



## **H&E Equipment Services to Acquire Contractors Equipment Center; Will Significantly Expand Presence in Colorado Market**

November 21, 2017

BATON ROUGE, La.--(BUSINESS WIRE)--Nov. 21, 2017-- H&E Equipment Services, Inc. (NASDAQ: HEES) today announced its entry into a definitive agreement to acquire Contractors Equipment Center (CEC), a non-residential construction focused equipment rental company located in the greater Denver, Colorado, area. Under the terms of the agreement, H&E is expected to pay approximately \$122.4 million in cash for CEC, subject to customary adjustments. The transaction is expected to close in the late fourth quarter of 2017, and is subject to customary closing conditions including Hart-Scott-Rodino Act clearance.

John Engquist, H&E's Chief Executive Officer, said, "From every perspective, we believe CEC meets the strict criteria we demand for every acquisition. CEC is a long-term proven operator that has delivered solid operational and financial results and possesses a highly-experienced management team and employee base, which also shares our culture for best-in-class commitment to customer service and safety. As of September 30, 2017, CEC generated revenues of approximately \$34.0 million for the last twelve months and its fleet size based on original equipment cost was \$84.0 million. With the addition of CEC, we will double our branch count to six in Colorado, significantly expanding our presence in a high-growth construction market. CEC's end-user markets and fleet mix are also highly complementary to our existing business. We welcome CEC's employees to the H&E family. We are actively evaluating acquisitions similar to CEC that align with our growth strategy and expand our operations."

Greg Harrington, President of CEC, commented, "This acquisition is a significant compliment to everyone at CEC and validates our hard work and success in the construction markets we serve in Colorado. By joining H&E, we become part of an industry-leading integrated equipment services company with the scale to better serve our existing customers and further expand our presence in the vibrant Denver and surrounding markets. We believe our employees will also benefit from broader further career advancement opportunities."

Dechert LLP acted as legal advisor to H&E. Catalyst Strategic Advisors acted as exclusive financial advisor to CEC, and Holland & Hart LLP acted as exclusive legal advisor to CEC.

### **About H&E Equipment Services, Inc.**

The Company is one of the largest integrated equipment services companies in the United States with 80 full-service facilities throughout the West Coast, Intermountain, Southwest, Gulf Coast, Mid-Atlantic and Southeast regions. The Company is focused on heavy construction and industrial equipment and rents, sells and provides parts and services support for four core categories of specialized equipment: (1) hi-lift or aerial platform equipment; (2) cranes; (3) earthmoving equipment; and (4) industrial lift trucks. By providing equipment rental, sales, on-site parts, repair and maintenance functions under one roof, the Company is a one-stop provider for its customers' varied equipment needs. This full service approach provides the Company with multiple points of customer contact, enabling it to maintain a high quality rental fleet, as well as an effective distribution channel for fleet disposal and provides cross-selling opportunities among its new and used equipment sales, rental, parts sales and services operations.

### **Forward-Looking Statements**

Statements contained in this press release that are not historical facts, including statements about H&E's beliefs and expectations, are "forward-looking statements" within the meaning of the federal securities laws. Statements that are not historical facts, including statements about our beliefs and expectations are forward-looking statements. Statements containing the words "may", "could", "would", "should", "believe", "expect", "anticipate", "plan", "estimate", "target", "project", "intend", "foresee" and similar expressions constitute forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, the following: (1) the risk that any savings and synergies anticipated from the acquisition are not realized or take longer than anticipated to be realized; (2) the occurrence of any event, change or other circumstances that could give rise to the termination of the purchase agreement, the failure of the closing conditions included in the purchase agreement to be satisfied (or any material delay in satisfying such conditions), or any other failure to consummate the transactions contemplated thereby; (3) the risk of unsuccessful integration of H&E's and CEC's businesses, or that such integration will be materially delayed or will be more costly or difficult than anticipated; (4) the amount of the costs, fees, expenses and charges related to the acquisition; (5) the ability to obtain required governmental approvals of the proposed merger, including approval under the Hart-Scott-Rodino Antitrust Improvements Act of 1976; (6) any additional costs related to the acquisition or the other transactions contemplated thereby as a result of unexpected factors or events; (7) any negative effects of this announcement or the consummation of the acquisition on H&E's or CEC's supplier, customer or other business relationships or the market price of H&E's common stock or other securities; (8) the diversion of management time on transaction-related issues; (9) other business effects, including the effects of general industry, market, economic, political or regulatory conditions, future exchange or interest rates or changes in tax laws, regulations, rates and policies, including the uncertainty regarding rules and regulations with respect to the foregoing that may be affected by the United States Congress and Trump administration; (10) the expected business outlook, anticipated financial and operating results of H&E generally; and (11) other factors discussed in our public filings, including the risk factors included in the H&E's most recent Annual Report on Form 10-K. Investors, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission, we are under no obligation to publicly update or revise any forward-looking statements after the date of this release. These statements are based on the current beliefs and assumptions of H&E's and, as applicable, CEC's management, which in turn are based on currently available information and important, underlying assumptions. H&E is under no obligation to publicly update or revise any forward-looking statements after this press release, whether as a result of any new information, future events or otherwise. Investors, potential investors, security holders and other readers are urged to consider the above mentioned factors carefully in evaluating the forward-looking statements and are

cautioned not to place undue reliance on such forward-looking statements. Although H&E and CEC believe that the expectations reflected in the forward-looking statements are reasonable, they cannot guarantee future results or performance, including the consummation of the transactions contemplated by the purchase agreement or any anticipated effects of the acquisition.

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