

August 30, 1983

Mrs. Rose Blumkin and Family
Omaha, Nebraska

(1) You own 100% of the outstanding stock of Nebraska Furniture Mart, Inc. ("NFM") which operates a remarkably successful furniture and appliance retailing business from a single large warehousing and selling location (approximately 43 acres including surrounding land held for expansion) in west Omaha.

(2) Berkshire Hathaway Inc. ("Berkshire") has long admired what you have accomplished together and hereby proposes to purchase from you 90% of such outstanding stock for \$55,337,000 cash. All of the 10% of outstanding stock not sold to Berkshire will be retained by Mr. Louis Blumkin and his sons, and Berkshire, concurrently with its purchase of NFM stock, will make arrangements with Louis Blumkin and his sons as specified in Exhibit A, attached hereto.

(3) The closing will occur immediately after satisfaction of the legal requirements of the Hart-Scott-Rodino amendments to U. S. Anti-Trust Law which Berkshire, with your cooperation, will accomplish as rapidly as possible. This will no doubt be a mere formality, about 100%-sure to occur within 50 days after you accept Berkshire's proposal, because Berkshire has no interest in any other furniture or appliance business and, consequently, Berkshire's purchase of NFM stock will cause no increase in any one entity's share of the furniture or appliance business in any market. If the Hart-Scott-Rodino delay turns out to exceed 50 days, the purchase price for NFM stock will increase at the rate of 12% per annum during any delay period in excess of 50 days but not exceeding 90 days after acceptance. In the event Hart-Scott-Rodino delay exceeds 90 days (which Berkshire considers inconceivable), either side may at its option terminate all obligations to close the transaction.

(4) At the closing:

(i) Each of the stockholders of NFM will warrant that good title to such stockholder's stock is transferred to Berkshire; and

(ii) Louis Blumkin will certify to Berkshire that, to the best of his knowledge and belief;

(A) Berkshire is acquiring 90% of the outstanding stock of NFM, and NFM has no obligation, contingent or otherwise, to issue additional shares; and

(B) That the income tax return, together with incorporated accounting data, of NFM (and its wholly-owned subsidiary which owns part of the approximately 43 acres, partially vacant, on which NFM conducts warehousing and retailing operations) for the fiscal year ended 1/31/82, a copy of which has been furnished Berkshire, fairly represents the consolidated operations of NFM during such fiscal year and its balance sheet condition at the end thereof; and

(C) Since 1/31/82: (a) business operations of NFM have not been less successful than in the fiscal year ended 1/31/82; (b) all transactions, except for the purchase of the two real estate parcels described below, of NFM have been in the ordinary course of conducting and expanding its business; (c) balance sheet condition of NFM has improved roughly as disclosed in its unaudited balance sheet of 7/31/83, a copy of which has been furnished to Berkshire; and (d) no dividends have been declared or paid by NFM between 7/31/83 and the closing date.

(5) Immediately after the closing, Berkshire will cause NFM to offer to sell for cash, at present value, agreed to be \$1 million, to former NFM stockholders, pro rata or as such former NFM stockholders may otherwise specify, two parcels of real estate in Omaha which changed plans by NFM make unnecessary for anticipated operations.

(6) If the foregoing meets your approval, kindly return counterparts of this letter signed by or on behalf of all stockholders of NFM, which will constitute this letter a contract between such stockholders and Berkshire.

Yours very truly,

BERKSHIRE HATHAWAY INC.

By Warren E. Buffett
 Warren E. Buffett, Chairman

ACCEPTED:

<u>Name and Signature of NFM Stockholder</u>	<u>Date of Acceptance</u>	<u>% of Outstanding NFM Shares</u>
<u>Mrs. Rose Blumkin</u>	<u>August 30, 1983</u>	<u>20%</u>
<u>Louis Blumkin, on behalf of himself and his family</u>	<u>30 AUG, 1983</u>	<u>20%</u>
<u>Frances Batt, on behalf of herself and her family</u>	<u>August 30, 1983</u>	<u>20%</u>
<u>Synthia Schneider, on behalf of herself and her family</u>	<u>August 30, 1983</u>	<u>20%</u>
<u>Sylvia Cohn, on behalf of herself and her family</u>	<u>Aug 30, 1983</u>	<u>20%</u>

First National Bank of Omaha, Trustee
 by David Kosovsky, Trust Officer Aug. 31, 1983

NEBRASKA FURNITURE MART
STATEMENT OF ASSETS & LIABILITIES
DECEMBER 31, 1946

ASSETS

CURRENT ASSETS

Cash on Hand		\$	50.00	
Accounts Receivable	\$67,007.01			
Less-Reserve for Bad Debts	<u>6,162.58</u>		60,844.43	
Inventory			<u>34,650.00</u>	\$ 95,544.43

FIXED ASSETS

Furniture & Fixtures		\$	42.85	
Leasehold Improvements			22,787.90	
Truck			<u>1,565.35</u>	
			<u>\$24,396.10</u>	
Less-Reserve for Depreciation			<u>5,590.98</u>	\$ 18,805.12

OTHER ASSETS

Loans Receivable - Simons Jewelry Co.,				\$ <u>2,000.00</u>
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<u>Total</u>				<u>\$116,349.55</u>
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LIABILITIES

CURRENT LIABILITIES

First National Bank - Overdraft		\$	9,730.54	
Accounts Payable			20,612.55	
Accrued Taxes			2,742.06	
Loans Payable -				
Cynthia Schneider	\$ 3,000.00			
Norman Batt	2,000.00			
Ben Magzamin	2,000.00			
Omaha National Bank	<u>4,000.00</u>		<u>\$11,000.00</u>	\$ 44,085.14

PARTNERS' CAPITAL & UNDIVIDED PROFIT

Balance, January 1, 1946		\$	57,460.27	
Net Profit for Year 1946			29,884.42	
			<u>\$87,344.69</u>	
Less - Withdrawals			<u>15,080.28</u>	
Balance, December 31, 1946				\$ <u>72,264.41</u>
<u>Total</u>				<u>\$116,349.55</u>

NEBRASKA FURNITURE MART
PROFIT & LOSS STATEMENT
YEAR ENDED DECEMBER 31, 1946

		<u>%</u>
NET SALES	\$575,096.47	100.00%
<u>COST OF SALES</u>		
Inventory, beginning	\$ 22,789.00	
Purchases	457,834.81	
Freight	17,186.27	
Fabrication & Installation	9,730.72	
	<u>\$507,540.80</u>	
Inventory, ending	34,650.00	
<u>Cost of Sales</u>	<u>\$472,890.80</u>	<u>82.23%</u>
<u>Gross Profit</u>	<u>\$102,205.67</u>	<u>17.77%</u>
<u>Less - EXPENSES</u>		
Accounting & Legal	\$ 548.29	.10%
Advertising	5,750.19	1.00
Provision for Bad Debts	3,777.63	.66
Bank Charges	40.43	.01
Car & Truck Expense	2,000.54	.35
Commissions	434.74	.08
Depreciation	3,770.36	.66
Donations	1,067.50	.19
Drayage	57.17	.01
Dues & Subscriptions	49.00	.01
Fuel	1,175.10	.20
General Expense	2,636.75	.49
Insurance	1,543.49	.27
Interest	630.52	.11
Light, Power, Water	1,384.09	.24
Maintenance & Repair	222.25	.04
Postage	256.83	.04
Rent	9,294.00	1.62
Salaries	40,288.00	7.00
Sign Rental	600.00	.10
Stationery & Supplies	659.57	.11
Taxes	1,062.60	.18
Payroll Taxes	1,042.78	.18
Telephone & Telegraph	1,141.25	.20
Travel	1,887.60	.32
<u>Total Expenses</u>	<u>\$ 81,520.68</u>	<u>14.17%</u>
<u>Operating Profit</u>	<u>\$ 20,684.99</u>	<u>3.60%</u>
<u>Add - OTHER INCOME</u>		
Purchase Discounts	\$ 5,409.33	
Carrying Charges	3,790.10	
	<u>\$ 9,199.43</u>	<u>1.60%</u>
<u>Net Profit</u>	<u>\$ 29,884.42</u>	<u>5.20%</u>