This presentation may contain statements that are forward looking. These statements are based on current expectations and assumptions that are subject to risks and uncertainties, which may cause actual results to differ materially. A summary of risks and uncertainties is described in more detail in our periodic reports filed with the Securities and Exchange Commission (SEC).

We undertake no duty to update or revise this presentation, whether as a result of new information, future events or otherwise. For the most recent financial, risk and other information about PACCAR, please see our SEC filings and most recent earnings release available on the Investor Relations page of www.paccar.com.
PACCAR
A Global Technology Company in Commercial Vehicles

2019 Revenues $25.6B
2019 Net Income $2.39B
2019 Dividend Yield 5.1%

81 Years of Consecutive Profitability; Dividend Paid Every Year Since 1941

Truck and Other
$20.09B Revenues
Premium Quality Light, Medium and Heavy Commercial Vehicles, Diesel Engines and Powertrain Components

Aftermarket Parts
$4.02B Revenues
Distribute Aftermarket Parts through Global Network of over 2,200 Dealerships

Financial Services
$1.48B Revenues
Finance and leasing portfolio of 208,000 trucks and trailers, with assets of $16.1B

Financial Svcs
6%
Parts
16%
Truck and Other
78%
Our Culture

PACCAR is a company with a great culture and a bright future. Our focus is on doing things in an ethical and disciplined manner. We make decisions utilizing conservative financial principles and common sense for the **long-term** benefit of our customers, employees and shareholders.
PACCAR’s business segments include Commercial Vehicles, Powertrain, Aftermarket Parts, Financial Services and Information Technology. PACCAR’s premium brands Kenworth, Peterbilt and DAF are the premier light, medium and heavy duty commercial trucks in their markets. Other brands include PACCAR Powertrain, PACCAR Parts, PACCAR Financial, and PACCAR Leasing.
PACCAR’s product investments deliver industry-leading performance and value to our customers.

Our products reflect our core brand values of quality, innovation and technology.
The integrated PACCAR Powertrain is the most advanced powertrain in the market. The PACCAR MX-13 and MX-11 engines are optimally matched to the advanced PACCAR 12-Speed automated transmission and the efficient 40K tandem drive axle to achieve exceptional performance and fuel economy.

The PACCAR MX-13 engine offers 510 hp and 1,850 lb.-ft. of torque and the PACCAR MX-11 engine features 430 hp and 1,650 lb.-ft. of torque. PACCAR designs MX engines to an industry-leading B10 life of one million miles. This means 90% of PACCAR MX-13 and MX-11 engines are expected to reach one million miles without the need for a major overhaul.

In addition to the PACCAR tandem drive axle, Kenworth and Peterbilt offer the PACCAR steer axle. DAF trucks include a range of lightweight and durable PACCAR front and rear axles.
PACCAR Truck Production
Over 1.4 Million Trucks Produced 2010 - 2019

PACCAR produced a record 198,800 trucks in 2019

Units (000s)

<table>
<thead>
<tr>
<th>Year</th>
<th>Brasil</th>
<th>Australia</th>
<th>Mexico</th>
<th>Canada</th>
<th>US</th>
<th>Europe</th>
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<td>2010</td>
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</tr>
<tr>
<td>2011</td>
<td>138.0</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>2012</td>
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<td>2013</td>
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<tr>
<td>2014</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>2015</td>
<td>154.7</td>
<td></td>
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<tr>
<td>2016</td>
<td>140.9</td>
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<tr>
<td>2017</td>
<td>158.9</td>
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<td></td>
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<td></td>
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<tr>
<td>2018</td>
<td>189.1</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>198.8</td>
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</tr>
</tbody>
</table>

Over 1.4 Million Trucks Produced 2010 - 2019

PACCAR produced a record 198,800 trucks in 2019
PACCAR
Excellent Financial Performance Throughout the Business Cycle

- Reputation for superior operational excellence
- Increase in revenues and net income reflect growth in market share in North America and Europe, record aftermarket parts sales and growth in financial services
- Maintain profitability throughout the cycle due to strong cost control discipline and experienced management team
PACCAR maintains a strong liquidity position to manage through all phases of the business cycle

- Strong cash & marketable securities position: $4.5 billion as of Sept 30, 2020
- No manufacturing debt
- Excellent liquidity reserve for Financial Services debt maturities
- Credit ratings: S&P A+, Moody’s A1
- Finance Company:
  - High quality portfolio secured by truck collateral
  - Conservative debt to equity ratio of 3.0 as of Sept 30, 2020
  - Matched-term funding
  - Currency matched
PACCAR’s operating margin has been at the top of the industry since 2012, reflecting the premium value of our products and our leadership in operating efficiency.

This is a testament to the outstanding performance of PACCAR’s employees.
Best-in-Class Operating Efficiency
Inventory Turns

PACCAR’s inventory turns are the highest in the industry, a result of the PACCAR Production System, Lean Manufacturing and Six Sigma.
PACCAR’s SG&A as a percentage of sales is much lower than its peer group, reflecting strong financial discipline.
• Net income per truck is PACCAR’s net income divided by total truck unit sales.

• Truck sales not only generate profit from the sale, but also parts and finance profit. This illustrates the strength of PACCAR’s business model, providing the highest quality trucks, aftermarket support and financing.

• PACCAR achieved record net income per truck in 2019.
PACCAR’s high profitability, strong working capital management and prudent investments resulted in best in class return on invested capital of 26.3% in 2019, and an average of 23.1% over the last five years.

ROIC = NOPAT/(Equity + Manufacturing Debt + Postemployment Benefit Liabilities)
Capital Allocation Strategy

• High ROI Capital Investments
  − ROIC 26.3% 2019

• Pay Regular Quarterly and Annual Dividend
  − Dividend paid every year since 1941
  − Total dividends paid approximately 50% of net income for many years
  − Regular quarterly dividend 20-year annualized growth of 11%
  − Total 2019 dividends declared increased 16% (yoy)

• Share Buybacks
  − $500 Million authorized; $390 Million remaining as of 9/30/2020

• Strategic M&A
  − Disciplined valuation and screening process
  − Clear path to value creation

• No Unfunded Pension Obligation
Dividends Declared and Stock Repurchases

CAGR = 10%

$ Millions

Dividends
Stock Repurchased
**Excellent Dividend Yield**

- PACCAR’s dividend yield, reflects the total quarterly + special dividends declared in the year, divided by the average stock price for the year.

- PACCAR’s dividend yield has increased over the last 10 years, and averaged 3.4%.

*Average Dividend Yield = 3.4%*
Trucking is the lifeblood of the economy. In the U.S., the economy depends on trucks to deliver ten billion tons of virtually every commodity consumed - 71% of all the freight transported annually. 36.9 million commercial trucks, including 3.9 million heavy-duty trucks, move that freight. The percentage of tonnage by mode is stable over time.
>6t Global Truck Market

2014 – 2.6 Million
2019 – 3.1 Million

North America

South America

Europe

Africa & Middle East

India

Russia/CIS

Rest of Asia

Australia

PACCAR Truck Assembly

Units in Thousands

2014 2019
• PACCAR competes globally with truck manufacturers from North America, Europe and Asia

• PACCAR was the 7th largest heavy-duty manufacturer in the world last year, 4th among the multinational competitors.
>16t Truck Market Size

2020 Market Forecast Estimate
- U.S. and Canada: 190,000 – 210,000
- Europe: 210,000 – 230,000
- S. America: 75,000 – 85,000

2021 Market Forecast Estimate
- U.S. and Canada: 210,000 – 250,000
- Europe: 230,000 – 270,000
- S. America: 95,000 – 105,000
PACCAR Strategy

Quality

Technology

Innovation

Brand Values

Premium Products and Services

Profitable Market Share Growth

Geographic Expansion

Profitable Growth
Operating cash flow has averaged $2.7 billion for the last five years and has grown 6% annually over the last 20 years.

Strong operating cash flow enables PACCAR to invest in growth throughout the business cycle.

PACCAR has invested $6.8 billion in capital projects, innovative products and new technologies in the last decade through 2019.

Key investments:
- DAF XF/CF trucks
- PACCAR MX-13 and MX-11 engine factory in North America
- Kenworth and Peterbilt 2.1 meter wide cab program in North America, South America, and Australia
- DAF Brasil factory
- PACCAR Parts distribution centers
The PACCAR MX-13 is the flagship of PACCAR’s engine line-up with over 500,000 engines in operation in Europe and over 220,000 engines in operation in North America and a growing presence in South America and Australia.

- Produced the 200,000th MX engine for North America in March 2019
- PACCAR expanded its engine program in 2013 with the introduction of the PACCAR MX-11 in Europe. The MX-11 was launched in North America in January 2016.

### Cumulative PACCAR MX Engines Produced

<table>
<thead>
<tr>
<th>Year</th>
<th>PACCAR MX-11</th>
<th>PACCAR MX-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>10.8 Liter</td>
<td>12.9 Liter</td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
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<td>2016</td>
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<tr>
<td>2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Engine Specifications
- **PACCAR MX-11**: 10.8 Liter
- **PACCAR MX-13**: 12.9 Liter
PACCAR is an industry leader in innovative technologies that enhance our vehicles.

Three emerging technology areas that will provide PACCAR future growth opportunities are connectivity, electrification and autonomy.
PACCAR has more than 60 alternative powertrain trucks presently in field-testing with customers.
PACCAR Innovation Center in Silicon Valley enhances PACCAR’s access to emerging technologies and talent from around the world.

- The Innovation Center collaborates with other PACCAR engineering teams to develop next generation technologies such as autonomous trucks.

- The Innovation Center truck lab is equipped with the tools needed to integrate emerging technologies.
PACCAR Global Embedded Services

PACCAR has three embedded service technology centers located at Kenworth in Kirkland, WA, at DAF in Eindhoven, the Netherlands; and in Pune, India.

The centers will accelerate embedded software development and connected vehicle solutions to benefit customers’ operating efficiency.
PACCAR Facility Investments

DAF Factory, Ponta Grossa, Brasil

Dynacraft, McKinney, Texas

PACCAR Engine Factories

Kenworth New Cab Paint Facility, Chillicothe, OH
PACCAR Parts achieved $4.02 billion in sales in 2019, a 5% increase over a year ago and a CAGR of 7% over the last 15 years.

Growth Drivers:
- Growing population of Kenworth, Peterbilt and DAF trucks due to geographic expansion and market share growth
- Growing population of PACCAR engines due to North America introduction in 2010
- Best-in-class Distribution Network
  - 18 parts distribution centers and 2,200+ dealer locations
- Proprietary, PACCAR Genuine and TRP branded parts enhance margins
- Growing network of TRP stores

Las Vegas Parts Distribution Center Opened June 2020
PACCAR Parts Distribution Centers and Dealers
18 PDCs in 11 Countries; 2,200+ Dealer Locations

PACCAR Distribution Centers
KW, PB, DAF Dealers

- PACCAR Distribution Centers
- KW, PB, DAF Dealers
PACCAR Global Dealer Network

- Independent dealer network of 2,200+ dealer locations
- Premium customer experience
- Strong dealer profitability and expanded opportunities from PACCAR engines and TRP stores
- Competitive flooring and retail financing provided by PACCAR Financial and PACCAR Leasing
Growth in Kenworth and Peterbilt Dealer Locations
U.S. and Canada

Locations

- PACCAR MX-13 Introduced in 2010
- Dealer Investments of $1.7 Billion since 2010
- Over 60% Growth in Dealer Locations
- Drives Long-Term PACCAR Parts Growth

October 2020
Page 35
PACCAR Financial Services Strategy

• PACCAR Financial Services supports truck sales by providing financing and leasing services to PACCAR customers

• In 2019, PACCAR Financial financed 24.5% of all Kenworth, Peterbilt and DAF trucks

• Geographical diversification, disciplined credit underwriting, and rigorous portfolio management have enabled PACCAR Financial to earn excellent profits throughout the business cycle.

• Key strategies and investments:
  - Predictive data analytics for credit quality
  - Expanded used truck centers
  - Mobile finance and credit system
  - E-Contract and e-signature
  - Customer on-line portal

Total Assets 9/30/20 = $15.3 Billion

- U.S. & Canada: $7.5 Billion (49%)
- Europe: $3.8 Billion (25%)
- Australia, Mexico & Brasil: $1.4 Billion (9%)
- PacLease: $2.6 Billion (17%)

Low 30+ Days Past Due
Since 1999, PACCAR’s above 16 tonne market share has increased in all home markets.

Kenworth is the market leader in Australia.

PACCAR’s investment in truck manufacturing in Brasil supports PACCAR’s medium-term goal of 10% market share for Kenworth and DAF products in South America.
Long-Term Growth in PACCAR Medium Duty Market Share

- Since 1999, PACCAR’s medium duty market share has increased in the U.S. and Canada and in Europe.
- In the U.S. and Canada, Kenworth and Peterbilt achieved a share of 16.5% in 2019.
- DAF share grew to 9.7% in Europe in 2019.
Environmental Leadership

CDP “A” Rating

PACCAR Achieved an “A” rating for its Environmental Practices; Top 2% of over 8,000 Reporting Companies

Facilities

88% of PACCAR Manufacturing Locations have Achieved ISO 14001 Certification

81% of PACCAR Locations are “Zero Waste to Landfill”
Third Quarter 2020 Earnings
# PACCAR Revenues and Profit

81 consecutive years of net profit

Dividends every year since 1941

<table>
<thead>
<tr>
<th>($ in Millions)</th>
<th>3rd Quarter</th>
<th></th>
<th>Nine Months</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
<td>2020</td>
<td>2019</td>
</tr>
<tr>
<td>Revenues</td>
<td>$4,936</td>
<td>$6,367</td>
<td>$13,160</td>
<td>$19,483</td>
</tr>
<tr>
<td>Net Income</td>
<td>$386</td>
<td>$608</td>
<td>$893</td>
<td>$1,857</td>
</tr>
<tr>
<td>Return on Revenues</td>
<td>7.8%</td>
<td>9.5%</td>
<td>6.8%</td>
<td>9.5%</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>$1.11</td>
<td>$1.75</td>
<td>$2.57</td>
<td>$5.34</td>
</tr>
<tr>
<td>New Truck Deliveries (units)</td>
<td>36,000</td>
<td>49,300</td>
<td>92,500</td>
<td>153,100</td>
</tr>
</tbody>
</table>
Sales and Revenues (Billions of Dollars)

- 2019: $6.37
- 2020: $4.94

Net Income (Millions of Dollars)

- 2019: $608
- 2020: $386

- Sales and Revenues of $4.94 Billion
- Deliveries of 36,000 Trucks
- Net Income of $385.5 Million
- After-tax Return on Revenues of 7.8%
- PACCAR Parts Revenues of $1.02 Billion
- PACCAR Parts Pretax Income of $210.2 Million
- Financial Services Pretax Income of $55.5 Million
- R&D Expenses of $64.7 Million
- Capital Investments of $130.0 Million
Truck margins increased through 2019 due to new products and operating efficiencies.

Truck margins in nine months of 2020 affected by lower production volumes resulting from coronavirus shut downs.

Parts margins have benefited from distribution and technology investments and growing populations of PACCAR trucks and engines.
Sales decreased 30%

Pretax operating profit of $210.1 million

Third quarter 2020 deliveries of 36,000 trucks compared to 49,300 truck in the same period a year ago

Truck deliveries doubled compared to second quarter 2020
Aftermarket Parts
Third Quarter 2020 vs. Third Quarter 2019

- Sales increased 1.5%
- Pretax profit increased 1.4%
- Third quarter parts sales and profits benefited from a stronger economy, increased vehicle utilization and growth in PACCAR Parts’ e-commerce platform
Financial Services
Balance Sheet & Third Quarter Profit

<table>
<thead>
<tr>
<th>Segment Pretax Profit (Millions of Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
</tr>
<tr>
<td>2020</td>
</tr>
<tr>
<td>$67</td>
</tr>
<tr>
<td>$56</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>$ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/30/2020</td>
</tr>
<tr>
<td>------------</td>
</tr>
<tr>
<td>Finance &amp; Other Receivables $11,325</td>
</tr>
<tr>
<td>Equipment on Operating Leases 2,983</td>
</tr>
<tr>
<td>Other Assets 970</td>
</tr>
<tr>
<td>Total Financial Services Assets $15,278</td>
</tr>
<tr>
<td>Commercial Paper &amp; Bank Loans $2,616</td>
</tr>
<tr>
<td>Term Notes 7,776</td>
</tr>
<tr>
<td>Deferred Taxes &amp; Other Liabilities 1,386</td>
</tr>
<tr>
<td>Total Financial Services Liabilities 11,778</td>
</tr>
<tr>
<td>Equity 3,500</td>
</tr>
<tr>
<td>Total Liabilities &amp; Equity $15,278</td>
</tr>
</tbody>
</table>

- Robust new financing business
- Portfolio performed well with low provision for bad debt and 0.6% past dues
- High quality portfolio of 203,000 trucks and trailers
- Sold a record number of used trucks
- Used truck centers recently opened in Lyon, France, Denton, Texas, and Prague, Czech Republic. Madrid, Spain, center will open in 2021.
PACCAR Inc
A+/A1 Credit Ratings

- Superb balance sheet
- $4.4 billion in manufacturing cash and securities to support growth opportunities and investments in all phases of the cycle
- No manufacturing debt – a capital structure that has proven beneficial throughout the business cycle
- A+/A1 credit rating provides excellent access to the credit markets for PACCAR Financial Services

<table>
<thead>
<tr>
<th>($ Millions)</th>
<th>9/30/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mfg Cash &amp; Securities</td>
<td>$ 4,413</td>
</tr>
<tr>
<td>Other Manufacturing Assets</td>
<td>7,543</td>
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<tr>
<td>Financial Services Assets</td>
<td>15,278</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$ 27,234</td>
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<tr>
<td>Manufacturing Debt</td>
<td>$ -</td>
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<tr>
<td>Manufacturing Liabilities</td>
<td>5,271</td>
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<tr>
<td>Financial Services Liabilities</td>
<td>11,778</td>
</tr>
<tr>
<td>Shareholders' Equity</td>
<td>10,185</td>
</tr>
<tr>
<td>Total Liabilities &amp; Equity</td>
<td>$ 27,234</td>
</tr>
</tbody>
</table>
PACCAR Competitive Advantages

- Experienced Management Team
- Highest Quality Products
- Rigorous Cost Control
- Innovative Technology
- Excellent Supplier Partnerships
- Global Aftermarket Parts Sales
- Profitable Financial Services
- Strongest Dealer Network