

PACCAR Inc
SUMMARY STATEMENTS OF OPERATIONS

(in millions except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2023	2022	2023	2022
Truck, Parts and Other:				
Net sales and revenues	\$ 8,232.3	\$ 6,687.0	\$24,723.7	\$19,579.6
Cost of sales and revenues	6,626.7	5,689.3	19,971.5	16,785.8
Research and development	103.5	82.9	302.0	241.3
Selling, general and administrative	143.6	137.7	448.3	430.6
Interest and other (income) expense, net	(16.3)	(35.0)	544.8 (1)	(89.4)
<i>Truck, Parts and Other Income Before Income Taxes</i>	1,374.8	812.1	3,457.1	2,211.3
Financial Services:				
Revenues	464.1	371.9	1,327.1	1,110.6
Interest and other	285.4	193.2	774.8	568.3
Selling, general and administrative	38.7	33.3	110.9	100.9
Provision for losses on receivables	6.2	(.8)	14.1	3.8
<i>Financial Services Income Before Income Taxes</i>	133.8	146.2	427.3	437.6
Investment income	80.8	21.4	192.5	24.3
<i>Total Income Before Income Taxes</i>	1,589.4	979.7	4,076.9	2,673.2
Income taxes	360.9	210.3	893.4	582.9
Net Income	\$ 1,228.5	\$ 769.4	\$ 3,183.5	\$ 2,090.3
Net Income Per Share:				
Basic	\$ 2.35	\$ 1.47	\$ 6.08	\$ 4.00
Diluted	\$ 2.34	\$ 1.47	\$ 6.07	\$ 3.99
Weighted Average Shares Outstanding:				
Basic	524.1	522.7	523.8	522.5
Diluted	525.3	523.3	524.8	523.3
Dividends declared per share	\$.27	\$.23	\$.77	\$.69

(1) Includes a \$600.0 million non-recurring charge related to civil litigation in Europe (EC-related claims) in the first quarter 2023.

PACCAR Inc
CONDENSED BALANCE SHEETS
(in millions)

	September 30	December 31
	2023	2022
ASSETS		
Truck, Parts and Other:		
Cash and marketable securities	\$ 7,440.0	\$ 6,158.9
Trade and other receivables, net	2,303.6	1,919.8
Inventories, net	2,622.4	2,198.8
Property, plant and equipment, net	3,613.7	3,468.4
Equipment on operating leases and other, net	2,499.5	2,350.0
Financial Services Assets	19,560.3	17,179.6
	\$ 38,039.5	\$ 33,275.5
LIABILITIES AND STOCKHOLDERS' EQUITY		
Truck, Parts and Other:		
Accounts payable, deferred revenues and other	\$ 7,371.3	\$ 7,185.6
Financial Services Liabilities	14,645.1	12,922.8
STOCKHOLDERS' EQUITY	16,023.1	13,167.1
	\$ 38,039.5	\$ 33,275.5
Common Shares Outstanding	523.1	522.0

PACCAR Inc
CONDENSED CASH FLOW STATEMENTS
(in millions)

Nine Months Ended September 30	2023	2022
OPERATING ACTIVITIES:		
Net income	\$ 3,183.5	\$ 2,090.3
Depreciation and amortization:		
Property, plant and equipment	308.2	239.7
Equipment on operating leases and other	370.2	345.9
Net change in trade receivables, inventory and payables	(86.0)	(148.0)
Net increase in wholesale receivables on new trucks	(1,006.8)	(577.8)
All other operating activities, net	234.2	(171.9)
Net Cash Provided by Operating Activities	3,003.3	1,778.2
INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(497.2)	(393.7)
Acquisitions of equipment for operating leases	(401.9)	(688.1)
Net increase in financial services receivables	(1,362.0)	(642.4)
Net increase in marketable debt securities	(136.5)	(132.3)
Proceeds from asset disposals and other	466.5	538.0
Net Cash Used in Investing Activities	(1,931.1)	(1,318.5)
FINANCING ACTIVITIES:		
Payments of cash dividends	(1,377.3)	(875.9)
Purchases of treasury stock	(3.1)	(2.0)
Proceeds from stock compensation transactions	43.1	21.7
Net increase in debt and other	1,496.8	437.3
Net Cash Provided by (Used in) Financing Activities	159.5	(418.9)
Effect of exchange rate changes on cash	(16.3)	(145.6)
Net Increase (Decrease) in Cash and Cash Equivalents	1,215.4	(104.8)
Cash and cash equivalents at beginning of period	4,690.9	3,428.3
Cash and cash equivalents at end of period	\$ 5,906.3	\$ 3,323.5

PACCAR Inc
SEGMENT AND OTHER INFORMATION

(in millions)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2023	2022	2023	2022
Sales and Revenues:				
Truck	\$ 6,636.4	\$ 5,198.2	\$ 19,877.7	\$ 15,231.7
Parts	1,582.2	1,471.5	4,804.1	4,295.1
Financial Services	464.1	371.9	1,327.1	1,110.6
Other	13.7	17.3	41.9	52.8
	\$ 8,696.4	\$ 7,058.9	\$ 26,050.8	\$ 20,690.2
Pretax Profit:				
Truck	\$ 960.9	\$ 430.5	\$ 2,803.5	\$ 1,129.3
Parts	412.3	373.6	1,270.2	1,067.1
Financial Services	133.8	146.2	427.3	437.6
Investment Income and Other	82.4	29.4	(424.1) (1)	39.2
	\$ 1,589.4	\$ 979.7	\$ 4,076.9	\$ 2,673.2

GEOGRAPHIC REVENUE

(in millions)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2023	2022	2023	2022
United States and Canada	\$ 5,318.2	\$ 4,463.0	\$ 15,713.6	\$ 12,605.5
Europe	2,015.3	1,616.5	6,539.2	5,273.1
Other	1,362.9	979.4	3,798.0	2,811.6
	\$ 8,696.4	\$ 7,058.9	\$ 26,050.8	\$ 20,690.2

NEW TRUCK DELIVERIES

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2023	2022	2023	2022
United States and Canada	27,500	24,400	81,000	69,500
Europe	14,500	13,300	48,300	44,800
Other	8,100	6,700	23,800	20,000
	50,100	44,400	153,100	134,300

(1) Includes a \$600.0 million non-recurring charge related to civil litigation in Europe (EC-related claims) in the first quarter 2023.

PACCAR Inc
SUPPLEMENTARY INFORMATION
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

This earnings release includes “adjusted net income (non-GAAP)” and “adjusted net income per diluted share (non-GAAP)”, which are financial measures that are not in accordance with U.S. generally accepted accounting principles (“GAAP”), since they exclude a charge for EC-related claims. These measures differ from the most directly comparable measures calculated in accordance with GAAP and may not be comparable to similarly titled non-GAAP financial measures used by other companies.

Adjustment for the EC-related claims relates to a pre-tax charge of \$600.0 million (\$446.4 million after-tax) for estimable total costs recorded in Interest and other expenses (income), net in the first quarter 2023.

Management utilizes these non-GAAP measures to evaluate the Company’s performance and believes these measures allow investors and management to evaluate operating trends by excluding a significant non-recurring charge that is not representative of underlying operating trends.

Reconciliations from the most directly comparable GAAP measures to adjusted net income (non-GAAP) and adjusted net income per diluted share (non-GAAP) are as follows:

<i>(\$ in millions, except per share amounts)</i>	Nine Months Ended September 30, 2023
Net income	\$ 3,183.5
EC-related claims, net of taxes	446.4
Adjusted net income (non-GAAP)	\$ 3,629.9
Per diluted share:	
Net income	\$ 6.07
EC-related claims, net of taxes	.85
Adjusted net income (non-GAAP)	\$ 6.92