

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

AMERCO /NV/  
Form 10-Q/A  
February 18, 2003

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q/A

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended September 30, 2002

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. -----
1-11255	AMERCO (A Nevada Corporation) 1325 Airmotive Way, Ste. 100 Reno, Nevada 89502-3239 Telephone (775) 688-6300	88-0106815
2-38498	U-Haul International, Inc. (A Nevada Corporation) 2727 N. Central Avenue Phoenix, Arizona 85004 Telephone (602) 263-6645	86-0663060

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  No .

20,514,958 shares of AMERCO Common Stock, \$0.25 par value were outstanding at September 30, 2002.

5,385 shares of U-Haul International, Inc. Common Stock, \$0.01 par value, were outstanding at November 11, 2002.

TABLE OF CONTENTS

PART I	FINANCIAL INFORMATION
Item 1.	Financial Statements

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

	a) Condensed Consolidated Balance Sheets as of September 30, 2002 (unaudited) a
	b) Condensed Consolidated Statements of Earnings for the Six months ended Septe (unaudited).....
	c) Condensed Consolidated Statements of Comprehensive Income for the Six months 2001 (unaudited).....
	d) Condensed Consolidated Statements of Earnings for the Quarters ended Septemb
	e) Condensed Consolidated Statements of Comprehensive Income for the Quarters e 2001 (unaudited).....
	f) Condensed Consolidated Statements of Cash Flows for the Six months ended Sep (unaudited).....
	g) Notes to Condensed Consolidated Financial Statements.....
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Oper
Item 3.	Quantitative and Qualitative Disclosures About Market Risk.....
Item 4.	Controls and Procedures.....
PART II	OTHER INFORMATION
Item 1.	Legal Proceedings.....
Item 3.	Defaults Upon Senior Securities.....
Item 4.	Submission of Matters to a Vote of Security Holders.....
Item 6.	Exhibits and Reports on Form 8-K.....

3

THIS PAGE LEFT

INTENTIONALLY BLANK

4

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Condensed Consolidated Balance Sheets

Assets	September 30, 2002 ----- (Unaudited)	March 31, 2002 -----
	(in thousands)	
Cash and cash equivalents	\$ 42,455	\$ 47,651
Receivables	284,512	279,914
Inventories, net	69,687	76,519
Prepaid expenses	43,916	31,069
Investments, fixed maturities	894,295	994,875

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Investments, other	239,287	250,458
Other assets	150,708	178,066
	-----	-----
	1,724,860	1,858,552
Property, plant and equipment, at cost:		
Buildings and improvements	716,346	703,841
SACH Buildings and improvements	468,804	458,077
Rental trucks	1,119,666	1,071,604
Other property, plant and equipment	624,188	626,391
SACH other property, plant and equipment	266,778	266,172
	-----	-----
	3,195,782	3,126,085
Less accumulated depreciation	(1,257,013)	(1,211,182)
	-----	-----
Total property, plant and equipment	1,938,769	1,914,903
Total Assets	\$ 3,663,629	\$ 3,773,455
	=====	=====

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

5

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Condensed Consolidated Balance Sheets, Continued

Liabilities and Stockholders' Equity	September 30, 2002	Mar 2
	-----	-----
	(Unaudited)	
	(in thousands)	
Liabilities:		
AMERCO's notes and loans payable	\$ 908,509	\$ 1,
SAC Holdings notes and loans payable	579,403	
Policy benefits and losses, claims and loss expenses payable	703,304	
Liabilities from premium deposits	610,248	
Other liabilities	295,032	
	-----	-----
Total liabilities	3,096,496	3,
Commitments and Contingent Liabilities		
Stockholders' equity:		
Serial preferred stock -		
Series A preferred stock	--	
Series B preferred stock	--	
Serial common stock -		
Series A common stock	1,441	
Common stock	9,122	
Additional paid-in-capital	265,881	
Accumulated other comprehensive loss	(53,082)	
Retained earnings	792,484	

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Cost of common shares in treasury, net	(435,555)	(
Unearned ESOP shares	(13,858)	)
	-----	-----
Total stockholders' equity	567,133	
Total Liabilities and Stockholders' Equity	\$ 3,663,629	\$ 3,
	=====	=====

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

6

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATION AND CONSOLIDATED  
SUBSIDIARIES

Condensed Consolidated Statements of Earnings

Six months ended September 30,  
(Unaudited)

	2002	20
	-----	-----
	(in thousands, except share and per	
Revenues		
Rental revenue	\$ 788,904	\$ 7
Net sales	130,635	1
Premiums	163,016	2
Net investment and interest income	25,356	
	-----	-----
Total revenues	1,107,911	1,1
Costs and expenses		
Operating expenses	546,267	5
Cost of sales	65,522	
Benefits and losses	140,433	1
Amortization of deferred policy acquisition costs	21,642	
Lease expense	88,055	
Depreciation, net	64,904	
	-----	-----
Total costs and expenses	926,823	9
Earnings from operations	181,088	1
Interest expense	54,887	
	-----	-----
Pretax earnings	126,201	
Income tax expense	(45,108)	(
	-----	-----
Net earnings	\$ 81,093	\$
	=====	=====
Less: preferred stock dividends	(6,482)	
	-----	-----
Earnings available to common shareholders	\$ 74,611	\$
	=====	=====
Basic and diluted earnings per common share:	\$ 3.59	\$
Basic and diluted average common shares outstanding:	20,779,543	21,1

The accompanying notes are an integral part of

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

these consolidated financial statements.

7

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive Income

Six months ended September 30,  
(Unaudited)

	2002 -----	2001 -----
	(in thousands)	
Comprehensive income:		
Net earnings	\$ 81,093	\$ 56,639
Changes in other comprehensive income:		
Foreign currency translation	(3,381)	(4,617)
Fair market value of cash flow hedge	--	(647)
Unrealized loss on investments	(17,317)	(4,374)
	-----	-----
Total comprehensive income	\$ 60,395 =====	\$ 47,001 =====

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

8

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Condensed Consolidated Statements of Earnings

Quarters ended September 30,  
(Unaudited)

	2002 -----	2001 -----
	(in thousands, except share and per share amounts)	
Revenues		
Rental revenue	\$ 413,050	\$ 387,000
Net sales	62,447	58,000
Premiums	75,466	70,000
Net investment and interest income	11,591	11,000
	-----	-----
Total revenues	562,554	526,000
Costs and expenses		
Operating expense	283,481	270,000
Cost of sales	32,219	30,000
Benefits and losses	64,015	60,000
Amortization of deferred policy acquisition costs	11,314	10,000

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Lease expense	47,232	
Depreciation, net	32,820	
	-----	-----
Total costs and expenses	471,081	
Earnings from operations	91,473	
Interest expense	27,955	
	-----	-----
Pretax earnings	63,518	
Income tax expense	(22,964)	
	-----	-----
Net earnings	\$ 40,554	\$
	=====	=====
Less: Preferred Stock Dividends	(3,241)	
	-----	-----
Earnings available to common shareholders	\$ 37,313	\$
	=====	=====
Basic and diluted earnings per common share	\$ 1.79	\$
Basic and diluted average common shares outstanding:	20,804,016	21,

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

9

AMERCO AND CONSOLIDATED SUBSIDIARIES  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive Income

Quarters ended September 30,  
(Unaudited)

	2002	2001
	-----	-----
	(in thousands)	
Comprehensive income:		
Net earnings	\$ 40,554	\$ 35,738
Changes in other comprehensive income:		
Foreign currency translation	(4,416)	(6,114)
Fair market value of cash flow hedge	--	(1,004)
Unrealized loss on investments	(9,315)	(13,163)
	-----	-----
Total comprehensive income	\$ 26,823	\$ 15,457
	=====	=====

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

10

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

# Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Six months ended September 30,  
(Unaudited)

	2002	2001
	-----	-----
	(in thousands)	
Net cash provided by operating activities	\$ 108,718	\$ 43,912
	-----	-----
Cash flows from investing activities:		
Purchases of investments:		
Property, plant and equipment	(122,918)	(108,224)
Fixed maturities	(134,993)	(92,465)
Real estate	(29,391)	(36)
Mortgage loans	--	(561)
Proceeds from sale of investments:		
Property, plant and equipment	46,030	60,945
Fixed maturities	202,255	75,973
Mortgage loans	10,450	6,889
Other investments	35,509	38,751
	-----	-----
Net cash provided (used) by investing activities	6,942	(18,728)
	-----	-----
Cash flows from financing activities:		
Net change in short-term borrowings	(12,500)	(77,494)
Principal borrowings (payments) on notes	(150,014)	26,861
Investment contract deposits	89,083	74,159
Investment contract withdrawals	(51,262)	(65,079)
Other financing activities	3,837	(3,166)
	-----	-----
Net cash used by financing activities	(120,856)	(44,719)
	-----	-----
Increase (decrease) in cash and cash equivalents	(5,196)	(19,535)
Cash and cash equivalents at beginning of period	47,651	52,788
	-----	-----
Cash and cash equivalents at end of period	\$ 42,455	\$ 33,253
	=====	=====
Cash paid for interest	\$ 53,302	\$ 56,149
	-----	-----
Cash paid for income taxes	\$ 8,000	\$ --
	-----	-----

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

11

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

September 30, 2002, March 31, 2002 and September 30, 2001  
(Unaudited)

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### ORGANIZATION

AMERCO, a Nevada corporation (AMERCO), is the holding company for U-Haul International, Inc. (U-Haul), which conducts moving and storage operations; Amerco Real Estate Company (Real Estate), which conducts real estate operations; Republic Western Insurance Company (RepWest), which conducts property and casualty insurance operations; and Oxford Life Insurance Company (Oxford), which conducts life insurance operations.

SAC Holding Corporation and SAC Holding II Corporation (collectively referred to as SAC Holdings) are Nevada corporations owned by Mark V. Shoen. Mark V. Shoen is the beneficial owner of 16.3% of AMERCO's common stock and is an executive officer of U-Haul.

#### PRINCIPLES OF CONSOLIDATION

The condensed consolidated financial statements include the accounts of AMERCO and its wholly-owned subsidiaries and SAC Holdings and their subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation. AMERCO has made significant loans to SAC Holdings and is entitled to participate in SAC Holdings' excess cash flow (after senior debt service). All of the equity interest of SAC Holdings is owned by Mark V. Shoen, a significant shareholder and executive officer of AMERCO. AMERCO does not have an equity ownership interest in SAC Holdings, except for investments made by RepWest and Oxford in a SAC Holdings-controlled limited partnership which holds Canadian self-storage properties. SAC Holdings are not legal subsidiaries of AMERCO. AMERCO is not liable for the debts of SAC Holdings and there are no default provisions in AMERCO indebtedness that cross-default to SAC Holdings' obligations. The condensed consolidated financial statements and notes are presented as permitted by Form 10-Q and do not contain certain information included in AMERCO's annual financial statements and notes. For a more detailed presentation of the accounts and transactions of AMERCO, refer to AMERCO's Form 10-K.

The condensed consolidated balance sheet as of September 30, 2002 and the related condensed consolidated statements of earnings, comprehensive income, and cash flows for the six months and quarters ended September 30, 2002 and 2001 are unaudited. In our opinion, all adjustments necessary for a fair presentation of such condensed consolidated financial statements have been included. Such adjustments consisted only of normal recurring items. Interim results are not necessarily indicative of results for a full year.

The accounts of AMERCO and SAC Holdings are consolidated due to SAC Holdings majority owner not qualifying as an independent third party to AMERCO and not maintaining a substantive residual equity investment, exclusive of unrealized appreciation of real estate held by SAC Holdings subsidiaries, in SAC Holdings during the entire period.

The operating results and financial position of RepWest and Oxford have been consolidated on the basis of a calendar year and, accordingly, are determined on a one quarter lag for financial reporting purposes. There were no effects related to intervening events, which would materially affect the consolidated financial position or results of operations for the financial statements presented herein except for a transfer of \$7.5 million in cash and \$65.5 million in



## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

companies. These transferred assets and any related income or depreciation expense derived therefrom are not included in the consolidated financial statements of AMERCO and SAC Holdings as of September 30, 2002.

Certain reclassifications have been made to the financial statements for the six months and the quarter ended September 30, 2001 to conform with the current period's presentation.

13

### AMERCO AND CONSOLIDATED SUBSIDIARIES AND SAC HOLDING CORPORATIONS AND CONSOLIDATED SUBSIDIARIES

#### Notes to Condensed Consolidated Financial Statements, Continued (Unaudited)

#### 2. INVESTMENTS

A comparison of amortized cost to estimated market value for fixed maturities is as follows:

June 30, 2002 Consolidated Held-to-Maturity	Par Value or number of shares -----	Amortized cost -----	Gross unrealize gains ----- (in thousand)
U.S. treasury securities and government obligations	\$ --	\$ 3,610	\$ 164
U.S. government agency mortgage-backed securities	\$ --	11,245	265
Corporate securities	\$ 43,607	43,704	1,591
Mortgage-backed securities	\$ 35,264	34,827	699
Redeemable preferred stocks	4,541	114,674	247
		-----	-----
		\$ 208,060	\$ 2,966
		-----	-----
June 30, 2002 Consolidated Available-for-Sale	Par Value or number of shares -----	Amortized cost -----	Gross unrealize gains ----- (in thousand)
U.S. treasury securities and government obligations	\$ 42,760	\$ 43,280	\$ 1,812
U.S. government agency mortgage-backed securities	\$ 31,620	31,364	725
Obligations of states and political subdivisions	\$ 15,925	16,065	660
Corporate securities	\$ 608,680	604,300	14,257
Mortgage-backed securities	\$ 31,270	31,203	1,013
Redeemable preferred stocks	1,260	31,834	281
Redeemable common stocks	633	7,900	--
		-----	-----
		765,946	18,748
		-----	-----
Total		\$ 974,006	\$ 21,714
		=====	=====

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

3. CONTINGENT LIABILITIES AND COMMITMENTS

During the six months ended September 30, 2002, a subsidiary of AMERCO entered into two transactions whereby the subsidiary sold rental trucks and trailers to unrelated third parties, which were subsequently leased back to an AMERCO subsidiary. AMERCO has guaranteed approximately \$3.3 million of residual values at September 30, 2002 for these assets at the end of the lease. Following are the lease commitments for the leases executed during the six months and quarter ended September 30, 2002, and subsequently which have a term of more than one year:

Year ending March 31, -----	Lease Commitments -----
2003	\$ 708
2004	1,415
2005	1,415
2006	1,415
2007	1,415
Thereafter -----	4,753
	-----
	\$11,121
	=====

In the normal course of business, AMERCO is a defendant in a number of suits and claims. AMERCO is also a party to several administrative proceedings arising from state and local provisions that regulate the removal and/or clean-up of underground fuel storage tanks. In our opinion, none of such suits, claims or proceedings involving AMERCO, individually, or in the aggregate, are expected to result in a material loss.

Compliance with environmental requirements of federal, state and local governments significantly affects Real Estate's business operations. Among other things, these requirements regulate the discharge of materials into the water, air and land 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. Under this program, over 3,000 tanks have been removed at a cost of approximately \$44.5 million.

A subsidiary of U-Haul, INW Company (INW), owns one property located within two different state hazardous substance sites in the State of Washington. The sites are referred to as the "Yakima Valley Spray Site" and the Yakima Railroad Area." INW has been named as a "potentially responsible party" under

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

state law with respect to this property as it relates to both sites. As a result of the cleanup costs of approximately \$5.5 to \$10.0 million required by the State of Washington, INW filed for reorganization under federal bankruptcy laws in May of 2001. The potential liability to INW could be in the range of \$2.0 million to \$5.5 million.

Based upon the information currently available, compliance with the environmental laws and the costs of investigation and cleanup of known hazardous waste sites are not expected to have a material adverse affect on AMERCO's financial position of operating results.

We are currently under IRS examination for the years 1996-1997. The IRS has proposed adjustments to our 1997 and 1996 tax returns in the amount of \$233.1 million and \$99.0 million, respectively. Nearly all of the adjustments

15

relate to denials of deductions that we took for costs incurred in resolution of prior litigation with certain members of the Shoen family and their corporations. We believe these income tax deductions are appropriate and we are vigorously contesting the IRS adjustments. We estimate that if we are unsuccessful in our challenge in all respects, based on our March 31, 2002 tax position, we could incur tax exposure totaling approximately \$90.0 million plus interest.

16

### AMERCO AND CONSOLIDATED SUBSIDIARIES AND SAC HOLDING CORPORATIONS AND CONSOLIDATED SUBSIDIARIES

#### Notes to Condensed Consolidated Financial Statements, Continued (Unaudited)

#### 4. NEW ACCOUNTING STANDARDS

In July 2002, the Financial Accounting Standards Board ("FASB") issued Statements of Financial Accounting Standards No. 141, Business Combinations, and No. 142, Goodwill and Other Intangible Assets.

SFAS 141 supercedes Accounting Principles Board Opinion No. 16 (APB 16), Business Combinations. The most significant changes made by SFAS 141 are: (1) requiring that the purchase method of accounting be used for all business combinations initiated after June 30, 2001, (2) establishing specific criteria for the recognition of intangible assets separately from goodwill, and (3) requiring unallocated negative goodwill to be written off immediately as an extraordinary gain (instead of being deferred and amortized).

SFAS 142 supercedes APB 17, Intangible Assets. SFAS 142 primarily addresses the accounting for goodwill and intangible assets subsequent to their acquisition (i.e., the post-acquisition accounting). The provisions of SFAS 142 will be effective for fiscal years beginning after December 15, 2002. The most significant changes made by SFAS 142 are: (1) goodwill and indefinite lived intangible assets will no longer be amortized, (2) goodwill will be tested for impairment at least annually at the reporting unit level, (3) intangible assets deemed to have an indefinite life will be tested for impairment at least annually, and (4) the amortization period of intangible assets with finite lives will no longer be limited to forty years.

Implementation of SFAS Nos. 141 and 142 did not affect the

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

consolidated financial position or results of operations.

Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations", requires recognition of the fair value of liabilities associated with the retirement of long-lived assets when a legal obligation to incur such costs arises as a result of the acquisition, construction, development and/or the normal operation of a long-lived asset. Upon recognition of the liability, a corresponding asset is recorded at present value and accreted over the life of the asset and depreciated over the remaining life of the long-lived asset. SFAS 143 defines a legal obligation as one that a party is required to settle as a result of an existing or enacted law, statute, ordinance, or written or oral contract or by legal construction of a contract under the doctrine of promissory estoppel. SFAS 143 is effective for fiscal years beginning after June 15, 2002.

In October 2001, the FASB issued SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. SFAS 144 requires that those long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or in discontinued operations. Therefore, discontinued operations will no longer be measured at net realizable value or include amounts for operating losses that have not yet occurred. SFAS 144 is effective for financial statements issued for fiscal years beginning after December 15, 2001 and, generally, are to be applied prospectively. We have adopted this statement effective April 1, 2002 and it did not affect our consolidated financial position or results of operations.

In April 2002, the FASB issued SFAS No. 145, Rescission of No. 4, (Reporting Gains and Losses from Extinguishment of Debt), No. 44 (Accounting for Intangible Assets of Motor Carriers), No. 64, (Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements), Amendment of FASB Statement No. 13 (Accounting for Leases) and Technical Corrections. This statement eliminates the current requirement that gains and losses on debt extinguishment must be classified as extraordinary items in the income statement. Instead, such gains and losses will be classified as extraordinary items only if they are deemed to be unusual and infrequent, in accordance with the current GAAP criteria for extraordinary classification. In addition, SFAS 145 eliminates an inconsistency in lease accounting by

17

requiring that modification of capital leases that result in reclassification as operating leases be accounted for consistent with sale-leaseback accounting rules. The statement also contains other nonsubstantive corrections to authoritative accounting literature. The changes related to debt extinguishment will be effective for fiscal years beginning after May 15, 2002, and the changes related to lease accounting will be effective for transactions occurring after May 15, 2002. Management recognizes the need to reclassify debt extinguishments previously reported as extraordinary.

18

### AMERCO AND CONSOLIDATED SUBSIDIARIES AND SAC HOLDING CORPORATIONS AND CONSOLIDATED SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

In June 2002, the FASB issued Statement of Financial Accounting Standards No. 146, (SFAS 146) "Accounting for Costs Associated with Exit or

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Disposal Activities", which addresses accounting for restructuring and similar costs. SFAS 146 supersedes previous accounting guidance, principally Emerging Issues Task Force (EITF) Issue No. 94-3. SFAS 146 requires that the liability for costs associated with an exit or disposal activity be recognized when the liability is incurred. Under EITF No. 94-3, a liability for an exit cost was recognized at the date of a company's commitment to an exit plan. SFAS 146 also establishes that the liability should initially be measured and recorded at fair value. Accordingly, SFAS 146 may affect the timing of recognizing future restructuring costs as well as the amount recognized. The provisions of this Statement are effective for exit or disposal activities that are initiated after December 31, 2002. The Company intends to adopt the Statement at that time.

19

### AMERCO AND CONSOLIDATED SUBSIDIARIES AND SAC HOLDING CORPORATIONS AND CONSOLIDATED SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

#### 5. CONSOLIDATING INDUSTRY SEGMENT AND GEOGRAPHIC AREA DATA

AMERCO has four industry segments represented by moving and storage operations (AMERCO and U-Haul), real estate (Real Estate), property and casualty insurance (RepWest), and life insurance (Oxford). SAC Holdings consist of one moving and storage industry segment.

Consolidating balance sheets by industry segment are as follows:

	AMERCO	U-Haul	Total U-Haul Moving and Storage Operations	
	-----	-----	-----	-----
SEPTEMBER 30, 2002				
ASSETS				
Cash and cash equivalents	\$ 10,422	19,477	29,899	
Receivables	16	33,171	33,187	
Inventories, net	--	65,491	65,491	
Prepaid expenses	93	42,282	42,375	
Investments, fixed maturities	--	--	--	
Investments, other	10,000	259,675	269,675	
Other assets	1,953,504	(28,972)	1,924,532	
	-----	-----	-----	
	1,974,035	391,124	2,365,159	
Property, plant and equipment, at cost:				
Buildings and improvements	--	127,446	127,446	
SACH buildings and improvements	--	--	--	
Rental trucks	--	1,119,666	1,119,666	
Other property, plant and equipment	396	465,976	466,372	
SACH other property, plant and equipment	--	--	--	
	-----	-----	-----	
	396	1,713,088	1,713,484	
Less accumulated depreciation	(308)	(957,979)	(958,287)	

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Total property, plant and equipment	88	755,109	755,197
TOTAL ASSETS	\$ 1,974,123	1,146,233	3,120,356

	Property and Casualty Insurance	Life Insurance	Eliminations
SEPTEMBER 30, 2002			
ASSETS			
Cash and cash equivalents	5,789	6,247	--
Receivables	233,827	33,162	--
Inventories, net	--	--	--
Prepaid expenses	--	--	--
Investments, fixed maturities	313,096	581,199	--
Investments, other	88,243	210,850	(65,411)
Other assets	145,907	81,884	(2,040,970)
	786,862	913,342	(2,106,381)
Property, plant and equipment, at cost:			
Buildings and improvements	--	--	--
SACH buildings and improvements	--	--	--
Rental trucks	--	--	--
Other property, plant and equipment	--	--	--
SACH other property, plant and equipment	--	--	--
	--	--	--
Less accumulated depreciation	--	--	--
	--	--	--
TOTAL ASSETS	786,862	913,342	(2,106,381)

	SACH Moving and Storage Operations	Eliminations	Total Consolidated
SEPTEMBER 30, 2002			
ASSETS			
Cash and cash equivalents	10	--	42,455
Receivables	(480)	(19,520)	284,512
Inventories, net	4,192	--	69,687
Prepaid expenses	1,530	--	43,916
Investments, fixed maturities	--	--	894,295
Investments, other	17,391	(376,119)	239,287

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Other assets	30,380	--	150,708
	-----	-----	-----
	53,023	(395,639)	1,724,860
Property, plant and equipment, at cost:			
Buildings and improvements	--	--	716,346
SACH buildings and improvements	723,834	(255,030)	468,804
Rental trucks	--	--	1,119,666
Other property, plant and equipment	--	--	624,188
SACH other property, plant and equipment	266,778	--	266,778
	-----	-----	-----
	990,612	(255,030)	3,195,782
Less accumulated depreciation	(46,915)	(1,132)	(1,257,013)
	-----	-----	-----
Total property, plant and equipment	943,697	(256,162)	1,938,769
TOTAL ASSETS	996,720	(651,801)	3,663,629
	=====	=====	=====

20

	AMERCO	U-Haul	Total U-Haul Moving and Storage Operations	Re
	-----	-----	-----	---
SEPTEMBER 30, 2002				
LIABILITIES				
AMERCO's notes and loans payable	\$ 933,026	14,790	947,816	
SAC Holdings notes and loans payable	--	--	--	
Policy benefits and losses, claims and loss expenses payable	--	--	--	
Liabilities from premium deposits	--	--	--	
Other liabilities	301,019	494,370	795,389	
	-----	-----	-----	
Total liabilities	1,234,045	509,160	1,743,205	
Minority Interest	--	--	--	
STOCKHOLDERS' EQUITY				
Serial preferred stock -				
Series A preferred stock	--	--	--	
Series B preferred stock	--	--	--	
Serial common stock -				
Series A common stock	1,441	--	1,441	
Common stock	9,122	540	9,662	
Additional paid-in-capital	405,794	130,465	536,259	
Accumulated other comprehensive loss	(53,082)	(43,185)	(96,267)	
Retained earnings	794,961	563,131	1,358,092	
Cost of common shares in treasury	(418,178)	--	(418,178)	
Unearned ESOP shares	20	(13,878)	(13,858)	
	-----	-----	-----	
Total stockholders' equity	740,078	637,073	1,377,151	

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

	----- \$ 1,974,123 =====	----- 1,146,233 =====	----- 3,120,356 =====
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY			
		Property and Casualty Insurance	Life Insurance
		-----	-----
			Eliminations
			-----
SEPTEMBER 30, 2002			
LIABILITIES			
AMERCO's notes and loans payable	--	--	(39,500)
SAC Holdings notes and loans payable	--	--	--
Policy benefits and losses, claims and loss expenses payable	524,889	178,415	--
Liabilities from premium deposits	--	610,248	--
Other liabilities	52,081	11,601	(879,691)
	-----	-----	-----
Total liabilities	576,970	800,264	(919,191)
Minority Interest	--	--	--
STOCKHOLDERS' EQUITY			
Serial preferred stock -			
Series A preferred stock	--	--	--
Series B preferred stock	--	--	--
Serial common stock -			
Series A common stock	--	--	--
Common stock	3,300	2,500	(6,341)
Additional paid-in-capital	67,175	15,168	(360,289)
Accumulated other comprehensive loss	6,744	(9,483)	45,924
Retained earnings	132,673	104,893	(866,484)
Cost of common shares in treasury	--	--	--
Unearned ESOP shares	--	--	--
	-----	-----	-----
Total stockholders' equity	209,892	113,078	(1,187,190)
	-----	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	786,862 =====	913,342 =====	(2,106,381) =====

	SACH Moving and Storage Operations	----- Eliminations	----- Total Consolidated
	-----	-----	-----
SEPTEMBER 30, 2002			
LIABILITIES			
AMERCO's notes and loans payable	--	--	908,509



Edgar Filing: AMERCO /NV/ - Form 10-Q/A

SAC Holdings notes and loans payable	967,055	(387,652)	579,403
Policy benefits and losses, claims and loss expenses payable	--	--	703,304
Liabilities from premium deposits	--	--	610,248
Other liabilities	44,686	(122,580)	295,032
	-----	-----	-----
Total liabilities	1,011,741	(510,232)	3,096,496
Minority Interest	8,961	(8,961)	--
STOCKHOLDERS' EQUITY			
Serial preferred stock -			
Series A preferred stock	--	--	--
Series B preferred stock	--	--	--
Serial common stock -			
Series A common stock	--	--	1,441
Common stock	--	--	9,122
Additional paid-in-capital	28,282	(167,495)	265,881
Accumulated other comprehensive loss	(14,751)	14,751	(53,082)
Retained earnings	(46,474)	46,474	792,484
Cost of common shares in treasury	--	(17,377)	(435,555)
Unearned ESOP shares	--	--	(13,858)
	-----	-----	-----
Total stockholders' equity	(32,943)	(123,647)	567,133
	-----	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	987,759	(642,840)	3,663,629
	=====	=====	=====

21

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

5. CONSOLIDATING INDUSTRY SEGMENT AND GEOGRAPHIC AREA DATA, CONTINUED

Consolidating balance sheets by industry segment are as follows:, continued

	AMERCO	U-Haul	Total U-Haul Moving and Storage Operations	Real Estate	Property and Casualty Insurance
	-----	-----	-----	-----	-----
MARCH 31, 2002					
ASSETS					
Cash and cash equivalents	\$ 71	29,823	29,894	576	5,912
Receivables	7	17,970	17,977	5,020	230,228
Inventories, net	--	72,323	72,323	4	--
Prepaid expenses	112	44,461	44,573	11	--
Investments, fixed maturities	--	--	--	--	362,569
Investments, other	10,000	264,984	274,984	95,245	95,918
Other assets	2,017,383	31,993	2,049,376	4,401	125,193

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

	-----	-----	-----	-----	-----
	2,027,573	461,554	2,489,127	105,257	819,820
Property, plant and equipment, at cost:					
Buildings and improvements	--	124,059	124,059	579,782	--
SACH buildings and improvements	--	--	--	--	--
Rental trucks	--	1,071,604	1,071,604	--	--
Other property, plant and equipment	395	465,215	465,610	160,781	--
SACH other property, plant and equipment	--	--	--	--	--
	-----	-----	-----	-----	-----
Less accumulated depreciation	395 (299)	1,660,878 (923,685)	1,661,273 (923,984)	740,563 (248,525)	-- --
	-----	-----	-----	-----	-----
Total property, plant and equipment	96	737,193	737,289	492,038	--
TOTAL ASSETS	\$ 2,027,669 =====	1,198,747 =====	3,226,416 =====	597,295 =====	819,820 =====

	AMERCO Consolidated -----	SACH Moving and Storage Operations -----	Eliminations -----	Total Consolidated -----
MARCH 31, 2002				
ASSETS				
Cash and cash equivalents	47,641	10	--	47,651
Receivables	279,914	--	--	279,914
Inventories, net	72,327	4,192	--	76,519
Prepaid expenses	44,584	--	(13,515)	31,069
Investments, fixed maturities	994,575	--	--	994,875
Investments, other	613,573	30,090	(393,205)	250,458
Other assets	165,839	25,694	(13,467)	178,066
	-----	-----	-----	-----
	2,218,753	59,986	(420,187)	1,858,552
Property, plant and equipment, at cost:				
Buildings and improvements	703,841	--	--	703,841
SACH buildings and improvements	(1)	713,108	(255,030)	458,077
Rental trucks	1,071,604	--	--	1,071,604
Other property, plant and equipment	626,391	--	--	626,391
SACH other property, plant and equipment	--	266,172	--	266,172
	-----	-----	-----	-----
Less accumulated depreciation	2,401,835 (1,172,509)	979,280 (37,541)	(255,030) (1,132)	3,126,085 (1,211,182)
	-----	-----	-----	-----
Total property, plant and				

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

equipment	1,229,326	941,739	(256,162)	1,914,903
TOTAL ASSETS	<u>3,448,079</u>	<u>1,001,725</u>	<u>(676,349)</u>	<u>3,773,455</u>

22

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

5. CONSOLIDATING INDUSTRY SEGMENT AND GEOGRAPHIC AREA DATA,  
CONTINUED

Consolidating balance sheets by industry segment are as follows:, continued

	AMERCO	U-Haul	Total U-Haul Moving and Storage Operations	Real Estate	Pro a Ca Ins
	-----	-----	-----	-----	-----
MARCH 31, 2002					
LIABILITIES					
AMERCO's notes and loans payable	\$ 1,030,805	14,793	1,045,598	204	
SAC Holdings notes and loans payable	--	--	--	--	
Policy benefits and losses, claims and loss expenses payable	--	--	--	--	
Liabilities from premium deposits	--	--	--	--	
Other liabilities	310,464	608,236	918,700	398,656	
	-----	-----	-----	-----	
Total liabilities	1,341,269	623,029	1,964,298	398,860	
Minority Interest	--	--	--	--	
STOCKHOLDERS' EQUITY					
Serial preferred stock -					
Series A preferred stock	--	--	--	--	
Series B preferred stock	--	--	--	--	
Serial common stock -					
Series A common stock	1,441	--	1,441	--	
Common stock	9,122	540	9,662	1	
Additional paid-in-capital	405,794	130,465	536,259	147,347	
Accumulated other comprehensive loss	(32,384)	(39,804)	(72,188)	--	
Retained earnings	719,178	498,689	1,217,867	51,087	
Cost of common shares in treasury	(416,771)	--	(416,771)	--	
Unearned ESOP shares	20	(14,172)	(14,152)	--	
	-----	-----	-----	-----	
Total stockholders' equity	686,400	575,718	1,262,118	198,435	
	-----	-----	-----	-----	

TOTAL LIABILITIES AND

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

STOCKHOLDERS' EQUITY	\$ 2,027,669	1,198,747	3,226,416	597,295
	=====	=====	=====	=====
	AMERCO	SACH Moving		Tota
	Consolidated	and Storage	Eliminations	Consolida
	-----	Operations	-----	-----
		-----		
MARCH 31, 2002				
LIABILITIES				
AMERCO's notes and loans payable	1,045,802	--	--	1,045,802
SAC Holdings notes and loans payable	--	957,378	(399,617)	557,761
Policy benefits and losses, claims and loss expenses payable	729,343	--	--	729,343
Liabilities from premium deposits	572,793	--	--	572,793
Other liabilities	430,920	54,953	(117,223)	368,650
	-----	-----	-----	-----
Total liabilities	2,778,858	1,012,331	(516,841)	3,274,348
Minority Interest	--	8,913	(8,913)	--
STOCKHOLDERS' EQUITY				
Serial preferred stock -				
Series A preferred stock	--	--	--	--
Series B preferred stock	--	--	--	--
Serial common stock -				
Series A common stock	1,441	--	--	1,441
Common stock	9,122	--	--	9,122
Additional paid-in-capital	405,794	28,281	(166,363)	267,712
Accumulated other comprehensive loss	(32,384)	(2,385)	2,385	(32,384)
Retained earnings	716,171	(45,415)	45,858	716,614
Cost of common shares in treasury	(416,771)	--	(32,476)	(449,247)
Unearned ESOP shares	(14,152)	--	--	(14,152)
	-----	-----	-----	-----
Total stockholders' equity	669,221	(19,519)	(150,596)	499,106
	-----	-----	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	3,448,079	1,001,725	(676,349)	3,773,455
	=====	=====	=====	=====

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

5. CONSOLIDATING INDUSTRY SEGMENT AND GEOGRAPHIC AREA DATA,  
CONTINUED

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Consolidating income statements by industry segment are as follows:, continued

	AMERCO	U-Haul	Total U-Haul Moving and Storage Operations	Real Estate	Property and Casualty Insurance
	-----	-----	-----	-----	-----
SIX MONTHS ENDED SEPTEMBER 30, 2002					
Revenues					
Rental revenue	\$ --	711,494	711,494	29,709	--
Net sales	--	102,673	102,673	35	--
Premiums	--	--	--	--	86,319
Net investment and interest income	10,214	15,963	26,177	4,984	15,257
	-----	-----	-----	-----	-----
Total revenues	10,214	830,130	840,344	34,728	101,576
Costs and expenses					
Operating expenses	5,134	503,428	508,562	(1,884)	12,647
Cost of sales	--	53,065	53,065	16	--
Benefits and losses	--	--	--	--	79,945
Amortization of deferred policy acquisition costs	--	--	--	--	11,521
Lease expense	463	80,037	80,500	4,732	--
Depreciation, net	8	50,843	50,851	4,263	--
	-----	-----	-----	-----	-----
Total costs and expenses	5,605	687,373	692,978	7,127	104,113
Earnings from operations	4,609	142,757	147,366	27,601	(2,537)
Interest expense	26,409	6,125	32,534	8,797	--
	-----	-----	-----	-----	-----
Pretax earnings	(21,800)	136,632	114,832	18,804	(2,537)
Income tax expense	30,960	47,964	78,924	6,581	(960)
	-----	-----	-----	-----	-----
Net earnings	(52,760)	88,668	35,908	12,223	(1,577)
	=====	=====	=====	=====	=====
Less: preferred stock dividends	6,482	--	6,482	--	--
	-----	-----	-----	-----	-----
Earnings available to common shareholders	\$ (59,242)	88,668	29,426	12,223	(1,577)
	=====	=====	=====	=====	=====

AMERCO	SACH Moving and Storage Operations	Eliminations	Total Consolidated
-----	-----	-----	-----

SIX MONTHS ENDED  
SEPTEMBER 30, 2002

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Revenues

Rental revenue	710,858	84,391	(6,345)	\$ 788,904
Net sales	102,708	27,927	--	130,635
Premiums	163,016	--	--	163,016
Net investment and interest income	42,547	--	(17,191)	25,356
	-----	-----	-----	-----
Total revenues	1,019,129	112,318	(23,536)	1,107,911
Costs and expenses				
Operating expenses	502,388	50,224	(6,345)	546,267
Cost of sales	53,081	12,441	--	65,522
Benefits and losses	140,433	--	--	140,433
Amortization of deferred policy acquisition costs	21,642	--	--	21,642
Lease expense	85,232	--	2,823	88,055
Depreciation, net	55,114	9,790	--	64,904
	-----	-----	-----	-----
Total costs and expenses	857,890	72,455	(3,522)	926,823
Earnings from operations	161,239	39,863	(20,014)	181,088
Interest expense	32,132	40,068	(17,313)	54,887
	-----	-----	-----	-----
Pretax earnings	129,107	(205)	(2,701)	126,201
Income tax expense	45,256	851	(999)	45,108
	-----	-----	-----	-----
Net earnings	83,851	(1,056)	(1,702)	81,093
	=====	=====	=====	=====
Less: preferred stock dividends	6,482	--	--	6,482
	-----	-----	-----	-----
Earnings available to common shareholders	77,369	(1,056)	(1,702)	\$ 74,611
	=====	=====	=====	=====

24

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

5. CONSOLIDATING INDUSTRY SEGMENT AND GEOGRAPHIC AREA DATA,  
CONTINUED

Consolidating income statements by industry segment are as follows:, continued

AMERCO	U-Haul	Total U-Haul Moving and Storage Operations	Real Estate	Property and Casualty Insurance
-----	-----	-----	-----	-----

SIX MONTHS ENDED  
SEPTEMBER 30, 2001

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Revenues					
Rental revenue	\$ --	702,443	702,443	34,855	--
Net sales	--	118,243	118,243	29	--
Premiums	--	--	--	--	128,265
Net investment and interest income	--	60,999	73,658	4,800	15,865
		-----	-----	-----	-----
Total revenues	60,999	833,345	894,344	39,684	144,130
Costs and expenses					
Operating expenses	2,870	518,135	521,005	(3,241)	28,763
Cost of sales	--	65,150	65,150	16	--
Benefits and losses	--	--	--	--	122,638
Amortization of deferred policy acquisition costs	--	--	--	--	11,641
Lease expense	385	83,325	83,710	6,515	--
Depreciation, net	(509)	47,363	46,854	(6,023)	--
		-----	-----	-----	-----
Total costs and expenses	2,746	713,973	716,719	(2,733)	163,042
Earnings from operations	58,253	119,372	177,625	42,417	(18,912)
Interest expense	74,550	7,130	81,680	19,724	--
		-----	-----	-----	-----
Pretax earnings	(16,297)	112,242	95,945	22,693	(18,912)
Income tax expense	32,886	40,112	72,998	7,943	(6,687)
		-----	-----	-----	-----
Net earnings	(49,183)	72,130	22,947	14,750	(12,225)
		=====	=====	=====	=====
Less: preferred stock dividends	6,482	--	6,482	--	--
		-----	-----	-----	-----
Earnings available to common shareholders	\$ (55,665)	72,130	16,465	14,750	(12,225)
		=====	=====	=====	=====

	AMERCO Consolidated	SACH Moving and Storage Operations	Eliminations	Total Consolidated
	-----	-----	-----	-----

SIX MONTHS ENDED  
SEPTEMBER 30, 2001

Revenues				
Rental revenue	700,981	53,007	(7,081)	\$ 746,907
Net sales	118,272	12,320	--	130,592
Premiums	202,880	--	--	202,880
Net investment and interest income	46,149	--	(14,667)	31,482
		-----	-----	-----
Total revenues	1,068,282	65,327	(21,748)	1,111,861
Costs and expenses				
Operating expenses	533,543	29,046	(3,942)	558,647
Cost of sales	65,224	5,947	--	71,171
Benefits and losses	180,773	--	--	180,773
Amortization of deferred policy acquisition costs	20,933	--	--	20,933
Lease expense	94,563	389	(3,739)	91,213

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Depreciation, net	40,855	5,013	(161)	45,707
	-----	-----	-----	-----
Total costs and expenses	935,891	40,395	(7,842)	968,444
	-----	-----	-----	-----
Earnings from operations	132,391	24,932	(13,906)	143,417
Interest expense	40,396	27,283	(15,162)	52,517
	-----	-----	-----	-----
Pretax earnings	91,995	(2,351)	1,256	90,900
Income tax expense	36,896	111	(2,746)	34,261
	-----	-----	-----	-----
Net earnings	55,099	(2,462)	4,002	56,639
	=====	=====	=====	=====
Less: preferred stock dividends	6,482	--	--	6,482
	-----	-----	-----	-----
Earnings available to common shareholders	48,617	(2,462)	4,002	\$ 50,157
	=====	=====	=====	=====

25

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued

(Unaudited)

5. CONSOLIDATING INDUSTRY SEGMENT AND GEOGRAPHIC AREA DATA, CONTINUED

Consolidating cash flow statements by industry segment are as follows:

	AMERCO	U-Haul	Total U-Haul and Moving Storage Operations	Real Estate	Pro a Cas Ins
	-----	-----	-----	-----	-----
SIX MONTHS ENDED					
SEPTEMBER 30, 2002					
Net cash flows provided by (used in) operating activities	\$ 121,336	60,605	181,941	8,167	(4
Cash flows from investing activities:					
Purchases of investments:					
Property, plant and equipment	--	(111,445)	(111,445)	(11,473)	
Fixed maturities	--	--	--	--	
Real estate	--	--	--	--	
Mortgage loans	--	--	--	--	
Proceeds from sale of investments:					
Property, plant and					



Edgar Filing: AMERCO /NV/ - Form 10-Q/A

equipment	--	42,685	42,685	3,345	4
Fixed maturities	--	--	--	--	
Mortgage loans	--	--	--	--	
Other investments	--	5,308	5,308	587	1
Net cash provided by (used in)					
investing activities	--	(63,452)	(63,452)	(7,541)	4
Cash flows from financing activities:					
Net change in short-term					
borrowings	5,000	--	5,000	--	
Principal repayments	(150,000)	(3)	(150,003)	(11)	
Investment contract deposits	--	--	--	--	
Investment contract					
withdrawals	--	--	--	--	
Other financing activities	34,015	(7,498)	26,517	(680)	
Net cash provided by (used in)					
financing activities	(110,985)	(7,501)	(118,486)	(691)	
Increase (decrease) in cash and					
cash equivalents	10,351	(10,348)	3	(65)	
Cash and cash equivalents at the					
beginning of period	71	29,824	29,895	576	
Cash and cash equivalents at the					
end of period	\$ 10,422	19,476	29,898	511	

	AMERCO	SACH		Total
	Consolidated	Moving and	Eliminations	Consolidated
	-----	Storage	-----	-----
		Operations		
		-----		
SIX MONTHS ENDED				
SEPTEMBER 30, 2002				
Net cash flows provided by (used				
in) operating activities	108,718	--	--	108,718
Cash flows from investing activities:				
Purchases of investments:				
Property, plant and				
equipment	(122,918)	--	--	(122,918)
Fixed maturities	(134,993)	--	--	(134,993)
Real estate	(29,391)	--	--	(29,391)
Mortgage loans	--	--	--	--
Proceeds from sale of investments:				
Property, plant and				
equipment	46,030	--	--	46,030
Fixed maturities	202,255	--	--	202,255
Mortgage loans	10,450	--	--	10,450
Other investments	35,509	--	--	35,509
Net cash provided by (used in)				
investing activities	6,942	--	--	6,942
Cash flows from financing activities:				
Net change in short-term				
borrowings	(12,500)	--	--	(12,500)
Principal repayments	(150,014)	--	--	(150,014)
Investment contract deposits	89,083	--	--	89,083
Investment contract				
withdrawals	(51,262)	--	--	(51,262)

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Other financing activities	3,837	--	--	3,837
Net cash provided by (used in) financing activities	(120,856)	--	--	(120,856)
Increase (decrease) in cash and cash equivalents	(5,196)	--	--	(5,196)
Cash and cash equivalents at the beginning of period	47,641	10	--	47,651
Cash and cash equivalents at the end of period	42,445	10	--	42,455

26

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

5. CONSOLIDATING INDUSTRY SEGMENT AND GEOGRAPHIC AREA DATA, CONTINUED

Consolidating cash flow statements by industry segment are as follows,  
continued:

	AMERCO	U-Haul	Total U-Haul and Moving Storage Operations	Real Estate	Pro a Cas Ins
	-----	-----	-----	-----	---
SIX MONTHS ENDED SEPTEMBER 30, 2001					
Net cash flows provided by (used in) operating activities	\$ 72,975	41,090	114,065	(57,569)	(2
Cash flows from investing activities:					
Purchases of investments:					
Property, plant and equipment	(2)	(108,283)	(108,285)	17,020	(
Fixed maturities	--	--	--	--	(
Real estate	--	--	--	--	
Mortgage loans	--	--	--	(561)	
Proceeds from sale of investments:					
Property, plant and equipment	669	36,751	37,420	16,469	1
Fixed maturities	--	--	--	--	
Mortgage loans	--	54	54	194	1
Other investments	220	10,612	10,832	23,956	1
Net cash provided by (used in) investing activities	887	(60,866)	(59,979)	57,078	2
Cash flows from financing activities:					
Net change in short-term borrowings					
	(77,494)	--	(77,494)	--	
Principal repayments	16,224	--	16,224	(4)	

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Investment contract deposits	--	--	--	--
Investment contract withdrawals	--	--	--	--
Other financing activities	(12,642)	9,476	(3,166)	--
Net cash provided by (used in) financing activities	(73,912)	9,476	(64,436)	(4)
Increase (decrease) in cash and cash equivalents	(50)	(10,300)	(10,350)	(495)
Cash and cash equivalents at the beginning of period	114	21,814	21,928	988
Cash and cash equivalents at the end of period	\$ 64	11,514	11,578	493

	AMERCO Consolidated	SACH Moving and Storage Operations	Eliminations	Total Consolidated
	-----	-----	-----	-----
SIX MONTHS ENDED SEPTEMBER 30, 2001				
Net cash flows provided by (used in) operating activities	43,912	--	--	43,912
Cash flows from investing activities:				
Purchases of investments:				
Property, plant and equipment	(108,224)	--	--	(108,224)
Fixed maturities	(92,465)	--	--	(92,465)
Real estate	(36)	--	--	(36)
Mortgage loans	(561)	--	--	(561)
Proceeds from sale of investments:				
Property, plant and equipment	60,945	--	--	60,945
Fixed maturities	75,973	--	--	75,973
Mortgage loans	6,889	--	--	6,889
Other investments	38,751	--	--	38,751
Net cash provided by (used in) investing activities	(18,728)	--	--	(18,728)
Cash flows from financing activities:				
Net change in short-term borrowings	(77,494)	--	--	(77,494)
Principal repayments	26,861	--	--	26,861
Investment contract deposits	74,159	--	--	74,159
Investment contract withdrawals	(65,079)	--	--	(65,079)
Other financing activities	(3,166)	--	--	(3,166)
Net cash provided by (used in) financing activities	(44,719)	--	--	(44,719)
Increase (decrease) in cash and cash equivalents	(19,535)	--	--	(19,535)
Cash and cash equivalents at the beginning of period	52,778	10	--	52,788
Cash and cash equivalents at the end of period	33,243	10	--	33,253

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

27

AMERCO AND CONSOLIDATED SUBSIDIARIES AND  
SAC HOLDING CORPORATIONS AND CONSOLIDATED  
SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements, Continued  
(Unaudited)

5. INDUSTRY SEGMENT AND GEOGRAPHIC AREA DATA, CONTINUED

Geographic Area Data -	United States	Canada	Consolidated	United States
(All amounts are in U.S. \$'s)	Six months ended			
				(in thousands)
SEPTEMBER 30, 2002				
Total revenues	\$ 1,078,943	\$ 28,968	\$ 1,107,911	\$ 547,544
Depreciation/amortization	83,426	2,670	86,096	42,087
Interest expense	52,542	2,345	54,887	26,744
Pretax earnings	119,665	6,536	126,201	59,961
Income tax	(45,108)	--	(45,108)	(22,964)
Identifiable assets	3,614,557	49,072	3,663,629	3,614,557
September 30, 2001				
Total revenues	\$ 1,084,162	27,699	1,111,861	556,572
Depreciation/amortization	81,024	2,134	83,158	23,377
Interest expense	50,423	2,094	52,517	25,883
Pretax earnings	83,915	6,985	90,900	54,205
Income tax	(34,261)	--	(34,261)	(22,415)
Identifiable assets	3,565,292	38,378	3,603,670	3,565,292

6. SUBSEQUENT EVENTS

On October 15, 2002 the Company failed to make a \$100 million principal payment and a \$3.6 million interest payment due to the Series 1997-C Bond Backed, Asset Trust. On that date, the Company also failed to pay \$26.5 million in the aggregate to Citibank and Bank of America in connection with the Series 1997-C bonds. This expense will be recognized in the third fiscal quarter.

As a result of the foregoing, the Company is in default with respect to its other credit arrangements which contain cross-default provisions, including its 3-Year Credit Agreement dated June 28, 2002 (the "Credit Agreement"). In addition to the cross-default under the Credit Agreement, the Company is also in default under that agreement as a result of its failure to obtain incremental net cash proceeds and/or availability from additional financings in the aggregate amount of at least \$150.0 million prior to October 15, 2002. The total amount of obligations currently in default (either directly or as a result of a cross-default) is approximately \$1,175.4 million.

On November 11, 2002, AMERCO announced that it will not be making the dividend payment to the holders of its Series A 8 1/2% preferred stock due December 1, 2002.

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

### 7. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

During the quarter and six months ended September 30, 2002 and 2001, the Company purchased \$396,000 and \$1.22 million, respectively of printing from Form Builders, Inc. Mark V. Shoen, his daughter and Edward J. Shoen's sons are major stockholders of Form Builders, Inc.

28

### ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

#### FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. We may make additional written or oral forward-looking statements from time to time in filings with the Securities and Exchange Commission or otherwise. We believe such forward-looking statements are within the meaning of the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited to, projections of revenues, income or loss, estimates of capital expenditures, our plans and intentions regarding the recapitalization of our balance sheet and the payment of dividends arrearages, plans for future operations, products or services, financing needs and plans, our perceptions of our legal positions and anticipated outcomes of pending litigation against us, and liquidity as well as assumptions relating to the foregoing. The words "believe", "expect", "anticipate", "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. Future events and actual results could differ materially from those set forth in, contemplated by or underlying the forward-looking statements. Some of the important factors that could cause our actual results, performance or financial condition to differ materially from our expectations are: fluctuations in our costs to maintain and update our fleet and facilities; our inability to refinance our debt; our ability to successfully recapitalize our balance sheet and cure existing defaults of our debt agreements, our ability to continue as a going concern, changes in government regulations, particularly environmental regulations; our credit ratings; the availability of credit; changes in demand for our products; changes in the general domestic economy; the degree and nature of our competition; the resolution of pending litigation against the company; changes in accounting standards; and other factors described in this Quarterly Report on Form 10-Q or the other documents we file with the Securities and Exchange Commission. The above factors, the following disclosures, as well as other statements in this report and in the Notes to Consolidated Financial Statements, could contribute to or cause such differences, or could cause AMERCO's stock and note prices to fluctuate dramatically.

#### GENERAL

Information on industry segments is incorporated by reference from -- Notes 1, 3 and 8 of "Notes to Condensed Consolidated Financial Statements". The notes discuss the principles of consolidation, summarized consolidated financial information and industry segment and geographical area data, respectively. In consolidation, all intersegment premiums are eliminated and the benefits, losses and expenses are retained by the insurance companies.

#### CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management's discussion and analysis of financial condition and results of

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

operations are based upon the consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of our financial statements requires the use of estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, estimates are reevaluated, including those related to areas that require a significant level of judgment or are otherwise subject to an inherent degree of uncertainty. These areas include allowances for doubtful accounts, revenue earning vehicles and buildings, self-insured liabilities, income taxes and commitments and contingencies. Our estimates are based on historical experience, observance of trends in particular areas, information and/or valuations available from outside sources and on various other assumptions that we believe 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.

29

Accounting policies are considered critical when they are significant and involve difficult, subjective or complex judgments or estimates. We considered the following to be critical accounting policies:

Principles of consolidation -- The consolidated financial statements include the accounts of AMERCO and its wholly-owned subsidiaries and SAC Holdings and the wholly-owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation. AMERCO does not have an equity ownership interest in SAC Holdings or any of SAC Holdings' subsidiaries, except for investments made by Repwest and Oxford in a SAC Holdings-controlled limited partnership which holds Canadian self-storage properties. SAC Holdings are not legal subsidiaries of AMERCO. AMERCO is not liable for the debts of SAC Holding and there are no default provisions in AMERCO indebtedness that cross-default to SAC Holding's obligations.

Revenue earning vehicles and buildings -- Depreciation is recognized in amounts expected to result in the recovery of estimated residual values upon disposal (i.e. no gains or losses). In determining the depreciation rate, we review historical disposal experience and holding periods, and trends in the market. Due to longer holding periods on trucks and the resulting increased possibility of changes in the economic environment and market conditions, these estimates are subject to a greater degree of risk.

Long-lived assets and intangible assets -- We review carrying value whenever events or circumstances indicate the carrying values may not be recoverable through projected undiscounted future cash flows. The events could include significant underperformance relative to expected, historical or projected future operating results, significant changes in the manner of using the assets, overall business strategy, significant negative industry or economic trends and non-compliance with significant debt agreements.

Investments -- In determining if and when a decline in market value below amortized cost is other than temporary, we review quoted market prices, dealer quotes or a discounted cash flow analysis. Permanent declines in value are recognized in the current period operating results to the extent of the decline.

Insurance Revenue and Expense Recognition -- Premiums are recognized as revenue as earned over the terms of the respective policies. Benefits and expenses are matched with recognized premiums to result in recognition over the life of the contracts. This match is accomplished by recording a provision for future policy benefits and unpaid claims and claim adjustment expenses and by amortizing deferred policy acquisition costs. Charges related to services to be

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

performed are deferred until earned. The amounts received in excess of premiums and fees are included in other policyholder funds in the consolidated balance sheets.

Unearned premiums represent the portion of premiums written which relates to the unexpired term of policies. Liabilities for health and disability and other policy claims and benefits payable represent estimates of payments to be made on insurance claims for reported losses and estimates of losses incurred but not yet reported. These estimates are based on past claims experience and current claim trends as well as social and economic conditions such as changes in legal theories and inflation. Due to the nature of underlying risks and the 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 liabilities cannot be precisely determined and may vary significantly from the estimated liability.

Acquisition costs related to insurance contracts have been deferred to accomplish matching against future premium revenue. The costs are charged to current earnings to the extent it is determined that future premiums are not adequate to cover amounts deferred.

30

### RESULTS OF OPERATIONS

SIX MONTHS ENDED SEPTEMBER 30, 2002 VERSUS SIX MONTHS ENDED SEPTEMBER 30, 2001

#### U-HAUL MOVING AND STORAGE OPERATIONS

Revenues consist of rental revenues and net sales. Total rental revenue are \$711.5 million and \$702.4 million for the six months ended September 30, 2002 and 2001, respectively.

Net sales revenues were \$102.6 million and \$118.2 million for the six months ended September 30, 2002 and 2001, respectively. The decrease reflects the sale of stores to SAC Holdings.

Cost of sales are \$53.1 million and \$65.1 million for the six months ended September 30, 2002 and 2001, respectively. The decrease is due to the sale of stores to SAC Holdings.

Operating expenses before intercompany eliminations were \$508.6 million and \$521.0 million for the six months ended September 30, 2002 and 2001, respectively. Operating expenses declined due to the sale of stores to SAC Holdings.

Lease expense was \$80.5 million and \$83.7 million for the six months ended September 30, 2002 and 2001, respectively. This decrease reflects a decline in the number of leased rental trucks.

Net depreciation expense was \$50.8 million and \$46.9 million for the six months ended September 30, 2002 and 2001, respectively.

Operating profit before intercompany eliminations was \$147.3 million and \$177.6 million for the six months ended September 30, 2002 and 2001, respectively. The increase is due to improved operations.

#### SAC MOVING AND STORAGE OPERATIONS

Revenues consist of rental revenues and net sales. Total rental revenue is \$84.4 million and \$53.0 million for the six months ended September 30, 2002 and

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

2001, respectively. Storage revenues increased \$19.7 million due to increased facility capacity through the acquisition of new locations from U-Haul and increased storage rates. Sales increased \$15 million due to the addition of stores.

Net sales revenues were \$27.9 million and \$12.3 million for the six months ended September 30, 2002 and 2001, respectively. This reflects the acquisition of additional stores.

Cost of sales are \$12.4 million and \$5.9 million for the six months ended September 30, 2002 and 2001, respectively.

Operating expenses before intercompany eliminations were \$50.2 million and \$29.0 million for the six months ended September 30, 2002 and 2001, respectively. The increase is due to more stores in operation.

Net depreciation expense was \$9.8 million and \$5.0 million for the six months ended September 30, 2002 and 2001, respectively. The increase is due to the addition of stores.

Operating profits were \$39.9 million and \$24.9 million for the six months ended September 30, 2002 and 2001, respectively.

31

### AMERCO'S REAL ESTATE OPERATIONS

Rental revenue before intercompany eliminations was \$29.7 million and \$34.9 million for the six months ended September 30, 2002 and 2001, respectively. Intercompany revenue was \$28.3 and \$33.6 million for the six months ended September 30, 2002 and 2001, respectively.

Net investment and interest income was \$5.0 million and \$4.8 million for the six months ended September 30, 2002 and 2001, respectively.

Lease expense was \$4.7 million and \$6.5 for the six months ended September 30, 2002 and 2001, respectively.

Net depreciation expense was \$4.3 million and \$(6.0) million for the six month ended September 30, 2002 and 2001, respectively.

Gains on asset sales during fiscal year 2001 resulted in the negative depreciation expense.

Operating profit before intercompany eliminations was \$27.6 million and \$42.4 million for the six months ended September 30, 2002 and 2001, respectively.

### PROPERTY AND CASUALTY

RepWest's premiums were \$86.3 million and \$128.3 million for the six months ended June 30, 2002 and 2001, respectively. General agency premiums were \$34.2 million and \$62.8 million for the six months ended June 30, 2002 and 2001, respectively. The decrease from 2001 to 2002 was the result of the elimination of RepWest's direct Non-Standard Auto and Homeowners business, as well as additional quota share reinsurance on transportation business. Assumed treaty reinsurance premium was \$20.4 million and \$31.7 million for the six months ended June 30, 2002 and 2001, respectively. Rental industry premiums were \$18.7 million and \$17.8 million for the six months ended June 30, 2002 and 2001, respectively.

Net investment income was \$15.3 million and \$15.9 million for the six



## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

months ended June 30, 2002 and 2001, respectively. The decrease is attributable to lower annual average invested assets.

Benefits and losses incurred were \$79.9 million and \$122.6 million for the six months ended June 30, 2002 and 2001, respectively. This decrease is attributable to lowered premium writings resulting in less exposure primarily in the non-standard auto and home lines.

The amortization of deferred acquisition costs (DAC) was \$11.5 million and \$11.6 million for the six months ended June 30, 2002 and 2001, respectively.

Operating expenses were \$12.6 million and \$28.8 million for the six months ended June 30, 2002 and 2001, respectively. The decrease is a result of decreased commissions on decreased premium writings as well as decreased general and administrative expenses.

Operating loss before intercompany eliminations was \$2.5 million and \$18.9 million for the six months ended June 30, 2002 and 2001, respectively. The decrease is the result of decreased expenses and the cancellation of multiple unprofitable lines of business.

### LIFE INSURANCE

Net premiums were \$80.7 million and \$77.5 million for the six months ended June 30, 2002 and 2001, respectively. Oxford increased Medicare supplement premiums by \$5.1 million through direct writings and rate management activity. Whole life sales increased \$0.6 million from the same period in

32

2001. Credit insurance premiums decreased \$1.7 million for the six months from the previous year. Other business segments had premium decreases totaling \$0.8 million. Oxford experienced a ratings decline that will result in a reduction in annuity sales going forward.

Net investment income before intercompany eliminations decreased \$5.4 million to \$7.8 million due to realized losses on fixed maturities and write downs of fixed maturities whose decline in value is deemed to be other than a temporary decline in value.

Benefits incurred were \$60.5 million and \$58.1 million for the six months ended June 30, 2002 and 2001, respectively. Medicare supplement incurred benefits increased \$3.1 million from a larger population. Credit life and disability benefits increased \$0.3 million due to increased frequency. Other health segments had benefits decreases totaling \$1.0 million.

Amortization of deferred acquisition costs (DAC) and the value of business acquired (VOBA) was \$10.1 million and \$9.3 million for the six months ended June 30, 2002 and 2001, respectively. The increase is from the Medicare supplement and annuity segments.

Operating expenses were \$19.8 million and \$19.4 million for the six months ended June 30, 2002 and 2001, respectively. General and administrative expenses net of fees collected increased \$0.4 million.

Operating profit/(loss) before intercompany eliminations was \$(2.0) million and \$3.9 million for the six months ended June 30, 2002 and 2001, respectively.

QUARTER ENDED SEPTEMBER 30, 2002 VERSUS QUARTER ENDED SEPTEMBER 30, 2001

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

### U-HAUL MOVING AND STORAGE OPERATIONS

Revenues consist of rental revenues and net sales. Total rental revenue was \$370.5 million and \$365.8 million for the quarters ended September 30, 2002 and 2001, respectively. Storage revenues decreased \$3.3 million due to sale of stores to SAC Holdings. Improved pricing contributed to the increase.

Net sales revenues were \$49.1 million and \$55.8 million for the quarters ended September 30, 2002 and 2001, respectively. The decline in sales is the result of fewer stores operating during fiscal year 2002.

Cost of sales was \$25.9 million and \$31.3 million for the quarters ended September 30, 2002 and 2001, respectively. The decrease is the result of a reduction in the number of stores in operation.

Operating expenses before intercompany eliminations were \$262.7 million and \$266.6 million for the quarters ended September 30, 2002 and 2001, respectively.

Lease expense was \$41.4 million and \$40.7 million for the quarters ended September 30, 2002 and 2001, respectively.

Net depreciation expense was \$25.5 million and \$20.3 million for the quarters ended September 30, 2002 and 2001, respectively.

Operating profit before intercompany eliminations was \$69.1 million and \$67.9 million for the quarters ended September 30, 2002 and 2001, respectively.

33

### SAC MOVING AND STORAGE OPERATIONS

Revenues consist of rental revenues and net sales. Total rental revenue was \$33.6 million and \$22.7 million for the quarters ended September 30, 2002 and 2001, respectively. Storage revenues increased \$11.0 million due to increased facility capacity through the acquisition of locations and increased storage rates.

Net sales revenues were \$13.4 million and \$5.9 million for the quarters ended September 30, 2002 and 2001, respectively. The increase is due to the increase in the number of stores in operation.

Cost of sales was \$6.4 million and \$3.3 million for the quarters ended September 30, 2002 and 2001, respectively. The increase is attributable to the increased sales volume.

Net depreciation expense was \$5.2 million and \$2.1 million for the quarters ended September 30, 2002 and 2001, respectively. Depreciation expense has increased as a result of the addition of storage properties.

Operating profit/(loss) was \$144,000 and (\$1.6 million) for the quarters ended September 30, 2002 and 2001, respectively.

### AMERCO'S REAL ESTATE OPERATIONS

Rental revenue before intercompany eliminations was \$16.6 million and \$19.9 million for the quarters ended September 30, 2002 and 2001, respectively. Intercompany revenue was \$13.7 and \$16.4 million for the quarters ended September 30, 2002 and 2001, respectively.

Net investment and interest income was \$2.2 million and \$2.9 million for

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

the quarters ended September 30, 2002 and 2001, respectively. This decrease correlates to a reduction in Real Estate's average note and mortgage receivables balance outstanding.

Lease expense was \$2.7 million and \$3.0 million for the quarters ended September 30, 2002 and 2001, respectively.

Net depreciation expense was \$2.1 million and \$2.8 million for the quarters ended September 30, 2002 and 2001, respectively. The decrease from 2001 to 2002 reflected a loss on the disposition of assets for 2001 of \$0.6 million.

Operating profit before intercompany eliminations was \$9.4 million and \$30.6 million for the quarters ended September 30, 2002 and 2001, respectively.

### PROPERTY AND CASUALTY

RepWest's premiums were \$39.7 million and \$66.1 million for the quarters ended June 30, 2002 and 2001, respectively. General agency premiums were \$14.0 million and \$33.2 million for the quarters ended June 30, 2002 and 2001, respectively. The decrease from 2001 to 2002 was the result of the cancellation of RepWest's direct Non-Standard Auto and Homeowners business, as well as additional quota share reinsurance on transportation business. Assumed treaty reinsurance premium was \$11.1 million and \$15.9 million for the quarters ended June 30, 2002 and 2001, respectively. Rental industry premiums were \$9.5 million and \$9.3 million for the quarters ended June 30, 2002 and 2001, respectively.

Net investment income was \$7.7 million and \$7.4 million for the quarters ended June 30, 2002 and 2001, respectively.

34

Benefits and losses incurred were \$34.3 million and \$62.4 million for the quarters ended June 30, 2002 and 2001, respectively. This decrease is attributable to lowered premium writings resulting in less exposure primarily in the non-standard auto and home lines.

The amortization of deferred acquisition costs (DAC) was \$6.2 million and \$6.6 million for the quarters ended June 30, 2002 and 2001, respectively.

Operating expenses were \$6.6 million and \$17.9 million for the quarters ended June 30, 2002 and 2001, respectively. The decrease is a result of decreased commissions on decreased premium writings as well as decreased general and administrative expenses.

Operating profit / (loss) before intercompany elimination was \$0.3 million and \$(13.3) million for the quarters ended June 30, 2002 and 2001, respectively. The increase is the result of decreased benefits and losses resulting from the cancellation of unprofitable lines of business, and decreases in general and administrative expense.

### LIFE INSURANCE

Net premiums were \$41.0 million and \$37.9 million for the quarters ended June 30, 2002 and 2001, respectively. Oxford increased Medicare supplement premiums by \$4.0 million through direct writings and rate management activity. Credit insurance premiums decreased \$0.4 million for the quarter from the previous year. Other business segments had premium decreases totaling \$0.5 million. Oxford experienced a ratings decline that will result in a reduction in annuity sales going forward.

Net investment income before intercompany eliminations decreased to \$2.4

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

million from \$7.0 million primarily due to the write-downs of bonds in the investment portfolio whose decline in value is deemed to be other than a temporary decline in value.

Benefits incurred were \$29.7 million and \$27.0 million for the quarters ended June 30, 2002 and 2001, respectively. Medicare supplement incurred benefits increased \$2.9 million from a larger population. Credit life and disability benefits increased \$0.7 million due to increased frequency. Other business segments had benefits decreases totaling \$0.9 million.

Amortization of deferred acquisition costs (DAC) and the value of business acquired (VOBA) was \$5.1 million and \$4.5 million for the quarters ended June 30, 2002 and 2001, respectively. The increase is from the Medicare supplement and annuity segments.

Operating expenses were \$11.5 million and \$12.2 million for the quarters ended June 30, 2002 and 2001, respectively. Commissions have decreased \$0.5 million from 2001 primarily due to the decreases in credit and major medical lines. General and administrative expenses net of fees collected decreased \$0.2 million.

Operating profit/(loss) before intercompany eliminations was \$(2.9) million and \$1.2 million for the quarters ended June 30, 2002 and 2001, respectively. The decrease from 2001 is due to the write-downs of bonds whose decline in value is deemed other than temporary.

### CONSOLIDATED GROUP

#### INTEREST EXPENSE

Interest expense was \$54.9 million and \$52.5 million for the six months ended September 30, 2002 and 2001, respectively. The increase can be attributed to a higher debt level outstanding for SAC Holdings due to the acquisition of additional storage properties.

35

Interest expense of SAC Holdings on third party debt was \$21.0 million and \$16.3 million for the six months ended September 30, 2002 and 2001, respectively. AMERCO's interest expense on third party debt was \$32.1 and \$40.9 million for the six months ended September 30, 2002 and 2001, respectively.

#### EARNINGS

As a result of the foregoing, pretax earnings were \$126.2 million and \$90.9 million for the six months ended September 30, 2002 and 2001, respectively. After providing for income taxes, net earnings were \$81.1 million and \$56.6 million for the six months ended September 30, 2002 and 2001, respectively.

#### LIQUIDITY AND CAPITAL RESOURCES

##### U-HAUL MOVING AND STORAGE OPERATIONS

Cash provided by operating activities was \$60.6 million and \$41.0 million for the quarters ended September 30, 2002 and 2001, respectively. The increase resulted primarily from more profitable operations.

##### SAC MOVING AND STORAGE OPERATIONS

SAC Holdings' operations are funded by various mortgage loans and

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

unsecured notes, with interest rates ranging from 7.5% to 13.0%. SAC does not utilize revolving lines of credit to finance its operations or acquisitions. Certain of SAC's agreements contain restrictive covenants including coverage ratios and restrictions on incurring additional subsidiary indebtedness. At September 30, 2002, SAC Holdings was in compliance with all of these covenants.

### PROPERTY AND CASUALTY

Cash used by operating activities was \$49.9 million and \$21.4 million for the six months ended June 30, 2002 and 2001, respectively. This change resulted from decreased unearned premiums, a decrease in the change in premiums receivable from period to period, along with an increase in due from affiliates.

RepWest's cash and cash equivalents and short-term investment portfolio was \$6.8 million and \$8.9 million at June 30, 2002 and 2001, respectively.

RepWest maintains a diversified securities investment portfolio, primarily in bonds, at varying maturity levels with 86.0% of the fixed-income securities consisting of investment grade securities. The maturity distribution is designed to provide sufficient liquidity to meet future cash needs. Current liquidity remains stable with current invested assets equal to 70.6% of total liabilities.

### LIFE INSURANCE

Oxford's primary sources of cash are premiums, receipts from interest-sensitive products and investment income. The primary uses of cash are operating costs and benefit payments to policyholders. Matching the investment portfolio to the cash flow demands of the types of insurance being written is an important consideration. Benefit and claim statistics are continually monitored to provide projections of future cash requirements.

Cash provided/(used) by operating activities was \$(28.7) million and 2.0 million for the six months ended June 30, 2002 and 2001, respectively. The decrease in cash flows from operating activities in 2002 relates to \$9.5 million of federal income taxes paid, \$8.1 million increase in receivables for securities pending settlement, \$7.1 million of reinsurance receivables paid, and paid loss experience. Cash

36

flows provided by financing activities were \$37.8 million and \$9.1 million for the six months ended June 30, 2002 and 2001, respectively. Cash flows from deferred annuity sales increase investment contract deposits, which are a component of financing activities. The increase from 2001 is due to increased annuity deposits and reduced annuity withdrawals

In addition to cash flows from operating and financing activities, a substantial amount of liquid funds is available through Oxford's short-term portfolio. At June 30, 2002 and 2001, short-term investments were \$58.6 million and \$53.9 million, respectively. Management believes that the overall sources of liquidity will continue to meet foreseeable cash needs.

See the discussion of the Kocher case contained in Part II, Item I "Legal Proceedings."

### CONSOLIDATED GROUP

On October 15, 2002 the Company failed to make a \$100 million principal payment and a \$3.6 million interest payment due to the Series 1997-C Bond Backed Asset Trust ("BBAT") holders. On that date, the Company also failed to pay a \$26.5 million obligation, in the aggregate to Citibank and Bank of America in

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

connection with the BBAT's. This expense will be recognized in the third quarter.

As a result of the foregoing, the Company is in default with respect to its other credit arrangements that contain cross-default provisions, including its 3-Year Credit Agreement dated June 28, 2002 (the "Revolver") in the amount of \$205.0 million. In addition to the cross-default under the Revolver, the Company is also in default under that agreement as a result of the Company's failure to obtain incremental net cash proceeds and/or availability from additional financings in the aggregate amount of at least \$150 million prior to October 15, 2002. The obligations of the Company currently in default (either directly or as a result of a cross-default) are approximately \$1,175.4 million. In addition, the Company may be required to pay interest at default interest rates, which would increase interest expense going forward.

The Company has retained the financial restructuring firm Crossroads, LLC to assist with the negotiation of standstill agreements with holders of directly defaulted obligations and waivers from our lenders holding cross-default obligations. This will allow us to pursue financing alternatives and asset sales that will enable us to repay the above-referred amounts that are in direct default, meet fiscal 2004 maturities and restructure our balance sheet.

Although we are optimistic that we will successfully restructure our balance sheet and repay our obligations, there can be no assurance that we will be able to complete the asset sales, obtain financing on acceptable terms or secure the standstills and waivers necessary to do so.

Cash provided by operating activities was \$108.7 million and \$43.9 million for the six months ended September 30, 2002 and 2001, respectively. The increase resulted primarily from a decrease in notes and mortgage receivable partially offset by decreases in the accounts payable and intercompany payable balances along with increased earnings.

At September 30, 2002, total outstanding notes and mortgages payable for AMERCO and wholly owned subsidiaries was \$908.5 million compared to \$1,045.8 million at March 31, 2002. At September 30, 2002, total outstanding notes and mortgages payable for SAC Holdings and consolidated subsidiaries was \$967.0 million compared to \$957.8 million at March 31, 2002. SAC Holdings' securitized loan agreements have no guarantees, or triggers that could create a guarantee, from AMERCO. There are no cross default provisions on indebtedness between AMERCO and SAC Holdings.

AMERCO does not have any ownership interest in SAC Holdings or its subsidiaries, except for investments made by RepWest and Oxford in a SAC Holdings - controlled limited partnership which holds Canadian self-storage properties. The presentation of the consolidated statements has no bearing on

37

the credit agreements or the operations of either AMERCO or SAC Holdings. The accounts of AMERCO and SAC Holdings are presented as consolidated due to a revised interpretation of EITF 90-15 by the Company's former independent public accountants during the year ended March 31, 2002, which concluded that SAC Holdings' majority owner did not qualify as an independent third party to AMERCO.

From time to time, Real Estate sells storage properties to SAC Holdings. These sales have in the past provided significant cash flows to the Company. The ability of the Company to engage in similar transactions in the future is dependent to a large degree on the ability of SAC Holdings to obtain third party financing for its acquisition of properties from Real Estate and, in general,

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

its willingness to engage in such transactions.

Due to the defaults that exist with respect to certain obligations of the Company we suspended the dividend payment to the holders of our Series A 8 1/2% preferred stock that is due December 1, 2002.

### CREDIT AGREEMENTS

Our operations are funded by various credit and financing arrangements, including unsecured long-term borrowings, unsecured medium-term notes, revolving lines of credit with banks and operating leases. The operating leases are primarily used to finance the Company's fleet of trucks and trailers. As of September 30, 2002, we had \$908.5 million in total notes and loans payable outstanding.

On June 28, 2002, AMERCO entered into an agreement replacing an existing five year \$400.0 million revolving credit agreement with a three-year \$205.0 million revolving credit facility.

Certain of our credit agreements contain restrictive financial and other covenants, including, among others, covenants with respect to incurring additional indebtedness, making third party guarantees, entering into contingent obligations, maintaining certain financial ratios, placing certain additional liens on our properties and assets, and restricting the issuance of certain types of preferred stock. Although AMERCO was in compliance with these covenants at September 30, 2002, we were in default as of October 15, 2002 as a result of our failure to make the principal payment due to the BBAT holders and a covenant contained in the Credit Agreement that required the completion of a \$150 million financing. For additional discussion regarding these defaults, see Part II, Item III "Defaults Upon Senior Securities."

Reference is made to Note 5 of Notes to Consolidated Financial Statements in AMERCO's Annual Report on Form 10-K/A for the fiscal year ended March 31, 2002 for additional information about our credit agreements.

### DISCLOSURES ABOUT CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

Financial Obligations	Payments due by Period (as of Sept		
	Total	Prior to 09-30-03	10-01-03 09-30-05
AMERCO's notes and loans Payable	\$ 908,509	\$ 276,981	\$ 224,864
AMERCO's truck and trailer Lease obligations	491,503	91,597	221,177
SAC Holdings' financed lease obligations	117,000	46,800	70,200
SAC Holdings' notes and loans payable	850,137	7,174	14,273
Elimination of SAC Holdings' Obligations to AMERCO	(387,652)	--	--
Total Contractual Obligations	\$ 1,979,497	\$ 422,552	\$ 530,514

The above disclosure is as of September 30, 2002. As discussed above and in Part

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

II, Item III "Defaults Upon Senior Securities", on October 15, 2002 we defaulted on our BBATs and related obligations. This default triggered cross-default provisions in most of AMERCO's other debt agreements. As a result, approximately \$1,175.4 million of AMERCO's contractual obligations and commercial commitments listed below are classified as current.

Bank of Montreal synthetic lease	\$ 149.0
Citibank synthetic lease	101.7
3yr Credit Agreement	205.0
Royal Bank of Canada lease	3.0
Amerco Real Estate Notes	100.0
'03 Notes	175.0
'05 Notes	200.0
Medium Term Notes	109.5
BBAT	100.0
Bank of America Obligation (BBAT)	11.3
Citicorp Obligation (BBAT)	15.3
Bank of America Swap	2.1
JP Morgan Swap	3.5
	-----
	\$ 1,175.4

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Reference is made to Part II, Item 7A, Quantitative and Qualitative Disclosure About Market Risk, in AMERCO's Annual Report on Form 10-K/A for the fiscal year ended March 31, 2002.

### ITEM 4. CONTROLS AND PROCEDURES

#### Evaluation of Controls and Procedures

We maintain disclosure controls procedures, which are designed to ensure that material information related to AMERCO and its subsidiaries and SAC Holdings and their subsidiaries, is disclosed in our public filings on a regular basis. In response to recent legislation and proposed regulations, we reviewed our internal control structure and our disclosure controls and procedures. We believe our pre-existing disclosure controls and procedures are adequate to enable us to comply with our disclosure obligations.

Within 90 days prior to filing this report, members of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based upon that evaluation, management concluded that the Company's disclosure controls and procedures are effective in causing material information to be recorded, processed, summarized and reported by management of the Company on a timely basis and to ensure that the quality and timeliness of the Company's public disclosures complies with its SEC disclosure obligations.

#### Changes in Controls and Procedures

There were significant changes in the Company's internal controls and other factors that could significantly affect these internal controls after the date of our most recent evaluation. They include, but are not limited to, the



## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

following:

- a. We limited access to the general ledger (posting ability) to specifically identified individuals;
- b. We require documentation for all journal postings;
- c. We have hired a system administrator to document and map all accounting imports and exports to the various subledgers maintained throughout the organization.

### PART II. OTHER INFORMATION

#### ITEM 1. LEGAL PROCEEDINGS

On July 20, 2000, Charles Kocher ("Kocher") filed suit in Wetzel County, West Virginia, Civil Action No. 00-C-51-K, entitled Charles Kocher v. Oxford Life Insurance Co. ("Oxford") seeking compensatory and punitive damages for breach of contract, bad faith and unfair claims settlement practices arising from an alleged failure of Oxford to properly and timely pay a claim under a disability and dismemberment policy acquired in conjunction with the purchase of a \$7,800 used pick-up truck. On March 22, 2002, the jury returned a verdict of \$5 million in compensatory damages and \$34 million in punitive damages. On November 5, 2002, the trial court entered an Order ("Order") affirming the \$39 million jury verdict and denying Oxford's Motion for New Trial Or, in The Alternative, Remittitur. Oxford is in the process of perfecting its appeal to the West Virginia Supreme Court. Management does not believe that the Order is sustainable and expects the Order to be overturned by the West Virginia Supreme Court, in part because the jury award has no reasonable nexus to the actual harm suffered by Kocher.

On September 24, 2002, Paul F. Shoen filed a derivative action in the Second Judicial District Court of the State of Nevada, Washoe County, captioned Paul F. Shoen vs. SAC Holding Corporation et al, CV02-05602, seeking damages and equitable relief on behalf of AMERCO from SAC Holdings and certain current and former members of the AMERCO Board of Directors, including Edward J. Shoen, Mark V. Shoen and James P. Shoen as defendants. AMERCO is named a nominal defendant for purposes of the derivative action. The complaint alleges breach of fiduciary duty, self-dealing, usurpation of corporate opportunities, wrongful interference with prospective economic advantage and unjust enrichment and seeks the unwinding of sales of self-storage properties by subsidiaries of AMERCO to SAC Holdings over the last several years. The complaint seeks a declaration that such transfers are void as well as unspecified damages. On October 28, 2002, AMERCO, the Shoen directors, the non-Shoen directors and SAC Holdings filed Motions to Dismiss the complaint. On November 12, 2002 the plaintiff responded to the Motions to Dismiss. The reply in support of the Motion to Dismiss is due on November 25, 2002. Oral argument has not yet been set for these motions. In addition, on October 28, 2002, Ron Belec filed a derivative action in the Second Judicial District Court of the State of Nevada, Washoe County, captioned Ron Belec vs. William E. Carty, et al, CV 02-06331. This derivative suit is substantially similar to the Paul F. Shoen derivative action. The defendants' responsive pleading is due on December 13, 2002. AMERCO believes that the allegations contained in both complaints are baseless and without merit and AMERCO will aggressively and vigorously respond to these claims. However, as with any litigation, no assurances can be given as to the outcome.

We are currently under IRS examination for the years 1996-1997. The IRS has proposed adjustments to our 1997 and 1996 tax returns in the amount of \$233.1 million and \$99.0 million, respectively. Nearly all of the adjustments relate to denials of deductions that we took for costs incurred

in resolution of prior litigation with certain members of the Shoen family and their corporations. We believe these income tax deductions are appropriate and we are vigorously contesting the IRS adjustments. We estimate that if we are unsuccessful in our challenge in all respects, based on our March 31, 2002 tax position, we could incur tax exposure totaling approximately \$90.0 million plus interest.

PART II. OTHER INFORMATION, continued

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

(a) On October 15, 2002, the Company failed to make a \$100 million principal payment and a \$3.6 million interest payment due to the Series 1997-C Bond Backed Asset Trust. On that date, the Company also failed to pay \$26.5 million in the aggregate to Citibank and Bank of America in connection with the early extinguishment of the Series 1997-C bonds. As a result of the foregoing, the Company is in default with respect to its other credit arrangements which contain cross-default provisions, including its 3-Year Credit Agreement dated June 28, 2002 (the "Credit Agreement"). In addition to the cross-default under the Credit Agreement, the Company is also in default under that agreement as a result of its failure to obtain incremental net cash proceeds and/or availability from additional financings in an aggregate amount of at least \$150.0 million prior to October 15, 2002. The total amount of indebtedness currently in default (either directly or as a result of a cross-default) is approximately \$1,175.4 million.

(b) On November 5, 2002, the Company announced that it has suspended the December 1, 2002 dividend payment to holders of its Series A 8.5% Preferred Stock. The dividend amount is \$3.5 million.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The 2002 Annual Meeting of Stockholders was held on August 30, 2002.

At the 2002 Annual meeting of Stockholders William E. Carty and Charles J. Bayer were elected to serve until the 2006 Annual Meeting of Stockholders. M. Frank Lyons was elected to serve until the 2004 Annual Meeting of Stockholders. John P. Brogan and James J. Grogan continue as directors with terms that expire at the 2003 Annual Meeting of Stockholders; Edward J. Shoen continues as a director with a term that expires at the 2004 Annual Meeting of Stockholders; and John M. Dodds and James P. Shoen continue as directors with terms that expire at the 2005 Annual Meeting of Stockholders.

The following table sets forth the votes cast for, against or withheld, as well as the number of abstentions and broker non-votes with respect to each matter voted on at the 2002 Annual Meeting of Stockholders.

MATTERS SUBMITTED TO A VOTE -----	VOTES CAST FOR ---	VOTES CAST AGAINST -----	VOTES CAST WITHHELD -----	ABSTENTION -----
Election of directors				
William E. Carty	18,870,928	42,489	792,384	3,262
Charles J. Bayer	18,870,291	41,358	791,412	6,003
M. Frank Lyons	18,862,109	42,114	788,438	16,402

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

41

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

Exhibit No.	Description
3.1	Restated Articles of Incorporation (1)
3.2	Restated By-Laws of AMERCO as of August 27, 1997(2) Certificate of Edward J. Shoen, President of AMERCO pursuant
10.10A	Addendum to Promissory Note between SAC Holding Corporation and a subsidiary of AMERCO
10.11A	Amendment and Addendum to Promissory Note between Four SAC Self-Storage Corporation and Nationwide Commercial Co.
10.35	Management Agreement between Eighteen Self-Storage Corporation and U-Haul
10.36	Management Agreement between Nineteen SAC Self-Storage Limited Partnership and U-Haul
10.37	Management Agreement between Twenty SAC Self-Storage Corporation and U-Haul
10.38	Management Agreement between Twenty-One SAC Self-Storage Corporation and U-Haul
10.39	Management Agreement between Twenty-Two SAC Self-Storage Corporation and U-Haul
10.40	Management Agreement between Twenty-Three SAC Self-Storage Corporation and U-Haul
10.41	Management Agreement between Twenty-Four SAC Self Storage Limited Partnership and U-Haul
10.42	Management Agreement between Twenty-Five SAC Self-Storage Limited Partnership and U-Haul
10.43	Management Agreement between Twenty-Six SAC Self-Storage Limited Partnership and U-Haul
10.44	Management Agreement between Twenty-Seven SAC Self-Storage Limited Partnership and U-Haul
10.45	3-Year Credit Agreement with certain lenders named therein

(1) Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

the quarter ended December 31, 2002, file no. 1-11255.

- (2) Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended December 31, 1997, file no. 1-11255.

42

- 10.46 Promissory Note between Four SAC Self-Storage Corporation and U-Haul International, Inc.
- 10.46A Amendment and Addendum to Promissory Note between Four SAC Self-Storage Corporation and U-Haul International, Inc.
- 10.47 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.48 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.48A Amendment and Addendum to Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.49 Promissory Note between Five SAC Self-Storage Corporation and Nationwide Commercial Co.
- 10.50 Promissory Note between Five SAC Self-Storage Corporation and Nationwide Commercial Co.
- 10.50A Amendment and Addendum to Promissory Note between Five SAC Self-Storage Corporation and Nationwide Commercial Co.
- 10.51 Promissory Note between Five SAC Self-Storage Corporation and U-Haul International, Inc.
- 10.52 Promissory Note between SAC Holding Corporation and Oxford Life Insurance Company
- 10.53 Promissory Note between SAC Holding Corporation and Nationwide Commercial Company
- 10.53A Amendment and Addendum to Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.54 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.54A Amendment and Addendum to Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.55 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.55A Amendment and Addendum to Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.56 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.56A Amendment and Addendum to Promissory Note between SAC

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

Holding Corporation and U-Haul International, Inc.

10.57 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.

43

10.57A Amendment and Addendum to Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.

10.58 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.

10.58A Amendment and Addendum to Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.

10.59 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.

10.60 Junior Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.

10.61 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.

10.62 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.

10.63 Promissory Note between SAC Financial Corporation and U-Haul International, Inc.

99.1 Certificate of Edward J. Shoen, President of AMERCO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

99.2 Certificate of Gary B. Horton, Treasurer of AMERCO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

99.3 Certificate of Edward J. Shoen, President of U-Haul International, Inc. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

99.4 Certificate of Gary B. Horton, Assistant Treasurer of U-HAUL, International, Inc. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K.

On September 27, 2002 and September 30, 2002, the Company filed reports on Form 8-K relating to the proposed offering of its Senior Notes due 2009. On October 16, 2002 and October 18, 2002, the Company filed reports on Form 8-K to disclose the Company's retention of a financial advisor to assist it in restructuring certain of its debt.

-----

(1) Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

the quarter ended December 31, 2002, file no. 1-11255.

- (2) Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended December 31, 1997, file no. 1-11255.

44

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.

AMERCO

-----  
(Registrant)

Dated: February 14, 2003

By: /S/ GARY B. HORTON

-----  
Gary B. Horton, Treasurer  
(Principal Financial Officer)

45

Certification of CFO Pursuant to  
Securities Exchange Acts Rules 13a-14 and 15d-14  
As Adopted Pursuant to  
Section 302 of the Sarbanes-Oxley Act of 2002

CERTIFICATION OF THE TREASURER OF AMERCO

I, Gary B. Horton, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AMERCO;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
  - a) Designed such disclosure controls and procedures 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 quarterly report is being prepared;
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: February 14, 2003

/s/ Gary B. Horton

-----  
Gary B. Horton  
Treasurer of AMERCO

46

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.

U-Haul International, Inc.

-----  
(Registrant)

Dated: February 14, 2003

By: /S/ GARY B. HORTON

-----  
Gary B. Horton, Assistant Treasurer  
(Principal Financial Officer)

47

Certification of CFO Pursuant to  
Securities Exchange Acts Rules 13a-14 and 15d-14  
As Adopted Pursuant to  
Section 302 of the Sarbanes-Oxley Act of 2002

CERTIFICATION OF THE ASSISTANT TREASURER OF U-HAUL INTERNATIONAL, INC.

I, Gary B. Horton, certify that:

1. I have reviewed this quarterly report on Form 10-Q of U-Haul International, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) Designed such disclosure controls and procedures 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 quarterly report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: February 14, 2003

/s/ Gary B. Horton

-----  
Gary B. Horton  
Assistant Treasurer of U-Haul  
International, Inc.

48

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.

AMERCO



Edgar Filing: AMERCO /NV/ - Form 10-Q/A

-----  
(Registrant)

Dated: February 14, 2003

By: /s/ Edward J. Shoen

-----  
Edward J. Shoen  
Chairman of the Board and President

49

Certification of CEO Pursuant to  
Securities Exchange Acts Rules 13a-14 and 15d-14  
As Adopted Pursuant to  
Section 302 of the Sarbanes-Oxley Act of 2002

CERTIFICATIONS

CERTIFICATION OF THE PRESIDENT OF AMERCO

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 quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
  - a) Designed such disclosure controls and procedures 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 quarterly report is being prepared;
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
  - c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
  - b) Any fraud, whether or not material, that involves management or other

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: February 14, 2003

/s/ Edward J. Shoen

-----  
Edward J. Shoen  
President of AMERCO

50

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.

U-Haul International, Inc.

-----  
(Registrant)

Dated: February 14, 2003

/s/ Edward J. Shoen

-----  
Edward J. Shoen  
Chairman of the Board and President

51

Certification of CEO Pursuant to  
Securities Exchange Acts Rules 13a-14 and 15d-14  
As Adopted Pursuant to  
Section 302 of the Sarbanes-Oxley Act of 2002

CERTIFICATION OF THE PRESIDENT OF U-HAUL INTERNATIONAL, INC.

I, Edward J. Shoen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of U-Haul International, Inc.;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

Edgar Filing: AMERCO /NV/ - Form 10-Q/A

a) Designed such disclosure controls and procedures 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 quarterly report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: February 14, 2003

/s/ Edward J. Shoen

-----  
Edward J. Shoen  
President of U-Haul International, Inc.

52

INDEX OF EXHIBITS

Exhibit No.	Description
3.1	Restated Articles of Incorporation (1)
3.2	Restated By-Laws of AMERCO as of August 27, 1997 (2)
10.10A	Addendum to Promissory Note between SAC Holding Corporation and a subsidiary of AMERCO
10.11A	Amendment and Addendum to Promissory Note between Four SAC Self-Storage Corporation and Nationwide Commercial Co.
10.35	Management Agreement between Eighteen Self-Storage Corporation and U-Haul
10.36	Management Agreement between Nineteen SAC Self-Storage Limited Partnership and U-Haul

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

- 10.37 Management Agreement between Twenty SAC Self-Storage Corporation and U-Haul
- 10.38 Management Agreement between Twenty-One SAC Self-Storage Corporation and U-Haul
- 10.39 Management Agreement between Twenty-Two SAC Self-Storage Corporation and U-Haul
- 10.40 Management Agreement between Twenty-Three SAC Self-Storage Corporation and U-Haul
- 10.41 Management Agreement between Twenty-Four SAC Self Storage Limited Partnership and U-Haul
- 10.42 Management Agreement between Twenty-Five SAC Self-Storage Limited Partnership and U-Haul
- 10.43 Management Agreement between Twenty-Six SAC Self-Storage Limited Partnership and U-Haul
- 10.44 Management Agreement between Twenty-Seven SAC Self-Storage Limited Partnership and U-Haul
- 10.45 3-Year Credit Agreement with certain lenders named therein
- 10.46 Promissory Note between Four SAC Self-Storage Corporation and U-Haul International, Inc.
- 10.46A Amendment and Addendum to Promissory Note between Four SAC Self-Storage Corporation and U-Haul International, Inc.
- 10.47 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.

53

- 10.48 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.48A Amendment and Addendum to Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.49 Promissory Note between Five SAC Self-Storage Corporation and Nationwide Commercial Co.
- 10.50 Promissory Note between Five SAC Self-Storage Corporation and Nationwide Commercial Co.
- 10.50A Amendment and Addendum to Promissory Note between Five SAC Self-Storage Corporation and Nationwide Commercial Co.
- 10.51 Promissory Note between Five SAC Self-Storage Corporation and U-Haul International, Inc.
- 10.52 Promissory Note between SAC Holding Corporation and Oxford Life Insurance Company

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

- 10.53 Promissory Note between SAC Holding Corporation and Nationwide Commercial Company
- 10.53A Amendment and Addendum to Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.54 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.54A Amendment and Addendum to Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.55 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.55A Amendment and Addendum to Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.56 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.56A Amendment and Addendum to Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.57 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.57A Amendment and Addendum to Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.58 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.58A Amendment and Addendum to Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.

54

- 10.59 Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.60 Junior Promissory Note between SAC Holding Corporation and Nationwide Commercial Co.
- 10.61 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.62 Promissory Note between SAC Holding Corporation and U-Haul International, Inc.
- 10.63 Promissory Note between SAC Financial Corporation and U-Haul International, Inc.
- 99.1 Certificate of Edward J. Shoen, President of AMERCO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 99.2 Certificate of Gary B. Horton, Treasurer of AMERCO pursuant

## Edgar Filing: AMERCO /NV/ - Form 10-Q/A

to Section 906 of the Sarbanes-Oxley Act of 2002

- 99.3 Certificate of Edward J. Shoen, President of U-Haul International, Inc. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 99.4 Certificate of Gary B. Horton, Assistant Treasurer of U-Haul International, Inc. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

-----

- (1) Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended December 31, 2002, file no. 1-11255.
- (2) Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended December 31, 1997, file no. 1-11255.