

Warren Buffett's Letters To Berkshire Shareholders 2004

巴菲特致股东的信 2004 年

Note: The following table appears in the printed Annual Report on the facing page of the Chairman's Letter and is referred to in that letter.

附注：下表系董事长致股东信的参考资料，并载于年度报告的封面。

Berkshire's Corporate Performance vs. the S&P 500

| Year | Annual Percentage Change | | Relative Results (1)-(2) |
|------|---|---|-----------------------------|
| | in Per-Share Book Value of Berkshire (1) | in S&P 500 with Dividends Included (2) | |
| 1965 | 23.8 | 10.0 | 13.8 |
| 1966 | 20.3 | (11.7) | 32.0 |
| 1967 | 11.0 | 30.9 | (19.9) |
| 1968 | 19.0 | 11.0 | 8.0 |
| 1969 | 16.2 | (8.4) | 24.6 |
| 1970 | 12.0 | 3.9 | 8.1 |
| 1971 | 16.4 | 14.6 | 1.8 |
| 1972 | 21.7 | 18.9 | 2.8 |
| 1973 | 4.7 | (14.8) | 19.5 |
| 1974 | 5.5 | (26.4) | 31.9 |
| 1975 | 21.9 | 37.2 | (15.3) |
| 1976 | 59.3 | 23.6 | 35.7 |
| 1977 | 31.9 | (7.4) | 39.3 |
| 1978 | 24.0 | 6.4 | 17.6 |
| 1979 | 35.7 | 18.2 | 17.5 |
| 1980 | 19.3 | 32.3 | (13.0) |
| 1981 | 31.4 | (5.0) | 36.4 |
| 1982 | 40.0 | 21.4 | 18.6 |
| 1983 | 32.3 | 22.4 | 9.9 |
| 1984 | 13.6 | 6.1 | 7.5 |
| 1985 | 48.2 | 31.6 | 16.6 |
| 1986 | 26.1 | 18.6 | 7.5 |
| 1987 | 19.5 | 5.1 | 14.4 |
| 1988 | 20.1 | 16.6 | 3.5 |
| 1989 | 44.4 | 31.7 | 12.7 |
| 1990 | 7.4 | (3.1) | 10.5 |
| 1991 | 39.6 | 30.5 | 9.1 |
| 1992 | 20.3 | 7.6 | 12.7 |
| 1993 | 14.3 | 10.1 | 4.2 |
| 1994 | 13.9 | 1.3 | 12.6 |
| 1995 | 43.1 | 37.6 | 5.5 |
| 1996 | 31.8 | 23.0 | 8.8 |
| 1997 | 34.1 | 33.4 | .7 |
| 1998 | 48.3 | 28.6 | 19.7 |
| 1999 | .5 | 21.0 | (20.5) |
| 2000 | 6.5 | (9.1) | 15.6 |
| 2001 | (6.2) | (11.9) | 5.7 |
| 2002 | 10.0 | (22.1) | 32.1 |
| 2003 | 21.0 | 28.7 | (7.7) |
| 2004 | 10.5 | 10.9 | (.4) |

Average Annual Gain — 1965-2004 21.9 10.4 11.5

Overall Gain — 1964-2004 286,865 5,318

Notes: Data are for calendar years with these exceptions: 1965 and 1966, year ended 9/30; 1967, 15 months ended 12/31.

资料以历年制为准，除了 1965 年及 1966 年系至 9/30;1967 年则为至 12/31 的 15 个月。

Starting in 1979, accounting rules required insurance companies to value the equity securities they hold at market rather than at the lower of cost or market, which was previously the requirement. In this table, Berkshire's results through 1978 have been restated to conform to the changed rules. In all other respects, the results are calculated using the numbers originally reported.

从 1979 年开始，会计原则规定保险公司持有的股权投资必须采用市价法取代原先的成本与市价孰低法，在本表中，1978 年以前的资料已依照该原则重新调整，除此之外，其它的数字皆依照原则的结果未作更动。

The S&P 500 numbers are pre-tax whereas the Berkshire numbers are after-tax. If a corporation such as Berkshire were simply to have owned the S&P 500 and accrued the appropriate taxes, its results would have lagged the S&P 500 in years when that index showed a positive return, but would have exceeded the S&P in years when the index showed a negative return. Over the years, the tax costs would have caused the aggregate lag to be substantial.

S&P 500 指数系以税前为准，而 Berkshire 的数字则属于税后，如果 Berkshire 直接投资 S&P 500 并依此课征相关税负，则当 S&P 500 的报酬为正时，Berkshire 的表现将不如 S&P 500，相反地若 S&P 500 的报酬为负时，Berkshire 的表现将优于 S&P 500，就长期而言，Berkshire 额外负担的税负成本将使得中间的差异日益扩大。

BERKSHIRE HATHAWAY INC.
波克夏海瑟崙股份有限公司

To the Shareholders of Berkshire Hathaway Inc.:

致 Berkshire 公司全体股东:

Our gain in net worth during 2004 was \$8.3 billion, which increased the per-share book value of both our Class A and Class B stock by 10.5%. Over the last 40 years (that is, since present management took over) book value has grown from \$19 to \$55,824, a rate of 21.9% compounded annually.*

经结算本公司 2004 年的净值增加 83 亿美元 ,A 股或 B 股每股的帐面净值增加 10.5% , 累计自现有经营阶层接手之后的 40 年以来 , 每股净值由当初的 19 元成长到目前的 55,824 美元 , 年复合成长率约为 21.9%*。

It's per-share intrinsic value that counts, however, not book value. Here, the news is good: Between 1964 and 2004, Berkshire morphed from a struggling northern textile business whose intrinsic value was less than book into a diversified enterprise worth far more than book. Our 40-year gain in intrinsic value has therefore somewhat exceeded our 21.9% gain in book. (For an explanation of intrinsic value and the economic principles that guide Charlie Munger, my partner and Berkshire's vice-chairman, and me in running Berkshire, please read our Owner's Manual, beginning on page 73.)

真正重要的是实质价值 , 而不是帐面净值 , 而好消息是 , 在 1964 年到 2004 年期间 , Berkshire 已经从一家原本摇摇欲坠的北方纺织公司 , 蜕变成一个跨足各个产业的大型集团 , 其实质价值大幅超越帐面净值 , 可以这样说 , 40 年来实质价值的成长率甚至远超过帐面净值 21.9% 的成长率 , (想要对实质价值以及本人与查理孟格经营 Berkshire 的原则有更多的了解的人 , 我建议大家阅读 73 页的股东手册)。。

Despite their shortcomings, yearly calculations of book value are useful at Berkshire as a slightly understated gauge for measuring the *long-term* rate of increase in our intrinsic value. The calculations are less relevant, however, than they once were in rating any single year's performance versus the S&P 500 index (a comparison we display on the facing page). Our equity holdings (including convertible preferreds) have fallen considerably as a percentage of our net worth, from an average of 114% in the 1980s, for example, to less than 50% in recent years. Therefore, yearly movements in the stock market now affect a much smaller portion of our net worth than was once the case, a fact that will normally cause us to

underperform in years when stocks rise substantially and overperform in years when they fall.

虽然帐面净值并非完美，但仍不失为衡量实质价值长期成长率的有效工具，当然单一年度净值的表现与 S&P 500 指数的比较(相关比较参阅首页)，其意义已不若以往，主要原因在于我们股票投资部位，(含可转换特别股在内)，占我们净值的比重已大幅下降，从 1980 年代早期的 114%，到近年 50% 不到，也因此股市波动对于我们净值影响的程度也大不如前。

However the yearly comparisons work out, Berkshire's long-term performance versus the S&P remains all-important. Our shareholders can buy the S&P through an index fund at very low cost. Unless we achieve gains in per-share intrinsic value in the future that outdo the S&P, Charlie and I will be adding nothing to what you can accomplish on your own.

不过即便如此，Berkshire 相对于 S&P 长期的表现还是顶重要的，因为股东们现在可以非常低的手续费买到指数型基金，间接投资 S&P，因此除非在往后我们能够以高于 S&P 的速度累积每股实质价值，否则查理跟我就没有存在的价值。

Last year, Berkshire's book-value gain of 10.5% fell short of the index's 10.9% return. Our lackluster performance was not due to any stumbles by the CEOs of our operating businesses: As always, they pulled more than their share of the load. My message to them is simple: Run your business as if it were the only asset your family will own over the next hundred years. Almost invariably they do just that and, after taking care of the needs of their business, send excess cash to Omaha for me to deploy.

去年 Berkshire 的帐面净值仅增加了 10.5%，略低于 S&P 10.9% 的报酬率，这种平庸的表现与我们旗下经理人完全无关，一如往常，他们已分担了许多重担，我给他们的指示相当简单明确，以继承自家百年老店的心来经营事业，而他们大多都照办，并把多余的资金送回奥玛哈交由我运用。

I didn't do that job very well last year. My hope was to make several multi-billion dollar acquisitions that would add new and significant streams of earnings to the many we already have. But I struck out. Additionally, I found very few attractive securities to buy. Berkshire therefore ended the year with \$43 billion of cash equivalents, not a happy position. Charlie and I will work to translate some of this hoard into more interesting assets during 2005, though we can't promise success.

去年是我没有做好份内的工作，我本来希望能够谈成几个数十亿美元的购并案，好让我们能够再增加稳定的盈余创造能力，可惜我一事无成，此外我也找不到什么股票可以买，就这样到年底 Berkshire 帐上累积的高达 430 亿美元的约当现金，真伤脑筋，明年查理跟我会更努力地将这些闲置资金转化为较吸引人的资产，不过我们实在是打不起包票。

In one respect, 2004 was a remarkable year for the stock market, a fact

buried in the maze of numbers on page 2. If you examine the 35 years since the 1960s ended, you will find that an investor's return, including dividends, from owning the S&P has averaged 11.2% annually (well above what we expect future returns to be). But if you look for years with returns anywhere close to that 11.2% – say, between 8% and 14% – you will find only *one* before 2004. In other words, last year's "normal" return is anything but.

从另一方面来说，2004 年的股市表现确实不错，如果你看看自六 O 年代以来的 35 年间，你会发现投资人的报酬率，含股利在内，年平均高达 11.2%，（这远高于未来我们预期可获得的报酬率），但如果看看最近几年的报酬率，你会发现在 2004 年以前只有一年达到以前的水准，所以说去年看起来正常的报酬可以说是特例。

*All figures used in this report apply to Berkshire's A shares, the successor to the only stock that the company had outstanding before 1996. The B shares have an economic interest equal to 1/30th that of the A.

*1 在年报中所谓的每股数字系以 A 级普通股约当数为基础，这是本公司在 1996 年以前流通在外唯一的一种股份，B 级普通股则拥有 A 级普通股三十分之一的权利。

Over the 35 years, American business has delivered terrific results. It should therefore have been easy for investors to earn juicy returns: All they had to do was piggyback Corporate America in a diversified, low-expense way. An index fund that they never touched would have done the job. Instead many investors have had experiences ranging from mediocre to disastrous.

过去 35 年来，美国企业创造出优异的成绩单，按理说投资人也应该跟着获得丰厚的回报，只要大家以分散且低成本的方式搭顺风车即可，事实上指数型基金同样可以达到这样的目的，但为什么实际上大多数投资人的绩效却惨不忍睹呢？

There have been three primary causes: first, high costs, usually because investors traded excessively or spent far too much on investment management; second, portfolio decisions based on tips and fads rather than on thoughtful, quantified evaluation of businesses; and third, a start-and-stop approach to the market marked by untimely entries (after an advance has been long underway) and exits (after periods of stagnation or decline). Investors should remember that excitement and expenses are their enemies. And if they insist on trying to time their participation in equities, they should try to be fearful when others are greedy and greedy only when others are fearful.

我认为这其中主要有三个原因，第一是交易成本太高，投资人的进出往往过于频繁，或者是花太多费用在投资管理之上，第二、投资决策往往基于小道消息而非理性量化的企业评价，第三，潜尝辄止的方法加上错误的介

入时点，如在多头上涨多时的高点才介入，或是经历一阵子的盘底走势后低档退出，投资人必须谨记，过度兴奋与过高的交易成本是其大敌，而如果大家一定要投资股票，我认为正确的心态应该是当别人贪婪时要感到害怕，当别人害怕时要感到贪婪。

Sector Results

部门绩效

As managers, Charlie and I want to give our owners the financial information and commentary we would wish to receive if our roles were reversed. To do this with both clarity and reasonable brevity becomes more difficult as Berkshire's scope widens. Some of our businesses have vastly different economic characteristics from others, which means that our consolidated statements, with their jumble of figures, make useful analysis almost impossible.

身为管理者，查理跟我设身处地的为大家着想，希望自己能够提供给各位所有重要的财务信息与看法，虽然随着 Berkshire 的规模日益庞杂，要兼顾简洁与明了的困难度大大提高，因为我们有些产业的性质截然不同，这代表将所有数字混在一起的大杂烩，对于分析一点用处都没有。

On the following pages, therefore, we will present some balance sheet and earnings figures from our four major categories of businesses along with commentary about each. We particularly want you to understand the limited circumstances under which we will use debt, given that we typically shun it. We will not, however, inundate you with data that has no real value in estimating Berkshire's intrinsic value. Doing so would tend to obfuscate the facts that count.

因此在接下来的报告中，我们将按产业别分类列示各产业的资产负债表、盈余数字以及我们的看法，我必须让各位了解除非在极少数的情况下，我们尽量避免对外举债，同时我们也不会塞给你一大堆对于分析 Berkshire 实质价值没有帮助的数字，因为这样做反而会模糊了焦点。

Regulated Utility Businesses

受管制的公用事业

We have an 80.5% (fully diluted) interest in MidAmerican Energy Holdings, which owns a wide variety of utility operations. The largest of these are (1) Yorkshire Electricity and Northern Electric, whose 3.7 million electric customers make it the third largest distributor of electricity in the U.K.; (2) MidAmerican Energy, which serves 698,000 electric customers, primarily in Iowa; and (3) Kern River and Northern Natural pipelines, which carry 7.9% of the natural gas consumed in the U.S.

经由持股 80.5%(按完全稀释基础计算)美中能源控股公司，我们拥有众多公用事业的权益，其中主要的项目包括(1)拥有 370 万用户，英国第三大的电力公司约克夏电力以及北方电力(2)在爱荷华州拥有 69.8 万用户的美中

能源公司(3)肯特河及北方天然等两条天然气输送管线，约占全美 7.9%的天然气运能。

The remaining 19.5% of MidAmerican is owned by three partners of ours: Dave Sokol and Greg Abel, the brilliant managers of these businesses, and Walter Scott, a long-time friend of mine who introduced me to the company. Because MidAmerican is subject to the Public Utility Holding Company Act (“PUHCA”), Berkshire’s voting interest is limited to 9.9%. Voting control rests with Walter.

剩下的 19.5%权益则由 Berkshire 三位合作伙伴所持有，他们分别是 Dave Sokol 及 Greg Abel，他们是美中能源优秀的经理人，另外一位则是 Walter Scott，他是我个人长期的好友，也是他引荐我投资这家公司的，由于美中能源公司受限于公用事业控股公司法(PUHCA)的规定，限制 Berkshire 的投票权最高只能达到 9.9%，所以 Walter 他拥有绝对的控制权。

Our limited voting interest forces us to account for MidAmerican in an abbreviated manner. Instead of our fully incorporating the company’s assets, liabilities, revenues and expenses into Berkshire’s statements, we make one-line entries only in both our balance sheet and income account. It’s likely, though, that PUHCA will someday – perhaps soon – be repealed or that accounting rules will change. Berkshire’s consolidated figures would then incorporate all of MidAmerican, including the substantial debt it utilizes (though this debt is not now, nor will it ever be, an obligation of Berkshire).

受限制的投票权使得我们仅能以相当简略的方式将美中能源的财务数字列入财务报表中，而无法将该公司所有的资产负债以及营收损益列入 Berkshire 报表，依照现行会计原则，我们只能按投资比例认列该公司的投资金额及损益，或许在不久的将来，PUHCA 会被取消或是会计原则有重大变格，那么届时美中能源所有的财务数字就会被列入 Berkshire 的合并报表之中，当然也包含其大量的融资负债在内。

At yearend, \$1.478 billion of MidAmerican’s junior debt was payable to Berkshire. This debt has allowed acquisitions to be financed without our partners needing to increase their already substantial investments in MidAmerican. By charging 11% interest, Berkshire is compensated fairly for putting up the funds needed for purchases, while our partners are spared dilution of their equity interests. Because MidAmerican made no large acquisitions last year, it paid down \$100 million of what it owes us.

截至年底，Berkshire 对于美中能源尚有 14.78 亿美元的次顺位借款，这笔借款将可使得美中能源在进行购并时，其它大股东不用再掏钱出来。此外藉由收取 11%的利息，一方面 Berkshire 可获得合理的报酬，另一方面我们的合伙人则可避免持股权益遭到稀释，但由于美中能源去年未进行任何重大的购并案，所以偿还了 1 亿美元的借款。

MidAmerican also owns a significant non-utility business, HomeServices of America, the second largest real estate broker in the country. Unlike our utility operations, this business is highly cyclical, but nevertheless one we view enthusiastically. We have an exceptional manager, Ron Peltier, who through both his acquisition and operational skills is building a brokerage powerhouse.

美中能源另外还拥有一项重要的非公用事业，那就是全美第二大不动产中介商-美国居家服务，不同于公用事业，这行业的景气波动相当的大，但我们仍然对其抱有热烈的期待，我们拥有一位优异的经理人-Ron Peltier，透过其经营及购并长才，正逐渐建立起一个房屋中介王国。

HomeServices participated in \$59.8 billion of transactions in 2004, a gain of \$11.2 billion from 2003. About 24% of the increase came from six acquisitions made during the year. Through our 17 brokerage firms – all of which retain their local identities – we employ more than 18,000 brokers in 18 states. HomeServices is almost certain to grow substantially in the next decade as we continue to acquire leading localized operations.

去年居家服务总计搓合了 598 亿美元的交易案，较 2003 年又大大地成长了 112 亿，其中 24%的成长来自于六件新的购并案，经由全美各地 17 个中介分支，他们全都保留原有公司名称，我们在 18 个州聘雇了 18,000 位业务人员，在往后的十年内，居家服务仍将藉由购并的方式继续大幅成长。

Last year MidAmerican wrote off a major investment in a zinc recovery project that was initiated in 1998 and became operational in 2002. Large quantities of zinc are present in the brine produced by our California geothermal operations, and we believed we could profitably extract the metal. For many months, it appeared that commercially-viable recoveries were imminent. But in mining, just as in oil exploration, prospects have a way of “teasing” their developers, and every time one problem was solved, another popped up. In September, we threw in the towel.

去年美中能源打消掉一项锌金属回收的重大投资案，该计划在 1998 年开始，并于 2002 年正式营运，由于地热发电产生的卤水含有大量的锌，而我们相信回收这些金属应该有利可图，近几个月来，回收运用在商业上似乎可行，但冶矿这行，就像是石油探勘一样，希望往往一再戏弄开发商，每当一个问题解决了，另一个问题马上又浮现，就这样一直拖到九月，我们终于举白旗投降。

Our failure here illustrates the importance of a guideline – *stay with simple propositions* – that we usually apply in investments as well as operations. If only one variable is key to a decision, and the variable has a 90% chance of going your way, the chance for a successful outcome is obviously 90%. But if ten independent variables need to break favorably for a successful result, and each has a 90% probability of success, the likelihood of having a winner is only 35%. In our zinc venture, we solved most of the problems. But one proved intractable, and that was one too many. Since a chain is no

stronger than its weakest link, it makes sense to look for – if you’ll excuse an oxymoron – mono-linked chains.

我们的失败再度突显了一项原则的重要性，那就是别把事情搞得太复杂，尽量让事情简单化，这项原则广泛运用于我们的投资以及事业经营之上，如果某项决策只有一个变量，而这变量有九成的成功机率，那么很显然你就会有九成的胜算，但如果你必须克服十项变量才能达到目标，那么最后成功的机率将只有 35%，在锌金属回收的这项合作案中，我们几乎克服了所有的问题，但一项无法解决的难题却让我们吃不完兜着走，套句矛盾的修饰语法，单一环结的连锁。

A breakdown of MidAmerican’s results follows. In 2004, the “other” category includes a \$72.2 million profit from sale of an Enron receivable that was thrown in when we purchased Northern Natural two years earlier. Walter, Dave and I, as natives of Omaha, view this unanticipated gain as war reparations – partial compensation for the loss our city suffered in 1986 when Ken Lay moved Northern to Houston, after promising to leave the company here. (For details, see Berkshire’s 2002 annual report.)

下表系美中能源营运成绩的明细表，2004 年在其它项下有一笔 7,220 万美元的出售安隆应收帐款利益，这是两年前我们买下北方天然时连带进来的款项，Walter、Dave 及我本人为奥玛哈地区的子弟，把这笔意外之财视为战争赔款，以弥补当年 Ken Lay 违背承诺，硬将北方天然从奥玛哈迁到休斯顿的部份损失(相关细节请参阅 Berkshire 2002 年的年报)。

Here are some key figures on MidAmerican’s operations:

Earnings (in \$ millions)

| | 2004 | 2003 |
|--|--------|--------|
| U.K. utilities | \$ 326 | \$ 289 |
| Iowa utility | 268 | 269 |
| Pipelines | 288 | 261 |
| HomeServices..... | 130 | 113 |
| Other (net) | 172 | 190 |
| Loss from zinc project | (579) | (46) |
| Earnings before corporate interest and taxes | 605 | 1,076 |
| Interest, other than to Berkshire | (212) | (225) |
| Interest on Berkshire junior debt | (170) | (184) |
| Income tax | (53) | (251) |
| Net earnings..... | \$ 170 | \$ 416 |
| Earnings applicable to Berkshire*..... | \$ 237 | \$ 429 |
| Debt owed to others..... | 10,528 | 10,296 |
| Debt owed to Berkshire | 1,478 | 1,578 |

*Includes interest earned by Berkshire (net of related income taxes) of \$110 in 2004 and \$118 in 2003.

*包含Berkshire赚取的利息收入(已扣除所得税)，2004 年为 1.1 亿美元；2003 为 1.18 亿美元。

Insurance 保险事业

Since Berkshire purchased National Indemnity (“NICO”) in 1967,

property-casualty insurance has been our core business and the propellant of our growth. Insurance has provided a fountain of funds with which we've acquired the securities and businesses that now give us an ever-widening variety of earnings streams. So in this section, I will be spending a little time telling you how we got where we are.

自从 Berkshire 在 1967 年买下国家产险 NICO 之后,产物保险便成为我们的核心事业之一,更是促使不断成长的动力来源,保险业使我们取得源源不绝的资金进行投资与购并,让 Berkshire 的盈利来源更多更广,所以在接下来的这一段中,我会花一点时间告诉大家我们是如何做到的。

The source of our insurance funds is “float,” which is money that doesn't belong to us but that we temporarily hold. Most of our float arises because (1) premiums are paid upfront though the service we provide – insurance protection – is delivered over a period that usually covers a year and; (2) loss events that occur today do not always result in our immediately paying claims, because it sometimes takes many years for losses to be reported (asbestos losses would be an example), negotiated and settled. The \$20 million of float that came with our 1967 purchase has now increased – both by way of internal growth and acquisitions – to \$46.1 billion.

保险公司的资金来源在于浮存金,这笔资金虽然不属于我们所有,但却可暂时为我们所用,而我们的浮存金之所以增加系由于(1)保费通常在我们提供服务之前就先预缴,(2)今天发生的损失不代表我们立刻就要理赔,其原因在于损害有时要在发生后好几年才会被发现,从而协调及合解(比如说石棉案就是很好的例子),这笔金额从 1967 年最早的 2,000 万美元,经由多年的内部成长及对外购并,累积增加至如今的 461 亿美元之谱。

Float is wonderful – *if* it doesn't come at a high price. Its cost is determined by underwriting results, meaning how the expenses and losses we will ultimately pay compare with the premiums we have received. When an underwriting profit is achieved – as has been the case at Berkshire in about half of the 38 years we have been in the insurance business – float is better than free. In such years, we are actually paid for holding other people's money. For most insurers, however, life has been far more difficult: In aggregate, the property-casualty industry almost invariably operates at an underwriting loss. When that loss is large, float becomes expensive, sometimes devastatingly so.

浮存金固然不错,但前提是取得成本要够低,而其成本取决于核保的绩效,也就是损失与费用占保费收入的比例,当核保有利益时,就像 Berkshire 过去 38 年来多数的情况一样,此时浮存金甚至比免费还好,在这些年度,意味着别人付费来请我们帮他们保管资金,然而对于其它大部份的保险同业来说,可就没有那么好过了,总的来说,产物意外险业通常都会有核保损失,当损失过大时,就代表浮存金的成本过高,有时甚至高得离谱。

Insurers have generally earned poor returns for a simple reason: They sell a commodity-like product. Policy forms are standard, and the product is available from many suppliers, some of whom are mutual companies (“owned” by policyholders rather than stockholders) with profit goals that are limited. Moreover, most insureds don’t care from whom they buy. Customers by the millions say “I need some Gillette blades” or “I’ll have a Coke” but we wait in vain for “I’d like a National Indemnity policy, please.” Consequently, price competition in insurance is usually fierce. Think airline seats.

保险业者的绩效之所以不好的原因其实很简单，他们的产品-保单多属制式而且许多保险业者都提供相同的产品，有些甚至以合作社的方式经营（公司系由保户而非股东所拥有），所以利润空间相当有限，以至于大部份的投保客户根本就不在乎保单是向谁购买的，大部份的消费者或许会说“我要买吉列的刮胡刀”、“我要买可口可乐”，但绝对不会有人说“给我来份国家产险的保单”，也因此价格竞争在保险业界可说是相当的激烈的，看看航空公司就知道是怎么回事了。

So, you may ask, how do Berkshire’s insurance operations overcome the dismal economics of the industry and achieve some measure of enduring competitive advantage? We’ve attacked that problem in several ways. Let’s look first at NICO’s strategy.

所以或许你会问，Berkshire 是如何摆脱产业普遍存在的劣势，同时保有持续的竞争优势的，我们从许多方面来克服这个问题，首先让我们来看看 NICO 的策略。

When we purchased the company – a specialist in commercial auto and general liability insurance – it did not appear to have any attributes that would overcome the industry’s chronic troubles. It was not well-known, had no informational advantage (the company has never had an actuary), was not a low-cost operator, and sold through general agents, a method many people thought outdated. Nevertheless, for almost all of the past 38 years, NICO has been a star performer. Indeed, had we not made this acquisition, Berkshire would be lucky to be worth half of what it is today.

当我们买下该公司时，这是一家专门从事商用车险及一般责任险的公司，当时它显然并未拥有得以克服同业沉苛的特点，它的名气不够响亮，也没有任何信息上的优势（当时公司甚至没有精算师），营运成本也不是最低的，保单透过一般的中介销售，这在当时被视为落伍的做法，尽管如此，在往后的 38 年内，NICO 的表现却极为优异，我们可以这样说，当时要是我们没吃下这家公司，Berkshire 的价值可能不及现在的一半。

What we’ve had going for us is a managerial mindset that most insurers find impossible to replicate. Take a look at the facing page. Can you imagine *any* public company embracing a business model that would lead to the decline in revenue that we experienced from 1986 through 1999?

That colossal slide, it should be emphasized, did not occur because business was unobtainable. Many billions of premium dollars were readily available to NICO had we only been willing to cut prices. But we instead consistently priced to make a profit, not to match our most optimistic competitor. We never left customers – but they left us.

我们所做的是一般保险业者绝对无法复制的一种管理思维，请大家看一下年报的首页，大家肯定没有看过有公司可以忍受营收连续十多年(1986 年-1999 年)持续下滑的经营模式，我必须强调，那种大幅度下滑的原因并不是没有生意可做，事实上只要我们愿意降点价格，马上就会有几十亿美金的保单上门，但 NICO 宁可维持利润也不愿与同业随波逐流，我们从来不弃客户于不顾，是客户主动离开我们。

Most American businesses harbor an “institutional imperative” that rejects extended decreases in volume. What CEO wants to report to his shareholders that not only did business contract last year but that it will continue to drop? In insurance, the urge to keep writing business is also intensified because the consequences of foolishly-priced policies may not become apparent for some time. If an insurer is optimistic in its reserving, reported earnings will be overstated, and years may pass before true loss costs are revealed (a form of self-deception that nearly destroyed GEICO in the early 1970s).

大部份的美国企业都不愿看到营收大幅下滑，没有公司的主管会愿意跟股东报告去年的营收下滑，且看起来束手无策，这在保险公司尤其明显，因为继续签发保单的愚昧的后果可能要等上好长一段时间才会被发现，如果保险业者对于准备提拨过于乐观，那么帐面的盈余便可能高估，而隐含的损失可能要等好几个年头才会浮现，(就是这种自欺欺人的伎俩让 GEICO 在七零年代差点倒闭)。

Portrait of a Disciplined Underwriter

有纪律保险业者的成绩单

National Indemnity Company

Year Written Premium (In \$ millions)

No. of Employees at Year-End Ratio of Operating Expenses to Written Premium

Underwriting Profit (Loss) as a Percentage of Premiums

*(Calculated as of year end 2004)**

| | | | | |
|------------|--------|-----|-------|---------|
| 1980 | \$79.6 | 372 | 32.3% | 8.2% |
| 1981 | 59.9 | 353 | 36.1% | (.8%) |
| 1982 | 52.5 | 323 | 36.7% | (15.3%) |
| 1983 | 58.2 | 308 | 35.6% | (18.7%) |
| 1984 | 62.2 | 342 | 35.5% | (17.0%) |
| 1985 | 160.7 | 380 | 28.0% | 1.9% |
| 1986 | 366.2 | 403 | 25.9% | 30.7% |
| 1987 | 232.3 | 368 | 29.5% | 27.3% |
| 1988 | 139.9 | 347 | 31.7% | 24.8% |
| 1989 | 98.4 | 320 | 35.9% | 14.8% |
| 1990 | 87.8 | 289 | 37.4% | 7.0% |
| 1991 | 88.3 | 284 | 35.7% | 13.0% |
| 1992 | 82.7 | 277 | 37.9% | 5.2% |
| 1993 | 86.8 | 279 | 36.1% | 11.3% |

| | | | | |
|------------|-------|-----|-------|---------|
| 1994 | 85.9 | 263 | 34.6% | 4.6% |
| 1995 | 78.0 | 258 | 36.6% | 9.2% |
| 1996 | 74.0 | 243 | 36.5% | 6.8% |
| 1997 | 65.3 | 240 | 40.4% | 6.2% |
| 1998 | 56.8 | 231 | 40.4% | 9.4% |
| 1999 | 54.5 | 222 | 41.2% | 4.5% |
| 2000 | 68.1 | 230 | 38.4% | 2.9% |
| 2001 | 161.3 | 254 | 28.8% | (11.6%) |
| 2002 | 343.5 | 313 | 24.0% | 16.8% |
| 2003 | 594.5 | 337 | 22.2% | 18.1% |
| 2004 | 605.6 | 340 | 22.5% | 5.1% |

*It takes a long time to learn the true profitability of any given year. First, many claims are received after the end of the year, and we must estimate how many of these there will be and what they will cost. (In insurance jargon, these claims are termed IBNR – incurred but not reported.) Second, claims often take years, or even decades, to settle, which means there can be many surprises along the way.

*特定年度的获利情况通常需要很长一段时间以后才能知晓，其原因在于，首先，许多理赔申请通常要到年底才会提出，所以我们必须事先预估可能的数字，套句保险业的术语，这些理赔申请简称为 IBNR-发生但尚未申诉的案件，其次，理赔申请可能要好几年，有时甚至要好几十年，才能合解，这意思是说其间可能横生许多波折。

For these reasons, the results in this column simply represent our best estimate at the end of 2004 as to how we have done in prior years. Profit margins for the years through 1999 are probably close to correct because these years are “mature,” in the sense that they have few claims still outstanding. The more recent the year, the more guesswork is involved. In particular, the results shown for 2003 and 2004 are apt to change significantly.

基于以上几个原因，上表的这些数字仅代表我们在 2004 年底所能估算的预估，如同以往年度一样，截至 1999 年的数字应该比较不会出错，因为那年以前的理赔申请案都已提出的差不多了，离现在越近的年度的数字，其估计的成份也就越大，尤其是最近两年，也就是 2003 年及 2004 年，日后大幅变化的可能性最大。

Finally, there is a fear factor at work, in that a shrinking business usually leads to layoffs. To avoid pink slips, employees will rationalize inadequate pricing, telling themselves that poorly-priced business must be tolerated in order to keep the organization intact and the distribution system happy. If this course isn't followed, these employees will argue, the company will not participate in the recovery that they invariably feel is just around the corner.

最后，有一项恐怖因子在其间作祟，业务萎缩通常会导致裁员，为了避免被炒鱿鱼，员工通常将不当订价的原因合理化，告诉自己降价以保存组织完整是可以被忍受的，如此整个行销系统都将皆大欢喜，如果不这样做，员工们会声称，一旦景气回春，公司将无法恭逢其盛。

To combat employees' natural tendency to save their own skins, we have always promised NICO's workforce that *no one* will be fired because of declining volume, however severe the contraction. (This is not Donald

Trump's sort of place.) NICO is not labor-intensive, and, as the table suggests, can live with excess overhead. It can't live, however, with underpriced business and the breakdown in underwriting discipline that accompanies it. An insurance organization that doesn't care deeply about underwriting at a profit *this* year is unlikely to care *next* year either.

为了抵档员工保住自己饭碗的天性，我们总是一再承诺 NICO 的同仁不会因为业务萎缩而裁员，这儿可跟唐诺川普那里不一样，NICO 不是劳力密集的公司，而如同上表所示的，我们可以忍受较宽松的人力配置，但却绝对不能忍受不当的订价，以及随之而来的核保纪律，因为现在不在乎核保获利的保险公司，以后也不可能会在乎。

Naturally, a business that follows a no-layoff policy must be especially careful to avoid overstaffing when times are good. Thirty years ago Tom Murphy, then CEO of Cap Cities, drove this point home to me with a hypothetical tale about an employee who asked his boss for permission to hire an assistant. The employee assumed that adding \$20,000 to the annual payroll would be inconsequential. But his boss told him the proposal should be evaluated as a \$3 million decision, given that an additional person would probably cost at least that amount over his lifetime, factoring in raises, benefits and other expenses (more people, more toilet paper). And unless the company fell on very hard times, the employee added would be unlikely to be dismissed, however marginal his contribution to the business.

当然采取不裁员态度的企业一定要避免在景气好时，过度征人，三十年前当时资本城总裁汤姆莫菲让我彻头彻尾了解这点，当时他告诉我一个小故事，话说有位员工要求老板新增一个人力，这位员工认为公司一年增加二万美元的薪水开支没什么大不了，但他的老板却提醒他要把它当做像是一个三百万美元的提案般慎重，因为考量其终身所得福利及其它开支(人越多，厕纸当然也用得越凶)，因为除非公司真的快经营不下去了，否则这位员工将很难会被解雇，不管他对公司的贡献有多微薄。

It takes real fortitude – embedded deep within a company's culture – to operate as NICO does. Anyone examining the table can scan the years from 1986 to 1999 quickly. But living day after day with dwindling volume – while competitors are boasting of growth and reaping Wall Street's applause – is an experience few managers can tolerate. NICO, however, has had four CEOs since its formation in 1940 and *none* have bent. (It should be noted that only one of the four graduated from college. Our experience tells us that extraordinary business ability is largely innate.)

当然要让像 NICO 这样的文化深植在公司的企业文化之中，必须要耗费相当大的功夫，看过这张表的人可以特别注意 1986 年到 1999 年的数字，很少有经理人可以默默忍受业务日渐下滑，特别是当其它竞争同业因为业绩大增而受到华尔街分析师的掌声之时，然而 NICO 自 1940 年创立以来的四任总裁却没有一位屈服，特别要说明的是，这四位总裁只有一位拥有大

学学历，经验告诉我们，生意头脑大多是天生的。

The current managerial star – make that superstar – at NICO is Don Wurster (yes, he’s “the graduate”), who has been running things since 1989. His slugging percentage is right up there with Barry Bonds’ because, like Barry, Don will accept a walk rather than swing at a bad pitch. Don has now amassed \$950 million of float at NICO that over time is almost certain to be proved the negative-cost kind. Because insurance prices are falling, Don’s volume will soon decline very significantly and, as it does, Charlie and I will applaud him ever more loudly.

现任 NICO 的管理明星是 Don Wurster，姑且称他为超级巨星（没错，拥有大学文凭的就是他），自 1989 年起便接掌该公司，他的打击率可以媲美 Barry Bonds，因为跟 Bonds 一样，Don 宁愿选择保送也不会对着坏球挥棒，总计到现在他已为我们累积了 9.5 亿美元的浮存金，而且几乎可以说是不用成本的，而由于目前的保费水准有下滑的趋势，所以 NICO 的业务很可能会再度大幅下滑，关于这点，查理跟我百分之百支持他。

Another way to prosper in a commodity-type business is to be the low-cost operator. Among auto insurers operating on a broad scale, GEICO holds that cherished title. For NICO, as we have seen, an ebb-and-flow business model makes sense. But a company holding a low-cost advantage must pursue an unrelenting foot-to-the-floor strategy. And that’s just what we do at GEICO.

商品化的企业另一项生存之道就是压低成本，在众多车险业者当中，GEICO 无疑荣获桂冠，至于 NICO 则是另外一种路遥知马力类型，但追求低成本的企业必须努力不懈，彻头彻尾的维持优势，而 GEICO 正是如此。

A century ago, when autos first appeared, the property-casualty industry operated as a cartel. The major companies, most of which were based in the Northeast, established “bureau” rates and that was it. No one cut prices to attract business. Instead, insurers competed for strong, well-regarded agents, a focus that produced high commissions for agents and high prices for consumers.

一百年前，当汽车首次问世，产物意外险业便是个垄断的行业，几家最主要的公司，大多位于东北部，订立了公订的价位，且完全不二价，没有人会杀价竞争，保险业者所竞逐的是强势的中介商，此举造成高佣金与高费率。

In 1922, State Farm was formed by George Mecherle, a farmer from Merna, Illinois, who aimed to take advantage of the pricing umbrella maintained by the high-cost giants of the industry. State Farm employed a

“captive” agency force, a system keeping its acquisition costs lower than those incurred by the bureau insurers (whose “independent” agents successfully played off one company against another). With its low-cost structure, State Farm eventually captured about 25% of the personal lines (auto and homeowners) business, far outdistancing its once-mighty competitors. Allstate, formed in 1931, put a similar distribution system into place and soon became the runner-up in personal lines to State Farm. Capitalism had worked its magic, and these low-cost operations looked unstoppable.

1922 年州农保险由伊利诺州 Merna 的农夫 George Mecherle 所创立，目标锁定在打破业界掮客所树立的高价保护伞，州农雇用专属中介人员，这套系统让州农取得保单的成本远低于一般保险同业，其独立业务代表接二连三成功地搞倒其它业者，拜其低成本结构所赐，州农最终拈取 25% 的个人业务大饼，含车险及住宅险在内，远远超越昔日强大的竞争对手，而创立于 1931 年的 Allstate 也仿效设立类似的行销通路，并一举跃居第二，仅次于州农，资本主义再度发挥神奇的效用，而这种低成本的营运确已势不可挡。

But a man named Leo Goodwin had an idea for an even more efficient auto insurer and, with a skimpy \$200,000, started GEICO in 1936. Goodwin's plan was to eliminate the agent entirely and to deal instead directly with the auto owner. Why, he asked himself, should there be any unnecessary and expensive links in the distribution mechanism when the product, auto insurance, was both mandatory and costly. Purchasers of business insurance, he reasoned, might well require professional advice, but most consumers knew what they needed in an auto policy. That was a powerful insight.

但此时有一个叫 Leo Goodwin 却有一个更有效率的想法，他在 1936 年以区区的 20 万美元创立 GEICO，Goodwin 计划完全柄除掉中介，而直接与车主接触，他认为当客户在投保汽车险所面对的保单大多是制式化且又昂贵不堪时，中间为什么一定要有昂贵且不必要的销售机制，他认为商业保险的客户或许需要许多专业上的建议，但一般的顾客却只知道他们需要的是一张车险保单，这在当时真是真知灼见。

Originally, GEICO mailed its low-cost message to a limited audience of government employees. Later, it widened its horizons and shifted its marketing emphasis to the phone, working inquiries that came from broadcast and print advertising. And today the Internet is coming on strong.

一开始，GEICO 只是将其低价的讯息邮寄给少数的公务人员，之后又将范围扩大，并把销售重点摆在电话行销、广播及报章杂志，而时至今日，网络更是来势汹汹。

Between 1936 and 1975, GEICO grew from a standing start to a 4%

market share, becoming the country's fourth largest auto insurer. During most of this period, the company was superbly managed, achieving both excellent volume gains and high profits. It looked unstoppable. But after my friend and hero Lorimer Davidson retired as CEO in 1970, his successors soon made a huge mistake by underreserving for losses. This produced faulty cost information, which in turn produced inadequate pricing. By 1976, GEICO was on the brink of failure.

从 1936 到 1975 这 40 年间，GEICO 从无到 4% 的市场占有率，成为全美第四大的汽车保险公司，大部份的时候，公司的经营相当上轨道，营收与获利同步成长，看起来势不可挡，但直到该公司总裁，同时也是我的好朋友 Davidson 在 1970 年宣布退休，情势随即起了变化，他的继任者犯下损失准备提拨不足的大错，此举大大扭曲了成本结构，进而导致不当的订价，1976 年，GEICO 已濒临倒闭。

Jack Byrne then joined GEICO as CEO and, almost single-handedly, saved the company by heroic efforts that included major price increases. Though GEICO's survival required these, policyholders fled the company, and by 1980 its market share had fallen to 1.8%. Subsequently, the company embarked on some unwise diversification moves. This shift of emphasis away from its extraordinary core business stunted GEICO's growth, and by 1993 its market share had grown only fractionally, to 1.9%. Then Tony Nicely took charge.

就在此时，Jack Byrne 加入 GEICO 担任总裁，靠着赤手空拳，包含大幅调涨保费在内的壮举，虽然这绝对是 GEICO 继续存活下去的必要之恶，客户却纷纷离去，到了 1980 年，市场占有率剧降至 1.8%，此时 GEICO 却又做出多角化的不智之举，这使得过去赖以成长的核心业务顿时失去了重心，1993 年该公司的市占率仅微微增加到 1.9%，一直到 Tony Nicely 接手后，事情才有了改观。

And what a difference that's made: In 2005 GEICO will probably secure a 6% market share. Better yet, Tony has matched growth with profitability. Indeed, GEICO delivers all of its constituents major benefits: In 2004 its customers saved \$1 billion or so compared to what they would otherwise have paid for coverage, its associates earned a \$191 million profit-sharing bonus that averaged 24.3% of salary, and its owner – that's us – enjoyed excellent financial returns.

2005 年 GEICO 拮取了 6% 的市占率，而且获利也大幅成长，所有参与的成员皆同步受益，2004 年 GEICO 总计为保户节省了 10 亿美元的保费，员工领取了 1.91 亿美元的红利，约等于三个月的奖金，至于股东们更获得了可观的投资回报。

There's more good news. When Jack Byrne was rescuing the company in 1976, New Jersey refused to grant him the rates he needed to operate profitably. He therefore promptly – and properly – withdrew from the

state. Subsequently, GEICO avoided both New Jersey and Massachusetts, recognizing them as two jurisdictions in which insurers were destined to struggle.

不仅如此，当他在 1976 年力图挽救公司之际，纽泽西州拒绝其提高保险费率提议，Jack 二话不说立刻退出该州的营运，之后 GEICO 又退出了麻赛诸赛州，认定这两州主管机关的态度不利于保险业者的经营。

In 2003, however, New Jersey took a new look at its chronic auto-insurance problems and enacted legislation that would curb fraud and allow insurers a fair playing field. Even so, one might have expected the state's bureaucracy to make change slow and difficult.

一直到 2003 年纽泽西州终于开始正视其沉苛已久的车险市场，立法遏止保户诈骗的行为，还给业者一个公平合理的经营环境，然即便如此，一般还是预期主管当局的改革缓不济急困难重重。

But just the opposite occurred. Holly Bakke, the New Jersey insurance commissioner, who would be a success in *any* line of work, was determined to turn the law's intent into reality. With her staff's cooperation, GEICO ironed out the details for re-entering the state and was licensed last August. Since then, we've received a response from New Jersey drivers that is multiples of my expectations.

然有道是柳暗花明又一村，此时纽泽西州优秀的保险官员 Holly Bakke，毅然决定从法律面扭转现状，在与其幕僚通力合作之下，GEICO 研拟出重返纽泽西市场的细部计划，并于去年八月顺利取得营运执照，之后所获得的保单数量远远超过我的预期。

We are now serving 140,000 policyholders – about 4% of the New Jersey market – and saving them substantial sums (as we do drivers everywhere). Word-of-mouth recommendations within the state are causing inquiries to pour in. And once we hear from a New Jersey prospect, our closure rate – the percentage of policies issued to inquiries received – is far higher in the state than it is nationally.

目前我们拥有 14 万的保户，约占该州市场 4%，且一如其它州一样，GEICO 为他们节省了可观的保费，口耳相传的引荐使得询问电话蜂拥而至，而且据报该州的结案成功率远远高于全美平均的水平。

We make no claim, of course, that we can save *everyone* money. Some companies, using rating systems that are different from ours, will offer certain classes of drivers a lower rate than we do. But we believe GEICO offers the lowest price more often than any other national company that serves all segments of the public. In addition, in most states, including New Jersey, Berkshire shareholders receive an 8% discount. So gamble fifteen minutes of your time and go to GEICO.com – or call 800-847-7536 – to see whether you can save big money (which you might want to use, of course, to buy other Berkshire products).

当然我们无法保证所有人都可以在我们这里拿到最低的保费，因为各家保险公司的计费标准不尽相同，但我敢保证在所有大型的保险公司当中，GEICO 可以提供多数人最低廉的保费，此外，只要是 Berkshire 的股东，包含纽泽西在内，都可以享受 8% 的折扣，大家不妨花几分钟，上上 GEICO 的公司网站，或打电话到 800-847-7536，问看看能不能省下一笔钱，(当然只要你喜欢，Berkshire 还有许多商品，任君选择)。

Reinsurance – insurance sold to other insurers who wish to lay off part of the risks they have assumed – should *not* be a commodity product. At bottom, any insurance policy is simply a promise, and as everyone knows, promises vary enormously in their quality.

再保险-系保险业者分散自身承担风险给同业的一项机制，说到底，保单只不过是一纸承诺，关键在于是谁所发出，所以承保人是何方神圣影响至关重大。

At the primary insurance level, nevertheless, just who makes the promise is often of minor importance. In personal-lines insurance, for example, states levy assessments on solvent companies to pay the policyholders of companies that go broke. In the business-insurance field, the same arrangement applies to workers' compensation policies. "Protected" policies of these types account for about 60% of the property-casualty industry's volume. Prudently-run insurers are irritated by the need to subsidize poor or reckless management elsewhere, but that's the way it is. 至于对初级市场来说，谁做承诺就没有那么紧要，以个人险种来说，政府平常会向业者征收规费，用来支应倒闭业者付不出来的理赔金，至于商业险方面，劳工保险也有类似的机制，这类具防护机制的保险占有产险保单六成以上，虽然经营稳健的业者对于要被迫补贴经营不善的业者非常反感，但这行的游戏规则就是如此。

Other forms of business insurance at the primary level involve promises that carry greater risks for the insured. When Reliance Insurance and Home Insurance were run into the ground, for example, their promises proved to be worthless. Consequently, many holders of their business policies (other than those covering workers' compensation) suffered painful losses.

其它初级商业保险的形式包含让保户承担更高的风险，当责任与住家险引进市场时，他们的承诺最后证实是空话，这使得许多保单持有者蒙受大量的损失。

The solvency risk in primary policies, however, pales in comparison to that lurking in reinsurance policies. When a reinsurer goes broke, staggering losses almost always strike the primary companies it has dealt with. This risk is far from minor: GEICO has suffered tens of millions in losses from

its careless selection of reinsurers in the early 1980s.

但这些履约风险跟再保险保单比起来根本就算不了什么，当再保险公司倒闭时，与其往来的保险公司将无一幸免糟受波及，这类的风险绝对不可等闲视之，GEICO 在 1980 年代便曾因为选择再保公司不慎而蒙受好几千万美元的损失。

Were a true mega-catastrophe to occur in the next decade or two – and that’s a real possibility – some reinsurers would not survive. The largest insured loss to date is the World Trade Center disaster, which cost the insurance industry an estimated \$35 billion. Hurricane Andrew cost insurers about \$15.5 billion in 1992 (though that loss would be far higher in today’s dollars). Both events rocked the insurance and reinsurance world. But a \$100 billion event, or even a larger catastrophe, remains a possibility if either a particularly severe earthquake or hurricane hits just the wrong place. Four significant hurricanes struck Florida during 2004, causing an aggregate of \$25 billion or so in insured losses. Two of these – Charley and Ivan – could have done at least three times the damage they did had they entered the U.S. not far from their actual landing points.

若是往后一、二十年内发生天大的灾难，这不是没有可能，可能会有一些再保公司不支倒地，目前有史以来最大的损害当属 911 纽约世界贸易中心，总计全体保险公司支付了 350 亿美元，1992 年的安德鲁飓风以 155 亿美元居次，（虽然以今日的币值应不只此数），这两起灾害都曾撼动整个保险业界，但若好死不死在要命的地方发生超级大地震或是大飓风，1,000 亿美元以上的灾害损失也不是没有可能，2004 年在佛罗里达发生的四起飓风合计就造成 250 亿美元的经济损失，其中两起飓风差一点就登陆进入美国境内造成三倍以上的损失。

Many insurers regard a \$100 billion industry loss as “unthinkable” and won’t even plan for it. But at Berkshire, we are fully prepared. Our share of the loss would probably be 3% to 5%, and earnings from our investments and other businesses would comfortably exceed that cost. When “the day after” arrives, Berkshire’s checks will clear.

许多保险业者认为 1,000 亿美元以上的理赔损失根本就不可能发生，但在 Berkshire，我们却未雨绸缪，以我们平均 3%到 5%承担损失比例来说，光是以我们每年从投资及其它事业所赚取的盈余来支应就绰绰有余，即便是当电影明天过后的事件真的发生，Berkshire 所开出的支票依旧能兑现。

Though the hurricanes hit us with a \$1.25 billion loss, our reinsurance operations did well last year. At General Re, Joe Brandon has restored a long-admired culture of underwriting discipline that, for a time, had lost its way. The excellent results he realized in 2004 on current business, however, were offset by adverse developments from the years before he took the helm. At NICO’s reinsurance operation, Ajit Jain continues to successfully underwrite huge risks that no other reinsurer is willing or

able to accept. Ajit's value to Berkshire is enormous.

虽然我们为飓风损失了 12.5 亿美元，但总的来说，去年的再保业务表现甚佳，以 General Re 来说，Joe Brandon 也恢复往日的核保秩序，然而他在 2004 年缴出的成绩，却被他接手之前所埋下的恶果所抵销，至于 NICO 的再保部份，Ajit Jain 持续成功地接下别人不敢接的超大风险保单，Ajit 可说是 Berkshire 的无价之宝。

Our insurance managers, maximizing the competitive strengths I've mentioned in this section, again delivered first-class underwriting results last year. As a consequence, our float was better than costless. Here's the scorecard:

我们的再保经理人使得我们的竞争优势极大化，再度在去年缴出漂亮的成绩单，我们的浮存金成本甚至低于零，以下是他们的成绩单。

(in \$ millions)

Underwriting Profit Yearend Float

Insurance Operations 2004 2003 2002

General Re \$ 3 \$23,120 \$23,654

B-H Reinsurance..... 417 15,278 13,948

GEICO 970 5,960 5,287

Other Primary* 161 1,736 1,331

Total \$1,551 \$46,094 \$44,220

*Includes, in addition to National Indemnity, a variety of other exceptional insurance businesses, run by Rod Eldred, John Kizer, Tom Nerney and Don Towle.

Berkshire's float increased \$1.9 billion in 2004, even though a few insureds opted to commute (that is, unwind) certain reinsurance contracts. We agree to such commutations only when we believe the economics are favorable to us (after giving due weight to what we might earn in the future on the money we are returning).

2004 年 Berkshire 的浮存金又增加了 19 亿美元，虽然也有少数几位客户在到期后倾向解约，但只有在对我们有利的情况之下，我们才接受解约，也就是必须先衡量我们将钱退回给客户后，未来将因此少赚的报酬。

To summarize, last year we were paid more than \$1.5 billion to hold an average of about \$45.2 billion. In 2005 pricing will be less attractive than it has been. Nevertheless, absent a mega-catastrophe, we have a decent chance of achieving no-cost float again this year.

总言之，去年为了保管这 452 亿美元，我们额外获得了 15 亿美元的报酬，展望 2005 年市场订价较不吸引人，尽管如此，只要不发生什么重大的天灾地变，我们还是可以维持免成本的浮存金。

Finance and Finance Products

金融相关产品

Last year in this section we discussed a potpourri of activities. In this report, we'll skip over several that are now of lesser importance: Berkadia is down to tag ends; Value Capital has added other investors, negating our expectation that we would need to consolidate its financials into ours; and the trading operation that I run continues to shrink.

去年在这一部份，我们拉里拉杂地讲了一堆，今年我们将一些比较不重要的省略掉，Berkadia 已接进尾声，Value Capital 也有新的投资者加入，降低其并入 Berkshire 报表的必要性，至于我个人负责操刀的交易业务也持续萎缩。

- Both of Berkshire's leasing operations rebounded last year. At CORT (office furniture), earnings remain inadequate, but are trending upward. XTRA disposed of its container and intermodal businesses in order to concentrate on trailer leasing, long its strong suit. Overhead has been reduced, asset utilization is up and decent profits are now being achieved under Bill Franz, the company's new CEO.

Berkshire 旗下两项租赁业务则有所起色，办公室家具租赁 CORT 的获利情况虽依旧不佳，但已有好转，XTRA 处置掉货柜及整合运输业务，以专注于货柜车租赁的强项，在现任总裁 Bill Franz 的领导下，删减费用开支，资产运用效率提高，获得不错的利润。

- The wind-down of Gen Re Securities continues. We decided to exit this derivative operation three years ago, but getting out is easier said than done. Though derivative instruments are purported to be highly liquid – and though we have had the benefit of a benign market while liquidating ours – we still had 2,890 contracts outstanding at yearend, down from 23,218 at the peak. Like Hell, derivative trading is easy to enter but difficult to leave. (Other similarities come to mind as well.) Gen Re's derivative contracts have always been required to be marked to market, and I believe the company's management conscientiously tried to make realistic "marks." The market prices of derivatives, however, can be very fuzzy in a world in which settlement of a transaction is sometimes decades away and often involves multiple variables as well. In the interim the marks influence the managerial and trading bonuses that are paid annually. It's small wonder that phantom profits are often recorded.

关闭 Gen Re 证券业务的动作仍在持续当中，我们在三年前决定退出这个市场，但要退出谈何容易，虽然衍生性金融商品理论上流动性颇高，且以目前温和的市场环境也有利于我们的退出，但截至年底，我们依然有 2,890 项合约缠身，(高峰时有 23,218 件合约)，就像是地狱一样，衍生性金融商品市场易进难出，当然其它还有很多相似的地方，Gen Re 证券的衍生性金融合约要求随时以市价反应，而我也确信该公司的经营阶层已尽力订出反应真实的水平，但衍生性金融商品的市价却由于真正结算的时点可能要落在几十年以后，而使得市价很难估算，同时还须仰赖非常多个变量，但以此为基础来计算的奖金却是每年发放，这也难怪虚幻的获利数字满天乱

飞。

Investors should understand that in all types of financial institutions, rapid growth sometimes masks major underlying problems (and occasionally fraud). The real test of the earning power of a derivatives operation is what it achieves after operating for an extended period in a no-growth mode. You only learn who has been swimming naked when the tide goes out.

投资人必须了解在各种金融机构当中，快速成长通常蕴藏天大的问题，有时甚至于重大舞弊，要真正测试衍生性业务的获利能力，必须是在无成长的状态下，只有等浪退了才知道是谁在裸泳。

· After 40 years, we've finally generated a little synergy at Berkshire: Clayton Homes is doing well and that's in part due to its association with Berkshire. The manufactured home industry continues to reside in the intensive care unit of Corporate America, having sold less than 135,000 new homes last year, about the same as in 2003. Volume in these years was the lowest since 1962, and it was also only about 40% of annual sales during the years 1995-99. That era, characterized by irresponsible financing and naïve founders, was a fool's paradise for the industry.

历经四十载之后，Berkshire 终于展现出一点组织的综效，Clayton 表现的相当不错，部份原因当然要归功于 Berkshire 的加持，组合房屋业目前仍处于加护病房阶段，去年售出的新屋不超过 13 万 5 千户，这数字仅与前一年度相当，创 1962 年来的新低，约当 90 年代高峰时的四成，当时在没有良心业者的波助澜下，达到前所未有的疯狂地步。

Because one major lender after another has fled the field, financing continues to bedevil manufacturers, retailers and purchasers of manufactured homes. Here Berkshire's support has proven valuable to Clayton. We stand ready to fund whatever makes sense, and last year Clayton's management found much that qualified.

由于主要的金主——撤离这个市场，使得财务问题一直困扰着组合房屋厂商、零售消费者，此时 Berkshire 的支持对 Clayton 来说，可谓久旱逢甘霖，只要合理，我们愿意无限制提供资金，而一年下来，Clayton 也不负我们所望。

As we explained in our 2003 report, we believe in using borrowed money to support profitable, interest-bearing receivables. At the beginning of last year, we had borrowed \$2 billion to relend to Clayton (at a one percentage-point markup) and by January 2005 the total was \$7.35 billion. Most of the dollars added were borrowed by us on January 4, 2005, to finance a seasoned portfolio that Clayton purchased on December 30, 2004 from a bank exiting the business.

在 2003 年的年报中我就曾解释过，我们相信借钱来支应可收取利息的应

收款将有利可图，去年初我们转借 20 亿美元给 Clayton，并收取 1% 的利差，到 2005 年初，这笔借款增加为 73.5 亿美元，主要是支应 Clayton 向退出该市场的银行手中买下的应收款。

We now have two additional portfolio purchases in the works, totaling about \$1.6 billion, but it's quite unlikely that we will secure others of any significance. Therefore, Clayton's receivables (in which originations will roughly offset payoffs) will probably hover around \$9 billion for some time and should deliver steady earnings. This pattern will be far different from that of the past, in which Clayton, like all major players in its industry, "securitized" its receivables, causing earnings to be front-ended. In the last two years, the securitization market has dried up. The limited funds available today come only at higher cost and with harsh terms. Had Clayton remained independent in this period, it would have had mediocre earnings as it struggled with financing.

目前还有两笔应收款洽谈中，金额合计 16 亿美元，不过这大概是最后一笔大额的交易，所以 Clayton 帐上的应收款将会一直停留在 90 亿美元左右的水准，(新增的金额大约会被偿还的帐款所抵消)，并持续贡献稳定的盈余，这景况与业者过去习惯将应收帐款证券化刻意让盈余提早实现的做法截然不同，过去两年，应收帐款证券化的市场几乎停摆，就算能取得资金，其利率与条件都相当严酷，如果 Clayton 依旧单打独斗，将只能维持惨淡的经营局面。

In April, Clayton completed the acquisition of Oakwood Homes and is now the industry's largest producer and retailer of manufactured homes. We love putting more assets in the hands of Kevin Clayton, the company's CEO. He is a prototype Berkshire manager. Today, Clayton has 11,837 employees, up from 7,136 when we purchased it, and Charlie and I are pleased that Berkshire has been useful in facilitating this growth.

去年四月份，Clayton 顺利买下 Oakwood，一举成为组合房屋业界最大的制造与销售商，我们乐意将更多的资源交予该公司总裁 Kevin，他是典型的 Berkshire 经理人，当初我们买下 Clayton 时，该公司拥有 7 千多名员工，目前则已增加到 1 万 1 千多名，查理跟我很高兴能与他们共同参与成长的过程。

For simplicity's sake, we include all of Clayton's earnings in this sector, though a sizable portion of these are derived from areas other than consumer finance.

为了简化起见，我们将 Clayton 所有的盈余归类到消费金融项下，虽然它还有一大部份的盈余不属于此项。

(in \$ millions)

Pre-Tax Earnings Interest-Bearing Liabilities

2004 2003 2004 2003

Trading – ordinary income \$ 264 \$ 355 \$5,751 \$7,826

| | | | | |
|--|---------|---------|--------|--------|
| Gen Re Securities | (44) | (99) | 5,437* | 8,041* |
| Life and annuity operation..... | (57) | 85 | 2,467 | 2,331 |
| Value Capital..... | 30 | 31 | N/A | N/A |
| Berkadia | 1 | 101 | — | 525 |
| Leasing operations..... | 92 | 34 | 391 | 482 |
| Manufactured housing finance (Clayton) | 220 | 37** | 3,636 | 2,032 |
| Other..... | 78 | 75 | N/A | N/A |
| Income before capital gains..... | 584 | 619 | | |
| Trading – capital gains | 1,750 | 1,215 | | |
| Total | \$2,334 | \$1,834 | | |

* Includes all liabilities

** From date of acquisition, August 7, 2003

Manufacturing, Service and Retailing Operations 制造业、服务业与零售业的营运报告

Our activities in this category cover the waterfront. But let's look at a summary balance sheet and earnings statement consolidating the entire group.

以下所代表的营业项目可说是包山包海，让我们直接来看所有的资产负债与盈余的总和数字。

Balance Sheet 12/31/04 (in \$ millions)

Assets Liabilities and Equity

| | | | |
|-------------------------------------|----------|--------------------------------------|----------|
| Cash and equivalents | \$ 899 | Notes payable | \$ 1,143 |
| Accounts and notes receivable | 3,074 | Other current liabilities..... | 4,685 |
| Inventory | 3,842 | Total current liabilities | 5,828 |
| Other current assets | 254 | | |
| Total current assets..... | 8,069 | | |
| Goodwill and other intangibles..... | 8,362 | Deferred taxes..... | 248 |
| Fixed assets..... | 6,161 | Term debt and other liabilities..... | 1,965 |
| Other assets..... | 1,044 | Equity | 15,595 |
| | \$23,636 | | \$23,636 |

Earnings Statement (in \$ millions)

2004 2003

| | | |
|---|----------|----------|
| Revenues | \$44,142 | \$32,106 |
| Operating expenses (including depreciation of \$676 in 2004 and \$605 in 2003)..... | 41,604 | 29,885 |
| Interest expense (net)..... | 57 | 64 |
| Pre-tax earnings..... | 2,481 | 2,157 |
| Income taxes..... | 941 | 813 |
| Net income | \$ 1,540 | \$ 1,344 |

This eclectic group, which sells products ranging from Dilly Bars to fractional interests in Boeing 737s, earned a very respectable 21.7% on average tangible net worth last year, compared to 20.7% in 2003. It's noteworthy that these operations used only minor financial leverage in achieving these returns. Clearly, we own some very good businesses. We purchased many of them, however, at substantial premiums to net worth – a matter that is reflected in the goodwill item shown on the balance sheet – and that fact reduces the earnings on our average *carrying* value to 9.9%.

这些精挑细选的组合，所贩卖的产品从棒冰到波音 737 客机，应有尽有，去年股东权益报酬率高达 21.7%，比起前一年的 20.7% 还要高，特别值得

说明的是他们极少运用财务杠杆，他们无疑是最优秀的企业，当然由于我们大多以高于净值相当大的幅度买下，因此帐上会出现大量的商誉，而商誉的摊销也使得我们帐列成本的投资报酬率降为 9.9%。

Here are the pre-tax earnings for the larger categories or units.

以下系主要营业项目的盈余明细：

Pre-Tax Earnings

(in \$ millions)

2004 2003

| | | |
|--|--------|-----------------|
| Building Products | \$ 643 | \$ 559 |
| Shaw Industries | 466 | 436 |
| Apparel & Footwear | 325 | 289 |
| Retailing of Jewelry, Home Furnishings and Candy | 215 | 224 |
| Flight Services..... | 191 | 72 |
| McLane..... | 228 | 150* |
| Other businesses | 413 | 427 |
| | | \$2,481 \$2,157 |

* From date of acquisition, May 23, 2003.

· In the building-products sector and at Shaw, we've experienced staggering cost increases for both raw materials and energy. By December, for example, steel costs at MiTek (whose primary business is connectors for roof trusses) were running 100% over a year earlier. And MiTek uses 665 million pounds of steel every year. Nevertheless, the company continues to be an outstanding performer.

·在建材与地毯业务方面，面临了原料成本与能源价格持续上涨的困境，举例来说，光是去年 12 月，MiTek 钢材的进料成本就整整比去年高出一倍，(其主要的产品系屋檐)，该公司每年需耗用 6.65 亿磅的钢材，不过即便如此，该公司表现依然出色。

Since we purchased MiTek in 2001, Gene Toombs, its CEO, has made some brilliant “bolt-on” acquisitions and is on his way to creating a mini-Berkshire.

打从我们在 2001 年买下 MiTek 后，该公司总裁 Gene Toombs 就创造出好几件辉煌的购并案，逐渐打造出属于自己的小型 Berkshire。

Shaw fielded a barrage of price increases in its main fiber materials during the year, a hit that added more than \$300 million to its costs. (When you walk on carpet you are, in effect, stepping on processed oil.) Though we followed these hikes in costs with price increases of our own, there was an inevitable lag. Therefore, margins narrowed as the year progressed and remain under pressure today. Despite these roadblocks, Shaw, led by Bob Shaw and Julian Saul, earned an outstanding 25.6% on tangible equity in 2004. The company is a powerhouse and has a bright future.

Shaw 地毯在年中接到一个原料成本爆涨的大炸弹，这个重大的打击使得其成本剧增三亿美元，当你在地毯上行走，其实所踩的是经过处理的石油化学产品，虽然我们以调涨售价做为因应，但时间上还是有些落差，这使

得毛利空间持续受到压缩，但即便如此，在 Bob 与 Julian 的领导下，去年还是为我们赚取了 25.6% 的股东权益报酬，这家公司充满动力，且深具潜力。

· In apparel, Fruit of the Loom increased unit sales by 10 million dozen, or 14%, with shipments of intimate apparel for women and girls growing by 31%. Charlie, who is far more knowledgeable than I am on this subject, assures me that women are *not* wearing more underwear. With this expert input, I can only conclude that our market share in the women's category must be growing rapidly. Thanks to John Holland, Fruit is on the move.

· 在服装业方面，Fruit of Loom 的内衣销售增加了 1 千万打，约当 14%，其中女用内衣与少女内衣更成长了 31%，这方面查理比我还懂得多，他跟我保证女性朋友目前穿得内衣还不够多，这更让我确信，我们在这方面的市场占有率正急速增加中，多亏 John Holland，Fruit of Loom 又重新振作起来。

A smaller operation, Garan, also had an excellent year. Led by Seymour Lichtenstein and Jerry Kamiel, this company manufactures the popular Garanimals line for children. Next time you are in a Wal-Mart, check out this imaginative product.

另外一家公司 Garan 童装，去年的表现也相当不错，在 Seymour 及 Lichtenstein 的带领之下，这家公司专门制造知名童装品牌 Garanimals，下次你去 Wal-Mart 逛时，记得顺道去看看他们饶富创意的产品。

· Among our retailers, Ben Bridge (jewelry) and R. C. Willey (home furnishings) were particular standouts last year.

· 在其它零售业者当中，Ben Bridge 珠宝及 R.C.Willey 家俱，去年的表现也相当不错。

At Ben Bridge same-store sales grew 11.4%, the best gain among the publicly-held jewelers whose reports I have seen. Additionally, the company's profit margin widened. Last year was not a fluke: During the past decade, the same-store sales gains of the company have averaged 8.8%.

在 Ben Bridge 单店营业额成长了 11.4%，毛利也同步增长，这是所有上市珠宝商中表现最好的，去年的成绩绝非侥幸，该公司过去十年平均成长率达到了 8.8%。

Ed and Jon Bridge are fourth-generation managers and run the business exactly as if it were their own – which it is in every respect except for Berkshire's name on the stock certificates. The Bridges have expanded successfully by securing the right locations and, more importantly, by staffing these stores with enthusiastic and knowledgeable associates. We will move into Minneapolis-St. Paul this year.

Ed 跟 Jon 是 Bridge 家族第四代的成员，并把公司当做是自家般在经营，除了股票上登记的名字改成 Berkshire 外，其它一切不变，靠着选址正确，Bridge 成功地扩张据点，此外更重要的，每个据点的员工都充满了热情与专业知识，今年我们将进军双子城。

At Utah-based R. C. Willey, the gains from expansion have been even more dramatic, with 41.9% of 2004 sales coming from out-of-state stores that didn't exist before 1999. The company also improved its profit margin in 2004, propelled by its two new stores in Las Vegas.

至于犹他州的 R.C.Willey，其成长的态势更加惊人，拜外地新店所赐，公司营业额成长了 41.9%，毛利也有所改善，其中包含拉斯维加斯的两家新店。

I would like to tell you that these stores were my idea. In truth, I thought they were mistakes. I knew, of course, how brilliantly Bill Child had run the R. C. Willey operation in Utah, where its market share had long been huge. But I felt our closed-on-Sunday policy would prove disastrous away from home. Even our first out-of-state store in Boise, which was highly successful, left me unconvinced. I kept asking whether Las Vegas residents, conditioned to seven-day-a-week retailers, would adjust to us. Our first Las Vegas store, opened in 2001, answered this question in a resounding manner, immediately becoming our number one unit.

我要跟大家说，这些店事实上是我的主意，只是我本来以为它们做不起来，虽然我明明知道 Bill Child 跟 R.C.Willey 在犹他州的辉煌战果，他们在当地耕耘已久，但我就是觉得这种星期天不开张的做法在外地肯定行不通，但结果证明我们在外地 Boise 的第一家店就一炮而红，但我还是不相信，不断质疑已经习惯没有周休的拉斯维加斯居民是否也吃这一套，这种怀疑在我们当地的第一家店于 2001 年开张，彻底被粉碎，单店营业额居所有分店首位。

Bill and Scott Hymas, his successor as CEO, then proposed a second Las Vegas store, only about 20 minutes away. I felt this expansion would cannibalize the first unit, adding significant costs but only modest sales. The result? Each store is now doing about 26% more volume than any other store in the chain and is consistently showing large year-over-year gains.

Bill 跟他的继任者 Scott Hymas，趁胜追击在 20 分钟车程远的地方，开设第二家分店，当时我认为此举将拖垮第一家店的营运，成本肯定不敷效益，结果呢？两家店的营业额比起其它分店都高出 26%，且营业额年年成长。

R. C. Willey will soon open in Reno. Before making this commitment, Bill and Scott again asked for my advice. Initially, I was pretty puffed up about the fact that they were consulting me. But then it dawned on me that the opinion of someone who is *always* wrong has its own special utility to

decision makers.

R.C.Willy 很快就要在 Reno 开店，但在正式投入之前，Bill 跟 Scott 礼貌性地征询我的意见，一开始，我对于他们向我请益感到颇为自豪，但最后证明，他们只是把我的看法，当做反向参考意见。

· Earnings improved in flight services. At FlightSafety, the world's leader in pilot training, profits rose as corporate aviation rebounded and our business with regional airlines increased. We now operate 283 simulators with an original cost of \$1.2 billion. Pilots are trained one at a time on this expensive equipment. This means that as much as \$3.50 of capital investment is required to produce \$1 of annual revenue. With this level of capital intensity, FlightSafety requires very high operating margins in order to obtain reasonable returns on capital, which means that utilization rates are all-important. Last year, FlightSafety's return on tangible equity improved to 15.1% from 8.4% in 2003.

· 航空服务的获利也有所改善，在全世界最大的飞行员训练公司-国际飞安方面，拜企业部门反弹及与区域性航空公司合作所赐，获利增加，目前我们拥有 283 座仿真机，帐面成本 12 亿美元，飞行员只能在这些昂贵的设备中逐一接受训练，这意味着每三块半的资本设备投资只能创造出一块钱的年营业收入，在如此资本密集的情况下，惟有高毛利才足以获得合理的投资回报，因此设备利用率便显得相当重要，去年该公司的有形资产报酬率由 8.4% 提升至 15.1%。

In another 2004 event, Al Ueltschi, who founded FlightSafety in 1951 with \$10,000, turned over the CEO position to Bruce Whitman, a 43-year veteran at the company. (But Al's not going anywhere; I won't let him.) Bruce shares Al's conviction that flying an aircraft is a privilege to be extended only to people who regularly receive the highest quality of training and are undeniably competent. A few years ago, Charlie was asked to intervene with Al on behalf of a tycoon friend whom FlightSafety had flunked. Al's reply to Charlie: "Tell your pal he belongs in the back of the plane, not the cockpit."

另外一件事是于 1951 年以一万美元创立国际飞安的 Al Ueltschi，在去年将总裁的位置交给 Bruce Whitman，Bruce 是公司 43 年的老臣，但相信我，我绝不会让 Al 跑掉的，Bruce 跟 Al 拥有相同的理念，认为惟有经常接受高品质训练的人，才有资格驾御航空飞行器，几年前查理受企业朋友所托，向 Al 关说求情，结果 Al 冷酷地回答到，「告诉你的朋友，给我乖乖地待在后舱。」

FlightSafety's number one customer is NetJets, our aircraft fractional-ownership subsidiary. Its 2,100 pilots spend an average of 18 days a year in training. Additionally, these pilots fly only one aircraft type whereas many flight operations juggle pilots among several types. NetJets' high standards on both fronts are two of the reasons I signed up with the

company years before Berkshire bought it.

国际飞安最大的客户就是 NetJets-我们飞机分时业务的子公司,旗下 2,100 位飞行员每年平均花 18 天在训练之上,此外不像别人常常在不同机种间跳来跳去,我们的飞行员只专心飞固定的机型,NetJets 在这两方面高水平的要求,是为什么我早在买下该公司以前,就成为它们客户的主要原因。

Fully as important in my decisions to both use and buy NetJets, however, was the fact that the company was managed by Rich Santulli, the creator of the fractional-ownership industry and a fanatic about safety and service. I viewed the selection of a flight provider as akin to picking a brain surgeon: you simply want the best. (Let someone else experiment with the low bidder.)

另外我之所以会买下 NetJets 的原因还有,这家公司是由 Rich Santulli 所经营,他是飞机分时产业的创办人,对于安全与服务的要求几尽疯狂,我认为挑选飞行员跟选择脑部外科医生一样重要,要挑就要挑最好的,其它次等的人选就留给别人吧。

Last year NetJets again gained about 70% of the net new business (measured by dollar value) going to the four companies that dominate the industry. A portion of our growth came from the 25-hour card offered by Marquis Jet Partners. Marquis is not owned by NetJets, but is instead a customer that repackages the purchases it makes from us into smaller packages that it sells through its card. Marquis deals exclusively with NetJets, utilizing the power of our reputation in its marketing.

去年 NetJets 的营业额大幅成长 70%,持续主宰整个市场,其中一部份系来自 Marquis 推出的 25 小时券,Marquis 并非 NetJets 的关系企业,不过它向 NetJets 批发时数后,再包装卖给终端消费者,Marquis 只专作 NetJets 的生意,并以 NetJets 的卓越名声做为行销的重点。

Our U.S. contracts, including Marquis customers, grew from 3,877 to 4,967 in 2004 (versus approximately 1,200 contracts when Berkshire bought NetJets in 1998). Some clients (including me) enter into multiple contracts because they wish to use more than one type of aircraft, selecting for any given trip whichever type best fits the mission at hand.

去年我们在美国的签约件数,从 3,877 成长到 4,967,(1999 年当 Berkshire 买下该公司时,其客户数为 1,200),有些客户(包括我在内)为了使用不同的机型,会一次签好几项合约,以因应不同场合的需求。

NetJets earned a modest amount in the U.S. last year. But what we earned domestically was largely offset by losses in Europe. We are now, however, generating real momentum abroad. Contracts (including 25-hour cards that we ourselves market in Europe) increased from 364 to 693 during the year. We will again have a very significant European loss in 2005, but domestic earnings will likely put us in the black overall.

NetJets 去年在美国这边的获利还算不错，但大部份的获利却被欧洲的亏损所侵蚀，不过目前国外的业务确有起色，包含刚刚提到的 25 小时券在内，合约数已从 364 件增加到 693 件，虽然 2005 年预估还会继续发生庞大亏损，但美国本土的获利还是能够让我们的帐面免于出现红字。

Europe has been expensive for NetJets – far more expensive than I anticipated – but it is essential to building a flight operation that will forever be in a class by itself. Our U.S. owners already want a quality service wherever they travel and their wish for flight hours abroad is certain to grow dramatically in the decades ahead. Last year, U.S. owners made 2,003 flights in Europe, up 22% from the previous year and 137% from 2000. Just as important, our European owners made 1,067 flights in the U.S., up 65% from 2003 and 239% from 2000.

欧洲实在是让我们付出重大的代价，且远远超过我当初的预期，但为了建立品质却是不得不走的路，我们许多美国的客户希望无论到世界上的那个地方，都能够享受相同品质的服务，而跨国旅行的需求在未来肯定会大幅成长，去年美国客户总计飞到欧洲 2,003 趟，成长了 22%，在此同时，欧洲的客户飞到美国，则有 1,067 趟，成长了 65%。

Investments

投资组合

We show below our common stock investments. Those that had a market value of more than \$600 million at the end of 2004 are itemized.

下表列示 Berkshire 2004 年市价超过 6 亿美元以上的股票投资。

12/31/04

Percentage of

Shares Company Company Owned Cost* Market

(in \$ millions)

| | | | |
|---|-------|---------|----------|
| 151,610,700 American Express Company | 12.1 | \$1,470 | \$ 8,546 |
| 200,000,000 The Coca-Cola Company | 8.3 | 1,299 | 8,328 |
| 96,000,000 The Gillette Company | 9.7 | 600 | 4,299 |
| 14,350,600 H&R Block, Inc..... | 8.7 | 223 | 703 |
| 6,708,760 M&T Bank Corporation | 5.8 | 103 | 723 |
| 24,000,000 Moody's Corporation | 16.2 | 499 | 2,084 |
| 2,338,961,000 PetroChina "H" shares (or equivalents)... | 1.3 | 488 | 1,249 |
| 1,727,765 The Washington Post Company | 18.1 | 11 | 1,698 |
| 56,448,380 Wells Fargo & Company..... | 3.3 | 463 | 3,508 |
| 1,724,200 White Mountains Insurance..... | 16.0 | 369 | 1,114 |
| Others | 3,531 | 5,465 | |
| Total Common Stocks | | \$9,056 | \$37,717 |

*This is our actual purchase price and also our tax basis; GAAP "cost" differs in a few cases because of write-ups or write-downs that have been required.

*此为我们实际取得的成本，也是按税务基础，至于依会计原则的成本则由于摊销或调升而有所不同。

Some people may look at this table and view it as a list of stocks to be

bought and sold based upon chart patterns, brokers' opinions, or estimates of near-term earnings. Charlie and I ignore such distractions and instead view our holdings as fractional ownerships in businesses. This is an important distinction. Indeed, this thinking has been the cornerstone of my investment behavior since I was 19. At that time I read Ben Graham's *The Intelligent Investor*, and the scales fell from my eyes. (Previously, I had been entranced by the stock market, but didn't have a clue about how to invest.)

看过这张表的人或许会以为这些股票是根据线型图、营业员的建议或是公司近期的获利预估来进行买卖，其实查理跟我本人根本就不理会这些，而是以企业所有权人的角度看事情，这是非常大的区别，事实上，这正是我几十年来投资行为的精髓所在，打从我十九岁时，读到葛拉罕的智能型投资人之后，我便茅塞顿开，在此之前，虽然我早已投入股市，但实际上对投资根本就没有一点概念。

Let's look at how the *businesses* of our "Big Four" – American Express, Coca-Cola, Gillette and Wells Fargo – have fared since we bought into these companies. As the table shows, we invested \$3.83 billion in the four, by way of multiple transactions between May 1988 and October 2003. On a composite basis, our dollar-weighted purchase date is July 1992. By yearend 2004, therefore, we had held these "business interests," on a weighted basis, about 12½ years.

接下来看看我们的四大天王-美国运通、可口可乐、吉列及富国银行的表现如何，如上表所示，我们在这四家公司的投资金额合计 38.3 亿美元，分别在 1988 年到 2003 年间分批买进，总的来说，我们平均买进的日期是 1992 年 7 月，截止 2004 年底，我们平均持股的时间是 12.5 年。

In 2004, Berkshire's share of the group's earnings amounted to \$1.2 billion. These earnings might legitimately be considered "normal." True, they were swelled because Gillette and Wells Fargo omitted option costs in their presentation of earnings; but on the other hand they were reduced because Coke had a non-recurring write-off.

2004 年依持股比例，Berkshire 可分配到的盈余高达 12.2 亿美元，这个数字可以称得上合理，虽然吉列与富国银行因为选择权成本隐含不计而高估，但同时可口可乐却也提列了一笔非经常性的损失。

Our share of the earnings of these four companies has grown almost every year, and now amounts to about 31.3% of our cost. Their cash distributions to us have also grown consistently, totaling \$434 million in 2004, or about 11.3% of cost. All in all, the Big Four have delivered us a satisfactory, though far from spectacular, business result.

我们从这四大天王所分得的盈余几乎每年都稳定的成长，累积至现在已占当初投资成本的 31%，所分配的现金股利也同步成长，2004 年达到 4.34 亿美元，总的来说，这四大天王给了我们还算满意的回报。

That's true as well of our experience in the market with the group. Since our original purchases, valuation gains have somewhat exceeded earnings growth because price/earnings ratios have increased. On a year-to-year basis, however, the business and market performances have often diverged, sometimes to an extraordinary degree. During The Great Bubble, market-value gains far outstripped the performance of the businesses. In the aftermath of the Bubble, the reverse was true.

在股价方面的感受也是如此，自我们买进以后，由于本益比提升缘故，股价的增幅还高于盈余成长的幅度，就个别单一年度而言，股价与企业本身经营状况往往有所分歧，在大泡沫期间，股价的涨幅远远超过本业的表现，至于泡沫破灭之后，其表现则恰恰相反。

Clearly, Berkshire's results would have been far better if I had caught this swing of the pendulum. That may seem easy to do when one looks through an always-clean, rear-view mirror. Unfortunately, however, it's the windshield through which investors must peer, and that glass is invariably fogged. Our huge positions add to the difficulty of our nimbly dancing in and out of holdings as valuations swing.

当然，要是我能够掌握其间变动的诀窍，Berkshire 的绩效应当会更好，这种事事后诸葛的话人人会说，但只可惜投资人真正需要的是先见之明，无奈前方的景象晦暗不明，而我们庞大的投资部位更大大提高了灵活进出的难度。

Nevertheless, I can properly be criticized for merely clucking about nose-bleed valuations during the Bubble rather than acting on my views. Though I said at the time that certain of the stocks we held were priced ahead of themselves, I underestimated just how severe the overvaluation was. I talked when I should have walked.

在股市泡沫期间，我只不过老调重谈价值投资理念，连动不来没动就饱受批评，虽然那时我说我们部份的持股市价高于其应有的价值，但我低估其间的差异，坐而言不够，还须起而行。

What Charlie and I would like is a little action now. We don't enjoy sitting on \$43 billion of cash equivalents that are earning paltry returns. Instead, we yearn to buy more fractional interests similar to those we now own or – better still – more large businesses outright. We will do either, however, only when purchases can be made at prices that offer us the prospect of a reasonable return on our investment.

查理跟我实在是应该起来活动活动了，手上这 430 亿现金不能只靠微薄的利息过日子，目前可能会从市场上买进一些股票，当然若是能买断整家公司会更好，不过价格也要合理。

We've repeatedly emphasized that the "realized" gains that we report quarterly or annually are meaningless for analytical purposes. We have a huge amount of unrealized gains on our books, and our thinking about when, and if, to cash them depends not at all on a desire to report earnings at one specific time or another. A further complication in our reported gains occurs because GAAP requires that foreign exchange contracts be marked to market, a stipulation that causes unrealized gains or losses in these holdings to flow through our published earnings as if we had sold our positions.

我们一再强调，单一会计期间所示的已实现利得不具任何意义，虽然帐上享有大量的未实现资本利得，但我们绝对不会为了让帐面数字好看而去兑现，另外由于会计原则规定外汇投资每季必须按市价调整损益，这使得我们每季的盈余波动幅度更为加剧。

Despite the problems enumerated, you may be interested in a breakdown of the gains we reported in 2003 and 2004. The data reflect actual sales except in the case of currency gains, which are a combination of sales and marks to market.

虽然多了以上几项变量，大家可能还是想要了解帐列近两年资本利得的明细，以下资料，除了外汇投资，其余多属已实现。

Category Pre-Tax Gain (in \$ millions)

2004 2003

| | | |
|---------------------------------|---------|---------|
| Common Stocks | \$ 870 | \$ 448 |
| U.S. Government Bonds..... | 104 | 1,485 |
| Junk Bonds | 730 | 1,138 |
| Foreign Exchange Contracts..... | 1,839 | 825 |
| Other..... | (47) | 233 |
| Total | \$3,496 | \$4,129 |

The junk bond profits include a foreign exchange component. When we bought these bonds in 2001 and 2002, we focused first, of course, on the credit quality of the issuers, all of which were American corporations. Some of these companies, however, had issued bonds denominated in foreign currencies. Because of our views on the dollar, we favored these for purchase when they were available.

垃圾债券交易利得包含部份汇兑利益，几年前我们买下这些债券时，首先考量的当然是发行人的债信，所以全数皆为美国本土的公司，其中部份系以外币计价，由于我们认为美元长期走势看贬，所以当初投资时乃以外币计价为优先。

As an example, we bought €254 million of Level 3 bonds (10 ¾% of 2008) in 2001 at 51.7% of par, and sold these at 85% of par in December 2004. This issue was traded in Euros that cost us 88¢ at the time of purchase but that brought \$1.29 when we sold. Thus, of our \$163 million overall gain, about \$85 million came from the market's revised opinion about Level 3's credit quality, with the remaining \$78 million resulting from the

appreciation of the Euro. (In addition, we received cash interest during our holding period that amounted to about 25% annually on our dollar cost.)

举例来说,我们在 2001 年以 51.7%的折价幅度买进 Level 3 面值 2.54 亿欧元的债券(2008 年到期;年息 10.75%),之后在 2004 年底以 85%的折价幅度出脱,当初买进的时候,欧元对美元的汇率是 1 比 0.88,等到我们卖出时,欧元对美元的汇率已涨升为 1 比 1.29,所以在总计 1.63 亿美元的资本利得当中,8,500 万美元系市场对于该公司债信的修正,另外 7,800 万则是来自于欧元升值的贡献,此外在持有期间我们每年还收到相当于投资成本 25%的利息收入。

The media continue to report that “Buffett buys” this or that stock. Statements like these are almost always based on filings Berkshire makes with the SEC and are therefore wrong. As I’ve said before, the stories should say “*Berkshire* buys.”

不论我如何澄清,媒体还是一再报导,「巴菲特买进某些股票」,这些讯息主要的来源是 Berkshire 向证券主管机关申报的文件,这样的说法其实并不正确,就像我一再强调的,他们应该要说,这是「Berkshire 买进的」。

Portrait of a Disciplined Investor 自律型投资人的典范

Lou Simpson

Return from

Year GEICO Equities S&P Return Relative Results

| | | | |
|------|---------|---------|---------|
| 1980 | 23.7% | 32.3% | (8.6%) |
| 1981 | 5.4% | (5.0%) | 10.4% |
| 1982 | 45.8% | 21.4% | 24.4% |
| 1983 | 36.0% | 22.4% | 13.6% |
| 1984 | 21.8% | 6.1% | 15.7% |
| 1985 | 45.8% | 31.6% | 14.2% |
| 1986 | 38.7% | 18.6% | 20.1% |
| 1987 | (10.0%) | 5.1% | (15.1%) |
| 1988 | 30.0% | 16.6% | 13.4% |
| 1989 | 36.1% | 31.7% | 4.4% |
| 1990 | (9.9%) | (3.1%) | (6.8%) |
| 1991 | 56.5% | 30.5% | 26.0% |
| 1992 | 10.8% | 7.6% | 3.2% |
| 1993 | 4.6% | 10.1% | (5.5%) |
| 1994 | 13.4% | 1.3% | 12.1% |
| 1995 | 39.8% | 37.6% | 2.2% |
| 1996 | 29.2% | 23.0% | 6.2% |
| 1997 | 24.6% | 33.4% | (8.8%) |
| 1998 | 18.6% | 28.6% | (10.0%) |
| 1999 | 7.2% | 21.0% | (13.8%) |
| 2000 | 20.9% | (9.1%) | 30.0% |
| 2001 | 5.2% | (11.9%) | 17.1% |
| 2002 | (8.1%) | (22.1%) | 14.0% |
| 2003 | 38.3% | 28.7% | 9.6% |

2004 16.9% 10.9% 6.0%
Average Annual Gain 1980-2004 20.3% 13.5% 6.8%

Even then, it is typically not I who make the buying decisions. Lou Simpson manages about \$2½ billion of equities that are held by GEICO, and it is his transactions that Berkshire is usually reporting. Customarily his purchases are in the \$200-\$300 million range and are in companies that are smaller than the ones I focus on. Take a look at the facing page to see why Lou is a cinch to be inducted into the investment Hall of Fame.

其实那些投资决策也并非由我所做出，Lou Simpson 管理的 GEICO 投资组合规模约 25 亿美元，Berkshire 申报的交易大多指的是这一部份，一般而言，他买进的标的规模约在二、三亿美元之间，比我锁定的交易目标来得小，对照一下封面上的投资绩效，你就知道 Lou Simpson 进入投资界的名人堂几乎是十拿九稳的事。

You may be surprised to learn that Lou does not necessarily inform me about what he is doing. When Charlie and I assign responsibility, we truly hand over the baton – and we give it to Lou just as we do to our operating managers. Therefore, I typically learn of Lou’s transactions about ten days after the end of each month. Sometimes, it should be added, I silently disagree with his decisions. But he’s usually right.

大家或许不相信，Lou 事前不须跟我报告他的进出动作，当查理跟我授权给部属时，我们是真的交出指挥大棒，Lou 是如此，其它旗下事业经理人也是如此，也因此我通常是在每个月结束后十天才知道 Lou 又从事了那些交易，虽然有时候老实说，我并不一定认同他的看法，不过事后证明他总是对的。

Foreign Currencies 外汇投资

Berkshire owned about \$21.4 billion of foreign exchange contracts at yearend, spread among 12 currencies. As I mentioned last year, holdings of this kind are a decided change for us. Before March 2002, neither Berkshire nor I had *ever* traded in currencies. But the evidence grows that our trade policies will put unremitting pressure on the dollar for many years to come – so since 2002 we’ve heeded that warning in setting our investment course. (As W.C. Fields once said when asked for a handout: “Sorry, son, all my money’s tied up in currency.”)

截至去年底，Berkshire 总计持有 214 亿美元的外汇部位，投资组合遍布十二种外币，去年我就曾说过，这类的投资对我们来说，也是头一遭，直到 2002 年以前，Berkshire 跟我本人从来就没有买卖过外汇，但越来越多迹象显示，目前我们的贸易政策，将为往后几年的汇率不断施加压力，有鉴于此，自 2002 年起，我们开始调整投资方向以做为因应，就像老牌喜剧演员 W.C.Fields 所说的一样，「抱歉小子，我的钱全部套牢在外汇上了。」

Be clear on one point: In no way does our thinking about currencies rest on doubts about America. We live in an extraordinarily rich country, the product of a system that values market economics, the rule of law and equality of opportunity. Our economy is far and away the strongest in the world and will continue to be. We are lucky to live here.

大家一定要搞清楚一点，外汇上的投资不代表我们在唱衰美国，因为我们生活在一个极其富有的国度，这个系统相当重视市场经济，尊重法制，每个人都有公平的机会，我们无疑是当今世上最强大的经济体，而且以后也是，我们是何等的幸运。

But as I argued in a November 10, 2003 [article](#) in *Fortune*, (available at berkshirehathaway.com), our country's trade practices are weighing down the dollar. The decline in its value has already been substantial, but is nevertheless likely to continue. Without policy changes, currency markets could even become disorderly and generate spillover effects, both political and financial. No one knows whether these problems will materialize. But such a scenario is a far-from-remote possibility that policymakers should be considering *now*. Their bent, however, is to lean toward not-so-benign neglect: A 318-page Congressional study of the consequences of unremitting trade deficits was published in November 2000 and has been gathering dust ever since. The study was ordered after the deficit hit a then-alarming \$263 billion in 1999; by last year it had risen to \$618 billion. 但就像我在 2003 年 11 月 10 日在财富杂志发表的文章所提到的(大家可在 Berkshire 的官方网站 berkshirehathaway.com 上找到)，我们国家现今的贸易政策终将拖垮美元，美元价值目前已大幅下滑，且没有任何好转迹象，若政策不改，外汇市场脱序的情况将不断发生，并在政治与金融面上产生连锁效应，虽然没有人保证影响的层面有多广，政治人物却不得不正视此问题的严重性，但政客们目前所采的态度却是刻意的忽视，一项厚达 318 页的贸易赤字评估报告在 2000 年 11 月国会发表时，曾引发渲然大波，当时美国一年的贸易赤字达到 2,630 亿美元，去年贸易赤字却已达 6,180 亿美元的历史新高。

Charlie and I, it should be emphasized, believe that true trade – that is, the exchange of goods and services with other countries – is enormously beneficial for both us and them. Last year we had \$1.15 trillion of such honest-to-God trade and the more of this, the better. But, as noted, our country also purchased an additional \$618 billion in goods and services from the rest of the world that was unreciprocated. That is a staggering figure and one that has important consequences.

当然必须强调的是，查理跟我都相信，真正的贸易，也就是与外国交换货物与服务的行为，对于彼此都有相当大的益处，去年光是这类的贸易总额就达 1.15 兆美元，但除此之外，我们另外又向外国多采购了 6,180 亿美元的产品与服务，这笔居高不下的数字将引发严重的后果。

The balancing item to this one-way pseudo-trade — in economics there is always an offset — is a transfer of wealth from the U.S. to the rest of the world. The transfer may materialize in the form of IOUs our private or governmental institutions give to foreigners, or by way of their assuming ownership of our assets, such as stocks and real estate. In either case, Americans end up owning a reduced portion of our country while non-Americans own a greater part. This force-feeding of American wealth to the rest of the world is now proceeding at the rate of \$1.8 billion daily, an increase of 20% since I wrote you last year. Consequently, other countries and their citizens now own a net of about \$3 trillion of the U.S. A decade ago their net ownership was negligible.

单一方向的虚拟交易，在经济学上总有对价，维持均衡的结果就是以本国的财富移转到国外，其型式有可能是由私人企业或政府部门所发出的借据，或者是出让股票或房地产的所有权，不管怎样，此举将造成美国人拥有自家资产的比例逐渐下滑，平均每天以 18 亿美元的速度流失中，这数字比去年同期又增加了两成，目前外国人累积持有我国资产已达 3 兆美元，在十年前这项数字还微乎其微。

The mention of trillions numbs most brains. A further source of confusion is that the current account deficit (the sum of three items, the most important by far being the trade deficit) and our national budget deficit are often lumped as “twins.” They are anything but. They have different causes and different consequences.

上兆元对一般人来说或许是遥不可及的天文数字，更让人容易搞混的是目前的「经常帐赤字」(由三个项目组成，其中最重要的项目就是贸易逆差)，这与我国的「预算赤字」，并称为双胞胎，但两者的成因不同，造成的影响也不同。

A budget deficit in no way reduces the portion of the national pie that goes to Americans. As long as other countries and their citizens have no net ownership of the U.S., 100% of our country’s output belongs to our citizens under *any* budget scenario, even one involving a huge deficit.

预算赤字仅会造成本国内财富的重分配，别的国家与人民不会增加对我们资产的所有权，也就是说就算是赤字飙上天，国内所有的产出所得，仍将归我国民所有。

As a rich “family” awash in goods, Americans will argue through their legislators as to how government should redistribute the national output — that is who pays taxes and who receives governmental benefits. If “entitlement” promises from an earlier day have to be reexamined, “family members” will angrily debate among themselves as to who feels the pain. Maybe taxes will go up; maybe promises will be modified; maybe more internal debt will be issued. But when the fight is finished, *all* of the family’s huge pie remains available for its members, however it is divided. No slice must be sent abroad.

当一个国家强盛富庶时，美国人民可透过国会议员来争取如何分配国家产出，也就是谁必须付税而谁可以得到政府的补助，如果开出的支票过于浮滥，家族成员便会激烈地争辩谁将受累，或许会以调高税赋因应，或许开出的承诺会做些调整，也或许会发更多的公债，但一旦纷争结束，家中所有的饼不管怎么分，依旧是由所有成员来分享，绝不会有外人进来分一杯羹。

Large and persisting current account deficits produce an entirely different result. As time passes, and as claims against us grow, we own less and less of what we produce. In effect, the rest of the world enjoys an ever-growing royalty on American output. Here, we are like a family that consistently overspends its income. As time passes, the family finds that it is working more and more for the “finance company” and less for itself.

但目前积重难返的经常帐赤字将改写整个游戏规则，随着时间过去，债主将一一上门，将我们收入瓜分殆尽，其结果是世界上其它人从我们身上抽取的税捐一天比一天高，而我们就像是一个入不敷出的家庭，而且慢慢会发现，辛苦的工作所得，将被债主吸得一乾二净。

Should we continue to run current account deficits comparable to those now prevailing, the net ownership of the U.S. by other countries and their citizens a decade from now will amount to roughly \$11 trillion. And, if foreign investors were to earn only 5% on that net holding, we would need to send a net of \$.55 trillion of goods and services abroad *every year* merely to service the U.S. investments then held by foreigners. At that date, a decade out, our GDP would probably total about \$18 trillion (assuming low inflation, which is far from a sure thing). Therefore, our U.S. “family” would then be delivering 3% of its annual output to the rest of the world simply as tribute for the overindulgences of the past. In this case, unlike that involving budget deficits, the sons would truly pay for the sins of their fathers.

若是我们让经常帐赤字的情况继续恶化下去，未来十年内外国人持有我国资产的数目将爆增到 11 兆美元，而若以平均 5% 的投资报酬率来计，我们每年还须额外支付 5,500 亿美元的劳务与货品给外国人，十年之后，我们的 GDP 预估不过是 18 兆美元(假设维持低通膨，虽然这还不是很确定)，届时美国家庭，为了过去的挥霍无度，每年都要奉献出 3% 的全年所得给外国人，在这种状况下，真的就要变成所谓的父债子还了。

This annual royalty paid the world – which would not disappear unless the U.S. massively underconsumed and began to run consistent and large trade surpluses – would undoubtedly produce significant political unrest in the U.S. Americans would still be living very well, indeed better than now because of the growth in our economy. But they would chafe at the idea of perpetually paying tribute to their creditors and owners abroad. A country that is now aspiring to an “Ownership Society” will not find

happiness in – and I’ll use hyperbole here for emphasis – a “Sharecropper’s Society.” But that’s precisely where our trade policies, supported by Republicans and Democrats alike, are taking us.

每年要支付给外国的年贡，除非是美国人从现在开始缩衣节食，同时持续地增加贸易顺差，否则定将引起国内的政局纷扰，虽然在这种情况下，美国人依旧能够维持不错的生活水平，事实上拜经济成长所赐，过得会比过去还好，但光想到每年定期要向外国朝贡，对于一个强调「所有权社会」的国家来说，可能就会引起国人一肚子气，在这里我必须夸张一点地讲，「佃农经济」，这正是共和党与民主党这些政客，准备带领我们前进的方向。

Many prominent U.S. financial figures, both in and out of government, have stated that our current-account deficits cannot persist. For instance, the minutes of the Federal Reserve Open Market Committee of June 29-30, 2004 say: “The staff noted that outsized external deficits could not be sustained indefinitely.” But, despite the constant handwringing by luminaries, they offer no substantive suggestions to tame the burgeoning imbalance.

许多重量级的美国财经学者，不论是当政的或是在野的，都一再重申，目前的经常帐赤字绝非常态，举例来说，美国联邦准备公开市场操作委员会于 2004 年 6 月 29-30 日的会议记录中便提到，幕僚群已注意到我们绝对无法负荷长期大量的外部赤字，尽管一些重量级人物不断大声疾呼，但实际上他们还是无法提出彻底解决贸易赤字的具体方案。

In the article I wrote for *Fortune* 16 months ago, I warned that “a gently declining dollar would not provide the answer.” And so far it hasn’t. Yet policymakers continue to hope for a “soft landing,” meanwhile counseling other countries to stimulate (read “inflate”) their economies and Americans to save more. In my view these admonitions miss the mark: There are deep-rooted structural problems that will cause America to continue to run a huge current-account deficit unless trade policies either change materially or the dollar declines by a degree that could prove unsettling to financial markets.

在我 16 个月以前于财富杂志刊登的一篇文章当中，我就曾警告，持续贬值的美元并不能解决问题，到目前为止，确是如此，然而政府官员却依然希望经济能够软着陆，同时敦促本国人省着点花用，其它国家刺激(应该说是膨胀)本国经济，在我看来这些建言都没有切中要点，除非贸易政策大幅改弦更张或是美元大幅贬值到惊天动地的程度，否则根深蒂固的结构性失衡问题仍将持续困扰金融市场的运作。

Proponents of the trade status quo are fond of quoting Adam Smith: “What is prudence in the conduct of every family can scarce be folly in that of a great kingdom. If a foreign country can supply us with a commodity cheaper than we ourselves can make it, better buy it of them

with some part of the produce of our own industry, employed in a way in which we have some advantage.”

赞成维持现状的支持者喜欢引用亚当史密斯的话说，如果每个家庭的做法都正确无误，那么整个国家的方向就错不了，如果外国人能够生产出比我们自己还要便宜的东西，那当然是用我们自家产出较具竞争优势的东西拿来做交换。

I agree. Note, however, that Mr. Smith’s statement refers to trade of *product* for product, not of *wealth* for product as our country is doing to the tune of \$.6 trillion annually. Moreover, I am sure that he would never have suggested that “prudence” consisted of his “family” selling off part of its farm every day in order to finance its overconsumption. Yet that is just what the “great kingdom” called the United States is doing.

我同意这点，但是请注意，史密斯先生的说法，指的是以物易物，而不是拿家产来做交换，尤其是当我们一年要典当 6,000 亿美元的资产，同时我相信他同样也不赞同家人以变卖资产的方式来弥补过度消费的缺口，而很不幸的，这正是当今最伟大的国家-美利坚合众国正在做的事。

If the U.S. was running a \$.6 trillion current-account *surplus*, commentators worldwide would violently condemn our policy, viewing it as an extreme form of “mercantilism” – a long-discredited economic strategy under which countries fostered exports, discouraged imports, and piled up treasure. I would condemn such a policy as well. But, in effect if not in intent, the rest of the world is practicing mercantilism in respect to the U.S., an act made possible by our vast store of assets and our pristine credit history. Indeed, the world would never let any other country use a credit card denominated in its own currency to the insatiable extent we are employing ours. Presently, most foreign investors are sanguine: they may view us as spending junkies, but they know we are *rich* junkies as well.

换个角度来说，如果美国现在享有的是 6,000 亿美元的贸易顺差的话，其它国家一定会立刻跳出来谴责我们的贸易政策，将之视为重商主义，也就是长久以来，为人所垢病的鼓励出口、压抑进口、囤积财富的经济政策，我对这种做法也期期以为不可，但事实上就算不是有意的，目前世界上其它国家确实正对美国实行重商主义，觊觎我国丰厚的资产以及深厚的家底，确实除了美国以外，世界上再也没有其它国家可以享有几乎无上限的信用额度，截至目前为止，大部份的外国人还是相当乐观，他们认定我们是花钱如流水的败家子，而且是极其富有的败家子。

Our spendthrift behavior won’t, however, be tolerated indefinitely. And though it’s impossible to forecast just when and how the trade problem will be resolved, it’s improbable that the resolution will foster an *increase* in the value of our currency relative to that of our trading partners.

但我们这种挥金如土的行为，不可能无限制地持续下去，虽然很难预估这样的贸易问题未来将如何收尾，但可以肯定的是，绝对不可能依靠美元对

其它货币大幅升值的结局。

We hope the U.S. adopts policies that will quickly and substantially reduce the current-account deficit. True, a prompt solution would likely cause Berkshire to record losses on its foreign-exchange contracts. But Berkshire's resources remain heavily concentrated in dollar-based assets, and both a strong dollar and a low-inflation environment are very much in our interest.

我们很希望美国能够提出一套立即解决贸易逆差的方案，虽然，这样将使得 Berkshire 帐上立即产生大量的外汇交易损失，但由于 Berkshire 大部份的资产还是摆在以美元为计价的资产之上，强势的美元以及低通胀的环境还是我们的最爱。

If you wish to keep abreast of trade and currency matters, read *The Financial Times*. This London-based paper has long been the leading source for daily international financial news and now has an excellent American edition. Both its reporting and commentary on trade are first-class.

如果你想要持续追踪贸易与汇率问题，建议你看金融时报，这份伦敦地区发行的报纸长期引领国际金融讯息，同时还发行有美国版，它们在贸易方面的报导与社论都堪称一流。

And, again, our usual caveat: macro-economics is a tough game in which few people, Charlie and I included, have demonstrated skill. We may well turn out to be wrong in our currency judgments. (Indeed, the fact that so many pundits now predict weakness for the dollar makes us uneasy.) If so, our mistake will be very public. The irony is that if we chose the opposite course, leaving all of Berkshire's assets in dollars even as they declined significantly in value, no one would notice our mistake.

当然照例我还是要老调重谈，总体经济是没有人搞得懂的玩意儿，我们在汇率上的判断不一定对，事实上，近来也有很多份子跟着凑热闹，一起高喊美元弱势的现象，反而让我们觉得怪怪的，果真如此，那我们可就糗大了，讽刺的是，要是我们按兵不动，将 Berkshire 的资金摆在美元资产之上，就算其价值大幅下滑，反而没有人会注意。

John Maynard Keynes said in his masterful *The General Theory*: "Worldly wisdom teaches that it is better for reputation to fail conventionally than to succeed unconventionally." (Or, to put it in less elegant terms, lemmings as a class may be derided but never does an *individual* lemming get criticized.) From a reputational standpoint, Charlie and I run a clear risk with our foreign-exchange commitment. But we believe in managing Berkshire as if we owned 100% of it ourselves. And, were that the case, we would not be following a dollar-only policy.

凯恩斯曾经提到他著名的通用理论，普世的智能告诉我们，寻常的失败可能比不寻常的成功更能搏取名声，或者讲得再通俗一点，旅鼠或许以愚蠢著称，但却没有任何单一一只旅鼠挨骂，若是为了面子，查理跟我在外汇上的作法，很可能让自己的面子挂不住，但我们还是尽心尽力的经营 Berkshire，这也是我们不独钟美元资产的根本原因。

Miscellaneous 其它事项

· Last year I told you about a group of University of Tennessee finance students who played a key role in our \$1.7 billion acquisition of Clayton Homes. Earlier, they had been brought to Omaha by their professor, Al Auxier – he brings a class every year – to tour Nebraska Furniture Mart and Borsheim’s, eat at Gorat’s and have a Q&A session with me at Kiewit Plaza. These visitors, like those who come for our annual meeting, leave impressed by both the city and its friendly residents.

· 去年我告诉各位有一群田纳西州财经系的学生，在一宗 Clayton 房屋 17 亿美元的购并案扮演了关键性的角色，每年他们固定由 Al Auxier 教授带到奥玛哈，参观 NFM 及波仙珠宝，到 Gorat’s 吃牛排，同时与我在 Kiewit 总部来一场问答，这群访客，如同每年来参加股东年会的股东一样，都对本市及其市民留下深刻的印象。

Other colleges and universities have now come calling. This school year we will have visiting classes, ranging in size from 30 to 100 students, from Chicago, Dartmouth (Tuck), Delaware State, Florida State, Indiana, Iowa, Iowa State, Maryland, Nebraska, Northwest Nazarene, Pennsylvania (Wharton), Stanford, Tennessee, Texas, Texas A&M, Toronto (Rotman), Union and Utah. Most of the students are MBA candidates, and I’ve been impressed by their quality. They are keenly interested in business and investments, but their questions indicate that they also have more on their minds than simply making money. I always feel good after meeting them.

之后其它大专院校的学生也开始陆续造访，这一学年将会有来自芝加哥、Dartmouth、Delaware、佛罗里达、印地安纳、爱荷华、马里兰、内布拉斯加、宾州、史丹佛、田纳西、德州、多伦多、犹它州等地的学生，人数从 30 到 100 人不等，大部份都是 MBA 的学生，我对于他们的素质印象深刻，他们对于商业与投资深感兴趣，但从所提的问题看得出他们不只是想赚钱而已，我总是很喜欢跟他们见面。

At our sessions, I tell the newcomers the story of the Tennessee group and its spotting of Clayton Homes. I do this in the spirit of the farmer who enters his hen house with an ostrich egg and admonishes the flock: “I don’t like to complain, girls, but this is just a small sample of what the competition is doing.” To date, our new scouts have not brought us deals. But their mission in life has been made clear to them.

在会面中,我告诉新来的访客有关田纳西州学生以及 Clayton 房屋的故事,我之所以这么做,是想要像有位农夫巡鸡舍,却只看到一颗鸡蛋时说到「其它母鸡们可要努力一点啊!」,目前我们这些新同学还没有为我们带来新案子,不过我应该已经很清楚地告诉他们的任务了。

· You should be aware of an accounting rule that mildly distorts our financial statements in a pain today, gain-tomorrow manner. Berkshire purchases life insurance policies from individuals and corporations who would otherwise surrender them for cash. As the new holder of the policies, we pay any premiums that become due and ultimately – when the original holder dies – collect the face value of the policies.

· 大家要知道,一项会让我们今天的财务报表难看的会计原则,明天肯定会给我们回报, Berkshire 以现金向原本有意将保单贴现的个人及企业购买人寿保单,身为这些保单的新持有人,我们支付后续到期的保费,等到原保单持有人过世后,我们则向保险公司领取保险理赔金。

The original policyholder is usually in good health when we purchase the policy. Still, the price we pay for it is always well above its cash surrender value (“CSV”). Sometimes the original policyholder has borrowed against the CSV to make premium payments. In that case, the remaining CSV will be tiny and our purchase price will be a large multiple of what the original policyholder would have received, had he cashed out by surrendering it.

在买进保单之时,其原持有人的身体状况一般都不错,且我们买进的价格通常远高于保单既有价值 CSV,有时原持有人甚至已用 CSV 抵押来支付保费,在这种情况下,剩余的保单价值并不高,所以卖给我们的价格可能是他们自行向保险公司贴现的好几倍。

Under accounting rules, we must immediately charge as a realized capital loss the excess over CSV that we pay upon purchasing the policy. We also must make additional charges each year for the amount by which the premium we pay to keep the policy in force exceeds the increase in CSV. But obviously, we don’t think these bookkeeping charges represent economic losses. If we did, we wouldn’t buy the policies.

依照会计原则,我们在买进保单的同时,必须马上就买进价格与贴现价值的差异,认列一笔已实现的资本损失,同时以后每年还必须就当年度支付保费与贴现价值的差异提列支出,当然我们很清楚这仅仅是帐面上的损失,因为杀头的生意有人做,赔钱的生意没人做。

During 2004, we recorded net “losses” from the purchase of policies (and from the premium payments required to maintain them) totaling \$207 million, which was charged against realized investment gains in our earnings statement (included in “other” in the table on page 17). When the proceeds from these policies are received in the future, we will record as realized investment gain the excess over the then-CSV.

2004 年，我们光是在这方面认列的损失就有 2.07 亿美元，列为其它资本利得的减项，当然日后等我们拿到理赔金时，也必须就实际收取金额与保单贴现价值的差异认列资本利得。

· Two post-bubble governance reforms have been particularly useful at Berkshire, and I fault myself for not putting them in place many years ago. The first involves regular meetings of directors without the CEO present. I've sat on 19 boards, and on many occasions this process would have led to dubious plans being examined more thoroughly. In a few cases, CEO changes that were needed would also have been made more promptly. There is no downside to this process, and there are many possible benefits.

· 有两项泡沫化后政府提出的两项方案对 Berkshire 特别受用，而我很后悔没有早一点就付诸实施，第一项是推动总裁不得列席的董事会，我总计担任十九家公司的董事，而通常的情况下，这个提案往往故意让事情复杂化而束诸高阁，在某些总裁非撤换不可的情况下，将有助于加速相关程序的进行，这方案没有任何坏处，同时还可带来正面的助益。

The second reform concerns the “whistleblower line,” an arrangement through which employees can send information to me and the board's audit committee without fear of reprisal. Berkshire's extreme decentralization makes this system particularly valuable both to me and the committee. (In a sprawling “city” of 180,000 – Berkshire's current employee count – not every sparrow that falls will be noticed at headquarters.) Most of the complaints we have received are of “the guy next to me has bad breath” variety, but on occasion I have learned of important problems at our subsidiaries that I otherwise would have missed. The issues raised are usually not of a type discoverable by audit, but relate instead to personnel and business practices. Berkshire would be more valuable today if I had put in a whistleblower line decades ago.

第二项改革是有关检举专线，也就是公司所有员工都能够有管道向我本人及董事会的稽核委员会提供讯息，而不怕遭到申斥的管道，Berkshire 极端的分权化，突显这项制度的重要性，在庞大如 Berkshire 的帝国，员工人数已达 18 万人，总部不可能知道所有事情，在我们收到的申诉中，大部份是「坐在我隔壁的人有口臭」之类的抱怨，但偶尔我也会收到本来不会被揭穿的子公司重大弊病，这些问题通常不容易经由正常的稽核管道发现，而是关于个人行为与企业常态，我想当初若是早一点实施，Berkshire 将更加美好。

· Charlie and I love the idea of shareholders thinking and behaving like owners. Sometimes that requires them to be pro-active. And in this arena large institutional owners should lead the way. So far, however, the moves made by institutions have been less than awe-inspiring. Usually, they've focused on minutiae and ignored the three questions that truly count. First, does the company have the right CEO? Second, is he/she overreaching in

terms of compensation? Third, are proposed acquisitions more likely to create or destroy per-share value?

·查理跟我一向推崇股东以老板的想法做法自居，有时这需要他们主动一点，特别是大型机构投资人更应该身先士卒，可惜到目前为止，他们的举措仍乏善可陈，通常他们过于重视细节，却忘了最重要的三个关键问题，首先，公司总裁是否适任？其次，他的报酬是否合理？最后，其所提出的购并案，是否有损于原有股东权益？

On such questions, the interests of the CEO may well differ from those of the shareholders. Directors, moreover, sometimes lack the knowledge or gumption to overrule the CEO. Therefore, it's vital that large owners focus on these three questions and speak up when necessary.

关于这些问题，总裁的利益与股东并非完全一致，而董事们有时可能缺乏智能或勇气来反驳总裁的决定，也因此大股东对于这三个关键，同时大声说出自己的看法，就显得相当重要。

Instead many simply follow a “checklist” approach to the issue *du jour*. Last year I was on the receiving end of a judgment reached in that manner. Several institutional shareholders and their advisors decided I lacked “independence” in my role as a director of Coca-Cola. One group wanted me removed from the board and another simply wanted me booted from the audit committee.

结果有很多人只是把这当做例行公事，去年我仅能依此标准被动地接受大家的公评，其中有些大型机构投资人认定我担任可口可乐的董事缺乏独立性，其中有一个团体要求我退出该公司的董事会，另外一个好一点，只想把我赶出稽核委员会。

My first impulse was to secretly fund the group behind the second idea. Why anyone would wish to be on an audit committee is beyond me. But since directors must be assigned to one committee or another, and since no CEO wants me on his compensation committee, it's often been my lot to get an audit committee assignment. As it turned out, the institutions that opposed me failed and I was re-elected to the audit job. (I fought off the urge to ask for a recount.)

我头一个反应是，我或许该偷偷地捐款给第二个团体，我不知道到底是谁想要待在稽核委员会，通常董事通常会被分配到各个委员会，但由于没有任何一位总裁希望我待在薪资委员会，所以一般我都会被排到稽核委员会，结果证明，这些团体的努力功败垂成，我还是被分到稽核的任务，虽然我曾极力要求重新投票。

Some institutions questioned my “independence” because, among other things, McLane and Dairy Queen buy lots of Coke products. (Do they want us to favor Pepsi?) But independence is defined in Webster's as “not subject to control by others.” I'm puzzled how anyone could conclude that

our Coke purchases would “control” my decision-making when the counterweight is the wellbeing of \$8 billion of Coke stock held by Berkshire. Assuming I’m even marginally rational, elementary arithmetic should make it clear that my heart and mind belong to the owners of Coke, not to its management.

有些团体因为 Berkshire 子公司 McLane 及乳品皇后与可口可乐有生意上的往来，而质疑我的独立性，(难道为此我们就应该弃可口可乐而选择百事可乐吗?)，根据韦氏大辞典关于「独立」的定义，指的是「不受他人所控制」，我实在搞不懂，怎么会有人认为是为了其间的蝇头小利，而牺牲个人在可口可乐高达 80 亿的股东权益，再退一步想，就算是小学生也应该知道，我的心到底是站在公司股东或经营阶层那一边。

I can’t resist mentioning that Jesus understood the calibration of independence far more clearly than do the protesting institutions. In Matthew 6:21 He observed: “For where your treasure is, there will your heart be also.” Even to an institutional investor, \$8 billion should qualify as “treasure” that dwarfs any profits Berkshire might earn on its routine transactions with Coke. Measured by the biblical standard, the Berkshire board is a model: (a) *every* director is a member of a family owning at least \$4 million of stock; (b) *none* of these shares were acquired from Berkshire via options or grants; (c) *no* directors receive committee, consulting or board fees from the company that are more than a tiny portion of their annual income; and (d) although we have a standard corporate indemnity arrangement, we carry no liability insurance for directors.

我忍不住要说，连耶稣基督都比这些抗议团体还要了解独立性的真义，在马修 6:21 章节中，他提到，「你的财富在那里，你的心就在那里」，我想即便对一个大型投资法人来说，80 亿美元也绝对是一笔不小的数目，相较于与可口可乐往来能赚取的蝇头小利。根据圣经的标准，Berkshire 的董事会堪称典范 (a)每位董事至少将 400 万美元以上的身家摆在 Berkshire(b)没有任何股份是靠选择权或赠与取得(c)董事们领取的酬劳相较于自身的年所得都极其有限(d)虽然我们有一套企业赔偿机制，但我们并没有替董事们安排任何责任保险。

At Berkshire, board members travel the same road as shareholders.
在 Berkshire，董事们与所有股东站在同一条船上。

● ● * * * * *

Charlie and I have seen much behavior confirming the Bible’s “treasure” point. In our view, based on our considerable boardroom experience, the *least* independent directors are likely to be those who receive an important fraction of their annual income from the fees they receive for board service (and who hope as well to be recommended for election to other boards and thereby to boost their income further). Yet these are the very board

members most often classed as “independent.” Most directors of this type are decent people and do a first-class job. But they wouldn’t be human if they weren’t tempted to thwart actions that would threaten their livelihood. Some may go on to succumb to such temptations.

查理跟我已看过很多符合圣经所说观点的种种行为，根据多年的董事会经验，最不独立的董事当属那些依赖董事酬劳过生活的人，（还有那些期待被邀请加入董事会的人士，好让他们得以增加更多的外快），更可笑的是，正是这些人被归类为独立的董事，这类董事举止大多彬彬有礼，且有一流的工作，但人的天性使得他们不得不反对可能危及其生计的任何方案，基于诱惑而继续沉沦下去。

Let’s look at an example based upon circumstantial evidence. I have first-hand knowledge of a recent acquisition proposal (not from Berkshire) that was favored by management, blessed by the company’s investment banker and slated to go forward at a price above the level at which the stock had sold for some years (or now sells for). In addition, a number of directors favored the transaction and wanted it proposed to shareholders.

让我们看看周遭现实的情况为何，关于最近刚传出的一件购并案（与 Berkshire 无关），我有第一手的资料，管理阶层相当青睐这件收购案，而投资银行也觉得相当不错，因为购并价格远高于目前股票的市价，此外许多董事也相当赞同，并准备提案到股东会表决。

Several of their brethren, however, each of whom received board and committee fees totaling about \$100,000 annually, scuttled the proposal, which meant that shareholders never learned of this multi-billion offer. Non-management directors owned little stock except for shares they had received from the company. Their open-market purchases in recent years had meanwhile been nominal, even though the stock had sold far below the acquisition price proposed. In other words, these directors didn’t want the shareholders to be offered X even though they had consistently declined the opportunity to buy stock for their own account at a fraction of X.

然而就在此时，有几位董事会的同僚，每位每年平均都从公司领取超过十万美元酬劳，却跳出来大表反对，最后使得这件金额高达数十亿美金的购并案胎死腹中，这些未参与公司实际经营的外部董事，仅持有极少数的股权，且多数为公司所赠与，且很奇怪的是，虽然目前的股价远低于购并的提案价格，却不见他们自己从市场买进多少股份，换言之，这些董事压根就不希望股东们提出 X 价格的报价，同时自己却也不愿从市场上以 X 价格买进部份股权。

I don’t know which directors opposed letting shareholders see the offer. But I do know that \$100,000 is an important portion of the annual income of some of those deemed “independent,” clearly meeting the Matthew 6:21 definition of “treasure.” If the deal had gone through, these fees would have ended.

我不知道到底是那几位董事反对让股东看到相关的提案，但我却很清楚这十万美元的酬劳，对这些被外界视为独立的董事来说，至关重要，绝对称得上圣经上所说的财富，而万一这件购并案要是谈成了，他们每年固定可以领取的酬劳将因此泡汤。

Neither the shareholders nor I will ever know what motivated the dissenters. Indeed they themselves will not likely know, given that self-interest inevitably blurs introspection. We do know one thing, though: At the same meeting at which the deal was rejected, the board voted itself a significant increase in directors' fees.

我想不论是我或是该公司的股东，永远都不会知道是谁提出反对的议案，而基于私利，这群人也永远不知道要如何反省，但至少我还知道一件事，那就是就在拒绝这项收购案的同一次董事会上，另一项大幅提高董事酬劳的提案却获得通过。

· While we are on the subject of self-interest, let's turn again to the most important accounting mechanism still available to CEOs who wish to overstate earnings: the non-expensing of stock options. The accomplices in perpetuating this absurdity have been many members of Congress who have defied the arguments put forth by all Big Four auditors, all members of the Financial Accounting Standards Board and virtually all investment professionals.

· 既然我们提到自利的话题，就让我们来聊聊最容易让管理阶层将盈余灌水的会计手法，也就是费用化的股票选择权，参与这项荒谬闹剧的共犯包含国会议员，他们公然蔑视四大会计师事务所以及会计准则委员会及众多投资专家所提的建言。

I'm enclosing an **op-ed piece** I wrote for *The Washington Post* describing a truly breathtaking bill that was passed 312-111 by the House last summer. Thanks to Senator Richard Shelby, the Senate didn't ratify the House's foolishness. And, to his great credit, Bill Donaldson, the investorminded Chairman of the SEC, has stood firm against massive political pressure, generated by the check-waving CEOs who first muscled Congress in 1993 about the issue of option accounting and then repeated the tactic last year. 附件有一篇我曾在华盛顿邮报刊登的社论，文中提到去年夏天在众议院以 312 票对 111 票通过的一项惊世骇俗的法案，多亏参议员 Richard Shelby 的阻挡，参议院最后并未批准众议院的愚蠢行为，另外证监会主委 Bill Donaldson 以其一生清誉，坚定抵挡强大的政治压力，大企业总裁们企图利用政治献金游说国会议员，重施在 1993 年封杀选择权会计原则实行的故技。

Because the attempts to obfuscate the stock-option issue continue, it's worth pointing out that no one – neither the FASB, nor investors generally, nor I – are talking about restricting the use of options in any way. Indeed,

my successor at Berkshire may well receive much of his pay via options, albeit logically-structured ones in respect to 1) an appropriate strike price, 2) an escalation in price that reflects the retention of earnings, and 3) a ban on his quickly disposing of any shares purchased through options. We cheer arrangements that motivate managers, whether these be cash bonuses or options. And if a company is truly receiving value for the options it issues, we see no reason why recording their cost should cut down on their use.

由于让选择权议题模糊化的力量毫不停歇，所以我还是要不厌其烦地再一次强调，包含财务会计准则委员会 FASB，一般投资大众以及我本人在内，从来就没有人主张限制选择权的使用，事实上，包含未来 Berkshire 的继任者在内，都很有可能会经由选择权获得大量的报酬，只不过这种选择权必须经过各方面的仔细核算，包含(1)适当的执行价格(2)将保留盈余本身的增长能力考量在内(3)限制其在取得股份后不久就处份，我们赞成任何激励管理阶层的措施，不管是现金或者是选择权，而若选择权的发行真有助于公司价值的提升，我们看不出有任何理由只因为必须将其成本列为费用就弃而不用。

The simple fact is that certain CEOs know their own compensation would be far more rationally determined if options were expensed. They also suspect that their stock would sell at a lower price if realistic accounting were employed, meaning that they would reap less in the market when they unloaded their personal holdings. To these CEOs such unpleasant prospects are a fate to be fought with all the resources they have at hand – even though the funds they use in that fight normally don't belong to them, but are instead put up by their shareholders.

真正的原因其实很简单，那就是某些总裁明知一旦将选择权费用化后，他们所获取的酬劳突然间将被迫全部摊开在阳光底下，同时费用化也将影响其未来处份持股的价格，后者关乎其真正获得的报酬，这使得他们必须倾全力捍卫自己的利益，讽刺的是，他们用的还是公司的钱，这全是股东的血汗钱。

Option-expensing is scheduled to become mandatory on June 15th. You can therefore expect intensified efforts to stall or emasculate this rule between now and then. Let your Congressman and Senators know what you think on this issue.

选择权费用化将在今年 6 月 15 日起强制实行，大家可以预期此后将不断有人企图阻止或是废除相关规定，去之而后快，务必让你选区的议员知道你对于这项议题的立场。

The Annual Meeting 年度股东大会

There are two changes this year concerning the annual meeting. First, we

have scheduled the meeting for the last Saturday in April (the 30th), rather than the usual first Saturday in May. This year Mother's Day falls on May 8, and it would be unfair to ask the employees of Borsheim's and Gorat's to take care of us at that special time – so we've moved everything up a week. Next year we'll return to our regular timing, holding the meeting on May 6, 2006.

关于股东年会今年有两项变革，首先由于母亲节缘故，股东会日期改为四月的最后一个星期六(也就是 4/30)，而不是以往的五月第一个星期六，实在是不好意思要求波仙珠宝及 Gorat's 牛排店在这个重要节日来为我们服务，因此我们决定提早一个星期举行，明年我们就会回复以往惯例，在 2006 年 5 月 6 日召开。

Additionally, we are changing the sequence of events on meeting day, April 30. Just as always, the doors will open at the Qwest Center at 7 a.m. and the movie will be shown at 8:30. At 9:30, however, we will go directly to the question and answer period, which (allowing for lunch at the Qwest's stands) will last until 3:00. Then, after a short recess, Charlie and I will convene the annual meeting at 3:15. We have made this change because a number of shareholders complained last year about the time consumed by two speakers who advocated proposals of limited interest to the majority of the audience – and who were no doubt relishing their chance to talk to a captive group of about 19,500. With our new procedure, those shareholders who wish to hear it all can stick around for the formal meeting and those who don't can leave – or better yet shop.

此外，我们也改变了开会当天的程序，Qwest 中心的大门还是会在早上七点钟准时开放、电影短片照例会在八点半播放，不过 Q&A 的时间会提早到九点半开始，(会场中午备有有点心摊位)，一直到下午三点为止，然后在短暂的休息之后，在三点十五分开始召开正式会议，之所以会这样做，是因为有些股东抱怨去年有两位股东提出两项无关紧要的议题，浪费在座 19,500 位股东宝贵的时间，在改变程序之后，那些想要畅所欲言，全程参与的股东，可以一直待到会议结束，而没有兴趣浪费时间的股东也可提早离开去血拼。

There will be plenty of opportunity for that pastime in the vast exhibition hall that adjoins the meeting area. Kelly Muchemore, the Flo Ziegfeld of Berkshire, put on a magnificent shopping extravaganza last year, and she says that was just a warm-up for this year. (Kelly, I am delighted to report, is getting married in October. I'm giving her away and suggested that she make a little history by holding the wedding at the annual meeting. She balked, however, when Charlie insisted that he be the ringbearer.) Again we will showcase a 2,100 square foot Clayton home (featuring Acme brick, Shaw carpet, Johns Manville insulation, MiTek fasteners, Carefree awnings and NFM furniture). Take a tour through the home. Better yet, buy it.

当天在会场旁边的展场也会有许多娱乐节目，Kelly-Berkshire 的 Flo

Ziegfeld 去年布置了一件大型的展览品，不过她说去年只是热身而已，我很高兴向大家报告，Kelly 在去年十月结婚，我本来建议她选在股东大会举行婚礼，可惜由于查理坚持要男傣相而作罢，再一次我们将在会场展示一个 2,100 平方英尺宽的组合屋，配备有 Acme 砖块、Shaw 地毯、Johns Manville 隔热材料、MiTek 螺栓、Carefree 屋檐及 NFM 家具，记得来参观一下，最好顺便买一套。

GEICO will have a booth staffed by a number of its top counselors from around the country, all of them ready to supply you with auto insurance quotes. In most cases, GEICO will be able to give you a special shareholder discount (usually 8%). This special offer is permitted by 45 of the 50 jurisdictions in which we operate. Bring the details of your existing insurance and check out whether we can save you money.

GEICO 公司会再度派出各地区最顶尖的业务员，在会场设立摊位，随时提供股东们汽车保单的报价，在大多数的情况下，GEICO 都可以提供给你一个相当优惠的股东折扣(大约 8%)，这个特别优惠在我们有营业据点的全美 50 州中的 45 州都有效，各位记得将自己现在的投保资料带来，看看是否能帮自己省下一笔钱。

On Saturday, at the Omaha airport, we will have the usual array of aircraft from NetJets® available for your inspection. Stop by the NetJets booth at the Qwest to learn about viewing these planes. Come to Omaha by bus; leave in your new plane.

星期六在奥玛哈机场，我们仍将展示 NetJets® 一系列的机队供大家参观，请到 Qwest 会场向 EJA 的业务代表洽询参观的事宜，来的时候坐车，回去可以搭飞机。

The Bookworm shop did a terrific business last year selling Berkshire-related books. Displaying 18 titles, they sold 2,920 copies for \$61,000. Since we charge the shop no rent (I must be getting soft), it gives shareholders a 20% discount. This year I've asked The Bookworm to add Graham Allison's *Nuclear Terrorism: The Ultimate Preventable Catastrophe*, a must-read for those concerned with the safety of our country. In addition, the shop will premiere *Poor Charlie's Almanack*, a book compiled by Peter Kaufman. Scholars have for too long debated whether Charlie is the reincarnation of Ben Franklin. This book should settle the question.

去年书虫书店在会场设摊贩售 Berkshire 相关书籍，全部十八种，总计卖出 2,920 本，也因为摊位不收租金(我越来越好讲话了)，所以股东买书都可以打八折，今年我特地要求书虫增加 Graham Allison 所著的核子恐怖主义-最终可避免的大灾难，这是所有关心国家安危必读的书籍，此外当天也会举行 Peter Kaufman 所著可怜查理的年鉴，一直以来许多学者都在争论查理是否为富兰克林再世，我想这本书或可解决大家的疑问。

An attachment to the proxy material that is enclosed with this report explains how you can obtain the credential you will need for admission to the meeting and other events. As for plane, hotel and car reservations, we have again signed up American Express (800-799-6634) to give you special help. They do a terrific job for us each year, and I thank them for it.

后面附有股东会开会投票的相关资料，向各位解释如何拿到股东会入场及其它活动必须的识别证，至于有关机位、住宿、租车等预订服务，我们很高兴与美国运通(电话 800-799-6634)再次签约为您提供相关安排，每年他们都为大家提供非常好的服务，在此谨代表大家向他们说声谢谢。

At Nebraska Furniture Mart, located on a 77-acre site on 72nd Street between Dodge and Pacific, we will again be having “Berkshire Weekend” pricing. We initiated this special event at NFM eight years ago, and sales during the “Weekend” grew from \$5.3 million in 1997 to \$25.1 million in 2004 (up 45% from a year earlier). Every year has set a new record, and on Saturday of last year, we had the largest single-day sales in NFM’s history – \$6.1 million.

位于道奇街与太平洋街占地 77 英亩的内布拉斯加家具店 NFM，再度会有 Berkshire 周特卖，我们在八年前首次推出这种促销活动，营业额更一举从 1997 年的 530 万美元成长到 2004 年的 2,510 万美元，每年的销售成绩持续创新高，去年股东会周末再度创下单日营业额新高 610 万美元。

To get the discount, you must make your purchases between Thursday, April 28 and Monday, May 2 inclusive, and also present your meeting credential. The period’s special pricing will even apply to the products of several prestigious manufacturers that normally have ironclad rules against discounting but that, in the spirit of our shareholder weekend, have made an exception for you. We appreciate their cooperation. NFM is open from 10 a.m. to 9 p.m. Monday through Saturday, and 10 a.m. to 6 p.m. on Sunday. On Saturday this year, from 5:30 p.m. to 8 p.m. we are having a special affair for shareholders only. I’ll be there, eating barbeque and drinking Coke.

想要享有折扣记得在 4/28 星期四到 5/2 星期一间采购，并出示股东开会证明，在这期间的特卖活动也适用于许多原本从不打折的顶级品牌，这可是为了股东会才特别破例，我们很感谢他们的配合，NFM 的营业时间平日从早上 10 点到下午 9 点，星期六及星期日则从早上 10 点到下午 6 点，在今天的星期六，我们将有一个股东会特卖会，时间从下午 5 点半到下午 8 点，我本人也将出席，顺便吃点烤肉配配可乐。

Borsheim’s – the largest jewelry store in the country except for Tiffany’s Manhattan store – will have two shareholder-only events. The first will be a cocktail reception from 6 p.m. to 10 p.m. on Friday, April 29. The second, the main gala, will be from 9 a.m. to 4 p.m. on Sunday, May 1. On Saturday, we will be open until 6 p.m.

波仙珠宝-全美单店营业额仅次于纽约曼哈顿蒂芬妮的珠宝店，在股东会期间将会有两场专为股东举办的展览会，第一场是在 4/29 星期五的鸡尾酒会，时间从下午 6 点到晚上 10 点，第二场主秀则在 5/1 星期天举行，从早上 9 点到下午 4 点，星期六则营业到下午 6 点。

We will have huge crowds at Borsheim's throughout the weekend. For your convenience, therefore, shareholder prices will be available from Monday, April 25 through Saturday, May 7. During that period, just identify yourself as a shareholder through your meeting credentials or a brokerage statement.

Borsheim's operates on a gross margin that is fully twenty percentage points below that of its major rivals, even before the shareholders' discount. Last year, business over the weekend increased 73% from 2003, setting a record that will be tough to beat. Show me it can be done.

整个周末波仙都将人满为患，从 4/25 星期一到 5/7 星期六的股东会期间，波仙都将提供股东特惠价，只要出示出席证或者是委托书表明股东的身分即可享有折扣，波仙的营业毛利要比其它主要竞争对手要低 20 个百分点以上，去年的营业额较前年又成长了 73%，再度创下历史的新高，让我们努力把它打破。

In a tent outside of Borsheim's, Patrick Wolff, twice U.S. chess champion, will take on all comers in groups of six – blindfolded. Additionally, we will have Bob Hamman and Sharon Osberg, two of the world's top bridge experts, available to play with our shareholders on Sunday afternoon. They plan to keep their eyes *open* – but Bob never sorts his cards, even when playing for a national championship.

波仙外面所搭的棚子内，Patrick Wolff-美国棋两度冠军，也会再度在会场蒙着眼与所有挑战者分六个一组分批对奕，此外两位世界级桥牌顶尖高手 Bob Hamman、Sharon Osberg 也会在星期日下午与大家同乐，当然他们不会蒙眼，不过以 Bob 的习惯，他从来不整理牌组，就算是在参加全国桥牌大赛时，也是如此。

Gorat's – my favorite steakhouse – will again be open exclusively for Berkshire shareholders on Sunday, May 1, and will be serving from 4 p.m. until 10 p.m. Please remember that to come to Gorat's on that day, you must have a reservation. To make one, call 402-551-3733 on April 1 (*but not before*). If Sunday is sold out, try Gorat's on one of the other evenings you will be in town. Enhance your reputation as an epicure by ordering, as I do, a rare T-bone with a double helping of hash browns.

我个人最爱的牛排馆-Gorat's 为了 Berkshire 股东年会破例在 5/1 星期天开门营业，从下午 4 点开始营业，一直到晚上 10 点，请记得星期天事先若没有订位的人请勿前往以免向隅，要预约请在 4/1 以后打电话 (402-551-3733)，若订不到星期天的位子，也可以试试其它晚上，记得跟我一样，老练一点地点丁骨牛排加上双份的牛肉丸。

We will again have a special reception from 4:00 to 5:30 on Saturday afternoon for shareholders who have come from outside of North America. Every year our meeting draws many people from around the globe, and Charlie and I want to be sure we personally greet those who have come so far. Last year we enjoyed meeting more than 400 of you including at least 100 from Australia. Any shareholder who comes from other than the U.S. or Canada will be given a special credential and instructions for attending this function.

星期六下午四点到五点半，我们也会为来自北美以外地区的股东举行欢迎会，每年股东年会吸引了来自世界各地的人们参与，查理跟我希望能够亲自接待这些远道而来的股东，去年人数达到四百位，其中至少有一百位是来自澳洲，任何来自美国与加拿大地区以外的股东事先都会拿到参与这项仪式的证明与注意事项。

* * * * *

Charlie and I are lucky. We have jobs that we love and are helped every day in a myriad of ways by talented and cheerful associates. No wonder we tap-dance to work. But nothing is more fun for us than getting together with our shareholder-partners at Berkshire's annual meeting. So join us on April 30th at the Qwest for our annual Woodstock for Capitalists.

查理跟我真是幸运，每天能够从事我们喜爱的工作，同时由这么多有干劲的同仁协助，也难怪我们每天都能够边跳舞上班，当然每年能够与股东伙伴们同乐更是一大乐事，所以再次欢迎大家到 Qwest 中心参与资本主义家的伍斯达克年度音乐会。

February 28, 2005
Warren E. Buffett
Chairman of the Board

华伦·巴菲特

董事长

2005 年 2 月 28 日