

BERKSHIRE HATHAWAY INC.
NEWS RELEASE

FOR IMMEDIATE RELEASE

July 3, 2003

Omaha, NE (BRK.A; BRK.B) — Berkshire Hathaway has terminated its shareholder-designated contributions program, which has distributed approximately \$197 million since it was begun in 1981. This program has allowed holders of Berkshire's A shares to designate a per-share sum for the company to contribute to as many as three charities, the only requirement being that the designee have 501(c)(3) status. The program thus allowed a wide diversity of donations, some of them controversial but all outside the control of Berkshire.

In recent years, about 3,500 charities have been designated annually, with schools the favorite (about 800 different institutions have benefited), followed by more than 400 churches and synagogues. Some institutions were named by many shareholders. Last year, for example, ten shareholders directed funds to Creighton University and 20 named the University of Nebraska.

The program worked well for many years. Recently, however, certain of the donations, including some made by Berkshire's chairman, Warren Buffett, have caused harmful criticism to be directed at Berkshire's new subsidiary, The Pampered Chef. The independent consultants that serve The Pampered Chef have no responsibility for what Berkshire Hathaway shareholders do, yet the careers of many of these consultants are now suffering because of the contributions program.

Thus, contrary to all that Berkshire has experienced in the past, its ownership is now harming a new subsidiary, even though this company anticipated that association with Berkshire would help rather than hurt its employees and sales field. Moreover, Berkshire greatly admires Doris Christopher, the founder and CEO of The Pampered Chef, and the independent consultants who serve it so well. These circumstances caused Berkshire directors to decide to eliminate the contributions program. Berkshire recognizes that many of its shareholders will regret the loss of this program, but feels that the action it is taking is in the best interest of the company.

All Berkshire subsidiaries, under direction of their local managers, will continue to support local charities in a manner consistent with what they have been doing. The Pampered Chef has traditionally focused on Round-Up from the Heart, Help Whip Cancer and the Family Resiliency Program, and it will continue this focus.

Berkshire Hathaway Inc. and its subsidiaries engage in a number of diverse business activities among which the most important is the property and casualty insurance business conducted on both a direct and reinsurance basis.

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