THIRD QUARTER 2024 EARNINGS CONFERENCE

October 29, 2024

H&E RENTALS

Earnings Conference

Third Quarter 2024 Company Participants

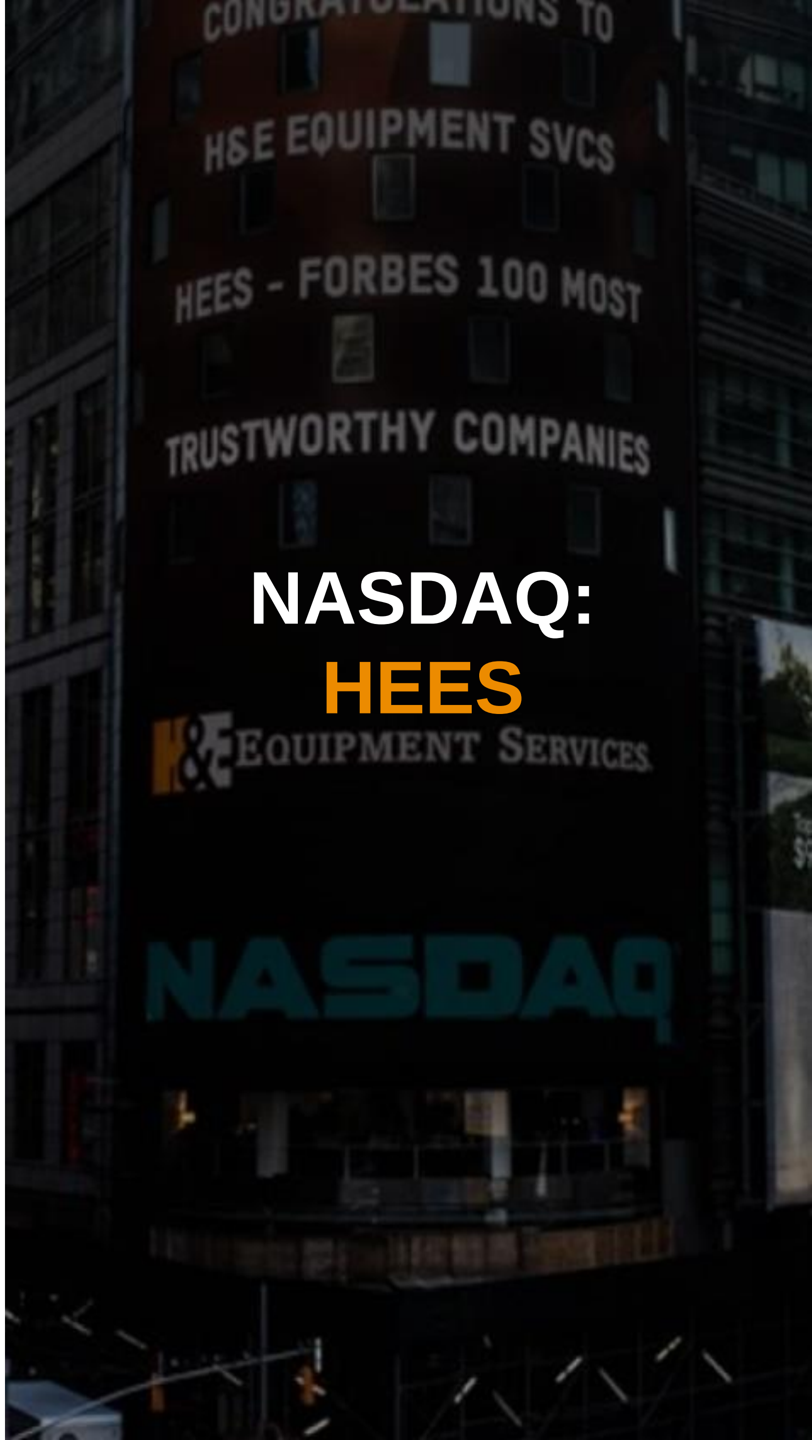
Brad Barber — CHIEF EXECUTIVE OFFICER

John Engquist — PRESIDENT AND CHIEF OPERATING OFFICER

Leslie Magee — CHIEF FINANCIAL OFFICER AND SECRETARY

Jeff Chastain — VICE PRESIDENT OF INVESTOR RELATIONS

October 29, 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 above-mentioned 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, Adjusted Income from Operations, Adjusted Net Income, Adjusted Net Income per share 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

Third Quarter Overview, Market Outlook and Strategic Execution

- Q3 2024 Key Financial Metrics
- Supplemental Company Data
  - Rental Performance
- Equipment Rental Market Outlook
  - End-User Markets and Fleet Mix
  - Mega Project Opportunity
- Strategy Implementation and Execution

Third Quarter Financial Overview

- Q3 2024 Results
- 2024 Fleet and Free Cash Flow Update
- Capital Structure Update
- Liquidity Profile

Question and Answer Session

THIRD QUARTER 2024 OVERVIEW, MARKET OUTLOOK AND STRATEGIC EXECUTION

Brad Barber

Chief Executive Officer

Q3 2024 Key Financial Metrics

TOTAL REVENUE

$384.9M

↓ 4.0% YOY

TOTAL EQUIPMENT RENTAL REVENUE

$326.2M

↑ 3.3% YOY

ADJUSTED EBITDA[1]

$175.3M

↓ 8.4% YOY

PHYSICAL UTILIZATION

67.6%

↓ 240 bps YOY

CHANGE IN FLEET SIZE

$220.1M

↑ 8.1% YOY

STRATEGIC GROWTH AND EXECUTION

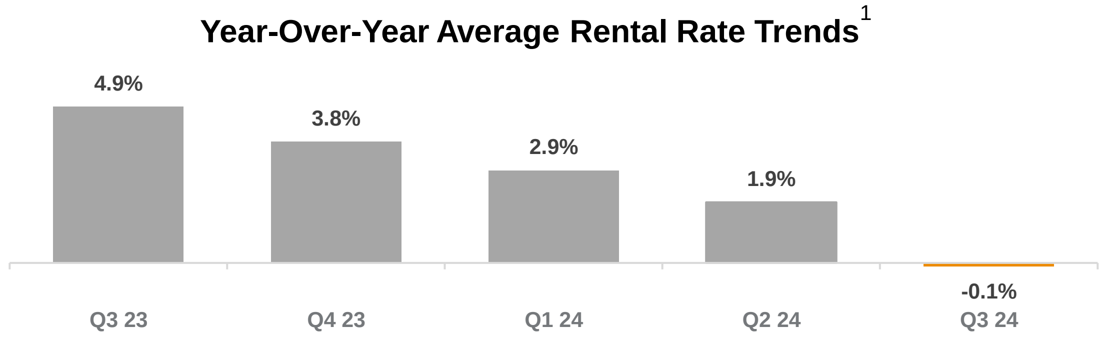
- **Record 8 Branch Additions**
- **16 Branch Additions YTD October**

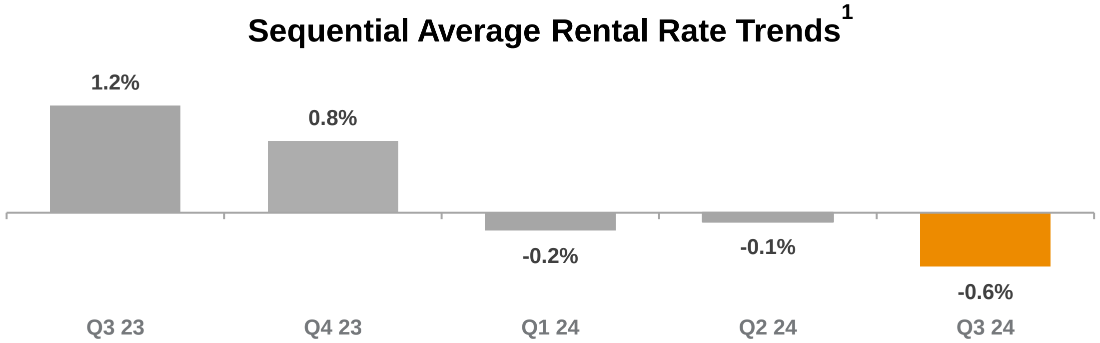
[1] For a reconciliation to GAAP financial measures, see Appendix A beginning on Slide 24.

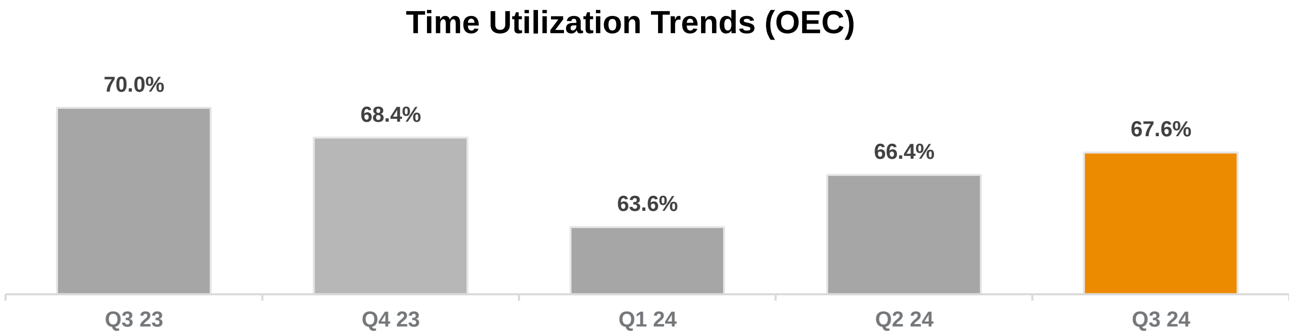
Q3 2024 Rental Performance

Rental Business Highlights

- Rental revenue increased 2.8% to $288.1 million compared to $280.3 million in Q3 2023.
- Rental gross margins of 51.2% compared to 53.3% in Q3 2023.
- Rental rates decreased 0.1% compared to Q3 2023 and 0.6% sequentially. YTD rate improvement of 1.5%.
- Physical time utilization (based on OEC) was 67.6% vs. 70.0% in Q3 2023.
- Dollar utilization was 39.4% vs. 41.5% in Q3 2023.





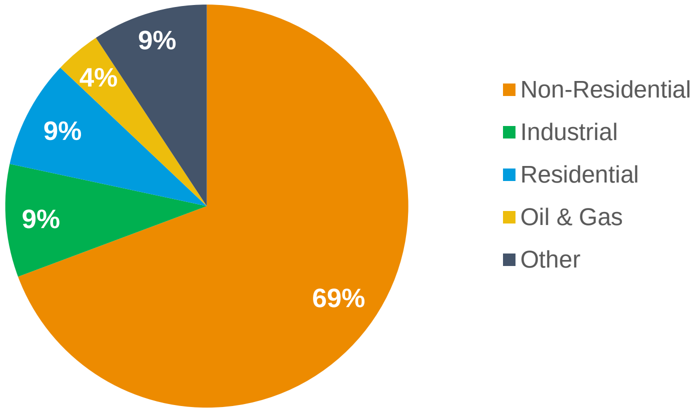


[1] Results exclude acquisitions within the last twelve months.

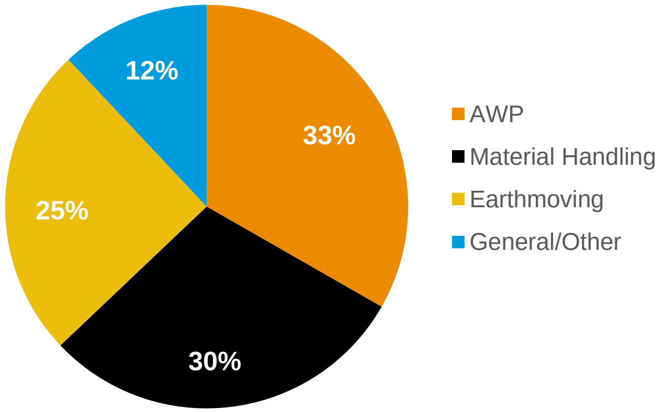
Industry Outlook
Moderating Fundamentals Through 2024, Encouraging Assessment into 2025

- **Challenging environment in 2024 continues**
  - Slowing rate of growth in U.S. construction spending
  - Extended period of elevated interest rates impacting local project backlogs
  - Lingering modest oversupply of certain equipment
  - Physical utilization and rental rates trail year-ago measures
- **Encouraging platform for improvement in 2025**
- Supportive forward indicators of growth
    - DMI up five of the last six months
- Steady growth in construction employment
- Easing interest rate cycle has begun
- Expansion of mega project activity
  - Significant driver of industry growth into the future

Total Revenues by End Market [1]



Fleet Mix [2]



[1] Company data for LTM September 30, 2024. [2] As of September 30, 2024.

The Expanding Mega Project Opportunity

Commercial

- Data Centers
- Office Buildings
- Hotels/Motels
- Stadiums
- Parking Garages
- Amusement Parks

Industrial

- Power (Gas-LNG Export/Solar/Wind)
- Industrial Manufacturing
- Chemical Processing (CPI)
- Storage Tanks

Infrastructure

- Transportation
- Sewage
- Water lines
- Communications
- Power Grid

Institutional

- Hospitals
- Military Facilities
- Education Buildings
- Clinics/Medical Offices
- Correctional facilities

Project Characteristics

- Strong expansion continues across U.S.
- Multiple large equipment providers per project
- Elevated equipment volumes and extended project durations
- Providing a stable base of demand in support of key industry fundamentals
- Visibility into 2025 and beyond

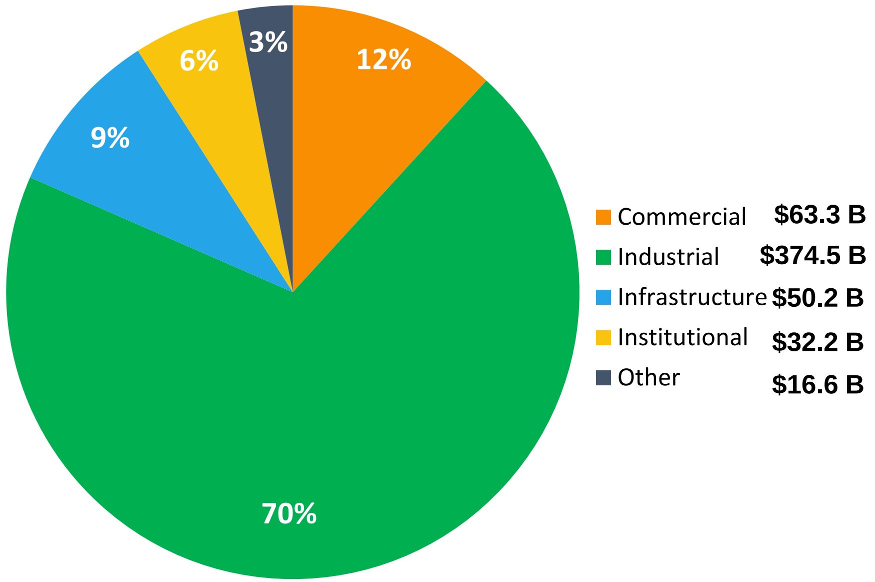
Expanding our Position

- Increased scale driving steady rise in project participation
- Premium utilization and expanded volumes lead to excellent equipment yield opportunity
- Bid activity trending favorably
- Equipment deployed as percent of OEC continues to rise
- Industry-leading mix of earthmoving equipment supports early project entry point

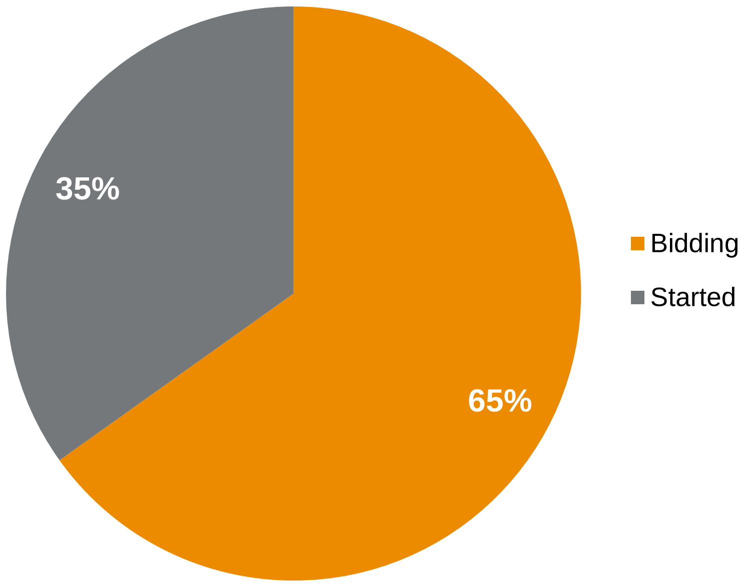
Mega Project Industry Breakdown[1]

Project Value >= $400 Million, Total Estimated Value $537 B

Industry Mix[1,2]



Bidding vs. Started[1,2]



H&E Project Involvement[1,2]

Over 48%

On Rent

(1) Across H&E's 32-state geography (2) Dodge Construction Network and PEC

Strategy Implementation and Execution
Extending U.S. Geographic Reach and Branch Density

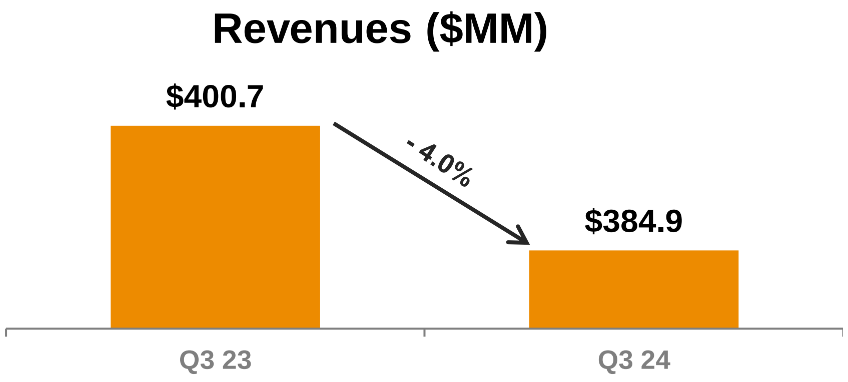
- **Focus on 2024 branch expansion continues**
  - Continuous success of our accelerated new location program
    - A record 8 warm start locations added in Q3 24
      - 1 additional branch added in October
    - A total of 16 new locations in 2024, exceeding our stated expansion expectation
- **U.S. geographic coverage increased to 157 branches across 32 states on September 30**
- **Dominant growth in our industry**
  - More than 14% branch growth in 2024
  - 54% branch growth since close of 2021
- Building scale in high-growth geographies, a catalyst for greater project participation
- Raising expectations for branch growth
  - 12-18 new locations per year on a go-forward basis
- **2024 fleet investment maintained**
  - Reiterate gross fleet spending range of $350 million to $400 million

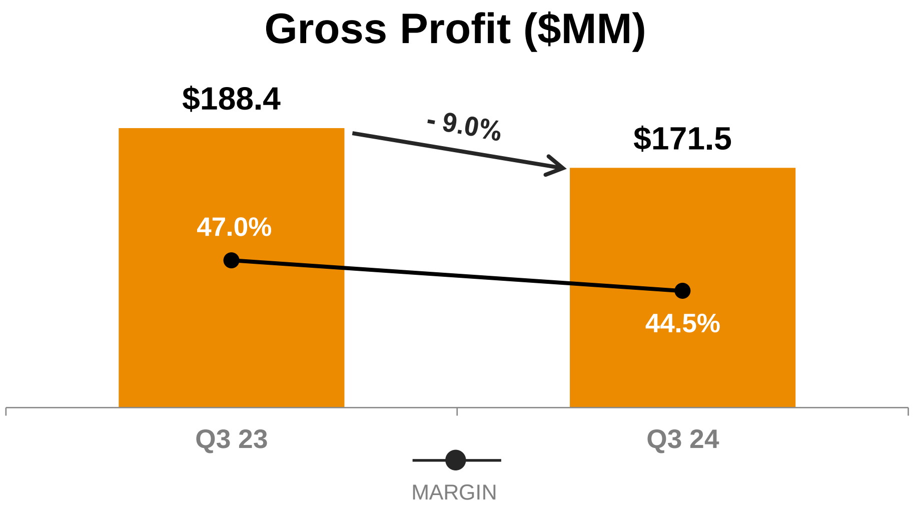
THIRD QUARTER 2024 FINANCIAL OVERVIEW

Leslie Magee

Chief Financial Officer and Secretary

Q3 2024 Revenues and Gross Profit



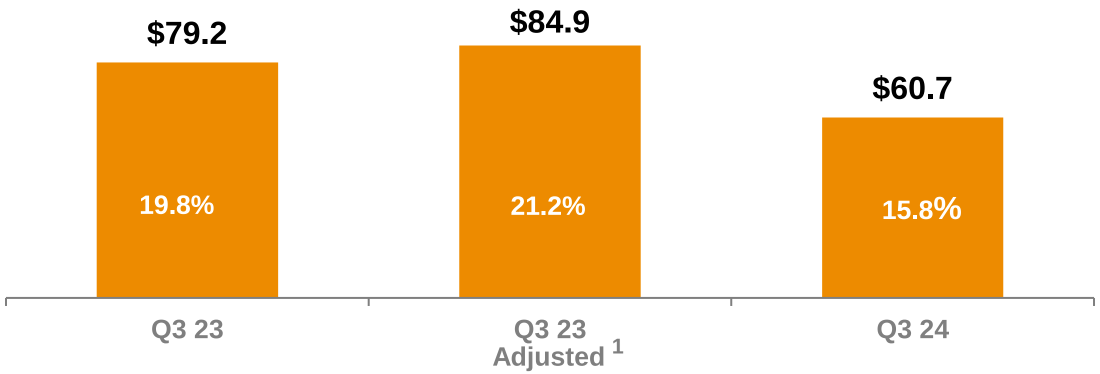


Key Takeaways

- **Revenues decreased 4.0%, or $15.8 million, to $384.9 million.**
  - Led by a decline in sales of rental equipment, partially offset by higher equipment rental revenues.
- **Rental revenues increased 2.8% to $288.1 million compared to $280.3 million a year ago.**
  - An increase of 27 branches, including warm starts and acquired branches.
  - Fleet growth of $220.1 million, or 8.1%.
  - Partially offset by 240 bps decline in physical fleet utilization.
- **Sales of rental equipment declined 47.3% to $27.8 million from $52.7 million.**
- **Sales of new equipment increased 11.2% to $14.1 million compared to $12.6 million in the year-ago quarter.**
- **Gross profit decreased 9.0% to $171.5 million.**
  - Gross margin was 44.5% compared to 47.0%, with decline due primarily to lower margins on rentals and unfavorable revenue mix.
  - Margins by segments Q3 24 compared to Q3 23:
    - Total Equipment Rentals 45.3% vs. 47.4%
      - ➢ Rentals 51.2% vs. 53.3%
    - Sales of Rental Equipment 60.2% vs. 58.5%
    - Sales New Equipment 19.8% vs. 13.2%

Q3 2024 Income from Operations

Income from Operations ($MM)

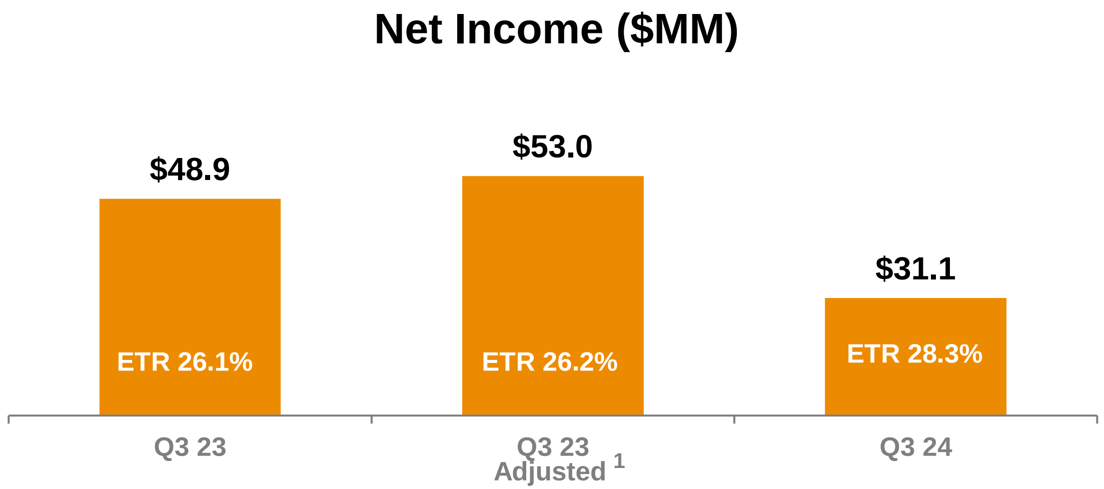


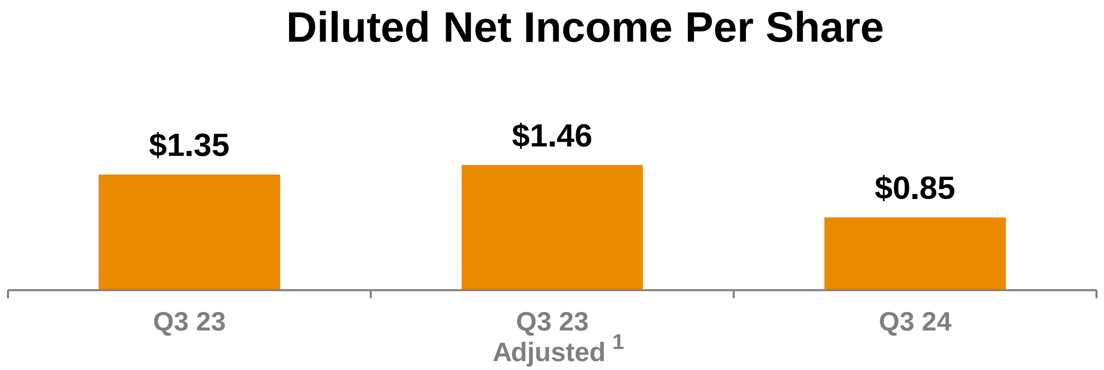
Key Takeaways

- Income from operations totaled $60.7 million compared to $79.2 million in Q3 23.
  - Results in the year-ago quarter included a pre-tax $5.7 million non-cash goodwill impairment charge.
  - Adjusted income from operations in the third quarter of 2023, excluding the impairment charge was $84.9 million.
- Margins were 15.8% compared to 19.8% in Q3 23, or 21.2% calculated using adjusted income from operations which excludes the impairment charge.
- The decrease was due primarily to:
  - Higher SG&A expense.
  - Lower margins on rentals and unfavorable revenue mix.

[1] For a reconciliation to GAAP financial measure, see Appendix A beginning on Slide 24.

Q3 2024 Net Income



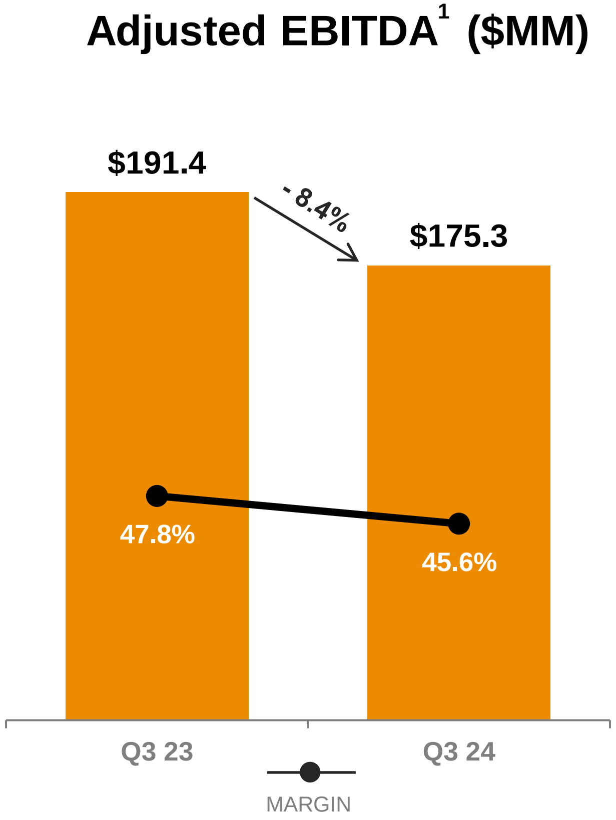


[1] For a reconciliation to GAAP financial measure, see Appendix A beginning on Slide 24.

Key Takeaways

- Net income of $31.1 million compared to $48.9 million in Q3 23.
- Net income in the year-ago quarter included a pre-tax $5.7 million non-cash goodwill impairment charge.
  - Adjusted net income in the third quarter of 2023, excluding the impairment charge was $53.0 million.
- Diluted net income per share was $0.85 compared to $1.35 in Q3 23.
  - Diluted adjusted net income per share in the third quarter of 2023 was $1.46 excluding the impairment charge.
- Effective tax rate ("ETR") was 28.3% compared to 26.1% in Q3 23, or 26.2% calculated using adjusted net income which excludes the impairment charge.

Q3 2024 Adjusted EBITDA

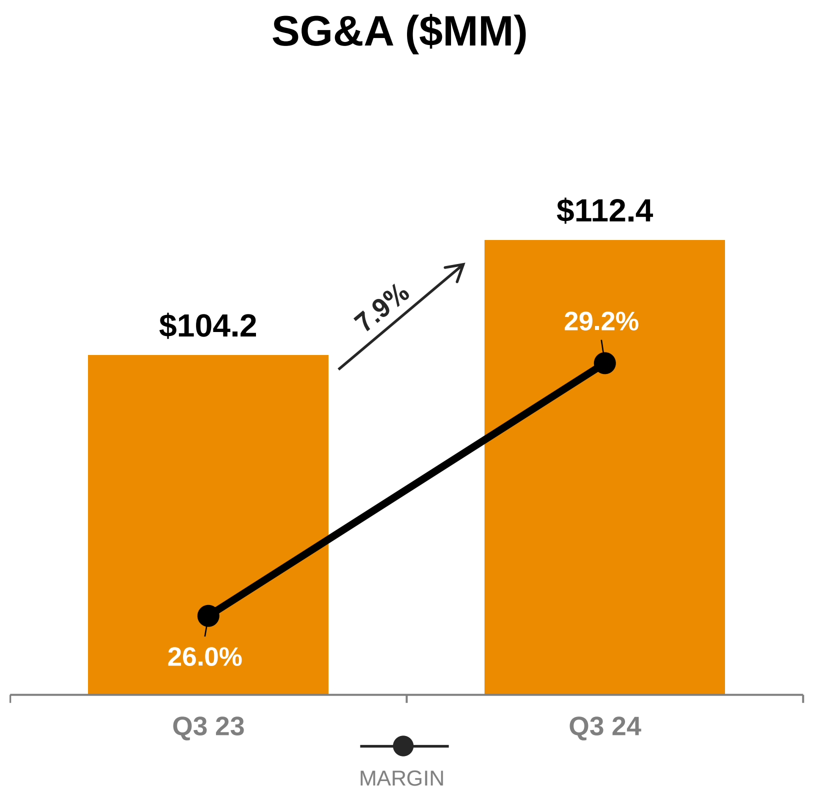


[1] For a reconciliation to GAAP financial measure, see Appendix A beginning on Slide 24.

Key Takeaways

- Adjusted EBITDA of $175.3 million compared to $191.4 million in Q3 23.
- Adjusted EBITDA margin was 45.6% compared to 47.8% in Q3 23.
- The decline in margins was due primarily to:
  - Higher SG&A expense.
  - Lower margins on equipment rentals.

Q3 2024 SG&A Expense



Key Takeaways

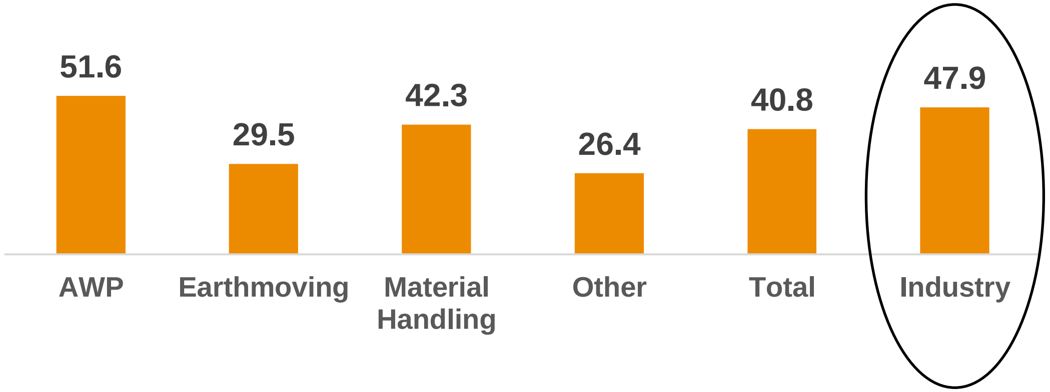
- SG&A was $112.4 million compared to $104.2 million in Q3 23, an increase of $8.2 million, or 7.9%.
- Increase was due primarily to:
  - Higher expenses associated with facilities, depreciation & amortization, and salaries, wages and other related employee expenses.
- Expansion costs resulting from new locations and acquired branches increased $11.0 million in Q3 24 compared to Q3 23.
- SG&A as a percentage of revenues was 29.2% in Q3 24 compared to 26.0% a year ago.

2024 Fleet and Free Cash Flow Update[1]

Rental Cap-Ex Summary ($MM)[2]

	2018	2019	2020	2021	2022	2023	Nine Mos. Ended Sept. 30, 2023	Nine Mos. Ended Sept. 30, 2024
Gross Rental CapEx[2]	$440.9	$349.1	$138.8	$436.8	$507.8	$736.6	$595.2	$327.8
Sale of Rental Equipment	$(112.0)	$(127.6)	$(141.6)	$(133.9)	$(83.7)	$(163.9)	$(123.5)	$(110.5)
Net Rental CapEx	$328.9	$221.5	$(2.8)	$302.9	$424.1	$572.7	$471.7	$217.3

Fleet Age by Type (Months)



Free Cash Flow Summary ($MM)[3]

	2018	2019	2020	2021	2022	2023	Nine Mos. Ended Sept. 30, 2023	Nine Mos. Ended Sept. 30, 2024
Free Cash Flow[3]	$(279.0)	$(6.7)	$307.1	$88.6	$(233.3)	$(203.3)	$(175.5)	$(56.0)

NOTE: Fleet statistics as of September 30, 2024.

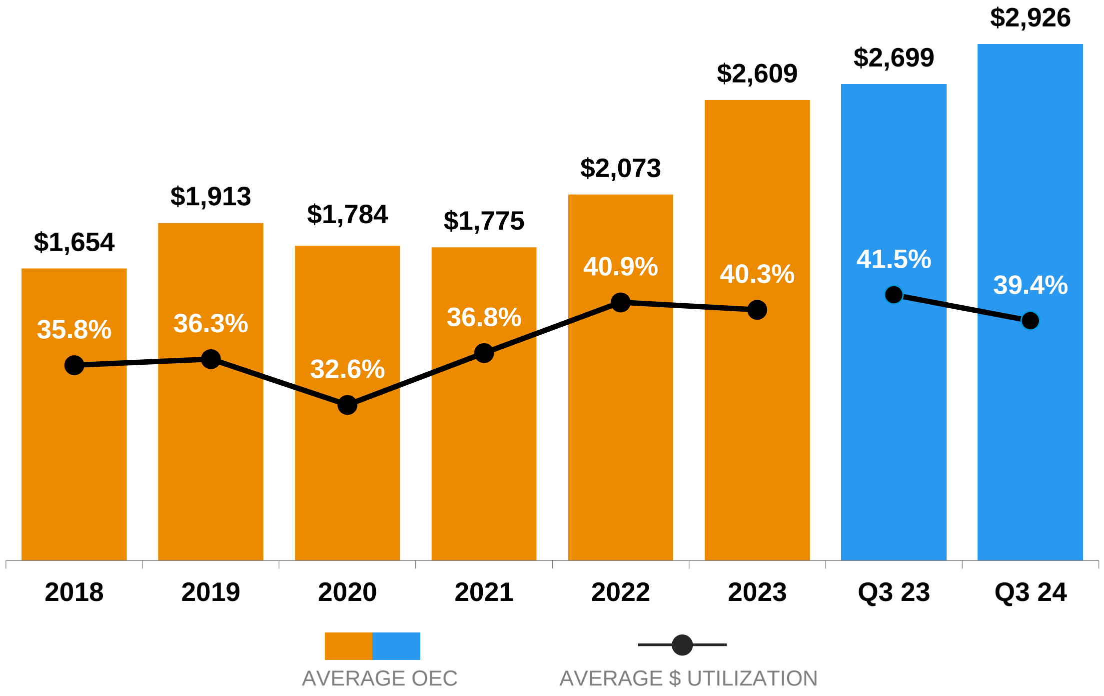
1 Results and information preceding 2020 include both continuing and discontinued operations.

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

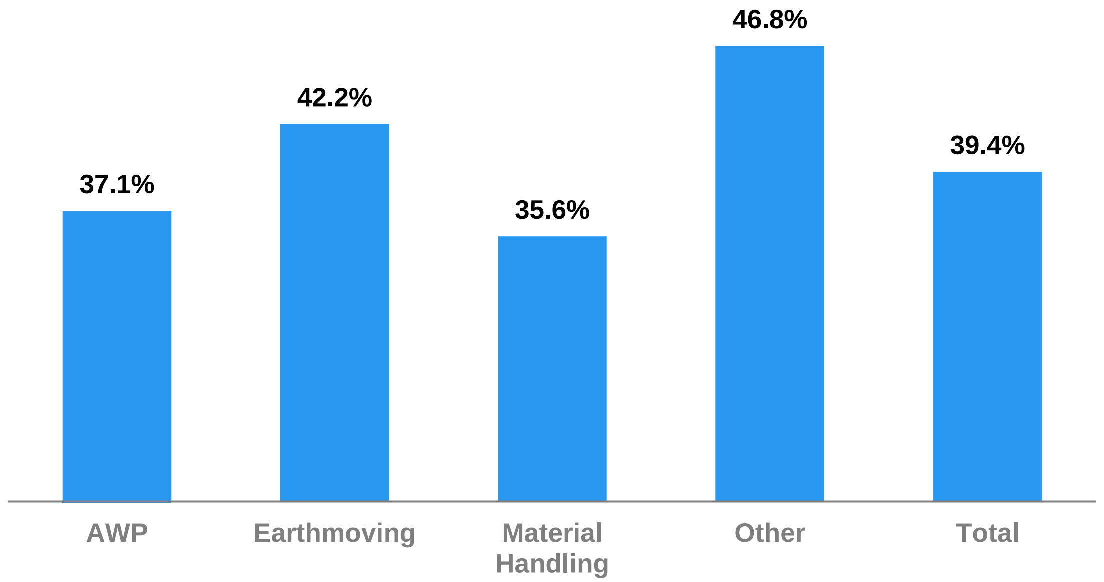
3 We define Free Cash Flow as net cash provided by operating activities less (1) purchases of rental equipment, property and equipment, and acquisition of businesses, net of cash acquired plus (2) proceeds (closing adjustment) from sale of discontinued operations, proceeds from sales of rental equipment 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 Type[1]



Note: Fleet statistics as of September 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)

9/30/24	
Cash and Cash Equivalents	**$11.1**
Debt:	
Sr. Sec'd Credit Facility (ABL)	**$276.3**
Senior Unsecured Notes[1]	**1,250.0**
Finance Lease Liabilities	**4.1**
Total Debt	**$1,530.4**
Shareholders' Equity	**597.2**
Total Book Capitalization	**$2,127.6**

Credit Statistics[2]

	2018	2019	2020	2021	2022	2023	LTM Q3 2024
Adj. EBITDA[3] /Total Interest Exp.	6.4x	6.9x	5.8x	7.3x	10.0x	11.3x	9.7x
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%	71.9%

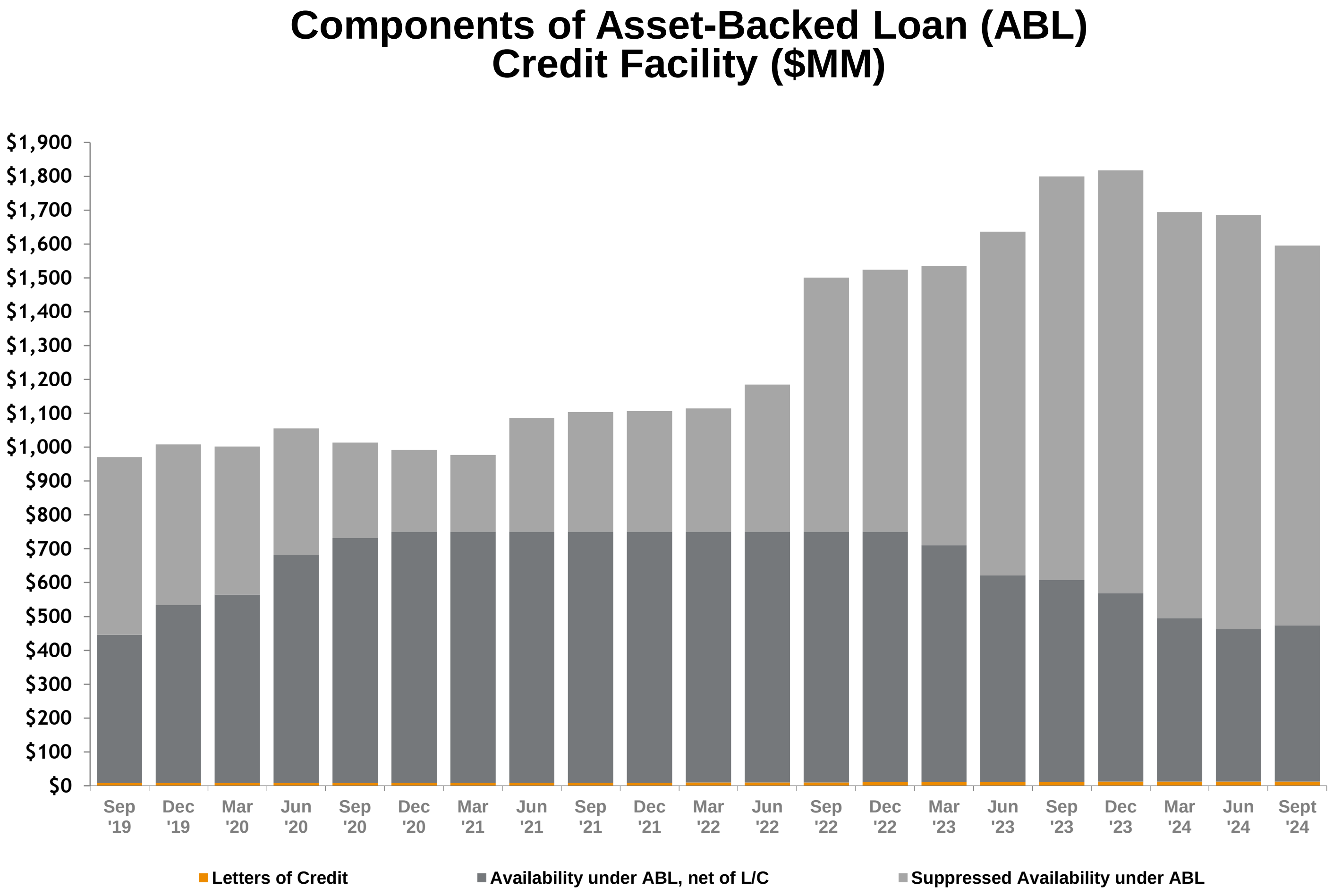
[1] Senior Unsecured Notes does not give effect to $4.9 million of unaccreted discount and $1.1 million of deferred financing costs.

[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 Profile



Key Takeaways

- **Liquidity under facility.**
  - $276.3 million outstanding balance under $750 million amended ABL facility on September 30, 2024.
  - $461.3 million of borrowing availability, net of letters of credit, under the ABL on September 30, 2024.
  - Suppressed availability (supporting asset value in excess of $750 million facility size) under ABL borrowing base certificate was $1.1 billion on September 30, 2024.
  - Excess availability under the ABL for purposes of the springing fixed charge covenant was $1.6 billion on September 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 September 30, 2024, of $11.1 million.

About H&E

Founded in 1961, H&E is one of the largest rental equipment companies in the nation, serving customers across 32 states. The Company's fleet is 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.

NASDAQ: HEES
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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, Adjusted Income from Operations, Adjusted Net Income, Adjusted Net Income per share, Free Cash Flow and the disaggregation of equipment rental revenues and cost of sales numbers 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 September 30, 2024 is EBITDA adjusted for non-cash stock-based compensation expense. Adjusted EBITDA for the three months ended September 30, 2023 is EBITDA adjusted for the $5.7 million goodwill impairment charge and 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.

We use Adjusted Income from Continuing Operations, Adjusted Net Income and Adjusted Net Income per Share ("Adjusted Income Measures") in our business operations to, among other things, analyze our financial performance on a comparative period basis without the effects of significant one-time, non-recurring items. We define the Adjusted Income Measures for the periods presented as Income from Operations, Net Income and Net Income per Share, respectively, adjusted for the impairment of goodwill. Additionally, we believe Adjusted Income Measures, in combination with financial results calculated in accordance with GAAP, provide investors with useful information and additional perspective concerning future profitability. However, Adjusted Income Measures are not measurements of our financial performance under GAAP and, accordingly, should not be considered in isolation or as alternatives to GAAP Income from Operations, Net Income and Net Income per Share. Because Adjusted Income Measures may not be calculated in the same manner by all companies, these measures may not be comparable to other similarly titled measures used 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

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

	Three Months Ended September 30, 2023		
	As Reported	**Adjustment**	**As Adjusted**
Gross profit	$ 188,383	$ —	$ 188,383
Selling, general and administrative expenses	104,218	—	104,218
Impairment of goodwill	(5,714)	5,714	—
Gain on sale of property and equipment, net	763	—	763
Income from operations	79,214	5,714	84,928
Interest expense	(16,145)	—	(16,145)
Other income, net	3,071	—	3,071
Income from operations before provision for income taxes	66,140	5,714	71,854
Provision for income taxes	17,261	1,585	18,846
Net income	$ 48,879	$ 4,129	$ 53,008
NET INCOME PER SHARE [1]			
Basic - Net income per common share:	$ 1.35	$ 0.11	$ 1.47
Basic - Weighted average common shares outstanding:	36,134	36,134	36,134
Diluted - Net income per common share	$ 1.35	$ 0.11	$ 1.46
Diluted - Weighted average common shares outstanding:	36,322	36,322	36,322

[1] Because of the method used in calculating per share data, the summation of the above per share data may not necessarily total to the adjusted per share data.

Appendix A

EBITDA and Adjusted EBITDA GAAP Reconciliation ($ in thousands)[1]

	2018	2019	2020	2021	2022	2023	Q3 2023	Q3 2024	LTM Q3 2024
Net Income (Loss)	$76,623	$87,211	$(46,396)	$60,564	$133,694	$169,293	$48,879	$31,068	$143,742
Interest expense	63,707	68,277	61,790	53,758	54,033	60,891	16,145	18,771	71,713
Provision (Benefit) for income taxes	28,040	28,650	(13,428)	21,160	47,036	53,904	17,261	12,278	47,292
Depreciation	233,046	272,368	252,681	254,158	296,310	381,959	99,437	108,014	412,386
Amortization of intangibles	3,320	4,132	3,987	3,970	4,660	6,455	1,683	2,598	9,075
EBITDA	$404,736	$460,638	$258,634	$393,610	$535,733	$672,502	$183,405	$172,729	$684,208
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	2,275	2,616	11,328
Adjusted EBITDA	$405,444	$473,238	$359,431	$393,610	$542,996	$688,242	$191,394	$175,345	$695,536

[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 A

Free Cash Flow GAAP Reconciliation ($ in thousands)

	2018	2019	2020	2021	2022	2023	Nine Mos. Ended Sept. 30, 2023	Nine Mos. Ended Sept. 30, 2024
Net cash provided by operating activities	$247,211	$319,218	$286,016	$259,572	$313,238	$405,483	$276,502	$366,156
Acquisition of business, net of cash acquired	(196,027)	(106,746)	–	–	(135,710)	(31,265)	–	(157,779)
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)	(55,412)	(93,873)
Purchases of rental equipment[2]	(416,600)	(309,654)	(116,363)	(418,082)	(464,434)	(661,960)	(522,596)	(288,429)
Proceeds from sale of property and equipment	9,261	6,050	14,524	11,884	23,626	4,449	2,492	7,492
Proceeds from sale of rental equipment	112,086	127,558	141,594	133,900	83,689	163,886	123,480	110,482
Free cash flow	$(279,029)	$(6,685)	$307,106	$88,597	$(233,299)	$(203,279)	$(175,534)	$(55,951)

[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.

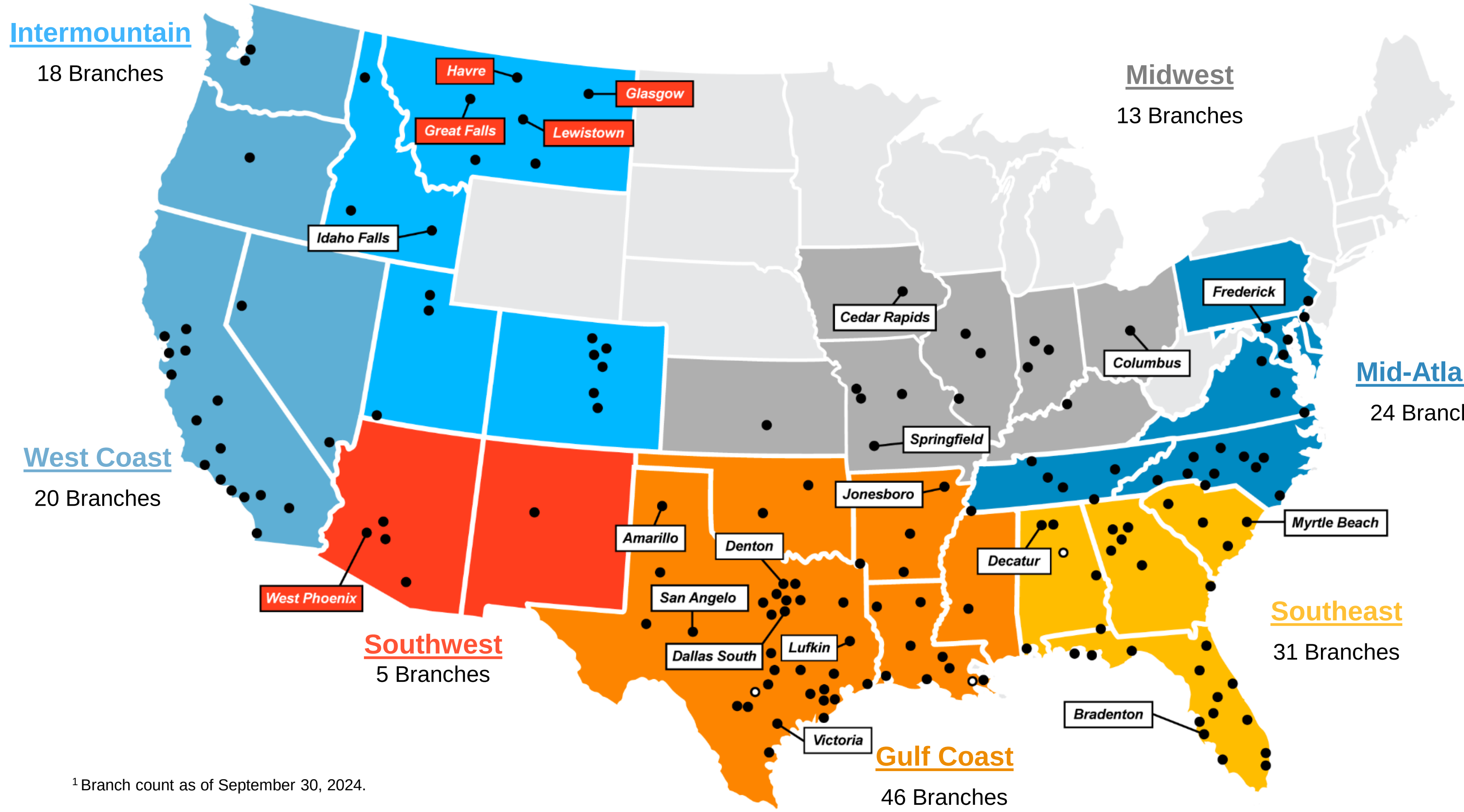
Appendix A

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
RENTAL				
Equipment rentals [1]	$ 288,094	$ 280,257	$ 825,308	$ 771,056
Rental other	38,125	35,554	108,592	98,222
Total equipment rentals	326,219	315,811	933,900	869,278
RENTAL COST OF SALES				
Rental depreciation	95,194	90,361	278,990	258,146
Rental expense	45,494	40,545	131,423	117,169
Rental other	37,687	35,056	105,499	93,381
Total rental cost of sales	178,375	165,962	515,912	468,696
RENTAL REVENUES GROSS PROFIT				
Equipment rentals	147,406	149,351	414,895	395,741
Rentals other	438	498	3,093	4,841
Total rental revenues gross profit	$ 147,844	$ 149,849	$ 417,988	$ 400,582
RENTAL REVENUES GROSS MARGIN				
Equipment rentals	51.2%	53.3%	50.3%	51.3%
Rentals other	1.1%	1.4%	2.8%	4.9%
Total rental revenues gross margin	45.3%	47.4%	44.8%	46.1%

[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 – 157 Locations in 32 States[1]



2024 Branch Expansion To Date

- 20 new locations
  - 15 added through accelerated new location program.
  - 5 added through acquisitions
    - Precision Rental (Jan. close) - 1 location
    - Lewistown and Affiliates (May close) - 4 locations
- Establishing greater density in attractive regions of growth

Map Legend

- ● General Rental location
- ○ Specialty location

[1] Branch count as of September 30, 2024.

THANK YOU!

October 29, 2024

H&E RENTALS