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## **AMERCO REPORTS THIRD QUARTER FISCAL 2019 FINANCIAL RESULTS**

**RENO, Nev. (February 6, 2019)** -- 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, 2018, of \$78.6 million, or \$4.01 per share, compared with net earnings of \$528.9 million, or \$27.00 per share, for the same period last year. Included in the results for the quarter ended December 31, 2017, was a \$17.32 per share, or \$339.2 million benefit resulting from the Tax Cuts and Jobs Act and an additional after-tax benefit of \$7.34 per share or \$143.8 million resulting from the sale of a portion of our Chelsea, NY property. Excluding these items, adjusted earnings were \$2.34 per share for the quarter ended December 31, 2017. These adjustments to our net earnings and earnings per share provide a reconciliation for comparison of our financial performance for the periods presented.

For the nine-month period ended December 31, 2018, net earnings available to shareholders were \$370.0 million, or \$18.89 per share, compared with net earnings of \$779.7 million, or \$39.81 per share, for the same period last year. Included in the results for the nine-month period ended December 31, 2017, was a \$17.32 per share, or \$339.2 million benefit resulting from the Tax Cuts and Jobs Act and an additional after-tax benefit of \$7.34 per share or \$143.8 million resulting from the sale of a portion of our Chelsea, NY property. Excluding these items, adjusted earnings were \$15.15 per share for the nine-month period ended December 31, 2017.

“Cutting through all of the unique financial events from the third quarter of last fiscal year, we have made progress towards improving profitability,” stated Joe Shoen, chairman of AMERCO. “I believe that we can do better. Discretionary personnel bonus amounts that were recognized in the second quarter last year have yet to be determined. Fleet repair and maintenance is still not where I want it.”

### **Highlights of Third Quarter Fiscal 2019 Results**

- Self-moving equipment rental revenues increased \$51.3 million or 9% during the third quarter of fiscal 2019, compared with the third quarter of fiscal 2018. Improvements came from One-way and in-town markets and both experienced transaction growth combined with increased revenue per transaction. Corporate account rentals also contributed to the overall increase. Compared to the same period last year, we increased the number of Company-owned locations along with the number of box trucks, trailers and towing devices in the rental fleet.

- Self-storage revenues increased \$11.3 million during the third quarter of fiscal 2019, compared with the third quarter of fiscal 2018. The average monthly amount of occupied square feet increased by 12% during the third 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 rates per square feet, occupancy gains at existing locations and from the addition of new facilities to the portfolio. Over the last twelve months, we have added approximately 4.9 million net rentable square feet or a 16% increase to our owned self-storage portfolio with approximately 1.1 million of that coming on during the third quarter.
- For the third quarter of fiscal 2019 compared with the third quarter of fiscal 2018, depreciation, net of gains and losses on sales increased \$6.4 million. Depreciation expense on the rental equipment fleet decreased \$1.6 million and gains on the sales of rental trucks decreased \$3.4 million. We sold fewer used trucks but the average sales proceeds per trucks improved in the third quarter of fiscal 2019, compared with the same period last year. All other depreciation increased \$4.5 million due primarily to the increase in new moving and storage locations.
- Net gains on the sale of real estate decreased \$192.4 million. The decrease is the result of the sale of a portion of our Chelsea, NY property which resulted in a pre-tax gain of \$190.7 million in the third quarter of fiscal 2018.
- For the first nine months of fiscal 2019 and fiscal 2018 gross truck and trailer capital expenditures totaled approximately \$882 million compared with \$788 million, proceeds from the sales of rental equipment totaled \$559 million compared with \$389 million and spending on real estate related acquisitions and projects totaled approximately \$639 million compared with \$400 million, respectively.
- Fleet maintenance and repair costs decreased \$10.3 million in the third quarter of fiscal 2019 compared with the same period last year primarily related to the decrease in the number of trucks sold.
- Operating earnings at our Moving and Storage operating segment, excluding the net gains on disposal of real estate, increased \$26.6 million in the third quarter of fiscal 2019 compared with the same period last year. Total revenues climbed \$76.4 million and total costs and expenses increased \$49.8 million.
- The effective federal income tax rate for third quarter of fiscal 2019 benefited from the Tax Cuts and Jobs Act. Had this rate been in effect for the third quarter of fiscal 2018 it would have increased adjusted earnings by \$17.6 million or \$0.90 per share, to \$63.5 million, or \$3.24 per share for the quarter.
- Cash and credit availability at the Moving and Storage operating segment was \$980.3 million at December 31, 2018 compared with \$882.0 million at March 31, 2018.
- On December 5, 2018, we declared a cash dividend on our Common Stock of \$0.50 per share to holders of record on December 20, 2018. The dividend was paid on January 7, 2019.

AMERCO will hold its investor call for the third quarter of fiscal 2019 on Thursday, February 7, 2019, at 8 a.m. Arizona Time (10 a.m. Eastern). The call will be broadcast live over the Internet at [www.amerco.com](http://www.amerco.com). To hear a simulcast of the call, or a replay, visit [www.amerco.com](http://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, 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 third quarter of fiscal 2019 and 2018.

	<b>Quarter Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 626,136	\$ 574,801
Self-storage revenues	93,392	82,127
Self-moving and self-storage product and service sales	55,665	53,130
Property management fees	7,899	9,881
Life insurance premiums	34,778	38,957
Property and casualty insurance premiums	17,668	16,093
Net investment and interest income	32,211	28,821
Other revenue	51,342	39,072
Consolidated revenue	<u>\$ 919,091</u>	<u>\$ 842,882</u>

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

	<b>Quarter Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 838,928	\$ 762,487
Earnings from operations before equity in earnings of subsidiaries	119,959	285,687
Property and casualty insurance		
Revenues	22,146	20,399
Earnings from operations	11,001	7,595
Life insurance		
Revenues	60,435	62,379
Earnings from operations	7,429	10,382
Eliminations		
Revenues	(2,418)	(2,383)
Earnings from operations before equity in earnings of subsidiaries	(287)	(296)
Consolidated Results		
Revenues	919,091	842,882
Earnings from operations	138,102	303,368

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:

	<b>Quarter Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
	(Unaudited)	
	(In thousands, except occupancy rate)	
Room count as of December 31	411	352
Square footage as of December 31	34,693	29,780
Average monthly number of rooms occupied	277	247
Average monthly occupancy rate based on room count	68.0%	70.9%
Average monthly square footage occupied	25,126	22,401

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

	<b>Nine Months Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 2,124,451	\$ 1,985,217
Self-storage revenues	271,097	239,317
Self-moving and self-storage product and service sales	207,819	205,309
Property management fees	22,507	23,474
Life insurance premiums	107,586	116,910
Property and casualty insurance premiums	46,732	42,934
Net investment and interest income	85,043	82,507
Other revenue	177,940	147,825
Consolidated revenue	<u>\$ 3,043,175</u>	<u>\$ 2,843,493</u>

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

	<b>Nine Months Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 2,813,747	\$ 2,610,222
Earnings from operations before equity in earnings of subsidiaries	556,228	723,589
Property and casualty insurance		
Revenues	58,557	55,704
Earnings from operations	21,573	19,118
Life insurance		
Revenues	177,910	183,465
Earnings from operations	16,812	20,536
Eliminations		
Revenues	(7,039)	(5,898)
Earnings from operations before equity in earnings of subsidiaries	(863)	(999)
Consolidated Results		
Revenues	3,043,175	2,843,493
Earnings from operations	593,750	762,244

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:

	<b>Nine Months Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
	(Unaudited)	
	(In thousands, except occupancy rate)	
Room count as of December 31	411	352
Square footage as of December 31	34,693	29,780
Average monthly number of rooms occupied	272	245
Average monthly occupancy rate based on room count	69.4%	72.6%
Average monthly square footage occupied	24,553	22,064

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

	<u>December 31,</u> <u>2018</u>	<u>March 31,</u> <u>2018</u>
	(Unaudited)	
	(In thousands)	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 984,385	\$ 759,388
Reinsurance recoverables and trade receivables, net	191,764	193,538
Inventories and parts, net	96,187	89,877
Prepaid expenses	177,918	166,129
Investments, fixed maturities and marketable equities	2,127,342	1,919,860
Investments, other	332,532	399,064
Deferred policy acquisition costs, net	140,673	124,767
Other assets	83,839	244,782
Related party assets	38,156	33,276
	<u>4,172,796</u>	<u>3,930,681</u>
Property, plant and equipment, at cost:		
Land	910,919	827,649
Buildings and improvements	3,762,491	3,140,713
Furniture and equipment	674,535	632,803
Rental trailers and other rental equipment	572,645	545,968
Rental trucks	4,532,134	4,390,750
	<u>10,452,724</u>	<u>9,537,883</u>
Less: Accumulated depreciation	<u>(2,979,760)</u>	<u>(2,721,142)</u>
Total property, plant and equipment	<u>7,472,964</u>	<u>6,816,741</u>
Total assets	<u>\$ 11,645,760</u>	<u>\$ 10,747,422</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 517,360	\$ 511,115
Notes, loans and leases payable, net	3,975,764	3,513,076
Policy benefits and losses, claims and loss expenses payable	1,087,742	1,248,033
Liabilities from investment contracts	1,583,885	1,364,066
Other policyholders' funds and liabilities	12,907	10,040
Deferred income	29,226	34,276
Deferred income taxes, net	746,836	658,108
Total liabilities	<u>7,953,720</u>	<u>7,338,714</u>
Common stock	10,497	10,497
Additional paid-in capital	453,116	452,746
Accumulated other comprehensive loss	(74,707)	(4,623)
Retained earnings	3,985,927	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	(5,143)	(7,823)
Total stockholders' equity	<u>3,692,040</u>	<u>3,408,708</u>
Total liabilities and stockholders' equity	<u>\$ 11,645,760</u>	<u>\$ 10,747,422</u>

**AMERCO AND CONSOLIDATED ENTITIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

	<b>Quarter Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
	(Unaudited)	
	(In thousands, except share and per share data)	
Revenues:		
Self-moving equipment rentals	\$ 626,136	\$ 574,801
Self-storage revenues	93,392	82,127
Self-moving and self-storage products and service sales	55,665	53,130
Property management fees	7,899	9,881
Life insurance premiums	34,778	38,957
Property and casualty insurance premiums	17,668	16,093
Net investment and interest income	32,211	28,821
Other revenue	51,342	39,072
Total revenues	919,091	842,882
Costs and expenses:		
Operating expenses	478,461	437,840
Commission expenses	67,493	63,487
Cost of sales	34,149	33,995
Benefits and losses	42,869	45,168
Amortization of deferred policy acquisition costs	6,654	5,952
Lease expense	7,890	8,415
Depreciation, net of gains on disposal	143,473	137,061
Net gains on disposal of real estate	-	(192,404)
Total costs and expenses	780,989	539,514
Earnings from operations	138,102	303,368
Other components of net periodic benefit costs	(253)	(231)
Interest expense	(34,827)	(31,558)
Pretax earnings	103,022	271,579
Income tax (expense) benefit	(24,387)	257,315
Earnings available to common shareholders	\$ 78,635	\$ 528,894
Basic and diluted earnings per common share	\$ 4.01	\$ 27.00
Weighted average common shares outstanding: Basic and diluted	19,591,963	19,589,218



**AMERCO AND CONSOLIDATED ENTITIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

**Nine Months Ended December 31,**

**2018**                      **2017**

(Unaudited)

(In thousands, except share and per share data)

Revenues:

Self-moving equipment rentals	\$	2,124,451	\$	1,985,217
Self-storage revenues		271,097		239,317
Self-moving and self-storage products and service sales		207,819		205,309
Property management fees		22,507		23,474
Life insurance premiums		107,586		116,910
Property and casualty insurance premiums		46,732		42,934
Net investment and interest income		85,043		82,507
Other revenue		177,940		147,825
Total revenues		3,043,175		2,843,493

Costs and expenses:

Operating expenses		1,504,365		1,346,782
Commission expenses		232,084		222,203
Cost of sales		130,432		124,456
Benefits and losses		137,196		139,997
Amortization of deferred policy acquisition costs		18,584		18,217
Lease expense		24,229		25,277
Depreciation, net of gains on disposal		402,525		396,540
Net (gains) losses on disposal of real estate		10		(192,223)
Total costs and expenses		2,449,425		2,081,249

Earnings from operations

		593,750		762,244
Other components of net periodic benefit costs		(760)		(695)
Interest expense		(105,111)		(93,926)
Pretax earnings		487,879		667,623
Income tax (expense) benefit		(117,853)		112,117
Earnings available to common shareholders	\$	370,026	\$	779,740
Basic and diluted earnings per common share	\$	18.89	\$	39.81
Weighted average common shares outstanding: Basic and diluted		19,591,282		19,588,558

## NON-GAAP FINANCIAL RECONCILIATION SCHEDULE

**Quarter Ended  
December 31, 2017**

(In thousands, except share and per share amounts)

**AMERCO and Consolidated Subsidiaries**

Earnings per common share: basic and diluted	\$	27.00
Tax Cuts and Jobs Act adjustment, per common share basic and diluted		(17.32)
Earnings per common share: basic and diluted before Tax Cuts and Jobs Act adjustment	\$	9.68
Tax Cuts and Jobs Act adjustment	\$	339,221
Tax Cuts and Jobs Act adjustment, per common share basic and diluted	\$	17.32
Weighted average shares outstanding: basic and diluted		19,589,218

**Quarter Ended  
December 31, 2017**

(In thousands, except share and per share amounts)

**AMERCO and Consolidated Subsidiaries**

Earnings per common share: basic and diluted	\$	27.00
Gain on sale of Chelsea property, per common share basic and diluted		(7.34)
Earnings per common share: basic and diluted before gain on sale of Chelsea property	\$	19.66
Gain on sale of Chelsea property	\$	190,712
Income tax expense		(46,915)
Gain on sale of Chelsea property, net of taxes	\$	143,797
Gain on sale of Chelsea property, net of taxes, per common share basic and diluted	\$	7.34
Weighted average shares outstanding: basic and diluted		19,589,218

Cumulative adjustments:

**Quarter Ended  
December 31, 2017**

**AMERCO and Consolidated Subsidiaries**

Earnings per common share: basic and diluted	\$	27.00
Tax Cuts and Jobs Act adjustment, per common share basic and diluted		(17.32)
Gain on sale of Chelsea property, per common share basic and diluted		(7.34)
Earnings per common share: basic and diluted after cumulative adjustments	\$	2.34

**Nine Months Ended  
December 31, 2017**

(In thousands, except share and per share amounts)

**AMERCO and Consolidated Subsidiaries**

Earnings per common share: basic and diluted	\$	39.81
Tax Cuts and Jobs Act adjustment, per common share basic and diluted		(17.32)
Earnings per common share: basic and diluted before Tax Cuts and Jobs Act adjustment	\$	<u>22.49</u>
Tax Cuts and Jobs Act adjustment	\$	<u>339,221</u>
Tax Cuts and Jobs Act adjustment, per common share basic and diluted	\$	<u>17.32</u>
Weighted average shares outstanding: basic and diluted		<u>19,588,558</u>

**Nine Months Ended  
December 31, 2017**

(In thousands, except share and per share amounts)

**AMERCO and Consolidated Subsidiaries**

Earnings per common share: basic and diluted	\$	39.81
Gain on sale of Chelsea property, per common share basic and diluted		(7.34)
Earnings per common share: basic and diluted before gain on sale of Chelsea property	\$	<u>32.47</u>
Gain on sale of Chelsea property	\$	190,712
Income tax expense		(46,915)
Gain on sale of Chelsea property, net of taxes	\$	<u>143,797</u>
Gain on sale of Chelsea property, net of taxes, per common share basic and diluted	\$	<u>7.34</u>
Weighted average shares outstanding: basic and diluted		<u>19,588,558</u>

Cumulative adjustments:

**Nine Months Ended  
December 31, 2017**

**AMERCO and Consolidated Subsidiaries**

Earnings per common share: basic and diluted	\$	39.81
Tax Cuts and Jobs Act adjustment, per common share basic and diluted		(17.32)
Gain on sale of Chelsea property, per common share basic and diluted		(7.34)
Earnings per common share: basic and diluted after cumulative adjustments	\$	<u>15.15</u>

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