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AMERCO REPORTS THIRD QUARTER FISCAL 2021 FINANCIAL RESULTS

RENO, Nev. (February 3, 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 its third quarter ended December 31, 2020, of \$183.0 million, or \$9.33 per share, compared with net earnings of \$30.9 million, or \$1.58 per share, for the same period last year.

For the nine-month period ended December 31, 2020, net earnings available to shareholders were \$537.1 million, or \$27.39 per share, compared with net earnings of \$319.7 million, or \$16.31 per share, for the same period last year.

“Our investments over the past few years have positioned us to serve new and existing moving and self-storage customers during a time when the public has particularly needed U-Haul,” stated Joe Shoen, chairman of AMERCO. “Most of our marketplaces are very competitive. Our team must keep its eye on the ball to meet current demand and build for the future.”

Highlights of Third Quarter Fiscal 2021 Results

- Self-moving equipment rental revenues increased \$186.7 million or 30% during the third quarter of fiscal 2021, compared with the third quarter of fiscal 2020. Transactions along with average revenue per transaction increased for both our In-town and one-way markets. During the quarter, we experienced an increase in the volume of our Corporate Account business. Compared with the same period last year, we increased the number of retail locations, independent dealers, box trucks and trailers in the rental fleet.
- Self-storage revenues increased \$16.3 million, or 15% during the third quarter of fiscal 2021, compared with the third quarter of fiscal 2020. The average monthly number of occupied units increased by 20%, or 65,000 units, during the third quarter of fiscal 2021 compared with the same period last year. The growth in revenues and square feet rented comes from a combination of occupancy gains at existing locations and from the addition of new capacity to the portfolio. Over the last twelve months, we added approximately 4.1 million net rentable square feet, or a 10% increase, with approximately 1.0 million of that coming on during the third quarter of fiscal 2021.
- Sales of self-moving and self-storage products and services increased \$20.1 million, or 37% compared with the third quarter of fiscal 2021 due to increased sales of hitches, moving supplies and propane.

- For the third quarter of fiscal 2021 compared with the third quarter of fiscal 2020, depreciation, net of gains and losses on sales decreased \$17.5 million. Depreciation expense on the rental equipment fleet decreased \$9.5 million as new truck production has been slowed by COVID-19 related production delays earlier this year, while net gains on the disposal of rental equipment increased \$13.1 million from higher resale values. All other depreciation increased \$5.1 million due primarily to the increase in new moving and storage locations.
- For the first nine months of fiscal 2021 and fiscal 2020, gross truck and trailer capital expenditures totaled approximately \$541 million compared with \$1,161 million, proceeds from the sales of rental equipment totaled \$430 million compared with \$591 million and spending on real estate related acquisitions and projects totaled approximately \$365 million compared with \$600 million, respectively.
- Fleet maintenance and repair costs increased \$2.9 million in the third quarter of fiscal 2021 compared with the same period last year.
- Operating earnings at our Moving and Storage operating segment increased \$202.2 million in the third quarter of fiscal 2021 compared with the same period last year. Total revenues increased \$238.9 million and total costs and expenses increased \$36.7 million.
- Cash and credit availability at the Moving and Storage operating segment was \$1,343.3 million at December 31, 2020 compared with \$498.1 million at March 31, 2020.
- On December 9, 2020, we declared a cash dividend on our Common Stock of \$2.00 per share to holders of record on December 21, 2020. The dividend was paid on December 30, 2020.

AMERCO will hold its investor call for the third quarter of fiscal 2021 on Thursday, February 4, 2021, 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, 2020, 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 2021 and 2020.

	Quarter Ended December 31,	
	2020	2019
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 808,215	\$ 621,471
Self-storage revenues	123,024	106,701
Self-moving and self-storage product and service sales	74,586	54,454
Property management fees	8,765	9,098
Life insurance premiums	29,993	31,164
Property and casualty insurance premiums	19,933	19,267
Net investment and interest income	35,580	33,782
Other revenue	69,886	51,943
Consolidated revenue	<u>\$ 1,169,982</u>	<u>\$ 927,880</u>

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

	Quarter Ended December 31,	
	2020	2019
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 1,085,281	\$ 846,364
Earnings from operations before equity in earnings of subsidiaries	264,004	61,769
Property and casualty insurance		
Revenues	26,640	25,366
Earnings from operations	11,491	9,884
Life insurance		
Revenues	61,077	58,889
Earnings from operations	8,724	9,190
Eliminations		
Revenues	(3,016)	(2,739)
Earnings from operations before equity in earnings of subsidiaries	(273)	(278)
Consolidated Results		
Revenues	1,169,982	927,880
Earnings from operations	283,946	80,565

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,	
	2020	2019
	(Unaudited)	
	(In thousands, except occupancy rate)	
Unit count as of December 31	532	487
Square footage as of December 31	44,948	40,835
Average monthly number of units occupied	388	323
Average monthly occupancy rate based on unit count	73.4%	66.9%
Average monthly square footage occupied	34,802	29,318

Listed below on a consolidated basis are revenues for our major product lines for the first nine months of fiscal 2021 and 2020.

	Nine Months Ended December 31,	
	2020	2019
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 2,393,530	\$ 2,174,392
Self-storage revenues	347,252	309,940
Self-moving and self-storage product and service sales	264,564	207,601
Property management fees	23,952	23,487
Life insurance premiums	91,958	96,229
Property and casualty insurance premiums	49,536	51,056
Net investment and interest income	85,895	102,629
Other revenue	225,440	192,009
Consolidated revenue	\$ 3,482,127	\$ 3,157,343

Listed below are revenues and earnings from operations at each of our operating segments for the first nine months of fiscal 2021 and 2020.

	Nine Months Ended December 31,	
	2020	2019
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 3,256,899	2,916,314
Earnings from operations before equity in earnings of subsidiaries	789,621	492,652
Property and casualty insurance		
Revenues	62,947	69,199
Earnings from operations	24,338	27,442
Life insurance		
Revenues	170,290	179,069
Earnings from operations	16,684	19,912
Eliminations		
Revenues	(8,009)	(7,239)
Earnings from operations before equity in earnings of subsidiaries	(821)	(836)
Consolidated Results		
Revenues	3,482,127	3,157,343
Earnings from operations	829,822	539,170

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,	
	2020	2019
	(Unaudited)	
	(In thousands, except occupancy rate)	
Unit count as of December 31	532	487
Square footage as of December 31	44,948	40,835
Average monthly number of units occupied	369	316
Average monthly occupancy rate based on unit count	71.0%	68.2%
Average monthly square footage occupied	33,036	28,646

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31,	March 31,
	2020	2020
	(Unaudited)	
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$ 1,398,840	\$ 494,352
Reinsurance recoverables and trade receivables, net	224,447	186,672
Inventories and parts, net	104,180	101,083
Prepaid expenses	450,889	562,904
Investments, fixed maturities and marketable equities	2,606,953	2,492,738
Investments, other	447,902	360,373
Deferred policy acquisition costs, net	92,139	103,118
Other assets	44,261	71,956
Right of use assets – financing, net	920,321	1,080,353
Right of use assets - operating	97,186	106,631
Related party assets	34,963	34,784
	<u>6,422,081</u>	<u>5,594,964</u>
Property, plant and equipment, at cost:		
Land	1,059,177	1,032,945
Buildings and improvements	4,996,900	4,663,461
Furniture and equipment	778,732	752,363
Rental trailers and other rental equipment	552,892	511,520
Rental trucks	3,629,888	3,595,933
	<u>11,017,589</u>	<u>10,556,222</u>
Less: Accumulated depreciation	(2,992,365)	(2,713,162)
Total property, plant and equipment, net	<u>8,025,224</u>	<u>7,843,060</u>
Total assets	<u>\$ 14,447,305</u>	<u>\$ 13,438,024</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 608,765	\$ 554,353
Notes, loans and finance/capital leases payable, net	4,678,227	4,621,291
Operating lease liability	97,224	106,443
Policy benefits and losses, claims and loss expenses payable	1,013,582	997,647
Liabilities from investment contracts	1,997,936	1,802,217
Other policyholders' funds and liabilities	34,867	10,190
Deferred income	37,005	31,620
Deferred income taxes, net	1,222,544	1,093,543
Total liabilities	<u>9,690,150</u>	<u>9,217,304</u>
Common stock	10,497	10,497
Additional paid-in capital	453,819	453,819
Accumulated other comprehensive income	85,910	34,652
Retained earnings	4,884,579	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	<u>4,757,155</u>	<u>4,220,720</u>
Total liabilities and stockholders' equity	<u>\$ 14,447,305</u>	<u>\$ 13,438,024</u>

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Quarter Ended December 31,	
	2020	2019
	(Unaudited)	
	(In thousands, except share and per share data)	
Revenues:		
Self-moving equipment rentals	\$ 808,215	\$ 621,471
Self-storage revenues	123,024	106,701
Self-moving and self-storage products and service sales	74,586	54,454
Property management fees	8,765	9,098
Life insurance premiums	29,993	31,164
Property and casualty insurance premiums	19,933	19,267
Net investment and interest income	35,580	33,782
Other revenue	69,886	51,943
Total revenues	1,169,982	927,880
Costs and expenses:		
Operating expenses	539,942	517,453
Commission expenses	86,891	66,542
Cost of sales	45,752	35,318
Benefits and losses	45,631	42,864
Amortization of deferred policy acquisition costs	6,572	8,046
Lease expense	7,522	6,490
Depreciation, net of (gains)/losses on disposal	152,602	170,074
Net losses on disposal of real estate	1,124	528
Total costs and expenses	886,036	847,315
Earnings from operations	283,946	80,565
Other components of net periodic benefit costs	(247)	(263)
Interest expense	(42,128)	(39,973)
Pretax earnings	241,571	40,329
Income tax expense	(58,586)	(9,397)
Earnings available to common shareholders	\$ 182,985	\$ 30,932
Basic and diluted earnings per common share	\$ 9.33	\$ 1.58
Weighted average common shares outstanding: Basic and diluted	19,607,788	19,607,788

AMERCO AND CONSOLIDATED ENTITIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Nine Months Ended December 31,

2020 **2019**

(Unaudited)

(In thousands, except share and per share data)

Revenues:			
Self-moving equipment rentals	\$	2,393,530	\$ 2,174,392
Self-storage revenues		347,252	309,940
Self-moving and self-storage products and service sales		264,564	207,601
Property management fees		23,952	23,487
Life insurance premiums		91,958	96,229
Property and casualty insurance premiums		49,536	51,056
Net investment and interest income		85,895	102,629
Other revenue		225,440	192,009
Total revenues		<u>3,482,127</u>	<u>3,157,343</u>
Costs and expenses:			
Operating expenses		1,606,687	1,617,338
Commission expenses		255,431	233,540
Cost of sales		159,516	128,177
Benefits and losses		130,660	137,695
Amortization of deferred policy acquisition costs		19,012	20,625
Lease expense		20,995	19,882
Depreciation, net of gains on disposal		455,711	462,227
Net (gains) losses on disposal of real estate		4,293	(1,311)
Total costs and expenses		<u>2,652,305</u>	<u>2,618,173</u>
Earnings from operations		829,822	539,170
Other components of net periodic benefit costs		(740)	(790)
Interest expense		(122,174)	(117,983)
Pretax earnings		706,908	420,397
Income tax expense		(169,832)	(100,717)
Earnings available to common shareholders	\$	<u>537,076</u>	\$ <u>319,680</u>
Basic and diluted earnings per common share	\$	<u>27.39</u>	\$ <u>16.31</u>
Weighted average common shares outstanding: Basic and diluted		<u>19,607,788</u>	<u>19,602,484</u>

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

	<u>December 31, 2020</u>	<u>ROU Assets Financing</u> (Unaudited)	<u>December 31, 2020</u>	<u>March 31, 2020</u>
			<u>Property, Plant and Equipment Adjusted</u>	<u>Property, Plant and Equipment Adjusted</u>
			(In thousands)	
Property, plant and equipment, at cost				
Land	\$ 1,059,177	\$ -	\$ 1,059,177	\$ 1,032,945
Buildings and improvements	4,996,900	-	4,996,900	4,663,461
Furniture and equipment	778,732	20,966	799,698	773,476
Rental trailers and other rental equipment	552,892	106,961	659,853	627,592
Rental trucks	3,629,888	1,614,194	5,244,082	5,334,014
Subtotal	<u>11,017,589</u>	<u>1,742,121</u>	<u>12,759,710</u>	<u>12,431,488</u>
Less: Accumulated depreciation	<u>(2,992,365)</u>	<u>(821,800)</u>	<u>(3,814,165)</u>	<u>(3,508,075)</u>
Total property, plant and equipment, net	<u>\$ 8,025,224</u>	<u>\$ 920,321</u>	<u>\$ 8,945,545</u>	<u>\$ 8,923,413</u>

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