

PACCAR Inc

PACCAR Inc

Ken Hastings

Director of Investor Relations

PACCAR Inc

PACCAR Investor Conference presentations 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 these presentations, 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 Inc

Preston Feight
Chief Executive Officer

Today's Presenters



Preston Feight

- Chief Executive Officer
- PACCAR 26 Years



Kevin Baney

- Senior Vice President
- Kenworth, Information Technology, Dynacraft
- PACCAR 30 Years



Mike Dozier

- Executive Vice President
- International Operations, Mfg.
- PACCAR 36 Years



John Rich

- Senior Vice President and Chief Technology Officer
- PACCAR 3 Years
- Ford 30 Years



Laura Bloch

- Vice President
- PACCAR Parts
- PACCAR 20 Years



Todd Hubbard

- Vice President
- PACCAR Financial Services
- PACCAR 17 Years



Harrie Schippers

- President and Chief Financial Officer
- DAF, PACCAR Financial Services
- PACCAR 38 Years



*Trucks and Transportation Solutions that
Drive the World to a Better Future*

PACCAR is an Exceptional Company

Structurally Stronger and
Positioned for Future Growth



Asset-Light, High ROIC
Business Model



Strong Growth Since 2022 Investor Conference

2021

Revenues: \$23.5B

Net Income: \$1.9B

Return on Revenues: 7.9%

Return on Inv. Capital 17.1%

2023

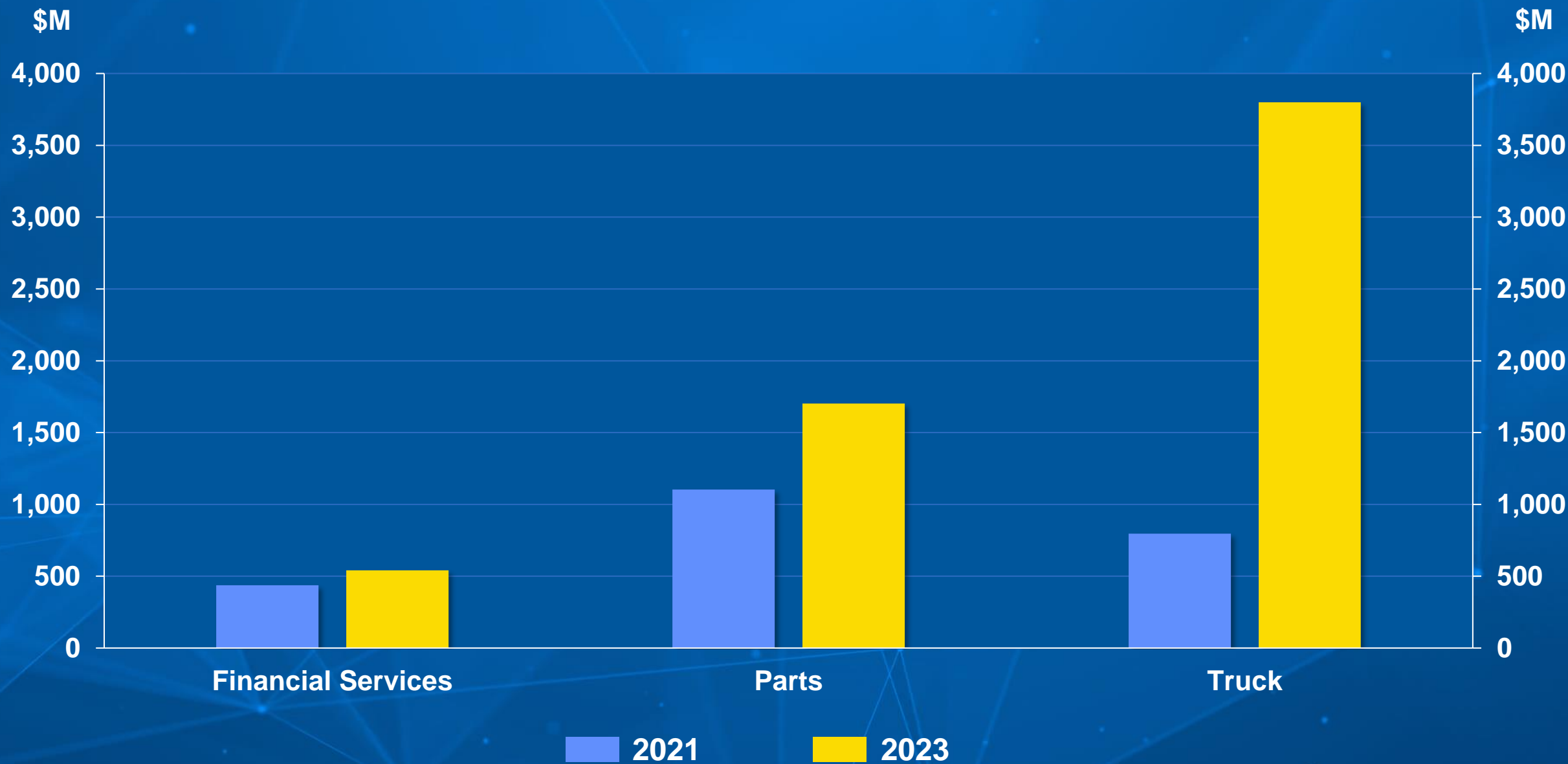
Revenues: \$35.1B

Net Income: \$4.6B

Return on Revenues: 13.1%

Return on Inv. Capital 37.8%

Increased Segment Profit Since 2022 Investor Conference



A Culture of Excellence

Profitable Growth

Premium Trucks

Effective Transportation Solutions

Market Expansion

Foundation

Quality



Technology



Innovation



\$4.7B Invested Over 5 Years



Increased Capacity



Parts Distribution Centers



Clean Combustion Engines



Connected Vehicle Solutions



Autonomous Truck Platform



Zero Emissions Vehicles





Missoula, MT



Paris, France



Baltimore, MD



Windsor, WI

Independent
Dealers Invested
\$2.6B Over 5 Years



Mildura, Australia



Sparks, NV



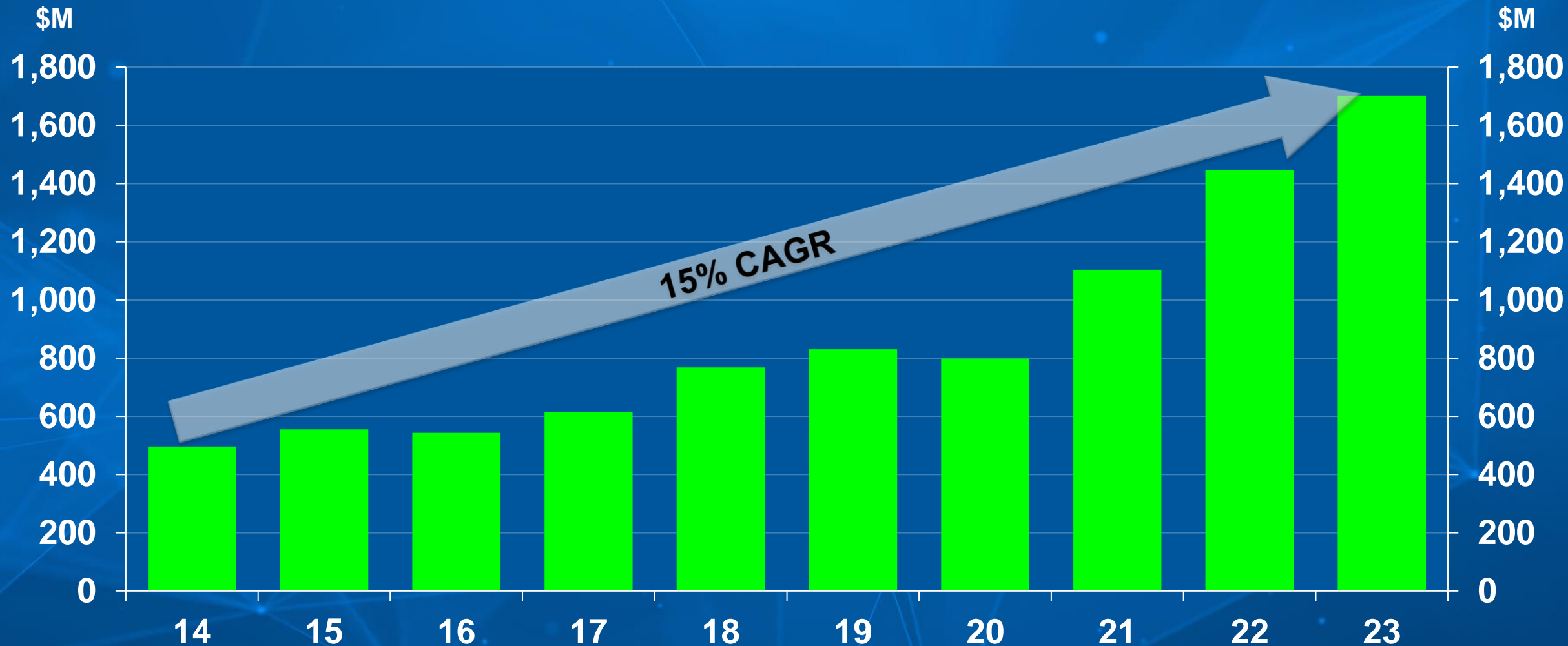
Viana, Brasil



San Juan Cuautlancingo, Mexico

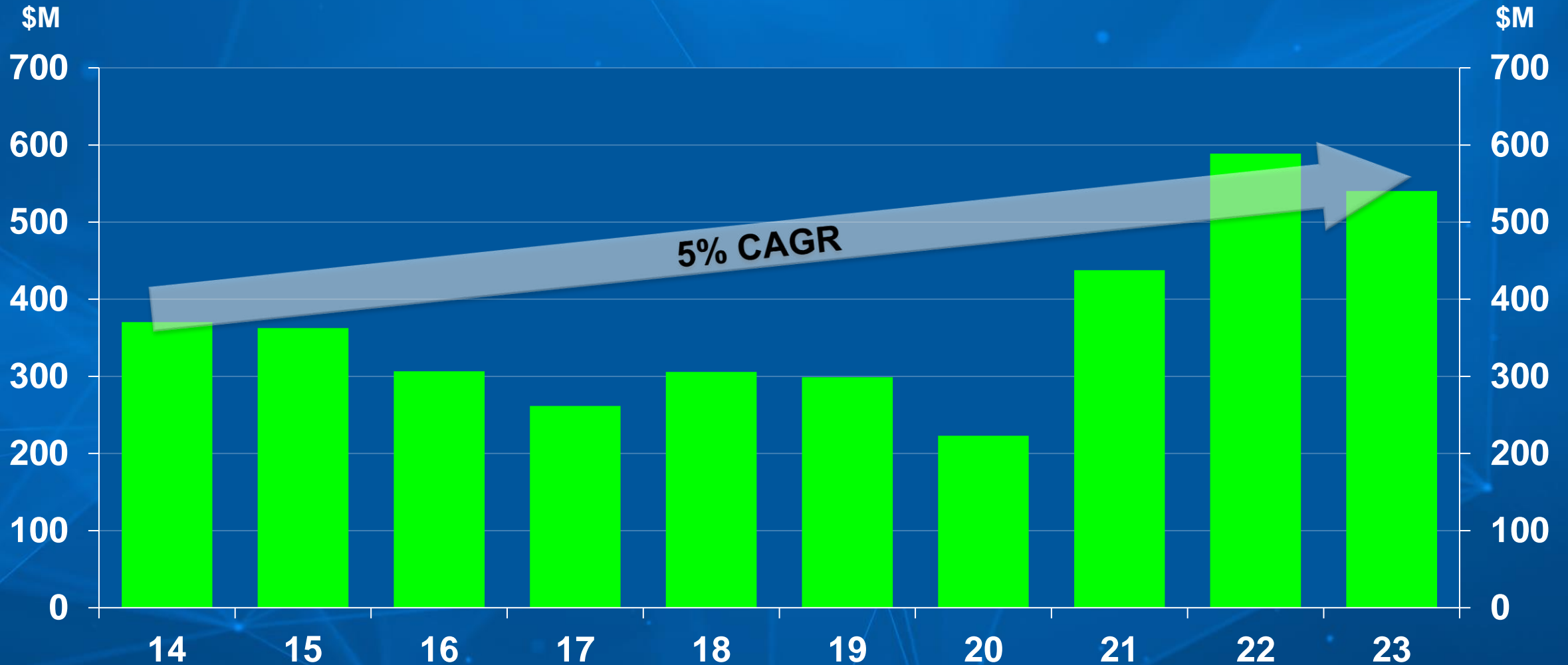
PACCAR Parts is a High Profitability, High Growth Business

Record Profit 2023 \$1.7B



PACCAR Financial Services Supports the Sale of Trucks

Profit 2023 \$540M



PACCAR is an Environmental Leader

Science Based Targets



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

PACCAR has 2030
Carbon Emission
Reduction Targets: 35%
in Scopes 1&2 and 25%
in Scope 3

S&P Global ESG Rating

The S&P Global logo, consisting of the text "S&P Global" in red and black, with a horizontal line above the text.

S&P Global

PACCAR's S&P ESG Score
Ranked in the Top 16% of
Peer Companies

CDP "A-" Rating



PACCAR "A-" Rating for
Environmental Practices;
Leadership Tier of over
21,000 Reporting
Companies

Green Truck Award 2023



DAF XF Most Fuel
Efficient Truck in Europe

PACCAR is Recognized as an Outstanding Workplace



PACCAR Inc

DYNAGRAFT

KW **KENWORTH**

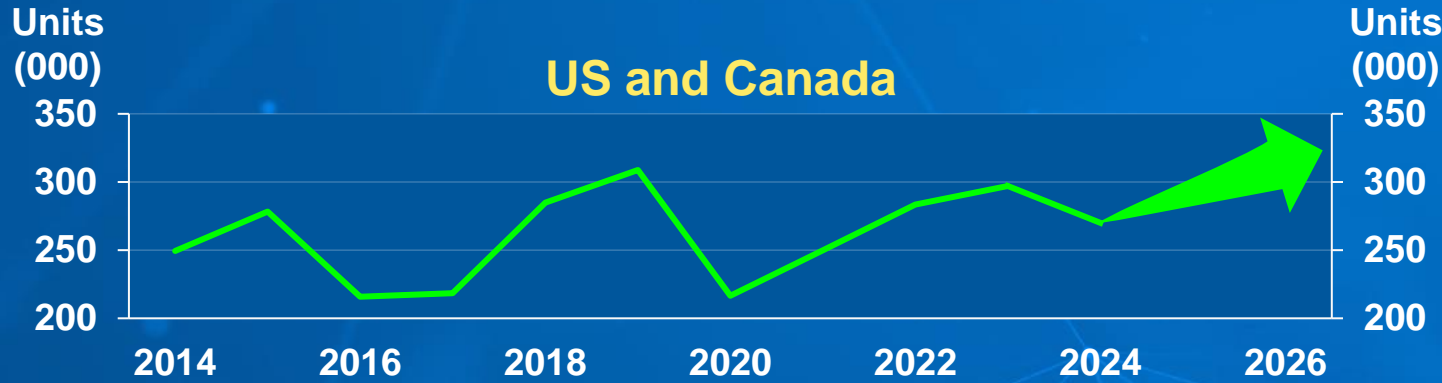
Peterbilt

PACCAR PARTS

P
PacLease



Truck Market Outlook



**Expanding Market Before
EPA27 Emissions Prebuy**



**Reasonable Market with
Modest Growth**



**Strong and Steady Economic
and Market Conditions**

Investing in the Future



Clean Diesel and Zero Emissions Powertrains



Advanced New Vehicles

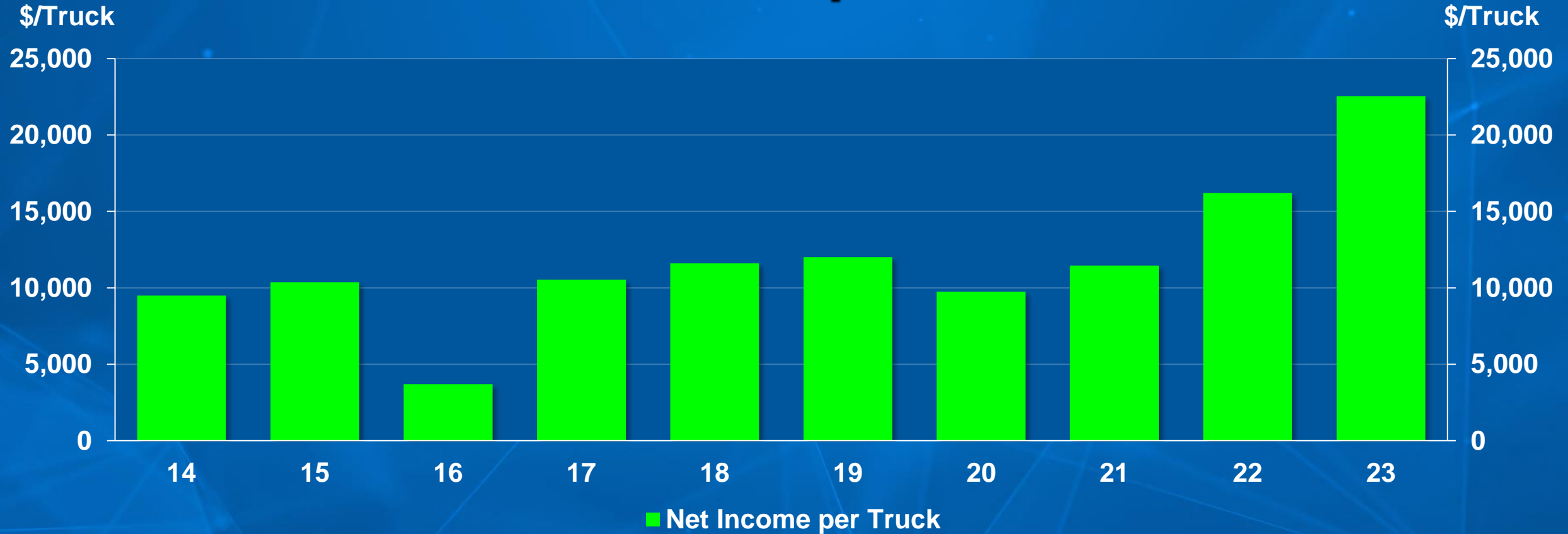


Global Connected Services



Autonomous Vehicle Platform

Net Income per Truck



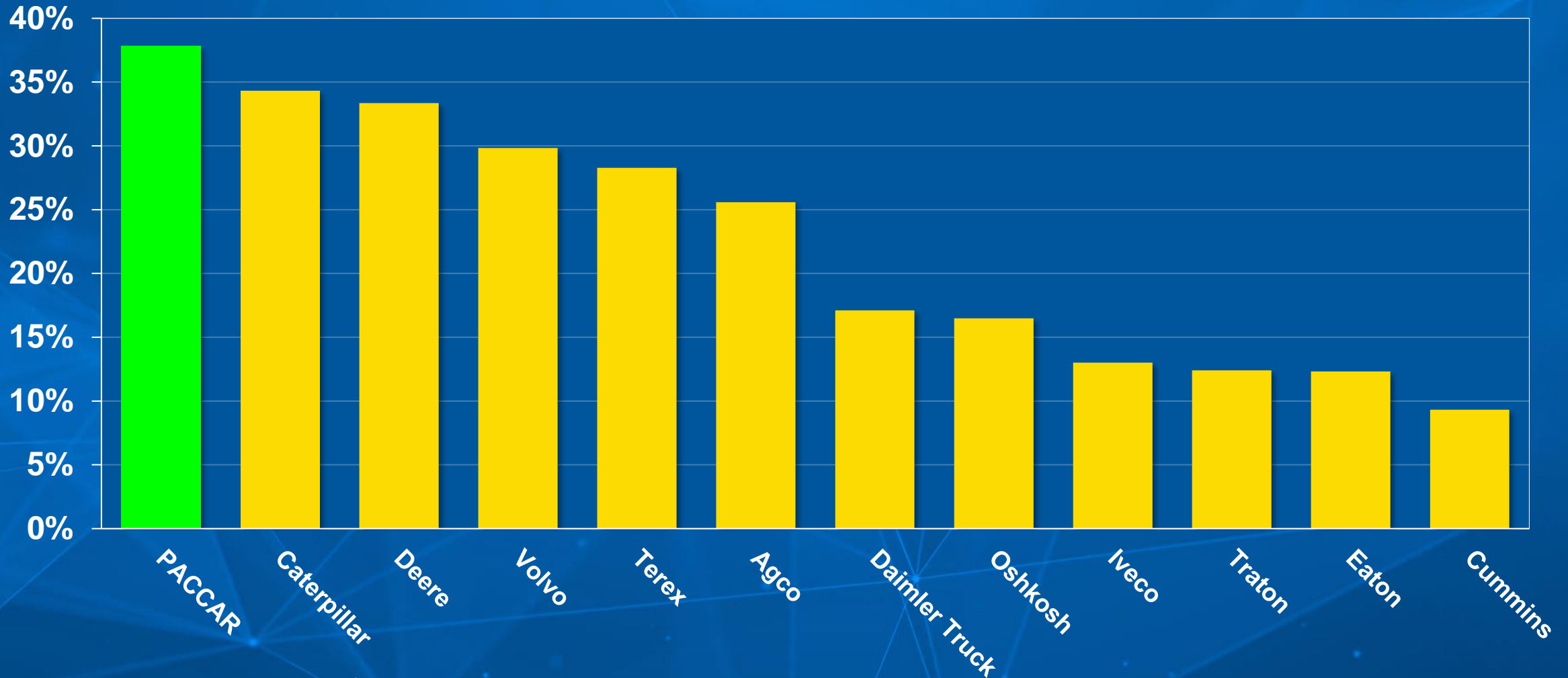
**New Truck Models Driving
Higher Price and Profitability
Per Unit**

**Parts Growth from
Convenience, Tech-Enabled
Transp. Solutions, and
Proprietary Content**

**Rest of World Growth /
PACCAR Financial Growth**

Best-in-Class Return on Invested Capital

2023



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

PACCAR Inc

Structurally Stronger



Higher Margins



Higher Profits



Geographic Expansion



Advanced Manufacturing

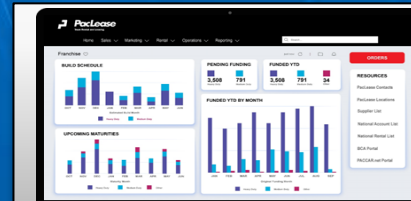
Poised For Growth



Future Product Investments



Advanced Technologies



Financial Services Growth



Parts Expansion

PACCAR Inc

PACCAR Inc

Products and Distribution

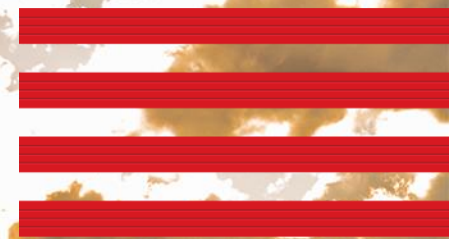
Kevin Baney

Senior Vice President

Premium Transportation Solutions



KENWORTH 100



2023 Special Edition Launches



Newest Complete Product Line
Vocational Segment Share Leader



Peterbilt

MODEL 589



2023 New Product Launch



Newest Complete Product Line
Vocational Segment Share Leader





**Kenworth and Peterbilt
Combined 40% Vocational
Segment Market Share Leader**



2023 New Product Launch

XB



Newest Complete Product Line

Share Leader in Five Countries

International Truck of the Year



Fuel Economy Improvement

US and Canada Fuel Economy



Europe Fuel Economy



PACCAR Capacity Investments



**Kenworth Chillicothe
Expansion, Ohio**



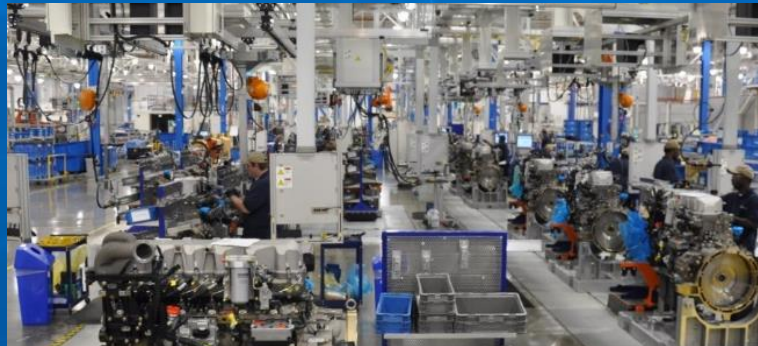
**Peterbilt Denton
Expansion, Texas**



**PACCAR Medium Duty
Expansion, Canada**



**DAF Electric Truck Assembly,
Netherlands**

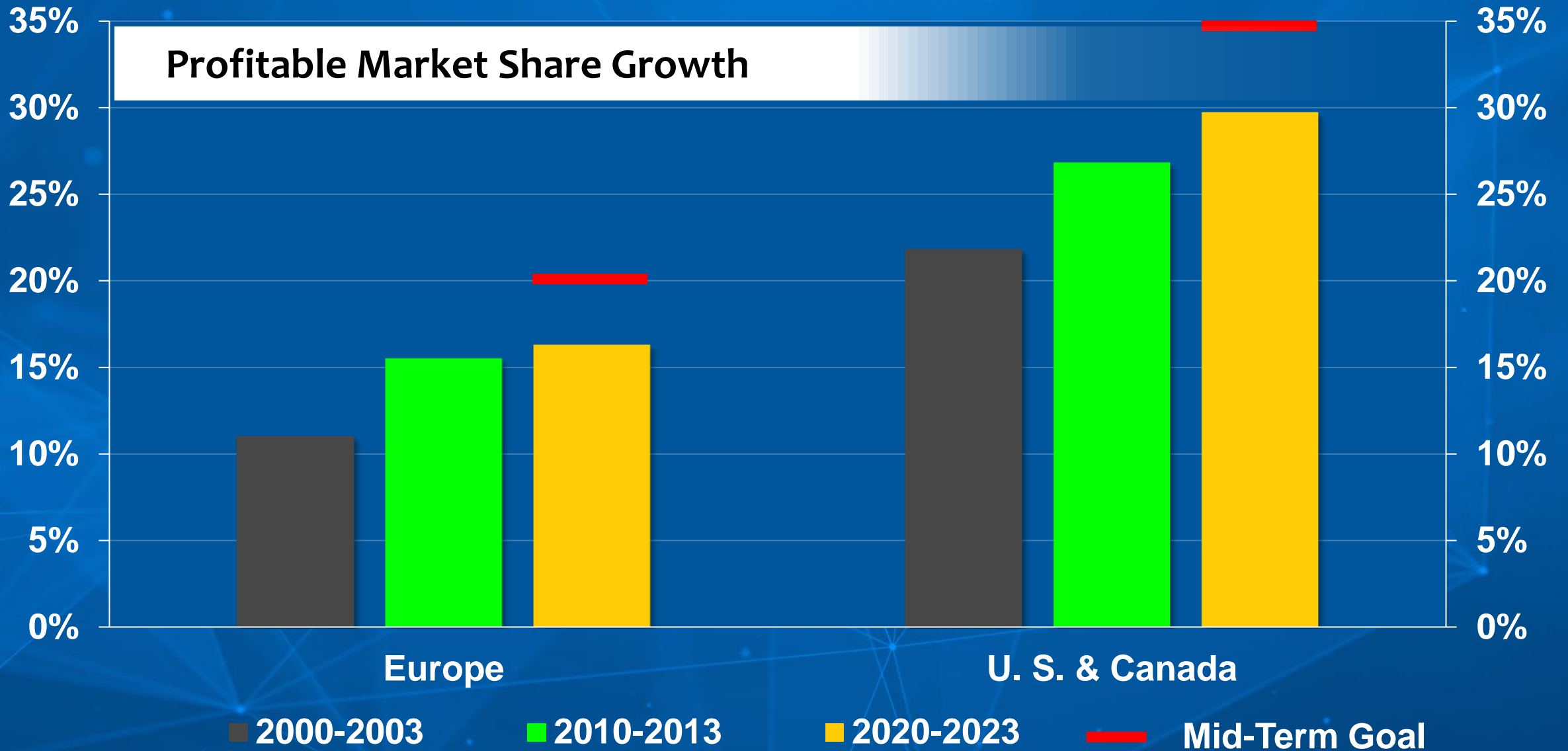


**PACCAR Engine
Expansion, Mississippi**



**PACCAR Engine Reman
Capacity, Mississippi**

PACCAR Heavy Duty Market Share



US and Canada Trucking Economy



Truckload Market (50%)

Soft Freight Rates, Strong Need for Trucks in 2025/26



Less than Truck Load (25%)

Steady Market, Profitable Customers



Vocational Market (25%)

Strong Infrastructure Spending and Truck Demand



Medium Duty (All)

Excellent Backlog, Strong Market Conditions

On Highway (Truck Load & Less Than Truck Load)



- Performance-Based Technology
- Class Leading Safety, Efficiency & Driver Comfort
- Excellent Resale Values
- Lowest Total Cost of Ownership

Vocational



- **Market Leader in the Vocational Segment**
- **Outstanding Reliability & Durability**
- **Customer Specific Custom Configurations**
- **Extensive Application Coverage**

Medium-Duty



- Full Range of Class 5 – 7 Truck Models
- Class Leading Driver Comfort & Performance
- Extensive Application Coverage
- Integration with Body Builders

PACCAR Zero Emissions



Kenworth T680E



Kenworth K270E/K370E



DAF XF Electric



DAF XD Electric



DAF XB Electric



Peterbilt 520EV



Peterbilt 579EV



Peterbilt 220EV



PACCAR JV Battery Factory

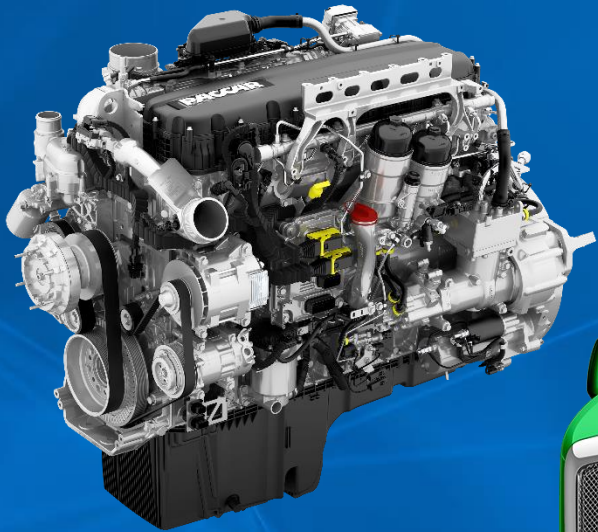
PACCAR Flagship Trucks



World Class Styling

PACCAR ELECTRONICS

Strong PACCAR Advantage & Proprietary Content



Engine Controller



100 Control Systems

100M Lines of Code



PACCAR
GLOBAL CONNECTED SERVICES



Proprietary Hardware & Integrated Display

Partnered Operating System

OEM & 3rd Party Apps

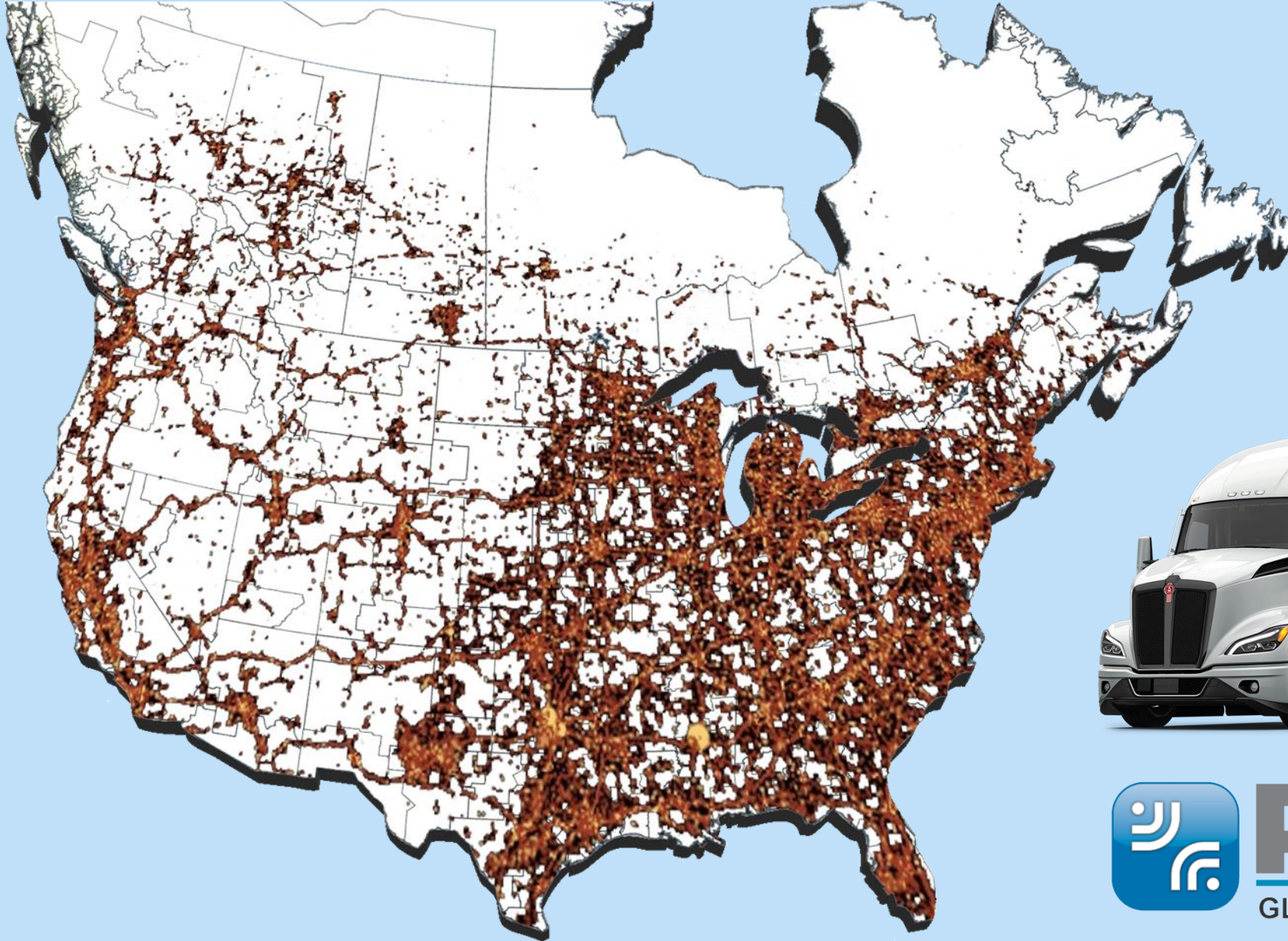
Diagnostics & Prognostics

Integrates Aftermarket Systems

Data Services



Kenworth/Peterbilt Connected Truck Data



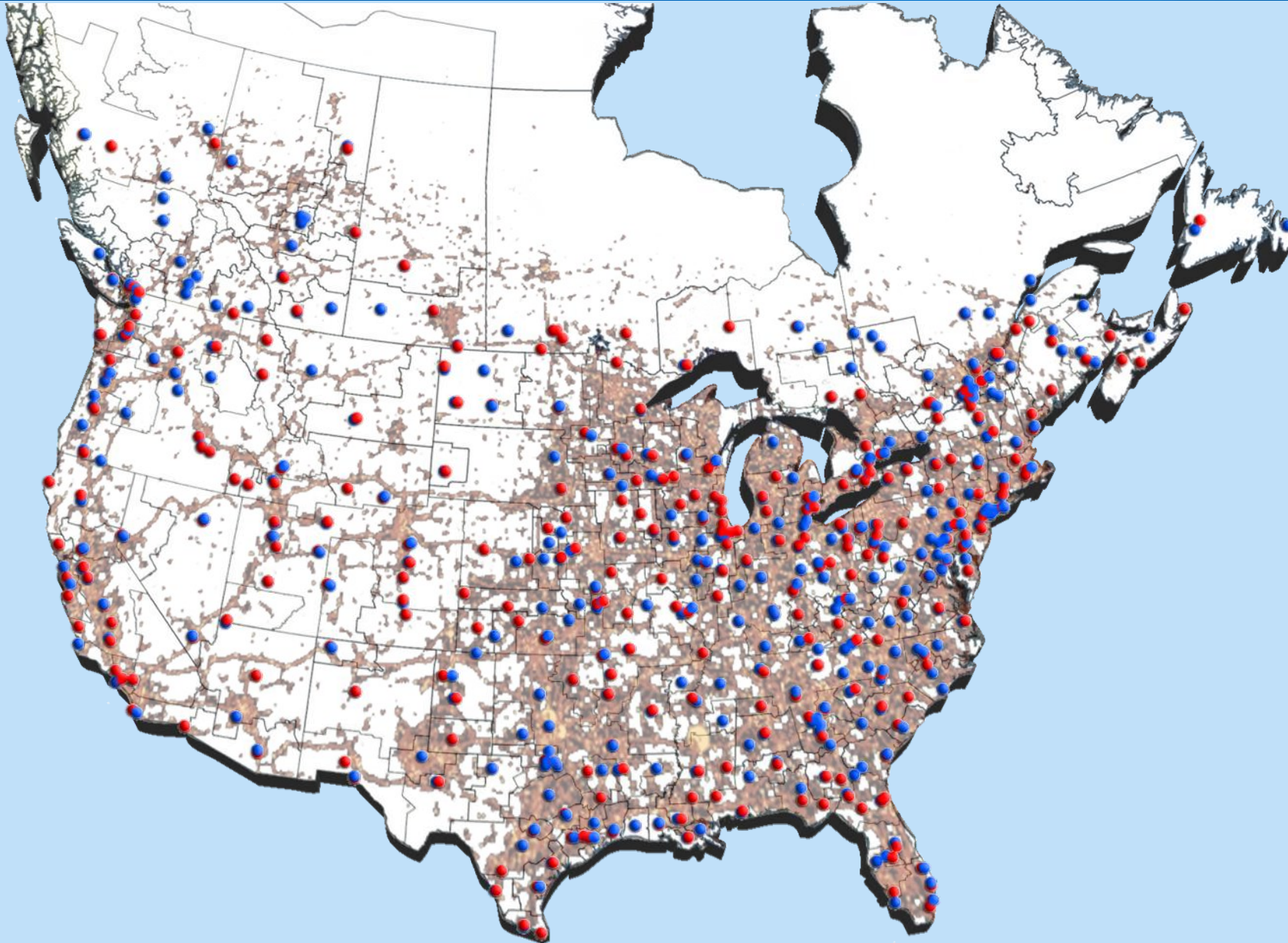
5 Years
Connectivity



PACCAR

GLOBAL CONNECTED SERVICES

Kenworth/Peterbilt Dealer Network



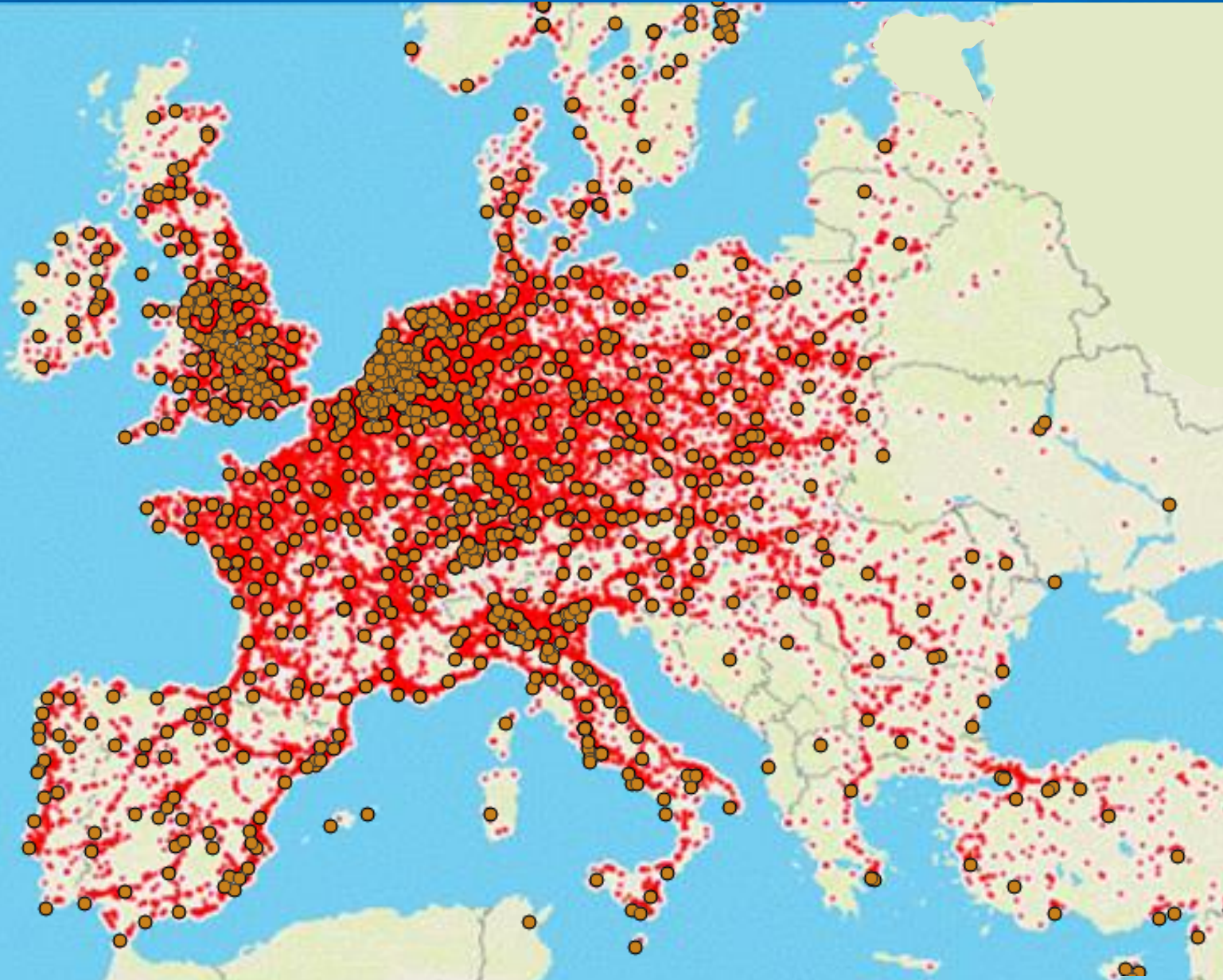
910 Locations

11,000 Service
Bays

● Kenworth Dealers

● Peterbilt Dealers

DAF Dealer Network



850 Locations

**8,700 Service
Bays**

 **DAF Dealers**



Michigan Kenworth, Michigan



MHC Kenworth, South Carolina



Jackson Group Peterbilt, Montana



Comercial Rafael, Spain

2018 – 2023
\$2.3B
Dealer Investments
U.S., Canada & Europe



TLG Peterbilt, Ohio



Wanicki, Poland



Reisoglu, Turkey



Joel Lefevre, France

PACCAR Dealer Facility



Exterior



Truck Parking



Lobby & Driver Seating



Service Bays



Parts Storage



Retail Parts



Industry Leading Trucks That Create the Foundation for Future Growth !!!



PACCAR Inc

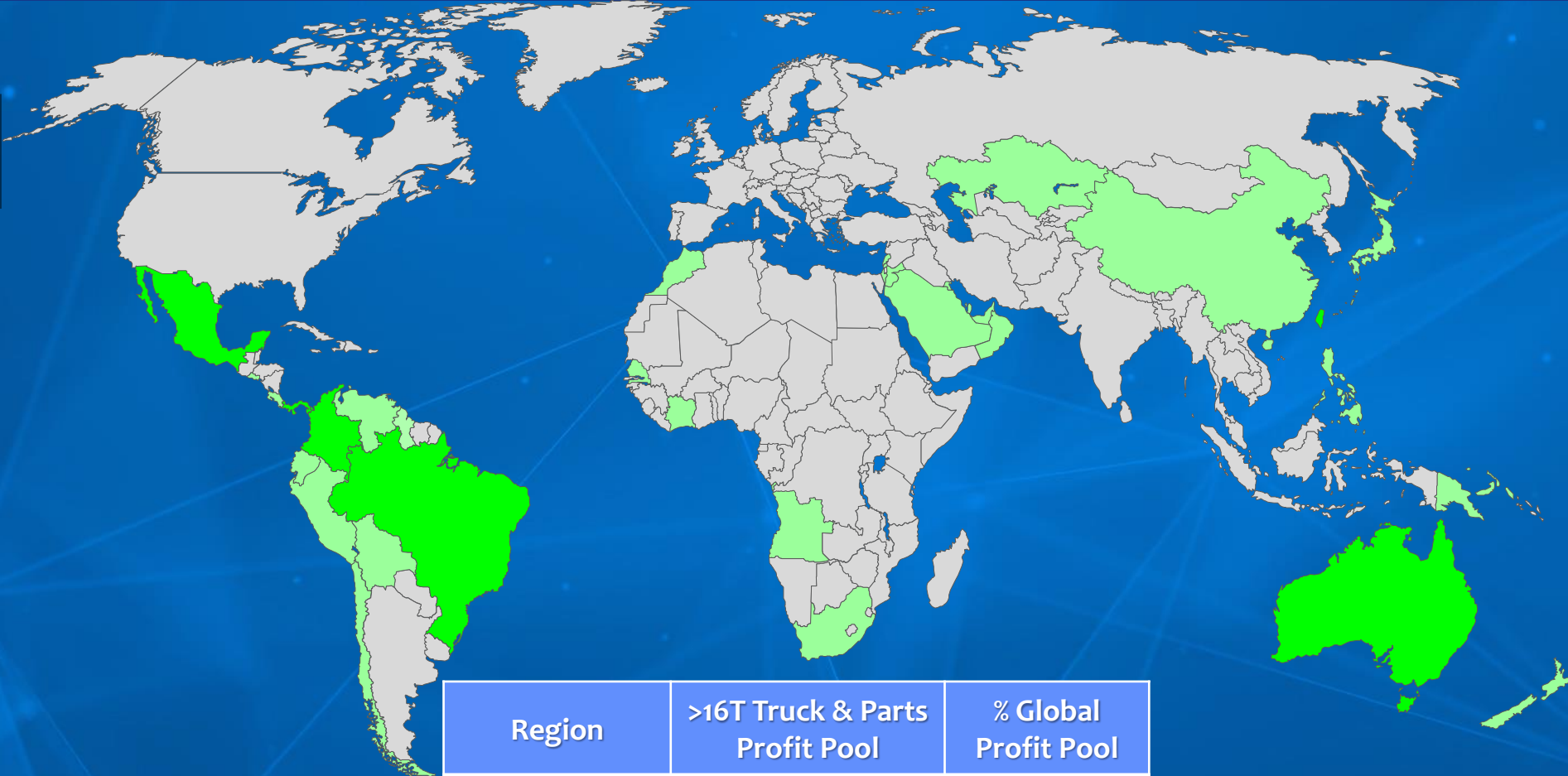
PACCAR Inc

Rest of World Operations

Mike Dozier

Executive Vice President

PACCAR Rest-of-World Operations, Sales & Profit Potential

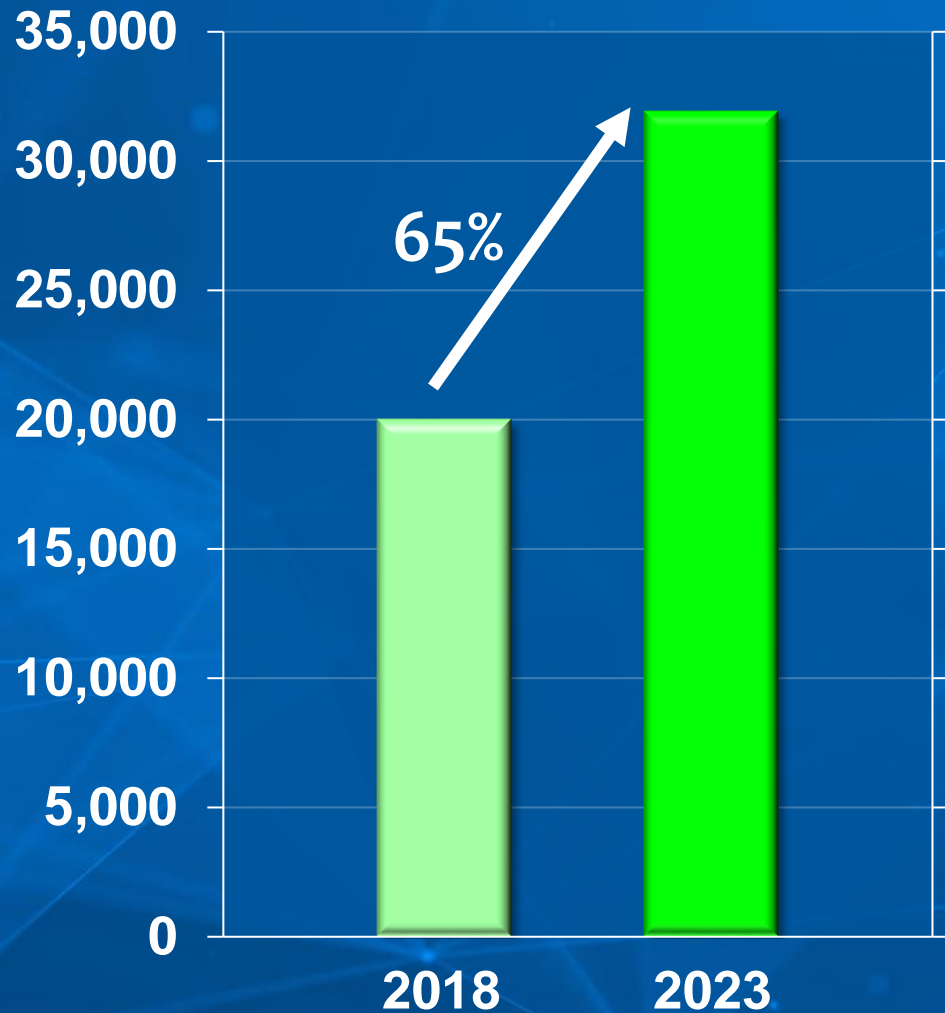


- Truck & Parts Sales
- Manufacturing & Parts Operations

Region	>16T Truck & Parts Profit Pool	% Global Profit Pool
North America	\$8.7B	40%
Europe	\$8.6B	39%
South America	\$0.8B	4%
Australia	\$0.6B	3%
Total	\$18.7B	86%

PACCAR Rest-of-World Growth

Deliveries



Deliveries



Rev. \$M



Rev. \$M

Global Product Platforms



XF

CF



T680

T680

- Leverage Core Market Vehicle Platforms
- Localized Design & Development Engineering
- Final Product Configurations Tailored to Each Market

PACCAR Mexico 2023

- Over 20 Years of Market Leadership
- Market Share: 36.0%
- Kenworth Production: 18,600
- DAF Market Introduction – October '23



DAF Brasil 2023

- 10th Anniversary Celebration
- Market Share: 10.2%
- DAF Deliveries: 8,600
- Dealer Network Growth to 61 Locations
- Export to Colombia, Peru & Chile



PACCAR Australia 2023

- Market Share Leader for 22 Years
- Market Share: 25.5%
- Deliveries: 5,300
- Export to New Zealand & Other Markets



Investment Through Global Business Cycles



New Products Across PACCAR Global Markets



Increased Capacity & Efficiency – Mexicali, Mexico



Aftermarket Parts Growth – Ponta Grossa, Brasil



Advanced Mfg. Technology – Bayswater, Australia

New DAF Global Market Transition

XD

XF

XG

XG+



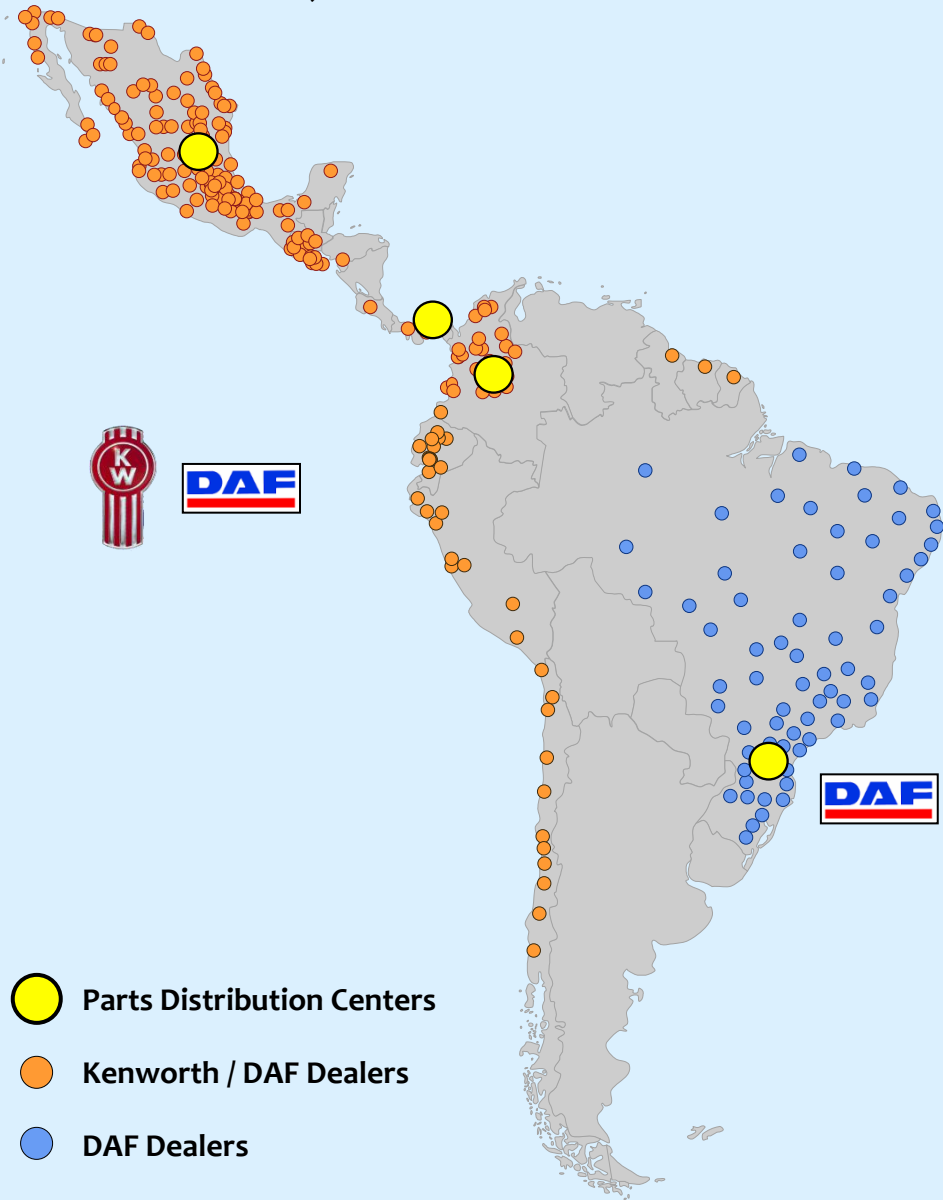
XF

CF

PACCAR Rest-of-World Parts Distribution & Dealer Network

6 Distribution Centers in 5 Countries & 450 Dealer Locations

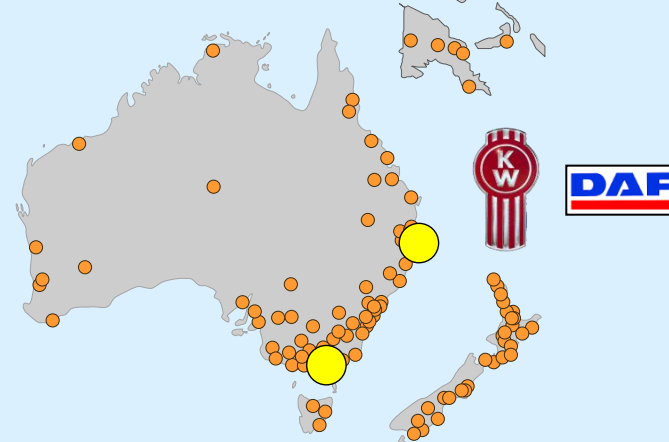
Mexico, Central & South America



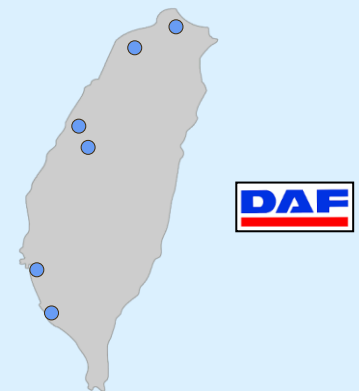
Africa, Middle East & Southern Asia





Australia, New Zealand & Papua New Guinea



Taiwan



-  Parts Distribution Centers
-  Kenworth / DAF Dealers
-  DAF Dealers



Vitoria, Brasil



Monterrey, Mexico



Chiayi, Taiwan



Brisbane, Australia

2018 – 2023
Dealer Investments:
>\$280M



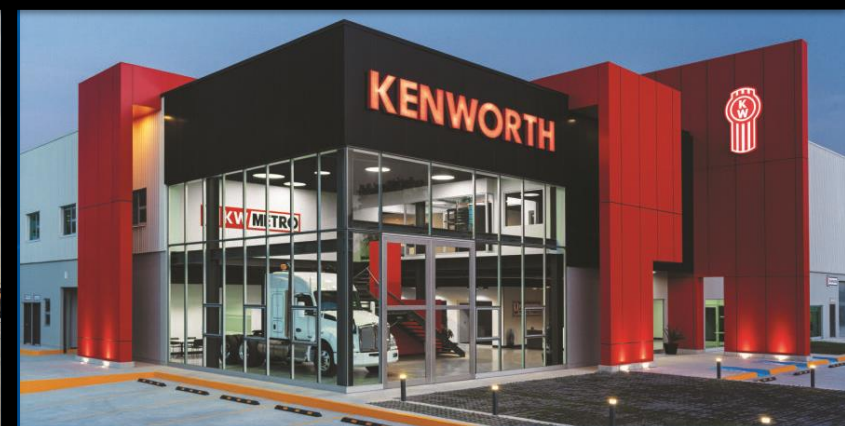
Perth, Australia



Fortaleza, Brasil

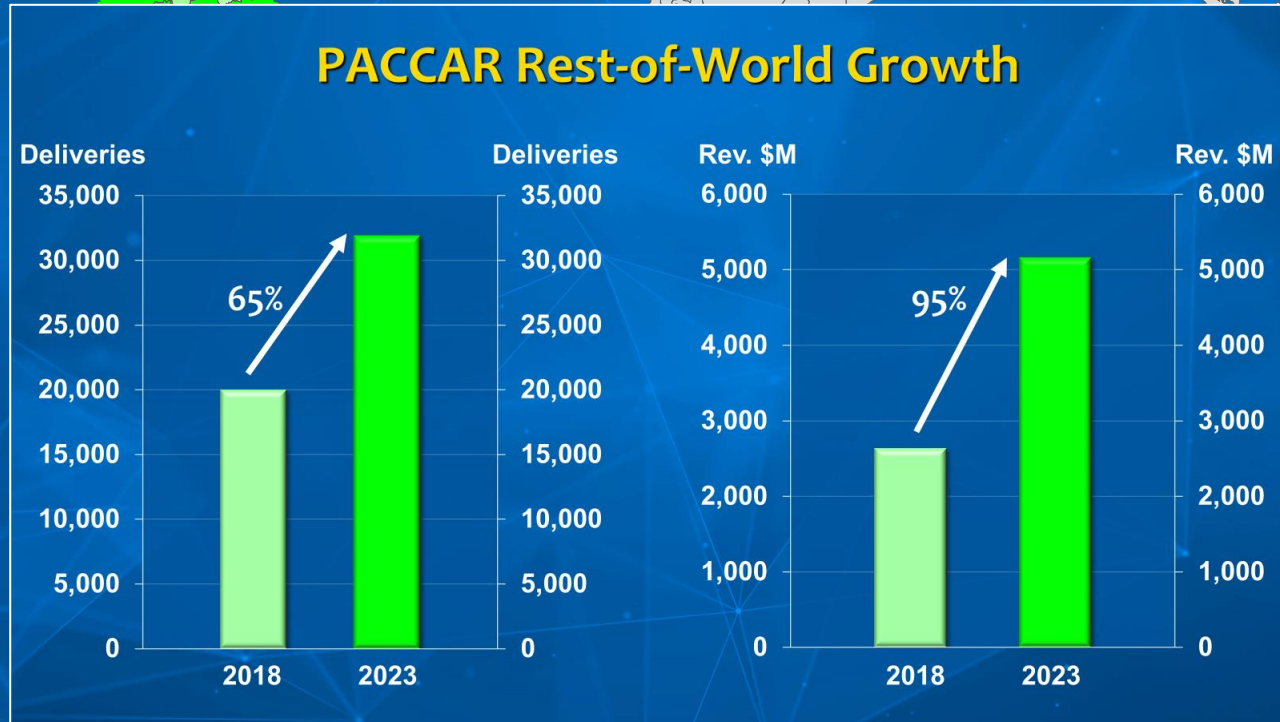
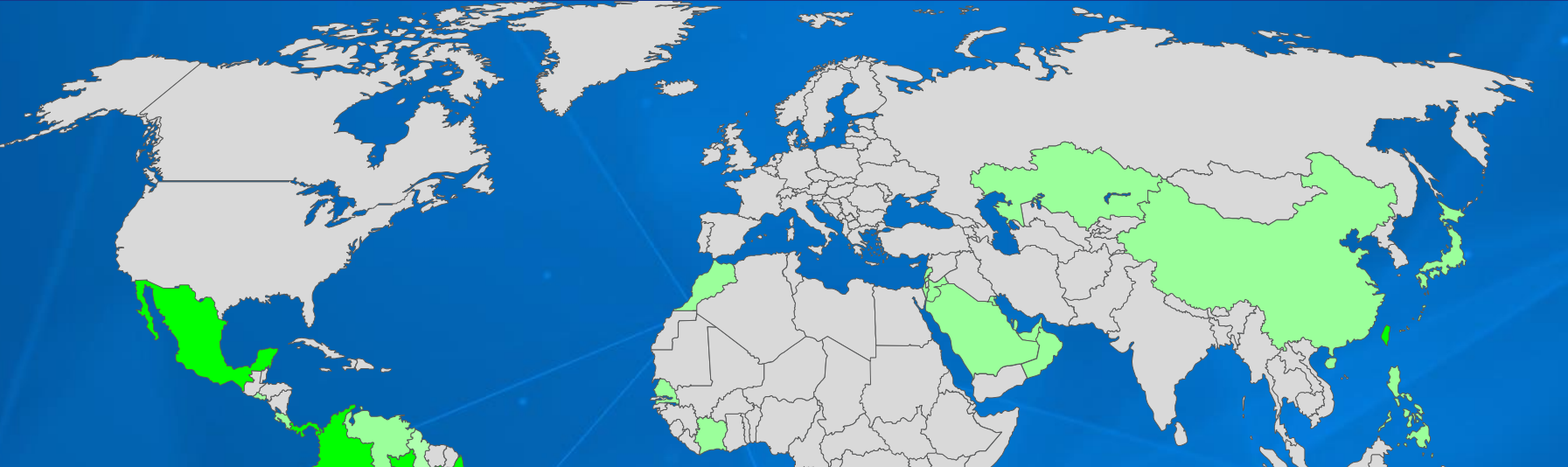


Bogotá, Colombia



Cuamatla, Mexico

PACCAR Rest-of-World Operations – Positioned for Growth



PACCAR Inc

PACCAR Inc

John Rich

Senior Vice President & Chief Technology Officer

Emissions Regulations



Greenhouse Gas
– 43% vs. 2019

- 15% GHG

Euro 7
- 50% NOx

- 28% GHG



Greenhouse Gas
– 39% vs. 2021

-6% GHG

-7% GHG

-6% GHG

-20% GHG



Nationwide
- 82% NOx

Customer Challenges of New Regulations

Infrastructure



Operational Tradeoffs



Total Cost of Ownership



Powertrain Strategy



Clean Diesel

Clean & Efficient
Diesel Solutions



Hybrid

Diesel Plug-In
Hybrids



BEV

Optimized for
Short and Medium
Range

Best
Powertrain
for the
Customer



H2 Fuel Cell

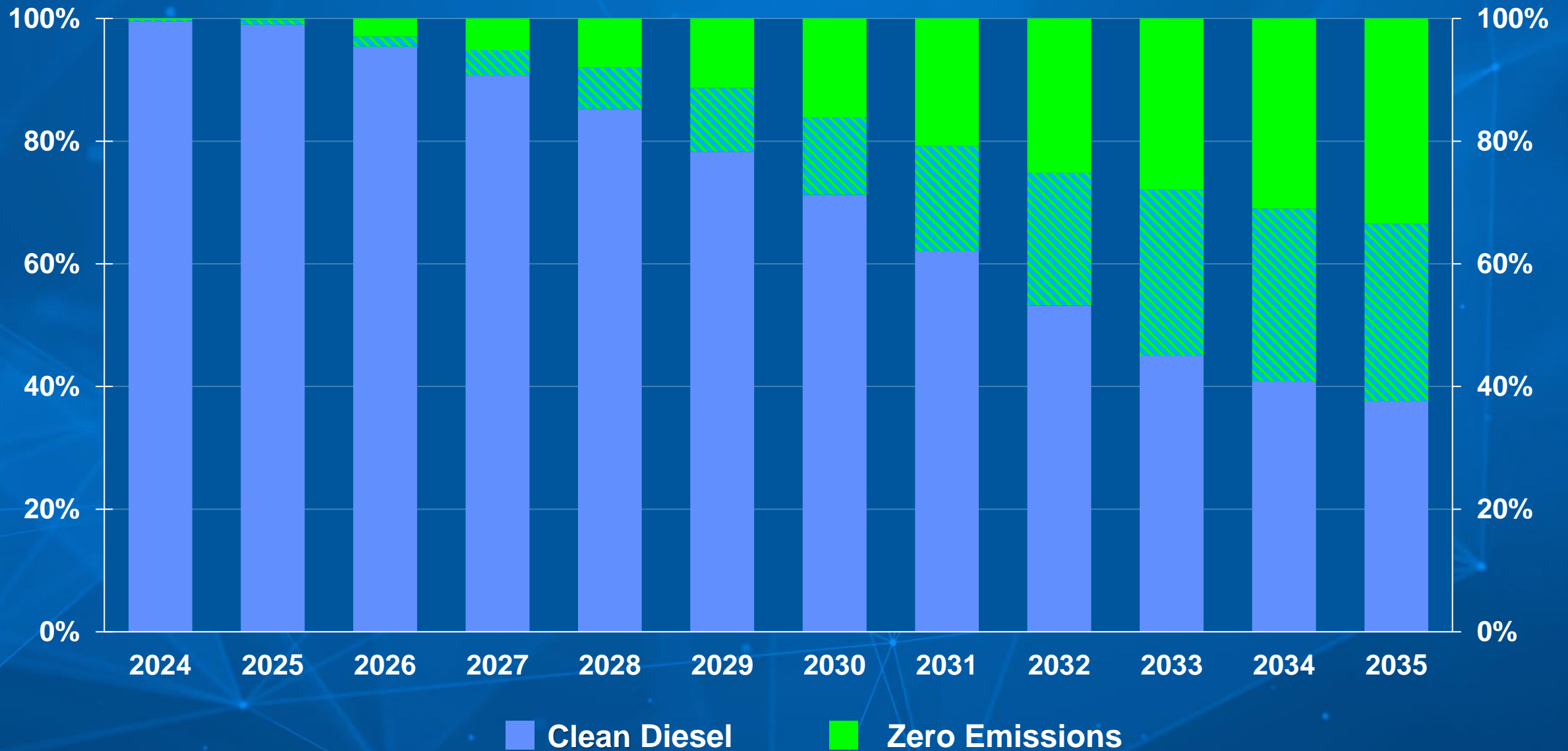
Fuel Cell Electric
Applications



H2-ICE

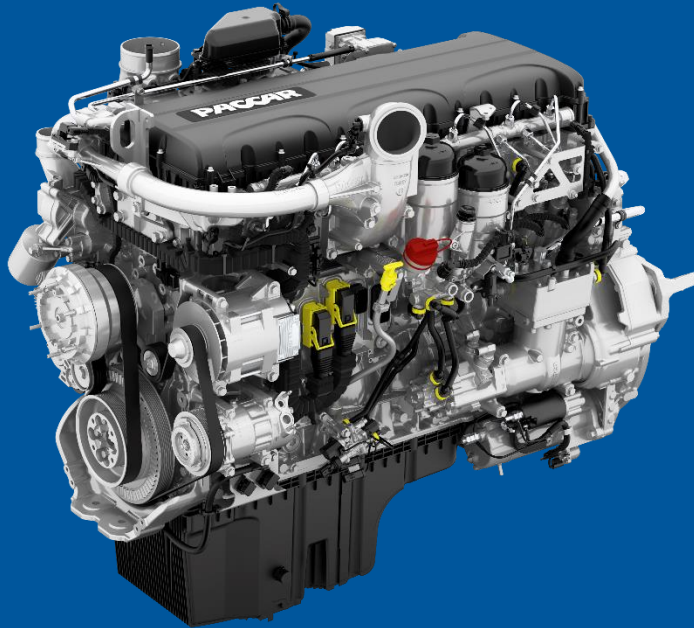
Hydrogen Internal
Combustion

Powertrain Mix Forecast

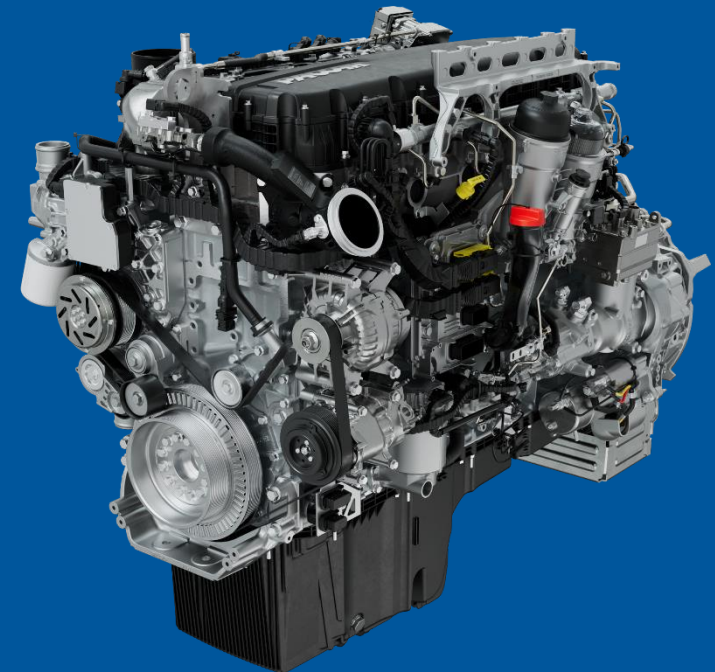


Clean Diesel Core Competency

MX-11 Engine



MX-13 Ultra-Low-NOx Engine



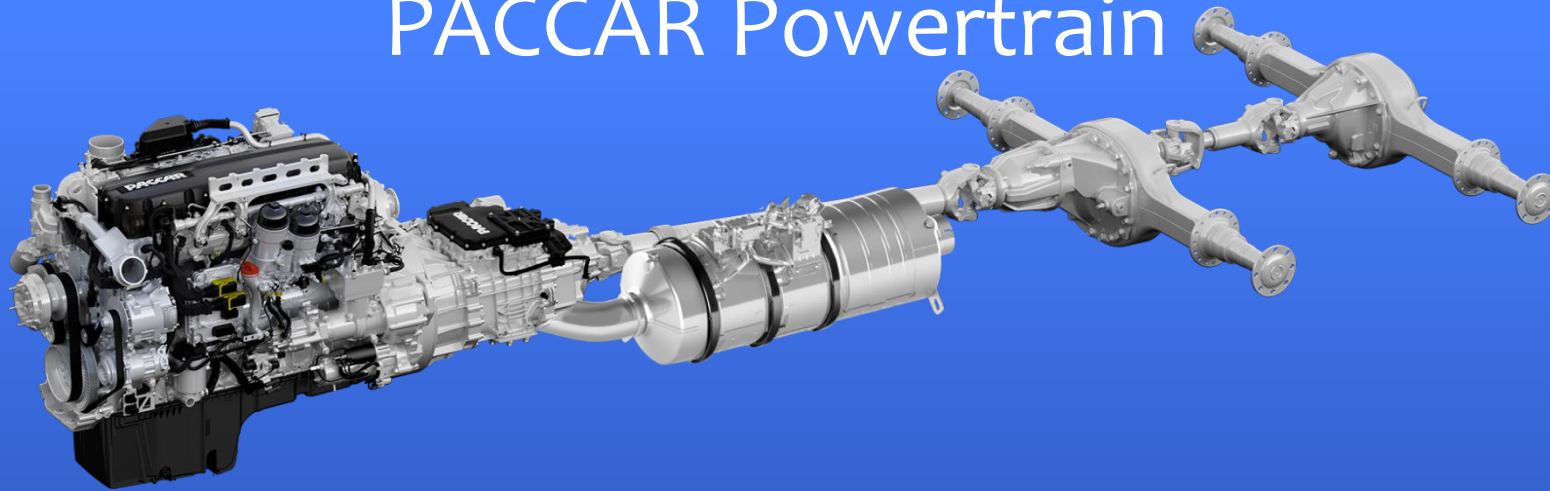
Fully Meets 2024 CARB Standard

Clean Combustion Powertrains

Improved Efficiency

Reduced Emissions

PACCAR Powertrain



Hydrogen Combustion

Hybridization

Hydrogen Solutions

Build



Hydrogen Internal Combustion
Zero CO₂
Conventional Drivetrain

Partnership



Hydrogen Fuel Cells
Zero Emissions
Electric Drivetrain

PACCAR Zero Emission Truck Lineup



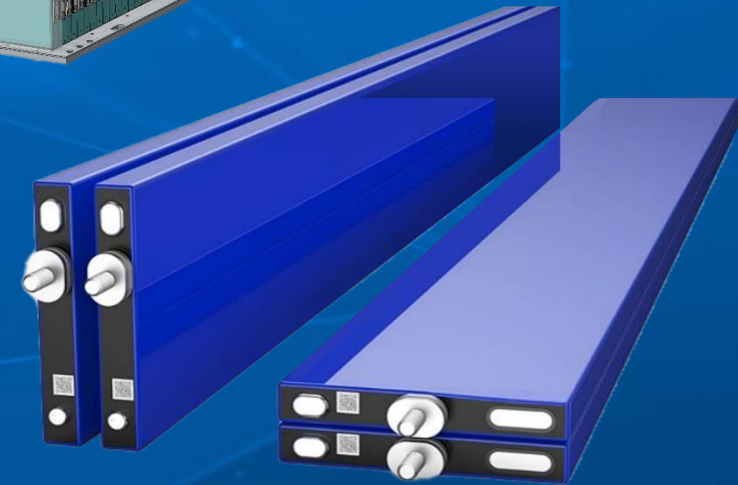
Delivering Today:
8 Truck Models
11 Turn-Key Charging Solutions

PACCAR Battery Strategy

Batteries are the Most Expensive Subsystem on a ZEV

PACCAR Proprietary Packs Deliver

- Cost Leadership
- Supply Security
- Commercial Vehicle Specific



Battery Cell Joint Venture

- Domestic LFP Production
- Durable, Low Cost & Safe
- Commercial Vehicle Products
- Start of Production in 2027



Marshall County, Mississippi

PACCAR **EVE**
DAIMLER TRUCK



PACCAR Batteries Reduce Cost



Battery Electric



Fuel Cell Electric



Hybrid Electric



Charger Energy Storage



Customers Drive
Our Technology
Decisions



Optimized Research and Development Strategy

BUILD

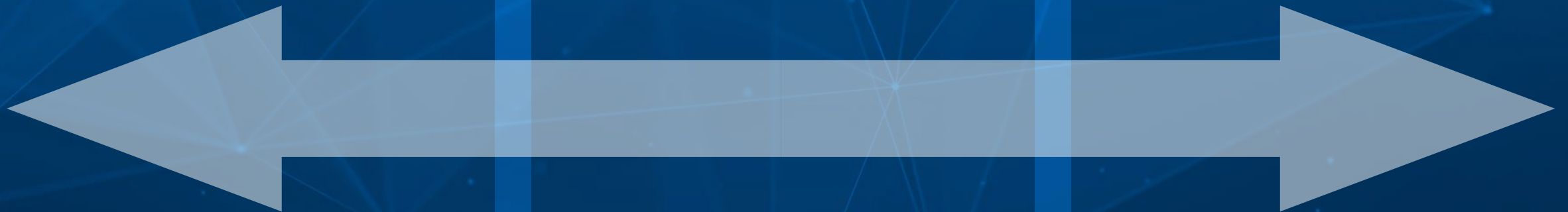
- Volumes High
- Stable Technology Path
- Proprietary Opportunity

PARTNER

- Volumes Uncertain
- Expensive Development

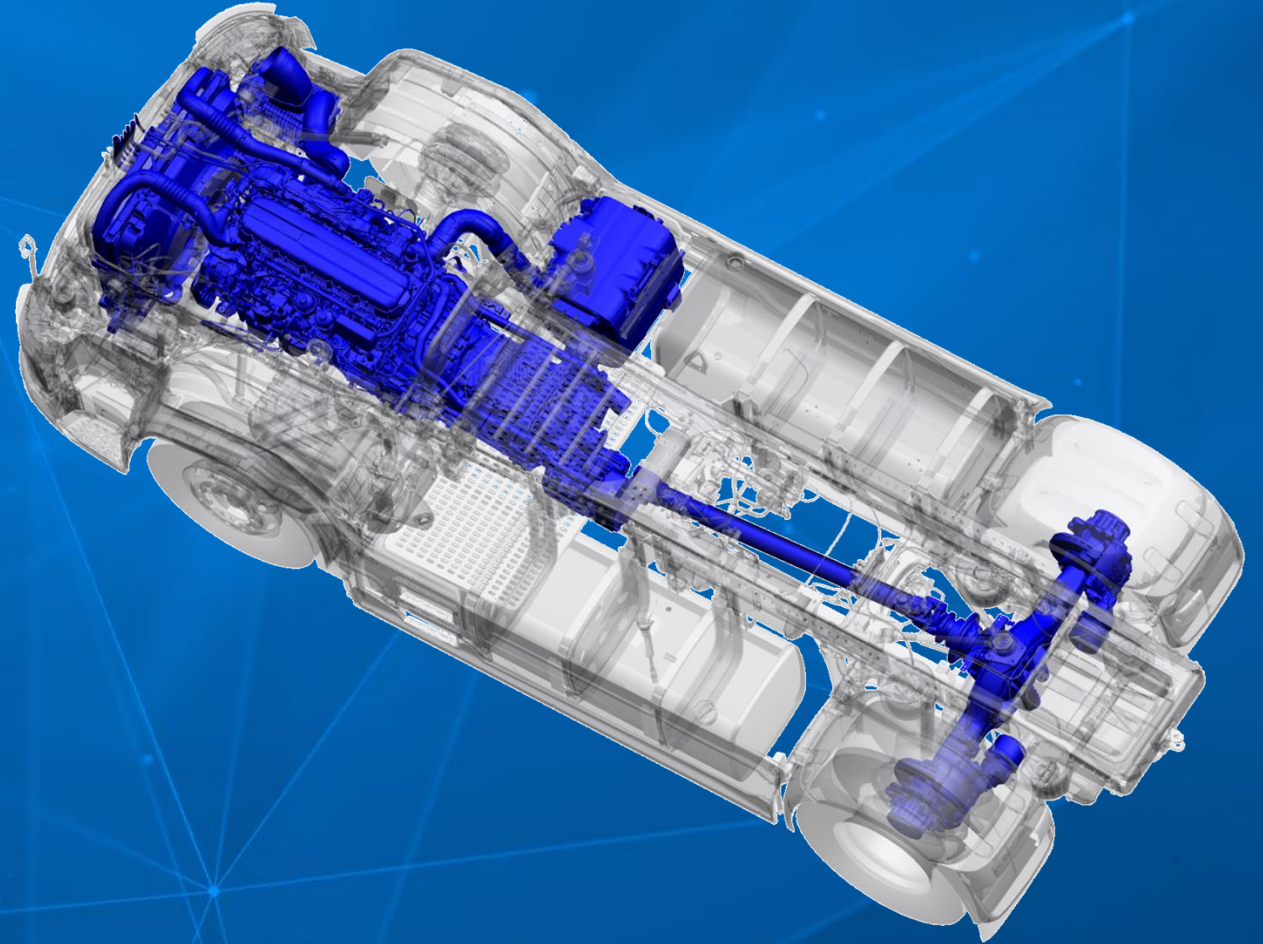
BUY

- Supplier Volume Leverage
- Supplier R&D Expense
- Regulatory Uncertainty



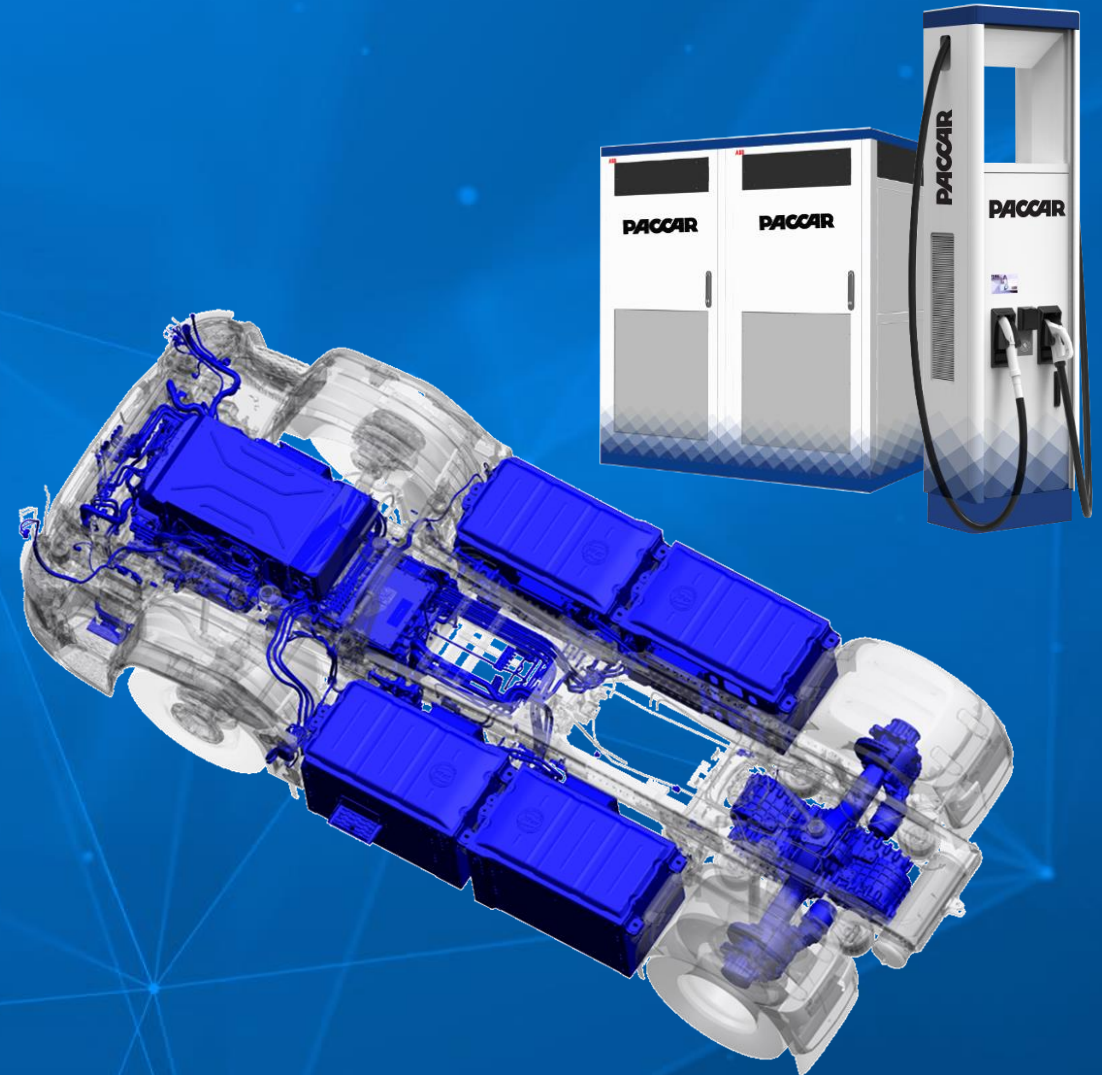
Aftermarket Support - Internal Combustion

- Million Mile Durability
- Powertrain is 45% of Truck Value
- Powertrain Aftermarket Revenue:
 - Engine
 - Aftertreatment
 - Transmission
 - Axle

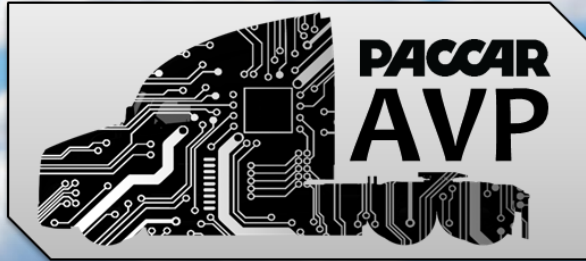


Aftermarket Support - Zero Emissions

- Powertrain Aftersales Revenue:
 - Electric Motor & eAxle
 - Power Electronics
 - Electric Pumps, Compressors
 - Heating & Cooling Systems
 - LFP Batteries
 - Chargers
 - Charging Management
- Million Mile Durability
- \$5,000 - \$10,000 Incremental Parts Sales vs Diesel



Autonomous Vehicle Platform



Advanced
Powertrain
Controls



Redundant
Steering



High Reliability
Power Supply



Proprietary
Embedded
Software

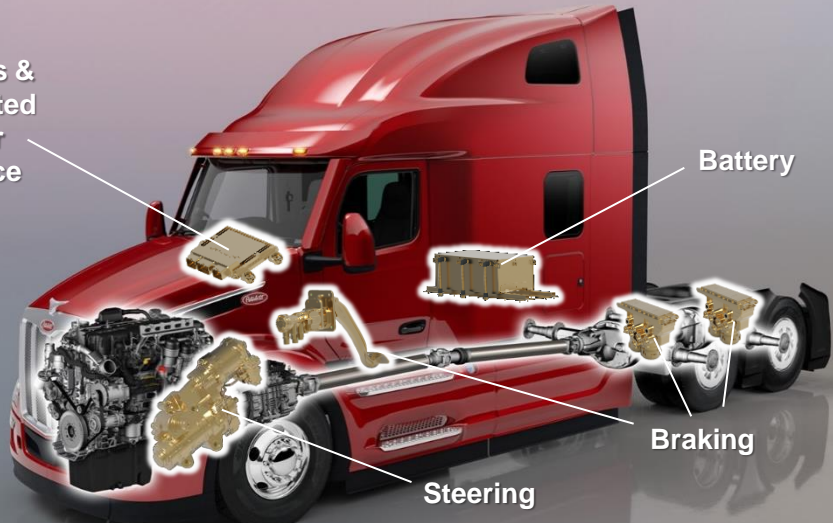


Redundant
Brakes



PACCAR's Essential Role in Autonomous Trucking

Controls & Automated Driver Interface



Battery

Steering

Braking

Engineering and Manufacturing



Repair and Maintenance



Replacement Parts



Connected Services

Investing in the Future



Clean Diesel and Zero Emissions Powertrains



Advanced New Vehicles



Global Connected Services



Autonomous Vehicle Platform

PACCAR Inc

PACCAR Inc

Laura Bloch

Vice President PACCAR

General Manager PACCAR Parts

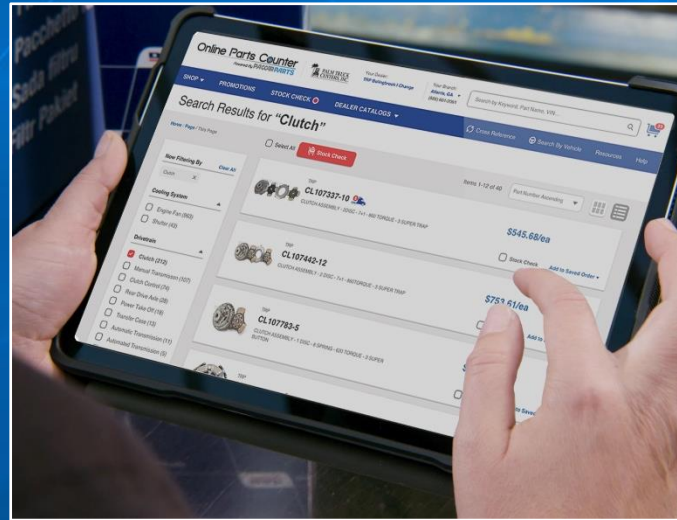
2023 PACCAR Parts Accomplishments

GLOBAL SALES \$6.4B +11%

GLOBAL PROFIT \$1.7B +18%



Fleet Service



eCommerce Retail Sales



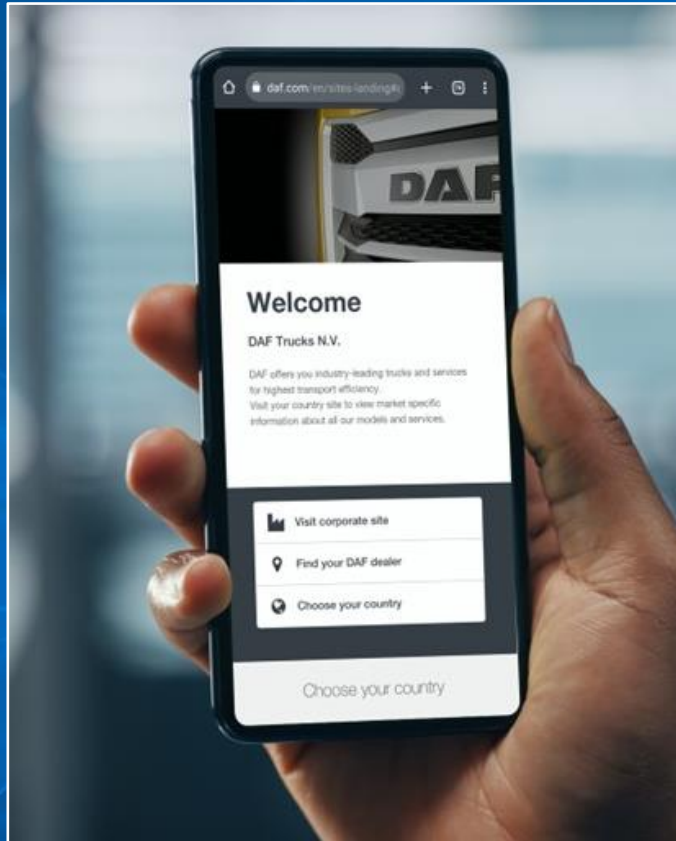
TRP Store Retail Sales

PACCAR Parts Worldwide Sales & Profit



PACCAR Parts Growth Formula

EASE OF DOING BUSINESS



Parts Available
When & Where Needed

PRODUCT SEGMENTATION



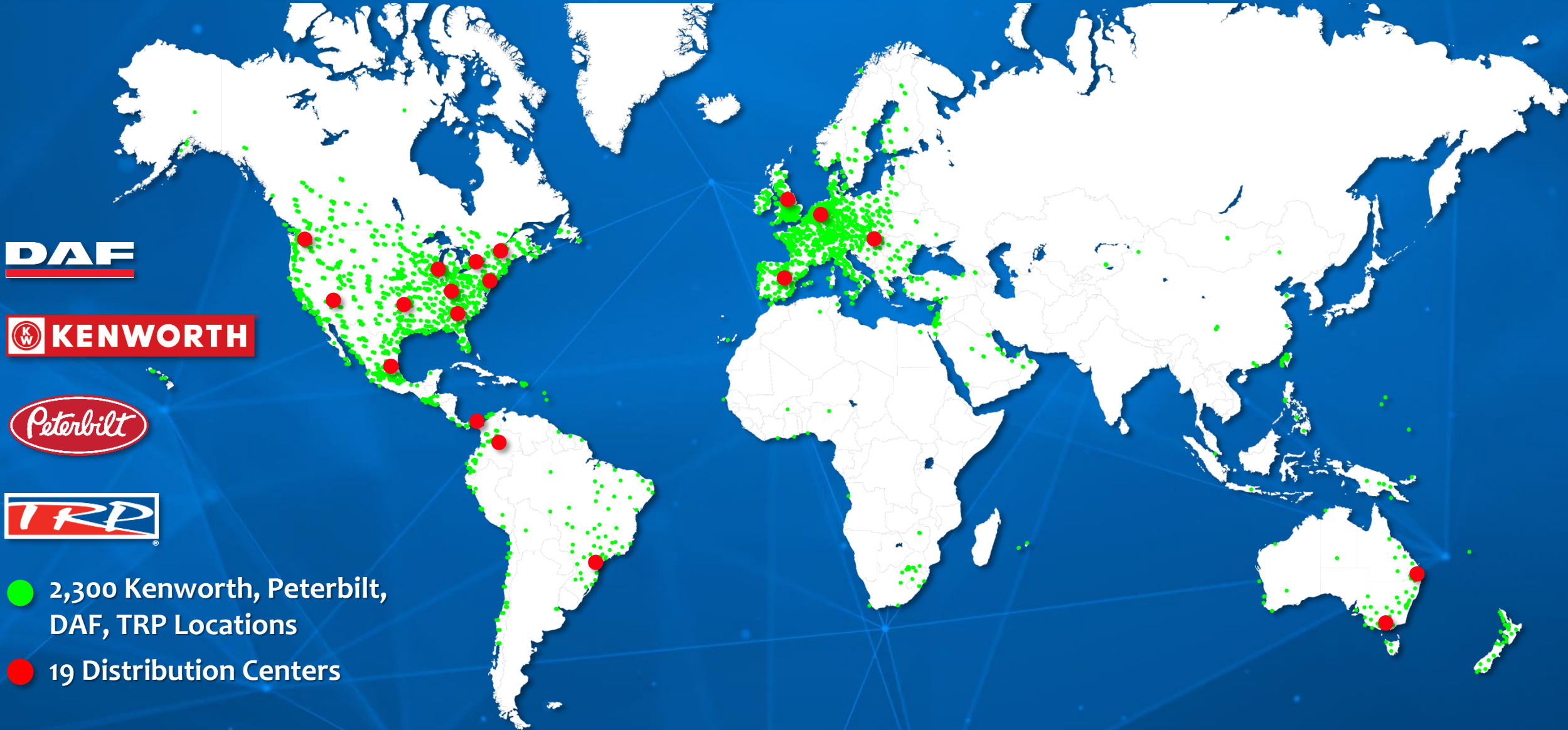
Full Range of Proprietary
& All Makes Products

EXPANDING MARKET OPPORTUNITIES



Broader Customer Base &
Additional Geographies

Global Network



Distribution Center Network Expansion



Segmentation Strategy

Increased Customer Loyalty & Margin

PACCAR Proprietary



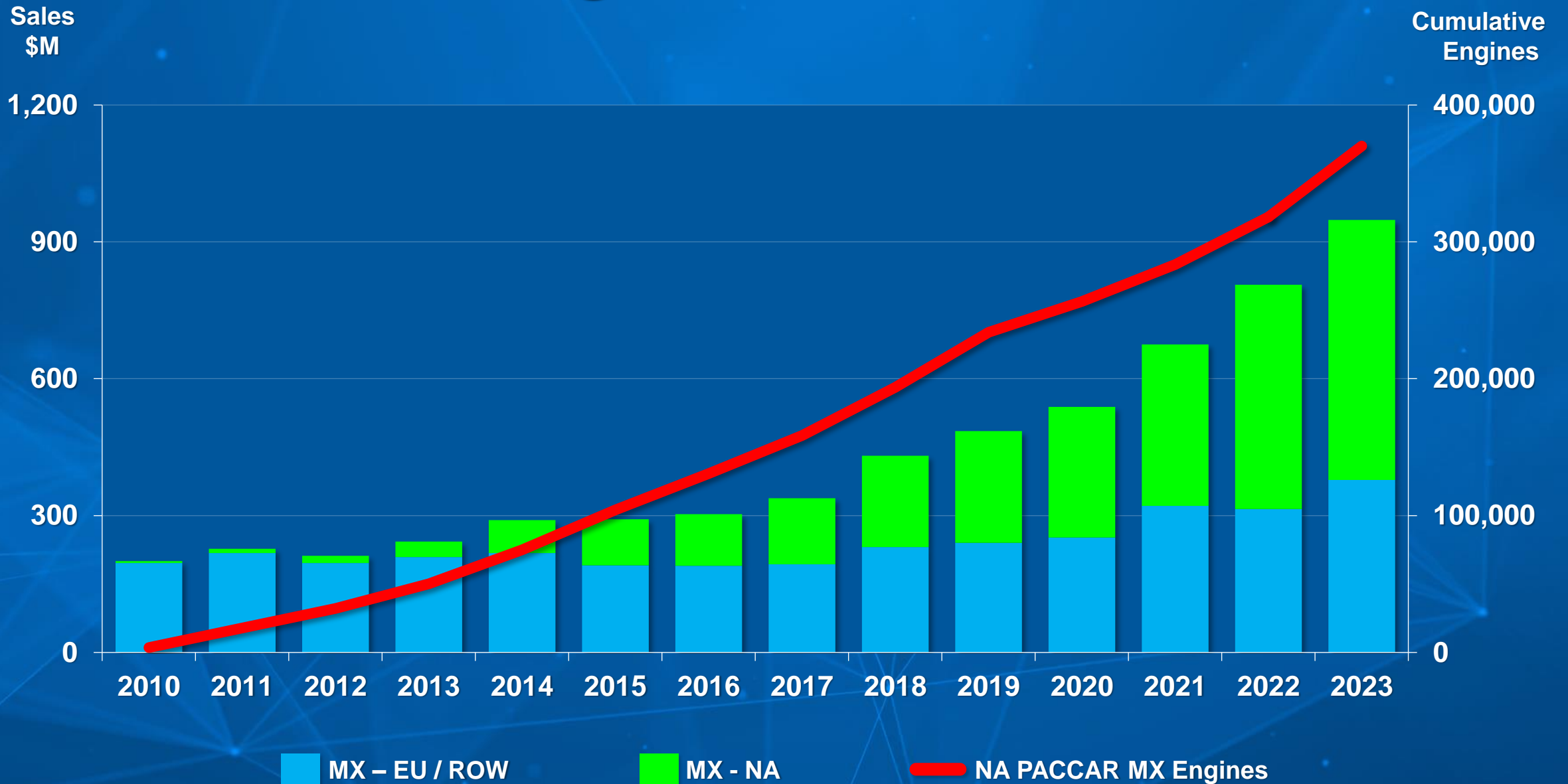
TRP All Makes



Vendor Brands

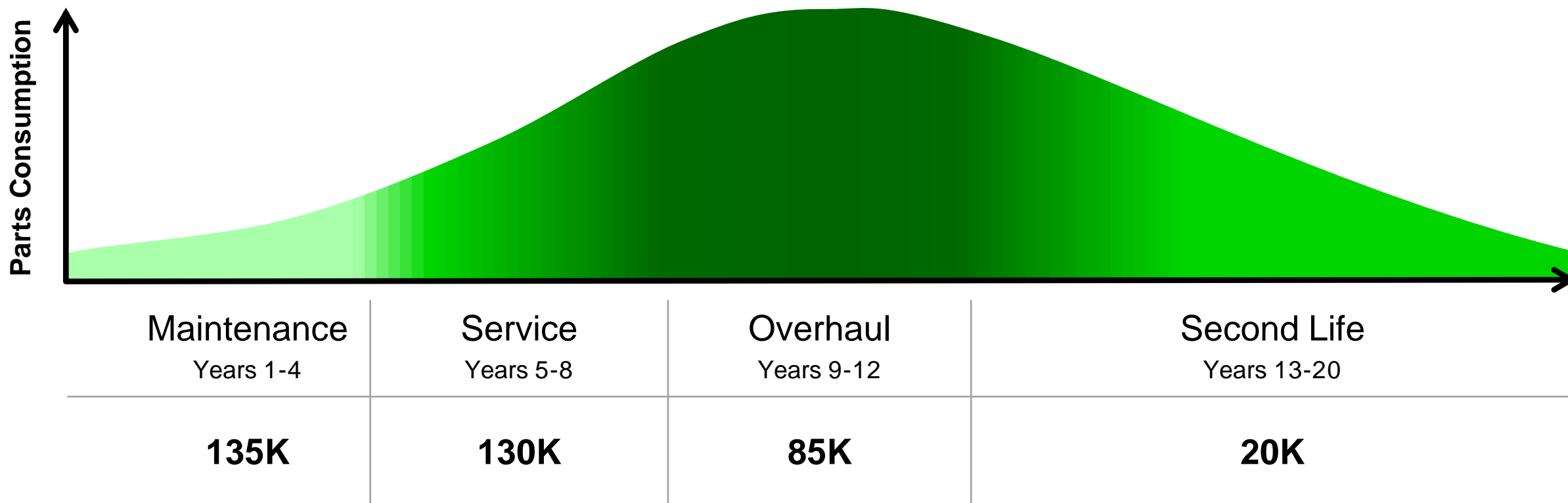


Engine Parts Sales



2023 PACCAR N.A. Powertrain

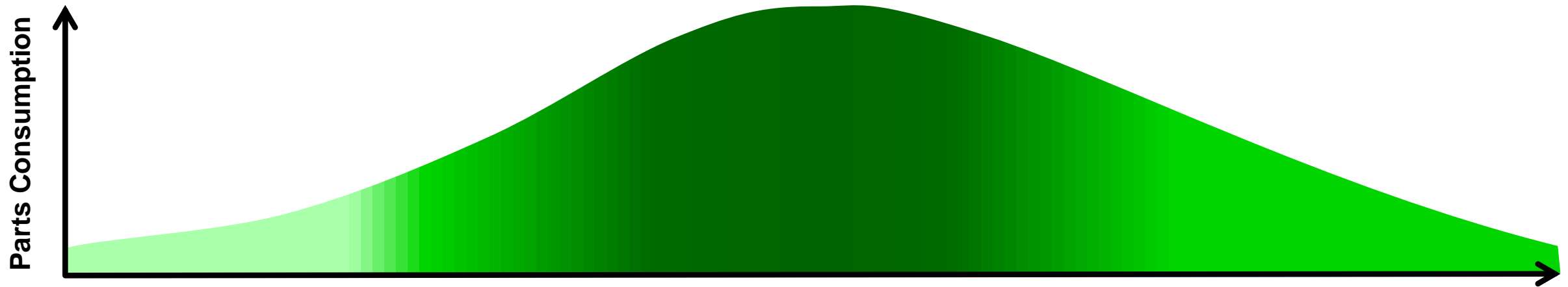
VEHICLE LIFETIME PARTS OPPORTUNITIES



370,000 ENGINES PRODUCED

2033 PACCAR N.A. Powertrain

VEHICLE LIFETIME PARTS OPPORTUNITIES



	Maintenance Years 1-4	Service Years 5-8	Overhaul Years 9-12	Second Life Years 13-20
2023	135K	130K	85K	20K
2033	195K	180K	145K	280K

800,000 ENGINES PRODUCED

Aftermarket Zero Emissions

Electric Vehicle Infrastructure

- PACCAR Chargers for All Makes
- Battery Energy Storage Solutions



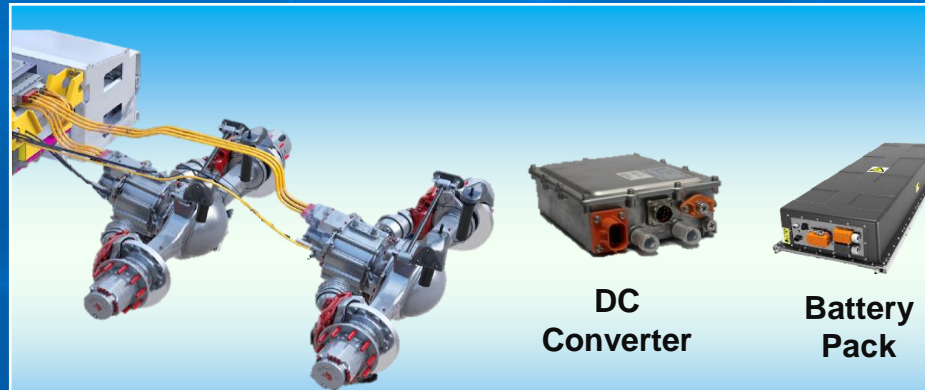
PACCAR Chargers



PACCAR Energy Storage System

Electric Vehicle Parts

- New PACCAR EV Parts
- EV Batteries & Charge Management



eAxle

DC Converter

Battery Pack



Energy Management System

Incremental Lifetime Value of \$5-10K in Parts Sales per Truck

Aftermarket Connected Services



**PACCAR
Connected Trucks**



**Proactive Prompts =
Service Opportunities**



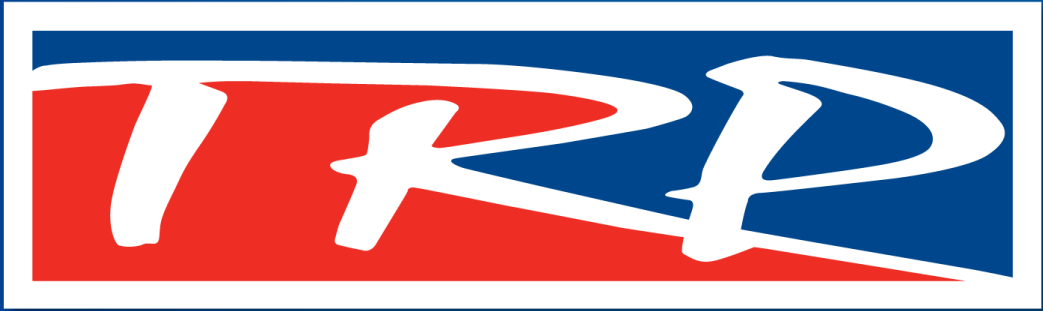
**Increase Customer
Loyalty**

Customer Loyalty Programs

- Centralized Fleet Billing
- eCommerce 24 / 7 Parts Ordering
- Repair & Maintenance Contracts
- Connected Truck Aftersales

The FedEx logo, featuring the word "FedEx" in a purple and orange color scheme.The Waste Management logo, featuring the letters "WMM" in green and yellow, with "WASTE MANAGEMENT" in green below it.The Holman logo, featuring the word "Holman" in a large, blue, sans-serif font, with the tagline "Driving What's Right" in a smaller, black, sans-serif font below it.The KAG logo, featuring the letters "KAG" in a large, blue, sans-serif font, with "KENAN ADVANTAGE GROUP, INC." in a smaller, blue, sans-serif font below it.The Loves logo, featuring a red heart with yellow and orange stripes on the left, and the word "Loves" in a large, black, sans-serif font with a small red heart above the 's' on the right.The Republic Services logo, featuring a red star-like shape made of interlocking lines on the left, and the words "REPUBLIC SERVICES" in a blue, sans-serif font on the right.

TRP 30th Anniversary



®

30

est. 1994

TRP Store Growth



\$1M REVENUE PER STORE

Operational Excellence

RIGHT PART



AI Inventory Optimization

>98% Order Fill

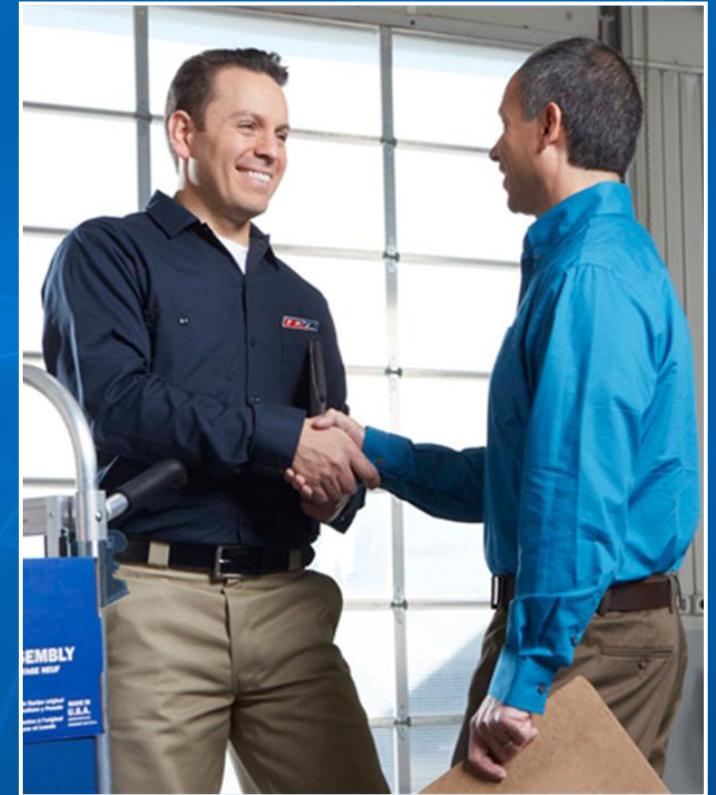
RIGHT PLACE



Managed Dealer Inventory

>99.9% Shipping Accuracy

RIGHT TIME



Speed to Market

70% Received in 24 hours

PACCAR PARTS

AFTERMARKET TRANSPORTATION SOLUTIONS

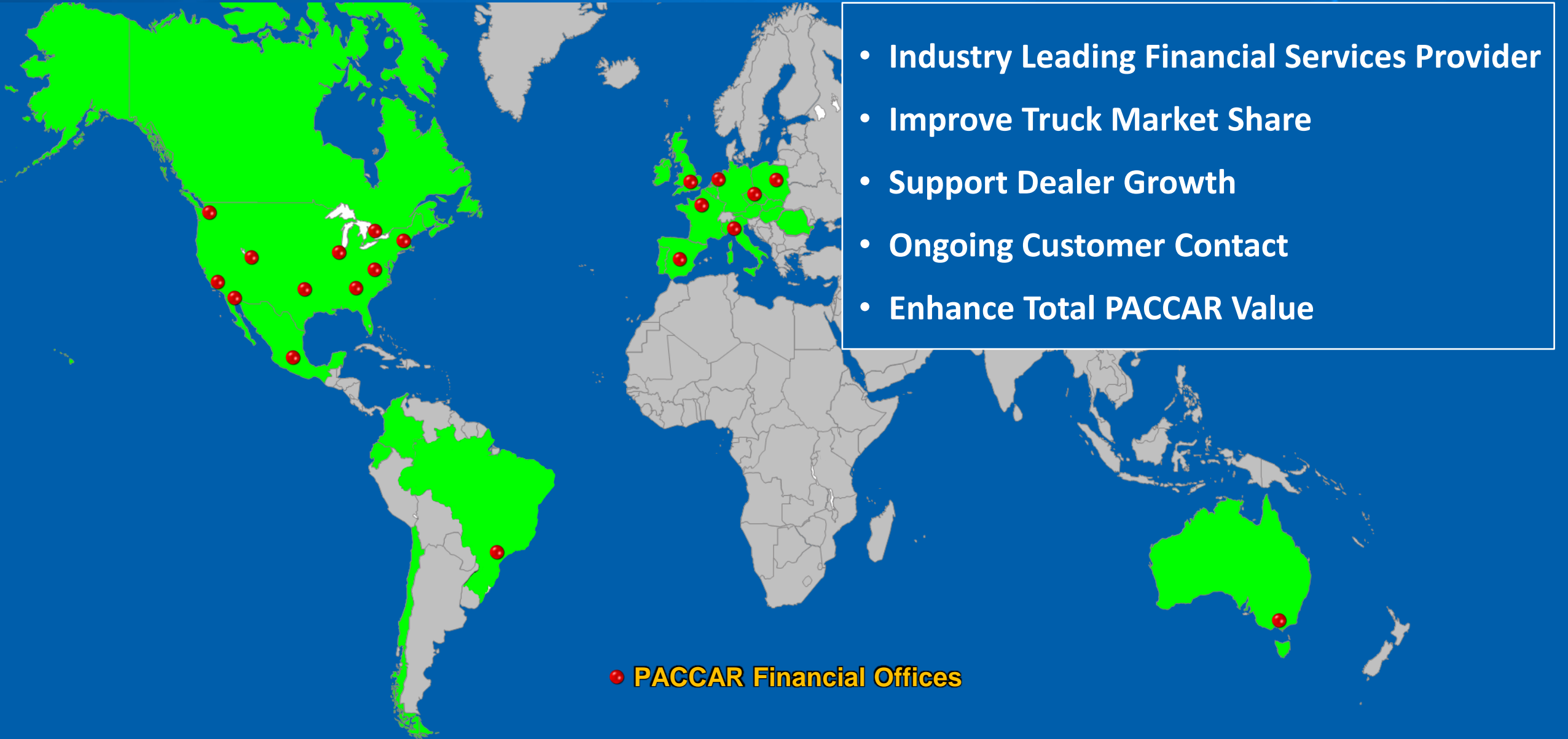
PACCAR Inc

PACCAR Inc

Todd Hubbard

Vice President, PACCAR Financial Services

PACCAR Financial Services (PFS)





Common Carrier

Trucks Generate Revenue for Customers

Customers Maintain Trucks

Customers Want to Own Trucks

Private Fleet

Trucks are Expense to Customers

PacLease Maintains Trucks

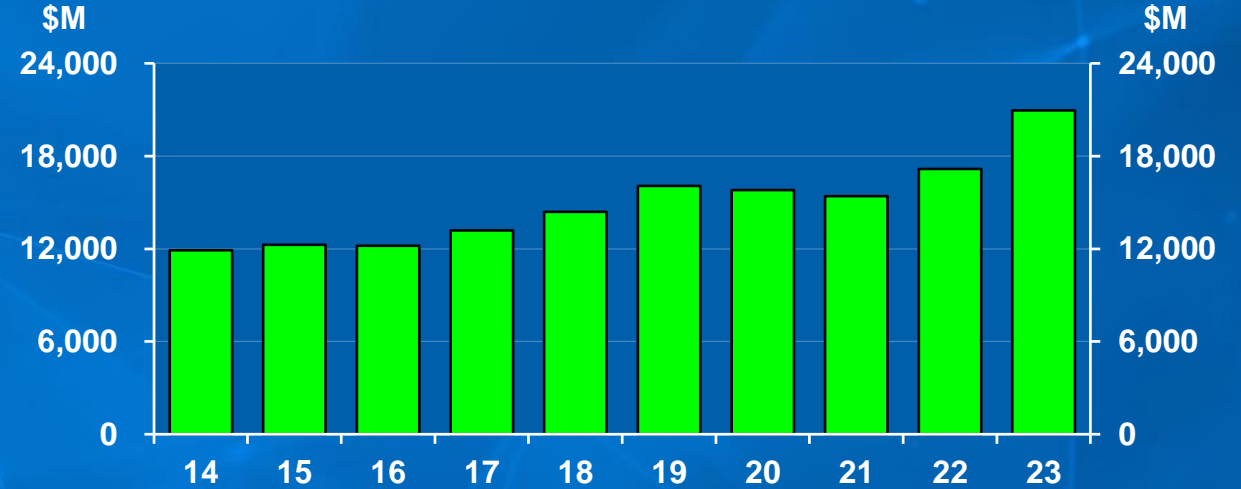
Customers Don't Want to Own Trucks

PFS Worldwide Operating Trends

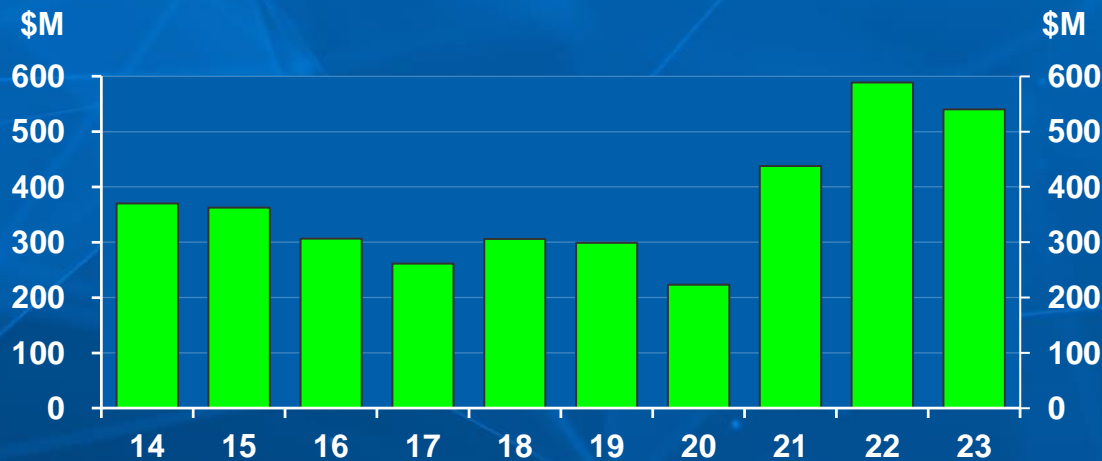
New Business Volume



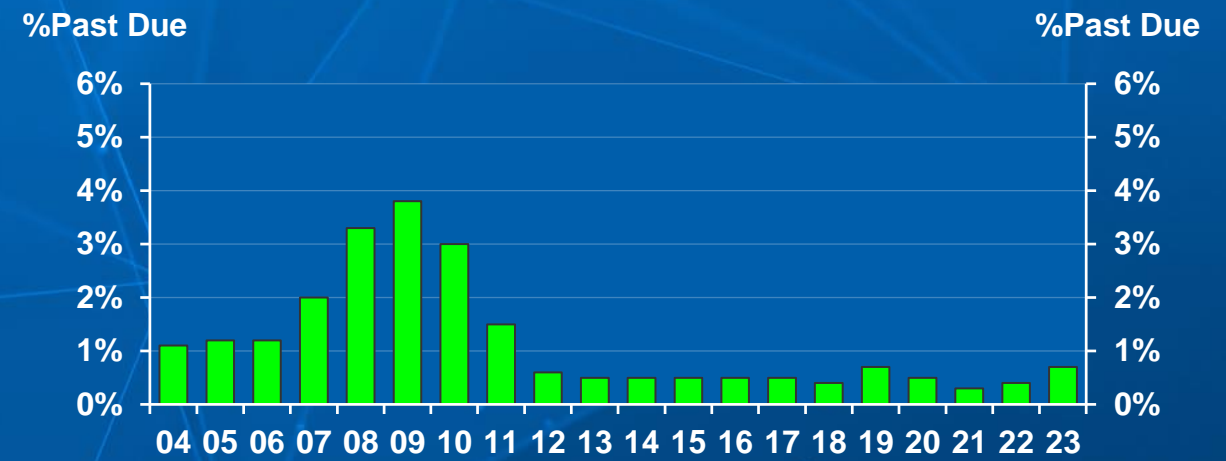
Total Assets



Pre-tax Profit

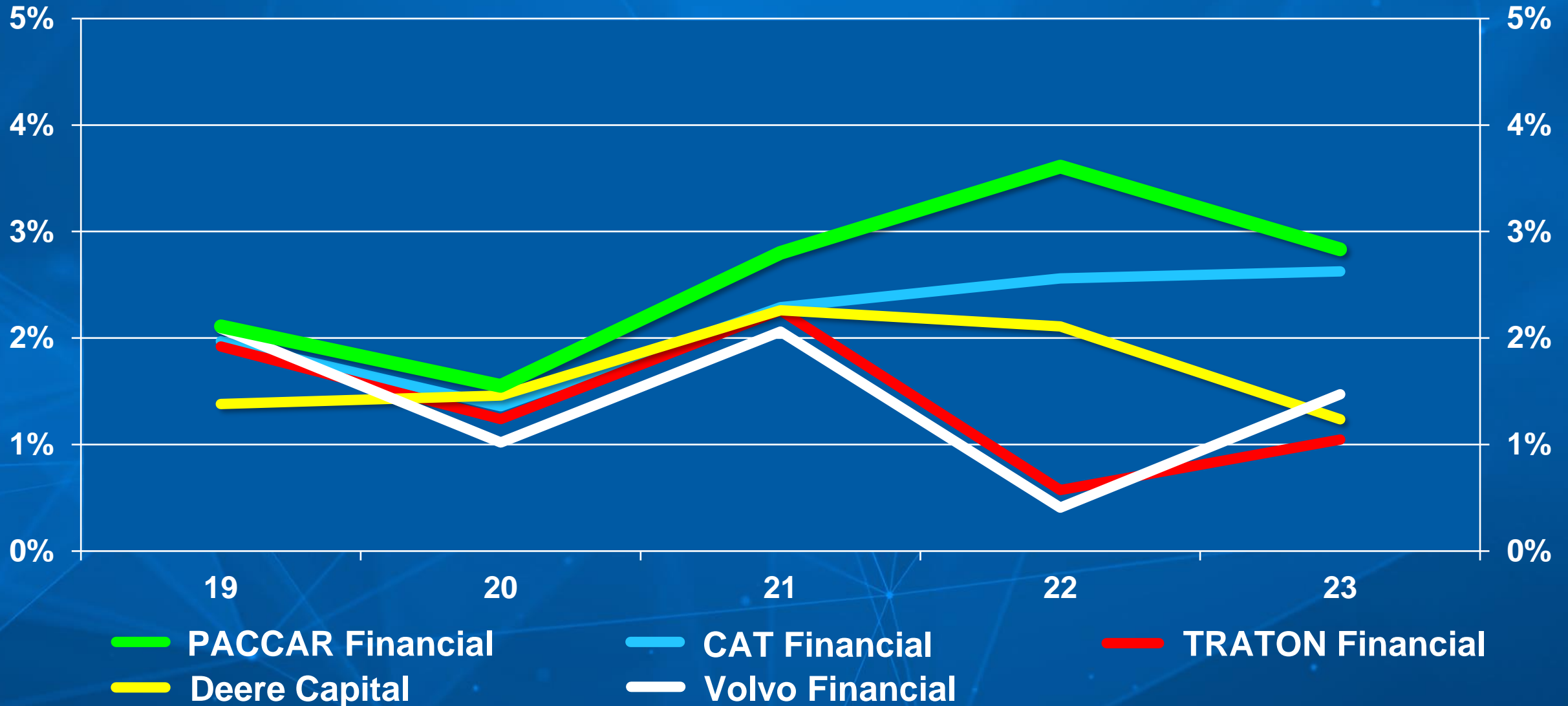


Past Dues


















Financial Services Peer Comparison

Return on Assets



Competitive Advantages

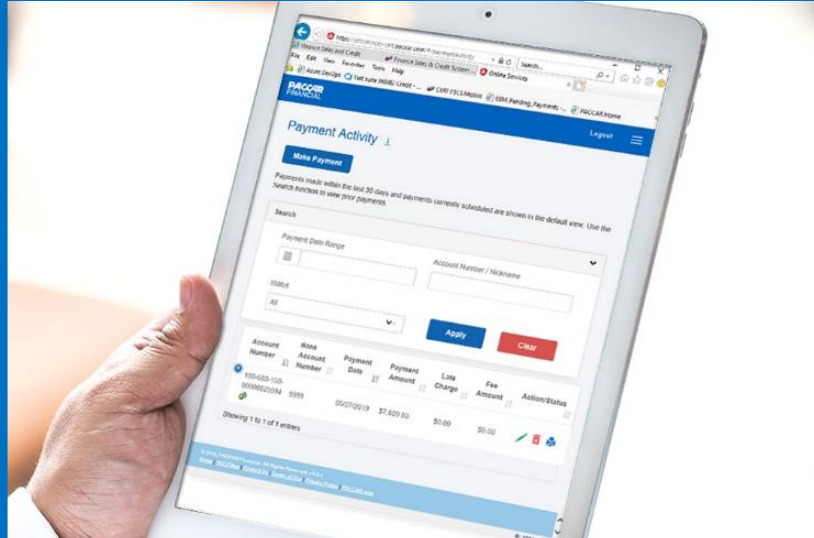
	Finance Products	Access to Customers	Technology Platform	Customer Interest Rates	Used Truck Remarketing
PACCAR Financial					
Captives					
Banks					

Industry-Leading Technology

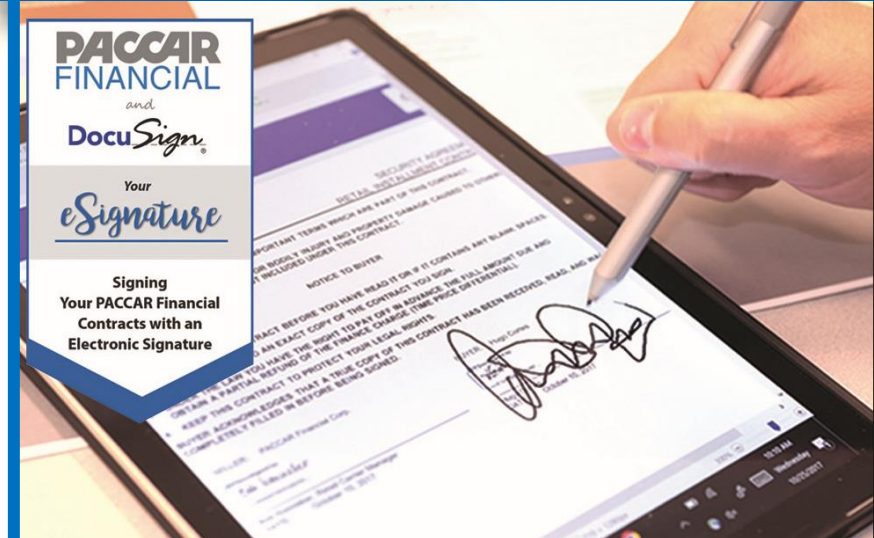
NEXT GENERATION
FINANCE SYSTEM



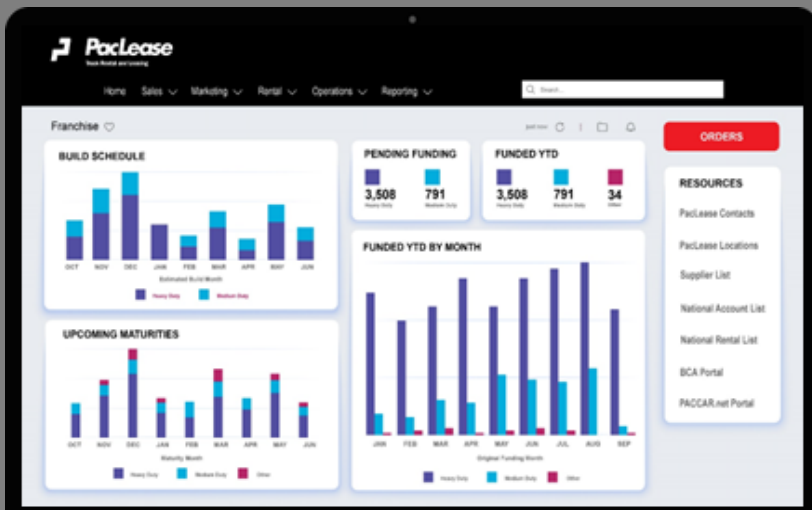
Operating Platforms



Online Services



E-Contracts



PacLease Franchise Portal

- Enhanced Customer Digital Experience
- Upgraded Global Operating Platforms
- 24/7 Online Account Management
- E-Signatures “Anywhere and Anytime”
- Prognostics Data for Fleet Management

Leveraging AI & Data Analytics



PACGPT ✨



Grow Revenue

- Predictive Sales Leads
- Dynamic Pricing

Enhance Decision-Making

- Market Specific Credit Scorecards
- Automated Credit Approvals

Mitigate Risk

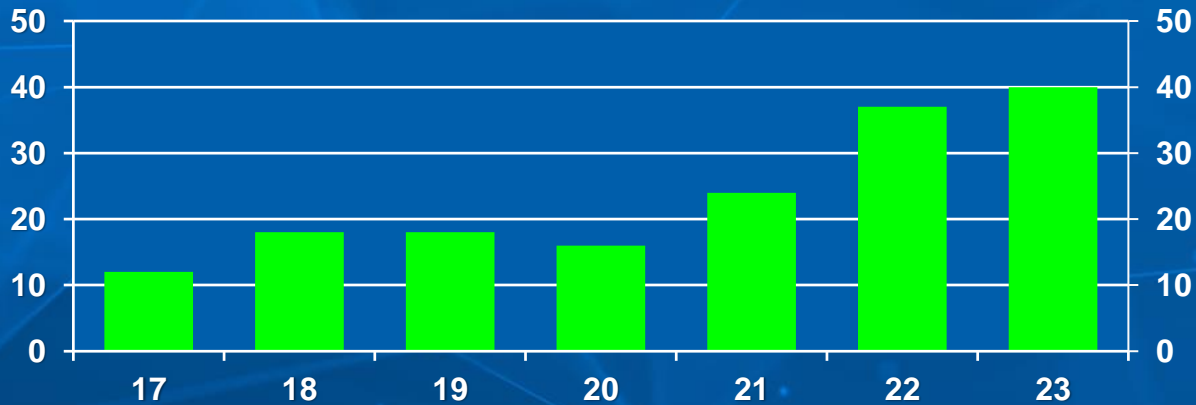
- Early Delinquency Warnings
- Connected Truck Reporting

Used Trucks

Used Truck Centers



Retail Sales Mix



- 12,500 Pre-Owned Trucks Sold
- Extensive Remarketing Network
- Enhanced Website & e-Commerce
- Premium Value of PACCAR Brand

 **PacLease**

39,400 Truck Fleet



8,950 Annual Truck Purchases

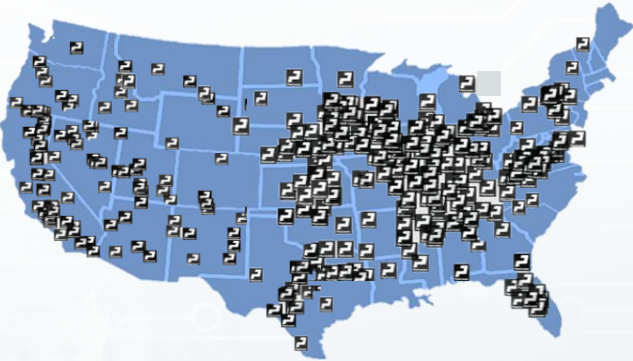


3,700 Full Service Lease Customers



632 Locations Worldwide

Current Services



- Full-Service Lease & Rental
- Full Maintenance Programs
- National PacLease Network



Expanded Services



- Customized Fleet Services
- Fleet Reporting & Analytics
- Electric Truck Lease & Rental



Trucks as a Service



- Pay per Use Model
- Includes Vehicle, Charging, Parking and Maintenance
- Combined Monthly Payment

PACCAR Financial Services

Worldwide Operations

Industry-Leading Technology

Premium Used Truck Remarketing

Full-Service Leasing & Rental

Innovative Transportation Solutions



PACCAR Inc

PACCAR Inc

Harrie Schippers

President and Chief Financial Officer

PACCAR Financial Performance Overview



119 Years of Superior Performance
85 Consecutive Years of Net Profit
83 Consecutive Years of Dividends Paid

- **First Quarter 2024 Results**
 - \$8.7B Revenues
 - \$1.2B Net Income
 - 48,000 Truck Deliveries
- **Regular Quarterly Dividend Increased 7% per Year on Average for Last 10 Years**

PACCAR Balance Sheet

- Premium Quality Balance Sheet
- No Manufacturing Debt
- A+/A1 Credit Ratings
- Financial Services Assets 52% of Balance Sheet

(\$M)	March 31, 2024	Dec. 31, 2023
Cash & Securities	\$7,727	\$8,659
Manufacturing Assets	11,494	11,200
Financial Services Assets	21,153	20,964
Total Assets	\$40,374	\$40,823
Manufacturing Debt	\$0	\$0
Manufacturing Liabilities	7,643	9,015
Financial Services Liabilities	15,859	15,929
Stockholders' Equity	16,872	15,879
Total Liabilities & Equity	\$40,374	\$40,823

Business Outlook

Second Quarter 2024

- Deliveries ~48,000
- Gross Margin 18.0% - 18.5%
- Parts Sales Up 4% - 6% from 2Q23
- Strong Performance Financial Services

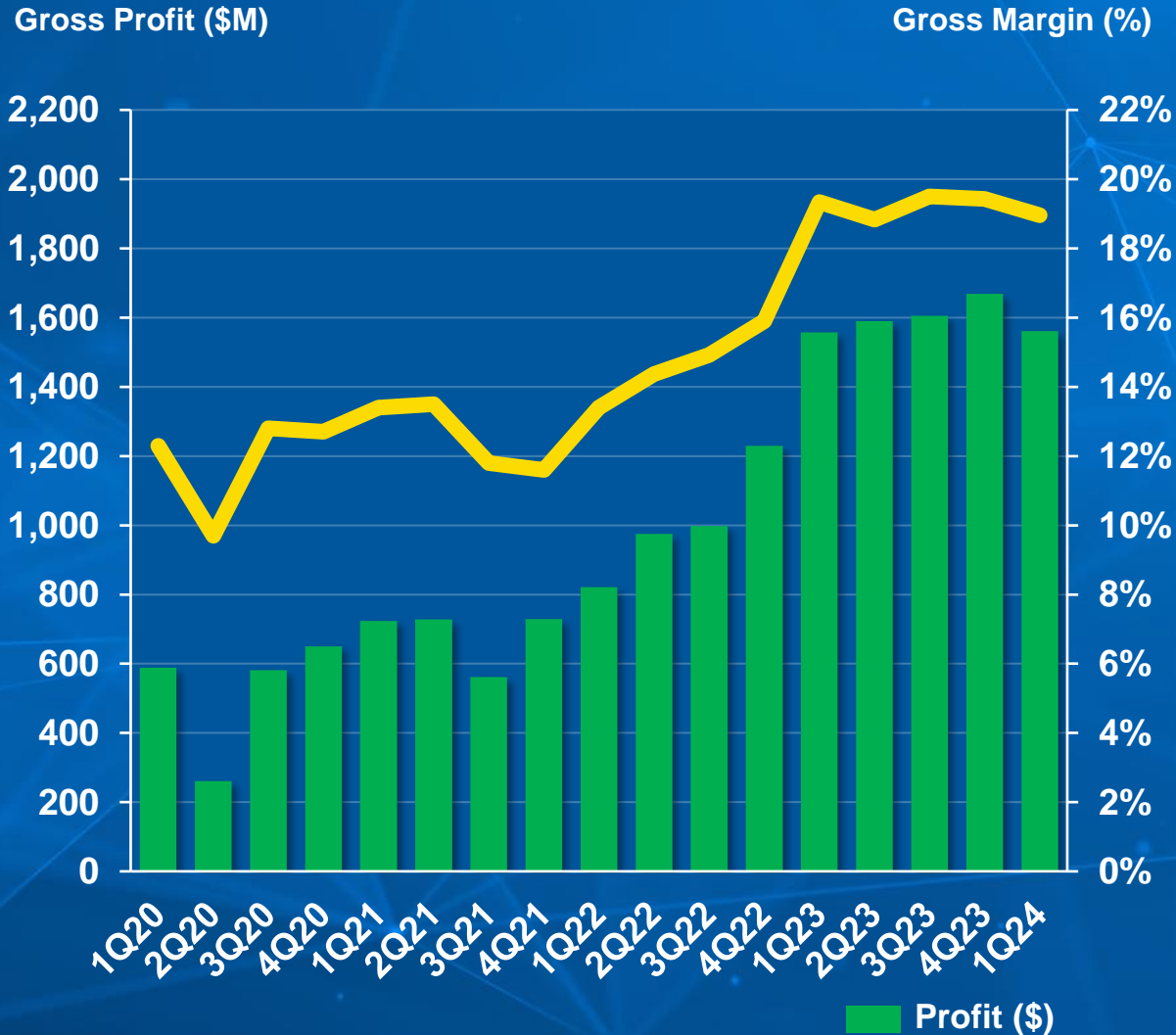
Full Year 2024

- Parts Sales 4% - 8% Growth
- CapEx \$700M - \$750M
- R&D \$460M - \$500M
- US & Canada 250,000 – 290,000 Units
- Europe 260,000 – 300,000 Units
- South America 105,000 – 115,000 Units

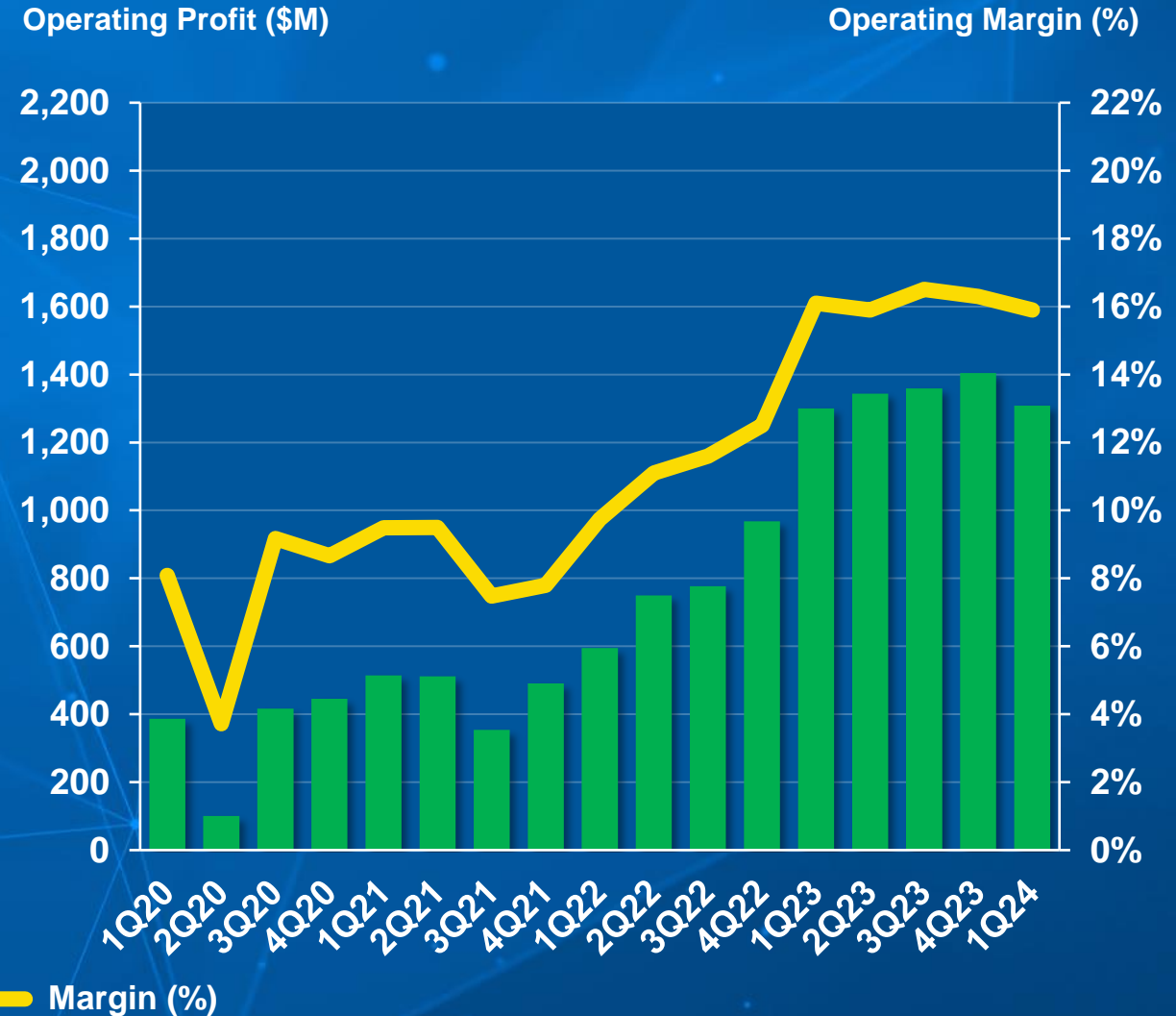


Truck, Parts and Other Profit and Margin

Gross Profit and Margin

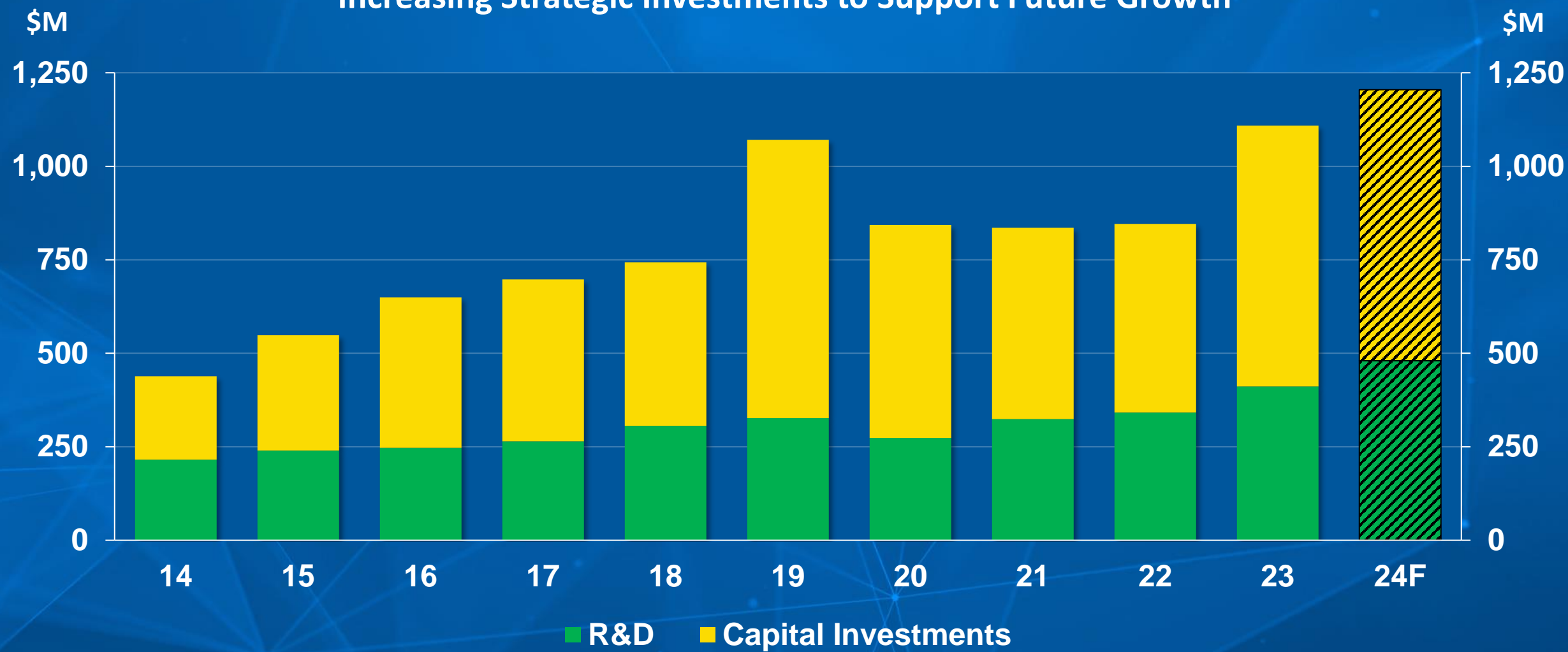


Operating Profit and Margin

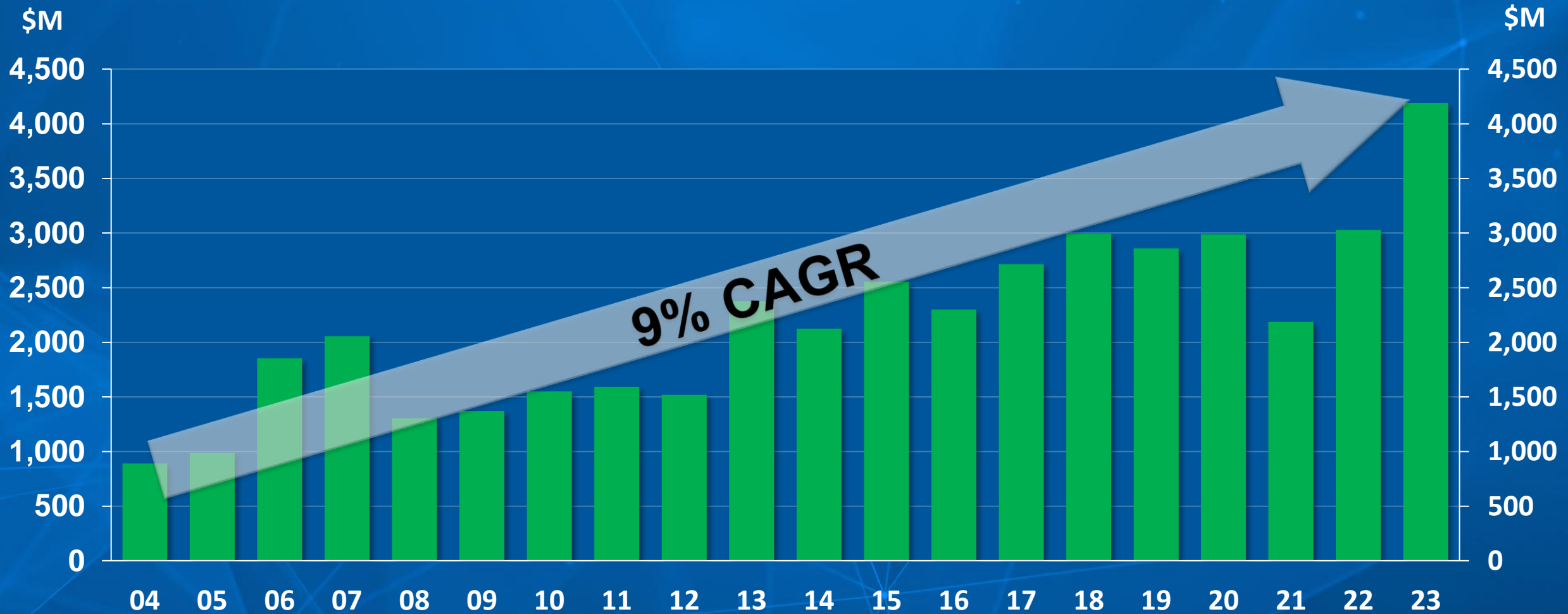


Capital Investments and R&D Expenses

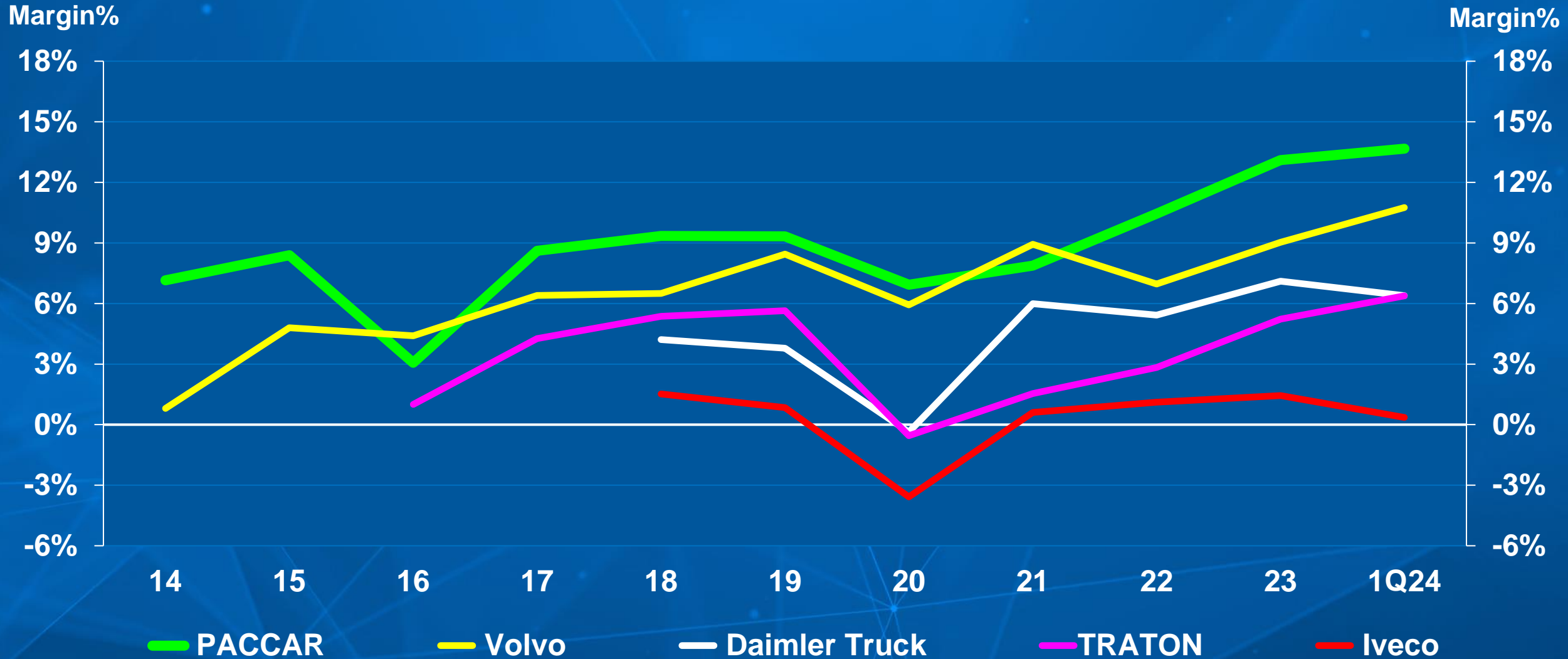
Increasing Strategic Investments to Support Future Growth



Operating Cash Flow

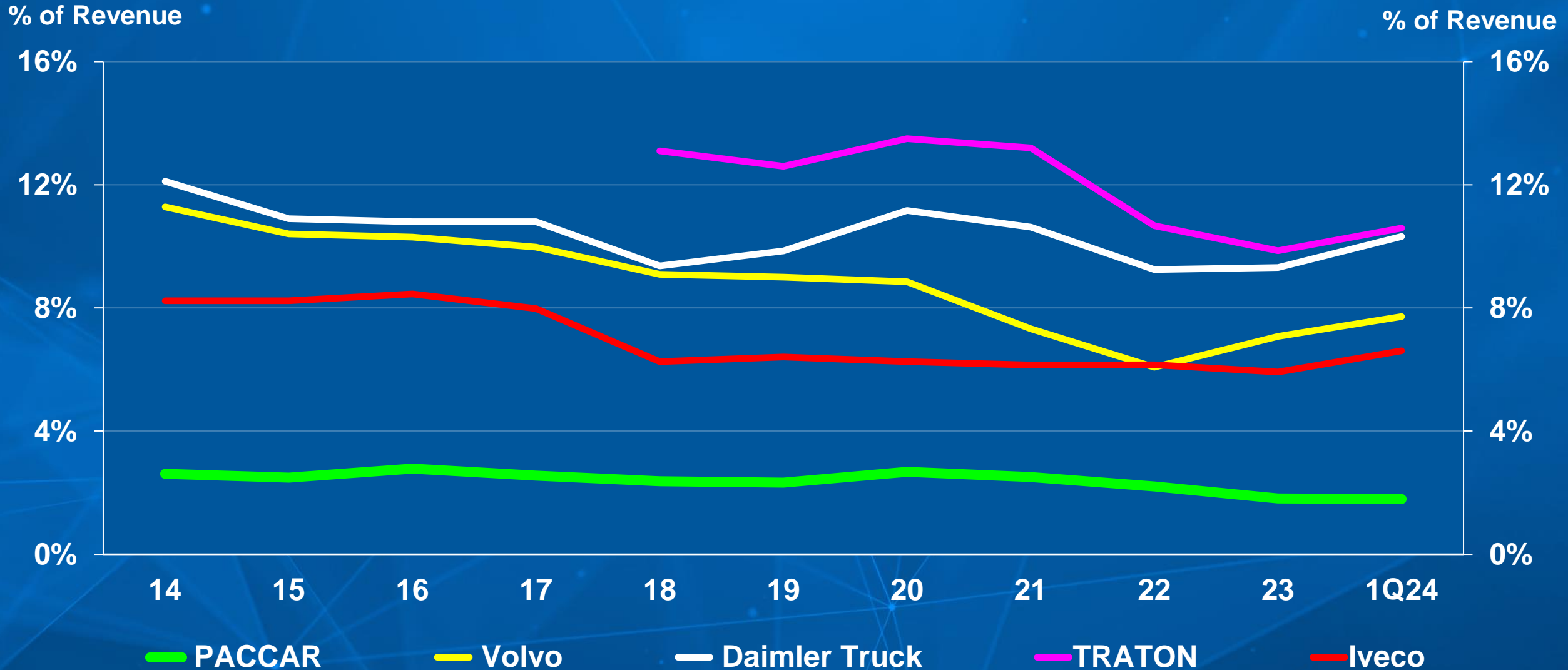


Net Profit as % of Revenues

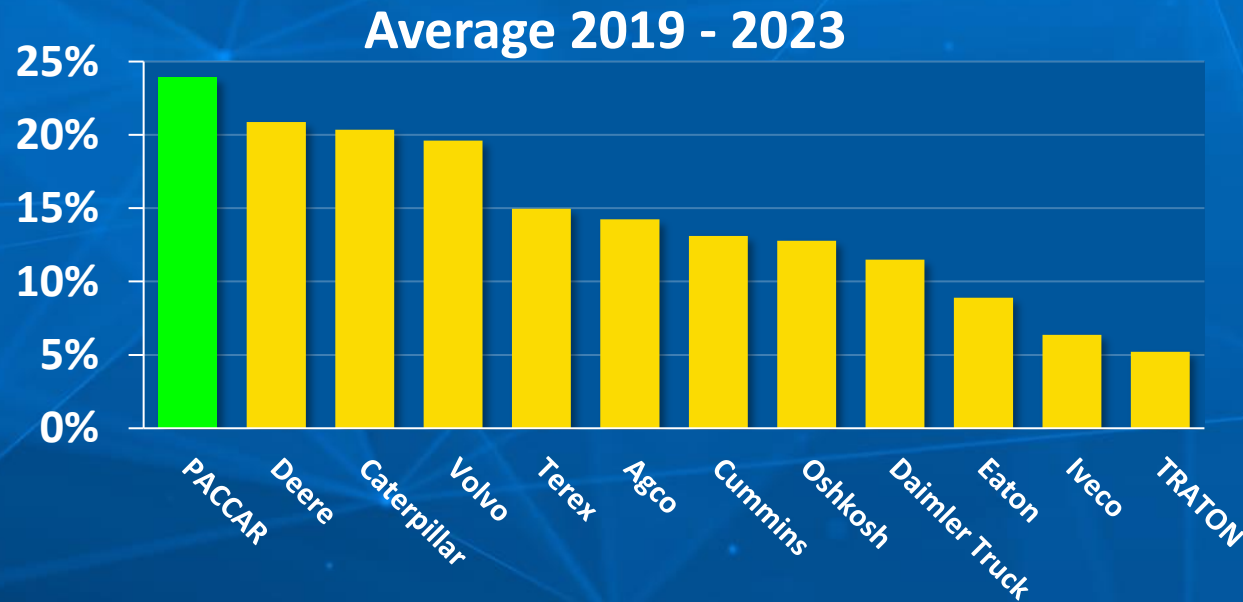


Best-in-Class Operating Efficiency

SG&A as % of Revenues



Best-in-Class Return on Invested Capital



- Premium Price and Strong Profitability
- Effective Capital Allocation Process
- Lean Operations from PACCAR Production System
- Independent Dealer Network

Capital Allocation Strategy

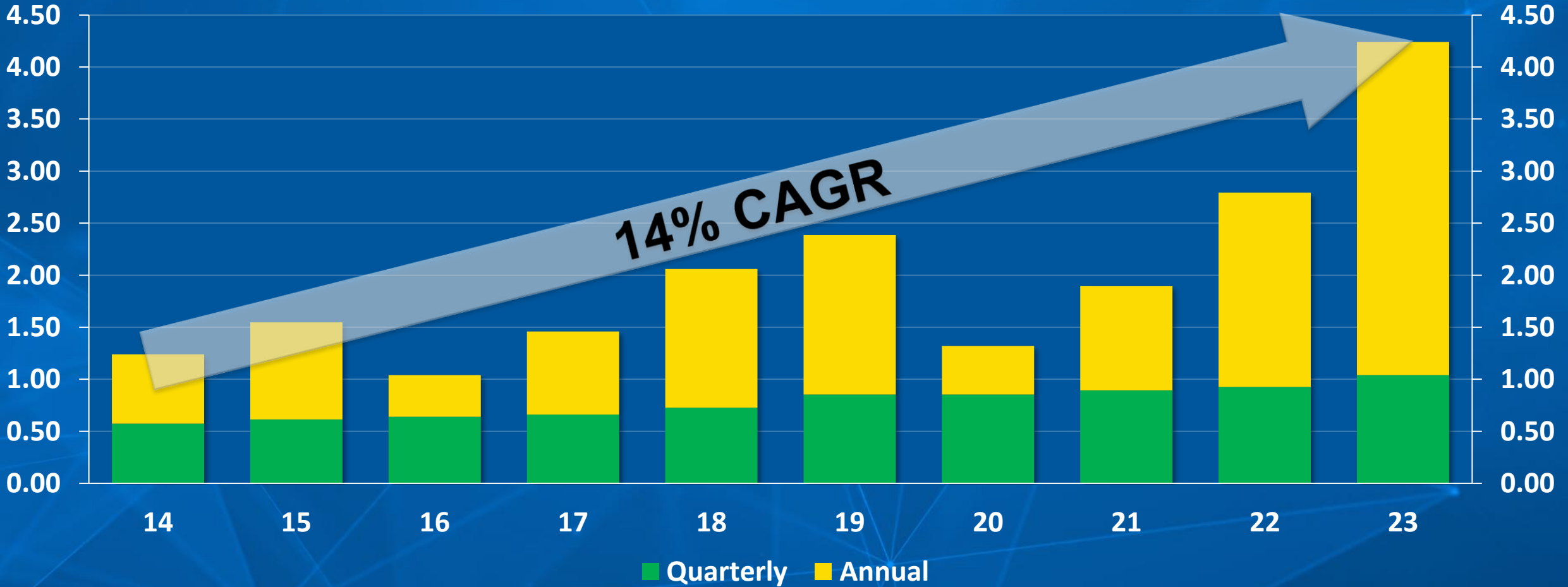


- High ROI (min. 30%) Capital Investments
- Preference for Dividends Over Share Repurchases
- Regular Quarterly and Annual Dividend Targeting ~50% of Net Income
- Disciplined M&A Screening and Valuation Process
- Fully Funded Pension

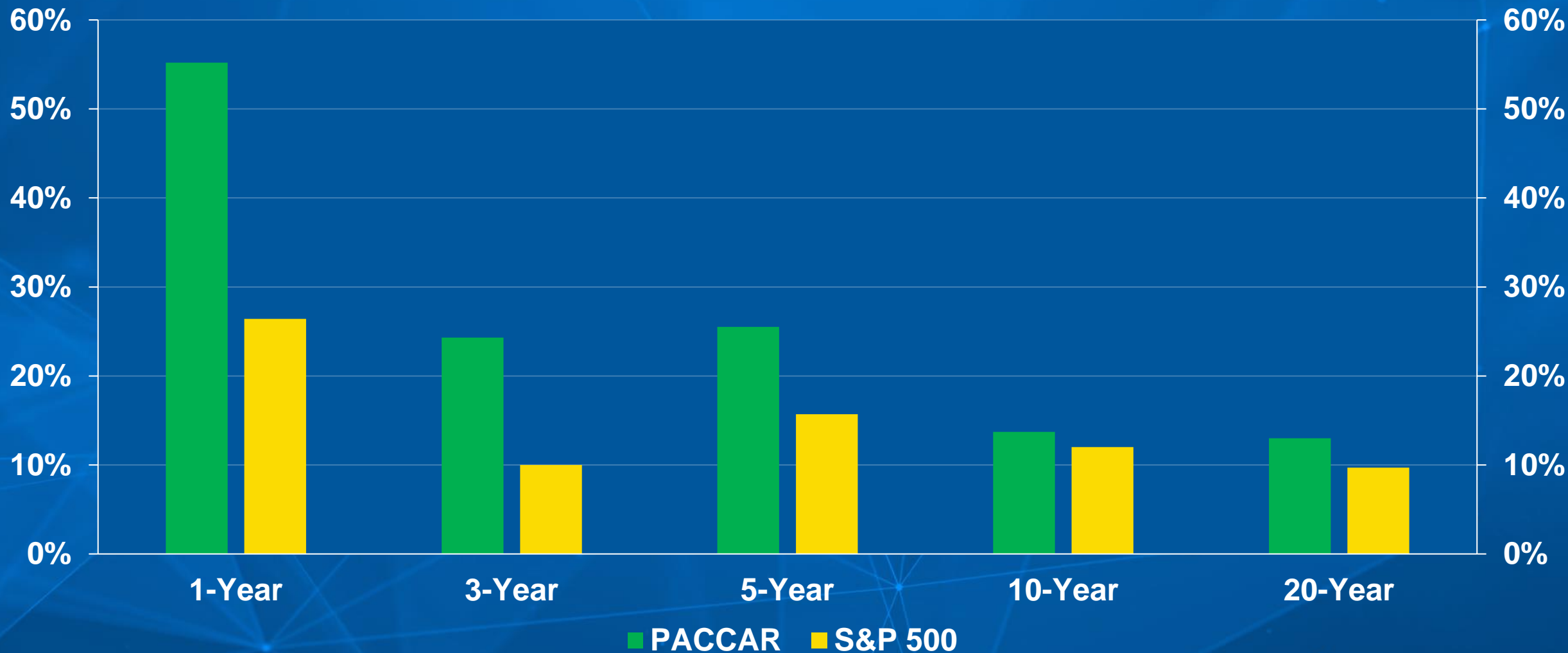
Dividends Per Share

\$ Per Share

\$ Per Share



Market-Beating Total Return to Shareholders



As of 12/31/2023

PACCAR is Structurally Stronger Positioned for Future Growth



Game Changing New Truck Models



Strong Parts Growth and Profit



Rest of World Growth



Technology Enabling Opportunities

PACCAR Inc