U-HAUL HOLDING CO /NV/

FORM 10-Q
(Quarterly Report)

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Address	5555 KIETZKE LANE STE 100
	RENO, NV, 89511
Telephone	7756886300
CIK	0000004457
Symbol	UHAL
SIC Code	7510 - Services-Auto Rental and Leasing (No Drivers)
Industry	Ground Freight & Logistics
Sector	Industrials
Fiscal Year	03/31

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)
[x]QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended June 30, 2019

or

[ ]TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from ___________________ to ___________________

Commission File Number	Registrant, State of Incorporation, Address and Telephone Number	I.R.S. Employer Identification No.
	AMERCO	
001-11255	**AMERCO /NV/** (A Nevada Corporation) 5555 Kietzke Lane Suite 100 Reno NV 89511 Telephone 775 688-6300	88-0106815

N/A

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.25 par value	UHAL	NASDAQ Global Select Market

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No [ ]

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes [x] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer”, “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer[x] Accelerated filer [ ]

Non-accelerated filer [ ] Smaller reporting company [ ]

Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [x]

19,607,788 shares of AMERCO Common Stock, $0.25 par value, were outstanding at August 2, 2019.

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2019	March 31, 2019
	(Unaudited)	
	(In thousands, except share data)	
ASSETS		
Cash and cash equivalents	$ 519,831	$ 673,701
Reinsurance recoverables and trade receivables, net	243,235	224,785
Inventories and parts, net	101,032	103,504
Prepaid expenses	188,153	174,100
Investments, fixed maturities and marketable equities	2,336,585	2,235,397
Investments, other	313,050	300,736
Deferred policy acquisition costs, net	124,490	136,276
Other assets	73,176	78,354
Right of use assets - financing, net	1,265,023	0
Right of use assets - operating	105,384	–
Related party assets	31,215	30,889
	5,301,174	3,957,742
Property, plant and equipment, at cost:		
Land	991,213	976,454
Buildings and improvements	4,183,178	4,003,726
Furniture and equipment	676,263	689,780
Rental trailers and other rental equipment	475,913	590,039
Rental trucks	3,324,576	4,762,028
	9,651,143	11,022,027
Less: Accumulated depreciation	(2,477,573)	(3,088,056)
Total property, plant and equipment, net	7,173,570	7,933,971
Total assets	$ 12,474,744	$ 11,891,713
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	$ 591,139	$ 556,873
Notes, loans and finance/capital leases payable, net	4,343,935	4,163,323
Operating lease liability	105,008	0
Policy benefits and losses, claims and loss expenses payable	1,013,933	1,011,183
Liabilities from investment contracts	1,705,422	1,666,742
Other policyholders' funds and liabilities	9,763	15,047
Deferred income	42,353	35,186
Deferred income taxes, net	794,168	750,970
Total liabilities	8,605,721	8,199,324
Commitments and contingencies (notes 4, 8, 9 and 10)		
Stockholders' equity:		
Series preferred stock, with or without par value, 50,000,000 shares authorized:		
Series A preferred stock, with no par value, 6,100,000 shares authorized; 6,100,000 shares issued and none outstanding as of June 30 and March 31, 2019		
Series B preferred stock, with no par value, 100,000 shares authorized; none issued and outstanding as of June 30 and March 31, 2019		
Serial common stock, with or without par value, 250,000,000 shares authorized:		
Serial common stock of $0.25 par value, 10,000,000 shares authorized; none issued and outstanding as of June 30 and March 31, 2019		
Common stock, with $0.25 par value, 250,000,000 shares authorized:		
Common stock of $0.25 par value, 250,000,000 shares authorized; 41,985,700 issued and 19,607,788 outstanding as of June 30 and March 31, 2019	10,497	10,497
Additional paid-in capital	453,535	453,326

Accumulated other comprehensive loss	(23,873)	(66,698)
Retained earnings	4,109,384	3,976,962
Cost of common stock in treasury, net (22,377,912 shares as of June 30 and March 31, 2019)	(525,653)	(525,653)
Cost of preferred stock in treasury, net (6,100,000 shares as of June 30 and March 31, 2019)	(151,997)	(151,997)
Unearned employee stock ownership plan shares	(2,870)	(4,048)
Total stockholders' equity	3,869,023	3,692,389
Total liabilities and stockholders' equity	$ 12,474,744	$ 11,891,713

The accompanying notes are an integral part of these condensed consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Quarter Ended June 30, 2019	Quarter Ended June 30, 2018
	(Unaudited)	
	(In thousands, except share and per share amounts)	
Revenues:		
Self-moving equipment rentals	$ 748,596	$ 716,602
Self-storage revenues	98,274	86,212
Self-moving and self-storage products and service sales	80,026	79,241
Property management fees	7,156	7,416
Life insurance premiums	32,710	36,888
Property and casualty insurance premiums	13,424	12,781
Net investment and interest income	35,749	24,605
Other revenue	63,314	55,832
Total revenues	1,079,249	1,019,577
Costs and expenses:		
Operating expenses	534,472	496,554
Commission expenses	80,899	79,257
Cost of sales	48,929	49,881
Benefits and losses	49,006	48,554
Amortization of deferred policy acquisition costs	6,064	6,031
Lease expense	7,036	8,169
Depreciation, net of gains on disposal of ($16,678 and $16,295, respectively)	140,600	126,427
Net gains on disposal of real estate	(1,622)	0
Total costs and expenses	865,384	814,873
Earnings from operations	213,865	204,704
Other components of net periodic benefit costs	(263)	(253)
Interest expense	(38,888)	(35,254)
Pretax earnings	174,714	169,197
Income tax expense	(42,292)	(41,348)
Earnings available to common stockholders	$ 132,422	$ 127,849
Basic and diluted earnings per common stock	$ 6.76	$ 6.53
Weighted average common stock outstanding: Basic and diluted	19,597,697	19,590,585

Related party revenues for the first quarter of fiscal 2020 and 2019, net of eliminations, were $7.2 million and $7.4 million, respectively.

Related party costs and expenses for the first quarter of fiscal 2020 and 2019, net of eliminations, were $17.9 million and $17.2 million, respectively.

Please see Note 10, Related Party Transactions, of the Notes to Condensed Consolidated Financial Statements for more information on the related party revenues and costs and expenses.

The accompanying notes are an integral part of these condensed consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

Quarter Ended June 30, 2019	Pre-tax	Tax	Net
		(Unaudited) (In thousands)	
Comprehensive income:			
Net earnings	$ 174,714	$ (42,292)	$ 132,422
Other comprehensive income (loss):			
Foreign currency translation	2,982		2,982
Unrealized net gain on investments	51,827	(11,039)	40,788
Change in fair value of cash flow hedges	(1,253)	308	(945)
Total comprehensive income	$ 228,270	$ (53,023)	$ 175,247

Quarter Ended June 30, 2018	Pre-tax	Tax	Net
		(Unaudited) (In thousands)	
Comprehensive income:			
Net earnings	$ 169,197	$ (41,348)	$ 127,849
Other comprehensive income (loss):			
Foreign currency translation	(2,093)		(2,093)
Unrealized net loss on investments	(50,218)	10,546	(39,672)

Change in fair value of cash flow hedges	560	(138)	422
Total comprehensive income	$ 117,446	$ (30,940)	$ 86,506

The accompanying notes are an integral part of these condensed consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

Description	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Less: Treasury Common Stock	Less: Treasury Preferred Stock	Less: Unearned Employee Stock Ownership Plan Shares	Total Stockholders' Equity
				(In thousands)				
Balance as of March 31, 2019	$ 10,497	$ 453,326	$ (66,698)	$ 3,976,962	$ (525,653)	$ (151,997)	$ (4,048)	$ 3,692,389
Increase in market value of released ESOP shares	0	209	0	0	0	0	0	209
Release of unearned ESOP shares	0	0	0	0	0	0	1,309	1,309
Purchase of ESOP shares	0	0	0	0	0	0	(131)	(131)
Foreign currency translation	0	0	2,982	0	0	0	0	2,982
Unrealized net gain on investments, net of tax	0	0	40,788	0	0	0	0	40,788
Change in fair value of cash flow hedges, net of tax	0	0	(945)	0	0	0	0	(945)
Net earnings	0	0	0	132,422	0	0	0	132,422
Net activity	0	209	42,825	132,422	0	0	1,178	176,634
Balance as of June 30, 2019	$ 10,497	$ 453,535	$ (23,873)	$ 4,109,384	$ (525,653)	(151,997)	$ (2,870)	$ 3,869,023
Balance as of March 31, 2018	$ 10,497	$ 452,746	$ (4,623)	$ 3,635,561	$ (525,653)	$ (151,997)	$ (7,823)	$ 3,408,708
Increase in market value of released ESOP shares	0	116	0	0	0	0	0	116
Release of unearned ESOP shares	0	0	0	0	0	0	943	943
Purchase of ESOP shares	0	0	0	0	0	0	(57)	(57)
Foreign currency translation	0	0	(2,093)	0	0	0	0	(2,093)
Unrealized net loss on investments, net of tax	0	0	(39,672)	0	0	0	0	(39,672)
Change in fair value of cash flow hedges, net of tax	0	0	422	0	0	0	0	422
Adjustment for adoption of ASU 2016 - 01	0	0	0	9,724	0	0	0	9,724
Net earnings	0	0	0	127,849	0	0	0	127,849
Common stock dividends: ($0.50 per share for fiscal 2019)	0	0	0	(9,795)	0	0	0	(9,795)
Net activity	0	116	(41,343)	127,778	0	0	886	87,437
Balance as of June 30, 2018	$ 10,497	$ 452,862	$ (45,966)	$ 3,763,339	$ (525,653)	$ (151,997)	$ (6,937)	$ 3,496,145

The accompanying notes are an integral part of these consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Quarter Ended June 30, 2019	2018
	(Unaudited) (In thousands)	
Cash flows from operating activities:		
Net earnings	$ 132,422	$ 127,849
Adjustments to reconcile net earnings to cash provided by operations:		
Depreciation	157,278	142,722
Amortization of deferred policy acquisition costs	6,064	6,031
Amortization of premiums and accretion of discounts related to investments, net	3,275	3,219
Amortization of debt issuance costs	1,053	984
Interest credited to policyholders	14,218	8,060
Change in allowance for losses on trade receivables	(162)	38
Change in allowance for inventories and parts reserves	367	2,139
Net gains on disposal of personal property	(16,678)	(16,295)
Net gains on disposal of real estate	(1,622)	0
Net (gains) losses on sales of investments	(4,267)	506
Net (gains) losses on equity investments	(2,215)	1,176
Deferred income taxes	29,763	37,574
Net change in other operating assets and liabilities:		
Reinsurance recoverables and trade receivables	(18,215)	(14,543)
Inventories and parts	2,110	(7,170)
Prepaid expenses	(15,720)	(17,999)
Capitalization of deferred policy acquisition costs	(5,090)	(5,808)
Other assets	3,337	(761)
Related party assets	(1,364)	2,205
Accounts payable and accrued expenses	89,716	86,430
Policy benefits and losses, claims and loss expenses payable	2,318	5,291
Other policyholders' funds and liabilities	(5,281)	(184)
Deferred income	8,527	7,732
Related party liabilities	1,092	474
Net cash provided by operating activities	380,926	369,670
Cash flows from investing activities:		
Escrow deposits	1,968	(4,559)
Purchases of:		
Property, plant and equipment	(847,248)	(548,147)
Short term investments	(8,689)	(14,390)
Fixed maturities investments	(76,515)	(103,121)
Equity securities	0	(46)
Preferred stock	0	(81)
Real estate	(328)	(80)
Mortgage loans	(9,410)	(8,262)
Proceeds from sales and paydowns of:		
Property, plant and equipment	160,754	187,546
Short term investments	6,982	20,416
Fixed maturities investments	38,258	14,645
Preferred stock	0	500
Real estate	311	–
Mortgage loans	1,678	9,402
Net cash used by investing activities	(732,239)	(446,177)
Cash flows from financing activities:		
Borrowings from credit facilities	333,700	103,641
Principal repayments on credit facilities	(61,104)	(73,770)
Payment of debt issuance costs	(5)	(1,420)
Finance/capital lease payments	(94,446)	(84,374)
Employee stock ownership plan stock	(131)	(57)
Securitization deposits	0	–
Common stock dividends paid	(9,796)	(9,795)
Investment contract deposits	61,515	76,343
Investment contract withdrawals	(37,054)	(38,763)
Net cash provided (used) by financing activities	192,679	(28,195)
Effects of exchange rate on cash	4,764	(4,275)
Decrease in cash and cash equivalents	(153,870)	(108,977)
Cash and cash equivalents at the beginning of period	673,701	759,388
Cash and cash equivalents at the end of period	$ 519,831	$ 650,411

The accompanying notes are an integral part of these condensed consolidated financial statements

1.Basis of Presentation

AMERCO, a Nevada corporation ("AMERCO"), has a first fiscal quarter that ends on the 30th of June for each year that is referenced. Our insurance company subsidiaries have a first quarter that ends on the 31st of March for each year that is referenced. They have been consolidated on that basis. Our insurance companies' financial reporting processes conform to calendar year reporting as required by state insurance departments. Management believes that consolidating their calendar year into our fiscal year financial statements does not materially affect the presentation of financial position or results of operations. We disclose material events, if any, occurring during the intervening period. Consequently, all references to our insurance subsidiaries' years 2019 and 2018 correspond to fiscal 2020 and 2019 for AMERCO.

Accounts denominated in non-U.S. currencies have been translated into U.S. dollars. Certain amounts reported in previous years have been reclassified to conform to the current presentation.

The condensed consolidated balance sheet as of June 30, 2019 and the related condensed consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for the first quarter of fiscal 2020 and 2019 are unaudited.

In our opinion, all adjustments necessary for the fair presentation of such condensed consolidated financial statements have been included. Such adjustments consist only of normal recurring items. Interim results are not necessarily indicative of results for a full year. The information in this Quarterly Report on Form 10-Q ("Quarterly Report") should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2019.

Intercompany accounts and transactions have been eliminated.

Description of Legal Entities

AMERCO is the holding company for:

U-Haul International, Inc. ("U-Haul");

Amerco Real Estate Company ("Real Estate");

Repwest Insurance Company ("Repwest"); and

Oxford Life Insurance Company ("Oxford").

Unless the context otherwise requires, the terms "Company," "we," "us" or "our" refer to AMERCO and all of its legal subsidiaries.

Description of Operating Segments

AMERCO has three (3) reportable segments. They are Moving and Storage, Property and Casualty Insurance and Life Insurance.

The Moving and Storage operating segment ("Moving and Storage") includes AMERCO, U-Haul and Real Estate and the wholly owned subsidiaries of U-Haul and Real Estate. Operations consist of the rental of trucks and trailers, sales of moving supplies, sales of towing accessories, sales of propane, and the rental of fixed and portable moving and storage units to the "do-it-yourself" mover and management of self-storage properties owned by others. Operations are conducted under the registered trade name U-Haul® throughout the United States and Canada.

The Property and Casualty Insurance operating segment ("Property and Casualty Insurance") includes Repwest and its wholly owned subsidiaries and ARCOA Risk Retention Group ("ARCOA"). Property and Casualty Insurance provides loss adjusting and claims handling for U-Haul® through regional offices in the United States and Canada. Property and Casualty Insurance also underwrites components of the Safemove®, Safetow®, Safemove Plus®, Safestor® and Safestor Mobile® protection packages to U-Haul customers. The business plan for Property and Casualty Insurance includes offering property and casualty insurance products in other U-Haul-related programs. ARCOA is a group captive insurer owned by us and our wholly owned subsidiaries whose purpose is to provide insurance products related to our moving and storage business.

The Life Insurance operating segment ("Life Insurance") includes Oxford and its wholly owned subsidiaries. Life Insurance provides life and health insurance products primarily to the senior market through the direct writing and reinsuring of life insurance, Medicare supplement and annuity policies.

2. Earnings per Share

Our earnings per share is calculated by dividing our earnings available to common stockholders by the weighted average common shares outstanding, basic and diluted.

The weighted average common shares outstanding exclude post-1992 shares of the employee stock ownership plan that have not been committed to be released. The unreleased shares, net of shares committed to be released, were 8,216 and 16,828 as of June 30, 2019 and June 30, 2018, respectively.

3. Investments

Expected maturities may differ from contractual maturities as borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

We deposit bonds with insurance regulatory authorities to meet statutory requirements. The adjusted cost of bonds on deposit with insurance regulatory authorities was $31.5 million and $30.8 million at June 30, 2019 and March 31, 2019, respectively.

Available-for-Sale Investments

Available-for-sale investments at June 30, 2019 were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses More than 12 Months	Gross Unrealized Losses Less than 12 Months	Estimated Market Value
			(Unaudited)		
			(In thousands)		
U.S. treasury securities and government obligations	$ 135,055	$ 3,709	$ (913)	$ (24)	$ 137,827
U.S. government agency mortgage-backed securities	41,359	442	(95)	(35)	41,671
Obligations of states and political subdivisions	301,255	13,579	(198)	0	314,636
Corporate securities	1,639,004	36,966	(9,868)	(1,350)	1,664,752

Mortgage-backed securities	147,102	2,834	(127)	(6)	149,803
Redeemable preferred stocks	1,493	57	0	0	1,550
	$ 2,265,268	$ 57,587	$ (11,201)	$ (1,415)	$ 2,310,239

Available-for-sale investments at March 31, 2019 were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses More than 12 Months	Gross Unrealized Losses Less than 12 Months	Estimated Market Value
			(In thousands)		
U.S. treasury securities and government obligations	$ 136,010	$ 2,409	$ (2,104)	$ (447)	$ 135,868
U.S. government agency mortgage-backed securities	31,101	433	(146)	(19)	31,369
Obligations of states and political subdivisions	298,955	8,079	(233)	(905)	305,896
Corporate securities	1,613,199	14,777	(14,257)	(24,986)	1,588,733
Mortgage-backed securities	148,203	880	(285)	(903)	147,895
Redeemable preferred stocks	1,493	20	0	(45)	1,468
	$ 2,228,961	$ 26,598	$ (17,025)	$ (27,305)	$ 2,211,229

The available-for-sale tables include gross unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position.

We sold available-for-sale securities with a fair value of $37.3 million during the first quarter of fiscal 2020. The gross realized gains on these sales totaled $1.2 million. The gross realized losses on these sales totaled $0.1 million.

The unrealized losses of more than twelve months in the available-for-sale tables are considered temporary declines. We track each investment with an unrealized loss and evaluate them on an individual basis for other-than-temporary impairments, including obtaining corroborating opinions from third party sources, performing trend analysis and reviewing management's future plans. Certain of these investments may have declines determined by management to be other-than-temporary and we recognize these write-downs, if any, through earnings. There were no write-downs in the first quarter of fiscal 2020 or 2019.

The investment portfolio primarily consists of corporate securities and obligations of states and political subdivisions. We believe we monitor our investments as appropriate. Our methodology of assessing other-than-temporary impairments is based on security-specific analysis as of the balance sheet date and considers various factors including the length of time to maturity, the extent to which the fair value has been less than the cost, the financial condition and the near-term prospects of the issuer, and whether the debtor is current on its contractually obligated interest and principal payments. Nothing has come to management's attention that would lead to the belief that any issuer would not have the ability to meet the remaining contractual obligations of the security, including payment at maturity. We have the ability and intent not to sell our fixed maturity and common stock investments for a period of time sufficient to allow us to recover our costs.

The portion of other-than-temporary impairment related to a credit loss is recognized in earnings. The significant inputs utilized in the evaluation of mortgage-backed securities credit losses include ratings, delinquency rates, and prepayment activity. The significant inputs utilized in the evaluation of asset backed securities credit losses include the time frame for principal recovery and the subordination and value of the underlying collateral.

There were no credit losses recognized in earnings for which a portion of an other-than-temporary impairment was recognized in accumulated other comprehensive income (loss) ("AOCI") for the first quarter of fiscal 2020 and fiscal 2019, respectively.

The adjusted cost and estimated market value of available-for-sale investments by contractual maturity were as follows:

	June 30, 2019		March 31, 2019	
	Amortized Cost	Estimated Market Value	Amortized Cost	Estimated Market Value
	(Unaudited)			
		(In thousands)		
Due in one year or less	$ 80,244	$ 80,481	$ 71,987	$ 71,954
Due after one year through five years	553,626	562,599	541,195	540,658
Due after five years through ten years	646,677	660,403	621,031	614,485
Due after ten years	836,126	855,403	845,052	834,769
	2,116,673	2,158,886	2,079,265	2,061,866
Mortgage-backed securities	147,102	149,803	148,203	147,895
Redeemable preferred stocks	1,493	1,550	1,493	1,468
	$ 2,265,268	$ 2,310,239	$ 2,228,961	$ 2,211,229

As of June 30, 2019 and March 31, 2019, our common stock and non-redeemable preferred stock that are included in Investments, fixed maturities and marketable equities on our balance sheet are stated in the table below. The changes in the fair value of these equity investments are recognized through Net investment and interest income.

Equity investments of common stock and non-redeemable preferred stock were as follows:

June 30, 2019		March 31, 2019	
Amortized Cost	Estimated Market Value	Amortized Cost	Estimated Market Value

	(Unaudited)							
	(In thousands)							
Common stocks	$	10,123	$	19,035	$	10,123	$	17,379
Non-redeemable preferred stocks		7,451		7,311		7,451		6,789
	$	17,574	$	26,346	$	17,574	$	24,168

4. Borrowings

Long Term Debt

Long term debt was as follows:

	2020 Rates (a)		Maturities		June 30, 2019	March 31, 2019
					(Unaudited)	
					(In thousands)	
Real estate loan (amortizing term)		3.91 %		2023	$ 100,413	$ 102,913
Senior mortgages	3.72 %	- 6.62 %	2021	- 2038	1,729,184	1,741,652
Real estate loans (revolving credit)	3.03 %	- 3.93 %	2021	- 2024	435,000	429,400
Fleet loans (amortizing term)	1.95 %	- 4.66 %	2019	- 2025	261,677	263,209
Fleet loans (revolving credit)		3.59 %	2021	- 2023	555,000	530,000
Finance/capital leases (rental equipment)	1.92 %	- 5.04 %	2019	- 2026	948,206	1,042,652
Finance liability (rental equipment)	3.21 %	- 4.22 %		2026	259,617	0
Other obligations	2.75 %	- 8.00 %	2019	- 2048	82,724	82,417
Notes, loans and finance/capital leases payable					4,371,821	4,192,243
Less: Debt issuance costs					(27,886)	(28,920)
Total notes, loans and finance/capital leases payable, net					$ 4,343,935	$ 4,163,323

(a) Interest rates as of June 30, 2019, including the effect of applicable hedging instruments.

Real Estate Backed Loans

Real Estate Loan

Real Estate and certain of its subsidiaries and U-Haul Company of Florida are borrowers under a real estate loan (the “Real Estate Loan”). The Real Estate Loan requires monthly principal and interest payments, with the unpaid loan balance and accrued and unpaid interest due at maturity. The Real Estate Loan is secured by various properties owned by the borrowers.

The interest rate, per the provisions of the amended loan agreement, is the applicable London Inter-Bank Offer Rate (“LIBOR”) plus the applicable margin. As of June 30, 2019, the applicable LIBOR was 2.41% and the applicable margin was 1.50%, the sum of which was 3.91%. The default provisions of the Real Estate Loan include non-payment of principal or interest and other standard reporting and change-in-control covenants. There are limited restrictions regarding our use of the funds.

Senior Mortgages

Various subsidiaries of Real Estate and U-Haul are borrowers under certain senior mortgages. The senior mortgages require monthly principal and interest payments. The senior mortgages are secured by certain properties owned by the borrowers. The fixed interest rates, per the provisions of the senior mortgages, range between 3.72% and 6.62%. Certain senior mortgages have an anticipated repayment date and a maturity date. If these senior mortgages are not repaid by the anticipated repayment date, the interest rate on these mortgages would increase from the current fixed rate. We are using the anticipated repayment date for our maturity schedule. Real Estate and U-Haul have provided limited guarantees of the senior mortgages. The default provisions of the senior mortgages include non-payment of principal or interest and other standard reporting and change-in-control covenants. There are limited restrictions regarding our use of the funds.

Real Estate Loans (Revolving Credit)

Various subsidiaries of Real Estate are borrowers under asset-backed real estate loans with an aggregate borrowing capacity of $335.0 million. As of June 30, 2019, the outstanding balance of these loans in the aggregate was $335.0 million. These loans are secured by certain properties owned by the borrowers. The loan agreements provide for term loans, subject to the terms of the loan agreements. The final maturity of the loans is between June 2022 and February 2024. The loans require monthly interest payments with the unpaid loan balance and accrued and unpaid interest due at maturity. The interest rate, per the provision of the loan agreements, is the applicable LIBOR plus the applicable margin. As of June 30, 2019, the applicable LIBOR was between 2.43% and 2.44% and the margin was between 1.25% and 1.50%, the sum of which was between 3.68% and 3.93%. Certain loans have interest rate swaps fixing the rate between 3.03% and 3.14% based on current margins. AMERCO is the guarantor of these loans. The default provisions of the loan include non-payment of principal or interest and other standard reporting and change-in-control covenants.

AMERCO is a borrower under a real estate loan. The current maximum credit commitment is $150.0 million, which can be increased to $300.0 million by bringing in other lenders. As of June 30, 2019, the outstanding balance was $100.0 million. This loan agreement provides for revolving loans, subject to the terms of the loan agreement. The final maturity of this loan is September 2021. This loan requires monthly interest payments with the unpaid loan balance and accrued and unpaid interest due at maturity. As of June 30, 2019, the applicable LIBOR was 2.44% and the margin was 1.38%, the sum of which was 3.82%. The default provisions of the loan include non-payment of principal or interest and other standard reporting and change-in-control covenants. There is a 0.30% fee charged for unused capacity.

Fleet Loans

Rental Truck Amortizing Loans

The amortizing loans require monthly principal and interest payments, with the unpaid loan balance and accrued and unpaid interest due at maturity. These loans were used to purchase new trucks. The interest rates, per the provision of the loan agreements, are carried at fixed rates ranging between 1.95% and 4.66%. Additionally, one of these loans is carried at a variable rate with the applicable LIBOR plus the applicable margins. As of June 30, 2019, the applicable LIBOR was 2.39% and applicable margin was 1.75% with a sum of 4.14%. The interest rate is hedged with an interest rate swap fixing the rate at 2.82% based on current margins.

AMERCO, and in some cases U-Haul, is guarantor of these loans. The default provisions of these loans include non-payment of principal or interest and other standard reporting and change-in-control covenants.

Rental Truck Revolvers

Various subsidiaries of U-Haul entered into three revolving fleet loans with an aggregate borrowing capacity of $580.0 million. The interest rates, per the provision of the loan agreements, are the applicable LIBOR plus the applicable margin. As of June 30, 2019, the applicable LIBOR was 2.44%, and the margin was 1.15%, the sum of which was 3.59%. Only interest is paid on the loans until the last nine months of the respective loan terms when principal becomes due monthly. In April 2019, the rental truck revolving loan that was scheduled to mature in January 2021 was extended to May 2024 and availability increased by $10.0 million.

Finance/Capital Leases

The Finance/Capital Lease balance represents our sale-leaseback transactions of rental equipment that were entered into and classified as capital leases prior to the adoption of ASC 842 on April 1, 2019. The historical capital lease balance was reclassified to ROU assets-finance, net and have an outstanding balance of $948.2 million as of June 30, 2019. The agreements are generally 7-year terms with interest rates ranging from 1.92% to 5.04%. All of our finance leases and are collateralized by our rental fleet. There were no new financing leases, as assessed under the new leasing guidance, entered into during the quarter ended June 30, 2019.

Finance Liability

Finance Liabilities represent our rental equipment financing transactions that have historically been accounted for as capital leases prior to the adoption of ASC 842 on April 1, 2019 which substantially changed the accounting for sale-leasebacks going forward. In accordance with the new leasing guidance, we assess if sale-leaseback transactions qualify as a sale at initiation by determining if a transfer of ownership occurs. We have determined that our equipment sale-leasebacks do not qualify as a sale, as the buyer-lessors do not obtain control of the assets in our ongoing sale-leaseback arrangements. As a result, we expect future sale-leasebacks to be accounted for as a financial liability and the leased assets will be capitalized at cost. As of June 30, 2019, we have failed sale-leasebacks transactions totaling $259.6 million. Our finance liabilities have an average term of 7 years and interest rates ranging from 3.21% to 4.22%. These finance liabilities are collateralized by our rental fleet.

Other Obligations

In February 2011, AMERCO and U.S. Bank, NA (the “Trustee”) entered into the U-Haul Investors Club® Indenture. AMERCO and the Trustee entered into this indenture to provide for the issuance of notes by us directly to investors over our proprietary website, uhaulinvestorsclub.com (“U-Notes®”). The U-Notes® are secured by various types of collateral, including, but not limited to, rental equipment and real estate. U-Notes® are issued in smaller series that vary as to principal amount, interest rate and maturity. U-Notes® are obligations of the Company and secured by the associated collateral; they are not guaranteed by any of the Company’s affiliates or subsidiaries.

As of June 30, 2019, the aggregate outstanding principal balance of the U-Notes® issued was $85.8 million, of which $3.1 million is held by our insurance subsidiaries and eliminated in consolidation. Interest rates range between 2.75% and 8.00% and maturity dates range between 2019 and 2048.

Oxford is a member of the Federal Home Loan Bank (“FHLB”) and, as such, the FHLB has made deposits with Oxford. As of December 31, 2019, the deposits had an aggregate balance of $60.0 million, for which Oxford pays fixed interest rates between 1.67% and 2.95% with maturities between September 29, 2019 and March 29, 2021. As of March 31, 2019, available-for-sale investments held with the FHLB totaled $127.9 million, of which $69.8 million were pledged as collateral to secure the outstanding deposits. The balances of these deposits are included within Liabilities from investment contracts on the condensed consolidated balance sheets.

Annual Maturities of Notes, Loans and Finance/Capital Leases Payable

The annual maturities of our notes, loans and finance/capital leases payable, as of June 30, 2019 for the next five years and thereafter are as follows:

	Year Ended June 30,					
	2020	2021	2022	2023	2024	Thereafter
	(Unaudited) (In thousands)					
Notes, loans and finance/capital leases payable, secured	$ 511,219	$ 394,680	$ 811,709	$ 555,826	$ 767,871	$ 1,330,516

Interest on Borrowings

Interest Expense

Components of interest expense include the following:

	Quarter Ended June 30,	
	2019	2018
	(Unaudited) (In thousands)	
Interest expense	$ 43,331	$ 34,196
Capitalized interest	(5,499)	(419)
Amortization of transaction costs	1,053	961
Interest expense resulting from cash flow hedges	3	516
Total interest expense	$ 38,888	$ 35,254

Interest paid in cash, including payments related to derivative contracts, amounted to $40.5 million and $34.4 million for the first quarter of fiscal 2020 and 2019, respectively.

Interest Rates

Interest rates and Company borrowings were as follows:

Revolving Credit Activity Quarter Ended June 30,	
2019	2018
(Unaudited) (In thousands, except interest rates)	

Weighted average interest rate during the quarter		3.73 %		3.11 %
Interest rate at the end of the quarter		3.69 %		3.16 %
Maximum amount outstanding during the quarter	$	990,000	$	525,000
Average amount outstanding during the quarter	$	967,358	$	497,967
Facility fees	$	62	$	144

5. Derivatives

We manage exposure to changes in market interest rates. Our use of derivative instruments is limited to highly effective interest rate swaps to hedge the risk of changes in cash flows (future interest payments) attributable to changes in LIBOR swap rates with the designated benchmark interest rate being hedged on certain of our LIBOR indexed variable rate debt and a variable rate operating lease. The interest rate swaps effectively fix our interest payments on certain LIBOR indexed variable rate debt. We monitor our positions and the credit ratings of our counterparties and do not currently anticipate non-performance by the counterparties. Interest rate swap agreements are not entered into for trading purposes. The following is a summary of our interest rate swap agreements as of June 30, 2019:

The derivative fair values reflected in prepaid expense and accounts payable and accrued expenses in the balance sheet were as follows:

	Derivatives Fair Values as of			
		June 30, 2019		March 31, 2019
	(Unaudited) (In thousands)			
Interest rate contracts designated as hedging instruments:				
Assets	$	64	$	139
Liabilities	$	1,181	$	0
Notional amount	$	249,625	$	22,792

	The Effect of Interest Rate Contracts on the Statements of Operations for the Quarters Ended			
		June 30, 2019		June 30, 2018
	(Unaudited) (In thousands)			
Gain recognized in AOCI on interest rate contracts	$	1,253	$	(560)
Loss reclassified from AOCI into income	$	3	$	516

Gains or losses recognized in income on derivatives are recorded as interest expense in the statements of operations. During the first quarter of fiscal 2020, we recognized a decrease in the fair value of our cash flow hedges of $0.9 million, net of taxes. No (gains) or losses were reclassified from AOCI to interest expense during the first quarter of fiscal 2020. As of June 30, 2019, we expect to reclassify $1.7 million of net gains on interest rate contracts from AOCI to earnings as interest expense over the next twelve months.

6. Accumulated Other Comprehensive Income (Loss)

A summary of accumulated other comprehensive income (loss) components, net of tax, were as follows:

	Foreign Currency Translation	Unrealized Net Gain on Investments	Fair Market Value of Cash Flow Hedges	Postretirement Benefit Obligation Net Loss	Accumulated Other Comprehensive Income (Loss)
			(Unaudited) (In thousands)		
Balance at March 31, 2019	$ (56,612)	$ (7,259)	$ 107	$ (2,934)	$ (66,698)
Foreign currency translation	2,982	0	0	0	2,982
Unrealized net gain on investments	0	40,788	0	0	40,788
Change in fair value of cash flow hedges	0	0	(945)	0	(945)
Other comprehensive income (loss)	(2,093)	40,788	(945)	0	42,825
Balance at June 30, 2019	$ (58,705)	$ 33,529	$ (838)	$ (2,934)	$ (23,873)

Amounts reclassified from AOCI to interest expense for the quarters ended June 30, 2019 and 2018 were $40 thousand and $64 thousand, respectively.

7. Stockholders' Equity

The dividends declared or paid during the first quarter of fiscal 2020 were as follows:

Common Stock Dividends				
Declared Date		Per Share Amount	Record Date	Dividend Date
March 6, 2019	$	0.50	March 21, 2019	April 4, 2019

On June 8, 2016, our stockholders' approved the 2016 AMERCO Stock Option Plan (Shelf Stock Option Plan). As of June 30, 2019 no awards had been issued under this plan.

8. Leases

Lessor

We have determined that revenues derived by providing self-moving equipment rentals, self-storage rentals and certain other revenues, including U-Box rentals, are within the scope of the accounting guidance contained in Topic 842. Our self-moving equipment rental related revenues have been accounted for under the revenue accounting standard Topic 606, until the adoption of Topic 842.

For the periods after April 1, 2019, we combined all lease and non-lease components of lease contracts for which the timing and pattern of transfer are the same and the lease component meets the classification of an operating lease, and account for them in accordance with Topic 842. The revenue streams accounted for in accordance with Topic 842 are recognized evenly over the period of rental. Please see Note 15, Revenue Recognition, to the Notes to Condensed Consolidated Financial Statements.

Lessee

We determine if an arrangement is a lease at inception. Operating leases, which are comprised primarily of storage rental locations, are included in Right-of-Use ("ROU") assets - operating and operating lease liability in our balance sheet dated June 30, 2019. Finance leases, which are comprised primarily of rental equipment leases, are included in ROU assets - financing, net, and notes, loans and finance/capital leases payable, net in our balance sheet dated June 30, 2019.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the expected remaining lease term. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on information available at commencement date in determining the present value of lease payments. Our lease terms may include options to extend or terminate the lease, which are included in the calculation of ROU assets when it is reasonably certain that we will exercise those options. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

We have lease agreements with lease and non-lease components, which are generally not accounted for separately. Additionally, for certain leases, we apply a portfolio approach to account for the operating lease ROU assets and liabilities as the leases are similar in nature and have nearly identical contract provisions.

Adoption of this standard resulted in most of our operating lease commitments being recognized as operating lease liabilities and ROU assets, which increased total assets and total liabilities by approximately $105.4 million related to property operating leases. In addition, we reclassified a net amount $948.2 million related to vehicle financing leases from property, plant, and equipment, net to ROU assets financing, net.

The standard also changed the manner by which we account for our equipment sale/leaseback transactions. Based on our assessment, the lease transactions are classified as financing leases, and therefore the transactions do not qualify as a sale. Pursuant to the guidance, new sale leaseback transactions that fail to qualify as a sale will be accounted for as a financial liability. Please see Note 4, Borrowings, of the Notes to Condendsed Consolidated Finanical Statements for additional information.

The following table shows the components of our right-of-use assets:

	As of June 30, 2019 (Unaudited) (In thousands)		
	Finance	**Operating**	**Total**
Buildings and improvements	$ 0	$ 110,096	$ 110,096
Furniture and equipment	36,304	0	36,304
Rental trailers and other rental equipment	129,826	0	129,826
Rental trucks	1,813,633	0	1,813,633
Right-of-use assets, gross	1,979,763	110,096	2,089,859
Less: Accumulated depreciation	(714,740)	(4,712)	(719,452)
Right-of-use assets, net	$ 1,265,023	$ 105,384	$ 1,370,407

	Finance	**Operating**
Weighted average remaining lease term (years)	5 Years	15 Years
Weighted average discount rate	3.4 %	4.5 %

For the quarter ended June 30, 2019, cash paid for leases included in our operating and financing cash flow activities were $6.0 million and $94.4 million, respectively.

The components of lease costs were as follows:

	Three Months Ended June 30, 2019 (Unaudited) (In thousands)
Operating lease costs	$ 7,172
Finance lease cost:	
Amortization of right-of-use assets	$ 50,208
Interest on lease liabilities	8,745
Total finance lease cost	$ 58,953

Maturities of lease liabilities were as follows:

Year ending June 30,	Finance leases	Operating leases
	(Unaudited)	
	(In thousands)	
2020	$ 275,558	$ 22,936
2021	196,972	19,879
2022	156,144	18,467
2023	124,371	17,740
2024	93,732	17,118
Thereafter	101,429	66,634
Total lease payments	948,206	162,774
Less: imputed interest	0	(57,766)
Present value of lease liabilities	$ 948,206	$ 105,008

9. Contingencies

Environmental

Compliance with environmental requirements of federal, state and local governments may significantly affect Real Estate's business operations. Among other things, these requirements regulate the discharge of materials into the air, land and water and govern the use and disposal of hazardous substances. Real Estate is aware of issues regarding hazardous substances on some of its properties. Real Estate regularly makes capital and operating expenditures to stay in compliance with environmental laws and has put in place a remedial plan at each site where it believes such a plan is necessary. Since 1988, Real Estate has managed a testing and removal program for underground storage tanks.

Based upon the information currently available to Real Estate, compliance with the environmental laws and its share of the costs of investigation and cleanup of known hazardous waste sites are not expected to result in a material adverse effect on AMERCO's financial position or results of operations.

Other

We are named as a defendant in various other litigation and claims arising out of the normal course of business. In management's opinion, none of these other matters will have a material effect on our financial position and results of operations.

10. Related Party Transactions

As set forth in the Company's Audit Committee Charter and consistent with NASDAQ Listing Rules, our Audit Committee (the "Audit Committee") reviews and maintains oversight over related party transactions, which are required to be disclosed under the Securities and Exchange Commission ("SEC") rules and regulations and in accordance with generally accepted accounting principles ("GAAP"). Accordingly, all such related party transactions are submitted to the Audit Committee for ongoing review and oversight. Our internal processes are designed to ensure that our legal and finance departments identify and monitor potential related party transactions that may require disclosure and Audit Committee oversight.

AMERCO has engaged in related party transactions and has continuing related party interests with certain major stockholders, directors and officers of the consolidated group as disclosed below. Management believes that the transactions described below and in the related notes were completed on terms substantially equivalent to those that would prevail in arm's-length transactions.

SAC Holding Corporation and SAC Holding II Corporation (collectively "SAC Holdings") were established in order to acquire and develop self-storage properties. These properties are being managed by us pursuant to management agreements. In the past, we sold real estate and various self-storage properties to SAC Holdings, and such sales provided significant cash flows to us. SAC Holdings, Four SAC Self-Storage Corporation ("4 SAC"), Five SAC Self-Storage Corporation, Galaxy Investments, L.P. and 2015 SAC self-storage are substantially controlled by Blackwater Investments, Inc. ("Blackwater"). Blackwater is wholly owned by Willow Grove Holdings LP ("WGHLP"), which is owned by Mark V. Shoen (a significant stockholder), and various trusts associated with Edward J. Shoen (our Chairman of the Board, President and a significant stockholder) and Mark V. Shoen.

Related Party Revenue

	Quarter Ended June 30,	
	2019	2018
	(Unaudited)	
	(In thousands)	
U-Haul management fee revenue from Blackwater	$ 6,249	$ 6,200
U-Haul management fee revenue from Mercury	907	1,216
	$ 7,156	$ 7,416

We currently manage the self-storage properties owned or leased by Blackwater and Mercury Partners, L.P. ("Mercury"), pursuant to a standard form of management agreement, under which we receive a management fee of between 4% and 10% of the gross receipts plus reimbursement for certain expenses. We received management fees, exclusive of reimbursed expenses, of $9.2 million and $10.3 million from the above-mentioned entities during the first quarter of fiscal 2020 and 2019, respectively. This management fee is consistent with the fee received for other properties we previously managed for third parties. Mark V. Shoen controls the general partner of Mercury. The limited partner interests of Mercury are owned indirectly by James P. Shoen and various trusts benefitting Edward J. Shoen and James P. Shoen or their descendants. Mercury holds the option to purchase a portfolio of properties currently leased by Mercury and a U-Haul subsidiary, which option is exercisable in 2024.

Related Party Costs and Expenses

	Quarter Ended June 30,	
	2019	2018
	(Unaudited)	
	(In thousands)	
U-Haul lease expenses to Blackwater	$ 658	$ 670
U-Haul commission expenses to Blackwater	17,202	16,485
	$ 17,860	$ 17,155

We lease space for marketing company offices, vehicle repair shops and hitch installation centers from subsidiaries of Blackwater. The terms of the leases are similar to the terms of leases for other properties owned by unrelated parties that are leased to us.

As of June 30, 2019, subsidiaries of Blackwater acted as independent dealers. The financial and other terms of the dealership contracts are substantially identical to the terms of those with our other independent dealers whereby commissions are paid by us based upon equipment rental revenues.

These agreements with subsidiaries of Blackwater, excluding Dealer Agreements, provided revenues of $6.2 million, expenses of $0.7 million and cash flows of $5.5 million during the first quarter of fiscal 2020. Revenues and commission expenses related to the Dealer Agreements were $80.9 million and $17.2 million, respectively, during the first quarter of fiscal 2020.

Management determined that we do not have a variable interest pursuant to the variable interest entity ("VIE") model under Accounting Standards Codification ("ASC") 810 – *Consolidation* ("ASC 810") in the holding entities of Blackwater based upon management agreements which are with the individual operating entities; therefore, we are precluded from consolidating these entities.

Related Party Assets

	June 30, 2019	**March 31, 2019**
	(Unaudited)	
	(In thousands)	
U-Haul receivable from Blackwater	$ 25,915	$ 25,158
U-Haul receivable from Mercury	5,053	7,234
Other (a)	247	(1,503)
	$ 31,215	$ 30,889

(a) Timing differences for intercompany balances with insurance subsidiaries resulting from the three-month difference in reporting periods.

11. Financial Information by Consolidating Industry Segment:

Consolidating balance sheets by industry segment as of June 30, 2019 are as follows:

	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations		AMERCO Consolidated
			(Unaudited)			
			(In thousands)			
Assets:						
Cash and cash equivalents	$ 500,497	$ 6,061	$ 13,273	$ 0		$ 519,831
Reinsurance recoverables and trade receivables, net	114,099	97,041	32,095	0		243,235
Inventories and parts, net	101,032	0	0	0		101,032
Prepaid expenses	188,153	0	0	0		188,153
Investments, fixed maturities and marketable equities	0	291,646	2,044,939	0		2,336,585
Investments, other	22,702	76,430	213,918	0		313,050
Deferred policy acquisition costs, net	0	0	124,490	0		124,490
Other assets	69,043	989	3,144	0		73,176
Right of use assets - financing, net	1,265,023	0	0	0		1,265,023
Right of use assets - operating	105,384	0	0	0		105,384
Related party assets	36,994	7,005	17,186	(29,970)	(c)	31,215
	2,402,927	479,172	2,449,045	(29,970)		5,301,174
Investment in subsidiaries	585,515	0	0	(585,515)	(b)	0
Property, plant and equipment, at cost:						
Land	991,213	0	0	0		991,213
Buildings and improvements	4,183,178	0	0	0		4,183,178
Furniture and equipment	676,263	0	0	0		676,263
Rental trailers and other rental equipment	475,913	0	0	0		475,913
Rental trucks	3,324,576	0	0	0		3,324,576
	9,651,143	0	0	0		9,651,143
Less: Accumulated depreciation	(2,477,573)	0	0	0		(2,477,573)
Total property, plant and equipment, net	7,173,570	0	0	0		7,173,570
Total assets	$ 10,162,012	$ 479,172	$ 2,449,045	$ (615,485)		$ 12,474,744

(a) Balances as of March 31, 2019

(b) Eliminate investment in subsidiaries

(c) Eliminate intercompany receivables and payables

Moving & Storage	Property & Casualty	Life	AMERCO

	Consolidated	Insurance (a)	Insurance (a)	Eliminations		Consolidated
			(Unaudited) (In thousands)			
Liabilities:						
Accounts payable and accrued expenses	$ 581,441	$ 5,216	$ 4,482	$ 0		$ 591,139
Notes, loans and finance/capital leases payable, net	4,343,935	0	0	0		4,343,935
Operating lease liability	105,008	0	0	0		105,008
Policy benefits and losses, claims and loss expenses payable	417,168	222,971	373,794	0		1,013,933
Liabilities from investment contracts	0	0	1,705,422	0		1,705,422
Other policyholders' funds and liabilities	0	4,845	4,918	0		9,763
Deferred income	42,353	0	0	0		42,353
Deferred income taxes, net	777,316	6,323	10,529	0		794,168
Related party liabilities	26,791	3,448	754	(30,993)	(c)	0
Total liabilities	6,294,012	242,803	2,099,899	(30,993)		8,605,721
Stockholders' equity:						
Series preferred stock:						
Series A preferred stock	0	0	0	0		–
Series B preferred stock	0	0	0	0		–
Series A common stock	0	0	0	0		–
Common stock	10,497	3,301	2,500	(5,801)	(b)	10,497
Additional paid-in capital	453,745	91,120	26,271	(117,601)	(b)	453,535
Accumulated other comprehensive income (loss)	(24,896)	3,526	28,980	(31,483)	(b)	(23,873)
Retained earnings	4,109,174	138,422	291,395	(429,607)	(b)	4,109,384
Cost of common stock in treasury, net	(525,653)	0	0	0		(525,653)
Cost of preferred stock in treasury, net	(151,997)	0	0	0		(151,997)
Unearned employee stock ownership plan stock	(2,870)	0	0	0		(2,870)
Total stockholders' equity	3,868,000	236,369	349,146	(584,492)		3,869,023
Total liabilities and stockholders' equity	$ 10,162,012	$ 479,172	$ 2,449,045	$ (615,485)		$ 12,474,744

(a) Balances as of March 31, 2019

(b) Eliminate investment in subsidiaries

(c) Eliminate intercompany receivables and payables

Consolidating balance sheets by industry segment as of March 31, 2019 are as follows:

	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations		AMERCO Consolidated
			(In thousands)			
Assets:						
Cash and cash equivalents	$ 643,918	$ 5,757	$ 24,026	$ 0		$ 673,701
Reinsurance recoverables and trade receivables, net	90,832	102,120	31,833	0		224,785
Inventories and parts, net	103,504	0	0	0		103,504
Prepaid expenses	174,100	0	0	0		174,100
Investments, fixed maturities and marketable equities	0	279,641	1,955,756	0		2,235,397
Investments, other	23,013	74,679	203,044	0		300,736
Deferred policy acquisition costs, net	0	0	136,276	0		136,276
Other assets	72,768	2,456	3,130	0		78,354
Related party assets	35,997	6,639	16,466	(28,213)	(c)	30,889
	1,144,132	471,292	2,370,531	(28,213)		3,957,742
Investment in subsidiaries	534,157	0	0	(534,157)	(b)	0
Property, plant and equipment, at cost:						
Land	976,454	0	0	0		976,454
Buildings and improvements	4,003,726	0	0	0		4,003,726
Furniture and equipment	689,780	0	0	0		689,780
Rental trailers and other rental equipment	590,039	0	0	0		590,039
Rental trucks	4,762,028	0	0	0		4,762,028
	11,022,027	0	0	0		11,022,027
Less: Accumulated depreciation	(3,088,056)	0	0	0		(3,088,056)
Total property, plant and equipment, net	7,933,971	0	0	0		7,933,971
Total assets	$ 9,612,260	$ 471,292	$ 2,370,531	$ (562,370)		$ 11,891,713

(a) Balances as of December 31, 2018
(b) Eliminate investment in subsidiaries
(c) Eliminate intercompany receivables and payables

Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations	AMERCO Consolidated
		(In thousands)		

Liabilities:						
Accounts payable and accrued expenses	$ 548,099	$ 2,844	$ 5,930	$ 0		$ 556,873
Notes, loans and leases payable, net	4,163,323	0	0	0		4,163,323
Policy benefits and losses, claims and loss expenses payable	407,934	229,958	373,291	0		1,011,183
Liabilities from investment contracts	0	0	1,666,742	0		1,666,742
Other policyholders' funds and liabilities	0	5,259	9,788	0		15,047
Deferred income	35,186	0	0	0		35,186
Deferred income taxes, net	741,644	6,961	2,365	0		750,970
Related party liabilities	25,446	3,836	692	(29,974)	(c)	0
Total liabilities	5,921,632	248,858	2,058,808	(29,974)		8,199,324
Stockholders' equity:						
Series preferred stock:						
Series A preferred stock	0	0	0	0		–
Series B preferred stock	0	0	0	0		–
Series A common stock	0	0	0	0		–
Common stock	10,497	3,301	2,500	(5,801)	(b)	10,497
Additional paid-in capital	453,536	91,120	26,271	(117,601)	(b)	453,326
Accumulated other comprehensive income (loss)	(68,459)	(3,721)	(5,300)	10,782	(b)	(66,698)
Retained earnings	3,976,752	131,734	288,252	(419,776)	(b)	3,976,962
Cost of common stock in treasury, net	(525,653)	0	0	0		(525,653)
Cost of preferred stock in treasury, net	(151,997)	0	0	0		(151,997)
Unearned employee stock ownership plan stock	(4,048)	0	0	0		(4,048)
Total stockholders' equity	3,690,628	222,434	311,723	(532,396)		3,692,389
Total liabilities and stockholders' equity	$ 9,612,260	$ 471,292	$ 2,370,531	$ (562,370)		$ 11,891,713

(a) Balances as of December 31, 2018
(b) Eliminate investment in subsidiaries
(c) Eliminate intercompany receivables and payables

Consolidating statement of operations by industry segment for the quarter ended June 30, 2019 are as follows:

	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations		AMERCO Consolidated
			(Unaudited) (In thousands)			
Revenues:						
Self-moving equipment rentals	$ 749,136	$ 0	$ 0	$ (540)	(c)	$ 748,596
Self-storage revenues	98,274	0	0	0		98,274
Self-moving and self-storage products and service sales	80,026	0	0	0		80,026
Property management fees	7,156	0	0	0		7,156
Life insurance premiums	0	0	32,710	0		32,710
Property and casualty insurance premiums	0	14,114	0	(690)	(c)	13,424
Net investment and interest income	3,267	6,191	26,701	(410)	(b)	35,749
Other revenue	62,539	0	910	(135)	(b)	63,314
Total revenues	1,000,398	20,305	60,321	(1,775)		1,079,249
Costs and expenses:						
Operating expenses	522,524	8,081	5,228	(1,361)	(b,c)	534,472
Commission expenses	80,899	0	0	0		80,899
Cost of sales	48,929	0	0	0		48,929
Benefits and losses	0	3,758	45,248	0		49,006
Amortization of deferred policy acquisition costs	0	0	6,064	0		6,064
Lease expense	7,172	0	0	(136)	(b)	7,036
Depreciation, net of (gains) losses on disposal	140,600	0	0	0		140,600
Net gains on disposal of real estate	(1,622)	0	0	0		(1,622)
Total costs and expenses	798,502	11,839	56,540	(1,497)		865,384
Earnings from operations before equity in earnings of subsidiaries	201,896	8,466	3,781	(278)		213,865
Equity in earnings of subsidiaries	9,831	0	0	(9,831)	(d)	0
Earnings from operations	211,727	8,466	3,781	(10,109)		213,865
Other components of net periodic benefit costs	(263)	0	0	0		(263)
Interest expense	(39,166)	0	0	278	(b)	(38,888)
Pretax earnings	172,298	8,466	3,781	(9,831)		174,714
Income tax expense	(39,876)	(1,778)	(638)	0		(42,292)
Earnings available to common stockholders	$ 132,422	$ 6,688	$ 3,143	$ (9,831)		$ 132,422

(a) Balances for the quarter ended March 31, 2019
(b) Eliminate intercompany lease / interest income
(c) Eliminate intercompany premiums
(d) Eliminate equity in earnings of subsidiaries

Consolidating statements of operations by industry for the quarter ended June 30, 2018 are as follows:

Moving & Storage	Property & Casualty	Life		AMERCO

	Consolidated	Insurance (a)	Insurance (a) (Unaudited) (In thousands)	Eliminations		Consolidated
Revenues:						
Self-moving equipment rentals	$ 717,542	$ 0	$ 0	$ (940)	(c)	$ 716,602
Self-storage revenues	86,212	0	0	0		86,212
Self-moving and self-storage products and service sales	79,241	0	0	0		79,241
Property management fees	7,416	0	0	0		7,416
Life insurance premiums	0	0	36,888	0		36,888
Property and casualty insurance premiums	0	13,348	0	(567)		12,781
Net investment and interest income	2,563	2,541	19,917	(416)	(b)	24,605
Other revenue	54,911	0	1,058	(137)	(b)	55,832
Total revenues	947,885	15,889	57,863	(2,060)		1,019,577
Costs and expenses:						
Operating expenses	483,620	8,700	5,873	(1,639)	(b,c)	496,554
Commission expenses	79,257	0	0	0		79,257
Cost of sales	49,881	0	0	0		49,881
Benefits and losses	0	4,476	44,078	0		48,554
Amortization of deferred policy acquisition costs	0	0	6,031	0		6,031
Lease expense	8,305	0	0	(136)	(b)	8,169
Depreciation, net of (gains) losses on disposal	126,427	0	0	0		126,427
Net (gains) losses on disposal of real estate	0	0	0	0		0
Total costs and expenses	747,490	13,176	55,982	(1,775)		814,873
Earnings from operations before equity in earnings of subsidiaries	200,395	2,713	1,881	(285)		204,704
Equity in earnings of subsidiaries	3,656	0	0	(3,656)	(d)	0
Earnings from operations	204,051	2,713	1,881	(3,941)		204,704
Other components of net periodic benefit costs	(253)	0	0	0		(253)
Interest expense	(35,539)	0	0	285	(b)	(35,254)
Pretax earnings	168,259	2,713	1,881	(3,656)		169,197
Income tax expense	(40,410)	(545)	(393)	0		(41,348)
Earnings available to common stockholders	$ 127,849	$ 2,168	$ 1,488	$ (3,656)		$ 127,849

(a) Balances for the quarter ended March 31, 2018

(b) Eliminate intercompany lease / interest income

(c) Eliminate intercompany premiums

(d) Eliminate equity in earnings of subsidiaries

Consolidating cash flow statements by industry segment for the quarter ended June 30, 2019 are as follows:

	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a) (Unaudited) (In thousands)	Elimination	AMERCO Consolidated
Cash flows from operating activities:					
Net earnings	$ 132,422	$ 6,688	$ 3,143	$ (9,831)	$ 132,422
Earnings from consolidated entities	(9,831)	0	0	9,831	0
Adjustments to reconcile net earnings to the cash provided by operations:					
Depreciation	157,278	0	0	0	157,278
Amortization of deferred policy acquisition costs	0	0	6,064	0	6,064
Amortization of premiums and accretion of discounts related to investments, net	0	374	2,901	0	3,275
Amortization of debt issuance costs	1,053	0	0	0	1,053
Interest credited to policyholders	0	0	14,218	0	14,218
Change in allowance for losses on trade receivables	(162)	0	0	0	(162)
Change in allowance for inventories and parts reserve	367	0	0	0	367
Net gains on disposal of personal property	(16,678)	0	0	0	(16,678)
Net gains on disposal of real estate	(1,622)	0	0	0	(1,622)
Net gains on sales of investments	0	(33)	(4,234)	0	(4,267)
Net gains on equity investments	0	(2,215)	0	0	(2,215)
Deferred income taxes	35,980	(2,564)	(3,653)	0	29,763
Net change in other operating assets and liabilities:					
Reinsurance recoverables and trade receivables	(23,033)	5,078	(260)	0	(18,215)
Inventories and parts	2,110	0	0	0	2,110
Prepaid expenses	(15,720)	0	0	0	(15,720)
Capitalization of deferred policy acquisition costs	0	0	(5,090)	0	(5,090)
Other assets	1,805	1,546	(14)	0	3,337
Related party assets	(925)	(439)	0	0	(1,364)
Accounts payable and accrued expenses	86,094	2,368	1,254	0	89,716
Policy benefits and losses, claims and loss expenses payable	8,802	(6,987)	503	0	2,318
Other policyholders' funds and liabilities	0	(414)	(4,867)	0	(5,281)
Deferred income	8,527	0	0	0	8,527
Related party liabilities	1,345	(315)	62	0	1,092
Net cash provided by operating activities	367,812	3,087	10,027	0	380,926
Cash flows from investing activities:					

Escrow deposits	1,968	0	0	0	1,968
Purchases of:					
Property, plant and equipment	(847,248)	0	0	0	(847,248)
Short term investments	0	(8,689)	0	0	(8,689)
Fixed maturities investments	0	(5,149)	(71,366)	0	(76,515)
Real estate	0	(328)	0	0	(328)
Mortgage loans	0	0	(9,410)	0	(9,410)
Proceeds from sales and paydowns of:					
Property, plant and equipment	160,754	0	0	0	160,754
Short term investments	0	6,942	40	0	6,982
Fixed maturities investments	0	4,196	34,062	0	38,258
Real estate	311	0	0	0	311
Mortgage loans	0	245	1,433	0	1,678
Net cash used by investing activities	(684,215)	(2,783)	(45,241)	0	(732,239)

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(a) Balance for the period ended March 31, 2019

	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
			(Unaudited) (In thousands)		
Cash flows from financing activities:					
Borrowings from credit facilities	331,200	0	2,500	0	333,700
Principal repayments on credit facilities	(58,604)	0	(2,500)	0	(61,104)
Payments of debt issuance costs	(5)	0	0	0	(5)
Finance/capital lease payments	(94,446)	0	0	0	(94,446)
Employee stock ownership plan stock	(131)	0	0	0	(131)
Common stock dividend paid	(9,796)	0	0	0	(9,796)
Investment contract deposits	0	0	61,515	0	61,515
Investment contract withdrawals	0	0	(37,054)	0	(37,054)
Net cash provided (used) by financing activities	168,218	0	24,461	0	192,679
Effects of exchange rate on cash	4,764	0	0	0	4,764
Increase (decrease) in cash and cash equivalents	(143,421)	304	(10,753)	0	(153,870)
Cash and cash equivalents at beginning of period	643,918	5,757	24,026	0	673,701
Cash and cash equivalents at end of period	$ 500,497	$ 6,061	$ 13,273	$ 0	$ 519,831

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(a) Balance for the period ended March 31, 2019

Consolidating cash flow statements by industry segment for the quarter ended June 30, 2018 are as follows:

	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
			(Unaudited) (In thousands)		
Cash flows from operating activities:					
Net earnings	$ 127,849	$ 2,168	$ 1,488	$ (3,656)	$ 127,849
Earnings from consolidated entities	(3,656)	0	0	3,656	0
Adjustments to reconcile net earnings to cash provided by operations:					
Depreciation	142,722	0	0	0	142,722
Amortization of deferred policy acquisition costs	0	0	6,031	0	6,031
Amortization of premiums and accretion of discounts related to investments, net	0	301	2,918	0	3,219
Amortization of debt issuance costs	984	0	0	0	984
Interest credited to policyholders	0	0	8,060	0	8,060
Change in allowance for losses on trade receivables	40	0	(2)	0	38
Change in allowance for inventories and parts reserve	2,139	0	0	0	2,139
Net gains on disposal of personal property	(16,295)	0	0	0	(16,295)
Net (gains) losses on sales of investments	0	(38)	544	0	506
Net losses on equity investments	0	1,176	0	0	1,176
Deferred income taxes	38,011	36	(473)	0	37,574
Net change in other operating assets and liabilities:					
Reinsurance recoverables and trade receivables	(14,763)	2,331	(2,111)	0	(14,543)
Inventories and parts	(7,170)	0	0	0	(7,170)
Prepaid expenses	(17,999)	0	0	0	(17,999)
Capitalization of deferred policy acquisition costs	0	0	(5,808)	0	(5,808)
Other assets	(132)	(243)	(386)	0	(761)
Related party assets	4,713	(2,508)	0	0	2,205
Accounts payable and accrued expenses	84,004	835	1,591	0	86,430
Policy benefits and losses, claims and loss expenses payable	4,208	(1,466)	2,549	0	5,291
Other policyholders' funds and liabilities	0	(577)	393	0	(184)
Deferred income	7,732	0	0	0	7,732
Related party liabilities	(913)	2,003	(616)	0	474
Net cash provided by operating activities	351,474	4,018	14,178	0	369,670

Cash flows from investing activities:

Escrow deposits	(4,559)	0	0	0	(4,559)
Purchases of:					
Property, plant and equipment	(548,147)	0	0	0	(548,147)
Short term investments	0	(14,220)	(170)	0	(14,390)
Fixed maturities investments	0	(12,754)	(90,367)	0	(103,121)
Equity securities	0	0	(46)	0	(46)
Preferred stock	0	0	(81)	0	(81)
Real estate	0	(59)	(21)	0	(80)
Mortgage loans	0	(2,287)	(5,975)	0	(8,262)
Proceeds from sales and paydowns of:					
Property, plant and equipment	187,546	0	0	0	187,546
Short term investments	0	20,287	129	0	20,416
Fixed maturities investments	0	2,869	11,776	0	14,645
Real estate	0	500	0	0	500
Mortgage loans	0	198	9,204	0	9,402
Net cash used by investing activities	(365,160)	(5,466)	(75,551)	0	(446,177)

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(a) Balance for the period ended March 31, 2018

	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
			(Unaudited)		
			(In thousands)		
Cash flows from financing activities:					
Borrowings from credit facilities	103,641	0	0	0	103,641
Principal repayments on credit facilities	(73,770)	0	0	0	(73,770)
Payment of debt issuance costs	(1,420)	0	0	0	(1,420)
Capital lease payments	(84,374)	0	0	0	(84,374)
Employee stock ownership plan stock	(57)	0	0	0	(57)
Common stock dividend paid	(9,795)	0	0	0	(9,795)
Investment contract deposits	0	0	76,343	0	76,343
Investment contract withdrawals	0	0	(38,763)	0	(38,763)
Net cash provided by financing activities	(65,775)	0	37,580	0	(28,195)
Effects of exchange rate on cash	(4,275)	0	0	0	(4,275)
Decrease in cash and cash equivalents	(83,736)	(1,448)	(23,793)	0	(108,977)
Cash and cash equivalents at beginning of period	702,036	6,639	50,713	0	759,388
Cash and cash equivalents at end of period	$ 618,300	$ 5,191	$ 26,920	$ 0	$ 650,411

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(a) Balance for the period ended March 31, 2018

12. Industry Segment and Geographic Area Data

	United States	Canada	Consolidated
		(Unaudited)	
		(All amounts are in thousands of U.S. $'s)	
Quarter Ended June 30, 2019			
Total revenues	$ 1,028,574	$ 50,675	$ 1,079,249
Depreciation and amortization, net of (gains) losses on disposal	141,898	3,144	145,042
Interest expense	38,220	668	38,888
Pretax earnings	170,847	3,867	174,714
Income tax expense	41,114	1,178	42,292
Identifiable assets	12,076,714	398,030	12,474,744
Quarter Ended June 30, 2018			
Total revenues	$ 971,295	$ 48,282	$ 1,019,577
Depreciation and amortization, net of (gains) losses on disposal	131,379	1,079	132,458
Interest expense	34,549	705	35,254
Pretax earnings	163,262	5,935	169,197
Income tax expense	39,777	1,571	41,348
Identifiable assets	10,657,222	344,262	11,001,484

13. Employee Benefit Plans

The components of the net periodic benefit costs with respect to postretirement benefits were as follows:

	Quarter Ended June 30,	
	2019	2018
	(Unaudited)	

	(In thousands)	
Service cost for benefits earned during the period	$ 292	$ 277
Other components of net periodic benefit costs:		
Interest cost on accumulated postretirement benefit	241	236
Other components	22	17
Total other components of net periodic benefit costs	263	253
Net periodic postretirement benefit cost	$ 555	$ 530

14. Fair Value Measurements

Assets and liabilities are recorded at fair value on the consolidated balance sheets and are measured and classified based upon a three-tiered approach to valuation. Financial assets and liabilities are recorded at fair value and are classified and disclosed in one of the following three categories:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices for identical or similar financial instruments in markets that are not considered to be active, or similar financial instruments for which all significant inputs are observable, either directly or indirectly, or inputs other than quoted prices that are observable, or inputs that are derived principally from or corroborated by observable market data through correlation or other means; and

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and are unobservable. These reflect management's assumptions about the assumptions a market participant would use in pricing the asset or liability.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Fair values of cash equivalents approximate carrying value due to the short period of time to maturity. Fair values of short-term investments, investments available-for-sale, long-term investments, mortgage loans and notes on real estate, and interest rate swap contracts are based on quoted market prices, dealer quotes or discounted cash flows. Fair values of trade receivables approximate their recorded value.

Our financial instruments that are exposed to concentrations of credit risk consist primarily of temporary cash investments, trade receivables, reinsurance recoverables and notes receivable. Limited credit risk exists on trade receivables due to the diversity of our customer base and their dispersion across broad geographic markets. We place our temporary cash investments with financial institutions and limit the amount of credit exposure to any one financial institution.

We have mortgage receivables, which potentially expose us to credit risk. The portfolio of notes is principally collateralized by self-storage facilities and commercial properties. We have not experienced any material losses related to the notes from individual or groups of notes in any particular industry or geographic area. The estimated fair values were determined using the discounted cash flow method and using interest rates currently offered for similar loans to borrowers with similar credit ratings.

The carrying amount of long-term debt and short-term borrowings are estimated to approximate fair value as the actual interest rate is consistent with the rate estimated to be currently available for debt of similar term and remaining maturity.

Other investments, including short-term investments, are substantially current or bear reasonable interest rates. As a result, the carrying values of these financial instruments approximate fair value.

The carrying values and estimated fair values for the financial instruments stated above and their placement in the fair value hierarchy are as follows:

	Fair Value Hierarchy				
Quarter Ended June 30, 2019	Carrying Value	Level 1	Level 2	Level 3	Total Estimated Fair Value
			(Unaudited) (In thousands)		
Assets					
Reinsurance recoverables and trade receivables, net	$ 243,235	$ 0	$ 0	$ 243,235	$ 243,235
Mortgage loans, net	233,566	0	0	233,566	233,566
Other investments	79,484	0	0	79,484	79,484
Total	$ 556,285	$ 0	$ 0	$ 556,285	$ 556,285
Liabilities					
Notes, loans and finance/capital leases payable	4,343,935	0	4,343,935	0	4,343,935
Total	$ 4,343,935	$ 0	$ 4,343,935	$ 0	$ 4,343,935

	Fair Value Hierarchy				
Year Ended March 31, 2019	Carrying Value	Level 1	Level 2	Level 3	Total Estimated Fair Value
			(In thousands)		
Assets					
Reinsurance recoverables and trade receivables, net	$ 224,785	$ 0	$ 0	$ 224,785	$ 224,785
Mortgage loans, net	225,829	0	0	225,829	225,829
Other investments	74,907	0	0	74,907	74,907
Total	$ 525,521	$ 0	$ 0	$ 525,521	$ 525,521
Liabilities					
Notes, loans and leases payable	4,192,243	0	4,192,243	0	4,192,243

Total	$ 4,192,243	$ 0	$ 4,192,243	$ 0	$ 4,192,243

The following tables represent the financial assets and liabilities on the condensed consolidated balance sheets as of June 30, 2019 and March 31, 2019 that are measured at fair value on a recurring basis and the level within the fair value hierarchy.

Year Ended June 30, 2019	**Total**	**Level 1**	**Level 2**	**Level 3**
	(Unaudited) (In thousands)			
Assets				
Short-term investments	$ 365,801	$ 365,552	$ 249	$ 0
Fixed maturities - available for sale	2,308,689	7,333	2,301,135	221
Preferred stock	8,861	8,861	0	0
Common stock	19,035	19,035	0	0
Derivatives	4,555	4,491	64	0
Total	$ 2,706,941	$ 405,272	$ 2,301,448	$ 221
Liabilities				
Derivatives	1,181	0	1,181	0
Total	$ 1,181	$ 0	$ 1,181	$ 0

Year Ended March 31, 2019	**Total**	**Level 1**	**Level 2**	**Level 3**
	(In thousands)			
Assets				
Short-term investments	$ 463,847	$ 463,599	$ 248	$ 0
Fixed maturities - available for sale	2,209,761	7,327	2,202,213	221
Preferred stock	8,257	8,257	0	0
Common stock	17,379	17,379	0	0
Derivatives	1,607	1,468	139	0
Total	$ 2,700,851	$ 498,030	$ 2,202,600	$ 221
Liabilities				
Derivatives	0	0	0	0
Total	$ 0	$ 0	$ 0	$ 0

The fair value measurements for our assets as using significant unobservable inputs (Level 3) were $0.2 million for both June 30, 2019 and March 31, 2019.

15. Revenue Recognition

Revenue Recognized in Accordance with Topic 606

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, an updated standard on revenue recognition. The standard outlines a five-step model for entities to use in accounting for revenue arising from contracts with customers. The standard applies to all contracts with customers except for leases, insurance contracts, financial instruments, certain nonmonetary exchanges and certain guarantees. The standard also requires expanded disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments. ASU 2014-09 became effective for us on April 1, 2018 and was adopted on a modified retrospective basis. Due to insignificant changes in our revenue recognition pattern for applicable revenue streams as a result of the updated guidance, there was no cumulative effect recorded. Additionally, we elected to use the practical expedient for contracts that begin and end within the same reporting period in applying the updated guidance to our applicable revenue streams. We performed an impact assessment by analyzing certain existing material revenue transactions and arrangements that are representative of our business segments and their revenue streams. Additionally, we assessed any potential impacts on our internal controls and processes related to both the implementation and ongoing compliance of the new guidance. The adoption of the standard did not have a material effect on our Consolidated Balance Sheets, Consolidated Statements of Operations, or Consolidated Statements of Cash Flows.

We enter into contracts that may include various combinations of products and services, which are generally capable of being distinct and accounted for as separate performance obligations. Revenue is recognized net of amounts collected from customers for taxes, such as sales tax, and remitted to the applicable taxing authorities. We account for a contract under Topic 606 when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. For contracts scoped into this standard, revenue is recognized when (or as) the performance obligations are satisfied by means of transferring goods or services to the customer as applicable to each revenue stream as discussed below. There were no material contract assets or liabilities as of June 30, 2019 and March 31, 2019.

Sales of self-moving and self-storage related products are recognized at the time that title passes and the customer accepts delivery. The performance obligations identified for this portfolio of contracts include moving and storage product sales, installation services and/or propane sales. Each of these performance obligations has an observable stand-alone selling price. We concluded that the performance obligations identified are satisfied at a point in time under Topic 606, which is consistent with the timing of our revenue recognition under legacy guidance. The basis for this conclusion is that the customer does not receive the product/propane or benefit from the installation services until the related performance obligation is satisfied. These products/services being provided have an alternative use as they are not customized and can be sold/provided to any customer. In addition, we only have the right to receive payment once the products have been transferred to the customer or the installation services have been completed. Although product sales have a right of return policy, our estimated obligation for future product returns is not material to the financial statements at this time.

Property management fees are recognized over the period that agreed-upon services are provided. The performance obligation for this portfolio of contracts is property management services, which represents a series of distinct days of service, each of which is comprised of activities that may vary from day to day. However, those tasks are activities to fulfill the property management services and are not separate promises in the contract. We determined that each increment of the promised service is distinct in accordance with paragraph 606-10-25-19. This is because the customer can benefit from each increment of service on its own and each increment of service is separately identifiable because no day of service significantly modifies or customizes another and no day of service significantly affects either the entity's ability to fulfill another day of service or the benefit to the customer of another day of service. As such, we concluded that the performance obligation is satisfied over time under Topic 606, which is consistent with the timing of our revenue recognition under legacy guidance for the Management Fee component of the compensation received in exchange for the service. Additionally, in certain contracts the Company has the ability to earn an incentive fee based on operational results. Historically, these fees have been recognized once fully determinable. Under Topic 606, we measure and recognize the progress toward completion of the performance obligation on a quarterly basis using the most likely amount method to determine an accrual for the incentive fee portion of the compensation received in exchange for the property management service. The variable consideration recognized is subject to constraints due to a range of possible consideration amounts based on actual operational results. The amount accrued in the first quarter of fiscal 2020 did not have a material effect on our financial statements.

Other revenue consists of numerous services or rentals, of which U-Box contracts and service fees from Moving Help are the main components. The performance obligations identified for U-Box contracts are fees for rental, storage and shipping of U-Box containers to a specified location, each of which are distinct. A contract may be partially within the scope of Topic 606 and partially within the scope of other topics. The rental and storage obligations in U-Box contracts meet the definition of a lease in Topic 842, while the shipping obligation represents a contract with a customer accounted for under Topic 606. Therefore, we allocate the total transaction price between the performance obligations of storage fees and rental fees and the shipping fees on a standalone selling price basis. U-Box shipping fees are collected once the shipment is in transit. Shipping fees in U-Box contracts are set at the initiation of the contract based on the shipping origin and destination, and the performance obligation is satisfied over time under Topic 606 which is consistent with the timing of our revenue recognition under legacy guidance. U-Box shipping contracts span over a relatively short period of time, and the majority of these contracts begin and end within the same fiscal year. Moving Help services fees are recognized in accordance with Topic 606. Moving Help services are generated as we provide a neutral venue for the connection between the service provider and the customer for agreed upon services. We do not control the specified services provided by the service provider before that service is transferred to the customer.

Revenue Recognized in Accordance withTopic 842/840

The Company's self-moving rental revenues meet the definition of a lease pursuant to the guidance in ASU 2016-02, Leases (Topic 842) because those substitution rights do not provide an economic benefit to the Company that would exceed the cost of exercising the right. Therefore, upon adoption of ASU 2016-02 on April 1, 2019, self-rental contracts are being accounted for as leases. We do not expect this change to result in a change in the timing and pattern of recognition of the related revenues due to the short-term nature of the self-moving rental contracts. Please see Note 8, Leases, of the Notes to Consolidated Financial Statements.

Self-moving rentals are recognized over the contract period that trucks and moving equipment are rented. We offer two types of self-moving rental contracts, one-way rentals and in-town rentals, which have varying payment terms. Customer payment is received at the initiation of the contract for one-way rentals which covers an allowable limit for equipment usage. An estimated fee in the form of a deposit is received at the initiation of the contract for in-town rentals, and final payment is received upon the return of the equipment based on actual fees incurred. The contract price is estimated at the initiation of the contract, as there is variable consideration associated with ratable fees incurred based on the number of days the equipment is rented and the number of miles driven. Variable consideration is estimated using the most likely amount method which is based on the intended use of the rental equipment by the customer at the initiation of the contract. Historically, the variability in estimated transaction pricing compared to actual is not significant due to the relatively short duration of rental contracts. Each performance obligation has an observable stand-alone selling price. The input method of passage of time is appropriate as there is a direct relationship between our inputs and the transfer of benefit to the customer over the life of the contract. Self-moving rental contracts span a relatively short period of time, and the majority of these contracts began and ended within the same fiscal year.

Self-storage revenues are recognized as earned over the contract period based upon the number of paid storage contract days. Self-storage revenues are recognized in accordance with existing guidance in Topic 840 – Leases.

We lease portions of our operating properties to tenants under agreements that are classified as operating leases. We recognize the total minimum lease payments provided for under the leases on a straight-line basis over the lease term. Generally, under the terms of our leases, the majority of our rental expenses, including common area maintenance, real estate taxes and insurance, are recovered from our customers.

The following table summarizes the minimum lease payments due from our customers and operating property tenants on leases for the next five years and thereafter:

	Year Ended March 31,					
	2020	**2021**	**2022**	**2023**	**2024**	**Thereafter**
	(Unaudited) (In thousands)					
Self-moving equipment rentals	$ 9,232	$ 0	$ 0	$ 0	$ 0	$ 0
Property lease revenues	12,906	12,355	9,680	6,764	4,052	14,883
Total	$ 22,138	$ 12,355	$ 9,680	$ 6,764	$ 4,052	$ 14,883

The amounts above do not reflect future rental revenue from the renewal or replacement of existing leases.

Revenue Recognized in Accordance with Other Topics

Traditional life and Medicare supplement insurance premiums are recognized as revenue over the premium-paying periods of the contracts when due from the policyholders. For products where premiums are due over a significantly shorter duration than the period over which benefits are provided, such as our single premium whole life product, premiums are recognized when received and excess profits are deferred and recognized in relation to the insurance in force. Life insurance premiums are recognized in accordance with existing guidance in Topic 944 – Financial Services – Insurance.

Property and casualty insurance premiums are recognized as revenue over the policy periods. Interest and investment income are recognized as earned. Property and casualty premiums are recognized in accordance with existing guidance in Topic 944 – Financial Services – Insurance.

Net investment and interest income has multiple components. Interest income from bonds and mortgage notes are recognized when earned. Dividends on common and preferred stocks are recognized on the ex-dividend dates. Realized gains and losses on the sale or exchange of investments are recognized at the trade date. Net investment and interest income is recognized in accordance with existing guidance in Topic 825 – Financial Instruments.

In the following table, revenue is disaggregated by timing of revenue recognition:

	Quarter Ended June 30,	
	2019	**2018**
	(Unaudited)	

(In thousands)

Revenues recognized over time:	$ 39,079	$ 757,736
Revenues recognized at a point in time:	91,171	90,190
Total revenues recognized under ASC 606	130,250	847,926
Revenues recognized under ASC 842 or 840	865,204	95,857
Revenues recognized under ASC 944	48,046	51,189
Revenues recognized under ASC 320	35,749	24,605
Total revenues	$ 1,079,249	$ 1,019,577

In the above table, the revenues recognized over time include self-moving equipment rentals, property management fees, the shipping fees associated with U-Box rentals and a portion of other revenues for the quarter ended June 30, 2018. Whereas revenues recognized at a point in time include self-moving and self-storage products and service sales and a portion of other revenues. Self-moving equipment rentals are now in revenues recognized under ASC 842/840 as of April 1, 2019.

We recognized liabilities resulting from contracts with customers for self-moving equipment rentals, self-storage revenues, U-Box revenues and tenant revenue, in which the length of the contract goes beyond the reported period end, although rental periods of the equipment, storage and U-Box contract are generally short-term in nature. The timing of revenue recognition results in liabilities that are reflected in deferred income on the balance sheet.

16. Accounting Pronouncements

Adoption of New Accounting Pronouncements

On April 1, 2019, we adopted ASU 2016-02, “Leases (Topic 842)” along with related updates, which require a lessee to recognize all leases with terms greater than 12 months on their balance sheet as a liability for its lease obligation, measured at the present value of lease payments not yet paid, and a corresponding asset representing its right to use the underlying asset over the lease term. The new leasing standard does not significantly change a lessee’s recognition, measurement and presentation of expenses and cash flows. Additionally, Topic 842 aligns key aspects of lessor accounting with the new revenue recognition guidance in Topic 606 (see ASU 2014-09 on the previous page) and expands disclosure of key information about leasing arrangements in an attempt to help financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. We have determined portions of the vehicle rental contracts that convey the right to control the use of identified assets are within the scope of the accounting guidance contained in the new leasing standard. As we disclosed in our discussion of ASU 2014-09, the Company’s rental related revenues are accounted for under the revenue accounting standard Topic 606.

Topic 842 maintains the dual model for lease accounting, requiring leases to be classified as either operating or finance, with lease classification determined in a manner similar to existing lease guidance. The basic principle is that leases of all types convey the right to direct the use and obtain substantially all the economic benefits of an identified asset, meaning they create an asset and liability for lessees. Lessees classify leases as either finance leases (comparable to current capital leases) or operating leases (comparable to current operating leases). Costs for a finance lease are split between amortization and interest expense, with operating leases reporting a single lease expense.

Topic 842 substantially changed the accounting for sale-leasebacks going forward, where we are to assess if the contract qualifies as a sale under ASC 606. We have determined that our equipment sale-leasebacks do not qualify as a sale, as the buyer-lessors do not obtain control of the assets in our ongoing sale-leaseback arrangements. As a result, we expect future sale-leasebacks to be accounted for as a financial liability and the leased assets will be capitalized at cost. As all existing sale-leasebacks have been accounted for as a sale, we did not reassess any existing sale-leaseback transactions.

We adopted the new leasing standard using the Effective Date Approach, which allows entities to only apply the new lease standard in the year of adoption. We elected the available practical expedients for existing or expired contracts of lessees and lessors wherein the Company is not required to reassess whether such contracts contain leases, the lease classification or the initial direct costs. Additionally, we elected as accounting policies to not recognize right of use assets or lease liabilities for short-term leases (i.e. those with a term of 12 months or less) and to combine lease and non-lease components in the contract for both lessee and lessor arrangements. Adoption of this standard resulted in most of our operating lease commitments being recognized as operating lease liabilities and right-of-use assets. Please see Note 8, Leases, of the Notes to Consolidated Financial Statements.

In March 2017, the FASB issued ASU 2017-08, *Receivables – Nonrefundable Fees and Other Cost (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities.* These amendments shorten the amortization period for certain callable debt securities held at a premium. Specifically, the amendments require the premium to be amortized to the earliest call date. The amendments do not require an accounting change for securities held at a discount; the discount continues to be amortized to maturity. The guidance is effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. Early adoption is permitted, including adoption in an interim period. If an entity early adopts in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes the interim period. The amendments should be applied on a modified retrospective basis, with a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption. The adoption of the standard did not have a material impact on our consolidated financial statements.

Recent Accounting Pronouncements

In June 2016, FASB issued ASU 2016-13, *Financial Instruments – Credit Losses: Measurement of Credit Losses on Financial Instruments*. This standard requires the measurement and recognition of expected credit losses held at amortized cost. This new standard requires the use of forward-looking information to estimate credit losses and requires credit losses for available for sale debt securities to be recorded through an allowance for credit losses rather than a reduction in the amortized cost basis. This update is effective for public companies for annual reporting periods beginning after December 15, 2019. We are currently evaluating the impact of this standard on our consolidated financial statements.

In August 2018, the FASB adopted ASU 2018-12, *Targeted Improvements to the Accounting for Long-Duration Contracts* (“ASU 2018-12”). The amendments in this update require insurance companies to annually review and update the assumptions used for measuring the liability under long-duration contracts, such as life insurance, disability income, and annuities. The amendments are effective for fiscal years, and interim periods within those fiscal years, beginning after December 31, 2020. We are currently in the process of evaluating the impact of the adoption of this amendment on our financial statements; however, the adoption of ASU 2018-12 will impact the statements of operations because the effect of any update to the assumptions we used at the inception of the contracts will be recorded in net income.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820) - Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement* (“ASU 2018-13”), which modifies the disclosures on fair value measurements by removing the requirement to disclose the amount and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy and the policy for the timing of such transfers. ASU 2018-13 expands the disclosure requirements for Level 3 fair value measurements, primarily focused on changes in unrealized gains and losses included in other comprehensive income. ASU 2018-13 is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. We are currently evaluating the impact of this update on our disclosures in the Notes to Consolidated Financial Statements.

In August 2018, the FASB issued ASU 2018-14, *Compensation - Retirement Benefits - Defined Benefit Plans - General Subtopic 715-20 - Disclosure Framework - Changes to the Disclosure Requirements for Defined Benefit Plans* ("ASU 2018-14"), which amends ASC 715 to add, remove, and clarify disclosure requirements related to defined benefit pension and other postretirement plans. ASU 2018-14 is effective for fiscal years ending after December 15, 2020. We are currently evaluating the impact of this standard on our consolidated financial statements.

From time to time, new accounting pronouncements are issued by the FASB or the SEC that are adopted by us as of the specified effective date. Unless otherwise discussed, these ASUs entail technical corrections to existing guidance or affect guidance related to specialized industries or entities and therefore will have minimal, if any, impact on our financial position or results of operations upon adoption.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

General

We begin Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") with the overall strategy of AMERCO, followed by a description of, and strategy related to, our operating segments to give the reader an overview of the goals of our businesses and the direction in which our businesses and products are moving. We then discuss our critical accounting policies and estimates that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results. Next, we discuss our results of operations for the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019, which is followed by an analysis of liquidity changes in our balance sheets and cash flows, and a discussion of our financial commitments in the sections entitled Liquidity and Capital Resources - Summary and Disclosures about Contractual Obligations and Commercial Commitments and a discussion of off-balance sheet arrangements. We conclude this MD&A by discussing our current outlook for the remainder of fiscal 2020.

This MD&A should be read in conjunction with the other sections of this Quarterly Report, including the Notes to Condensed Consolidated Financial Statements. The various sections of this MD&A contain a number of forward-looking statements, as discussed under the caption, Cautionary Statements Regarding Forward-Looking Statements, all of which are based on our current expectations and could be affected by the uncertainties and risks described throughout this filing or in our most recent Annual Report on Form 10-K for the fiscal year ended March 31, 2019. Many of these risks and uncertainties are beyond our control and our actual results may differ materially from these forward-looking statements.

AMERCO, a Nevada corporation, has a first fiscal quarter that ends on the 30th of June for each year that is referenced. Our insurance company subsidiaries have a first quarter that ends on the 31st of March for each year that is referenced. They have been consolidated on that basis. Our insurance companies' financial reporting processes conform to calendar year reporting as required by state insurance departments. Management believes that consolidating their calendar year into our fiscal year financial statements does not materially affect the presentation of financial position or results of operations. We disclose material events, if any, occurring during the intervening period. Consequently, all references to our insurance subsidiaries' years 2019 and 2018 correspond to fiscal 2020 and 2019 for AMERCO.

Overall Strategy

Our overall strategy is to maintain our leadership position in the United States and Canada "do-it-yourself" moving and storage industry. We accomplish this by providing a seamless and integrated supply chain to the "do-it-yourself" moving and storage market. As part of executing this strategy, we leverage the brand recognition of U-Haul with our full line of moving and self-storage related products and services and the convenience of our broad geographic presence.

Our primary focus is to provide our customers with a wide selection of moving rental equipment, convenient self-storage rental facilities, portable moving and storage units and related moving and self-storage products and services. We are able to expand our distribution and improve customer service by increasing the amount of moving equipment and storage units and portable moving and storage units available for rent, expanding the number of independent dealers in our network and expanding and taking advantage of our eMove® capabilities.

Property and Casualty Insurance is focused on providing and administering property and casualty insurance to U-Haul and its customers, its independent dealers and affiliates.

Life Insurance is focused on long term capital growth through direct writing and reinsuring of life insurance, Medicare supplement and annuity products in the senior marketplace.

Description of Operating Segments

AMERCO's three reportable segments are:

- Moving and Storage, comprised of AMERCO, U-Haul, and Real Estate and the wholly owned subsidiaries of U-Haul and Real Estate;
- Property and Casualty Insurance, comprised of Repwest and its wholly owned subsidiaries and ARCOA; and
- Life Insurance, comprised of Oxford and its wholly owned subsidiaries.

Moving and Storage

Moving and Storage consists of the rental of trucks, trailers, portable moving and storage units, specialty rental items and self-storage spaces primarily to the household mover as well as sales of moving supplies, towing accessories and propane. Operations are conducted under the registered trade name U-Haul® throughout the United States and Canada.

With respect to our truck, trailer, specialty rental items and self-storage rental business, we are focused on expanding our dealer network, which provides added convenience for our customers, and expanding the selection and availability of rental equipment to satisfy the needs of our customers.

U-Haul brand self-moving related products and services, such as boxes, pads and tape, allow our customers to, among other things, protect their belongings from potential damage during the moving process. We are committed to providing a complete line of products selected with the "do-it-yourself" moving and storage customer in mind.

uhaul.com® is an online marketplace that connects consumers to our operations as well as independent Moving Help® service providers and thousands of independent Self-Storage Affiliates. Our network of customer rated affiliates and service providers furnish pack and load help, cleaning help, self-storage and similar services throughout the United States and Canada. Our goal is to further utilize our web-based technology platform to increase service to consumers and businesses in the moving and storage market.

Since 1945, U-Haul has incorporated sustainable practices into its everyday operations. We believe that our basic business premise of equipment sharing helps reduce greenhouse gas emissions and reduces the inventory of total large capacity vehicles. We continue to look for ways to reduce waste within our business and are dedicated to manufacturing reusable components and recyclable products. We believe that our commitment to sustainability, through our products and services and everyday operations, has helped us to reduce our impact on the environment.

Property and Casualty Insurance

Property and Casualty Insurance provides loss adjusting and claims handling for U-Haul through regional offices across the United States and Canada. Property and Casualty Insurance also underwrites components of the Safemove®, Safetow®, Safemove Plus®, Safestor® and Safestor Mobile® protection packages to U-Haul customers. We continue to focus on increasing the penetration of these products into the moving and storage market. The business plan for Property and Casualty Insurance includes offering property and casualty insurance products in other U-Haul related programs.

Life Insurance

Life Insurance provides life and health insurance products primarily to the senior market through the direct writing and reinsuring of life insurance, Medicare supplement and annuity policies.

Critical Accounting Policies and Estimates

Our financial statements have been prepared in accordance with GAAP in the United States. The methods, estimates and judgments we use in applying our accounting policies can have a significant impact on the results we report in our financial statements. Certain accounting policies require us to make difficult and subjective judgments and assumptions, often as a result of the need to estimate matters that are inherently uncertain.

Following is a detailed description of the accounting policies that we deem most critical to us and that require management's most difficult and subjective judgments. These estimates are based on historical experience, observance of trends in particular areas, information and valuations available from outside sources and on various other assumptions that are believed to be reasonable under the circumstances and which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual amounts may differ from these estimates under different assumptions and conditions and such differences may be material.

We also have other policies that we consider key accounting policies such as revenue recognition; however, these policies do not meet the definition of critical accounting estimates because they do not generally require us to make estimates or judgments that are difficult or subjective. The accounting policies that we deem most critical to us, and involve the most difficult, subjective or complex judgments include the following:

Principles of Consolidation

We apply Accounting Standards Codification ("ASC") 810 - *Consolidation* ("ASC 810") in our principles of consolidation. ASC 810 addresses arrangements where a company does not hold a majority of the voting or similar interests of a variable interest entity ("VIE"). A company is required to consolidate a VIE if it has determined it is the primary beneficiary. ASC 810 also addresses the policy when a company owns a majority of the voting or similar rights and exercises effective control.

As promulgated by ASC 810, a VIE is not self-supportive due to having one or both of the following conditions: (i) it has an insufficient amount of equity for it to finance its activities without receiving additional subordinated financial support or (ii) its owners do not hold the typical risks and rights of equity owners. This determination is made upon the creation of a variable interest and is re-assessed on an on-going basis should certain changes in the operations of a VIE, or its relationship with the primary beneficiary, trigger a reconsideration under the provisions of ASC 810. After a reconsideration event occurs, the facts and circumstances are utilized in determining whether or not a company is a VIE, which other company(ies) have a variable interest in the entity, and whether or not the company's interest is such that it is the primary beneficiary.

We will continue to monitor our relationships with the other entities regarding who is the primary beneficiary, which could change based on facts and circumstances of any reconsideration events.

Recoverability of Property, Plant and Equipment

Our property, plant and equipment is stated at cost. Interest expense incurred during the initial construction of buildings and rental equipment is considered part of cost. Depreciation is computed for financial reporting purposes using the straight-line or an accelerated method based on a declining balance formula over the following estimated useful lives: rental equipment 2-20 years and buildings and non-rental equipment 3-55 years. Routine maintenance costs are charged to operating expense as they are incurred. Gains and losses on dispositions of property, plant and equipment other than real estate ("personal property") are netted against depreciation expense when realized. Equipment depreciation is recognized in amounts expected to result in the recovery of estimated residual values upon disposal, i.e., minimize gains or losses. In determining the depreciation rate, historical disposal experience, holding periods and trends in the market for vehicles are reviewed. As a result of the changes in IRS regulations regarding the capitalization of assets, beginning in the first quarter of fiscal 2017, the Company changed its depreciation policy to raise the value threshold before certain assets are capitalized. This change in procedure results in the immediate recognition of reported operating costs with a lagging decrease in depreciation expense over the term that these assets would have been depreciated. Due to this change, we had additional operating expenses of $7.6 million and $5.1 million in the first quarter of fiscal 2020 and 2019, respectively. This change in procedure is benefiting the Company through the immediate recognition of tax deductible costs.

We regularly perform reviews to determine whether facts and circumstances exist which indicate that the carrying amount of assets, including estimates of residual value, may not be recoverable or that the useful life of assets are shorter or longer than originally estimated. Reductions in residual values (i.e., the price at which we ultimately expect to dispose of revenue earning equipment) or useful lives will result in an increase in depreciation expense over the life of the equipment. Reviews are performed based on vehicle class, generally subcategories of trucks and trailers. We assess the recoverability of our assets by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their estimated remaining lives against their respective carrying amounts. We consider factors such as current and expected future market price trends on used vehicles and the expected life of vehicles included in the fleet. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. If asset residual values are determined to be recoverable, but the useful lives are shorter or longer than originally estimated, the net book value of the assets is depreciated over the newly determined remaining useful lives.

For our box truck fleet, we utilize an accelerated method of depreciation based upon a declining formula. Under the declining balances method (2.4 times declining balance), the book value of a rental truck is reduced approximately 16%, 13%, 11%, 9%, 8%, 7%, and 6% during years one through seven, respectively, and then reduced on a straight-line basis to a salvage value of 15% by the end of year fifteen. Comparatively, a standard straight-line approach would reduce the book value by approximately 5.7% per year over the life of the truck.

Although we intend to sell our used vehicles for prices approximating book value, the extent to which we realize a gain or loss on the sale of used vehicles is dependent upon various factors, including, but not limited to, the general state of the used vehicle market, the age and condition of the vehicle at the time of its disposal and the depreciation rates with respect to the vehicle. We typically sell our used vehicles at our sales centers throughout the United States and Canada, on our website at uhaul.com/trucksales or by phone at 1-866-404-0355. Additionally, we sell a large portion of our pickup and cargo van fleet at automobile dealer auctions.

Insurance Reserves

Liabilities for life insurance and certain annuity and health policies are established to meet the estimated future obligations of policies in force, and are based on mortality, morbidity and withdrawal assumptions from recognized actuarial tables, which contain margins for adverse deviation. In addition, liabilities for health, disability and other policies include estimates of payments to be made on insurance claims for reported losses and estimates of losses incurred, but not yet reported ("IBNR"). Liabilities for annuity contracts consist of contract account balances that accrue to the benefit of the policyholders.

Insurance reserves for Property and Casualty Insurance and U-Haul take into account losses incurred based upon actuarial estimates and are management's best approximation of future payments. These estimates are based upon past claims experience and current claim trends as well as social and economic conditions such as changes in legal theories and inflation. These reserves consist of case reserves for reported losses and a provision for IBNR losses, both reduced by applicable reinsurance recoverables, resulting in a net liability.

Due to the nature of the underlying risks and high degree of uncertainty associated with the determination of the liability for future policy benefits and claims, the amounts to be ultimately paid to settle these liabilities cannot be precisely determined and may vary significantly from the estimated liability, especially for long-tailed casualty lines of business such as excess workers' compensation. As a result of the long-tailed nature of the excess workers' compensation policies written by Repwest from 1983 through 2001, it may take a number of years for claims to be fully reported and finally settled.

On a regular basis management reviews insurance reserve adequacy to determine if existing assumptions need to be updated. In determining the assumptions for calculating workers' compensation reserves, management considers multiple factors including the following:

- Claimant longevity;
- Cost trends associated with claimant treatments;
- Changes in ceding entity and third party administrator reporting practices;
- Changes in environmental factors including legal and regulatory;
- Current conditions affecting claim settlements, and
- Future economic conditions including inflation.

We reserve each claim based upon the accumulation of claim costs projected through each claimant's life expectancy, and then adjust for applicable reinsurance arrangements. Management reviews each claim at least bi-annually and when facts and circumstances change to determine if the estimated life-time claim costs have increased and then adjusts the reserve estimate accordingly at that time. We factor in an estimate of potential cost increases in our IBNR liability. We do not assume settlement of existing claims in calculating the reserve amount, unless it is in the final stages of completion.

Continued increases in claim costs, including medical inflation and new treatments and medications, could lead to future adverse development resulting in additional reserve strengthening. Conversely, settlement of existing claims or injured workers returning to work or expiring prematurely could lead to future positive development.

Impairment of Investments

Investments are evaluated pursuant to guidance contained in ASC 320 - *Investments - Debt and Equity Securities* to determine if and when a decline in market value below amortized cost is other-than-temporary. Management makes certain assumptions or judgments in its assessment, including, but not limited to, our ability and intent to hold the security, quoted market prices, dealer quotes or discounted cash flows, industry factors, financial factors, and issuer specific information such as credit strength. Other-than-temporary impairment in value is recognized in the current period operating results. There were no write downs in the first quarter of fiscal 2020 or 2019.

Income Taxes

We file a consolidated tax return with all of our legal subsidiaries.

Our tax returns are periodically reviewed by various taxing authorities. The final outcome of these audits may cause changes that could materially impact our financial results.

Fair Values

Fair values of cash equivalents approximate carrying value due to the short period of time to maturity. Fair values of short term investments, investments available-for-sale, long term investments, mortgage loans and notes on real estate, and interest rate swap contracts are based on quoted market prices, dealer quotes or discounted cash flows. Fair values of trade receivables approximate their recorded value.

Our financial instruments that are exposed to concentrations of credit risk consist primarily of temporary cash investments, trade receivables, reinsurance recoverables and notes receivable. Limited credit risk exists on trade receivables due to the diversity of our customer base and their dispersion across broad geographic markets. We place our temporary cash investments with financial institutions and limit the amount of credit exposure to any one financial institution.

We have mortgage receivables, which potentially expose us to credit risk. The portfolio of notes is principally collateralized by self-storage facilities and commercial properties. We have not experienced any material losses related to the notes from individual or groups of notes in any particular industry or geographic area. The estimated fair values were determined using the discounted cash flow method and using interest rates currently offered for similar loans to borrowers with similar credit ratings.

The carrying amount of long term debt and short term borrowings are estimated to approximate fair value as the actual interest rate is consistent with the rate estimated to be currently available for debt of similar term and remaining maturity.

Other investments, including short term investments, are substantially current or bear reasonable interest rates. As a result, the carrying values of these financial instruments approximate fair value.

Accounting Pronouncements

Please see Note 16, Accounting Pronouncements, of the Notes to Condensed Consolidated Financial Statements for Adoption of New Accounting Pronouncements and Recent Accounting Pronouncements.

Results of Operations

AMERCO and Consolidated Entities

Quarter Ended June 30, 2019 compared with the Quarter Ended June 30, 2018

Listed below, on a consolidated basis, are revenues for our major product lines for the first quarter of fiscal 2020 and the first quarter of fiscal 2019:

	Quarter Ended June 30,	
	2019	2018
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	$ 748,596	$ 716,602

Self-storage revenues	98,274	86,212
Self-moving and self-storage products and service sales	80,026	79,241
Property management fees	7,156	7,416
Life insurance premiums	32,710	36,888
Property and casualty insurance premiums	13,424	12,781
Net investment and interest income	35,749	24,605
Other revenue	63,314	55,832
Consolidated revenue	$ 1,079,249	$ 1,019,577

Self-moving equipment rental revenues increased $32.0 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019. The improvements came from both truck and trailer rentals. Compared to 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 $12.1 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019. The average monthly amount of occupied square feet increased by 15.9% during the first quarter of fiscal 2020 compared with the same period last year. The growth in revenues and square feet rented comes from a combination of improved rates per square foot, occupancy gains at existing locations and from the addition of new facilities to the portfolio. Over the last twelve months, we added approximately 5.8 million net rentable square feet, or a 17.8% increase, with approximately 1.9 million of that coming on during the first quarter of fiscal 2020.

Sales of self-moving and self-storage products and services increased $0.8 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019.

Life insurance premiums decreased $4.2 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019 due primarily to decreased life and Medicare supplement premiums.

Property and casualty insurance premiums increased $0.6 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019 due to an increase in Safetow® and Safestor® sales, which is a reflection of the increased equipment and storage rental transactions.

Net investment and interest income increased $11.1 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019. Changes in the market value of unaffiliated common stocks held in our insurance subsidiary accounted for $2.2 million of the increase during the quarter. Investment income increased due to a larger invested asset base and we had a $3.4 million gain on derivatives at our life insurance subsidiary.

Other revenue increased $7.5 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019, primarily coming from our U-Box® program.

Listed below are revenues and earnings from operations at each of our operating segments for the first quarter of fiscal 2020 and the first quarter of fiscal 2019. The insurance companies' first quarters ended March 31, 2019 and 2018.

	Quarter Ended June 30, 2019	Quarter Ended June 30, 2018
	(Unaudited) (In thousands)	
Moving and storage		
Revenues	$ 1,000,398	$ 947,885
Earnings from operations before equity in earnings of subsidiaries	201,896	200,395
Property and casualty insurance		
Revenues	20,305	15,889
Earnings from operations	8,466	2,713
Life insurance		
Revenues	60,321	57,863
Earnings from operations	3,781	1,881
Eliminations		
Revenues	(1,775)	(2,060)
Earnings from operations before equity in earnings of subsidiaries	(278)	(285)
Consolidated results		
Revenues	1,079,249	1,019,577
Earnings from operations	213,865	204,704

Total costs and expenses increased $50.5 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019. Operating expenses for Moving and Storage increased $38.9 million, largely from personnel, liability costs, shipping costs associated with U-Box and property taxes. Repair costs associated with the rental fleet experienced a $2.5 million decrease during the quarter. Net gains from the disposal of rental equipment increased $0.4 million. Depreciation expense associated with our rental fleet increased $8.4 million to $122.4 million due to a larger fleet. Depreciation expense on all other assets, largely from buildings and improvements, increased $6.2 million to $34.9 million. Gains on the disposal of real estate increased $1.6 million from the condemnation of a property in the first quarter of fiscal 2020.

As a result of the above-mentioned changes in revenues and expenses, earnings from operations increased to $213.9 million for the first quarter of fiscal 2020, compared with $204.7 million for the first quarter of fiscal 2019.

Interest expense for the first quarter of fiscal 2020 was $38.9 million, compared with $35.3 million for the first quarter of fiscal 2019, due to increased borrowings.

Income tax expense was $42.3 million for the first quarter of fiscal 2020, compared with $41.3 million for the first quarter of fiscal 2019.

As a result of the above-mentioned items, earnings available to common stockholders were $132.4 million for the first quarter of fiscal 2020, compared with $127.8 million for the first quarter of fiscal 2019.

Basic and diluted earnings per share for the first quarter of fiscal 2020 were $6.76, compared with $6.53 for the first quarter of fiscal 2019.

The weighted average common shares outstanding basic and diluted were 19,597,697 for the first quarter of fiscal 2020, compared with 19,590,585 for the first quarter of fiscal 2019.

Moving and Storage

Quarter Ended June 30, 2019 compared with the Quarter Ended June 30, 2018

Listed below are revenues for our major product lines at Moving and Storage for the first quarter of fiscal 2020 and the first quarter of fiscal 2019:

	Quarter Ended June 30,	
	2019	2018
	(Unaudited)	
	(In thousands)	
Self-moving equipment rentals	$ 749,136	$ 717,542
Self-storage revenues	98,274	86,212
Self-moving and self-storage products and service sales	80,026	79,241
Property management fees	7,156	7,416
Net investment and interest income	3,267	2,563
Other revenue	62,539	54,911
Moving and Storage revenue	$ 1,000,398	$ 947,885

Self-moving equipment rental revenues increased $31.6 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019. The improvements came from both truck and trailer rentals. Compared to 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 $12.1 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019. The average monthly amount of occupied square feet increased by 15.9% during the first quarter of fiscal 2020 compared with the same period last year. The growth in revenues and square feet rented comes from a combination of improved rates per square foot, occupancy gains at existing locations and from the addition of new facilities to the portfolio. Over the last twelve months, we added approximately 5.8 million net rentable square feet, or a 17.8% increase, with approximately 1.9 million of that coming on during the first quarter of fiscal 2020.

Sales of self-moving and self-storage products and services increased $0.8 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019.

Net investment and interest income increased $0.7 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019.

Other revenue increased $7.6 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019 caused primarily by the U-Box® program.

We own and manage 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:

	Quarter Ended June 30,	
	2019	2018
	(Unaudited)	
	(In thousands, except occupancy rate)	
Unit count as of June 30	452	383
Square footage as of June 30	38,175	32,394
Average monthly number of units occupied	302	262
Average monthly occupancy rate based on unit count	68.4%	69.6%
Average monthly square footage occupied	27,421	23,666

Over the last twelve months we added approximately 5.8 million net rentable square feet of new storage to the system. This was a mix of existing storage locations we acquired and new development. On average, the occupancy rate of this new capacity on the date it was added was 8.5%.

Total costs and expenses increased $51.0 million during the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019. Operating expenses increased $38.9 million largely from increased personnel, liability costs, shipping costs associated with U-Box and property taxes. Repair costs associated with the rental fleet experienced a $2.5 million decrease during the quarter. Net gains from the disposal of rental equipment increased $0.4 million. Depreciation expense associated with our rental fleet increased $8.4 million to $122.4 million due to a larger fleet. Depreciation expense on all other assets, largely from buildings and improvements, increased $6.2 million to $34.9 million. Gains on the disposal of real estate increased $1.6 million from the condemnation of a property in the first quarter of fiscal 2020.

As a result of the above-mentioned changes in revenues and expenses, earnings from operations for Moving and Storage before consolidation of the equity in the earnings of the insurance subsidiaries, increased to $201.9 million for the first quarter of fiscal 2020, compared with $200.4 million for the first quarter of fiscal 2019.

Equity in the earnings of AMERCO's insurance subsidiaries was $9.8 million for the first quarter of fiscal 2020, compared with $3.7 million for the first quarter of fiscal 2019.

As a result of the above-mentioned changes in revenues and expenses, earnings from operations increased to $211.7 million for the first quarter of fiscal 2020, compared with $204.1 million for the first quarter of fiscal 2019.

Property and Casualty Insurance

Quarter Ended March 31, 2019 compared with the Quarter Ended March 31, 2018

Net premiums were $14.1 million and $13.3 million for the quarters ended March 31, 2019 and 2018, respectively. A significant portion of Repwest's premiums are from policies sold in conjunction with U-Haul rental transactions. The premium increase corresponded with the increased moving and storage transactions at U-Haul during the same period.

Net investment and interest income was $6.2 million and $2.5 million for the three months ended March 31, 2019 and 2018, respectively. The main driver of the change in net investment income was the increase in the valuation of unaffiliated common stock of $2.2 million for the three months ended March 31, 2019.

Net operating expenses were $8.1 million and $8.7 million for the three months ended March 31, 2019 and 2018, respectively. The change was due to an increase in commissions, decreased loss adjusting fees and subrogation income.

Benefits and losses incurred were $3.8 million and $4.5 million for the three months March 31, 2019 and 2018, respectively. The decrease was due to favorable loss experience.

As a result of the above-mentioned changes in revenues and expenses, pretax earnings from operations were $8.5 million and $2.7 million for the three months ended March 31, 2019 and 2018, respectively.

Life Insurance

Quarter Ended March 31, 2019 compared with the Quarter Ended March 31, 2018

Net premiums were $32.7 million and $36.9 million for the quarters ended March 31, 2019 and 2018, respectively. Medicare Supplement premiums decreased by $3.0 million due to the reduction in new sales and policy decrements on the existing business offset by premium rate increases. Life premiums decreased by $0.8 million, primarily due to the termination of a reinsurance contract with one of our reinsurers in the fourth quarter of fiscal 2019. Premiums on other lines of business decreased $0.4 million. Deferred annuity deposits were $61.5 million or $0.2 million above prior year and are accounted for on the balance sheet as deposits rather than premiums

Net investment and interest income was $26.7 million and $19.9 million for the quarters ended March 31, 2019 and 2018, respectively. Investment income from fixed maturities increased $4.0 million from a larger invested asset base. The increase in realized capital gains was $1.0 million coupled with a $3.4 million gain on derivatives used as hedges for our fixed indexed annuities. This was partially offset by a $1.6 million decrease in the investment income from other invested assets.

Net operating expenses were $5.2 million and $5.9 million for the quarters ended March 31, 2019 and 2018, respectively. The decrease was primarily due to decreased commissions and general expenses.

Benefits and losses incurred were $45.2 million and $44.1 million for the quarters ended March 31, 2019 and 2018, respectively. Interest credited to policyholders increased $6.2 million from the increase in the deposit base. This was partially offset by the decrease in incurred benefits on Medicare supplement, life and other lines of business. Medicare supplement benefits decreased $3.5 million from the declining policies in force. Life benefits decreased $1.0 million due to the termination of a reinsurance contract. Benefits on the remaining lines of business decreased $0.5 million.

Amortization of deferred acquisition costs ("DAC"), sales inducement asset ("SIA") and the value of business acquired ("VOBA") was $6.1 million and $6.0 million for the quarters ended March 31, 2019 and 2018, respectively.

As a result of the above mentioned changes in revenues and expenses, pretax earnings from operations were $3.8 million and $1.9 million for the quarters ended March 31, 2019 and 2018, respectively.

Liquidity and Capital Resources

We believe our current capital structure is a positive factor that will enable us to pursue our operational plans and goals and provide us with sufficient liquidity for the foreseeable future. There are many factors that could affect our liquidity, including some which are beyond our control, and there is no assurance that future cash flows and liquidity resources will be sufficient to meet our outstanding debt obligations and our other future capital needs.

As of June 30, 2019, cash and cash equivalents totaled $519.8 million, compared with $673.7 million at March 31, 2019. The assets of our insurance subsidiaries are generally unavailable to fulfill the obligations of non-insurance operations (Moving and Storage). As of June 30, 2019 (or as otherwise indicated), cash and cash equivalents, other financial assets (receivables, short-term investments, other investments, fixed maturities, and related party assets) and debt obligations of each operating segment were:

	Moving & Storage	Property & Casualty Insurance (a)	Life Insurance (a)
		(Unaudited)	
		(In thousands)	
Cash and cash equivalents	$ 500,497	$ 6,061	$ 13,273
Other financial assets	173,795	472,122	2,308,138
Debt obligations	4,343,935	–	–

(a) As of March 31, 2019

As of June 30, 2019, Moving and Storage had additional cash available under existing credit facilities of $75.0 million. The majority of invested cash at the Moving and Storage segment is held in government money market funds.

Net cash provided by operating activities increased $11.3 million in the first quarter of fiscal 2020 compared with the first quarter of fiscal 2019.

Net cash used in investing activities increased $286.1 million in the first quarter of fiscal 2020, compared with the first quarter of fiscal 2019. Purchases of property, plant and equipment, which are reported net of cash from sales and lease-back transactions, increased $299.1 million. Cash from the sales of property, plant and equipment decreased $26.8 million largely due to reduced fleet sales. For our insurance subsidiaries, net cash used in investing activities decreased $33.0 million due to reduced investment purchases.

Net cash provided by financing activities increased $220.9 million in the first quarter of fiscal 2020, as compared with the first quarter of fiscal 2019. This was due to a combination of decreased debt payments of $12.7 million, increased finance/capital lease repayments of $10.1 million, an increase in cash from borrowings of $230.1 million, and a decrease in net annuity deposits from Life Insurance of $13.1 million.

Liquidity and Capital Resources and Requirements of Our Operating Segments

Moving and Storage

To meet the needs of our customers, U-Haul maintains a large fleet of rental equipment. Capital expenditures have primarily consisted of new rental equipment acquisitions and the buyouts of existing fleet from leases. The capital to fund these expenditures has historically been obtained internally from operations and the sale of used equipment and externally from debt and lease financing. In the future, we anticipate that our internally generated funds will be used to service the existing debt and fund operations. U-Haul estimates that during fiscal 2020, we will reinvest in our truck and trailer rental fleet approximately $700 million, net of equipment sales excluding any lease buyouts. Through the first quarter of fiscal 2020, we have invested, net of equipment sales, $403 million before any lease buyouts in our truck and trailer fleet of this projected amount. Fleet investments in fiscal 2020 and beyond will be dependent upon several factors, including availability of capital, the truck rental environment and the used-truck sales market. We anticipate that the fiscal 2020 investments will be funded largely through debt financing, external lease financing and cash from operations. Management considers several factors, including cost and tax consequences, when selecting a method to fund capital expenditures. Our allocation between debt and lease financing can change from year to year based upon financial market conditions, which may alter the cost or availability of financing options.

Real Estate has traditionally financed the acquisition of self-storage properties to support U-Haul's growth through debt financing and funds from operations and sales. Our plan for the expansion of owned storage properties includes the acquisition of existing self-storage locations from third parties, the acquisition and development of bare land, and the acquisition and redevelopment of existing buildings not currently used for self-storage. We are funding these development projects through loans and internally generated funds. For the first quarter of fiscal 2020, we invested $218 million in real estate acquisitions, new construction and renovation and major repairs. For fiscal 2020, the timing of new projects will be dependent upon several factors, including the entitlement process, availability of capital, weather, and the identification and successful acquisition of target properties. U-Haul's growth plan in self-storage also includes the expansion of the U-Haul Storage Affiliate program, which does not require significant capital.

Net capital expenditures (purchases of property, plant and equipment less proceeds from the sale of property, plant and equipment and lease proceeds) were $686.5 million and $360.6 million for the first quarter of fiscal 2020 and 2019, respectively. The components of our net capital expenditures are provided in the following table:

	Quarter Ended June 30,	
	2019	2018
	(Unaudited) (In thousands)	
Purchases of rental equipment	$ 560,693	$ 440,350
Equipment lease buyouts	34,030	2,633
Purchases of real estate, construction and renovations	217,911	219,196
Other capital expenditures	34,614	12,871
Gross capital expenditures	847,248	675,050
Less: Lease proceeds	–	(126,903)
Less: Sales of property, plant and equipment	(160,754)	(187,546)
Net capital expenditures	$ 686,494	$ 360,601

Moving and Storage continues to hold significant cash and has access to additional liquidity. Management may invest these funds in our existing operations, expand our product lines or pursue external opportunities in the self-moving and storage marketplace or reduce existing indebtedness where possible.

Property and Casualty Insurance

State insurance regulations restrict the amount of dividends that can be paid to stockholders of insurance companies. As a result, Property and Casualty Insurance’s assets are generally not available to satisfy the claims of AMERCO or its legal subsidiaries.

We believe that stockholders’ equity at Property and Casualty Insurance remains sufficient, and we do not believe that its ability to pay ordinary dividends to AMERCO will be restricted per state regulations.

Property and Casualty Insurance’s stockholder’s equity was $236.4 million and $222.4 million at March 31, 2019 and December 31, 2018, respectively. The increase resulted from net earnings of $6.7 million and an increase in other comprehensive income of $7.2 million. Property and Casualty Insurance does not use debt or equity issues to increase capital and therefore has no direct exposure to capital market conditions other than through its investment portfolio.

Life Insurance

Life Insurance manages its financial assets to meet policyholder and other obligations, including investment contract withdrawals and deposits. Life Insurance’s net deposits for the quarter ended March 31, 2019 were $24.5 million. State insurance regulations restrict the amount of dividends that can be paid to stockholders of insurance companies. As a result, Life Insurance’s assets are generally not available to satisfy the claims of AMERCO or its legal subsidiaries.

Life Insurance’s stockholder’s equity was $349.1 million and $311.7 million as of March 31, 2019 and December 31, 2018, respectively. The increase resulted from net earnings of $3.1 million and an increase in other comprehensive income of $34.3 million primarily due to the effect of interest rate changes on the fixed maturity portion of the investment portfolio. Life Insurance has not historically used debt or equity issues to increase capital and therefore has not had any significant direct exposure to capital market conditions other than through its investment portfolio. However, as of March 31, 2019, Oxford had outstanding deposits of $60.0 million through its membership in the FHLB system. For a more detailed discussion of this deposit, please see Note 4, Borrowings, of the Notes to Condensed Consolidated Financial Statements.

Cash Provided from Operating Activities by Operating Segments

Moving and Storage

Net cash provided from operating activities were $367.8 million and $351.5 million for the first quarter of fiscal 2020 and 2019, respectively.

Property and Casualty Insurance

Net cash provided by operating activities were $3.1 million and $4.0 million for the first quarters ended March 31, 2019 and 2018, respectively. The decrease was the result of changes in intercompany balances and the timing of payables activity.

Property and Casualty Insurance’s cash and cash equivalents and short-term investment portfolios amounted to $13.3 million and $11.2 million at March 31, 2019 and December 31, 2018, respectively. These balances reflect funds in transition from maturity proceeds to long term investments. Management believes this level of liquid assets, combined with budgeted cash flow, is adequate to meet foreseeable cash needs. Capital and operating budgets allow Property and Casualty Insurance to schedule cash needs in accordance with investment and underwriting proceeds.

Life Insurance

Net cash provided by operating activities were $10.0 million and $14.2 million for the first quarter ended March 31, 2019 and 2018, respectively. The decrease was primarily due to the timing of settlement of payables, offset by an increase resulting from a reduction in paid commissions and federal income tax.

In addition to cash flows from operating activities and financing activities, a substantial amount of liquid funds are available through Life Insurance's short-term portfolio and its membership in the FHLB. As of March 31, 2019 and December 31, 2018, cash and cash equivalents and short-term investments amounted to $13.3 million and $24.1 million, respectively. Management believes that the overall sources of liquidity are adequate to meet foreseeable cash needs.

Liquidity and Capital Resources - Summary

We believe we have the financial resources needed to meet our business plans, including our working capital needs. We continue to hold significant cash and have access to existing credit facilities and additional liquidity to meet our anticipated capital expenditure requirements for investment in our rental fleet, rental equipment and storage acquisitions and build outs.

Our borrowing strategy is primarily focused on asset-backed financing and rental equipment leases. As part of this strategy, we seek to ladder maturities and fix interest rates. While each of these loans typically contains provisions governing the amount that can be borrowed in relation to specific assets, the overall structure is flexible with no limits on overall Company borrowings. Management believes it has adequate liquidity between cash and cash equivalents and unused borrowing capacity in existing credit facilities to meet the current and expected needs of the Company over the next several years. As of June 30, 2019, we had available borrowing capacity under existing credit facilities of $75.0 million. It is possible that circumstances beyond our control could alter the ability of the financial institutions to lend us the unused lines of credit. We believe that there are additional opportunities for leverage in our existing capital structure. For a more detailed discussion of our long term debt and borrowing capacity, please see Note 4, Borrowings, of the Notes to Condensed Consolidated Financial Statements.

Fair Value of Financial Instruments

Certain assets and liabilities are recorded at fair value on the condensed consolidated balance sheets and are measured and classified based upon a three tiered approach to valuation. ASC 820 requires that financial assets and liabilities recorded at fair value be classified and disclosed in a Level 1, Level 2 or Level 3 category. For more information, please see Note 14, Fair Value Measurements, of the Notes to Condensed Consolidated Financial Statements.

The available-for-sale securities held by us are recorded at fair value. These values are determined primarily from actively traded markets where prices are based either on direct market quotes or observed transactions. Liquidity is a factor considered during the determination of the fair value of these securities. Market price quotes may not be readily available for certain securities or the market for them has slowed or ceased. In situations where the market is determined to be illiquid, fair value is determined based upon limited available information and other factors, including expected cash flows. As of June 30, 2019, we had $0.2 million of available-for-sale assets classified in Level 3.

The interest rate swaps held by us as hedges against interest rate risk for our variable rate debt are recorded at fair value. These values are determined using pricing valuation models, which include broker quotes for which significant inputs are observable. They include adjustments for counterparty credit quality and other deal-specific factors, where appropriate, and are classified as Level 2.

Disclosures about Contractual Obligations and Commercial Commitments

Our estimates as to future contractual obligations have not materially changed from the disclosure included under the subheading Disclosures about Contractual Obligations and Commercial Commitments in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, of our Annual Report on Form 10-K for the fiscal year ended March 31, 2019.

Off-Balance Sheet Arrangements

We use off-balance sheet arrangements in situations where management believes that the economics and sound business principles warrant their use.

Historically, we have used off-balance sheet arrangements in connection with the expansion of our self-storage business. For more information please see Note 10, Related Party Transactions, of the Notes to Condensed Consolidated Financial Statements. These arrangements were primarily used when our overall borrowing structure was more limited. We do not face similar limitations currently and off-balance sheet arrangements have not been utilized in our self-storage expansion in recent years. In the future, we will continue to identify and consider off-balance sheet opportunities to the extent such arrangements would be economically advantageous to us and our stockholders

Fiscal 2020 Outlook

We will continue to focus our attention on increasing transaction volume and improving pricing, product and utilization for self-moving equipment rentals. Maintaining an adequate level of new investment in our truck fleet is an important component of our plan to meet our operational goals. Revenue in the U-Move® program could be adversely impacted should we fail to execute in any of these areas. Even if we execute our plans, we could see declines in revenues primarily due to unforeseen events including adverse economic conditions or heightened competition that is beyond our control.

With respect to our storage business, we have added new locations and expanded at existing locations. In fiscal 2020, we are actively looking to acquire new locations, complete current projects and increase occupancy in our existing portfolio of locations. New projects and acquisitions will be considered and pursued if they fit our long term plans and meet our financial objectives. We will continue to invest capital and resources in the U-Box® program throughout fiscal 2020.

Property and Casualty Insurance will continue to provide loss adjusting and claims handling for U-Haul and underwrite components of the Safemove®, Safetow®, Safemove Plus®, Safestor® and Safestor Mobile® protection packages to U-Haul customers.

Life Insurance is pursuing its goal of expanding its presence in the senior market through the sales of its Medicare supplement, life and annuity policies. This strategy includes growing its agency force, expanding its new product offerings, and pursuing business acquisition opportunities.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to financial market risks, including changes in interest rates and currency exchange rates. To mitigate these risks, we may utilize derivative financial instruments, among other strategies. We do not use derivative financial instruments for speculative purposes.

Interest Rate Risk

The exposure to market risk for changes in interest rates relates primarily to our variable rate debt obligations and one variable rate operating lease. We have used interest rate swap agreements and forward swaps to reduce our exposure to changes in interest rates. We enter into these arrangements with counterparties that are significant financial institutions with whom we generally have other financial arrangements. We are exposed to credit risk should these counterparties not be able to perform on their obligations. Following is a summary of our interest rate swap agreements as of June 30, 2019:

Notional Amount	Fair Value	Effective Date	Expiration Date	Fixed Rate	Floating Rate
(Unaudited)					

	(In thousands)						
$	14,625	$	64	1/15/2013	12/15/2019	1.07%	1 Month LIBOR
	85,000		(394)	6/28/2019	6/15/2022	1.76%	1 Month LIBOR
	75,000		(389)	6/28/2019	6/30/2022	1.78%	1 Month LIBOR
	75,000		(398)	6/28/2019	10/31/2022	1.77%	1 Month LIBOR

As of June 30, 2019, we had $1,104.6 million of variable rate debt obligations. If LIBOR were to increase 100 basis points, the increase in interest expense on the variable rate debt would decrease future earnings and cash flows by $8.6 million annually (after consideration of the effect of the above derivative contracts). Certain senior mortgages have an anticipated repayment date and a maturity date. If these senior mortgages are not repaid by the anticipated repayment date the interest rate on these mortgages would increase from the current fixed rate. We are using the anticipated repayment date for our maturity schedule.

Additionally, our insurance subsidiaries' fixed income investment portfolios expose us to interest rate risk. This interest rate risk is the price sensitivity of a fixed income security to changes in interest rates. As part of our insurance companies' asset and liability management, actuaries estimate the cash flow patterns of our existing liabilities to determine their duration. These outcomes are compared to the characteristics of the assets that are currently supporting these liabilities assisting management in determining an asset allocation strategy for future investments that management believes will mitigate the overall effect of interest rates.

We use derivatives to hedge our equity market exposure to indexed annuity products sold by our Life Insurance company. These contracts earn a return for the contractholder based on the change in the value of the S&P 500 index between annual index point dates. We buy and sell listed equity and index call options and call option spreads. The credit risk is with the party in which the options are written. The net option price is paid up front and there are no additional cash requirements or additional contingent liabilities. These contracts are held at fair market value on our balance sheet. At March 31, 2019 and December 31, 2018, these derivative hedges had a net market value of $4.5 million and $1.5 million, with notional amounts of $276.7 million and $284.0 million, respectively. These derivative instruments are included in Investments, other, on the consolidated balance sheets.

Although the call options are employed to be effective hedges against our policyholder obligations from an economic standpoint, they do not meet the requirements for hedge accounting under GAAP. Accordingly, the call options are marked to fair value on each reporting date with the change in fair value, plus or minus, included as a component of net investment and interest income. The change in fair value of the call options includes the gains or losses recognized at the expiration of the option term and the changes in fair value for open contracts.

Foreign Currency Exchange Rate Risk

The exposure to market risk for changes in foreign currency exchange rates relates primarily to our Canadian business. Approximately 4.7% of our revenue was generated in Canada during the first quarter of both fiscal 2020 and 2019. The result of a 10.0% change in the value of the U.S. dollar relative to the Canadian dollar would not be material to net income. We typically do not hedge any foreign currency risk since the exposure is not considered material.

Additionally, our insurance subsidiaries' fixed income investment portfolios expose us to interest rate risk. This interest rate risk is the price sensitivity of a fixed income security to changes in interest rates. As part of our insurance companies' asset and liability management, actuaries estimate the cash flow patterns of our existing liabilities to determine their duration. These outcomes are compared to the characteristics of the assets that are currently supporting these liabilities, assisting management in determining an asset allocation strategy for future investments that management believes will mitigate the overall effect of interest rates.

Cautionary Statements Regarding Forward-Looking Statements

This Quarterly Report contains "forward-looking statements" regarding future events and our future results of operations. We may make additional written or oral forward-looking statements from time to time in filings with the SEC or otherwise. We believe such forward-looking statements are within the meaning of the safe-harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements may include, but are not limited to, estimates of capital expenditures, plans for future operations, products or services, financing needs, plans and strategies, our perceptions of our legal positions and anticipated outcomes of government investigations and pending litigation against us, liquidity and the availability of financial resources to meet our needs, goals and strategies, plans for new business, storage occupancy, growth rate assumptions, pricing, costs, and access to capital and leasing markets, the impact of our compliance with environmental laws and cleanup costs, our used vehicle disposition strategy, the sources and availability of funds for our rental equipment and self-storage expansion and replacement strategies and plans, our plan to expand our U-Haul storage affiliate program, that additional leverage can be supported by our operations and business, the availability of alternative vehicle manufacturers, our estimates of the residual values of our equipment fleet, our plans with respect to off-balance sheet arrangements, our plans to continue to invest in the U-Box® program, the impact of interest rate and foreign currency exchange rate changes on our operations, the sufficiency of our capital resources and the sufficiency of capital of our insurance subsidiaries as well as assumptions relating to the foregoing. The words "believe," "expect," "anticipate," "plan," "may," "will," "could," "estimate," "project" and similar expressions identify forward-looking statements, which speak only as of the date the statement was made.

Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Factors that could significantly affect results include, without limitation, the degree and nature of our competition; our leverage; general economic conditions; fluctuations in our costs to maintain and update our fleet and facilities; the limited number of manufacturers that supply our rental trucks; our ability to effectively hedge our variable interest rate debt; that we are controlled by a small contingent of stockholders; fluctuations in quarterly results and seasonality; changes in, and our compliance with, government regulations, particularly environmental regulations and regulations relating to motor carrier operations; outcomes of litigation; our reliance on our third party dealer network; liability claims relating to our rental vehicles and equipment; our ability to attract, motivate and retain key employees; reliance on our automated systems and the internet; our credit ratings; our ability to recover under reinsurance arrangements and other factors described in our Annual Report on Form 10-K in Item 1A, Risk Factors, and in this Quarterly Report or the other documents we file with the SEC. The above factors, as well as other statements in this Quarterly Report and in the Notes to Condensed Consolidated Financial Statements, could contribute to or cause such risks or uncertainties, or could cause our stock price to fluctuate dramatically. Consequently, the forward-looking statements should not be regarded as representations or warranties by us that such matters will be realized. We assume no obligation to update or revise any of the forward-looking statements, whether in response to new information, unforeseen events, changed circumstances or otherwise, except as required by law.

Item 4. Controls and Procedures

Attached as exhibits to this Quarterly Report are certifications of our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), which are required in accordance with Rule 13a-14 of the Exchange Act. This "Controls and Procedures" section includes information concerning the controls and procedures evaluation referred to in the certifications and it should be read in conjunction with the certifications for a more complete understanding of the topics presented in the section titled Evaluation of Disclosure Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of the CEO and CFO, conducted an evaluation of the effectiveness of the design and operation of our "disclosure controls and procedures" (as such term is defined in the Exchange Act Rules 13a-15(e) and 15d-15(e)) ("Disclosure Controls") as of the end of the most recently completed fiscal quarter covered by this Quarterly Report. Our Disclosure Controls are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act, such as this Quarterly Report, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Our Disclosure Controls are also designed to ensure that such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Based upon the controls evaluation, our CEO and CFO have concluded that as of the end of the period covered by this Quarterly Report, our Disclosure Controls were effective at a reasonable assurance level related to the above stated design purposes.

Inherent Limitations on the Effectiveness of Controls

Our management, including our CEO and CFO, does not expect that our Disclosure Controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of the effectiveness of our controls to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

Changes in Internal Control Over Financial Reporting

There have not been any changes in our internal control over financial reporting as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f) during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

The information regarding our legal proceedings in Note 9, Contingencies, of the Notes to Condensed Consolidated Financial Statements is incorporated by reference herein.

Item 1A. Risk Factors

We are not aware of any material updates to the risk factors described in our previously filed Annual Report on Form 10-K for the fiscal year ended March 31, 2019.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

The following documents are filed as part of this report:

Exhibit Number	Description	Page or Method of Filing
3.1	Amended and Restated Articles of Incorporation of AMERCO	Incorporated by reference to AMERCO’s Current Report on Form 8-K, filed on June 9, 2016, file no. 1-11255
3.2	Restated Bylaws of AMERCO	Incorporated by reference to AMERCO’s Current Report on Form 8-K, filed on September 5, 2013, file no. 1-11255
4.1	Thirty-sixth Supplemental Indenture and Pledge and Security Agreement dated May 3, 2019, by and between AMERCO and U.S. Bank National Association, as trustee	Incorporated by reference to AMERCO’s Current Report on Form 8-K, filed on May 3, 2019, file no. 1-11255
31.1	Rule 13a-14(a)/15d-14(a) Certificate of Edward J. Shoen, President and Chairman of the Board of AMERCO	Filed herewith
31.2	Rule 13a-14(a)/15d-14(a) Certificate of Jason A. Berg, Chief Financial Officer of AMERCO	Filed herewith
32.1	Certificate of Edward J. Shoen, President and Chairman of the Board of AMERCO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
32.2	Certificate of Jason A. Berg, Chief Financial Officer of AMERCO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
101.INS	XBRL Instance Document	Filed herewith

Exhibit Number	Description	Page or Method of Filing
101.SCH	XBRL Taxonomy Extension Schema	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	Filed herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase	Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 7, 2019

/s/ Edward J. Shoen

Edward J. Shoen
President and Chairman of the Board
(Duly Authorized Officer)

Date: August 7, 2019

/s/ Jason A. Berg

Jason A. Berg
Chief Financial Officer
(Principal Financial Officer)

Rule 13a-14(a)/15d-14(a) Certification

I, Edward J. Shoen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AMERCO;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
   A. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   B. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   C. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   D. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
   A. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
   B. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Edward J. Shoen

Edward J. Shoen
President and Chairman of the Board

Date: August 7, 2019

EXHIBIT 31.2

Rule 13a-14(a)/15d-14(a) Certification

I, Jason A. Berg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AMERCO;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   A. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   A. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   B. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   C. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   A. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   B. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Jason A. Berg

Jason A. Berg
Chief Financial Officer

Date: August 7, 2019

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Form 10-Q for the quarter ended June 30, 2019 of AMERCO (the "Company"), as filed with the Securities and Exchange Commission on August 7, 2019 (the "Report"), I, Edward J. Shoen, President and Chairman of the Board of the Company, certify, to the best of my knowledge and belief, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

AMERCO

a Nevada corporation

/s/ Edward J. Shoen

Edward J. Shoen
President and Chairman of the Board

Date: August 7, 2019

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Form 10-Q for the quarter ended June 30, 2019 of AMERCO (the “Company”), as filed with the Securities and Exchange Commission on August 7, 2019 (the “Report”), I, Jason A. Berg, Chief Financial Officer of the Company, certify, to the best of my knowledge and belief, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

AMERCO

a Nevada corporation

/s/ Jason A. Berg

Jason A. Berg
Chief Financial Officer

Date: August 7, 2019