

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

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

	June 30	December 31
	2018	2017
ASSETS		
Truck, Parts and Other:		
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
Financial Services Assets	13,630.9	13,202.3
	\$ 24,155.8	\$ 23,440.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Truck, Parts and Other:		
Accounts payable, deferred revenues and other	\$ 4,969.5	\$ 5,270.4
Financial Services Liabilities	10,406.9	10,119.3
STOCKHOLDERS' EQUITY	8,779.4	8,050.5
	\$ 24,155.8	\$ 23,440.2
Common Shares Outstanding	350.7	351.8

PACCAR Inc
CONDENSED CASH FLOW STATEMENTS
(in millions)

Six Months Ended June 30	2018	2017
OPERATING ACTIVITIES:		
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
Net Cash Provided by Operating Activities	1,198.5	1,185.2
INVESTING ACTIVITIES:		
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
Net Cash Used in Investing Activities	(745.2)	(770.3)
FINANCING ACTIVITIES:		
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)
Net Cash Used in Financing Activities	(278.6)	(507.8)
Effect of exchange rate changes on cash	(32.6)	57.0
Net Increase (Decrease) in Cash and Cash Equivalents	142.1	(35.9)
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	
	2018	2017	2018	2017
Sales and Revenues:				
Truck	\$ 4,467.8	\$ 3,553.6	\$ 8,820.8	\$ 6,683.7
Parts	968.0	823.1	1,907.9	1,609.8
Financial Services	338.0	306.3	670.2	608.5
Other	31.4	21.2	60.3	40.1
	\$ 5,805.2	\$ 4,704.2	\$ 11,459.2	\$ 8,942.1

Pretax Profit:

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

GEOGRAPHIC REVENUE

(in millions)

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

NEW TRUCK DELIVERIES

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