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AMERCO REPORTS FIRST QUARTER FISCAL 2020 FINANCIAL RESULTS

RENO, Nev. (August 7, 2019)--AMERCO (Nasdaq: UHAL), parent of U-Haul International, Inc., Oxford Life Insurance Company, Repwest Insurance Company and Amerco Real Estate Company, today reported net earnings available to common shareholders for its first quarter ended June 30, 2019, of \$132.4 million, or \$6.76 per share, compared with net earnings of \$127.8 million, or \$6.53 per share, for the same period last year.

“Modest revenue gains in the equipment rental business reflect continued demand for self-move equipment,” stated Joe Shoen, chairman of AMERCO. “Self-storage revenues continue to improve as we fill units and should continue to do so. The self-storage market is very competitive and we are competing.”

Highlights of First Quarter Fiscal 2020 Results

- Self-moving equipment rental revenues increased \$32.0 million, or 4.5% for the first quarter of fiscal 2020 compared with the first quarter of fiscal 2019. The improvements came from both the truck and trailer rentals. Compared with the same period last year, we increased the number of retail locations, independent dealers, box trucks, trailers and towing devices in the shared fleet.
- Self-storage revenues increased \$12.1 million, or 14.0% for the first quarter of fiscal 2020 compared with the first quarter of fiscal 2019. Over the last twelve months, we have added approximately 5.8 million net rentable square feet to the self-storage portfolio or approximately 69 thousand additional units. Approximately 1.9 million square feet of that came online during the first quarter. The average number of units occupied during the quarter increased by 40 thousand compared to the same quarter last year, an improvement of 15 thousand units compared to the occupancy pace last year at this time.
- For the first quarter of fiscal 2020 compared with the first quarter of fiscal 2019, depreciation, net of gains and losses on sales increased \$14.2 million. Depreciation expense on the rental equipment fleet increased \$8.4 million due to a larger fleet. Net gains on the sales of rental trucks increased \$0.4 million. All other depreciation increased \$6.2 million from the increase in new moving and storage locations. Net gains on disposal of real estate increased \$1.6 million from the condemnation of a property in the quarter.
- For the first quarter of fiscal 2020 compared with the first quarter of fiscal 2019 gross truck and trailer capital expenditures were approximately \$561 million compared with approximately \$440 million. Proceeds from sales of rental equipment were \$158 million compared with \$187 million. Spending on real estate related acquisitions and development were approximately \$218 million compared with \$219 million, respectively.
- Fleet maintenance and repair costs decreased \$2.5 million in the first quarter of fiscal 2020 compared with the same period last year.

- Operating earnings at our Moving and Storage operating segment increased \$1.5 million compared with the same period last year. Total revenues climbed \$52.5 million and total costs and expenses increased \$51.0 million.
- Cash and credit availability at the Moving and Storage segment was \$575.5 million at June 30, 2019 compared with \$724.5 million at March 31, 2019.
- On March 6, 2019, we declared a cash dividend on our Common Stock of \$0.50 per share to holders of record on March 21, 2019. The dividend was paid on April 4, 2019.
- We are holding our 13th Annual Virtual Analyst and Investor meeting on Thursday, August 22, 2019 at 11:00 a.m. Arizona Time (2:00 p.m. Eastern). This is an opportunity to interact directly with Company representatives through a live video webcast on amerco.com. A brief presentation by the Company will be followed by a question and answer session.

AMERCO will hold its investor call for the first quarter of fiscal 2020 on Thursday, August 8, 2019, at 8 a.m. Arizona Time (11 a.m. Eastern). The call will be broadcast live over the Internet at www.amerco.com. To hear a simulcast of the call, or a replay, visit www.amerco.com.

About AMERCO

AMERCO is the parent company of U-Haul International, Inc., Oxford Life Insurance Company, Repwest Insurance Company and Amerco Real Estate Company. U-Haul is in the shared use business and was founded on the fundamental philosophy that the division of use and specialization of ownership is good for both U-Haul customers and the environment.

Certain of the statements made in this press release regarding our business constitute forward-looking statements as contemplated under the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those anticipated as a result of various risks and uncertainties. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof. The Company undertakes no obligation to publish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law. For a brief discussion of the risks and uncertainties that may affect AMERCO's business and future operating results, please refer to our Form 10-Q for the quarter ended June 30, 2019, which is on file with the SEC.

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Report on Business Operations

Listed below on a consolidated basis are revenues for our major product lines for the first quarter of fiscal 2020 and 2019.

| | Quarter Ended June 30, | |
|--|-------------------------------|---------------------|
| | 2019 | 2018 |
| | (Unaudited) | |
| | (In thousands) | |
| Self-moving equipment rentals | \$ 748,596 | \$ 716,602 |
| Self-storage revenues | 98,274 | 86,212 |
| Self-moving and self-storage product and service sales | 80,026 | 79,241 |
| Property management fees | 7,156 | 7,416 |
| Life insurance premiums | 32,710 | 36,888 |
| Property and casualty insurance premiums | 13,424 | 12,781 |
| Net investment and interest income | 35,749 | 24,605 |
| Other revenue | 63,314 | 55,832 |
| Consolidated revenue | <u>\$ 1,079,249</u> | <u>\$ 1,019,577</u> |

Listed below are revenues and earnings from operations at each of our operating segments for the first quarter of fiscal 2020 and 2019.

| | Quarter Ended June 30, | |
|--|-------------------------------|-------------|
| | 2019 | 2018 |
| | (Unaudited) | |
| | (In thousands) | |
| Moving and storage | | |
| Revenues | \$ 1,000,398 | \$ 947,885 |
| Earnings from operations before equity in earnings of subsidiaries | 201,896 | 200,395 |
| Property and casualty insurance | | |
| Revenues | 20,305 | 15,889 |
| Earnings from operations | 8,466 | 2,713 |
| Life insurance | | |
| Revenues | 60,321 | 57,863 |
| Earnings from operations | 3,781 | 1,881 |
| Eliminations | | |
| Revenues | (1,775) | (2,060) |
| Earnings from operations before equity in earnings of subsidiaries | (278) | (285) |
| Consolidated Results | | |
| Revenues | 1,079,249 | 1,019,577 |
| Earnings from operations | 213,865 | 204,704 |

The Company owns and manages self-storage facilities. Self-storage revenues reported in the consolidated financial statements represent Company-owned locations only. Self-storage data for our owned locations follows:

| | Quarter Ended June 30, | |
|--|---------------------------------------|-------------|
| | 2019 | 2018 |
| | (Unaudited) | |
| | (In thousands, except occupancy rate) | |
| Unit count as of June 30 | 452 | 383 |
| Square footage as of June 30 | 38,175 | 32,394 |
| Average monthly number of units occupied | 302 | 262 |
| Average monthly occupancy rate based on unit count | 68.4% | 69.6% |
| Average monthly square footage occupied | 27,421 | 23,666 |

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

| | June 30, 2019 | March 31, 2019 |
|--|--------------------------------|---------------------------------|
| | (Unaudited) | |
| | (In thousands) | |
| ASSETS | | |
| Cash and cash equivalents | \$ 519,831 | \$ 673,701 |
| Reinsurance recoverables and trade receivables, net | 243,235 | 224,785 |
| Inventories and parts, net | 101,032 | 103,504 |
| Prepaid expenses | 188,153 | 174,100 |
| Investments, fixed maturities and marketable equities | 2,336,585 | 2,235,397 |
| Investments, other | 313,050 | 300,736 |
| Deferred policy acquisition costs, net | 124,490 | 136,276 |
| Other assets | 73,176 | 78,354 |
| Right-of-use assets – financing, net | 1,265,023 | - |
| Right-of-use assets - operating | 105,384 | - |
| Related party assets | 31,215 | 30,889 |
| | <u>5,301,174</u> | <u>3,957,742</u> |
| Property, plant and equipment, at cost: | | |
| Land | 991,213 | 976,454 |
| Buildings and improvements | 4,183,178 | 4,003,726 |
| Furniture and equipment | 676,263 | 689,780 |
| Rental trailers and other rental equipment | 475,913 | 590,039 |
| Rental trucks | 3,324,576 | 4,762,028 |
| | <u>9,651,143</u> | <u>11,022,027</u> |
| Less: Accumulated depreciation | (2,477,573) | (3,088,056) |
| Total property, plant and equipment, net | <u>7,173,570</u> | <u>7,933,971</u> |
| Total assets | <u>\$ 12,474,744</u> | <u>\$ 11,891,713</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Liabilities: | | |
| Accounts payable and accrued expenses | \$ 591,139 | \$ 556,873 |
| Notes, loans and finance/capital leases payable, net | 4,343,935 | 4,163,323 |
| Operating lease liability | 105,008 | - |
| Policy benefits and losses, claims and loss expenses payable | 1,013,933 | 1,011,183 |
| Liabilities from investment contracts | 1,705,422 | 1,666,742 |
| Other policyholders' funds and liabilities | 9,763 | 15,047 |
| Deferred income | 42,353 | 35,186 |
| Deferred income taxes, net | 794,168 | 750,970 |
| Total liabilities | <u>8,605,721</u> | <u>8,199,324</u> |
| Common stock | 10,497 | 10,497 |
| Additional paid-in capital | 453,535 | 453,326 |
| Accumulated other comprehensive loss | (23,873) | (66,698) |
| Retained earnings | 4,109,384 | 3,976,962 |
| Cost of common stock in treasury, net | (525,653) | (525,653) |
| Cost of preferred stock in treasury, net | (151,997) | (151,997) |
| Unearned employee stock ownership plan shares | (2,870) | (4,048) |
| Total stockholders' equity | <u>3,869,023</u> | <u>3,692,389</u> |
| Total liabilities and stockholders' equity | <u>\$ 12,474,744</u> | <u>\$ 11,891,713</u> |

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

| | Quarter Ended June 30, | |
|--|---|-------------|
| | 2019 | 2018 |
| | (Unaudited) | |
| | (In thousands, except share and per share data) | |
| Revenues: | | |
| Self-moving equipment rentals | \$ 748,596 | \$ 716,602 |
| Self-storage revenues | 98,274 | 86,212 |
| Self-moving and self-storage products and service sales | 80,026 | 79,241 |
| Property management fees | 7,156 | 7,416 |
| Life insurance premiums | 32,710 | 36,888 |
| Property and casualty insurance premiums | 13,424 | 12,781 |
| Net investment and interest income | 35,749 | 24,605 |
| Other revenue | 63,314 | 55,832 |
| Total revenues | 1,079,249 | 1,019,577 |
| Costs and expenses: | | |
| Operating expenses | 534,472 | 496,554 |
| Commission expenses | 80,899 | 79,257 |
| Cost of sales | 48,929 | 49,881 |
| Benefits and losses | 49,006 | 48,554 |
| Amortization of deferred policy acquisition costs | 6,064 | 6,031 |
| Lease expense | 7,036 | 8,169 |
| Depreciation, net of gains on disposals | 140,600 | 126,427 |
| Net gains on disposal of real estate | (1,622) | - |
| Total costs and expenses | 865,384 | 814,873 |
| Earnings from operations | 213,865 | 204,704 |
| Other components of net periodic benefit costs | (263) | (253) |
| Interest expense | (38,888) | (35,254) |
| Pretax earnings | 174,714 | 169,197 |
| Income tax expense | (42,292) | (41,348) |
| Earnings available to common stockholders | \$ 132,422 | \$ 127,849 |
| Basic and diluted earnings per common stock | \$ 6.76 | \$ 6.53 |
| Weighted average common stock outstanding: Basic and diluted | 19,597,697 | 19,590,585 |

NON-GAAP DISCLOSURE

As of April 1, 2019, we adopted the new accounting standard for leases. Part of this adoption resulted in approximately \$1 billion of property, plant and equipment, net being reclassified to Right-of-Use Assets - Financing, net (“ROU-Financing”). As of June 30, 2019, the balance of ROU-Financing also includes the rental equipment purchased under new financing liability leases during the first quarter. The table below shows adjusted property, plant and equipment, net as of June 30, 2019, by including the ROU-Financing to help compare our PPE assets with our March 2019 fiscal year end. The assets included in the ROU-Financing is not a true book value as some of the assets are recorded at between 70% and 100% of value based on the lease agreement.

| | June 30, 2019 | ROU Assets Financing | June 30, 2019 Property, Plant and Equipment Adjusted | March 31, 2019 |
|--|--------------------------|-------------------------------------|---|---------------------------|
| | | (Unaudited) | | |
| | | (In thousands) | | |
| Property, plant and equipment, at cost | | | | |
| Land | \$ 991,213 | \$ - | \$ 991,213 | \$ 976,454 |
| Buildings and improvements | 4,183,178 | - | 4,183,178 | 4,003,726 |
| Furniture and equipment | 676,263 | 36,304 | 712,567 | 689,780 |
| Rental trailers and other rental equipment | 475,913 | 129,826 | 605,739 | 590,039 |
| Rental trucks | 3,324,576 | 1,813,633 | 5,138,209 | 4,762,028 |
| Right-of-use assets, gross | 9,651,143 | 1,979,763 | 11,630,906 | 11,022,027 |
| Less: Accumulated depreciation | (2,477,573) | (714,740) | (3,192,313) | (3,088,056) |
| Total property, plant and equipment, net | \$ 7,173,570 | \$ 1,265,023 | \$ 8,438,593 | \$ 7,933,971 |

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