INVESTOR PRESENTATION

Third Quarter 2010

NASDAQ: HEES

Management Presenters

John M. Engquist
President,
Chief Executive Officer

John M. Engquist has served as President, Chief Executive Officer and Director of the Company since its formation in September 2005. He had served as President, Chief Executive Officer and Director of H&E LLC from its formation in 2002 until its merger with and into the Company in February 2006. He served as President and Chief Executive Officer of Head & Engquist Equipment, LLC ("Head and Engquist") from 1990 and Director of Gulf Wide Industries, LLC ("Gulf Wide") from 1995, both predecessor companies of H&E LLC. From 1975 to 1990, he held various operational positions at Head & Engquist, starting as a mechanic's helper. Mr. Engquist serves on the Professional Advisory Board of St. Jude Children's Research Hospital in Memphis, Tennessee; as well as on the Board of Directors for Business First Bancshares, Inc. in Baton Rouge, Louisiana. Mr. Engquist is the sole manager and member of J R J Development, L.L.C., which owns 50% of the membership interest in Old Towne Development Group, L.L.C., for which Mr. Engquist serves as the chairman of the Board of Managers. Mr. Engquist is a past Board member of Baton Rouge Business Bank and Cajun Constructors, Inc.

Leslie S. Magee
Chief Financial Officer
and Secretary

Leslie S. Magee has served as Chief Financial Officer and Secretary of the Company since its formation in September 2005. Ms. Magee served as Acting Chief Financial Officer of H&E LLC from December 2004 through August 2005, at which time she was appointed Chief Financial Officer and Secretary. She continued as Chief Financial Officer and Secretary until H&E LLC's merger with and into the Company. Previously, Ms. Magee served as Corporate Controller for H&E LLC and Head & Engquist. Prior to joining Head & Engquist in 1995, Ms. Magee spent five years working for Hawthorn, Waymouth & Carroll, L.L.P, an accounting firm based in Baton Rouge, Louisiana. Ms. Magee is a Certified Public Accountant and is a member of the American Institute of Certified Public Accountants and the Louisiana Society of Certified Public Accountants.

Legal Disclaimers

FORWARD-LOOKING INFORMATION

This presentation contains "forward-looking statements" within the meaning of the federal securities laws. Statements about our beliefs and expectations and 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) general economic conditions and construction and industrial activity in the markets where we operate in North America, as well as the impact of the recent macroeconomic downturn and current conditions in the global credit markets and their effect on construction activity and the economy in general; (2) relationships with new equipment suppliers; (3) increased maintenance and repair costs as we age our fleet, and decreases in our equipment's residual value; (4) our indebtedness; (5) the risks associated with the expansion of our business; (6) our possible inability to effectively integrate any businesses we acquire; (7) competitive pressures; (8) compliance with laws and regulations, including those relating to environmental matters and corporate governance matters; and (9) other factors discussed in our public filings, including the risk factors included in the Company'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 SEC, we are under no obligation to publicly update or revise any forward-looking statements after the date of this presentation.

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 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 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.

COMPANY OVERVIEW

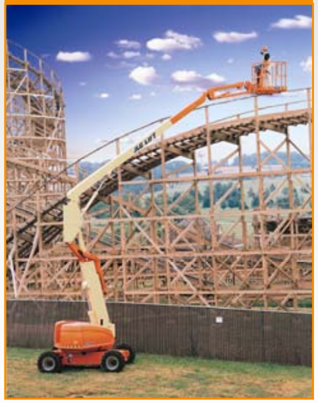
Investment Highlights

Integrated Business Model	By providing equipment rental, sales, and on-site parts, repair and maintenance functions under one roof, the Company is a one-stop provider for its customers' varied equipment needs.
Geographic Diversity	68 full-service locations in 24 U.S. States. Significant presence in Gulf Coast and Intermountain Regions; also serve Mid-Atlantic, Southeast, Southwest and West Coast.
Specialized Fleet Focus	Focus on non-residential heavy construction and industrial equipment. Significant exposure to petrochemical, oil patch, mining industries.
Well Maintained Young Fleet	Fleet age at September 30, 2010, was 43.0 months; industry average near 52 months. Fleet is well maintained to maximize equipment life.
Strong Balance Sheet	Protected balance sheet through economic downturn. Eliminated $76.3 million of debt under revolving credit facility during 2009.
Flexible Capital Structure with Abundant Liquidity	Leverage was 3.1x at September 30, 2010 (on net debt and trailing twelve month adjusted EBITDA) . $312.0 million available under $320 million credit facility, maturities well into future.
Cash Flow Profile	Counter cyclical free cash flow generation. Generated > $100 million of free cash flow in 2009.

H&E Equipment Services - Snapshot

- Leading integrated equipment services company with $537 million of LTM (September 30, 2010) revenue.
- Formed in 2002 through the merger of H&E and ICM – 49 years of operating history.
- Focused on heavy construction and industrial equipment and rents, sells and provides parts and service support for four core categories of specialized equipment:

Hi-lift or Aerial Platform Equipment



Cranes

Earthmoving Equipment

Industrial Lift Trucks

- Integrated, 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 service operations.
- $665.5 million of rental fleet (original acquisition cost at September 30, 2010).
- Well diversified customer base.
- Highly experienced management team; more than 1,600 employees.

A Winning Business Model

Traditional Distribution Model

- New Equipment Sales
- Used Equipment Sales
- Parts & Service

Traditional Rental Model

- Rental Equipment

H&E Integrated Equipment Services Model

- New Equipment Sales
- Used Equipment Sales
- Parts & Service
- Rental Equipment

Key Advantages:

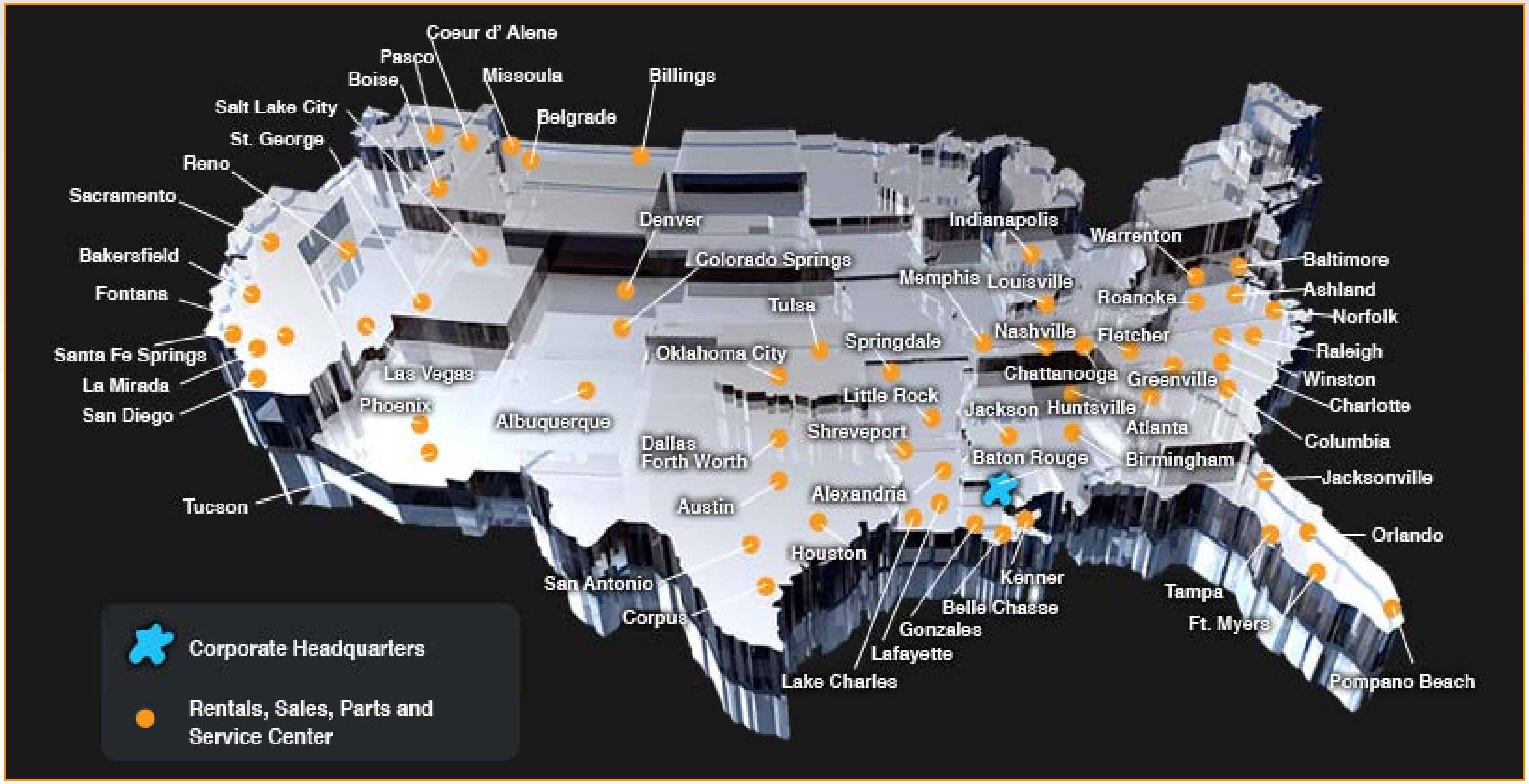
- Mix of business activities enables effective operation through economic cycles.
- Cross-selling opportunities among our rental, new and used equipment sales, parts sales and services operations.
- High-margin parts and service operations.
- Multiple points of contact with the customer.
- Difficult to replicate infrastructure and improved purchasing power.

Business Strategy

Leverage Integrated Business Model	Provide our customers with a "one-stop" solution to our customers varied equipment needs and cross-sell our services to expand and deepen our customer relationships.
Manage Rental Equipment Life Cycle	Actively manage the size, quality, age and composition of our rental fleet employing a "cradle through the grave" approach which allows us to purchase our rental equipment at competitive prices, optimally utilize our fleet, cost-effectively maintain our equipment quality and maximize equipment value.
Grow Parts and Service Operations	Our parts and service operations are keystones of our integrated equipment services platform and provide a relatively stable high-margin revenue source. This business helps us develop strong, on-going customer relationships, attract new customers and maintain a high-quality rental fleet.
Enter Carefully Selected New Markets	Intend to continue our strategy of selectively expanding our network to solidify our presence in attractive and contiguous regions where we operate. Proven track record of successfully entering new markets. In 2009, opened branch facilities in Sacramento, Nashville and Baltimore; In 2010, opened new branch facilities in Indianapolis, Louisville, Pasco (WA), Huntsville and Chattanooga.
Make Selective Acquisitions	Equipment industry is fragmented and includes a large number of relatively small, independent businesses serving discrete local markets. Intend to continue to evaluate and pursue acquisitions on an opportunistic basis.

Footprint Provides Geographic Diversity

- **Geographic diversity and focus on industrial and commercial construction benefits Company.**
  - **Demand remains stronger in Gulf Coast markets due to strong ties to petrochemical and oil and gas industries; region accounts for half of our LTM revenue and gross profit.**
  - **Intermountain region beginning to benefit from increased mining and oil patch activity due to solid commodity prices.**
  - **Customers in remaining regions are less industrial, more non-residential construction focused.**



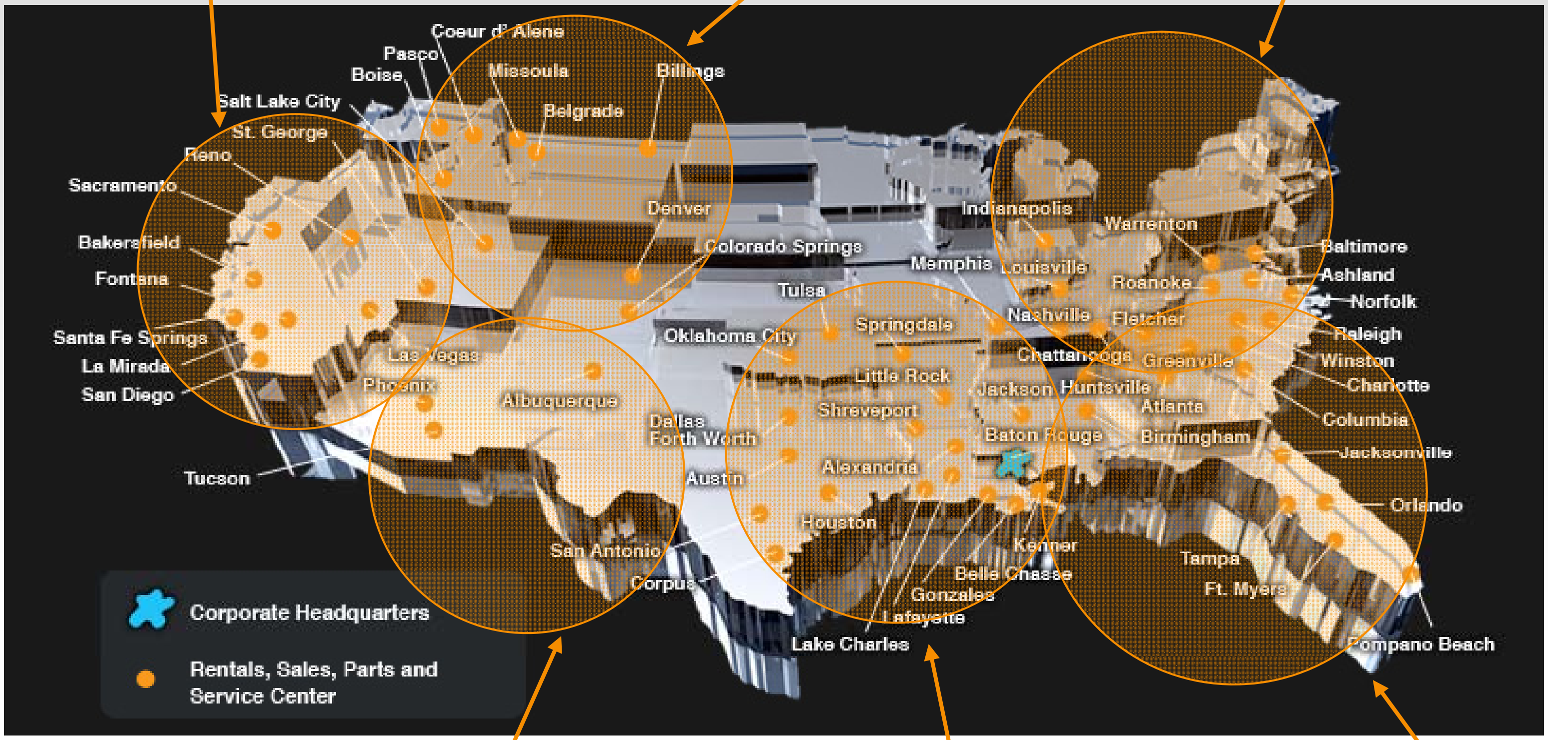
H&E Equipment Services, Inc.

LTM Revenue and Gross Profit By Region

West Coast
8% Revenue-8% Gross Profit
9 Branches

Intermountain
14% Revenue-15% Gross Profit
9 Branches

Mid-Atlantic
11% Revenue-9% Gross Profit
15 Branches



Southwest
5% Revenue-4% Gross Profit
3 Branches

Gulf Coast
53% Revenue-59% Gross Profit
22 Branches

Southeast
9% Revenue-5% Gross Profit
10 Branches

Note: Revenue and Gross Profit by region as of LTM September 30, 2010; opened Sacramento, Nashville and Baltimore in 2009; opened Indianapolis, Louisville and Pasco in 1Q10; opened Huntsville in 2Q10; and opened Chattanooga in 3Q10.

Current Market Conditions

Market Negatives:

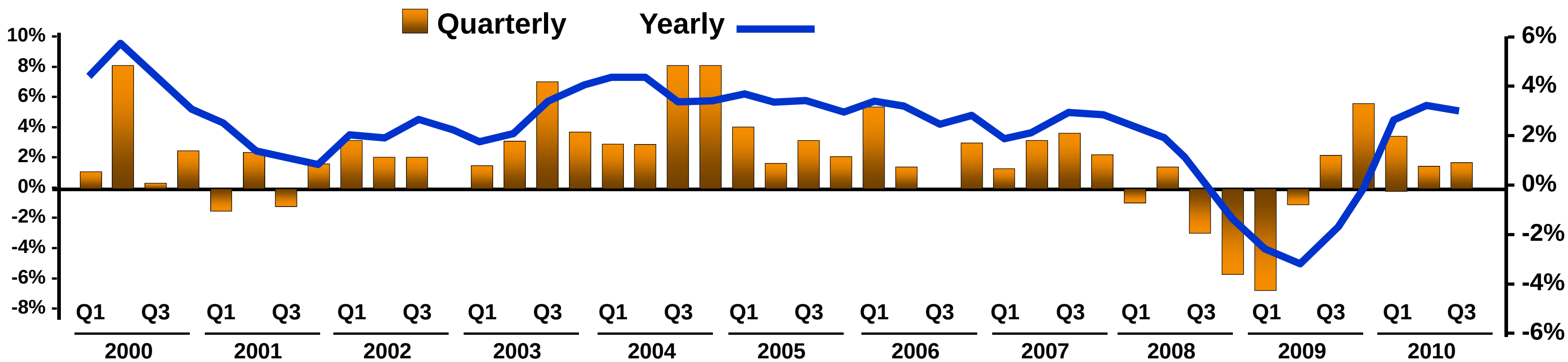
- Non-residential construction is still weak and this sector is expected to lag the recovery of the general economy.
- Lending for non-residential construction projects, equipment purchases remains tight.
- Commercial construction forecasted to contract for the remainder of the year.
- Seasonality could impact 4Q 2010 performance.
- Limited visibility.

Market Positives:

- Economy improving; appear to be moving out of trough.
- Rental business delivering Y-O-Y gains.
- Used equipment pricing is improving.
- Demand for earthmoving equipment increasing; early cycle product.
- Utilization trends improved through quarter. October reflected continued improvement.
- Parts and service stabilizing.
- Industrial markets we serve remain strong and forecasted to grow.
- September Architectural Billings Index (ABI) highest in two years. ABI advanced into expansion territory.

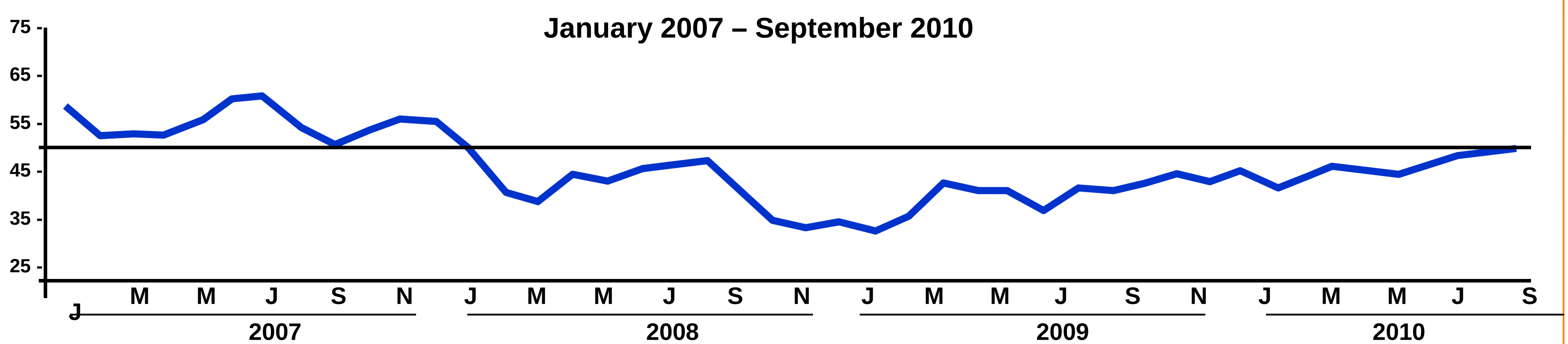
Market Indicators Are Improving

Real GDP Growth



Source: U.S. Census

Architecture Billing Index (ABI)



Source: The American Institute of Architects

Latest market indicators are positive.

EQUIPMENT SERVICES, INC.

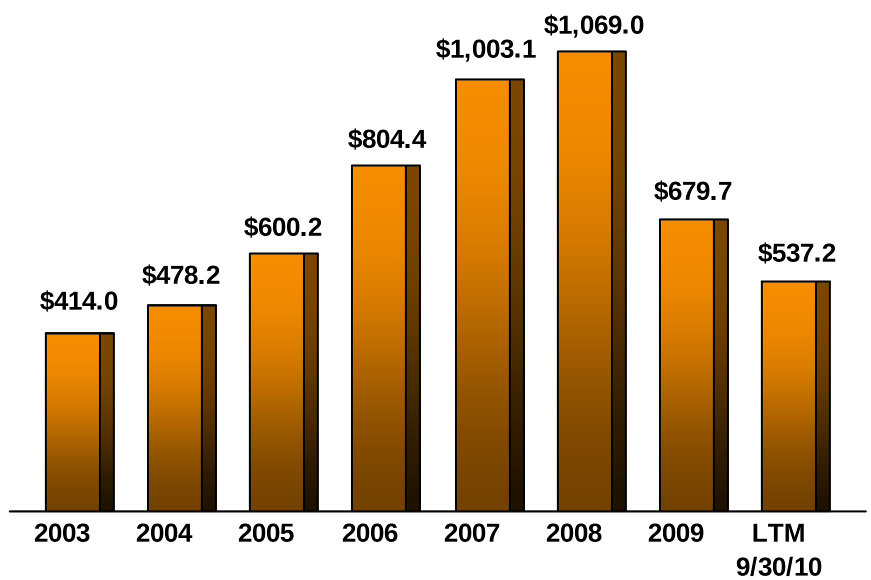
2010 Outlook

- Q3 trends were encouraging, but challenges persist; not providing specific guidance.
  - Expect year-over-year improvements in rental business to continue in fourth quarter with limited visibility into other segments of business.
  - Rates are improving but will remain under pressure.
  - Year-over-year top-line revenue growth now seems to be in sight.
  - See 2010 as the bottom of cycle for our sector.
- Remain confident in our business and ability to adapt to current market conditions.
- Strong balance sheet and solid capital structure; maturities well into future with recent extension of ABL credit facility.
- Strong balance sheet provides flexibility to take advantage of improved market conditions and opportunities.

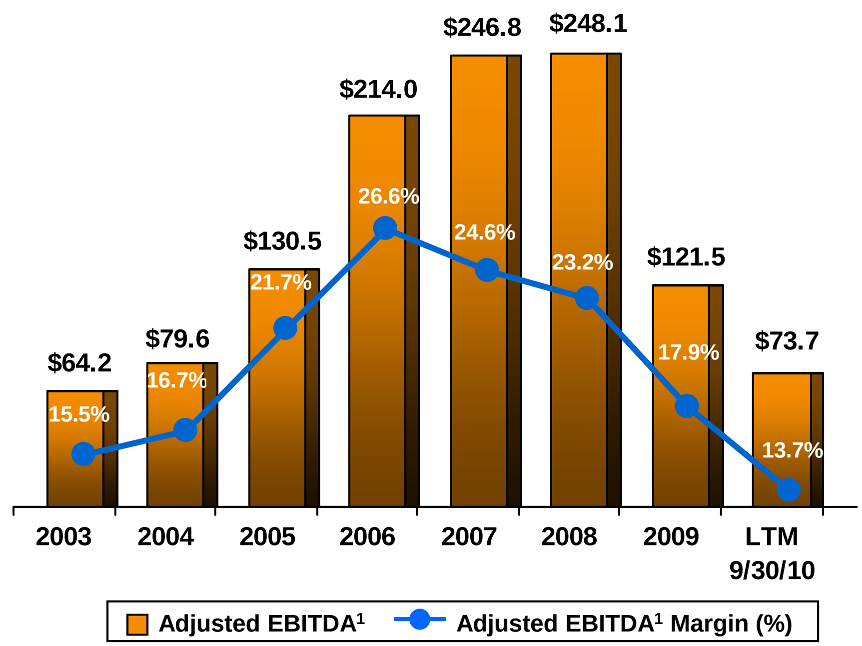
FINANCIAL OVERVIEW

Demonstrated Financial Performance

Revenues ($MM)



Adjusted EBITDA[1] ($MM)



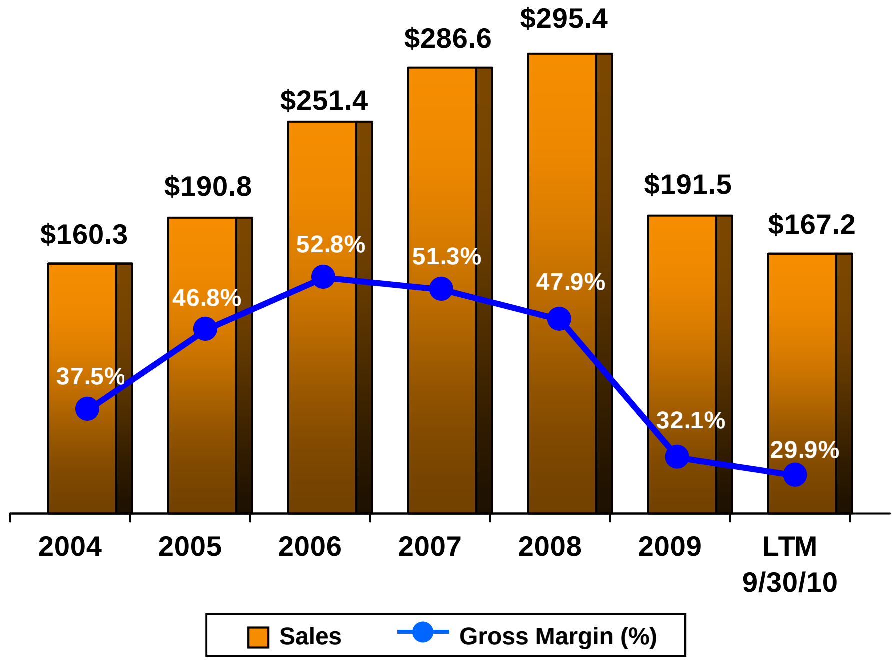
Results include operating results of acquisitions from the effective date of the acquisitions made in February 2006 and September 2007.

1 See reconciliations of non-GAAP measures and adjustments in Appendix A. Adjusted EBITDA calculated as EBITDA adjusted for non-recurring items in years 2003, 2006, 2007, 2008 and 2009 as described in Appendix A.

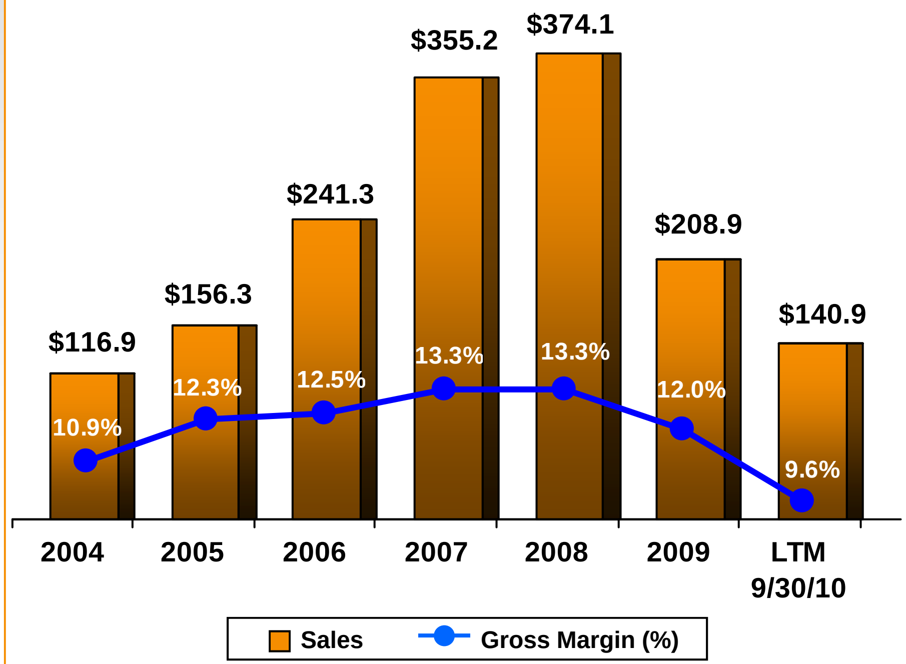
H&E Equipment Services, Inc.

Summary Financial Performance by Segment

Equipment Rentals ($MM)

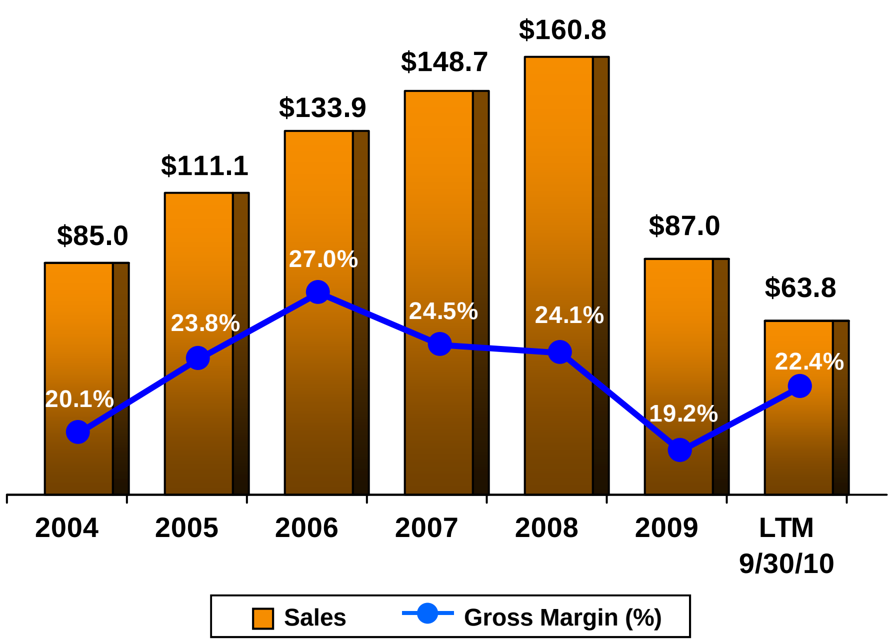


New Equipment Sales ($MM)

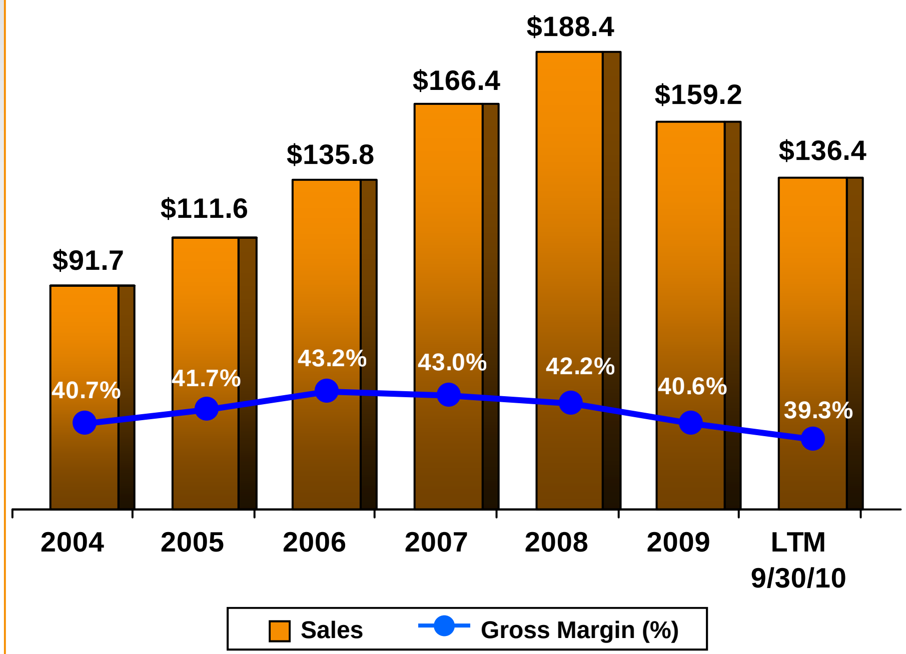


Summary Financial Performance by Segment

Used Equipment Sales ($MM)



Parts and Service[1] ($MM)



1 Shows Parts and Service segments combined.

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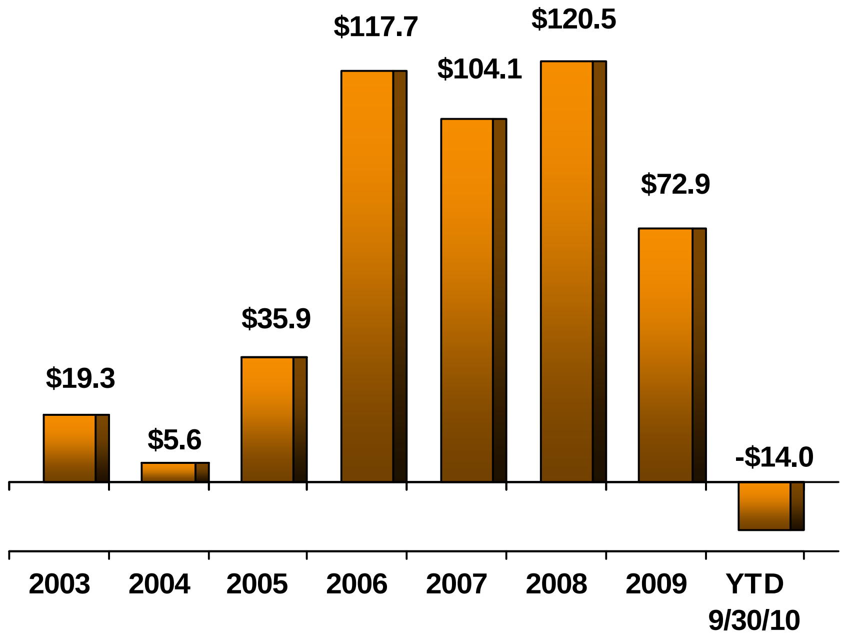
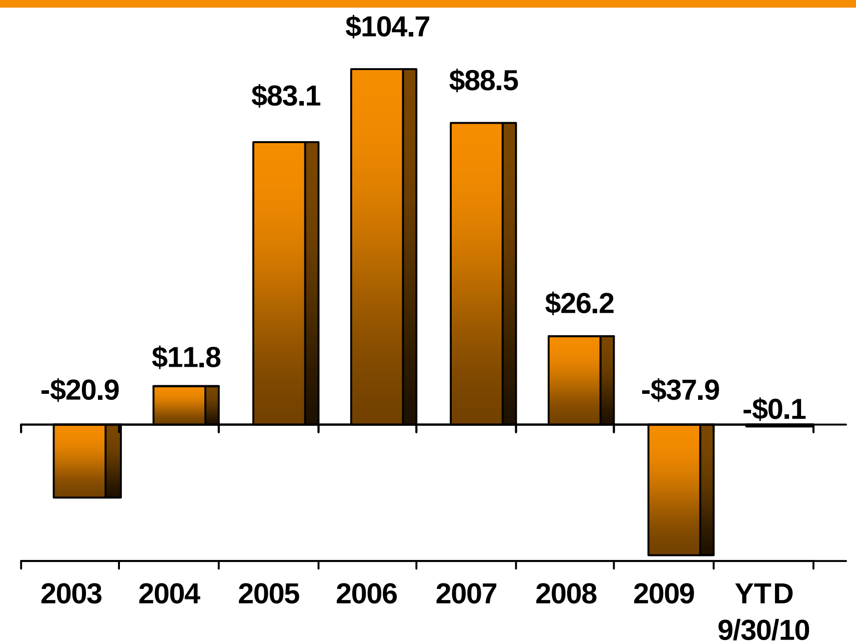
Free Cash Flow Profile

Cash Flow From Operations



Net Investment[1]

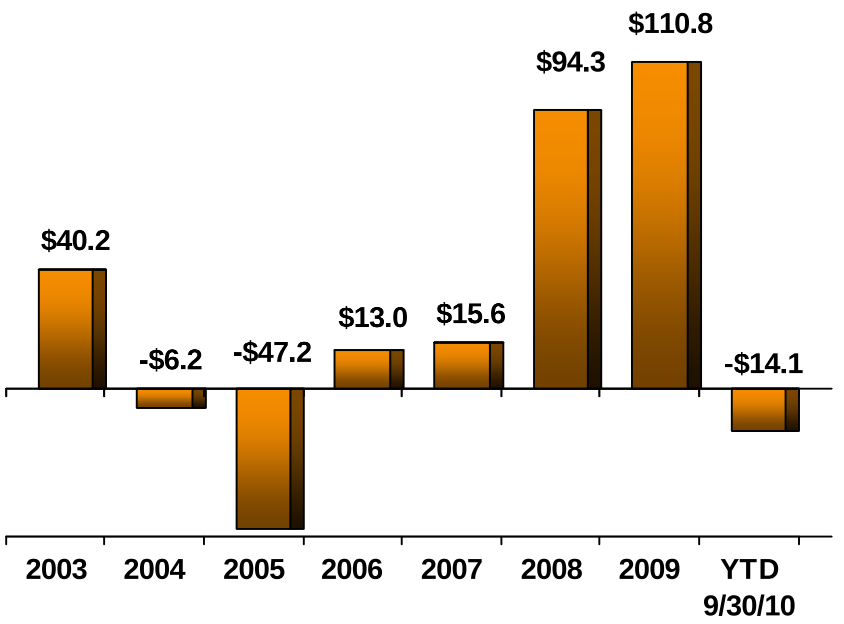


[1] Net investment is defined as purchases of rental equipment and property and equipment less the proceeds from sale of rental equipment and property and equipment. Net investment does not include non-cash transfers of inventory to the rental fleet. These amounts are included in cash flow from operating activities consistent with statement of cash flows. Does not include cash used in business acquisition related investments of $57.0 million in 2006, $100.2 million in 2007 and $10.5 million in 2008. Also excludes $30.3 million in purchases of equipment in 2006 previously held under operating lease and purchased with use of IPO proceeds.

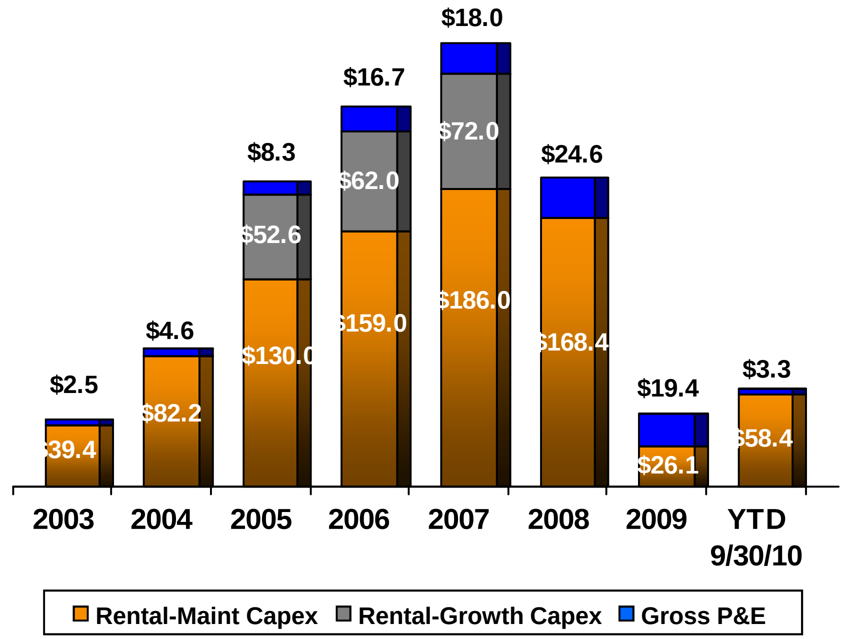
H&E Equipment Services, Inc.

Free Cash Flow Profile

Free Cash Flow[1]



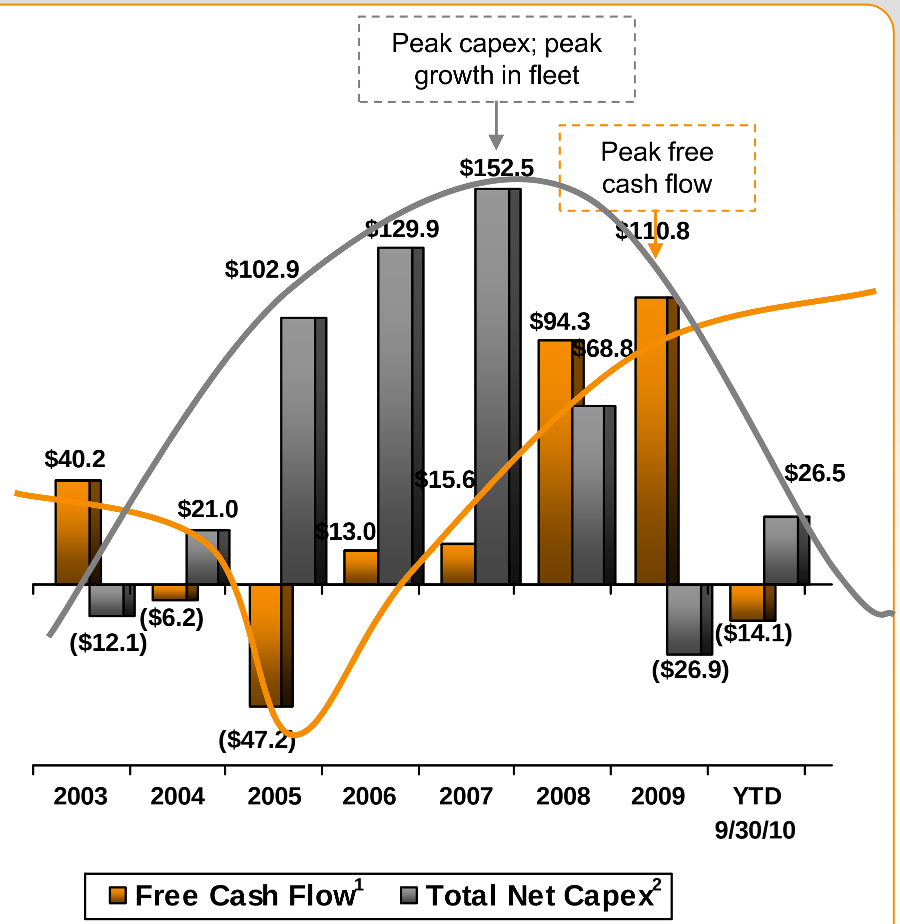
Gross Investment[2]



1 Free cash flow defined as net cash provided by operations less net investment as in footnote 1 on slide 18. See Appendix A for non-GAAP measures and reconciliations.

2 Gross investment defined as gross purchases of rental equipment (includes non-cash transfers from inventory) and property and equipment. Rental maintenance capex is defined as investment required to replace the original equipment cost of rental equipment sold during the period. Rental growth capex is defined as investment in growth of the original equipment cost of rental equipment during the period. Amounts exclude $30.3 million in purchases of equipment in 2006 previously held under operating leases and purchased with use of IPO proceeds.

Cash Flow Generation – Counter Cyclical



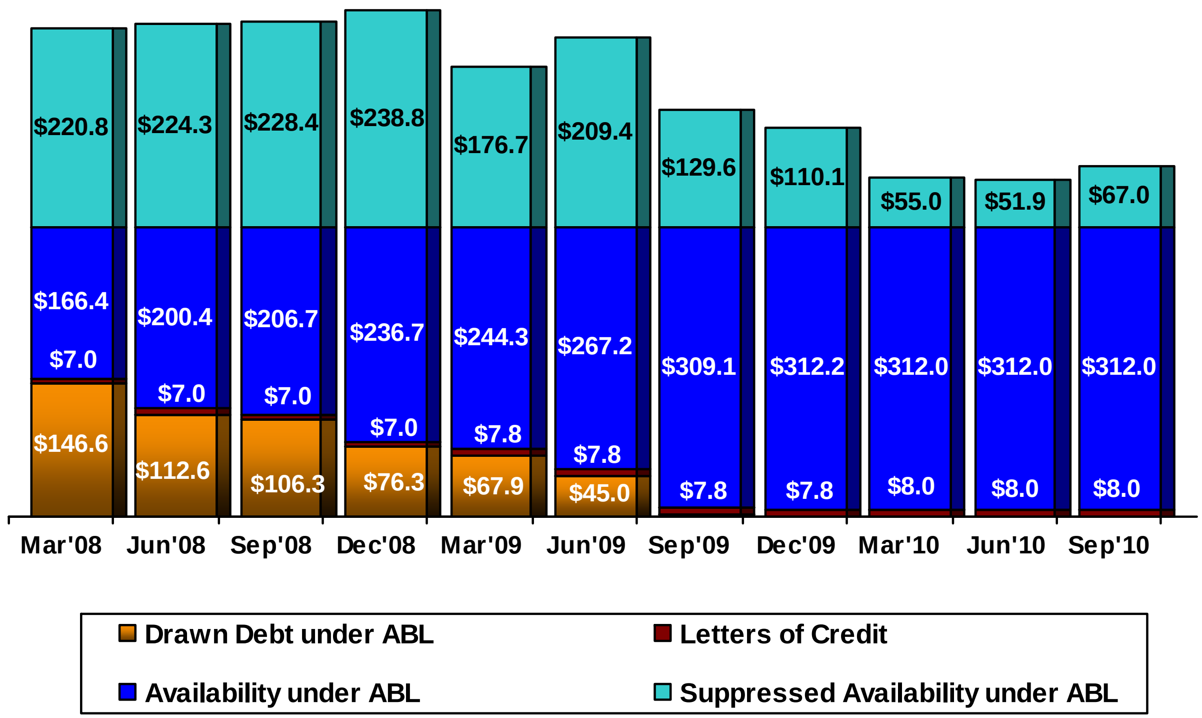
Managing Cash Through The Cycle

- **Have begun to reinvest in our rental fleet with increased demand.**
  - **Fleet increased $8.4 million in Q310, but still smaller average fleet than 2009 average fleet size.**
  - **Negative rental capex in 2009.**
  - **Eliminated rental growth capex in 2008.**
  - **Continued to reduce inventories and fleet during 2009.**
  - **Young fleet particularly when considering fleet mix and industry average.**
- **Spending continues to be selective and near point of demand.**

[1] Free cash flow defined as net cash provided by operations less net investment as in footnote 1 on slide 18. See Appendix A for non-GAAP measures and reconciliations.
[2] Total Net Capex is defined as gross investment (see Slide 19; footnote 2) less proceeds from the sale of rental equipment and property and equipment.

Abundant Liquidity/Extended Maturity of ABL

Components of Asset-Backed Loan (ABL) Credit Facility

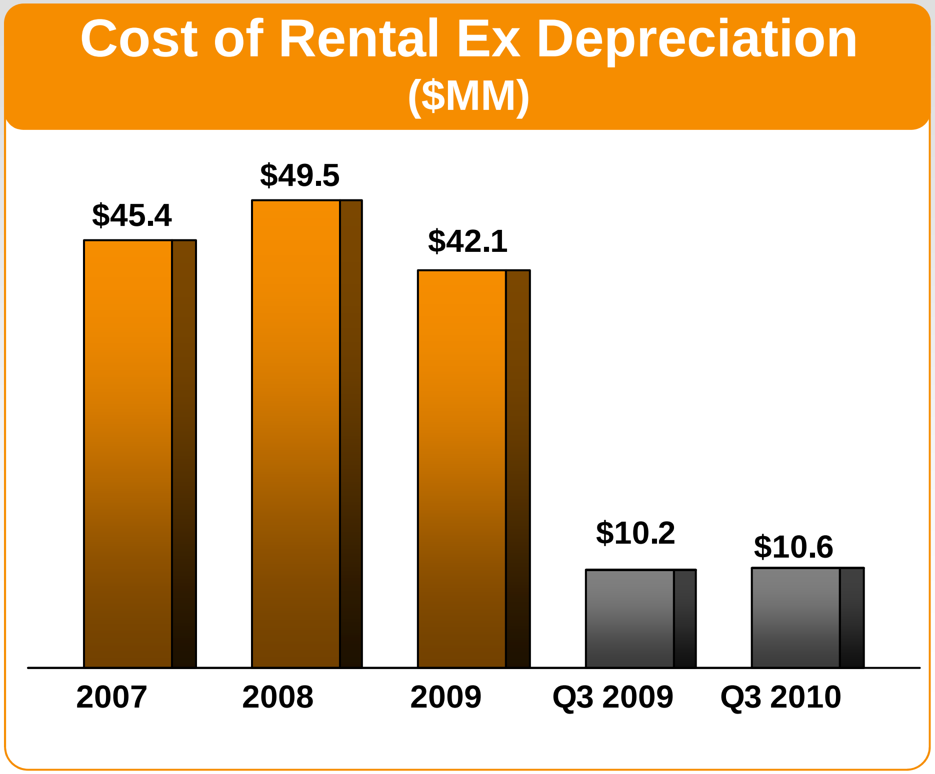


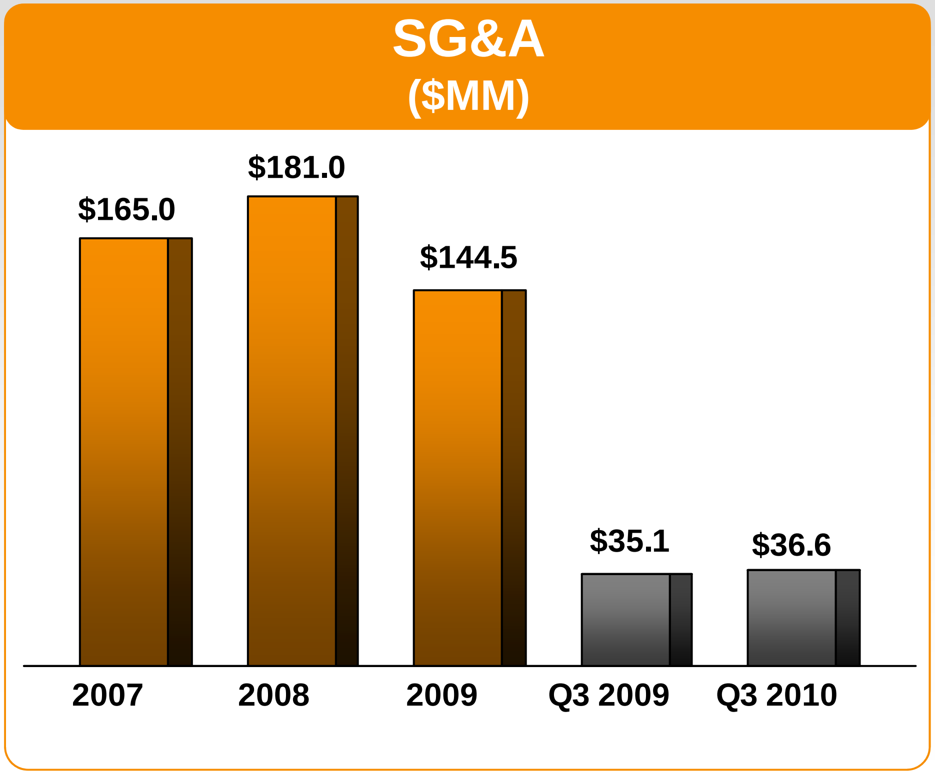
ABL Credit Facility:

- **Ample liquidity under ABL facility.**
  - $0 drawn under ABL
  - Reduced debt by $76.3 million in 2009.
  - Suppressed availability (supporting asset value in excess of facility size) under ABL borrowing base certificate was $67 million at September 30, 2010.
- **Recently extended maturity to July 2015 with a 5 yr agreement.**

H&E Equipment Services, Inc.

Cost Structure





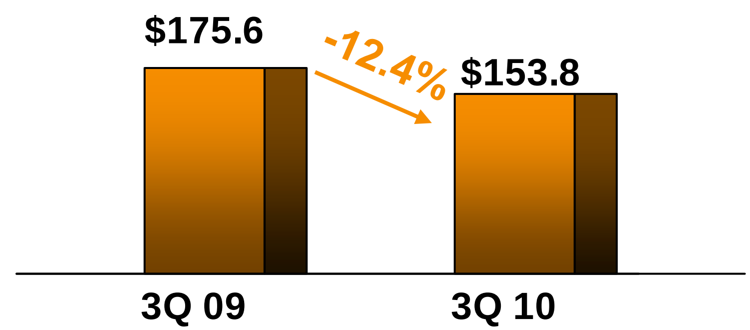
- **Rental expense increased 3.4% in Q3 2010 compared to Q3 2009 due to more equipment on rent.**
- **SG&A increased 4.3% in Q3 2010 compared to Q3 2009 due to costs associated with new ERP system.**

Q3 2010 Summary

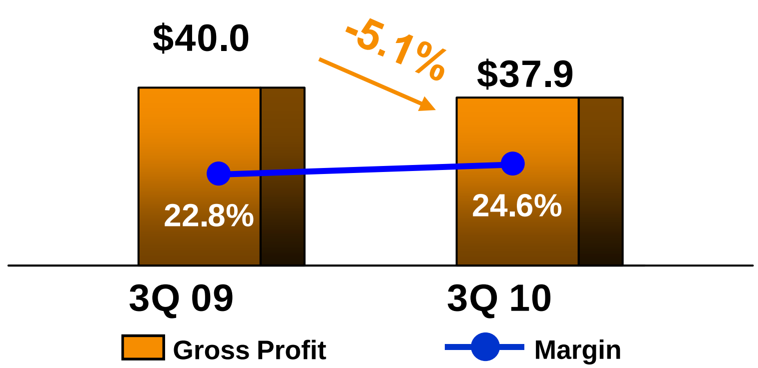
Third Quarter	Market conditions, results continued to improve. Sequential and limited year-over-year improvements. Profitability increased in excess of revenue growth.
Revenue	Revenue decreased 12.4% to $153.8 million vs. Q3 2009. Revenue increased 17.4% from second quarter.
EBITDA	EBITDA was $24.5 million, a margin of 15.9%. EBITDA increased 31.3% from second quarter.
Net Income (Loss)	Net loss was $3.8 million compared to net loss of $2.3 million in Q3 2009; loss per share was ($0.11) versus ($0.07). Net loss improved 46.7% from second quarter.
Improved Fleet Utilization	Time utilization (based on units) was 62.3%, versus 54.9% in Q2 2010 and 54.3% in Q3 2009. Time utilization (based on OEC) was 65.9%, versus 57.9% in Q2 2010 and 57.1% in Q3 2009.
Rental Business Posted Y-O-Y Gains	7.0% improvement in rental revenue. 31.2% gain in rental gross profit. 6.9% increase in rental gross margin. 3.7% increase in dollar utilization.

Q3 2010 Revenues and Gross Profit

Revenues ($MM)



Gross Profit ($MM)



Key Takeaways

- **Revenues decreased 12.4%.**
  - Rentals increased 7.0% over the prior year and were offset primarily by declines in used equipment sales.
    - Prior year results included $16.6 million of sales associated with the disposal of Yale lift trucks and related assets.
    - Approximately 80% of these revenues were used equipment sales.
  - Strong sequential growth in rentals and new equipment sales.
- **Gross profit decreased 5.1%.**
  - Gross margin increased to 24.6% vs. 22.8%.
    - Margin expansion due to:
      - Improved profitability in rental segment with higher utilization on smaller fleet.
        - Rental margins were 37.5% vs. 30.6%.
        - Time utilization increased 800 basis points.
      - Low margin Yale transaction included in prior period results (9.6% gross margin on $16.6 million in revenue).

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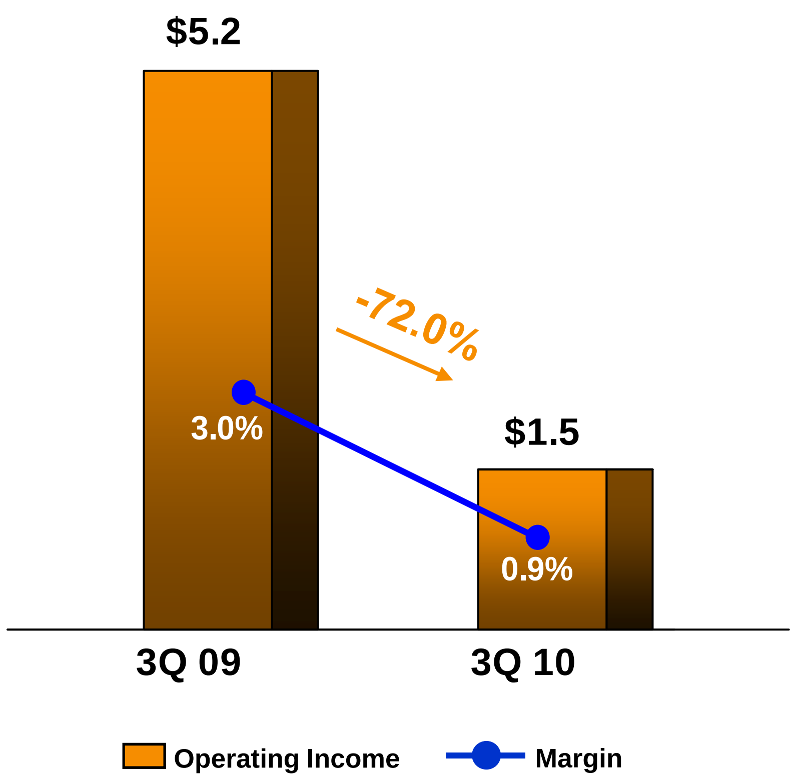
Q3 2010 Income From Operations

Income From Operations
($MM)

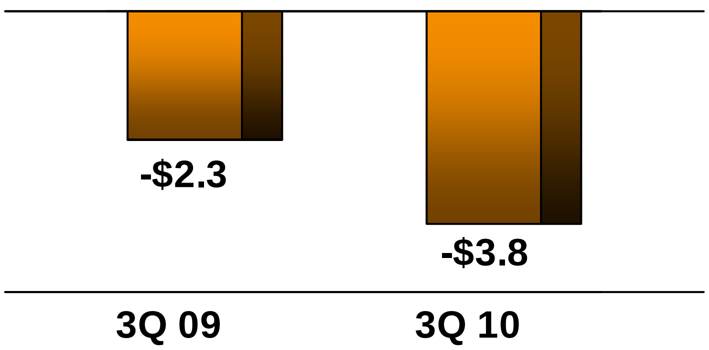


Key Takeaways

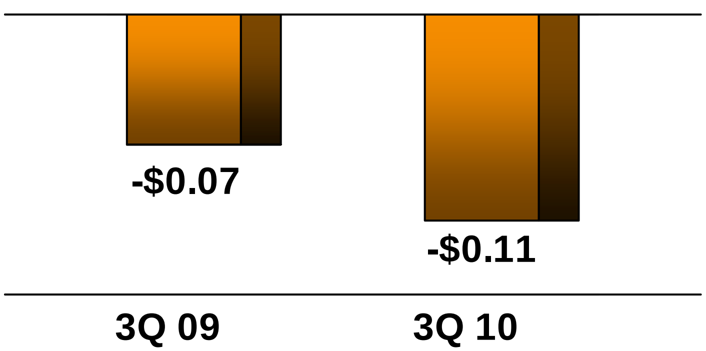
- **Income from operations was $1.5 million compared to $5.2 million a year ago.**
  - **0.9% margin versus 3.0% margin:**
    - **Year-over-year margin pressure continued with top-line declines.**
  - **Generated income from operations following 3 consecutive quarters of loss from operations.**

Q3 2010 Net Loss

Net Loss ($MM)



Net Loss Per Share



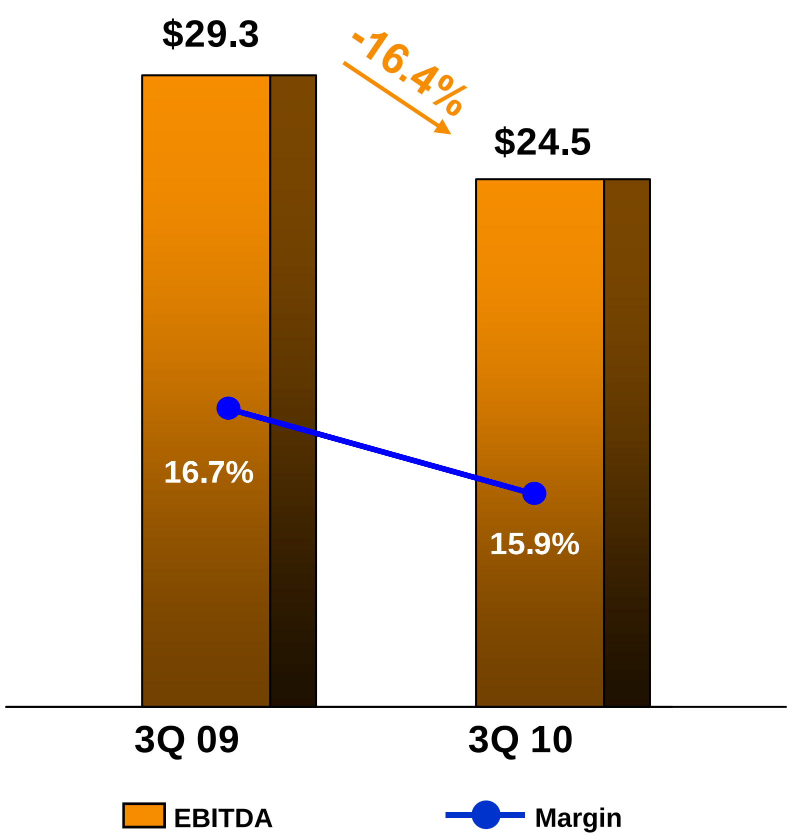
Key Takeaways

- **Net loss of $3.8 million vs. net loss of $2.3 million.**
  - **Effective tax rate was 35.1% in 3Q10 vs 10.3% in 3Q09.**
    - **3Q09 rate lowered by effects of permanent differences.**
- **Diluted net loss per share was $(0.11) vs. net loss per share of $(0.07) a year ago.**
  - **Diluted weighted average share count of 34.7 million vs. 34.6 million a year ago.**

H&E Equipment Services, Inc.

Q3 2010 EBITDA

EBITDA ($MM)



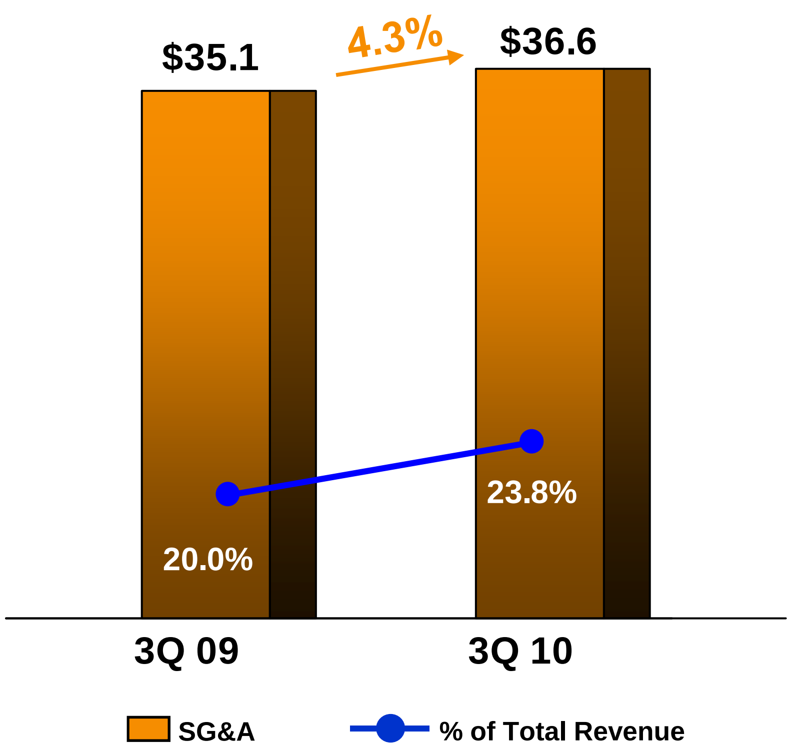
Key Takeaways

- **EBITDA was $24.5 million, or a decline of 16.4%.**
- **EBITDA margin was 15.9% compared to 16.7%.**
  - **Year-over-year margin pressure is subsiding.**
    - **See slide 10 for discussion on higher gross margins.**
    - **Improved gross margins were offset by higher SG&A expenses largely due to the ERP implementation.**
- **EBITDA improved sequentially 31.3%; margin improved 170 basis points from 14.2% in 2Q10.**

H&E Equipment Services, Inc.

Q3 2010 SG&A Expense

SG&A ($MM)



Key Takeaways

- **$1.5 million, or 4.3%, increase.**
  - **SG&A as a percentage of revenue was 23.8% compared to 20.0% in 3Q09 primarily as a result of revenue declines.**
  - **Costs increased largely due to higher depreciation/amortization of $0.7 million and $0.7 million increase in labor and benefits. The majority of these increases are related to the ERP implementation.**

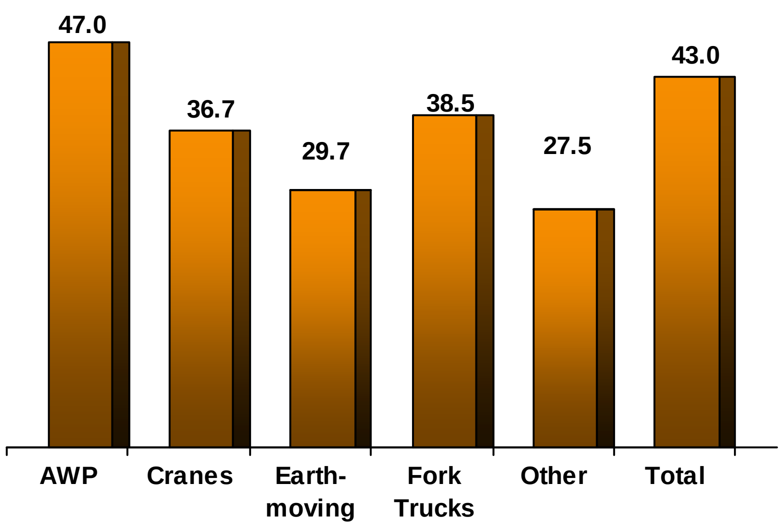
H&E Equipment Services, Inc.

2010 Fleet Update

Rental Cap-Ex Summary
($MM)

	2007	2008	2009	YTD 2010
Gross Rental CapEx[1]	$ 258.1	$ 168.4	$ 26.1	$ 58.4
Sale of Rental Equipment	$ (122.6)	$ (123.1)	$ (71.0)	$ (34.7)
Net Rental CapEx	$ 135.5	$ 45.3	$ (44.9)	$ 23.7

Fleet Age by Equipment Type
(months)

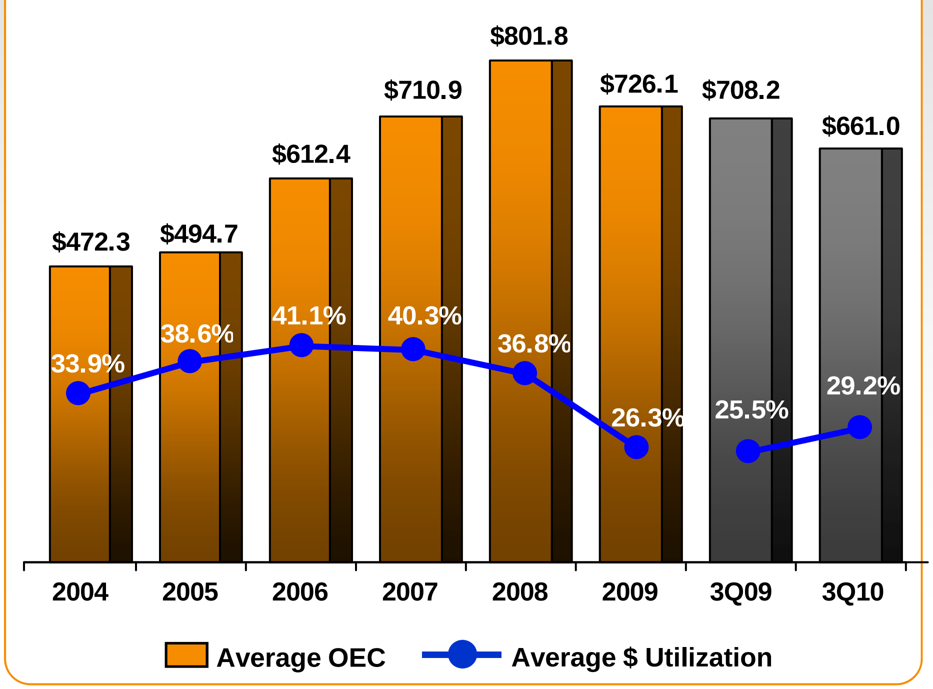


1 Gross rental cap-ex includes amounts transferred from new and used inventory.

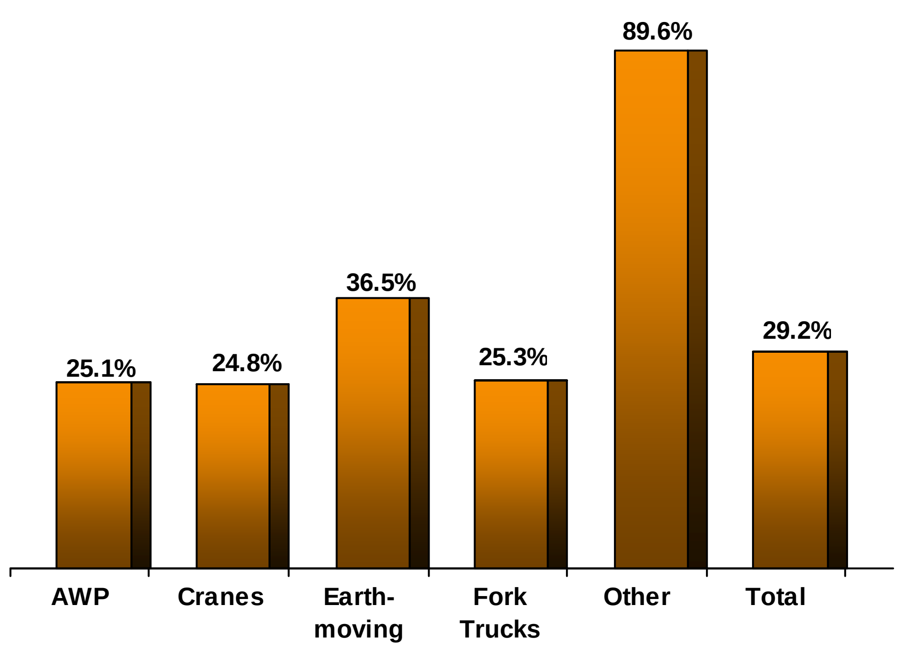
H&E Equipment Services, Inc.

2010 Fleet Update

Rental Fleet Statistics[1]
($MM)



$ Utilization by Equipment Type[1]



Note: Fleet statistics as of September 30, 2010.

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

H&E Equipment Services, Inc.

Current Capital Structure

Current Capital Structure ($MM)

	9/30/10
Cash	$ 26.9
Debt:	
Sr. Sec'd Credit Facility (ABL) due 2015	0.0
8.375% Senior Unsecured Notes due 2016	250.0
Capital Lease Payable	2.1
Other Notes Payable	0.7
Total Debt	252.8
Shareholder's Equity	$ 256.5
Total Book Capitalization	$ 509.3

Credit Statistics

	12/31/07	12/31/08	12/31/09	LTM 9/30/10
Adj. EBITDA[2] / Total Interest Exp.	6.7x	6.5x	3.9x	2.5x
Total Net Debt[1]/ Adj. EBITDA[2]	1.5x	1.3x	1.7x	3.1x
Debt / Total Capitalization	56.6%	53.3%	47.7%	49.6%

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

2 Excludes the impact of (i) the $0.3 million loss on early extinguishment of debt recorded in the third quarter of 2007 and (ii) the fourth quarter 2009 and 2008 non-cash asset impairment charges of $9.0 million and $22.7 million, respectively, that were identified in connection with the Company's annual fourth quarter goodwill impairment tests and preparation, reviews and audits of the year-end financial statements. See Appendix A for a reconciliation of Non-GAAP measures.

H&E Equipment Services, Inc.

Current Capital Structure

Current Ratings

Moody's:

(Ratings AFFIRMED; outlook UPGRADED Feb '10)

- Outlook = changed to positive
- Corporate Family Rating = B1
- Senior Unsecured Notes = B3

S&P:

(AFFIRMED Jul '10)

- Outlook = Stable
- Credit Rating = BB-
- Senior Unsecured Notes = BB-

Amended and Restated Sr. Secured Credit Facility (ABL) Financial Covenants[1]

- Total facility size of $320 million.
- 5 year agreement, maturing July 2015.
- Covenants spring only if excess availability is < $40 million.

- Springing Minimum Fixed Charge Coverage Ratio >= 1.1 to 1.0.
- Springing Maximum Total Leverage Ratio <= 5.0 to 1.0.
- $312 million of availability, net of $8 million of letters of credit, at September 30th.

[1] Other exceptions exist in the credit agreement including, among other things, certain requirements, restrictions and negative covenants.

Appendix A-Unaudited Reconciliation of Non-GAAP Financial Measures

Unaudited Reconciliation of Non-GAAP Financial Measures

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, 2009 and trailing twelve months ended September 30, 2010 as EBITDA adjusted for the $9.0 million goodwill impairment charge recorded in the fourth quarter of 2009. We define Adjusted EBITDA for the other periods presented as EBITDA adjusted for: (1) the $22.7 million impairment of goodwill and intangible assets recorded in 2008; (2) the $0.3 million loss and $40.8 million loss on the early extinguishment of debt in connection with our refinancing recorded in 2007 and 2006, respectively; (3) the $8.0 million fee paid for the termination of a management services agreement in connection with our Initial Public Offering in 2006; and (4) the $17.4 million loss from litigation that was recorded in 2003.

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 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 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. Because EBITDA and Adjusted EBITDA are not calculated in the same manner by all companies, they may not be comparable to other similarly titled measures used by other companies.

We define "free cash flow" as net cash provided by/used in operating activities less purchases of rental equipment and property and equipment plus proceeds from the sales of rental equipment and property and equipment.

We believe free cash flow provides useful additional information concerning cash flow available to meet future debt service obligations and working capital requirements. However, free cash flow is not a measure of financial performance or liquidity under GAAP. Accordingly, free cash flow should not be considered an alternative to net income or cash flow from operating activities as indicators of operating performance or liquidity. Because free cash flow may not be calculated in the same manner by all companies, free cash flow may not be comparable to other similarly titled measures used by other companies.

EBITDA and Adjusted EBITDA GAAP Reconciliation

($ in thousands)

	2003	2004	2005	2006	2007	2008	2009	LTM 9/30/10	3Q09	3Q10
Net income (loss)	$ (46,051)	$ (13,737)	$ 28,160	$ 32,714	$ 64,626	$ 43,296	$ (11,943)	$ (35,055)	$ (2,280)	$ (3,780)
Interest expense	39,394	39,856	41,822	37,684	36,771	38,255	31,339	29,080	7,847	7,287
Provision (benefit) for income taxes	(5,694)	_	673	9,694	40,789	26,101	(6,178)	(20,768)	(261)	(2,046)
Depreciation	59,159	53,232	59,765	85,077	103,221	115,454	98,702	90,869	23,804	22,867
Amortization	_	295	94	46	1,060	2,223	591	583	148	140
EBITDA	$ 46,808	$ 79,646	$130,514	$165,215	$246,467	$225,329	$112,511	$ 64,709	$ 29,258	$ 24,468
Loss from litigation	17,434	_	_	_	_	_	_	_	_	_
Loss on early extinguishment of debt[1]	_	_	_	40,771	320	_	_	_	_	_
Management services agreement termination fee[2]	_	_	_	8,000	_	_	_	_	_	_
Impairment of goodwill and intangible asset[3]	_	_	_	_	_	22,721	8,972	8,972	_	_
Adjusted EBITDA	$ 64,242	$ 79,646	$130,514	$213,986	$246,787	$248,050	$121,483	$ 73,681	$ 29,258	$ 24,468

1 Adjustments relate to a loss on early extinguishment of the Company's Senior Secured and Senior Subordinated Notes.

2 Adjustment relates to $8.0 million of fees paid in connection with the termination of a management services agreement.

3 Adjustment relates to non-cash goodwill and intangible asset impairment charges of $22.7 million in 2008 and non-cash goodwill impairment charges of $9.0 million in 2009.

H&E Equipment Services, Inc.

Free Cash Flow GAAP Reconciliation

($ in thousands)

	2004	2005	2006	2007	2008	2009	YTD 9/30/10
Cash flows from operating activities	$ 5.6	$ 35.9	$ 117.7	$ 104.1	$ 120.5	$ 72.9	$ 14.0
Net Investment (per cash flows from investing activities)							
Purchases of property and equipment	(4.6)	(8.3)	(16.7)	(18.0)	(24.6)	(19.4)	(3.3)
Purchases of rental equipment	(72.9)	(162.8)	(195.7)	(194.1)	(125.9)	(15.1)	(31.9)
Proceeds from sales of property and equipment	0.3	1.0	2.0	1.0	1.2	1.4	0.4
Proceeds from sales of rental equipment	65.4	87.0	105.7	122.6	123.1	71.0	34.7
Free cash flow	$ (6.2)	$ (47.2)	$ 13.0	$ 15.6	$ 94.3	$ 110.8	$ 13.9

INVESTOR PRESENTATION

Third Quarter 2010

NASDAQ: HEES