BERKSHIRE HATHAWAY INC.

Berkshire Hathaway Ecosystem

Berkshire Hathaway Inc.
3555 Farnam Street
Omaha, NE 68131
Phone: +1 (402) 346-1400 www.berkshirehathaway.com

Outside Relationships

Regulators | Capital | Suppliers | Customers

- Public Debtholders
- Professional Services Firms
  - Deloitte & Touche LLP (Auditors)
  - Munger Tolles & Olson (Law)
- Subjects of US and Foreign Regulation
- Data Privacy
- Antitrust

Bond Financing

Professional Services

Business Regulation

Berkshire Hathaway Inc. (Delaware Corporation)

Debt Structure

Debt ($103.4B @ 12/31/19)

- Berkshire Hathaway (BH) Inc. ($19.9B)
  - 2020-2035 1.1% Euro denominated Notes ($7.6B)
  - 2020-2047 3.2% U.S. Dollar denominated Notes ($8.3B)
  - 2023-2049 0.5% Japanese Yen denominated Notes ($3.9B)
- BH Finance Corporation ($17.7B)
  - 2020-2049 4.1% U.S. Dollar denominated Notes ($8.7B)
  - 2039-2059 2.5% Great Britain Pound denominated Notes ($2.3B)
- 2020-2045 4.0% Other Subsidiary Borrowings ($5.3B)
- BH Energy Company ($42.6B)
  - 2020-2049 4.6% Senior Unsecured Debt ($8.6B)
  - 2020-2064 4.5% Subsidiary and Other Debt ($30.8B)
- Burlington Northern Santa Fe and Its Subsidiaries ($23.2B)
  - 2020-2097 4.6% Senior Unsecured Debentures ($23.2B)

Background

Berkshire Hathaway is a holdings company with nearly 60 subsidiaries that it wholly owns. Its subsidiaries operate in various countries across the world, including key services such as insurance, railroad transportation, energy and utilities, manufacturing, clothing, and financial.
The management is conducted in a decentralized manner to allow greater control within each subsidiary, with Berkshire Hathaway Inc. serving to provide oversight.
Berkshire Hathaway also has a large investments arm worth approximately $200B. Lastly, they own several other brands including over 80 auto dealerships, and the second-largest real estate broker in the U.S. (HomeServices of America).

Equity Structure

Equity

- Stock Repurchase Program (Repurchase anytime unless Berkshire Hathaway cash and U.S. Treasury Bills holdings are less than $20B)
- Class A Common Stock (702K Shares Outstanding) (1 vote per share)
- Class B Common Stock (1.38B Shares Outstanding) (1/10000th of a vote per share)

Securities Regulation and NYSE Listing Rules

Equity Capital

Governance

Board of Directors

Warren Buffett	Susan Decker (A) (G)	David Gottesman (G)
Gregory Abel	Howard Buffett	Charles Munger
Stephen Burke	Kenneth Chenault	Thomas Murphy (A)
Charlotte Guyman (A)	Walter Scott (G)	Meryl Witmer (A) (G)
Ronald Olson	Ajit Jain	

Audit Committee (A); Governance Committee (Governance, Compensation and Nominating) (G)

Management Team

- CEO/Chairman - Warren Buffett
- Vice Chairman – Charles Munger
- Vice Chairman of Non-Insurance Operations – Gregory Abel
- Vice Chairman of Insurance Operations – Ajit Jain
- SVP/CFO – Marc Hamburg

Acquisition Strategy / Business Development

- M&A; Divestitures
- Portfolio Diversification Strategy
- Annual Plan
- Subsidiary Corporate Oversight
- Post-Acquisition Restructuring

Communications

- Press Releases
- Internal Communications
- Event Planning
- Investor & Media Relations

Investments

- Investment Strategy
- Portfolio Oversight

Human Resources

- Benefit/Pension/401(k) Plans
- Compensation
- Immigration
- Subsidiary Oversight
- Equity Incentive Plan
- Labor Negotiations

Sales and Marketing

- Subsidiary Sales Channel Oversight
- Subsidiary Marketing Oversight

Corporate Matters

Finance and Accounting

- Budget Support
- Internal Audit
- Accounting
- Cash Management
- Financial Reporting
- Tax
- Risk Management
- FP&A
- Insurance
- Treasury

Legal

- Foreign and Domestic Regulatory Oversight
- Transactions
- Contract Management
- Corporate Governance
- Secretarial Matters
- IP Management
- Subsidiary Management
- Litigation Management
- Securities Compliance
- Employment Law

Operations

Insurance and Reinsurance

Insurance Underwriting Operations (50,000 Employees)

GEICO
- GEICO Auto Insurance (Private Passenger Vehicle Insurance)

Berkshire Hathaway Primary Group
- MedPro Group (Healthcare Liability Insurance)
- BH Specialty Insurance
- MLMIC Insurance Company (Medical Professional Insurance)
- BH Homestate Companies (Workers Compensation / Commercial Auto and Property Insurance)
- United States Liability Insurance Group (Specialty Insurance)
- National Indemnity Company (Commercial Vehicle and Liability Insurance)
- BH GUARD Insurance Companies (Business / Professional Insurance)

Berkshire Hathaway Reinsurance Group
- National Indemnity Company (Reinsurance Underwriting)
- General Re (Reinsurance Underwriting)

Other
- BoatU.S. (Boating Insurance)
- Gateway Underwriters Agency (Professional Wholesale Insurance Sales and Underwriting)
- BH Direct Insurance Company (THREE) (Small Business Insurance)
- Central States Indemnity Company (Property, Casualty, and Health Insurance)
- biBERK Business Insurance (Small Business Insurance)

Railroad Business

Burlington Northern Santa Fe, LLC (40,750 Employees)

Regions (U.S.)
- Pacific Northwest
- Midwest
- Port Cities
- Western
- Southwestern
- Southeastern

Services
- Product Transport

Revenues ($23.5B)
- Consumer Products (35%)
- Industrial Products (27%)
- Agricultural Products (21%)
- Coal (17%)

Utilities and Energy Businesses

Berkshire Hathaway Energy (23,000 Employees)

Domestic Energy and Utility Subsidiaries
- PacifiCorp (Northwest Electricity Wholesaler)
- NV Energy Inc. (Electricity and Natural Gas Wholesaler) (Primarily in Nevada, U.S.)
- MidAmerican Energy Company (Midwest Electricity and Natural Gas Distributor)

International Energy and Utility Subsidiaries
- Northern Power Grid Limited (Electricity Distribution Network) (Primarily in Northwest Great Britain)
- Northern Power Grid PLC (Electricity Distribution Network) (Primarily in Yorkshire, England)
- AltaLink L.P. (Transmission-only Electricity)

Natural Gas Pipeline Subsidiaries
- Northern Natural Gas Company (Largest Natural Gas Pipeline in U.S.)
- Kern River Gas Transmission Company (Natural Gas Pipeline) (Primarily Southwest U.S.)
- Dominion Energy Transmission (Natural Gas Pipeline) (Primarily Mid-Atlantic and Northeast U.S.)
- Carolina Gas Transmission (Natural Gas Pipeline) (South Carolina)
- Questar Gas Pipeline (Natural Gas Pipeline) (Rocky Mountain U.S. Region)

Other
- BHE Renewables (Invested in Wind, Solar, Geothermal, and Hydro Sources of Energy)

HomeServices of America

Services
- Real Estate Brokerage
- Mortgage Origination and Banking
- Title and Closing Services
- Property and Casualty Insurance
- Home Warranties
- Relocation Services

Operations
- 47 Brand Names
- 43,000 Real Estate Agents
- 900 Brokerage Offices
- 30 States (including D.C.)

Manufacturing

Industrial Products (83,000 Employees)

Industrial Products and Services
- Precision Castparts Corp. (Complex Metal Components)
- IMC International Metalworking Companies (Metal Cutting Tools Manufacturer)
- Marmon Holdings, Inc. (Industrial Products, Manufacturing, and Services)
- Lubrizol Corporation (Chemical Company)

Other Industrial Products
- Scott Fetzer Companies (Industrial Retail and Maintenance)
- LiquidPower Specialty Products Inc. (Drag Reduction Application Technology)
- CTB International Inc. (Global Agricultural Systems)
- Union Tank Car Company (Railcar Manufacturing)

Building Products (57,500 Employees)
- Clayton Homes (Off-site /Site-built Housing)
- Johns Manville (Insulation Manufacturer)
- Shaw Industries (Carpet Manufacturing)
- MiTeK Inc. (Construction Products and Services)
- Benjamin Moore & Co. (Paint Manufacturer/Retailer)
- Acme Brick Company (Building Product Manufacturer)

Consumer Products (55,000 Employees)

Apparel
- Fruit of the Loom (Apparel Manufacturer and Distributor)
- BH Shoe Holdings Group (Work and Outdoor Shoe Manufacturer)
- Garan Inc. (Children's Apparel Manufacturer)
- Brooks (Performance Apparel Retailer)
- Fechheimer Brothers Company (Uniform Manufacturer)

Other Consumer Products
- Richline Group (Jewelry Manufacturer/Distributor)
- Albecca Inc. (Framing Product Manufacturer/Distributor)
- Duracell (Alkaline Battery Manufacturer)
- Forest River (RV/Large Vehicle Manufacturer)

Service and Retailing

Retail Businesses (29,000 Employees)

Other Retailing
- Ben Bridge Jeweler (Retail Jewelry Chain)
- The Pampered Chef Ltd. (Kitchenware Product Seller)
- Helzberg Diamonds (Jewelry Retail Chain)
- Borsheims Fine Jewelry (Omaha, NE Jewelry)
- Oriental Trading Company (Multichannel Party Supplies Retailer)
- See's Candies (Confectionery Product Chain)
- Louis – Motorcycle & Leisure (European Motorcycle Retailer)

Home Furnishings Retailing
- RC Willey Home Furnishings (West Coast U.S. Retail Furniture)
- Nebraska Furniture Mart (Midwest U.S. Retail Furniture)
- Star Furniture (Texas, U.S. Retail Furniture)
- Jordan's Furniture (Northeast U.S. Retail Furniture)

Automotive Retailing
- BH Automotive (Automotive Retailer and Financing)

Service Businesses (52,000 Employees)

Other Services
- International Dairy Queen Inc. (Fast-Food Restaurant Chain)
- CORT Business Services (Rental Furniture Services)
- Business Wire (News Media Distribution)
- XTRA Corporation (Transportation Equipment Lessor)
- Charter Brokerage (3rd Party Logistics Provider)
- McLane Company (Wholesale /Grocery Distribution)
- TTI, Inc. (Wholesale Electronic Components Distribution)
- FlightSafety (Aviation Training Services)
- NetJets (Shared Ownership of Airplanes)

Investments

[Company, Ticker, Value of BH Holdings, % of BH Portfolio]

- Apple (AAPL) ($76.2B) (38.2%)
- Bank of America (BAC) ($21.7B) (10.8%)
- Coca-Cola (KO) ($18.4B) (9.2%)
- American Express (AXP) ($13.2B) (6.6%)
- Kraft Heinz (KHC) ($9.6B) (4.8%)
- Wells Fargo & Co. (WFC) ($8.8B) (4.4%)
- Moody's (MCO) ($6.2B) (3.1%)
- JPMorgan Chase & Co. (JPM) ($5.6B) (2.8%)
- U.S. Bancorp (USB) ($5.2B) (2.6%)
- Bank of New York Mellon (BK) ($3.1B) (1.5%)
- DaVita (DVA) ($3.1B) (1.5%)
- Charter Communications (CHTR) ($2.8B) (1.4%)
- Verisign (VRSN) ($2.8B) (1.4%)
- Goldman Sachs Group (GS) ($2.3B) (1.1%)
- Visa (V) ($2B) (1%)
- General Motors (GM) ($1.8B) (0.9%)
- Liberty Sirius XM Group (LSXMK, LSXMA) ($1.5B) (0.7%)
- Mastercard (MA) ($1.4B) (0.07%)
- Amazon.com (AMZN) ($1.3B) (0.6%)
- Costco Wholesale (COST) ($1.2B) (0.6%)
- PNC Financial Services Group (PNC) ($1B) (0.5%)
- Sirius XM Holdings (SIRI) ($775M) (0.3%)
- Kroger (KR) ($628M) (0.3%)
- Liberty Global (LBTYA, LBTYK) ($586M) (0.3%)
- M&T Bank (MTB) ($560M) (0.3%)
- Occidental Petroleum (OXY) ($526M) (0.3%)
- Teva Pharmaceutical Industries (TEVA) ($498M) (0.3%)
- Global Life (GL) ($484M) (0.2%)
- Axalta Coating Systems (AXTA) ($460M) (.2%)
- Restaurant Brands International (QSR) ($432M) (0.2%)
- StoneCo (STNE) ($396M) (0.2%)
- Synchrony Financial (SYF) ($383M) (0.2%)
- Store Capital (STOR) ($372M) (0.1%)
- RH (RH) ($268M) (0.1%)
- Suncor Energy (SU) ($256M) (0.1%)
- Biogen (BIIB) ($205M) (0.1%)
- Johnson & Johnson (JNJ) ($48.7M) (0.02%)
- Liberty Latin America (LILA, LILAK) ($39.4M) (0.01%)
- Procter & Gamble (PG) ($36.5M) (0.02%)
- Travelers Companies (TRV) ($30M) (<0.01%)
- Mondelez International (MDLZ) ($29.2M) (0.01%)
- Phillips 66 (PSX) ($17.2M) (<0.01%)
- United Parcel Service (UPS) ($5.6M) (<0.01%)

Berkshire Hathaway Brand Name Licensing and Professional Network

Franchises
- 380 Franchisees
- 2 Brand Names
- 1,600 Brokerage Offices
- 53,000 Real Estate Agents

Outside Relationships

Customers | Suppliers | Capital | Regulators

- Significant Shareholders
  - The Vanguard Group (9.94%)
  - Blackrock Fund Advisors (5.78%%)
  - SSgA Funds Management (5.50%)
  - Bill & Melinda Gates Foundation Trust (3.23%)
  - Geode Capital Management (1.99%)
- Securities Regulators
  - US Securities and Exchange Commission
  - The New York Stock Exchange

Key Company Data

Revenue by Segment

Total: $254.6B
- Insurance Premiums: $61.1B
- Sales and Service: $135B
- Leasing: $5.9B
- Railroad, Utilities and Energy: $43.5B
- Interest and Dividend: $9.2B

Share Information

NYSE Symbol: BRK.A	NYSE Symbol: BRK.B
Share Price: $231,236 (7/14/2020)	Share Price: $187.54 (7/14/2020)

Dividend: None

Earnings Per Share (EPS): $13,218	Earnings Per Share (EPS): $1.12

Resources
- 391,500 Employees (HQ: <30 Employees)
- Insurance: 25 Countries
- Manufacturing: 64 Countries
- Service: 35 Countries
- Retailing: 6 Countries
- Energy: 3 Countries

Select Subsidiaries

Total: 63
- GEICO
- HomeServices of America
- Burlington Northern Santa Fe
- Shaw Industries
- Helzberg Diamonds
- International Dairy Queen

BH Energy Entities
- PacifiCorp: Natural Gas, Coal, Wind, Hydroelectric, Geothermal
- NV Energy: Natural Gas, Coal, Solar
- MEC: Natural Gas, Coal, Wind, Hydroelectric, Nuclear
- BHE Renewables: Natural Gas, Wind, Solar, Hydroelectric, Geothermal

Recent Developments

Dominion Energy Acquisition
- In July 2020, Berkshire Hathaway purchased Natural Gas and Storage Transmission Assets from Dominion Energy for nearly $10B.

Sale of Omaha-Herald Newspaper
- In July 2020, Berkshire Hathaway sold all its publications for $140M in a deal expected to close in March 2021. These publications include 31 daily newspapers in 10 states, as well as weekly publications and other print products.

Sale of All Airline Stocks from Investments Portfolio
- Claiming that there will be permanent impacts to the airline industry, CEO and Chairman, Warren Buffett, sold all of Berkshire Hathaway's stakes in the four largest U.S. airlines. The companies were United, American, Southwest, and Delta Airlines, and Berkshire Hathaway's stakes were cumulatively worth over $4B.

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