NAVISTAR®

IT'S UPTIME AT

JEFFERIES 2016 INDUSTRIALS CONFERENCE

AUGUST 11, 2016

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 the federal securities laws. Such forward-looking statements only speak as of the date of this presentation and Navistar International Corporation assumes no obligation to update the information included in this presentation. 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. 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 year ended October 31, 2015. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our 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 herein 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 – We are International Truck

- A leading manufacturer of commercial trucks, buses and defense vehicles in North America
- 2015 annual revenues: $10.1 billion
- Active employees: 13,200
- Established brand and diverse product line-up
- Largest dealer network in the industry
- One of the largest parts distribution networks in the U.S.

Largest Dealer Network
Unmatched Customer Support

Leading Uptime and Customer Productivity

Parts and Service Supported by the Broadest Dealer Network in the Industry

- 800+ dealer locations
- 8,000 service bays
- 7,600 technicians
- Recognized market leaders

FLEETRITE

Uptime is Our Mission

- Trucks that are designed to stay on the road
- Build defect-free trucks, delivered on date promised
- Fast service and repair at our dealerships
- Real-time vehicle monitoring and support

50% Reduction in dwell time

100% Increase in repairs completed in 24 hours or less

Leaders in Connected Vehicles

OnCommand™ Connection

currently support over

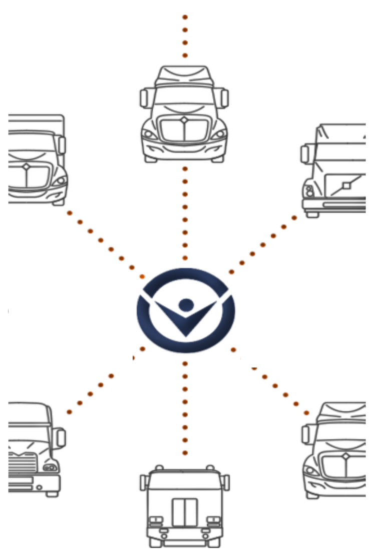
220,000 vehicles

- Standard offering on International trucks
- Integrated support through dealers, parts and service
- Drives product consideration
- Provides analytics to support customer

INTERNATIONAL TRUCK

First to Introduce

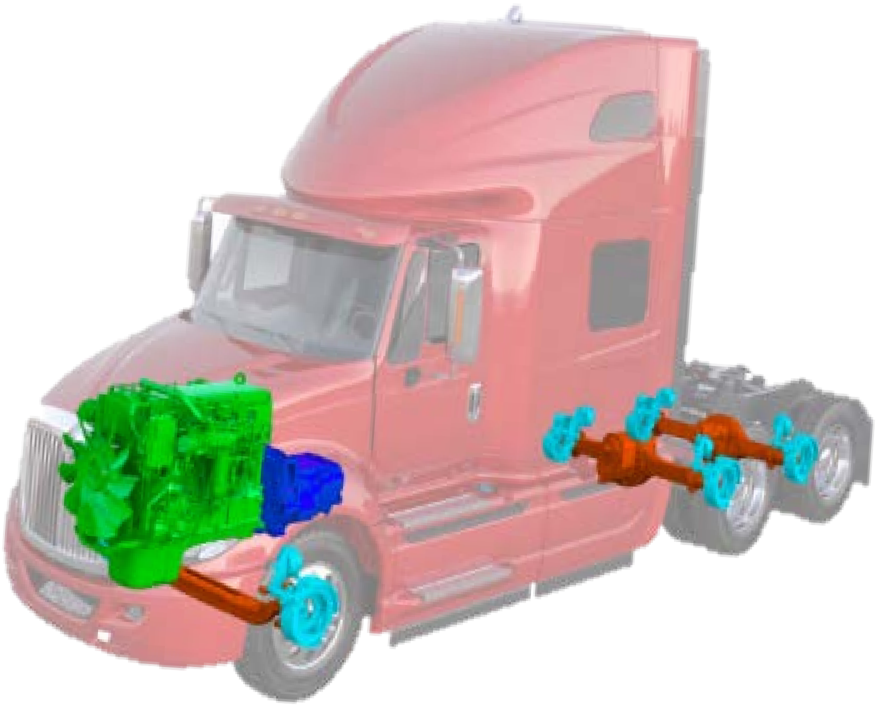
Over-The-Air Reprogramming



- Engine recalibration over Wi-Fi
- Paves the way for two-way Connected Vehicle Services
- First to offer OTA with Cummins' engines
- Available for IC School Buses

Best Technology Integration

Open technology integration allows Navistar to deliver…

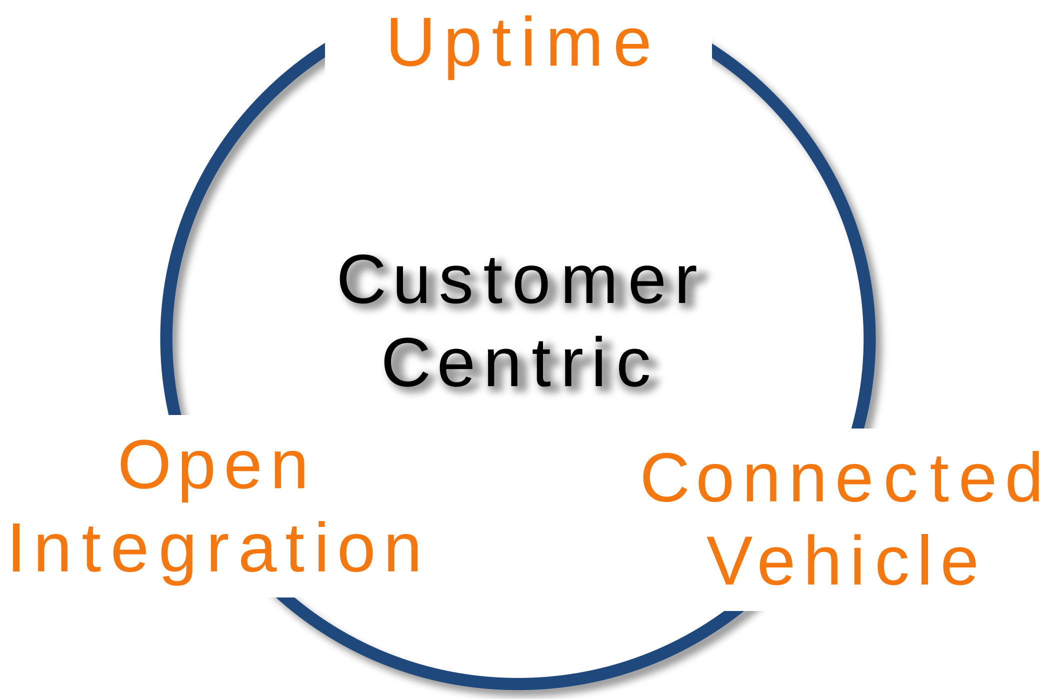


- Customer voice in product development
- Best technology available
- Speed to market
- Leverage supplier scale and investment
- Engage select suppliers from concept to sales and service

Renewing Entire Product Portfolio by End of 2018

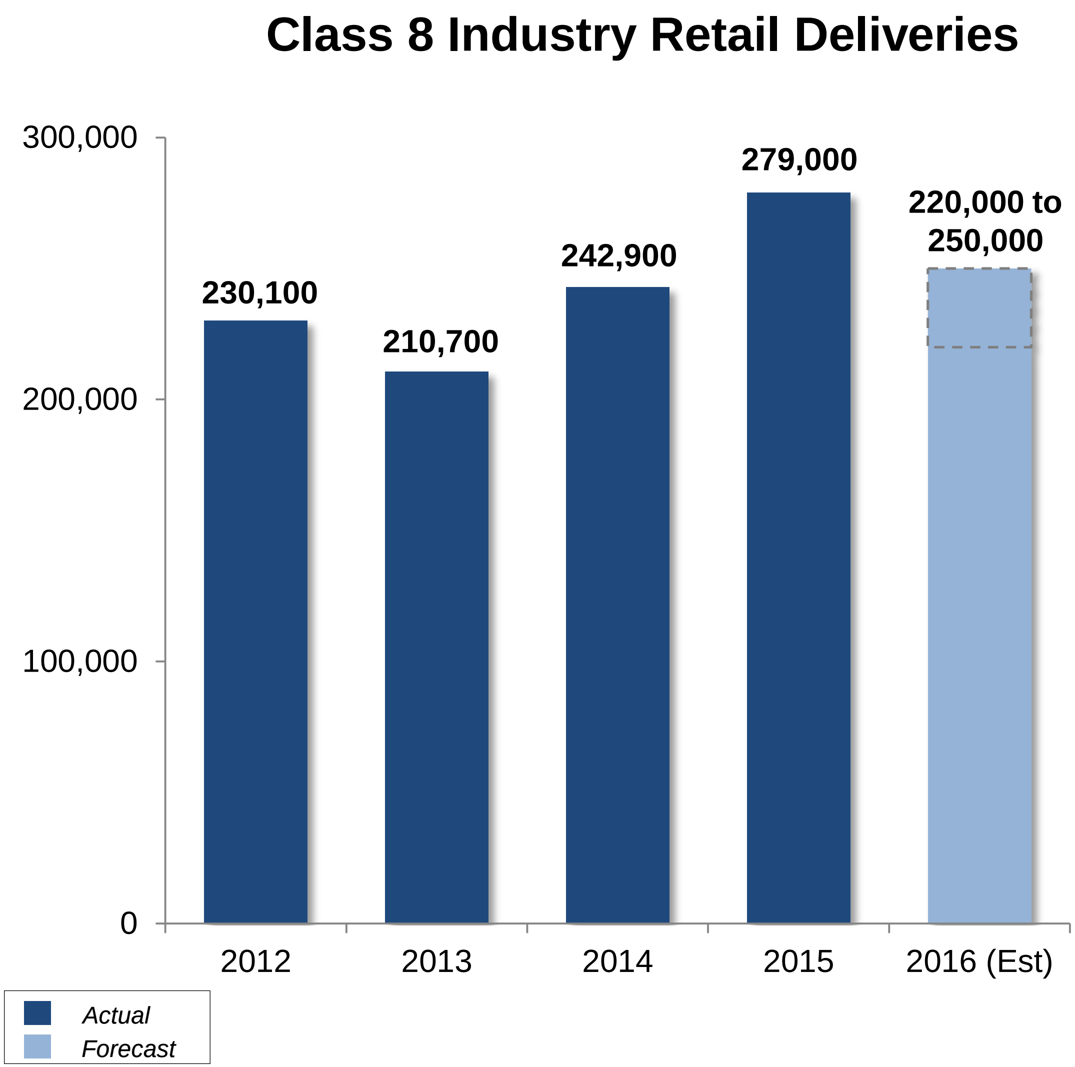
- New product launches every 4 to 6 months
- HX premium vocation truck launch
  - Received over 85% of planned 2016 orders
- Added Cummins ISL engine offering
- Project Horizon
- Class 4/5 vehicle expansion in 2018 via partnership with GM

Creating the Great American Truck Company



- Know the customer
- Connected truck
- Open technology integration
- Increase consideration

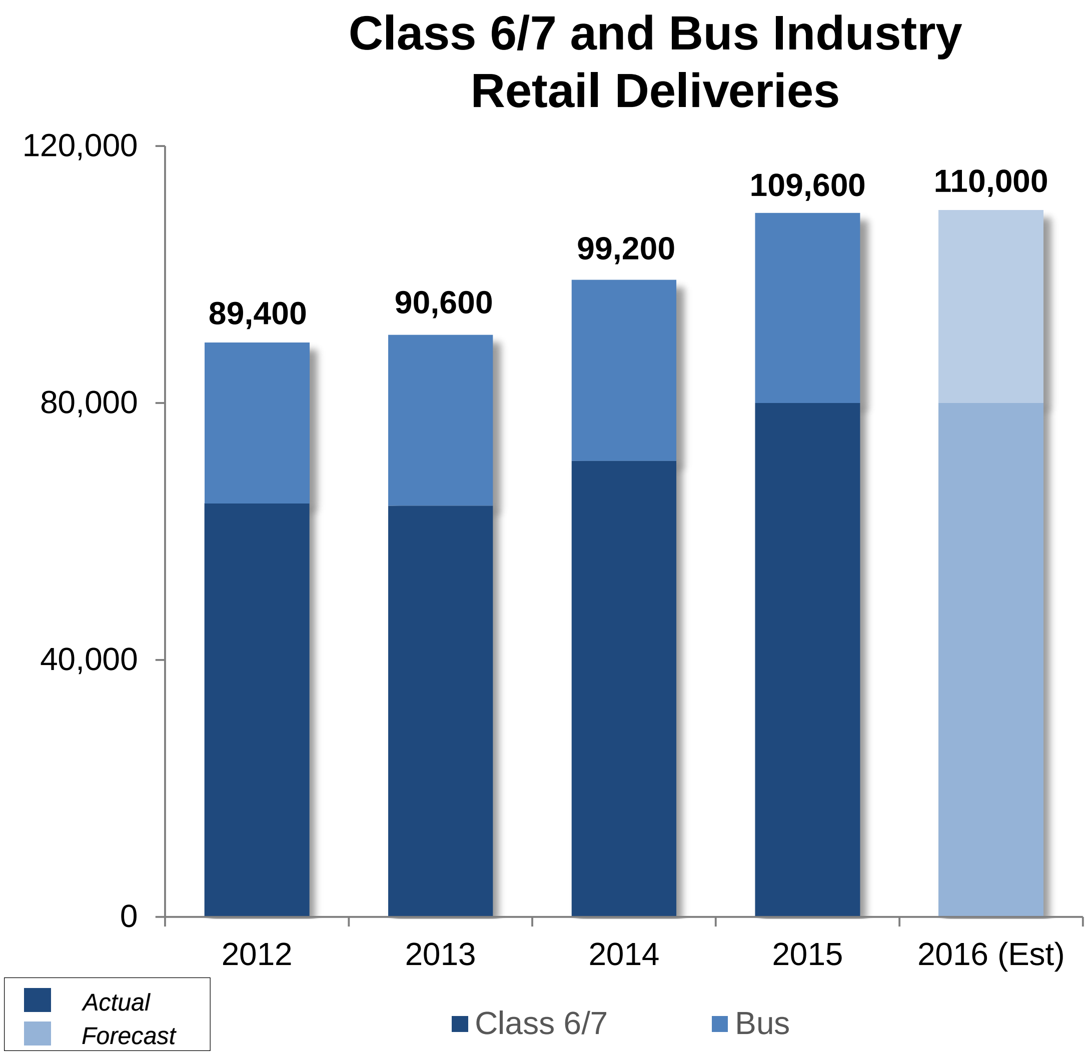
Solid Performance Despite Declining Class 8 Industry



- 2016 Class 8 industry coming down from 2015 peak
- Navistar forecast is aligned with Industry forecasts
- Declining Class 8 negatively impacts revenue

Note: Guidance effective as of June 7, 2016.

2016 Outlook for Class 6/7 and Bus Deliveries Remains Solid



- Expect Class 6/7 and Bus industry units: 110,000 units
- Class 6/7 and Bus industry outlooks are tracking as expected

Note: Guidance effective as of June 7, 2016.

Expect Additional Cost Savings in 2016

LEAN CULTURE

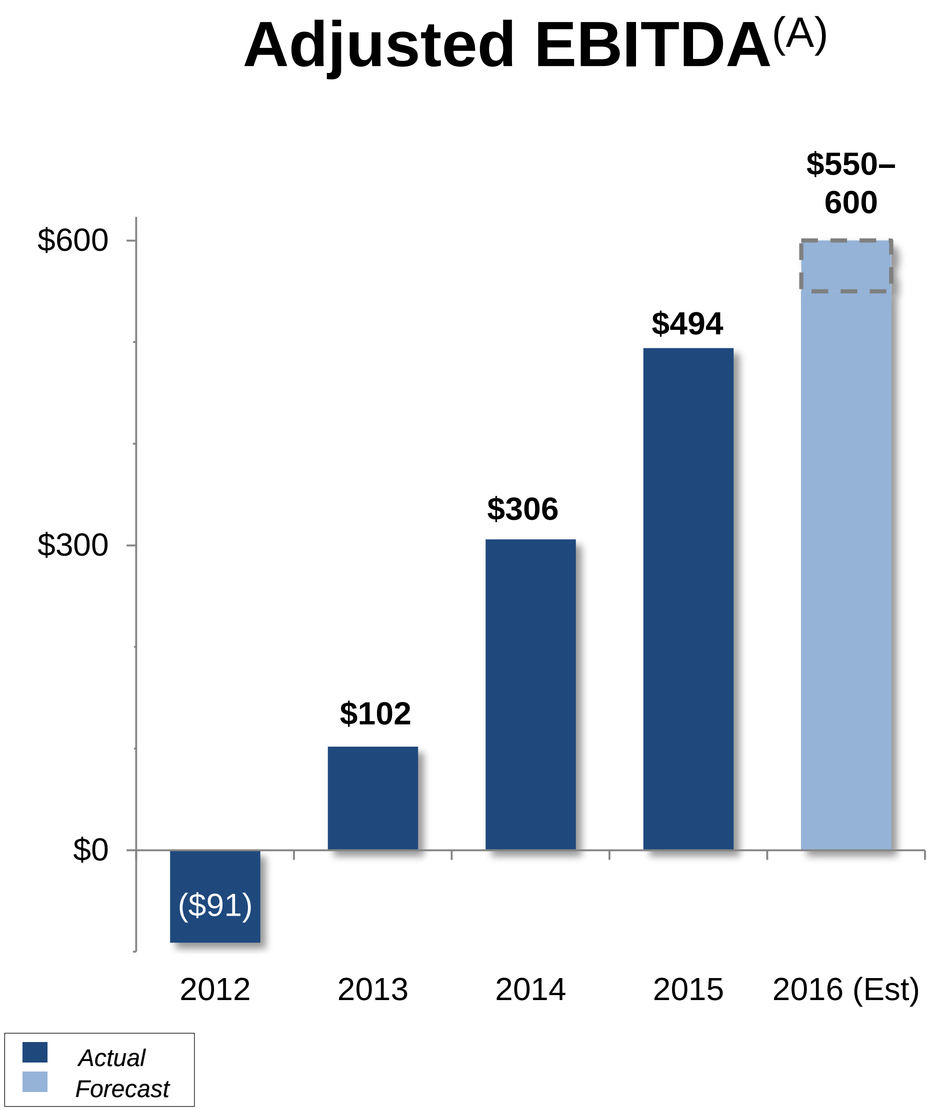
ELIMINATE WASTE

LOWER BREAK-EVEN POINT

On track to well exceed $200 million of savings in 2016

- Material cost reductions
- Manufacturing efficiencies
- Structural cost improvements
- Restructure Brazilian operations

Expect Adj. EBITDA Growth in 2016

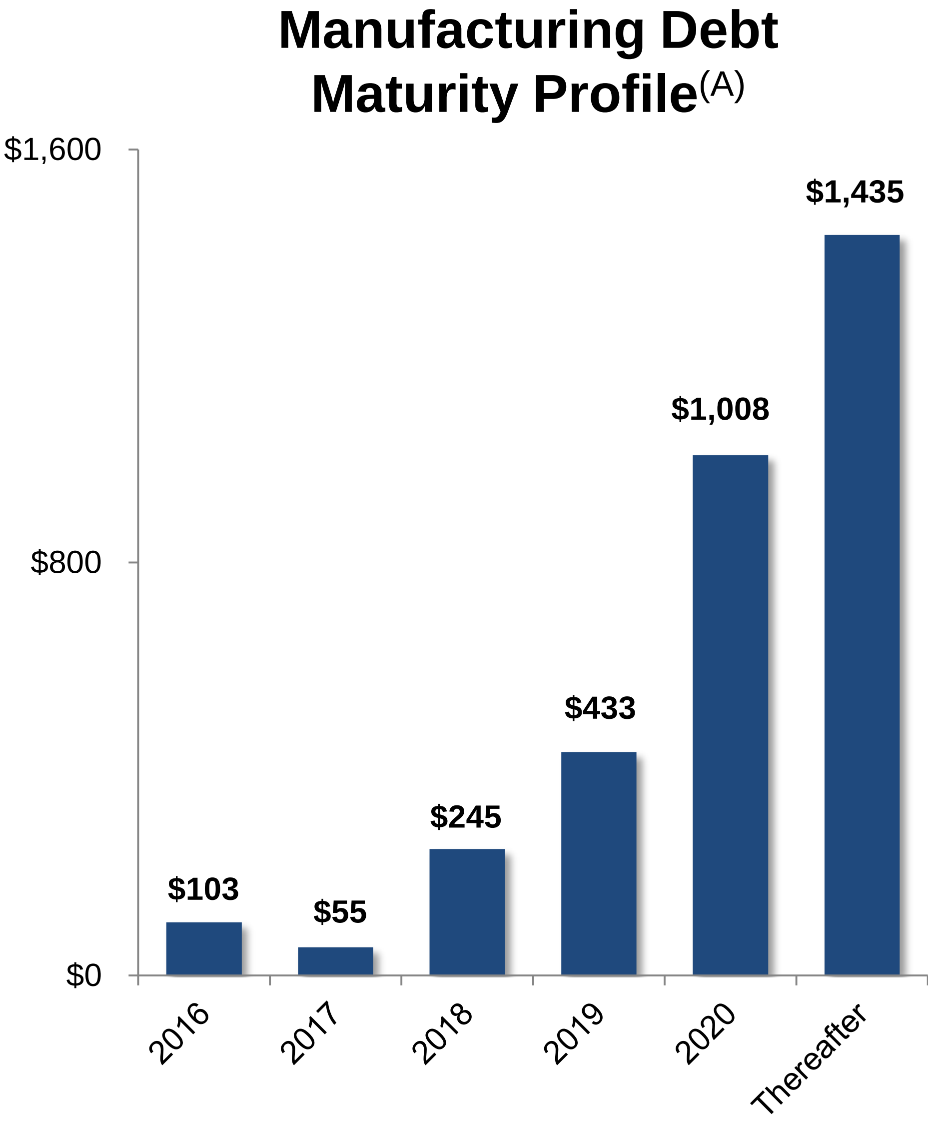


- Annual EBITDA improvement over the past 3 years
- Margin improvements and product mix driving EBITDA growth
- Core North America truck and parts businesses improving
- EBITDA growth expected to continue as we drive to industry benchmarks

Dollars in millions.
(A) Guidance effective as of June 7, 2016.

Note: This slide contains non-GAAP information; please see the REG G in appendix for a detailed reconciliation.

No Near-term Debt Maturities



- Anticipate ending FY 2016 with ~$800 million of manufacturing cash
- Next maturity: October 2018 Convertible Notes
- Plan to reduce leverage over time via performance

Dollars in millions.
(A) Total manufacturing debt of $3.2B, as of October 31, 2015.

Navistar – Well Positioned with Future Opportunities

- New product offerings
- Gain market share
- Lead in uptime
- Engaged dealer network
- Grow OnCommand Connection
- Reduce warranty spend
- Expand partnerships
- Improve financials

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THANK YOU

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Appendix

2016 Financial Summary – Higher Profitability on Lower Revenues

	Three Months Ended April 30		Six Months Ended April 30	
	2016	**2015**	**2016**	**2015**
Chargeouts[(A)]	**15,800**	18,600	**26,800**	32,100
Sales and Revenues	**$2,197**	$2,693	**$3,962**	$5,114
Net Income (Loss) [(B)]	**$4**	($64)	**($29)**	($106)
Diluted Earnings (Loss) Per Share[(B)]	**$0.05**	($0.78)	**($0.35)**	($1.30)
Adjusted EBITDA	**$187**	$102	**$264**	$156

- Reported profitability in Q2, first time since Q3 2012
- Benefits from cost management actions driving performance improvement
- Strong performance from Parts business
- Beginning to demonstrate earnings potential

(A) Includes U.S. and Canada School bus and Class 6-8 truck.
(B) Amounts attributable to Navistar International Corporation.

Note: This slide contains non-GAAP information; please see the REG G in appendix for a detailed reconciliation.

2016 Challenges and Action Plans

Challenges	Action Plans
• Class 8 Heavy industry softening	• Exceed cost reduction goals
• Heavy market share	• New product offerings
• Pre-existing warranty adjustments	• Proactively address legacy issues and reduce repair costs
• Used truck inventory	• Manage trade receipts and pursue export and domestic sales opportunities
• Brazil economic condition	• Complete consolidation of business operations

SEC Regulation G Non-GAAP Reconciliation

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.

Adjusted EBITDA and Adjusted EBITDA Margin:

We believe that 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 define Adjusted EBITDA margin as a percentage of the Company's consolidated sales and revenues. 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.

	Years Ended October 31			
(in millions)	**2015**	**2014**	**2013**	**2012**
Loss from continuing operations attributable to NIC, net of tax	**$ (187)**	$ (622)	$ (857)	$ (2,939)
Plus:				
Depreciation and amortization expense	**281**	332	417	323
Manufacturing interest	**233**	243	251	171
Less:				
Income tax benefit (expense)	**(51)**	(26)	171	(1,780)
EBITDA	**$ 378**	$ (21)	$ (360)	$ (665)

(A) Manufacturing interest expense is the net interest expense primarily generated for borrowings that support the manufacturing and corporate operations, adjusted to eliminate intercompany interest expense with our Financial Services segment. The following table reconciles Manufacturing interest expense to the consolidated interest expense:

	2015	2014	2013	2012
Interest expense	**$ 307**	$ 314	$ 321	$ 259
Less: Financial services interest expense	**74**	71	70	88
Manufacturing interest expense	**$ 233**	$ 243	$ 251	$ 171

	2015	2014	2013	2012
EBITDA *(reconciled above)*	**$ 378**	$ (21)	$ (360)	$ (665)
Less: Significant items[(B)]	**116**	327	462	574
Adjusted EBITDA	**$ 494**	$ 306	$ 102	$ (91)

(B) Amounts reported in our quarterly earnings presentations under "Significant items included within our reports"

SEC Regulation G Non-GAAP Reconciliation

(in millions)	Quarters Ended April 30, 2016	Quarters Ended April 30, 2015	Six Months Ended April 30, 2016	Six Months Ended April 30, 2015
Income (loss) from continuing operations attributable to NIC, net of tax..........	**$ 4**	$ (64)	**$ (29)**	$ (106)
Plus:				
Depreciation and amortization expense...	**53**	74	**111**	153
Manufacturing interest expense (A)...	**62**	57	**124**	114
Less:				
Income tax expense..	**(16)**	(18)	**(11)**	(25)
EBITDA..	**$ 135**	$ 85	**$ 217**	$ 186

(A) Manufacturing interest expense is the net interest expense primarily generated for borrowings that support the manufacturing and corporate operations, adjusted to eliminate intercompany interest expense with our Financial Services segment. The following table reconciles Manufacturing interest expense to the consolidated interest expense:

(in millions)	Quarters Ended April 30, 2016	Quarters Ended April 30, 2015	Six Months Ended April 30, 2016	Six Months Ended April 30, 2015
Interest expense..	**$ 81**	$ 75	**$ 162**	$ 152
Less: Financial services interest expense...	**19**	18	**38**	38
Manufacturing interest expense...	**$ 62**	$ 57	**$ 124**	$ 114

(in millions)	Quarters Ended April 30, 2016	Quarters Ended April 30, 2015	Six Months Ended April 30, 2016	Six Months Ended April 30, 2015
EBITDA (reconciled above)..	**$ 135**	$ 85	**$ 217**	$ 186
Less significant items [(B)] of:				
Adjustments to pre-existing warranties..	**46**	18	**51**	(39)
Cost reduction and other strategic initiative and assets...........................	**3**	2	**6**	5
Asset impairment charges...	**3**	1	**5**	8
Gain on settlement...	**—**	(10)	**—**	(10)
Brazil truck business actions...	**—**	6	**—**	6
One-time fee received..	**—**	—	**(15)**	—
Total adjustments...	**52**	17	**47**	(30)
Adjusted EBITDA..	**$ 187**	$ 102	**$ 264**	$ 156
Adjusted EBITDA Margin..	**8.5%**	3.8%	**6.7%**	3.1%

(B) Amounts reported in our quarterly earnings presentations under "Significant items included within our reports"