

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

	Three Months Ended		Year Ended	
	December 31		December 31	
	<b>2008</b>	2007	<b>2008</b>	2007
<b>Truck and Other:</b>				
Net sales and revenues	<b>\$ 2,624.5</b>	\$ 3,432.0	<b>\$13,709.6</b>	\$14,030.4
Cost of sales and revenues	<b>2,341.9</b>	2,938.9	<b>11,736.9</b>	11,917.3
Research and development	<b>80.1</b>	92.1	<b>341.8</b>	255.5
Selling, general and administrative	<b>97.3</b>	128.4	<b>470.2</b>	491.4
Interest and other (income) expense, net	<b>(.1)</b>	3.0	<b>(1.8)</b>	(18.6)
<i>Truck and Other Income Before Income Taxes</i>	<b>105.3</b>	269.6	<b>1,162.5</b>	1,384.8
<b>Financial Services:</b>				
Revenues	<b>292.2</b>	327.3	<b>1,262.9</b>	1,191.3
Interest and other	<b>195.7</b>	207.2	<b>831.9</b>	755.3
Selling, general and administrative	<b>24.2</b>	29.0	<b>111.2</b>	110.9
Provision for losses on receivables	<b>26.9</b>	14.9	<b>102.9</b>	41.0
<i>Financial Services Income Before Income Taxes</i>	<b>45.4</b>	76.2	<b>216.9</b>	284.1
Investment income	<b>15.1</b>	25.6	<b>84.6</b>	95.4
<i>Total Income Before Income Taxes</i>	<b>165.8</b>	371.4	<b>1,464.0</b>	1,764.3
Income taxes	<b>52.7</b>	110.3	<b>446.1</b>	537.0
<i>Net Income</i>	<b>\$ 113.1</b>	\$ 261.1	<b>\$ 1,017.9</b>	\$ 1,227.3
Net Income Per Share:				
Basic	<b>\$ .31</b>	\$ .71	<b>\$ 2.79</b>	\$ 3.31
Diluted	<b>\$ .31</b>	\$ .71	<b>\$ 2.78</b>	\$ 3.29
Weighted Average Shares Outstanding:				
Basic	<b>362.8</b>	368.0	<b>364.2</b>	371.1
Diluted	<b>364.0</b>	370.2	<b>365.9</b>	373.3
Dividends declared per share	<b>\$ .28</b>	\$ 1.18	<b>\$ .82</b>	\$ 1.65

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

	<b>December 31 2008</b>	December 31 2007
<b>ASSETS</b>		
<b>Truck and Other:</b>		
Cash and marketable debt securities	\$ 2,074.6	\$ 2,515.0
Trade and other receivables, net	698.7	652.0
Inventories	658.1	628.3
Property, plant and equipment, net	1,782.8	1,642.6
Equipment on operating leases and other	1,005.2	1,162.0
<b>Financial Services Assets</b>	<b>10,030.4</b>	10,710.3
	<b>\$ 16,249.8</b>	\$ 17,310.2
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Truck and Other:</b>		
Accounts payable, deferred revenues and other	\$ 2,899.7	\$ 3,216.1
Dividend payable	36.3	367.1
Long-term debt	19.3	23.6
<b>Financial Services Liabilities</b>	<b>8,447.8</b>	8,690.3
<b>STOCKHOLDERS' EQUITY</b>	<b>4,846.7</b>	5,013.1
	<b>\$ 16,249.8</b>	\$ 17,310.2
Common Shares Outstanding	362.7	367.1

**GEOGRAPHIC REVENUE DATA**

	Three Months Ended December 31		Year Ended December 31	
	2008	2007	2008	2007
United States	\$ 1,077.7	\$ 1,171.4	\$ 4,765.6	\$ 5,517.5
Europe	1,252.3	1,670.5	7,023.4	6,159.6
Other	586.7	917.4	3,183.5	3,544.6
	<b>\$ 2,916.7</b>	\$ 3,759.3	<b>\$ 14,972.5</b>	\$ 15,221.7

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

Year Ended December 31	2008	2007
<b>OPERATING ACTIVITIES:</b>		
Net income	\$ 1,017.9	\$ 1,227.3
Depreciation and amortization:		
Property, plant and equipment	226.5	196.4
Equipment on operating leases and other	422.9	330.0
Gain on sale of property		(21.7)
Net change in wholesale receivables on new trucks	(246.3)	81.3
Net change in sales-type finance leases and dealer direct loans on new trucks	52.8	40.3
All other operating activities	(168.9)	201.8
<b>Net Cash Provided by Operating Activities</b>	<b>1,304.9</b>	2,055.4
<b>INVESTING ACTIVITIES:</b>		
Acquisition of property, plant and equipment	(462.8)	(425.7)
Acquisition of equipment for operating leases	(1,087.2)	(841.7)
Net change in financial services receivables	473.9	(279.3)
Net change in marketable securities	572.1	62.6
All other investing activities	252.1	187.3
<b>Net Cash Used in Investing Activities</b>	<b>(251.9)</b>	(1,296.8)
<b>FINANCING ACTIVITIES:</b>		
Cash dividends paid	(629.2)	(736.7)
Purchase of treasury stock	(230.5)	(360.5)
Stock compensation transactions	11.5	30.8
Net change in financial services debt	(19.9)	227.9
<b>Net Cash Used in Financing Activities</b>	<b>(868.1)</b>	(838.5)
Effect of exchange rate changes on cash	(87.8)	85.5
<b>Net Increase in Cash and Cash Equivalents</b>	<b>97.1</b>	5.6
Cash and cash equivalents at beginning of period	1,858.1	1,852.5
Cash and cash equivalents at end of period	<b>\$1,955.2</b>	\$1,858.1