

**PACCAR Inc**  
**SUMMARY INCOME STATEMENTS**  
*(in millions except per share amounts\*)*

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	<b>2007</b>	2006	<b>2007</b>	2006
<b>Truck and Other:</b>				
Net sales and revenues	<b>\$ 3,448.5</b>	\$ 3,959.2	<b>\$10,598.4</b>	\$11,535.0
Cost of sales and revenues	<b>2,998.4</b>	3,364.9	<b>9,141.8</b>	9,817.7
Selling, general and administrative	<b>122.6</b>	111.6	<b>363.0</b>	333.8
Interest and other (income) expense, net	<b>(.1)</b>	.7	<b>(21.6)</b>	1.3
<i>Truck and Other Income Before Income Taxes</i>	<b>327.6</b>	482.0	<b>1,115.2</b>	1,382.2
<b>Financial Services:</b>				
Revenues	<b>313.2</b>	246.2	<b>864.0</b>	690.1
Interest and other	<b>201.4</b>	148.9	<b>548.1</b>	415.7
Selling, general and administrative	<b>29.0</b>	24.3	<b>81.9</b>	70.9
Provision for losses on receivables	<b>9.4</b>	6.3	<b>26.1</b>	22.3
<i>Financial Services Income Before Income Taxes</i>	<b>73.4</b>	66.7	<b>207.9</b>	181.2
Investment income	<b>24.1</b>	21.7	<b>69.8</b>	55.9
<i>Total Income Before Income Taxes</i>	<b>425.1</b>	570.4	<b>1,392.9</b>	1,619.3
Income taxes (a)	<b>122.8</b>	166.8	<b>426.7</b>	503.8
<i>Net Income</i>	<b>\$ 302.3</b>	\$ 403.6	<b>\$ 966.2</b>	\$ 1,115.5
<b>Net Income Per Share:</b>				
Basic	<b>\$ .82</b>	\$ 1.08	<b>\$ 2.60</b>	\$ 2.97
Diluted	<b>\$ .81</b>	\$ 1.07	<b>\$ 2.58</b>	\$ 2.95
<b>Weighted Average Shares Outstanding:</b>				
Basic	<b>370.4</b>	373.9	<b>372.1</b>	375.8
Diluted	<b>372.6</b>	375.9	<b>374.3</b>	377.8
Dividends declared per share	<b>\$ .18</b>	\$ .13	<b>\$ .48</b>	\$ .38

\* All share and per share amounts adjusted to reflect a 50% stock dividend declared in September 2007.

(a) Income taxes for the three and nine months ended September 30, 2007 were reduced \$8.3 from higher utilization of operating loss carryforwards in the United Kingdom. Income taxes for the three and nine months ended September 30, 2006 were reduced \$10.0 following the final calculation of taxes related to repatriation of 2005 foreign earnings.

**PACCAR Inc**  
**CONDENSED BALANCE SHEETS**  
*(in millions)*

	September 30 2007	December 31 2006
<b>ASSETS</b>		
<b>Truck and Other:</b>		
Cash and marketable debt securities	\$ 2,337.3	\$ 2,628.0
Trade and other receivables, net	746.8	665.0
Inventories	659.9	693.7
Property, plant and equipment, net	1,483.9	1,347.2
Equipment on operating leases and other	1,082.3	962.3
<b>Financial Services Assets</b>	<b>10,704.6</b>	9,811.2
	<b>\$17,014.8</b>	\$ 16,107.4
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Truck and Other:</b>		
Accounts payable, deferred revenues and other	\$ 3,278.8	\$ 3,101.7
Dividend payable		497.0
Long-term debt	24.0	20.2
<b>Financial Services Liabilities</b>	<b>8,516.2</b>	8,032.3
<b>STOCKHOLDERS' EQUITY</b>	<b>5,195.8</b>	4,456.2
	<b>\$17,014.8</b>	\$ 16,107.4
Common Shares Outstanding	368.3	372.7

**GEOGRAPHIC REVENUE DATA**

	Three Months Ended September 30		Nine Months Ended September 30	
	2007	2006	2007	2006
United States	\$ 1,151.6	\$ 2,172.5	\$ 4,346.1	\$ 6,371.2
Europe	1,613.9	1,104.0	4,489.1	3,374.9
Other	996.2	928.9	2,627.2	2,479.0
	<b>\$ 3,761.7</b>	\$ 4,205.4	<b>\$11,462.4</b>	\$12,225.1

**PACCAR Inc**  
**CONDENSED CASH FLOW STATEMENT**  
*(in millions of dollars)*

Nine Months Ended September 30	2007	2006
<b>OPERATING ACTIVITIES:</b>		
Net income	\$ 966.2	\$ 1,115.5
Depreciation and amortization:		
Property, plant and equipment	142.2	118.1
Equipment on operating leases and other	235.7	203.3
Gain on sale of property	(21.7)	
Net change in wholesale receivables on new trucks	(34.2)	(68.2)
Net change in sales-type finance leases and dealer direct loans on new trucks	48.5	(88.4)
All other operating activities	122.5	20.8
<b>Net Cash Provided by Operating Activities</b>	<b>1,459.2</b>	<b>1,301.1</b>
<b>INVESTING ACTIVITIES:</b>		
Acquisition of property, plant and equipment	(218.1)	(187.9)
Acquisition of equipment for operating leases	(556.6)	(428.5)
Net change in financial services receivables	(309.0)	(482.2)
Net change in marketable securities	9.5	(234.0)
All other investing activities	110.9	111.3
<b>Net Cash Used in Investing Activities</b>	<b>(963.3)</b>	<b>(1,221.3)</b>
<b>FINANCING ACTIVITIES:</b>		
Cash dividends paid	(670.4)	(480.7)
Purchase of treasury stock	(298.8)	(310.8)
Stock compensation transactions	30.1	31.7
Net change in financial services debt	109.7	547.4
<b>Net Cash Used in Financing Activities</b>	<b>(829.4)</b>	<b>(212.4)</b>
Effect of exchange rate changes on cash	79.6	42.6
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(253.9)</b>	<b>(90.0)</b>
Cash and cash equivalents at beginning of period	1,852.5	1,698.9
Cash and cash equivalents at end of period	<b>\$1,598.6</b>	<b>\$ 1,608.9</b>

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