

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of  
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **February 12, 2008**

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**Rush Enterprises, Inc.**

(Exact name of registrant as specified in its charter)

**Texas**  
(State or other jurisdiction  
of incorporation)

**0-20797**  
(Commission File Number)

**74-1733016**  
(IRS Employer Identification No.)

**555 IH-35 South, Suite 500, New Braunfels, Texas**  
(Address of principal executive offices)

**78130**  
(Zip Code)

Registrant's telephone number, including area code: **(830) 626-5200**

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02. Results of Operations and Financial Condition.**

On February 12, 2008 the Registrant issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

Exhibit 99.1. Press release dated February 12, 2008

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**SIGNATURE**

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

**Rush Enterprises, Inc.**

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(Registrant)

**February 12, 2008**

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(Date)

**/s/ STEVEN L. KELLER**

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Steven L. Keller  
*Vice President and Chief Financial Officer*

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## **Exhibit Index**

99.1 Press release dated February 12, 2008

## Rush Enterprises, Inc. Reports Fourth Quarter and Year End 2007 Results

SAN ANTONIO, Feb. 12, 2008 (PRIME NEWSWIRE) -- Rush Enterprises, Inc. (Nasdaq:RUSHA) (Nasdaq:RUSHB), which operates the largest network of heavy-duty and medium-duty truck dealerships in North America and a John Deere construction equipment dealership in Houston, Texas, today announced results for the fourth quarter and year ended December 31, 2007.

For the year ended December 31, 2007, the Company's gross revenues totaled \$2.0 billion, a 14% decrease compared to gross revenues of \$2.4 billion reported in 2006. Net income was \$51.5 million or \$1.33 per diluted share, a 12% decrease over net income of \$58.8 million or \$1.55 per diluted share in 2006.

In the fourth quarter, the Company's gross revenues totaled \$458.5 million, a 27% decrease from gross revenues of \$632.1 million reported for the quarter ended December 31, 2006. Net income was \$12.3 million, or \$0.32 per diluted share, during the fourth quarter of 2007, compared to \$15.9 million, or \$0.42 per diluted share, in the fourth quarter of 2006.

The Company's truck segment recorded revenues of \$1.9 billion in 2007, compared to \$2.3 billion in 2006. Overall, the Company sold 16,813 new and used trucks in 2007, an 18% decrease compared to 20,497 new and used trucks sold in 2006. The Company delivered 7,230 new heavy-duty trucks, 5,482 new medium-duty trucks and 4,101 used trucks during 2007, compared to 11,799 new heavy-duty trucks, 4,693 new medium-duty trucks and 4,005 used trucks during 2006. Parts, service and body shop sales increased to \$448.0 million in 2007 from \$411.6 million in 2006.

The Company's truck segment recorded revenues of \$429.7 million in the fourth quarter of 2007, compared to \$607.6 million in the fourth quarter of 2006. The Company delivered 1,511 new heavy-duty trucks, 1,199 new medium-duty trucks and 1,008 used trucks during the fourth quarter of 2007, compared to 3,293 new heavy-duty trucks, 1,508 new medium-duty trucks and 994 used trucks during the fourth quarter of 2006. Parts, service and body shop sales increased to \$110.6 million in the fourth quarter of 2007 from \$103.7 million in the fourth quarter of 2006.

The Company's construction equipment segment recorded revenues of \$97.1 million in 2007, compared to \$77.8 million in 2006. The construction equipment segment recorded revenues of \$24.1 million in the fourth quarter of 2007, a 34% increase compared to \$18.0 million in the fourth quarter of 2006.

W. Marvin Rush, Chairman of Rush Enterprises, Inc., said, "I am pleased to announce that Rush Enterprises has demonstrated its ability to achieve results regardless of market cyclicity and significantly outperform the industry, both in the fourth quarter and overall in 2007. While the truck industry experienced a significant decline in both U.S. medium and Class 8 truck sales, our earnings only decreased 12%. Rush Enterprises' 2007 earnings were the second highest earnings in the Company's 42-year history."

"We are extremely proud of our accomplishments this year. We achieved a 9% increase in parts, service and body shop sales, allowing us to maintain a solid 105% absorption rate in 2007. U.S. sales of Class 8 trucks were down 46% in 2007, but our Class 8 deliveries were only down 39%. Our medium-duty truck sales were up 16.8% over 2006, while U.S. sales of Class 4-7 trucks declined 10.5%. We experienced growth in certain vocational markets such as refuse, crane and construction equipment. I attribute much of our success in 2007 to our dedicated employees' ability to operate efficiently in a down market and remain focused on growth opportunities," W. Marvin Rush concluded.

W. M. "Rusty" Rush, President and Chief Executive Officer of Rush Enterprises, Inc., said, "Our experienced management team's successful execution of our strategic plan is directly responsible for our superior financial results in 2007 given the dramatic decrease in Class 8 truck deliveries. Key freight generating sectors such as housing and auto production have been in a downturn for the last 18 months. Lower freight demand and uncertain general economic conditions immediately following the tremendous pre-buy we experienced in 2006 resulted in weak heavy- and medium-duty truck markets in 2007, and we believe these markets will continue to decline into the first half of 2008."

"While the industry predicted a robust 2008 truck market at one time, these predictions have been adjusted downward to reflect the slowing economic conditions and uncertainty regarding the methodology engine manufacturers will use to meet the EPA's 2010 emission requirements. We believe U.S. Class 8 truck deliveries will be approximately 145,000 to 155,000 units in 2008 and will be weighted towards the second half of the year. As a result, we took action to reduce overhead expenses to a level more reflective of our needs given the expected business activity in 2008," Rusty Rush explained.

"We believe that normal customer trade cycles and price increases for engines that meet 2010 emission requirements will improve order intake during late 2008 and throughout 2009, but the magnitude of the U.S. 2009 heavy-duty truck market will be largely dictated by the economy. If general economic conditions in the U.S. improve, 2009 could be the second best year in history for Class 8 deliveries," Rusty Rush said.

"I remain confident in our strategy and our people's ability to execute as we face the challenges of a continuing soft market in 2008," Rusty Rush concluded.

### Conference Call Info.

Rush Enterprises will host its quarterly conference call to discuss earnings for the fourth quarter and year ended December 31, 2007, on Wednesday, February 13, 2008, at 11:00 a.m. EST/ 10:00 a.m. CST. Earnings will be reported on Tuesday, February 12,

2008 after the close of market. The call can be heard live by dialing 877-675-4752 (U.S.) or 719-325-4911 (International) or via the Internet at <http://investor.rushenterprises.com/events.cfm>. For those who cannot listen to the live broadcast, the webcast will be available until April 15, 2008, at the above link and the audio replay will be available until March 31, 2008, by dialing 888-203-1112 (US) or 719-457-0820 (International) and entering the replay pass code 9488375.

#### About Rush Enterprises, Inc.

Rush Enterprises, Inc. operates the largest network of heavy-duty truck and medium-duty dealerships in North America and a John Deere construction equipment dealership in Houston, Texas. Its operations include a network of over 45 Rush Truck Centers located in Alabama, Arizona, California, Colorado, Florida, Georgia, Oklahoma, New Mexico, Tennessee and Texas. The Company has developed its Rush Truck Centers and its Rush Equipment Center as "one-stop centers" where, at one convenient location, its customers can purchase new or used trucks or construction equipment, purchase insurance products, purchase aftermarket parts and accessories and have service performed by certified technicians. For additional information on Rush Enterprises, Inc., please visit [www.rushenterprises.com](http://www.rushenterprises.com)

The Rush Enterprises, Inc. logo is available at <http://www.primenewswire.com/newsroom/prs/?pkgid=3352>

Certain statements contained herein, including those concerning current and projected truck industry and market conditions, sales and delivery forecasts, the Company's prospects and anticipated results for 2008 and the impact of diesel emissions standards on the truck market, are "forward-looking" statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). Because such statements include risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, competitive factors, general U.S. economic conditions, economic conditions in the new and used truck and construction equipment markets, customer relations, relationships with vendors, the interest rate environment, governmental regulation and supervision, product introductions and acceptance, changes in industry practices, onetime events and other factors described herein and in filings made by the Company with the Securities and Exchange Commission.

#### RUSH ENTERPRISES, INC. AND SUBSIDIARIES

##### ----- CONSOLIDATED BALANCE SHEETS -----

(In Thousands, Except Shares and Per Share Amounts)  
(Unaudited)

	December 31, 2007	2006
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Assets		
-----		
Current assets:		
Cash and cash equivalents	\$ 187,009	\$ 161,558
Accounts receivable, net	48,781	74,441
Inventories	365,947	484,696
Prepaid expenses and other	1,699	2,128
Deferred income taxes, net	7,028	7,496
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Total current assets	610,464	730,319
Property and equipment, net	299,013	278,690
Goodwill, net	120,582	117,071
Other assets, net	1,532	2,330
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Total assets	\$1,031,591	\$1,128,410
	=====	=====
Liabilities and shareholders' equity		
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Current liabilities:		
Floor plan notes payable	\$ 273,653	\$ 446,354
Current maturities of long-term debt	33,593	25,999
Current maturities of capital lease obligations	4,444	2,933
Trade accounts payable	40,452	37,449
Accrued expenses	60,517	61,287
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Total current liabilities	412,659	574,022
Long-term debt, net of current maturities	165,352	166,125
Capital lease obligations, net of current maturities	13,099	14,799

Deferred income taxes, net	40,904	33,856
Shareholders' equity:		
Preferred stock, par value \$.01 per share; 1,000,000 shares authorized; 0 shares outstanding in 2007 and 2006	--	--
Common stock, par value \$.01 per share; 60,000,000 class A shares and 20,000,000 class B shares authorized; 26,070,595 class A shares and 12,265,437 class B shares outstanding in 2007; 25,604,241 class A shares and 12,108,339 class B shares outstanding in 2006	383	251
Additional paid-in capital	178,274	169,801
Retained earnings	220,920	169,556
Total shareholders' equity	399,577	339,608
Total liabilities and shareholders' equity	\$1,031,591	\$1,128,410

RUSH ENTERPRISES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(In Thousands, Except Per Share Amounts)  
(Unaudited)

	Three months ended December 31,		Year ended December 31,	
	2007	2006	2007	2006
Revenues:				
New and used truck sales	\$301,705	\$489,073	\$1,393,253	\$1,780,418
Parts and service	119,123	110,925	480,611	441,424
Construction equipment sales	18,097	13,466	74,986	59,545
Lease and rental	13,324	11,230	52,103	41,776
Finance and insurance	4,429	5,410	21,663	19,197
Other	1,841	2,026	8,163	8,163
Total revenue	458,519	632,130	2,030,779	2,350,523
Cost of products sold:				
New and used truck sales	277,764	455,235	1,283,993	1,652,913
Parts and service	72,435	66,124	283,912	259,801
Construction equipment sales	15,857	11,593	66,737	52,527
Lease and rental	11,357	9,109	44,069	32,615
Total cost of products sold	377,413	542,061	1,678,711	1,997,856
Gross profit	81,106	90,069	352,068	352,667
Selling, general and administrative	55,894	56,738	240,661	230,056
Depreciation and amortization	3,889	3,522	14,935	12,889
Operating income	21,323	29,809	96,472	109,722
Interest expense, net	2,404	4,419	14,909	15,718
Gain (loss) on sale of assets	(8)	97	239	54
Income before taxes	18,911	25,487	81,802	94,058
Provision for income taxes	6,619	9,558	30,310	35,272
Net income	\$ 12,292	\$ 15,929	\$ 51,492	\$ 58,786

Earnings per share:				
Earnings per common share				
- Basic	\$ .32	\$ .42	\$ 1.35	\$ 1.57
	=====	=====	=====	=====
Earnings per common share				
- Diluted	\$ .32	\$ .42	\$ 1.33	\$ 1.55
	=====	=====	=====	=====

Weighted average shares				
outstanding:				
Basic	38,273	37,687	38,059	37,476
	=====	=====	=====	=====
Diluted	38,960	37,989	38,746	37,890
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CONTACT: Rush Enterprises Inc., San Antonio  
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