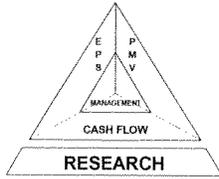


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## GAMCO Investors, Inc.

October 25, 2012

Mr. Lewis B. Campbell  
Chairman & Chief Executive Officer  
Navistar International Corporation  
2701 Navistar Drive  
Lisle, IL 60532

Dear Mr. Campbell,

To echo our firm's corporate governance policy, we are not for management, nor are we against management, and just like you, we remain committed to stockholder value creation.

Along those lines, our firm's corporate governance policy calls for stockholders to vote on poison pills.

Recognizing that the stockholder proposal inclusion deadline for the 2013 annual meeting has passed, attached is the proposal we are sending to Curt A. Kramer, your Corporate Secretary, as part of the process for inclusion in Navistar's proxy materials for the 2014 annual meeting of stockholders.

Hopefully this gives you and your Board enough time to consider alternatives.

Respectively submitted,

GAMCO Investors, Inc.

Encl.

## STOCKHOLDER PROPOSAL

RESOLVED: *that the stockholders of Navistar International Corporation (the "Company") request the Board of Directors redeem the rights issued pursuant to the Rights Agreement, dated as of June 19, 2012, unless the holders of a majority of the outstanding shares of common stock approve the issuance at a meeting of the stockholders held as soon as practical.*

## SUPPORTING STATEMENT

As of June 19, 2012, the Board of Directors adopted a Rights Agreement. The Rights represent a corporate anti-takeover device, commonly known as a "poison pill." Absent Board intervention, the Rights are exercisable when a person or group acquires a beneficial interest in 15% or more of the outstanding common stock of the Company.

We oppose the use of Rights to prevent a potential bidder from effecting any merger or tender offer that is not approved by the Board of Directors. A poison pill stops a potential bidder from taking their offer directly to the shareholders even if an overwhelming majority would have accepted the offer. The potential bidder must instead negotiate with management, and a Board or management may sometimes have interests that conflict with interests of the shareholders. In effect, the pill allows a Board to arrogate to itself the sole right to determine what price a potential buyer must pay to acquire the entire company. The power of shareholders to accept an offer by a potential bidder provides an important check and balance on management and the Board in their stewardship of the shareholders' interests. We believe the shareholders should retain the right to decide for themselves what represents a fair price for their holdings.

WE URGE STOCKHOLDERS TO VOTE IN FAVOR OF THIS PROPOSAL.

