

AMERCO /NV/
Form DEF 14A
July 22, 2005

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No. ____)

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the
Commission Only (as permitted
by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

AMERCO

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

1325 AIRMOTIVE WAY, SUITE 100
RENO, NEVADA 89502-3239

NOTICE AND PROXY STATEMENT*
FOR THE 2005 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON FRIDAY, AUGUST 26, 2005

TO THE STOCKHOLDERS:

The 2005 Annual Meeting of the Stockholders of AMERCO (the Company) will be held at the Airport Plaza Hotel, 1981 Terminal Way, Reno, Nevada 89502, on Friday, August 26, 2005, at 11:00 a.m. (local time) to (1) elect two Class III Directors to serve until the 2009 Annual Meeting of Stockholders and one Class I Director to serve until the 2007 Annual Meeting of Stockholders; and (2) consider and act upon any other business that may properly come before the meeting or any adjournment(s) thereof.

The Board of Directors has fixed the close of business on July 7, 2005 as the record date for the determination of stockholders entitled to receive notice of and to vote at the meeting or any adjournment(s) thereof.

A copy of the Company's Annual Report for the year ended March 31, 2005 is enclosed, but is not deemed to be part of the official proxy soliciting materials.

Subject to applicable law, if any other matters properly come before the meeting, the person named in the enclosed proxy will vote thereon in accordance with his judgment. The Company's management cordially invites you to attend the meeting. In fairness to all stockholders, and in the interest of an orderly meeting, we ask all stockholders attending the meeting to observe the annual meeting procedures attached hereto as Exhibit A.

By order of the Board of Directors,

Jennifer M. Settles
Secretary

STOCKHOLDERS ARE URGED TO SIGN, DATE, AND PROMPTLY MAIL THE PROXY CARD IN THE ENCLOSED POSTAGE-PAID ENVELOPE. YOUR PROMPT RESPONSE WILL BE APPRECIATED.

* Approximate date of mailing to stockholders: July 21, 2005

AMERCO®

**PROXY STATEMENT
2005 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON AUGUST 26, 2005**

This Proxy Statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors of AMERCO, a Nevada corporation (the Company), for use at the 2005 Annual Meeting of Stockholders to be held on Friday, August 26, 2005 at 11:00 a.m. at the Airport Plaza Hotel, 1981 Terminal Way, Reno, Nevada 89502 (the Meeting), and at any adjournment or adjournments thereof. **The AMERCO Board of Directors is soliciting proxies.**

Only stockholders of record at the close of business on July 7, 2005 (the Record Date) are entitled to notice of and to vote at the Meeting. At the close of business on the Record Date, the Company had outstanding 15,622,108 shares of its Common Stock, \$0.25 par value, and 5,662,496 shares of its Series A Common Stock, \$0.25 par value (collectively, the Common Stock).

One-third of the outstanding shares entitled to vote and to be represented in person or by proxy at the Meeting will constitute a quorum for the conduct of business. Abstentions and broker non-votes will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum but as unvoted for purposes of determining the approval of any matter submitted to the stockholders for a vote. Except as otherwise stated herein, provided a quorum is present, the affirmative vote of the holders of a majority of the shares entitled to vote on the matter is required to approve any matter.

Each stockholder is entitled to one vote per share of Common Stock for the election of directors and on all other matters that may properly be brought before the Meeting. If the accompanying proxy is signed and returned, the shares represented thereby will be voted in accordance with any directions on the proxy. If a proxy does not specify how the shares represented thereby are to be voted, the proxy will be voted for the director nominees named herein. Any stockholder giving the enclosed form of proxy may revoke it at any time before it is voted at the Meeting by filing with the Secretary of the Company a document revoking the proxy or by submitting a proxy bearing a later date. The revocation of the proxy will not affect any vote taken prior to such revocation. This Proxy Statement and the enclosed proxy are first being mailed to stockholders on or about July 21, 2005.

The solicitation of all proxies will be made primarily by mail and the cost of such solicitation will be borne by the Company. The Company will reimburse fiduciaries, nominees, and others for their out-of-pocket expenses in forwarding proxy materials to beneficial owners. Proxies may be solicited by telephone, telegraph, facsimile transmission, and in person by employees of the Company.

Subject to applicable law, if any other matters properly come before the Meeting, the person named in the enclosed proxy will vote thereon in accordance with his judgment.

ELECTION OF DIRECTORS

The Company's Board of Directors consists of eight directors. The Company's Articles of Incorporation provide for the division of the Board of Directors into four classes, designated Class I, Class II, Class III, and Class IV. Subject to applicable law, each class shall consist, as nearly as may be possible, of one-fourth of the total number of directors constituting the entire Board of Directors. The term of each directorship is four years and the terms of the four classes are staggered in a manner so that in most cases only one class is elected by the stockholders annually.

At the Meeting, two Class III directors will be elected to serve until the 2009 Annual Meeting of Stockholders and one Class I director will be elected to fill the vacancy created by the resignation of James J. Grogan on February 9, 2005 to serve until the 2007 Annual Meeting of Stockholders. It is the intention of the individual named in the enclosed form of proxy to vote for the three nominees named below unless instructed to the contrary. However, if any nominee named herein becomes unavailable to serve at the time of election (which is not anticipated), and, as

a consequence, other nominees are designated, the person named in the proxy or other substitutes shall have the discretion or authority to vote or refrain from voting in accordance with his judgment with respect to other nominees. The two Class III and one Class I director nominees receiving the largest number of votes in favor of their election will be elected as Class III and Class I directors, respectively.

Directors are elected by a plurality of the shares represented at the meeting, in person or by proxy, and entitled to vote at the Annual Meeting, provided that a quorum is present. Votes may be cast FOR all nominees, WITHHOLD for all nominees, or WITHHOLD as to specific nominees. The two Class III nominees and the one Class I nominee who receive the greatest number of votes cast FOR the election of such nominees shall be elected as directors. As a result, any vote other than a vote FOR the nominee will have the practical effect of voting AGAINST the nominee. An abstention will have the same effect as voting WITHHELD for election of directors.

Nominees For Election As Class III Directors

The independent directors have approved the nomination of the following individuals to serve until the 2009 Annual Meeting:

John M. Dodds
James P. Shoen

JOHN M. DODDS, 68, has served as a Director of the Company since 1987 and Director of U-Haul International, Inc. (U-Haul) since 1990. Mr. Dodds has been associated with the Company since 1963. He served in regional field operations until 1986 and served in national field operations until 1994. Mr. Dodds retired from the Company in 1994.

JAMES P. SHOEN, 45, has served as a director of the Company since 1986 and was Vice President of the Company from 1989 to November 2000. Mr. Shoen has been associated with the Company since 1976. He served from 1990 to November 2000 as Executive Vice President of U-Haul. He is currently Vice President of U-Haul Business Consultants, a subsidiary of the Company.

Nominee For Election As Class I Director

The independent directors have approved the nomination of the following individual to serve until the 2007 Annual Meeting:

Daniel R. Mullen

DANIEL R. MULLEN, 64, was elected to the Board on February 23, 2005 to fill the vacancy created by the resignation of James J. Grogan. Mr. Mullen has served as a member of the Advisory Board since 2004 and a member of the Board of U-Haul since December, 2004. He has served as Director and President of Continental Leasing Co. since 1970. He was Vice President and Treasurer of Talley Industries, Inc., a multi-industry conglomerate from 1982 to 1998. Mr. Mullen was associated with the Company from 1968-1982.

Directors Continuing In Office

<i>Class</i>	<i>Name</i>	<i>Term Expires</i>
Class IV	William E. Carty	2006
Class IV	Charles J. Bayer	2006
Class I	John P. Brogan	2007

Class II	Edward J. Shoen	2008
Class II	M. Frank Lyons	2008

WILLIAM E. CARTY, 78, has served as a Director of the Company since 1987 and as a Director of U-Haul since 1986. He has been associated with the Company since 1946. He has served in various executive positions in most areas of the Company. Mr. Carty retired from the Company in 1987.

CHARLES J. BAYER, 65, has served as a Director of the Company since 1990 and has been associated with the Company since 1967. He has served in various executive positions and served as President of Amerco Real Estate Company until his retirement in October 2000.

JOHN P. BROGAN, 61, has served as a Director of the Company since 1998 and has served as the Chairman of Muench-Kreuzer Candle Company since 1980. He has been involved with various companies including a seven-year association with Alamo Rent-A-Car that ended in 1986.

EDWARD J. SHOEN, 56, has served as a Director and Chairman of the Board of the Company since 1986, as President since 1987, as a Director of U-Haul since 1990, and as the President of U-Haul since 1991. Mr. Shoen has been associated with the Company since 1971.

M. FRANK LYONS, 69, was elected to the Board in 2002. Mr. Lyons served in various positions with the Company from 1959 until 1991, including 25 years as the president of Warrington Manufacturing. From 1991 until his retirement in 2000 he was president of Evergreen Realty, Inc.

Director Qualification and Independence

The Independent Governance Committee has evaluated each director's independence. Nasdaq requires that at least a majority of the Board of Directors be independent. In order to be considered independent, a director cannot be an officer or employee of the Company or its subsidiaries or any other person that in the opinion of the Board of Directors has a relationship with the Company which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Based on its evaluation, the Independent Governance Committee has recommended to the Board of Directors that Daniel R. Mullen, M. Frank Lyons, John M. Dodds, William E. Carty, Charles J. Bayer, and John P. Brogan are independent. The full Board of Directors, based in part on the recommendation of the Independent Governance Committee, has determined that the directors listed in this paragraph are independent pursuant to Nasdaq's independence requirements.

OTHER INFORMATION REGARDING THE BOARD OF DIRECTORS

The full Board of Directors of the Company met seven times during the fiscal year ended March 31, 2005. Each director attended at least 75% of the meetings of the full Board of Directors and of the committees on which he served. One or more of the directors are expected to attend the Meeting. All directors attended our 2004 annual meeting, which was held on September 24, 2004.

The annual fee for all services as a director of the Company is \$50,000. Audit Committee members receive a \$50,000 annual fee, Executive Finance Committee and Compensation Committee members receive a \$20,000 annual fee, and Independent Governance Committee members receive a \$50,000 annual fee. These amounts are paid in equal monthly installments.

The Board of Directors has appointed the following standing committees: Audit Committee, Compensation Committee, Executive Finance Committee, and Independent Governance Committee. The Company does not have a nominating committee. The responsibility for director nominations is vested in the independent members of the board. The Board does not believe that a nominating committee is necessary because every independent director (as determined by Nasdaq's rules) participates in the nominating process. The Board of Directors has adopted a resolution addressing the nominations process and related matters. Our process is described in this Proxy Statement under the heading Director Nomination Process. Listed below is a summary of the Company's four committees and the

membership of those committees.

Audit Committee. The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities as to financial reporting, audit functions and risk management. The Audit Committee monitors the financial information that is provided to stockholders and others, the independence and performance of the Company's independent registered public accounting firm and internal audit department and the systems of internal control established by

management and the Board of Directors. The Audit Committee operates pursuant to a written charter approved by the Board of Directors. The Audit Committee is composed of John P. Brogan, Charles J. Bayer and John M. Dodds and met six times during the fiscal year ended March 31, 2005. Messrs. Brogan, Bayer and Dodds are considered independent pursuant to the Nasdaq listing standards. The Board of Directors has determined that Mr. Brogan qualifies as an Audit Committee Financial Expert as defined by the rules of the Securities and Exchange Commission, based in part on his past experience in public accounting.

Executive Finance Committee. The Executive Finance Committee is authorized to act on behalf of the Board of Directors in approving any transaction involving the finances of the Company. The Committee has the authority to give final approval for the borrowing of funds on behalf of the Company without further action or approval of the Board of Directors. The Executive Finance Committee is comprised of Edward J. Shoen, John P. Brogan and Charles J. Bayer. Although this committee did not meet in person during the fiscal year ended March 31, 2005, it acted by unanimous written consent on approximately 25 occasions.

Compensation Committee. The Compensation Committee reviews the Company's executive compensation plans and policies, including benefits and incentives, to ensure that they are consistent with the goals and objectives of the Company. The Committee reviews and makes recommendations to the Board of Directors regarding management recommendations for changes in executive compensation and monitors management plans and programs for the retention, motivation and development of senior management. The Compensation Committee met one time during the fiscal year ending March 31, 2005. The Compensation Committee is comprised of John P. Brogan and John M. Dodds, independent directors of the Company.

Independent Governance Committee. In 2003, the Company's Board of Directors approved the formation of an Independent Governance Committee. The Independent Governance Committee is chaired by John P. Brogan. Thomas W. Hayes, the former State Treasurer of California, and Paul A. Bible, a partner in the Reno-based law firm of Bible, Hoy & Trachok, are also members of this committee. Neither Mr. Hayes nor Mr. Bible is a member of the Company's Board of Directors. The Independent Governance Committee monitors and evaluates the Company's corporate governance principles and standards and proposes to the Board any modifications which are deemed appropriate for sound corporate governance. The committee may review other matters as referred to it by the Board. The committee has the authority to and a budget from which to retain professionals. Committee membership is for a term of one year and each member is determined by the Board to be free of any relationship that would interfere with his exercise of independent judgment as member of this committee. The Independent Governance Committee met two times during the fiscal year ending March 31, 2005.

Mr. Hayes was president of Metropolitan West Financial Inc, a diversified financial management company with over \$60 billion in managed funds. He has also served as the State Treasurer of California, California's Director of Finance, and was responsible for overseeing the successful restructuring of Orange County's investment pool, following that county's Chapter 11 filing.

Mr. Bible currently serves as the Chairman of the Compliance Committee for H Group Holding, Inc., the holding company of Hyatt Corporation. He also serves as Chairman of the Compliance Committee for Jacobs Entertainment, Inc., the holding company of Black Hawk Gaming & Development Company, Inc. He is the former Chairman of the Board of Trustees of the University of Nevada, Reno Foundation, and is the former Chairman of the Nevada Gaming Commission.

Advisory Board Members. In addition to the four committees described above, in 2003, the Board of Directors authorized the inclusion of advisory Board members. Advisory Board members do not officially vote, but are given full and complete access to the affairs of the Board, including all meetings and votes of the Board and are treated in all other respects as a Board member. The Board has authorized up to two advisory Board members who shall serve at

the will of the Board.

In 2003, the Board of Directors appointed Michael L. Gallagher as a member of the Advisory Board. Mr. Gallagher is a senior partner in the law firm Gallagher & Kennedy. Mr. Gallagher is also a director of Pinnacle West Capital Corporation and the Omaha World Herald Company.

See Security Ownership of Certain Beneficial Owners and Management and Certain Relationships and Related Transactions for additional information relating to the directors.

DIRECTOR NOMINATION PROCESS

Director Qualifications. Persons nominated to the Board should have personal integrity and high ethical character. Candidates should not have any interests that would materially impair his or her ability to exercise independent judgment or otherwise discharge the fiduciary duties owed by a director to the Company and its stockholders. Candidates must be able to represent fairly and equally all stockholders of the Company without favoring any particular stockholder group or other constituency of the Company and must be prepared to devote adequate time to the Board and its committees. In selecting nominees for director, the Board will assure that:

at least three of the directors satisfy the financial literacy requirements required for service on the Audit Committee; and

at least one of the directors qualifies as an audit committee financial expert under the rules of the Securities and Exchange Commission.

Identifying Director Candidates. The Board utilizes a variety of methods for identifying and evaluating nominees to serve as directors. The Board has a policy of re-nominating incumbent directors who continue to satisfy the Board's criteria for membership and whom the independent directors believe continue to make important contributions to the Board and who consent to continue their service on the Board.

In filling vacancies of the Board, the independent directors will solicit recommendations for nominees from the persons the independent directors believe are likely to be familiar with (i) the needs of the Company and (ii) qualified candidates. These persons may include members of the Board and management of the Company. The independent directors may also engage a professional search firm to assist in identifying qualified candidates.

In evaluating potential nominees, the independent directors will oversee the collection of information concerning the background and qualifications of the candidate and determine whether the candidate satisfies the minimum qualifications required by the Board for election as director and whether the candidate possesses any of the specific skills or qualities that under the Board's policies must be possessed by one or more members of the Board.

The independent directors may interview any proposed candidate and may solicit the views about the candidate's qualifications and suitability from the Company's Chairman of the Board and President and other senior members of management.

The independent directors will make its selections based on all the available information and relevant considerations. The independent directors' selection will be based on who, in the view of the independent directors, will be best suited for membership on the Board.

In making its selection, the independent directors will evaluate candidates proposed by stockholders under criteria similar to other candidates, except that the independent directors may consider, as one of the factors in their evaluation, the size and duration of the interest of the recommending stockholder in the stock of the Company. The independent directors may also consider the extent to which the recommending stockholder intends to continue to hold its interest in the Company, including whether the recommending stockholder intends to continue holding its interest at least through the time of the meeting at which the candidate is to be elected.

Stockholder Nominees. The policy of the Board of Directors is to consider properly submitted stockholder recommendations for candidates for membership on the Board of Directors as described below. The evaluation process for such nominations is overseen by our independent directors. In evaluating such nominations, the independent directors seek to achieve qualified directors that can represent fairly and equally all stockholders of the

Company and based on the membership qualifications and criteria described above. Any stockholder nominations for consideration by the independent directors should be mailed or delivered to the Company's Secretary at 2727 N. Central Avenue, Phoenix, Arizona 85004. Email submissions will not be considered. The recommendation must be accompanied by the following information about the stockholder:

the stockholder's name and address, including telephone number;

the number of shares of the Company's stock owned by the recommending stockholder and the time period for which such shares have been held;

if the recommending stockholder is not a shareholder of record, a statement from the record holder of the shares (usually a broker or bank) verifying the holdings of the stockholder and a statement from the recommending stockholder of the length of time that the shares have been held; and

a statement from the stockholder as to whether the stockholder has a good faith intention to continue to hold the reported shares through the date of the next annual meeting at which the candidate would be elected.

If the recommendation is submitted by a group of two or more stockholders, the above information must be submitted with respect to each stockholder in the group. The recommendation must be received by the Company not later than 120 days prior to the first anniversary of the date of the proxy statement for the prior annual meeting, except in the event that the date of the annual meeting for the current year is moved more than 30 days from the anniversary date of the annual meeting for the prior year, the submission will be considered timely if it is submitted a reasonable time in advance of the mailing of the Company's proxy statement for the annual meeting for the current year. The recommendation must be accompanied by a consent of the proposed nominee to be interviewed by the independent directors and other Board members and to serve as director of the Company.

The recommendation must also contain information about the proposed nominee, including:

the proposed nominee's name and address;

the information required by Items 401, 403 and 404 of SEC Regulation S-K (generally providing for disclosure of arrangements or understandings regarding the nomination, the business experience of the proposed nominee, legal proceedings involving the proposed nominee, the proposed nominee's ownership of securities of the Company, and transactions and relationships between the proposed nominee and the Company);

a description of all relationships between the proposed nominee and any of the Company's competitors, customers, suppliers, labor unions or other persons with special interests regarding the Company;

the qualifications of the proposed nominee;

a statement from the recommending stockholder that in his or her view, the nominee, if elected, would represent all the stockholders and not serve for the purpose of advancing or favoring any particular stockholder or other constituency of the Company.

The Secretary will forward all recommendations to the independent directors. The acceptance of a recommendation from a stockholder does not imply that the independent directors will recommend to the Board of Directors the nomination of the stockholder recommended candidate. In addition, the Company's bylaws permit stockholders to nominate directors and nothing in the above procedures is intended to conflict with the provisions of our bylaws governing nominations by stockholders.

This information contained in this proxy about our nominations process is just a summary. A complete copy of the policies and procedures with respect to stockholder director nominations can be obtained from the Company, free of charge, by writing to our Secretary at the address listed above.

COMMUNICATIONS WITH THE BOARD OF DIRECTORS

Interested persons may communicate with the Board of Directors by writing to our Secretary at 2727 N. Central Avenue, Phoenix, Arizona 85004. All such communications, or summaries thereof, will be relayed to the Board.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

To the best of the Company's knowledge, the following table lists, as of June 30, 2005 the beneficial ownership of the Company's equity securities and the amount of net payments received by such persons during the 2005 fiscal year in respect of fleet-owner contracts issued by U-Haul of (1) each director and director nominee of the Company, of each executive officer named on page 9, and of all directors and executive officers of the Company as a group; and (2) those persons who beneficially own more than five percent (5%) of the Company's Common Stock.

Name and Address of Beneficial Owner		Shares of Common Stock Beneficially Owned	Percentage of Common Stock Class	Amount of Net Fleet Owner Contract Payments
Edward J. Shoen ⁽¹⁾	Chairman of the Board, President, Director 2727 N. Central Ave. Phoenix, AZ 85004	3,487,805 ⁽²⁾	16.4	**
Mark V. Shoen ⁽¹⁾	President, U-Haul Phoenix Operations 2727 N. Central Ave. Phoenix, AZ 85004	3,352,330 ⁽²⁾	15.3	N/A
James P. Shoen ⁽¹⁾	Director and Director Nominee 1325 Airmotive Way Reno, NV 89502	2,050,089 ⁽²⁾	9.2	N/A
Sophia M. Shoen	5104 N. 32nd Street Phoenix, AZ 85018	1,346,669 ⁽²⁾	6.3	N/A
The ESOP Trust ⁽²⁾	2727 N. Central Ave. Phoenix, AZ 85004	2,154,854	10.8	N/A
John M. Dodds	Director and Director Nominee 2727 N. Central Ave. Phoenix, AZ 85004			N/A
William E. Carty ⁽¹⁾	Director 2727 N. Central Ave. Phoenix, AZ 85004			N/A
Charles J. Bayer	Director 2727 N. Central Ave. Phoenix, AZ 85004	2,186	**	**
John P. Brogan	Director	6,000	**	N/A

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2727 N. Central Ave.
Phoenix, AZ 85004

M. Frank Lyons

Director
2727 N. Central Avenue
Phoenix, AZ 85004

300

**

N/A

Name and Address of Beneficial Owner		Shares of Common Stock Beneficially Owned	Percentage of Common Stock Class	Amount of Net Fleet Owner Contract Payments
Ronald C. Frank	Executive V.P. Field Operations of U-Haul 2727 N. Central Ave. Phoenix, AZ 85004	2,592	**	**
Daniel R. Mullen	Director and Director Nominee 2727 N. Central Avenue Phoenix, AZ 85004	4,000	N/A	N/A
Jack A. Peterson	Chief Financial Officer of AMERCO 2727 N. Central Avenue Phoenix, AZ 85004			
Atticus Capital, L.L.C	5% Stockholder	1,070,660	5.0	
Officers and Directors as a group	(17 persons) ⁽¹⁾	8,726,863	41.0	**

** The amount of Net Fleet Owner Payments was less than \$500.

(1) Edward J. Shoen, Mark V. Shoen, James P. Shoen, and William E. Carty beneficially own 16,300 shares (0.26 percent), 16,700 shares (0.27 percent), 34,506 shares (0.56 percent), and 12,000 shares (0.19 percent) of the Company's Series A 8 1/2% Preferred Stock, respectively. The executive officers and directors as a group beneficially own 79,506 shares (1.3 percent) of the Company's Series A 8 1/2% Preferred Stock.

(2) The complete name of the ESOP Trust is the ESOP Trust Fund for the AMERCO Employee Savings and Employee Stock Ownership Trust. The ESOP Trustee, which consists of three individuals without a past or present employment history or business relationship with the Company, is appointed by the Company's Board of Directors. Under the ESOP, each participant (or such participant's beneficiary) in the ESOP directs the ESOP Trustee with respect to the voting of all Common Stock allocated to the participant's account. All shares in the ESOP Trust not allocated to participants are voted by the ESOP Trustee. As of March 31, 2005, of the 2,166,799 shares of Common Stock held by the ESOP Trust, 1,514,473 shares were allocated to participants and 652,326 shares remained unallocated. The number of shares reported as beneficially owned by Edward J. Shoen, Mark V. Shoen, James P. Shoen, and Sophia M. Shoen include Common Stock held directly by those individuals and 4,124; 3,848; 3,775; and 197 shares of Common Stock, respectively, allocated by the ESOP Trust to those individuals. Those shares are also included in the number of shares held by the ESOP Trust.

To the best of the Company's knowledge, there are no arrangements giving any stockholder the right to acquire the beneficial ownership of any shares owned by any other stockholder.

EXECUTIVE COMPENSATION

The following Summary Compensation Table shows the annual compensation paid to (1) the Company's chief executive officer; (2) the four most highly compensated executive officers of the Company, other than the chief executive officer, and (3) an individual who would be one of the four most highly compensated executive officers of the Company if that individual was an executive officer as of the end of the fiscal year.

Summary Compensation Table

Name and Principal Position	Year	Annual Compensation		
		Salary (\$)(1)	Bonus (\$)	All Other Compensation (\$)(2)
Edward J. Shoen Chairman of the Board and President of AMERCO and U-Haul	2005	646,157		3,673
	2004	467,307	3,000	1,987
	2003	503,708		334
Mark V. Shoen President of U-Haul Phoenix Operations	2005	646,154	3,000	3,673
	2004	623,076	3,000	1,987
	2003	617,308		334
James P. Shoen Vice President of U-Haul Business Consultants, Inc.	2005	586,923		
	2004	187,503	3,000	
	2003	201,543		
Ronald C. Frank Executive V.P. U-Haul Field Operations	2005	259,962	86,058	3,673
	2004	240,852	198,805	1,987
	2003	237,995	15,704	334
Jack A. Peterson(3) Chief Financial Officer of AMERCO until July 2005	2005	259,974	65,000	
	2004	4,808		
	2003			
Gary V. Klinefelter Secretary and General Counsel of AMERCO and U-Haul through November 2004	2005	190,387	650,000	
	2004	285,581	3,000	1,987
	2003	251,738	55,000	334

(1) Includes annual fees paid to Directors of the Company and U-Haul.

(2) Represents the value of Common Stock allocated under the AMERCO Employee Savings, Profit Sharing and Employee Stock Ownership Plan.

(3) Jack A. Peterson left the Company to pursue other interests effective July 8th, 2005.

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BOARD REPORT ON EXECUTIVE COMPENSATION

It is the duty of the Compensation Committee to review and determine the salary and bonus of the Company's Chairman of the Board and President, and to establish the general compensation policies for the Company's executive officers. The Compensation Committee reviewed and determined the amount of compensation paid to the Chairman of the Board and President for fiscal 2005. The determination was subjective and not subject to a specific criteria. Although the Compensation Committee had primary authority with respect to compensation decisions for the Company's other executive officers during fiscal 2005, the Chairman of the Board and President has significant input on these decisions with the counsel of individual Board members, subject to the ability of the Compensation Committee or the full Board to revise or override these decisions. Executive compensation was set at levels designed to retain the Company's executive officers and was based on subjective factors such as the perception of each officer's performance and changes in functional responsibility. The Company has not entered into employment agreements with any of its executive officers.

In addition, the Board of Directors determines the amount, if any, of the Company's contribution pursuant to the AMERCO Employee Savings, Profit Sharing and Employee Stock Ownership Plan.

John P. Brogan

John M. Dodds

AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors (Audit Committee) is composed of three independent directors and operates under a written charter adopted by the Board of Directors. Each member of the Audit Committee meets the independence requirements of Nasdaq and the Securities Exchange Act of 1934.

Management is responsible for the Company's internal controls and the financial reporting process. The independent registered public accounting firm is responsible for performing an independent audit of the Company's consolidated financial statements in accordance with generally accepted auditing standards and to issue a report thereon. The Audit Committee's responsibility is to monitor and oversee these processes.

In this context, the Audit Committee has met and held discussions with management and the independent registered public accounting firm. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee reviewed and discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees).

The Company's independent registered public accounting firm also provided to the Audit Committee the written disclosures and the letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), and the Audit Committee discussed with the independent registered public accounting firm that firm's independence.

Based on the Audit Committee's discussions with management and the independent registered public accounting firm and its review of the representation of management and the report of the independent registered public accounting firm to the Audit Committee, the Audit Committee recommended that the Board of Directors include the audited consolidated financial statements in the Company's Annual Report on Form 10-K for the year ended March 31, 2005 filed with the Securities and Exchange Commission.

John P. Brogan

Charles J. Bayer

John M. Dodds

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PERFORMANCE GRAPH

The following graph compares the cumulative total stockholder return on the Company's Common Stock for the period March 31, 2000 through March 31, 2005 with the cumulative total return on the Dow Jones U.S. Equity Market and the Dow Jones US Transportation Average. The comparison assumes that \$100 was invested on March 31, 2000 in the Company's Common Stock and in each of the comparison indices. The graph reflects the closing price of the Common Stock trading on Nasdaq on March 31, 2001, 2002, 2003, 2004, and 2005.

EXECUTIVE OFFICERS OF THE COMPANY

The Company's executive officers are:

Name	Age*	Office
Edward J. Shoen	56	Chairman of the Board, President, and Director
William E. Carty	78	Director
John M. Dodds	68	Director
Charles J. Bayer	65	Director
John P. Brogan	61	Director
Daniel R. Mullen	64	Director
M. Frank Lyons	69	Director
James P. Shoen	45	Director
Gary B. Horton	61	Treasurer of AMERCO and Asst. Treasurer of U-Haul
Rocky D. Wardrip	47	Assistant Treasurer of AMERCO
Mark V. Shoen	54	President of U-Haul Phoenix Operations
John C. Taylor	47	Director and Executive V.P. of U-Haul
Ronald C. Frank	64	Executive V.P. of U-Haul Field Operations
Mark A. Haydukovich	48	President of Oxford Life Insurance Company
Carlos Vizcarra	58	President of Amerco Real Estate Company
Richard M. Amoroso	46	President of Republic Western Insurance Company
Jason A. Berg	32	Principal Accounting Officer
Robert T. Peterson	54	Controller of U-Haul

* Ages are as of June 30, 2005.

See Election of Directors for information regarding Edward J. Shoen, William E. Carty, Charles J. Bayer, James P. Shoen, John M. Dodds, John P. Brogan, Daniel R. Mullen and M. Frank Lyons.

Gary B. Horton has served as Treasurer of the Company since 1982 and Assistant Treasurer of U-Haul since 1990. He has been associated with the Company since 1969.

Rocky D. Wardrip, Assistant Treasurer of the Company since 1990, has been associated with the Company since 1978 in various capacities within accounting and treasury operations.

Mark V. Shoen has served as a Director of the Company from 1990 until February 1997. He has served as a Director of U-Haul from 1990 until November 1997 and as President, Phoenix Operations, from 1994 to present.

John C. Taylor, Director of U-Haul since 1990, has been associated with the Company since 1981. He is presently an Executive Vice President of U-Haul.

Ronald C. Frank has been associated with the Company since 1959. He is presently Executive Vice President of U-Haul Field Operations.

Mark A. Haydukovich has served as President of Oxford Life Insurance Company (Oxford) since June 1997. From 1980 to 1997 he served as Vice President of Oxford.

Carlos Vizcarra has served as President of Amerco Real Estate Company since September 2000. He began his previous position as Vice President/Storage Product Group for U-Haul in 1988.

Richard M. Amoroso has served as President of Republic Western Insurance Company (RepWest) since August 2000. He was Assistant General Counsel of U-Haul from 1993 until February 2000. He served as Assistant General Counsel of ON Semiconductor Corporation from February to August 2000.

Jason A. Berg, Principal Accounting Officer of the Company, was appointed on July 8, 2005. Prior to his appointment he served as Treasurer and Secretary of Oxford Life Insurance Company. He has been with the Company since 1996.

Robert T. Peterson, 54, Controller of U-Haul since joining the company in November 2002. He has held a number of executive positions in the transportation industry and is presently CFO of U-Haul.

Edward J., Mark V., and James P. Shoen are brothers. William E. Carty is the uncle of Edward J. and Mark V. Shoen. M. Frank Lyons was married to William E. Carty's sister and the aunt of Edward J. and Mark V. Shoen until her death in 1992.

Reference is made to Emergence from Chapter 11.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

AMERCO has engaged in related party transactions, and has continuing related party interests, with certain major stockholders, directors and officers of the consolidated group.

During fiscal 2005, AMERCO purchased \$128,587 of refinishing supplies from Space Age Auto Paint Store Inc. Edward J. Shoen, a major stockholder, officer and director of AMERCO, owns Space Age Auto Paint Store Inc.

Samuel J. Shoen, the son of Edward J. Shoen, is employed by U-Haul as project group supervisor. Mr. Shoen was paid an aggregate salary and bonus of \$94,807 for his services during the fiscal year 2005.

During fiscal 2005 a subsidiary of the Company held various senior and junior unsecured notes of SAC Holdings. Substantially all of the equity interest of SAC Holdings is controlled by Mark V. Shoen, a significant shareholder and executive officer of the Company. The Company does not have an equity ownership interest in SAC Holdings, except for minority investments made by RepWest and Oxford in a SAC Holdings-controlled limited partnership which holds Canadian self-storage properties. The Company received cash interest payments of \$11.7 million from SAC Holdings during fiscal year 2005. The notes receivable balance outstanding at March 31, 2005 was, in the aggregate, \$203.8 million. The largest aggregate amount outstanding during the fiscal year ended March 31, 2005 was \$203.8 million.

Interest accrues on the outstanding principal balance of junior notes of SAC Holdings that the Company holds at a stated rate of basic interest. A fixed portion of that basic interest is paid on a monthly basis. Additional interest is paid on the same payment date based on the amount of remaining basic interest and the cash flow generated by the underlying property. This amount is referred to as the cash flow-based calculation.

In the event that this cash flow-based calculation exceeds the amount of remaining basic interest, contingent interest is paid on the same monthly date as the fixed portion of basic interest. To the extent that the cash flow-based calculation is less than the amount of remaining basic interest, the additional interest payable on the applicable monthly date is limited to the amount of that cash flow-based calculation. In such a case, the excess of the remaining basic interest over the cash flow-based calculation is deferred. In addition, subject to certain contingencies, the junior notes provide that the holder of the note is entitled to receive payments upon, among other things, the sale of such property by SAC Holdings.

The Company currently manages the self-storage properties owned by SAC Holdings pursuant to a standard form of management agreement with each SAC Holdings subsidiary, under which the Company receives a management fee of between 4% and 10% of the gross receipts. The Company received management fees of \$14.4 million during fiscal

year 2005. This management fee is consistent with the fees received for other properties the Company has managed for third parties.

In April 2004, the Company entered into arrangements to manage properties leased by Mercury Partners, L.P. (Mercury). Mercury is controlled by Mark V. Shoen. The property management agreement we entered into with Mercury will pay U-Haul a fee of between 4% and 10% of the gross receipts generated by the properties.

RepWest and Oxford currently hold a collective 46% limited partnership interest in Securespace Limited Partnership (Securespace), a Nevada limited partnership. A SAC Holdings subsidiary serves as the general partner of Securespace and owns a 1% interest. Another SAC Holdings subsidiary owns the remaining 53% limited partnership interest in Securespace. Securespace was formed by SAC Holdings to be the owner of various Canadian self-storage properties.

During fiscal year 2005, the Company leased space for marketing company offices, vehicle repair shops and hitch installation centers owned by subsidiaries of SAC Holdings. Total lease payments pursuant to such leases were \$2.7 million during fiscal year 2005. The terms of the leases are similar to the terms of leases for other properties owned by unrelated parties that are leased to the Company.

At March 31, 2005, subsidiaries of SAC Holdings acted as U-Haul independent dealers. The financial and other terms of the dealership contra