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AMERCO REPORTS SECOND QUARTER FISCAL 2019 FINANCIAL RESULTS

RENO, Nev. (November 7, 2018)--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, 2018, of \$163.5 million, or \$8.35 per share, compared with net earnings of \$124.6 million, or \$6.36 per share, for the same period last year.

For the six-month period ended September 30, 2018, net earnings available to shareholders were \$291.4 million, or \$14.87 per share, compared with net earnings of \$250.8 million, or \$12.81 per share, for the same period last year.

“Growth in equipment rental revenue and occupied storage rooms continued during the quarter and we have the capacity for additional improvement,” stated Joe Shoen, chairman of AMERCO. “Truck sales are improving, returning some revenue and expense that was in the third quarter last year into this second quarter. Discretionary personnel bonus amounts that were recognized in the second quarter last year have not yet been determined. We have lots of work to do and are about it.”

Highlights of Second Quarter Fiscal 2019 Results

- Self-moving equipment rental revenues increased \$41.2 million or 6% during the second quarter of fiscal 2019, compared with the second quarter of fiscal 2018 from improvements in both One-way and in-town markets. Sales of our Safemove and related protection packages contributed to the revenue growth. Compared with the same period last year, we increased the number of Company-owned locations, along with box trucks, trailers and towing devices in the rental fleet.
- Self-storage revenues increased \$11.0 million during the second quarter of fiscal 2019, compared with the second quarter of fiscal 2018. The average monthly amount of occupied square feet increased by 11% during the second quarter of fiscal 2019 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 4.4 million net rentable square feet or a 15% increase to our owned self-storage portfolio with over 1.2 million of that coming on during the second quarter.
- For the second quarter of fiscal 2019 compared with the second quarter of fiscal 2018, depreciation, net of gains and losses on sales decreased \$0.5 million. Depreciation expense on the rental equipment fleet increased \$4.3 million primarily due to a larger fleet while gains on the sales of rental trucks increased \$7.1 million. We sold more used trucks and the average sales proceeds per trucks were nominally better in the second quarter of fiscal 2019, compared with the prior year period. All other depreciation increased \$2.3 million from the increase in new moving and storage locations.

- For the first six months of fiscal 2019 and fiscal 2018 gross truck and trailer capital expenditures were approximately \$787 million compared with \$665 million, proceeds from the sales of rental equipment were \$428 million compared with \$256 million and spending on real estate related acquisitions and projects were approximately \$481 million compared with \$258 million.
- Fleet maintenance and repair costs increased \$11.8 million in the second quarter of fiscal 2019 compared with the same period last year. While up for the quarter, these costs did decrease year-over-year for the month of September.
- Operating earnings at our Moving and Storage operating segment increased \$18.7 million in the second quarter of fiscal 2019 compared with the same period last year. Total revenues climbed \$61.7 million and total costs and expenses increased \$43.0 million.
- The effective federal income tax rate for second quarter of fiscal 2019 benefited from the Tax Reform Act. Had this rate been in effect for the second quarter of fiscal 2018 it would have increased earnings by \$25.0 million or \$1.28 per share, to \$149.7 million, or \$7.64 per share for the quarter.
- Cash and credit availability at the Moving and Storage operating segment was \$678.2 million at September 30, 2018 compared with \$882.0 million at March 31, 2018.
- On August 23, 2018, we declared a cash dividend on our Common Stock of \$0.50 per share to holders of record on September 10, 2018. The dividend was paid on September 24, 2018.

AMERCO will hold its investor call for the second quarter of fiscal 2019 on Thursday, November 8, 2018, 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 September 30, 2018, 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 2019 and 2018.

	Quarter Ended September 30,	
	2018	2017
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 781,713	\$ 740,558
Self-storage revenues	91,493	80,472
Self-moving and self-storage product and service sales	72,913	73,268
Property management fees	7,192	6,831
Life insurance premiums	35,920	38,862
Property and casualty insurance premiums	16,283	15,026
Net investment and interest income	28,227	26,469
Other revenue	70,766	61,200
Consolidated revenue	\$ 1,104,507	\$ 1,042,686

Listed below are revenues and earnings from operations at each of our operating segments for the second quarter of fiscal 2019 and 2018.

	Quarter Ended September 30,	
	2018	2017
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 1,026,934	\$ 965,208
Earnings from operations before equity in earnings of subsidiaries	235,874	217,162
Property and casualty insurance		
Revenues	20,522	19,199
Earnings from operations	7,859	6,087
Life insurance		
Revenues	59,612	60,430
Earnings from operations	7,502	6,718
Eliminations		
Revenues	(2,561)	(2,151)
Earnings from operations before equity in earnings of subsidiaries	(291)	(354)
Consolidated Results		
Revenues	1,104,507	1,042,686
Earnings from operations	250,944	229,613

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,	
	2018	2017
	(Unaudited)	
	(In thousands, except occupancy rate)	
Room count as of September 30	398	341
Square footage as of September 30	33,553	29,104
Average monthly number of rooms occupied	276	249
Average monthly occupancy rate based on room count	70.6%	73.9%
Average monthly square footage occupied	24,867	22,408

Listed below on a consolidated basis are revenues for our major product lines for the first six months of fiscal 2019 and 2018.

	Six Months Ended September 30,	
	2018	2017
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 1,498,315	\$ 1,410,416
Self-storage revenues	177,705	157,190
Self-moving and self-storage product and service sales	152,154	152,179
Property management fees	14,608	13,593
Life insurance premiums	72,808	77,953
Property and casualty insurance premiums	29,064	26,841
Net investment and interest income	52,832	53,686
Other revenue	126,598	108,753
Consolidated revenue	<u>\$ 2,124,084</u>	<u>\$ 2,000,611</u>

Listed below are revenues and earnings from operations at each of our operating segments for the first six months of fiscal 2019 and 2018.

	Six Months Ended September 30,	
	2018	2017
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	1,974,819	1,847,735
Earnings from operations before equity in earnings of subsidiaries	436,269	437,902
Property and casualty insurance		
Revenues	36,411	35,305
Earnings from operations	10,572	11,523
Life insurance		
Revenues	117,475	121,086
Earnings from operations	9,383	10,154
Eliminations		
Revenues	(4,621)	(3,515)
Earnings from operations before equity in earnings of subsidiaries	(576)	(703)
Consolidated Results		
Revenues	2,124,084	2,000,611
Earnings from operations	455,648	458,876

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,	
	2018	2017
	(Unaudited)	
	(In thousands, except occupancy rate)	
Room count as of September 30	398	341
Square footage as of September 30	33,553	29,104
Average monthly number of rooms occupied	269	243
Average monthly occupancy rate based on room count	70.1%	73.5%
Average monthly square footage occupied	24,266	21,895

**AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED BALANCE SHEETS**

	September 30, 2018	March 31, 2018
	(Unaudited)	
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$ 652,440	\$ 759,388
Reinsurance recoverables and trade receivables, net	207,665	193,538
Inventories and parts, net	93,071	89,877
Prepaid expenses	183,350	166,129
Investments, fixed maturities and marketable equities	2,015,402	1,919,860
Investments, other	407,774	399,064
Deferred policy acquisition costs, net	138,938	124,767
Other assets	180,475	244,782
Related party assets	30,257	33,276
	<u>3,909,372</u>	<u>3,930,681</u>
Property, plant and equipment, at cost:		
Land	899,095	827,649
Buildings and improvements	3,581,419	3,140,713
Furniture and equipment	656,389	632,803
Rental trailers and other rental equipment	562,167	545,968
Rental trucks	4,597,016	4,390,750
	<u>10,296,086</u>	<u>9,537,883</u>
Less: Accumulated depreciation	(2,881,613)	(2,721,142)
Total property, plant and equipment	<u>7,414,473</u>	<u>6,816,741</u>
Total assets	<u>\$ 11,323,845</u>	<u>\$ 10,747,422</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 535,185	\$ 511,115
Notes, loans and leases payable, net	3,686,572	3,513,076
Policy benefits and losses, claims and loss expenses payable	1,198,053	1,248,033
Liabilities from investment contracts	1,490,172	1,364,066
Other policyholders' funds and liabilities	13,342	10,040
Deferred income	34,136	34,276
Deferred income taxes, net	733,218	658,108
Total liabilities	<u>7,690,678</u>	<u>7,338,714</u>
Common stock	10,497	10,497
Additional paid-in capital	453,006	452,746
Accumulated other comprehensive loss	(62,238)	(4,623)
Retained earnings	3,917,087	3,635,561
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	(7,535)	(7,823)
Total stockholders' equity	<u>3,633,167</u>	<u>3,408,708</u>
Total liabilities and stockholders' equity	<u>\$ 11,323,845</u>	<u>\$ 10,747,422</u>

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Quarter Ended September 30,

2018 **2017**

(Unaudited)

(In thousands, except share and per share data)

Revenues:			
Self-moving equipment rentals	\$	781,713	\$ 740,558
Self-storage revenues		91,493	80,472
Self-moving and self-storage products and service sales		72,913	73,268
Property management fees		7,192	6,831
Life insurance premiums		35,920	38,862
Property and casualty insurance premiums		16,283	15,026
Net investment and interest income		28,227	26,469
Other revenue		70,766	61,200
Total revenues		<u>1,104,507</u>	<u>1,042,686</u>
Costs and expenses:			
Operating expenses		529,350	492,250
Commission expenses		85,334	83,351
Cost of sales		46,402	42,866
Benefits and losses		45,773	47,109
Amortization of deferred policy acquisition costs		5,899	5,944
Lease expense		8,170	8,575
Depreciation, net of gains on disposals		132,625	133,144
Net (gains) losses on real estate		10	(166)
Total costs and expenses		<u>853,563</u>	<u>813,073</u>
Earnings from operations		250,944	229,613
Other components of net periodic benefit costs		(254)	(232)
Interest expense		(35,030)	(32,023)
Pretax earnings		<u>215,660</u>	<u>197,358</u>
Income tax expense		(52,118)	(72,719)
Earnings available to common shareholders	\$	<u>163,542</u>	\$ <u>124,639</u>
Basic and diluted earnings per common share	\$	<u>8.35</u>	\$ <u>6.36</u>
Weighted average common shares outstanding: Basic and diluted		<u>19,591,312</u>	<u>19,588,571</u>

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Six Months Ended September 30,

2018 **2017**

(Unaudited)

(In thousands, except share and per share data)

Revenues:

Self-moving equipment rentals	\$	1,498,315	\$	1,410,416
Self-storage revenues		177,705		157,190
Self-moving and self-storage products and service sales		152,154		152,179
Property management fees		14,608		13,593
Life insurance premiums		72,808		77,953
Property and casualty insurance premiums		29,064		26,841
Net investment and interest income		52,832		53,686
Other revenue		126,598		108,753
Total revenues		2,124,084		2,000,611

Costs and expenses:

Operating expenses		1,025,904		908,942
Commission expenses		164,591		158,716
Cost of sales		96,283		90,461
Benefits and losses		94,327		94,829
Amortization of deferred policy acquisition costs		11,930		12,265
Lease expense		16,339		16,862
Depreciation, net of gains on disposals		259,052		259,479
Net losses on real estate		10		181
Total costs and expenses		1,668,436		1,541,735

Earnings from operations

		455,648		458,876
Other components of net periodic benefit costs		(507)		(464)
Interest expense		(70,284)		(62,368)
Pretax earnings		384,857		396,044
Income tax expense		(93,466)		(145,198)
Earnings available to common shareholders	\$	291,391	\$	250,846
Basic and diluted earnings per common share	\$	14.87	\$	12.81
Weighted average common shares outstanding: Basic and diluted		19,590,946		19,588,231

NON-GAAP FINANCIAL RECONCILIATION SCHEDULE

	Quarter Ended September 30, 2017	Six Months Ended September 30, 2017
	(Unaudited)	
	(In thousands, except share and per share amounts)	
AMERCO and Consolidated Subsidiaries		
Earnings per common share: basic and diluted	\$ 6.36	12.81
Tax Reform Act adjustment, per common share basic and diluted	1.28	2.50
Earnings per common share: basic and diluted before Tax Reform Act adjustment	\$ 7.64	15.31
Tax Reform Act adjustment	\$ 25,024	49,015
Tax Reform Act adjustment, per common share basic and diluted	\$ 1.28	2.50
Weighted average shares outstanding: basic and diluted	19,588,571	19,588,231
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