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AMERCO REPORTS FIRST QUARTER FISCAL 2019 FINANCIAL RESULTS

RENO, Nev. (August 8, 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 common shareholders for its first quarter ended June 30, 2018, of \$127.8 million, or \$6.53 per share, compared with net earnings of \$126.2 million, or \$6.44 per share, for the same period last year.

“Increased revenue for the quarter was driven by more transactions in our moving business and increased rooms rented in our self-storage portfolio compared to this period last year,” stated Joe Shoen, chairman of AMERCO. “I continue to work on repair expense. We are not there yet.”

Highlights of First Quarter Fiscal 2019 Results

- Self-moving equipment rental revenues increased \$46.7 million, or 7.0% for the first quarter of fiscal 2019 compared with the first quarter of fiscal 2018. One-way and in-town transactions both increased leading to the improved revenue results. 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 retail locations, independent dealers, box trucks, trailers and towing devices in the rental fleet.
- Self-storage revenues increased \$9.5 million, or 12.4% for the first quarter of fiscal 2019 compared with the first quarter of fiscal 2018. The average monthly amount of occupied square feet increased by 10.7% during the first quarter of fiscal 2019 compared with the same period last year. Over the last twelve months, we have added approximately 4.3 million net rentable square feet to the self-storage portfolio with approximately 1.4 million of that coming on during the first quarter. Average monthly occupancy throughout the first quarter of fiscal 2019 for the entire storage portfolio was 70%. Of this amount, facilities open for more than three years averaged 84% while facilities open less than three years averaged 42%.
- For the first quarter of fiscal 2019 compared with the first quarter of fiscal 2018, depreciation, net of gains and losses on sales increased \$0.1 million. Depreciation expense on the rental equipment fleet increased \$7.2 million primarily due to a larger fleet. Gains on the sales of rental trucks increased \$11.2 million. We sold more used trucks and the average sales proceeds per trucks were nominally better in the first quarter of fiscal 2019, compare with the prior year period. All other depreciation increased \$4.1 million from the increase in new moving and storage locations.
- For the first quarter of fiscal 2019 compared with the first quarter of fiscal 2018 gross truck and trailer capital expenditures were approximately \$440 million compared with approximately \$396 million. Proceeds from sales of rental equipment were \$187 million compared with \$140 million. Spending on real estate related acquisitions and projects were approximately \$219 million compared with \$143 million, respectively.

- Fleet maintenance and repair costs increased \$40.8 million in the first quarter of fiscal 2019 compared with the same period last year. Higher repair and maintenance spending was primarily associated with the portion of the fleet nearing resale.
- Operating earnings at our Moving and Storage operating segment decreased \$20.3 million compared with the same period last year. Total revenues climbed \$65.4 million and total costs and expenses increased \$85.7 million.
- The effective federal income tax rate for first quarter of fiscal 2019 benefited from the Tax Reform Act. Had this rate been in effective for the first quarter of fiscal 2018 it would have increased earnings by \$23.9 million or \$1.22 per share, to \$150.1 million, or \$7.66 per share for the quarter.
- Cash and credit availability at the Moving and Storage segment was \$838.3 million at June 30, 2018 compared with \$882.0 million at March 31, 2018.
- On June 6, 2018, we declared a cash dividend on our Common Stock of \$0.50 per share to holders of record on June 21, 2018. The dividend was paid on July 5, 2018.
- We are holding our 12th Annual Virtual Analyst and Investor meeting on Thursday, August 23, 2018 at 11:00 a.m. Arizona Time (2:00 p.m. Eastern). This is an opportunity to interact directly with Company representatives through a live video webcast on amerco.com. A brief presentation by the Company will be followed by a question and answer session.

AMERCO will hold its investor call for the first quarter of fiscal 2019 on Thursday, August 9, 2018, 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-Q for the quarter ended June 30, 2018, 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 first quarter of fiscal 2019 and 2018.

	Quarter Ended June 30,	
	2018	2017
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	\$ 716,602	\$ 669,858
Self-storage revenues	86,212	76,718
Self-moving and self-storage product and service sales	79,241	78,911
Property management fees	7,416	6,762
Life insurance premiums	36,888	39,091
Property and casualty insurance premiums	12,781	11,815
Net investment and interest income	24,605	27,217
Other revenue	55,832	47,553
Consolidated revenue	<u>\$ 1,019,577</u>	<u>\$ 957,925</u>

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

	Quarter Ended June 30,	
	2018	2017
	(Unaudited)	
	(In thousands)	
Moving and storage		
Revenues	\$ 947,885	\$ 882,527
Earnings from operations before equity in earnings of subsidiaries	200,395	220,740
Property and casualty insurance		
Revenues	15,889	16,106
Earnings from operations	2,713	5,436
Life insurance		
Revenues	57,863	60,656
Earnings from operations	1,881	3,436
Eliminations		
Revenues	(2,060)	(1,364)
Earnings from operations before equity in earnings of subsidiaries	(285)	(349)
Consolidated Results		
Revenues	1,019,577	957,925
Earnings from operations	204,704	229,263

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 June 30,	
	2018	2017
	(In thousands, except occupancy rate)	
Room count as of June 30	383	328
Square footage as of June 30	32,394	28,044
Average monthly number of rooms occupied	262	237
Average monthly occupancy rate based on room count	69.6%	73.0%
Average monthly square footage occupied	23,666	21,383

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30,	March 31,
	2018	2018
	(Unaudited)	
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$ 650,339	\$ 759,388
Reinsurance recoverables and trade receivables, net	207,987	193,538
Inventories and parts, net	94,901	89,877
Prepaid expenses	183,536	166,129
Investments, fixed maturities and marketable equities	1,950,876	1,919,860
Investments, other	396,622	399,064
Deferred policy acquisition costs, net	134,133	124,767
Other assets	248,320	244,782
Related party assets	30,486	33,276
	<u>3,897,200</u>	<u>3,930,681</u>
Property, plant and equipment, at cost:		
Land	849,042	827,649
Buildings and improvements	3,331,918	3,140,713
Furniture and equipment	641,730	632,803
Rental trailers and other rental equipment	547,291	545,968
Rental trucks	4,533,758	4,390,750
	<u>9,903,739</u>	<u>9,537,883</u>
Less: Accumulated depreciation	<u>(2,799,455)</u>	<u>(2,721,142)</u>
Total property, plant and equipment	7,104,284	6,816,741
Total assets	<u>\$ 11,001,484</u>	<u>\$ 10,747,422</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 518,033	\$ 511,115
Notes, loans and leases payable, net	3,586,127	3,513,076
Policy benefits and losses, claims and loss expenses payable	1,252,810	1,248,033
Liabilities from investment contracts	1,409,705	1,364,066
Other policyholders' funds and liabilities	9,857	10,040
Deferred income	41,963	34,276
Deferred income taxes, net	686,844	658,108
Total liabilities	<u>7,505,339</u>	<u>7,338,714</u>
Common stock	10,497	10,497
Additional paid-in capital	452,862	452,746
Accumulated other comprehensive loss	(45,966)	(4,623)
Retained earnings	3,763,339	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	(6,937)	(7,823)
Total stockholders' equity	<u>3,496,145</u>	<u>3,408,708</u>
Total liabilities and stockholders' equity	<u>\$ 11,001,484</u>	<u>\$ 10,747,422</u>

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Quarter Ended June 30,	
	2018	2017
	(In thousands, except share and per share data)	
	(Unaudited)	
Revenues:		
Self-moving equipment rentals	\$ 716,602	\$ 669,858
Self-storage revenues	86,212	76,718
Self-moving and self-storage products and service sales	79,241	78,911
Property management fees	7,416	6,762
Life insurance premiums	36,888	39,091
Property and casualty insurance premiums	12,781	11,815
Net investment and interest income	24,605	27,217
Other revenue	55,832	47,553
Total revenues	1,019,577	957,925
Costs and expenses:		
Operating expenses	496,554	416,692
Commission expenses	79,257	75,365
Cost of sales	49,881	47,595
Benefits and losses	48,554	47,720
Amortization of deferred policy acquisition costs	6,031	6,321
Lease expense	8,169	8,287
Depreciation, net of gains on disposals	126,427	126,335
Net losses on real estate	-	347
Total costs and expenses	814,873	728,662
Earnings from operations	204,704	229,263
Other components of net periodic benefit costs	(253)	(232)
Interest expense	(35,254)	(30,345)
Pretax earnings	169,197	198,686
Income tax expense	(41,348)	(72,479)
Earnings available to common shareholders	\$ 127,849	\$ 126,207
Basic and diluted earnings per common share	\$ 6.53	\$ 6.44
Weighted average common shares outstanding: Basic and diluted	19,590,585	19,587,891

NON-GAAP FINANCIAL RECONCILIATION SCHEDULE

Quarter Ended

June 30, 2017

(Unaudited)

(In thousands, except share and per share amounts)

AMERCO and Consolidated Subsidiaries

Earnings per common share: basic and diluted	\$	6.44
Tax Reform Act adjustment, per common share basic and diluted		<u>1.22</u>
Earnings per common share: basic and diluted before Tax Reform Act adjustment	\$	7.66
Tax Reform Act adjustment	\$	<u>23,925</u>
Tax Reform Act adjustment, per common share basic and diluted	\$	<u>1.22</u>
Weighted average shares outstanding: basic and diluted		<u>19,587,891</u>

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