

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C.

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 31, 2005

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from To

Commission file number 1-4146-1

NAVISTAR FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

36-3359573

(I.R.S. Employer Identification No.)

425 N. Martingale Road, Schaumburg, IL 60173

(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code (630) 753-4000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).
Yes ☐ No ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

**APPLICABLE ONLY TO ISSUERS INVOLVED
IN BANKRUPTCY PROCEEDINGS DURING
THE PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15 (d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of August 31, 2005, the number of shares outstanding of the registrant's common stock was 1,600,000.

THE REGISTRANT IS A WHOLLY-OWNED SUBSIDIARY OF INTERNATIONAL TRUCK AND ENGINE CORPORATION, WHICH IS A WHOLLY-OWNED SUBSIDIARY OF NAVISTAR INTERNATIONAL CORPORATION, AND MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION H (1) (a) AND (b) OF FORM 10-Q AND IS THEREFORE FILING THIS FORM WITH THE REDUCED DISCLOSURE FORMAT.

NAVISTAR FINANCIAL CORPORATION AND SUBSIDIARIES

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PART I - FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Navistar Financial Corporation and Subsidiaries

Condensed Statements of Consolidated Income & Retained Earnings (Unaudited)

	Three Months Ended		Nine Months Ended	
	July 31		July 31	
Millions of Dollars	2005	2004	2005	2004
Revenues		(As Restated) (See Note 2)		(As Restated) (See Note 2)
Retail Notes and Finance Lease Interest	\$ 10.2	\$ 8.9	\$ 28.2	\$ 29.9
Income Related to Sales of Finance Receivables	11.0	10.3	38.3	45.7
Operating Leases	10.1	12.4	32.8	39.9
Wholesale Notes	12.7	9.0	34.9	24.1
Retail Accounts Interest	7.5	5.3	21.7	16.5
Servicing Income	9.4	7.6	27.5	19.9
Other Revenues	3.9	1.2	9.2	3.3
Total Revenues	64.8	54.7	192.6	179.3
Expenses				
Cost of Borrowing				
Interest Expense	15.3	8.8	36.6	31.9
Other	1.7	1.6	4.9	6.2
Credit, Collections and Administrative	12.6	10.1	36.6	30.1
Provision for Credit Losses	2.4	2.1	9.0	6.5
Depreciation on Equipment Under Operating Leases	7.8	9.6	24.1	29.7
Other Expenses	1.2	0.4	2.2	1.4
Total Expenses	41.0	32.6	113.4	105.8
Income Before Taxes	23.8	22.1	79.2	73.5
Income Tax Expense	9.3	8.4	30.7	28.3
Net Income	\$ 14.5	\$ 13.7	\$ 48.5	\$ 45.2
Retained Earnings				
Beginning of Period	\$ 280.0	\$ 216.4	\$ 246.0	\$ 184.9
Dividends Paid	----	----	----	----
End of Period	\$ 294.5	\$ 230.1	\$ 294.5	\$ 230.1

Condensed Statements of Consolidated Comprehensive Income (Unaudited)

	Three Months Ended		Nine Months Ended	
	July 31		July 31	
Millions of Dollars	2005	2004	2005	2004
		(As Restated) (See Note 2)		(As Restated) (See Note 2)
Net Income	\$ 14.5	\$ 13.7	\$ 48.5	\$ 45.2
Other Comprehensive Income (Loss):				
Net Unrealized Gains (Losses) on Investments [net of tax of \$(2.0), \$3.3, \$(3.7) and \$1.9]	3.3	(5.4)	6.0	(3.1)
Minimum Pension Liability Adjustment (net of tax of \$0.0, \$0.0, \$0.0 and \$0.0)	----	----	0.1	----
Total	3.3	(5.4)	6.1	(3.1)
Total Comprehensive Income	\$ 17.8	\$ 8.3	\$ 54.6	\$ 42.1

See notes to Condensed Consolidated Financial Statements

Navistar Financial Corporation and Subsidiaries
Condensed Statements of Consolidated Financial Condition (Unaudited)

Millions of Dollars	July 31 2005	October 31 2004	July 31 2004
ASSETS			(As Restated) (See Note 2)
Cash and Cash Equivalents	\$ 34.3	\$ 10.4	\$ 77.7
Finance Receivables			
Finance Receivables	686.8	1,219.8	675.7
Finance Receivables from Affiliates	50.2	56.0	43.0
Allowance for Losses	(3.2)	(6.7)	(7.0)
Finance Receivables, Net	733.8	1,269.1	711.7
Net Accounts Receivable from Affiliates	10.9	---	---
Amounts Due from Sales of Receivables	481.8	383.4	423.2
Net Investment in Equipment Under Operating Leases	107.5	148.9	158.2
Restricted Marketable Securities	1,013.9	63.0	419.1
Other Assets	49.1	33.5	40.0
Total Assets	\$ 2,431.3	\$ 1,908.3	\$ 1,829.9
LIABILITIES AND SHAREOWNERS' EQUITY			
Net Accounts Payable to Affiliates	\$ ---	\$ 43.5	\$ 8.6
Senior and Subordinated Debt	1,825.9	1,325.2	1,292.6
Other Liabilities	127.2	116.0	122.3
Total Liabilities	1,953.1	1,484.7	1,423.5
Shareowners' Equity			
Capital Stock (par value \$1.00, 1,600,000 shares issued and outstanding) and Paid-In Capital	182.9	182.9	182.9
Retained Earnings	294.5	246.0	230.1
Accumulated Other Comprehensive Income (Loss)	0.8	(5.3)	(6.6)
Total Shareowners' Equity	478.2	423.6	406.4
Total Liabilities and Shareowners' Equity	\$ 2,431.3	\$ 1,908.3	\$ 1,829.9

See Notes to Condensed Consolidated Financial Statements

Navistar Financial Corporation and Subsidiaries
Condensed Statements of Consolidated Cash Flow (Unaudited)

Millions of Dollars	Nine Months Ended July 31	
	2005	2004
		(As Restated) (See Note 2)
Cash Flow From Operating Activities:		
Net income	\$ 48.5	\$ 45.2
Adjustments to reconcile net income to cash (used in) provided by operating activities:		
Gains on sales of receivables	(13.9)	(26.0)
Depreciation, amortization and accretion	3.8	14.9
Provision for credit losses	9.0	6.5
Net change in finance receivables and accounts payable (receivables) to (from) affiliates	(48.6)	(15.3)
Net change in accounts payable other	1.5	(13.5)
Net change in accrued income taxes	11.1	(3.5)
Change in accrued interest	1.5	(1.4)
Other	(15.9)	10.6
Net Cash (Used in) Provided by Operating Activities	(3.0)	17.5
Cash Flow From Investing Activities:		
Originations of retail notes and finance leases	(1,160.9)	(963.3)
Proceeds from sales of receivables	1,545.4	1,118.6
Proceeds from sales of retail accounts	----	100.0
Net change in restricted marketable securities	(950.8)	86.5
Collections of retail notes and finance lease receivables,		
Net of change in unearned finance income	70.8	97.7
Repurchase of sold receivables (except wholesale)	(40.3)	(152.8)
Net change in wholesale notes and accounts receivable	117.9	(30.9)
Change in amounts due from sales of receivables	(73.8)	(38.3)
Purchase of equipment on operating leases	(26.4)	(22.0)
Sale of equipment on operating leases	44.6	25.4
Receipts from derivative contracts	0.3	0.8
Payment on derivative contracts	(0.6)	(0.5)
Net Cash (Used in) Provided by Investing Activities	(473.8)	221.2
Cash Flow From Financing Activities:		
Net change in bank revolving credit facility usage	26.0	60.0
Proceeds from issuance of long-term debt	528.0	31.3
Principal payments on long-term debt	(53.3)	(82.3)
Assumption of debt by Navistar International Corporation	----	(170.0)
Net Cash Provided by (Used in) Financing Activities	500.7	(161.0)
Net Change in Cash and Cash Equivalents	23.9	77.7
Cash and Cash Equivalents, Beginning of Period	10.4	0.0
Cash and Cash Equivalents, End of Period	\$ 34.3	\$ 77.7
Supplemental Cash Flow Information:		
Interest paid	\$ 35.2	\$ 33.2
Income taxes paid, net of refunds	\$ 22.7	\$ 32.9

See Notes to Condensed Consolidated Financial Statements

**NAVISTAR FINANCIAL CORPORATION
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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)**

1. BASIS OF PRESENTATION

The condensed consolidated financial statements include the accounts of Navistar Financial Corporation and its wholly-owned subsidiaries ("Corporation"). International Truck and Engine Corporation ("International"), which is wholly owned by Navistar International Corporation ("Navistar"), is the parent company of the Corporation.

The accompanying unaudited financial statements have been prepared in accordance with accounting policies described in the Corporation's 2004 Annual Report on Form 10-K and should be read in conjunction with the disclosures therein.

In the opinion of management, these interim financial statements reflect all adjustments, consisting of normal recurring items, necessary to present fairly the results of operations, financial condition and cash flow for the interim periods presented. Interim results are not necessarily indicative of results to be expected for any other interim period or for the full year. Certain amounts in the prior period financial statements related to finance receivables from affiliates have been reclassified to conform with current period presentations.

During the reconciliation of third quarter account balances, the Corporation identified various reconciling items attributable to prior periods that, had they been recorded in the prior periods to which they relate would have changed net income both positively and negatively. These items were primarily related to the recording of servicer advances and impacted Servicing Income and Amounts Due from Sales of Receivables. The Corporation does not believe that these items are material, individually or in aggregate to the accompanying Condensed Consolidated Financial Statements or to any previously issued financial statements.

2. RESTATEMENT

In December 2004, the Corporation determined the need to restate its consolidated financial statements for the fiscal years 2002 and 2003, and the first three quarters of fiscal year 2004, primarily to correct the Corporation's previous accounting for: (i) the securitization of its retail notes and finance lease receivables; (ii) deferred taxes related to retail note and finance lease securitization transactions and secured borrowings to fund operating and finance leases; and (iii) an agreement to repurchase equipment.

The restatement recognizes income from the interest-only receivables on an effective yield basis and incorporates anticipated credit losses into the Corporation's interest only receivables. The retained interests are recorded at fair value where the estimates of future cash flows take into effect current business and market conditions.

Also, as part of the correction of the securitization accounting, the Corporation reviewed its tax treatment and deferred tax assets related to these securitizations as well as for its secured borrowings related to operating and finance leases. As a result, a decrease of \$16.2 million was recorded to the deferred tax liability in 2003.

The Corporation made an additional adjustment of \$11.9 million to recognize a residual value guarantee in Other Assets and a corresponding increase in Other Liabilities in the Statements of Consolidated Financial Condition for the repurchase of equipment. These changes are reflected in the third quarter adjustments to the balance sheet.

A summary of the significant effects of the restatements on the consolidated financial statements for the three month and nine month periods ended July 31, 2004 is below. There are minor differences between the selected data included in the unaudited schedule of Quarterly Financial Information in the Corporation's 2004 Annual Report on Form 10-K and the amounts below. The changes represent timing within the quarters and do not change year end amounts.

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)**

Three Months Ended July 2004

Income Statement Data

Millions of Dollars	Previously Reported	Adjustment	As Restated
Retail Notes and Finance Leases	\$ 7.8	\$ 1.1	\$ 8.9
Income Related to Sales of Finance Receivables	13.1	(2.8)	10.3
Servicing Income	8.0	(0.4)	7.6
Income Before Taxes	24.2	(2.1)	22.1
Income Tax Expense	9.2	(0.8)	8.4
Net Income	15.0	(1.3)	13.7
Comprehensive Income	13.4	(5.1)	8.3

Balance Sheet Data

Millions of Dollars	Previously Reported	Adjustment	As Restated
Amounts Due from Sales of Receivables	\$ 445.9	\$ (22.7)	\$ 423.2
Other Assets	27.6	12.4	40.0
Total Assets	1,840.2	(10.3)	1,829.9
Net Accounts Payable to Affiliates	9.6	(1.0)	8.6
Other Liabilities	116.6	5.7	122.3
Retained Earnings	247.6	(17.5)	230.1
Accumulated Other Comprehensive Loss	(9.1)	2.5	(6.6)
Total Shareowner's Equity	421.4	(15.0)	406.4

Nine Months Ended July 2004

Income Statement Data

Millions of Dollars	Previously Reported	Adjustment	As Restated
Retail Notes and Finance Leases	\$ 25.2	\$ 4.7	\$ 29.9
Income Related to Sales of Finance Receivable	44.0	1.7	45.7
Servicing Income	20.8	(0.9)	19.9
Credit Collection and Administrative	28.2	1.9	30.1
Income Before Taxes	69.9	3.6	73.5
Income Tax Expense	26.9	1.4	28.3
Net Income	43.0	2.2	45.2
Comprehensive Income	45.3	(3.2)	42.1

**NAVISTAR FINANCIAL CORPORATION
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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)**

3. FINANCE RECEIVABLES

Finance receivables are summarized as follows:

Millions of Dollars	July 31 2005	October 31 2004	July 31 2004
Retail notes, net of unearned income	\$ 330.5	\$ 712.3	\$ 320.9
Finance leases, net of unearned income	82.7	102.5	98.8
Wholesale notes.....	92.8	172.9	87.3
Accounts:			
Retail	135.8	209.3	133.5
Wholesale	95.2	78.8	78.2
Total Accounts.....	231.0	288.1	211.7
Total finance receivables.....	737.0	1,275.8	718.7
Less: Allowance for losses.....	3.2	6.7	7.0
Total finance receivables, net	\$ 733.8	\$ 1,269.1	\$ 711.7

4. ALLOWANCE FOR LOSSES

The allowance for losses is summarized as follows:

Millions of Dollars	July 31, 2005	October 31, 2004	July 31, 2004
Allowance for losses, beginning of period.....	\$ 6.7	\$ 12.9	\$ 12.9
Provision for credit losses.....	9.0	8.2	6.5
Net losses charged to allowance.....	(4.7)	(6.6)	(4.1)
Reduction related to finance receivables sold.....	(7.8)	(7.8)	(8.3)
Allowance for losses, end of period	\$ 3.2	\$ 6.7	\$ 7.0

The average outstanding balance of impaired finance receivables was not material for the quarters ended July 31, 2005 and 2004 or for the year ended October 31, 2004. Interest income related to the impaired finance receivables during the three and nine months ended July 31, 2005 and 2004 or for the year ended October 31, 2004 was not material.

Balances with payments past due over 90 days on owned finance receivables totaled \$7.9, \$11.3, and \$5.5 million as of July 31, 2005 and 2004 and October 31, 2004, respectively.

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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5. SENIOR AND SUBORDINATED DEBT

Senior and subordinated debt outstanding is summarized as follows:

Millions of Dollars	July 31, 2005	October 31, 2004	July 31, 2004
Bank revolving credit facility, at variable rates, due July 2010	\$ 698.0	\$ 672.0	\$ 631.0
Revolving retail warehouse facility, at variable rates, due August 2005	500.0	500.0	500.0
Revolving retail warehouse facility, at variable rates, due July 2010	500.0	----	----
Borrowing secured by operating leases, 3.4% to 6.7%, due serially through June 2010	127.9	153.2	161.6
Convertible Debt, 4.75% due April 2009	----	----	----
Total senior and subordinated debt	<u>\$ 1,825.9</u>	<u>\$ 1,325.2</u>	<u>\$ 1,292.6</u>

In June 2004, Navistar assumed from the Corporation the 4.75 percent convertible subordinated debt due in 2009. As compensation for the assumption of this debt, the Corporation paid Navistar \$170.0 million in cash. Navistar's assumption of the Corporation's debt resulted in an \$11.9 million increase in paid-in capital for the Corporation. The revolving retail warehouse facility due August 2005 terminated as of August 15, 2005. On June 29, 2005, another \$500.0 million revolving retail warehouse facility was established. As of July 31, 2005, the new facility is only available to retire the old facility maturing August 2005.

6. DERIVATIVE FINANCIAL INSTRUMENTS

The Corporation uses derivative financial instruments as part of its overall interest rate risk management strategy as further described in Footnote 14 of the 2004 Annual Report on Form 10-K.

The Corporation manages its exposure to fluctuations in interest rates by limiting the amount of fixed rate assets funded with variable rate debt. This is accomplished by selling fixed rate receivables on a fixed rate basis and by utilizing derivative financial instruments that may include forward contracts, interest rate swaps, and interest rate caps. The fair value of these instruments is estimated based on quoted market prices and is subject to market risk as the instruments may become less valuable due to changes in market conditions or interest rates. The Corporation manages exposure to counterparty credit risk by entering into derivative financial instruments with major financial institutions that can be expected to fully perform under the terms of such agreements. The Corporation does not require collateral or other security to support derivative financial instruments with credit risk. The Corporation's counterparty credit exposure is limited to the positive fair value of contracts at the reporting date. As of July 31, 2005, the Corporation's derivative financial instruments had a positive net fair value. Notional amounts of derivative financial instruments do not represent exposure to credit loss.

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As of July 31, 2005, the notional amounts and fair values of the Corporation's derivative financial instruments are summarized as follows:

Inception	Maturity	Instrument	Notional (Millions of Dollars)	Fair Value (Millions of Dollars)
October 2000	November 2012	Interest rate cap	\$ 500.0	\$ (0.2)
October 2000	November 2012	Interest rate cap	500.0	0.2
July 2001	April 2006	Interest rate swap	12.8	(0.1)
October 2003	April 2008	Interest rate swap ¹	15.7	0.4
July 2004	September 2008	Interest rate swap ²	227.8	---
April 2005	September 2009	Interest rate swap ²	379.3	---
June 2005	June 2016	Interest rate cap	500.0	5.0
June 2005	June 2016	Interest rate cap	500.0	(5.0)

¹ Accounted for as non-hedging instruments.

² Accounted for as guarantees. See MD&A Discussion.

7. SALES OF RECEIVABLES

During the first nine months of fiscal 2005, the Corporation sold \$1,559.3 million of retail notes and finance leases for a pre-tax gain of \$13.9 million compared to the first nine months of fiscal 2004, when the Corporation sold \$1,120.0 million of retail notes and finance leases for a pre-tax gain of \$26.0 million. During the three months ended July 31, 2004 and 2005, the Corporation sold retail notes and finance leases of \$325 million and \$385 million, respectively.

The Corporation's retained interests in the retail note sales include interest-only receivables, cash reserve, over collateralization, and negative carry accounts. The Corporation reassesses the fair value of the retained interests on a quarterly basis. The fair value of the interest-only receivable is based on updated estimates of prepayment speeds, credit losses, yields and discount rates.

The following table summarizes, for the three months and nine months ended July 31, income related to sales of finance receivables:

Millions of Dollars	Three Months Ended July 31,		Nine Months Ended July 31,	
	2005	2004	2005	2004
Gains on sales of receivables	\$ 2.8	\$ 2.8	\$ 13.9	\$ 26.0
Discount Accretion	7.2	7.3	23.2	22.3
Fair value adjustment	-----	(0.2)	(0.2)	(0.4)
Derivative gains/(losses)	0.1	0.2	(0.8)	(3.3)
Interest income from retained securities and other	0.9	0.2	2.2	1.1
Total income related to sales of finance receivables	\$ 11.0	\$ 10.3	\$ 38.3	\$ 45.7

**NAVISTAR FINANCIAL CORPORATION
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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

8. COMMITMENTS AND CONTINGENCIES

Legal

The Corporation is subject to various claims arising in the ordinary course of business, and is party to various legal proceedings, which constitute ordinary routine litigation incidental to the business of the Corporation. In the opinion of the Corporation's management, none of the expected outcomes of these proceedings or claims is material to the business or the financial statements of the Corporation.

On December 6, 2004, the Corporation announced that it would restate its financial results for fiscal years 2002 and 2003 and the first three quarters of fiscal 2004. The Securities and Exchange Commission (SEC) notified the Corporation on March 14, 2005, that it was conducting a formal investigation into the Corporation's restatement. The Corporation continues to cooperate with the SEC's requests and is not able to predict the timing or final outcome of the investigation.

Leases

The Corporation is obligated under non-cancelable operating leases for the majority of its office facilities. These leases are generally renewable and provide that property taxes and maintenance costs are to be paid by the lessee. As of July 31, 2005, future minimum lease commitments under non-cancelable operating leases with remaining terms in excess of one year are as follows:

Twelve-month period ended July 31,	(Millions of Dollars)
2006.....	\$ 1.3
2007.....	1.2
2008.....	1.2
2009.....	1.1
2010 and beyond.....	5.0
Total.....	<u>\$ 9.8</u>

The Corporation does not have any future lease commitments under non-cancelable operating leases for periods after December 2015. The total operating lease expense for the nine months ended July 31, 2005 and 2004 and for the year ended October 31, 2004 was \$2.8 million, \$1.3 million and \$1.9 million, respectively.

The Corporation vacated the Rolling Meadows facility in April 2005. A remaining estimated lease obligation of \$1.2 million was recorded in the second quarter of 2005.

**NAVISTAR FINANCIAL CORPORATION
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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Guarantees of Debt

The Corporation periodically guarantees the outstanding debt of affiliates. The guarantees allow for diversification of funding sources for the affiliates. As of July 31, 2005, the Corporation has multiple guarantees related to Navistar's three Mexican finance subsidiaries, Servicios Financieros Navistar, S.A. de C.V. ("SOFOL"), Arrendadora Financiera Navistar, S.A. de C.V. ("Arrendadora") and Navistar Comercial S.A. de C.V. The Corporation has no recourse as guarantor in case of default.

The following table summarizes the borrowings as of July 31, 2005:

Type of Funding		Maturity	Amount of Guaranty	Outstanding Balance
			(Millions of Dollars)	(Millions of Dollars)
Revolving credit facility	(2)	April 2010	\$ 100.0	\$ 10.0
Revolving credit facility	(1)	June 2008	18.9	18.9
Revolving credit facility	(1)	July 2010	22.6	14.3
Revolving credit facility	(1)	July 2010	18.9	17.9
Revolving credit facility	(1)	May 2006	11.8	11.8
Revolving credit facility	(1)	May 2006	9.4	6.5
Revolving credit facility	(1)	June 2006	4.7	4.7
Commercial Paper	(1)	April 2006	47.1	47.1
Retail Note Term Securitization	(1)	October 2007	11.3	5.4
Total			\$ 244.7	\$ 136.6

(1) Peso-denominated.

(2) Revolving credit facility guaranteed jointly with Navistar.

Guarantees of Derivatives

As of July 31, 2005, the Corporation had guaranteed derivative contracts for interest rate swaps related to SOFOL and Arrendadora. The Corporation is liable up to the fair market value of these derivative contracts only in cases of default by SOFOL and Arrendadora.

The following table summarizes the guaranteed derivative contracts as of July 31, 2005:

Instrument	Maturity	Outstanding Notional	Fair Value
		(Millions of Dollars)	
Interest rate swaps ⁽¹⁾	July 2008	\$ 57.1	\$.1
Interest rate swaps ⁽²⁾	July 2008	\$ 2.3	\$ ----

(1) Peso-denominated

(2) U.S. Dollar – Denominated

Other

On November 30, 2001, the Corporation completed the sale of all of the stock of Harco National Insurance Company ("Harco"), a wholly-owned insurance subsidiary, to IAT Reinsurance Syndicate Ltd. ("IAT"), a Bermuda reinsurance company. As part of its sales agreement with IAT, the Corporation agreed to guarantee the adequacy of Harco's loss reserves. There is no limit to the potential amount of future payments required by the Corporation related to this reserve. The guarantee under the sales agreement is scheduled to expire November 2008. The carrying amount of the Corporation's liability under this guarantee is estimated at \$.9 million as of July 31, 2005 and is included in Other Liabilities in the Consolidated Statements of Financial Condition. Management believes this reserve is adequate to cover any future potential payments to IAT.

NAVISTAR FINANCIAL CORPORATION AND SUBSIDIARIES

ITEM 2 – MANAGEMENT’S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

Certain statements under this caption purely constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act, and the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Navistar Financial Corporation's ("Corporation") actual results may differ significantly from the results discussed in such forward-looking statements. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control, and such forward-looking statements only speak as of the date of this Form 10-Q. 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 based on assumptions that we have made in light of our experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. As you read and consider this Form 10-Q, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties and assumptions. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed under the heading "Business Outlook."

Restatement

The accompanying management’s discussion and analysis gives effect to the restatement of the Condensed Consolidated Financial Statements for the three and nine month periods ended July 31 as discussed in Note 2 to the Condensed Consolidated Financial Statements.

Overview

The Corporation was incorporated in Delaware in 1949 and is a wholly-owned subsidiary of International Truck and Engine Corporation ("International"), which is a wholly-owned subsidiary of Navistar International Corporation ("Navistar"). As used herein, the "Corporation" refers to Navistar Financial Corporation and its wholly-owned subsidiaries unless the context otherwise requires.

The Corporation is a commercial financing organization that provides wholesale, retail and lease financing in the United States for sales of new and used trucks sold by International and International’s dealers. The Corporation also finances wholesale accounts and selected retail accounts receivable of International ("Accounts"). Sales of new products (including trailers) of other manufacturers are also financed regardless of whether they are designed or customarily sold for use with International’s truck products.

The Corporation also services finance receivables it originates and purchases. The Corporation’s sources of revenues are primarily from sales of its receivables, servicing of its sold receivables, earnings from investments, interest earned from its financing programs and payments made under wholesale and other dealer loan financing programs.

The Corporation is exposed to market risk primarily due to fluctuations in interest rates during the accumulation period prior to a securitization sale. Interest rate risk arises from the funding of a portion of the Corporation’s fixed rate receivables with floating rate debt. The Corporation has managed exposure to interest rate changes by funding floating rate receivables with floating rate debt and fixed rate receivables with floating rate debt and equity capital. Management has reduced the net exposure, which results from the funding of fixed rate receivables with floating rate debt, by generally selling fixed rate receivables on a fixed rate basis and by utilizing derivative financial instruments when appropriate.

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Off-Balance Sheet Arrangements

The Corporation enters into guarantees and sales of receivables that appropriately are not reflected on its balance sheet, which have or will have an effect on its financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Guarantees

The Corporation periodically guarantees the outstanding debt of affiliates. The guarantees allow for diversification of funding sources for the affiliates. As of July 31, 2005, the Corporation has numerous guarantees related to Navistar's three Mexican finance subsidiaries, Servicios Financieros Navistar, S.A. de C.V. (“SOFOL”), Arrendadora Financiera Navistar, S.A. de C.V. (“Arrendadora”) and Navistar Comercial S.A. de C.V. (“Commercial”). The Corporation has no recourse as guarantor in case of default. As of July 31, 2005, the Corporation’s maximum exposure under these guarantees is the total amount outstanding at that date, \$136.6 million.

On July 30, 2004, the Corporation, through Navistar Financial Retail Receivables Corporation (“NFRRC”), sold \$325.0 million of retail note receivables to a conduit. In order to match fund the fixed rate receivables with the variable rate debt of the conduit, the conduit entered into an interest rate swap agreement on the anticipated cash flows from the receivables. NFC, as servicer, has indemnified the conduit for the impact any variance in those cash flows has on the swap settlement. As of July 31, 2005, the Corporation has not recorded any liability related to this indemnification.

On April 29, 2005, the Corporation, through Navistar Financial Retail Receivables Corporation (“NFRRC”), sold \$417.7 million of retail note receivables to a conduit. In order to match fund the fixed rate receivables with the variable rate debt of the conduit, the conduit entered into an interest rate swap agreement on the anticipated cash flows from the receivables. NFC, as servicer, has indemnified the conduit for the impact any variance in those cash flows has on the swap settlement. As of July 31, 2005, the Corporation has not recorded any liability related to this indemnification.

Sales of Receivables

The Corporation securitizes and sells receivables through Navistar Financial Retail Receivables Corporation (“NFRRC”), Navistar Financial Securities Corporation (“NFSC”), Truck Retail Accounts Corporation (“TRAC”) and Truck Engine Receivables Financing Co. (“TERFCO”), all special purpose, wholly-owned subsidiaries (“SPCs”) of the Corporation, to fund its business operations. The securitization market provides the Corporation with a cost-effective source of funding. In a typical securitization transaction, the Corporation sells a pool of finance receivables to a SPC that establishes a qualifying special purpose entities (“QSPE”) consistent with the requirements of Statements of Financial Accounting Standards (“SFAS”) No. 140 “Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities”. The SPC then transfers the receivables to the QSPE, generally a trust, in exchange for proceeds from interest-bearing securities, commonly called asset-backed securities (“ABS”). These securities are issued by the QSPE and are secured by future collections on the sold receivables. The sales of receivables in each securitization constitute sales under accounting principles generally accepted in the United States of America, with the result that the sold receivables are removed from the Corporation’s balance sheet and the investor’s interests in the related trust or conduit are not reflected as liabilities.

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The Corporation often retains interests in the securitized receivables. The retained interests may include senior and subordinated securities, undivided interests in wholesale receivables, restricted cash held for the benefit of the QSPEs, overcollateralization of the ABS Securities and interest-only receivables. The Corporation’s retained interests will be the first to absorb any credit losses on the sold receivables because the Corporation retains the most subordinated interests in the QSPE, including subordinated securities, the right to receive excess spread (interest-only strip) and any residual or remaining interests of the QSPE after all asset-backed securities are repaid in full.

The Corporation’s exposure to credit losses on the sold receivables is limited to its retained interests. The SPC’s assets are available to satisfy the creditors’ claims prior to such assets becoming available for the SPC’s own uses or to the Corporation or affiliated companies. The Corporation is under no obligation to repurchase any sold receivable that becomes delinquent in payment or otherwise is in default. The holders of the asset-backed securities have no recourse to the Corporation or its other assets for credit losses on sold receivables and have no ability to require the Corporation to repurchase their securities. The Corporation does not guarantee any securities issued by QSPEs. The Corporation, as seller and the servicer of the finance receivables is obligated to provide certain representations and warranties regarding the receivables. Should any receivables fail to meet these representations and warranties, the Corporation, as servicer, is required to repurchase the receivables.

Risks to Future Sales of Receivables

The Corporation relies heavily on securitization for cost effective funding of its operations. The Corporation’s ability to sell its receivables may be dependent on the following factors: the volume and credit quality of receivables available for sale, the performance of previously sold receivables, general demand for the type of receivables the Corporation offers, market capacity for the Corporation sponsored investments, accounting and regulatory changes, the Corporation’s debt ratings and the Corporation’s ability to maintain back-up liquidity facilities for certain securitization programs. If as a result of any of these or other factors, the cost of securitized funding significantly increased or securitized funding were no longer available to the Corporation, the Corporation’s operations, financial condition and liquidity could be adversely impacted.

Business Outlook

International forecasts fiscal 2005 U.S. and Canadian Class 8 heavy truck demand to be 273,000 units, up 24% from fiscal 2004. Class 6 and 7 medium truck demand, excluding school buses, is forecast to be 109,000 units, up 9% from 2004. Demand for school buses is expected to be 26,000 units, which is essentially unchanged from 2004.

International is updating its forecast for OEM shipments of mid-range diesel engines in fiscal 2005 to be 430,800 units. This is an increase of 18% from our prior forecast for fiscal 2005 of 365,400 units and 20% higher than fiscal 2004. The increase in fiscal 2005 OEM shipments is primarily due to the acquisition of MWM by International.

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Critical Accounting Policies

The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires the use of estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. In preparing these financial statements, management has made its best estimates and judgments of certain amounts included in the financial statements, giving due consideration to materiality. The significant accounting principles which management believes are the most important to aid in fully understanding the Corporation’s financial results are:

- Sales of Receivables
- Allowance for Losses
- Net Investment in Equipment on Operating Leases
- Repossessions
- Pension and Other Post Retirement Benefits

Details regarding the Corporation’s use of these policies and the related estimates are described in the Corporation’s 2004 Annual Report on Form 10-K. There have been no material changes to these policies.

Results of Continuing Operations

Fiscal Nine-Month Period 2005 Compared with 2004

Year-to-date net income was \$48.5 million for 2005, compared with \$45.2 million for the same period of 2004. The net income increase of \$3.3 million is mainly due to higher wholesale note revenue from higher dealer inventory balances, the servicing income related to the higher total serviced portfolio balance, higher marketable securities balances and rates of return for TRIP, and higher generation of retail account activity by International. Partially off-setting these favorable variances are reductions in interest rate spreads on owned receivables, lower operating lease balances as liquidations exceed acquisitions, and lower income related to sales of finance receivables.

The total income related to sales of finance receivables decreased from \$45.7 million in the first nine months of 2004 to \$38.3 million in the first nine months of 2005. During the first nine months of fiscal 2005, the Corporation sold \$1,559.3 million of retail notes and leases for a pre-tax gain of \$13.9 million, compared with the first nine months of fiscal 2004 when the Corporation sold \$1,120.0 million of retail receivables for a pre-tax gain of \$26.0 million. This decrease in gain on sale was primarily attributable to lower interest rate spreads. Higher receivables sales volume reflects a timing difference.

During the reconciliation of third quarter account balances, the Corporation identified various adjustments attributable to prior periods that, had they been recorded in the prior periods to which they relate would have changed net income both positively and negatively. These adjustments were primarily related to the recording of servicer advances and impacted Servicing Income and Amounts Due from Sales of Receivables. The Corporation does not believe that these adjustments are material, individually or in aggregate to the accompanying Condensed Consolidated Financial Statements or to any previously issued financial statements.

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During the reconciliation of third quarter account balances, the Corporation identified various adjustments attributed to prior periods that, had they been recorded in the prior periods to which they related, would have changed net income (positively and negatively). These adjustments were primarily related to the recording of servicer advances and impacted Servicing Income and Amounts Due from Sales of Receivables. The Corporation does not believe that these adjustments are material, individually or in aggregate to the accompanying Condensed Consolidated Financial Statements or to any previously issued financial statements.

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Financial Condition

Finance Volume and Finance Market Share

For year-to-date fiscal 2005, the Corporation’s net retail notes and finance leases originations were \$1,160.9 million, compared with \$963.3 million during the same period of fiscal 2004. Net serviced retail note and finance lease balances were \$3,048.7 million and \$2,606.6 million as of July 31, 2005 and 2004, respectively. The Corporation's finance market share of new International trucks delivered in the U.S. decreased to 13.7% at July 31, 2005, compared to 15.5% at July 31, 2004. The improvement in retail note and finance lease originations primarily reflects an increase in International and its dealer’s deliveries to U.S. customers. The reduction in finance market share reflects the mix of ITEC customers and increased market competition.

Wholesale note originations were \$3,707.8 million during the first nine months of fiscal 2005, compared with \$2,868.1 million for the same period of fiscal 2004. Serviced wholesale note balances were \$1,283.4 million and \$1,084.6 million as of July 31, 2005 and 2004, respectively. The increase in wholesale note balances and originations reflects an increase in International deliveries to its U.S. dealers.

The Corporation has seen an improvement in its truck repossession activities. The serviced repossession balance decreased significantly from \$20.2 million, as of July 31, 2004, to \$9.7 million, as of July 31, 2005. Improved portfolio performance resulted in fewer repossessed vehicles.

Funds Management

The Corporation has traditionally obtained the funds to provide financing to International's dealers and retail customers from sales of finance receivables, commercial paper, short and long-term bank borrowings, and medium and long-term debt. The Corporation’s current debt ratings have made sales of finance receivables the most economical source of funding.

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Credit Ratings

The Corporation’s debt ratings as of July 31, 2005 are as follows:

	Fitch	Moody’s	Standard and Poor’s
Senior unsecured debt	BB	Ba3	BB-
Subordinated debt	B+	B2	B
Outlook	Stable	Stable	Stable

Funding Facilities

Receivable sales are a significant source of funding. Through the asset-backed public market and private placement sales, the Corporation has been able to fund fixed rate retail notes and finance leases at rates, which are more economical than those available to the Corporation in the public unsecured bond market. The Corporation sells retail notes and finance leases through Navistar Financial Retail Receivables Corporation (“NFRRC”), a special purpose, wholly-owned subsidiary of the Corporation.

During the first nine months of 2005 and 2004, the Corporation sold \$1,552.7 million and \$1,120.0 million, respectively, of retail notes and finance leases to owner trusts which, in turn, issued asset-backed securities that were sold to investors. As of July 31, 2005, the remaining shelf registration available to NFRRC for the public issuance of asset-backed securities was \$2,503.8 million.

Truck Engine Receivables Financing Corporation (“TERFCO”), a special purpose, wholly-owned subsidiary of the Corporation, has in place a trust that provides for the funding of \$100.0 million of unsecured trade receivables generated by the sale of diesel engines and engine service parts from International to Ford Motor Company. The facility matures in November 2005. As of July 31, 2005, the Corporation had utilized \$50.4 million of this facility.

Truck Retail Accounts Corporation (“TRAC”), a special purpose, wholly-owned subsidiary of the Corporation, provides financing for its retail accounts with a bank conduit that provides for the funding of up to \$100.0 million of eligible retail accounts. The Corporation is in the process of renewing this facility through August 2006. The transfer of retail accounts under TRAC constitute sales under generally accepted accounting principles in the United States of America, with the result being sold accounts are removed from the Corporation’s balance sheet and the investor’s interests are not reflected as liabilities. As of July 31, 2005, the Corporation had utilized \$95.0 million of this facility.

Navistar Financial Securities Corporation (“NFSC”), a special purpose, wholly-owned subsidiary of the Corporation, has in place a revolving wholesale note trust that provides for the funding of up to \$1,478.9 million of eligible wholesale notes. As of July 31, 2005, it was comprised of a \$200.0 million tranche of investor certificates maturing in 2008, three \$212.0 million tranches of investor certificates maturing in 2006, 2007 and 2010, variable funding certificates (“VFC”) with a maximum capacity of \$400.0 million, which mature in December 2005, VFC available subordinated amounts and excess seller’s interest of \$64.8 million, and a seller certificate currently at \$178.1 million. As of July 31, 2005, the Corporation had utilized \$1,190.7 million of the revolving wholesale note trust.

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Truck Retail Installment Paper Corporation (“TRIP”), a special purpose wholly-owned subsidiary of the Corporation, issued \$500.0 million of senior and subordinated floating rate asset-backed notes on October 16, 2000. The proceeds were used to establish a revolving retail warehouse facility to fund the Corporation’s retail notes and retail leases, other than fair market value leases, during the accumulation period prior to a receivable sale. As of July 31, 2005 and 2004, the funding facility was fully available. The Corporation refinanced this facility on June 29, 2005 with \$500.0 million of senior and subordinated floating rate asset backed notes due June 2010. The additional facility increases debt and marketable securities by \$500 million each; however, the new facility is available only to retire the old facility which matures in August 2005.

International Truck Leasing Corporation (“ITLC”), a special purpose, wholly-owned subsidiary of the Corporation, was established to provide for the funding of certain leases. In the first nine months of fiscal 2005 \$35.2 million has been funded through this subsidiary.

The Corporation also has \$1,200.0 million contractually committed to bank revolving credit facility that will mature in July 2010. As of July 31, 2005, \$708.0 million of this facility was utilized, including \$10 million used by Navistar’s Mexican finance subsidiaries.

As of July 31, 2005, the aggregate available to fund finance receivables under all the various facilities was \$1,369.0 million.

The weighted average borrowing rate on all debt outstanding for the first nine months of fiscal 2005 increased to 3.73% from 3.14% for the same period in 2004. The increase in the Corporation’s weighted average borrowing rate is primarily a result of higher LIBOR rates.

Management believes that collections on the outstanding finance receivables portfolio plus cash available from the Corporation’s various funding sources will permit the Corporation to meet the financing requirements of International’s dealers and retail customers through 2005 and beyond.

New Accounting Pronouncements

In March 2004, the Emerging Issues Task Force (“EITF”) reached a final consensus on EITF 03-1, “The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments.” In September 2004, the FASB issued FSP EITF 03-1-1, “Effective Date of Paragraphs 10-20 of EITF 03-1 which deferred the effective date of paragraphs 10-20 of EITF 03-1. EITF 03-1 paragraph 21 requires specific disclosure for all investments in an unrealized loss position for which other than temporary impairments have not been recognized. The Corporation included this disclosure in Footnote 15 Sales of Receivables in its 2004 Annual Report on Form 10-K.

In May 2005, the FASB issued Statement No. 154, “Accounting Changes and Error Corrections, a replacement of APB Opinion No. 20 and FASB Statement No. 3”. This statement requires voluntary changes in accounting principles to be recorded retrospectively for prior periods presented rather than a cumulative adjustment in the current period. This treatment would also be required for new accounting pronouncements if there are no specific transition provisions. The accounting for changes in estimates in the current period and the accounting for errors as restatements of prior periods has not changed. The adoption of this Statement is not expected to have a material effect on the Company’s financial position or net income.

In August 2005, the FASB issued proposed statements of financial accounting standards: “Accounting for Transfers of Financial Assets, an amendment of FASB Statement No. 140”, Accounting for Servicing of Financial Assets, an amendment of FASB Statement No. 140” and “Accounting for Certain Hybrid Financial Instruments, an amendment of FASB Statements No. 133 and 144”. The Corporation is currently evaluating the impacts of the proposed changes.

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ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Corporation's principal executive officer and principal financial officer, along with other management of the Corporation, reviewed and tested the Corporation's disclosure controls and procedures (as defined in rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("the Exchange Act")) as of July 31, 2005. Based on that evaluation, the principal executive officer and principal financial officer of the Corporation concluded that, as of July 31, 2005, there continues to be a material weakness in the Corporation's disclosure controls and procedures related to the lack of sufficient specialized securitization accounting personnel.

While the Corporation has made progress in augmenting its resources with experience in securitization, the principal executive officer and principal financial officer of the Corporation concluded, based on the continued significant reliance on outside resources, as of July 31, 2005, the disclosure controls and procedures in place at the Corporation were not effective.

Changes in Internal Controls

In connection with the ongoing review of the Corporation's internal control over financial reporting (as defined in rule 13a-15(f) and 15d-15(f) under the Exchange Act) and in response to the material weakness identified, the Corporation has added additional levels of review in its financial reporting processes, accessed external resources knowledgeable in securitization accounting and is in the process of adding internal accounting personnel with knowledge of securitization accounting.

PART II – OTHER INFORMATION

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ITEM 1. LEGAL PROCEEDINGS

The Corporation is subject to various claims arising in the ordinary course of business, and is party to various legal proceedings, which constitute ordinary routine litigation incidental to the business of the Corporation. In the opinion of the Corporation's management, none of the expected outcomes of these proceedings or claims is material to the business or the financial statement of the Corporation.

On December 6, 2004, the Corporation announced that it would restate its financial results for fiscal years 2002 and 2003 and the first three quarters of fiscal 2004. The Securities and Exchange Commission (SEC) notified the Corporation on March 14, 2005, that it was conducting a formal investigation into the Corporation's restatement. The Corporation continues to cooperate with the SEC's requests and is not able to predict the timing or final outcome of the investigation.

There was no other material pending legal proceeding other than routine litigation incidental to the business of the Corporation.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

(a) Exhibits:

3	Articles of Incorporation and By-Laws	E-1
4	Instruments Defining Rights of Security Holders, including Indentures	E-2
10	Material Contracts	E-3
31.1	CEO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	E-12
31.2	CFO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	E-14
32	CEO and CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	E-16

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Navistar Financial Corporation
(Registrant)

Date: September 9, 2005

/s/ Paul Martin
Paul Martin
Vice President and Controller
(Principal Accounting Officer)

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ARTICLES OF INCORPORATION AND BY-LAWS

The following documents of Navistar Financial Corporation are incorporated herein by reference:

- 3.1 Restated Certificate of Incorporation of Navistar Financial Corporation (as amended and in effect on December 15, 1987). Filed on Form 8-K dated December 17, 1987. Commission File No. 001-04146.
- 3.2 The By-Laws of Navistar Financial Corporation (as amended February 29, 1988). Filed on Form 10-K dated January 19, 1989. Commission File No. 001-04146.
- 3.3 Amendment to the By-Laws of Navistar Financial Corporation. Filed as Exhibit 3.1 on Form 10-K dated December 18, 2003. Commission File No. 001-04146.

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**INSTRUMENTS DEFINING RIGHTS OF SECURITY HOLDERS,
INCLUDING INDENTURES**

The following instruments of Navistar Financial Corporation defining the rights of security holders are incorporated herein by reference:

- 4.1 Credit Agreement for \$1,200,000,000 Revolving Credit and Competitive Advance Facility dated as of July 1, 2005, between the Corporation, Arrendadora Financiera Navistar, S.A. de C.V., Servicios Financieros Navistar, S.A. de C.V. and Navistar Comercial, S.A. de C.V., as borrowers, lenders party hereto, The Chase Manhattan Bank as Administrative Agent, Bank of America as Syndication Agent and Bank of Nova Scotia as Documentation Agent. Filed as Form 8-K September 1, 2005. Commission File No. 001-04146.
- 4.2 4.3 Registration Rights Agreement, dated as of March 25, 2002, by and among the Corporation, Navistar, Salomon Smith Barney, Inc. and Banc of America Securities, LLC. Filed as Exhibit 4.2 to Form S-3 dated May 7, 2002. Commission File No. 333-87716-01.

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MATERIAL CONTRACTS

The following documents of Navistar Financial Corporation are incorporated herein by reference:

- 10.1 Master Inter-company Agreement dated as of April 26, 1993, between the Corporation and International. Filed on Form 8-K dated April 30, 1993. Commission File No. 001-04146.
- 10.2 Inter-company Purchase Agreement dated as of April 26, 1993, between the Corporation and Truck Retail Instalment Paper Corp. Filed on Form 8-K dated April 30, 1993. Commission File No. 001-04146.
- 10.3 Pooling and Servicing Agreement dated as of June 8, 1995, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, The Chase Manhattan Bank, as 1990 Trust Trustee, and The Bank of New York, as Master Trust Trustee. Filed as Exhibit 4.1 to Navistar Financial Securities Corporation's Form 8-K dated December 12, 2003. Commission File No. 033-87374.
- 10.4 Series 1998-1 Supplement to the Pooling and Servicing Agreement dated as of July 17, 1998, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, and the Bank of New York, as Master Trust Trustee on behalf of the Series 1998-1 Certificateholders. Filed as Exhibit 4.1 to Navistar Financial Securities Corporation's Form 8-K dated December 4, 2003. Commission File No. 033-87374.
- 10.5 Certificate Purchase Agreement dated as of January 28, 2000, between Navistar Financial Securities Corporation, as seller, the Corporation, as Servicer, Receivable Capital Corporation, as the Conduit Purchaser, Bank of America, National Association, as administrative Agent for the Purchasers, and Bank of America, National Association, as a Committed Purchaser. Filed as Exhibit 1.1 on Form 8-K dated February 24, 2000. Commission File No. 033-87374.
- 10.6 Fourth Amendment to the Pooling and Servicing Agreement dated as of June 2, 2000, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, The Chase Manhattan Bank, as 1990 Trust Trustee, and The Bank of New York, as Master Trust Trustee. Filed as Exhibit 4.7 to Navistar Financial Securities Corporation's Form S-3/A dated June 12, 2000. Commission File No. 333-32960.
- 10.7 Fifth Amendment to the Pooling and Servicing Agreement dated as of July 13, 2000, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, The Chase Manhattan Bank, as 1990 Trust Trustee, and The Bank of New York, as Master Trust Trustee. Filed as Exhibit 4.2 to Navistar Financial Dealer Note Master Trust's Form 8-K dated July 14, 2000. Commission File No. 033-36767-03.
- 10.8 Series 2000-1 Supplement to the Pooling and Servicing Agreement dated as of July 13, 2000, among Navistar Financial Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, and the Bank of New York, as Master Trust Trustee on behalf of the Series 2000-1 Certificateholders. Filed as Exhibit 4.1 to Navistar Financial Securities Corporation's Form 8-K dated July 14, 2000. Commission File No. 033-87374.

- 10.9 Servicing Agreement dated as of October 16, 2000, between the Corporation, as Servicer, and Navistar Leasing Corporation, Harco Leasing Company, Inc., Truck Retail Instalment Paper Corp., The Bank of New York as Collateral Agent, and Bank One National Association, as Portfolio Trustee. Filed as Exhibit 10.01 to the Corporation's Form 10-Q dated March 15, 2001. Commission File No. 001-04146.
- 10.10 Receivables Purchase Agreement dated as of October 16, 2000, between Truck Retail Instalment Paper Corp. and the Corporation. Filed as Exhibit 10.02 to the Corporation's Form 10-Q dated March 15, 2001. Commission File No. 001-04146.
- 10.11 Indenture Agreement dated as of October 16, 2000, between Truck Retail Instalment Paper Corp., as Issuer, and The Bank of New York, as Indenture Trustee. Filed as Exhibit 10.03 to the Corporation's Form 10-Q dated March 15, 2001. Commission File No. 001-04146.
- 10.12 Series 2000-1 Supplement dated as of October 16, 2000, to the Indenture also dated October 16, 2000 between Truck Retail Instalment Paper Corp., as Issuer, and The Bank of New York, as Indenture Trustee. Filed as Exhibit 10.04 to the Corporation's Form 10-Q dated March 15, 2001. Commission File No. 001-04146.
- 10.13 Credit Agreement dated as of December 8, 2000, between the Corporation, Arrendadora Financiera Navistar, S.A. de C.V., Servicios Financieros Navistar, S.A. de C.V., and Navistar Comercial, S.A. de C.V., as Borrowers, and the Chase Manhattan Bank, as Administrative Agent, Bank of America, N.A., as Syndication Agent, and the Bank of Nova Scotia, as Documentation Agent, with respect to \$820,000,000 Revolving Credit and Competitive Advance Facility. Filed as Exhibit 10.05 to the Corporation's Form 10-Q dated March 15, 2001. Commission File No. 001-04146.
- 10.14 Security, Pledge and Trust Agreement dated as of June 8, 2001, between the Corporation and Bankers Trust Company, as Trustee, pursuant to the terms of the Credit Agreement. Filed as Exhibit 4.1 to the Corporation's Form 10-K dated December 18, 2003. Commission File No. 001-04146.
- 10.15 Supplement No. 1, dated as of July 24, 2001, to Indenture agreement dated October 16, 2000, among Truck Retail Instalment Paper Corp. and The Bank of New York, to amend the Indenture to (i) revise the definition of "Series 2000-1 Loss Reserve Specified Balance", and (ii) revise the Amortization Events filed on Form 8-K dated August 6, 2001. Filed on Form 8-K dated August 6, 2001. Commission File No. 001-04146.
- 10.16 Purchase Agreement dated as of November 1, 2001, between the Corporation and Navistar Financial Retail Receivables Corporation, as Purchaser, with respect to Navistar Financial 2001-B Owner Trust, as Issuer. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 6, 2001. Commission File No. 033-50291.
- 10.17 Pooling and Servicing Agreement dated as of November 1, 2001, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2001-B Owner Trust, as Issuer. Filed as Exhibit 4.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 6, 2001. Commission File No. 033-50291.

- 10.18 Trust Agreement dated as of November 1, 2001, between Navistar Financial Retail Receivables Corporation, as Seller, and Chase Manhattan Bank USA, National Association, as Owner Trustee, with respect to Navistar Financial 2001-B Owner Trust. Filed as Exhibit 4.3 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 6, 2001. Commission File No. 033-50291.
- 10.19 Indenture dated as of November 1, 2001, between Navistar Financial 2001-B Owner Trust and The Bank of New York, as Indenture Trustee, with respect to Navistar Financial 2001-B Owner Trust. Filed as Exhibit 4.2 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 6, 2001. Commission File No. 033-50291.
- 10.20 Purchase Agreement dated as of April 30, 2002, between the Corporation and Navistar Financial Retail Receivables Corporation, as Purchaser, with respect to Navistar Financial 2002-A Owner Trust, as Issuer. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated May 3, 2002. Commission File No. 033-50291.
- 10.21 Pooling and Servicing Agreement dated as of April 30, 2002, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2002-A Owner Trust, as Issuer. Filed as Exhibit 4.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated May 3, 2002. Commission File No. 033-50291.
- 10.22 Trust Agreement dated as of April 30, 2002, between Navistar Financial Retail Receivables Corporation, as Seller, and Chase Manhattan Bank USA, National Association, as Owner Trustee, with respect to Navistar Financial 2002-A Owner Trust. Filed as Exhibit 4.3 to Navistar Financial Retail Receivables Corporation's Form 8-K dated May 3, 2002. Commission File No. 033-50291.
- 10.23 Indenture dated as of April 30, 2002, between Navistar Financial 2002-A Owner Trust and The Bank of New York, as Indenture Trustee, with respect to Navistar Financial 2002-A Owner Trust. Filed as Exhibit 4.2 to Navistar Financial Retail Receivables Corporation's Form 8-K dated May 3, 2002. Commission File No. 033-50291.
- 10.24 Supplement No. 2, dated as of July 31, 2002, to Indenture agreement dated October 16, 2000, among Truck Retail Instalment Paper Corp. and The Bank of New York, to amend the Indenture to (i) revise the definition of "Series 2000-1 Loss Reserve Specified Balance," and (ii) revise the definition of "Reserve Account Trigger Event." Filed on Form 8-K dated November 27, 2002. Commission File No. 001-04146.
- 10.25 Purchase Agreement dated as of November 19, 2002, between the Corporation and Navistar Financial Retail Receivables Corporation, as Purchaser, with respect to Navistar Financial 2002-B Owner Trust, as Issuer. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 25, 2002. Commission File No. 033-50291.
- 10.26 Pooling Agreement dated as of November 19, 2002, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2002-B Owner Trust, as Issuer. Filed as Exhibit 4.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 25, 2002. Commission File No. 033-50291.
- 10.27 Servicing Agreement dated as of November 19, 2002, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2002-B Owner Trust, as Issuer. Filed as Exhibit 99.3 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 25, 2002. Commission File No. 033-50291.

- 10.28 Trust Agreement dated as of November 19, 2002, between Navistar Financial Retail Receivables Corporation, as Seller, and Chase Manhattan Bank USA, National Association, as Owner Trustee, with respect to Navistar Financial 2002-B Owner Trust. Filed as Exhibit 4.3 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 25, 2002. Commission File No. 033-50291.
- 10.29 Indenture dated as of November 19, 2002, between Navistar Financial 2002-B Owner Trust and The Bank of New York, as Indenture Trustee, with respect to Navistar Financial 2002-B Owner Trust. Filed as Exhibit 4.2 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 25, 2002. Commission File No. 033-50291.
- 10.30 Purchase Agreement dated as of June 5, 2003, between the Corporation and Navistar Financial Retail Receivables Corporation, as Purchaser, with respect to Navistar Financial 2003-A Owner Trust, as Issuer. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated June 11, 2003. Commission File No. 033-50291.
- 10.31 Pooling Agreement dated as of June 5, 2003, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2003-A Owner Trust, as Issuer. Filed as Exhibit 4.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated June 11, 2003. Commission File No. 033-50291.
- 10.32 Servicing Agreement dated as of June 5, 2003, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2003-A Owner Trust, as Issuer. Filed as Exhibit 99.3 to Navistar Financial Retail Receivables Corporation's Form 8-K dated June 11, 2003. Commission File No. 033-50291.
- 10.33 Trust Agreement dated as of June 5, 2003, between Navistar Financial Retail Receivables Corporation, as Seller, and Chase Manhattan Bank USA, National Association, as Owner Trustee, with respect to Navistar Financial 2003-A Owner Trust. Filed as Exhibit 4.3 to Navistar Financial Retail Receivables Corporation's Form 8-K dated June 11, 2003. Commission File No. 033-50291.
- 10.34 Indenture dated as of June 5, 2003, between Navistar Financial 2003-A Owner Trust and The Bank of New York, as Indenture Trustee, with respect to Navistar Financial 2003-A Owner Trust. Filed as Exhibit 4.2 to Navistar Financial Retail Receivables Corporation's Form 8-K dated June 11, 2003. Commission File No. 033-50291.
- 10.35 Series 2003-1 Supplement to the Pooling and Servicing Agreement, dated as of July 13, 2003, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, and the Bank of New York, as Master Trust Trustee on behalf of the Series 2003-1 Certificateholders. Filed as Exhibit 4.1 to Navistar Financial Securities Corporation's Form 8-K dated July 11, 2003. Commission File No. 033-87374.
- 10.36 Purchase Agreement dated as of October 31, 2003, between the Corporation and Navistar Financial Retail Receivables Corporation, as Purchaser, with respect to Navistar Financial 2003-B Owner Trust, as Issuer. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 5, 2003. Commission File No. 033-50291.
- 10.37 Pooling Agreement dated as of October 31, 2003, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2003-B Owner Trust, as Issuer. Filed as Exhibit 4.1 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 5, 2003. Commission File No. 033-50291.

- 10.38 Servicing Agreement dated as of October 31, 2003, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2003-B Owner Trust, as Issuer. Filed as Exhibit 99.3 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 5, 2003. Commission File No. 033-50291.
- 10.39 Trust Agreement dated as of October 31, 2003, between Navistar Financial Retail Receivables Corporation, as Seller, and Chase Manhattan Bank USA, National Association, as Owner Trustee, with respect to Navistar Financial 2003-B Owner Trust. Filed as Exhibit 4.3 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 5, 2003. Commission File No. 033-50291.
- 10.40 Indenture dated as of October 31, 2003, between Navistar Financial 2003-B Owner Trust and The Bank of New York, as Indenture Trustee, with respect to Navistar Financial 2003-B Owner Trust. Filed as Exhibit 4.2 to Navistar Financial Retail Receivables Corporation's Form 8-K dated November 5, 2003. Commission File No. 033-50291.
- 10.41 Sixth Amendment to the Pooling and Servicing Agreement dated as of October 31, 2003, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, The Chase Manhattan Bank, as 1990 Trust Trustee, and The Bank of New York, as Master Trust Trustee. Filed as Exhibit 4.7 to Navistar Financial Dealer Note Master Owner Trust's Form S-3/A dated December 23, 2003. Commission File No. 333-104639-01.
- 10.42 Fourth Amendment to the Master Inter-company Agreement dated as of April 26, 1993, between the Corporation and International. Filed as Exhibit 3.1 to the Corporation's Form 10-Q dated March 8, 2004. Commission File No. 001-04146.
- 10.43 First Amendment to the Credit Agreement dated as of December 8, 2000, between the Corporation, Arrendadora Financiera Navistar, S.A. de C.V., Servicios Financieros Navistar, S.A. de C.V., and Navistar Comercial, S.A. de C.V., as Borrowers, and the Chase Manhattan Bank, as Administrative Agent, Bank of America, N.A., as Syndication Agent, and the Bank of Nova Scotia, as Documentation Agent, with respect to \$820,000,000 Revolving Credit and Competitive Advance Facility. Filed as Exhibit 3.2 to the Corporation's Form 10-Q dated March 8, 2004. Commission File No. 001-04146.
- 10.44 Purchase Agreement dated as of April 1, 2004, between the Corporation and Navistar Financial Retail Receivables Corporation, as Purchaser, with respect to Navistar Financial 2004-A Owner Trust, as Issuer. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-A's Form 8-K dated April 5, 2004. Commission File No. 333-67112-01.
- 10.45 Pooling Agreement dated as of April 1, 2004, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2004-A Owner Trust, as Issuer. Filed as Exhibit 4.1 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-A's Form 8-K dated April 5, 2004. Commission File No. 333-67112-01.
- 10.46 Servicing Agreement dated as of April 1, 2004, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2004-A Owner Trust, as Issuer. Filed as Exhibit 99.3 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-A's Form 8-K dated April 5, 2004. Commission File No. 333-67112-01.

- 10.47 Trust Agreement dated as of April 1, 2004, between Navistar Financial Retail Receivables Corporation, as Seller, and Chase Manhattan Bank USA, National Association, as Owner Trustee, with respect to Navistar Financial 2004-A Owner Trust. Filed as Exhibit 4.3 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-A's Form 8-K dated April 5, 2004. Commission File No. 333-67112-01.
- 10.48 Indenture dated as of April 1, 2004, between Navistar Financial 2004-A Owner Trust and The Bank of New York, as Indenture Trustee, with respect to Navistar Financial 2004-A Owner Trust. Filed as Exhibit 4.2 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-A's Form 8-K dated April 5, 2004. Commission File No. 333-67112-01.
- 10.49 First Amendment to the Certificate Purchase Agreement dated as of January 28, 2000, between Navistar Financial Securities Corporation, as seller, the Corporation, as Servicer, Receivable Capital Corporation, as the Conduit Purchaser, Bank of America, National Association, as administrative Agent for the Purchasers, and Bank of America, National Association, as a Committed Purchaser. Filed as Exhibit 99 on Form 10-Q dated June 9, 2004. Commission File No. 001-04146.
- 10.50 Indenture, dated as of June 10, 2004, between Navistar Financial Dealer Note Master Owner Trust, as Issuer, and The Bank of New York, as Indenture Trustee. Filed as Exhibit 4.2 to Navistar Financial Dealer Note Master Owner Trust's Form 8-K dated June 14, 2004. Commission File No. 333-104639-01.
- 10.51 Master Owner Trust Agreement dated as of June 10, 2004, between Navistar Financial Dealer Note Master Owner Trust, as Issuer, and The Bank of New York, as Indenture Trustee. Filed as Exhibit 4.11 to Navistar Financial Dealer Note Master Owner Trust's Form 8-K dated June 14, 2004. Commission File No. 333-104639-01.
- 10.52 Series 2004-1 Indenture Supplement dated as of June 10, 2004, between Navistar Financial Dealer Note Master Owner Trust, as Issuer, and The Bank of New York, as Indenture Trustee. Filed as Exhibit 4.3 to Navistar Financial Dealer Note Master Owner Trust's Form 8-K dated June 14, 2004. Commission File No. 333-104639-01.
- 10.53 Series 2004-1 Supplement to the Pooling and Servicing Agreement, dated as of June 10, 2004, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, and the Bank of New York, as Master Trust Trustee on behalf of the Series 2004-1 Certificateholders. Filed as Exhibit 4.1 to Navistar Financial Dealer Note Master Owner Trust's Form 8-K dated June 14, 2004. Commission File No. 333-104639-01.
- 10.54 Seventh Amendment to the Pooling and Servicing Agreement dated as of June 10, 2004, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, The Chase Manhattan Bank, as 1990 Trust Trustee, and The Bank of New York, as Master Trust Trustee. Filed as Exhibit 4.6 to Navistar Financial Dealer Note Master Owner Trust's Form 8-K dated June 14, 2004. Commission File No. 333-104639-01.
- 10.55 First Amendment to the Master Inter-company Agreement dated as of September 30, 1996, between the Corporation and International. Filed as Exhibit 10.60 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.56 Second Amendment to the Master Inter-company Agreement dated as of August 16, 2000, between the Corporation and International. Filed as Exhibit 10.61 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.

- 10.57 Third Amendment to the Master Inter-company Agreement dated as of March 2002, between the Corporation and International. Filed as Exhibit 10.62 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.58 Indenture, dated as of November 21, 2000, between Truck Engine Receivables Master Trust and The Bank of New York, as Indenture Trustee. Filed as Exhibit 10.63 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.59 Trust Agreement dated as of November 21, 2000, between Truck Engine Receivables Financing Co., as Transferor, and Chase Manhattan Bank USA, National Association, as Owner Trustee. Filed as Exhibit 10.64 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.60 Trust Sale and Servicing Agreement dated as of November 21, 2000, among the Corporation, as Servicer, Truck Engine Receivables Financing Co., as Seller, and Truck Engine Receivables Master Trust, as Trust. Filed as Exhibit 10.65 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.61 Series 2000-1 Purchase Agreement dated as of November 15, 2000, among Truck Engine Receivables Financing Co., as Seller, the Corporation, as Servicer, and The Bank of New York, as Indenture Trustee. Filed as Exhibit 10.66 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.62 Series 2000-1 Indenture Supplement dated as of November 21, 2000, among Truck Engine Receivables Financing Co., as Issuer, and The Bank of New York, as Indenture Trustee. Filed as Exhibit 10.67 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.63 Receivables Sale Agreement dated as of July 30, 2004, between Navistar Financial Retail Receivables Corporation, as Purchaser, the Corporation, as Seller. Filed as Exhibit 10.68 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.64 Receivables Purchase Agreement dated as of July 30, 2004, between Navistar Financial Retail Receivables Corporation, as Seller, the Corporation, as Servicer, and Royal Bank of Canada, as Agent. Filed as Exhibit 10.69 to the Corporation's Form 10-Q dated September 10, 2004. Commission File No. 001-04146.
- 10.65 Purchase Agreement dated as of November 17, 2004, between the Corporation and Navistar Financial Retail Receivables Corporation, as Purchaser, with respect to Navistar Financial 2004-B Owner Trust, as Issuer. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-B's Form 8-K dated November 17, 2004. Commission File No. 333-67112-06.
- 10.66 Pooling Agreement dated as of November 17, 2004, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2004-B Owner Trust, as Issuer. Filed as Exhibit 4.1 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-B's Form 8-K dated November 17, 2004. Commission File No. 333-67112-06.
- 10.67 Servicing Agreement dated as of November 17, 2004, among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2004-B Owner Trust, as Issuer. Filed as Exhibit 99.3 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-B's Form 8-K dated November 17, 2004. Commission File No. 333-67112-06.

- 10.68 Trust Agreement dated as of November 17, 2004, between Navistar Financial Retail Receivables Corporation, as Seller, and Chase Manhattan Bank USA, National Association, as Owner Trustee, with respect to Navistar Financial 2004-B Owner Trust. Filed as Exhibit 4.3 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-B's Form 8-K dated November 17, 2004. Commission File No. 333-67112-06.
- 10.69 Indenture dated as of November 17, 2004, between Navistar Financial 2004-B Owner Trust and The Bank of New York, as Indenture Trustee, with respect to Navistar Financial 2004-B Owner Trust. Filed as Exhibit 4.2 to Navistar Financial Retail Receivables Corporation Owner Trust 2004-B's Form 8-K dated November 17, 2004. Commission File No. 333-67112-06.
- 10.70 Series 2005-1 Supplement to the Pooling and Servicing Agreement, dated as of February 28, 2005, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, and the Bank of New York, as Master Trust Trustee on behalf of the Series 2004-1 Certificateholders. Filed as Exhibit 4.1 to Navistar Financial Dealer Note Master Owner Trust's Form 8-K dated February 28, 2005. Commission File No. 333-104639-01.
- 10.71 Series 2000-VFC Supplement to the Pooling and Servicing Agreement, dated as of January 28, 2000, among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, and the Bank of New York, as Master Trust Trustee on behalf of the Series 2000-VFC Certificateholders. Filed as Exhibit 10.71 to the Corporation's Form 10-Q dated April 19, 2005. Commission File No. 001-04146.
- 10.72 Amendment No. 1 to the Series 2000-VFC Supplement to the Pooling and Servicing Agreement, dated as of January 22, 2003, by and among the Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, and the Bank of New York, as Master Trust Trustee. Filed as Exhibit 10.72 to the Corporation's Form 10-Q dated April 19, 2005. Commission File No. 001-04146.
- 10.73 Amended and Restated Certificate Purchaser Agreement, dated as of December 27, 2005, among Corporation, as Servicer, Navistar Financial Securities Corporation, as Seller, Kitty Hawk Funding Corporation, as a Conduit Purchaser, Liberty Street Funding Corp., as a Conduit Purchaser, Bank of America, National Association, as Administrative Agent for the Purchasers, a Managing Agent, and as a Committed Purchaser and the Bank of Nova Scotia, as a Committed Purchaser and as a Managing Agent. Filed as Exhibit 10.73 to the Corporation's Form 10-Q dated April 19, 2005. Commission File No. 001-04146.
- 10.74 Receivables Sale Agreement dated as of April 29, 2005, between Navistar Financial Retail Receivables Corporation, as Purchaser, the Corporation, as Seller. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation Owner Trust Form 8-K dated May 31, 2005. Commission File No. 333-67112.
- 10.75 Receivables Purchase Agreement dated as of April 29, 2005, between Navistar Financial Retail Receivables Corporation, as Seller, the Corporation, as Servicer, and Royal Bank of Canada, as Agent. Filed as Exhibit 99.2 to Navistar Financial Retail Receivables Corporation Owner Trust Form 8-K dated May 31, 2005. Commission File No.333-67112.
- 10.76 Supplement No. 3, dated as of June 29, 2005, to Indenture Agreement dated October 16, 2000, among Truck Retail Instalment Paper Corp., as Issuer, and The Bank of New York, as Indenture Trustee, to amend the Indenture to (i) revise section (k) of the Granting Clause, and (ii) revise the definition of "Eligible Receivable". Filed as Form 8-K dated September 1, 2005. Commission File No. 001-04146.

- 10.77 Series 2005-1 Supplement dated as of June 29, 2005, to the Indenture also dated October 16, 2000 between Truck Retail Instalment Paper Corp., as Issuer, and The Bank of New York, as Indenture Trustee. Filed as Form 8-K dated September 1, 2005. Commission File No. 001-04146.
- 10.78 Credit Agreement dated as of July 1, 2005 between the Corporation, Arrendadora Financiera Navistar, S.A. de C. V., Servicios Financieros Navistar, S.A. de C.V., and Navistar Comerical, S.A. de C.V., as Borrowers, and the Chase Manhattan Bank, as Administrative Agent, Bank of America, N.A., as Syndication agent, and the Bank of Nova Scotia, as Documentation Agent, with respect to \$1,200,000,000 Revolving Credit and Competitive Advance Facility. Filed as Form 8-K dated September 1, 2005. Commission File No. 001-04146.
- 10.79 Security, Pledge and Trust Agreement dated as of June 29, 2005, between the Corporation and Bankers Trust Company, as Trustee, pursuant to the terms of the Credit agreement. Filed as Form 8-K dated July 1, 2005. Commission File No. 001-04146.
- 10.80 Purchase Agreement dated as of July 27, 2005, between the Corporation and Navistar Financial Retail Receivables Corporation, as Purchaser, with respect to Navistar Financial 2005-A Owner Trust, as Issuer. Filed as Exhibit 99.1 to Navistar Financial Retail Receivables Corporation Owner Trust 2005-A's Form 8-K dated July 27, 2005. Commission File No. 333-115716-01.
- 10.81 Pooling Agreement dated as of July 27, 2005 among the Corporation, as Servicer, and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2005-A Owner Trust, as Issuer. Filed as Exhibit 4.1 to Navistar Financial Retail Receivables Corporation Owner Trust 2005-A Form 8-K dated July 27, 2005. Commission File No. 333-115716-01.
- 10.82 Servicing Agreement dated as of July 27, 2005, among the Corporation, as Servicer and Navistar Financial Retail Receivables Corporation, as Seller, and Navistar Financial 2005-A Owner Trust, as Issuer. Filed as Exhibit 99.3 to Navistar Financial Retail Receivables Corporation Owner Trust 2005-A's Form 8-K dated July 27, 2005. Commission File No. 333-115716-01.
- 10.83 Trust Agreement dated as of July 27, 2005, between Navistar Financial Retail Receivables Corporation, as Seller, and the Chase Manhattan Bank USA, National Association, as Owner Trustee, with respect to Navistar Financial 2005-A Owner Trust. Filed as Exhibit 4.3 to Navistar Financial Retail Receivables Corporation Owner Trust 2005-A's Form 8-K dated July 27, 2005. Commission File No. 333-115716-01.
- 10.84 Indenture dated as of July 27, 2005, between Navistar Financial 2005-A Owner Trust and The Bank of New York, as Indenture Trustee, with respect to Navistar Financial 2005-A Owner Trust. Filed as Exhibit 4.2 to Navistar Financial Retail Receivables Corporation Owner Trust 2005-A's Form 8-K dated July 27, 2005. Commission File No. 333-115716-01.

**NAVISTAR FINANCIAL CORPORATION
AND SUBSIDIARIES**

CERTIFICATION

I, Pamela Turbeville, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Navistar Financial Corporation, subsidiary of International Truck and Engine Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the registrant's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

NAVISTAR FINANCIAL CORPORATION
AND SUBSIDIARIES

CERTIFICATION

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: September 9, 2005

/s/ Pamela Turbeville
Pamela Turbeville
(Principal Executive Officer)

**NAVISTAR FINANCIAL CORPORATION
AND SUBSIDIARIES**

CERTIFICATION

I, Andrew J. Cederroth, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Navistar Financial Corporation, subsidiary of International Truck and Engine Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the registrant's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

NAVISTAR FINANCIAL CORPORATION
AND SUBSIDIARIES

CERTIFICATION

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: September 9, 2005

/s/ Andrew J. Cederoth
Andrew J. Cederoth
(Principal Financial Officer)

CERTIFICATIONS PURSUANT TO
SECTION 1350 OF CHAPTER 63 OF
TITLE 18 OF THE UNITED STATES CODE

In connection with the Quarterly Report of Navistar Financial Corporation (the "Corporation"), subsidiary of International Truck and Engine Corporation, on Form 10-Q for the period ended July 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Pamela Turbeville, Principal Executive Officer and I, Andrew J. Cederroth, Principal Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: September 9, 2005		<u>/s/ Pamela Turbeville</u>
		Pamela Turbeville
		Principal Executive Officer

Date: September 9, 2005		<u>/s/ Andrew J. Cederroth</u>
		Andrew J. Cederroth
		Principal Financial Officer

This certification accompanies the Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Corporation for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. This certification shall also not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the Corporation specifically incorporates it by reference.