

<p>Buffett's Letters To Berkshire Shareholders 1987</p>	<p>1987</p>
<p>Our gain in net worth during 1987 was \$464 million, or 19.5%. Over the last 23 years (that is, since present management took over), our per-share book value has grown from \$19.46 to \$2,477.47, or at a rate of 23.1% compounded annually.</p>	<p>本公司在 1978 年的净值增加了四亿六千四百万, 较去年增加了 19.5%, 而过去 23 年以来(自从现有经营阶层接手后), 每股净值从 19 元成长到现在的 2,477 美元, 年复合成长率约为 23.1%。</p>
<p>What counts, of course, is the rate of gain in per-share business value, not book value. In many cases, a corporation's book value and business value are almost totally unrelated. For example, just before they went bankrupt, LTV and Baldwin-United published yearend audits showing their book values to be \$652 million and \$397 million, respectively. Conversely, Belridge Oil was sold to Shell in 1979 for \$3.6 billion although its book value was only \$177 million.</p>	<p>真正重要的当然是企业每股实际价值, 而非帐面价值的增加, 在许多情况下一家公司的帐面与其实际价值一点关连都没有, 举例来说, LTV 与鲍德温联合公司就在宣布破产之前的会计师签证的年度报告还显示, 帐面各有净值六亿与四亿美金, 但是另一个公司 Belridge 石油在 1979 年以 36 亿美元高价卖给壳牌石油之时, 帐面净值却不到两亿。</p>
<p>At Berkshire, however, the two valuations have tracked rather closely, with the growth rate in business value over the last decade moderately outpacing the growth rate in book value. This good news continued in 1987.</p>	<p>不过在波克夏两者成长趋势倒是蛮相近的, 过去十年公司的实际价值成长率略高于帐面价值成长率, 很高兴这种好现象在今年也能持续维持。</p>
<p>Our premium of business value to book value has widened for two simple reasons: We own some remarkable businesses and they are run by even more remarkable managers.</p>	<p>我们企业价值对帐面价值的差距, 因为以下二个简单的原因又扩大了一点, 一是我们拥有优秀的企业, 一是这些企业皆由最优秀的经理人在管理。</p>
<p>You have a right to question that second assertion. After all, CEOs seldom tell their shareholders that they have assembled a bunch of turkeys to run things. Their reluctance to do so makes for some strange annual reports.</p>	<p>各位有理由对第二个原因表示意见, 因为一家企业的总经理很少会告诉公司股东说, 你们所投资的公司是由一群笨蛋组成的经营阶层来管理, 而也就是为了要避免露出马脚, 所以常常使得一些公司常常会出现相当诡异的财务报表</p>
<p>Oftentimes, in his shareholders' letter, a CEO will go on for pages detailing corporate</p>	<p>通常在致股东的报告中, CEO 会花一大篇幅详细描述过去企业的表现是如</p>

<p>performance that is woefully inadequate. He will nonetheless end with a warm paragraph describing his managerial comrades as "our most precious asset." Such comments sometimes make you wonder what the other assets can possibly be.</p>	<p>何的不当，最后不可免俗地会以感性的语气来形容其所带领的公司干部实在是公司最珍贵的资产，这种形容有时会让人搞不清楚那其它的资产到底又算是什么？</p>
<p>At Berkshire, however, my appraisal of our operating managers is, if anything, understated. To understand why, first take a look at page 7, where we show the earnings (on an historical-cost accounting basis) of our seven largest non-financial units: Buffalo News, Fechheimer, Kirby, Nebraska Furniture Mart, Scott Fetzer Manufacturing Group, See's Candies, and World Book. In 1987, these seven business units had combined operating earnings before interest and taxes of \$180 million.</p>	<p>不过在波克夏，我个人对于管理干部任何的称赞都是很容易让人理解的，首先请看看第七页，显示本公司七个非金融业的主要企业-水牛城报纸、费区海默西服、寇比吸尘器、内布拉斯加家具、史考特飞兹集团、喜斯糖果与世界百科全书的获利状况(以历史成本会计基础)，1987年这七家公司的年度在扣除利息与所得税前的获利高达一亿八千万美元</p>
<p>By itself, this figure says nothing about economic performance. To evaluate that, we must know how much total capital - debt and equity - was needed to produce these earnings. Debt plays an insignificant role at our seven units: Their net interest expense in 1987 was only \$2 million. Thus, pre-tax earnings on the equity capital employed by these businesses amounted to \$178 million. And this equity - again on an historical-cost basis - was only \$175 million.</p>	<p>单独这数字本身并不足以说明其特殊性，但若你知道他们利用多少资金就达到这项成果时，你就知道他们是如何地了不起了，事实上这些公司的负债比例都非常的低，去年的利息费用总共加起来也不过只有二百万美元，所以合计税前获利一亿七千八百万，而帐列的历史投资股本竟只有一亿七千五百万！</p>
<p>If these seven business units had operated as a single company, their 1987 after-tax earnings would have been approximately \$100 million - a return of about 57% on equity capital. You'll seldom see such a percentage anywhere, let alone at large, diversified companies with nominal leverage. Here's a benchmark: In its 1988 Investor's Guide issue, Fortune reported that among the 500 largest industrial companies and 500 largest service companies, only six had averaged a return on equity of over 30% during the previous decade. The best performer among the 1000 was Commerce Clearing House at 40.2%.</p>	<p>若把这七家公司视作是单一个体公司，则税后净利约为一亿美元，股东权益投资报酬率更将高达 57%，即使财务杠杆再高，你也很难在一般公司看到这种比率，根据财星杂志在 1988 年出版的投资人手册，在全美五百大制造业与五百大服务业中，只有六家公司过去十年的股东权益报酬率超过 30%，最高的一家也不过只有 40.2%。</p>
<p>Of course, the returns that Berkshire earns from</p>	<p>当然伯克希尔真正从这些公司赚得的</p>

<p>these seven units are not as high as their underlying returns because, in aggregate, we bought the businesses at a substantial premium to underlying equity capital. Overall, these operations are carried on our books at about \$222 million above the historical accounting values of the underlying assets. However, the managers of the units should be judged by the returns they achieve on the underlying assets; what we pay for a business does not affect the amount of capital its manager has to work with. (If, to become a shareholder and part owner of Commerce Clearing House, you pay, say, six times book value, that does not change CCH's return on equity.)</p>	<p>报酬并没有那么地高，因为当初买下这些公司时，支付了相当的溢价才取得这些股份，经过统计我们在这些公司原始投资超过其帐列的股权净值的溢价金额约为二亿二千二百万美元，当然要判断这些公司经理人的绩效应该是要看他们创造的盈余是靠多少资产所产生的，至于我们用多少钱买下这些公司与经理人的绩效并无关联，就算你用高于净值六倍的价钱买下一家公司，同样也不会影响该公司的股东权益报酬率。</p>
<p>Three important inferences can be drawn from the figures I have cited. First, the current business value of these seven units is far above their historical book value and also far above the value at which they are carried on Berkshire's balance sheet. Second, because so little capital is required to run these businesses, they can grow while concurrently making almost all of their earnings available for deployment in new opportunities. Third, these businesses are run by truly extraordinary managers. The Blumkins, the Heldmans, Chuck Huggins, Stan Lipsey, and Ralph Schey all meld unusual talent, energy and character to achieve exceptional financial results.</p>	<p>以上所提数字代表着三项重要的指针，首先现在这七家企业的真正价值远高于其帐面净值，同样也远高于伯克希尔帐列的投资成本，第二因为经营这些事业并不需要太多的资金，所以这些公司利用所赚取的盈余便足以支应本身业务的发展，第三这些事业都由非常能干的经理人在经营，像是 Blumkins 家族、Heldmans、Chuck Huggins、Stan Lipsey 与 Ralph Schey 皆兼具才干、精力与品格，将旗下事业经营的有声有色。</p>
<p>For good reasons, we had very high expectations when we joined with these managers. In every case, however, our experience has greatly exceeded those expectations. We have received far more than we deserve, but we are willing to accept such inequities. (We subscribe to the view Jack Benny expressed upon receiving an acting award: "I don't deserve this, but then, I have arthritis and I don't deserve that either.")</p>	<p>也因此当初这些明星经理人加入时，我们并抱持着极高的期待，事后证明得到的结果远高于预期，我们获得远高于我们所应得的，当然我们很乐意接受这样不公平的对待，我们借用杰克班尼在获得最佳男主角时的感言：“我不应该得到这个奖项，但同样地我也不应该得到关节炎。”</p>
<p>Beyond the Sainted Seven, we have our other major unit, insurance, which I believe also has a business value well above the net assets employed</p>	<p>除了这七个圣徒之外，我们还有一项主要的事业-保险，同样地我也认为它的价值远高于其帐列的资产，只是要</p>

<p>in it. However, appraising the business value of a property-casualty insurance company is a decidedly imprecise process. The industry is volatile, reported earnings oftentimes are seriously inaccurate, and recent changes in the Tax Code will severely hurt future profitability. Despite these problems, we like the business and it will almost certainly remain our largest operation. Under Mike Goldberg's management, the insurance business should treat us well over time.</p>	<p>评估一家产物意外险公司的价值就没有办法那么明确了，这个产业变动很大，报表所列的获利数字有时会有很大的偏差，而且最近税法修正对我们未来年度的获利有很大的影响，尽管如此保险事业仍会是我们经营事业的最大重心，在 Mike Goldberg 的管理之下，保险事业的报酬仍可期待。</p>
<p>With managers like ours, my partner, Charlie Munger, and I have little to do with operations. in fact, it is probably fair to say that if we did more, less would be accomplished. We have no corporate meetings, no corporate budgets, and no performance reviews (though our managers, of course, oftentimes find such procedures useful at their operating units). After all, what can we tell the Blumkins about home furnishings, or the Heldmans about uniforms?</p>	<p>有这些优秀的专业经理人，在事业的日常营运上，查理孟格跟我在是没有什么好费心思的地方，事实上，平心而论我们管的越多，可能只会把事情搞砸，在伯克希尔我们没有企业会议，也没有年度预算，更没有绩效考核(当然各个企业单位因应自身所需，有自己的一套管理办法)，但总的来说，我们实在没有什么可以告诉指导 Blumkin 如何去卖家具事业或是指导 Heldman 家族如何经营制服事业。</p>
<p>Our major contribution to the operations of our subsidiaries is applause. But it is not the indiscriminate applause of a Pollyanna. Rather it is informed applause based upon the two long careers we have spent intensively observing business performance and managerial behavior. Charlie and I have seen so much of the ordinary in business that we can truly appreciate a virtuoso performance. Only one response to the 1987 performance of our operating managers is appropriate: sustained, deafening applause.</p>	<p>我们对于这些所属事业单位最重要的支持就是适时地给予掌声，但这绝对不是在做烂好人，相反地这是长久下来我们深入观察这些企业的经营结果与管理当局的作为所给予的正面肯定，我们两个人这些年来看过太多平庸企业的表现，所以我们是真正地珍惜他们艺术级的演出，对于 1987 年旗下子公司整体的表现，我们只能报以热烈的掌声，而且是震耳欲聋的掌声。</p>
<p>Sources of Reported Earnings</p>	<p>盈余的来源</p>
<p>下表显示 Berkshire 主要盈余的来源，其中商誉的摊销与购买法的会计调整数，特别从各个企业挑出汇总成单独一栏，事实上这样的目的是为了让我们旗下事业的经营绩效，不因我们买下他们而有所影响，在 1983 与 1986 年的年报中，我已不只一次的解释这样的表达方式会比依照一般公认会计原则更符合管理当局</p>	<p>The table on the following page shows the major sources of 伯克希尔's reported earnings. In the table, amortization of Goodwill and other major purchase-price accounting adjustments are not</p>

<p>与投资者的需要，当然最后加总结算的数字，还是会与会计师出具的财务报表上的盈余数字完全一致。</p>	<p>charged against the specific businesses to which they apply but, instead, are aggregated and shown separately. In effect, this procedure presents the earnings of our businesses as they would have been reported had we not purchased them. In appendixes to my letters in the 1983 and 1986 annual reports, I explained why this form of presentation seems to us to be more useful to investors and managers than the standard GAAP presentation, which makes purchase-price adjustments on a business-by business basis. The total net earnings we show in the table are, of course, identical to the GAAP figures in our audited financial statements.</p>
<p>In the Business Segment Data on pages 36-38 and in the Management's Discussion section on pages 40-44 you will find much additional information about our businesses. In these sections you will also find our segment earnings reported on a GAAP basis. I urge you to read that material, as well as Charlie Munger's letter to Wesco shareholders, describing the various businesses of that subsidiary, which starts on page 45.</p>	<p>在后面的部门别信息中，大家可以找到个别事业的详细信息，除此之外，我也强烈建议大家一定要看查理写给Wesco 股东叙述其旗下事业情况的一封信。</p>
<p>Gypsy Rose Lee announced on one of her later birthdays: "I have everything I had last year; it's just that it's all two inches lower." As the table shows, during 1987 almost all of our businesses aged in a more upbeat way.</p>	<p>Gypsy Rose Lee 在她晚年的一场生日宴会上宣布：“我还是拥有去年所有的一切，现在唯一的差别是全部都矮了两吋。”如同本表所示，在1987年几乎我们所有的事业都又成长的一岁。</p>
<p>There's not a lot new to report about these businesses - and that's good, not bad. Severe change and exceptional returns usually don't mix. Most investors, of course, behave as if just the opposite were true. That is, they usually confer the highest price-earnings ratios on exotic-sounding businesses that hold out the promise of feverish change. That prospect lets</p>	<p>我们旗下这些事业实在是没有什么新的变化可以特别提出报告的，所谓没有消息就是好消息，剧烈的变动通常不会有特别好的绩效，当然这与大部分的投资人认为的刚好相反，大家通常将最高的本益比给予那些擅长画大饼的企业，这些美好的远景会让投资人不顾现实经营的情况，而一味幻想</p>

<p>investors fantasize about future profitability rather than face today's business realities. For such investor-dreamers, any blind date is preferable to one with the girl next door, no matter how desirable she may be.</p>	<p>未来可能的获利美梦，对于这种爱做梦的投资人来说，任何路边的野花，都会比邻家的女孩来的具吸引力，不管后者是如何贤慧。</p>
<p>Experience, however, indicates that the best business returns are usually achieved by companies that are doing something quite similar today to what they were doing five or ten years ago. That is no argument for managerial complacency. Businesses always have opportunities to improve service, product lines, manufacturing techniques, and the like, and obviously these opportunities should be seized. But a business that constantly encounters major change also encounters many chances for major error. Furthermore, economic terrain that is forever shifting violently is ground on which it is difficult to build a fortress-like business franchise. Such a franchise is usually the key to sustained high returns.</p>	<p>经验显示，能够创造盈余新高的企业，现在做生意的方式通常与其五年前甚至十年前没有多大的差异，当然管理当局绝对不能够太过自满，因为企业总有不断的机会可以改善本身的服务、产品线、制造能力等等，且绝对必须要好好把握，不过一家公司若是为了改变而改变，反而可能增加犯错的机会，讲的更深入一点，在一块动荡不安的土地之上，是不太可能建造一座固若金汤的城堡，而具有这样稳定特质的企业却是持续创造高获利的关键。</p>
<p>The Fortune study I mentioned earlier supports our view. Only 25 of the 1,000 companies met two tests of economic excellence – an average return on equity of over 20% in the ten years, 1977 through 1986, and no year worse than 15%. These business superstars were also stock market superstars: During the decade, 24 of the 25 outperformed the S&P 500.</p>	<p>先前提到财星杂志的研究，可以充分支持我的论点，在 1977 年到 1986 年间，总计 1,000 家中只有 25 家能够达到连续十年平均股东权益报酬率达到 20% 的标准，且没有一年低于 15% 的双重标准，而这些优质企业同时也是股票市场上的宠儿，在所有的 25 家中有 24 家的表现超越 S&P500 指数。</p>
<p>The Fortune champs may surprise you in two respects. First, most use very little leverage compared to their interest-paying capacity. Really good businesses usually don't need to borrow. Second, except for one company that is "high-tech" and several others that manufacture ethical drugs, the companies are in businesses that, on balance, seem rather mundane. Most sell non-sexy products or services in much the same manner as they did ten years ago (though in larger quantities now, or at higher prices, or both). The record of these 25 companies confirms that making the most of an already strong business franchise, or concentrating on a single winning business theme, is what usually produces</p>	<p>这些财富之星可能让你大开眼界，首先相对于本身支付利息的能力，他们所运用的财务杠杆极其有限，一家真正好的公司是不需要借钱的，第二除了有一家所谓的高科技公司，另外少数几家属于制药业以外，大多数的公司产业相当平凡普通，大部分现在销售的产品或服务与十年前大致相同，(虽然数量或是价格、或是两者都有，比以前高很多)，这些公司的记录显示，充分运用现有产业地位，或是专注在单一领导的产品品牌之上通常是创造企业暴利的不二法门。</p>

exceptional economics.	
Berkshire's experience has been similar. Our managers have produced extraordinary results by doing rather ordinary things - but doing them exceptionally well. Our managers protect their franchises, they control costs, they search for new products and markets that build on their existing strengths and they don't get diverted. They work exceptionally hard at the details of their businesses, and it shows.	事实上我们在伯克希尔的经验正是如此，我们的专业经理人所以能够缔造优异的成绩，所从事的业务相当平凡，但重点是把它们做到极致，经理人致力于保护企业本身、控制成本，基于现有能力寻找新产品与新市场来巩固既有优势，他们从不受外界诱惑，钜细靡遗地专注于企业之上，而其成绩有目共睹。
Here's an update:	以下是近况报导
o Agatha Christie, whose husband was an archaeologist, said that was the perfect profession for one's spouse: "The older you become, the more interested they are in you." It is students of business management, not archaeologists, who should be interested in Mrs. B (Rose Blumkin), the 94-year-old chairman of Nebraska Furniture Mart.	克里思蒂小姐嫁给一位考古学家，她曾说：“配偶最理想的职业就是考古学家，因为你越老，他就越有兴趣”，事实上应该是商学院而非考古学系的学生，需要多多研究B太太-这位NFM高龄94岁的负责人。
Fifty years ago Mrs. B started the business with \$500, and today NFM is far and away the largest home furnishings store in the country. Mrs. B continues to work seven days a week at the job from the opening of each business day until the close. She buys, she sells, she manages - and she runs rings around the competition. It's clear to me that she's gathering speed and may well reach her full potential in another five or ten years. Therefore, I've persuaded the Board to scrap our mandatory retirement-at-100 policy. (And it's about time: With every passing year, this policy has seemed sillier to me.)	五十年以前 B 太太以五百块美金创业，到如今 NFM 已是全美远近驰名的家具量贩店，但是 B 太太还是一样从早到晚，一个礼拜工作七天，掌管采购、销售与管理，我很确定她现在正蓄势待发，准备在未来的五到十年内，全力冲刺再创高峰，也因此我已说服董事会取消一百岁强迫退休的年龄上限，(也该是时候了，随着时光的流逝，越来越相信这个规定是该修改了)
Net sales of NFM were \$142.6 million in 1987, up 8% from 1986. There's nothing like this store in the country, and there's nothing like the family Mrs. B has produced to carry on: Her son Louie, and his three boys, Ron, Irv and Steve, possess the business instincts, integrity and drive of Mrs. B. They work as a team and, strong as each is individually, the whole is far greater than the sum of the parts.	去年(1987年) NFM的销货净额是一亿四千多万美元，较前一年度成长8%，这是全美独一无二的一家店，也是全美独一无二的家族，B太太跟她三个儿子拥有天生的生意头脑、品格与冲劲，且分工合作，团结一致。
The superb job done by the Blumkins benefits us as owners, but even more dramatically benefits NFM's customers. They saved about \$30 million in	B 太太家族的杰出表现，不但让身为股东的我们受益良多，NFM 的客户们更受惠更大，只要选择 NFM 的产品据

<p>1987 by buying from NFM. In other words, the goods they bought would have cost that much more if purchased elsewhere.</p>	<p>估计光是 1987 年就可省下至少三千万美元，换句话说若客户到别处去买可能要贵上这么多钱。</p>
<p>You'll enjoy an anonymous letter I received last August: "Sorry to see Berkshire profits fall in the second quarter. One way you may gain back part of your lost. (sic) Check the pricing at The Furniture Mart. You will find that they are leaving 10% to 20% on the table. This additional profit on \$140 million of sells (sic) is \$28 million. Not small change in anyone's pocket! Check out other furniture, carpet, appliance and T.V. dealers. Your raising prices to a reasonable profit will help. Thank you./signed/ A Competitor."</p>	<p>去年我接到一封无名氏所写的相当有趣的信：“很遗憾看到伯克希尔第二季的获利下滑，想要提高 贵公司的获利吗？有一个不错的法子，去查查 NFM 的产品售价，你会发现他们把一、两成的获利空间白白奉送给客户，算算一年一亿四千万的营业额，那可是二千八百万的利润，这个数字实在是相当可观，再看看别家家具、地毯或是电器用品的价格，你就会发现把价格调回来是再合理不过了谢谢一位竞争同业留”</p>
<p>NFM will continue to grow and prosper by following Mrs. B's maxim: "Sell cheap and tell the truth."</p>	<p>展望未来NFM在B太太“价格公道实在”的座右铭领导下，必将继续成长茁壮。</p>
<p>o Among dominant papers of its size or larger, the Buffalo News continues to be the national leader in two important ways: (1) its weekday and Sunday penetration rate (the percentage of households in the paper's primary market area that purchase it); and (2) its "news-hole" percentage (the portion of the paper devoted to news).</p>	<p>在全美相同规模(或甚至更大)的报纸中，水牛城报纸有两个特点第一、它在平时与假日的普及率最高(即订户数在该地区家户数的比率)，第二是新闻比率最高(新闻版面占总版面的比率)</p>
<p>It may not be coincidence that one newspaper leads in both categories: an exceptionally "newsrich" product makes for broad audience appeal, which in turn leads to high penetration. Of course, quantity must be matched by quality. This not only means good reporting and good writing; it means freshness and relevance. To be indispensable, a paper must promptly tell its readers many things they want to know but won't otherwise learn until much later, if ever.</p>	<p>事实上一份报纸能够同时拥有这两项特色绝对不是巧合，因为新闻内容越丰富，也就越能吸引更广泛的读者，从而提高普及率，当然除了量之外，新闻品质也很重要，这不但代表要有好的报导与编辑，也代表要有实时性与关联性，为了让报纸成为读者们不可或缺的东西，它必须能够马上告诉读者许多他们想要知道的事情，而不是等读者们都已知道后，事后报纸才刊登出来。</p>
<p>At the News, we put out seven fresh editions every 24 hours, each one extensively changed in content. Here's a small example that may surprise you: We redo the obituary page in every edition of the News, or seven times a day. Any obituary added runs through the next six editions until the publishing cycle has been completed.</p>	<p>以水牛城日报来说我们平均每 24 小时出七个版本，每次内容都会更新，举一个简单的例子就足以让人感到惊奇，光是每天的讣文就会更新七次，也就是说每则新增的讣文会在报纸上连续刊登七个版。</p>

<p>It's vital, of course, for a newspaper to cover national and international news well and in depth. But it is also vital for it to do what only a local newspaper can: promptly and extensively chronicle the personally-important, otherwise-unreported details of community life. Doing this job well requires a very broad range of news - and that means lots of space, intelligently used.</p>	<p>当然一份新闻也必须要有有深度的全国与国际性新闻，但一份地区性的报纸也必须及时并广泛地报导社区动态，要把这点做好除了必须要有足够的空间，并加以有效地运用。</p>
<p>Our news hole was about 50% in 1987, just as it has been year after year. If we were to cut it to a more typical 40%, we would save approximately \$4 million annually in newsprint costs. That interests us not at all - and it won't interest us even if, for one reason or another, our profit margins should significantly shrink.</p>	<p>如同往年，去年(1987年)我们的新闻比大约是50%，若是我们把这比率砍到一般40%的水准，我们一年约可省下四百万美金的新闻成本，但我们从来都不会考虑如此做，就算哪一天我们的获利大幅缩减也是一样。</p>
<p>Charlie and I do not believe in flexible operating budgets, as in "Non-direct expenses can be X if revenues are Y, but must be reduced if revenues are Y - 5%." Should we really cut our news hole at the Buffalo News, or the quality of product and service at See's, simply because profits are down during a given year or quarter? Or, conversely, should we add a staff economist, a corporate strategist, an institutional advertising campaign or something else that does Berkshire no good simply because the money currently is rolling in? That makes no sense to us. We neither understand the adding of unneeded people or activities because profits are booming, nor the cutting of essential people or activities because profitability is shrinking. That kind of yo-yo approach is neither business-like nor humane. Our goal is to do what makes sense for Berkshire's customers and employees at all times, and never to add the unneeded. ("But what about the corporate jet?" you rudely ask. Well, occasionally a man must rise above principle.)</p>	<p>基本上查理跟我不太相信营业预算，像是“间接费用必须缩减，因为预估营业收入不若以往”之类的说法。如果有一天我们必须降低新闻比率或是牺牲喜斯糖果的品质与服务，以提升疲弱不振的获利表现，或是相反地因为伯克希尔太多钱以致现金花不完，就去聘请经济分析师、公关顾问等对公司一点帮助都没有的人。这些做法一点道理都没有，我们完全不了解为何有些公司因为公司赚太多钱就增加一些没有用的人来消化预算，或是因为获利不佳就砍掉一些关键的人事，这种变来变去的方式既不符合人性也不符合商业原则，我们的目标是不论如何都要做对伯克希尔的客户与员工有意义的事，(你可能会问那公司专机又是怎么一回事?嗯!我想有时一个人总会有忘了原则的时候)</p>
<p>Although the News' revenues have grown only moderately since 1984, superb management by Stan Lipsey, its publisher, has produced excellent profit growth. For several years, I have incorrectly predicted that profit margins at the</p>	<p>虽然水牛城新闻的营收最近几年只有些微的成长，但在发行人 Stan Lipsey 杰出的管理之下，获利却反而大幅增长，有好几年我甚至错误地预测该报的获利会下滑，而同样地今年我也不</p>

<p>News would fall. This year I will not let you down: Margins will, without question, shrink in 1988 and profit may fall as well. Skyrocketing newsprint costs will be the major cause.</p>	<p>会让大家失望，1988年不管是毛利或者是获利都会缩水，其中新闻印刷成本的飞涨是主要的原因。</p>
<p>Fechheimer Bros. Company is another of our family businesses - and, like the Blumkins, what a family. Three generations of Heldmans have for decades consistently, built the sales and profits of this manufacturer and distributor of uniforms. In the year that Berkshire acquired its controlling interest in Fechheimer - 1986 - profits were a record. The Heldmans didn't slow down after that. Last year earnings increased substantially and the outlook is good for 1988.</p>	<p>费区海默兄弟公司是我们旗下另一个家族企业，而就像 Blumkins 一样是个非常杰出的家族，Heldmans 家族三代几十年来，努力不懈地建立了这家制服制造与销售公司，而在伯克希尔取得所有权的 1986 年，该公司的获利更创新高，此后 Heldmans 家族并未停下脚步，去年(1987 年)盈余又大幅增加，而展望今年(1988 年)前景更是看好。</p>
<p>There's nothing magic about the Uniform business; the only magic is in the Heldmans. Bob, George, Gary, Roger and Fred know the business inside and out, and they have fun running it. We are fortunate to be in partnership with them.</p>	<p>在制服事业大概没有什么出奇的事，唯一的惊奇就是 Heldmans 家族，Bob、George、Gary、Roger 跟 Fred，对于这行业熟的不能再熟，同时也乐在其中，我们何其有幸能与他们一起合作共事。</p>
<p>o Chuck Huggins continues to set new records at See's, just as he has ever since we put him in charge on the day of our purchase some 16 years ago. In 1987, volume hit a new high at slightly Under 25 million pounds. For the second year in a row, moreover, same-store sales, measured in pounds, were virtually unchanged. In case you are wondering, that represents improvement: In each of the previous six years, same-store sales had fallen.</p>	<p>Chuck Huggins 持续为喜斯糖果缔造新猷，自从十六年前我们买下这家公司，并请他主掌这项事业时，便一直是如此，在 1987 年糖果销售量创下近二千五百万英镑的新高，同时连续第二年单店平均营业额维持不坠，你可能会觉得没什么了不起，事实上这已是相当大的改善，因为过去连续六年数字都呈现下滑的趋势。</p>
<p>Although we had a particularly strong 1986 Christmas season, we racked up better store-for-store comparisons in the 1987 Christmas season than at any other time of the year. Thus, the seasonal factor at See's becomes even more extreme. In 1987, about 85% of our profit was earned during December.</p>	<p>虽然 1986 年的圣诞节特别旺，但 1987 年的记录比 86 年还要好，使得季节因素对喜斯糖果来说越来越重要，经统计去年一整年约有 85% 的获利是在十二月单月所创造的。</p>
<p>Candy stores are fun to visit, but most have not been fun for their owners. From what we can learn, practically no one besides See's has made significant profits in recent years from the operation of candy shops. Clearly, Chuck's record at See's is not due to a rising industry tide. Rather, it is a one-of-a-kind performance.</p>	<p>糖果店是个很好玩的地方，但对大部分的老板来说就不那么有趣了，就我们所知，这几年来除了喜斯赚大钱之外，其它糖果店的经营皆相当惨淡，所以很明显的喜斯搭的并不是顺风车，它的表现是扎扎实实的。</p>

<p>His achievement requires an excellent product – which we have – but it also requires genuine affection for the customer. Chuck is 100% customer-oriented, and his attitude sets the tone for the rest of the See’s organization.</p>	<p>这项成就当然需要优秀的产品，这个倒不是问题，因为我们确实拥有，但除此之外它还需要对客户衷心的服务，Chuck 可以说是百分之百地为客户设想，而他的态度更直接感染到公司上下所有的员工。</p>
<p>Here’s an example of Chuck in action: At See’s we regularly add new pieces of candy to our mix and also cull a few to keep our product line at about 100 varieties. Last spring we selected 14 items for elimination. Two, it turned out, were badly missed by our customers, who wasted no time in letting us know what they thought of our judgment: “A pox on all in See’s who participated in the abominable decision...;” “May your new truffles melt in transit, may they sour in people’s mouths, may your costs go up and your profits go down...;” “We are investigating the possibility of obtaining a mandatory injunction requiring you to supply...;” You get the picture. In all, we received many hundreds of letters.</p>	<p>以下是一个具体的例证，在喜斯我们通常会定期增添新的口味并删除旧的口味以维持大约一百种组合，去年我们淘汰了 14 种口味，结果其中有两种让我们的客户无法忘怀，而不断地表达他们对我们这种举动的不满，“愿喜斯所有做出这种卑鄙决定的相关人士嘴巴流脓长疮；愿你们新的巧克力糖在运送途中融化；愿你们吃到酸掉的糖果；愿你们的亏大钱；我们正试图寻求要求你们恢复供应原有口味的法院强制令”，总计最后我们收到好几百封的抱怨信。</p>
<p>Chuck not only reintroduced the pieces, he turned this miscue into an opportunity. Each person who had written got a complete and honest explanation in return. Said Chuck’s letter: “Fortunately, when I make poor decisions, good things often happen as a result...;” And with the letter went a special gift certificate.</p>	<p>为此 Chuck 不但重新推出原来的口味，他还将危机化为转机，所有来信的客户都得到完整且诚实的回复，信上是这样写的：“虽然我们做出错误的决定，但值得庆幸的是最后得以以喜剧收场”，随信还附赠一个特别的小礼物。</p>
<p>See’s increased prices only slightly in the last two years. In 1988 we have raised prices somewhat more, though still moderately. To date, sales have been weak and it may be difficult for See’s to improve its earnings this year.</p>	<p>过去两年喜斯糖果仅稍微地涨价，在今年(1988 年)我们仍会继续调涨价格，幅度还算合理，只是截至目前为止销售持续低迷，预计今年公司盈余将难再有继续成长的可能性。</p>
<p>o World Book, Kirby, and the Scott Fetzer Manufacturing Group are all under the management of Ralph Schey. And what a lucky thing for us that they are. I told you last year that Scott Fetzer performance in 1986 had far exceeded the expectations that Charlie and I had at the time of our purchase. Results in 1987 were even better. Pre-tax earnings rose 10% while average capital employed declined significantly.</p>	<p>世界百科全书、寇比吸尘器与史考特费兹制造集团皆由 Ralph 所领导，很高兴我们能做这样的安排，去年我曾告诉各位史考特费兹集团在我们买下公司的当年度-1986 年的表现超乎预期，但去年 1987 年的表现更出色，税前获利成长了 10%，但所耗费的资金却较前年大幅缩减。</p>
<p>Ralph’s mastery of the 19 businesses for which he is responsible is truly amazing, and he has</p>	<p>Ralph 同时掌管 19 项事业的方式实在是令人叹为观止，同时他也吸引了一</p>

<p>also attracted some outstanding managers to run them. We would love to find a few additional units that could be put under Ralph's wing.</p>	<p>群优秀的经理人协助他经营事业，我们很乐意在多找一些事业交到 Ralph 旗下去经营。</p>
<p>The businesses of Scott Fetzer are too numerous to describe in detail. Let's just update you on one of our favorites: At the end of 1987, World Book introduced its most dramatically-revised edition since 1962. The number of color photos was increased from 14,000 to 24,000; over 6,000 articles were revised; 840 new contributors were added. Charlie and I recommend this product to you and your family, as we do World Book's products for younger children, Childcraft and Early World of Learning.</p>	<p>由于史考特费兹的事业范围过于繁杂，在此不便详述，这里谨就其中一项我们的最爱-世界百科全书加以介绍，去年底世界百科全书推出自 1962 年以来改版最多的最新版本，全套书中的彩色照片从 14,000 张增加到 24,000 张，超过 6,000 篇文章从新编写，840 位作者参与；查理跟我衷心向您与您的家庭推荐包含世界百科全书与儿童工艺等一系列的套书。</p>
<p>In 1987, World Book unit sales in the United States increased for the fifth consecutive year. International sales and profits also grew substantially. The outlook is good for Scott Fetzer operations in aggregate, and for World Book in particular.</p>	<p>在去年该套书在美国地区销售量连续第五年成长，国外地区的销量与获利亦大幅增加，史考特费兹集团前景看好，尤其世界百科全书更是如此。</p>
<p>Insurance Operations</p>	<p>保险事业营运</p>
<p>The combined ratio represents total insurance costs (losses incurred plus expenses) compared to revenue from premiums: A ratio below 100 indicates an underwriting profit, and one above 100 indicates a loss. When the investment income that an insurer earns from holding on to policyholders' funds ("the float") is taken into account, a combined ratio in the 107-111 range typically produces an overall break-even result, exclusive of earnings on the funds provided by shareholders.</p>	<p>综合比率代表所有保险成本(发生损失加上费用)占保费收入的比率，一百以下表示有承保的获利，一百以上则有承保的损失，若考量保险公司利用保费收入(浮存金)所赚取的投资收益列入计算，则 107 到 111 之间大约是损益两平点，当然这是不包含公司自有资金所运用的收益。</p>
<p>The math of the insurance business, encapsulated by the table, is not very complicated. In years when the industry's annual gain in revenues (premiums) pokes along at 4% or 5%, underwriting losses are sure to mount. That is not because auto accidents, fires, windstorms and the like are occurring more frequently, nor has it lately been the fault of general inflation. Today, social and judicial inflation are the major culprits; the cost of entering a courtroom has simply ballooned. Part of the jump in cost arises from skyrocketing verdicts, and part from the</p>	<p>保险事业的数字，若以上面那张简表来说明，事实上并不会太复杂，当同业平均保费收入年增长只在 4%或 5%徘徊，则当年承保损失一定会上升，原因不在于车祸、火灾、暴风等意外事件发生更频繁，也不是因为一般通货膨胀的关系。主要的祸首在于今天社会与司法过度膨胀，法律诉讼费用暴增，一方面是因为诉讼更频繁，一方面是由于陪审团与法官倾向扩大保险单上的保险理赔范围，若这种乱象不能加以抑止，则保险公司每年至少</p>

<p>tendency of judges and juries to expand the coverage of insurance policies beyond that contemplated by the insurer when the policies were written. Seeing no let-up in either trend, we continue to believe that the industry's revenues must grow at about 10% annually for it to just hold its own in terms of profitability, even though general inflation may be running at a considerably lower rate.</p>	<p>要有 10%以上的保费收入年成长，才有办法收支打平，即使在通货膨胀相对温和的状况下也是如此。</p>
<p>The strong revenue gains of 1985-87 almost guaranteed the industry an excellent underwriting performance in 1987 and, indeed, it was a banner year. But the news soured as the quarters rolled by: Best's estimates that year-over-year volume increases were 12.9%, 11.1%, 5.7%, and 5.6%. In 1988, therevenue gain is certain to be far below our 10% "equilibrium" figure. Clearly, the party is over.</p>	<p>过去三年来保费收入的大幅成长几乎可以确定今年同业的绩效都会相当不错，事实证明也是如此，不过接下来的情况可就不太妙了，根据 Best's 统计预估，1988 年的每季的成长率将由 12.9%按季逐渐下滑至 11.1%、5.7%、5.6%，可以确定的是 1988 年的保费成长一定会低于 10%的损益两平点，很明显的好日子已经不多了。</p>
<p>However, earnings will not immediately sink. A lag factor exists in this industry: Because most policies are written for a one-year term, higher or lower insurance prices do not have their full impact on earnings until many months after they go into effect. Thus, to resume our metaphor, when the party ends and the bar is closed, you are allowed to finish your drink. If results are not hurt by a major natural catastrophe, we predict a small climb for the industry's combined ratio in 1988, followed by several years of larger increases.</p>	<p>然而盈余数字却不会马上滑落，这个产业具有递延的现象，因为大部分的保单都是一年期，所以对于损益的影响会在往后的一年之间陆续浮现，因此打个比方，在 party 结束、酒吧关门之前，你还可以把手上的那杯喝完了再走，假设往后几年没有发生什么天灾地变，我们预期 1988 年的同业平均综合比率将会微幅上扬，紧接下来的几年则会大幅攀升。</p>
<p>The insurance industry is cursed with a set of dismal economic characteristics that make for a poor long-term outlook: hundreds of competitors, ease of entry, and a product that cannot be differentiated in any meaningful way. In such a commodity-like business, only a very low-cost operator or someone operating in a protected, and usually small, niche can sustain high profitability levels.</p>	<p>保险业最近受到几项不利的经济因素所困而前景黯淡，数以百计的竞争对手、进入障碍低、无法大幅差异化的产品特性，在这种类似商品型产业之中，只有营运成本低的公司或是一些受到保护的利基产品才有可能有长期获利成长的机会。</p>
<p>When shortages exist, however, even commodity businesses flourish. The insurance industry enjoyed that kind of climate for a while but it is now gone. One of the ironies of capitalism is that most managers in commodity industries abhor</p>	<p>当产品供给短缺时，即使是商品化产业也能蓬勃发展，不过在保险业界，这种好日子早就已经过去了，资本主义最讽刺的地方就是商品型产业大部分的经理人都痛恨商品短缺不足，但</p>

<p>shortage conditions – even though those are the only circumstances permitting them good returns. Whenever shortages appear, the typical manager simply can't wait to expand capacity and thereby plug the hole through which money is showering upon him. This is precisely what insurance managers did in 1985-87, confirming again Disraeli's observation: "What we learn from history is that we do not learn from history."</p>	<p>偏偏这是唯一可能让这些公司有获利的机会，当短缺出现时，经理人便会迫不及待地想要扩充产能，这无异是将源源不断流入现金的水龙头关掉一样，这就是过去三年保险公司经理人的最佳写照，再次验证 Disraeli 的名言：“我们唯一从历史得到的教训就是我们从来无法从历史得到教训！”</p>
<p>At Berkshire, we work to escape the industry's commodity economics in two ways. First, we differentiate our product by our financial strength, which exceeds that of all others in the industry. This strength, however, is limited in its usefulness. It means nothing in the personal insurance field: The buyer of an auto or homeowners policy is going to get his claim paid even if his insurer fails (as many have). It often means nothing in the commercial insurance arena: When times are good, many major corporate purchasers of insurance and their brokers pay scant attention to the insurer's ability to perform under the more adverse conditions that may exist, say, five years later when a complicated claim is finally resolved. (Out of sight, out of mind – and, later on, maybe out-of-pocket.)</p>	<p>在伯克希尔，我们努力避免自己的公司成为商品化的企业，首先我们凭借着自己强大的资金实力，来凸显我们产品的不同，但这种效果实在是有限，尤其在个人险的部份，因为即使是其所投保的保险公司倒闭(事实上这种状况还不少)，汽车险或房屋险的购买者仍可获得理赔，在商业险的部份也是如此，当情况好时，许多大企业投保户与保险掮客都不太关心保险业者的财务状况，即使是比较复杂的案件，顶多拖个三、五年，最后还是想办法可以解决，(眼不见为净的结果，可能会让你的口袋落空)</p>
<p>Periodically, however, buyers remember Ben Franklin's observation that it is hard for an empty sack to stand upright and recognize their need to buy promises only from insurers that have enduring financial strength. It is then that we have a major competitive advantage. When a buyer really focuses on whether a \$10 million claim can be easily paid by his insurer five or ten years down the road, and when he takes into account the possibility that poor underwriting conditions may then coincide with depressed financial markets and defaults by reinsurer, he will find only a few companies he can trust. Among those, Berkshire will lead the pack.</p>	<p>不过一段期间保户会偶尔想起富兰克林所说的空沙包很难站的直挺，并了解寻找一个可靠稳定的保险公司的重要性，这时我们发挥优势的机会就来了，当客户认真想到往后五到十年，若是面对景气不佳同时又碰上金融市场低迷，再保业者倒闭频繁等景象时，而怀疑保险公司是否仍有能力轻松地支付一千万美元理赔金时，那么他可以挑选的保险公司其实是相当有限的，在所有的沙包之中，伯克希尔无疑是站得最直挺的一个。</p>
<p>Our second method of differentiating ourselves is the total indifference to volume that we maintain. In 1989, we will be perfectly willing</p>	<p>我们第二个方法是试着让我们完全不理会签发保单的数量，在下一个年度我们很愿意一口气签出比前一年多五</p>

<p>to write five times as much business as we write in 1988 – or only one-fifth as much. We hope, of course, that conditions will allow us large volume. But we cannot control market prices. If they are unsatisfactory, we will simply do very little business. No other major insurer acts with equal restraint.</p>	<p>倍的保单，但若是只能签发五分之一的保单也无所谓，当然情况若许可我们希望是越多越好，但我们实在是无法掌握市场价格，若价格不理想，我们会暂时退出市场少做一点生意，在同业中再没有其它任何一家保险公司有我们如此高的自制力。</p>
<p>Three conditions that prevail in insurance, but not in most businesses, allow us our flexibility. First, market share is not an important determinant of profitability: In this business, in contrast to the newspaper or grocery businesses, the economic rule is not survival of the fittest. Second, in many sectors of insurance, including most of those in which we operate, distribution channels are not proprietary and can be easily entered: Small volume this year does not preclude huge volume next year. Third, idle capacity – which in this industry largely means people – does not result in intolerable costs. In a way that industries such as printing or steel cannot, we can operate at quarter-speed much of the time and still enjoy long-term prosperity.</p>	<p>在保险业普遍存在的第三种情况，(这在其它产业并不多见)使得我们能保持相当的弹性，第一市场占有率并不绝对等于获利率，不像新闻业或是零售业，最后能够存活的不一定是最肥的那个人，第二许多的保险种类，其中也包含我们所从事的主要险种，销售通路并非只有唯一管道，所以进入障碍低，今年业绩不多，不代表明年就一定会很少，第三闲置的产能，在保险业来说主要是在于人力，这部份并不会造成太大的负担，在印刷或是钢铁业的话就不是如此，我们可以在保持慢速前进的同时，随时蓄势待发准备向前冲刺。</p>
<p>We follow a price-based-on-exposure, not-on-competition policy because it makes sense for our shareholders. But we're happy to report that it is also pro-social. This policy means that we are always available, given prices that we believe are adequate, to write huge volumes of almost any type of property-casualty insurance. Many other insurers follow an in-and-out approach. When they are "out" – because of mounting losses, capital inadequacy, or whatever – we are available. Of course, when others are panting to do business we are also available – but at such times we often find ourselves priced above the market. In effect, we supply insurance buyers and brokers with a large reservoir of standby capacity.</p>	<p>我们完全以价格为导向(而非竞争)来决定我们的风险部位，因为如此对于股东投资者才有意义，但同时我们也很高兴，因为这对社会同样也有助益，这个原则代表我们随时准备就绪，只要市场价格合理，我们愿意随时进场承接任何产物意外险的保单，配合许多保险同业遵循的进出策略，当他们因为损失扩大、资本不足等原因退出市场时，我们随时可以接替，当然当一些同业进来杀价抢食市场时，虽然我们也愿意继续服务大众，但由于我们的报价高于市场价格，所以只好暂时退出观望，基本上我们扮演的是市场供需调节的角色。</p>
<p>One story from mid-1987 illustrates some consequences of our pricing policy: One of the largest family-owned insurance brokers in the country is headed by a fellow who has long been</p>	<p>1987 年中的一个事件可以充分说明我们的价格政策，在纽约有一家家族经营的保险经纪公司是由一个伯克希尔多年资深的老股东所领导，这老兄</p>

<p>a shareholder of Berkshire. This man handles a number of large risks that are candidates for placement with our New York office. Naturally, he does the best he can for his clients. And, just as naturally, when the insurance market softened dramatically in 1987 he found prices at other insurers lower than we were willing to offer. His reaction was, first, to place all of his business elsewhere and, second, to buy more stock in Berkshire. Had we been really competitive, he said, we would have gotten his insurance business but he would not have bought our stock.</p>	<p>手上有许多客户是我们所想要交往的，但基于职业道德他仍然必须为他的客户争取到最好的权益，所以当保险市场价格大幅滑落，他发现我们的保费比起其它同业贵了许多时，他第一个反应就是赶快把他客户的保单从伯克希尔转移到别的保险公司，接下来第二的动作就是买进更多伯克希尔的股票，他说要是那一天伯克希尔也一样以降价竞争作为因应，那么他就会把生意给伯克希尔做，但他可能就会把伯克希尔的股票卖光。</p>
<p>Berkshire's underwriting experience was excellent in 1987, in part because of the lag factor discussed earlier. Our combined ratio (on a statutory basis and excluding structured settlements and financial reinsurance) was 105. Although the ratio was somewhat less favorable than in 1986, when it was 103, our profitability improved materially in 1987 because we had the use of far more float. This trend will continue to run in our favor: Our ratio of float to premium volume will increase very significantly during the next few years. Thus, Berkshire's insurance profits are quite likely to improve during 1988 and 1989, even though we expect our combined ratio to rise.</p>	<p>伯克希尔 1987 年的承保表现实在是好极了，一方面是因为先前提到的递延效应，我们的综合比率是 105(泛指一般保单，不包含私下协议与金融再保部份)，虽然这个数字比起 1986 年的 103 来说略微逊色，但我们在 1987 年的获利却由于有更多的浮存金运用而大幅增进，这种好现象将会持续保持，在往后几年我们浮存金对保费收入的比例还是继续增加，所以展望伯克希尔 1988 年与 1989 年的获利仍将大幅成长，即便综合比率预估亦会增加。</p>
<p>Our insurance business has also made some important non-financial gains during the last few years. Mike Goldberg, its manager, has assembled a group of talented professionals to write larger risks and unusual coverages. His operation is now well equipped to handle the lines of business that will occasionally offer us major opportunities.</p>	<p>我们的保险事业去年在非财务数字面亦有重大的斩获，我们组织了一支训练有素的专业团队，专门承保特殊巨额的风险，他们已准备好帮助我们处理任何可能遇到庞大的商机。</p>
<p>Our loss reserve development, detailed on pages 41-42, looks better this year than it has previously. But we write lots of "long-tail" business - that is, policies generating claims that often take many years to resolve. Examples would be product liability, or directors and officers liability coverages. With a business mix like this, one year of reserve development tells you very little.</p>	<p>有关损失准备提列的情况，详附表，今年的状况比前几年好一点，但由于我们签下了许多长期的生意，许多理赔申请可以要花上好几年才能解决，就像是产品责任保险，或专业经理人责任险，在这种特殊的产业，一年的损失准备其实无法是代表最后结果。</p>

<p>You should be very suspicious of any earnings figures reported by insurers (including our own, as we have unfortunately proved to you in the past). The record of the last decade shows that a great many of our best-known insurers have reported earnings to shareholders that later proved to be wildly erroneous. In most cases, these errors were totally innocent: The unpredictability of our legal system makes it impossible for even the most conscientious insurer to come close to judging the eventual cost of long-tail claims.</p>	<p>大家应该对保险公司的盈余数字时时抱持怀疑的态度,(当然也包含我们公司本身,事实证明确是如此),过去十年来的记录显示,有许多显赫一时的保险公司报告给股东亮丽的盈余数字最后证明只不过是一场空,在大部分的情况下,这种错误是无心的,我们诡谲多变的司法制度,使得就算是最有良知的保险公司都无法准确预测这类长期保险的最终成本。</p>
<p>Nevertheless, auditors annually certify the numbers given them by management and in their opinions unqualifiedly state that these figures "present fairly" the financial position of their clients. The auditors use this reassuring language even though they know from long and painful experience that the numbers so certified are likely to differ dramatically from the true earnings of the period. Despite this history of error, investors understandably rely upon auditors' opinions. After all, a declaration saying that "the statements present fairly" hardly sounds equivocal to the non-accountant.</p>	<p>但奇怪的是,会计师每年就是有办法为就这些管理阶层给的数字背书,并出具无保留的意见表示这些数字允当表达该公司,也就是他们的客户的财务状况,而事实上他们自己深知过去惨痛的经验告诉他们,这些经过验证的数字与最后可能结算出来的可能会有天壤之别,但却还是仍然使用这种坚定的语言,而从另一方面来说,就算是历史殷鉴在前,投资人却还是相当仰赖会计师的意见,对于会计门外汉来说,他根本就不懂得“该财务报表允当表达”,所代表的真正含意是什么。</p>
<p>The wording in the auditor's standard opinion letter is scheduled to change next year. The new language represents improvement, but falls far short of describing the limitations of a casualty-insurer audit. If it is to depict the true state of affairs, we believe the standard opinion letter to shareholders of a property-casualty company should read something like: "We have relied upon representations of management in respect to the liabilities shown for losses and loss adjustment expenses, the estimate of which, in turn, very materially affects the earnings and financial condition herein reported. We can express no opinion about the accuracy of these figures. Subject to that important reservation, in our opinion, etc."</p>	<p>会计师标准无保留意见查核报告的遣词用语在明年将有重大改变,新的用语有相当的改进,但还是很难充分说明产物意外险公司在查核时所受到的限制,如果一个人想要描述一件事情的真相,我们认为给产物意外险公司股东的标准无保留意见报告中应这样写:“我们仰赖管理当局提供损失准备与损失费用调整产生财务报表,而这些估计数字事实上影响公司盈余与财务状况甚巨,受限于损失准备的提列先天信息的不足与我们必须提出的意见,我们完全无法对这些数字的正确性表达看法,等等”</p>
<p>If lawsuits develop in respect to wildly inaccurate financial statements (which they do),</p>	<p>假若有人对这种完全不正确的财务报表提出诉讼官司(事实上就有),会计</p>

<p>auditors will definitely say something of that sort in court anyway. Why should they not be forthright about their role and its limitations from the outset?</p>	<p>师一定会在法庭上做类似的辩解，那么他们为什么不一开始就坦白地说明他们真实的角色与所受的限制呢??</p>
<p>We want to emphasize that we are not faulting auditors for their inability to accurately assess loss reserves (and therefore earnings). We fault them only for failing to publicly acknowledge that they can't do this job.</p>	<p>我们想要强调的是我们并不是怪罪会计师没有办法准确地评估损失准备(当然这会影响到最后的盈余数字), 我们无法原谅的是他们没有公开地承认做不到这一点。</p>
<p>From all appearances, the innocent mistakes that are constantly made in reserving are accompanied by others that are deliberate. Various charlatans have enriched themselves at the expense of the investing public by exploiting, first, the inability of auditors to evaluate reserve figures and, second, the auditors' willingness to confidently certify those figures as if they had the expertise to do so. We will continue to see such chicanery in the future. Where "earnings" can be created by the stroke of a pen, the dishonest will gather. For them, long-tail insurance is heaven. The audit wording we suggest would at least serve to put investors on guard against these predators.</p>	<p>从各种不同的角度来看, 这种不断在提列损失准备时所犯无心的错误, 往往也伴随着许多故意的过失, 许多骗徒就是看准会计师没有能力评估这些数字, 同时又愿意配合为这些数字背书, 假装好象他们真的有这个能力, 靠着这种方式来欺骗投资大众赚大钱, 在往后的日子我们仍将看到这样的骗局持续上演, 只要大笔一挥, 盈余便可凭空生出, 前述我们建议的查核报告措词, 至少可以让无知的投资人提高警觉避免遭到这些掠食者的坑杀。</p>
<p>The taxes that insurance companies pay - which increased materially, though on a delayed basis, upon enactment of the Tax Reform Act of 1986 - took a further turn for the worse at the end of 1987. We detailed the 1986 changes in last year's report. We also commented on the irony of a statute that substantially increased 1987 reported earnings for insurers even as it materially reduced both their long-term earnings potential and their business value. At Berkshire, the temporarily-helpful "fresh start" adjustment inflated 1987 earnings by \$8.2 million.</p>	<p>去年在年报中详述刚通过的税负改革法案, 使得保险公司支付的税负以递延渐进的形式大幅增加, 这种情况在1987年更加恶化, 讽刺的是虽然这个法案大大地影响到保险公司长期的获利与价值, 却让保险公司短期的盈余数字格外亮丽, 光是在伯克希尔1987年的盈余就增加了八百多万美金。</p>
<p>In our opinion, the 1986 Act was the most important economic event affecting the insurance industry over the past decade. The 1987 Bill further reduced the intercorporate dividends-received credit from 80% to 70%, effective January 1, 1988, except for cases in which the taxpayer owns at least 20% of an</p>	<p>就我们个人的看法, 1986年的法案是近十多年来保险业最重要的经济事件, 1987年的新法案进一步将企业间股利可扣抵的比率由80%减为70%, 除非被投资公司有超过20%的股权是由一般投资人所拥有。</p>

investee.	
Investors who have owned stocks or bonds through corporate intermediaries other than qualified investment companies have always been disadvantaged in comparison to those owning the same securities directly. The penalty applying to indirect ownership was greatly increased by the 1986 Tax Bill and, to a lesser extent, by the 1987 Bill, particularly in instances where the intermediary is an insurance company. We have no way of offsetting this increased level of taxation. It simply means that a given set of pre-tax investment returns will now translate into much poorer after-tax results for our shareholders.	投资人透过中间企业法人(除了专业投资公司外)持有的股份或债券,先天上本来就比直接持有这些有价值证券要来的不利的多,尤其是在1986年租税改革法案通过后,这种租税惩罚更为明显,(虽然1987年的情况稍微好一点,尤其是对保险公司来说),我们没有任何方法可以规避这项增加的税负成本,简而言之,现在同样的税前获利,在扣除税负成本后最后所得到的税后净利,要比过去要来得少的多。
All in all, we expect to do well in the insurance business, though our record is sure to be uneven. The immediate outlook is for substantially lower volume but reasonable earnings improvement. The decline in premium volume will accelerate after our quota-share agreement with Fireman's Fund expires in 1989. At some point, likely to be at least a few years away, we may see some major opportunities, for which we are now much better prepared than we were in 1985.	不论如何,我们的保险事业应该可以做的不错,只是最后的成绩可能无法像过去那么好,目前的展望是保费收入将减少,尤其是消防人员基金在1989年到期后,但盈余可略微改善,之后我们可能可以再遇到好机会,不过那可能要好几年以后,届时我们应该可以作好更万全的准备。
Marketable Securities - Permanent Holdings	有价证券-永恒的持股
Whenever Charlie and I buy common stocks for Berkshire's insurance companies (leaving aside arbitrage purchases, discussed later) we approach the transaction as if we were buying into a private business. We look at the economic prospects of the business, the people in charge of running it, and the price we must pay. We do not have in mind any time or price for sale. Indeed, we are willing to hold a stock indefinitely so long as we expect the business to increase in intrinsic value at a satisfactory rate. When investing, we view ourselves as business analysts - not as market analysts, not as macroeconomic analysts, and not even as security analysts.	每当查理跟我为伯克希尔旗下的保险公司买进股票(扣除套利交易,后面会再详述),我们采取的态度就好像是我们买下的是一家私人企业一样,我们着重于这家公司的经济前景、经营阶层以及我们支付的价格,我们从来没有考虑再把这些股份卖出,相反地只要能够预期这家公司的价值能够稳定地增加,我们愿意无限期地持有这些股份,在投资时我们从不把自己当作是市场的分析师、总体经济分析师或是证券分析师,而是企业的分析师。
Our approach makes an active trading market useful, since it periodically presents us with mouth-watering opportunities. But by no means is	我们的方式在交易热络的股票市场相当管用,因为市场三不五时就会突然浮现令人垂涎三尺的投资机会,但这

<p>it essential: a prolonged suspension of trading in the securities we hold would not bother us any more than does the lack of daily quotations on World Book or Fechheimer. Eventually, our economic fate will be determined by the economic fate of the business we own, whether our ownership is partial or total.</p>	<p>价格其实并不太重要，因为就算是我们持有的股票停止交易很长一段时间我们也不在意，就像是世界百科全书或是费区海默同样没有每天的报价，最后一点，我们的经济利益取决于我们所拥有的公司本身的经济利益，不管我们持有的是全部或者是部份股权都一样。</p>
<p>Ben Graham, my friend and teacher, long ago described the mental attitude toward market fluctuations that I believe to be most conducive to investment success. He said that you should imagine market quotations as coming from a remarkably accommodating fellow named Mr. Market who is your partner in a private business. Without fail, Mr. Market appears daily and names a price at which he will either buy your interest or sell you his.</p>	<p>班哲明·葛拉汉是我的老师，也是我的朋友，很久以前讲过一段有关对于市场波动心态的谈话，是我认为对于投资获利最有帮助的一席话，他说投资人可以试着将股票市场的波动当作是一位市场先生每天给你的报价，他就像是一家私人企业的合伙人，不管怎样，市场先生每天都会报个价格要买下你的股份或是将手中股份卖给你。</p>
<p>Even though the business that the two of you own may have economic characteristics that are stable, Mr. Market's quotations will be anything but. For, sad to say, the poor fellow has incurable emotional problems. At times he feels euphoric and can see only the favorable factors affecting the business. When in that mood, he names a very high buy-sell price because he fears that you will snap up his interest and rob him of imminent gains. At other times he is depressed and can see nothing but trouble ahead for both the business and the world. On these occasions he will name a very low price, since he is terrified that you will unload your interest on him.</p>	<p>即使是你们所共同拥有的合伙企业经营稳定变化不大，市场先生每天还是会固定提出报价，同时市场先生有一个毛病，那就是他的情绪很不稳定，当他高兴时，往往只看到合伙企业好的一面，所以为了避免手中的股份被你买走，他会提出一个很高的价格，甚至想要从你手中买下你拥有的股份；但有时候，当他觉得沮丧时，眼中看到的只是这家企业的一堆问题，这时他会提出一个非常低的报价要把股份卖给你，因为他很怕你会将手中的股份塞给他。</p>
<p>Mr. Market has another endearing characteristic: He doesn't mind being ignored. If his quotation is uninteresting to you today, he will be back with a new one tomorrow. Transactions are strictly at your option. Under these conditions, the more manic-depressive his behavior, the better for you.</p>	<p>市场先生还有一个很可爱的特点，那就是他不在乎受到冷落，若今天他提出的报价不被接受，隔天他还是会上门重新报价，要不要交易完全由你自主，所以在这种情况下，他的行为举止越失措，你可能得到的好处也就越多。</p>
<p>But, like Cinderella at the ball, you must heed one warning or everything will turn into pumpkins and mice: Mr. Market is there to serve you, not to guide you. It is his pocketbook, not his</p>	<p>但就像辛蒂瑞拉参加的化妆舞会一样，你务必注意午夜前的钟响，否则马车将会变回番瓜，市场先生是来给你服务的，千万不要受他的诱惑反而</p>

<p>wisdom, that you will find useful. If he shows up some day in a particularly foolish mood, you are free to either ignore him or to take advantage of him, but it will be disastrous if you fall under his influence. Indeed, if you aren't certain that you understand and can value your business far better than Mr. Market, you don't belong in the game. As they say in poker, "If you've been in the game 30 minutes and you don't know who the patsy is, you're the patsy."</p>	<p>被他所导引，你要利用的是他饱饱的口袋，而不是草包般的脑袋，如果他有一天突然傻傻地出现在你面前，你可以选择视而不见或好好地加以利用，但是要是你占不到他的便宜反而被他愚蠢的想法所吸引，则你的下场可能会很凄惨；事实上若是你没有把握能够比市场先生更清楚地衡量企业的价值，你最好不要跟他玩这样的游戏，就像是打牌一样，若是你没有办法在 30 分钟内看出谁是肉脚，那么那个肉脚很可能就是你！</p>
<p>Ben's Mr. Market allegory may seem out-of-date in today's investment world, in which most professionals and academicians talk of efficient markets, dynamic hedging and betas. Their interest in such matters is understandable, since techniques shrouded in mystery clearly have value to the purveyor of investment advice. After all, what witch doctor has ever achieved fame and fortune by simply advising "Take two aspirins"?</p>	<p>葛拉汉的市场先生理论在现今的投资世界内或许显得有些过时，尤其是在那些大谈市场效率理论、动态避险与 beta 值的专家学者眼中更是如此，他们会对那些深奥的课题感到兴趣是可以理解的，因为这对于渴望投资建议的追求者来说，是相当具吸引力的，就像是没有一位名医可以单靠“吃两颗阿斯匹宁”这类简单有效的建议成名致富的。</p>
<p>The value of market esoterica to the consumer of investment advice is a different story. In my opinion, investment success will not be produced by arcane formulae, computer programs or signals flashed by the price behavior of stocks and markets. Rather an investor will succeed by coupling good business judgment with an ability to insulate his thoughts and behavior from the super-contagious emotions that swirl about the marketplace. In my own efforts to stay insulated, I have found it highly useful to keep Ben's Mr. Market concept firmly in mind.</p>	<p>这当然是股市秘籍存在的价值，但就我个人的看法，投资成功不是靠晦涩难解的公式、计算机运算或是股票行情板上股票上下的跳动，相反地投资人要能成功，惟有凭借着优异的商业判断同时避免自己的想法、行为，受到容易煽动人心的市场情绪所影响，以我个人的经验来说，要能够免除市场诱惑，最好的方法就是将葛拉汉的市场先生理论铭记在心。</p>
<p>Following Ben's teachings, Charlie and I let our marketable equities tell us by their operating results - not by their daily, or even yearly, price quotations - whether our investments are successful. The market may ignore business success for a while, but eventually will confirm it. As Ben said: "In the short run, the market is a voting machine but in the long run it is a weighing machine." The speed at which a business's success is recognized, furthermore,</p>	<p>追随葛拉汉的教诲，查理跟我着眼的是投资组合本身的经营成果，以此来判断投资是否成功，而不是他们每天或是每年的股价变化，短期间市场或许会忽略一家经营成功的企业，但最后这些公司终将获得市场的肯定，就像葛拉汉所说的：“短期而言，股票市场是一个投票机，但长期来说，它却是一个体重机”一家成功的公司是否很快地就被发现并不是重点，重要</p>

<p>is not that important as long as the company's intrinsic value is increasing at a satisfactory rate. In fact, delayed recognition can be an advantage: It may give us the chance to buy more of a good thing at a bargain price.</p>	<p>的是只要这家公司的内在价值能够以稳定地速度成长才是关键，事实上越晚被发现有时好处更多，因为我们就有更多的机会以便宜的价格买进它的股份。</p>
<p>Sometimes, of course, the market may judge a business to be more valuable than the underlying facts would indicate it is. In such a case, we will sell our holdings. Sometimes, also, we will sell a security that is fairly valued or even undervalued because we require funds for a still more undervalued investment or one we believe we understand better.</p>	<p>当然有时市场也会高估一家企业的价值，在这种情况下，我们会考虑把股份出售，另外有时虽然公司股价合理或甚至略微低估，但若是我们发现有更被低估的投资标的或是我们觉得比较熟悉了解的公司时，我们也会考虑出售股份。</p>
<p>We need to emphasize, however, that we do not sell holdings just because they have appreciated or because we have held them for a long time. (Of Wall Street maxims the most foolish may be "You can't go broke taking a profit.") We are quite content to hold any security indefinitely, so long as the prospective return on equity capital of the underlying business is satisfactory, management is competent and honest, and the market does not overvalue the business.</p>	<p>然而我们必须强调的是我们不会因为被投资公司的股价上涨或是因为我们已经持有一段时间，就把它们给处分掉，在华尔街名言中，最可笑的莫过于“赚钱的人是不会破产的”，我们很愿意无限期的持有一家公司的股份，只要这家公司所运用的资金可以产生令人满意的报酬、管理阶层优秀能干且正直，同时市场对于其股价没有过度的高估。</p>
<p>However, our insurance companies own three marketable common stocks that we would not sell even though they became far overpriced in the market. In effect, we view these investments exactly like our successful controlled businesses - a permanent part of Berkshire rather than merchandise to be disposed of once Mr. Market offers us a sufficiently high price. To that, I will add one qualifier: These stocks are held by our insurance companies and we would, if absolutely necessary, sell portions of our holdings to pay extraordinary insurance losses. We intend, however, to manage our affairs so that sales are never required.</p>	<p>但是这不包含我们保险公司所拥有的三家企业，即使它们的股价再怎么涨，我们也不会卖，事实上我们把这些投资与前面那些具控制权的公司一样地看待，它们不像是一般的商品可以卖来卖去，反而像是伯克希尔企业的一部份，不管市场先生提出再怎么高的天价也一样，只是在此我要加一条但书，除非因为我们的保险公司发生巨额亏损，必须出售部份的持股来弥补亏损，当然我们会尽所能避免这种情况发生。</p>
<p>A determination to have and to hold, which Charlie and I share, obviously involves a mixture of personal and financial considerations. To some, our stand may seem highly eccentric. (Charlie and I have long followed David Ogilvy's advice: "Develop your eccentricities while you are young. That way, when you get old, people</p>	<p>当然查理跟我决定要拥有并持有一家公司的股份，是同时综合了个人想法与财务方面的考量，对某些人来说，我们这样的做法可能有点不合常规，(查理跟我长期以来一直遵从奥美广告创办人#0;大卫奥美的建议，在年轻时发展出你自己的特异风格，这样</p>

<p>won't think you're going ga-ga.") Certainly, in the transaction-fixated Wall Street of recent years, our posture must seem odd: To many in that arena, both companies and stocks are seen only as raw material for trades.</p>	<p>子等你到老时，人们就不会觉得你是个怪胎)，的确，近年来在交易频繁的华尔街，我们的态度看起来有些特立独行，在那个竞技场內，所有的公司与股份，都不过是交易的筹码而已。</p>
<p>Our attitude, however, fits our personalities and the way we want to live our lives. Churchill once said, "You shape your houses and then they shape you." We know the manner in which we wish to be shaped. For that reason, we would rather achieve a return of X while associating with people whom we strongly like and admire than realize 110% of X by exchanging these relationships for uninteresting or unpleasant ones. And we will never find people we like and admire more than some of the main participants at the three companies - our permanent holdings - shown below:</p>	<p>但是我们的态度完全符合我们本身的人格特质，这就是我们想要过的生活，丘吉尔曾经说过，我们很清楚我们要如何去塑造我们想要的模式，因此我们宁愿跟我们喜欢与推崇的对象往来，就算是因此，会比跟一些我们讨厌或是不喜欢的人打交道，少得到一些投资报酬也没有关系，我想我们是大概不可能再遇到像这三家主要的被投资公司组成份子一样，令我们所喜爱与推崇。以下所列就是我们永恒的持股</p>
<p>We really don't see many fundamental differences between the purchase of a controlled business and the purchase of marketable holdings such as these. In each case we try to buy into businesses with favorable long-term economics. Our goal is to find an outstanding business at a sensible price, not a mediocre business at a bargain price. Charlie and I have found that making silk purses out of silk is the best that we can do; with sow's ears, we fail.</p>	<p>在这些公司上，我们实在看不出买下并控制一家企业或是购买部份股权有什么基本上的差异，每次我们都试着买进一些长期看好的公司，我们的目标是以合理的价格买到绩优的企业，而不是以便宜的价格买进平庸的公司，查理跟我发现买到货真价实的东西才是我们真正应该做的。</p>
<p>(It must be noted that your Chairman, always a quick study, required only 20 years to recognize how important it was to buy good businesses. In the interim, I searched for "bargains" - and had the misfortune to find some. My punishment was an education in the economics of short-line farm implement manufacturers, third-place department stores, and New England textile manufacturers.)</p>	<p>必须特别注意的是，本人虽然以反应快速著称，不过却花了二十年才明白要买下好企业的重要性，刚开始我努力寻找便宜的货色，不幸的是真的让我找到了一些，所得到的教训是在农具机械、三流百货公司与新英格兰纺织工厂等经济形态上上了一课。</p>
<p>Of course, Charlie and I may misread the fundamental economics of a business. When that happens, we will encounter problems whether that business is a wholly-owned subsidiary or a marketable security, although it is usually far easier to exit from the latter. (Indeed, businesses can be misread: Witness the European reporter who, after being sent to this country</p>	<p>当然查理跟我确实会误判一家企业的基础竞争力，结果是我们面临了一大堆问题与挑战，不管是买下全部或是部份的股权，当然后者要脱身相对容易一点，(确实企业很可能会被误判，一位欧洲记者被派驻到美国采访卡内基，发了一封电报给他的编辑主管说到，老天你一定不敢相信经营博物馆</p>

<p>to profile Andrew Carnegie, cabled his editor, "My God, you'll never believe the sort of money there is in running libraries.")</p>	<p>竟然可以赚那么多钱)</p>
<p>In making both control purchases and stock purchases, we try to buy not only good businesses, but ones run by high-grade, talented and likeable managers. If we make a mistake about the managers we link up with, the controlled company offers a certain advantage because we have the power to effect change. In practice, however, this advantage is somewhat illusory: Management changes, like marital changes, are painful, time-consuming and chancy. In any event, at our three marketable-but permanent holdings, this point is moot: With Tom Murphy and Dan Burke at Cap Cities, Bill Snyder and Lou Simpson at GEICO, and Kay Graham and Dick Simmons at The Washington Post, we simply couldn't be in better hands.</p>	<p>在进行取得控制权或是部份股权投资时，我们不但试着去找一家好公司，同时最好是能够由品格才能兼具且为我们喜爱的管理者经营，如果是看错了人，在具控制权的情况下，我们还有机会发挥影响力来改变，事实上这种优势有点不太实际，因为更换管理阶层，就像是结束婚姻关系一样，过程是相当地费时痛苦且要看运气，不论如何，我们三家永恒的股权投资在这点是不太可能发生的，有 Tom Murphy 和 Dan Burke 在资本城，Bill Snyder 和 Lou Simpson 在盖可保险 Kay Graham 和 Dick Simmons 在华盛顿邮报，我们实在想不出有更有接替人选。</p>
<p>I would say that the controlled company offers two main advantages. First, when we control a company we get to allocate capital, whereas we are likely to have little or nothing to say about this process with marketable holdings. This point can be important because the heads of many companies are not skilled in capital allocation. Their inadequacy is not surprising. Most bosses rise to the top because they have excelled in an area such as marketing, production, engineering, administration or, sometimes, institutional politics.</p>	<p>我必须说明控制一家公司有二个主要的优点，首先当我们控制一家公司我们便有分配资金与资源的权力，相较之下，若是部份股权投资则完全没有说话的余地，这点非常重要，因为大部分的公司经营者，并不擅长于做资金分配，之所以如此并不让人讶异，因为大部分的老板之所以能够成功是靠着他们在行销、生产、工程、行政管理方面的专长。</p>
<p>Once they become CEOs, they face new responsibilities. They now must make capital allocation decisions, a critical job that they may have never tackled and that is not easily mastered. To stretch the point, it's as if the final step for a highly-talented musician was not to perform at Carnegie Hall but, instead, to be named Chairman of the Federal Reserve.</p>	<p>而一旦成为 CEO 之后，他们马上必须面临许多新的责任与挑战，包括要做资金分配的决策，这是一项他们以前从未面对艰巨且重要的任务，打个比方，这就好象是一位深具天分的音乐家，没有安排让他到卡内基音乐厅演奏，却反而任命他为联邦准备理事会主席一般。</p>
<p>The lack of skill that many CEOs have at capital allocation is no small matter: After ten years on the job, a CEO whose company annually retains earnings equal to 10% of net worth will have been responsible for the deployment of more than 60%</p>	<p>CEO 缺乏资金分配的能力可不是一件小事，一家公司若是每年保留 10% 的盈余在公司的话，经过十年后，他所要掌管资金等于增加了 60%。</p>

of all the capital at work in the business.	
CEOs who recognize their lack of capital-allocation skills (which not all do) will often try to compensate by turning to their staffs, management consultants, or investment bankers. Charlie and I have frequently observed the consequences of such "help." On balance, we feel it is more likely to accentuate the capital-allocation problem than to solve it.	某些体认到自己缺乏这方面能力的CEO(当然也有很多不这样认为),会转向部属、管理顾问或是投资银行家寻求建议,查理跟我时常观察这种帮忙最后的结果,总的来说,我们认为大多数的情况并不能解决问题,反而是让问题变得更严重。
In the end, plenty of unintelligent capital allocation takes place in corporate America. (That's why you hear so much about "restructuring.") Berkshire, however, has been fortunate. At the companies that are our major non-controlled holdings, capital has generally been well-deployed and, in some cases, brilliantly so.	结果你就会发现在美国企业一大堆不明智的资本分配决策一再重复的发生(这也是为什么你常常听到组织重整再造的原因),然而在伯克希尔我们算是比较幸运,在一家我们不具控制权的股权投资方面,大部分的公司资金运用还算得当,有的甚至还相当的杰出。
The second advantage of a controlled company over a marketable security has to do with taxes. Berkshire, as a corporate holder, absorbs some significant tax costs through the ownership of partial positions that we do not when our ownership is 80%, or greater. Such tax disadvantages have long been with us, but changes in the tax code caused them to increase significantly during the past year. As a consequence, a given business result can now deliver Berkshire financial results that are as much as 50% better if they come from an 80%-or-greater holding rather than from a lesser holding.	第二项优点是相较于部份投资,取得控制权的投资享有租税上的优惠,伯克希尔身为一家控股公司,在投资部份股权时,必须吸收相当大的租税成本,相较之下,持有控制股权的投资则没有这种情况,这种租税弱势发生在我们身上由来已久,但过去几年的税法修订,使得这种情形更雪上加霜,同样的获利,若发生在我们持有80%以上股权的公司,要比其它部份股权投资效益要高出50%以上。
The disadvantages of owning marketable securities are sometimes offset by a huge advantage: Occasionally the stock market offers us the chance to buy non-controlling pieces of extraordinary businesses at truly ridiculous prices - dramatically below those commanded in negotiated transactions that transfer control. For example, we purchased our Washington Post stock in 1973 at \$5.63 per share, and per-share operating earnings in 1987 after taxes were \$10.30. Similarly, Our GEICO stock was purchased in 1976, 1979 and 1980 at an average of \$6.67 per share, and after-tax operating earnings per	不过这种劣势有时可以由另一项优势所抵消掉,有时候股票市场让我们可以以不可思议的价格买到绩优公司部份的股权,远低于协议买下整家公司取得控制权的平均价格,举例来说,我们在1973年以每股5.63元买下华盛顿邮报的股票,该公司在1987年的每股盈余是10.3元,同样地,我们分别在1976、1979与1980年以每股6.67元的平均价格买下盖可保险的部份股权,到了去年其每股税后的营业利益是9.01元,从这些情况看来,市场先生实在是一位非常大方的好朋

<p>share last year were \$9.01. In cases such as these, Mr. Market has proven to be a mighty good friend.</p>	<p>友。</p>
<p>An interesting accounting irony overlays a comparison of the reported financial results of our controlled companies with those of the permanent minority holdings listed above. As you can see, those three stocks have a market value of over \$2 billion. Yet they produced only \$11 million in reported after-tax earnings for Berkshire in 1987.</p>	<p>一个矛盾又有趣的会计现象，从上面的表你可以看到，我们在这三家公司的股权投资市值超过 20 亿，但是他们在 1987 年总共贡献给伯克希尔帐面税后盈余却只有一千一百万美元。</p>
<p>Accounting rules dictate that we take into income only the dividends these companies pay us - which are little more than nominal - rather than our share of their earnings, which in 1987 amounted to well over \$100 million. On the other hand, accounting rules provide that the carrying value of these three holdings - owned, as they are, by insurance companies - must be recorded on our balance sheet at current market prices. The result: GAAP accounting lets us reflect in our net worth the up-to-date underlying values of the businesses we partially own, but does not let us reflect their underlying earnings in our income account.</p>	<p>会计原则规定我们必须在这些公司分配股利的时候才能认列利益，这通常要比公司实际所赚的数字要少的多，以这三家公司合计，1987 年可以分配到的盈余数字高达一亿美元，另一方面，会计原则规定这三家公司的股份若有保险公司所持有，则其帐面价值应该要以其市场价格列示，结果是一般公认会计原则要求我们在资产负债表上秀出这些被投资事业的实际价值，却不准让我们在损益表是反应他们实质的获利能力。</p>
<p>In the case of our controlled companies, just the opposite is true. Here, we show full earnings in our income account but never change asset values on our balance sheet, no matter how much the value of a business might have increased since we purchased it.</p>	<p>在我们具有控制权的投资事业，情况却刚好相反，我们可以在损益表上充分表示其获利状况，但不管这些资产在我们买下之后，价值在无形间如何地增加，我们也无法在资产负债表上做任何的变动。</p>
<p>Our mental approach to this accounting schizophrenia is to ignore GAAP figures and to focus solely on the future earning power of both our controlled and non-controlled businesses. Using this approach, we establish our own ideas of business value, keeping these independent from both the accounting values shown on our books for controlled companies and the values placed by a sometimes foolish market on our partially-owned companies. It is this business value that we hope to increase at a reasonable (or, preferably, unreasonable) rate in the years ahead.</p>	<p>我们对于这种会计精神分裂症的调整心态方式就是不去理会一般公认会计原则所编制的数字，而只专注于这些具控制权或者是部份股权的公司，其未来的获利能力，采用这种方法，我们依自己的概念建立一套企业价值的评价模式，它有别于会计帐上所显示的具控制权的帐面投资成本以及有的时候高的离谱的部份股权投资市值，这才是我们真正想要在未来年度持续稳定增加的数字(当然若能以不合理的速度成长的话更好)。</p>

Marketable Securities - Other	其它有价证券
In addition to our three permanent common stock holdings, we hold large quantities of marketable securities in our insurance companies. In selecting these, we can choose among five major categories: (1) long-term common stock investments, (2) medium-term fixed-income securities, (3) long-term fixed income securities, (4) short-term cash equivalents, and (5) short-term arbitrage commitments.	除了上述的三家重要投资事业，我们的保险公司也持有大量的有价证券，主要可以分为五个类型，分别为：(1) 长期股票投资 (2) 长期固定收益债券 (3) 中期固定收益债券 (4) 短期约当现金 (5) 短期套利交易
We have no particular bias when it comes to choosing from these categories. We just continuously search among them for the highest after-tax returns as measured by "mathematical expectation," limiting ourselves always to investment alternatives we think we understand. Our criteria have nothing to do with maximizing immediately reportable earnings; our goal, rather, is to maximize eventual net worth.	对于这五种类型的交易，我们没有特别的偏好，我们只是持续不断地寻找最高的税后报酬预计的数学期望值，且仅限于我们认为了解熟悉的投资，我们无意让与短期的帐面盈余好看，我们的目标是让长期的净值极大化。
o Let's look first at common stocks. During 1987 the stock market was an area of much excitement but little net movement: The Dow advanced 2.3% for the year. You are aware, of course, of the roller coaster ride that produced this minor change. Mr. Market was on a manic rampage until October and then experienced a sudden, massive seizure.	首先谈谈普通股投资，1987年股市的表现精彩连连，但最后指数却没有太大的进展，道琼整个年度只涨了2.3%，你知道这就好象是在坐云霄飞车一样，市场先生在十月以前爆跳如雷，但之后却突然收敛了下来。
We have "professional" investors, those who manage many billions, to thank for most of this turmoil. Instead of focusing on what businesses will do in the years ahead, many prestigious money managers now focus on what they expect other money managers to do in the days ahead. For them, stocks are merely tokens in a game, like the thimble and flatiron in Monopoly.	市场上有所谓专业的投资人，掌管着数以亿万计的资金，就是这些人造成市场的动荡，他们不去研究企业下一步发展的方向，反而专研于其它基金经理人下一步的动向，对他们来说，股票只不过是赌博交易的筹码，就像是大富翁里的棋子一样。
An extreme example of what their attitude leads to is "portfolio insurance," a money-management strategy that many leading investment advisors embraced in 1986-1987. This strategy - which is simply an exotically-labeled version of the small speculator's stop-loss order dictates that ever increasing portions of a stock portfolio, or their index-future equivalents, be sold as prices decline. The strategy says nothing else	他们的做法发展到极致，便形成所谓的投资组合保险，一个在1986到1987年间广为基金经理人所接受的一种策略，这种策略只不过是像投机者停损单一样，当投资组合或是类似指数期货价格下跌时就必须处分持股，这种策略不管如此，只要下跌到一定程度便会涌出一大堆卖单，根据一份研究报告显示：有高达600亿到900亿的

<p>matters: A downtick of a given magnitude automatically produces a huge sell order. According to the Brady Report, \$60 billion to \$90 billion of equities were poised on this hair trigger in mid-October of 1987.</p>	<p>股票投资在 1987 年十月中面临一触即发的险境。</p>
<p>If you've thought that investment advisors were hired to invest, you may be bewildered by this technique. After buying a farm, would a rational owner next order his real estate agent to start selling off pieces of it whenever a neighboring property was sold at a lower price? Or would you sell your house to whatever bidder was available at 9:31 on some morning merely because at 9:30 a similar house sold for less than it would have brought on the previous day?</p>	<p>若是你认为投资顾问是被请来投资的，那你就大错特错了，在买下一家农场后，一个理性的主人会不会叫其不动产经纪人开始寻求可能的买主，只因为隔壁的农场最近卖出的价格更低一些？或是你会不会一早起来就想要把你的房子卖掉，只因为几分钟前你听到隔壁的房子以比以前便宜的价格脱手。</p>
<p>Moves like that, however, are what portfolio insurance tells a pension fund or university to make when it owns a portion of enterprises such as Ford or General Electric. The less these companies are being valued at, says this approach, the more vigorously they should be sold. As a "logical" corollary, the approach commands the institutions to repurchase these companies - I'm not making this up - once their prices have rebounded significantly. Considering that huge sums are controlled by managers following such Alice-in-Wonderland practices, is it any surprise that markets sometimes behave in aberrational fashion?</p>	<p>这样的举动正是投资组合风险理论告诉退休基金或是学术单位当他们持有福特或是通用电气部份股权时，应该要做的动作，因为这些公司的价值越被低估，你就越应该赶快把他们处分掉，根据逻辑推论，这种方法还要求投资机构在股价反弹时再把他们买回来，一想到有这么多的资金，掌握在整天沉溺在爱莉丝梦游仙境般的经理手中，也难怪股票市场会有如此不寻常的表现。</p>
<p>Many commentators, however, have drawn an incorrect conclusion upon observing recent events: They are fond of saying that the small investor has no chance in a market now dominated by the erratic behavior of the big boys. This conclusion is dead wrong: Such markets are ideal for any investor - small or large - so long as he sticks to his investment knitting. Volatility caused by money managers who speculate irrationally with huge sums will offer the true investor more chances to make intelligent investment moves. He can be hurt by such volatility only if he is forced, by either financial or psychological pressures, to sell at untoward times.</p>	<p>然而许多评论家在观察最近所发生的事时，归纳出一个不正确的结论，他们喜欢说由于股票市场掌握在这些投资大户手上，所以小额投资人根本一点机会也没有，这种结论实在是大大地错误，不管资金多寡，这样的市场绝对有利于任何投资者，只要他能够坚持自己的投资理念，事实上由手握重金的基金经理人所造成的市场波动，反而使得真正的投资人有更好的机会可以去贯彻其明智的投资行动，只要他在面临股市波动时，不会因为财务或心理因素而被迫在不当的时机出脱手中持股，他就很难会受到伤害。</p>

<p>At Berkshire, we have found little to do in stocks during the past few years. During the break in October, a few stocks fell to prices that interested us, but we were unable to make meaningful purchases before they rebounded. At yearend 1987 we had no major common stock investments (that is, over \$50 million) other than those we consider permanent or arbitrage holdings. However, Mr. Market will offer us opportunities - you can be sure of that - and, when he does, we will be willing and able to participate.</p>	<p>在伯克希尔过去几年，我们在股票市场实在没有什么可以发挥的地方，在十月的那段期间，有几支股票跌到相当吸引我们的价位，不过我们没有能够在他们反弹之前买到够多的股份，在 1987 年底除了永久的持股与短期的套利之外，我们并没有新增任何主要的股票投资组合(指 5,000 万美元以上)，不过你大可以放心，一旦市场先生一定会给我们机会的时候，我们一定会好好把握住的。</p>
<p>o In the meantime, our major parking place for money is medium-term tax-exempt bonds, whose limited virtues I explained in last year's annual report. Though we both bought and sold some of these bonds in 1987, our position changed little overall, holding around \$900 million. A large portion of our bonds are "grandfathered" under the Tax Reform Act of 1986, which means they are fully tax-exempt. Bonds currently purchased by insurance companies are not.</p>	<p>至于我们主要的资金避风港-中期的免税债券，在去年我已经解释过其特点，虽然在 1987 年间我们也有进出，但整个部位变化不大，总金额约在 9 亿美元左右，大部分的债券是属于 1986 年税务改革法案中祖父级的债券，不同于现在保险公司新买进的债券，他们享有百分之百免税的优惠。</p>
<p>As an alternative to short-term cash equivalents, our medium-term tax-exempts have - so far served us well. They have produced substantial extra income for us and are currently worth a bit above our cost. Regardless of their market price, we are ready to dispose of our bonds whenever something better comes along.</p>	<p>当作短期约当现金的替代品，中期免税债券的表现还算不错，他们贡献了不少额外的投资报酬，且目前的价值也略高于我们当初投资的成本，但不管之后他们的市价高或低，只要我们找到更好的投资机会，我们随时都有可能把他们给处分掉。</p>
<p>o We continue to have an aversion to long-term bonds (and may be making a serious mistake by not disliking medium-term bonds as well). Bonds are no better than the currency in which they are denominated, and nothing we have seen in the past year - or past decade - makes us enthusiastic about the long-term future of U.S. currency.</p>	<p>我们持续避免去碰长期债券(也有可能因为没有对中期免税债券保持距离而犯下大错)，债券没有比他们表彰的货币来得好，在过去十年以即可预见的未来，我们看不出我们会对美国债券有太大的兴趣。</p>
<p>Our enormous trade deficit is causing various forms of "claim checks" - U.S. government and corporate bonds, bank deposits, etc. - to pile up in the hands of foreigners at a distressing rate. By default, our government has adopted an approach to its finances patterned on that of Blanche DuBois, of A Streetcar Named Desire, who said, "I have always depended on the kindness of</p>	<p>我们巨额的贸易逆差，使得我们必须面临许多不同形式的支票帐单，这包含外国人持有的美国政府与企业公债、银行存款等，以惊人的速度累积成长，一开始我们的政府所采取的方式，就像是欲望街车的角色布兰奇所说的，我总是依赖陌生人的同情心而活，当然本案的陌生人依靠的主要是</p>

<p>strangers.” In this case, of course, the “strangers” are relying on the integrity of our claim checks although the plunging dollar has already made that proposition expensive for them.</p>	<p>债务人的可靠性，虽然贬值的美元也让他们必须付出高昂的代价。</p>
<p>The faith that foreigners are placing in us may be misfounded. When the claim checks outstanding grow sufficiently numerous and when the issuing party can unilaterally determine their purchasing power, the pressure on the issuer to dilute their value by inflating the currency becomes almost irresistible. For the debtor government, the weapon of inflation is the economic equivalent of the “H” bomb, and that is why very few countries have been allowed to swamp the world with debt denominated in their own currency. Our past, relatively good record for fiscal integrity has let us break this rule, but the generosity accorded us is likely to intensify, rather than relieve, the eventual pressure on us to inflate. If we do succumb to that pressure, it won’t be just the foreign holders of our claim checks who will suffer. It will be all of us as well.</p>	<p>外国人对我们的信心可能有点所托非人，因为当要付的支票帐单持续的增加，而债务人又能够无限制地主导自己的购买能力时，美钞发行人增加流通货币来稀释其货币价值的情况铁定会发生，对于债务国政府来说，通货膨胀这项武器就好象是经济战争中威力强大的氢弹一样，很少有国家可以让全世界充斥着以自己货币计价的债券，不过由于我们国家过去不错的财政记录，使得我们能够打破这项限制，只是这样的宽容使得我们通膨的压力只会增加不会减少，而一旦我们屈服于这样的压力，不只是持有美国债权的外国人遭殃，连带的我们也会受到影响。</p>
<p>Of course, the U.S. may take steps to stem our trade deficit well before our position as a net debtor gets out of hand. (In that respect, the falling dollar will help, though unfortunately it will hurt in other ways.) Nevertheless, our government’s behavior in this test of its mettle is apt to be consistent with its Scarlett O’Hara approach generally: “I’ll think about it tomorrow.” And, almost inevitably, procrastination in facing up to fiscal problems will have inflationary consequences.</p>	<p>当然在债务问题失控之前，美国政府也会试着采取一些方法来抑制贸易逆差，(有关于这点，下滑的美元汇率或许会有帮助，只是同样地它又会造成另一种伤害)，目前我们政府的做法跟乱世佳人里郝思佳的态度差不多一样，“明天再想办法吧！”，而几乎无可避免的对于财政问题的处理耽搁将会造成通货膨胀的后果。</p>
<p>Both the timing and the sweep of those consequences are unpredictable. But our inability to quantify or time the risk does not mean we should ignore it. While recognizing the possibility that we may be wrong and that present interest rates may adequately compensate for the inflationary risk, we retain a general fear of long-term bonds.</p>	<p>只是这些后果发生的时点与影响我们实在无从去预测，不过无法去量化或是锁定这种风险不代表我们就可以忽视它的存在，当然我们的推论也许不准确，目前的利率水准或可弥补通货膨胀所带来的损失，只是我们对于长期的债券仍报以持续的戒心。</p>
<p>We are, however, willing to invest a moderate</p>	<p>然而我们仍愿意把一部份资金摆在这</p>

<p>portion of our funds in this category if we think we have a significant edge in a specific security. That willingness explains our holdings of the Washington Public Power Supply Systems #1, #2 and #3 issues, discussed in our 1984 report. We added to our WPPSS position during 1987. At yearend, we had holdings with an amortized cost of \$240 million and a market value of \$316 million, paying us tax-exempt income of \$34 million annually. We continued to do well in arbitrage last year, though - or perhaps because - we operated on a very limited scale. We enter into only a few arbitrage commitments each year and restrict ourselves to large transactions that have been publicly announced. We do not participate in situations in which green-mailers are attempting to put a target company "in play."</p>	<p>上头，如果在某些特定的有价证券上有特殊的利益，就像是我在 1984 年年报中曾经提到我们在华盛顿公用电力系统债券上的投资，在 1987 年我们又持续加码投资，总计到年底我们持有的这类帐面未摊销成本为 2.4 亿美元债券，市价约为 3.16 亿美元，还外加每年三千四百万美元的免税利息收入。</p>
<p>We have practiced arbitrage on an opportunistic basis for decades and, to date, our results have been quite good. Though we've never made an exact calculation, I believe that overall we have averaged annual pre-tax returns of at least 25% from arbitrage. I'm quite sure we did better than that in 1987. But it should be emphasized that a really bad experience or two - such as many arbitrage operations suffered in late 1987 - could change the figures dramatically.</p>	<p>我们持续在短期套利交易上有所斩获，虽然我们从事的规模有限，每年我们限制自己只专注在几个少数已公开信息的大型交易案，我们不介入那些已被投机套利客锁定的个案。</p>
<p>Our only \$50 million-plus arbitrage position at yearend 1987 was 1,096,200 shares of Allegis, with a cost of \$76 million and a market value of \$78 million.</p>	<p>我们从事机率套利已有好几十年的经验，到目前为止，我们的成果还算不错，虽然我们从来没有仔细去算过，我相信我们在套利投资方面的税前年报酬率应该有 25% 左右，我确信 1987 年的成绩甚至比以前好的多，但必须强调的是只要发生一、两次像今年其它几个套利惨痛的经验，就可能使得整个结果猪羊变色。</p>
<p>We had two other large holdings at yearend that do not fit precisely into any of our five categories. One was various Texaco, Inc. bonds with short maturities, all purchased after Texaco went into bankruptcy. Were it not for the extraordinarily strong capital position of our insurance companies, it would be inappropriate for us to buy defaulted bonds. At prices</p>	<p>今年我们新增 5,000 万美元以上的套利案只有斥资 7,600 万美元投资 100 万股 Allegis，目前的市价约为 7,800 万美元。</p>

<p>prevailing after Texaco's bankruptcy filing, however, we regarded these issues as by far the most attractive bond investment available to us.</p>	
<p>On a worst-case basis with respect to the Pennzoil litigation, we felt the bonds were likely to be worth about what we paid for them. Given a sensible settlement, which seemed likely, we expected the bonds to be worth considerably more. At yearend our Texaco bonds were carried on our books at \$104 million and had a market value of \$119 million.</p>	<p>我们在年底还有其它二个主要的投资组合不在前述五个范围之内，一项是 Texaco 短期债券，全都是在它破产之后才买进，要不是因为我们旗下保险公司的财务实力雄厚，我们实在不太适合去买这种已发生问题的债券，不过以这些债券在 Texaco 倒闭后的低廉价格，这是目前我们可以找得到最吸引我们的投资标的。</p>
<p>By far our largest - and most publicized - investment in 1987 was a \$700 million purchase of Salomon Inc 9% preferred stock. This preferred is convertible after three years into Salomon common stock at \$38 per share and, if not converted, will be redeemed ratably over five years beginning October 31, 1995. From most standpoints, this commitment fits into the medium-term fixed-income securities category. In addition, we have an interesting conversion possibility.</p>	<p>考量其所牵涉的诉讼案件，在最坏的情况之下，我们认为应该还是可以将投资成本回收，而若是官司可以和解收场，我们预期债券的价值将会更高，截至年底 Texaco 债券在我们帐面上的成本约为一亿美元，目前的市值则约为 1.2 亿美元。</p>
<p>We, of course, have no special insights regarding the direction or future profitability of investment banking. By their nature, the economics of this industry are far less predictable than those of most other industries in which we have major Commitments. This unpredictability is one of the reasons why our participation is in the form of a convertible preferred.</p>	<p>在投资银行业，我们当然没有特殊的远见能够预知其未来发展的方向与获利能力，就产业特性而言，投资银行业比起我们其它主要投资的行业更难预测，这也是为什么我们选择以可转换特别股的方式投资。</p>
<p>What we do have a strong feeling about is the ability and integrity of John Gutfreund, CEO of Salomon Inc. Charlie and I like, admire and trust John. We first got to know him in 1976 when he played a key role in GEICO's escape from near-bankruptcy. Several times since, we have seen John steer clients away from transactions that would have been unwise, but that the client clearly wanted to make - even though his advice provided no fee to Salomon and acquiescence would have delivered a large fee. Such service-above-self behavior is far from</p>	<p>当然我们对于所罗门公司的 CEO - John Gutfreund 的能力与品格有不错的印象，查理与我都很尊崇且信赖他，我们是在 1976 年开始认识他，当时他在协助 GEICO 汽车保险免于破产的命运时出了不少力，之后我们看到他好几次引导客户免于愚蠢的交易，虽然这使得所罗门因此损失许多顾问费收入，这种以客户服务至上的表现在华尔街并不多见。</p>

automatic in Wall Street.	
For the reasons Charlie outlines on page 50, at yearend we valued our Salomon investment at 98% of par, \$14 million less than our cost. However, we believe there is a reasonable likelihood that a leading, high-quality capital-raising and market-making operation can average good returns on equity. If so, our conversion right will eventually prove to be valuable.	如同查理在 50 页上所陈述的理由,截至年底我们将在所罗门公司的投资价值定在面额的 98%,大约比我们的投资成本少 1,400 万,不过我们仍然相信这家公司在高品质资本筹募与市场创造营运,将可为我们的投资创造不错的盈余,若果真如此,我们可转换为股权的权利将会非常有价值。
Two further comments about our investments in marketable securities are appropriate. First, we give you our usual warning: Our holdings have changed since yearend and will continue to do so without notice.	最后关于我们有价证券的投资再补充两点,第一照例我还是给诸位一个提醒,相较于去年底的持股内容,我们现在的投资组合又有变动,而且在没有知会大家的情况下,还会继续变动。
The second comment is related: During 1987, as in some earlier years, there was speculation in the press from time to time about our purchase or sale of various securities. These stories were sometimes true, sometimes partially true, and other times completely untrue. Interestingly, there has been no correlation between the size and prestige of the publication and the accuracy of the report. One dead-wrong rumor was given considerable prominence by a major national magazine, and another leading publication misled its readers by writing about an arbitrage position as if it were a long-term investment commitment. (In not naming names, I am observing the old warning that it's not wise to pick fights with people who buy ink by the barrel.) You should understand that we simply don't comment in any way on rumors, whether they are true or false. If we were to deny the incorrect reports and refuse comment on the correct ones, we would in effect be commenting on all.	这二点跟前面也有相关,跟前几年一样,在 1987 年媒体不时在猜测我们进出的投资标的,这些报导有时是真的,有时是半真半假,有时根本就不是事实,有趣的是,我发现媒体的规模与声誉和报导的真实性一点相关都没有,曾经有一家全美举足轻重的媒体杂志刊登一项完全错误的谣言,另外一家出版业者则将一桩短期的套利投资误当做是一项长期的投资,(之所以没有公布名字,是因为古有名训,遇到整桶整桶买墨水的人,最好不要跟他发生争吵)大家应该知道我们从来不会对任何的谣言加以评论,不管是真或是假,因为若是我们否认不实的报导,或是拒绝对真实的事件发表评论,都等于间接表达了我们的立场。
In a world in which big investment ideas are both limited and valuable, we have no interest in telling potential competitors what we are doing except to the extent required by law. We certainly don't expect others to tell us of their investment ideas. Nor would we expect a media company to disclose news of acquisitions it was privately pursuing or a journalist to tell his competitors about stories on which he is working	在现在这个社会,大型的投资机会相当的稀少且弥足珍贵,除非法令特别要求,我们不可能向潜在的竞争对手透露我们的动向,就像我们也不可能期待对手告诉我们他的想法,同样地我们也不期待媒体能够揭露他们独家采访得到的购并消息,就像是一个记者不可能向他的同业透露他正在努力追踪的独家新闻。

or sources he is using.	
I find it uncomfortable when friends or acquaintances mention that they are buying X because it has been reported - incorrectly - that Berkshire is a buyer. However, I do not set them straight. If they want to participate in whatever Berkshire actually is buying, they can always purchase Berkshire stock. But perhaps that is too simple. Usually, I suspect, they find it more exciting to buy what is being talked about. Whether that strategy is more profitable is another question.	我特别觉得很不高兴，当我的朋友或是旧识告诉我说他们买进 X 公司的股票，因为报纸错误地报导说伯克希尔已经买进这家公司的股票，不过后来我发现事情没有那么单纯，他们会买的原因主要是因为这些股票实在太热门，至于是否能够真正获利则是另外一回事。
Financing	财务方面
Shortly after yearend, Berkshire sold two issues of debentures, totaling \$250 million. Both issues mature in 2018 and will be retired at an even pace through sinking fund operations that begin in 1999. Our overall interest cost, after allowing for expenses of issuance, is slightly over 10%. Salomon was our investment banker, and its service was excellent.	在年度结束后不久，伯克希尔发行了两期的债券，总共的金额是 2.5 亿美元，到期日皆为 2018 年并且会从 1999 年开始慢慢分期由偿债基金赎回，包含发行成本在内，平均的资金成本约在 10% 上下，负责这次发行债券的投资银行就是所罗门，他们提供了绝佳的服务。
Despite our pessimistic views about inflation, our taste for debt is quite limited. To be sure, it is likely that Berkshire could improve its return on equity by moving to a much higher, though still conventional, debt-to-business-value ratio. It's even more likely that we could handle such a ratio, without problems, under economic conditions far worse than any that have prevailed since the early 1930s.	尽管我们对于通货膨胀抱持悲观的看法，我们对于举债的兴趣还是相当有限，虽然可以肯定的是伯克希尔可以靠提高举债来增加投资报酬，即使这样做我们的负债比例还是相当的保守，且就算如此我们很有信心应该可以应付比 1930 经济大萧条更坏的经济环境。
But we do not wish it to be only likely that we can meet our obligations; we wish that to be certain. Thus we adhere to policies - both in regard to debt and all other matters - that will allow us to achieve acceptable long-term results under extraordinarily adverse conditions, rather than optimal results under a normal range of conditions.	但我们还是不愿意这种大概没有问题的做法，我们要的是百分之百的确定，因此我们坚持一项政策，那就是不管是举债或是其它任何方面，我们希望能够最坏的情况下得到合理的结果，而不是预期在乐观的情况下，得到很好的利益。
Good business or investment decisions will eventually produce quite satisfactory economic results, with no aid from leverage. Therefore, it seems to us to be both foolish and improper to risk what is important (including,	只要是好公司或是好的投资决策，不靠投资杠杆，最后还是能够得到令人满意的结果，因此我们认为为了点额外的报酬，将重要的东西(也包含政策制定者与员工福祉)暴露在非必要

<p>necessarily, the welfare of innocent bystanders such as policyholders and employees) for some extra returns that are relatively unimportant. This view is not the product of either our advancing age or prosperity: Our opinions about debt have remained constant.</p>	<p>的风险之下是相当愚蠢且不适当的。</p>
<p>However, we are not phobic about borrowing. (We're far from believing that there is no fate worse than debt.) We are willing to borrow an amount that we believe - on a worst-case basis - will pose no threat to Berkshire's well-being. Analyzing what that amount might be, we can look to some important strengths that would serve us well if major problems should engulf our economy: Berkshire's earnings come from many diverse and well-entrenched businesses; these businesses seldom require much capital investment; what debt we have is structured well; and we maintain major holdings of liquid assets. Clearly, we could be comfortable with a higher debt-to-business-value ratio than we now have.</p>	<p>当然我们不会畏惧借贷(我们还不至于认为借钱是万恶不赦的),我们还是愿意在估计不会损及伯克希尔利益的最坏情况下,进行举债,至于这个限度在哪里,我们就必须评估自己本身的实力,伯克希尔的获利来自于许多不同且扎实的产业,这些产业通常不需要额外大量的投资,负债的部份也相当健全,同时我们还保有大量的流动资产,很明显的,我们大可以承担比现在更高的负债比例。</p>
<p>One further aspect of our debt policy deserves comment: Unlike many in the business world, we prefer to finance in anticipation of need rather than in reaction to it. A business obtains the best financial results possible by managing both sides of its balance sheet well. This means obtaining the highest-possible return on assets and the lowest-possible cost on liabilities. It would be convenient if opportunities for intelligent action on both fronts coincided. However, reason tells us that just the opposite is likely to be the case: Tight money conditions, which translate into high costs for liabilities, will create the best opportunities for acquisitions, and cheap money will cause assets to be bid to the sky. Our conclusion: Action on the liability side should sometimes be taken independent of any action on the asset side.</p>	<p>我们举债政策还有一向特点值得说明,不像其它公司,我们比较希望能够预先准备而不是事后补救,一家公司若能够同时管好资产负债表的两侧,就会有不错的成绩,这代表一方面要能够将资产的报酬率提高,一方面要能够将负债的资金成本降低,若是两边都能碰巧的兼顾那就太好了,不过事实告诉我们,通常情况正好相反,当资金吃紧时,代表负债的成本上升,这正是对外购并的最好时机,因为便宜的资金有时会将竞标资产飙到天价,我们的结论是,在举债方面的动作,有时应该要跟购置资产方面的动作分开做。</p>
<p>Alas, what is "tight" and "cheap" money is far from clear at any particular time. We have no ability to forecast interest rates and - maintaining our usual open-minded spirit - believe that no one else can. Therefore, we</p>	<p>当然何谓吃紧?何谓便宜的资金?很难有一个清楚的分野,我们无法去预测利率的走向,所以我们随时保持开放的心态,随机地在市场还没有那么悲观时借钱,期望之后可以找到合适</p>

<p>simply borrow when conditions seem non-oppressive and hope that we will later find intelligent expansion or acquisition opportunities, which - as we have said - are most likely to pop up when conditions in the debt market are clearly oppressive. Our basic principle is that if you want to shoot rare, fast-moving elephants, you should always carry a loaded gun.</p>	<p>的购并或投资标的，而通常如同我们先前所提到的，大概是会在债市情况悲观时出现，我们一个基本的原则就是，如果你想要猎捕那种罕见且移动迅速的大象，那么你的枪枝就要随时上膛准备。</p>
<p>Our fund-first, buy-or-expand-later policy almost always penalizes near-term earnings. For example, we are now earning about 6 1/2% on the \$250 million we recently raised at 10%, a disparity that is currently costing us about \$160,000 per week. This negative spread is unimportant to us and will not cause us to stretch for either acquisitions or higher-yielding short-term instruments. If we find the right sort of business elephant within the next five years or so, the wait will have been worthwhile.</p>	<p>我们这种先准备资金，之后再买进扩张的政策，虽然会对我们短期间的盈余造成影响，例如我们之前取得 10% 成本的 2.5 亿美元，现在大概只能赚得 6.5% 的收益，中间的利差损失每个礼拜大概是 16 万美元，这对我们来说，只是个小数目，也不会迫使我们去从事一些短期高风险的投资，只要我们能在未来五年内找到理想的目标猎物，这一切等待都是值得的。</p>
<p>Miscellaneous</p>	<p>其它事项</p>
<p>We hope to buy more businesses that are similar to the ones we have, and we can use some help. If you have a business that fits the following criteria, call me or, preferably, write. Here's what we're looking for: (1) large purchases (at least \$10 million of after-tax earnings), (2) demonstrated consistent earning power (future projections are of little interest to us, nor are "turnaround" situations), (3) businesses earning good returns on equity while employing little or no debt, (4) management in place (we can't supply it), (5) simple businesses (if there's lots of technology, we won't understand it), (6) an offering price (we don't want to waste our time or that of the seller by talking, even preliminarily, about a transaction when price is unknown). We will not engage in unfriendly takeovers. We can promise complete confidentiality and a very fast answer - customarily within five minutes - as to whether we're interested. We prefer to buy for cash, but will consider issuing stock when we receive as much in intrinsic business value as we give. We</p>	<p>我们希望能够找到更多像我们现在拥有的企业，当然这需要一些帮助，如同你知道有公司符合以下的条件，打电话或者最好是写信给我。(1) 巨额交易 (每年税后盈余至少有一千万美元); (2) 持续稳定获利 (我们对有远景或具转机的公司没兴趣); (3) 高股东报酬率 (并且甚少举债); (4) 具备管理阶层 (我们无法提供); (5) 简单的企业 (若牵涉到太多高科技，我们弄不懂); (6) 合理的价格 (在价格不确定前，我们不希望浪费自己与对方太多时间); 我们不会进行敌意的购并，并承诺完全保密并尽快答复是否感兴趣 (通常不超过五分钟)，我们倾向采取现金交易，除非我们所换得的内含价值跟我们付出的一样多，否则不考虑发行股份。我们欢迎可能的卖方与那些过去与我们合作过的对象打听，对于那些好的公司与好的经营阶层，我们可以提供一个好的归属。另一方面我们也持续接到一些不符合我们条件的询问，包括新事业、转机股、拍卖案</p>

<p>invite potential sellers to check us out by contacting people with whom we have done business in the past. For the right business - and the right people - we can provide a good home. On the other hand, we frequently get approached about acquisitions that don't come close to meeting our tests: new ventures, turnarounds, auction-like sales, and the ever-popular (among brokers) "I'm-sure-something-will-work-out-if-you-people-get-to-know-each-other." None of these attracts us in the least.</p>	<p>以及最常见的中介案(那些说你们要是能过碰一下面,一定会感兴趣之类的)。在此重申我们对这些一点兴趣都没有。</p>
<p>Besides being interested in the purchases of entire businesses as described above, we are also interested in the negotiated purchase of large, but not controlling, blocks of stock comparable to those we hold in Cap Cities and Salomon. We have a special interest in purchasing convertible preferreds as a long-term investment, as we did at Salomon.</p>	<p>除了以上买下整家公司的购并案外,我们也会考虑买进一大部份不具控制权的股份,就像我们在资本城与所罗门这两个 Case 一样,尤其是我们对于像这次购买所罗门一样的可转换特别股当作长期投资特别有兴趣。</p>
<p>And now a bit of deja vu. Most of Berkshire's major stockholders received their shares at yearend 1969 in a liquidating distribution from Buffett Partnership, Ltd. Some of these former partners will remember that in 1962 I encountered severe managerial problems at Dempster Mill Manufacturing Co., a pump and farm implement manufacturing company that BPL controlled.</p>	<p>接下来是一点记忆回顾,大部分伯克希尔的大股东是在 1969 年清算巴菲特合伙事业时取得本公司股份的,这些合伙的伙伴可能还记得当初在 1962 年,我曾经在巴菲特合伙事业所投资控制的 Dempster-一家帮浦与农用机具制造公司,面临经营上重大的难题。</p>
<p>At that time, like now, I went to Charlie with problems that were too tough for me to solve. Charlie suggested the solution might lie in a California friend of his, Harry Bottle, whose special knack was never forgetting the fundamental. I met Harry in Los Angeles on April 17, 1962, and on April 23 he was in Beatrice, Nebraska, running Dempster. Our problems disappeared almost immediately. In my 1962 annual letter to partners, I named Harry "Man of the Year."</p>	<p>在当时我带着我无法解决的问题去找查理,就像是现在一样,查理建议我在加州他有一位朋友叫 Harry Bottle 非常脚踏实地,或许可以帮得上忙,我在当年四月去洛杉矶拜访他,一个礼拜后,他就被请到内布拉斯加州来管理 Dempster,此后问题立刻获得解决,记得在 1962 年的年报中,我还特地将 Harry 封为年度风云人物。</p>
<p>Fade to 24 years later: The scene is K & W Products, a small Berkshire subsidiary that produces automotive compounds. For years K & W did well, but in 1985-86 it stumbled badly, as it pursued the unattainable to the neglect of the achievable. Charlie, who oversees K & W, knew</p>	<p>24 年后,场景搬到伯克希尔 另外一家子公司 K & W 公司,一家专门生产自动机具的小公司,过去这家公司做得还不错,不过到了 1985-1986 年却突然发生状况,盲目追求达不到的东西,却放弃现有可以做的产品,负责</p>

<p>there was no need to consult me. Instead, he called Harry, now 68 years old, made him CEO, and sat back to await the inevitable. He didn't wait long. In 1987 K & W's profits set a record, up more than 300% from 1986. And, as profits went up, capital employed went down: K & W's investment in accounts receivable and inventories has decreased 20%.</p>	<p>管理监督 K & W 的查理，知道可以不必知会我，直接找到现年 68 岁的 Harry，任命他为 CEO，然后就静待结果出来，事实上他没有等多久，到了 1987 年隔年，K & W 的获利就创下新高，比 1986 年增长三倍，由于获利提升，该公司所需的资金也就跟着减少，该公司的应收及存货水准减少了 20%。</p>
<p>If we run into another managerial problem ten or twenty years down the road, you know whose phone will ring.</p>	<p>所以要是在往后的十年、二十年，我们的被投资事业又发生问题时，你就知道谁的电话又会响了。</p>
<p>About 97.2% of all eligible shares participated in Berkshire's 1987 shareholder-designated contributions program. Contributions made through the program were \$4.9 million, and 2,050 charities were recipients.</p>	<p>大约有 97.2% 的有效股权参与 1987 年的股东指定捐赠计划，总计约 490 万美元捐出的款项分配给 2,050 家慈善机构。</p>
<p>A recent survey reported that about 50% of major American companies match charitable contributions made by directors (sometimes by a factor of three to one). In effect, these representatives of the owners direct funds to their favorite charities, and never consult the owners as to their charitable preferences. (I wonder how they would feel if the process were reversed and shareholders could invade the directors' pockets for charities favored by the shareholders.) When A takes money from B to give to C and A is a legislator, the process is called taxation. But when A is an officer or director of a corporation, it is called philanthropy. We continue to believe that contributions, aside from those with quite clear direct benefits to the company, should reflect the charitable preferences of owners rather than those of officers and directors.</p>	<p>最近一项研究显示约有 50% 的美国大公司的捐赠计划是由董事会所决定，这等于是由代表公司所有股东的一小群人来决定公司资金捐给他们所偏爱的慈善机构，却从来不会去管股东的意见，(我很怀疑若情况刚好相反，由股东们来决定这些董事口袋里的钱要捐给谁时，他们会有什么样的反应)，当甲从乙的身上拿钱给丙时，若甲是立法者，则这个过程叫做课税，若甲是企业的主管或是经理人时，这就叫做是慈善，我们仍然坚信除非是捐给那些很明显对于公司有助益的单位时，应该要先征询股东们而非仅仅是经理人或是董事的意见。</p>
<p>We urge new shareholders to read the description of our shareholder-designated contributions program that appears on pages 54 and 55. If you wish to participate in future programs, we strongly urge that you immediately make sure your shares are registered in the name of the actual owner, not in "street" name or nominee name. Shares not so registered on September 30, 1988</p>	<p>我们敦促新加入的股东，仔细阅读年报上有关股东捐赠计划的详细内容，如果在未来年度内，你想要参加这类的计划，我们强烈建议你股份登记在自己而不是受托人的名下，必须在 1988 年 9 月 30 日之前完成登记，才有权利参与 1988 年的计划。</p>

<p>will be ineligible for the 1988 program.</p>	
<p>Last year we again had about 450 shareholders at our annual meeting. The 60 or so questions they asked were, as always, excellent. At many companies, the annual meeting is a waste of time because exhibitionists turn it into a sideshow. Ours, however, is different. It is informative for shareholders and fun for us. (At Berkshire's meetings, the exhibitionists are on the dais.)</p>	<p>去年总共有 450 位股东参加年度股东会，总计提出了 60 个左右精彩的问题，在许多公司股东会只是浪费时间，因为大多流于形式，不过我们的股东会却不一样，股东们非常具有建设性且带来了许多欢乐。</p>
<p>This year our meeting will be on May 23, 1988 in Omaha, and we hope that you come. The meeting provides the forum for you to ask any owner-related questions you may have, and we will keep answering until all (except those dealing with portfolio activities or other proprietary information) have been dealt with.</p>	<p>今年的股东会将在 1988 年 5 月 23 日在奥玛哈举行，我们希望你们都能来参加，这个会议提供一个场所让你能够提出任何与股东有关的问题，我们会一直回答到所有股东都满意为止（除了那些想要知道投资组合明牌或是内线消息的人）</p>
<p>Last year we rented two buses – for \$100 – to take shareholders interested in the trip to the Furniture Mart. Your actions demonstrated your good judgment: You snapped up about \$40,000 of bargains. Mrs. B regards this expense/sales ratio as on the high side and attributes it to my chronic inattention to costs and generally sloppy managerial practices. But, gracious as always, she has offered me another chance and we will again have buses available following the meeting. Mrs. B says you must beat last year's sales figures, and I have told her she won't be disappointed.</p>	<p>去年我们花了 100 元租两台巴士载着有兴趣的股东到家具广场，大家的行动展现了明智的抉择，总共买下了约 4 万美元的东西，B 太太认为这样的营业费用比例太高，认为这都是我个人长久以来对于成本没有概念、管理松散的缘故，不过还是一样大方，今年她再次给我机会，在会后还是会有巴士等着各位，B 太太希望我一定要打破去年的记录，而我也已经答应她不会让她失望。</p>