

NAVISTAR INTERNATIONAL CORP
Form 424B3
August 12, 2002

Prospectus supplement to
prospectus dated June 7, 2002

Filed pursuant to Rule 424(b)(3)
Registration No. 333-87716

\$220,000,000
Navistar Financial Corporation
4.75% Subordinated Exchangeable Notes due 2009

Navistar International Corporation
3,947,605 Shares of Common Stock

This prospectus supplement amends and supplements, and should be read in conjunction with, the prospectus, dated June 7, 2002, as amended and supplemented through August 12, 2002, relating to \$220,000,000 aggregate principal amount of 4.75% Subordinated Exchangeable Notes due 2009 of Navistar Financial Corporation ("Navistar Financial"), a Delaware corporation and wholly-owned subsidiary of Navistar International Corporation ("Navistar"), a Delaware corporation, and the 3,947,605 shares of Navistar common stock, par value \$.10 per share, issuable upon exchange of the notes.

Change in Selling Securityholder Information

The following table contains information as of the date hereof with respect to the selling securityholders and the principal amount of notes and the underlying Navistar common stock offered pursuant to this prospectus supplement and the related prospectus by the selling securityholders listed below. All information regarding beneficial ownership has been furnished by the selling securityholders.

| Name | Principal Amount at Maturity of Notes Beneficially Owned That May Be Sold(1) | Percentage of Notes Outstanding(1) | Shares of Common Stock that May be Sold(1)(2) | Percentage of Common Stock Outstanding(3) |
|--------------------------|---|--|---|---|
| Arbitex Master Fund L.P. | \$ 9,000,000 | 4.09% | 161,493 | * |

*

Less than 1%.

(1)

As of the date hereof, Arbitex Master Fund L.P. beneficially owned \$16,190,000 aggregate principal amount or 7.36% of the notes and 290,508 shares or less than 1% of the common stock. In addition to the \$9,000,000 principal amount of the notes and 161,493 shares of common stock that are offered and may be sold pursuant to this prospectus supplement and the related prospectus, Arbitex Master Fund L.P. beneficially owns \$7,190,000 principal amount of the notes and 129,015 shares of common stock that had been previously sold in a transaction covered by the prospectus and that are not being offered hereby. Arbitex Master Fund L.P. may sell those notes and common stock from time to time in transactions other than pursuant to this prospectus supplement and the related prospectus.

(2)

Assumes exchange of all of the holders' notes at an exchange price of \$55.73 per share of Navistar common stock. However, this exchange price will be subject to adjustment as described under "Description of Notes Exchange" in the prospectus. As a result, the amount of Navistar common stock issuable upon exchange of the notes may increase or decrease in the future.

(3)

Calculated based on Rule 13d-3(d)(1) of the Exchange Act using 60,472,011 shares of Navistar common stock outstanding as of July 31, 2002. Assumes the number of shares of Navistar common stock issuable upon exchange of all of that particular holder's notes are outstanding. However, this does not include the exchange of any other holder's notes.

Investing in the notes and Navistar common stock involves risks. See "Risk Factors" beginning on page 4 of the prospectus.

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is August 12, 2002.
