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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2026

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 001-33139

HERC HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

20-3530539

(I.R.S. Employer
Identification Number)

**27500 Riverview Center Blvd.
Bonita Springs, Florida 34134
(239) 301-1000**

(Address, including Zip Code, and telephone number,
including area code, of registrant's principal executive offices)

Not Applicable

(Former name, former address and former fiscal year,
if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, par value \$0.01 per share	HRI	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Accelerated filer	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 24, 2026, there were 33,393,051 shares of the registrant's common stock, \$0.01 par value, outstanding.

HERC HOLDINGS INC. AND SUBSIDIARIES

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HERC HOLDINGS INC. AND SUBSIDIARIES

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q for the period ended March 31, 2026 (this "Report") includes "forward-looking statements," within the meaning of Section 21E of the Securities Exchange Act, as amended, and the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified by the words "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "forecasts," "looks," and future or conditional verbs, such as "will," "should," "could" or "may," as well as variations of such words or similar expressions. All forward-looking statements are based upon our current expectations and various assumptions and apply only as of the date of this Report. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that our expectations, beliefs and projections will be achieved. You should not place undue reliance on the forward-looking statements.

Factors that could cause actual results to differ materially from those projected include, but are not limited to, the following:

- the cyclical nature of our industry and our dependence on the levels of capital investment and maintenance expenditures by our customers;*
- the competitiveness of our industry, including the potential downward pricing pressures or the inability to increase prices;*
- our dependence on relationships with key suppliers;*
- our heavy reliance on communication networks, centralized information technology systems and third party technology and services and our ability to maintain, upgrade or replace our information technology systems;*
- our ability to respond adequately to changes in technology and customer demands;*
- our ability to attract and retain key management, sales and trades talent;*
- our rental fleet is subject to residual value risk upon disposition;*
- the impact of climate change and the legal and regulatory responses to such change;*
- our ability to execute our strategy to grow through strategic transactions;*
- our ability to integrate H&E Equipment Services, Inc. into our business and realize all the anticipated benefits of the transaction; and*
- our significant indebtedness.*

There are a number of risks, uncertainties and other important factors that could cause our actual results to differ materially from those suggested by our forward-looking statements, including those set forth in our Annual Report on Form 10-K for the year ended December 31, 2025 under Item 1A "Risk Factors," in Part II, Item 1A of this Report, and in our other filings with the Securities and Exchange Commission. All forward-looking statements are expressly qualified in their entirety by such cautionary statements. We undertake no obligation to update or revise forward-looking statements that have been made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

PART I—FINANCIAL INFORMATION

ITEM I. FINANCIAL STATEMENTS

HERC HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions, except par value)

	March 31, 2026	December 31, 2025
ASSETS		
	(Unaudited)	
Current assets:		
Cash and cash equivalents	\$ 43	\$ 52
Receivables, net of allowances of \$31 and \$31, respectively	760	769
Prepaid expenses	62	72
Other current assets	54	63
Total current assets	919	956
Rental equipment, net	5,737	5,880
Property and equipment, net	867	868
Right-of-use lease assets	1,509	1,489
Intangible assets, net	1,627	1,665
Goodwill	2,861	2,873
Other long-term assets	44	45
Total assets	\$ 13,564	\$ 13,776
LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt and financing obligations	\$ 32	\$ 32
Current maturities of operating lease liabilities	57	56
Accounts payable	218	337
Accrued liabilities	321	305
Total current liabilities	628	730
Long-term debt, net	7,958	8,021
Financing obligations, net	94	95
Operating lease liabilities	1,502	1,479
Deferred tax liabilities	1,426	1,446
Other long-term liabilities	58	57
Total liabilities	11,666	11,828
Commitments and contingencies (Note 12)		
Equity:		
Preferred stock, \$0.01 par value, 13.3 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, 133.3 shares authorized, 38.3 and 38.2 shares issued and 33.4 and 33.3 shares outstanding	—	—
Additional paid-in capital	2,449	2,448
Retained earnings	500	547
Accumulated other comprehensive loss	(124)	(120)
Treasury stock, at cost, 4.9 shares and 4.9 shares	(927)	(927)
Total equity	1,898	1,948
Total liabilities and equity	\$ 13,564	\$ 13,776

The accompanying notes are an integral part of these financial statements.

HERC HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Unaudited

(In millions, except per share data)

	Three Months Ended March 31,	
	2026	2025
Revenues:		
Equipment rental	\$ 981	\$ 739
Sales of rental equipment	138	105
Sales of new equipment, parts and supplies	13	11
Service and other revenue	7	6
Total revenues	1,139	861
Expenses:		
Direct operating	453	327
Depreciation of rental equipment	242	172
Cost of sales of rental equipment	109	76
Cost of sales of new equipment, parts and supplies	9	8
Selling, general and administrative	146	118
Transaction expenses	5	74
Non-rental depreciation and amortization	73	33
Interest expense, net	128	62
Other income, net	(3)	(1)
Total expenses	1,162	869
Loss before income taxes	(23)	(8)
Income tax provision	(1)	(10)
Net loss	\$ (24)	\$ (18)
Weighted average shares outstanding:		
Basic	33.3	28.5
Diluted	33.3	28.5
Loss per share:		
Basic	\$ (0.72)	\$ (0.63)
Diluted	\$ (0.72)	\$ (0.63)

The accompanying notes are an integral part of these financial statements.

HERC HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

Unaudited
(In millions)

	<u>Three Months Ended March 31,</u>	
	<u>2026</u>	<u>2025</u>
Net loss	\$ (24)	\$ (18)
Other comprehensive loss:		
Foreign currency translation adjustments	<u>(4)</u>	<u>—</u>
Total comprehensive loss	<u>\$ (28)</u>	<u>\$ (18)</u>

The accompanying notes are an integral part of these financial statements.

HERC HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Unaudited
(In millions)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Equity
	Shares	Amount					
Balance at December 31, 2025	33.3	\$ —	\$ 2,448	\$ 547	\$ (120)	\$ (927)	\$ 1,948
Net loss	—	—	—	(24)	—	—	(24)
Other comprehensive loss	—	—	—	—	(4)	—	(4)
Stock-based compensation charges	—	—	6	—	—	—	6
Dividends declared, \$0.70 per share	—	—	—	(23)	—	—	(23)
Net settlement on vesting of equity awards	0.1	—	(7)	—	—	—	(7)
Employee stock purchase plan	—	—	2	—	—	—	2
Balance at March 31, 2026	33.4	\$ —	\$ 2,449	\$ 500	\$ (124)	\$ (927)	\$ 1,898

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Equity
	Shares	Amount					
Balance at December 31, 2024	28.4	\$ —	\$ 1,832	\$ 633	\$ (142)	\$ (927)	1,396
Net loss	—	—	—	(18)	—	—	(18)
Stock-based compensation charges	—	—	6	—	—	—	6
Dividends declared, \$0.70 per share	—	—	—	(20)	—	—	(20)
Net settlement on vesting of equity awards	0.1	—	(7)	—	—	—	(7)
Employee stock purchase plan	—	—	1	—	—	—	1
Balance at March 31, 2025	28.5	\$ —	\$ 1,832	\$ 595	\$ (142)	\$ (927)	\$ 1,358

The accompanying notes are an integral part of these financial statements.

HERC HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited
(In millions)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net loss	\$ (24)	\$ (18)
<i>Adjustments to reconcile net loss to net cash provided by operating activities:</i>		
Depreciation of rental equipment	242	172
Depreciation of property and equipment	32	22
Amortization of intangible assets	41	11
Amortization of deferred debt and financing obligations costs	3	1
Stock-based compensation charges	6	6
Provision for receivables allowances	25	14
Deferred taxes	(19)	(29)
Gain on sale of rental equipment	(29)	(29)
Other	3	—
<i>Changes in assets and liabilities, net of effects from acquisitions:</i>		
Receivables	(11)	20
Other assets	16	(20)
Accounts payable	(44)	(18)
Accrued liabilities and other long-term liabilities	36	39
Net cash provided by operating activities	277	171
Cash flows from investing activities:		
Rental equipment expenditures	(272)	(187)
Proceeds from disposal of rental equipment	117	94
Non-rental capital expenditures	(41)	(33)
Proceeds from disposal of property and equipment	13	4
Acquisitions, net of cash acquired	—	(11)
Net cash used in investing activities	(183)	(133)

The accompanying notes are an integral part of these financial statements.

HERC HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

Unaudited
(In millions)

	Three Months Ended March 31,	
	2026	2025
Cash flows from financing activities:		
Proceeds from revolving lines of credit and securitization	571	520
Repayments on revolving lines of credit and securitization	(637)	(561)
Principal payments under finance lease and financing obligations	(8)	(5)
Dividends paid	(24)	(21)
Net settlement on vesting of equity awards	(7)	(7)
Proceeds from employee stock purchase plan	2	1
Net cash used in financing activities	(103)	(73)
Effect of foreign exchange rate changes on cash and cash equivalents	—	—
Net change in cash and cash equivalents during the period	(9)	(35)
Cash and cash equivalents at beginning of period	52	83
Cash and cash equivalents at end of period	\$ 43	\$ 48

Supplemental disclosure of cash flow information:

Cash paid for interest	\$ 63	\$ 66
Cash paid for income taxes, net	\$ —	\$ 2

Supplemental disclosure of non-cash investing activity:

Non-rental capital expenditures in accounts payable	\$ —	\$ 7
Disposal of rental equipment in accounts receivable	\$ 11	\$ 4

Supplemental disclosure of non-cash investing and financing activity:

Equipment acquired through finance lease	\$ 10	\$ 3
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The accompanying notes are an integral part of these financial statements.

HERC HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
Unaudited

Note 1—Organization and Description of Business

Herc Holdings Inc. ("we," "us," "our," "Herc Holdings," or "the Company") is one of the leading equipment rental suppliers with 609 locations in North America as of March 31, 2026. The Company conducts substantially all of its operations through subsidiaries, including Herc Rentals Inc. ("Herc"). With over 60 years of experience, the Company is a full-line equipment rental supplier offering a broad portfolio of equipment for rent, services and technologies aimed at helping customers work more efficiently, effectively and safely. In addition to its principal business of equipment rental, the Company sells used equipment and contractor supplies such as construction consumables, tools, small equipment and safety supplies; provides repair, maintenance, equipment management services and safety training to certain of its customers; offers equipment re-rental services and provides on-site support to its customers; and provides ancillary services such as equipment transport, rental protection, cleaning, refueling and labor.

The Company's fleet includes aerial, earthmoving, material handling, trucks and trailers, air compressors, compaction, and lighting equipment. The Company's equipment rental business is supported by ProSolutions, its industry-specific solutions-based services, which includes power generation, climate control, remediation and restoration, pumps, trench shoring and its ProContractor professional grade tools. The Company's ProControl by Herc Rentals™ digital platform combines a seamless e-commerce experience with integrated project and fleet management tools, leveraging telematics and real-time analytics to help customers optimize productivity across their operations.

Note 2—Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The Company prepares its condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). In the opinion of management, the condensed consolidated financial statements reflect all adjustments of a normal recurring nature that are necessary for a fair statement of the results for the interim periods presented. Interim results are not necessarily indicative of results for a full year. The year-end condensed consolidated balance sheet data was derived from audited financial statements, however, these condensed consolidated financial statements do not include all of the disclosures required for complete annual financial statements and, accordingly, certain information, footnotes and disclosures normally included in annual financial statements, prepared in accordance with U.S. GAAP, have been condensed or omitted in accordance with Securities and Exchange Commission ("SEC") rules and regulations. The Company believes that the disclosures made are adequate to make the information not misleading. Accordingly, the condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 17, 2026.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and footnotes. Actual results could differ materially from those estimates.

Significant estimates inherent in the preparation of the condensed consolidated financial statements include receivables allowances, depreciation of rental equipment, the recoverability of long-lived assets, useful lives and impairment of long-lived tangible and intangible assets including goodwill and trade name, valuation of acquired intangible assets, pension and postretirement benefits, valuation of stock-based compensation, reserves for litigation and other contingencies, accounting for income taxes, and valuation of an earnout receivable, among others.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of Herc Holdings and its wholly owned subsidiaries. In the event that the Company is a primary beneficiary of a variable interest entity, the assets, liabilities and results of operations of the variable interest entity are included in the Company's condensed consolidated financial statements. The Company accounts for investments in joint ventures using the equity method when it has significant influence but not control and is not the primary beneficiary. All significant intercompany transactions have been eliminated in consolidation.

HERC HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
Unaudited

Recently Issued Accounting Pronouncements and Disclosure Rules

Adopted

Improvements to Accounting for Internal-Use Software

In September 2025, the FASB issued Accounting Standards Update No. 2025-06, "Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 250-40)" ("ASU 2025-06"), which is intended to modernize the accounting for internal-use software costs by removing the previous "development stage" model and introducing a model that aligns with current software development methods, such as the agile approach. Capitalization of eligible costs begins when management has authorized and committed to funding the software project, it is probable the project will be completed and the software will be used for the function intended. The Company early adopted this guidance prospectively on January 1, 2026 and it did not have an impact on its financial position, results of operations, or cash flows.

Not Yet Adopted

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued Accounting Standards Update No. 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)" ("ASU 2024-03"), which is intended to improve the disclosures about a public entity's expenses and address requests from investors for more detailed information about the types of expenses in commonly presented expense captions. The guidance is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. ASU 2024-03 should be applied either on a prospective or retrospective basis. The Company is currently evaluating the potential impact of adopting this new guidance on its consolidated financial statements and related disclosures.

Note 3—Revenue Recognition

The Company is principally engaged in the business of renting equipment. Ancillary to the Company's principal equipment rental business, the Company also sells used rental equipment, new equipment and parts and supplies and offers certain services to support its customers. The Company operates in North America with revenue from the United States representing 94.9% of total revenue for the three months ended March 31, 2026, compared to 93.6% for the same period in 2025.

The Company's rental transactions are accounted for under Accounting Standards Codification ("ASC") Topic 842, *Leases* ("Topic 842"). The Company's sale of rental and new equipment, parts and supplies along with certain services provided to customers are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* ("Topic 606"). The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. The amount of revenue recognized reflects the consideration the Company expects to be entitled to in exchange for such products or services.

HERC HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
Unaudited

The following summarizes the applicable accounting guidance for the Company's revenues for the three months ended March 31, 2026 and 2025 (in millions):

	Three Months Ended March 31,					
	2026			2025		
	Topic 842	Topic 606	Total	Topic 842	Topic 606	Total
Revenues:						
Equipment rental	\$ 884	\$ —	\$ 884	\$ 666	\$ —	\$ 666
Other rental revenue:						
Delivery and pick-up	—	62	62	—	48	48
Other	35	—	35	25	—	25
Total other rental revenues	35	62	97	25	48	73
Total equipment rental	919	62	981	691	48	739
Sales of rental equipment	—	138	138	—	105	105
Sales of new equipment, parts and supplies	—	13	13	—	11	11
Service and other revenues	—	7	7	—	6	6
Total revenues	\$ 919	\$ 220	\$ 1,139	\$ 691	\$ 170	\$ 861

Topic 842 Revenues

Equipment Rental Revenue

The Company offers a broad portfolio of equipment for rent on daily, weekly or monthly basis, with substantially all rental agreements cancellable upon the return of the equipment. Virtually all customer contracts can be canceled by the customer with no penalty by returning the equipment within one day; therefore, the Company does not allocate the transaction price between the different contract elements.

Equipment rental revenue includes revenue generated from renting equipment to customers and is recognized on a straight-line basis over the length of the rental contract. As part of this straight-line methodology, when the equipment is returned, the Company recognizes as incremental revenue the excess, if any, between the amount the customer is contractually required to pay, which is based on the rental contract period applicable to the actual number of days the equipment was out on rent, over the cumulative amount of revenue recognized to date. In any given accounting period, the Company will have customers return equipment and be contractually required to pay more than the cumulative amount of revenue recognized to date under the straight-line methodology. Also included in equipment rental revenue is re-rent revenue in which the Company will rent specific pieces of equipment from vendors and then re-rent that equipment to its customers. Provisions for discounts, rebates to customers and other adjustments are provided for in the period the related revenue is recorded.

Other

Other equipment rental revenue is primarily comprised of fees for the Company's rental protection program and environmental charges. Fees paid for the rental protection program allow customers to limit the risk of financial loss in the event the Company's equipment is damaged or lost. Fees for the rental protection program and environmental recovery fees are recognized on a straight-line basis over the length of the rental contract.

Topic 606 Revenues

Delivery and Pick-up

Delivery and pick-up revenue associated with renting equipment is recognized when the services are performed.

HERC HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
Unaudited

Sales of Rental Equipment, New Equipment, Parts and Supplies

The Company sells its used rental equipment, new equipment, parts and supplies. Revenues recorded for each category are as follows (in millions):

	Three Months Ended March 31,	
	2026	2025
Sales of rental equipment	\$ 138	\$ 105
Sales of new equipment	6	5
Sales of parts and supplies	7	6
Total	\$ 151	\$ 116

The Company recognizes revenue from the sale of rental equipment, new equipment, parts and supplies when control of the asset transfers to the customer, which is typically when the asset is picked up by or delivered to the customer and when significant risks and rewards of ownership have passed to the customer. Sales and other tax amounts collected from customers and remitted to government authorities are accounted for on a net basis and, therefore, excluded from revenue.

The Company routinely sells its used rental equipment in order to manage repair and maintenance costs, as well as the composition, age and size of its fleet. The Company disposes of used equipment through a variety of channels including retail sales to customers and other third parties, sales to wholesalers, brokered sales and auctions.

The Company also sells new equipment, parts and supplies. The types of new equipment that the Company sells vary by location and include a variety of ProContractor tools and supplies, small equipment (such as work lighting, generators, pumps, compaction equipment and power trowels), safety supplies and expendables.

Under Topic 606, the accounts receivable balance, prior to allowances for credit losses, for the sale of rental equipment, new equipment, parts and supplies, was approximately \$52 million and \$41 million as of March 31, 2026 and December 31, 2025, respectively.

Service and Other Revenues

Service and other revenues primarily include revenue earned from equipment management and similar services for rental customers which includes providing customer support functions such as dedicated in-plant operations, plant management services, equipment and safety training, and repair and maintenance services particularly to industrial customers who request such services.

The Company recognizes revenue for service and other revenues as the services are provided. Service and other revenues are typically invoiced together with a customer's rental amounts and, therefore, it is not practical for the Company to separate the accounts receivable amount related to services and other revenues that are accounted for under Topic 606; however, such amount is not considered material.

Receivables and Contract Assets and Liabilities

Most of the Company's equipment rental revenue is accounted for under Topic 842. The customers that are responsible for the remaining equipment rental revenue that is accounted for under Topic 606 are generally the same customers that rent the Company's equipment. Concentration of credit risk with respect to the Company's accounts receivable is limited because a large number of geographically diverse customers makes up its customer base. The Company manages credit risk associated with its accounts receivable at the customer level through credit approvals, credit limits and other monitoring procedures. The Company maintains allowances for credit losses that reflect the Company's estimate of the amount of receivables that the Company will be unable to collect based on its historical write-off experience.

The Company does not have material contract assets or contract liabilities associated with customer contracts. The Company's contracts with customers do not generally result in material amounts billed to customers in excess of recognizable revenue. The Company did not recognize material revenue during the three months ended March 31, 2026 and 2025 that was included in the contract liability balance as of the beginning of each period.

HERC HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
Unaudited

Performance Obligations

Most of the Company's revenue recognized under Topic 606 is recognized at a point-in-time, rather than over time. Accordingly, in any particular period, the Company does not generally recognize a significant amount of revenue from performance obligations satisfied (or partially satisfied) in previous periods, and the amount of such revenue recognized during the three months ended March 31, 2026 and 2025 was not material. We also do not expect to recognize material revenue in the future related to performance obligations that were unsatisfied (or partially unsatisfied) as of March 31, 2026.

Contract Estimates and Judgments

The Company's revenues accounted for under Topic 606 generally do not require significant estimates or judgments, primarily for the following reasons:

- The transaction price is generally fixed and stated on the Company's contracts;
- As noted above, the Company's contracts generally do not include multiple performance obligations, and accordingly do not generally require estimates of the standalone selling price for each performance obligation;
- The Company's revenues do not include material amounts of variable consideration; and
- Most of the Company's revenue is recognized as of a point-in-time and the timing of the satisfaction of the applicable performance obligations is readily determinable. As noted above, the revenue recognized under Topic 606 is generally recognized at the time of delivery to, or pick-up by, the customer.

The Company monitors and reviews its estimated standalone selling prices on a regular basis.

Note 4—Rental Equipment

Rental equipment consists of the following (in millions):

	March 31, 2026	December 31, 2025
Rental equipment	\$ 8,399	\$ 8,407
Less: Accumulated depreciation	(2,662)	(2,527)
Rental equipment, net	\$ 5,737	\$ 5,880

Note 5—Business Combinations

The Company accounts for business combinations using the acquisition method as defined in ASC Topic 805, *Business Combinations* ("Topic 805"). Under this method of accounting, the purchase price allocations below reflect the estimated fair values, net of tax, of the respective assets acquired and liabilities assumed.

On June 2, 2025, the Company completed the acquisition of H&E Equipment Services, Inc. ("H&E") pursuant to the Agreement and Plan of Merger, dated as of February 19, 2025 (the "Merger Agreement"). H&E was a full-service equipment rental company that provided its customers with a mix of high-quality general rental fleet including aerial, earthmoving, material handling, and other lines of equipment. H&E served a diverse mix of customers across both construction and industrial markets through its network of approximately 160 branches in over 30 U.S. states. The acquisition (i) added scale and density in key rental regions, particularly in several of the largest rental regions in North America; (ii) created cross-sell opportunities of specialty equipment to an expanded customer base and (iii) increased availability of aerial, material handling and earthmoving equipment for the Company's customers.

The Company acquired all of the outstanding common stock of H&E in exchange for \$78.75 in cash and 0.1287 shares of Company common stock on a per-H&E share basis. The total purchase price for the acquisition was \$4.8 billion including cash payment of \$2.9 billion and the issuance of approximately 4.7 million of the Company's common shares to H&E's shareholders, valued at \$584 million. Additionally, the Company paid cash to extinguish \$1.4 billion of outstanding H&E debt that was not assumed as part of the acquisition. The acquisition was funded by issuance of new debt consisting of \$2.8 billion in senior unsecured notes, a \$750 million term loan facility and \$2.5 billion of borrowings on a new asset based revolving credit facility, of which approximately \$1.6 billion was used to repay borrowings on the prior asset based revolving credit facility. Additional information on the financing associated and equity issued with the H&E acquisition is included in Note 11, "Debt" and Note 19,

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"Equity and Earnings (Loss) Per Share" to the Company's financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2025, respectively.

The following table summarizes the preliminary purchase price allocation of the assets acquired and liabilities assumed (in millions):

	H&E
Cash	\$ 5
Accounts receivable	187
Other current assets	22
Rental equipment	1,781
Property and equipment	288
Right-of-use lease assets	567
Customer relationships intangible	1,190
Total identifiable assets acquired	4,040
Current liabilities	173
Operating lease liabilities	567
Finance lease liabilities	7
Deferred tax liabilities	649
Net identifiable assets acquired	2,644
Goodwill	2,172
Net assets acquired	\$ 4,816

The customer relationships intangible has an expected life of 10 years. The level of goodwill that resulted from the acquisition is primarily reflective of operational synergies the Company expects to achieve that are not associated with the identifiable assets, the value of H&E's assembled workforce and new customer relationships expected to arise from the acquisition. The goodwill is not expected to be deductible for income tax purposes.

The purchase price was allocated based on information available at the acquisition date and income taxes and goodwill are subject to change as the Company completes its analysis during the measurement period not to exceed one year as permitted under Topic 805. During the first quarter, management has continued to assess the opening balance sheet and recorded measurement period adjustments to various accounts, which resulted in a decrease to goodwill of \$11 million. The adjustments were primarily related to the reversal of accrued liabilities.

The assets and liabilities for H&E were recorded as of June 2, 2025 and the results of operations have been included in the Company's consolidated results of operations since that date. It is not practicable to reasonably estimate the amount of revenue and earnings of H&E since acquisition date, primarily due to the movement of fleet between Herc locations and the acquired H&E locations, as well as the corporate structure and the allocation of corporate costs.

Pro Forma Supplementary Data

The unaudited pro forma supplementary data presented in the table below (in millions) gives effect to the acquisition of H&E as if it had been included in the Company's condensed consolidated results for the entire period reflected. The unaudited pro forma supplementary data is provided for informational purposes only and is not indicative of the Company's results of operations had the acquisition been included for the period presented, nor is it indicative of the Company's future results.

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	Three Months Ended March 31, 2025		
	Herc	H&E	Total
Historic/pro forma equipment rental revenue	\$ 739	\$ 274	\$ 1,013
Historic/pro forma total revenues	861	319	1,180
Historic/combined pretax loss	(8)	(8)	(16)
Pro forma adjustments to consolidated pretax loss:			
Impact of fair value adjustments/useful life changes on depreciation ^(a)		21	21
Intangible asset amortization ^(b)		(30)	(30)
Interest expense ^(c)		(63)	(63)
Elimination of historic interest ^(d)		16	16
Transaction expenses ^(e)		83	83
Pro forma pretax income			\$ 11

(a) Depreciation of rental equipment was adjusted for the fair value at acquisition and changes in useful lives of equipment acquired.

(b) Intangible asset amortization was adjusted to include amortization of the acquired intangible asset.

(c) As discussed above, the Company funded the H&E acquisition with borrowings under various long-term debt instruments. Interest expense was adjusted to reflect interest on such borrowings.

(d) Historic interest on debt that is not part of the combined entity was eliminated.

(e) Transaction expenses associated with the H&E acquisition, whether incurred by the Company or the acquiree, were assumed to have been recognized prior to the earliest period presented and were excluded from the period presented.

Note 6—Goodwill and Intangible Assets

Goodwill

The following summarizes the Company's goodwill (in millions):

	March 31, 2026	December 31, 2025
Balance at the beginning of the period:		
Goodwill, gross	\$ 3,541	\$ 1,334
Accumulated impairment losses	(668)	(664)
Goodwill	2,873	670
Additions		
Adjustments ^(a)	(11)	—
Currency translation	(1)	2
Balance at the end of the period:		
Goodwill, gross	3,528	3,541
Accumulated impairment losses	(667)	(668)
Goodwill	\$ 2,861	\$ 2,873

(a) Goodwill adjustments were due to measurement period adjustments for the H&E acquisition, see Note 5, "Business Combinations" for additional information.

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Intangible Assets

Intangible assets, net, consisted of the following major classes (in millions):

	March 31, 2026		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
Finite-lived intangible assets:			
Customer relationships	\$ 1,552	\$ (241)	\$ 1,311
Non-compete agreements	19	(11)	8
Internally developed software ^(a)	56	(19)	37
Total	1,627	(271)	1,356
Indefinite-lived intangible assets:			
Trade name	271	—	271
Total intangible assets, net	\$ 1,898	\$ (271)	\$ 1,627

(a) Includes capitalized costs of \$23 million yet to be placed into service.

	December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
Finite-lived intangible assets:			
Customer relationships	\$ 1,552	\$ (203)	\$ 1,349
Non-compete agreements	19	(10)	9
Internally developed software ^(a)	53	(17)	36
Total	1,624	(230)	1,394
Indefinite-lived intangible assets:			
Trade name	271	—	271
Total intangible assets, net	\$ 1,895	\$ (230)	\$ 1,665

(a) Includes capitalized costs of \$21 million yet to be placed into service.

Amortization of intangible assets was \$41 million and \$11 million for the three months ended March 31, 2026 and 2025, respectively.

Note 7—Leases

The Company leases real estate, office equipment and service vehicles. The Company's leases have remaining lease terms of up to 21 years, some of which include options to extend the leases for up to 25 years. The Company determines the lease term used to record each lease by including the initial lease term and, in the case where there are options to extend, will include the option to extend if it has determined that it is reasonably certain that the Company would exercise those options.

The Company also leases certain equipment that it rents to its customers where the payments vary based upon the amount of time the equipment is on rent. There are no fixed payments on these leases and, therefore, no lease liability or ROU assets have been recorded. Leases with an initial term of 12 months or less are not recorded on the balance sheet. Lease expense for these leases is recognized on a straight-line basis over the lease term.

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The components of lease expense consist of the following (in millions):

	Classification	Three Months Ended March 31,	
		2026	2025
Operating lease cost ^(a)	Direct operating	\$ 54	\$ 38
Finance lease costs:			
Amortization of ROU assets	Depreciation and amortization	5	4
Interest on lease liabilities	Interest expense, net	1	1
Sublease income	Equipment rental revenue	(18)	(15)
Net lease cost		\$ 42	\$ 28

(a) Includes short-term leases of \$11 million for the three months ended March 31, 2026 and 2025, and variable lease costs of \$4 million and \$2 million for the three months ended March 31, 2026 and 2025, respectively.

Note 8—Debt

The Company's debt consists of the following (in millions):

	Weighted Average Effective Interest Rate at March 31, 2026	Weighted Average Stated Interest Rate at March 31, 2026	Fixed or Floating Interest Rate	Maturity	March 31, 2026	December 31, 2025
Senior Notes						
2029 Notes	6.91%	6.63%	Fixed	2029	\$ 800	\$ 800
2030 Notes	7.25%	7.00%	Fixed	2030	1,650	1,650
2031 Notes	5.94%	5.75%	Fixed	2031	600	600
2033 Notes	7.43%	7.25%	Fixed	2033	1,100	1,100
2034 Notes	6.14%	6.00%	Fixed	2034	600	600
Other Debt						
ABL Credit Facility	N/A	5.03%	Floating	2030	1,981	2,047
Term Loan Facility	5.69%	5.43%	Floating	2032	748	750
AR Facility	N/A	4.52%	Floating	2026	475	475
Finance lease liabilities	4.58%	N/A	Fixed	2026-2044	84	81
<i>Unamortized debt issuance costs and debt discount^(a)</i>					(53)	(56)
Total debt					7,985	8,047
Less: Current maturities of long-term debt					(27)	(26)
Total long-term debt, net					\$ 7,958	\$ 8,021

(a) Unamortized debt issuance costs totaling \$11 million and \$12 million related to the ABL Credit Facility and AR Facility (as each is defined below) as of March 31, 2026 and December 31, 2025, respectively, are included in "Other long-term assets" in the condensed consolidated balance sheets.

The effective interest rates for the fixed rate 2029 Notes, 2030 Notes, 2031 Notes, 2033 Notes, and 2034 Notes (as each is defined below) includes the stated interest on the notes and the amortization of any debt issuance costs. The effective interest rate for the variable rate Term Loan Facility (as defined below) includes the stated interest on the loan and the amortization of the debt discount and debt issuance costs. The Company's debt instruments are described below, additional information is included in Note 11, "Debt" to the Company's financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2025.

Senior Notes—2029 Notes

On June 7, 2024, the Company issued \$800 million aggregate principal amount of its 6.625% Senior Notes due 2029 (the "2029 Notes"). Interest on the 2029 Notes accrues at the rate of 6.625% per annum and is payable semi-annually in arrears on June 15 and December 15 of each year. The 2029 Notes will mature on June 15, 2029.

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Senior Notes—2030 Notes

On June 2, 2025, the Company issued \$1.65 billion aggregate principal amount of its 7.00% Senior Notes due 2030 (the "2030 Notes"). Interest on the 2030 Notes accrues at the rate of 7.00% per annum and is payable semi-annually in arrears on June 15 and December 15 of each year. The 2030 Notes will mature on June 15, 2030.

Senior Notes—2031 Notes

On December 16, 2025, the Company issued \$600 million aggregate principal amount of its 5.75% Senior Notes due 2031 (the "2031 Notes"). Interest on the 2031 Notes accrues at the rate of 5.75% per annum and is payable semi-annually in arrears on March 15 and September 15 of each year. The 2031 Notes will mature on March 15, 2031.

Senior Notes—2033 Notes

On June 2, 2025, the Company issued \$1.1 billion aggregate principal amount of its 7.25% Senior Notes due 2033 (the "2033 Notes"). Interest on the 2033 Notes accrues at the rate of 7.25% per annum and is payable semi-annually in arrears on June 15 and December 15 of each year. The 2033 Notes will mature on June 15, 2033.

Senior Notes—2034 Notes

On December 16, 2025, the Company issued \$600 million aggregate principal amount of its 6.00% Senior Notes due 2034 (the "2034 Notes" and, together with the 2029 Notes, 2030 Notes, 2031 Notes and 2033 Notes, the "Notes"). Interest on the 2034 Notes accrues at the rate of 6.00% per annum and is payable semi-annually in arrears on March 15 and September 15 of each year. The 2034 Notes will mature on March 15, 2034.

ABL Credit Facility

On June 2, 2025, the Company and certain of its subsidiaries entered into a credit agreement with respect to a senior secured asset-based revolving credit facility (the "ABL Credit Facility"). The ABL Credit Facility provides for aggregate maximum borrowings of up to \$4.0 billion (subject to availability under a borrowing base). Up to \$250 million of the revolving loan facility is available for the issuance of letters of credit, subject to certain conditions including issuing lender participation. Subject to the satisfaction of certain conditions and limitations, the ABL Credit Facility allows for the addition of incremental revolving commitments and/or incremental term loans. The ABL Credit Facility matures on June 2, 2030.

Term Loan Facility

On June 2, 2025, the Company and certain of its subsidiaries entered into a credit agreement with respect to a senior secured term loan facility (the "Term Loan Facility") of \$750 million. The principal obligations under the Term Loan Facility are to be repaid in quarterly installments in an aggregate amount equal to 1.00% per annum, with the balance due at the maturity of the Term Loan Facility. The Term Loan Facility matures on June 2, 2032.

Accounts Receivable Securitization Facility

The accounts receivable securitization facility (the "AR Facility"), as amended, matures on August 31, 2026 and has aggregate commitments up to \$475 million. In connection with the AR Facility, Herc sells its accounts receivables on an ongoing basis to Herc Receivables U.S. LLC, a wholly-owned special-purpose entity (the "SPE"). The SPE's sole business consists of the purchase by the SPE of accounts receivable from Herc and borrowing by the SPE against the eligible accounts receivable from the lenders under the facility. The borrowings are secured by liens on the accounts receivable and other assets of the SPE. Collections on the accounts receivable are used to service the borrowings. The SPE is a separate legal entity that is consolidated in the Company's financial statements. The SPE assets are owned by the SPE and are not available to settle the obligations of the Company or any of its other subsidiaries. Herc is the servicer of the accounts receivable under the AR Facility. All of the obligations of the servicer and certain indemnification obligations of the SPE under the agreements governing the AR Facility are guaranteed by Herc pursuant to a performance guarantee. The AR Facility is excluded from current maturities of long-term debt as the Company has the intent and ability to fund the AR Facility's borrowings on a long-term basis either by further extending the maturity date of the AR Facility or by utilizing the capacity available at the balance sheet date under the ABL Credit Facility.

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Borrowing Capacity and Availability

After outstanding borrowings, the following was available to the Company under the ABL Credit Facility and AR Facility as of March 31, 2026 (in millions):

	Remaining Capacity	Availability Under Borrowing Base Limitation
ABL Credit Facility	\$ 1,972	\$ 1,906
AR Facility	—	—
Total	\$ 1,972	\$ 1,906

Letters of Credit

As of March 31, 2026, \$47 million of standby letters of credit were issued and outstanding, none of which have been drawn upon. The ABL Credit Facility had \$203 million available under the letter of credit facility sublimit, subject to borrowing base restrictions.

Note 9—Financing Obligations

In prior years, Herc entered into sale-leaseback transactions pursuant to which it sold 44 properties located in the U.S. and certain service vehicles. The sale of the properties and service vehicles did not qualify for sale-leaseback accounting; therefore, the book value of the assets remain on the Company's consolidated balance sheet. The Company's financing obligations consist of the following (in millions):

	Weighted Average Effective Interest Rate at March 31, 2026	Maturities	March 31, 2026	December 31, 2025
Financing obligations	5.48%	2026-2038	\$ 101	\$ 103
Unamortized financing issuance costs			(2)	(2)
Total financing obligations			99	101
Less: Current maturities of financing obligations			(5)	(6)
Financing obligations, net			\$ 94	\$ 95

Note 10—Income Taxes

Income tax provision was \$1 million for the three months ended March 31, 2026 compared to \$10 million in the same period of 2025. The income tax provision in the current period was primarily driven by non-deductible expenses, tax credits, and foreign tax assessments.

Note 11—Accumulated Other Comprehensive Income (Loss)

The changes in the accumulated other comprehensive income (loss) balance by component (net of tax) for the three months ended March 31, 2026 are presented in the table below (in millions).

	Pension and Other Post-Employment Benefits	Foreign Currency Items	Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2025	\$ (12)	\$ (108)	\$ (120)
Other comprehensive loss	—	(4)	(4)
Balance at March 31, 2026	\$ (12)	\$ (112)	\$ (124)

Note 12—Commitments and Contingencies

Legal Proceedings

The Company is subject to a number of claims and proceedings that generally arise in the ordinary conduct of its business. These matters include, but are not limited to, claims arising from the operation of rented equipment and workers' compensation

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claims. The Company does not believe that the liabilities arising from such ordinary course claims and proceedings will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

The Company has established reserves for matters where the Company believes the losses are probable and can be reasonably estimated. For matters where a reserve has not been established, the ultimate outcome or resolution cannot be predicted at this time, or the amount of ultimate loss, if any, cannot be reasonably estimated. Litigation is subject to many uncertainties and there can be no assurance as to the outcome of the individual litigated matters. It is possible that certain of the actions, claims, inquiries or proceedings could be decided unfavorably to the Company or any of its subsidiaries involved. Accordingly, it is possible that an adverse outcome from such a proceeding could exceed the amount accrued in an amount that could be material to the Company's consolidated financial condition, results of operations or cash flows in any particular reporting period.

Off-Balance Sheet Commitments

Indemnification Obligations

In the ordinary course of business, the Company executes contracts involving indemnification obligations customary in the relevant industry and indemnifications specific to a transaction such as the sale of a business or assets or a financial transaction. These indemnification obligations might include claims relating to the following: accuracy of representations; compliance with covenants and agreements by the Company or third parties; environmental matters; intellectual property rights; governmental regulations; employment-related matters; customer, supplier and other commercial contractual relationships; condition of assets; and financial or other matters. Performance under these indemnification obligations would generally be triggered by a breach of terms of the contract or by a third-party claim. The Company regularly evaluates the probability of having to incur costs associated with these indemnification obligations and has accrued for expected losses that are probable and estimable. The types of indemnification obligations for which payments are possible include the following:

The Spin-Off

In connection with the Spin-Off, pursuant to the separation and distribution agreement (agreements and defined terms are discussed in Note 15, "Arrangements with New Hertz"), the Company has assumed the liability for, and control of, all pending and threatened legal matters related to its equipment rental business and related assets, as well as assumed or retained liabilities, and will indemnify New Hertz for any liability arising out of or resulting from such assumed legal matters. The separation and distribution agreement also provides for certain liabilities to be shared by the parties. The Company is responsible for a portion of these shared liabilities (typically 15%), as set forth in that agreement. New Hertz is responsible for managing the settlement or other disposition of such shared liabilities. Pursuant to the tax matters agreement, the Company has agreed to indemnify New Hertz for any resulting taxes and related losses if the Company takes or fails to take any action (or permits any of its affiliates to take or fail to take any action) that causes the Spin-Off and related transactions to be taxable, or if there is an acquisition of the equity securities or assets of the Company or of any member of the Company's group that causes the Spin-Off and related transactions to be taxable.

Note 13—Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or, if none exists, the most advantageous market, for the specific asset or liability at the measurement date (referred to as the "exit price"). Fair value is a market-based measurement that should be determined based upon assumptions that market participants would use in pricing an asset or liability, including consideration of nonperformance risk.

The Company assesses the inputs used to measure fair value using the three-tier hierarchy promulgated under U.S. GAAP. This hierarchy indicates the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Inputs that reflect quoted prices for identical assets or liabilities in active markets that are observable.

Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

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Level 3: Inputs that are unobservable to the extent that observable inputs are not available for the asset or liability at the measurement date and include management's judgment about assumptions that market participants would use in pricing the asset or liability.

The fair value of cash, accounts receivable, accounts payable and accrued liabilities, to the extent the underlying liability will be settled in cash, approximates the carrying values because of the short-term nature of these instruments.

Cash Equivalents

Cash equivalents primarily consist of money market accounts which are classified as Level 1 assets which the Company measures at fair value on a recurring basis. The Company measures the fair value of cash equivalents using a market approach based on quoted prices in active markets. The Company had \$11 million in cash equivalents at March 31, 2026 and \$14 million at December 31, 2025.

Debt Obligations

The fair values of the Company's ABL Credit Facility, AR Facility and finance lease liabilities approximated their book values as of March 31, 2026 and December 31, 2025. The fair value of the Company's Notes and Term Loan Facility are estimated based on quoted market rates as well as borrowing rates currently available to the Company for loans with similar terms and average maturities (Level 2 inputs) (in millions).

	March 31, 2026		December 31, 2025	
	Nominal Unpaid Principal Balance	Aggregate Fair Value	Nominal Unpaid Principal Balance	Aggregate Fair Value
2029 Notes	\$ 800	\$ 810	\$ 800	\$ 829
2030 Notes	1,650	1,690	1,650	1,736
2031 Notes	600	590	600	609
2033 Notes	1,100	1,126	1,100	1,169
2034 Notes	600	580	600	608
Term Loan Facility	748	751	750	751
Total Notes and Term Loan	\$ 5,498	\$ 5,547	\$ 5,500	\$ 5,702

Cinelease Earnout Receivable

The Company made an accounting policy election to record the earnout receivable related to the Cinelease divestiture at fair value at inception, and it is categorized as Level 3 within the fair value hierarchy. In addition, any subsequent fair value adjustments to the earnout receivable will be recorded within operating income in the Company's condensed consolidated statement of operations.

The earnout receivable of \$32 million is recorded within other long-term assets in the Company's condensed consolidated balance sheet as of March 31, 2026 and December 31, 2025, no adjustments to the fair value were made during the three months ended March 31, 2026. The earnout is based on eligible Cinelease revenue reported during 2027 and 2028 that will primarily be paid in 2028 and 2029, with deferrals available into 2031 if certain earnout thresholds are met. The earnout receivable has been recorded at fair value using a probability-weighted discounted cash flow model. This model incorporated the contractual terms regarding timing of payment and the significant unobservable inputs of revenue forecasts for Cinelease, the discount rate, and the probability outcome percentage assigned to each scenario. The estimated fair value is based upon assumptions believed to be reasonable but which are uncertain and involve significant judgment by management. Favorable or unfavorable changes in expectations of achieving the performance metrics would result in corresponding increases or decreases in the fair value measurement, while increases or decreases in the discount rate would have inverse impacts on the fair value measurement.

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Note 14—Earnings (Loss) Per Share

Basic earnings (loss) per share has been computed based upon the weighted average number of common shares outstanding. Diluted earnings per share has been computed based upon the weighted average number of common shares outstanding plus the effect of all potentially dilutive common stock equivalents, except when the effect would be anti-dilutive.

The following table sets forth the computation of basic and diluted loss per share (in millions, except per share data).

	Three Months Ended March 31,	
	2026	2025
Basic and diluted loss per share:		
<i>Numerator:</i>		
Net loss, basic and diluted	\$ (24)	\$ (18)
<i>Denominator:</i>		
Basic weighted average common shares	33.3	28.5
RSUs and PSUs	—	—
Weighted average shares used to calculate diluted loss per share	33.3	28.5
Loss per share:		
Basic	\$ (0.72)	\$ (0.63)
Diluted	\$ (0.72)	\$ (0.63)
Antidilutive RSUs and PSUs	0.2	0.2

Note 15—Arrangements with New Hertz

On June 30, 2016, the Company, in its previous form as the holding company of both the existing equipment rental operations as well as the former vehicle rental operations (in its form prior to the Spin-Off, "Hertz Holdings"), completed a spin-off (the "Spin-Off") of its global vehicle rental business through a dividend to stockholders of all of the issued and outstanding common stock of Hertz Rental Car Holding Company, Inc., which was re-named Hertz Global Holdings, Inc. ("New Hertz") in connection with the Spin-Off. New Hertz is an independent public company and continues to operate its global vehicle rental business through its operating subsidiaries including The Hertz Corporation ("THC").

In connection with the Spin-Off, the Company entered into a separation and distribution agreement (the "Separation Agreement") with New Hertz. In connection therewith, the Company also entered into various other ancillary agreements with New Hertz to effect the Spin-Off and provide a framework for its relationship with New Hertz. The following summarizes some of the most significant agreements and relationships that Herc Holdings continues to have with New Hertz.

Separation and Distribution Agreement

The Separation Agreement sets forth the Company's agreements with New Hertz regarding the principal actions taken in connection with the Spin-Off. It also sets forth other agreements that govern aspects of the Company's relationship with New Hertz following the Spin-Off including (i) the manner in which legal matters and claims are allocated and certain liabilities are shared between the Company and New Hertz; (ii) other matters including transfers of assets and liabilities, treatment or termination of intercompany arrangements and releases of certain claims between the parties and their affiliates; (iii) mutual indemnification clauses; and (iv) allocation of Spin-Off expenses between the parties.

Tax Matters Agreement

The Company entered into a tax matters agreement with New Hertz that governs the parties' rights, responsibilities and obligations after the Spin-Off with respect to tax liabilities and benefits, tax attributes, tax contests and other tax matters regarding income taxes, other taxes and related tax returns.

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Note 16—Segment Information

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the chief operating decision maker ("CODM") in deciding how to allocate resources to an individual segment and in assessing performance. The Company's CODM has been identified as its Chief Executive Officer ("CEO").

The Company considered guidance in ASC Topic 280, *Segment Reporting*, and used the management approach in determining its reportable segment. The Company has determined that it has one operating segment and reportable segment: equipment rental.

The equipment rental segment derives revenues from customers by renting equipment from the Company's fleet, which includes aerial, earthmoving, material handling, trucks and trailers, air compressors, compaction, lighting as well as its ProSolutions products and ProContractor tools. The Company's broad portfolio of equipment for rent is fungible and can be deployed throughout the geographies where the Company does business.

Performance and resource allocation, particularly the amount and timing of new equipment purchases, are evaluated by the CODM using net income. Net income is also used when determining other capital allocation priorities such as completing acquisitions, paying dividends or repurchasing Company shares. Net income from the equipment rental segment is reported on the consolidated statement of operations as net income. Additionally, the measures of segment assets are reported on the consolidated balance sheet as total assets and rental equipment, net, which is further disclosed in Note 4, "Rental Equipment."

There are no significant segment expenses other than those presented on the consolidated statement of operations and the Company does not have intra-entity sales.

HERC HOLDINGS INC. AND SUBSIDIARIES

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis of financial condition and results of operations ("MD&A") should be read in conjunction with the unaudited condensed consolidated financial statements and accompanying notes included in Part I, Item 1 of this Report, which include additional information about our accounting policies, practices and the transactions underlying our financial results. The preparation of our unaudited condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires us to make estimates and assumptions that affect the reported amounts in our unaudited condensed consolidated financial statements and the accompanying notes including receivables allowances, depreciation of rental equipment, the recoverability of long-lived assets, useful lives and impairment of long-lived tangible and intangible assets including goodwill and trade name, pension and postretirement benefits, valuation of stock-based compensation, reserves for litigation and other contingencies, accounting for income taxes and other matters arising during the normal course of business. We apply our best judgment, our knowledge of existing facts and circumstances and our knowledge of actions that we may undertake in the future in determining the estimates that will affect our condensed consolidated financial statements. We evaluate our estimates on an ongoing basis using our historical experience, as well as other factors we believe appropriate under the circumstances, such as current economic conditions, and adjust or revise our estimates as circumstances change. As future events and their effects cannot be determined with precision, actual results may differ from these estimates.

OVERVIEW OF OUR BUSINESS AND OPERATING ENVIRONMENT

We are engaged principally in the business of renting equipment. Ancillary to our principal business of equipment rental, we also sell used rental equipment, sell new equipment and consumables and offer certain services and support to our customers. Our profitability is dependent upon a number of factors including the volume, mix and pricing of rental transactions and the utilization of equipment. Significant changes in the purchase price or residual values of equipment or interest rates can have a significant effect on our profitability depending on our ability to adjust pricing for these changes. Our business requires significant expenditures for equipment, and consequently we require substantial liquidity to finance such expenditures. See "Liquidity and Capital Resources" below.

Our revenues primarily are derived from rental and related charges and consist of:

- Equipment rental (includes all revenue associated with the rental of equipment including ancillary revenue from delivery, rental protection programs and fueling charges);
- Sales of rental equipment and sales of new equipment, parts and supplies; and
- Service and other revenue (primarily relating to training and labor provided to customers).

Our operating expenses primarily consist of:

- Direct operating expenses (primarily wages and related benefits, facility costs and other costs relating to the operation and rental of rental equipment, such as delivery, maintenance and fuel costs);
- Cost of sales of rental equipment, new equipment, parts and supplies;
- Depreciation expense relating to rental equipment;
- Selling, general and administrative expenses;
- Transaction expenses;
- Non-rental depreciation and amortization; and
- Interest expense.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)**Recent Developments and Economic Conditions**

Local markets continue to be impacted by the elevated interest rate environment and continued economic uncertainty. Our diversification across industries and project types has contributed to the resiliency of our business and we believe the operating environment continues to favor equipment rental companies of scale.

We actively monitor the impact of the dynamic macroeconomic environment and manage our business to adjust to such conditions, including the impact of inflation, potential tariffs, interest rate fluctuations or supply chain disruptions, including:

- Monitoring our exposure to inflationary pressures and passing on cost increases to customers where appropriate, although, some costs have less direct pass-through to customers, such as repairs and maintenance, and labor;
- Reevaluating our capital allocation strategy as necessary to address exposure to floating rate debt;
- Planning our equipment purchases and having various suppliers from which to source equipment.

Currently, we do not expect any direct impact of current macroeconomic conditions on our procurement costs in 2026, however, we cannot predict the extent to which our financial condition, results of operations or cash flows will ultimately be impacted by these ongoing economic conditions. We believe we are well-positioned to operate effectively through the present environment.

Seasonality

Our business is seasonal, with demand for our rental equipment tending to be lower in the winter months, particularly in the northern United States and Canada. Our equipment rental business, especially in the construction industry, has historically experienced decreased levels of business from December until late spring and heightened activity during our third and fourth quarters until December. We have the ability to manage certain costs to meet market demand, such as fleet capacity, the most significant portion of our cost structure. For instance, to accommodate increased demand, we increase our available fleet and staff during the second and third quarters of the year. A number of our other major operating costs vary directly with revenues or transaction volumes; however, certain operating expenses, including rent, insurance and administrative overhead, remain fixed and cannot be adjusted for seasonal demand, typically resulting in higher profitability in periods when our revenues are higher, and lower profitability in periods when our revenues are lower. To reduce the impact of seasonality, we are focused on expanding our customer base through products that serve different industries with less seasonality and different business cycles.

HERC HOLDINGS INC. AND SUBSIDIARIES
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
RESULTS OF OPERATIONS

	Three Months Ended March 31,			
	2026	2025	Change	Change
Equipment rental	\$ 981	\$ 739	\$ 242	33 %
Sales of rental equipment	138	105	33	31
Sales of new equipment, parts and supplies	13	11	2	18
Service and other revenue	7	6	1	17
Total revenues	1,139	861	278	32
Direct operating	453	327	126	39
Depreciation of rental equipment	242	172	70	41
Cost of sales of rental equipment	109	76	33	43
Cost of sales of new equipment, parts and supplies	9	8	1	13
Selling, general and administrative	146	118	28	24
Transaction expenses	5	74	(69)	(93)
Non-rental depreciation and amortization	73	33	40	121
Interest expense, net	128	62	66	106
Other income, net	(3)	(1)	(2)	(200)
Loss before income taxes	(23)	(8)	(15)	(188)
Income tax provision	(1)	(10)	9	90
Net loss	\$ (24)	\$ (18)	\$ (6)	(33)%

Three Months Ended March 31, 2026 Compared with Three Months Ended March 31, 2025

Equipment rental revenue increased \$242 million, or 33%, during the first quarter of 2026 reflecting an increase in average OEC on rent, which includes the impact of the June 2025 acquisition of H&E. On a pro forma basis including the standalone, pre-acquisition results of H&E, equipment rental revenue decreased 3% year-over-year partially resulting from ongoing moderation in certain local markets where H&E's customer base was heavily concentrated.

Sales of rental equipment increased \$33 million, or 31%, during the first quarter of 2026 when compared to the first quarter of 2025 as we increased the volume of sales as we continue to improve the equipment mix and utilization. The margin on sales of rental equipment was 21% in 2026 compared to 28% in 2025. The decrease in margin on sale of rental equipment in 2026 was due to the fair value markup of the acquisition fleet sold.

Direct operating expenses in the first quarter of 2026 increased \$126 million, or 39%, when compared to the first quarter of 2025. Direct operating expenses were 46.2% of equipment rental revenue in 2026, compared to 44.2% in the prior-year period. The increase as a percent of rental revenue is primarily related to the impact of the H&E acquisition and related greenfields that take more time to mature. Specifically, maintenance expense increased \$23 million as average fleet size has increased, facilities expense increased \$21 million as we have added more locations through acquisitions and opening greenfield locations, delivery and fuel expenses increased \$13 million and \$9 million, respectively, due to increased volume of rentals.

Depreciation of rental equipment increased \$70 million, or 41%, during the first quarter of 2026 when compared to the first quarter of 2025 due to an increase in average fleet size primarily as a result of the H&E acquisition. Non-rental depreciation and amortization increased \$40 million, or 121%, primarily due to amortization of intangible assets related to the H&E acquisition and non-rental asset depreciation resulting from the growth of the business.

Selling, general and administrative expenses increased \$28 million, or 24%, in the first quarter of 2026 when compared to the first quarter of 2025. Selling, general and administrative expenses were 14.9% and 16.0% of equipment rental revenue in 2026 compared to 2025, respectively, as a result of continued focus on improving operating leverage, including achievement of acquisition cost synergies, while expanding revenues.

HERC HOLDINGS INC. AND SUBSIDIARIES

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Interest expense, net increased \$66 million, or 106%, during the first quarter of 2026 when compared with the first quarter of 2025 due to the new debt issued to fund the H&E acquisition in June 2025.

Income tax provision was \$1 million during the first quarter of 2026 compared to \$10 million in the same period of 2025. The effective tax rate in the current period was primarily driven by certain non-deductible costs, tax credits and foreign tax assessments.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of liquidity include the payment of operating expenses, purchases of rental equipment to be used in our operations, servicing of debt, funding acquisitions, payment of dividends, and share repurchases. Our primary sources of funding are operating cash flows, cash received from the disposal of equipment and borrowings under our debt arrangements. As of March 31, 2026, we had approximately \$8.0 billion of total nominal indebtedness outstanding.

Our liquidity as of March 31, 2026 consisted of cash and cash equivalents of \$43 million and unused commitments of approximately \$1.9 billion under our ABL Credit Facility. See "Borrowing Capacity and Availability" below for further discussion. Our practice is to maintain sufficient liquidity through cash from operations in combination with our ABL Credit Facility and AR Facility (together, the "Facilities") to mitigate the impacts of any adverse financial market conditions on our operations. We believe that cash generated from operations and cash received from the disposal of equipment, together with amounts available under the Facilities or other financing arrangements will be sufficient to meet working capital requirements, anticipated capital expenditures, payment of dividends, and debt payments, if any, over the next twelve months.

Cash Flows

Significant factors driving our liquidity position include cash flows generated from operating activities and capital expenditures. Historically, we have generated and expect to continue to generate positive cash flow from operations. Our ability to fund our capital needs will be affected by our ongoing ability to generate cash from operations and access to capital markets.

The following table summarizes the change in cash and cash equivalents for the periods shown (in millions):

	Three Months Ended March 31,		
	2026	2025	\$ Change
Cash provided by (used in):			
Operating activities	\$ 277	\$ 171	\$ 106
Investing activities	(183)	(133)	(50)
Financing activities	(103)	(73)	(30)
Effect of exchange rate changes	—	—	—
Net change in cash and cash equivalents	\$ (9)	\$ (35)	\$ 26

Operating Activities

During the three months ended March 31, 2026, we generated \$106 million more cash from operating activities compared with the same period in 2025. The increase was primarily related to increased collections on receivables and working capital due to the increase in revenues.

Investing Activities

Cash used in investing activities increased \$50 million during the three months ended March 31, 2026 when compared with the prior-year period. Our primary use of cash in investing activities is for the acquisition of rental equipment and non-rental capital expenditures. Generally, we rotate our equipment and manage our fleet of rental equipment in line with customer demand and continue to invest in our information technology, service vehicles and facilities. Changes in our net capital expenditures are described in more detail in the "Capital Expenditures" section below.

HERC HOLDINGS INC. AND SUBSIDIARIES

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Financing Activities

Financing cash flows decreased \$30 million during the three months ended March 31, 2026 when compared with the prior-year period. Financing activities primarily represents our changes in debt, which included borrowings of \$571 million on our revolving lines of credit and securitization which were used primarily to invest in rental equipment during the period. This was offset by repayments of \$637 million through operations and sales of used equipment. Net repayments in the prior year period were \$41 million.

In order to reduce future cash interest payments, as well as future amounts due at maturity or upon redemption, we may from time to time repurchase our debt, including our notes, bonds, loans or other indebtedness, in privately negotiated, open market or other transactions and upon such terms and at such prices as we may determine. We will evaluate any such transactions in light of then-existing market conditions, taking into account our current liquidity and prospects for future access to capital. The repurchases may be material and could relate to a substantial proportion of a particular class or series, which could reduce the trading liquidity of such class or series.

Capital Expenditures

Our capital expenditures relate largely to purchases of rental equipment, with the remaining portion representing purchases of property, equipment, and information technology. The table below sets forth the capital expenditures related to our rental equipment and related disposals for the periods noted (in millions).

	Three Months Ended March 31,	
	2026	2025
Rental equipment expenditures	\$ 272	\$ 187
Disposals of rental equipment	(117)	(94)
Net rental equipment expenditures	\$ 155	\$ 93

Net capital expenditures for rental equipment increased \$62 million during the three months ended March 31, 2026 compared to the same period in 2025. Rental equipment expenditures and disposals have increased in the current year to shift the mix of fleet, drive revenue synergies and improve utilization.

Borrowing Capacity and Availability

Our Facilities provide our borrowing capacity and availability. Creditors under the Facilities have a claim on specific pools of assets as collateral as identified in each credit agreement. Our ability to borrow under the Facilities is a function of, among other things, the value of the assets in the relevant collateral pool. We refer to the amount of debt we can borrow given a certain pool of assets as the "Borrowing Base."

In connection with the AR Facility, we sell accounts receivable on an ongoing basis to a wholly-owned special-purpose entity (the "SPE"). The accounts receivable and other assets of the SPE are encumbered in favor of the lenders under our AR Facility. The SPE assets are owned by the SPE and are not available to settle the obligations of the Company or any of its other subsidiaries. Substantially all of the remaining assets of Herc and certain of its U.S. and Canadian subsidiaries are encumbered in favor of our lenders under our ABL Credit Facility. None of such assets are available to satisfy the claims of our general creditors. See Note 11, "Debt" to the notes to our consolidated financial statements included in Part II, Item 8 "Financial Statements" included in our Annual Report on Form 10-K for the year ended December 31, 2025, and Note 8, "Debt" included in Part I, Item 1 "Financial Statements" of this Report for more information.

With respect to the Facilities, we refer to "Remaining Capacity" as the maximum principal amount of debt permitted to be outstanding under the Facilities (i.e., the amount of debt we could borrow assuming we possessed sufficient assets as collateral) less the principal amount of debt then-outstanding under the Facility. We refer to "Availability Under Borrowing Base Limitation" as the lower of Remaining Capacity or the Borrowing Base less the principal amount of debt then-outstanding under the Facilities (i.e., the amount of debt we could borrow given the collateral we possess at such time).

HERC HOLDINGS INC. AND SUBSIDIARIES

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

As of March 31, 2026, the following was available to us (in millions):

	Remaining Capacity	Availability Under Borrowing Base Limitation
ABL Credit Facility	\$ 1,972	\$ 1,906
AR Facility	—	—
Total	\$ 1,972	\$ 1,906

As of March 31, 2026, \$47 million of standby letters of credit were issued and outstanding, none of which have been drawn upon. The ABL Credit Facility had \$203 million available under the letter of credit facility sublimit, subject to borrowing base restrictions.

Covenants

Our ABL Credit Facility, our AR Facility, our Term Loan Facility and our Notes contain a number of covenants that, among other things, limit or restrict our ability to dispose of assets, incur additional indebtedness, incur guarantee obligations, prepay certain indebtedness, make certain restricted payments (including paying dividends, redeeming stock or making other distributions), create liens, make investments, make acquisitions, engage in mergers, fundamentally change the nature of our business, make capital expenditures, or engage in certain transactions with certain affiliates.

Under the terms of our ABL Credit Facility, our AR Facility, our Term Loan Facility and our Notes, we are not subject to ongoing financial maintenance covenants; however, under the ABL Credit Facility, failure to maintain certain levels of liquidity will subject us to a contractually specified fixed charge coverage ratio of not less than 1:1 for the four quarters most recently ended. As of March 31, 2026, the appropriate levels of liquidity have been maintained, therefore this financial maintenance covenant is not applicable.

At March 31, 2026, Herc Holdings' balance sheet was substantially identical to that of Herc, with the exception of the debt held by Herc Holdings (Notes, Term Loan Facility and ABL Credit Facility) and certain components of shareholders equity. For the three months ended March 31, 2026 and 2025, the statements of operations of Herc Holdings and Herc were identical with the exception of interest expense on the debt held at Herc Holdings that is not reflected in the statement of operations of Herc.

Additional information on the terms of our Notes, ABL Credit Facility, Term Loan Facility and AR Facility is included in Note 11, "Debt" to the notes to our consolidated financial statements included in Part II, Item 8 "Financial Statements" included in our Annual Report on Form 10-K for the year ended December 31, 2025. For a discussion of the risks associated with our indebtedness, see Part I, Item 1A "Risk Factors" contained in our Annual Report on Form 10-K for the year ended December 31, 2025.

Dividends

On February 4, 2026, we declared a quarterly dividend of \$0.70 per share to record holders as of February 18, 2026, with payment date of March 4, 2026. The declaration of dividends on our common stock is discretionary and will be determined by our board of directors in its sole discretion and will depend on our business conditions, financial condition, earnings, liquidity and capital requirements, contractual restrictions and other factors. The amounts available to pay cash dividends are restricted by our debt agreements.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of March 31, 2026, there have been no material changes to our indemnification obligations as disclosed in Note 17, "Commitments and Contingencies" in our Annual Report on Form 10-K for the year ended December 31, 2025. For further information, see the discussion on indemnification obligations included in Note 12, "Commitments and Contingencies" in Part I, Item 1 "Financial Statements" of this Report.

For information concerning contingencies, see Note 12, "Commitments and Contingencies" in Part I, Item 1 "Financial Statements" of this Report.

HERC HOLDINGS INC. AND SUBSIDIARIES

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

RECENT ACCOUNTING PRONOUNCEMENTS

For a discussion of recent accounting pronouncements, see Note 2, "Basis of Presentation and Significant Accounting Policies" in Part I, Item 1 "Financial Statements" of this Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a variety of market risks, including the effects of changes in interest rates (including credit spreads), foreign currency exchange rates, and fluctuations in fuel prices. We manage our exposure to these market risks through our regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. Derivative financial instruments are viewed as risk management tools and have not been used for speculative or trading purposes. In addition, derivative financial instruments are entered into with a diversified group of major financial institutions in order to manage our exposure to counterparty nonperformance on such instruments.

As of March 31, 2026, there has been no material change in the information reported under Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," in our Annual Report on Form 10-K for the year ended December 31, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our senior management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined under Exchange Act Rules 13a-15(e) and 15d-15(e), as of the end of the period covered by this report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended March 31, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

HERC HOLDINGS INC. AND SUBSIDIARIES

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a description of certain pending legal proceedings see Note 12, "Commitments and Contingencies" to the notes to our condensed consolidated financial statements in Part I, Item 1 "Financial Statements" of this Report.

ITEM 1A. RISK FACTORS

There have been no material changes to our risk factors from those previously disclosed under Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Share Repurchase Program

In March 2014, we announced a \$1 billion share repurchase program (the "Share Repurchase Program"), which replaced an earlier program. The Share Repurchase Program permits us to purchase shares through a variety of methods, including in the open market or through privately negotiated transactions, in accordance with applicable securities laws. We are not obligated to make any repurchases at any specific time or in any specific amount and our repurchases may be subject to certain predetermined price/volume guidelines, set from time-to-time, by our board of directors. The timing and extent to which we repurchase shares will depend upon, among other things, strategic priorities, market conditions, share price, liquidity targets, contractual restrictions, regulatory requirements and other factors. Share repurchases may be commenced or suspended at any time or from time-to-time, subject to legal and contractual requirements, without prior notice. There were no share repurchases during the three months ended March 31, 2026. As of March 31, 2026, the approximate dollar value that remains available for share purchases under the Share Repurchase Program is \$161 million.

ITEM 5. OTHER INFORMATION

None.

HERC HOLDINGS INC. AND SUBSIDIARIES

ITEM 6. EXHIBITS

Exhibit Number	
3.1.1	Amended and Restated Certificate of Incorporation of Herc Holdings (Incorporated by reference to Exhibit 3.1 to the Annual Report on Form 10-K of Hertz Global Holdings, Inc. (File No. 001-33139), as filed on March 30, 2007).
3.1.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Herc Holdings, effective as of May 14, 2014 (Incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-33139), as filed on May 14, 2014).
3.1.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Herc Holdings, dated June 30, 2016 (reflecting the registrant’s name change to “Herc Holdings Inc.”) (Incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of Herc Holdings (File No. 001-33139), as filed on July 6, 2016).
3.1.4	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Herc Holdings, dated June 30, 2016 (Incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K of Herc Holdings (File No. 001-33139), as filed on July 6, 2016).
3.2	Amended and Restated By-Laws of Herc Holdings Inc., effective May 11, 2023 (Incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of Herc Holdings Inc. (File No. 001-33139), as filed on May 15, 2023).
3.1.1*	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002
3.1.2*	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) under the Securities and Exchange Act of 1934, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002
32.1**	18 U.S.C. Section 1350 Certifications of Principal Executive Officer and the Principal Financial Officer
101.INS*	XBRL Instance Document - the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

*Filed herewith

**Furnished herewith

HERC HOLDINGS INC. AND SUBSIDIARIES

SIGNATURE

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 thereunto duly authorized.

Date: April 28, 2026

HERC HOLDINGS INC.
(Registrant)

By: /s/ MARK HUMPHREY

Mark Humphrey
Senior Vice President and Chief Financial Officer