

PACCAR FINANCIAL CORP.

Medium-Term Notes - Floating Rate
CUSIP# 69371RWQ5

We are hereby offering to sell Notes having the terms specified below to you with the assistance of:

☐ Citigroup Global Markets Inc.
☐ Barclays Capital Inc.
☐ BNP Paribas Securities Corp.
☒ McDonald Investments Inc.
☐ Wells Fargo Brokerage Services, LLC
Other: Goldman, Sachs & Co. ;
acting as ☒ principal ☐ agent

at: ☒ varying prices related to prevailing market prices at the time of resale ☐ a fixed initial public offering price of ___% of the Principal Amount.

| | | |
|---------------------------------------|---------------------------|---|
| Principal Amount \$100,000,000: | Original Issue Date: | September 20, 2004 |
| Agent's Discount or Commission: .20% | Maturity Date: | September 20, 2006 |
| Net Proceeds to Company: \$99,800,000 | Interest Payment Date(s): | Quarterly on the 20 th or next business day of June, September, December, and March via modified following business day convention, commencing December 20, 2004 |

Calculation Agent:

Interest Calculation:

| | |
|--|--|
| <input checked="" type="checkbox"/> Regular Floating Rate Note | <input type="checkbox"/> Floating Rate/Fixed Rate Note |
| <input type="checkbox"/> Inverse Floating Rate Note | Fixed Rate Commencement Date: |
| Fixed Interest Rate: | Fixed Interest Rate: |
| <input type="checkbox"/> Other Floating Rate Note (see attached) | |

Initial Interest Rate: To be determined

Initial Interest Reset Date: December 20, 2004

Interest Reset Date(s): Quarterly on the 20th or next business day of June, September, December, and March via modified following business day convention.

Interest Rate Basis:

| | | |
|---|--|---|
| <input type="checkbox"/> CD Rate | <input type="checkbox"/> Federal Funds Rate | <input type="checkbox"/> Prime Rate |
| <input type="checkbox"/> Commercial Paper Rate | <input checked="" type="checkbox"/> LIBOR | <input type="checkbox"/> Treasury Rate |
| <input type="checkbox"/> CMT Rate | Designated LIBOR Page: | <input type="checkbox"/> Other (see attached) |
| <input type="checkbox"/> CMT Telerate Page 7051 | <input type="checkbox"/> LIBOR Reuters Page | |
| <input type="checkbox"/> CMT Telerate Page 7052 | <input checked="" type="checkbox"/> LIBOR Telerate Page 3750 | |
| If CMT Telerate Page 7052: | LIBOR Currency: USD | |
| <input type="checkbox"/> Weekly Average | | |
| <input type="checkbox"/> Monthly Average | | |

Index Maturity: 3 Month LIBOR

Spread (+/-): -0.08%

Spread Multiplier: N/A

Maximum Interest Rate: N/A

Minimum Interest Rate: N/A

Day Count Convention:

- ☐ 30/360 for the period from to .
- ☒ Actual/360 for the period from September 20, 2004 to September 20, 2006.
- ☐ Actual/Actual for the period from to .

Redemption:

- ☒ The Notes may not be redeemed prior to the Maturity Date.
- ☐ The Notes may be redeemed at the option of the Company prior to Maturity Date.
Initial Redemption Date:
Initial Redemption Percentage: ____ %
Annual Redemption Percentage Reduction: ____ % until Redemption Percentage is 100% of the Principal Amount.
- ☐ The Notes shall be redeemed by the Company prior to the Maturity Date (see attached).

Repayment:

- ☒ The Notes may not be repaid prior to the Maturity Date.
- ☐ The Notes may be repaid prior to the Maturity Date at the option of the holder of the Notes.
Optional Repayment Date(s):

Currency:

Specified Currency: USD (If other than U.S. dollars see attached)

Minimum Denominations: _____ (Applicable only if Specified Currency is other than U.S. dollars)

Exchange Rate Agent: _____ (Applicable only if Specified Currency is other than U.S. dollars)

If Discount Note, check ☐

Issue Price: ____%

Form: ☒ Book-Entry ☐ Certificated

Other Provisions: