



Rush Enterprises, Inc. Announces Agreement to Acquire Assets of Lake City International and Formation of a Division Responsible for Operating Dealerships Offering Navistar Products

SAN ANTONIO, Mar 29, 2010 (GlobeNewswire via COMTEX News Network) -- Rush Enterprises, Inc. (Nasdaq:RUSHA) (Nasdaq:RUSHB), which operates the largest network of commercial vehicle dealerships in North America and two John Deere construction equipment dealerships in southeast Texas, today announced that it signed an agreement to purchase certain assets of Lake City Companies, LLC and certain of its subsidiaries and affiliates (collectively, "Lake City International"), which operates a commercial truck, bus and agricultural equipment sales, service, parts, finance and leasing business representing multiple brands, including International, Autocar, Mitsubishi Fuso, IC Bus and Collins Bus.

Rush Enterprises also announced it intends to group the management of its Rush Truck Centers into a Peterbilt division that will be responsible for the operations of Rush's dealerships that sell and service products manufactured by Peterbilt Motors Company and a Navistar division responsible for the operations of Rush's dealerships that represent products manufactured by Navistar, Inc., including International trucks and IC buses. The senior management team of each new division will report directly to W.M. "Rusty" Rush, President and Chief Executive Officer of Rush Enterprises, but the two divisions will otherwise remain operationally independent from one another.

Lake City International currently operates five dealerships in Utah, five dealerships in Idaho and a dealership in Oregon. The proposed acquisition would expand the Company's contiguous network of Rush Truck Centers and would result in the Company operating 60 Rush Truck Center locations in 14 states.

Rush had audited revenues of \$1.2 billion for the year ending 2009 while Lake City International had unaudited revenues of \$121.9 million. Rush Enterprises estimates that the purchase price for the assets of Lake City International will be approximately \$76.5 million, comprised of approximately \$44 million for assets and goodwill and \$34.5 million for real estate less a \$2.0 million payment from affiliates of Lake City International for Rush assuming contingent liabilities of approximately \$4.9 million. At closing, Rush Enterprises anticipates that it will finance approximately \$28.5 million of the purchase price under its floor plan, accounts receivable and lease and rental truck financing arrangements. The Company intends to finance a portion of the purchase price of the real estate shortly after the closing of the acquisition. The Company expects the transaction to be accretive to future earnings. The completion of the acquisition is subject to several conditions, including the approval by International Truck and Engine Corporation and IC Bus, both divisions of Navistar, Inc., Autocar LLC and Mitsubishi Fuso Truck of America, Inc.

W. M. "Rusty" Rush said, "The acquisition of Lake City International and the reorganization of the management of our Rush Truck Centers represent an important milestone for our Company. The proposed acquisition will enable us to expand Rush's geographic footprint further across the Western United States, providing significant entry into Utah and Idaho, and providing an opportunity to build the relationship we started with Navistar and its International brand when we acquired Rush International Truck Center - Charlotte in 2008.

"We look forward to adding Lake City International's locations to the Rush Truck Centers' network of dealerships and welcome the employees of Lake City International into the Rush Enterprises organization. Lake City is a very well run and highly regarded dealer group within the International dealer network and we believe it will provide an excellent foundation for our new Navistar division."

About Rush Enterprises, Inc.

Rush Enterprises, Inc. owns and operates the largest network of commercial vehicle dealerships in the United States, representing truck and bus manufacturers including Peterbilt, International, Hino, Isuzu, Ford, UD, GMC, Blue Bird, Diamond and Elkhart and two construction equipment dealerships in southeast Texas representing John Deere construction equipment. The Company's vehicle and equipment centers are strategically located in high traffic areas on or near major highways in 11 states throughout the Southern United States. These one-stop centers offer an integrated approach to meeting customer needs -- from sales of new and used vehicles and equipment to aftermarket parts, service and body shop operations plus a wide array of financial services, including financing, insurance, leasing and rental. Rush Enterprises' operations also provide vehicle up-fitting, chrome accessories and tires. For more information, please visit www.rushenterprises.com.

The Rush Enterprises, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=3352>

Certain statements contained herein, including those concerning the proposed acquisition of Lake City International, the proposed acquisition's impact on the Company's earnings, and the Company's intention to finance a portion of the purchase price paid for the real estate are "forward-looking" statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). Because such statements include risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, competitive factors, general U.S. economic conditions, economic conditions in the new and used commercial vehicle markets, customer relations, relationships with vendors, product introductions and acceptance, changes in industry practices, one-time events and other factors described herein and in filings made by the Company with the Securities and Exchange Commission.

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