

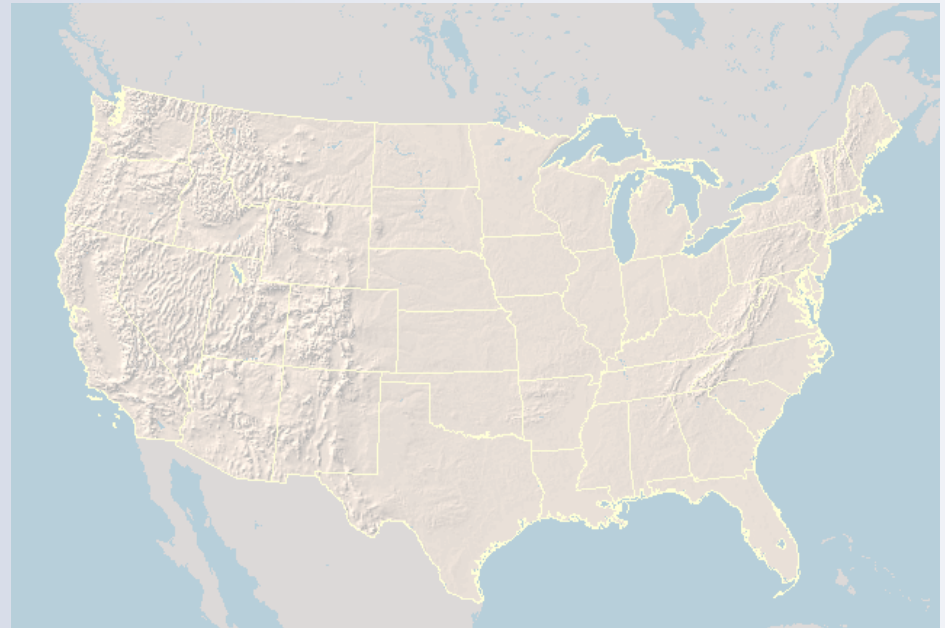


**Paul Vikner**  
**President and CEO**  
**Mack Trucks, Inc.**

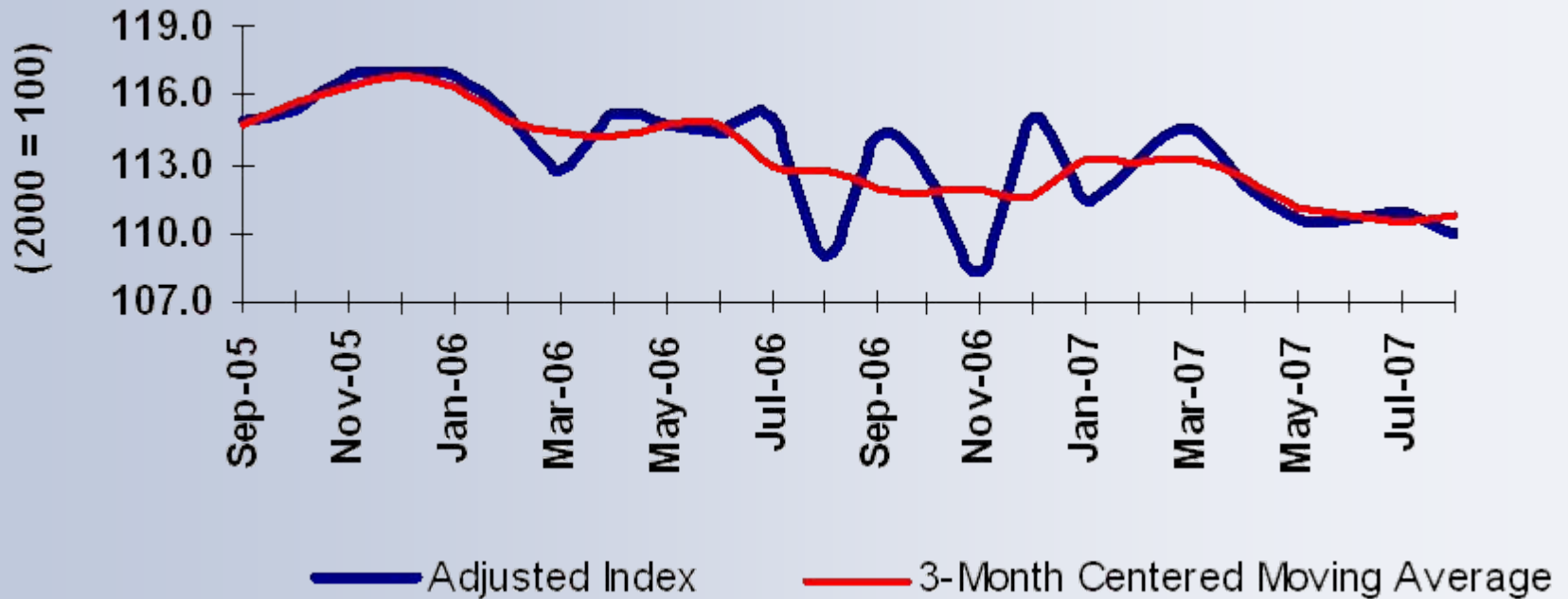


# ***U.S. Economy – 2007***

- Sluggish Growth
- Housing Recession
- Volatile Financial Markets
- Record Oil Prices
- Strong Exports



# ATA's Adjusted Monthly Truck Tonnage Index



Source: American Trucking Association

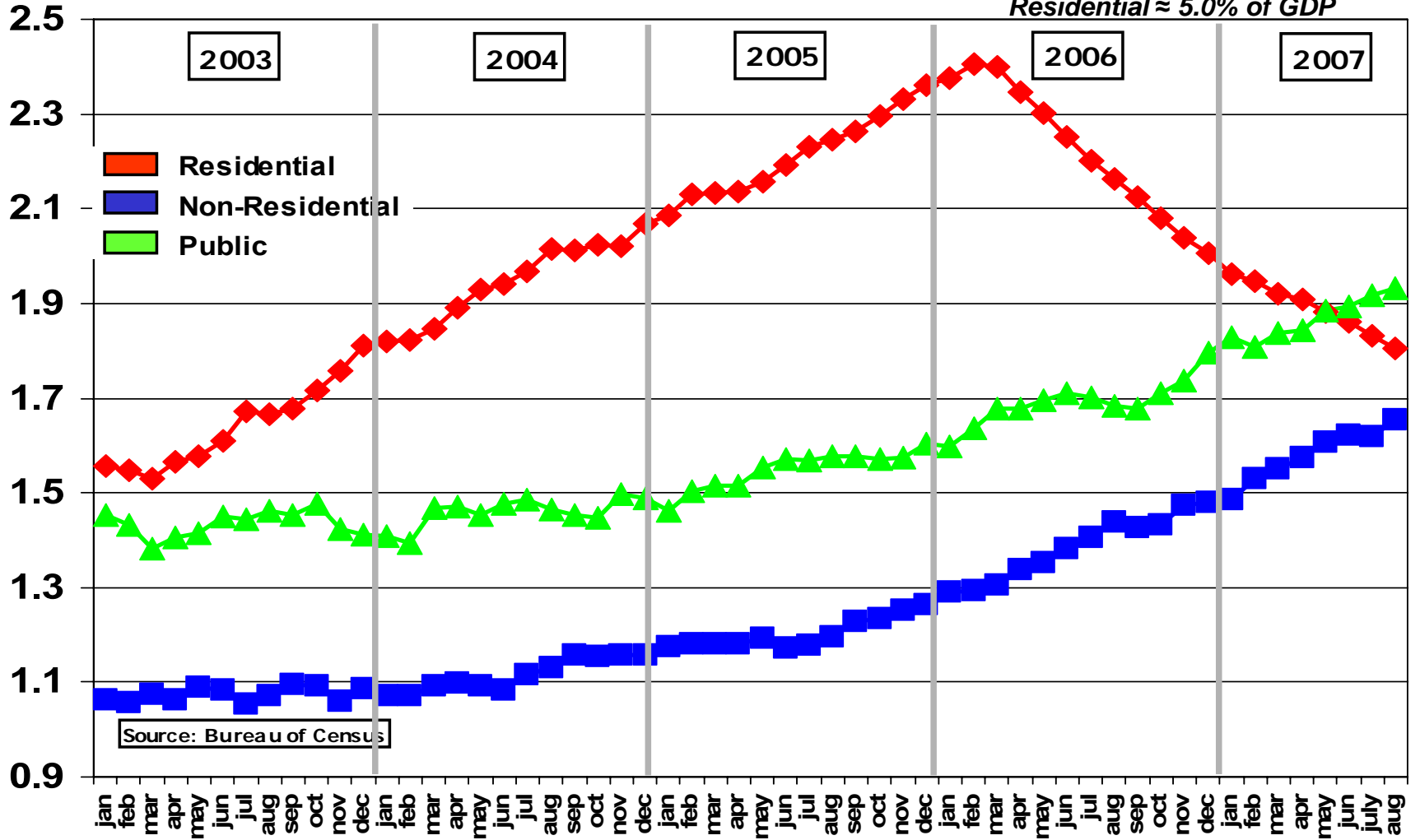




# Construction Spending

Index 1997 = 1.00

Total Construction  $\approx$  9.5% of GDP  
Residential  $\approx$  5.0% of GDP



Source: Bureau of Census

1 October 2007



# North American Industry Net Order Intake

Units

60,000

50,000

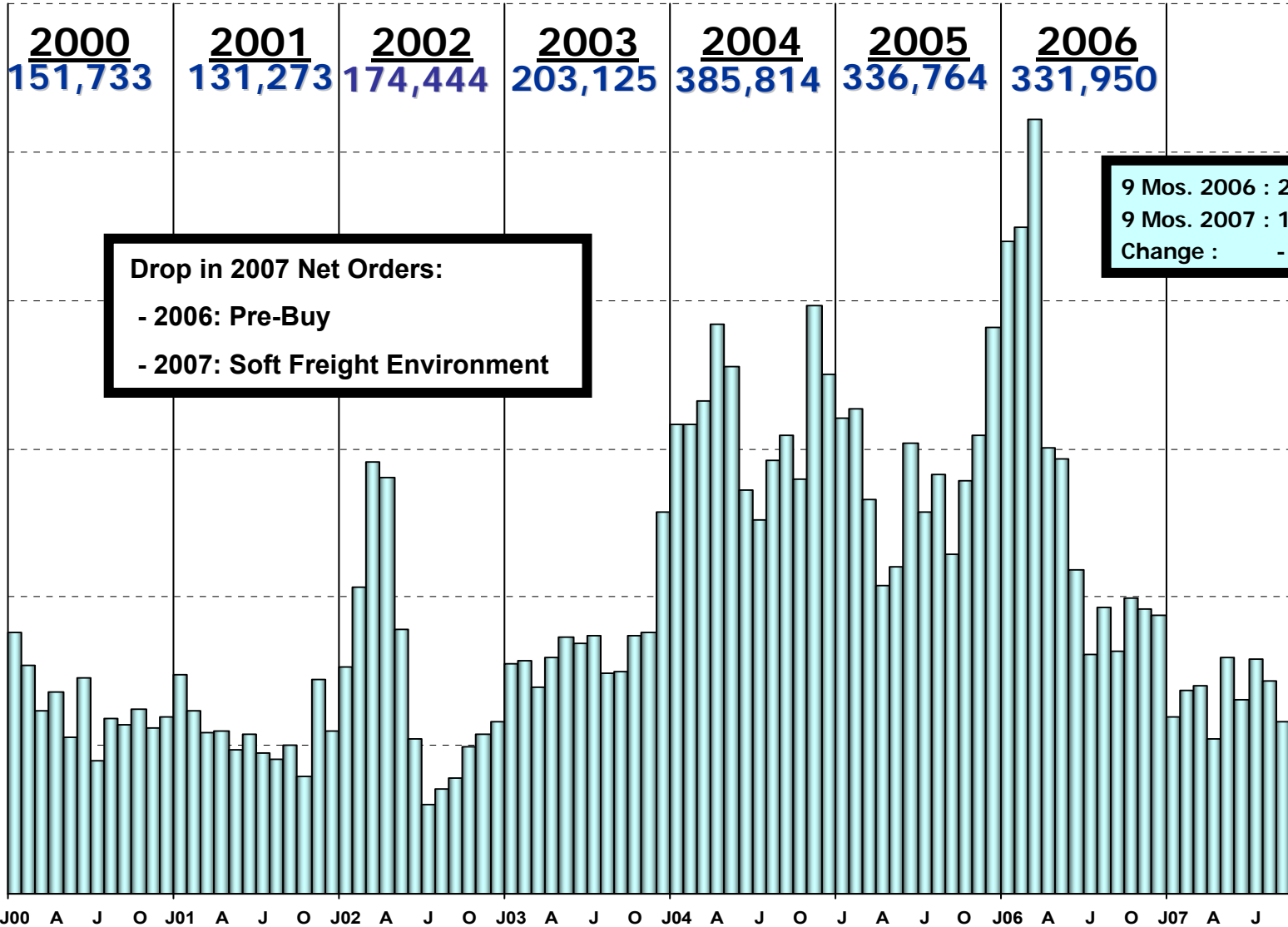
40,000

30,000

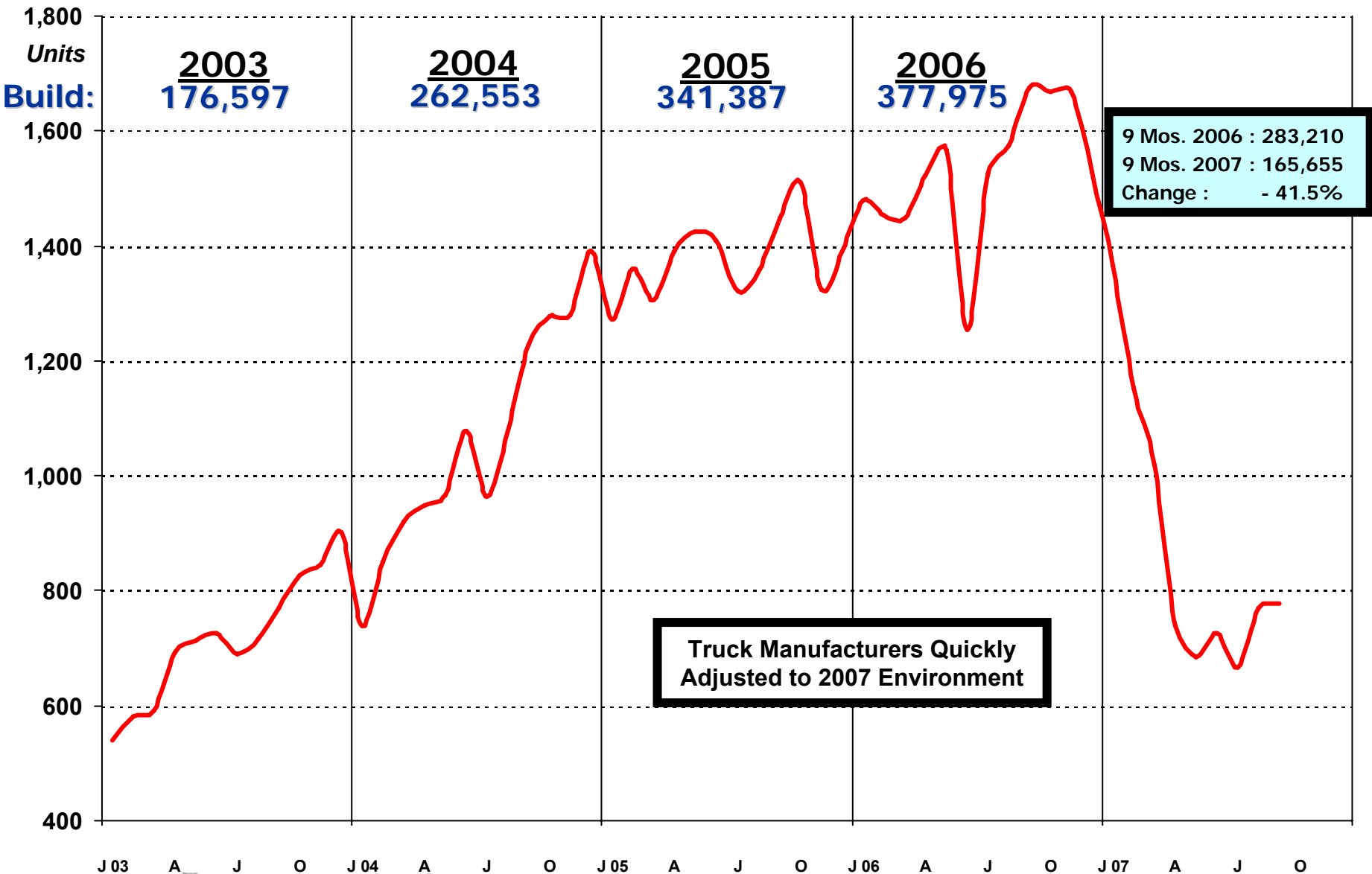
20,000

10,000

0

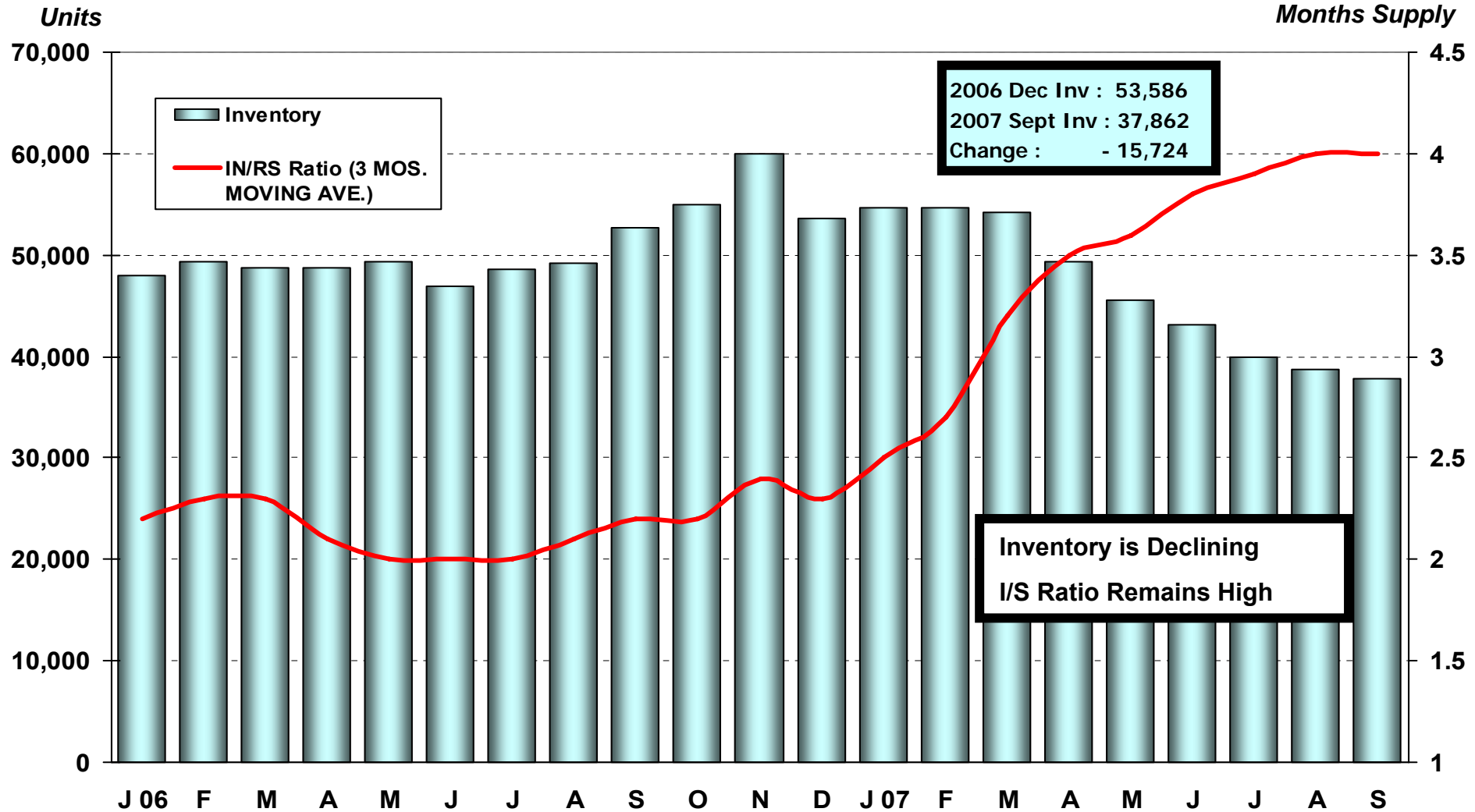


# North American Industry Build Rate



# U.S. Class 8 Industry Inventory

January 2006 – September 2007



# ***MACK CORE STRATEGIC SEGMENTS***



**TRACTOR: ECONOMIC HAUL**



**CONVENTIONAL STRAIGHT TRUCK**



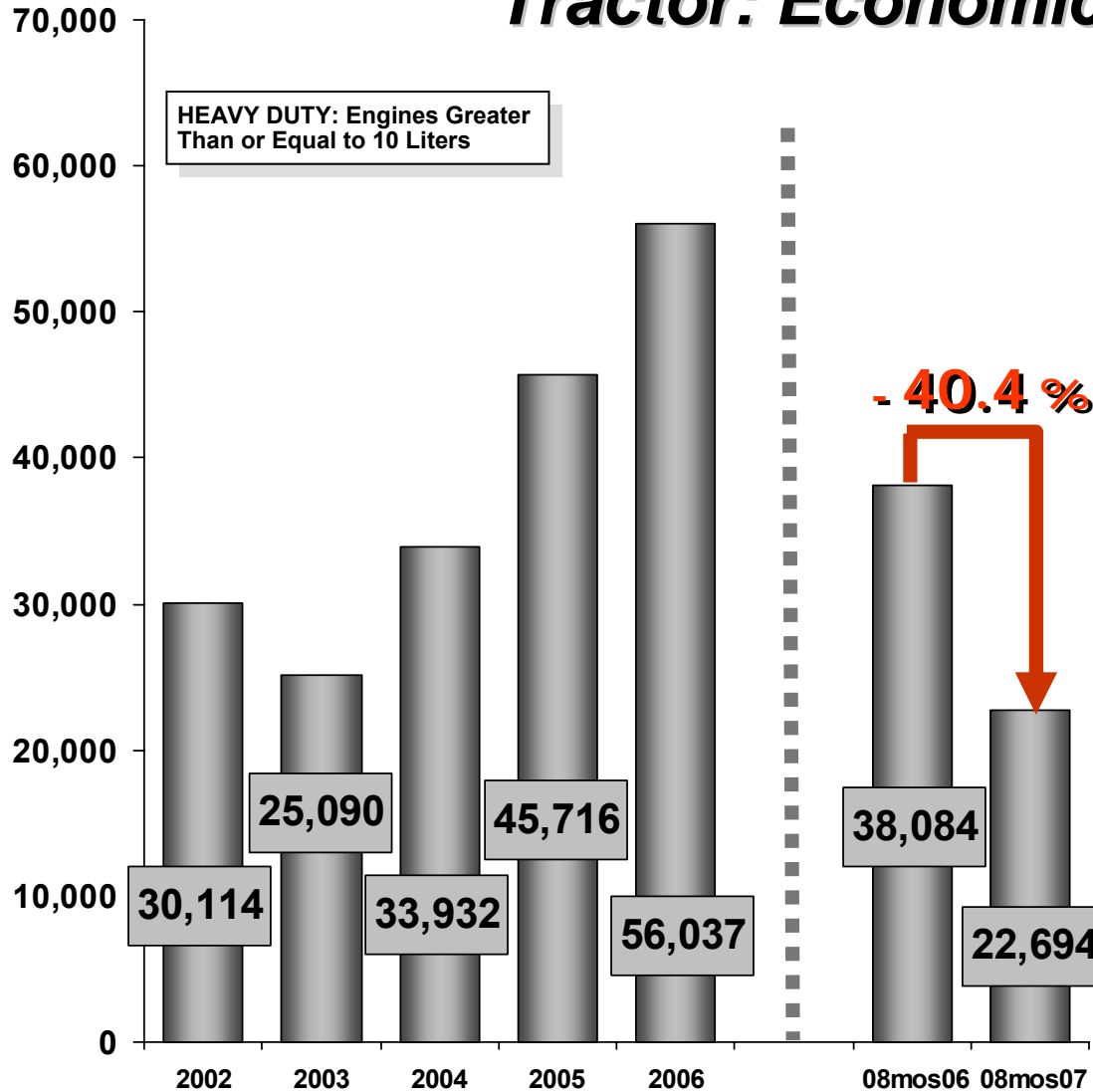
**STRAIGHT TRUCK LCOE**





# Core Strategic Segments

## Tractor: Economic Haul



- 2006: Pre-Buy
- 2007: Soft Freight Environment

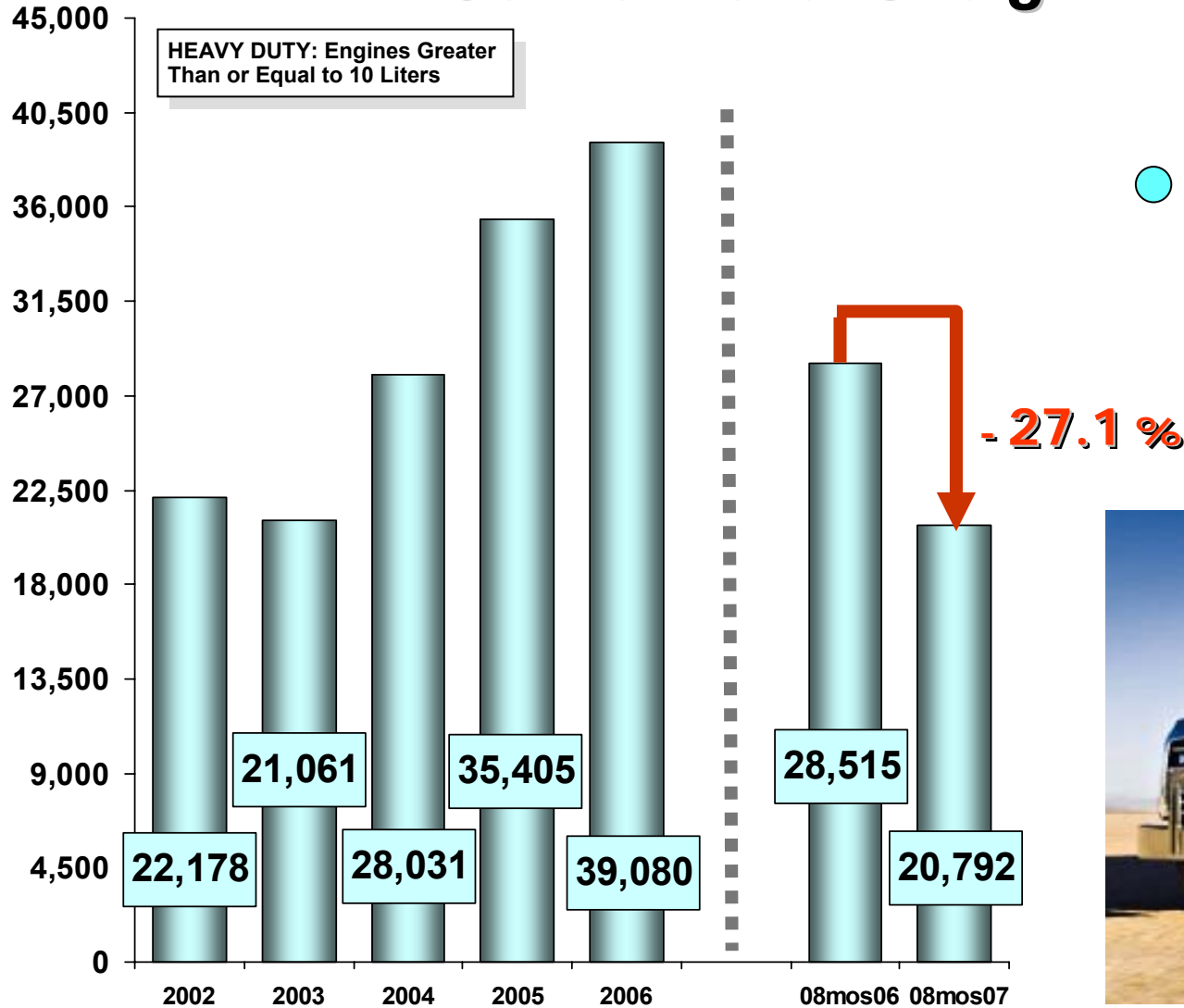


Source: R.L. Polk



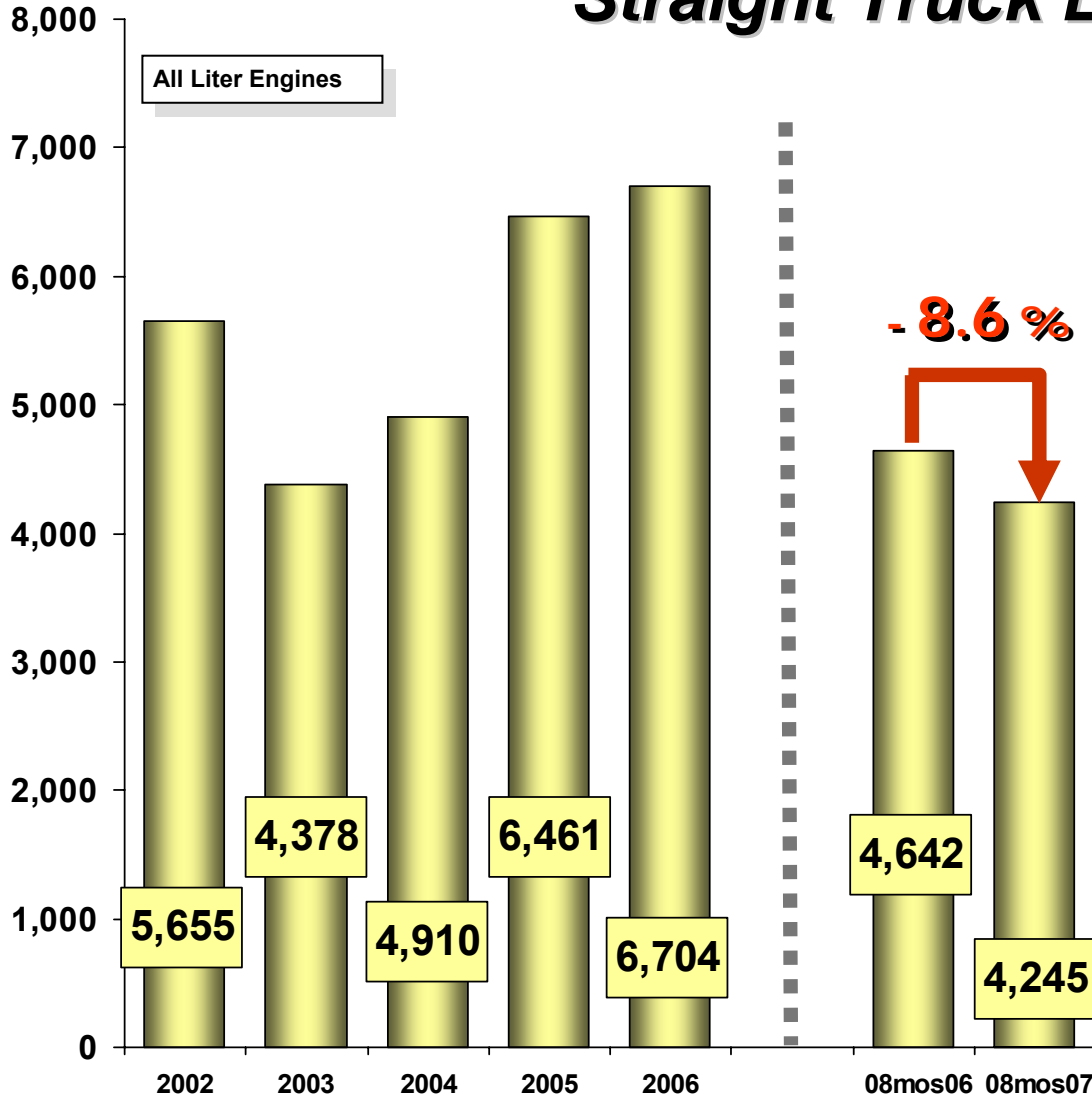
# Core Strategic Segments

## Conventional Straight Truck



# Core Strategic Segments

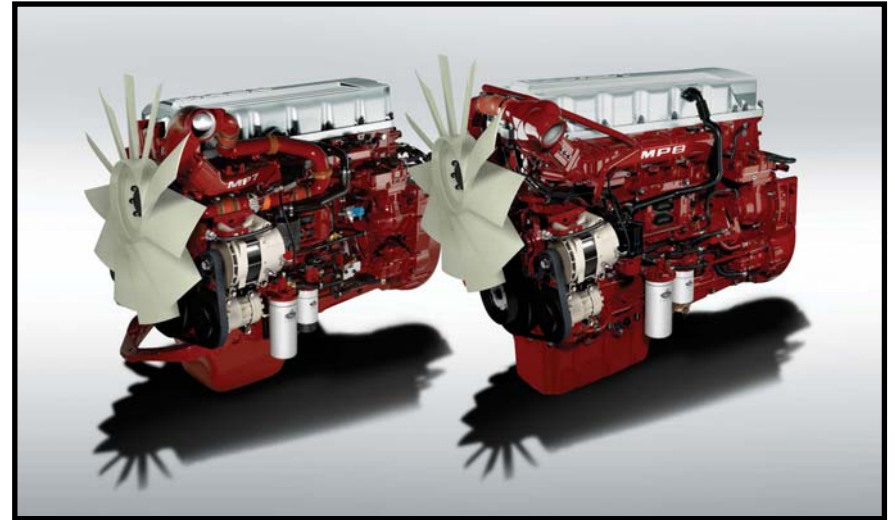
## Straight Truck LCOE



● Refuse Industry Less Volatile



# Positioned For Success





# ***Customers on New Products***

***The performance of the Pinnacle with the MP8 is extraordinary.***

***-Kevin Wills, Pine Street Salvage***

***I was amazed at the response with a 65,000-lb. payload. Everything was just phenomenal.***

***-Terry Weeks, TA Services***

***The ride and handling is great. You feel like you're driving a car.***

***-Jule Rogers, Rogers Grading***

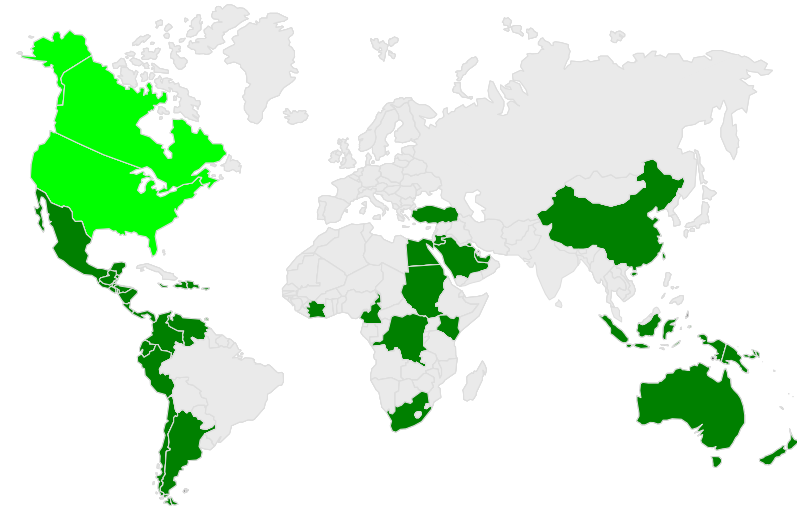
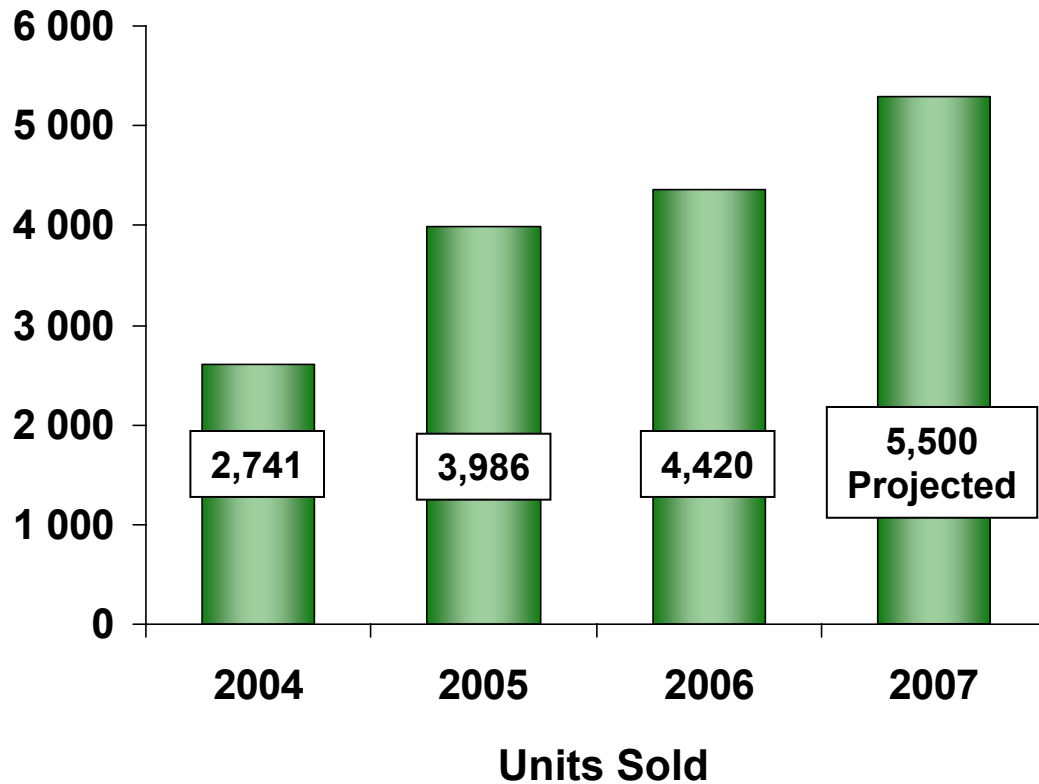
***The Granite mixer had a lot of power on the low end- torque and takeoff were great.***

***-Greg Jamerson, TXI***



# Mack International Operations

Mack products are sold and serviced in more than 45 countries worldwide



- On track to double units sold 2004 to 2007
- Expected continued growth in 2008



# ***EPA 2010***



- Mack to use combination of EGR and SCR for NOx
  - US'07 + SCR = US'10
- Extensive Volvo Group experience with SCR in Europe
- Better fuel economy with EGR and SCR than EGR-only
- Diesel Exhaust Fluid (DEF) infrastructure being developed





