H&E EQUIPMENT SERVICES®

FOURTH QUARTER 2015 EARNINGS CONFERENCE

February 25, 2016

NASDAQ: HEES

JOHN ENGQUIST - Chief Executive Officer
BRAD BARBER - President, Chief Operating Officer
LESLIE MAGEE - Chief Financial Officer

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NON-GAAP FINANCIAL MEASURES

This presentation contains certain Non-GAAP measures (EBITDA, Adjusted EBITDA and Free Cash Flow). Please refer to Appendix A of this presentation for a description of these measures and a discussion of our use of these measures. These Non-GAAP measures, as calculated by the Company, are not necessarily comparable to similarly titled measures reported by other companies. Additionally, these Non-GAAP measures are not a measurement of financial or operating performance or liquidity under GAAP and should not be considered an alternative to the Company's other financial information determined under GAAP. See Appendix A for a reconciliation of these Non-GAAP measures.

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Agenda

- Fourth Quarter Overview
  - Q4 2015 Summary
  - Regional Update
  - Oil & Gas Update
  - Current Market Conditions
- Fourth Quarter 2015 Financial Overview
  - Q4 2015 Results
  - 2015 Fleet and Free Cash Flow Update
  - Capital Structure Update
  - 2015 Results Summary
- Conclusion
- Q&A Session

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FOURTH QUARTER 2015 OVERVIEW

John Engquist
Chief Executive Officer

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Q4 2015 Summary

Fourth Quarter Highlights	▶ Rental business continues to achieve solid gains from a year ago. ▶ Maintained industry leading utilization; continued positive rate gains. ▶ End-user demand in our industrial and construction markets remains strong, especially along the Gulf Coast.
Revenue/ Gross Margin	▶ Revenue was $273.2 million vs. $297.8 million in Q4 2014. ▶ Continued weakness in new equip sales (down 28.0%) impacted top line growth. ▶ Gross margin was 33.0% vs. 31.9% a year ago.
Income from Operations/ EBITDA	▶ Income from operations was $33.5 million (12.3% margin) vs. Q4 2014 income from operations of $41.2 million (13.8% margin). ▶ EBITDA decreased 6.6% to $81.3 million (29.8% margin) vs. Q4 2014 EBITDA of $87.1 million (29.2% margin).
Net Income	▶ Net income was $12.0 million vs. net income of $16.7 million in Q4 2014. ▶ Effective tax rate was 41.6% this quarter vs. 40.4% a year ago. ▶ Net income per share was $0.34 vs. $0.47 a year ago.
Fleet Utilization	▶ Time utilization (based on OEC) was 72.0% vs. 72.4% in Q4 2014. ▶ Time utilization (based on units) was 69.3% vs. 67.4% in Q4 2014.
Rental Momentum Continues	▶ 3.7% rental revenue growth vs. Q4 2014. ▶ Rental gross margins were 47.5% vs. 49.3% in Q4 2014. ▶ Rental rates improved 0.6% over Q4 2014 rates. ▶ Dollar utilization was 35.5% vs. 35.8% in Q4 2014.

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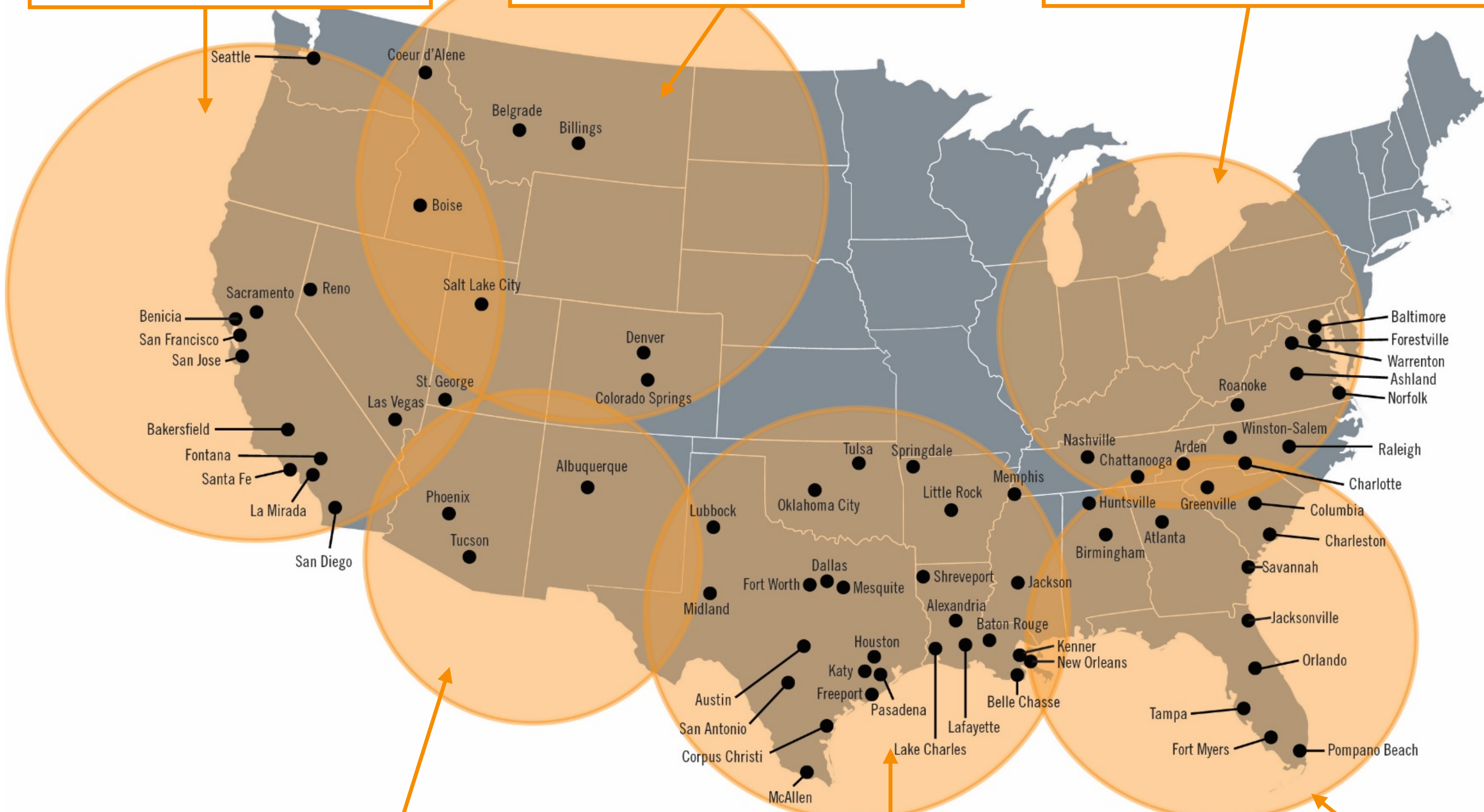
LTM Revenue and Gross Profit By Region

West Coast
10% Revenue - 12% Gross Profit
13 Branches

Intermountain
13% Revenue - 14% Gross Profit
7 Branches

Mid-Atlantic
12% Revenue – 12% Gross Profit
12 Branches



Southwest
5% Revenue - 5% Gross Profit
3 Branches

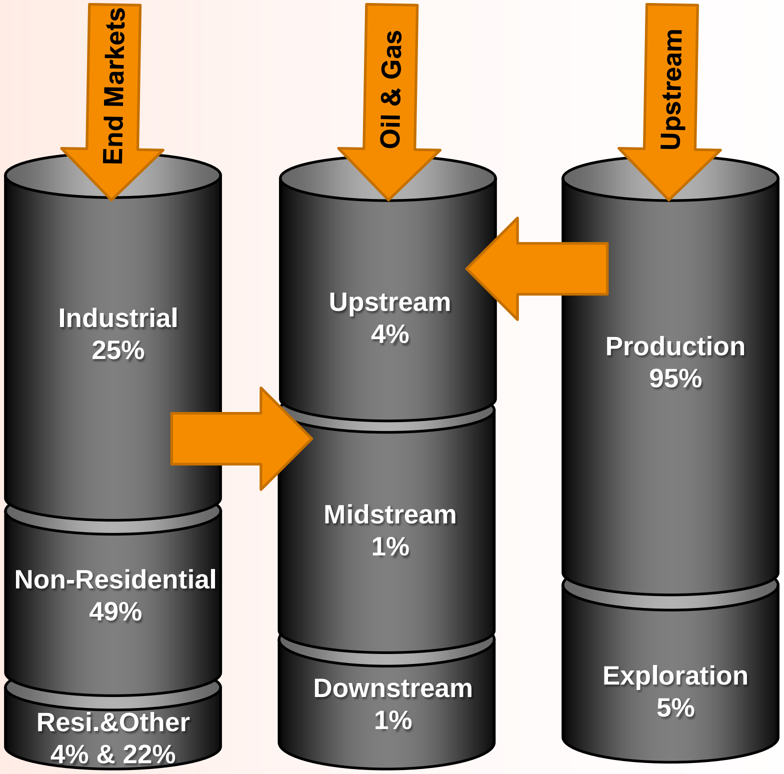
Gulf Coast
52% Revenue - 48% Gross Profit
30 Branches

Southeast
8% Revenue - 9% Gross Profit
12 Branches

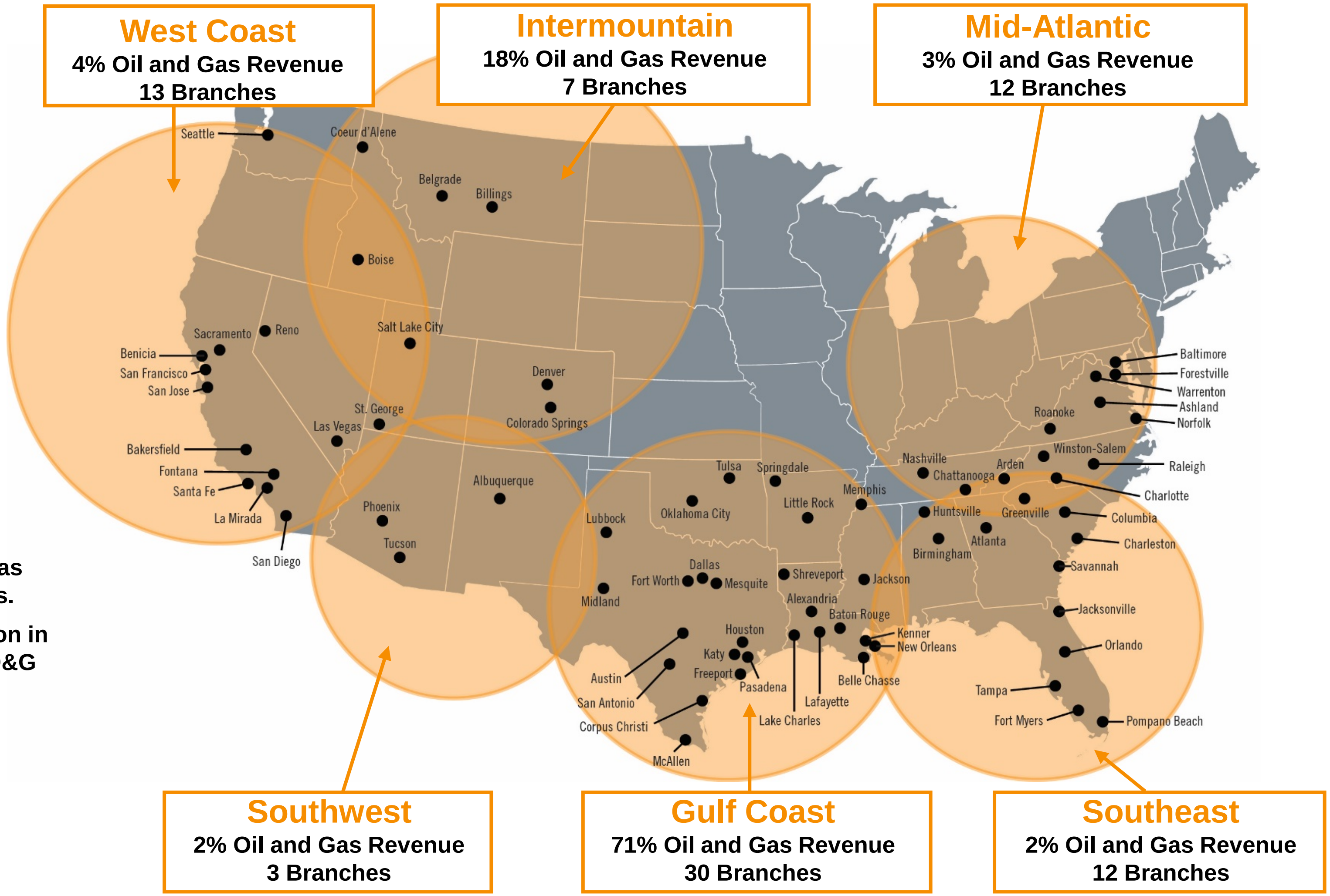
End Markets – Oil & Gas Exposure (Q4 2015)

- Total revenue exposure to oil & gas was ~6% in Q4 15.
- Upstream oil & gas exploration and production exposure represented ~4% of total revenue in Q4 15.
- Vast majority, ~95%, of upstream exposure tied to production rather than exploration.
- Weakness in O&G markets has significantly impacted new crane demand; visibility remains limited.
- Believe significant growth opportunities exist in the construction and industrial markets which are benefitting from low natural gas prices.

Oil & Gas Accounts for ~6% of Total Revenue in Q4 2015



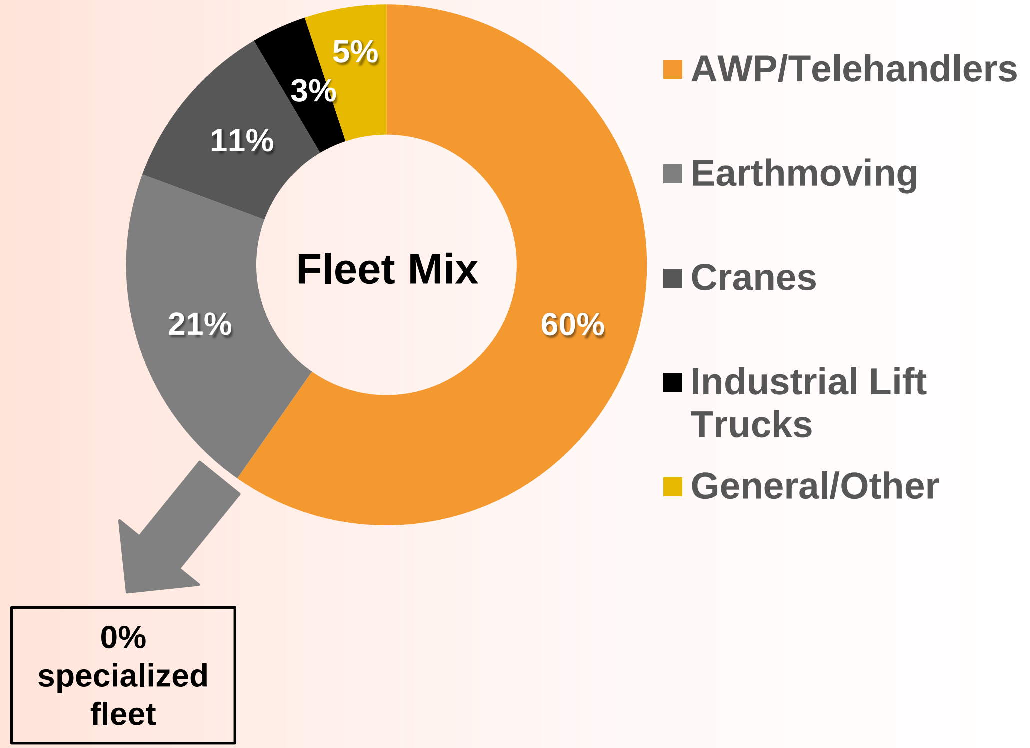
Oil and Gas Revenue By Region (Q4 2015)



- Majority of our oil and gas exposure is still in Texas.
- During Q4, time utilization in Texas branches in the O&G markets averaged 72%.

- 100% of fleet is transferrable.
- None of fleet is specialized for oil and gas industry applications.
- Idle fleet can be redeployed efficiently in other markets.
- Fleet mix core to our fleet management strategy.
- Flexible capex spending plans combined with proven fleet management and systems, demonstrated by industry leading rental revenue growth and utilization.

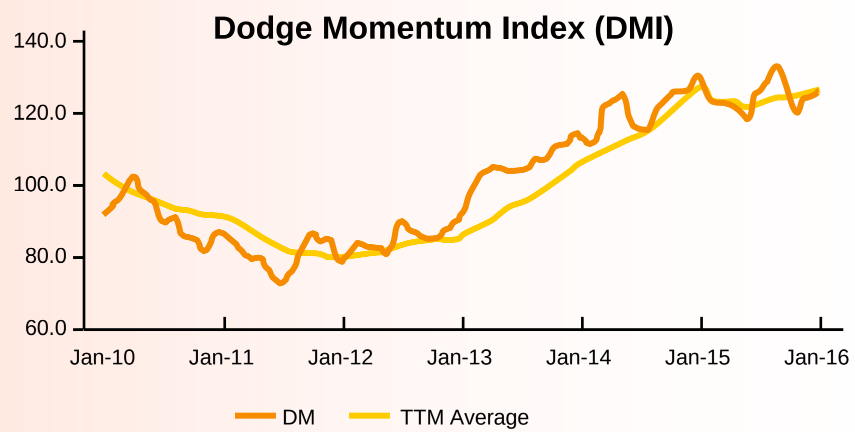
Fleet Mix a Positive in any Market Environment



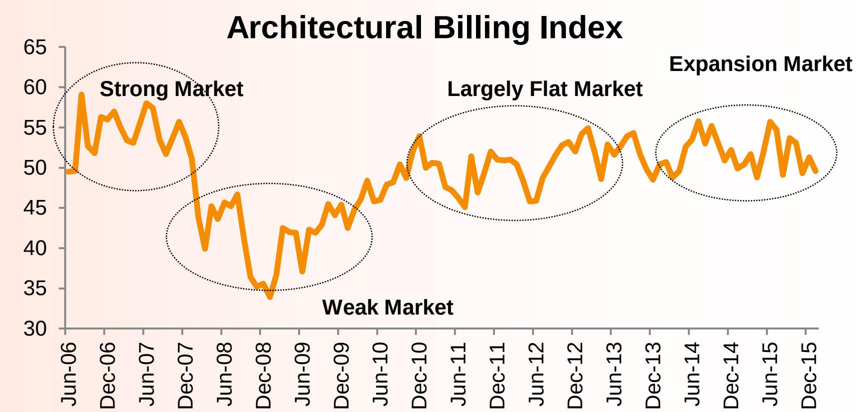
Overall Market Indicators and Conditions

Projected Construction growth	2015	2016	2017
Dodge Data & Analytics	10.0%	5.0%	12.0%
IHS-Global Insight	8.0%	7.5%	6.0%

- **Traditional commercial construction activity remains strong.**
- **Less industrial regions showing increases in demand.**
- **Petrochemical related construction markets remain strong despite significantly lower oil prices.**
- **Expected capital investment in chemical manufacturing along Gulf Coast, especially in Louisiana, continues to ramp up in 2016-2017.**
- **Improving labor statistics and modest GDP growth.**
- **Demand in end-user markets remains solid.**



Source: Dodge Data & Analytics



Source: American Institute of Architects

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FOURTH QUARTER 2015 FINANCIAL OVERVIEW

Leslie Magee
Chief Financial Officer

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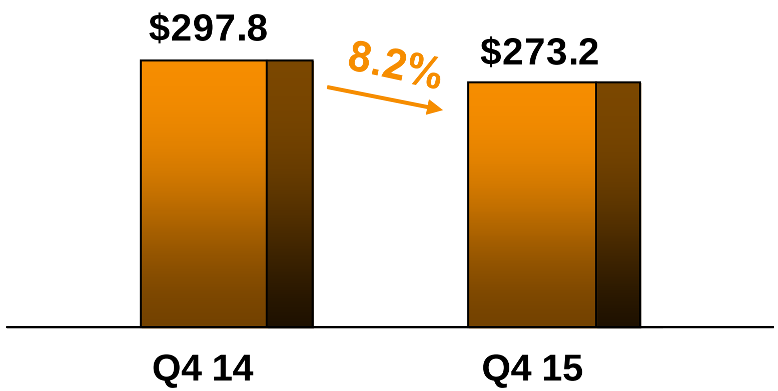
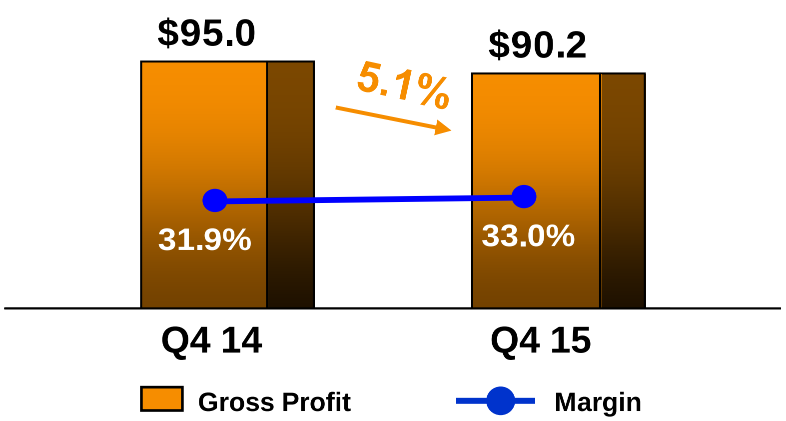
Q4 2015 Revenues and Gross Profit

Revenues ($MM)



Gross Profit ($MM)

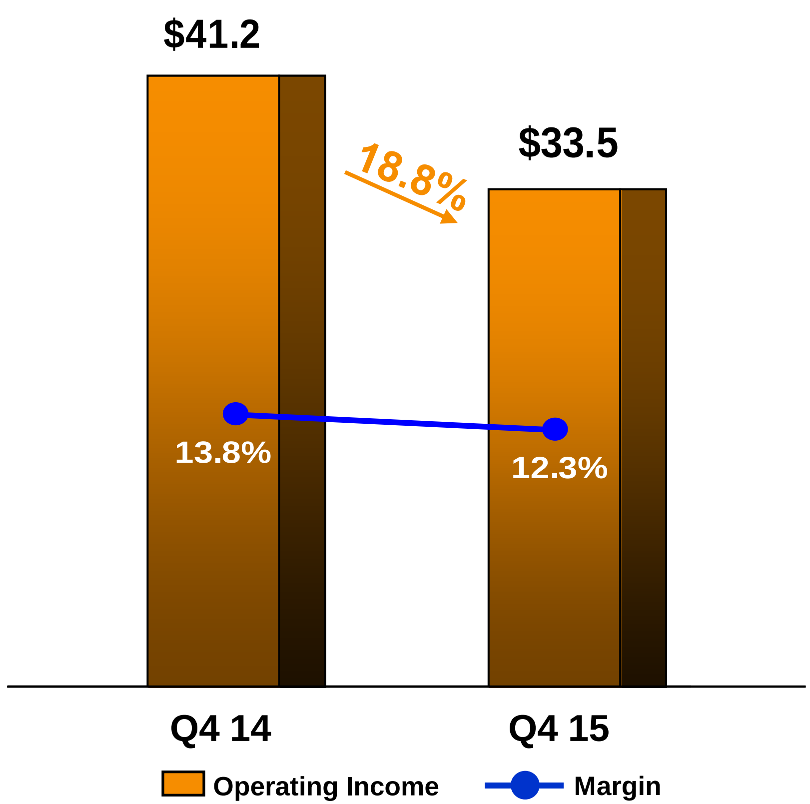


Key Takeaways

- **Revenues decreased 8.2%, or $24.6 million.**
- **Rental demand remained strong.**
  - Rentals increased 3.7%.
    - Larger fleet and higher average rates (up 0.6%).
    - Utilization remained high at 72.0% (on an OEC basis); only down 40 basis points compared to 2014.
- **New equipment sales declined 28.0%, or $24.4 million.**
  - New cranes sales declined 25.3%, or $12.2 million and new earthmoving sales declined 39.9%, or $10.3 million.
- **Gross profit decreased 5.1% on an 8.2% decrease in revenues.**
  - Gross margin was 33.0% vs. 31.9%.
    - Margins by segments Q4 15 vs. Q4 14:
      - Rentals 47.5% vs. 49.3%.
      - New 10.4% vs. 11.9%.
      - Used 30.2% vs. 29.9%
        - Fleet only 32.5% vs 34.6%
      - Parts 26.7% vs. 27.7%
      - Service 65.6% vs. 64.6%

Q4 2015 Income From Operations

Income From Operations ($MM)



Key Takeaways

- **Income from operations was $33.5 million compared to $41.2 million a year ago.**
  - **12.3% margin in Q4 15 vs 13.8% in Q4 14.**
    - **Revenues decreased 8.2%.**
    - **Gross profit decreased 5.1%.**
    - **SG&A as a percentage of sales was 21.1% compared to 18.2% a year ago.**
      - **Negatively impacted by the decline in top-line revenues largely due to the weakness in the O&G markets.**
      - **SG&A increased partly due to additional branch openings compared to the prior year.**

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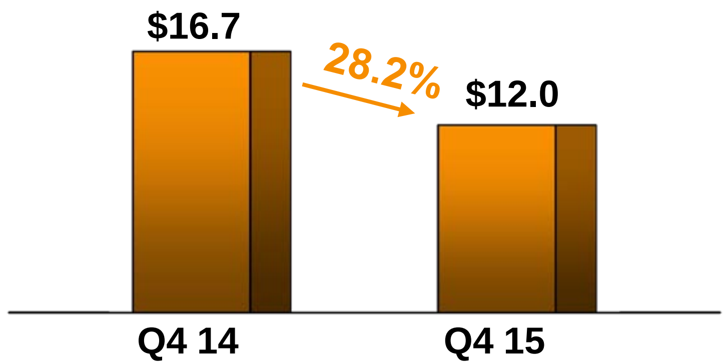
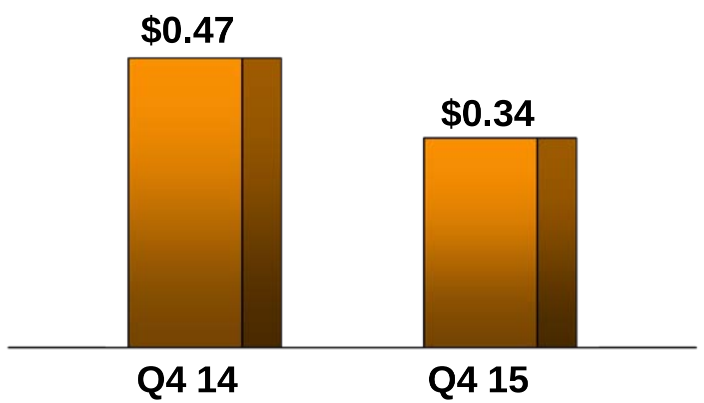
Q4 2015 Net Income

Net Income ($MM)



Net Income Per Share



Key Takeaways

- Net income of $12.0 million compared to net income of $16.7 million in Q4 14.
  - Effective tax rate was 41.6% vs. 40.4% a year ago.
- Diluted net income per share was $0.34 vs. diluted net income per share of $0.47 a year ago.

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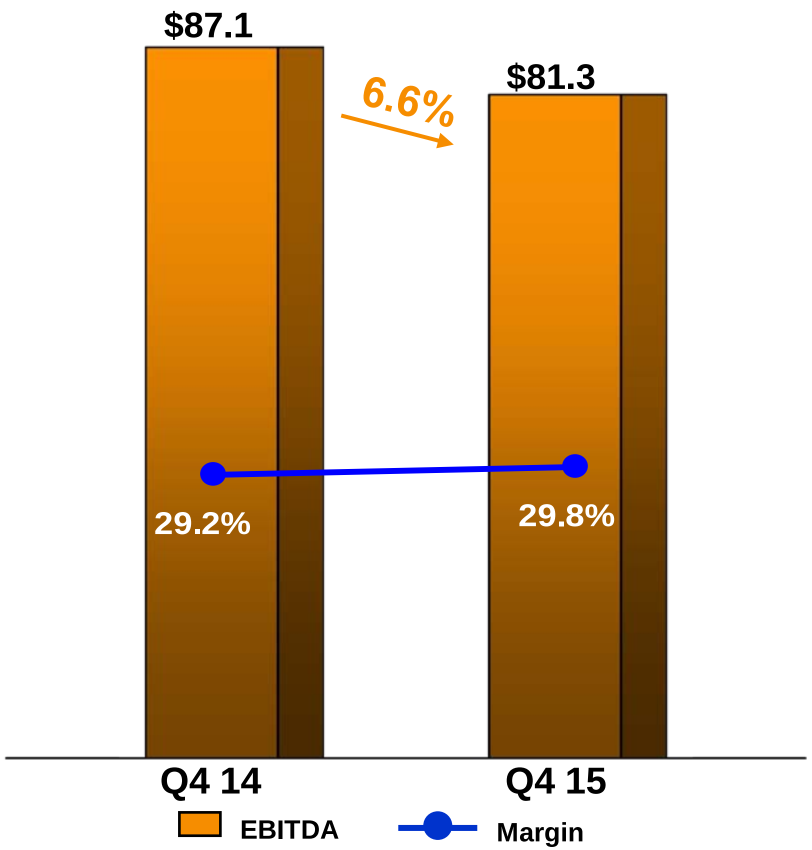
Q4 2015 EBITDA

EBITDA ($MM)



Key Takeaways

- **EBITDA decreased 6.6% on an 8.2% decline in revenue.**
  - Results were $81.3 million compared to $87.1 million a year ago.
  - EBITDA remained strong largely due to continued strength in rental business.
- **Margin was 29.8% compared to 29.2% a year ago.**
  - 60 basis points improvement in EBITDA margins.
  - Net positive impact to margins from revenue mix.

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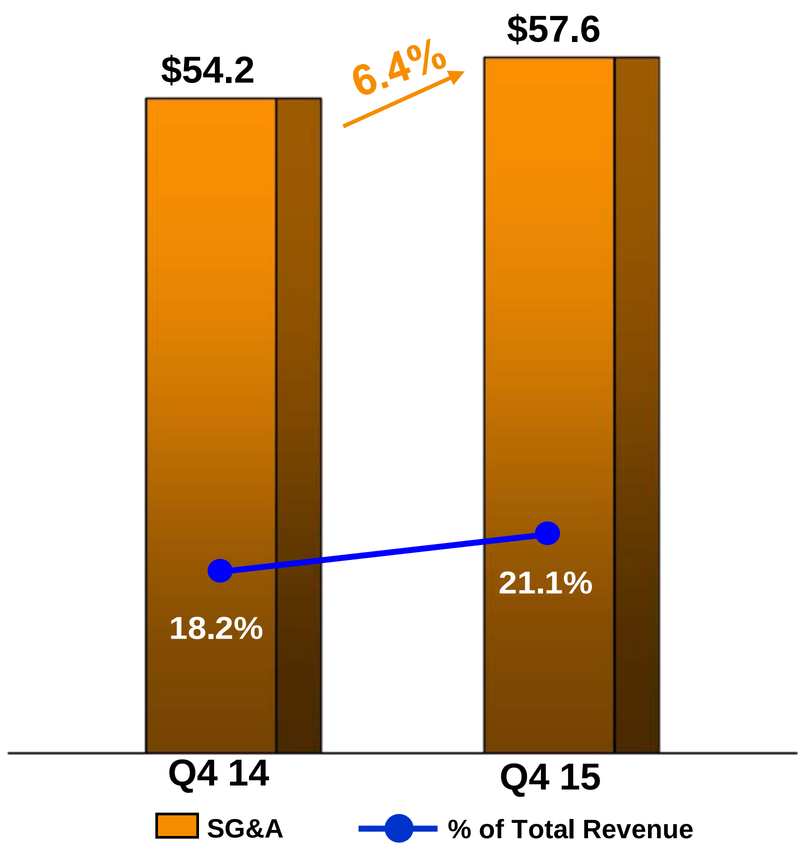
Q4 2015 SG&A Expense

SG&A ($MM)



Key Takeaways

- **$3.4 million, or 6.4% increase.**
  - **SG&A as a percentage of revenue was 21.1% compared to 18.2% in Q4 14.**
  - **Branch expansions contributed $1.8 million in SG&A in Q4 15.**
  - **SG&A as percentage of revenues also increased due to decline in revenues.**
    - **New equipment sales declined 28.0% compared to a year ago due to lower new crane and earthmoving equipment sales.**

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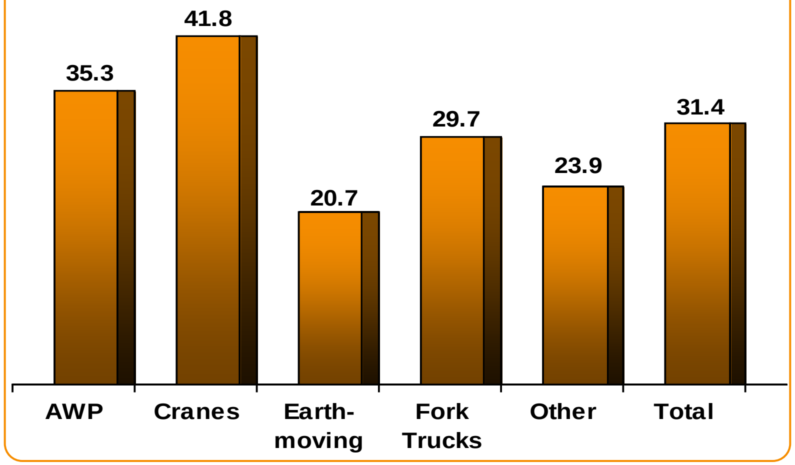
2015 Fleet and Free Cash Flow Update

Rental Cap-Ex Summary ($MM)

	2011	2012	2013	2014	2015
Gross Rental CapEx[1]	$ 155.6	$ 296.4	$ 303.3	$ 412.7	$ 230.2
Sale of Rental Equipment	$ (63.4)	$ (90.5)	$ (114.6)	$ (101.4)	$ (99.5)
Net Rental CapEx	$ 92.2	$ 205.9	$ 188.7	$ 311.3	$ 130.7

Fleet Age by Equipment Type (months)



Free Cash Flow Summary ($MM)

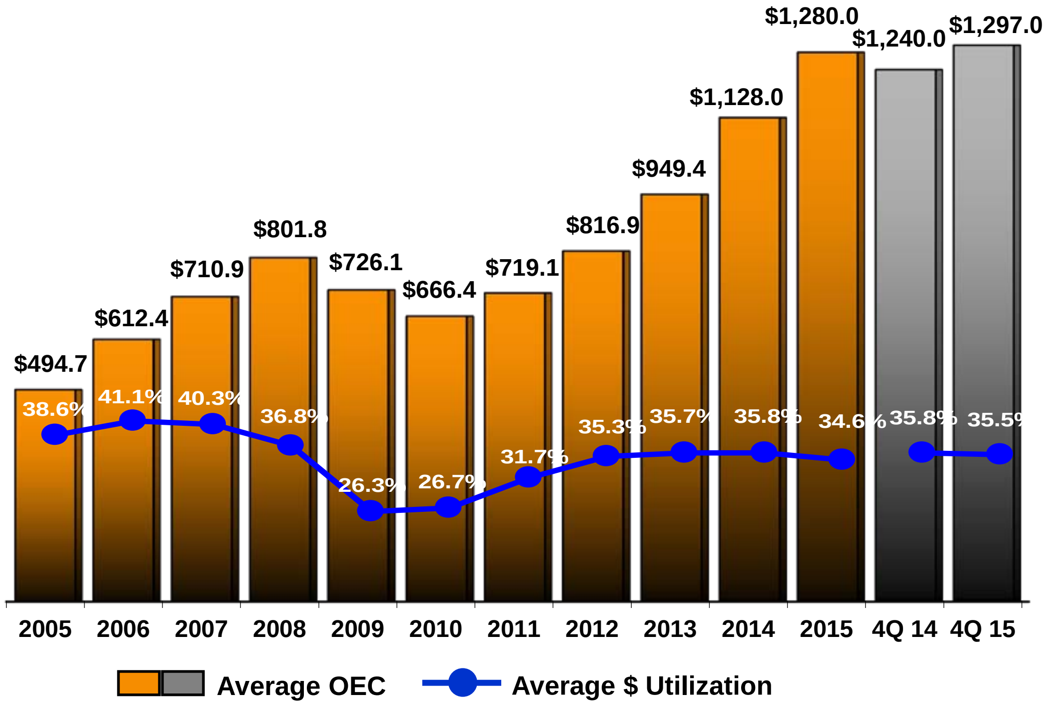
	2011	2012	2013	2014	2015
Free Cash Flow[2]	$ (20.5)	$ (172.0)	$ (40.9)	$ (138.3)	$ 104.9

Note: Fleet statistics as of December 31, 2015.

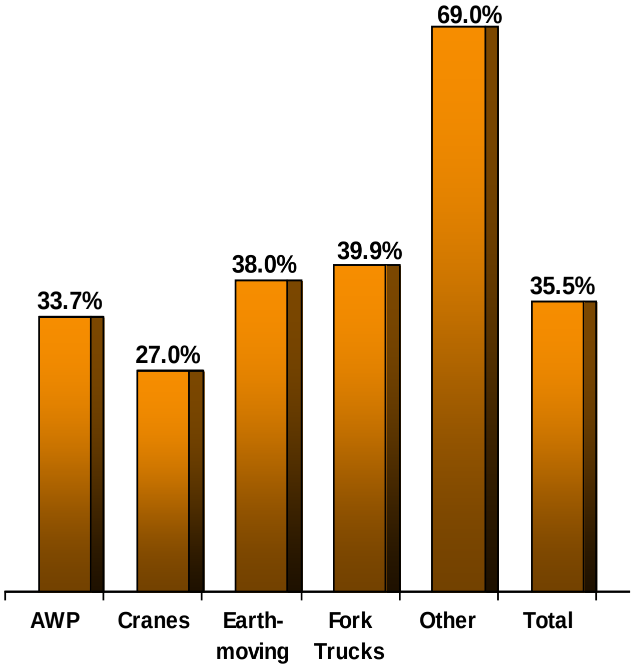
1 Gross rental cap-ex includes amounts transferred from new and used inventory considered non-cash asset purchases for purposes of the Consolidated Statement of Cash Flow.

2 We define Free Cash Flow as net cash provided by operating activities less (1) purchases of rental equipment and property and equipment plus (2) proceeds from sales of rental equipment and property and equipment. Please refer to Appendix A for a further description and reconciliation of this Non-GAAP measure.

Rental Fleet Statistics[1]
($MM)



$ Utilization by Equipment Type[1]



Note: Fleet statistics as of December 31, 2015.

1 Represents rental revenues annualized divided by the average original equipment cost.

Capital Structure
($MM)

12/31/15		
Cash	$	7.2
Debt:		
Sr. Sec'd Credit Facility (ABL)		184.9
Senior Unsecured Notes[1]		630.0
Capital Leases Payable		1.9
Total Debt	$	816.8
Shareholders' Equity	$	142.6
Total Book Capitalization	$	959.4

Credit Statistics

	12/31/09	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14	12/31/15
Adj. EBITDA[2]/ Total Interest Exp.	3.9x	2.8x	4.9x	5.8x	5.0x	6.0x	5.9x
Total Net Debt[3]/ Adj. EBITDA[2]	1.7x	2.8x	1.7x	3.3x	2.8x	2.8x	2.6x
Total Debt/ Total Capitalization	47.7%	50.0%	50.4%	93.4%	88.6%	87.0%	85.1%

1 Senior Unsecured Notes exclude $7.0 million of unaccreted note discount and $5.9 million of unamortized premium.
2 Excludes the impact of (a) the non-cash asset impairment charge of $9.0 million in the fourth quarter of 2009 and (b) the $10.2 million loss from early extinguishment of debt incurred in the third quarter of 2012. See Appendix A for a reconciliation of Non-GAAP measures.
3 Net debt is defined as total debt less cash on hand.

- Delivered solid results despite the turmoil in the oil patch, historic flooding in the second quarter and exceptional rainfall in the fourth quarter.
- Revenue and gross profit:
  - Revenues decreased $50.6 million, or 4.6%, to $1.0 billion.
  - Gross profit decreased $2.2 million, or 0.6%, to $345.7 million.
  - Gross margin was 33.2% compared to 31.9%.
- Income from operations was $128.2 million, or a 12.3% operating margin, compared to $143.7 million, or a 13.2% margin.
- Net income was $44.3 million compared to net income of $55.1 million.
  - Effective tax rate increased to 41.5% in 2015 compared to 40.5% in 2014.
- Net income per diluted share was $1.25 compared to $1.56.
- EBITDA increased 1.5%, or $4.6 million, to $316.2 million from $311.6 million in 2014.
  - EBITDA margin was 30.4% compared with 28.6%.
- Free cash flow for the year was $104.9 million.
- Paid dividends of $1.05 per common share.

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CONCLUSION

John Engquist
Chief Executive Officer

Conclusion

- **Solid performance for quarter and year; successfully managed business and delivered strong results despite the collapse of the oil patch and historic flooding that occurred in May.**
- **Positive outlook for 2016 based on current market trends, especially on the activity occurring in our major markets and specifically along the Gulf Coast.**
  - **Gulf Coast region continues to experience the highest levels of commercial construction starts and activity in the U.S.**
- **Rental trends expected to remain solid; economic uncertainty is also helping drive increased rental penetration as many customers find it more prudent to rent rather than make large capital purchases.**
- **Expect continued lack of visibility in the distribution business and soft demand for cranes until oil rebounds and stabilizes.**
- **Plan to take a conservative approach to 2016 fleet investment.**
- **Paid sixth consecutive quarterly cash dividend on December 9, 2015; announced next dividend to be paid on March 9, 2016; and intend to continue dividend payments, subject to board approval.**

Appendix A-Unaudited Reconciliation of Non-GAAP Financial Measures

Unaudited Reconciliation of Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA and Free Cash Flow are non-GAAP measures as defined under the rules of the SEC. We define EBITDA as net income (loss) before interest expense, income taxes, depreciation and amortization. We define Adjusted EBITDA for the year ended December 31, 2012 as EBITDA adjusted for the $10.2 million loss from early extinguishment of debt incurred in the third quarter ended September 30, 2012. We define Adjusted EBITDA for the year ended December 31, 2009 as EBITDA adjusted for the $9.0 million goodwill impairment charge recorded in the fourth quarter ended December 31, 2009. We define Free Cash Flow as net cash provided by operating activities, less purchases of rental equipment and property and equipment plus proceeds from sales of rental equipment and property and equipment.

We use EBITDA and Adjusted EBITDA in our business operations to, among other things, evaluate the performance of our business, develop budgets and measure our performance against those budgets. We also believe that analysts and investors use EBITDA and Adjusted EBITDA as supplemental measures to evaluate a company's overall operating performance. However, EBITDA and Adjusted EBITDA have material limitations as analytical tools and you should not consider them in isolation, or as substitutes for analysis of our results as reported under GAAP. We consider them useful tools to assist us in evaluating performance because they eliminate items related to capital structure, taxes and non-cash charges. The items that we have eliminated in determining EBITDA for the periods presented are interest expense, income taxes, depreciation of fixed assets (which includes rental equipment and property and equipment) and amortization of intangible assets and, in the case of Adjusted EBITDA, any goodwill and intangible asset impairment charges and the other items described above applicable to the particular period. However, some of these eliminated items are significant to our business. For example, (i) interest expense is a necessary element of our costs and ability to generate revenue because we incur a significant amount of interest expense related to our outstanding indebtedness; (ii) payment of income taxes is a necessary element of our costs; and (iii) depreciation is a necessary element of our costs and ability to generate revenue because rental equipment is the single largest component of our total assets and we recognize a significant amount of depreciation expense over the estimated useful life of this equipment. Any measure that eliminates components of our capital structure and costs associated with carrying significant amounts of fixed assets on our consolidated balance sheet has material limitations as a performance measure. In light of the foregoing limitations, we do not rely solely on EBITDA and Adjusted EBITDA as performance measures and also consider our GAAP results. EBITDA and Adjusted EBITDA are not measurements of our financial performance under GAAP and should not be considered alternatives to net income, operating income or any other measures derived in accordance with GAAP.

The company uses Free Cash Flow in our business operations to, among other things, evaluate the cash flow available to meet future debt service obligations and working capital requirements. However, this measure should not be considered as an alternative to cash flows from operating activities or any other measures derived in accordance with GAAP as indicators of operating performance or liquidity. Additionally, our definition of Free Cash Flow is limited, in that it does not represent residual cash flows available for discretionary expenditures due to the fact that the measure does not deduct the payments required for debt service and other contractual obligations. Therefore, we believe it is important to view Free Cash Flow as a measure that provides supplemental information to our entire statement of cash flows. Further, the method used by our management to calculate Free Cash Flow may differ from the methods other companies use to calculate their Free Cash Flow.

Because EBITDA, Adjusted EBITDA and Free Cash Flow may not be calculated in the same manner by all companies, these measures may not be comparable to other similarly titled measures by other companies.

For a reconciliation of historical non-GAAP financial measures to the nearest comparable GAAP measures, see the Non-GAAP reconciliations included further in this presentation.

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EBITDA and Adjusted EBITDA GAAP Reconciliation

($ in thousands)

	2009	2010	2011	2012	2013	2014	2015	Q4 14	Q4 15
Net income (loss)	$ (11,943)	$ (25,460)	$ 8,926	$ 28,836	$ 44,140	$ 55,139	$ 44,305	$ 16,667	$ 11,967
Interest expense	31,339	29,076	28,727	35,541	51,404	52,353	54,030	13,610	13,355
Provision (benefit) for income taxes	(6,178)	(14,920)	3,215	15,612	21,007	37,545	31,371	11,281	8,535
Depreciation	98,702	91,707	99,036	116,447	138,903	$166,514	186,457	45,500	47,441
Amortization of intangibles	591	559	362	66	_	_	_	_	_
EBITDA	$ 112,511	$ 80,962	$ 140,266	$ 196,502	$ 255,454	$ 311,551	$ 316,163	$ 87,068	$ 81,298
Impairment of goodwill, loss on early extinguishment of debt[1]	8,972	_	_	10,180	_	_	_	_	_
Adjusted EBITDA	$ 121,483	$ 80,962	$ 140,266	$ 206,682	$ 255,454	$ 311,551	$ 316,163	$ 87,068	$ 81,298

1 Adjustments relate to non-cash asset impairment charge in the fourth quarter ended December 31, 2009 and loss from early extinguishment of debt incurred in the third quarter ended September 30, 2012.

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Free Cash Flow GAAP reconciliation

($ in thousands)

	2011	2012	2013	2014	2015
Net cash provided by operating activities	$ 60,385	$ 41,023	$ 138,652	$ 158,318	$ 206,620
Purchases of property and equipment	(18,433)	(37,361)	(29,479)	(33,235)	(26,797)
Purchases of rental equipment[1]	(127,235)	(268,229)	(267,465)	(368,491)	(178,772)
Proceeds from sale of property and equipment	1,382	2,058	2,759	3,657	4,289
Proceeds from sale of rental equipment	63,358	90,542	114,595	101,426	99,521
Free cash flow	$ (20,543)	$ (171,967)	$ (40,938)	$ (138,325)	$ 104,861

1 Purchases of rental equipment as reflected in the Consolidated Statement of Cash Flows exclude non-cash assets transferred from new and used inventory to rental. Transfers from new and used inventory to rental are included below and also shown in the supplemental schedule of non-cash investing and financing activities of the Consolidated Statement of Cash Flows. In addition, the amounts as detailed below are included in gross rental cap-ex on slide 17.

2011	2012	2013	2014	2015
$28.4	$28.2	$35.9	$44.2	$51.4