

BERKSHIRE HATH. 'B' NYSE-BRKB

RECENT PRICE **171.42** P/E RATIO **17.8** (Trailing: 18.7 Median: NMF) RELATIVE P/E RATIO **0.91** DIV'D YLD **Nil** VALUE LINE

TIMELINESS 4 Lowered 9/30/16	High: 76.5 101.2 97.2 71.4 85.9 87.6 90.9 119.3 152.9 151.7 167.3 172.2	Target Price Range 2020 2021 2022
SAFETY 1 New 6/18/10	Low: 56.8 69.2 42.9 44.8 64.7 65.4 75.9 91.3 108.1 125.5 123.6 158.6	
TECHNICAL 4 Lowered 3/10/17	LEGENDS 1.5 x Book value p sh Relative Price Strength 50-for-1 split 1/10 Options: Yes Shaded area indicates recession	
BETA .85 (1.00 = Market)		
2020-22 PROJECTIONS		
Price 235 Gain (+35%) Ann'l Total Return 9%		
High 190 Low 190 Gain (+10%) Return 3%		
Insider Decisions		
A M J J A S O N D		
to Buy 0 0 0 0 0 0 0 0 0 0 0 0		
Options 0 0 0 0 0 0 0 0 0 0 0 0		
to Sell 0 0 0 0 0 0 0 0 0 0 0 0		
Institutional Decisions		
2Q2016 3Q2016 4Q2016	Percent 12	
to Buy 800 759 828	shares 8	
to Sell 698 753 783	traded 4	
Hld's(000) 832447 843789 875845		

Berkshire Hathaway 'B' shares were introduced in May, 1996. At that time, each 'B' was worth 1/30 of a Berkshire 'A' share. In February, 2010, the company acquired railroad Burlington Northern Santa Fe. As part of that transaction, Berkshire split the 'B' shares 50-to-1. Now, each 'B' share is worth 1/1500 of an 'A'.	2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018	© VALUE LINE PUB. LLC 20-22
13.71 10.99 11.98 12.44 12.95 14.02 14.88 16.74 16.75 18.60 20.00 21.25		Premiums Earned p sh 27.15
5.26 d.30 4.76 4.54 2.62 3.87 5.31 4.28 6.93 7.70 8.00 8.40		Invest. Inc (loss) p sh 10.00
32.03 35.71 31.60 38.11 42.45 46.92 53.70 57.98 61.83 64.90 67.00 68.50		Other Income p sh 75.00
2.23 2.14 1.51 2.49 2.14 2.73 3.30 3.18 2.95 2.70 3.90 4.15		Underwriting Income p sh 5.15
5.70 2.15 3.46 5.29 4.14 5.24 7.89 8.06 9.77 9.77 9.80 10.35		Earnings p sh AC 12.50
-- -- -- -- -- -- -- -- -- -- -- --		Div'ds Decl'd p sh Nil
52.07 47.03 58.36 65.90 68.23 77.73 91.05 98.62 104.91 116.10 122.45 126.55		Book Value p sh B 132.65
2318.6 2223.4 2326.8 2472.2 2476.2 2464.8 2454.4 2464.3 2465.2 2466.2 2450.0 2450.0		Common Shs. Outst'g C 2450.0
150% 173% 107% 119% 115% 93% 121% 132% 133% 124%		Price to Book Value 160%
13.7 37.8 18.1 14.8 19.0 15.9 14.0 16.2 14.3 14.7		Avg Ann'l P/E Ratio 17.0
.72 2.30 1.20 .94 1.19 1.00 .79 .85 .73 .77		Relative P/E Ratio 1.05
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Wells Fargo (479,704,270 shares)		Bold figures are Value Line estimates
Coca Cola Co. (400,000,000 shares)		
IBM (81,232,303 shares)		
American Express (151,610,700 shares)		
Goldman Sachs (10,959,519 shares)		
Charter Communications (9,443,491 shares)		
U.S. Bancorp (85,063,167 shares)		
Davita (38,565,570 shares)		
Kraft Heinz (325,634,818 shares)		
Apple (57,359,652 shares)		
Delta (60,025,995 shares)		
Phillips 66 (80,689,892 shares)		
Market Value of all equities: \$145.6 bill.		
Common Shares 2,466,235,500 Class B shares		
Includes 784,669 Class A shrs, as if converted.		
as of 12/31/16		
MARKET CAP: \$423 billion (Large Cap)		

FINANCIAL POSITION			
	2014	2015	12/31/16 (\$MILL.)
Bonds	27397	25988	23432
Stocks	115529	110212	120471
Cash	57974	61181	70919
Other	325286	354876	406032
Total Assets	526186	552257	620854
Unearned Prems	11944	13311	14245
Reserves	71477	73144	76918
Other	199738	207175	243332
Total Liabilities	383159	293630	334495

ANNUAL RATES			
	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '20-'22
Earnings p sh	24.0%	25.0%	9.0%
Dividends	--	--	Nil
Book Value	19.0%	6.0%	8.0%

NET PREMIUMS EARNED (\$ mill.)					
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	9416	9323	12717	9797	41253
2015	9540	10400	10514	10840	41294
2016	11124	10799	11364	12594	45881
2017	11800	12200	12400	12600	49000
2018	12750	12900	13100	13250	52000

EARNINGS PER SHARE A					
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.91	2.59	1.87	1.69	8.06
2015	2.10	1.63	3.82	2.22	9.77
2016	2.27	2.03	2.92	2.55	9.77
2017	2.20	2.40	2.50	2.70	9.80
2018	2.35	2.55	2.65	2.80	10.35

QUARTERLY DIVIDENDS PAID					
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015					
2016					
2017					
	NO DIVIDENDS BEING PAID				

BUSINESS: Berkshire Hathaway Inc. is a holding company owning subsidiaries engaged in property and casualty insurance on a direct and reinsurance basis through GEICO, General Re and Berkshire Reinsurance. Other business activities include electric utilities, railroads, flight training services, candy manufacturing, ice cream, building products, newspapers, retailing, fine jewelry, etc. Also,

A strong fourth quarter enabled Berkshire Hathaway to post flat earnings for all of 2016. The company's insurance operations ended the year with an underwriting profit of just north of \$2.1 billion, a 16% advance over the previous year's tally. Furthermore, the year-end float clocked in at nearly \$91.6 billion, a sharp improvement over 2015's \$87.7 billion. Float, or funds taken in minus immediate expenses, is very important to insurers, since it directly affects investment income per share. Regarding this line item, income from investments trended higher last year at Berkshire, despite historically low bond reinvestment rates.

We look for share net to nudge higher in the year recently begun, while we have initiated an estimate of \$10.35 a share. The P/C insurance market has been constrained by few, if any, rate increases over the past couple of years. We look for this trend to continue, given the recent scarcity of industrywide catastrophes, which crimps insurers' ability to raise prices during policy renewal season. However, Berkshire's diversified status gives it a leg up on the

fractional ownership programs for general aviation (NetJets), energy (Mid-American Energy). Has approximately 361,270 employees. Officers & directors control 23.4% of voting power (3/16 proxy). Chrmn. & CEO: Warren E. Buffett. Vice Chrmn.: Charles T. Munger, Inc.: DE. Addr.: 3555 Farnam Street, Omaha, Nebraska 68131. Tel.: 402-346-1400. Internet: www.berkshirehathaway.com.

These shares are ranked unfavorably for year-ahead price action. However, over the 3- to 5-year pull, Berkshire stock offers worthwhile capital appreciation potential when adjusted for risk. What's more, acquisitions, which aren't included in our forecast, could add materially to our long-term projections. We look for further purchases down the road, given the company's strong balance sheet and propensity for making a splash in the acquisition market.

Alan G. House
March 10, 2017

(A) Based on diluted shares outstanding. Earnings include investment gains/(losses) and derivative gains and losses. Next earnings report due late April. (B) Incl. goodwill. In 12/31/16, \$79.5 billion; \$32.24/share. (C) In mill. Split B shares 50-to-1 in January 2010. Each B share is now worth 1/1500 of an A share.

Company's Financial Strength	A++
Stock's Price Stability	100
Price Growth Persistence	75
Earnings Predictability	65

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