

PACCAR INC
Form 10-Q
August 08, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the quarterly period ended June 30, 2012

Commission File No. 001-14817

PACCAR Inc

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

91-0351110
(I.R.S. Employer Identification No.)

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777 - 106th Ave. N.E., Bellevue, WA
(Address of principal executive offices)

98004
(Zip Code)

(425) 468-7400

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, \$1 par value 353,505,180 shares as of July 31, 2012

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Table of Contents**PACCAR Inc Form 10-Q****PART I - FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****Consolidated Statements of Comprehensive Income (Unaudited)**

(Millions Except Per Share Amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	2012	2011	2012	2011
TRUCK AND OTHER:				
Net sales and revenues	\$ 4,191.1	\$ 3,702.7	\$ 8,705.8	\$ 6,745.3
Cost of sales and revenues	3,632.5	3,231.1	7,552.4	5,863.4
Research and development	73.8	77.5	146.1	145.9
Selling, general and administrative	122.5	108.6	248.3	218.5
Interest and other expense (income), net	1.6	(.9)	(.5)	3.1
	3,830.4	3,416.3	7,946.3	6,230.9
Truck and Other Income Before Income Taxes	360.7	286.4	759.5	514.4
FINANCIAL SERVICES:				
Interest and fees	111.5	105.4	221.4	206.9
Operating lease, rental and other income	154.6	152.6	306.1	292.1
	266.1	258.0	527.5	499.0
Revenues	266.1	258.0	527.5	499.0
Interest and other borrowing expenses	38.1	46.1	77.8	92.6
Depreciation and other expense	121.5	119.4	240.3	229.9
Selling, general and administrative	24.1	24.6	48.2	47.8
Provision for losses on receivables	5.0	11.0	12.5	21.5
	188.7	201.1	378.8	391.8
Financial Services Income Before Income Taxes	77.4	56.9	148.7	107.2
Investment income	8.2	9.9	17.1	17.9
	446.3	353.2	925.3	639.5
Total Income Before Income Taxes	446.3	353.2	925.3	639.5
Income taxes	149.1	113.5	300.8	206.5
Net Income	\$ 297.2	\$ 239.7	\$ 624.5	\$ 433.0
Net Income Per Share:				
Basic	\$.83	\$.66	\$ 1.75	\$ 1.18
Diluted	\$.83	\$.65	\$ 1.75	\$ 1.18
Weighted Average Common Shares Outstanding:				
Basic	356.0	365.9	356.5	365.8
Diluted	356.8	367.2	357.3	367.2
Dividends declared per share	\$.20	\$.12	\$.38	\$.24

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Comprehensive Income	\$ 185.2	\$ 305.6	\$ 607.6	\$ 631.1
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See Notes to Consolidated Financial Statements.

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Table of Contents**PACCAR Inc Form 10-Q****Consolidated Balance Sheets (Millions)**

	June 30 2012 (Unaudited)	December 31 2011*
ASSETS		
TRUCK AND OTHER:		
Current Assets		
Cash and cash equivalents	\$ 1,662.7	\$ 1,990.6
Trade and other receivables, net	1,120.9	977.8
Marketable debt securities	928.5	910.1
Inventories, net	883.2	710.4
Other current assets	356.4	249.1
Total Truck and Other Current Assets	4,951.7	4,838.0
Equipment on operating leases, net	762.4	679.1
Property, plant and equipment, net	2,096.6	1,973.3
Other noncurrent assets, net	221.8	280.9
Total Truck and Other Assets	8,032.5	7,771.3
FINANCIAL SERVICES:		
Cash and cash equivalents	57.2	116.1
Finance and other receivables, net	7,917.8	7,259.7
Equipment on operating leases, net	1,837.0	1,710.7
Other assets	400.3	314.9
Total Financial Services Assets	10,212.3	9,401.4
	\$ 18,244.8	\$ 17,172.7

* The December 31, 2011 consolidated balance sheet has been derived from audited financial statements. See Notes to Consolidated Financial Statements.

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	June 30 2012 (Unaudited)	December 31 2011*
LIABILITIES AND STOCKHOLDERS EQUITY		
TRUCK AND OTHER:		
Current Liabilities		
Accounts payable, accrued expenses and other	\$ 2,607.4	\$ 2,377.4
Dividend payable		250.3
Total Truck and Other Current Liabilities	2,607.4	2,627.7
Long-term debt	150.0	150.0
Residual value guarantees and deferred revenues	802.1	712.0
Other liabilities	500.0	507.0
Total Truck and Other Liabilities	4,059.5	3,996.7
FINANCIAL SERVICES:		
Accounts payable, accrued expenses and other	335.5	363.4
Commercial paper and bank loans	3,381.5	3,909.9
Term notes	3,868.8	2,595.5
Deferred taxes and other liabilities	887.4	942.8
Total Financial Services Liabilities	8,473.2	7,811.6
STOCKHOLDERS EQUITY		
Preferred stock, no par value: Authorized 1.0 million shares, none issued		
Common stock, \$1 par value: Authorized 1.2 billion shares, issued 357.1 and 356.8 million shares	357.1	356.8
Additional paid-in capital	66.9	52.1
Treasury stock, at cost - 3.6 million and nil shares	(139.5)	
Retained earnings	5,663.5	5,174.5
Accumulated other comprehensive loss	(235.9)	(219.0)
Total Stockholders Equity	5,712.1	5,364.4