AMERCO /NV/
Form 10-K
June 04, 2009

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

FORM 10-K

(Mark One)
R ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended March 31, 2009

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

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

Registrant	Title of Class	Name of Each Exchange on Which Registered
AMERCO	Series A 8 ½% Preferred Stock	New York Stock Exchange
AMERCO	Common	NASDAQ

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes £ No R

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Act. Yes £ No R

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 R No £

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. £

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of a "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated filer £ Accelerated filer R Non-accelerated filer £ Smaller reporting company £

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

The aggregate market value of AMERCO common stock held by non-affiliates on September 30, 2008 was $235,669,452. The aggregate market value was computed using the closing price for the common stock trading on NASDAQ on such date. Shares held by executive officers, directors and persons owning directly or indirectly more than 5% of the outstanding common stock have been excluded from the preceding number because such persons may be deemed to be affiliates of the registrant. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

19,607,788 shares of AMERCO Common Stock, $0.25 par value were outstanding at June 1, 2009.

Documents incorporated by reference: Portions of AMERCO's definitive Proxy Statement for the 2009 Annual Meeting of Stockholders, to be filed within 120 days after AMERCO's fiscal year ended March 31, 2009, are incorporated by reference into Part III of this report.

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PART I

Item 1. Business

Company Overview

We are North America's largest "do-it-yourself" moving and storage operator through our subsidiary U-Haul International, Inc. ("U-Haul"). U-Haul is synonymous with "do-it-yourself" moving and storage and is a leader in supplying products and services to help people move and store their household and commercial goods. Our primary service objective is to provide a better and better product or service to more and more people at a lower and lower cost. Unless the context otherwise requires, the term "Company," "we," "us," or "our" refers to AMERCO and all of its lega subsidiaries.

We were founded in 1945 under the name "U-Haul Trailer Rental Company." Since 1945, we have rented trailers. Starting in 1959, we rented trucks on a one-way and in-town basis exclusively through independent U-Haul dealers. Since 1974, we have developed a network of U-Haul managed retail centers, through which we rent our trucks and trailers, self storage rooms and sell moving and self-storage products and services to complement our independent dealer network.

We rent our distinctive orange and white U-Haul trucks and trailers as well as offer self-storage rooms through a network of over 1,400 Company operated retail moving centers and approximately 14,400 independent U-Haul dealers. In addition, we have an independent storage facility network with over 4,200 active affiliates. We also sell U-Haul brand boxes, tape and other moving and self-storage products and services to "do-it-yourself" moving and storage customers at all of our distribution outlets and through our eMove web site.

U-Haul is the most convenient supplier of products and services meeting the needs of North America's "do-it-yourself" moving and storage market. Our broad geographic coverage throughout the United States and Canada and our extensive selection of U-Haul brand moving equipment rentals, self-storage rooms and related moving and storage products and services provide our customers with convenient "one-stop" shopping.

For more than sixty years, U-Haul has incorporated sustainable practices into its everyday operations. Our basic business premise of truck-sharing helps reduce greenhouse gas emissions and reduces the need for total large-capacity vehicles. Today, we remain focused on reducing waste within our business model and are dedicated to manufacturing reusable components and recyclable products. This commitment to sustainability, through our products and services, has helped us to reduce our impact on the environment.

Through Republic Western Insurance Company ("RepWest"), our property and casualty insurance subsidiary, we manage the property, liability and related insurance claims processing for U-Haul. Oxford Life Insurance Company ("Oxford"), our life insurance subsidiary, sells Medicare supplement, life insurance, annuities and other related products to non U-Haul customers and also administered the self-insured employee health and dental plans for Arizona employees of the Company through December 31, 2008.

Available Information

AMERCO and U-Haul are each incorporated in Nevada. U-Haul's internet address is uhaul.com. On AMERCO's investor relations web site, amerco.com, we post the following filings as soon as practicable after they are electronically filed with or furnished to the United States Securities and Exchange Commission ("SEC"): our annual report on Form 10-K, our quarterly reports on Form 10-Q, our current reports on Form 8-K, our proxy statement related to our annual meeting of stockholders, and any amendments to those reports or statements filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All such filings on our web site are available free of charge. Additionally, you will find these materials on the SEC's website at www.sec.gov.

Products and Rental Equipment

Our customers are primarily "do-it-yourself" household movers. U-Haul moving equipment is specifically designed, engineered and manufactured for the "do-it-yourself" household mover. These "do-it-yourself" movers include individuals and families moving their belongings from one home to another, college students moving their belongings, vacationers and sports enthusiasts needing extra space or having special towing needs, people trying to save on home furniture and home appliance delivery costs, and "do-it-yourself" home remodeling and gardening enthusiasts who need to transport materials.

As of March 31, 2009, our rental fleet consisted of approximately 101,000 trucks, 76,000 trailers and 34,000 towing devices. This equipment and our U-Haul brand of self-moving products and services are available through our network of managed retail moving centers and independent U-Haul dealers. Independent U-Haul dealers receive rental equipment from the Company, act as a rental agent and are paid a commission based on gross revenues generated from their U-Haul rentals.

Our rental truck chassis are manufactured by domestic and foreign truck manufacturers. These chassis are joined with the U-Haul designed and manufactured van boxes primarily at U-Haul operated manufacturing and assembly facilities strategically located throughout the United States. U-Haul rental trucks feature our proprietary Lowest DeckSM, which provides our customers with extra ease of loading. The loading ramps on our trucks are the widest in the industry, which reduce the effort needed to move belongings. Our trucks are fitted with convenient, padded rub rails with tie downs on every interior wall. Our Gentle Ride SuspensionSM helps our customers safely move delicate and prized possessions. Also, the engineers at our U-Haul Technical Center determined that the softest ride in our trucks was at the front of the van box. Consequently, we designed the part of the van box that hangs over the front cab of the truck to be the location for our customers to place their most fragile items during their move. We call this area Mom's AtticSM.

Our distinctive orange trailers are also manufactured at these same U-Haul operated manufacturing and assembly facilities. These trailers are well suited to the low profile of many of today's newly manufactured automobiles. Our engineering staff is committed to making our trailers easy to tow, aerodynamic and fuel efficient.

To provide our self-move customers with added value, our rental trucks and trailers are designed with fuel efficiency in mind. Many of our newer trucks are fitted with fuel economy gauges, another tool that assists our customers in conserving fuel. To help make our rental equipment more trouble free, we perform extensive preventive maintenance and repairs.

We also provide customers with equipment to transport their vehicle. We provide two towing options; auto transport, in which all four wheels are off the ground and a tow dolly, in which the front wheels of the towed vehicle are off the ground.

To help our customers load their boxes and larger household appliances and furniture, we offer several accessory rental items. Our utility dolly has a lightweight design and is easy to maneuver. Another rental accessory is our four wheel dolly, which provides a large, flat surface for moving dressers, wall units, pianos and other large household items. U-Haul appliance dollies provide the leverage needed to move refrigerators, freezers, washers and dryers easily and safely. These utility, furniture and appliance dollies, along with the low decks and the wide loading ramps on U-Haul trucks and trailers, are designed for easy loading and unloading of our customers' belongings.

The total package U-Haul offers the "do-it-yourself" household mover doesn't end with trucks, trailers and accessory rental items. Our moving supplies include a wide array of affordably priced U-Haul brand boxes, tape and packing materials. We also provide specialty boxes for dishes, computers and sensitive electronic equipment, carton sealing tape, security locks, and packing supplies, like wrapping paper and cushioning foam. U-Haul brand boxes are specifically sized to make loading easier.

We estimate that U-Haul is North America's largest seller and installer of hitches and towing systems. In addition to towing U-Haul equipment, these hitching and towing systems can tow jet skis, motorcycles, boats, campers and horse trailers. Our hitches, ball mounts, and hitch balls undergo stringent testing requirements. Each year, more than one million customers visit our locations for expertise on complete towing systems, trailer rentals and the latest in towing accessories.

U-Haul has one of North America's largest propane refilling networks, with over 1,000 locations providing this convenient service. We employ trained, certified personnel to refill all propane cylinders and alternative fuel vehicles. Our network of propane dispensing locations is one of the largest automobile alternative refueling networks in North America.

Self-storage is a natural outgrowth of the self-moving industry. Conveniently located U-Haul self-storage rental facilities provide clean, dry and secure space for storage of household and commercial goods, with storage units ranging in size from 6 square feet to over 1,000 square feet. We operate nearly 1,090 self-storage locations in North America, with more than 395,000 rentable rooms comprising approximately 35 million square feet of rentable storage space. Our self-storage centers feature a wide array of security measures, ranging from electronic property access control gates to individually alarmed storage units. At many centers, we offer climate controlled storage rooms to protect temperature sensitive goods such as video tapes, albums, photographs and precious wood furniture.

Another extension of our strategy to make do-it-yourself moving and storage easier is our recently launched "U-Box"TM program. We deliver a storage container to a location of our customer's choosing. Once the container is filled it can be stored at the customer's location, or picked up by us and taken to one of our storage facilities or moved to a location of the customer's choice within our expanding delivery area.

Additionally, we offer moving and storage protection packages such as Safemove and Safetow, providing moving and towing customers with a damage waiver, cargo protection and medical and life coverage, and Safestor, protecting storage customers from loss on their goods in storage. For our customers who desire additional coverage over and above the standard Safemove protection, we also offer our Super Safemove product. This package provides the rental customer with a layer of primary liability protection.

Our eMove web site, eMove.com, is the largest network of customers and independent businesses in the self-moving and self-storage industry. The eMove network consists of channels where customers, businesses and service providers transact business. The eMove Moving Help marketplace connects "do-it-yourself" movers with independent service providers to assist movers pack, load, unload, clean, drive and other services. Thousands of independent service providers already participate in the eMove network.

Through the eMove Storage Affiliate Program, independent storage businesses can join the world's largest self storage reservation system. Self-storage customers making a reservation through eMove can access all of the U-Haul self-storage centers and all of our independent storage affiliate partners for even greater convenience to meet their self-storage needs.

Description of Operating Segments

AMERCO currently has three reportable segments. They are Moving and Storage (AMERCO, U-Haul and Amerco Real Estate Company ("Real Estate")), Property and Casualty Insurance and Life Insurance. SAC Holding II Corporation and its subsidiaries ("SAC Holding II") was a reportable segment through October 2007. Refer to Note 2 Principles of Consolidation of the Notes to Consolidated Financial Statements.

Financial information for each of our operating segments is included in the Notes to Consolidated Financial Statements as part of Item 8: Financial Statements and Supplementary Data of this report.

Moving and Storage Operating Segment

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

Net revenue from our Moving and Storage operating segment was approximately 91.4%, 90.6% and 89.9% of consolidated net revenue in fiscal 2009, 2008 and 2007, respectively.

During fiscal 2009, the Company placed over 21,000 new trucks in service. These replacements were a combination of U-Haul manufactured vehicles and purchases. Typically as new trucks are added to the fleet, the Company removes older trucks from the fleet. The total number of rental trucks in the fleet increased during fiscal 2009 as we reduced the number of trucks removed from the fleet for retirement and sale.

Within our truck and trailer rental operation we are focused on expanding our independent dealer network to provide added convenience for our customers. U-Haul has approximately 14,400 dealers which are independent businesses, and are exclusive to U-Haul. U-Haul maximizes vehicle utilization by effective distribution of the truck and trailer fleets among the over 1,400 Company operated centers and approximately 14,400 independent dealers. Utilizing its proprietary reservations management system, the Company's centers and dealers electronically report their inventory in real-time, which facilitates matching equipment to customer demand. Approximately 56% of all U-Move rental revenue originates from the Company operated centers.

At our owned and operated retail centers we have implemented several customer service initiatives. These initiatives include improving management of our rental equipment to provide our retail centers with the right type of rental equipment, at the right time and at the most convenient location for our customers, effective marketing of our broad line of self-moving related products and services, maintaining longer hours of operation to provide more convenience to our customers, and increasing staff by attracting and retaining "moonlighters" (part-time U-Haul employees with full-time jobs elsewhere) during our peak hours of operation.

Our self-moving related products and services, such as boxes, pads and insurance, helps our customers have a better moving experience and helps them protect their belongings from potential damage during the moving process. We are committed to providing a complete line of products selected with the "do-it-yourself" moving and storage customer in mind.

Our self-storage business consists of the rental of self-storage rooms, sales of self-storage related products, the facilitation of sales of services, and the management of self-storage facilities owned by others.

U-Haul is one of the largest North American operators of self-storage and has been a leader in the self-storage industry since 1974. U-Haul operates over 395,000 storage rooms, comprising approximately 35 million square feet of storage space with locations in 49 states and 10 Canadian provinces. U-Haul's owned and managed self-storage facility locations range in size up to 171,500 square feet of storage space, with individual storage units in sizes ranging from 6 square feet to over 1,000 square feet.

The primary market for storage rooms is the storage of household goods. We believe that our self-storage services provide a competitive advantage through such things as Max Security, an electronic system that monitors the storage facility 24 hours a day; climate control; individually alarmed rooms; extended hour access; and an internet-based customer reservation and account management system.

eMove is an online marketplace that connects consumers to over 3,900 independent Moving Help™ service providers and over 4,200 independent Self-Storage Affiliates. Our network of customer-rated affiliates provides pack and load help, cleaning help, self-storage and similar services. Our goal is to further utilize our web based technology platform to increase service to consumers and businesses with needs in the moving and storage market.

For more than sixty years, U-Haul has incorporated sustainable practices into its everyday operations. Our basic business premise of truck-sharing helps reduce greenhouse gas emissions and reduces the need for total large-capacity vehicles. Today, we remain focused on reducing waste and are dedicated to manufacturing reusable components and recyclable products. This commitment to sustainability, through our products and services, has helped us to reduce negative impacts on the environment.

Property and Casualty Insurance Operating Segment

Our Property and Casualty Insurance provides loss adjusting and claims handling for U-Haul through regional offices across North America. Property and Casualty Insurance also underwrites components of the Safemove, Safetow and Safestor protection packages to U-Haul customers. We continue to focus on increasing the penetration of these products. The business plan for Property and Casualty Insurance includes offering property and casualty products in other U-Haul related programs.

Net revenue from our Property and Casualty Insurance operating segment was approximately 1.8%, 1.9% and 1.8% of consolidated net revenue in fiscal 2009, 2008 and 2007, respectively.

Life Insurance Operating Segment

Our Life Insurance provides life and health insurance products primarily to the senior market through the direct writing or reinsuring of life insurance, Medicare supplement and annuity policies. Additionally, Oxford administered the self-insured employee health and dental plans for Arizona employees of the Company through December 31, 2008.

Net revenue from our Life Insurance operating segment was approximately 6.8%, 6.7% and 7.0% of consolidated net revenue in fiscal 2009, 2008 and 2007, respectively.

SAC Holding II Operating Segment

SAC Holding II owns self-storage properties that are managed by U-Haul under property management agreements and also act as independent U-Haul rental equipment dealers. AMERCO, through its subsidiaries, has contractual interests in certain SAC Holding II properties entitling AMERCO to potential future income based on the financial performance of these properties. Prior to November 2007, AMERCO was considered the primary beneficiary of these contractual interests. Consequently, for those reporting periods prior to November 2007, we included the results of SAC Holding II in the consolidated financial statements of AMERCO, as required by Financial Accounting Standards Board ("FASB") Interpretation No. 46(R) ("FIN 46(R)"), Consolidation of Variable Interest Entities. While the deconsolidation affects AMERCO's financial reporting, it has no operational or financial impact on the Company's relationship with SAC Holding II.

Net revenue from our SAC Holding II operating segment was approximately 0.8% and 1.3% of consolidated net revenue in fiscal 2008 and 2007, respectively. Refer to Principles of Consolidation within Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations for more information related to the deconsolidation of SAC Holding II.

Employees

As of March 31, 2009, we employed approximately 17,700 people throughout North America with approximately 98% of these employees working within our Moving and Storage operating segment. Approximately 45% of these employees work on a part-time status.

Sales and Marketing

We promote U-Haul brand awareness through direct and co-marketing arrangements. Our direct marketing activities consist of yellow pages, print and web based advertising as well as trade events, movie cameos of our rental fleet and boxes, and industry and consumer communications. Our rental equipment is our best form of advertisement. We support our independent U-Haul dealers through advertising of U-Haul moving and self-storage rentals, products and services.

Our marketing plan includes maintaining our leadership position with U-Haul being synonymous with “do-it-yourself” moving and storage. We accomplish this by continually improving the ease of use and efficiency of our rental equipment, by providing added convenience to our retail centers through independent U-Haul dealers, and by expanding the capabilities of our eMove web sites.

A significant driver of U-Haul’s rental transaction volume is our utilization of an online reservation and sales system, through uhaul.com, eMove.com and our 24-hour 1-800-GO-U-HAUL telephone reservations system. The Company’s 1-800-GO-U-HAUL telephone reservation line is prominently featured on nationwide yellow page advertising, websites and on the outside of our vehicles, and is a major driver of customer lead sources.

Competition

Moving and Storage Operating Segment

The moving truck and trailer rental industry is large and extremely competitive. Generally speaking, we consider there to be two distinct users of rental trucks: commercial and “do-it-yourself” residential users. We focus primarily on the “do-it-yourself” residential user. Within this segment, we believe the principal competitive factors are convenience of rental locations, availability of quality rental moving equipment, breadth of essential products and services, and total cost. Our major national competitors in both the In-Town and One-Way moving equipment rental market are Avis Budget Group, Inc. and Penske Truck Leasing. Additionally, we have numerous small local competitors throughout North America who compete with us in the In-Town market.

The self-storage market is large and very fragmented. We believe the principal competitive factors in this industry are convenience of storage rental locations, cleanliness, security and price. Our primary competitors in the self-storage market are Public Storage Inc., Extra Space Storage, Inc., and Sovran Self-Storage Inc.

Insurance Operating Segments

The highly competitive insurance industry includes a large number of life insurance companies and property and casualty insurance companies. In addition, the marketplace includes financial services firms offering both insurance and financial products. Some of the insurance companies are owned by stockholders and others are owned by policyholders. Many competitors have been in business for a longer period of time or possess substantially greater financial resources and broader product portfolios than our insurance companies. We compete in the insurance business based upon price, product design, and services rendered to agents and policyholders.

Recent Developments

Preferred Stock Dividends

On May 1, 2009, the Board of Directors of AMERCO (the “Board”) declared a regular quarterly cash dividend of $0.53125 per share on the Company’s Series A 8½ % Preferred Stock. The dividend was paid on June 1, 2009 to holders of record on May 18, 2009.

Financial Strength Ratings

On May 21, 2009, A.M. Best upgraded the financial strength ratings of RepWest to B+ (Good), a secure rating with a stable outlook.

Cautionary Statement Regarding Forward-Looking Statements

This Annual Report on Form 10-K, contains "forward-looking statements" regarding future events and our future results of operations. We may make additional written or oral forward-looking statements from time to time in filings with the SEC or otherwise. We believe such forward-looking statements are within the meaning of the safe-harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934. Such statements may include, but are not limited to, projections of revenues, earnings or loss; estimates of capital expenditures, plans for future operations, products or services; financing needs and plans; our perceptions of our legal positions and anticipated outcomes of government investigations and pending litigation against us; liquidity; goals and strategies; plans for new business; growth rate assumptions, pricing, costs, and access to capital and leasing markets as well as assumptions relating to the foregoing. The words "believe," "expect," "anticipate," "estimate," "project" a similar expressions identify forward-looking statements, which speak only as of the date the statement was made.

Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Factors that could significantly affect results include, without limitation, the risk factors enumerated at the end of this section, as well as the following: the Company's ability to operate pursuant to the terms of its credit facilities; the Company's ability to maintain contracts that are critical to its operations; the costs and availability of financing; the Company's ability to execute its business plan; the Company's ability to attract, motivate and retain key employees; general economic conditions; fluctuations in our costs to maintain and update our fleet and facilities; our ability to refinance our debt; 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 report or the other documents we file with the SEC. 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 risks or uncertainties, or could cause our stock price to fluctuate dramatically. Consequently, the forward-looking statements should not be regarded as representations or warranties by the Company that such matters will be realized. The Company assumes no obligation to update or revise any of the forward-looking statements, whether in response to new information, unforeseen events, changed circumstances or otherwise.

Item 1A. Risk Factors

The following discussion of risk factors should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), the Consolidated Financial Statements and related notes. These risk factors may be important in understanding this Annual Report on Form 10-K or elsewhere.

We operate in a highly competitive industry.

The truck rental industry is highly competitive and includes a number of significant national, regional and local competitors. Competition is generally based on convenience of rental locations, availability of quality rental moving equipment, breadth of essential services and products, and price. Financial results for the Company can be adversely impacted by aggressive pricing from our competitors. Some of our competitors may have greater financial resources than we have. We can not assure you that we will be able to maintain existing rental prices or implement price increases. Moreover, if our competitors reduce prices and we are not able or willing to do so as well, we may lose rental volume, which would likely have a materially adverse affect on our results of operations.

The self-storage industry is large and highly fragmented. We believe the principal competitive factors in this industry are convenience of storage rental locations, cleanliness, security and price. Competition in the market areas in which we operate is significant and affects the occupancy levels, rental rates and operating expenses of our facilities. Competition might cause us to experience a decrease in occupancy levels, limit our ability to raise rental rates or require us to offer discounted rates that would have a material affect on operating results.

Entry into the self-storage business may be accomplished through acquisition of existing facilities and for persons or institutions with the required initial capital. Development of new self-storage facilities is more difficult however, due to land use, environmental and other regulatory requirements. The self-storage industry has in the past experienced overbuilding in response to perceived increases in demand. We cannot assure you that we will be able to successfully compete in existing markets or expand into new markets.

We are highly leveraged.

As of March 31, 2009, we had total debt outstanding of $1,546.5 million and total undiscounted lease commitments of $625.2 million. Although we believe that additional leverage can be supported by the Company's operations, our existing debt could impact us in the following ways, among other considerations:

- require us to allocate a considerable portion of cash flows from operations to debt service payments;
- limit our ability to obtain additional financing; and
- place us at a disadvantage compared to our competitors who may have less debt.

Our ability to make payments on our debt depends upon our ability to maintain and improve our operating performance and generate cash flow. To some extent, this is subject to prevailing economic and competitive conditions and to certain financial, business and other factors, some of which are beyond our control. If we are unable to generate sufficient cash flow from operations to service our debt and meet our other cash needs, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness. If we must sell our assets, it may negatively affect our ability to generate revenue. In addition, we may incur additional debt that would exacerbate the risks associated with our indebtedness.

Current economic conditions, including those related to the credit markets, may adversely affect our industry, business and results of operations.

The United States economy is currently undergoing a period of slowdown and unprecedented volatility, which has resulted in a recession. The future economic environment may continue to exhibit weakness for an extended period. This slowdown has and could further lead to reduced consumer and commercial spending in the foreseeable future. Our industries although not as traditionally cyclical as some, could experience significant downturns in connection with, or in anticipation of, declines in general economic conditions. Declines in consumer spending may drive us and our competitors to reduce pricing further, which would have a negative impact on gross profit. A continued softening in the economy may adversely and materially affect our industry, business and results of operations and we can not accurately predict how severe and prolonged this downturn might be. Moreover, reduced revenues as a result of the softening of the economy may also reduce our working capital and interfere with our long term business strategy.

The United States credit markets are continuing to experience a contraction. As a result of the tightening credit markets, we may not be able to obtain additional financing on favorable terms, or at all. If one or more of the financial institutions that support our existing credit facilities fails, we may not be able to find a replacement, which would negatively impact our ability to borrow under credit facilities. In addition, if the current pressures on credit continue or worsen, we may not be able to refinance, if necessary, our outstanding debt when due, which could have a material adverse effect on our business. While we believe we have adequate sources of liquidity to meet our anticipated requirements for working capital, debt servicing and capital expenditures through fiscal year 2010, if our operating results worsen significantly and our cash flow or capital resources prove inadequate, or if interest rates increase significantly, we could face liquidity problems that could materially and adversely affect our results of operations and financial condition.

Our fleet rotation program can be adversely affected by financial market conditions.

To meet the needs of our customers, U-Haul maintains a large fleet of rental equipment. Our rental truck fleet rotation program is funded internally through operations and externally from debt and lease financing. Our ability to fund our routine fleet rotation program could be adversely affected if financial market conditions limit the general availability of external financing. This could lead to the Company operating trucks longer than initially planned and reducing the size of the fleet, either of which could materially and negatively affect our results of operations.

Another important aspect of our fleet rotation program is the sale of used rental equipment. The sale of used equipment provides the organization with funds that can be used to purchase new equipment. Conditions may arise that could lead to the decrease in resale values for our used equipment, this could have a material adverse effect on our financial results, which would result in increases in depreciation expense and losses on the sale of equipment and decreases in cash flows from the sales of equipment.

We obtain our rental trucks from a limited number of manufacturers.

In the last ten years, we purchased most of our rental trucks from Ford Motor Company and General Motors Corporation. Our fleet rotation can be negatively affected by issues our manufacturers face within their own supply chain. Also, it is possible that our suppliers may face financial difficulties or organizational changes which could negatively impact their ability to accept future orders or fulfill existing orders. General Motors could lead to shortages of new trucks and repair parts for existing trucks. Although we believe that we could obtain alternative manufacturers for our rental trucks, we cannot guarantee or predict how long that would take and termination our relationship with this supplier could have a material adverse effect on our business, financial condition or results of operations for an indefinite period of time.

We seek to effectively hedge against interest rate changes in our variable debt.

In certain instances the Company seeks to manage its exposure to interest rate risk through the use of hedging instruments including interest rate swap agreements and forward swaps. The Company enters into these arrangements with counterparties that are significant financial institutions with whom we generally have other financial arrangements. We are exposed to credit risk should these counterparties not be able to perform on their obligations. Additionally, a failure on our part to effectively hedge against interest rate changes may adversely affect our financial condition and results of operations. We are required to record these financial instruments at their fair value while not affecting cash flow. Changes in interest rates can significantly impact this valuation resulting in non-cash changes to our financial position.

We are controlled by a small contingent of stockholders.

As of March 31, 2009, Edward J. Shoen, Chairman of the Board of Directors and President of AMERCO, James P. Shoen, a director of AMERCO, and Mark V. Shoen, an executive officer of AMERCO, collectively are the owners of 9,342,598 shares (approximately 47.7%) of the outstanding common shares of AMERCO. In addition, on June 30, 2006, Edward J. Shoen, James P. Shoen, Mark V. Shoen, Rosmarie T. Donovan (Trustee of the Shoen Irrevocable Trusts) and Southwest Fiduciary, Inc. (Trustee of the Irrevocable "C" Trusts) (collectively, the "Reporting Persons") entered into a stockholder agreement in which the Reporting Persons agreed to vote as one as provided in this agreement (the "Stockholder Agreement"). As of March 1, 2007, Adagio Trust Company replaced Southwest Fiduciary, Inc. as the trustee of the Irrevocable "C" Trusts, and became a signatory to the Stockholder Agreement. Pursuant to the Stockholder Agreement, the Reporting Persons appointed James P. Shoen as proxy to vote their collective 11,017,321 shares (approximately 56.2%) of the Company's common stock as provided for in the Stockholder Agreement. For additional information, refer to the Schedule 13D's filed on July 13, 2006 and on March 9, 2007 with the SEC. In addition, 1,750,262 shares (approximately 8.9%) of the outstanding common shares of AMERCO are held by our Employee Savings and Employee Stock Ownership Trust.

As a result of their stock ownership and the Stockholder Agreement, Edward J. Shoen, Mark V. Shoen and James P. Shoen are in a position to significantly influence the business affairs and policies of the Company, including the approval of significant transactions, the election of the members of the Board and other matters submitted to our stockholders. There can be no assurance that the interests of the Reporting Persons will not conflict with the interest of our other stockholders. Furthermore, as a result of the Reporting Persons' voting power, the Company is a "controlled company" as defined in the Nasdaq listing rules and, therefore, may avail itself of certain exemptions under

Nasdaq Marketplace Rules, including exemptions from the rules that require the Company to have (i) a majority of independent directors on the Board; (ii) a compensation committee composed solely of independent directors; (iii) a nominating committee composed solely of independent directors; (iv) compensation of our executive officers determined by a majority of the independent directors or a compensation committee composed solely of independent directors; and (v) director nominees selected, or recommended for the Board's selection, either by a majority of the independent directors or a nominating committee composed solely of independent directors. Of the above available exemptions, the Company currently exercises its right to an exemption from the Nasdaq rule requiring compensation of other executive officers, aside from the President, be determined by a majority of the independent directors or the compensation committee.

We bear certain risks related to our notes receivable from SAC Holdings.

At March 31, 2009, we held approximately $197.6 million of notes receivable from SAC Holdings, which consist of junior unsecured notes. SAC Holdings is highly leveraged with significant indebtedness to others. If SAC Holdings is unable to meet its obligations to its senior lenders, it could trigger a default of its obligations to us. In such an event of default, we could suffer a loss to the extent the value of the underlying collateral of SAC Holdings is inadequate to repay SAC Holding's senior lenders and our junior unsecured notes. We cannot assure you that SAC Holdings will not default on its loans to its senior lenders or that the value of SAC Holdings assets upon liquidation would be sufficient to repay us in full.

Our quarterly results of operations fluctuate due to seasonality and other factors associated with our industry.

Our business is seasonal and our results of operations and cash flows fluctuate significantly from quarter to quarter. Historically, revenues have been stronger in the first and second fiscal quarters due to the overall increase in moving activity during the spring and summer months. The fourth fiscal quarter is generally weakest, due to a greater potential for adverse weather conditions and other factors that are not necessarily seasonal. As a result, our operating results for a given quarterly period are not necessarily indicative of operating results for an entire year.

Our operations subject us to numerous environmental regulations and the possibility that environmental liability in the future could adversely affect our operations.

Compliance with environmental requirements of federal, state and local governments significantly affects our business. 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. Under environmental laws or common law principles, we can be held liable for hazardous substances that are found on real property we have owned or operated. We are aware of issues regarding hazardous substances on some of our real estate and we have put in place a remedial plan at each site where we believe such a plan is necessary, refer to Note 19 Contingencies of the Notes to Consolidated Financial Statements. We regularly make capital and operating expenditures to stay in compliance with environmental laws. In particular, we have managed a testing and removal program since 1988 for our underground storage tanks. Despite these compliance efforts, we believe that risk of environmental liability is part of the nature of our business.

Environmental laws and regulations are complex, change frequently and could become more stringent in the future. We cannot assure you that future compliance with these regulations, future environmental liabilities, the cost of defending environmental claims, conducting any environmental remediation or generally resolving liabilities caused by us or related third parties will not have a material adverse effect on our business, financial condition or results of operations.

We operate in a highly regulated industry and changes in existing regulations or violations of existing or future regulations could have a material adverse effect on our operations and profitability.

Our truck and trailer rental business is subject to regulation by various federal, state and foreign governmental entities. Specifically, the U.S. Department of Transportation and various state and federal agencies exercise broad powers over our motor carrier operations, safety, and the generation, handling, storage, treatment and disposal of waste materials.

In addition, our storage business is also subject to federal, state and local laws and regulations relating to environmental protection and human health and safety. The failure to adhere to these laws and regulations may adversely affect our ability to sell or rent such property or to use the property as collateral for future borrowings. Compliance with changing regulations could substantially impair real property and equipment productivity and increase our costs.

The Federal government likely will institute some sort of carbon cap. This will likely affect everyone who uses fossil fuels and disproportionately affect users in the highway transportation industries. There are too many variables at this time to assess the impact of the various proposed federal and state regulations.

Our ability to attract and retain qualified employees, and changes in laws or other labor issues could adversely affect our business and our results of operations.

The success of our business is predicated upon our workforce providing excellent customer service. Our ability to attract and retain this employee base may be inhibited due to prevailing wage rates, benefit costs and the adoption of new or revised employment and labor laws and regulations. Should this occur we may be unable to provide service in certain areas or we may experience significantly increased costs of labor that could adversely affect our results of operations and financial condition.

We are highly dependent upon our automated systems and the Internet for managing our business.

Our information systems are largely internet-based, including our point-of-sale reservation system and telephone system. While our reliance on this technology lowers our cost of providing service and expands our abilities to serve, it exposes the Company to various risks including natural disasters and man-made disasters. We have put into place backup systems and alternative procedures to mitigate this risk. However, disruptions or breaches in any portion of these systems could adversely affect our results of operations and financial condition.

A.M. Best financial strength ratings are crucial to our life insurance business.

In March 2009, A.M. Best affirmed the financial strength rating for Oxford, Christian Fidelity Life Insurance Company ("CFLIC") and Dallas General Life Insurance Company ("DGLIC") of B++ with a stable outlook. Financial strength ratings are important external factors that can affect the success of Oxford's business plans. Accordingly, if Oxford's ratings, relative to its competitors, are not maintained or do not continue to improve, Oxford may not be able to retain and attract business as currently planned, which could adversely affect our results of operations and financial condition.

Item 1B. Unresolved Staff Comments

We have no unresolved staff comments at March 31, 2009.

Item 2. Properties

The Company, through its legal subsidiaries, owns property, plant and equipment that are utilized in the manufacture, repair and rental of U-Haul equipment and storage space, as well as providing office space for the Company. Such facilities exist throughout the United States and Canada. The Company also manages storage facilities owned by others. The Company operates over 1,400 U-Haul retail centers of which 487 are managed for other owners, and operates 12 manufacturing and assembly facilities. We also operate over 200 fixed-site repair facilities located throughout the United States and Canada. These facilities are used primarily for the benefit of our Moving and Storage segment.

SAC Holdings owns property, plant and equipment that are utilized in the sale of moving supplies, rental of self-storage rooms and U-Haul equipment. Such facilities exist throughout the United States and Canada. We manage the storage facilities under property management agreements whereby the management fees are consistent with management fees received by U-Haul for other properties owned by unrelated parties and previously managed by us.

Item 3. Legal Proceedings

Shoen

In September 2002, Paul F. Shoen filed a shareholder derivative lawsuit in the Second Judicial District Court of the State of Nevada, Washoe County, captioned Paul F. Shoen vs. SAC Holding Corporation et al., CV 02-05602, seeking damages and equitable relief on behalf of AMERCO from SAC Holdings and certain current and former members of the Board, including Edward J. Shoen, Mark V. Shoen and James P. Shoen as Defendants. AMERCO is named as a nominal Defendant in the case. 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 prior to the filing of the complaint. The complaint seeks a declaration that such transfers are void as well as unspecified damages. In October 2002, the Defendants filed motions to dismiss the complaint. Also in October 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 and in January 2003, M.S. Management Company, Inc. filed a derivative action in the Second Judicial District Court of the State of Nevada, Washoe County, captioned M.S. Management Company, Inc. vs. William E. Carty, et al., CV 03-00386. Two additional derivative suits were also filed against these parties. Each of these suits is substantially similar to the Paul F. Shoen case. The Court consolidated the five cases and thereafter dismissed these actions in May 2003, concluding that the Board had the requisite level of independence required in order to have these claims resolved by the Board. Plaintiffs appealed this decision and, in July 2006, the Nevada Supreme Court reversed the ruling of the trial court and remanded the case to the trial court for proceedings consistent with its ruling, allowing the Plaintiffs to file an amended complaint and plead in addition to substantive claims, demand futility.

In November 2006, the Plaintiffs filed an amended complaint. In December 2006, the Defendants filed motions to dismiss, based on various legal theories. In March 2007, the Court denied AMERCO's motion to dismiss regarding the issue of demand futility, stating that "Plaintiffs have satisfied the heightened pleading requirements of demand futility by showing a majority of the members of the AMERCO Board of Directors were interested parties in the SAC transactions." The Court heard oral argument on the remainder of the Defendants' motions to dismiss, including the motion ("Goldwasser Motion") based on the fact that the subject matter of the lawsuit had been settled and dismissed in earlier litigation known as Goldwasser v. Shoen, C.V.N.-94-00810-ECR (D.Nev), Washoe County, Nevada. In addition, in September and October 2007, the Defendants filed Motions for Judgment on the Pleadings or in the Alternative Summary Judgment, based on the fact that the stockholders of the Company had ratified the underlying transactions at the 2007 annual meeting of stockholders of AMERCO. In December 2007, the Court denied this motion. This ruling does not preclude a renewed motion for summary judgment after discovery and further proceedings on these issues. On April 7, 2008, the litigation was dismissed, on the basis of the Goldwasser Motion. On May 8, 2008, the Plaintiffs filed a notice of appeal of such dismissal to the Nevada Supreme Court. On May 20, 2008, AMERCO filed a cross appeal relating to the denial of its Motion to Dismiss in regard to demand futility. The appeals are currently pending and the issues will be fully briefed before the Nevada Supreme Court by September 13, 2009.

Environmental

AMERCO is a party to several administrative proceedings arising from state and local provisions that regulate the removal and/or cleanup of underground fuel storage tanks. It is the opinion of management, that none of these suits, claims or proceedings involving AMERCO, individually or in the aggregate, are expected to result in a material adverse effect on AMERCO's financial position or results of operations.

Compliance with environmental requirements of federal, state and local governments may significantly affect Real Estate's business operations. Among other things, these requirements regulate the discharge of materials into the 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.

Based upon the information currently available to Real Estate, compliance with the environmental laws and its share of the costs of investigation and cleanup of known hazardous waste sites are not expected to result in a material adverse effect on AMERCO's financial position or results of operations. Real Estate expects to spend approximately $5.2 million in total through 2011 to remediate these properties.

Other

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

Item 4.   Submission of Matters to a Vote of Security Holders

No matter was submitted to a vote of the security holders of AMERCO during the fourth quarter of the fiscal year covered by this report, through the solicitation of proxies or otherwise.

PART II

Item 5. Market for the Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

As of March 31, 2009, there were approximately 3,200 holders of record of the common stock. AMERCO’s common stock is listed on NASDAQ Global Select Market under the trading symbol “UHAL”. The number of shareholders is derived using internal stock ledgers and utilizing Mellon Investor Services Stockholder listings.

The following table sets forth the high and the low sales price of the common stock of AMERCO for the periods indicated:

	Year Ended March 31,			
	2009		2008	
	High	Low	High	Low
First quarter	$ 60.00	$ 46.17	$ 83.87	$ 67.29
Second quarter	$ 51.52	$ 33.51	$ 78.78	$ 57.03
Third quarter	$ 45.91	$ 28.93	$ 79.86	$ 58.82
Fourth quarter	$ 35.29	$ 21.89	$ 71.98	$ 47.53

Dividends

AMERCO does not have a formal dividend policy. The Board periodically considers the advisability of declaring and paying dividends to common stockholders in light of existing circumstances.

Refer to Note 21 Statutory Financial Information of Insurance Subsidiaries of the Notes to Consolidated Financial Statements for a discussion of certain statutory restrictions on the ability of the insurance subsidiaries to pay dividends to AMERCO.

Refer to Note 12 Stockholders Equity of the Notes to Consolidated Financial Statements for a discussion of AMERCO’s preferred stock.

Performance Graph

The following graph compares the cumulative total stockholder return on the Company's Common Stock for the period March 31, 2004 through March 31, 2009 with the cumulative total return on the Dow Jones US Equity Market and the Dow Jones US Transportation Average. The comparison assumes that $100 was invested on March 31, 2004 in the Company's Common Stock and in each of comparison indices. The graph reflects the closing price of the Common stock trading on NASDAQ on March 31, 2005, 2006, 2007, 2008, and 2009.

Fiscal year ending March 31:	2004	2005	2006	2007	2008	2009
AMERCO	$ 100	$ 196	$ 419	$ 297	$ 242	$ 142
Dow Jones US Total Market	100	107	122	137	129	80
Dow Jones US Transportation Average	100	130	161	172	173	99

* $100 invested on 3/31/04 in stock or index-including reinvestment of dividends.

Issuer Purchases of Equity Securities

On December 5, 2007, we announced that the Board had authorized us to repurchase up to $50.0 million of our common stock. The stock was repurchased by the Company from time to time on the open market through December 31, 2008. The extent to which the Company repurchased its shares and the timing of such purchases were dependent upon market conditions and other corporate considerations. The purchases were funded from available working capital. During fiscal 2009, no shares of our common stock were repurchased, with the exception of the shares repurchased under our Odd Lot Repurchase Program detailed below.

On August 8, 2008, we announced the Board had authorized us to initiate a no-fee Odd Lot Repurchase Program (the "Program") to purchase AMERCO common stock held by persons who own less than 100 shares of AMERCO common stock. The Program offer expired on December 31, 2008. The following table details the shares purchased as part of the Program.

Period	Total # of Shares Repurchased	Weighted Average Price Paid per Share	Total $ of Shares Repurchased as Part of Odd Lot Program
Cumulative Plan Total	23,526	$ 41.47	$ 975,722

On December 3, 2008, the Board authorized and directed us to amend the Employee Stock Ownership Plan ("ESOP") to provide that distributions under the ESOP with respect to accounts valued at no more than $1,000 shall be in the form of cash at the sole discretion of the advisory committee, subject to a participant's or beneficiary's right to elect a distribution of AMERCO common stock. The Board also authorized us, using management's discretion, to buy back shares of former employee ESOP participants whose respective ESOP account balances are valued at more than $1,000 but who own less than 100 shares, at the then-prevailing market prices. No such shares have been purchased.

In March 2009, RepWest purchased shares of AMERCO Series A 8 ½% Preferred Stock on the open market for $0.9 million. RepWest may continue to make investments in AMERCO's Preferred Shares in the future.

Item 6. Selected Financial Data

The following selected financial data should be read in conjunction with the MD&A, and the Consolidated Financial Statements and related notes in this Annual Report on Form 10-K.

Listed below is selected financial data for AMERCO and consolidated entities for each of the last five years ended March 31:

	Years Ended March 31,				
	2009	2008 (b), (c)	2007	2006	2005
	(In thousands, except share and per share data)				
Summary of Operations:					
Self-moving equipment rentals	$ 1,423,022	$ 1,451,292	$ 1,462,470	$ 1,489,429	$ 1,424,841
Self-storage revenues	110,548	122,248	126,424	119,742	114,155
Self-moving and self-storage products and service sales	199,394	217,798	224,722	223,721	206,098
Property management fees	23,192	22,820	21,154	21,195	11,839
Life insurance premiums	109,572	111,996	120,399	118,833	126,236
Property and casualty insurance premiums	28,337	28,388	24,335	26,001	24,987
Net investment and interest income	58,021	62,110	59,696	48,279	49,171
Other revenue	40,180	32,522	30,098	40,325	30,172
Total revenues	1,992,266	2,049,174	2,069,298	2,087,525	1,987,499
Operating expenses	1,047,238	1,079,486	1,082,178	1,083,887	1,125,663
Commission expenses	171,303	167,945	162,899	165,961	159,253
Cost of sales	114,387	120,210	117,648	113,135	105,309
Benefits and losses	108,259	108,817	116,959	115,431	138,655
Amortization of deferred policy acquisition costs	12,394	13,181	17,138	24,261	28,512
Lease expense	152,424	133,931	147,659	136,652	142,008
Depreciation, net of (gains) losses on disposal	265,213	221,882	189,589	142,817	121,103
Total costs and expenses	1,871,218	1,845,452	1,834,070	1,782,144	1,820,503
Earnings from operations	121,048	203,722	235,228	305,381	166,996
Interest expense	(98,470)	(101,420)	(82,436)	(69,481)	(73,205)
Fees and amortization on early extinguishment of debt (a)	-	-	(6,969)	(35,627)	-
Litigation settlement, net of costs, fees and expenses	-	-	-	-	51,341
Pretax earnings	22,578	102,302	145,823	200,273	145,132
Income tax expense	(9,168)	(34,518)	(55,270)	(79,119)	(55,708)
Net earnings	13,410	67,784	90,553	121,154	89,424
Less: Preferred stock dividends	(12,963)	(12,963)	(12,963)	(12,963)	(12,963)

Earnings available to common shareholders	$ 447	$ 54,821	$ 77,590	$ 108,191	$ 76,461
Net earnings per common share basic and diluted	$ 0.02	$ 2.78	$ 3.72	$ 5.19	$ 3.68
Weighted average common shares outstanding: Basic and diluted	19,350,041	19,740,571	20,838,570	20,857,108	20,804,773
Cash dividends declared and accrued					
Preferred stock	$ 12,963	$ 12,963	$ 12,963	$ 12,963	$ 12,963
Balance Sheet Data:					
Property, plant and equipment, net	2,013,928	2,011,176	1,897,071	1,535,165	1,354,468
Total assets	3,825,073	3,832,487	3,523,048	3,367,218	3,116,173
AMERCO's notes, loans and leases payable	1,546,490	1,504,677	1,181,165	965,634	780,008
SAC Holding II notes and loans payable, non re-course to AMERCO	-	-	74,887	76,232	77,474
Stockholders' equity	717,629	758,431	718,098	695,604	572,839

(a) Includes the write-off of debt issuance costs of $7.0 million in fiscal 2007 and $14.4 million in fiscal 2006.

(b) Fiscal 2008 summary of operations includes 7 months of activity for SAC Holding II which was deconsolidated effective October 31, 2007.

(c) Fiscal 2008 balance sheet data does not include SAC Holding II which was deconsolidated effective October 31, 2007.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

General

We begin this MD&A with the overall strategy of AMERCO, followed by a description of and strategy related to, our operating segments to give the reader an overview of the goals of our business and the direction in which our businesses and products are moving. We then discuss our "Critical Accounting Policies and Estimates" that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results. We then discuss our results of operations for fiscal 2009 compared with fiscal 2008, and for fiscal 2008 compared with fiscal 2007 which are followed by an analysis of changes in our balance sheets and cash flows, and a discussion of our financial commitments in the sections entitled "Liquidity and Capital Resources" and "Disclosures about Contractual Obligations and Commercial Commitments." We conclude this MD&A by discussing our outlook for fiscal 2010.

This MD&A should be read in conjunction with the other sections of this Annual Report on Form 10-K, including Item 1: Business, Item 6: Selected Financial Data and Item 8: Financial Statements and Supplementary Data. The various sections of this MD&A contain a number of forward-looking statements, as discussed under the caption "Cautionary Statements Regarding Forward-Looking Statements," all of which are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this filing and particularly under the section Item 1A: Risk Factors. Our actual results may differ materially from these forward-looking statements.

AMERCO has a fiscal year that ends on the 31st of March for each year that is referenced. Our insurance company subsidiaries have fiscal years that end on the 31st of December for each year that is referenced. They have been consolidated on that basis. Our insurance companies' financial reporting processes conform to calendar year reporting as required by state insurance departments. Management believes that consolidating their calendar year into our fiscal year financial statements does not materially affect the financial position or results of operations. The Company discloses any material events occurring during the intervening period. Consequently, all references to our insurance subsidiaries' years 2008, 2007 and 2006 correspond to fiscal 2009, 2008 and 2007 for AMERCO.

Overall Strategy

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

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

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

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

Description of Operating Segments

AMERCO's three current reportable segments are (and former reportable segment was):

Moving and Storage, comprised of AMERCO, U-Haul and Real Estate and the subsidiaries of U-Haul and Real Estate,

Property and Casualty Insurance, comprised of RepWest and its subsidiaries and ARCOA,

Life Insurance, comprised of Oxford and its subsidiaries, and

SAC Holding II and its subsidiaries (through October 2007).

Refer to Note 1 Basis of Presentation, Note 22 Financial Information by Geographic Area and Note 22A Consolidating Financial Information by Industry Segment of the Notes to Consolidated Financial Statements included in this Form 10-K.

Moving and Storage Operating Segment

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

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

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

eMove is an online marketplace that connects consumers to over 3,900 independent Moving Help™ service providers and over 4,200 independent Self-Storage Affiliates. Our network of customer-rated affiliates provides pack and load help, cleaning help, self-storage and similar services, all over North America. Our goal is to further utilize our web-based technology platform to increase service to consumers and businesses in the moving and storage market.

For more than sixty years, U-Haul has incorporated sustainable practices into its everyday operations. Our basic business premise of truck-sharing helps reduce greenhouse gas emissions and reduces the need for total large-capacity vehicles. Today, we remain focused on reducing waste and are dedicated to manufacturing reusable components and recyclable products. This commitment to sustainability, through our products and services, has helped us to reduce any negative impact on the environment.

Property and Casualty Insurance Operating Segment

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

Life Insurance Operating Segment

Our Life Insurance provides life and health insurance products primarily to the senior market through the direct writing or reinsuring of life insurance, Medicare supplement and annuity policies. Additionally, Oxford administered the self-insured employee health and dental plans for Arizona employees of the Company through December 31, 2008.

SAC Holding II Operating Segment

SAC Holding II owns self-storage properties that are managed by U-Haul under property management agreements and act as independent U-Haul rental equipment dealers. AMERCO, through its subsidiaries, has contractual interests in certain SAC Holding II properties entitling AMERCO to potential future income based on the financial performance of these properties. AMERCO was considered the primary beneficiary of these contractual interests prior to November 2007. Consequently, for those reporting periods prior to November 2007, we included the results of SAC Holding II in the consolidated financial statements of AMERCO, as required by FIN 46(R). While the deconsolidation affects AMERCO's financial reporting, it has no operational or financial impact on the Company's relationship with SAC Holding II. Refer to Principles of Consolidation within Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations.

Critical Accounting Policies and Estimates

The Company's financial statements have been prepared in accordance with the generally accepted accounting principles ("GAAP") in the United States. The methods, estimates and judgments we use in applying our accounting policies can have a significant impact on the results we report in our financial statements. Note 3 Accounting Policies of the Notes to Consolidated Financial Statements in Item 8: Financial Statements and Supplementary Data of this Form 10-K summarizes the significant accounting policies and methods used in the preparation of our consolidated financial statements and related disclosures. Certain accounting policies require us to make difficult and subjective judgments and assumptions, often as a result of the need to estimate matters that are inherently uncertain.

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

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

Principles of Consolidation

The Company applies FIN 46(R) and ARB 51, Consolidated Financial Statements ("ARB 51"), in its principles of consolidation. FIN 46(R) addresses arrangements where a company does not hold a majority of the voting or similar interests of a variable interest entity ("VIE"). A company is required to consolidate a VIE if it has determined it is the primary beneficiary. ARB 51 addresses the policy when a company owns a majority of the voting or similar rights and exercises effective control.

As promulgated by FIN 46(R), a VIE is not self-supportive due to having one or both of the following conditions: a) it has an insufficient amount of equity for it to finance its activities without receiving additional subordinated financial support or b) its owners do not hold the typical risks and rights of equity owners. This determination is made upon the creation of a variable interest and can be re-assessed should certain changes in the operations of a VIE, or its relationship with the primary beneficiary trigger a reconsideration under the provisions of FIN 46(R). After a triggering event occurs the most recent facts and circumstances are utilized in determining whether or not a company is a VIE, which other company(s) have a variable interest in the entity, and whether or not the company's interest is such that it is the primary beneficiary.

In fiscal 2003 and fiscal 2002, SAC Holding Corporation and its subsidiaries ("SAC Holding Corporation") and SAC Holding II Corporation and its subsidiaries (collectively, "SAC Holdings") were considered special purpose entities and were consolidated based on the provisions of Emerging Issues Task Force Issue No. 90-15. In fiscal 2004, the Company evaluated its interests in SAC Holdings utilizing the guidance promulgated in FIN 46(R). The Company concluded that SAC Holdings were VIE's and that the Company was the primary beneficiary. Accordingly, the Company continued to include SAC Holdings in its consolidated financial statements.

In February and March 2004, SAC Holding Corporation triggered a requirement to reassess AMERCO's involvement in it, which led to the conclusion that SAC Holding Corporation was not a VIE and AMERCO ceased to be the primary beneficiary. Accordingly, the Company no longer includes SAC Holding Corporation in its consolidated financial statements.

In November 2007, Blackwater Investments, Inc. ("Blackwater") contributed additional capital to its wholly-owned subsidiary, SAC Holding II. This contribution was determined by us to be material with respect to the capitalization of SAC Holding II; therefore, triggering a requirement under FIN 46(R) for us to reassess the Company's involvement with those subsidiaries. This required reassessment led to the conclusion that SAC Holding II had the ability to fund its own operations and execute its business plan without any future subordinated financial support; therefore, the

Company was no longer the primary beneficiary of SAC Holding II as of the date of Blackwater's contribution.

Accordingly, at the date AMERCO ceased to have a variable interest and ceased to be the primary beneficiary of SAC Holding II, it deconsolidated those entities. The deconsolidation was accounted for as a distribution of SAC Holding II's interests to the sole shareholder of SAC Holdings. Because of AMERCO's continuing involvement with SAC Holding II the distribution does not qualify as discontinued operations as defined by Statement of Financial Accounting Standards ("SFAS") 144, Accounting for the Impairment or Disposal of Long-Lived Assets.

It is possible that SAC Holdings could take actions that would require us to re-determine whether SAC Holdings has become a VIE or whether we have become the primary beneficiary of SAC Holdings. Should this occur, we could be required to consolidate some or all of SAC Holdings with our financial statements.

The consolidated balance sheets as of March 31, 2009 and 2008 include the accounts of AMERCO and its wholly-owned subsidiaries. The March 31, 2009 statements of operations and cash flows include AMERCO and its wholly-owned subsidiaries. The March 31, 2008 statements of operations and cash flows include AMERCO and its wholly-owned subsidiaries for the entire year, and reflect SAC Holding II for the seven months ended October 31, 2007. The March 31, 2007 statements of operations and cash flows include the accounts of AMERCO and its wholly-owned subsidiaries and SAC Holding II.

Recoverability of Property, Plant and Equipment

Property, plant and equipment are stated at cost. Interest expense incurred during the initial construction of buildings and rental equipment is considered part of cost. Depreciation is computed for financial reporting purposes using the straight-line or an accelerated method based on a declining balance formula over the following estimated useful lives: rental equipment 2-20 years and buildings and non-rental equipment 3-55 years. The Company follows the deferral method of accounting based in the AICPA's Airline Guide for major overhauls in which engine overhauls are capitalized and amortized over five years and transmission overhauls are capitalized and amortized over three years. Routine maintenance costs are charged to operating expense as they are incurred. Gains and losses on dispositions of property, plant and equipment are netted against depreciation expense when realized. Equipment depreciation is recognized in amounts expected to result in the recovery of estimated residual values upon disposal, i.e., minimize gains or losses. In determining the depreciation rate, historical disposal experience, holding periods and trends in the market for vehicles are reviewed.

We regularly perform reviews to determine whether facts and circumstances exist which indicate that the carrying amount of assets, including estimates of residual value, may not be recoverable or that the useful life of assets are shorter or longer than originally estimated. Reductions in residual values (i.e., the price at which we ultimately expect to dispose of revenue earning equipment) or useful lives will result in an increase in depreciation expense over the life of the equipment. Reviews are performed based on vehicle class, generally subcategories of trucks and trailers. During fiscal 2009, based on an economic market analysis, the Company decreased the estimated residual value of certain rental trucks. The effect of the change decreased earnings from operations for fiscal 2009 by $19.8 million or $1.02 per share before taxes, in which the tax effect was approximately $0.38 per share. We assess the recoverability of our assets by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their estimated remaining lives against their respective carrying amounts. We consider factors such as current and expected future market price trends on used vehicles and the expected life of vehicles included in the fleet. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. If asset residual values are determined to be recoverable, but the useful lives are shorter or longer than originally estimated, the net book value of the assets is depreciated over the newly determined remaining useful lives.

In fiscal 2006, management performed an analysis of the expected economic value of new rental trucks and determined that additions to the fleet resulting from purchase should be depreciated on an accelerated method based upon a declining formula. The salvage value and useful life assumptions of the rental truck fleet remain unchanged. Under the declining balances method (2.4 times declining balance) the book value of a rental truck is reduced approximately 16%, 13%, 11%, 9%, 8%, 7%, and 6% during years one through seven, respectively and then reduced on a straight line basis an additional 10% by the end of year fifteen. Whereas, a standard straight line approach would reduce the book value by approximately 5.3% per year over the life of the truck. For the affected equipment, the accelerated depreciation was $56.0 million, $56.7 million and $33.2 million greater than what it would have been if calculated under a straight line approach for fiscal 2009, 2008 and 2007, respectively.

We typically sell our used vehicles at our sales centers throughout North America, on our web site at uhaul.com/trucksales or by phone at 1-866-404-0355. Additionally, we sell a large portion of our pick-up and cargo van fleet at automobile dealer auctions. Although we intend to sell our used vehicles for prices approximating book value, the extent to which we realize a gain or loss on the sale of used vehicles is dependent upon various factors including the general state of the used vehicle market, the age and condition of the vehicle at the time of its disposal and depreciation rates with respect to the vehicle.

Insurance Reserves

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

Insurance reserves for Property and Casualty Insurance and U-Haul take into account losses incurred based upon actuarial estimates. 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.

Due to the long tailed nature of the assumed reinsurance and the excess workers compensation lines of insurance that were written by RepWest it may take a number of years for claims to be fully reported and finally settled.

During the third quarter of fiscal 2009, the Company entered into an excess of loss reinsurance agreement with a third-party reinsurer covering a portion of expected accident liability losses for policy years 2001 through 2005. The Company recorded $15.0 million of projected recoveries as an Other Asset and deferred this gain until actual recoveries, if any, are collected in the future.

Impairment of Investments

For investments accounted for under SFAS 115, Accounting for Certain Investments in Debt and Equity Securities in determining if and when a decline in market value below amortized cost is other-than-temporary, management makes certain assumptions or judgments in its assessment including but not limited to: ability and intent to hold the security, quoted market prices, dealer quotes or discounted cash flows, industry factors, financial factors, and issuer specific information such as credit strength. Other-than-temporary impairment in value is recognized in the current period operating results. The Company's insurance subsidiaries recognized $0.4 million in other-than-temporary impairments for fiscal 2009, $0.5 million for fiscal 2008 and $1.4 million for fiscal 2007.

Income Taxes

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

AMERCO files a consolidated tax return with all of its legal subsidiaries, except for DGLIC, a subsidiary of Oxford, which will file on a stand alone basis until 2012. SAC Holding Corporation and SAC Holding II Corporation file separate consolidated tax returns, which are in no way associated with AMERCO's consolidated returns.

Adoption of New Accounting Pronouncements

Fair Value of Financial Instruments

The Company adopted SFAS 157, Fair Value Measurements ("SFAS 157") effective April 1, 2008, its required effective date for AMERCO. SFAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements; however, it does not change existing guidance about whether an asset or liability is carried at fair value. The definition of fair value according to SFAS 157 is the price that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The items primarily affected by the adoption of SFAS 157 at the Company include the interest rate swaps held by U-Haul to fix interest rates on its variable rate debt and the available for sale investment portfolios at Life Insurance and RepWest. For more information please see Note 16 Fair Value Measurements of the Notes to Consolidated Financial Statements. The adoption of SFAS 157 did not have a material impact on the Company's consolidated financial statements.

FASB Staff Position FAS 157-1, Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13. This FASB Staff Position (FSP) amends SFAS 157 to exclude FASB Statement No. 13, Accounting for Leases, and other accounting pronouncements that address fair value measurements for purposes of lease classification or measurement under Statement 13. However, this scope exception does not apply to assets acquired and liabilities assumed in a business combination that are required to be measured at fair value under FASB Statement No. 141, Business Combinations, or No. 141 (revised 2007), Business Combinations, regardless of whether those assets and liabilities are related to leases.

FASB Staff Position FAS 157-2, Effective Date of FASB Statement No. 157. This FASB Staff Position (FSP) delays the effective date of SFAS 157 for nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). The delay is intended to allow the Board and constituents additional time to consider the effect of various implementation issues that have arisen, or that may arise, from the application of Statement 157.

FASB Staff Position FAS 157-3, Determining the Fair Value of a Financial Asset When the Market for That Asset Is Not Active. This FSP applies to financial assets within the scope of accounting pronouncements that require or permit fair value measurements in accordance with SFAS 157. This FSP clarifies the application of SFAS 157 in a market that is not active and provides an example to illustrate key considerations in determining the fair value of a financial asset when the market for that financial asset is not active.

The Company adopted SFAS 159, The Fair Value Option for Financial Assets and Financial Liabilities ("SFAS 159") effective April 1, 2008, its required effective date for AMERCO. SFAS 159 provides the option to measure certain financial assets and liabilities at fair value with any changes in fair value recognized in earnings. SFAS 159 allows for the application of these rules on an instrument-by-instrument basis upon the initial recognition of the asset or liability, or upon an event that gives rise to a new basis of accounting for that instrument. The Company did not elect to measure any additional financial assets or liabilities at fair value; therefore, the adoption of SFAS 159 had no effect on the Company's consolidated financial statements.

In March 2008, the FASB issued SFAS 161, Disclosures about Derivative Instruments and Hedging Activities ("SFAS 161") which amends SFAS 133 to require expanded disclosures about derivative instruments and hedging activities regarding (1) the ways in which an entity uses derivatives, (2) the accounting for derivatives and hedging activities, and (3) the impact that derivatives have (or could have) on an entity's financial position, financial performance, and cash flows. SFAS 161 is effective for financial statements of fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. While disclosures for earlier comparative periods presented at initial adoption are not required, they are encouraged; following initial adoption, comparative disclosures are required only for periods after such adoption. The adoption of SFAS 161 required the Company to expand its disclosures in Note 11 Interest on Borrowings of the Notes to Consolidated Financial Statements.

Recent Accounting Pronouncements

In December 2007, the Financial Accounting Standards Board ("FASB") issued SFAS 141(R), Business Combinations ("SFAS 141(R)"). SFAS 141(R) provides companies with principles and requirements on how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, liabilities assumed, and any noncontrolling interest in the acquiree as well as the recognition and measurement of goodwill acquired in a business combination. SFAS 141(R) also requires certain disclosures to enable users of the financial statements to evaluate the nature and financial effects of the business combination. Acquisition costs associated with the business combination will generally be expensed as incurred. SFAS 141(R) is effective for business combinations occurring in fiscal years beginning after December 15, 2008, which will require us to adopt these provisions for business combinations occurring in fiscal 2010 and thereafter. Early adoption of SFAS 141(R) is not permitted.

In December 2007, the FASB issued SFAS 160, Noncontrolling Interests in Consolidated Financial Statements — an amendment of ARB No. 51 ("SFAS 160"). This Statement clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. This Statement changes the way the consolidated income statement is presented by requiring net income to be reported at amounts that include the amounts attributable to both the parent and the noncontrolling interest and to disclose those amounts on the face of the income statement. SFAS 160 is effective for fiscal years beginning after December 15, 2008. Early adoption of SFAS 160 is not permitted. The Company does not believe that the adoption of this statement will have a material impact on our financial statements.

In April 2009, the FASB issued (FSP) FAS 115-2 and FAS 124-2, Recognition and Presentation of Other-Than-Temporary Impairments, which segregates credit and noncredit components of impaired debt securities that are not expected to be sold. Impairments will still have to be measured at fair value in other comprehensive income. The FSP also requires some additional disclosures regarding expected cash flows, credit losses, and an aging of securities with unrealized losses. Effective for interim and annual periods ending after June 15, 2009, but entities may early adopt the FSP for the interim and annual periods ending after March 15, 2009. The Company does not believe that the adoption of this statement will have a material impact on our financial statements.

In April 2009, the FASB issued (FSP) FAS 107-1 and APB 28-1, Disclosures about Fair Value of Financial Instruments, which increases the frequency of fair value disclosures to a quarterly instead of annual basis. The guidance relates to fair value disclosures for any financial instruments that are not currently reflected on the balance sheet at fair value. Effective for interim and annual periods ending after June 15, 2009, but entities may early adopt the FSP for the interim and annual periods ending after March 15, 2009. The Company does not believe that the adoption of this statement will have a material impact on our financial statements.

In April 2009, the FASB issued (FSP) FAS 157-4, Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly, which provides guidelines for a broad interpretation of when to apply market-based fair value measurements. The FSP reaffirms management's need to use judgment to determine when a market that was once active has become inactive and in determining fair values in markets that are no longer active. Effective for interim and annual periods ending after June 15, 2009, but entities may early adopt the FSP for the interim and annual periods ending after March 15, 2009.

Results of Operations

AMERCO and Consolidated Entities

Fiscal 2009 Compared with Fiscal 2008

Listed below on a consolidated basis are revenues for our major product lines for fiscal 2009 and fiscal 2008:

	Year Ended March 31,	
	2009	2008
	(In thousands)	
Self-moving equipment rentals	$ 1,423,022	$ 1,451,292
Self-storage revenues	110,548	122,248
Self-moving and self-storage product and service sales	199,394	217,798
Property management fees	23,192	22,820
Life insurance premiums	109,572	111,996
Property and casualty insurance premiums	28,337	28,388
Net investment and interest income	58,021	62,110
Other revenue	40,180	32,522
Consolidated revenue	$ 1,992,266	$ 2,049,174

Self-moving equipment rental revenues decreased $28.3 million in fiscal 2009, compared with fiscal 2008. The majority of the decrease occurred in the third and fourth quarters of fiscal 2009. Several factors led to the decline in revenues including a decrease in total rental equipment transactions, foreign currency exchange rates, reduced revenue per transaction for In-Town moves and the extra day in fiscal 2008. Total rental equipment transactions decreased less than one percent during the year. Foreign currency exchange rates between the United States and Canada negatively affected our translated U.S. dollar results during the second half of fiscal 2009. During fiscal 2009 our average revenue per one-way transactions increased while In-Town experienced decreases primarily due to reduced mileage.

Self-storage revenues decreased $11.7 million in fiscal 2009, compared with fiscal 2008. The deconsolidation of SAC Holding II, which was effective October 31, 2007, accounted for $11.5 million of the decrease. At Company-owned locations during fiscal 2009 we saw a decrease in our occupancy rate of approximately 5% compared to fiscal 2008. The decrease was a result of the addition of approximately seven thousand new rooms into the portfolio combined with a 2% decrease in rooms rented. We were able to largely offset the occupancy declines with rate actions.

Sales of self-moving and self-storage products and services decreased $18.4 million in fiscal 2009, compared with fiscal 2008. The deconsolidation of SAC Holding II accounted for $10.0 million of the decrease. The remaining decrease was related to reduced sales of hitches, towing accessories and rental support items.

Life Insurance premiums decreased $2.4 million primarily as a result of decreases in Medicare supplement premiums.

Property and Casualty Insurance premiums decreased $0.1 million due to a decline in U-Haul related business.

Net investment and interest income decreased $4.1 million in fiscal 2009, compared with fiscal 2008. This decline was due primarily to smaller invested asset portfolios at the insurance companies combined with reduced investment yields for both the insurance companies and U-Haul's invested short-term balances.

As a result of the items mentioned above, revenues for AMERCO and its consolidated entities were $1,992.3 million for fiscal 2009, compared with $2,049.2 million for fiscal 2008.

Listed below are revenues and earnings from operations at each of our four operating segments for fiscal 2009 and fiscal 2008, the insurance companies years ended are December 31, 2008 and 2007.

	Year Ended March 31,	
	2009	2008
	(In thousands)	
Moving and storage		
Revenues	$ 1,823,049	$ 1,858,230
Earnings from operations	112,080	192,970
Property and casualty insurance		
Revenues	37,419	40,478
Earnings from operations	7,505	9,244
Life insurance		
Revenues	135,056	137,448
Earnings from operations	17,748	17,202
SAC Holding II (a)		
Revenues	-	28,102
Earnings from operations	-	7,926
Eliminations		
Revenues	(3,258)	(15,084)
Earnings from operations	(16,285)	(23,620)
Consolidated Results		
Revenues	1,992,266	2,049,174
Earnings from operations	121,048	203,722

(a) Fiscal 2008 includes 7 months of activity for SAC Holding II which was deconsolidated effective October 31, 2007.

Total costs and expenses increased $25.8 million in fiscal 2009, compared with fiscal 2008. The largest contributing factors to the increase were equipment related costs including $18.2 million of additional equipment depreciation, $17.8 of additional equipment lease costs, and $12.1 million of additional losses from the disposal of equipment. Gains related to the disposal of real estate decreased $10.3 million in fiscal 2009, compared with fiscal 2008. Commission and cost of sales expenses decreased in relation to their associated revenues. Total costs and expenses at the insurance companies decreased $4.3 through a combination of lower benefits and reduced operating costs resulting from less business. In fiscal 2009, the Company recognized approximately $12.0 million of positive prior year experience on its portion of the self-insured liability risk related to the rental fleet. The deconsolidation of SAC Holding II accounted for an $11.9 million decrease.

As a result of the aforementioned changes in revenues and expenses, earnings from operations decreased to $121.0 million for fiscal 2009, compared with $203.7 million for fiscal 2008.

Interest expense for fiscal 2009 was $98.5 million, compared with $101.4 million in fiscal 2008. The decrease in interest expense in fiscal 2009 was primarily related to the deconsolidation of SAC Holding II which accounted for $3.5 million of the decline.

Income tax expense was $9.2 million in fiscal 2009, compared with $34.5 million in fiscal 2008.

Dividends accrued on our Series A preferred stock were $13.0 million in both fiscal 2009 and 2008, respectively.

As a result of the above mentioned items, net earnings available to common shareholders were $0.4 million in fiscal 2009, compared with $54.8 million in fiscal 2008.

The weighted average common shares outstanding: basic and diluted were 19,350,041 in fiscal 2009 and 19,740,571 in fiscal 2008.

Basic and diluted earnings per share in fiscal 2009 were $0.02, compared with $2.78 in fiscal 2008.

Fiscal 2008 Compared with Fiscal 2007

Listed below on a consolidated basis are revenues for our major product lines for fiscal 2008 and fiscal 2007:

	Year Ended March 31,	
	2008	2007
	(In thousands)	
Self-moving equipment rentals	$ 1,451,292	$ 1,462,470
Self-storage revenues	122,248	126,424
Self-moving and self-storage product and service sales	217,798	224,722
Property management fees	22,820	21,154
Life insurance premiums	111,996	120,399
Property and casualty insurance premiums	28,388	24,335
Net investment and interest income	62,110	59,696
Other revenue	32,522	