



## NATIONAL INDEMNITY COMPANY

Dollars in 000

|                                     | 2015        | 2016        | 2017        |                              | 2015       | 2016       | 2017       |
|-------------------------------------|-------------|-------------|-------------|------------------------------|------------|------------|------------|
| Total Assets                        | 161,776,679 | 178,623,328 | 231,373,820 | RBC Ratio (%)                | 464.2      | 460.5      | 471.8      |
| Total Liabilities                   | 71,948,060  | 77,337,422  | 102,811,254 | 2yr Res Development          | 4,325,158  | -1,885,315 | -1,559,726 |
| Policyholder Surplus                | 89,828,619  | 101,285,906 | 128,562,566 | 2yr Dev / Surplus (IRIS #12) | 4.4%       | -2.0%      | -1.7%      |
| Cash & Invested Assets              | 155,825,166 | 172,062,262 | 221,160,906 | Affiliated Common Stck       | 34,583,006 | 39,650,550 | 47,967,145 |
| Cash & Invested Assets/ Total Asset | 96.3%       | 96.3%       | 95.6%       | Affiliated CS / Surplus      | 38.5%      | 39.1%      | 37.3%      |
| Net Cash from Operations            | 7,947,002   | 6,976,036   | 12,809,817  | Net Reins Recoverable        | 679,550    | 742,530    | 1,220,974  |
| Loss & LAE Reserves                 | 23,404,038  | 24,665,574  | 28,189,823  | Net Reins Rec / Surplus      | 0.8%       | 0.7%       | 0.9%       |
| Loss & LAE Reserves/Surplus         | 26.1%       | 24.4%       | 21.9%       | AMB / S&P Ratings            | A++ / AA+  | A++ / AA+  | A++ / AA+  |
| GPW to PHS (IRIS #1)                | 20.9%       | 20.1%       | 19.0%       |                              |            |            |            |
| NPW to PHS (IRIS #2)                | 20.5%       | 19.8%       | 18.7%       |                              |            |            |            |

  

| Income/Loss Trends (\$000) |  |  |  |
|----------------------------|--|--|--|
|                            |  |  |  |

  

| Combined Ratio (%) Trends |  |  |  |
|---------------------------|--|--|--|
|                           |  |  |  |

  

| Premium Trends (\$000) |  |  |  |
|------------------------|--|--|--|
|                        |  |  |  |

  

| 2017 Investment Portfolio |  |
|---------------------------|--|
|                           |  |

  

| 2017 Top 5 Geographies (DPW - \$000) |  |
|--------------------------------------|--|
|                                      |  |

  

| 2017 Top 5 Lines of Business (DPW/Total DPW) |  |
|--|--|
|  |  |

  

|                      |           |
|----------------------|-----------|
| Total NY State DPW   | \$0,083   |
| Total US ex Terr DPW | \$237,147 |

  

|                 |           |
|-----------------|-----------|
| Total All Lines | \$237,087 |
|-----------------|-----------|

National Indemnity Company was incorporated in the State of Nebraska in April 1940. Financial control has been under Berkshire Hathaway Inc. since 1967. Two former affiliates, Southern Casualty Insurance Company and Texas United Insurance Company, were absorbed by merger on December 31, 1984. The company has been eligible to write surplus lines business in New York at least since ELANY's inception in 1989. As of December 31, 2017, National Indemnity was licensed in forty-seven states and the District of Columbia and operated on a non-admitted basis in Massachusetts, New Jersey, and New York.

## ULTIMATE PARENT – Berkshire Hathaway Inc.

| Corporate Profile |   | Highlights (\$000)     | 2016        | 2017        |
|-------------------|---|------------------------|-------------|-------------|
| Address:          | Berkshire Hathaway Inc.<br>3555 Farnam Street<br>Omaha, NE 68131  | Total Assets           | 620,854,000 | 702,095,000 |
| Website:          | <a href="http://www.berkshirehathaway.com">http://www.berkshirehathaway.com</a>   | Total Liabilities      | 335,426,000 | 350,141,000 |
| Ticker Symbol:    | NYSE: BRKA  | Shareholders' Equity   | 285,428,000 | 351,954,000 |
| 2017 Form 10-K:   | <a href="https://www.sec.gov/Archives/edgar/data/1067983/000119312518057033/d437858d10k.htm">https://www.sec.gov/Archives/edgar/data/1067983/000119312518057033/d437858d10k.htm</a> | Net Income             | 24,427,000  | 45,353,000  |
|                   |   | Debt                   | 101,644,000 | 102,587,000 |
|                   |   | Debt / Equity          | 35.6%       | 29.1%       |
|                   |   | Dividends Paid         | 0           | 0           |
|                   |   | Dividends / Net Income | 0.0%        | 0.0%        |

### Top 5 Unaffiliated Reinsurers for National Indemnity Co. by Gross Recoverables

*Dollars in 000*

| Rank | Reinsurer  | Gross Recoverables | Assumed Premium (As-Reported by Reinsurer) | Premiums Ceded (As-Reported By Cedant) |
|------|--|--------------------|--|--|
| 1    | SCOR Global P&C SE                                     | 203,264            | NA   | 63,633                                 |
| 2    | SCOR Switzerland AG                                    | 25,287             | NA   | -2                                     |
| 3    | Global Aerospace Inc.                                  | 10,207             | NA   | 1                                      |
| 4    | MAPFRE Empresas, Compañía de Seguros y Reaseguros, S.A | 9,606              | NA   | 17                                     |
| 5    | Lloyd's Syndicate 2020                                 | 5,962              | NA   | 0                                      |

Berkshire Hathaway Inc. is a publicly traded holding company (NYSE: BRK.A). The company, through its subsidiaries, primarily engages in the insurance and reinsurance of property and casualty risks. Berkshire Hathaway was founded in 1889 and is based in Omaha, Nebraska.

### **Important Information Regarding Financial Summaries**

This financial summary contains information helpful to New York excess lines brokers in meeting their non-delegable duty to use "due care" in the selection of a financially secure excess line insurer. Definitions of the financial terms used in the summaries appear as pop-up boxes when hovering your mouse over the corresponding text. For additional guidance on assessing insurance company financial statements, please reference "ELANY COMPLIANCE ADVISOR: FUNDAMENTALS OF INSURANCE COMPANY FINANCIAL ANALYSIS".

The Excess Line Association of New York has compiled the insurance company financial information from the Annual Statutory Financial Statements. All ratios, charts, and graphs are based on the compiled information. We have made every effort to ensure all information transcribed for these pages is correct. However, the Excess Line Association of New York cannot attest to the accuracy of data provided by its sources, nor do we make any warranties, either expressed or implied, regarding the accuracy or completeness of information presented in this document. We assume no responsibility for loss or damage resulting from the use of this information.