Brookfield

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**50% Increase In Net Income to Shareholders**
**Funds From Operations of $2.2 Billion for 2014**

**TORONTO, February 13, 2015** – Brookfield Asset Management Inc. (NYSE: BAM) (TSX: BAM.A) (Euronext: BAMA) today announced financial results for the quarter and year ended December 31, 2014.

"We have established Brookfield as a leading global real asset manager and are well positioned to expand all our platforms in order to generate superior returns for our clients and shareholders," commented Bruce Flatt, CEO of Brookfield. "We are generating solid growth in fees and strong performance from most of our operating businesses."

- Net income for 2014 totalled $5.2 billion, or $4.67 per share representing a 50% increase. Operational and value improvements generated a significantly higher level of fair value gains and the continued expansion of our asset management activities resulted in a 26% increase in fee related earnings.

- Funds from operations ("FFO") for Brookfield shareholders during 2014 were $2.2 billion, or $3.17 per share. FFO increased by 5% from the 2013 results after excluding realized disposition gains and carried interests, as increases in fee related earnings and FFO from our property and renewable energy businesses were offset by lower returns on financial assets and private equity investments. The 2013 results included a significantly higher level of realized dispositions gains and carried interests.
- Fee bearing capital increased to $89 billion and represented 20% growth, year over year.
- We committed $18 billion to real asset investments, including telecom infrastructure in Europe and property investments in India and China. More recently, we agreed to acquire the balance of the Canary Wharf development in London with a partner.

**Financial Results**

| | | *Three Months Ended December 31* | | *Years Ended December 31* |
|---|---|---|---|---|
| *US$ millions (except per share amounts)* | **2014** | 2013 | **2014** | 2013 |
| Consolidated net income[1] | **$1,699** | $850 | **$5,209** | $3,844 |
| Per Brookfield share[2] | **1.59** | 1.08 | **4.67** | 3.12 |
| Funds from operations[2,3] | **$535** | $1,030 | **$2,160** | $3,376 |
| Per Brookfield share[2,3] | **0.78** | 1.59 | **3.17** | 5.14 |

1. Consolidated basis – includes amounts attributable to non-controlling interests
2. Excludes amounts attributable to non-controlling interests
3. See Basis of Presentation on page 3

**2014 Operating Highlights**

*We expanded our asset management franchise and our flagship listed partnerships.*

Fee bearing capital was $89 billion at year end, an increase of 20% from the prior year. We increased both the quantity and quality of fee bearing capital, as annualized base fees increased to $675 million, up 27% year-over-year. We added $4 billion of assets under management in our public markets asset business through both market appreciation and net inflows to funds that invest in property and infrastructure securities. A leading sovereign wealth fund invested $1.8 billion in our listed property entity.

Our flagship private funds have committed or invested approximately 80% of their capital commitments in aggregate, and we continue to maintain a robust pipeline of investment opportunities. We have approximately $11 billion of private funds in marketing for a variety of strategies and expect to launch another $10 billion by the end of this year. Total assets under management were $204 billion at the end of the year.

*We announced or completed acquisitions and capital expansions that will deploy over $18 billion of capital on behalf of clients and Brookfield shareholders.*

We expanded our property business by acquiring the 50% of our office property portfolio that we did not already own. We also acquired commercial properties in India and China and a triple net lease portfolio of auto dealerships. Subsequent to year end, we acquired a controlling interest in Canary Wharf, Europe's leading business centre, in partnership with a sovereign wealth fund.

Our renewable energy business completed a number of major acquisitions, including an Irish wind farm portfolio with a significant development pipeline, as well as North and South American hydroelectric, wind and biomass facilities. Our infrastructure group acquired a Brazilian rail network and committed to acquire a 50% interest in a portfolio of 6,700 European telecom towers.

Acquisitions within our private equity business included building North America's leading coal bed methane producer through a series of transactions and we continued investing in the restructuring of a leading Texas utility company.

*We increased cash flow and created value with growth initiatives and operational improvements in our major businesses.*

We recorded $2.2 billion of FFO. Fee related earnings increased by $78 million or 26% over the previous year. FFO growth in our property, renewable energy and residential businesses was offset by lower pricing in certain industrial private equity companies and lower portfolio investment gains.

Our asset management business generated fee revenues of $206 million in the quarter leading to quarterly fee related earnings of $103 million. For the year, asset management fee revenue was $763 million, a 24% increase over $617 million in the previous year. In 2013, we also crystalized significant carried interests from our clients' shopping mall investment.

Our property group recorded a 60% increase in FFO in 2014 compared to the previous year, as a result of increased ownership of our office portfolio, opportunistic investments, and increases in net rents compared with expiring leases. We recycled capital by selling mature properties at attractive valuations, including the $305 million disposition of an industrial portfolio in Mexico and the sale of office buildings in Denver, Houston, Sydney, Toronto and London.

In our renewable energy business, we recorded $313 million of FFO. The size of the portfolio increased and we experienced strong energy prices early in the year, while existing generation was below average levels. We expanded this platform by commissioning $430 million of new hydroelectric and wind facilities on time and on budget in Canada and Ireland, and integrating 1,000 MW of newly acquired generation capacity into our network. The business has solid growth prospects, with 2,000 MW of development projects that we can fund with internally generated cash.

Our infrastructure group recorded FFO that was 11% higher per unit on a comparable or "same store" basis versus last year, reflecting organic growth initiatives. During the year, we invested in the expansion of our utility, district energy and transport businesses. We expect to recycle up to $1 billion by selling mature infrastructure assets. In our private equity business, we monetized a long-term investment in a forest products business.

**Dividend Declaration**

The Board of Directors declared a quarterly dividend of US$0.17 per share (representing US$0.68 per annum), payable on March 31, 2015 to shareholders of record as at the close of business on February 27, 2015. This represents an increase of 6% over the current dividend rate. The Board also declared all of the regular monthly and quarterly dividends on its preferred shares.

Information on our dividends can be found on our website under Investors/Stock and Dividend Information.

**Basis of Presentation**

This news release and accompanying financial statements are based on International Financial Reporting Standards ("IFRS") unless otherwise noted and make reference to funds from operations.

We define *Funds from Operations ("FFO")* as net income attributable to shareholders prior to fair value changes, depreciation and amortization, and deferred income taxes, and include realized disposition gains that are not recorded in net income as determined under IFRS. FFO also includes the company's share of equity accounted investments' FFO on a fully diluted basis. FFO consists of the following components:

- *FFO from Operating Activities* represents the company's share of revenues less direct costs and interest expenses; excludes realized carried interest and disposition gains, fair value changes, depreciation and amortization and deferred income taxes; and includes our proportionate share of FFO from operating activities recorded by equity accounted investments on a fully diluted basis. We present this measure as we believe it assists in describing our results and variances within FFO.
- *Realized Carried Interest* represents our contractual share of investment gains generated within a private fund after considering our clients minimum return requirements. Realized carried interest is determined on third party capital that is no longer subject to future investment performance.
- *Realized Disposition Gains* are included in FFO because we consider the purchase and sale of assets to be a normal part of the company's business. Realized disposition gains include gains and losses recorded in net income and equity in the current period, and are adjusted to include fair value changes and revaluation surplus balances recorded in prior periods which were not included in prior period FFO.

We use FFO to assess our operating results and the value of Brookfield's business and believe that many shareholders and analysts also find this measure of value to them.

We note that FFO and its per share equivalent are non-IFRS measures which do not have any standard meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies.

We provide additional information on the determination of funds from operations and a reconciliation between funds from operations and net income attributable to Brookfield shareholders in the Supplemental Information available at www.brookfield.com.

**Additional Information**

The Letter to Shareholders and the company's Supplemental Information for the Fourth Quarter and year ended December 31, 2014 contain further information on the company's strategy, operations and financial results. Shareholders are encouraged to read these documents, which are available on the company's website.

The attached statements are based primarily on information that has been extracted from our financial statements for year ended December 31, 2014, which have been prepared using IFRS. The amounts have not been audited and are not subject to review by Brookfield's external auditor.

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**Brookfield Asset Management Inc.** is a global alternative asset manager with over $200 billion in assets under management. The company has over a 100-year history of owning and operating assets with a focus on property, renewable energy, infrastructure and private equity. Brookfield offers a range of public and private investment products and services, and is co-listed on the New York, Toronto and Euronext stock exchanges under the symbol BAM, BAM.A and BAMA, respectively. For more information, please visit our website at www.brookfield.com.

Please note that Brookfield's previous audited annual and unaudited quarterly reports have been filed on EDGAR and SEDAR and can also be found in the investor section of its website at www.brookfield.com. Hard copies of the annual and quarterly reports can be obtained free of charge upon request.

For more information, please visit our website at www.brookfield.com or contact:

**Media:**
Andrew Willis
Communications & Media
Tel: (416) 369-8236
Fax: (416) 363-2856
Email: andrew.willis@brookfield.com

**Investors:**
Amar Dhotar
Investor Relations
Tel: (416) 359-8629
Fax: (416) 363-2856
Email: amar.dhotar@brookfield.com

***Forward-Looking Statements***

*Note: This news release contains "forward-looking information" within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the company and its subsidiaries, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as "expects," "anticipates," "plans," "believes," "estimates," "seeks," "intends," "targets," "projects," "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may," "will," "should," "would" and "could."*

*Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of the company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.*

*Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business; the behavior of financial markets, including fluctuations in interest and foreign exchange rates; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; strategic actions including dispositions; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation within the countries in which we operate; changes in tax laws, catastrophic events, such as earthquakes and hurricanes; the possible impact of international conflicts and other developments including terrorist acts; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States.*

*We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, the company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.*

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