



PRESS RELEASE

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CONTACTS: Gregory Dickerson
Director
+1 908 882 1737
gregory.dickerson@ambest.com

Carlos Wong-Fupuy
Senior Director
+1 908 882 2438
carlos.wong-fupuy@ambest.com

Christopher Sharkey
Associate Director, Public Relations
+1 908 882 2310
christopher.sharkey@ambest.com

Al Slavin
Senior Public Relations Specialist
+1 908 882 2318
al.slavin@ambest.com

AM Best Affirms Credit Ratings of National Indemnity Company and Its Affiliates

OLDWICK, N.J., March 28, 2024—AM Best has affirmed the Financial Strength Rating (FSR) of A++ (Superior) and the Long-Term Issuer Credit Ratings (Long-Term ICR) of “aaa” (Exceptional) of National Indemnity Company (Omaha, NE) and its affiliates (collectively referred to as National Indemnity). These companies are subsidiaries of Berkshire Hathaway Inc. (Berkshire) [NYSE: BRK A and BRK B]. The outlook of these Credit Ratings (ratings) is stable. (See below for a detailed listing of the companies and ratings.)

The ratings of National Indemnity reflect its balance sheet strength, which AM Best assesses as strongest, as well as its very strong operating performance, very favorable business profile and appropriate enterprise risk management (ERM).

National Indemnity’s balance sheet strength benefits from its solid risk-adjusted capitalization, which is typically maintained at the strongest level, as measured by Best’s Capital Adequacy Ratio (BCAR), but is subject to occasional volatility, usually due to fluctuations in investment values. This volatility is mitigated by ample liquidity and vast financial resources, not only at National Indemnity’s level, but also at National Indemnity’s ultimate parent, Berkshire. Berkshire provides substantial financial flexibility, diversification and long-term competitive advantages associated with its non-insurance businesses, in addition to the benefit of Berkshire’s proven investment acumen.

National Indemnity’s steady underwriting performance has been augmented by substantial investment contributions during most periods, which has led to operating results that have outperformed AM Best’s

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reinsurance composite, as measured by a broad range of profitability metrics, over a prolonged time period.

National Indemnity's underwriting results in large part reflect the performance of Berkshire's other (re)insurance affiliates, as a substantial portion of the group's premiums are assumed via quota share and to a lesser extent excess of loss reinsurance agreements with affiliates.

The FSR of A++ (Superior) and the Long-Term ICRs of "aaa" (Exceptional) have been affirmed with stable outlooks for National Indemnity Company and its following affiliates:

- Columbia Insurance Company
- National Fire & Marine Insurance Company
- National Liability & Fire Insurance Company
- National Indemnity Company of Mid-America
- National Indemnity Company of the South
- Berkshire Hathaway Specialty Insurance Company
- Berkshire Hathaway Direct Insurance Company

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#).

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