

**PACCAR Inc**  
**SUMMARY STATEMENTS OF OPERATIONS**  
*(in millions except per share amounts)*

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	<b>2018</b>	2017*	<b>2018</b>	2017*
<b>Truck, Parts and Other:</b>				
Net sales and revenues	<b>\$ 5,467.2</b>	\$ 4,397.9	<b>\$ 10,789.0</b>	\$ 8,333.6
Cost of sales and revenues	<b>4,647.3</b>	3,764.0	<b>9,182.8</b>	7,154.9
Research and development	<b>76.7</b>	66.1	<b>152.7</b>	127.1
Selling, general and administrative	<b>127.0</b>	111.8	<b>264.1</b>	226.3
Interest and other (income), net	<b>(16.4)</b>	(11.9)	<b>(35.1)</b>	(25.9)
<i>Truck, Parts and Other Income Before Income Taxes</i>	<b>632.6</b>	467.9	<b>1,224.5</b>	851.2
<b>Financial Services:</b>				
Revenues	<b>338.0</b>	306.3	<b>670.2</b>	608.5
Interest and other	<b>231.2</b>	210.2	<b>458.9</b>	424.0
Selling, general and administrative	<b>29.8</b>	26.9	<b>60.9</b>	52.6
Provision for losses on receivables	<b>4.6</b>	6.8	<b>10.5</b>	12.7
<i>Financial Services Income Before Income Taxes</i>	<b>72.4</b>	62.4	<b>139.9</b>	119.2
Investment income	<b>14.6</b>	8.7	<b>24.6</b>	16.8
<i>Total Income Before Income Taxes</i>	<b>719.6</b>	539.0	<b>1,389.0</b>	987.2
Income taxes	<b>160.0</b>	166.0	<b>317.3</b>	303.9
<i>Net Income</i>	<b>\$ 559.6</b>	\$ 373.0	<b>\$ 1,071.7</b>	\$ 683.3
<b>Net Income Per Share:</b>				
Basic	<b>\$ 1.59</b>	\$ 1.06	<b>\$ 3.04</b>	\$ 1.94
Diluted	<b>\$ 1.59</b>	\$ 1.06	<b>\$ 3.04</b>	\$ 1.94
<b>Weighted Average Shares Outstanding:</b>				
Basic	<b>351.7</b>	351.8	<b>352.1</b>	351.7
Diluted	<b>352.5</b>	352.7	<b>353.0</b>	352.7
Dividends declared per share	<b>\$ .28</b>	\$ .25	<b>\$ .53</b>	\$ .49

\* 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 six 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)*

	<b>June 30</b>	December 31
	<b>2018</b>	2017
<b>ASSETS</b>		
<b>Truck, Parts and Other:</b>		
Cash and marketable debt securities	\$ 3,444.8	\$ 3,621.9
Trade and other receivables, net	1,546.9	1,127.9
Inventories, net	1,258.5	928.4
Property, plant and equipment, net	2,397.4	2,464.4
Equipment on operating leases and other, net	1,877.3	2,095.3
<b>Financial Services Assets</b>	<b>13,630.9</b>	13,202.3
	<b>\$ 24,155.8</b>	<b>\$ 23,440.2</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Truck, Parts and Other:</b>		
Accounts payable, deferred revenues and other	\$ 4,969.5	\$ 5,270.4
<b>Financial Services Liabilities</b>	<b>10,406.9</b>	10,119.3
<b>STOCKHOLDERS' EQUITY</b>	<b>8,779.4</b>	8,050.5
	<b>\$ 24,155.8</b>	<b>\$ 23,440.2</b>
<b>Common Shares Outstanding</b>	<b>350.7</b>	351.8

**PACCAR Inc**  
**CONDENSED CASH FLOW STATEMENTS**  
*(in millions)*

Six Months Ended June 30	2018	2017
<b>OPERATING ACTIVITIES:</b>		
Net income	\$ 1,071.7	\$ 683.3
Depreciation and amortization:		
Property, plant and equipment	179.8	151.5
Equipment on operating leases and other	362.0	376.7
Net change in trade receivables, inventory and payables	(245.8)	(129.8)
Net increase in wholesale receivables on new trucks	(234.5)	(176.0)
All other operating activities, net	65.3	279.5
<b>Net Cash Provided by Operating Activities</b>	<b>1,198.5</b>	<b>1,185.2</b>
<b>INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	(221.6)	(188.3)
Acquisitions of equipment for operating leases	(697.0)	(728.0)
Net increase in financial services receivables	(449.9)	(21.9)
Net decrease (increase) in marketable debt securities	316.9	(76.3)
Proceeds from asset disposals	306.4	244.2
<b>Net Cash Used in Investing Activities</b>	<b>(745.2)</b>	<b>(770.3)</b>
<b>FINANCING ACTIVITIES:</b>		
Payments of cash dividends	(608.5)	(382.5)
Purchases of treasury stock	(94.2)	
Proceeds from stock compensation transactions	10.9	18.8
Net increase (decrease) in debt	413.2	(144.1)
<b>Net Cash Used in Financing Activities</b>	<b>(278.6)</b>	<b>(507.8)</b>
Effect of exchange rate changes on cash	(32.6)	57.0
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>142.1</b>	<b>(35.9)</b>
Cash and cash equivalents at beginning of period	2,364.7	1,915.7
Cash and cash equivalents at end of period	\$ 2,506.8	\$ 1,879.8

**PACCAR Inc**  
**SEGMENT AND OTHER INFORMATION**

*(in millions)*

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	<b>2018</b>	2017	<b>2018</b>	2017
<b>Sales and Revenues:</b>				
Truck	<b>\$ 4,467.8</b>	\$ 3,553.6	<b>\$ 8,820.8</b>	\$ 6,683.7
Parts	<b>968.0</b>	823.1	<b>1,907.9</b>	1,609.8
Financial Services	<b>338.0</b>	306.3	<b>670.2</b>	608.5
Other	<b>31.4</b>	21.2	<b>60.3</b>	40.1
	<b>\$ 5,805.2</b>	\$ 4,704.2	<b>\$ 11,459.2</b>	\$ 8,942.1

**Pretax Profit:**

Truck	<b>\$ 434.0</b>	\$ 312.7	<b>\$ 829.2</b>	\$ 543.9
Parts	<b>194.5</b>	151.2	<b>386.3</b>	302.0
Financial Services	<b>72.4</b>	62.4	<b>139.9</b>	119.2
Investment Income and Other	<b>18.7</b>	12.7	<b>33.6</b>	22.1
	<b>\$ 719.6</b>	\$ 539.0	<b>\$ 1,389.0</b>	\$ 987.2

**GEOGRAPHIC REVENUE**

*(in millions)*

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	<b>2018</b>	2017	<b>2018</b>	2017
United States and Canada	<b>\$ 3,654.8</b>	\$ 2,924.6	<b>\$ 7,100.8</b>	\$ 5,447.1
Europe	<b>1,499.8</b>	1,225.7	<b>3,086.6</b>	2,456.9
Other	<b>650.6</b>	553.9	<b>1,271.8</b>	1,038.1
	<b>\$ 5,805.2</b>	\$ 4,704.2	<b>\$ 11,459.2</b>	\$ 8,942.1

**NEW TRUCK DELIVERIES**

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	<b>2018</b>	2017	<b>2018</b>	2017
United States and Canada	<b>25,900</b>	21,200	<b>50,100</b>	38,200
Europe	<b>15,800</b>	13,800	<b>31,500</b>	28,100
Other	<b>4,700</b>	4,400	<b>9,300</b>	8,100
	<b>46,400</b>	39,400	<b>90,900</b>	74,400