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AMERCO REPORTS THIRD QUARTER FISCAL 2017 FINANCIAL RESULTS

RENO, Nev. (February 8, 2017)--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 third quarter ended December 31, 2016, of \$65.2 million, or \$3.33 per share, compared with net earnings of \$81.8 million, or \$4.17 per share, for the same period last year.

For the nine-month period ended December 31, 2016, net earnings available to shareholders were \$388.9 million, or \$19.85 per share, compared with net earnings of \$436.4 million, or \$22.27 per share, for the same period last year. Included in the results for the nine-month period ended December 31, 2016, was an after tax benefit of \$0.79 per share associated with our settlement of the PEI litigation that resulted in a reduction in operating expenses of \$24.6 million. Excluding this after tax benefit, adjusted earnings were \$19.06 per share for the nine-month period ended December 31, 2016.

"Revenue gains in our core rental business were driven by transaction growth," stated Joe Shoen, chairman of AMERCO. "I am greatly encouraged by the Trump administration and since the inauguration have committed to 3,000 additional built-in-America Ford trucks. I expect growth to accelerate and I want U-Haul ready to serve customers moving to a new job or improved living arrangements."

Highlights of Third Quarter Fiscal 2017 Results

- Self-moving equipment rental revenues increased \$24.1 million or 5% during the third quarter of fiscal 2017, compared with the third quarter of fiscal 2016. The improvement in revenue was generated from an increase in transactions from both our In-Town and one-way truck business. Our distribution network continued to expand with the addition of new independent dealers and Company-owned locations. The average number of rental trucks in our fleet increased compared with the same quarter last year.
- Self-storage revenues increased \$9.1 million during the third quarter of fiscal 2017, compared with the third quarter of fiscal 2016. The average monthly amount of occupied square feet increased by 10.9% during the third quarter of fiscal 2017 compared with the same period last year. The growth in revenues and square feet rented comes from a combination of improved occupancy at existing locations as well as the addition of new facilities to the portfolio. Over the last twelve months we have added approximately 3.1 million net rentable square feet to our owned self-storage portfolio with over 0.8 million of that coming on during the third quarter.
- Depreciation, net of gains and losses on disposals increased \$30.4 million due to additional trucks in the rental fleet, increased costs of acquisition and lower relative sales values in the third quarter of fiscal 2017 compared with the same period last year.

- Operating earnings at our Moving and Storage operating segment decreased \$25.8 million in the third quarter of fiscal 2017 compared with the same period last year. Total revenues climbed \$41.2 million and total costs and expenses increased \$67.0 million.
- As a result of changes in IRS regulations regarding the capitalization of low value assets, the Company has changed its policy. This shift in procedure results in the immediate recognition of reported operating costs with a lagging decrease in depreciation expense over the term that these assets would have been depreciated. For the third quarter of fiscal 2017 this resulted in an additional \$4.3 million of operating expenses. This change is expected to benefit the Company through the immediate recognition of tax-deductible costs.
- For the first nine months of fiscal 2017 compared with the first nine months of fiscal 2016 gross truck and trailer capital expenditures were approximately \$870 million compared with approximately \$586 million, proceeds from sales of rental equipment were \$403 million compared with \$459 million and spending on real estate related acquisitions and projects were approximately \$378 million compared with \$439 million.
- Cash and credit availability at the Moving and Storage operating segment was \$1,067.0 million at December 31, 2016 compared with \$633.7 million at March 31, 2016.
- On October 5, 2016, we declared a cash dividend on our Common Stock of \$1.00 per share to holders of record on October 20, 2016. The dividend was paid on November 3, 2016.

AMERCO will hold its investor call for the third quarter of fiscal 2017 on Thursday, February 9, 2017, at 8 a.m. Arizona Time (10 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 December 31, 2016, 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 third quarter of fiscal 2017 and 2016.

	Quarter Ended December 31,	
	2016	2015
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 541,473	\$ 517,403
Self-storage revenues	72,309	63,164
Self-moving and self-storage product and service sales	51,562	50,038
Property management fees	9,734	8,170
Life insurance premiums	41,279	40,657
Property and casualty insurance premiums	14,938	14,105
Net investment and interest income	23,054	19,026
Other revenue	36,327	32,188
Consolidated revenue	<u>790,676</u>	<u>744,751</u>

Listed below are revenues and earnings from operations at each of our operating segments for the third quarter of fiscal 2017 and 2016.

	Quarter Ended December 31,	
	2016	2015
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 713,984	\$ 672,752
Earnings from operations before equity in earnings of subsidiaries	118,253	144,070
Property and casualty insurance		
Revenues	18,381	17,357
Earnings from operations	7,219	6,271
Life insurance		
Revenues	59,694	56,148
Earnings from operations	6,872	7,718
Eliminations		
Revenues	(1,383)	(1,506)
Earnings from operations before equity in earnings of subsidiaries	(142)	(157)
Consolidated results		
Revenues	790,676	744,751
Earnings from operations	132,202	157,902

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 December 31,	
	2016	2015
	(Unaudited)	
	(In thousands, except occupancy rate)	
Room count as of December 31	305	265
Square footage as of December 31	26,310	23,178
Average monthly number of rooms occupied	227	205
Average monthly occupancy rate based on room count	75.1%	78.4%
Average monthly square footage occupied	20,515	18,493

Listed below on a consolidated basis are revenues for our major product lines for the first nine months of fiscal 2017 and 2016.

	Nine months Ended December 31,	
	2016	2015
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 1,899,519	\$ 1,844,908
Self-storage revenues	212,194	182,415
Self-moving and self-storage product and service sales	199,195	197,999
Property management fees	23,050	20,601
Life insurance premiums	123,064	121,438
Property and casualty insurance premiums	40,202	38,033
Net investment and interest income	76,419	63,149
Other revenue	139,353	123,916
Consolidated revenue	<u>2,712,996</u>	<u>2,592,459</u>

Listed below are revenues and earnings from operations at each of our operating segments for the first nine months of fiscal 2017 and 2016.

	Nine months Ended December 31,	
	2016	2015
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 2,480,215	\$ 2,375,886
Earnings from operations before equity in earnings of subsidiaries	659,918	721,755
Property and casualty insurance		
Revenues	53,153	48,872
Earnings from operations	21,816	18,814
Life insurance		
Revenues	183,450	171,404
Earnings from operations	17,886	19,986
Eliminations		
Revenues	(3,822)	(3,703)
Earnings from operations before equity in earnings of subsidiaries	(437)	(477)
Consolidated results		
Revenues	2,712,996	2,592,459
Earnings from operations	699,183	760,078

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:

	Nine months Ended December 31,	
	2016	2015
	(Unaudited)	
	(In thousands, except occupancy rate)	
Room count as of December 31	305	265
Square footage as of December 31	26,310	23,178
Average monthly number of rooms occupied	226	201
Average monthly occupancy rate based on room count	77.1%	81.5%
Average monthly square footage occupied	20,343	18,064

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31,	March 31,
	2016	2016
	(Unaudited)	
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$ 984,185	\$ 600,646
Reinsurance recoverables and trade receivables, net	199,095	175,210
Inventories, net	79,682	79,756
Prepaid expenses	54,486	134,300
Investments, fixed maturities and marketable equities	1,700,581	1,510,538
Investments, other	376,813	310,072
Deferred policy acquisition costs, net	118,040	136,386
Other assets	78,049	77,210
Related party assets	91,705	85,734
	<u>3,682,636</u>	<u>3,109,852</u>
Property, plant and equipment, at cost:		
Land	633,725	587,347
Buildings and improvements	2,509,073	2,187,400
Furniture and equipment	477,131	399,943
Rental trailers and other rental equipment	493,214	462,379
Rental trucks	3,806,387	3,514,175
	<u>7,919,530</u>	<u>7,151,244</u>
Less: Accumulated depreciation	(2,314,849)	(2,133,733)
Total property, plant and equipment	<u>5,604,681</u>	<u>5,017,511</u>
Total assets	<u>\$ 9,287,317</u>	<u>\$ 8,127,363</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 435,000	\$ 502,613
Notes, loans and leases payable	3,198,435	2,665,396
Policy benefits and losses, claims and loss expenses payable	1,083,627	1,071,412
Liabilities from investment contracts	1,085,775	951,490
Other policyholders' funds and liabilities	8,268	8,650
Deferred income	23,847	22,784
Deferred income taxes	791,661	653,612
Total liabilities	<u>6,626,613</u>	<u>5,875,957</u>
Common stock	10,497	10,497
Additional paid-in capital	452,014	451,629
Accumulated other comprehensive loss	(21,034)	(60,525)
Retained earnings	2,902,932	2,533,641
Cost of common shares in treasury, net	(525,653)	(525,653)
Cost of preferred shares in treasury, net	(151,997)	(151,997)
Unearned employee stock ownership plan shares	(6,055)	(6,186)
Total stockholders' equity	<u>2,660,704</u>	<u>2,251,406</u>
Total liabilities and stockholders' equity	<u>\$ 9,287,317</u>	<u>\$ 8,127,363</u>

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Quarter Ended December 31,	
	2016	2015
	(Unaudited)	
	(In thousands, except share and per share data)	
Revenues:		
Self-moving equipment rentals	\$ 541,473	\$ 517,403
Self-storage revenues	72,309	63,164
Self-moving and self-storage products and service sales	51,562	50,038
Property management fees	9,734	8,170
Life insurance premiums	41,279	40,657
Property and casualty insurance premiums	14,938	14,105
Net investment and interest income	23,054	19,026
Other revenue	36,327	32,188
Total revenues	790,676	744,751
Costs and expenses:		
Operating expenses	389,352	356,156
Commission expenses	61,052	58,347
Cost of sales	32,537	29,460
Benefits and losses	45,403	41,574
Amortization of deferred policy acquisition costs	5,200	5,138
Lease expense	8,807	10,461
Depreciation, net of (gains) losses on disposals	116,123	85,713
Total costs and expenses	658,474	586,849
Earnings from operations	132,202	157,902
Interest expense	(29,003)	(25,407)
Amortization on early extinguishment of debt	(499)	-
Pretax earnings	102,700	132,495
Income tax expense	(37,472)	(50,726)
Earnings available to common shareholders	\$ 65,228	\$ 81,769
Basic and diluted earnings per common share	\$ 3.33	\$ 4.17
Weighted average common shares outstanding: Basic and diluted	19,586,694	19,599,352

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Nine months Ended December 31,	
	2016	2015
	(Unaudited)	
	(In thousands, except share and per share data)	
Revenues:		
Self-moving equipment rentals	\$ 1,899,519	\$ 1,844,908
Self-storage revenues	212,194	182,415
Self-moving and self-storage products and service sales	199,195	197,999
Property management fees	23,050	20,601
Life insurance premiums	123,064	121,438
Property and casualty insurance premiums	40,202	38,033
Net investment and interest income	76,419	63,149
Other revenue	139,353	123,916
Total revenues	2,712,996	2,592,459
Costs and expenses:		
Operating expenses	1,172,647	1,125,607
Commission expenses	215,330	212,204
Cost of sales	116,851	110,596
Benefits and losses	139,242	128,393
Amortization of deferred policy acquisition costs	19,131	15,559
Lease expense	29,204	40,249
Depreciation, net of (gains) losses on disposals	321,408	199,773
Total costs and expenses	2,013,813	1,832,381
Earnings from operations	699,183	760,078
Interest expense	(83,862)	(71,480)
Amortization on early extinguishment of debt	(499)	-
Pretax earnings	614,822	688,598
Income tax expense	(225,946)	(252,165)
Earnings available to common shareholders	\$ 388,876	\$ 436,433
Basic and diluted earnings per common share	\$ 19.85	\$ 22.27
Weighted average common shares outstanding: Basic and diluted	19,586,389	19,597,735

**Nine months Ended
December 31, 2016**

(Unaudited)

(In thousands, except share and per share amounts)

AMERCO and Consolidated Subsidiaries

Earnings per common share: basic and diluted	\$	19.85
PEI litigation accrual reduction, net of taxes, per common share basic and diluted		<u>(0.79)</u>
Earnings per common share: basic and diluted before PEI litigation accrual reduction	\$	<u>19.06</u>
PEI litigation accrual reduction	\$	24,600
Income tax benefit		<u>(9,053)</u>
PEI litigation accrual reduction, net of taxes	\$	<u>15,547</u>
PEI litigation accrual reduction, net of taxes, per common share basic and diluted	\$	<u>0.79</u>
Weighted average shares outstanding: basic and diluted		<u>19,586,389</u>

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