

PACCAR Inc
SUMMARY STATEMENTS OF OPERATIONS

(in millions except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2018	2017*	2018	2017*
Truck, Parts and Other:				
Net sales and revenues	\$ 5,416.9	\$ 4,731.5	\$ 16,205.9	\$ 13,065.1
Cost of sales and revenues	4,653.6	4,055.6	13,836.4	11,210.5
Research and development	72.9	67.0	225.6	194.1
Selling, general and administrative	124.2	116.5	388.3	342.8
Interest and other (income), net	(7.4)	(9.8)	(42.5)	(35.7)
<i>Truck, Parts and Other Income Before Income Taxes</i>	573.6	502.2	1,798.1	1,353.4
Financial Services:				
Revenues	339.9	328.2	1,010.1	936.7
Interest and other	227.5	224.5	686.4	648.5
Selling, general and administrative	29.3	28.4	90.2	81.0
Provision for losses on receivables	4.3	4.7	14.8	17.4
<i>Financial Services Income Before Income Taxes</i>	78.8	70.6	218.7	189.8
Investment income	16.4	9.0	41.0	25.8
<i>Total Income Before Income Taxes</i>	668.8	581.8	2,057.8	1,569.0
Income taxes	123.5	179.1	440.8	483.0
Net Income	\$ 545.3	\$ 402.7	\$ 1,617.0	\$ 1,086.0
Net Income Per Share:				
Basic	\$ 1.55	\$ 1.14	\$ 4.60	\$ 3.09
Diluted	\$ 1.55	\$ 1.14	\$ 4.59	\$ 3.08
Weighted Average Shares Outstanding:				
Basic	350.7	351.9	351.6	351.7
Diluted	351.5	352.9	352.5	352.8
Dividends declared per share	\$.28	\$.25	\$.81	\$.74

* On January 1, 2018, the Company adopted ASU 2017-07, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. This ASU requires defined benefit pension plan's net non-service component expenses (income) to be reported outside of operating profit. Net non-service expenses (income) are now reported in Interest and other (income), net. The three and nine months ended 2017 net non-service pension expenses (income) have been reclassified to conform with the current presentation.

PACCAR Inc
CONDENSED BALANCE SHEETS
(in millions)

	September 30	December 31
	2018	2017
ASSETS		
Truck, Parts and Other:		
Cash and marketable debt securities	\$ 3,792.3	\$ 3,621.9
Trade and other receivables, net	1,608.6	1,127.9
Inventories, net	1,292.0	928.4
Property, plant and equipment, net	2,443.6	2,464.4
Equipment on operating leases and other, net	1,878.9	2,095.3
Financial Services Assets	14,088.0	13,202.3
	\$ 25,103.4	\$ 23,440.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Truck, Parts and Other:		
Accounts payable, deferred revenues and other	\$ 5,119.8	\$ 5,270.4
Financial Services Liabilities	10,812.6	10,119.3
STOCKHOLDERS' EQUITY	9,171.0	8,050.5
	\$ 25,103.4	\$ 23,440.2
Common Shares Outstanding	349.8	351.8

PACCAR Inc
CONDENSED CASH FLOW STATEMENTS
(in millions)

Nine Months Ended September 30	2018	2017
OPERATING ACTIVITIES:		
Net income	\$ 1,617.0	\$ 1,086.0
Depreciation and amortization:		
Property, plant and equipment	255.6	235.4
Equipment on operating leases and other	538.8	578.9
Net change in trade receivables, inventory and payables	(234.5)	(73.6)
Net increase in wholesale receivables on new trucks	(375.0)	(316.3)
All other operating activities, net	125.3	312.1
Net Cash Provided by Operating Activities	1,927.2	1,822.5
INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(334.5)	(295.9)
Acquisitions of equipment for operating leases	(1,078.4)	(1,047.8)
Net increase in financial services receivables	(695.6)	(118.0)
Net decrease (increase) in marketable debt securities	343.2	(34.8)
Proceeds from asset disposals and other	488.8	357.0
Net Cash Used in Investing Activities	(1,276.5)	(1,139.5)
FINANCING ACTIVITIES:		
Payments of cash dividends	(706.6)	(470.4)
Purchases of treasury stock	(153.2)	
Proceeds from stock compensation transactions	13.2	28.2
Net increase in debt	782.9	72.9
Net Cash Used in Financing Activities	(63.7)	(369.3)
Effect of exchange rate changes on cash	(37.7)	83.9
Net Increase in Cash and Cash Equivalents	549.3	397.6
Cash and cash equivalents at beginning of period	2,364.7	1,915.7
Cash and cash equivalents at end of period	\$ 2,914.0	\$ 2,313.3

PACCAR Inc
SEGMENT AND OTHER INFORMATION

(in millions)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2018	2017	2018	2017
Sales and Revenues:				
Truck	\$ 4,429.4	\$ 3,867.4	\$ 13,250.2	\$ 10,551.1
Parts	960.1	840.0	2,868.0	2,449.8
Financial Services	339.9	328.2	1,010.1	936.7
Other	27.4	24.1	87.7	64.2
	\$ 5,756.8	\$ 5,059.7	\$ 17,216.0	\$ 14,001.8

Pretax Profit:				
Truck	\$ 391.0	\$ 346.7	\$ 1,220.2	\$ 890.6
Parts	188.5	151.8	574.8	453.8
Financial Services	78.8	70.6	218.7	189.8
Investment Income and Other	10.5	12.7	44.1	34.8
	\$ 668.8	\$ 581.8	\$ 2,057.8	\$ 1,569.0

GEOGRAPHIC REVENUE

(in millions)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2018	2017	2018	2017
United States and Canada	\$ 3,844.3	\$ 3,205.7	\$ 10,945.1	\$ 8,652.8
Europe	1,259.5	1,236.7	4,346.1	3,693.6
Other	653.0	617.3	1,924.8	1,655.4
	\$ 5,756.8	\$ 5,059.7	\$ 17,216.0	\$ 14,001.8

NEW TRUCK DELIVERIES

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2018	2017	2018	2017
United States and Canada	28,400	23,300	78,500	61,500
Europe	14,300	12,400	45,800	40,500
Other	5,100	4,500	14,400	12,600
	47,800	40,200	138,700	114,600