

SECOND QUARTER 2024 EARNINGS CONFERENCE

July 30, 2024

I & E EQUIPMENT
& S SERVICES®

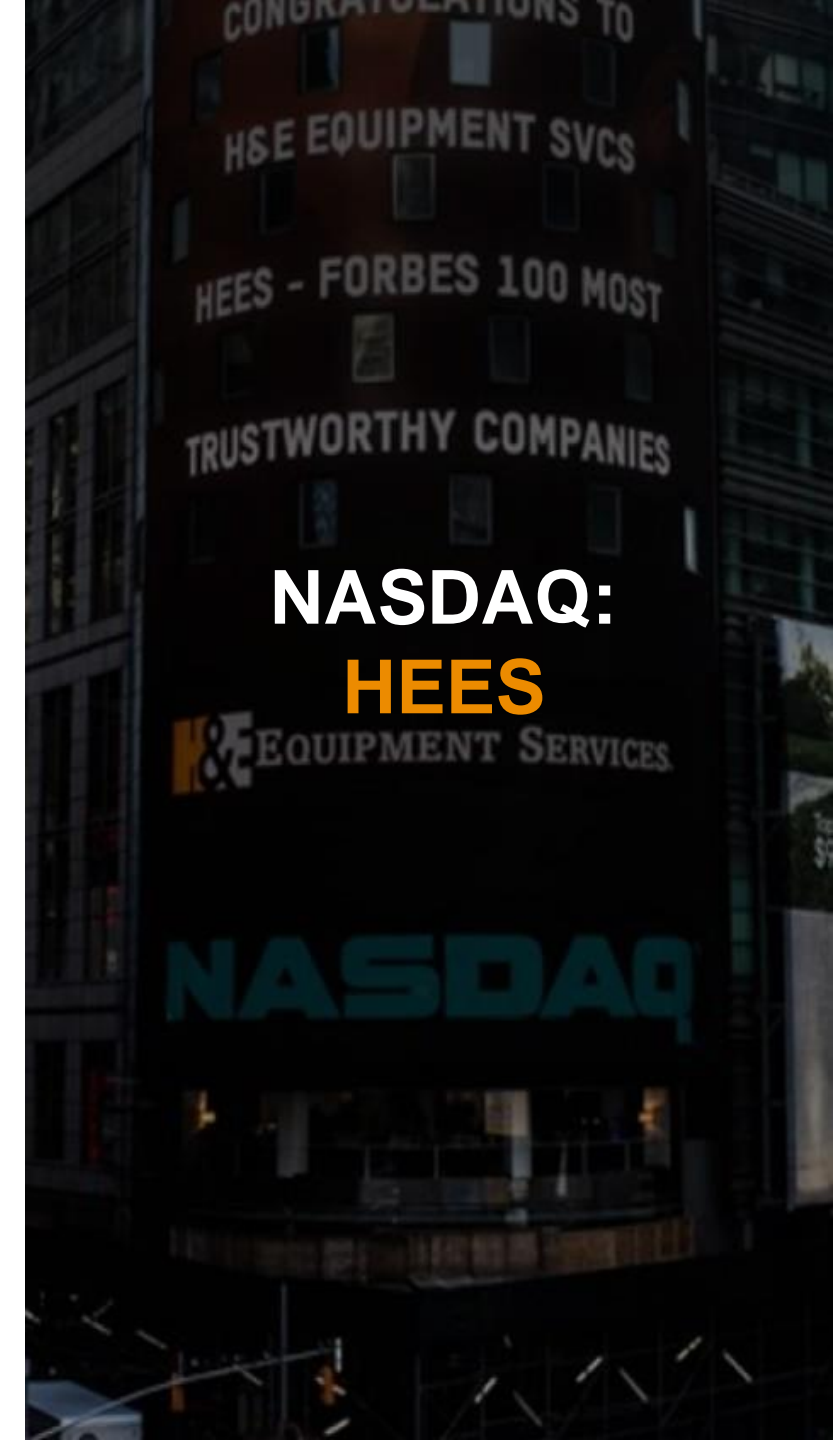


Earnings Conference

Second Quarter 2024 Company Participants

Brad Barber	CHIEF EXECUTIVE OFFICER
John Engquist	PRESIDENT AND CHIEF OPERATING OFFICER
Leslie Magee	CHIEF FINANCIAL OFFICER AND SECRETARY
Jeff Chastain	VICE PRESIDENT OF INVESTOR RELATIONS

July 30, 2024



Legal Disclaimers

Forward-Looking Information

This presentation contains "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. Forward-looking statements include statements preceded by, followed by or that include the words "may," "could," "would," "should," "believe," "expect," "anticipate," "plan," "estimate," "target," "project," "intend," "foresee" and similar expressions. 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) general economic and geopolitical conditions in North America and elsewhere throughout the globe and construction and industrial activity in the markets where we operate in North America; (2) our ability to forecast trends in our business accurately, and the impact of economic downturns and economic uncertainty on the markets we serve (including as a result of current uncertainty due to inflation and increasing interest rates); (3) the impact of conditions in the global credit and commodity markets and their effect on construction spending and the economy in general; (4) trends in oil and natural gas which could adversely affect the demand for our services and products; (5) our inability to obtain equipment and other supplies for our business from our key suppliers on acceptable terms or at all, as a result of supply chain disruptions, insolvency, financial difficulties, supplier relationships or other factors; (6) increased maintenance and repair costs as our fleet ages and decreases in our equipment's residual value; (7) risks related to a global pandemic and similar health concerns, such as the scope and duration of the outbreak, government actions and restrictive measures implemented in response to the pandemic, material delays and cancellations of construction or infrastructure projects, labor shortages, supply chain disruptions and other impacts to the business; (8) our indebtedness; (9) risks associated with the expansion of our business and any potential acquisitions we may make, including any related capital expenditures, or our ability to consummate such acquisitions; (10) our ability to integrate any businesses or assets we acquire; (11) competitive pressures; (12) security breaches, cybersecurity attacks, increased adoption of artificial intelligence technologies, failure to protect personal information, compliance with data protection laws and other disruptions in our information technology systems; (13) adverse weather events or natural disasters; (14) risks related to climate change and climate change regulation; (15) compliance with laws and regulations, including those relating to environmental matters, corporate governance matters and tax matters, as well as any future changes to such laws and regulations; and (16) other factors discussed under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023. 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 we file this Annual Report on Form 10-K, whether as a result of any new information, future events or otherwise. Investors, potential investors 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 we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results or performance.

Non-GAAP Financial Measures

This presentation contains certain Non-GAAP measures (EBITDA, Adjusted EBITDA, Free Cash Flow, and the disaggregation of equipment rental revenues and cost of sales numbers). 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 in isolation or as an alternative to the Company's other financial information determined under GAAP. See Appendix A for a reconciliation of these Non-GAAP measures.

Agenda

Second Quarter Overview, Market Outlook and Strategic Execution

- Q2 2024 Key Financial Metrics
- Supplemental Company Data
 - Rental Performance
- Equipment Rental Market Outlook
 - End-User Markets and Fleet Mix
- 2024 Industry Outlook
- Strategy Implementation and Execution
 - 2024 Growth Initiatives

Second Quarter Financial Overview

- Q2 2024 Results
- 2024 Fleet and Free Cash Flow Update
- Capital Structure Update
- Liquidity Profile

Question and Answer Session



SECOND QUARTER 2024 OVERVIEW, MARKET OUTLOOK AND STRATEGIC EXECUTION

Brad Barber

Chief Executive Officer



Q2 2024 Key Financial Metrics

TOTAL REVENUE

\$376.3M

↑ 4.5% YOY

TOTAL EQUIPMENT
RENTAL REVENUE

\$312.4M

↑ 7.2% YOY

ADJUSTED EBITDA¹

\$173.2M

↑ 2.8% YOY

PHYSICAL UTILIZATION

66.4%

↓ 290 bps YOY

CHANGE IN FLEET SIZE

\$279.0M

↑ 10.7% YOY

STRATEGIC GROWTH
AND EXECUTION

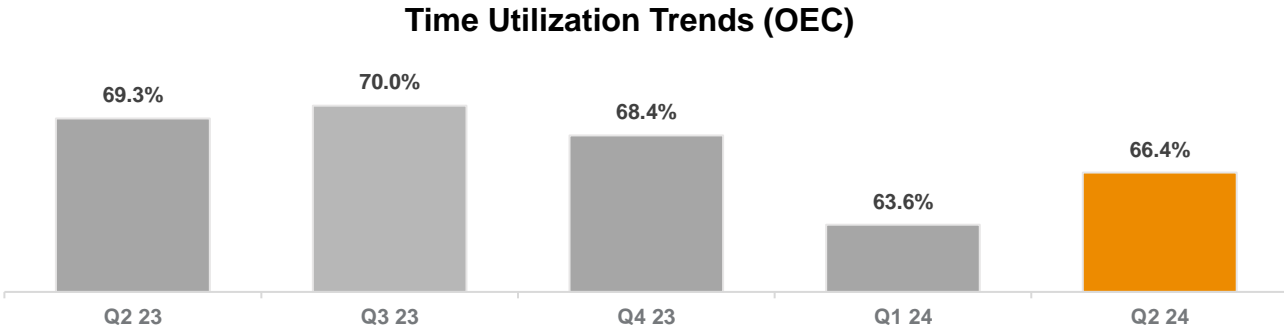
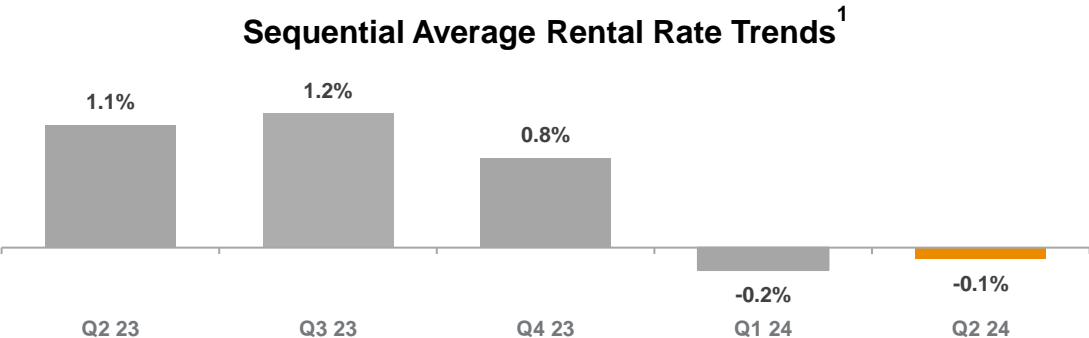
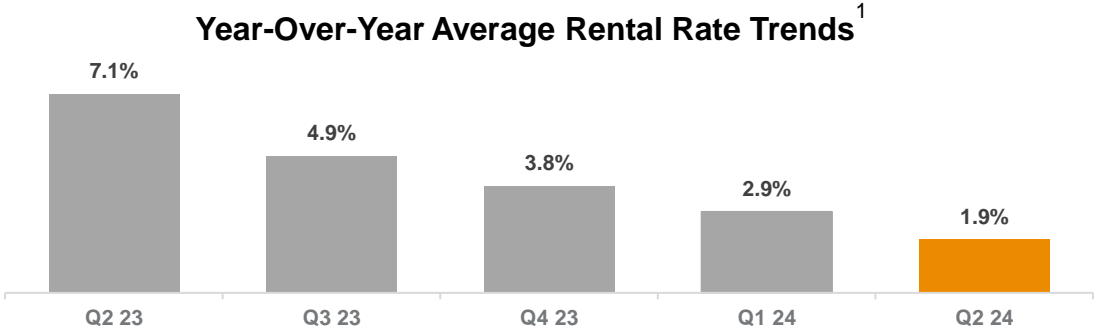
↑ **Continued Branch
Expansion - 12 Add'l.
Locations YTD June**

¹ For a reconciliation to GAAP financial measures, see Appendix A beginning on Slide 22.

Q2 2024 Rental Performance

Rental Business Highlights

- Rental revenue increased 6.5% to \$275.5 million compared to \$258.7 million in Q2 2023.
- Rental gross margins of 51.0% compared to 51.8% in Q2 2023.
- Rental rates improved 1.9% compared to Q2 2023 and decreased 0.1% sequentially. YTD rate improvement of 2.4%
- Physical time utilization (based on OEC) was 66.4% vs. 69.3% in Q2 2023.
- Dollar utilization was 38.6% vs. 40.6% in Q2 2023.



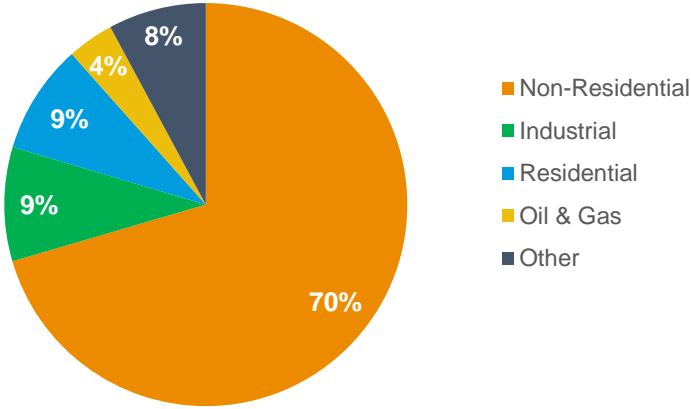
¹ Results exclude acquisitions within the last twelve months.

2024 Outlook

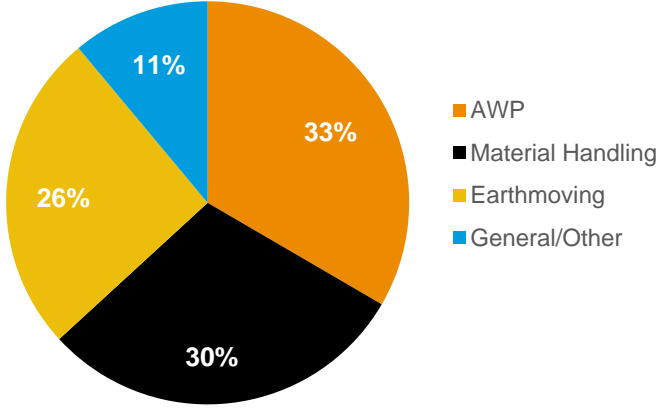
Business Environment Transitioning as Expected

- **Construction spending continues to demonstrate a slower rate of growth.**
 - Elevated financing costs and tighter lending standards remain central headwinds
 - Healthy backlogs slower to progress to active projects
 - Adverse effect on smaller projects (local backlogs)
 - Ample supply of most equipment lines
- **Support for industry fundamentals expected.**
 - Steady growth in mega projects and increased infrastructure project funding
 - Supporting projected year-over-year increase in construction spending (Dodge Construction Network)
 - Meaningful long-term growth opportunity for the equipment rental industry, fortifying project backlogs and supporting key industry metrics
- H&E leveraging increased scale, leading to rising participation in mega projects.

Total Revenues by End Market ¹



Fleet Mix ²



¹ Company data for LTM June 30, 2024.
² As of June 30, 2024.

Strategy Implementation and Execution

Fleet Investment Supports Continued Branch Expansion

- **Strong achievement with branch expansion initiative continues.**
 - 6 new branches added in Q2 24, with 8 additions YTD
 - 4 branches acquired in Q2 24, 5 acquired YTD
 - Well positioned to reach 2024 target of up to 15 new warm start locations, excluding acquired branches
- **Acquisitions remain a likely source for additional branch growth.**
 - Three transactions closed since November 2023
- **Committed to improving scale.**
 - 45% growth in branch locations over trailing 36 months ending June 2024, penetrating key U.S. geographies
- **Balanced approach to 2024 fleet investment maintained.**
 - Reiterate gross spending range of \$350 million to \$400 million
 - Gross 2024 investment to date of \$196.5 million through Q2 24
 - Supporting branch growth



Link-Belt

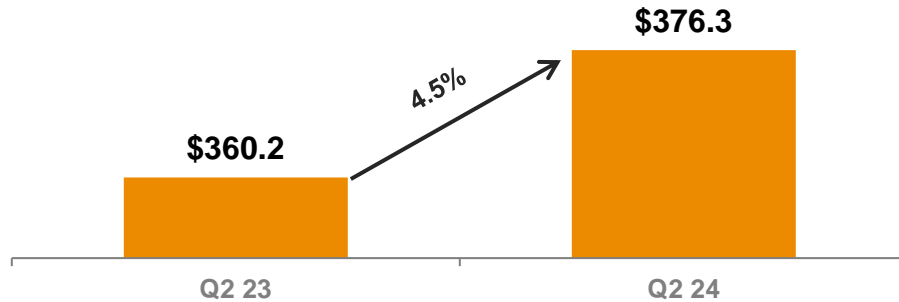
SECOND QUARTER 2024 FINANCIAL OVERVIEW

Leslie Magee
Chief Financial Officer

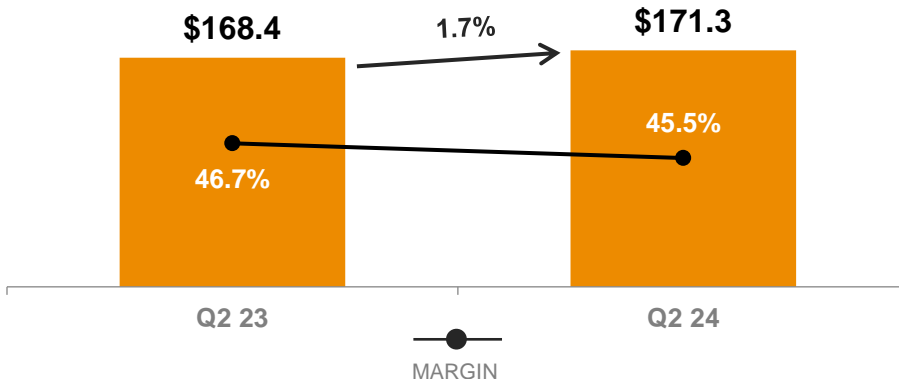


Q2 2024 Revenues and Gross Profit

Revenues (\$MM)



Gross Profit (\$MM)

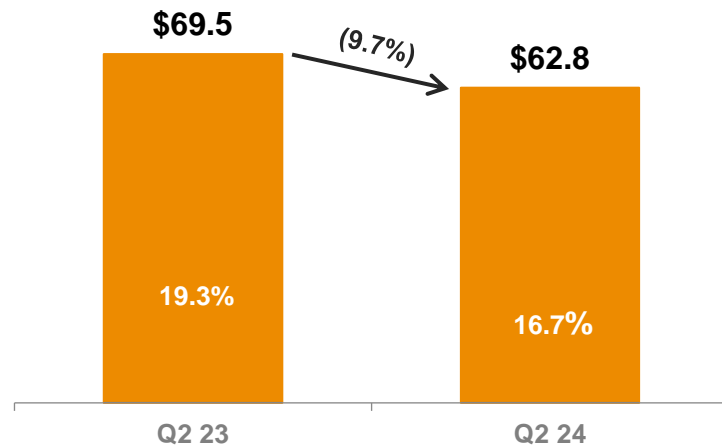


Key Takeaways

- Revenues increased 4.5%, or \$16.1 million, to \$376.3 million.
 - Led by higher revenues from rentals and sales of new equipment.
- Rental revenues increased 6.5% to \$275.5 million compared to \$258.7 million a year ago.
 - Growth in branch network, up 23 locations.
 - Fleet growth of \$279.0 million, up 10.7%.
 - Average rental rates up 1.9%.
- Sales of new equipment increased 20.5% to \$10.7 million compared to \$8.9 million a year ago.
- Sales of rental equipment declined 11.9% to \$34.9 million from \$39.7 million.
- Gross profit increased 1.7% to \$171.3 million.
 - Gross margin was 45.5% compared to 46.7%, with decline due primarily to lower margins on rentals and unfavorable revenue mix, partially offset by higher margins on sales of rental equipment.
 - Margins by segments Q2 24 compared to Q2 23:
 - Total Equipment Rentals 45.5% vs. 46.8%
 - Rentals 51.0% vs. 51.8%
 - Sales of Rental Equipment 62.4% vs. 59.1%
 - New Equipment Sales 16.9% vs. 14.9%

Q2 2024 Income from Operations

Income from Operations (\$MM)

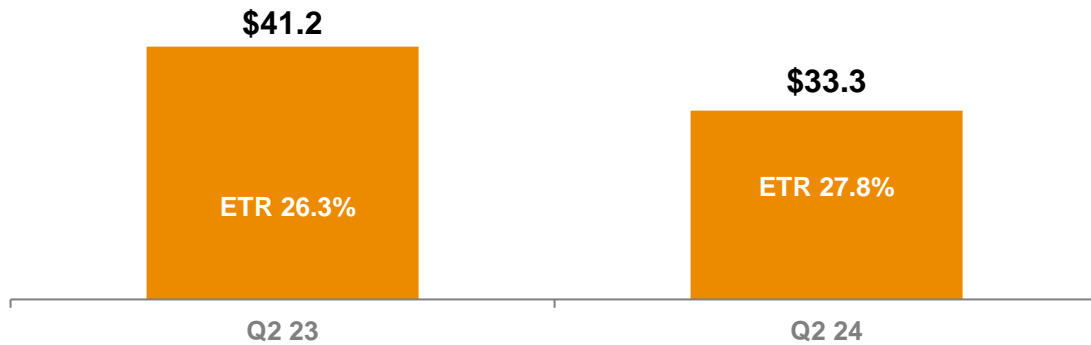


Key Takeaways

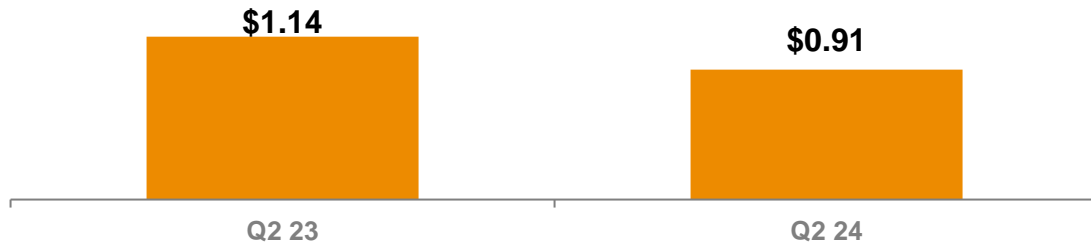
- Income from operations totaled \$62.8 million compared to \$69.5 million in Q2 23.
- Margins were 16.7% compared to 19.3% in Q2 23.
- The decrease was due primarily to:
 - Lower gross margins on rentals and unfavorable revenue mix.
 - Higher SG&A expense.
 - Partially offset by higher gross margins on sales of rental equipment.

Q2 2024 Net Income

Net Income (\$MM)



Diluted Net Income Per Share

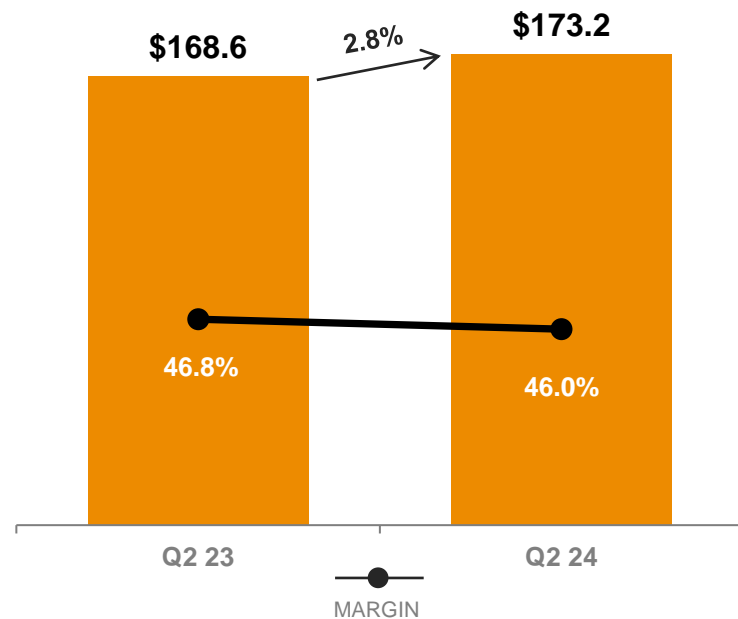


Key Takeaways

- Net income of \$33.3 million compared to \$41.2 million in Q2 23.
- Diluted net income per share was \$0.91 compared to \$1.14 in Q2 23.
- Effective tax rate (“ETR”) was 27.8% compared to 26.3% in Q2 23.

Q2 2024 Adjusted EBITDA

Adjusted EBITDA¹ (\$MM)



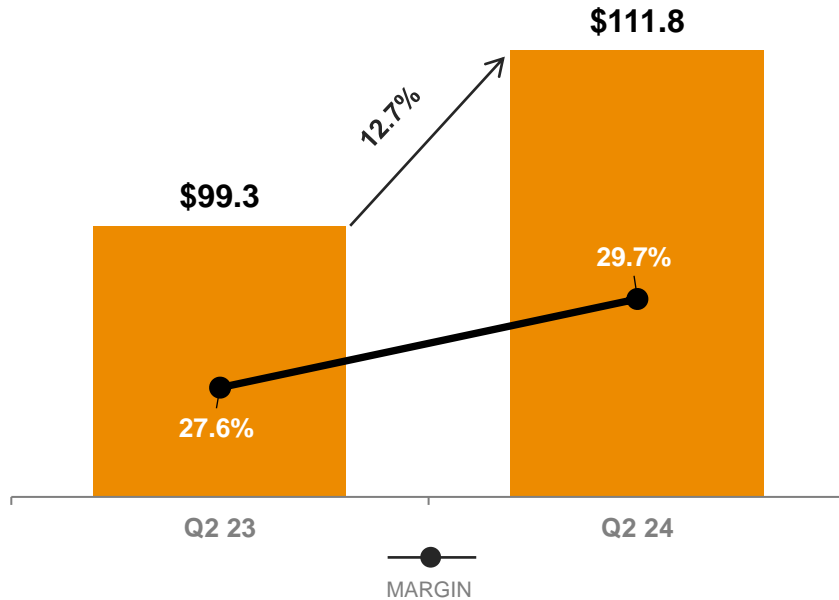
Key Takeaways

- Adjusted EBITDA of \$173.2 million compared to \$168.6 million in Q2 23.
- Adjusted EBITDA margin was 46.0% compared to 46.8% in Q2 23.
- The decline in margins was due primarily to:
 - Lower gross margins on rentals and higher SG&A expense.
 - Partially offset by gain on sales of PP&E.

¹ For a reconciliation to GAAP financial measure, see Appendix A beginning on Slide 22.

Q2 2024 SG&A Expense

SG&A (\$MM)



Key Takeaways

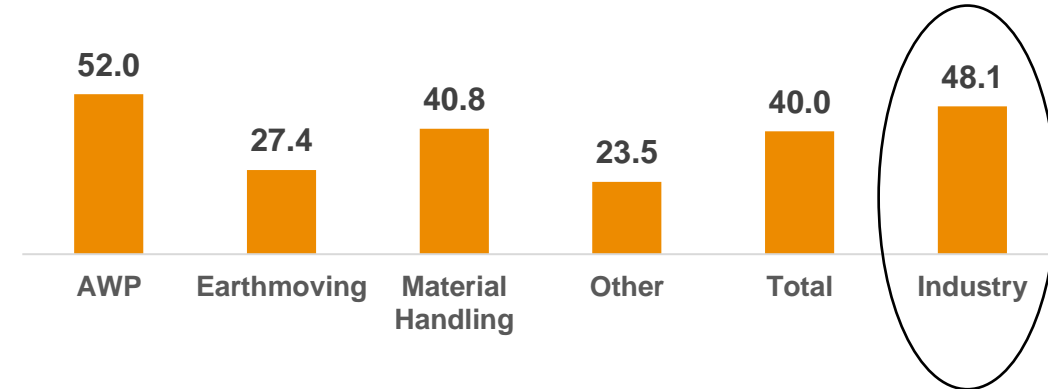
- SG&A was \$111.8 million compared to \$99.3 million in Q2 23, an increase of \$12.6 million, or 12.7%.
- Growth initiatives contributing to higher expenses.
 - Salaries, wages and other related employee expenses, depreciation and amortization costs, facilities expenses.
 - Branch expansion costs, including acquired branches, increased \$10.8 million in Q2 24 compared to Q2 23.
- SG&A as a percentage of revenues was 29.7% in Q2 24 compared to 27.6% a year ago.

2024 Fleet and Free Cash Flow Update¹

Rental Cap-Ex Summary (\$MM)²

	2018	2019	2020	2021	2022	2023	Six Mos. Ended Jun. 30, 2023	Six Mos. Ended Jun. 30, 2024
Gross Rental CapEx ²	\$440.9	\$349.1	\$138.8	\$436.8	\$507.8	\$736.6	\$375.1	\$196.5
Sale of Rental Equipment	\$(112.0)	\$(127.6)	\$(141.6)	\$(133.9)	\$(83.7)	\$(163.9)	\$(71.1)	\$(82.7)
Net Rental CapEx	\$328.9	\$221.5	\$(2.8)	\$302.9	\$424.1	\$572.7	\$304.0	\$113.8

Fleet Age by Type (Months)



Free Cash Flow Summary (\$MM)³

	2018	2019	2020	2021	2022	2023	Six Mos. Ended Jun. 30, 2023	Six Mos. Ended Jun. 30, 2024
Free Cash Flow ³	\$(279.0)	\$(6.7)	\$307.1	\$88.6	\$(233.3)	\$(203.3)	\$(134.0)	\$(82.0)

NOTE: Fleet statistics as of June 30, 2024.

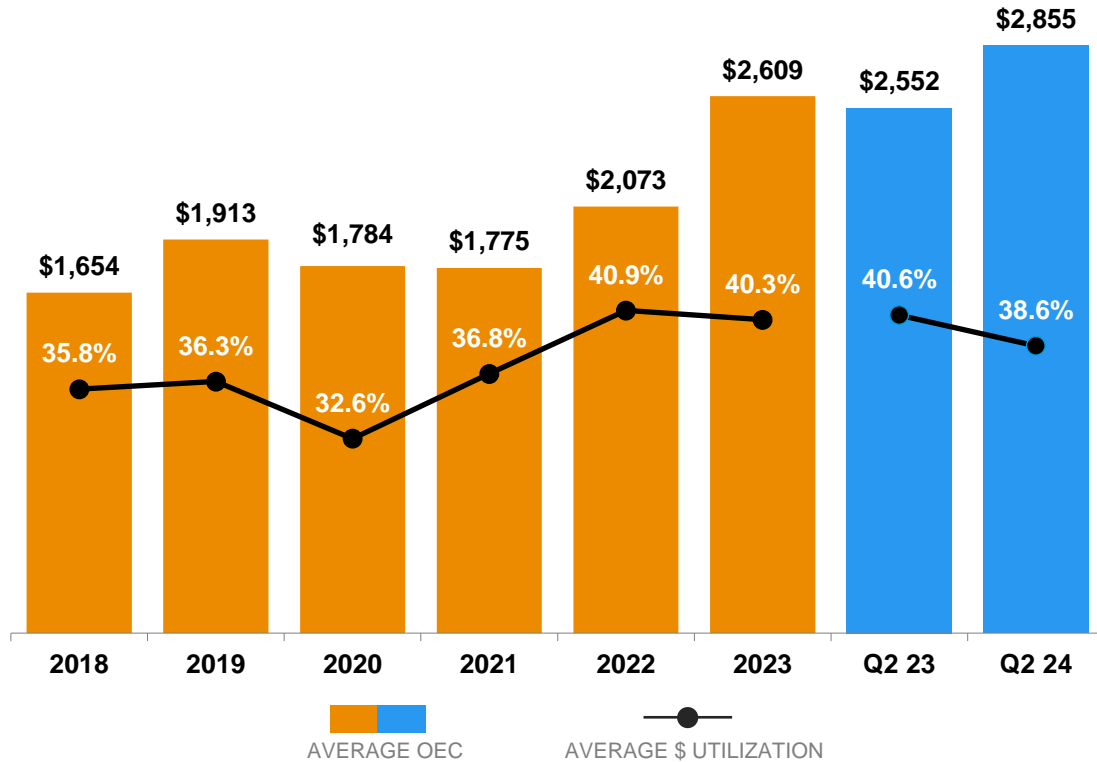
¹ Results and information preceding 2020 include both continuing and discontinued operations.

² Gross rental fleet capital expenditures includes non-cash component and as such, varies from the purchases of rental fleet on the Consolidated Statement of Cash Flows

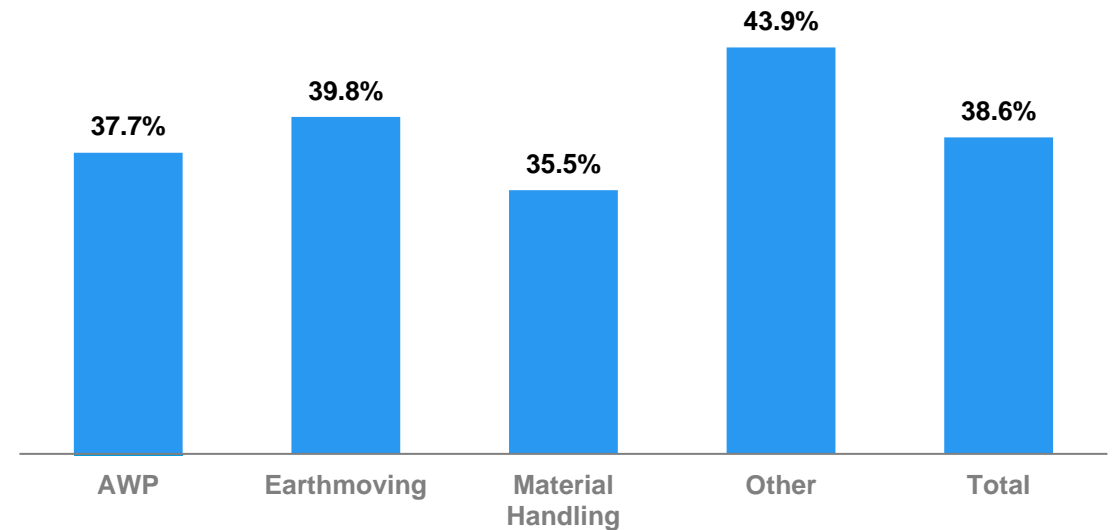
³ We define Free Cash Flow as net cash provided by operating activities less (1) purchases of rental equipment, property and equipment, and acquisition of businesses, net of cash acquired plus (2) proceeds (closing adjustment) from sale of discontinued operations, proceeds from sales of rental equipment and property and equipment. Please refer to Appendix A for a further description and reconciliation of net cash provided by operating activities to this Non-GAAP measure.

2024 Fleet Update

Rental Fleet Statistics^{1,2} (\$MM)



\$ Utilization by Equipment Type¹



Note: Fleet statistics as of June 30, 2024.

¹ \$ Utilization represents rental revenues annualized divided by the average original equipment cost.

² All years preceding 2020 include continuing and discontinued operations.

Capital Structure

Capital Structure (\$MM)

6/30/24

Cash and Cash Equivalents	\$8.6
Debt:	
Sr. Sec'd Credit Facility (ABL)	\$287.3
Senior Unsecured Notes ¹	1,250.0
Finance Lease Liabilities	3.9
Total Debt	\$1,541.2
Shareholders' Equity	576.0
Total Book Capitalization	\$2,117.2

Credit Statistics²

	2018	2019	2020	2021	2022	2023	LTM Q2 2024
Adj. EBITDA ³ /Total Interest Exp.	6.4x	6.9x	5.8x	7.3x	10.0x	11.3x	10.3x
Total Net Debt ⁴ /Adj. EBITDA ³	2.7x	2.4x	2.6x	2.2x	2.2x	2.1x	2.2x
Total Debt /Total Capitalization	81.4%	79.2%	84.0%	80.5%	75.8%	72.9%	72.8%

¹ Senior Unsecured Notes does not give effect to \$5.2 million of unaccreted discount and \$1.2 million of deferred financing costs.

² All years preceding 2020 are presented as continuing and discontinued operations.

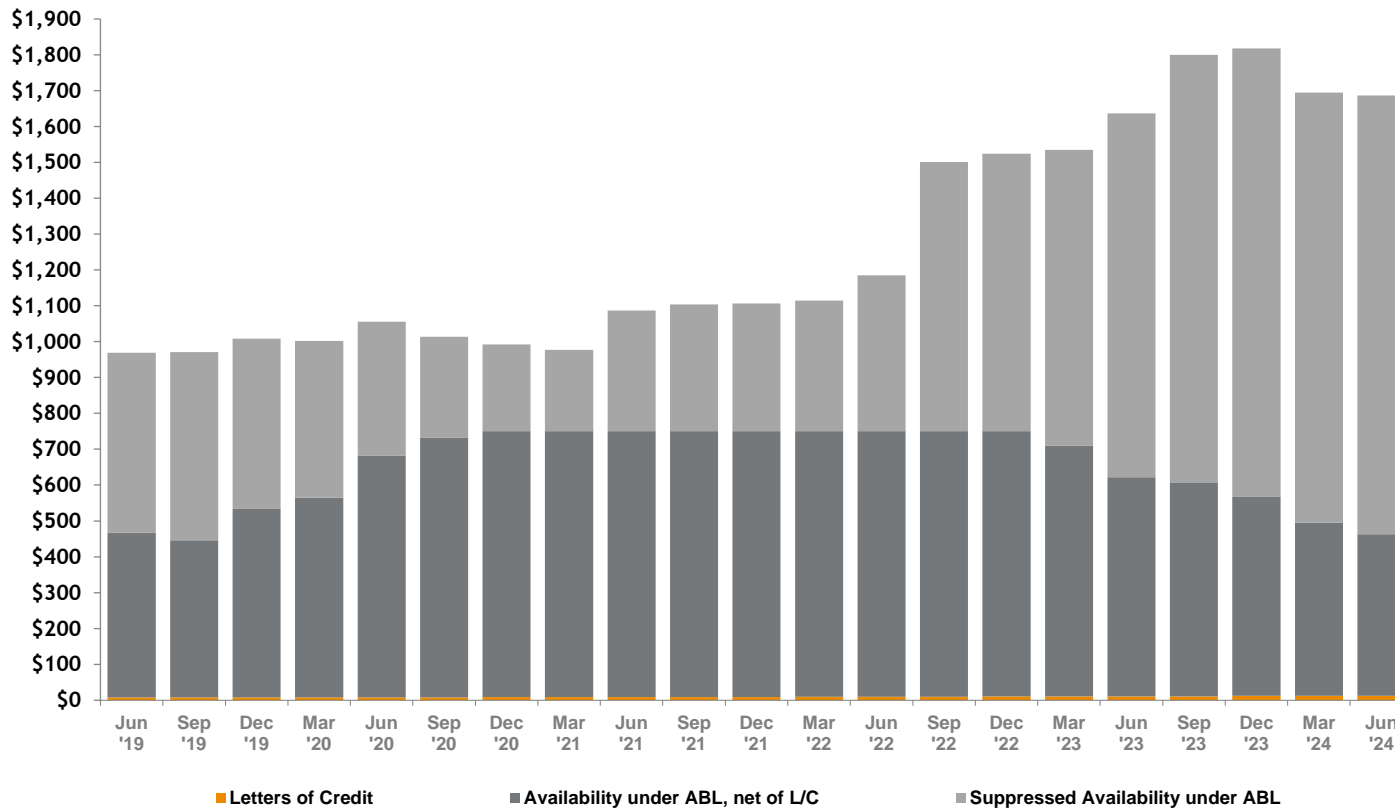
³ Adjusted EBITDA excludes \$0.7 million of other merger costs recorded in 2018; \$0.4 million in merger costs and a \$12.2 million impairment charge recorded in 2019; \$0.5 million in merger costs recorded in 2020, a \$55.7 million impairment charge in the first quarter of 2020, and the impact of the \$44.6 million non-recurring item associated with the premiums paid to repurchase and redeem previously outstanding 5.625% senior unsecured notes, the write-off of unaccreted note discount, unamortized note premium, and deferred costs associated therewith in the fourth quarter of 2020. Due to the recurring nature of our acquisition-related operating expenses, we no longer adjust EBITDA for merger and other costs as of December 31, 2021. Starting with the year ended December 31, 2022, adjusted EBITDA excludes the impact of non-cash stock-based compensation expense. Adjusted EBITDA additionally excludes a \$5.7 million goodwill impairment charge in the third quarter of 2023.

⁴ Net debt is defined as total debt less cash on hand.

Liquidity Profil

e

Components of Asset-Backed Loan (ABL) Credit Facility (\$MM)



Key Takeaways

- **Liquidity under facility.**
 - \$287.3 million outstanding balance under \$750 million amended ABL facility on June 30, 2024.
 - \$450.4 million of borrowing availability, net of letters of credit, under the ABL on June 30, 2024.
 - Suppressed availability (supporting asset value in excess of \$750 million facility size) under ABL borrowing base certificate was \$1.2 billion on June 30, 2024.
 - Excess availability under the ABL for purposes of the springing fixed charge covenant was \$1.7 billion on June 30, 2024.
 - No covenant concern.
 - Minimum excess availability requirement is \$75 million, or 10% of the \$750 million amended ABL facility.
 - Cash and cash equivalents balance on June 30, 2024, of \$8.6 million.

About H&E

Founded in 1961, H&E Equipment Services, Inc. is one of the largest rental equipment companies in the nation, serving customers across 31 states. The Company's fleet is among the industry's youngest and most versatile with a superior equipment mix comprised of aerial work platforms, earthmoving, material handling, and other general and specialty lines. H&E serves a diverse set of end markets in many high-growth geographies and has branches throughout the Pacific Northwest, West Coast, Intermountain, Southwest, Gulf Coast, Southeast, Midwest and Mid-Atlantic regions.

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Appendix A - Unaudited Reconciliation of Non-GAAP Financial Measures



Appendix A

Unaudited Reconciliation of Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin 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 periods presented as EBITDA adjusted for non-cash stock-based compensation expense and any applicable non-recurring items. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by total revenues.

Adjusted EBITDA for the year ended December 31, 2018 is EBITDA adjusted for \$0.7 million of acquisition costs. Adjusted EBITDA for the year ended December 31, 2019 is EBITDA adjusted for the \$12.2 million goodwill impairment charges recorded in the fourth quarter of 2019 and \$0.4 million of merger costs. Adjusted EBITDA for the year ended December 31, 2020 is EBITDA adjusted for a non-recurring \$44.6 million item associated with the premiums paid to repurchase and redeem previously outstanding 5.625% senior unsecured notes and the write-off of unaccreted note discount, unamortized note premium, deferred transaction costs associated therewith, \$55.7 million of goodwill impairment charges and \$0.5 million of merger costs. Adjusted EBITDA for the year ended December 31, 2022 is EBITDA adjusted for non-cash stock-based compensation expense. Adjusted EBITDA for the year ended December 31, 2023 is EBITDA adjusted for the \$5.7 million goodwill impairment charge recorded in the third quarter of 2023 and non-cash stock-based compensation expense. Adjusted EBITDA for the three months ended June 30, 2024 and 2023 is EBITDA adjusted for non-cash stock-based compensation expense.

We use EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin 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, Adjusted EBITDA and Adjusted EBITDA Margin 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. For Adjusted EBITDA, we eliminate non-cash items such as non-cash stock-based compensation expense and any other non-recurring 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; (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; (iv) stock compensation expense while non-cash, is an element of our costs. 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, Adjusted EBITDA and Adjusted EBITDA Margin 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. Because EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin 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.

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. We also believe that analysts and investors use Free Cash flow as a supplement measure to evaluate a company's overall operating performance and ability to meet working capital requirements. However, this measure should not be considered in isolation or 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 and thus this measure may not be comparable to other similarly titled measures by other companies.

We have presented in a supplemental schedule the disaggregation of our equipment rental revenues to provide further detail in evaluating the period over period performance of our rental business relative to equipment rental gross profit and equipment rental gross margin and believe these non-GAAP measures may be useful to investors for this reason. However, you should not consider this in isolation, or as substitutes for analysis of our results as reported under GAAP.

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.

Appendix A

EBITDA and Adjusted EBITDA GAAP Reconciliation (\$ in thousands)¹

	2018	2019	2020	2021	2022	2023	Q2 2023	Q2 2024	LTM Q2 2024
Net Income (Loss)	\$76,623	\$87,211	\$(46,396)	\$60,564	\$133,694	\$169,293	\$41,216	\$33,261	\$161,553
Interest expense	63,707	68,277	61,790	53,758	54,033	60,891	14,700	18,227	69,087
Provision (Benefit) for income taxes	28,040	28,650	(13,428)	21,160	47,036	53,904	14,686	12,795	52,275
Depreciation	233,046	272,368	252,681	254,158	296,310	381,959	94,247	104,144	403,809
Amortization of intangibles	3,320	4,132	3,987	3,970	4,660	6,455	1,682	2,583	8,160
EBITDA	\$404,736	\$460,638	\$258,634	\$393,610	\$535,733	\$672,502	\$166,531	\$171,010	\$694,884
Loss on early extinguishment of debt ²	–	–	44,630	–	–	–	–	–	–
Merger and other ³	708	416	503	–	–	–	–	–	–
Impairment of goodwill ²	–	12,184	55,664	–	–	5,714	–	–	5,714
Non-cash stock-based compensation expense	–	–	–	–	7,263	10,026	2,039	2,202	10,987
Adjusted EBITDA	\$405,444	\$473,238	\$359,431	\$393,610	\$542,996	\$688,242	\$168,570	\$173,212	\$711,585

¹ All years preceding 2020 are presented as continuing and discontinued operations.

² Adjustments relate to loss from early extinguishment of debt incurred in the fourth quarter ended December 31, 2020. Adjustment includes goodwill impairment charges in the fourth quarter ended December 31, 2019, in the first quarter ended March 31, 2020, and in the third quarter ended September 30, 2023.

³ Adjustment includes merger and other costs. Due to the recurring nature of our acquisition-related operating expenses, we will no longer adjust for merger and other costs effective with the year ending December 31, 2021.

Appendix A¹

Free Cash Flow GAAP Reconciliation (\$ in thousands)

	2018	2019	2020	2021	2022	2023	Six Mos. Ended Jun. 30, 2023	Six Mos. Ended Jun. 30, 2024
Net cash provided by operating activities	\$247,211	\$319,218	\$286,016	\$259,572	\$313,238	\$405,483	\$134,910	\$216,360
Acquisition of business, net of cash acquired	(196,027)	(106,746)	–	–	(135,710)	(31,265)	–	(157,656)
Proceeds (closing adjustment) on sale of discontinued operations	–	–	–	135,945	(2,256)	–	–	–
Purchases of property and equipment	(34,960)	(43,111)	(18,664)	(34,622)	(51,452)	(83,872)	(33,393)	(77,054)
Purchases of rental equipment²	(416,600)	(309,654)	(116,363)	(418,082)	(464,434)	(661,960)	(308,142)	(151,834)
Proceeds from sale of property and equipment	9,261	6,050	14,524	11,884	23,626	4,449	1,474	5,530
Proceeds from sale of rental equipment	112,086	127,558	141,594	133,900	83,689	163,886	71,146	82,704
Free cash flow	\$(279,029)	\$(6,685)	\$307,106	\$88,597	\$(233,299)	\$(203,279)	\$(134,005)	\$(81,950)

¹ Results and information are presented as continuing and discontinued operations for all years presented.

² Purchases of rental equipment as reflected in the Condensed Consolidated Statement of Cash Flows exclude items, such as non-cash components.

Appendix A

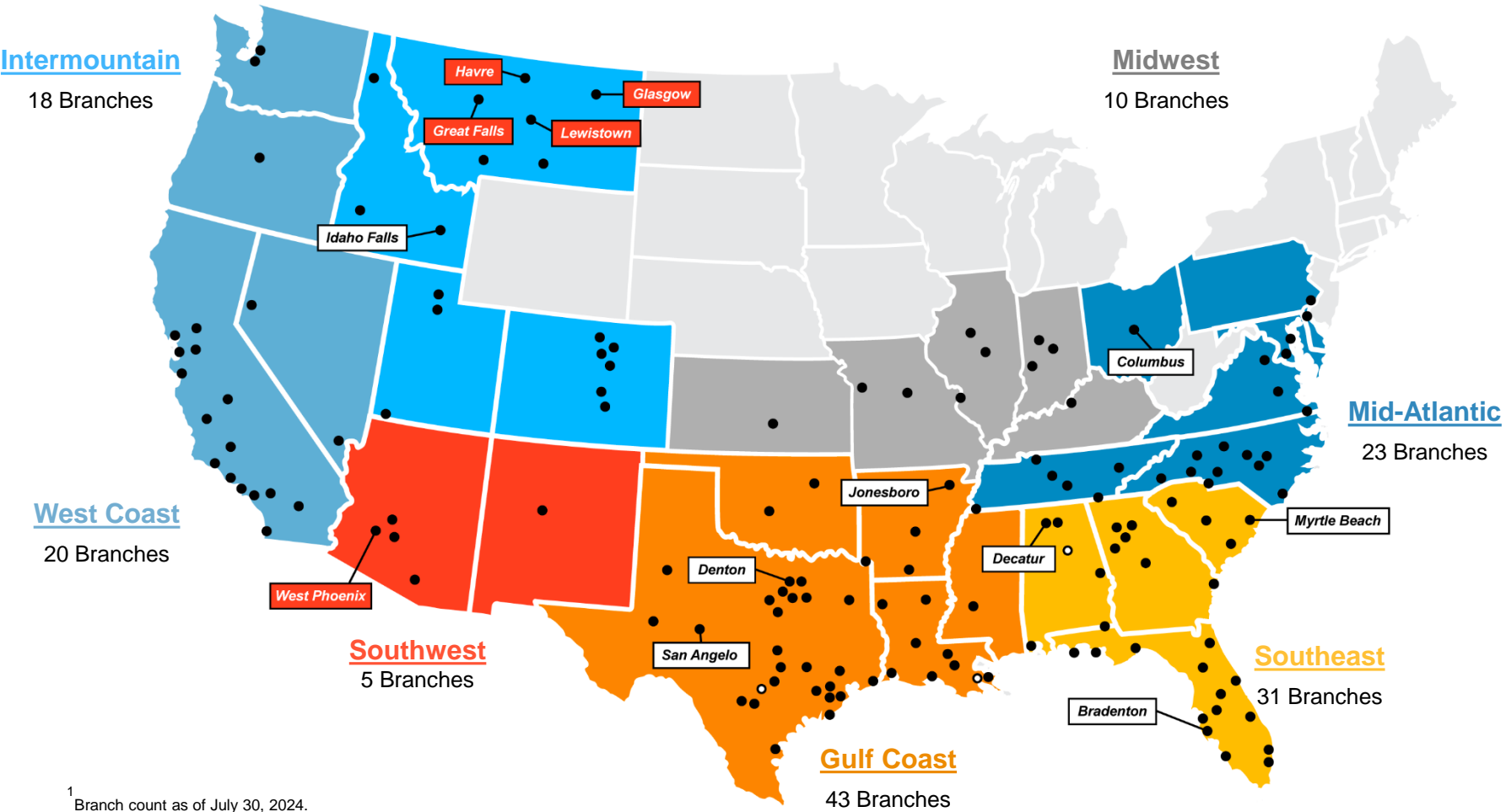
H&E EQUIPMENT SERVICES, INC.
UNAUDITED RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(Amounts in thousands)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
RENTAL				
Equipment rentals ⁽¹⁾	\$ 275,473	\$ 258,723	\$ 537,214	\$ 490,799
Rental other	36,883	32,736	70,467	62,668
Total equipment rentals	<u>312,356</u>	<u>291,459</u>	<u>607,681</u>	<u>553,467</u>
RENTAL COST OF SALES				
Rental depreciation	92,398	85,913	183,796	167,785
Rental expense	42,522	38,757	85,929	76,624
Rental other	35,189	30,350	67,812	58,325
Total rental cost of sales	<u>170,109</u>	<u>155,020</u>	<u>337,537</u>	<u>302,734</u>
RENTAL REVENUES GROSS PROFIT				
Equipment rentals	140,553	134,053	267,489	246,390
Rentals other	1,694	2,386	2,655	4,343
Total rental revenues gross profit	<u>\$ 142,247</u>	<u>\$ 136,439</u>	<u>\$ 270,144</u>	<u>\$ 250,733</u>
RENTAL REVENUES GROSS MARGIN				
Equipment rentals	51.0%	51.8%	49.8%	50.2%
Rentals other	4.6%	7.3%	3.8%	6.9%
Total rental revenues gross margin	<u>45.5%</u>	<u>46.8%</u>	<u>44.5%</u>	<u>45.3%</u>

¹ Pursuant to SEC Regulation S-X, the Company's equipment rental revenues are aggregated and presented in our unaudited condensed consolidated statements of operations as a single line item, "Equipment Rentals." The above table disaggregates the Company's equipment rental revenues for discussion and analysis purposes only.

Appendix A

Regional Branch Map – 150 Locations in 31 States¹



2024 Branch Expansion To Date

- 13 new locations
 - 8 added through accelerated new location program.
 - Target remains up to 15 warm starts 2024
 - 5 added through acquisitions
 - Precision Rental (Jan. close) - 1 location
 - Lewistown & Affiliates (May close) - 4 locations

Map Legend

- General Rental location
- Specialty location

¹ Branch count as of July 30, 2024.



THANK YOU!

July 30, 2024

I & F EQUIPMENT
SERVICES®