

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

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	<b>2006</b>	2005	<b>2006</b>	2005
<b>Truck and Other:</b>				
Net sales and revenues	\$ <b>3,959.2</b>	\$ 3,345.4	\$ <b>11,535.0</b>	\$ 9,872.9
Cost of sales and revenues	<b>3,364.9</b>	2,842.5	<b>9,817.7</b>	8,408.6
Selling, general and administrative	<b>111.6</b>	102.8	<b>333.8</b>	315.8
Interest and other expense, net	<b>.7</b>	6.0	<b>1.3</b>	9.0
<i>Truck and Other Income Before Income Taxes</i>	<b>482.0</b>	394.1	<b>1,382.2</b>	1,139.5
<b>Financial Services:</b>				
Revenues	<b>246.2</b>	195.6	<b>690.1</b>	549.5
Interest and other	<b>148.9</b>	112.4	<b>415.7</b>	311.2
Selling, general and administrative	<b>24.3</b>	21.5	<b>70.9</b>	63.0
Provision for losses on receivables	<b>6.3</b>	14.5	<b>22.3</b>	30.9
<i>Financial Services Income Before Income Taxes</i>	<b>66.7</b>	47.2	<b>181.2</b>	144.4
Investment income	<b>21.7</b>	13.7	<b>55.9</b>	39.9
<i>Total Income Before Income Taxes</i>	<b>570.4</b>	455.0	<b>1,619.3</b>	1,323.8
Income taxes (a)	<b>166.8</b>	150.2	<b>503.8</b>	503.5
<i>Net Income</i>	<b>\$ 403.6</b>	\$ 304.8	<b>\$ 1,115.5</b>	\$ 820.3
<b>Net Income Per Share:</b>				
Basic	<b>\$ 1.62</b>	\$ 1.19	<b>\$ 4.45</b>	\$ 3.17
Diluted	<b>\$ 1.61</b>	\$ 1.18	<b>\$ 4.43</b>	\$ 3.15
<b>Weighted Average Shares Outstanding:</b>				
Basic	<b>249.2</b>	255.9	<b>250.4</b>	258.7
Diluted	<b>250.5</b>	257.5	<b>251.8</b>	260.4
Dividends declared per share	<b>\$ .20</b>	\$ .14	<b>\$ .57</b>	\$ .41

\* All share and per share amounts adjusted to reflect a 50% stock dividend paid on August 10, 2006.

(a) Income taxes for the nine months ended September 30, 2005 included an estimated \$64.0 charge for repatriation of foreign earnings. Income taxes for the three and nine months ended September 30, 2006 were reduced \$10.0 following the final calculation of taxes related to the 2005 foreign earnings repatriation.

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

	September 30 2006	December 31 2005
<b>ASSETS</b>		
<b>Truck and Other:</b>		
Cash and marketable debt securities	\$ 2,378.8	\$ 2,215.8
Trade and other receivables, net	926.8	582.2
Inventories	563.8	495.5
Property, plant and equipment, net	1,253.3	1,143.0
Equipment on operating leases and other	1,055.7	923.0
<b>Financial Services Assets</b>	<b>9,279.5</b>	<b>8,355.9</b>
	<b>\$15,457.9</b>	<b>\$ 13,715.4</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Truck and Other:</b>		
Accounts payable, deferred revenues and other	\$ 3,163.9	\$ 2,589.3
Dividend payable		338.7
Long-term debt	21.1	28.8
<b>Financial Services Liabilities</b>	<b>7,559.1</b>	<b>6,857.5</b>
<b>STOCKHOLDERS' EQUITY</b>	<b>4,713.8</b>	<b>3,901.1</b>
	<b>\$15,457.9</b>	<b>\$ 13,715.4</b>
Common Shares Outstanding	248.3	253.3

**GEOGRAPHIC REVENUE DATA**

	Three Months Ended September 30		Nine Months Ended September 30	
	2006	2005	2006	2005
United States	\$ 2,172.5	\$ 1,856.0	\$ 6,371.2	\$ 5,327.9
Europe	1,104.0	917.9	3,374.9	3,016.2
Other	928.9	767.1	2,479.0	2,078.3
	<b>\$ 4,205.4</b>	<b>\$ 3,541.0</b>	<b>\$12,225.1</b>	<b>\$10,422.4</b>

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

Nine Months Ended September 30	2006	2005
<b>OPERATING ACTIVITIES:</b>		
Net income	\$1,115.5	\$ 820.3
Depreciation and amortization:		
Property, plant and equipment	118.1	99.1
Equipment on operating leases and other	203.3	174.5
Net change in wholesale receivables on new trucks	(68.2)	(284.7)
Net change in sales-type finance leases and dealer direct loans on new trucks	(88.4)	(67.1)
All other operating activities	20.8	(63.7)
<b>Net Cash Provided by Operating Activities</b>	<b>1,301.1</b>	678.4
<b>INVESTING ACTIVITIES:</b>		
Acquisition of property, plant and equipment	(187.9)	(201.8)
Acquisition of equipment for operating leases	(428.5)	(394.2)
Net change in financial services receivables	(489.7)	(611.1)
Net change in marketable securities	(234.0)	(15.9)
All other investing activities	118.8	110.1
<b>Net Cash Used in Investing Activities</b>	<b>(1,221.3)</b>	(1,112.9)
<b>FINANCING ACTIVITIES:</b>		
Cash dividends paid	(480.7)	(454.6)
Purchase of treasury stock	(310.8)	(343.5)
Stock option transactions	31.7	9.7
Net change in financial services debt	547.4	880.5
<b>Net Cash (Used in) Provided by Financing Activities</b>	<b>(212.4)</b>	92.1
Effect of exchange rate changes on cash	42.6	(112.5)
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(90.0)</b>	(454.9)
Cash and cash equivalents at beginning of period	1,698.9	1,614.7
Cash and cash equivalents at end of period	<b>\$1,608.9</b>	\$ 1,159.8

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