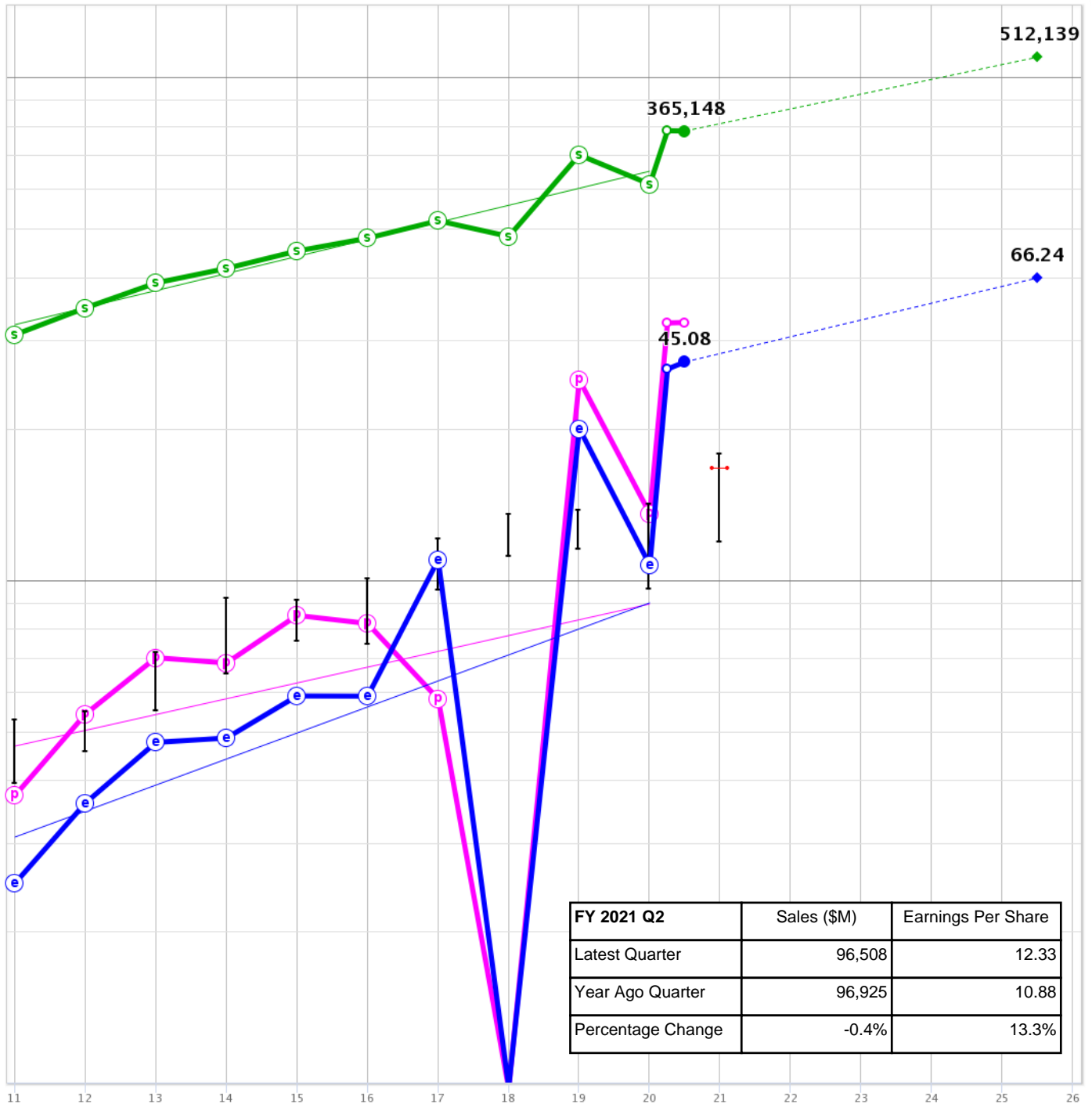


Company	Berkshire Hathaway		Date	09/14/21	
Prepared by	HENRIKSON		Data taken from	BI Stock Data	
Where traded	NYS	Industry	Insurance - Diversified		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	2,279.4	0.9	34.0		
Debt (\$M)	115,223.0	% to Tot Cap	19.7	% Pot Dil	0.0

Stock Selection Guide

Symbol: BRK.B

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- (1) Historical Sales Growth 8.1%
- (2) Estimated Future Sales Growth 7.0%
- (3) Historical Earnings Per Share Growth 12.7%
- (4) Estimated Future Earnings Per Share Growth 8.0%

2 EVALUATING Management

Berkshire Hathaway

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Last 5 Year Avg.
Pre-tax Profit on Sales	10.7%	13.7%	15.8%	14.4%	16.6%	15.1%	9.8%	1.8%	31.4%	19.5%	15.5%
% Earned on Equity	6.4%	7.9%	9.4%	8.4%	9.7%	8.9%	14.6%	1.1%	20.4%	9.9%	11.0%
% Debt To Capital	26.8%	25.1%	24.6%	25.0%	24.8%	26.4%	22.8%	21.8%	19.6%	20.9%	22.3%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CLOSING PRICE 277.20 (09/14/21)

HIGH THIS YEAR 295.08

LOW THIS YEAR 197.81

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2016	167.3	123.6	9.76	17.1	12.7	0.00	0.0	0.0
2017	200.5	158.6	18.22	11.0	8.7	0.00	0.0	0.0
2018	224.1	184.7	1.63	137.4	113.3	0.00	0.0	0.0
2019	228.2	191.0	33.22	6.9	5.8	0.00	0.0	0.0
2020	235.0	159.5	17.78	13.2	9.0	0.00	0.0	0.0
AVERAGE		163.5		12.1	9.0		0.0	
CURRENT/TTM			45.09			0.00	0.0	
AVERAGE PRICE EARNINGS RATIO: 10.5				CURRENT PRICE EARNINGS RATIO: 6.1				

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 6.1 X Estimate High Earnings/Share 66.24 = Forecasted High Price \$ 404.1

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 6.1 X Estimate Low Earnings/Share 33.22 = Forecasted Low Price \$ 202.6

(b) Avg. Low Price of Last 5 Years 163.5

(c) Recent Market Low Price 159.5

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.00}{0.00\%} = 0.0$

Selected Forecasted Low Price \$ 202.6

C ZONING using 25%-50%-25%

Forecasted High Price 404.1 Minus Forecasted Low Price 202.6 = 201.5 Range. 25% of Range 50.4

Buy Zone 202.6 to 253.0

Hold Zone 253.0 to 353.7

Sell Zone 353.7 to 404.1

Present Market Price of 277.20 is in the **HOLD** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price } 404.1 - \text{Minus Present Price } 277.20}{\text{Present Price } 277.20} = \frac{126.89}{277.20} = 0.4578$
 $\frac{\text{Present Price } 277.20 - \text{Minus Low Price } 202.6}{\text{Present Price } 277.20} = \frac{74.60}{277.20} = 0.2691$
 Ratio = $\frac{0.4578}{0.2691} = 1.7$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price } 404.1}{\text{Closing Price } 277.20} = 1.4578 \times 100 = 145.78 - 100 = 45.8\%$ % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend } 0.00}{\text{Closing Price } 277.20} = 0.0000 = 0.0\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout } 0.0\%}{\text{Forecast High PE } 6.10} = 0.0\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout } 0.0\%}{\text{Forecast Average PE } 6.10} = 0.0\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 7.8 %
 Average Yield 0.0 %
 Annualized Rate of Return 7.8 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation 7.8 %
 Average Yield 0.0 %
 Annualized Rate of Return 7.8 %

Notes: BRK.B Q2 9/15/2021

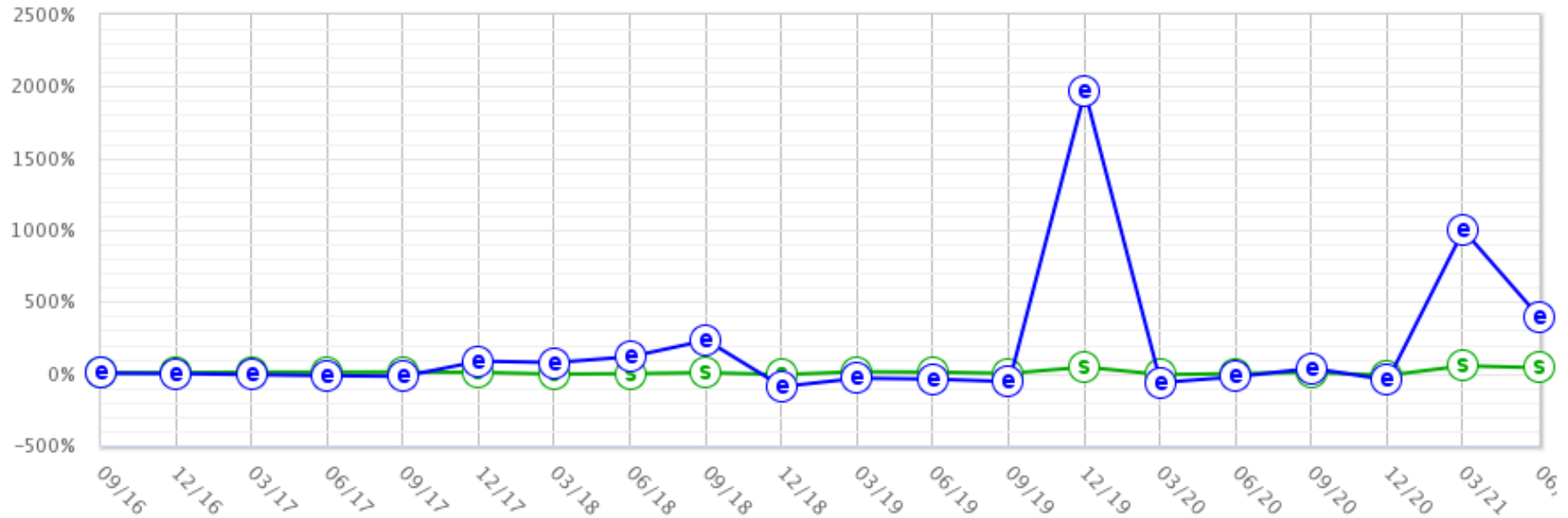
Date	Subject	Description	Type
09/15/21	Judgements for BRK-B as of Sept 16, 2021	<p>Revenues and EPS: Used a composite (7% for Revenues and 8% for EPS) from 7 analysts' judgments, including Value Line, Morning Star, CFRA, Several Analysts' Consensus Estimates, and BI Members' Sentiment together with Mgmt Discussion & Analysis, repeated in Morningstar. Analysis. It's important to note BRK's significant earnings from investments, vs operations, which is likely to continue as BRK acquires significant stakes in other companies.</p> <p>For Average high PE I used current PE, because that times projected earnings, resulted in conservative high price of \$404.</p> <p>For Low stock price I used same current PE 6.1 times low EPS resulting in low price of \$202.6, which is about 75% of its current price, and higher than the low of this year so far, 2021.</p>	Study
06/14/21	Judgments for BRK B Q1 2021 June 21	<p>Revenues and EPS: Used a conservative composite (6%) of 8 analysts' judgments, including Value Line, Morning Star, CFRA, Several Analysts' Consensus Estimates, and BI Members' Sentiment together with past and current performance by BRK B Business Segments (as reflected in both 10Q Income Statement, Mgmt Discussion & Analysis, and repeated in Morningstar. Analysis.</p> <p>For Average high PE I used current PE, because that times projected earnings, resulted in conservative high price of \$379. (Over the last 5 years, June 2016-June 2021, BRK-B stock has appreciated more than 12%/year. Projecting 12% price appreciation through 2025 would result in BRK B stock price of \$405.)</p> <p>For Low stock price I used 80% of current stock price (\$284.9) which is \$228.</p>	Study
03/14/21	Judgments for BRK-B re Q4/Full year 2020 data	<p>Revenue growth of 6%; a little high but relatively consistent for next 5 years from analysts, with about half revenues coming from Operations and half from investments</p> <p>EPS - used preferred procedure (used tax rate and pre-tax profit margins from Income statement)</p> <p>High Price - used high P/E of 15.2 (a little high, but it's been as high as 17)</p> <p>Low price - used 191, low price of 2019</p>	Study

12/09/20	Financial Data & Judgements for Q3 2020, BRK;B	<p>This is a difficult stock to study, partly because of financial reporting requirements. For example, In the BRK 10-Q filed for Q3 2020 after Sept 30, 2020, Operating Revenue was down 3% from a year ago quarter: \$63,024M vs \$64,972M. In Management Discussion, Buffett says Insurance revenue, Railroads, and Retailing operations were all negatively affected by the Coronavirus Pandemic, shut-downs and slow-downs. Only the utilities were more profitable than the same quarter in 2019. However, the SEC requires that firms holding sizable investments in other companies' stocks and bonds, list the value of these holdings each quarter as part of revenue. (This is, of course, misleading -because it's just a valuation of stock/bond holdings at a point in time: unrealized gains and losses, not income from sales).. In Q3 2020, the valuation of these holdings ("Investment & derivative contract gains/losses") was 189% higher than a year ago quarter: \$31,582M vs \$10,926M. When the operating revenue/income is added to the valuation of investments - total Q3 2020 revenue ('sales") appears to be 24.6% higher than a year ago quarter: \$94,607M vs \$75,896M. EPS is treated the same way (combining operating EPS and investment valuation). Both Value Line and CFRA use only the Operating revenues and remove the Valuation figures in their reporting of revenues and EPS.</p> <p>Judgements: I used 6% revenue and EPS growth, same as last quarter, for the next 5 years. Most analysts believe BRK is undervalued. My 6% represents their consensus (CFRA, VL, Manifest, BI Member Sentiment). Further, with the end of Covid, Berkshire's insurance and railroad operations should recover quickly, plus new investments in 4 health care companies, more consolidation of Bof A holdings, and other investments should generate a continuous flow of income from dividends, it not sales. BRK stock price has been relatively stable as has its P/E (helped, no doubt in 2020 by 10M share buybacks of B shares). I used the high PE of 15 to get a high price just over \$300/share. I used a the low price of this year. \$159.</p>	Study
03/25/20	Inconsistent Data	<p>Upon further research, it appears the financial statements from Morningstar were used to create the SSG for this company. Therefore, the inconsistency is in the financial statements of Morninstar and those of Value Line. To be certain, information will probably be best obtained directly from Berkshire's 10k and 10q filed with the SEC, or its Annual and Quarterly reports.</p>	Community
03/25/20	Data is inconsistent with Value Line	<p>As of 03.25.2020, the data in SSG is still inconsistent with Value Line. In particular, EPS and P/E ratio. Not sure what source SSG used for its data.</p>	Community

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Ⓢ Sales ⓔ Earnings



Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change	\$		\$ Mil	%Sales	\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales	
06/21	12.33	13.3	35,721.0	37.0	0.9	96,508.0	-0.4	20.4	45.09	133,582.0	36.6	365,148.0	26,435.9	19.8	394.9	350.5	40.2
03/21	5.09	124.9	14,528.0	20.7	123.0	70,299.0	880.2	18.5	43.64	133,270.0	36.5	365,565.0	28,040.0	21.0	998.3	1,010.6	54.1
12/20	15.01	25.8	45,403.0	43.8	23.4	103,735.0	7.3	20.4	18.11	55,693.0	19.5	286,256.0	12,091.0	21.7	-45.5	-45.8	-12.5
09/20	12.66	87.7	37,930.0	40.1	85.1	94,606.0	24.6	19.8	15.03	47,091.0	16.9	279,200.0	10,241.1	21.7	36.9	42.0	7.9
06/20	10.88	89.5	35,409.0	36.5	99.4	96,925.0	31.6	25.4	9.11	29,650.0	11.4	260,492.0	6,365.1	21.5	-22.5	-17.3	-0.2
03/20	-20.44	-332.1	-63,049.0	699.8	-328.1	-9,010.0	-111.1	21.2	3.97	12,000.0	5.1	237,213.0	2,419.2	20.2	-63.5	-63.8	-7.3
12/19	11.92	215.6	36,801.0	38.1	212.5	96,679.0	242.8	20.6	33.21	102,696.0	31.4	327,223.0	20,757.4	20.2	1,963.0	2,466.8	45.2
09/19	6.75	-10.3	20,489.0	27.0	-11.5	75,898.0	-2.9	18.7	10.98	33,174.0	12.8	258,750.0	6,857.1	20.7	-56.3	-23.1	1.0
06/19	5.74	17.9	17,759.0	24.1	17.6	73,646.0	7.4	20.2	11.75	35,832.0	13.7	261,008.0	7,449.5	20.8	-39.0	40.0	9.5
03/19	8.81	2,010.2	27,647.0	34.1	1,915.3	81,000.0	60.5	21.4	10.88	33,171.0	13.0	255,924.0	6,881.3	20.7	-32.5	99.5	12.5

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change			\$	\$ Mil		%Sales	\$ Mil	%Rate	EPS	Pre-Tax Profit
12/18	-10.32	-178.2	-32,721.0	-116.0	-612.0	28,206.0	-52.1	22.4	1.61	4,001.0	1.8	225,382.0	912.9	22.8	-91.2	-83.2	-6.9
09/18	7.52	356.0	23,147.0	29.6	311.1	78,156.0	29.1	19.2	25.12	43,113.0	16.8	256,083.0	-36,872.4	-85.5	231.7	61.1	6.3
06/18	4.87	181.7	15,098.0	22.0	146.3	68,562.0	19.2	20.0	19.25	25,596.0	10.7	238,452.0	-21,496.2	-84.0	117.7	-19.1	-0.4
03/18	-0.46	-128.0	-1,523.0	-3.0	-126.8	50,458.0	-22.6	29.7	16.11	16,627.0	7.3	227,408.0	-13,592.6	-81.8	76.2	-49.5	-3.8
12/17	13.19	417.6	6,391.0	10.8	-31.4	58,907.0	2.1	-411.0	18.22	23,838.0	9.8	242,137.0	-19,633.6	-82.4	86.6	-29.2	8.3
09/17	1.65	-43.5	5,630.0	9.3	-46.5	60,525.0	2.5	25.4	7.57	26,761.0	11.1	240,903.0	7,579.4	28.3	-19.8	-15.7	10.6
06/17	1.73	-14.8	6,129.0	10.7	-16.9	57,518.0	5.6	28.9	8.84	31,656.0	13.2	239,446.0	9,359.9	29.6	-14.5	-10.3	10.0
03/17	1.65	-27.4	5,688.0	8.7	-11.9	65,187.0	24.4	27.2	9.14	32,899.0	13.9	236,388.0	9,901.8	30.1	-8.0	-2.5	10.2
12/16	2.55	14.7	9,314.0	16.1	26.2	57,673.0	11.3	31.8	9.76	33,667.0	15.1	223,604.0	8,883.0	26.4	-0.1	-3.7	6.1
09/16	2.92	-23.7	10,525.0	17.8	-25.2	59,068.0	0.1	30.3	9.44	31,734.0	14.6	217,751.0	7,824.0	24.7	2.2	-5.0	5.1
06/16	2.03	24.6	7,372.0	13.5	26.1	54,460.0	6.0	31.1	10.34	35,281.0	16.2	217,672.0	8,872.3	25.1	42.0	35.3	9.1
03/16	2.27	8.2	6,456.0	12.3	-15.6	52,403.0	7.7	12.4	9.94	33,755.0	15.7	214,580.0	8,378.0	24.8	20.5	15.8	8.4
12/15	2.22	31.8	7,381.0	14.2	26.4	51,820.0	7.4	24.9	9.77	34,946.0	16.6	210,821.0	10,350.1	29.6	21.2	24.3	8.3
09/15	3.83	104.1	14,072.0	23.9	108.5	58,989.0	15.2	32.3	9.23	33,406.0	16.1	207,260.0	10,139.6	30.4	9.9	13.3	7.1
06/15	1.63	-37.2	5,846.0	11.4	-34.4	51,368.0	3.2	29.8	7.28	26,084.0	13.1	199,470.0	7,771.1	29.8	-15.1	-13.4	5.6
03/15	2.10	9.8	7,647.0	15.7	15.9	48,644.0	7.0	31.6	8.25	29,154.0	14.7	197,864.0	8,526.8	29.2	5.4	3.8	7.7
12/14	1.69	-16.7	5,841.0	12.1	-19.2	48,259.0	2.6	27.8	8.06	28,105.0	14.4	194,673.0	7,945.3	28.3	2.0	-2.4	6.9
09/14	1.87	-8.5	6,750.0	13.2	-8.5	51,199.0	10.0	30.1	8.40	29,496.0	15.2	193,463.0	8,500.7	28.8	8.9	4.2	7.6
06/14	2.59	40.8	8,916.0	17.9	29.4	49,762.0	11.3	27.6	8.57	30,124.0	16.0	188,805.0	8,689.3	28.8	18.3	12.1	8.3
03/14	1.91	-3.9	6,598.0	14.5	-9.6	45,453.0	3.6	27.7	7.82	28,099.0	15.3	183,736.0	8,491.5	30.2	17.5	14.2	9.2
12/13	2.02	10.1	7,232.0	15.4	7.1	47,049.0	5.2	30.0	7.90	28,796.0	15.8	182,150.0	8,959.2	31.1	32.0	29.5	12.1
09/13	2.05	29.5	7,378.0	15.9	24.3	46,541.0	13.4	30.2	7.71	28,318.0	15.7	179,821.0	8,881.2	31.4	43.4	42.1	15.5
06/13	1.84	46.8	6,891.0	15.4	49.3	44,693.0	15.9	33.1	7.25	26,876.0	15.4	174,330.0	8,532.5	31.7	53.6	54.8	17.5
03/13	1.99	51.4	7,295.0	16.6	47.9	43,867.0	15.0	31.2	6.66	24,600.0	14.6	168,183.0	7,620.5	31.0	37.5	36.6	13.5
12/12	1.84	49.3	6,754.0	15.1	51.7	44,720.0	17.8	31.0	5.99	22,236.0	13.7	162,463.0	6,916.5	31.1	44.5	45.2	13.1
09/12	1.58	72.0	5,936.0	14.5	76.5	41,050.0	21.7	31.7	5.38	19,934.0	12.8	155,698.0	13,471.4	67.6			
06/12	1.26	-9.1	4,615.0	12.0	-12.3	38,546.0	0.7	30.0	4.72	17,361.0	11.7	148,387.0	11,586.7	66.7			
03/12	1.31	114.6	4,931.0	12.9	120.7	38,147.0	13.1	31.7	4.84	18,011.0	12.2	148,115.0	12,145.3	67.4			
12/11	1.23		4,452.0	11.7		37,955.0		176.9									
09/11	0.92		3,363.0	10.0		33,739.0		28.3									
06/11	1.38		5,265.0	13.8		38,274.0		32.8									
03/11	0.61		2,234.0	6.6		33,720.0		-28.2									