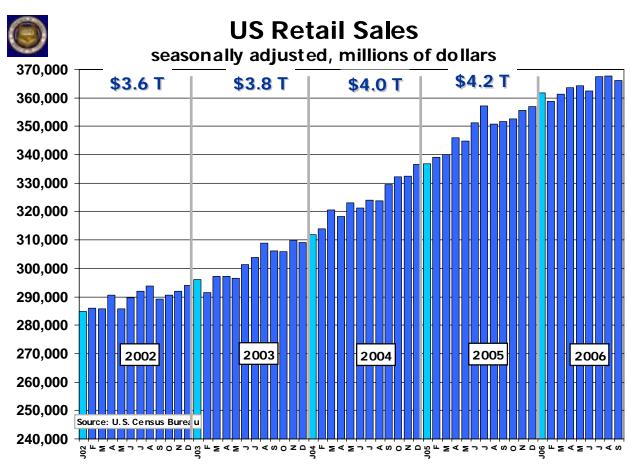




North American Trucking Environment – Fall '06

Highway Market

- Strength holding in consumer spending/ economic activity
 - ✓ Retail sales, manufacturing output, inventory-tosales ratio: all off '06 highs, but still well above year-ago levels
- Freight rate increases holding as hauling rises
 - ✓ Supports gains in TL carrier profitability

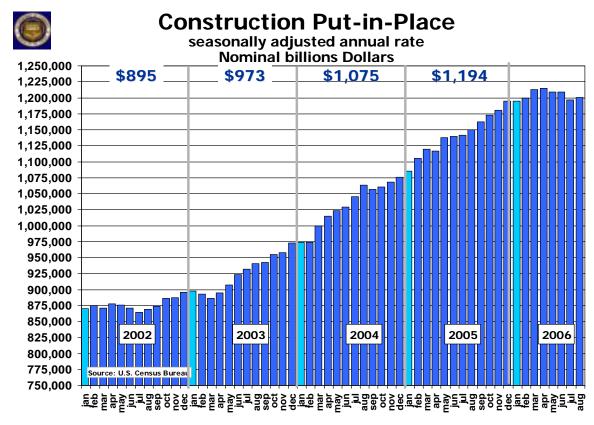




North American Trucking Environment – Fall '06

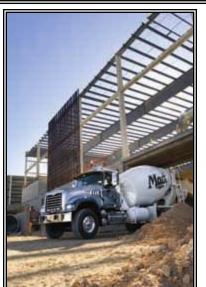
Construction Market

- Construction Put-In-Place results indicate cooling in market
- Concern over drop in residential construction spending, as housing starts fall sharply from Q1 highs
- Spending still rising in commercial, public construction sectors

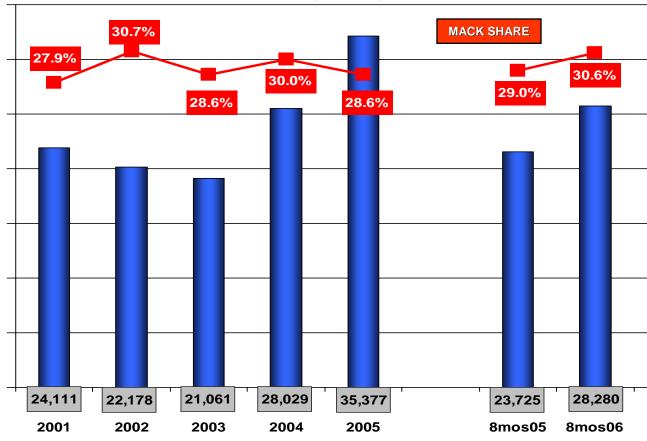


31 October 2006





Conventional Straight Truck Segment Heavy Duty





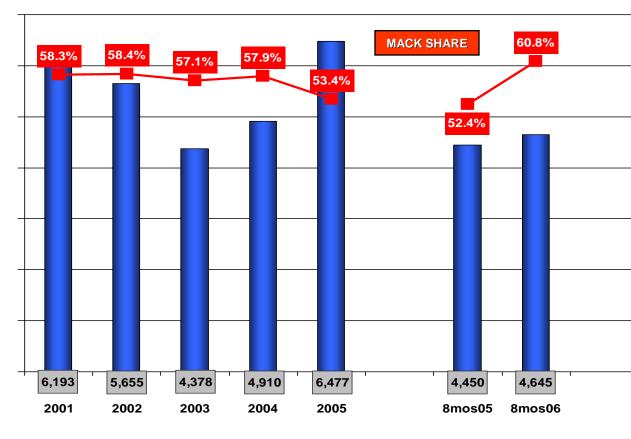






* Mack heavy-duty (>10 liters) LCOE segment share 85%

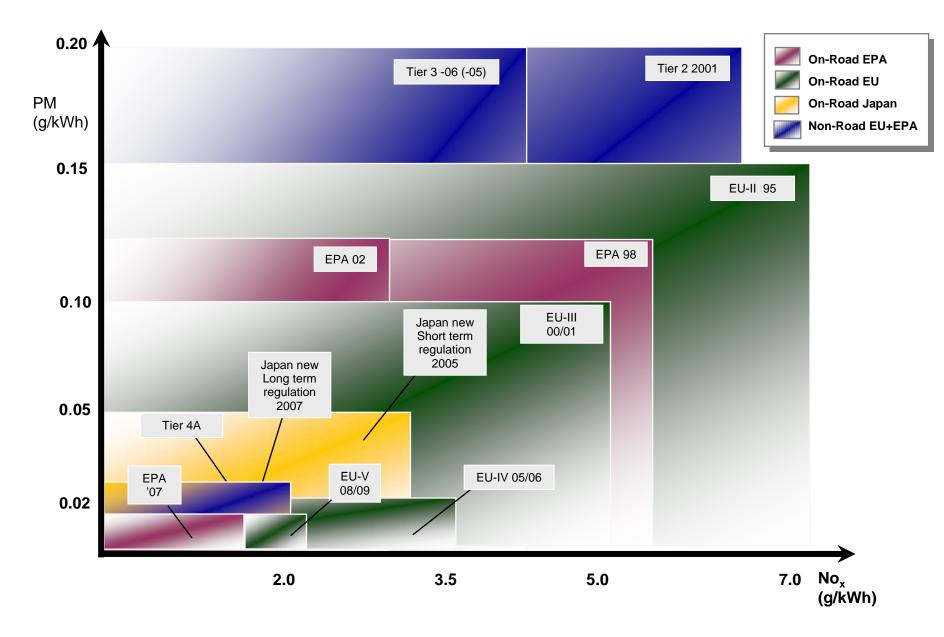
Straight Truck LCOE Segment All Liters*







Global Diesel Emission Standards 1995-2007



US '07 vs. US '02/'04 Emissions Reductions

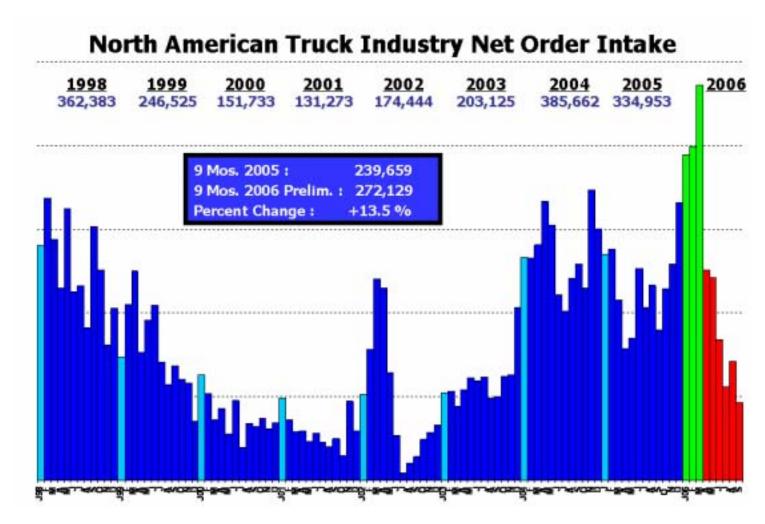
	Each truck/1 yr*	Each truck/5 yrs.	1000 trucks/ 5 yrs.
NOx	1,200 lbs.	6,000 lbs.	6 million lbs.
Soot	90 lbs.	450 lbs.	450,000 lbs.

- 120,000 miles/year
- average speed 60 MPH
- average fuel consumption 6 MPG

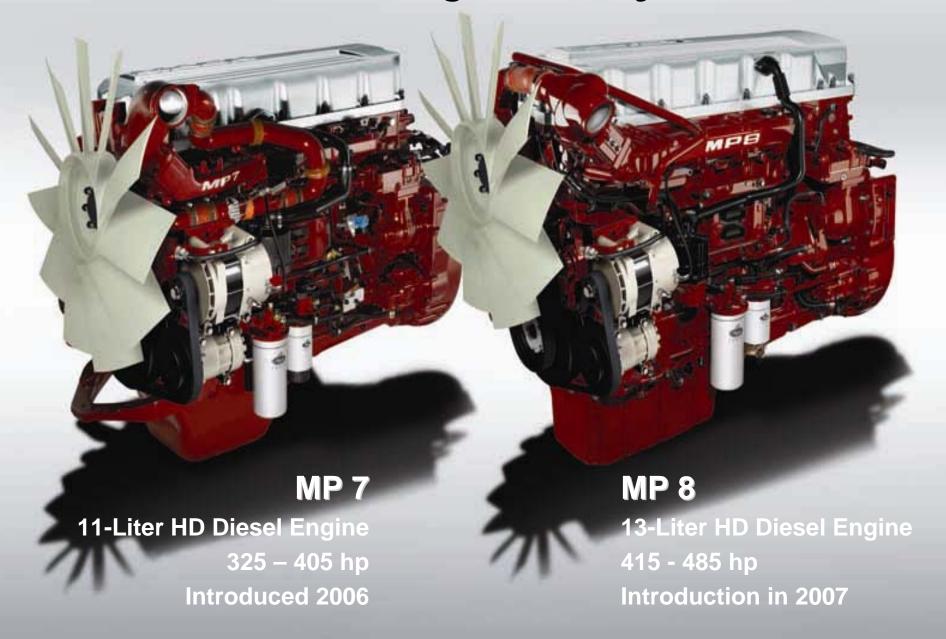
^{*} Based on normal operations of heavy duty diesel engine in class 8 truck:

Impact of US'07 "Pre-Buy"

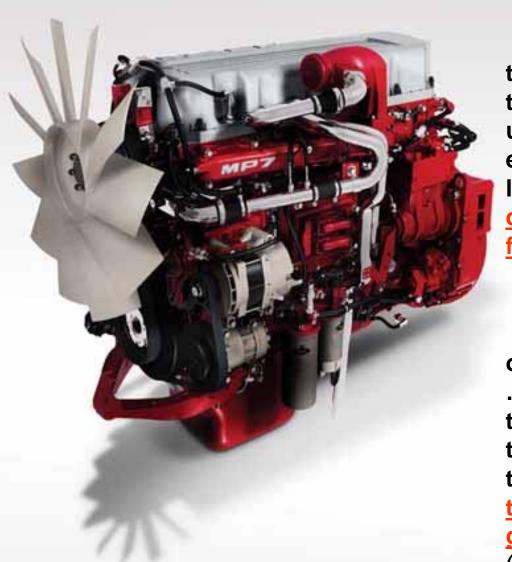
- Q1 order surge consumed available 2006 production
- Q1 orders
 52% of YTD
 '06 total
- Since then, dramatic falloff in order intake ahead of US'07 rules



Mack Power (MP) Engine Family 2006-2007



MP 7 – Reviews from Trucking Press



"(The driver we rode with) loves the MP7, noting that it pulls better than the 427-hp Mack ASET AC engine he used to drive. He says it's quieter, easier to shift, and burns five gallons less fuel on the same run ... Mack has delivered an engine that Mack fans will feel right at home with." (highwaySTAR)

"Certainly Mack should be proud of (this engine). It performs very well ... rewarding the driver with good throttle response, substantial low end torque and a nice quiet environment in the cab ... If all the '07s are going to be this good, then American truckers are going to have little to worry about."

(Heavy Duty Trucking)

MP 7 – Customer Comments



"Any time you get a new model, you're a bit apprehensive. This was our first experience with a Mack MP engine. And we were very anxious to see how the DPF (Diesel Particulate Filter) would perform. So we went ahead and put the truck right into our normal operations running sand about 400 total miles daily on a combination of highway and local roads. And we have had absolutely no issues ...

... I would not hesitate to buy more of these trucks."

"It's at 6.8 MPG (fuel consumption) now and I believe it will go above 7 MPG."

"This engine is your future – and it's OUR future, too."