

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

	Three Months Ended December 31		Year Ended December 31	
	2006	2005	2006	2005
<b>Truck and Other:</b>				
Net sales and revenues	\$ 3,968.3	\$ 3,425.5	\$15,503.3	\$13,298.4
Cost of sales and revenues	3,382.0	2,931.9	13,199.7	11,340.5
Selling, general and administrative	123.5	114.1	457.3	429.9
Interest and other (income) expense, net	(1.6)	2.2	(0.3)	11.2
<i>Truck and Other Income Before Income Taxes</i>	<b>464.4</b>	377.3	<b>1,846.6</b>	1,516.8
<b>Financial Services:</b>				
Revenues	260.7	209.5	950.8	759.0
Interest and other	158.0	122.6	573.7	433.8
Selling, general and administrative	25.0	21.9	95.9	84.9
Provision for losses on receivables	11.5	9.5	33.8	40.4
<i>Financial Services Income Before Income Taxes</i>	<b>66.2</b>	55.5	<b>247.4</b>	199.9
Investment income	25.4	17.0	81.3	56.9
<i>Total Income Before Income Taxes</i>	<b>556.0</b>	449.8	<b>2,175.3</b>	1,773.6
Income taxes (a)	175.5	136.9	679.3	640.4
<i>Net Income</i>	<b>\$ 380.5</b>	\$ 312.9	<b>\$ 1,496.0</b>	\$ 1,133.2
<b>Net Income Per Share:</b>				
Basic	\$ 1.53	\$ 1.23	\$ 5.98	\$ 4.40
Diluted	\$ 1.52	\$ 1.22	\$ 5.95	\$ 4.37
<b>Weighted Average Shares Outstanding:</b>				
Basic	248.7	254.3	250.1	257.6
Diluted	250.1	255.8	251.4	259.2
Dividends declared per share	\$ 2.20	\$ 1.50	\$ 2.77	\$ 1.91

\* All share and per share amounts adjusted to reflect a 50% stock dividend paid on August 10, 2006.

(a) Income taxes for the year ended December 31, 2005 included a \$64.0 provision for repatriation of foreign earnings.

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

	December 31	
	2006	2005
<b>ASSETS</b>		
<b>Truck and Other:</b>		
Cash and marketable debt securities	\$ 2,628.0	\$ 2,215.8
Trade and other receivables, net	665.0	582.2
Inventories	693.7	495.5
Property, plant and equipment, net	1,347.2	1,143.0
Equipment on operating leases and other	962.3	923.0
<b>Financial Services Assets</b>	<b>9,811.2</b>	8,355.9
	<b>\$16,107.4</b>	\$13,715.4
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Truck and Other:</b>		
Accounts payable, deferred revenues and other	\$ 3,101.7	\$ 2,589.3
Dividend payable	497.0	338.7
Long-term debt	20.2	28.8
<b>Financial Services Liabilities</b>	<b>8,032.3</b>	6,857.5
<b>STOCKHOLDERS' EQUITY</b>	<b>4,456.2</b>	3,901.1
	<b>\$16,107.4</b>	\$13,715.4
Common Shares Outstanding	248.5	253.3

**GEOGRAPHIC REVENUE DATA**

	Three Months Ended December 31		Year Ended December 31	
	2006	2005	2006	2005
United States	\$ 2,125.3	\$ 1,833.9	\$ 8,496.5	\$ 7,161.8
Europe	1,214.9	1,080.0	4,589.8	4,096.2
Other	888.8	721.1	3,367.8	2,799.4
	<b>\$ 4,229.0</b>	\$ 3,635.0	<b>\$16,454.1</b>	\$14,057.4

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

Year Ended December 31	2006	2005
<b>OPERATING ACTIVITIES:</b>		
Net income	\$ 1,496.0	\$ 1,133.2
Depreciation and amortization:		
Property, plant and equipment	163.4	133.3
Equipment on operating leases and other	271.2	236.8
Net change in wholesale receivables on new trucks	(64.6)	(398.9)
Net change in sales-type finance leases and dealer direct loans on new trucks	(232.4)	(194.3)
All other operating activities	219.1	76.7
<b>Net Cash Provided by Operating Activities</b>	<b>1,852.7</b>	986.8
<b>INVESTING ACTIVITIES:</b>		
Acquisition of property, plant and equipment	(312.0)	(300.4)
Acquisition of equipment for operating leases	(642.3)	(548.1)
Net change in financial services receivables	(802.2)	(759.4)
Net change in marketable securities	(232.8)	(37.3)
All other investing activities	163.2	142.6
<b>Net Cash Used in Investing Activities</b>	<b>(1,826.1)</b>	(1,502.6)
<b>FINANCING ACTIVITIES:</b>		
Cash dividends paid	(530.4)	(496.9)
Purchase of treasury stock	(312.0)	(367.2)
Stock option transactions	37.7	11.9
Net change in financial services debt	847.2	1,573.2
<b>Net Cash Provided by Financing Activities</b>	<b>42.5</b>	721.0
Effect of exchange rate changes on cash	84.5	(121.0)
<b>Net Increase in Cash and Cash Equivalents</b>	<b>153.6</b>	84.2
Cash and cash equivalents at beginning of period	1,698.9	1,614.7
Cash and cash equivalents at end of period	<b>\$ 1,852.5</b>	\$ 1,698.9

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