

# Financial Profile

We measure value creation for business planning and performance measurement purposes using a consistent set of metrics as shown in the table below. This analysis is similar to what we and our Board of Directors use when assessing performance and growth in our business, and we believe it helps readers to understand our business. These plan values are for illustrative purposes only and are not intended to forecast or predict future events or to measure intrinsic value.

AS AT AND FOR THE YEARS ENDED DEC. 31	Base <sup>1</sup>	Plan Value Factor <sup>2</sup>	2020	2019
	(MILLIONS)		(BILLIONS, EXCEPT FOR PER SHARE AMOUNT)	
<b>Asset management activities</b>				
Current fee-related earnings <sup>3</sup>	\$ 1,565	25x	\$ 39.1	\$ 35.9
Target carried interest, net <sup>3</sup>	1,720	10x	17.2	15.5
Accumulated unrealized carried interest, net			2.6	2.4
			<b>58.9</b>	<b>53.8</b>
<b>Invested Capital, net</b>				
Listed investments			47.0	37.8
Unlisted investments and net working capital			11.3	9.2
Invested capital, gross			<b>58.3</b>	<b>47.0</b>
<b>Total asset management activities and invested capital</b>			<b>117.2</b>	<b>100.8</b>
Leverage <sup>4</sup>			<b>(13.5)</b>	<b>(11.2)</b>
<b>Total plan value<sup>3</sup></b>			<b>\$ 103.7</b>	<b>\$ 89.6</b>
<b>Total plan value (per share)</b>			<b>\$ 65.90</b>	<b>\$ 56.73</b>



1. Base fee-related earnings and target carried interest, net, represent our annualized fee revenues and target carried interest, as at December 31, 2020, net of associated direct costs. We assume a fee-related earnings margin of 60% and 30% for Brookfield and Oaktree, respectively. We assume a 70% and 50% margin on gross target carried interest for Brookfield and Oaktree, respectively.
2. Reflects our estimates of appropriate multiples applied to fee-related earnings and carried interest in the alternative asset management industry based on, among other things, current industry reports. These factors are used to translate earnings metrics into value in order to measure performance and value creation for business planning purposes. These factors may differ from those used by other alternative asset management companies and other industry experts in determining value.
3. See definition of Plan Value in the Notice to Readers on page 15.
4. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.