

Contact:
Sebastien Reyes
Director of Investor Relations
AMERCO
(602) 263-6601
Sebastien_Reyes@uhaul.com

AMERCO REPORTS SECOND QUARTER FISCAL 2022 FINANCIAL RESULTS

RENO, Nev. (November 3, 2021)--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 shareholders for its second quarter ended September 30, 2021, of \$409.9 million, or \$20.90 per share, compared with net earnings of \$266.4 million, or \$13.58 per share, for the same period last year.

For the six-month period ended September 30, 2021, net earnings available to shareholders were \$755.1 million, or \$38.51 per share, compared with net earnings of \$354.1 million, or \$18.06 per share, for the same period last year.

“Demand for our do-it-yourself moving and storage products and services remains strong,” stated Joe Shoen, chairman of AMERCO. “We are not able to purchase replacement rental trucks at the rate we want. We are making progress adding stores, self-storage, and U-Box facilities.”

Highlights of Second Quarter Fiscal 2022 Results

- Self-moving equipment rental revenues increased \$248.0 million or 27% during the second quarter of fiscal 2022, compared with the second quarter of fiscal 2021. Transactions for both our In-town and one-way markets increased as did revenue per transaction. This quarter’s 27% improvement is compared against a second quarter from last year where we reported a 16% revenue improvement. Compared to the same period last year, we increased the number of retail locations, independent dealers, box trucks, trailers and towing device in the rental fleet.
- Self-storage revenues increased \$38.2 million or 33% during the second quarter of fiscal 2022, compared with the second quarter of fiscal 2021. The average monthly number of occupied units increased by 103,000 units, during the second quarter of fiscal 2022 compared with the same period last year. Occupancy for all locations increased 12.4% to 84.3% from the second quarter of last year to this year while occupancy for the subsection of these locations that have been at 80% occupancy for the last two years was 96.5%. The growth in revenues and square feet rented comes from a combination of occupancy gains at existing locations, the addition of new capacity to the portfolio and from an improvement in average revenue per occupied feet. Over the last twelve months, we added approximately 3.9 million net rentable square feet.
- For the second quarter of fiscal 2022 compared with the second quarter of fiscal 2021, depreciation, net of gains and losses on sales decreased \$1.7 million. This was a combination of depreciation expense on the rental equipment fleet increasing \$3.9 million while being more than offset by an increase on gains from the sales of rental trucks of \$8.0 million from higher resale values. All other depreciation, primarily real estate related, increased \$2.5 million.

- For the first six months of fiscal 2022 and fiscal 2021 gross truck and trailer capital expenditures were approximately \$548 million compared with \$395 million, proceeds from the sales of rental equipment were \$300 million compared with \$310 million and spending on real estate related acquisitions and projects were approximately \$444 million compared with \$226 million.
- Fleet maintenance and repair costs increased \$28.5 million in the second quarter of fiscal 2022 compared with the same period last year due to preventative maintenance from higher customer activity combined with a slowdown in the rotation of new equipment into the fleet and older equipment out of the fleet.
- Operating earnings at our Moving and Storage operating segment increased \$182.0 million in the second quarter of fiscal 2022 compared with the same period last year. Total revenues climbed \$331.7 million and total costs and expenses increased \$149.6 million.
- Cash and credit availability at the Moving and Storage operating segment was \$2,485.8 million as of September 30, 2021 compared with \$1,115.3 million as of March 31, 2021. During the quarter, the Company entered into a note purchase agreement to issue \$600 million of fixed rate senior unsecured notes in a private placement offering at a weighted average interest rate of 2.59%.
- On August 21, 2021, we declared a cash dividend on our Common Stock of \$0.50 per share to holders of record on September 7, 2021. The dividend was paid on September 21, 2021.
- On October 6, 2021, we declared a cash dividend on our Common Stock of \$0.50 per share to holders of record on October 18, 2021. The dividend was paid on October 29, 2021.

AMERCO will hold its investor call for the second quarter of fiscal 2022 on Thursday, November 4, 2021, 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.

About U-Haul

Since 1945, U-Haul has been the No. 1 choice of do-it-yourself movers, with a network of more than 23,000 locations across all 50 states and 10 Canadian provinces. Our customers' patronage has enabled the U-Haul fleet to grow to approximately 176,000 trucks, 126,000 trailers and 46,000 towing devices. U-Haul is the third largest self-storage operator in North America and offers over 841,000 rentable storage units and 72.6 million square feet of self-storage space at owned and managed facilities. U-Haul is the largest retailer of propane in the U.S., and continues to be the largest installer of permanent trailer hitches in the automotive aftermarket industry.

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 September 30, 2021, which is on file with the SEC.

Report on Business Operations

Listed below on a consolidated basis are revenues for our major product lines for the second quarter of fiscal 2022 and 2021.

	Quarter Ended September 30,	
	2021	2020
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 1,179,061	\$ 931,030
Self-storage revenues	153,485	115,273
Self-moving and self-storage product and service sales	92,191	98,628
Property management fees	8,747	7,840
Life insurance premiums	28,913	31,057
Property and casualty insurance premiums	22,499	15,869
Net investment and interest income	36,780	33,333
Other revenue	142,578	91,878
Consolidated revenue	<u>\$ 1,664,254</u>	<u>\$ 1,324,908</u>

Listed below are revenues and earnings from operations at each of our operating segments for the second quarter of fiscal 2022 and 2021.

	Quarter Ended September 30,	
	2021	2020
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 1,576,999	\$ 1,245,318
Earnings from operations before equity in earnings of subsidiaries	555,988	373,956
Property and casualty insurance		
Revenues	29,539	22,673
Earnings from operations	15,189	12,069
Life insurance		
Revenues	60,985	59,560
Earnings from operations	7,913	6,040
Eliminations		
Revenues	(3,269)	(2,643)
Earnings from operations before equity in earnings of subsidiaries	(389)	(275)
Consolidated Results		
Revenues	1,664,254	1,324,908
Earnings from operations	578,701	391,790

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 September 30,	
	2021	2020
	(Unaudited)	
	(In thousands, except occupancy rate)	
Unit count as of September 30	568	520
Square footage as of September 30	47,903	43,985
Average monthly number of units occupied	476	373
Average monthly occupancy rate based on unit count	84.3%	71.9%
Average monthly square footage occupied	41,743	33,296

Listed below on a consolidated basis are revenues for our major product lines for the first six months of fiscal 2022 and 2021.

	Six Months Ended September 30,	
	2021	2020
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 2,214,438	\$ 1,585,315
Self-storage revenues	290,878	224,228
Self-moving and self-storage product and service sales	197,076	189,978
Property management fees	17,196	15,187
Life insurance premiums	57,618	61,965
Property and casualty insurance premiums	39,368	29,603
Net investment and interest income	71,779	50,315
Other revenue	248,757	155,554
Consolidated revenue	<u>\$ 3,137,110</u>	<u>\$ 2,312,145</u>

Listed below are revenues and earnings from operations at each of our operating segments for the first six months of fiscal 2022 and 2021.

	Six Months Ended September 30,	
	2021	2020
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	2,970,253	2,171,618
Earnings from operations before equity in earnings of subsidiaries	1,038,983	525,617
Property and casualty insurance		
Revenues	52,995	36,307
Earnings from operations	24,421	12,847
Life insurance		
Revenues	119,644	109,213
Earnings from operations	10,279	7,960
Eliminations		
Revenues	(5,782)	(4,993)
Earnings from operations before equity in earnings of subsidiaries	(774)	(548)
Consolidated Results		
Revenues	3,137,110	2,312,145
Earnings from operations	1,072,909	545,876

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:

	Six Months Ended September 30,	
	2021	2020
	(Unaudited)	
	(In thousands, except occupancy rate)	
Unit count as of September 30	568	520
Square footage as of September 30	47,903	43,985
Average monthly number of units occupied	456	360
Average monthly occupancy rate based on unit count	82.1%	69.8%
Average monthly square footage occupied	40,207	32,153

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2021	March 31, 2021
	(Unaudited)	
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$ 2,430,233	\$ 1,194,012
Reinsurance recoverables and trade receivables, net	227,935	224,426
Inventories and parts, net	142,955	105,577
Prepaid expenses	202,339	469,144
Investments, fixed maturities and marketable equities	2,845,147	2,695,656
Investments, other	571,942	489,759
Deferred policy acquisition costs, net	97,138	89,749
Other assets	51,626	47,730
Right of use assets – financing, net	752,990	877,038
Right of use assets – operating, net	85,237	92,505
Related party assets	38,773	35,395
	<u>7,446,315</u>	<u>6,320,991</u>
Property, plant and equipment, at cost:		
Land	1,172,648	1,075,813
Buildings and improvements	5,477,544	5,163,705
Furniture and equipment	811,337	786,505
Rental trailers and other rental equipment	536,814	477,921
Rental trucks	4,278,732	3,909,724
	<u>12,277,075</u>	<u>11,413,668</u>
Less: Accumulated depreciation	(3,386,162)	(3,083,053)
Total property, plant and equipment, net	<u>8,890,913</u>	<u>8,330,615</u>
Total assets	<u>\$ 16,337,228</u>	<u>\$ 14,651,606</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 694,284	\$ 645,575
Notes, loans and finance leases payable, net	5,335,278	4,668,907
Operating lease liability	85,199	92,510
Policy benefits and losses, claims and loss expenses payable	1,016,505	997,701
Liabilities from investment contracts	2,276,829	2,161,530
Other policyholders' funds and liabilities	10,943	12,420
Deferred income	51,212	42,592
Deferred income taxes, net	1,312,281	1,178,489
Total liabilities	<u>10,782,531</u>	<u>9,799,724</u>
Common stock	10,497	10,497
Additional paid-in capital	453,819	453,819
Accumulated other comprehensive income	74,207	106,857
Retained earnings	5,693,824	4,958,359
Cost of common stock in treasury, net	(525,653)	(525,653)
Cost of preferred stock in treasury, net	(151,997)	(151,997)
Total stockholders' equity	<u>5,554,697</u>	<u>4,851,882</u>
Total liabilities and stockholders' equity	<u>\$ 16,337,228</u>	<u>\$ 14,651,606</u>

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Quarter Ended September 30,

2021 **2020**

(Unaudited)

(In thousands, except share and per share data)

Revenues:

Self-moving equipment rentals	\$	1,179,061	\$	931,030
Self-storage revenues		153,485		115,273
Self-moving and self-storage products and service sales		92,191		98,628
Property management fees		8,747		7,840
Life insurance premiums		28,913		31,057
Property and casualty insurance premiums		22,499		15,869
Net investment and interest income		36,780		33,333
Other revenue		142,578		91,878
Total revenues		1,664,254		1,324,908

Costs and expenses:

Operating expenses		696,074		574,083
Commission expenses		127,896		99,365
Cost of sales		66,491		60,933
Benefits and losses		44,630		45,452
Amortization of deferred policy acquisition costs		6,750		5,552
Lease expense		7,441		6,870
Depreciation, net of gains on disposals		135,748		137,438
Net losses on real estate		523		3,425
Total costs and expenses		1,085,553		933,118

Earnings from operations

		578,701		391,790
Other components of net periodic benefit costs		(280)		(246)
Interest expense		(39,545)		(40,525)
Pretax earnings		538,876		351,019
Income tax expense		(128,978)		(84,654)
Earnings available to common shareholders	\$	409,898	\$	266,365
Basic and diluted earnings per common share	\$	20.90	\$	13.58
Weighted average common shares outstanding: Basic and diluted		19,607,788		19,607,788

NON-GAAP FINANCIAL RECONCILIATION SCHEDULE

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 (“PPE”) being reclassified to Right of use assets - financing, net (“ROU-financing”). As of September 30, 2021, the balance of ROU-financing also includes the rental equipment purchased under new financing liability leases during the first six months of fiscal 2022. The tables below show adjusted PPE as of September 30, 2021 and March 31, 2021, by including the ROU-financing. 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.

	<u>September 30, 2021</u>	<u>ROU Assets Financing</u>	<u>September 30, 2021</u>	<u>March 31, 2021</u>
			<u>Property, Plant and Equipment Adjusted</u>	<u>Property, Plant and Equipment Adjusted</u>
			(Unaudited)	
			(In thousands)	
Property, plant and equipment, at cost				
Land	\$ 1,172,648	\$ -	\$ 1,172,648	\$ 1,075,813
Buildings and improvements	5,477,544	-	5,477,544	5,163,705
Furniture and equipment	811,337	18,316	829,653	808,821
Rental trailers and other rental equipment	536,814	182,741	719,555	681,515
Rental trucks	<u>4,278,732</u>	<u>1,325,624</u>	<u>5,604,356</u>	<u>5,403,822</u>
Right-of-use assets, gross	12,277,075	1,526,681	13,803,756	13,133,676
Less: Accumulated depreciation	<u>(3,386,162)</u>	<u>(773,691)</u>	<u>(4,159,853)</u>	<u>(3,926,023)</u>
Total property, plant and equipment, net	<u>\$ 8,890,913</u>	<u>\$ 752,990</u>	<u>\$ 9,643,903</u>	<u>\$ 9,207,653</u>

	<u>March 31, 2021</u>	<u>ROU Assets Financing</u>	<u>March 31, 2021</u>
			<u>Property, Plant and Equipment Adjusted</u>
			(Unaudited)
			(In thousands)
Property, plant and equipment, at cost			
Land	\$ 1,075,813	\$ -	\$ 1,075,813
Buildings and improvements	5,163,705	-	5,163,705
Furniture and equipment	786,505	22,316	808,821
Rental trailers and other rental equipment	477,921	203,594	681,515
Rental trucks	<u>3,909,724</u>	<u>1,494,098</u>	<u>5,403,822</u>
Right-of-use assets, gross	11,413,668	1,720,008	13,133,676
Less: Accumulated depreciation	<u>(3,083,053)</u>	<u>(842,970)</u>	<u>(3,926,023)</u>
Total property, plant and equipment, net	<u>\$ 8,330,615</u>	<u>\$ 877,038</u>	<u>\$ 9,207,653</u>

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