August 14, 2023

Zacks Small-Cap Research

Sponsored – Impartial - Comprehensive

Steven Ralston, CFA
312-265-9426
sralston@zacks.com

scr.zacks.com
10 S. Riverside Plaza, Chicago, IL 60606

U-HAUL HOLDING CO. (NYSE: UHAL)

UHAL: Reports 1Q FY2024 Results: Demand for **truck rentals** declined in the single-digit range due to economic uncertainty. **Self-Storage** continues to deliver double-digit growth, though now in the mid-teens range. **Annual Investor Virtual Meeting** on **August 17th**

Utilizing comparable EV-to-EBITDA valuation of a blend of truck rental and self-storage companies, a target price of $70.30 is indicated.

Current Price (08/11/23)	$58.80
Valuation	**$70.30**

OUTLOOK

U-Haul Holding Company is the parent company of U-Haul International, the world's largest consumer truck and trailer rental company. U-Haul is also the third largest self-storage operator in North America.

U-Haul benefited in a leveraged manner from the increase in demand for self-moving services during the pandemic. Now, the truck rental business is waning due to the economic environment. Also, inflationary pressures are affecting expenses.

Management continues to expand capacity in the self-storage area, and the truck rental fleet rotation program is beginning to gain traction.

SUMMARY DATA

52-Week High	**$70.57**
52-Week Low	**$49.64**
One-Year Return (%)	**4.42**
Beta	**0.73**
Average Daily Volume (shrs.)	**165,908**
Shares Outstanding (million)	**196.08**
Market Capitalization ($bil.)	**$13.39**
Short Interest Ratio (days)	**8.25**
Institutional Ownership (%)	**39.65**
Insider Ownership (%)	**42.97**
Annual Cash Dividend	**$0.16**
Dividend Yield (%)	**0.30**
5-Yr. Historical Growth Rates	
Sales (%)	**10.25**
Earnings Per Share (%)	**3.12**
Dividend (%)	**N/M**
P/E using TTM EPS	**12.4**
P/E using FY 2024 Estimate	**12.0**
P/E using FY 2025 Estimate	**N/A**

Risk Level	**Below Average**
Type of Stock	**Large - Blend**
Industry	**Trans-Equip. & Leas.**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Jun)	Q2 (Sep)	Q3 (Dec)	Q4 (Mar)	Year (Mar)
2021	987 A	1,325 A	1,170 A	1,059 A	4,542 A
2022	1,473 A	1,664 A	1,404 A	1,198 A	5,740 A
2023	1,598 A	1,703 A	1,375 A	1,189 A	5,865 A
2024	1,540 A	1,655 E	1,341 E	1,166 E	5,702 E

Earnings per Voting Share

	Q1 (Jun)	Q2 (Sep)	Q3 (Dec)	Q4 (Mar)	Year (Mar)
2021	$0.45 A	$1.36 A	$0.93 A	$0.38 A	$3.12 A
2022	$1.76 A	$2.09 A	$1.43 A	$0.44 A	$5.73 A
2023	$2.18 A	$1.80 A	$0.98 A	$0.15 A	$5.54 A
2024	$1.27 A	$1.76 E	$0.88 E	$0.43 E	$4.35 E

Quarterly revenues may not equal annual revenues due to rounding.

Quarterly EPS may not equal annual EPS due to rounding.

© Copyright 2023, Zacks Investment Research. All Rights Reserved.

EXECUTIVE SUMMARY

U-Haul Holding Company (NYSE: UHAL) reported financial results for 1Q FY2024 on August 9th. Economic uncertainty is impacting the demand for **self-moving equipment and supplies**. As a result, the volume of transactions and average miles declined YOY due to these general macro-economic factors. In addition, competitors in the **self-storage** area have resorted to price discounting, which management has not followed. In point of fact, on the earnings conference call, management indicated that move-in rates are still higher than the move-in rates last year The company continues to invest in the **self-storage** segment by acquiring existing facilities and new locations as well as constructing/renovating development projects in this segment.

To put the current financial results in perspective, with the 3.6% decline in total quarterly revenues during the quarter, the company still **achieved the 2nd highest level of total revenues for the first fiscal quarter** and the **4th highest level of total revenues of any quarter** in the company's history (as a consequence that the second fiscal quarter seasonally the strongest).

In the **self-moving equipment** segment, the volume of transactions and average miles declined YOY due to economic uncertainty. Likewise, in the **self-storage area,** occupancy rates declined due to general self-storage industry trends. However, U-Haul manages storage unit rates with discrimination according to geographical location, unit size, floor location and unit climate (airconditioned vs non-airconditioned). Therefore, in the current environment, U-Haul has not resorted to large-scale discounting as some industry peers have done. Moreover, on the earnings conference call, management indicated that move-in rates are about 3% higher than the move-in rates last year

On Thursday, **August 17 at 2:00 PM ET**, U-Haul Holding Company will host its **17th Annual Virtual Analyst and Investor Day**.

RECENT EVENTS

Financial Results for First Quarter of Fiscal 2024

On August 9, 2023 after the market close, U-Haul Holding Company reported financial results for the first fiscal quarter ending June 30, 2023. **Total revenues declined 3.6%** (or $57.5 million) to approximately $1.54 billion, primarily due to an 8.4% decrease (or $91.6 million) in the **self-moving equipment rental** business, which was partially offset by a $31.0 million increase in net investment & interest income and a **14.9% increase** (or $25.8 million) in **self-storage revenues**. Despite the 3.6% decline in total revenues, the company **achieved the 2nd highest level of total revenues for the first fiscal quarter** and the **4th highest level of total revenues of any quarter** in the company's history (as a consequence that the second fiscal quarter seasonally the strongest).

In the **self-moving equipment rental** business, **revenues declined 8.4%** as the volume of transactions, average revenue per transaction and average miles driven per transaction decreased with the declines more pronounced in the one-way market. However, revenue-per-mile continues to grow.

In the **self-storage** area, revenues increased 14.9% (or $25.8 million) as the **average monthly number of occupied units increased by 9% YOY** (or 44,957 units). Self-storage revenues increased due to a nearly 6% increase in monthly revenue per occupied square foot and an increase in new capacity (1.1 million net rentable square feet) during the quarter. Currently, the self-storage industry is under pricing pressure. However, U-Haul manages storage unit rates discriminately by geographical location, unit size, floor location and unit climate (airconditioned vs non-airconditioned

rooms). In the current environment, management has not resorted to large-scale discounting as some industry peers have done.

U-HAUL Company-owned Self-Storage Facility Average Occupancy Rate					
Fiscal Year	FY 1Q (June)	FY 2Q (Sept.)	FY 3Q (Dec.)	FY 4Q (March)	FY Year (March)
FY 2019	69.6%	70.6%	68.0%	66.9%	**68.7%**
FY 2020	68.4%	69.5%	66.9%	66.1%	**67.7%**
FY 2021	67.6%	71.9%	73.4%	74.3%	**71.8%**
FY 2022	79.7%	84.3%	83.6%	82.6%	**82.6%**
FY 2023	84.5%	85.4%	82.9%	81.2%	**83.4%**
FY 2024	82.8%				

In **self-moving/self-storage products & services**, revenue decreased 7.8% (or $8.48 million), roughly in line with the decline in the self-moving equipment rental business. Sales of hitches and propane also decreased.

Other revenue decreased by 8.8% (or $12.0 million), primarily due to lower sales in the U-Box program despite an increase in transactions. Overall U-Box revenues were impacted by a decrease in pricing as management passed on lower freight costs.

Total costs and expenses increased by 3.5% (or $38.3 million). **Operating expenses** increased 4.1% (or $30.1 million), primarily driven by fleet repair & maintenance, personnel costs and property taxes. **Depreciation expense increased 21.1%** (or $24.0 million) as **rental fleet depreciation** increased $8.7 million (due to an increased pace of new additions to the fleet) and **depreciation expense from buildings** & improvements increased $6.7 million.

Management continues to attempt to return to a **normalized rotation program**. Though the company is still not able to purchase as many new vehicles as desired, the availability of certain truck models has improved with **capital expenditures on new rental trucks totaling $454 million during the first fiscal quarte**r compared to $351 million comparable quarter last year. For the first time in two years, management has increased the projected fleet net capex.

Earnings from operations declined 19.3% (or by $95.8 million) to $399.7 million compared to $495.5 million in first fiscal quarter of 2023.

U-HAUL Operating Margin					
Fiscal Year	FY 1Q (June)	FY 2Q (Sept.)	FY 3Q (Dec.)	FY 4Q (March)	FY Year (March)
FY 2020	19.8%	21.3%	8.7%	0.1%	**13.6%**
FY 2021	15.6%	29.6%	24.3%	12.4%	**21.2%**
FY 2022	33.6%	34.8%	29.7%	13.0%	**28.7%**
FY 2023	31.0%	30.7%	23.3%	9.3%	**24.6%**
FY 2024	25.9%				

Higher interest rates drove **interest expense** up $10.8 million to $60.6 million, while at the same time increasing **net investment and interest income** by $31.0 million.

For the first quarter of fiscal 2024, U-Haul Holding Company reported a **net income** of $256.8 million (or **$1.27 per diluted voting share**), a 24.1% decrease compared to $338.3 million (or $2.18 per diluted voting share) in the comparable quarter last year. Shares outstanding have remained stable at 19,607,788 shares since fiscal 2020.

Note: Management utilizes the two-class method where distributed earnings (dividends) and undistributed earnings are allocated in a three-step process to each class of common stock. Our EPS calculation differs from the company's GAAP-compliant calculation in that we are attempting to illuminate the earnings power behind each voting share rather than adjust EPS for the distribution dividends.

As of June 30, 2023, U-Haul Holding Company has a **strong liquidity position**. The Moving and Storage operating segment has approximately $2.792 billion of cash and available credit as well as **$118.8 million on the balance sheet that is invested in U.S. Treasury bills**. **Working capital was approximately $6.0 billion** on June 30, 2023.

Management believes that there will be a **credit tightening cycle** and that the company's **cash position will enable the purchase of trucks** and the **continued development of self-storage facilities** even if access to debt financing becomes problematical.

U-Haul Mobile App

The U-Haul's mobile app was designed to manage a move with U-Haul through mobile telephones. It enables customers to get instant quotes, start and/or modify a reservation. The app simplifies the process and makes the reservation process less labor intensive for the company. The U-Haul app is currently ranked #14 in the Travel category in the apple app store.

In addition, the U-Haul app facilitates the use of **U-Haul Truck Share 24/7**, which allows DIY movers to pick up or return a truck anytime, day or night as well as drop off a U-Haul truck after hours. U-Haul Truck Share 24/7 can also be utilized on a desktop, notebook or pad. U-Haul Truck Share 24/7 is available at all 23,000+ locations in the U-Haul network. Over 6,000,000 transactions have occurred on U-Haul Truck Share 24/7.



U-Haul Holding Company FY 2023 Annual Report

Creation of Series N Non-Voting Common Stock

During fiscal 2023, the company's **new Non-Voting Common Stock** was distributed to existing shareholders at the close of trading on November 9, 2022 with the trading of the non-voting shares commencing on the following day (November 10th) under the **ticker UHAL-B**.

The new series of non-voting stock is intended to preserve the current voting structure of the company so that management's long-term operational orientation can be retained. The stock dividend has almost the same effect as a 10-for-1 stock split with every holder of current voting shares subsequently holding ten (10) shares, of which one (1) will be voting and nine (9) will be non-voting. The proportional ownership will remain the same.

Dividend Policy on Series N Non-Voting Common Stock

On October 25, 2022, the company announced that the Board of Directors had adopted a **dividend policy** for the newly-created Series N Non-Voting Common Stock. The Board's policy is to declare and pay quarterly cash dividends on the Series N Non-Voting Common Stock of $0.04 per share, beginning with the third quarter of fiscal year 2023. Special quarterly dividends for voting shares will create additional dividend rights for non-voting stock only to the extent the special dividend exceeds the quarterly non-voting dividend. In other words, the holders of non-voting shares will be entitled to receive the same dividends or distributions in the future at no less a rate than voting shares on a per share basis. **Regular quarterly cash dividends** on the Series N Non-Voting Common Stock (UHAL-B) have been declared since December 2022 with the stock going ex-dividend on December 16, 2022, March 13, 2023 and June 19, 2023.

Company Name Change

Effective on December 19, 2022 the company changed its name change to **U-Haul Holding Company** so that current shareholders and potential investors will have the awareness that the company holds one of the most recognized brands in North America.

U-HAUL HOLDING COMPANY

U-HAUL INTERNATIONAL | AMERCO REAL ESTATE COMPANY | repwest INSURANCE COMPANY | OXFORD LIFE INSURANCE COMPANY

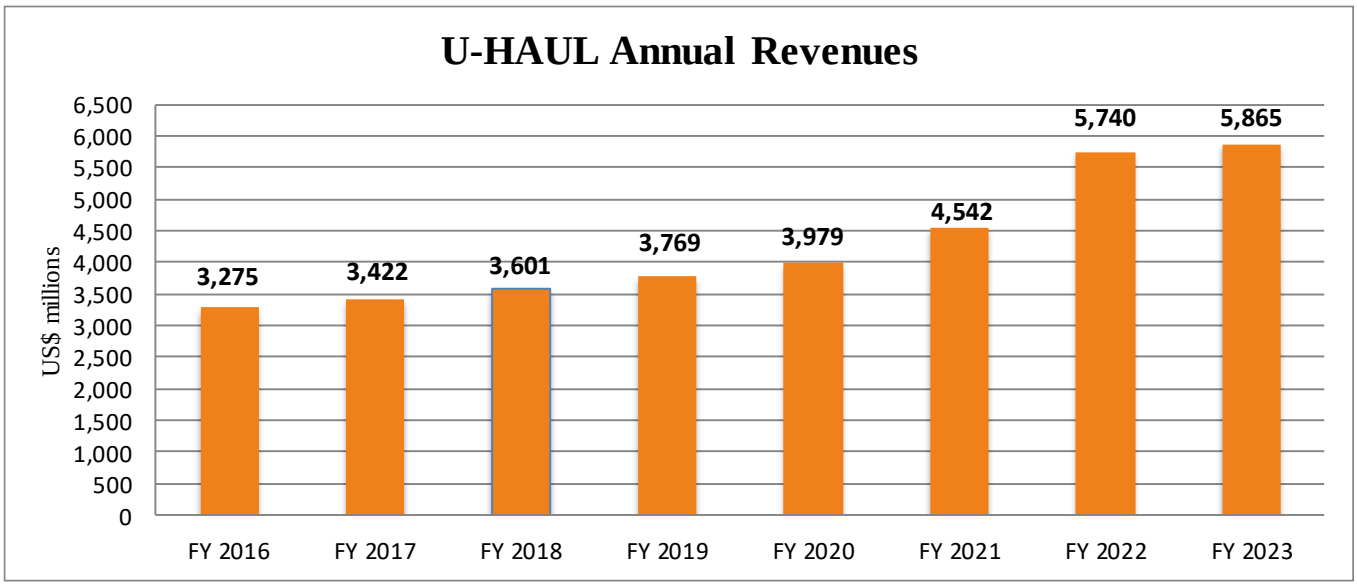
U-Haul Holding Company FY 2023 Annual Report

EXECUTIVE SUMMARY OF MANAGEMENT'S U-HAUL GROWTH STRATEGY

Management's goal is to be the **predominant provider of moving and storage services** for "do-it-yourself" consumers in North America through U-Haul International. The company has developed **complementary verticals** to better serve its customers, from moving supplies (boxes, tape etc.) and trailer hitches to ancillary products/services, such as the filling of propane tanks and specialty extension services, such as U-Box (portable moving and storage units) and eMove (an online marketplace of independent moving and self-storage affiliates).

U-HAUL is one of the leading companies in the **self-storage** industry (the third largest self-storage operation in North America), a complementary operation and logical extension of its self-moving business.

U-HAUL also owns holds **two insurance companies**: a property & casualty company (Repwest Insurance) that offers rental coverage to customers (through Safemove, Safetow and Safestor policies) and a life insurance company (Oxford Life Insurance), initially held for insuring employees, but later expanded into specialty lines.



U-Haul maintains and continually enlarges a fleet of rental equipment, including trucks, trailers and towing devices. Historically, revenue growth has been achieved by

- **Growing the distribution network**
  - The number of company's retail locations has grown at a 5-year CAGR of 4.21%
- **Increasing the size of the fleet**
  - The truck fleet has grown at a 10-year CAGR of 5.55%
  - The trailer fleet has grown at a 10-year CAGR of 4.40%
- **Expanding the self-storage footprint**
  - The number of self-storage locations has grown at a 10-year CAGR of 4.90%
  - The number of rentable units has grown at a 10-year CAGR of 7.87%
  - The rentable square footage has grown at a 10-year CAGR of 7.34%

As a result, **U-HAUL's revenues have increased at a 5-year CAGR of 10.25%**.

Operationally, management strives to maximize **vehicle utilization** by adjusting the distribution of the truck and trailer fleets among the over 2,200 company stores and approximately 21,300 independent stores. The company's earning leverage is highly dependent on equipment utilization as well as **pricing** and **volume**. The critical factor of vehicle utilization in the truck rental business hinges on the geographical distribution of the fleet after one-way rentals, since U-Haul does not back-haul equipment. Traditionally, pricing has been the method by which equipment can be relocated.

In order to maintain the company's top-line growth trajectory, management must **allocate an appropriate level of investments** into the retail fleet network, the fleet itself (with new trucks, trailers and towing devices) and the self-storage business. Over the past decade, management has consistently increased the total number of rental trucks in the fleet with new additions exceeding the number of trucks removed for retirement. Hence, management also faces the challenges of executing its **fleet rotation program**, requiring both the procurement of truck chassis from North American manufacturers and the retirement of vehicles through the used-truck sales market.

Redevelopment **Conversion**



AMERCO Presentation August 2020

KEY POINTS

- U-HAUL primarily provides **"do-it-yourself" moving and storage** and **supplies products and services**. The company also has Property and Casualty and Life Insurance subsidiaries.

- U-Haul is one of the most recognized names in North America and has a commanding share of the consumer **self-moving business**.
  - U-Haul has a network of more than **23,500 company-operated and independent locations** in all 50 United States and 10 Canadian provinces.
  - As of the end of the company's fiscal year (March 31, 2023), the size of U-Haul's rental fleet was approximately **192,200 trucks**, **138,500 trailers** and **44,500 towing devices**
  - U-Haul also provides **moving supplies** (boxes, tape etc.) and the service of selling and installing **trailer hitches**
  - The company has expanded into ancillary products/services
    - **U-Box** (portable moving and storage units)
    - **CollegeBoxes** (a packing, storage and shipping solution for college students)
    - **Moving Help (**an online marketplace connecting consumers to service providers who help with packing, unpacking, loading and unloading)
    - **Storage Affiliates** (through the WebSelfStorage platform enables independent self-storage operators to manage their facility and connect to customers on uhaul.com)
  - The company also supplies **propane** as alternative-fuel for vehicles & for backyard BBQs.

- U-Haul is also one of the leading companies in the **self-storage** industry
  - a complementary operation to the self-moving business
  - As of the end of the company's fiscal year (March 31, 2023),U-Haul operated almost **949,000 rentable storage units** consisting of approximately **81.2 million square feet of storage space** in all 50 United States and 10 Canadian provinces
  - Individual storage units range in size from 6 square feet to over 1,000 square feet
  - The self-storage business also provides value-added services, such as an electronic monitoring system (Max Security), access during extended hours and individually alarmed units.

- Property and Casualty Insurance - **Repwest Insurance**
  - Repwest underwrites components of the Safemove, Safetow, and Safestor protection packages to U-Haul customers

- Life Insurance - **Oxford Life Insurance**
  - Oxford underwrites life and health insurance products, primarily to the senior market

- U-HAUL does not have a formal dividend policy; however, since December 2011, the Board has periodically declared the payment of special dividends.

- In mid-August, the management of U-HAUL provides an Investor Presentation via live webcast.

OVERVIEW

Headquartered in Reno, U-HAUL Holding Company (NYSE: UHAL) is North America's largest "do-it-yourself" moving and storage operator. U-Haul offers **"do-it-yourself" moving and storage and supplies products and services** to help people move and store their household and commercial goods in the United States and Canada. The company also has **Property and Casualty Insurance** and **Life Insurance** subsidiaries, Repwest Insurance and Oxford Life Insurance, respectively.

Founded in 1945 as U-Haul Trailer Rental Company, the company began by renting trailers. Beginning in 1959, management broadened the scope of the company's operation by renting trucks on a one-way and in-town basis exclusively through independent U-Haul dealers. In 1969, U-Haul Trailer Rental Company was incorporated as Advanced Management Engineering Research Company (AMERCO) in Nevada. Since 1974, the company developed a network of U-Haul managed retail centers, through which it rents its trucks and trailers and sells moving & self-storage products and services to complement its independent dealer network.

U-HAUL HOLDING COMPANY

Segment Analysis (in $US '000, except percentages)	FY 2023 3/31/2023	% of Revenues
Revenues		
Self-moving equipment rentals	3,877,917	66.1%
Self-storage revenues	744,492	12.7%
Self-moving/self-storage products & services	357,286	6.1%
Property management fees	37,073	0.6%
TOTAL MOVING & STORAGE		**85.5%**
Life insurance premiums	99,149	1.7%
P&C insurance premiums	93,209	1.6%
Net investment & interest income	176,679	3.0%
Other revenue	478,886	8.2%
TOTAL REVENUES	**5,864,691**	**100.0%**

The company operates in **three reportable segments**:

- **Moving & Storage** (through its U-Haul and Real Estate Company subsidiaries)
- **Property & Casualty Insurance** (through Repwest Insurance Company)
- **Life Insurance** (through Oxford Life Insurance Company)

The **Moving & Storage** segment, by far the company's largest and most significant segment, engages in the **rental of trucks, trailers**, specialty rental items, and **self-storage** spaces to the "do-it-yourself" mover and management of self-storage properties owned by others, 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. The company sells 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 its distribution outlets. Net revenue from the **Moving & Storage segment** in fiscal 2023 accounted for approximately **85.5% of total revenues**.

The **Property and Casualty Insurance** segment offers moving and storage contents insurance products, including **Safemove** and **Safetow policies** that provide moving customers with a damage waiver, cargo protection, and medical and life coverage; and **Safestor**, which protects storage customers from loss of their goods in storage. Repwest provides loss adjusting and claims handling for U-Haul through regional offices across North America. **Repwest** also underwrites components of the Safemove, Safetow, and Safestor protection packages to U-Haul customers. The business plan for Repwest includes offering property and casualty products for other U-Haul related programs. Net revenue from the P&C segment in fiscal 2023 accounted for approximately **1.6% of total revenues**.

The **Life Insurance** segment includes **Oxford Life Insurance Company**, which 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. Net revenue from the life insurance segment in fiscal 2022 accounted for approximately **1.7% of total revenues**.

MOVING & STORAGE OPERATIONS

Self-Moving

U-HAUL rents its distinctive orange U-Haul trucks and trailers through a network of over **2,200 company operated retail-moving centers** and approximately **21,300 independent U-Haul dealers**. The company also has a storage facility network with thousands of independent service providers participating as Storage Affiliates. As of March 31, 2023, the company's **rental fleet** consisted of more than **192,200 trucks**, **138,500 trailers** and **44,500 towing devices**.

The company has at least six different truck models and eight major types of trailers. The truck chassis are engineered by domestic truck manufacturers and made to U-Haul's specifications. The chassis are delivered to one of seven U-Haul manufacturing centers to be fitted with a cargo box. These manufacturing centers also build the trailers from the "ground up." Eleven (11) manufacturing and assembly facilities are strategically located throughout the United States in order to efficiently provide vehicles regionally.

Commonality of features (gear boxes, rear axles, tires, etc.) and parts reduce maintenance expenses and improve the efficiency of the parts inventory. All engines are gasoline powered to potential fueling problems. The company provides almost all of the preventive maintenance on the fleet with the exception of warranty claims.

U-Haul dealers also offer moving supplies, including a wide variety of U-Haul-brand boxes, tape and packing materials. In addition, specialty boxes are available for dishes, computers, other electronic equipment, hanging clothes, etc.

U-Haul is one of the most recognized names in the world and has a commanding share of the consumer self-moving business. The company is the consumer's number one choice as the largest installer of permanent trailer hitches in the automotive aftermarket industry. U-Haul's brand awareness is very high. A survey of public brand identification of truck manufacturers placed U-Haul second behind Mack Truck, even though U-Haul does not make trucks. The name U-Haul is as well-known as Kleenex (Kimberly-Clark), Coke (The Cola-Cola Company) and Clorox. U-Haul trucks often appear in movies and television without U-HAUL having to pay for advertising.

Independent dealers receive trucks on a consignment basis and are paid a commission based on gross revenue generated by the dealer. The independent dealers are not franchisees. U-Haul does not franchise its name. Dealer contracts can be terminated upon 30 days written notice by either party.

U-HAUL Key Statistics (Self-Moving)						
Fiscal Year	Total Company Revenues ($ '000)	Trucks Fleet Size	Trailers Fleet Size	# of Company Stores	# of Independent Stores	# of Total Stores
FY 2010	2,002,005	98,000	77,000	1,400	14,900	16,300
YOY change	0.00%	-2.97%	1.32%	0.00%	3.47%	3.16%
FY 2011	2,241,275	101,000	82,000	1,400	15,000	16,400
YOY change	11.95%	3.06%	6.49%	0.00%	0.67%	0.61%
FY 2012	2,502,675	106,000	83,000	1,450	15,500	16,950
YOY change	11.66%	4.95%	1.22%	3.57%	3.33%	3.35%
FY 2013	2,558,587	112,000	90,000	1,490	16,400	17,890
YOY change	2.23%	5.66%	8.43%	2.76%	5.81%	5.55%
FY 2014	2,835,252	127,000	98,000	1,540	17,400	18,940
YOY change	10.81%	13.39%	8.89%	3.36%	6.10%	5.87%
FY 2015	3,074,531	135,000	107,000	1,600	18,200	19,800
YOY change	8.44%	6.30%	9.18%	3.90%	4.60%	4.54%
FY 2016	3,275,468	139,000	108,000	1,700	19,500	21,200
YOY change	6.54%	2.96%	0.93%	6.25%	7.14%	7.07%
FY 2017	3,421,767	150,000	112,000	1,750	20,000	21,750
YOY change	4.47%	7.91%	3.70%	2.94%	2.56%	2.59%
FY 2018	3,601,114	161,000	118,000	1,790	20,000	21,790
YOY change	5.24%	7.33%	5.36%	2.29%	0.00%	0.18%
FY 2019	3,768,707	167,000	120,000	1,981	20,000	21,981
YOY change	4.65%	3.73%	1.69%	10.67%	0.00%	0.88%
FY 2020	3,978,868	176,000	127,000	2,065	20,100	22,165
YOY change	5.58%	5.39%	5.83%	4.24%	0.50%	0.84%
FY 2021	4,541,985	176,000	126,000	2,100	21,100	23,200
YOY change	14.15%	0.00%	-0.79%	1.69%	4.98%	4.67%
FY 2022	5,739,747	186,000	128,000	2,100	21,100	23,200
YOY change	26.37%	5.68%	1.59%	0.00%	0.00%	0.00%
FY 2023	5,864,691	192,200	138,500	2,200	21,300	23,500
YOY change	2.18%	3.33%	8.20%	4.76%	0.95%	1.29%
5-year CAGR	10.25%	3.61%	3.26%	4.21%	1.27%	1.52%
10-year CAGR	8.65%	5.55%	4.40%	3.97%	2.65%	2.77%

To further leverage U-HAUL's web-based technology platform, the company developed **eMove**®, an online marketplace that connects consumers with a network of affiliates of independent moving service providers and independent self-storage affiliates that have been vetted by U-Haul. Through MovingHelp.com, service providers can provide help to pack and load items while the Storage Affiliates offer self-storage services where U-Haul may not have facilities that are conveniently located for the consumer.

A component of the truck rental fleet is the disposal of trucks that are removed from the fleet for retirement. Typically, as new trucks are added to the fleet, older (high mileage) trucks are and sold. This dynamic process affects fleet size, non-cash depreciation charges, proceeds from the sale of retired trucks (which are dependent on the strength/weakness of the used truck market) and the availability of rentable trucks.



AMERCO Presentation August 2020

A component of the truck rental fleet is the disposal of trucks that are removed from the fleet for retirement. Typically, as new trucks are added to the fleet, older (high mileage) trucks are and sold. This dynamic process affects fleet size, non-cash depreciation charges, proceeds from the sale of retired trucks (which are dependent on the strength/weakness of the used truck market) and the availability of rentable trucks.

Furthermore, U-Haul sells and installs a broad range of **hitches** and components for towing trailers, boats, jet skis, motorcycles, campers, horse trailers etc. Management believes that U-Haul is the largest seller and installer of hitches and towing systems in North America.

U-Haul is also one of the largest refillers of **propane** tanks in North America, primarily for alternative-fuel vehicles and backyard barbecues. The company's trained and certified personnel provide propane at nearly 1,200 locations.

The moving truck and trailer rental industry is large and highly competitive. There are two distinct users of rental trucks: commercial and "do-it-yourself" residential users. U-HAUL focuses primarily on the "do-it-yourself" residential user and is the largest self-moving company with over 50% of the applicable market. There are few large competitors and new entrants have found it difficult to achieve a significant market share. Within this segment, the company's major competitors are Avis Budget Group, Inc. (NASDAQ: CAR) and Penske Truck Leasing (a closely-held company). Enterprise Rent-a-Car (a private holding company) started a small truck service, which targets the light local delivery business.

Consumer self-moving and self-storage are relatively single-digit, top-line growth industries (around 5% annually). However, both are highly fragmented industries; therefore, there are opportunities to gain market share. Both industries are less cyclical than most, since in bad times some people downgrade their living quarters (and some move back in with their parents) and use self-storage and consumer truck rental to move and store their belongings. In good economies, people move up-scale from small apartments to larger ones or to houses.

Storage

The primary market for storage rooms is for the storage of household goods. U-Haul serves millions of 'do-it-yourself' household moving customers annually. A large number of renters use a rental truck or trailer to move goods in or out of the storage facilities. It was a logical extension of the do-it-yourself-moving business to be also in the self-storage industry.

U-Haul operates almost **949,000 rentable storage units**, comprising approximately **81.2 million square feet** of storage space in all 50 United States and 10 Canadian provinces. The target market for the rental of storage units is for the storage of household goods. Individual storage units range in size from 6 square feet to over 1,000 square feet. The company's provide **competitive self-storage services**, such as an electronic system that monitors the storage facility 24 hours a day (Max Security), access during extended hours and individually alarmed units. Many locations include climate controlled facilities, which is a growing trend in the self-storage industry.

U-HAUL	Key Statistics (Storage)			
Fiscal Year	Self-Storage Locations	Self-Storage Rentable rooms	Self-Storage (sq. ft.)	Company-owned Self-Storage Occupancy
FY 2010	1,100	402,000	35,500,000	75.2%
YOY change	0.92%	1.77%	1.43%	N/M
FY 2011	1,115	411,000	36,300,000	75.8%
YOY change	1.36%	2.24%	2.25%	N/M
FY 2012	1,140	423,000	37,800,000	76.9%
YOY change	2.24%	2.92%	4.13%	N/M
FY 2013	1,180	445,000	40,000,000	78.7%
YOY change	3.51%	5.20%	5.82%	N/M
FY 2014	1,220	467,000	42,100,000	80.5%
YOY change	3.39%	4.94%	5.25%	N/M
FY 2015	1,280	491,000	44,200,000	81.7%
YOY change	4.92%	5.14%	4.99%	N/M
FY 2016	1,360	536,000	47,900,000	80.1%
YOY change	6.25%	9.16%	8.37%	N/M
FY 2017	1,440	581,000	51,400,000	75.8%
YOY change	5.88%	8.40%	7.31%	N/M
FY 2018	1,519	632,000	55,200,000	71.6%
YOY change	5.49%	8.78%	7.39%	N/M
FY 2019	1,631	697,000	60,700,000	68.7%
YOY change	7.37%	10.28%	9.96%	N/M
FY 2020	1,745	774,000	66,700,000	67.7%
YOY change	6.99%	11.05%	9.88%	N/M
FY 2021	1,784	812,000	70,500,000	71.8%
YOY change	2.23%	4.91%	5.70%	N/M
FY 2022	1,844	876,000	75,100,000	82.6%
YOY change	3.36%	7.88%	6.52%	N/M
FY 2023	1,904	949,000	81,200,000	83.4%
YOY change	3.25%	8.33%	8.12%	N/M
5-year CAGR	4.62%	8.47%	8.02%	N/M
10-year CAGR	4.90%	7.87%	7.34%	N/M

The self-storage market is large and highly fragmented. The largest national storage competitors include Public Storage Inc. (NYSE: PSA), Extra Space Storage, Inc. (NYSE: EXR), Life Storage Inc.

(NYSE: LSI), formerly known as Sovran Self-Storage Inc., CubeSmart (NYSE: CUBE) and National Storage Affiliates Trust (NYSE: NSA).

INSURANCE OPERATIONS

U-HAUL has two insurance subsidiaries, **Repwest Insurance Company** (Property and Casualty) and **Oxford Life** (Health, Life and Annuities). These companies were originally set up to serve U-Haul employees and the U-Haul dealers (many of whom were one proprietor gas station owners that were not able to obtain low priced insurance). However, over the years, both insurance subsidiaries branched out into other lines of insurance. Oxford Life and Repwest have usually been profitable over the last eight years. U-HAUL decided to scale back Repwest's operations, and the casualty business now only insures U-Haul's risks. Oxford Life is focused on Medicare supplement, annuities and life insurance.

A number of years ago U-HAUL, formed a relationship through Mark Shoen called SAC that allowed the company to expand U-Haul-managed self-storage locations. U-HAUL sold real estate to SAC in return for debt and managed the storage properties for a fee. The debt was paid down by SAC in 2012.

Repwest will continue to provide loss adjusting and claims handling for U-Haul and underwrite components of the Safemove, Safetow and Safestor protection packages to U-Haul customers. Repwest has started to grow again and its revenue is tied to the operations of moving and storage. Oxford is pursuing its goals of expanding its presence in the senior market through the sales of its Medicare supplement, life and annuity policies.

Repwest Insurance Company is rated A by A.M. Best, having been upgraded on September 24, 2020).

Oxford Life Insurance is rated A by A.M. Best, having been upgraded from A- on July 30, 2021. Oxford is a member of the Federal Home Loan Bank.

The insurance industry is highly competitive with 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 mutual companies that 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 U-HAUL's insurance companies. The company competes in the insurance business based upon price, product design, and services rendered to agents and policyholders.

VALUATION

U-HAUL operates in both the "do-it-yourself" **consumer truck and trailer rental business** and **in the self-storage industry**. The vehicle rental business requires considerable investment in infrastructure (rental facilities and vehicles). Earnings in this segment tend to exhibit cyclicality, which is a consequence of the substantial earnings leverage that can be derived from improved utilization of the fleet. On the other hand, despite also requiring a significant investment in infrastructure (storage buildings), self-storage operations tend to be much less cyclical and provide steady cash flow.

From an investment perspective, both types of operations are **generally valued on the metric of EV-to-EBITDA** (Enterprise Value-to-Earnings Before Interest, Taxes, Depreciation and Amortization). From the Industry Comparable table below, it is easily observable that self-storage operations are valued at a much higher EV-to-EBITDA basis (16.7 on average compared to only 4.6 for truck rental companies) due to each industry's fundamental attributes described above. Due to the small sample size of public truck rental companies (since Penske and Enterprise are not publicly traded), the EV-to-EBITDA metric is distorted.

Industry Comparables	**Ticker**	**% Chg YTD**	**P/E CFY**	**Price/ Book**	**Price/ Sales**	**EV/ EBITDA**
U-HAUL HOLDING COMPANY	**UHAL**	14.3	14.9	2.0	2.3	6.4
S&P 500	**SPX**	16.3	20.1	3.7	2.3	18.1
TRUCK RENTAL COMPANIES						
RYDER SYSTEM INC	**R**	20.3	N/A	1.5	0.4	4.0
AVIS BUDGET GROUP	**CAR**	41.0	6.5	7.1	0.8	5.3
Industry Mean		**30.7**	**6.5**	**4.3**	**0.6**	**4.6**
SELF-STORAGE COMPANIES						
CUBESMART	**CUBE**	4.5	25.7	3.4	9.2	16.9
EXTRA SPACE STORAGE INC	**EXR**	-11.0	22.5	8.5	9.3	23.5
NATIONAL STORAGE AFFILIATES TRUST	**NSA**	-10.0	39.7	2.3	3.5	12.4
PUBLIC STORAGE INC	**PSA**	2.4	25.8	8.8	11.5	13.9
Industry Mean		**-3.5**	**28.4**	**5.7**	**8.3**	**16.7**

Utilizing comparable EV-to-EBITDA valuation of a blend of truck rental and self-storage companies, a **target price of $70.30** is indicated.

RISKS

- U-Haul's business is subject to many economic factors that are not included in our forecasts. These include the impact of high fuel costs, significant economic downturns, and a substantial decline in housing starts, among others.
- Revenues (and therefore earnings) are seasonal, due to changes in consumer behavior as the weather changes. It is assumed that past weather conditions continue to be relatively the same over the quarterly time frames of the past.
- U-Haul purchases truck chassis from a limited number of domestic manufacturers e.g. Ford Motor Company and General Motors Corporation. If the production or quality of product is hindered, it could have a negative impact on U-HAUL's operations and stock price.
- U-Haul maintains a large fleet of rental equipment. The company's rental truck fleet rotation program is funded internally through operations and externally from debt and lease financing. A challenging financial market could adversely affect the company's fleet rotation program.
- Another important aspect of U-Haul's 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. However, at times, the used rental equipment market weakens in response to various economic factors. During such times of weak pricing and the near absence of demand, the company's financial results could be adversely affected by increasing depreciation expense, losses on the sale of retired equipment (due to net proceeds on sales falling short of estimated residual values) and decreases in expected cash flows from the sales of used equipment.

BALANCE SHEET

U-HAUL HOLDING COMPANY					
(in $US '000 except share data)	FY 2020	FY 2021	FY 2022	FY 2023	1Q FY 2024
Period ending	3/31/2020	3/31/2021	3/31/2022	3/31/2023	6/30/2023
ASSETS					
Cash and cash equivalents	494,352	1,194,012	2,704,137	2,060,524	2,377,124
Reinsurance recoverables & trade receivables	186,672	224,426	229,343	189,498	206,663
Inventories and parts	101,083	105,577	158,888	151,474	164,884
Prepaid expenses	562,904	469,144	236,915	241,711	232,039
Investm'ts, fixed maturities & mktable equities	2,492,738	2,695,656	2,893,399	2,770,394	2,469,512
Investments, other	360,373	489,759	543,755	575,540	620,140
Deferred policy acquisition costs	103,118	89,749	103,828	152,377	123,596
Other assets	71,956	47,730	60,409	51,052	60,821
Right of use assets - financing	1,080,353	877,038	620,824	474,765	420,496
Right of use assets - operating	106,631	92,505	74,382	58,917	59,496
Related party assets	34,784	35,395	47,851	48,308	43,102
Total Current Assets	**5,594,964**	**6,320,991**	**7,673,731**	**6,774,560**	**6,777,873**
Land	1,032,945	1,075,813	1,283,142	1,537,206	1,555,326
Buildings and improvements	4,663,461	5,073,017	5,974,639	7,088,810	7,364,517
Furniture and equipment	752,363	786,505	846,132	928,241	942,036
Rental trailers and other rental equipment	511,520	477,921	615,679	827,696	866,916
Rental trucks	3,595,933	3,909,724	4,638,814	5,278,340	5,594,132
(Accumulated depreciation)	(2,713,162)	(2,992,365)	(3,732,556)	(4,310,205)	(4,486,766)
TOTAL ASSETS	**13,438,024**	**14,651,606**	**17,299,581**	**18,124,648**	**18,614,034**
Accounts payable and accrued expenses	554,353	645,575	677,785	761,039	778,605
Total Current Liabilities	**554,353**	**645,575**	**677,785**	**761,039**	**778,605**
Notes, loans and finance/capital leases payable	4,621,291	4,668,907	6,022,497	6,108,042	6,287,231
Operating lease liabilies	106,443	92,510	74,197	58,373	58,808
Policy benefits & losses, claims & loss exp. payable	997,647	997,701	978,254	875,034	878,436
Liabilities from investment contracts	1,802,217	2,161,530	2,336,238	2,398,884	2,384,330
Other policyholders' funds and liabilities	10,190	12,420	10,812	8,232	12,218
Deferred income	31,620	42,592	49,157	52,282	64,790
Deferred income taxes, net	1,093,543	1,178,489	1,265,358	1,334,427	1,371,859
Non-Current Liabilities	**8,662,951**	**9,154,149**	**10,736,513**	**10,835,274**	**11,057,672**
TOTAL LIABILITIES	**9,217,304**	**9,799,724**	**11,414,298**	**11,596,313**	**11,836,277**
SHAREHOLDERS' EQUITY					
Common Stock	10,497	10,497	10,497	10,497	10,497
Series N Non-Voting Common Stock	-	-	-	176	176
Additional paid-in capital	453,819	453,819	453,819	453,643	453,643
Accumulated other comprehensive income	34,652	106,857	46,384	(267,046)	(261,836)
Retained earnings	4,399,402	4,958,359	6,052,233	7,008,715	7,252,927
Cost of common shares in treasury	(525,653)	(525,653)	(525,653)	(525,653)	(525,653)
Cost of preferred shares in treasury	(151,997)	(151,997)	(151,997)	(151,997)	(151,997)
Unearned employee stock ownership plan	-	-	-	-	-
Total stockholders' equity	**4,220,720**	**4,851,882**	**5,885,283**	**6,528,335**	**6,777,757**
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	**13,438,024**	**14,651,606**	**17,299,581**	**18,124,648**	**18,614,034**
Voting Common Shares Outstanding	19,607,788	19,607,788	19,607,788	19,607,788	19,607,788
Series N Non-Voting Shares Outstanding	0	0	0	176,470,092	176,470,092

PROJECTED ANNUAL INCOME STATEMENTS

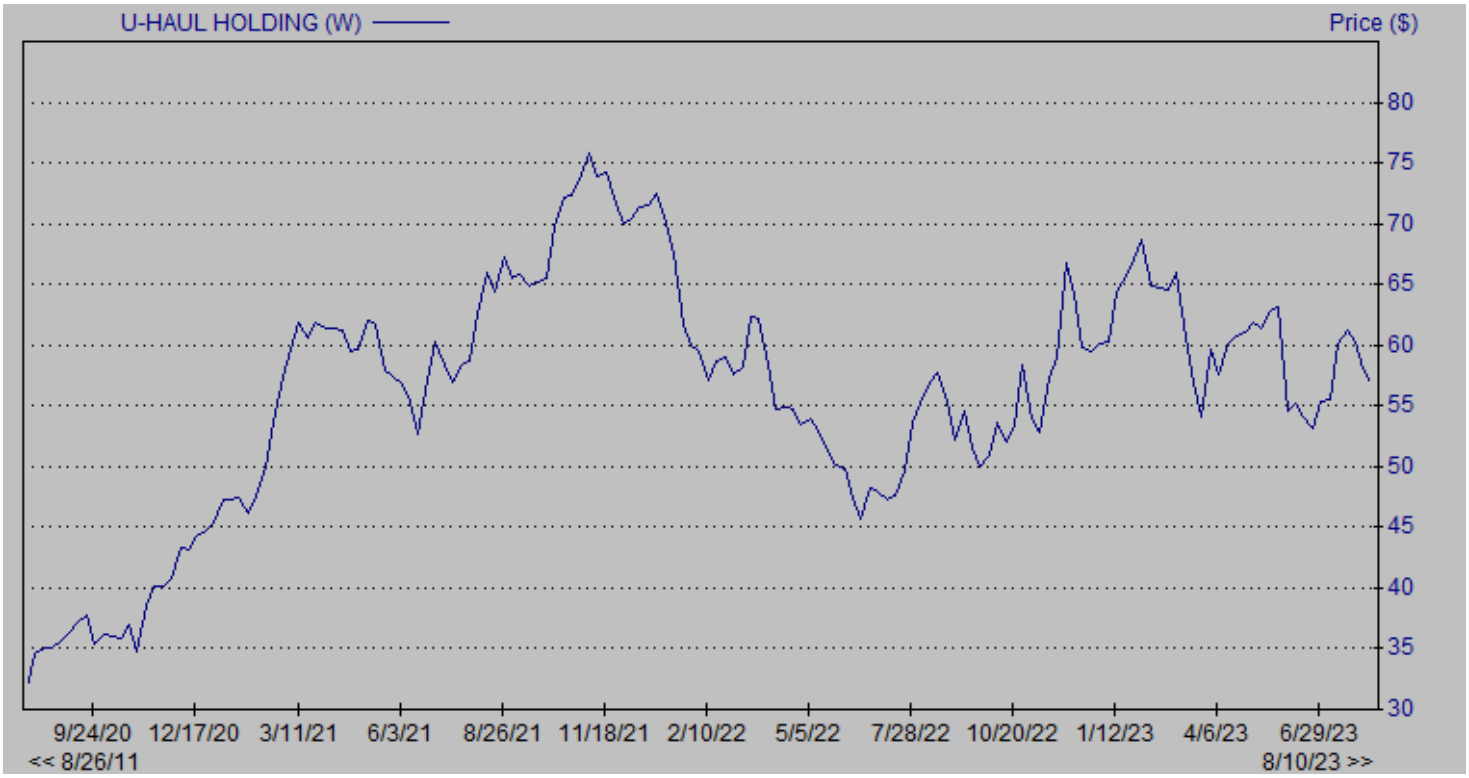
U-HAUL HOLDING COMPANY

Income Statement (in $US '000, except share and per share data)	FY 2020 3/31/2020	FY 2021 3/31/2021	FY 2022 3/31/2022	FY 2023 3/31/2023	FY 2024 E 3/31/2024
Revenues					
Self-moving equipment rentals	2,692,413	3,083,317	3,958,807	3,877,917	3,631,485
Self-storage revenues	418,741	477,262	617,120	744,492	842,594
Self-moving/self-storage prod. & svc.	265,091	344,929	351,447	357,286	334,220
Property management fees	30,406	31,603	35,194	37,073	37,653
Life insurance premiums	127,976	121,609	111,027	99,149	89,676
P&C insurance premiums	66,053	68,779	86,518	93,209	89,983
Net investment & interest income	137,829	122,938	148,261	176,679	240,592
Other revenue	240,359	291,548	431,373	478,886	435,583
Total Revenues	**3,978,868**	**4,541,985**	**5,739,747**	**5,864,691**	**5,701,788**
Expenses					
Operating expenses	2,117,148	2,187,684	2,676,541	3,024,547	2,864,097
Commission expenses	288,332	329,609	429,581	416,315	365,304
Cost of sales	164,018	214,059	259,585	263,026	215,881
Benefits and losses	174,836	179,512	186,647	165,553	173,344
Amort. of deferred policy acq. costs	31,219	28,293	33,854	27,924	28,745
Lease expense	26,882	28,470	29,910	30,829	30,932
Depreciation	637,063	609,930	482,752	486,795	608,814
Net gains on disposal of real estate	(758)	3,281	(4,120)	5,596	4,021
Total Operating Expenses	**3,438,740**	**3,580,838**	**4,094,750**	**4,420,585**	**4,291,137**
Earnings from operations	**540,128**	**961,147**	**1,644,997**	**1,444,106**	**1,410,650**
Other components of net periodic benefit cc	(1,054)	(987)	(1,120)	(1,216)	(1,460)
Interest expense	(160,950)	(163,502)	(167,424)	(223,958)	(244,598)
Fees and amortization on early extinguishme	-	-	(956)	(1,009)	0
Total Other Income (Expenses)	**(162,004)**	**(164,489)**	**(169,500)**	**(226,183)**	**(246,058)**
Pretax earnings	**378,124**	**796,658**	**1,475,497**	**1,217,923**	**1,164,592**
Income tax benefit (expense)	63,924	(185,802)	(352,211)	(294,925)	(281,258)
Net Income	**442,048**	**610,856**	**1,123,286**	**922,998**	**883,334**
Diluted Earnings per Voting Share	**$2.25**	**$3.12**	**$5.73**	**$5.54**	**$4.35**
Diluted Earnings per Non-Voting Share	**N/A**	**N/A**	**N/A**	**$4.62**	**$4.51**
Wgted. Avg. Voting Shares Out.	19,603,708	19,607,788	19,607,788	19,607,788	19,607,788

PROJECTED QUARTERLY INCOME STATEMENTS

U-HAUL HOLDING COMPANY						
Income Statement	**FY**	**1Q**	**2Q E**	**3Q E**	**4Q E**	**Estimate**
	FY 2023	**FY 2024**	**FY 2024**	**FY 2024**	**FY 2024**	**FY 2024 E**
(in $US "000 except share and per share data)	**3/31/2023**	**6/30/2023**	**9/30/2023**	**12/31/2023**	**3/31/2024**	**3/31/2023**
Revenues						
Self-moving equipment rentals	3,877,917	999,206	1,087,655	850,283	694,341	3,631,485
Self-storage revenues	744,492	198,961	209,712	215,246	218,676	842,594
Self-moving/self-storage prod. & svc.	357,286	100,872	90,277	70,510	72,561	334,220
Property management fees	37,073	9,177	9,476	10,000	9,000	37,653
Life insurance premiums	99,149	23,131	23,141	21,758	21,647	89,676
P&C insurance premiums	93,209	20,322	22,295	25,450	21,915	89,983
Net investment & interest income	176,679	64,592	63,000	58,000	55,000	240,592
Other revenue	478,886	124,047	149,190	89,656	72,690	435,583
Total Revenues	**5,864,691**	**1,540,308**	**1,654,747**	**1,340,903**	**1,165,830**	**5,701,788**
Expenses						
Operating expenses	3,024,547	763,241	761,359	697,232	642,265	2,864,097
Commission expenses	416,315	106,927	107,381	84,102	66,894	365,304
Cost of sales	263,026	70,675	54,237	45,731	45,237	215,881
Benefits and losses	165,553	45,344	42,000	42,000	44,000	173,344
Amort. of deferred policy acq. costs	27,924	8,045	6,900	6,800	7,000	28,745
Lease expense	30,829	7,583	7,683	7,783	7,883	30,932
Depreciation	486,795	137,814	147,000	157,000	167,000	608,814
Net loss (gain) on disposal of R/E	5,596	1,021	1,000	1,000	1,000	4,021
Total Operating Expenses	**4,420,585**	**1,140,650**	**1,127,560**	**1,041,649**	**981,279**	**4,291,137**
Earnings from operations	**1,444,106**	**399,658**	**527,187**	**299,254**	**184,551**	**1,410,650**
Other comp. net periodic benefit costs	(1,216)	(365)	(365)	(365)	(365)	(1,460)
Interest expense	(223,958)	(60,598)	(61,000)	(61,000)	(62,000)	(244,598)
Fees & amort. early exting. of debt	(1,009)	-	-	-	-	0
Total Other Income (Expenses)	**(226,183)**	**(60,963)**	**(61,365)**	**(61,365)**	**(62,365)**	**(246,058)**
Pretax earnings	**1,217,923**	**338,695**	**465,822**	**237,889**	**122,186**	**1,164,592**
Income tax benefit (expense)	(294,925)	(81,857)	(112,263)	(57,569)	(29,569)	(281,258)
Net Income	**922,998**	**256,838**	**353,559**	**180,320**	**92,617**	**883,334**
Diluted Earnings per Voting Share	**$5.54**	**$1.27**	**$1.76**	**$0.88**	**$0.43**	**$4.35**
Diluted Earnings per Non-Voting Share	**$4.62**	**$1.31**	**$1.80**	**$0.92**	**$0.47**	**$4.51**
Wgted. Avg. Voting Shares Out.	19,607,788	19,607,788	19,607,788	19,607,788	19,607,788	19,607,788
Wgted. Avg. Non-Voting Shares Out.	176,470,092	176,470,092	176,470,092	176,470,092	176,470,092	176,470,092

HISTORICAL STOCK PRICE



DISCLOSURES

The following disclosures relate to relationships between Zacks Small-Cap Research ("Zacks SCR"), a division of Zacks Investment Research ("ZIR"), and the issuers covered by the Zacks SCR Analysts in the Small-Cap Universe.

ANALYST DISCLOSURES

I, Steven Ralston, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report. I believe the information used for the creation of this report has been obtained from sources I considered to be reliable, but I can neither guarantee nor represent the completeness or accuracy of the information herewith. Such information and the opinions expressed are subject to change without notice.

INVESTMENT BANKING AND FEES FOR SERVICES

Zacks SCR does not provide investment banking services nor has it received compensation for investment banking services from the issuers of the securities covered in this report or article.
Zacks SCR has received compensation from the issuer directly, from an investment manager, or from an investor relations consulting firm engaged by the issuer for providing non-investment banking services to this issuer and expects to receive additional compensation for such non-investment banking services provided to this issuer. The non-investment banking services provided to the issuer includes the preparation of this report, investor relations services, investment software, financial database analysis, organization of non-deal road shows, and attendance fees for conferences sponsored or co-sponsored by Zacks SCR. The fees for these services vary on a per-client basis and are subject to the number and types of services contracted. Fees typically range between ten thousand and fifty thousand dollars per annum. Details of fees paid by this issuer are available upon request.

POLICY DISCLOSURES

This report provides an objective valuation of the issuer today and expected valuations of the issuer at various future dates based on applying standard investment valuation methodologies to the revenue and EPS forecasts made by the SCR Analyst of the issuer's business.
SCR Analysts are restricted from holding or trading securities in the issuers that they cover. ZIR and Zacks SCR do not make a market in any security followed by SCR nor do they act as dealers in these securities. Each Zacks SCR Analyst has full discretion over the valuation of the issuer included in this report based on his or her own due diligence. SCR Analysts are paid based on the number of companies they cover. SCR Analyst compensation is not, was not, nor will be, directly or indirectly, related to the specific valuations or views expressed in any report or article.

ADDITIONAL INFORMATION

Additional information is available upon request. Zacks SCR reports and articles are based on data obtained from sources that it believes to be reliable, but are not guaranteed to be accurate nor do they purport to be complete. Because of individual financial or investment objectives and/or financial circumstances, this report or article should not be construed as advice designed to meet the particular investment needs of any investor. Investing involves risk. Any opinions expressed by Zacks SCR Analysts are subject to change without notice. Reports or articles or tweets are not to be construed as an offer or solicitation of an offer to buy or sell the securities herein mentioned.

CANADIAN COVERAGE

This research report is a product of Zacks SCR and prepared by a research analyst who is employed by or is a consultant to Zacks SCR. The research analyst preparing the research report is resident outside of Canada, and is not an associated person of any Canadian registered adviser and/or dealer. Therefore, the analyst is not subject to supervision by a Canadian registered adviser and/or dealer, and is not required to satisfy the regulatory licensing requirements of any Canadian provincial securities regulators, the Investment Industry Regulatory Organization of Canada and is not required to otherwise comply with Canadian rules or regulations.