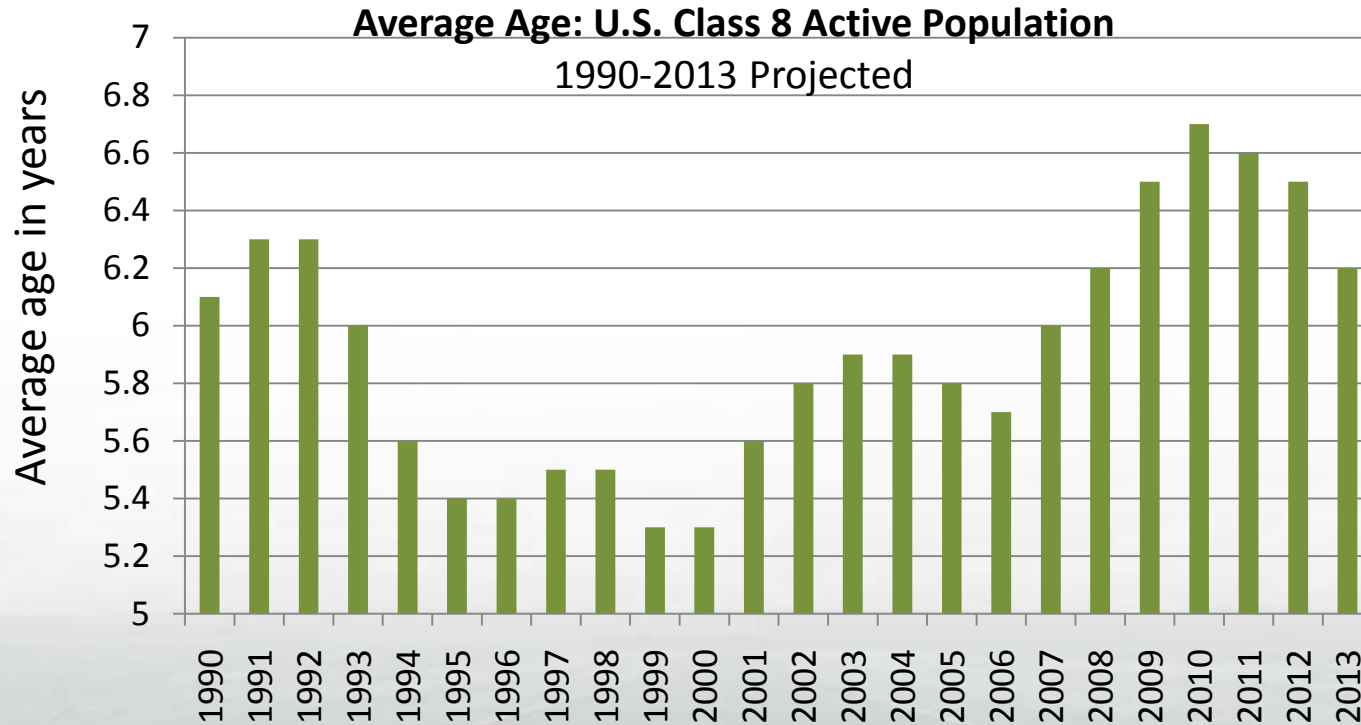


The Sales Disaster

- Trucking is a low-margin business
- Decline in U.S. truck sales worse than car sales
- New truck purchases are being delayed



Increasing Age of U.S. Fleet Frustrates Environmental Goals



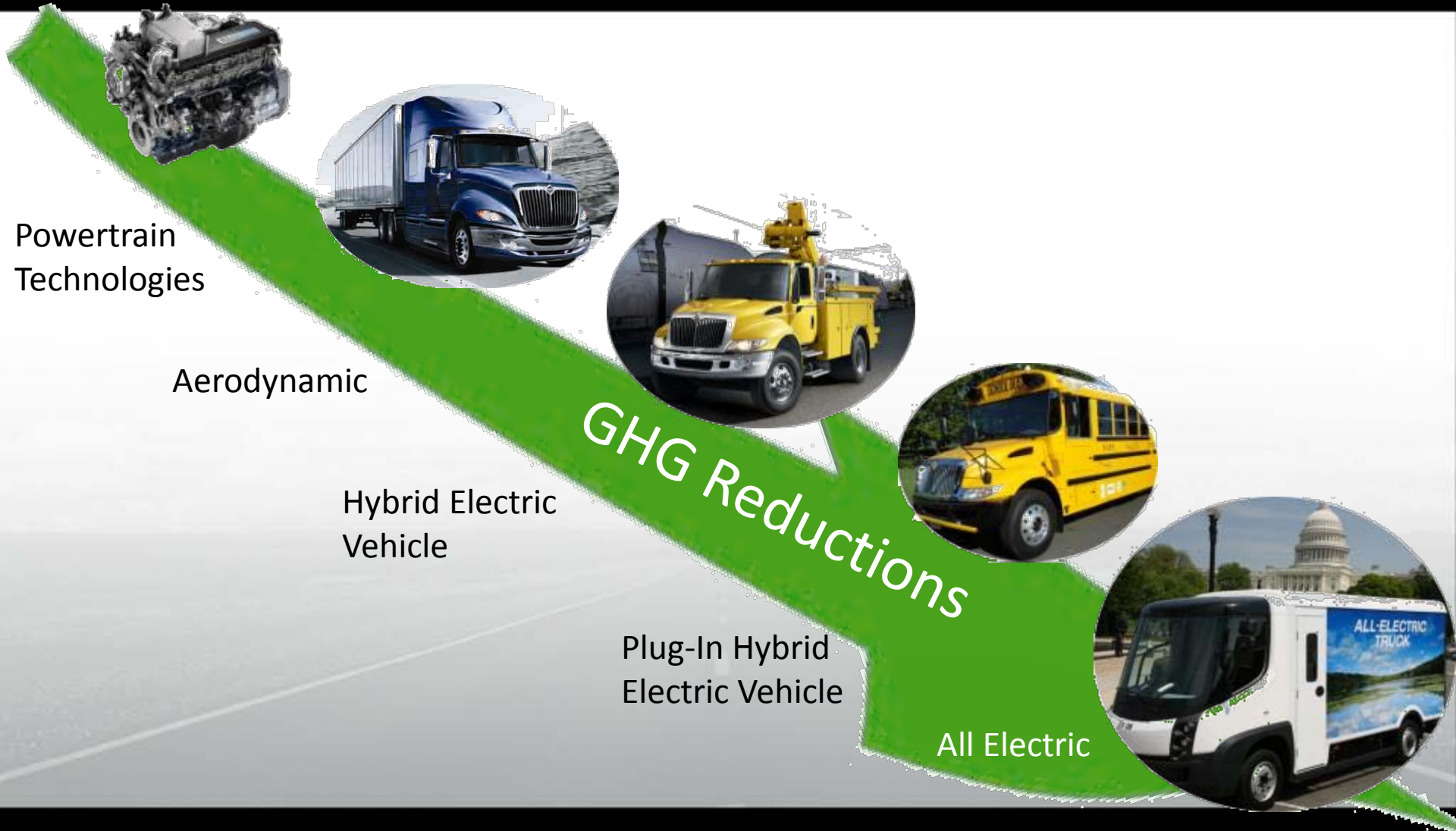
Older trucks = lower mileage and higher emissions

New Emission Standards on the Horizon

- New Truck & Engine Greenhouse Gas standards are being developed for 2014 and 2017
- Opens the door for further technological innovation



Total Vehicle Approach to GHG Solution



How Can We Make This Work for Customers

- Minimize perception that the new technology is a risk for customers to take
- Ensure product is affordable and provides a perceived value to customers
- Provide incentives that encourage purchase of new environmental friendly products



Conclusion: Sustainability

- Technical Sustainability
- Business Sustainability

