
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): 11/01/2013

H&E Equipment Services, Inc.
(Exact name of registrant as specified in its charter)

Commission File Number: 000-51759

Delaware
(State or other jurisdiction
of incorporation)

81-0553291
(IRS Employer
Identification No.)

7500 Pecue Lane
Baton Rouge, LA 70809
(Address of principal executive offices, including zip code)

(225) 298-5200
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On November 1, 2013, we issued a press release announcing our financial results for the three months ended September 30, 2013. A copy of the press release is attached as Exhibit 99.1.

The information in this Form 8-K and the attached exhibit shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 8.01 Other Events

We define EBITDA as net income (loss) before interest expense, income taxes, depreciation and amortization. We define Adjusted EBITDA for the three and nine month periods ended September 30, 2012 as EBITDA adjusted for the loss from early extinguishment of debt incurred in the third quarter ended September 30, 2012. We define Adjusted Net Income and Adjusted Net Income per Share for the three and nine month periods ended September 30, 2012 as Net Income and Net Income per Share, adjusted for the loss from early extinguishment of debt, net of income taxes, incurred in the third quarter ended September 30, 2012.

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 an analytical tool 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 it eliminates items related to capital structure, taxes and non-cash charges. The items that we have eliminated in determining EBITDA for the periods presented are interest expense, income taxes, depreciation of fixed assets (which includes rental equipment and property and equipment), and amortization of intangible assets and, in the case of Adjusted EBITDA, the loss from early extinguishment of debt incurred in the third quarter ended September 30, 2012. However, some of these eliminated items are significant to our business. For example, (i) interest expense is a necessary element of our costs and ability to generate revenue because we incur a significant amount of interest expense related to our outstanding indebtedness; (ii) payment of income taxes is a necessary element of our costs; and (iii) depreciation is a necessary element of our costs and ability to generate revenue because rental equipment is the single largest component of our total assets and we recognize a significant amount of depreciation expense over the estimated useful life of this equipment. Any measure that eliminates components of our capital structure and costs associated with carrying significant amounts of fixed assets on our consolidated balance sheet has material limitations as a performance measure. In light of the foregoing limitations, we do not rely solely on EBITDA and Adjusted EBITDA as performance measures and also consider our GAAP results. EBITDA and Adjusted EBITDA are not measurements of our financial performance under GAAP and should not be considered alternatives to net income (loss), operating income (loss) 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 use Adjusted Net Income and Adjusted Net Income per Share, 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. Additionally, we believe Adjusted Net Income and Adjusted Net Income per Share are not measures of financial performance under GAAP and accordingly, these measures should not be considered as alternatives to GAAP Net Income and Net Income per Share. Because Adjusted Net Income and Adjusted Net Income per Share are not calculated in the same manner by all companies, they may not be comparable to other similarly titled measured used by other companies.

Item 9.01 Financial Statements and Exhibits.

99.1 Press Release, dated November 1, 2013, announcing financial results for the three months ended September 30, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 1, 2013

By: /s/ Leslie S. Magee
Leslie S. Magee
Chief Financial Officer

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H&E Equipment Services Reports Third Quarter 2013 Results

BATON ROUGE, Louisiana — (November 1, 2013) — H&E Equipment Services, Inc. (NASDAQ: HEES) today announced results for the third quarter ended September 30, 2013.

THIRD QUARTER 2013 HIGHLIGHTS:

- Revenues increased 32.2% to \$270.4 million versus \$204.5 million a year ago.
- Net income was \$14.0 million in the third quarter compared to \$3.7 million a year ago. Net Income increased \$3.1 million to \$14.0 million compared to adjusted net income of \$10.9 million a year ago.
- Adjusted EBITDA increased 25.2% to \$70.0 million from \$55.9 million, yielding a margin of 25.9% of revenues compared to 27.3% a year ago. Margins were impacted by revenue mix with a significant increase in new equipment sales compared to a year ago.
- Rental revenues increased 14.9%, or \$11.6 million, to \$89.4 million due to improved rates, a larger fleet compared to a year ago and strong demand.
- New equipment sales increased 84.1%, or \$41.2 million, to \$90.2 million, largely due to higher crane and earthmoving sales.
- Gross margin was 29.7% as compared to 32.7% a year ago. Rental gross margin increased to 49.6% compared to 48.9% a year ago.
- Average time utilization (based on original equipment cost) was 72.3% compared to 72.9% a year ago and 71.0% in the second quarter of 2013. Average time utilization (based on units available for rent) was 66.6% compared to 68.9% last year and 66.3% last quarter.
- Average rental rates increased 5.2% compared to a year ago and improved 0.7% compared to the second quarter of this year.
- Dollar utilization was consistent with the prior year at 36.7%.
- Average rental fleet age at September 30, 2013 was 35.0 months, down from 35.9 months at the end of the last quarter and younger than the industry average age of 45 months.

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November 1, 2013

John Engquist, H&E Equipment Services' chief executive officer, said, "Our business performed exceptionally well during the third quarter as a result of our continued focus on solid execution, capitalizing on market cycle expansion and strong industrial market penetration. Total revenues increased significantly, up 32.2% from a year ago, primarily due to ongoing strength in our rental and new equipment businesses. Rental revenues grew 14.9% on rates that were 5.2% higher than a year ago and on a significantly larger fleet than a year ago. New and used equipment sales increased 84.1% and 47.2%, respectively, which we believe affirms a healthier economy and general construction market."

Engquist concluded, "We believe the positive trends that we are seeing in our business will continue through the balance of this year and into 2014, where we anticipate additional fleet growth and market expansion in our industrial markets, where we believe there will be continued high demand, and in the commercial construction sector, where we believe there will be expanding opportunities."

FINANCIAL DISCUSSION FOR THIRD QUARTER 2013:

Revenue

Total revenues increased 32.2% to \$270.4 million from \$204.5 million in the third quarter of 2012. Equipment rental revenues increased 14.9% to \$89.4 million compared with \$77.8 million in the third quarter of 2012. New equipment sales increased 84.1% to \$90.2 million from \$49.0 million in the third quarter of 2012. Used equipment sales increased 47.2% to \$36.8 million compared to \$25.0 million in the third quarter of 2012. Parts sales increased 2.0% to \$26.6 million from \$26.1 million in the third quarter of 2012. Service revenues decreased 4.9% to \$13.7 million compared to \$14.4 million a year ago.

Gross Profit

Gross profit increased 20.0% to \$80.3 million from \$66.9 million in the third quarter of 2012. Gross margin was 29.7% for the quarter ended September 30, 2013, compared to gross margin of 32.7% for the quarter ended September 30, 2012.

On a segment basis, third quarter 2013 gross margin on rentals was 49.6% in this quarter compared to 48.9% in the third quarter of 2012 due to higher average rental rates on new contracts in the period, strong fleet utilization and lower rental expenses as a percentage of equipment rental revenues. On average, rental rates increased 5.2% as compared to the third quarter of 2012. Time utilization (based on original equipment cost) was 72.3% in the third quarter of 2013 and 72.9% a year ago.

Gross margin on new equipment sales was 10.6% compared to 11.5% in the third quarter a year ago. Gross margin on used equipment sales was 26.3% compared to 26.4% a year ago. Gross margin on parts sales was 28.0% in this quarter and 26.7% a year ago. Gross margin on service revenues was 64.0% compared to 61.1% in the prior year.

Rental Fleet

At the end of the third quarter of 2013, the original acquisition cost of the Company's rental fleet was \$978.9 million, an increase of \$107.9 million from \$871.0 million at the end of the third quarter of 2012 and an increase of \$95.9 million from \$883.0 million at the end of 2012. Dollar utilization was 36.7% consistent with the third quarter of 2012.

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November 1, 2013

Selling, General and Administrative Expenses

SG&A expenses for the third quarter of 2013 were \$47.0 million compared with \$42.4 million last year, a \$4.6 million, or 10.8%, increase. For the third quarter of 2013, SG&A expenses as a percentage of total revenues were 17.4% compared to 20.7% a year ago.

Income from Operations

Income from operations for the third quarter of 2013 was \$33.9 million, or 12.6% of revenues, compared with \$25.0 million, or 12.2% of revenues, a year ago.

Interest Expense

Interest expense for the third quarter of 2013 was \$13.2 million compared to \$9.8 million in the third quarter of 2012.

Net Income and Adjusted Net Income

Net income for the third quarter of 2013 was \$14.0 million, or \$0.40 per diluted share, compared to net income of \$3.7 million, or \$0.11 per diluted share, a year ago. A year ago, adjusted net income was \$10.9 million, or \$0.31 per diluted share. The effective income tax rate was 33.5% compared to 29.7% a year ago.

EBITDA and Adjusted EBITDA

EBITDA for the third quarter of 2013 increased 53.0% to \$70.0 million compared to \$45.7 million a year ago and increased 25.2% compared to Adjusted EBITDA of \$55.9 million a year ago. EBITDA, as a percentage of revenues, was 25.9% compared to 22.4% a year ago. Adjusted EBITDA, as a percentage of revenues, was 25.9% compared with 27.3% in the third quarter of 2012.

Non-GAAP Financial Measures

This press release contains certain Non-GAAP measures (EBITDA, Adjusted EBITDA and Adjusted Net Income). Please refer to our Current Report on Form 8-K for a description of these measures and a discussion of our use of these measures. EBITDA, Adjusted EBITDA, and Adjusted Net Income as calculated by the Company, are not necessarily comparable to similarly titled measures reported by other companies. Additionally, these Non-GAAP measures are not measurements of financial performance or liquidity under GAAP and should not be considered as alternatives to the Company's other financial information determined under GAAP.

Conference Call

The Company's management will hold a conference call to discuss third quarter results today, November 1, 2013, at 10:00 a.m. (Eastern Time). To listen to the call, participants should dial 719-325-2180 approximately 10 minutes prior to the start of the call. A telephonic replay will be available after 1:00 p.m. (Eastern Time) on November 1, 2013, and will continue through November 16, 2013, by dialing 719-457-0820 and entering confirmation code 6761373.

The live broadcast of the Company's quarterly conference call will be available online at www.he-equipment.com on November 1, 2013, beginning at 10:00 a.m. (Eastern Time) and will continue to be available for 30 days. Related presentation materials will be posted to the "Investor Relations" section of the Company's web site at www.he-equipment.com prior to the call. The presentation materials will be in Adobe Acrobat format.

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About H&E Equipment Services, Inc.

The Company is one of the largest integrated equipment services companies in the United States with 68 full-service facilities throughout the West Coast, Intermountain, Southwest, Gulf Coast, Mid-Atlantic and Southeast regions. The Company is focused on heavy construction and industrial equipment and rents, sells and provides parts and service support for four core categories of specialized equipment: (1) hi-lift or aerial platform equipment; (2) cranes; (3) earthmoving equipment; and (4) industrial lift trucks. 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. This 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.

Forward-Looking Statements

Certain statements in this press release are "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. Statements containing the words "may", "could", "would", "should", "believe", "expect", "anticipate", "plan", "estimate", "target", "project", "intend" 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 depth and duration of the macroeconomic downturn related to decreases in construction and industrial activities, and the impact of conditions of the global credit markets and their effect on construction spending activity and the economy in general; (2) relationships with equipment suppliers; (3) increased maintenance and repair costs as we age our fleet and decreases in our equipments' 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 and Quarterly Report on Form 10-Q. 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 release.

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H&E EQUIPMENT SERVICES, INC.
CONSOLIDATED STATEMENTS OF INCOME (unaudited)
(Amounts in thousands, except per share amounts)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|-----------------|------------------------------------|------------------|
| | 2013 | 2012 | 2013 | 2012 |
| Revenues: | | | | |
| Equipment rentals | \$ 89,420 | \$ 77,808 | \$248,518 | \$207,941 |
| New equipment sales | 90,220 | 49,009 | 216,979 | 154,710 |
| Used equipment sales | 36,779 | 24,990 | 103,589 | 75,100 |
| Parts sales | 26,571 | 26,058 | 77,971 | 74,161 |
| Service revenues | 13,729 | 14,436 | 42,050 | 41,615 |
| Other | 13,730 | 12,208 | 39,070 | 33,671 |
| Total revenues | 270,449 | 204,509 | 728,177 | 587,198 |
| Cost of revenues: | | | | |
| Rental depreciation | 31,527 | 27,150 | 89,679 | 74,727 |
| Rental expense | 13,550 | 12,579 | 41,401 | 36,375 |
| New equipment sales | 80,659 | 43,367 | 193,453 | 136,945 |
| Used equipment sales | 27,086 | 18,399 | 74,006 | 53,426 |
| Parts sales | 19,123 | 19,092 | 56,660 | 53,826 |
| Service revenues | 4,943 | 5,615 | 15,743 | 15,907 |
| Other | 13,261 | 11,384 | 37,043 | 32,183 |
| Total cost of revenues | 190,149 | 137,586 | 507,985 | 403,389 |
| Gross profit | 80,300 | 66,923 | 220,192 | 183,809 |
| Selling, general, and administrative expenses | 46,977 | 42,402 | 140,347 | 124,504 |
| Gain on sales of property and equipment, net | 609 | 514 | 1,715 | 1,478 |
| Income from operations | 33,932 | 25,035 | 81,560 | 60,783 |
| Loss on early extinguishment of debt | — | (10,180) | — | (10,180) |
| Interest expense | (13,193) | (9,825) | (38,550) | (23,668) |
| Other income, net | 237 | 243 | 945 | 751 |
| Income before provision for income taxes | 20,976 | 5,273 | 43,955 | 27,686 |
| Provision for income taxes | 7,023 | 1,564 | 14,416 | 9,554 |
| Net income | \$ 13,953 | \$ 3,709 | \$ 29,539 | \$ 18,132 |
| NET INCOME PER SHARE | | | | |
| Basic – Net income per share | \$ 0.40 | \$ 0.11 | \$ 0.84 | \$ 0.52 |
| Basic – Weighted average number of common shares outstanding | 35,099 | 34,958 | 35,022 | 34,867 |
| Diluted – Net income per share | \$ 0.40 | \$ 0.11 | \$ 0.84 | \$ 0.52 |
| Diluted – Weighted average number of common shares outstanding | 35,169 | 34,974 | 35,130 | 34,963 |

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H&E EQUIPMENT SERVICES, INC.
SELECTED BALANCE SHEET DATA (unaudited)
(Amounts in thousands)

| | September 30, 2013 | December 31, 2012 |
|--|-----------------------|----------------------|
| Cash | \$ 6,666 | \$ 8,894 |
| Rental equipment, net | 672,057 | 583,349 |
| Total assets | 1,075,021 | 942,399 |
| Total debt (1) | 767,401 | 690,166 |
| Total liabilities | 995,239 | 893,763 |
| Stockholders' equity | 79,782 | 48,636 |
| Total liabilities and stockholders' equity | \$ 1,075,021 | \$ 942,399 |

(1) Total debt consists of the amounts outstanding on the senior secured credit facility, capital lease obligations and the aggregate amounts outstanding on the senior unsecured notes.

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, | |
|--------------------------------------|-------------------------------------|-----------------|------------------------------------|------------------|
| | 2013 | 2012 | 2013 | 2012 |
| Net income | \$13,953 | \$ 3,709 | \$ 29,539 | \$ 18,132 |
| Interest expense | 13,193 | 9,825 | 38,550 | 23,668 |
| Provision for income taxes | 7,023 | 1,564 | 14,416 | 9,554 |
| Depreciation | 35,805 | 30,609 | 102,034 | 84,724 |
| Amortization of intangibles | — | 16 | — | 66 |
| EBITDA | \$69,974 | \$45,723 | \$184,539 | \$136,144 |
| Loss on early extinguishment of debt | — | 10,180 | — | 10,180 |
| Adjusted EBITDA | <u>\$69,974</u> | <u>\$55,903</u> | <u>\$184,539</u> | <u>\$146,324</u> |

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

| | Three Months Ended September 30, 2012 | | |
|---|--|-----------------------|-----------------|
| | <u>As Reported</u> | <u>Adjustment (1)</u> | <u>Adjusted</u> |
| Income before provision for income taxes | \$ 5,273 | \$ 10,180 | \$15,453 |
| Provision for income taxes | 1,564 | 3,019 | 4,583 |
| Net income | <u>\$ 3,709</u> | <u>\$ 7,161</u> | <u>\$10,870</u> |
| NET INCOME PER SHARE | | | |
| Basic – Net income per share | <u>\$ 0.11</u> | | <u>\$ 0.31</u> |
| Diluted – Net income per share | <u>\$ 0.11</u> | | <u>\$ 0.31</u> |
| Weighted average number of common shares outstanding | | | |
| Basic | <u>34,958</u> | | <u>34,958</u> |
| Diluted | <u>34,974</u> | | <u>34,974</u> |
| | Nine Months Ended September 30, 2012 | | |
| | <u>As Reported</u> | <u>Adjustment (1)</u> | <u>Adjusted</u> |
| Income before provision for income taxes | \$ 27,686 | \$ 10,180 | \$37,866 |
| Provision for income taxes | 9,554 | 3,512 | 13,066 |
| Net income | <u>\$ 18,132</u> | <u>\$ 6,668</u> | <u>\$24,800</u> |
| NET INCOME PER SHARE | | | |
| Basic – Net income per share | <u>\$ 0.52</u> | | <u>\$ 0.71</u> |
| Diluted – Net income per share | <u>\$ 0.52</u> | | <u>\$ 0.71</u> |
| Weighted average number of common shares outstanding | | | |
| Basic | <u>34,867</u> | | <u>34,867</u> |
| Diluted | <u>34,963</u> | | <u>34,963</u> |

(1) Adjustment includes premium paid to repurchase or redeem the Company's 8 3/8% senior unsecured notes and the write-off of unamortized deferred transaction costs in the prior three and nine month periods ended September 30, 2012.

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