

A.M. Best Upgrades Ratings of AMERCO's Life Insurance Subsidiaries

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OLDWICK, N.J., Mar 16, 2004 (BUSINESS WIRE) – A.M. Best Co. has upgraded the financial strength ratings to B- (Fair) from C+ (Weak) of Oxford Life Insurance Company (Oxford Life) (Arizona), Christian Fidelity Life Insurance Company (Texas) and North American Insurance Company (Wisconsin). The rating outlook for all three companies is positive.

The companies are all subsidiaries of AMERCO (Reno, NV) (NASDAQNM: UHALQ), which is the parent of U-Haul International, Inc., the largest truck and trailer rental company in the United States.

The three life/health companies were downgraded last year largely due to the financial difficulties of AMERCO, which filed for Chapter 11 bankruptcy protection in June 2003. With the restructuring of its debt, AMERCO's financial flexibility has improved considerably, enabling it to emerge from bankruptcy. This will also help the stability of the life/health companies, which were negatively impacted by the bankruptcy.

During 2003, all three life/health companies reported operating gains and improved capitalization. Also as part of AMERCO's debt refinancing, all three life/health companies received cash contributions from the parent to replace existing affiliated investments, further bolstering their risk-adjusted capitalization positions.

However, the group still faces numerous challenges after the tumultuous period. In particular, Oxford Life, which had been the primary company in the group selling life insurance and annuity products, will be challenged to regain its previous marketing momentum. Consequently, management is somewhat refining its strategy. While Oxford Life's risk-adjusted capital position did improve over the past year, it remains at a relatively modest level.

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A.M. Best Co., established in 1899, is the world's oldest and most authoritative insurance rating and information source. For more information, visit A.M. Best's Web site at www.ambest.com.

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