

PACCAR Inc

SUMMARY STATEMENTS OF OPERATIONS

(in millions except per share amounts)

	Three Months Ended March 31	
	2018	2017*
Truck, Parts and Other:		
Net sales and revenues	\$ 5,321.8	\$ 3,935.7
Cost of sales and revenues	4,535.5	3,390.9
Research and development	76.0	61.0
Selling, general and administrative	137.1	114.5
Interest and other (income), net	(18.7)	(14.0)
<i>Truck, Parts and Other Income Before Income Taxes</i>	591.9	383.3
Financial Services:		
Revenues	332.2	302.2
Interest and other	227.7	213.8
Selling, general and administrative	31.1	25.7
Provision for losses on receivables	5.9	5.9
<i>Financial Services Income Before Income Taxes</i>	67.5	56.8
Investment income	10.0	8.1
<i>Total Income Before Income Taxes</i>	669.4	448.2
Income taxes	157.3	137.9
<i>Net Income</i>	\$ 512.1	\$ 310.3
Net Income Per Share:		
Basic	\$ 1.45	\$.88
Diluted	\$ 1.45	\$.88
Weighted Average Shares Outstanding:		
Basic	352.5	351.6
Diluted	353.5	352.7
Dividends declared per share	\$.25	\$.24

* 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 first quarter 2017 net non-service pension expenses (income) have been reclassified to conform with the current presentation.

PACCAR Inc
CONDENSED BALANCE SHEETS
(in millions)

	March 31	December 31
	2018	2017
ASSETS		
Truck, Parts and Other:		
Cash and marketable debt securities	\$ 3,472.0	\$ 3,621.9
Trade and other receivables, net	1,468.8	1,127.9
Inventories, net	1,068.3	928.4
Property, plant and equipment, net	2,454.7	2,464.4
Equipment on operating leases and other, net	1,727.6	2,095.3
Financial Services Assets	13,590.3	13,202.3
	\$ 23,781.7	\$ 23,440.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Truck, Parts and Other:		
Accounts payable, deferred revenues and other	\$ 4,841.3	\$ 5,270.4
Financial Services Liabilities	10,373.1	10,119.3
STOCKHOLDERS' EQUITY	8,567.3	8,050.5
	\$ 23,781.7	\$ 23,440.2
Common Shares Outstanding	352.1	351.8

PACCAR Inc
CONDENSED CASH FLOW STATEMENTS
(in millions)

Three Months Ended March 31	2018	2017
OPERATING ACTIVITIES:		
Net income	\$ 512.1	\$ 310.3
Depreciation and amortization:		
Property, plant and equipment	93.6	73.9
Equipment on operating leases and other	179.9	185.3
Net change in trade receivables, inventory and payables	(46.4)	(127.6)
Net increase in wholesale receivables on new trucks	(233.0)	(80.8)
All other operating activities, net	22.3	249.4
Net Cash Provided by Operating Activities	528.5	610.5
INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(98.4)	(92.7)
Acquisitions of equipment for operating leases	(276.7)	(336.6)
Net (increase) decrease in financial services receivables	(131.1)	31.7
Net decrease (increase) in marketable debt securities	320.1	(60.2)
Proceeds from asset disposals	130.0	120.8
Net Cash Used in Investing Activities	(56.1)	(337.0)
FINANCING ACTIVITIES:		
Payments of cash dividends	(510.1)	(294.7)
Purchases of treasury stock	(16.7)	
Proceeds from stock compensation transactions	9.5	17.8
Net increase (decrease) in debt	174.8	(168.8)
Net Cash Used in Financing Activities	(342.5)	(445.7)
Effect of exchange rate changes on cash	9.5	20.9
Net Increase (Decrease) in Cash and Cash Equivalents	139.4	(151.3)
Cash and cash equivalents at beginning of period	2,364.7	1,915.7
Cash and cash equivalents at end of period	\$ 2,504.1	\$ 1,764.4

PACCAR Inc
SEGMENT AND OTHER INFORMATION
(in millions)

	Three Months Ended March 31	
	2018	2017
Sales and Revenues:		
Truck	\$ 4,353.0	\$ 3,130.1
Parts	939.9	786.7
Financial Services	332.2	302.2
Other	28.9	18.9
	\$ 5,654.0	\$ 4,237.9
Pretax Profit:		
Truck	\$ 395.2	\$ 231.2
Parts	191.8	150.8
Financial Services	67.5	56.8
Investment Income and Other	14.9	9.4
	\$ 669.4	\$ 448.2

GEOGRAPHIC REVENUE

(in millions)

	Three Months Ended March 31	
	2018	2017
United States and Canada	\$ 3,446.0	\$ 2,522.5
Europe	1,586.8	1,231.2
Other	621.2	484.2
	\$ 5,654.0	\$ 4,237.9

NEW TRUCK DELIVERIES

	Three Months Ended March 31	
	2018	2017
United States and Canada	24,200	17,000
Europe	15,700	14,300
Other	4,600	3,700
	44,500	35,000