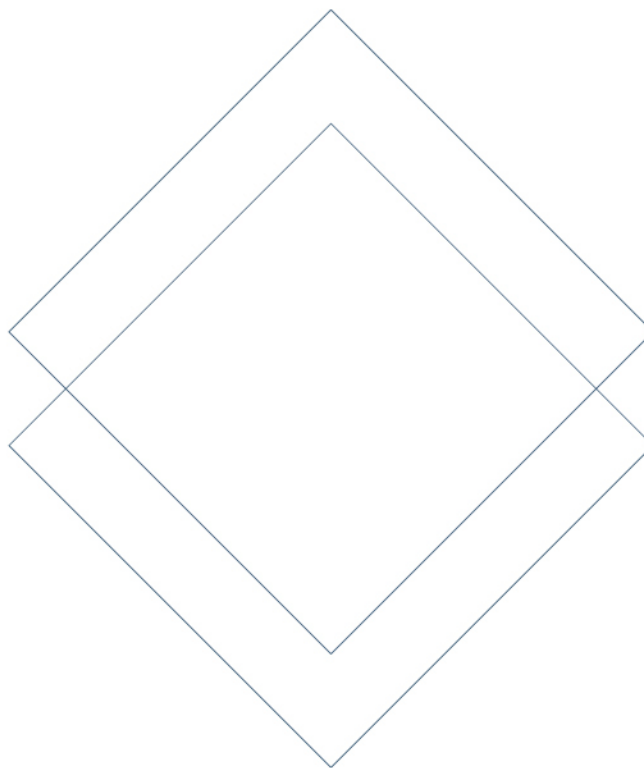


Brookfield



2023
Q1 SUPPLEMENTAL
INFORMATION

Brookfield Corporation

2023 First Quarter Highlights

\$5B

LAST TWELVE MONTHS
DISTRIBUTABLE EARNINGS

24%

GROWTH IN LTM
DISTRIBUTABLE EARNINGS
BEFORE REALIZATIONS¹

\$15B

CAPITAL RETURNED TO
SHAREHOLDERS OVER THE
LAST TWELVE MONTHS

PERFORMANCE UPDATE

We generated \$1.2 billion of Distributable Earnings (“DE”) during the quarter and \$5.2 billion in the last twelve months (“LTM”).

DE before realizations were \$945 million during the quarter and \$4.3 billion over the last twelve months, representing growth of 24% over the LTM, after adjusting for the special distribution of 25% of our asset management business that we completed in December last year.

- Distributions from our **asset management** business were \$678 million in the quarter and \$2.9 billion for the LTM. This was driven by a 15% increase in the distributions from Brookfield Asset Management (“BAM”) compared to the prior year quarter, supported by growth in fee-related earnings (“FRE”), and distributions from our direct investments in our private funds.
- **Insurance solutions** distributable operating earnings were \$145 million in the quarter and \$520 million for the LTM, significantly higher than the prior periods due to capital re-deployed into higher yielding investments and the acquisition of American National in May 2022.
- Distributions from **operating businesses** were \$304 million in the quarter and \$1.5 billion for the LTM, demonstrating the resilience of our underlying operations. This was supported by 25% growth in Operating Funds from Operations (“Operating FFO”) at our renewable power & transition, infrastructure and private equity businesses collectively over the last twelve months. FFO within our real estate business was impacted by higher interest rates but the underlying operating performance continues to be strong, evidenced by 5% growth in same-store net operating income (“NOI”) of our prime retail and office assets. FFO of \$15 million from the LP investments we have made in our real estate private funds has been reallocated to our asset management business as this reflects discretionary capital that we invest into private funds managed by BAM.
- We generated \$259 million and \$633 million of disposition gains from principal investments and realized carried interest, net, over the last twelve months, respectively. Disposition gains were predominantly due to monetizations of mature assets within our real estate business. As at March 31, 2023, the accrued unrealized carry balance was \$9.4 billion, and we expect to realize over \$500 million of that into income this year as we execute on our planned asset sales.

CAPITAL ALLOCATION

- During the LTM, we returned approximately \$15 billion of capital to our shareholders via \$769 million of regular dividends, \$746 million of Class A share repurchases in the open market and our special distribution of BAM shares.
- The balance of our distributable earnings was invested back into the business with \$3.1 billion in our insurance solutions business, primarily supporting the acquisition of American National in May 2022, and \$2.4 billion being invested into and alongside a number of our private funds.

LIQUIDITY

As at March 31, 2023, we had \$5.3 billion of corporate liquidity, including \$2.8 billion of cash and financial assets and \$2.5 billion of undrawn credit lines.

- Our balance sheet continues to be conservatively capitalized, with a corporate debt to market capitalization ratio of 17% as well as a weighted-average interest rate of 4.2% and a remaining term of 12 years.

STRATEGIC INITIATIVES

We made significant progress across our strategic initiatives.

- We continue to support our insurance solutions business in executing its strategic initiatives. During the quarter, an agreement was signed to acquire Argo Group, a well-established specialty P&C business in the U.S., expanding origination capabilities and adding approximately \$4 billion of assets to the franchise. Subsequent to quarter end, the shareholders of Argo Group approved this transaction, which is expected to close in the second half of this year.

1. Adjusted for special distribution.

Brookfield Corporation

Our goal is to compound capital over the long term so as to earn an annualized return of 15%+ for our shareholders.

To do this, we employ a disciplined investment approach, leveraging our 100+ year history as an owner and operator of real assets, to create value and deliver strong risk-adjusted returns across market cycles. Today, our capital is invested across three businesses – Asset Management, Insurance Solutions and our Operating Businesses, which generate approximately \$5 billion of free cash flow annually, all of which is underpinned by a conservatively capitalized balance sheet.

DE represents the deconsolidated earnings of the Corporation that are available for distribution to shareholders and it is our primary performance metric. DE is comprised of distributions we receive from our Asset Management, Insurance Solutions and our Operating Businesses. It also includes disposition gains on our principal investments and our share of realized carried interest that is earned by our Asset Management business. We target growing our DE by 15% or more each year.

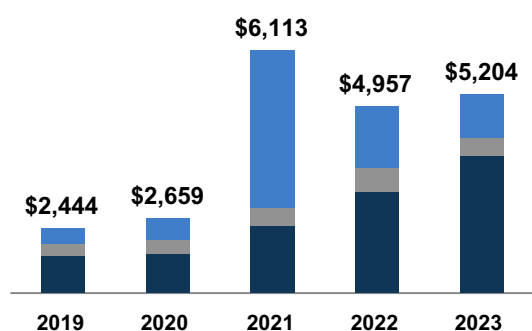
We create value for our shareholders in two ways. First, we participate in increases in the earnings and capital appreciation of our Asset Management, Insurance Solutions and Operating Businesses, which enables us to increase our cash dividends. Second, we are able to deploy the substantial free cash flows we receive towards supporting the growth of our three businesses, new strategic investments and share buy backs.

	How value is created	Key Performance Metrics	How value is measured
Asset Management Brookfield Asset Management ("BAM") is a leading global alternative asset manager with over \$825 billion of assets under management	<ul style="list-style-type: none"> • Increase fee-bearing capital • Maintain cost discipline as we scale 	<ul style="list-style-type: none"> • Distributable earnings • Fee-bearing capital • Fee-related earnings 	<ul style="list-style-type: none"> • Market price of BAM and multiple of annualized fee related earnings
In addition, we invest discretionary capital into and alongside private funds managed by BAM and other investments	<ul style="list-style-type: none"> • Achieve strong investment returns and, in turn, earn performance income (carried interest) 	<ul style="list-style-type: none"> • Generated unrealized carried interest • Realized carried interest, net 	<ul style="list-style-type: none"> • Multiple of generated carried interest, net and target carried interest, net
Insurance Solutions Brookfield Reinsurance ("BNRE") is a leading capital solutions business providing insurance and reinsurance services to individuals and institutions	<ul style="list-style-type: none"> • Increase cash income through organic levers • Recycle underlying assets 	<ul style="list-style-type: none"> • Distributions from direct investments • Disposition gains on direct investments 	<ul style="list-style-type: none"> • Applicable valuation methods based on how capital is deployed
Operating Businesses We are invested in four global operating businesses in Renewable Power and Transition ("BEP"), Infrastructure ("BIP"), Private Equity ("BBU") and Real Estate ("BPG")	<ul style="list-style-type: none"> • Acquire long duration and predictable insurance liabilities • Proactively manage risk of underwritten liabilities • Earn attractive risk-adjusted returns on our investment portfolio in excess of the cost of the insurance liabilities we manage 	<ul style="list-style-type: none"> • Cost of insurance liabilities • Earnings on investment portfolio • Distributable operating earnings 	<ul style="list-style-type: none"> • Intrinsic value of our capital ("IVC")
Capital Allocation We allocate the free cash flows we receive to enhance value for our shareholders	<ul style="list-style-type: none"> • Increase cash income through organic levers • Recycle underlying assets 	<ul style="list-style-type: none"> • Operating FFO / Net operating income • Distributions from Operating Businesses 	<ul style="list-style-type: none"> • Market price of public affiliates (BIP, BEP, BBU) • Fair value under IFRS (BPG)
	<ul style="list-style-type: none"> • Increase in cash dividends • Share buybacks • Support the growth of our three businesses • New strategic investments • Special dividends 	<ul style="list-style-type: none"> • Disposition gains on principal investments • Contribution to growth in DE & DE per share 	<ul style="list-style-type: none"> • Applicable valuation methods based on how capital is deployed

Performance Highlights

Distributable Earnings

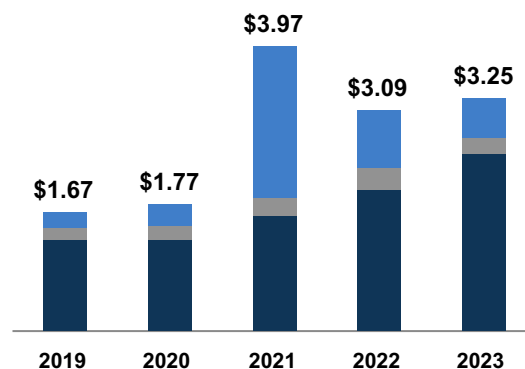
FOR THE LTM ENDED MAR. 31 (MILLIONS)



- Distributable earnings before realizations, adjusted for special distribution
- Adjustment for special distribution¹
- Realized carried interest and disposition gains from principal investments

Distributable Earnings per share²

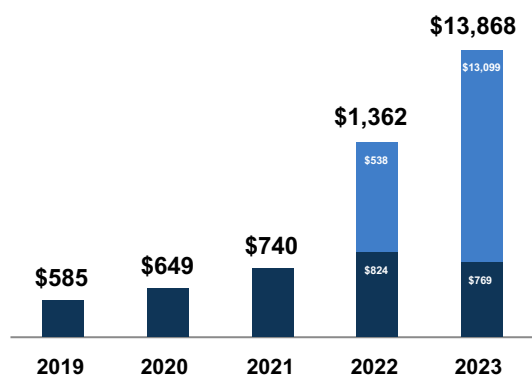
FOR THE LTM ENDED MAR. 31



- Distributable earnings before realizations, adjusted for special distribution
- Adjustment for special distribution¹
- Realized carried interest and disposition gains from principal investments

Distributions to Common Shareholders³

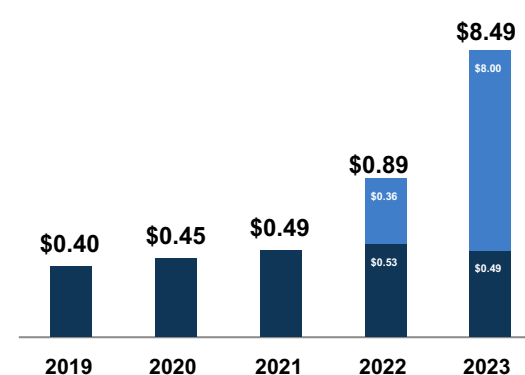
FOR THE LTM ENDED MAR. 31 (MILLIONS)



- Common distributions
- Special distributions

Distributions per share²

FOR THE LTM ENDED MAR. 31



- Common distributions
- Special distributions

1. Reflects distributable earnings attributable to a 25% interest in asset management business.

2. Adjusted 2020 to reflect the three-for-two stock split effective April 1, 2020.

3. Excludes share repurchases. Total capital returned to common shareholders, including share repurchases, was approximately \$15 billion during the LTM Q1 2023.

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Distributable Earnings (“DE”)

DE before realizations was \$4.3 billion for the LTM, an increase of 24% over the last twelve months¹

The summary below presents DE on a historical basis which includes results for periods prior to the special distribution of a 25% interest in our Asset Management business. For comparability, we present DE on an adjusted basis at the bottom of this page, adjusting historical results for a 25% decrease in the DE from BAM in line with the impact of the special distribution.

FOR THE PERIODS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months		LTM		Annualized ²	Page Ref.
	2023	2022	2023	2022		
BAM	\$ 422	\$ 491	\$ 1,991	\$ 1,961	\$ 1,606	page 11
Direct investments	256	223	930	866	906	page 14
Asset management	678	714	2,921	2,827	2,512	
Insurance solutions	145	13	520	42	700	page 15
BEP	105	100	405	385	421	page 16
BIP	80	75	305	282	320	page 17
BBU	9	6	36	24	36	page 18
BPG	145	220	826	820	769	page 19
Other	(35)	(34)	(50)	(94)	(52)	page 16, 17
Operating businesses	304	367	1,522	1,417	1,494	
Corporate costs and other^{3,4}	(182)	(147)	(651)	(612)	(636)	page 22
Distributable earnings before realizations⁵	945	947	4,312	3,674	\$ 4,070	
Realized carried interest, net	206	128	633	620		page 12
Disposition gains from principal investments	6	107	259	663		page 23
Distributable earnings⁵	\$ 1,157	\$ 1,182	\$ 5,204	\$ 4,957		
Per share						
Distributable earnings before realizations ⁶	\$ 0.59	\$ 0.58	\$ 2.69	\$ 2.29		
Distributable earnings ⁵	<u>0.72</u>	<u>0.73</u>	<u>3.25</u>	<u>3.09</u>		

Asset management

- Generated DE of \$678 million in the quarter and \$2.9 billion for the LTM, driven by a 22% increase in fee-related earnings (“FRE”) excluding performance fees compared to the prior period. Distributions from direct investments were \$256 million in the quarter and \$930 million for the LTM.

Insurance solutions

- DE of \$145 million in the quarter and \$520 million for the LTM with growth in earnings due to the acquisition of American National in May 2022 and strong performance of our investment portfolio over the LTM.

Operating businesses

- Generated DE of \$304 million for the quarter and \$1.5 billion for the LTM, representing an increase of 7% compared to last year, supported by a 4% increase in Operating FFO over the LTM.

We realized \$633 million of carried interest and generated \$259 million of disposition gains from principal investments during the LTM due to asset monetizations across our real estate, infrastructure and private equity businesses.

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months		LTM	
	2023	2022	2023	2022
BAM distributable earnings before realizations	\$ 422	\$ 491	\$ 1,991	\$ 1,961
Less: adjustment for the special distribution	—	(123)	(366)	(491)
Adjusted BAM distributable earnings before realizations	\$ 422	\$ 368	\$ 1,625	\$ 1,470
Adjusted distributable earnings before realizations	\$ 945	\$ 824	\$ 3,946	\$ 3,183
Per share				
Adjusted distributable earnings before realizations	<u>\$ 0.59</u>	<u>\$ 0.51</u>	<u>\$ 2.46</u>	<u>\$ 1.98</u>

1. Adjusted for the special distribution of a 25% interest in our Asset Management business.

5. Refer to page 26 for reconciliation of IFRS to non-IFRS measures.

See endnotes.

Capital

We create value for our shareholders by increasing the DE generated by our capital as well as capital appreciation over time as we execute on operational improvements and disciplined recycling of the underlying assets.

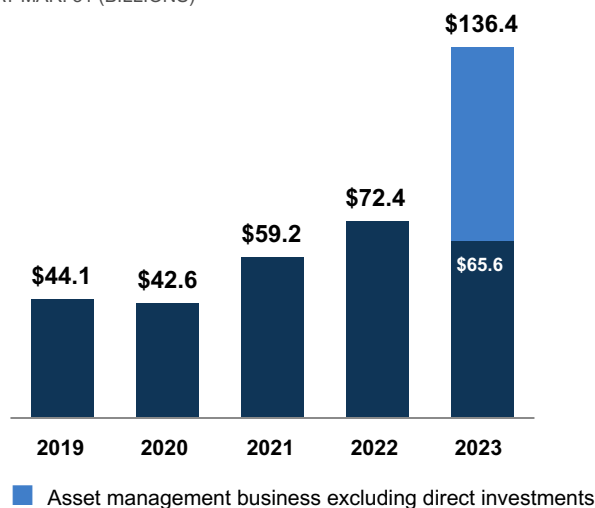
Our capital was \$136.4 billion on a blended basis as at March 31, 2023, on which we earn diversified, long-term, stable cash flows via dividends. Our capital generates \$4.7 billion of annualized distributions, with most of our earnings retained for reinvestment. We also generated unrealized carried interest of \$397 million in the quarter which is not included in the DE presented in the below table and instead is presented on page 12.

The following table provides a breakdown of our capital as at March 31, 2023 and December 31, 2022. We provide three methods for you to review: quoted prices, our IFRS values, and the blended values. We recommend you focus on the blended values as these include quoted market values and since we have control over these assets we believe we could liquidate for at least these values. Nonetheless, we provide this information so you can choose how to assess the numbers.

AS AT MAR. 31, 2023 AND DEC. 31, 2022 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	No. of Units	Quoted ¹		IFRS		Blended ²		Annualized Cash Flow ³
		2023	2022	2023	2022	2023	2022	
BAM	1,226	\$40,131	\$35,164	\$ 6,854	\$ 6,884	\$ 40,131	\$ 35,164	\$ 1,606
Target carried interest, net	N/A	N/A	N/A	N/A	N/A	24,950	25,860	—
Accumulated unrealized carried interest, net	N/A	N/A	N/A	N/A	N/A	5,763	5,609	—
Direct investments	N/A	N/A	N/A	12,488	11,638	12,488	11,638	906
Asset Management				19,342	18,522	83,332	78,271	2,512
Insurance Solutions⁴				4,006	3,996	8,012	7,992	700
BEP	312	9,986	8,005	4,561	4,635	9,986	8,005	421
BIP	209	7,230	6,591	2,461	2,524	7,230	6,591	320
BBU	142	2,702	2,491	2,548	2,439	2,702	2,491	36
BPG ⁵	N/A	N/A	N/A	23,149	22,825	24,543	24,383	769
Other	N/A	N/A	N/A	942	899	942	899	(52)
Operating Businesses				33,661	33,322	45,403	42,369	1,494
Total investments				57,009	55,840	136,747	128,632	4,706
Corporate and other				(349)	(467)	(349)	(467)	N/A
Capital				56,660	55,373	136,398	128,165	\$ 4,706
Debt and preferred capital ⁶				(16,700)	(15,765)	(16,700)	(15,765)	
Capital, net				\$39,960	\$39,608	\$119,698	\$112,400	
Per Share				\$ 24.65	\$ 24.32	\$ 73.83	\$ 69.00	

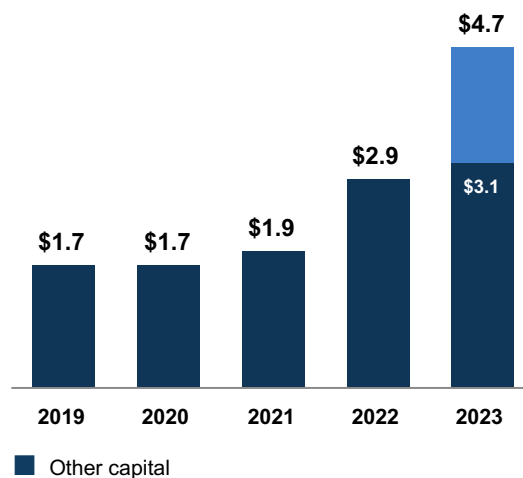
Capital

AS AT MAR. 31 (BILLIONS)



Annualized Cash Flow

AS AT MAR. 31 (BILLIONS)



See endnotes.

Capital Allocation

We allocate the free cash flows we receive to enhance value for our shareholders

FOR THE PERIODS ENDED MAR. 31
(MILLIONS)

	Three Months		LTM	
	2023	2022	2023	2022
Sources				
Distributable earnings, before realizations ^{1, 2}	\$ 945	\$ 947	\$ 4,312	\$ 3,674
Proceeds from realized carry ²	88	95	205	511
Dispositions of principal investments ²	—	118	332	1,225
	1,033	1,160	4,849	5,410
Return of capital				
Dividends paid to common shareholders	(110)	(220)	(769)	(824)
Share repurchases ³	(294)	(213)	(768)	(454)
Reinvestment in businesses				
Capital allocated to Asset Management business ⁴	(1,040)	(218)	(2,390)	(1,498)
Capital allocated to Insurance Solutions business	(145)	28	(3,077)	(663)
Perpetual affiliate unit/share purchases	(7)	—	(7)	(400)
BPY privatization	—	—	—	(3,426)
Other uses				
Debt/preferred share repayment ⁵	—	—	—	(2,600)
	(1,596)	(623)	(7,011)	(9,865)
Net financing activities	972	266	1,354	1,901
Other (uses) sources⁶	(519)	(218)	(516)	427
In-period change	\$ (110)	\$ 585	\$ (1,324)	\$ (2,127)

We target paying a modest distribution so that we are able to deploy the majority of the substantial free cash flow we receive towards supporting the growth of our three businesses, new strategic investments and share buy backs.

Over the LTM we allocated \$7.0 billion of capital—including distributable earnings before realizations of \$4.3 billion, proceeds from realizations of \$537 million, net financing of \$1.4 billion and \$1.3 billion of Corporate liquidity—to enhance returns for shareholders through the following:

- \$769 million of dividends paid to common shareholders;
- \$768 million to buy back shares well below our view of intrinsic value, purchasing ~20.6 million BN common shares and ~2.0 million preferred shares;
- \$2.4 billion primarily to invest into and alongside various private funds managed by BAM; and
- \$3.1 billion investment in our Insurance Solutions business primarily to support their acquisition of American National in May 2022.

1. Refer to page 26 for reconciliation of IFRS to non-IFRS measures.

See endnotes.

Liquidity Profile and Capital Structure

We manage our liquidity and capital resources on a group-wide basis and organize it into three principal tiers:

1. The Corporation¹, inclusive of our proportionate share of the liquidity of our asset management business;
2. Our perpetual affiliates (BEP, BIP, BBU and BPG); and
3. Managed funds or investments, either held directly or within perpetual affiliates.

LIQUIDITY

The Corporation has very few non-discretionary capital requirements. We maintain significant liquidity (\$5.3 billion in the form of corporate cash and financial assets and undrawn credit facilities) at the corporate level to further enable the growth of the broader business. This does not include our ability to issue debt at the Corporation to replenish our cash resources on an otherwise very conservatively leveraged corporate balance sheet.

On a group basis, as at March 31, 2023, we had approximately \$113 billion of liquidity, which included corporate liquidity, perpetual affiliate liquidity, and uncalled private fund commitments. Uncalled fund commitments include third-party commitments available for drawdown in our private funds.

AS AT MAR. 31, 2023 AND DEC. 31, 2022
(MILLIONS)

Cash and financial assets, net²

Undrawn committed credit facilities

Core liquidity

Third-party uncalled private fund commitments

Total liquidity

Corporate Liquidity		Group Liquidity	
2023	2022	2023	2022
\$ 2,783	\$ 2,893	\$ 24,453	\$ 27,440
2,540	2,540	9,046	9,284
5,323	5,433	33,499	36,724
—	—	79,064	87,364
\$ 5,323	\$ 5,433	\$ 112,563	\$ 124,088

CAPITAL STRUCTURE

Virtually all of the debt within our business is issued by entities or assets within the funds, or other investing entities, that we manage and generally has no recourse to the Corporation. Only 6% of our consolidated debt is issued by, or has recourse to, the Corporation.

Our corporate capitalization was \$63 billion as at March 31, 2023, with a debt to capitalization level of approximately 18% at the corporate level based on book values, which excludes virtually all of the value of our asset management operations (see page 24 for details). Based on our market capitalization the corporate debt to capitalization level was 17%.

- Corporate borrowings excluding commercial paper totaled \$11 billion, with a weighted-average term of 12 years, and a weighted-average interest rate of 4.2%.
- Our corporate borrowings are supplemented by \$4 billion of perpetual preferred shares with a weighted-average cost of 4.6%.

AS AT MAR. 31, 2023
(MILLIONS)

Corporate borrowing

Term debt

Perpetual preferred shares⁴

Average		Total ³	Maturity					
Term	Rate		2023	2024	2025	2026	2027	2028+
12	4.2 %	\$ 11,395	\$ —	\$ 1,120	\$ 500	\$ 1,129	\$ 370	\$ 8,276
perp.	4.6 %	4,333	—	—	—	—	—	n/a
		\$ 15,728	\$ —	\$ 1,120	\$ 500	\$ 1,129	\$ 370	\$ 8,276

2. Corporate cash and financial assets includes our proportionate share of the asset management business' cash and financial assets (\$2.4 billion).

See endnotes.

Distributable Earnings and Net Income

FOR THE PERIODS ENDED MAR. 31
(MILLIONS, EXCEPT PER SHARE AMOUNTS)

Operating activities

	Three Months		LTM	
	2023	2022	2023	2022
Asset management	\$ 678	\$ 714	\$ 2,921	\$ 2,827
Insurance solutions	145	13	520	42
Operating businesses	304	367	1,522	1,417
Corporate activities and other	(182)	(147)	(651)	(612)
Distributable earnings before realizations	945	947	4,312	3,674
Realized carried interest, net	206	128	633	620
Realized disposition gains ^{2,3}	6	107	259	663
Distributable earnings	1,157	1,182	5,204	4,957
Less: realized disposition gains	(6)	(107)	(259)	(663)
Add: disposition gains in net income	55	165	217	402
Fair value changes ³	(480)	663	(2,324)	1,433
Depreciation and amortization ³	(564)	(511)	(2,203)	(1,892)
Deferred income taxes ³	141	(199)	227	(570)
Cash retained in businesses	(183)	166	(45)	423
Net income	\$ 120	\$ 1,359	\$ 817	\$ 4,090

Per share⁴

Distributable earnings before realizations	\$ 0.59	\$ 0.58	\$ 2.69	\$ 2.29
Distributable earnings	0.72	0.73	3.25	3.09
Net income	0.05	0.81	0.42	2.45

See endnotes.

Detailed Analysis

Asset Management

Our Asset Management business is one of the leading global alternative investment businesses, with over \$825 billion of assets under management across renewable power and transition, infrastructure, private equity, real estate and credit

Our Asset Management business creates value by:

- Increasing fee-bearing capital, which increases our fee revenues and fee-related earnings
- Achieving attractive investment returns, which enables us to earn performance income (carried interest)
- Maintaining cost discipline as we scale our operations

Our Asset Management business targets growing its fee-related earnings and distributable earnings by 15%+ per year.

We value our Asset Management business as the sum of: i) the market value of BAM and applying a multiple to annualized fee-related earnings; ii) applying a multiple to generated carried interest, net and target carried interest, net; and iii) our accumulated unrealized carried interest, net.

FEE BEARING CAPITAL AND DISTRIBUTABLE EARNINGS

Fee-bearing capital increased by \$53 billion or 14% over the LTM to \$432 billion, resulting in growth in distributions from BAM of 15% to \$2.0 billion for the LTM.

	Fee-Bearing Capital ¹		Three Months		LTM		Annualized
	2023	2022	2023	2022	2023	2022	
AS AT AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)							
Fee revenues ²	<u>\$431,661</u>	<u>\$378,587</u>	<u>\$1,080</u>	<u>\$ 965</u>	<u>\$4,163</u>	<u>\$3,687</u>	<u>\$ 4,457</u>
Direct costs ³			(504)	(435)	(1,862)	(1,603)	(2,136)
			576	530	2,301	2,084	2,321
Amounts attributable to other shareholders			(29)	(38)	(139)	(160)	(116)
Fee-related earnings			547	492	2,162	1,924	2,205
Cash taxes			(37)	(21)	(114)	(64)	(268)
Other income (expense)			34	(5)	25	13	128
Add back: equity-based compensation costs			19	25	94	88	76
Distributable earnings			563	491	2,167	1,961	2,141
Amounts not attributable to the Corporation			(141)	—	(176)	—	(535)
Distributable earnings at our share			422	491	1,991	1,961	\$ 1,606
Less: adjustment for the special distribution			—	(123)	(366)	(491)	
Distributable earnings before realizations, adjusted for special distribution			\$ 422	\$ 368	\$1,625	\$1,470	

- Fee-bearing capital ("FBC") was \$432 billion as at March 31, 2023, an increase of approximately \$53 billion or 14% over the prior period.
- We had inflows of \$98 billion over the LTM, raising \$39 billion for our flagship funds, including final closes for our inaugural transition and fourth real estate flagship funds, as well as closes for our fifth infrastructure and sixth private equity flagship funds.
- We continue to make progress across our other complementary strategies, raising a further \$59 billion of capital during the LTM, with notable successes including capital raised for our third infrastructure debt fund, our supercore perpetual infrastructure fund and our infrastructure income fund.
- Our asset management business generated fee-related earnings of \$2.2 billion for the LTM, representing an increase of 22% excluding performance fees compared to the prior period.
- As at March 31, 2023, the market value of BAM was \$32.72 per share, equating to \$40.1 billion of value for the 1,226 million shares of BAM we own today.

See endnotes.

Asset Management cont'd

CARRIED INTEREST

We generated unrealized carried interest, net of costs, for the LTM of \$1.5 billion, with virtually all our funds tracking to meet or exceed their target returns

UNREALIZED CARRIED INTEREST CONTINUITY^{1,2}

AS AT AND FOR THE PERIODS ENDED MAR. 31, 2023 (MILLIONS)	Three Months			LTM		
	Unrealized Carried Interest	Direct Costs	Net	Unrealized Carried Interest	Direct Costs	Net
Accumulated unrealized, beginning of period	\$ 9,143	\$ (3,021)	\$ 6,122	\$ 8,404	\$ (2,753)	\$ 5,651
In period change						
Generated in period	654	(257)	397	2,233	(741)	1,492
Foreign currency revaluation	27	(8)	19	(222)	59	(163)
	681	(265)	416	2,011	(682)	1,329
Less: realized	(464)	208	(256)	(1,055)	357	(698)
	217	(57)	160	956	(325)	631
Accumulated unrealized, end of period	9,360	(3,078)	6,282	9,360	(3,078)	6,282
Carried interest not attributable to Corporation	(1,098)	579	(519)	(1,098)	579	(519)
Accumulated unrealized, end of period, net	\$ 8,262	\$ (2,499)	\$ 5,763	\$ 8,262	\$ (2,499)	\$ 5,763

THREE MONTHS

- Accumulated unrealized carried interest before foreign exchange and associated costs increased \$654 million during the quarter, primarily related to higher valuations in our flagship infrastructure, private equity and credit funds.
- We realized \$464 million of carried interest in the quarter, with realizations across the business.

LTM

- Accumulated unrealized carried interest before foreign exchange and associated costs increased by \$2.2 billion over the LTM, caused by valuation increases across a number of our strategies.
- We realized \$1.1 billion of carried interest over the LTM due to asset monetizations as we returned capital to clients across various flagship and other funds.
- \$4.4 billion of the accumulated unrealized carried interest, net, is expected to be realized within the next three years.
- Refer to pages 29 to 30 of Brookfield Asset Management Ltd.'s Q1 2023 Supplemental Information which outlines actual returns and illustrates how we are tracking towards target returns.

Asset Management cont'd

TARGET CARRIED INTEREST

Target carried interest reflects our estimate of the carried interest earned on a straight-line basis over the life of a fund, assuming target returns are achieved

AS AT MAR. 31, 2023 (MILLIONS)	Carry Eligible Capital ¹	Gross Target Return ^{2,3}	Average Carried Interest	Annualized Target Carried Interest ⁴
Opportunistic	\$ 43,058	18% – 25%	~20%	\$ 1,543
Value add	2,700	10% – 15%	~20%	62
Credit, core plus and other	55,218	10% – 15%	~15%	1,040
Oaktree	47,159	10% – 20%	~20%	1,208
	148,135			3,853
Uncalled fund commitments ^{5,6}				
Brookfield Corporation	51,840			1,112
Oaktree	13,149			249
Total carry eligible capital/target carried interest	\$ 213,124			5,214
Target carried interest not attributable to the Corporation ⁷				(1,507)
				\$ 3,707

Target carried interest on capital currently invested is \$3.9 billion per annum, and \$1.4 billion on capital not yet invested. Total target carried interest is \$3.7 billion at our share, or \$2.5 billion net of costs (December 31, 2022 – \$2.6 billion). We determine the value of our target carried interest using an industry multiple (currently 10x). As at March 31, 2023, the value of our target carried interest was \$24.9 billion.

1. As at March 31, 2023, \$148.1 billion of carry eligible capital has been invested and an additional \$65.0 billion of committed capital will become carry eligible once invested.

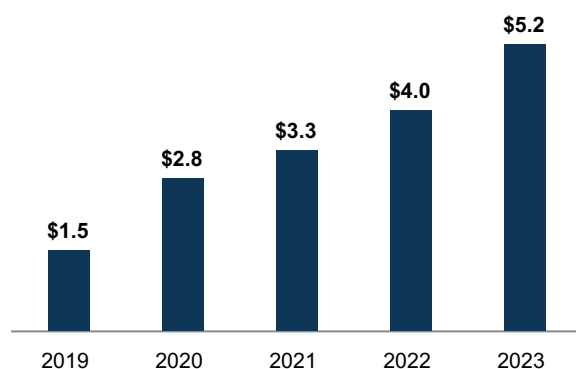
7. Includes Oaktree target carried interest attributable to the 32% of Oaktree not held by the Corporation. The Corporation retains 100% of the carried interest earned on mature funds and is entitled to receive 33.3% of the carried interest on new funds of our asset management business.

ANNUALIZED TARGET CARRIED INTEREST

For planning purposes, we use current carry eligible capital multiplied by target fund returns and our average carried interest rate to determine annualized carried interest, and then subtract associated direct costs to arrive at a 70% margin for Brookfield, and 50% margin for Oaktree, which is “net target carried interest.”

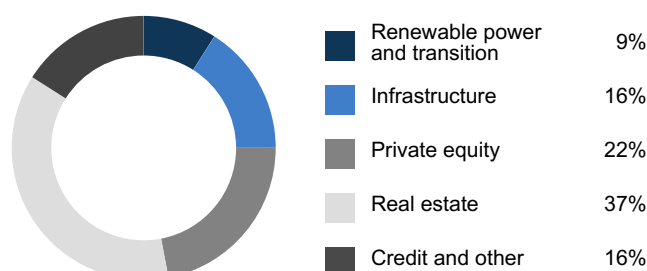
Target Carried Interest

AS AT MAR. 31 (BILLIONS)



Target Carry Diversification

AS AT MAR. 31, 2023



See endnotes.

Asset Management cont'd

DIRECT INVESTMENTS

We include the discretionary capital that we invest directly into and alongside private funds managed by BAM and other investments within the results of our Asset Management business

We have \$12.5 billion of capital in direct investments, which includes \$7.7 billion in flagship real estate private funds that are managed by BAM with long-term track records of earning strong returns. Also included in direct investments is \$5.6 billion of capital invested in other private funds managed by BAM and other investments. We look to deliver blended total annualized returns of 15% or more for our direct investments and we determine their value using fair value under IFRS.

Over the LTM, FFO from our direct investments was \$883 million with growth from NOI and acquisitions completed in our flagship real estate funds more than offset by the impact of asset sales and higher interest rates.

AS AT MAR. 31, 2023 AND DEC. 31, 2022 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	FFO ¹								Annualized Cash Flow
	IFRS		Blended		Three Months		LTM		
	2023	2022	2023	2022	2023	2022	2023	2022	
Direct investments	\$ 12,488	\$ 11,638	\$ 12,488	\$ 11,638	\$ 19	\$ 117	\$ 235	\$ 402	
Disposition gains					52	281	648	1,020	
Total FFO					\$ 71	\$ 398	\$ 883	\$ 1,422	
Cash distributions received					\$ 256	\$ 223	\$ 930	\$ 866	\$ 906

Refer to page 19 for a summary of the combined results and total distributions of our real estate business, including the investments we have made in our real estate private funds presented above.

Direct Investments

AS AT MAR. 31, 2023



The **flagship real estate private funds** within which we invest own high-quality assets and portfolios with operational upside across office, retail, multifamily, logistics, hospitality, triple net lease, self-storage, student housing and manufactured housing sectors. As the funds approach their end of fund life, typically five to ten years with two one-year extensions, fund assets are monetized with our capital recycled into newer vintages.

Refer to the below table for the vintage and percentage of realization of flagship real estate private funds. With the exception of IFRS value of remaining equity, amounts presented below are in accordance with Investment Company Accounting under US GAAP, which aligns with the reporting of each private fund.

AS AT MAR. 31, 2023 (MILLIONS)	Vintage Year	IFRS value of remaining equity	Amount invested	Amount realized ⁴	Gross IRR ⁵ / Gross TWR ⁶	Net IRR / Net TWR
BSREP I	2012	\$ 341	\$ 1,572	\$ 2,820	21.8 %	18.2 %
BSREP II	2015	2,190	2,663	2,701	16.1 %	12.9 %
BSREP III	2018	3,990	3,460	852	17.6 %	12.6 %
BSREP IV ⁴	2021	1,182	1,274	60	N/A	N/A
Flagship real estate funds		\$ 7,703	\$ 8,969	\$ 6,433		

Our other direct investments include the following investments in funds managed by BAM: \$1.5 billion in private equity funds, \$1.4 billion in other real estate funds, \$1.6 billion in opportunistic and other credit funds, and \$266 million in other investments. For the three months and LTM ended March 31, 2023, these investments contributed \$56 million (2022 - \$33 million) and \$156 million (2022 - \$96 million) of FFO, respectively.

See endnotes.

Insurance Solutions

Our Insurance Solutions business, via our investment in BNRE, is a leading financial services business providing capital-based solutions to the insurance industry, offering a broad range of insurance products and services to individuals and institutions

Our Insurance Solutions business creates value by:

- Acquiring long duration and predictable insurance liabilities on a value basis
- Applying a proactive risk management approach to minimize the risk of underwritten liabilities through robust underwriting processes, reinsurance, duration matching and liquidity management
- Leveraging Brookfield's broader investment capabilities to earn attractive risk-adjusted returns on our insurance assets in excess of the cost of the insurance liabilities we manage

Our Insurance Solutions business targets a 15%+ annual return on equity and we value this business based on the Intrinsic value of our capital ("IVC"), which represents our view of the fair value of the business. We determine the IVC using a discounted cash flow analysis of the in-place earnings of the Insurance Solutions business and an unlevered discount rate (currently 8%).

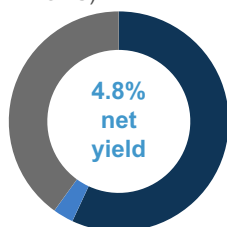
As at March 31, 2023, our capital in the Insurance Solutions business is \$4.0 billion (December 31, 2022 - \$4.0 billion) on an IFRS basis and \$8.0 billion (December 31, 2022 - \$8.0 billion) on an IVC basis.

We generated DE of \$520 million over the LTM with annualized earnings of \$700 million today

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Distributable Earnings				Annualized Cash Flow
	Three Months		LTM		
	2023	2022	2023	2022	
Net investment income	\$ 451	\$ 71	\$ 1,447	\$ 197	
Cost of insurance	(216)	(36)	(655)	(118)	
Interest expense	(60)	(9)	(180)	(18)	
Operating expenses and other	(30)	(13)	(92)	(19)	
Distributions	\$ 145	\$ 13	\$ 520	\$ 42	\$ 700

Insurance Assets

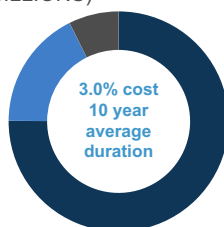
AS AT MAR. 31, 2023
(BILLIONS)



Liquid fixed income	57%
Private credit / Asset based lending	40%
Real Estate	3%

Insurance Liabilities

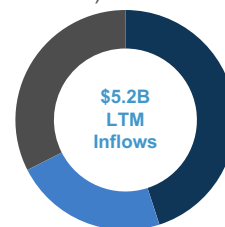
AS AT MAR. 31, 2023
(BILLIONS)



Annuities	75%
Life	17%
Property and casualty	8%

Inflows

FOR THE LTM ENDED MAR. 31, 2023
(BILLIONS)



Direct insurance	44%
Reinsurance	23%
PRT	33%

Operating Businesses

We have approximately \$35 billion of capital invested in our four global operating businesses: Renewable Power & Transition, Infrastructure, Private Equity and Real Estate

Each of these businesses share key characteristics of being highly diversified by sector and geography, generating stable and often inflation linked revenue streams, high cash margins, market leading positions, high barriers to entry and opportunities to invest additional capital to enhance returns, all of which enable us to generate very attractive risk adjusted returns on our capital.

The capital we have invested in our Renewable Power & Transition, Infrastructure and Private Equity Operating Businesses is predominantly held via our 48% interest in BEP, our 27% interest in BIP and our 65% interest in BBU. Each of these are publicly listed perpetual capital vehicles that also act as our primary vehicles for making commitments to our flagship private funds, providing them each with a very strong pipeline for growth.

Our remaining capital is invested in our wholly owned private Real Estate business. The portfolio is comprised of 35 of the world's highest quality office and retail assets and a portfolio of 184 office and retail assets that we plan to sell over time, with the proceeds to be recycled into new investment opportunities.

RENEWABLE POWER & TRANSITION

Our Renewable Power & Transition business owns a diverse portfolio of high-quality assets across multiple continents and technologies including hydroelectric, wind, utility-scale solar, and distributed energy and sustainable solutions investments

Our capital in this business is via:

- Our 48% ownership interest in BEP, one of the world's largest publicly traded pure-play renewable power platforms
- Energy contracts, which are our contractual arrangement with BEP to purchase power generated by certain North American hydro assets at a fixed price that is then resold on a contracted or uncontracted basis

Our Renewable Power & Transition business seeks to deliver 12 to 15% total returns and 5 to 9% distribution growth annually, and creates value by:

- Acquiring operating assets and businesses on a value basis
- Increasing the cash income generated by its assets through operational improvements
- Disciplined recycling of assets and businesses into higher growth opportunities

We value our Renewable Power & Transition business using the trading price of BEP, and the IFRS value of the energy contracts, which we revalue on an annual basis.

Operating FFO from our Renewable Power & Transition business increased by 56% to \$398 million for the LTM, supporting a 27% increase in cash distributions received of approximately \$353 million over the same period.

AS AT MAR. 31, 2023 AND DEC. 31, 2022 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Operating FFO ¹								Annualized Cash Flow
	IFRS		Blended		Three Months		LTM		
	2023	2022	2023	2022	2023	2022	2023	2022	
BEP ²	\$ 9,465	\$ 9,608	\$ 20,679	\$ 16,577	\$ 275	\$ 243	\$ 1,037	\$ 935	
Incentive distributions	—	—	—	—	(27)	(24)	(99)	(84)	
Non-controlling interests	(4,904)	(4,973)	(10,693)	(8,572)	(130)	(113)	(486)	(442)	
Segment reallocation and other	—	—	—	—	1	(5)	(2)	(47)	
Brookfield's interest	4,561	4,635	9,986	8,005	119	101	450	362	
Energy contracts	754	639	754	639	(35)	(36)	(52)	(107)	
Capital / Operating FFO	\$ 5,315	\$ 5,274	\$ 10,740	\$ 8,644	\$ 84	\$ 65	\$ 398	\$ 255	
Cash distributions received					\$ 70	\$ 64	\$ 353	\$ 278	\$ 369

- Cash distributions received and operating FFO increased by 27% and 56%, respectively, over the LTM primarily due to strong hydrology in North and Latin America and favourable pricing from inflation indexation on our contracted generation.

See endnotes.

Operating Businesses cont'd

INFRASTRUCTURE

Our Infrastructure business is one of the world's largest infrastructure investors, which owns and operates assets across the transport, data, utilities, and midstream sectors

Our capital in this business is held via:

- Our 27% ownership interest in BIP, one of the largest owners and operators of critical global infrastructure networks
- Investments in sustainable resources, mainly timber, which were sold in 2022

Our Infrastructure business seeks to deliver 12 to 15% total returns and 5 to 9% distribution growth annually, and creates value by:

- Increasing inflation-protected and contracted cash flow through de-risking businesses and operational improvements
- Expanding our capacity with our record capital backlog
- Disciplined recycling of assets and businesses into higher growth opportunities

We value our Infrastructure business using the trading price of BIP.

Operating FFO from our Infrastructure business increased by 19% to \$518 million over the LTM, supporting a 4% increase in cash distributions received of approximately \$307 million over the same period.

AS AT MAR. 31, 2023 AND DEC. 31, 2022 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Operating FFO ¹								Annualized Cash Flow
	IFRS		Blended		Three Months		LTM		
	2023	2022	2023	2022	2023	2022	2023	2022	
	2023	2022	2023	2022	2023	2022	2023	2022	
BIP ²	\$ 8,579	\$ 9,023	\$26,640	\$24,285	\$ 554	\$ 493	\$2,148	\$1,795	
Incentive distributions	—	—	—	—	(66)	(60)	(246)	(217)	
Non-controlling interests	(6,118)	(6,499)	(19,410)	(17,694)	(352)	(316)	(1,370)	(1,136)	
Segment reallocation and other	—	—	—	—	(4)	(4)	(16)	(21)	
Brookfield's interest	2,461	2,524	7,230	6,591	132	113	516	421	
Other investments	188	260	188	260	—	2	2	13	
Capital / Operating FFO	\$ 2,649	\$ 2,784	\$ 7,418	\$ 6,851	\$ 132	\$ 115	\$ 518	\$ 434	
Cash distributions received					\$ 80	\$ 77	\$ 307	\$ 295	\$ 320

- Cash distributions received and operating FFO increased by 4% and 19%, respectively, over the LTM primarily due to contributions from acquisitions, as well as organic growth at our utilities operations as a result of inflation indexation and increases to rate base.

Operating Businesses cont'd

PRIVATE EQUITY

Our Private Equity business is a leading global investor with a focus on owning and operating businesses that provide essential products and services in the business services and industrial operations sectors

Our capital in this business is held via our 65% ownership interest in BBU, a global investor in business services and industrial operations companies.

BBU seeks to deliver 15% or more total annualized returns, and creates value by:

- Acquiring high-quality businesses which provide essential products and services on a value basis
- Enhancing and improving cash flows through operational improvement
- Disciplined recycling of assets and businesses into higher growth opportunities

We value our Private Equity business using the trading price of BBU.

Over the LTM, we generated \$775 million of operating FFO and \$36 million of DE. The cash distributions reflect BBU's policy of paying a modest distribution and reinvesting the majority of its FFO back into its businesses to further enhance value.

AS AT MAR. 31, 2023 AND DEC. 31, 2022 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	IFRS		Blended		Operating FFO ¹				Annualized Cash Flow
					Three Months		LTM		
	2023	2022	2023	2022	2023	2022	2023	2022	
BBU ²	\$ 5,027	\$ 4,885	\$ 4,131	\$ 3,808	\$ 381	\$ 310	\$1,387	\$1,338	
Performance fees	—	—	—	—	—	—	—	(157)	
Non-controlling interests	(2,479)	(2,446)	(1,429)	(1,317)	(132)	(109)	(497)	(426)	
Segment reallocation and other	—	—	—	—	(93)	—	(115)	(94)	
Capital / Operating FFO	\$ 2,548	\$ 2,439	\$ 2,702	\$ 2,491	\$ 156	\$ 201	\$ 775	\$ 661	
Cash distributions received					\$ 9	\$ 6	\$ 36	\$ 24	\$ 36

- Operating FFO increased by \$114 million over the LTM primarily due to contributions from the acquisitions in our business service and infrastructure service segments.

See endnotes.

Operating Businesses cont'd

REAL ESTATE

Our Real Estate business is a diversified global real estate portfolio that owns and operates one of the largest portfolios of office, retail and multifamily residential properties

Our capital in this business is held via our 100% ownership stake in BPG, which today consists of \$15 billion of capital invested in an irreplaceable portfolio of trophy mixed-use precincts in global gateway cities ("Core") and \$10 billion invested in a portfolio designed to maximize returns through a development or buy-fix-sell strategy ("Transitional and Development"), of which \$3 billion includes our capital invested in our North American residential business.

AS AT MAR. 31 (MILLIONS)	IFRS		Blended	
	2023	2022	2023	2022
Core ¹	\$ 14,756	\$ 14,548	\$ 14,756	\$ 14,548
Transitional and development ²	8,393	8,277	9,787	9,835
Brookfield's interest	\$ 23,149	\$ 22,825	\$ 24,543	\$ 24,383

1. Includes development projects
2. Net of allocation of corporate leverage at the BPG level

Our Real Estate business seeks to deliver blended total annualized returns of 10% or more, and creates value by:

- acquiring high-quality, best-located assets for value and leveraging our core capabilities including leasing, financing, development, design and construction, and property and facilities management to enhance cash flows
- maintaining our irreplaceable core assets while actively recycling our mature Transitional & Development assets to further enhance returns for shareholders

We primarily value our Real Estate business by using fair value under IFRS, which we revalue on a quarterly basis, and comparable market data for our North American residential business. Net Operating Income ("NOI") is the key performance metric for our Real Estate segment.

Over the LTM our Core and Transitional and Development Real Estate generated NOI of \$3.5 billion.

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	NOI ¹				Operating FFO ²				Annualized Cash Flow
	Three Months		LTM		Three Months		LTM		
	2023	2022	2023	2022	2023	2022	2023	2022	
Core ^{3, 4}	\$ 365	\$ 355	\$ 1,439	\$ 1,374	\$ 80	\$ 152	\$ 399	\$ 575	
Transitional and development ^{3, 4}	512	517	2,050	2,011	(86)	114	126	513	
	877	872	3,489	3,385	(6)	266	525	1,088	
Segment reallocation and other	—	—	—	—	(11)	(11)	(44)	(164)	
Capital / Operating FFO	\$ 877	\$ 872	\$ 3,489	\$ 3,385	\$ (17)	\$ 255	\$ 481	\$ 924	
Cash distributions received					\$ 145	\$ 220	\$ 826	\$ 820	\$ 769

The summary below shows the combined FFO and cash distributions received from our Real Estate business, which includes the investments we have made in our real estate private funds that we now present in our asset management business results.

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months		LTM		Annualized Cash Flow
	2023	2022	2023	2022	
Core and Transitional and Development Operating FFO per above	\$ (17)	\$ 255	\$ 481	\$ 924	
Real Estate LP Investments	15	365	683	891	
FFO – Real Estate	\$ (2)	\$ 620	\$ 1,164	\$ 1,815	
Core and Transitional and Development per above	\$ 145	\$ 220	\$ 826	\$ 820	\$ 769
Real Estate LP Investments	200	200	800	800	800
Cash distributions received – Real Estate	\$ 345	\$ 420	\$ 1,626	\$ 1,620	\$ 1,569

See endnotes.

Operating Businesses cont'd

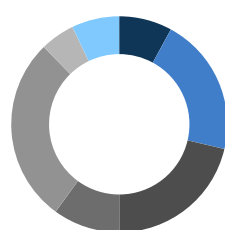
REAL ESTATE (cont'd)

Core

Our **core** real estate consists primarily of irreplaceable premier mixed-use precincts in key global markets, which include our top 35 trophy office complexes and retail properties. They generate stable and inflation-protected cash flow that are long-dated in nature. We create value by holding these investments long term and continue to develop them as needed.

Core Portfolio

AS AT MAR. 31, 2023



Downtown New York	8 %
Midtown New York	21 %
London	22 %
Other office	10 %
Market dominant retail	28 %
Urban retail	5 %
Other retail	6 %

- We own 16 office complexes that are located primarily in the world's leading commercial markets such as New York City, London, Toronto, Berlin, and Dubai, covering 33 million square feet
- We also own 19 irreplaceable malls totaling 24 million square feet of retail space.
- We develop properties on a selective basis; active development and redevelopment projects consist of two office sites, several multifamily sites and one hotel sites, totaling approximately five million square feet.

We maintain a strong occupancy rate and long average lease life across our core real estate portfolio:

AS AT MAR. 31, 2023	Number of complexes/ malls	Equity Value	Property Level Loan-to-Value	Occupancy	Lease Life	Discount rate
Downtown New York	1	\$ 2,165	59.9 %	93.0 %	8	6.6 %
Midtown New York	4	3,243	53.8 %	97.7 %	11	6.1 %
London	2	3,701	54.4 %	90.9 %	12	6.0 %
Other office	9	1,764	47.3 %	94.9 %	8	5.9 %
Core office	16	10,873	54.5 %	93.7 %	9	6.2 %
Market dominant retail	11	6,650	39.1 %	96.1 %	6	6.2 %
Urban retail	3	938	52.1 %	95.4 %	6	5.8 %
Other retail	5	1,628	42.3 %	97.2 %	4	6.4 %
Core retail	19	9,216	41.3 %	96.3 %	5	6.2 %
Total core	35	\$ 20,089	49.3 %	94.6 %	8	6.2 %

In addition to property level debt, we have capitalized this business with \$3.4 billion of perpetual preferred shares and \$2.2 billion of bonds with an average maturity of three years.

Operating Businesses cont'd

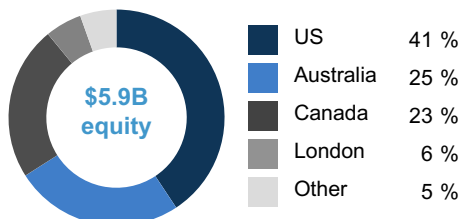
REAL ESTATE (cont'd)

Transitional and Development

The **transitional and development** portfolio invests in assets with significant value-add through development and leasing activities that are generally held for shorter time frames before being monetized for attractive returns.

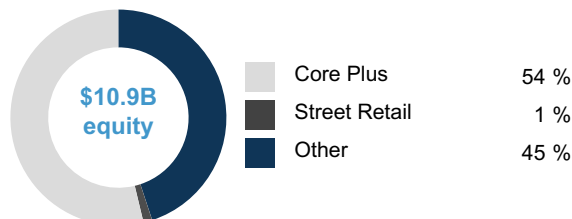
Office by Geography

AS AT MAR. 31, 2023



Retail by Type

AS AT MAR. 31, 2023



- We own interests in and operate office assets in more than 10 major metropolitan cities, mainly in North America and Australia, consisting of 90 properties totaling 59 million square feet of space.
- We also own 94 retail properties covering 86 million square feet of space.

AS AT MAR. 31, 2023	Number of properties	Equity Value	Property-Level Loan-to-Value ¹	Occupancy	Lease Life	Discount rate
U.S.	48	\$ 2,395	64.1 %	79.4 %	8	6.0 %
Australia	23	1,488	40.0 %	97.1 %	10	6.6 %
Canada	11	1,358	45.7 %	86.8 %	10	10.4 %
London	5	323	56.2 %	99.3 %	4	8.7 %
Other	3	321	27.0 %	100.0 %	7	7.4 %
Office	90	5,885	54.1 %	84.8 %	7	7.4 %
Core Plus	26	5,864	34.2 %	96.7 %	4	6.8 %
Street Retail	6	145	57.8 %	93.3 %	3	7.1 %
Other	62	4,905	59.9 %	85.6 %	3	8.5 %
Retail	94	10,914	49.2 %	89.2 %	4	7.6 %
Transitional & Development	184	\$ 16,799	51.0 %	87.7 %	\$ 5	7.5 %

- Excludes \$7.4 billion of medium term duration corporate debt at the BPG corporate level that we allocate to our transitional and development portfolio as we do not expect to hold this portion of our real estate portfolio over the long term.

North American Residential

Included in our transitional and development business is our North American residential business which is a leading land developer and homebuilder, with operations in 18 principal markets in Canada and the U.S. and approximately 81,000 lots. As at March 31, 2023, we had 75 active housing communities (December 31, 2022 – 71) and 32 active land communities (December 31, 2022 – 16). Of the \$1.8 billion capital invested in this business, \$1.3 billion relates to land held for development with the remainder associated with developed or in progress residential developments.

We create value in this business by monetizing consumer and commercial deliverables through home building, lot sales and development of commercial zones.

We measure value for this business based on a combination of IFRS values for developed properties and comparable market data for our land bank.

During the LTM, the North American residential business generated FFO of \$265 million.

AS AT MAR. 31, 2023 AND DEC. 31, 2022
AND FOR THE PERIODS ENDED MAR. 31
(MILLIONS)

	Operating FFO ¹							
	IFRS		Blended		Three Months		LTM	
	2023	2022	2023	2022	2023	2022	2023	2022
North American Residential	\$ 1,751	\$ 1,587	\$ 3,145	\$ 3,145	\$ 16	\$ 69	\$ 265	\$ 298
								Annualized
								210

See endnotes.

Corporate Activities

Corporate Activities include the investment of cash and financial assets, as well as the management of our corporate leverage, including corporate borrowings and preferred equity, which fund a portion of the capital invested in our other businesses

	Operating FFO ¹					
	Capital		Three Months		LTM	
	2023	2022	2023	2022	2023	2022
Working capital, net of corporate cash and other ²	\$ (349)	\$ (467)	\$ (29)	\$ (2)	\$ (41)	\$ (47)
Corporate borrowings / Interest expense	(12,367)	(11,390)	(136)	(117)	(523)	(447)
Perpetual preferred shares ³	(4,333)	(4,375)	—	—	—	—
Capital, net / Operating FFO	\$ (17,049)	\$ (16,232)	\$ (165)	\$ (119)	\$ (564)	\$ (494)

AS AT MAR. 31, 2023 AND DEC. 31, 2022
AND FOR THE PERIODS ENDED MAR. 31
(MILLIONS)

- **Working capital, net corporate cash and other**, includes accounts receivable, accounts payable, other assets and other liabilities, inclusive of deferred tax assets and liabilities; FFO also includes **corporate costs and cash taxes**.
- Our **corporate borrowings** reflect the amount of recourse debt held in the corporation.
- **Perpetual preferred equity** represents permanent, non-participating equity that provides leverage to our common equity.
- Corporate operating FFO deficit increased by to \$564 million over the LTM as a result of higher interest expense from the C\$1 billion medium term note issued in December 2022 and commercial paper issuances.

Disposition Gains on Principal Investments

FOR THE PERIODS ENDED MAR. 31
(MILLIONS)

Asset Management

Direct investments

Renewable power and transition

BEP secondary offering

Infrastructure

Other infrastructure

Private equity

Other private equity

Real Estate

Core

Transitional and development

Corporate

Other corporate

Disposition gains from principal investments¹

Three Months		LTM	
2023	2022	2023	2022
\$ 1	\$ 33	\$ 87	\$ 516
—	—	—	—
4	—	64	(6)
—	—	—	—
—	51	—	51
(1)	(1)	42	(2)
2	24	66	104
<u>\$ 6</u>	<u>\$ 107</u>	<u>\$ 259</u>	<u>\$ 663</u>

See endnotes.

Capitalization

Our underlying investments are typically financed at investment-grade levels on a non-recourse basis, with only 6% of the total leverage recourse to the Corporation

AS AT MAR. 31, 2023 AND DEC. 31, 2022
(MILLIONS)

	Corporate		Consolidated	
	2023	2022	2023	2022
Corporate borrowings	\$ 12,367	\$ 11,390	\$ 12,367	\$ 11,390
Non-recourse borrowings				
Subsidiary borrowings	—	—	16,282	15,140
Property specific borrowings	—	—	194,178	187,544
	<u>12,367</u>	<u>11,390</u>	<u>222,827</u>	<u>214,074</u>
Accounts payable and other	6,372	5,985	58,080	57,065
Deferred income tax liabilities	89	112	24,143	23,190
Subsidiary equity obligations	—	—	4,098	4,188
Liabilities associated with assets held for sale	—	—	680	876
Equity				
Non-controlling interests	230	230	102,851	98,138
Preferred equity	4,103	4,145	4,103	4,145
Common equity	39,960	39,608	39,960	39,608
	<u>44,293</u>	<u>43,983</u>	<u>146,914</u>	<u>141,891</u>
Total capitalization	<u>\$ 63,121</u>	<u>\$ 61,470</u>	<u>\$ 456,742</u>	<u>\$ 441,284</u>
Debt to capitalization ¹	18%	19%	49%	49%

See endnotes.

Common Share Information

COMMON SHARE CONTINUITY

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months		LTM	
	2023	2022	2023	2022
Outstanding at beginning of period	1,573.4	1,568.8	1,566.3	1,510.0
Issued (repurchased)				
Issuances	0.3	—	1.7	61.3
Repurchases	(10.5)	(3.9)	(23.8)	(11.1)
Long-term share ownership plans	1.2	1.3	19.0	5.9
Dividend reinvestment plan	—	0.1	1.2	0.2
Outstanding at end of period	1,564.4	1,566.3	1,564.4	1,566.3
Unexercised options, other share-based plans and exchangeable shares of affiliate	56.9	84.7	56.9	84.7
Total diluted shares at end of period	1,621.3	1,651.0	1,621.3	1,651.0

- The company holds 70.7 million common shares for escrowed stock plans, which have been deducted from the total number of shares outstanding.
- Cash value of unexercised options as at March 31, 2023 was \$1.1 billion (March 31, 2022 – \$1.4 billion).

DE AND EARNINGS PER SHARE INFORMATION

FOR THE THREE MONTHS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Distributable Earnings		Net Income	
	2023	2022	2023	2022
DE / Net income	\$ 1,157	\$ 1,182	\$ 120	\$ 1,359
Preferred share dividends	—	—	(41)	(37)
DE / Net income available to shareholders	1,157	1,182	79	1,322
Dilutive impact of exchangeable shares of affiliate	—	—	—	2
DE / Net income available to shareholders including dilutive impact of exchangeable shares	\$ 1,157	\$ 1,182	\$ 79	\$ 1,324
Weighted average shares	1,571.4	1,567.8	1,571.4	1,567.8
Dilutive effect of conversion of options and other share-based plans using treasury stock method and exchangeable shares of affiliate	25.3	59.0	15.8	59.0
Shares and share equivalents	1,596.7	1,626.8	1,587.2	1,626.8
Per share	\$ 0.72	\$ 0.73	\$ 0.05	\$ 0.81

Reconciliation of IFRS to Non-IFRS Measures

OVERVIEW

We disclose certain non-IFRS financial measures in these supplemental schedules. Reconciliations of these non-IFRS financial measures to the most directly comparable financial measures calculated and presented in accordance with IFRS are presented below. Management assesses the performance of its business based on these non-IFRS financial measures. These non-IFRS financial measures should be considered in addition to, and not as a substitute for or superior to, net income or other financial measures presented in accordance with IFRS.

FOR THE THREE MONTHS ENDED MAR. 31
(MILLIONS)

	2023	2022
Net income	\$ 424	\$ 2,960
Financial statement components not included in FFO		
Equity accounted fair value changes and other non-FFO items ¹	804	226
Fair value changes	(38)	(1,780)
Depreciation and amortization	2,188	1,811
Deferred income taxes	(92)	425
Realized disposition gains in fair value changes or prior periods	116	368
Non-controlling interests in FFO ²	(2,222)	(2,413)
Funds from operations	1,180	1,597
Less: disposition gains in FFO	(212)	(356)
Less: realized carried interest, net	(206)	(128)
Less: FFO from asset management business	(427)	(583)
Less: FFO from operating businesses	(355)	(636)
Less: FFO from corporate costs and other	165	119
Distributions from asset management	678	714
Distributions from operating businesses	304	367
Corporate costs and other	(182)	(147)
Distributable earnings before realizations	945	947
Realized carried interest, net ³	206	128
Disposition gains from principal investments	6	107
Distributable earnings⁴	\$ 1,157	\$ 1,182

See endnotes.

Entity Basis – Reconciliation to Reportable Segments – Capital

AS AT MAR. 31, 2023
(MILLIONS)

Asset Management

Brookfield Asset Management
Direct investments

Insurance Solutions

Operating Businesses

Brookfield Renewable Partners
Brookfield Infrastructure Partners
Brookfield Business Partners
Brookfield Property Group¹
Other operating businesses

Corporate and other

Corporate cash and financial assets
Net working capital

Debt and preferred capital

Corporate borrowings
Perpetual preferred shares

	Reportable Segments						
	Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate	Total
\$ 6,854	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6,854
—	—	—	—	2,296	9,056	1,136	12,488
6,854	—	—	—	2,296	9,056	1,136	19,342
—	—	—	—	—	—	4,006	4,006
—	—	4,561	—	—	—	—	4,561
—	—	—	2,461	—	—	—	2,461
—	—	—	—	2,548	—	—	2,548
—	—	—	—	—	23,149	—	23,149
—	754	188	—	—	—	—	942
—	5,315	2,649	2,548	23,149	—	—	33,661
—	—	—	—	—	—	398	398
—	—	—	—	—	—	(747)	(747)
—	—	—	—	—	—	(349)	(349)
—	—	—	—	—	—	(12,367)	(12,367)
—	—	—	—	—	—	(4,333)	(4,333)
—	—	—	—	—	—	(16,700)	(16,700)
\$ 6,854	\$ 5,315	\$ 2,649	\$ 4,844	\$ 32,205	\$ (11,907)	\$	\$ 39,960

See endnotes.

Entity Basis – Reconciliation to Reportable Segments – Three Months DE

FOR THE THREE MONTHS ENDED MAR. 31, 2023
(MILLIONS)

Asset Management

Brookfield Asset Management
Realized carried interest
Direct investments

Reportable Segments							Total
Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate		
\$ 422	\$ —	\$ —	\$ —	\$ —	\$ —	\$	422
206	—	—	—	—	—		206
—	—	—	25	200	31		256
628	—	—	25	200	31		884
Insurance Solutions	—	—	—	—	145		145
Operating Businesses							
Brookfield Renewable Partners	—	105	—	—	—		105
Brookfield Infrastructure Partners	—	—	80	—	—		80
Brookfield Business Partners	—	—	—	9	—		9
Brookfield Property Group ¹	—	—	—	—	145		145
Other operating businesses	—	(35)	—	—	—		(35)
—	70	80	9	145	—		304
Corporate and other							
Corporate cash and financial assets	—	—	—	—	(15)		(15)
Net working capital	—	—	—	—	(14)		(14)
Add back: equity-based compensation costs	—	—	—	—	27		27
—	—	—	—	—	(2)		(2)
Debt and preferred capital							
Corporate borrowings	—	—	—	—	(136)		(136)
Perpetual preferred shares	—	—	—	—	(44)		(44)
—	—	—	—	—	(180)		(180)
Disposition gains	—	—	4	—	2		6
\$ 628	\$ 70	\$ 84	\$ 34	\$ 345	\$ (4)	\$	1,157

See endnotes.

Entity Basis – Reconciliation to Reportable Segments – LTM DE

FOR THE LTM ENDED MAR. 31, 2023
(MILLIONS)

Asset Management

Brookfield Asset Management
Realized carried interest
Direct investments

Reportable Segments							
Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate	Total	
\$ 1,991	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,991	
633	—	—	—	—	—	633	
—	—	—	128	800	2	930	
2,624	—	—	128	800	2	3,554	
—	—	—	—	—	520	520	
—	405	—	—	—	—	405	
—	—	305	—	—	—	305	
—	—	—	36	—	—	36	
—	—	—	—	826	—	826	
—	(52)	2	—	—	—	(50)	
—	353	307	36	826	—	1,522	
—	—	—	—	—	37	37	
—	—	—	—	—	(78)	(78)	
—	—	—	—	—	77	77	
—	—	—	—	—	36	36	
—	—	—	—	—	(523)	(523)	
—	—	—	—	—	(164)	(164)	
—	—	—	—	—	(687)	(687)	
—	—	64	44	85	66	259	
\$ 2,624	\$ 353	\$ 371	\$ 208	\$ 1,711	\$ (63)	\$ 5,204	

See endnotes.

Entity Basis – Reconciliation to Reportable Segments – Three Months FFO

FOR THE THREE MONTHS ENDED MAR. 31, 2023
(MILLIONS)

Asset Management

Brookfield Asset Management
Realized carried interest
Direct investments

	Reportable Segments						
	Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate	Total
Brookfield Asset Management	\$ 408	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 408
Realized carried interest	206	—	—	—	—	—	206
Direct investments	—	—	—	25	(37)	31	19
	614	—	—	25	(37)	31	633
Insurance Solutions	—	—	—	—	—	145	145
Operating Businesses							
Brookfield Renewable Partners	—	119	—	—	—	—	119
Brookfield Infrastructure Partners	—	—	132	—	—	—	132
Brookfield Business Partners	—	—	—	156	—	—	156
Brookfield Property Group ¹	—	—	—	—	(17)	—	(17)
Other operating businesses	—	(35)	—	—	—	—	(35)
	—	84	132	156	(17)	—	355
Corporate and other							
Corporate cash and financial assets	—	—	—	—	—	(15)	(15)
Net working capital	—	—	—	—	—	(14)	(14)
	—	—	—	—	—	(29)	(29)
Debt and preferred capital							
Corporate borrowings	—	—	—	—	—	(136)	(136)
	—	—	—	—	—	(136)	(136)
Disposition gains	—	(1)	4	93	114	2	212
	\$ 614	\$ 83	\$ 136	\$ 274	\$ 60	\$ 13	\$ 1,180

See endnotes.

Entity Basis – Reconciliation to Reportable Segments – LTM FFO

FOR THE LTM ENDED MAR. 31, 2023
(MILLIONS)

Asset Management

Brookfield Asset Management
Realized carried interest
Direct investments

Reportable Segments							Total
Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate		
\$ 1,904	\$ —	\$ —	\$ —	\$ —	\$ —	\$	1,904
633	—	—	—	—	—		633
—	—	—	128	79	28		235
2,537	—	—	128	79	28		2,772
Insurance Solutions							
—	—	—	—	—	520		520
Operating Businesses							
—	450	—	—	—	—		450
—	—	516	—	—	—		516
—	—	—	775	—	—		775
—	—	—	—	481	—		481
—	(52)	2	—	—	—		(50)
—	398	518	775	481	—		2,172
Corporate and other							
—	—	—	—	—	37		37
—	—	—	—	—	(78)		(78)
—	—	—	—	—	(41)		(41)
Debt and preferred capital							
—	—	—	—	—	(523)		(523)
—	—	—	—	—	(523)		(523)
Disposition gains							
—	16	143	174	578	66		977
\$ 2,537	\$ 414	\$ 661	\$ 1,077	\$ 1,138	\$ 50	\$	5,877

See endnotes.

Endnotes

Distributable Earnings – Page 5

2. Annualized distributions are calculated by multiplying units held as at March 31, 2023 by the current distribution rates per unit.
3. Annualized distributions for corporate cash and financial assets are calculated as an estimated 8% total return on the current quarter's ending balance.
4. Includes \$3 million (2022 – \$3 million) and \$10 million (2022 – \$10 million) of dividends paid on perpetual subordinated notes for the three and twelve months ended March 31, 2023, respectively.
6. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended March 31, 2023 were 1,596.7 million and 1,603.3 million, respectively (March 31, 2022 – 1,626.8 million and 1,605.9 million, respectively).

Capital – Page 6

1. Quoted based on March 31, 2023 and December 31, 2022 public pricing, respectively.
2. The blended values include our invested capital in other unlisted investments within the operating businesses. We determine the blended value of our capital using the quoted value of listed investments, IFRS values for direct investments, and an industry multiple (10x) for target carried interest of our asset management business.
3. Distributed cash flow (current) from our listed investments is calculated by multiplying units held as at March 31, 2023 by the current distribution rates per unit. Corporate cash and financial asset distribution is calculated by applying an 8% total return on the current quarter's ending balance. Distributions on our unlisted investments is equal to the total distributions received over the last twelve month period.
4. Blended value represents management's view of the fair value of our insurance solutions business.
5. Blended value includes the fair value of comparable assets in our North America residential business.
6. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

Capital Allocation – Page 7

2. Subject to timing differences between period when earned and period when cash is received.
3. Includes repurchases of Corporation common and preferred shares.
4. This includes cash used to fund capital calls, seed investments and various risk management trades.
5. Relates to cash utilized to opportunistically repay high coupon debt and preferred shares of our perpetual affiliates.
6. Includes adjustments for accrued items, carried interest proceeds subject to clawback, financial asset mark-to-market changes and other items.

Liquidity and Capital Structure – Page 8

1. Refer to Glossary of Terms starting on page 35.
3. Draws on commercial paper issuances are excluded from the debt repayment schedule as they are not a permanent source of capital.
4. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

Distributable Earnings and Net Income – Page 9

1. Net of non-controlling interests. Refer to page 26 for reconciliations of IFRS to non-IFRS measures.
2. DE includes gains (net of losses) recorded in net income, directly in equity and the realization of appraisal gains and losses recorded in prior periods.
3. Includes amounts attributable to consolidated entities and equity accounted investments.
4. For DE per share purposes, average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended March 31, 2023 were 1,596.7 million and 1,603.3 million, respectively (March 31, 2022 – 1,626.8 million and 1,605.9 million, respectively).
5. For Net Income per share purposes, average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended March 31, 2023 were 1,587.2 million and 1,592.2 million, respectively (March 31, 2022 – 1,626.8 million and 1,605.9 million, respectively).

Endnotes cont'd

Asset Management – Page 11

1. Fee-bearing capital from Oaktree is shown on a 100% basis.
2. We use a 55% – 65% range for margin on Brookfield fee revenue and a range of 25% – 35% on Oaktree fee revenue for planning purposes. For annualized fees, we have assumed a mid-point fee-related earnings margin of 60% and 30% for Brookfield and Oaktree, respectively.
3. Direct costs related to annualized fee revenues include \$825 million related to Oaktree (2022 – \$798 million, respectively).

Carried Interest – Page 12

1. Amounts dependent on future investment performance. Represents management estimate of carried interest if funds were wound up at period end.
2. Carried interest in respect of third-party capital.

Target Carried Interest – Page 13

2. Carried interest is generated once a private fund exceeds its preferred return typically ranging from 5% – 9%. It will typically go through a catch-up period until the manager and limited partner (LP) are earning carry at their respective allocation.
3. Gross target return is before annual fund management fees ranging from 90 bps for core plus funds to 200 bps for certain opportunistic funds.
4. Based on carry eligible capital.
5. Uncalled fund commitments from carry eligible funds.
6. Target carry on uncalled fund commitments is discounted for two years at 10%, reflecting gross target return and average carried interest rate for uncalled fund commitments.

Direct Investments – Page 14

1. FFO includes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.
2. Brookfield Strategic Real Estate Partners (“BSREP”).
3. Brookfield Real Estate Finance Fund (“BREF”).
4. Represents the Corporation’s investments in the funds.
5. On existing carry eligible funds, excluding perpetual funds.
6. “Gross TWR” has not been annualized where the performance measurement date is within twelve months of the inception date. “Gross TWR” of the fund reflects performance after fund expenses and before management fees, and incentive fees (or equivalent fees), if any, which would reduce an investor’s return. Calculations are based on the NAV of the fund, which represents the fair value of the fund’s investments and other assets, less the value of its liabilities, adjusted by certain items as detailed in the fund’s partnership agreement, as amended, such as unamortized organizational expenses and deal costs. Fund performance is in the functional currency of each fund.

Operating Businesses – Page 16, 17, 18

1. Operating FFO excludes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.
2. The blended value represents the quoted value of our publicly listed investments as at March 31, 2023 and December 31, 2022.

Operating Businesses cont'd – Page 19

1. Net Operating Income or NOI is defined as property-specific revenues less direct operating expenses before the impact of depreciation and amortization.
2. Operating FFO excludes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.
3. Includes development projects.
4. Net of allocation of corporate leverage at the BPG level.

Endnotes cont'd

Operating Businesses cont'd – Page 21

1. Operating FFO excludes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.

Corporate Activities – Page 22

1. Operating FFO excludes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.
2. Invested capital includes a net deferred income tax asset of \$433 million (December 31, 2022 – \$363 million); FFO includes current tax expense of \$nil (2022 – expense of \$2 million) for the three months ended March 31, 2023 and \$2 million (2022 – recovery of \$18 million) for the LTM.
3. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest. FFO excludes preferred shares distributions of \$44 million (2022 – \$40 million) for the three months ended March 31, 2023 and \$164 million (2022 – \$158 million) for the LTM.

Disposition Gains - Page 23

- i. Disposition gains from principal investments are included in DE.

Capitalization – Page 24

1. Determined as the aggregate of corporate borrowings and non-recourse borrowings divided by total capitalization. Draws on revolving facilities and commercial paper issuances are excluded from the debt to capitalization ratios as they are not permanent sources of capital.

Reconciliation of IFRS to Non-IFRS Measures – Page 26

1. Other non-FFO items correspond to amounts that are not directly related to revenue earning activities and are not normal or recurring items necessary for business operations.
2. Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries. By adjusting FFO attributable to non-controlling interests, we are able to remove the portion of FFO earned at non-wholly owned subsidiaries that is not attributable to Brookfield.
3. Includes our share of Oaktree's distributable earnings attributable to realized carried interest.
4. Comparative period numbers have been revised to reflect new definitions. Refer to Glossary of Terms starting on page 35.

Entity Basis – Reconciliation to Reportable Segments – Capital – Page 27

1. Includes \$16 million of BPG preferred shares.

Entity Basis – Reconciliation to Reportable Segments – Three Months FFO and DE – Page 30, 28

1. Includes nominal amounts of BPG preferred share distributions.
2. Excludes \$44 million of preferred share distributions for the three months, which are included in determining per share results.

Entity Basis – Reconciliation to Reportable Segments – LTM FFO and DE – Page 31, 29

1. Includes nominal amounts of BPG preferred share distributions.
2. Excludes \$164 million of preferred share distributions for the LTM, which are included in determining per share results.

Glossary of Terms

The “Corporation,” “Brookfield” or “BN” refers to our business which is comprised of our asset management, insurance solutions and operating businesses.

This Supplemental Information contains key performance measures that we employ in analyzing and discussing our results. These measures include non-IFRS measures. We describe our key financial measures below and include a complete list of our performance measures on pages 129 through 135 of our 2022 annual report.

- **Asset under management** refers to the total fair value of assets that our asset management business manages, on a gross asset value basis, including assets for which this business earns management fees and those for which they do not. AUM is calculated as follows: (i) for investments that Brookfield consolidates for accounting purposes or actively manages, including investments in which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager, at 100% of the investment’s total assets on a fair value basis; and (ii) for all other investments, at Brookfield’s or its controlled investment vehicle’s, as applicable, proportionate share of the investment’s total assets on a fair value basis. Our asset management business’ methodology for determining AUM may differ from the methodology employed by other alternative asset managers and Brookfield’s AUM presented herein may differ from our AUM reflected in other public filings and/or our Form ADV and Form PF.
- **Distributable earnings (“DE”)** is our primary performance measure and a non-IFRS measure that provides insight into earnings received by the Corporation that are available for distribution to common shareholders or to be reinvested into the business. It is calculated as the sum of distributions from our asset management business, distributable operating earnings from our insurance solutions business, distributions received from our ownership of investments, realized carried interest and disposition gains from principal investments, net of earnings from our Corporate Activities, preferred share dividends and equity-based compensation costs. We also make reference to *DE before realizations*, which refers to DE before realized carried interest and realized disposition gains from principal investments.
- **Net Operating Income (“NOI”)** refers to the revenues from our operations less direct expenses before the impact of depreciation and amortization within our real estate business. We present this measure as we believe it is a key indicator of our ability to impact the operating performance of our properties. As NOI excludes non-recurring items and depreciation and amortization of real estate assets, it provides a performance measure that, when compared to prior periods, reflects the impact of operations from trends in occupancy rates and rental rates.
- **Fee-bearing capital** represents the capital committed, pledged or invested in the perpetual affiliates, private funds and liquid strategies that our asset management business manages which entitles this business to earn fee revenues. Fee-bearing capital includes both called (“invested”) and uncalled (“pledged” or “committed”) amounts. When reconciling period amounts, we utilize the following definitions:
 - Inflows include capital commitments and contributions to our private and liquid strategies funds and equity issuances in our perpetual affiliates.
 - Outflows represent distributions and redemptions of capital from within the liquid strategies capital.
 - Distributions represent quarterly distributions from perpetual affiliates as well as returns of committed capital (excluding market valuation adjustments), redemptions and expiry of uncalled commitments within our private funds.
 - Market activity includes gains (losses) on portfolio investments, perpetual affiliates and liquid strategies based on market prices.
 - Other include changes in net non-recourse debt included in the determination of perpetual affiliate capitalization and the impact of foreign exchange fluctuations on non-U.S. dollar commitments.
- **Carry eligible capital** represents the capital committed, pledged or invested in the private funds that our asset management business manages. The Corporation retains 100% of the carried interest earned on mature funds and is entitled to receive 33.3% of the carried interest on new funds of our asset management business. Carry eligible capital includes both invested and uninvested (i.e. uncalled) private fund amounts as well as those amounts invested directly by investors (co-investments) if those entitle us to earn carried interest. We believe this measure is useful to investors as it provides additional insight into the capital base upon which we have potential to earn carried interest once minimum investment returns are sufficiently assured.
- **Annualized fees** include annualized base management fees, which are determined by the contractual fee rate multiplied by the current level of fee-bearing capital, annualized incentive distributions based on our perpetual affiliates’ current annual distribution policies, annualized transaction and liquid strategies performance fees equal a simple average of the last two years’ revenues.
- **Fee-related earnings** is comprised of fee revenues less direct costs associated with earning those fees, which include employee expenses and professional fees as well as business related technology costs, other shared services and taxes. We use this measure to provide additional insight into the operating profitability of our asset management business.

Glossary of Terms cont'd

- **Carried interest** is a contractual arrangement whereby we receive a fixed percentage of investment gains generated within a private fund provided that the investors receive a pre-determined minimum return. Carried interest is typically paid towards the end of the life of a fund after the capital has been returned to investors and may be subject to “clawback” until all investments have been monetized and minimum investment returns are sufficiently assured. This is referred to as **realized carried interest**. We defer recognition of carried interest in our financial statements until they are no longer subject to adjustment based on future events. Unlike fees and incentive distributions, we only include carried interest earned in respect of third-party capital when determining our segment results.
 - **Unrealized carried interest** is the change in accumulated unrealized carried interest from prior period and represents the amount of carried interest generated during the period. We use this measure to provide insight into the value our investments have created in the period.
 - **Accumulated unrealized carried interest** is based on carried interest that would be receivable under the contractual formula at the period end date as if a fund was liquidated and all investments had been monetized at the values recorded on that date. Unrealized carry refers to the change in unrealized carry during a specified period, adjusted for realized carry.
 - **Accumulated unrealized carried interest, net** is after direct costs, which include employee expenses and taxes.
 - **Annualized target carried interest** represents the annualized carried interest we would earn on third-party private fund capital subject to carried interest based on the assumption that our asset management business achieves the targeted returns on the private funds. It is determined by multiplying the target gross return of a fund by the percentage carried interest and by the amount of third-party capital, and discounted by a utilization factor representing the average invested capital over the fund life.
- **Capital** is the amount of common equity in our operating businesses.
- **Fee revenues** include base management fees, incentive distributions, performance fees and transaction fees presented within our Asset Management segment. Fee revenues exclude carried interest.
- **Funds from operations (“FFO”)** is a non-IFRS measure. FFO includes the fees that we earn from our asset management business managing capital as well as our share of revenues earned and costs incurred within our operations, which include interest expense and other costs. FFO is defined as net income attributable to shareholders prior to fair value changes, depreciation and amortization, deferred income taxes, and includes disposition gains that are not recorded in net income as determined under IFRS. FFO also includes the company's share of equity accounted investments' funds from operations on a fully diluted basis. Brookfield uses FFO to assess its operating results and believes that many of its shareholders and analysts also find this measure valuable to them.
 - FFO from **operating activities** represents the company's share of revenues less operating costs and interest expenses: it excludes realized carried interest, disposition gains, fair value changes, depreciation and amortization, deferred income taxes, and includes our proportionate share of similar items recorded by equity accounted investments. We present this measure as we believe it assists in describing our results and reconciling variances within FFO.
 - **Realized carried interest** represents our share of investment returns based on realized gains within a private fund. Realized carried interest earned is recognized when an underlying investment is profitably disposed of and the fund's cumulative returns are in excess of preferred returns, in accordance with the respective terms set out in the fund's governing agreements, and when the probability of clawback is remote. Realized carried interest is determined on third-party capital that is no longer subject to future investment performance.
 - **Performance fees** are paid to our asset management business when we exceed predetermined investment returns within BBU. BBU performance fees are accrued quarterly based on the volume-weighted average increase in BBU unit price, using the combined units and shares of BBU and BBUC. Performance fees are not subject to clawback.
 - **Realized disposition gains/losses** are included in FFO as the purchase and sale of assets is a normal part of the company's business. They include gains or losses arising from transactions during the reporting period together with any fair value changes and revaluation surplus recorded in prior periods and are presented net of cash taxes payable or receivable. Realized disposition gains include amounts that are recorded in net income, other comprehensive income and as ownership changes in our consolidated statements of equity, and exclude amounts attributable to non-controlling interests unless otherwise noted.

Glossary of Terms cont'd

- **Incentive distributions** are determined by contractual arrangements and are paid to our asset management business by BEP and BIP and represent a portion of distributions paid by perpetual affiliates above a predetermined hurdle.
- **Base management fees** are determined by contractual arrangements, are typically equal to a percentage of fee-bearing capital and are accrued quarterly.
- **Internal rate of return ("IRR")** is the annualized compounded rate of return of the fund, calculated since initial investment date.
- **Corporate capitalization** represents the amount of debt issued by the Corporation, accounts payable and deferred tax liability in our Corporate segment as well as our issued and outstanding common and preferred shares.

Notice to Readers

Brookfield is not making any offer or invitation of any kind by communication of this Supplemental Information and under no circumstance is it to be construed as a prospectus or an advertisement.

This Supplemental Information contains “forward-looking information” within the meaning of Canadian provincial securities laws and “forward-looking statements,” within the meaning of certain securities laws including 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. We may make such statements in this profile, in other filings with Canadian regulators and the Securities Exchange Commission or in other communications. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions and include statements which reflect management’s expectations regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the corporation and its subsidiaries, capital committed to our funds, our liquidity and ability to access and raise capital, our ability to capitalize on investment opportunities, the potential growth of our asset management business and the related revenue streams therefrom, the prospects for increasing our cash flow from or continued achievement of targeted returns on our investments, 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.” In particular, the forward-looking statements contained within this Supplemental Information include statements referring to the future state of the economy or the securities market and expected future deployment of capital, dispositions and associated realized carried interest, as well as statements regarding the results of future fundraising efforts.

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 achievements expressed or implied by such forward-looking statements and information.

Some of the factors, many of which are beyond Brookfield’s control and the effects of which can be difficult to predict, but may cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: (i) investment returns that are lower than target; (ii) the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business; (iii) the behavior of financial markets, including fluctuations in interest and foreign exchange rates; (iv) global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; (v) strategic actions including dispositions; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; (vi) changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); (vii) the ability to appropriately manage human capital; (viii) the effect of applying future accounting changes; (ix) business competition; (x) operational and reputational risks; (xi) technological change; (xii) changes in government regulation and legislation within the countries in which we operate; (xiii) governmental investigations; (xiv) litigation; (xv) changes in tax laws; (xvi) ability to collect amounts owed; (xvii) catastrophic events, such as earthquakes, hurricanes and epidemics/pandemics; (xviii) the possible impact of international conflicts and other developments including terrorist acts and cyberterrorism; (xix) the introduction, withdrawal, success and timing of business initiatives and strategies; (xx) the failure of effective disclosure controls and procedures and internal controls over financial reporting and other risks; (xxi) health, safety and environmental risks; (xxii) the maintenance of adequate insurance coverage; (xxiii) the existence of information barriers between certain businesses within our asset management operations; (xxiv) risks specific to our business segments including renewable power and transition, infrastructure, private equity, real estate, and other alternatives, including credit; and (xxv) factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States, including in “Part 6 – Business Environment and Risks” of our Annual Report available on SEDAR at www.sedar.com and EDGAR at www.sec.gov.

We caution that the foregoing list of important factors that may affect future results is not exhaustive and other factors could also adversely affect its results. Readers are urged to consider the foregoing risks, as well as other uncertainties, factors and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such forward-looking information. 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.

Notice to Readers cont'd

STATEMENT REGARDING PAST AND FUTURE PERFORMANCE AND TARGET RETURNS

Past performance is not indicative nor a guarantee of future results. There can be no assurance that comparable results will be achieved in the future, or that future investments or fundraising efforts will be similar to the historic results presented herein (because of economic conditions, the availability of investment opportunities or otherwise).

The target returns set forth herein are for illustrative and informational purposes only and have been presented based on various assumptions made by Brookfield in relation to, among other things, the investment strategies being pursued by the funds, any of which may prove to be incorrect. Due to various risks, uncertainties and changes (including changes in economic, operational, political or other circumstances) beyond Brookfield's control, the actual performance of the funds could differ materially from the target returns set forth herein. In addition, industry experts may disagree with the assumptions used in presenting the target returns. No assurance, representation or warranty is made by any person that the target returns will be achieved, and undue reliance should not be put on them. Prior performance is not indicative of future results and there can be no guarantee that the funds will achieve the target returns or be able to avoid losses.

STATEMENT REGARDING USE OF NON-IFRS MEASURES

We disclose a number of financial measures in this Supplemental Information that are calculated and presented using methodologies other than in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), which include but are not limited to Funds from Operations ("FFO") and Distributable Earnings ("DE"). We utilize these measures in managing the business, including for performance measurement, capital allocation and valuation purposes and believe that providing these performance measures on a supplemental basis to our IFRS results is helpful to investors in assessing the overall performance of our businesses. These non-IFRS measures have limitations as analytical tools and should not be considered as the sole measure of our performance and should not be considered in isolation from, or as a substitute for, similar financial measures calculated in accordance with IFRS. We caution readers that these non-IFRS financial measures or other financial metrics may differ from the calculations disclosed by other businesses and, as a result, may not be comparable to similar measures presented by other issuers and entities.