

BERKSHIRE HATHAWAY INC
Form S-4/A
April 15, 2011
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As filed with the Securities and Exchange Commission on April 15, 2011

Registration No. 333-172636

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1 to
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

BERKSHIRE HATHAWAY INC.

(Exact name of registrant as specified in its charter)

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Delaware (State or other jurisdiction of incorporation or organization)	6331 (Primary Standard Industrial Classification Code Number)	47-0813844 (I.R.S. Employer Identification No.)
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3555 Farnam Street, Omaha, Nebraska 68131

(402) 346-1400

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Marc D. Hamburg

Senior Vice President and Chief Financial Officer

3555 Farnam Street, Omaha, Nebraska 68131

(402) 346-1400

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Mary Ann Todd	Jeffrey L. Jacobson	Brian McCarthy
Munger, Tolles & Olson LLP	Wesco Financial Corporation	Skadden, Arps, Slate, Meagher &
355 South Grand Avenue, 35th Floor	Vice President and Chief Financial Officer	Flom LLP
Los Angeles, California 90071	301 East Colorado Boulevard, Suite 300	300 South Grand Avenue, Suite 3400
(213) 683-9100	Pasadena, California 91101-1901	Los Angeles, California 90071
	(626) 585-6700	(213) 687-5000

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions under the merger agreement described herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered(1)	Amount to be Registered(2)	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price(3)	Amount of Registration Fee(4)(5)
Class B Common Stock, par value \$0.0033 per share		n/a	\$551,458,260	\$64,025

- (1) This Registration Statement relates to Class B Common Stock, par value \$0.0033 per share, of the registrant issuable to holders of Common Stock, par value \$1.00 per share ("Wesco common stock"), of Wesco Financial Corporation, a Delaware corporation ("Wesco"), pursuant to the Agreement and Plan of Merger, dated as of February 4, 2011, by and among the registrant, Montana Acquisitions, LLC, a Delaware limited liability company and an indirect wholly owned subsidiary of the registrant, and Wesco.
- (2) Omitted in reliance on Rule 457(o) of the Securities Act of 1933.
- (3) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act of 1933 and computed pursuant to Rule 457(c) and 457(f) of the Securities Act of 1933. The proposed maximum offering price is equal to (i) the product of (a) \$389.25, the average of the high and low prices per share of the common stock of Wesco as reported on the NYSE Amex on February 28, 2011 and (b) 1,416,720, the maximum possible number of shares of Wesco common stock to be converted into the right to receive the merger consideration pursuant to the merger.
- (4) Computed in accordance with Section 6(b) of the Securities Act of 1933 by multiplying .0001161 by the proposed maximum aggregate offering price.
- (5) Previously paid.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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THE INFORMATION CONTAINED IN THIS PRELIMINARY PROXY STATEMENT/PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. THESE SECURITIES MAY NOT BE SOLD UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PRELIMINARY PROXY STATEMENT/PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

PRELIMINARY PROXY STATEMENT/PROSPECTUS

SUBJECT TO COMPLETION, DATED April 15, 2011

WESCO FINANCIAL CORPORATION

301 EAST COLORADO BOULEVARD, SUITE 300, PASADENA, CALIFORNIA 91101-1901

(626) 585-6700

www.wescofinancial.com

To Our Shareholders:

You are cordially invited to attend a special meeting of the shareholders of Wesco Financial Corporation, a Delaware corporation ("Wesco"), to be held at [], Pasadena, California [], on [], [], at [], local time.

At the special meeting, you will be asked to approve the Agreement and Plan of Merger, dated as of February 4, 2011, by and among Berkshire Hathaway Inc., a Delaware corporation ("Berkshire"), Montana Acquisitions, LLC, a limited liability company and an indirect wholly owned subsidiary of Berkshire ("Merger Sub"), and Wesco, as amended by the Amendment to Agreement and Plan of Merger, dated as of April 15, 2011 (the "merger agreement"), pursuant to which Wesco will be merged with and into Merger Sub (the "merger"), with Merger Sub continuing as the surviving entity. Following the merger, Wesco will cease to exist as a publicly traded company and Merger Sub will change its name to "Wesco Financial, LLC."

If the merger is completed, each share of Wesco's common stock, par value \$1.00 per share ("Wesco common stock"), will be converted into the right to receive an amount, either in cash or Class B common stock, par value \$0.0033 per share, of Berkshire ("Berkshire Class B common stock") at the election of the shareholder, equal to: (i) \$386.55 (which represents Wesco's shareholder's equity per share as of January 31, 2011, estimated for purposes of the merger agreement), plus (ii) an earnings factor of \$.98691 per share per month from and after February 1, 2011 through and including the anticipated effective time of the merger (pro rated on a daily basis for any partial month), plus (or minus, if negative) (iii) the sum of the following (expressed on a per share basis, net of taxes) for the period between February 1, 2011 and the close of business on the second full trading day prior to the date of the special meeting (the "determination date"): (a) the change (positive or negative) in net unrealized appreciation of Wesco's investment securities, (b) the amount of net realized investment gains or losses, and (c) the amount of other-than-temporary impairment charges with respect to Wesco's investment securities, minus (iv) the per share amount of cash dividends declared with respect to Wesco common stock having a record date from and after February 4, 2011 through and including the anticipated effective time of the merger, and minus (v) certain fees and expenses incurred by Wesco in connection with the transaction (expressed on a per share basis). For Wesco shareholders who elect to receive their merger consideration in shares of Berkshire Class B common stock, the exchange ratio will be based on the average of the daily volume-weighted average prices per share of Berkshire Class B common stock for the period of 20 consecutive trading days ending on the determination date. Fractional shares of Berkshire Class B common stock will not be issued in the merger; instead, cash will be paid in lieu of any fractional shares of Berkshire Class B common stock. Berkshire Class B shares are listed on the New York Stock Exchange under the stock symbol "BRK.B." The final per share merger consideration will be determined by Berkshire and reasonably agreed to by Wesco (acting through the special committee), and will be made publicly available through the filing of a Form 8-K by Wesco with the SEC by no later than 9:30 a.m., New York time, on the first business day following the determination date.

Because of the per share merger consideration formula in the merger agreement, the per share merger consideration will not be affected by losses incurred by Wesco's Wes-FIC insurance business, under its quota share retrocession agreement with Berkshire's National Indemnity Company subsidiary, as a result of recent catastrophic events such as the earthquake in New Zealand and the earthquake and tsunami in Japan.

This proxy statement/prospectus provides a detailed description of the merger agreement and the proposed merger. In addition, it contains important information regarding the special meeting. **We urge you to read this proxy statement/prospectus (and any documents incorporated into this proxy statement/prospectus by reference, including the merger agreement) carefully. Please pay particular attention to the section entitled Risk Factors beginning on page 73.**

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The Board of Directors of Wesco unanimously recommends that you vote FOR the proposal to adopt the merger agreement.

Your vote is very important. The merger cannot be completed unless Wesco obtains (i) the affirmative vote of holders of a majority of the outstanding shares of Wesco common stock in favor of the adoption of the merger agreement and (ii) the affirmative vote of holders of a majority of the outstanding shares of Wesco common stock (excluding shares owned by Berkshire and its affiliates and any shares beneficially owned by Cascade Investment LLC, Robert E. Denham, Peter D. Kaufman or Robert E. Sahm) in favor of the adoption of the merger agreement. Please note that failing to vote has the same effect as a vote AGAINST the adoption of the merger agreement for purposes of both of these shareholder approval requirements.

Whether or not you plan to attend the special meeting, please complete, sign, date and return the enclosed proxy card or submit your proxy by telephone or over the Internet prior to the special meeting. If your shares of Wesco common stock are held in street name by your broker, bank or other nominee, you should instruct your broker, bank or other nominee on how to vote your shares of Wesco common stock using the instructions provided by your broker, bank or other nominee. If you attend the special meeting and vote in person, your vote by ballot will revoke any proxy you previously submitted. However, if you hold your shares through a broker, bank or other nominee, you must provide a legal proxy issued from such nominee in order to vote your shares in person at the special meeting.

If you have any questions or need assistance voting your shares, please call [] at [].

We look forward to the successful completion of the merger.

Sincerely,

Charles T. Munger
Chairman of the Board, Chief Executive Officer and President

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement/prospectus or determined if this proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated [] and is first being mailed to the shareholders of Wesco on or about [].

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ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Wesco and Berkshire from other documents that are not included in or delivered with this proxy statement/prospectus. This information is available for you to review at the Securities and Exchange Commission's (the SEC) public reference room located at 100 F Street, N.E., Washington, D.C. 20549, and through the SEC's website at www.sec.gov. Free copies of Wesco's documents are also available on Wesco's website at www.wescofinancial.com and free copies of Berkshire's documents are available on Berkshire's website at www.berkshirehathaway.com. You can also obtain the documents incorporated by reference into this proxy statement/prospectus free of charge by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

Wesco Financial Corporation
301 East Colorado Boulevard, Suite 300

Pasadena, California 91101-1901

(626) 585-6700

Attention: Chief Financial Officer

Berkshire Hathaway Inc.
3555 Farnam Street

Omaha, Nebraska 68131

(402) 346-1400

Attention: Corporate Secretary

If you would like to request any documents, please do so by [] in order to receive them before the special meeting.

You also may obtain additional proxy cards and other information related to the proxy solicitation by contacting the appropriate contact listed above. You will not be charged for any of these documents that you request.

For more information, please see the section entitled "Where To Find More Information" beginning on page 113.

ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form S-4 filed with the SEC by Berkshire (File No. 333-172636), constitutes a prospectus of Berkshire under Section 5 of the Securities Act of 1933, as amended (the Securities Act), with respect to the shares of Berkshire Class B common stock to be issued to Wesco shareholders as required by the merger agreement. This document also constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act). It also constitutes a notice of meeting with respect to the special meeting of Wesco shareholders, at which Wesco shareholders will be asked to vote upon a proposal to adopt the merger agreement.

You should rely only on the information contained or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. This proxy statement/prospectus is dated as of []. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than that date. You should not assume that the information incorporated by reference into this proxy statement/prospectus is accurate as of any date other than the date of such incorporated document. Neither our mailing of this proxy statement/prospectus to Wesco shareholders nor the issuance by Berkshire of Class B common stock in connection with the merger will create any implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this proxy statement/prospectus regarding Wesco has been provided by Wesco and information contained in this proxy statement/prospectus regarding Berkshire has been provided by Berkshire.

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WESCO FINANCIAL CORPORATION

301 EAST COLORADO BOULEVARD, SUITE 300

PASADENA, CALIFORNIA 91101-1901

(626) 585-6700

www.wescofinancial.com

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To Be Held []

A special meeting of shareholders of Wesco Financial Corporation, a Delaware corporation (Wesco), will be held at [], Pasadena, California [], on [], [], at [], local time, for the following purposes:

to consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of February 4, 2011, by and among Berkshire Hathaway Inc., a Delaware corporation (Berkshire), Montana Acquisitions, LLC, a Delaware limited liability company and an indirect wholly owned subsidiary of Berkshire (Merger Sub), and Wesco, as amended by the Amendment to Agreement and Plan of Merger, dated as of April 15, 2011 (the merger agreement), pursuant to which Wesco will be merged with and into Merger Sub and Merger Sub will continue as the surviving entity, as further described in the accompanying proxy statement/prospectus; and

to transact any other business that may properly be brought before the special meeting, or any adjournments or postponements thereof, including, without limitation, a motion to adjourn or postpone the special meeting to another time and/or place for the purpose of soliciting additional proxies in favor of the proposal to adopt the merger agreement, if necessary.

Adoption of the merger agreement requires (i) the affirmative vote of holders of a majority of the outstanding shares of Wesco s common stock, par value \$1.00 per share (Wesco common stock), in favor of the adoption of the merger agreement (the Company Shareholder Approval) and (ii) the affirmative vote of holders of a majority of the outstanding shares of Wesco common stock (excluding shares owned by Berkshire and its affiliates and any shares beneficially owned by Cascade Investment LLC, Robert E. Denham, Peter D. Kaufman or Robert E. Sahn) in favor of the adoption of the merger agreement (the Special Shareholder Approval).

The Board of Directors of Wesco has fixed [], 2011, as of the close of business, as the record date for the determination of shareholders entitled to this notice and to vote at such special meeting or any adjournments or postponements thereof. A list of the shareholders as of such record date will be open to examination by any shareholder for any purpose germane to the special meeting during ordinary business hours at Wesco s principal office at 301 East Colorado Boulevard, Suite 300, Pasadena, California for a period of at least ten days prior to []. The shareholder list will also be available at the special meeting for examination by any shareholder present at the special meeting.

Only shareholders of record of Wesco and their proxies are invited to attend the special meeting in person. If you plan to attend the special meeting, please check the appropriate box on the enclosed proxy card, save the admission ticket that is attached to your proxy card and present it, along with your photo identification, at the door. *Please note that there will not be a question and answer session with Charles T. Munger during or immediately following the special meeting.*

Whether or not you plan to attend the special meeting, please complete, sign, date and return the enclosed proxy card or submit your proxy by telephone or over the Internet prior to the special meeting. If your shares of Wesco common stock are held in street name by your broker, bank or other nominee, you should instruct your broker, bank or other nominee on how to vote your shares of Wesco common stock using the instructions provided by your broker, bank or other nominee. If you attend the special meeting and vote in person, your vote by ballot will revoke any proxy you previously submitted.

However, if you hold your shares through a broker, bank or other nominee, you must provide a legal proxy issued from such nominee in order to vote your shares in person at the special meeting.

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Your proxy may be revoked at any time before the vote at the special meeting by following the procedures outlined in the accompanying proxy statement/prospectus.

In connection with our solicitation of proxies for the special meeting, we are making available this proxy statement/prospectus and proxy card on or about [].

By Order of the Board of Directors

Margery A. Patrick
Secretary

Pasadena, California

[]

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SUMMARY TERM SHEET

This Summary Term Sheet, together with the Questions and Answers, summarizes the material information in this proxy statement/prospectus, including the merger agreement and the amendment to the merger agreement attached as Annex A-1 and Annex A-2 to this proxy statement/prospectus. We encourage you to read carefully this entire proxy statement/prospectus, its annexes and the documents referred to or incorporated by reference in this proxy statement/prospectus. You may obtain a list of the documents incorporated by reference into this proxy statement/prospectus in the section entitled Where To Find More Information beginning on page 113. Each item in this Summary Term Sheet includes a page reference directing you to a more complete description of that topic in this proxy statement/prospectus.

The Companies

Wesco Financial Corporation

301 East Colorado Boulevard, Suite 300

Pasadena, California 91101-1901

(626) 585-6700

Wesco is a holding company that conducts no operating activities and owns no significant assets other than through its interests in its subsidiaries. Through its subsidiaries, Wesco is engaged in three principal businesses: the insurance business, the furniture rental business and the steel service center business. Wesco's operations also include the management of commercial and residential real estate in downtown Pasadena, California. As of December 31, 2010, Wesco and its subsidiaries had approximately 2,290 employees. Since 1983, Wesco has been an indirect 80.1% subsidiary of Berkshire.

Additional information about Wesco and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. For further information, please see the section entitled Where To Find More Information beginning on page 113.

Berkshire Hathaway Inc.

3555 Farnam Street

Omaha, Nebraska 68131

(402) 346-1400

Berkshire is a holding company owning subsidiaries that engage in a number of diverse business activities including property and casualty insurance and reinsurance, railroads, utilities and energy, finance, manufacturing, services and retailing. As of December 31, 2010, Berkshire and its subsidiaries had approximately 260,000 employees.

Additional information about Berkshire and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. For further information, please see the section entitled Where To Find More Information beginning on page 113.

The Merger (see p. 81)

Berkshire and Wesco agreed to the acquisition of Wesco by Berkshire under the terms of the merger agreement that is described in this proxy statement/prospectus. The merger agreement provides that Wesco will merge with and into Merger Sub, an indirect wholly owned subsidiary of Berkshire. Following the merger, Merger Sub will continue as the surviving entity and will remain an indirect wholly owned subsidiary of Berkshire. Merger Sub will change its name to Wesco Financial, LLC upon consummation of the merger. Upon completion of the merger, Wesco will cease to be a publicly traded company, and you will cease to have

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any rights in Wesco as a shareholder. The merger agreement is attached as Annexes A-1 and A-2 to this proxy statement/prospectus, and both Wesco and Berkshire encourage you to read it carefully in its entirety because it is the legal document that governs the merger.

Merger Consideration (see p. 81)

If the merger is completed, each share of Wesco common stock (other than shares owned by Berkshire or Wesco or their respective subsidiaries) will be converted into the right to receive an amount equal to:

\$386.55 (which represents Wesco's shareholder's equity per share as of January 31, 2011, estimated for purposes of the merger agreement), plus

an earnings factor of \$.98691 per share per month from and after February 1, 2011 through and including the anticipated effective time of the merger (pro rated on a daily basis for any partial month), plus (or minus, if negative)

the sum of the following (expressed on a per share basis, net of taxes) for the period between February 1, 2011 and the close of business on the second full trading day prior to the date of the special meeting of the shareholders of Wesco to vote on the transaction, which is referred to in this proxy statement/prospectus as the determination date: (a) the change (positive or negative) in net unrealized appreciation of Wesco's investment securities, (b) the amount of net realized investment gains or losses, and (c) the amount of other-than-temporary impairment charges with respect to Wesco's investment securities, minus

the per share amount of cash dividends declared with respect to Wesco's common stock having a record date from and after February 4, 2011 through and including the anticipated effective time of the merger, and minus

a good faith estimate (expressed on a per share basis) of the fees and expenses of the advisors to the special committee and of the legal counsel to Wesco and Wesco's one-half share of the fees and expenses incurred in connection with printing and mailing this proxy statement/prospectus and the SEC filing fees relating to the merger, in each case, incurred or to be incurred subsequent to December 31, 2010 in connection with the merger.

Because of the per share merger consideration formula in the merger agreement, the per share merger consideration will not be affected by losses incurred by Wesco's Wes-FIC insurance business, under its quota share retrocession agreement with Berkshire's National Indemnity Company subsidiary, as a result of recent catastrophic events such as the earthquake in New Zealand and the earthquake and tsunami in Japan.

For each share of Wesco common stock, Wesco shareholders can elect to receive the merger consideration in cash or a number of shares of Berkshire Class B common stock equal to the exchange ratio, which is calculated by dividing (i) the cash merger consideration per share (described above) by (ii) the average of the daily volume-weighted average trading prices per share of Berkshire Class B common stock over the twenty trading day period ending on the determination date. Fractional shares of Berkshire Class B common stock will not be issued in the merger. Instead, cash will be paid in lieu of any fractional shares of Berkshire Class B common stock.

As of the date of this proxy statement/prospectus, the per share merger consideration is estimated to be \$[]. Based on such estimated merger consideration, the exchange ratio (as described above) would be [], and Wesco shareholders who elect to receive their merger consideration in shares of Berkshire Class B common stock would receive [] shares of Berkshire Class B common stock in exchange for one share of Wesco common stock, and [] payable as cash in lieu of a fractional share. As of [], there are [] shares of Berkshire Class B common stock outstanding. Based upon such estimated merger consideration, if all Wesco shareholders were to elect to receive their merger consideration in shares of Berkshire Class B common stock, Berkshire would issue an

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aggregate amount of [] shares of Berkshire Class B common stock in exchange for such holders' shares of Wesco common stock, which following such issuance would represent []% of the outstanding shares of Berkshire Class B common stock as of [].

For a detailed description of the merger consideration to be received by Wesco shareholders in the merger and the assumptions that form the basis of this per share estimate, see the section entitled "The Merger Agreement Merger Consideration" beginning on page 81. From time to time between the date of this proxy statement/prospectus and the determination date, Wesco will update and make publicly available on its website at www.wescofinancial.com its estimate of the per share merger consideration. The final per share merger consideration will be determined by Berkshire and reasonably agreed to by Wesco (acting through the special committee), and will be made publicly available through the filing of a Form 8-K by Wesco with the SEC by no later than 9:30 a.m., New York time, on the first business day following the determination date.

Risk Factors (see p. 73)

There are risks associated with the merger, which are described in the section entitled "Risk Factors" beginning on page 73. You should carefully read and consider these risks, which include, without limitation, the following:

Because the per share merger consideration is subject to adjustment, the amount of merger consideration that you receive in the merger will almost certainly be different from the per share merger consideration estimated as of the date of this proxy statement/prospectus and such difference may be significant;

Because the market price of Berkshire Class B common stock will fluctuate, and the merger consideration is subject to adjustment, you cannot be sure of the number of shares of, or the market value of, shares of Berkshire Class B common stock that you will receive in the merger if you elect to receive stock and such value may be less than the value received by Wesco shareholders that elect to receive merger consideration in cash;

If the merger is consummated, shareholders who do not timely submit a properly completed election form to the exchange agent will be deemed not to have made an election, and will receive only cash in exchange for their shares of Wesco common stock, which could have adverse tax consequences to such shareholders; and

The completion of the merger is subject to various conditions, including the adoption of the merger agreement by a majority of outstanding shares of Wesco's common stock not owned by Berkshire and its affiliates, or by Cascade Investment LLC (an investment entity owned by William H. Gates III, a Berkshire director), Robert E. Denham (a Wesco director and legal counsel to Berkshire), Peter D. Kaufman (a Wesco director) or Robert E. Sahn (a vice president of Wesco).

Special Meeting of Wesco Shareholders (see p. 77)

The special meeting of shareholders of Wesco, will be held at [], Pasadena, California [], on [], [], at [], local time. At the special meeting, you will be asked:

to consider and vote upon a proposal to adopt the merger agreement, pursuant to which Wesco will be merged with and into Merger Sub and Merger Sub will continue as the surviving entity, as further described in the accompanying proxy statement/prospectus; and

to transact any other business that may properly be brought before the special meeting, or any adjournments or postponements thereof.

You may vote at the special meeting if you owned shares of Wesco common stock at the close of business on [], the record date for the special meeting. You may cast one vote for each share of Wesco common stock that you owned as of that record date.

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As of the close of business on the record date for the special meeting, there were 7,119,807 shares of Wesco common stock outstanding and entitled to vote. As of the same date, Berkshire and its subsidiaries owned 5,703,087 shares of Wesco common stock, representing approximately 80.1% of total issued and outstanding shares of Wesco common stock. Berkshire has agreed to vote all of its shares in favor of the adoption of the merger agreement. In addition, as of the same date, the directors and executive officers of Wesco as a group owned and were entitled to vote 72,263 shares of Wesco common stock, or approximately 1% of the total issued and outstanding shares of Wesco common stock on that date. Although none of the directors and executive officers of Wesco has entered into a voting agreement, Wesco currently expects that all directors and executive officers will vote their shares in favor of the merger because they believe that the merger and the merger agreement are in the best interests of Wesco and its unaffiliated shareholders. None of the directors or executive officers of Wesco has made a recommendation with respect to the proposed transaction other than as set forth in this proxy statement/prospectus.

Votes Required for Adoption of the Merger Agreement (see p. 77)

The adoption of the merger agreement requires the affirmative vote of both: (i) the holders of a majority of the outstanding shares of Wesco common stock in favor of the adoption of the merger agreement (the Company Shareholder Approval), and (ii) the holders of a majority of the outstanding shares of Wesco common stock (excluding shares owned by Berkshire and its affiliates and any shares beneficially owned by Cascade Investment LLC, Robert E. Denham, Peter D. Kaufman or Robert E. Sahn) in favor of the adoption of the merger agreement (the Special Shareholder Approval).

Recommendation of Wesco's Special Committee and the Wesco Board of Directors (see p. 32)

An independent special committee of the Wesco board of directors (the Wesco Board) unanimously (i) determined that the merger agreement and the merger are fair to and in the best interests of Wesco and its shareholders (other than Berkshire and its affiliates), and (ii) recommended that the Wesco Board approve and declare advisable the merger agreement and the transactions contemplated by the merger agreement, including the merger.

After carefully considering the unanimous recommendation of the special committee and other factors, the Wesco Board unanimously (i) determined that it is fair to and in the best interests of Wesco and its shareholders (other than Berkshire and its affiliates) to enter into the merger agreement and declared it advisable, (ii) approved the execution, delivery and performance by Wesco of the merger agreement and the consummation of the transactions contemplated thereby, including the merger, and (iii) resolved to recommend adoption of the merger agreement by the Wesco shareholders. **Accordingly, the Wesco Board unanimously recommends that Wesco shareholders vote FOR the adoption of the merger agreement.** For the factors considered by the Wesco Board in reaching its decision to adopt the merger agreement, please see the section entitled Special Factors Recommendation of the Special Committee and Wesco Board of Directors; Purpose and Reasons for the Merger; Fairness of the Merger beginning on page 32.

Opinion of Financial Advisor to Special Committee (see p. 38)

At meetings of the special committee and the Wesco Board held on February 4, 2011 to consider the merger agreement, Greenhill & Co., LLC (Greenhill) rendered to the special committee and to the Wesco Board an oral opinion, which was confirmed by delivery of a written opinion, dated February 4, 2011, to the effect that, based upon and subject to the limitations and assumptions set forth in the opinion, as of the date of the opinion, the merger consideration to be received by Wesco's shareholders other than Berkshire and its affiliates pursuant to the merger agreement was fair, from a financial point of view, to such holders.

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The full text of Greenhill's written opinion dated February 4, 2011, which contains the assumptions made, procedures followed, matters considered and limitations on the opinion and the review undertaken in connection with the opinion, is attached as Annex B to this proxy statement/prospectus and is incorporated herein by reference. The summary of Greenhill's opinion in this proxy statement/prospectus is only a summary of its material terms and may not include all of the information that is important to a particular shareholder. Greenhill's written opinion was addressed to the special committee and to the Wesco Board. The opinion was not intended to be and does not constitute a recommendation to the members of the special committee or the Wesco Board as to whether they should recommend or approve the merger or the merger agreement, nor does it constitute a recommendation as to whether the shareholders of Wesco should approve the merger or take any other action in respect of the merger at any meeting of the shareholders convened in connection with the merger. Greenhill was not requested to opine as to, and its opinion did not in any manner address, Wesco's underlying business decision to proceed with or effect the merger.

Greenhill's compensation for its services in connection with the merger was not made contingent upon delivery of an opinion nor upon completion of the merger.

Position of Berkshire, Merger Sub and the Berkshire Filing Persons as to the Fairness of the Merger (see p. 51)

Berkshire, Merger Sub and the Berkshire Filing Persons believe that the merger is fair to the unaffiliated shareholders of Wesco. In arriving at their position as to the fairness of the merger, Berkshire, Merger Sub and the Berkshire Filing Persons considered the factors discussed in the section entitled "Special Factors - Position of Berkshire, Merger Sub and the Berkshire Filing Persons as to the Fairness of the Merger" beginning on page 49.

Interests of Wesco Directors and Executive Officers in the Merger (see p. 54)

Aside from their interests as Wesco shareholders, Wesco directors and executive officers have interests in the merger that are different from those of other Wesco shareholders. Among other things, the Wesco Board was aware of and considered Berkshire's agreement to indemnify the directors and officers of Wesco against certain claims and liabilities after the effective time of the merger in evaluating and negotiating the merger agreement and the merger, and in recommending to the Wesco shareholders that the merger agreement be adopted. You should also be aware of the ownership of Berkshire stock by members of Wesco's board and its executive officers, as set forth in the table under "Important Information Regarding Wesco - Ownership of Wesco Common Stock by Certain Beneficial Owners, Directors and Officers." Please see the section entitled "Special Factors - Interests of Wesco Directors and Executive Officers in the Merger" beginning on page 51 for additional information about these interests.

No Change in Recommendation (see p. 89)

The merger agreement provides that the Wesco Board (and any committee thereof) will not withdraw or modify, or propose publicly to withdraw or modify, in a manner adverse to Berkshire, its recommendation that Wesco's shareholders adopt the merger agreement, except to the extent that it determines in good faith, after consultation with outside counsel, that such action is necessary in order for the directors to comply with their fiduciary duties under applicable law.

Conditions to the Merger (see p. 88)

The completion of the merger is subject to, among other things, the following conditions:

the adoption of the merger agreement by the holders of Wesco's common stock pursuant to the Company Shareholder Approval and the Special Shareholder Approval, described above in this Summary Term Sheet;

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the shares of Berkshire Class B common stock issuable to Wesco shareholders as consideration in the merger having been approved for listing on the NYSE;

the absence of any laws or governmental orders that have the effect of making the merger illegal or otherwise preventing the consummation of the merger;

the Registration Statement on Form S-4 (of which this proxy statement/prospectus is a part) having become effective under the Securities Act and not being the subject of any stop order or proceeding seeking a stop order;

each party's respective representations and warranties in the merger agreement being true and correct as of the closing date in the manner described in The Merger Agreement Conditions to the Merger ;

each party's performance of all of its material obligations required to be performed under the merger agreement prior to the closing date of the merger; and

each party having received an opinion of tax counsel to the effect that for U.S. Federal income tax purposes (1) the merger will qualify as a reorganization within the meaning of Section 368 of the Internal Revenue Code (the Code); (2) each of Berkshire and Wesco will be a party to the reorganization within the meaning of Section 368(b) of the Code; and (3) the merger will qualify as a complete liquidation of Wesco within the meaning of Section 332 of the Code.

Termination of the Merger Agreement (see p. 90)

The merger agreement may be terminated at any time prior to the completion of the merger by mutual consent of Wesco (acting through the special committee) and Berkshire.

The merger agreement may also be terminated by either Wesco or Berkshire if:

the merger is not completed on or before June 30, 2011, except that (a) this right to terminate will not be available to any party whose failure to comply with the merger agreement results in the failure of the merger to be completed by that date, and (b) this date will be extended to a date that is the later of (i) 45 days following the resolution of all comments from the SEC on the Form S-4 (of which the proxy statement/prospectus is a part) and the Schedule 13E-3 filed by Wesco in connection with the merger and (ii) 30 days following the last day during which any party is subject to a nonfinal order or ruling prohibiting the consummation of the merger, provided that the termination date may not be extended past September 30, 2011;

a final and non-appealable governmental order prohibits the consummation of the merger, so long as the party seeking to terminate has used all reasonable best efforts to challenge the issuance of the governmental order; or

Wesco's shareholders, at the special meeting or at any adjournment thereof, fail to adopt the merger agreement by the required votes. In addition, either Wesco (acting through the special committee) or Berkshire may terminate the merger agreement at any time prior to the completion of the merger if there has been a breach of any representation, warranty, covenant or agreement of the other party such that certain conditions of the parties under the merger agreement are incapable of being satisfied; provided, however, that (i) neither party will have the right to terminate the merger agreement if it is then in material breach of any of its covenants or agreements contained in the merger agreement, and (ii) Berkshire will not have the right to terminate if it or Blue Chip Stamps, an indirect subsidiary of Berkshire and the sole member of Merger Sub (Blue Chip), caused Wesco to act in a manner that resulted in Wesco's breach that gave rise to Berkshire's right to terminate the merger agreement or Wesco's inability to cure such breach.

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Finally, Berkshire may terminate the merger agreement at any time prior to the effective time of the merger if the Wesco Board or any committee thereof withdraws or modifies, or proposes publicly to withdraw or modify, in a manner adverse to Berkshire, its recommendation to Wesco's shareholders to adopt the merger agreement.

If the merger agreement is terminated, the merger agreement (other than specified sections which survive the termination of the merger agreement) will become null and void, and there will be no liability on the part of Berkshire or Wesco, except that Wesco and Berkshire have agreed that (i) all fees and expenses in connection with printing and mailing the Form S-4 and this proxy statement/prospectus, and all SEC filing fees relating to the transactions contemplated by the merger agreement, will be split equally by Berkshire and Wesco, and (ii) all other fees and expenses incurred by the parties to the merger agreement will be borne solely by the party that incurred such fees and expenses.

NYSE Listing of Berkshire Class B Common Stock (see p. 59)

Shares of Berkshire Class B common stock are quoted on the NYSE under the stock symbol BRK.B. It is a condition to completion of the merger that the shares of Berkshire Class B common stock to be issued by Berkshire to Wesco shareholders in connection with the merger be approved for listing on the NYSE, subject to official notice of issuance. Berkshire has agreed to use its best efforts to cause such shares to be listed on the NYSE and expects to obtain the NYSE's approval to list such shares prior to completion of the merger, subject to official notice of issuance.

Delisting and Deregistration of Wesco Common Stock (see p. 59)

Wesco common stock currently trades on the NYSE Amex under the stock symbol WSC. When the merger is completed, all shares of Wesco common stock listed on the NYSE Amex will cease to be quoted on the NYSE Amex and will be deregistered under the Exchange Act.

No Regulatory Approvals Required for the Merger (see p. 55)

There are no regulatory approvals required for the completion of the merger.

Appraisal Rights (see p. 55)

Under Delaware law, appraisal rights are only available if, among other things, shareholders are required to accept cash for their shares (other than cash in lieu of fractional shares). Given that the Wesco shareholders may elect to receive cash or Berkshire Class B common stock, or a combination of cash and Berkshire Class B common stock, in exchange for their shares of Wesco common stock, Wesco and Berkshire do not believe that Wesco shareholders will have any appraisal rights with respect to the shares of Wesco common stock they hold in connection with the merger. In the Delaware class action lawsuit, the plaintiff contends (among other contentions) that Wesco shareholders have such appraisal rights. Wesco shareholders who elect to exercise such appraisal rights must not vote in favor of the merger agreement and must comply with the strict procedures set forth in Section 262 of the Delaware General Corporation Law (Section 262), the full text of which appears in Annex C of this proxy statement/prospectus, in order to demand and perfect any such rights. Failure to comply with such procedures may result in termination or waiver of any applicable appraisal rights, should a court determine that such rights are available. For a summary of the material provisions of Section 262, please read the sections entitled Special Factors Appraisal Rights and Special Factors Litigation Related to the Merger beginning on pages 55 and 59, respectively.

Material U.S. Federal Income Tax Consequences of the Merger (see p. 93)

Berkshire and Wesco expect that the merger will qualify as a reorganization and complete liquidation within the meaning of Sections 368 and 332 of the Code, respectively, and that each of Berkshire and Wesco will

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be a party to the reorganization within the meaning of Section 368(b) of the Code, and it is a condition to completion of the merger that each of Berkshire and Wesco receive opinions from legal counsel to that effect.

Assuming that the merger qualifies as a reorganization, and each of Berkshire and Wesco is a party to the reorganization, you will not recognize any gain or loss for U.S. Federal income tax purposes if you exchange your shares of Wesco common stock solely for shares of Berkshire Class B common stock in the merger, except with respect to cash received in lieu of fractional shares of Berkshire Class B common stock. You will recognize gain or loss if you exchange your shares of Wesco common stock solely for cash in the merger. You will recognize gain, but not loss, if you exchange your shares of Wesco common stock for a combination of Berkshire Class B common stock and cash, but your taxable gain in that case will not exceed the cash you receive in the merger.

Wesco shareholders are urged to read the discussion in the section entitled *Material U.S. Federal Income Tax Consequences of the Merger* beginning on page 93 of this proxy statement/prospectus and to consult their tax advisors as to the U.S. Federal income tax consequences of the transaction, as well as the effects of state, local and non-U.S. tax laws.

Accounting Treatment (see p. 92)

In accordance with accounting principles generally accepted in the United States, Berkshire will account for the merger as an acquisition of a noncontrolling interest in accordance with Accounting Standards Codification paragraphs 810-10-45-21A thru 810-10-45-24 (formerly contained in FASB Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements*).

Comparative Rights of Shareholders (see p. 105)

The rights of Wesco shareholders are currently governed by the Wesco certificate of incorporation, the Wesco bylaws and Delaware law. Wesco shareholders who elect to receive a portion of the merger consideration in Berkshire Class B common stock will become shareholders of Berkshire upon completion of the merger. Thereafter, their rights will be governed by the Berkshire restated certificate of incorporation, the Berkshire bylaws and Delaware law. As a result, these Wesco shareholders will have different rights once they become shareholders of Berkshire due to the differences in the governing documents of Berkshire and Wesco. The key differences are described in the section entitled *Comparative Rights of Shareholders* beginning on page 105 of this proxy statement/prospectus.

Litigation Related to the Merger (see p. 59)

Two lawsuits were filed on February 8, 2011 by plaintiffs claiming to be Wesco shareholders challenging the transactions contemplated by the merger agreement. Both of the lawsuits name Wesco, Wesco's directors, Berkshire and Merger Sub as defendants. One of them also names Blue Chip and Wesco's Chief Financial Officer as defendants. One of the actions was filed in Delaware Chancery Court and the other in Los Angeles Superior Court. Both purport to be class actions on behalf of Wesco shareholders.

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QUESTIONS AND ANSWERS

Set forth below are commonly asked questions and answers about the merger and the special meeting of Wesco shareholders called in connection therewith. For a more complete description of the legal and other terms of the merger, please read carefully this entire proxy statement/prospectus, including the merger agreement and the amendment to the merger agreement attached as Annex A-1 and Annex A-2 to this proxy statement/prospectus, and the documents incorporated by reference herein. You may obtain a list of the documents incorporated by reference into this proxy statement/prospectus in the section entitled "Where To Find More Information" beginning on page 113.

Questions About the Merger

Q: Why am I receiving this document?

A: Berkshire has agreed to acquire the remaining shares of Wesco that it does not already own pursuant to the terms of a merger agreement that is described in this proxy statement/prospectus. A copy of the merger agreement and the amendment to the merger agreement are attached to this proxy statement/prospectus as Annex A-1 and Annex A-2.

In order to complete the merger, Wesco shareholders must vote to adopt the merger agreement. Wesco is holding a special meeting of shareholders to obtain this shareholder approval.

This proxy statement/prospectus contains important information about the merger and the special meeting of the shareholders of Wesco, and you should read it carefully. The enclosed voting materials allow you to vote your shares without attending the special meeting in person.

Your vote is extremely important. We encourage you to vote as soon as possible. For more information on how to vote your shares, please see the section entitled "The Special Meeting of Wesco Shareholders" beginning on page 77.

Q: What vote is required to adopt the merger agreement?

A: The adoption of the merger agreement requires the affirmative vote of both:

the holders of a majority of the issued and outstanding shares of Wesco common stock; and

the holders of a majority of the outstanding shares of Wesco common stock not owned by Berkshire and its affiliates, or by Cascade Investment LLC, Robert E. Denham, Peter D. Kaufman or Robert E. Sahn.

If these votes are not obtained, the merger will not be completed.

Please note that a failure to vote your shares of common stock, abstention from the vote or a broker non-vote will have the same effect as voting AGAINST the adoption of the merger agreement. A broker non-vote occurs when a broker has not received instructions from the beneficial holder as to how such holder's shares are to be voted with respect to the adoption of the merger agreement.

Q: What will happen in the merger?

A: In the merger, Wesco will merge with and into Merger Sub, an indirect wholly owned subsidiary of Berkshire. Following the merger, Merger Sub will continue as the surviving entity and will remain an indirect wholly owned subsidiary of Berkshire. Merger Sub will

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change its name to Wesco Financial, LLC upon consummation of the merger. For more information, please see the sections entitled Special Factors and The Merger Agreement beginning on pages 16 and 81, respectively.

Q: What will Wesco shareholders receive in the merger?

A: In the merger, each share of Wesco common stock (other than shares owned by Berkshire or Wesco or their respective subsidiaries) will be converted into the right to receive an amount equal to: (i) \$386.55 (which

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represents Wesco's shareholder's equity per share as of January 31, 2011, estimated for purposes of the merger agreement), plus (ii) an earnings factor of \$.98691 per share per month from and after February 1, 2011 through and including the anticipated effective time of the merger (pro rated on a daily basis for any partial month), plus (or minus, if negative) (iii) the sum of the following (expressed on a per share basis, net of taxes) for the period between February 1, 2011 and the close of business on the determination date): (a) the change (positive or negative) in net unrealized appreciation of Wesco's investment securities, (b) the amount of net realized investment gains or losses, and (c) the amount of other-than-temporary impairment charges with respect to Wesco's investment securities, minus (iv) the per share amount of cash dividends declared with respect to Wesco's common stock having a record date from and after February 4, 2011 through and including the anticipated effective time of the merger, and minus (v) a good faith estimate (expressed on a per share basis) of the fees and expenses of the advisors to the special committee and of the legal counsel to Wesco and Wesco's one-half share of the fees and expenses incurred in connection with printing and mailing this proxy statement/prospectus and the SEC filing fees relating to the merger, in each case, incurred or to be incurred subsequent to December 31, 2010 in connection with the merger.

For each share of Wesco common stock, Wesco shareholders can elect to receive the merger consideration in cash or a number of shares of Berkshire Class B common stock equal to the exchange ratio, which is calculated by dividing (x) the cash merger consideration per share (described above) by (y) the average of the daily volume-weighted average trading prices per share of Berkshire Class B common stock over the twenty trading day period ending on the determination date. Fractional shares of Berkshire Class B common stock will not be issued in the merger. Instead, cash will be paid in lieu of any fractional shares of Berkshire Class B common stock.

As of the date of this proxy statement/prospectus, the per share merger consideration is estimated to be \$[]. Based on such estimated merger consideration, the exchange ratio (as described above) would be [], and Wesco shareholders who elect to receive their merger consideration in shares of Berkshire Class B common stock would receive [] shares of Berkshire Class B common stock in exchange for one share of Wesco common stock, and [] payable as cash in lieu of a fractional share. As of [], there are [] shares of Berkshire Class B common stock outstanding. Based upon such estimated merger consideration, if all Wesco shareholders were to elect to receive their merger consideration in shares of Berkshire Class B common stock, Berkshire would issue an aggregate amount of [] shares of Berkshire Class B common stock in exchange for such holders' shares of Wesco common stock, which following such issuance would represent []% of the outstanding shares of Berkshire Class B common stock as of [].

For a detailed description of the merger consideration to be received by Wesco shareholders in the merger and the assumptions that form the basis of this per share estimate, see the section entitled "The Merger Agreement Merger Consideration" beginning on page 81. From time to time between the date of this proxy statement/prospectus and the determination date, Wesco will update and make publicly available on its website at www.wescofinancial.com its estimate of the per share merger consideration. The final per share merger consideration will be determined by Berkshire and reasonably agreed to by Wesco (acting through the special committee), and will be made publicly available through the filing of a Form 8-K by Wesco with the SEC by no later than 9:30 a.m., New York time, on the first business day following the determination date.

Q: Am I guaranteed to receive the form of merger consideration that I elect to receive for my shares of Wesco common stock?

A: Yes. Under the merger agreement, the cash and stock elections that Wesco shareholders make with respect to their shares will not be subject to proration or reallocation. Accordingly, each Wesco shareholder who elects to receive cash for any of their shares in the merger will receive their consideration in cash for such shares, and each Wesco shareholder who elects to receive Berkshire Class B common stock for any of their shares in the merger will receive their consideration in Berkshire Class B common stock for such shares, provided that cash will be paid in lieu of any fractional shares of Berkshire Class B common stock.

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A shareholder may not elect to receive a combination of cash and Berkshire Class B common stock for any one share of Wesco common stock owned by such shareholder. However, a Wesco shareholder may elect to receive cash for some of such shareholder's Wesco shares and Berkshire Class B common stock for other Wesco shares owned by such shareholder in whatever proportion such shareholder chooses. For further information, please see the section entitled "The Merger Agreement - Merger Consideration" beginning on page 81.

Q: How do I make my election?

A: To elect to receive cash or shares of Berkshire Class B common stock for each Wesco share you own, you must indicate on the election form, which will be sent to you in a separate mailing, the number of shares of Wesco common stock with respect to which you elect to receive cash and the number of shares of Wesco common stock with respect to which you elect to receive shares of Berkshire Class B common stock. You must return the form in the separate envelope provided so that it is received prior to the election deadline, which will be at 5:00 p.m., New York time, on the second business day prior to the date of the special meeting. If the special meeting is postponed or adjourned to a later date, the election deadline will be similarly delayed to a subsequent date, and Berkshire will promptly announce any such delay and, when determined, the rescheduled election deadline. If you hold your shares through a bank, broker or other nominee, you should follow the instructions provided by such bank, broker or other nominee to ensure that your election instructions are timely returned. For further information, please see the section entitled "The Merger Agreement - Shareholder Elections" beginning on page 83.

Q: Can I revoke or change my election after I mail my election form?

A: Yes. You may revoke or change your election by sending written notice thereof to the exchange agent, which notice must be received by the exchange agent prior to the election deadline noted above. In the event an election form is revoked, under the merger agreement the shares of Wesco common stock represented by such election form will be treated as shares in respect of which no election has been made, except to the extent a subsequent election is properly made by the shareholder during the election period. For more information, please see the section entitled "The Merger Agreement - Shareholder Elections" beginning on page 83.

Q: What happens if I do not make an election or my election form is not received before the election deadline?

A: Any shares of Wesco common stock with respect to which the exchange agent does not receive a properly completed and timely election form will be deemed not to have made an election. In exchange for such shares of Wesco common stock, such holders will receive cash.

Q: How will I receive the merger consideration to which I am entitled?

A: Following the merger and after receiving the proper documentation from you, the exchange agent will forward to you the cash and/or Berkshire Class B common stock to which you are entitled. More information on the documentation you are required to deliver to the exchange agent may be found under the caption "The Merger Agreement - Payment of the Merger Consideration" beginning on page 83.

Q: Where will shares of Berkshire Class B common stock and Wesco common stock be listed following the merger?

A: Following the merger, the shares of Berkshire Class B common stock will remain listed on the New York Stock Exchange (the "NYSE") under the stock symbol "BRK.B". All shares of Wesco common stock will cease to be publicly traded and will be delisted from the NYSE Amex upon completion of the merger. In

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addition, the registration of Wesco's common stock and its reporting obligations with respect to such stock under the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, are expected to be terminated.

Q: Am I entitled to appraisal rights in connection with the merger?

A: Under Delaware law, appraisal rights are only available if, among other things, shareholders are required to accept cash for their shares (other than cash in lieu of fractional shares). Because Wesco shareholders may elect to receive cash or Berkshire Class B common stock, or a combination of cash and Berkshire Class B common stock, in exchange for their shares of Wesco common stock, Wesco and Berkshire do not believe that Wesco shareholders will have any appraisal rights with respect to the shares of Wesco common stock they hold in connection with the merger.

Q: When is the merger expected to be completed?

A: Berkshire and Wesco will complete the merger when all of the conditions to completion of the merger under the merger agreement have been satisfied or, where permitted under applicable law and the merger agreement, waived. Berkshire and Wesco are working toward satisfying these conditions and completing the merger as quickly as possible. Berkshire and Wesco currently expect to complete the merger before the end of the second quarter of 2011. However, because the merger is subject to a number of conditions, some of which are beyond the control of Berkshire and Wesco, exact timing for completion of the merger cannot be predicted with any certainty.

Q: Is the merger taxable to Wesco shareholders for U.S. Federal income tax purposes?

A: Berkshire and Wesco each expect the merger to qualify as a tax-free reorganization pursuant to Section 368(a) of the Internal Revenue Code. The U.S. Federal income tax consequences of a reorganization to a Wesco shareholder will depend on the relative mix of cash and Berkshire Class B common stock received by such Wesco shareholder. Assuming that the merger qualifies as a reorganization, you will not recognize any gain or loss for U.S. Federal income tax purposes if you exchange your shares of Wesco common stock solely for shares of Berkshire Class B common stock in the merger, except with respect to cash received in lieu of fractional shares of Berkshire Class B common stock. You will recognize gain or loss if you exchange your shares of Wesco common stock solely for cash in the merger. You will recognize gain, but not loss, if you exchange your shares of Wesco common stock for a combination of Berkshire Class B common stock and cash, but your taxable gain in that case will not exceed the cash you receive in the merger.

Please carefully review the information set forth in the section entitled Material U.S. Federal Income Tax Consequences of the Merger beginning on page 93 for a description of the material U.S. Federal income tax consequences of the merger. **The tax consequences of the merger to you will depend on your own situation. Please consult your tax advisors for a full understanding of the tax consequences of the merger to you.**

Q: Do Berkshire shareholders need to approve the merger?

A: No. Berkshire shareholders do not need to approve the merger.

Q: Will Berkshire shareholders receive any shares or other consideration as a result of the merger?

A: No. Berkshire shareholders will not receive any shares or other consideration as a result of the merger.

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Q: What are the conditions to consummation of the merger?

A: In addition to the Wesco shareholder approvals described above, the conditions to consummation of the merger include the following:

the shares of Berkshire Class B common stock issuable to Wesco shareholders as consideration in the merger having been approved for listing on the NYSE, subject to official notice of issuance;

no statute, rule, regulation, judgment, order or injunction prohibiting, restraining or making the merger illegal having been issued;

the Registration Statement on Form S-4 (of which this proxy statement/prospectus is a part) having become effective under the Securities Act and not being the subject of any stop order or proceeding seeking a stop order;

the representations and warranties of each party to the merger agreement remaining true and correct as of the closing of the merger, except for such failures to be true and correct not reasonably being expected to have, individually or in the aggregate, a material adverse effect;

each party to the merger agreement having performed or complied with all of its material obligations, agreements and covenants under the merger agreement; and

Wesco and Berkshire each having received an opinion from legal counsel to the effect that the merger will qualify as a tax-free reorganization and tax-free complete liquidation for U.S. Federal income tax purposes.

Q: What happens if the merger is not completed?

A: If the merger agreement is not adopted by Wesco's shareholders, or if the merger is not completed for any other reason, Wesco shareholders will not receive any payment for their shares pursuant to the merger agreement. Instead, Wesco will remain an 80.1%-owned subsidiary of Berkshire and its common stock will continue to be registered under the Exchange Act and listed and publicly traded on the NYSE Amex.

Q: Will I still be paid dividends prior to the merger?

A: Wesco's dividend for the first quarter of 2011 that was declared in December 2010 will still be paid in March 2011, as usual. In addition, under the merger agreement, Wesco may continue to declare and pay ordinary course quarterly dividends prior to the effective time of the merger not to exceed \$0.42 per share. In fact, the Wesco Board has declared a regular quarterly dividend for the second quarter, payable to holders of record on May 25, 2011. If this record date (or any subsequent dividend record date) is on or before the anticipated effective time of the merger, then holders of Wesco's common stock on such record date will be entitled to be paid the applicable dividend, but the merger consideration will be reduced by the same amount.

Q: Are there any risks in the merger that I should consider?

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A: Yes. There are risks associated with all business combinations, including the merger. These risks are discussed in more detail in the section entitled **Risk Factors** beginning on page 73.

Q: Where can I find more information about the parties to the merger?

A: You can find more information about Berkshire and Wesco from the various sources described in the section entitled **Where To Find More Information** beginning on page 113.

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Questions About the Special Meeting of Wesco shareholders

Q: When and where will the special meeting be held?

A: The special meeting is scheduled to be held at [], Pasadena, California [], on [], [], 2011 at [], Pacific time. *Please note that there will not be a question and answer session with Charles T. Munger during or immediately following the special meeting.*

Q: On what am I being asked to vote?

A: You are being asked to consider and vote on the following proposals:

adoption of the Agreement and Plan of Merger, dated as of February 4, 2011, as amended, by and among Berkshire, Merger Sub and Wesco, copies of which are attached to this proxy statement/prospectus as Annex A-1 and Annex A-2; and

the transaction of any other business that may properly be brought before the special meeting, or any adjournments or postponements thereof.

Q: How does the Wesco board of directors recommend that I vote regarding the merger agreement?

A: The Wesco board of directors unanimously recommends that Wesco shareholders vote **FOR** the adoption of the merger agreement. You should read **Special Factors Recommendation of the Special Committee and Wesco Board of Directors; Purpose and Reasons for the Merger; Fairness of the Merger** beginning on page 32 for a discussion of the factors that Wesco's special committee and the Wesco Board considered in making their recommendations in connection with the merger. In addition, in considering the recommendation of the Wesco Board with respect to the merger agreement, you should be aware that some of Wesco's directors and executive officers have interests in the merger that are different from, or in addition to, the interests of our shareholders generally. See **Special Factors Interests of Wesco Directors and Executive Officers in the Merger** beginning on page 54.

Q: How do the directors and executive officers of Wesco intend to vote?

A: Although none of the directors and executive officers has entered into a voting agreement, Wesco currently expects that all directors and executive officers will vote their shares in favor of the merger because they believe that the merger and the merger agreement are in the best interests of Wesco and its unaffiliated shareholders. As of the record date, the directors and executive officers of Wesco as a group owned and were entitled to vote 72,263 shares of Wesco common stock, or approximately 1.0% of the total issued and outstanding shares of Wesco common stock.

Q: How do I vote my shares at the special meeting?

A: If you are a registered shareholder, you may vote in person at the special meeting. However, to ensure that your shares are represented at the special meeting, you are recommended to vote promptly by proxy by taking any of the following steps, even if you plan to attend the

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meeting in person:

call the toll-free number specified on the enclosed proxy card and follow the instructions when prompted;

access the Internet website specified on the enclosed proxy card and follow the instructions provided to you; or

complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided.

If you are not a registered shareholder, but instead hold your shares in street name through a bank, broker or other nominee, please follow the instructions provided to you by your bank, broker or other nominee to vote by proxy and ensure your shares are represented at the special meeting. If you want to vote in person at

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the special meeting, you must provide a proxy executed in your favor from your bank, broker or other nominee. For more information, please see the section entitled "The Special Meeting of Wesco Shareholders - Voting at the Special Meeting" beginning on page 78.

Q: What happens if I do not vote or submit a proxy, or do not instruct my bank, broker or other nominee to vote, or abstain from voting?

A: If you fail to vote, either in person or by proxy, or fail to instruct your bank, broker or other nominee how to vote, or abstain from voting, it will have the same effect as a vote cast "AGAINST" the proposal to adopt the merger agreement.

Q: What should I do if I want to change my vote?

A: If you are a registered shareholder, you can revoke your proxy at any time before it is voted at the special meeting by:

submitting a new proxy with a later date by using the telephone or Internet voting procedures, or by completing, signing, dating and returning a proxy card by mail to Wesco;

attending the special meeting and voting in person; or

sending written notice of revocation to the Chief Financial Officer of Wesco at 301 East Colorado Boulevard, Suite 300, Pasadena, California 91101-1901.

If you are not a registered shareholder, but instead hold your shares in "street name" through a bank, broker or other nominee, you will need to follow the instructions provided to you by your bank, broker or other nominee in order to revoke your proxy and submit new voting instructions.

Q: If my bank, broker or other nominee holds my shares in "street name," will they be able to vote my shares for me without my instructions?

A: No. If you do not provide specific voting instructions to your bank, broker or other nominee, your bank, broker or other nominee will not be able to vote your shares, which will have the same effect as a vote "AGAINST" the proposal to adopt the merger agreement. You should receive instructions regarding voting procedures directly from your bank, broker or other nominee. You should follow the directions provided to you to vote your shares, or you should instruct your bank, broker or other nominee to vote your shares, following the procedure your bank, broker or other nominee provides to you.

Q: What happens if I transfer my shares after the record date for the special meeting?

A: The record date for the special meeting is earlier than the expected date of completion of the merger. Therefore, if you transfer your shares of Wesco common stock after the record date, but prior to completion of the merger, you will retain the right to vote at the special meeting, but the person to whom you transferred your shares of Wesco common stock will have the right to be paid the merger consideration in respect of those shares following completion of the merger.

Q: Should I send my stock certificates with my proxy card?

A: No. Please do not send your stock certificates with your proxy card. Promptly after the completion of the merger, the exchange agent will mail to you a letter of transmittal with instructions for exchanging your Wesco stock certificates for the merger consideration.

Q: Who can help answer my questions?

A: If you have more questions about the merger or the special meeting, or desire additional copies of this proxy statement/prospectus or additional proxy cards, please contact: []

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SPECIAL FACTORS

Background of the Merger

Since 1983, Wesco has been an indirect 80.1%-owned subsidiary of Berkshire with a significant portion of Wesco's operations, including its insurance business and investment portfolio, managed by Berkshire personnel.

On or about August 18, 2010, Mr. Warren E. Buffett, Chairman and Chief Executive Officer of Berkshire, began considering whether to propose a transaction to acquire the 19.9% of Wesco common stock that Berkshire did not already own. He discussed this possibility with Berkshire's Vice Chairman, Charles T. Munger, who indicated that he would be in favor of such a proposal. Mr. Munger is also Chairman and Chief Executive Officer of Wesco. Mr. Buffett considered such an acquisition at this time because, with Wesco common stock trading at a discount to its book value, which Mr. Buffett considered to be a fair representation of its intrinsic value, he believed that Wesco shareholders might appreciate the opportunity to consider a merger with Berkshire at book value, a price he viewed as fair to Wesco.

On August 26, 2010, Mr. Buffett, Berkshire and certain entities controlled by Berkshire filed an amendment to their Schedule 13-D with the SEC in which Berkshire's management publicly announced its intention to make a proposal to acquire the 19.9% of Wesco common stock that it did not already own.

On September 1, 2010, the board of directors of Wesco held a special meeting for the purpose of discussing Berkshire's amendment to its Schedule 13-D and announcement. At the meeting, the Wesco Board reviewed a formal written proposal from Mr. Buffett delivered to the Wesco Board on that day, in which Mr. Buffett explained and detailed Berkshire's proposal to acquire the remaining 19.9% of the shares of Wesco's common stock that it did not already own in exchange for Berkshire Class B shares and/or cash, at the election of the shareholder.

The complete text of the written proposal from Berkshire was filed with the SEC on September 1, 2010, and is set forth below.

September 1, 2010

Board of Directors

Wesco Financial Corporation

301 East Colorado Blvd., Suite 300

Pasadena, CA 91101

Dear Board:

As you know, Berkshire and I made a filing with the Securities and Exchange Commission last week announcing our interest in acquiring the shares of Wesco Financial Corporation that we don't already own. I'm writing you this letter to provide you with a proposal for you to consider.

1. I want the transaction to be tax-free for any Wesco stockholder who wants it to be. Thus, each Wesco stockholder would be able to choose between shares of Berkshire Class B common stock or the equivalent cash value, in whatever proportions they choose, without issuance of fractional Class B shares.

2. The price per Wesco share would be based on the per share shareholders' equity of Wesco determined reasonably contemporaneous with the closing. That's what we think of as "book value". To determine shareholders' equity we would start with shareholders' equity as stated in the September 30, 2010 Wesco unaudited financial statements (assuming a 2010 closing) and adjust that based on (i) an estimate of retained earnings from October 1 to the date of the special meeting and (ii) changes in the fair value of investment securities carried at fair value in Wesco's financial statements as of a date shortly before the special meeting, adjusted to reflect associated changes in deferred tax liability. Accretion of interest or dividend income would be

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single-counted in (i) or (ii), but not in both, in accordance with Wesco's normal practices. Per share shareholders' equity would be obtained by dividing shareholders' equity by the number of outstanding shares of Wesco, which we assume will be the 7,119,807 shares outstanding today.

If the transaction is approved, the closing would occur promptly after conclusion of the special meeting.

The foregoing will determine the cash price per share.

To determine the exchange ratio of Wesco-into-Berkshire Class B stock, we would divide this cash price per share by the volume weighted average price (VWAP) of Berkshire's Class B common stock over a period ending shortly before the special meeting.

3. Given the various relationships between Berkshire and Wesco, we expect that you will form a special committee of the Board of Directors to consider this proposal. We will not move forward with a transaction unless it is approved by the special committee (or by a majority of the independent directors, if you do not form a special committee).

4. There are a few other conditions to our proposal as well. We will not do a transaction unless it is approved by a majority of the shares of Wesco voted at the meeting that are not owned by Berkshire. The transaction is also subject to the approval of Berkshire's Board of Directors.

5. We anticipate that the deal would be structured as a merger of Wesco with a direct or indirect wholly owned subsidiary of Berkshire. We would like to be in a position to close the merger before the end of this year.

We believe that this proposal is in the best interests of Wesco and its minority stockholders. Our proposal provides them with the ability to receive shares of Berkshire stock on a tax-free basis, which will allow them to participate not only in the future of Wesco, but also in the future of all of Berkshire.

You should be aware that, due to Wesco's existing interrelationships with Berkshire, particularly in reinsurance, Berkshire is not interested in selling its Wesco shares to a third party. We believe the price we are offering is fair, and consequently have no interest in effecting a transaction at a higher price. But if the special committee or holders of a majority of the non-Berkshire-owned shares of Wesco disagree with our evaluation, there will be no hard feelings on our part. Wesco will continue as an 80.1%-owned subsidiary of Berkshire, and will operate as it does presently. It will have the same relationships with Berkshire that it enjoys today, with its present management working to increase its value in a manner that benefits equally both Berkshire and public shareholders.

The lawyers told me to remind you that this is a non-binding proposal, and that no formal agreement between us with respect to the proposal will be created until the definitive documentation has been executed and approved by our respective Boards of Directors. If you have any questions about the proposal, please don't hesitate to call me.

Sincerely,

/s/ Warren E. Buffett

At the September 1, 2010 meeting, the Wesco Board appointed a special committee comprised solely of independent directors Carolyn H. Carlburg, Robert T. Flaherty and Elizabeth Caspers Peters to investigate Berkshire's proposal and any matters relating thereto as the special committee, in its sole discretion, deemed appropriate; to review and evaluate the terms of Berkshire's proposal and discuss such terms with Berkshire and its representatives as the special committee deemed appropriate; if and when appropriate, to negotiate and

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execute ancillary and definitive agreements with respect to Berkshire's proposal, the execution and delivery of any such definitive agreements being subject, however, to the approval of the full Wesco Board; to report to the Wesco Board the recommendations and conclusions of the special committee with respect to Berkshire's proposal, including a determination or recommendation as to whether the final terms of such proposal are fair to and in the best interests of the unaffiliated shareholders of Wesco and should be approved by the full Wesco Board and, if applicable, by Wesco's shareholders; to consider and determine whether to elect not to pursue Berkshire's proposal, so that Wesco would remain an 80.1%-owned subsidiary of Berkshire; and to retain, in its sole discretion and on terms and conditions acceptable to the special committee, at Wesco's expense, such advisors, including legal counsel, financial advisors and outside consultants, as the special committee in its sole discretion deemed appropriate to advise and assist it. The Wesco Board reviewed Ms. Carlburg's, Mr. Flaherty's and Ms. Peters' independence and, in particular, Mr. Flaherty's ownership of 147 shares of Berkshire's Class A common stock and Ms. Carlburg's ownership of 550 shares of Berkshire's Class B common stock. After discussing, among other things, the immaterial effect that the proposed transaction would have on Berkshire given the relative difference in size of the two companies, the Wesco Board determined that no significant conflicts existed that would impair the ability of the special committee to act in the best interests of Wesco's unaffiliated shareholders.

Also during the September 1, 2010 meeting, the Wesco Board approved payment to each member of the special committee of a fee of \$25,000 for serving on the special committee, which was payable regardless of the outcome of the process, and provided the special committee with certain additional powers in connection with the performance of its duties, including full access to Wesco's records and personnel.

After the Wesco Board meeting on September 1, 2010, the special committee held its first official meeting and elected Ms. Carlburg as Chairman of the special committee. Also at the meeting, the special committee discussed next steps, including retaining independent legal and financial advisors to assist the special committee with its evaluation of Berkshire's proposal.

On September 17, 2010, at a regularly scheduled meeting, the Wesco Board approved an additional fee for Ms. Carlburg of \$25,000 for serving as Chairman of the special committee, which was payable regardless of the outcome of the process.

After conducting interviews and follow-up conversations with five law firms, on September 22, 2010, the special committee retained Skadden, Arps, Slate, Meagher & Flom LLP (Skadden Arps) to act as its independent legal advisor. Among the reasons for this selection were Skadden Arps' strong reputation, its experience in mergers and acquisitions transactions, its experience in representing other special committees and the absence of any material prior relationship with Berkshire or Wesco. Skadden Arps provided the special committee with an overview of the directors' fiduciary duties in connection with their role as members of the special committee and discussed the independence standards utilized by Delaware courts. The members of the special committee then reviewed their independence and, in particular, Mr. Flaherty's ownership of 147 shares of Berkshire's Class A common stock and Ms. Carlburg's ownership of 550 shares of Berkshire's Class B common stock. After discussing, among other things, the immaterial effect that the proposed transaction would have on Berkshire given the relative difference in size of the two companies, the special committee determined that no significant conflicts existed that would impair the ability of the special committee to act in the best interests of Wesco's unaffiliated shareholders.

On September 29, 2010, upon authorization of the special committee, Wesco executed a conflict waiver letter, previously executed by Berkshire and delivered to Wesco on September 1, 2010, pursuant to which it was agreed that Munger, Tolles & Olson LLP (Munger Tolles), which historically has served as legal counsel to both Berkshire and Wesco, would represent Berkshire in connection with all matters related to the proposed transaction, but may provide disclosure and corporate advice to Wesco upon Wesco's request. In the conflict waiver letter, Munger Tolles disclosed, among other things, that one of its partners, Ronald L. Olson, is a Berkshire director, and another partner, Robert E. Denham, is a Wesco director.

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On September 29 and September 30, 2010, the special committee, together with representatives of Skadden Arps, met to conduct interviews with representatives of Greenhill & Co., LLC (Greenhill) and five other nationally recognized investment banking firms for the purpose of selecting a financial advisor to the special committee. The special committee raised numerous questions during the interviews, including among others, questions designed to ascertain any prior relationships of each firm with Berkshire and/or Wesco, as well as questions regarding each firm's experience with similar special committee representations and insurance transactions. During its meeting with Greenhill, the special committee noted that Berkshire's proposal was based on Berkshire's estimate of Wesco's book value, and asked Greenhill whether book value was an appropriate metric for valuing Wesco. Greenhill responded that, based on its preliminary review of Berkshire's proposal, as well as Greenhill's prior experience valuing reinsurance companies, book value would be an important metric for valuing a company like Wesco that derived the majority of its earnings from its reinsurance business.

On October 4, 2010, the special committee held a telephonic meeting with its legal advisors during which the special committee extensively discussed the qualifications and fee expectations of the investment banking firms being considered for the position of financial advisor to the special committee. After discussion, the special committee agreed to choose Greenhill, subject to the negotiation of a fee structure acceptable to the special committee. Following those negotiations, Greenhill was retained on October 5, 2010 to act as the special committee's financial advisor. Among the reasons for selecting Greenhill were Greenhill's strong reputation and experience with similar transactions, the fact that Greenhill's team of advisors demonstrated an extensive understanding of the insurance business and Wesco's other business segments, the fact that Greenhill had no current or prior representations of Berkshire or Wesco, and that Greenhill's proposed fees were within the range of financial advisor fees in precedent transactions and the fees proposed by the other firms interviewed by the special committee. The special committee also took note of the fact that no portion of Greenhill's fees was contingent upon the outcome of a transaction with Berkshire.

On October 5, 2010, Skadden Arps called Munger Tolles to discuss various legal aspects related to Berkshire's proposal, including whether the contemplated transaction should be subject to approval by a majority of Wesco shares owned by unaffiliated shareholders (not just a majority of such shares voting to approve the transaction as contemplated by Berkshire's proposal), whether such condition should be non-waivable, and whether the shares owned by Cascade Investment LLC, an investment firm controlled by William H. Gates III, should not be counted for such purpose given Mr. Gates' participation on the board of directors of Berkshire.

On October 6, 2010, Greenhill delivered its preliminary due diligence request list to Wesco.

On October 7, 2010, Skadden Arps contacted Munger Tolles to confirm that no significant regulatory approvals would be required in connection with Berkshire's proposed merger, including antitrust approvals and insurance-related regulatory approvals, given that Wesco is an indirect 80.1% owned subsidiary of Berkshire.

In the following three weeks, Greenhill had financial due diligence calls with management of Wesco and its operating subsidiaries and received due diligence materials in response to its due diligence requests, including, among other things, five-year projections for CORT Business Services Corporation (CORT) prepared by CORT management. CORT management normally does not prepare projections, with the exception of a rolling 12-month earnings forecast. The CORT projections delivered to Greenhill were prepared by CORT management without the involvement of Berkshire or Blue Chip employees who serve at Wesco. Greenhill also requested financial projections for Wesco's insurance business, including financial projections for Wesco Financial Insurance Company (Wes-FIC), and for Precision Steel Warehouse, Inc. (Precision Steel), Wesco's steel services business.

On October 11, 2010, the special committee held a telephonic meeting with its legal and financial advisors. At the meeting, Greenhill provided the special committee with an update on the progress of its financial due diligence. Greenhill also discussed strategic issues and next steps with respect to Greenhill commencing its financial analysis. The special committee then discussed the appropriateness of engaging an independent actuary to value Wesco's insurance reserves. At the special committee's request, Greenhill undertook to formulate a

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recommendation as to the need for an independent actuary after conducting further due diligence on Wesco's insurance business. Also at the meeting, Skadden Arps provided the special committee with a report on its conversation with Munger Tolles regarding regulatory matters.

On October 18, 2010, the special committee held a telephonic meeting with its legal and financial advisors to receive an update regarding the status of Greenhill's financial due diligence.

On October 20, 2010, Greenhill conducted an on-site due diligence meeting with CORT management in Fairfax, Virginia. At the meeting, Greenhill met with Paul Arnold, Chief Executive Officer of CORT, Debbie Lansford, Chief Financial Officer of CORT, Jeff Pederson, President of CORT, and Christopher M. Greco, Treasurer of Wesco, to discuss business and financial due diligence matters, including the future prospects for the business and the financial projections provided by CORT management.

On October 21 and 22, 2010, Greenhill and Skadden Arps conducted on-site due diligence meetings with Donald Wurster, President of National Indemnity Company, a Berkshire subsidiary that manages Wesco's insurance business, Dale Geistkemper, Treasurer and Controller of National Indemnity and other employees of National Indemnity, as well as Daniel Jaksich, Berkshire's Controller, Kerby Ham, Berkshire's Assistant Treasurer, and Mr. Greco. Greenhill also met separately with representatives from Deloitte & Touche LLP, Wesco's (and Berkshire's) independent registered public accounting firm.

During the meetings in Omaha, representatives of Greenhill reiterated their request for financial projections for Wes-FIC, noting that such projections would be necessary for Greenhill to conduct a discounted future cash flow analysis on Wesco's insurance business. Mr. Wurster responded that Wes-FIC does not prepare financial projections in the ordinary course and was reluctant to do so for the purpose of the contemplated transaction. Mr. Wurster noted his belief that any such projections would be highly speculative given the inherent uncertainty regarding premium revenue and underwriting loss outcomes which is the nature of the insurance business, and in particular regarding Wesco's insurance business after the expiration of the Swiss Re contract in 2012 through which Wes-FIC generates the substantial majority of its current net written premiums. Further, Mr. Wurster noted that, because Swiss Re competes with National Indemnity and affiliates of National Indemnity, National Indemnity evaluates only publicly available information published by Swiss Re to assess and monitor the profitability of the property-casualty business ceded to National Indemnity and does not have access to Swiss Re's internal estimates for future premiums and underwriting losses. Mr. Wurster also noted the volatility in premiums and underwriting loss information with respect to Wes-FIC's participation in several risk pools managed by a subsidiary of General Reinsurance Corporation, covering principally hull, liability and workers' compensation exposures, relating to the aviation industry. For these reasons, Mr. Wurster doubted the reliability of making financial projections for Wes-FIC.

On October 27, 2010, the special committee held a telephonic meeting with its legal and financial advisors to discuss the status of Greenhill's financial due diligence. Greenhill provided the special committee with a report on the meetings in Omaha, Nebraska and Fairfax, Virginia. Among other matters, Greenhill discussed the status of its request for financial projections for Wes-FIC and noted that, if such projections were not made available, Greenhill would be unable to conduct a discounted cash flow analysis on Wesco's insurance business or a multiples analysis on Wes-FIC's forward metrics. At the special committee's request, Greenhill undertook to consider alternative methodologies that Greenhill might be able to utilize to arrive at a valuation range for Wesco's insurance business, and to report back to the special committee on such matters.

Also at the meeting, Greenhill discussed its anticipated financial diligence regarding Berkshire's Class B shares. Specifically, Greenhill discussed that it planned to review Berkshire's public filings and analysts' reports and to discuss Berkshire's financial results and prospects with senior Berkshire officials at the appropriate time. In response to questions from the special committee, Greenhill noted that Berkshire had over 50 operating subsidiaries. Consequently, Greenhill stated that it would not be practical to request financial projections from Berkshire and to conduct detailed due diligence on each of Berkshire's subsidiaries.

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On October 28, 2010, Greenhill met with Jeffrey L. Jacobson, Vice President and Chief Financial Officer of Wesco, and Mr. Greco at Wesco's corporate headquarters in Pasadena, California to discuss, among other matters, Wesco's consolidated financial statements.

Also on October 28, 2010, representatives of Greenhill and Skadden Arps met with Mr. Denham, a member of Wesco's board and a partner of Munger Tolles, to discuss Greenhill's request for financial projections for Wes-FIC.

On November 1, 2010, the special committee held a telephonic meeting with its legal and financial advisors. At the meeting, Greenhill updated the special committee on the status of its financial due diligence and provided the special committee with a report on its meeting with Messrs. Jacobson and Greco and its meeting with Mr. Denham.

Later on November 1, 2010, Greenhill had telephone calls with representatives of Berkshire and Wesco with respect to additional financial due diligence questions and issues.

On November 8, 2010, the special committee held a telephonic meeting with its legal and financial advisors regarding the status of Greenhill's financial due diligence and analysis with respect to Wesco.

Later on November 8, 2010, representatives of Greenhill had a telephone call with CORT management to discuss additional financial due diligence questions and issues.

On November 10, 2010, the special committee met with its legal and financial advisors to discuss, among other matters, various structural considerations with respect to Berkshire's proposal and Greenhill's preliminary perspectives on Berkshire's Class B shares. At the meeting, Greenhill discussed the fact that Berkshire's proposal contemplates an offer price based on an estimate of book value determined reasonably contemporaneous with closing, and further discussed potential alternatives to such an approach, including the possibility of fixing the price for Wesco's shares at the time definitive documents are signed. Greenhill noted that such alternative is simpler and less subjective than the approach contemplated by Berkshire's proposal and has the benefit of shifting operating risk (including insurance underwriting risk and the potential for catastrophe losses) to Berkshire at the time a definitive merger agreement is entered into. To mitigate the risk of undervaluing Wesco's shares at closing, and at the special committee's request, Greenhill undertook to evaluate possible ways the offer price could be fixed at signing and later adjusted based solely on changes in the value of Wesco's significant investment securities between signing and closing. The special committee noted that it would be preferable for any such adjustment to be made prior to the special meeting to enable Wesco's unaffiliated shareholders to have more clarity around value and make a more informed decision with respect to approval of a transaction. Greenhill also discussed the structure of the stock consideration offered as part of the Berkshire proposal. Specifically, Greenhill discussed the fact that the Berkshire proposal contemplated a "fixed price" offer, meaning the number of Berkshire Class B shares to be issued per Wesco share would be determined by dividing the agreed to cash price per share by the VWAP of Berkshire Class B shares over a period ending shortly before the special meeting to determine the exchange ratio. Greenhill further discussed potential alternative stock consideration structures, including fixing an exchange ratio at signing and/or utilizing a collar on the price of Berkshire stock. Greenhill noted, however, that the option for Wesco shareholders to elect cash without proration mitigates the risk of fluctuations in the price of Berkshire Class B stock following signing.

Also at the meeting, Greenhill discussed its preliminary perspectives on Berkshire's Class B shares. Specifically, Greenhill gave an overview of Berkshire's businesses, including its investment portfolio, the historical price-to-reported and -tangible book values of Berkshire Class B shares and how those values compare to the S&P 500, and certain equity analysts' perspectives on Berkshire Class B shares. In addition, Greenhill reviewed the relative historical price performance of Berkshire Class B shares and Wesco shares, including the fact that the compound annual growth rate in book value of Berkshire's Class B shares was 12.7%, compared to 6.5% for Wesco, since 1996. Furthermore, Greenhill noted that, according to analysts' consensus estimates, the average annual growth rate in book value per share of Berkshire's Class B common stock between 2010 and

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2012 is expected to exceed Wesco's average annual growth rate in book value per share (including dividends) since 1996. Also at the meeting, Greenhill reiterated the impracticality of requesting financial projections and conducting detailed due diligence on each of Berkshire's over 50 operating subsidiaries. Greenhill explained that it would instead rely primarily on Berkshire's public filings, analyst reports, and, at the appropriate time, a discussion with senior Berkshire officials regarding Berkshire's financial results and prospects, in further formulating its evaluation of Berkshire's Class B shares.

Also at the meeting, the members of the special committee determined, after discussion with representatives of Skadden Arps and Greenhill, that it was in the best interest of the special committee and Wesco's unaffiliated shareholders to engage an independent expert to appraise the Company's real estate assets. The special committee authorized Skadden Arps to engage Cushman & Wakefield, Inc. (Cushman) to provide such an appraisal. Among other reasons for taking this action, the special committee noted that an appraisal of Wesco's real estate assets will provide additional support for Greenhill's valuation analyses, including support for the belief that the value of Wesco's office building in Pasadena, California could exceed its reported book value.

Finally, Greenhill reported that it had conducted further review of Wes-FIC's loss reserves, including the information available to Wes-FIC management in setting the amount of such loss reserves. Based on such review, Greenhill did not believe that engaging an actuary to evaluate Wes-FIC's loss reserves would be necessary. In reaching its recommendation, Greenhill noted that a substantial portion of Wes-FIC's loss reserves relate to the quota share arrangement with Swiss Re; that Wes-FIC relied almost entirely on Swiss Re's loss reserve amounts when setting its loss reserves; and, in any event, that Wes-FIC does not have access to the underlying data (for example, premium mix and detailed claims information) that an actuary would need to properly assess the appropriateness of Wes-FIC's loss reserve amount.

On November 12, 2010, Cushman was engaged to conduct appraisals of Wesco's real estate assets.

On November 15, 2010, the special committee held a telephonic meeting with its legal and financial advisors to further discuss the structural considerations related to Berkshire's proposal. Specifically, Greenhill discussed how to address changes in the market value of the Company's significant investment securities between the time of signing a definitive agreement and closing of the transaction, including the mechanics of such an adjustment, the securities that might be included in such adjustment, the timing of such adjustment relative to a shareholder vote, and possible mechanisms to protect unaffiliated shareholders from a significant decline in the capital markets between signing and closing. At the meeting, Greenhill expressed its preliminary view and recommendation that the adjustment be limited to the securities in Wesco's common equity portfolio, including the Goldman Sachs warrants. Greenhill suggested that the adjustment be made by measuring the change in after-tax gain or loss on such securities between signing and closing.

On November 16, 2010, Skadden Arps contacted Mr. Denham regarding Greenhill's request for financial projections for Wes-FIC. Later that day, Greenhill sent Mr. Denham a written request identifying the specific information Greenhill was requesting.

On November 17, 2010, Mr. Denham contacted Skadden Arps to report that financial projections for Wes-FIC would not be provided. Mr. Denham explained that Wes-FIC does not prepare financial projections in the ordinary course and would not do so solely for the purpose of the contemplated transaction. Mr. Denham further explained that the individuals who manage Wes-FIC's business believed that any such projections would be highly speculative and unreliable given that the Swiss Re contract, through which Wes-FIC generates the substantial majority of its net written premiums, was scheduled to expire in 2012. Mr. Denham reiterated that, since Berkshire is Swiss Re's competitor, Berkshire only evaluates publicly available information published by Swiss Re and does not have access to Swiss Re's internal estimates for future premiums and underwriting losses. For these reasons, among others, Mr. Denham explained that the individuals who manage Wes-FIC's business believed that projecting financial results for its insurance business, including the future prospects of Wes-FIC after the scheduled expiration of the Swiss Re contract in 2012, would be highly speculative and inherently unreliable.

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Later on November 17, 2010, Greenhill and Skadden Arps met with representatives of Cushman to discuss the appraisals of Wesco's real estate assets.

On November 22, 2010, the special committee held a telephonic meeting with its legal and financial advisors. At the meeting, Skadden Arps provided the special committee with a report on its conversation with Mr. Denham, including the reasons given by Mr. Denham that financial projections for Wes-FIC would not be provided. Greenhill confirmed that, without projections for Wes-FIC, Greenhill would not be able to conduct a discounted cash flow analysis on Wesco's insurance business nor would Greenhill be able to conduct a multiples analysis on Wes-FIC's forward metrics. However, Greenhill reported that it would be able to utilize other methodologies, such as market trading multiples applied to Wes-FIC's historic metrics and premiums paid analyses, to arrive at a valuation range for Wes-FIC.

On November 29, 2010, the special committee held a telephonic meeting with its legal and financial advisors to further discuss the structural considerations related to Berkshire's proposal. Specifically, Greenhill further discussed the possibility of fixing the per share price for Wesco common stock at the time definitive documents are signed, then adjusting the per share price at a time near the closing solely to reflect the change in after-tax gains or losses on Wesco's common equity portfolio, including the Goldman Sachs warrants, between signing and closing.

Also at the meeting, Greenhill reviewed alternative approaches to valuing the Goldman Sachs warrants, including Black-Scholes and intrinsic value. Greenhill explained the possible impact under each approach on the per share value that would be received by Wesco's shareholders at closing based on hypothetical changes in the price of Goldman Sachs' stock. The special committee noted that, while the Black-Scholes pricing model may be a more precise approach for pricing options, it is complicated and the inputs and assumptions that it requires are subjective. Greenhill further noted that the intrinsic value approach is objective, as well as simple, and therefore much easier to calculate and explain to Wesco's shareholders. Greenhill also discussed additional structural mechanisms that could be used to provide price protection for Wesco's minority shareholders, including calculating the adjustment for after-tax gains or losses on Wesco's common equity portfolio based on an average VWAP over a period ending shortly before the special meeting.

Also at the meeting, Greenhill further reviewed the structure of the stock consideration offered in the Berkshire proposal. After discussion, the special committee determined that a fixed price structure provides Wesco's unaffiliated shareholders who elect to receive Berkshire Class B common stock more certainty that they will receive appropriate value for their Wesco shares. The special committee also decided not to seek a price collar on the value of Berkshire's Class B shares because, among other reasons, the option to take cash without proration mitigates the risk of fluctuations in the price of Berkshire Class B stock following signing.

Finally, Greenhill updated the special committee regarding the status of Greenhill's financial evaluation of the Company's insurance business, including the methodologies that Greenhill anticipated using given the absence of financial projections for Wes-FIC. Among other things, Greenhill noted that it would analyze historic price-to-book multiples for Wesco and a select group of reinsurance companies and conduct a premiums paid analysis based on, among other relevant precedent transactions, insurance minority buy-out transactions since 2000 globally.

On December 7, 2010, Greenhill had a telephone call with Mr. Wurster to discuss additional financial due diligence questions and issues with respect to Wesco's insurance business.

Later on December 7, 2010, the special committee held a telephonic meeting with its legal and financial advisors to discuss the status of Greenhill's preliminary financial analysis.

On December 10, 2010, Cushman delivered to the special committee its appraisals of Wesco's real estate assets. After receipt of the appraisals, Greenhill had a call with Cushman to discuss the appraisals and the assumptions that Cushman made in order to perform the appraisals.

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Also on December 10, 2010, Greenhill contacted Mr. Munger to ask him various questions, including questions with respect to: the future prospects for Wesco if Berkshire's proposal were to be rejected; the succession plans for the management of Wesco; the process by which Berkshire allocates business and investment opportunities to Wesco and the likelihood that significant reinsurance business will be allocated to Wesco in the future, particularly after expiration of the Swiss Re contract in 2012; and Mr. Munger's views on Wesco's investment portfolio. During the call, Mr. Munger stated that Wesco did not have a formal management succession plan. Mr. Munger further stated that it was his view that the Swiss Re contract was unlikely to be renewed when it expires in 2012. He also indicated that, given the amount of surplus capital at Berkshire, it was uncertain that Berkshire would need to allocate any significant reinsurance business to Wesco in the foreseeable future, including after expiration of the Swiss Re contract in 2012. Mr. Munger also stated that he believed there were advantages to both Berkshire and Wesco in maintaining Wes-FIC as a Nebraska chartered and Nebraska managed insurance company. Mr. Munger did not provide any further guidance to Greenhill regarding Wesco's future prospects were it to remain an 80.1%-owned subsidiary of Berkshire. Mr. Munger also shared his views on Wesco's investment portfolio.

On December 16, 2010, the special committee met with its legal and financial advisors to discuss, among other matters, Greenhill's preliminary views on valuation. At the meeting, Greenhill reviewed the preliminary valuation materials that were distributed to the special committee prior to the meeting and described in detail the three methodologies Greenhill used to arrive at its preliminary valuation for Wesco—sum-of-the-parts, market trading history and premiums paid analysis—and its preliminary valuation ranges under each methodology. In addition, Greenhill reviewed how each of these preliminary valuation ranges compare to Berkshire's offer of one times book value, both as of September 30, 2010, and as of an illustrative signing date of December 9, 2010, which includes the change in after-tax gain or loss on Wesco's equity portfolio between September 30, 2010 and December 9, 2010, plus an estimate of Wesco's net income (less estimated shareholder dividends) for the period from September 30, 2010 to the expected closing date. Greenhill noted that, as of December 9, 2010, the Berkshire offer compared favorably to Greenhill's preliminary valuation ranges for sum-of-the-parts and market trading history, and was near the mid-point of Greenhill's preliminary valuation range for premiums paid analysis. See "Opinion of Financial Advisor to Special Committee" beginning on page 38.

Also at the meeting, Greenhill discussed some sources of value attributable to Wesco that, if recognized by Berkshire, might form the basis for an increase in the offer price per Wesco share to an amount in excess of reported book value. Specifically, Greenhill noted the following: (i) that Wesco carries a significant deferred tax liability attributable to unrealized gains on its investments and that Berkshire's proposal may value these assets at less than economic value because it deducts at face value tax liabilities that may not be paid for a long time; (ii) that loss and unearned premium reserves and premium receivables are carried on an undiscounted basis, and that discounting these amounts could result in additional value; and (iii) that the fair value of Wesco's office building in Pasadena, based on Cushman's appraisal, is greater than its book value. At the special committee's request, Greenhill undertook to prepare additional materials for the special committee regarding the deferred tax liability, including an allocation of the deferred tax liability to each investment in Wesco's common equity portfolio and the illustrative range of per share values between reported book value and present value given various assumptions regarding holding periods and discount rates.

Finally, Greenhill provided the special committee with a report on its conversation with Mr. Munger. After hearing the report, the special committee engaged in a lengthy discussion regarding the future prospects of Wesco were it to continue as an 80.1%-owned subsidiary of Berkshire and noted, in particular, the risks and uncertainties related to the reinsurance business, particularly after expiration of the Swiss Re contract in 2012, and the lack of a formal management succession plan at Wesco.

On December 20, 2010, the special committee held a telephonic meeting with its legal and financial advisors to receive an update regarding certain legal matters.

On December 27, 2010, the special committee held a telephonic meeting with its legal and financial advisors. At the meeting, Greenhill reviewed the deferred tax liability materials that were distributed to the special committee.

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prior to the meeting. Specifically, Greenhill reviewed the deferred tax liability associated with each investment in Wesco's common equity portfolio. Based on a range of estimated holding periods and discount rates, Greenhill discussed the illustrative range of potential additional value in excess of reported book value attributable to each such security if the deferred tax liability were to be discounted to its present value. Greenhill made particular note of the fact that Coca-Cola, Wesco's largest equity holding, is the most significant contributor of such potential additional value because it accounts for more than half of Wesco's total deferred tax liability.

On January 5, 2011, the special committee held a telephonic meeting with its legal and financial advisors. At the meeting, Greenhill reviewed in detail with the special committee the structural considerations related to Berkshire's proposal that were discussed at the November 10, 2010, November 15, 2010 and November 29, 2010 meetings of the special committee. Greenhill also reviewed in detail with the special committee Greenhill's preliminary perspectives on valuation that were discussed at the December 16, 2010 and December 27, 2010 meetings of the special committee. Following such review, the special committee engaged in a lengthy discussion of the issues presented and potential responses to Berkshire's proposal and decided to respond to Berkshire by proposing that the offer price per Wesco share be fixed at the signing of the proposed transaction; that such offer price be subject to an adjustment solely to reflect the change in the after-tax gains or losses on Wesco's common equity portfolio (including the Goldman Sachs warrants) between signing and closing; that the cash or stock election be made two days prior to the special meeting; and that the number of Berkshire Class B shares issued for each Wesco share and the portfolio adjustment be determined by a 20-day VWAP ending three days prior to the special meeting, using Bloomberg VWAP quotations. The special committee further decided that its response to Berkshire should specify that the offer price per Wesco share should be based on a roll forward of September 30, 2010 reported book value to the anticipated closing date and should reflect the change in after-tax gains or losses on Wesco's common equity portfolio through the date of signing a definitive merger agreement, plus an estimate of Wesco's net income (less estimated shareholder dividends) for the period from September 30, 2010 to the expected closing date. In addition, the special committee decided to propose to Berkshire that the offer price per Wesco share reflect additional value attributable to discounting of Wesco's deferred tax liability and loss and unearned premium reserves and premium receivables and the difference between the fair value of Wesco's office building in Pasadena and its book value. Finally, the special committee decided that its response to Berkshire should clarify that the special committee's approval of any transaction would be subject to: (i) a condition that such transaction be approved by a majority of Wesco's shares not owned by Berkshire or Cascade Investment LLC, which condition would be non-waivable; (ii) an agreement by Berkshire to vote the Wesco shares it controls in favor of the merger; (iii) approval by the special committee of the terms of a definitive merger agreement; (iv) satisfactory completion of due diligence with respect to Berkshire (which would require a conversation between Greenhill and senior Berkshire officials); and (v) receipt and acceptance by the special committee of a fairness opinion from Greenhill. The special committee authorized Greenhill to contact Mr. Munger to inform him of the special committee's response to Berkshire's proposal.

On January 18, 2011, Greenhill met with Mr. Munger to inform him of the special committee's response to Berkshire's proposal. During the meeting, Mr. Munger stated that the special committee's suggestions with respect to transaction structure, including fixing a price per Wesco share at signing with a portfolio adjustment a few days prior to the special meeting, were, for the most part, reasonable, but that he doubted that Berkshire would be prepared to acquire the outstanding shares of Wesco for a price in excess of estimated GAAP book value at closing. Mr. Munger further expressed skepticism about the future prospects of the Company's insurance business and the future performance and value of CORT. Mr. Munger also expressed his view that for a long-term investor, exchanging Wesco shares for Berkshire shares on the merger terms offered would be a very sound idea.

On January 19, 2011, the special committee held a telephonic meeting with its legal and financial advisors. At the meeting, Greenhill provided the special committee with a report on its meeting with Mr. Munger, including the reasons given by Mr. Munger that, in Mr. Munger's views, Berkshire was unlikely to pay more than estimated GAAP book value at closing for Wesco shares. After discussion, the special committee decided to send a letter to Mr. Buffett with its response to Berkshire's proposal, including its request that Berkshire recognize sources of potential additional value identified by the special committee.

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On January 20, 2011, Ms. Carlburg sent the following letter to Mr. Buffett on behalf of the special committee:

January 20, 2011

Mr. Warren E. Buffett

Chairman and Chief Executive Officer

Berkshire Hathaway Inc.

3555 Farnam Street, Suite 1440

Omaha, Nebraska 68131

Dear Warren:

This is in response to your letter dated September 1, 2010, in which you presented a proposal to Wesco Financial Corporation (Wesco) for a transaction in which Berkshire Hathaway Inc. (Berkshire) would acquire all of the outstanding shares of Wesco that it does not already own.

As you know, Wesco's board formed a Special Committee to review your proposal. The Special Committee, with the assistance of its financial advisor (Greenhill & Co.) and legal counsel (Skadden Arps), has evaluated and engaged in a thorough consideration of your proposal, including conducting extensive due diligence of Wesco's operations. Representatives from Greenhill had the opportunity to meet with Charlie Munger on January 18, 2011 to preview our response. We understand from the Greenhill team that the meeting was open and constructive.

Our response presents an acceptable structure and value by which the Committee would be in a position to recommend a transaction, consistent with the requirements of your proposal.

Structure. As Greenhill discussed with Charlie, we propose that the parties agree on a fixed price per Wesco share at signing, which we refer to as the Wesco Signing Price, and further propose that the Wesco Signing Price be adjusted a few days prior to the shareholders' meeting solely to reflect the increase or decrease in the after-tax unrealized gains on Wesco's equity portfolio between signing and closing. We refer to this adjustment as the Portfolio True-Up. We believe this approach is simpler and less subjective than Berkshire's proposal of determining book value reasonably contemporaneous with closing, and would enable Wesco's unaffiliated shareholders to make a more informed decision with respect to approval of the transaction. Greenhill also proposed to Charlie that the cash or stock election be made 2 days prior to closing, as in the BNSF transaction, and that the number of Berkshire Class B shares issued for each Wesco share and the Portfolio True-Up be determined by a 20-day VWAP ending 3 days prior to closing, using Bloomberg VWAP.

In addition, we are advised that our recommendation of a transaction to the Wesco board would be subject to: (i) the approval of the transaction by a majority of Wesco's outstanding shares not owned by Berkshire or Cascade Investment (which, because of Bill Gates' participation on the board of directors of Berkshire, might be deemed an affiliate of Berkshire); (ii) an agreement by Berkshire to vote the Wesco shares it controls in favor of the merger; (iii) our approval of the terms of a definitive merger agreement; (iv) satisfactory completion of due diligence with respect to Berkshire (which would require a conversation between representatives from Greenhill and you); and (v) our receipt and acceptance of a fairness opinion from Greenhill.

Value. As Greenhill further discussed with Charlie, we propose that the Wesco Signing Price, prior to the Portfolio True-Up, be based on a roll forward of September 30, 2010 reported book value, which is consistent with your proposal. Under our proposal, the Wesco Signing Price would reflect the change in after-tax unrealized gains on Wesco's equity portfolio through the date of signing a definitive merger agreement, plus an estimate of Wesco's net income (less shareholder dividends) for the period from September 30, 2010 to the expected closing date.

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In addition, the Wesco Signing Price should reflect the following items that we believe understate Wesco's reported book value:

Wesco carries approximately \$300 million in deferred tax liabilities attributable to unrealized gains on its investments. We believe that the present value of these liabilities translates into additional value of up to \$17 per share, depending on assumed holding periods and discount rates. In our view, the current offer values these assets at less than economic value because it deducts at face value tax liabilities that may not be paid for a long time.

Loss and unearned premium reserves and premium receivables are carried on an undiscounted basis; appropriately discounting these amounts would result in \$7 per share of additional value. Greenhill has reviewed our calculations in detail with management at National Indemnity Company who indicated that Greenhill's calculations are reasonable.

The difference between the fair value of Wesco's office building in Pasadena, based on an independent third-party appraisal, and its book value is \$3 per share.

We recognize that any offer will need to take into account the goodwill at CORT.

In the meeting with Greenhill, Charlie was doubtful that Berkshire would be prepared to acquire the outstanding shares of Wesco for a price in excess of the estimated reported book value at closing. Charlie's view is that Wesco shareholders would have a unique and attractive opportunity to receive Berkshire Class B shares due to the underlying value of Berkshire's businesses. However, the Special Committee believes that the sources of value attributable to Wesco outlined in this letter should be recognized as well. We would welcome the opportunity for our advisors to discuss our response with you in person, and are hopeful we can reach agreement on terms acceptable to both Wesco and Berkshire.

Sincerely,

/s/ Carolyn H. Carlburg
On Behalf of the Wesco

Special Committee

On January 21, 2011, Mr. Buffett sent the following letter to Ms. Carlburg in response to the special committee's letter dated January 20, 2011:

January 21, 2011

Via Email

Ms. Carolyn H. Carlburg

Wesco Special Committee

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Dear Ms. Carlburg:

Thanks for your letter of January 20.

I would make one suggestion in respect to the structure section. I don't have a problem with Cascade not voting but it seems to me that a majority of the other minority shareholders voting at the meeting should decide the issue. Otherwise someone not voting is being treated as a no vote when that might not be their intention at all. If absent votes are treated as no votes, the will of the majority of non-Berkshire shareholders could easily be thwarted. Indifference is indifference, not negativity.

We would be unable to make the adjustments you describe in the value section. The GAAP book value represents the maximum amount that Berkshire will pay for the minority shares. Even at that price we regard the transaction as disadvantageous to Berkshire if a substantial number of Wesco shareholders elect to take Berkshire stock. That's because I believe the prospects for Berkshire shares over the next ten years to be considerably better than the prospects for Wesco shares considering the economic prospects of the businesses each of the companies own.

Of course, I may be wrong in my assessment of the prospects for Berkshire, Wesco or both. But since I feel that the shareholders of Berkshire will be economically disadvantaged by the shareholders of Wesco who take Berkshire shares, I'm unable to change the terms of our offer.

If our offer is unacceptable, I would suggest that all work in respect to our proposal should be terminated immediately so as to avoid incurring any further expenses.

Thank you for your consideration of our offer.

Sincerely,

/s/ Warren E. Buffett

Later on January 21, 2011, the special committee held a telephonic meeting with its legal and financial advisors to discuss Mr. Buffett's letter. At the meeting, the special committee asked representatives of Greenhill and Skadden Arps numerous questions regarding, among other things, whether Greenhill could deliver a fairness opinion to the special committee at the price being offered by Berkshire (i.e. estimated GAAP book value) and what additional factors the special committee should consider in reaching its determinations and recommendations with respect to a potential transaction. Greenhill confirmed that, based on its preliminary valuation work in December 2010, Greenhill believed it would be able to deliver a fairness opinion to the special committee at the current offer price, and undertook to refresh its valuation analysis and report back to the special committee regarding such matters. In evaluating Berkshire's proposal, members of the special committee discussed that they should consider how the price being offered by Berkshire compares to the value of continuing as an 80.1%-owned subsidiary of Berkshire. The special committee noted that, in making such determination, the special committee should consider, among other factors, the future prospects of Wesco, including the risks and uncertainties associated with (i) Wesco's insurance business, particularly after expiration of the Swiss Re contract in 2012, (ii) the allocation by Berkshire of future business opportunities to Wesco, (iii) the future performance and value of Wesco's other operating subsidiaries, particularly CORT, and (iv) the lack of a formal management succession plan at Wesco. The special committee also discussed the risks that the offer could be withdrawn and, if that were to occur, whether Wesco would be able to deliver equivalent or superior value to the minority shareholders. In discussing the prospects of obtaining a more favorable price, the special committee took note of the fact that Mr. Buffett's position with respect to price, as expressed in his letter, is consistent with Berkshire's initial proposal in which Mr. Buffett stated that Berkshire has no interest in effecting a transaction at a higher price and Mr. Munger's expression of doubt during the meeting with Greenhill on January 18, 2011 that Berkshire would be prepared to acquire the minority shares for a price in excess of estimated GAAP book value at closing.

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Also at the meeting, the special committee considered the majority of the minority condition and noted the importance of that provision for the unaffiliated shareholders. The special committee emphasized its belief that such condition should be non-waivable. The special committee suggested that Skadden Arps contact Munger Tolles to discuss the majority of the minority condition and coordinate meetings among Greenhill representatives and senior Berkshire officials to discuss, among other things, (i) the special committee's proposals with respect to transaction structure and the determination of signing date book value that were not specifically addressed in Mr. Buffett's letter and (ii) due diligence matters with respect to Berkshire. In addition, the special committee instructed Skadden Arps to request a draft merger agreement from Munger Tolles.

On January 22, 2011, representatives of Skadden Arps called representatives of Munger Tolles to inform them that the special committee had received Mr. Buffett's letter. Skadden Arps said that the special committee was considering its response, but understood Mr. Buffett's position on book value. During the call, Skadden Arps and Munger Tolles agreed that representatives of Greenhill and Berkshire should discuss a number of issues that remained to be addressed, including the determination of signing date book value and the mechanics to adjust the merger consideration at closing. In addition, Skadden Arps requested that Greenhill be given access to senior Berkshire officials to conduct further due diligence with respect to Berkshire, which Munger Tolles agreed to arrange. Skadden Arps also discussed the majority of the minority condition with Munger Tolles and stressed the special committee's view that such condition should apply with respect to all Wesco shares held by unaffiliated shareholders (not just such shares that vote at the special meeting), and that such condition should be non-waivable. Finally, Skadden Arps requested that Munger Tolles provide the special committee with a draft merger agreement for review. That same day, Munger Tolles updated Mr. Buffett on its call with Skadden Arps, and Mr. Buffett then authorized Munger Tolles to begin preparation of a draft merger agreement and said that Berkshire would provide the additional due diligence sought by Greenhill.

On January 27, 2011, Greenhill and Messrs. Jacobson and Greco had a call with Marc D. Hamburg, Senior Vice President and Chief Financial Officer of Berkshire, to discuss the special committee's proposals with respect to transaction structure and value. During the call, Mr. Hamburg confirmed that the special committee's proposal that the offer price per Wesco share be fixed at signing and that such price be adjusted shortly before closing to reflect an agreed upon estimate of net income and the change in the after-tax gains or losses on Wesco's common equity portfolio between signing and closing was acceptable to Berkshire. The parties discussed whether to base the fixed price at signing on December 31, 2010 book value or an estimate of January 31, 2011 book value, and Mr. Hamburg agreed to further discuss the matter with Mr. Buffett and revert back to Greenhill. Mr. Hamburg expressed Berkshire's position that the estimate of net income between signing and closing be based on an average of monthly net operating income per share for the twelve months ended December 31, 2010, and undertook to send Greenhill Berkshire's calculations of such amounts. Mr. Hamburg further expressed Berkshire's position that the adjusted price take into account Wesco's transaction expenses. In response to questions from Greenhill, Mr. Hamburg agreed that such expenses would be allocated ratably to Berkshire and Wesco's unaffiliated stockholders based on percentage ownership of Wesco. Finally, Mr. Hamburg confirmed that the special committee's proposal that the number of Berkshire Class B shares issued for each Wesco share and the portfolio adjustment be determined by a 20-day VWAP using Bloomberg VWAP quotations was acceptable to Berkshire. Mr. Hamburg also agreed to use the intrinsic value approach, as opposed to Black-Scholes, to value the Goldman Sachs warrants for purposes of the portfolio adjustment.

Later on January 27, 2011, Greenhill had a follow up call with Mr. Hamburg to further discuss transaction structure and value. During the call, Mr. Hamburg agreed to base the fixed price at signing on an estimate of January 31, 2011 book value and confirmed all other proposed structural components.

On January 28, 2011, Mr. Hamburg provided Greenhill with Berkshire's preliminary calculations of Wesco's book value per share as of December 31, 2010 and average monthly net operating income per share for the twelve months ended December 31, 2010.

On January 30, 2011, Skadden Arps received a draft of the merger agreement from Munger Tolles.

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On January 31, 2011, the special committee held a telephonic meeting with its legal and financial advisors. At the meeting, Greenhill provided the special committee with a report on its conversations with Mr. Hamburg, and informed the special committee that it had scheduled a further call with Mr. Hamburg for February 1, 2011 to complete its financial due diligence with respect to Berkshire. Also at the meeting, Skadden Arps provided the special committee with a report on its call with Munger Tolles, and reported that it had received a draft of a merger agreement from Munger Tolles, which it was in the process of reviewing.

Between February 1 and 3, 2011, representatives of Greenhill and Skadden Arps, with the assistance of Wesco management, negotiated and resolved the terms of the merger agreement with representatives of Munger Tolles and Berkshire, including the estimated monthly net income for purposes of the merger consideration formula, which the parties agreed would be \$.98691 per share, and provisions that provided Wesco flexibility to continue to declare and pay ordinary course quarterly dividends during the pendency of the merger, with a price adjustment for any such dividends that have a record date prior to the closing of the merger.

On February 1, 2011, Greenhill had a due diligence call with Mr. Hamburg to discuss, among other things: Berkshire's current business and investment strategies; its succession plans and any impact such succession plans would have on Berkshire's business and investment strategies; its latest quarterly performance; its perspectives on the overall insurance market; and its expectations and outlook for the performance of Berkshire's investment portfolio. Also during the call, Greenhill asked Mr. Hamburg whether Berkshire would be willing to sell its Wesco shares to a third party. Mr. Hamburg responded that Berkshire would be unwilling to do so.

On February 3, 2011, the special committee met with its legal and financial advisors. At the meeting, Greenhill reviewed with the special committee the financial terms of the proposed transaction with Berkshire, including the formula in the merger agreement for calculating the per share merger consideration to be received by Wesco's shareholders other than Berkshire and its affiliates. Based on that formula and assuming a closing date of April 30, 2011, Greenhill reported that it assumed, for purposes of its fairness analysis, that the merger consideration would have a value of \$390.87 per share, which represents: (i) January 31, 2011 estimated per share shareholders' equity of \$386.55 (estimated for purposes of the merger agreement); plus (ii) estimated earnings per share of \$.99 per month from February 1, 2011 through April 30, 2011; plus (iii) the change in after-tax unrealized gains of \$1.56 per share on Wesco's common equity portfolio (including the Goldman Sachs warrants) between January 31, 2011 and February 2, 2011; and less (iv) remaining estimated after-tax transaction expenses of \$.21 per share (which assumed total pre-tax transaction expenses of \$6.5 million, less the \$4.2 million expensed and accrued or paid by Wesco as of December 31, 2010). Greenhill also reported that it had assumed that there will be no further change in the after-tax unrealized gains on Wesco's common equity portfolio (including the Goldman Sachs warrants) between February 2, 2011 and the determination date and also assumed that Wesco will not declare any dividends with a record date from February 4, 2011 through the closing of the merger. According to Greenhill, the \$390.87 price reflected a premium of 20.4% to Wesco's stock price of \$324.75 on August 25, 2010, one day prior to the public announcement of Berkshire's proposal, and was 1.07 times Wesco's September 30, 2010 reported book value per share.

Also at the meeting, Greenhill presented its perspectives on Wesco's prospects were it to continue as an indirect 80.1%-owned subsidiary of Berkshire, including the risks and uncertainties associated with: Wesco's insurance business, particularly after the expiration of the Swiss Re contract in 2012; its non-insurance businesses, particularly CORT; and Wesco's long-term management succession plan. Greenhill then reviewed a valuation summary with respect to Wesco and discussed with the special committee considerations with respect to Berkshire's Class B common stock. In particular, Greenhill noted that its estimate of per share merger consideration of \$390.87 exceeds the high end of the valuation range for its market trading history and sum-of-the-parts analyses, and is near the mid-point of the valuation range for its premiums paid analysis.

Finally, Skadden Arps presented the special committee with an overview of the terms of the merger agreement. Among other provisions, Skadden Arps noted the merger agreement contained (i) a non-waivable majority of the minority provision requiring that the transaction be approved by a majority of Wesco's shares, excluding those

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owned by Berkshire, its affiliates and certain other specified parties, (ii) an agreement by Berkshire to vote its Wesco shares in favor of the merger and not to terminate the existence of the special committee or materially change the special committee's duties or authority or its current membership prior to the earlier of the closing or the termination of the merger agreement, and (iii) a provision that would allow Wesco's board of directors to modify or withdraw its recommendation with respect to the transaction under certain circumstances.

On February 4, 2011, the special committee met with its legal and financial advisors to consider the final terms of the merger agreement and its recommendation of the transaction to the full board of directors. Greenhill reported that its estimate of per share merger consideration had changed slightly from \$390.87, the estimate reviewed with the special committee on February 3, 2011, to \$390.54, to reflect the impact of one additional trading day on Wesco's common equity portfolio (including the Goldman Sachs warrants). See "Opinion of Financial Advisor to Special Committee" beginning on page 38. Greenhill then reviewed with the special committee its financial analysis of the proposed transaction and delivered its opinion to the special committee to the effect that, based on and subject to the limitations and assumptions set forth in the opinion, as of the date of the opinion, the estimated merger consideration of \$390.54 per share to be received by Wesco's shareholders other than Berkshire and its affiliates pursuant to the merger agreement was fair, from a financial point of view, to such shareholders. After considering, among other things, the factors discussed below under "Special Factors Recommendation of the Special Committee and Wesco Board of Directors; Purpose and Reasons for the Merger; Fairness of the Merger" and the financial analysis and opinion of Greenhill, the special committee determined that the merger is fair to and in the best interests of Wesco and its shareholders other than Berkshire and any of its affiliates and unanimously approved resolutions recommending that the Wesco board of directors approve and declare advisable the merger agreement and the merger.

Following the conclusion of the special committee meeting, the full board of directors convened to consider the special committee's recommendation and Ms. Carlburg discussed with the board of directors the various factors which led to the recommendation. Representatives of Greenhill then reviewed with the board of directors its financial analysis of the proposed transaction, and Greenhill then delivered its opinion to the Wesco Board to the effect that, based on and subject to the limitations and assumptions set forth in the opinion, as of the date of the opinion, the estimated merger consideration of \$390.54 per share to be received by Wesco's shareholders other than Berkshire and its affiliates pursuant to the merger agreement was fair, from a financial point of view, to such shareholders. Skadden then described in detail the material terms of the merger agreement to the board of directors. Skadden directed the board of directors' particular attention to material terms and conditions, including, but not limited to, the closing conditions and the termination provisions. After considering, among other things, the factors described below under "Recommendation of the Special Committee and Wesco Board of Directors; Purpose and Reasons for the Merger; Fairness of the Merger," the financial analysis and opinion of Greenhill, the terms of the merger agreement and the recommendation of the special committee, the members of the board of directors unanimously determined that the merger was advisable, fair to and in the best interests of Wesco's shareholders other than Berkshire and any of its affiliates and unanimously approved resolutions approving the merger and recommending that Wesco's shareholders vote to adopt the merger agreement.

Later on February 4, 2011, Wesco and Berkshire executed the merger agreement.

On the morning of February 7, 2011, prior to the commencement of trading on the NYSE and the NYSE Amex, Wesco and Berkshire issued a joint press release announcing the transaction and their execution of a definitive merger agreement.

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Recommendation of the Special Committee and Wesco Board of Directors; Purpose and Reasons for the Merger; Fairness of the Merger

Both the special committee and the Wesco Board believe that the merger and the merger agreement are fair to Wesco's unaffiliated shareholders based on their consideration of the factors relating to procedural and substantive fairness described below. Wesco's purpose and reasons for undertaking the merger at this time are to enable Wesco's unaffiliated shareholders to realize the value of their investment in Wesco in cash, while also providing them with the opportunity to defer recognition of taxable gain in the merger by electing to receive shares of Berkshire Class B common stock and thus to participate in the future earnings and profitability of Berkshire.

The Special Committee

The special committee, acting with the advice and assistance of its legal and financial advisors, evaluated the proposed merger, including the terms and conditions of the merger agreement. At a meeting on February 4, 2011, the special committee unanimously:

determined that the merger agreement and the transactions contemplated thereby, including the merger, are fair to and in the best interests of Wesco and its unaffiliated shareholders; and

recommended to the Wesco Board that it approve and declare advisable the merger agreement and the transactions contemplated thereby, including the merger, upon the terms and conditions contained therein.

In the course of reaching its determination and recommendations, the special committee considered the following factors as being generally positive or favorable, each of which the special committee believed supported its determination and recommendations:

the current and historical market prices of Wesco's common stock, including the fact that the estimated merger consideration of \$390.54 per share (calculated as of February 3, 2011) represents a premium of (i) approximately 20.3% over the closing price of \$324.75 on August 25, 2010, the last trading day prior to the public announcement of Berkshire's proposal, and (ii) approximately 13.0% over Wesco's volume weighted average price of \$345.57 over the twelve month period ended August 25, 2010; and

the opinion, dated February 4, 2011, of Greenhill to the special committee and the Wesco Board to the effect that, based on and subject to the limitations and assumptions set forth in the opinion, as of the date of the opinion, the merger consideration to be received by Wesco's shareholders other than Berkshire and its affiliates pursuant to the merger agreement was fair, from a financial point of view, to such holders, as more fully described in *Opinion of Financial Advisor to Special Committee* beginning on page 38; and

the fact that Wesco's unaffiliated shareholders have the option to receive cash or Berkshire Class B shares in whatever proportions such shareholders choose, including the fact that:

because there is no proration or reallocation mechanism, each shareholder is guaranteed to receive the form of consideration elected by such shareholder;

shareholders that elect to receive Berkshire Class B shares will have the opportunity to defer recognition of taxable gain in the merger, participate in the future growth and profitability of Berkshire, including through opportunities available to Berkshire that might not be available to Wesco, and hold a more liquid stock with a larger public float; in considering the potential for future growth and profitability of Berkshire, the special committee recognized that growth in book value per share of Berkshire Class B common stock has been nearly double that of Wesco common stock, on an historic basis, and that, according to analysts' consensus estimates, the average annual growth rate in book value per share of Berkshire Class B

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common stock between 2010 and 2012 is expected to be 7.3%, which is greater than the average annual growth rate in book value per share of Wesco common stock (including dividends) since 1996; and

shareholders that elect to receive cash will have immediate liquidity and receive certain value for their Wesco shares; in addition, the special committee recognized that the option to take cash without proration provides price protection between signing and closing; and

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the special committee's consideration that the value of continuing as an 80.1%-owned subsidiary of Berkshire may not be as valuable as the merger consideration being offered because of the potential risks and uncertainties associated with the future prospects of Wesco, including, without limitation:

the risks and uncertainties associated with Wesco's insurance business, including (i) the belief that the Swiss Re contract, through which Wesco generates the substantial majority of its net written premiums, is unlikely to be renewed when it expires in 2012; (ii) that it is uncertain how much insurance business Berkshire will allocate to Wesco in the future given that Berkshire expects to have more than sufficient capital to absorb its business opportunities without Wesco; and (iii) that insurance analysts predict that the soft cycle in the insurance industry will continue in the foreseeable future and that excess supply of capital will keep future premium rates low;

the risks and uncertainties associated with Wesco's non-insurance businesses, particularly CORT, which has had disappointing earnings for most of the years it has been owned by Wesco and whose future prospects are likely to be negatively impacted by intense competition from Chinese manufacturers and online furniture retailers; and

the risks and uncertainties regarding Wesco's management succession plan. For example, the special committee considered that Wesco's investment decisions and all other capital allocation decisions are made by Mr. Munger, Chairman of the Board of Directors, President and CEO of Wesco, and Vice Chairman of the Board of Directors of Berkshire, age 87, in consultation with Mr. Buffett, Chairman of the Board of Directors and CEO of Berkshire, age 80, and further considered the fact that, although Berkshire's public disclosures state that there is a succession plan in place at Berkshire for Mr. Buffett, there is no formal succession plan in place at Wesco if for any reason the services of those key personnel were to become unavailable to Wesco; and

the belief by the special committee that, given their knowledge of the negotiation style of Mr. Buffett and Mr. Buffett's expressed views about Wesco's value, the per share merger consideration being offered to Wesco's unaffiliated shareholders pursuant to the merger agreement was the most favorable price that could be obtained and that further negotiation ran the risk that Berkshire might abandon the transaction and that Wesco shareholders would lose the opportunity to accept the premium being offered; and

the improvements to the structure of Berkshire's proposal, including the negotiation of a fixed estimate of shareholders' equity as of January 31, 2011, subject to certain adjustments (to be announced one day prior to the special meeting) for estimated earnings and changes in the after tax value of Wesco's investment portfolio between signing and closing, which the special committee believes is simpler and less subjective than Berkshire's proposal of computing the per share offer price reasonably contemporaneous with closing, provides more clarity around value, shifts the operating risks of Wesco's businesses (including insurance underwriting risk) to Berkshire at the time a definitive merger agreement is entered into, and enables Wesco's unaffiliated shareholders to make a more informed voting decision with respect to approval of the merger; and

the belief that no alternative bidder would be able to consummate an acquisition of Wesco given Berkshire's position that it is unwilling to sell its Wesco shares, which position was articulated in Mr. Buffett's original proposal letter and confirmed by representatives of Berkshire in subsequent conversations; and

the terms of the merger agreement, including:

the requirement that the merger agreement must be adopted by the holders of a majority of the outstanding common stock of Wesco, other than shares held by Berkshire, its affiliate and other specified shareholders, a condition that is non-waivable; and

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the inclusion of provisions that permit the Wesco Board, under specified circumstances, to modify or withdraw its recommendation with respect to the merger agreement and the merger; and

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Berkshire's agreement to vote its shares in favor of the adoption of the merger agreement at the shareholders meeting to approve the merger, and Berkshire's further agreement not to authorize its designees on Wesco's board to terminate the existence of the special committee or materially change the special committee's duties or authority or current membership prior to the earlier of the closing of the merger and the termination of the merger agreement; and

the other terms and conditions of the merger agreement, described under "The Merger Agreement" beginning on page 81 of this proxy statement/prospectus, which the special committee, after consulting with its legal counsel, considered to be reasonable and consistent with precedents they deemed relevant; and

the likelihood that the merger would be completed and completed in a reasonably prompt time frame, particularly considering: Berkshire's reputation and track record of successfully acquiring other companies; Berkshire's agreement in the merger agreement to use its reasonable best efforts to consummate the proposed merger; the fact that Berkshire's obligation to complete the merger is not conditioned upon receipt of financing; the fact that Berkshire has sufficient cash available to pay the merger consideration (even if all unaffiliated shareholders elect to receive the cash consideration); and the absence of significant regulatory approvals required in connection with the merger, including antitrust approvals and insurance-related regulatory approvals, given that Wesco is an indirect 80.1% owned subsidiary of Berkshire.

The special committee also considered a number of factors that are discussed below relating to the procedural safeguards that it believes were and are present to ensure the fairness of the merger. The special committee believes these factors support its determinations and recommendations and provide assurance of the procedural fairness of the merger to Wesco's unaffiliated shareholders:

the merger agreement must be adopted by the affirmative vote of (i) the holders of a majority of the outstanding common stock of Wesco, and (ii) the holders of a majority of the outstanding common stock of Wesco, other than shares held by Berkshire, its affiliates and certain other specified shareholders, a condition that is non-waivable; and

the special committee consists solely of independent directors, by which we mean they are not employees of Wesco or any of its subsidiaries nor are they affiliated with Berkshire or its affiliates and they have no financial interest in the merger that is different from that of the shareholders (other than Mr. Flaherty's and Ms. Carlburg's ownership of Berkshire common stock, which the special committee determined, after consultation with its legal advisors, did not present a significant conflict that would impair their ability to act in the best interests of Wesco's unaffiliated shareholders); and

the special committee held numerous meetings and met regularly to discuss and evaluate Berkshire's proposal and was advised by financial and legal advisors, and each member of the special committee was actively engaged in the process; and

the special committee retained and received advice of Greenhill as its financial advisor, and Greenhill's compensation arrangement was structured and negotiated to enhance its ability to provide objective advice to the special committee for the benefit of the unaffiliated shareholders of Wesco. For example, Greenhill was entitled to receive the full amount of its advisory fee regardless of whether Greenhill was able to deliver a fairness opinion, and none of Greenhill's compensation is contingent upon the successful completion of the merger; and

the opinion, dated February 4, 2011, of Greenhill to the special committee and the Wesco Board as described above and as more fully described in "Opinion of Financial Advisor to Special Committee" beginning on page 38; and

the recognition by the special committee that it had no obligation to recommend the approval of the merger or any other transaction.

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In the course of reaching its determinations and recommendations, the special committee also considered the following risks and other factors concerning the merger agreement and the merger as being generally negative or unfavorable:

Berkshire refused to negotiate an increase in the merger consideration based on elements of potential additional value identified by the special committee and its advisors; and

the lack of alternatives available to Wesco other than to reject the proposed transaction with Berkshire and remain its 80.1% owned subsidiary given Berkshire's position that it is unwilling to sell its Wesco shares, which position was articulated in Mr. Buffett's original proposal letter and confirmed by representatives of Berkshire in subsequent conversations; and

the fact that Greenhill was not able to conduct a discounted cash flow analysis on Wesco's insurance business or a multiples analysis with respect to Wes-FIC's forward metrics because there were no financial projections provided for Wes-FIC; and

the fact that neither the portfolio true-up nor the VWAP with respect to Berkshire's Class B shares is subject to a price collar; and

the risk that the stock consideration may not be equivalent in value to the cash consideration if, at the time of the closing of the transaction, the price of Berkshire's Class B shares has decreased below their VWAP; and

the fact that unaffiliated shareholders who elect to receive cash consideration may recognize taxable gain in the transaction; and

the fact that shareholders who vote against approval of the merger agreement may not have appraisal rights under Delaware law; and

the risk of incurring substantial expenses related to the merger, including in connection with any litigation that might result; and

the risk that, while the merger is expected to be completed, there can be no assurance that all conditions to the parties' obligations to complete the merger will be satisfied, and as a result, it is possible that the merger may not be completed even if approved by Wesco's unaffiliated shareholders; and

the risks and costs to Wesco if the merger does not close, including the diversion of management and employee attention and the potential effect on Wesco's business.

The special committee considered and expressly adopted the financial analyses and the opinion of Greenhill, among other factors considered, in reaching its determination as to the fairness of the transactions contemplated by the merger agreement. These analyses included market trading history, sum-of-the-parts and premiums paid in comparable transactions, which are summarized below under "Opinion of Financial Advisor to Special Committee." In addition, in the course of reaching its determination and recommendation regarding the fairness of the merger, the special committee considered Greenhill's sum-of-the-parts and other valuation analyses as a reasonable basis for assessing Wesco's going concern value. The special committee did not consider liquidation value because it believes the merger consideration exceeds the value that might be realized in a liquidation of Wesco's assets. The special committee considered, among other factors, that a sale of Wesco's assets in a liquidation would have significant adverse tax consequences not implicated by a sale of Wesco as a going concern. Finally, the special committee did not consider prices paid by Wesco for past purchases of Wesco stock because no such purchases have been made in over thirty years.

The foregoing discussion of the information and factors considered by the special committee is not intended to be exhaustive, but includes the material factors considered by the special committee. In view of the wide variety of factors considered by the special committee in evaluating the merger agreement and the merger, the special committee did not find it practicable, and did not attempt, to quantify, rank or otherwise assign

relative weights to the foregoing factors in reaching its conclusion. In addition, individual members of the special

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committee may have given different weights to different factors and may have viewed some factors more positively or negatively than others. The special committee's determinations and recommendations described above were based upon the totality of the information considered.

Position of the Wesco Board of Directors as to Fairness of the Merger and Recommendation of the Board

Wesco's board of directors believes that the merger and the merger agreement are fair to Wesco's unaffiliated shareholders. In making this determination, the Wesco Board considered and relied upon the following factors, among others:

the special committee's unanimous determination that the merger agreement and the merger are fair to and in the best interests of Wesco and its unaffiliated shareholders and its unanimous recommendation that the Board approve and declare advisable the merger agreement; and

the special committee's having retained and received advice from its financial and legal advisors; and

that no member of the special committee has an interest in the proposed merger different from that of Wesco's unaffiliated shareholders (other than Mr. Flaherty's and Ms. Carlburg's ownership of Berkshire common stock, which the special committee determined, after consultation with its legal advisors, did not present a significant conflict that would impair their ability to act in the best interests of Wesco's unaffiliated shareholders); and

the process undertaken by the special committee and its advisors in connection with evaluating the proposed merger, as described above in "Background of the Merger," beginning on page 16; and

the opinion, dated February 4, 2011, of Greenhill to the special committee and the Wesco Board as described above and as more fully described in "Opinion of Financial Advisor to Special Committee" beginning on page 36; and

their own views as to the value of Berkshire, the value of Wesco and the relative future prospects of Berkshire and Wesco.

The foregoing discussion of the information and factors considered by the Wesco Board is not intended to be exhaustive, but includes the material factors considered by the Wesco Board, including the substantive and procedural factors considered by the special committee discussed above. In view of the wide variety of factors considered by the Wesco Board in evaluating the merger agreement and the merger, the Wesco Board did not find it practicable, and did not attempt, to quantify, rank or otherwise assign relative weights to the foregoing factors in reaching its conclusion. In addition, individual members of the Wesco Board may have given different weights to different factors and may have viewed some factors more positively or negatively than others. The Wesco Board approves the merger agreement and unanimously recommends it to Wesco's shareholders based upon the totality of the information presented to, and considered by, it.

Other than as described in this proxy statement, the Wesco Board is not aware of any firm offers by any other person during the prior two years for a merger or consolidation of Wesco with another company, the sale or transfer of all or substantially all of Wesco's assets or a purchase of Wesco's securities that would enable such person to exercise control of Wesco.

The Wesco Board recommends that you vote FOR the adoption of the merger agreement and FOR the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies.

Financial Projections for CORT

In connection with the proposed merger, management of CORT prepared projections that included expected future financial and operating performance through 2015. CORT management normally does not prepare projections, with the exception of a rolling 12-month earnings forecast. The projections were prepared without the involvement of Berkshire or Blue Chip employees who serve at Wesco, and were prepared on a stand-alone

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basis and did not give effect to the transactions contemplated by the merger agreement. The projections were provided to Greenhill for use in connection with the preparation of its opinion to the special committee and Wesco's board of directors. The following projections are included in this proxy statement/prospectus only because this information was provided to Greenhill in connection with the merger.

The following projections are a summary of the projections provided to Greenhill. The summary projections set forth below summarize the projections provided to Greenhill on October 13, 2010. The inclusion of the following summary projections should not be regarded as an indication that either Wesco, CORT or their respective representatives considered or consider the projections to be a reliable or accurate prediction of future performance or events, and the summary projections set forth below should not be relied on as such and you are cautioned not to place undue reliance on the projections.

The summary projections set forth below were not prepared with a view to compliance with the published guidelines of the SEC, with a view toward public disclosure or the guidelines established by the American Institute of Certified Public Accountants regarding projections or forecasts. In addition, the summary projections are not presented in accordance with GAAP. CORT management believes it prepared the October 13, 2011 information on a reasonable basis, that it reflects the best available estimates and judgments as of that date and presents, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of CORT. Neither Deloitte & Touche LLP, nor any other independent registered public accounting firm, has compiled, examined or performed any procedures with respect to the prospective financial information contained in the projections and, accordingly, Deloitte & Touche LLP does not express an opinion or any other form of assurance on such information or its achievability, and assumes no responsibility for, and disclaims any association with, the prospective financial information contained in the projections. The Deloitte & Touche LLP reports incorporated by reference in this proxy statement/prospectus relate to historical financial information of Wesco. Such reports do not extend to the projections and should not be read to do so.

The projections reflect numerous assumptions made by CORT management, including the following material assumptions:

CORT management assumed that growth in rental revenue, the most significant component of CORT's revenues, will increase 1.8% in 2011, 5.7% in 2012, 3.2% in 2013 and 3.0% in each of 2014 and 2015. The lower growth rate in 2011 is to compensate for significant non-recurring rental revenue in 2010 related to a contract with the United States Census Bureau that expired in December 2010 (the "Census contract"), and the higher growth rate in 2012 is in anticipation of a broader economic recovery. The growth rates in years 2013 through 2015 reflect more normal historic annual growth rates in rental revenue.

Based on historical trends, CORT management assumed that rental furniture sales will remain at a constant 20% of the prior year original cost of rental furniture assets. Annual rental furniture purchases are assumed to include the original cost of prior year rental furniture disposals through retail plus additional rental furniture purchases to support growth in rental income. The growth component is tied to the average monthly increase in rental revenue multiplied by a historical cost recovery factor. For example, if the monthly growth in rental income is \$10,000 and the typical cost recovery period is 10 months, then an additional \$100,000 of rental furniture would be required to support that increase in business. Due to the significantly reduced rental furniture purchases related to the economic downturn in 2009 and the increased amount of 2010 rental furniture purchases to support the Census contract, CORT management adjusted the cost recovery factor upward for 2011 and 2012 to 15 months and 11 months, respectively. CORT management assumed that years 2013 through 2015 would reflect the more normal historic cost recovery factor of 10.

Based on historical performance, CORT management assumed that cost of goods sold (COGS) for rental revenue and furniture rental sales will remain constant throughout the projection period at approximately 4% of rental revenue and 65% of furniture rental sales, respectively.

The foregoing assumptions, as well as other assumptions made by CORT management in preparing the projections, are subject to significant uncertainties and contingencies, including the availability and cost of

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capital and other general business, industry and financial assumptions, all of which are difficult to predict, and many of which are beyond the control of CORT. Although CORT management believes that there was a reasonable basis for the projections and underlying assumptions, any assumptions remain uncertain, and the risk of inaccuracy increases with the length of the forecasted period. Accordingly, there can be no assurance that the assumptions made in preparing the projections will prove accurate. There will be differences between actual and forecasted results, and the differences may be material. You should consider the risks identified in Wesco's most recent Annual Report on Form 10-K, which is incorporated by reference into this proxy statement/prospectus, and the matters discussed elsewhere in this proxy statement/prospectus under "Forward Looking Statements" beginning on page 76.

No one has made or makes any representation to Wesco's shareholders regarding the information contained in the projections. The inclusion of the projections in this proxy statement/prospectus should not be regarded as an indication that such projections will be an accurate prediction of future events and they should not be relied on as such.

A summary of the projections provided to Greenhill on October 13, 2010 is set forth below.

	2011E	2012E	2013E	2014E	2015E
	(in millions)				
Total revenue	\$ 373.6	\$ 393.0	\$ 407.0	\$ 419.0	\$ 431.0
Total COGS	84.2	86.2	89.5	91.0	92.6
Total gross profit	289.4	306.8	317.5	327.8	338.3
EBIT	35.7	46.9	51.2	54.5	57.9
Net income	5.2	12.3	15.8	18.5	21.4
Free cash flow	26.1	26.8	33.9	37.0	37.6

The foregoing projections constitute forward-looking statements. CORT management does not intend to update or otherwise revise the projections to reflect circumstances existing after the date when made or to reflect occurrences or future events even if any or all of the assumptions are shown to be in error.

Opinion of Financial Advisor to Special Committee

The special committee retained Greenhill to act as financial advisor to the special committee in connection with their consideration of the proposed terms of the potential merger. At meetings of the special committee and the Wesco Board held on February 4, 2011 to consider the merger agreement, Greenhill rendered to the special committee and to the Wesco Board an oral opinion, which was confirmed by delivery of a written opinion dated February 4, 2011, to the effect that, based upon and subject to the limitations and assumptions set forth in the opinion, as of the date of the opinion, the merger consideration to be received by Wesco's shareholders other than Berkshire and its affiliates pursuant to the merger agreement was fair, from a financial point of view, to such holders.

The full text of Greenhill's written opinion dated February 4, 2011, which contains the assumptions made, procedures followed, matters considered and limitations on the opinion and the review undertaken in connection with the opinion, is attached as Annex B to this proxy statement/prospectus and is incorporated herein by reference. The summary of Greenhill's opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion.

For the purposes of its opinion, Greenhill assumed that the merger consideration would be \$390.54 per share (calculated as of February 3, 2011) based on the formula for calculating the merger consideration set out in the merger agreement and assuming a closing date of April 30, 2011. The assumptions Greenhill used to derive this value are described below under "Summary of Greenhill's Financial Analyses."

In arriving at its opinion described above, Greenhill, among other things:

reviewed a draft of the merger agreement dated as of February 4, 2011;

reviewed certain publicly available financial statements of Wesco and Berkshire;

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reviewed certain other publicly available business and financial information relating to Wesco and Berkshire that Greenhill deemed relevant;

reviewed certain information, including financial and operating data concerning Wesco's businesses: Wesco-Financial Insurance Company (Wes-FIC) and Kansas Bankers Surety Company (together, Insurance), CORT Business Services (CORT) and Precision Steel Warehouse Inc. (Precision Steel);

reviewed certain actuarial, financial, rating agency and legal information for Insurance prepared by management of National Indemnity Company;

reviewed financial forecasts for CORT prepared by the management of CORT (CORT Forecasts);

reviewed certain publicly available financial forecasts relating to the business and financial prospects of Berkshire prepared by certain research analysts (Parent Street Forecasts);

discussed the past and present operations and financial condition and the prospects of each of Insurance, CORT and Precision Steel with senior executives of each business;

discussed the business, financial condition and prospects of Berkshire with senior executives of Berkshire;

reviewed an independent third party appraisal from Cushman for the value of certain real estate assets of Wesco (the Real Estate Appraisal);

compared the value of the merger consideration to a range of implied valuations for each of the component businesses of Wesco;

compared the premium implied by the value of the consideration to a range of premiums paid in certain publicly available transactions that Greenhill deemed relevant, including certain minority buyout transactions;

reviewed the historical market prices and trading activity for Wesco common stock and certain companies Greenhill deemed comparable and analyzed their implied valuation multiples;

participated in discussions and negotiations among representatives of Wesco and its legal advisors and representatives of Berkshire and its legal advisors; and

performed such other analyses and considered such other factors as Greenhill deemed appropriate.

Greenhill's written opinion was addressed to the special committee and to the Wesco Board. Greenhill did not express an opinion as to any aspect of the merger other than the fairness, from a financial point of view, of the merger consideration to be received by Wesco's shareholders other than Berkshire and its affiliates. Greenhill's opinion addresses fairness from a financial point of view to Wesco's shareholders other than Berkshire and its affiliates solely in their capacity as holders of Wesco common stock, and without regard to their ownership of any other securities, including securities of Berkshire or any of its affiliates. Greenhill expressed no opinion with respect to the amount or nature of any compensation to any officers, directors or employees of Wesco, or any class of such persons relative to the consideration to be received by the

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holders of Wesco common stock in the merger or with respect to the fairness of any such compensation. In particular, Greenhill expressed no opinion as to the prices at which shares of Berkshire will trade at any future time. Greenhill's opinion was approved by its fairness committee. This opinion was not intended to be and did not constitute a recommendation to the members of the special committee or the Wesco Board as to whether they should recommend or approve the merger or the merger agreement, nor does it constitute a recommendation as to whether the shareholders of Wesco should approve the merger or take any other action in respect of the merger at any meeting of the shareholders convened in connection with the merger.

In conducting its review and analysis and rendering its opinion, Greenhill assumed and relied upon, without independent verification, the accuracy and completeness of the information publicly available, supplied or otherwise made available to Greenhill by representatives and management of Wesco and Berkshire, in the case of Insurance, National Indemnity Company, and, in the case of certain real estate assets, Cushman, for the purposes

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of its opinion, and Greenhill further relied upon the assurances of the representatives and management of Wesco and Berkshire that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. With respect to the CORT Forecasts that were furnished or otherwise provided, Greenhill assumed that such CORT Forecasts were reasonably prepared on a basis reflecting the best currently available estimates and good faith judgments of the management of CORT as to those matters, and Greenhill relied upon such forecasts and data in arriving at its opinion. Berkshire did not provide Greenhill with internally prepared forecasts, analyses or estimates relating to the business and financial prospects of Wes-FIC, and no street estimates are available for either Wes-FIC or Wesco as a whole. Berkshire did not provide Greenhill with internally prepared forecasts, analyses or estimates relating to the business and financial prospects of Berkshire and did not endorse the Parent Street Forecasts or any other publicly available forecasts relating to the business and financial prospects of Berkshire. Berkshire did, however, participate in a discussion with Greenhill regarding Berkshire's future business and financial prospects in which Berkshire's management responded to questions Greenhill posed regarding the future business and financial prospects of Berkshire. On the basis of the foregoing and with the consent of the special committee and the Wesco Board, Greenhill assumed that the Parent Street Forecasts were a reasonable basis upon which to evaluate the business and financial prospects of Berkshire and used the Parent Street Forecasts for the purposes of its opinion. Greenhill expressed no opinion with respect to the CORT Forecasts or the Parent Street Forecasts or the assumptions upon which they were based. Greenhill did not make any independent valuation or appraisal of the assets or liabilities of Wesco, nor was it furnished with any such appraisals other than the Real Estate Appraisal, and Greenhill relied upon the Real Estate Appraisal for the purposes of its opinion. Greenhill expressed no opinion with respect to the Real Estate Appraisal. Greenhill assumed that the merger would be consummated in accordance with the terms set forth in the merger agreement and without waiver of any material terms or conditions set forth in the merger agreement. Greenhill further assumed that all material governmental, regulatory and other consents and approvals necessary for the consummation of the merger, if any, would be obtained without any effect on the merger meaningful to Greenhill's analysis.

Greenhill's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Greenhill as of, February 4, 2011. It should be understood that subsequent developments may affect Greenhill's opinion, and Greenhill does not have any obligation to update, revise or reaffirm its opinion.

Greenhill was not requested to and did not solicit any expressions of interest from any other parties with respect to the sale of Wesco, the sale of Wesco common stock held by Wesco's shareholders other than Berkshire and its affiliates or any other alternative transaction. No opinion was expressed as to whether any alternative transaction might have produced consideration for Wesco's shareholders other than Berkshire and its affiliates in an amount in excess of that contemplated in the merger.

Greenhill was not requested to opine as to, and its opinion did not in any manner address, Wesco's underlying business decision to proceed with or effect the merger.

The special committee retained Greenhill based on Greenhill's qualifications and expertise in providing financial advice and on its reputation as an internationally recognized investment banking firm. As compensation for its services, Wesco agreed to pay Greenhill a fee of \$3.5 million, half of which was paid upon delivery of its opinion, with the remainder payable upon the earlier of (1) 90 days following delivery of its opinion; and (2) the closing of the merger. In addition, Wesco has agreed to reimburse Greenhill for reasonable out-of-pocket expenses incurred in connection with the merger and to indemnify Greenhill for certain liabilities that may arise out of its engagement by the special committee and the rendering of Greenhill's opinion. During the two years preceding the date of the opinion, Greenhill had not been engaged by, performed any services for or received any compensation from the special committee, the Wesco Board, Wesco or any other parties to the merger (other than any amounts that were paid to Greenhill under the letter agreement pursuant to which Greenhill was retained as a financial advisor in connection with the merger).

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Greenhill's opinion was one of the many factors considered by the special committee and the Wesco Board in evaluating the merger agreement and should not be viewed as determinative of the views of the special committee or the Wesco Board with respect to the merger. The merger consideration was determined through arm's length negotiations between the special committee, on one hand, and Berkshire, on the other hand. Greenhill provided advice to the special committee and the Wesco Board during these negotiations but did not recommend any specific amount of consideration to Wesco or the special committee or the Wesco Board or advise that any specific amount of consideration constituted the only appropriate consideration for the merger.

Summary of Greenhill's Financial Analyses

The following is a summary of the material financial analyses presented by Greenhill to the special committee and to the Wesco Board in connection with rendering its opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Greenhill, nor does the order of the analyses described represent the relative importance or weight given to those analyses by Greenhill. Some of the summaries of the financial analyses include information presented in tabular format. In order to fully understand the financial analyses performed by Greenhill, the tables must be read together with the full text of each summary and are not alone a complete description of Greenhill's financial analyses.

For the purposes of its opinion, Greenhill assumed that the merger consideration would be \$390.54 per share, based on the formula for calculating the merger consideration set out in the merger agreement and assuming a closing date of April 30, 2011. This value represents:

January 31, 2011 estimated per share shareholders' equity of \$386.55; plus

estimated earnings of \$0.99 per share per month from February 1, 2011 through an estimated closing date of April 30, 2011; plus

after-tax unrealized gains of \$1.23 per share on Wesco's portfolio of investments in the common stock of a number of publicly traded companies, including warrants to purchase the common stock of Goldman Sachs Group, Inc., which we refer to as Wesco's common equity portfolio, between January 31, 2011 and February 3, 2011; less

estimated after-tax transaction expenses of \$0.21 per share, which represents an estimate of total pre-tax transaction expenses of \$6.5 million less \$4.2 million expensed and accrued or paid by Wesco as of December 31, 2010.

This estimate of the merger consideration assumes there will be no change in the after-tax gains or losses on Wesco's common equity portfolio between February 3, 2011 and the determination date and also assumes that Wesco will not declare any dividends with a record date from February 4, 2011 through the closing of the merger.

The January 31, 2011 estimated per share shareholders' equity of \$386.55 represents:

per share shareholders' equity of \$388.45 as of December 31, 2010, which included pre-tax transaction expenses of \$4.2 million expensed and accrued or paid by Wesco as of December 31, 2010; plus

estimated earnings \$0.99 per share for the month of January 2011; less

\$2.47 per share, representing the reduction in after-tax gains on Wesco's common equity portfolio from December 31, 2010 through January 31, 2011; less

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a dividend of \$0.42 per share declared on December 1, 2010 and payable on March 3, 2011.

Market Trading History

In order to compare the merger consideration to the historical trading price of Wesco common stock, Greenhill reviewed the stock price performance of Wesco common stock for the five-year period prior to the

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public announcement of Berkshire's proposal on August 26, 2010. The following table lists Wesco's volume-weighted average price for different periods, each ending on August 25, 2010, the last trading day before the public announcement of Berkshire's proposal.

Period Prior to August 26, 2010	Volume-Weighted Average Price Per Share
One Month	\$ 336.08
Three Months	\$ 335.84
Six Months	\$ 353.27
One Year	\$ 345.57
Three Years	\$ 338.06
Five Years	\$ 354.92

Greenhill also noted that the closing price of Wesco common stock on August 25, 2010, the last trading day prior to the public announcement of Berkshire's proposal, was \$324.75 per share, which we sometimes refer to as the unaffected price.

Greenhill compared these volume-weighted average prices to the merger consideration of \$390.54 per share.

Sum-of-the-Parts Valuation Analysis

Greenhill performed a sum-of-the-parts analysis of Wesco based on the sum of individual valuations of each of Wesco's businesses (Wes-FIC, COURT, Precision Steel and MS Property Company (MS Property)) and select consolidating adjustments.

Wes-FIC. Greenhill performed a comparable company analysis of Wes-FIC. In this analysis, Greenhill reviewed, to the extent publicly available, selected financial and stock market data for the following publicly-traded companies, including Wesco, which are collectively referred to below as the selected reinsurance companies:

Alterra Capital Holdings Limited

Aspen Insurance Holdings Limited

AXIS Capital Holdings Limited

Endurance Specialty Holdings Ltd.

Everest Re Group, Ltd.

Montpelier Re Holdings Ltd.

PartnerRe Ltd.

Platinum Underwriters Holdings, Ltd.

RenaissanceRe Holdings Ltd.

Transatlantic Holdings, Inc.

Wesco Financial Corporation

Greenhill selected these companies because, among other reasons, they are reinsurance companies that are publicly traded and have operations or businesses that, for purposes of Greenhill's analysis, may be considered similar or reasonably comparable to those of Wes-FIC. However, the companies differ from Wes-FIC, including in size and business mix, and none of the selected companies is directly comparable to Wes-FIC.

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For purposes of this analysis, Greenhill analyzed, for each of the selected reinsurance companies, other than Wesco, its price as of February 3, 2011 as a multiple of reported book value as of September 30, 2010. Greenhill used book value for this analysis because it is the most commonly used method of valuing property and casualty insurance and reinsurance companies, and Greenhill believed it was the most appropriate valuation metric for Wes-FIC. The results of this analysis are summarized as follows:

Price as a Multiple of	Range	Median	Mean
Reported Book Value	0.74x 1.09x	0.82x	0.83x

In addition, Greenhill analyzed the multiple of Wesco's unaffected price to its reported book value as of June 30, 2010. This multiple was calculated to be 0.92x.

Based on these analyses and Greenhill's application of its professional judgment and expertise, Greenhill determined a reference range of price to reported book value multiples of 0.80x to 1.00x, which we refer to as the book value multiple reference range.

GAAP Book Value. Greenhill applied the book value multiple reference range to Wes-FIC's reported shareholders' equity of \$2,674.0 million as of September 30, 2010 to arrive at a range of implied equity value of \$2,139.2 million to \$2,674.0 million.

Book Value Adjusted for Excess Shareholders' Equity. Greenhill performed an additional analysis that assumed that any shareholders' equity in excess of the minimum needed to maintain a financial strength rating (Financial Strength Rating) of A++ from A.M. Best Company, Inc. would be valued at book value dollar for dollar, and not at a discount to or multiple of book value. Greenhill estimated that, of Wes-FIC's \$2,674.0 million of shareholders' equity, \$1,016.5 million of shareholders' equity would be required in order to maintain an A++ Financial Strength Rating and the remaining \$1,657.5 million would be excess shareholders' equity. Greenhill applied the selected book value multiple reference range of 0.80x to 1.00x to the \$1,016.5 million of required shareholders' equity and then applied a book value multiple of 1.00x to the \$1,657.5 million of excess shareholders' equity to arrive at a range of implied equity value of \$2,470.7 million to \$2,674.0 million, which we refer to as the adjusted book value range.

Additional Value Adjustments. Greenhill then adjusted the adjusted book value range of \$2,470.7 million to \$2,674.0 million as follows:

Adjustment to Reserves and Receivables. Greenhill applied an adjustment of \$53.0 million to account for the estimated future investment income Wes-FIC would be expected to recognize by investing, prior to payment, amounts reserved for loss and loss adjustment expenses, unearned premiums and agent's balances receivable. Greenhill calculated this estimated amount with the assistance of NICO management.

Value of Goldman Sachs Warrants. Greenhill applied an adjustment of \$17.2 million, representing Greenhill's estimate, based upon assumptions and information available as of February 3, 2011, that the value of Wes-FIC's interest in the Goldman Sachs warrants as of February 3, 2011 was \$17.2 million greater, on an after-tax basis, than the value of such warrants reflected in Wes-FIC's unadjusted book value as of September 30, 2010.

Appreciation of Wesco's Common Equity Portfolio. Greenhill applied an adjustment of \$128.7 million, representing Greenhill's estimate of after-tax gains in the portion of Wesco's common equity portfolio held within Wes-FIC, excluding the Goldman Sachs warrants, from September 30, 2010 through February 3, 2011.

Greenhill then added the sum of these additional value adjustments, \$198.8 million, to the adjusted book value range to arrive at a range of implied equity value of \$2,669.5 million to \$2,872.8 million.

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Based on these analyses and Greenhill's application of its professional judgment and expertise, Greenhill determined a reference range of implied equity value of \$2,600 million to \$2,850 million for Wes-FIC to be used in the calculation of a sum-of-the-parts valuation for Wesco. Because, as of February 3, 2011, Wes-FIC had no net debt, its enterprise and equity values were the same.

CORT. In order to determine a range of implied enterprise values for CORT, Greenhill performed a comparable company analysis and a discounted cash flow analysis. In performing these analyses, Greenhill relied on financial forecasts for CORT for calendar years 2011 through 2015 prepared by the management of CORT.

For the comparable company analysis, Greenhill reviewed, to the extent publicly available, selected financial and stock market data for the following publicly traded companies:

Rent-to-Own

Rent-A-Center, Inc.

Aaron's, Inc.

Business Services

FedEx Corporation

Staples, Inc.

Xerox Corporation

OfficeMax Inc.

Office Depot, Inc.

Furniture

Steelcase Inc.

Herman Miller, Inc.

Knoll, Inc.

Ethan Allen Interiors Inc.

There are no publicly traded rent-to-rent furniture companies other than CORT and none of the selected companies is directly comparable to CORT. However, Greenhill selected these companies because, among other reasons, they are publicly traded companies with operations or

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businesses that, for purposes of Greenhill's analysis, may be considered similar or reasonably comparable to those of CORT.

For the purposes of its analysis, Greenhill analyzed, for each of the selected companies, (1) its enterprise value as a multiple of estimated 2011 earnings before interest taxes depreciation and amortization, or EBITDA and (2) its price as a multiple of estimated 2011 earnings. The results of these analyses are summarized as follows:

	Rent-to-Own			Business Services			Furniture			Overall					
	Range	Median	Mean	Range	Median	Mean	Range	Median	Mean	Range	Median	Mean			
Enterprise Value as a Multiple of Estimated 2011 EBITDA	6.0x	6.4x	6.2x	5.6x	9.7x	6.9x	7.1x	7.8x	11.9x	9.3x	9.6x	5.6x	11.9x	7.3x	7.8x
Price as a Multiple of Estimated 2011 Earnings	10.8x	12.3x	11.5x	9.8x	15.6x	15.0x	13.8x	17.1x	32.0x	18.6x	21.6x	9.8x	32.0x	15.4x	16.5x

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Based on such review and Greenhill's application of its professional judgment and expertise, Greenhill selected (1) a reference range of implied enterprise value to estimated 2011 EBITDA multiples of 6.0x to 8.0x, and (2) a reference range of implied price to earnings multiples of 10.0x to 15.0x. Greenhill then (1) applied the range of enterprise value to estimated 2011 EBITDA multiples to CORT's estimated 2011 EBITDA of \$43 million and (2) applied the range of price to earnings multiples to CORT's estimated 2011 net income of \$5 million and added back CORT's net debt of \$380 million, to arrive at ranges of implied enterprise value of approximately (1) \$260 million to \$340 million and (2) \$430 million to \$460 million, respectively.

For the discounted cash flow analysis, Greenhill calculated the present values of the projected unlevered free cash flows to be generated by CORT to calculate a range of implied enterprise values. In performing this analysis, Greenhill used CORT management's projections for CORT for calendar years 2011 through 2015. The following table lists the projected adjusted unlevered free cash flows during this period, as prepared by the management of CORT:

Year:	Estimated Adjusted Unlevered Free Cash Flow (in millions)
2011	\$26
2012	\$27
2013	\$34
2014	\$37
2015	\$38

In this analysis, Greenhill applied a discount range of 9.5% to 10.5%, based on CORT's weighted average cost of capital, which Greenhill calculated to be 9.9%. For purposes of its analysis, Greenhill calculated an assumed value of the cash flows for all periods after the projected period, which we refer to as a terminal value. Greenhill calculated a range of terminal values for CORT utilizing perpetuity growth rates ranging from 1.5% to 2.5%. The discount rates and perpetuity growth rates were selected based on Greenhill's application of its professional judgment and expertise. For any combination of discount rate and terminal value, the sum of the present value of the cash flows of CORT and the present value of the terminal value results in an implied enterprise value for CORT. The discounted cash flow analysis resulted in a range of implied enterprise values of approximately \$380 million to \$480 million (with the low end representing application of a 10.5% discount rate and a 1.5% perpetuity growth rate and the top end representing application of a 9.5% discount rate and a 2.5% perpetuity growth rate at the top).

Based on these analyses and Greenhill's application of its professional judgment and expertise, Greenhill determined a range of implied enterprise values of \$350 million to \$425 million for CORT. Greenhill then made an adjustment of \$(380) million to reflect the net debt of CORT, which represents an intercompany payable of \$333.1 million, third-party notes payable of \$49.3 million and cash and cash equivalents of \$2.4 million as of September 30, 2010, to arrive at a range of implied equity values of \$(30) million to \$45 million for CORT to be used in the calculation of a sum-of-the-parts valuation for Wesco.

Precision Steel. In order to determine a range of implied enterprise values for Precision Steel, Greenhill performed a comparable company analysis and a precedent transaction analysis. For the comparable company analysis, Greenhill reviewed, to the extent publicly available, selected financial and stock market data for the following publicly traded companies, which are collectively referred to as the selected steel service companies:

Reliance Steel & Aluminum Co.

Russel Metals Inc.

Worthington Industries, Inc.

A.M. Castle & Co.

Olympic Steel, Inc.

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Although none of the selected steel service companies is directly comparable to Precision Steel, Greenhill selected these companies because, among other reasons, they are publicly traded steel service center companies with operations or businesses that, for purposes of Greenhill's analysis, may be considered similar or reasonably comparable to those of Precision Steel.

For the purposes of its analysis, Greenhill analyzed, for each of the selected steel service companies:

its enterprise value as a multiple of normalized revenue, based on the average of annual revenues over the five-year period ending December 31, 2009. Greenhill selected normalized revenue as a financial metric because steel businesses, similar to other cyclical industries, are often valued using multiples of normalized or mid-cycle financial metrics, including revenue.

its enterprise value as a multiple of EBITDA for the twelve months ended September 30, 2010. The results of these analyses are summarized as follows:

Enterprise Value as a Multiple of	Range		Median	Mean
Normalized Revenue	0.37x	0.84x	0.54x	0.56x
9/30/2010 Latest Twelve Months EBITDA	9.6x	21.2x	14.3x	14.8x

Based on these analyses and Greenhill's application of its professional judgment and expertise, Greenhill selected (1) a reference range of implied enterprise value to normalized revenue multiples of (1) 0.45x to 0.55x and (2) a reference range of implied enterprise value to EBITDA for the twelve months ended September 30, 2010 multiples of 10.0x to 14.0x. Greenhill then applied these multiples to (1) Precision Steel's normalized revenue of \$60.9 million, based on the median of revenues for the periods of calendar years 2006, 2007, 2008 and 2009 and the twelve months ended September 30, 2010, and (2) Precision Steel's EBITDA for the twelve months ended September 30, 2010 of \$2.2 million, respectively. When applied to Precision Steel, these multiples resulted in ranges of implied enterprise value of approximately (1) \$27 million to \$33 million and (2) \$22 million to \$31 million, respectively.

Greenhill also analyzed, using publicly available information, selected transactions involving companies in the steel service industry. Greenhill reviewed, for each transaction, the target company's enterprise value as a multiple of its latest twelve months revenue.

The results of these analyses are summarized as follows:

Enterprise Value as a Multiple of	Range		Median	Mean
Latest Twelve Months Revenue	0.28x	0.69x	0.46x	0.48x

Based on these analyses and Greenhill's application of its professional judgment and expertise, Greenhill selected a range of implied enterprise value to revenue multiples of 0.45x to 0.55x. When applied to Precision Steel's normalized revenues, based on the median of revenues for the periods of calendar years 2006, 2007, 2008 and 2009 and the twelve months ended September 30, 2010, these multiples resulted in a range of implied enterprise values of approximately \$27 million to \$33 million.

Based on these analyses and Greenhill's application of its professional judgment and expertise, Greenhill determined a reference range of implied enterprise values of \$27 million to \$33 million for Precision Steel. Greenhill then made an adjustment of \$30 million to reflect the net cash of Precision Steel to arrive at a range of implied equity values of \$57 million to \$63 million for Precision Steel to be used in the calculation of a sum-of-the-parts valuation for Wesco. The \$30 million in net cash represents cash, cash equivalents and equity securities of \$26 million as of September 30, 2010 and after-tax unrealized gains of \$4 million from September 30, 2010 to February 3, 2011 on shares of Wells Fargo & Company common stock held by Precision Steel.

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MS Property. In determining the enterprise value for MS Property, Greenhill relied on an independent third party appraisal provided by Cushman for the value of Wesco's real estate assets. Cushman delivered an appraisal of \$72 million for the real estate assets in MS Property Company (excluding an undeveloped lot in Brea, California). Greenhill then made an adjustment of \$(56) million to reflect the net debt of MS Property to arrive at an equity value of \$16 million for MS Property to be used in the calculation of a sum-of-the-parts valuation for Wesco.

Consolidating Adjustments. Finally, Greenhill made the following consolidating adjustments:

an adjustment of \$113.7 million to account for shareholders' equity in an intermediate holding company, Wesco Holdings Midwest, Inc.; and

an adjustment of \$(328.2) million reflecting the net negative shareholders' equity of Wesco, without taking into account its equity in its subsidiaries. This net negative shareholders' equity value arose in connection with dividends previously paid to Wesco shareholders and operating losses generated by Wesco.

The various valuation methodologies summarized above resulted in the following ranges of implied total equity values and per share equity values (based on a 7,119,807 share count as of September 30, 2010):

	Total Enterprise Value Range (in millions)	Net Debt (in millions)	Total Equity Value Range (in millions)	Per Share Value Range
Wes-FIC			\$ 2,600 to \$2,850	\$ 365.18 to \$400.29
CORT	\$ 350 to \$425	\$ (380)	\$ (30) to \$45	\$ (4.22) to \$6.31
Precision Steel	\$ 27 to \$33	\$ 30	\$ 57 to \$63	\$ 7.94 to \$8.78
MS Property	\$ 72	\$ (56)	\$ 16	\$ 2.20
Consolidating Adjustment for Wesco Holdings Midwest			\$ 113.7	\$ 15.97
Consolidating Adjustment for parent holding company, Wesco Financial Corporation			\$ (328.2)	\$ (46.10)
Total			\$ 2,428 to \$2,759	\$ 340.97 to \$387.46

The sum-of-the-parts valuation analysis resulted in a range of implied per share equity value of \$340.97 to \$387.46. Greenhill compared this range to the merger consideration of \$390.54 per share.

Premiums Paid Valuation Analysis

In order to assess the premium offered to Wesco shareholders in the merger relative to the premiums offered to shareholders in other transactions, based on publicly available information, Greenhill identified, and reviewed the premium-to-market-price paid in, 39 public company minority buyout transactions since 2000 with transaction values (based on enterprise value) between \$100 million and \$1 billion involving U.S. target companies (the U.S. Minority Buyout Set) and 13 transactions since 2000 with transaction values (based on enterprise value) between \$100 million and \$1 billion involving insurance targets globally (the Insurance Minority Buyout Set). Greenhill then focused on:

the 14 transactions within the U.S. Minority Buyout Set in which less than 25% of the target's shares were publicly traded; and

the six transactions within the Insurance Minority Buyout Set in which less than 25% of the target's shares were publicly traded.

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For each of these transactions, Greenhill reviewed the premiums represented by the acquisition price per share in each such transaction as compared to the closing price per share of the target company one day and one week prior to the announcement of such transaction. This analysis indicated the following mean and median premiums for those time periods prior to announcement:

	One Day Prior to Announcement		One Week Prior to Announcement	
	Mean	Median	Mean	Median
U.S. Targets with Less Than 25% of Shares Publicly Traded	19.7%	15.6%	23.1%	20.3%
Insurance Targets with Less Than 25% of Shares Publicly Traded	19.1%	18.0%	27.1%	25.3%

Based on these analyses and Greenhill's application of its professional judgment and expertise, Greenhill selected a reference range of 15% to 25%, based on the median premiums for the transactions described above. Greenhill applied this reference range to the unaffected price for Wesco common stock (based on the closing per share price on August 25, 2010) in order to derive a range of implied total equity value and per share value of Wesco common stock.

This analysis resulted in a range of implied per share equity value of \$373.46 to \$405.94. Greenhill compared this range to the merger consideration of \$390.54 per share.

Greenhill noted that the reasons for, and circumstances surrounding, each of the transactions reviewed were diverse, and that premiums fluctuated based on such factors as perceived growth, synergies, strategic value and type of consideration utilized in such acquisition transactions, as well as prevailing trends in mergers and acquisitions. None of the target companies in the transactions is identical to Wesco and, accordingly, Greenhill's analysis of these transactions necessarily involved complex considerations and judgments concerning the differences in financial and operating characteristics and other factors that would necessarily affect the comparison of the premium implied by the merger versus the premiums implied by these transactions.

Although Greenhill believes that the premiums paid to market prices in these transactions is the most relevant metric in a premiums paid valuation analysis for assessing the proposed merger consideration, for informational purposes Greenhill also reviewed, for each of the thirteen transactions in the Insurance Minority Buyout Set, the value of the transaction consideration as a multiple of reported book value (as of the latest reported book value for the target), which we refer to as the transaction price to reported book value multiples. Greenhill observed that the mean and median transaction price to reported book value multiples for the six transactions in the Insurance Minority Buyout Set in which less than 25% of the target's shares were publicly traded were 1.52x and 1.23x, respectively, and were 1.19x and 1.19x, respectively, when excluding the four transactions that occurred more than ten years prior to the date of Greenhill's fairness opinion. Greenhill also observed that the mean and median transaction price to reported book value multiples for the entire Insurance Minority Buyout Set were 1.70x and 1.44x, respectively. Greenhill noted that, in the only transaction in the Insurance Minority Buyout Set announced within the 17 months prior to the date of Greenhill's fairness opinion, the transaction price to reported book value multiple was 0.94x and, in the three transactions in the Insurance Minority Buyout Set that were announced since the commencement of the financial crisis in the fall of 2008, the mean and median transaction price to reported book value multiples were 1.08x and 1.06x, respectively. Greenhill also reviewed price to reported book value multiples over time for the selected reinsurance companies, other than Wesco, listed under "Sum-of-the-Parts Valuation Analysis - Wes-FIC" above. Greenhill observed that the average price-to-reported book value multiples for the selected reinsurance companies for the ten year, three year and one year period prior to announcement of the Berkshire proposal on August 26, 2010, were 1.32x, 0.94x and 0.85x, respectively. Accordingly, Greenhill noted that transaction price to reported book value multiples would be expected to be lower now than in the prior years when the transactions in the Insurance Minority Buyout Set occurred, particularly given that four of the thirteen transactions occurred over ten years prior to the date of Greenhill's fairness opinion and nine of the thirteen transactions occurred from three to eleven years prior to the date of Greenhill's fairness opinion.

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For informational purposes, Greenhill compared the merger consideration of \$390.54 per share to selected book value and earnings metrics to determine implied valuation multiples. The following table lists these implied valuation multiples:

	Value Per Share	Implied Merger Consideration Multiple
Merger Consideration as a Multiple of:		
04/30/2011 Estimated Book Value	\$ 390.54	1.00x
1/31/2011 Estimated Book Value	\$ 386.55	1.01x
1/31/2011 Estimated Tangible Book Value	\$ 346.18	1.13x
9/30/2010 Book Value	\$ 363.69	1.07x
9/30/2010 Tangible Book Value	\$ 323.31	1.21x
9/30/2010 Latest Twelve Months Earnings Per Share	\$ 10.19	38.3x

Greenhill also compared the merger consideration to the closing price of Wesco common stock one day and one week prior to public announcement of Berkshire's proposal on August 26, 2010, and noted that the merger consideration of \$390.54 per share represents a premium of 20.3% and 19.8%, respectively, to the closing price of Wesco common stock one day and one week before the public announcement of Berkshire's proposal. Greenhill's analysis of the premiums offered in selected precedent public company minority buyout transactions is described below under "Premiums Paid Valuation Analysis" above.

Because Wesco shareholders can elect to receive cash or Berkshire Class B common stock in the merger, Greenhill also (1) reviewed historical financial information for Berkshire Class B common stock, including historical stock price performance and historical trading multiples relative to corresponding multiples for the S&P 500 and (2) performed a historical exchange ratio analysis by calculating the ratio of the average per share price of Berkshire Class B common stock to the average per share price of Wesco common stock over various time periods since 1996, when Berkshire Class B common stock first began trading. In addition, Greenhill noted that it had conducted a due diligence discussion with Berkshire management on February 1, 2011 during which Berkshire confirmed that there was no nonpublic information of which Berkshire management was aware that would be material to Berkshire.

Historical Share Price Analysis. In order to provide background information and perspective with respect to the relative historical share price of Berkshire Class B common stock, Greenhill reviewed historical data with regard to the closing stock prices of Berkshire Class B common stock for the period from December 1, 2000 to and including February 3, 2011. During this period, the closing stock price of Berkshire Class B common stock ranged from (i) a low of \$40.00 to a high of \$99.70 per share over the whole period and (ii) a low of \$70.04 to a high of \$83.72 per share in the prior 52-week period, in each case prior to and including February 3, 2011.

Book Value and Tangible Book Value Analysis. In order to provide background information and perspective with respect to the relative historical price-to-book value and price-to-tangible book value of Berkshire Class B common stock, using publicly available information, Greenhill reviewed the multiple of closing stock price per share to last reported book value per share and last reported tangible book value per share for Berkshire for each of the 1-year, 3-year, 5-year, and 10-year periods prior to and including February 3, 2011. The following table lists these valuation multiples for Berkshire Class B common stock.

	Price-to-Book Value	Price-to-Tangible Book Value
As of February 3, 2011	1.37x	2.04x
Average Statistic over the Preceding:		
1-year	1.36x	2.00x
3-years	1.40x	1.99x
5-years	1.47x	2.09x
10-years	1.59x	2.31x

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Greenhill then compared these valuation multiples for Berkshire Class B common stock to the price-to-book value and price-to-tangible book value multiples for the S&P 500. Greenhill noted that, as of February 3, 2011, Berkshire's price-to-book value multiple was 59.6% of the S&P 500's price-to-book value multiple and has averaged 59.1% of the S&P 500's price-to-book value multiple over the last 10 years. Greenhill also noted that, as of February 3, 2011, Berkshire's price-to-tangible book value multiple was 43.8% of the S&P 500's price-to-tangible book value multiple and has averaged 45.0% of the S&P 500's price-to-tangible book value multiple over the last 10 years. In presenting this information, Greenhill noted that price-to-book value and price-to-tangible book value are imperfect valuation metrics for the S&P 500 given that a number of the companies in the S&P do not trade on book value or tangible book value and have high price-to-book value and price-to-tangible book value multiples.

Exchange Ratio Analysis. In order to provide background information and perspective with respect to the historical exchange ratio of shares of Wesco common stock to shares of Berkshire Class B common stock, Greenhill reviewed the historical per share prices of Wesco common stock and Berkshire Class B common stock over the period from May 9, 1996 (when Berkshire Class B common stock began trading) to and including February 3, 2011, as well as the 10-year, 5-year, 3-year and 1-year period prior to and including February 3, 2011 in order to determine the average implied exchange ratio for each such period. The implied exchange ratio is calculated as the price of Wesco common stock divided by the price of Berkshire Class B common stock. The following table lists these implied exchange ratios:

	Implied Exchange Ratio
As of February 3, 2011	4.6x
Average Statistic over the Preceding:	
1-year	4.5x
3-years	4.7x
5-years	5.2x
10-years	5.8x
Average Statistic Since May 9, 1996	6.5x

General

The summary set forth above does not purport to be a complete description of the analyses or data presented by Greenhill, but simply describes, in summary form, the material analyses that Greenhill considered in connection with its opinion. The preparation of an opinion regarding fairness is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances, and, therefore, such an opinion is not readily susceptible to partial analysis or summary description. The preparation of an opinion regarding fairness does not involve a mathematical evaluation or weighing of the results of the individual analyses performed, but requires Greenhill to exercise its professional judgment, based on its experience and expertise, in considering a wide variety of analyses taken as a whole. Each of the analyses conducted by Greenhill was carried out in order to provide a different perspective on the financial terms of the merger and to add to the total mix of information available. Greenhill did not form a conclusion as to whether any individual analysis, considered in isolation, supported or failed to support an opinion about the fairness of the merger consideration to be paid to Wesco's shareholders other than Berkshire and its affiliates pursuant to the merger agreement. Rather, in reaching its conclusion, Greenhill considered the results of the analyses in light of each other and without placing particular reliance or weight on any particular analysis, and concluded that its analyses, taken as a whole, supported its determination. Accordingly, notwithstanding the separate factors summarized above, Greenhill believes that its analyses must be considered as a whole and that selecting portions of its analyses and the factors considered by it, without considering all analyses and factors, may create an incomplete view of the evaluation process underlying its opinion. In performing its analyses, Greenhill made numerous assumptions with respect to industry performance, business and economic conditions and other matters. The analyses performed by Greenhill are not necessarily indicative of future actual values or results, which may be significantly more or less favorable than

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suggested by such analyses. The analyses do not purport to be appraisals or to reflect the prices at which Wesco common stock or Berkshire Class B common stock might actually be sold.

A copy of the materials that Greenhill presented to Wesco's special committee and the Wesco Board in connection with the rendering of its opinion is filed as exhibit (c)(7) to the Transaction Statement on Schedule 13E-3 filed by Wesco with the SEC in connection with the merger, and copies of other materials that Greenhill presented to the special committee during the course of its engagement are also filed as exhibits to the Schedule 13E-3.

Purpose and Reasons for the Merger for Berkshire, Merger Sub and the Berkshire Filing Persons

Merger Sub, Blue Chip, OBH LLC and Warren E. Buffett are making the statements included in this section solely for the purpose of complying with the requirements of Rule 13e-3 and related rules under the Exchange Act. Blue Chip is the holder of record of 5,703,087 shares of Wesco common stock, representing approximately 80.1% of the total issued and outstanding shares of Wesco common stock. Blue Chip is a wholly owned subsidiary of OBH LLC, which in turn is a direct and wholly owned subsidiary of Berkshire. Mr. Buffett, Chief Executive Officer and Chairman of the Board of Directors of Berkshire, may be deemed to control Blue Chip, OBH LLC and Berkshire. We refer to Blue Chip, OBH LLC and Mr. Buffett, collectively, as the Berkshire Filing Persons.

The purpose of the merger is to increase Berkshire's indirect ownership of the outstanding shares of Wesco common stock from its current level of 80.1% to 100%. Specifically for Merger Sub, the purpose of the merger is to effectuate the transactions contemplated by the merger agreement. Accordingly, if the merger is completed, Wesco will become a wholly owned subsidiary of Blue Chip and an indirect wholly owned subsidiary of OBH LLC and Berkshire.

The primary reason Berkshire and the Berkshire Filing Persons proposed the merger was to acquire the remaining shares of Wesco common stock that Berkshire does not already own. Mr. Buffett believed that, at a time when Wesco's shares were trading at a discount to its book value, Wesco shareholders might appreciate the opportunity to consider a merger with Berkshire at book value, a price he viewed as a fair representation of Wesco's intrinsic value and fair to Wesco's unaffiliated shareholders. Berkshire and the Berkshire Filing Persons also considered the benefit of simplifying the ownership structure of Wesco and reducing the costs associated with being a public company.

Berkshire and the Berkshire Filing Persons believe that structuring the transaction as a merger is preferable to other transaction structures because (i) it will enable Blue Chip to acquire all of the outstanding shares of Wesco common stock at the same time and (ii) it represents an opportunity for Wesco's unaffiliated shareholders to receive fair value for their shares of Wesco common stock, including the option to receive payment in the form of Berkshire Class B shares on a tax-deferred basis, should they so elect.

Position of Berkshire, Merger Sub and the Berkshire Filing Persons as to the Fairness of the Merger

Berkshire, Merger Sub and the Berkshire Filing Persons are making the statements included in this section solely for the purpose of complying with the requirements of Rule 13e-3 and related rules under the Exchange Act. The views of Berkshire, Merger Sub and the Berkshire Filing persons should not be construed as a recommendation to any Wesco shareholder as to how that shareholder should vote on the proposal to adopt the merger agreement.

Berkshire, Merger Sub and the Berkshire Filing Persons believe that the proposed merger is substantively fair to Wesco's unaffiliated shareholders. Specifically, Berkshire, Merger Sub and the Berkshire Filing Persons considered the following factors in determining the fairness of the proposed transaction:

the fact that the merger consideration is based on the book value of Wesco common stock, which they believe to be a fair representation of its intrinsic value;

the fact that Wesco's unaffiliated shareholders have the option to receive cash or Berkshire Class B shares in whatever proportions such shareholders choose, and that those who elect to receive Berkshire Class B shares will have the opportunity to defer recognition of taxable gain in the merger;

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the relative future prospects of Berkshire and Wesco, and their belief that the value of Berkshire stock will increase more over time than the value of Wesco stock, giving those Wesco shareholders who elect to receive Berkshire Class B shares an opportunity to participate in Berkshire's future;

the fact that the special committee and the Wesco Board unanimously determined that the merger agreement and the merger are fair to and in the best interests of Wesco and its shareholders (other than Berkshire and its affiliates); and

the fact that Wesco's principal insurance subsidiary, Wes-FIC, is totally dependent on Berkshire for its management and has no employees of its own; that approximately 85% of Wes-FIC's current insurance business (based on written premiums) relates to a Swiss Re quota share contract that expires in 2012; and that Berkshire has often allocated a portion of its super catastrophe reinsurance business to Wes-FIC and, as a result of what Berkshire deems to be current inadequate rates for underwriting these types of risks, Berkshire's written premiums from its super catastrophe reinsurance business have declined significantly during the last three years.

Berkshire, Merger Sub and the Berkshire Filing Persons believe that the proposed transaction is procedurally fair to Wesco's unaffiliated stockholders based on the following factors:

the merger agreement must be adopted by the affirmative vote of (i) the holders of a majority of the outstanding common stock of Wesco, and (ii) the holders of a majority of the outstanding common stock of Wesco, other than shares held by Berkshire, its affiliates and certain other specified shareholders, a condition that is non-waivable;

the special committee was granted the exclusive power and authority to review, consider, evaluate, negotiate and reject or approve, and recommend or not recommend Berkshire's proposal;

Berkshire did not participate in and did not have any influence on the deliberative process of, or the conclusions reached by, the special committee or the negotiating positions of the special committee; and

the fact that the special committee held numerous meetings and met regularly to discuss and evaluate Berkshire's proposal and was advised by independent financial and legal advisors, and each member of the special committee was actively engaged in the process. In the course of reaching their fairness determinations, Berkshire, Merger Sub and the Berkshire Filing Persons did not consider any risks or factors concerning the proposed transaction that they would deem to be generally negative or unfavorable to Wesco's unaffiliated shareholders.

The foregoing discussion of the information and factors considered and given weight by Berkshire, Merger Sub and the Berkshire Filing Persons is not intended to be exhaustive, but is believed to include the material factors that were considered. Berkshire, Merger Sub and the Berkshire Filing Persons did not find it practicable to assign, and did not attempt, to quantify, rank or otherwise assign relative weights to the foregoing factors in reaching their conclusion. Rather, their fairness determinations were made after consideration of all of the foregoing factors as a whole. Berkshire, Merger Sub and the Berkshire Filing Persons believe the foregoing factors provide a reasonable basis for their belief that the merger is fair to Wesco's unaffiliated shareholders.

Effects of the Merger

If the merger agreement is adopted by the Wesco shareholders and the other conditions to the closing of the merger are satisfied or waived, Wesco will be merged with and into Merger Sub with Merger Sub continuing as the surviving entity. At the effective time of the merger, the officers of Merger Sub will become the officers of Wesco. Following the merger, Merger Sub will change its name to Wesco Financial, LLC.

If the merger is completed, each share of Wesco common stock (other than shares owned by Berkshire or Wesco or their respective subsidiaries) will be converted into the right to receive an amount, either in cash or

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Berkshire Class B common stock at the election of the shareholder, equal to: (i) \$386.55 (which represents Wesco's shareholder's equity per share as of January 31, 2011, estimated for purposes of the merger agreement), plus (ii) an earnings factor of \$.98691 per share per month from and after February 1, 2011 through and including the anticipated effective time of the merger (pro rated on a daily basis for any partial month), plus (or minus, if negative) (iii) the sum of the following (expressed on a per share basis, net of taxes) for the period between February 1, 2011 and the close of business on the determination date: (a) the change (positive or negative) in net unrealized appreciation of Wesco's investment securities, (b) the amount of net realized investment gains or losses, and (c) the amount of other-than-temporary impairment charges with respect to Wesco's investment securities, minus (iv) the per share amount of cash dividends declared with respect to Wesco common stock having a record date from and after February 4, 2011 through and including the anticipated effective time of the merger, and minus (v) certain fees and expenses incurred by Wesco in connection with the transaction (expressed on a per share basis). For Wesco shareholders who elect to receive their merger consideration in shares of Berkshire Class B common stock, the exchange ratio will be based on the average of the daily volume-weighted average prices per share of Berkshire Class B common stock for the period of 20 consecutive trading days ending on the determination date.

As of the date of this proxy statement/prospectus, the per share merger consideration is estimated to be \$[]. Based on such estimated merger consideration, the exchange ratio (as described above) would be [], and Wesco shareholders who elect to receive their merger consideration in shares of Berkshire Class B common stock would receive [] shares of Berkshire Class B common stock in exchange for one share of Wesco common stock, and [] payable as cash in lieu of a fractional share. As of [], there are [] shares of Berkshire Class B common stock outstanding. Based upon such estimated merger consideration, if all Wesco shareholders were to elect to receive their merger consideration in shares of Berkshire Class B common stock, Berkshire would issue an aggregate amount of [] shares of Berkshire Class B common stock in exchange for such holders' shares of Wesco common stock, which following such issuance would represent []% of the outstanding shares of Berkshire Class B common stock as of [].

For a detailed description of the merger consideration to be received by Wesco shareholders in the merger and the assumptions that form the basis of this per share estimate, see the section entitled "The Merger Agreement Merger Consideration" beginning on page 81. From time to time between the date of this proxy statement/prospectus and the determination date, Wesco will update and make publicly available on its website at www.wescofinancial.com its estimate of the per share merger consideration. The final per share merger consideration will be determined by Berkshire and reasonably agreed to by Wesco (acting through the special committee), and will be made publicly available through the filing of a Form 8-K by Wesco with the SEC by no later than 9:30 a.m., New York time, on the first business day following the determination date.

If the merger is completed, Wesco's unaffiliated shareholders will not have the opportunity to participate in the earnings and growth of Wesco and will not face the risk of losses generated by Wesco's operations or decline in the value of Wesco, other than indirectly as shareholders of Berkshire if they elect Berkshire Class B common stock as merger consideration. The table below sets forth the direct and indirect interests in Wesco's book value per share and earnings per share of Berkshire and its subsidiaries prior to and immediately after the merger, based upon the book value and the net income of Wesco for the fiscal year ended December 31, 2010. After the merger, Berkshire and its subsidiaries will be entitled to all benefits resulting from that interest, including all income generated by Wesco's operations and any future increase in Wesco's value. Similarly, Berkshire will also bear the risk of losses generated by Wesco's operations and any decrease in the value of Wesco after the merger.

Name	Ownership Prior to the Merger				Ownership After the Merger			
	Book Value Per Share		Earnings Per Share		Book Value Per Share		Earnings Per Share	
Berkshire	\$ 311.15	80.1%	\$ 8.12	80.1%	\$ 388.45	100.0%	\$ 10.14	100.0%

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Wesco's common stock is currently registered under the Exchange Act and is quoted on the NYSE Amex under the symbol WSC. As a result of the merger, Wesco will be a privately held corporation, and there will be no public market for its common stock. After the merger, Wesco's common stock will cease to be quoted on the NYSE Amex, price quotations with respect to the sales of shares of Wesco common stock in the public market will no longer be available and Wesco's unaffiliated shareholders will cease to have any rights in Wesco as shareholders. In addition, the registration of Wesco's common stock under the Exchange Act will be terminated.

Plans for Wesco After the Merger

Following the merger, and subject to any required regulatory approval, Berkshire plans to merge Wes-FIC with and into National Indemnity Company, with National Indemnity Company continuing as the surviving corporation. CORT and Precision Steel will continue to operate their respective businesses as they operated under Wesco prior to the merger, except that the chief executive officers of each entity will report to Mr. Buffett. It is expected that MS Property will continue to operate as it did prior to the merger, with the president of MS Property continuing to report to Mr. Munger.

Financing of the Merger

The consummation of the merger is not conditioned upon receipt of any financing. Based on Wesco's shareholders' equity as of January 31, 2011, estimated for purposes of the merger agreement, the total consideration to be paid in connection with the merger is estimated to be approximately \$547.6 million. This amount is subject to adjustment as provided in the merger agreement. Berkshire intends to use cash available in the businesses of Berkshire and certain of its subsidiaries to fund any elections by Wesco shareholders to exchange their shares of Wesco common stock for cash.

Interests of Wesco Directors and Executive Officers in the Merger

In considering the recommendation of the Wesco Board that you vote to adopt the merger agreement, you should be aware that aside from their interests as Wesco shareholders, Wesco's directors and executive officers have interests in the merger that are different from, or in addition to, those of other Wesco shareholders generally. Specifically, the Wesco Board was aware of and considered Berkshire's agreement to indemnify the directors and officers of Wesco against certain claims and liabilities after the effective time of the merger in evaluating and negotiating the merger agreement and the merger, and in recommending to the Wesco shareholders that the merger agreement be adopted.

Under the merger agreement, Berkshire has agreed to indemnify, defend and hold harmless the current and former directors and officers of Wesco and any of its subsidiaries against certain losses, claims and liabilities arising from the fact that such person is or was a director or officer of Wesco or any of its subsidiaries and in respect of acts or omissions which occurred at or prior to the effective time of the merger, as well as against losses, claims and liabilities based on, or arising out of or pertaining to, in whole or in part, the merger agreement or the transactions contemplated by it.

Notwithstanding the foregoing, such indemnification will not apply to any claims against an indemnified party (i) if a judgment or other final adjudication established that the indemnified party's acts or omissions were the result of active and deliberate dishonesty and were material to the cause of action so deliberated or (ii) which arise out of, are based upon or are attributable to the gaining of any financial profit or other advantage to which such indemnified person is not legally entitled.

In addition, Berkshire has agreed to continue in full force and effect, for a period of not less than six years from the effective time of the merger, all rights to indemnification, as of the date of execution of the merger agreement, in favor of the directors, officers and fiduciaries of Wesco and its subsidiaries, with respect to their activities prior to the effective time of the merger, as provided in their respective certificates of incorporation, bylaws or comparable documents.

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Please also consider the following relationships: Mr. Munger, the Chairman of the Board and CEO of Wesco, is also Vice Chairman of Berkshire. He receives an annual salary of \$100,000 from Blue Chip, an indirect wholly owned subsidiary of Berkshire. Mr. Munger considers each of the Wesco directors to be an admired personal friend. In one case, Mr. Munger loaned Wesco director Peter Kaufman \$1,000,000 so that Mr. Kaufman in 2004 could join Mr. Munger in making a private equity investment. Mr. Kaufman repaid half of the loan in 2010, and there is now \$500,000 in principal amount outstanding, bearing interest at a rate of 3.5% annually and due on December 31, 2012. Mr. Munger believes that no credit risk is or ever was involved because Mr. Kaufman is a very successful businessman. Mr. Kaufman had previously been the editor of Poor Charlie's Almanack, a collection of speeches, articles and other wit and wisdom from Mr. Munger. Mr. Kaufman personally advanced and risked losing the approximately \$850,000 in expenses associated with the production of the book, and he contributed substantial editorial content as well. All profits generated from sales of the book, now amounting to hundreds of thousands of dollars and with more expected, were committed to the Huntington Library in San Marino, California, where Mr. Munger and Mr. Kaufman both have been active in charitable work. In addition, Wesco director Robert Denham is a partner in the law firm of Munger Tolles. That firm renders legal services to Berkshire and its subsidiaries, including Wesco. Berkshire and its subsidiaries paid fees to Munger Tolles of approximately \$4.68 million in 2010 (approximately \$40,800 of which was for services to Wesco).

You should also be aware of the ownership of Berkshire stock by members of the Wesco Board and Wesco's executive officers, as set forth in the table under Important Information Regarding Wesco Ownership of Wesco Common Stock by Certain Beneficial Owners, Directors and Officers.

No Regulatory Approvals Required for the Merger

There are no regulatory approvals required for the completion of the merger.

Appraisal Rights

Appraisal rights generally are statutory rights that, if applicable under law, enable shareholders to decline to accept the consideration payable in an extraordinary transaction, such as a merger, and instead to demand that the company pay in cash the fair value for their shares as determined by a court in a judicial proceeding.

Under Delaware law, appraisal rights are only available if, among other things, shareholders are required to accept cash for their shares (other than cash in lieu of fractional shares). Given that the Wesco shareholders may elect to receive cash or Berkshire Class B common stock, or a combination of cash and Berkshire Class B common stock, in exchange for their shares of Wesco common stock, Wesco and Berkshire do not believe that Wesco shareholders will have any appraisal rights with the respect to the shares of Wesco common stock they hold in connection with the merger. In the Delaware class action lawsuit, the plaintiff contends (among other contentions) that Wesco shareholders have appraisal rights. If you do not vote in favor of the merger agreement and otherwise comply with the applicable statutory procedures of Section 262 of the General Corporation Law of the State of Delaware (Section 262) summarized herein, you may have the right, in lieu of receiving the cash merger consideration for your shares of Wesco common stock, to obtain payment in cash for the fair value of those shares as determined by the Court of Chancery of the State of Delaware, which we refer to as the Court. If Wesco shareholders do have appraisal rights, pursuant to Section 262, Wesco shareholders who do not vote in favor of the merger and who comply with the applicable requirements of Section 262 will have the right to seek appraisal of the fair value of such shares as determined by the Court if the merger is completed. The appraised value will not include any value arising from the accomplishment or expectation of the merger, but will include interest on such appraised value from the effective date of the merger until the date such appraised value is paid, calculated at 5% over the Federal Reserve discount rate during such period, unless the Court determines otherwise for good cause shown. It is possible that the fair value as determined by the Court may be more or less than, or the same as, the merger consideration. If Wesco shareholders do have appraisal rights, Wesco reserves the right to take the position that appraisal may only be sought with respect to shares described in the first sentence of this paragraph, and may not be exercised with respect to any shares as to which cash was elected or stock was received.

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To the extent appraisal rights are available, Wesco shareholders desiring to exercise such rights must comply with the strict procedures set forth in Section 262 in order to demand and perfect such rights. ANY SHAREHOLDER WISHING TO PRESERVE THEIR RIGHTS TO APPRAISAL MUST MAKE A DEMAND FOR APPRAISAL NOW AS DESCRIBED BELOW.

The following is intended as a brief summary of the material provisions of Section 262. This summary, however, is not a complete statement of all applicable requirements and is subject to and qualified in its entirety by reference to Section 262, the full text of which appears in Annex C to this proxy statement/prospectus.

THIS PROXY STATEMENT/PROSPECTUS CONSTITUTES WESCO S NOTICE TO ITS SHAREHOLDERS WITH RESPECT TO THE AVAILABILITY OF APPRAISAL RIGHTS, IF ANY, IN CONNECTION WITH THE MERGER UNDER SECTION 262 OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE.

If you wish to consider exercising appraisal rights, you should carefully review the text of Section 262 set forth in Annex C to this proxy statement/prospectus and consult your legal advisor. If you fail to timely and properly comply with the requirements of Section 262, any available appraisal rights may be lost.

If you elect to demand appraisal of your shares of Wesco common stock, you must satisfy each of the following conditions:

You must deliver to Wesco a written demand for appraisal of your shares before the vote is taken on the merger agreement at the special meeting. This written demand for appraisal must be in addition to and separate from any proxy or vote abstaining from or voting against the merger agreement. Voting against or failing to vote for the merger does not by itself constitute a demand for appraisal under Section 262.

You must not vote in favor of the merger agreement. An executed proxy that is submitted but does not contain voting instructions will, unless revoked, be voted in favor of the adoption of the merger agreement. A vote in favor of the merger agreement, by proxy or in person, will constitute a waiver of any appraisal rights you may have in respect of the shares so voted and will nullify any previously filed written demands for appraisal.

You must continuously hold your shares of Wesco common stock from the date you make your demand for appraisal rights through the effective time of the merger.

If you fail to comply with any of these conditions and the merger is completed, you will lose any appraisal rights with respect to your shares of Wesco common stock that may be available. Only a holder of record of shares of Wesco common stock, or a person duly authorized and explicitly purporting to act on that shareholder s behalf, is entitled to assert any appraisal rights for the shares of Wesco common stock registered in that shareholder s name. A demand for appraisal must be executed by or on behalf of the shareholder of record of Wesco, fully and correctly, as such shareholder s name appears on their stock certificates, and must state that such person intends thereby to demand appraisal of their shares of Wesco common stock in connection with the proposed merger.

If the shares of Wesco common stock are owned of record by more than one person, as in a joint tenancy and tenancy in common, the demand must be executed by or on behalf of all joint owners. An authorized agent, including an agent for two or more joint owners, may execute a demand for appraisal on behalf of a holder of record; however, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, the agent is acting as agent for such owner or owners. **Beneficial owners who do not also hold their shares of record may not directly make appraisal demands to Wesco. The beneficial owner must, in such a case, have the shareholder of record submit the required demand in respect of those shares. Shareholders who hold their shares of Wesco common stock in brokerage accounts or other nominee forms and who wish to exercise appraisal rights are urged to consult with their brokers to determine the appropriate procedures for the making of a demand for appraisal by such a nominee.**

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All demands for appraisal should be made in writing and addressed to:

Wesco Financial Corporation
301 East Colorado Boulevard, Suite 300
Pasadena, California 91101-1901
Attention: Chief Financial Officer

Within 10 days after the effective time of the merger, the entity surviving the merger must give written notice that the merger has been completed to each Wesco shareholder who has properly sent a written demand for appraisal and who did not vote in favor of the merger.

Within 120 days after the effective time of the merger, either the surviving entity or any shareholder who has complied with the requirements of Section 262 may commence an appraisal proceeding by filing a petition with the Court demanding a determination of the value of the shares held by all shareholders entitled to appraisal rights. The entity surviving the merger has no obligation to file such a petition. A person who is the beneficial owner of shares held either in a voting trust or by a nominee on behalf of such person may, in such person's own name, file a petition for appraisal with the Court. If a petition is not filed within such 120-day period, any appraisal rights relating to shares of Wesco common stock that may be available will terminate.

At any time within 60 days after the effective time of the merger, any shareholder who has not commenced an appraisal proceeding or joined that proceeding as a named party may withdraw the demand for appraisal made by the shareholder by delivering to the surviving entity a written withdrawal of the demand for appraisal. Wesco shareholders who withdraw their demand or otherwise fail to perfect or lose their appraisal rights will be entitled to receive in respect of their shares the cash merger consideration that was payable in respect of shares, without any interest thereon, as specified by the merger agreement. Any attempt to withdraw an appraisal demand more than 60 days after the effective time of the merger will require the written approval of the surviving entity. No appraisal proceeding in the Court will be dismissed as to any shareholder without the approval of the Court, and such approval may be conditioned upon such terms as the Court deems just; provided, however, that any shareholder who has not commenced an appraisal proceeding or joined that proceeding as a named party may withdraw a demand for appraisal and accept the merger consideration offered pursuant to the merger agreement within 60 days after the effective date of the merger. If the surviving entity does not approve a request to withdraw a demand for appraisal when that approval is required, or, except with respect to any shareholder who withdraws such shareholder's right to appraisal in accordance with the proviso in the immediately preceding sentence, if the Court does not approve the dismissal of an appraisal proceeding, the shareholder will be entitled to receive only the appraised value determined in any such appraisal proceeding, which value could be less than, equal to or more than the consideration being offered pursuant to the merger agreement. Within 120 days after the effective time of the merger, any shareholder who has complied with Section 262 will be entitled, upon written request, to receive from the surviving entity a statement setting forth the aggregate number of shares of Wesco common stock with respect to which demands for appraisal have been received. The statement must be mailed within ten days after a written request therefor has been received by the surviving entity or within ten days after the expiration of the period for delivery of demands for appraisal, whichever is later.

If a dissenting shareholder duly files a petition for appraisal with the Court and the petition is served on the surviving entity, then the surviving entity must file with the Court within 20 days after being served such petition a duly verified list containing the names and addresses of all shareholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached. After giving notice of the time and place fixed for hearing of such petition, the Court is empowered to conduct a hearing upon the petition to determine those shareholders who have complied with the requirements of Section 262 and who are entitled to appraisal rights.

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The Court may require shareholders who have demanded payment of the fair value of their shares to submit their stock certificates to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings. If any shareholder fails to comply with such direction, the Court may dismiss the proceedings as to such shareholder. After determination of the shareholders, if any, entitled to appraisal rights, an appraisal proceeding shall be conducted in accordance with the rules of the Court, including any rules specifically governing appraisal proceedings, and the Court will determine the fair value of the shares of Wesco common stock, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with interest, if any, to be paid upon the amount determined to be the fair value. Unless the Court in its discretion determines otherwise for good cause shown, interest from the effective date of the merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the effective date of the merger and the date of payment of the judgment. Once the fair value is determined by the Court, the surviving entity will pay all dissenting shareholders the appraised value of their shares, together with interest accrued thereon during the pendency of the proceeding, upon surrender by such holders of the certificates representing such shares.

In determining fair value, the Court is required to take into account all relevant factors. In *Weinberger v. UOP, Inc.*, the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that proof of value by any techniques or methods that are generally considered acceptable in the financial community and otherwise admissible in court should be considered, and that fair price obviously requires consideration of all relevant factors involving the value of a company. The Delaware Supreme Court stated that, in making this determination of fair value, the court must consider market value, asset value, dividends, earnings prospects, the nature of the enterprise and any other facts that could be ascertained as of the date of the merger that throw any light on future prospects of the target corporation. Section 262 provides that fair value is to be exclusive of any element of value arising from the accomplishment or expectation of the merger. In *Cede & Co. v. Technicolor, Inc.*, the Delaware Supreme Court stated that such exclusion is a narrow exclusion [that] does not encompass known elements of value, but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In *Weinberger*, the Delaware Supreme Court also stated that elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered.

Shareholders considering seeking appraisal should be aware that the fair value of their shares as so determined could be more than, the same as or less than the consideration they would receive pursuant to the merger if they did not seek appraisal of their shares and that an investment banking opinion as to fairness from a financial point of view is not necessarily an opinion as to fair value under Section 262. Although Wesco believes that the merger consideration is fair, no representation is made as to the outcome of the appraisal of fair value as determined by the Court, and shareholders should recognize that such an appraisal could result in a determination of a value higher or lower than, or the same as, the merger consideration. Neither Berkshire nor Wesco anticipate offering more than the applicable merger consideration to any shareholder of Wesco exercising appraisal rights, and reserve the right to assert, in any appraisal proceeding, that for purposes of Section 262, the fair value of a share of Wesco common stock is less than the applicable merger consideration. They also reserve the right to assert that appraisal rights are not available at all in connection with the proposed merger. The Delaware courts have stated that the methods which are generally considered acceptable in the financial community and otherwise admissible in court may be considered in the appraisal proceedings. In addition, the Delaware courts have decided that the statutory appraisal remedy, depending on factual circumstances, may or may not be a dissenting shareholder's exclusive remedy.

If a petition for appraisal is not timely filed, then any right to an appraisal will cease. Costs of the appraisal proceeding (which do not include attorneys' fees or the fees and expenses of experts) may be determined by the Court and charged to the parties as the Court deems equitable under the circumstances. Upon application of any dissenting shareholder, the Court may order all or a portion of the expenses incurred by any shareholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys' fees and the fees

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and expenses of experts utilized in the appraisal proceeding, to be charged pro rata against the value of all shares entitled to appraisal.

If any shareholder who demands appraisal of shares of Wesco common stock under Section 262 fails to perfect, successfully withdraws or loses such holder's right to appraisal, the shareholder's shares of Wesco common stock will be deemed to have been converted at the effective date of the merger into the right to receive the merger consideration pursuant to the merger agreement. A shareholder will fail to perfect, or effectively lose, any right to appraisal of such holder if no petition for appraisal is filed within 120 days after the effective date of the merger. In addition, as indicated above, a shareholder may withdraw a demand for appraisal in accordance with Section 262 and accept the merger consideration offered pursuant to the merger agreement.

Any shareholder who has demanded appraisal rights will not, after the effective time of the merger, be entitled to vote the shareholder's shares for any purpose or to receive payments of dividends or any other distribution with respect to such shares (other than with respect to payment as of a record date prior to the effective time of the merger).

In view of the complexity of Section 262 and the belief of Berkshire and Wesco that appraisal rights are not available in connection with the merger, Wesco shareholders who may wish to dissent from the merger and pursue appraisal rights should consult their legal advisors.

NYSE Listing of Berkshire Class B Common Stock

Shares of Berkshire Class B common stock are quoted on the NYSE under the stock symbol BRK.B. It is a condition to completion of the merger that the Berkshire Class B shares to be issued by Berkshire to Wesco shareholders in connection with the merger be approved for listing on the NYSE, subject to official notice of issuance. Berkshire has agreed to use its best efforts to cause such shares to be listed on the NYSE and expects to obtain the NYSE's approval to list such shares prior to completion of the merger, subject to official notice of issuance.

Delisting and Deregistration of Wesco Common Stock

Wesco common stock currently trades on the NYSE Amex under the stock symbol WSC. When the merger is completed, all shares of Wesco common stock listed on the NYSE Amex will cease to be quoted on the NYSE Amex and will be deregistered under the Exchange Act.

Provisions for Unaffiliated Shareholders

No provision has been made to grant any unaffiliated shareholder of Wesco access to the files of Wesco, Berkshire, Merger Sub, or the Berkshire Filing Persons or to obtain counsel or appraisal services at the expense of any of the foregoing.

Litigation Related to the Merger

Two lawsuits were filed on February 8, 2011 by plaintiffs claiming to be Wesco shareholders challenging the transactions contemplated by the merger agreement. Both of the lawsuits name Wesco, Wesco's directors, Berkshire and Merger Sub as defendants. One of them also names Blue Chip and Wesco's Chief Financial Officer as defendants. One of the actions was filed in Delaware Chancery Court and the other in Los Angeles Superior Court. Both purport to be class actions on behalf of Wesco shareholders.

The Delaware action is styled *Joel Krieger v. Wesco Financial Corporation, et al.* The Los Angeles action is styled *James Kinsey v. Wesco Financial Corporation, et al.* The lawsuits allege, among other things, that Wesco's directors have breached their fiduciary duties based on allegations that (i) the consideration being

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offered is unfair and inadequate, (ii) statements in Wesco's annual reports comparing its prospects for growth with those of Berkshire have been unduly unfavorable to Wesco, and (iii) the Wesco directors' approval of the proposed merger was tainted by conflicts of interest between Berkshire and the non-Berkshire shareholders of Wesco in breach of the Wesco Board's fiduciary duties. In addition, an amended complaint in the Delaware action alleges that dissenting shareholders are entitled to appraisal rights under Delaware law and that the preliminary proxy statement is misleading or incomplete. The lawsuits also allege that Berkshire and its affiliates violated fiduciary duties owed by a majority shareholder and/or aided and abetted the alleged breaches by Wesco's directors. The plaintiffs seek various remedies, including enjoining the transaction from being consummated in accordance with the agreed-upon terms. On February 22, 2011, the Delaware Chancery Court granted a Stipulated Order of Class Certification and Case Management that, among other things, certified the Delaware action as a class action without opt-out rights. The class consists of all persons who held shares of common stock of Wesco (excluding the defendants named in the Delaware action and any person, firm, trust, corporation or other entity related to or affiliated with, any of the defendants) at any time during the period from and including August 25, 2010, through the date of consummation of the merger.

After the class was certified in Delaware, the parties to the California action stipulated to stay that action pending the resolution of the Delaware action. The Delaware plaintiff has moved the Delaware Chancery Court for an order preliminarily enjoining the proposed merger. The defendants believe that the lawsuits are without merit and intend to oppose the motion for preliminary injunction and to defend against these and any additional actions asserting similar claims that may be brought in the future.

Estimated Fees and Expenses of the Merger

The following is an estimate of fees and expenses to be incurred in connection with the proposed merger:

Description	Amount to be Paid
SEC filing fee	\$ 64,025
Printing and mailing expenses	100,000
Financial, legal, and other advisory fees	6,400,000
Miscellaneous expenses	25,000
Total	\$ 6,589,025

Wesco and Berkshire have agreed that (i) all fees and expenses in connection with printing and mailing the Form S-4 and this proxy statement/prospectus, and all SEC filing fees relating to the transactions contemplated by the merger agreement, will be split equally by Berkshire and Wesco, and (ii) all other fees and expenses incurred by the parties to the merger agreement will be borne solely by the party that incurred such fees and expenses.

Cushman Appraisals

Selection and Qualifications of Independent Appraiser. Wesco's special committee retained the services of Cushman to appraise the market value of Wesco's real estate described in the appraisal reports identified below and held in MS Property Company. The special committee selected Cushman in consultation with its legal advisors because Cushman is an experienced independent valuation consulting firm. Cushman has not performed appraisal services for Wesco or its affiliates in the past.

Factors Considered. Cushman performed appraisals of (i) The Montana Phase I, or Montana I, which consists of a 28-unit ultra-luxury residential condominium project in a six-story building located in Pasadena, California, (ii) The Montana II, or Montana II, an undeveloped site located in Pasadena, California, (iii) the Upland Town & Country Center property, or the Upland Property, which consists of two retail buildings located in a neighborhood shopping center in Upland, California, and (iv) an office building and garage, or the Office Building, located in Pasadena, California. Each appraisal estimated the value of the property appraised as of

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December 10, 2010. Reference to said appraisal reports herein is for information purposes only. There is no assurance that the property appraised will have a market value equal to the estimated market value stated in the appraisal report. An appraisal is only an estimate of value, as of the specific date stated in the appraisal, and is subject to the assumptions and limiting conditions stated in the appraisal report. As an opinion it is not a measure of realizable value and may not reflect the amount which would be received if the property were sold. Reference should be made to the entire appraisal report because relying solely on excerpts or portions of a report does not necessarily convey all of the material limitations or qualifications of the report that influenced the opinion of value.

Cushman has represented that its reports were prepared in conformity with the Standards of Professional Practice and Code of Professional Ethics of Appraisal Institute, which incorporates the Uniform Standards of Professional Appraisal Practice. Wesco furnished Cushman with all of the necessary information requested by Cushman in connection with the appraisals except as noted in the appraisal reports. The appraisals were not prepared in conjunction with a request for a specific value or a value within a given range. In preparing its valuation of the properties, Cushman, among other things and to the extent it determined appropriate based on its professional experience: physically inspected the properties; reviewed comparable sales in a property's influencing market; reviewed and analyzed existing and comparable rental data; considered the input of buyers, sellers, brokers, property developers and public officials; researched vacant land and improved sales in a property's influencing market; investigated the general regional economy as well as the specifics of a property's local area; utilized appropriate appraisal methodologies to derive estimates of value; and reconciled the estimates of value into a single value conclusion.

Summary of Approaches and Methodologies Employed. Cushman reported that there are three generally accepted approaches to developing an opinion of value: cost, sales comparison and income capitalization. Cushman considered each approach in its appraisal of each property to develop an opinion of the market value of each property. Cushman included or eliminated an approach to value based on the approach's applicability to the property type being valued and the quality of information available. The reliability of each approach depends on the availability and comparability of market data as well as the motivation and thinking of purchasers. Cushman reported that the valuation process is concluded by analyzing each approach to value used in the applicable appraisal. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value, or is a correlation of all the approaches used in the appraisal.

The following summary describes each approach.

Cost Approach. The cost approach is based on the proposition that an informed purchaser would pay no more for the subject property than the cost to produce a substitute property with equivalent utility. According to Cushman, the approach is particularly applicable when the property being appraised involves relatively new improvements which represent the highest and best use of the land, or when relatively unique or specialized improvements are located on the site for which there are few improved sales or leases of comparable properties. In the cost approach, the appraiser forms an opinion of the cost of all improvements, depreciating them to reflect any value loss from physical, functional and external causes. Land value, entrepreneurial profit and depreciated improvement costs are then added, resulting in an opinion of value for the subject property.

Sales Comparison Approach. In the sales comparison approach, sales of comparable properties are adjusted for differences to estimate a value for the subject property. A unit of comparison such as price per square foot of building area or effective gross income multiplier is typically used to value the property. When developing an opinion of land value the analysis is based on recent sales of sites of comparable zoning and utility, and the typical units of comparison are price per square foot of land, price per acre, price per unit, or price per square foot of potential building area. In all cases, adjustments are applied to the unit of comparison from an analysis of comparable sales, and the adjusted unit of comparison is then used to derive an opinion of value for the subject property.

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Income Capitalization Approach. In the income capitalization approach the income-producing capacity of a property is estimated by using contract rents on existing leases and by estimating market rent from rental activity at competing properties. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as direct capitalization. Related to the direct capitalization method is the discounted cash flow method. In this method, periodic cash flows (which consist of net operating income less capital costs) and a reversionary value are developed and discounted to a present value using an internal rate of return that is determined by analyzing current investor yield requirements for similar investments.

The development approach can be used within the income capitalization approach. In the development approach, the sales revenues of a property are estimated by estimating market prices from sales activity of comparable housing units at competing properties. The sales revenues of the units are projected over an absorption period to indicate the gross retail proceeds. The cost of all items for holding and marketing the existing and/or proposed units is then deducted from the gross retail proceeds expected to be generated in the sale of the finished residences. The resulting net sales proceeds are discounted to a present value estimate at appropriate rates of return to compensate for the time value of money and the risk of investing capital in the venture to derive an opinion of value for the subject property.

Summary of Appraisals. The summaries set forth below describe the material conclusions reached by Cushman based on the values determined under the valuation approaches and subject to the assumptions and limitations described below. On December 10, 2010, the estimated market value of Montana I was \$40,900,000, the estimated market value of Montana II was \$5,000,000, the estimated market value of the Upland Property was \$1,050,000 and the estimated market value of the Office Building was \$25,000,000.

Montana I. The following is a summary of the appraisal report of Montana I dated as of December 10, 2010:

Valuation Under Development Approach. Cushman's appraisal of Montana I employed only the development approach. Cushman reported that this approach would be considered necessary and applicable for market participants given Cushman's analysis and knowledge of the property type and relevant investor profiles.

Montana I includes a total of 28 condominium units, 22 of which remained unsold as of the date of Cushman's appraisal. Montana I also features a ground-floor commercial component comprised of two retail suites. Cushman reported that one of the suites was occupied at the time of the appraisal report and the other was under negotiations for lease. Cushman further reported that Montana I enjoys a very good location along Colorado Boulevard in the City of Pasadena, California.

In order to estimate the retail value for the subject residential units, Cushman examined developer direct and resale pricing for like-sized condominium units in the most similar communities in the competitive market and other ultra-luxury units in the Los Angeles market. Cushman examined comparable retail sale activity at properties in the competitive market that closed between July 2009 and November 2010, and then segregated the comparable sales data for the most competitive properties to determine the relationship between size and pricing in the competitive marketplace. Cushman then examined sales prices for the six closed units at Montana I. Based on the comparable data and Cushman's understanding of the demand levels in the market, Cushman then estimated a range of retail prices for the unsold units at Montana I. Cushman then discounted the retail value of the unsold units and the interim cash flows to present value, making deductions for the carrying costs (real estate taxes, etc.), operating costs, and the costs associated with the sale of the units in order to estimate value of Montana I as of the appraisal date. The assumptions incorporated in Cushman's analysis are summarized below.

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average estimated retail price for the unsold units of \$2,454,991 per unit, or \$596 per square foot;

estimated remaining construction costs of \$0.00, as the project was completed at the time of Cushman's appraisal;

estimated average homeowner's association dues of \$1,927 per unit per month;

estimated sales expenses equal to 5.0% of the retail sales price for each unit;

an estimated absorption rate (i.e., the rate at which the market will absorb the current inventory of listings) of 0.5 to 1 unit per month;

estimated discount rate of 22%;

In order to estimate the retail value for the commercial component of Montana I, Cushman reviewed the signed lease for the occupied retail suite and examined the letter of intent for the unoccupied retail space. Cushman also reviewed two recent letters of intent for similar retail spaces located in the vicinity of Montana I in order to determine if the commercial rental rates of Montana I's retail suites were market based. Cushman reported that it is typical for developers to sell commercial condominiums upon reaching stabilized occupancy levels, and assumed, for purposes of its appraisal, that Montana I's commercial retail space would be leased over the course of 2011 and then, once stabilized rental rates were achieved in 2012, such commercial condominiums would be sold. Cushman reported that it employed a 7.0% terminal capitalization rate in its analysis and deducted a 3.0% cost of sale, which resulted in an estimated value indication for the commercial component of Montana I of approximately \$2.8 million.

Based on the foregoing, Cushman reported that the development approach resulted in a valuation conclusion for Montana I of approximately \$40,900,000.

Montana II. The following is a summary of the appraisal report of Montana II dated as of December 10, 2010:

Valuation Under Sales Comparison Approach. Cushman utilized the sales comparison approach to estimate the value of Montana II. Cushman reported that this methodology includes an analysis of the prices paid for comparable sites or under-improved (essentially vacant) sites. Comparisons between the data and Montana II were then made based on an evaluation of the comparable properties' dates of sale, location, size, density and development potential, as well as on access, plottage and other considerations.

Cushman reported that it analyzed comparable sales based on the sales price per unit, which it reported is the most widely-used and market-oriented unit of comparison for properties such as Montana II. Cushman analyzed sales of five comparable development sites that occurred over the past two years. Four of those sales were located in the San Gabriel Valley area, which is where Montana II is located. Cushman reported that Montana II has an excellent location in Pasadena, California, and is superior to all of the comparable properties in the location.

The comparable sales reflected per unit unadjusted sales prices ranging from \$77,273 to \$176,309. After adjustment, the comparable sales illustrated a range from \$101,420 to \$224,001 per unit with average adjusted sale prices of \$144,007 per unit. Cushman reported that the sale of the most comparable property was accorded the most significance. The adjusted per-unit indication for that comparable was \$224,001. Placing reliance on that comparable, Cushman estimated that the indicated land value under the sales comparison approach as applied to Montana II was approximately \$227,273 per unit. Applied to Montana II's proposed 22 units, this resulted in Cushman's land value conclusion for Montana II of approximately \$5,000,000.

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Upland Property. The following is a summary of the appraisal report of the Upland Property dated as of December 10, 2010:

Valuation Under Income Capitalization Approach. Using the income capitalization approach, Cushman performed both a discounted cash flow analysis and a direct capitalization analysis to derive a value for the Upland Property. Cushman reported that both methods of valuation were considered appropriate and were mutually supportive.

The direct capitalization analysis resulted in a valuation conclusion for the Upland Property of approximately \$1,050,000. The discounted cash flow analysis resulted in a valuation calculation for the Upland Property of approximately \$1,100,000. Cushman calculated the aggregate value conclusion for the Upland Property under the income capitalization approach of approximately \$1,050,000.

The assumptions employed by Cushman to determine the value of the Upland Property under the income capitalization approach using a direct capitalization analysis included:

potential year one base rental revenue of \$153,297;

estimated year one re