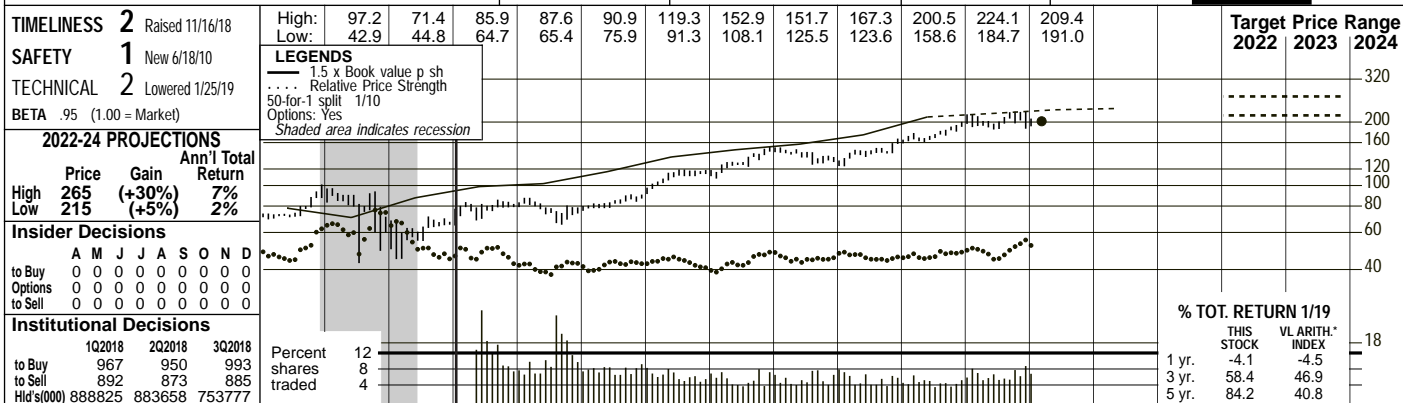


# BERKSHIRE HATH. 'B' NYSE-BRKB

RECENT PRICE **201.90** P/E RATIO **20.9** (Trailing: 22.1 Median: NMF) RELATIVE P/E RATIO **1.21** DIV'D YLD **Nil** VALUE LINE



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
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'.	11.98	12.44	12.95	14.02	14.88	16.74	16.75	18.60	24.56	23.29	24.40	25.50	Premiums Earned p sh	28.55
	4.76	4.54	2.62	3.87	5.31	4.28	6.93	5.87	3.53	4.85	5.45	6.00	Invest. Inc (loss) p sh	7.35
	31.60	38.11	42.45	46.92	53.70	67.98	61.83	66.19	53.86	54.75	56.55	58.00	Other Income p sh	65.30
	1.51	2.49	2.14	2.73	3.30	3.18	2.95	2.94	3.17	3.50	4.40	4.85	Underwriting Income p sh	6.00
	3.46	5.29	4.14	5.24	7.89	8.06	9.77	9.77	6.43	10.04	10.10	10.30	Earnings p sh AC	12.00
	58.36	65.90	68.23	77.73	91.05	98.62	104.91	116.11	141.16	141.42	152.75	154.75	Div'ds Decl'd p sh	Nil
	2326.8	2472.2	2476.2	2464.8	2454.4	2464.3	2465.2	2466.2	2467.4	2465.7	2475.0	2475.0	Book Value p sh B	167.35
	107%	119%	115%	93%	121%	132%	133%	124%	124%	144%			Common Shs. Outst'g C	2450.0
	18.1	14.8	19.0	15.9	14.0	16.2	14.3	14.7	27.2	20.3			Price to Book Value	145%
	1.20	.94	1.19	1.00	.79	.85	.73	.77	1.33	1.10			Avg Ann'l P/E Ratio	20.0
	--	--	--	--	--	--	--	--	--	--			Relative P/E Ratio	1.10
													Avg Ann'l Div'd Yield	Nil
<b>EQUITY INVESTMENTS as of 12/31/18</b> Positions (12) of \$3.1 billion or more:														
Wells Fargo (426,768,540 shares)														
Coca Cola Co. (400,000,000 shares)														
Bank of New York Mellon (80,937,250 shares)														
American Express (151,610,700 shares)	27784	30749	32075	34545	36684	41253	41294	45881	60597	57418	60400	63050	Premiums Earned	70000
Goldman Sachs (18,353,635 shares)	11073	11217	6488	9539	13081	10539	17092	14484	8710	12000	13500	14850	Investment Income (loss)	18000
Delta Airlines (65,535,000 shares)	73536	94219	105125	115648	132385	142881	152435	163239	132887	135000	140000	145000	Other Income	160000
U.S. Bancorp (129,308,831 shares)	65.5%	58.8%	64.9%	58.2%	58.0%	64.0%	64.2%	67.4%	71.4%	69.5%	66.0%	66.0%	Loss to Prem. Earned	65.0%
Bank of America (896,167,600 shares)	21.9%	20.0%	18.6%	22.3%	19.8%	17.0%	18.2%	16.8%	15.7%	15.5%	15.0%	15.0%	Expense to Prem Written	14.0%
Kraft Heinz (325,634,818 shares)	12.6%	21.2%	16.5%	19.5%	22.2%	19.0%	17.6%	15.8%	12.9%	15.0%	19.0%	19.0%	Underwriting Margin	21.0%
Apple (249,589,329 shares)	30.6%	29.4%	29.8%	31.1%	31.1%	28.2%	30.1%	27.4%	28.0%	20.0%	20.0%	20.0%	Income Tax Rate	20.0%
Moodys (24,669,778 shares)	8055	12967	10254	12916	19476	19860	24083	24095	15865	24760	25000	25500	Net Profit (\$mill)	29400
JPMorgan Chase (50,163,394 shares)	135785	162934	168961	191588	224485	243027	258627	286359	348296	348703	378000	383000	Shr. Equity (\$mill) B	410000
Market Value of all equities: \$183 bill.	5.9%	8.0%	6.1%	6.7%	8.7%	8.2%	9.3%	8.4%	4.6%	7.1%	6.5%	6.5%	Return on Shr. Equity	7.0%
<b>Common Stock</b> 2,461,462,331 Class B shares Includes 725,807 Class A shrs, as if converted. as of 2/14/19 <b>MARKET CAP: \$495 billion (Large Cap)</b>	--	--	--	--	--	--	--	--	--	--	Nil	Nil	All Div'ds to Net Prof	Nil

**FINANCIAL POSITION 2016 2017 12/31/18 (\$MILL.)**

Bonds	23432	21353	19898
Stocks	120471	164026	17325
Cash	70919	103975	109255
Other	406032	412741	561316
Total Assets	620854	702095	707794
Unearned Prems	14245	16040	18093
Reserves	76918	104059	110292
Other	243332	230042	226909
Total Liabilities	334495	350141	355294

**ANNUAL RATES Past Past Est'd '15-'17 of change (per sh) 10 Yrs. 5 Yrs. to '21-'23**

Earnings p sh	6.0%	12.0%	6.0%
Dividends	--	--	Nil
Book Value	10.0%	11.0%	6.0%

**NET PREMIUMS EARNED (\$ mill.)**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	11124	10799	11364	12594	45881
2017	21753	12367	13349	13128	60597
2018	13373	14149	14333	15563	57418
2019	14850	15000	15200	15350	60400
2020	15500	15700	15850	16000	63050

**EARNINGS PER SHARE A**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	2.27	2.03	2.92	2.55	9.77
2017	1.65	1.73	1.65	1.40	6.43
2018	2.14	2.79	2.79	2.32	10.04
2019	2.40	2.51	2.45	2.74	10.10
2020	2.50	2.55	2.60	2.65	10.30

**QUARTERLY DIVIDENDS PAID**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017					
2018					
2019					

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,

**Berkshire Hathaway was close to our target with its fourth-quarter earnings. Beginning in 2018, we realize the company's earnings on an operating basis, which excludes capital gains and losses from investments. We feel this is a better gauge of the company's underlying performance, and investors can compare its results with other insurers on an apples-to-apples basis.** For the full year, the insurance operations generated income of nearly \$1.6 billion, which compares very favorably to the previous-year loss of more than \$2.2 billion. Investment income also trended 17% higher, to nearly \$4.6 billion, as the company benefited from increased bond reinvestment rates. Railroads, Utilities & Energy, and Manufacturing also posted positive comparisons.

**We look for modest-to-moderate bottom-line gains in each of the next two years.** The company's insurance business ought to receive a shot in the arm from continued increases in bond reinvestment rates. Also, last year was quite severe on the catastrophe front, which should give many insurers the upper hand during policy renewal season.

fractional ownership programs for general aviation (NetJets), energy (Mid-American Energy). Has approximately 377,291 employees. Officers & directors control 21.6% of voting power (3/18 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.

**The industry behemoth's immense size and diversification give it a leg up on the competition, from our point of view.** When the insurance industry is in the doldrums, Berkshire's presence in other defensive segments (such as utilities) could give it a substantial advantage over the competition. Also, its immense size may well provide for more leverage when negotiating policy rates.

**These shares have lost moderate ground over the past three months, while the broader market averages have rebounded nicely.** That said, they are viewed favorably for the year ahead based on our Timeliness Ranking System. Longer term, the stock's appreciation potential doesn't stand out from the pack. However, acquisitions, which aren't included in our projections until they are consummated, could add to our assumptions. In fact, purchases, and generally large ones, have been an integral part of the company's long-term growth strategy. Berkshire's large cash stockpile and stellar balance sheet make further acquisitions likely down the road.

Alan G. House March 8, 2019

(A) Based on diluted shares outstanding. Earnings include investment gains/(losses) and derivative gains and losses prior to 2018. Next earnings report due late April.	(B) Incl. goodwill. In 9/30/18, \$81.3 billion; \$32.97/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 80 Earnings Predictability 60
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------

To subscribe call 1-800-VALUELINE