

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

<b>Part I Reporting Issuer</b>			
1 Issuer's name <b>H&amp;E EQUIPMENT SERVICES, INC.</b>		2 Issuer's employer identification number (EIN) <b>81-0553291</b>	
3 Name of contact for additional information <b>LESLIE S. MAGEE</b>	4 Telephone No. of contact <b>225-298-5200</b>	5 Email address of contact <b>LMAGEE@HE-EQUIPMENT.COM</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>7500 PECUE LANE</b>		7 City, town, or post office, state, and ZIP code of contact <b>BATON ROUGE, LA 70809</b>	
8 Date of action <b>2017 - See Below</b>	9 Classification and description <b>COMMON STOCK</b>		
10 CUSIP number <b>404030108</b>	11 Serial number(s)	12 Ticker symbol <b>HEES</b>	13 Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **The issuer made quarterly distributions to its common shareholders during 2017 as follows:**

Record Date	Payment Date	Distribution per Share
<b>February 27, 2017</b>	<b>March 10, 2017</b>	<b>\$0.275/share</b>
<b>June 2, 2017</b>	<b>June 16, 2017</b>	<b>\$0.275/share</b>
<b>September 1, 2017</b>	<b>September 11, 2017</b>	<b>\$0.275/share</b>
<b>November 20, 2017</b>	<b>December 11, 2017</b>	<b>\$0.275/share</b>

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **Cash dividends were paid as listed above. These distributions will be treated as taxable dividend to the extent of the issuer's accumulated and current earnings and profits at the date of distribution. Distributions in excess of accumulated and current earnings and profits are treated as a non-taxable return of capital, to the extent of shareholder basis.**

**The issuer has a deficit in accumulated earnings and profits and current year earnings and profits for the year ended December 31, 2017. Accordingly, 100% of the distributions made in 2017 will be treated as a non-taxable return of capital, to the extent of shareholder basis and 0% ordinary dividends.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **Each shareholder will reduce their tax basis per share by the amount of dividends received in excess of earnings and profits up to their adjusted basis. Any distribution amount in excess of shareholder basis will be capital gain to the shareholder.**

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ **IRS Section 301, Distributions of Property - in general, IRC Section 301 defines the rules used to determine whether, and to what extent, distributions to shareholders are taxable. Distributions to shareholders that do not exceed the corporation's accumulated earnings and profits are reported as taxable dividends in accordance with IRC Section 316. In the event a distribution to shareholders exceeds corporate earnings and profits, as determined under IRC Section 312, shareholders must apply the rules of IRC Section 301 to determine if the distribution is a nontaxable return of basis under IRC Section 301(c)(2) or if the distribution is reported as capital gain under IRS Section 301(c)(3). Shareholders should consult with their tax advisors in making this determination.**

18 Can any resulting loss be recognized? ▶ **N/A - there is no resulting loss**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **The dividends are reportable in tax year 2017.**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶ *Leslie S Magee* Date ▶ 2/8/18

Print your name ▶ **LESLIE S. MAGEE** Title ▶ **CFO & SECRETARY**

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.