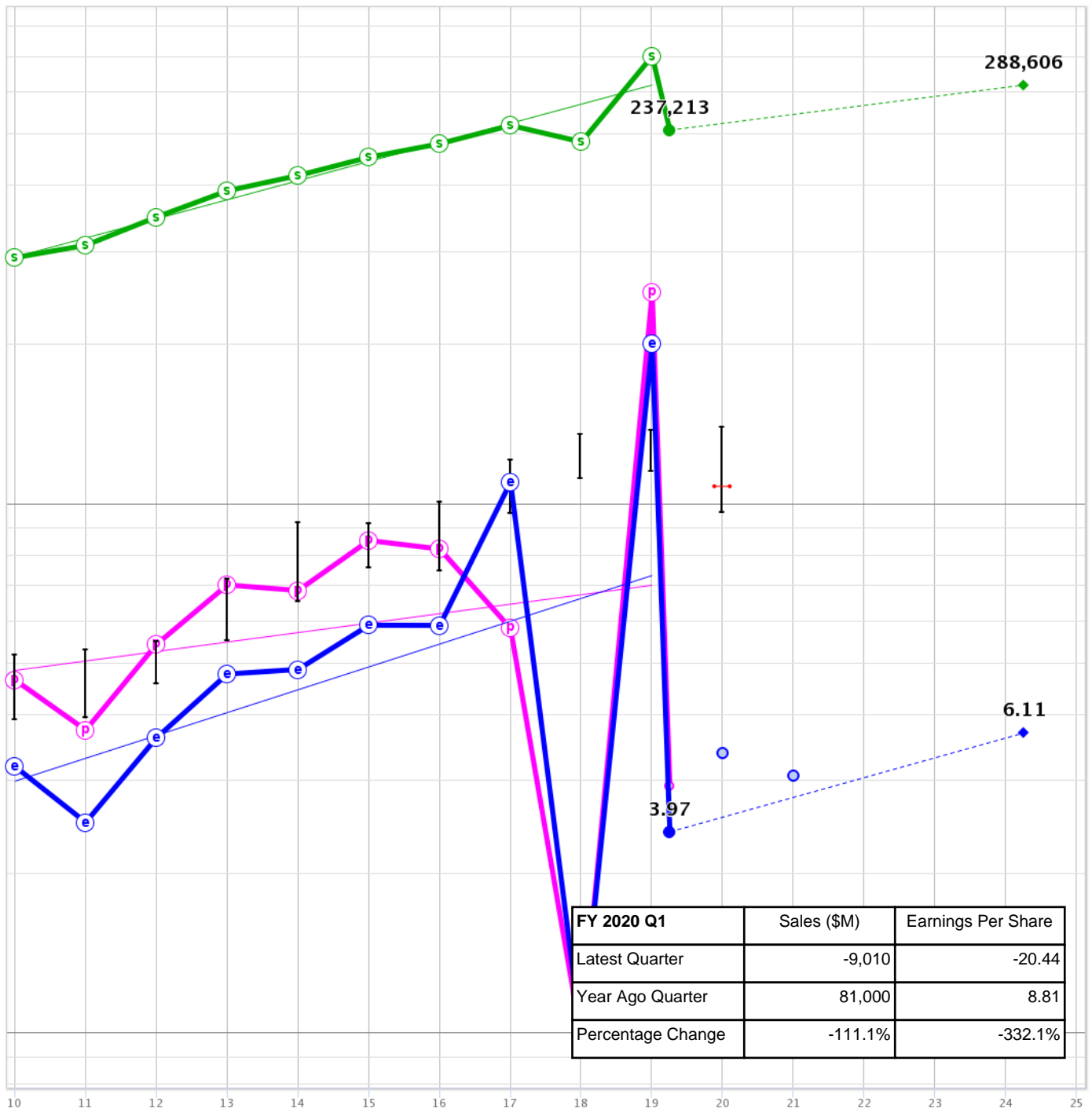


Company	Berkshire Hathaway		Date	07/02/20	
Prepared by	HENRIKSON		Data taken from	BI Stock Data	
Where traded	NYS	Industry	Insurance - Diversified		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	2,434.3	0.9	25.1		
Debt (\$M)	104,233.0	% to Tot Cap	21.9	% Pot Dil	0.0

Stock Selection Guide

Symbol: BRK.B

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- | | | | |
|-----------------------------------|------|--|-------|
| (1) Historical Sales Growth | 8.7% | (3) Historical Earnings Per Share Growth | 10.5% |
| (2) Estimated Future Sales Growth | 4.0% | (4) Estimated Future Earnings Per Share Growth | 9.0% |

2 EVALUATING Management

Berkshire Hathaway

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Last 5 Year Avg.
Pre-tax Profit on Sales	14.0%	10.7%	13.7%	15.8%	14.4%	16.6%	15.1%	9.8%	1.8%	31.4%	14.9%
% Earned on Equity	8.3%	6.4%	7.9%	9.4%	8.4%	9.7%	8.9%	14.6%	1.1%	20.4%	10.9%
% Debt To Capital	27.1%	26.8%	25.1%	24.6%	25.0%	24.8%	26.4%	22.8%	21.8%	19.6%	23.1%

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 178.83 (07/02/20)

HIGH THIS YEAR 231.61

LOW THIS YEAR 159.50

	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
2015	151.7	125.5	9.77	15.5	12.8	0.00	0.0	0.0
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
AVERAGE		156.7		12.6	10.0		0.0	
CURRENT/TTM			3.97			0.00	0.0	
AVERAGE PRICE EARNINGS RATIO: 11.3				CURRENT PRICE EARNINGS RATIO: 45.0				

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 45.0 X Estimate High Earnings/Share 6.11 = Forecasted High Price \$ 275.1

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 10.0 X Estimate Low Earnings/Share 33.22 = Forecasted Low Price \$ 332.2

(b) Avg. Low Price of Last 5 Years 156.7

(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 \$ 159.5

C ZONING using 25%-50%-25%

Forecasted High Price 275.1 Minus Forecasted Low Price 159.5 = 115.6 Range. 25% of Range 28.9

Buy Zone 159.5 to 188.4

Hold Zone 188.4 to 246.2

Sell Zone 246.2 to 275.1

Present Market Price of 178.83 is in the **BUY** Zone

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

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price} - \text{Low Price}} = \frac{275.1 - 178.83}{178.83 - 159.5} = \frac{96.25}{19.33} = 5.0$ To 1

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

$\frac{\text{High Price} - \text{Closing Price}}{\text{Closing Price}} = \frac{275.1 - 178.83}{178.83} = 1.5382$ X 100 = 153.82 - 100 = 53.8 % 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 $\frac{\text{Indicated Annual Dividend}}{\text{Closing Price}} = \frac{0.00}{178.83} = 0.0000 = 0.0\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{0.0\%}{45.00} = 0.0\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{0.0\%}{27.50} = 0.0\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 9.0 %
Average Yield 0.0 %
Annualized Rate of Return 9.0 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation -1.2 %
Average Yield 0.0 %
Annualized Rate of Return -1.2 %

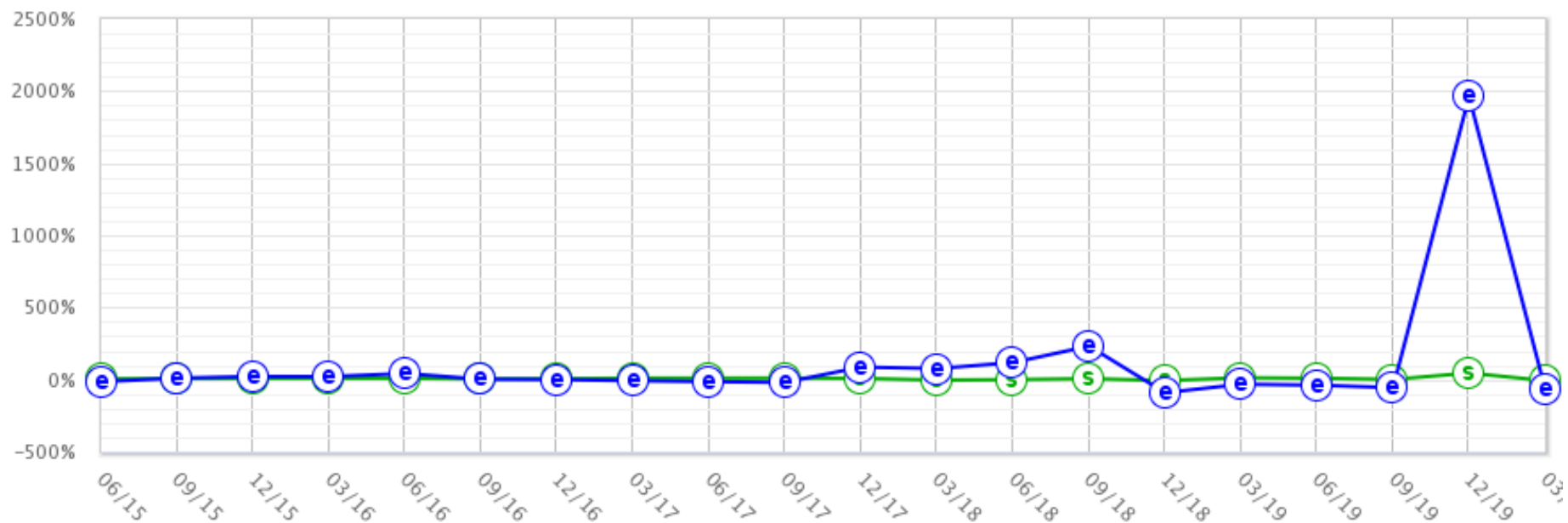
Notes: BRK.B 7/3/20

Date	Subject	Description	Type
07/06/20	Conservative Estimates for Sales & EPS	The equity side of BRK B far exceeds the insurance side. The insurance earnings (e.g. Geico) look strong in their field. It was the other business and investments during Q1 that lost the money. But, Buffet is quick to drop his losses. During Q 1 BRK B sold all Airline stocks, Travellers' Insurance, and some financial company stocks. He bought a bit more of PNC bank. While Buffet claims he won't buy just to buy, investors seem to believe this is where most future profits will come. I used 4% sales growth (between the 3-5% forecast by some analysts for the next 2 years) and 9% EPS growth (hoping for acquisition of better performing businesses. These values are lower than Value Line and Better Investing Member Sentiment for this period.	Study
07/06/20	SSG Sales Data inconsistent with BRK B 10-Q May 20	<p>10-Q Sales/ Total revenue for Q1 2020 = \$61,265M for Q1, 2019 = \$60,678M Net EPS Class B for Q1 2020 = (\$20.44) for Q1 2019 = \$8.81</p> <p>SSG Plus Sales/ Total revenue for Q1 2020 = (\$9.010M) for Q1, 2019 = \$81,000M Net EPS Class B for Q1 2020 = (\$20.44) for Q1 2019 = \$8.81</p> <p>I decided to follow the 10-Q for my study. (Value Line breaks out only some components of sales/revenues, the insurance side, not the investing side, making comparisons inconsistent with other data)</p>	Study
03/25/20	Inconsistent Data	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.	Community
03/25/20	Data is inconsistent with Value Line	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.	Community
06/24/19	Earnings information	I dont know where the SSG is getting this earnings information. I cant find any information on Value Line that matches these numbers.	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	
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		
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		

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
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	14.9	14.9	9.7
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	-5.1	-6.2	2.7
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	10.4	11.3	7.4
12/11	1.23	-30.5	4,452.0	11.7	-31.3	37,955.0	4.9	176.9	4.14	15,314.0	10.7	143,688.0	8,033.3	52.5	-21.7	-19.6	5.5
09/11	0.92	-23.9	3,363.0	10.0	-25.8	33,739.0	-7.0	28.3	4.68	17,343.0	12.2	141,898.0	2,771.4	16.0			
06/11	1.38	73.3	5,265.0	13.8	79.2	38,274.0	20.7	32.8	4.97	18,514.0	12.8	144,433.0	3,091.4	16.7			
03/11	0.61	-59.7	2,234.0	6.6	-56.2	33,720.0	5.3	-28.2	4.39	16,187.0	11.7	137,868.0	2,545.0	15.7			
12/10	1.77		6,481.0	17.9		36,165.0		31.0									
09/10	1.21		4,534.0	12.5		36,274.0		31.2									
06/10	0.80		2,938.0	9.3		31,709.0		28.9									
03/10	1.52		5,098.0	15.9		32,037.0		26.2									