

PACCAR Inc

PACCAR Inc

**Ken Hastings
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 28 Years



Laura Bloch

- Senior Vice President
- Kenworth, Purchasing, Dynacraft, Supplier Quality
- PACCAR 22 Years



John Rich

- Executive Vice President and CTO
- Peterbilt, Powertrain, ITD, Global Electronics, Technology
- PACCAR 5 Years



Kevin Baney

- President
- DAF, PACCAR Parts, PACCAR Financial, Investor Relations
- PACCAR 32 Years



Brice Poplawski

- Senior Vice President and Chief Financial Officer
- Global Manufacturing
- PACCAR 28 Years



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

A Culture of Excellence

Profitable Growth

Premium Trucks

Transportation Solutions

Market Expansion

Advanced Manufacturing

Foundation

Quality



Technology



Innovation



PACCAR is Structurally Stronger

2014

Deliveries: 142,900

Revenues: \$19.0B

Adjusted Net Income: \$1.4B

Return on Revenues: 7.2%

Parts & Finance % of Profit: 43%

2025

Deliveries: 144,200

Revenues: \$28.4B

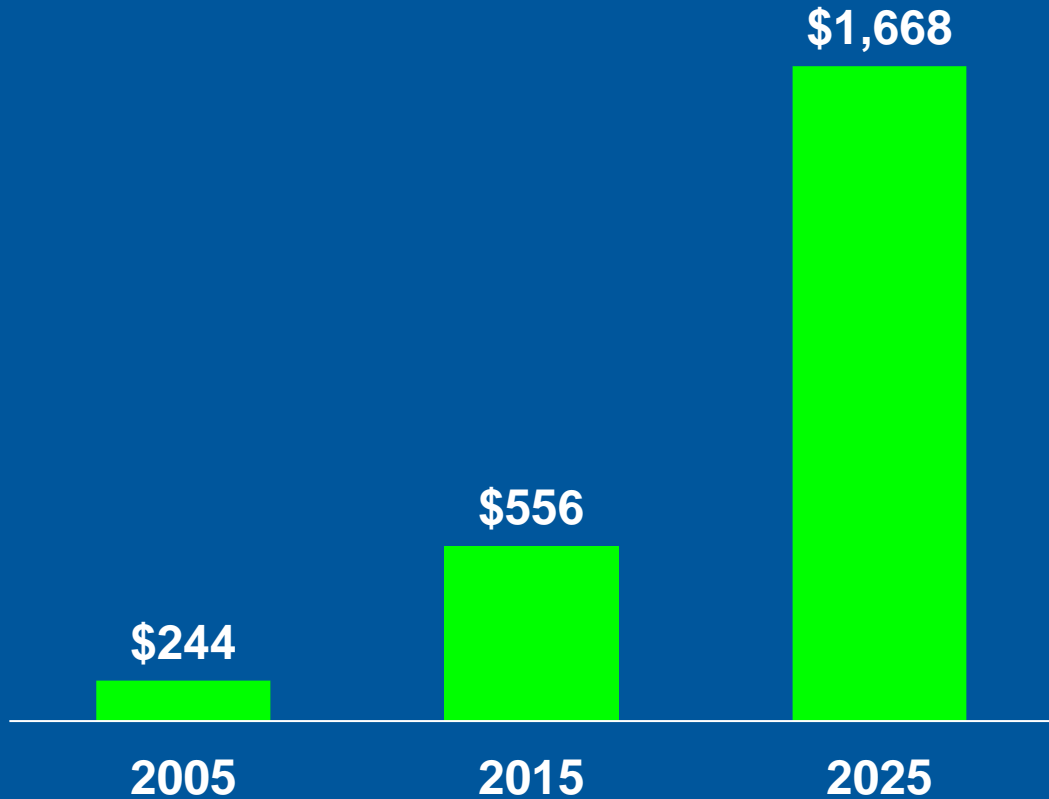
Adjusted Net Income: \$2.6B

Return on Revenues: 9.3%

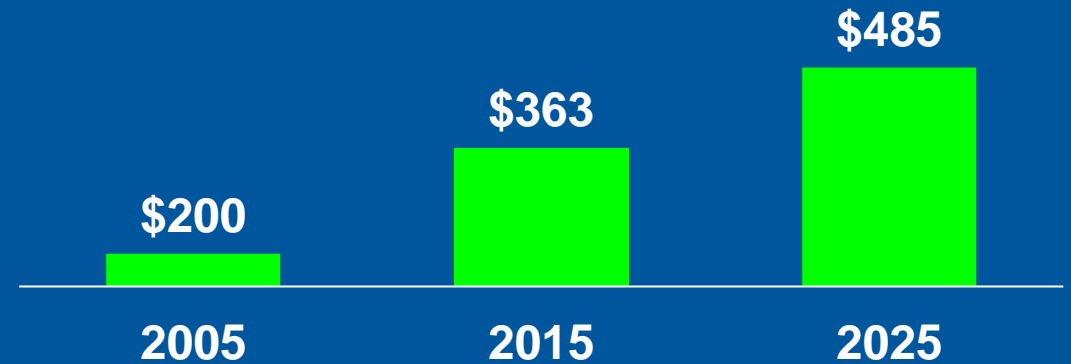
Parts & Finance % of Profit: 71%

PACCAR Parts & Financial Services

Parts Profit (\$M)



PFS Profit (\$M)



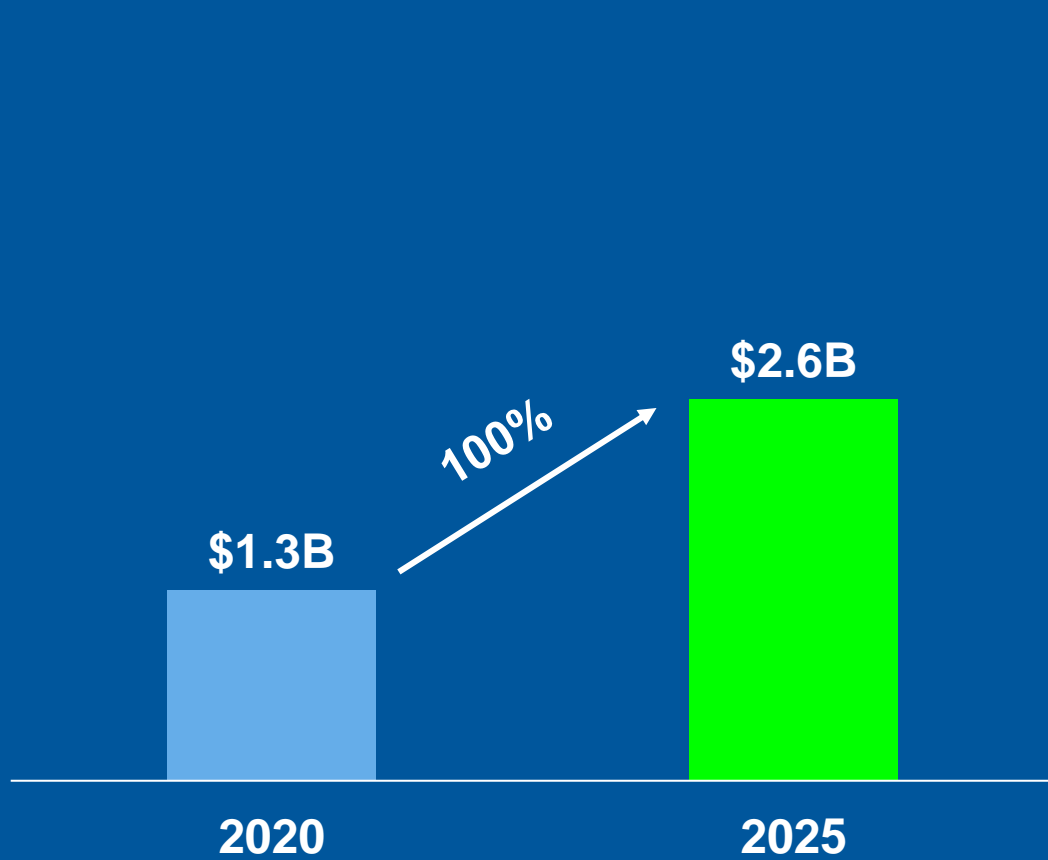
Growing Cashflows
Through Cycle

Support Truck Sales

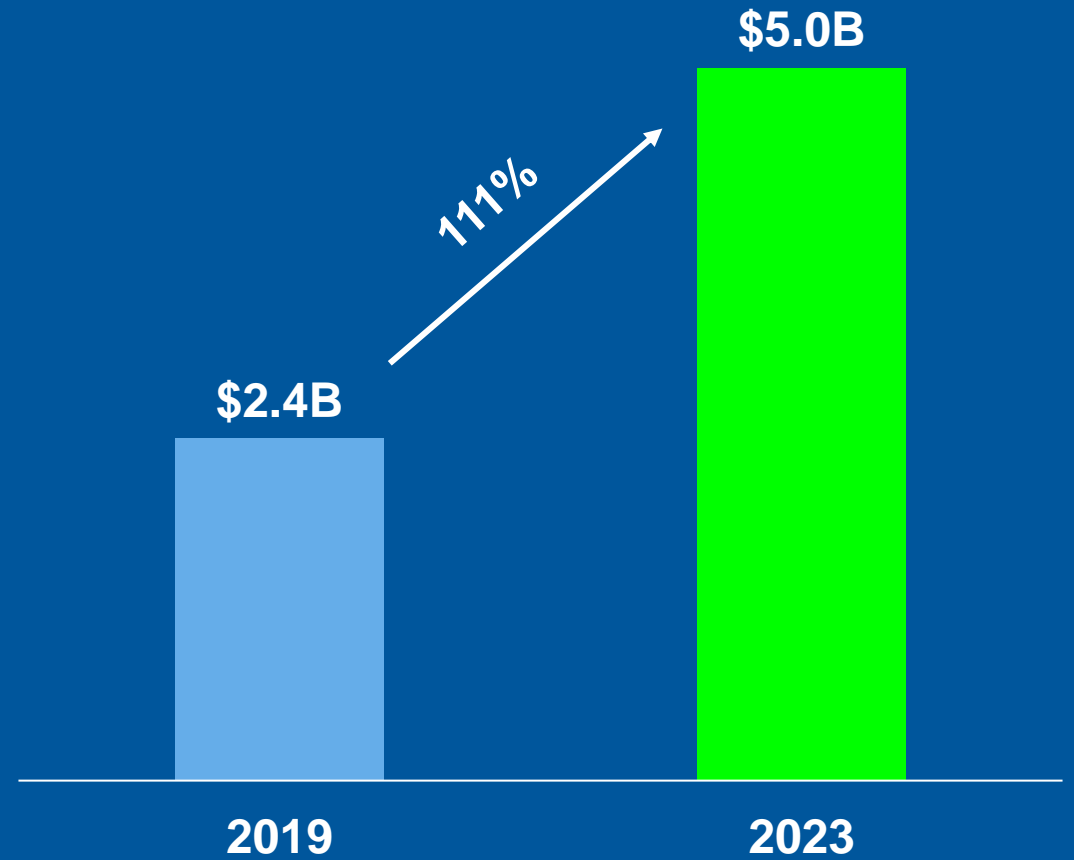
Customer/Dealer
Integration

PACCAR is Structurally Stronger

Adjusted Net Income

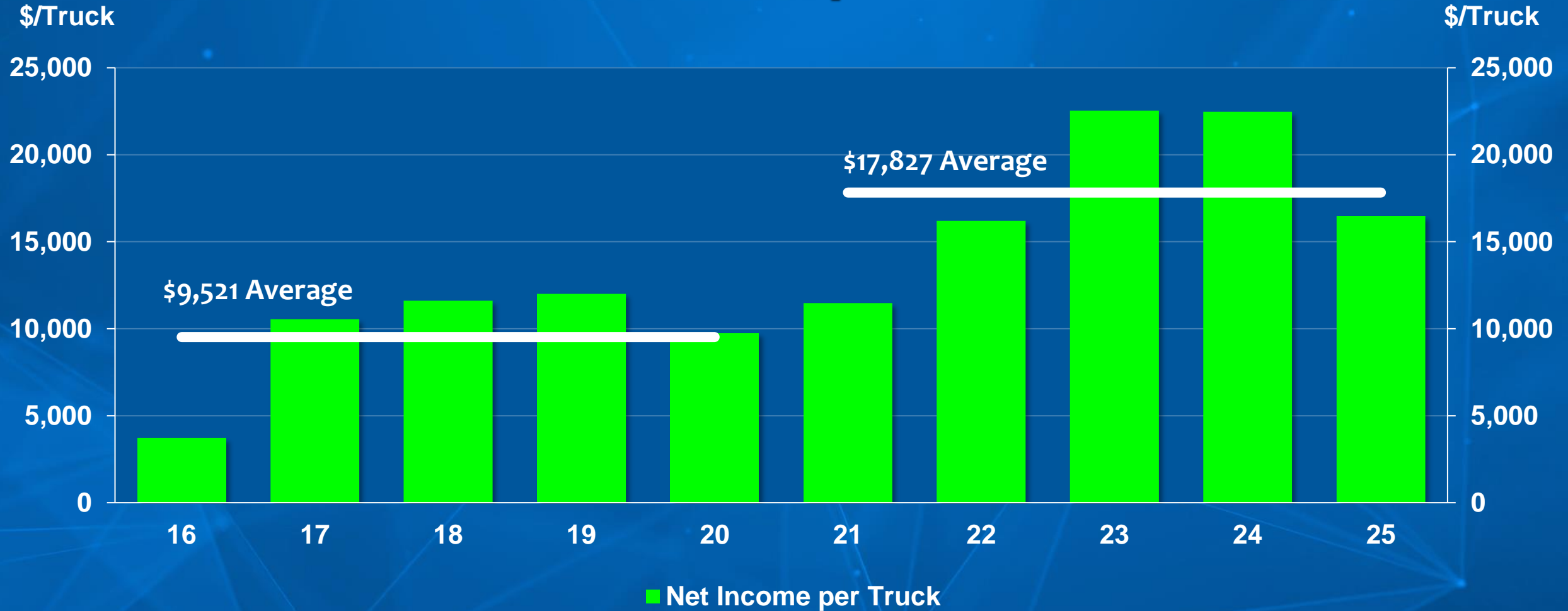


Market Troughs



Market Peaks

Net Income per Truck



**New Trucks &
Engines**

**Parts & Financial
Services**

**Advanced
Manufacturing**

**Local for Local
Production**

Over \$5B Invested in 5 Years



Flexible Manufacturing



Parts Distribution Centers



Clean Combustion Engines



Connected Vehicle Solutions



Autonomous Truck Platform



Zero Emissions Vehicles





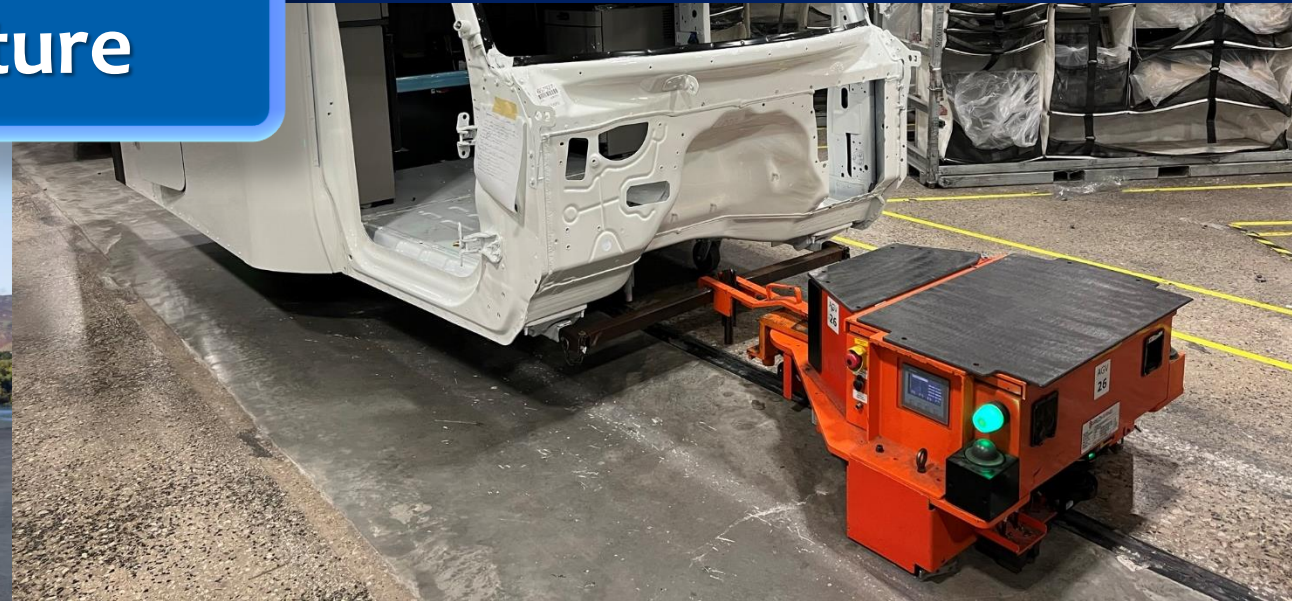
Zero Emissions



Connected Services



Autonomous



Advanced Manufacturing

Driving the Future

Artificial Intelligence

PACCAR Manufacturing



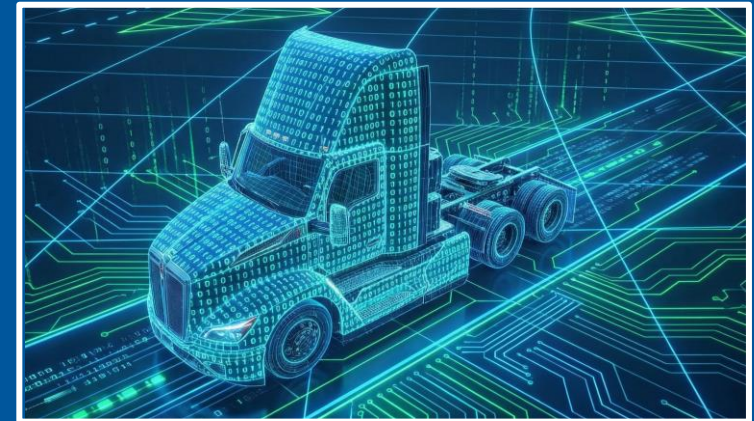
**Greater Flexibility in
Factories**

PACCAR Parts



**Advanced Material
Management**

Internal Development



**Faster Product
Development**

PACCAR is a Global Leader

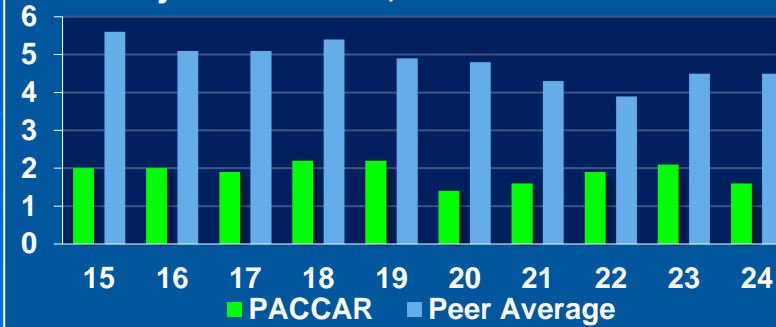
Environmental



PACCAR Earned "A" Rating
Top 4% of Companies
Earned "A" or "A-" For 11 Years.

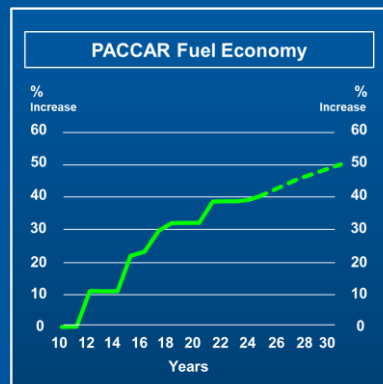
Operational Safety

OSHA Recordable Injury/Illness Rate
Injuries Per 200,000 Hours Worked



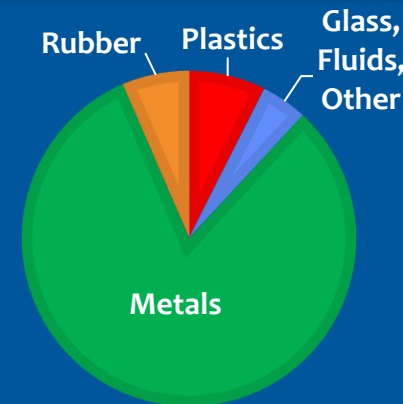
Record OSHA
Score of 1.36
in 2025!

Fuel Efficiency



Highest Fuel Economy
Lowest GHG Emissions

Truck Material Recyclability



90% Recyclable

PACCAR Philanthropy Leadership



SWEDISH





2,400 Independent Dealer Locations

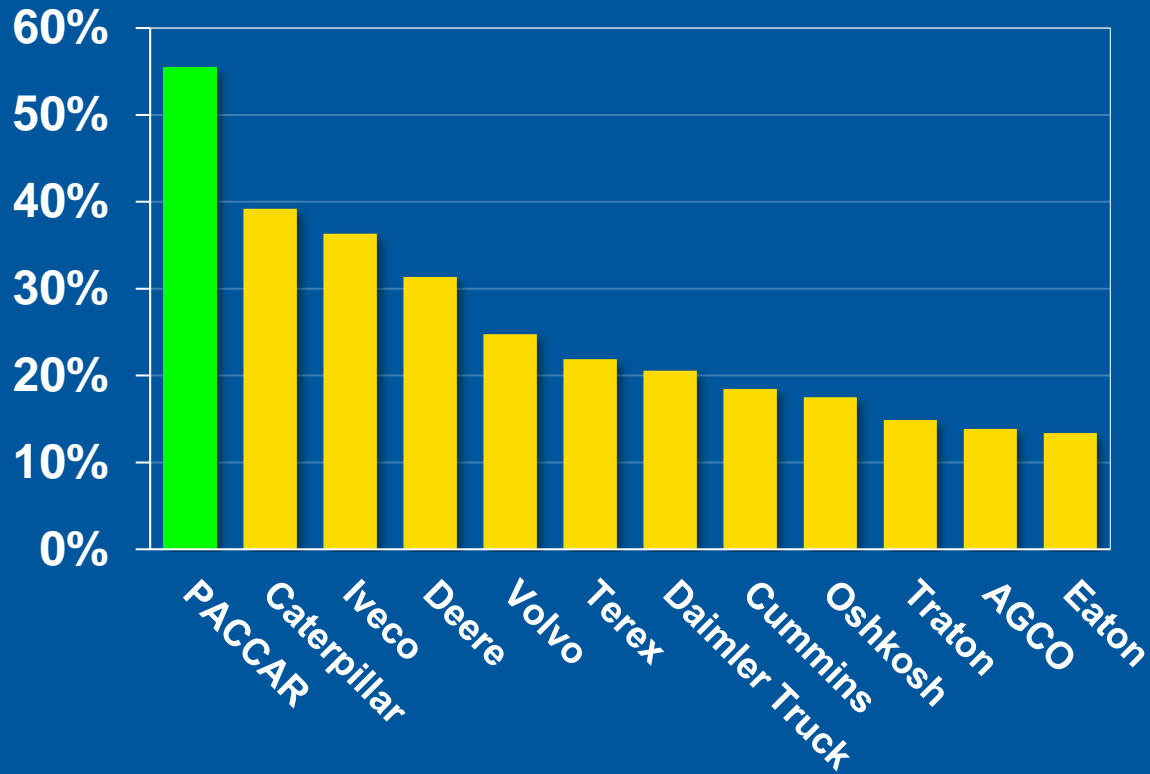
Strong PACCAR Competitive Moat

\$20 Billion Off-Balance Sheet Asset

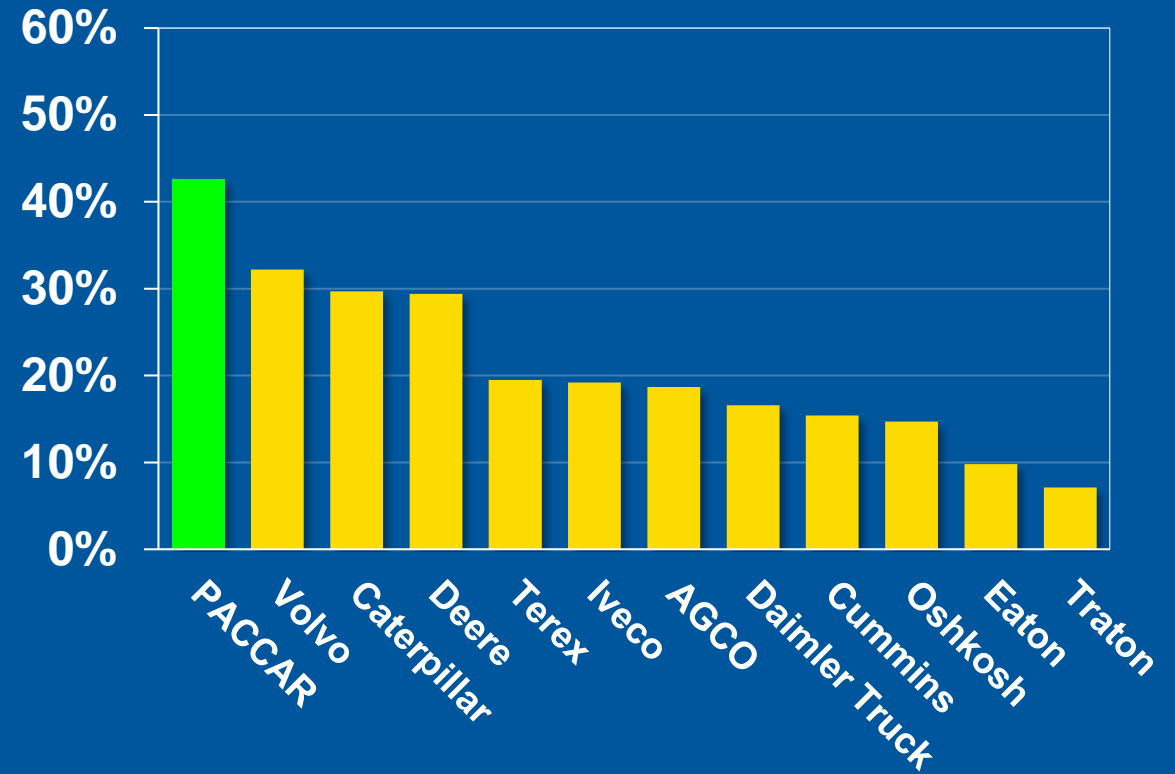


Best-in-Class Return on Invested Capital

2024

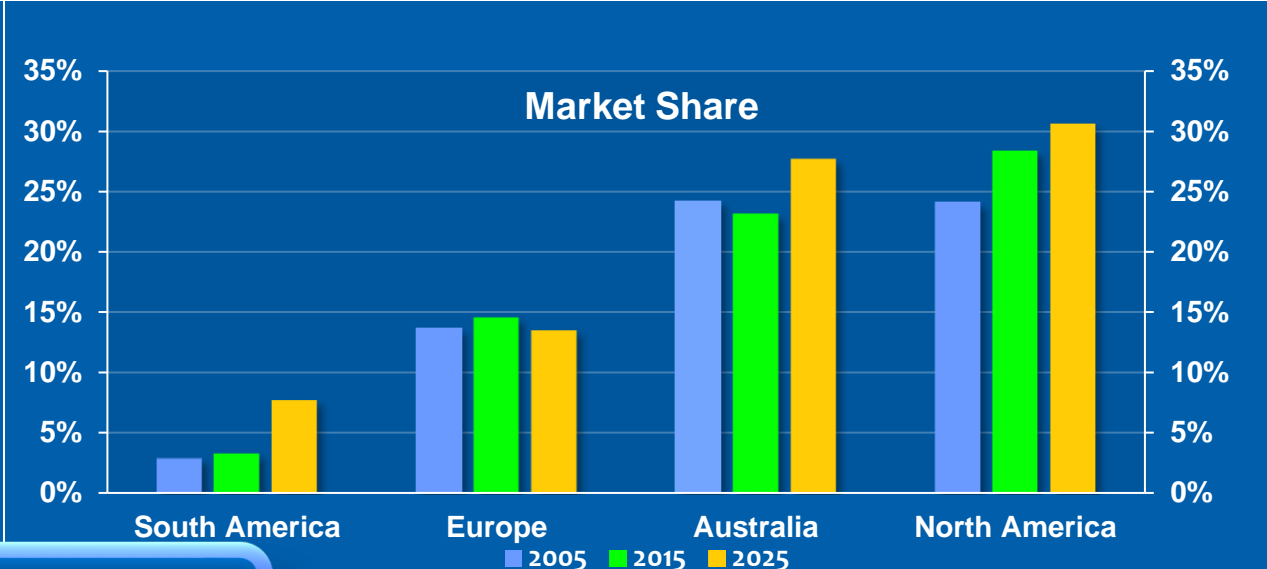
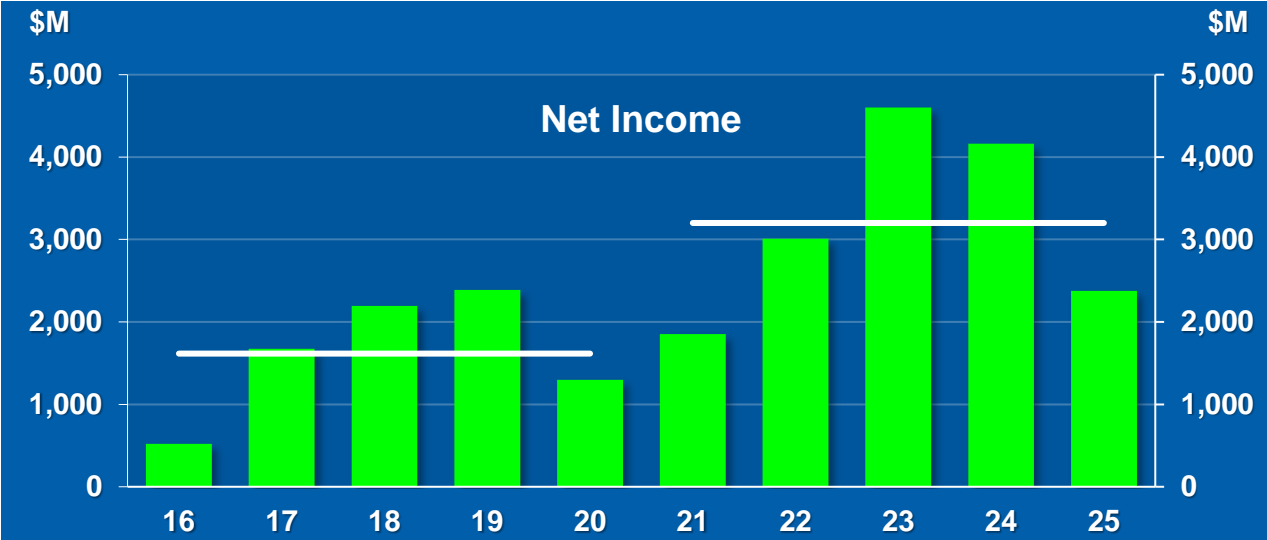


5-Year Average 2020 – 2024



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

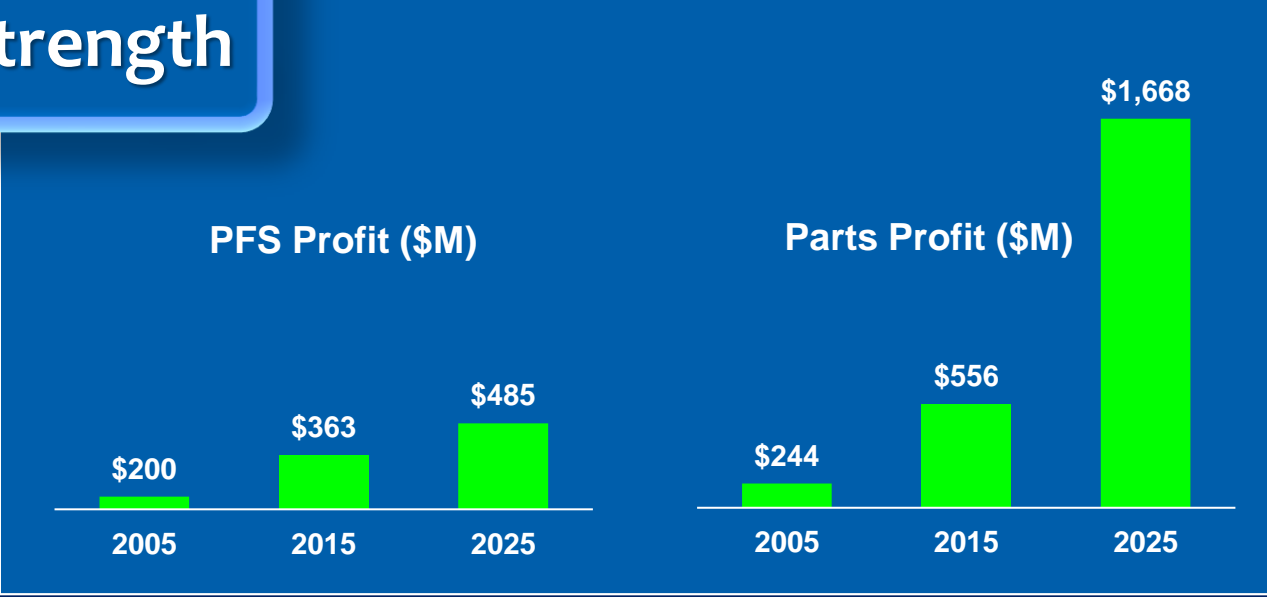
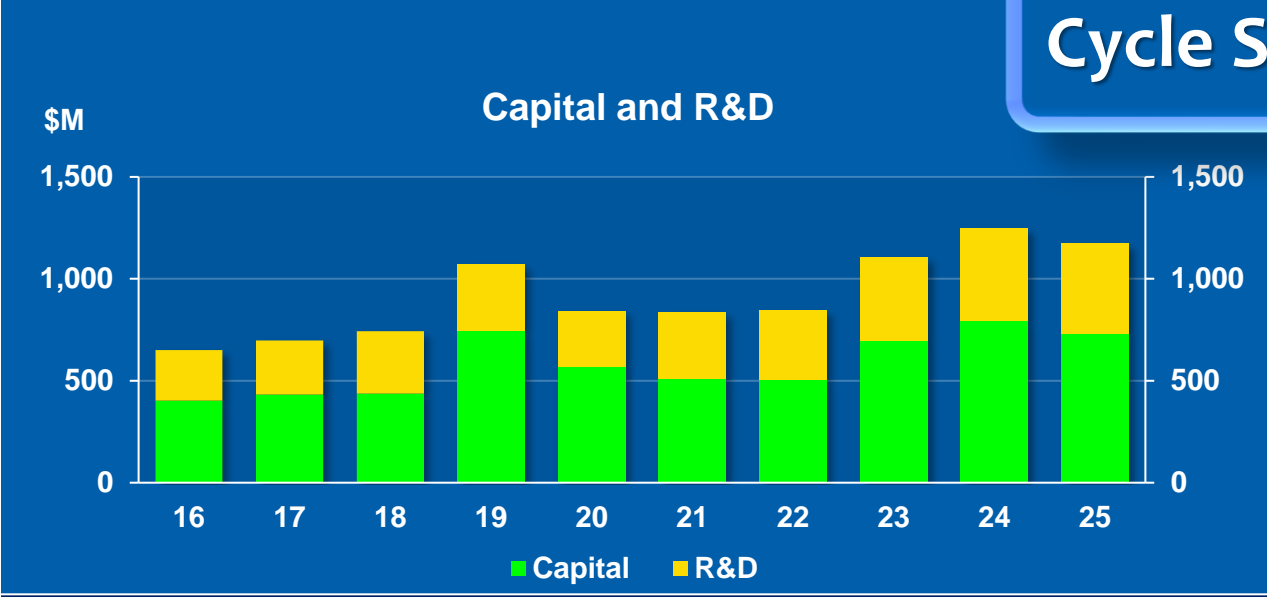
*Iveco ROIC is 4-Year Average



**Cycle Over
Cycle Strength**

Profitable Growth

Global Market Share Growth



Investment Strategy

Parts & Finance Growth

PACCAR is the Leading Industrial Company

Demonstrated Cycle Over Cycle Performance

Advanced Manufacturing Strategy

Investing in the Right Technology

Robust Parts & Financial Services Growth

Excellent Profitability

PACCAR Inc

Products and Manufacturing

Laura Bloch

Senior Vice President

PACCAR





KENWORTH



DAF



 **KENWORTH**



 **KENWORTH**

T880s



Kenworth T880s High Horsepower

Peterbilt





MODEL
589



DAF



DAF XF and XD Electric



XD XF
ELECTRIC



Rest of World Product



Mexico – Kenworth Vocational



Australia – Kenworth



Andean – DAF Mining



Brasil – DAF Offroad

PACCAR Heavy Duty Market Share



Best in Class Factory Operations

Safety

Average OSHA Score of 1.36 Across All Factories (2025)

Quality

Best in Class Quality

Capacity

Capacity Increased by 17% Over the Past 3 Years

Efficiency

Deployment of Industry 5.0 & Vision A.I. Technology

Flexibility

Local for Local Production



Ohio



Mississippi



Brasil



Texas

2021 – 2025
\$800M
Flexible Factory
Investments



Canada



Mexico



Australia



Europe

Local for Local Production

Optimally Positioned for Tariffs



Tariffs March - November

Tariffs on non-USMCA Components

Tariffs on Steel and Aluminum

No Tariffs on Trucks from Canada and Mexico



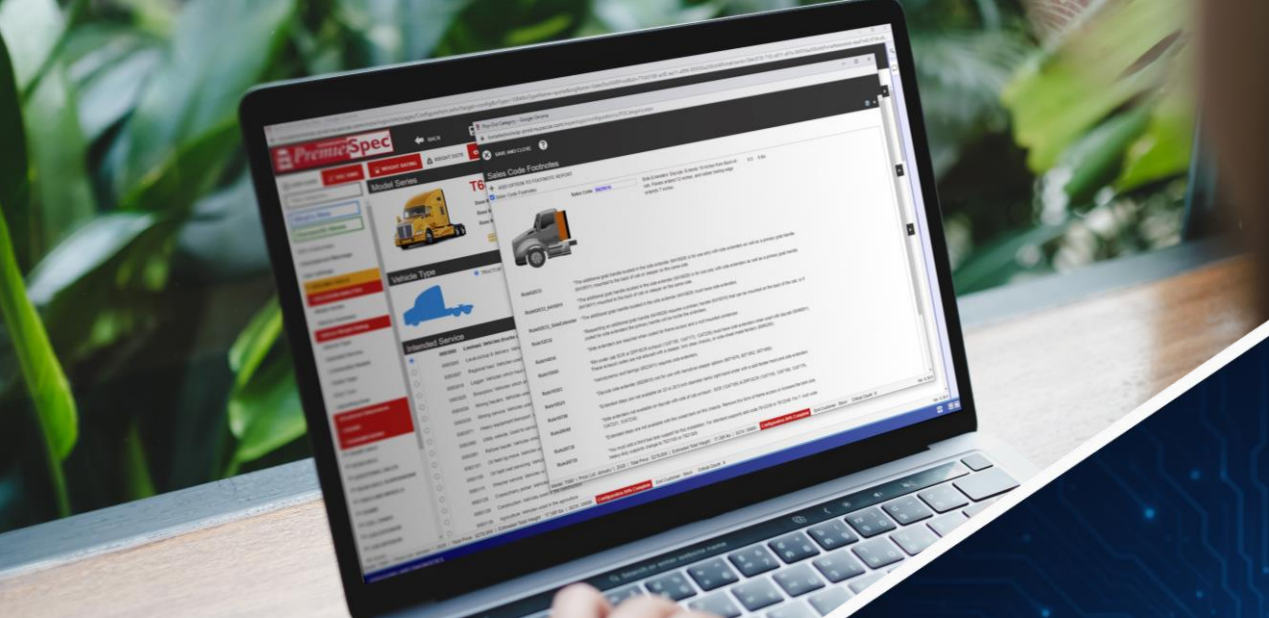
Post-Section 232 Finding

Tariff Offset Program

>50% Reduction in Tariff Charges

Tariffs on Trucks from Canada and Mexico





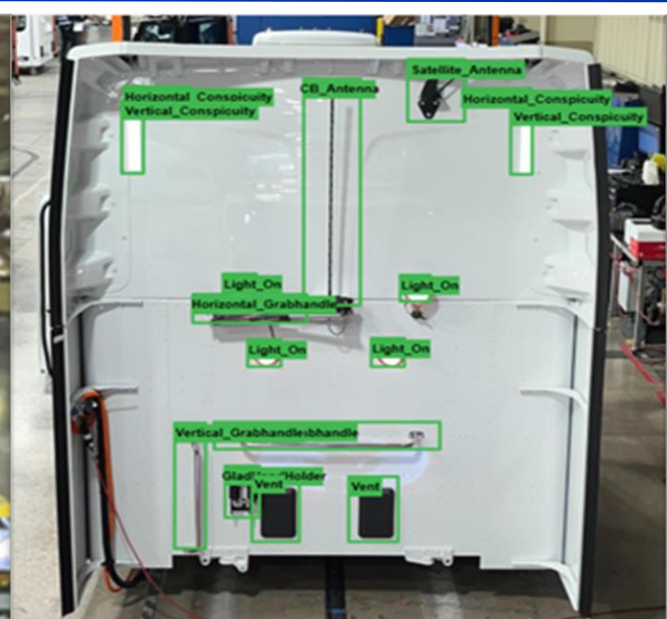
Truck Specification



Weld Quality



Paint Color Match



Option Verification

DAF



KENWORTH

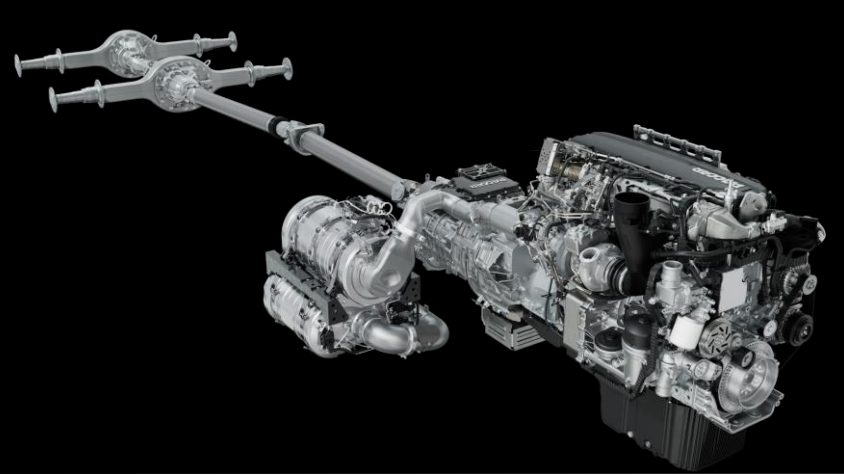


PACCAR Inc

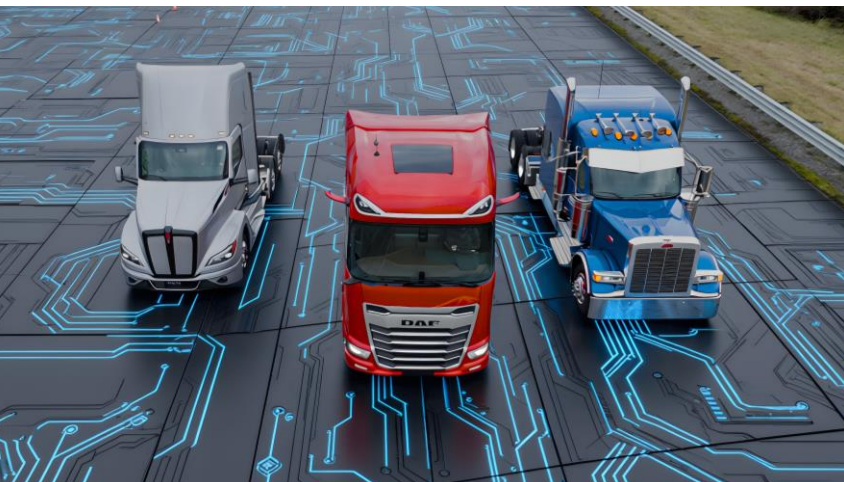
Powertrain and Autonomy

John Rich

Executive Vice President & CTO



Customers Drive
Our Technology
Decisions



Optimized Research and Development Strategy

Volumes High

Stable Technology Path

Proprietary Opportunity



BUILD

Volumes Uncertain

Expensive Development



PARTNER

Supplier Volume Leverage

Supplier R&D Expense

Regulatory Uncertainty



BUY

Powertrain Strategy



Offer Customers
Best Powertrain For Their Needs

ACTIVE
MONITOR



Emissions Regulations

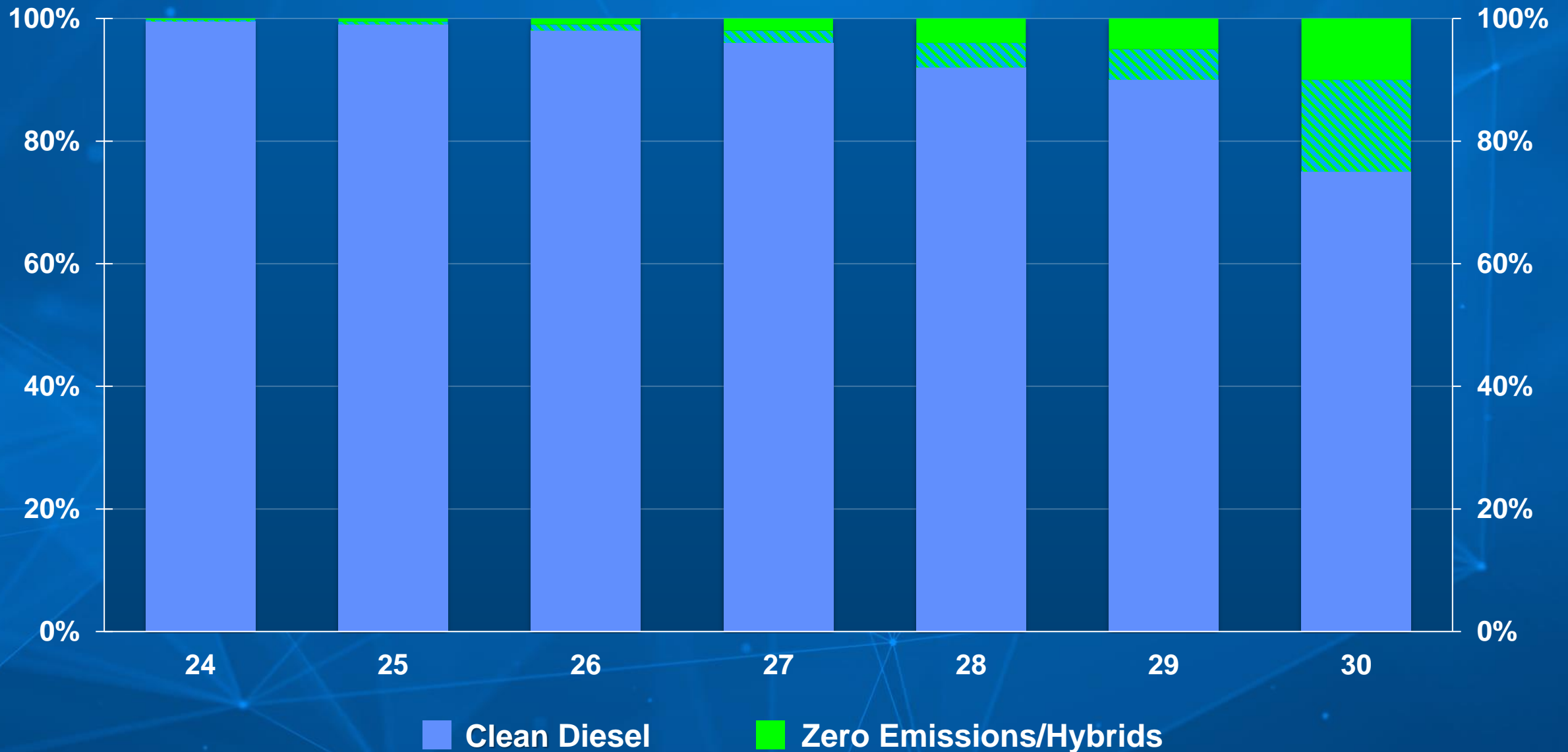


- **No Delay in 35 mg NO_x Standard; Flexibilities Possible**
- **EPA 27 NO_x Technology Increases Costs**
- **EPA Widely Expected to Rescind GHG Endangerment**

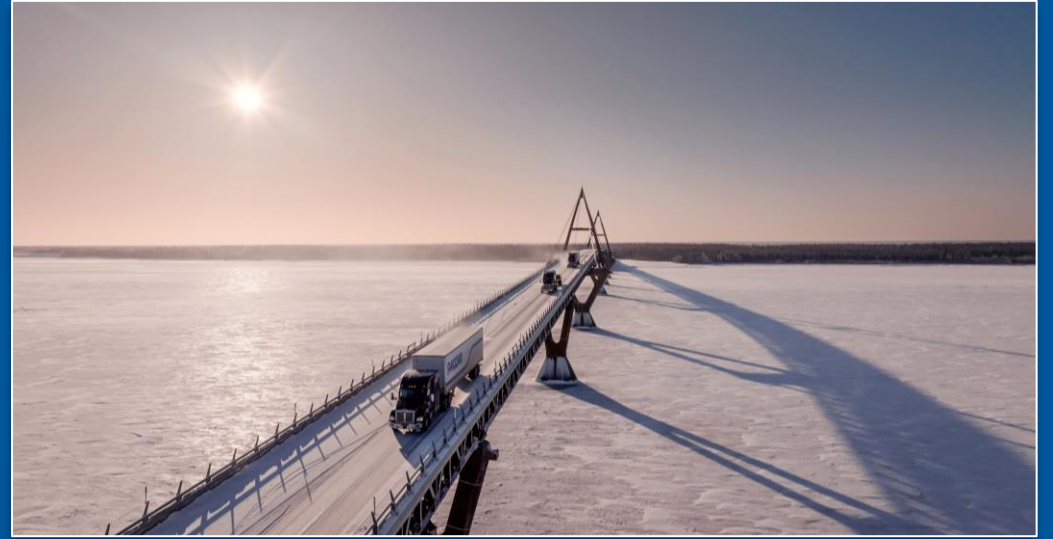


- **No Changes to Expected GHG and NO_x Regulations and Deadlines**
- **NO_x 50% Reduction in 2029 (Euro VII)**
- **GHG 28% Reduction in 2030**

Global Powertrain Mix Forecast

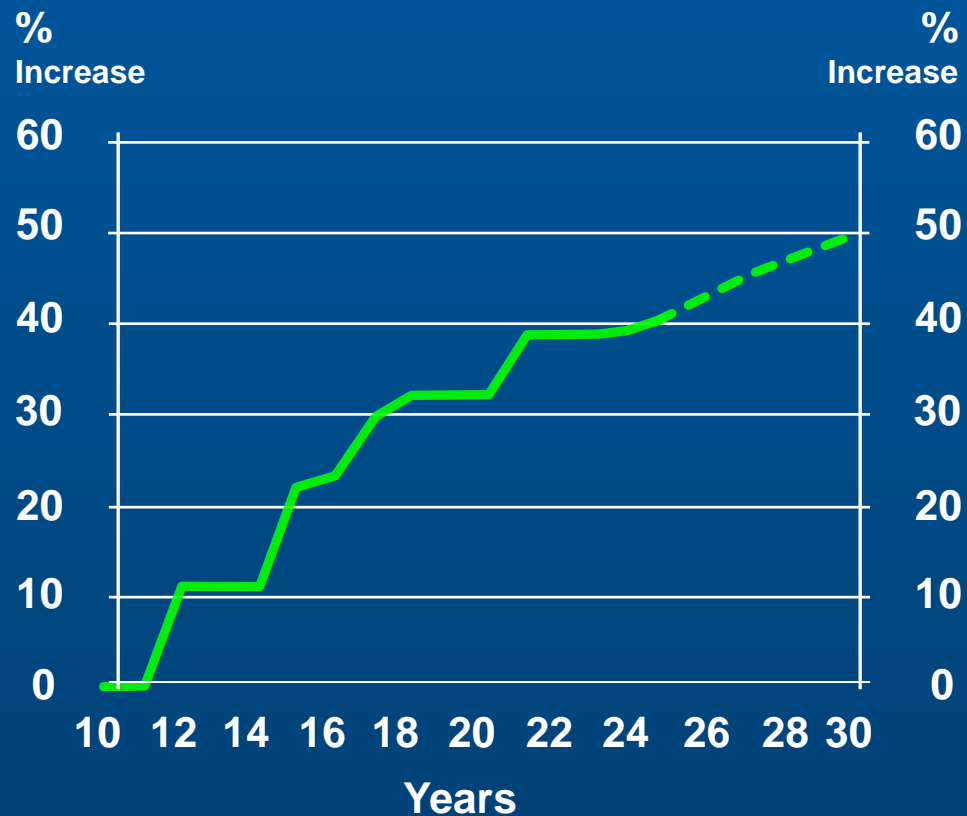


Next Generation Clean Diesel



Fuel Economy Improvement

PACCAR Fuel Economy



40% Improvement Since 2010

**NHTSA Fuel Economy Remains
(2027 Final Step)**

**New Engine Platforms Meet
Standards Without Electrification**

**Fuel Economy Improvements Drive
Customer Benefit**

PACCAR Zero Emission Truck Lineup



Market Specific Models

International Truck of the Year



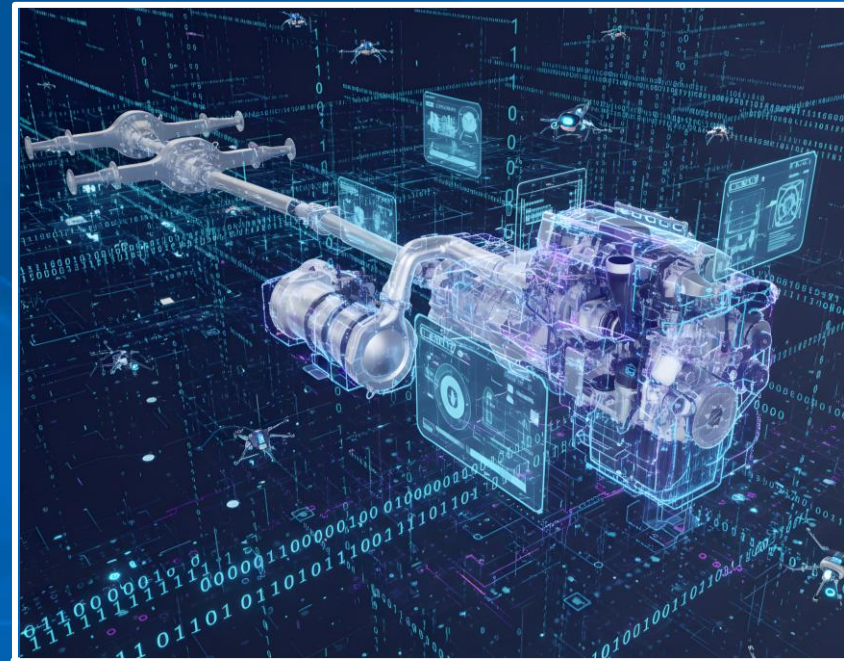
XD XF
ELECTRIC

AI Enhances Product Lifecycle

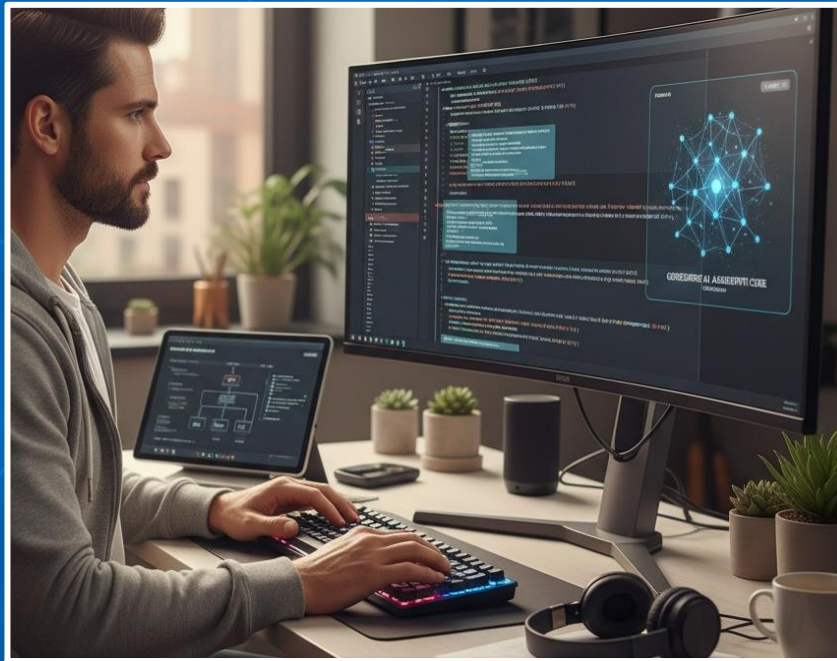
Capability

Speed to Market

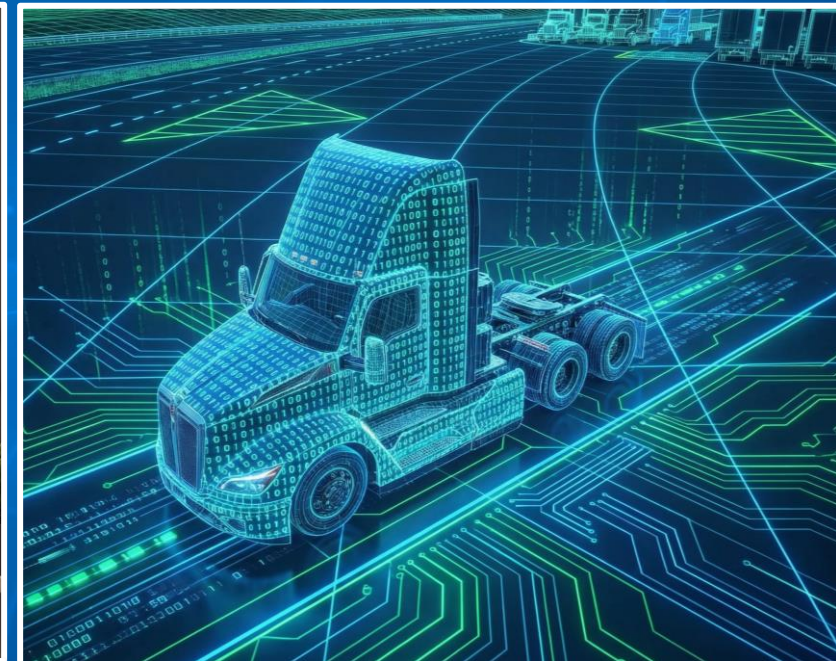
Quality



Powertrain Optimization



Agent-Based Coding



Digital Twin Verification

Level 4 Autonomous Trucking

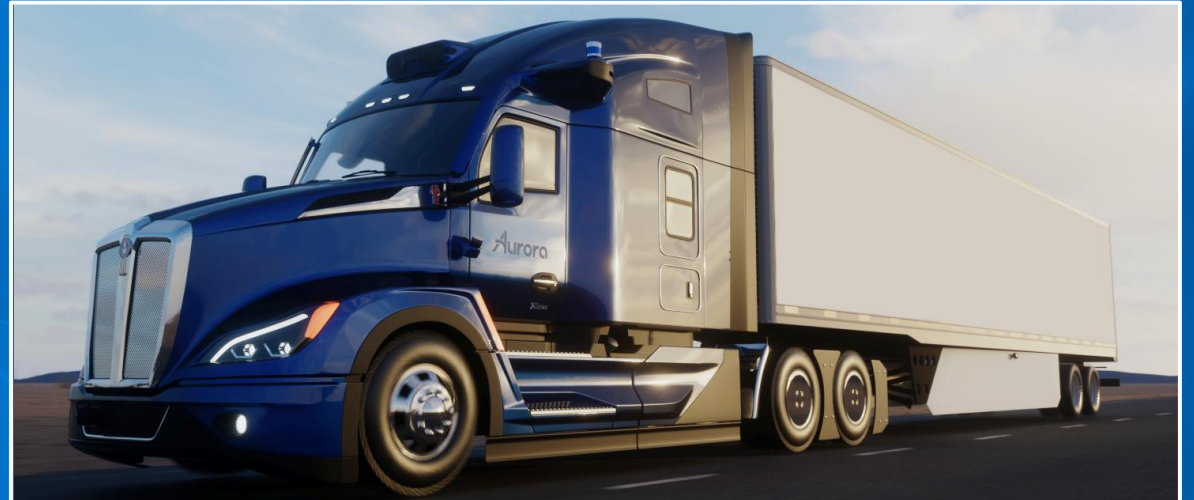


L4 Autonomy Technology

Maturing Technology Solutions

Expanding Operational Scenarios

Supplier and Service Ecosystem Solidifying



Commercial Traction

Increasing Scale: > 150 Weekly Autonomous Trips

Strong Interest from Carriers and Shippers

Planning Initial Commercial Deployments

No Longer “Always 5 Years Away”

PACCAR is Integral in Autonomous Trucking

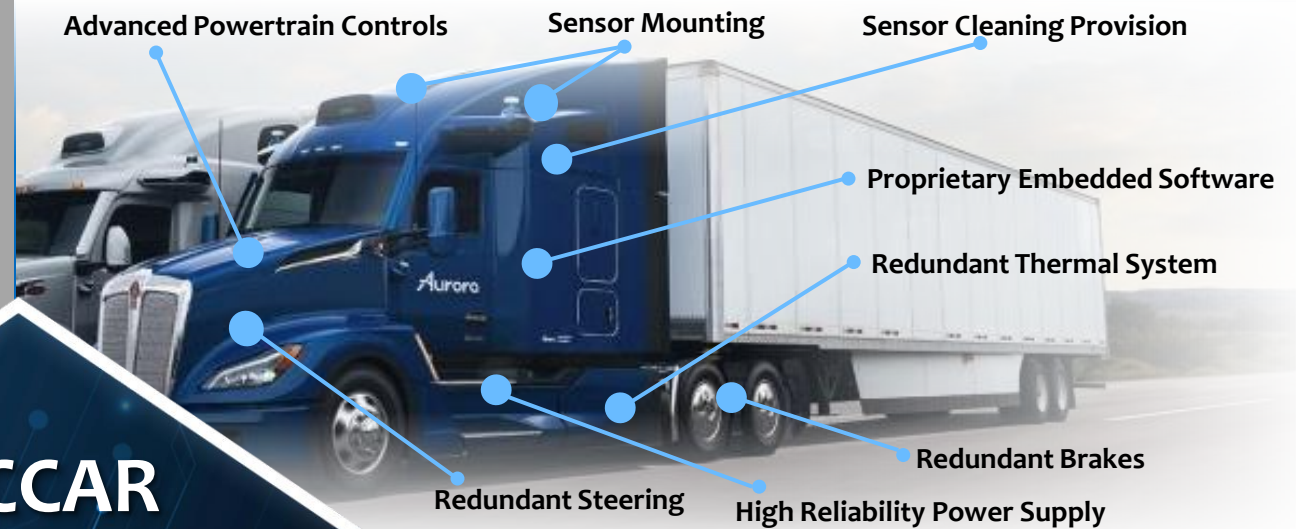
Aurora



kodiak



STACK

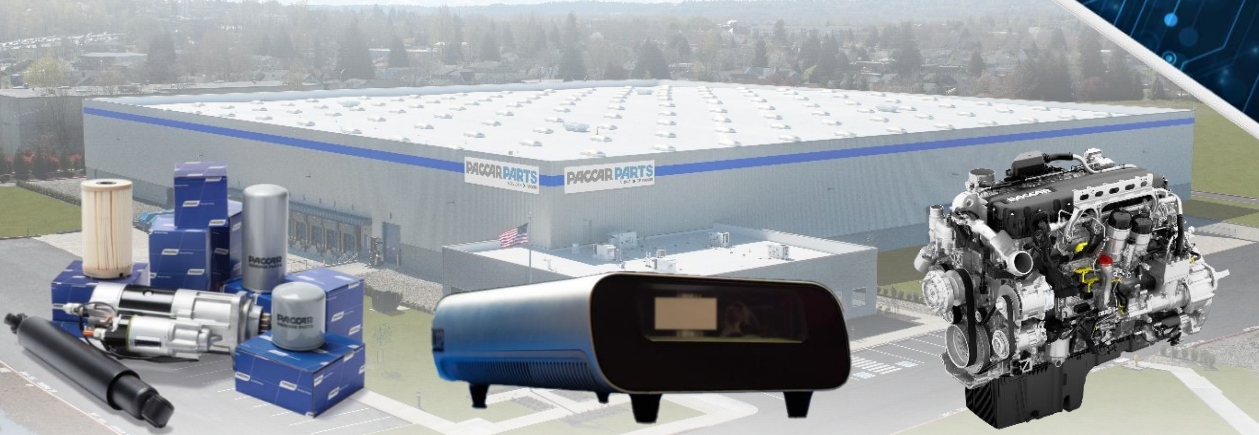


PACCAR
Autonomous Vehicle
Platform

Multi-Partner Strategy

Proprietary Vehicle Systems

PACCAR PARTS
A DIVISION OF PACCAR



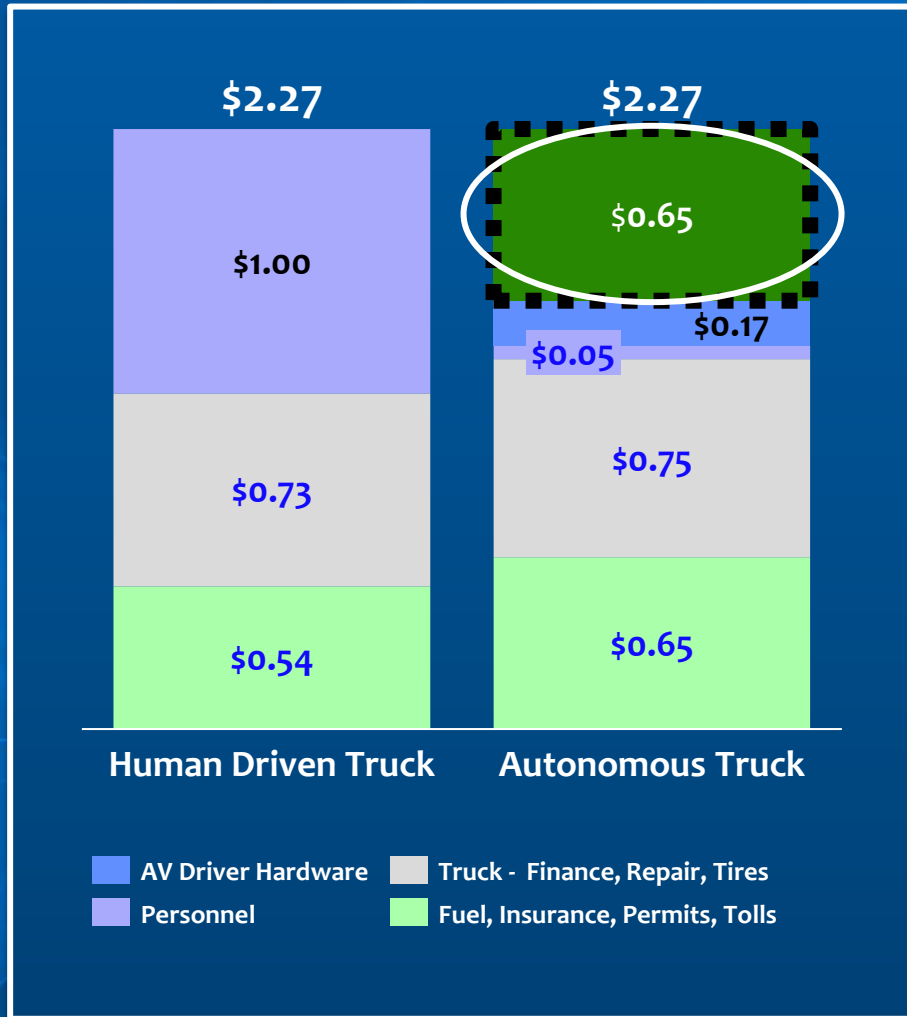
Replacement Parts



Service and Uptime

Autonomy Value Creation and Claims

Estimated Costs and Value Created



~\$25B Annual Value Creation



AV Driver



PACCAR



Fleet



Shipper

Enhances PACCAR Profit Pools

PACCAR Inc

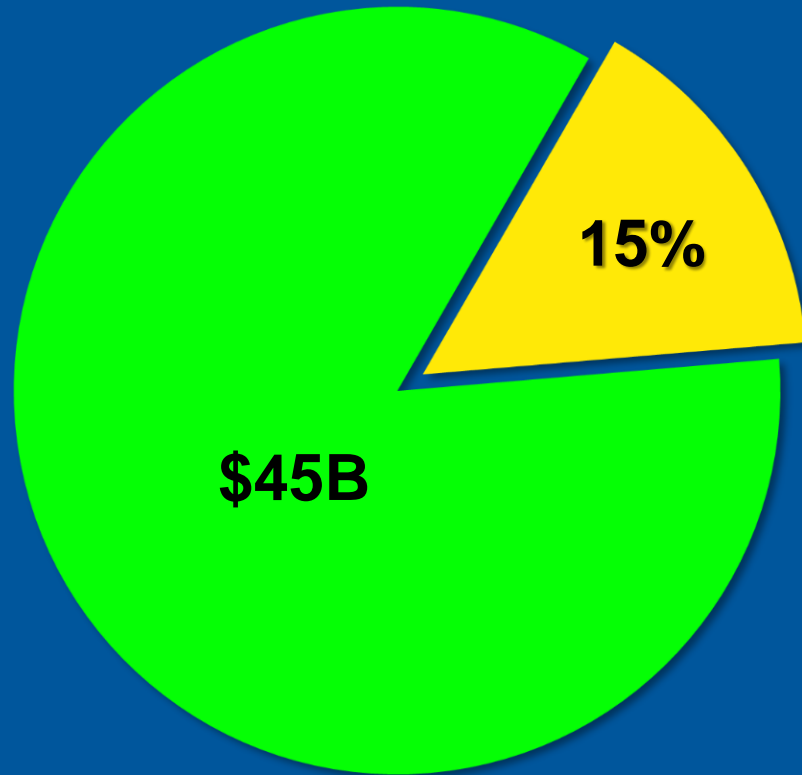
PACCAR Parts and Financial Services

Kevin Baney

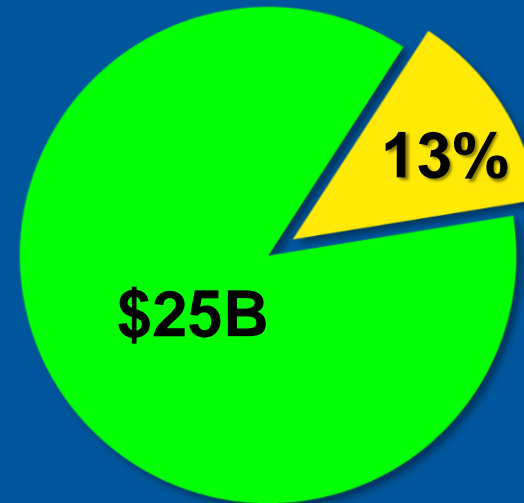
President

Dealer Retail Parts Market Opportunity

North America Parts Market



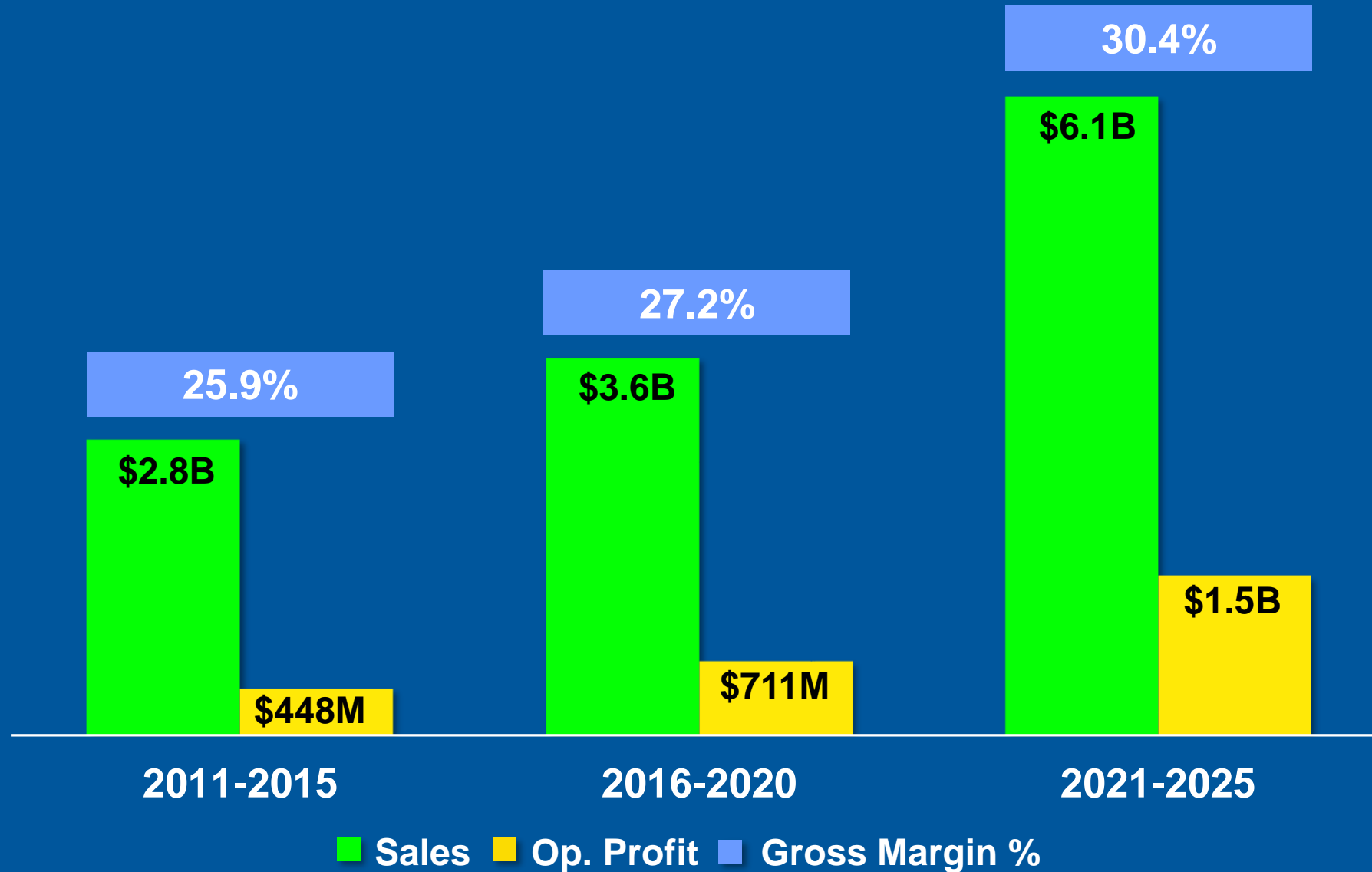
Europe & Rest of World Parts Market



\$70B
Opportunity
5% Point Gain
\$3.5B Sales
2030

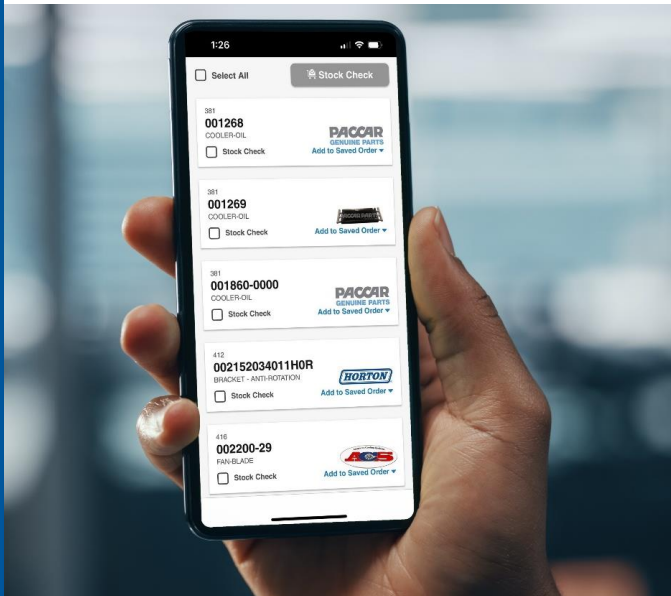
■ Overall Market Size ■ PACCAR Parts Market Share

Parts 5-Year Average Sales & Profit



PACCAR Parts Growth Formula

EASE OF DOING BUSINESS



**Parts Available
When & Where Needed**

PRODUCT SEGMENTATION



**Full Range of Proprietary
& All Makes Products**

AI DRIVEN TECHNOLOGY



**Customer Focused
Solutions**

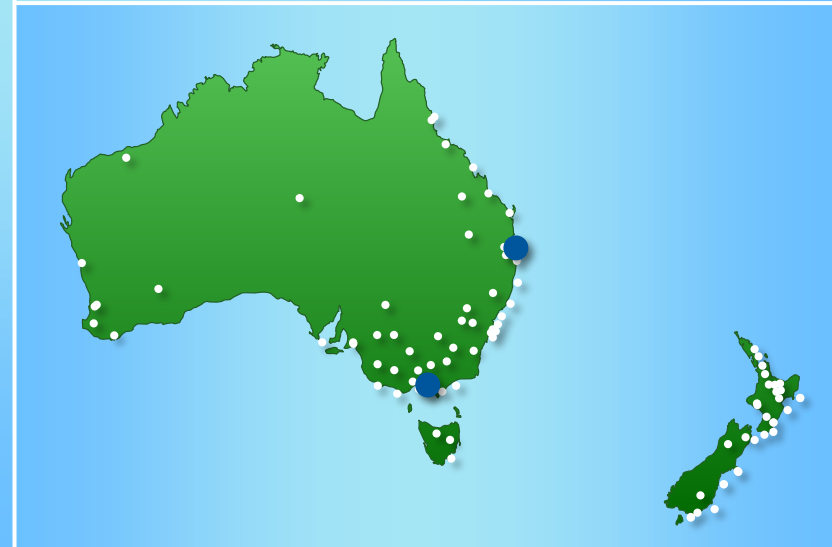
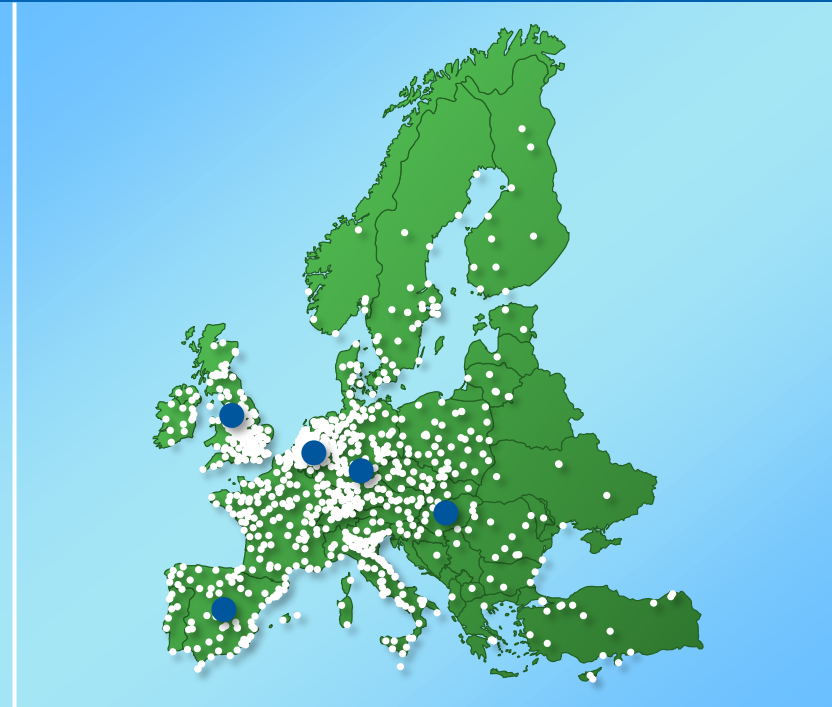
Distribution Network

10 Year Growth

**21 Parts Distribution
Centers
31% Growth**

**2,400 Dealer & TRP
Stores
33% Growth**

- Parts Distribution Centers
- Dealer and TRP Stores



Ease of Doing Business

RIGHT PART



PDC Quality

99.9%

Shipping Accuracy

RIGHT PLACE

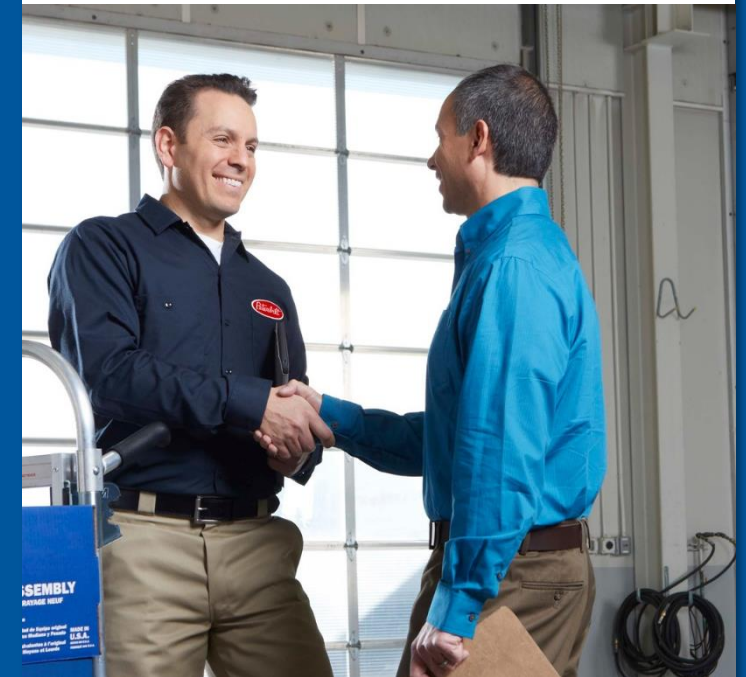


Managed Dealer Inventory

92%

Auto Accept

RIGHT TIME



Speed to Market

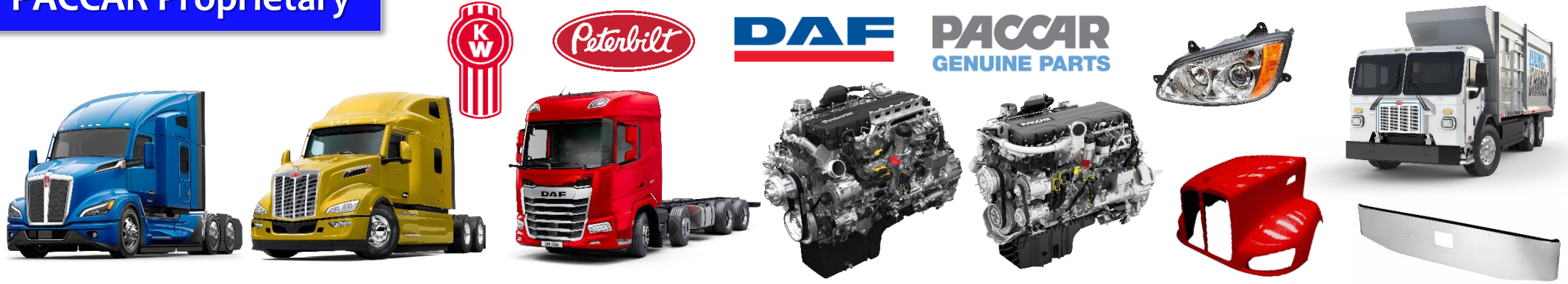
70%

<24 Hours Delivery

Product Segmentation

Increased Customer Loyalty & Margin

PACCAR Proprietary



TRP All Makes



Vendor Brands



PACCAR Proprietary Parts



**New Truck Models
Expanded Powertrain Offerings**

AI Driven Technology Solutions

OPTIMIZED MATERIAL MANAGEMENT



**Parts Available
When and Where
Needed**

CONNECTED TRUCK ANALYTICS



**Real-time Vehicle Health
Evaluation and Traffic
Patterns**

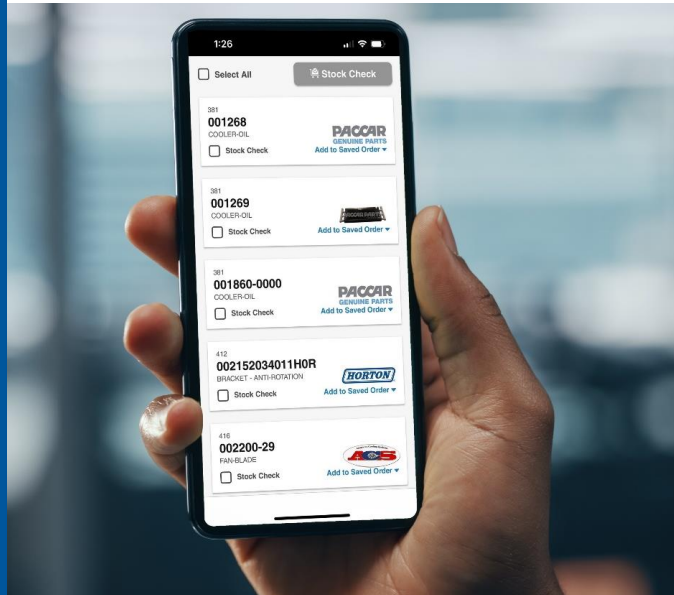
PERFORMANCE BASED PROGNOSTICS



**Customer Service &
Maintenance
Recommendation**

PACCAR Parts Growth Formula

EASE OF DOING BUSINESS



Parts Available
When & Where Needed

PRODUCT SEGMENTATION



Full Range of Proprietary
& All Makes Products

AI DRIVEN TECHNOLOGY



Customer Focused
Solutions

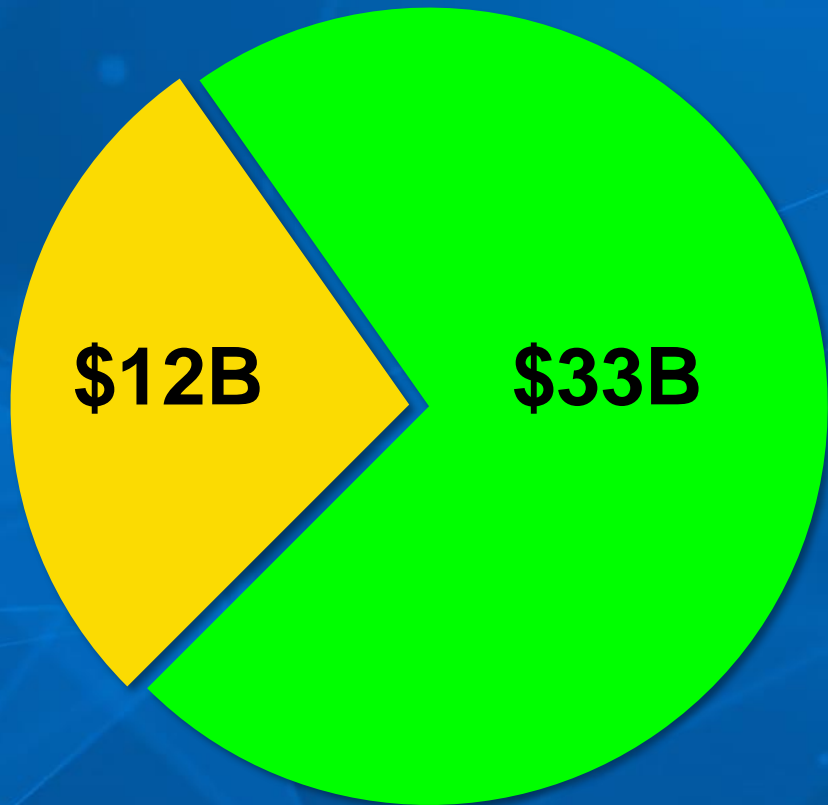
First Owner

Market Opportunity

Second Owner

North America Addressable Parts Market

\$45 Billion TAM



■ 1st Owner
■ 2nd Owner

First Owner

- 1-4 Years
- \$8.0K Annual Spend Per Truck
- 1.6 Million Trucks

PACCAR Share

21%

Second Owner

- 5-12 Years
- \$12.0K Annual Spend Per Truck
- 2.7 Million Trucks

13%

Second Owner Strategy



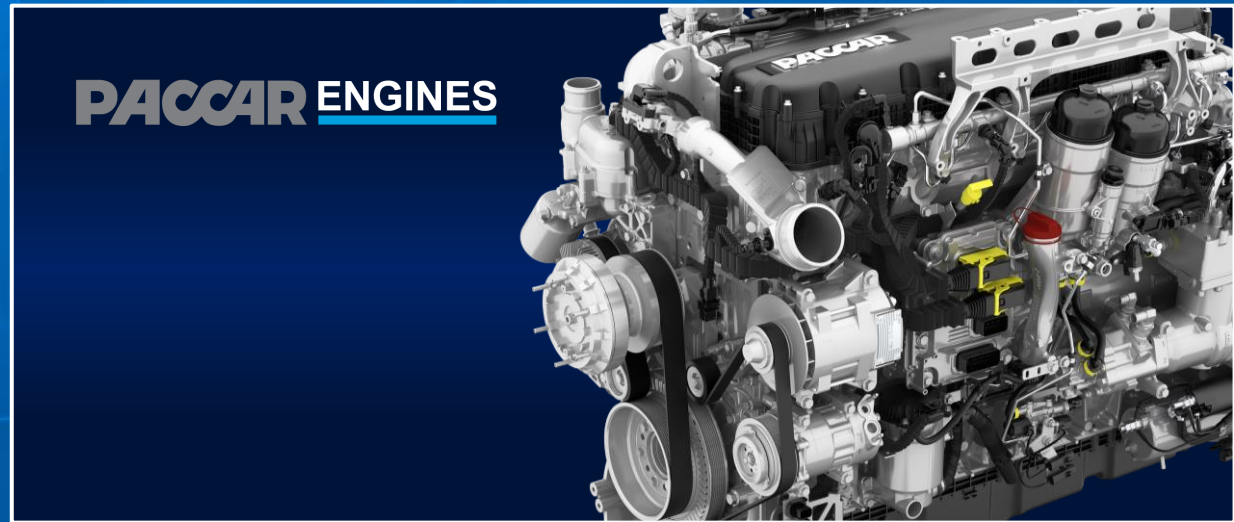
Targeted Distribution Channel Expansion



Grow TRP & Vendor Brand Parts Sales

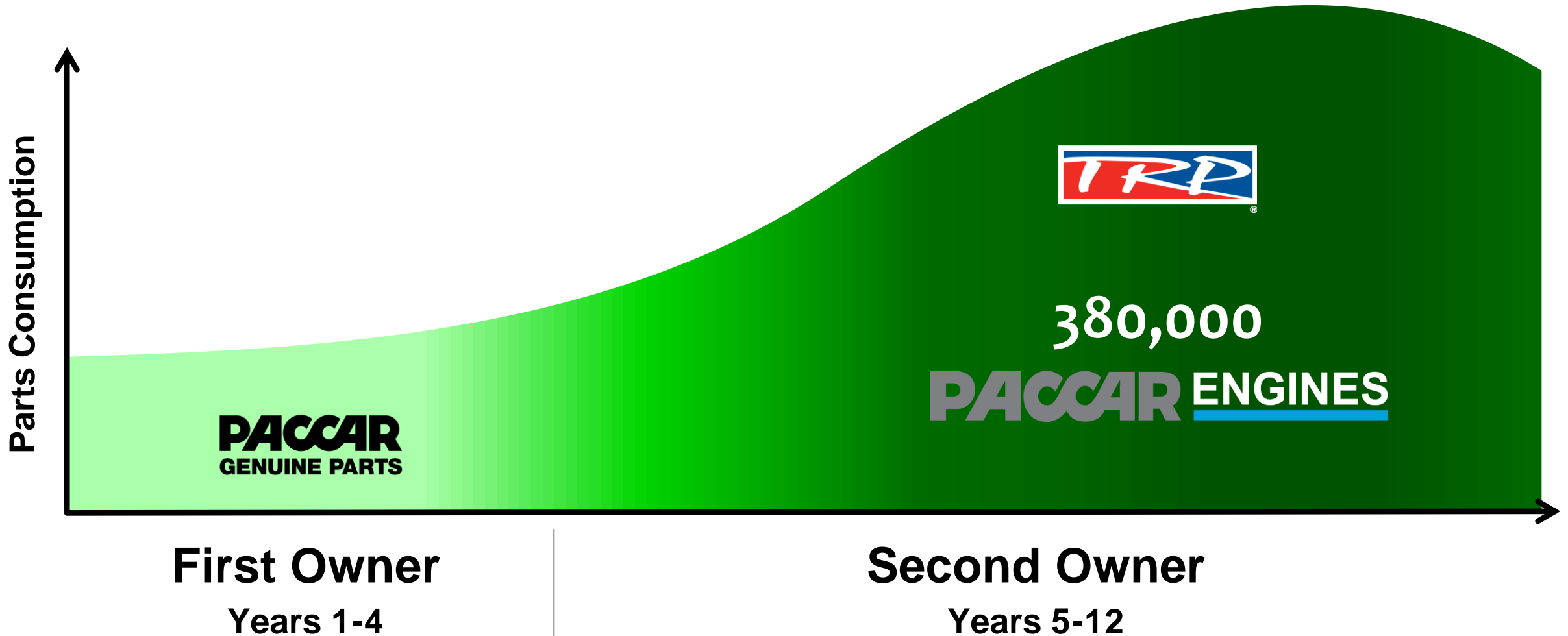


Connected Truck Aftermarket Solutions

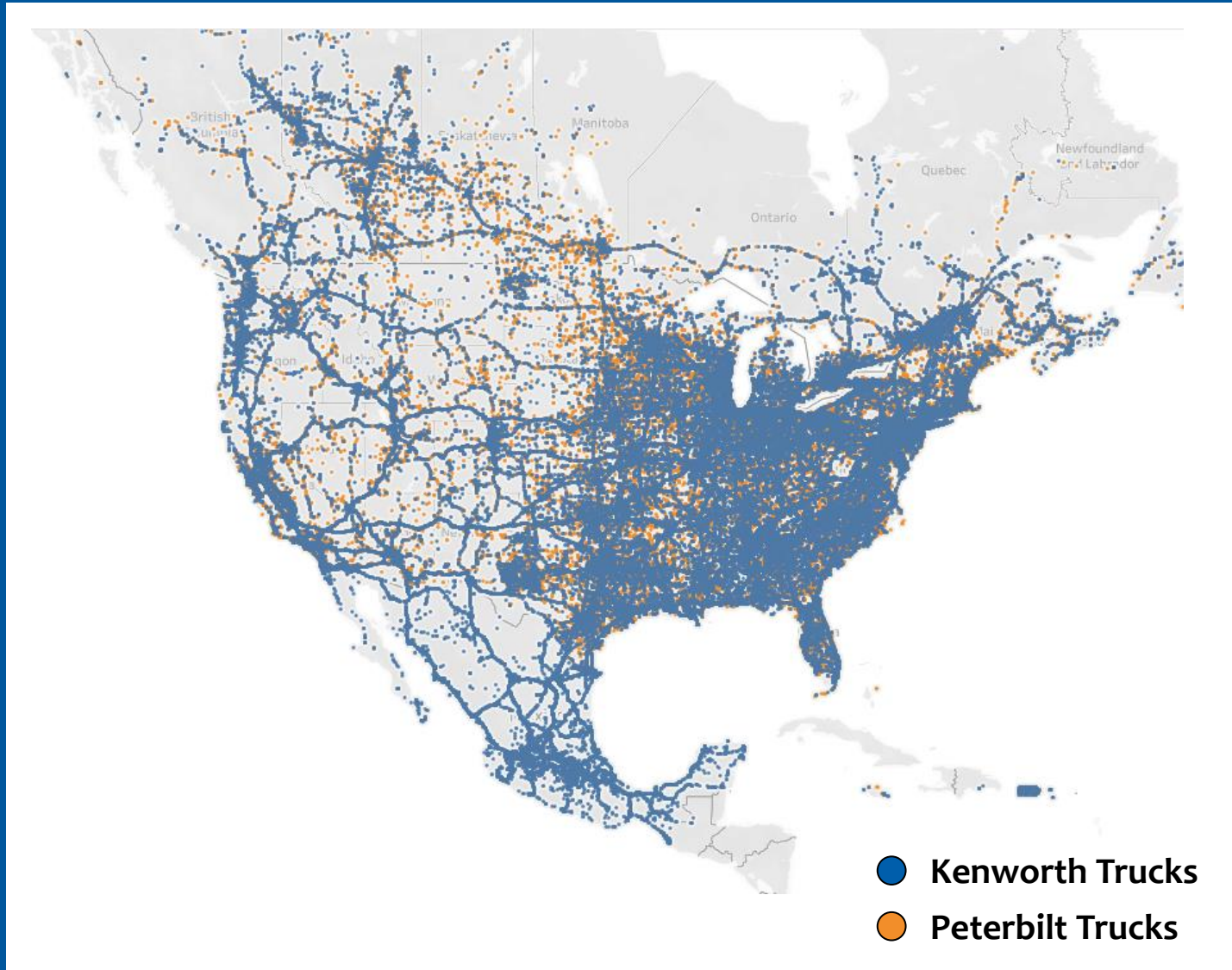


Expand PACCAR Engine Service Capabilities

Second Owner Parts Opportunity



Kenworth & Peterbilt Connected Trucks



Total Network Traffic is
1.5 Petabytes
Equivalent to 320,000 DVDs



PACCAR
GLOBAL CONNECTED SERVICES

PACCAR Parts Growth Formula

EASE OF DOING BUSINESS



Parts Available
When & Where Needed

PRODUCT SEGMENTATION



Full Range of Proprietary
& All Makes Products

AI DRIVEN TECHNOLOGY



Customer Focused
Solutions

First Owner



Market Opportunity

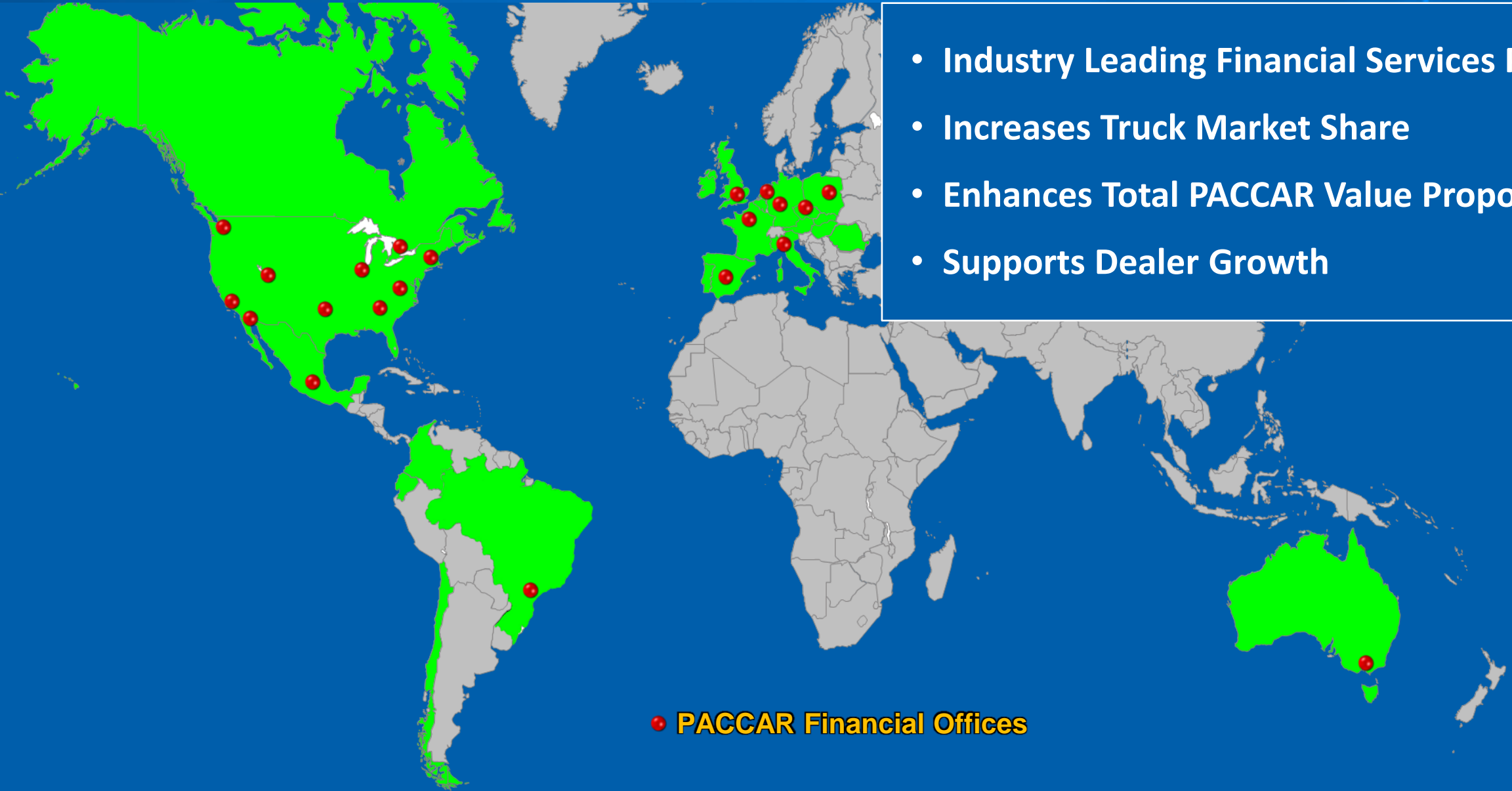


Second Owner
















PACCAR Financial Services (PFS)

- Industry Leading Financial Services Provider
- Increases Truck Market Share
- Enhances Total PACCAR Value Proposition
- Supports Dealer Growth

• PACCAR Financial Offices

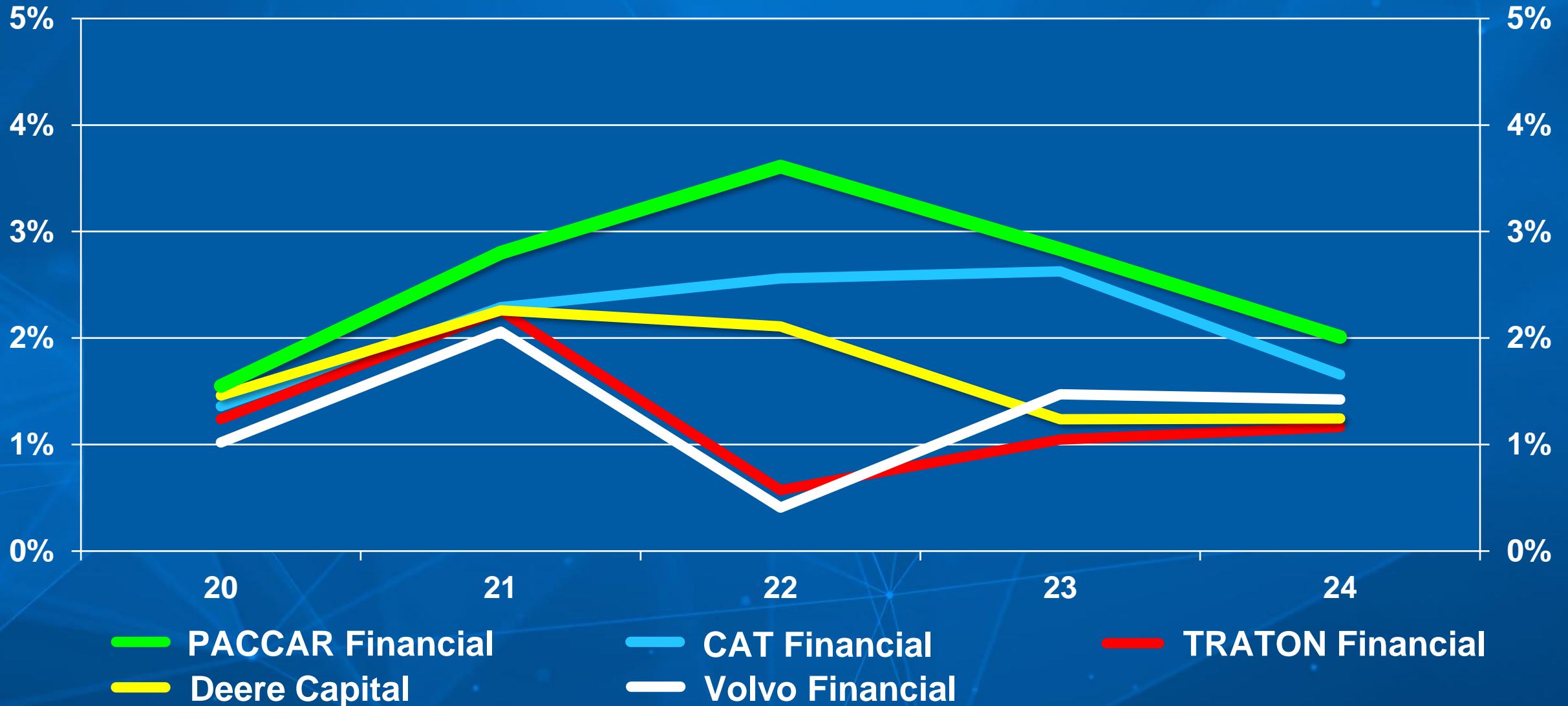


Competitive Advantages

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

Financial Services Peer Comparison

Return on Assets



Parts & Finance 5-Year Average Profit

Leverage Connected Trucks & AI Driven Technology

Expand TRP Distribution Network

Parts Second Owner Parts Growth

First Owner Parts Loyalty and Growth

PACCAR Financial Market Share Growth

2016-2020

2021-2025

2026-2030

\$990M

\$2.0B

PACCAR Inc

Financial Review and Shareholder Value

Brice Poplawski

Senior Vice President and Chief Financial Officer

PACCAR Financial Performance Overview



120 Years of Superior Performance
87 Consecutive Years of Net Income
85 Consecutive Years of Dividends Paid

- **Full Year 2025 Results**
 - **\$28.4B Revenues**
 - **\$2.6B Adjusted Net Income**
 - **144,200 Truck Deliveries**
- **Regular Quarterly Dividend Increased 8% per Year on Average for Last 10 Years**

Business Outlook

First Quarter 2026

- Deliveries ~33,000
- Gross Margin 12.5%- 13.0%
- Parts Sales Up 2% - 4% from 1Q25
- Financial Services Strong Performance

Full Year 2026

- Parts Sales 4% - 8% Growth
- CapEx \$725M - \$775M
- R&D \$450M - \$500M
- US & Canada 230 – 270K Units
- Europe 280 – 320K Units



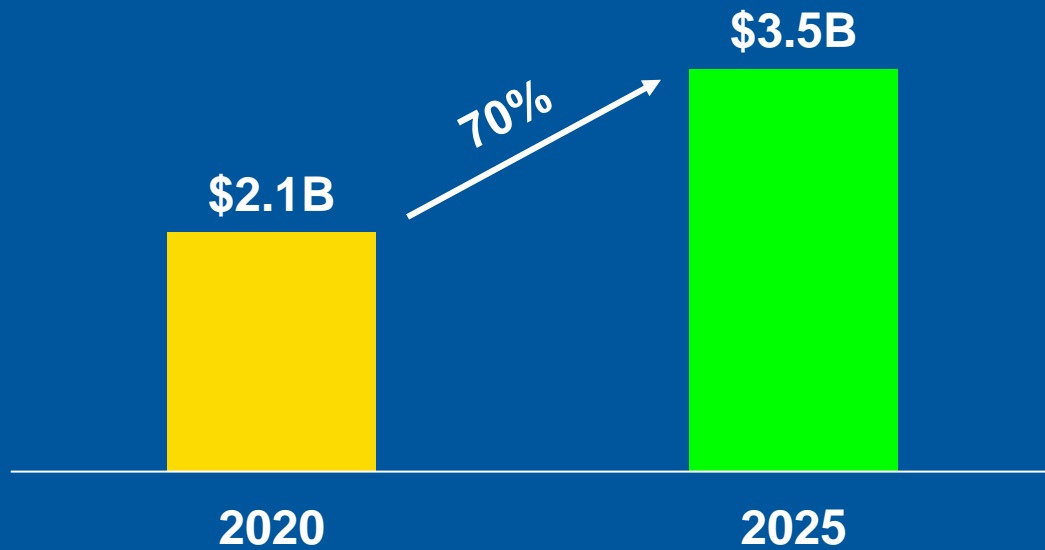
PACCAR Balance Sheet

- Premium Quality Balance Sheet
- No Manufacturing Debt
- A+/A1 Credit Ratings
- Financial Services Assets 51% of Balance Sheet

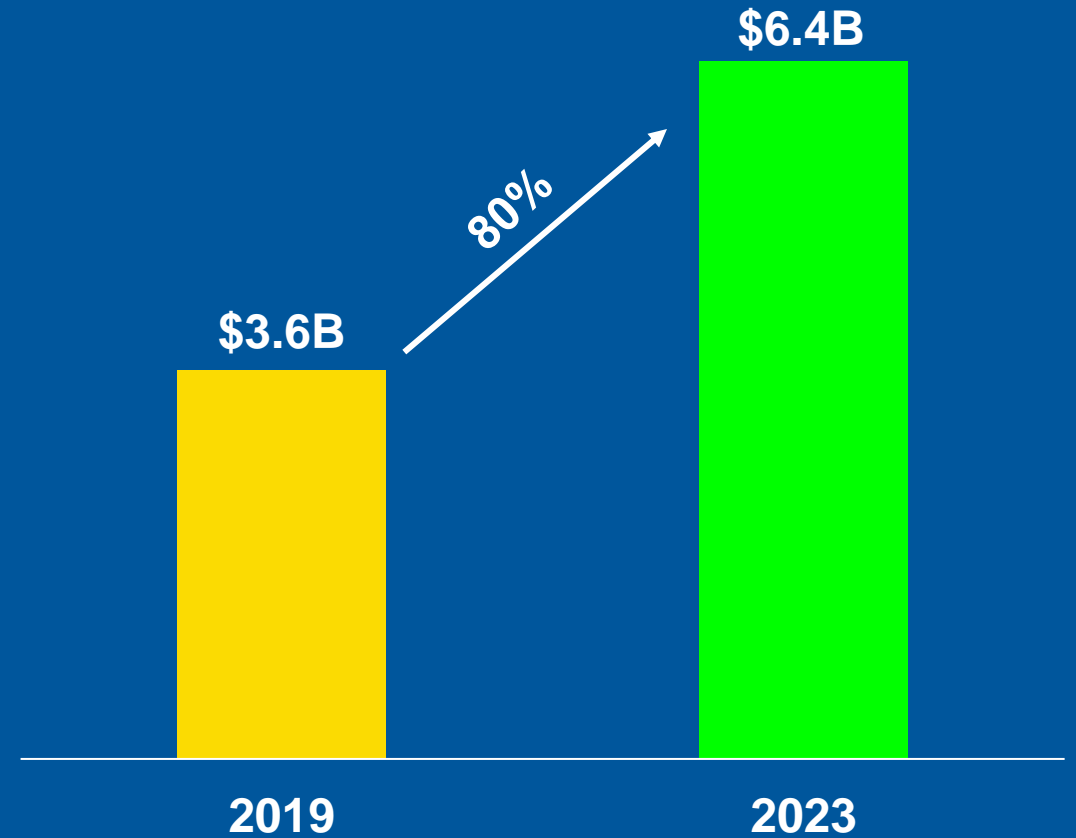
(\$M)	Dec. 31, 2025	Dec. 31, 2024
Cash & Securities	\$9,254	\$9,650
Manufacturing Assets	\$12,279	\$11,357
Financial Services Assets	\$22,803	\$22,412
Total Assets	\$44,336	\$43,419
Manufacturing Debt	\$0	\$0
Manufacturing Liabilities	\$7,891	\$8,333
Financial Services Liabilities	\$17,181	\$17,579
Stockholders' Equity	\$19,264	\$17,507
Total Liabilities & Equity	\$44,336	\$43,419

Truck, Parts and Other Gross Profit

Market Troughs

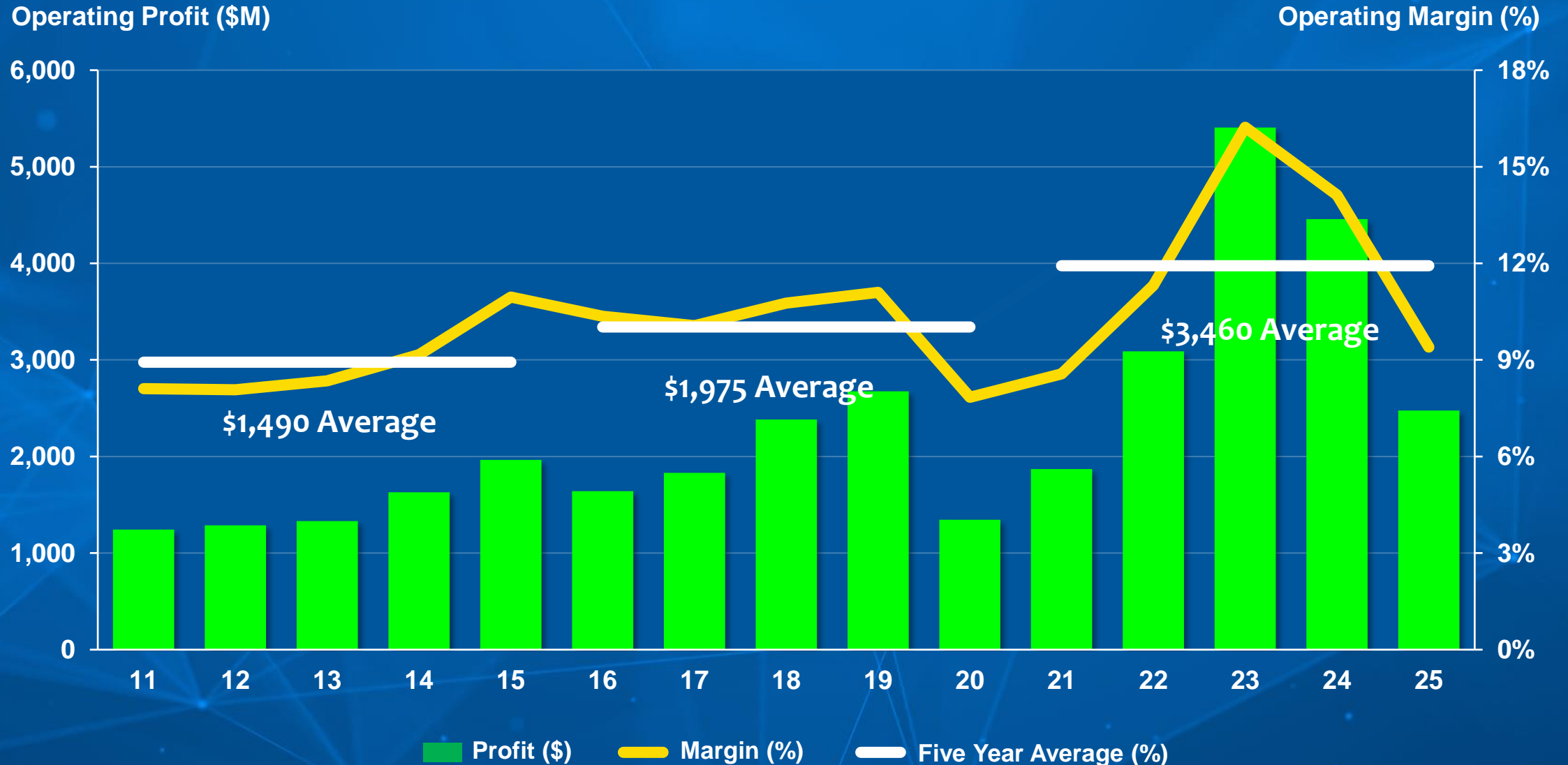


Market Peaks

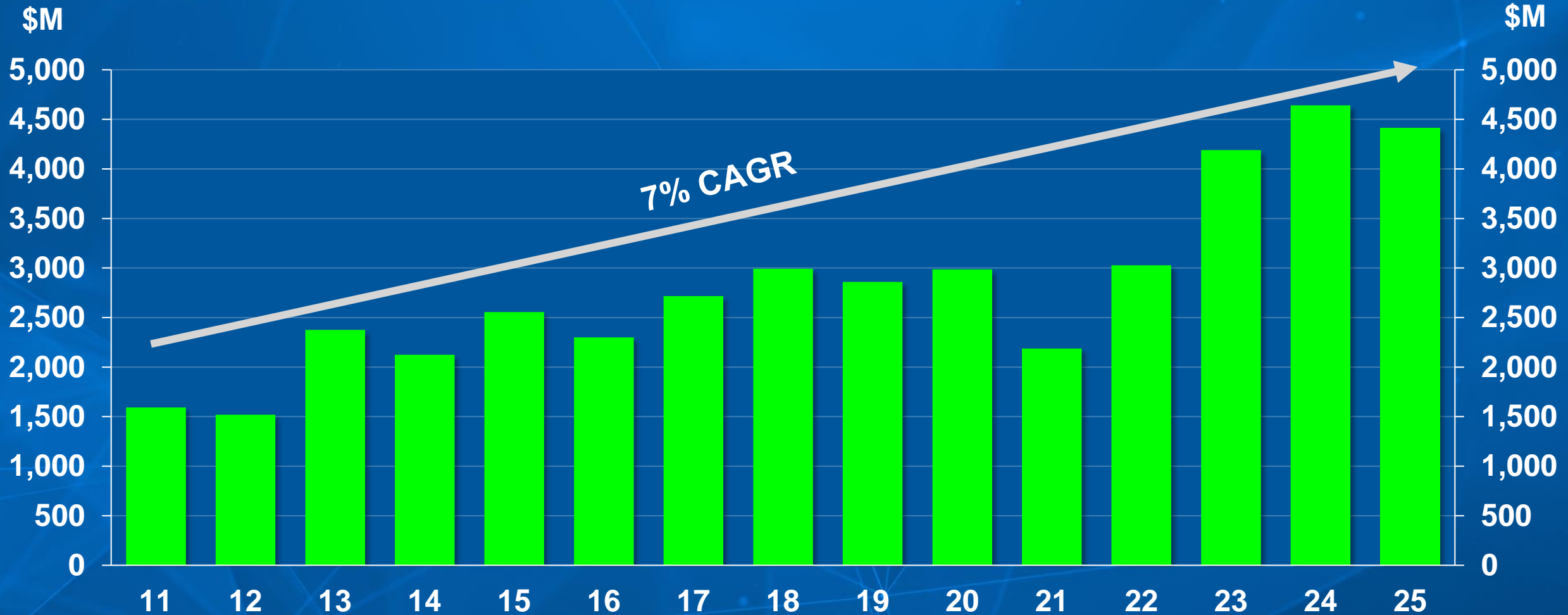


Truck, Parts and Other

Operating Profit and Margin



Operating Cash Flow



Dividends Per Share

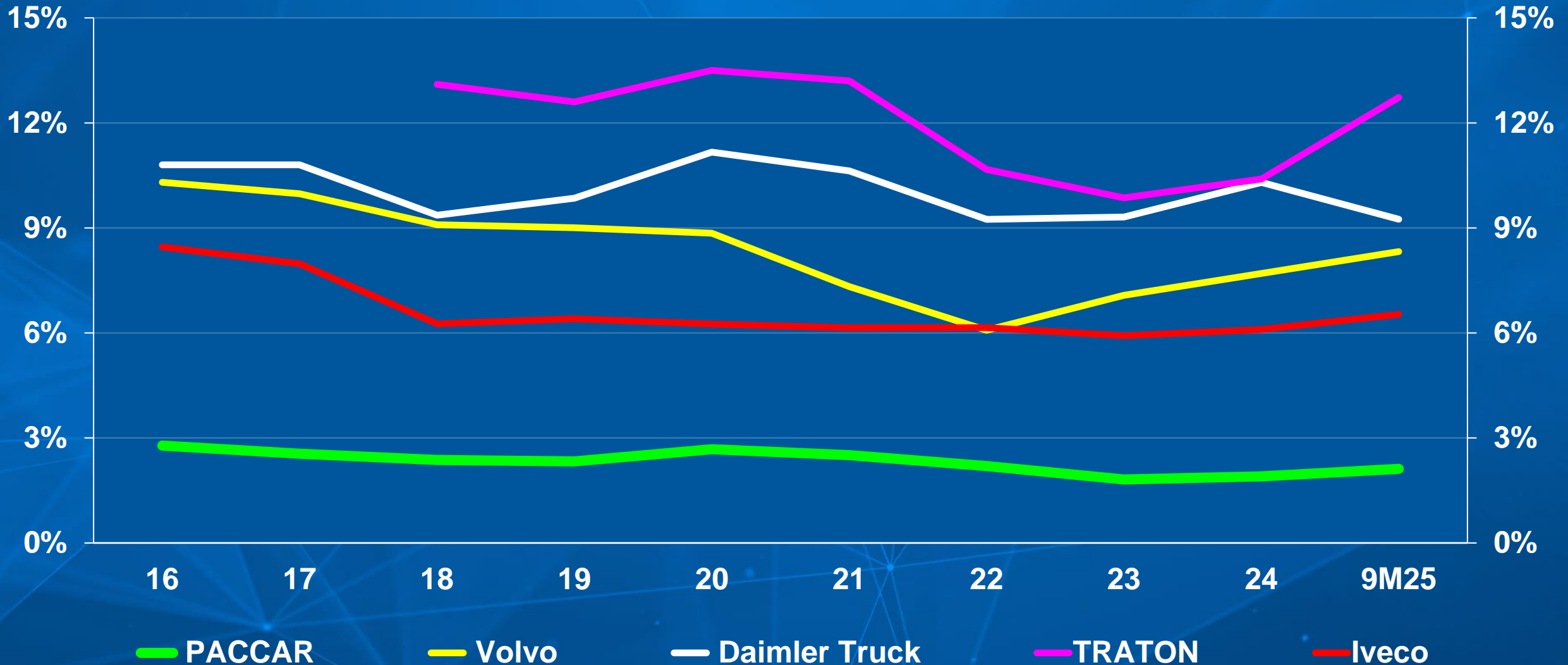
\$ Per Share

\$ Per Share



Best-in-Class Operating Efficiency

SG&A as % of Revenues



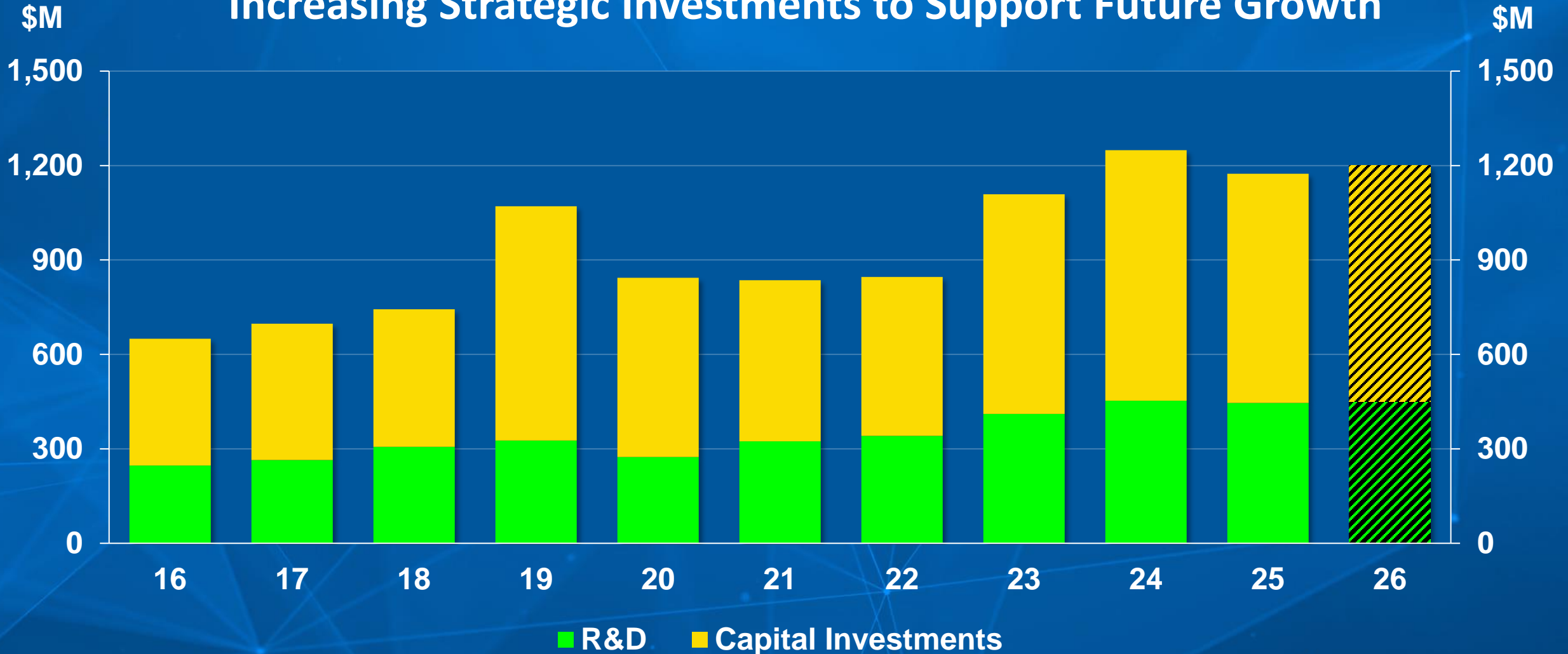
Capital Allocation Strategy



- High ROI Capital Investments
- Growing Dividend Yield
- Quarterly and Annual Dividend
~50% of Net Income
- Disciplined M&A Process
- Fully Funded Pensions

Capital Investments and R&D Expenses

Increasing Strategic Investments to Support Future Growth



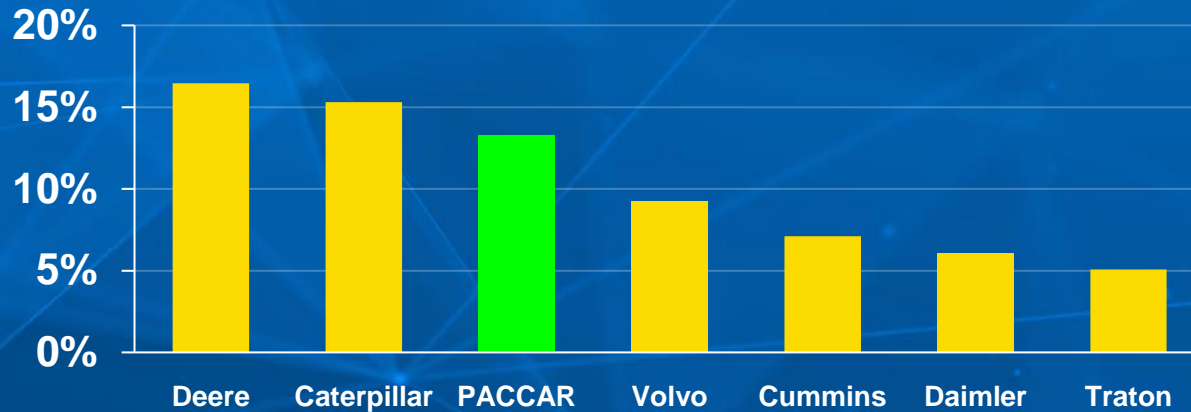
Three Year Industrial Peer Leadership

**PACCAR is the
Leading Industrial
Company**

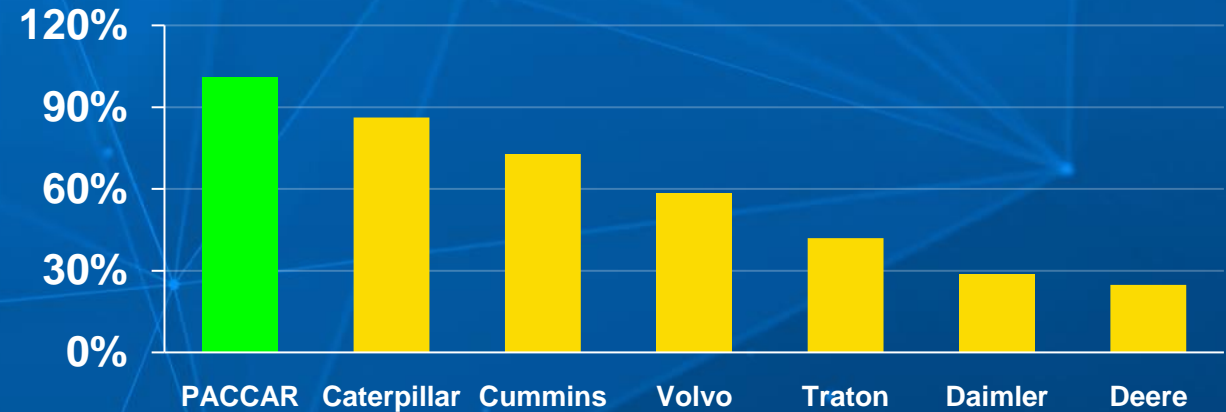
Average Return on Invested Capital

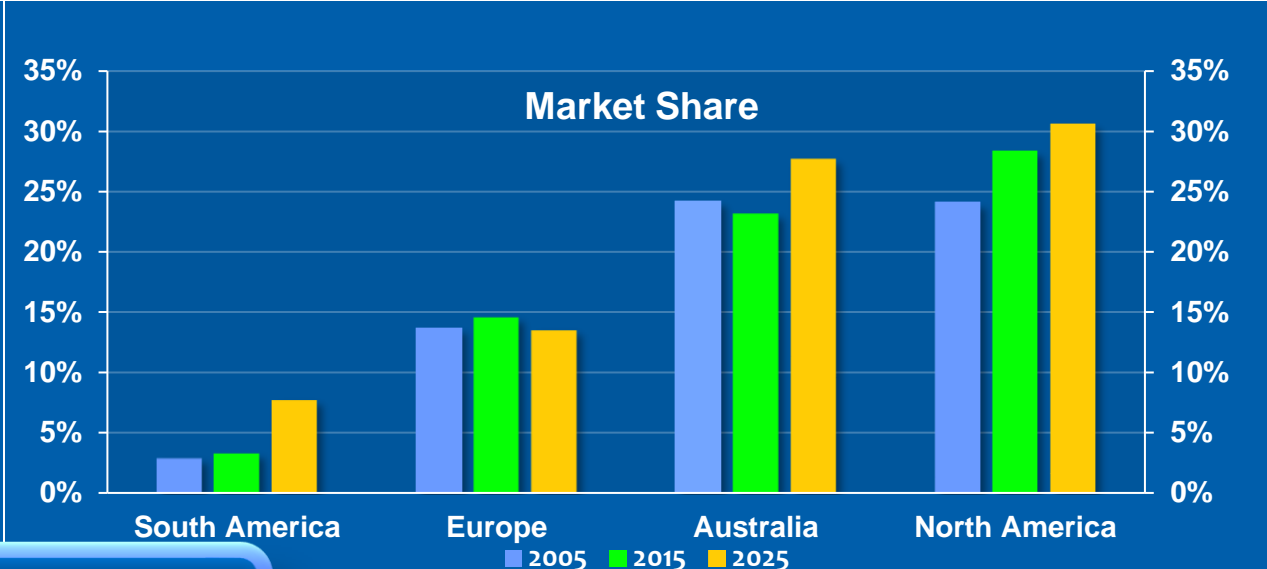
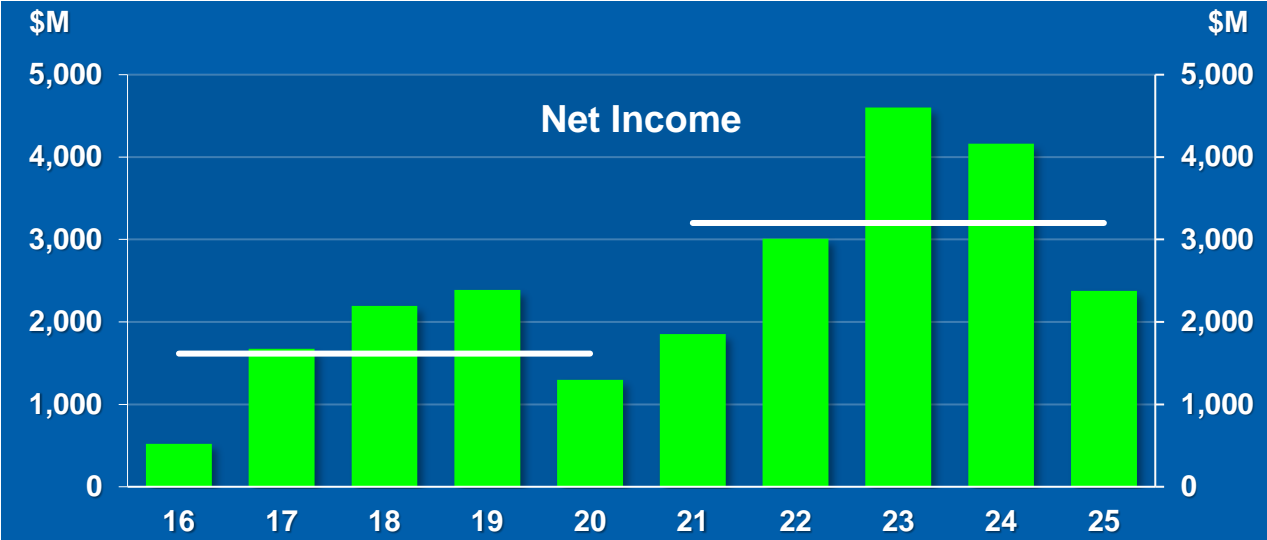


Average Return on Sales



Cumulative Shareholder Return

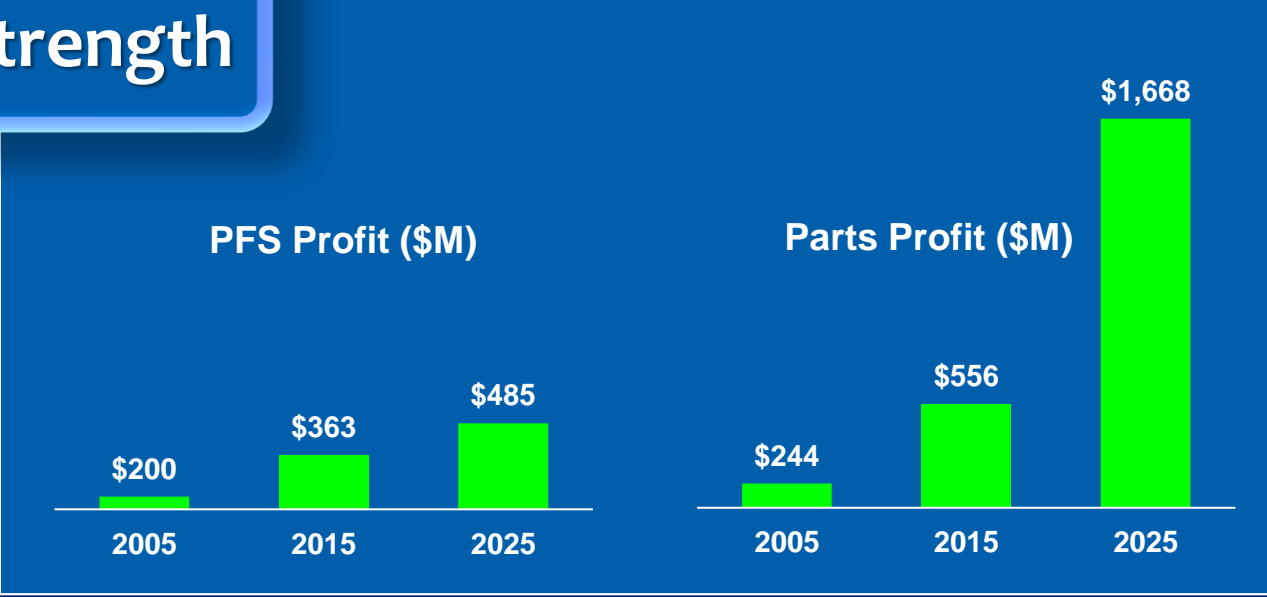
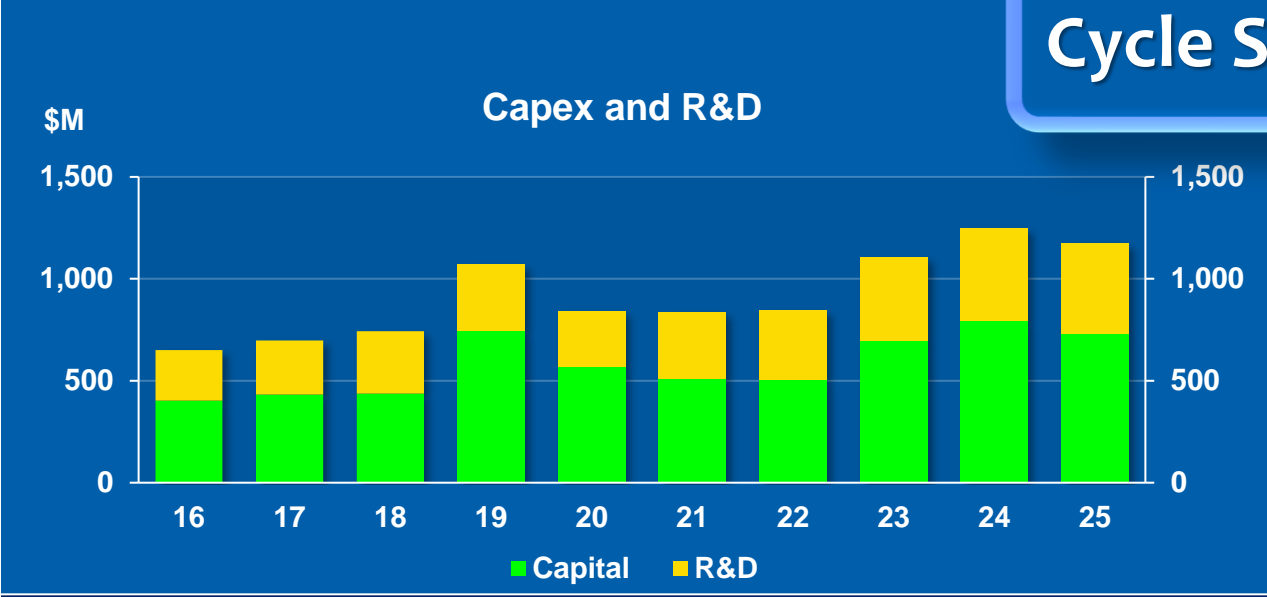




**Cycle Over
Cycle Strength**

Profitable Growth

Global Market Share Growth



Capital Investment

Parts & Finance Growth

PACCAR is the Leading Industrial Company

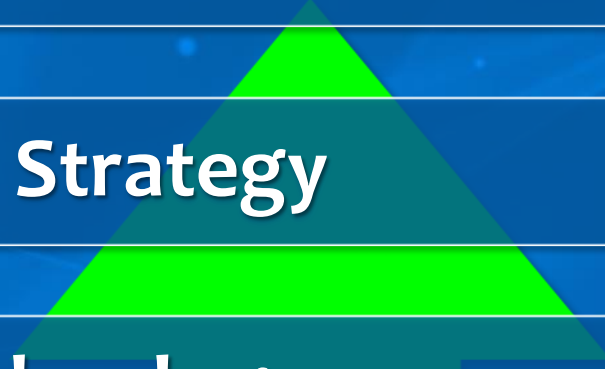
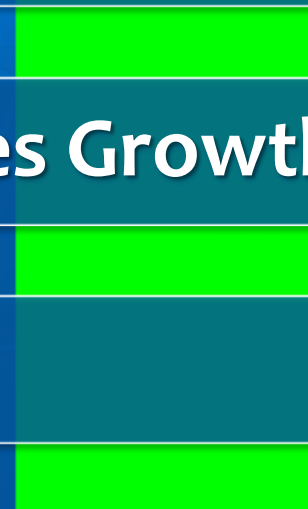
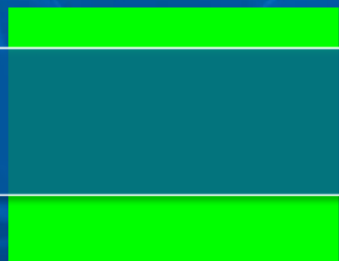
Demonstrated Cycle Over Cycle Performance

Advanced Manufacturing Strategy

Investing in the Right Technology

Robust Parts and Financial Services Growth

Excellent Profitability



PACCAR Inc