(1) Significant accounting policies and practices

(a) Nature of operations and basis of consolidation

Berkshire Hathaway Inc. (“Berkshire”) is a holding company owning subsidiaries engaged in numerous diverse business activities, including insurance and reinsurance, freight rail transportation, utilities and energy, manufacturing, service and retailing. In these notes the terms “us,” “we,” or “our” refer to Berkshire and its consolidated subsidiaries. Further information regarding our reportable business segments is contained in Note 26. Information concerning significant business acquisitions completed over the past three years appears in Note 2.

The accompanying Consolidated Financial Statements include the accounts of Berkshire consolidated with the accounts of all subsidiaries and affiliates in which we hold a controlling financial interest as of the financial statement date. Normally a controlling financial interest reflects ownership of a majority of the voting interests. We consolidate variable interest entities (“VIE”) when we possess both the power to direct the activities of the VIE that most significantly affect its economic performance, and we (a) are obligated to absorb the losses that could be significant to the VIE or (b) hold the right to receive benefits from the VIE that could be significant to the VIE. Intercompany accounts and transactions have been eliminated.

Certain balances in the accompanying Consolidated Financial Statements for 2023 have been reclassified to conform to current year presentations. We reclassified the asset, liability, revenue and expense balances in 2023 associated with Pilot Travel Centers LLC (“Pilot”) from the Railroad, Utilities and Energy sections of the Balance Sheet, Statement of Earnings and Statement of Cash Flows to the Insurance and Other sections of those statements. We also reclassified the balances within the affected Notes to the Consolidated Financial Statements. These reclassifications conform presentations for comparability to presentations in 2024. These reclassifications had no effect on consolidated total assets, liabilities, shareholders’ equity, revenues, expenses, or on net earnings or cash flows from the amounts previously reported. See Note 1(y) for a summary of the reclassifications.

We continue to believe that reporting the railroad, utilities and energy subsidiaries separately in our Consolidated Balance Sheets and Consolidated Statements of Earnings is appropriate, given relative significance of property, plant and equipment, capital expenditures and debt. Further, these subsidiaries are not supported by Berkshire debt guarantees or other financial commitments.

(b) Use of estimates in preparation of financial statements

We prepare our Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States (“GAAP”), which requires us to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the balance sheet date and the reported amounts of certain revenues and expenses during the period. Our estimates of unpaid losses and loss adjustment expenses for property and casualty insurance claims are subject to considerable estimation error due to the inherent uncertainty in projecting ultimate claim costs. In addition, estimates and assumptions associated with determinations of deferred charges on retroactive reinsurance contracts, fair values of certain financial instruments and evaluations of goodwill and indefinite-lived intangible assets for impairment require considerable judgment. Additionally, significant estimates may be required in the evaluation of certain other long-lived assets for impairments and the recognition of expected credit losses on amounts owed to us. Estimates may be subject to significant adjustments in future periods due to ongoing macroeconomic and geopolitical events, as well as changes in industry or company-specific factors or events. Actual results may differ from the estimates used in preparing our Consolidated Financial Statements.

(c) Cash and cash equivalents and short-term investments in U.S. Treasury Bills

Cash equivalents consist of demand deposit and money market accounts and investments with maturities of three months or less when purchased. Short-term investments in U.S. Treasury Bills have maturities exceeding three months and less than one year at the time of purchase.

(1) Significant accounting policies and practices

(d) Investments in fixed maturity securities

We classify investments in fixed maturity securities on the acquisition date and at each balance sheet date. Securities classified as held-to-maturity are carried at amortized cost, reflecting the ability and intent to hold the securities to maturity. Securities classified as trading are acquired with the intent to sell in the near term and are carried at fair value with changes in fair value reported in earnings. All other securities are classified as available-for-sale and are carried at fair value. Our investments in fixed maturity securities are classified as available-for-sale. We amortize the difference between the original cost and maturity value of a fixed maturity security to earnings using the interest method.

We record investment gains and losses on available-for-sale fixed maturity securities in earnings when the securities are sold. For securities in an unrealized loss position, we recognize a loss in earnings for the excess of amortized cost over fair value if we intend to sell before the price recovers. As of the balance sheet date, we evaluate unrealized losses, considering the severity of the decline in value, creditworthiness of the issuer and other relevant factors. We record an allowance for credit losses, limited to the excess of amortized cost over fair value, with a corresponding charge to earnings if the present value of estimated expected cash flows is less than the present value of contractual cash flows. The allowance may be subsequently increased or decreased based on the prevailing facts and circumstances. The portion of the unrealized loss that is not related to a credit loss is recognized in other comprehensive income.

(e) Investments in equity securities

We carry investments in equity securities at fair value and record the changes in fair values in the Consolidated Statements of Earnings as a component of investment gains and losses.

(f) Investments under the equity method

We utilize the equity method to account for investments when we possess the ability to exercise significant influence, but not control, over the operating and financial policies of the investee. The ability to exercise significant influence is presumed when the investor possesses more than 20% of the voting interests of the investee. This presumption may be overcome based on specific facts and circumstances that demonstrate that the ability to exercise significant influence is restricted. We apply the equity method to investments in common stock and other investments when such investments possess substantially identical subordinated interests to common stock, and do not apply the equity method to investments that are not in-substance common stock as defined by GAAP.

In applying the equity method, we increase or decrease the carrying amount of the investment by our proportionate share of the net earnings or losses and other comprehensive income of the investee. We record additional investments at cost and equity distributions received as reductions in the carrying value of the investment. If net losses reduce our carrying amount to zero, additional net losses may be recorded if other investments in the investee are at-risk, even if we have not committed to provide financial support to the investee.

(g) Loans and finance receivables

Loans and finance receivables are primarily manufactured home loans, and to a lesser extent, commercial loans and site-built home loans. We carry substantially all loans and finance receivables at amortized cost, net of allowances for expected credit losses, based on our ability and intent to hold such loans to maturity. Acquisition costs and loan origination and commitment costs paid and fees received, as well as acquisition premiums or discounts, are capitalized and accrued to investment income as yield adjustments over the lives of the loans.

Measurements of expected credit losses include provisions for non-collection, whether the risk is probable or remote. Expected credit losses on manufactured home loans are based on the net present value of future principal payments less estimated expenses related to the charge-off and foreclosure of expected uncollectible loans and include provisions for loans that are not in foreclosure. Our principal credit quality indicator is whether the loans are performing. Expected credit loss estimates consider historical default rates, collateral recovery rates, historical runoff rates, interest rates, reductions of future cash flows for modified loans and the historical time elapsed from last payment until foreclosure, among other factors. In addition, our estimates consider current conditions and reasonable and supportable forecasts.

(1) Significant accounting policies and practices

(g) Loans and finance receivables

Loans are considered delinquent when payments are more than 30 days past due. We place loans over 90 days past due on nonaccrual status and accrued but uncollected interest is reversed. Subsequent collections on the loans are first applied to the principal and interest owed for the most delinquent amount. We resume interest income accrual once a loan is less than 90 days delinquent.

Loans are considered non-performing when the foreclosure process has started. Once a loan is in the process of foreclosure, interest income is not recognized until the foreclosure is cured or the loan is modified. Once a modification is complete, interest income is recognized based on the terms of the new loan. Foreclosed loans are charged off when the collateral is sold. Loans not in foreclosure are evaluated for charge-off based on individual circumstances concerning the future collectability of the loan and the condition of the collateral securing the loan.

(h) Other receivables

Other receivables include balances due from customers, insurance premiums receivable and reinsurance losses recoverable, as well as other receivables. Trade receivables, insurance premiums receivables and other receivables are primarily short-term in nature with stated collection terms of less than one year from the date of origination. Reinsurance recoverables are comprised of amounts ceded under reinsurance contracts or pursuant to mandatory government-sponsored insurance programs. Reinsurance recoverables arise from unpaid losses and loss adjustment expenses on property and casualty claims and benefits under life and health contracts. Receivables are stated net of estimated allowances for uncollectible balances.

We measure expected credit losses primarily utilizing credit loss history. In addition, our credit loss estimates consider current conditions and reasonable and supportable forecasts. In evaluating expected credit losses of reinsurance recoverables on unpaid losses, we review the credit quality of the counterparty and consider right-of-offset provisions within reinsurance contracts and other forms of credit enhancement including collateral, guarantees and other available information. We charge off receivables against the allowances after reasonable collection efforts are exhausted.

(i) Derivatives

We carry assets and liabilities arising from derivative contracts at fair value in other assets and accounts payable, accruals and other liabilities in our Consolidated Balance Sheets. Balances are net of reductions permitted under master netting agreements with counterparties. We record the changes in fair value of derivative contracts that do not qualify as hedging instruments for financial reporting purposes in earnings or if such contracts involve our regulated utilities subsidiaries, as regulatory assets or liabilities when inclusion in regulated rates is probable.

(j) Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability between market participants in the principal market or in the most advantageous market when no principal market exists. Adjustments to transaction prices or quoted market prices may be required in illiquid or disorderly markets when estimating fair value. In such circumstances, alternative valuation techniques may be appropriate to determine the value that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Market participants are assumed to be independent, knowledgeable, and able and willing to transact an exchange and not acting under duress. Our nonperformance or credit risk is considered in determining the fair value of liabilities. Considerable judgment may be required in interpreting market data used to develop the estimates of fair value. Accordingly, estimates of fair value presented herein are not necessarily indicative of the amounts that could be realized in a current or future market exchange.

(k) Inventories

Inventories consist of manufactured products, goods or products acquired for resale, materials and supplies and homes constructed for sale. Manufactured inventory costs include materials, direct and indirect labor and factory overhead. At December 31, 2024, we used the last-in-first-out ("LIFO") method to value 32% of consolidated inventories with the remainder primarily determined under first-in-first-out and average cost methods. Non-LIFO inventories are stated at the lower of cost or net realizable value. The excess of current or replacement costs over costs determined under LIFO was approximately $2.3 billion as of December 31, 2024 and December 31, 2023.

(1) Significant accounting policies and practices

(l) Property, plant and equipment and equipment held for lease

We use property, plant and equipment in our operations. We also own equipment that we lease to others under lease contracts. We record additions, improvements and betterments to such properties at cost. With respect to constructed assets, all materials, direct labor and contract services as well as certain indirect costs, including interest over the construction period, are capitalized. With respect to constructed assets that are subject to authoritative guidance for regulated operations, capitalized costs also include an allowance for funds used during construction, which represents the cost of equity funds used to finance the construction of the regulated facilities. Normal repairs and maintenance and other costs that do not improve the property, extend its useful life or otherwise do not meet capitalization criteria are charged to expense as incurred.

Depreciation expense of our regulated utilities and railroad is generally determined using group depreciation methods where rates are based on periodic depreciation studies approved by the applicable regulator. Under group depreciation, a composite rate is applied to the gross investment in a particular class of property, despite differences in the service life or salvage value of individual property units within the same class. When such assets are retired or sold, no gain or loss is recognized. Gains or losses on disposals of all other assets are recorded through earnings. Ranges of estimated useful lives of depreciable assets unique to our railroad business are as follows: track structure and other roadway – 10 to 100 years and locomotives, freight cars and other equipment – 6 to 45 years. Ranges of estimated useful lives of assets unique to our utilities and energy businesses are as follows: utility generation, transmission and distribution systems – 5 to 80 years, interstate natural gas pipeline assets – 3 to 80 years and independent power plants and other assets – 2 to 50 years.

We depreciate property, plant and equipment used in operations by our other businesses to the estimated salvage value primarily using the straight-line method over estimated service lives. Ranges of estimated service lives of depreciable assets used in our other businesses are as follows: buildings and improvements – 5 to 50 years, machinery and equipment – 3 to 30 years and furniture, fixtures and other – 4 to 15 years. We depreciate the equipment held for lease to estimated salvage value primarily using the straight-line method over estimated useful lives ranging from 3 to 35 years. We use declining balance depreciation methods for assets when the revenue-earning power of the asset is greater during the earlier years of its life.

We evaluate property, plant and equipment and equipment held for lease for impairment when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable or when the assets are held for sale. Upon the occurrence of a triggering event, we assess whether the estimated undiscounted cash flows expected from the use of the asset and the residual value from the ultimate disposal of the asset exceeds the carrying value. If the carrying value exceeds the estimated recoverable amounts, we reduce the carrying value to fair value and record an impairment loss in earnings, except with respect to impairment of assets of our regulated utility and energy subsidiaries where the impacts of regulation are considered in evaluating the carrying value.

(m) Leases

We are party to contracts where we lease property from others. When we lease assets from others, we record right-of-use assets and lease liabilities. Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. In this regard, lease payments include fixed payments and variable payments that depend on an index or rate. The lease term is considered the non-cancellable lease period. Certain lease contracts contain renewal options or other terms that provide variable payments based on performance or usage. Options are not included in determining right-of-use assets or lease liabilities unless it is reasonably certain that options will be exercised. Generally, incremental borrowing rates are used in measuring lease liabilities. Right-of-use assets are subject to review for impairment. As permitted under GAAP, for some leases we do not separate lease components from non-lease components by class of asset and we do not record assets or liabilities for leases with terms of one year or less.

(1) Significant accounting policies and practices

(n) Goodwill and other intangible assets

Goodwill represents the excess of the acquisition price of a business over the acquisition date values of identified net assets of that business. We evaluate goodwill for impairment at least annually. When evaluating goodwill for impairment, we estimate the fair value of the reporting unit. Several methods may be used to estimate a reporting unit's fair value, including market quotations, asset and liability fair values and other valuation techniques, including, but not limited to, discounted projected future net earnings or net cash flows and multiples of earnings. When the carrying amount of a reporting unit, including goodwill, exceeds the estimated fair value, the excess up to the balance of goodwill is charged to earnings as an impairment loss.

Other intangible assets with indefinite lives are also tested for impairment at least annually and when events or changes in circumstances indicate that, more likely-than-not, the asset is impaired. When the asset carrying value exceeds fair value, the excess is charged to earnings as an impairment loss. Significant judgment is required in estimating fair values and evaluating goodwill and indefinite-lived intangible assets for impairment. We amortize intangible assets with finite lives in a pattern that reflects the expected consumption of related economic benefits or on a straight-line basis over the estimated economic useful lives. Intangible assets with finite lives are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

(o) Revenue recognition

We earn insurance premiums on prospective property/casualty insurance and reinsurance contracts over the loss exposure or coverage period in proportion to the level of protection provided. We earn such premiums, in most cases ratably, over the term of the contract with unearned premiums computed on a monthly or daily pro-rata basis. Premiums on retroactive property/casualty reinsurance contracts are normally received in full and are fully earned at the inception of the contracts, as all underlying loss events covered by the policies occurred prior to contract inception. Premiums for life reinsurance and periodic payment annuity contracts are earned when due. Premiums for periodic payment annuity contracts are received in full and fully earned at the inception of the contracts. Premiums earned are stated net of amounts ceded to reinsurers. Premiums earned on contracts with experience-rating provisions reflect estimated loss experience under such contracts.

Sales and service revenues are recognized when goods or services are transferred to a customer. A good or service is transferred when (or as) the customer obtains control of that good or service. Revenues are based on the consideration we expect to receive in connection with our promises to deliver goods and services to our customers.

We manufacture and/or distribute a wide variety of industrial, building and consumer products. We also sell fuels, including diesel, gasoline and related products, on a retail and wholesale basis.

Our sales contracts provide customers with products directly or through wholesale and retail channels in exchange for consideration specified under the contracts. Contracts generally represent customer orders for individual products at stated prices. Sales contracts may contain either single or multiple performance obligations. In instances where contracts contain multiple performance obligations, we allocate the revenue to each obligation based on the relative stand-alone selling prices of each product or service.

Sales revenues reflect reductions for returns, allowances, late delivery penalties, volume discounts and other incentives, some of which may be contingent on future events. In certain customer contracts, sales revenues include certain state and local excise taxes billed to customers on specified products when those taxes are levied directly upon us by the taxing authorities. Sales revenues exclude sales taxes and value-added taxes collected on behalf of taxing authorities. Sales revenues include consideration for shipping and other fulfillment activities performed prior to the customer obtaining control of the goods. We also elect to treat consideration for such services that are performed after control has passed to the customer as sales revenue.

Product sales revenues are generally recognized at a point in time when control of the product transfers to the customer, which coincides with customer pickup or product delivery or acceptance, depending on terms of the arrangement. We recognize sales revenues and related costs over time with respect to certain contracts, including certain bridge and structural steel, castings, forgings and aerostructures contracts. Control of the product units under these contracts transfers continuously to the customer as the product is manufactured. These products generally have no alternative use and the contract requires the customer to provide reasonable compensation if terminated for reasons other than breach of contract.

(1) Significant accounting policies and practices

(o) Revenue recognition

The primary performance obligation under our freight rail transportation service contracts is to move freight from a point of origin to a point of destination. The performance obligations are represented by bills of lading which create a series of distinct services that have a similar pattern of transfer to the customer. The revenues for each performance obligation are based on various factors including the product being shipped, the origin and destination pair and contract incentives, which are outlined in various private rate agreements, common carrier public tariffs, interline foreign road agreements and pricing quotes. The transaction price is generally a per car/unit amount to transport railcars from a specified origin to a specified destination. Freight revenues are recognized over time as the service is performed because the customer simultaneously receives and consumes the benefits of the service. Revenues recognized represent the portion of the service completed as of the balance sheet date. Invoices for freight transportation services are generally issued to customers and paid within 30 days or less. Customer incentives, which are primarily provided for shipping a specified cumulative volume or shipping to/from specific locations, are recorded as a reduction to revenue on a pro-rata basis based on actual or projected future customer shipments.

Utilities and energy revenues derive primarily from regulated electricity and natural gas sales. Regulated electricity and natural gas revenues are primarily tariff-based sales arrangements approved by various regulatory commissions. These tariff-based revenues are mainly comprised of energy, transmission, distribution and natural gas and have performance obligations to deliver energy products and services to customers which are satisfied over time as energy is delivered or services are provided. Such revenues are equivalent to the amounts we have the right to invoice and correspond directly with the value to the customer of the performance to date and include billed and unbilled amounts. Payments from customers are generally due within 30 days of billing. Rates charged for regulated energy products and services are established by regulators or contractual arrangements that establish the transaction price, as well as the allocation of price among the separate performance obligations. When preliminary regulated rates are permitted to be billed prior to final approval by the applicable regulator, certain revenue collected may be subject to refund and a liability for estimated refunds is accrued.

Other service revenues derive from contracts with customers in which performance obligations are satisfied over time, where customers receive and consume benefits as we perform the services or at a point in time when the services are completed. Other service revenues primarily derive from real estate brokerage, construction management and consulting, automotive repair, aircraft management, aviation training, franchising activities and news distribution.

Leasing revenue is generally recognized ratably over the term of the lease or based on usage, if applicable under the terms of the contract. A substantial portion of our lessor contracts are classified as operating leases.

(p) Losses and loss adjustment expenses

We record liabilities for unpaid losses and loss adjustment expenses under property and casualty insurance and reinsurance contracts for loss events that have occurred on or before the balance sheet date. Such liabilities represent the undiscounted estimated ultimate payment amounts.

We base liability estimates on (1) loss reports from policyholders and cedents, (2) individual case estimates and (3) estimates of incurred but not reported losses. Losses and loss adjustment expenses in the Consolidated Statements of Earnings include paid claims, claim settlement costs and changes in estimated claim liabilities. Losses and loss adjustment expenses in the Consolidated Statements of Earnings are stated net of amounts recovered and estimates of amounts recoverable ceded under reinsurance contracts. Reinsurance contracts do not relieve the ceding company of its obligations to indemnify policyholders with respect to the underlying insurance and reinsurance contracts.

(q) Retroactive reinsurance contracts

We record liabilities for unpaid losses and loss adjustment expenses under short-duration retroactive reinsurance contracts consistent with property and casualty contracts described in Note 1(p). With respect to retroactive reinsurance contracts, we also record deferred charge assets at the inception of the contracts, representing the excess, if any, of the estimated ultimate claim liabilities over the premiums earned. We subsequently adjust deferred charge assets as of the balance sheet date based on changes in the estimated timing and amount of ultimate loss payments, with retrospective application to the inception of the contract using the interest method. The resulting changes in deferred charge assets are included as a component of insurance losses and loss adjustment expenses in the Consolidated Statements of Earnings.

Notes to Consolidated Financial Statements

(1) Significant accounting policies and practices

(r) Insurance policy acquisition costs

Deferred policy acquisition costs are included in other assets and were approximately $4.6 billion at December 31, 2024 and 2023, of which $3.9 billion in each year related to property and casualty insurance contracts. We capitalize the direct incremental costs that relate to the successful sale of insurance contracts, subject to ultimate recoverability. Direct incremental acquisition costs include commissions, premium taxes and certain other costs associated with successful efforts. We expense all other underwriting costs as incurred. For short-duration property and casualty insurance contracts, deferred policy acquisition costs are reflected in expenses over the contract term as the related premiums are earned. For long-duration life contracts, we expense deferred policy acquisition costs at a constant level based on the expected amount of insurance in-force and the expected term of the contract using the assumptions consistent with those used in determining related insurance liabilities.

(s) Life, annuity and health insurance benefits

Liabilities for life, annuity and health insurance benefits under long-duration insurance contracts represent the present value of expected future cash outflows from future benefit payments and certain non-acquisition costs, less the present value of expected future "net premiums," which is the portion of gross premiums required to provide for all expected future benefits and variable expenses. Periodic payment and annuity reinsurance contracts are regarded as limited payment contracts. Such liabilities include the present value of expected future payments based on the discount rates used to measure benefit liabilities and deferred profit liabilities, which are based on the excess of gross premiums received over the net premiums established at the inception of the contract.

In estimating future cash flows, we consider the timing and amount of future claims, premiums and expenses, which require estimates of expected mortality, morbidity and lapse rates. Cash flow assumptions 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 reporting period based on the prevailing upper-medium-grade corporate bond yields (generally single-A rated credit ratings) that reflect the duration and currency attributes of the liabilities. In measuring benefit liabilities, we generally group contracts by contract issue year. The effects of changes in discount rates are recorded in accumulated other comprehensive income.

(t) Regulated utilities and energy businesses

Certain regulated utility and energy subsidiaries prepare their financial statements in accordance with authoritative guidance for regulated operations, reflecting the economic effects of regulation from the ability to recover certain costs from customers and the requirement to return revenues to customers in the future through the regulated rate-setting process. Accordingly, certain costs are deferred as regulatory assets and certain income is accrued as regulatory liabilities.

Regulatory assets and liabilities are subsequently amortized into operating expenses and revenues over various future periods. Regulatory assets and liabilities are continually assessed for probable future inclusion in regulatory rates by considering factors such as applicable regulatory or legislative changes and recent rate orders received by other regulated entities. If future inclusion in regulatory rates ceases to be probable, the amount no longer probable of inclusion in regulatory rates is charged or credited to earnings (or other comprehensive income, if applicable) or returned to customers.

(u) Foreign currency

The accounts of certain subsidiaries are measured using functional currencies other than the U.S. Dollar. Revenues and expenses in the financial statements of these subsidiaries are translated into U.S. Dollars at the average exchange rate for the period and assets and liabilities are translated at the exchange rate as of the end of the reporting period. The net effects of translating the financial statements of these subsidiaries are included in shareholders' equity as a component of accumulated other comprehensive income. Gains and losses arising from transactions denominated in a currency other than the functional currency of the entity, including gains and losses from the remeasurement of assets and liabilities due to changes in currency exchange rates, are included in earnings.

(1) Significant accounting policies and practices

(v) Income taxes

Berkshire files a consolidated federal income tax return in the U.S. with eligible subsidiaries. In addition, we file income tax returns in U.S. state and local and foreign jurisdictions. Provisions for current income tax liabilities are calculated and accrued on income and expense amounts expected to be included in the income tax returns for the current year. Income taxes reported in earnings also include deferred income tax provisions.

Deferred income tax assets and liabilities are computed on differences between the financial statement bases and tax bases of assets and liabilities at the enacted tax rates. Changes in deferred income tax assets and liabilities associated with components of other comprehensive income are charged or credited directly to other comprehensive income. Otherwise, changes in deferred income tax assets and liabilities are included as a component of income tax expense. The effect on deferred income tax assets and liabilities attributable to changes in enacted tax rates are charged or credited to income tax expense in the period of enactment. Valuation allowances are established for certain deferred income tax assets when realization is deemed to be unlikely.

Liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions, in our judgment, do not meet a more-likely-than-not threshold based on the technical merits of the positions. Estimated interest and penalties related to uncertain tax positions are included as a component of income tax expense.

(w) Accounting pronouncements adopted in 2024

We adopted the Financial Accounting Standards Board ("FASB") 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 from which the income tax credits are received using the proportional amortization method at the program level if certain conditions are met. We elected to apply the proportional accounting method to eligible affordable housing tax credit investments using the modified retrospective method. We recorded a charge to retained earnings of $127 million, representing the cumulative effect of applying the proportional method to these investments as of January 1, 2024.

We adopted FASB Accounting Standards Update 2023-07, "Improvements to Reportable Segment Disclosures" ("ASU 2023-07") beginning December 31, 2024. ASU 2023-07 requires disclosures of significant expenses by segment and interim disclosure of items that were previously required only on an annual basis. We adopted ASU 2023-07 retrospectively with such disclosures included in Note 26 to the accompanying Consolidated Financial Statements.

(x) Accounting pronouncements to be adopted subsequent to December 31, 2024

In December 2023, the FASB issued Accounting Standards Update 2023-09, "Improvements to Income Tax Disclosures" ("ASU 2023-09"), which provides for additional income tax rate reconciliation and income taxes paid disclosures. ASU 2023-09 may be adopted on a prospective or retrospective basis and is effective for fiscal years beginning after December 15, 2024, with early adoption permitted.

In November 2024, the FASB issued Accounting Standards Update 2024-03, "Disaggregation of Income Statement Expenses" ("ASU 2024-03"), which requires detailed disclosure in the notes to the financial statements of specific categories underlying certain expense captions on the income statement. ASU 2024-03 may be adopted on a prospective or retrospective basis and is effective for fiscal years beginning after December 15, 2027, with early adoption permitted.

On March 6, 2024, the U.S. Securities Exchange Commission ("SEC") issued Release No. 33-11275 and No. 34-99678 "The Enhancement and Standardization of Climate-Related Disclosures for Investors" ("Climate Disclosure Rules"). Among its provisions, the Climate Disclosure Rules will require certain disclosures related to severe weather events and other natural conditions, and other disclosures about climate-related risks that materially impacted or are reasonably likely to materially impact the business strategy, results of operations or financial condition of the registrant. The Climate Disclosure Rules were to become effective for large-accelerated SEC filers in annual reports for years beginning on or after January 1, 2025. However, on April 4, 2024, the SEC stayed implementation of the Climate Disclosure Rules, which remains in place pending the completion of an ongoing judicial review.

Notes to Consolidated Financial Statements

(1) Significant accounting policies and practices

(y) Reclassifications of certain balances in 2023

A summary of reclassifications to the amounts previously reported in our Consolidated Balance Sheet and Statement of Earnings as of and for the year ended December 31, 2023 associated with Pilot's balance sheet, revenue and expense accounts are summarized below. We also reclassified the December 31, 2023 amounts in the applicable Notes to the Consolidated Financial Statements. The reclassifications to the Consolidated Statement of Cash Flows for the year ended December 31, 2023 were immaterial. These reclassifications conform presentations of balances in 2023 for comparability to current year presentations. Amounts are in millions.

	December 31, 2023		
	As previously reported	Reclassification	As reclassified
Assets:			
Insurance and Other:			
Cash and cash equivalents	$ 33,672	$ 596	$ 34,268
Other receivables	44,174	2,087	46,261
Inventories	24,159	1,697	25,856
Property, plant and equipment	22,030	8,169	30,199
Goodwill	50,868	6,605	57,473
Other intangible assets	29,327	6,557	35,884
Other	19,568	2,298	21,866
Railroad, Utilities and Energy:			
Cash and cash equivalents	4,350	(596)	3,754
Receivables	7,086	(2,087)	4,999
Property, plant and equipment	177,616	(8,169)	169,447
Goodwill	33,758	(6,605)	27,153
Other	30,397	(10,552)	19,845
Liabilities:			
Insurance and Other:			
Accounts payable, accruals and other liabilities	32,402	4,157	36,559
Notes payable and other borrowings	42,692	5,776	48,468
Railroad, Utilities and Energy:			
Accounts payable, accruals and other liabilities	22,461	(4,157)	18,304
Notes payable and other borrowings	85,579	(5,776)	79,803

	Year ended December 31, 2023		
	As previously reported	Reclassification	As reclassified
Revenues:			
Insurance and Other:			
Sales and service revenues	$ 155,687	$ 51,461	$ 207,148
Interest, dividend and other investment income	15,561	203	15,764
Railroad, Utilities and Energy:			
Utility and energy operating revenues	72,693	(51,461)	21,232
Service revenues and other income	4,931	(203)	4,728
Costs and expenses:			
Insurance and Other:			
Cost of sales and services	122,569	46,712	169,281
Selling, general and administrative expenses	22,605	2,853	25,458
Interest expense	1,258	413	1,671
Railroad, Utilities and Energy:			
Utilities and energy cost of sales and other expenses	67,964	(49,565)	18,399
Interest expense	3,745	(413)	3,332

Notes to Consolidated Financial Statements

(2) Significant business acquisitions and other transactions

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. The acquisition increased our interest to 80%, representing a controlling interest in Pilot for financial reporting purposes as of that date. Accordingly, we began consolidating Pilot's financial statements in our Consolidated Financial Statements on February 1, 2023. Prior to that date, we accounted for our 38.6% interest in Pilot under the equity method.

Pilot operates travel centers and fuel-only retail locations across the U.S. and in five Canadian provinces, primarily under the names Pilot or Flying J, as well as large wholesale fuel and fuel marketing businesses in the U.S. Pilot also sells diesel fuel at other locations in the U.S. and Canada through various arrangements with third party travel centers and operates a water disposal business in the oil fields sector.

In applying the acquisition method of accounting, we remeasured our previously held 38.6% investment in Pilot to fair value as of the acquisition date. We recognized a one-time, non-cash remeasurement gain of approximately $3.0 billion in the first quarter of 2023, representing the excess of the fair value of that interest over the carrying value under the equity method.

In January 2024, we acquired the remaining noncontrolling interests in Pilot for $2.6 billion, increasing our ownership of Pilot to 100%. The acquisition of a noncontrolling interest represents an equity transaction and we recorded an increase of $517 million to capital in excess of par value for the excess of the carrying value of the noncontrolling interest acquired over the consideration paid, net of deferred income tax liabilities arising from the transaction.

A summary of the values of Pilot's assets acquired, liabilities assumed and noncontrolling interests as of January 31, 2023 follows (in millions).

Assets acquired		Liabilities assumed and noncontrolling interests	
Property, plant and equipment	$ 8,015	Notes payable	$ 5,876
Goodwill*	6,605	Other liabilities	4,918
Other intangible assets	6,853	Liabilities assumed	10,794
Other assets	7,047	Noncontrolling interests, predominantly redeemable	3,361
		Liabilities assumed and noncontrolling interests	$ 14,155
Assets acquired	$ 28,520	Net assets	$ 14,365

* *Goodwill from this acquisition is expected to be deductible for income tax purposes.*

On October 19, 2022, Berkshire acquired all of the outstanding common stock of Alleghany Corporation ("Alleghany") for $11.5 billion, which operates property and casualty insurance and reinsurance businesses. Acquired assets were $35.6 billion, including cash and investments of $19.7 billion and goodwill of $3.9 billion, which is not expected to be deductible for income tax purposes. Liabilities were $24.1 billion, including unpaid losses and loss adjustment expenses of $15.1 billion.

Certain unaudited pro forma revenue and consolidated earnings (loss) data for the year ended December 31, 2022 as if the Alleghany and Pilot acquisitions were completed on the same terms at the beginning of 2022 follows (in millions, except per share amounts).

	2022
Revenues	$ 383,115
Net earnings (loss) attributable to Berkshire shareholders	(23,947)
Net earnings (loss) per equivalent Class A common share	(16,303)

On September 30, 2024, Berkshire Hathaway Energy Company ("BHE") repurchased 5.85% of its outstanding common stock held by certain noncontrolling BHE shareholders for $2.9 billion. We recorded the difference between the value of the consideration paid for the noncontrolling interests acquired and the carrying value in capital in excess of par value.

Additionally, in September and October 2024, Berkshire acquired the remaining 2.12% of BHE's outstanding common stock held by noncontrolling shareholders in exchange for 2,291,631 shares of Berkshire Class B common stock valued at $1.045 billion. After these transactions, BHE became a wholly-owned subsidiary of Berkshire.

(2) Significant business acquisitions and other transactions

On September 1, 2023, a BHE subsidiary acquired an additional 50% limited partner interest in Cove Point LNG, LP ("Cove Point") for $3.3 billion, which increased our economic interest from 25% to 75%. Prior to the transaction, we also held 100% of the general partner interest and we consolidated Cove Point for financial reporting purposes. Accordingly, the interest acquired was an acquisition of a noncontrolling interest. We recorded a charge of $667 million in 2023 to our capital in excess of par for the excess of the consideration paid over the carrying value of the noncontrolling interest acquired and deferred income tax assets arising from the transaction.

(3) Investments in fixed maturity securities

Investments in fixed maturity securities are summarized by type below (in millions).

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
December 31, 2024				
U.S. Treasury, U.S. government corporations and agencies	$ 4,447	$ 16	$ (4)	$ 4,459
Foreign governments	9,443	16	(97)	9,362
Corporate and other	1,324	225	(6)	1,543
	$ 15,214	$ 257	$ (107)	$ 15,364
December 31, 2023				
U.S. Treasury, U.S. government corporations and agencies	$ 10,308	$ 14	$ (53)	$ 10,269
Foreign governments	11,788	58	(41)	11,805
Corporate and other	1,429	262	(7)	1,684
	$ 23,525	$ 334	$ (101)	$ 23,758

As of December 31, 2024, approximately 94% of our foreign government holdings were rated AA or higher by at least one of the major rating agencies. The amortized cost and estimated fair value of fixed maturity securities at December 31, 2024 are summarized below by contractual maturity dates (in millions). Actual maturities may differ from contractual maturities due to prepayment rights held by issuers.

	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years	Mortgage-backed securities	Total
Amortized cost	$ 10,228	$ 4,202	$ 532	$ 123	$ 129	$ 15,214
Fair value	10,107	4,267	718	133	139	15,364

(4) Investments in equity securities

Investments in equity securities are summarized as follows (in millions).

	Cost Basis	Net Unrealized Gains	Fair Value
December 31, 2024			
Banks, insurance and finance	$ 15,707	$ 75,936	$ 91,643
Consumer products	12,658	92,091	104,749
Commercial, industrial and other	47,141	28,055	75,196
	$ 75,506	$ 196,082	$ 271,588
December 31, 2023			
Banks, insurance and finance	$ 27,136	$ 51,176	$ 78,312
Consumer products	34,248	166,895	201,143
Commercial, industrial and other	48,032	26,355	74,387
	$ 109,416	$ 244,426	$ 353,842

(4) Investments in equity securities

Our investments in equity securities over the years have been concentrated in relatively few companies. The fair value of our five largest holdings at December 31, 2024 and 2023 represented 71% and 79%, respectively, of the aggregate fair value of our equity securities shown in the preceding tables. The five largest holdings at each date were American Express Company, Apple Inc., Bank of America Corporation, The Coca-Cola Company and Chevron Corporation.

Since 2019, we have also owned non-voting Cumulative Perpetual Preferred Stock of Occidental Petroleum Corporation ("Occidental") and Occidental common stock warrants. Our investments in the Occidental preferred stock and Occidental common stock warrants are recorded at fair value and included as equity securities in our Consolidated Balance Sheets, as such investments are not in-substance common stock under GAAP and are not eligible for the equity method. We account for our investment in Occidental common stock under the equity method. See Note 5.

The Occidental preferred stock accrues dividends at 8% per annum and is redeemable at the option of Occidental commencing in 2029 at a redemption price equal to 105% of the liquidation value. As of December 31, 2024, our investment in Occidental preferred stock had an aggregate liquidation value of approximately $8.5 billion. During 2023, Occidental issued mandatory redemption notifications for approximately $1.5 billion of the aggregate liquidation value due to excess distributions by Occidental to its common stockholders, as defined under the terms of the Occidental preferred stock certificate of designations.

The Occidental common stock warrants allow us to purchase up to 83.86 million shares of Occidental common stock at an exercise price of $59.62 per share. The warrants are exercisable in whole or in part until one year after the date the preferred stock is fully redeemed.

As of December 31, 2024, we owned 151.6 million shares of American Express Company ("American Express") common stock representing 21.6% of the outstanding common stock of American Express. Since 1995, we have been party to an agreement with American Express whereby we agreed to vote a significant portion of our shares in accordance with the recommendations of the American Express Board of Directors. We have also agreed to passivity commitments as requested by the Board of Governors of the Federal Reserve System, which collectively, in our judgment, restrict our ability to exercise significant influence over the operating and financial policies of American Express. Accordingly, we do not use the equity method with respect to our investment in American Express common stock and we continue to record our investment at fair value.

(5) Equity method investments

Berkshire and its subsidiaries hold investments in certain businesses that are accounted for pursuant to the equity method. The most significant of these are our investments in the common stock of The Kraft Heinz Company ("Kraft Heinz") and Occidental. We began acquiring common stock of Occidental in 2022 and our aggregate voting interest in Occidental common stock exceeded 20% on August 4, 2022. We adopted the equity method as of that date. As of December 31, 2024, we owned 27.2% of the Kraft Heinz outstanding common stock and 28.2% of the outstanding Occidental common stock which excludes the potential effect of the exercise of Occidental's outstanding common stock warrants.

Kraft Heinz manufactures and markets food and beverage products, including condiments and sauces, cheese and dairy, meals, meats, refreshment beverages, coffee and other grocery products. Occidental is an international energy company, whose activities include oil and natural gas exploration, development and production, and chemicals manufacturing businesses.

We also own a 50% interest in Berkadia Commercial Mortgage LLC ("Berkadia"), which is included in other in the following table. Jefferies Financial Group Inc. ("Jefferies") owns the other 50% interest. Berkadia engages in mortgage banking, investment sales and servicing commercial/multi-family real estate loans. Berkadia's commercial paper borrowing capacity (limited to $1.5 billion) is supported by a surety policy issued by a Berkshire insurance subsidiary. Jefferies is obligated to indemnify us for one-half of any losses incurred under the policy.

The fair values and carrying values of these investments are included in the following table (in millions).

	Carrying Value		Fair Value	
	December 31,		December 31,	
	2024	2023	2024	2023
Kraft Heinz	$ 13,395	$ 13,230	$ 9,994	$ 12,035
Occidental	17,287	15,410	13,053	14,552
Other	452	426		
	$ 31,134	$ 29,066		

Notes to Consolidated Financial Statements

(5) Equity method investments

Kraft Heinz and Occidental common stocks are publicly traded. As of December 31, 2024, the excess of our carrying value over the fair value of each of these investments based on their respective market prices was approximately 25% of the carrying value. We evaluated these investments for other-than-temporary impairment as of December 31, 2024. For each investment, we considered our ability and intent to hold the investment until the fair value exceeds carrying value, the magnitude and duration of the decline in fair value, the operating results of the company, as well as other factors. Based on the prevailing facts and circumstances, we concluded the recognition of an impairment charge in earnings was not required.

As of December 31, 2024, the carrying values of our investments in Kraft Heinz and Berkadia approximated our share of shareowners' equity of each of these entities. The carrying value of our investment in Occidental common stock exceeded our share of its shareholders' equity as of September 30, 2024 by approximately $9.9 billion. Based upon the limited information available to us, we concluded the excess represents goodwill.

As described in Note 2, we ceased accounting for Pilot under the equity method as of February 1, 2023. Equity method earnings attributable to Pilot were $105 million for the month ending January 31, 2023 and are reported in other in the following table. Occidental's financial information is not available in time for concurrent reporting in our Consolidated Financial Statements. Therefore, we report the equity method effects for Occidental on a one-quarter lag. Our earnings and distributions received from equity method investments are summarized in the following table (in millions).

	Equity in Earnings			Distributions Received		
	Year ended December 31,			Year ended December 31,		
	2024	2023	2022	2024	2023	2022
Kraft Heinz	$ 745	$ 758	$ 628	$ 521	$ 521	$ 521
Occidental	1,005	1,077	323	207	142	24
Other	91	138	912	65	58	284
	$ 1,841	$ 1,973	$ 1,863	$ 793	$ 721	$ 829

Summarized consolidated financial information of Kraft Heinz follows (in millions).

	December 28, 2024	December 30, 2023
Assets	$ 88,287	$ 90,339
Liabilities	38,962	40,617

	Year ended		
	December 28, 2024	December 30, 2023	December 31, 2022
Sales	$ 25,846	$ 26,640	$ 26,485
Net earnings attributable to common shareholders	2,744	2,855	2,363

Summarized consolidated financial information of Occidental follows (in millions).

	September 30, 2024	September 30, 2023
Assets	$ 85,803	$ 71,287
Liabilities	50,869	42,515

	Twelve months ending September 30,	
	2024	2023
Total revenues and other income	$ 27,572	$ 29,715
Net earnings attributable to common shareholders	3,703	4,471

Notes to Consolidated Financial Statements

(6) Investment gains (losses)

Investment gains (losses) for each of the three years ending December 31, 2024 are summarized as follows (in millions).

	2024	2023	2022
Investment gains (losses):			
Equity securities:			
Change in unrealized investment gains (losses) during the year on securities held at the end of the year	$ 49,297	$ 69,144	$ (63,120)
Investment gains (losses) during the year on securities sold	3,523	2,698	(3,927)
	52,820	71,842	(67,047)
Fixed maturity securities:			
Gross realized gains	28	139	134
Gross realized losses	(71)	(86)	(684)
Other	22	2,960	(302)
	$ 52,799	$ 74,855	$ (67,899)

Equity securities gains and losses include unrealized gains and losses from changes in fair values during the year on equity securities we still own, as well as gains and losses on securities we sold during the year. As shown in the Consolidated Statements of Cash Flows, our proceeds from sales of equity securities were approximately $143.4 billion in 2024, $40.6 billion in 2023 and $33.7 billion in 2022. In the preceding table, investment gains and losses on equity securities sold during the year represent the difference between the sales proceeds and the fair value of the equity securities sold at the beginning of the applicable year or, if later, the purchase date. Our taxable gains and losses on equity securities sold are generally the difference between the proceeds from sales and cost at the acquisition date. Equity securities sold produced taxable gains of $101.1 billion in 2024, $5.0 billion in 2023 and $769.0 million in 2022. Other investment gains included approximately $3.0 billion in 2023 from the remeasurement of our pre-existing 38.6% interest in Pilot through the application of acquisition accounting under GAAP.

(7) Loans and finance receivables

Loans and finance receivables are summarized as follows (in millions).

	December 31,	
	2024	2023
Loans and finance receivables, before allowances and discounts	$ 29,700	$ 26,289
Allowances for credit losses	(1,134)	(950)
Unamortized acquisition discounts and points	(768)	(658)
	$ 27,798	$ 24,681

Loans and finance receivables are principally manufactured home loans, and to a lesser extent, commercial loans and site-built home loans. Reconciliations of the allowance for credit losses on loans and finance receivables for each of the three years ending December 31, 2024 follow (in millions).

	2024	2023	2022
Balance at the beginning of the year	$ 950	$ 856	$ 765
Provision for credit losses	298	169	124
Charge-offs, net of recoveries	(114)	(75)	(33)
Balance at December 31	$ 1,134	$ 950	$ 856

Notes to Consolidated Financial Statements

(7) Loans and finance receivables

At December 31, 2024, substantially all manufactured and site-built home loan balances were evaluated collectively for impairment, and we considered approximately 96% of these loans to be current as to payment status. A summary of performing and non-performing home loans, before discounts and credit loss allowances, by year of loan origination as of December 31, 2024 follows (in millions).

	Origination Year						
	2024	2023	2022	2021	2020	Prior	Total
Performing	$ 6,578	$ 4,969	$ 3,651	$ 3,052	$ 2,358	$ 8,172	$ 28,780
Non-performing	13	22	16	11	10	45	117
	$ 6,591	$ 4,991	$ 3,667	$ 3,063	$ 2,368	$ 8,217	$ 28,897

(8) Other receivables

Other receivables are comprised of the following (in millions).

	December 31, 2024	December 31, 2023
Insurance and other:		
Insurance premiums receivable	$ 18,548	$ 19,052
Reinsurance recoverables	5,177	7,060
Trade receivables	15,638	16,450
Other	5,199	4,383
Allowances for credit losses	(675)	(684)
	$ 43,887	$ 46,261
Railroad, utilities and energy:		
Trade receivables	$ 3,764	$ 4,034
Other	862	1,114
Allowances for credit losses	(123)	(149)
	$ 4,503	$ 4,999

Aggregate provisions for credit losses with respect to receivables in the preceding table were $469 million in 2024, $513 million in 2023 and $409 million in 2022. Charge-offs, net of recoveries, were $498 million in 2024, $474 million in 2023 and $432 million in 2022.

(9) Inventories

Inventories of our insurance and other businesses are comprised of the following (in millions).

	December 31, 2024	December 31, 2023
Raw materials	$ 5,421	$ 6,026
Work in process and other	3,150	3,345
Finished manufactured goods	4,898	4,969
Goods acquired for resale	10,539	11,516
	$ 24,008	$ 25,856

Inventories, materials and supplies of our railroad, utilities and energy businesses are included in other assets and were approximately $3.0 billion at December 31, 2024 and $2.5 billion at December 31, 2023.

Notes to Consolidated Financial Statements

(10) Property, plant and equipment

A summary of property, plant and equipment of our insurance and other businesses follows (in millions).

	December 31, 2024	December 31, 2023
Land, buildings and improvements	$ 20,735	$ 19,598
Machinery and equipment	32,475	31,865
Furniture, fixtures and other	5,501	5,850
	58,711	57,313
Accumulated depreciation	(28,640)	(27,114)
	$ 30,071	$ 30,199

A summary of property, plant and equipment of our railroad and utilities and energy businesses follows (in millions). The utility generation, transmission and distribution systems and interstate natural gas pipeline assets are owned by regulated public utility and natural gas pipeline subsidiaries.

	December 31, 2024	December 31, 2023
Railroad:		
Land, track structure and other roadway	$ 74,093	$ 71,692
Locomotives, freight cars and other equipment	15,766	16,256
Construction in progress	1,813	1,715
	91,672	89,663
Accumulated depreciation	(20,411)	(19,464)
	71,261	70,199
Utilities and energy:		
Utility generation, transmission and distribution systems	$ 103,015	$ 96,195
Interstate natural gas pipeline assets	20,237	19,226
Independent power plants and other	14,840	14,781
Construction in progress	8,793	9,267
	146,885	139,469
Accumulated depreciation	(43,116)	(40,221)
	103,769	99,248
	$ 175,030	$ 169,447

Depreciation expense for each of the three years ending December 31, 2024 is summarized below (in millions).

	2024	2023	2022
Insurance and other	$ 3,117	$ 2,898	$ 2,276
Railroad, utilities and energy	6,514	6,494	6,181
	$ 9,631	$ 9,392	$ 8,457

(11) Equipment held for lease

Equipment held for lease includes railcars, aircraft, and other equipment, including over-the-road trailers, intermodal tank containers, cranes, storage units and furniture. Equipment held for lease is summarized below (in millions).

	December 31, 2024	December 31, 2023
Railcars	$ 10,137	$ 10,031
Aircraft	14,201	12,537
Other	5,686	5,576
	30,024	28,144
Accumulated depreciation	(12,196)	(11,197)
	$ 17,828	$ 16,947

Depreciation expense for equipment held for lease was $1,429 million in 2024, $1,266 million in 2023 and $1,209 million in 2022. Operating lease revenues for each of the three years ending December 31, 2024 are summarized below (in millions).

	2024	2023	2022
Fixed lease revenue	$ 6,456	$ 5,902	$ 5,184
Variable lease revenue	2,771	2,514	2,330
	$ 9,227	$ 8,416	$ 7,514

A summary of future operating lease receipts as of December 31, 2024 follows (in millions).

2025	2026	2027	2028	2029	Thereafter	Total
$ 4,263	$ 3,455	$ 2,596	$ 1,724	$ 769	$ 339	$ 13,146

(12) Leases

We are party to contracts where we lease property from others under contracts classified as operating leases. We primarily lease buildings, offices, facilities and equipment. Operating lease right-of-use assets are included in other assets and operating lease liabilities are included in accounts payable, accruals and other liabilities. Information related to our operating leases follows (dollars in millions).

	Right-of-use assets	Lease liabilities	Weighted average remaining term in years	Weighted average discount rate used to measure liabilities
December 31, 2024	$ 5,843	$ 5,996	7.5	4.5 %
December 31, 2023	5,277	5,299	7.0	4.2 %

A summary of our remaining future operating lease payments reconciled to lease liabilities as of December 31, 2024 and December 31, 2023 follows (in millions).

	Year 1	Year 2	Year 3	Year 4	Year 5	Thereafter	Total lease payments	Amount representing interest	Lease liabilities
December 31:									
2024	$ 1,491	$ 1,161	$ 982	$ 766	$ 600	$ 2,197	$ 7,197	$ (1,201)	$ 5,996
2023	1,422	1,172	815	666	463	1,680	6,218	(919)	5,299

Components of operating lease expense for each of the three years ending December 31, 2024 are summarized as follows (in millions).

	2024	2023	2022
Operating lease expense	$ 1,652	$ 1,535	$ 1,361
Short-term lease expense	171	219	233
Variable lease expense	225	216	217
	$ 2,048	$ 1,970	$ 1,811

Notes to Consolidated Financial Statements

(13) Goodwill and other intangible assets

Reconciliations of the changes in the carrying value of goodwill during 2024 and 2023 follow (in millions).

	December 31, 2024	December 31, 2023
Balance at the beginning of the year*	$ 84,626	$ 78,119
Business acquisitions	87	7,347
Other, including acquisition period remeasurements and foreign currency translation	(833)	(840)
Balance at the end of the year*	$ 83,880	$ 84,626

** Net of accumulated goodwill impairments of $11.5 billion as of December 31, 2024, $11.1 billion as of December 31, 2023 and $11.0 billion as of December 31, 2022.*

Other intangible assets are summarized below (in millions).

	December 31, 2024			December 31, 2023		
	Gross carrying amount	Accumulated amortization	Net carrying value	Gross carrying amount	Accumulated amortization	Net carrying value
Insurance and other:						
Customer relationships	$ 30,941	$ 8,840	$ 22,101	$ 30,832	$ 8,048	$ 22,784
Trademarks and trade names	9,007	1,041	7,966	8,997	899	8,098
Patents and technology	5,375	4,359	1,016	5,238	4,109	1,129
Other	5,551	1,996	3,555	5,764	1,891	3,873
	$ 50,874	$ 16,236	$ 34,638	$ 50,831	$ 14,947	$ 35,884
Railroad, utilities and energy:						
Customer relationships and contracts	$ 1,553	$ 728	$ 825	$ 1,565	$ 644	$ 921
Other	437	126	311	450	115	335
	$ 1,990	$ 854	$ 1,136	$ 2,015	$ 759	$ 1,256

Intangible assets of the railroad, utilities and energy businesses are included in other assets in our Consolidated Balance Sheets.

Intangible assets with indefinite lives were $18.9 billion as of December 31, 2024 and December 31, 2023 and primarily related to certain customer relationships and trademarks and trade names. Intangible asset amortization expense was $1.8 billion in 2024 and 2023 and $1.2 billion in 2022. Estimated amortization expense over the next five years follows (in billions): 2025 – $1.7; 2026 – $1.6; 2027 – $1.4; 2028 – $1.4 and 2029 – $1.3.

(14) Supplemental cash flow information

A summary of supplemental cash flow information follows (in millions).

	2024	2023	2022
Cash paid during the year for:			
Income taxes	$ 28,544	$ 7,765	$ 4,236
Interest:			
Insurance and other	1,362	1,670	1,150
Railroad, utilities and energy	3,577	3,327	3,195
Non-cash investing and financing activities:			
Liabilities assumed in connection with business acquisitions	22	10,938	24,186
Operating lease liabilities arising from obtaining right-of-use assets	2,007	1,645	1,118
Class B common stock issued in exchange for noncontrolling interests	1,045	—	—

Notes to Consolidated Financial Statements

(15) Dividend restrictions – Insurance subsidiaries

Payments of dividends by our insurance subsidiaries are restricted by insurance statutes and regulations. Without prior regulatory approval, our principal insurance subsidiaries may declare up to approximately $31 billion as ordinary dividends during 2025. Investments in fixed maturity and equity securities and short-term investments on deposit with U.S. state insurance authorities in accordance with state insurance regulations were approximately $5.6 billion at December 31, 2024 and $5.2 billion at December 31, 2023.

Combined shareholders' equity of U.S.-based insurance subsidiaries determined pursuant to statutory accounting rules (Surplus as Regards Policyholders) was approximately $310 billion at December 31, 2024 and $303 billion at December 31, 2023. Statutory surplus differs from the corresponding amount based on GAAP due to differences in accounting for certain assets and liabilities. For instance, the recognition of deferred charges on retroactive reinsurance, life, annuity and health insurance benefits liabilities, deferred policy acquisition costs, unrealized gains on certain investments and deferred income taxes under GAAP differs from recognition under U.S. statutory reporting. In addition, the carrying values of certain assets, such as goodwill and non-insurance entities owned by our insurance subsidiaries, are not fully recognized for statutory reporting purposes.

(16) Unpaid losses and loss adjustment expenses

Reconciliations of the changes in unpaid losses and loss adjustment expenses ("claim liabilities"), excluding liabilities under retroactive reinsurance contracts (see Note 17), for each of the three years ended December 31, 2024 follow (in millions). Net liabilities of acquired businesses in 2022 related to the acquisition of Alleghany's insurance companies in October 2022.

	2024	2023	2022
Balance at the beginning of the year:			
Gross liabilities	$ 111,082	$ 107,472	$ 86,664
Reinsurance recoverable on unpaid losses	(4,893)	(5,025)	(2,960)
Net liabilities	106,189	102,447	83,704
Losses and loss adjustment expenses incurred:			
Current accident year	57,563	59,244	59,463
Prior accident years	(2,322)	(3,541)	(2,672)
Total	55,241	55,703	56,791
Losses and loss adjustment expenses paid:			
Current accident year	(24,139)	(25,184)	(27,236)
Prior accident years	(26,436)	(27,065)	(23,083)
Total	(50,575)	(52,249)	(50,319)
Foreign currency effect	(297)	288	(508)
Net liabilities of acquired businesses	—	—	12,779
Balance at December 31:			
Net liabilities	110,558	106,189	102,447
Reinsurance recoverable on unpaid losses	4,593	4,893	5,025
Gross liabilities	$ 115,151	$ 111,082	$ 107,472

Our claim liabilities under property and casualty insurance and reinsurance contracts are based upon estimates of the ultimate claim costs associated with claim events that have occurred as of the balance sheet date and include estimates for incurred-but-not-reported ("IBNR") claims. Losses and loss adjustment expenses incurred shown in the preceding table related to events occurring in the current year ("current accident year") and events occurring in all prior years ("prior accident years"). Losses and loss adjustment expenses incurred and paid are net of reinsurance recoveries. Current accident year incurred losses included losses from significant catastrophe events (losses exceeding $150 million per event) of approximately $1.5 billion in 2024, $925 million in 2023 and $3.1 billion in 2022. Current accident year incurred losses for private passenger auto insurance declined in 2024 compared to 2023, reflecting lower claims frequencies and higher average claims severities. Current accident year incurred losses in 2023 also reflected a decline in private passenger auto insurance losses and the impact of the Alleghany acquisition compared to 2022.

Notes to Consolidated Financial Statements

(16) Unpaid losses and loss adjustment expenses

We recorded net reductions of estimated ultimate liabilities for prior accident years of $2.3 billion in 2024, $3.5 billion in 2023 and $2.7 billion in 2022, which produced corresponding reductions in losses and loss adjustment expenses incurred in those periods. These reductions, as percentages of the net liabilities at the beginning of each year, were 2.2% in 2024, 3.5% in 2023 and 3.2% in 2022.

Estimated ultimate liabilities for prior accident years of our primary insurance businesses declined $602 million in 2024, $2.1 billion in 2023 and $1.1 billion in 2022. The decline in estimated liabilities in 2024 reflected lower-than-expected private passenger auto, medical professional liability and property losses, partially offset by increased casualty losses. The estimated liability reductions in 2023 and 2022 were primarily from private passenger auto, medical professional liability and property coverages. Estimated ultimate liabilities for prior accident years of our reinsurance businesses were reduced $1.7 billion in 2024, $1.4 billion in 2023 and $1.6 billion in 2022. The reductions in 2024 and 2023 were primarily attributable to lower-than-expected property losses, while the reductions in 2022 were attributable to both property and casualty losses.

Estimated net claim liabilities for environmental and asbestos exposures, excluding liabilities under retroactive reinsurance contracts, were approximately $1.9 billion at December 31, 2024 and $2.0 billion at December 31, 2023. These liabilities are subject to change due to changes in the legal and regulatory environment, among other factors. We are unable to reliably estimate additional losses or a range of losses that are reasonably possible to arise from these factors.

Disaggregated information concerning our claim liabilities is provided below and in the pages that follow for GEICO, Berkshire Hathaway Primary Group ("BH Primary") and Berkshire Hathaway Reinsurance Group ("BHRG"). In this discussion, "claim-tail" refers to the period between the claim occurrence date and claim settlement or payment date. A reconciliation of the disaggregated net unpaid losses and allocated loss adjustment expenses (the latter referred to as "ALAE") to our consolidated claim liabilities as of December 31, 2024 follows (in millions).

	GEICO		BH Primary		BHRG		
	Physical Damage	Auto Liability	Medical Professional Liability	Workers' Compensation/ Other Casualty	Property	Casualty	Total
Unpaid losses and ALAE, net	$ 885	$ 20,818	$ 9,432	$ 24,335	$ 15,851	$ 33,350	$ 104,671
Reinsurance recoverable	3	884	29	1,473	634	1,369	4,392
Unallocated loss adjustment expenses							2,414
Other losses and loss adjustment expenses							3,674
Unpaid losses and loss adjustment expenses							$ 115,151

GEICO

GEICO's claim liabilities predominantly relate to various types of private passenger auto liability and physical damage claims. For such claims, we establish and evaluate unpaid claim liabilities using standard actuarial loss development methods and techniques. The actuarial methods utilize historical claims data, adjusted when deemed appropriate to reflect perceived changes in loss patterns. Claim liabilities include average, case, case development and IBNR estimates.

Average liabilities are based on expected severities for newly reported physical damage and liability claims prior to establishing individual case reserves when insufficient time or information is available for specific claim estimates and for large volumes of minor physical damage claims that are quickly settled. Case loss estimates for liability claims, including estimates for loss adjustment expenses, are based on the facts and merits of the claim.

Claim estimates for liability coverages normally reflect greater uncertainty than for physical damage coverages, primarily due to the longer claim-tails, the greater chance of litigation and the time needed to evaluate facts at the time the case estimate is first established. Consequently, additional case development liabilities are established, which are usually percentages of the case liabilities. For unreported claims, IBNR claim liabilities are estimated by projecting the ultimate number of claims expected (reported and unreported) for each significant coverage based on historical data, from which reported claims are deducted to produce the estimated number of unreported claims. The product of the average cost per unreported claim and the number of unreported claims produces the IBNR liability estimate. We may record supplemental IBNR liabilities in certain situations when actuarial techniques are difficult to apply.

(16) Unpaid losses and loss adjustment expenses

GEICO's net auto physical damage and liability losses and ALAE incurred and paid are summarized by accident year below. IBNR and case development liabilities are as of December 31, 2024 and are net of estimated salvage and subrogation recoveries. Claim counts are established when accidents that could result in a liability are reported and are based on policy coverage. Each claim event may generate claims under multiple coverages and may result in multiple counts. The "Cumulative Number of Reported Claims" includes the combined number of reported claims for all auto policy coverages. Dollars are in millions.

Physical Damage

Accident Year	Losses and ALAE Incurred through December 31, 2023*	2024	IBNR and Case Development Liabilities	Cumulative Number of Reported Claims (in thousands)
2023	$ 12,273	$ 11,900	$ 111	7,430
2024		11,095	(454)	6,380
Losses and ALAE incurred		$ 22,995		

Accident Year	Cumulative Losses and ALAE Paid through December 31, 2023*	2024
2023	$ 11,567	$ 11,771
2024		10,495
Losses and ALAE paid		22,266
Net unpaid losses and ALAE for 2023 – 2024 accident years		729
Net unpaid losses and ALAE for accident years before 2023		156
Net unpaid losses and ALAE		$ 885

Auto Liability

Accident Year	Losses and ALAE Incurred through December 31, 2020*	2021*	2022*	2023*	2024	IBNR and Case Development Liabilities	Cumulative Number of Reported Claims (in thousands)
2020	$ 14,637	$ 14,024	$ 13,697	$ 13,593	$ 13,462	$ 382	2,127
2021		17,481	17,457	17,229	17,033	907	2,457
2022			19,645	18,903	18,818	2,065	2,387
2023				17,948	18,073	3,864	1,956
2024					17,081	4,730	1,694
Losses and ALAE incurred					$ 84,467		

Accident Year	Cumulative Losses and ALAE Paid through December 31, 2020*	2021*	2022*	2023*	2024
2020	$ 5,395	$ 9,839	$ 11,794	$ 12,608	$ 12,946
2021		6,450	12,681	14,863	15,796
2022			7,614	13,838	16,031
2023				7,191	12,682
2024					7,084
Losses and ALAE paid					64,539
Net unpaid losses and ALAE for 2020 – 2024 accident years					19,928
Net unpaid losses and ALAE for accident years before 2020					890
Net unpaid losses and ALAE					$ 20,818

** Unaudited required supplemental information*

Notes to Consolidated Financial Statements

(16) Unpaid losses and loss adjustment expenses

BH Primary

BH Primary's liabilities for unpaid losses and loss adjustment expenses primarily derive from medical professional liability and workers' compensation and other casualty insurance, which includes commercial auto and general liability insurance. Net losses and ALAE incurred and paid are summarized by accident year in the following tables, disaggregated by medical professional liability and workers' compensation and other casualty coverages. IBNR and case development liabilities are as of December 31, 2024. The cumulative number of reported claims reflects the number of individual claimants and includes claims that ultimately resulted in no liability or payment. Dollars are in millions.

Medical Professional Liability

Estimates of the ultimate expected losses and loss adjustment expenses incurred for medical professional claim liabilities are based on a variety of commonly accepted actuarial methodologies, such as the paid and incurred development method and Bornhuetter-Ferguson based methods, as well as other techniques that consider insured loss exposures and historical and expected loss trends, among other factors. These methodologies produce loss estimates from which we determine our best estimate. In addition, we study developments in older accident years and adjust initial loss estimates to reflect recent developments based upon claim age, coverage and litigation experience.

	Losses and ALAE Incurred through December 31,											
Accident Year	**2015***	**2016***	**2017***	**2018***	**2019***	**2020***	**2021***	**2022***	**2023***	**2024**	**IBNR and Case Development Liabilities**	**Cumulative Number of Reported Claims (in thousands)**
2015	$ 1,374	$ 1,342	$ 1,269	$ 1,290	$ 1,218	$ 1,157	$ 1,093	$ 1,033	$ 1,016	$ 1,010	$ 37	12
2016		1,392	1,416	1,414	1,394	1,341	1,288	1,216	1,188	1,172	78	15
2017			1,466	1,499	1,495	1,474	1,382	1,349	1,315	1,310	89	21
2018				1,602	1,650	1,659	1,580	1,616	1,606	1,583	140	24
2019					1,670	1,691	1,663	1,614	1,534	1,579	180	22
2020						1,704	1,751	1,698	1,631	1,606	369	33
2021							1,852	1,855	1,787	1,714	718	27
2022								1,927	1,912	1,846	981	25
2023									1,964	1,918	1,428	27
2024										2,004	1,793	22
									Losses and ALAE incurred	$15,742		

	Cumulative Losses and ALAE Paid through December 31,									
Accident Year	**2015***	**2016***	**2017***	**2018***	**2019***	**2020***	**2021***	**2022***	**2023***	**2024**
2015	$ 23	$ 108	$ 218	$ 382	$ 543	$ 663	$ 719	$ 799	$ 843	$ 879
2016		22	115	274	461	620	712	822	908	957
2017			27	128	300	457	582	739	877	977
2018				35	166	367	543	728	949	1,080
2019					39	160	314	536	757	963
2020						34	148	321	531	767
2021							36	136	333	548
2022								38	182	441
2023									28	156
2024										34
									Losses and ALAE paid	6,802
									Net unpaid losses and ALAE for 2015 – 2024 accident years	8,940
									Net unpaid losses and ALAE for accident years before 2015	492
									Net unpaid losses and ALAE	$ 9,432

* *Unaudited required supplemental information*

(16) Unpaid losses and loss adjustment expenses

Workers' Compensation and Other Casualty

We evaluate ultimate loss and loss adjustment expense estimates for workers' compensation and other casualty claims using a combination of commonly accepted actuarial methodologies such as the Bornhuetter-Ferguson and chain-ladder approaches using paid and incurred loss data. Paid and incurred loss data is segregated and analyzed by state due to the different state regulatory frameworks that may impact the duration and amount of loss payments. We also separately study the various components of liabilities, such as employee lost wages, medical expenses and the costs of claims investigations and administration. We establish case liabilities for reported claims based upon the facts and circumstances of the claim. The excess of the ultimate projected losses, including the case development estimates over the case-basis liabilities, is included in IBNR liabilities.

	Losses and ALAE Incurred through December 31,											
Accident Year	**2015***	**2016***	**2017***	**2018***	**2019***	**2020***	**2021***	**2022***	**2023***	**2024**	**IBNR and Case Development Liabilities**	**Cumulative Number of Reported Claims (in thousands)**
2015	$ 2,580	$ 2,539	$ 2,455	$ 2,426	$ 2,428	$ 2,402	$ 2,408	$ 2,393	$ 2,358	$ 2,367	$ 178	120
2016		2,931	2,848	2,793	2,772	2,815	2,825	2,864	2,840	2,809	277	125
2017			3,473	3,337	3,299	3,310	3,322	3,320	3,321	3,357	395	143
2018				3,998	3,886	3,967	4,030	4,091	4,177	4,230	570	164
2019					4,584	4,623	4,692	4,763	4,847	4,919	691	185
2020						5,030	4,881	4,775	4,774	4,866	1,167	157
2021							5,899	5,856	5,882	5,983	1,923	318
2022								6,796	6,757	6,866	2,801	316
2023									7,299	7,363	3,887	187
2024										7,962	5,552	169
									Losses and ALAE incurred	$50,722		

	Cumulative Losses and ALAE Paid through December 31,									
Accident Year	**2015***	**2016***	**2017***	**2018***	**2019***	**2020***	**2021***	**2022***	**2023***	**2024**
2015	$ 329	$ 804	$ 1,187	$ 1,507	$ 1,766	$ 1,873	$ 1,966	$ 2,041	$ 2,070	$ 2,095
2016		373	908	1,359	1,765	1,998	2,140	2,303	2,377	2,420
2017			480	1,133	1,645	2,050	2,279	2,492	2,673	2,784
2018				583	1,340	1,902	2,324	2,746	3,120	3,396
2019					725	1,598	2,214	2,898	3,430	3,812
2020						736	1,498	2,066	2,598	3,138
2021							869	1,751	2,440	3,168
2022								962	2,012	2,905
2023									1,056	2,152
2024										1,245
									Losses and ALAE paid	27,115
									Net unpaid losses and ALAE for 2015 – 2024 accident years	23,607
									Net unpaid losses and ALAE for accident years before 2015	728
									Net unpaid losses and ALAE	$24,335

** Unaudited required supplemental information*

BHRG

We use a variety of methodologies to establish BHRG's estimates for property and casualty claim liabilities. These methodologies include paid and incurred loss development techniques, incurred and paid loss Bornhuetter-Ferguson techniques and frequency and severity techniques, as well as ground-up techniques when appropriate.

(16) Unpaid losses and loss adjustment expenses

Our claim liabilities are principally a function of reported losses from ceding companies, case development and IBNR liability estimates. Case loss estimates are reported either individually or in bulk as provided under the terms of the contracts. We may independently evaluate case losses reported by the ceding company, and if deemed appropriate, establish additional case liabilities based on our estimates.

Estimated IBNR liabilities are affected by expected case loss emergence patterns and expected loss ratios, which are evaluated as groups of contracts with similar exposures or on a contract-by-contract basis. Estimated case and IBNR liabilities for major catastrophe events are generally based on a per-contract assessment of the ultimate cost associated with the individual loss event. Claim count data is not provided consistently by ceding companies under our contracts or is otherwise considered unreliable.

BHRG's net losses and ALAE incurred and paid are disaggregated and summarized by accident year based on losses that are expected to have shorter claim-tails (property) and losses expected to have longer claim-tails (casualty). Under certain contracts, the coverage can apply to multiple lines of business written by the ceding company, whether property, casualty or combined, and the ceding company may not report loss data by such lines consistently, if at all. In those instances, we allocated losses to property and casualty coverages based on internal estimates. IBNR and case development liabilities are as of December 31, 2024. Dollars are in millions.

Property

	Losses and ALAE Incurred through December 31,										
Accident Year	**2015***	**2016***	**2017***	**2018***	**2019***	**2020***	**2021***	**2022***	**2023***	**2024**	**IBNR and Case Development Liabilities**
2015	$ 3,587	$ 3,392	$ 2,827	$ 3,218	$ 3,214	$ 3,236	$ 3,238	$ 3,232	$ 3,255	$ 3,225	$ 94
2016		3,905	4,492	4,170	4,134	4,132	4,121	4,099	4,088	4,091	30
2017			6,374	6,071	5,893	5,767	5,689	5,608	5,590	5,577	51
2018				5,456	5,542	5,402	5,260	5,267	5,218	5,238	207
2019					4,951	5,064	4,838	4,537	4,488	4,447	112
2020						6,914	7,188	6,825	6,620	6,450	376
2021							8,063	7,919	7,585	7,289	450
2022								8,852	8,412	7,916	1,102
2023									7,953	7,379	1,632
2024										7,750	4,225
									Losses and ALAE Incurred	$ 59,362	

	Cumulative Losses and ALAE Paid through December 31,									
Accident Year	**2015***	**2016***	**2017***	**2018***	**2019***	**2020***	**2021***	**2022***	**2023***	**2024**
2015	$ 669	$ 1,793	$ 2,196	$ 2,414	$ 2,522	$ 2,705	$ 2,791	$ 2,843	$ 2,917	$ 2,966
2016		913	2,203	2,662	3,151	3,419	3,615	3,724	3,802	3,889
2017			1,346	3,494	4,564	4,915	5,150	5,343	5,432	5,456
2018				1,204	3,073	3,709	3,992	4,236	4,444	4,571
2019					1,009	2,826	3,532	3,856	4,018	4,082
2020						1,252	3,569	4,613	5,275	5,546
2021							1,621	4,070	5,377	6,073
2022								1,813	4,322	5,588
2023									1,771	4,107
2024										1,720
									Losses and ALAE Paid	43,998
									Net unpaid losses and ALAE for 2015 – 2024 accident years	15,364
									Net unpaid losses and ALAE for accident years before 2015	487
									Net unpaid losses and ALAE	$ 15,851

* *Unaudited required supplemental information*

Notes to Consolidated Financial Statements

(16) Unpaid losses and loss adjustment expenses

Casualty

Losses and ALAE Incurred through December 31,

Accident Year	2015*	2016*	2017*	2018*	2019*	2020*	2021*	2022*	2023*	2024	IBNR and Case Development Liabilities
2015	$ 3,409	$ 3,615	$ 3,655	$ 3,568	$ 3,426	$ 3,388	$ 3,351	$ 3,298	$ 3,300	$ 3,276	$ 311
2016		3,777	3,987	3,891	3,859	3,808	3,765	3,735	3,763	3,793	370
2017			4,028	4,462	4,339	4,232	4,164	4,154	4,211	4,214	432
2018				4,875	5,523	5,476	5,345	5,273	5,359	5,429	647
2019					5,559	6,025	5,885	5,718	5,678	5,751	1,002
2020						6,203	6,215	6,033	6,079	6,053	1,371
2021							6,300	6,270	5,942	5,959	1,838
2022								6,047	6,092	6,045	2,829
2023									6,053	6,144	3,528
2024										6,093	4,660
									Losses and ALAE incurred	$ 52,757	

Cumulative Losses and ALAE Paid through December 31,

Accident Year	2015*	2016*	2017*	2018*	2019*	2020*	2021*	2022*	2023*	2024
2015	$ 445	$ 990	$ 1,425	$ 1,724	$ 1,996	$ 2,190	$ 2,338	$ 2,473	$ 2,582	$ 2,678
2016		653	1,355	1,795	2,143	2,414	2,607	2,782	2,957	3,095
2017			605	1,306	1,823	2,472	2,720	2,938	3,164	3,350
2018				693	1,737	2,786	3,252	3,631	3,948	4,224
2019					839	1,865	2,414	3,181	3,727	4,094
2020						866	1,900	2,709	3,373	3,967
2021							765	1,781	2,654	3,225
2022								620	1,333	1,963
2023									689	1,575
2024										678
									Losses and ALAE paid	28,849
									Net unpaid losses and ALAE for 2015 – 2024 accident years	23,908
									Net unpaid losses and ALAE for accident years before 2015	9,442
									Net unpaid losses and ALAE	$ 33,350

* *Unaudited required supplemental information*

Required supplemental unaudited average historical claims duration information based on the net losses and ALAE incurred and paid accident year data in the preceding tables follows. The percentages show the average portions of net losses and ALAE paid by each succeeding year, with year 1 representing the current accident year.

Average Annual Percentage Payout of Losses Incurred by Age, Net of Reinsurance

In Year	1	2	3	4	5	6	7	8	9	10
GEICO Physical Damage	97%	3%								
GEICO Auto Liability	41%	31%	13%	7%	4%					
BH Primary Medical Professional Liability	2%	8%	12%	14%	13%	12%	8%	8%	4%	4%
BH Primary Workers' Compensation and Other Casualty	14%	17%	14%	12%	10%	7%	5%	3%	1%	1%
BHRG Property	22%	35%	15%	8%	4%	4%	2%	1%	2%	2%
BHRG Casualty	13%	17%	13%	11%	8%	6%	5%	4%	4%	3%

Notes to Consolidated Financial Statements

(17) Retroactive reinsurance contracts

Retroactive reinsurance policies provide indemnification of losses and loss adjustment expenses of short-duration insurance contracts with respect to underlying loss events that occurred prior to the contract inception date. Exposures may include significant asbestos, environmental and other mass tort claims. Retroactive reinsurance contracts are generally subject to aggregate policy limits and thus, our exposure to such claims under these contracts is likewise limited. Reconciliations of the changes in estimated liabilities for retroactive reinsurance unpaid losses and loss adjustment expenses for each of the three years ended December 31, 2024 follow (in millions).

	2024	2023	2022
Balance at the beginning of the year	$ 34,647	$ 35,415	$ 37,855
Losses and loss adjustment expenses incurred	247	1,109	86
Losses and loss adjustment expenses paid	(2,399)	(1,934)	(2,358)
Foreign currency effect	(52)	57	(168)
Balance at December 31	$ 32,443	$ 34,647	$ 35,415
Losses and loss adjustment expenses incurred above	$ 247	$ 1,109	$ 86
Deferred charge adjustments	698	375	769
Losses and loss adjustment expenses incurred, including deferred charge adjustments	$ 945	$ 1,484	$ 855

We classify incurred and paid losses and loss adjustment expenses based on the inception dates of the contracts, which reflect when our exposure to losses began. We believe that analysis of losses incurred and paid by the accident year of the underlying event is irrelevant given that our exposure to losses incepted when the contract incepted. We also believe that the classification of reported claims and case development liabilities has little or no practical analytical value. Substantially all of the losses and loss adjustment expenses incurred and paid related to contracts written in prior years.

Losses and loss adjustment expenses incurred include changes in estimated ultimate liabilities and related adjustments to deferred charge assets arising from the changes in the estimated timing and amount of loss payments. In 2023, we increased estimated ultimate liabilities under certain contracts by $1.1 billion, primarily attributable to revised estimates for asbestos, environmental and other casualty claims. Including the adjustments to related deferred charge assets, the increase in ultimate liabilities produced a net expense of approximately $650 million in 2023. Deferred charge assets on retroactive reinsurance contracts were $8.8 billion at December 31, 2024 and $9.5 billion at December 31, 2023.

In establishing retroactive reinsurance claim liabilities, we analyze historical aggregate loss payment patterns and project losses under various probability-weighted scenarios. We expect the claim-tails for many contracts to be very long, with some lasting several decades. We monitor claim payment activity and review ceding company reports and other information concerning the underlying losses. We revise the expected timing and amounts of ultimate losses periodically or when significant events occur.

We monitor evolving case law and its effect on asbestos, environmental and other mass tort claims. Changing laws or government regulations, as well as newly identified toxins and injury events, newly reported claims, new theories of liability, new contract interpretations and other factors could result in increases in these liabilities, which could be material to our results of operations. We are unable to reliably estimate the amount of additional net loss or the range of net loss that is reasonably possible. Our estimates of ultimate liabilities for asbestos and environmental exposures under our contracts were approximately $11.9 billion at December 31, 2024 and $12.2 billion at December 31, 2023.

Notes to Consolidated Financial Statements

(18) Long-duration insurance contracts

A summary of our long-duration life, annuity and health insurance benefits liabilities disaggregated by our two principal product categories, periodic payment annuity ("annuities") and life and health insurance, follows (in millions). Other liabilities include IBNR claims and claims in the course of settlement.

	December 31, 2024	December 31, 2023
Annuities	$ 10,276	$ 11,212
Life and health	4,490	5,749
Other liabilities	2,850	3,252
	$ 17,616	$ 20,213

Reconciliations of the liabilities for each of our principal product categories for each of the two years ended December 31, 2024 follow. This information reflects the changes in discounted present values of expected future policy benefits and expected future net premiums before reinsurance ceded. Net premiums represent the portion of expected gross premiums that are required to provide for future policy benefits and variable expenses. Amounts are in millions.

	Annuities 2024	Annuities 2023	Life and health 2024	Life and health 2023
Expected future policy benefits:				
Balance at the beginning of the year	$ 11,212	$ 10,640	$ 52,665	$ 52,008
Balance at the beginning of the year - original discount rates	11,681	11,549	65,871	63,584
Effect of cash flow assumption changes	—	—	(348)	(829)
Effect of actual from expected experience	3	5	(12,711)	(352)
Change in benefits, net	(478)	(470)	1,991	1,616
Interest accrual	550	537	1,234	1,787
Foreign currency effect	1	60	(867)	65
Balance at December 31 - original discount rates	11,757	11,681	55,170	65,871
Effect of changes in discount rate assumptions	(1,481)	(469)	(11,386)	(13,206)
Balance at December 31	$ 10,276	$ 11,212	$ 43,784	$ 52,665
Expected future net premiums:				
Balance at the beginning of the year			$ 46,916	$ 46,129
Balance at the beginning of the year - original discount rates			58,731	56,535
Effect of cash flow assumption changes			(416)	(880)
Effect of actual from expected experience			(11,104)	(181)
Change in premiums, net			1,984	1,645
Interest accrual			1,099	1,566
Foreign currency effect			(794)	46
Balance at December 31 - original discount rates			49,500	58,731
Effect of changes in discount rate assumptions			(10,206)	(11,815)
Balance at December 31			$ 39,294	$ 46,916
Liability for future policy benefits:				
Balance at December 31	$ 10,276	$ 11,212	$ 4,490	$ 5,749
Reinsurance recoverables	—	—	(46)	(1,571)
Balance at December 31, net of reinsurance recoverables	$ 10,276	$ 11,212	$ 4,444	$ 4,178

Liabilities for future policy benefits and reinsurance recoverables declined in 2024 primarily attributable to the commutations of certain life reinsurance contracts. The impacts of these contract commutations on expected future policy benefits and future net premiums were included in the effects of actual versus expected experience.

(18) Long-duration insurance contracts

Other information relating to our long-duration insurance liabilities as of December 31, 2024 and 2023 follows (dollars in millions).

	Annuities		Life and health	
	2024	2023	2024	2023
Undiscounted expected future gross premiums	$ —	$ —	$ 100,413	$ 117,078
Discounted expected future gross premiums	—	—	58,881	66,692
Undiscounted expected future benefits	30,592	31,066	91,493	111,630
Weighted average discount rate	5.8%	5.1%	4.9%	5.1%
Weighted average accretion rate	4.8%	4.8%	2.7%	3.3%
Weighted average duration	16 years	18 years	13 years	13 years

Gross premiums earned and interest expense before reinsurance ceded for each of the two years ended December 31, 2024 follows (in millions).

	Gross Premiums		Interest Expense	
	2024	2023	2024	2023
Annuities	$ —	$ —	$ 550	$ 537
Life and health	3,830	3,627	135	221

(19) Notes payable and other borrowings

Notes payable and other borrowings of our insurance and other businesses are summarized below (dollars in millions). The weighted average interest rates and maturity date ranges are based on borrowings as of December 31, 2024.

	Weighted Average Interest Rate	December 31, 2024	December 31, 2023
Insurance and other:			
Berkshire Hathaway Inc. ("Berkshire"):			
U.S. Dollar denominated due 2025-2047	3.5%	$ 3,749	$ 3,740
Euro denominated due 2025-2041	1.1%	4,733	6,145
Japanese Yen denominated due 2025-2060	1.0%	12,609	8,896
Berkshire Hathaway Finance Corporation ("BHFC"):			
U.S. Dollar denominated due 2027-2052	3.6%	14,469	14,463
Great Britain Pound denominated due 2039-2059	2.5%	2,156	2,191
Euro denominated due 2030-2034	1.8%	1,290	1,374
Pilot Travel Centers ("Pilot")	—	—	5,776
Other subsidiary borrowings due 2025-2051	4.5%	4,564	4,696
Short-term subsidiary borrowings	6.3%	1,315	1,187
		$ 44,885	$ 48,468

Berkshire parent company borrowings consist of senior unsecured debt. In 2024, Berkshire repaid approximately $1.9 billion of maturing senior notes. At various dates in 2024, Berkshire borrowed approximately ¥837.4 billion (approximately $5.5 billion) under senior note issuances and term loan agreements. The borrowings have interest rates ranging from 0.974% to 2.625% and maturity dates ranging from 2027 to 2054.

Notes to Consolidated Financial Statements

(19) Notes payable and other borrowings

Borrowings of BHFC, a wholly-owned finance subsidiary of Berkshire, consist of senior unsecured notes used to fund manufactured housing loans originated or acquired and equipment held for lease of certain subsidiaries. BHFC borrowings are fully and unconditionally guaranteed by Berkshire. Berkshire also guarantees certain debt of other subsidiaries, aggregating approximately $2.7 billion at December 31, 2024. Generally, Berkshire's guarantee of a subsidiary's debt obligation is an absolute, unconditional and irrevocable guarantee of the full and prompt payment when due of all payment obligations.

Pilot's borrowings at December 31, 2023 were primarily secured syndicated loans. In 2024, Pilot borrowed $5.7 billion from certain Berkshire insurance subsidiaries, which Pilot used to repay its then outstanding third-party borrowings.

The carrying values of Berkshire and BHFC non-U.S. Dollar denominated senior notes (€5.85 billion, £1.75 billion and ¥1,988 billion par at December 31, 2024) reflect the applicable exchange rates as of each balance sheet date. The effects of changes in foreign currency exchange rates during the period on our borrowings are recorded in earnings as a component of selling, general and administrative expenses. Changes in the exchange rates produced pre-tax gains of $1.5 billion in 2024, $217 million in 2023 and $1.7 billion in 2022.

Notes payable and other borrowings of our railroad, utilities and energy businesses are summarized below (dollars in millions). The weighted average interest rates and maturity date ranges are based on borrowings as of December 31, 2024.

	Weighted Average Interest Rate	December 31, 2024	December 31, 2023
Railroad, utilities and energy:			
Berkshire Hathaway Energy Company ("BHE") and subsidiaries:			
BHE senior unsecured debt due 2025-2053	4.4%	$ 13,107	$ 13,101
Subsidiary and other debt due 2025-2064	4.6%	42,150	39,072
Short-term borrowings	5.0%	1,123	4,148
Burlington Northern Santa Fe ("BNSF") and subsidiaries due 2025-2097	4.7%	23,497	23,482
		$ 79,877	$ 79,803

BHE subsidiary debt represents amounts issued pursuant to separate financing agreements. Substantially all of the assets of certain BHE subsidiaries are, or may be, pledged or encumbered to support or otherwise secure such debt. These borrowing arrangements generally contain various covenants, including covenants which pertain to leverage ratios, interest coverage ratios and/or debt service coverage ratios. In 2024, BHE subsidiaries issued $6.4 billion of term debt with a weighted average interest rate of 5.4% and maturity dates ranging from 2029 to 2055 and BHE and its subsidiaries repaid term debt and short-term borrowings aggregating approximately $5.9 billion. In 2025, BHE subsidiaries issued term debt of $1.5 billion, with maturities ranging from 2035 to 2055 and a weighted average interest rate of 6.0%.

BNSF's borrowings are primarily senior unsecured debentures. In 2024, BNSF issued $1.3 billion of 5.5% debentures due in 2055 and repaid $1.3 billion of debentures. As of December 31, 2024, BHE, BNSF and their subsidiaries were in compliance with all applicable debt covenants. Berkshire does not guarantee any debt, borrowings or lines of credit of BHE, BNSF or their subsidiaries.

Unused and available lines of credit and commercial paper capacity to support operations and provide additional liquidity for our subsidiaries were approximately $11.4 billion at December 31, 2024, of which approximately $10.1 billion related to BHE and its subsidiaries.

Debt principal repayments expected during each of the next five years are as follows (in millions). Amounts in 2025 include short-term borrowings.

	2025	2026	2027	2028	2029
Insurance and other	$ 4,334	$ 4,313	$ 4,788	$ 2,214	$ 2,595
Railroad, utilities and energy	5,032	1,435	1,632	1,749	3,731
	$ 9,366	$ 5,748	$ 6,420	$ 3,963	$ 6,326

Notes to Consolidated Financial Statements

(20) Income taxes

Our liabilities for income taxes are as follows (in millions).

	December 31, 2024	December 31, 2023
Currently payable	$ 1,806	$ 185
Deferred	83,563	92,344
Other	501	480
	$ 85,870	$ 93,009

Our deferred income tax assets and liabilities summarized by type of temporary difference are as follows (in millions).

	December 31, 2024	December 31, 2023
Deferred income tax liabilities:		
Investments, including unrealized appreciation	$ 47,158	$ 56,766
Deferred charges retroactive reinsurance	1,847	1,994
Property, plant and equipment and equipment held for lease	33,590	32,991
Goodwill and other intangible assets	7,498	7,546
Other	5,043	4,452
	95,136	103,749
Deferred income tax assets:		
Unpaid losses and loss adjustment expenses	$ 1,226	$ 1,255
Unearned premiums	1,284	1,285
Accrued liabilities	2,713	2,626
Regulatory liabilities	1,364	1,248
Deferred revenue	2,539	2,282
Other	2,447	2,709
	11,573	11,405
Net deferred income tax liability	$ 83,563	$ 92,344

We have not established deferred income taxes on accumulated undistributed earnings of certain foreign subsidiaries, which are expected to be reinvested indefinitely. Repatriation of all accumulated earnings of foreign subsidiaries would be impracticable to the extent that such earnings represent capital to support ongoing business operations. Generally, no U.S. federal income taxes will be imposed on future distributions of foreign earnings under current law. However, distributions to the U.S. or other foreign jurisdictions could be subject to withholding and other local taxes.

Income tax expense (benefit) for each of the three years ending December 31, 2024 is summarized as follows (in millions).

	2024	2023	2022
U.S. federal	$ 18,481	$ 20,764	$ (10,316)
U.S. state	767	763	762
Foreign	1,567	1,492	1,052
	$ 20,815	$ 23,019	$ (8,502)
Current	$ 30,464	$ 7,642	$ 4,815
Deferred	(9,649)	15,377	(13,317)
	$ 20,815	$ 23,019	$ (8,502)

Notes to Consolidated Financial Statements

(20) Income taxes

Income tax expense (benefit) is reconciled to hypothetical amounts computed at the U.S. federal statutory rate for each of the three years ending December 31, 2024 in the table below (dollars in millions).

	2024	2023	2022
Earnings (loss) before income taxes	$ 110,376	$ 120,166	$ (30,500)
Hypothetical income tax expense (benefit) at the U.S. federal statutory rate	$ 23,179	$ 25,235	$ (6,405)
Dividends received deduction	(491)	(678)	(512)
State income taxes, less U.S. federal income tax effect	606	603	602
U.S. income tax credits*	(2,575)	(2,186)	(2,187)
Other differences, net	96	45	—
	$ 20,815	$ 23,019	$ (8,502)
Effective income tax rate	18.9%	19.2%	27.9%

** U.S. income tax credits derive primarily from production tax credits associated with wind-energy generation of BHE and tax credits arising from affordable housing investments.*

We file income tax returns in the U.S. and in state, local and foreign jurisdictions. We have settled income tax liabilities with the U.S. federal taxing authority ("IRS") for tax years through 2013, and the IRS is currently auditing tax years 2014 through 2019. We are also under audit or subject to audit with respect to income taxes in various state and foreign jurisdictions. It is reasonably possible that certain of these income tax examinations will be settled in 2025. We currently do not believe that the outcome of unresolved issues or claims will be material to our Consolidated Financial Statements.

At December 31, 2024 and 2023, net unrecognized tax benefits were $501 million and $480 million, respectively. Included in the balance at December 31, 2024, were $448 million of tax positions that, if recognized, would impact the effective tax rate. We do not expect material increases to the estimated amount of unrecognized tax benefits during 2025.

The Organization for Economic Co-operation and Development has issued Pillar Two model rules introducing a new global minimum tax of 15% intended to be effective on January 1, 2024. While the U.S. has not yet adopted Pillar Two rules, various other governments around the world are enacting legislation to adopt the rules. As currently designed, Pillar Two would apply to our worldwide operations. We do not currently have material operations in jurisdictions with tax rates lower than the Pillar Two minimum tax rate, and we do not currently expect these rules will materially increase our global tax costs. There remains uncertainty as to the final Pillar Two model rules.

Notes to Consolidated Financial Statements

(21) Fair value measurements

Our financial assets and liabilities are summarized below, with fair values shown according to the fair value hierarchy (in millions). The carrying values of cash and cash equivalents, U.S. Treasury Bills, other receivables and accounts payable, accruals and other liabilities are considered to be reasonable estimates of or otherwise approximate the fair values.

	Carrying Value	Fair Value	Quoted Prices (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2024					
Investments in fixed maturity securities:					
U.S. Treasury, U.S. government corporations and agencies	$ 4,459	$ 4,459	$ 4,425	$ 34	$ —
Foreign governments	9,362	9,362	9,199	163	—
Corporate and other	1,543	1,543	—	1,041	502
Investments in equity securities	271,588	271,588	261,910	10	9,668
Investments in Kraft Heinz & Occidental common stock	30,682	23,047	23,047	—	—
Loans and finance receivables	27,798	27,579	—	810	26,769
Derivative contract assets (1)	201	201	33	158	10
Derivative contract liabilities (1)	234	234	15	143	76
Notes payable and other borrowings:					
Insurance and other	44,885	40,181	—	40,158	23
Railroad, utilities and energy	79,877	72,506	—	72,506	—
December 31, 2023					
Investments in fixed maturity securities:					
U.S. Treasury, U.S. government corporations and agencies	$ 10,269	$ 10,269	$ 10,234	$ 35	$ —
Foreign governments	11,805	11,805	11,559	246	—
Corporate and other	1,684	1,684	—	1,095	589
Investments in equity securities	353,842	353,842	343,358	10	10,474
Investments in Kraft Heinz & Occidental common stock	28,640	26,587	26,587	—	—
Loans and finance receivables	24,681	24,190	—	892	23,298
Derivative contract assets (1)	334	334	39	282	13
Derivative contract liabilities (1)	213	213	7	111	95
Notes payable and other borrowings:					
Insurance and other	48,468	44,981	—	44,950	31
Railroad, utilities and energy	79,803	75,239	—	75,239	—

(1) *Assets are included in other assets, and liabilities are included in accounts payable, accruals and other liabilities.*

Notes to Consolidated Financial Statements

(21) Fair value measurements

The fair values of substantially all of our financial instruments were measured using market or income approaches. The hierarchy for measuring fair value consists of Levels 1 through 3, which are described below.

Level 1 – Inputs represent unadjusted quoted prices for identical assets or liabilities exchanged in active markets.

Level 2 – Inputs include directly or indirectly observable inputs (other than Level 1 inputs) such as quoted prices for similar assets or liabilities exchanged in active or inactive markets; quoted prices for identical assets or liabilities exchanged in inactive markets; other inputs that may be considered in fair value determinations of the assets or liabilities, such as interest rates and yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. Pricing evaluations generally reflect discounted expected future cash flows, which incorporate yield curves for instruments with similar characteristics, such as credit ratings, estimated durations and yields for other instruments of the issuer or entities in the same industry sector.

Level 3 – Inputs include unobservable inputs used in the measurement of assets and liabilities. Management is required to use its own assumptions regarding unobservable inputs because there is little, if any, market activity in the assets or liabilities and it may be unable to corroborate the related observable inputs. Unobservable inputs require management to make certain projections and assumptions about the information that would be used by market participants in valuing assets or liabilities.

Reconciliations of significant assets and liabilities measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3) for each of the three years ending December 31, 2024 follow (in millions).

	Balance at the beginning of the year	Gains (losses) included in earnings	Acquisitions, dispositions and settlements	Balance at the end of the year
Investments in equity securities:				
2024	$ 10,468	$ (805)	$ —	$ 9,663
2023	12,169	(40)	(1,661)	10,468
2022	11,480	689	—	12,169

Quantitative information as of December 31, 2024 for the significant assets measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3) follows (dollars in millions).

	Fair Value	Principal Valuation Techniques	Unobservable Inputs	Weighted Average
Investments in equity securities:				
Preferred stock	$ 8,429	Discounted cash flow	Expected duration	5 years
			Discount for illiquidity and subordination	372 bps
Common stock warrants	1,234	Warrant pricing model	Expected duration	6 years
			Volatility	42%

Investments in equity securities in the preceding table include our investments in certain preferred and common stock warrants that do not have readily determinable market values as defined under GAAP. These investments are private placements and are not traded in securities markets. We applied discounted cash flow techniques in valuing the preferred stock and we made assumptions regarding the expected duration of the investment and the effects of illiquidity and subordination in liquidation. In valuing the common stock warrants, we used a warrant valuation model. While most of the inputs to the warrant model are observable, we made assumptions regarding the expected duration and volatility.

Notes to Consolidated Financial Statements

(22) Common stock

The changes in Berkshire's issued, treasury and outstanding common stock for each of the three years ending December 31, 2024 are shown in the table below. In addition, one million shares of preferred stock are authorized, but none are issued.

	Class A, $5 Par Value (1.65 million shares authorized)			Class B, $0.0033 Par Value (3.225 billion shares authorized)		
	Issued	Treasury	Outstanding	Issued	Treasury	Outstanding
Balance at December 31, 2021	665,901	(48,788)	617,113	1,488,292,852	(197,818,349)	1,290,474,503
Conversions of Class A to Class B common stock	(14,451)	—	(14,451)	21,676,500	—	21,676,500
Treasury stock acquired	—	(11,098)	(11,098)	—	(9,896,927)	(9,896,927)
Balance at December 31, 2022	651,450	(59,886)	591,564	1,509,969,352	(207,715,276)	1,302,254,076
Conversions of Class A to Class B common stock	(12,122)	—	(12,122)	18,183,000	—	18,183,000
Treasury stock acquired	—	(11,667)	(11,667)	—	(9,875,568)	(9,875,568)
Balance at December 31, 2023	639,328	(71,553)	567,775	1,528,152,352	(217,590,844)	1,310,561,508
Conversions of Class A to Class B common stock	(15,426)	—	(15,426)	23,139,000	—	23,139,000
Treasury stock acquired	—	(4,787)	(4,787)	—	—	—
Treasury stock issued	—	—	—	—	2,291,631	2,291,631
Balance at December 31, 2024	623,902	(76,340)	547,562	1,551,291,352	(215,299,213)	1,335,992,139

Each Class A common share is entitled to one vote per share. Class B common stock possesses dividend and distribution rights equal to one-fifteen-hundredth (1/1,500) of such rights of Class A common stock. Each Class B common share possesses voting rights equal to one-ten-thousandth (1/10,000) of the voting rights of a Class A share. Unless otherwise required under Delaware General Corporation Law, Class A and Class B common shares vote as a single class. Each share of Class A common stock is convertible, at the option of the holder, into 1,500 shares of Class B common stock. Class B common stock is not convertible into Class A common stock. On an equivalent Class A common stock basis, there were 1,438,223 shares outstanding as of December 31, 2024 and 1,441,483 shares outstanding as of December 31, 2023.

Since we have two classes of common stock, we provide earnings per share data on the Consolidated Statements of Earnings for average equivalent Class A shares outstanding and average equivalent Class B shares outstanding. Class B shares are economically equivalent to one-fifteen-hundredth (1/1,500) of a Class A share. Average equivalent Class A shares outstanding represents average Class A shares outstanding plus one-fifteen-hundredth (1/1,500) of the average Class B shares outstanding. Average equivalent Class B shares outstanding represents average Class B shares outstanding plus 1,500 times average Class A shares outstanding.

Berkshire's common stock repurchase program, as amended, permits Berkshire to repurchase shares any time that Warren Buffett, Berkshire's Chairman of the Board and Chief Executive Officer, believes that the repurchase price is below Berkshire's intrinsic value, conservatively determined. The program continues to allow share repurchases in the open market or through privately negotiated transactions and does not specify a maximum number of shares to be repurchased. However, repurchases will not be made if they would reduce the total value of Berkshire's consolidated cash, cash equivalents and U.S. Treasury Bill holdings below $30 billion. The repurchase program does not obligate Berkshire to repurchase any specific dollar amount or number of Class A or Class B shares and there is no expiration date to the program.

Notes to Consolidated Financial Statements

(23) Revenues from contracts with customers

The following table summarizes customer contract revenues disaggregated by reportable segment and the source of the revenue for each of the three years ended December 31, 2024 (in millions). Other revenues, which are not considered to be revenues from contracts with customers under GAAP, are primarily insurance premiums earned, interest, dividend and other investment income and leasing revenues.

2024	**BNSF**	**Berkshire Hathaway Energy**	**Manufacturing**	**Service and Retailing**	**Pilot***	**McLane**	**Insurance, Corporate and other**	**Total**
Manufactured products:								
Industrial and commercial	$ —	$ —	$ 28,907	$ 210	$ —	$ —	$ —	$ 29,117
Building	—	—	19,892	—	—	—	—	19,892
Consumer	—	—	18,204	—	—	—	—	18,204
Grocery and convenience store distribution	—	—	—	—	—	31,841	—	31,841
Food and beverage distribution	—	—	—	—	—	18,068	—	18,068
Auto sales	—	—	—	10,802	—	—	—	10,802
Other retail and wholesale distribution	—	—	3,390	15,035	46,433	—	—	64,858
Service	23,278	4,059	1,570	5,761	274	999	—	35,941
Electricity and natural gas	—	20,991	—	—	—	—	—	20,991
Total	23,278	25,050	71,963	31,808	46,707	50,908	—	249,714
Other revenues	212	1,250	5,185	7,975	149	178	106,770	121,719
	$ 23,490	$ 26,300	$ 77,148	$ 39,783	$ 46,856	$ 51,086	$ 106,770	$371,433
2023								
Manufactured products:								
Industrial and commercial	$ —	$ —	$ 28,066	$ 233	$ —	$ —	$ —	$ 28,299
Building	—	—	20,119	—	—	—	—	20,119
Consumer	—	—	17,702	—	—	—	—	17,702
Grocery and convenience store distribution	—	—	—	—	—	31,524	—	31,524
Food and beverage distribution	—	—	—	—	—	19,040	—	19,040
Auto sales	—	—	—	10,747	—	—	—	10,747
Other retail and wholesale distribution	—	—	3,289	16,289	51,197	—	—	70,775
Service	23,724	4,055	1,457	5,474	264	1,079	—	36,053
Electricity and natural gas	—	20,647	—	—	—	—	—	20,647
Total	23,724	24,702	70,633	32,743	51,461	51,643	—	254,906
Other revenues	67	1,258	4,650	7,136	203	171	96,091	109,576
	$ 23,791	$ 25,960	$ 75,283	$ 39,879	$ 51,664	$ 51,814	$ 96,091	$364,482
2022								
Manufactured products:								
Industrial and commercial	$ —	$ —	$ 24,566	$ 199		$ —	$ —	$ 24,765
Building	—	—	22,762	—		—	—	22,762
Consumer	—	—	19,912	—		—	—	19,912
Grocery and convenience store distribution	—	—	—	—		32,599	—	32,599
Food and beverage distribution	—	—	—	—		19,388	—	19,388
Auto sales	—	—	—	10,486		—	—	10,486
Other retail and wholesale distribution	—	—	3,195	16,931		—	—	20,126
Service	25,742	4,933	1,199	4,439		1,103	—	37,416
Electricity and natural gas	—	20,317	—	—		—	—	20,317
Total	25,742	25,250	71,634	32,055		53,090	—	207,771
Other revenues	60	1,097	4,016	6,154		119	82,803	94,249
	$ 25,802	$ 26,347	$ 75,650	$ 38,209		$ 53,209	$ 82,803	$302,020

* *Revenues from Pilot are principally fuel sales and revenues in 2023 are for the eleven months ending December 31.*

(23) Revenues from contracts with customers

A summary of the transaction price allocated to the significant unsatisfied remaining performance obligations related to contracts with expected durations exceeding one year as of December 31, 2024 and the timing of when the performance obligations are expected to be satisfied follows (in millions).

	Less than 12 months	Greater than 12 months	Total
Electricity and natural gas	$ 3,716	$ 18,958	$ 22,674
Other sales and service contracts	3,499	4,630	8,129

(24) Pension plans

Certain Berkshire subsidiaries sponsor defined benefit pension plans. Plan benefits are generally based on years of service and compensation or fixed benefit rates. Plan sponsors may make contributions to the plans to meet regulatory requirements or may make discretionary contributions. Benefits under qualified U.S. and certain non-U.S. defined benefit pension plans are funded with assets held in trusts. Certain other non-qualified retirement plans are unfunded. Our net periodic pension expense for each of the three years ending December 31, 2024 was as follows (in millions).

	2024	2023	2022
Service cost	$ 107	$ 111	$ 181
Interest cost	617	640	482
Expected return on plan assets	(818)	(785)	(975)
Other	41	2	156
Net periodic pension expense	$ (53)	$ (32)	$ (156)

The accumulated benefit obligation ("ABO") is the actuarial present value of benefits earned based on service and compensation prior to the valuation date. The ABO was $11.2 billion at December 31, 2024 and $12.3 billion at December 31, 2023. The projected benefit obligation ("PBO") is the actuarial present value of benefits earned based upon service and compensation prior to the valuation date and, if applicable, includes assumptions regarding future compensation levels.

Reconciliations of the changes in plan assets and PBOs for each of the two years ending December 31, 2024 and the asset and liability balances reflected in the Consolidated Balance Sheets at year end 2024 and 2023 follow (in millions).

	2024	2023
Plan assets		
Balance at the beginning of the year	$ 13,379	$ 12,592
Employer contributions	111	145
Benefits paid	(810)	(852)
Settlements paid	(354)	(448)
Actual return on plan assets	1,909	1,783
Other	(55)	159
Balance at the end of the year	$ 14,180	$ 13,379
Projected benefit obligations		
Balance at the beginning of the year	$ 12,767	$ 12,738
Service cost	107	111
Interest cost	617	640
Benefits paid	(810)	(852)
Settlements paid	(354)	(448)
Actuarial (gains) losses and other	(607)	578
Balance at the end of the year	$ 11,720	$ 12,767
Net funded status - asset (liability)	$ 2,460	$ 612
Balances included in other assets	$ 3,490	$ 1,823
Balances included in accounts payable and other liabilities	$ 1,030	$ 1,211

Liabilities include benefit obligations of unfunded plans of $1.0 billion at December 31, 2024 and 2023, respectively.

Notes to Consolidated Financial Statements

(24) Pension plans

Weighted average assumptions used in determining PBOs and net periodic pension expense follow.

	2024	2023	2022
Discount rate applicable to PBOs	5.5%	5.0%	5.2%
Expected long-term rate of return on plan assets	5.9	6.0	5.9
Rate of compensation increase	2.6	2.6	2.5
Discount rate applicable to net periodic pension expense	5.1	5.3	2.9

Expected benefit payments over the next ten years are (in millions): 2025 – $893; 2026 – $873; 2027 – $875; 2028 – $884; 2029 – $883; and 2030 through 2034 – $4,379. Our subsidiaries expect to make contributions of $114 million to the pension plans in 2025.

Fair value measurements of plan assets as of December 31, 2024 and 2023 follow (in millions).

	Fair Value				Investments carried at net asset value
	Total	Level 1	Level 2	Level 3	
December 31, 2024					
Cash and cash equivalents	$ 600	$ 556	$ 44	$ —	$ —
Equity securities	9,757	9,036	581	140	—
Fixed maturity securities	1,747	953	794	—	—
Investment funds and other	2,076	385	144	23	1,524
	$ 14,180	$ 10,930	$ 1,563	$ 163	$ 1,524
December 31, 2023					
Cash and cash equivalents	$ 449	$ 370	$ 79	$ —	$ —
Equity securities	8,487	7,808	543	136	—
Fixed maturity securities	2,138	1,277	851	10	—
Investment funds and other	2,305	342	272	42	1,649
	$ 13,379	$ 9,797	$ 1,745	$ 188	$ 1,649

Plan assets are generally invested with the long-term objective of producing earnings to adequately cover expected benefit obligations. The expected rates of return on plan assets reflect subjective assessments of expected long-term investment returns. Generally, past investment returns are not given significant consideration when establishing assumptions for expected long-term rates of return on plan assets. Actual experience will differ from the assumed rates of return.

Notes to Consolidated Financial Statements

(24) Pension plans

A reconciliation of the pre-tax accumulated other comprehensive income (loss) of our defined benefit pension plans for each of the two years ending December 31, 2024 follows (in millions).

	2024	2023
Balance at the beginning of the year	$ (161)	$ (738)
Amount included in net periodic pension expense	29	(12)
Actuarial gains (losses) and other	1,599	589
Balance at the end of the year	$ 1,467	$ (161)

Our subsidiaries may also sponsor defined contribution retirement plans, such as 401(k) or profit-sharing plans. Employee contributions are subject to regulatory limitations and specific plan provisions. Several of these plans provide for employer matching contributions as specified in the plans and may provide for additional discretionary employer contributions. Our defined contribution plan expense was approximately $1.3 billion in 2024, $1.1 billion in 2023 and $0.8 billion in 2022.

(25) Accumulated other comprehensive income

A summary of the net changes in after-tax accumulated other comprehensive income attributable to Berkshire shareholders for each of the three years ending December 31, 2024 follows (in millions).

	Unrealized investment gains (losses)	Foreign currency translation	Long-duration insurance contracts	Defined benefit pension plans	Other	Total
Balance at December 31, 2021	$ 369	$ (4,092)	$ (4,096)	$ (347)	$ 43	$ (8,123)
Other comprehensive income	(991)	(2,047)	5,637	(298)	283	2,584
Reclassifications into net earnings	435	(3)	—	93	(38)	487
Balance at December 31, 2022	(187)	(6,142)	1,541	(552)	288	(5,052)
Other comprehensive income	420	741	(188)	466	(25)	1,414
Reclassifications into net earnings	(43)	8	—	(11)	(79)	(125)
Balance at December 31, 2023	190	(5,393)	1,353	(97)	184	(3,763)
Other comprehensive income	(43)	(1,647)	662	1,222	2	196
Reclassifications into net earnings	(30)	1	—	23	(11)	(17)
Balance at December 31, 2024	$ 117	$ (7,039)	$ 2,015	$ 1,148	$ 175	$ (3,584)

(26) Business segment data

Berkshire's numerous and diverse businesses are managed on an unusually decentralized basis. These businesses are aggregated into operating segments in a manner that reflects how Berkshire views the business activities. Berkshire's chief operating decision maker consists of the Chairman and Chief Executive Officer, the Vice Chairman of Insurance Operations and the Vice Chairman of Non-Insurance Operations. This group participates in and is ultimately responsible for significant capital allocation decisions, evaluating operating performance and selecting the chief executive to head each of the operating segments. Investing decisions are the responsibility of Berkshire's Chairman and Chief Executive Officer and Berkshire's corporate investment managers. Certain operating segments are aggregated into reportable business segments based upon similar products or product lines, marketing strategies, and selling and distribution characteristics.

(26) Business segment data

Berkshire's reportable business segments are as follows.

Business Segment	Principal Business Activities
Insurance:	
GEICO	Underwriting private passenger automobile insurance mainly by direct response methods
Berkshire Hathaway Primary Group	Underwriting multiple lines of property and casualty insurance policies for primarily commercial accounts
Berkshire Hathaway Reinsurance Group	Underwriting excess-of-loss, quota-share and facultative reinsurance worldwide
Burlington Northern Santa Fe ("BNSF")	Operator of one of the largest railroad systems in North America
Berkshire Hathaway Energy ("BHE")	Regulated electric and gas utility, including power generation and distribution activities and real estate brokerage activities
Manufacturing	Manufacturers of numerous products including industrial, consumer and building products, including home building and related financial services
Pilot Travel Centers ("Pilot") [(1)]	Operator of travel centers in North America and a marketer of wholesale fuel
McLane Company ("McLane")	Wholesale distribution of food and non-food items to retailers and restaurants
Service and retailing	Providers of numerous services including shared aircraft ownership programs, aviation pilot training, electronic components distribution, various retailing businesses, including automobile dealerships and over-the-road trailer and furniture leasing

[(1)] *Pilot's statement of earnings and capital expenditure segment data in 2023 is for the eleven months ending December 31, 2023. Our earnings from Pilot in 2022 and for the month of January 2023 were determined under the equity method and included in earnings from non-controlled businesses.*

The tabular information that follows shows data of Berkshire's business segments reconciled to amounts reflected in our Consolidated Financial Statements. Intersegment transactions are not eliminated from segment results when those transactions are considered in assessing the results of the respective segments and are not considered to be material. Furthermore, investment gains and losses, goodwill and indefinite-lived intangible asset impairments and amortization of certain acquisition accounting adjustments or certain other corporate income and expense items are not considered in assessing the financial performance of operating businesses. Collectively, these items are included in corporate, eliminations and other to reconcile segment totals to consolidated amounts.

The cost and expense information provided is based on the information regularly provided to the chief operating decision maker. Given the number and diversity of Berkshire's operating segments and the differences in revenue streams and cost structures, there are wide variances in the form, content and levels of such expense information significant to the business. Expenses considered significant for one operating segment may not be significant in others.

With respect to insurance underwriting, the chief operating decision maker considers pre-tax underwriting earnings to allocate resources and capital, together with perceived risks and opportunities in the insurance markets that affect rates and risks of loss. Typically, there are no budgeted or forecasted premiums or underwriting results.

For most non-insurance businesses, pre-tax earnings are considered in allocating resources and capital, although income taxes are also considered at BHE, given the magnitude of production tax credits associated with wind-powered electricity generation investments and the related impacts from regulation. The chief operating decision maker generally considers actual operating results versus budgets or forecasts, as well as unique perceived risks and opportunities associated with the individual operating businesses.

Notes to Consolidated Financial Statements

(26) Business segment data

We view our insurance segment as possessing two distinct activities – underwriting and investing. Underwriting decisions are the responsibility of the underwriting managers, while investment decisions are the responsibility of Berkshire's CEO and other corporate investment managers. Accordingly, performance of underwriting operations is evaluated without any allocation of investment income. As such, the insurance net investment income is presented in the aggregate as a separate component of insurance segment operating earnings. Earnings data of our business segments for each of the three years ended December 31, 2024 are shown in the following tables (in millions).

	2024					
	GEICO	BH Primary	BHRG	Total Underwriting	Investment Income	Total
Revenues	$ 42,252	$ 18,733	$ 27,272	$ 88,257	$ 16,812	$ 105,069
Costs and Expenses:						
Losses and LAE	30,331	12,666	13,189	56,186	—	56,186
Life, annuity and health benefits	—	—	3,858	3,858	—	3,858
Other segment items	4,108	5,212	7,488	16,808	64	16,872
Total costs and expenses	34,439	17,878	24,535	76,852	64	76,916
Earnings before income taxes	$ 7,813	$ 855	$ 2,737	$ 11,405	$ 16,748	$ 28,153

	2023					
	GEICO	BH Primary	BHRG	Total Underwriting	Investment Income	Total
Revenues	$ 39,264	$ 17,129	$ 27,010	$ 83,403	$ 11,619	$ 95,022
Costs and Expenses:						
Losses and LAE	31,814	11,224	14,149	57,187	—	57,187
Life, annuity and health benefits	—	—	4,029	4,029	—	4,029
Other segment items	3,815	4,531	6,928	15,274	38	15,312
Total costs and expenses	35,629	15,755	25,106	76,490	38	76,528
Earnings before income taxes	$ 3,635	$ 1,374	$ 1,904	$ 6,913	$ 11,581	$ 18,494

	2022					
	GEICO	BH Primary	BHRG	Total Underwriting	Investment Income	Total
Revenues	$ 38,984	$ 13,746	$ 21,846	$ 74,576	$ 7,734	$ 82,310
Costs and Expenses:						
Losses and LAE	36,297	9,889	11,460	57,646	—	57,646
Life, annuity and health benefits	—	—	5,243	5,243	—	5,243
Other segment items	4,567	3,464	3,678	11,709	10	11,719
Total costs and expenses	40,864	13,353	20,381	74,598	10	74,608
Earnings before income taxes	$ (1,880)	$ 393	$ 1,465	$ (22)	$ 7,724	$ 7,702

Insurance other segment items include commissions and brokerage expenses and other insurance underwriting expenses.

	BNSF		
	2024	2023	2022
Revenues	$ 23,572	$ 23,876	$ 25,888
Costs and Expenses:			
Compensation and benefits	5,872	5,551	5,321
Fuel	3,267	3,684	4,581
Depreciation and amortization	2,621	2,627	2,510
Interest expense	1,078	1,048	1,025
Other segment items	4,086	4,352	4,743
Total costs and expenses	16,924	17,262	18,180
Earnings before income taxes	$ 6,648	$ 6,614	$ 7,708

BNSF other segment items include purchased services, equipment rents and materials expenses.

Notes to Consolidated Financial Statements

(26) Business segment data

	BHE 2024	BHE 2023	BHE 2022
Revenues	$ 26,348	$ 26,008	$ 26,393
Costs and Expenses:			
Energy cost of sales	6,616	7,057	6,757
Energy operations and maintenance	5,470	6,456	4,216
Energy depreciation and amortization	3,957	3,960	3,695
Real estate costs and expenses	4,509	4,316	5,117
Interest expense	2,528	2,283	2,140
Other segment items	976	996	1,322
Total costs and expenses	24,056	25,068	23,247
Earnings before income taxes	$ 2,292	$ 940	$ 3,146

BHE other segment items primarily consist of property taxes and other expenses. Energy operations and maintenance includes losses associated with the 2020 and 2022 Wildfires. See Note 27.

	Manufacturing			Service and Retailing		
	2024	2023	2022	2024	2023	2022
Revenues	$ 77,231	$ 75,405	$ 75,781	$ 39,874	$ 39,996	$ 38,303
Costs and Expenses:						
Cost of sales and services	50,702	50,389	52,297	23,818	23,915	22,952
Cost of leasing	1,142	1,051	1,083	5,917	5,011	4,462
Interest expense	934	784	739	118	101	42
Other segment items	12,558	11,736	10,485	6,321	6,248	6,076
Total costs and expenses	65,336	63,960	64,604	36,174	35,275	33,532
Earnings before income taxes	$ 11,895	$ 11,445	$ 11,177	$ 3,700	$ 4,721	$ 4,771

Other segment items of manufacturing, services and retailing segments primarily consist of selling, general and administrative expenses.

	Pilot		McLane		
	2024	2023	2024	2023	2022
Revenues	$ 46,891	$ 51,739	$ 51,907	$ 52,607	$ 53,209
Costs and Expenses:					
Cost of sales and services	42,591	47,505	47,604	48,495	49,236
Depreciation and amortization	1,012	796	217	208	176
Other segment items	2,674	2,470	3,452	3,449	3,526
Total costs and expenses	46,277	50,771	51,273	52,152	52,938
Earnings before income taxes	$ 614	$ 968	$ 634	$ 455	$ 271

Pilot other segment items primarily consist of store operating, interest and general and administrative expenses. McLane other segment items include general and administrative expenses.

Reconciliations of revenues and earnings (loss) before income taxes of our business segments to the consolidated amounts for each of the three years ended December 31, 2024 follows (in millions).

	Revenues			Earnings (loss) before income taxes		
	2024	2023	2022	2024	2023	2022
Total operating businesses	$ 370,892	$ 364,653	$ 301,884	$ 53,936	$ 43,637	$ 34,775
Investment gains (losses)	—	—	—	52,799	74,855	(67,899)
Interest expense, not allocated to segments	—	—	—	(427)	(426)	(420)
Non-controlled businesses	—	—	—	1,841	1,973	1,863
Corporate, eliminations and other	541	(171)	136	2,227	127	1,181
	$ 371,433	$ 364,482	$ 302,020	$ 110,376	$ 120,166	$ (30,500)

Notes to Consolidated Financial Statements

(26) Business segment data

Additional segment data for each of the three most recent years follows (in millions).

	Interest expense			Income tax expense (benefit)		
	2024	2023	2022	2024	2023	2022
Business segments						
Insurance	$ —	$ —	$ —	$ 5,462	$ 3,497	$ 1,247
BNSF	1,078	1,048	1,025	1,617	1,527	1,763
BHE	2,528	2,283	2,140	(1,871)	(2,022)	(1,629)
Manufacturing	934	784	739	2,598	2,487	2,403
Pilot	302	414	—	—	169	—
McLane	22	—	—	152	117	66
Service and retailing	118	101	42	912	1,135	1,131
	4,982	4,630	3,946	8,870	6,910	4,981
Reconciliation to consolidated amount						
Investment gains (losses)	—	—	—	11,179	15,930	(14,166)
Interest expense, not allocated to segments	427	426	420	(90)	(90)	(88)
Non-controlled businesses	—	—	—	322	223	334
Corporate, eliminations and other	(209)	(53)	(14)	534	46	437
	$ 5,200	$ 5,003	$ 4,352	$ 20,815	$ 23,019	$ (8,502)

	Capital expenditures			Depreciation and amortization		
	2024	2023	2022	2024	2023	2022
Business segments						
Insurance	$ 99	$ 68	$ 82	$ 411	$ 401	$ 260
BNSF	3,690	3,920	3,532	2,621	2,627	2,510
BHE	9,013	9,148	7,505	4,003	4,010	3,751
Manufacturing	2,779	2,714	2,477	2,422	2,290	2,140
Pilot	799	705	—	1,012	796	—
McLane	236	264	93	217	208	176
Service and retailing	2,360	2,590	1,775	1,522	1,335	1,245
	$ 18,976	$ 19,409	$ 15,464	12,208	11,667	10,082
Reconciliation to consolidated amount						
Corporate, eliminations and other				647	819	817
				$ 12,855	$ 12,486	$ 10,899

	Goodwill at year-end			Identifiable assets at year-end		
	2024	2023	2022	2024	2023	2022
Business segments						
Insurance	$ 16,557	$ 16,563	$ 16,548	$ 539,884	$ 538,860	$ 459,917
BNSF	15,351	15,350	14,852	80,813	79,227	77,752
BHE	11,669	11,804	11,745	128,276	124,383	118,114
Manufacturing	27,716	27,831	28,460	119,860	115,875	113,578
Pilot	6,477	6,605	—	19,652	21,404	—
McLane	232	232	232	7,165	6,861	7,049
Service and retailing	5,878	6,241	6,282	37,198	34,600	31,291
	$ 83,880	$ 84,626	$ 78,119	932,848	921,210	807,701
Reconciliation to consolidated amount						
Corporate and other				137,153	64,142	62,645
Goodwill				83,880	84,626	78,119
				$ 1,153,881	$ 1,069,978	$ 948,465

(26) Business segment data

Property/casualty and life/health insurance premiums written and earned are summarized below (in millions).

	Property/Casualty			Life/Health		
	2024	2023	2022	2024	2023	2022
Premiums Written:						
Direct	$ 65,495	$ 61,990	$ 56,700	$ 19	$ —	$ 582
Assumed	20,422	20,751	15,143	5,016	5,126	5,222
Ceded	(2,231)	(2,402)	(1,155)	(28)	(33)	(37)
	$ 83,686	$ 80,339	$ 70,688	$ 5,007	$ 5,093	$ 5,767
Premiums Earned:						
Direct	$ 64,880	$ 60,437	$ 55,879	$ 18	$ —	$ 582
Assumed	20,738	20,442	14,184	5,008	5,105	5,263
Ceded	(2,359)	(2,548)	(1,293)	(28)	(33)	(39)
	$ 83,259	$ 78,331	$ 68,770	$ 4,998	$ 5,072	$ 5,806

Insurance premiums written by geographic region (based upon the domicile of the insured or reinsured) are summarized below (in millions).

	Property/Casualty			Life/Health		
	2024	2023	2022	2024	2023	2022
United States	$ 71,723	$ 67,831	$ 59,648	$ 1,358	$ 1,285	$ 2,107
Western Europe	5,252	5,014	4,901	1,407	1,323	1,235
Asia Pacific	5,043	5,306	4,699	1,548	1,760	1,704
All other	1,668	2,188	1,440	694	725	721
	$ 83,686	$ 80,339	$ 70,688	$ 5,007	$ 5,093	$ 5,767

Consolidated sales, service and leasing revenues were $211.6 billion in 2024, $215.6 billion in 2023 and $165.0 billion in 2022. Sales, service and leasing revenues attributable to the United States were 86% in 2024, 87% in 2023 and 86% in 2022 of such amounts. The remainder of sales, service and leasing revenues were primarily in Europe, the Asia-Pacific region and Canada. Railroad, utilities and energy revenues were $49.8 billion in 2024 and 2023 and $52.1 billion in 2022. Railroad, utilities and energy revenues attributable to the United States were 95% in 2024 and 96% in 2023 and 2022. At December 31, 2024, approximately 91% of our consolidated net property, plant and equipment and equipment held for lease was located in the United States with the remainder primarily in the United Kingdom and Canada.

(27) Contingencies and commitments

We are parties in a variety of legal actions that routinely arise out of the normal course of business, including legal actions seeking to establish liability directly through insurance contracts or indirectly through reinsurance contracts issued by Berkshire subsidiaries. Plaintiffs occasionally seek punitive or exemplary damages. We do not believe that such normal and routine litigation will have a material effect on our financial condition or results of operations.

PacifiCorp, a wholly-owned subsidiary of Berkshire Hathaway Energy Company (“BHE”), operates as a regulated electric utility in Utah, Oregon, Wyoming and other Western states. HomeServices of America, Inc. (“HomeServices”) is also a wholly-owned subsidiary of BHE. Certain legal matters related to these entities are described below.

<u>PacifiCorp</u>

In September 2020, a severe weather event resulting in high winds, low humidity and warm temperatures, contributed to several major wildfires, which resulted in real and personal property and natural resource damage, personal injuries, loss of life and widespread power outages in Oregon and Northern California. These wildfires spread across certain parts of PacifiCorp’s service territory and surrounding areas across multiple counties in Oregon and California, including Siskiyou County, California; Jackson County, Oregon; Douglas County, Oregon; Marion County, Oregon; Lincoln County, Oregon; and Klamath County, Oregon, burning over 500,000 acres in aggregate. Third-party reports for these wildfires (the “2020 Wildfires”) indicate over 2,000 structures destroyed, including residences; several other structures damaged; multiple individuals injured; and several fatalities. Investigations into the cause and origin of each of the 2020 Wildfires are complex and ongoing and have been or are being conducted by various entities, including the U.S. Forest Service, the California Public Utilities Commission, the Oregon Department of Forestry, the Oregon Department of Justice, PacifiCorp and various experts engaged by PacifiCorp.

(27) Contingencies and commitments

According to the California Department of Forestry and Fire Protection, a wildfire began on July 29, 2022, in the Oak Knoll Ranger District of the Klamath National Forest in Siskiyou County, California located in PacifiCorp's service territory (the "2022 Wildfire") burning over 60,000 acres. Third-party reports indicate that the 2022 Wildfire resulted in 11 structures damaged, 185 structures destroyed, 12 injuries and four fatalities. The U.S. Forest Service issued a Wildland Fire Origin and Cause Supplemental Incident Report. The report concluded that a tree coming in contact with a power line is the probable cause of the 2022 Wildfire. The 2020 Wildfires and 2022 Wildfire, together, are referred to as the "Wildfires."

As of the date of this filing, a significant number of complaints and demands alleging similar claims related to the Wildfires have been filed in Oregon and California, including a class action complaint in Oregon associated with the 2020 Wildfires for which certain jury verdicts were issued as described below. The plaintiffs seek damages for economic losses, noneconomic losses, including mental suffering, emotional distress, personal injury and loss of life, as well as punitive damages, other damages and attorneys' fees. Several insurance carriers have filed subrogation complaints in Oregon and California with allegations similar to those made in the aforementioned complaints.

Additionally, PacifiCorp received correspondence from the U.S. and Oregon Departments of Justice regarding the potential recovery of certain costs and damages alleged to have occurred on federal and state lands in connection with certain of the Oregon 2020 Wildfires. In December 2024, the United States of America filed a complaint against PacifiCorp in conjunction with the correspondence from the U.S. Department of Justice. The civil cover sheet accompanying the complaint demands damages estimated to exceed $900 million. PacifiCorp is actively cooperating with the U.S. and Oregon Departments of Justice on resolving these alleged claims.

Amounts sought in outstanding complaints and demands filed in Oregon and in certain demands in California approximate $3 billion, excluding any doubling or trebling of damages included in the complaints and the mass complaints described below that seek $48 billion. Generally, the complaints filed in California do not specify damages sought and are excluded from this amount.

Based on available information to date, we believe it is probable that losses will be incurred associated with the Wildfires. Final determinations of liability will only be made following the completion of comprehensive investigations, litigation and similar processes.

On September 30, 2020, a class action complaint against PacifiCorp was filed captioned Jeanyne James et al. v. PacifiCorp et al. (the "James case"), in Oregon Circuit Court in Multnomah County, Oregon (the "Multnomah Court") in connection with the 2020 Wildfires. In April 2023, a jury trial for the James case with respect to 17 named plaintiffs began in Multnomah Court. In June 2023, the jury issued its verdict finding PacifiCorp liable to the 17 named plaintiffs and to the class with respect to four wildfires. The jury found PacifiCorp's conduct grossly negligent, reckless and willful as to each plaintiff and the entire class. The jury awarded the 17 named plaintiffs $90 million of damages, including $4 million of economic damages, $68 million of noneconomic damages and $18 million of punitive damages based on a 0.25 multiplier of the economic and noneconomic damages.

In September 2023, the Multnomah Court ordered trial dates for three damages phase trials for the James case, wherein plaintiffs in each of the three damages phase trials would present evidence regarding their damages.

In January 2024, the Multnomah Court entered a limited judgment and money award for the June 2023 James case verdict of $92 million based on the amounts awarded by the jury, as well as doubling of the economic damages and offsetting of insurance proceeds received by plaintiffs. In January 2024, PacifiCorp filed a notice of appeal associated with the June 2023 verdict in the James case, including whether the case can proceed as a class action, and filed a motion to stay further damages phase trials. On February 14, 2024, the Oregon Court of Appeals denied PacifiCorp's request to stay the damages phase trials. On February 13, 2024, the 17 named plaintiffs filed a notice of cross-appeal as to the January 2024 limited judgment and money award. The appeals process and further actions could take several years.

In January 2024, the jury for the first James case damages phase trial awarded nine plaintiffs $62 million of damages, including $6 million of economic damages and $56 million of noneconomic damages. Subsequently, the Multnomah Court increased the economic damages by $6 million and added $16 million of punitive damages, bringing the aggregate damages awarded to $84 million. In March 2024, the Multnomah Court granted in large part PacifiCorp's request to offset the damage awards by deducting insurance proceeds received by any of the nine plaintiffs. In April 2024, the Multnomah Court entered a limited judgment and money award of $80 million for the January 2024 James verdict, based on the aggregate damages awarded, offset by insurance proceeds received by plaintiffs.

(27) Contingencies and commitments

In March 2024, the jury for the second James case damages phase trial awarded ten plaintiffs $42 million of damages, including $12 million of doubled economic damages and $30 million of noneconomic and punitive damages. In May 2024, the Multnomah Court granted PacifiCorp's request to offset the damage awards by deducting insurance proceeds received by any of the ten plaintiffs. In June 2024, the Multnomah Court entered a limited judgment and money award of $38 million for the March 2024 James verdict, based on the aggregate amounts awarded, offset by insurance proceeds received by plaintiffs.

The January, April and June 2024 limited judgments created liens against PacifiCorp, attaching a debt for the money awards. In each instance, PacifiCorp posted a supersedeas bond, which stays any effort to seek payment of the judgment pending final resolution of any appeals. Under ORS 82.010, interest at a rate of 9% per annum will accrue on the judgment commencing at the date the judgment was entered until the entire money award is paid, amended or reversed by an appellate court. PacifiCorp amended its January 2024 appeal of the June 2023 James verdict to include the January 2024 jury verdict and further amended its appeal of the June 2023 verdict to include the March 2024 jury verdict. PacifiCorp's opening brief is due to be filed with the Oregon Court of Appeals on or before February 25, 2025, in connection with its appeal of the June 2023 James verdict and the January and March 2024 verdicts for the first two James damages phase trials.

In February 2025, the jury for the third James case damages phase trial awarded seven plaintiffs $32 million of noneconomic damages in addition to $4 million of economic damages stipulated for eight plaintiffs prior to the trial. In accordance with Oregon law, plaintiffs asked the court to double the economic damages to $8 million after the verdict. PacifiCorp expects the court will award the doubling of economic damages and also increase the award for $9 million in punitive damages by applying the 0.25 multiplier of economic and noneconomic damages consistent with the June 2023 James verdict. As a result, PacifiCorp expects the total award for the eight plaintiffs to be approximately $49 million. PacifiCorp filed post-trial motions with the Multnomah Court requesting the court offset the damage awards by deducting insurance proceeds received by any of the eight plaintiffs. PacifiCorp intends to appeal the jury's damage awards associated with the February 2025 jury verdict once judgment is entered.

In March 2024, settlement was reached with five commercial timber plaintiffs in the James case, and the jury trial scheduled for April 2024 was cancelled.

Between April 2024 and January 2025, six separate mass complaints against PacifiCorp naming 1,591 individual class members were filed in the Multnomah Court referencing the James case as the lead case. Complaints for five of the plaintiffs in the mass complaints were subsequently dismissed. These James case mass complaints make damages-only allegations seeking economic, noneconomic and punitive damages, as well as doubling of economic damages. In December 2024, two additional complaints were filed in Multnomah Court on behalf of eight plaintiffs also referencing the James case as the lead case. PacifiCorp believes the magnitude of damages sought by the class members in the James case mass complaints and additional two complaints to be of remote likelihood of being awarded based on the amounts awarded in the jury verdicts described above that are being appealed.

In October 2024, the Multnomah Court issued a case management order, which sets forth nine additional damages phase trials with up to ten plaintiffs per trial. The trials are scheduled to occur throughout 2025, with the verdict for the first trial received in February 2025, as described above.

A provision for a loss contingency is recorded when it is probable a liability has been incurred and the amount of loss can be reasonably estimated. PacifiCorp evaluates the related range of reasonably estimated losses and records a loss based on its best estimate within that range or the lower end of the range if there is no better estimate.

Estimated probable losses associated with the Wildfires were based on the information available to the date of this filing, including (i) ongoing cause and origin investigations; (ii) ongoing settlement and mediation discussions; (iii) other litigation matters and upcoming legal proceedings; and (iv) the status of the James case. Wildfire estimated losses include estimates for fire suppression costs, real and personal property damages, natural resource damages and noneconomic damages such as personal injury damages and loss of life damages that are considered probable of being incurred and that it is able to reasonably estimate at this time, and which is subject to change as additional relevant information becomes available.

Through December 31, 2024, PacifiCorp recorded cumulative estimated probable Wildfire losses, before taxes and expected related insurance recoveries, of approximately $2.75 billion. Wildfire loss accruals were $346 million in 2024, $1.9 billion in 2023 and $225 million in 2022. Insurance recoveries recorded to date in connection with the Wildfires were $530 million, including $253 million in 2023 and $161 million in 2022. No further insurance recoveries are expected to become available. Cumulative Wildfire loss payments through December 31, 2024 were approximately $1.2 billion, of which $533 million was paid in 2024. Estimated unpaid liabilities for the Wildfires were approximately $1.54 billion at December 31, 2024.

(27) Contingencies and commitments

It is reasonably possible PacifiCorp will incur significant additional Wildfire losses beyond the amounts currently accrued; however, it is currently unable to reasonably estimate the range of possible additional losses that could be incurred due to the number of properties and parties involved, including claimants in the class to the James case and the 2022 Wildfire, the variation in the types of properties and damages and the ultimate outcome of legal actions, including mediation, settlement negotiations, jury verdicts and the appeals process.

HomeServices of America, Inc.

HomeServices is currently defending against several antitrust cases, all in federal district courts. In each case, plaintiffs claim HomeServices and certain of its subsidiaries (and in one case BHE) conspired with co-defendants to artificially inflate real estate commissions by following and enforcing multiple listing service ("MLS") rules that require listing agents to offer a commission split to cooperating agents in order for the property to appear on the MLS ("Cooperative Compensation Rule"). None of the complaints specify damages sought. However, two cases also allege Texas state law deceptive trade practices claims, for which plaintiffs have asserted damages totaling approximately $9 billion by separate written notice as required by Texas law.

In one of these cases, Burnett (formerly Sitzer) et al. v. HomeServices of America, Inc. et al. (the "Burnett case"), a jury trial in the U.S. District Court for the Western District of Missouri commenced on October 16, 2023, and the jury returned a verdict for the plaintiffs on October 31, 2023, finding that the named defendants participated in a conspiracy to follow and enforce the Cooperative Compensation Rule, which conspiracy had the purpose or effect of raising, inflating, or stabilizing broker commission rates paid by home sellers. The jury further found that the class plaintiffs had proved damages in the amount of $1.8 billion. Joint and several liability applies for the co-defendants. Federal law authorizes trebling of damages and the award of pre-judgment interest and attorney fees. To date, all co-defendants have reached settlements with the plaintiffs. The U.S District Court approved certain of these settlements in May 2024, which has been appealed to the U.S. Court of Appeals for the Eighth Circuit.

In April 2024, HomeServices agreed to terms with the plaintiffs to settle all claims asserted against HomeServices and certain of its subsidiaries in the Burnett case to effectuate a nationwide class settlement. The final settlement agreement includes scheduled payments over the next four years aggregating $250 million. HomeServices received final court approval on November 27, 2024, which has been appealed to the U.S. Court of Appeals for the Eighth Circuit. If the settlement is not affirmed by the U.S. Court of Appeals for the Eighth Circuit, HomeServices intends to vigorously appeal on multiple grounds the jury's findings and damage award in the Burnett case, including whether the case can proceed as a class action. The appeals process and further actions could take several years.

Other legal matters

In September 2024, National Indemnity Company ("NICO") recorded a pre-tax charge of $490 million in connection with a settlement agreement reached concerning certain non-insurance affiliates that filed voluntary petitions under Chapter 11 of bankruptcy code in the United States Bankruptcy Court for the District of New Jersey (the "Court") in 2023. Under the terms of the settlement agreement, NICO has agreed to pay $535 million to the bankruptcy estate in consideration of a release of all estate causes of action against NICO and its affiliates. The settlement agreement, which is opposed by certain creditors, is subject to approval by the Court. NICO also accrued a recoverable of $45 million from a third party that is covered under the release, which was received in the fourth quarter.

Berkshire and certain of its subsidiaries are also involved in other kinds of legal actions, some of which assert or may assert claims or seek to impose fines and penalties. We currently believe that liabilities that may arise as a result of such other pending legal actions will not have a material effect on our consolidated financial condition or results of operations.

Commitments

Our subsidiaries regularly make commitments in the ordinary course of business to purchase goods and services in the future, which are not yet reflected in our Consolidated Financial Statements. The most significant of our long-term commitments relate to our railroad, utilities and energy businesses, our shared aircraft ownership and leasing business and certain materials purchase commitments. As of December 31, 2024, estimated future payments under those arrangements over the next five years were as follows: $12 billion in 2025, $6 billion in 2026, $5 billion in 2027, $4 billion in 2028, $3 billion in 2029, and thereafter $28 billion.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

At the end of the period covered by this Annual Report on Form 10-K, the Corporation carried out an evaluation, under the supervision and with the participation of the Corporation's management, including the Chairman (Chief Executive Officer) and the Senior Vice President (Chief Financial Officer), of the effectiveness of the design and operation of the Corporation's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15. Based upon that evaluation, the Chairman (Chief Executive Officer) and the Senior Vice President (Chief Financial Officer) concluded that the Corporation's disclosure controls and procedures are effective in timely alerting them to material information relating to the Corporation (including its consolidated subsidiaries) required to be included in the Corporation's periodic SEC filings. The report called for by Item 308(a) of Regulation S-K is incorporated herein by reference to Management's Report on Internal Control Over Financial Reporting, included on page K-63 of this report. The attestation report called for by Item 308(b) of Regulation S-K is incorporated herein by reference to the Report of Independent Registered Public Accounting Firm, included on page K-64 of this report. There has been no change in the Corporation's internal control over financial reporting during the quarter ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Item 9B. Other Information

Berkshire has not adopted a Rule 10b5-1 trading arrangement (as defined in Item 408(a)(1)(i) of Regulation S-K) and no directors or executive officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the fourth quarter of 2024.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspection

Not applicable.

Part III

Except for the information set forth under the caption "Executive Officers of the Registrant" in Part I hereof, information required by this Part (Items 10, 11, 12, 13 and 14) is incorporated by reference from the Registrant's definitive proxy statement, filed pursuant to Regulation 14A, for the Annual Meeting of Shareholders of the Registrant to be held on May 3, 2025, which will involve the election of directors.

Part IV

Item 15. Exhibits and Financial Statement Schedules

(a) 1. *Financial Statements*

The following Consolidated Financial Statements, as well as the Report of Independent Registered Public Accounting Firm, are included in Part II Item 8 of this report:

Other schedules are omitted because they are not required, information therein is not applicable, or is reflected in the Consolidated Financial Statements or notes thereto.

(b) *Exhibits*

See the "Exhibit Index" at page K-121.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of
Berkshire Hathaway Inc.

Opinion on the Financial Statement Schedule

We have audited the consolidated financial statements of Berkshire Hathaway Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and the Company's internal control over financial reporting as of December 31, 2024, and have issued our report thereon dated February 22, 2025; such consolidated financial statements and report are included elsewhere in this Form 10-K. Our audits also included the financial statement schedule of the Company listed in the Index at Item 15. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement schedule based on our audits. In our opinion, such financial statement schedule, when considered in relation to the financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ Deloitte & Touche LLP
Omaha, Nebraska
February 22, 2025

BERKSHIRE HATHAWAY INC. (Parent Company)
Condensed Financial Information
(Dollars in millions)
Schedule I
Balance Sheets

	December 31, 2024	December 31, 2023
Assets:		
Cash and cash equivalents	$ 6,337	$ 5,566
Short-term investments in U.S. Treasury Bills	89,705	16,140
Investments in and advances to consolidated subsidiaries	568,987	546,566
Investment in The Kraft Heinz Company and other assets	13,417	13,246
	$ 678,446	$ 581,518
Liabilities and Shareholders' Equity:		
Payable for purchase of U.S. Treasury Bills and other liabilities	$ 6,510	$ 235
Income taxes, principally deferred	1,477	1,229
Notes payable and other borrowings	21,091	18,781
	29,078	20,245
Berkshire shareholders' equity	649,368	561,273
	$ 678,446	$ 581,518

Statements of Earnings and Comprehensive Income

	Year ended December 31, 2024	2023	2022
Income items:			
From consolidated subsidiaries:			
Dividends and distributions	$ 72,607	$ 9,717	$ 15,724
Undistributed earnings (losses)	14,314	85,550	(39,579)
	86,921	95,267	(23,855)
Equity in earnings of The Kraft Heinz Company	745	758	628
Other income	1,441	899	379
	89,107	96,924	(22,848)
Cost and expense items:			
General and administrative	381	244	131
Interest expense	535	636	513
Foreign exchange gains on non-U.S. Dollar denominated debt	(1,376)	(371)	(1,401)
Income tax expense	572	192	668
	112	701	(89)
Net earnings (loss) attributable to Berkshire shareholders	88,995	96,223	(22,759)
Other comprehensive income attributable to Berkshire shareholders	179	1,289	3,071
Comprehensive income attributable to Berkshire shareholders	$ 89,174	$ 97,512	$ (19,688)

See Note to Condensed Financial Information

BERKSHIRE HATHAWAY INC. (Parent Company)
Condensed Financial Information
(Dollars in millions)
Schedule I (continued)
Statements of Cash Flows

	Year ended December 31,		
	2024	2023	2022
Cash flows from operating activities:			
Net earnings (loss) attributable to Berkshire shareholders	$ 88,995	$ 96,223	$ (22,759)
Adjustments to reconcile net earnings (loss) to operating cash flows:			
Undistributed (earnings) losses of consolidated subsidiaries	(14,314)	(85,550)	39,579
Non-cash dividends from subsidiaries	(58,339)	(1,811)	(7,220)
Income taxes payable	294	(44)	661
Other*	(2,666)	(1,207)	(1,799)
Net cash flows from operating activities	13,970	7,611	8,462
Cash flows from investing activities:			
Investments in and advances to consolidated subsidiaries, net	(1,332)	2,649	(11,852)
Purchases of U.S. Treasury Bills	(52,864)	(27,278)	(44,187)
Sales and maturities of U.S. Treasury Bills and other	40,244	31,234	38,043
Net cash flows from investing activities	(13,952)	6,605	(17,996)
Cash flows from financing activities:			
Proceeds from borrowings	5,525	2,054	1,970
Repayments of borrowings	(1,854)	(4,310)	(602)
Acquisition of treasury stock	(2,918)	(9,171)	(7,854)
Net cash flows from financing activities	753	(11,427)	(6,486)
Increase (decrease) in cash and cash equivalents	771	2,789	(16,020)
Cash and cash equivalents at the beginning of the year	5,566	2,777	18,797
Cash and cash equivalents at the end of the year	$ 6,337	$ 5,566	$ 2,777
Other cash flow information:			
Income taxes paid	$ 26,455	$ 5,630	$ 2,259
Interest paid	318	297	332
Class B common stock issued in exchange for noncontrolling interests	1,045	—	—

** Includes discount accretion on investments and foreign currency exchange (gains) losses.*

Note to Condensed Financial Information

As of December 31, 2024, Berkshire owned 27.2% of the outstanding shares of The Kraft Heinz Company common stock, which is accounted for pursuant to the equity method. See Note 5 to the Consolidated Financial Statements.

In September and October 2024, Berkshire acquired the remaining 2.12% of Berkshire Hathaway Energy's ("BHE") outstanding common stock held by noncontrolling shareholders in exchange for 2,291,631 shares of Berkshire Class B common stock valued at $1.045 billion. On October 19, 2022, Berkshire acquired all of the outstanding common stock of Alleghany Corporation for $11.5 billion. See Note 2 to the Consolidated Financial Statements.

During 2024, the Parent Company repaid approximately $1.9 billion of maturing senior notes. At various dates in 2024, Berkshire borrowed approximately ¥837.4 billion (approximately $5.5 billion) under senior note issuances and term loan agreements. The borrowings have interest rates ranging from 0.974% to 2.625% and maturity dates ranging from 2027 to 2054. As of December 31, 2024, the Parent Company's non-U.S. Dollar denominated borrowings included €4.6 billion and ¥1,988 billion par value senior notes. The gains and losses from the periodic remeasurement of these non-U.S. Dollar denominated notes due to changes in foreign currency exchange rates are included in earnings.

Parent Company debt maturities in each of the next five years are as follows: 2025—$1.9 billion; 2026—$4.2 billion; 2027—$4.0 billion; 2028—$2.2 billion and 2029—$2.6 billion. The Parent Company guarantees certain debt of subsidiaries, which aggregated approximately $20.8 billion at December 31, 2024 and primarily consisted of debt issued by Berkshire Hathaway Finance Corporation. Such guarantees are an absolute, unconditional and irrevocable guarantee for the full and prompt payment when due of all present and future payment obligations. The Parent Company has also provided guarantees in connection with certain retroactive reinsurance contracts issued by subsidiaries. The amounts of subsidiary payments under these contracts, if any, are contingent upon the outcome of future events.

EXHIBIT INDEX

Exhibit No.	
2(i)	Agreement and Plan of Merger dated as of June 19, 1998 between Berkshire and General Re Corporation. Incorporated by reference to Annex I to Registration Statement No. 333-61129 filed on Form S-4.
2(ii)	Agreement and Plan of Merger dated as of November 2, 2009 by and among Berkshire, R Acquisition Company, LLC and BNSF. Incorporated by reference to Annex A to Registration Statement No. 333-163343 on Form S-4.
2(iii)	Agreement and Plan of Merger dated August 8, 2015, by and among Berkshire, NW Merger Sub Inc. and Precision Castparts Corporation (“PCC”) Incorporated by reference to Exhibit 2.1 to PCC’s Current Report on Form 8-K filed on August 10, 2015 (SEC File No. 001-10348)
3(i)	Restated Certificate of Incorporation Incorporated by reference to Exhibit 3(i) to Form 10-K filed on March 2, 2015.
3(ii)	Amended and Restated By-Laws Incorporated by reference to Exhibit 3(ii) to Form 8-K filed on May 10, 2023.
4.1	Indenture, dated as of December 22, 2003, between Berkshire Hathaway Finance Corporation, Berkshire Hathaway Inc. and The Bank of New York Mellon Trust Company, N.A. (as successor to J.P. Morgan Trust Company, National Association), as trustee. Incorporated by reference to Exhibit 4.1 on Form S-4 of Berkshire Hathaway Finance Corporation and Berkshire Hathaway Inc. filed on February 4, 2004. SEC File No. 333-112486
4.2	Indenture, dated as of February 1, 2010, among Berkshire Hathaway Inc., Berkshire Hathaway Finance Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee. Incorporated by reference to Exhibit 4.1 to Berkshire’s Registration Statement on Form S-3 filed on February 1, 2010. SEC File No. 333-164611
4.3	Indenture, dated as of January 26, 2016, by and among Berkshire Hathaway Inc., Berkshire Hathaway Finance Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee. Incorporated by reference to Exhibit 4.1 to Berkshire’s Registration Statement on Form S-3 filed on January 26, 2016. SEC File No. 333-209122
4.4	Indenture, dated as of December 1, 1995, between BNSF and The First National Bank of Chicago, as trustee. Incorporated by reference to Exhibit 4 on Form S-3 of BNSF filed on February 8, 1999.
4.5	Indenture, dated as of October 4, 2002, by and between MidAmerican Energy Holdings Company and The Bank of New York, Trustee. Incorporated by reference to Exhibit 4.1 to the Berkshire Hathaway Energy Company Registration Statement No. 333-101699 dated December 6, 2002.
4.6	Indenture, dated as of January 28, 2022, by and among Berkshire Hathaway Inc., as an issuer and a guarantor of the debt securities issued by Berkshire Hathaway Finance Corporation, Berkshire Hathaway Finance Corporation, as an issuer, and The Bank of New York Mellon Trust Company, N.A., as trustee. Incorporated by reference to Exhibit 4.1 to Berkshire’s Registration Statement on Form S-3 filed on January 28, 2022. SEC File No 333-262384.
4.7	Indenture, dated as of January 31, 2025, by and among Berkshire Hathaway Inc., as an issuer and a guarantor of the debt securities issued by Berkshire Hathaway Finance Corporation, Berkshire Hathaway Finance Corporation, as an issuer, and The Bank of New York Mellon Trust Company, N.A., as trustee. Incorporated by reference to Exhibit 4.1 to Berkshire’s Registration Statement on Form S-3 filed on January 31, 2025. SEC File No 333-284622.
	Other instruments defining the rights of holders of long-term debt of Registrant and its subsidiaries are not being filed since the total amount of securities authorized by all other such instruments does not exceed 10% of the total assets of the Registrant and its subsidiaries on a consolidated basis as of December 31, 2024. The Registrant hereby agrees to furnish to the Commission upon request a copy of any such debt instrument to which it is a party.
10.1	Equity Commitment Letter of Berkshire Hathaway Inc. with Hawk Acquisition Holding Corporation dated February 13, 2013. Incorporated by reference to Exhibit 10.1 on Form 8-K of Berkshire Hathaway Inc. filed on February 14, 2013.

Exhibit No.	
14	Code of Ethics Berkshire's Code of Business Conduct and Ethics is posted on its Internet website at *www.berkshirehathaway.com*
19	Insider Trading Policies and Procedures
21	Subsidiaries of Registrant
23	Consent of Independent Registered Public Accounting Firm
31.1	Rule 13a—14(a)/15d-14(a) Certification
31.2	Rule 13a—14(a)/15d-14(a) Certification
32.1	Section 1350 Certification
32.2	Section 1350 Certification
95	Mine Safety Disclosures
97	Policy Relating to Recovery of Erroneously Awarded Compensation
101	The following financial information from Berkshire Hathaway Inc.'s Annual Report on Form 10-K for the year ended December 31, 2024, formatted in iXBRL (Inline Extensible Business Reporting Language) includes: (i) the Cover Page (ii) the Consolidated Balance Sheets, (iii) the Consolidated Statements of Earnings, (iv) the Consolidated Statements of Comprehensive Income, (v) the Consolidated Statements of Changes in Shareholders' Equity, (vi) the Consolidated Statements of Cash Flows, and (vii) the Notes to Consolidated Financial Statements and Schedule I, tagged in summary and detail.
104	Cover Page Interactive Data File (formatted as iXBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BERKSHIRE HATHAWAY INC.

Date: February 22, 2025

/S/ MARC D. HAMBURG

Marc D. Hamburg
Senior Vice President and
Principal Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ WARREN E. BUFFETT **Warren E. Buffett**	Chairman of the Board of Directors—Chief Executive Officer	February 22, 2025 Date
/s/ GREGORY E. ABEL **Gregory E. Abel**	Director—Vice Chairman—Non-Insurance Operations	February 22, 2025 Date
/s/ HOWARD G. BUFFETT **Howard G. Buffett**	Director	February 22, 2025 Date
/s/ SUSAN A. BUFFETT **Susan A. Buffett**	Director	February 22, 2025 Date
/s/ STEPHEN B. BURKE **Stephen B. Burke**	Director	February 22, 2025 Date
/s/ KENNETH I. CHENAULT **Kenneth I. Chenault**	Director	February 22, 2025 Date
/s/ CHRISTOPHER C. DAVIS **Christopher C. Davis**	Director	February 22, 2025 Date
/s/ SUSAN L. DECKER **Susan L. Decker**	Director	February 22, 2025 Date
/s/ CHARLOTTE GUYMAN **Charlotte Guyman**	Director	February 22, 2025 Date
/s/ AJIT JAIN **Ajit Jain**	Director—Vice Chairman—Insurance Operations	February 22, 2025 Date
/s/ THOMAS S. MURPHY, JR. **Thomas S. Murphy, Jr.**	Director	February 22, 2025 Date
/s/ RONALD L. OLSON **Ronald L. Olson**	Director	February 22, 2025 Date
/s/ WALLACE R. WEITZ **Wallace R. Weitz**	Director	February 22, 2025 Date
/s/ MERYL B. WITMER **Meryl B. Witmer**	Director	February 22, 2025 Date
/s/ MARC D. HAMBURG **Marc D. Hamburg**	Senior Vice President—Principal Financial Officer	February 22, 2025 Date
/s/ DANIEL J. JAKSICH **Daniel J. Jaksich**	Vice President—Principal Accounting Officer	February 22, 2025 Date