

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____
Commission file number 001-14905

BERKSHIRE HATHAWAY INC.
(Exact name of registrant as specified in its charter)

Delaware **47-0813844**
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

3555 Farnam Street, Omaha, Nebraska 68131
(Address of principal executive office) (Zip Code)
(402) 346-1400

(Registrant's telephone number, including area code)
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Class A Common Stock	BRK.A	New York Stock Exchange
Class B Common Stock	BRK.B	New York Stock Exchange
1.300% Senior Notes due 2024	BRK24	New York Stock Exchange
0.000% Senior Notes due 2025	BRK25	New York Stock Exchange
1.125% Senior Notes due 2027	BRK27	New York Stock Exchange
2.150% Senior Notes due 2028	BRK28	New York Stock Exchange
1.500% Senior Notes due 2030	BRK30	New York Stock Exchange
2.000% Senior Notes due 2034	BRK34	New York Stock Exchange
1.625% Senior Notes due 2035	BRK35	New York Stock Exchange
2.375% Senior Notes due 2039	BRK39	New York Stock Exchange
0.500% Senior Notes due 2041	BRK41	New York Stock Exchange
2.625% Senior Notes due 2059	BRK59	New York Stock Exchange

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
	Emerging growth company <input type="checkbox"/>

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Number of shares of common stock outstanding as of July 26, 2023:

Class A —	575,320
Class B —	1,308,070,268

BERKSHIRE HATHAWAY INC.

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Part I Financial Information
Item 1. Financial Statements
BERKSHIRE HATHAWAY INC.
and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(dollars in millions)

	June 30, 2023 (Unaudited)	December 31, 2022
ASSETS		
<i>Insurance and Other:</i>		
Cash and cash equivalents*	\$ 44,611	\$ 32,260
Short-term investments in U.S. Treasury Bills	97,322	92,774
Investments in fixed maturity securities	22,353	25,128
Investments in equity securities	353,409	308,793
Equity method investments	27,493	28,050
Loans and finance receivables	23,530	23,208
Other receivables	45,590	43,490
Inventories	25,295	25,366
Property, plant and equipment	21,413	21,113
Equipment held for lease	16,028	15,584
Goodwill	50,982	51,522
Other intangible assets	29,819	29,187
Deferred charges - retroactive reinsurance	9,454	9,870
Other	19,917	19,657
	<u>787,216</u>	<u>726,002</u>
<i>Railroad, Utilities and Energy:</i>		
Cash and cash equivalents*	5,444	3,551
Receivables	6,067	4,795
Property, plant and equipment	171,747	160,268
Goodwill	34,871	26,597
Regulatory assets	5,452	5,062
Other	30,776	22,190
	<u>254,357</u>	<u>222,463</u>
	<u>\$ 1,041,573</u>	<u>\$ 948,465</u>

* Includes U.S. Treasury Bills with maturities of three months or less when purchased of \$24.5 billion at June 30, 2023 and \$2.6 billion at December 31, 2022.

See accompanying Notes to Consolidated Financial Statements

**BERKSHIRE HATHAWAY INC.
and Subsidiaries**
CONSOLIDATED BALANCE SHEETS
(dollars in millions)

	June 30, 2023 (Unaudited)	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY		
<i>Insurance and Other:</i>		
Unpaid losses and loss adjustment expenses	\$ 109,030	\$ 107,472
Unpaid losses and loss adjustment expenses - retroactive reinsurance contracts	34,421	35,415
Unearned premiums	31,173	28,657
Life, annuity and health insurance benefits	19,635	19,753
Other policyholder liabilities	10,868	11,370
Accounts payable, accruals and other liabilities	31,999	33,201
Aircraft repurchase liabilities and unearned lease revenues	7,375	6,820
Notes payable and other borrowings	41,389	46,538
	<u>285,890</u>	<u>289,226</u>
<i>Railroad, Utilities and Energy:</i>		
Accounts payable, accruals and other liabilities	20,234	16,615
Regulatory liabilities	6,719	7,369
Notes payable and other borrowings	83,958	76,206
	<u>110,911</u>	<u>100,190</u>
Income taxes, principally deferred	93,011	77,368
Total liabilities	<u>489,812</u>	<u>466,784</u>
Redeemable noncontrolling interests	3,210	—
<i>Shareholders' equity:</i>		
Common stock	8	8
Capital in excess of par value	35,140	35,167
Accumulated other comprehensive income	(4,240)	(5,052)
Retained earnings	582,543	511,127
Treasury stock, at cost	<u>(73,568)</u>	<u>(67,826)</u>
Berkshire Hathaway shareholders' equity	539,883	473,424
Noncontrolling interests	8,668	8,257
Total shareholders' equity	<u>548,551</u>	<u>481,681</u>
	<u>\$ 1,041,573</u>	<u>\$ 948,465</u>

See accompanying Notes to Consolidated Financial Statements

BERKSHIRE HATHAWAY INC.
and Subsidiaries
CONSOLIDATED STATEMENTS OF EARNINGS
(dollars in millions except per share amounts)
(Unaudited)

	Second Quarter		First Six Months	
	2023	2022	2023	2022
Revenues:				
<i>Insurance and Other:</i>				
Insurance premiums earned	\$ 20,561	\$ 18,081	\$ 40,357	\$ 35,569
Sales and service revenues	39,126	40,220	77,514	78,082
Leasing revenues	2,079	1,887	4,123	3,559
Interest, dividend and other investment income	3,846	2,861	7,075	4,723
	<u>65,612</u>	<u>63,049</u>	<u>129,069</u>	<u>121,933</u>
<i>Railroad, Utilities and Energy:</i>				
Freight rail transportation revenues	5,808	6,612	11,809	12,556
Utility and energy operating revenues	19,593	4,935	34,510	9,753
Service revenues and other income	1,490	1,605	2,508	2,802
	<u>26,891</u>	<u>13,152</u>	<u>48,827</u>	<u>25,111</u>
Total revenues	<u>92,503</u>	<u>76,201</u>	<u>177,896</u>	<u>147,044</u>
Investment and derivative contract gains (losses)	<u>33,061</u>	<u>(66,919)</u>	<u>67,819</u>	<u>(68,897)</u>
Costs and expenses:				
<i>Insurance and Other:</i>				
Insurance losses and loss adjustment expenses	14,089	13,620	28,310	26,952
Life, annuity and health insurance benefits	1,128	1,186	1,913	2,523
Insurance underwriting expenses	3,729	2,377	7,316	4,981
Cost of sales and services	30,621	31,633	60,940	61,418
Cost of leasing	1,457	1,498	2,934	2,730
Selling, general and administrative expenses	5,005	3,762	10,607	8,013
Interest expense	314	302	642	566
	<u>56,343</u>	<u>54,378</u>	<u>112,662</u>	<u>107,183</u>
<i>Railroad, Utilities and Energy:</i>				
Freight rail transportation expenses	4,014	4,260	8,175	8,185
Utilities and energy cost of sales and other expenses	18,159	3,844	32,005	7,435
Other expenses	1,189	1,527	2,060	2,683
Interest expense	935	785	1,825	1,555
	<u>24,297</u>	<u>10,416</u>	<u>44,065</u>	<u>19,858</u>
Total costs and expenses	<u>80,640</u>	<u>64,794</u>	<u>156,727</u>	<u>127,041</u>
Earnings (loss) before income taxes and equity method earnings	<u>44,924</u>	<u>(55,512)</u>	<u>88,988</u>	<u>(48,894)</u>
Equity method earnings	511	204	1,199	543
Earnings (loss) before income taxes	<u>45,435</u>	<u>(55,308)</u>	<u>90,187</u>	<u>(48,351)</u>
Income tax expense (benefit)	9,236	(12,066)	18,231	(10,814)
Net earnings (loss)	<u>36,199</u>	<u>(43,242)</u>	<u>71,956</u>	<u>(37,537)</u>
Earnings attributable to noncontrolling interests	287	379	540	504
Net earnings (loss) attributable to Berkshire Hathaway shareholders	<u>\$ 35,912</u>	<u>\$ (43,621)</u>	<u>\$ 71,416</u>	<u>\$ (38,041)</u>
Net earnings (loss) per average equivalent Class A share	<u>\$ 24,775</u>	<u>\$ (29,663)</u>	<u>\$ 49,152</u>	<u>\$ (25,832)</u>
Net earnings (loss) per average equivalent Class B share*	<u>\$ 16.52</u>	<u>\$ (19.78)</u>	<u>\$ 32.77</u>	<u>\$ (17.22)</u>
Average equivalent Class A shares outstanding	<u>1,449,542</u>	<u>1,470,577</u>	<u>1,452,971</u>	<u>1,472,628</u>
Average equivalent Class B shares outstanding	<u>2,174,313,670</u>	<u>2,205,865,262</u>	<u>2,179,456,816</u>	<u>2,208,942,539</u>

* Class B shares are economically equivalent to one-fifteen-hundredth of a Class A share. Accordingly, net earnings per average equivalent Class B share outstanding is equal to one-fifteen-hundredth of the equivalent Class A amount. See Note 19.

See accompanying Notes to Consolidated Financial Statements

BERKSHIRE HATHAWAY INC.
and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(dollars in millions)
(Unaudited)

	Second Quarter		First Six Months	
	2023	2022	2023	2022
Net earnings (loss)	\$ 36,199	\$ (43,242)	\$ 71,956	\$ (37,537)
Other comprehensive income:				
Unrealized gains (losses) on investments	(41)	(211)	206	(447)
Applicable income taxes	21	44	(32)	95
Foreign currency translation	383	(1,750)	632	(2,065)
Applicable income taxes	(21)	63	(15)	52
Long-duration insurance contract discount rate changes	487	2,734	120	5,812
Applicable income taxes	(125)	(587)	(49)	(1,246)
Defined benefit pension plans	2	15	52	41
Applicable income taxes	(6)	(4)	(12)	(9)
Other, net	57	68	(63)	155
Other comprehensive income, net	757	372	839	2,388
Comprehensive income	36,956	(42,870)	72,795	(35,149)
Comprehensive income attributable to noncontrolling interests	308	350	567	472
Comprehensive income attributable to Berkshire Hathaway shareholders	<u>\$ 36,648</u>	<u>\$ (43,220)</u>	<u>\$ 72,228</u>	<u>\$ (35,621)</u>

See accompanying Notes to Consolidated Financial Statements

BERKSHIRE HATHAWAY INC.
and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(dollars in millions)
(Unaudited)

	Berkshire Hathaway shareholders' equity					
	Common stock and capital in excess of par value	Accumulated other comprehensive income	Retained earnings	Treasury stock	Non- controlling interests	Total
For the second quarter and first six months of 2023						
Balance at December 31, 2022 as previously reported	\$ 35,175	\$ (6,591)	\$511,602	\$ (67,826)	\$ 8,257	\$480,617
Adoption of ASU 2018-12	—	1,539	(475)	—	—	1,064
Balance at December 31, 2022 as revised	35,175	(5,052)	511,127	(67,826)	8,257	481,681
Net earnings	—	—	35,504	—	253	35,757
Other comprehensive income, net	—	76	—	—	6	82
Acquisition of common stock	—	—	—	(4,439)	—	(4,439)
Transactions with noncontrolling interests and other	(11)	—	—	—	7	(4)
Balance at March 31, 2023	\$ 35,164	\$ (4,976)	\$546,631	\$ (72,265)	\$ 8,523	\$513,077
Net earnings	—	—	35,912	—	287	36,199
Other comprehensive income, net	—	736	—	—	21	757
Acquisition of common stock	—	—	—	(1,303)	—	(1,303)
Transactions with noncontrolling interests and other	(16)	—	—	—	(163)	(179)
Balance at June 30, 2023	<u>\$ 35,148</u>	<u>\$ (4,240)</u>	<u>\$582,543</u>	<u>\$ (73,568)</u>	<u>\$ 8,668</u>	<u>\$548,551</u>
For the second quarter and first six months of 2022						
Balance at December 31, 2021 as originally reported	\$ 35,600	\$ (4,027)	\$534,421	\$ (59,795)	\$ 8,731	\$514,930
Adoption of ASU 2018-12	—	(4,096)	(535)	—	—	(4,631)
Balance at December 31, 2021 as revised	35,600	(8,123)	533,886	(59,795)	8,731	510,299
Net earnings	—	—	5,580	—	125	5,705
Other comprehensive income, net	—	2,019	—	—	(3)	2,016
Acquisition of common stock	—	—	—	(3,111)	—	(3,111)
Transactions with noncontrolling interests and other	(6)	—	—	—	(129)	(135)
Balance at March 31, 2022	\$ 35,594	\$ (6,104)	\$539,466	\$ (62,906)	\$ 8,724	\$514,774
Net earnings (loss)	—	—	(43,621)	—	379	(43,242)
Other comprehensive income, net	—	401	—	—	(29)	372
Acquisition of common stock	—	—	—	(1,028)	—	(1,028)
Transactions with noncontrolling interests and other	(382)	—	—	—	(650)	(1,032)
Balance at June 30, 2022	<u>\$ 35,212</u>	<u>\$ (5,703)</u>	<u>\$495,845</u>	<u>\$ (63,934)</u>	<u>\$ 8,424</u>	<u>\$469,844</u>

See accompanying Notes to Consolidated Financial Statements

BERKSHIRE HATHAWAY INC.
and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in millions)
(Unaudited)

	First Six Months	
	2023	2022
Cash flows from operating activities:		
Net earnings (loss)	\$ 71,956	\$ (37,537)
Adjustments to reconcile net earnings to operating cash flows:		
Investment (gains) losses	(67,819)	68,589
Depreciation and amortization	6,147	5,413
Other	(3,126)	(2,592)
Changes in operating assets and liabilities:		
Unpaid losses and loss adjustment expenses	275	1,505
Deferred charges - retroactive reinsurance	416	426
Unearned premiums	2,492	2,384
Receivables and originated loans	(1,194)	(6,455)
Inventories	505	(4,080)
Other assets	(980)	(620)
Other liabilities	(2,721)	1,247
Income taxes	15,176	(12,923)
Net cash flows from operating activities	21,127	15,357
Cash flows from investing activities:		
Purchases of equity securities	(7,442)	(57,269)
Sales of equity securities	25,833	12,044
Purchases of U.S. Treasury Bills and fixed maturity securities	(99,060)	(100,355)
Sales of U.S. Treasury Bills and fixed maturity securities	39,991	54,637
Redemptions and maturities of U.S. Treasury Bills and fixed maturity securities	59,815	23,681
Acquisitions of businesses, net of cash acquired	(8,516)	(103)
Purchases of property, plant and equipment and equipment held for lease	(8,398)	(6,833)
Other	513	25
Net cash flows from investing activities	2,736	(74,173)
Cash flows from financing activities:		
Proceeds from borrowings of insurance and other businesses	1,225	6,972
Repayments of borrowings of insurance and other businesses	(5,388)	(1,440)
Proceeds from borrowings of railroad, utilities and energy businesses	2,788	3,189
Repayments of borrowings of railroad, utilities and energy businesses	(2,187)	(1,374)
Changes in short-term borrowings, net	582	(85)
Acquisition of treasury stock	(5,850)	(4,191)
Other, principally transactions with noncontrolling interests	(803)	(1,464)
Net cash flows from financing activities	(9,633)	1,607
Effects of foreign currency exchange rate changes	24	(273)
Increase (decrease) in cash and cash equivalents and restricted cash	14,254	(57,482)
Cash and cash equivalents and restricted cash at beginning of year*	36,399	88,706
Cash and cash equivalents and restricted cash at end of second quarter*	\$ 50,653	\$ 31,224
*Cash and cash equivalents and restricted cash are comprised of:		
Beginning of year—		
Insurance and Other	\$ 32,260	\$ 85,319
Railroad, Utilities and Energy	3,551	2,865
Restricted cash included in other assets	588	522
	<u>\$ 36,399</u>	<u>\$ 88,706</u>
End of second quarter—		
Insurance and Other	\$ 44,611	\$ 26,534
Railroad, Utilities and Energy	5,444	4,074
Restricted cash included in other assets	598	616
	<u>\$ 50,653</u>	<u>\$ 31,224</u>

See accompanying Notes to Consolidated Financial Statements

**BERKSHIRE HATHAWAY INC.
and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023**

Note 1. General

The accompanying unaudited Consolidated Financial Statements include the accounts of Berkshire Hathaway Inc. (“Berkshire” or “Company”) consolidated with the accounts of all its subsidiaries and affiliates in which Berkshire holds controlling financial interests as of the financial statement date. In these notes, the terms “us,” “we” or “our” refer to Berkshire and its consolidated subsidiaries. Reference is made to Berkshire’s most recently issued Annual Report on Form 10-K (“Annual Report”), which includes information necessary or useful to understanding Berkshire’s businesses and financial statement presentations. Our significant accounting policies and practices were presented as Note 1 to the Consolidated Financial Statements included in the Annual Report.

Financial information in this Quarterly Report reflects all adjustments that are, in the opinion of management, necessary to a fair statement of results for the interim periods in accordance with accounting principles generally accepted in the United States (“GAAP”). For several reasons, our results for interim periods are not normally indicative of results to be expected for the year. The timing and magnitude of catastrophe losses incurred by insurance subsidiaries and the estimation error inherent to the process of determining liabilities for unpaid losses of insurance subsidiaries can be more significant to results of interim periods than to results for a full year. Given the size of our equity security investment portfolio, changes in market prices and the related changes in unrealized gains and losses on equity securities will produce significant volatility in our interim and annual earnings. In addition, the magnitude of gains and losses from the periodic revaluation of certain assets and liabilities denominated in foreign currencies and asset impairment charges may cause significant variations in periodic net earnings.

To varying degrees, our operating businesses have been impacted by government and private sector actions to mitigate the adverse economic effects of the COVID-19 virus and its variants as well as by the development of geopolitical conflicts, supply chain disruptions and government actions to slow inflation. The economic effects from these events over longer terms cannot be reasonably estimated at this time. Accordingly, significant estimates used in the preparation of our financial statements, including those associated with evaluations of certain long-lived assets, goodwill and other intangible assets for impairment, expected credit losses on amounts owed to us and the estimations of certain losses assumed under insurance and reinsurance contracts, may be subject to significant adjustments in future periods.

Note 2. New accounting pronouncements

We adopted Accounting Standards Update 2018-12 “Targeted Improvements to the Accounting for Long-Duration Contracts” (“ASU 2018-12”) as of January 1, 2023, which modifies the accounting, reporting and disclosures related to long-duration insurance contracts, including the measurement of our long-duration life, annuity and health benefit liabilities. ASU 2018-12 was applied retrospectively to contracts in-force beginning as of January 1, 2021 (the “transition date”). As of the transition date, the after-tax impact of changes in cash flow assumptions were recorded in retained earnings and the after-tax effect of changes in discount rate assumptions were recorded in accumulated other comprehensive income. Our Consolidated Financial Statements for the years ending December 31, 2022 and 2021 and as of the January 1, 2021 transition date were revised for the effects of adopting ASU 2018-12. These effects were included in Part II, Item 5 to our Form 10-Q for the period ending March 31, 2023.

Beginning as of January 1, 2021, the cash flow assumptions used to measure benefit liabilities are reviewed at least annually, with the effects of assumption changes recorded in earnings. The discount rate assumptions used to measure benefit liabilities are revised each quarterly reporting period with the effects of changes reported in other comprehensive income. Discount rates are based on the prevailing upper-medium grade corporate bond yields (generally single A-rated credit ratings) that reflect the duration characteristics and currency attributes of the liabilities. In measuring benefit liabilities and amortizing capitalized acquisition costs under long-duration insurance contracts, we generally aggregate contracts by issuance year. See Note 16 for disclosures related to our long-duration insurance contracts.

A summary of the impacts of adopting ASU 2018-12 on our periodic payment annuity and life and health insurance benefits liabilities as of the January 1, 2021 transition date follows in millions.

	Periodic payment annuities	Life and health	Total
Balance at December 31, 2020, as previously reported	\$ 10,974	\$ 10,642	\$ 21,616
Reclassifications to other policyholder liabilities	(286)	(929)	(1,215)
Balance at December 31, 2020 after reclassifications	10,688	9,713	20,401
Change in discount rate assumptions	6,553	1,447	8,000
Change in cash flow assumptions	(117)	552	435
Balance as of January 1, 2021	<u>\$ 17,124</u>	<u>\$ 11,712</u>	<u>\$ 28,836</u>

Notes to Consolidated Financial Statements (Continued)

Note 2. New accounting pronouncements (Continued)

The reclassifications to other policyholder liabilities are primarily related to certain liabilities arising under our variable annuity guarantee reinsurance contracts. These liabilities are not classified as life, annuity and health insurance benefits liabilities under ASU 2018-12.

The effects of adopting ASU 2018-12 on our Consolidated Statements of Earnings and Comprehensive Income for the second quarter and first six months of 2022 follows in millions, except per share amounts.

	Second Quarter			First Six Months		
	Previously reported	Increase (decrease)	As revised	Previously reported	Increase (decrease)	As revised
Revenues:						
Insurance premiums earned	\$ 18,087	\$ (6)	\$ 18,081	\$ 35,579	\$ (10)	\$ 35,569
Costs and expenses:						
Life, annuity and health insurance benefits	1,282	(96)	1,186	2,605	(82)	2,523
Insurance underwriting expenses	2,461	(84)	2,377	5,228	(247)	4,981
Earnings (loss) before income taxes	(55,482)	174	(55,308)	(48,670)	319	(48,351)
Income tax expense (benefit)	(12,106)	40	(12,066)	(10,879)	65	(10,814)
Net earnings (loss)	(43,376)	134	(43,242)	(37,791)	254	(37,537)
Net earnings (loss) attributable to Berkshire Hathaway shareholders	\$ (43,755)	\$ 134	\$ (43,621)	\$ (38,295)	\$ 254	\$ (38,041)
Other comprehensive income:						
Foreign currency translation	(1,751)	1	(1,750)	(2,067)	2	(2,065)
Long-duration insurance contracts	—	2,147	2,147	—	4,566	4,566
Other comprehensive income, net	(1,776)	2,148	372	(2,180)	4,568	2,388
Comprehensive income attributable to Berkshire Hathaway shareholders	\$ (45,502)	\$ 2,282	\$ (43,220)	\$ (40,443)	\$ 4,822	\$ (35,621)
Net earnings (loss) per average equivalent Class A share	\$ (29,754)	\$ 91	\$ (29,663)	\$ (26,005)	\$ 173	\$ (25,832)
Net earnings (loss) per average equivalent Class B share	\$ (19.84)	\$ 0.06	\$ (19.78)	\$ (17.34)	\$ 0.12	\$ (17.22)

In March 2023, the FASB issued Accounting Standards Update 2023-02, “Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method” (“ASU 2023-02”). ASU 2023-02 permits reporting entities to elect to account for tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met. Currently, the proportional amortization method is limited to certain affordable housing tax credit investments. ASU 2023-02 is effective for fiscal years beginning after December 15, 2023, and is applied either on a retrospective basis beginning as of the earliest period presented or a modified retrospective basis in the period of adoption. We are evaluating the effects of this standard on our Consolidated Financial Statements.

Note 3. Significant business acquisitions

Our long-held acquisition strategy is to acquire businesses that have consistent earning power, good returns on equity and able and honest management. Financial results attributable to business acquisitions are included in our Consolidated Financial Statements beginning on their respective acquisition dates.

On January 31, 2023, we acquired an additional 41.4% interest in Pilot Travel Centers, LLC (“Pilot”) for approximately \$8.2 billion. We previously owned a 38.6% interest in Pilot and accounted for that investment under the equity method. We now possess a controlling interest in Pilot for financial reporting purposes. We applied the equity method through the end of January 2023 and began consolidating Pilot’s financial statements in our Consolidated Financial Statements on February 1, 2023.

Pilot is headquartered in Knoxville, Tennessee and operates travel centers in North America (primarily under the names Pilot or Flying J) with more than 650 travel center locations across 43 U.S. states and six Canadian provinces. Pilot also has over 150 retail locations in the U.S. and Canada where it sells diesel fuel through various arrangements with third party travel centers. Among its business activities, Pilot operates large wholesale fuel and fuel marketing platforms in the U.S. and operates a water hauling and disposal business in the oil fields sector. As Pilot’s most significant business activities involve purchasing and selling fuel (energy) on a wholesale and retail basis, and engaging in other energy-related business activities, including oil field services, we have included Pilot within the railroad, utilities and energy sections of our Consolidated Balance Sheet and Consolidated Statement of Earnings beginning February 1, 2023.