

# BERKSHIRE HATHAWAY INC.

## NEWS RELEASE

**FOR IMMEDIATE RELEASE**

**November 6, 2015**

Omaha, NE (BRK.A; BRK.B) –

Berkshire's operating results for the third quarter and first nine months of 2015 are summarized in the following paragraphs. However, we urge investors and reporters to read our 10-Q, which has been posted at [www.berkshirehathaway.com](http://www.berkshirehathaway.com). *The limited information that follows in this press release is not adequate for making an informed investment judgment.*

Earnings of Berkshire Hathaway Inc. and its consolidated subsidiaries for the third quarter and first nine months of 2015 and 2014 are summarized below. Earnings are stated on an after-tax basis. (Dollar amounts are in millions, except for per share amounts).

	<u>Third Quarter</u>		<u>First Nine Months</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Operating earnings.....	<u>\$4,551</u>	<u>\$4,724</u>	<u>\$12,685</u>	<u>\$12,588</u>
Investment and derivative gains/losses –				
Investments.....	5,394*	(275)	5,693*	2,707
Derivatives.....	<u>(517)</u>	<u>168</u>	<u>227</u>	<u>422</u>
	<u>4,877</u>	<u>(107)</u>	<u>5,920</u>	<u>3,129</u>
Net earnings attributable to Berkshire shareholders.....	<u>\$9,428</u>	<u>\$4,617</u>	<u>\$18,605</u>	<u>\$15,717</u>

\* Includes after-tax non-cash holding gain of \$4.4 billion that was recognized on July 2, 2015, in connection with the merger of Kraft Foods and H.J. Heinz.

Operating earnings per Class A equivalent share .....	\$2,769	\$2,876	\$ 7,720	\$7,658
Investment and derivative gains (losses) per Class A equivalent share.....	<u>2,968</u>	<u>(65)</u>	<u>3,603</u>	<u>1,904</u>
Net earnings per Class A equivalent share attributable to Berkshire shareholders .....	<u>\$5,737</u>	<u>\$2,811</u>	<u>\$11,323</u>	<u>\$9,562</u>
Average Class A equivalent shares outstanding.....	1,643,316	1,642,558	1,643,118	1,643,657

Note: Per share amounts for the Class B shares are 1/1,500<sup>th</sup> those shown for the Class A.

An analysis of Berkshire's operating earnings follows (dollar amounts are in millions).

	<u>Third Quarter</u>		<u>First Nine Months</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Insurance-underwriting .....	\$ 414	\$ 629	\$ 856	\$ 1,501
Insurance-investment income.....	840	811	2,692	2,662
Non-insurance businesses .....	3,422	3,253	9,444	8,435
Other.....	<u>(125)</u>	<u>31</u>	<u>(307)</u>	<u>(10)</u>
Operating earnings .....	<u>\$4,551</u>	<u>\$4,724</u>	<u>\$12,685</u>	<u>\$12,588</u>

In the table at the top of the page (which, as noted, reports after-tax results), we give investment and derivative gains (losses) lines of their own *because the amounts of these in any given quarter or year are often meaningless.*

Since the beginning of the year, Berkshire's shareholders' equity has increased \$8.1 billion and our book value per Class A equivalent share has increased by 3.3% to \$151,083 as of September 30, 2015. Insurance float (the net liabilities we assume under insurance contracts) at September 30, 2015 was \$86.2 billion.

### **Use of Non-GAAP Financial Measures**

This press release includes certain non-GAAP financial measures. The reconciliations of such measures to the most comparable GAAP figures in accordance with Regulation G are included herein.

Berkshire presents its results in the way it believes will be most meaningful and useful, as well as most transparent, to the investing public and others who use Berkshire's financial information. That presentation includes the use of certain non-GAAP financial measures. In addition to the GAAP presentations of net earnings, Berkshire shows operating earnings defined as net earnings exclusive of investment and derivative gains/losses.

Although the investment of insurance and reinsurance premiums to generate investment income and investment gains or losses is an integral part of Berkshire's operations, investing activities are independent of the insurance underwriting process. Moreover, under applicable GAAP accounting requirements, losses can be created as the result of other-than-temporary declines in value without actual realization or when certain types of investments are marked-to-market through earnings. In sum, investment and derivative gains/losses for any particular period are not indicative of quarterly business performance.

### **About Berkshire**

Berkshire Hathaway and its subsidiaries engage in diverse business activities including property and casualty insurance and reinsurance, utilities and energy, freight rail transportation, finance, manufacturing, retailing and services. Common stock of the company is listed on the New York Stock Exchange, trading symbols BRK.A and BRK.B.

### **Cautionary Statement**

Certain statements contained in this press release are "forward looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not guaranties of future performance and actual results may differ materially from those forecasted.

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