

VOLKSWAGEN TRUCK & BUS

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Green light for strategic alliance between Volkswagen Truck & Bus and Navistar

- **Authorities approve Volkswagen Truck & Bus GmbH's stake in U.S. partner Navistar International Corporation**
- **Volkswagen Truck & Bus pays USD 256 million for 16.6 percent of the company shares in Navistar**
- **Purchasing joint venture Global Truck & Bus Procurement LLC established and launched**
- **CEO Andreas Renschler and CFO Matthias Gründler members of Navistar's Board of Directors**
- **Andreas Renschler: "The authorities have given our strategic alliance with Navistar the green light. Our newly-founded purchasing cooperation will begin work immediately. This puts both partners in a stronger position for the future."**

Braunschweig, March 1, 2017

The strategic alliance between Volkswagen Truck & Bus GmbH — which houses the MAN, Scania, Volkswagen Caminhões e Ônibus, and RIO brands — and U.S. commercial vehicle manufacturer Navistar International Corporation has been approved by the authorities responsible. Volkswagen Truck & Bus has acquired a stake of 16.6 percent in Navistar paying USD 15.76 per share. The purchase price is USD 256 million and takes the form of a capital increase.

The cooperation primarily involves working together on technical components and in procurement. Following an internal Navistar resolution, Volkswagen Truck & Bus CEO Andreas Renschler and CFO Matthias Gründler yesterday joined the Navistar Board of Directors.

"The authorities have given our strategic alliance with Navistar the green light. Our newly-founded purchasing cooperation will begin work immediately. This puts both partners in a stronger position for the future. The strategic alliance provides Volkswagen Truck & Bus with access to the all-important North American market. This is a major step towards becoming a Global Champion," says Andreas Renschler, CEO of Volkswagen Truck & Bus.

Troy Clarke, President and CEO of Navistar adds: "This alliance with Volkswagen Truck & Bus marks a significant milestone in our company's history, and will create multiple benefits for both companies in both the near- and long-term. Now that the transaction has closed, we will move quickly to collaborate with an industry-leading, strategic partner to increase our global scale, strengthen our competitiveness, and provide our customers with expanded access to cutting-edge products, technology and services."

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Technical cooperation between Volkswagen Truck & Bus and Navistar begins

Volkswagen Truck & Bus is to become one of Navistar's key technology partners. Navistar will be able to benefit from Volkswagen Truck & Bus's advanced powertrain technologies in the future. This in turn will result in significantly higher volumes for Volkswagen Truck & Bus. Opportunities for cooperation in the fields of autonomous driving, alternative fuel technologies, and connectivity are also being explored. This underscores Volkswagen Truck & Bus's aspiration to offer its customers all over the world intelligent and eco-friendly solutions.

Purchasing joint venture and Alliance Board

The aim of closer cooperation in the supply chain is for both alliance partners to benefit from cost advantages and economies of scale. To this end, Volkswagen Truck & Bus and Navistar have founded joint venture Global Truck & Bus Procurement LLC which is headquartered in Lisle (Illinois) and will begin work immediately. An Alliance Board made up of representatives from both companies will drive the strategic alliance forward at operational level. On behalf of Volkswagen Truck & Bus, Dr. Frederik Zohm will be in charge of its operational work.

Volkswagen Truck & Bus GmbH is a wholly-owned subsidiary of Volkswagen AG and is a global leader in commercial vehicles with its brands MAN, Scania, and Volkswagen Caminhões e Ônibus. In 2016, the brands of Volkswagen Truck & Bus sold a total of 184,000 vehicles. Its product range includes light-, medium- and heavy-duty trucks as well as vans and buses that are manufactured at 25 sites in 17 countries. As of December 31, 2016, the Company employed 77,000 people at all commercial vehicle brands worldwide. The Group is committed to driving transportation to the next level — in terms of products, services, and as a partner for its customers.

Navistar International Corporation (NYSE: NAV) is a holding company whose subsidiaries and affiliates produce International® brand trucks, proprietary diesel engines, and IC Bus™ brand school and commercial buses. An affiliate also provides truck and diesel engine service parts. Another affiliate offers financing services. Additional information is available at www.Navistar.com.