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AMERCO REPORTS FISCAL 2021 FINANCIAL RESULTS

RENO, Nev. (May 26, 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 the year ended March 31, 2021, of \$610.9 million, or \$31.15 per share, compared with \$442.0 million, or \$22.55 per share for the same period last year. Included in the results for the year ended March 31, 2020, was a \$7.45 per share, or \$146.0 million tax benefit resulting from the CARES Act. Excluding this item, adjusted earnings were \$15.10 per share for the year ended March 31, 2020. This adjustment to our net earnings and earnings per share provides a reconciliation for comparison of our financial performance for the periods presented.

For the quarter ended March 31, 2021, the Company reported net earnings available to shareholders of \$73.8 million, or \$3.76 per share compared with net earnings of \$122.4 million, or \$6.24 per share for the same period last year. Included in the results for the quarter ended March 31, 2020, was a \$7.45 per share, or \$146.0 million tax benefit resulting from the CARES Act. Excluding this, adjusted losses were (\$1.21) per share for the quarter ended March 31, 2020.

“Market disruptions were countered by adapting to new customer needs,” stated Joe Shoen, chairman of AMERCO. “Increased customer demand drove revenues. We fell behind plan in rental equipment and self-storage capital expenditures. Interest rates held. All of this created good ‘results.’ The entire team worked together to achieve this result. As always, the best measurement period is more than a year.”

Highlights of Fiscal Year and Fourth Quarter 2021 Results

- Self-moving equipment rental revenues increased \$171.8 million, or 33%, in the fourth quarter of fiscal 2021 compared with the fourth quarter of fiscal 2020, and finished the full year up \$390.9 million, or 15%, compared with fiscal 2020. During our first quarter this fiscal year, we experienced a decrease in these revenues of \$94.3 million, or 13%. Since then, these revenues have increased \$485.2 million, or 25%, over the last nine months. Transactions along with average revenue per transaction increased for both our In-town and one-way markets. Compared to the same period last year, we increased the number of retail locations and independent dealers.
- Self-storage revenues increased \$21.2 million, or 19%, in the fourth quarter of fiscal 2021 compared with the fourth quarter of fiscal 2020, and for the full year increased \$58.5 million, or 14%, compared with fiscal 2020. The average monthly number of occupied units increased by 21%, or 69,000 units, during the fourth quarter of fiscal 2021 compared with the same period last year. The growth in revenues and units rented comes from a combination of occupancy gains at existing locations and from the additions of new facilities to the portfolio. In fiscal 2021, we added approximately 3.7 million net rentable square feet, or a 9% increase, with approximately 0.8 million of that occurring during the fourth quarter of fiscal 2021.

- Sales of self-moving and self-storage products and services increased \$22.9 million, or 40% in the fourth quarter of fiscal 2021 compared with the fourth quarter of fiscal 2020 and for the full year increased \$79.8 million, or 30% compared with fiscal 2020. Increases came from the sales of moving supplies, hitch and towing accessories, and propane.
- For the quarter, depreciation, net of gains and losses on sales decreased \$20.6 million. Depreciation on the rental equipment fleet decreased \$6.3 million while net gains on the sales of rental trucks increased \$19.5 million. All other depreciation increased \$5.1 million from buildings and improvements. For the full fiscal year, depreciation, net of gains and losses on sales, decreased \$27.1 million. Depreciation on the rental equipment fleet decreased \$23.8 million. Although fewer trucks were sold, net gains from the disposal of rental equipment increased \$27.0 million from higher resale values. Over the last nine months of fiscal 2021 net gains have increased \$42.6 million, after a net loss of \$15.6 million in the first quarter of fiscal 2021 due to COVID-19 auction shutdowns. All other depreciation increased \$23.7 million largely from buildings and improvements.
- Fleet maintenance and repair costs increased \$13.5 million in the fourth quarter of fiscal 2021 compared with the same period last year as preventative maintenance trended with transactions. Fleet maintenance and repair costs decreased \$18.2 million for the full year of fiscal 2021 due to fewer trucks being prepped for sale at auction.
- Personnel related costs at the Moving and Storage operating segment increased \$40.7 million in the fourth quarter of fiscal 2021 compared with the same period last year as a result of an \$18.9 million increase in contributions made to our employee stock ownership plan along with additional performance compensation and wages for our Field team.
- Operating earnings at our Moving and Storage operating segment increased \$137.9 million in the fourth quarter of fiscal 2021 compared with the same period last year. Total revenues increased \$233.3 million and total costs and expenses increased \$95.4 million.
- Gross truck and trailer capital expenditures for fiscal 2021 were approximately \$853 million compared with approximately \$1,374 million for fiscal 2020. Capital expenditures for the rental fleet, depending upon manufacturer availability, are expected to increase in fiscal 2022. Proceeds from the sales of rental equipment were approximately \$527 million for fiscal 2021 compared with \$678 million in fiscal 2020. Spending on real estate related acquisitions and projects decreased approximately \$246 million to \$505 million in fiscal 2021 compared with fiscal 2020.
- Cash and credit availability at the Moving and Storage operating segment was \$1,115.3 million and \$498.1 million as of March 31, 2021 and 2020, respectively.

AMERCO will hold its investor call for fiscal 2021 on Thursday, May 27, 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.

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-K for the year ended March 31, 2021, 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 fourth quarter and the full year of fiscal 2021 and 2020.

	<u>Quarters Ended March 31,</u>		<u>Years Ended March 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(In thousands)			
Self-moving equipment rentals	\$ 689,787	\$ 518,021	\$ 3,083,317	\$ 2,692,413
Self-storage revenues	130,010	108,801	477,262	418,741
Self-moving and self-storage product and service sales	80,365	57,490	344,929	265,091
Property management fees	7,651	6,919	31,603	30,406
Life insurance premiums	29,651	31,747	121,609	127,976
Property and casualty insurance premiums	19,243	14,997	68,779	66,053
Net investment and interest income	37,043	35,200	122,938	137,829
Other revenue	66,108	48,350	291,548	240,359
Consolidated revenue	\$ <u>1,059,858</u>	\$ <u>821,525</u>	\$ <u>4,541,985</u>	\$ <u>3,978,868</u>

Listed below are revenues and earnings from operations at each of our operating segments for the fourth quarter and the full year of fiscal 2021 and 2020

	<u>Quarters Ended March 31,</u>		<u>Years Ended March 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(In thousands)			
Moving and storage				
Revenues	\$ 974,775	\$ 741,452	\$ 4,231,674	\$ 3,657,766
Earnings (losses) from operations before equity in earnings of subsidiaries	117,242	(20,690)	906,863	471,962
Property and casualty insurance				
Revenues	23,790	19,865	86,737	89,064
Earnings from operations	8,160	15,442	32,498	42,884
Life insurance				
Revenues	62,344	62,395	232,634	241,464
Earnings from operations	6,192	6,482	22,876	26,394
Eliminations				
Revenues	(1,051)	(2,187)	(9,060)	(9,426)
Earnings from operations before equity in earnings of subsidiaries	(269)	(276)	(1,090)	(1,112)
Consolidated Results				
Revenues	1,059,858	821,525	4,541,985	3,978,868
Earnings from operations	131,325	958	961,147	540,128

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 storage locations follows:

	Quarters Ended March 31,	
	2021	2020
	(In thousands, except occupancy rate)	
Unit count as of March 31	539	503
Square footage as of March 31	45,746	42,082
Average monthly number of units occupied	398	329
Average monthly occupancy rate based on unit count	74.3%	66.1%
Average monthly square footage occupied	35,692	29,846

	Years Ended March 31,	
	2021	2020
	(In thousands, except occupancy rate)	
Unit count as of March 31	539	503
Square footage as of March 31	45,746	42,082
Average monthly number of units occupied	376	319
Average monthly occupancy rate based on unit count	71.8%	67.7%
Average monthly square footage occupied	33,700	28,946

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2021	March 31, 2020
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$ 1,194,012	\$ 494,352
Reinsurance recoverables and trade receivables, net	224,426	186,672
Inventories and parts, net	105,577	101,083
Prepaid expenses	469,144	562,904
Investments, fixed maturities and marketable equities	2,695,656	2,492,738
Investments, other	489,759	360,373
Deferred policy acquisition costs, net	89,749	103,118
Other assets	47,730	71,956
Right of use assets - financing, net	877,038	1,080,353
Right of use assets - operating	92,505	106,631
Related party assets	35,395	34,784
	6,320,991	5,594,964
Property, plant and equipment, at cost:		
Land	1,075,813	1,032,945
Buildings and improvements	5,163,705	4,663,461
Furniture and equipment	786,505	752,363
Rental trailers and other rental equipment	477,921	511,520
Rental trucks	3,909,724	3,595,933
	11,413,668	10,556,222
Less: Accumulated depreciation	(3,083,053)	(2,713,162)
Total property, plant and equipment	8,330,615	7,843,060
Total assets	\$ 14,651,606	\$ 13,438,024
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 645,575	\$ 554,353
Notes, loans and finance leases payable, net	4,668,907	4,621,291
Operating lease liabilities	92,510	106,443
Policy benefits and losses, claims and loss expenses payable	997,701	997,647
Liabilities from investment contracts	2,161,530	1,802,217
Other policyholders' funds and liabilities	12,420	10,190
Deferred income	42,592	31,620
Deferred income taxes, net	1,178,489	1,093,543
Total liabilities	9,799,724	9,217,304
Common stock	10,497	10,497
Additional paid-in capital	453,819	453,819
Accumulated other comprehensive income	106,857	34,652
Retained earnings	4,958,359	4,399,402
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	-	-
Total stockholders' equity	4,851,882	4,220,720
Total liabilities and stockholders' equity	\$ 14,651,606	\$ 13,438,024

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Quarter Ended March 31,	
	2021	2020
	(In thousands, except share and per share data)	
Revenues:		
Self-moving equipment rentals	\$ 689,787	\$ 518,021
Self-storage revenues	130,010	108,801
Self-moving and self-storage products and service sales	80,365	57,490
Property management fees	7,651	6,919
Life insurance premiums	29,651	31,747
Property and casualty insurance premiums	19,243	14,997
Net investment and interest income	37,043	35,200
Other revenue	66,108	48,350
Total revenues	1,059,858	821,525
Costs and expenses:		
Operating expenses	580,997	499,810
Commission expenses	74,178	54,792
Cost of sales	54,543	35,841
Benefits and losses	48,852	37,141
Amortization of deferred policy acquisition costs	9,281	10,594
Lease expense	7,475	7,000
Depreciation, net of gains (losses) on disposals	154,219	174,836
Net (gains) losses on disposal of real estate	(1,012)	553
Total costs and expenses	928,533	820,567
Earnings from operations	131,325	958
Other components of net periodic benefit costs	(247)	(264)
Interest expense	(41,328)	(42,967)
Pretax earnings (losses)	89,750	(42,273)
Income tax benefit (expense)	(15,970)	164,641
Earnings available to common shareholders	\$ 73,780	\$ 122,368
Basic and diluted earnings per common share	\$ 3.76	\$ 6.24
Weighted average common shares outstanding: Basic and diluted	19,607,788	19,607,788

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Twelve Months Ended March 31,	
	2021	2020
	(In thousands, except share and per share data)	
Revenues:		
Self-moving equipment rentals	\$ 3,083,317	\$ 2,692,413
Self-storage revenues	477,262	418,741
Self-moving and self-storage products and service sales	344,929	265,091
Property management fees	31,603	30,406
Life insurance premiums	121,609	127,976
Property and casualty insurance premiums	68,779	66,053
Net investment and interest income	122,938	137,829
Other revenue	291,548	240,359
Total revenues	4,541,985	3,978,868
Costs and expenses:		
Operating expenses	2,187,684	2,117,148
Commission expenses	329,609	288,332
Cost of sales	214,059	164,018
Benefits and losses	179,512	174,836
Amortization of deferred policy acquisition costs	28,293	31,219
Lease expense	28,470	26,882
Depreciation, net of gains on disposals	609,930	637,063
Net (gains) losses on disposal of real estate	3,281	(758)
Total costs and expenses	3,580,838	3,438,740
Earnings from operations	961,147	540,128
Other components of net periodic benefit costs	(987)	(1,054)
Interest expense	(163,502)	(160,950)
Pretax earnings	796,658	378,124
Income tax benefit (expense)	(185,802)	63,924
Earnings available to common shareholders	\$ 610,856	\$ 442,048
Basic and diluted earnings per common share	\$ 31.15	\$ 22.55
Weighted average common shares outstanding: Basic and diluted	19,607,788	19,603,708

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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 March 31, 2021, the balance of ROU-financing also includes the rental equipment purchased under new financing liability leases during fiscal 2021. The table below shows adjusted PPE as of March 31, 2021 and 2020, by including the ROU-financing. The assets included in ROU-financing are not a true book value as some of the assets are recorded at between 70% and 100% of value based on the lease agreement.

	March 31, 2021	ROU Assets Financing	March 31, 2021 Property, Plant and Equipment Adjusted	March 31, 2020 Property, Plant and Equipment Adjusted
(In thousands)				
Property, plant and equipment, at cost				
Land	\$ 1,075,813	\$ -	\$ 1,075,813	\$ 1,032,945
Buildings and improvements	5,163,705	-	5,163,705	4,663,461
Furniture and equipment	786,505	22,316	808,821	773,476
Rental trailers and other rental equipment	477,921	203,594	681,515	731,101
Rental trucks	3,909,724	1,494,098	5,403,822	5,230,505
Right-of-use assets, gross	11,413,668	1,720,008	13,133,676	12,431,488
Less: Accumulated depreciation	(3,083,053)	(842,970)	(3,926,023)	(3,508,075)
Total property, plant and equipment, net	\$ 8,330,615	\$ 877,038	\$ 9,207,653	\$ 8,923,413

This adjustment to earnings per share for the quarter and year ended fiscal 2020, provides a reconciliation for comparison of our financial performance for the periods presented.

Quarter Ended
March 31, 2020

(In thousands, except share and per share amounts)

AMERCO and Consolidated Subsidiaries

Earnings per common share: basic and diluted	\$ 6.24
CARES Act adjustment, per common share basic and diluted	(7.45)
Losses per common share: basic and diluted before CARES Act adjustment	\$ (1.21)
CARES Act adjustment	\$ (146,015)
CARES Act adjustment, per common share basic and diluted	\$ (7.45)
Weighted average shares outstanding: basic and diluted	19,607,788

Year Ended
March 31, 2020

(In thousands, except share and per share amounts)

AMERCO and Consolidated Subsidiaries

Earnings per common share: basic and diluted	\$ 22.55
CARES Act adjustment, per common share basic and diluted	<u>(7.45)</u>
Earnings per common share: basic and diluted before CARES Act adjustment	\$ 15.10
CARES Act adjustment	\$ <u>(146,015)</u>
CARES Act adjustment, per common share basic and diluted	\$ <u>(7.45)</u>
Weighted average shares outstanding: basic and diluted	<u>19,603,708</u>