

UNITED RENTALS INC /DE  
Form FWP  
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Free Writing Prospectus

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### United Rentals Announces Aggregate \$550 Million in Senior Notes Offerings

**GREENWICH, Conn. November 9, 2009** United Rentals, Inc. (NYSE: URI) ( URI ) today announced that it is offering \$150 million (\$172.5 million if the underwriters' over-allotment option is exercised in full) principal amount of convertible senior unsecured notes due 2015, and its subsidiary, United Rentals (North America), Inc. ( URNA ) is offering \$400 million principal amount of senior unsecured notes due 2019 in separate registered public offerings.

The convertible senior notes offered by URI will rank equally with all of its existing and future unsecured senior debt and effectively junior to any existing and future debt of URNA and its subsidiaries as well as to URI's secured obligations, composed of its guarantee obligations in respect of URNA's and its subsidiaries' outstanding borrowings under its senior secured asset-based revolving credit facility (the ABL facility) to the extent of the value of the collateral securing such guarantee obligations. The senior notes offered by URNA will rank equally with its

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existing and future unsecured senior debt, effectively junior to any secured debt to the extent of the value of the collateral securing such debt, including its borrowings under the ABL facility, and effectively junior to the liabilities of its non-guarantor subsidiaries. URNA's obligations under these notes will be guaranteed on a senior basis by URI and certain of URNA's domestic subsidiaries.

URI intends to use the net proceeds from its convertible senior notes offering, together with cash on hand, to redeem a portion of its 14% Senior Notes due 2014 and will use cash on hand to pay the cost of the convertible note hedge transactions that it intends to enter into in connection with the sale of the convertible senior notes, as described below. URNA intends to use the net proceeds from its senior notes offering to purchase or retire outstanding senior unsecured indebtedness, pay or prepay outstanding borrowings under its ABL facility and for general corporate purposes. The completion of either offering will not be contingent upon the completion of the other.

In connection with the convertible senior notes offering, URI intends to enter into convertible note hedge transactions with one or more counterparties, referred to as the option counterparties, which may include one or more of the underwriters or their affiliates. The convertible note hedge transactions are intended to reduce, subject to a limit, the potential dilution with respect to URI's common stock upon conversion of the convertible senior notes. However, in the event the market value of URI's common stock exceeds a cap specified in the convertible note hedge transactions, the settlement amount received from such transactions will be reduced, and therefore, the reduction in potential dilution will be limited. Each convertible note hedge transaction is a separate hedge transaction entered into by URI with an option counterparty.

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In connection with establishing their initial hedge of these transactions, the option counterparties have informed URI that they expect to enter into various derivative transactions with respect to URI's common stock concurrently with or shortly after the pricing of the convertible senior notes. In addition, the option counterparties have informed URI that they are likely to modify their hedge positions by entering into or unwinding various derivative transactions with respect to URI's common stock and/or by purchasing or selling shares of URI's common stock or other of URI's securities (including the convertible senior notes) in secondary market transactions during the term of the convertible senior notes and prior to the maturity of the convertible senior notes (and are likely to do so during any observation period related to a conversion of convertible senior notes). This activity could also cause or avoid an increase or a decrease in the market price of URI's common stock or the convertible senior notes, which could affect a noteholder's ability to convert the convertible senior notes and, to the extent the activity occurs during any observation period related to a conversion of convertible senior notes, it could affect the number of shares and value of the consideration that a noteholder will receive upon conversion of the convertible senior notes.

If the underwriters exercise their overallotment option to purchase additional convertible senior notes, URI expects to enter into additional convertible note hedge transactions.

BofA Merrill Lynch, Wells Fargo Securities and Morgan Stanley are the joint book-running managers for both offerings, with BofA Merrill Lynch as lead book-running manager for the URI convertible senior notes offering and Wells Fargo Securities as lead book-running manager for the URNA senior notes offering.

This news release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities being offered have not been approved or disapproved by any regulatory authority, nor has any such authority passed upon the accuracy or adequacy of the prospectus supplements or the shelf registration statement or prospectus.

URI has filed a registration statement (including a prospectus and a related preliminary prospectus supplement) with the U.S. Securities and Exchange Commission (SEC) for the offerings to which this communication relates. Before you invest, you should read the prospectus supplement and prospectus in that registration statement and other documents URI has filed with the SEC for more complete information about URI and these offerings. You may get these documents for free by visiting EDGAR on the SEC's website at <http://www.sec.gov>. Alternatively, copies of the preliminary prospectus supplement and accompanying prospectus for the URI convertible senior notes offering may be obtained by contacting: BofA Merrill Lynch, 4 World Financial Center, New York, NY 10080, Attn: Preliminary Prospectus Department, 866-500-5408 or via email at [prospectus.requests@ml.com](mailto:prospectus.requests@ml.com), Morgan Stanley, 180 Varick Street, 2nd Floor, New York, NY 10014, Attn: Prospectus Department, 866-718-1649 or via email at [prospectus@morganstanley.com](mailto:prospectus@morganstanley.com), or Wells Fargo Securities, 375 Park Avenue, New York, NY 10152, Attn: Equity Syndicate Department, 800-326-5897 or via email at [equity.syndicate@wachovia.com](mailto:equity.syndicate@wachovia.com). Copies of the preliminary prospectus supplement and accompanying prospectus for the URNA senior notes offering may be obtained by contacting: Wells Fargo Securities, 301 South College Street, 6th Floor, Charlotte, NC 28202, Attn: High Yield Syndicate, (704) 715-7035, BofA Merrill Lynch, 100 West 33rd Street, 3rd Floor, New York, NY 10001, Attn: Prospectus Department, 800-294-1322 or via email at [dg.prospectus\\_distribution@bofasecurities.com](mailto:dg.prospectus_distribution@bofasecurities.com), or Morgan Stanley, 180 Varick Street, 2nd Floor, New York, NY 10014, Attn: Prospectus Department, 866-718-1649 or via email at [prospectus@morganstanley.com](mailto:prospectus@morganstanley.com).

### **About United Rentals**

United Rentals, Inc. is the largest equipment rental company in the world, with an integrated network of 580 rental locations in 48 states, 10 Canadian provinces and Mexico. The company's approximately 8,400 employees serve construction and industrial customers, utilities, municipalities, homeowners and others. The company offers for rent approximately 3,000 classes of equipment with a total original cost of \$3.8 billion. United Rentals is a member of the Standard & Poor's MidCap 400 Index and the Russell 2000 Index® and is headquartered in Greenwich, Conn.

**Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements can be identified by the use of forward-looking terminology such as believe, expect, may, will, should, seek, on-track, plan, project, forecast, intend or anticipate, or the negative thereof or comparable terminology, or by discussions of strategy and outlook. You are cautioned that our business and operations are subject to a variety of risks and uncertainties, many of which are beyond our control, and, consequently, our actual results may differ materially from those

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projected. Factors that could cause actual results to differ materially from those projected include, but are not limited to, the following: (1) on-going decreases in North American construction and industrial activities, which have significantly affected revenues and, because many of our costs are fixed, our profitability, and which may further reduce demand and prices for our products and services; (2) our highly leveraged capital structure, which requires us to use a substantial portion of our cash flow for debt service and can constrain our flexibility in responding to unanticipated or adverse business conditions; (3) noncompliance with financial or other covenants in our debt agreements, which could result in our lenders terminating our credit facilities and requiring us to repay outstanding borrowings; (4) inability to access the capital that our businesses or growth plans may require; (5) increases in our maintenance and replacement costs as we age our fleet, and decreases in the residual value of our equipment; (6) inability to sell our new or used fleet in the amounts, or at the prices, we expect; (7) rates we can charge and time utilization we can achieve being less than anticipated; and (8) costs we incur being more than anticipated, and the inability to realize expected savings in the amounts or time frames planned. For a fuller description of these and other possible uncertainties, please refer to our Annual Report on Form 10-K for the year ended December 31, 2008, as well as to our subsequent filings with the SEC. Our forward-looking statements contained herein speak only as of the date hereof, and we make no commitment to update or publicly release any revisions to forward-looking statements in order to reflect new information or subsequent events, circumstances or changes in expectations.

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